

Ref. No.: Ethos/Secretarial/2025-26/81

Dated: November 11, 2025

Corporate Service Department
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400001

Listing Department
National Stock Exchange of India Limited
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex, Bandra,
Mumbai - 400051

Scrip Code: 543532
ISIN: INE04TZ01018

Trading Symbol: ETHOSLTD

Subject: Report of the Monitoring Agency with respect to utilization of proceeds of the Initial Public Offering of Ethos Limited for the quarter ended September 30, 2025

Dear Sir/Madam,

Pursuant to Regulation 41(2) of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2018 and Regulation 32 (6) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith the Monitoring Agency Report with respect to utilization of proceeds of the Initial Public Offering of the Company for the quarter ended September 30, 2025 issued by CRISIL Ratings Limited, Monitoring Agency.

You are requested to please take on record the above-mentioned information for your reference and further needful.

Thanking You,
Sincerely,

For Ethos Limited

Shubham Kandhway
Company Secretary & Compliance Officer

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

Monitoring Agency Report for Ethos Limited for the quarter ended September 30, 2025

CRL/MAR/ETHOSLO/2025-26/1584

November 11, 2025

To

Ethos Limited

Plot no. 3, Sector- III, Parwanoo,
Himachal Pradesh - 173220

Dear Sir,

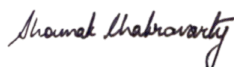
**Monitoring Agency Report for the quarter ended September 30, 2025 - in relation to the Initial Public Offer
("IPO") of Ethos Limited ("the Company")**

Pursuant to Regulation 41 of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("**ICDR Regulations**") and Monitoring Agency Agreement dated April 21, 2022, entered with the Company, we enclose herewith the Monitoring Agency Report, issued by Crisil Ratings Limited, as per Schedule XI of the SEBI ICDR Regulations towards utilization of IPO proceeds for the quarter ended September 30, 2025.

Request you to kindly take the same on records.

Thanking you,

For and on behalf of Crisil Ratings Limited



Shounak Chakravarty
Director, Ratings (LCG)

Report of the Monitoring Agency (MA)

Name of the issuer: Ethos Limited

For quarter ended: September 30, 2025

Name of the Monitoring Agency: Crisil Ratings Limited

(a) Deviation from the objects: Not applicable

(b) Range of Deviation: Not applicable

Declaration:

We declare that this report provides an objective view of the utilization of the issue proceeds in relation to the objects of the issue based on the information provided by the Issuer and information obtained from sources believed by it to be accurate and reliable. The MA does not perform an audit and undertakes no independent verification of any information/ certifications/ statements it receives. This Report is not intended to create any legally binding obligations on the MA which accepts no responsibility, whatsoever, for loss or damage from the use of the said information. The views and opinions expressed herein do not constitute the opinion of MA to deal in any security of the Issuer in any manner whatsoever. Nothing mentioned in this report is intended to or should be construed as creating a fiduciary relationship between the MA and any issuer or between the agency and any user of this report. The MA and its affiliates also do not act as an expert as defined under Section 2(38) of the Companies Act, 2013.

The MA or its affiliates may have credit rating or other commercial transactions with the entity to which the report pertains and may receive separate compensation for its ratings and certain credit-related analyses. We confirm that we do not perceive any conflict of interest in such relationship/interest while monitoring and reporting the utilization of the issue proceeds by the issuer.

We have submitted the report herewith in line with the format prescribed by SEBI, capturing our comments, where applicable. There are certain sections of the report under the title "Comments of the Board of Directors", that shall be captured by the Issuer's Management / Audit Committee of the Board of Directors subsequent to the MA submitting their report to the issuer and before dissemination of the report through stock exchanges. These sections have not been reviewed by the MA, and the MA takes no responsibility for such comments of the issuer's Management/Board.

Signature:



Name and designation of the Authorized Signatory: Shounak Chakravarty

Designation of Authorized person/Signing Authority: Director, Ratings (LCG)

1) Issuer Details:

Name of the issuer: Ethos Limited

Names of the promoter: a. Yashovardhan Saboo
b. KDDL Limited and
c. Mahen Distribution Limited

Industry/sector to which it belongs: Retailer – watches/watch accessories

2) Issue Details

Issue Period: Wednesday, May 18, 2022, to Friday, May 20, 2022

Type of issue (public/rights): Initial Public Offer (IPO)

Type of specified securities: Equity Shares

IPO Grading, if any: NA

Issue size: Upto Rs 40,226.00 lakh
Issue size comprises of fresh issuance - gross proceeds of Rs 37,500.00 lakh (net proceeds of Rs 33,968.95 lakh*) and an offer for sale of Rs 2,726.00 lakh

**Crisil Ratings shall be monitoring the revised net proceeds (refer note 1)*

3) Details of the arrangement made to ensure the monitoring of issue proceeds:

Particulars	Reply	Source of information / certifications considered by Monitoring Agency for preparation of report	Comments of the Monitoring Agency	Comments of the Board of Directors
Whether all utilization is as per the disclosures in the Offer Document?	Yes	Management undertaking, Peer reviewed Independent Chartered Accountant Certificate^, Prospectus, Bank Statements, FD receipts, Postal Ballot Notice	Shareholder's approval has been obtained for alteration in object no. 3 for revised locations and extending the time period for utilizing the remaining issue proceeds for the object	No Comments

Particulars	Reply	Source of information / certifications considered by Monitoring Agency for preparation of report	Comments of the Monitoring Agency	Comments of the Board of Directors
Whether shareholder approval has been obtained in case of material deviations from expenditures disclosed in the Offer Document?	Yes**	, Peer reviewed Independent Chartered Accountant Certificate^, Management undertaking, Notice to AGM, Prospectus	Shareholder's approval has been obtained for alteration in object no. 3 for revised locations and extending the time period for utilizing the remaining issue proceeds for the object	No Comments
Whether the means of finance for the disclosed objects of the issue has changed?	No	Management undertaking, Peer Reviewed Independent Chartered Accountant Certificate^	No Comments	No Comments
Is there any major deviation observed over the earlier monitoring agency reports?	No		No Comments	No Comments
Whether all Government/statutory approvals related to the object(s) have been obtained?	NA		No Comments	No Comments
Whether all arrangements pertaining to technical assistance/collaboration are in operation?	NA		No Comments	No Comments
Are there any favorable events improving the viability of these object(s)?	No		No Comments	No Comments
Are there any unfavorable events affecting the viability of the object(s)?	No		No Comments	No Comments
Is there any other relevant information that may materially affect the decision making of the investors?	No		No Comments	No Comments

NA represents Not Applicable

***As per the management undertaking submitted, The funds were earlier proposed to be utilized by September 21, 2025, as per the earlier shareholder's approval dated March 21, 2024. However, due to repeated GRAP restrictions in Delhi NCR and delays in design approvals from global brands, the Company could not utilize the amount within the said timeline. Based on the resolution passed by the Board of Directors of Ethos Limited in its meeting held on August 14, 2025, and the Special Resolution passed by the shareholders in the Annual General Meeting, the timeline for utilisation of the unutilised IPO proceeds lying under the head 'Financing the establishment of new stores and renovation of certain existing stores' has been extended, and the said amount shall now be utilised by June 30, 2026.*

^Certificate dated October 27, 2025, issued by M/s Sultaniya Umesh & Company (Firms' Registration No. 326973E), Peer reviewed independent chartered accountant.

4) Details of object(s) to be monitored:

i. Cost of the object(s):

Sr. No.	Item Head	Source of information/certifications considered by MA for preparation of report	Original cost (as per the Offer Document) (Rs in lakh)	Revised Cost (Rs in lakh)	Comments of the MA	Comments of the Board of Directors		
						Reason of Cost revision	Proposed financing option	Particulars of firm arrangements made
1	Repayment or pre-payment, in full or in part, of all or certain borrowings availed by the Company	Independent Chartered Accountant Certificate^, Management undertaking, Prospectus	2,989.09	NA	No Revision	No Comments		
2	Funding working capital requirements of the Company	Independent Chartered Accountant Certificate^, Management undertaking, Prospectus, Bank Statements	23,496.22	NA	No Revision	No Comments		
3	Financing the establishment of new stores and renovation of certain existing stores		3,327.28	NA	No Revision	No Comments		
4	Financing the upgradation of enterprise resource planning software		198.01	NA	No Revision	No Comments		
5	General Corporate Purposes (GCP)#		3,609.87	3,958.35	Refer note	No Comments		

^Certificate dated October 27, 2025, issued by M/s Sultaniya Umesh & Company (Firms' Registration No. 326973E), Peer reviewed independent chartered accountant.

#The amount utilised for general corporate purposes does not exceed 25% (Rs 9,375 lakh) of the Gross Proceeds from the fresh Issue.

Note 1: The actual cost incurred by the Company towards offer related expenses is lower against the estimated cost disclosed in the final offer document. Hence, the surplus proceeds available from offer expenses is added to GCP during the quarter ended September 30, 2022, and March 31, 2023, in following manner:

Particulars	Amount (Rs in lakh)
Net proceeds as per prospectus	33,620.47
Add: Surplus from offer expenses added to GCP during the quarter ended September 30, 2022	347.92
Revised Net Proceeds as at the quarter ended December 31, 2022	33,968.39
Add: Surplus from offer expenses added to GCP during the quarter ended March 31, 2023	0.56
Revised Net Proceeds	33,968.95
Revised GCP	3,958.35

ii. Progress in the Objects:

Sr. No.	Item Head#	Source of information / certifications considered by Monitoring Agency for preparation of report	Amount as proposed in the Offer Document (Rs in lakh)	Amount utilized (Rs in lakh)			Total unutilized amount (Rs in lakh)	Comments of the Monitoring Agency	Comments of the Board of Directors	
				As at beginning of the quarter	During the quarter	At the end of the quarter			Reasons for idle funds	Proposed course of action
1	Repayment or pre-payment, in full or in part, of all or certain borrowings availed by the Company	Independent Chartered Accountant Certificate^, Management undertaking, Prospectus, Bank Statement	2,989.09	2,989.09	-	2,989.09	-	Entire amount was utilized during the quarter ended December 31, 2022	No Comments	
2	Funding working capital requirements of the Company		23,496.22	23,496.22	-	23,496.22	-	Entire amount has been utilized for this object during the quarter ended March 31, 2024.	No Comments	

Sr. No.	Item Head#	Source of information / certifications considered by Monitoring Agency for preparation of report	Amount as proposed in the Offer Document (Rs in lakh)	Amount utilized (Rs in lakh)			Total unutilized amount (Rs in lakh)	Comments of the Monitoring Agency	Comments of the Board of Directors	
				As at beginning of the quarter	During the quarter	At the end of the quarter			Reasons for idle funds	Proposed course of action
3	Financing the establishment of new stores and renovation of certain existing stores	Independent Chartered Accountant Certificate^, Management Undertaking, Prospectus, Bank Statement	3,327.28	2,602.43	268.96	2,871.39	455.89	Proceeds were utilized for establishment of a new store according to the list of revised locations for deploying the unutilized amounts lying under Object 3	No Comments	
4	Financing the Upgradation of enterprise resource planning software	Independent Chartered Accountant Certificate^, Management Undertaking, Prospectus	198.01	198.01	-	198.01	-	Entire amount has been utilized for this object during the quarter ended September 30, 2024.	No Comments	
5	GCP	Independent Chartered Accountant Certificate^, Management Undertaking, Prospectus	3,958.35*	3,958.35	-	3,958.35	-	Entire amount has been utilized for this object during the quarter ended March 31, 2024.	No Comments	
	Total**		33,968.95	33,244.29	268.96	33,503.06	455.89			

^Certificate dated October 27, 2025, issued by M/s Sultaniya Umesh & Company (Firms' Registration No. 326973E), Peer reviewed independent chartered accountant.

*Refer '4(i) – Cost of the object' note for GCP of the report above.

** All the figures are rounded off to the second decimal.

#Brief description of objects:

Object of the Issue	Description of objects as per the offer document filed by the issuer
Repayment or pre-payment, in full or in part, of all or certain borrowings availed by the Company	The Company has entered into various financing arrangements from time to time, with various lenders and includes inter alia term loans and working capital facilities. Repayment/ pre-payment of these borrowings will help reduce issuer's outstanding indebtedness and debt servicing costs as a cash outflow on account of debt payment would be reduced and enable utilisation of issuer's accruals for further investment in its business growth and expansion.
Funding working capital requirements of the Company	Issuer is engaged in the business of operating a chain of luxury watch boutiques. As a part of business, Issuer is required to buy watches, pay lease rent for the stores Issuer is operating in. With the expansion of business in both product segment and geographical segment (increase in new store), requires more inventory for the stores. All these factors may result in increase in the quantum of working capital requirements.
Financing the establishment of new stores and renovation of certain existing stores *	Issuer currently operates 50 stores in 17 different cities in India and plans to add 13 new stores to its portfolio and renovation of 6 existing stores.
Financing the upgradation of enterprise resource planning software	Issuer intends to upgrade ERP software in its stores.
GCP	The general corporate purposes for which the issuer proposes to utilise Net Proceeds include investments in subsidiary of the Company, other capital expenditure requirements including for refurbishment, working capital requirements, meeting exigencies and expenses incurred by issuer in the ordinary course of business, as may be applicable.

*Refer '3 - Details of the arrangement made to ensure the monitoring of issue proceeds' note for change in description of objects.

iii. Deployment of unutilised IPO proceeds^:

S. No.	Type of investment and name of the entity invested in	Amount invested (Rs in lakh)	Maturity Date	Return on Investment (%)	Earnings (Rs in lakh)	Market Value as at the end of quarter (Rs in lakh)*
1	FD - SBI - 43922075118	300.00	22-10-25	5.00%	0.37	300.37
2	SBI Monitoring Agency account	155.89	NA	NA	NA	155.89
	Total	455.89			0.37	456.26

*The market value of Fixed deposits includes the interest accrued.

^On the basis of the management undertaking and Certificate dated October 27, 2025, issued by M/s Sultaniya Umesh & Company (Firms' Registration No. 326973E), Peer reviewed independent chartered accountant.

iv. Delay in implementation of the object(s)^ -

Object(s)	Completion Date		Delay (no. of days/ months)	Comments of the Board of Directors	
	As per the Offer Document	Actual		Reason of delay	Proposed course of Action
The funds were earlier proposed to be utilized by September 21, 2025, as per the earlier shareholder’s approval dated March 21, 2024. However, due to repeated GRAP restrictions in Delhi NCR and delays in design approvals from global brands, the Company could not utilize the amount within the said timeline. Based on the resolution passed by the Board of Directors of Ethos Limited in its meeting held on August 14, 2025, and the Special Resolution passed by the shareholders in the Annual General Meeting, the timeline for utilisation of the unutilised IPO proceeds lying under the head ‘Financing the establishment of new stores and renovation of certain existing stores’ has been extended, and the said amount shall now be utilised by June 30, 2026.					

^On the basis of management undertaking and Certificate dated October 27, 2025, issued by M/s Sultaniya Umesh & Company (Firms' Registration No. 326973E), Peer reviewed independent chartered accountant.

5) Details of utilization of proceeds stated as General Corporate Purpose (GCP) amount in the offer document:

Not applicable on the basis of the management undertaking and Certificate dated October 27, 2025, issued by M/s Sultaniya Umesh & Company (Firms' Registration No. 326973E), Peer reviewed independent chartered accountant.

Disclaimers:

- a) *This Report is prepared by Crisil Ratings Limited (hereinafter referred to as "Monitoring Agency" / "MA" / "CRL"). The MA has taken utmost care to ensure accuracy and objectivity while developing this Report based on the information provided by the Issuer and information obtained from sources believed by it to be accurate and reliable. The views and opinions expressed herein do not constitute the opinion of MA to deal in any security of the Issuer in any manner whatsoever.*
- b) *This Report has to be seen in its entirety; the selective review of portions of the Report may lead to inaccurate assessments. For the purpose of this Report, MA has relied upon the information provided by the management /officials/ consultants of the Issuer and third-party sources like statutory auditor or from peer reviewed CA firms appointed by the Issuer believed by it to be accurate and reliable.*
- c) *Nothing contained in this Report is capable or intended to create any legally binding obligations on the MA which accepts no responsibility, whatsoever, for loss or damage from the use of the said information. The MA is also not responsible for any errors in transmission and specifically states that it, or its directors, employees do not have any financial liabilities whatsoever to the users of this Report.*
- d) *The MA and its affiliates do not act as a fiduciary. The MA and its affiliates also do not act as an expert to the extent defined under Section 2(38) of the Companies Act, 2013. While the MA has obtained information from sources it believes to be reliable, it does not perform an audit and undertakes no independent verification of any information/ certifications/ statements it receives from auditors (or from peer reviewed CA firms), lawyers, chartered engineers or other experts, and relies on in its reports.*
- e) *The MA or its affiliates may have other commercial transactions with the entity to which the report pertains. As an example, the MA may rate the issuer or any debt instruments / facilities issued or proposed to be issued by the issuer that is subject matter of this report. The MA may receive separate compensation for its ratings and certain credit-related analyses, normally from issuers or underwriters of the instruments, facilities, securities or from obligors.*
- f) *The MA report is intended for the jurisdiction of India only. This report does not constitute an offer of services. Without limiting the generality of the foregoing, nothing in the report is to be construed as CRL providing or intending to provide any services in jurisdictions outside India, where it does not have the necessary licenses and/or registration to carry out its business activities referred to above.*
- g) *Access or use of this report does not create a client relationship between CRL and the user.*
- h) *CRL is not aware that any user intends to rely on the report or of the manner in which a user intends to use the report. In preparing this report, MA has not taken into consideration the objectives or particular needs of any particular user.*
- i) *It is made abundantly clear that the report is not intended to and does not constitute an investment advice. The report is not an offer to sell or an offer to purchase or subscribe for any investment in any securities, instruments, facilities or solicitation of any kind to enter into any deal or transaction with the entity to which the report pertains. The report should not be a basis for any investment decision within the meaning of any law or regulation (including the laws and regulations applicable in the US).*
- j) *The report comprises professional opinion of CRL as of the date they are expressed, based on the information received from the issuer and other sources considered reliable by CRL. Any opinions expressed here are in good faith, are subject to change without notice, and are only current as of the stated date of their issue. The report does not constitute statements of fact or recommendations to purchase, hold or sell any securities/instruments or to make any investment decisions.*
- k) *Neither CRL nor its affiliates, third-party providers, as well as their directors, officers, shareholders, employees or agents guarantee the accuracy, completeness or adequacy of the report, and shall not have any liability for any errors, omissions or interruptions therein, regardless of the cause, or for the results obtained from the use of any part of the report. CRL and each aforesaid party disclaims any and all express or implied warranties, including but not limited to any warranties of merchantability, suitability or fitness for a particular purpose or use or use. In no event shall CRL or any aforesaid party be liable to any user for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees or losses (including, without limitation, lost income or lost profits and opportunity costs) in connection with any use of any part of the report even if advised of the possibility of such damages.*

- l) CRL has established policies and procedures to maintain the confidentiality of certain non-public information received in connection with the preparation of this report. CRL has in place a code of conduct and policies for managing conflict of interest.*
- m) Unless required under any applicable law, this report should not be reproduced or redistributed to any other person or in any form without prior written consent from CRL.*
- n) By accepting a copy of this Report, the recipient accepts the terms of this Disclaimer, which forms an integral part of this Report.*