

KET/SEC/SE/2023-24/29

July 21, 2023

BSE Limited

Floor 25, Phiroze Jeejeebhoy Tower,
Dalal Street,
Mumbai – 400 001

Scrip Code: 524109

National Stock Exchange India Ltd.

Exchange Plaza, C-1, Block-G,
Bandra Kurla Complex, Bandra (East),
Mumbai-400051

Stock Code: KABRAEXTRU

Sub: Investor Presentation -30th June 2023

Dear Sirs,

Pursuant to Regulation 30 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, we are enclosing herewith a copy of the Investor Presentation for the quarter ended 30th June 2023, which will be also available on the Company's website viz. <https://www.kolsite.com>

Please take the same on your records.

Thanking you,

Yours faithfully,

For **Kabra Extrusiontechnik Limited**

Antony Alapat
Company Secretary

KET/SEC/SE/2023-24/28

www.kolsite.com

July 21, 2023

A Kolsite Group Company

Kabra Extrusiontechnik Ltd.

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CIN - L28900MH1982PLC028535





Kabra ExtrusionTechnik Ltd

Investor Presentation | July 2023

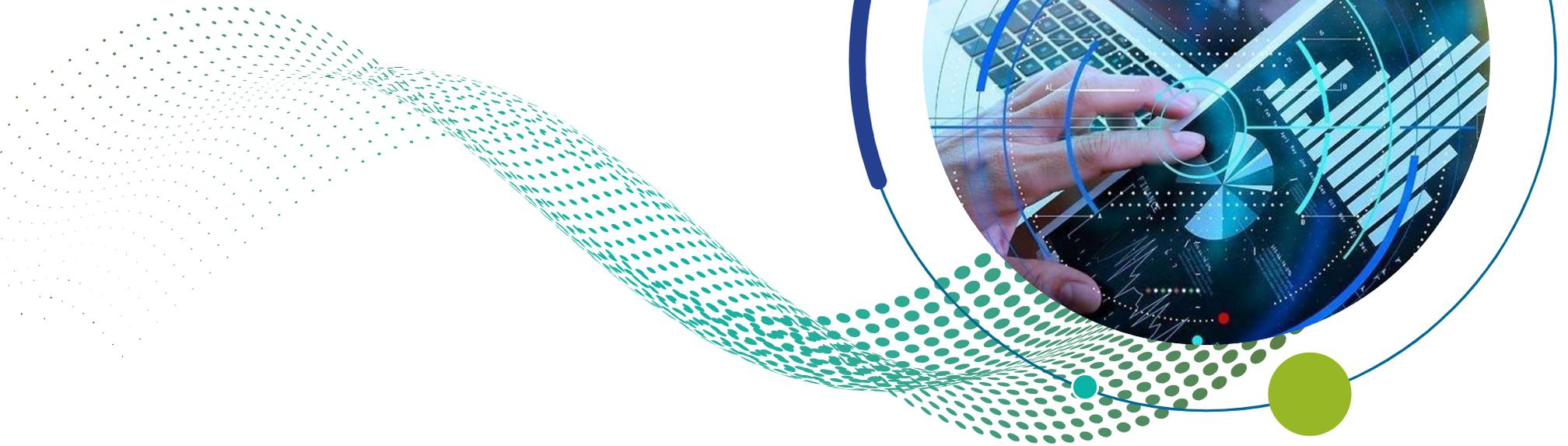


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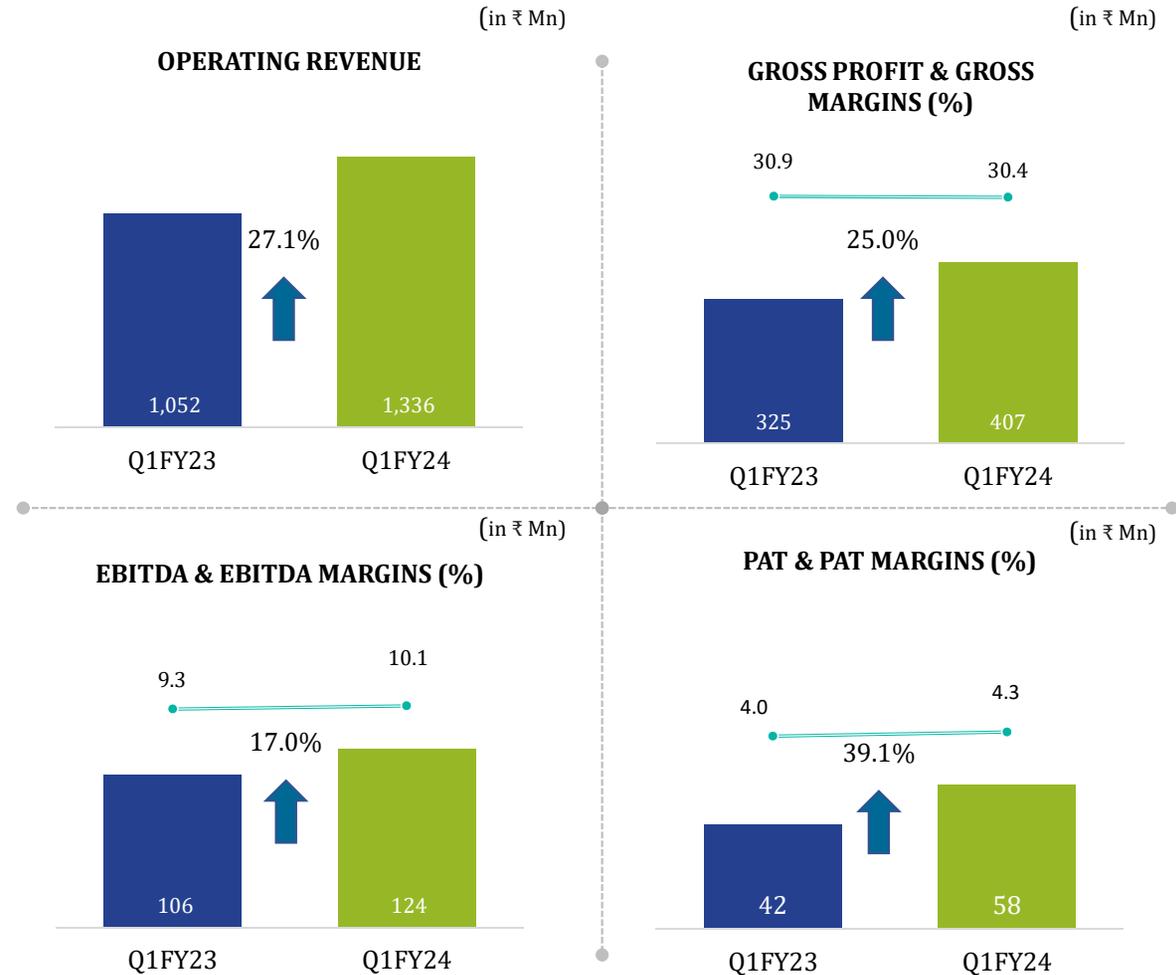


Financial Highlights



Consolidated Quarterly Highlights

- Operating revenues grew by 27.1% YoY to ₹ 1,336 Mn in Q1 FY24
- EBITDA surged by 17.0% YoY to ₹ 124 Mn during the quarter
- PAT grew by 39.1% YoY to ₹ 58 Mn in Q1 FY24

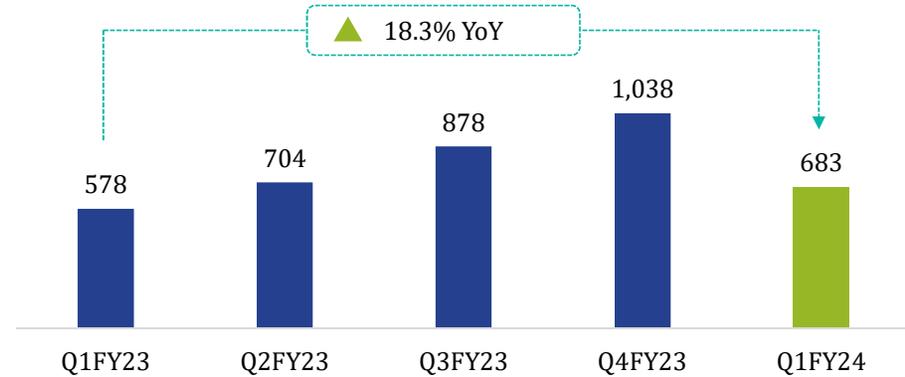


Quarter-wise Operational Highlights

(in ₹ Mn)

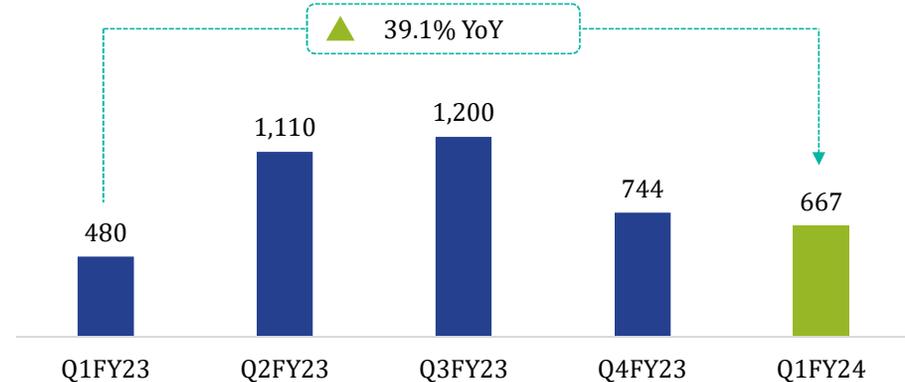
- Extrusion Machinery revenues grew by 18.3% YoY at ₹ 683 Mn in Q1 FY23
- Battrix revenues surged by 39.1% YoY to ₹ 667 Mn in Q1 FY24
- Battrix anticipates demand recovery with the onset of the upcoming festive season

EXTRUSION MACHINERY REVENUES



(in ₹ Mn)

BATTRIX REVENUES



Consolidated Profit & Loss Statement: Q1 FY24



(in ₹ Mn)

Particulars	Q1FY24	Q1FY23	YoY	FY23
Revenues	1,336	1,052	27.1%	6,700
Cost of Goods Sold	930	726	28.0%	4,862
Gross Profit	407	325	25.0%	1,838
<i>Gross Profit margin (%)</i>	30.4%	30.9%	(50 bps)	27.4%
Employee Expenses	140	107	31.5%	477
Other Expenses	143	113	26.4%	620
EBITDA	124	106	17.0%	741
<i>EBITDA margin (%)</i>	9.3%	10.1%	(80 bps)	11.1%
Depreciation & Amortization	37	33	14.1%	136
EBIT	87	73	18.4%	605
Finance Cost	24	16	57.0%	91
Other Income	13	6	118.6%	32
EBT before Exceptional Items	75	64	18.2%	546
Share in P/L of JV & Associates	2	(2)	N.A.	(3)
EBT after Exceptional	77	62	24.9%	543
Tax	20	20	(3.9%)	168
PAT	58	42	39.1%	375
<i>PAT margin (%)</i>	4.3%	4.0%	37 bps	5.6%
EPS (in ₹)	1.65	1.19	39.1%	10.72

Consolidated Balance Sheet Statement



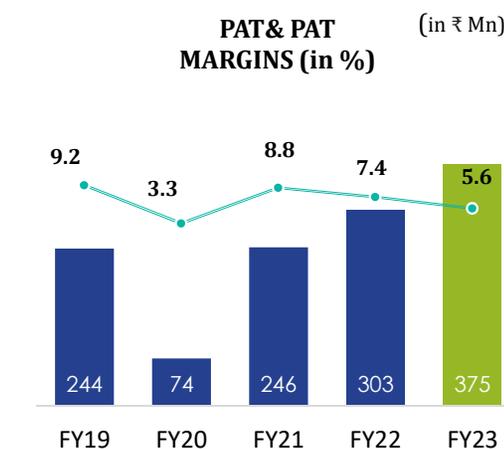
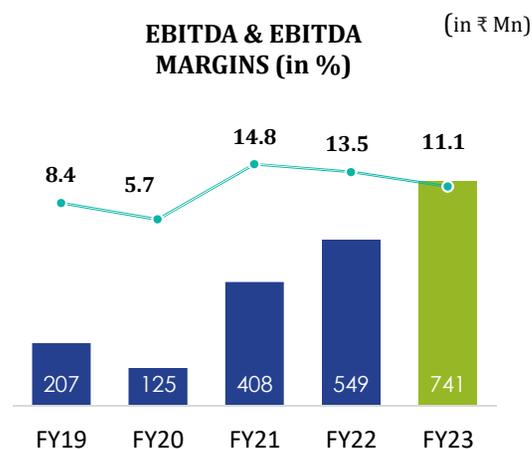
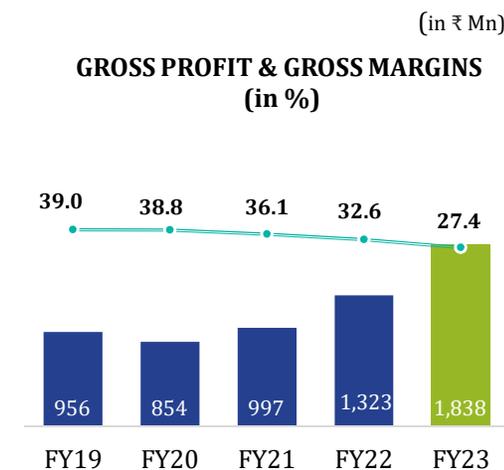
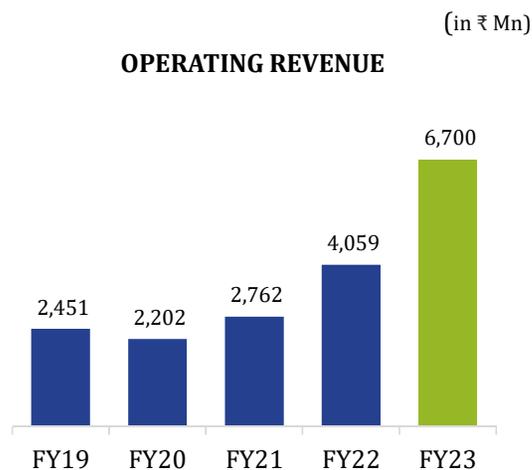
(in ₹ Mn)

Particulars	FY19	FY20	FY21	FY22	FY23
ASSETS					
Non-current Assets	1,664	1,738	1,966	2,028	2,098
Current Assets	1,762	1,955	2,025	3,657	4,250
TOTAL ASSETS	3,426	3,694	3,991	5,685	6,348

EQUITY AND LIABILITIES					
Equity	2,461	2,322	2,781	3,289	3,835
Non-current Liabilities	27	170	163	242	236
Current Liabilities	938	1,202	1,047	2,154	2,277
TOTAL EQUITY AND LIABILITIES	3,426	3,694	3,991	5,685	6,348

Consolidated Financial Highlights

- Operating revenues grew by 28.6% CAGR during FY19-23
- EBITDA recorded 37.6% CAGR during FY19-23
- PAT grew by 11.4% CAGR during FY19-23

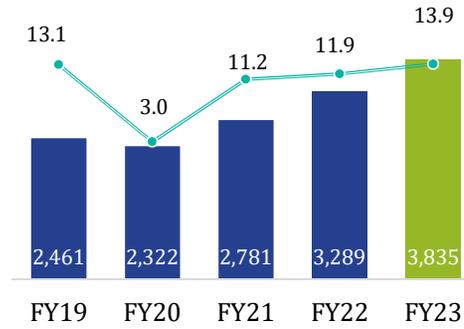


Key Financial Ratios

○ Continues to fuel expansion plans by displaying financial prudence with a low debt stance

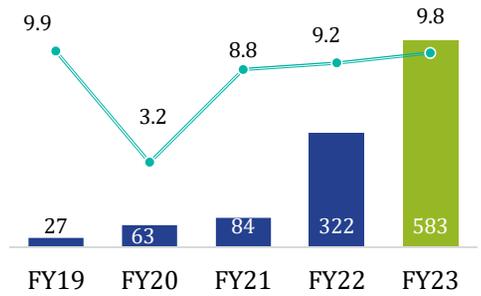
(in ₹ Mn)

NETWORTH & ROCE



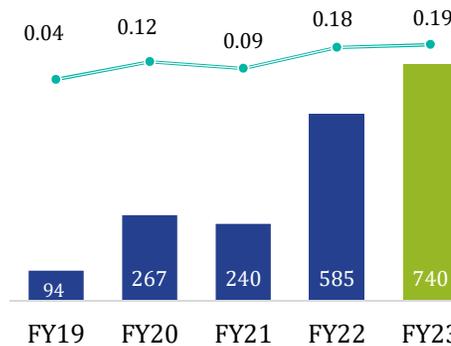
(in ₹ Mn)

CASH & CASH EQUIVALENTS & ROE



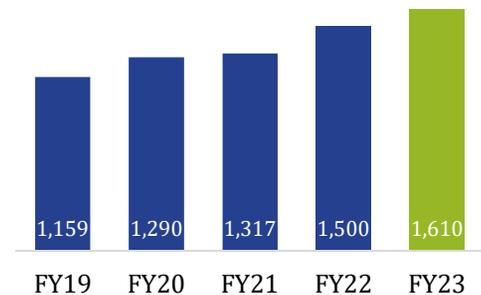
(in ₹ Mn)

DEBT & DEBT-EQUITY



(in ₹ Mn)

PROPERTY, PLANT & EQUIPMENT



Company Snapshot



Company Snapshot



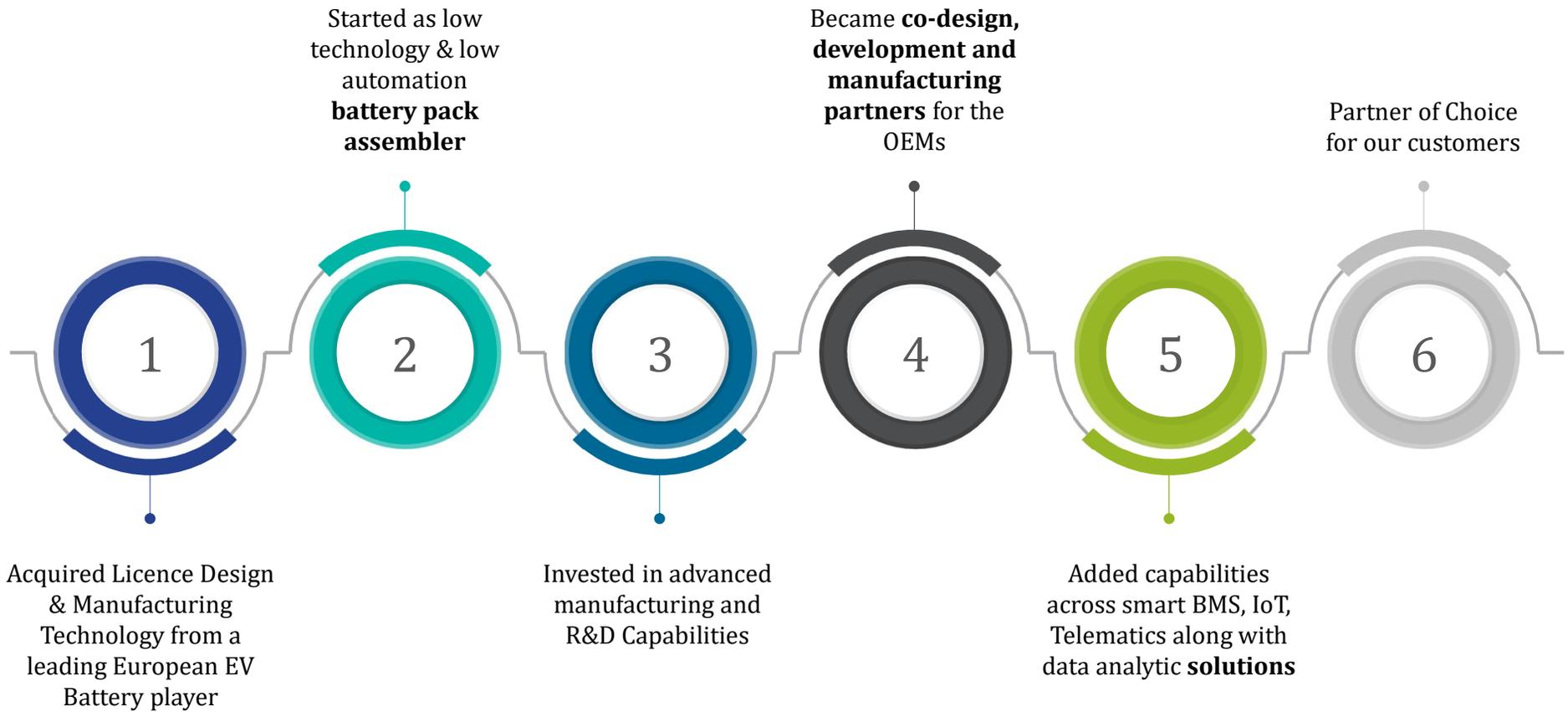
Particulars	Extrusion Machinery Business (Established Market Leader)	Battrix (Emerging Leader in an EVolving Segment)
Business Overview	<ul style="list-style-type: none"> India's premier manufacturer & exporter of extrusion plants Presence in 100+ countries with +15,000 installations 	<ul style="list-style-type: none"> Battrix is a battery related solutions for electric mobility and energy storage Battery & related components constitutes ~35-45% of cost in an Electric Vehicle
Products	<ul style="list-style-type: none"> Blown Film Lines, Pipe Extrusion Lines, Sheet Extrusion Lines, Compounding Lines and Auto Feeding Systems 	<ul style="list-style-type: none"> Battery Packs across multiple chemistries, Battery Management Systems (BMS) and IoT Solutions
Industry Application	<ul style="list-style-type: none"> Packaging Industry, Infrastructure & Construction, Telecom and Plasticsulture 	<ul style="list-style-type: none"> E 2 Wheelers, E 3 Wheelers, LCV and Swapping Stations
Market Share*	<ul style="list-style-type: none"> Industry leader with 40% market share (FY23) 	<ul style="list-style-type: none"> Captured 18% market share in the lithium-ion batteries in its segment (FY23)
Revenue & EBIT [FY23 & Q1 FY24]	<ul style="list-style-type: none"> Revenue: INR 3,198 Mn / INR 683 Mn EBIT: INR 366 Mn / INR 93 Mn 	<ul style="list-style-type: none"> Revenue: INR 3,534 Mn / INR 667 Mn EBIT: INR 273 Mn / INR 7 Mn

* As per the Company's estimates

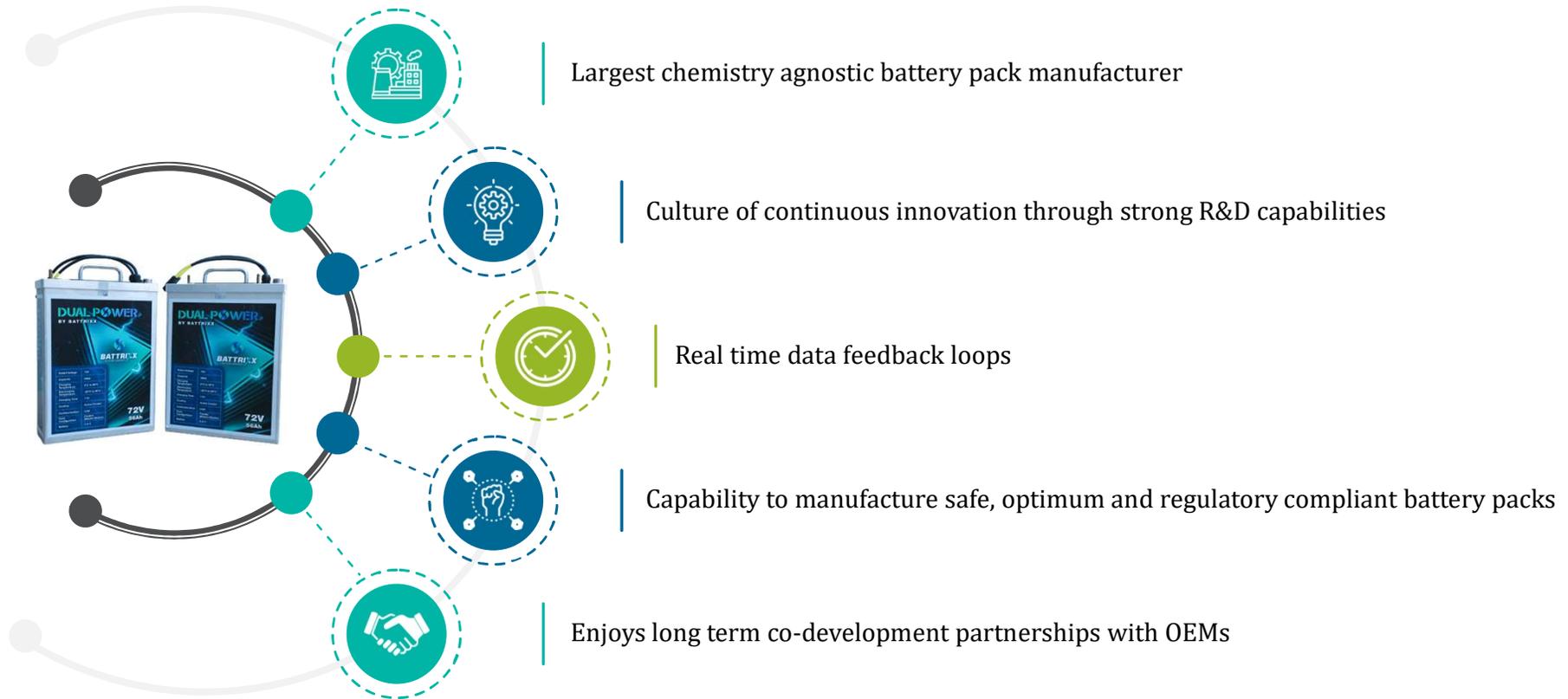
Battrixx Business



Our Journey so Far



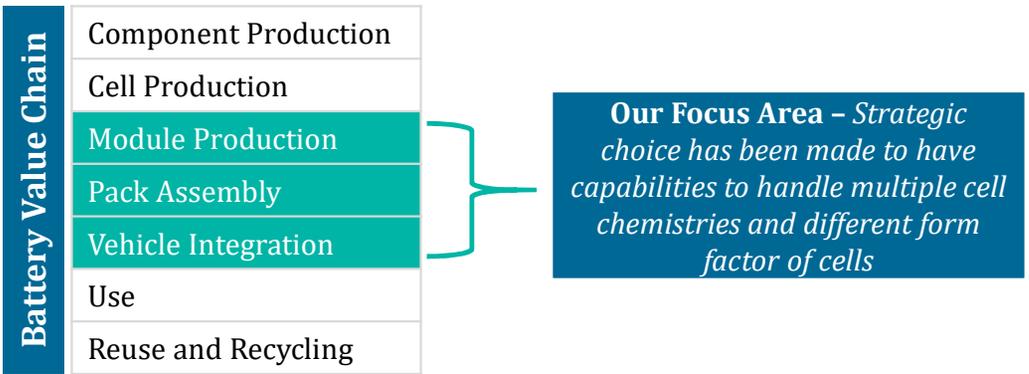
Battrixx – Where We Aspire for Leadership



Largest Chemistry Agnostic Battery Pack Manufacturer



Strategic choices made – (i) Not Manufacturing Cells (ii) Capabilities to Handle Multiple Chemistries & Types of Cells



One of the few players with

- **The ability to handle multiple chemistries & types of cells**
 - Chemistries – LFP, NMC, NCA, etc.
 - Types of Cells - Prismatic & Cylindrical
- **Expertise across Electrical & Electronics**
 - Smart BMS
 - IoT & Telematics
 - Data Analytics Solutions
- **IATF approved manufacturing facility**

Accomplished Leadership in E 2 Wheelers and Extending the Product Portfolio into other Categories

E 2 Wheelers	18 % market share	Existing Category
E 3 Wheelers	Penetrate in Q4FY24	Near Term Plan
E Light Commercial Vehicles		
E 4 Wheelers		
E Tractors	Long Term Plan	
E Buses		
Energy Storage Services (ESS)		

Building an Ecosystem for Continuous Innovation

R&D Access

Inhouse Engineering & Design Team

Acqui-hired Team from Varos Technologies

Access to Global Universities

Foreign Collaborations

Areas worked upon

Future Chemistries

Electronics & Data Analytics

Absorb Technology & Customize it for Local Conditions

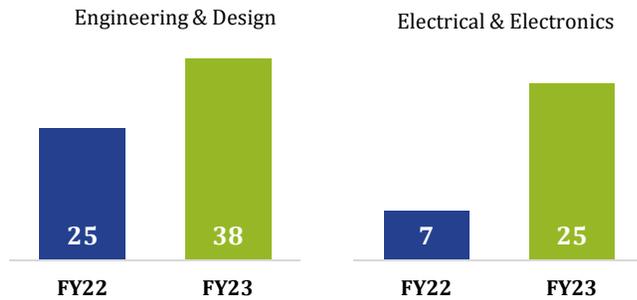
Designs and Tests Prototypes

Goals

To be a preferred partner to OEMs for providing futuristic customer centric products & solutions

Investing in R&D for Sustainable Growth

Growing R&D Human Capital



Targeting 100+ R&D Human Capital by FY24

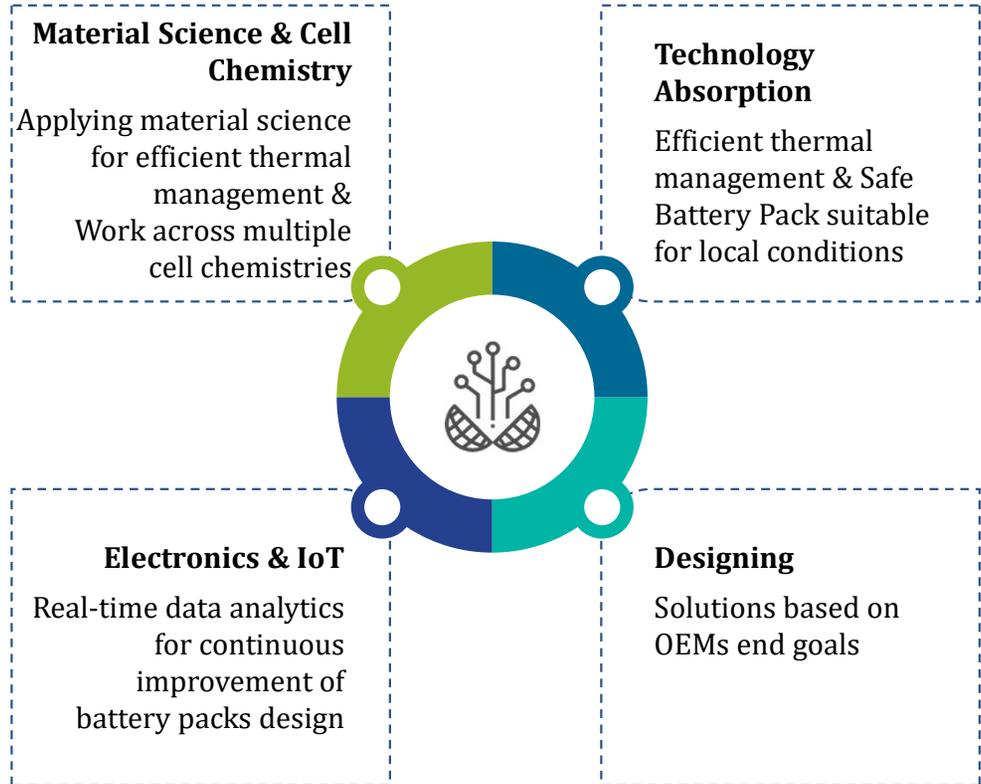


Increasing Intellectual Property Access

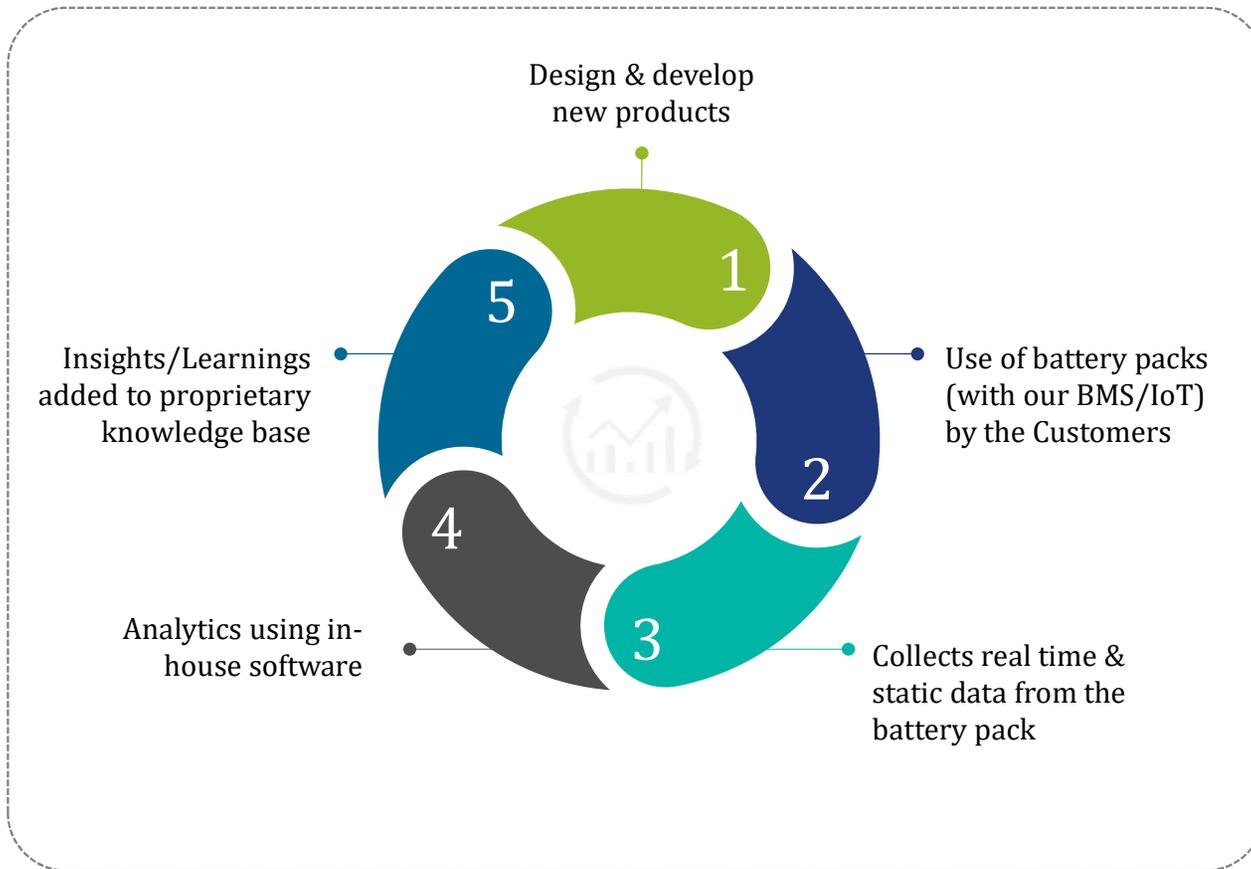
- 1 Technology Tie-up with European Company
- 4 Access to Indian & Global Universities



Working towards Future Innovations



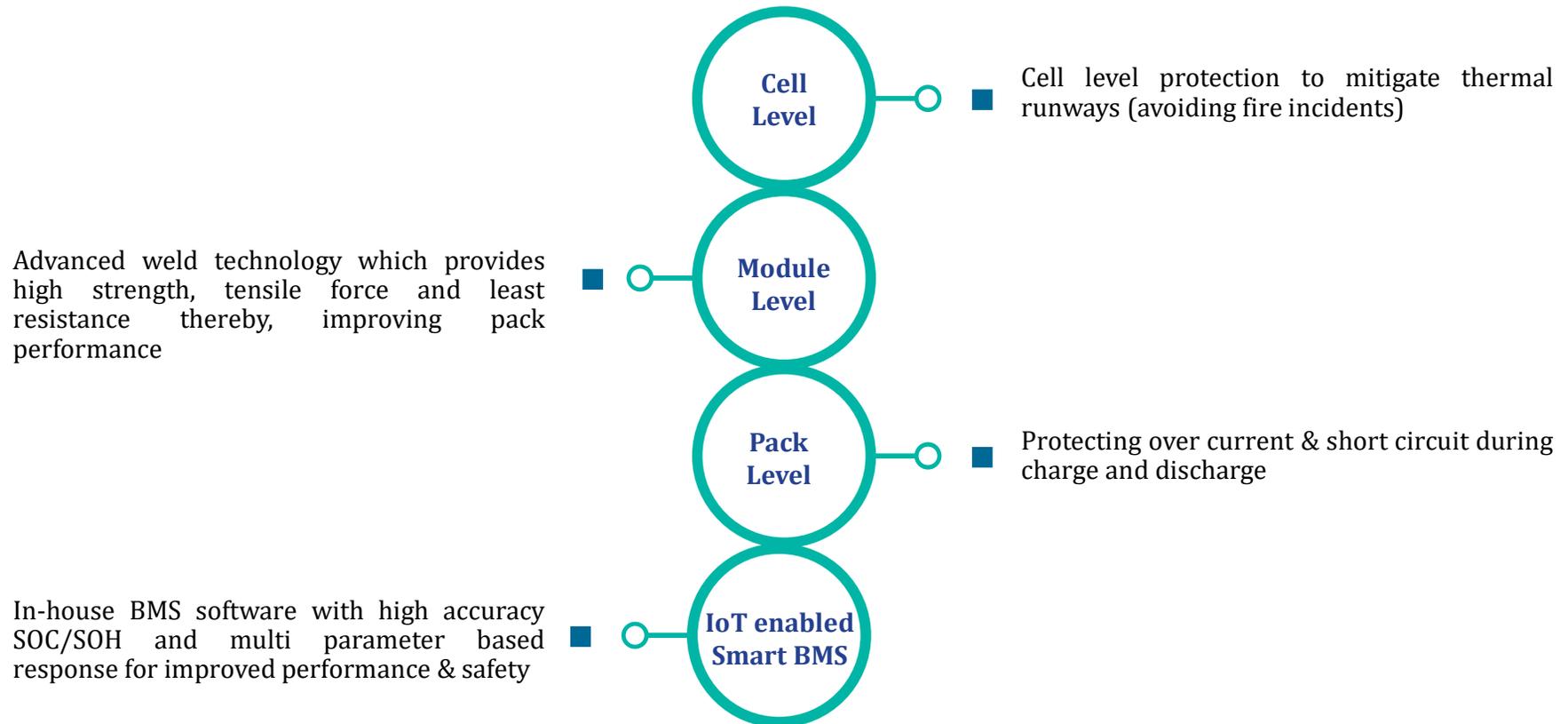
Harnessing Data for Continuous Improvement



- Data collected from battery packs helps in designing more efficient battery packs improving our **right to win**. 90%+ of customer now use Battrixx designed products as compared to less than 40% a year ago
- More customers (higher volumes) helps us gather more data creating a **network effect**
- Relevant learnings are also shared with the customers to enhance their end product leading to **enhanced customer stickiness**

Safe & Custom-made Optimized Battery Packs

Safety and Performance Optimization are integrated at every level of battery design



Enduring & Growing Partnerships with OEMs



Success Story 1: New Client Win

- Engaged with the prospective client to understand their specific requirements
- R&D team proposes improvements in the OEM's current battery & builds an optimized prototype
- The prospective client visits Battrix facility with an aim to procure the proposed battery pack from October 2022
- However, Battrix high quality manufacturing facility & safety standards prompts the OEM to place order for supply in July 2022, thereby enhancing the customer's delight

Success Story 2: Increased OEM's Wallet Share

- An existing & growing large OEM client experienced higher demand for their products
- The OEM increased their requirements by 1.5x in a span of two months
- Battrix's team fulfils the OEM requirements while ensuring consistent quality and safety protocols
- This eventually led to 60% of OEM's requirement being fulfilled by Battrix as compared to 10% earlier

Prototypes Manufactured



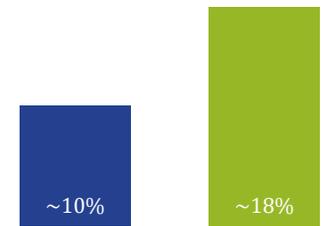
New Products Launched



OEM Partnership



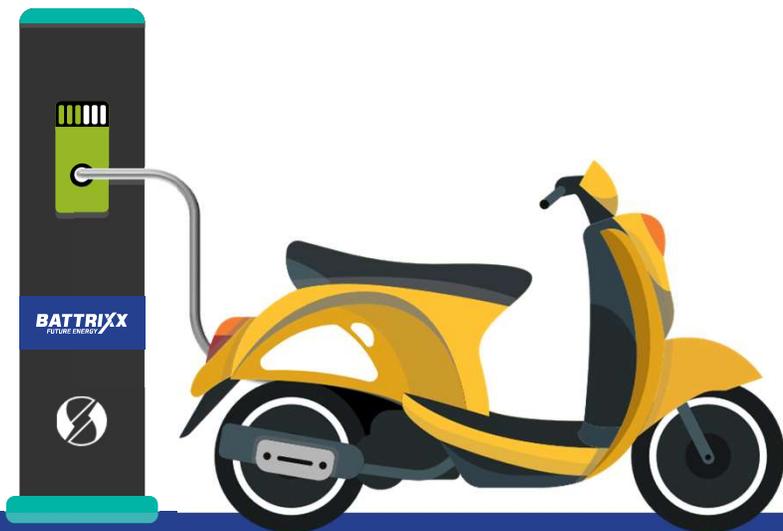
Battrix - Market Share



First EV Battery Pack Manufacturer Accredited with ARAI Certification



- Battrixx was the first EV battery-pack manufacturer to be accredited with ARAI certification under AIS 156 Amendment III Phase 2 for its batteries, conceptualized and designed in-house strategically with Hero Electric's R&D team
- Battrixx latest battery packs offers enhanced performance maintaining the highest safety standards



Our Point of View

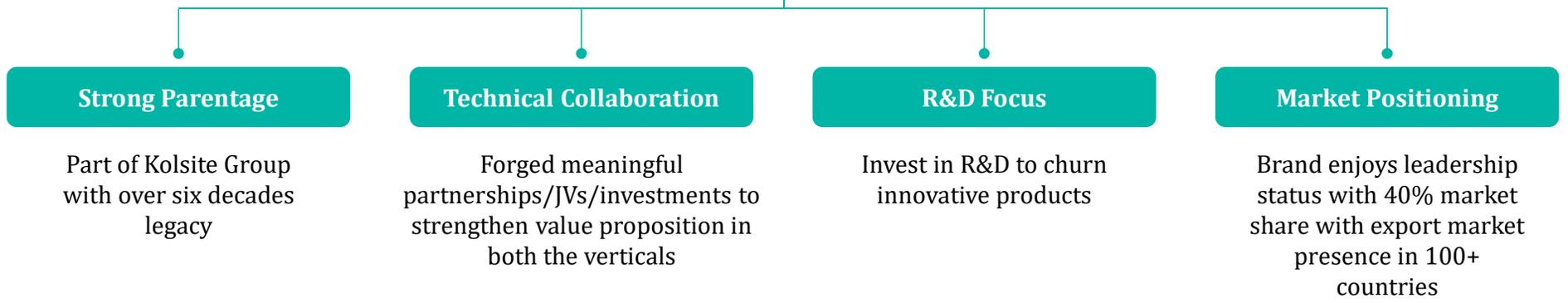
- With standards/requirements gets stringent, the value proposition of organized manufacturers like Battrixx gets stronger
- E 2 Wheelers / E 3 Wheelers industry is highly fragmented and is expected to remain fragmented (Source: Bernstein Electric Revolution 2022 Report). This hinders the ability of the smaller players to invest in R&D which augments Battrixx value proposition even further

							
IP67 Water proof battery	A/V warning system (safety Alarm)	Pressure Release Vent	Temperature Alarm	Multiple Fuses	Cell Traceability	Data Logging as per IS17387	RFID Tag Reading & Writing

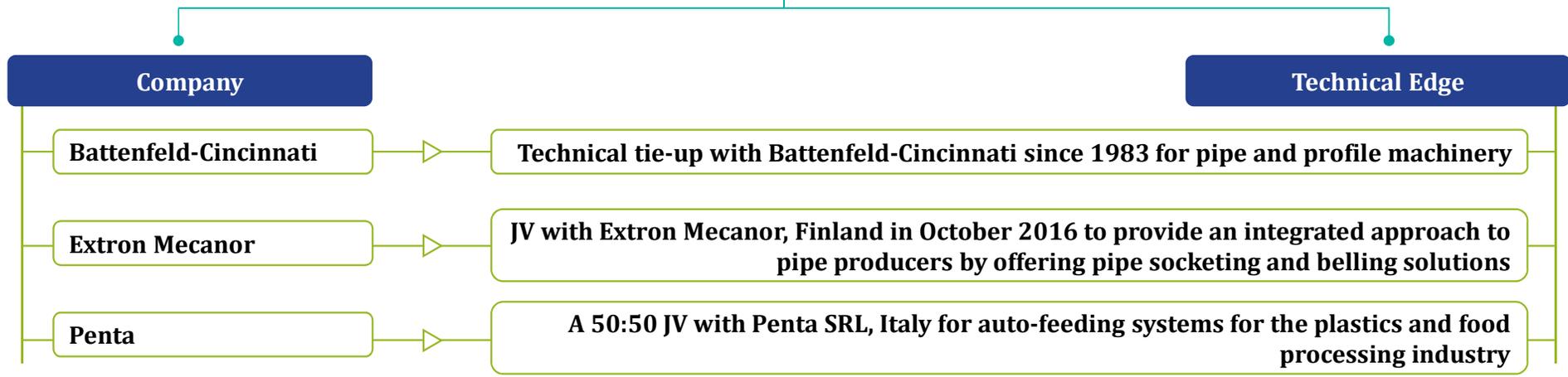
Extrusion Machinery Business



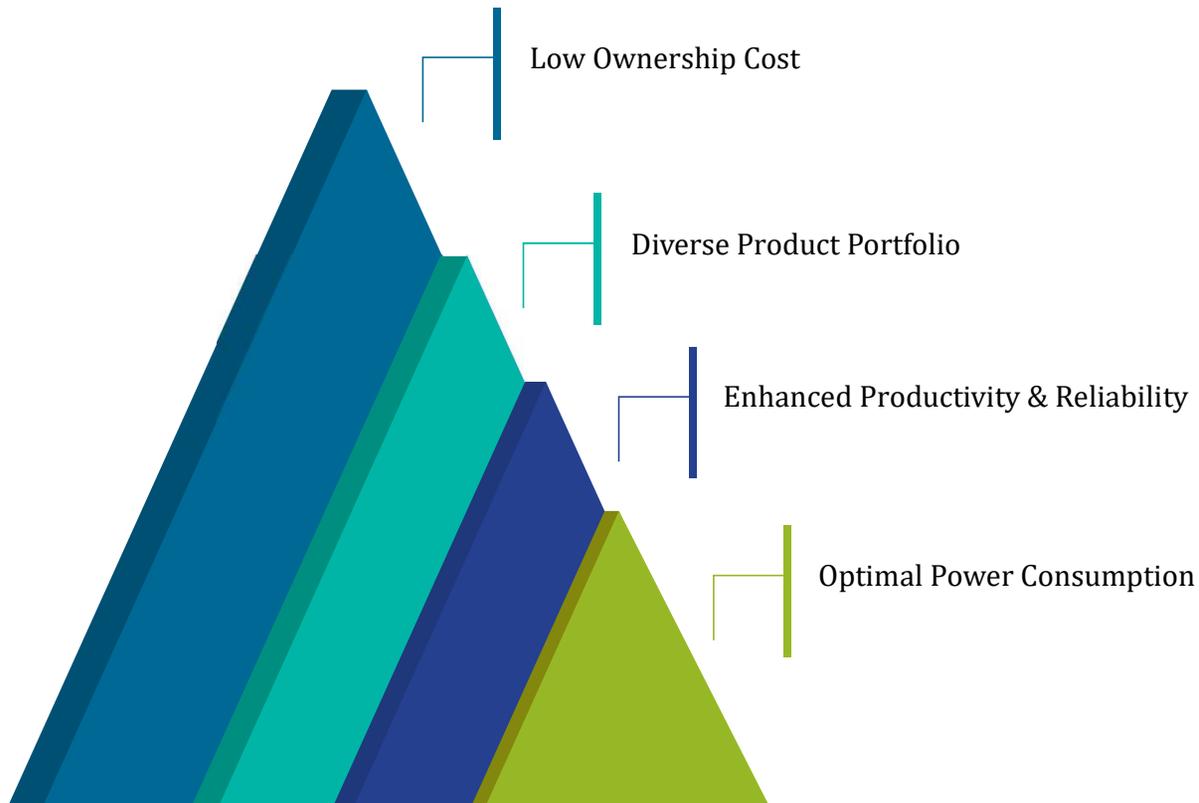
Pillars of Strength



Get. 'Tech'. Set

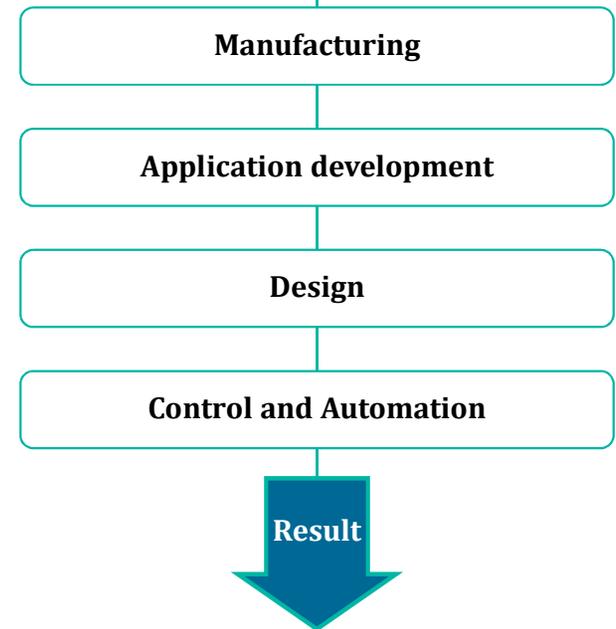


Customer Centric Approach



R&D's: Drip Line Success Story

Continual Improvement towards Diverse Areas



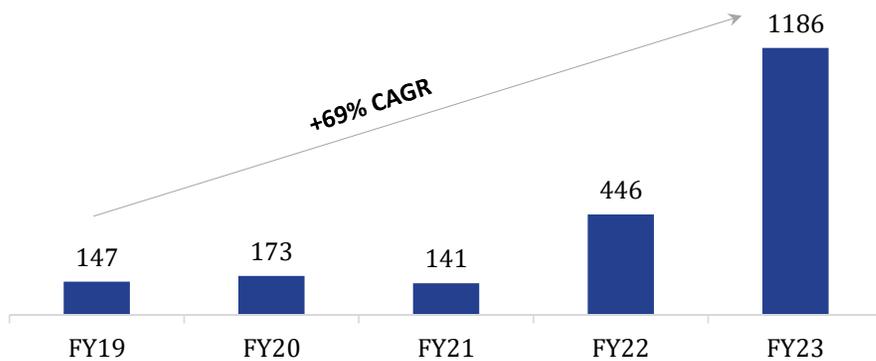
Create new range of Pipe & Film Plants and other innovative products

Annexures



EV: Industry Dynamics

**EV Sales growth in India FY19-23
(in '000s units)**



Source: Society of Manufacturers of Electric Vehicles (SMEV)

Increase in EV sales at CAGR of 69% (FY19 to FY23) on back of government initiatives like:

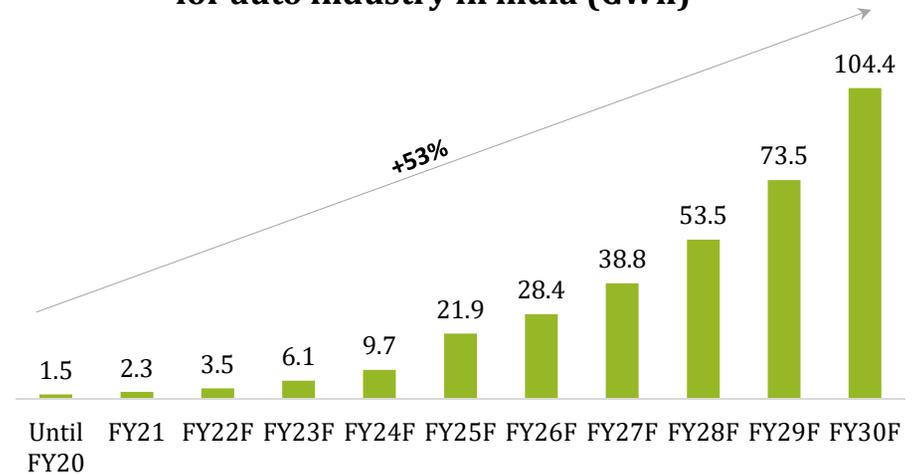


- Launch of demand incentives under FAME I and FAME II
- Reduction of applicable GST rates (from 12% to 5%)

As per RBSA Advisors, a consultancy firm, the industry is further expected to grow from -US\$79 billion in 2021 to **US\$150 billion in 2030.**

Source: International Council of Clean Transportation, CEEW Center of Energy Finance, Press release

**Annual Lithium-ion battery capacity additions
for auto industry in India (GWh)**



Source: JMK Research in collaboration with The Institute for Energy Economics and Financial Analysis (IEEFA)

EV battery demand to increase by 53% in 2030 aided by:



- Expected shift in buying patterns toward EVs
- Strong government support including, encouragement for developing new business models for batteries
- Large-scale deployment plans for commercial vehicles expected by 2028

EVs and Component Manufacturing: Policy Support

Steps taken by the government to localize EV and component manufacturing

2015

Launched FAME I scheme with an initial outlay of INR100 crores to achieve fuel security and sustainable environment through EVs.

2018

Increased the outlay to INR 895 crore under the FAME I scheme to create a local ecosystem of EV and components manufacturing.

2019

Approved the extension of the FAME I scheme with an outlay of INR 10,000 crore for 3 years to create a favorable demand for advanced battery and registered vehicles.

2021

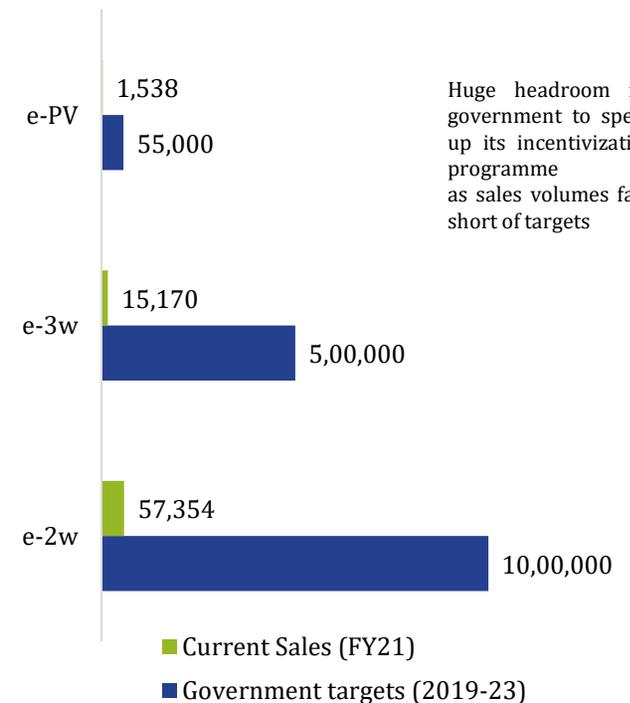
- Launched National Programme on Advanced Chemistry Cell (ACC) Battery Storage to bring down battery prices in subsequent years
- Earmarked an outlay of INR 18,100 crore for building giga factories (similar to Tesla) in India

2022

Announced the introduction of policy frameworks for battery swapping in the Union Budget 2022-23

Source: Press releases, CEEW Centre for Energy Finance

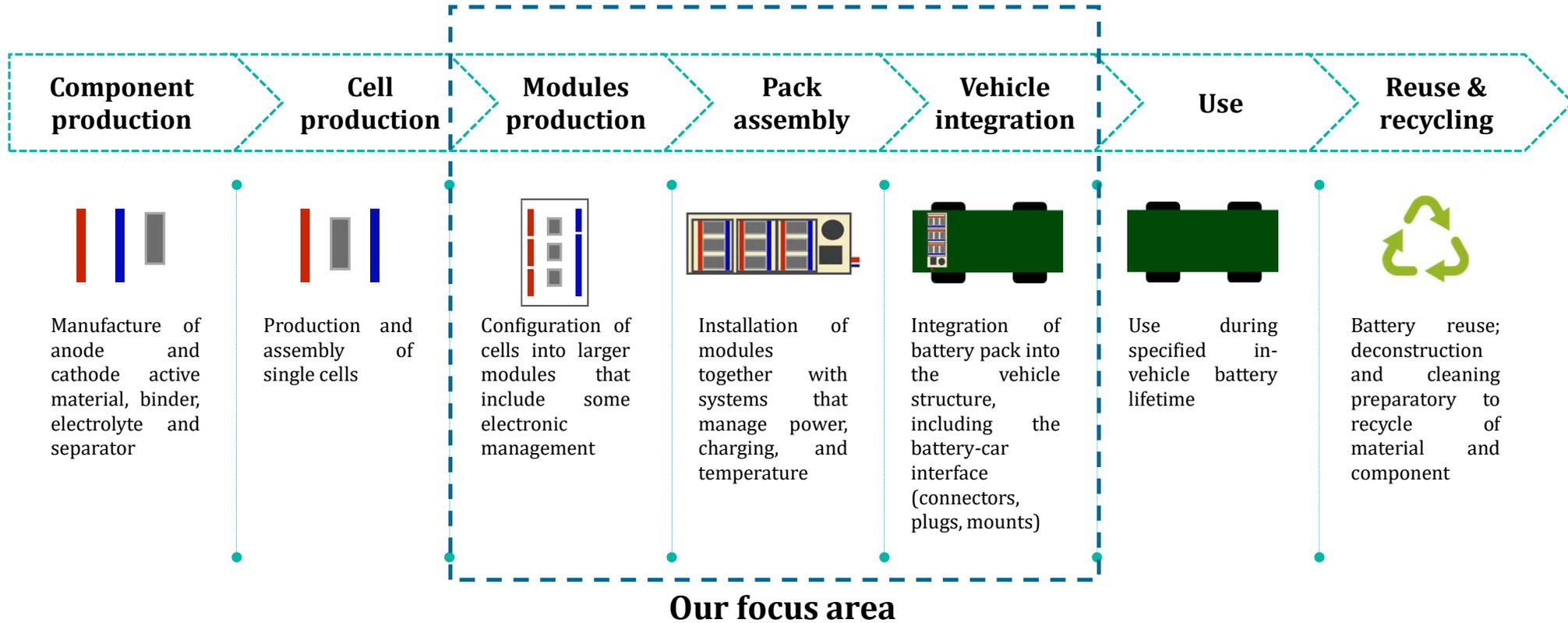
Fame II: Target vs: Actuals (FY21)
(in units)



Huge headroom for government to speed up its incentivization programme as sales volumes falls short of targets

Source: Jefferies

Battery Value Chain: Strategic Focus



Evolving Cell Chemistries

	Mainstream li-ion as of 2020	Current state-of-the-art (2020)	Solid-state breakthroughs (2020-2030)	Cathode breakthroughs (after 2030)	
	Li-ion	Improvement to Li-ion	Novel ways of incorporating high silicon in anode	Li-ion and solid state, Shift to li-metal anode	New cathode materials
				<i>Co-existence of Lib and solid-state Li-ion For different applications likely</i>	
+ Anode	Graphite/silicon Composite(<10% Si)	Graphite/silicon Composite(<10% Si)	Graphite/silicon Composite(<10-20% Si)	Graphite/silicon Composite	
				Li-metal	Li-metal
Electrolyte	Liquide and separator	Liquide and separator		Liquide and separator	Liquide and separator
				Polymer or ceramic solid	Polymer or ceramic solid
- Cathode	NCA, NMC 111, NMC 622, LFP	NCA, NMC 622, NMC 811, LFP or other high voltage material	NCA, NMC 622, NMC 811/9.5.5, LFP or other high voltage material	NCA, NMC 622, NMC 811, LFP or other high voltage material	Sulphur (Li-S), LFP, High-Voltage cathodes (e.g, Li-rich metal oxides)
Energy density (Wh/kg)	160 - 260	280 - 320	280 - 320	400 - 500	>600

Source: McKinsey & Company

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This presentation contains certain forward looking statements concerning the Company’s future business prospects and business profitability, which are subject to a number of risks and uncertainties and the actual results could materially differ from those in such forward looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding fluctuations in earnings, our ability to manage growth, competition (both domestic and international), economic growth in India and abroad, ability to attract and retain highly skilled professionals, time and cost over runs on contracts, our ability to manage our international operations, government policies and actions regulations, interest and other fiscal costs generally prevailing in the economy. The Company does not undertake to make any announcement in case any of these forward looking statements become materially incorrect in future or update any forward looking statements made from time to time by or on behalf of the Company.

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Chief Financial Officer

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