



Earnings Presentation | Q2 FY23

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# Consolidated Financial Snapshot

## Q2 FY23 Financial Performance

Revenue	EBITDA	EBITDA Margins
<b>INR 59,560 Mn</b>	<b>INR 7,120 Mn</b>	<b>12.0%</b>
Y-o-Y	Y-o-Y	Y-o-Y
<b>+17%</b>	<b>+12%</b>	<b>-61 Bps</b>
Net Profit	Net Profit Margins	Diluted EPS
<b>INR 1,944 Mn</b>	<b>3.3%</b>	<b>INR 3.06</b>
	Y-o-Y	
	<b>-16 Bps</b>	

## YTD FY23 Financial Performance

Revenue	EBITDA	EBITDA Margins
<b>INR 118,980 Mn</b>	<b>INR 14,018 Mn</b>	<b>11.8%</b>
Y-o-Y	Y-o-Y	Y-o-Y
<b>23.1%</b>	<b>+16.4%</b>	<b>-69 Bps</b>
Net Profit	Net Profit Margins	Diluted EPS
<b>INR 3,851 Mn</b>	<b>3.2%</b>	<b>INR 6.1</b>
	Y-o-Y	
	<b>+12 Bps</b>	

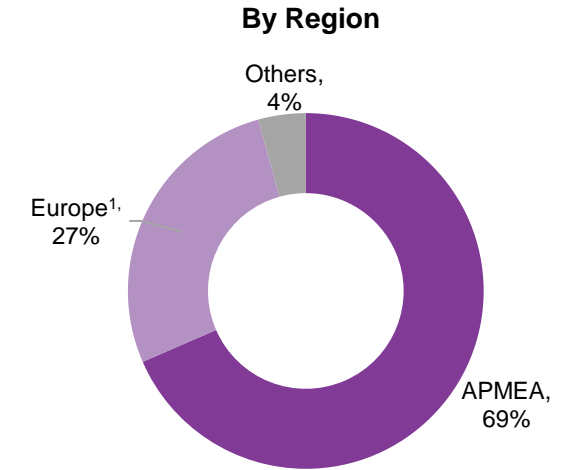
## Q2 FY23 Operational Highlights

- Reported double digit growth (YoY) in Consolidated top line and EBITDA, despite challenging environment
- Quarter was once again marked by steep increase in RM and other costs like energy (especially in Europe)
- Despite cost push, reported sequential improvement in standalone and Europe operating margin performance
- Consolidated EBITDA margin at 12% was down 61 bps YoY and up 35bps QoQ

# Performance Summary – YTD FY23

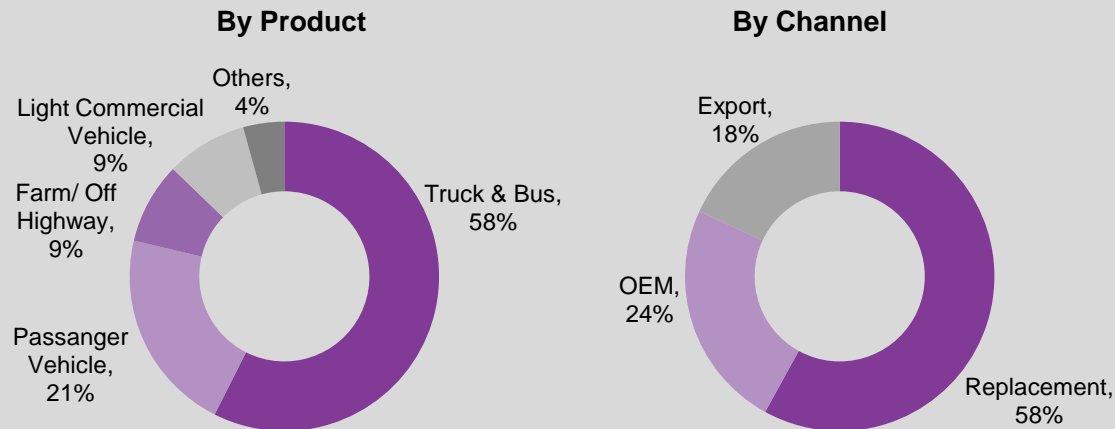
Consolidated Revenue of <b>~₹119 Bn</b>	Consolidated EBITDA of <b>~₹14 Bn (11.8%)</b>
Capacity Utilization	
India <b>76%</b>	Europe <b>89%</b>

## Revenue Mix Consolidated– YTD FY23

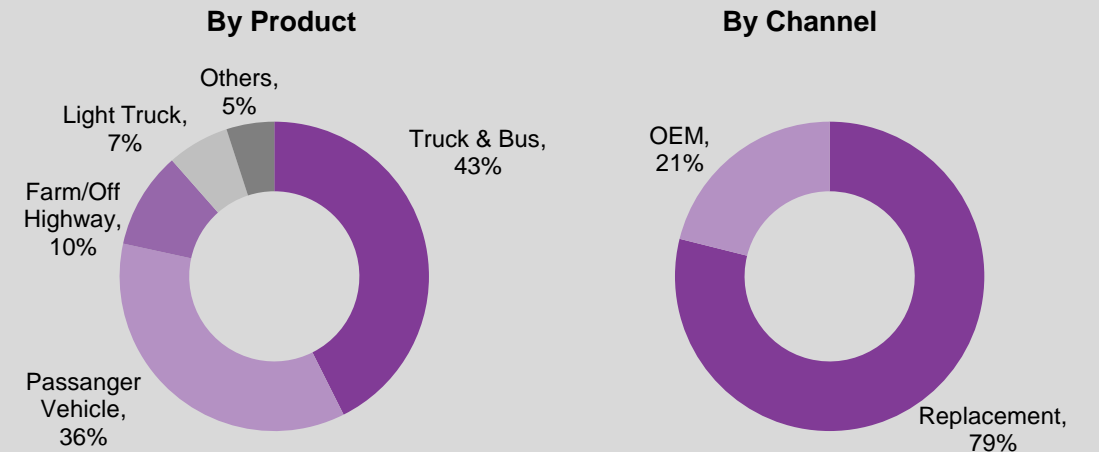


Note:  
1. Europe Includes operations of ReifenCom

## Revenue Mix Standalone – YTD FY23



## Revenue Mix Consolidated – YTD FY23

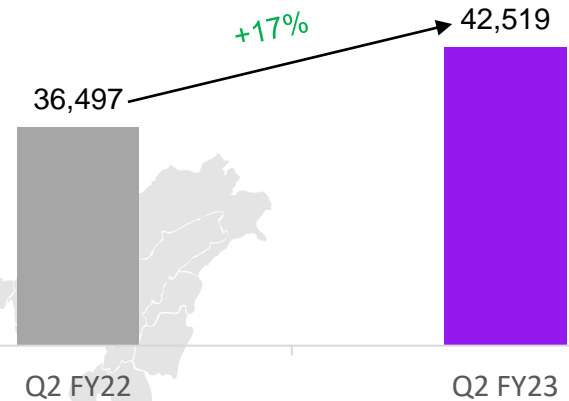


# Operating Highlights – India

## Q2 FY23

- Quarter was once again marked by RM inflation.
- Despite adverse environment, reported 17% YoY increase in revenues, largely driven by price increases
- Pricing environment remained stable, and we undertook price increase up to ~ 5% in replacement segment. Reported ~62bps improvement EBITDA margin sequentially (flat YoY)
- In terms of demand outlook, we are cautiously optimistic. Correction in input prices should help in improving operating margin performance in near to medium term

## Revenue (₹ Mn)



## EBITDA Margin (%)

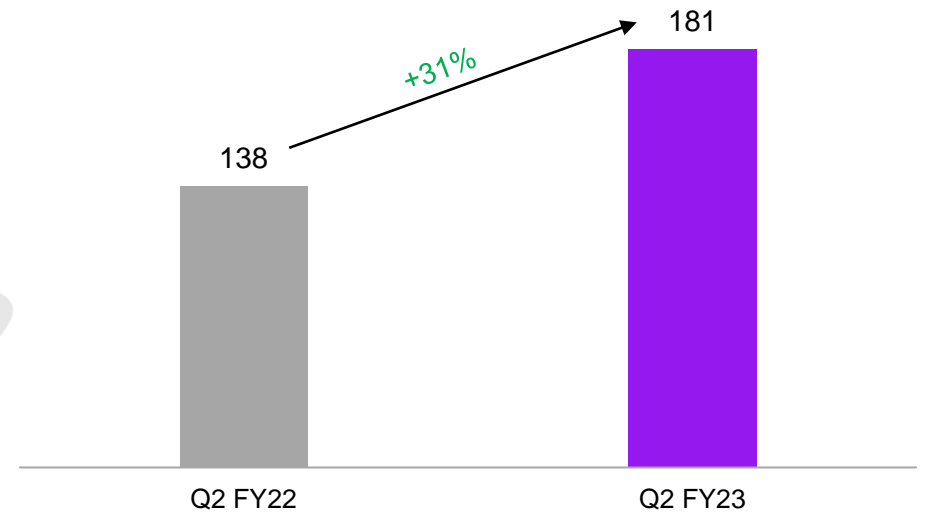


# Operating Highlights – Europe<sup>1</sup>

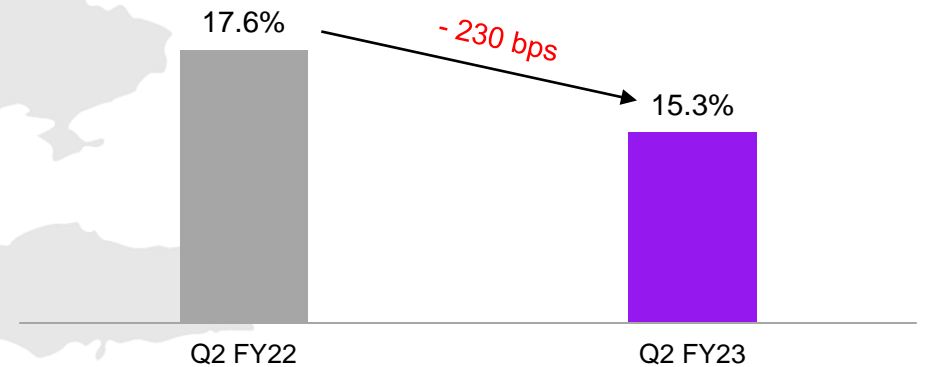
Q2 FY23

- PCLT market declined by ~9.5%, mainly on account of high channel inventory. All season continued to outperform overall market with marginal growth
- Undertook price hikes to the extent of 5% - 12% during the quarter (PCR and TBR)
- Market share gains, particularly in the premium segment helped report 31% growth in topline (YoY)
- Continued improvement in sales mix - UHP / UUHP accounted for ~42% of PCLT sales (volumes) in Q2 FY23 (~39% in Q2 FY22)
- Despite costs push (RM and energy), reported sequential improvement in operating performance
- Expect market slowdown in PCR, TBR and OHT segment

Revenue (€ Mn)



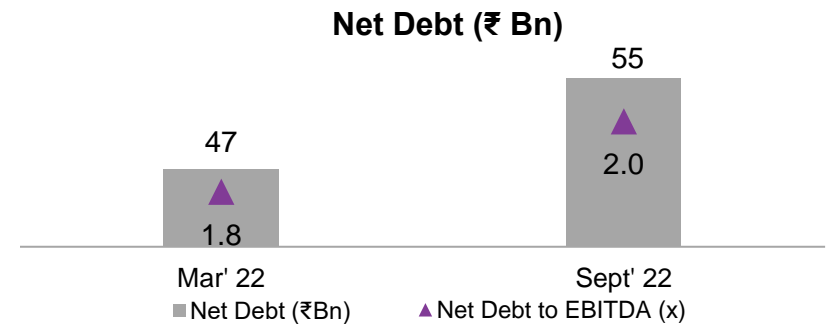
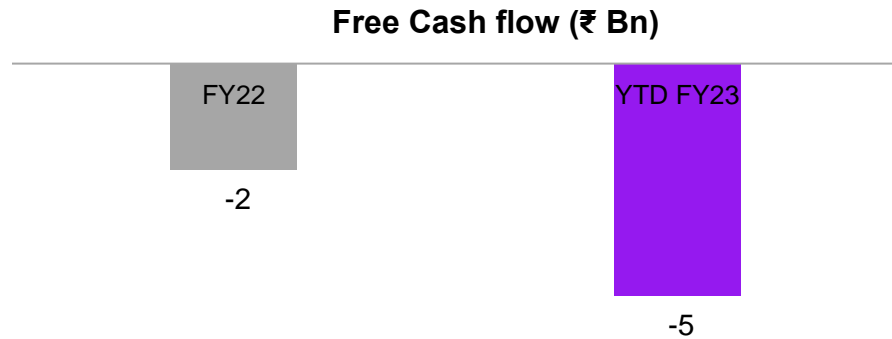
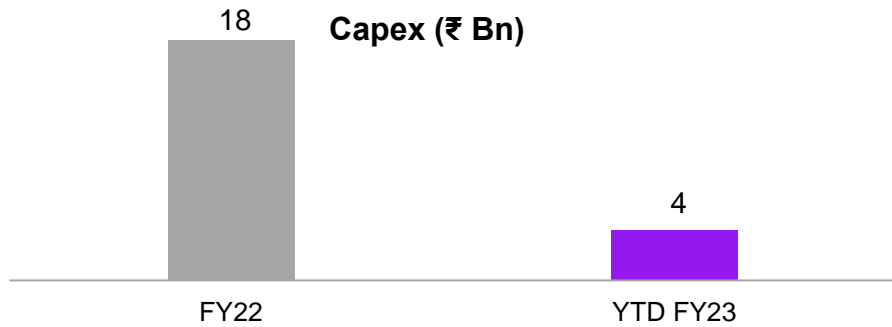
EBITDA Margin (%)



Notes:

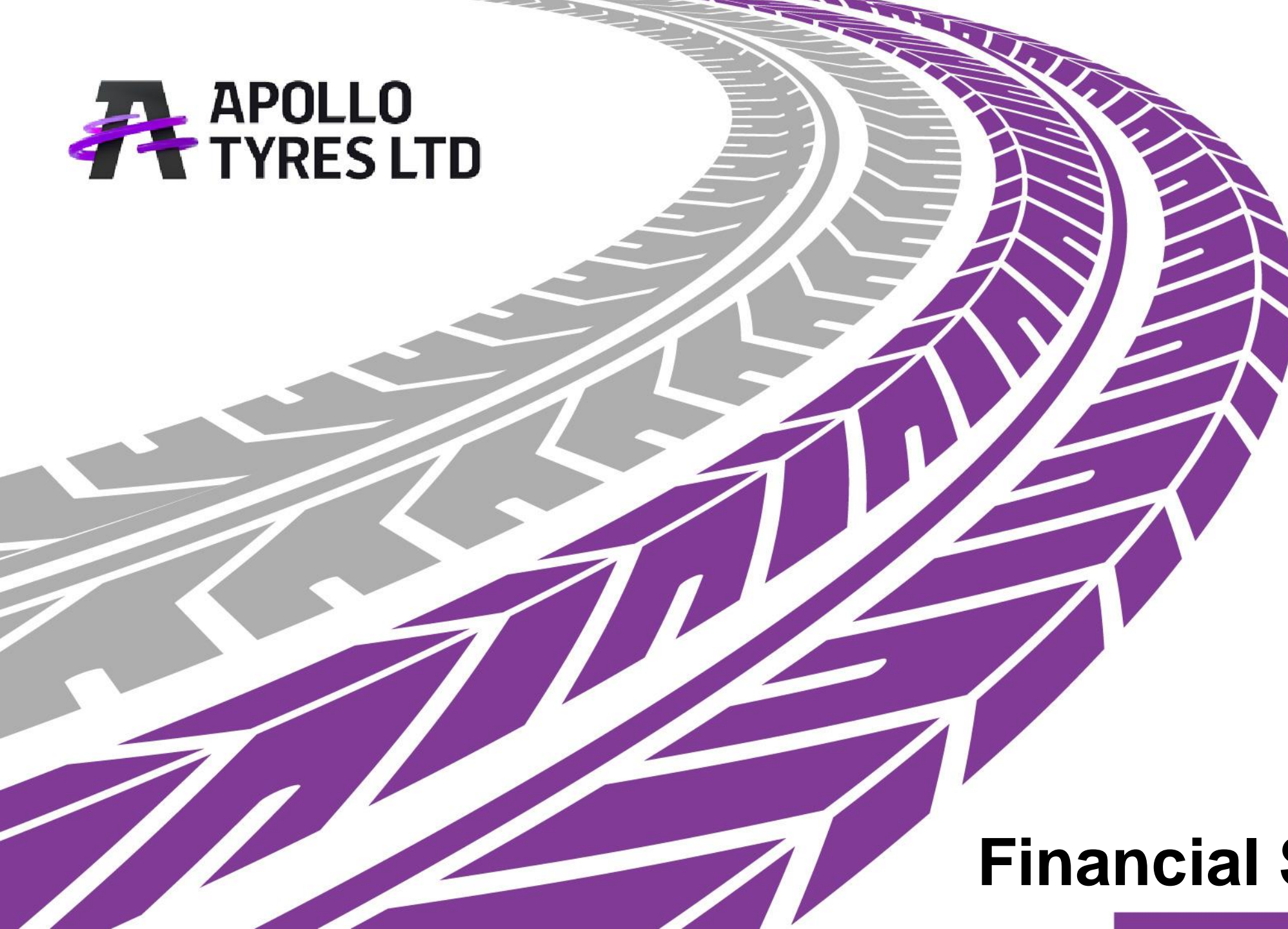
1. Includes only sales and manufacturing operations, excl. Reifencom GmbH (Distribution business)

# Consolidated Cash Flow & Balance Sheet Highlights



## Key Highlights

- Capex in line with guidance.
- Marginal increase in net debt from ₹ 47bn (Mar '22) to ₹ 55bn (Jun '22).
- Net Debt increase on account of lower cash & cash equivalents. The gross debt during the period has been largely flattish (₹ 63bn in Sep '22 from ₹ 62bn in Mar '22).



# Financial Statements



# Profit & Loss (Quarterly) – Consolidated

Particulars (₹ Mn)	Q2 FY23	Q2 FY22	Q1 FY23	% Change - YoY	% Change - QoQ
<b>Revenues</b>	<b>59,560</b>	<b>50,773</b>	<b>59,420</b>	17%	0%
Raw Material	36,406	29,731	35,840		
Staff Cost	6,141	6,391	6,453		
Other Costs	9,893	8,271	10,229		
<b>EBITDA</b>	<b>7,120</b>	<b>6,380</b>	<b>6,898</b>	12%	3%
EBITDA Margin (%)	12.0%	12.6%	11.6%		
Depreciation	3,485	3,397	3,437		
Other Income	69	289	106		
<b>EBIT</b>	<b>3,703</b>	<b>3,272</b>	<b>3,567</b>		
<b>EBIT Margin</b>	<b>6.2%</b>	<b>6.4%</b>	<b>6.0%</b>		
Interest	1,320	1,036	1,182		
Tax	440	454	478		
Exceptional Items	-	44	-		
<b>PAT</b>	<b>1,944</b>	<b>1,737</b>	<b>1,907</b>		
PAT Margin (%)	3.3%	3.4%	3.2%		

# Profit & Loss (YTD) – Consolidated

Particulars (₹ Mn)	YTD FY23	YTD FY22	% Change - YoY
<b>Revenues</b>	<b>1,18,980</b>	<b>96,618</b>	23%
Raw Material	72,246	55,976	
Staff Cost	12,593	12,927	
Other Costs	20,123	15,667	
<b>EBITDA</b>	<b>14,018</b>	<b>12,048</b>	16%
EBITDA Margin (%)	11.8%	12.5%	
Depreciation	6,923	6,800	
Other Income	175	693	
<b>EBIT</b>	<b>7,270</b>	<b>5,941</b>	
EBIT Margin	6.1%	6.1%	
Interest	2,502	2,082	
Tax	918	790	
Exceptional Items	-	54	
<b>PAT</b>	<b>3,850</b>	<b>3,015</b>	
PAT Margin (%)	3.2%	3.1%	

# Profit & Loss (Quarterly) – Standalone

Particulars (₹ Mn)	Q2 FY23	Q2 FY22	Q1 FY23	% Change - YoY	% Change - QoQ
<b>Revenues</b>	<b>42,519</b>	<b>36,497</b>	<b>44,362</b>	17%	-4%
Raw Material	29,901	24,604	31,211		
Staff Cost	2,480	2,600	2,604		
Other Costs	5,765	5,531	6,259		
<b>EBITDA</b>	<b>4,374</b>	<b>3,762</b>	<b>4,288</b>	16%	2%
EBITDA Margin (%)	10.3%	10.3%	9.7%		
Depreciation	2,225	1,951	2,155		
Other Income	192	318	289		
<b>EBIT</b>	<b>2,341</b>	<b>2,129</b>	<b>2,421</b>		
EBIT Margin	5.5%	5.8%	5.5%		
Interest	1,206	896	1,058		
Tax	327	331	320		
Exceptional Items	-	5	-		
<b>PAT</b>	<b>808</b>	<b>897</b>	<b>1,043</b>		
PAT Margin (%)	1.9%	2.5%	2.4%		

# Profit & Loss (YTD) – Standalone

Particulars (₹ Mn)	YTD FY23	YTD FY22	% Change - YoY
<b>Revenues</b>	<b>86,882</b>	<b>68,697</b>	26%
Raw Material	61,112	45,796	
Staff Cost	5,083	5,223	
Other Costs	12,024	10,580	
<b>EBITDA</b>	<b>8,662</b>	<b>7,097</b>	22%
EBITDA Margin (%)	10.0%	10.3%	
Depreciation	4,380	3,875	
Other Income	480	696	
<b>EBIT</b>	<b>4,762</b>	<b>3,918</b>	
EBIT Margin	5.5%	5.7%	
Interest	2,264	1,790	
Tax	647	540	
Exceptional Items	-	13	
<b>PAT</b>	<b>1,851</b>	<b>1,576</b>	
PAT Margin (%)	2.1%	2.3%	



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

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# Thank you

