

October 24, 2024

The Secretary
BSE Limited
PJ Towers, Rotunda Bldg.,
Dalal Street, Fort
Mumbai 400 001

Scrip Code: 500414

Subject: Outcome of Board Meeting

Dear Sir(s)

Please be informed that the Board of Directors has, in its meeting held today, i.e. on October 24, 2024, *inter-alia*, considered and approved the Un-audited Financial Results of the Company for the quarter and half year ended on September 30, 2024, in compliance with Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The same along with the Limited Review Report is enclosed herewith.

Time of Commencement of Board Meeting: 4:30 PM

Time of Conclusion of Board Meeting: 5:50 PM

Also, please find attached herewith a copy of the Press Release on the Financial Results of the Company.

The above results are also being disseminated on Company's website at www.timexindia.com.

This is for your kind information and record.

Thanking you,
For Timex Group India Limited

Dhiraj Kumar Maggo
Vice President – Legal, HR and Company Secretary

TIMEX

Timex Group India Ltd reports the best-ever quarter in its history with 37% Revenue Growth

National, 24th October 2024: Timex Group India Ltd (TGIL), part of the renowned American watchmaking giant, reported unprecedented growth for the second quarter of FY25. The company celebrating its 170 years reported its highest-ever quarter revenue of 172 crores driven by aggressive growth in brand Timex and significant expansion across the fashion and luxury brands.

With 37% revenue growth over the previous year's same quarter, this quarter saw major growth in TGIL's product portfolio and an aggressive push across both online and offline channels, further solidifying its position in the premium and luxury watch market. PBT (Profit Before Tax) grew by 62%, showcasing the company's strong financial performance, while EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) saw a significant growth of 51%, underlying TGIL's operational efficiency and market momentum.

Q2 FY25 Channel Performance

- E-commerce channel led the charge with a growth of 88% vs the previous year's same quarter.
- The luxury segment recorded a substantial growth of 63% over the same period last year, showcasing the rising demand for premium timepieces in India
- Trade channel, saw 25% growth, continuing its upward trajectory from the previous year.

Q2 FY25 Brand Performance

- Timex, the flagship brand of TGIL, continued to drive growth on a higher base of the previous year and posted a strong performance with 47% revenue growth.
- Guess witnessed a solid growth of 59% in Q2 FY25.
- Versace, a key luxury brand in the TGIL portfolio, experienced remarkable growth of 56%, reaffirming its stronghold in the luxury segment.

Commenting on the quarter's performance, **Mr. Deepak Chhabra, Managing Director of Timex India**, said: *"Our focused strategy of brand premiumization, channel expansion, and consumer-centric marketing has enabled us to deliver historic revenue numbers this quarter. Timex remains a key driver, but we are also seeing tremendous momentum across our fashion and luxury segments, with brands like Guess, Versace, Philipp Plein, and Nautica performing exceptionally well. With our expanded product portfolio and strategic retail initiatives, we are confident in our ability to maintain this growth trajectory for years ahead."*

Product Portfolio Expansion

In line with its commitment to offering consumers innovative and exclusive timepieces, TGIL expanded its product portfolio this quarter with

TIMEX

- Pan Am, an exciting new addition to the Timex portfolio, offering nostalgic yet modern timepieces
- Jacquie Aiche Limited Edition, a luxury watch collaboration, introduced a touch of exclusivity and craftsmanship to the Indian market.
- Ghostly, a creative and innovative release under the Timex global franchise, further strengthened the company's position as a leader in quality watchmaking.
- Guess watches celebrate their 40th anniversary with special limited-edition watches.

Marketing and Consumer Engagement

Marketing focus continued this quarter, with the Waste More Time (WMT) campaign featuring brand ambassador Ananya Panday. The campaign, which has seen consistent engagement across social media platforms, further strengthened Timex's connection with younger consumers. As Timex Group India Ltd. continues its premiumization journey, the company is poised for continued growth in the upcoming quarters. Brands like Philipp Plein garnered consumer engagement and visibility leading to good reception across online and offline channels led by celebrity activation with Bollywood star Babil Khan. TGIL's focus will remain on strengthening its retail presence, expanding its diverse product range, and capitalizing on growing consumer demand for premium and luxury timepieces.

ABOUT TIMEX GROUP INDIA LTD:

Timex Group India Ltd (TGIL) designs, manufactures, and markets innovative timepieces, and is part of Timex Group which is a privately held company headquartered in Middlebury, Connecticut with multiple operating units and over 3,000 employees worldwide. Apart from Timex, one of the leading watch brands in India, TGIL has a vast range of licensed brands like Versace, Guess, Guess Collection, Philip Plein, Plein Sport, Ferragamo, Nautica, Ted Baker, adidas, and UCB watches. It retails via over 5000 offline trade stores and key online marketplaces. TGIL also operates over 40 exclusive franchise stores under the umbrella of Just Watches and Timex World.

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INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF Timex Group India Limited

1. We have reviewed the accompanying Statement of Unaudited Financial Results of Timex Group India Limited ("the Company"), for the quarter and half year ended September 30, 2024 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India (ICAI). A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **DELOITTE HASKINS & SELLS LLP**

Chartered Accountants

(Firm's Registration No. 117366W/W-100018)



A handwritten signature in blue ink, appearing to read "Pramod B. Shukla".

Pramod B. Shukla
(Partner)

(Membership No. 104337)

(UDIN: 24104337BKFNPA7748)

Place: Noida

Date: October 24, 2024

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2024

(Rs. in lakhs except per share data)

| Sr. | Particulars | Quarter ended | | | Half year ended | | Year ended |
|-----|--|--------------------|----------------|--------------------|--------------------|--------------------|----------------|
| | | September 30, 2024 | June 30, 2024 | September 30, 2023 | September 30, 2024 | September 30, 2023 | March 31, 2024 |
| | | Unaudited | Unaudited | Unaudited | Unaudited | Unaudited | Audited |
| 1 | Revenue from operations | 17,408 | 10,867 | 12,636 | 28,275 | 23,265 | 41,891 |
| 2 | Other income | 9 | 52 | 57 | 61 | 94 | 277 |
| 3 | Total Income (1+2) | 17,417 | 10,919 | 12,693 | 28,336 | 23,359 | 42,168 |
| 4 | Expenses | | | | | | |
| | a. Cost of materials consumed | 5,510 | 4,712 | 4,747 | 10,222 | 9,537 | 15,128 |
| | b. Purchases of stock-in-trade | 4,586 | 4,151 | 3,117 | 8,737 | 4,774 | 10,760 |
| | c. Changes in inventories of finished goods, work-in-progress and stock-in-trade | 283 | (2,722) | (636) | (2,439) | (1,142) | (1,522) |
| | d. Employee benefits expense | 1,210 | 1,287 | 1,217 | 2,497 | 2,431 | 4,324 |
| | e. Finance costs | 53 | 66 | 107 | 119 | 220 | 383 |
| | f. Depreciation and amortisation expenses | 84 | 85 | 90 | 169 | 179 | 358 |
| | g. Other expenses | 3,306 | 3,015 | 2,581 | 6,321 | 5,323 | 9,961 |
| | Total expenses (4) | 15,032 | 10,594 | 11,223 | 25,626 | 21,322 | 39,392 |
| 5 | Profit before exceptional items and tax (3-4) | 2,385 | 325 | 1,470 | 2,710 | 2,037 | 2,776 |
| 6 | Exceptional items | - | - | - | - | - | - |
| 7 | Profit before tax (5-6) | 2,385 | 325 | 1,470 | 2,710 | 2,037 | 2,776 |
| 8 | Tax expense | | | | | | |
| | - Current tax | 535 | - | - | 535 | - | - |
| | - Deferred tax | 69 | 82 | 370 | 151 | 512 | 692 |
| | Total Tax expenses (8) | 604 | 82 | 370 | 686 | 512 | 692 |
| 9 | Profit for the period (7-8) | 1,781 | 243 | 1,100 | 2,024 | 1,525 | 2,084 |
| 10 | Other Comprehensive Income | | | | | | |
| | Items that will not be reclassified to profit or loss | | | | | | |
| | - Gain / (loss) on defined benefit obligations | 0 # | - | - | 0 # | - | (9) |
| | - Income tax relating to items that will not be reclassified to profit or loss | - | - | - | - | - | 2 |
| 11 | Total Other Comprehensive Income | 0 # | - | - | 0 # | - | (7) |
| 12 | Total Comprehensive Income for the period (9+11) | 1,781 | 243 | 1,100 | 2,024 | 1,525 | 2,077 |
| 13 | Paid-up equity share capital (Re. 1 each fully paid-up) | 1,010 | 1,010 | 1,010 | 1,010 | 1,010 | 1,010 |
| 14 | Other equity | | | | | | 7,119 |
| 15 | Earnings per share | Not Annualised | Not Annualised | Not Annualised | Not Annualised | Not Annualised | Annualised |
| | -Basic | 1.70 | 0.06 | 0.91 | 1.76 | 1.16 | 1.36 |
| | -Diluted | 1.70 | 0.06 | 0.91 | 1.76 | 1.16 | 1.36 |

Amount is below rounding off threshold adopted by the Company



Balance sheet as at September 30, 2024

(Rs. in lakhs)

| Particulars | As at | As at |
|--|-----------------------|-------------------|
| | September 30, 2024 | March 31, 2024 |
| | Unaudited | Audited |
| ASSETS | | |
| Non-current assets | | |
| Property, plant and equipment | 548 | 573 |
| Right-of-use assets | 779 | 878 |
| Other intangible assets | 27 | 38 |
| Financial assets | | |
| Other financial assets | 87 | 81 |
| Deferred tax assets | 843 | 994 |
| Income tax assets (net) | 93 | 81 |
| Other non-current assets | 28 | 31 |
| Total non-current assets | 2,405 | 2,676 |
| Current assets | | |
| Inventories | 13,198 | 10,625 |
| Financial Assets | | |
| Investments | 1,529 | - |
| Trade receivables | 6,654 | 5,114 |
| Cash and cash equivalents | 889 | 391 |
| Bank balances other than "cash and cash equivalents" | 2 | 2 |
| Other financial assets | 23 | 25 |
| Other current assets | 1,837 | 1,285 |
| Total current assets | 24,132 | 17,442 |
| TOTAL ASSETS | 26,537 | 20,118 |
| EQUITY AND LIABILITIES | | |
| Equity | | |
| Equity share capital | 1,010 | 1,010 |
| Other equity[also refer note 3] | 7,839 | 7,119 |
| Total equity | 8,849 | 8,129 |
| Liabilities | | |
| Non-current liabilities | | |
| Financial liabilities | | |
| Borrowings | 190 | 182 |
| Lease-liabilities | 680 | 788 |
| Provisions | 1,406 | 1,587 |
| Total non-current liabilities | 2,276 | 2,557 |
| Current liabilities | | |
| Financial Liabilities | | |
| Lease-liabilities | 208 | 195 |
| Trade payables | | |
| - total outstanding dues of micro enterprises and small enterprises | 1,349 | 726 |
| - total outstanding dues of creditors other than micro enterprises and small enterprises | 9,216 | 6,468 |
| Other financial liabilities | 963 | 837 |
| Other current liabilities[also refer note 3] | 1,972 | 382 |
| Provisions | 1,173 | 824 |
| Current Tax Liabilities (net) | 531 | - |
| Total current liabilities | 15,412 | 9,432 |
| TOTAL LIABILITIES | 17,688 | 11,989 |
| TOTAL EQUITY AND LIABILITIES | 26,537 | 20,118 |



Statement of Cash Flows for the Half year ended September 30, 2024

| Particulars | (Rs. in lakhs) | |
|---|--|--|
| | Half year ended September 30, 2024 | Half year ended September 30, 2023 |
| | Unaudited | Unaudited |
| A CASH FLOW FROM OPERATING ACTIVITIES | | |
| Profit before tax | 2,710 | 2,037 |
| Adjustments for: | | |
| Interest income | (12) | (4) |
| Finance costs | 119 | 220 |
| Depreciation and amortisation expenses | 169 | 179 |
| Net (gain)/ loss on sale / discarding of property, plant and equipment | 7 | (0) # |
| Property, Plant and equipment written off | 0 # | - |
| Allowance for bad and doubtful debts (net) | 1 | 39 |
| Net unrealised currency exchange fluctuation (gain)/loss | (13) | (51) |
| Changes in working capital: | | |
| Adjustments for (increase) / decrease in operating assets | | |
| Inventories | (2,573) | (855) |
| Trade receivables | (1,538) | (997) |
| Other financial assets (Current) | 2 | - |
| Other financial assets (Non-current) | (6) | (3) |
| Other assets (Current) | (552) | (464) |
| Other assets (Non-current) | 3 | 1 |
| Adjustments for increase / (decrease) in operating liabilities | | |
| Trade payables | 3,380 | 1,435 |
| Other financial liabilities (Current) | 112 | (7) |
| Provisions (Current) | 349 | 46 |
| Provisions (Non-current) | (181) | 363 |
| Other liabilities (Current)[also refer note 3] | 286 | 110 |
| Cash generated from operations | 2,263 | 2,049 |
| Income taxes paid (net of refunds) | (26) | (14) |
| Net cash generated from operating activities | 2,237 | 2,035 |
| B CASH FLOW FROM INVESTING ACTIVITIES | | |
| Interest received | 12 | 4 |
| Bank balances not considered as cash and cash equivalents | 0 # | 0 # |
| Payment for purchase of property, plant and equipment and other intangible assets | (34) | (95) |
| Proceeds from sale of property, plant and equipment | 8 | 1 |
| Movement in current investments (net) | (1,529) | - |
| Net cash (used in) investing activities | (1,543) | (90) |
| C CASH FLOW FROM FINANCING ACTIVITIES | | |
| Net proceeds / (repayment) from borrowings (Current) | - | (1,774) |
| Repayment of lease liabilities and Interest | (138) | (139) |
| Finance costs paid | (58) | (160) |
| Net cash (used in) financing activities | (196) | (2,073) |
| Net increase / (decrease) in cash and cash equivalents (A+B+C) | 498 | (128) |
| Cash and cash equivalents at the beginning of the year | 391 | 128 |
| Cash and cash equivalents at the end of period | 889 | (0) # |
| Note: | | |
| Component of cash and cash equivalents: | | |
| Balances with Banks | 889 | - |
| -In current accounts | 0 # | 0 # |
| Cash on hand | 0 # | 0 # |
| Cash in cash equivalents in Statement of Cash Flows | 889 | 0 # |

Amount is below rounding off threshold adopted by the Company



NOTES TO UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2024

- 1 The above financial results have been prepared by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations"). These results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on October 24, 2024. The Statutory auditors of the Company have carried out the review of the above financial results for the quarter and half year ended September 30, 2024.
- 2 The above financial results have been prepared in accordance with the recognition and measurement principles as laid down in the Indian Accounting Standards 34 (referred to as "Ind AS") prescribed under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules 2015, as amended, from time to time.
- 3 The Company had accumulated losses and did not have sufficient distributable profits for redemption of 1,57,00,000, 13.88% cumulative redeemable non-convertible preference shares of Rs. 10 each ("13.88% CRNCPS") and payment of accumulated/unpaid dividend thereon. Accordingly, for the purpose of redemption of these preference shares aggregating Rs. 1,570 lakhs along with accumulated/ unpaid dividend of Rs. 1,304 lakhs thereon till the date of maturity (subject to deduction of withholding tax of Rs. 142 lakhs), the Board of Directors had, in its meeting held on July 14, 2023, approved the issuance of up to 2,73,15,264, 10.75% Cumulative Redeemable Non-Convertible Preference shares of Rs.10/- each at par aggregating Rs. 2,732 lakhs ("10.75% CRNCPS"), on private placement basis to M/s Timex Group Luxury Watches B.V., the Holding Company of the Company, in terms of Section 55(3) of the Companies Act, 2013 subject to approval of equity shareholders, the Hon'ble National Company Law Tribunal ("NCLT"), Reserve Bank of India ("RBI") and other authorities, as may be required. The tenure of the 10.75% CRNCPS would be 20 years, with an option with either party for an early redemption anytime.

The Members of the Company approved the issuance of 10.75% CRNCPS in their Annual General Meeting held on August 23, 2023. Further, NCLT, Delhi Bench had, vide its Order dated June 07, 2024 read with Corrigendum dated July 16, 2024, approved the said issuance. In respect of the Company's application to RBI for seeking approval for issuance of 10.75% CRNCPS, the Company has received a communication on September 20, 2024 from its Authorised Dealer confirming that RBI has advised that the AD Bank may examine the proposal under delegated powers by considering the date of fresh issuance as date of drawdown and is further advised to adhere to ECB guidelines as per Master Direction on External Commercial Borrowings, Trade Credits and Structured Obligations dated March 26, 2019 and updated from time to time. Accordingly during the quarter ended on September 30, 2024, the Company has recognised the above accumulated/ unpaid dividend payable of Rs. 1,304 lacs in retained earnings under Other Equity.

Subsequent to the quarter and half year ended on September 30, 2024, the Board of Directors has, in its meeting held on October 8, 2024, approved the issuance of the above referred 10.75% CRNCPS. Accordingly, the Company has made an application to RBI for seeking of Loan Registration Number for issuance of fresh 10.75% CRNCPS as External Commercial Borrowing.
- 4 The Company is primarily in the business of manufacturing and trading of watches and rendering of related after sales service. The other activities of the Company comprises of providing information & technology support services to the group companies. The Managing Director of the Company, who has been identified as the Chief Operating Decision Maker (CODM), evaluates the Company's performance, allocates resources based on the analysis of the various performance indicators of the Company as a single unit. Therefore, there is no reportable segment of the Company.
- 5 Other expenses for the quarter and half year ended September 30, 2024 includes Rs. 702 lakhs and Rs. 1,092 lakhs respectively, being royalty payable on net sales value of watches/ spare parts/ products sold under specific licensed brands manufactured/traded by the Company in terms of Intellectual Property License Agreement dated February 01, 2024 entered by the Company with Timex Group USA, Inc., a fellow subsidiary company, which is effective from April 1, 2024.
- 6 The Code on Social Security, 2020 ('code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

Place : Noida
Date : October 24, 2024

For and on behalf of the Board of directors of
Timex Group India Limited



Deepak Chhabra
Managing Director

