

Date: May 25, 2018

To,
The Listing Compliance Department,
BSE Limited,
P. J. Tower, Dalal Street,
Mumbai – 400 001

To,
The Listing Compliance Department,
National Stock Exchange of India Limited,
Exchange Plaza, Bandra Kurla Complex,
Bandra (East), Mumbai - 400051

Ref.: PC Jeweller Limited (Scrip Code: 534809, Symbol: PCJEWELLER)

Sub.: Management Presentation

Dear Sir/Madam,

Please find enclosed herewith the Management Presentation on the audited standalone financial results of the Company for the quarter / year ended March 31, 2018.

Kindly take the same on record.

Thanking you.

Yours sincerely,

For **PC Jeweller Limited**

(SANJEEV BHATIA)

Chief Financial Officer

Encl.: As above

PC Jeweller Limited

REGD. & CORPORATE OFF: C - 54, PREET VIHAR, VIKAS MARG, DELHI - 110 092 PH: 011 - 49714971 FAX : 011 - 49714972

info@pcjeweller.com • www.pcjeweller.com • CIN: L36911DL2005PLC134929



PC Jeweller Ltd

Results Presentation

May 25th, 2018

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Quarterly highlights

Q4 2018 Domestic Retail Sales : Rs 1,800 crores (12.3% growth over Q4 2017)

Q4 2018 PAT : Rs 118 crores (7.5% growth over Q4 2017)

Q4 2018 Domestic Retail PAT : Rs 111 crores (14.6% growth over Q4 2017)

Q4 2018 Domestic Retail EBITDA : Rs 199 crores (1.1% growth over Q4 2017)

FY 2018 Sales : Rs 9,489 crores (17.2% growth over FY 2017)

FY 2018 Domestic Retail Sales : Rs 6,799 crores (27.5% growth over FY 2017)

FY 2018 EBITDA : Rs 1,092 crores (26.5% growth over FY 2017)

FY 2018 Domestic Retail EBITDA : Rs 876 crores (27.7% growth over FY 2017)

FY 2018 PAT : Rs 567 crores (31.8% growth over FY 2017)

FY 2018 Domestic Retail PAT : Rs 499 crores (42.6% growth over FY 2017)



Financial Updates



Highlights: Overall Business



Particulars (Rs. Crores)	Q4 FY 2018	Q4 FY 2017	FY 2018	FY 2017
Revenue from Operations	2,103	2,155	9,489	8,099
Domestic Retail	1,800	1,603	6,799	5,333
Exports	303	552	2,690	2,766
Gross Margins (%)	15.3%	12.1%	14.2%	12.7%
Domestic Retail	16.1%	15.0%	16.7%	16.6%
Exports	10.2%	3.8%	7.9%	5.1%
Expenses (% of total Revenue)				
Employee Expenses	1.1%	0.9%	0.9%	1.0%
Advertisements	1.8%	0.7%	0.8%	0.4%
Other Costs	2.3%	2.3%	2.0%	1.9%
Other Income	0.5%	2.4%	1.0%	1.3%
EBITDA Margins	10.6%	10.6%	11.5%	10.7%
Finance Cost	4.0%	3.3%	3.2%	3.4%
Depreciation	0.2%	0.3%	0.2%	0.3%
PBT Margins	6.4%	7.0%	8.1%	7.0%
PAT Margins	5.6%	5.1%	6.0%	5.3%



Highlights: Domestic Business



Particulars (Rs. Crores)	Q4 FY 2018	Q4 FY 2017	FY 2018	FY 2017
Revenue from Operations	1,800	1,603	6,799	5,333
Gross Margins (%)	16.1%	15.0%	16.7%	16.6%
EBITDA Margins (%)	11.1%	12.3%	12.9%	12.9%
PBT Margins (%)	6.9%	7.6%	9.8%	8.6%
PAT Margins (%)	6.2%	6.1%	7.3%	6.6%

Highlights: Export Business

Particulars (Rs. Crores)	Q4 FY 2018	Q4 FY 2017	FY 2018	FY 2017
Revenue from Operations	303	552	2,690	2,766
Gross Margins (%)	10.2%	3.8%	7.9%	5.1%
EBITDA Margins (%)	8.0%	5.5%	8.0%	6.4%
PBT Margins (%)	5.0%	5.3%	3.9%	3.9%
PAT Margins (%)	3.9%	2.3%	2.7%	2.9%



NET WORKING CAPITAL

Particulars (Rs. Crores)	FY 18	FY 17
Current Assets		
Inventory	5,161	4,119
Receivables	1,762	1,428
Less: Subsequent realisation (as per clause 33)	417	154
Net receivables	1345	1274
Bank Balances/FDRs/Cash	1492	932
Other current assets	152	305
Sub Total (A)	8,150	6,630
Current Liabilities		
Gold Loan Payables	3,384	2,759
Other Trade Payables	177	48
JFL	160	117
Short Term Borrowings	1,025	634
Other current liabilities	253	228
Sub Total (B)	4,999	3,786
NET WORKING CAPITAL (A – B)	3,151	2,844



Showroom Details



Particulars	Own Showrooms		Franchisee		Total	
	FY 18	FY 17	FY 18	FY 17	FY 18	FY 17
Number of Cities	63	53	10	5	73	58
Number of showrooms	82	70	10	5	92	75
Total Area (in sqft)	3,93,414	3,73,404	26,549	13,719	4,19,963	3,87,123
Area/Showroom (in sqft)	4,798	5,334	2,655	2,744	4,565	5,162

	FY 2018	FY 2017
Studded Jewellery Percentage to Domestic sales	32.1%	29.7%
Domestic Grammage sold (in kgs)	15,537	13,857



Analysis Q-o-Q

Particulars (Rs. Crores)	Q4 FY 2018	Q4 FY 2017
Revenue from Operations	2,103	2,155
Gross Margins	321	262
Gross Margins (%)	15.3%	12.1%
Expenses		
Employee Expenses	23	19
Advertisements	38	14
Other Costs	47	52
Other Income	11	51
Net Expense	97	34
Total Expense (%)	4.6%	1.6%
EBITDA	224	228
PAT	118	110

- Q-o-Q PAT growth has been 7.5% in spite of the following –
 - Advertisement cost increased by 165% as a result of increased marketing promotions.
 - Other income has decreased by Rs 40 crs representing MTM gains.
 - Net Expenses as a percentage of revenue were lower by 1.5% on account of this in Q4 FY 2017.



Key Financial Analysis

- Debtors -

- Receivables increased from Rs 1430.00 crs in FY 2017 to Rs 1761.81 crs in FY 2018.
- However, these also includes payments amounting to Rs 417 crs made by end of March 2018, (previous year Rs 154 crs) which could only be realised in our accounts in the month of April 2018
- Therefore the debtor level has actually gone up from Rs 1274 crs to Rs 1345 crs, an increase of Rs 71 crs.
- If we look at the Re depreciation over the year, then the receivables level is almost steady .
- More than 90% of receivables represent export receivables.
- The domestic receivables basically consists of cheques under collection, credit card receivables and some credits provided to franchisee on account of increased festive demands.

- Inventory –

- The increase in inventory was primarily on account of the following –
 - ❖ Owned showrooms increased from 70 showrooms at the end of FY 2017 to 82 showrooms at the end of FY 2018.
 - ❖ Inventory build-up for Akshay Tritiya (including for 12 franchisees) and new collections.

- Payables –

- The major payables of the company consists of metal gold loan (gold on lease).

- Interest Costs –

- Interest costs includes cost of CC, Gold on lease and SBLC commission.
- However, the overall finance costs has decreased from 3.39% in FY 2017 to 3.18% in FY 2018.



Key Financial Analysis

- Cash & Cash equivalents -

Particulars	Amount (in Crs)
Cash and Bank Balance as on 31.03.2018	1491.47
Add : Subsequent realisation of export receivables	416.91
Less: reserves for Buy back	424.00
Less : Amount required for margin money for leased gold	300.00
Balance amount to be utilised for reducing liabilities and debt	1187.38

The company is planning to expand by franchisee route only and 90% stores will be opened in franchisee model. Hence the company's internal working capital requirements are not to increase.



Collections launched successfully (La Danza)



Collections launched successfully (La Danza)



Collections launched successfully (Lal Quila)



Collections launched successfully (Lal Quila)



New Showrooms (Q4 2018)

Rudrapur, Uttarakhand



Aurangabad, Maharashtra



New Showrooms (Q4 2018)

Hardoi, Uttar Pradesh



Palwal, Haryana



New Showrooms (Q4 2018)

Kaithal, Haryana



Krishna Nagar, New Delhi



New Showrooms (Q4 2018)

Rohini, New Delhi



Muzaffarnagar, Uttar Pradesh



New Showrooms (already opened in FY 19 till now)

Pune, Maharashtra



Hyderabad, Telangana



For further information, please contact:

Company :

PC Jeweller Ltd

CIN: L36911DL2005PLC134929

Mr. Sanjeev Bhatia

Email: sanjeev.bhatia@pcjeweller.com

www.pcjeweller.com

Investor Relations Advisors :

Strategic Growth Advisors Pvt. Ltd.

CIN: U74140MH2010PTC204285

Mr. Rahul Agarwal/ Mr. Shrikant Sangani

rahul.Agarwal@sgapl.net /
shrikant.sangani@sgapl.net

www.sgapl.net

