

Financial Results
Quarter 1, FY 2022-23

**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.



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 Technical Centre Tool Engineering Centre	8 Locations (Pan India Presence) 2 Location(Noida) 1 Location (Noida)
Certifications	ISO 14001,IATF 16949, OHSAS 18001
Market Shares	40% (Passenger Car AC) 51% (Truck Aircon/Blower)
Gross Revenues	Rs. 2235 Cr. (2021-22) US\$ 302 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



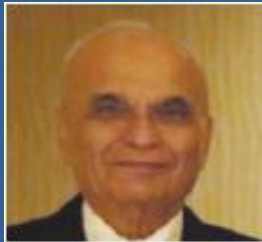
Mr. Yasuaki
Matsunaga
Alternate Director



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
(Technical & SCM)



Mr. A Parashar
Chief Operating Officer
(Operations, STEC &
Service)



Mr. D Srin
EVP
Technical Centre



Hemant Agarwal
CFO & VP Finance

Passenger Car Segment (AC+ECM)



Refrigeration Trucks



Commercial Vehicle Segment (Bus, Truck, Tractor)



Railways (Driver Cabin + Coach)



Residential and Commercial



Tooling





Backward integrated to enable built-in quality



India's leading automotive AC company



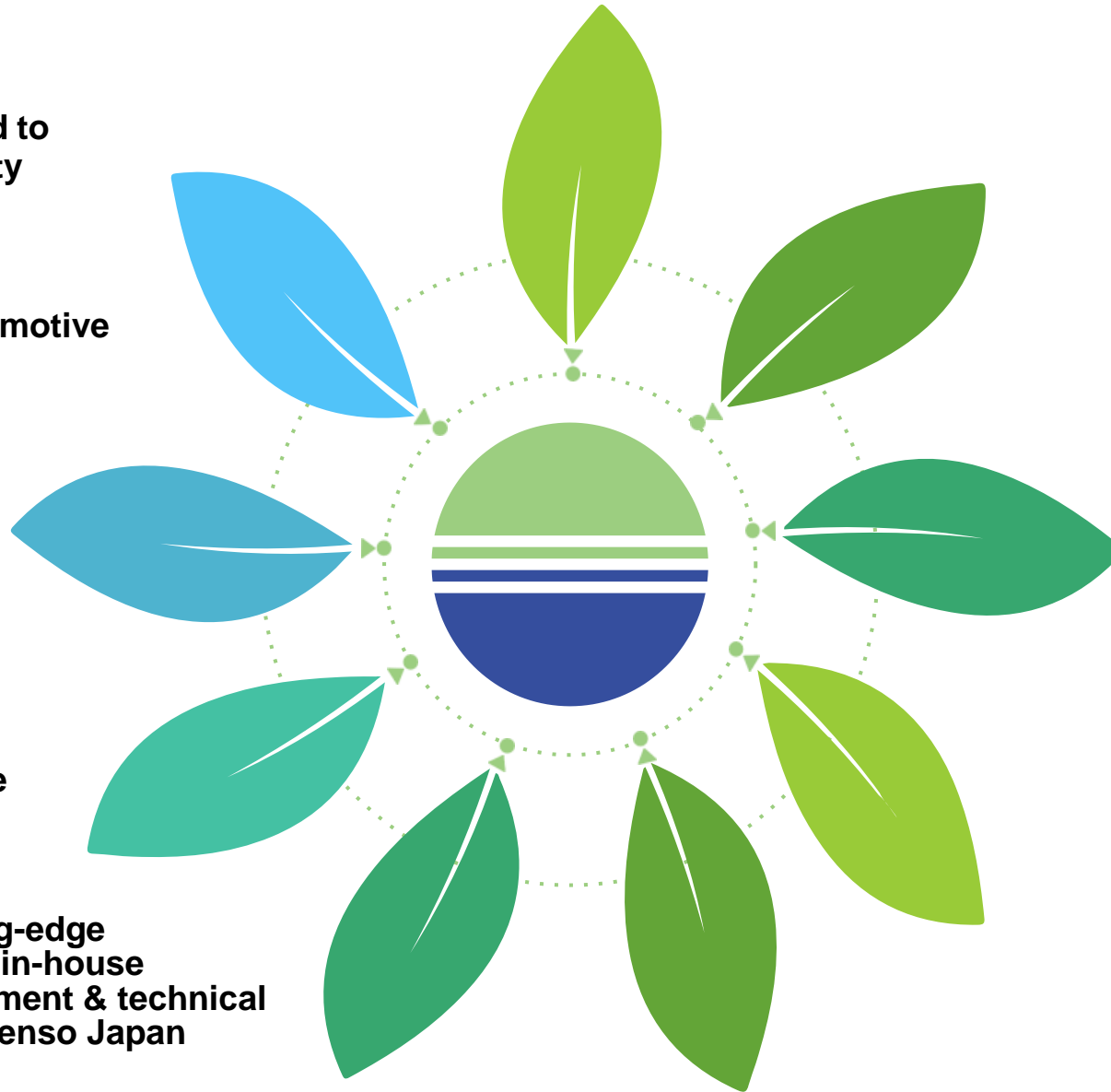
Highly reliable & energy-efficient products



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 - Q1 FY 2022-23 v/s Q1 FY 2021-22

Results Analysis - Q1 FY 2022-23 v/s Q4 FY 2021-22

Way Forward

Business Highlights (Q1 2022-23)

Q1 22-23 vs Q4 21-22

PV Segment Thermal business growth is 3%

Home Aircon growth is 15%

Truck segment growth is 2%

Bus Aircon growth is 123%

Q1 2022-23 Highlights

Highest ever Sale in one Quarter

SOP of 1 New Project in Q1
3 SOPs are in pipe line for Q2

Chennai plant ready for SOP of PV Aircon

- Rail Coach AC at SOP stage
- HAC 5mm Coil IH Mfg at SOP stage



Q1 2022-23 vs Q4 2021-22

- MSR is slightly higher due to product mix
- Employee cost is higher due to Salary & Wages revision in Q1
- EBIDTA is slightly lower due to increase in above heads.

- The second wave of Covid-19 were adversely impacted Company's operations due to the consequent lockdown in May-21.
- Therefore, results for Q1 2022-23 are not comparable with the corresponding quarter of last year.



Highlights – Financial Performance

Q1 2022-23 v/s Q4 2021-22

Indicator	Amount (Rs. in Cr.)	Growth
Revenues	708.53	4% ↑
EBIDTA	45.35	-9% ↓
PBT	17.38	-18% ↓
PAT	11.43	-33% ↓

Q1 2022-23 v/s Q1 2021-22

Indicator	Amount (Rs. in Cr.)	Growth
Revenues	708.53	47% ↑
EBIDTA	45.35	43% ↑
PBT	17.38	250% ↑
PAT	11.43	267% ↑

PARTICULARS	Quarter Ended			Year Ended
	30.06.2022	31.03.2022	30.06.2021	31.03.2022
Net Sales	70,677	67,993	47,980	2,23,491
Other Operating Income	177	116	66	373
Revenue from Operation	70,853	68,109	48,045	2,23,864
Other Income	205	240	482	992
Total Income	71,058	68,348	48,527	2,24,856
Raw Material Consumed	54,225	51,946	35,053	1,66,109
Total Material cost % to Net Sales	76.72%	76.40%	73.06%	74.32%
Staff Cost	6,383	5,825	5,507	22,705
Staff cost % to Net Sales	9.03%	8.57%	11.48%	10.16%
Other Exp.	5,915	5,590	4,806	20,178
Other Exps. % to Net Sales	8.37%	8.22%	10.02%	9.03%
EBIDTA	4,535	4,988	3,161	15,864
% to Net Sales	6.42%	7.34%	6.59%	7.10%
Depreciation and Amortisation exp	2,656	2,656	2,385	10,235
Depreciation % to Net Sales	3.76%	3.91%	4.97%	4.58%
Interest	141	213	279	1,091
Interest cost % to Net Sales	0.20%	0.31%	0.58%	0.49%
Net Profit/(Loss)	1,738	2,118	497	4,539
% to Net Sales	2.46%	3.12%	1.04%	2.03%
(a) Current Tax	306	390	96	806
(b) Deferred Tax	289	35	90	474
Total Tax	595	424	186	1,280
Tax as % to PBT	34.25%	20.04%	37.39%	28.21%
Net Profit after Tax/(Loss)	1,143	1,694	311	3,259
% to Net Sales	1.62%	2.49%	0.65%	1.46%
Other Comprehensive Income (net of tax)	18	67	42	73
Total Comprehensive Income	1,161	1,761	353	3,331
% to Net Sales	1.64%	2.59%	0.74%	1.49%
EPS	1.75	2.60	0.48	5.00

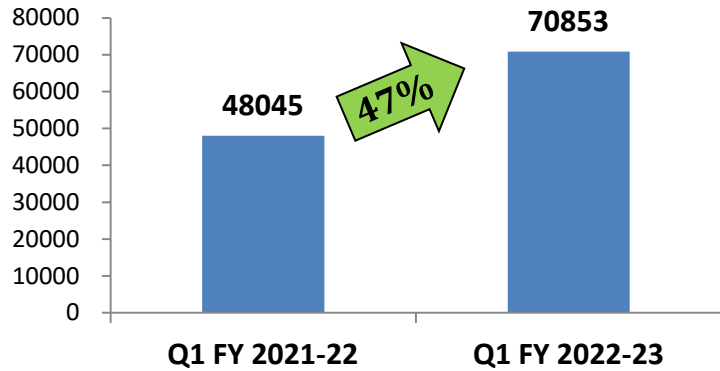
Financial Results & Highlights

Results Analysis - Q1 FY 2022-23 v/s Q1 FY 2021-22

Results Analysis - Q1 FY 2022-23 v/s Q4 FY 2021-22

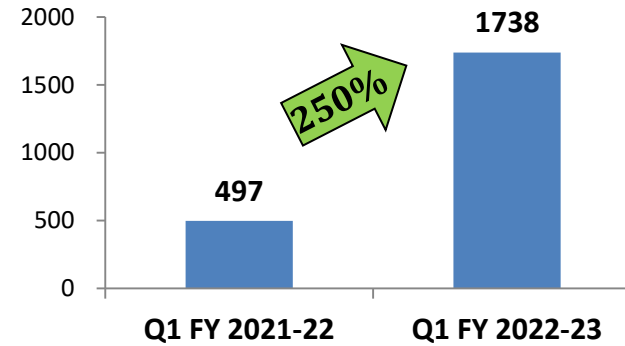
Way Forward

Revenue



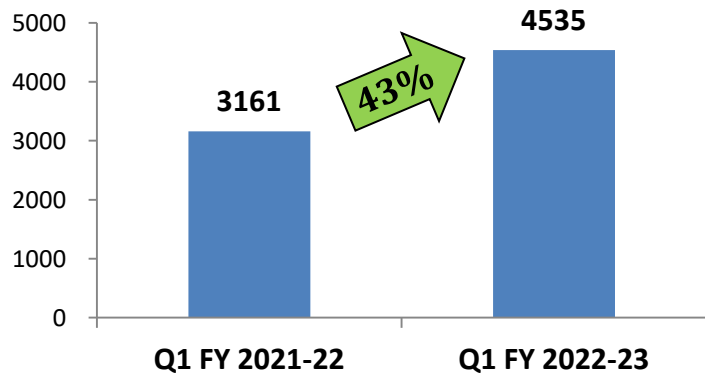
Recorded revenue growth of 47% with corresponding Qtr

PBT



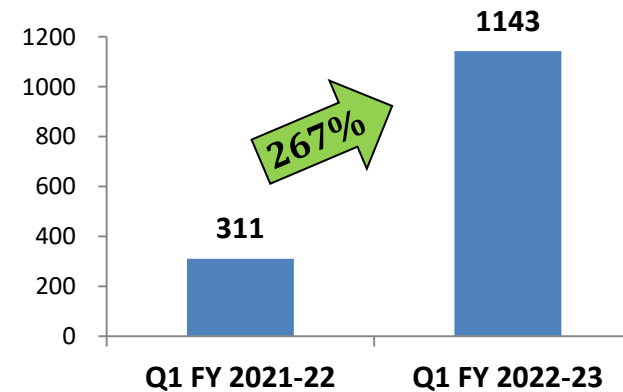
PBT realization at 2.46% as against 1.04%

EBIDTA



EBIDTA realization at 6.42% as against 6.59%

PAT



PAT realization at 1.62% as against 0.65%

Indicators	Q1 FY 2021-22	Q1 FY 2022-23	Change	Status
Net Sales	479.80	706.77	226.97	● □
Other Income	4.82	2.05	-2.77	● □
Material Cost	73.06%	76.72%	3.66	● □
Employee Cost	11.48%	9.03%	-2.45	● □
Other Expenses	10.02%	8.37%	-1.65	● □
Op. EBIDTA	6.59%	6.42%	-0.17	● □
Finance Cost	0.58%	0.20%	-0.38	● □
Depreciation	4.97%	3.76%	-1.21	● □
PBT	1.04%	2.46%	1.42	● □
PAT	0.65%	1.62%	0.97	● □

Key Aspects:

- MSR is increased due to increase in Commodity, Container cost, Packing & Freight cost and product mix.
- EBIDTA is slightly lower due to increase in Material cost but compensated by Employee cost & Other expenses.

● □	Positive	● □	Moderate - variation upto 5%	● □	Negative - variation exceeding 5%
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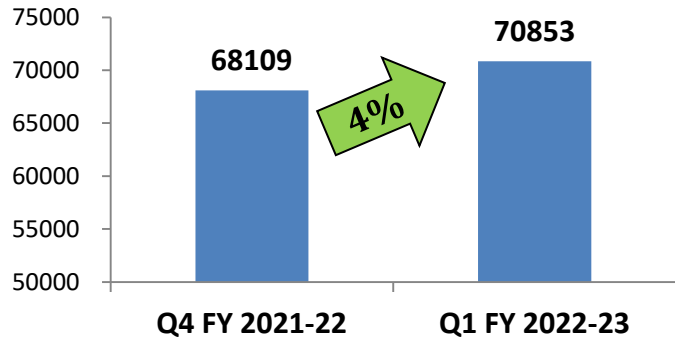
Financial Results & Highlights

Results Analysis - Q1 FY 2022-23 v/s Q1 FY 2021-22

Results Analysis - Q1 FY 2022-23 v/s Q4 FY 2021-22

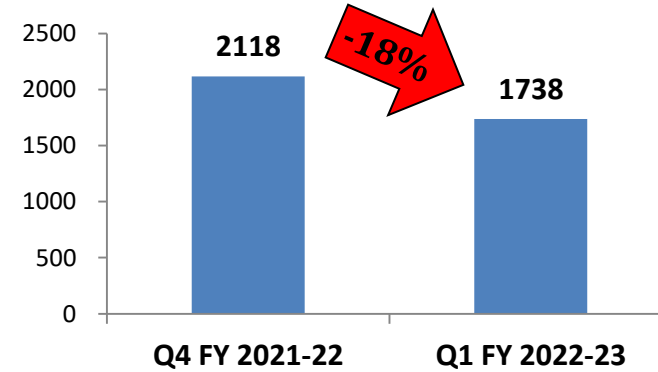
Way Forward

Revenue



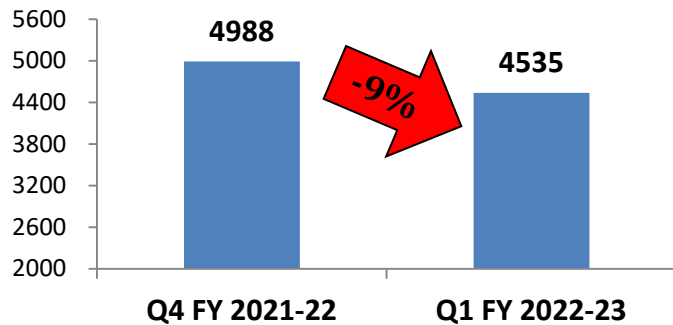
Recorded revenue growth of 4% with previous Qtr

PBT



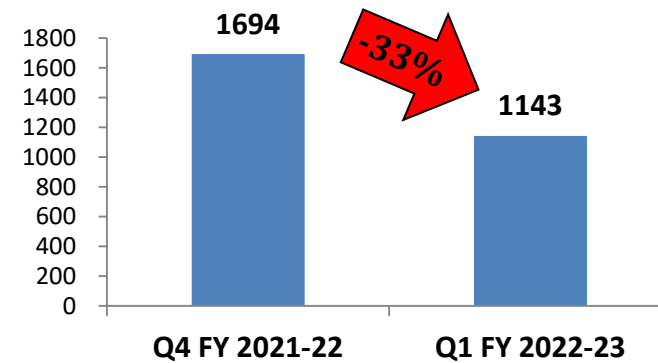
PBT realization at 2.46% against 3.12%

EBIDTA



EBIDTA levels at 6.42% against 7.34% in previous Qtr

PAT



PAT realization at 1.62% as against 2.49%

Indicators	Q4 FY 2021-22	Q1 FY 2022-23	Change	Status
Net Sales	679.93	706.77	26.84	● □
Other Income	2.40	2.05	-0.35	● □
Material Cost	76.40%	76.72%	0.32	● □
Employee Cost	8.57%	9.03%	0.46	● □
Other Expenses	8.22%	8.37%	0.15	● □
Op. EBIDTA	7.34%	6.42%	-0.92	● □
Finance Cost	0.31%	0.20%	-0.11	● □
Depreciation	3.91%	3.76%	-0.15	● □
PBT	3.12%	2.46%	-0.66	● □
PAT	2.49%	1.62%	-0.87	● □

Key Aspects:

- MSR is marginally increased due to product mix.
- Employee cost is higher due to Salary and Wages revision in Q1 2022-23.
- EBIDTA is lower due to increase in above cost.

● □	Positive	● □	Moderate - variation upto 5%	● □	Negative - variation exceeding 5%
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Financial Results & Highlights

Results Analysis - Q1 FY 2022-23 v/s Q1 FY 2022-23

Results Analysis - Q1 FY 2022-23 v/s Q4 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, Home AC and Refrigeration Trucks



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



Operational Aspects

Mitigating Impact of Foreign Exchange Fluctuations/ Commodity Fluctuation



**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



Thank You



Cooling the Planet

www.subros.com