

MAY THE
POWER ALWAYS BE
WITH YOU



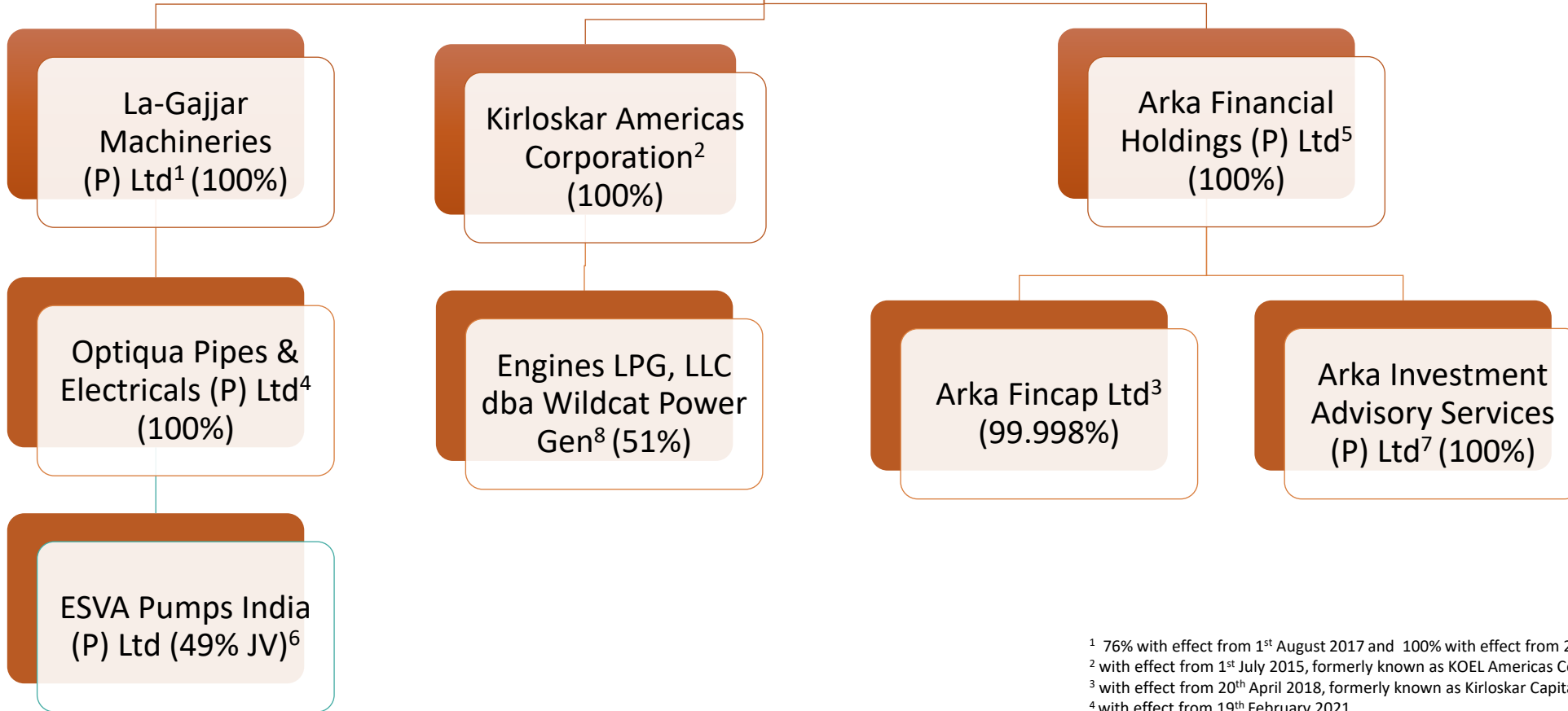
Earnings Call Presentation Q3 FY24
13th February 2024

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¹ 76% with effect from 1st August 2017 and 100% with effect from 26th September 2022
² with effect from 1st July 2015, formerly known as KOEL Americas Corp
³ with effect from 20th April 2018, formerly known as Kirloskar Capital Ltd
⁴ with effect from 19th February 2021
⁵ with effect from 13th July 2021
⁶ with effect from 4th October 2021 (Optiqua has entered JV agreement with ESVA pumps)
⁷ with effect from 30th March 2022
⁸ with effect from 29th November 2023



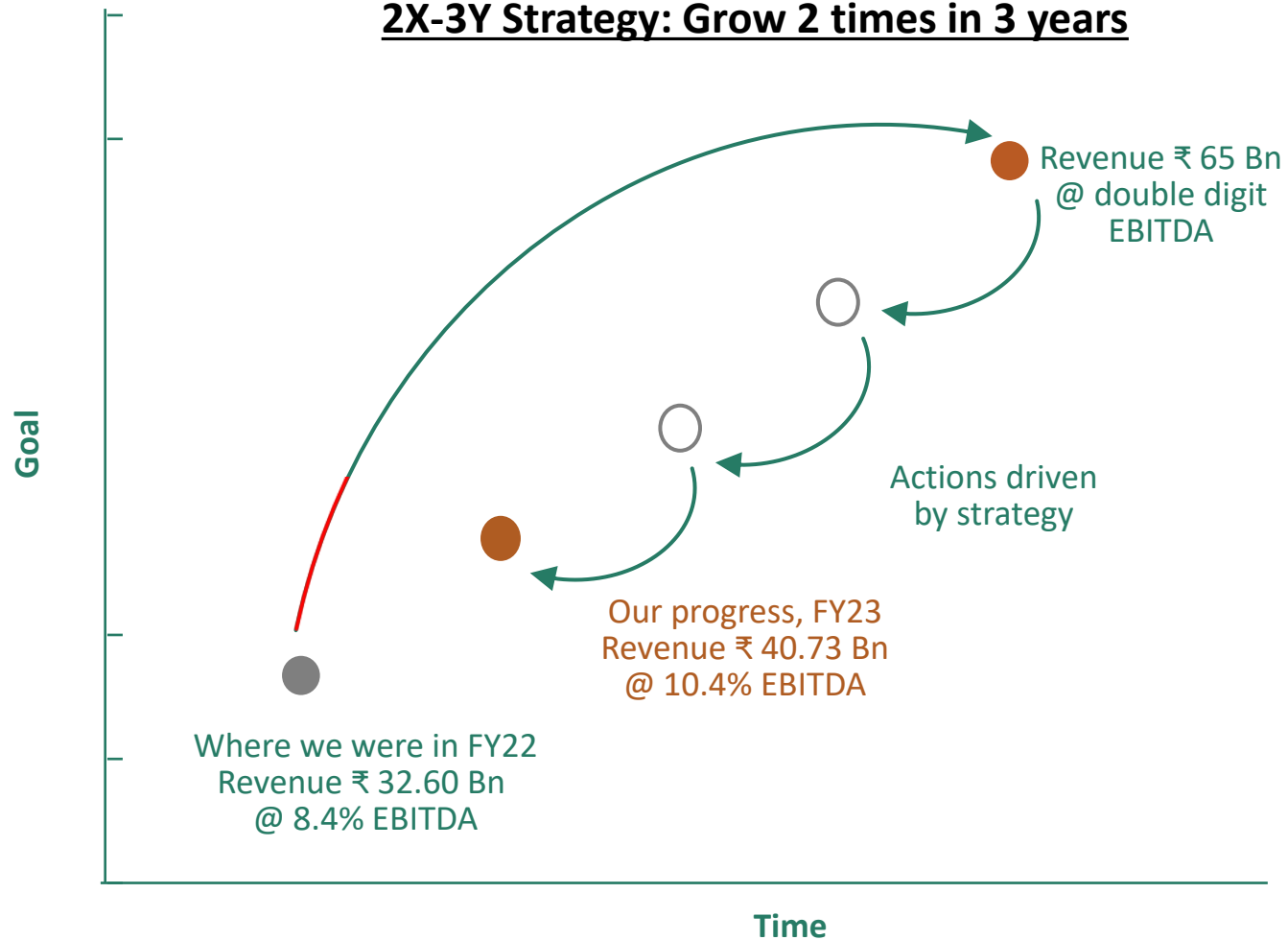
CONTENT

- **STRATEGY**
- BUSINESS OVERVIEW
- FINANCIAL OVERVIEW

OUR 2X-3Y STRATEGY

Looking to drive exponential growth from FY 2022 - FY 2025

2X-3Y Strategy: Grow 2 times in 3 years



2X-3Y Strategy Pillars

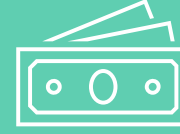


WE ARE PROGRESSING WELL



17%

Top line growth (YTD YOY)



₹ 3,459

Cr Revenue (YTD FY24)



11.5%

EBITDA # Margin (YTD FY24)



25%

PAT # growth (YTD YOY)



₹ ~78 Cr

Strong net cash* position



22%

EBITDA # growth (YOY)



6

consecutive quarters of over ₹ 1,000 Cr revenue

* Net of debt; includes treasury investments and excludes unclaimed dividends.

Numbers excluding provision/(reversal) for overdue receivables made for a customer towards sales made in previous year. For details, please refer 'Note to the Unaudited Financial Results' published on the stock exchanges.



Deploying the 2X-3Y strategy to deliver value to all stakeholders

65Bn @
double-
digit
EBITDA

Customer
Delight

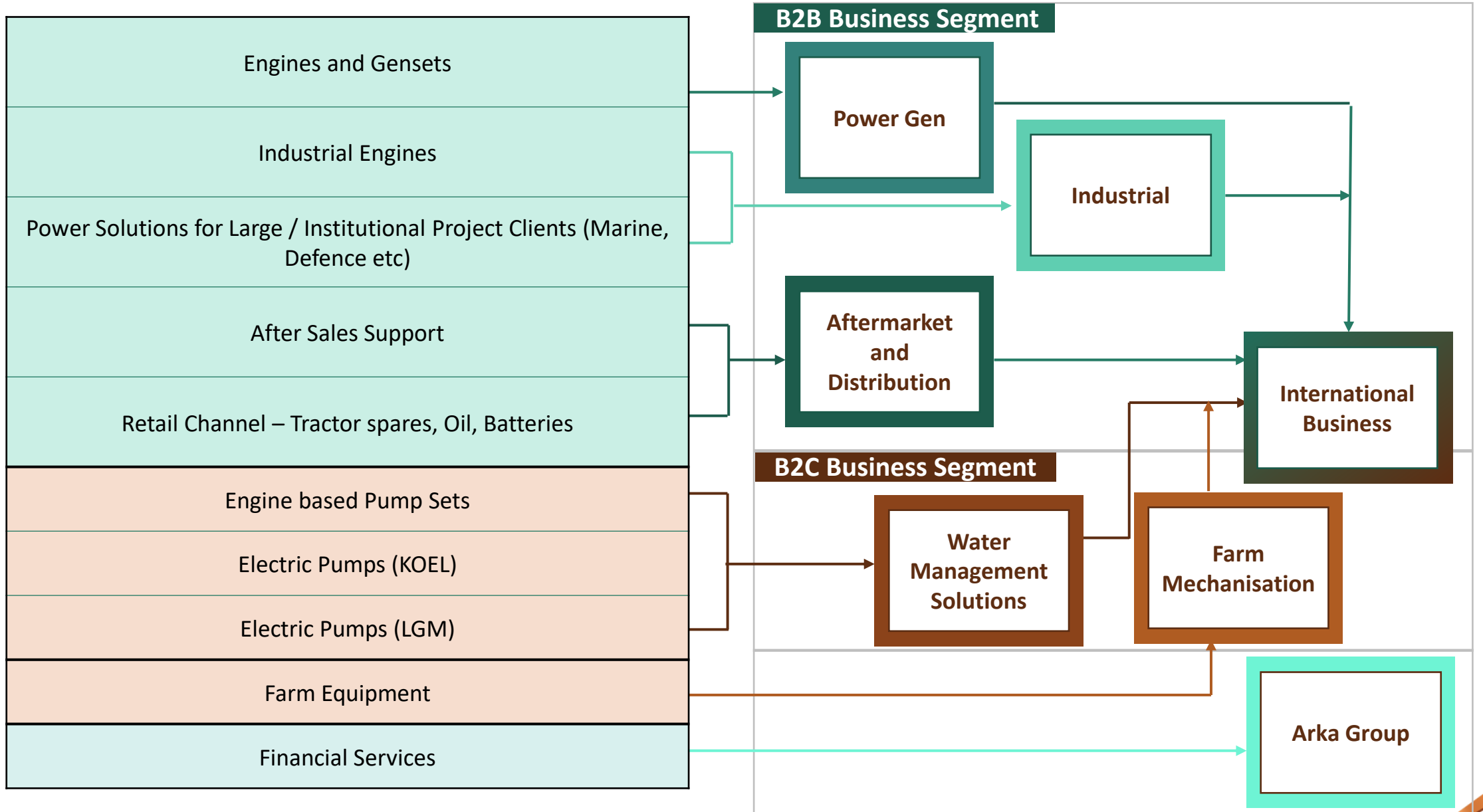
Employer
of Choice



CONTENT

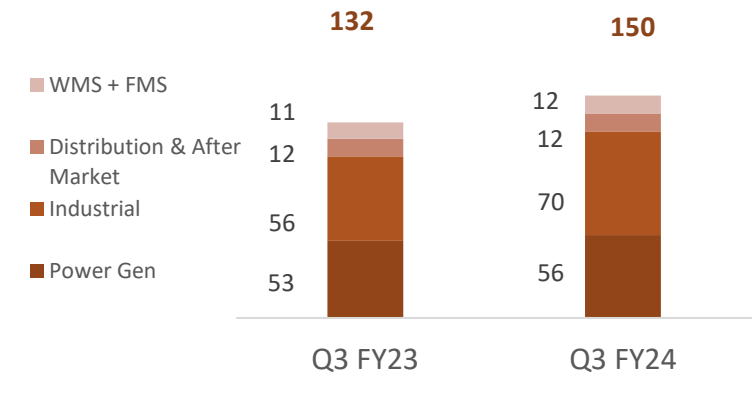
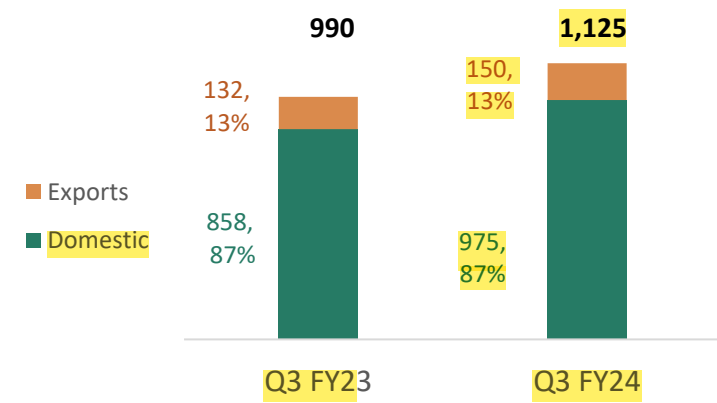
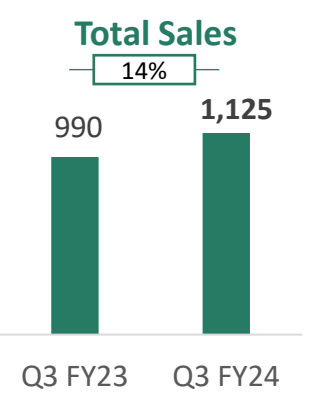
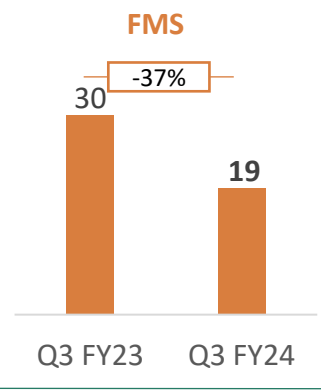
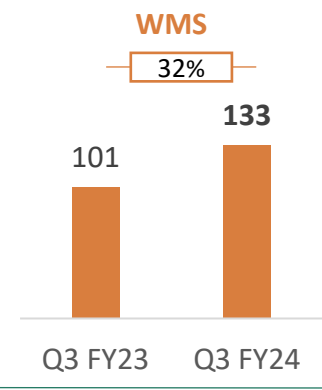
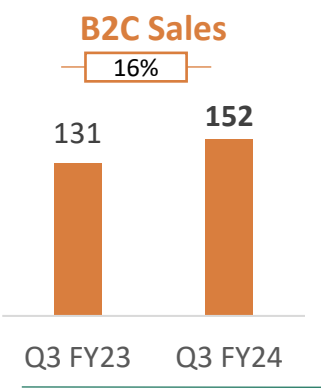
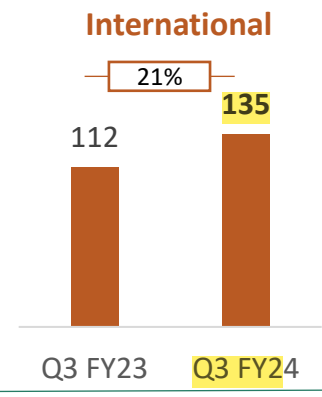
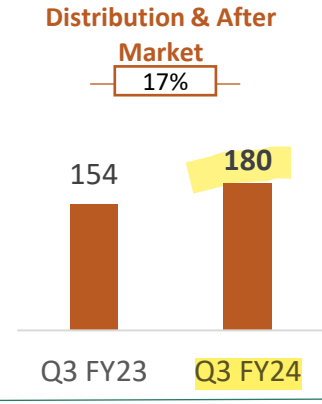
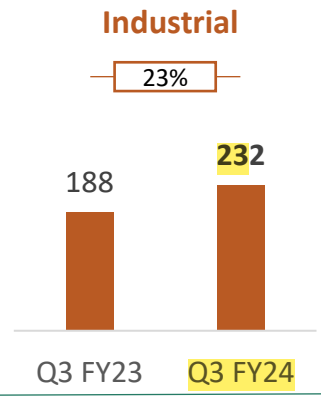
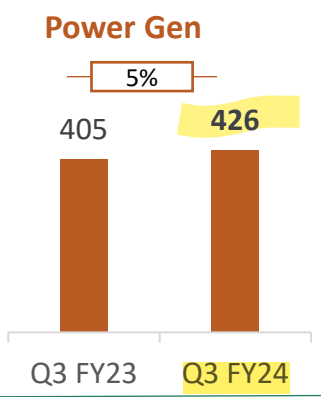
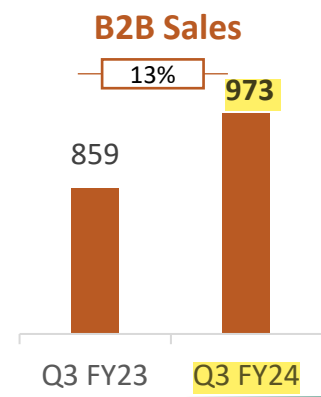
- STRATEGY
- **BUSINESS OVERVIEW**
 - STANDALONE
 - SALES HIGHLIGHTS
 - CONSOLIDATED
 - SEGMENT OVERVIEW
- FINANCIAL OVERVIEW

Products to Business Segments...



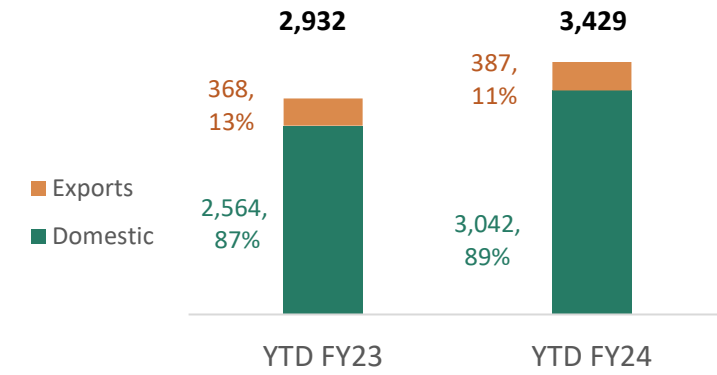
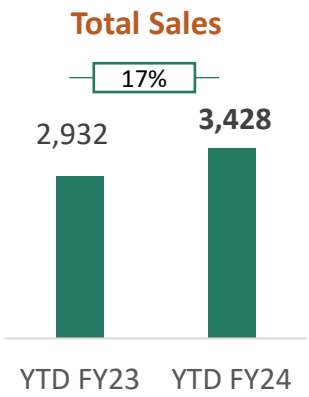
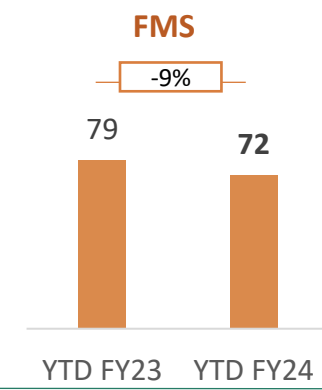
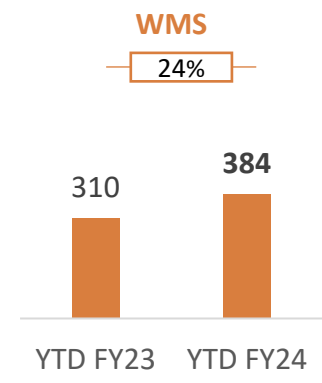
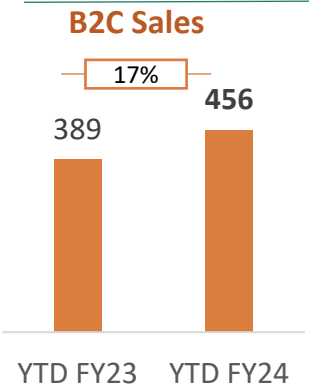
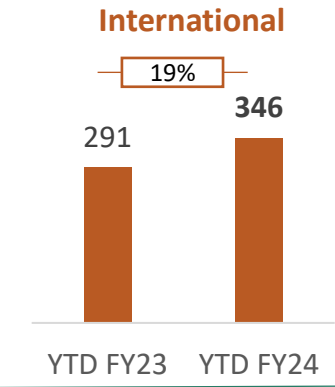
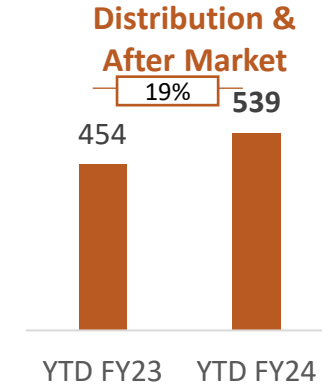
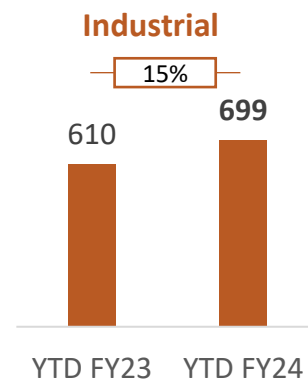
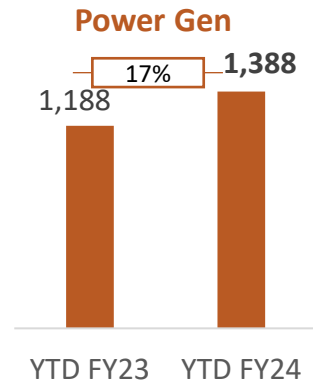
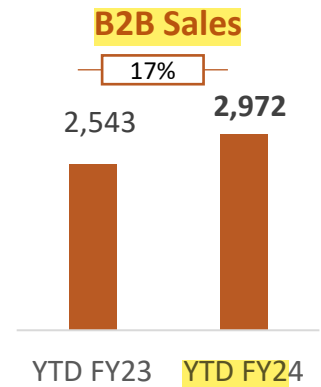
STANDALONE SALES HIGHLIGHTS – Q3 FY24 YoY

KOEL- Earnings Call – Q3 FY24 – Standalone Business Overview

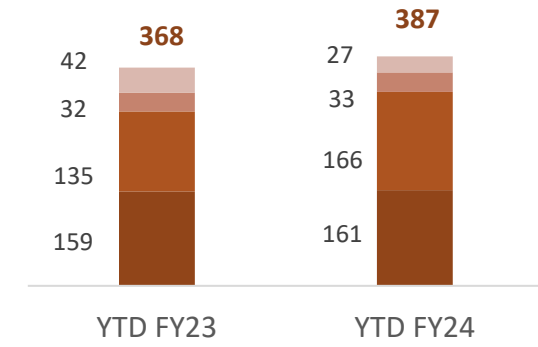


STANDALONE SALES HIGHLIGHTS – YTD FY24 YoY

KOEL- Earnings Call – Q3 FY24 – Standalone Business Overview

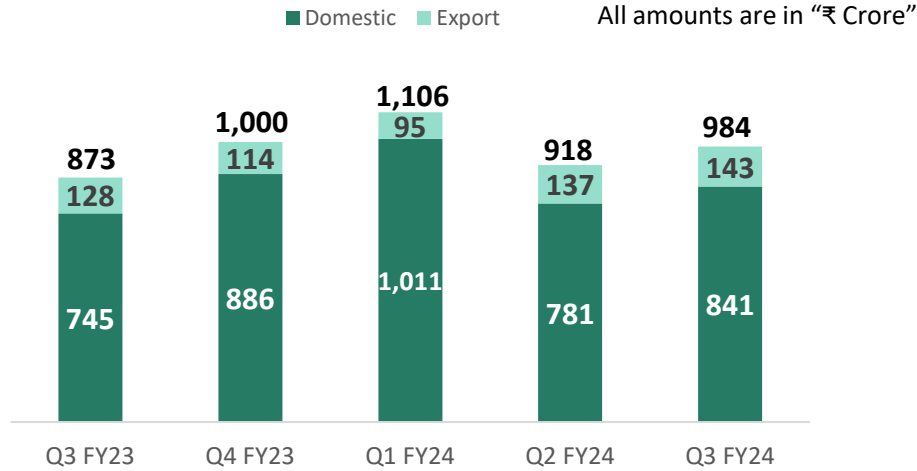


- WMS + FMS
- Distribution & After Market
- Industrial
- Power Gen

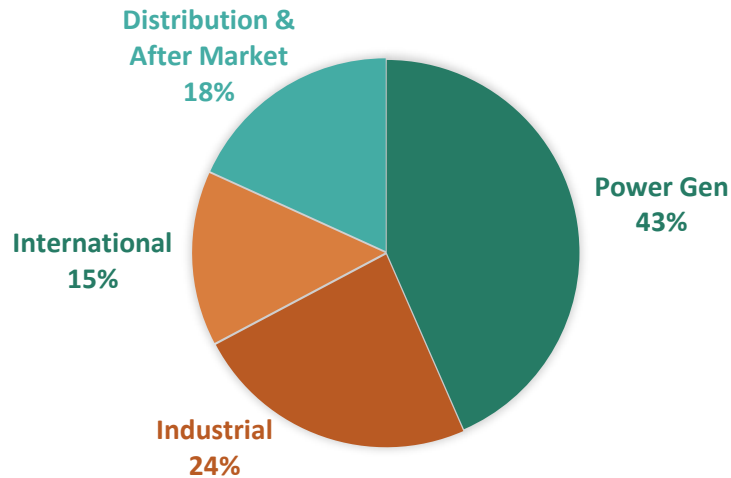


CONSOLIDATED SEGMENT PERFORMANCE OVERVIEW – B2B

Segment Revenue Trend



Segment Revenue Composition For Current Quarter



Performance Updates

- Highest ever YTD numbers in all Businesses. Continue to deliver higher volumes of engines from Kagal

Domestic:

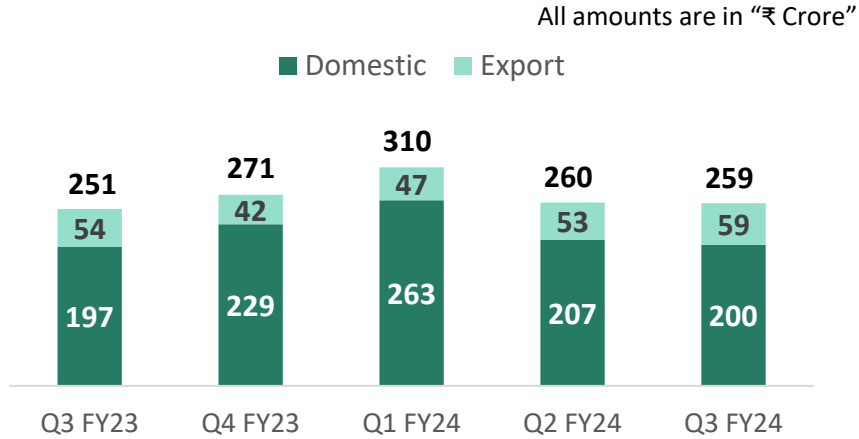
- Power Generation: Strong demand for CPCBII gensets. Continue to fulfill orders for both CPCBII and CPCBIV+. Significant growth in Gas genset sales, YTD numbers crossed 150
- Industrial: Traction from construction and railways segment. Won biggest single Order (NPCIL) worth Rs. 768 crores

International:

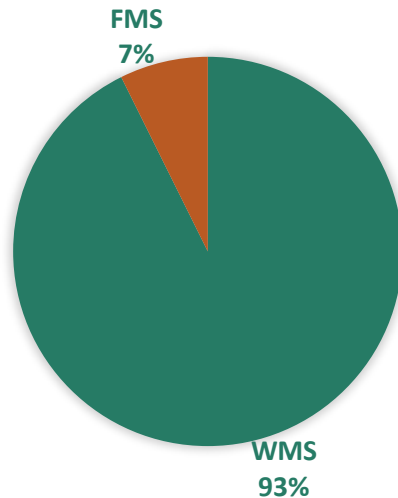
- Exports registered higher Q3 revenue of Rs. 143 Crore in FY24 with ~12% growth over Q3 PY
- GOEMs for MENA and US market appointed; Shipments commenced

CONSOLIDATED SEGMENT PERFORMANCE OVERVIEW – B2C

Segment Revenue Trend



Segment Revenue Composition For Current Quarter



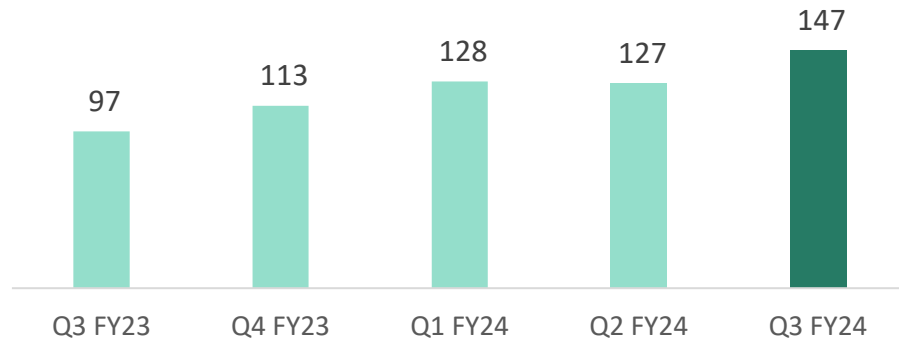
Performance Updates

- Profitability Improvement
 - Segment profit for YTD FY24 grew by 105%
 - LGM PBT jumped from Rs. 11 Crore to Rs. 25 Crore
- Deepening & Widening -
 - Distributors grew 22% over Q3 FY23
 - 83 deepening channel contributing Rs.14 crore
 - 91 widening channel contributing Rs. 17 crore
- WMS pumps & small engine growing at 25% & 30% respectively
- LGM new plant construction as per schedule
- LGM export growing at 10% with further margin improvement

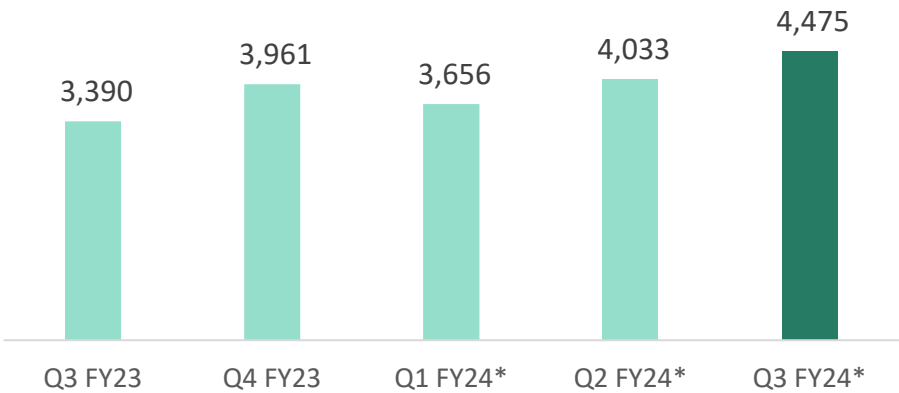
SEGMENT PERFORMANCE OVERVIEW – FINANCIAL SERVICES

Segment Revenue Trend

All amounts are in “₹ Crore”



AUM**Trend



Performance Updates

- KOEL’s total investment in AFHPL as on 31st Dec 23 stood at 1,052.7 Cr#
- AFHPL revenue from operations stood at 147 Cr in Q3 FY24; a growth of 52% YoY
- AFHPL PAT stood at 4.4 Cr in Q3 FY24; decline of 76% YoY
- Above PAT of AFHPL is after provision of Rs. 30.9 crore made for investment in ARKA’s Alternate Investment Fund, due to regulatory changes announced in Dec 2023
- Total Debt as on 31st Dec 23 stood at 3,685 Cr including Rs. 300 crores NCDs raised through public issue during Q3 FY24
- Debt to Equity Ratio:
 - 31st Dec 23 - 3.3
 - 30th Sep 23 - 2.8
 - 30th Jun 23 - 2.6
 - 31st Mar 23 - 3.1
 - 31st Dec 22 - 2.4
- Total AUM* as on 31st Dec 23 at 4,475 Cr
- No asset-liability mismatch

* Consolidated excluding off balance sheet loan book 47 Cr in June 23 and 94 Cr in Sep 23 and 249 Cr in Dec’23.

** Excludes treasury assets

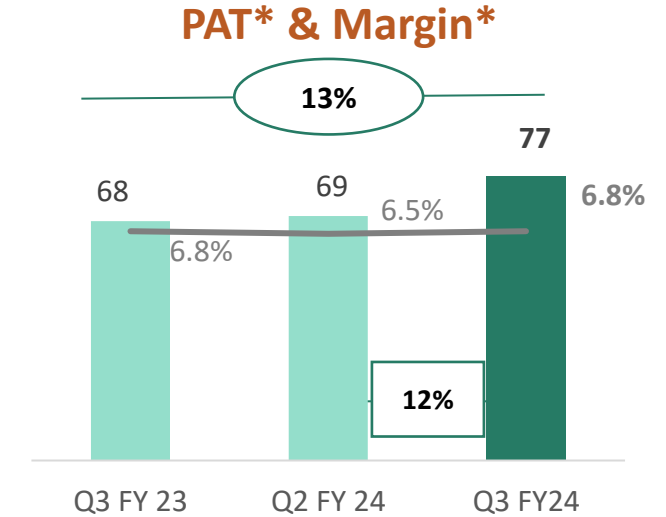
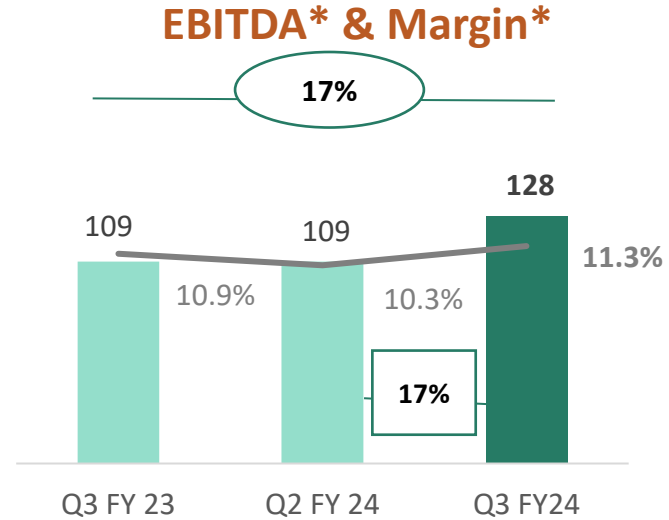
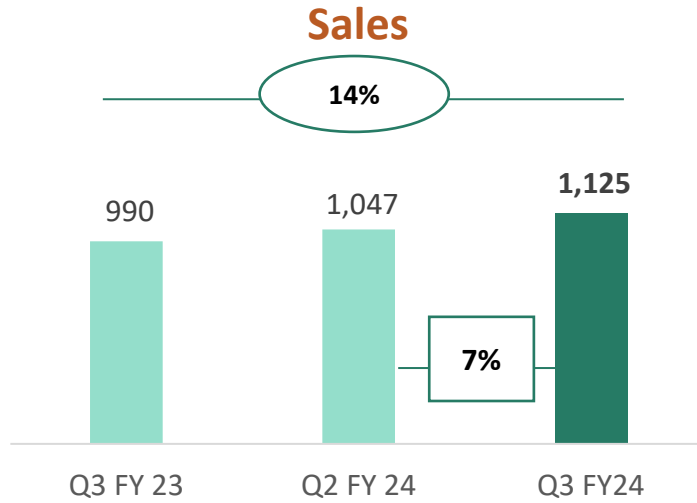
Includes profit of 52.7 Cr on holding structure change

- STRATEGY
- BUSINESS OVERVIEW
- **FINANCIAL OVERVIEW**
 - **STANDALONE**
 - PERFORMANCE HIGHLIGHTS
 - PROFIT AND LOSS STATEMENT
 - WORKING CAPITAL AND NET CASH POSITION
 - **CONSOLIDATED**
 - PERFORMANCE HIGHLIGHTS
 - PROFIT AND LOSS STATEMENT
 - SEGMENT RESULTS

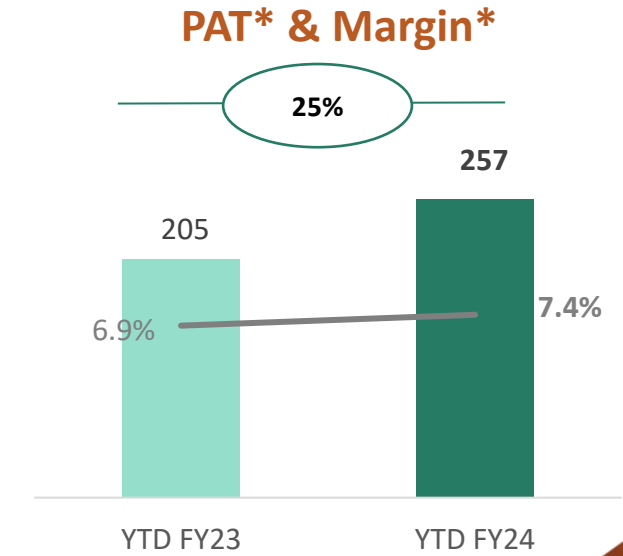
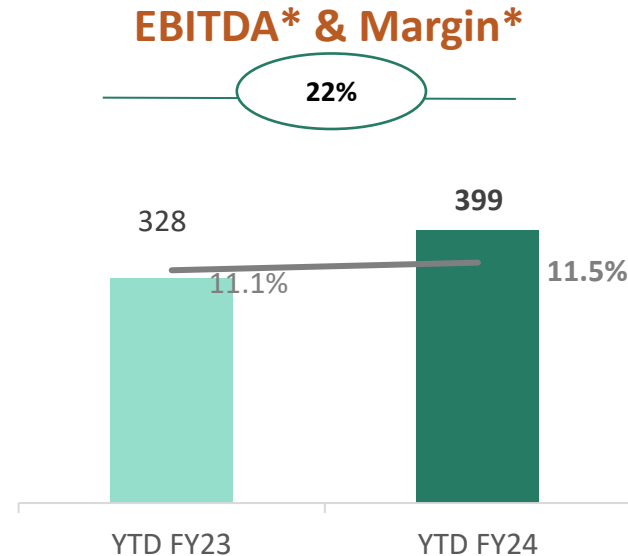
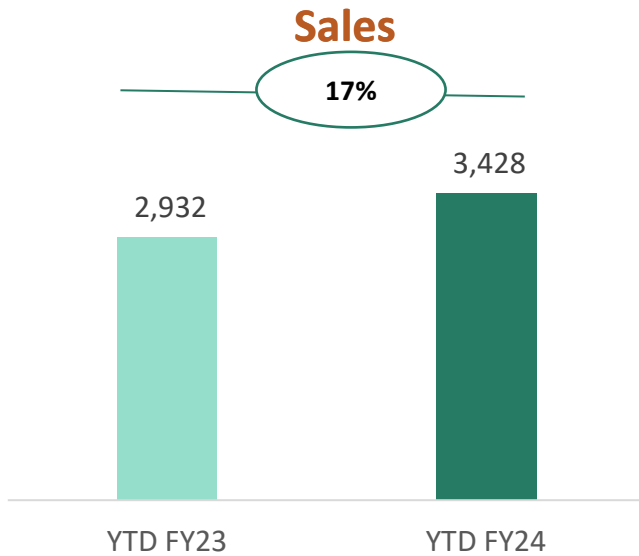
STANDALONE – PERFORMANCE HIGHLIGHTS

All amounts are in “₹ Crore” Oil Engines

Quarterly



YTD Dec



* Numbers excluding provision/(reversal) for overdue receivables made for a customer towards sales made in previous year. For details, please refer 'Note to the Unaudited Financial Results' published on the stock exchanges.

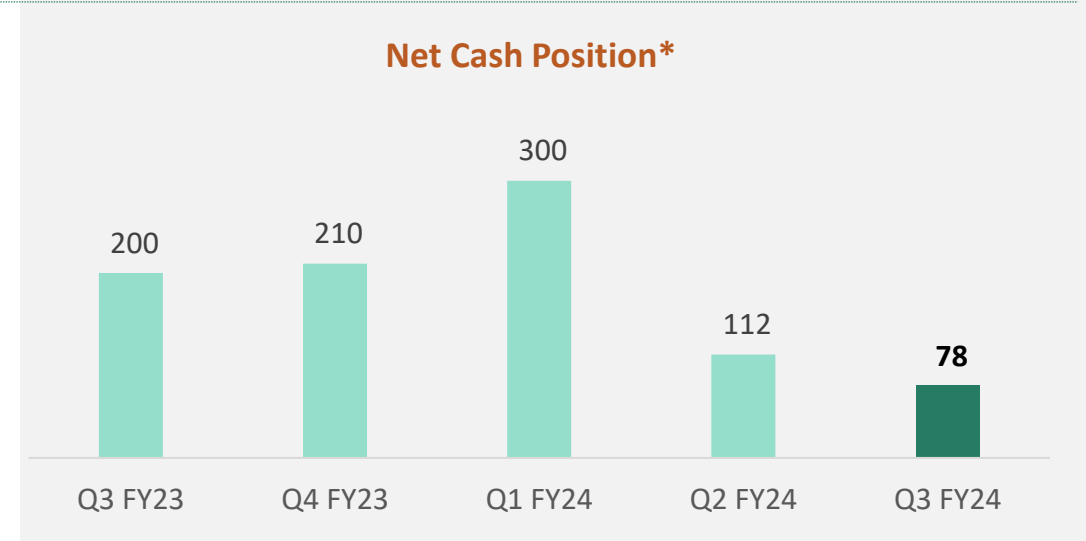
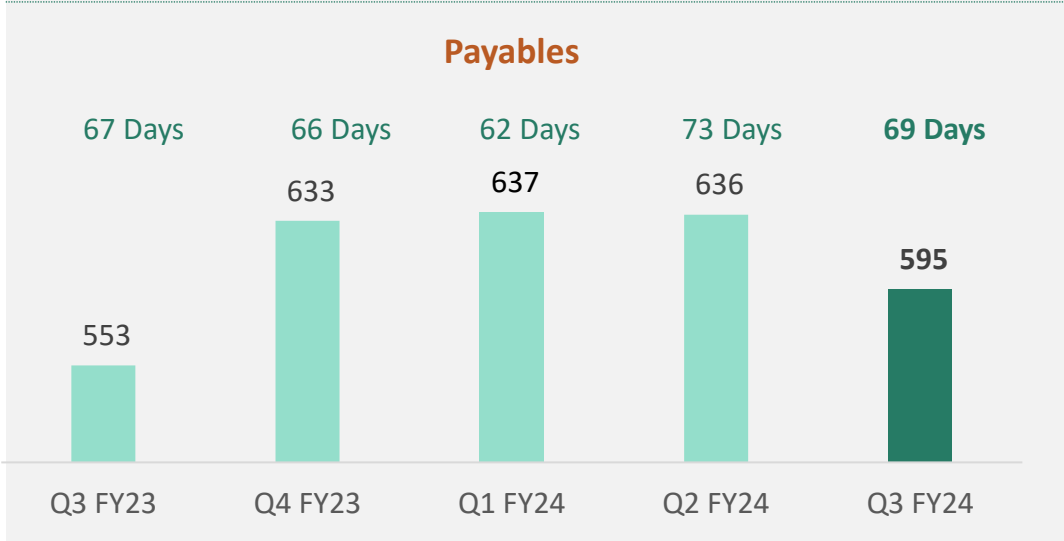
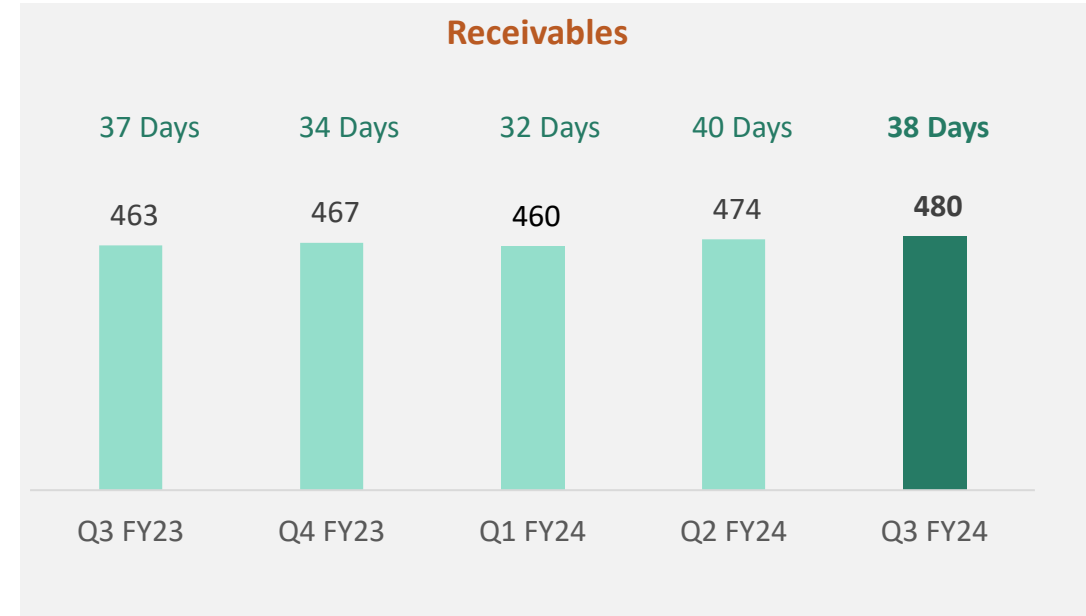
STANDALONE - PROFIT AND LOSS STATEMENT

All amounts are in "₹ Crore"

Particulars	Q3 FY24	Q2 FY24	QoQ	Q3 FY23	YoY	YTD FY24	YTD FY23	YoY
Net Sales	1,125.4	1,047.3	7%	989.6	14%	3,428.4	2,931.9	17%
Other Operating Income	9.8	11.7	-16%	10.5	-7%	30.5	31.7	-4%
Revenue from operations	1,135.2	1,059.0	7%	1,000.1	14%	3,458.9	2,963.6	17%
Raw Material	749.3	708.1	6%	677.1	11%	2,322.7	2,012.2	15%
Employee Costs	79.2	74.4	7%	61.2	29%	219.4	173.4	27%
Other Expenses	173.8	177.8	-2%	152.5	14%	530.7	449.7	18%
EBITDA	132.9	98.6	35%	109.4	21%	386.0	328.3	18%
EBITDA Margin %	11.7%	9.3%	2.4%	10.9%	0.8%	11.2%	11.1%	0.1%
Other Income	5.7	6.4	-11%	5.5	3%	19.0	15.5	23%
Depreciation	25.7	24.3	5%	21.2	21%	71.3	63.1	13%
Interest	2.0	1.6	24%	1.9	4%	4.9	4.0	22%
PBT	110.9	79.1	40%	91.7	21%	328.7	276.6	19%
Tax	28.7	20.5	40%	23.6	22%	84.7	71.3	19%
PAT	82.2	58.6	40%	68.2	21%	244.0	205.4	19%
PAT Margin %	7.2%	5.5%	1.7%	6.8%	0.4%	7.1%	6.9%	0.2%

STANDALONE WORKING CAPITAL AND NET CASH POSITION

All amounts are in “₹ Crore” Oil Engines



Notes :

- 1) No. of days has been calculated using average value and TTM (Trailing Three Months method)
- 2) *Net of debt; includes treasury investments and excludes unclaimed dividends.

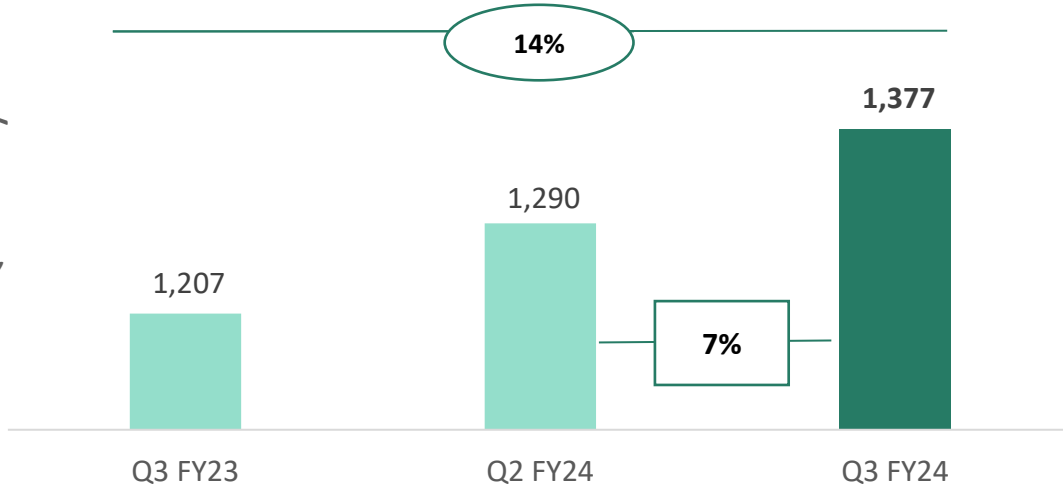


CONSOLIDATED – PERFORMANCE HIGHLIGHTS

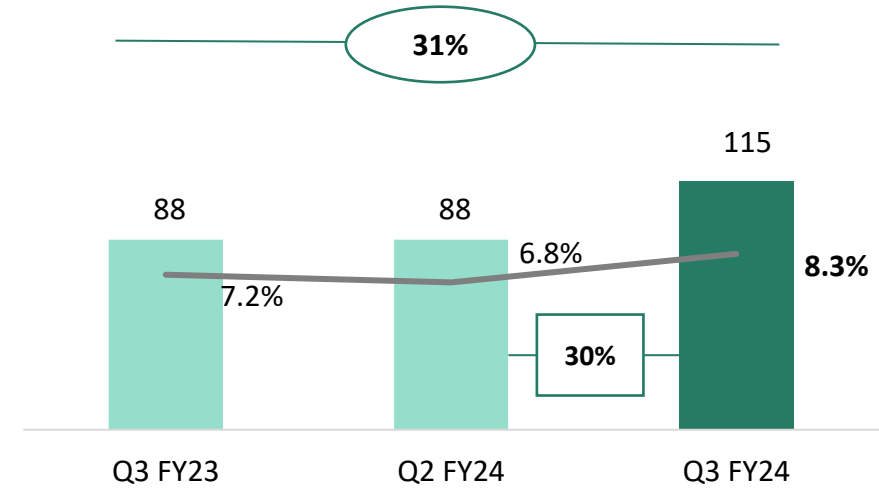
All amounts are in “₹ Crore” Oil Engines

Sales

Quarterly

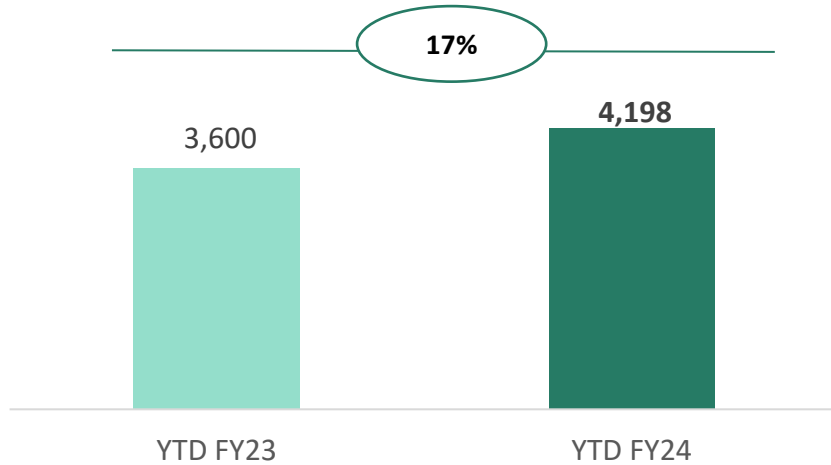


PAT* & Margin*

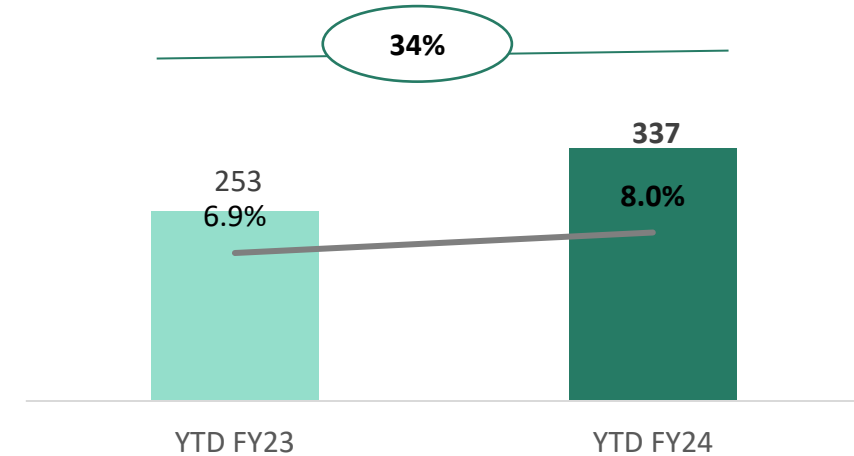


Sales

YTD Dec



PAT* & Margin*



* Numbers excluding provision/(reversal) for overdue receivables made for a customer towards sales made in previous year. For details, please refer 'Note to the Unaudited Financial Results' published on the stock exchanges.

CONSOLIDATED - PROFIT AND LOSS STATEMENT

All amounts are in "₹ Crore"

Particulars	Q3 FY24	Q2 FY24	QoQ	Q3 FY23	YoY	YTD FY24	YTD FY23	YoY
Net Sales*	1,377.4	1,289.7	7%	1,207.2	14%	4,197.6	3,599.8	17%
Other Operating Income	12.7	15.1	-16%	13.2	-4%	40.7	40.2	1%
Revenue from operations	1,390.1	1,304.8	7%	1,220.4	14%	4,238.3	3,640.0	16%
Other Income	7.6	7.8	-4%	6.4	17%	21.5	17.1	25%
Total Income	1,397.7	1,312.7	6%	1,226.9	14%	4,259.8	3,657.0	16%
Raw Material	804.7	772.4	4%	750.4	7%	2,528.1	2,276.6	11%
Employee Costs	111.5	103.1	8%	86.7	29%	303.9	243.1	25%
Other Expenses	217.3	227.6	-5%	190.8	14%	681.4	573.7	19%
Depreciation	31.0	29.9	4%	25.6	21%	87.7	78.5	12%
Interest	81.4	74.0	10%	57.2	42%	231.9	145.9	59%
Share of net profit of joint venture accounted for using the equity method (net of tax)	0.7	(0.4)	276%	0.4	67%	1.0	0.9	14%
PBT before exceptional items	152.5	105.3	45%	116.5	31%	427.8	340.1	26%
Exceptional items - (Expenses) / Income	(30.9)	-	-	-	-	(30.9)	-	-
PBT	121.6	105.3	15%	116.5	4%	396.9	340.1	17%
Tax	32.2	27.4	18%	28.4	13%	104.0	87.4	19%
PAT	89.4	78.0	15%	88.2	1%	292.9	252.7	16%
PAT Margin %	6.4%	6.0%	0.5%	7.2%	-0.8%	6.9%	6.9%	0.0%

*Net Sales includes revenue from financial services business

SEGMENT RESULTS - CONSOLIDATED

All amounts are in "₹ Crore"

Particulars	Q3 FY24	Q2 FY24	QoQ	Q3 FY23	YoY	YTD FY24	YTD FY23	YoY
Segment Revenue								
B2B	984.0	917.6	7%	872.8	13%	3,007.2	2,582.1	16%
B2C	259.1	260.4	0%	250.7	3%	829.0	800.0	4%
Financial Services	147.0	126.8	16%	96.9	52%	402.1	257.9	56%
Revenue From Operations	1,390.1	1,304.8	7%	1,220.4	14%	4,238.3	3,640.0	16%
Segment Results								
B2B	105.9	75.5	40%	92.2	15%	313.8	261.1	20%
B2C	12.3	6.3	95%	3.6	242%	36.0	17.5	105%
Financial Services [#]	37.0	25.1	48%	22.8	63%	83.6	65.6	27%
Unallocated	0.6	1.4	-57%	2.3	-73%	3.7	7.4	-50%
Total	155.8	108.4	44%	120.9	29%	437.1	351.6	24%
Less:								
Finance Costs*	3.4	3.0	11%	4.3	-22%	9.3	11.5	-19%
Exceptional items**	30.9	-	-	-	-	30.9	-	-
Profit Before Tax	121.6	105.3	15%	116.5	4%	396.9	340.1	17%

*Other than the interest pertaining to the "Financial Services" segment

[#] Profit/(Loss) before tax and after interest

** Exceptional item related to financial services business i.e. provision recorded for the investment in alternative investment funds on account of regulatory change in Q3FY24.

For Further Information Please Contact:

KOEL Company Secretary

Ms. Smita Raichurkar

Tel: (020) 25810341(Extn- 4461)

Email: smita.raichurkar@kirloskar.com

Group Investor Relations

Ms. Mayura Bhusari

Tel: (020) 67060374

Email: mayura.bhusari@kirloskar.com