

**KDDL Limited**

**Investor Presentation**  
**August 2023**

# Safe Harbor



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# *Q1FY24 Performance Overview*

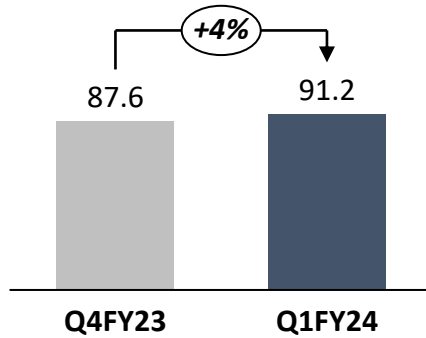


# Q1FY24 Performance

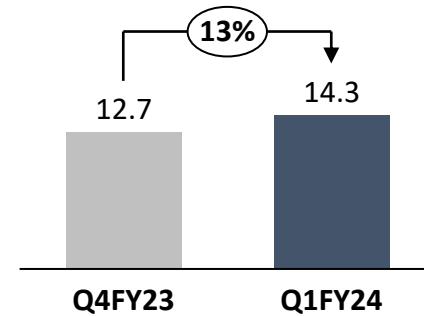


## KDDL Standalone Performance (Rs. Crs.)

Total Income\*

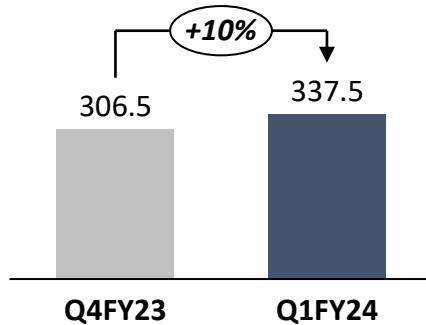


PAT

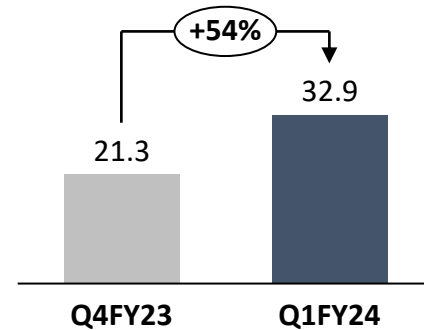


## KDDL Consolidated Performance (Rs. Crs.)

Total Income



PAT



\*Excluding other income from OFS/Brand Sale

# Standalone Profit & Loss



Profit & Loss (Rs. Crs.)	Q1FY24	Q1FY23	YoY%	Q4FY23	QoQ%	FY FY23
<b>Revenue</b>	<b>88.8</b>	<b>69.0</b>	<b>29%</b>	<b>84.7</b>	<b>5%</b>	<b>304.8</b>
Other Income	2.4	1.6		2.9		9.0
<b>Total Income</b>	<b>91.2</b>	<b>70.6</b>		<b>87.6</b>		<b>313.8</b>
Cost of Goods Sold	21.1	17.2		20.9		76.0
<b>Gross Profit</b>	<b>70.1</b>	<b>53.4</b>	<b>31%</b>	<b>66.7</b>	<b>5%</b>	<b>237.9</b>
Employee Expenses	23.4	19.0		23.6		82.6
Other Expenses	21.8	17.6		20.2		75.6
<b>EBITDA</b>	<b>25.0</b>	<b>16.8</b>	<b>49%</b>	<b>22.9</b>	<b>9%</b>	<b>79.7</b>
<b>Margin (%)</b>	<b>27.4%</b>	<b>23.7%</b>		<b>26.1%</b>		<b>25.4%</b>
Exceptional Expense	0.0	0.0		0.0		19.0
Interest	2.5	1.8		2.6		8.5
Depreciation	3.4	3.1		3.3		12.7
<b>PBT</b>	<b>19.1</b>	<b>11.9</b>	<b>61%</b>	<b>17.0</b>	<b>13%</b>	<b>39.5</b>
Income-OFS/Brand Sale	0.0	10.6		0.0		49.8
Tax	4.8	4.0		4.3		20.0
<b>PAT</b>	<b>14.3</b>	<b>18.5</b>	<b>-23%</b>	<b>12.7</b>	<b>12%</b>	<b>69.2</b>

^Other Income (Exceptional Income)- OFS/Brand Sales

#Exceptional Expenses includes One time value creation award to Mr. Yasho Vardhan Saboo (Chairman & MD)

# Consolidated Profit & Loss



Profit & Loss (Rs. Crs.)	Q1FY24	Q1FY23	YoY%	Q4FY23	QoQ%	FY23
<b>Revenue</b>	<b>331.5</b>	<b>247.3</b>	<b>34%</b>	<b>299.2</b>	<b>11%</b>	<b>1,119.4</b>
Other Income	6.0	3.2		7.2		19.3
<b>Total Income</b>	<b>337.5</b>	<b>250.4</b>		<b>306.5</b>		<b>1,138.8</b>
Cost of Goods Sold	185.1	137.0		171.0		628.8
<b>Gross Profit</b>	<b>152.4</b>	<b>113.4</b>	<b>34%</b>	<b>135.5</b>	<b>12%</b>	<b>510.0</b>
Employee Expenses	46.7	36.3		44.6		155.0
Other Expenses	40.5	34.0		41.5		155.4
<b>EBITDA</b>	<b>65.2</b>	<b>43.2</b>	<b>51%</b>	<b>49.3</b>	<b>32%</b>	<b>199.6</b>
<b>Margin (%)</b>	<b>19.3%</b>	<b>17.3%</b>		<b>16.1%</b>		<b>17.5%</b>
Exceptional Expense#	0.0	0.0		0.0		19.0
Interest	6.8	6.2		6.4		24.1
Depreciation	14.7	11.7		13.3		49.4
Share of Profit / (Loss) of equity accounted investees	-0.2	-0.2		-0.2		-0.5
<b>PBT</b>	<b>44.0</b>	<b>25.5</b>	<b>72%</b>	<b>29.8</b>	<b>47%</b>	<b>107.6</b>
Tax	11.1	7.4		8.6		30.6
<b>PAT</b>	<b>32.9</b>	<b>18.1</b>	<b>82%</b>	<b>21.3</b>	<b>55%</b>	<b>77.0</b>
OCI / (Expense)	0.1	0.0		0.2		0.5
<b>Total Comprehensive Income</b>	<b>32.8</b>	<b>18.1</b>		<b>21.1</b>		<b>76.5</b>
Minority Interest	7.1	4.9		5.1		23.4
<b>PAT After Minority Interest</b>	<b>25.7</b>	<b>13.2</b>	<b>95%</b>	<b>15.96</b>	<b>61%</b>	<b>53.1</b>

#Exceptional Expenses includes One time value creation award to Mr. Yashovardhan Saboo (Chairman & MD)  
Brand sale/OFS gain gets eliminated at Consolidated level

FY22 Financials are adjusted and includes the impact of merger of Satva Jewellery and Design Limited with KDDL Limited

# New Capex to drive growth



## Dials Factory

- Expansion of Dials factory situated at Derabassi, Punjab
- The expansion will enhance the capacity of the unit by 0.5 million pcs. per annum, especially to cater for exports to the medium-high watch segment of Swiss Watches
- The expansion will involve capex of Rs. 16 crores and will be executed in phases over two years period (in FY23 and FY24)

## Steel Bracelets

- Setting up of a new plant for manufacturing of top quality steel bracelets for watches around Bangalore (Karnataka)
- The plant will cater exclusively to mid and high-end Swiss and European watches market
- The expansion will involve a capital expenditure of Rs. 25 crores to be executed over next two years (in FY23 and FY24)
- The plant is intended to be setup with a capacity of 100k steel bracelets p.a.



# *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
- 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

# 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



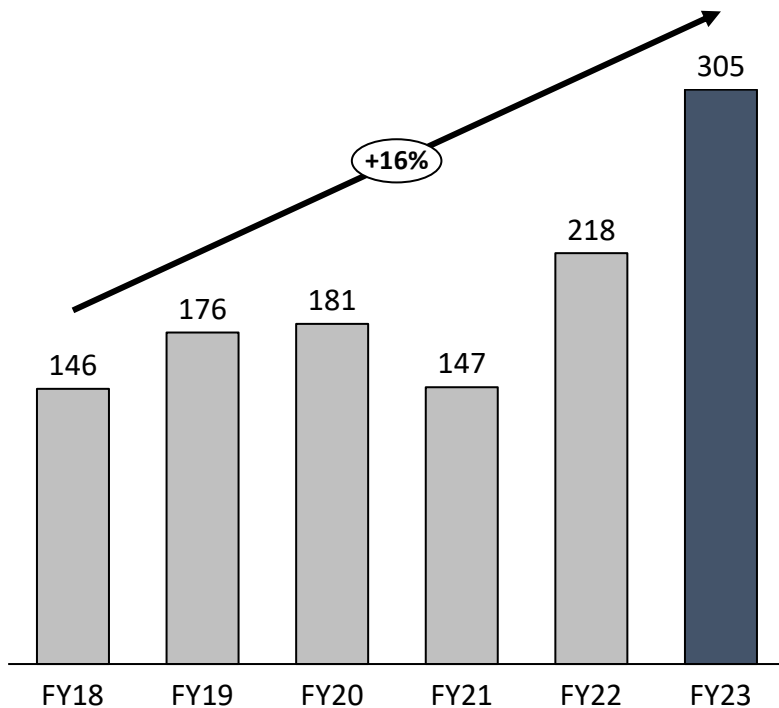
## Customers

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

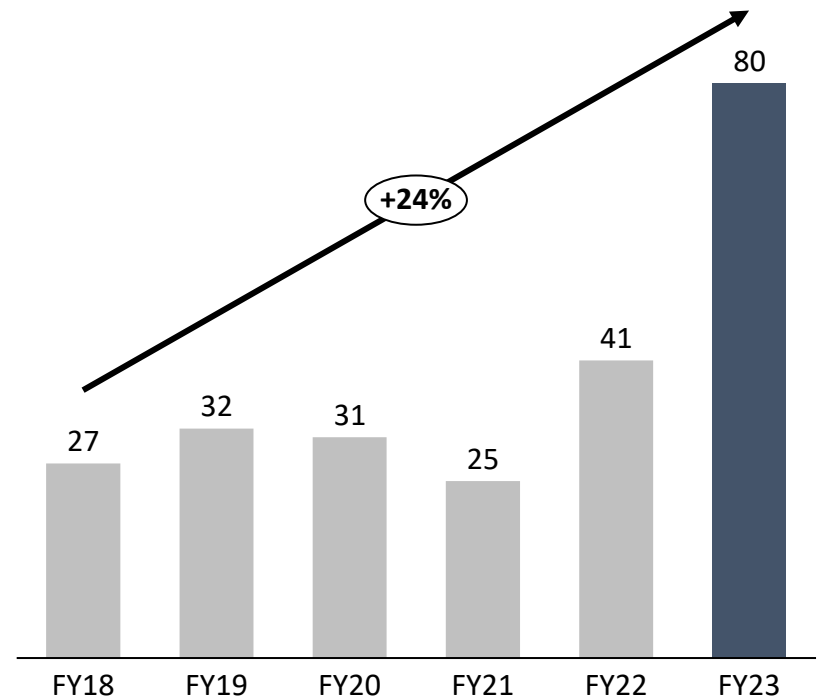
# Manufacturing Performance\*



Revenue (Rs. Crs.)



EBITDA (Rs. Crs.)



**The results for FY21 were adversely affected by the COVID-19 pandemic and may not be strictly comparable with previous periods**

FY22 Financials are adjusted and includes the impact of merger of Satva Jewellery and Design Limited with KDDL Limited

# Ethos - Consolidated Profit & Loss



Profit and Loss (in Rs. Crs)	Q1FY24	Q1FY23	YoY	Q4FY23	QoQ	FY23
<b>Revenue from Operations</b>	<b>230.0</b>	<b>173.6</b>	<b>33%</b>	<b>207.6</b>	<b>11%</b>	<b>788.5</b>
Other Income	4.7	2.2		5.0		14.6
<b>Total Income</b>	<b>234.7</b>	<b>175.8</b>		<b>212.6</b>		<b>803.1</b>
Cost of Goods Sold	160.2	118.9		146.6		544.4
<b>Gross Profit (Revenue - COGS)</b>	<b>69.8</b>	<b>54.7</b>	<b>28%</b>	<b>61.0</b>	<b>14%</b>	<b>244.1</b>
<b>Gross Profit Margin</b>	<b>30.3%</b>	<b>31.5%</b>		<b>29.4%</b>		<b>31.0%</b>
Employee Cost	17.4	12.4		15.0		52.7
Other Expenses	18.5	15.2		20.4		77.1
<b>EBITDA</b>	<b>38.6</b>	<b>29.3</b>	<b>32%</b>	<b>30.6</b>	<b>27%</b>	<b>128.9</b>
<b>EBITDA Margin</b>	<b>16.4%</b>	<b>16.6%</b>		<b>14.4%</b>		<b>16.0%</b>
Depreciation	10.7	8.1		9.5		34.6
<b>EBIT</b>	<b>27.9</b>	<b>21.1</b>	<b>32%</b>	<b>21.1</b>	<b>32%</b>	<b>94.3</b>
<b>EBIT Margin</b>	<b>11.9%</b>	<b>12.0%</b>		<b>9.9%</b>		<b>11.7%</b>
Finance Cost	3.8	4.2		3.5		14.1
Share in Profit/(loss) in JV and Associates	0.2	0.2		0.2		0.5
<b>PBT</b>	<b>24.3</b>	<b>17.1</b>	<b>42%</b>	<b>17.8</b>	<b>37%</b>	<b>80.7</b>
<b>PBT Margin</b>	<b>10.4%</b>	<b>9.7%</b>		<b>8.3%</b>		<b>10.0%</b>
Tax	6.1	4.3		4.5		20.4
<b>PAT</b>	<b>18.2</b>	<b>12.8</b>	<b>42%</b>	<b>13.3</b>	<b>37%</b>	<b>60.3</b>
<b>PAT Margin</b>	<b>7.8%</b>	<b>7.3%</b>		<b>6.2%</b>		<b>7.5%</b>



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