

# KDDL Limited

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**Ref : KDDL/CS/2021-22/23**

**Date : 14<sup>th</sup> June 2021**

National Stock Exchange of India Limited  
Exchange Plaza, C-1, Block G,  
Bandra Kurla Complex, Bandra,  
Mumbai - 400 051

BSE Limited,  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai - 400001

**Trading Symbol : KDDL**

**Scrip Code : 532054**

**Subject: Investor Presentation**

Dear Sir/ Madam,

Please find enclosed Investor Presentation for Q4FY21.

Kindly take the same on record.

Thanking you,

Yours truly

**For KDDL Limited**



**Brahm Prakash Kumar**  
Company Secretary



**KDDL Limited  
&  
ETHOS Limited**

**ēthos**  
WATCH BOUTIQUES

**Investor Presentation  
June 2021**

# Safe Harbor



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# *Q4FY21 Performance Overview*

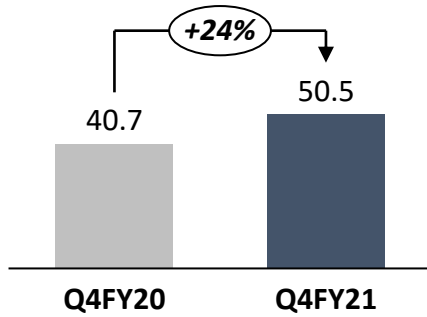


# Q4FY21 Performance

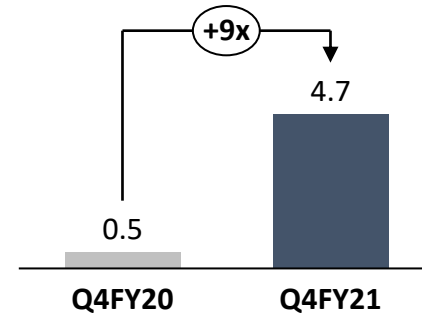


## Standalone Performance (Rs. Crs)

Revenue

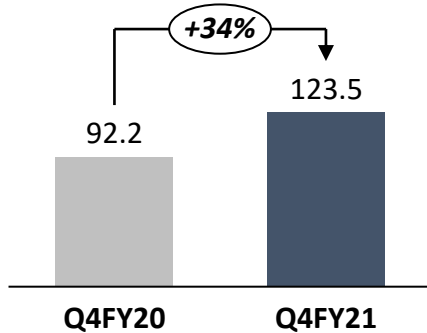


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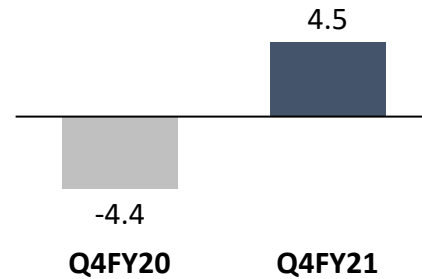


## Ethos Performance (Consolidated) (Rs. Crs.)

Revenue\*



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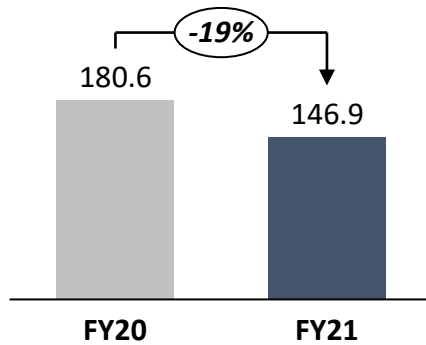
\*Ethos Q4FY20 & Q4FY21 Revenue is without IND AS 116 impact for better comparison

# FY21 Performance

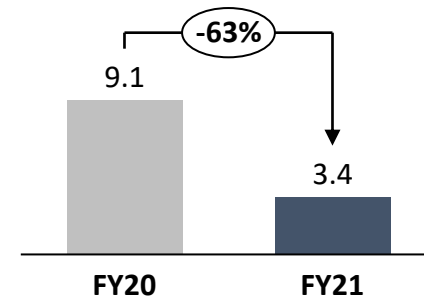


## Standalone Performance (Rs. Crs.)

Revenue

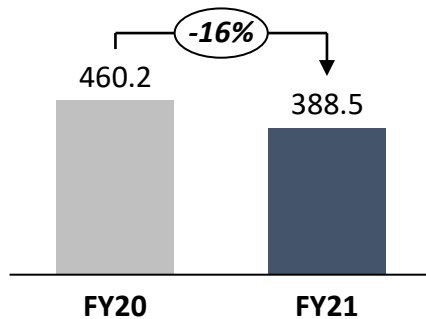


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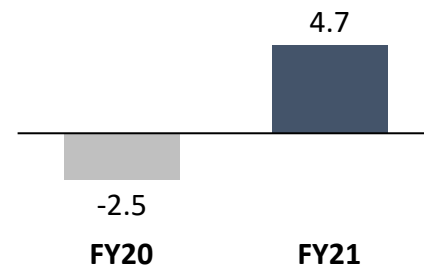


## Ethos Performance (Consolidated) (Rs. Crs.)

Revenue\*

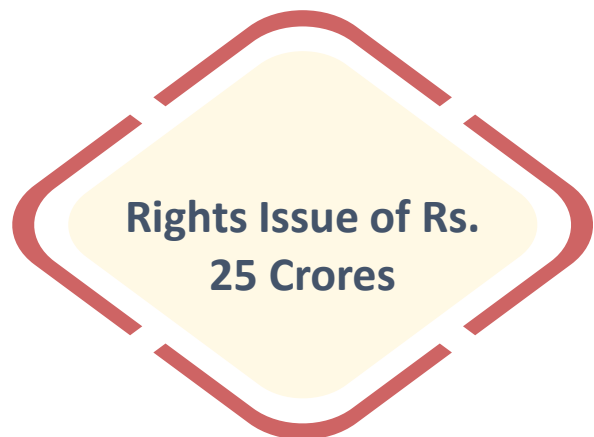


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\*Ethos FY20 & FY21 Revenue is without IND AS 116 impact for better comparison

# Rights Issue strengthens Balance Sheet



Pre-Rights Shares	1,16,50,108
+	
Rights Issue of	10,86,956 Shares at Rs. 230 per share
=	
Post-Rights Shares	1,27,37,064

## Rights Issue Proceeds Utilization

- ✓ *Rights issue proceeds to be invested in Ethos (for working capital requirements for future growth) and General Corporate purposes of the company.*

## Promoters' Stake Increases

- ✓ *Post successful closure of the rights issue, promoters' stake in the company has increased to **46.87%** in May-21 from **45.32%** as of Mar-21*

# Standalone Profit & Loss



Profit & Loss (Rs. Crs.)	Q4FY21	Q4FY20	YoY%	Q3FY21	QoQ%	FY21	FY20	YoY%
<b>Revenue</b>	<b>50.5</b>	<b>40.7</b>	<b>24%</b>	<b>40.8</b>	<b>24%</b>	<b>146.9</b>	<b>180.6</b>	<b>-19%</b>
Cost of Goods Sold	12.1	10.3		10.5		37.7	45.1	
<b>Gross Profit</b>	<b>38.4</b>	<b>30.4</b>	<b>26%</b>	<b>30.4</b>	<b>27%</b>	<b>109.2</b>	<b>135.5</b>	<b>-19%</b>
Employee Expenses	14.6	12.8		13.1		49.7	55.3	
Other Expenses	11.7	11.9		9.5		35.7	50.8	
<b>EBITDA</b>	<b>12.2</b>	<b>5.7</b>	<b>116%</b>	<b>7.7</b>	<b>58%</b>	<b>23.9</b>	<b>29.4</b>	<b>-19%</b>
<b>Margin (%)</b>	<b>24.2%</b>	<b>13.9%</b>		<b>18.9%</b>		<b>16.2%</b>	<b>16.3%</b>	
Other Income	-0.2	1.1		1.0		2.5	5.3	
Interest	2.2	2.3		2.3		9.3	8.9	
Depreciation	2.9	3.1		3.0		12.0	11.9	
<b>PBT</b>	<b>6.9</b>	<b>1.4</b>	<b>385%</b>	<b>3.5</b>	<b>99%</b>	<b>5.1</b>	<b>13.9</b>	<b>-63%</b>
Tax	2.2	0.9		0.6		1.8	4.8	
<b>PAT</b>	<b>4.7</b>	<b>0.5</b>	<b>863%</b>	<b>2.9</b>	<b>62%</b>	<b>3.4</b>	<b>9.1</b>	<b>-63%</b>

Since the lockdown was in force for a significant part of FY21, the results for FY21 were adversely affected by the COVID-19 pandemic and may not be strictly comparable with previous periods



# Consolidated Profit & Loss



Profit & Loss (Rs. Crs.)	Q4FY21	Q4FY20	YoY%	Q3FY21	QoQ%	FY21	FY20	YoY%
<b>Revenue</b>	<b>178.2</b>	<b>137.3</b>	<b>30%</b>	<b>178.2</b>	<b>0%</b>	<b>548.8</b>	<b>652.3</b>	<b>-16%</b>
Cost of Goods Sold	101.3	78.0		108.6		323.5	377.6	
<b>Gross Profit</b>	<b>76.9</b>	<b>59.2</b>	<b>30%</b>	<b>69.6</b>	<b>10%</b>	<b>225.3</b>	<b>274.7</b>	<b>-18%</b>
Employee Expenses	26.0	24.8		22.1		86.3	102.3	
Other Expenses	23.7	22.3		20.9		74.0	97.0	
<b>EBITDA</b>	<b>27.3</b>	<b>12.1</b>	<b>125%</b>	<b>26.6</b>	<b>3%</b>	<b>65.0</b>	<b>75.4</b>	<b>-14%</b>
<b>Margin (%)</b>	<b>15.3%</b>	<b>8.8%</b>		<b>14.9%</b>		<b>11.8%</b>	<b>11.6%</b>	
Other Income	2.7	2.3		4.0		18.4	6.7	
Interest	6.4	7.0		6.6		26.8	28.5	
Depreciation	10.9	12.2		11.0		46.0	48.1	
Share of Profit / (Loss) of equity accounted investees	0.2	-0.2		0.1		0.1	-0.3	
<b>PBT</b>	<b>12.8</b>	<b>-5.0</b>	<b>-</b>	<b>13.1</b>	<b>-2%</b>	<b>10.6</b>	<b>5.1</b>	<b>107%</b>
Tax	3.8	0.1		3.4		3.6	7.1	
<b>PAT</b>	<b>9.1</b>	<b>-5.1</b>	<b>-</b>	<b>9.7</b>	<b>-7%</b>	<b>7.0</b>	<b>-1.9</b>	<b>-</b>

Since the lockdown was in force for a significant part of FY21, the results for FY21 were adversely affected by the COVID-19 pandemic and may not be strictly comparable with previous periods

# Consolidated Profit & Loss – Q4FY21



Profit & Loss (Rs. Crs.)	As Reported		Without IND AS 116	
	Q4FY21	Q4FY20	Q4FY21	Q4FY20
<b>Revenue</b>	<b>178.2</b>	<b>137.3</b>	<b>178.2</b>	<b>137.3</b>
Cost of Goods Sold	<b>101.3</b>	<b>78.0</b>	101.3	78.0
<b>Gross Profit</b>	<b>76.9</b>	<b>59.2</b>	<b>76.9</b>	<b>59.2</b>
Employee Expenses	26.0	24.8	26.0	24.8
Other Expenses	23.7	22.3	31.5	30.7
<b>Normalized EBITDA</b>	<b>27.3</b>	<b>12.1</b>	<b>19.4</b>	<b>3.7</b>
<b>Normalized Margin (%)</b>	<b>15.3%</b>	<b>8.8%</b>	<b>10.9%</b>	<b>2.7%</b>
Other Income	2.7	2.3	2.7	2.3
Interest	3.6	4.0	3.6	4.0
INDAS 116 Interest	2.8	3.0	-	-
Depreciation	4.4	4.6	4.4	4.6
INDAS 116 Depreciation	6.5	7.6	-	-
Share of Profit / (Loss) of equity accounted investees	0.2	-0.2	0.2	-0.2
<b>PBT</b>	<b>12.8</b>	<b>-5.0</b>	<b>14.3</b>	<b>-2.8</b>

# Consolidated Profit & Loss – FY21



Profit & Loss (Rs. Crs.)	As Reported		Without IND AS 116	
	FY21	FY20	FY21	FY20
<b>Revenue</b>	<b>548.8</b>	<b>652.3</b>	<b>548.8</b>	<b>652.3</b>
Cost of Goods Sold	323.5	377.6	323.5	377.6
<b>Gross Profit</b>	<b>225.3</b>	<b>274.7</b>	<b>225.3</b>	<b>274.7</b>
Employee Expenses	86.3	102.3	86.3	102.3
Other Expenses	74.0	97.0	106.7	131.0
<b>Normalized EBITDA</b>	<b>65.0</b>	<b>97.0</b>	<b>32.3</b>	<b>41.4</b>
<b>Normalized Margin (%)</b>	<b>11.8%</b>	<b>14.9%</b>	<b>5.9%</b>	<b>6.3%</b>
Other Income	18.4	6.7	18.4	6.7
Interest	15.3	17.0	15.3	17.0
INDAS 116 Interest	11.5	11.6	-	-
Depreciation	18.7	17.5	18.7	17.5
INDAS 116 Depreciation	27.4	30.6	-	-
Share of Profit / (Loss) of equity accounted investees	0.1	-0.3	0.1	-0.3
<b>PBT</b>	<b>10.6</b>	<b>26.7</b>	<b>16.8</b>	<b>13.3</b>

Since the lockdown was in force for a significant part of FY21, the results for FY21 were adversely affected by the COVID-19 pandemic and may not be strictly comparable with previous periods

# Ind AS 116: Impact on Financials



- The adoption of Ind AS 116 has resulted in recognizing a Right-of-Use Assets of **Rs. 91.7 Crores** and equivalent to the lease liability of **Rs. 93.8 Crores** as on 31<sup>st</sup> Mar 2021
- Overall balance sheet will increase by the amount of asset created for Leases. This will have an impact on Profitability as under:

<i>Profit &amp; Loss Impacts</i>		For FY21 (Rs. Cr.)	Financial impact
Other expenses (Rent)	Decrease in Rent expense	32.7	This affects other expenses, depreciation and finance cost in the Profit & loss statement & consequently impacts EBITDA and PBT of the company
Finance costs	Increase in Finance cost	11.5	
Depreciation	Increase in Depreciation	27.4	
<b>Profit before tax</b>	<b>Decrease in PBT</b>	<b>6.2</b>	

There would be no change in the cash flow of the company due to applicability of INDAS 116

# Standalone Balance Sheet



Assets (Rs. Crs.)	Mar-21	Mar-20	Liabilities (Rs. Crs.)	Mar-21	Mar-20
<b>Non-current assets</b>	<b>216.2</b>	<b>216.0</b>	<b>Equity</b>	<b>173.1</b>	<b>169.5</b>
Property, plant and equipment	90.8	93.8	Equity share capital	11.7	11.7
Capital work-in-progress	1.1	2.2	Other equity	161.3	157.8
Right-of-use asset	10.7	12.7			
Investment Property	0.3	0.4	<b>Non-current liabilities</b>	<b>53.0</b>	<b>58.5</b>
Other intangible assets	0.2	0.4	Financial Liabilities		
Financial assets			(i) Borrowings	40.9	45.2
(i) Investments	107.5	100.7	(ii) Lease Liabilities	4.2	5.9
(ii) Loans	2.3	2.2	(iii) Other financial liabilities	1.6	1.2
Income Tax Asset	2.8	2.3	Provisions	0.4	1.1
Other Non Current Assets	0.5	1.3	Deferred tax liability (net)	5.9	5.1
<b>Current assets</b>	<b>83.5</b>	<b>84.1</b>	<b>Current liabilities</b>	<b>73.7</b>	<b>72.1</b>
Inventories	26.5	32.1	Financial Liabilities		
Financial assets			(i) Borrowings	16.2	19.3
(i) Trade receivables	31.6	24.6	(ii) Lease Liabilities	2.0	2.0
(ii) Cash and cash equivalents	10.6	9.5	(iii) Trade payables	14.7	13.5
(iii) Other bank balances	2.9	5.4	(iv) Other financial liabilities	31.3	31.1
(iv) Loans	1.8	1.9	Other current liabilities	5.6	3.2
(v) Other financial assets	2.3	2.1	Provisions	3.5	2.7
Other current assets	7.8	8.4	Current tax liabilities(net)	0.3	0.3
<b>Total Assets</b>	<b>299.7</b>	<b>300.1</b>	<b>Total Liabilities</b>	<b>299.7</b>	<b>300.1</b>

# Consolidated Balance Sheet



Assets (Rs. Crs.)	Mar-21	Mar-20	Liabilities (Rs. Crs.)	Mar-21	Mar-20
<b>Non-current assets</b>	<b>277.8</b>	<b>299.2</b>	<b>Equity</b>	<b>227.3</b>	<b>227.4</b>
Property, plant and equipment	153.7	158.6	Equity share capital	11.7	11.7
Capital work-in-progress	4.9	2.9	Other equity	174.8	174.0
Right-of-use asset	91.7	109.6	Non Controlling Interest	40.7	41.7
Intangible assets	0.6	0.8			
Intangible assets under development	0.1	0.1	<b>Non-current liabilities</b>	<b>160.7</b>	<b>175.1</b>
Equity accounted investees	0.9	1.0	Financial Liabilities		
Financial assets			(i) Borrowings	77.4	80.1
(i) Investments	0.5	0.5	(ii) Lease Liabilities	72.9	85.4
(ii) Loans	11.3	10.2	(iii) Other financial liabilities	2.5	2.1
(iii) Other financial assets	-	1.3	Provisions	2.0	2.4
Income Tax Asset	4.3	3.7	Deferred tax liability (net)	5.9	5.1
Deferred tax assets (net)	8.2	7.2			
Other Non Current Assets	1.7	3.4			
			<b>Current liabilities</b>	<b>229.5</b>	<b>254.7</b>
<b>Current assets</b>	<b>339.7</b>	<b>358.0</b>	Financial Liabilities		
Inventories	225.4	252.7	(i) Borrowings	45.8	74.3
Financial assets			(ii) Lease Liabilities	20.9	20.9
(i) Trade receivables	40.8	28.5	(iii) Trade payables	87.0	87.3
(ii) Cash and cash equivalents	30.9	22.8	(iv) Other financial liabilities	53.2	52.6
(iii) Other bank balances	5.2	5.7	Other current liabilities	15.1	13.8
(iv) Loans	7.2	8.0	Provisions	6.5	5.1
(v) Other financial assets	5.0	6.6	Current tax liabilities(net)	0.9	0.7
Other current assets	25.0	33.7			
<b>Total Assets</b>	<b>617.5</b>	<b>657.2</b>	<b>Total Liabilities</b>	<b>617.5</b>	<b>657.2</b>



# *Manufacturing Business Overview*



## Watch Dials

- Commercial operations began in 1983
- Leading Global supplier of Watch Dial serving many well-known brands all over the world
- Manufacturing facilities located at Parwanoo & Derabassi, near Chandigarh in India
- Capability to manufacture dials with high & complex features

## Watch Hands

- Commercial operations began in 1996
- Only supplier in India and one of 5 independent manufacturers globally; facilities located at Bengaluru
- Recently acquired Estima AG in Switzerland; to enhance presence in mid-priced segment European Brands

## Value Proposition

- Deep Understanding of the Global Watch Industry
- Established relationships with Swiss Watch makers as well as Indian Watch makers
- Consistent Manufacturing meeting International Quality norms



# Precision Engineering Business



## Value Proposition

Eigen offers a full package of services, ranging from design and development to full scale production, providing customers with optimized supply chain solutions



## Capabilities

We address various segments such as Electrical, Electronics, Automobile, Telecommunications, medical equipment, Aerospace, Consumer Durables etc



## Customers

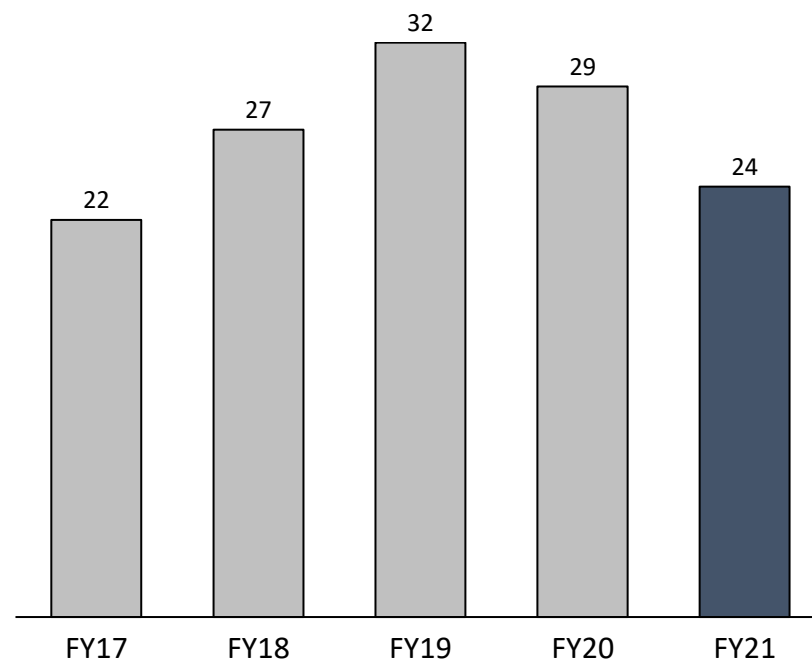
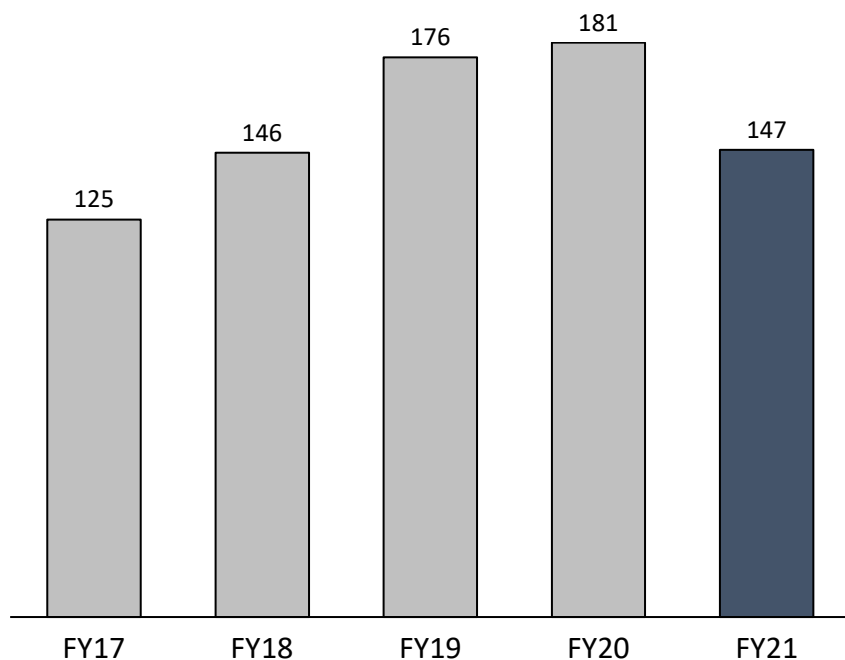
Enabling our customers to meet their design and production needs for over 12 years. We have some of the most well-known names in their industry as our esteemed customers

# Stable Manufacturing Performance\*



Revenue (Rs. Crs.)

EBITDA (Rs. Crs.)



Since the lockdown was in force for a significant part of FY21, the results for FY21 were adversely affected by the COVID-19 pandemic and may not be strictly comparable with previous periods

# Ethos Q4FY21 Snapshot



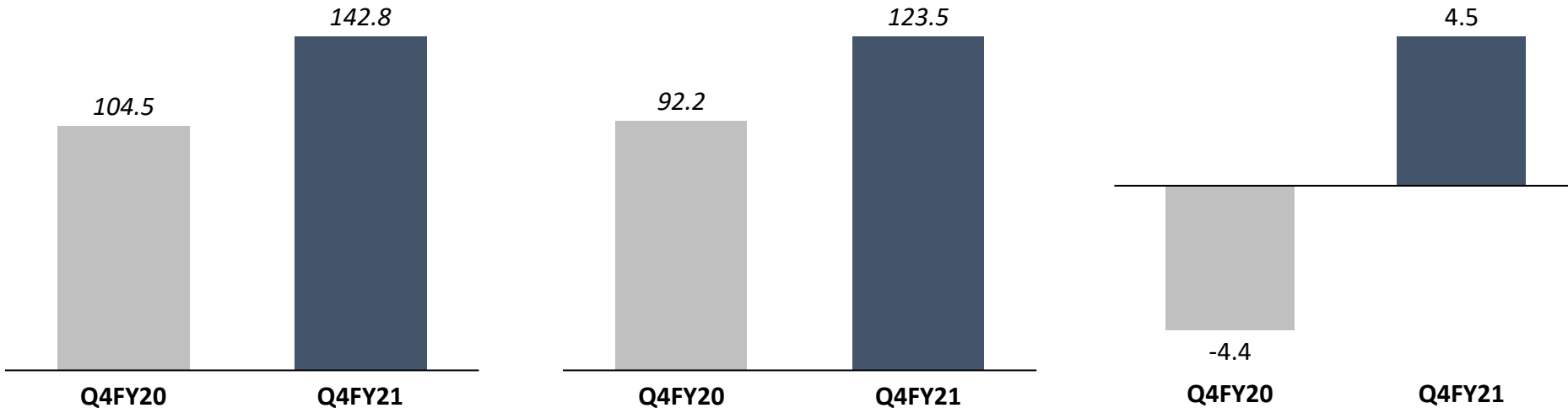
# Q4FY21 Performance

## Q4FY21 vs Q4FY20 (Consolidated)

Billings (Rs. Crs.)

Revenue (Rs. Crs.)#

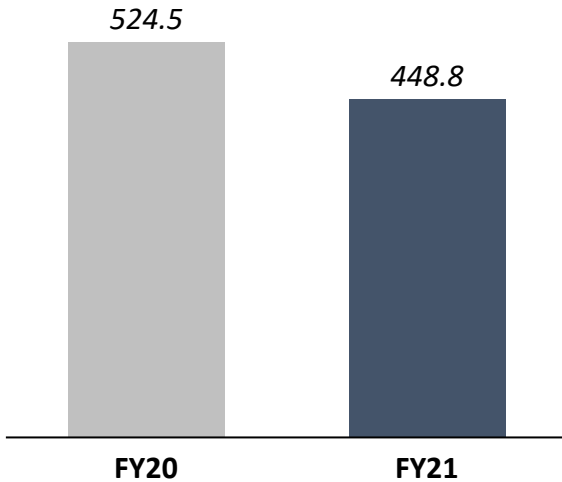
PAT (Rs. Crs.)



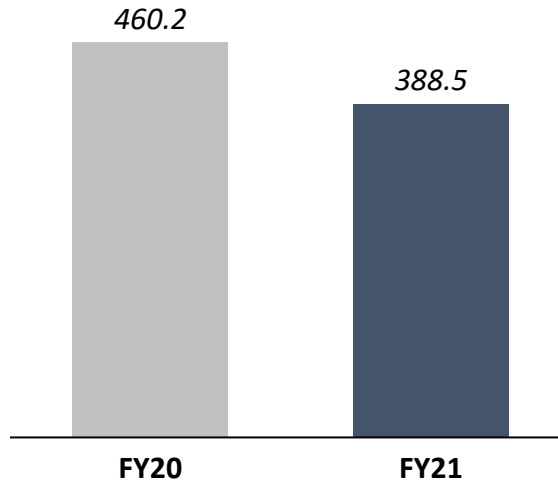
**ETHOS reported strong improvement in Profitability in Q4FY21 on the back of cost optimization efforts**

## FY21 vs FY20 (Consolidated)

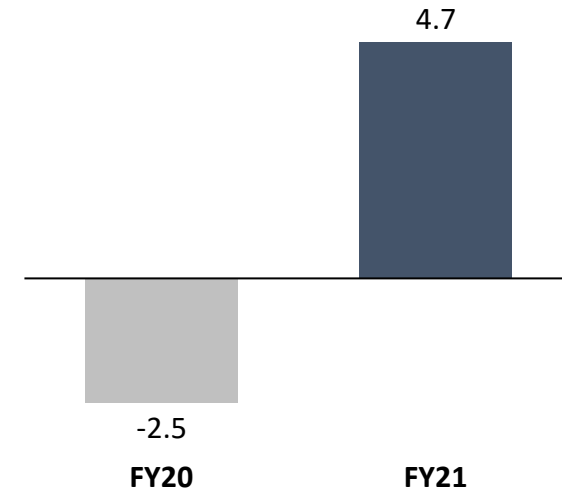
Billings (Rs. Crs.)



Revenue (Rs. Crs.)#



PAT (Rs. Crs.)



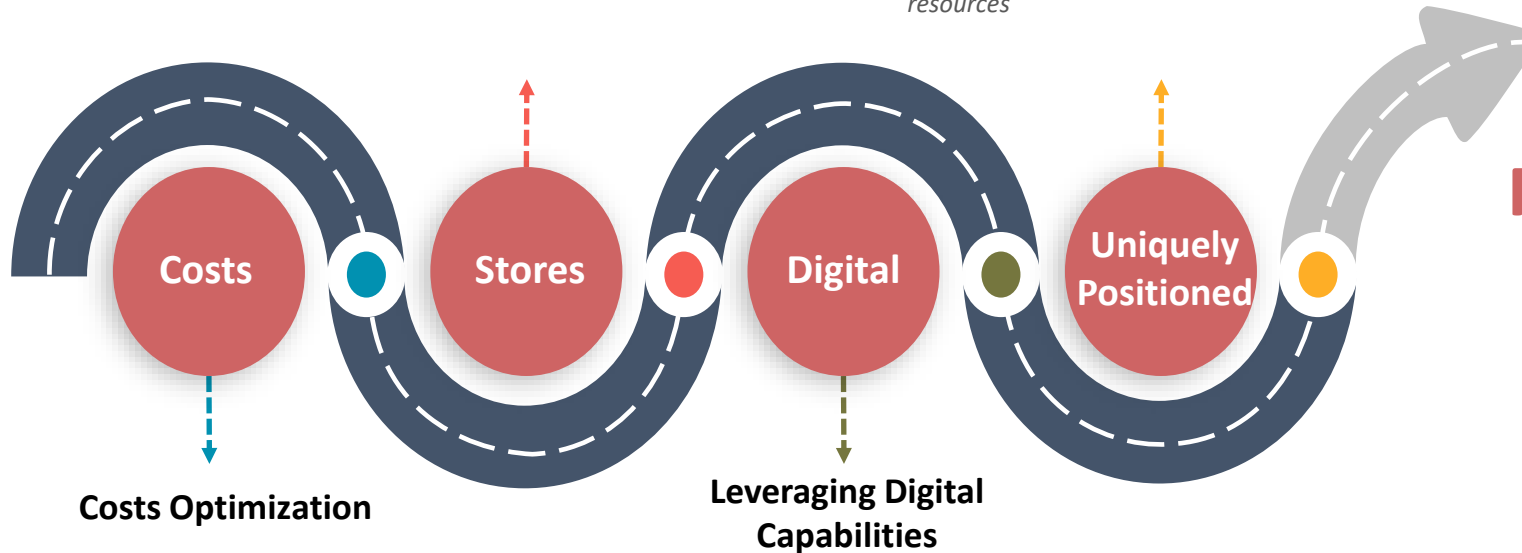
Inspite of lower revenue, ETHOS turned around from loss in FY20 to profit in FY21 with strong improvement in profitability

## Stores Optimization

*In depth assessment of each store's performance across India . Accelerated closure of lower productivity stores.*

## Uniquely Positioned to Grow

*Post pandemic, Swiss brands may focus more on developed markets and less on developing like India. Ethos is uniquely positioned to partner with them and grow these Swiss brands without them having to deploy their own resources*



*Deferment of all unproductive expenses & capex in the medium term to conserve cash while ensuring that spend on 'good costs' is not compromised*

*We have the most advanced digital communication and e-commerce capabilities in the country for any luxury product. With the change in customer behaviour, we will be best positioned to leverage these capabilities and increase market share substantially*

# Consolidated Profit & Loss

Particulars (Rs. Crores)*	Q4FY21	Q4FY20	YoY %	FY21	FY20	YoY %
<b>Revenue</b>	<b>125.2</b>	<b>92.2</b>	<b>36%</b>	<b>403.0</b>	<b>460.2</b>	<b>-12%</b>
Cost of Goods Sold	87.8	66.3		282.2	330.1	
<b>Gross Profit</b>	<b>37.3</b>	<b>25.9</b>	<b>44%</b>	<b>120.8</b>	<b>130.0</b>	<b>-7%</b>
<b>Margin (%)</b>	<b>29.8%</b>	<b>28.1%</b>		<b>30.0%</b>	<b>28.3%</b>	
Employee Expenses	9.6	7.7		29.3	33.2	
Other Expenses	9.9	9.6		35.4	42.7	
<b>Reported EBITDA</b>	<b>17.8</b>	<b>8.7</b>	<b>105%</b>	<b>56.1</b>	<b>54.2</b>	<b>4%</b>
<b>Margin (%)</b>	<b>14.2%</b>	<b>9.4%</b>		<b>13.9%</b>	<b>11.8%</b>	
Interest	4.1	4.9		17.0	19.5	
Depreciation	7.7	8.6		32.5	34.6	
<b>Profit before share of JV</b>	<b>6.0</b>	<b>-4.9</b>	<b>-</b>	<b>6.5</b>	<b>0.1</b>	<b>-</b>
Share of profit / (loss) of JV	0.2	-0.2		0.1	-0.3	
<b>PBT</b>	<b>6.2</b>	<b>-5.1</b>	<b>-</b>	<b>6.7</b>	<b>-0.3</b>	<b>-</b>
Tax	1.7	-0.8		2.0	2.2	
<b>PAT</b>	<b>4.5</b>	<b>-4.4</b>	<b>-</b>	<b>4.7</b>	<b>-2.5</b>	<b>-</b>

\*Financials are with applicability of IND AS 116

# Consolidated Profit & Loss – Q4FY21

Particulars (Rs. Crores)*	As Reported		Without INDAS 116	
	Q4FY21	Q4FY20	Q4FY21	Q4FY20
<b>Revenue</b>	<b>125.2</b>	<b>92.2</b>	<b>123.5</b>	<b>92.2</b>
Cost of Goods Sold	87.8	66.3	87.8	66.3
<b>Gross Profit</b>	<b>37.3</b>	<b>25.9</b>	<b>35.7</b>	<b>25.9</b>
Employee Expenses	9.6	7.7	9.7	7.7
Other Expenses	9.9	9.6	15.5	17.4
<b>Normalized EBITDA</b>	<b>17.8</b>	<b>8.7</b>	<b>10.6</b>	<b>0.8</b>
<b>Normalized Margin (%)</b>	<b>14.2%</b>	<b>9.4%</b>	<b>8.5%</b>	<b>0.9%</b>
Interest	1.5	2.2	1.5	2.2
INDAS 116 Interest	2.6	2.8	-	-
Depreciation	1.8	1.7	1.8	1.7
INDAS 116 Depreciation	5.9	6.9	-	-
Share of Profit / (loss) of JV	0.2	-0.2	0.2	-0.2
<b>PBT</b>	<b>6.2</b>	<b>-5.1</b>	<b>7.5</b>	<b>-3.3</b>



# Consolidated Profit & Loss – FY21

Particulars (Rs. Crores)*	As Reported		Without INDAS 116	
	FY21	FY20	FY21	FY20
<b>Revenue</b>	<b>403.0</b>	<b>460.2</b>	<b>388.5</b>	<b>460.2</b>
Cost of Goods Sold	282.2	330.1	282.2	330.1
<b>Gross Profit</b>	<b>120.8</b>	<b>130.0</b>	<b>106.3</b>	<b>130.0</b>
Employee Expenses	29.3	33.2	29.3	33.2
Other Expenses	35.4	42.7	51.0	73.8
<b>Normalized EBITDA</b>	<b>56.1</b>	<b>54.2</b>	<b>26.1</b>	<b>23.0</b>
<b>Normalized Margin (%)</b>	<b>13.9%</b>	<b>11.8%</b>	<b>6.7%</b>	<b>5.0%</b>
Interest	6.4	8.9	6.4	8.9
INDAS 116 Interest	10.6	10.6	-	-
Depreciation	7.7	6.5	7.7	6.5
INDAS 116 Depreciation	24.8	28.1	-	-
Share of Profit / (loss) of JV	0.1	-0.3	0.2	-0.3
<b>PBT</b>	<b>6.7</b>	<b>-0.3</b>	<b>12.2</b>	<b>7.3</b>

# Ind AS 116: Impact on Financials

- The adoption of Ind AS 116 has resulted in recognizing a Right-of-Use Assets of **Rs. 81.2 Crores** and lease liability of **Rs. 88.2 Crores**, as on 31<sup>st</sup> Mar, 2021
- Overall balance sheet will increase by the amount of asset created for Leases. This will have an impact on Profitability as under:

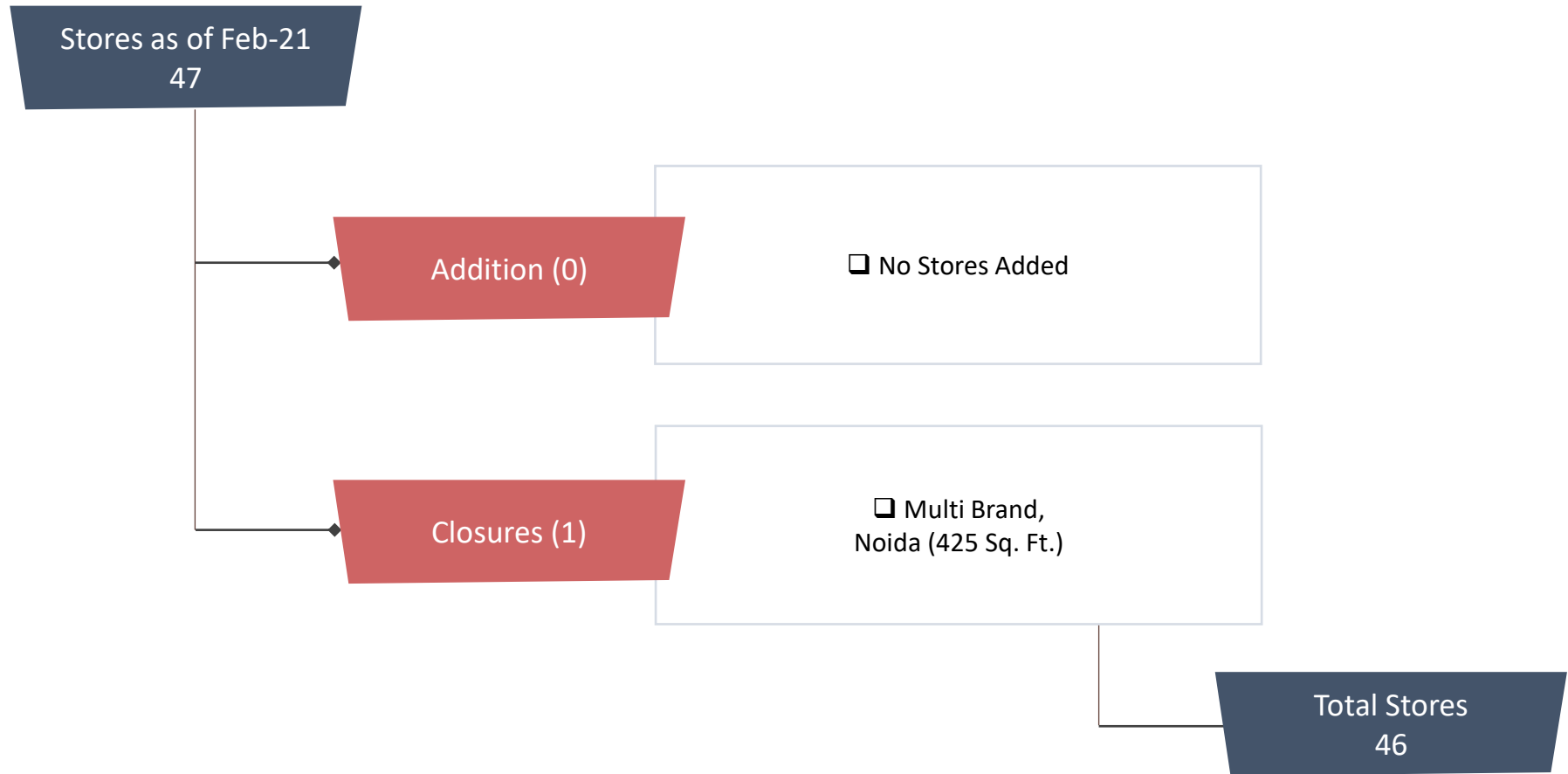
<i>Profit &amp; Loss Impact</i>		For FY21 (Rs. Cr.)	Financial impact
Other expenses (Rent)	Decrease in Rent expense	15.6	This affects other expenses, other income, depreciation and finance cost in the Profit & loss statement & consequently impacts, Revenue, EBITDA and PBT of the company
Finance costs	Increase in Finance cost	10.6	
Depreciation	Increase in Depreciation	24.8	
Other Income	Increase in Other income	14.5	
Share of Profit / loss of JV	Increase in Loss of JV	0.1	
<b>Profit before tax</b>	<b>Decrease in PBT</b>	<b>5.5</b>	

There would be no change in the cash flow of the company due to applicability of INDAS 116

# Consolidated Balance Sheet

Assets (Rs. Crores)*	Mar-21	Mar-20	Equity & Liabilities (Rs. Crores)*	Mar-21	Mar-20
<b>Non-current assets</b>	<b>128.8</b>	<b>142.7</b>	<b>Shareholder's Fund</b>	<b>156.9</b>	<b>152.2</b>
Fixed Assets	35.1	32.2	Share Capital	18.2	18.2
Right of Use	81.2	96.9	Other Equity	138.7	134.0
Financial Assets	9.0	9.3			
Other Non Current Assets	2.6	3.6	<b>Non-current liabilities</b>	<b>88.6</b>	<b>97.8</b>
Investment in Joint Venture	0.8	0.7	Borrowings	17.1	15.8
			Lease Liabilities	69.1	79.8
<b>Deferred Tax asset</b>	<b>8.2</b>	<b>7.3</b>	Others Financial Liabilities	0.9	0.9
			Other Liabilities	1.6	1.3
<b>Current assets</b>	<b>256.5</b>	<b>274.7</b>	<b>Current liabilities</b>	<b>148.0</b>	<b>174.7</b>
Inventories	197.8	218.6	Current Borrowings	26.8	53.6
Trade Receivables	12.2	9.4	Lease Liabilities	19.1	19.1
Cash and Bank Balances	20.5	10.0	Trade Payables	72.0	72.4
Other Financial Assets	10.1	12.7	Other Financial Liabilities	17.8	16.2
Other Current Assets	16.0	24.0	Current provisions	2.5	2.4
			Other Current liabilities	9.8	11.0
<b>Total Assets</b>	<b>393.5</b>	<b>424.7</b>	<b>Total Equity &amp; Liabilities</b>	<b>393.5</b>	<b>424.7</b>

# Largest Pan India retailer of Luxury Watches



**We continue to rationalise the store network  
Open stores in newer locations with higher expected footfalls and stores with  
lower profitability to be closed down**

## Repair & Service



- ✓ Repair and services over 60 of the World's top Luxury watch Brands
- ✓ Strap and Bracelet replacement
- ✓ Servicing of Movements
- ✓ Bracelet link removal and adjustment
- ✓ Ultrasonic Cleaning

## Pre-Owned Watches



- ✓ Pre-Owned Watches has the potential to expand the volume and customer base
- ✓ Ethos has the expertise to check the authenticity and to ensure that each time piece is in great condition for its new owner to enjoy
- ✓ The prices we quote for each pre-owned watch is based on a thorough assessment of its current market value, and its years of use. This makes it a fair price
- ✓ Financial consultancy Kepler Cheuvreux estimates the current global market for pre-owned watches alone to be worth upward of USD \$15 billion annually

## Second Time Zone

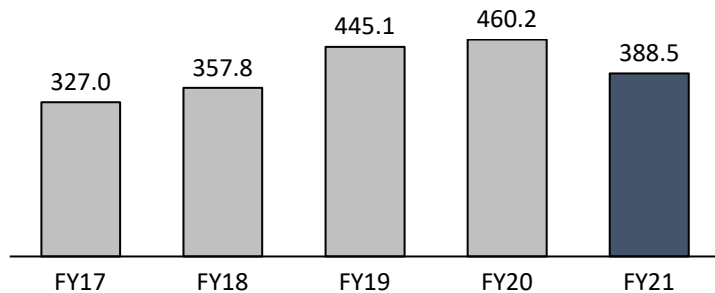
*Powered by Ethos Watch Boutiques*



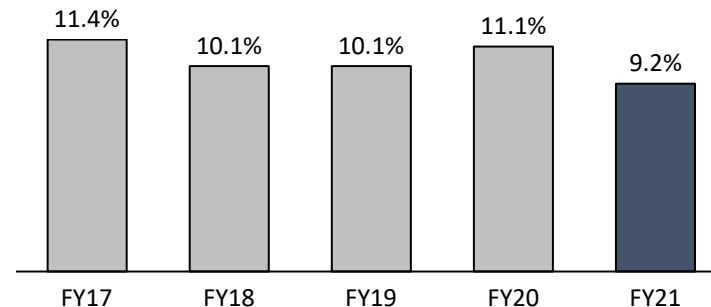
## *Operational Highlights*

# Ethos - Performance Trend

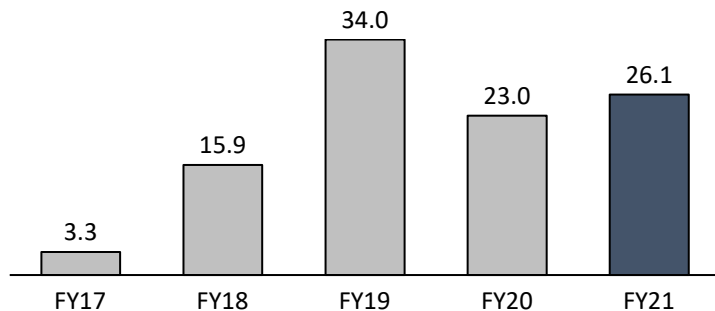
Revenue (Rs. Crs.)\*



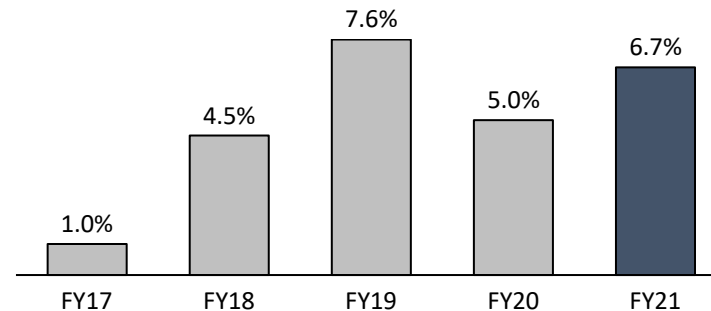
Front-end Rent & Manpower Cost as % of Revenue



EBITDA (Rs. Crs.)\*



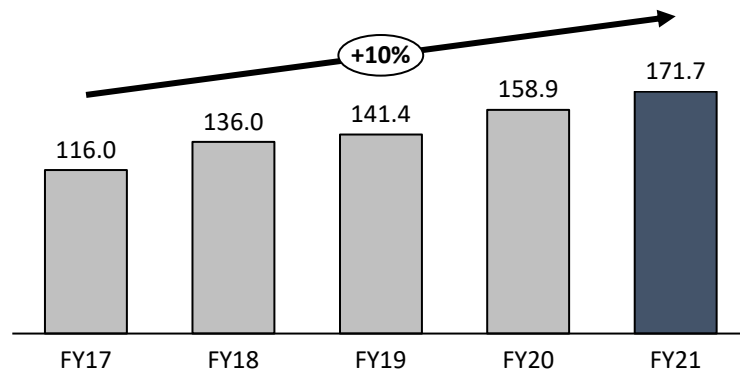
EBITDA Margins\*



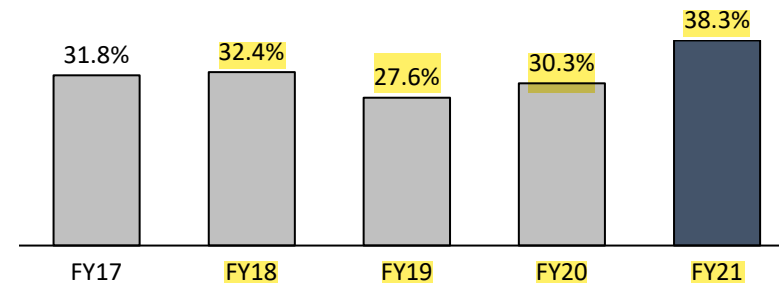
\*FY20 & FY21 Revenue, EBITDA & Margins are without IND AS 116 impact for like-to-like comparison

# Ethos - Online Sales Trend

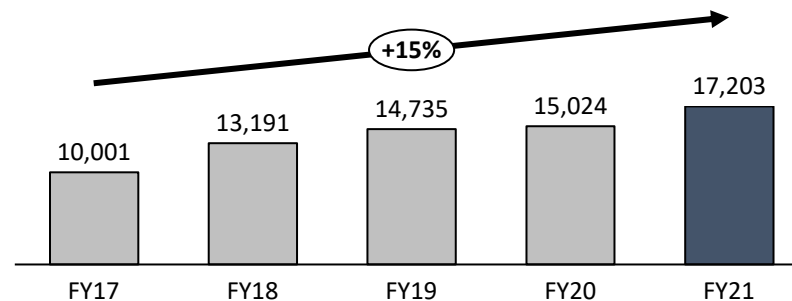
Online Billings (Rs. Crs.)



Online Billing as % of Total Billing



Visitors ('000)



Ethos witnessed strong online sales in FY21 as Covid-19 lockdown did not deter customers from buying luxury watches online



*Ethos is India's Largest  
Luxury Watch Retailer*



# Pan-India Presence with Offline Store Network



India's Largest retail chain of Luxury Watches with 46 stores

Presence across Metros, Tier I, Tier II cities

1 Duty Free Retail Outlet at International Terminal

**Store Selection Criteria :**  
**Reputed /Pedigree Mall at Premium location**  
**where other Premium brands present and having**  
**better facility management**

# Pan-India Presence with Offline Store Network



## Exclusive Brands

- Higher share of Business from Exclusive Brands



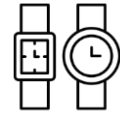
## Stores

- To go slower on new stores in near term
- Focus on improving profitability of existing stores



## Digital Strategy

- Leverage on our Digital platform to drive sales and customers
- Digital strategy to lead to cost optimization and margin growth

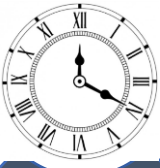


## Right Mix

- Targeting to have a right mix of Brands at all price points leading to faster churn in Inventory and increasing profitability

## Knowledge

Ethos has well trained Knowledgeable staff to ensure highest customer satisfaction and increasing repeat buying.



## One-stop shop

Ethos' access to Swiss Watch Brands will make it a '1 Stop Shop' for Luxury Watches In India



## Mind Share

Ethos to be synonymous with Luxury watches retailing in India thus gaining 'Customer Mind Share'



## Online

Ethos makes Swiss Watches 'Available Online' in a confluence of Online-Offline model helping us to leverage the strength of Swiss Watch Brands and our wide Distribution Reach

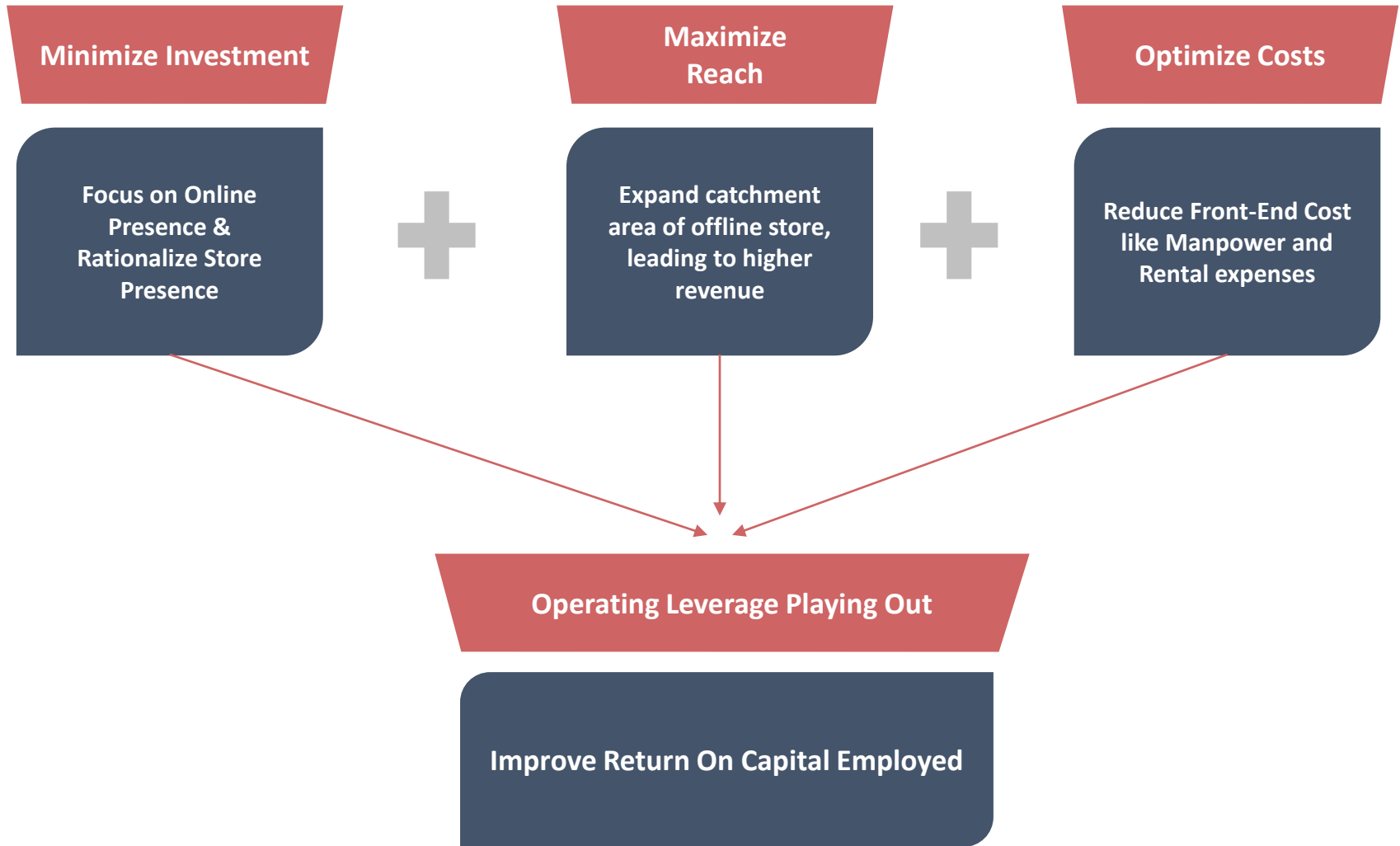


## Trust

Ethos DNA is all about Authenticity increasing the 'Trust factor' in a large Un-organized market.



# With an Asset Light Model...



# and Continued Investments in Advertising...

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Hindustan Times

... with **ETHOS** co-branding



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