



# Goldiam International Ltd

MANUFACTURERS & EXPORTERS OF DIAMONDS & JEWELLERY

CIN:L36912MH1986PLC041203

February 11, 2021

To, <b>BSE Limited</b> PhirozeJeejeebhoy Towers, Dalal Street, Mumbai- 400 001. <b>Scrip Code: 526729</b>	To, <b>National Stock Exchange of India Limited</b> Exchange Plaza, Bandra Kurla Complex, Mumbai- 400 051. <b>Scrip Code: GOLDIAM EQ</b>
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Dear Sir/Madam,

**Sub: Press Release in respect of Unaudited Financial Results for the quarter ended December 31, 2020**

Enclosed herewith please find the Press Release on the Performance of the Company for the quarter ended December 31, 2020.

The aforesaid Press Release will also be uploaded on the website of the Company i.e. [www.goldiam.com](http://www.goldiam.com)

Kindly take the above on record and oblige.

Thanking you,

Yours faithfully,  
For **Goldiam International Limited**



**Pankaj Parkhiya**  
Company Secretary & Compliance Officer

**Registered Office**

Gems & Jewellery Complex, Santacruz Electronics Export Processing Zone, Andheri (East), Mumbai-400096. India

Phones: (022) 28291893/28290396/28292397 Fax : (022) 28292885 Email:- [investorrelations@goldiam.com](mailto:investorrelations@goldiam.com)

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## Goldiam International reports 2X growth in PAT for Q3FY21; announces Divided Policy of 50% of standalone PAT.

### Invests in Lab-grown diamonds business by acquiring Eco-Friendly Diamonds LLP

**Mumbai, February 11 2021:** Goldiam International Ltd (Goldiam), a reputable integrated manufacturer and supplier of impeccable diamond-jewellery to leading retailers and wholesalers in the USA and Europe, has announced its results for the quarter and nine months ended on 31st December 2020.

### Financial Highlights (consolidated) – Q3FY21 & 9MFY21

Particulars (₹ Mn)	Q3FY21	Q3FY20	YoY	9MFY21	9MFY20	YoY
Revenue	1587	1010	57%	2815	3035	-7%
EBITDA	411	319	29%	617	614	1%
PAT	447	224	99%	579	425	36%
EPS	20.2	9.8	106%	26.1	18.48	41%

- Consolidated Revenue increased by 57% YoY due to pent up consumer demand. US witnessed a significant recovery in consumer spending post the COVID19 disruption. Jewellery stores in the US resorted to inventory restocking for Thanksgiving and the holiday season, which led to a surge in pent-up demand. Profit growth was further aided on account of consolidation of Eco-Friendly Dimanonds LLP in Q3FY21.
- Consolidated EBITDA for Q3FY21 increased by 29% YoY, led by higher revenue and various cost control measures initiated by the Company. EBITDA margins improved sequentially by 900 bps to 26% in Q3FY21, against 17% in Q2FY21.
- Consolidated PAT for Q3FY21 increased by 100% YoY led by overall efficiency and exceptional gains of ₹157mn on the sale of a real-estate property. This has further strengthened the Company's liquidity position, specially after incurring the all-cash acquisition deal of Eco Friendly Diamonds LLP.

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## Dividend For FY21:

- Company declares 2nd Interim dividend for FY21 of ₹2 per share (20% of paid up capital). This payout will translate into 10% of consolidated PAT of Q3FY21.
- The Company had declared 1st Interim dividend on 10th November 2021 of ₹3 per share (30% of paid up capital) that was equivalent to 50% of consolidated PAT of H1FY21.
- With this 2nd interim dividend, the company has so far declared total dividend of ₹5 per share for FY21 totalling to ₹111 mn, which translates into 20% of consolidated PAT of 9MFY21.

## Remaining Debt-Free:

Goldiam places confidence in a highly prudent and conservative approach to financial engineering and strongly believes in remaining debt-free. Despite challenges within the Gems and Jewellery industry, the Company continues to grow its business mainly by depending on its robust internal accruals. **As on Q3FY21, Goldiam (consolidated) currently has cash & cash equivalents to the tune of ₹ 3bn (₹300 crores)**

## Dividend Distribution Policy

The Company is deeply committed towards wealth-creation for all its stakeholders. The Company believes that returning cash to shareholders is an essential component of overall value-creation. The objective of this Dividend Distribution Policy is to ensure an equitable balance between the quantum of dividend paid-out, and the amount of profits preserved for future growth. As per the policy, the Company endeavours to maintain a minimum pay-out ratio of 50% of the annual Standalone Profits after Tax (PAT) to be either used for Dividend and/or Buy-back of shares, subject to the considerations of the parameters stated in this Policy. Over the last five years, the Company has delivered an average Dividend pay-out of 31% and two buy-back of shares to the tune of ₹ 300 mn.

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## **Investments in the Lab-Grown Diamond Business**

In Q3FY21, the Company acquired 51% of Eco-Friendly Diamonds LLP (EDL) . EDL is engaged in growing and manufacturing lab-created diamonds via the 'Chemical Vapor Deposition' (CVD) method. CVD diamonds are equally appealing yet more cost-effective compared to natural, mined diamonds, and are becoming increasingly popular in international markets, already enjoying a marketshare of 3.1% of overall US jewellery sales. This acquisition will further consolidate Goldiam's share of this exciting and growing opportunity. On the profitability front, lab-grown diamonds enjoy generally better margins relative to natural, mined diamonds.

## **Digital Push - Growing E-commerce Capabilities**

In Q3FY21, the Company has recently launched a B2B E-commerce website to cater to a new market segment within the US Retail Jewellery industry ([www.jewelfleet.com](http://www.jewelfleet.com)). The Company hopes to create new avenues through a concerted digital push and secure additional business on more favourable payment terms and a higher margin profile, which Company aims to scale online sales to a range between 20% to 25% over long term. These online sales typically carry a better margin profile and are less working capital intensive. Mr.Anmol Bhansali (Director) will spearhead the digital initiatives of the group.

**Commenting on the performance, Mr Rashesh Bhansali, Chairman and Managing Director, Goldiam International, said,** "Goldiam has reported excellent growth in business despite the challenges of Covid-19 pandemic. The Company had a good quarter as stores rushed to order inventory for the holiday season and in preparation for pent-up consumer demand. For the coming quarter, demand continues to remain strong as retailers continue discounting and promotions to attract sales for Valentine's Day.

Goldiam is poised at fascinating phase for the journey ahead. The Company have made strategic investments into lab-grown diamonds business, which company believes will propel quality growth. The Company have also made a solid push into the digital strategies, which will be another pillar for the growth.

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Along with growth, Goldiam also believes in remaining debt-free and consistently rewarding its shareholders. Thus the company have initiated a Dividend Distribution Policy that ensures equitable and consistent growth for its stakeholders. Goldiam is well-positioned to reap the benefits of resurging international markets.”

## About Goldiam International Limited (Goldiam)

**Goldiam International Limited (NSE: GOLDIAM, BSE: 526729)** is a 3 decade old exporter of exquisitely designed and luxurious diamond jewellery. Functioning as the manufacturer of choice to many of the leading global branded retailers, departmental stores and wholesalers across American and European markets, the Company is also renowned for utilizing responsibly sourced diamonds , leveraging cutting edge technologies and efficient manufacturing processes for optimal costings and short delivery lead-times. Targeting the mid-to-affordable diamond & bridal jewellery segments, Goldiam has a dedicated sales office in New York, with design teams in both India and the USA.

### Forward-Looking Statement:

Certain statements in this document may be forward-looking statements. Such forward-looking statements are subject to certain risks and uncertainties like regulatory changes, local political or economic developments, technological risks, and many other factors that could cause our actual results to differ materially from those contemplated by the relevant forward-looking statements. Goldiam International Limited will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.

### For more information, please contact

Pankaj Parkhiya

Company Secretary & Compliance Officer

pankaj@goldiam.com

Chintan Mehta

Dickensonworld

chintan.mehta@dickensonworld.com

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