



Goldiam International Ltd

MANUFACTURERS & EXPORTERS OF DIAMONDS & JEWELLERY

CIN:L36912MH1986PLC041203

February 8, 2022

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

Sub: Press Release in respect of Unaudited Financial Results for the quarter ended December 31, 2021

Enclosed herewith please find the Press Release on the Performance of the Company for the quarter ended December 31, 2021.

The aforesaid Press Release will also be uploaded on the website of the Company i.e. 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

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Goldiam International continues its strong momentum, reports sales at INR 5,539 mn for 9MFY22, up by 97% YoY

- 9MFY22 PAT at INR 831 mn, up by 97% YoY
- The Board recommends an interim dividend of 30%;
Subdivision of shares from INR 10 to INR 2

Mumbai, February 08, 2022: Goldiam International Ltd. (Goldiam), an integrated manufacturer and supplier of fine 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 2021.

Thanks to its unique business model, design capabilities, backward-integrated presence in lab-grown diamonds coupled with omnichannel manufacturing service and digital initiatives, the Company recorded its highest ever nine-month sales in 9MFY22. The Company has comfortably surpassed its FY21 topline and bottomline by 36% and 24%, respectively during 9MFY22. Additionally, Goldiam experienced enhanced spending from end customers during the Thanksgiving Day and Christmas Season during Q3FY22.

Financial Highlights (Consolidated) – Q3 & 9MFY22

Particulars (₹ in Mn)	Q3FY22	Q3FY21	YoY	9MFY22	9MFY21	YoY
Revenue	2,240	1,587	41%	5,539	2,815	97%
EBITDA	570	411	39%	1,210	617	96%
EBITDA margin	25.5%	25.9%	(46 bps)	21.8%	21.9%	(10 bps)
*Adj. PAT	396	290	36%	831	422	97%
EPS (in ₹)	18.16	20.16	(10%)	37.91	26.11	45%

*Adj. PAT excluding exceptionals

- Consolidated **Revenue** during 9MFY22 grew by 97% YoY to INR 5,539 million due to improved consumer sentiments with return of in-store shoppers to retail outlets leading to higher US Jewellery demand from Retailers & End Customers.
- Consolidated **EBITDA** for 9MFY22 surged by 96% YoY to INR 1,210 million, EBITDA margins stood at 21.8% led by operating leverage and better product mix. Goldiam continues to benefit from its strategy of selling Lab Grown Diamond jewellery backed by captive lab grown diamonds manufacturing, presence across the value chain, coupled with omnichannel sales presence.
- Consolidated **Adj. PAT** for 9MFY22 recorded a growth of 97% YoY to INR 831 million reflecting overall business efficiency.
- Q3FY21 includes exceptional gain on INR 157.10 mn due to a one-time, non-business gain on sale of property. Therefore, Adj. PAT is comparable on a L2L basis only.

Capex in Lab-Grown Diamonds

Goldiam International plans to incur a capex of INR 100 mn for enhancing its in-house Lab-Grown Diamonds capacity. The aforesaid capex will be completed by in April 2022. The new capacity will complement Goldiam's jewellery manufacturing, thereby yielding higher margins.

Omni channel strategy, with increasing push towards online platform

The Company's omnichannel strategy has been paying rich dividends in terms of wide reach for its customer base. The Company has been an early mover in delivering jewellery via online platform with committed delivery dates of 7 days. This strategy aligns with Goldiam's overall vision of being in a higher RoE business. The online platform model of delivery works at a negative working capital, proving to be RoE lucrative. In fact, Consolidated ROCE for the Jewellery business has crossed 35% for 9M and is expected to cross 40% conservatively for FY22.

Lab-Grown Diamond & Jewellery business enhancing overall margin profile

Thanks to the continuous enhancement in technology, Goldiam has achieved the highest realization per diamond, since the start of the LGD growing business.

The Lab-Grown Diamonds and Lab-Grown Diamond jewellery account for 18% of the Company's revenue in 9MFY22 against under 5% for the jewellery export industry. Thanks to the Company's focus on growing larger cartage diamonds, its LG business records a higher ticket size per unit than the core natural diamond jewellery business. The Company is currently in the process of completing its first large order of bridal jewellery wherein the center solitaire diamonds are entirely grown in-house, manufactured in-house, made into jewellery pieces in-house, thus making Goldiam the only end-to-end supplier of LGD diamond studded jewellery to US Retail clients.

Goldiam owns an 88% stake in Eco-Friendly Diamonds LLP (EDL) which is involved in the manufacturing of Lab Grown Diamonds.

Update on Buy Back/ Dividend

The Company has completed a buyback of 3,80,000 equity shares of the Company by the end of December 2022 for an aggregate amount not exceeding INR 456 mn. The maximum buyback price was set at INR 1,200/- per equity share as on the record date on a proportionate basis under the tender offer route using the stock exchange mechanism. The buyback size constituted 1.7% of the total paid-up equity share capital and ~19.35% of the total standalone paid-up equity share capital and free reserves of Goldiam as on FY21.

Over the last five years, Goldiam has carried out three buybacks of shares to the tune of INR 756 mn. During the last five years (FY17-21), Goldiam has utilized INR 841.7 mn on Dividends and Buybacks.

Order Book Status

Goldiam has an order book size of INR 1,000 mn. This order book is expected to be executed by FY22. E-commerce sales, given its nature of being booked online (on a spot basis), is not part of the order book.

Commenting on the performance, Mr. Rashesh Bhansali, Chairman and Managing Director, Goldiam International, said, "It gives me immense pleasure to share with you that the Company has recorded the highest ever nine-month sales shielding its margin profile with the return of in-store shoppers to retail outlets. The Company experienced strong momentum in US Jewellery demand from Retailers & End Customers backed with improved consumer

sentiments. Goldiam received positive customer responses for both natural and lab-grown diamonds jewellery sales. The Company outperformed the industry's growth with its new styles and re-orders of bestseller styles in the US retail market. Additionally, I am happy to share with you that continuing its commitment towards creating shareholders value, Goldiam's board has recommended an interim dividend of 30% to its stakeholders.

With the increasing demand for Lab-Grown Diamonds, Goldiam plans to scale up in-house Lab-Grown Diamonds by incurring a capex of INR 100 mn in Q4FY22. The commercial production for the same is expected to be commenced from Q1FY23. The new capacity will be used for Goldiam's jewellery manufacturing, leading to a stronger margin profile for the consolidated product. The Company looks forward to conclude FY22 on a high by riding on the increased sales inquiries and bookings for the new and existing styles for the upcoming Valentine's Day gifting season."

About Goldiam International Limited (Goldiam)

Goldiam International Limited (NSE: GOLDIAM, BSE: 526729) is a 3-decade old preferred OEM partner and 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

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