



Earnings Presentation | Q2 FY22

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# Consolidated Financial Snapshot

## Q2 FY22 Financial Performance

Revenue	EBITDA	EBITDA Margins
<b>INR 50,733 Mn</b>	<b>INR 6,380 Mn</b>	<b>12.6%</b>
Y-o-Y	Y-o-Y	Y-o-Y
<b>18.2%</b>	<b>-9.8%</b>	<b>-390 Bps</b>
Net Profit	PAT Margins	Diluted EPS
<b>INR 1,738 Mn</b>	<b>3.4%</b>	<b>INR 2.74</b>
	Y-o-Y	
	<b>916 Bps</b>	

## YTD FY22 Financial Performance

Revenue	EBITDA	EBITDA Margins
<b>INR 96,618 Mn</b>	<b>INR 12,048 Mn</b>	<b>12.5%</b>
Y-o-Y	Y-o-Y	Y-o-Y
<b>34.6%</b>	<b>26.5%</b>	<b>-80 Bps</b>
Net Profit	PAT Margins	Diluted EPS
<b>INR 3,016 Mn</b>	<b>3.1%</b>	<b>INR 4.75</b>
	Y-o-Y	
	<b>843 Bps</b>	

## Q2 FY22 Operational Highlights

- Robust growth across both India and European operations driven by strong volume recovery, sharp execution and price increases taken
- Operating performance impacted by steep increase in RM costs and constrained OEM demand (especially for PCR) due to chip shortage
- Continued strong operating performance in Europe helped strengthen the consolidated operating margins

# Performance Summary – YTD FY22

Consolidated YTD Revenue of

**~₹97 Bn**

Consolidated YTD EBITDA of

**~₹12 Bn (12.5%)**

YTD Capacity Utilization

India

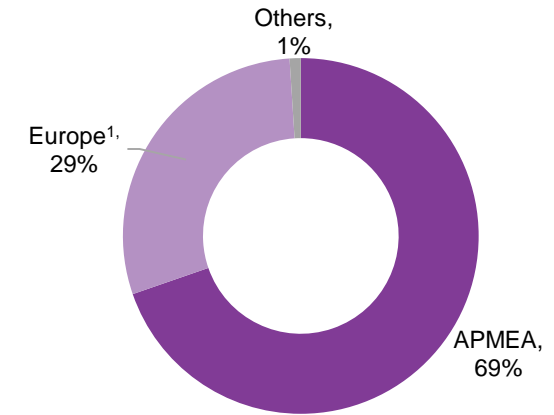
**80%**

Europe

**86%**

## Revenue Mix Consolidated– YTD FY22

By Region

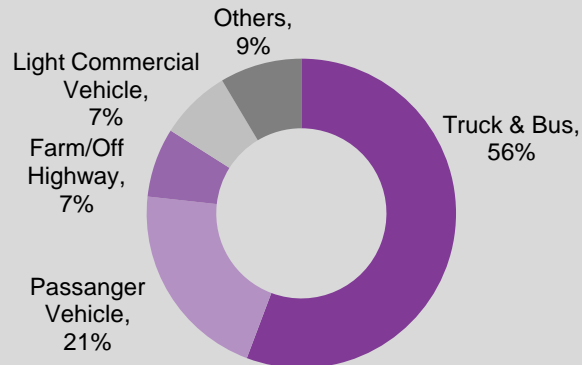


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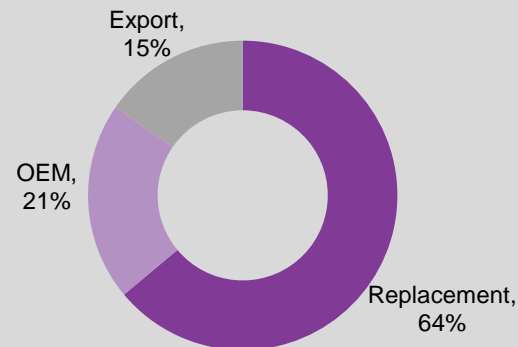
1. Europe Includes operations of ReifenCom

## Revenue Mix Standalone – YTD FY22

By Product

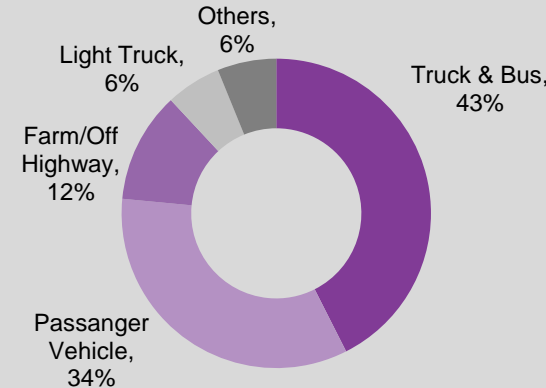


By Channel

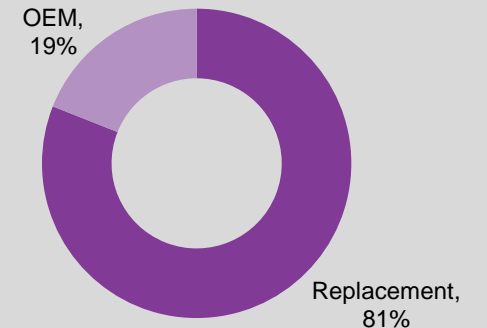


## Revenue Mix Consolidated – YTD FY22

By Product



By Channel

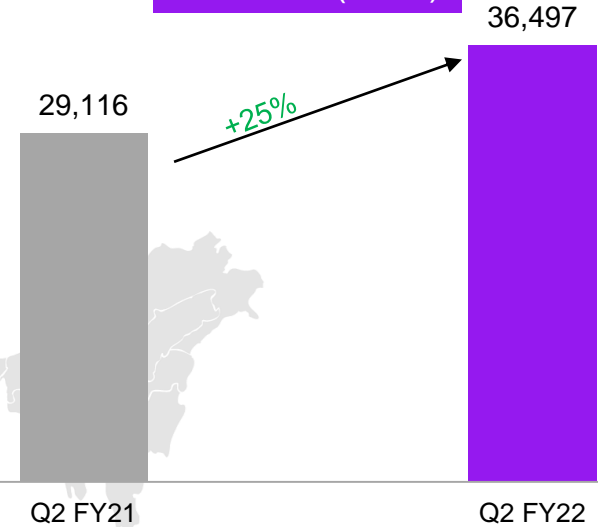


# Operating Highlights – India

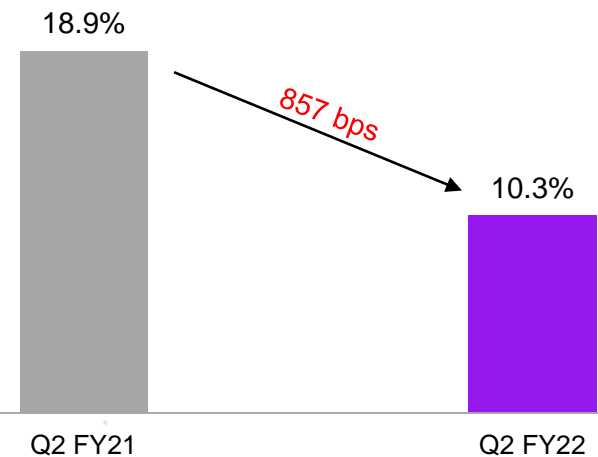
Q2 FY22

- Strong demand recovery continued in the quarter with 25% YoY and 13% QoQ revenue growth
- However, pace of growth constrained by:
  - Steep inflation, especially in fuel / energy costs
  - Patchy distribution of rainfall during monsoon
  - Impact of Covid 2<sup>nd</sup> wave on rural economy
  - Chip shortage
- However, continued RM inflation (~5% QoQ) along with disruptions in OEM production impacted operating performance
- Pricing environment remained stable and we undertook price increase of ~ 3% to 7% in replacement segment
- Expect demand to remain healthy, although higher inflationary pressures could continue to weigh on near term margins

Revenue (₹ Mn)



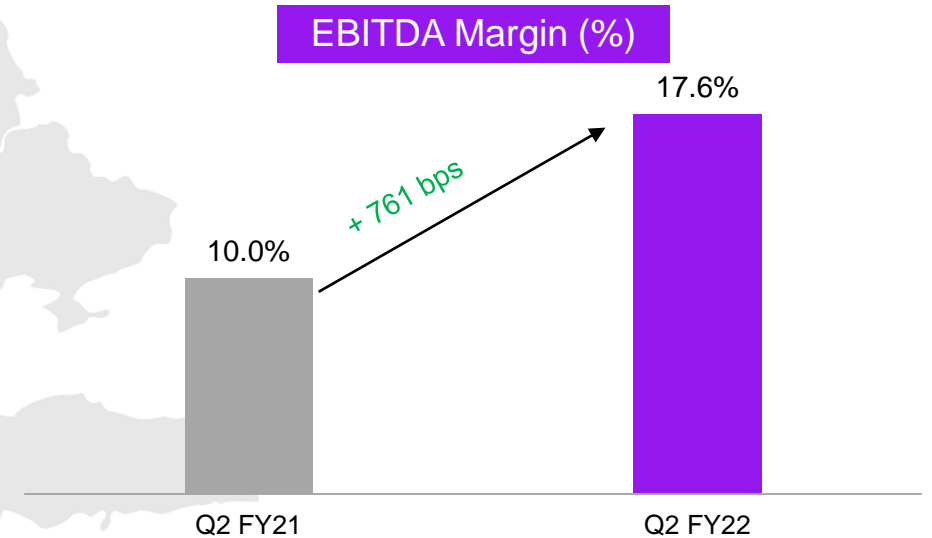
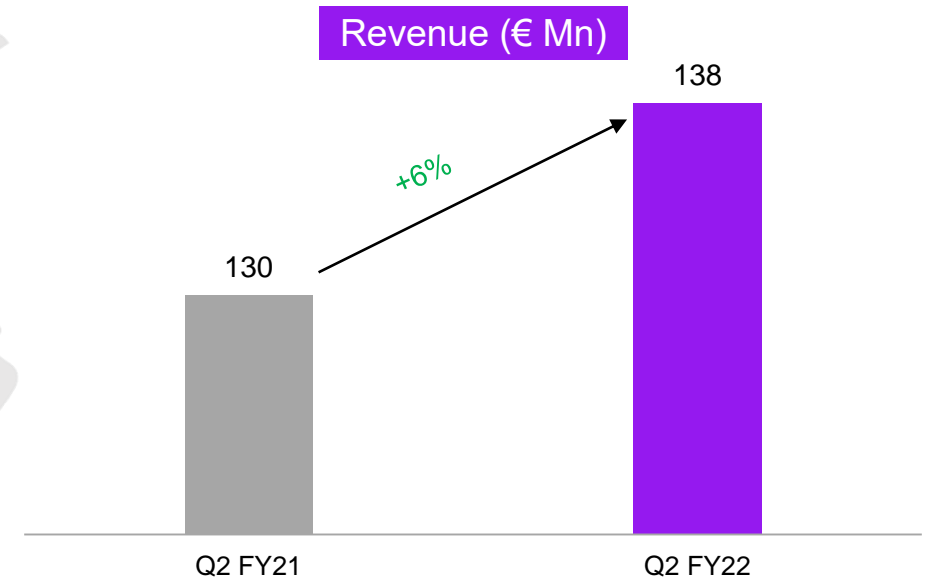
EBITDA Margin (%)



# Operating Highlights – Europe<sup>1</sup>

Q2 FY22

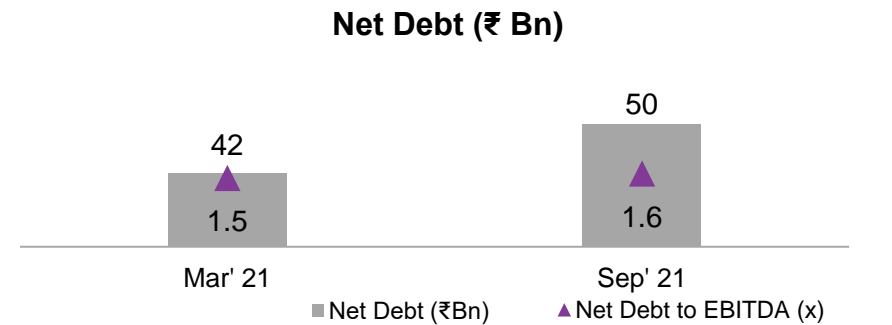
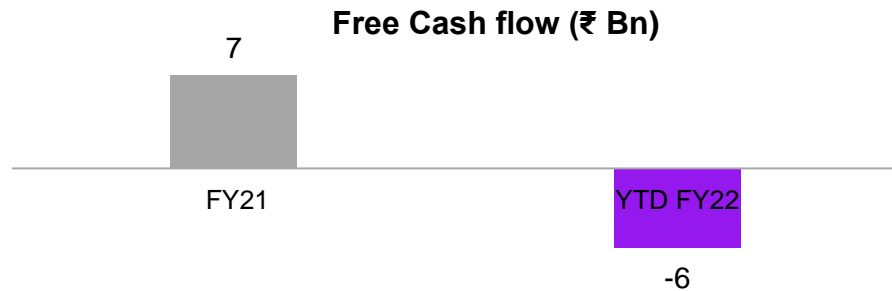
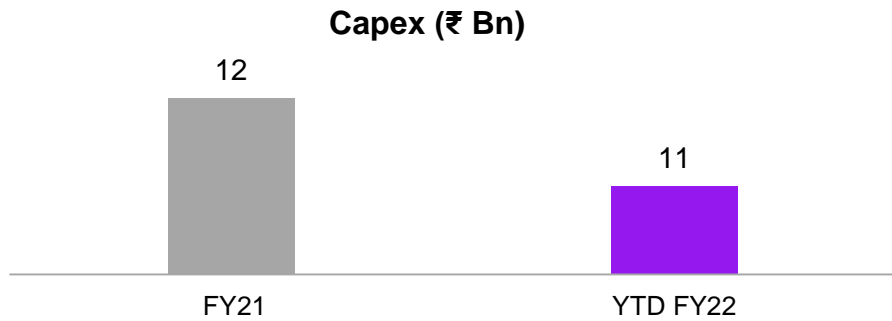
- Although PCLT market growth tapered down, All season continued to grow strongly
- Undertook price hikes to the extent of 4% - 6% during the quarter (TBR, Agri and Industrial)
- Registered further improvement in sales mix - UHP / UUHP accounted for ~39% of PCLT sales (volumes)
- Gained market share in TBR and OHT segment
- Despite costs push, reported healthy operating performance
- Continue to win podium positions in test results
  - Auto Express – Vredestein Ultrac
  - ADAC – Vredestein Wintrac
  - ÖAMTC – Vredestein Wintrac
- Expect demand momentum to remain strong going forward



Notes:

1. Includes only sales and manufacturing operations, excl. Reifencom GmbH (Distribution business)

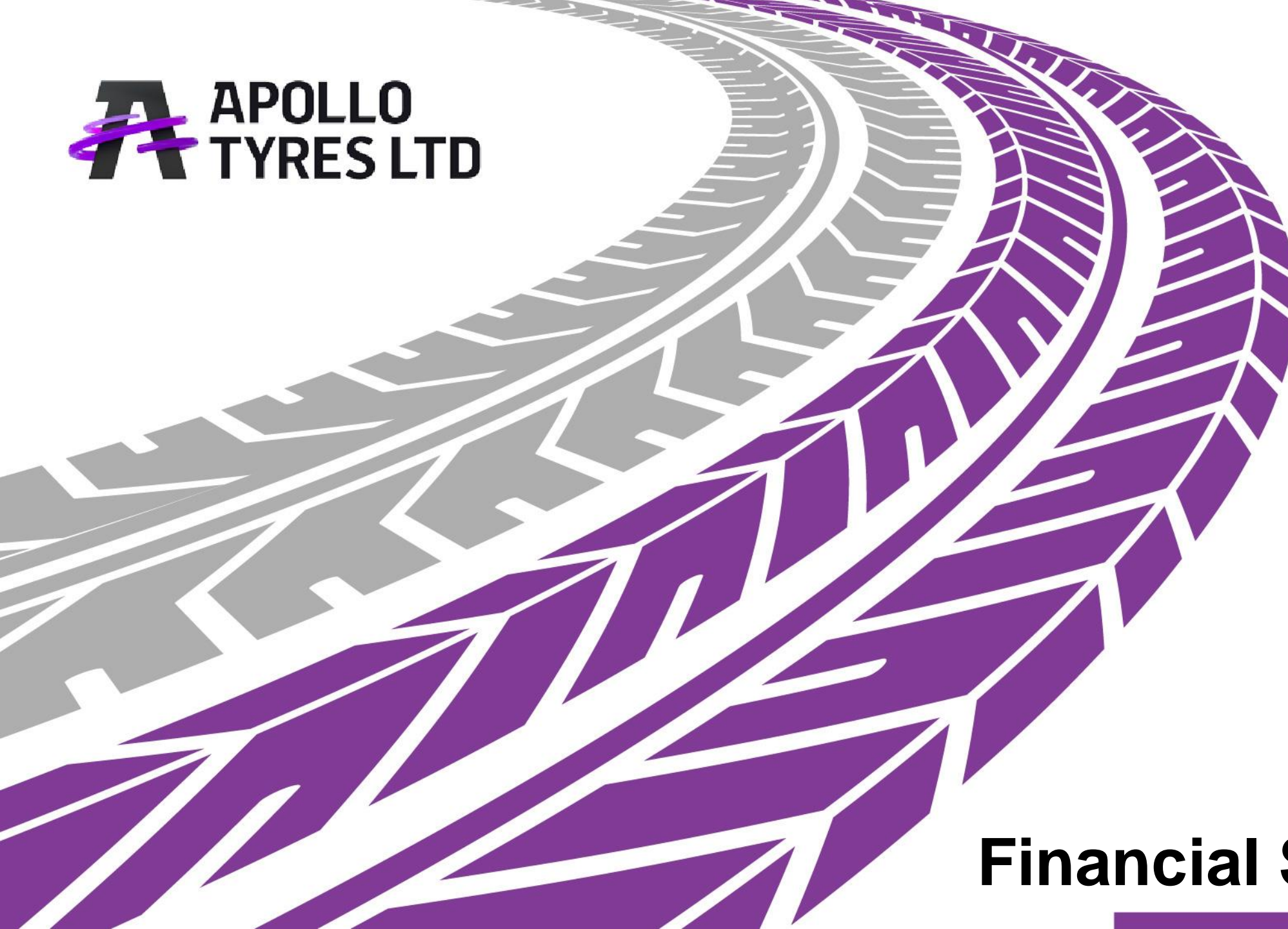
# Consolidated Cash Flow & Balance Sheet Highlights



## Key Highlights

- Capex in line with guidance
- Marginally increase in net debt from ₹ 48bn (June '21) to ₹ 50bn (Sep '21); Significant decrease from ₹ 60bn (Mar '20)
- Net Debt increase driven by inventory valuation





**Financial Statements**



# Profit & Loss (Quarterly) – Consolidated

Particulars (₹ Mn)	Q2 FY22	Q2 FY21	Q1 FY22	% Change - YoY	% Change - QoQ
<b>Revenues</b>	<b>50,773</b>	<b>42,949</b>	<b>45,845</b>	18%	11%
Raw Material <sup>1</sup>	29,731	23,014	26,245		
Staff Cost	6,391	6,233	6,536		
Other Costs	8,271	6,632	7,396		
<b>EBITDA</b>	<b>6,380</b>	<b>7,070</b>	<b>5,668</b>	-10%	13%
<b>EBITDA Margin (%)</b>	<b>12.6%</b>	<b>16.5%</b>	<b>12.4%</b>		
Depreciation	3,397	3,308	3,404		
Other Income	289	262	405		
<b>EBIT</b>	<b>3,272</b>	<b>4,024</b>	<b>2,669</b>		
<b>EBIT Margin</b>	<b>6.4%</b>	<b>9.4%</b>	<b>5.8%</b>		
Interest	1,036	1,167	1,046		
Tax	454	-690	336		
Exceptional Items	44	6,009	9		
<b>PAT</b>	<b>1,737</b>	<b>-2,463</b>	<b>1,278</b>		
<b>PAT Margin (%)</b>	<b>3.4%</b>	<b>-5.7%</b>	<b>2.8%</b>		

# Profit & Loss (YTD) – Consolidated

Particulars (₹ Mn)	YTD FY22	YTD FY21	% Change - YoY
<b>Revenues</b>	<b>96,618</b>	<b>71,766</b>	<b>35%</b>
Raw Material <sup>1</sup>	55,976	39,321	
Staff Cost	12,927	11,603	
Other Costs	15,667	11,316	
<b>EBITDA</b>	<b>12,048</b>	<b>9,526</b>	<b>26%</b>
<b>EBITDA Margin (%)</b>	<b>12.5%</b>	<b>13.3%</b>	
Depreciation	6,800	6,400	
Other Income	693	448	
<b>EBIT</b>	<b>5,941</b>	<b>3,574</b>	
<b>EBIT Margin</b>	<b>6.1%</b>	<b>5.0%</b>	
Interest	2,082	2,339	
Tax	790	-966	
Exceptional Items	54	6,009	
<b>PAT</b>	<b>3,015</b>	<b>-3,809</b>	
<b>PAT Margin (%)</b>	<b>3.1%</b>	<b>-5.3%</b>	

# Profit & Loss (Quarterly) – Standalone

Particulars (₹ Mn)	Q2 FY22	Q2 FY21	Q1 FY22	% Change - YoY	% Change - QoQ
<b>Revenues</b>	<b>36,497</b>	<b>29,116</b>	<b>32,200</b>	25%	13%
Raw Material <sup>1</sup>	24,604	16,808	21,192		
Staff Cost	2,600	2,165	2,623		
Other Costs	5,531	4,646	5,049		
<b>EBITDA</b>	<b>3,762</b>	<b>5,496</b>	<b>3,336</b>	-32%	13%
<b>EBITDA Margin (%)</b>	<b>10.3%</b>	<b>18.9%</b>	<b>10.4%</b>		
Depreciation	1,951	1,743	1,924		
Other Income	318	290	378		
<b>EBIT</b>	<b>2,129</b>	<b>4,043</b>	<b>1,790</b>		
<b>EBIT Margin</b>	<b>5.8%</b>	<b>13.9%</b>	<b>5.6%</b>		
Interest	896	1,018	893		
Tax	331	815	210		
Exceptional Items	5	48	8		
<b>PAT</b>	<b>897</b>	<b>2,162</b>	<b>679</b>		
<b>PAT Margin (%)</b>	<b>2.5%</b>	<b>7.4%</b>	<b>2.1%</b>		



# Profit & Loss (YTD) – Standalone

Particulars (₹ Mn)	YTD FY22	YTD FY21	% Change - YoY
<b>Revenues</b>	<b>68,697</b>	<b>46,848</b>	47%
Raw Material <sup>1</sup>	45,796	27,709	
Staff Cost	5,223	4,123	
Other Costs	10,580	7,607	
<b>EBITDA</b>	<b>7,097</b>	<b>7,410</b>	-4%
<b>EBITDA Margin (%)</b>	<b>10.3%</b>	<b>15.8%</b>	
Depreciation	3,875	3,458	
Other Income	696	435	
<b>EBIT</b>	<b>3,918</b>	<b>4,387</b>	
<b>EBIT Margin</b>	<b>5.7%</b>	<b>9.4%</b>	
Interest	1,790	2,046	
Tax	540	667	
Exceptional Items	13	48	
<b>PAT</b>	<b>1,576</b>	<b>1,626</b>	
<b>PAT Margin (%)</b>	<b>2.3%</b>	<b>3.5%</b>	



For further details please feel free to get in touch with the IR team

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# Thank you

