

ELIN ELECTRONICS LIMITED

ELIN HOUSE, 4771, BHARAT RAM ROAD, 23 DARYA GANJ, NEW DELHI-110 002
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August 10th, 2023

National Stock Exchange of India Limited
Exchange Plaza, 5th Floor,
Plot No. C/1, G Block,
Bandra - Kurla Complex
Bandra (E), Mumbai - 400 051

BSE Limited
Corporate Relationship Department,
2nd Floor, New Trading Wing,
Rotunda Building, P.J. Towers,
Dalal Street, Mumbai - 400 001

Symbol: ELIN

Scrip Code: 543725

ISIN: INE050401020

Dear Sir/Ma'am,

Subject: Investor Presentation on unaudited financial results of the Company for Q1 of FY 2023-24 under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

Pursuant to the Regulation 30 read with Schedule III (Part A) (15) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached investor presentation on unaudited financial results of the Company for Q1 of FY 2023-24.

Thanking You

Yours faithfully,

For Elin Electronics Limited


Lata Rani Pawa

Company Secretary & Compliance Officer

M. No.: A30540

cs@elinindia.com



Factories:-

C-142-143-144-144/1-144/2 Industrial Area, Site No.1, Bulandshahar Road, Ghaziabad - 201009 (U.P.)

L-84, Verna Industrial Area, Electronic City, Verna, Goa - 403722.

Village: Beli Khol, Post: Manpura - 174101, Teh: Nalagarh, District: Solan (Himachal Pradesh)

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CIN : L29304WB1982PLC034725

GSTIN: 09AAACE6449G1ZJ



Elin Electronics Limited

Q1FY24 Earnings Presentation

August 2023

Q1FY24 Snapshot

Total Income

INR 2,538 million
down ~14% YoY from
INR 2,941 million

EBITDA

INR 98 million
down ~12% YoY from
INR 112 million

Profit After Tax

INR 38 million
up ~21% YoY from
INR 31 million

Net Cash / (Debt)

INR 809 million
from
INR (874) million

Net WC Days

~70 days
from
~65 days

Q1FY24 Snapshot

Amounts in INR million	Q1-FY23	Q1-FY24	Q4-FY23	Q1-FY24
Revenue	2,941	2,538	2,687	2,538
EBITDA	112	98	88	98
Margin %	3.8%	3.9%	3.3%	3.9%
PAT	31	38	16	38

▶ Revenue was down ~14% on a YoY basis and down ~6% on a QoQ basis, primarily because:

- ▶ QoQ decline was driven by a softening in key raw material prices such as steel, copper, aluminium and plastics. Prices of key raw materials from 31 Mar 2023 to 30 June 2023 was as follows: steel was down ~14%, aluminium die casting grade alloy down ~8%, copper wire down 5% and key plastics grades down ~8%
- ▶ Decline in RM prices made products cheaper (as Bill of Material declined) leading to a decline in revenue despite volume growth in certain categories viz motors and LED lighting
- ▶ YoY decline was driven by softer raw material prices as well as weak macro and consumption

▶ EBITDA was impacted primarily because:

- ▶ Value addition is an ad valorem (%) function of Bill of Material (BOM) and in a deflationary scenario where BOM declines, absolute value addition and EBITDA declines
- ▶ Negative operating leverage; costs such as employee benefits grew due to annual increments and minimum wage revision

Revenue Breakdown

Amounts in INR million	Q1-FY23	Q1-FY24	Q4-FY23	Q1-FY24
Lighting, Fans & Switches	1,015	832	909	832
Small Appliances	619	527	700	527
FHP Motors	601	541	464	541
Other EMS	101	93	119	93
Total EMS	2,336	1,993	2,191	1,993
Precision Components & Others	596	539	496	539
Medical Cartridges	9	6	-	6
Total Non-EMS	605	545	496	545
Total Revenue	2,941	2,538	2,687	2,538

Expenditure Analysis

	Q1-FY23	Q1-FY24	Q4-FY23	Q1-FY24
Cost of Material Consumed	76.4%	73.7%	74.8%	73.7%
Employee Benefits	12.1%	13.7%	12.7%	13.7%
Other Expenses	7.7%	8.7%	9.2%	8.7%
EBITDA	3.8%	3.9%	3.3%	3.9%
Finance Costs	1.1%	1.1%	0.9%	1.1%
Depreciation	1.5%	1.9%	2.2%	1.9%
Profit Before Tax	1.3%	1.9%	0.8%	1.9%
Tax	0.2%	0.5%	0.2%	0.5%
Profit After Tax	1.1%	1.5%	0.6%	1.5%

Lighting, Fans & Switches

Amounts in INR million	Q1-FY23	Q1-FY24	Q4-FY23	Q1-FY24
Lighting	567	596	675	596
Flashlights	139	103	64	103
Fans	267	104	137	104
Switches	43	28	32	28
Total	1,015	832	909	832

- ▶ Lighting revenue (ex-flashlights) showed ~5% growth YoY, we expect this trend to continue for the remainder of FY24 (high single digit revenue growth)
- ▶ Fans revenue was impacted severely in Q1FY24 due to unseasonal rains and cooler weather (YoY basis) resulting in a substantial decline in revenue
- ▶ Expect growth in H2FY24 on the back of new product launches (TPW fans and BLDC fans)

Small Appliances

Amounts in INR million	Q1-FY23	Q1-FY24	Q4-FY23	Q1-FY24
Kitchen & Home Care	457	336	448	336
Personal Care	162	190	252	190
Total	620	527	700	527

- ▶ Kitchen & home care revenue declined from INR 457 million to INR 336 million on the back of weak macro and consumption. While revenue from irons increased by INR 71 million, Mixer Grinder (MG) and hand blender sales declined by INR 128 million
- ▶ Personal care segment saw growth because of addition of trimmers, sale of hair dryers and hair straighteners declined due to seasonality
- ▶ Expect growth to pick up in hair dryers and hair straighteners in the remainder of the year

Fractional Horsepower Motors

Amounts in INR million	Q1-FY23	Q1-FY24	Q4-FY23	Q1-FY24
Consumer Durables	394	415	318	415
Fans	157	76	84	76
Others	50	50	62	50
Total	601	541	464	541

- ▶ Motors of Consumer durables comprise mixer grinders, hand blenders and chimney
 - ▶ On a QoQ basis, strong volume growth of ~17% seen in mixer grinder motors and ~42% in chimney motors
 - ▶ On a YoY basis, volume growth was flat
- ▶ Motors of fans were impacted due to unseasonal rains and cooler weather conditions which resulted in lower offtake of fans and therefore fan motors
- ▶ Others represents sale of synchronous motors and submersible pumps

Capex Overview

Amounts in INR million	Ghaziabad	Baddi	Goa	Total (Q1FY24)
Land & Building	-	-	-	-
Plant & Machinery	6.9	14.2	0.8	21.9
Electrical Installation	2.6	0.4	-	3.0
Tools, Dies & Moulds	5.6	8.4	0.7	14.7
Others	1.6	0.4	-	2.0
Total	16.7	23.4	1.5	41.6

- ▶ Plant & Machinery represents addition of machinery primarily for trimmers and BLDC fans
- ▶ Tools, Dies & Moulds, represent tooling development for new products – majority of these tooling investments will come into revenue in H2FY24

Key Initiatives

Description	Status
Design & Development	<ul style="list-style-type: none"> • One of the promoters has taken direct charge of design & development team • Strong team with experience built • Expected to drive growth because of efficient design and costing
Entering EMS (electronics) space	<ul style="list-style-type: none"> • We are doing electronics i.e. PCBA design, assembly, testing etc for captive use in our LED lighting and fans business, now decided to offer it as a third party service given industry tailwinds and market demand and growth • We will start with consumer electronics i.e. LED lighting, fans, FMEG (Air Conditioners, Mixer grinders etc) • Initial team (with prior experience) has been built • Started interaction with potential customers • Revenues will start by Q4FY24
Appointment of new statutory auditor	<ul style="list-style-type: none"> • In line with our intent of having the highest standards of corporate governance, the Board of Directors has recommended appointment of M/s. S.R. Batliboi & Co. LLP, Chartered Accountants (Indian unit of EY) as statutory auditors of the Company

Status of New Product Launches

Description	Category	Current Status
BLDC Fans	Lighting, Fans & Switches	Launched in Q1FY24
TPW Fans	Lighting, Fans & Switches	Launched in Q1FY24
Heated Hair-Brush	Small Appliances	Product under development, launch in Q3FY24
Electric Sterilizer	Small Appliances	Product under development, launch in Q3FY24
Trimmer 3000	Small Appliances	Product under development, launch in FY25
Oil Filled Radiator	Small Appliances	Product under development, launch in Q3FY24
Chimney	Small Appliances	Product under development, launch in FY25
OTG	Small Appliances	Product under development, launch in Q4FY24
BLDC MG Motor	FHP Motors	Product under development, launch in Q2FY24
AC ODU Motor	FHP Motors	Product ready, launch in Q3FY24

Thank You

