



17th May 2017

To,
The Manager,
Listing Department,
NSE Limited,
Exchange Plaza, Bandra Kurla Complex,
Bandra (E), Mumbai- 400051.

To,
The Manager,
Department of Corporate Relations,
BSE Limited, PJ Towers,
Dalal Street, Fort
Mumbai- 400001.

Dear Sir/Madam,

Sub: Presentation made to Analysts / Institutional Investors


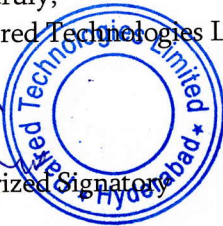
Scrip Code: BSE : 532521 NSE : PALREDTEC

Please find herewith enclosed the presentation made to Analysts/Investors. The same is also available on the website of the Company: www.palred.com.

This is for the information and records of the Exchanges, please.

Thanking you

Yours truly,
For Palred Technologies Ltd,



Authorized Signatory

Encl: As above

PALRED TECHNOLOGIES LIMITED

(FORMERLY KNOWN AS FOUR SOFT LIMITED)

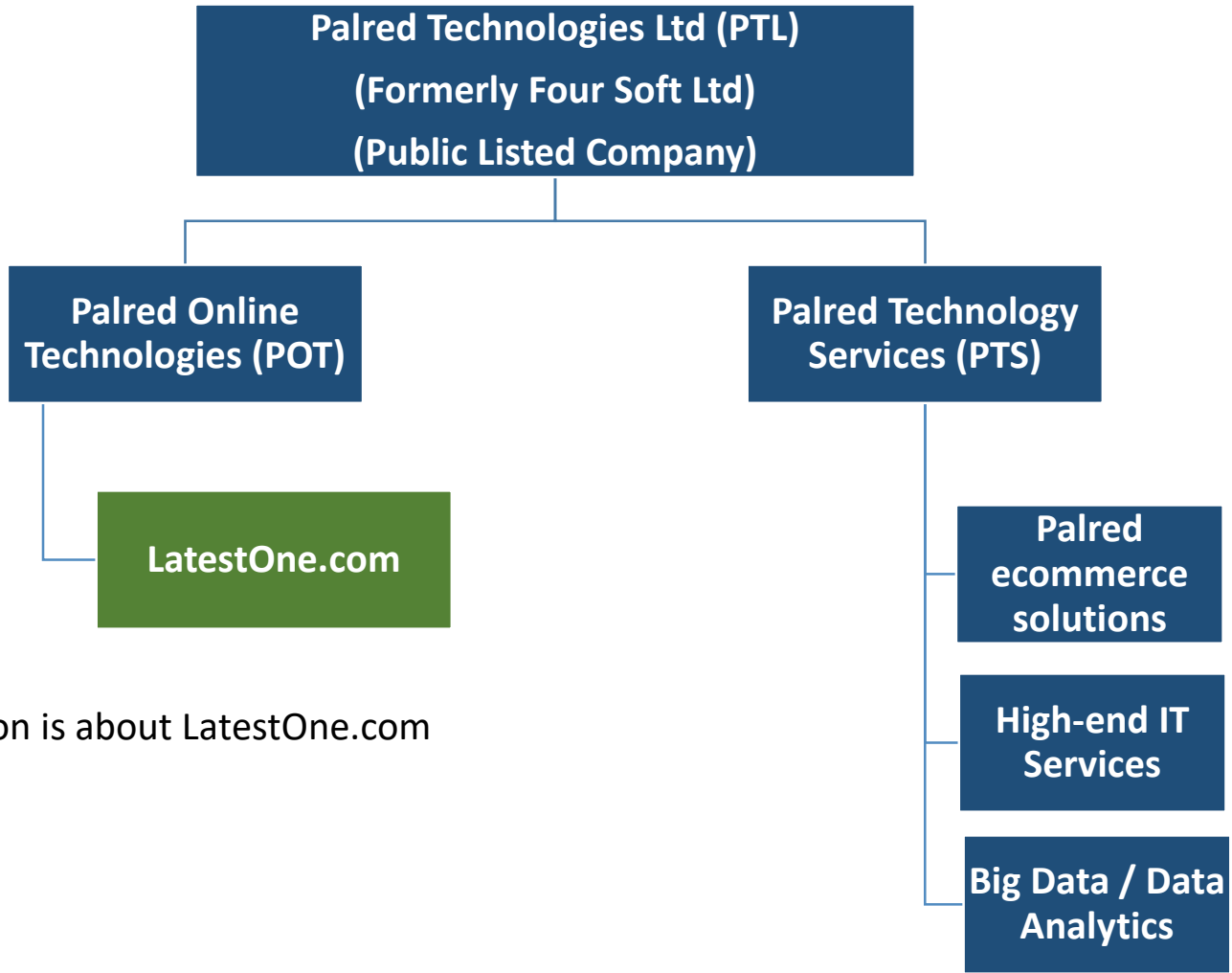
CIN No. : L72200AP1990PLC033131

Plot No. 2, 8-2-703/2/B, Road No. 12, Banjara Hills, Hyderabad - 500 034.
Telefax : +91 40 67138810 | Website : www.palred.com

LatestOne.com

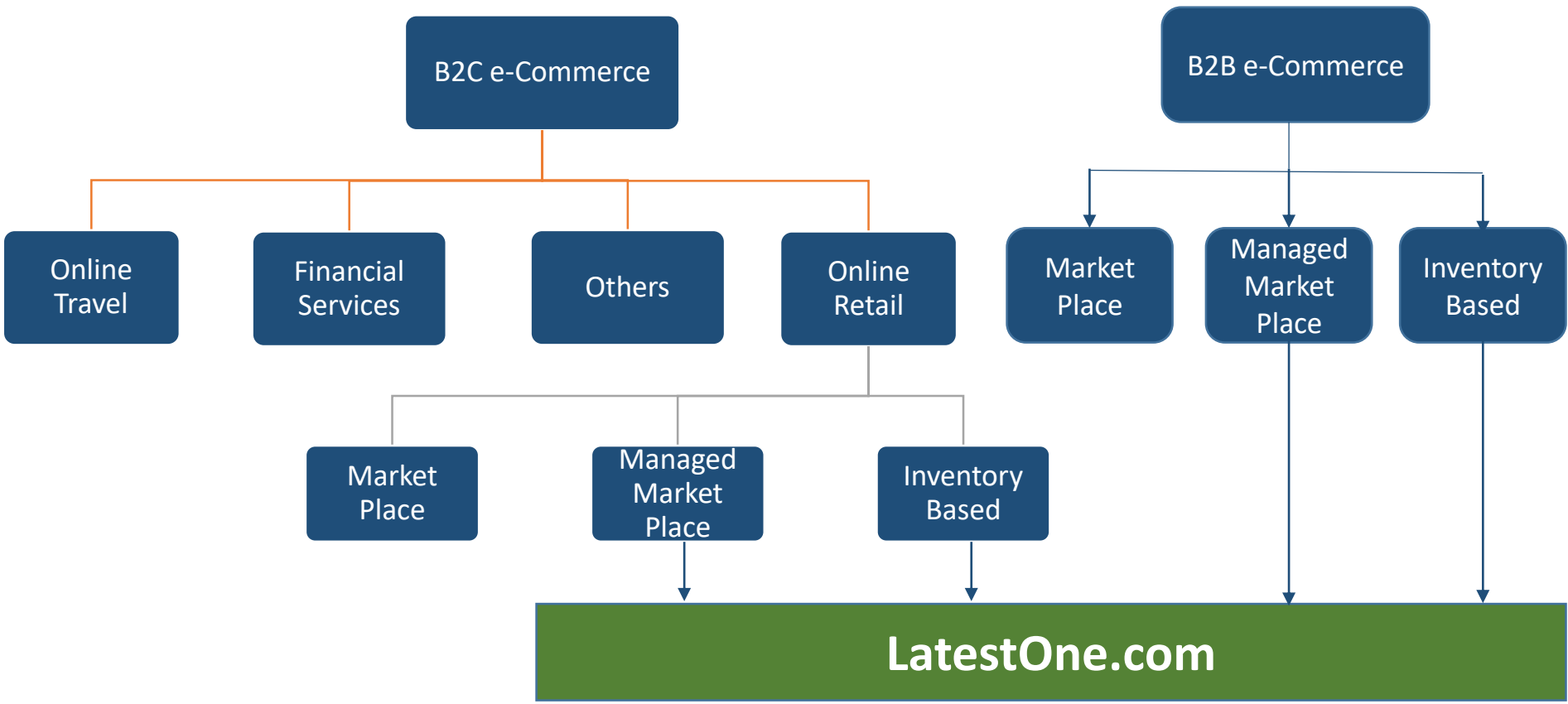
Tech deals online!

Corporate Structure



*This Presentation is about LatestOne.com





Objectives / Strategy

Objectives

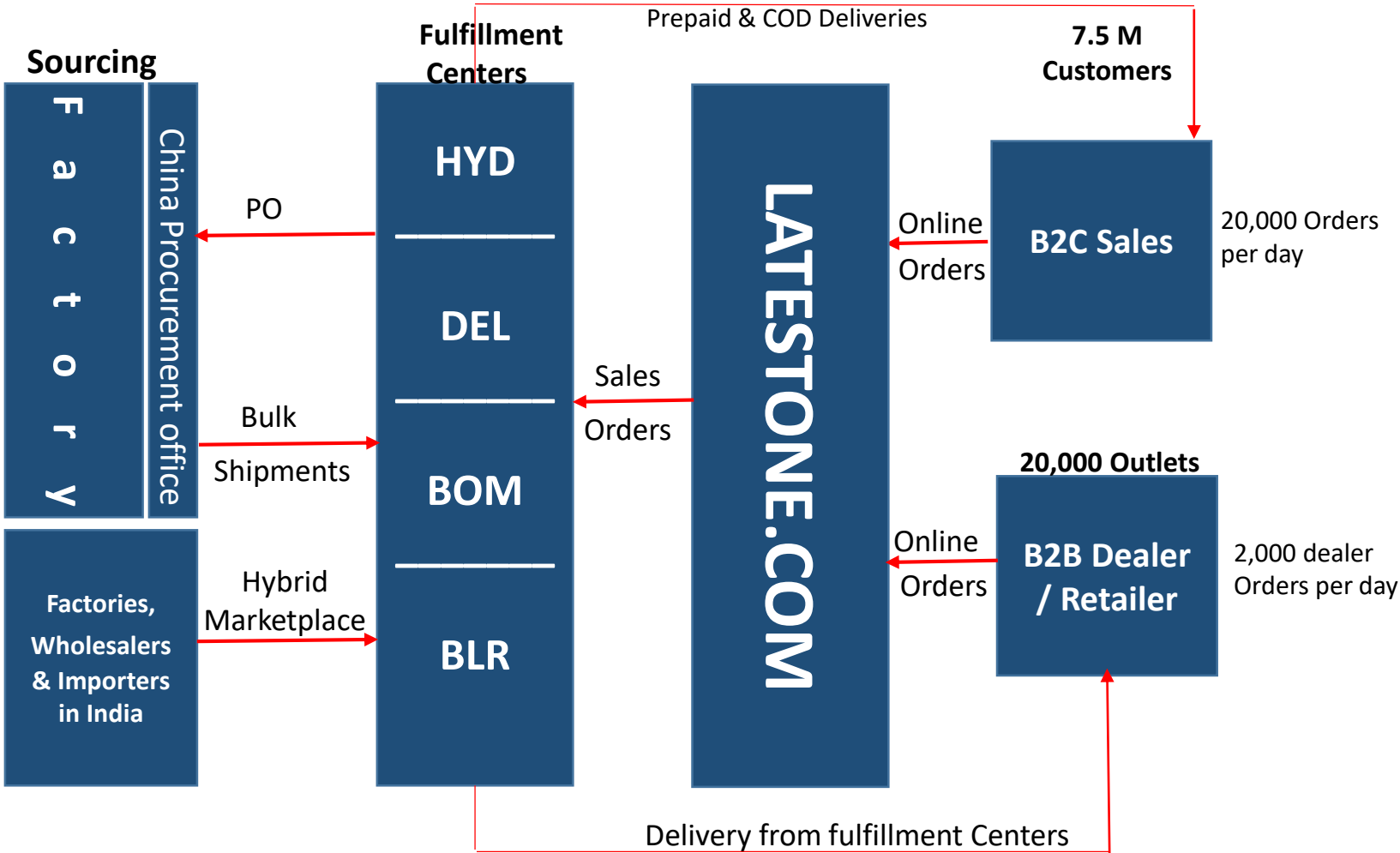
- ❖ To become a market leader in online tech accessories / products business in India in B2C & B2B
- ❖ INR 10 B Revenue ecom / e-tail Company in 5 years
- ❖ Achieve unique position by combination of following factors:
 - ❖ Vertical defined by high margin, high volume, moderate value and small in size Products
 - ❖ High value-addition through combination of
 - ❖ Technology
 - ❖ Systems, Processes, fulfillment capabilities and operations
 - ❖ Digital Sales & Marketing
 - ❖ Simplification of a complex business involving continuously changing products and thousands of stock keeping units (SKU) / items
- ❖ Expand to other accessory categories (Lifestyle - Fashion, Sports etc)
- ❖ Augment online sales with small format franchisee operated kiosks

Strategy

- ❖ Superior ecommerce IT solution suitable to Indian markets – responsive design, suited for mobile internet users with low bandwidth (already developed). Ranked above 90% by Google
- ❖ End-to-end integration and implementation of Systems, Processes and Automation for efficient and scalable fulfillment operations (implemented) – Offbiz + Talend + AX (ERP)
- ❖ Breadth of Product range will be a differentiator (10,000+ SKU's). Simplify complex backend operations, not amenable for horizontal players and market place
- ❖ Source from factories directly and private labelling (PTron), with high margins (above 60%)
- ❖ Steady and continuous development of brand (LatestOne & PTron)
- ❖ Steady and continuous introduction of other Lifestyle Accessories
- ❖ 25% direct / organic / seo generated sales by 2021



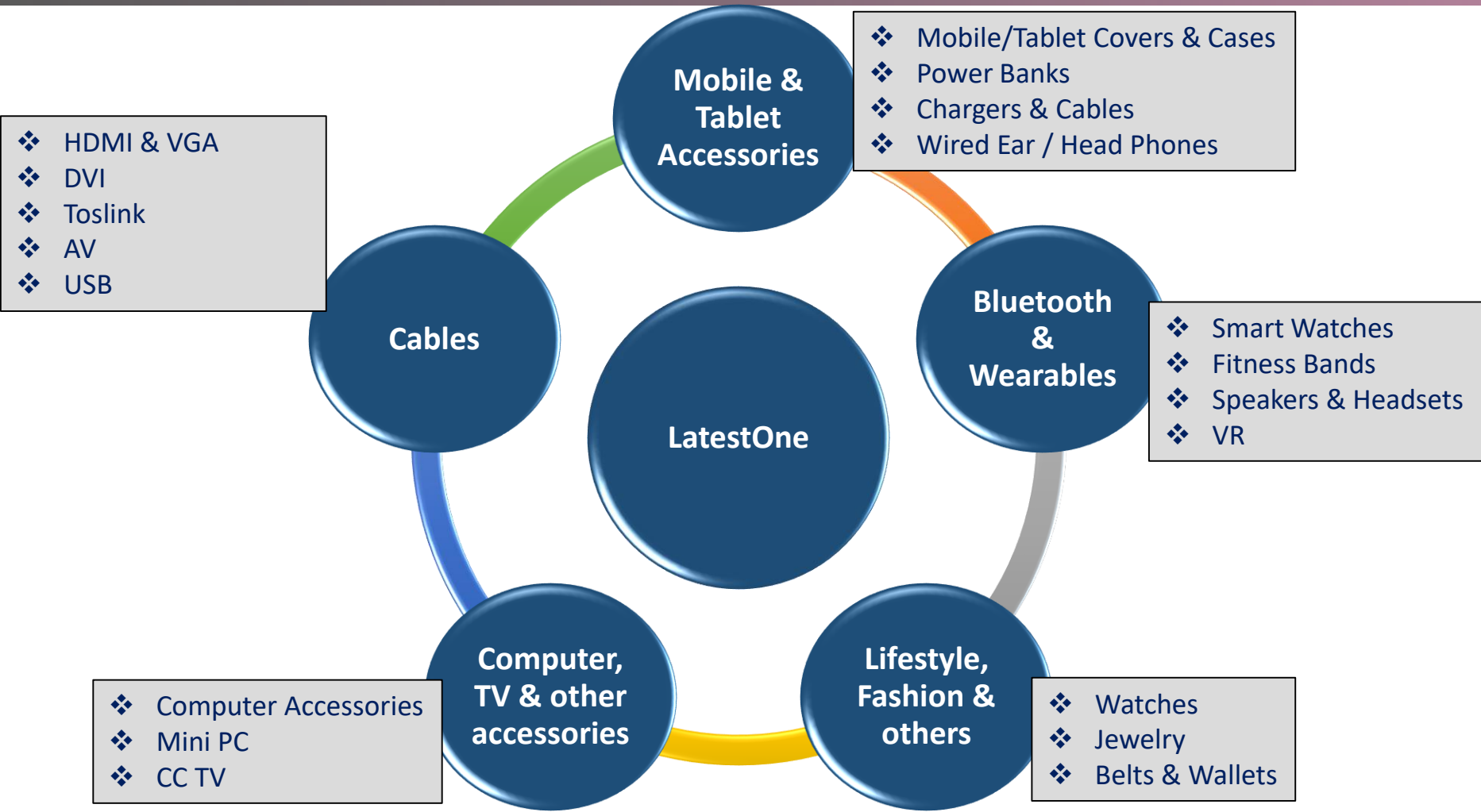
Business Model



Mobile & Tech Accessories

- ❖ Market size of INR 18,000 Cr per year
 - ❖ Market size of 40 Lakh pieces per year (10 lakh pieces per day)
 - ❖ 10,000+ SKU's
 - ❖ Low value items – average order value of less than INR 1,000
 - ❖ High volumes (25,000 pieces per day achievable by 2021)
 - ❖ High margins (60% and above)
 - ❖ Small in size (less than 500 gms, avg weight 200 gms), bin storage in fulfillment center, easy to pick, process, pack & deliver
 - ❖ Opportunity for private labelling
-
- ❖ No vertical specific competitor currently in India in this domain. Marketplace models cannot address this domain satisfactorily. New entrant will require two years (minimum) to setup similar operations
 - ❖ This category has evolved since 2010 and emerged as a vertical with substantial market size in 2014. Expected to grow at 20% YoY until 2020.
 - ❖ Lifestyle accessories market size INR 24,000 Cr – introduced successfully Sep 2016
 - ❖ Computer, Electronics and related accessories INR 12,000 Cr – yet to introduce

Product Categories



Execution - Milestones

Jan 2014 - Sep 2014	Oct 2014 - Mar 2015	April 2015 - Mar 2016	April 2016 – Mar 2017
<ul style="list-style-type: none"> ❖ Build Technology ❖ Establish systems and processes ❖ Procurement from China ❖ Setup of first fulfillment center (Hyderabad) ❖ Trial operations 	<ul style="list-style-type: none"> ❖ Go Live ❖ 100 orders per day in Oct 2014 ❖ Average order value – INR 400 ❖ Deployed from AWS Cloud (Singapore) ❖ Crossed 2,000 orders per day by Mar 2015 ❖ Expanded to 4,000 SKU's ❖ Conversion 2.50% ❖ Six month revenue of 9 Cr Gross and 7 Cr Net ❖ Dashboards, metrics and reports for end-to-end business controls (Hourly, Daily, Weekly & Monthly) 	<ul style="list-style-type: none"> ❖ Technology upgrade ❖ Page loading time reduced by 50% ❖ Conversion increased from 2.5% to 4.0% ❖ Organic / seo orders 10% ❖ Average of 3,500 orders per day, crossed 5,000 orders in a single day ❖ Introduction of Delhi fulfillment center ❖ Full Year Gross Revenue of 60 Cr and Net Revenue of 40 Cr ❖ Crossed 7,500 SKU's 	<ul style="list-style-type: none"> ❖ Direct Cost breakeven achieved in Q1 2017 ❖ Optimization of business Model in B2C for efficiency and reduced returns ❖ Launch of B2B Portal ❖ Launch of Managed Market Place ❖ Introduction of Mumbai fulfillment center ❖ Rules Engine on Payment page to increase orders and reduce returns



Key Metrics

Description	Q1 15-16	Q2 15-16	Q3 15-16	Q4 15-16	Q1 16-17	Q2 16-17	Q3 16-17	Q4 16-17
Gross ROI	2.11	2.05	3.04	3.24	4.69	5.23	7.88	9.94
Net ROI	1.59	1.45	2.11	2.31	2.88	3.56	5.24	5.94
Returns	25%	29%	31%	29%	38%	32%	34%	33%
Average Order Value (INR)	479	546	565	728	742	555	448	449
CAC per order Gross (INR)	233	271	185	224	161	111	57	45
CAC per order Net (INR)	306	372	263	299	249	155	83	66
No of Orders Per Quarter ('000)	207	240	267	289	281	325	343	419
No of Orders per Day	2,304	2,668	2,970	3,213	3,118	3,609	3,810	4,654



Impressions to Orders (Daily Average)

Description	Jan - Mar 16	Apr - Jun 16	Jul - Sep 16	Oct - Dec 16	Jan - Mar 17
Impressions	7,195,557	11,822,304	14,621,743	11,188,055	13,308,479
Clicks	130,793	131,061	128,123	137,603	149,358
CTR%	1.82%	1.11%	0.88%	1.23%	1.12%
Sessions	98,487	96,820	111,169	118,478	123,471
CTS%	75.30%	73.87%	86.77%	86.10%	82.67%
Add to Cart	11,769	12,615	18,766	25,742	28,345
Conversion to Cart	11.95%	13.03%	16.88%	21.73%	22.96%
Payment Page	4,475	4,455	5,915	6,833	10,309
Conversion to payment	38.02%	35.32%	31.52%	26.54%	36.37%
Orders Converted	3,271	3,252	3,988	4,355	4,717
Conversion to Orders%	73.09%	73.00%	67.42%	63.73%	45.76%
Funnel Conversion %	27.79%	25.78%	21.25%	16.92%	16.64%
Ecom Conversion %	3.32%	3.36%	3.59%	3.68%	3.82%



Orders from Repeat Customers

Month	Repeat Customers	Orders from Repeat Customers	Total Orders	%
Q3 14-15	5,506	10,117	63,729	16%
Q4 14-15	15,025	16,019	91,774	17%
Q1 15-16	30,269	47,686	2,07,219	23%
Q2 15-16	41,999	62,189	2,40,868	26%
Q3 15-16	54,097	78,648	2,83,457	28%
Q4 15-16	54,006	77,685	2,89,229	27%
Q1 16-17	49,243	72,898	2,80,566	26%
Q2 16-17	57,628	82,041	3,24,615	25%
Q3 16-17	57,027	81,965	3,42,337	24%
Q4 16-17	74,018	1,10,220	4,19,122	26%

- 25% of our orders are from repeat customers
- Absolute number of orders from repeat customers is going up QoQ

PTron Sales

Quarter	Units Sold (No's)	Net Revenue (Cr)
Q3 14-15	5,695	0.44
Q4 14-15	25,538	1.68
Q1 15-16	94,413	4.50
Q2 15-16	83,481	4.80
Q3 15-16	72,771	4.54
Q4 15-16	107,279	10.08
Q1 16-17	88,152	8.45
Q2 16-17	91,152	5.35
Q3 16-17	57,324	3.00
Q4 16-17	44,082	2.88
Total	6,69,887	45.72

Category	Units Sold (No's)	Net Revenue (Cr)
Wearables (Smart Watch, Fitness Band, VR Head Set)	1,30,673	18.21
Electrical (Power Bank, Wall Charger, USB Charger)	1,30,478	10.46
Audio (Ear Phone, Bluetooth Speaker, Bluetooth Headset)	1,08,399	5.17
Others (Cases, Cover, Mini PC etc)	3,00,337	11.88
Total	6,69,887	45.72



Speed Comparison

LatestOne.com Speed Test on Google

A screenshot of the Google PageSpeed Insights tool interface. The browser address bar shows the URL <https://developers.google.com/speed/pag>. The main navigation bar includes 'PageSpeed Tools > Insights' and sub-links for 'GUIDES', 'REFERENCE', 'SAMPLES', and 'SUPPORT'.

PageSpeed Insights

<http://www.latestone.com/headsets>



Mobile



Desktop

95 / 100 Suggestions Summary

Amazon.in Speed Test on Google

A screenshot of the Google PageSpeed Insights tool interface. The browser address bar shows the URL <https://developers.google.com/speed/pa>. The main navigation bar includes 'PageSpeed Tools > Insights' and sub-links for 'GUIDES', 'REFERENCE', 'SAMPLES', and 'SUPPORT'.

PageSpeed Insights

http://www.amazon.in/s/ref=lp_1389402031_nr_n_5?fst



Mobile



Desktop

72 / 100 Suggestions Summary

Search Engine Optimization

❖ Google Ranking for more than 30,800 Key Words

Keywords	Rank
Samsung mobile covers	1
Wrist Watch	4
Bluetooth smartwatch	5
Mobile camera lens	5
Selfie Sticks	6
OTG Pen drive	7
HTC Power banks	7

Google Bluetooth smartwatch

All Videos Images News More Search tools

About 79,70,000 results (0.36 seconds)

Shop for Bluetooth smartwatch on Google


Amazon.com: ANDROSET Universal Bluetooth Smartwatch for ...
<https://www.amazon.com/ANDROSET...Bluetooth-Smartwatch.../dp/B00JL9AY02>
 ★★★★★ Rating: 2.8 - 617 reviews
 ANDROSET Bluetooth Smart Watch WristWatch U8 UWatch Fit for Smartphones IOS Android Apple iPhone 4/4S/5/5C/5S Android Samsung S2/S3/S4/Note ...

Smart Watch, Buy Smart Watches, Smart Watches in india @ Best Price
www.latestone.com/smart-watches
 PTron TroniteX Bluetooth Smartwatch Clock Synchronization SIM card Notifier Connectivity with Bluetooth 3.0 for iOS Android Smartphones Gold @ Latestone.

Bluetooth Smart Wrist Watch Phone Mate For IOS Android iPhone ...
www.ebay.com > Cell Phones & Accessories > Smart Watches
 ★★★★★ Rating: 3.5 - 15 reviews
 This smart wristwatch is available for smartphones with bluetooth function(... Bluetooth Smart Watch phone GSM SIM Card For Android Iphone Samsung LG ...

Amazon.in: Buy Orignal U8 SmartWatch Online at Low Prices in India ...
www.amazon.in/Noise-u8-smartwatch-1-Orignal-U8-SmartWatch/dp/B00VNI7XC6
 ★★★★★ Rating: 2.5 - 112 reviews
 This watch is Bluetooth 3.0 enabled for easy wireless syncing; FEATURES: You can use the smart watch to make or answer calls, thanks to the in-built mic; The ...

Review: DZ09 Bluetooth SmartWatch with Camera - YouTube
<https://www.youtube.com/watch?v=cjWzYrJWWig>
 Mar 11, 2016 - Uploaded by databits
 Time for another review of a very inexpensive smart watch!



Shop for Bluetooth smartwatch on Google

Sponsored

Noise U8 Bluetooth ... ₹ 649.00 Amazon India

U8 Bluetooth Smart Watch Globaltrade100 ₹ 169.00 eBay India

ShopAISU8 Black Smart ... ₹ 599.00 Amazon India

Pinnaciz U8 Bluetooth ... ₹ 649.00 Snapdeal

Zakk U8 Bluetooth ... ₹ 499.00 ShopClues.c...

TM Brad DZ09 SMART Watch ₹ 890.00 Amazon India

B2B Model

- ❖ Wholesalers / Importers in India – 1,000
- ❖ Retailers organized / semi-organized – 1,00,000
- ❖ Current Chain of Wholesalers to Retailer is a 3 to 4 layer channel
- ❖ LatestOne.com will reduce it to 2 layer channel

Advantages

- ❖ Will reduce cost to Retailer
- ❖ Speed / time to market reduced from 4 weeks to 1 week
- ❖ Inventory of retailer reduced, they can place frequent online orders of smaller quantities
- ❖ Bundling multiple products from multiple wholesalers into retailer packages makes procurement easy for retailer
- ❖ Convenience of ordering from Mobile App



YoY Numbers

In Rs. Cr

Description	FY 14-15 (Oct – Mar)	FY 15-16	FY 16-17 (unaudited)
Net Revenue (A)	7.24	38.08	41.17
COGS	2.01	14.34	16.82
Customer Acquisition Cost	2.68	22.27	12.07
Logistics Cost	1.95	9.90	11.06
Total Direct Costs (B)	6.64	46.51	39.95
Gross Profit / (Loss) (C=A-B)	0.60	(8.43)	1.22
Indirect Costs (D)	4.73	11.70	10.28
Other Income (E)	0.30	0.70	0.16
PBT (C - D + E)	(3.83)	(19.43)	(8.90)
% of Net Revenue	-53%	-51%	-22%

Disclaimer: The numbers are for Palred Online Technologies Pvt Ltd, material subsidiary of Palred Technologies Ltd. The numbers for FY 16-17 are unaudited and based on projections. By their nature, these projections are only estimates and could be materially different from actual results.



FY 16-17 (QoQ)

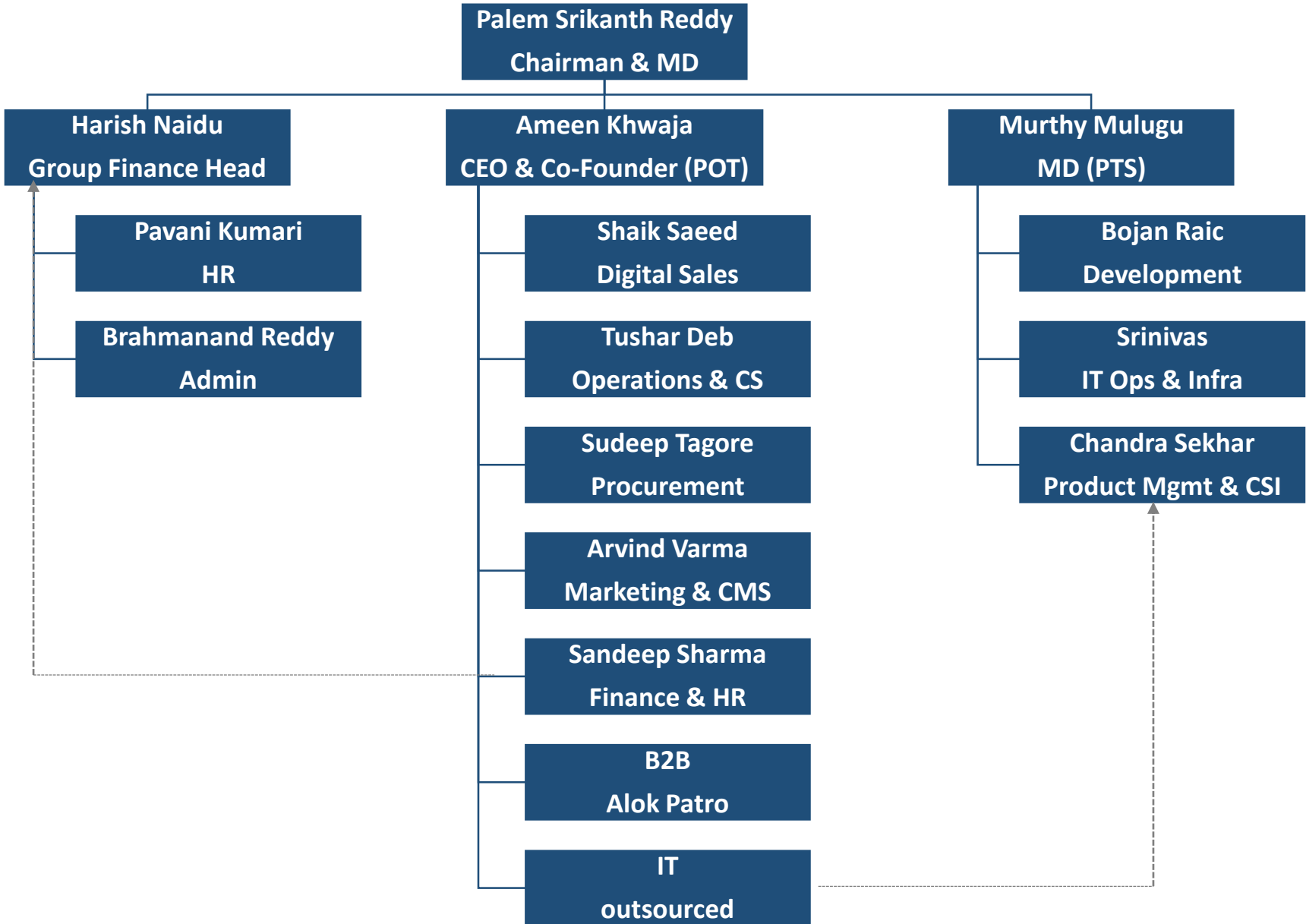
In Rs. Cr

Description	Q1	Q2	Q3	Q4	FY 16-17
Net Revenue (A)	11.35	10.12	8.76	10.94	41.17
COGS	4.37	4.25	3.31	4.89	16.82
Customer Acquisition Cost	4.53	3.21	2.07	2.26	12.07
Logistics Cost	2.15	2.61	2.67	3.63	11.06
Total Direct Costs (B)	11.05	10.07	8.05	10.78	39.95
Gross Profit / (Loss) (C=A-B)	0.30	0.05	0.71	0.16	1.22
Indirect Costs (D)	2.49	2.62	2.57	2.60	10.28
Other Income (E)	0.12	0.02	0.02	0.00	0.16
PBT (C - D + E)	(2.07)	(2.55)	(1.84)	(2.44)	(8.90)
% of Net Revenue	-18%	-25%	-21%	-22%	-22%

Disclaimer: The numbers are for Palred Online Technologies Pvt Ltd, material subsidiary of Palred Technologies Ltd. The numbers for FY 16-17 are unaudited and based on projections. By their nature, these projections are only estimates and could be materially different from actual results.



Organization Chart



Management Team

Mgmt Level	Name	Title	Reports to	Education	Total Experience	Previous Company's	Years in LatestOne.Com
0	Palem Srikanth Reddy	Chairman & Managing Director	Board	MS-Stanford University	25	HP, UPS, Four Soft	3.6
1	Ameen Khwaja	CEO, LatestOne.com	Srikanth	BE	12	Entrepreneur (Premium Web Services), Digital Marketing	3.6
1	Murthy Mulugu	MD, Software Company	Srikanth	MCA	20	Four Soft India, Four Soft USA, Smith & Associates	3.6
1	Harish Naidu	Group Head - Finance, HR & Legal	Srikanth	CA	10	Sai Sudhir, Vibrant IT	3.6
2	Bojan Raic	CSI Manager	Murthy	BSC IT	9	Smith & Associates, USA	1.10
2	Shaik Saeed	Digital Sales Manager	Ameen	BE	6	Accenture, Google	1.1
2	Tushar Deb	Head - Operations & Customer Service	Ameen	BA	18	Hyper City, Reliance Retail, Standard Chartered Bank	2.11
2	Sandeep Sharma	Finance Manager	Harish	CA	4	CDPL, MNR Dairy	2.5
2	Alok Patro	B2B Sales Manager	Ameen	MBA	9	IDEA, Reliance, Tata	0.6



Key Initiatives - 2017

Action	Target Date	Impact
❖ Rules Engine on order placement page	Feb-17	<ul style="list-style-type: none"> ❖ Opens more pin codes for service ❖ Validates customers on payment page ❖ Increase in overall orders by 10% at no additional cost ❖ Reduces returns from 30% to 27%
❖ Coupons, Account Management, Mobile App & Analytics	Q1 17-18	<ul style="list-style-type: none"> ❖ Loyalty Management ❖ Increase Organic & Direct orders from 12% to 18% by Q4 17-18
❖ Increase traffic to site from 1.5 L to 2.5 L per day	Q1 to Q4	❖ Increase in Sales with lower CAC and lesser returns
❖ SEO Activities	Ongoing Activity	❖ Increase of Organic & Direct from 12% to 18% by Q4 17-18
❖ Establish two new fulfillment centers	Q2 & Q3 17-18	❖ More orders can be processed
❖ Increase in Inventory	Q2 17-18	❖ Increase Inventory levels from 4.5 Cr to 8 Cr (mostly PTron) to support growth in sales
❖ China Operations	Q2 17-18	❖ Setup Cross border operations in China and start trail operations in Turkey, Mexico, Philippines etc – Legal entity in Turkey is already setup

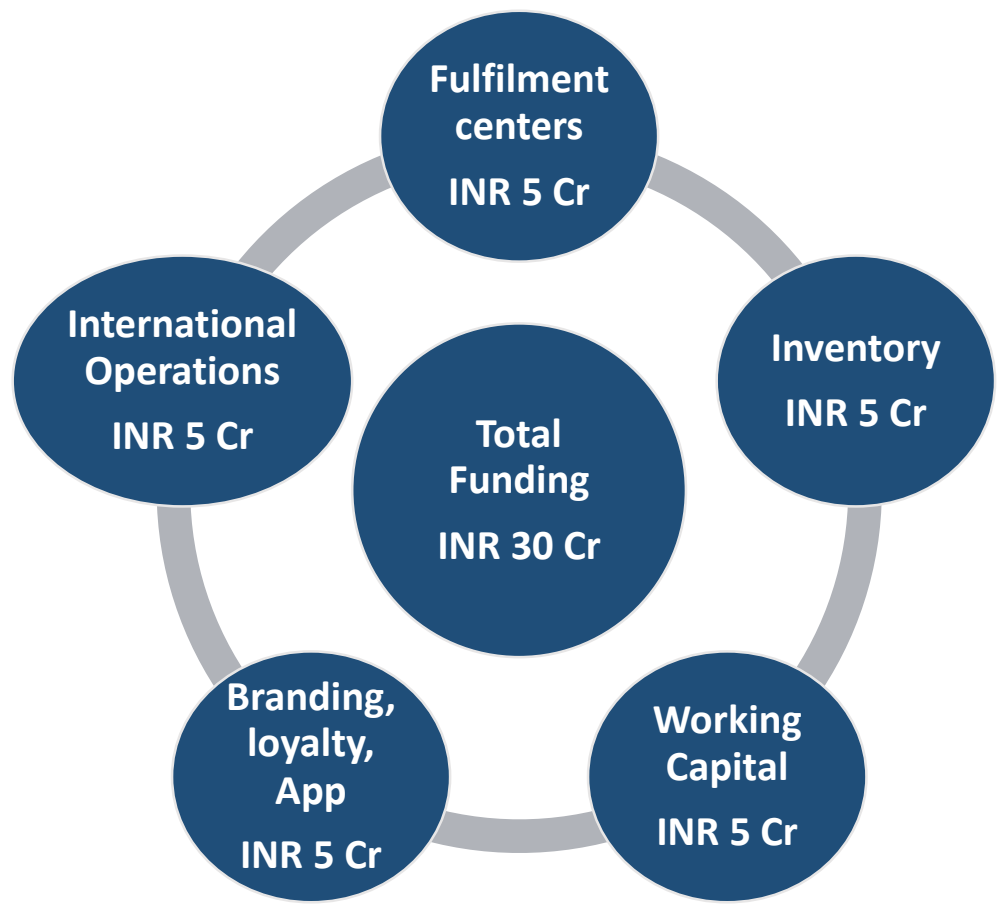
Value Components – India

- ❖ INR 1,000 Cr Business Opportunity
- ❖ Online Retail Business Model (B2C)
- ❖ B2B Model (commenced in Aug 2016)
- ❖ PTron (Brand created, 0.7 M units sold)
- ❖ Inventory based plus Managed Market Place Model
- ❖ Fulfillment centers in Delhi & Mumbai
- ❖ 20 L Registered Customers
- ❖ 15 L Orders
- ❖ 12 L Successful Deliveries
- ❖ 12% Organic Orders
- ❖ 25% Repeat Customers
- ❖ 5,000 orders per day
- ❖ Gross Margin Contribution from Apr 2016
- ❖ First Indian e-tailer to achieve Gross Profit (15%) on full year basis
- ❖ Expand to other accessories (Lifestyle, Computer, Electronics like Wish.com)

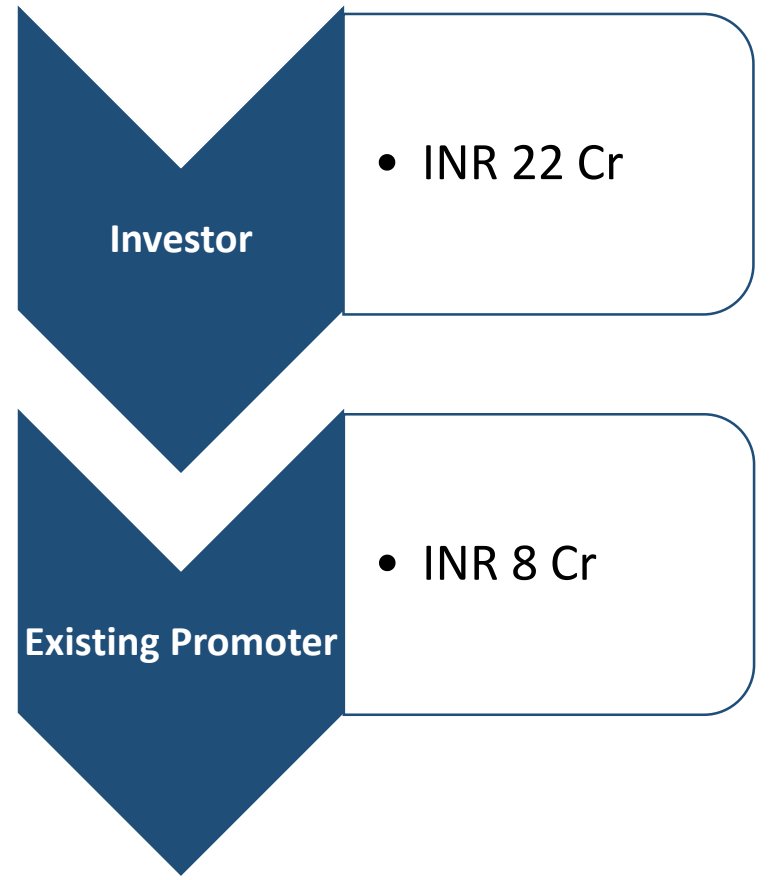


Application of Funds

Funding Requirement as per spending Category



Funding Source



Thank You