



Kamla Dials & Devices Ltd. announces its first acquisition in Switzerland



- First Indian company in the watch business to set up a manufacturing unit in the heart of the luxury watch region.
- Investment of US\$ 2.7 million over two phases to fund the acquisition.
- Aims at the high end requirements of Swiss brands.

The Company has announced the acquisition of a manufacturing unit in Switzerland to cater to the high-end requirement of watch dials of well known Swiss watch brands. The move is significant, as KDDL becomes **the first Indian company in the watch business to set up a manufacturing base in Switzerland, the heart of global luxury watch manufacture.** The company's Watch Components Division has already been working as a preferred sourcing partner for components for some of the best-known International watch brands, deriving as much as 45% of their turnover from the exports alone. The acquisition will help KDDL tap a much larger

market, especially across Europe, and satisfy the “Swiss made” and “Swiss Origin” criteria that Swiss brands prefer for all outsourced components.

The acquisition is a result of over a year of diligence that saw various acquisition options ranging from around US \$ 1 million to 7 million being considered. The company has taken over an existing small unit that will be upgraded over two phases, through a special purpose vehicle Pylania SA, a subsidiary company incorporated in Switzerland for this purpose.

The Company proposes to revive the factory in 2 phases. The first phase, including the acquisition of assets and revival costs is expected to involve an investment of approx. US \$ 1.2 million. In this phase the Company will establish the basic processes for dial production, especially the delicate and high value finishing steps. The second phase will involve an outlay of another US \$ 1.5 million approximately. In this phase the Company will establish the manufacture of complex dials and artisanal products.

With this acquisition Kamla Dials hopes to break into the higher value segment of Swiss watch brands by targeting leading Swiss brands to source watch dials produced in this factory. These will conform to the provisions of ‘Swiss Origin’, and this is Kamla Dials’ first step towards globalizing its operation and taking a share of the prestigious and very demanding to the premium and luxury watch segment in Europe.