

Earnings Call Presentation (Sept'24)

(29/10/24)



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.

Best Workplaces™
in Consumer Durables
Great Place To Work.
INDIA 2024

Best Workplaces™
in Manufacturing
Great Place To Work.
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Great Mid-size Workplaces
Great Place To Work.
INDIA 2024



27°C

A world we are seeking
to create



MILLION AIR COOLERS
SOLD WORLDWIDE

Sustainable
air coolers for
**a greener
tomorrow**



Table of Content

1

Financials

2

Performance Highlights

3

Outlook

India ka No.1 cooler
Symphony!

Symphony
Thinking of Tomorrow



Standalone Financials

Standalone Quarterly Financials (₹ Cr.): Sep'24 v/s Sep'23

▲ YoY change

Margin % (▲/▼ YoY change)

Revenue from
Operations

259

v/s 196 (▲32%)

Gross Margin

128

v/s 98 (▲31%)

49.5 % (▼40 bps)

EBITDA

72

v/s 53 (▲37%)

27.8% (↑100 bps)

PAT

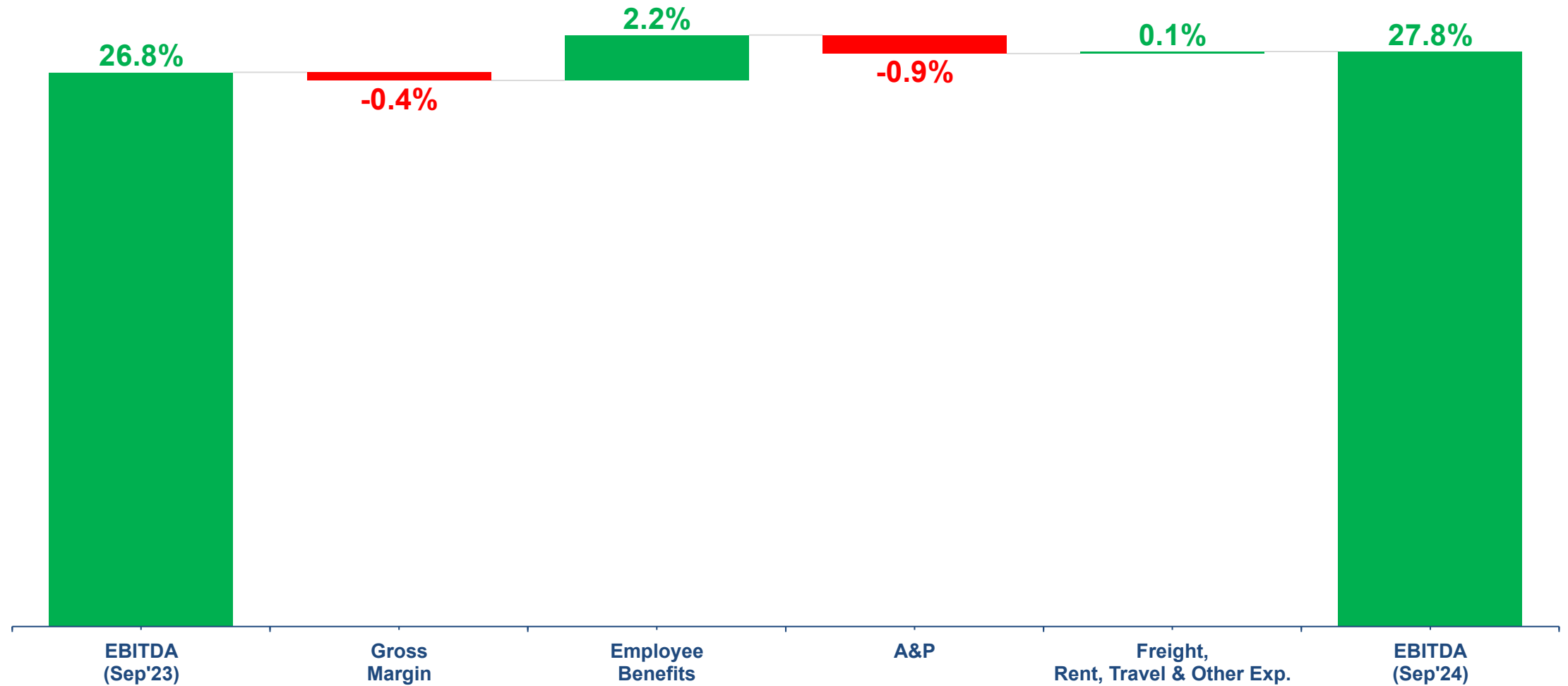
67

v/s 50 (▲36%)

26.1% (↑70 bps)

Highest ever previous Sep Qtr.: Revenue (₹ 215 cr. in Sep'22) and PAT (₹ 57 cr. in Sep'19)

Standalone EBITDA Margin Movement: Sep'24 Qtr.



Standalone H1 Financials (₹ Cr.): Sep'24 v/s Sep'23

▲ YoY change

Margin % (▲ YoY change)

Revenue from
Operations

632

v/s 368 (▲72%)

Gross Margin

325

v/s 187 (▲74%)

51.5% (▲80 bps)

EBITDA

154

v/s 59 (▲161%)

24.3% (▲830 bps)

PAT

136

v/s 64 (▲112%)

21.5% (▲410 bps)

Capital Employed
(TTM Monthly Avg.
– Core Business)

(-3)

v/s 55

ROCE
(of Core Business)

Infinite

v/s 296%

RONW
(PAT TTM / Avg.
Net Worth)

31%

v/s 21%

Treasury
(Excl. loans / investments in subsidiaries)

685

v/s 589

Highest ever previous H1: Revenue (₹ 423 cr. in Sep'22) and PAT (₹ 83 cr. in Sep'19)



Consolidated Financials

Consol. Quarterly Financials (₹ Cr.): Sep'24 v/s Sep'23

▲ YoY change

Margin % (▲ YoY change)

Revenue from
Operations

315

v/s 275 (▲15%)

Gross Margin

156

v/s 127 (▲23%)

49.4% (▲330 bps)

EBITDA

64

v/s 42 (▲50%)

20.3% (▲480 bps)

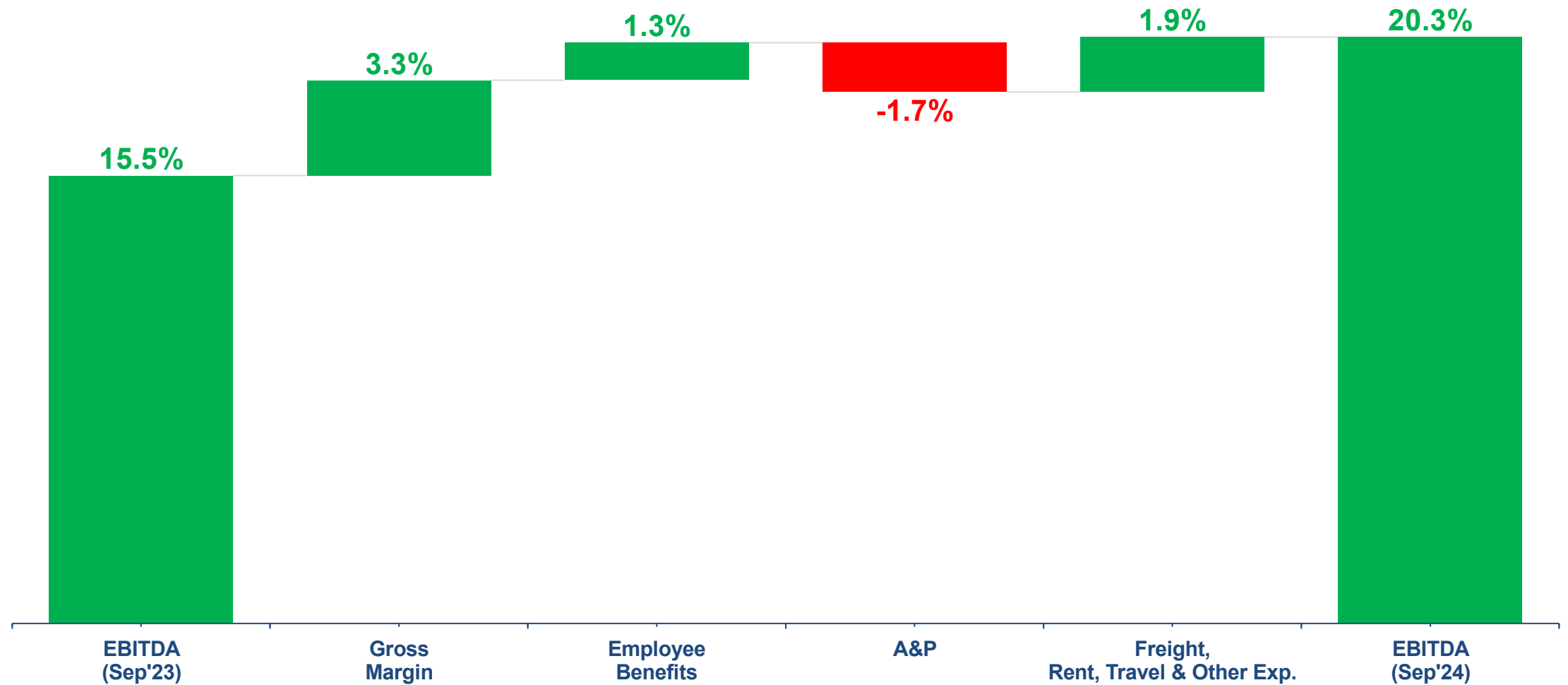
PAT

56

v/s 35 (▲61%)

17.7% (▲500 bps)

Consol. EBITDA Margin Movement: Sep'24 Qtr.



Consol. H1 Financials (₹ Cr.): Sep'24 v/s Sep'23

▲ YoY change

Margin % (▲ YoY change)

Revenue from
Operations

846

v/s 577 (▲47%)

Gross Margin

428

v/s 277 (▲54%)

50.5%(↑250 bps)

EBITDA

175

v/s 70 (▲148%)

20.6%(↑840 bps)

PAT

144

v/s 59 (▲145%)

17.0%(↑680 bps)

Capital Employed
(TTM Monthly Avg.
– Core Business)

286

v/s 301

ROCE
(of Core Business)

93%

v/s 37%

RONW
(PAT TTM / Avg.
Networth)

33%

v/s 15%

Highest ever previous H1: Revenue (₹ 603 cr. in Sep'22) and PAT (₹ 91 cr. in Sep'19)



Subsidiaries' Financials

Subsidiaries Financials (₹ Cr.): Sep'24 v/s Sep'23

Particulars	H1 FY25					Sep'24 Qtr.				
	IMPCO, Mexico	GSK, China	Symphony, Brazil	CT, Australia	Total (Refer Note 1)	IMPCO, Mexico	GSK, China	Symphony, Brazil	CT, Australia	Total (Refer Note 1)
Revenue	122	41	19	74	256	10	25	18	30	83
Sep'23	107	23	7	91	229	30	11	6	40	88
YoY change (%)	+14%	+74%	+160%	(-19%)	+12%	(-66%)	+118%	+185%	(-25%)	(-6%)
EBITDA	20	7	3	(-13)	23	(-5)	4	4	(-10)	(-6)
Sep'23	18	3	0	(-14)	7	(-1)	2	1	(-12)	(-10)
YoY change (%)	+14%	+120%	+1457%	+9%	+232%	(-619%)	+106%	+319%	+12%	+44%
PAT	14	5	1	(-17)	7	(-4)	2	3	(-13)	(-9)
Sep'23	8	0	(-0)	(-18)	(-10)	(-2)	(-0)	(-0)	(-13)	(-16)
YoY change (%)	+72%	+1145%	+990%	+8%	+167%	(-103%)	+815%	+1276%	+4%	+41%

Note:

- 1) Total revenue comprises the aggregate of all subsidiaries' revenue, while EBITDA and PAT comprise (i) the aggregate of subsidiaries' profits and (ii) profits retained at Symphony India from sales to these subsidiaries..
- 2) EBITDA is exclusive of exceptional items.

Symphony

Thinking of Tomorrow

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



Performance Highlights

Strong Sep'24 Qtr. Standalone performance:

- Highest ever Sep. Qtr. Revenue, EBITDA and PAT
- A record-breaking GT advance collection -
 - *Strong brand, product portfolio and market presence*
 - *Launch of 17 new air cooler models bolstered market position*
 - *Aided by normal season-end inventory level & buoyant trade sentiment*
- Robust secondary sales *despite off-season*

Robust Sep'24 Qtr. Consol. performance:

- Highest ever Sep. Qtr. Revenue and EBITDA
- Improvement in EBITDA margin driven by:
 - *Strong performance of Symphony India, GSK and Symphony Brazil*
 - *Gross margin expansion*
 - *Positive operating leverage*

Forayed into water heaters in India:

- A promising beginning
 - *Focusing on selected geographies*
 - *Leveraging chosen distribution channels*
- Capturing attention and admiration of trade partners and customers



Major overdue amount from a large distributor of modern trade:

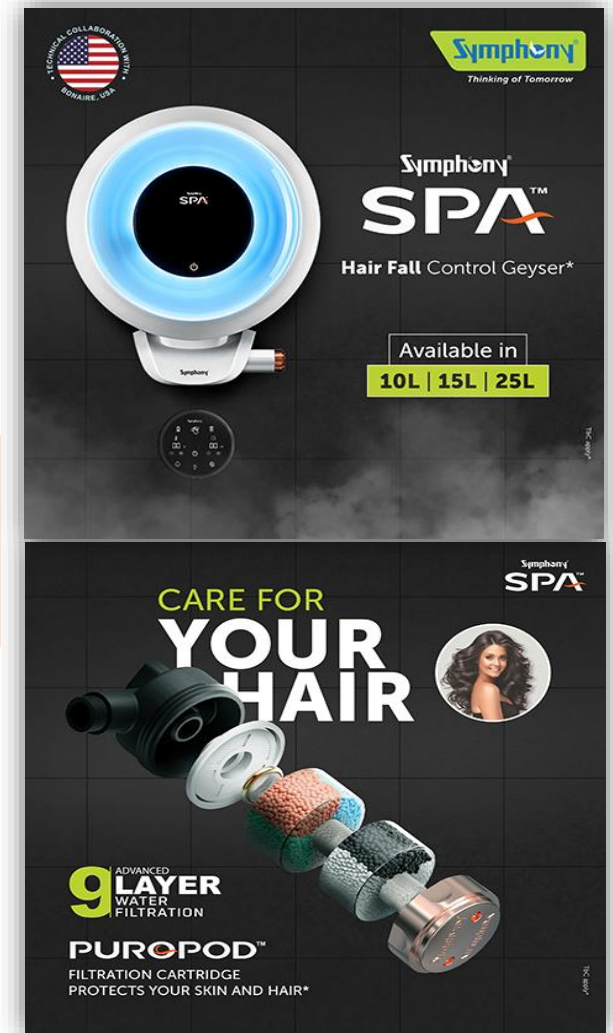
- Delayed payment – Sep'24 Qtr. monthly repayment schedule not honored
- Longstanding relationship (>10 years) since 2013, with impeccable payment track record until summer-23
- Legal actions initiated, along with multi-pronged strategies for recovery

One-time increase in Income Tax Expense: ₹ 1.7 cr.

- ↑ *Deferred Tax Liability as on 30/6/24 due to amendments in The Finance Act, 2024*

2nd Interim Dividend: ₹ 2/- per share (FV: ₹ 2/-) for FY25

- YTD Shareholders' payout: ₹ 110.2 cr. (77% of Consol. Profit)
 - *Buyback (incl. taxes and exp.): ₹ 89.6 cr.*
 - *1st Interim Dividend: ₹ 6.9 cr.*
 - *2nd Interim Dividend: ₹ 13.7 cr.*



Efficacy of Capital Employed (Core Business)

- Sustaining growth and profitability with reduced capital employed

(₹ cr.)

Symphony

Thinking of Tomorrow

	Particulars	Standalone		Consol.	
		30/9/24	30/9/23	30/9/24	30/9/23
[I]	CAPITAL EMPLOYED [OF CORE BUSINESS]				
(A)	NON-CURRENT ASSETS	76	75	388	366
	<i>Property, Plant & Equipment</i>	68	72	96	107
	<i>Intangible Assets (mainly Goodwill and Intangibles of CT)</i>	-	-	221	206
	<i>Other Non-Current Assets</i>	8	3	71	53
(B)	CURRENT ASSETS	198	150	415	323
	<i>Inventories</i>	61	59	191	171
	Trade Receivables (Domestic + Rest of World)	73	48	96	54
	<i>Domestic</i>	46	2	46	2
	<i>Rest of World</i>	27	46	50	52
	<i>Other Current Assets</i>	64	43	128	98
(C)	TOTAL LIABILITIES	445	295	689	515
	<i>Borrowings (Current)</i>	-	-	101	93
	<i>Trade Payables</i>	109	79	195	157
	<i>Other Current Liabilities (mainly advances from customers)</i>	326	210	361	234
	<i>Non-Current Liabilities</i>	10	6	32	31
(D)	CAPITAL EMPLOYED [A + B – C] AS ON 30/9	(-171)	(-70)	114	174
(E)	TTM AVG. MONTHLY CAPITAL EMPLOYED	(-3)	55	286	301
(F)	TTM PBIT	252	162	267	111
(G)	ROCE [F / E]	Infinite	296%	93%	37%
[II]	CORPORATE FUND [TREASURY] AS ON 30/9	654	574	654	574

Re-Classification of Real Estate

Sr. No.	Location	Land Area (Sqm.)	Carrying Value (₹ Cr.)	Market Value* (₹ Cr.)	Old Classification	New Classification
[A] “Surplus Land and Building”						
1	Thol, Ahmedabad	45,322	0.17	61.3	Gross Block of Assets	Investment in Property
2	Bodakdev, Off. Sindhu Bhavan Road, Ahmedabad	1,254	5.7	29.9		Asset Held for Sale
3	Residential Apartment, Vastrapur, Ahmedabad	N.A.	0.02	0.6		(Current Asset)
Total [A]		46,576	5.9	91.8		
[B] “Land and Building” being used for business operations						
4	Symphony Corporate House, Bodakdev, Off Sindhu Bhavan Road, Ahmedabad	1,943	25.5	84.5	Gross Block of Assets	
5	Thol, Ahmedabad	11,863	0.06	19.5		
Total [B]		13,806	25.6	104.0		
GRAND TOTAL [A+B]		60,382	31.5	195.8		

*As per valuation report (Oct'24) by JLL [Jones Land LaSalle Property Consultants (India) Private Limited] except for sr. no. 3

Performance Highlights: Overseas Subsidiaries

IMPCO, Mexico :

- Strong growth in H1 FY25: Revenue ↑ 14% and PAT ↑ 72%
- Revenue de-grew in Sep. Qtr.: (Off-season)
 - *Record-breaking sales in Jun'24 Qtr. (↑ 46% YoY) driven by extreme summer*
 - *Exceptionally high-base of Sep'23 Qtr. (↑ 125% YoY) attributed to the prolonged summer last year*

GSK, China :

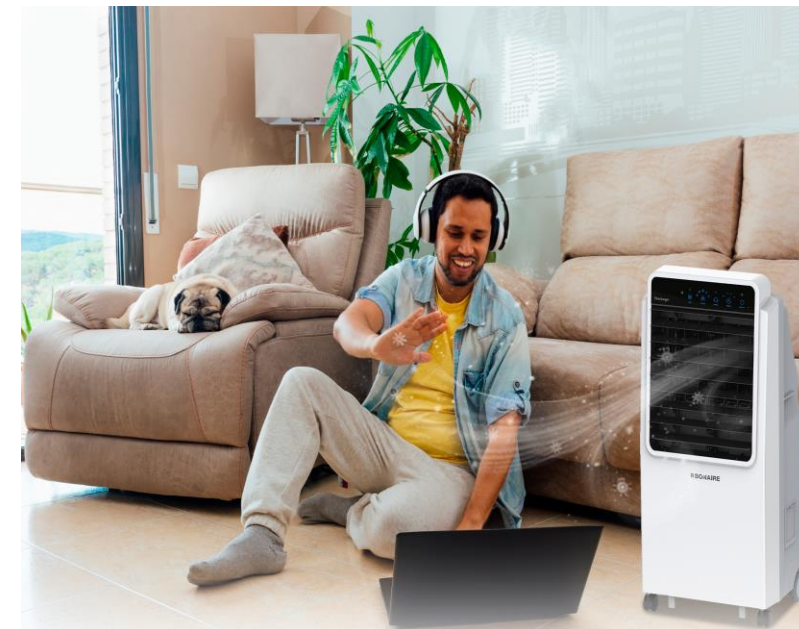
- Remarkable improvements continues in Sep'24 v/s Sep'23 Qtr.:
 - *Revenue: ₹ 25 cr. v/s ₹ 11 cr.*
 - *PAT: ₹ 2.4 cr. v/s ₹ (-0.3) cr.*
- Repayment of Symphony Loan:
 - *Sep'24 Qtr.: ₹ 7.0 cr., cumulatively ₹ 10.5 cr. in H1 FY25*
 - *Balance outstanding: ₹ 52.2 cr.*
 - *Further visibility of additional repayment*

Symphony, Brazil :

- Revenue grew in Sep'24 Qtr.: ₹ 18 cr. v/s ₹ 6 cr. (Sep'23 Qtr.)

CT, Australia :

- Demand headwind persists
- Business transformation progressing as planned




A hand is shown holding a miniature, vibrant landscape. On top of the landscape stands a tall, black Symphony Air Cooler. The landscape includes a waterfall, a small house, and a sun setting over hills. The background is a clear blue sky with a few birds flying.

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

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

Outlook



The UNEP Emissions Gap Report 2024 (Oct'24)

Emissions Gap Report 2024

World temperature on track to rise 3.1°C

A chronic lack of ambition and climate action by countries across the world over the past three years means the goal to keep global warming below 1.5°C will soon be dead, the United Nations has warned in a new report.

Continuing with current policies means the world will be on course for a temperature rise of 3.1°C before the end of the century, while implementing promised reforms would at best lead to an increase of 2.6°C—well above the level at which critical climate tipping points may be breached, the UN Environment Program (UNEP) said.

Little progress has been made over the past few years despite repeated calls for stronger action plans. To underscore the lack of action, Madagascar is the only country that has come forward with a strengthened 2030 climate target this year, according to UNEP.

“The emissions gap has not changed,” said Anne Olhoff, UNEP’s chief climate advisor, in an interview. “Countries have not responded to calls from the three last COPs to strengthen their 2030 targets and as a result, we are facing the same emissions gap and some dire temperature projections.”

BLOOMBERG

 The New Indian Express

World heading for 3.1°C temp rise as nations fail to meet climate goals

Despite repeated warnings, global emissions reached a record high of 57.1 gigatons of carbon dioxide equivalent (GtCO₂e) in 2023,...



 BW Businessworld

Global Temperatures On Track To Rise More Than 3°C: UN Report

A stark warning has emerged from a recent United Nations report, indicating that current climate policies are leading the world toward a...



 Euronews

‘Crunch time is here’: Current climate policies put world on track for 3.1C by 2100, UN warns

Governments need to step up with stronger NDCs, the report says, while highlighting the role of solar, wind and forests.



 POLITICO.eu

World on track for catastrophic 3 degrees Celsius warming, UN warns

Current plans and policies will lead to global temperatures rising between 2.6C and 3.1C this century, a new report finds.



 Health Policy Watch

World Faces 'Catastrophic' 3.1C Warming After Year Of Zero Climate Action

Global efforts to reduce greenhouse gas emissions remain catastrophically off track, with current policies putting the world on course for a...



Poised for Growth

- “Climate crunch time is here” - Rising global temperatures and intensified heatwaves, driven by climate change and inadequate global action (The 2024 UNEP Emissions Gap Report)
- Path-breaking and industry-leading innovative products, with increased focus on sustainable and eco-friendly products
- Geography specific products in India and overseas subsidiaries incl. washing machine in Mexico
- Thrust on semi-urban and rural markets, and adjacent product categories

Leveraging complementary strengths

- Outsourced manufacturing to India and China (Shift from CT Australia and IMPCO Mexico)
- Complementary Research & Development, Sales, and Marketing



Glossary



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



Embrace Carbon-neutral
Cooling that **saves both
money and the planet.**

**Save Today,
Shape Your Tomorrow.**

