

Ref. no. : Ethos/Secretarial/2024-25/49

Dated: November 8, 2024

BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400 001

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

Scrip Code : 543532

Trading symbol : ETHOSLTD

ISIN : INE04TZ01018

Subject : Investor Presentation

Dear Sir/Ma'am

Greetings from Ethos.

We are enclosing herewith the **Investor Presentation**, to be used by the Company for the Earnings Call scheduled today i.e. on **Friday, the 8th day of November, 2024 at 4:00 p.m. IST** to discuss operational and financial performance of the Company for the quarter and half year ended on September 30, 2024.

We would request you to please take the same in your records and oblige.

Thanking you
Yours truly
For **Ethos Limited**

Anil Kumar
Company Secretary and Compliance Officer
Membership no. F8023

Encl.: as above

— **ETHOS LIMITED** —

Registered Office:
Plot No. 3, Sector III, Parwanoo,
Himachal Pradesh - 173220, India

Corporate Office:
Kamla Centre, S.C.O. 88-89, Sector 8-C,
Chandigarh - 160009, India

Head Office:
Global Gateway Towers A, 1st Floor, MG Road,
Sector 26, Gurugram, Haryana - 122002, India

ETHOS LIMITED

Results Presentation

Q2 & H1 FY25 | November'24

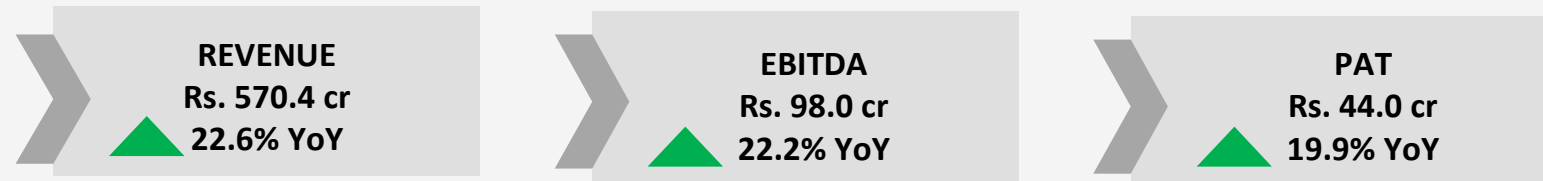
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Q2 & H1 FY25 Performance

“Achieving Consistent Growth”

**1**

Opened 12 stores till Oct'24 and planned to open 13 stores by the end of FY25

2

Added 3 watch brands under exclusive partnership in H1FY25

3

SSG growth for H1FY25 stood at 15.5%

4

Average Selling Price (ASP) increased to Rs 2.16 lacs in H1FY25 from Rs 1.87 Lacs in H1FY24

5

Volume growth of 17% in Q2FY25 and 5% in H1FY25 on YoY basis

Commenting on the Results by Mr. Pranav Saboo – MD & CEO

“We are pleased to announce a 22.6% growth to Rs 570.4 cr in H1FY25 compared to Rs 465.2 cr in H1FY24. This growth is primarily driven by an increase in the share of luxury and high-luxury segments, a rise in ASP, and volume growth.

EBITDA also increased by 22.2% to Rs 98.0 cr in H1 FY25, up from Rs 80.1 cr in H1FY24, reflecting a robust operational performance. EBITDA margin stood at 16.8% in H1 FY25, slightly lower than 16.9% in H1 FY24. This dip was due to additional costs in H1FY25, including forex fluctuations, increased manpower for new store additions, and rent for new stores, which are still in the early stages of generating sales. Specifically, significant currency fluctuations, notably the depreciation of the INR against the CHF, resulted in a forex loss of Rs 4.65 crore. Currency volatility remains an inherent risk in global operations, and we have a comprehensive risk management framework to address such challenges effectively.

Since April 2024, we have opened 12 new stores, with plans to open 13 more by the end of FY25, in line with our objective to expand our presence quickly and enter new cities where we currently do not have a presence. We are now operational in 26 cities with a total of 72 stores (including 2 Duty-free Stores at Delhi and Bengaluru).

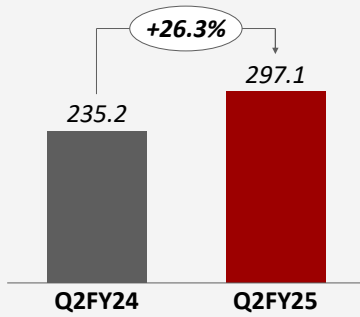
Additionally, since April, we have signed up three new exclusive brands, with more brand partnerships in the pipeline to be announced soon. Revenue from exclusive brands contributed 28% of the total revenue in H1 FY25.

To support our growth ambitions, we recognise the critical importance of talent acquisition and development, and we will continue to invest in this area to drive faster growth in this challenging environment. This comprehensive approach to human capital development will be instrumental in our goal of achieving a 10x increase in revenue over the next decade.”

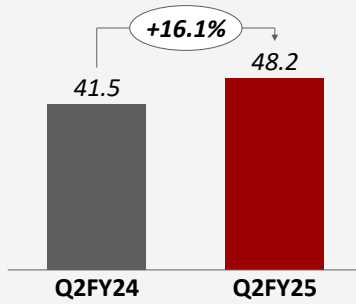
All Figures in Rs. Crs.

Q2FY25

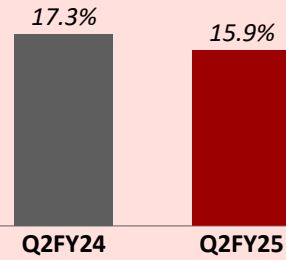
Revenue from operations



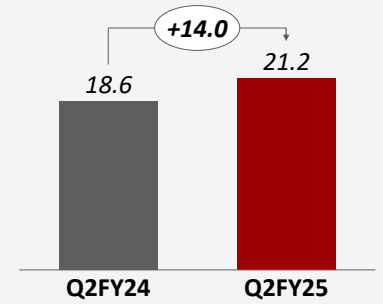
EBITDA



EBITDA Margin

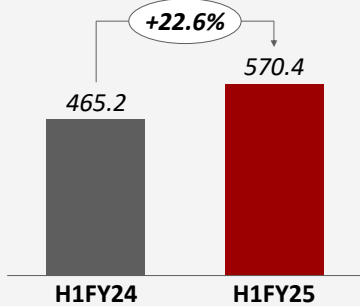


PAT

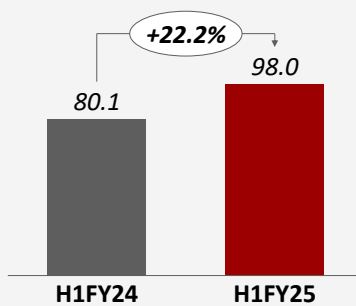


H1FY25

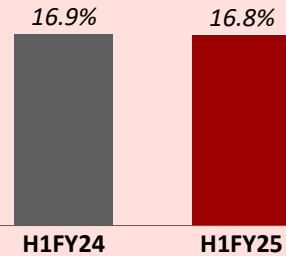
Revenue from operations



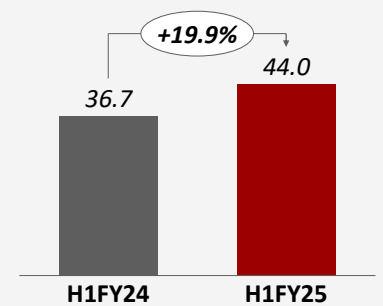
EBITDA



EBITDA Margin



PAT



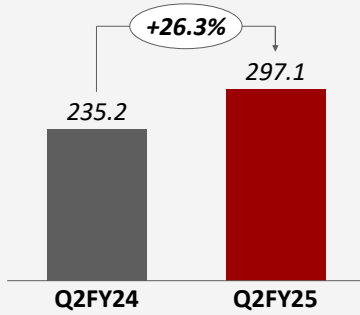
EBITDA Margin Impacted: Forex fluctuations (CHF appreciated), higher manpower, Rentals for new stores.

If the CHF/INR was at Q1 level, the EBITDA, EBITDA Margin% and PAT would be

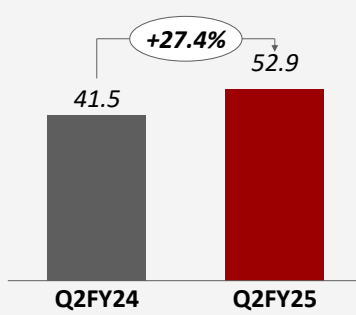
All Figures in Rs. Crs.

Q2FY25

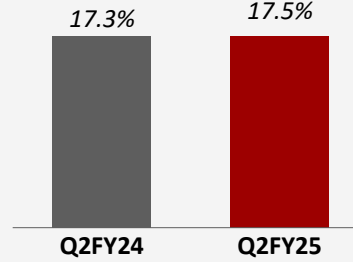
Revenue from operations



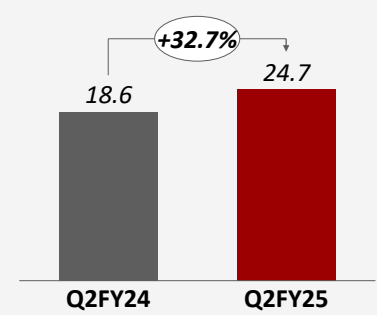
EBITDA



EBITDA Margin

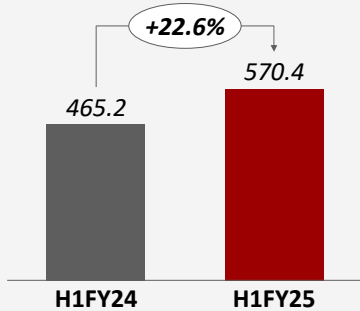


PAT

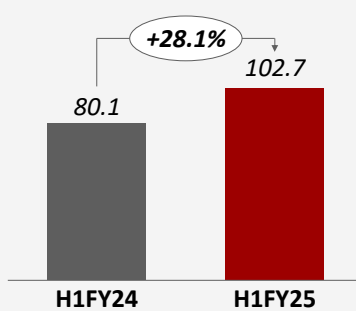


H1FY25

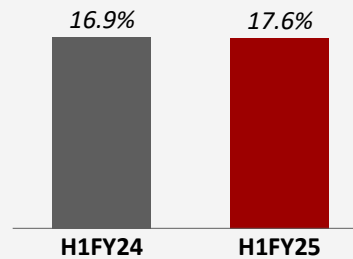
Revenue from operations



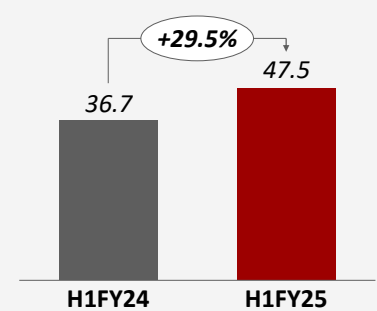
EBITDA



EBITDA Margin



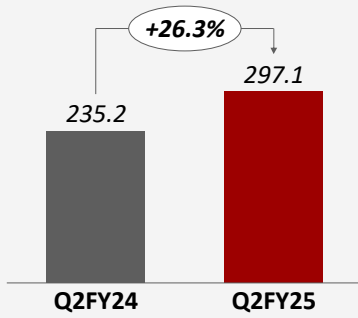
PAT



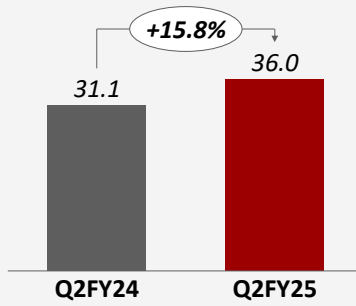
All Figures in Rs. Crs.

Q2FY25

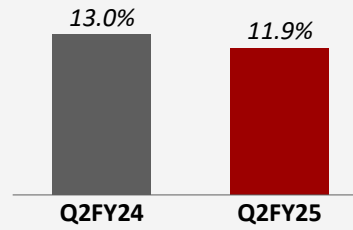
Revenue from operations



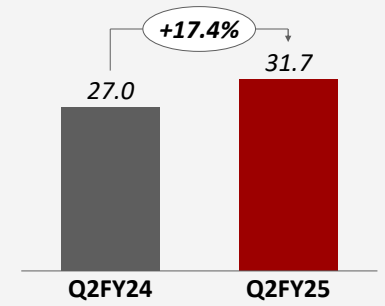
EBITDA



EBITDA Margin

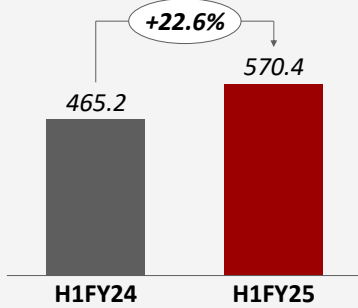


PBT

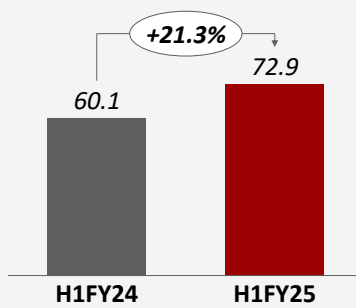


H1FY25

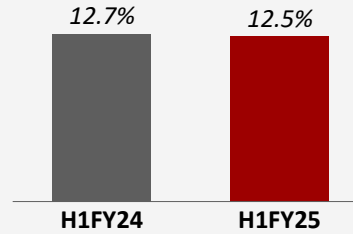
Revenue from operations



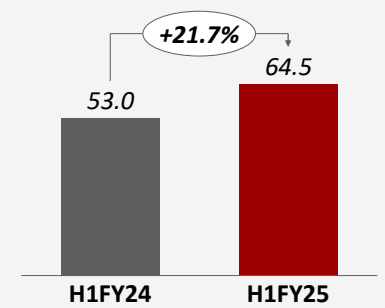
EBITDA



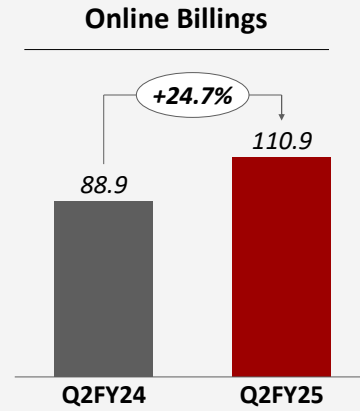
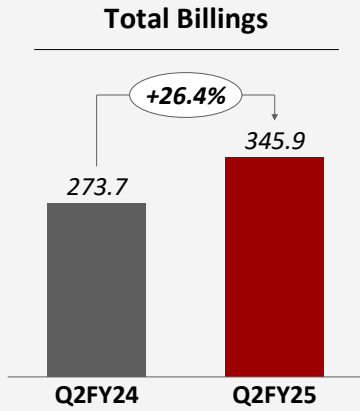
EBITDA Margin



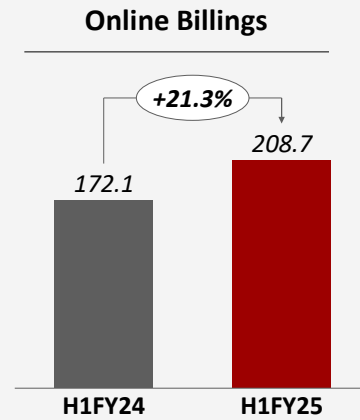
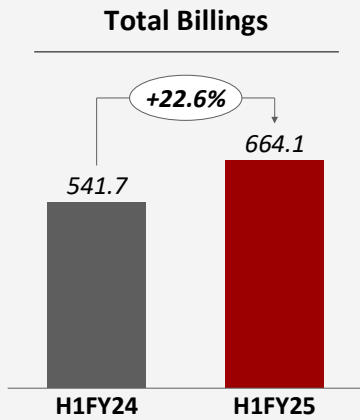
PBT



Q2FY25



H1FY25



Profit and Loss (in Rs. Crs)	Q2FY25	Q2FY24	YoY	H1FY25	H1FY24	YoY	FY24
Revenue from Operations	297.1	235.2	26.3%	570.4	465.2	22.6%	999.0
Other Income	6.1	4.3		12.5	9.0		23.6
Total Income	303.2	239.5		582.9	474.2		1,022.6
Cost of Goods Sold	207.5	161.8		399.8	322.0		698.3
Gross Profit (Revenue - COGS)	89.6	73.4	22.1%	170.6	143.2	19.1%	300.7
Gross Profit Margin	30.2%	31.2%		29.9%	30.8%		30.1%
Employee Cost	20.7	17.3		39.7	34.6		70.4
Other Expenses	26.8	18.9		45.5	37.4		78.6
EBITDA	48.2	41.5	16.1%	98.0	80.1	22.2%	175.3
EBITDA Margin	15.9%	17.3%		16.8%	16.9%		17.1%
Depreciation	15.0	12.7		29.3	23.4		48.7
EBIT	33.2	28.8	15.3%	68.6	56.7	21.0%	126.6
EBIT Margin	11.0%	12.0%		11.8%	12.0%		12.4%
Finance Cost	4.5	4.1		9.1	7.9		16.0
Share in Profit/(loss) in JV and Associates	-0.1	0.2		-0.3	0.4		0.7
PBT	28.6	24.9	14.9%	59.3	49.2	20.5%	111.3
PBT Margin	9.4%	10.4%		10.2%	10.4%		10.9%
Tax	7.4	6.3		15.3	12.5		28.0
PAT	21.2	18.6	14.0%	44.0	36.7	19.9%	83.3
PAT Margin	7.0%	7.8%		7.6%	7.7%		8.1%

EBITDA Margin Impacted due to an additional cost in H1FY25 attributable to the following:

- Forex Fluctuations
- Increased manpower for new store additions
- Rental for new stores, which are in the nascent stages of sales

Excluding the forex fluctuation, our actual EBITDA for Q2FY25 would be Rs. 52.9 Cr. And for H1FY25, it would be Rs. 102.7cr with a margin of 17.5% and 17.6% respectively.

Profit and Loss (in Rs. Crs)	Q2FY25	Q2FY24	YoY	H1FY25	H1FY24	YoY	FY24
Revenue from Operations	297.1	235.2	26.3%	570.4	465.2	22.6%	999.0
Other Income	6.1	4.2		12.5	8.9		21.0
Total Income	303.2	239.4		582.9	474.1		1,020.0
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Gross Profit Margin	30.2%	31.2%		29.9%	30.8%		30.1%
Employee Cost	20.7	17.3		39.7	34.6		70.4
Other Expenses	39.0	29.2		70.5	57.4		120.8
Normalized EBITDA including other income	36.0	31.1	15.8%	72.9	60.1	21.3%	130.4
Normalized EBITDA Margin	11.9%	13.0%		12.5%	12.7%		12.8%
Depreciation	4.1	4.1		7.9	7.1		14.4
Normalized EBIT	31.9	27.0	18.1%	65.0	53.0	22.6%	116.0
Finance Cost	0.2	0.3		0.4	0.5		0.9
Share in Profit/(loss) in JV and Associates	0.0	0.3		-0.1	0.5		0.9
Normalized PBT	31.7	27.0	17.4%	64.5	53.0	21.7%	116.0
Normalized PBT Margin	10.5%	11.3%		11.1%	11.2%		11.4%

Equity & Liabilities (in Rs. Crs)	Sep-24	Mar-24
Total Equity	928.0	884.0
Share Capital	24.5	24.5
Other Equity	903.5	859.5
Non-Current Liabilities	140.6	115.9
Financial Liabilities		
Borrowings	0.2	2.1
Lease Liabilities	137.7	111.0
Other Financial Liabilities	0.0	0.3
Provisions	2.7	2.5
Current Liabilities	206.4	170.8
Financial Liabilities		
Borrowings	5.3	4.6
Trade Payables	120.8	96.0
Lease Liabilities	36.4	27.3
Other Financial Liabilities	20.5	23.6
Current tax liabilities (net)	2.2	0.4
Provisions	5.1	4.6
Other current liabilities	16.2	14.2
Total Equity & Liabilities	1,274.9	1,170.6

Assets (in Rs. Crs)	Sep-24	Mar-24
Non - Current Assets	364.9	306.6
Property Plant & Equipment's	85.2	70.3
Investment in joint venture	23.8	24.0
Intangible assets	42.8	41.1
Intangible assets under development	0.0	1.5
Right of use asset	157.7	125.4
Financial Assets		
Loans	0.0	0.0
Investment	1.3	1.3
Other Financial Assets	26.9	28.2
Deferred Tax Assets (Net)	10.2	9.0
Non - Current Assets (Net)	2.1	2.1
Other Non Current Assets	14.9	3.6
Current Assets	910.0	864.1
Inventories	541.9	439.7
Financial Assets		
Trade receivables	17.6	15.6
Cash and cash equivalents (C&CE)	235.8	60.6
Bank balances other than C&CE	35.6	284.9
Loans	0.1	0.2
Other Financial Assets	21.2	21.7
Other Current Assets	57.7	41.4
Total Assets	1,274.9	1,170.6

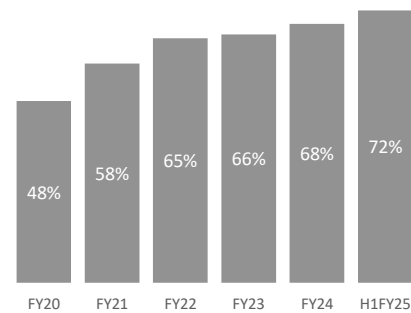
Creating engaging shopping experience over the years has enabled us to build a large Luxury Customer base

Factors leading to surge in the demand for luxury goods, including watches:

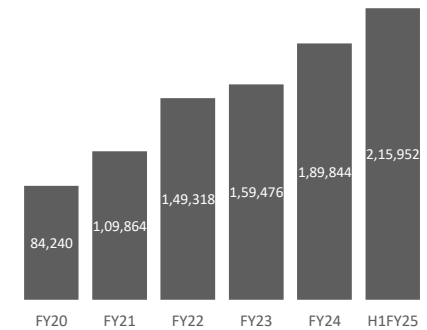
- ✓ Rise in the number of HNI's in fast growing economies, such as China and India has led to increase in the wealth of people
- ✓ Awareness and availability of luxury brands at Ethos with International retail standard

Demand for our products is directly proportional to the number of HNIs

Share of Luxury & High luxury watch sales



Average Selling Price per watch (INR)





ETHOS WATCH BOUTIQUES

Our Store Locations

- 72* stores across 26 cities in India, including two duty-free stores at the Delhi International Airport and **Bengaluru International Airport**
- Spread across the major metros, our boutiques house the finest selection from over 70+ of the world's top luxury watch brands
- We have entered **3 New Cities Kochi, Dehradun & Mangaluru**

Stores Opened in Q1FY25 (Apr-Jun'24) – 3



Door No. 41, 148, By Pass Road, Next to Bhima Jewellers, Toll Junction, Edappally, Kochi, Kerala - 682024



Unit No. 23, Ground Floor, Pacific Mall, Rajpur Road, Dehradun, Uttarakhand - 248006



Shop No.- UG57, Phoenix Mall of the Millennium, Pune - Bangalore Highway, Shankar Kalat Nagar, Wakad, Pimpri-Chinchwad, Maharashtra, Pune - 411057

Stores Opened in Q2FY25 (Jul-Sep'24) – 5



UG 06, Phoenix Mall Of Asia, 239/240, Byatarayanapura, Hobli, Bellary Rd, Yelahanka, Bengaluru, Karnataka - 560092



Breitling Boutique - UG 07, Phoenix Mall Of Asia, 239/240, Byatarayanapura, Hobli, Bellary Rd, Yelahanka, Bengaluru, Karnataka - 560092



Ground Floor, Parin Complex, Collectors Gate, Balmatta, Mangaluru, Karnataka - 575002



Ground Floor, 3T54-05 Terminal 2, Kempegowda International Airport, Bengaluru, Karnataka - 560300



Hublot Boutique - UG 59, Phoenix Mall Of Asia, 239/240, Byatarayanapura, Yelahanka, Hobli, Yelahanka Taluk, Bellary Road, Bengaluru, Karnataka - 560092

Stores Opened in Q3FY25 (Oct'24) – 4



Bell & Ross Boutique - UG 28A, Phoenix Mall Of Asia, 239/240, Byatarayanapura, Yelahanka, Hobli, Yelahanka Taluk, Bellary Rd, Bengaluru, Karnataka - 560092



IWC Boutique - UG 58, Phoenix Mall Of Asia, 239/240, Byatarayanapura, Yelahanka, Hobli, Yelahanka Taluk, Bellary Road, Bengaluru, Karnataka - 560092



Unit No. SH/GF/25, Ground Floor, Pacific Mall, Najafgarh Road, Tagore Garden, Tilak Nagar, New Delhi, Delhi - 110018



Qlocktwo - Unit No. F-106, UB City, Vittal Mallya Road, Bengaluru, Karnataka- 560001

New Brand Added in Q1FY25



Signed Swiss Watch Brand ID Geneve

ID Geneve was started by three childhood friends in the year 2020 in Geneva, Switzerland. They are not a mere sustainable brand but the first 'Impact Native' luxury watch brand.

The Circular 1 collection is the first iconic timepiece ever created by ID Genève, where the stainless steel of the watch case is local and traceable. It comes from the waste of about forty companies in the Jura and surrounding areas.

They continue to further their mission with Circular S and Circular C collections which stand for Solar and Carbon, respectively.



Signed Swiss Watch Brand Singer Reimagined

Singer Reimagined is an award-winning high-watchmaking company, based in Geneva. It is part of Singer Group, the Californian-based luxury brand that has become globally renowned for its bespoke restorations of the Porsche 911.

The brand has become synonymous with the concept of Reimagining – bringing together iconic design with twenty-first century engineering and material science.

New Brand Added in Q2FY25



Launched Swiss Watch Brand HAUTLENCE

HAUTLENCE – whose name itself is an anagram of Neuchâtel – pays tribute to the birthplace of the watchmaking art and is one of the original independents as we know them today. Currently located in the canton of Schaffhausen, Switzerland, HAUTLENCE has become recognized for its iconic TV shaped case and its original concepts in movement and time. It adopts a think tank approach and brings a new vision to the art of watchmaking, while respecting its roots. From hours on chains and spheres to minutes on rotating sapphire discs, HAUTLENCE pushes the boundaries of traditional watchmaking codes while uniting them with mechanical solutions.

For further information, please contact:

Company :



Ethos Ltd.

CIN : L52300HP2007PLC030800

Mr. Munish Gupta – Chief Financial Officer
munish.gupta@ethoswatches.com
www.ethoswatches.com

Investor Relation Advisors



Strategic Growth Advisors Pvt. Ltd.

CIN : U74140MH2010PTC204285

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