Operator: Ladies and gentlemen, good day, and welcome to the PNGS Reva Diamond Jewellery Ltd. Q2 and H1 FY27 earnings conference call. As a reminder, all participant lines will be in listen-only mode, and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing star then zero on your touchtone phone. Please note that this conference is being recorded. I now hand the conference over to Mr. Suyash Samant from Stellar Investor Relations Advisors. Thank you, and over to you, Mr. Samant.

Suyash Samant: Thank you. Good afternoon, everyone, and thank you for joining us today. We have with us today the senior management team of PNGS Reva Diamond Jewellery Ltd., Mr. Amit Modak, Whole-Time Director and Chief Executive Officer, and Mr. Aditya Modak, Non-Executive Director, who will represent PNGS Reva Diamond Jewellery Ltd. on the call. The management will be sharing the key operating and financial highlights for the quarter and half year ended September 30, 2026, followed by a question-and-answer session.

Please note that this call may contain some forward-looking statements that are completely based upon the company's beliefs, opinions, and expectations as of today. These statements are not a guarantee of the company's future performance and involve unforeseen risks and uncertainties. The company also undertakes no obligation to update any forward-looking statement to reflect developments that occur after a statement is made. I now hand over the conference to Mr. Amit Modak. Thank you, and over to you, sir.

Amit Modak - Whole-Time Director and Chief Executive Officer: Thank you. Welcome to all. I wish you all a happy upcoming festival. Navratri has already passed, and we have all celebrated Navratri.

This is our third earnings call. The first earnings call was last year for the Q3 performance, then there was a call for the Q1 performance, and now this is the Q2 performance of FY27 or H1 FY27.

We are pleased to report that the strong performance in Q2 and H1 FY27 delivered almost 46% year-on-year revenue growth in Q2 FY27 and 76% overall in H1 FY27, excluding gold sales.

Our PPT and presentation are already available on the website as well as on the BSE website, from where you can get all the figures in detail along with our commentary.

This growth is particularly encouraging, given that Q2 FY27 had no festival days, whereas in FY26, the last 9 days of September were festival days for Navratri. Despite this difference in the festive calendar, we continue to witness healthy consumer demand, reflecting the resilience of the Reva brand and the strength of our business model, as well as the increasing shift of customers from plain gold jewellery to studded jewellery, particularly natural diamond-studded gold jewellery.

Let me begin by sharing the operational highlights. During FY27, we launched three new COCO stores. One was launched at Amanora Mall in Pune, at Hadapsar. Another was launched at Nashik, on College Road, and one at Jaipur, which was the first outside Maharashtra for Reva. Including our first store outside Maharashtra, in Rajasthan, in Jaipur city, this further strengthened our retail presence and expanded our reach into new markets. Our COCO stores are performing in line with expectations, and we remain focused on expanding our retail footprint to quality locations and

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delivering a superior customer experience.

If we go through this rapidly, there are seven—six EBOs right now. Just half an hour ago, one EBO started operating at Bavdhan. Wakad was the EBO established prior to the IPO, at the end of September last year. Then there was Paud Road, which was established in the last week of March. Then Amanora Park, Amanora Mall, which was established in the first week of July. Nashik was established at the end of August. Then there was Jaipur, which was the first outside Maharashtra. Then Bavdhan, which was inaugurated today. This week, we will announce one more, and that precise announcement will be made in the public domain through an exchange notification.

We are proud to onboard Sharvari Wagh as our brand ambassador and brand face, marking an important milestone in Reva's growth journey. We require a national-level face, and she works in Hindi movies and Hindi serials. She is a known face in the northern part of India, where we are going to launch our expansion outside Maharashtra. Sharvari Wagh will be our brand face, known in the areas where we are working. Being Marathi, she is becoming associated with our brand and our legacy, and she is also very well known on a pan-India basis.

We also successfully launched our e-commerce platform, revadiamond.com, strengthening our digital presence and providing customers with an additional channel to explore our natural diamond jewellery collection. This initiative complements our retail expansion strategy and supports our efforts to build a scalable retail and digital platform.

Generally, in this kind of industry, where pure gold, natural diamonds, certified diamonds, and all these things are traded, there is limited scope for online sales. However, this online or e-commerce platform gives customers visibility of our entire product range or catalogue, through which they can understand our products and visit our showroom to purchase them. Even though online sales are not going to be sizable, they will help us cater to customers and give them knowledge about our brand and the product range that we will offer.

These operational initiatives were complemented by strong financial performance during the quarter and the first half of the year.

There are two comparisons right now. There is a Q2 comparison with the previous year's Q2, as well as an H1 comparison with the previous year's H1. There are two figures. Last year, there was a sizable sale of gold scrap that we received as exchange gold, as part of the consideration for the sale. This year, even though we are receiving the same quantity, we are using it for captive consumption because, since we are developing and receiving newly fabricated jewellery, we require it. That is why there is no sizable gold sale as a B2B sale, whereas such a sale existed last year up to Q2 as well as up to the last day of the year.

During Q2 FY27, revenue from operations stood at 121 crore, registering 17% year-on-year growth. As I explained, last year there were larger gold sales, which is why the current year's Q2 FY27 figure shows only 17% growth. However, if we compare jewellery with jewellery, then in H1, the jewellery and gold sale amounted to 239 crore and showed almost 76% growth if we exclude gold sales from H1 FY26.

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Gross profit in Q2 FY27 stood at 37 crore, growing 50% year-on-year for Q2, with a gross margin of 31.1% compared to 24.2% in Q2 FY26, again only for the quarter comparison. If we compare H1 FY27 with H1 FY26, gross profit increased by 90% year-on-year to 79 crore, with gross margin increasing to 33.2% compared to 26.7% in H1 FY26.

Now EBITDA, again, for the quarter and then for the half year. Quarter 1—sorry, quarter 2—stood at 37 crore EBITDA, growing 50% year-on-year, with gross margin of 31.1% compared to 24.2%. H1 gross profit increased 90% year-on-year to 79 crore, with gross margin of 33.2% compared to 26.7% in H1 FY26.

EBITDA in Q2 FY27 stood at 29 crore, registering 49% year-on-year growth compared to Q2 FY26, with EBITDA margin of 23.8% compared to 18.7% in Q2 FY26. If we compare it in percentage terms, it has gone up from 18.7% to 23.8%. If we compare it in absolute rupee terms, then our Q2 FY27 EBITDA is higher by 49%.

For H1 FY27, EBITDA grew 103% year-on-year to 63 crore, with EBITDA margin of 26.3% compared to 19.6%. So, if we compare absolute rupee terms, [trails off]

Management: It is 103% growth. If we compare it in percentage terms, last year in H1 we had an EBITDA margin of 19.6%. This year it is 26.3%.

Now, coming to profit after tax, again, first quarterly and then half yearly. Q2 FY27 stood at 23 crore, registering 84% year-on-year growth compared with Q2 of last year. The PAT margin was then 19.3%. H1 FY27 grew 151% year-on-year to 51 crore, with a margin of 21.2%. This means the margin has gone up from 19.3% to 21.2%, while PAT grew 151% year-on-year to 51 crore.

Even after excluding other income, PAT continues to remain in line with the guidance provided, reflecting the strength of the company and its core operating performance.

As you would have seen in our business update, we stated that Q3 FY27 started on a strong note. Last year, 9 days were in September and only 2 days were in October. This year, all 10 days of Navratri plus Dussehra were in Q3, during the early part of October '27. We registered overall growth of 35% in the 10-day sales. Compared with last year's Dussehra single-day sale, we achieved higher growth, or higher sales, of 62%.

Looking ahead, we remain optimistic about the demand outlook, with the upcoming Diwali festival and wedding season expected to provide further growth opportunities and support a higher average order value. The increasing consumer preference for natural diamond jewellery, coupled with our expanding COCO model retail footprint, enhanced digital presence that can support our offline sales, and focused execution position us to capitalise on all these opportunities. We are confident that we will show good results at the end of the year, continuing with the H1 performance. H2 will be in line with H1, and we expect good numbers and good figures at the end of the year. That is H2 as a whole plus H1 as a whole.

With this, I conclude my remarks and open the floor for investors to ask questions. There are certain limitations, and I cannot give you any precise answer, precise quantification, figures, amounts, percentages, or anything of that kind. Therefore, the discussion here will be in relative terms and

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more about the industry outlook, rather than about my specific company, a specific location, specific quantification, or that kind of discussion. Thank you. Thank you for listening.

Operator: Thank you very much, sir. Ladies and gentlemen, we will now begin the question-and-answer session. Anyone who wishes to ask questions may please press star and one on their touchtone phone. If you wish to withdraw yourself from the question queue, you may press star and two. Participants are requested to use only handsets while asking a question. We will wait for a moment while the question queue assembles. You may please press star and one to ask a question at this time.

The first question is from the line of Nishita {? Sampat ?} from {? Equirus Capital ?}. Please go ahead.

Nishita {? Sampat ?} – {? Equirus Capital ?}: Yes, hello. Am I audible?

Management: Yes, you are, ma'am.

Nishita {? Sampat ?} – {? Equirus Capital ?}: I just wanted to understand if you could give the bifurcation between job work and our own manufacturing. How much of the revenue comes from job work and how much of it comes from manufacturing?

Management: First of all, we are only B2C. Last year's B2B was the gold scrap that we received. B2B is not our primary objective in carrying out the business. In the case of jewellery, we sell only on a B2C basis. Secondly, job work, meaning the orders that we receive from customers, compared with the ready stock available in the shop, is hardly 30%, not more than 30%, against orders. More than 70% comes from ready goods available in the showroom.

Nishita {? Sampat ?} – {? Equirus Capital ?}: Okay.

Management: Yes, ma'am.

Nishita {? Sampat ?} – {? Equirus Capital ?}: Understood. My question is, in this quarter—

Management: Your voice is extremely low, madam. You [cut off]

Nishita {? Sampat ?} – {? Equirus Capital ?}: Am I audible now?

Management: Yes, yes.

Nishita {? Sampat ?} – {? Equirus Capital ?}: Is it? Yes. So, sir, in Q2, our year-on-year growth has been 46% in revenue terms. What is our volume growth year-on-year?

Management: Just a minute. [long pause] Year-on-year volume growth is almost near 30%. It is around 28% on the diamond stone sales basis. On the gold value basis, it is around 57%. In that gold value, almost 20-25%, around 20%, was due to rate appreciation.

Nishita {? Sampat ?} – {? Equirus Capital ?}: Okay, okay.

Management: Higher sale price.

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Nishita {? Sampat ?} – {? Equirus Capital ?}: Understood. Can we maintain this level of volume growth for the full year FY27?

Management: FY27, yes. On an average basis, as I said, whatever we have achieved in H1, our trajectory will continue on the same line for H2 as well.

Nishita {? Sampat ?} – {? Equirus Capital ?}: So, can we expect similar growth of around 76% in H2 as well?

Management: In Q3, there is a festival, so growth will be there. Q4 depends on inflation and market conditions. But if everything is fine and in line with normal conditions, yes, I can say that you can rely on the same kind of growth in the coming H2 as well.

Nishita {? Sampat ?} – {? Equirus Capital ?}: Understood. My last question is on our margins. We have achieved an EBITDA margin of around 26%. Are these margins sustainable for the full year FY27?

Management: The voice was not clear. Can you repeat the question?

Nishita {? Sampat ?} – {? Equirus Capital ?}: It is about our margins. We achieved an EBITDA margin of 26%. Are these margins sustainable? Can we have similar margins for the full year FY27 as well?

Management: In my earlier three calls, I have always explained that as EBOs continue to come up, the EBOs will contribute to my earnings only after 15 to 18 months. In the initial period, they will contribute to costs. That may put some pressure on a percentage basis because marketing costs will go up, and those costs are incurred before the EBITDA margin. Therefore, there may be a variation of 200 basis points, plus or minus. I have repeatedly mentioned this point in every investor call or earnings call.

Nishita {? Sampat ?} – {? Equirus Capital ?}: What is our target addition for EBOs? Currently, we have six EBO stores as of H1 FY27. How many EBO stores are we expecting to add in H2?

Management: We expect to complete 15 EBOs within a 24-month period. Right now, we have completed five, and one more is coming up in a week or two. Therefore, we are completing almost 6 out of 15. We will complete the remaining 9 in the next 18 to 21 months. However, we intend to complete them before the schedule. We will not take the entire remaining 18 months to establish the 9 pending EBOs from the DRHP proceeds or the DRHP commitment. I expect that at least another three EBOs will be added in H2, which is the remaining period of H2.

Nishita {? Sampat ?} – {? Equirus Capital ?}: Okay, understood. Thank you very much, sir, and I wish you all the best.

Management: Thank you.

Operator: The next question is from the line of Lakshminarayana {? Sampath ?} from {? Avendus ?}, from Avendus Spark. Please go ahead.

Lakshminarayana {? Sampath ?} – {? Avendus ?}: Sir, congratulations on the great set of results.

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Operator: Sir, your audio is low. I am sorry to interrupt.

Management: Not audible. Not audible.

Operator: Your audio is low. Please use your handset. I would request all participants to kindly use their handsets.

Lakshminarayana {? Sampath ?} – {? Avendus ?}: One minute, I am sorry. Is this better?

Operator: Much better, sir. Please continue.

Lakshminarayana {? Sampath ?} – {? Avendus ?}: Congratulations on the great set of results, sir. I wanted to check two things. First, what would generally be the capex per store, especially for an EBO? With respect to the other format of stores, what is the outlook on additions going forward for the next 12 months? Thank you.

Management: There are three types of stores we are establishing. One is around 1,000 square feet, another is around 1,200 square feet, and another is around 1,500 square feet. Therefore, the average store will be 1,200 square feet. In terms of capex, around 70% to 80% of the capex is inventory. Hardly 20% will be the initial marketing cost as well as infrastructure. Infrastructure includes all furniture work, name boards, AV screens displayed on the board as well as inside the showroom, the air-conditioning system, generator set, computers, weighing scale, and everything else. That cost is around 2 to 2.5 crore rupees per location. Around 2 to 2... 2 crore rupees per location will be the initial marketing cost. That is the capex for every location.

If it is a 1,000-square-foot store, the inventory required will be around 10 to 12 crore. If it is a 1,200-square-foot store, it will be 12 to 15 crore. If it is more than 1,200 square feet, that is, a 1,500-square-foot store, the inventory required will be around 15 to 18 crore. This is the combination of current assets as well as fixed assets.

Generally, our premises are on lease. We are not buying the premises, so there is no investment cost for purchasing the premises. However, 6 months' rent is required to be paid in advance as a deposit to the landlord, and to that extent, there is a cost per location. Nowadays, rentals are between 300 and 700 rupees per square foot. If we take an area of 1,200 square feet and an average rent of 500 rupees, that will cost around 6 lakh rupees a month. Therefore, a 6-month rental deposit will require around 30 to 40 lakh rupees to be kept with the landlord. That is roughly the capex position. What was the continuation of your question?

Lakshminarayana {? Sampath ?} – {? Avendus ?}: Sir, apart from EBOs, what is your outlook on the other format of stores that you are considering? What would be the other stores that you—

Management: Right now, if you compare the results, they are mainly from SIS, which is the other format that we are currently operating. Those stores are doing well. Why are they doing well? There is a significant shift happening from plain gold jewellery to studded jewellery, which is gold combined with natural diamonds. We are present in that segment.

In SIS, people look at plain gold jewellery as well as studded jewellery. If they find the price comparison and price comfort favourable for diamond jewellery, they prefer to go with diamond

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jewellery. Diamond has been their aspiration for a long time, and now they are in a position to fulfil it because each jewellery item consists of 30% to 40% gold, around 30% diamond, and the remainder is making charges. Earlier, gold constituted only 10% to 15%, with the remainder being diamond and making charges. As a higher proportion of the risk-free asset is incorporated into diamond jewellery, customers are shifting to diamond jewellery very clearly.

Lakshminarayana {? Sampath ?} – {? Avendus ?}: Sir, just my last question. With respect to the outlook on EBOs for the rest of the year, what locations are you planning to start in? Is the capex that we would be spending on EBOs significantly different in a Tier 1 city compared with a Tier 2 city?

Management: As I said, rentals range from 300 to 700 rupees. Rental is the only factor changing the capex. Other costs will remain the same. Plywood rates will not change from city to city, lamination rates will not change from city to city, and the cost of air conditioners and generators will not change from city to city. Our operating cost may differ from city to city because of staff availability. In a Tier 1 city, it may be more expensive than in Tier 2 and Tier 3 cities.

However, generally, the perception of and preference for diamonds are stronger in Tier 1 cities. Therefore, I consider the perception of Tier 1 cities. Whatever recurring or operating cost I am considering, as far as capex is concerned, except for the rental deposit, I do not think there will be much difference between metros and Tier 1 cities. We will tap Tier 2 and Tier 3 cities only if we find the potential. Otherwise, our focus will be more on Tier 1 cities. When we expand outside Maharashtra, it will be more specifically in malls rather than on high streets.

Lakshminarayana {? Sampath ?} – {? Avendus ?}: Yes. Thank you, sir.

Operator: Is it done? Hello?

Management: Yes.

Operator: We will take the next question from the line of Chirag from Keynote. Please go ahead.

Chirag – Keynote: Hello. Am I audible?

Management: Yes, yes.

Operator: Yes, you are.

Chirag – Keynote: My first question is to understand what type or size of design team we have, and on an annual basis, how many new designs do we generally create?

Management: Designs are a generic thing, first of all. You cannot say that I have a patented design catalogue of 20 or 50 designs, or something of that kind. Neither I nor anyone in the industry can claim to have patented designs. It is a generic thing. Designs change. For example, if you see one bracelet with six flowers, next year it may have five flowers, and the following year it may have three flowers with two leaves. Those kinds of changes happen.

However, customer preferences are always kept in mind, including which types of designs are preferred in the market, because our marketing team as well as our sales team takes care of these

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things and understands customer preferences. Secondly, all these suppliers or contract manufacturers provide extensive input on what is preferred across India. They operate across India and work with a number of other industry players as well. Therefore, they know better what is going to happen in the industry than any individual who may know the entire country or the entire pan-India market.

We have an in-house design team, but there is a limitation, and this applies to everyone. Everyone depends to the extent of 60% on the design teams of vendors or contract manufacturers, and 40% on the in-house team. Whatever collections we launch, the exclusive collection we are launching, The One, is our collection. Only one piece is crafted for a month and sold during that month, and no more pieces will be crafted, so it will have exclusivity. We are launching collections of that kind.

This year, we are launching only a premium collection in that category. From next year onward, we will also launch a smaller collection, exclusively for that month and with a limited number of pieces. Right now, The One is the only one-piece collection that we are crafting and selling. These are the kinds of things happening in this industry.

One cannot say that one has the latest designs while others have only traditional designs, that they do not understand anything about design and only one understands design. I can give the example of temple jewellery. Everyone talks about temple jewellery. It is a generic thing; it is not something exclusive. Only during the period when an entity markets temple jewellery as its theme product will it repeatedly say “temple jewellery from the house of so-and-so.” That does not mean that it is the only entity with temple jewellery. Temple jewellery is available with everyone.

Similarly, in diamonds also, all designs are generally available with everyone. Smaller designs, such as tiny or lightweight designs, may differ from vendor to vendor and showroom to showroom.

Chirag - Keynote: Understood. Secondly, I wanted to understand how the market is evolving. Are people shifting from smaller-carat diamond jewellery to larger-carat diamond jewellery? What kind of trends are we seeing?

Management: Even if I am getting a 1-carat diamond in lab-grown form, you must be directing your question toward lab-grown diamonds, because shifting to larger diamond sizes is easy unless you are using lab-grown diamonds, since a single larger diamond is very costly. Designs are generally made only from smaller diamonds, not larger diamonds.

Even if a 1-carat diamond costs 50,000 rupees or 80,000 rupees in lab-grown form, I cannot use 50 or 100 1-carat diamonds to create a design or a good-looking necklace with figures, flowers, leaves, or any other shape that can be fabricated using multiple stones. For shaping and designing, smaller stones are required. These are generally called star melee, ranging from half a cent to 2 to 3 cents.

Larger diamonds can be used only in studs, such as a finger ring, ear studs, or a single-stud pendant. However, they cannot create a design and cannot be used to develop jewellery that is design jewellery.

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Chirag – Keynote: Understood. That is correct. Generally, for the larger jewellery pieces that we create, smaller diamonds are required, for which natural diamonds are much preferred over lab-grown diamonds. Perhaps for a single large-carat diamond, there is some competition from LGD, or lab-grown diamonds. Is that correct, sir?

Management: Yes. Yes, yes. Yes, yes.

Chirag – Keynote: Understood.

Management: Understood. However, I want to explain one thing here. The larger diamond, that is, the solitaire category, accounts for hardly 4% to 5% of our book. More than 95% is our design book, which is created using smaller diamonds. Therefore, lab-grown diamonds do not pose a direct threat to our business, except for that 4% to 5%.

Those who come to us for that 4% to 5% category have a specific preference for natural diamonds. They are not ready to choose lab-grown diamonds, and that is why they come to us and ask only for natural diamonds. They compare whether it is cheap or costly because they want something rare and natural, which has resale value. Only natural diamonds have resale value.

Chirag – Keynote: Understood. What is the resale value for a natural diamond, if I may get this clarification?

Management: If it is bought from my store, I buy it back at 90%.

Chirag – Keynote: 90%, understood. Sir, just for clarity, are we considering entering LGD, or are we going to remain a natural diamond company?

Management: In this world, nothing is permanent.

Chirag – Keynote: Understood.

Management: However, right now I am not considering lab-grown diamonds. If and when we consider it or even have that thought in our minds, we will definitely communicate it to all investors.

Chirag – Keynote: Fair enough. Sir, I have some accounting questions, if I may. For example, were there any inventory gains in this particular quarter?

Operator: I am sorry to interrupt you, Mr. Chirag. I would request you to kindly rejoin the queue for follow-up questions. There are others who are waiting. Thank you. The next question is from the line of Vishal Gutka from ASK Investments. Please go ahead.

Vishal Gutka – ASK Investments: Hi. A very good afternoon, sir. Congratulations on a good set of numbers. I joined a little late. I wanted to get a sense from you. Gold price inflation is more or less over now. From Q4 onward, inflation will be in the negative zone, unless what you mentioned earlier is triggered. Gold prices definitely help and aid SSG growth. What kind of SSG growth are you looking for in FY28, given that gold price inflation is more or less over? What kind of number should we see at least on the SSG front?

Management: H2?

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Vishal Gutka – ASK Investments: H2 and FY28, whatever you can provide, sir.

Management: No, no. Are you asking for an H2 estimate or an FY28 estimate?

Vishal Gutka – ASK Investments: Both, sir. H2 FY27 as well as FY28, because gold price inflation was more or less triggered.

Management: FY28 is far away. Right now, gold prices have corrected by 25%.

Vishal Gutka – ASK Investments: Okay.

Management: They may correct further; it is very difficult to say. We can look at H2 as such. In H2, there will be no support from appreciation. Almost everybody's book—not only mine, everybody's book—has an average purchase cost that has now come close to the market price prevailing in the market. Therefore, in H2, there are very remote chances of any inventory gain or anything of that kind. In H2, there will be no additional sales merely because of higher gold prices.

Vishal Gutka – ASK Investments: Understood. What could possibly be the SSG growth for the second half? What are we targeting?

Management: If you want to look at SSG growth as such, right now I am operating SIS plus EBOs. My oldest EBO is 12 months old. I said that it takes 15 to 18 months to create a contribution to the main company's profitability and all these things. Therefore, all these EBOs will start contributing meaningfully from Q4 FY28. There will be sales; I am not saying there will be no sales. However, meaningful contribution always comes from profitable sales, meaning sales that can simultaneously create a profit. Therefore, constructive contribution from the EBOs we are establishing right now will come from Q4 FY28 onward.

Vishal Gutka – ASK Investments: Understood. And for the SIS stores?

Management: The growth you are seeing is mainly from the existing SIS stores, with a very small contribution to sales from EBOs.

Vishal Gutka – ASK Investments: Understood. But for SIS as well, could you provide some indication of the SSG growth we can see? I understand that EBOs will take time, but what kind of numbers are we targeting for SIS on the SSG front?

Management: We expect at least 35% to 40% SSG growth.

Vishal Gutka – ASK Investments: That is wonderful.

Management: If you are looking at 74% growth this year, deduct almost 20% from that as what you call inventory gains from gold. The remaining 55% growth has mainly come from SIS.

Vishal Gutka – ASK Investments: Understood. My last question: in the recent release, the Dasara numbers were around 35% growth, similar to the company. For Diwali—

Management: It was not 35%; Dasara was 60%.

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Vishal Gutka – ASK Investments: Understood. For the 30 days, as the month is almost coming to an end, can you provide any clarity on the month of October? How will the numbers be?

Management: Last year's month of October also included the entire Diwali period.

Vishal Gutka – ASK Investments: Understood.

Management: Dasara and the entire Diwali period were over in October last year. This year, Diwali starts on November 5 and ends on November 14. Therefore, it is not included in October. We cannot compare October of last year with October of the current year.

Vishal Gutka – ASK Investments: Understood. I wish you all the best, and thank you for the future quarters. Thank you.

Management: Thank you. Thank you.

Operator: Thank you. A request to all participants to kindly limit your questions to only two per participant. Should you have a follow-up question, please rejoin the queue. The next question is from the line of Siddhant {? Dand ?} from {? Banshi Fund ?}. Please go ahead.

Siddhant {? Dand ?} – {? Banshi Fund ?}: Hello.

Management: Hello.

Operator: Yes, sir.

Siddhant {? Dand ?} – {? Banshi Fund ?}: Congratulations on the great set of numbers. Just a quick question on ASP. Could you share the trend over the last year or the last two quarters and how the ASP has changed? That would be helpful.

Management: This year, in Q1 as well, we explained on that call that we increased the inventory of fast-moving pricing items. That is helping us, as sales growth is mainly coming from that segment. The ASP—

Management: —is the average sale price per invoice, or per customer. It is somewhere around 105,000 to 107,000.

Siddhant {? Dand ?} – {? Banshi Fund ?}: How has it grown over last year?

Management: Last year, it was 92,000.

Siddhant {? Dand ?} – {? Banshi Fund ?}: All right, sir. Thank you.

Operator: Thank you. The next question is from the line of Hardik Agarwal from Param Capital. Please go ahead.

Hardik Agarwal – Param Capital: Hi, sir. Congratulations on a great set of numbers.

Management: Thank you.

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Hardik Agarwal – Param Capital: My question is twofold. Let us say, 5 to 7 years from now, how many EBO stores do you foresee having, and in how many states? Could we have more than 60 to 70 stores across 5 or more states?

Management: How many would be outside the state and how many within the state is very difficult to explain because sales are affected from state to state. If a state has stability and a good atmosphere, sales are good. In a state with unrest, sales are not good. However, if you are asking about 7 to 8 years from now, I expect that at least 50 EBOs should be there, along with SIS as it is. I am not including SIS in those EBOs.

Hardik Agarwal – Param Capital: Fair enough, sir. Basically, you mean to say that, as a long-term investor, I wanted to understand from a 7-to-8—

Management: Even though you are a long-term investor, a 7-to-8-year outlook for the {? allied ?} engineering industry is also very difficult to predict. This is a fast-moving consumer industry. Here, predicting [trails off] is too difficult.

Over 7 to 8 years, it is difficult to say which jewellery will remain popular. If that is a difficult question to answer, the same applies to the entire consumer industry because preferences are changing. Right now, my average ticket size is 105,000 because customers at that level are present. A few years from now, there may be a higher number of sales and higher rupee sales, but my average ticket size may have come down to 50,000 or gone up to 150,000 because preferences and tastes are changing.

This is a consumer industry. Therefore, providing an estimate for 7 to 8 years from now is too difficult.

Hardik Agarwal – Param Capital: That sounds good, sir. My second question is about ASP, as a follow-up to the previous question. Right now, almost all our sales come from the SIS model, where the P N Gadgil & Sons customer purchases the Reva brand. In the EBO model, it is the standalone PNGS Reva brand. I wanted to understand how we are positioning it. Are we positioning it for the same ASP and targeting the same customer? Could you shed some light on what you expect the ASP to be for EBOs versus SIS?

Management: These EBOs are also operating on the same lines. Whatever sales figures we currently have from these EBOs are in line with our expectation that they will achieve a 0.75 stock turn within 15 to 18 months. Our first EBO at Wakad generated rupee sales from September to September, and we still expect it to achieve 9 crore in sales over a 12-month period after the initial 15-to-18-month period. All these figures, and the performance of Amanora Mall, our FC Road shop, and the new EBO we started in Nashik, are in line with our expectations.

That is 0.75% stock turn within a period of 15 to 18 months, followed by growth up to 1.25 stock turn within 3 to 4 years from the initial 15-to-18-month period.

Hardik Agarwal – Param Capital: Great. Wonderful. Thank you, sir.

Operator: Thank you. The next question is from the line of Mukesh Panjwani from WK Securities. Please go ahead.

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Mukesh Panjwani – WK Securities: Hello, sir. Good evening, and congratulations on a great set of numbers. PNGS is doing great. I want to confirm one thing. I believe 35% of our revenues come from H1 and 65% come from H2. Is my understanding correct?

Management: Yes, generally.

Mukesh Panjwani – WK Securities: So, this year also we can expect the same ratio?

Management: [pause] If I say yes, you will say that the same 74% year-on-year growth should be there in H2 as well. Am I right? [laughs]

Mukesh Panjwani – WK Securities: [laughs] I do not know that, but if everything remains the same, then we could even see 100% year-on-year growth for the entire year.

Management: No, I am confident that I will not show an 800 crore top line at the end of the year.

Mukesh Panjwani – WK Securities: No, but 700 crore is possible because we have done around 200 and something crore. Accordingly, it would be 700 crores if we achieve the 35-65 split. That is the point, sir.

Management: As I said, it generally happens in a 35-65 ratio.

Mukesh Panjwani – WK Securities: Understood.

Management: However, this year there is no Gudi Padwa for us in H2. Gudi Padwa generates very strong sales in Maharashtra, at least. It accounts for almost 10% of the total sales for the year. There is a high level of sales during that period. Just as Akshaya Tritiya occurs in South India, Gudi Padwa has the same significance in Maharashtra. This year, there is no Gudi Padwa. Last year, we had Gudi Padwa.

Mukesh Panjwani – WK Securities: Yes, but we have Dussehra, Diwali, and Navratri. Dussehra is there.

Management: We expect to capitalise on whatever advantages are available, and in fact, we are doing so. However, there are certain limitations as well. A drought condition was not present last year, whereas this year 85% of Maharashtra is under drought conditions, and we are mainly operating in Maharashtra. Therefore, whether the positive mood will continue after the festival or not is uncertain.

Mukesh Panjwani – WK Securities: Understood.

Management: I am making a somewhat cautious statement. I am not denying that it cannot happen, but I do not want to say something even though I know that drought conditions exist and that higher inflation is likely because of the West Asian crisis and related problems. We need to factor all these aspects into our estimates. Therefore, I expect growth of around 40% to 45%.

Mukesh Panjwani – WK Securities: Understood.

Management: However, as I said, PAT should not increase beyond its current level.

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Mukesh Panjwani – WK Securities: Understood. Thank you, sir. Thank you, and all the best.

Management: Thank you.

Operator: Thank you. A reminder to all participants to kindly limit your questions to only two per participant. Should you have a follow-up question, please rejoin the queue. The next question is from the line of Pawan from Viyansh Ventures. Please go ahead.

Pawan – Viyansh Ventures: Hello.

Management: Hello.

Pawan – Viyansh Ventures: Sir, I wanted to know, of the 15 stores planned, how many will be small, medium, and large-scale stores?

Management: The 15 stores are not open.

Pawan – Viyansh Ventures: No, I mean the ones planned for the next 24 months.

Management: Yes. Out of 15, five will be small, five will be medium, and five will be large. Small is around 1,000 square feet. Medium will be around 1,200 square feet, and large will be around 1,500 square feet.

Pawan – Viyansh Ventures: Understood. For these COCO stores, the marketing spend is assumed to be 2 crore. When does a store reach maturity such that the marketing spend actually reduces and we achieve a 30% EBITDA margin, or a 20% EBITDA margin?

Management: Subsequently, marketing spend will move to the corporate level from the shop level. This 2 crore is exclusively targeted at that specific store to create footfall for that store. Subsequently, it will participate in overall corporate marketing. It will not have exclusive marketing for that store.

Regarding returning to a 30% EBITDA margin, right now also I think there is 28% EBITDA, correct?

Pawan – Viyansh Ventures: 22%.

Management: If I am [hesitates] if I am not—going to 30%, the 2% effect is not yet there. That will start coming in gradually because the spending will not occur all at once at the time of opening. It will be spread over a period of 12 to 18 months after the opening.

It will not happen all at once, such that on one day I place a full-page advertisement in all the newspapers, advertise on all television channels, and spend 2 crore on the opening ceremony day. That kind of spending is not expected. It is for creating footfall at that location.

Pawan – Viyansh Ventures: Will this spending be expensed, or will you capitalise it as part of new store expenses? I am referring to the 2-crore spending.

Management: No, no, I do not understand.

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Pawan – Viyansh Ventures: Will it go into the balance sheet, or will we record it as a marketing expense?

Management: No. As per Ind AS, we cannot capitalise anything. Earlier, there was a deferment of expenses. Now, under Ind AS, that is not allowed. It will be debited directly to the P&L.

Pawan – Viyansh Ventures: Understood. Thank you.

Management: Thank you.

Operator: Thank you. The next question is from the line of Ashish Chandorkar from Wealthyvia Ventures. Please go ahead.

Management: I would like to remind everyone that hardly 5 to 7 minutes remain in the meeting.

Operator: Certainly, sir. Please limit your questions to two. Please proceed, Mr. Chandorkar.

Ashish Chandorkar – Wealthyvia Ventures: Am I audible?

Management: Yes, yes.

Ashish Chandorkar – Wealthyvia Ventures: Congratulations on a good set of numbers, sir. Can you provide a revenue split between SIS stores and EBO stores, if possible, in percentage terms?

Management: EBOs have started recently. At full maturity, that is, after 15 to 18 months, at a 0.75% stock turn in the first full year, an EBO should generate 9 to 10 crore rupees a year. Right now, four stores are less than 1 month old or 1 or 2 months old. Only the Wakad store is 1 year old, and the FC Road store is 4 months old. Therefore, there is a very small contribution from EBOs. Currently, more than 95% is from SIS.

Ashish Chandorkar – Wealthyvia Ventures: Understood. My second question is whether you are seeing any pricing pressure or substitution effect from lab-grown diamonds in your entry-level jewellery.

Management: If a person is interested in resale value, he will definitely choose a natural diamond. These are two entirely different markets. If you compare 1-gram gold jewellery with plain 22-carat gold jewellery, it has no meaning. The customer classes are entirely different.

Ashish Chandorkar – Wealthyvia Ventures: Okay, sir. Understood. I think that is all from me.

Management: Yes.

Operator: Thank you. The next question is from the line of [cut off]

Operator: Sir, I am sorry, did you say something?

Management: I think it will be the last question.

Operator: Okay. Ladies and gentlemen—certainly, sir. Ladies and gentlemen, this will be the last question for today, from the line of Rahul Kumar Paliwal from Shekhar Family Office. Please go

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ahead.

Rahul Kumar Paliwal – Shekhar Family Office: Thank you for the opportunity, and congratulations to the team on the flawless execution. Given the time limit, I have a very brief question. In general, based on your experience of running the business for the last 5 years or so, by what percentage does H2 exceed H1 in terms of top line? Considering that this H2 is festival-heavy, is it safe to assume that two-thirds of sales might come from H2? In that context, is it fair to assume that we are moving toward a rating upgrade from CARE Edge as well?

Management: CARE Edge has indirectly improved the rating from stable to positive. They will move it one step higher next time. As far as your assumption of a two-thirds to one-third split is concerned, that is a rough estimate. However, as explained, drought conditions in Maharashtra and high inflation due to the West Asian countries' conflict and crisis are putting some pressure on sales. Therefore, this year it may be a 45-55 split or a 50-50 split.

However, H2 is always good for the jewellery and consumer industries, so we are optimistic. As I said, these factors also need to be taken into consideration, and that is why I am somewhat cautious. I am not denying that it should not happen, but I am cautious about [trails off]

Amit Modak: ...these two factors.

Rahul Kumar Paliwal – Shekhar Family Office: Understood. My other question is, with the IPO cash in hand, have you changed the number of EBOs planned, considering that 5 or 6 EBOs have been opened and you now have experience with the cost structure and inventory management? With a mix of cash and some debt, are you going beyond 15 stores under the current structure, or will you still stick to 15?

Amit Modak: We will first complete the 15 stores. Whatever surplus remains, we will definitely use it to establish a few more stores. We will not use it for GCP or anything else. I have transferred the remaining amount toward outstanding loans and other such items. It is permitted, but I will try to deploy it to create a higher number of stores if a surplus remains. For that purpose, I will definitely approach all shareholders for their approval at an EOGM or through a special resolution at the AGM.

Rahul Kumar Paliwal – Shekhar Family Office: Understood. Thank you for the answer, sir.

Amit Modak: Thank you.

Operator: Thank you, ladies and gentlemen. We will take that as the last question for today. I now hand the conference over to Mr. Amit Modak for his closing comments. Over to you, sir.

Amit Modak: Thank you for listening. I am extremely sorry that, due to the time limitation, a few people had to leave and {? could not ask ?} their questions. I request them to send their questions to our investor relations email ID or the company secretary's email ID, and I will definitely respond to them. Thank you, everyone, for joining. I wish you all the best for the festival. Happy Diwali and happy upcoming festival days. Thank you.

Operator: Thank you, sir. Thank you, members of the management. On behalf of PNGS Reva Diamond Jewellery Ltd., that concludes this conference. We thank you for joining us, and you may

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now disconnect your lines. Thank you.

Note: {? ... ?} indicates a figure or name where audio clarity was insufficient for confident transcription. Verify against the source audio or the company's published filings.

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