



9th August 2024

1. The Secretary
Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Towers
Dalal Street, MUMBAI 400 001.
2. The Secretary
National Stock Exchange of India Limited
"Exchange Plaza"
Bandra-Kurla Complex
Bandra East, MUMBAI 400 051.

Dear Sir/ Madam,

Sub: Investor Presentation.

We wish to inform you that the Board of Directors of the Company, at their meeting held on 9th Aug 2024, inter alia, has approved the un-audited Standalone and Consolidated Financial Results for the quarter ended 30th June 2024 ("Financial Results").

In this respect, we enclose herewith the Presentation on the Financial Results of the Company for the quarter ended 30th June 2024. This is also available on the website of the Company at www.dynamatics.com.

We kindly request you to take this letter along with the enclosures on record.

Thank you.

Yours faithfully,

For **DYNAMATIC TECHNOLOGIES LIMITED**


Shivaram V
Head - Legal, Compliance & Company Secretary



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www.dynamatics.com

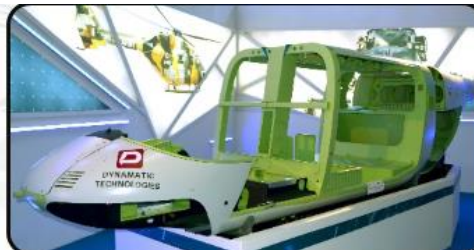
Corporate Identity Number: L72200KA1973PLC002308



Q1 FY2025 **EARNINGS** PRESENTATION



Hydraulics



Aerospace



Metallurgy

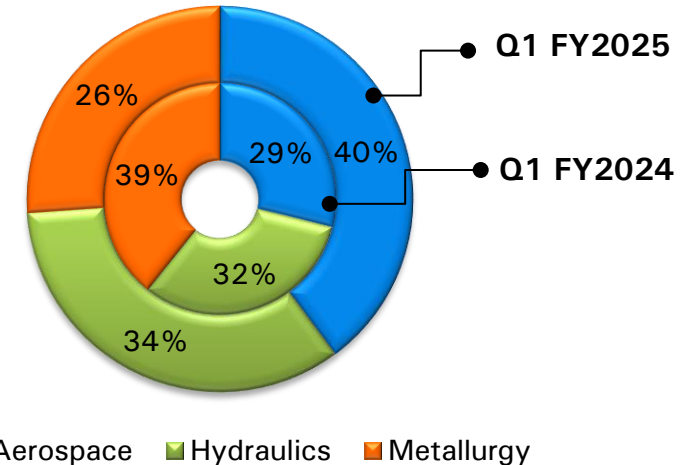


Q1 FY2025 PERFORMANCE HIGHLIGHTS

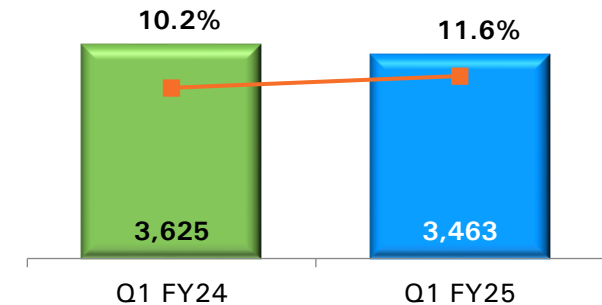
Highlights Q1 FY2025 vs. Q1 FY2024

- Revenue of Rs. 3,462.8 mn; down by 4.5% from Rs. 3,625.1 mn in Q1 FY2024
 - Aerospace segment revenue of Rs. 1,358.5 mn; up by 30.9% from Rs. 1,037.9 mn
 - Hydraulics segment revenue of Rs. 1,191.1 mn; up by 2.9% from Rs. 1,157.1 mn
 - Metallurgy segment revenue of Rs. 912.6 mn; down by 35.8% from Rs. 1,422.4 mn
- EBITDA of Rs. 400.5 mn; up by 8.2% from Rs. 370.0 mn in Q1 FY2024
 - EBITDA margin of 11.6%; up by 136 bps
- EBIT of Rs. 227.2 mn; up by 7.7% from Rs. 211.0 mn in Q1 FY2024
 - EBIT margin of 6.6%; up by 74 bps
- PAT stood at Rs. 113.9 mn as against Rs. 67.4 mn in Q1 FY2024 (excluding exceptional income of Rs. 176.3 mn and one time gain of Rs. 169.9 mn); up by 69.0%

Q1 FY2025 Revenue Breakup



Revenue (Rs. Mn) and EBITDA Margin (%)





Management Commentary

PERFORMANCE HIGHLIGHTS

Management Commentary

Commenting on the results, Mr. Udayant Malhoutra, CEO and Managing Director said:

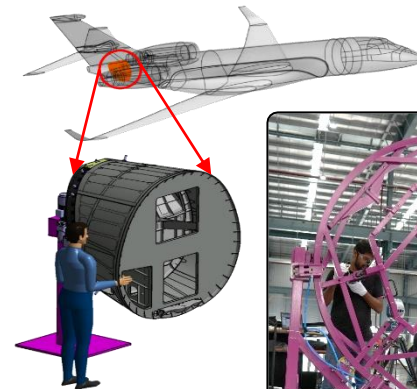
AEROSPACE: During the period under review the aerospace division has emerged as the leading contributor to your Company's revenues. This division has not only maintained its position at the forefront of our operations but continues to deliver superior margins, reinforcing its role as a cornerstone of our business.

However, it is important to acknowledge the significant turbulence currently facing the global aerospace industry. Supply-chain challenges are presenting considerable hurdles, impacting our customers' ability to maintain their production schedules for aircraft. This disruption, while temporary, has caused a momentary flatlining across the entire aerospace industry, despite a very robust order book.

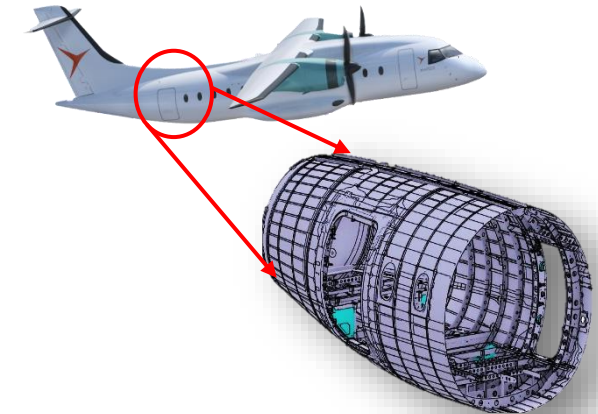
We have secured large orders having the potential to double our aerospace business over the next 30 months. We are utilising this lean period to industrialise these programs.



Industrialisation of Airbus A220 Doors



Industrialization of Dassault Falcon 6X Rear Fuel Tank



Industrialization of Deutsche D328eco Rear Fuselage

Continued...

DYNAMATIC TECHNOLOGIES LIMITED



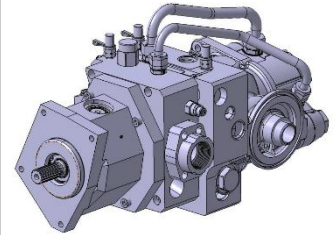
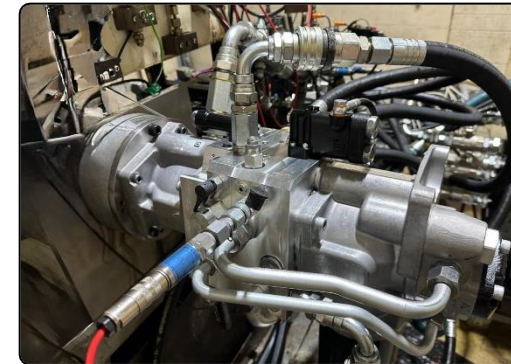
Management Commentary

Continued...

HYDRAULICS: *During the quarter, the Hydraulics segment experienced a rise in revenues due to increase in volumes for both UK and India, and margins are now recovering. Your Company is rationalising product lines between its plants in Swindon and Bangalore for optimum customer satisfaction and financial performance. Given the prevalent supply-chain disruptions in Europe, this will also de-risk the business. The outlook for FY25 in the Indian market looks strong owing to good monsoon alongside increased demand for Construction and Industrial Segments.*

METALLURGY: *This segment remained under pressure due to demand shortage as the German automotive industry remains weak. However, the strong technical capabilities are enabling this subsidiary to transition into aerospace and defence business.*

IMPROVED CREDIT RATING: *During the quarter, India Ratings & Research (Ind-Ra) upgraded Dynamatic's banking facilities' credit rating from 'IND BBB+' to 'IND A'. This upgrade reflects the company's improved financial health, operational efficiency, and strategic management. The outlook has been rated as stable, indicating a positive and consistent performance trajectory. This enhancement in credit rating not only underscores the company's strengthened credit profile but also reinforces stakeholder confidence and supports future growth and investment opportunities.*



Newly developed Mobile Hydraulic System for Harvestors



FINANCIAL PERFORMANCE SUMMARY

Consolidated Performance Highlights

Rs. Mn	Q1		y-o-y Growth (%)	Q4	q-o-q Growth (%)
	FY25	FY24		FY24	
Revenue	3,462.8	3,625.1	(4.5)%	3,704.1	(6.5)%
EBITDA	400.5	370.0	8.2%	428.5	(6.5)%
Margin (%)	11.6%	10.2%		11.6%	
EBIT	227.2	211.0	7.7%	255.7	(11.1)%
Margin (%)	6.6%	5.8%		6.9%	
Normalized PBT*	117.1	114.7	2.1%	138.1	(15.2)%
Normalized PAT*	113.9	67.4	69.0%	124.3	(8.4)%
Margin (%)	3.3%	1.9%		3.4%	
Normalized EPS* (Rs.)	16.77	9.92	69.1%	18.30	(8.3)%

- The revenue in Q1FY2025 declined by 4.5% on a y-o-y basis
- Hydraulics segment revenue up by 2.9%, Aerospace segment revenue up by 30.9%, while Metallurgy segment down by 35.8% on a y-o-y basis
- Q1FY2025 EBITDA increased by 8.2% y-o-y with margin of 11.6%
- PAT* stood at Rs. 113.9 mn as against Rs. 67.4 mn in Q1 FY2024 (excluding exceptional income of Rs. 176.3 mn and one time gain of Rs. 169.9 mn); up by 69.0% on the back of improvement in operating profit, coupled with overall interest cost and tax reduction



PERFORMANCE HIGHLIGHTS

Foreign Exchange Fluctuation

Exchange Rate	Q1 FY2025	Q1 FY2024	Q4 FY2024	Q1 FY2025 vs. Q4 FY2024		Q1 FY2025 vs. Q1 FY2024	
				Impact	Impact %	Impact	Impact %
EURO vs. INR	89.76	89.42	89.77	(0.00)	(0.0)%	0.34	0.4%
GBP vs. INR	104.92	102.85	104.03	0.88	0.8%	2.07	2.0%
USD vs. INR	83.34	82.17	82.78	0.55	0.7%	1.16	1.4%

Impact due to change in average exchange rates (Y-o-Y)

Particulars	Q1 FY2025 vs. Q1 FY2024				Q1 FY2025 vs. Q4 FY2024			
	Erla	DL UK	DTL	Total Impact	Erla	DL UK	DTL	Total Impact
<i>Currency</i>	EURO	GBP/ USD	EURO/GBP/USD		EURO	GBP/ USD	EURO/GBP/USD	
Revenue (Rs. cr)	3.50	19.95	11.41	34.86	(0.03)	8.52	5.21	13.69
EBITDA (Rs. cr)	0.14	2.31	3.97	6.42	(0.00)	0.83	1.81	2.64

- On a constant currency basis, Q1 FY2025 revenue, if adjusted for a foreign exchange impact of Rs. 34.86 mn would be Rs. 3,427.9 mn (representing a decline of 5.4% compared to a decline of 4.5% before adjustment)
- On a constant currency basis, Q1 FY2025 EBITDA, if adjusted for a foreign exchange impact of Rs. 6.4 cr would be Rs. 394.1 mn (compared to Rs. 400.5 mn before adjustment)
- The Company has exposure to EUR, GBP and USD. The impact from USD transactions were favorable on a Y-o-Y basis



AEROSPACE SEGMENT

Financial Overview

Rs. Mn	Q1		y-o-y Growth (%)	Q4	q-o-q Growth (%)
	FY25	FY24		FY24	
Revenue	1,358.5	1,037.9	30.9%	1,419.3	(4.3)%
EBITDA	365.3	216.0	69.1%	445.6	(18.0)%
Margin (%)	26.9%	20.8%		31.4%	
EBIT	266.8	133.5	99.9%	345.2	(22.7)%
Margin (%)	19.6%	12.9%		24.3%	

Performance Overview

- The aerospace segment reported a growth of 30.9% y-o-y in Q1FY2025 driven execution of commercial order book.
- **Outlook:** Continued revenues from the existing customer with volume increase coming in Airbus A330 and single aisle Flap-track-beam assemblies. Dassault Falcon 6X Rear Fuel Tank FAI is expected towards end of the calendar year. Additionally, revenues will increase in over 2-3 years on account of newly secured contracts from large global OEMs like Airbus, Dassault and Deutsche Aircraft.
- **Strategy:** Focus on manufacturing engineering and new product development activities in assembly and detail products to enhance revenue and margin



HYDRAULICS SEGMENT

Financial Overview

Rs. Mn	Q1		y-o-y Growth (%)	Q4	q-o-q Growth (%)
	FY25	FY24		FY24	
Revenue	1,191.1	1,157.1	2.9%	1,224.8	(2.8)%
EBITDA	92.7	158.1	(41.4)%	70.4	31.7%
Margin (%)	7.8%	13.7%		5.7%	
EBIT	62.3	129.3	(51.8)%	39.2	58.9%
Margin (%)	5.2%	11.2%		3.2%	

Performance Overview

- In Q1 FY2025, the Hydraulics segment reported year-over-year growth of 2.9%, driven by improved demand and increased volumes. However, margins in the Indian business were impacted due to reduced demand in aftermarket sales.
- **Outlook:** Industry volumes are projected to grow at a steady pace in FY2025 supplemented by improved operational efficiency. This growth is supported by the anticipation of an above-average monsoon, which is expected to positively influence the industry. Additionally, favorable climatic conditions should enhance agricultural productivity, contributing to the overall industry performance
- **Strategy:** Focus is on increasing aftermarket share, enhancing operational efficiencies and value engineering to improve margins. Additionally, we are committed to developing innovative products to expand our wallet share within the market



METALLURGY SEGMENT

Financial Overview

Rs. Mn	Q1		y-o-y Growth (%)	Q4	q-o-q Growth (%)
	FY25	FY24		FY24	
Revenue	912.6	1,422.4	(35.8)%	1,059.8	(13.9)%
EBITDA	36.2	135.6	(73.3)%	15.7	130.6%
Margin (%)	4.0%	9.5%		1.5%	
EBIT	1.9	97.2	(98.0)%	(19.9)	nm
Margin (%)	0.2%	6.8%		(1.9)%	

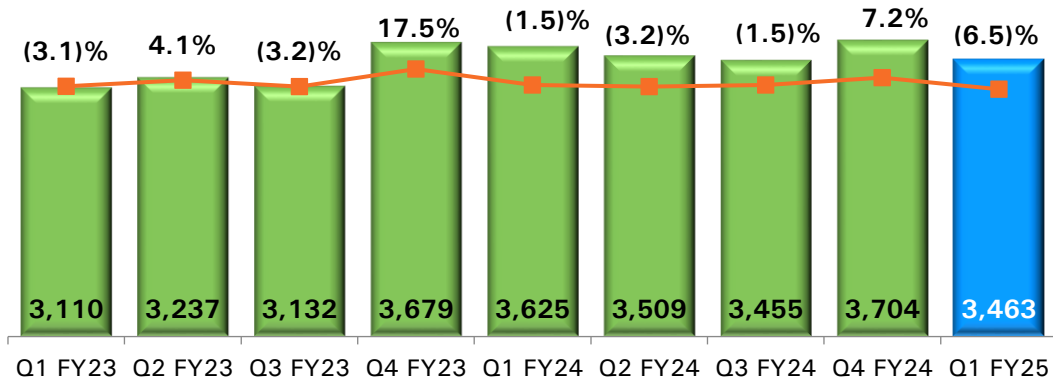
Performance Overview

- Metallurgy segment has shown an y-o-y decline of 35.8%, due to demand shortage and German economy remains in recession resulting in weak business prospects coupled with geopolitical uncertainties
- **Outlook:** Going forward, the segment performance will be majorly driven by availability of raw material, input commodity prices and cost of financing to end customers
- **Strategy:** Focus on high margin product mix, rationalisation of low margin products alongside development of aerospace castings and forgings in the future is expected to drive the business growth

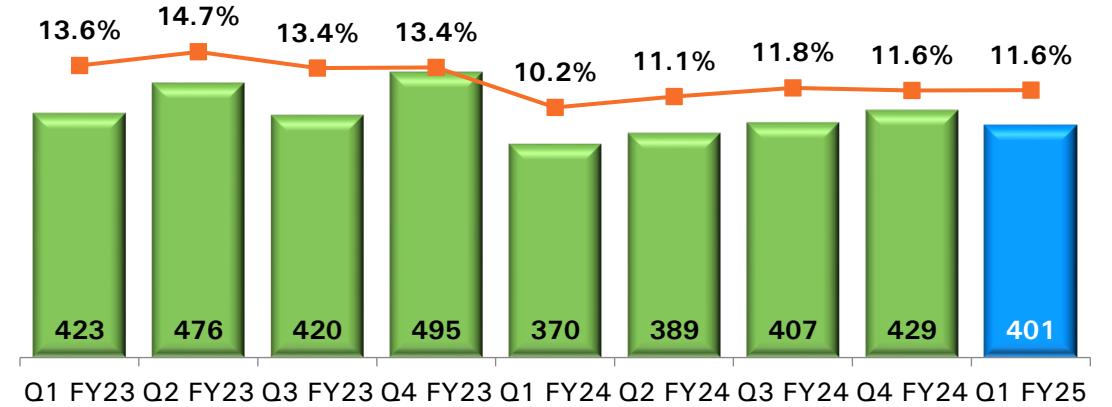


QUARTERLY FINANCIAL TRENDS

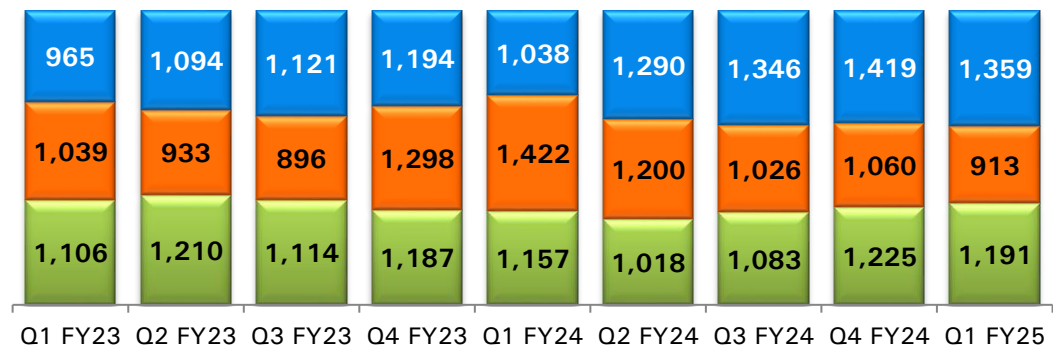
Revenue (Rs. Mn) and Growth % (Q-o-Q)



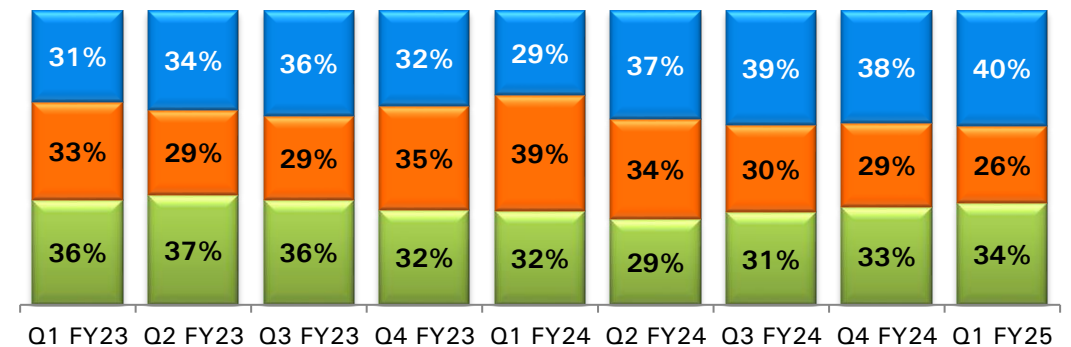
EBITDA (Rs. Mn) and Margin (%)



Segment Wise Revenue Contribution



Segment Wise Revenue Contribution



■ Hydraulics
 ■ Metallurgy
 ■ Aerospace

Note:

1. Revenue and EBITDA refer to continuing operations

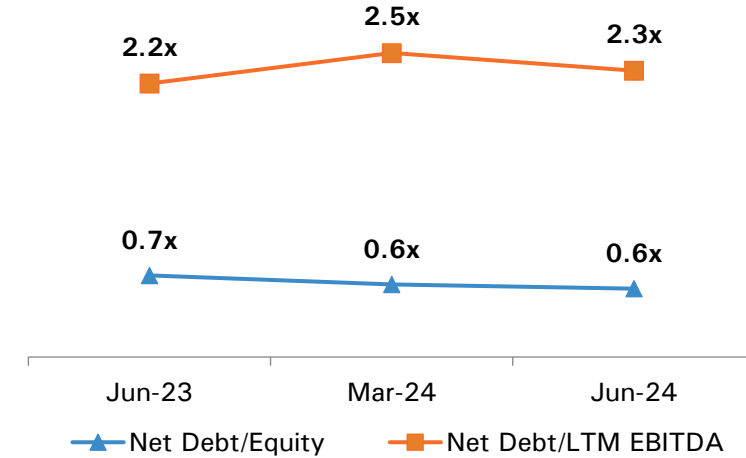


QUARTERLY FINANCIAL TRENDS

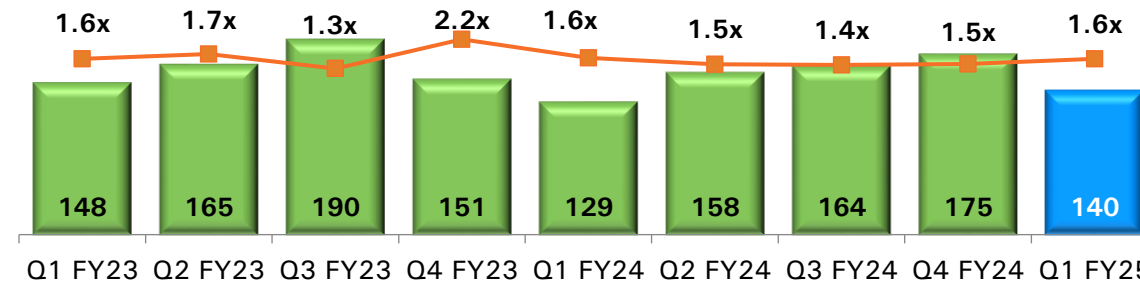
Capital Structure

(Rs. Mn)	Jun-23	Mar-24	Jun-24
Long Term	3,694.4	2,344.0	2,267.2
Short Term	1,716.2	2,237.6	2,208.5
Total Debt	5,410.6	4,581.6	4,475.7
Less: Cash & Cash Equivalents	1,470.8	614.1	697.9
Net Debt	3,939.8	3,967.5	3,777.8
Add: Lease Liabilities	1,340.7	1,269.3	1,239.8
Overall Debt	5,280.5	5,236.8	5,017.6
Net Worth	5,899.7	6,677.4	6,795.8
LTM EBITDA	1,759.8	1,594.1	1,624.6

Net Debt/LTM EBITDA & Debt/Equity (x)



Interest Expense (Rs. Mn) & Interest Coverage (x)



Note:

- Interest Coverage ratio = Operating Profit / Interest Expense
- LTM EBITDA refers to EBITDA from continuing operations



DYNAMATIC OVERVIEW

Diversified business	<ul style="list-style-type: none">• A combination of stable and high growth businesses with highly engineered products for the automotive, hydraulic and aerospace industries• Successful track record of enhancing manufacturing capabilities through R&D and selective acquisitions
Competitive market position	<ul style="list-style-type: none">• One of the world's largest manufacturers of hydraulic gear pumps; leadership in hydraulic gear pumps market for over 45 years• Has 70% share of the Indian organized tractor market, supplies to almost all OEMs in India• Pioneer and leader in the Indian private sector and the UK for manufacture of high precision airframe structures and aerospace components. Tier I supplier to the global aerospace OEMs such as Airbus, Boeing, Bell Helicopters, Dassault Aviation, Deutsche Aircraft and HAL• Manufactures high precision, complex metallurgical ferrous castings for performance critical components such as turbochargers and exhaust manifolds and has capabilities to develop complex metallurgical components on single-source basis
Locational advantages	<ul style="list-style-type: none">• World-class manufacturing facilities in India, UK and Germany will give the company business advantages in the post-COVID world, as customers look for local deliveries from suppliers



DYNAMATIC OVERVIEW

Vertically Integrated Facilities	<ul style="list-style-type: none">• Owns one of the most advanced ferrous foundries in Europe (Germany) capable of manufacturing highly intricate castings• In-house division for design validation and optimization, analysis and prototypes• 8 facilities worldwide, located in Bangalore (India), Swindon and Bristol (UK), and Schwarzenberg (Germany)
R&D and Intellectual Property	<ul style="list-style-type: none">• Owns 21 patents for various products in India and internationally• Has the design IP for all the products manufactured in the Hydraulics segment• R&D units recognized by Department of Scientific and Industrial Research, Government of India
Blue Chip Customers	<ul style="list-style-type: none">• Automotive: BMW, MAN, Daimler, Volkswagen, Audi• Hydraulics: Cummins, Escorts, John Deere, Mahindra & Mahindra, Same Deutz-Fahr• Aerospace : Airbus, Bell Helicopter, Boeing, HAL, Dassault Aviation, Deutsche Aircraft
Board and Management	<ul style="list-style-type: none">• Highly qualified board and management team with significant industry experience• 4 out of 8 Directors are Independent



DYNAMATIC OVERVIEW

Combination of Stable and High Growth Businesses

AEROSPACE

40% of Q1 FY2025 Revenue

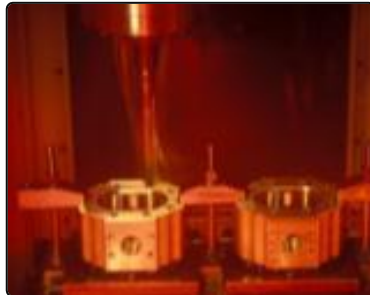


- Wings, rear fuselages, ailerons, wing flaps and major airframe structures
- Ramp structure assembly
- AFT Pylon assembly

- Airbus
- Boeing
- Bell
- Deutsche Aircraft
- Spirit Aerosystems
- HAL
- Dassault Aviation

HYDRAULICS

34% of Q1 FY2025 Revenue



- Hydraulic valves
- Hydraulic gear pumps
- Combined displacement pump packages
- Fan drive systems
- Fixed displacement pumps

- Cummins
- Eicher
- Escorts
- John Deere
- JCB
- Mahindra & Mahindra
- New Holland
- Same Deutz-Fahr
- Terex
- MacDon

METALLURGY

26% of Q1 FY2025 Revenue



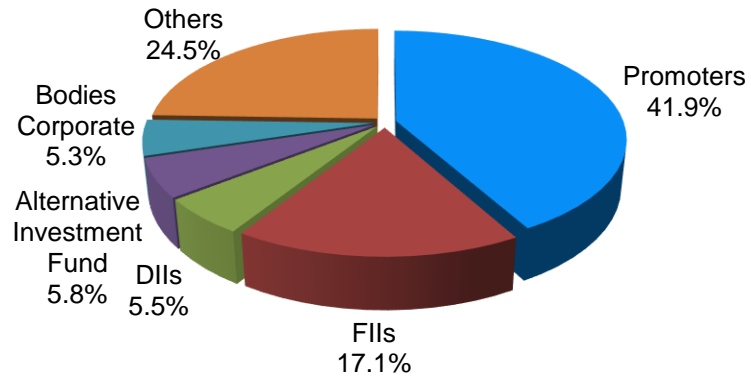
- Casting and forging

- Audi
- BMW
- Daimler
- IHI
- MAN
- Volkswagen
- BorgWarner
- AGCO



BLUE CHIP INVESTOR BASE

Shareholding Structure



Shareholding Pattern Trend

Shareholders	Jun-23	Mar-24	Jun-24
Promoters	41.9%	41.9%	41.9%
FIIIs	16.6%	16.5%	17.1%
DIIIs	5.8%	5.6%	5.5%
Alternative Investment Fund	4.7%	5.8%	5.8%
Bodies Corporate	4.8%	5.4%	5.3%
Others	26.2%	24.8%	24.5%
Total	100.0%	100.0%	100.0%

Key Investors

- Samena Capital
- HDFC Mutual Fund
- Alchemy and Group
- Girish Gulati – HUF
- Abakkus Group
- Madhusudan Kela and Group
- AI Mehwar Commercial Investments L.L.C. - (Noosa)
- Cohesion MK Best Ideas Sub-trust
- Carnelian Structural Shift Fund

Equity History

Year	Event	Year End Equity Capital (Rs. Mn)
1974	Initial Public Offering	2.9
1987	Rights Issue	11.2
1992	Rights Issue	21.0
1994	Rights Issue	31.5
1995	Bonus Issue	41.9
2008	Amalgamation	48.1
2008	Qualified Institutional Placement	54.1
2014	Preferential Convertible Warrants	60.4
2014	Qualified Institutional Placement	63.4
2023	Preferential allotment	67.9



FINANCIAL STATEMENTS

Consolidated P&L Statement (Q-o-Q)

Profit & Loss Statement (Rs. Mn)	Q1 FY24	Q4 FY24	Q1 FY25
Revenues			
Revenue from operations	3,625.1	3,704.1	3,462.8
Expenses			
Cost of materials and components consumed	1,664.1	1,666.8	1,644.7
Change in inventory of finished goods and work-in-progress	73.6	51.8	(58.9)
Employee Benefit Expenses	744.3	755.5	774.2
Other Expenditure	773.1	801.5	702.3
Total expenses excluding D&A	3,255.1	3,275.6	3,062.3
Operating Profit (EBITDA)	370.0	428.5	400.5
Depreciation and Amortization Expenses	159.0	172.8	173.3
EBIT	211.0	255.7	227.2
Other Income	202.6	57.6	30.1
Finance Costs	129.0	175.2	140.2
PBT – Pre-Exceptional	284.6	138.1	117.1
Exceptional Items	176.3	446.8	0.0
PBT	460.9	584.9	117.1
Tax Expenses	47.3	13.8	3.2
PAT	413.6	571.1	113.9
EPS	60.9	84.1	16.8
Margins (%)			
Gross Margins	52.1%	53.6%	54.2%
EBITDA margins	10.2%	11.6%	11.6%
PAT margins	11.4%	15.4%	3.3%
Y-o-Y Growth (%)			
Total Revenues	16.6%	0.7%	(4.5)%
EBITDA	(12.5)%	(13.4)%	8.2%
PAT	406.2%	225.2%	(72.5)%



IMPORTANT NOTICE

This presentation contains statements that contain 'forward looking statements' including, but without limitation, statements relating to the implementation of strategic initiatives, and other statements relating to Dynamatic Technologies' ('Dynamatic' or the 'Company') future business developments and economic performance.

While these forward-looking statements indicate our assessment and future expectations concerning the development of our business, a number of risks, uncertainties and other unknown factors could cause actual developments and results to differ materially from our expectations.

These factors include, but are not limited to, general market, macro-economic, governmental and regulatory trends, movements in currency exchange and interest rates, competitive pressures, technological developments, changes in the financial conditions of third parties dealing with us, legislative developments, and other key factors that could affect our business and financial performance.

Dynamatic undertakes no obligation to publicly revise any forward-looking statements to reflect future / likely events or circumstances.



CONTACT DETAILS

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Chief Financial Officer

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Mr. Shivaram V

Head – Legal, Compliance & Company Secretary

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