

**Independent Auditor's Review Report on the Quarterly Unaudited Standalone Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended****Review Report to  
The Board of Directors  
Ethos limited**

1. We have reviewed the accompanying statement of unaudited standalone financial results of Ethos Limited (the "Company") for the quarter ended June 30, 2022 (the "Statement") attached herewith, being submitted 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").
2. The Company's Management is responsible for the preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The Statement has been approved by the Company's Board of Directors. 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. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons 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 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 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 Standards ("Ind AS") specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

**For S.R. BATLIBOI & Co. LLP**

Chartered Accountants

ICAI Firm registration number: 301003E/E300005



per Anil Gupta

Partner

Membership No.: 87921

UDIN: 22087921ANQDAY9494

New Delhi

Date: July 26, 2022



**Statement of Standalone Unaudited Financial Results for the Quarter ended June 30, 2022**  
(Rupees in lakhs except share data, per share data and unless otherwise stated)

S.No.	Particulars	Quarter ended		Year ended
		June 30, 2022 (Unaudited)	March 31, 2022 (Audited)*	
	<b>Income</b>			
1	Revenue from operations	17,356.05	15,869.06	57,728.37
2	Other income (Refer Note 5 below)	222.46	259.62	1,347.87
3	<b>Total income (1+2)</b>	<b>17,578.51</b>	<b>16,128.68</b>	<b>59,076.24</b>
4	<b>Expenses</b>			
	Purchase of stock-in-trade	15,307.57	12,106.60	46,328.61
	Changes in inventories of stock-in-trade	(3,417.71)	(1,029.56)	(5,216.17)
	Employee benefits expense	1,196.49	1,116.96	4,075.23
	Finance costs	423.06	450.90	1,664.56
	Depreciation and amortisation expense	808.79	799.11	3,141.18
	Other expenses	1,566.45	1,690.23	5,962.24
	<b>Total expenses</b>	<b>15,884.65</b>	<b>15,134.24</b>	<b>55,955.65</b>
5	<b>Profit before tax (3-4)</b>	<b>1,693.86</b>	<b>994.44</b>	<b>3,120.59</b>
6	<b>Tax expense</b>			
	Current tax	430.59	215.37	784.29
	Deferred tax charge/(Credit)	465.76	232.38	866.90
7	<b>Net Profit for the period/year (5-6)</b>	<b>(35.17)</b>	<b>(17.01)</b>	<b>(82.61)</b>
8	<b>Other Comprehensive Income (OCI)</b>	<b>1,263.27</b>	<b>779.07</b>	<b>2,336.30</b>
	<i>Items that will not be reclassified to profit or loss</i>			
	- Re-measurement of income/(loss) on defined benefit plans	-	(12.74)	1.79
	- Income tax relating to items that will not be re-classified to profit and loss	-	3.21	(0.45)
9	<b>Total Comprehensive income for the period/year (7+8)</b>	<b>1,263.27</b>	<b>769.54</b>	<b>2,337.64</b>
10	<b>Earnings per share of Rs. 10 each (not annualised)</b>			
	Basic	6.48	4.23	12.67
	Diluted	6.48	4.23	12.67
11	<b>Paid-up equity share capital (face value of share of Rs.10)</b>	<b>2,334.92</b>	<b>1,907.82</b>	<b>1,907.82</b>
12	<b>Other Equity</b>	<b>-</b>	<b>-</b>	<b>21,278.22</b>

\* Refer Note 6 below



*[Handwritten Signature]*



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**ETHOS LIMITED****Notes to unaudited Standalone Financial Results:**

1. The above unaudited standalone financial results have been prepared in accordance with the Indian Accounting Standards ("Ind AS") as prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder.
2. The above unaudited standalone financial results (Also refer Note 6 below) have been reviewed and recommended by the Audit Committee and approved by the Board of Directors in their respective meetings held on July 26, 2022 and have been reviewed by the Statutory Auditors of the Company.
3. 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 when the Code becomes effective.
4. During the quarter ended June 30, 2022, the Company has completed its Initial Public Offering ('IPO') of 45,81,500 equity shares of face value of Rs. 10 each at an issue price of Rs. 878 per share (including securities premium of Rs. 868 per share). The issue comprised of fresh issue of 42,71,070 equity shares aggregating to Rs. 37,499.99 lakhs and offer for sale of 3,10,430 equity shares aggregating to Rs. 2,725.58 lakhs.

Consequent to allotment of fresh issue, the paid-up equity share capital of the Company stands increased from Rs. 1,907.82 lakhs consisting of consisting of 1,90,78,163 equity shares of Rs. 10 each to Rs. 2,334.92 lakhs consisting of 2,33,49,233 Equity Shares of Rs. 10 each.

The total offer expenses in relation to the fresh issue are estimated to be Rs. 3,879.53 lakhs (excluding taxes). The utilization of IPO proceeds from fresh issue (net of provisional IPO related expense of Rs. 3,879.53 lakhs) is summarized below:

Particulars	(Rs. in lakhs)
	Amount
Amount received from fresh issue	37,499.99
Less: Offer related expenses in relation to the Fresh Issue	(3,879.53)
Net Proceeds available for utilisation	33,620.46

The aforesaid offer related expenses in relation to the Fresh Issue has been adjusted against securities premium as per Section 52 of the Companies Act, 2013.

Particulars	(Rs. in lakhs)		
	Amount to be utilised as per prospectus	Utilisation upto June 30, 2022	Unutilized as on June 30, 2022
Repayment or pre-payment certain borrowings	2,989.09	2,989.09	-
Funding working capital requirements	23,496.22	1,583.39	21,912.83
Financing the establishment of new stores and renovation of the certain existing stores	3,327.28	-	3,327.28
Financing the upgradation of ERP	198.01	-	198.01
General corporate purpose	3,609.86	244.44	3,365.42
Total	33,620.46	4,816.92	28,803.54

Net unutilised proceeds as on June 30, 2022 have been temporarily invested in deposits with scheduled bank and kept in current account with scheduled bank and monitoring agency bank account.



5. The Ministry of Corporate Affairs vide notification dated July 24, 2020 and June 18, 2021, issued an amendment to Ind AS 116- leases, by inserting a practical expedient w.r.t Covid-19-Related Rent Concessions" effective from the period beginning on or after April 1, 2020. Pursuant to the above amendment, the Company has applied the practical expedient by accounting unconditional rent concessions in "Other Income" in the Statement of Profit and Loss as under

			(Rs. in lakhs)
June 30, 2022	Quarter ended		Year ended
	March 31, 2022	June 30, 2021	March 31, 2022
-	55.81	397.60	804.46

6. The figures of the last quarter of previous year were the balancing figures between audited figures in respect of the full financial year up to March 31, 2022 and the audited year-to-date figures up to December 31, 2021.
7. The Company has entered into an agreement dated January 1, 2022 with its Holding company i.e. KDDL Limited to purchase its brand-name "Ethos" and "Summit" (including trademarks, trade names, logos and all related rights) for an agreed amount of Rs. 3,900 lakhs. Out of Rs. 3,900 lakhs, 1/3rd amount need to be paid by the Company by March 31, 2022 as advance, 1/3rd of the payment will be made by the Company when trademark "Ethos" is transferred and registered in the name of the Company and remaining amount is to be paid when trademark "Summit" is transferred and registered in the name of the Company. As per the terms of agreement, the Company has paid Rs. 1,300 lakhs as advance towards first tranche during previous quarter.
8. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker of the Company. As the Chief operating decision maker of the Company assesses the financial performances and position of the Company as a whole and makes strategic decision, the management considers trading of watches, accessories and other luxury items and related services as a single operating segment as per Ind AS 108, hence separate segment disclosures, have not been furnished.

For and on behalf of the Board of Directors of  
Ethos Limited



Mr Yashovardhan Saboo  
Managing Director

Place: Chandigarh  
Date: July 26, 2022



**Independent Auditor's Review Report on the Quarterly Unaudited Consolidated Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended****Review Report to  
The Board of Directors  
Ethos Limited**

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of Ethos Limited (the "Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group"), and joint venture for the quarter ended June 30, 2022 (the "Statement") attached herewith, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. The Holding Company's Management is responsible for the preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The Statement has been approved by the Holding Company's Board of Directors. 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. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons 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 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.

We also performed procedures in accordance with the Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 issued by the Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.

4. The Statement includes the results of the following entities:

S. No.	Name of subsidiary/ joint venture	Relationship
1	Cognition Digital LLP	Subsidiary
2	Pasadena Retail Private Limited	Joint venture



# S.R. BATLIBOI & Co. LLP

Chartered Accountants

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of other auditors referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. The accompanying Statement includes the unaudited interim financial results and other financial information, in respect of:
- one subsidiary, whose unaudited interim financial results include total revenues of Rs 50 lakhs, total net (loss) after tax of Rs. (9.12) lakhs, total comprehensive (loss) of Rs. (9.12) lakhs for the quarter ended June 30, 2022, as considered in the Statement which have been reviewed by its independent auditor.
  - one joint venture, whose unaudited interim financial results include Group's share of net profit of Rs. 16.46 lakhs and Group's share of total comprehensive income of Rs. 16.46 lakhs for the quarter ended June 30, 2022, as considered in the Statement whose interim financial results, other financial information have been reviewed by its independent auditor.

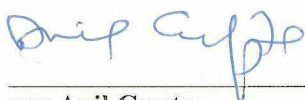
The independent auditor's reports on interim financial results of these entities have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures in respect of these subsidiary, and joint venture is based solely on the report of such auditors and procedures performed by us as stated in paragraph 3 above.

Our conclusion on the Statement in respect of matters stated in para 6 above is not modified with respect to our reliance on the work done and the reports of the other auditors.

For S.R. BATLIBOI & Co. LLP

Chartered Accountants

ICAI Firm registration number: 301003E/E300005



per Anil Gupta

Partner

Membership No.: 87921

UDIN: 22087921ANQDJC7267



Place: New Delhi

Date: July 26, 2022

Statement of Consolidated Unaudited Financial Results for the quarter ended June 30, 2022

(Rupees in lakhs except share data per share data and unless otherwise stated)

S.No.	Particulars	Quarter ended		Year ended	
		June 30, 2022 (Unaudited)	March 31, 2022 (Audited)**		June 30, 2021 (Unaudited)
1	Income				
2	Revenue from operations	17,556.05	15,869.06	8,894.10	57,728.37
3	Other income (Refer Note 6 below)	223.42	189.34	514.45	1,277.83
	Total income (1+2)	17,579.47	16,058.40	9,408.55	59,006.20
4	Expenses				
	Purchase of stock-in-trade	15,307.57	12,106.60	4,849.86	46,528.61
	Changes in inventories of stock-in-trade	(3,417.71)	(1,029.56)	1,510.53	(5,216.17)
	Employee benefits expense	1,239.46	1,150.61	852.96	4,238.15
	Finance costs	423.69	452.69	367.69	1,667.28
	Depreciation and amortisation expense	813.00	804.12	696.87	3,150.86
	Other expenses	1,524.50	1,528.93	1,013.87	5,687.28
	Total expenses	15,890.51	15,013.39	9,291.78	55,856.01
5	Profit before share of joint venture and income tax (3-4)	1,688.96	1,045.01	116.77	3,150.19
6	Share of Profit/(Loss) of joint venture (net of income tax)	16.46	4.59	(7.55)	2.40
7	Net Profit before tax (5+6)	1,705.42	1,049.60	109.22	3,152.59
8	Tax expense				
	Current tax	425.69	265.72	25.58	813.79
	Deferred tax charge (credit)	(465.76)	264.05	28.07	898.57
		(40.07)	1.67	(2.49)	(84.78)
9	Net Profit for the period/year (7-8)	1,279.73	783.88	83.64	2,338.80
10	Other Comprehensive Income (OCI)				
	Items that will not be reclassified to profit or loss				
	- Re-measurement of income/(loss) on defined benefit plans	-	(13.07)	-	1.63
	- Income tax relating to items that will not be re-classified to profit and loss	-	3.33	-	(0.39)
	Total Comprehensive income for the period/year (8+9)	1,279.73	774.15	83.64	2,340.04
12	Earnings per share of Rs. 10 each (not annualised)				
	Basic	6.56	4.25	0.46	12.69
	Diluted	6.56	4.25	0.46	12.69
13	Paid-up equity share capital (face value of share of Rs.10)			1,821.28	1,907.82
14	Other Equity	2,534.92	1,907.82		21,260.67

\* Refer Note 7 below



**ETHOS LIMITED****Notes to unaudited Consolidated financial results:**

- The financial results of following entities have been consolidated with the financial results of Ethos Limited (The Company), hereinafter referred to as "the Group" or "Holding Company":  
Cognition Digital LLP (Subsidiary)  
Pasadena Retail Private Limited (Joint Venture)
- The above unaudited consolidated financial results have been prepared in accordance with the Indian Accounting Standards ("Ind AS") as prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder.
- The unaudited consolidated financial results (Also refer Note 7 below) have been reviewed and recommended by the Audit Committee and approved by the Board of Directors in their respective meetings held on July 26, 2022 and have been reviewed by the Statutory Auditors of the Company.
- 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 Group will assess the impact of the Code when it comes into effect and will record any related impact in the period when the Code becomes effective.
- During the quarter ended June 30, 2022, the Parent Company has completed its Initial Public Offering ('IPO') of 45,81,500 equity shares of face value of Rs. 10 each at an issue price of Rs. 878 per share (including securities premium of Rs. 868 per share). The issue comprised of fresh issue of 42,71,070 equity shares aggregating to Rs. 37,499.99 lakhs and offer for sale of 3,10,430 equity shares aggregating to Rs. 2,725.58 lakhs.

Consequent to allotment of fresh issue, the paid-up equity share capital of the Parent Company stands increased from Rs. 1,907.82 lakhs consisting of 1,90,78,163 equity shares of Rs. 10 each to Rs. 2,334.92 lakhs consisting of 2,33,49,233 Equity Shares of Rs. 10 each.

The total offer expenses in relation to the fresh issue are estimated to be Rs. 3,879.53 lakhs (excluding taxes). The utilization of IPO proceeds from fresh issue (net of provisional IPO related expense of Rs. 3,879.53 lakhs) is summarized below:

(Rs. in lakhs)	
Particulars	Amount
Amount received from fresh issue	37,499.99
Less: Offer related expenses in relation to the Fresh Issue	(3,879.53)
Net Proceeds available for utilisation	33,620.46

The aforesaid offer related expenses in relation to the Fresh Issue has been adjusted against securities premium as per Section 52 of the Companies Act, 2013.

(Rs. in lakhs)			
Particulars	Amount to be utilised as per prospectus	Utilisation upto June 30, 2022	Unutilized as on June 30, 2022
Repayment or pre-payment certain borrowings	2,989.09	2,989.09	-
Funding working capital requirements	23,496.22	1,583.39	21,912.83
Financing the establishment of new stores and renovation of the certain existing stores	3,327.28	-	3,327.28
Financing the upgradation of ERP	198.01	-	198.01
General corporate purpose	3,609.86	244.44	3,365.42
Total	33,620.46	4,816.92	28,803.54





Net unutilized proceeds as on June 30, 2022 have been temporarily invested in deposits with scheduled bank and kept in current account with scheduled bank and monitoring agency bank account.

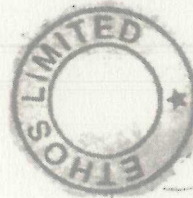
6. The Ministry of Corporate Affairs vide notification dated July 24, 2020 and June 18, 2021, issued an amendment to Ind AS 116- leases, by inserting a practical expedient w.r.t Covid-19-Related Rent Concessions" effective from the period beginning on or after April 1, 2020. Pursuant to the above amendment, the Group has applied the practical expedient by accounting unconditional rent concessions in "Other income" in the Statement of Profit and Loss as under:

Quarter ended			(Rs. in lakhs)
June 30, 2022	March 31, 2022	June 30, 2021	Year ended March 31, 2022
-	55.81	397.60	804.46

7. The figures of the last quarter of previous year were the balancing figures between audited figures in respect of the full financial year up to March 31, 2022 and the audited year-to-date figures up to December 31, 2021.
8. The Parent Company has entered into an agreement dated January 1, 2022 with its Holding company i.e KDDL Limited to purchase its brand-name "Ethos" and "Summit" (including trademarks, trade names, logos and all related rights) for an agreed amount of Rs. 3,900 lakhs. Out of Rs. 3,900 lakhs, 1/3rd amount need to be paid by the Parent Company by March 31, 2022 as advance. 1/3rd of the payment will be made by the Parent Company when trademark "Ethos" is transferred and registered in the name of the Parent Company and remaining amount is to be paid when trademark "Summit" is transferred and registered in the name of the Parent Company. As per the terms of agreement, the Parent Company has paid Rs. 1,300 lakhs as advance towards first tranche during previous quarter.
9. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker of the Group. As the Chief operating decision maker of the Group assesses the financial performances and position of the Group as a whole and makes strategic decision, the management considers trading of watches, accessories and other luxury items and related services as a single operating segment as per Ind AS 108, hence separate segment disclosures, have not been furnished.



For and on behalf of the Board of Directors of  
Ethos Limited



Mr Yashovardhan Saboo  
Managing Director

Place: Chandigarh  
Date: July 26, 2022