

The background features a stylized world map with various city names and numbers. The city names include HONOLULU, MIDWAY, MAJURO, VLADIVOSTOK, YAKUTSK, TOKYO, BEIJING, BANGKOK, ASTANA, KARACHI, MOSCOW, and DOHA. Large stylized numbers '21' and '12' are also visible. The map is rendered in a light green color on a white background.

KDDL Limited

ETHOS Limited

Result Update Presentation

H1 FY17

Safe Harbor

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Moving up the Value Chain



**The Largest & Preferred Retailer of
Swiss Watches in India**

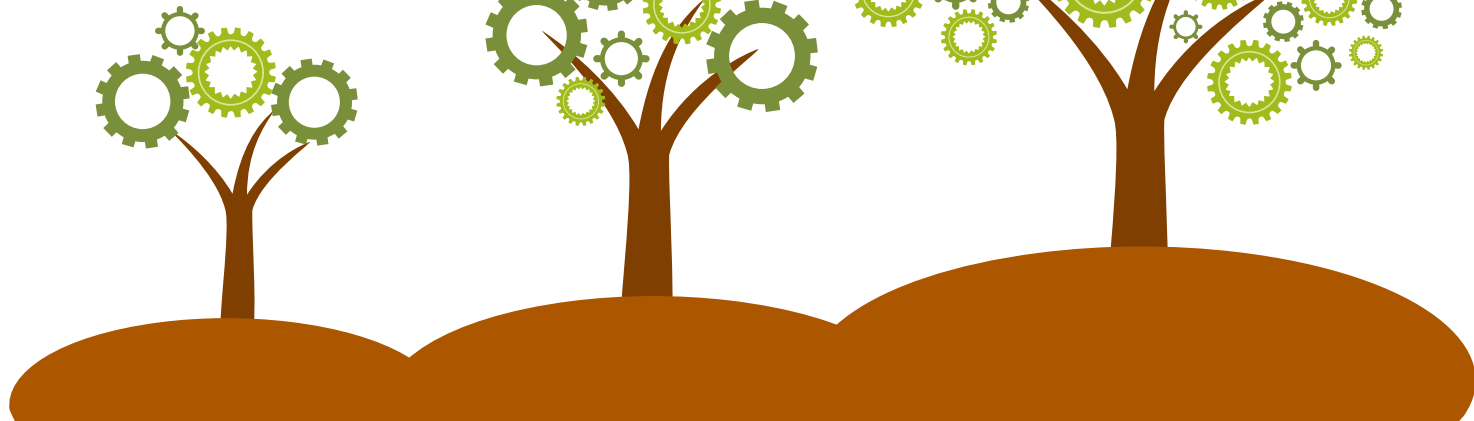
ēthos
WATCH BOUTIQUES

**Forayed in Watch
Retailing**



KDDL Limited

**Started as a Watch
Components Manufacturer**



Ethos' Strategic Partnerships with Swiss Watch Brands...



ēthos
WATCH BOUTIQUES



**Exclusive Retailer for
Corum Watches in India**

RAYMOND WEIL
GENEVE



ēthos
WATCH BOUTIQUES



**Ethos alongwith Helios
(retail arm of Titan Ltd)
to be Exclusive Retailers
for Raymond Weil
Watches in India**

...to create a Powerful Watch Retailing Company in India

Ethos is India's Preferred Destination for Luxury Watches

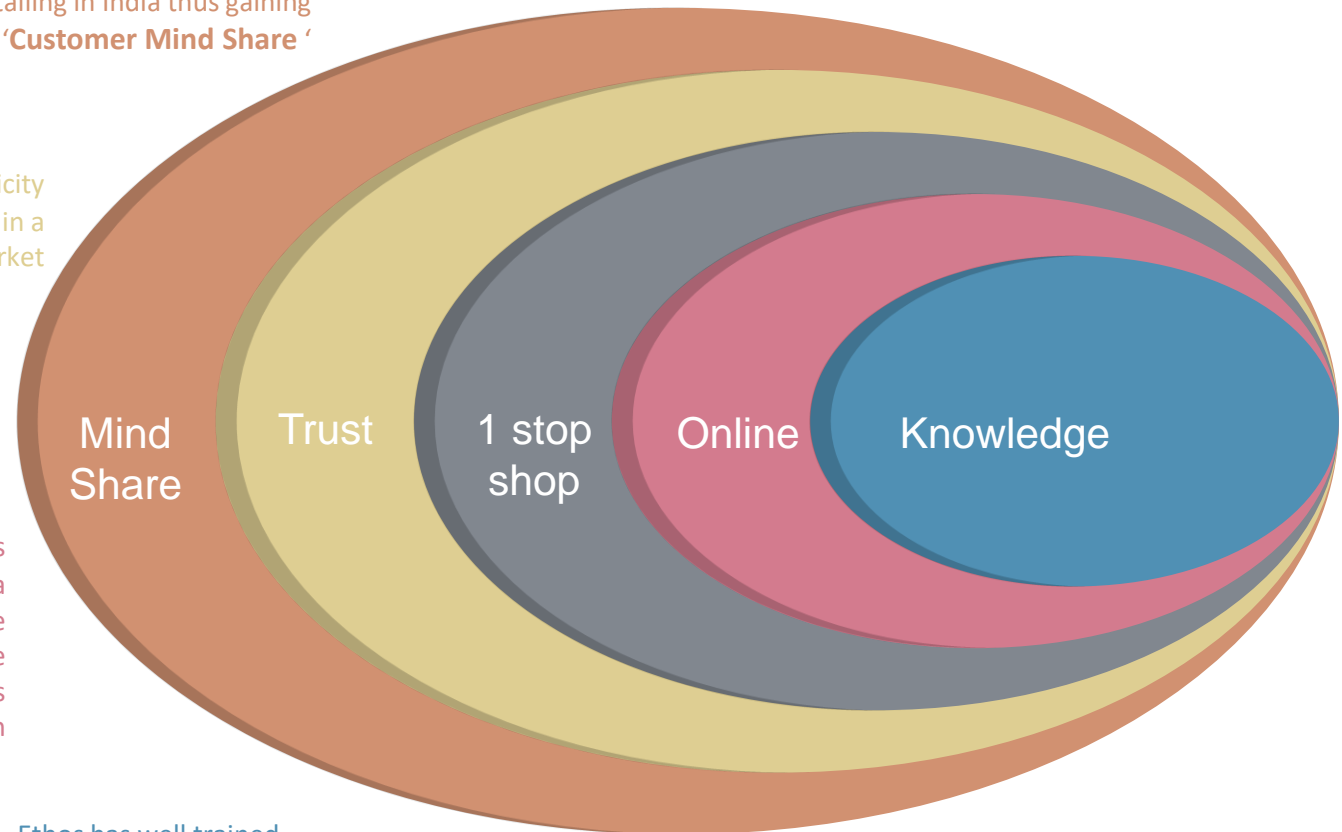
Ethos to be synonymous with Luxury watches retailing in India thus gaining '**Customer Mind Share**'

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

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

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

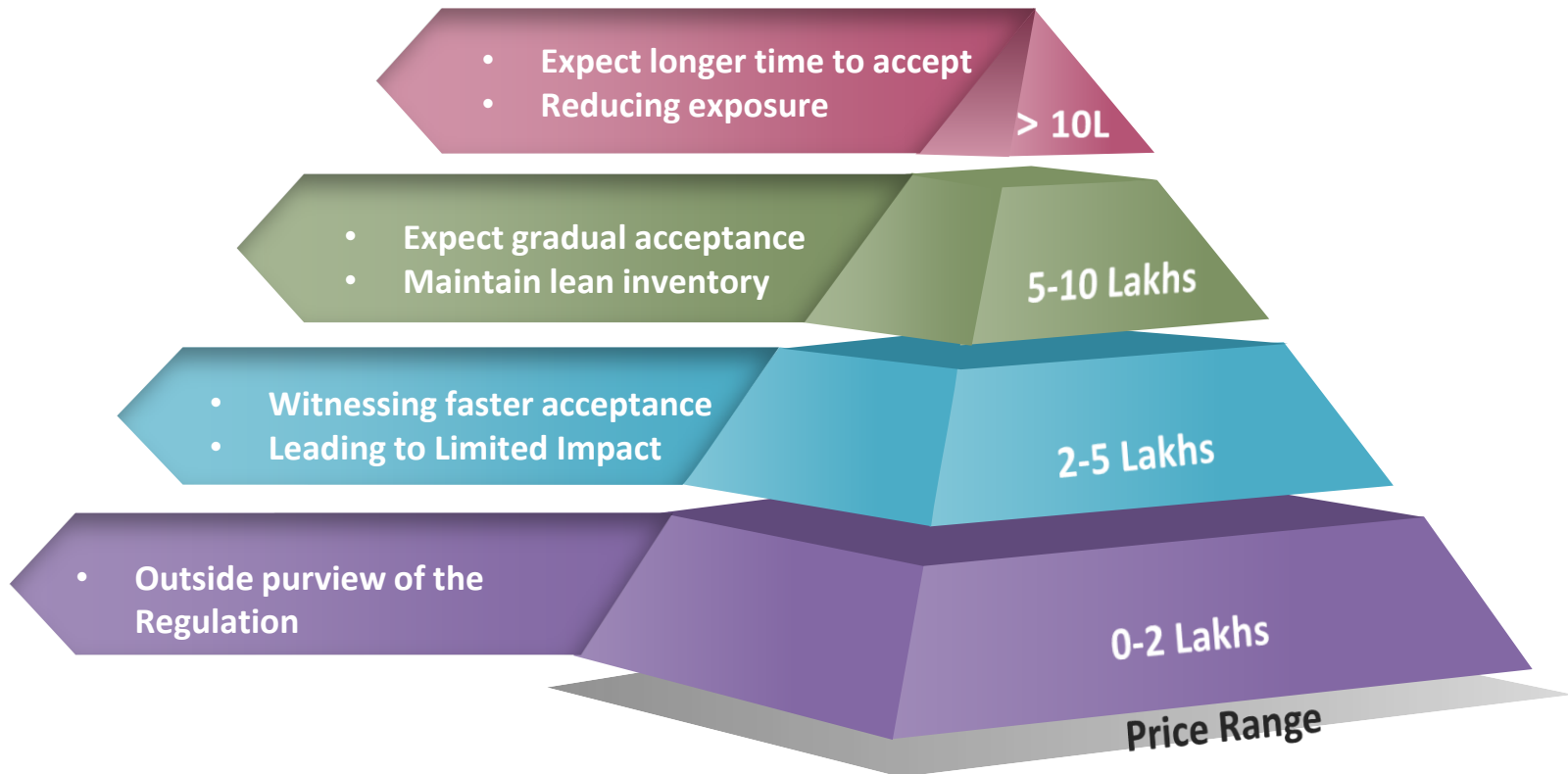
Ethos has well trained **Knowledgeable** staff to ensure highest customer satisfaction and increasing repeat buying.



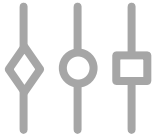
PAN Card Regulation : Adapting to Change

With effect from 1st January, 2016, Income Tax department made it mandatory to quote Permanent Account Number (PAN) for all transactions of amount exceeding Rs. 2 lakh, irrespective of mode of payment.

'Refining' Product Mix Strategy



PAN Card Regulation : Benefits in the long run



LEVEL PLAYING FIELD

- Responsibility of compliance lies on retailer
- Leading to a curb on grey practices



CUSTOMER PROFILING

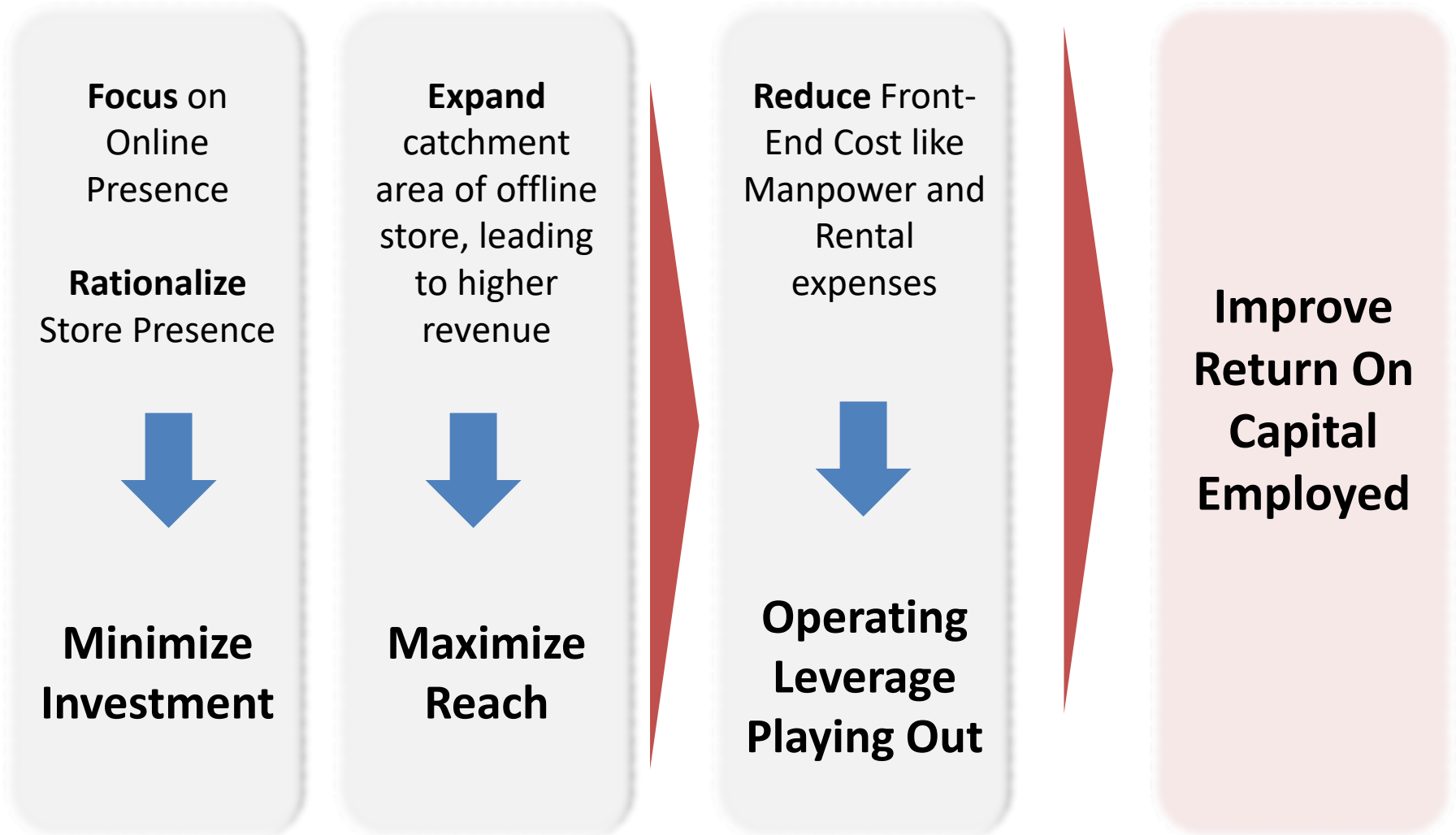
- Better profiling as customer are more open to sharing demographic information
- Creating tailor-made offering for targeting by segment
- Influencing buying behaviour of prospective customers



BETTER SERVICE to EXISTING CUSTOMERS

- Proactively and consistently engage with customers
- Make Customer feel valued

Asset Light Model...



P&L– H1 FY17

Rs.Crs	Consolidated*			Standalone			Ethos		
	H1 FY17	H1 FY16	YoY %	H1 FY17	H1 FY16	YoY %	H1 FY17	H1 FY16	YoY %
Revenue	225.9	210.6	7%	65.7	61.3	7%	158.7	148.3	7%
Cost of Goods Sold	138.8	122.9		15.4	13.0		123.4	109.7	
Gross Profit	87.1	87.8	-1%	50.4	48.2	4%	35.2	38.6	-9%
Employee Expenses	31.2	30.9		20.5	18.9		10.2	9.7	
Other Expenses	43.2	39.4		18.3	18.4		24.5	22.9	
EBITDA	12.8	17.4		11.5	11.0	5%	0.5	6.0	
Margin (%)	5.6%	8.3%		17.6%	17.9%		0.3%	4.0%	
Other Income	1.2	4.1		1.1	0.9		0.0	0.1	
Interest	7.7	8.0		2.9	3.7		4.3	4.0	
Depreciation	5.8	5.7		3.4	3.6		2.0	1.8	
PBT	0.6	7.7		6.3	4.6	39%	-5.7	0.2	
Tax	2.3	0.8		2.2	1.5		0.0	0.1	
PAT	-1.7	6.9		4.1	3.0	35%	-5.7	0.1	
PAT After MI	-0.6	6.6	NM	4.1	3.0		-5.7	0.1	NM
Cash PAT	5.2	12.4	-58%	7.5	6.6	13%	-3.7	1.9	NM

* Consolidated Results include Standalone, Ethos Ltd and other subsidiaries

Consolidated Balance Sheet

Rs. Crs	Sep-16	Mar-16
Shareholder's Fund	79	82
Share capital	10	10
Reserves & Surplus	69	72
Minority Interest	34	34
Non-current liabilities	49	43
Long term borrowings	39	33
Deferred Tax Liabilities	4	3
Other Long Term Liabilities	3	3
Long Term Provisions	4	4
Current liabilities	198	183
Short term borrowings	69	68
Trade Payables	86	78
Other current liabilities	43	37
Total Liabilities	361	342
Non-current assets	102	104
Fixed assets	80	82
Non Current Investments	3	1
Long-term loans and advs.	19	21
Other Non Current Assets	1	1
Current assets	259	237
Inventories	195	185
Trade receivables	32	26
Cash and bank balances	18	12
Short-term loans and advs.	14	14
Total Assets	361	342

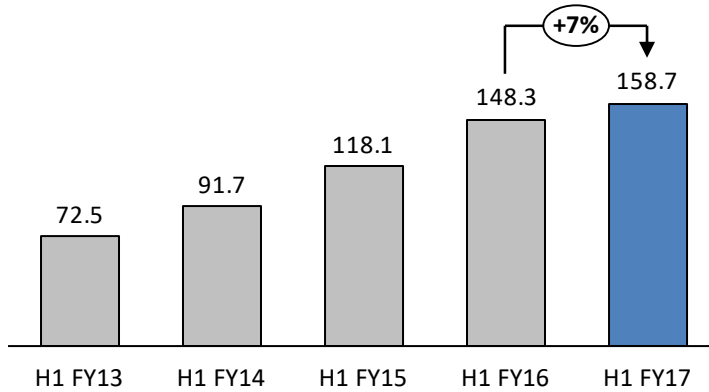
* Consolidated Results include Standalone, Ethos Ltd and other subsidiaries

Ethos Balance Sheet

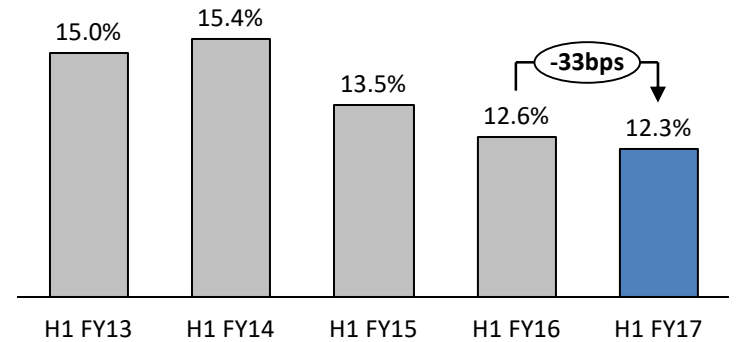
Rs. Crs	Sep-16	Mar-16
Shareholder's Fund	58	57
Share Capital	35	32
Reserves & Surplus	23	25
Non-current liabilities	10	11
Long Term borrowings	9	10
Long Term Provisions	1	1
Current liabilities	151	140
Short Term Borrowings	54	54
Trade Payables	76	69
Other Current liabilities	20	16
Short Term Provisions	1	1
Total Liabilities	219	208
Non-current assets	26	26
Fixed Assets	11	13
Long Term loans and advs.	14	13
Other Current Assets	1	1
Deferred Tax Asset	0	0
Current assets	193	182
Inventories	174	164
Trade Receivables	8	6
Cash and Bank Balances	6	6
Short Term Loans and Advances	6	6
Total Assets	219	208

Ethos Performance Trend – H1

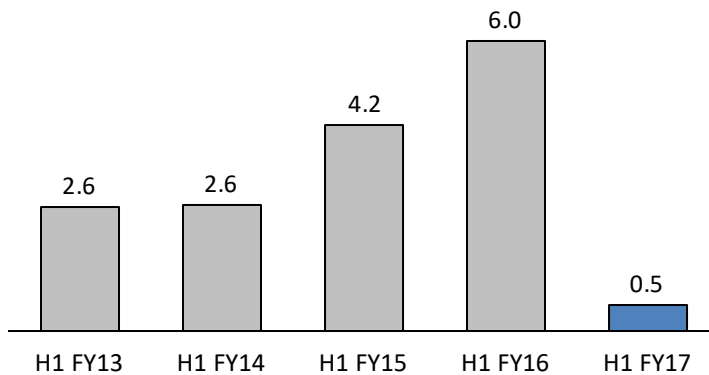
Growing Revenue (Rs.Crs)



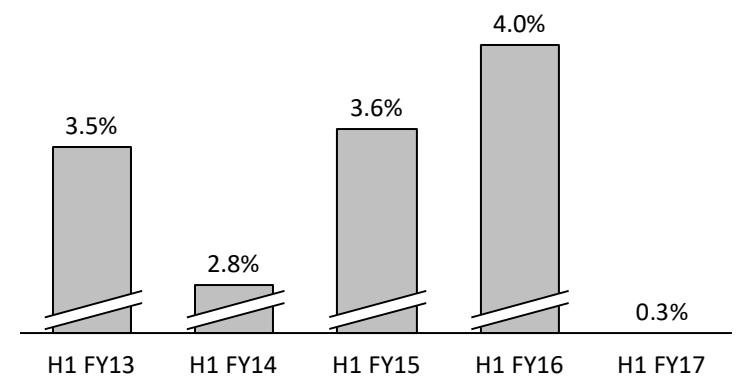
Front-end Rent & Manpower Cost as % of Revenue



EBITDA (Rs.Crs)



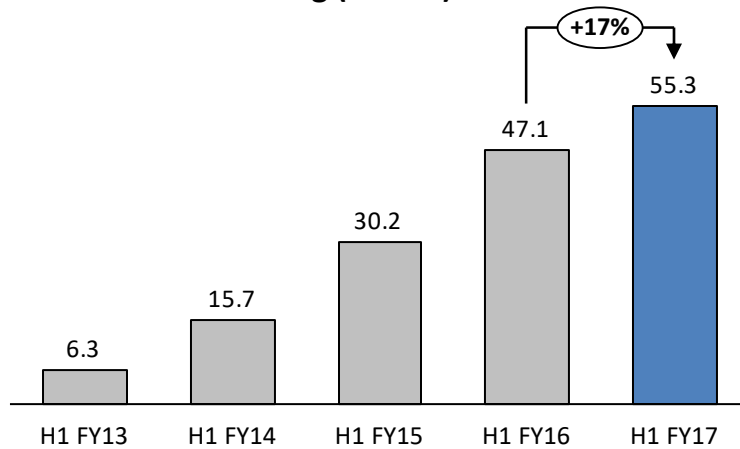
EBITDA Margin (%)



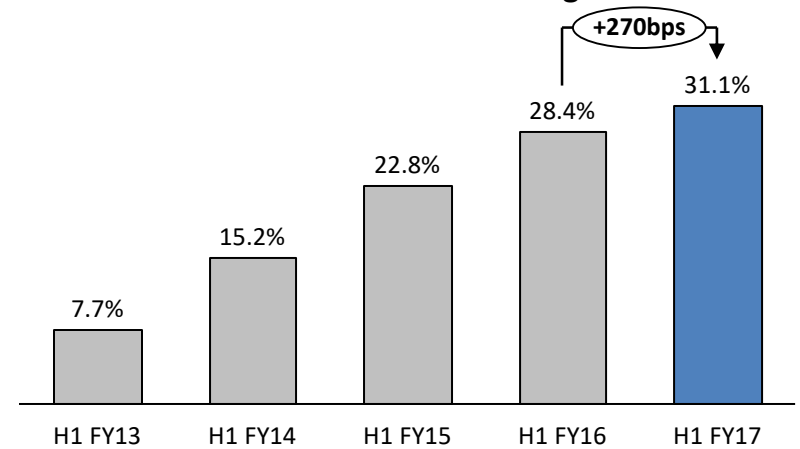
Continuously gaining market share despite near term challenges

Ethos Online Sales Trend– H1

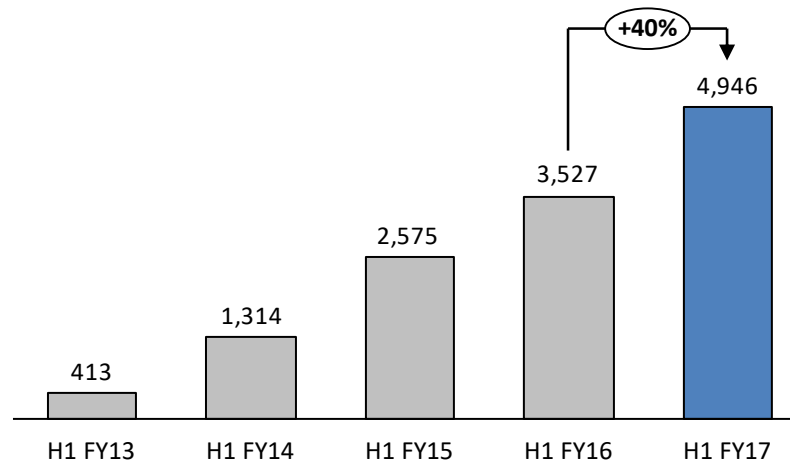
Online Billing (Rs. Crs)



Online – as % of Total Billing

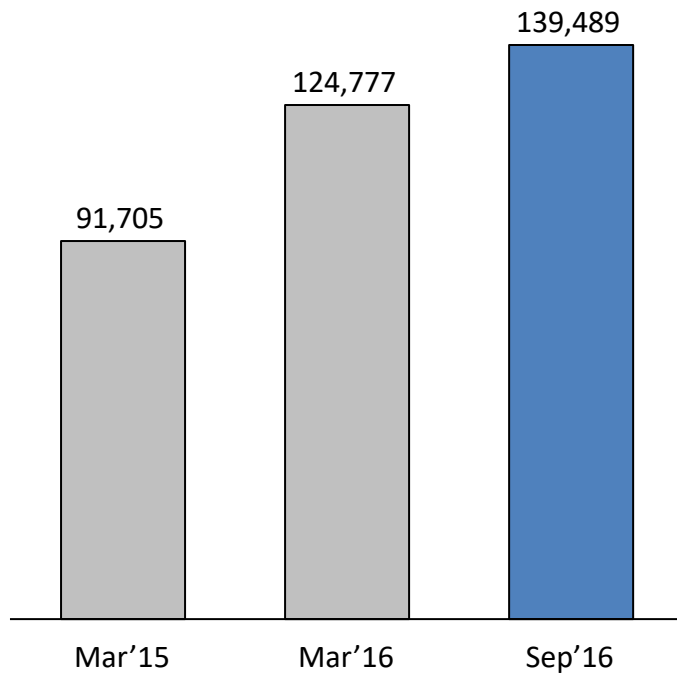


Visitors on website ('000)

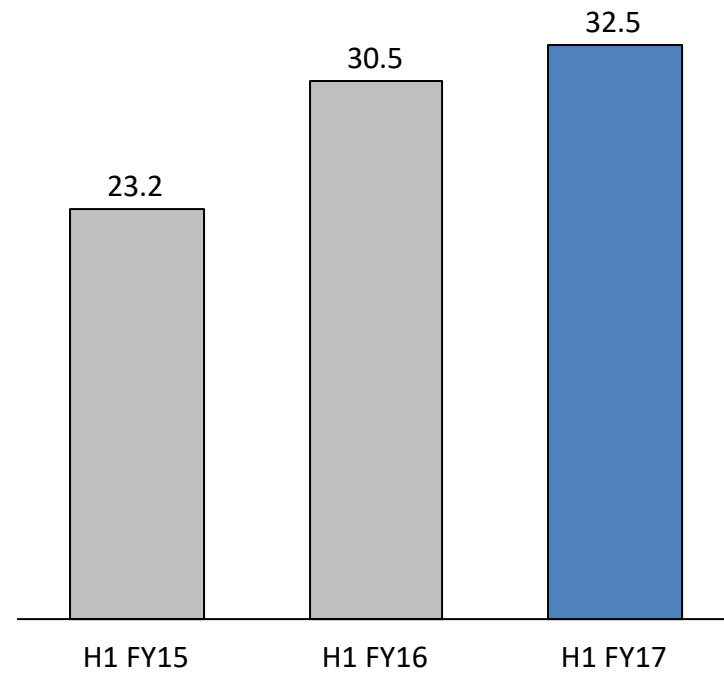


Ethos Repeat Sales Trend – H1

Club ECHO – Member Base



Repeat Sales (Rs.Crs)



Pan-India Presence with Offline Store Network



India's Largest retail chain of Luxury Watches with 38 stores

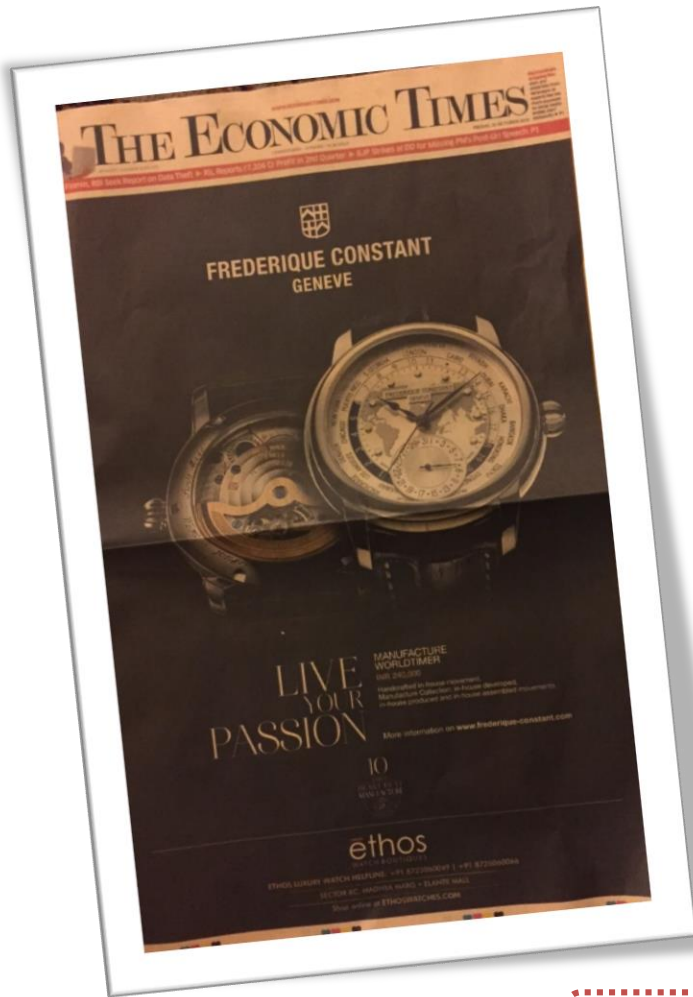
Presence across Metros, Tier I, Tier II cities

3 Duty Paid Retail Outlets at Domestic Terminals

2 Duty Free Retail Outlets at International Terminals

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

Continued Investments in Advertising



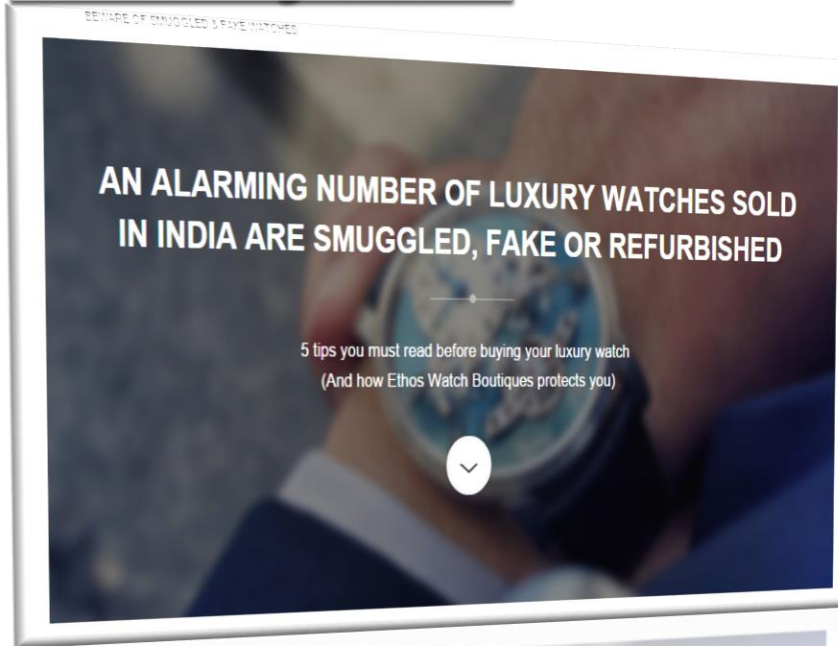
◀ ▶
Ads in Economic Times



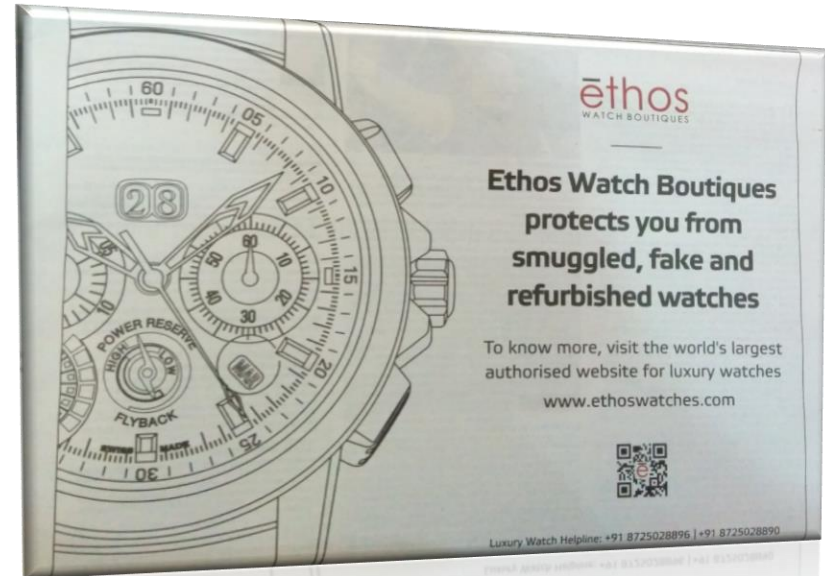
... with ETHOS co-branding

TRUST CAMPAIGN across channels

Online through website



Offline through Print



... to Educate consumers about Watches

... to Create Awareness about unscrupulous activities

... To Reinforce our "ETHOS"



Company Overview

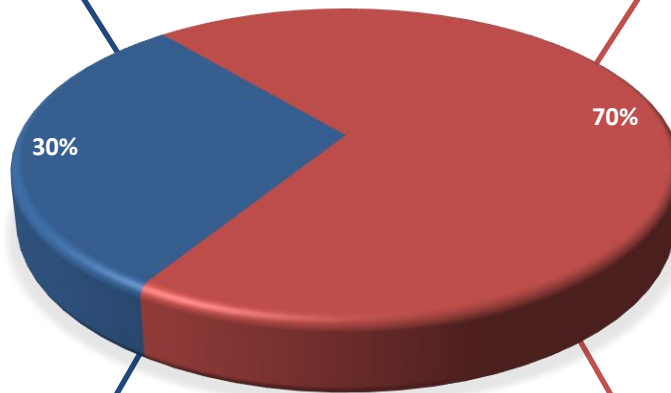
Business Overview

Stable Business

Scalable Business

Stable Manufacturing Business

- Leading supplier of premium watch components - watch dials and watch hands
- Caters to demand from international brands in Switzerland & India
- Engaged in manufacturing of High Precision Stamping Parts & Precision
- CAGR of 8% over FY13 – FY16



Scalable Retail Business - ETHOS

- India's Largest Retail Chain of Luxury Watch Studios
- Authorized retailer of over 60 luxury watch brands, ranging from Rs. 5,000 to more than Rs.20,00,000
- 38 premium watch boutiques across country
- CAGR of 24% over FY13 - FY16
- 72.55% subsidiary of KDDL Ltd on a fully diluted basis

Expanding Precision Engineering Business...

Setting up Greenfield Facility at Bengaluru, Karnataka

Manufacture high quality precision stamped components, progressive tools and sub-assemblies to cater to high-growth high margin industries

Building New capabilities

- Injection Molding
- CNC Machining
- Plating



Investing Rs. 25 Crs over 2 years with 2:1 debt funding

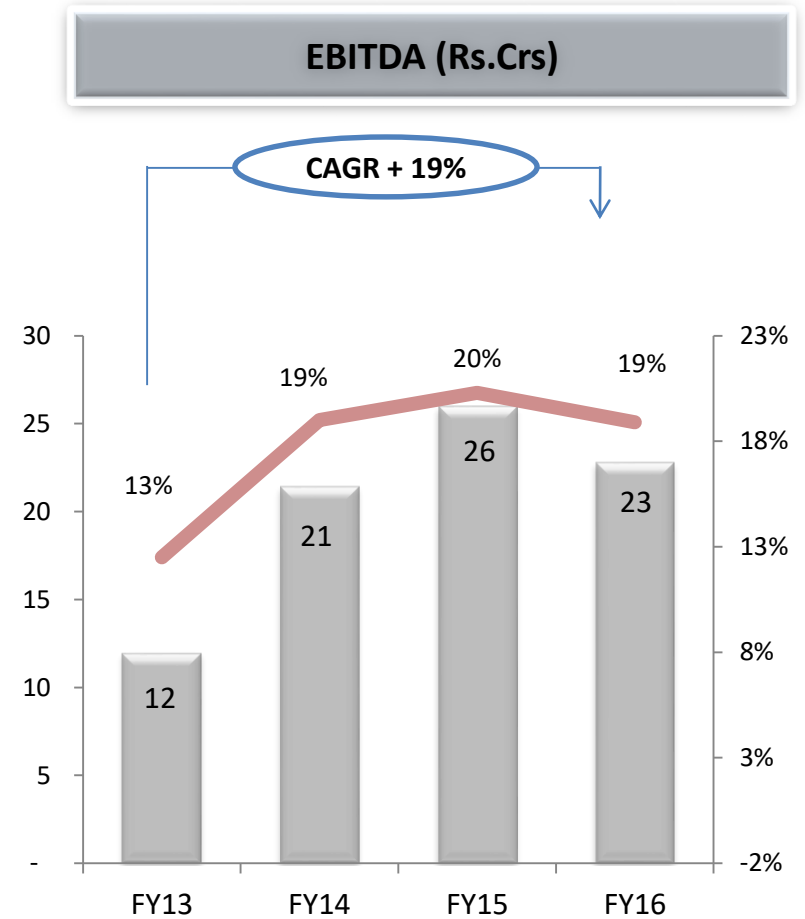
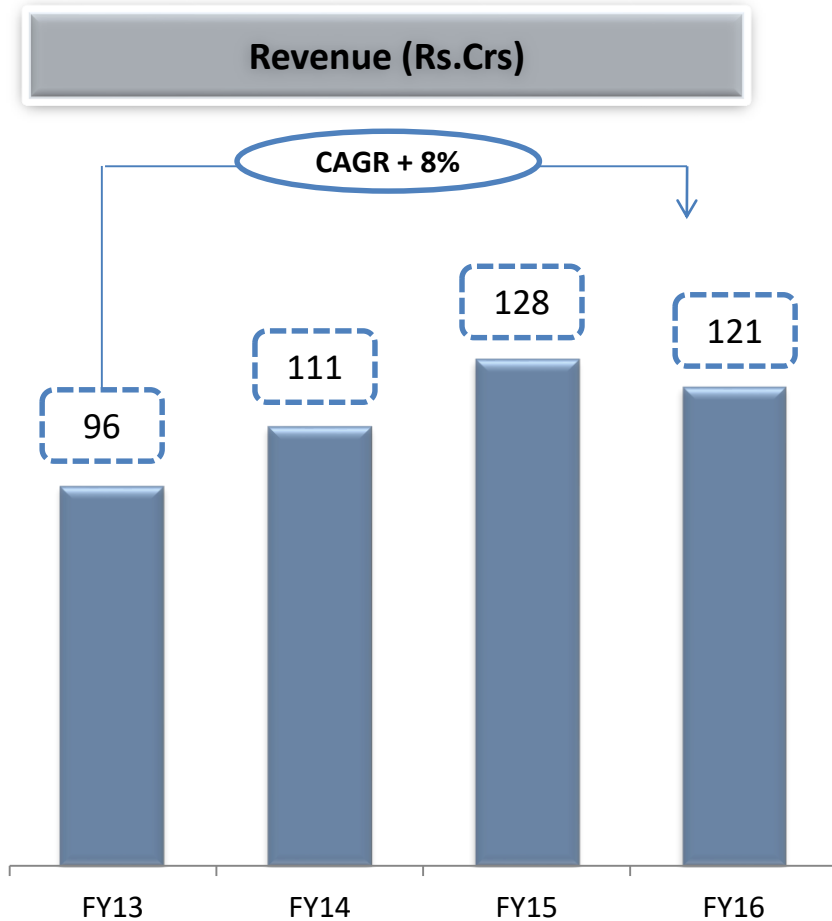
~2 acre land allotted in EOU zone near Bengaluru Airport

Expected to commence operations by FY17 end

Financial Closure has been achieved & project is proceeding as per schedule

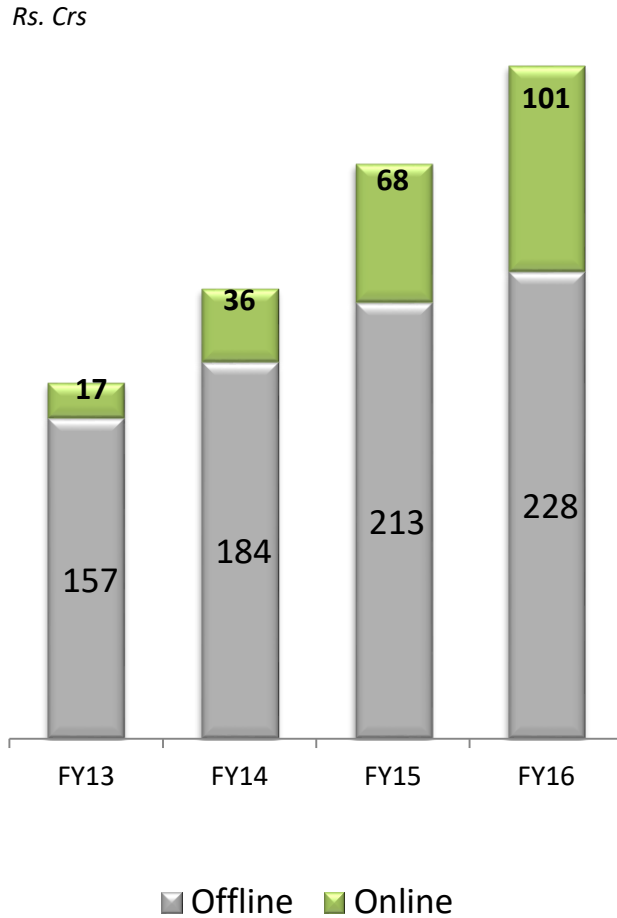
... to emerge as “Strong Player” in Organized space

Stable Manufacturing Performance

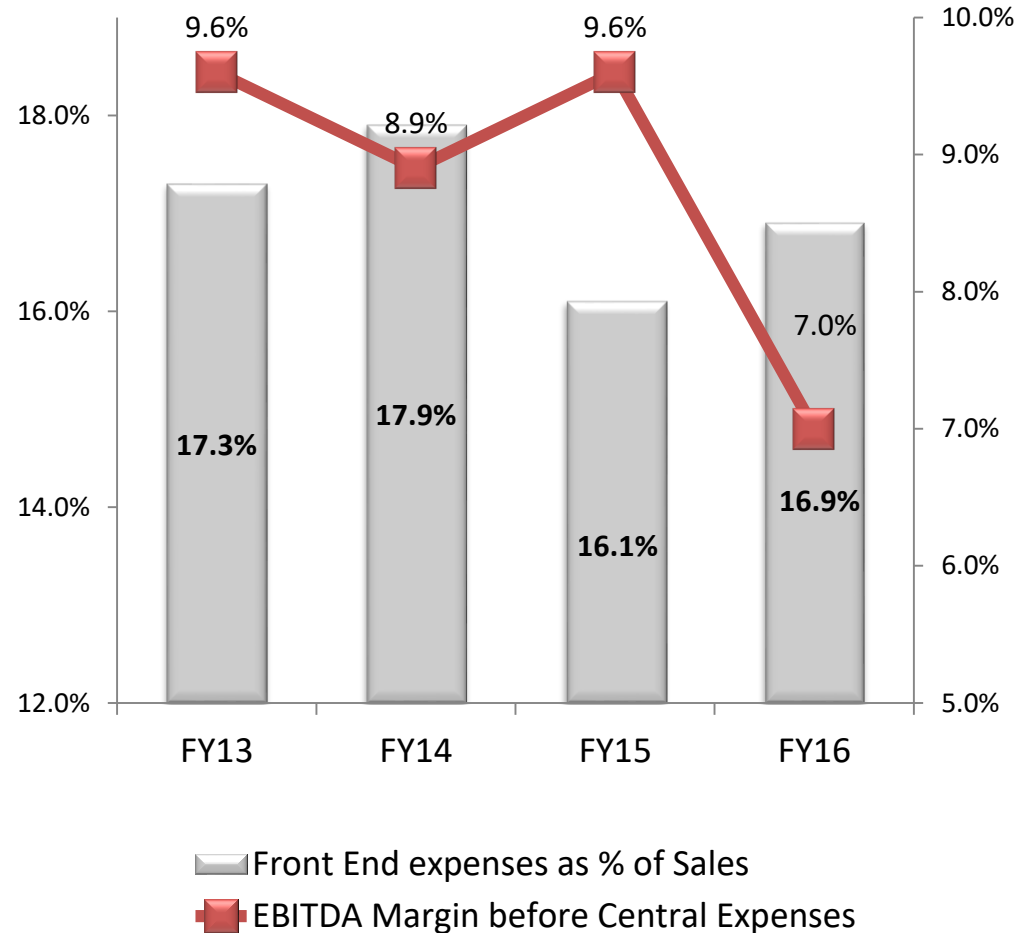


Scaling-Up Retail Performance

Increasing Online Revenue...



... Improved Absorption of Fixed Expenses



Contact

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