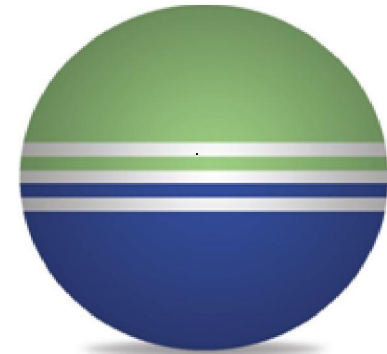


Subros

Financial Results
Quarter 3, FY 2021-22

Investor Presentation

Subros



Cooling the Planet


SAFE HARBOUR

This presentation might contain forward looking statements which involve a number of risks, uncertainties and other factors that could cause the actual results to differ materially from those in the forward looking statements. The Company undertakes no obligation to update these to reflect the events or circumstances thereof. Secondly, these statements should be understood in conjunction with the risks the company faces.

Subros

Subros
Cooling the Planet

About
Subros



Established in 1985, Subros is the Largest Air Conditioning & Thermal Products company in India. A Joint Venture company between



Equity Distribution	Suri's (Indian Promoters)-36.79%, Denso-20%, Suzuki-11.96%, Public-31.25%
Business	Integrated Thermal Products manufacturer for auto and non auto products
Segments for Thermal products	Car, Bus, Truck, Tractor, Reefer, Railways and Home AC.
Plants	8 Locations (Pan India Presence)
Technical Centre	2 Location(Noida)
Tool Engineering Centre	1 Location (Noida)
Certifications	ISO 14001,IATF 16949, OHSAS 18001
Market Shares	44% (Passenger Car AC) 52% (Truck Aircon/Blower)
Gross Revenues	Rs. 1992 Cr (2019-20) US\$ 266 Mn



Noida Plant



Pressure Die Casting



Pune Plant



Manesar Plant-1



Chennai Plant



Karsanpura Plant



Manesar Plant-2



Technical Centre



Tool Engineering Centre



DSEC



Nalagarh



Ms. Shradha Suri
Chairperson & Managing
Director



Dr. Jyotsna Suri
Director



Mr. P. K. Duggal
Whole Time Director and
Chief Executive Officer



Mr. K. Ayukawa
Representative of Suzuki
Motor Corporation,
Japan



Mr. Hidemasa Takahashi
Representative of
DENSO Corporation,
Japan



Mr. Tomoaki Yoshimori
Representative of
DENSO Corporation, Japan



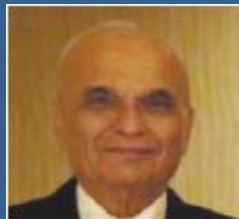
Mr. Yasuaki
Matsunaga
Alternate Director



Mrs. Meena Sethi
Independent
Director



Mr. K.R.
Ramamoorthy
Independent Director



Mr. M A Pathan
Independent Director



Mr. G.N. Mehra
Independent Director



Mr. Arvind Kapur
Independent Director



Mr. Shailendra Swarup
Independent Director

Total 12 members → 6 from Promoter and Collaborators and 6 Independent



Ms. Shradha Suri
Chairperson &
Managing Director



Mr P K Duggal
Chief Executive Officer



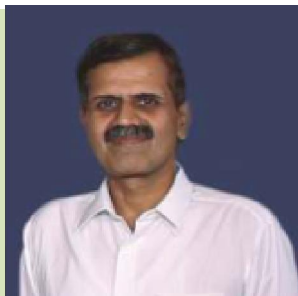
Mr T Murayama
Advisor



Mr. Y P Negi
Chief Operating Officer



Mr. A Parashar
SVP Operations,
STEC & Service



Mr. P K Yadav
SVP Operations



Mr. D Srini
EVP
Technical Centre



Hemant Agarwal
CFO & VP Finance

Passenger Car Segment (AC+ECM)

MARUTI SUZUKI

DENSO

SUZUKI

Mahindra

FORCE MOTORS

TATA

RENAULT NISSAN

Refrigeration Trucks

MARUTI SUZUKI

TATA

ASHOK LEYLAND

Commercial Vehicle Segment (Bus, Truck, Tractor)

TATA

Mahindra

DENSO

VE COMMERCIAL VEHICLES
A VOLVO GROUP AND EICHER MOTORS JOINT VENTURE

DAIMLER

SML ISUZU

FORCE MOTORS

ASHOK LEYLAND

Railways (Driver Cabin + Coach)

MEDHA



BOMBARDIER

Residential and Commercial

VOLTAS

Cruise AIR CONDITIONERS

HAVELLS

CARYAIRE™
Leadership Through Innovation

Tooling

DENSO

talbros

Global Autotech

Johnson Controls

HITACHI
Air conditioning solutions



Backward integrated to enable built-in quality



India's leading automotive AC company



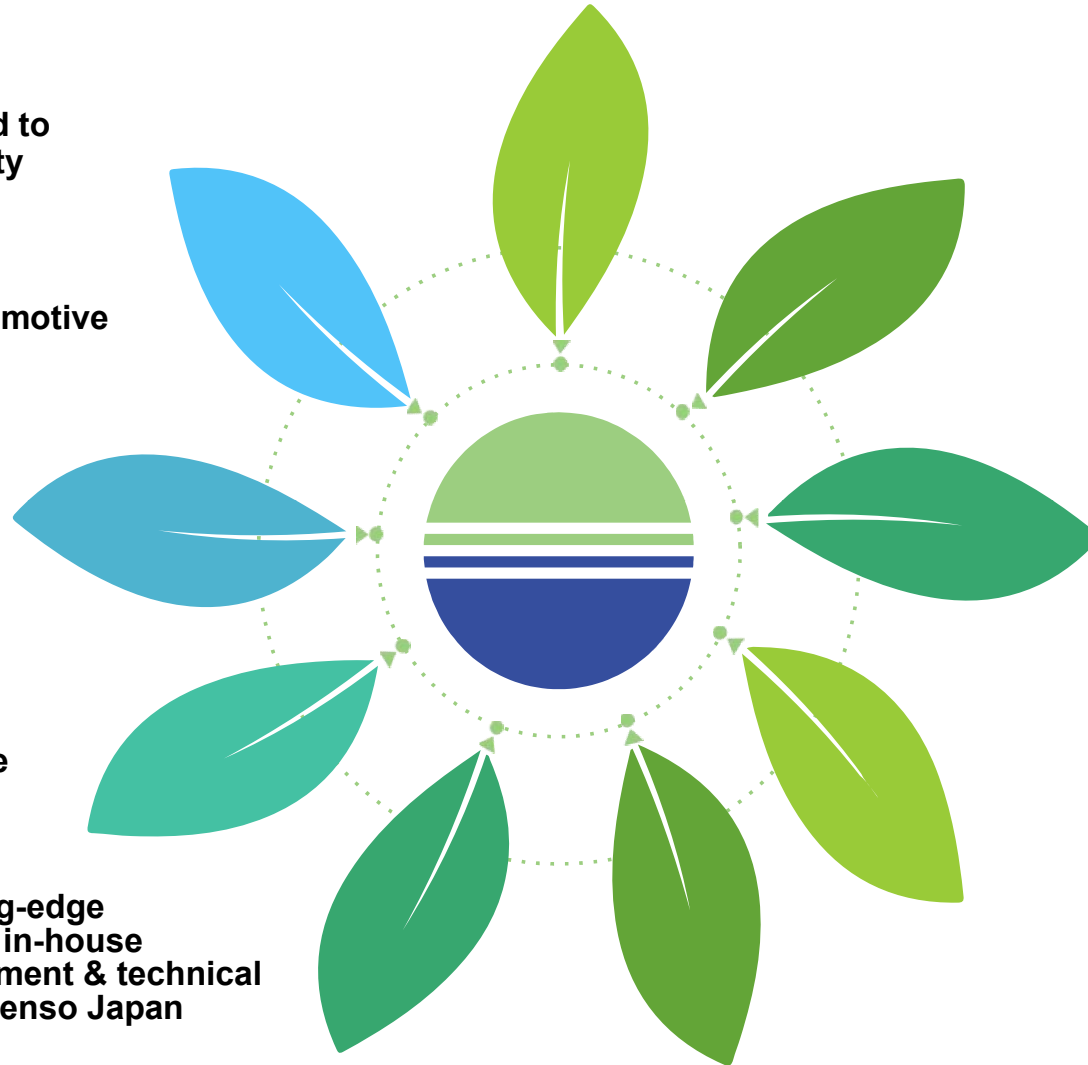
Highly reliable & energy-efficient products



Cost-effective and high-quality durable solutions



Availability of cutting-edge technology through in-house technology development & technical collaboration with Denso Japan



Strong manufacturing & process technology infrastructure



Proven capabilities in full-system design, validation, manufacturing & supplies



Pan-India presence



Diversified business into multiple segments

Financial Results & Highlights

Results Analysis - YTD FY 2021-22 v/s YTD FY 2020-21

Results Analysis - Q3 FY 2021-22 v/s Q3 FY 2020-21

Results Analysis - Q3 FY 2021-22 v/s Q2 FY 2021-22

Way Forward

Business Performance – YTD Dec-21 vs YTD Dec-20



Revenue

Revenue growth by **37%** in 9 months FY 2021-22 as compare to FY 2020-21 (9 M)



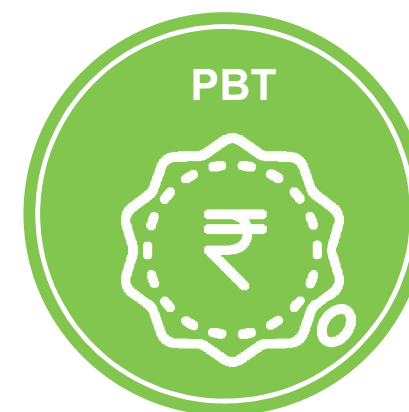
EBITDA

EBIDTA growth by **11%** in 9 Months FY 2021-22 from FY 2020-21 (9 M)



PAT

PAT growth by (-) **26%** in 9 months FY 2021-22 from FY 2020-21 (9M)



PBT

PBT growth by **46%** in 9 Months FY 2021-22 from FY 2020-21 (9M)

Business Highlights

9 month Highlights

PV Segment Thermal business growth is 35%

Home Aircon growth is 120%

Truck segment growth is 70%

Bus Aircon growth is 50%

Quarter 3 Highlights

Overall revenue higher by 3% in Q3 as compare to Q2

New business award for 2024 year SOP from customers

Start of heat exchanger production in Karsanpura plant

Rail Coach AC business awarded (1st Business)

Highlights – Financial Performance

Overall Revenue de-growth by 9% in Quarter 3 FY 2021-22 from Quarter 3 FY 2020-21. However EBIDTA is lowered by 43% and PBT is lower by 72% over corresponding quarter of last year.

The second wave of Covid-19 pandemic has created economic disruption throughout the country. The Company's operations has been adversely impacted due to the consequent lockdown due to which the operations were suspended for part of the nine months ended 31st Dec, 2020 & 31st Dec, 2021. Therefore, results for the nine months period are not comparable with the previous nine months period.

9 M 2021-22 v/s 9 M 2020-21

Indicator	Amount (Rs. in Crs)	Growth
Revenues	1557.55	37% ↑
EBIDTA	108.78	11% ↑
PBT (before exceptional)	24.20	46% ↑
PBT (after exceptional)	24.20	46% ↑
PAT	15.65	-26% ↓

Q3 2021-22 v/s Q3 2020-21

Indicator	Amount (Rs. in Crs)	Growth
Revenues	547.62	-9% ↓
EBIDTA	40.09	-43% ↓
PBT (before exceptional)	11.56	-72% ↓
PBT (after exceptional)	11.56	-72% ↓
PAT	7.42	-73% ↓

Q3 2021-22 v/s Q2 2021-22

Indicator	Amount (Rs. in Crs)	Growth
Revenues	547.62	3% ↑
EBIDTA	40.09	8% ↑
PBT (before exceptional)	11.56	51% ↑
PBT (after exceptional)	11.56	51% ↑
PAT	7.42	45% ↑

PARTICULARS	Quarter Ended			Nine Months Ended		Year Ended
	31.12.2021	30.09.2021	31.12.2020	31.12.2021	31.12.2020	31.03.2021
Net Sales	54,638	52,881	60,322	1,55,498	1,13,530	1,79,333
Other Operating Income	124	67	63	258	42	232
Revenue from Operation	54,762	52,948	60,385	1,55,755	1,13,572	1,79,565
Other Income	32	238	344	752	825	1,031
Total Income	54,794	53,186	60,729	1,56,507	1,14,397	1,80,596
Raw Material Consumed	40,339	38,771	43,358	1,14,161	80,203	1,29,015
Total Material cost % to Net Sales	73.83%	73.32%	71.88%	73.42%	70.64%	71.94%
Staff Cost	5,695	5,678	5,327	16,880	13,564	18,752
Staff cost % to Net Sales	10.42%	10.74%	8.83%	10.86%	11.95%	10.46%
Other Exp.	4,751	5,031	5,070	14,588	10,814	16,421
Other Exps. % to Net Sales	8.70%	9.51%	8.41%	9.38%	9.53%	9.16%
EBIDTA	4,009	3,707	6,974	10,878	9,815	16,408
% to Net Sales	7.34%	7.01%	11.56%	7.00%	8.65%	9.15%
Depreciation and Amortisation exp	2,605	2,589	2,485	7,579	6,790	9,211
Depreciation % to Net Sales	4.77%	4.90%	4.12%	4.87%	5.98%	5.14%
Interest	248	351	328	878	1,364	1,625
Interest cost % to Net Sales	0.45%	0.66%	0.54%	0.56%	1.20%	0.91%
Net Profit/(Loss)	1,156	767	4,161	2,420	1,662	5,572
% to Net Sales	2.12%	1.45%	6.90%	1.56%	1.46%	3.11%
Exceptional Items	-	-	-	-	-	-
Profit from Ordinary Activities	1,156	767	4,161	2,420	1,662	5,572
% to Net Sales	2.12%	1.45%	6.90%	1.56%	1.46%	3.11%
(a) Current Tax	199	121	649	416	649	816
(b) Deferred Tax	215	134	769	439	(1,100)	86
Total Tax	414	255	1,417	856	(451)	902
Tax as % to PBT	35.80%	33.28%	34.06%	35.36%	-27.17%	16.19%
Net Profit after Tax/(Loss)	742	512	2,743	1,565	2,113	4,670
% to Net Sales	1.36%	0.97%	4.55%	1.01%	1.86%	2.60%
Other Comprehensive Income (net of tax)	1	(39)	(11)	4	45	93

Financial Results & Highlights

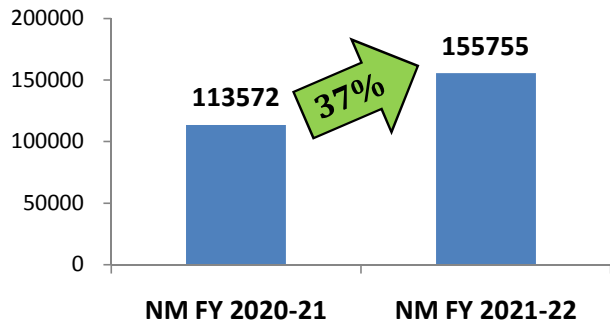
Results Analysis - YTD FY 2021-22 v/s YTD FY 2020-21

Results Analysis - Q3 FY 2021-22 v/s Q3 FY 2020-21

Results Analysis - Q3 FY 2021-22 v/s Q2 FY 2021-22

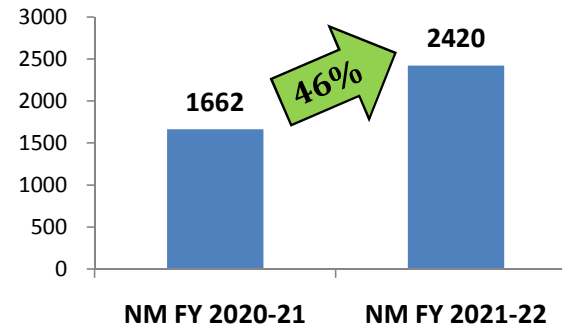
Way Forward

Revenue



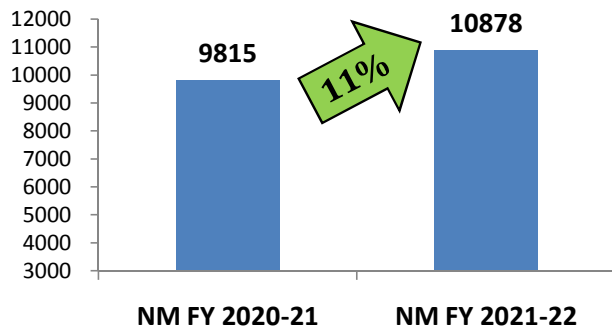
Recorded revenue growth of 37% in NM FY 2021-22

PBT



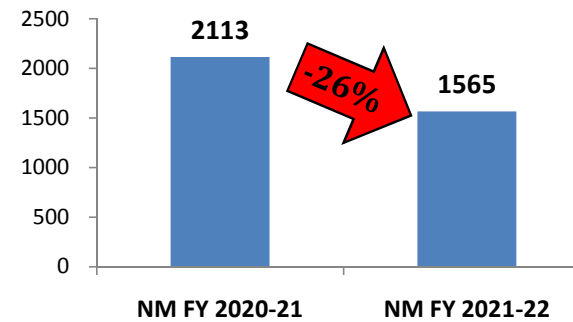
PBT (before exceptional) stands at 1.56% agst. 1.46%

EBIDTA



EBIDTA realization @ 7.00% against 8.65%

PAT



PAT Levels at 1.01% of sales as against 1.86%

• Results are not comparable from NM 2020-21 due to Major lockdown in Quarter 1 of FY 2020-21

Indicators	NM FY 2020-21	NM FY 2021-22	Change	Status
Net Sales	1135.30	1554.98	419.68	●
Other Income	8.25	7.52	-0.73	●
Material Cost	70.64%	73.42%	2.78	●
Employee Cost	11.95%	10.86%	-1.09	●
Other Expenses	9.53%	9.38%	-0.15	●
Op. EBIDTA	8.65%	7.00%	-1.65	●
Finance Cost	1.20%	0.56%	-0.64	●
Depreciation	5.98%	4.87%	-1.11	●
PBT (before exceptional)	1.46%	1.56%	0.10	●
PBT (after exceptional)	1.46%	1.56%	0.10	●
PAT	1.86%	1.01%	-0.85	●

●	Positive	●	Moderate - variation upto 5%	●	Negative - variation exceeding 5%
---	-----------------	---	-------------------------------------	---	--

Key Aspects:

- Sales growth is because of outbreak of COVID-19 pandemic and subsequent lockdown announced by the Government of India for the major period of Q1 2020-21.
- Operations were suspended during above lockdown period.
- Manufacturing operations were resumed in a phase manner in accordance with the directives of the Government of India.
- MSR is increased due to increase in Commodity, Container cost, Packing & Freight cost, Diesel cost and product mix.

• Results are not comparable from NM 2020-21 due to Major lockdown in Quarter 1 of FY 2020-21

Financial Results & Highlights

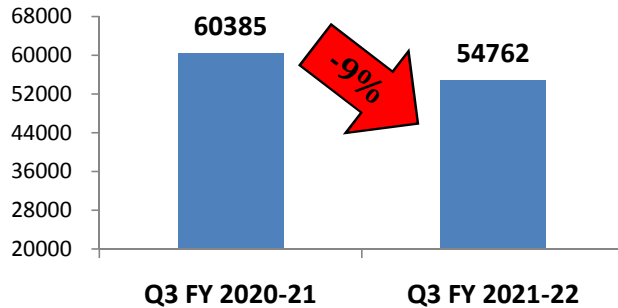
Results Analysis - YTD FY 2021-22 v/s YTD FY 2020-21

Results Analysis - Q3 FY 2021-22 v/s Q3 FY 2020-21

Results Analysis - Q3 FY 2021-22 v/s Q2 FY 2021-22

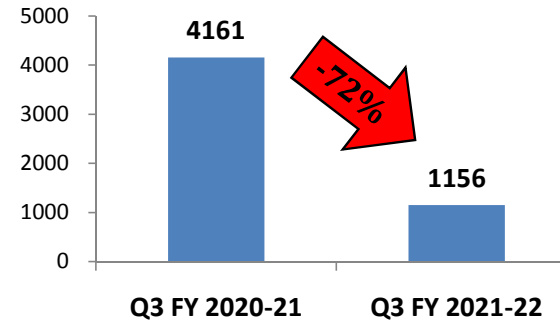
Way Forward

Revenue



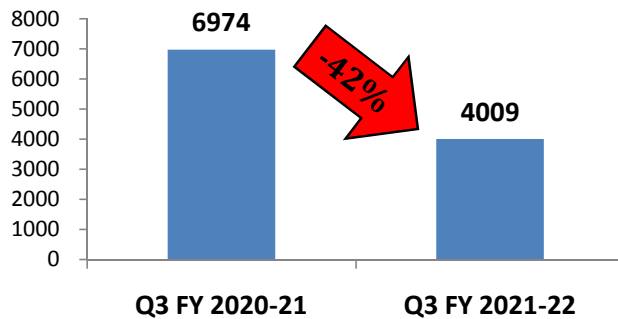
Recorded revenue de-growth of 9% with corresponding Qtr

PBT



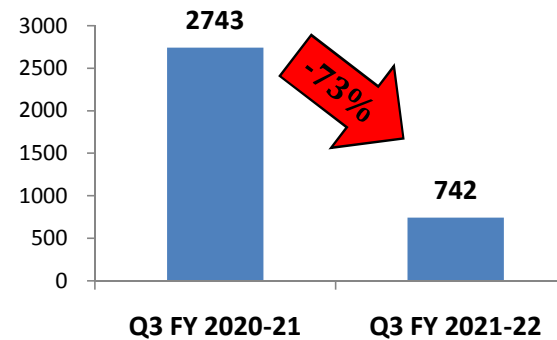
PBT (before exceptional) realization at 2.12% as against 6.90%

EBIDTA



EBIDTA realization at 7.34% as against 11.56%

PAT



PAT realization at 1.36% as against 4.55%

Indicators	Q3 FY 2020-21	Q3 FY 2021-22	Change	Status
Net Sales	603.22	546.38	-56.84	●
Other Income	3.44	0.32	-3.12	●
Material Cost	71.88%	73.83%	1.95	●
Employee Cost	8.83%	10.42%	1.59	●
Other Expenses	8.41%	8.70%	0.29	●
Op. EBIDTA	11.56%	7.34%	-4.22	●
Finance Cost	0.54%	0.45%	-0.09	●
Depreciation	4.12%	4.77%	0.65	●
PBT (before exceptional)	6.90%	2.12%	-4.78	●
PBT (after exceptional)	6.90%	2.12%	-4.78	●
PAT	4.55%	1.36%	-3.19	●

●	<i>Positive</i>	●	<i>Moderate - variation upto 5%</i>	●	<i>Negative - variation exceeding 5%</i>
---	-----------------	---	-------------------------------------	---	--

Key Aspects:

- Other income is reduced due to settlement / reinstatement of Foreign liabilities.
- MSR is increased due to increase in Commodity, Container cost, Packing & Freight cost, Diesel cost and product mix.
- Employee cost is increased due to annual increase given to employees wef 1st Apr-21
- EBIDTA & PBT is lower due to high MSR and increase on overheads

Financial Results & Highlights

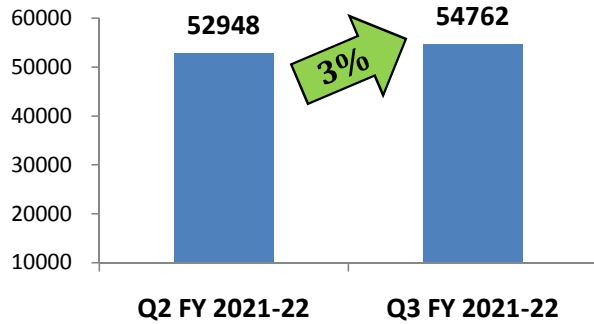
Results Analysis - YTD FY 2021-22 v/s YTD FY 2020-21

Results Analysis - Q3 FY 2021-22 v/s Q3 FY 2020-21

Results Analysis - Q3 FY 2021-22 v/s Q2 FY 2021-22

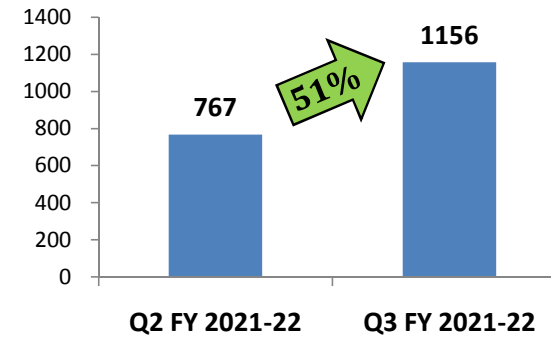
Way Forward

Revenue



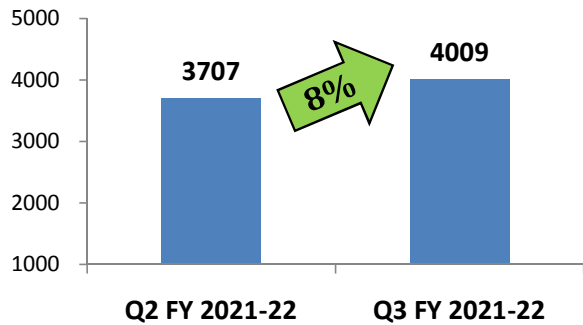
Recorded revenue growth of 3% with previous Qtr

PBT



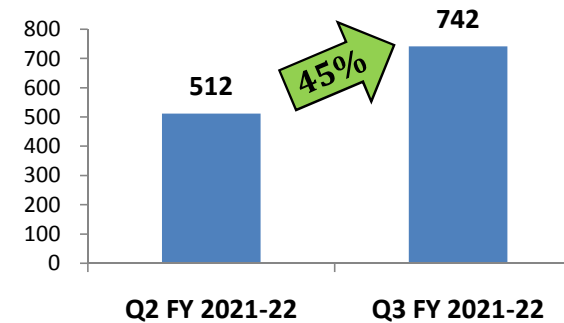
PBT (before exceptional) realization at 2.12% against 1.45%

EBIDTA



EBIDTA levels at 7.34% against - 7.01% in previous Qtr

PAT



PAT realization at 1.36% as against - 0.97%

Indicators	Q2 FY 2021-22	Q3 FY 2021-22	Change	Status
Net Sales	528.81	546.38	17.57	●
Other Income	2.38	0.32	-2.06	●
Material Cost	73.32%	73.83%	0.51	●
Employee Cost	10.74%	10.42%	-0.32	●
Other Expenses	9.51%	8.70%	-0.81	●
Op. EBIDTA	7.01%	7.34%	0.33	●
Finance Cost	0.66%	0.45%	-0.21	●
Depreciation	4.90%	4.77%	-0.13	●
PBT (before exceptional)	1.45%	2.12%	0.67	●
PBT (after exceptional)	1.45%	2.12%	0.67	●
PAT	0.97%	1.36%	0.39	●

●	<i>Positive</i>	●	<i>Moderate - variation upto 5%</i>	●	<i>Negative - variation exceeding 5%</i>
---	-----------------	---	-------------------------------------	---	--

Key Aspects:

- Other income is reduced due to settlement / reinstatement of Foreign liabilities.
- Material cost is slightly higher due to product mix.

Financial Results & Highlights

Results Analysis - YTD FY 2021-22 v/s YTD FY 2020-21

Results Analysis - Q3 FY 2021-22 v/s Q3 FY 2020-21

Results Analysis - Q3 FY 2021-22 v/s Q2 FY 2021-22

Way Forward

WAY FORWARD

Market and Revenue Potential

Growth in Line with Indian Automobile Industry ■

Business Expansion in Bus, Railways, Truck AC and Refrigeration Trucks ●

Preparation to meet all regulatory changes including BSVI, CAFÉ and EV ●

Operational Aspects

Mitigating Impact of Foreign Exchange Fluctuations
(Consistent Hedging Policy) ■

Material Cost Down thru VA/VE, Alternate sourcing
(Focus on Localisation for De-risking FE Impact) ●

Cost Optimization by Consolidation of Plants/Shift Optimization/Working days
(Improvement in EBIDTA & ROCE) ■

Control over Capital Expenditure ■

Due to the spread of COVID-19, a global pandemic, the operations of the Company were impacted and all manufacturing plants and offices were shutdown following a nationwide lockdown imposed by the Government of India. The Company has resumed manufacturing operations in a phased manner in accordance with the directives of the Government of India.

The Company has evaluated adverse impact of this pandemic on its business operations and financial positions. There was major revenue loss due to COVID-19 & operations were suspended during initial period of quarter 1, 21. However, we are confident that future projections will mitigate the gap to some extent.

However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration and accordingly the impact may be different from that estimated as at the date of approval of these financial results.

The Company will continue to monitor any material changes in the future economic conditions.

Thank You



Cooling the Planet

www.subros.com