



## Earnings Call Presentation (Q4 FY24 and FY24)

(30-April-24)





## A cool world

on the inside,

**a greener world**

on the outside!



## Safe Harbor Statement

*This presentation contains forward-looking statements which may be identified by their use of words like “plans,” “expects,” “will,” “anticipates,” “believes,” “intends,” “projects,” “estimates” or other words of similar meaning. All statements that address expectations or projections about the future, including, but not limited to, statements about the strategy for growth, product development, market position, expenditures, and financial results, are forward-looking statements. Forward-looking statements are based on certain assumptions and expectations of future events. The companies referred to in this presentation cannot guarantee that these assumptions and expectations are accurate or will be realized. The actual results, performance or achievements, could thus differ materially from those projected in any such forward-looking statements. These companies assume no responsibility to publicly amend, modify or revise any forward-looking statements, on the basis of any subsequent development, information or event, or otherwise.*



27°C

A world we are seeking  
to create



MILLION AIR COOLERS  
SOLD WORLDWIDE



# Symphony Air Cooler Ad 2024

Symphony®

Thinking of Tomorrow

India ka No.1 cooler  
**Symphony!**



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**I keep cool,  
I am a cooler!**



# Performance Highlights



# Performance Highlights: Consol. & Standalone

Financials	Consol.		Standalone	
	Q4 FY24	FY24	Q4 FY24	FY24
<b>Revenue</b>	<b>332</b>	<b>1,156</b>	<b>251</b>	<b>796</b>
YoY change (%)	8%	(-3%)	+5%	(-10%)
<b>Gross Margin</b>	<b>48.5%</b>	<b>48.0%</b>	<b>48.4%</b>	<b>49.0%</b>
YoY change (bps)	+720	+420	(-50)	+110
<b>EBITDA*</b>	<b>18.2%</b>	<b>14.7%</b>	<b>25.3%</b>	<b>20.2%</b>
YoY change (bps)	+1,060	+310	+530	+20
<b>PAT</b>	<b>14.5%</b>	<b>12.8%</b>	<b>18.5%</b>	<b>19.2%</b>
YoY change (bps)	+930	+310	+60	+60

\*Excluding exceptional items

## Highest ever quarterly India domestic revenue

- Despite the strong base effect (Q4 FY23)
  - Fuelled by a searing summer with “above normal” temperatures
- Cashing in on India’s scorching summer in Q1 FY25**

## EBITDA margin improved on YoY basis due to:

- Tactical pricing
- Value engineering
- Softening of input costs
- Improved performance of subsidiaries
- Streamlining operation, leading to improved efficiency

## LSV: Robust performance and growth

## Dividend Payout for FY24 : ₹ 89.64 Cr. (61% of Consol. PAT)

- Proposed Final Dividend : ₹ 8 per share (FV: ₹ 2/-)
- Interim Dividends : ₹ 5 per share (FV: ₹ 2/-)

# Performance Highlights: Overseas Subsidiaries

(CT + IMPCO + GSK + Brazil)	Q4 FY24	FY24
<b>Revenue</b>	<b>111</b>	<b>433</b>
Previous Year	97	385
YoY change (%)	+15%	+13%
<b>EBITDA*</b>	<b>1.1%</b>	<b>2.6%</b>
Previous Year	(-23.4%)	(-9.1%)
YoY change (bps)	+2,450	+1,170
<b>PAT</b>	<b>-1.7%</b>	<b>-2.7%</b>
Previous Year	(-26.5%)	(-11.6%)
YoY change (bps)	+2,480	+890

\*Excluding exceptional items

## CT, Australia:

- Demand headwind persists
- Cost rationalization driving improvement in EBITDA starting Q3 FY24
- EBITDA loss narrowed, despite lower sale

## IMPCO, Mexico:

- Highest ever FY24 and Q4 revenue
- Summer season: A strong tailwind
- Robust air coolers and heaters sale

## Symphony, Brazil:

- Highest ever FY24 and Q4 revenue
- Summer season: A strong tailwind
- Expansion of network distribution

## GSK, China:

- Steady performance continues
- Highest Ever Annual EBITDA (₹ 5 cr.) and PAT (₹ 0.4 Cr.)





# Consolidated Financials

# Consol. (Q4 FY24): Financials (₹ Cr.)

▲ / ▼ YoY change

Margin % (▲ / ▼ YoY change)

Revenue from  
Operations

**332**

▲ 8%

Gross Margin

**161**

▲ 27%

48.5% (▲ 720 bps)

EBITDA

**60**

▲ 158%

18.2% (▲ 1,060 bps)

PAT

**48**

▲ 200%

14.5% (▲ 930 bps)



# Consol. (FY24): Financial (₹ Cr.)

▲ / ▼ YoY change

Margin % (▲ / ▼ YoY change)

Revenue from  
Operations

**1,156**

▼ (-3%)

Gross Margin

**555**

▲ 7%

48.0% (▲ 420 bps)

EBITDA\*

**170**

▲ 24%

14.7% (▲ 310 bps)

PAT

**148**

▲ 28%

12.8% (▲ 310 bps)

Monthly Avg.  
Capital Employed  
(of Core Business)

**302**

Return on Capital  
Employed  
(of Core Business)

**50%**

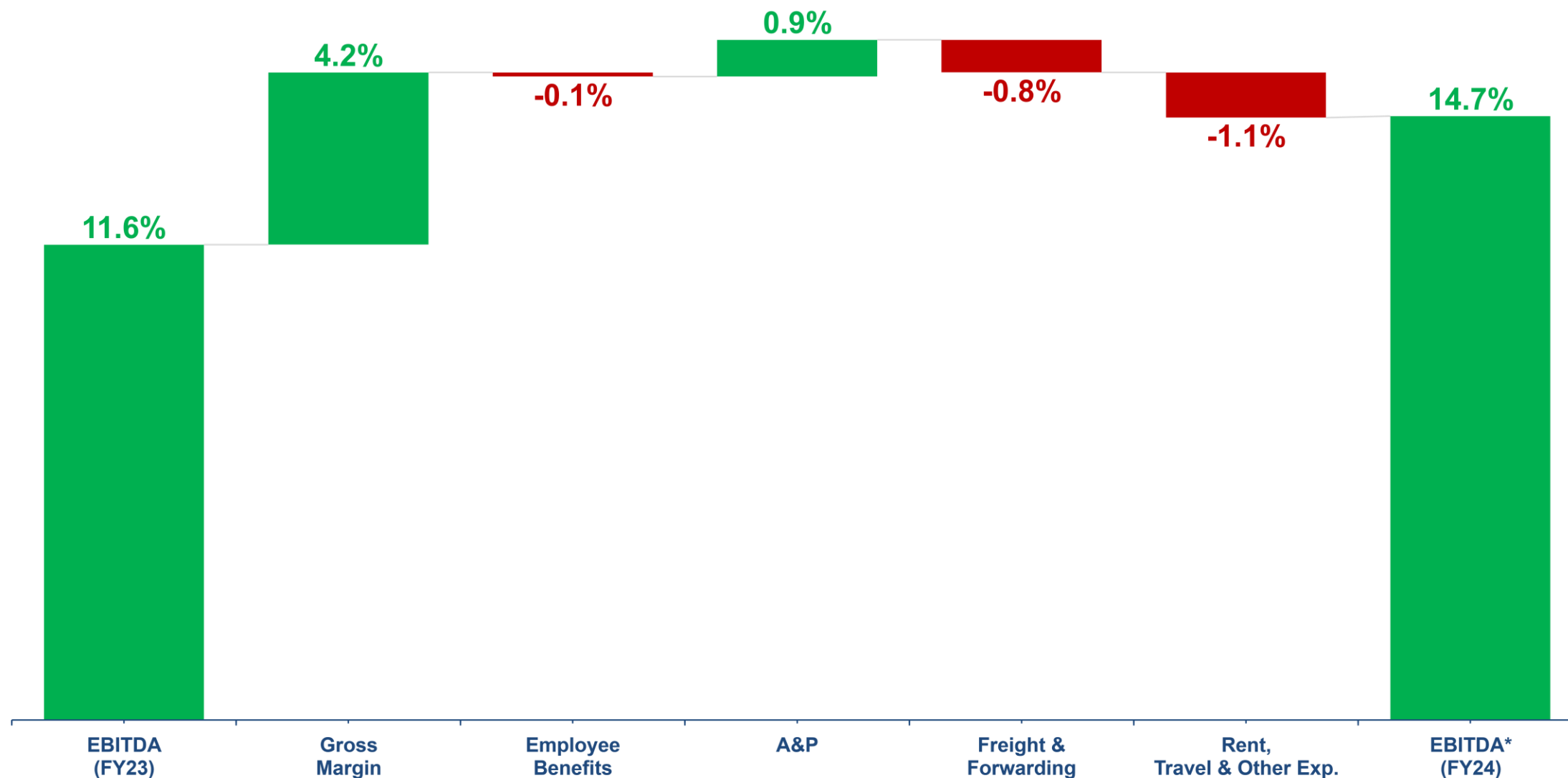
Return on Net  
Worth

**18%**

▲ 470 bps

\*Excluding exceptional item of ₹ 2.46 cr. provided by IMPCO, Mexico for doubtful debts

# Consol. (FY24): EBITDA Margin Movement



*\*Excluding exceptional items*



Enjoy the symphony of  
**fresh breeze**  
in every corner with  
**SURROUND**



#KalKiSoch

**Standalone  
Financials**

# Standalone (Q4 FY24): Financials (₹ Cr.)

▲ / ▼ YoY change

Margin % (▲ / ▼ YoY change)

Revenue from  
Operations

**251**

▲ 5%

Gross Margin

**121**

▲ 4%

48.4% (▼ 50 bps)

EBITDA\*

**63**

▲ 33%

25.3% (▲ 530 bps)

PAT

**46**

▲ 9%

18.5% (▲ 60 bps)

\*Excluding exceptional item of ₹ 7.73 cr. towards provision for expected credit loss on loan to GSK, China



# Standalone (FY24): Financials (₹ Cr.)

▲ / ▼ YoY change

Margin % (▲ / ▼ YoY change)

Revenue from  
Operations

**796**

▼(-10%)

Gross Margin

**390**

▼(-8%)

49.0%(▲110 bps)

EBITDA\*

**160**

▼(-9%)

20.2%(▲20 bps)

PAT

**153**

▼(-7%)

19.2%(▲60 bps)

Monthly Avg.  
Capital Employed  
(of Core Business)

**44**

Return on Capital  
Employed  
(of Core Business)

**362%**

Return on Net  
Worth

**18%**

↓80 bps

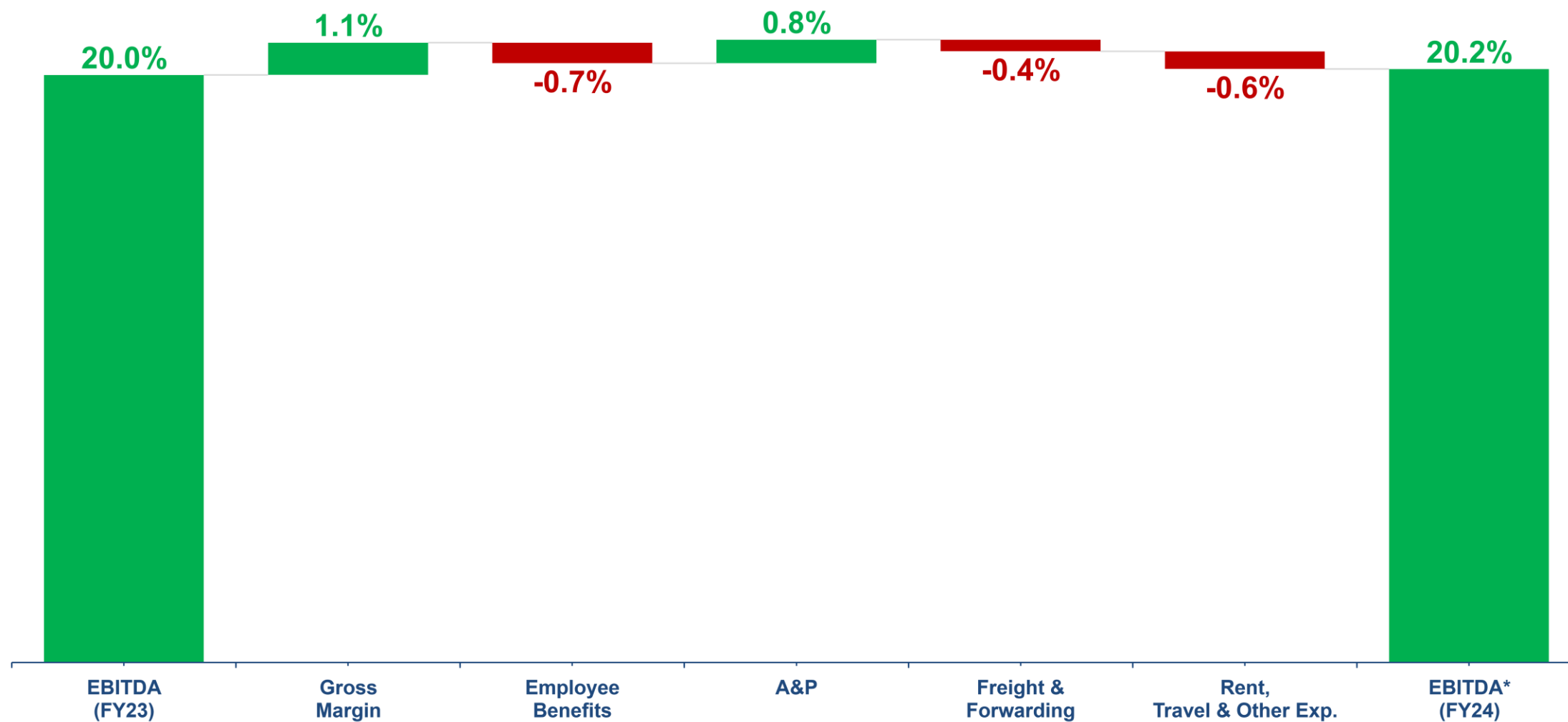
Treasury^

**395**

^Excl. loans/investments in subsidiaries

\*Excluding exceptional item of ₹ 7.73 cr. towards provision for expected credit loss on loan to GSK, China

# Standalone (FY24): EBITDA Margin Movement



*\*Excluding exceptional items*





# Subsidiaries' Financials

# Subsidiaries (FY24): Financials (₹ Cr.)

[1/2]

▲ / ▼ YoY change

Margin % (▲ / ▼ YoY change)

## CT - Australia

Revenue from  
Operations

**185**

▼ (-18%)

EBITDA

**(-23)**

v/s (-43)

(-12.2%) (▲680 bps)

PAT

**(-25)**

v/s (-43)

(-13.3%) (▲560 bps)

## IMPCO - Mexico

Revenue from  
Operations

**178**

▲ 51%

EBITDA\*

**27**

▲ 223%

15.1% (▲810 bps)

PAT

**11**

▲ 454%

6.3% (▲460 bps)

\*Excluding exceptional item of ₹ 2.46 cr. provided by IMPCO, Mexico for doubtful debts

# Subsidiaries (FY24): Financials (₹ Cr.)

[2/2]



▲ / ▼ YoY change

Margin % (▲ / ▼ YoY change)

## GSK - China

Revenue from Operations

44

▲ 36%

EBITDA

5

v/s (-0.1)

10.3% (▲ 1,050 bps)

PAT

0.4

v/s (-3.5)

0.9% (▲ 1,160 bps)

## Symphony - Brazil

Revenue from Operations

26

▲ 178%

EBITDA

3

v/s (-0.4)

9.7% (▲ 1,430 bps)


PAT

1

v/s (-0.7)

4.7% (▲ 1,220 bps)



An advertisement for the Symphony Air Cooler. The image features a hand holding a miniature landscape with a waterfall, a house, and mountains. A Symphony Air Cooler is positioned on the landscape, with a cloud emerging from its base. The background is a clear blue sky with a few birds flying. Text on the right side of the image reads: "Make your choices wiser & living healthier." followed by "Buying a Symphony Air Cooler is equivalent to planting 14 trees\* per year!".

Make your **choices wiser**  
& **living healthier.**

Buying a Symphony Air Cooler  
is equivalent to planting  
**14 trees\* per year!**

# Outlook

## India Summer 2024:

- *Southern India, Eastern India, and Maharashtra in the throes of summer - experiencing prolonged heatwaves*
- *Sizzling summer heating up Symphony air cooler sales across geographies and channels*

## “Numero Uno” in the air cooler industry:

- *Innovative value-added products ahead of competition*
- *Continuous thrust on semi-urban and rural markets*
- *Growth through alternate sales channels*

## Long term structural drivers in domestic and overseas markets:

- *Intensified heatwave and climate change*
- *Strong tailwinds for air coolers*

## Leveraging complementary strengths of international business:

- *Outsourced manufacturing to India and China (Shift from CT and IMPCO)*
- *Cross Research & Development, Sales, and Marketing*



## Major business transformation at CT, Australia:

### [A] Initiatives already implemented / in advanced stage:

1	Substantial rationalization of CODB	<ul style="list-style-type: none"> <li>Pre-Acquisition : ~ A\$ 14 million (viz. ₹ 77 cr. p.a.)</li> <li>FY24 : ~ A\$ 9 million (viz. ₹ 49 cr. p.a.)</li> <li>FY25 onwards : ~ A\$ 7 million (viz. ₹ 38 cr. p.a. - estimated)</li> </ul>
2	Substantial rationalization of gross margin (%)	<p>Gross margin expansion since Q3 FY24 (Q4 FY24: 40.4% v/s -7.8% YoY; Q3 FY24: 40.0% v/s 27.9% YoY; H2 FY24: 40.2% v/s 11.0% YoY) driven by</p> <ul style="list-style-type: none"> <li>Revamped products portfolio and their sourcing mix</li> <li>Calibrated price hikes</li> </ul>

### [B] Initiatives implementation by Q2 FY25:

3	In-house business to outsourced business model	<ul style="list-style-type: none"> <li>Transition under process currently</li> <li>In-house manufacturing to be discontinued completely by Q2 FY25                             <ul style="list-style-type: none"> <li>✓ Portable Air coolers from India</li> <li>✓ Rest all other products from China</li> </ul> </li> </ul>
4	Revamping product categories	<ul style="list-style-type: none"> <li><b>Products ready to launch:</b> Portal Air Coolers, Electric Panel Heaters, Electric Outdoor Strip Heaters, Portable ACs</li> <li><b>Products to launch in FY25:</b> Electric Fireplaces, Electric Convector Heaters, Electric Oil Filled Heaters</li> </ul>
5	Leveraging distribution channel	<ul style="list-style-type: none"> <li>Leveraging relationship with builders for new product categories</li> <li>Partnering with large retailers (e.g. Bunnings, Harvey Norman etc.) and gaining access to their vast customer base</li> <li>Tapping new geographies in the local market for new product categories</li> </ul>



# Glossary

<b>Gross Margin (%)</b>	: % of Revenue from operations
<b>A&amp;P Expenses</b>	: Advertisement and Sales Promotion Expenses
<b>EBITDA</b>	: Earnings Before Interest, Tax, Depreciation and Amortization (Excludes Other Income, Exceptional Items and Foreign Exchange Loss)
<b>EBITDA Margin (%)</b>	: % of Revenue from operations
<b>PAT Margin (%)</b>	: % of Revenue from operations
<b>ROCE (%) (of Core Business)</b>	: Profit Before Interest & Tax / Monthly Avg. Capital Employed
<b>Return on Net Worth</b>	: TTM Profit After Tax / Average Net Worth
<b>Treasury</b>	: Including Cash & Cash equivalents and excluding loans / investments in subsidiaries
<b>CT, Australia</b>	Climate Technologies, Australia
<b>Symphony, Brazil</b>	Symphony Climatizadores Ltda, Brazil

# Thank You

