

MAY THE
POWER ALWAYS BE
WITH YOU



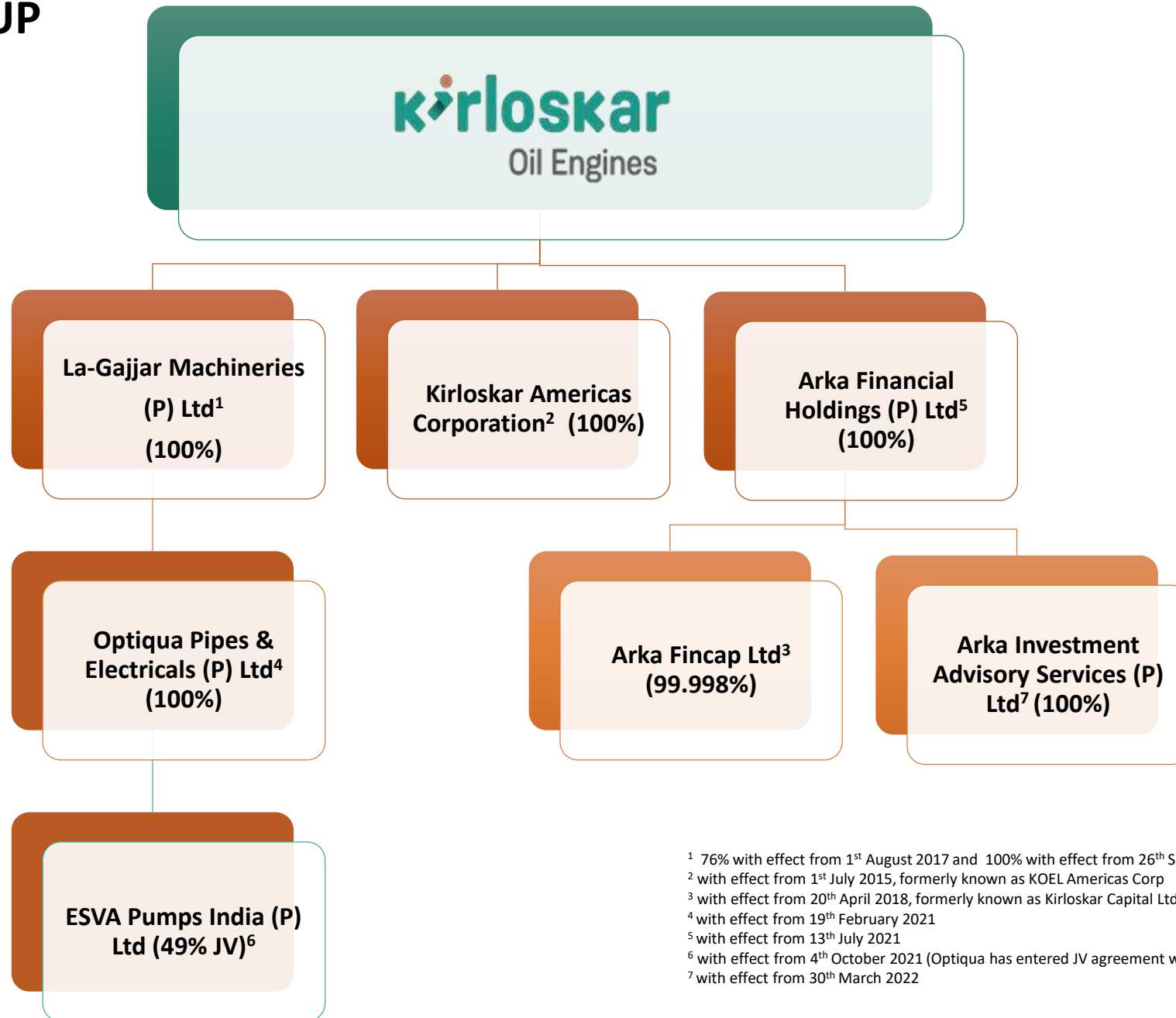
Earnings Call Presentation Q2 FY24
3rd November 2023

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Statements in this presentation, particularly those which relate to management's views and analysis, describing the Company's objectives, projections, estimates and expectations may constitute "forward looking statements" within the meaning of applicable laws and regulations. Actual results might differ materially from those either expressed or implied. Actual results may differ materially from those anticipated in the forward-looking statements. The company assumes no obligation to update forward looking statements to reflect actual results, changed assumptions or other factors.

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¹ 76% with effect from 1st August 2017 and 100% with effect from 26th September 2022

² with effect from 1st July 2015, formerly known as KOEL Americas Corp

³ with effect from 20th April 2018, formerly known as Kirloskar Capital Ltd

⁴ with effect from 19th February 2021

⁵ with effect from 13th July 2021

⁶ with effect from 4th October 2021 (Optiqua has entered JV agreement with ESVA pumps)

⁷ with effect from 30th March 2022

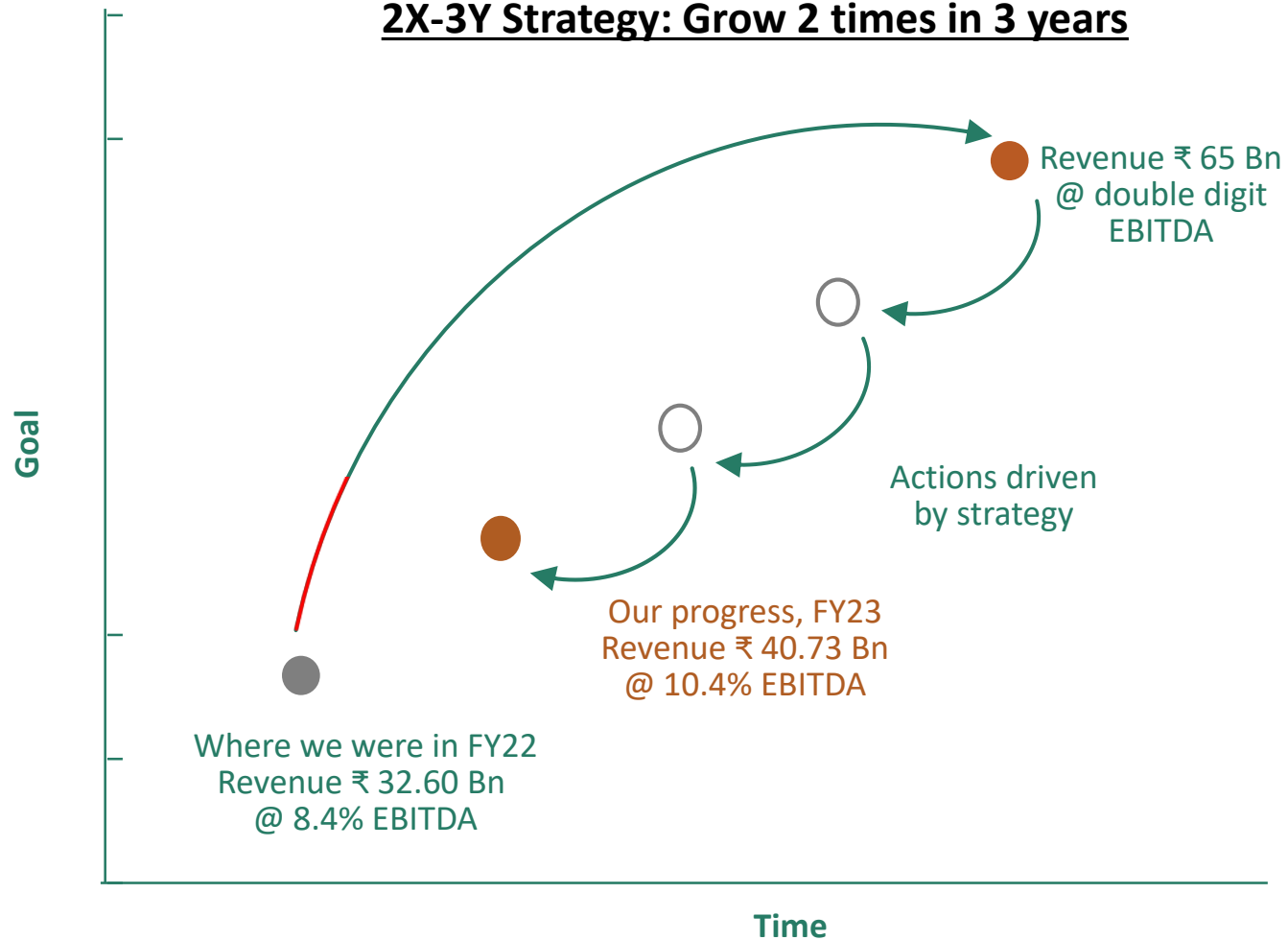
CONTENT

- **STRATEGY**
- BUSINESS OVERVIEW
- FINANCIAL OVERVIEW

OUR 2X-3Y STRATEGY

Looking to drive exponential growth over the next 3 years

2X-3Y Strategy: Grow 2 times in 3 years



2X-3Y Strategy Pillars



WE ARE PROGRESSING WELL

We have made a beginning



19%

Top line growth (H1 YOY)



₹ 2,324

Cr Revenue (H1 FY24)



11.7%

EBITDA # Margin (H1 FY24)



31%

PAT # growth (H1 YOY)



₹ ~112 Cr

Strong net cash* position



24%

EBITDA # growth (H1 YOY)



5

consecutive quarters of over ₹ 1,000 Cr revenue from operations

* Net of debt; includes treasury investments and excludes unclaimed dividends.

Numbers excluding provision for overdue receivables made for a customer towards sales made in previous year. For details, please refer 'Note to the Unaudited Financial Results' published on the stock exchanges.



Deploying the 2X-3Y strategy to deliver value to all stakeholders

65Bn @
double-
digit
EBITDA

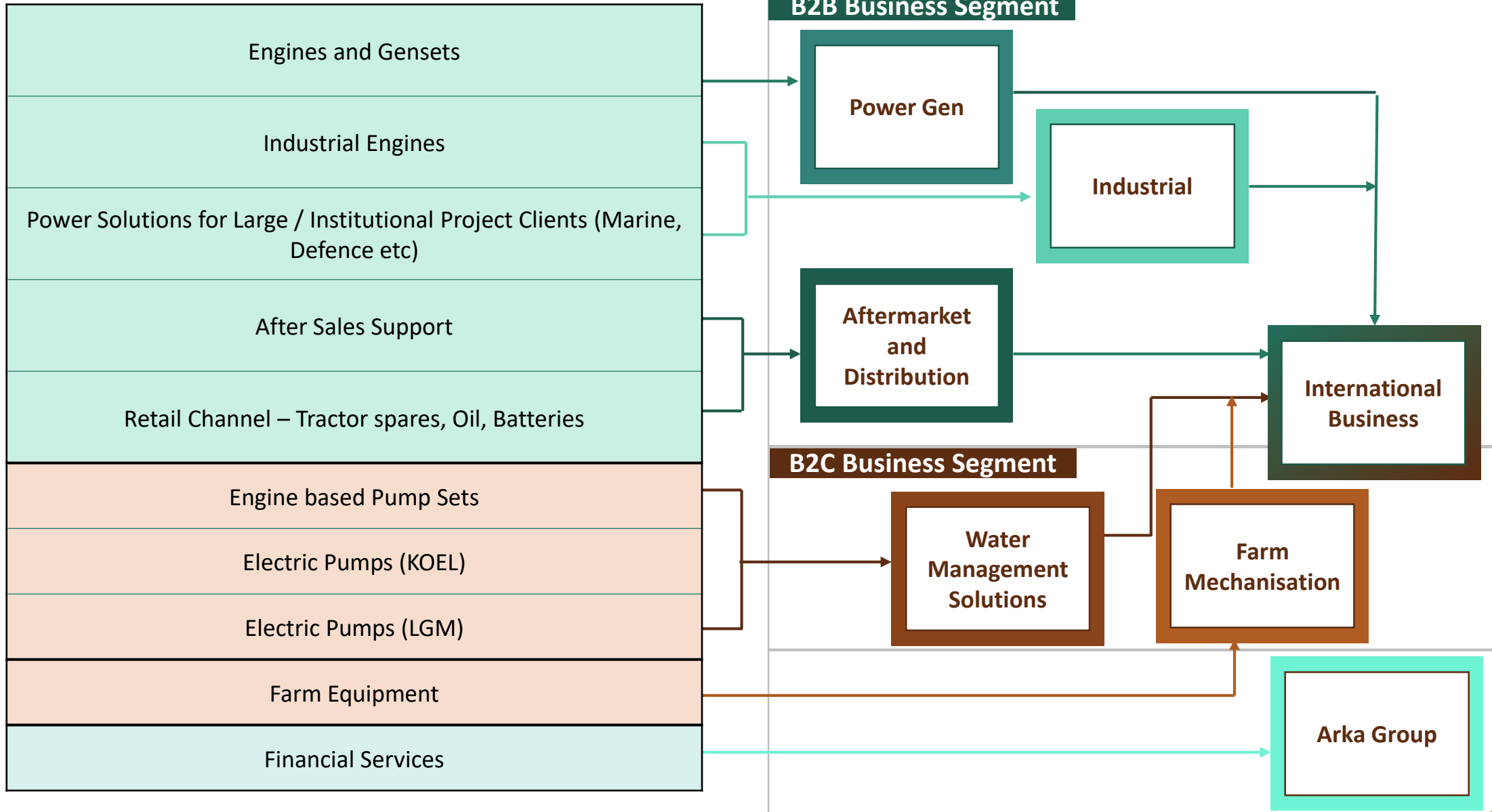
Customer
Delight

Employer
of Choice

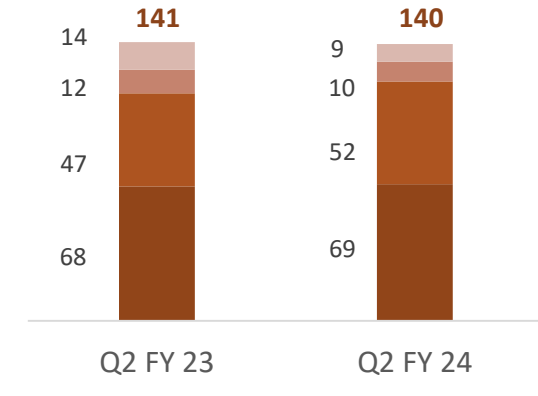
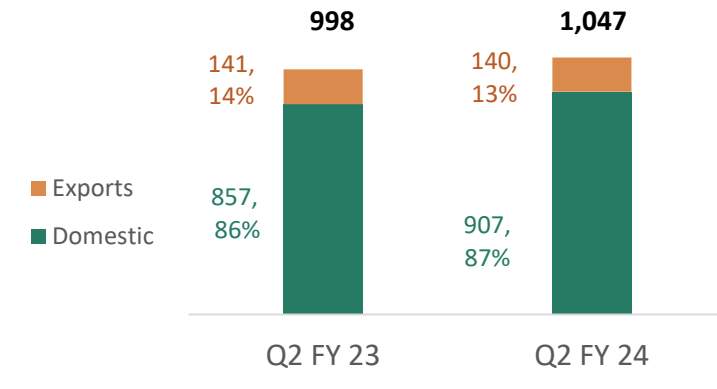
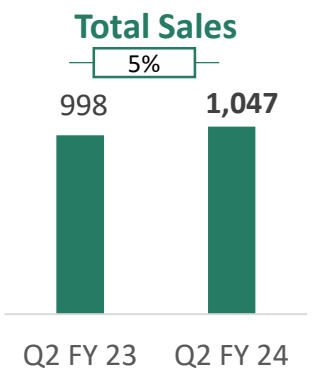
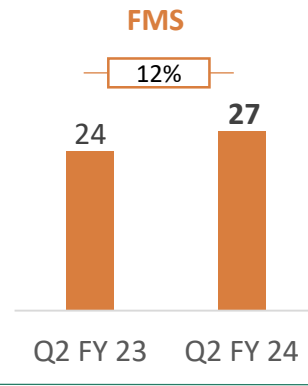
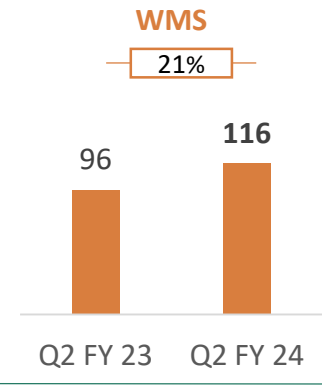
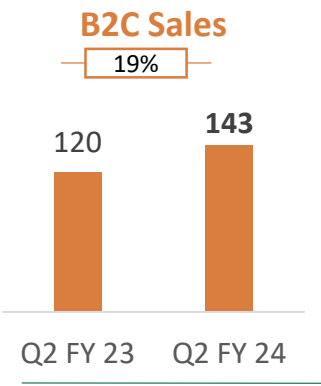
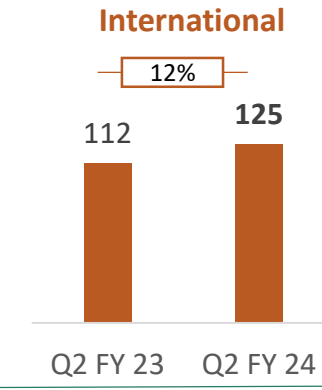
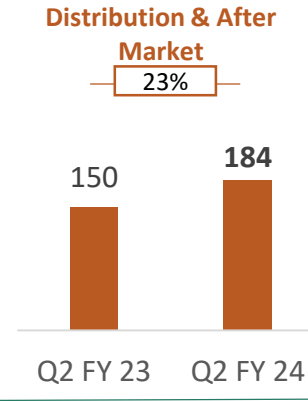
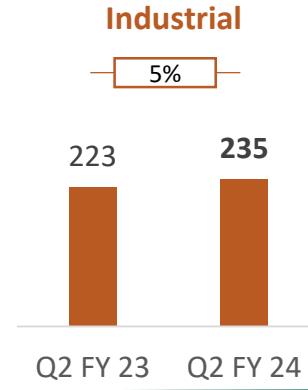
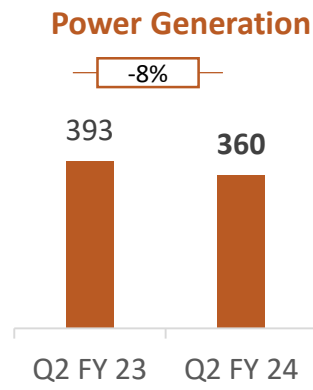
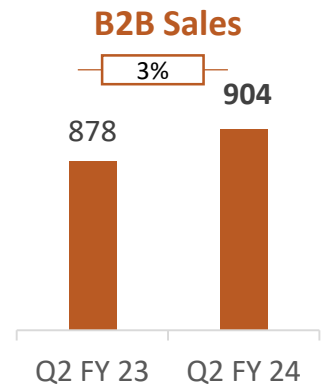
CONTENT

- STRATEGY
- **BUSINESS OVERVIEW**
 - STANDALONE
 - SALES HIGHLIGHTS
 - CONSOLIDATED
 - SEGMENT OVERVIEW
- FINANCIAL OVERVIEW

Products to Business Segments...



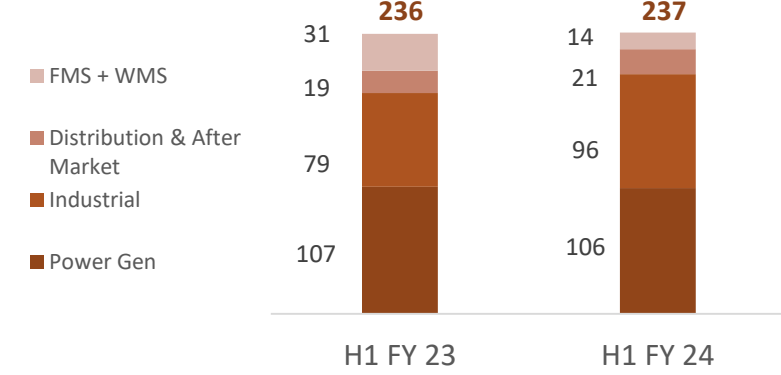
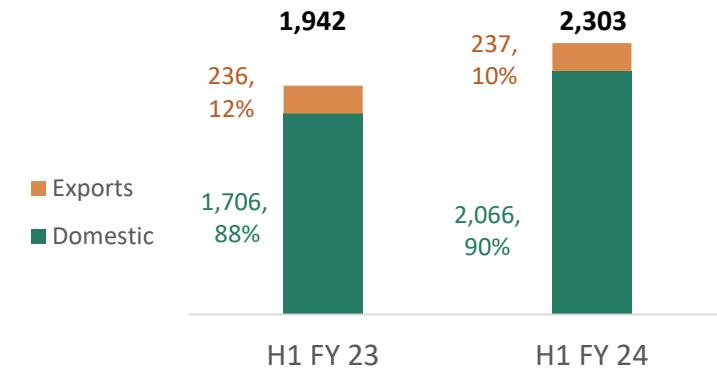
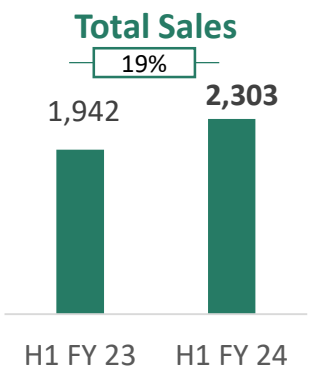
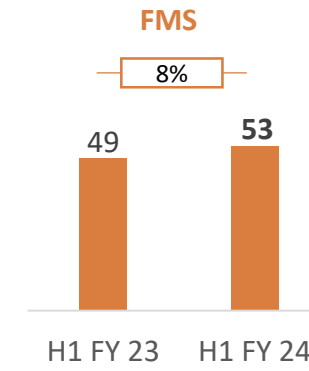
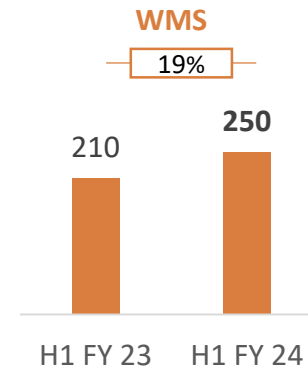
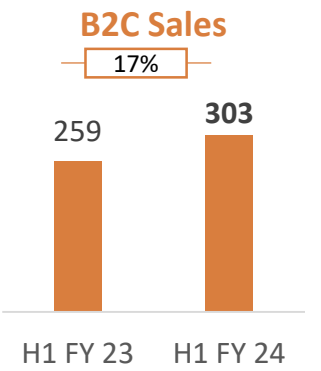
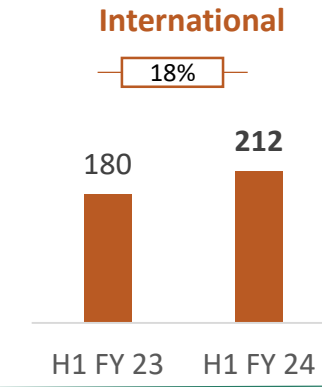
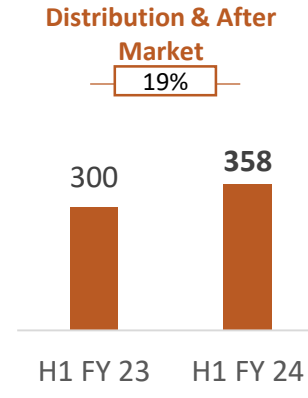
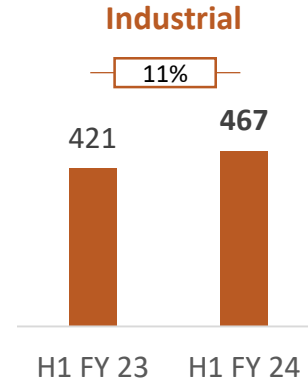
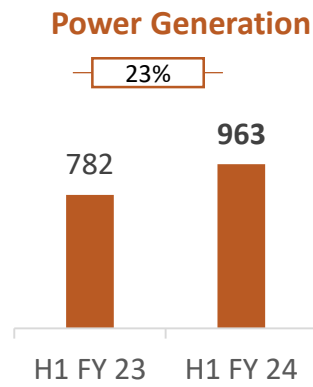
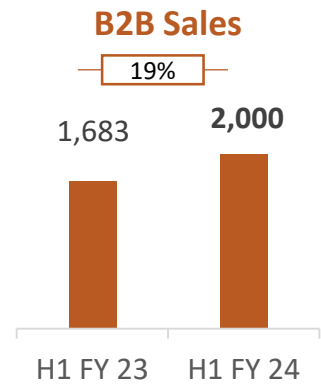
STANDALONE SALES HIGHLIGHTS – Q2 FY 24 YoY



- FMS + WMS
- Distribution & After Market
- Industrial
- Power Gen

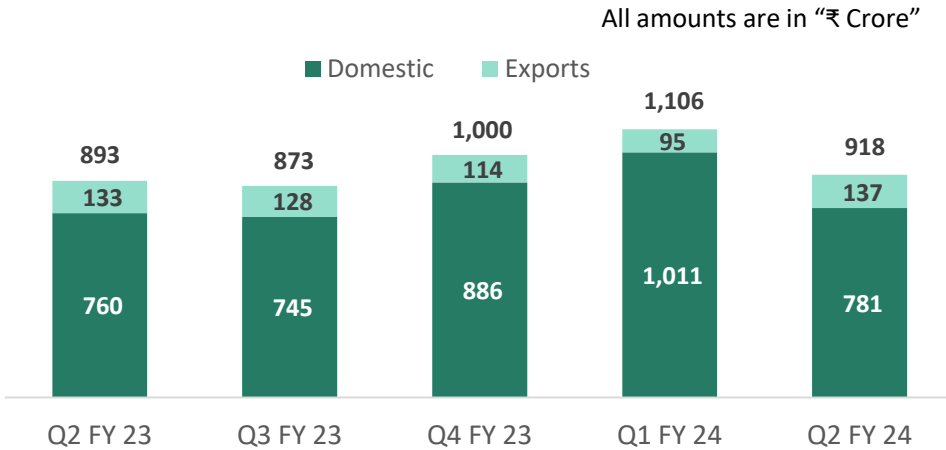


STANDALONE SALES HIGHLIGHTS – H1 FY 24 YoY

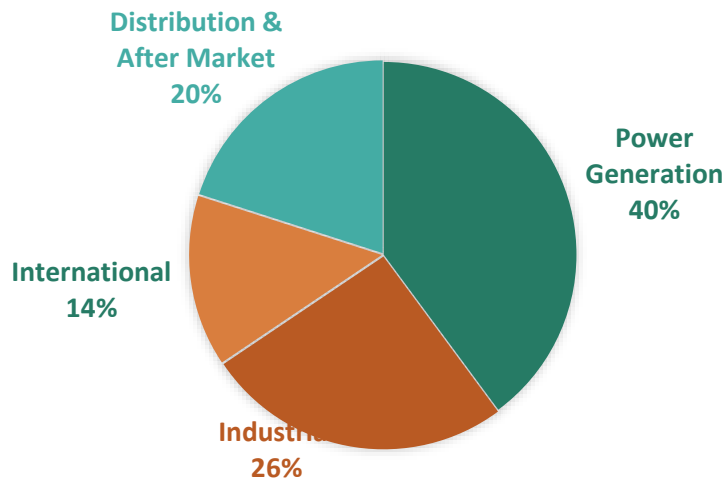


CONSOLIDATED SEGMENT PERFORMANCE OVERVIEW – B2B

Segment Revenue Trend



Segment Revenue Composition For Current Quarter

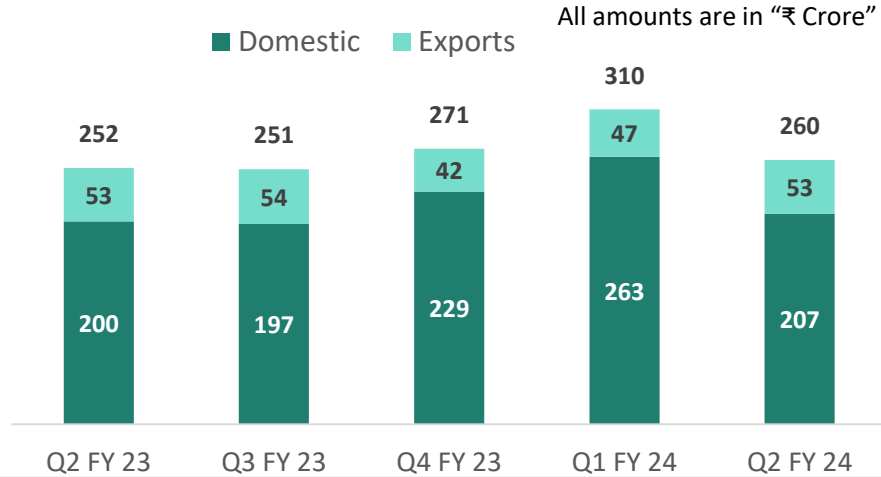


Performance Updates

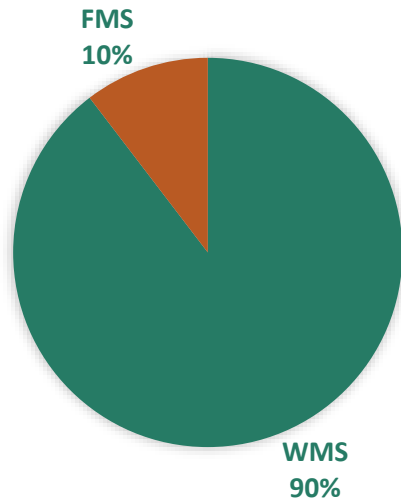
- Marked entry into HHP Segment by launching OptiPrime upto 3000 kVA
- Record revenue for the first half of Rs. 2,023 crores; 18% growth Y-o-Y
- Highest ever numbers in all business Segment for first half of the year
- Over 50K engines shipped, the largest shipment of engines from our manufacturing plants
- GOEM appointed for key International market
- Industrial business ended H1 with a very strong order book led by large railway & defence order
- BS V program on track, field engines clocked 1,000+ hours

CONSOLIDATED SEGMENT PERFORMANCE OVERVIEW – B2C

Segment Revenue Trend



Segment Revenue Composition For Current Quarter

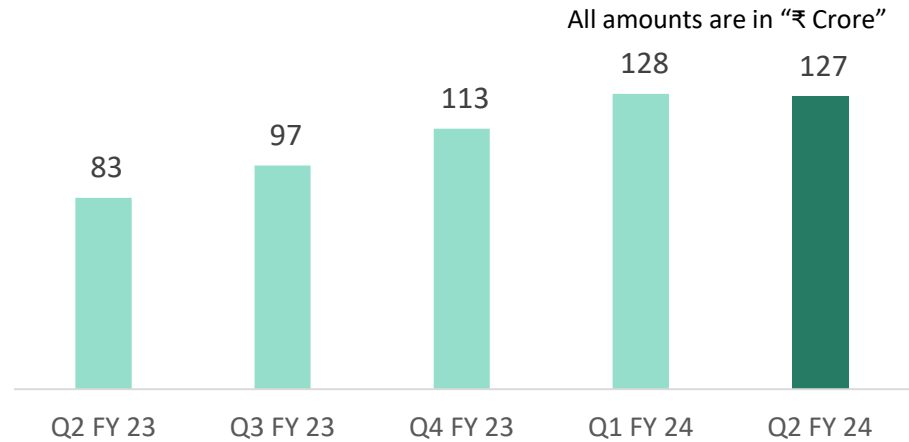


Performance Updates

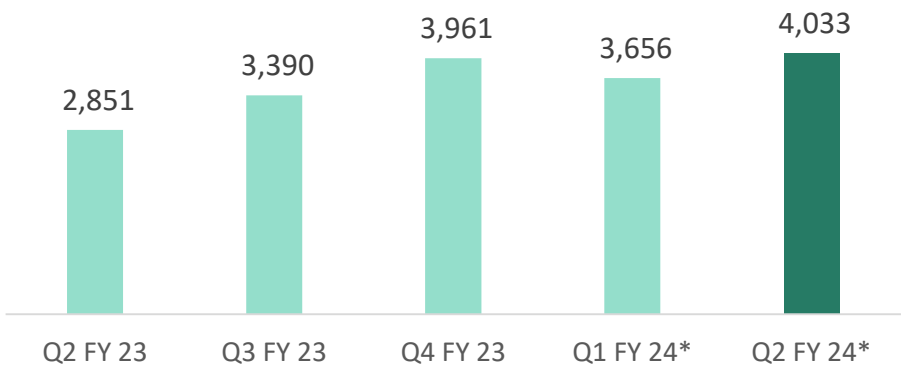
- KOEL Water Management Solutions Revenue for the quarter up by 21% Y-o-Y
- Farm Mechanization Revenue up by 12% Y-o-Y
- LGM Optiqua merger on track
- LGM Plant consolidation on track
- LGM Margins improved to 7.7%, against 3.5% last year.
- Exports from LGM reached at ~ 30% of sales for H1

SEGMENT PERFORMANCE OVERVIEW – FINANCIAL SERVICES

Segment Revenue Trend



AUM**Trend



Performance Updates

- KOEL's total investment in AFHPL as on 30th Sep 23 stood at 1,052.7 Cr#
- AFHPL revenue from operations stood at 127 Cr in Q2 FY24; a growth of 52% YoY
- AFHPL PAT stood at 18.5 Cr in Q2 FY24; growth of 22% YoY
- Total Debt as on 30th Jun 23 stood at 3,154 Cr
- Debt to Equity Ratio:
 - 30th Sep 23 - 2.8
 - 30th Jun 23 - 2.6
 - 31st Mar 23 - 3.1
 - 31st Dec 22 - 2.4
- Total AUM as on 30th Sep 23 at 4,128 Cr
- No asset-liability mismatch

* Consolidated excluding off balance sheet loan book 47 Cr in June 23 and 94 Cr in Sep 23

** Excludes treasury assets

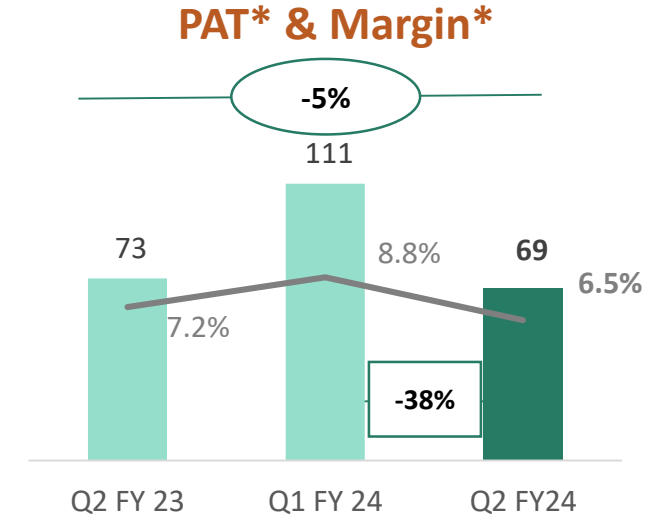
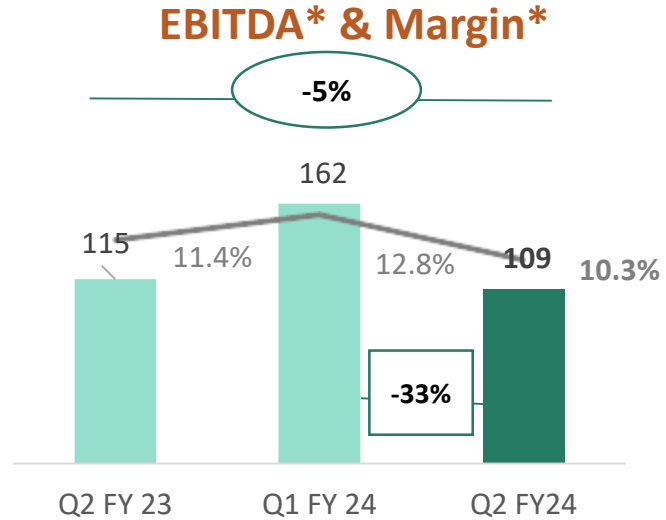
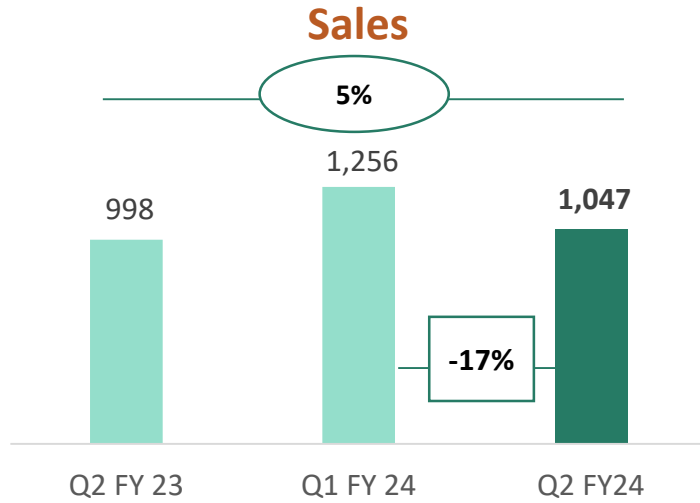
Includes profit of 52.7 Cr on holding structure change

- STRATEGY
- BUSINESS OVERVIEW
- **FINANCIAL OVERVIEW**
 - **STANDALONE**
 - PERFORMANCE HIGHLIGHTS
 - PROFIT AND LOSS STATEMENT
 - WORKING CAPITAL AND NET CASH POSITION
 - **CONSOLIDATED**
 - PERFORMANCE HIGHLIGHTS
 - PROFIT AND LOSS STATEMENT
 - SEGMENT RESULTS

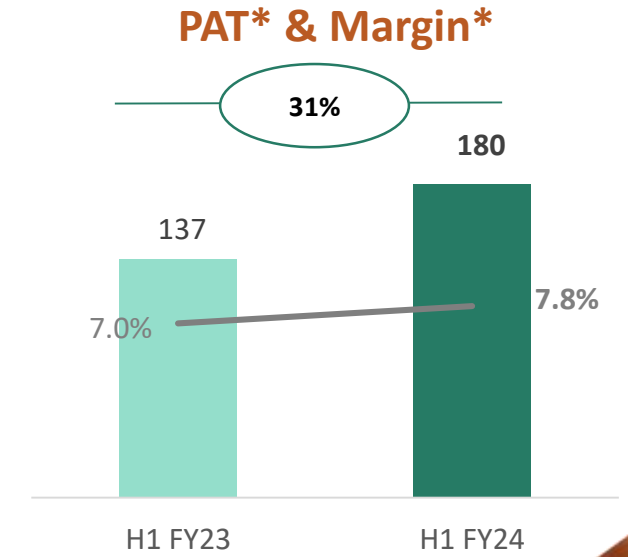
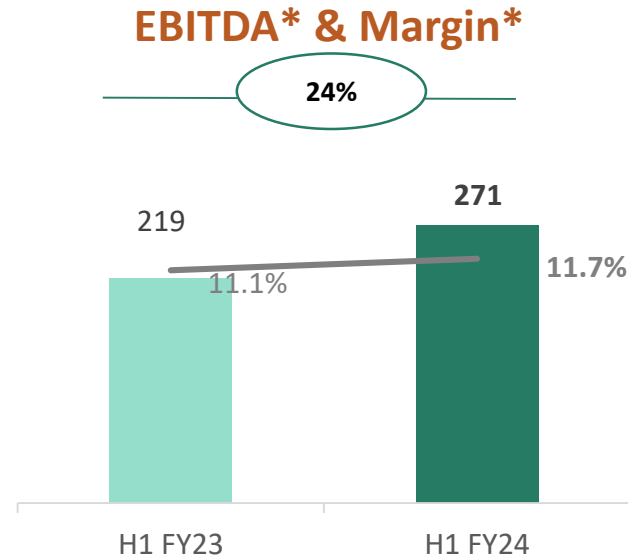
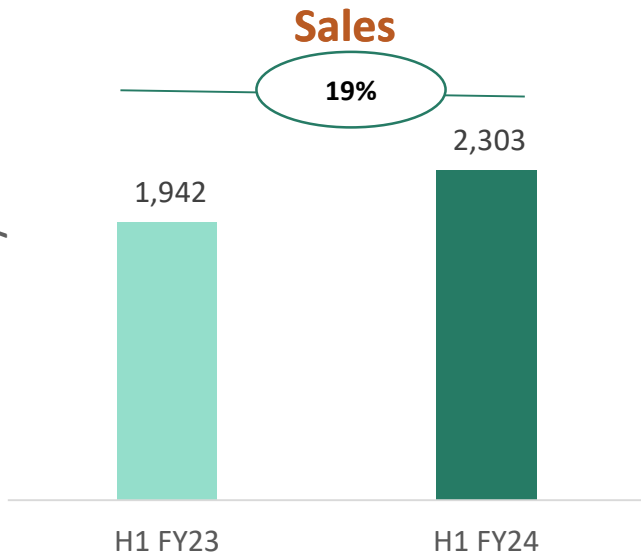
STANDALONE – PERFORMANCE HIGHLIGHTS

All amounts are in “₹ Crore” Oil Engines

Quarterly



Half Yearly



* Numbers excluding provision for overdue receivables made for a customer towards sales made in previous year. For details, please refer 'Note to the Unaudited Financial Results' published on the stock exchanges.



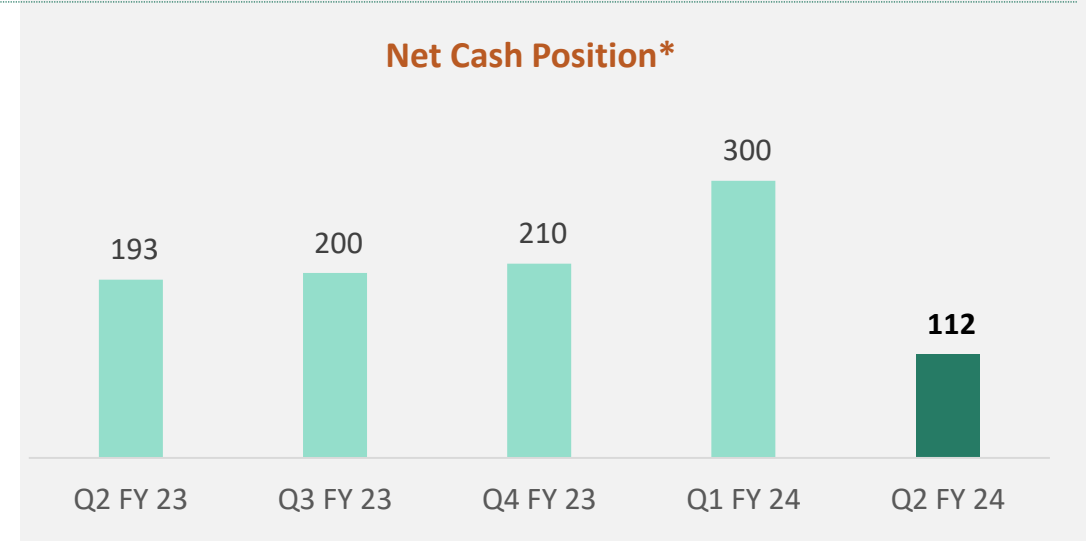
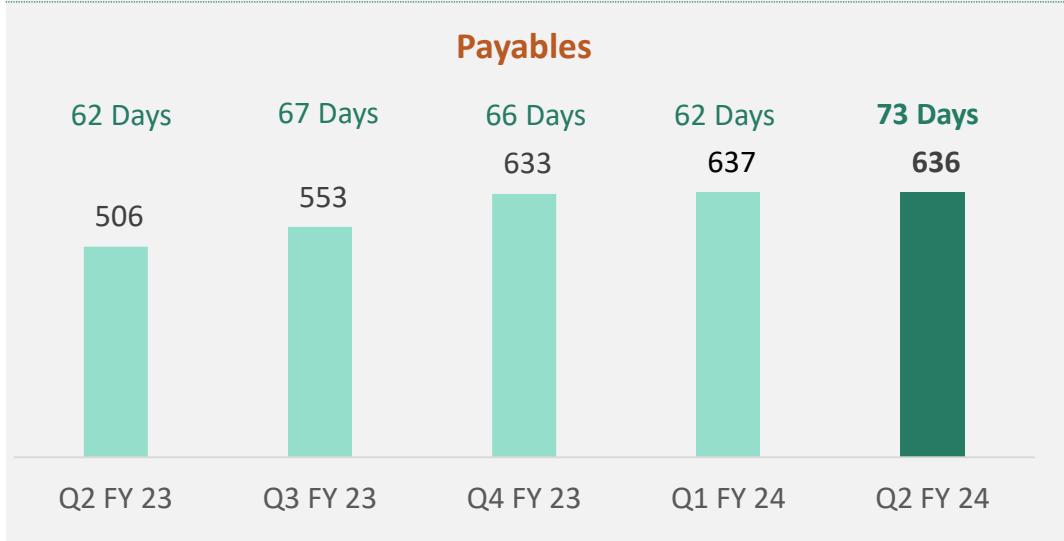
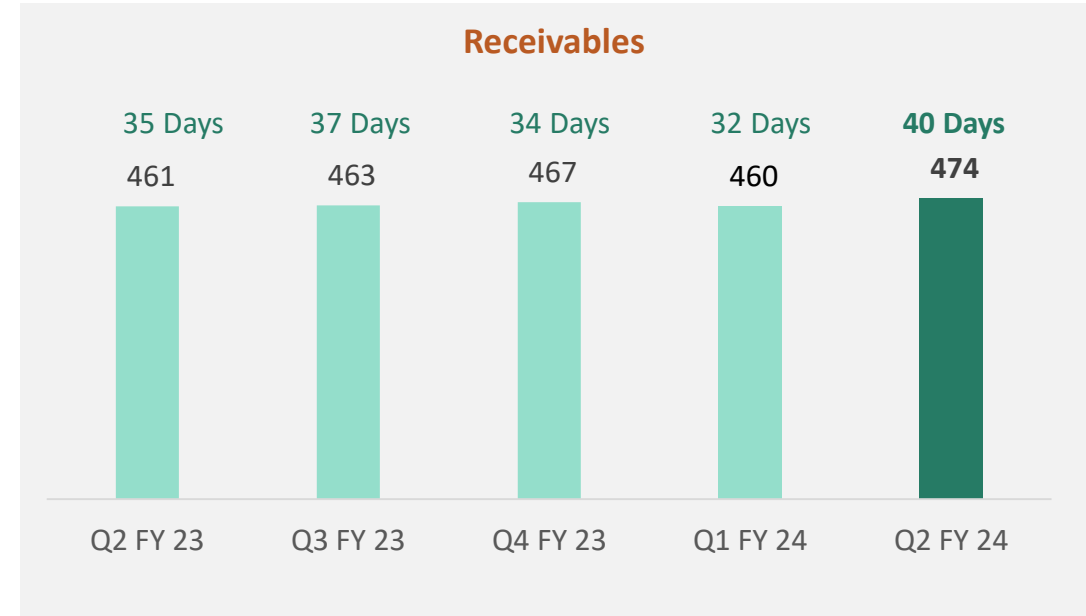
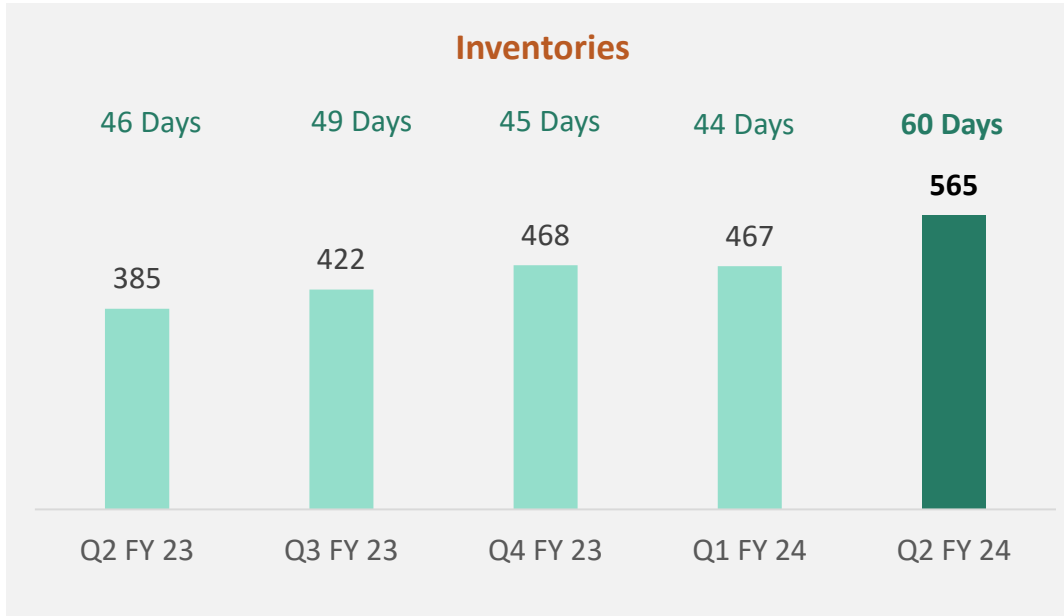
STANDALONE - PROFIT AND LOSS STATEMENT

All amounts are in "₹ Crore"

Particulars	Q2 FY24	Q1 FY24	QoQ	Q2 FY23	YoY	H1 FY24	H1 FY23	YoY
Net Sales	1,047.3	1,255.7	-17%	998.4	5%	2,303.0	1,942.2	19%
Other Operating Income	11.7	9.0	29%	12.0	-3%	20.7	21.2	-2%
Revenue from operations	1,059.0	1,264.7	-16%	1,010.4	5%	2,323.7	1,963.4	18%
Raw Material	708.1	865.3	-18%	674.0	5%	1,573.5	1,335.2	18%
Employee Costs	74.4	65.8	13%	56.7	31%	140.2	112.2	25%
Other Expenses	177.8	179.1	-1%	164.3	8%	357.0	297.2	20%
EBITDA	98.6	154.5	-36%	115.4	-15%	253.1	218.9	16%
EBITDA Margin %	9.3%	12.2%	-2.9%	11.4%	-2.1%	10.9%	11.1%	-0.2%
Other Income	6.4	7.0	-8%	4.7	35%	13.3	10.0	34%
Depreciation	24.3	21.3	14%	21.3	14%	45.6	41.9	9%
Interest	1.6	1.4	19%	1.0	55%	3.0	2.1	38%
PBT	79.1	138.8	-43%	97.8	-19%	217.8	184.9	18%
Tax	20.5	35.5	-42%	25.2	-19%	56.0	47.7	17%
PAT	58.6	103.2	-43%	72.6	-19%	161.8	137.2	18%
PAT Margin %	5.5%	8.2%	-2.7%	7.2%	-1.7%	7.0%	7.0%	0.0%

STANDALONE WORKING CAPITAL AND NET CASH POSITION

All amounts are in “₹ Crore” Oil Engines



Notes :

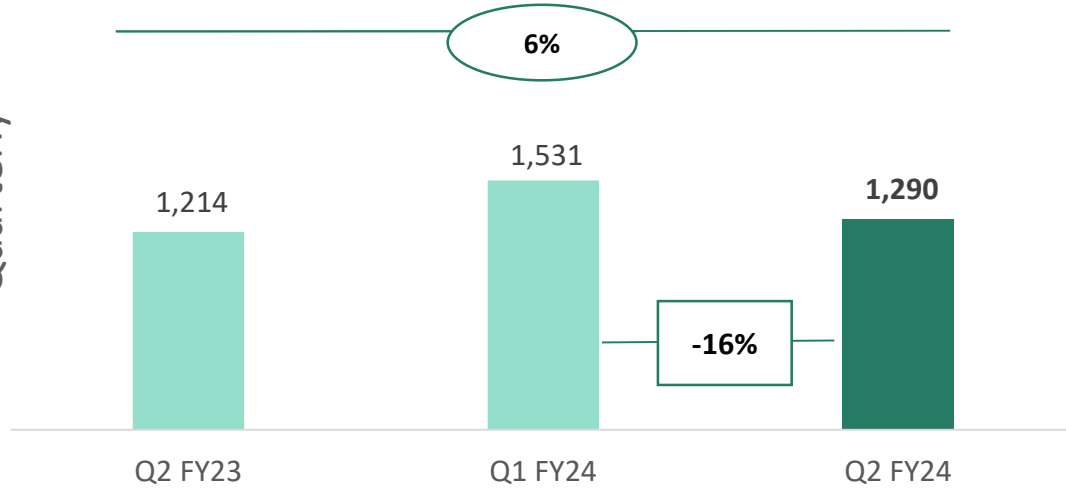
- 1) No. of days has been calculated using average value and TTM (Trailing Three Months method)
- 2) *Net of debt; includes treasury investments and excludes unclaimed dividends.

CONSOLIDATED – PERFORMANCE HIGHLIGHTS

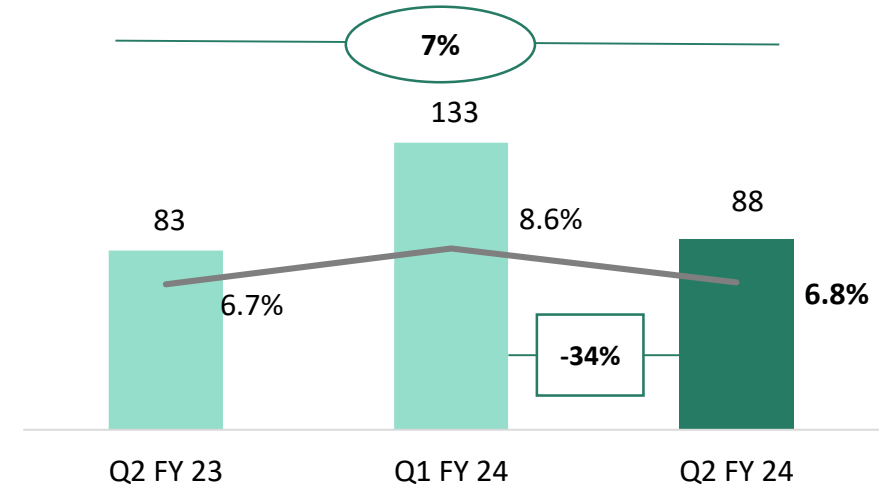
All amounts are in “₹ Crore”

Quarterly

Sales

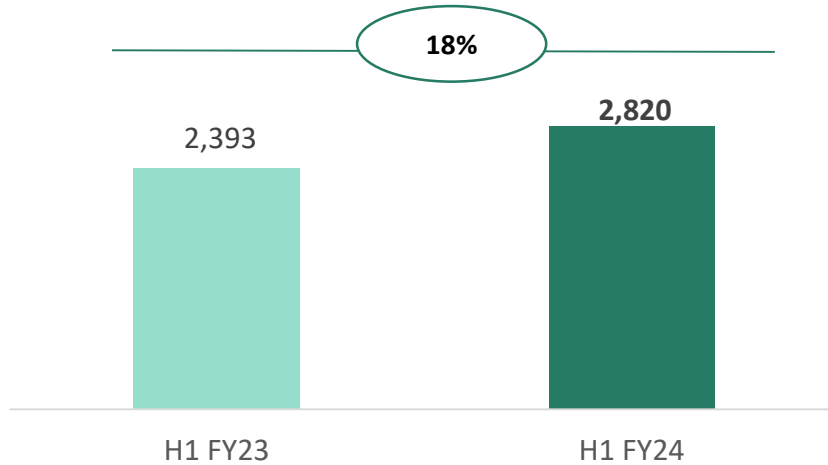


PAT* & Margin*

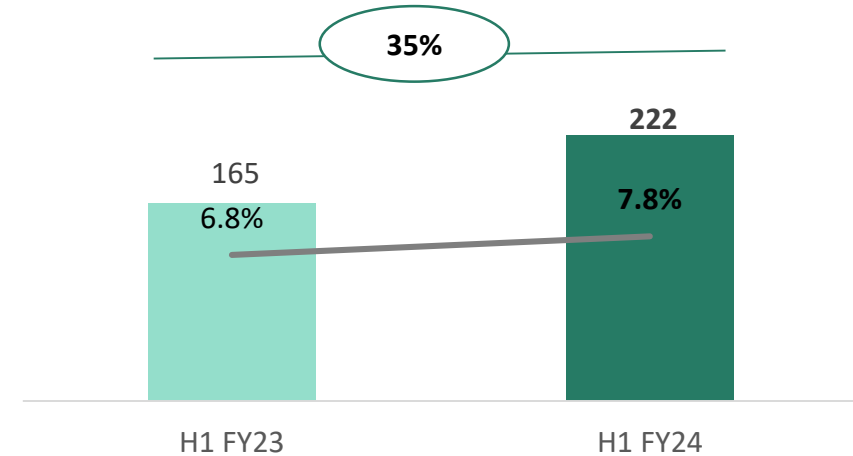


Half Yearly

Sales



PAT* & Margin*



* Numbers excluding provision for overdue receivables made for a customer towards sales made in previous year. For details, please refer 'Note to the Unaudited Financial Results' published on the stock exchanges.



CONSOLIDATED - PROFIT AND LOSS STATEMENT

All amounts are in "₹ Crore"

Particulars	Q2 FY 24	Q1 FY 24	QoQ	Q2 FY 23	YoY	H1 FY24	H1 FY23	YoY
Net Sales*	1,289.7	1,530.5	-16%	1,213.5	6%	2,820.2	2,392.6	18%
Other Operating Income	15.1	12.9	17%	14.6	3%	28.0	26.9	4%
Revenue from operations	1,304.8	1,543.4	-15%	1,228.1	6%	2,848.2	2,419.5	18%
Other Income	7.8	6.1	29%	5.6	39%	13.9	10.7	30%
Total Income	1,312.7	1,549.5	-15%	1,233.8	6%	2,862.1	2,430.2	18%
Raw Material	772.4	951.0	-19%	761.9	1%	1,723.4	1,526.2	13%
Employee Costs	103.1	89.4	15%	78.7	31%	192.5	156.4	23%
Other Expenses	227.6	236.5	-4%	207.0	10%	464.1	382.9	21%
Depreciation	29.9	26.8	12%	26.3	14%	56.7	52.9	7%
Interest	74.0	76.5	-3%	46.8	58%	150.5	88.7	70%
Share of net profit of joint venture accounted for using the equity method (net of tax)	(0.4)	0.7	-155%	0.1	-643%	0.3	0.5	-33%
PBT	105.3	170.0	-38%	113.2	-7%	275.3	223.6	23%
Tax	27.4	44.5	-39%	30.6	-11%	71.8	59.0	22%
PAT	78.0	125.5	-38%	82.5	-6%	203.5	164.6	24%
PAT Margin %	6.0%	8.1%	-2.1%	6.7%	-0.7%	7.1%	6.8%	0.3%

*Net Sales includes revenue from financial service business

SEGMENT RESULTS - CONSOLIDATED

All amounts are in "₹ Crore"

Particulars	Q2 FY24	Q1 FY24	QoQ	Q2 FY23	YoY	H1 FY24	H1 FY23	YoY
Segment Revenue								
B2B	917.6	1,105.6	-17%	892.8	3%	2,023.2	1,709.2	18%
B2C	260.4	309.5	-16%	252.1	3%	569.9	549.3	4%
Financial Services	126.8	128.3	-1%	83.3	52%	255.1	161.0	58%
Revenue From Operations	1,304.8	1,543.4	-15%	1,228.1	6%	2,848.2	2,419.5	18%
Segment Results								
B2B	75.5	132.4	-43%	93.0	-19%	207.9	168.8	23%
B2C	6.3	17.4	-64%	(1.2)	610%	23.7	13.9	70%
Financial Services [#]	25.1	21.5	17%	22.3	12%	46.5	42.9	9%
Unallocated	1.4	1.6	-11%	2.7	-46%	3.1	5.1	-40%
Total	108.4	172.9	-37%	116.8	-7%	281.3	230.8	-22%
Less:								
Finance Cost*	3.0	2.9	6%	3.6	-16%	5.9	7.2	-18%
Profit Before Tax	105.3	170.0	-38%	113.2	-7%	275.3	223.6	23%

*Other than the interest pertaining to the "Financial Services" segment

[#]Profit/(Loss) before tax and after interest

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