

Ref. No.: Ethos/Secretarial/2025-26/94

Dated: February 6, 2026

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: Statement of deviation or variation in the use of proceeds of Initial Public Offering of Ethos Limited for the quarter ended December 31,2025

Dear Sir/Madam,

Pursuant to Regulation 32 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Securities and Exchange Board of India Circular CIR/CFD/CMD1/162/2019 dated December 24, 2019, we wish to inform you that there are no deviation(s) or variation(s) in respect of utilization of proceeds of Initial Public Offering of the Company for the quarter ended on December 31,2025 as mentioned in the object clause of the Prospectus dated May 25, 2022 filed with Securities and Exchange Board of India and the Registrar of Companies, Himachal Pradesh. ‘

Further, it is placed on record that the entire proceeds of the Initial Public Offering stand fully utilized as at December 31, 2025.

In this regard, we are also enclosing herewith the Statement of deviation or variation in the use of proceeds of the Initial Public Offering of the Company. The aforesaid statement is also being made available on the Company website i.e., <https://www.ethoswatches.com/investors-information/corporate>

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 below

— 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

Name of listed entity	Ethos Limited
Mode of fund raising	Initial Public Offering
Date of raising funds	May 26, 2022
Amount raised	Upto Rs. 40,226 lakh {Issue size comprised of fresh issuance/gross proceeds of Rs. 37,500 lakh (net proceeds of Rs. 33,968.39 lakh*) and an offer for sale of Rs. 2,726 lakh}
Report filed for quarter ended	December 31, 2025
Monitoring Agency	Applicable
Monitoring Agency name, if applicable	CRISIL Ratings Limited
Is there a Deviation / Variation in use of funds raised	Yes
If yes, whether the same is pursuant to change in terms of a contract or objects, which was approved by the shareholders	Yes
If Yes, Date of shareholder approval	March 21, 2024 and September 15, 2025
Explanation for the deviation / variation	<p>For March 21, 2024: Deployment of funds for an amount of Rs 979.72 lakh under the head 'Financing the establishment of new stores and renovation of certain existing stores' on cumulative basis were not foreseen owing to the fact that malls did not commence the operations and the opening of such stores were inordinately delayed which was a reason not attributable to Company. The unutilised amount shall be utilised within 18 months from the date of obtaining shareholder's approval through Notice issued for Postal Ballot dated January 18, 2024. The shareholders have accorded their approval on March 21, 2024.</p> <p>For September 15, 2025: 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</p>

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	<p>'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.</p> <p>Further, it is placed on record that the entire proceeds of the Initial Public Offering stand fully utilized as at December 31, 2025.</p>
Comments of the Audit Committee after review	No Comments
Comments of the auditors, if any	No Comments
Objects for which funds have been raised and where there has been a deviation, in the following table	<p>a) Repayment or pre-payment, in full or in part, of all or certain borrowings availed by the company,</p> <p>b) Funding working capital requirements of the Company,</p> <p>c) Financing the establishments of new stores and renovation of certain existing stores,</p> <p>d) Financing the upgradation of enterprise resource planning software,</p> <p>e) General Corporate Purposes</p> <p>No deviation from the objects.</p>

Amount in Rs. Lacs

Original object	Modified object, if any	Original allocation	Modified allocation, if any	Funds utilized as on date	Amount of deviation / variation for the quarter according to the applicable object	Remarks, if any
Repayment or pre-payment, in full or in part, of all or certain borrowings availed by our Company	Not applicable	2,989.09	N.A.	2,989.09	Not applicable	Entire amount was utilized during the quarter ended June, 2022.
Funding working capital requirements of our Company	Not applicable	23,496.22	N.A.	23,496.22	Not applicable	Entire amount was utilized during the quarter ended March 31, 2024
Financing the establishment of new stores and renovation of the certain existing stores	Not applicable	3,327.28	N.A.	3,327.28	Not applicable	Proceeds were utilized for establishment of a new store according to the list of revised locations for

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						deploying the unutilized amounts lying under Object 3 as was recommended by the Audit Committee and the Board of Directors of the Company vide meetings held on January 18, 2024.
Financing the upgradation of ERP	Not applicable	198.01	N.A.	198.01	Not applicable	Entire amount has been utilized for this object during the quarter ended September 30, 2024
General corporate purpose	Not applicable	3,609.87*	3,958.35*	3,958.35	Not applicable	Entire amount has been utilized for this object during the quarter ended March 31, 2024
Total		33,620.47	3,958.35	33,968.95		

*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

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Deviation or variation could mean:

- (a) Deviation in the objects or purposes for which the funds have been raised or
- (b) Deviation in the amount of funds actually utilized as against what was originally disclosed or
- (c) Change in terms of a contract referred to in the fund-raising document i.e., prospectus, letter of offer, etc.

Name of the Signatory : Shubham Kandhway
Designation : Company Secretary and Compliance Officer

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