

Saturday, 29th July 2023

The Manager, Listing Department,
National Stock Exchange of India Limited
“Exchange Plaza”, C - 1, Block G,
Bandra –Kurla Complex, Bandra(East),
Mumbai– 400051 MH IN

Sub: Investors Presentation for the Audited Financial Results of the Company for the Quarter (Q-1)/FY23-24 ended 31st March, 2024.

Ref: NSE Script Code - MMP

Dear Sir / Madam,

With reference to the captioned subject, kindly find enclose Investor Presentation for the Audited Financial Results of the Company for the Quarter (Q-1)/FY23-24 ended 31st March 2024.

The aforesaid presentation is also made available on the Company's website www.mmpil.com.

Kindly disseminate the same on website.

Sincerely,

For MMP Industries Limited

ARUN
RAGHUVIRRAJ
J BHANDARI
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ARUN RAGHUVIRRAJ
BHANDARI
Date: 2023.07.29
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Arun Raghuvirraj Bhandari
Chairman & Managing Director

MMP Industries Limited Reports

Profit Growth of 71% YoY

Q1FY24 Revenue at ₹1,516 mn; EBITDA at ₹117 mn; Net Profit at ₹80 mn

Nagpur, India - 29 July 2023: MMP Industries Limited, a leading manufacturer of aluminium powders, aluminium foils, and aluminium conductors, announced its financial results for the first quarter (Q1FY24) ended 30th June 2023.

Key Consolidated Financial Highlights:

Particulars (₹ mn)	Q1 FY24	Q4 FY23	QoQ%	Q1 FY23	YoY%
Total Revenue	1,516	1,436	6%	1,483	2%
EBITDA	117	111	5%	72	63%
EBITDA Margin	7.7%	7.7%	-	4.9%	286bps
PAT	80	69	16%	47	71%
PAT Margin	5.3%	4.8%	49 bps	3.2%	213 bps

Consolidated Q1 FY24 Highlights

- Total Revenue was ₹1,516 mn for Q1 FY24 compared to ₹1,483 mn in Q1 FY23, **an increase of 2%**
- EBITDA stood at ₹117 mn for Q1 FY24 compared to ₹72 mn during Q1 FY23, **an increase of 63%**
- EBITDA Margin at 7.7% for Q1 FY24 compared to 4.9% in Q1 FY23, **an increase of 286 bps**
- PAT stood at ₹80 mn for Q1 FY24 compared to ₹47 mn in Q1 FY23, **an increase of 71%**

Business Segment Performance

Particulars (₹ mn)	Q1 FY24	Q4 FY23	QoQ%	Q1 FY23	YoY%
Aluminium Powders	1,030	999	3%	1,081	-5%
Aluminium Foils	253	224	13%	313	-19%
Aluminium Conductors	225	206	9%	82	174%
Others	8	7	10%	7	10%

- Aluminium powder revenue at ₹1,030 mn for Q1 FY24 compared to ₹1,081 mn for Q1 FY23
- Aluminium foils revenue at ₹253 mn for Q1 FY24 compared to ₹313 mn for Q1 FY23
- Aluminium conductors revenue at ₹225 mn for Q1 FY24 compared to ₹82 mn for Q1 FY23

MANAGEMENT COMMENTARY

Performance during Q1FY24

“MMP Industries is pleased to announce its financial results and healthy performance for the quarter ending June 2023. Despite facing a series of challenging market conditions, and 20% fall in aluminium prices compared to Q1 FY 2023, the company has reported its highest ever quantum sales in its history. EBITDA and PAT grew by 63% and 71% respectively due to volume growth in powders and conductors/ cables.

The overall performance was primarily driven by good growth in Aluminium Powder, mainly explosives and AAC block applications. Conductors/ Cables also witnessed a sharp increase due to new projects approved by the government and market opening up after almost three years. While the Foil division faced certain headwinds due to an overall low demand and intense competition from China imports after withdrawal of anti-dumping duties.

We remain optimistic about the future and are committed to driving sustainable growth”

SEGMENT OUTLOOK AND GUIDANCE

Aluminium Foils

The coming quarter is likely to see stable aluminium prices (on the lower LME level) as well as Chinese competition. The company’s focus on the Pharma sector will continue relentlessly and the revenue guidance for the year is likely to be maintained.

The second rolling mill is at an advanced stage of installation and will be commissioned in the second half of August 2023.

The sales ramp up of new products like house foil, lidding foil, light gauge foil, SRC foil, etc. will be speeded up after the commissioning of this mill.

Major Pharma companies where regular supplies have begun include Aurobindo, Sun Pharma, Hetero Healthcare, Torrent Pharma, Ajanta Pharma, Alkem, Tablet India, Microlab, Caplin Point amongst others. We expect continued business with these Pharma companies and aim to become their partner of choice for our superior quality products which will aid in sales volume of converted and printed foils in the coming months. Audits of other major Pharma companies have been successfully completed and we are expecting commercial orders shortly.

With increased volume of the printed foil, the company has planned to increase printing capacity with the addition of a two-colour printing machine. This nominal investment will increase the printing capacity by 25%.

Aluminium Powders

The monsoon affected Q2 is normally a low demand quarter where mining and construction activities slow down. However, H2 is likely to see strong demand as usual and to prepare for the same, Q2 capacity utilization is expected to remain high.

The 1500 MTPA pyro and flake capacity will be fully operational by October end.

Additionally, building construction work has begun for a further capacity of 1800 MTPA of pyro and flake powders. Major machinery has also been ordered. This capacity expansion has been planned on the basis of discussions held with our Sales and Technical Collaborator who have expressed interest in buying much larger quantities than at present. This capacity will be majorly utilised during H2 of FY 2024-25.

This will bring our total pyro and flake powder capacity to approximately 15000 MTPA.

Aluminium Conductors and Cables

As per industry trends, the offtake of conductors/ cables will be slow due to monsoon in Q2. This is expected to ramp up significantly from October. The company holds its revenue guidance given earlier.

General

The Solar Project for 1.5 MW ground mounted at Bhandara unit is proceeding satisfactorily and will be commissioned ahead of schedule.

CSR Activities

The company has joined hands with Mahaveer International Service Trust in holding camps for the fitment of prosthetic arms and limbs for differently abled persons. A camp was held at our Bhandara Factory where 31 beneficiaries were assisted. These people were from the local areas and this service activity is now planned to be a regular feature in the future.

ASSOCIATE COMPANIES

Star Circlips & Engineering Limited (SCEL)

Star Circlips & Engineering Limited achieved revenue of ₹377 mn in Q1 FY24 compared to ₹381 mn in Q1 FY23 and reported PAT of ₹53 mn in Q1 FY24 compared to PAT ₹17 mn for Q1 FY23. The company expects higher sales in Q2 FY 2024 due to the upcoming festival season.

The fine blanking project has been commissioned and is in the ramp up stage. Negotiations are at an advanced stage with many OEMs and Tier- 1 suppliers.

The company has also received nomination for supply of special parts from leading global companies.

Toyal MMP India Private Limited (TMI)

TMI achieved revenue of ₹187 mn in Q1 FY24 compared to ₹144 mn in Q1 FY23 and reported PAT of ₹ 6 mn in Q1 FY24 compared to PAT ₹3 mn for Q1 FY23.

CONSOLIDATED PROFIT AND LOSS ACCOUNT

Particulars (₹ mn)	Q1 FY24	Q4 FY23	QoQ%	Q1 FY23	YoY%
Revenue from Operations	1,515	1,435	6%	1,482	2%
Other Income	1	1	46%	1	46%
Total Revenue	1,516	1,436	6%	1,483	2%
Expenses					
-Cost of Material Consumed	1112	1,146	-3%	1,309	-15%
-Purchase of stock-in-trade	0	1	-53%	0	0%
-Changes in inventories	97	-16	709%	-82	219%
-Employee Benefit Expense	94	88	7%	85	11%
-Finance Cost	12	12	-1%	9	32%
-Depreciation & Amortization	18	17	8%	17	8%
-Other Expenditure	95	106	-11%	99	-4%
Total Expenses	1,429	1,354	6%	1,437	-1%
PBT before Share of Profit/ (Loss) of Associate, Exceptional Items	87	82	6%	46	85%
Share of Profit/ (Loss) of Associate	15	8	91%	5	205%
PBT before Exceptional Items	102	90	13%	51	100%
Exceptional Item		0		0	
PBT	102	90	13%	51	100%
Tax Expense	22	21	4%	4	444%
PAT	80	69	16%	47	71%

About MMP Industries Limited

MMP Industries Limited (MMPIL), registered in Nagpur, Maharashtra, is primarily engaged in the manufacture of aluminium products with its manufacturing plants located in and around Nagpur city. The aluminium product range includes aluminium powders, aluminium foils and aluminium conductors/cables. Over the course of the last three decades of its operations, the company has become a globally recognized player in the aluminium powder field.

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Disclaimer:

Certain statements in this document that are not historical facts are forward looking statements. Such forward-looking statements are subject to certain risks and uncertainties like government actions, local, political or economic developments, technological risks, and many other factors that could cause actual results to differ materially from those contemplated by the relevant forward-looking statements. MMP Industries Ltd. will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.