

# KDDL Limited

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**Ref : KDDL/CS/2020-21/92**

**Date : 12<sup>th</sup> February, 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 Q3 FY21.

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  
February 2021**

# Safe Harbor



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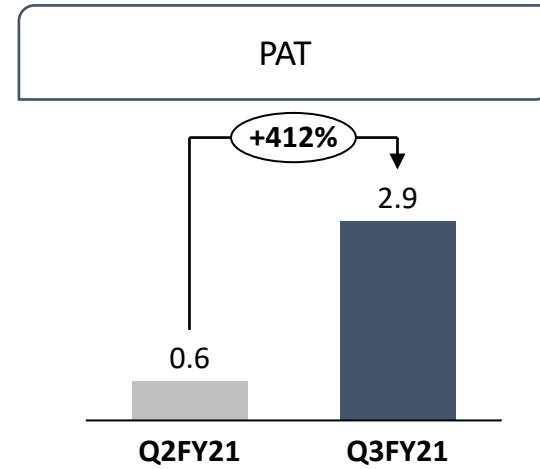
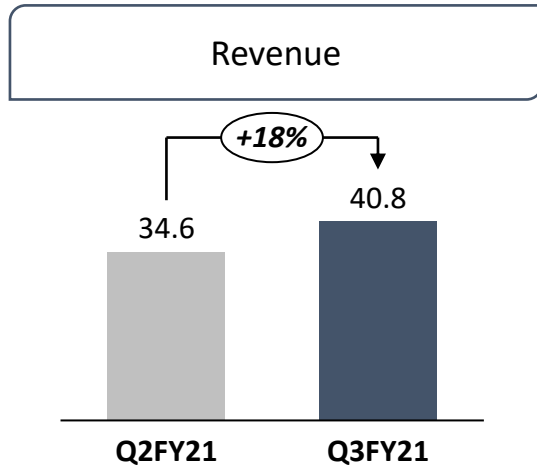
# *Q3FY21 Performance Overview*



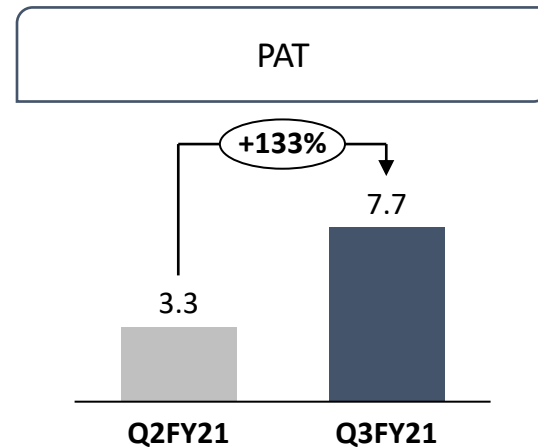
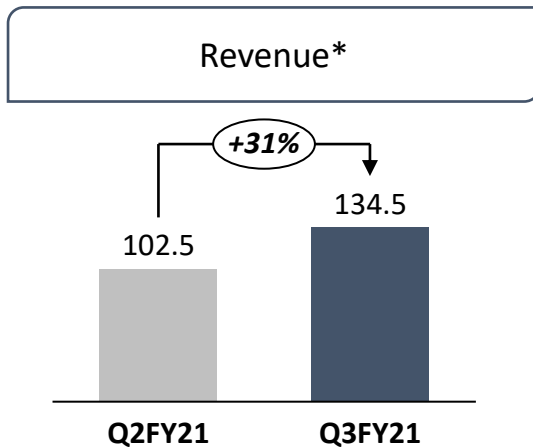
# Witnessing Strong Recovery Q-o-Q...



## Standalone Performance (Rs. Crs)



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

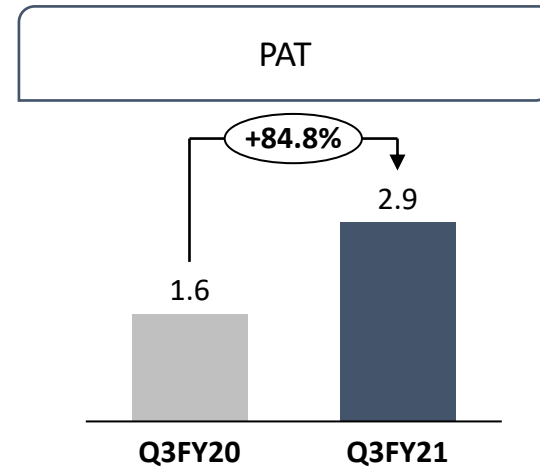
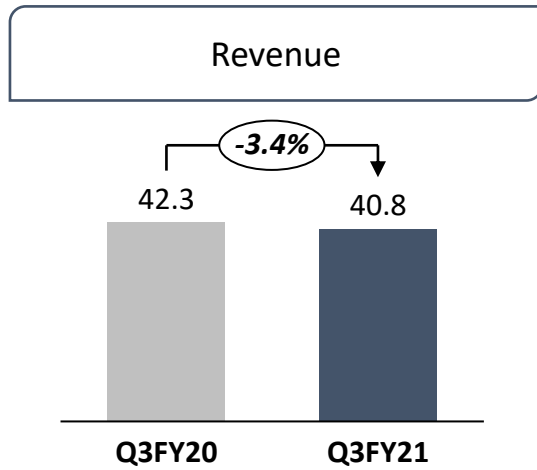


\*Ethos Q2FY21 & Q3FY21 Revenue is without IND AS 116 impact for better comparison

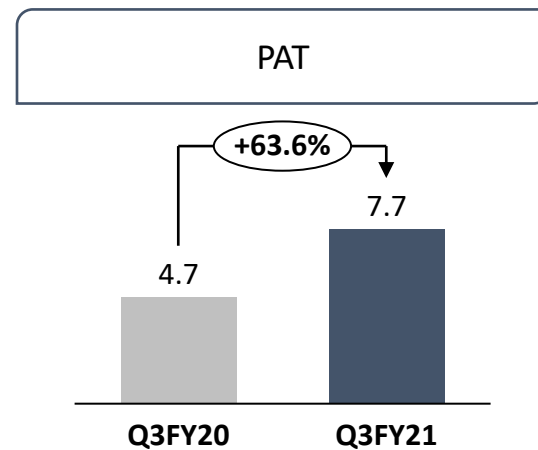
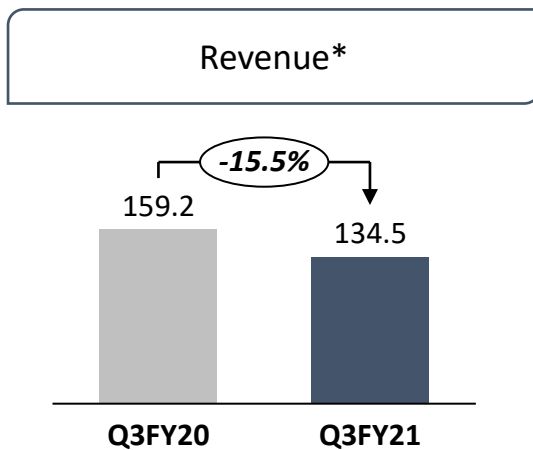
# Q3FY21 Performance



## Standalone Performance (Rs. Crs)



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



\*Ethos Q2FY21 & Q3FY21 Revenue is without IND AS 116 impact for better comparison

# Standalone Profit & Loss



Profit & Loss (Rs. Crs.)	Q3FY21	Q3FY20	YoY%	Q2FY21	QoQ%	9MFY21	9MFY20	YoY%
<b>Revenue</b>	<b>40.8</b>	<b>42.3</b>	<b>-3%</b>	<b>34.6</b>	<b>18%</b>	<b>96.4</b>	<b>139.9</b>	<b>-31%</b>
Cost of Goods Sold	10.5	9.8		9.3		25.6	34.8	
<b>Gross Profit</b>	<b>30.4</b>	<b>32.5</b>	<b>-6%</b>	<b>25.3</b>	<b>20%</b>	<b>70.8</b>	<b>105.1</b>	<b>-33%</b>
Employee Expenses	13.1	14.1		11.3		35.1	42.5	
Other Expenses	9.5	12.0		8.7		24.0	38.9	
<b>EBITDA</b>	<b>7.7</b>	<b>6.4</b>	<b>21%</b>	<b>5.3</b>	<b>46%</b>	<b>11.7</b>	<b>23.7</b>	<b>-51%</b>
<b>Margin (%)</b>	<b>18.9%</b>	<b>15.1%</b>		<b>15.2%</b>		<b>12.1%</b>	<b>17.0%</b>	
Other Income	1.0	1.1		0.9		2.7	4.1	
Interest	2.3	2.3		2.4		7.1	6.6	
Depreciation	3.0	3.0		3.1		9.0	8.8	
<b>PBT</b>	<b>3.5</b>	<b>2.3</b>	<b>54%</b>	<b>0.7</b>	<b>403%</b>	<b>-1.7</b>	<b>12.5</b>	<b>-</b>
Tax	0.6	0.7		0.1		-0.4	3.8	
<b>PAT</b>	<b>2.9</b>	<b>1.6</b>	<b>85%</b>	<b>0.6</b>	<b>412%</b>	<b>-1.3</b>	<b>8.6</b>	<b>-</b>

Since the lockdown was in force for a significant part of 9MFY21, the results for 9MFY21 were adversely affected by the COVID-19 pandemic and may not be strictly comparable with previous periods

# Consolidated Profit & Loss



Profit & Loss (Rs. Crs.)	Q3FY21	Q3FY20	YoY%	Q2FY21	QoQ%	9MFY21	9MFY20	YoY%
<b>Revenue</b>	<b>178.2</b>	<b>203.7</b>	<b>-13%</b>	<b>139.4</b>	<b>28%</b>	<b>370.6</b>	<b>515.0</b>	<b>-28%</b>
Cost of Goods Sold	108.6	124.8		85.4		222.2	299.6	
<b>Gross Profit</b>	<b>69.6</b>	<b>79.0</b>	<b>-12%</b>	<b>54.0</b>	<b>29%</b>	<b>148.4</b>	<b>215.5</b>	<b>-31%</b>
Employee Expenses	22.1	25.7		18.7		60.4	77.5	
Other Expenses	20.9	26.3		17.9		50.4	74.9	
<b>EBITDA</b>	<b>26.6</b>	<b>27.0</b>	<b>-1%</b>	<b>17.4</b>	<b>53%</b>	<b>37.7</b>	<b>63.0</b>	<b>-40%</b>
<b>Margin (%)</b>	<b>14.9%</b>	<b>13.2%</b>		<b>12.5%</b>		<b>10.2%</b>	<b>12.2%</b>	
Other Income	4.0	1.8		6.1		15.7	4.6	
Interest	6.6	7.9		6.6		20.4	21.6	
Depreciation	11.0	12.6		11.9		35.1	35.9	
Share of Profit / (Loss) of equity accounted investees	0.1	-0.1		0.0		-0.0	-0.1	
<b>PBT</b>	<b>13.1</b>	<b>8.1</b>	<b>61%</b>	<b>4.9</b>	<b>167%</b>	<b>-2.2</b>	<b>10.1</b>	<b>-</b>
Tax	3.4	3.8		1.1		-0.1	7.0	
<b>PAT</b>	<b>9.7</b>	<b>4.4</b>	<b>121%</b>	<b>3.8</b>	<b>156%</b>	<b>-2.1</b>	<b>3.2</b>	<b>-</b>
Minority Interest	1.9	1.2		0.9		0.0	0.4	
<b>PAT After Minority Interest</b>	<b>7.8</b>	<b>3.2</b>	<b>145%</b>	<b>2.9</b>	<b>172%</b>	<b>-2.1</b>	<b>2.8</b>	<b>-</b>

Since the lockdown was in force for a significant part of 9MFY21, the results for 9MFY21 were adversely affected by the COVID-19 pandemic and may not be strictly comparable with previous periods



# Consolidated Profit & Loss – Q3FY21



Profit & Loss (Rs. Crs.)	As Reported		Without IND AS 116	
	Q3FY21	Q3FY20	Q3FY21	Q3FY20
<b>Revenue</b>	<b>178.2</b>	<b>203.7</b>	<b>178.2</b>	<b>203.7</b>
Cost of Goods Sold	108.6	124.8	<b>108.6</b>	<b>124.8</b>
<b>Gross Profit</b>	<b>69.6</b>	<b>79.0</b>	<b>69.6</b>	<b>79.0</b>
Employee Expenses	22.1	25.7	<b>22.1</b>	<b>25.7</b>
Other Expenses	20.9	26.3	29.7	35.9
<b>Normalized EBITDA</b>	<b>26.6</b>	<b>27.0</b>	<b>17.8</b>	<b>17.4</b>
<b>Normalized Margin (%)</b>	<b>14.9%</b>	<b>13.2%</b>	<b>10.0%</b>	<b>8.6%</b>
Other Income	4.0	1.8	4.0	1.8
Interest	3.7	4.6	3.7	4.6
INDAS 116 Interest	2.9	3.3	-	-
Depreciation	4.2	4.5	4.2	4.5
INDAS 116 Depreciation	6.8	8.1	-	-
Share of Profit / (Loss) of equity accounted investees	0.1	-0.1	0.1	-0.1
<b>PBT</b>	<b>13.1</b>	<b>8.1</b>	<b>14.0</b>	<b>10.0</b>

# Consolidated Profit & Loss – 9MFY21



Profit & Loss (Rs. Crs.)	As Reported		Without IND AS 116	
	9MFY21	9MFY20	9MFY21	9MFY20
<b>Revenue</b>	<b>370.6</b>	<b>515.0</b>	<b>370.6</b>	<b>515.0</b>
Cost of Goods Sold	222.2	299.6	222.2	299.6
<b>Gross Profit</b>	<b>148.4</b>	<b>215.5</b>	<b>148.4</b>	<b>215.5</b>
Employee Expenses	60.4	77.5	60.4	77.5
Other Expenses	50.4	74.9	75.2	100.5
<b>Normalized EBITDA</b>	<b>37.7</b>	<b>63.0</b>	<b>12.8</b>	<b>37.5</b>
<b>Normalized Margin (%)</b>	<b>10.2%</b>	<b>12.2%</b>	<b>3.5%</b>	<b>7.3%</b>
Other Income	15.7	4.6	15.7	4.6
Interest	11.7	13.0	11.7	13.0
INDAS 116 Interest	8.7	8.6	-	-
Depreciation	14.3	12.9	14.3	12.9
INDAS 116 Depreciation	20.9	23.0	-	-
Share of Profit / (Loss) of equity accounted investees	-0.0	-0.1	-0.0	-0.1
<b>PBT</b>	<b>-2.2</b>	<b>10.1</b>	<b>2.5</b>	<b>16.1</b>

Since the lockdown was in force for a significant part of 9MFY21, the results for 9MFY21 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. 95.3 Crores** and equivalent to the lease liability of **Rs. 97.1 Crores** as on 31<sup>st</sup> Dec 2020
- 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 9MFY21 (Rs. Cr.)	Financial impact
Other expenses (Rent)	Decrease in Rent expense	24.9	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	8.7	
Depreciation	Increase in Depreciation	20.9	
<b>Profit before tax</b>	<b>Decrease in PBT</b>	<b>4.7</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.)	Sep-20	Mar-20	Liabilities (Rs. Crs.)	Sep-20	Mar-20
<b>Non-current assets</b>	<b>218.8</b>	<b>216.0</b>	<b>Equity</b>	<b>165.4</b>	<b>169.5</b>
Property, plant and equipment	90.9	93.8	Equity share capital	11.7	11.7
Capital work-in-progress	3.1	2.2	Other equity	153.7	157.8
Right-of-use asset	11.9	12.7			
Investment Property	0.4	0.4	<b>Non-current liabilities</b>	<b>52.0</b>	<b>58.5</b>
Other intangible assets	0.3	0.4	Financial Liabilities		
Financial assets			(i) Borrowings	41.2	45.2
(i) Investments	107.7	100.7	(ii) Lease Liabilities	5.3	5.9
(ii) Loans	2.1	2.2	(iii) Other financial liabilities	1.0	1.2
Income Tax Asset	2.3	2.3	Provisions	0.3	1.1
Other Non Current Assets	0.3	1.3	Deferred tax liability (net)	4.2	5.1
<b>Current assets</b>	<b>76.1</b>	<b>84.1</b>	<b>Current liabilities</b>	<b>77.6</b>	<b>72.1</b>
Inventories	29.2	32.1	Financial Liabilities		
Financial assets			(i) Borrowings	15.1	19.3
(i) Trade receivables	22.8	24.6	(ii) Lease Liabilities	2.4	2.0
(ii) Cash and cash equivalents	5.3	9.5	(iii) Trade payables	13.4	13.5
(iii) Other bank balances	5.5	5.4	(iv) Other financial liabilities	36.4	31.1
(iv) Loans	1.8	1.9	Other current liabilities	6.5	3.2
(v) Other financial assets	3.2	2.1	Provisions	3.4	2.7
Other current assets	8.3	8.4	Current tax liabilities(net)	0.3	0.3
<b>Total Assets</b>	<b>294.9</b>	<b>300.1</b>	<b>Total Liabilities</b>	<b>294.9</b>	<b>300.1</b>

# Consolidated Balance Sheet



Assets (Rs. Crs.)	Sep-20	Mar-20	Liabilities (Rs. Crs.)	Sep-20	Mar-20
<b>Non-current assets</b>	<b>286.7</b>	<b>299.2</b>	<b>Equity</b>	<b>209.1</b>	<b>227.4</b>
Property, plant and equipment	153.7	158.6	Equity share capital	11.7	11.7
Capital work-in-progress	5.0	2.9	Other equity	159.8	174.0
Right-of-use asset	100.1	109.6	Non Controlling Interest	37.6	41.7
Intangible assets	0.6	0.8			
Intangible assets under development	0.1	0.1	<b>Non-current liabilities</b>	<b>161.8</b>	<b>175.1</b>
Equity accounted investees	0.8	1.0	Financial Liabilities		
Financial assets			(i) Borrowings	74.8	80.1
(i) Investments	0.5	0.5	(ii) Lease Liabilities	78.8	85.4
(ii) Loans	9.9	10.2	(iii) Other financial liabilities	2.1	2.1
(iii) Other financial assets	0.1	1.3	Provisions	1.8	2.4
Income Tax Asset	3.9	3.7	Deferred tax liability (net)	4.2	5.1
Deferred tax assets (net)	9.8	7.2			
Other Non Current Assets	2.4	3.4			
			<b>Current liabilities</b>	<b>217.7</b>	<b>254.7</b>
<b>Current assets</b>	<b>301.9</b>	<b>358.0</b>	Financial Liabilities		
Inventories	213.9	252.7	(i) Borrowings	39.9	74.3
Financial assets			(ii) Lease Liabilities	21.5	20.9
(i) Trade receivables	26.7	28.5	(iii) Trade payables	73.4	87.3
(ii) Cash and cash equivalents	12.9	22.8	(iv) Other financial liabilities	59.3	52.6
(iii) Other bank balances	7.8	5.7	Other current liabilities	16.8	13.8
(iv) Loans	7.9	8.0	Provisions	6.2	5.1
(v) Other financial assets	6.2	6.6	Current tax liabilities(net)	0.7	0.7
Other current assets	26.5	33.7			
<b>Total Assets</b>	<b>588.6</b>	<b>657.2</b>	<b>Total Liabilities</b>	<b>588.6</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



**Acquired in 2019**

## About Estima AG

- Estima was established as a maker of watch hands in Switzerland in 1924
- It was a leading supplier to Swiss and other European watch brands in the mid-priced segment and enjoyed an excellent reputation
- However, over last 10 years, it was unable to keep up with market changes and lost market share leading to declining turnover and mounting losses

## Strategic Rationale for Acquisition

- Estima was a competitor of the Company in the business of watch hands manufacturing
- Has a well established name, valuable production infrastructure and will be serve as a good platform to establish a foothold in Swiss watch component manufacturing
- Will help capture additional market share of customers in European market serviced by Estima

**Estima AG 2020 Turnover – CHF 1.9 Million**



# 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



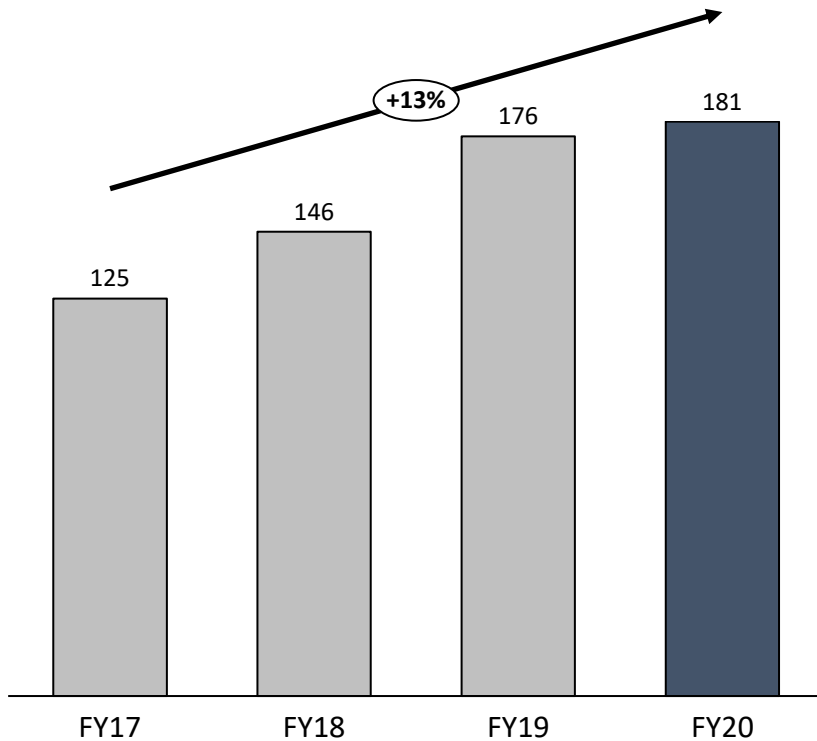
## Customers

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

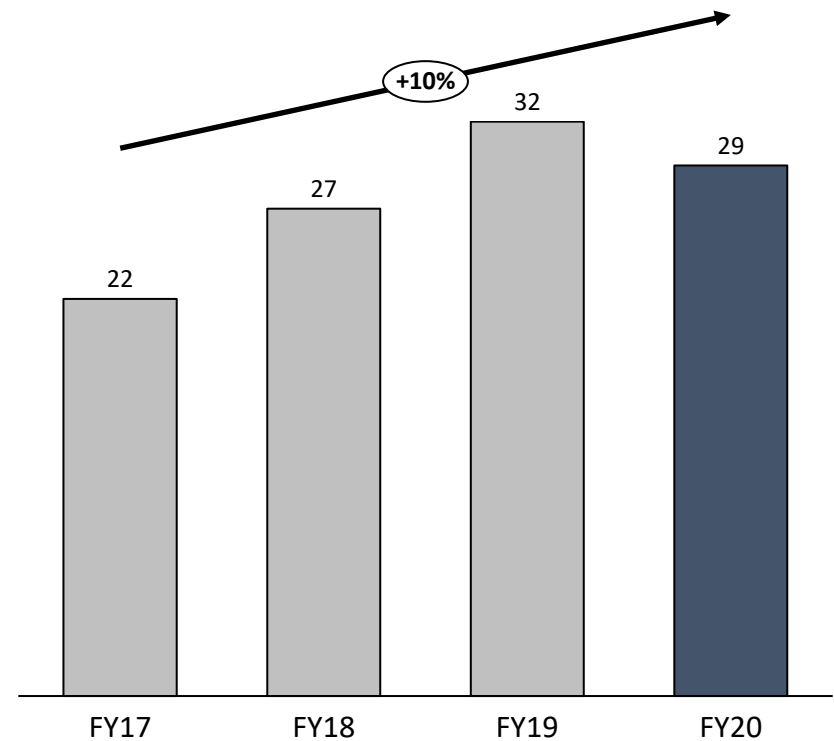
# Stable Manufacturing Performance\*



Revenue (Rs. Crs.)



EBITDA (Rs. Crs.)



# Ethos

## Q3FY21 Snapshot

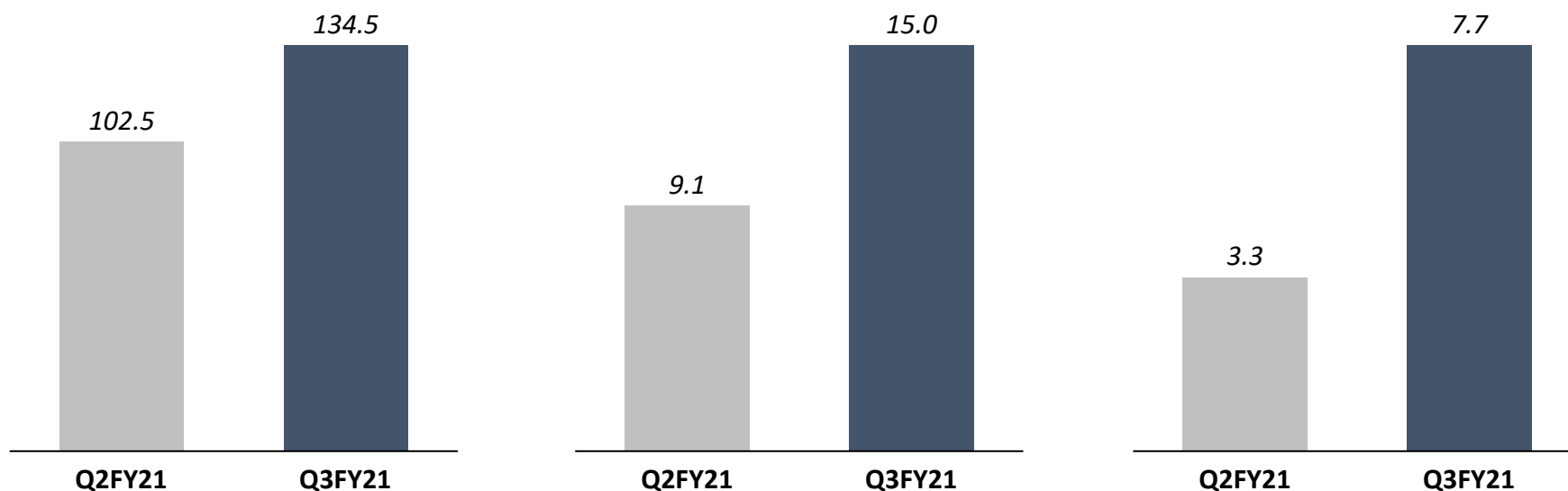


# Witnessing Strong Recovery Q-o-Q...

Revenue (Rs. Crs.)\*

EBITDA\* (Rs. Crs.)

PAT (Rs. Crs.)



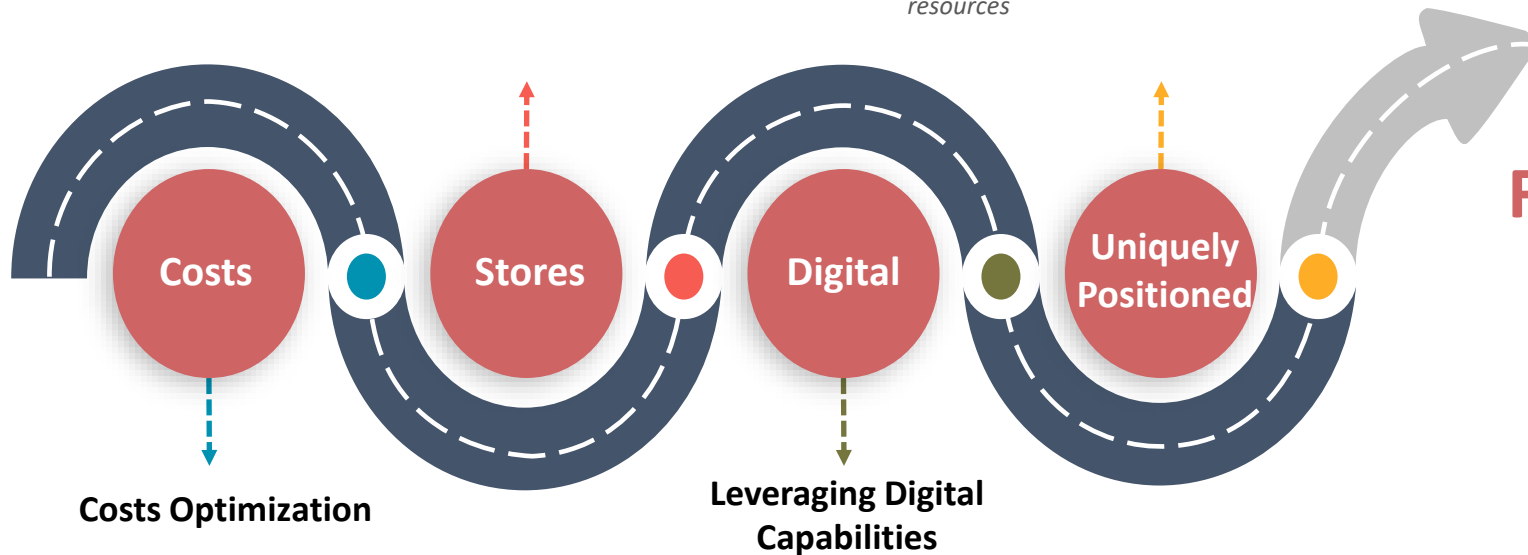
Witnessed strong recovery in revenue & profitability sequentially as lockdown restrictions eased during Q3FY21 and store operations normalised

## 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*

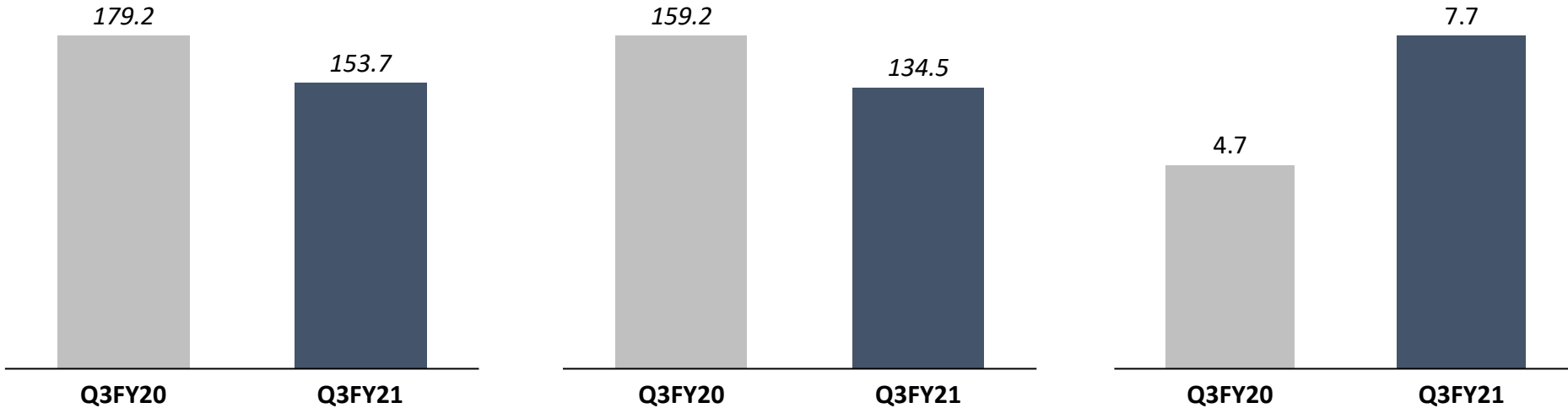
*We have the most advanced digital communication and e-commerce capabilities in the country for any luxury product. With the change in customer behaviour, we will be best positioned to leverage these capabilities and increase market share substantially*

## Q3FY21 vs Q3FY20 (Consolidated)

Billings (Rs. Crs.)

Revenue (Rs. Crs.)#

PAT (Rs. Crs.)



Inspite of lower revenue, ETHOS reported strong improvement in PAT in Q3FY21 on the back of cost optimization efforts

# Consolidated Profit & Loss

Particulars (Rs. Crores)*	Q3FY21	Q3FY20	YoY %	Q2FY21	QoQ %	9MFY21	9MFY20	YoY %
<b>Revenue</b>	<b>137.4</b>	<b>159.2</b>	<b>-14%</b>	<b>107.6</b>	<b>28%</b>	<b>277.8</b>	<b>367.9</b>	<b>-24%</b>
Cost of Goods Sold	97.2	114.6		76.1		194.4	263.8	
<b>Gross Profit</b>	<b>40.2</b>	<b>44.5</b>	<b>-10%</b>	<b>31.5</b>	<b>27%</b>	<b>83.5</b>	<b>104.1</b>	<b>-20%</b>
<b>Margin (%)</b>	<b>29.3%</b>	<b>28.0%</b>		<b>29.3%</b>		<b>30.0%</b>	<b>28.3%</b>	
Employee Expenses	6.8	8.1		5.8		19.6	25.5	
Other Expenses	11.2	13.8		8.9		25.5	33.0	
<b>Reported EBITDA</b>	<b>22.2</b>	<b>22.6</b>	<b>-2%</b>	<b>16.9</b>	<b>32%</b>	<b>38.3</b>	<b>45.6</b>	<b>-16%</b>
<b>Margin (%)</b>	<b>16.2%</b>	<b>14.2%</b>		<b>15.7%</b>		<b>13.8%</b>	<b>12.4%</b>	
Interest	4.2	5.5		4.2		13.0	14.5	
Depreciation	7.5	9.3		8.4		24.8	26.0	
<b>Profit before share of JV</b>	<b>10.5</b>	<b>7.8</b>	<b>34%</b>	<b>4.3</b>	<b>144%</b>	<b>0.5</b>	<b>5.0</b>	<b>-89%</b>
Share of profit / (loss) of JV	0.1	-0.1		0.0		0.0	-0.1	
<b>PBT</b>	<b>10.6</b>	<b>7.7</b>	<b>37%</b>	<b>4.3</b>	<b>146%</b>	<b>0.5</b>	<b>4.9</b>	<b>-90%</b>
Tax	2.9	3.0		1.0		0.3	3.0	
<b>PAT</b>	<b>7.7</b>	<b>4.7</b>	<b>64%</b>	<b>3.3</b>	<b>133%</b>	<b>0.2</b>	<b>1.9</b>	<b>-89%</b>

\*Financials are with applicability of IND AS 116

# Consolidated Profit & Loss – Q3FY21

Particulars (Rs. Crores)*	As Reported		Without INDAS 116	
	Q3FY21	Q3FY20	Q3FY21	Q3FY20
<b>Revenue</b>	<b>137.4</b>	<b>159.2</b>	<b>134.5</b>	<b>159.2</b>
Cost of Goods Sold	97.2	114.6	97.2	114.6
<b>Gross Profit</b>	<b>40.2</b>	<b>44.6</b>	<b>37.3</b>	<b>44.6</b>
Employee Expenses	6.8	8.1	6.8	8.1
Other Expenses	11.2	13.8	15.5	22.3
<b>Normalized EBITDA</b>	<b>22.2</b>	<b>22.6</b>	<b>15.0</b>	<b>14.1</b>
<b>Normalized Margin (%)</b>	<b>16.2%</b>	<b>14.2%</b>	<b>11.2%</b>	<b>8.9%</b>
Interest	1.6	2.4	1.6	2.4
INDAS 116 Interest	2.6	3.1	-	-
Depreciation	1.5	1.8	1.5	1.8
INDAS 116 Depreciation	6.0	7.5	-	-
Share of Profit / (loss) of JV	0.1	-0.1	0.1	-0.1
<b>PBT</b>	<b>10.6</b>	<b>7.7</b>	<b>12.1</b>	<b>9.8</b>



# Consolidated Profit & Loss – 9MFY21

Particulars (Rs. Crores)*	As Reported		Without INDAS 116	
	9MFY21	9MFY20	9MFY21	9MFY20
<b>Revenue</b>	<b>277.8</b>	<b>367.9</b>	<b>265.0</b>	<b>367.9</b>
Cost of Goods Sold	194.4	263.8	194.4	263.8
<b>Gross Profit</b>	<b>83.5</b>	<b>104.1</b>	<b>70.7</b>	<b>104.1</b>
Employee Expenses	19.6	25.5	19.6	25.5
Other Expenses	25.5	33.0	35.5	56.4
<b>Normalized EBITDA</b>	<b>38.3</b>	<b>45.6</b>	<b>15.6</b>	<b>22.2</b>
<b>Normalized Margin (%)</b>	<b>13.8%</b>	<b>12.4%</b>	<b>5.9%</b>	<b>6.0%</b>
Interest	4.9	6.7	4.9	6.7
INDAS 116 Interest	8.0	7.8	-	-
Depreciation	5.9	4.8	5.9	4.8
INDAS 116 Depreciation	19.0	21.2	-	-
Share of Profit / (loss) of JV	-0.0	-0.1	0.0	-0.1
<b>PBT</b>	<b>0.5</b>	<b>4.9</b>	<b>4.8</b>	<b>10.7</b>

# Ind AS 116: Impact on Financials

- The adoption of Ind AS 116 has resulted in recognizing a Right-of-Use Assets of **Rs. 84.2 Crores** and lease liability of **Rs. 90.5 Crores**, as on 31<sup>st</sup> December, 2020
- Overall balance sheet will increase by the amount of asset created for Leases. This will have an impact on Profitability as under:

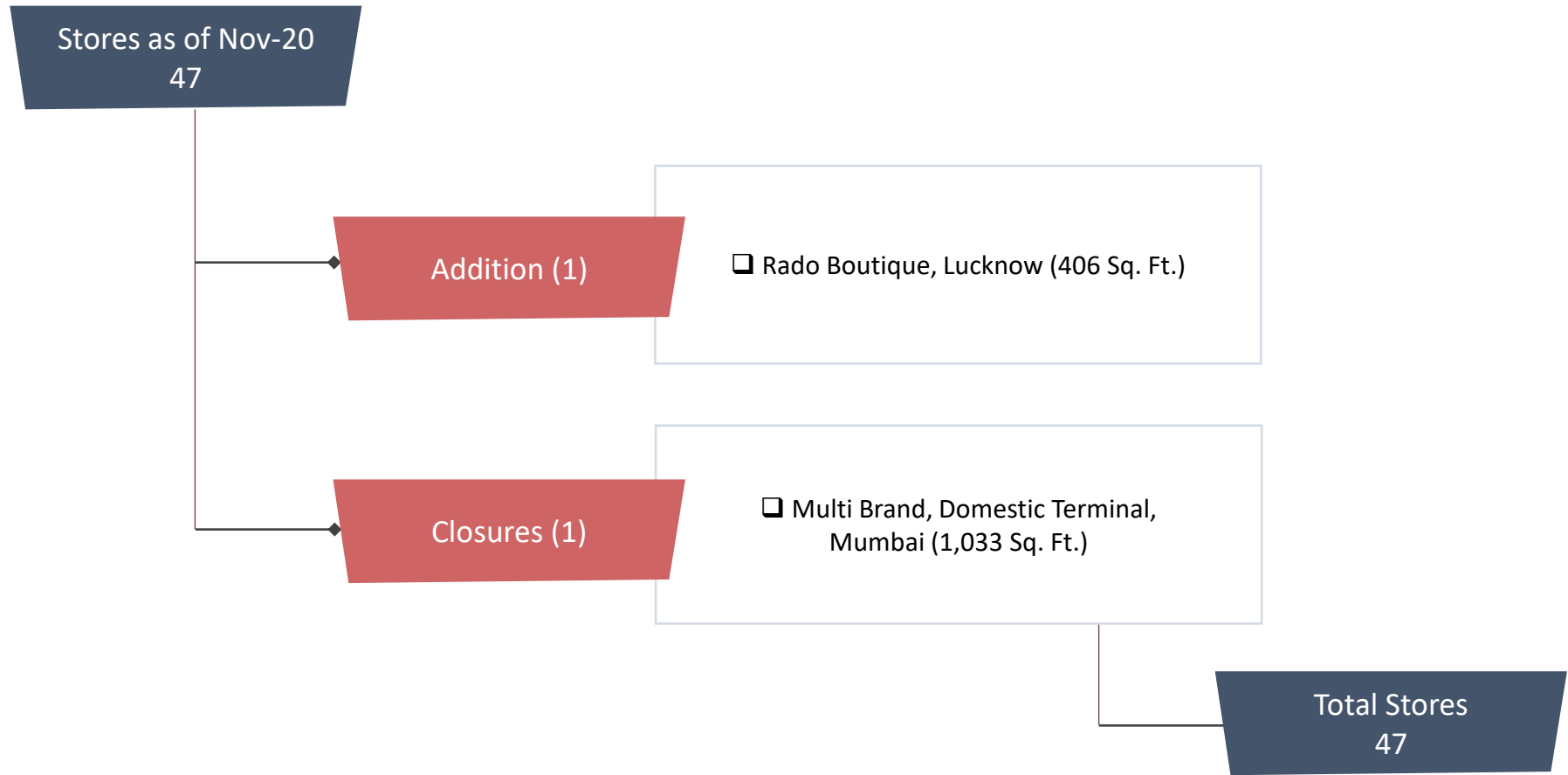
<i>Profit &amp; Loss Impact</i>		For 9MFY21 (Rs. Cr.)	Financial impact
Other expenses (Rent)	Decrease in Rent expense	10.0	This affects other expenses, other income, depreciation and finance cost in the Profit & loss statement & consequently impacts, Revenue, EBITDA and PBT of the company
Finance costs	Increase in Finance cost	8.0	
Depreciation	Increase in Depreciation	19.0	
Other Income	Increase in Other income	12.8	
Share of Profit / loss of JV	Increase in Loss of JV	0.1	
<b>Profit before tax</b>	<b>Decrease in PBT</b>	<b>4.3</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)*	Sep-20	Mar-20	Equity & Liabilities (Rs. Crores)*	Sep-20	Mar-20
<b>Non-current assets</b>	<b>131.8</b>	<b>142.7</b>	<b>Shareholder's Fund</b>	<b>144.8</b>	<b>152.2</b>
Fixed Assets	31.3	32.2	Share Capital	18.2	18.2
Right of Use	88.4	96.9	Other Equity	126.6	134.0
Financial Assets	7.9	9.3			
Other Non Current Assets	3.7	3.6	<b>Non-current liabilities</b>	<b>91.7</b>	<b>97.8</b>
Investment in Joint Venture	0.5	0.7	Borrowings	15.1	15.8
			Lease Liabilities	74.0	79.8
<b>Deferred Tax asset</b>	<b>9.9</b>	<b>7.3</b>	Others Financial Liabilities	1.2	0.9
			Other Liabilities	1.5	1.3
<b>Current assets</b>	<b>225.9</b>	<b>274.7</b>	<b>Current liabilities</b>	<b>131.1</b>	<b>174.7</b>
Inventories	182.5	218.6	Current Borrowings	23.3	53.6
Trade Receivables	7.8	9.4	Lease Liabilities	19.3	19.1
Cash and Bank Balances	7.1	10.0	Trade Payables	61.1	72.4
Other Financial Assets	11.5	12.7	Other Financial Liabilities	16.9	16.2
Other Current Assets	17.0	24.0	Current provisions	2.8	2.4
			Other Current liabilities	7.8	11.0
<b>Total Assets</b>	<b>367.6</b>	<b>424.7</b>	<b>Total Equity &amp; Liabilities</b>	<b>367.6</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 and 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

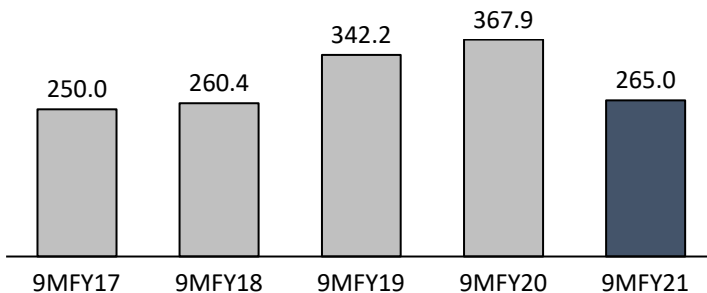
**Ethos Watches is the #1 destination for Luxury Watch shoppers in India**



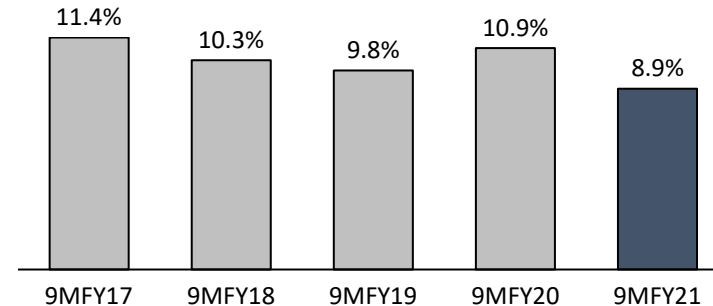
## *Operational Highlights*

# Ethos - Performance Trend

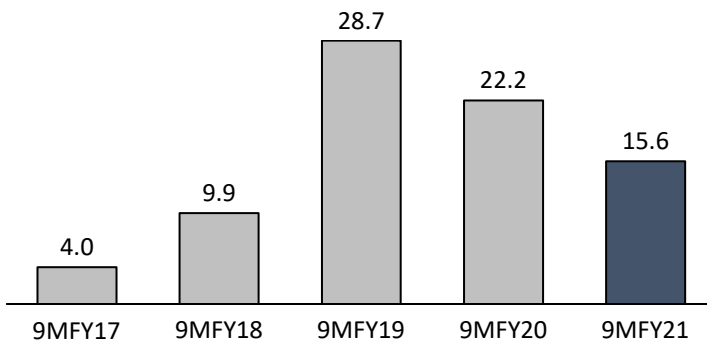
Revenue (Rs. Crs.)\*



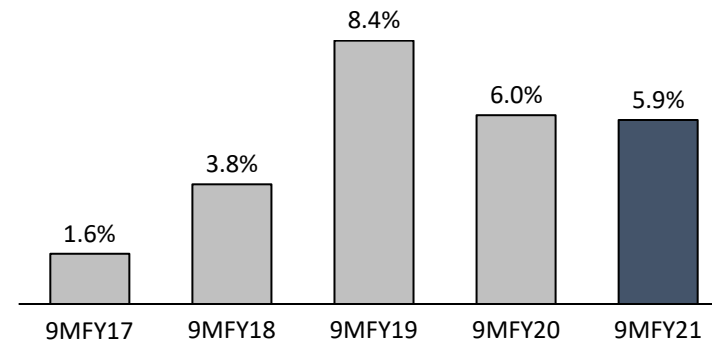
Front-end Rent & Manpower Cost as % of Revenue



EBITDA (Rs. Crs.)\*



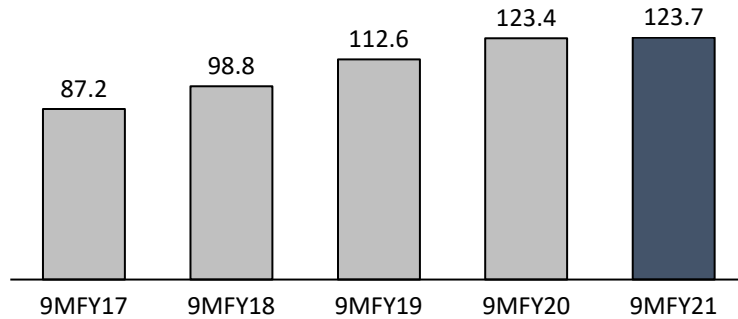
EBITDA Margins\*



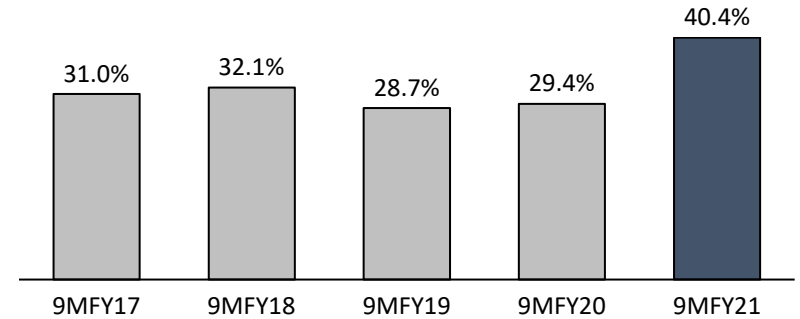
**Since the lockdown was in force for a significant part of 9MFY21, the results for 9MFY21 were adversely affected by the COVID-19 pandemic and may not be strictly comparable with those of other periods**

# Ethos - Online Sales Trend

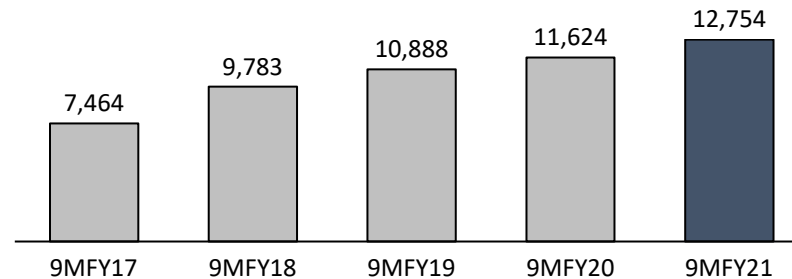
Online Billings (Rs. Crs.)



Online Billing as % of Total Billing



Visitors ('000)



**Ethos witnessed strong online sales in 9MFY21 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 47 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



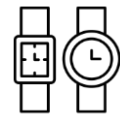
## Stores

- 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

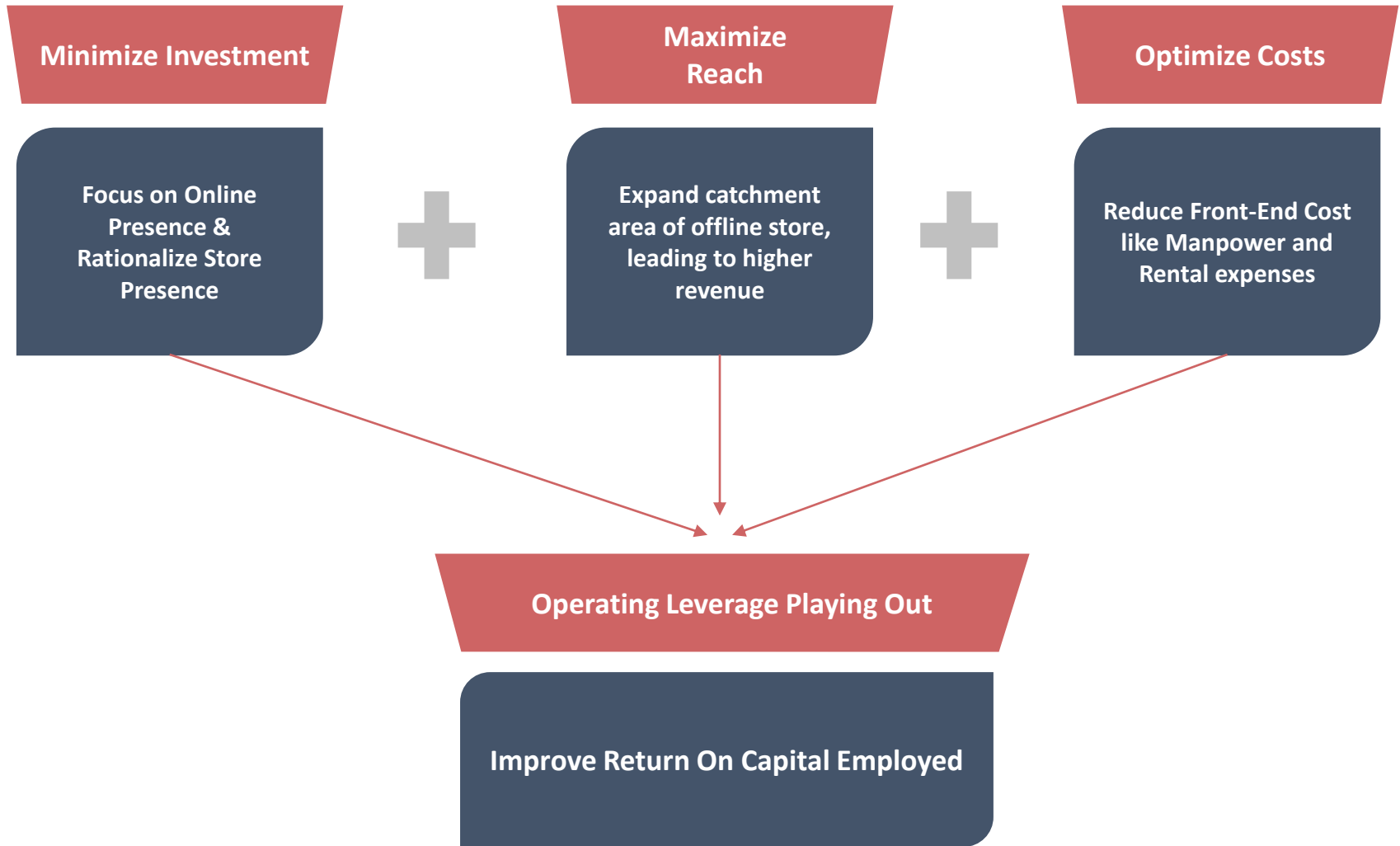


## Trust

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...

Print Ads in leading news media...



Hindustan Times



TOI



Hindustan Times

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



**For further information, please contact:**

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**ēthos**  
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