



POLYCAB

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Q1 FY25 Presentation

18 July 2024

The background of the slide features a blue-toned image of several stacks of silver coins on a wooden surface. Overlaid on this are various financial charts, including a candlestick chart and several line graphs with markers, suggesting market analysis and growth. A bright light source in the upper center creates a lens flare effect.

Q1 FY25

Financial Performance

Key Highlights

Top-line (Revenue)

Q1 FY25: 46,980 Mn
⌘ 21% YoY
⌘ -16% QoQ



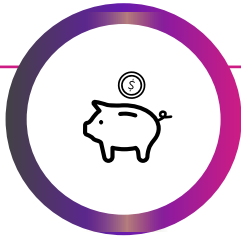
Operating (EBITDA)

Q1 FY25: 5,834 Mn
⌘ 6% YoY
⌘ -23% QoQ

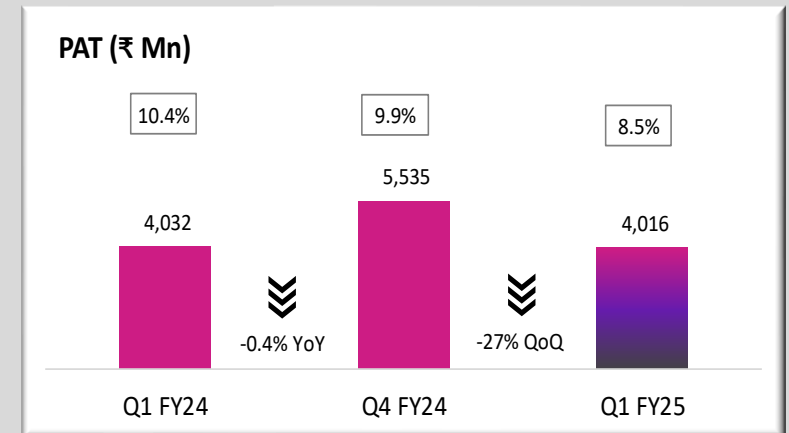
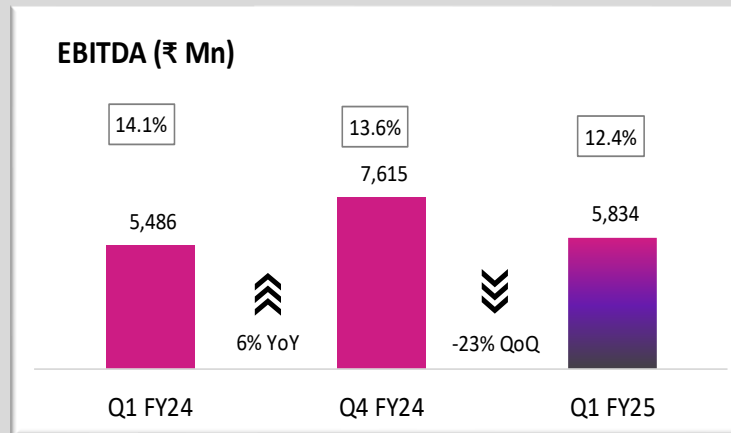
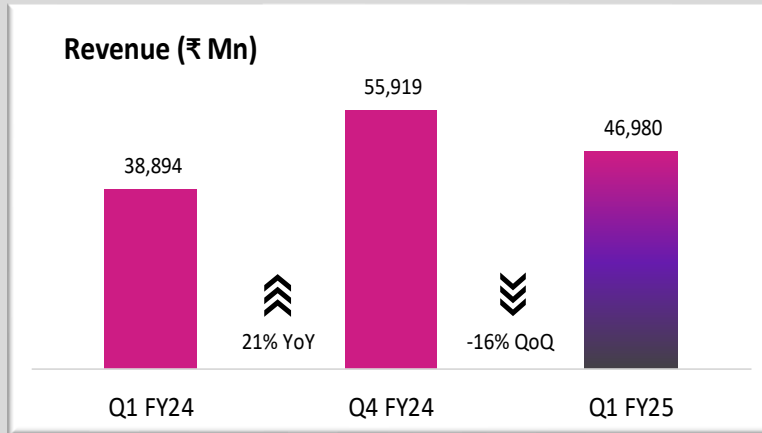


Profitability (PAT)

Q1 FY25: 4,016 Mn
⌘ -0.4% YoY
⌘ -27% QoQ



Q1 FY25: Business-Mix Change Derails Margins

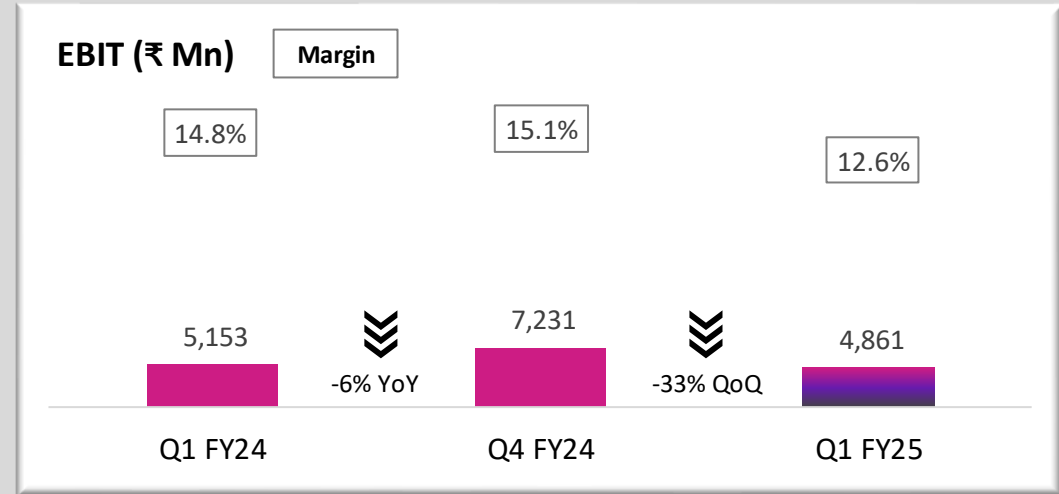
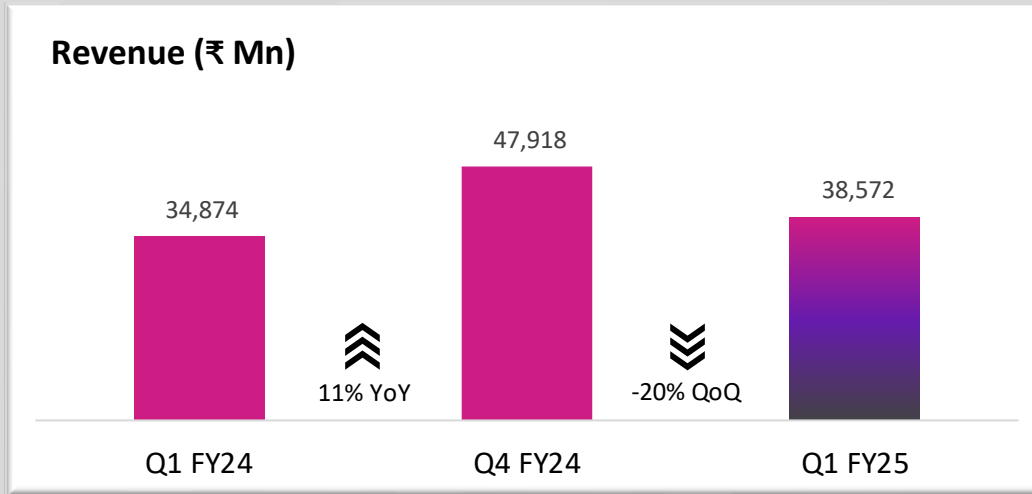


- Steady performance in W&C business supported by strong performance in the EPC business and a seasonally robust quarter for the FMEG business helped the Company register its highest ever first quarterly revenues
- EBITDA margins contracted by ~170 bps to 12.4%. The decrease in margin was driven by a shift in the business mix toward segments with lower margins – the contribution from higher margin International business and domestic distribution business declined, while that from lower margin EPC business inched up
- PAT registered a moderate decline on YoY basis, with PAT margin compression of ~190 bps YoY and ~140 bps QoQ



Wires & Cables

Sharp Movements in Commodity Prices Limits Growth



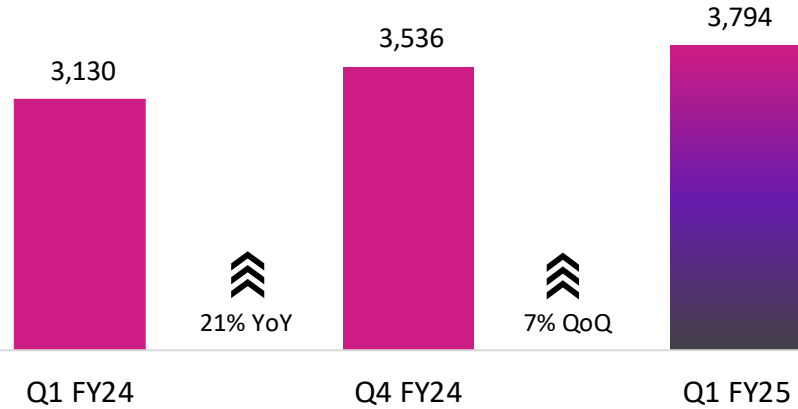
- Wires & Cables revenue grew by 11% YoY. Sharp commodity price movements led demand fluctuations in channel sales in later part of the quarter curtailed the positive impact of higher average commodity prices. Demand momentum remains strong, with uptick in sales expected during the remaining part of the year
- Domestically, the institutional business outpaced the distribution business. Cables growth continued to outperform wires growth
- The international business registered a decline of 28% YoY. Contribution from the international business to the consolidated revenue stood at 5.3% for the quarter
- Margin decline of ~220 bps YoY was on account of lower contribution from the higher margin international business as well as domestic distribution business

FMEG



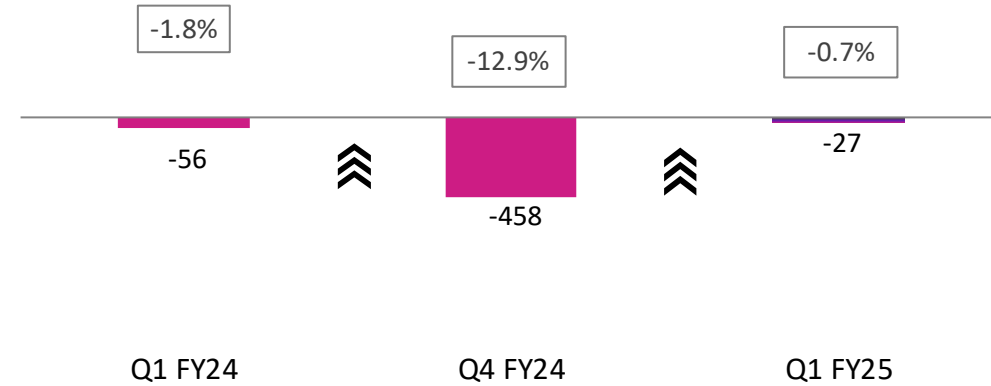
Sustained Growth Momentum in a Seasonally Strong Quarter

Revenue (₹ Mn)



EBIT (₹ Mn)

Margin



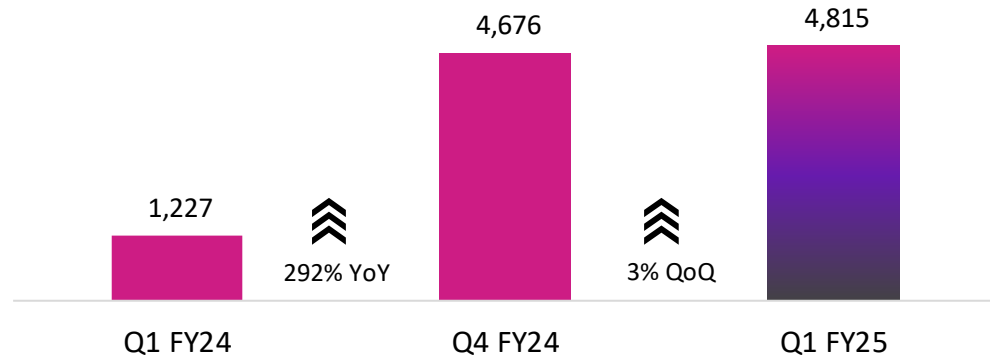
- FMEG business registered a growth of 21% YoY, on the back of robust demand for fans amid heatwave in several parts of the country
- Driven by healthy real estate demand, the switches & switchgears and conduit pipes & fittings segments exhibited strong growth during the quarter. However, the lights & luminaires segment continues to be affected by pricing erosion and weak consumer demand
- Lower A&P spends and improvement in contribution from switchgears and conduit pipes & fittings helped in curtailing losses



Others

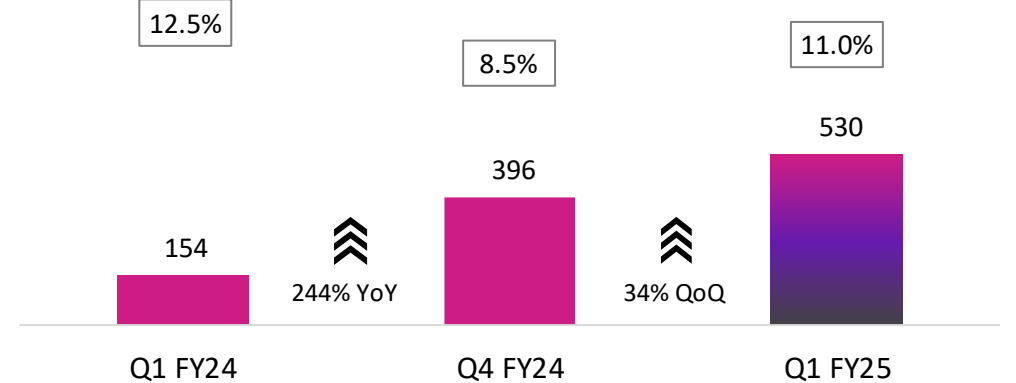
Other Segments

Revenue (₹ Mn)



EBIT (₹ Mn)

Margin

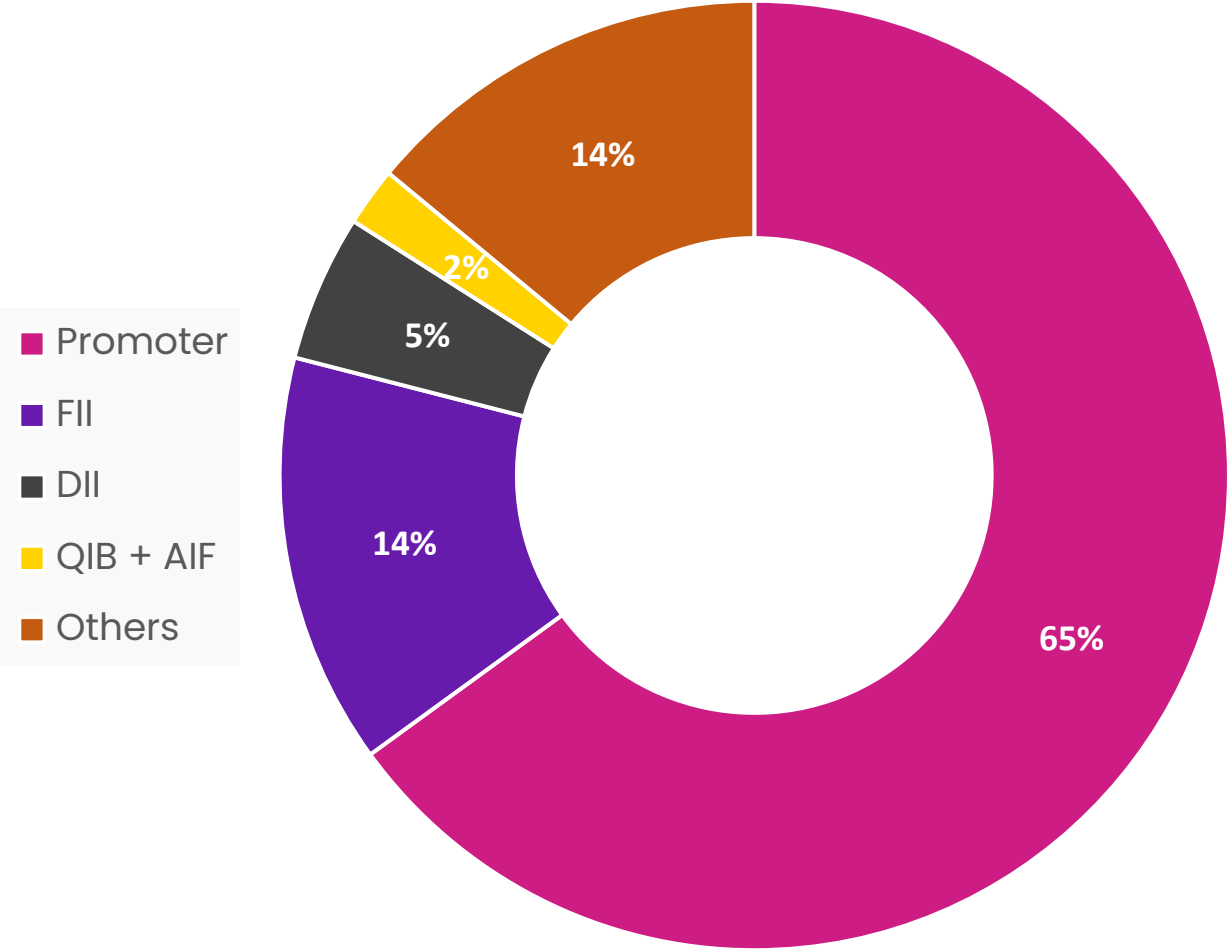


- Other segment largely comprises of our EPC business
- Total income for Q1FY25 at ₹ 4,815 Mn grew by 292% YoY and 3% QoQ, driven by robust execution of the EPC order book
- Segmental EBIT grew by 244% YoY. EBIT margin declined by ~150 bps to stand at 11.0%
- Annual sustainable operating margin in this business is expected to be in high single digit over mid-to-long term

The background of the slide features a person in a dark suit and tie, holding a smartphone. The image is overlaid with various financial graphics, including a white line chart, a candlestick chart, and numerous colorful bokeh lights in shades of orange, yellow, and red. A large purple circle with a white center is positioned on the left side of the slide.

Shareholding Pattern

Shareholding Pattern



Note: As on 30th June 2024. DII (Domestic Institutional Investors) includes "Mutual Funds". FII (Foreign Institutional Investors) includes "Foreign Portfolio - Corp" and "Foreign Corporate Bodies". QIB/ AIF stands for "Qualified Institutional Buyer"/ "Alternative Investment Fund". IFC: International Finance Corporation

The background of the slide features a collage of financial-themed elements. In the foreground, there are several coins, some of which are stacked. To the right, a portion of a black calculator is visible. The background is filled with a semi-transparent overlay of a candlestick chart, showing price movements with green and red bars. Various numerical values are scattered across the chart, including 10.09, 29.47, 64.01, 73.64, 75.354, 80.98, and 11.58. A bright, warm light flare is positioned in the center-right area, creating a sense of depth and focus.

Financial Statements

Consolidated Profit and Loss Statement

Particulars (₹ Mn)	Quarter					
	Q1 FY25	%	Q4 FY24	%	Q1 FY24	%
Revenue from Operations	46,980	100.0%	55,919	100.0%	38,894	100.0%
Cost of Goods sold	35,415	75.4%	41,792	74.7%	28,581	73.5%
Contribution (A)	11,565	24.6%	14,127	25.3%	10,313	26.5%
Employee Cost	1,539	3.3%	1,696	3.0%	1,349	3.5%
Other Operating Expenses	4,192	8.9%	4,816	8.6%	3,478	8.9%
Total Operating Expenses (B)	5,731	12.2%	6,512	11.6%	4,828	12.4%
EBITDA (A)-(B)+(C)	5,834	12.4%	7,615	13.6%	5,486	14.1%
Other Income	584	1.2%	538	1.0%	640	1.6%
Depreciation	671	1.4%	657	1.2%	571	1.5%
Finance Cost	413	0.9%	244	0.4%	249	0.6%
PBT	5,334	11.4%	7,253	13.0%	5,305	13.6%
Income Tax	1,317	2.8%	1,718	3.1%	1,273	3.3%
PAT	4,016	8.5%	5,535	9.9%	4,032	10.4%

Consolidated Balance Sheet

Particulars (₹ Mn)	Jun-24	Mar-24	Jun-23
<u>Assets</u>			
<u>Non-current Assets</u>			
Fixed Assets	31,431	29,160	23,694
Non-current Deposits	119	58	36
Other Non-current Assets	5,258	4,431	2,390
Total Non-current Assets	36,807	33,649	26,120
<u>Current Assets</u>			
Inventories	43,037	36,751	35,009
Trade Receivables	19,618	20,471	12,867
Investments	13,945	18,224	6,844
Cash and Bank Balances	3,305	4,024	5,437
Others - Current Assets	7,685	7,670	6,987
Total Current Assets	87,589	87,140	67,144
Total Assets	1,24,396	1,20,789	93,265

Particulars (₹ Mn)	Jun-24	Mar-24	Jun-23
<u>Equity and Liabilities</u>			
<u>Shareholder's Funds</u>			
Share Capital	1,503	1,502	1,499
Reserves and Surplus	84,400	80,369	65,763
Total Shareholder's Funds	85,903	81,871	67,262
Minority Interest	619	562	409
<u>Non-current Liabilities</u>			
Borrowings	329	226	36
Others - Non-current Liabilities	2,998	2,350	1,436
Total Non-current Liabilities	3,327	2,576	1,472
<u>Current Liabilities</u>			
Short-term Borrowings	655	672	2,150
Acceptances	16,528	18,620	9,341
Trade Payables	10,567	10,014	7,631
Others - Current Liabilities	6,797	6,474	5,001
Total Current Liabilities	34,547	35,779	24,122
Total Equity and Liabilities	1,24,396	1,20,789	93,265

Consolidated Cash Flow Statement

Particulars (₹ Mn)	Quarter		
	Q1 FY25	Q4 FY24	Q1 FY24
Net Cash Flow from Operating Activities	-2,175	5,085	-4,080
Net cash flow from/ (used in) investing activities	1,875	-4,549	6,823
Net cash flow from/ (used in) financing activities	-341	-308	-2,717
Net Increase / (Decrease) in cash and cash equivalents	-641	228	26

Other Key Data Points

Particulars (₹ Mn)	Quarter		
	Q1 FY25	Q4 FY24	Q1 FY24
Advertisement and Sales Promotion Expense	240	377	263
Capex Spends	2,813	2,216	1,522
Net Cash Position*	16,384	21,408	10,132
Goods in Transit*	1,730	1,140	2,466
Exports Revenue	2,467	4,290	3,445
Exports Contribution (%)	5.3%	7.7%	8.9%

* as at period end

Other Financial Metrics

Working Capital Days	Average			
	Q1 FY25	FY24	FY23	FY22
Receivable Days	31	33	33	41
Inventory Days	102	91	89	81
Payable Days*	72	81	71	67
Net Working Capital	62	44	51	54

* Including Acceptances

Q1 FY25	Closing		
	FY24	FY23	FY22
38	41	32	39
112	101	102	85
86	94	85	63
64	48	50	61

Other Income (₹ Mn)	Q1 FY25	Q4 FY24	Q1 FY24
Interest Income	48	57	106
Gain/ Loss on Redemption of Investment	335	270	197
Fair Value of Financial Assets (MTM)	-	-	20
Exchange Differences (net)	163	153	276
Miscellaneous Income	38	58	41
Total	584	538	640

Finance Cost (₹ Mn)	Q1 FY25	Q4 FY24	Q1 FY24
Interest on Bank Borrowings	12	10	14
Interest on LC, VBD and Leases	322	203	193
Other Borrowing Costs	79	32	42
Total	413	244	249

Safe Harbour

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Notes and General Definitions

1. Numbers on consolidated basis in ₹ million
2. Revenue: Revenue from operations
3. Segment Revenue: Total income (external sales) excluding finance income
4. EBITDA: Excludes other income
5. EBITDA Margin: EBITDA/ Revenue
6. Segment EBIT: Includes other income and excludes finance income
7. Segment EBIT margin: Segment EBIT divided by Segment Revenue
8. PAT: Profit After Tax on reported basis excluding exceptional items and discontinued operations
9. PAT Margin: PAT for the period divided by Revenue
10. Net Cash: Cash & equivalents + Investments + Non-current Deposits – Debt
11. Working Capital: Working capital days on Average basis is calculated using average of balance sheet number and sum of trailing 12 months P&L number. Closing basis uses period close balance sheet number and sum of trailing 12 months P&L number
12. P&L and Segment numbers in current and prior comparable periods are restated due to divestment of Ryker Base.

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