

S.J.S. Enterprises Limited*(Formerly known as S.J.S. Enterprises Private Limited)*Sy No 28/P16 of Agra Village and Sy No 85/P6
of B.M Kaval Village Kengeri Hobli Bangalore 560082

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ISO 14001 ISO 45001
ISO 9001 IATF 16949
Certified

CIN: L51909KA2005PLC036601

www.sjsindia.com



Creating Possibilities

February 09, 2023

To,

National Stock Exchange of India Limited Exchange Plaza, 5 th Floor, Plot No. C/1, G Block, Bandra – Kurla Complex, Bandra (E), Mumbai -400 051 Symbol: SJS	BSE Limited Corporate Relationship Department, 2 nd Floor, New Trading Wing, Rotunda Building, P.J. Towers, Dalal Street, Mumbai – 400 001 Scrip Code: 543387
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ISIN: INE284S01014

Dear Sir/Madam,

Subject: Earnings Call Presentation of the Company pertaining to Q3 of FY 2022-23

In continuation with the Company's letter dated February 03, 2023, pertaining to Intimation of schedule of Earnings call to be held on Friday, 10th February 2023 at 10:30 a.m. (IST) and pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the earnings presentation on the unaudited Financial Results of the Company for the quarter and nine-months ended December 31, 2022.

Also, this presentation will be uploaded on the website of the Company at <https://www.sjsindia.com/>

Request you to kindly take the above on record.

Thank you,

Yours faithfully,

For **S.J.S. Enterprises Limited**

Thabraz Hushain W.**Company Secretary & Compliance Officer****Membership No.: A51119****Encl: As mentioned above**

SJS Enterprises Limited
Q3FY23 EARNINGS PRESENTATION



Creating
Possibilities

Certain statements made in this presentation relating to the Company's objectives, projections, outlook, expectations, estimates, among others may constitute 'forward-looking statements' within the meaning of applicable laws and regulations. Actual results may differ from such expectations, projections etc., whether express or implied. These forward-looking statements are based on various assumptions, expectations and other factors which are not limited to, risk and uncertainties regarding fluctuations in earnings, competitive intensity, pricing environment in the market, economic conditions affecting demand and supply, change in input costs, ability to maintain and manage key customer relationships and supply chain sources, new or changed priorities of trade, significant changes in political stability in India and globally, government regulations and taxation, climatic conditions, natural calamity, commodity price fluctuations, currency rate fluctuations, litigation among others over which the Company does not have any direct control. These factors may affect our ability to successfully implement our business strategy. The company cannot, therefore, guarantee that the 'forward-looking' statements made herein shall be realized. The Company, may alter, amend, modify or make necessary corrective changes in any manner to any such forward looking statement contained herein or make written or oral forward-looking statements as may be required from time to time on the basis of subsequent developments and events



K A JOSEPH
Managing Director

- Founded the company in 1987
- More than 34 years of experience in aesthetics printing business
- Post graduate diploma in business administration from the St. Joseph's College of Business Administration, Bangalore; B.Sc from Bangalore University



SANJAY THAPAR
CEO & Executive Director

- Over 30 years of experience in the automotive industry
- Previously worked with Ashok Minda Group, Minda Valeo Security Systems, Minda HUF Limited, Tata Engineering and Locomotive Company Limited (now known as Tata Motors Limited)
- Bachelor's degree in science (mechanical engineering) from the Delhi College of Engineering



MAHENDRA NAREDI
Chief Financial Officer

- 20+ years of experience in financial management, key accounting & financial analysis, FP&A, fundraising, M&As, legal & compliances, and strategy.
- Previously worked in Minda Corporation, Wipro & GE
- Bachelor's degree in Law & Commerce from Rajasthan University, Chartered Accountant and Company Secretary from ICAI and ICSI




DEVANSHI DHRUVA
Head-Investor Relations


- Previously worked with Westlife Development Limited (McDonald's India) and Piramal Enterprises Limited managing Investor Relations. Earlier worked as Equity Research Analyst with Dolat Capital Markets Pvt. Ltd.
- PGDM – Finance from K J Somaiya Institute; M.Com & B.Com (Accounting & Finance) from University of Mumbai

Overview


Key Facts




Rs 3,264.8 Mn
Revenue 9MFY23¹



26.9%
EBITDA margin 9MFY23



2
Production facilities
(Bangalore, Pune)



~2000
Workforce

22
Countries served

175+
Customer locations
(Mar'22)

6,000
SKUs
(FY22)

123 Mn
Parts supplied
(FY22)

Established market leader in an attractive business segment

Operates in the high value-add aesthetics market across multiple consumer-oriented end industries; increased focus on aesthetics and premium content creating opportunity throughout the component supply chain: SJS well-positioned to capitalize on the trends

Differentiated, comprehensive product portfolio

Leading edge technologies and a wide product suite including decals, appliques/dials, overlays, logos/3D lux, aluminium badges, in-mold decoratives (IMD), optical plastics and lens mask covers for diverse applications

Legacy of technology and innovation: in-house design / development

Strong in-house design and engineering capabilities and innovation track record across products, technologies and materials; history of new product development and successful commercialization supported by a dedicated R&D team

Long-standing core customer base consisting of leading OEMs

Partner, co-creator and supplier of choice to several leading OEMs in the automotive and consumer durables industry; dominant share of business in India and focused strategy to increase global presence

Well-invested, lean operations designed to support multi-fold revenue

New state-of-the-art manufacturing facility commissioned in 2018 to support future growth

Market leadership in India for Aesthetic Products



Demonstrated product portfolio expansion



Design-backed new product development



Entrenched customer relationships



Well invested for the next 3-5 years





- **SJS outperformed auto industry (2W + PV) with 25.3% YoY revenue growth in auto** compared to 3.9% YoY growth in Auto industry production volumes during the quarter



- **Total Revenue at Rs 1063.7 mn grew 20.8% YoY** on back of 43.5% and 14.1% YoY growth in PV and 2W respectively



- Company generates strong cash flows and has maintained a **robust cash & bank balance at Rs 1,431 Mn**
- **Debt free company** on net debt basis



- Added **Foxconn** in 2W EV segment and **IFB Industries** in Consumer Durables as our marquee customers in Q3FY23



- 12 Villages with 3000 Families benefitted by our Garbage collection “Clean Village Initiative Campaign”
- Added 20 beds Community Health Centre - benefitting 50 patients daily at Govt. Hospital Kaggalipura



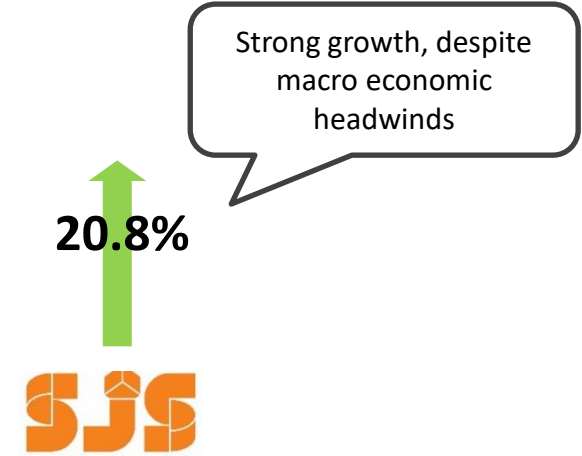
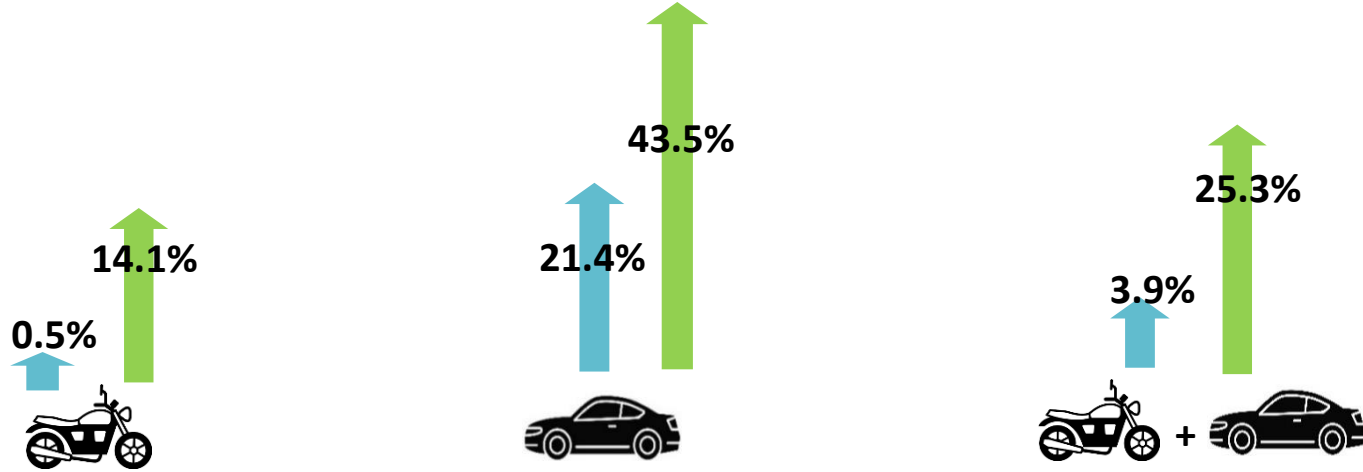
Q3FY23 Business & Financial Highlights

SJS | Consistently Outperforming Auto Industry



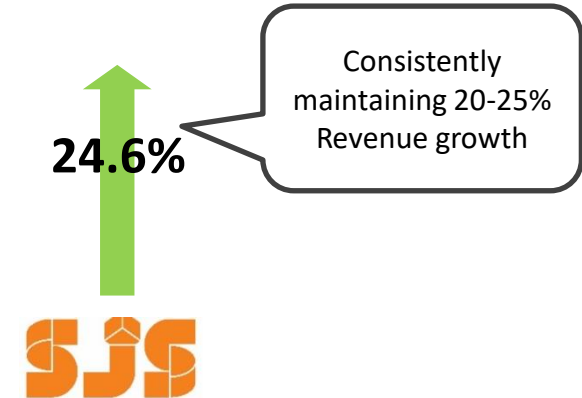
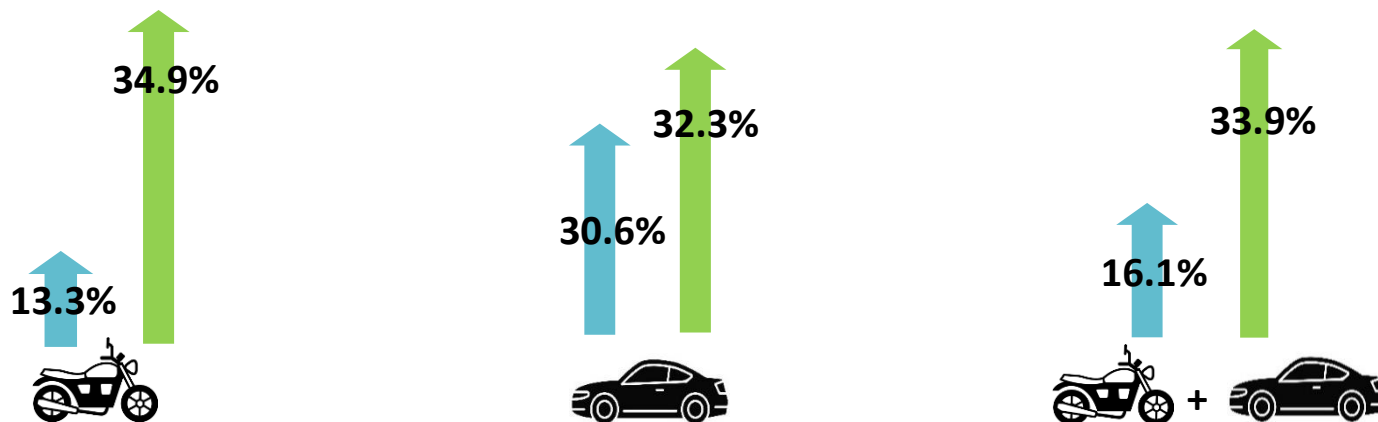
Q3FY23 - Industry Production Volume¹ v/s SJS YoY Sales²

Industry
SJS



9MFY23 - Industry Production Volume¹ v/s SJS YoY Sales²

Industry
SJS



Note: 1) Industry Production Volumes are production in India; 2) For SJS YoY Sales it is Consolidated numbers

Strong growth story continues...

Highlights of the quarter

1

Growing Mega Accounts
- Key Business Projects Won



Mahindra



TATA MOTORS



TOYOTA



Electrolux

Whirlpool



ROYAL ENFIELD

2

**Adding
marquee
Customers**

FOXCONN

2W EV

IFB

Set yourself free

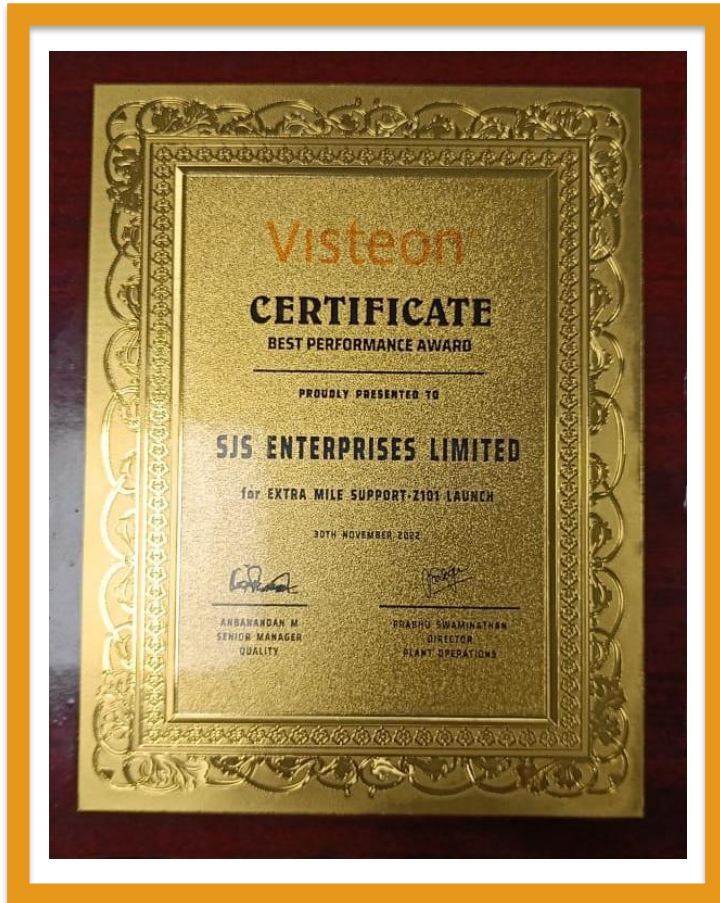
Consumer Appliances

3

**Increasing
Global
Presence**

In addition to having sales representatives in Brazil, Argentina and Turkey, **we added sales representative in Columbia in Q3FY23**, thereby covering key markets of Latin America

Visteon award for the Extra mile Support for the flaw less launch of Scorpio - N

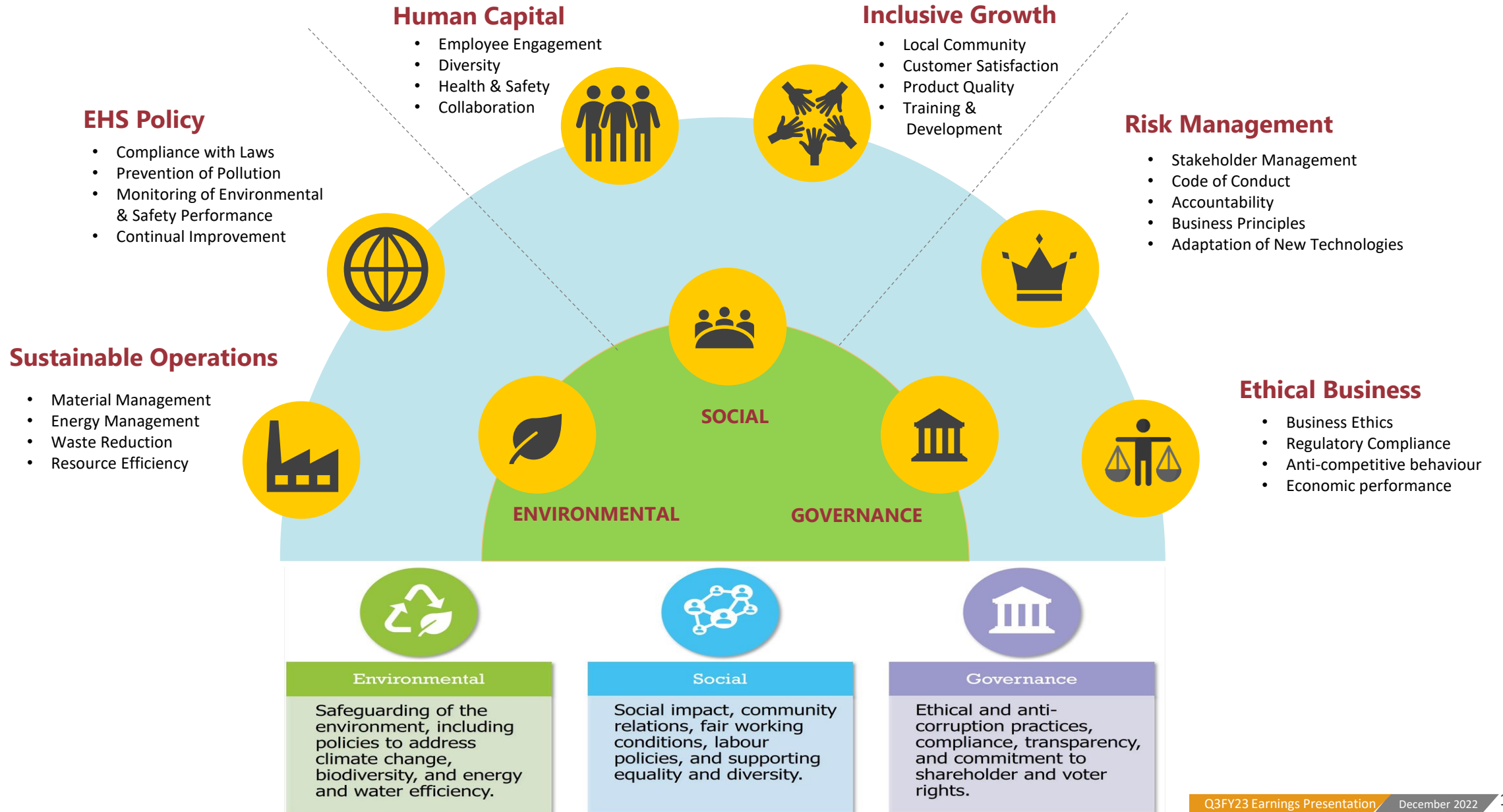


Honda India recognition for **Consistent Good Quality Product** supplied for exports

Customer Quality - received **GREEN RATING** from our **Top 15 customers**

3rd Prize in Regional Kaizen Contest, held by ACMA Southern Region





12 Villages with 3000 Families benefitted by our Garbage collection “Clean Village Initiative Campaign”
 Added 20 beds Community Health Centre - benefitting 50 patients daily



RO Water plant installed at Agara district benefitting approx. 1000 families




Garbage Collection vehicle for Agara Gram Panchayat under our ‘Clean Village Initiative Campaign’

20 Beds & Medical apparatus contributed to CHC - Govt. Hospital, Kaggalipura




Contributed towards infrastructure building and refurbishments for Govt. School at Tathaguni & Banjarapalya


Picking up a strong pace...

 **20.8%**
YoY growth

- **Revenue*** at Rs 1,063.7 Mn on account of **25.3% YoY growth** in automotive (2W+PV) segment - **outperforming the underlying industry**

 **25.3%**
YoY growth

- **EBITDA*** at Rs 284.0 Mn, **Strong EBITDA margins of 26.1%**


 **29.5%**
YoY growth

- **Adjusted Net Profit*** at Rs 157.1 Mn, with a **margin of 14.8%**


- **Overall Domestic sales** clocked **26.8%** YoY growth; on back of **56.4%** and **16.7%** YoY growth in **PV** and **2W** segments for the Company

Consistently delivering robust performance...

ROCE for 9MFY23 is 33% (annualized) compared to 27% in FY22

 **24.6%**
YoY growth

- Revenue* at Rs 3,264.8 Mn on account of 33.9% YoY growth in automotive (2W+PV) segment - outperforming the underlying industry

 **31.6%**
YoY growth

- EBITDA* at Rs 896.0 Mn, on back of higher sales, softening in commodity prices and operational efficiencies; **Strong margins of 26.9%**

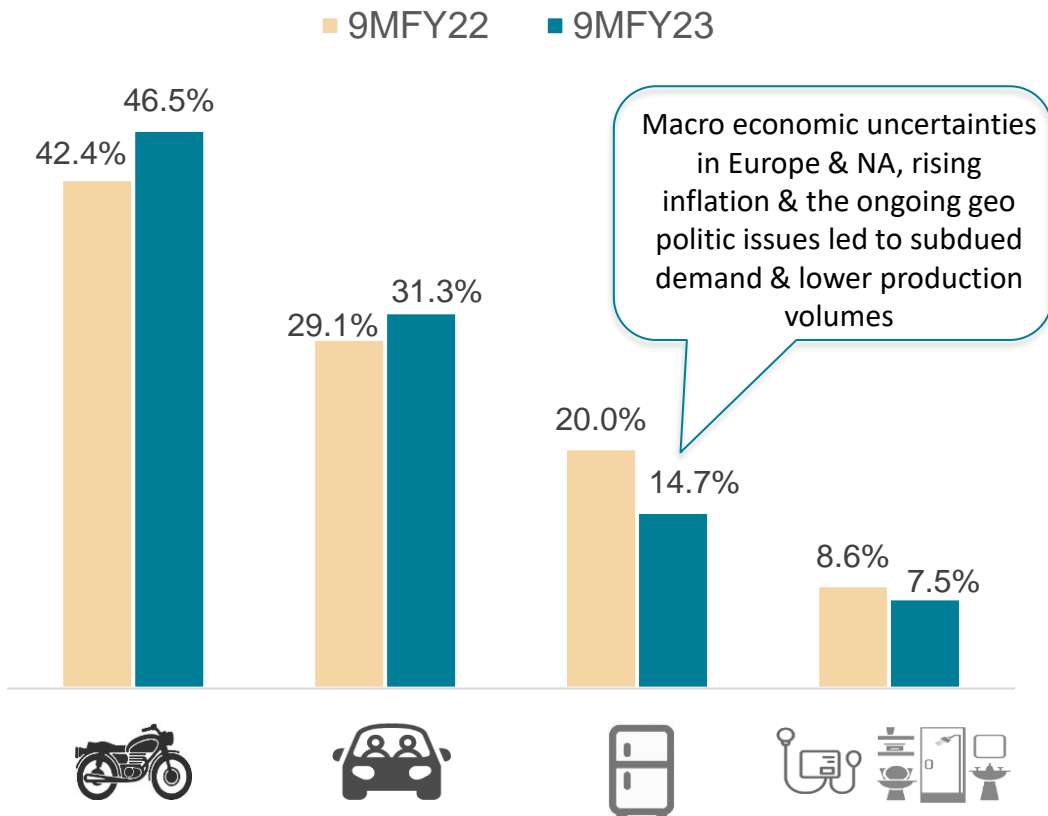
 **40.6%**
YoY growth

- Adjusted Net Profit* at Rs 518.7 Mn, with a margin of 15.9%

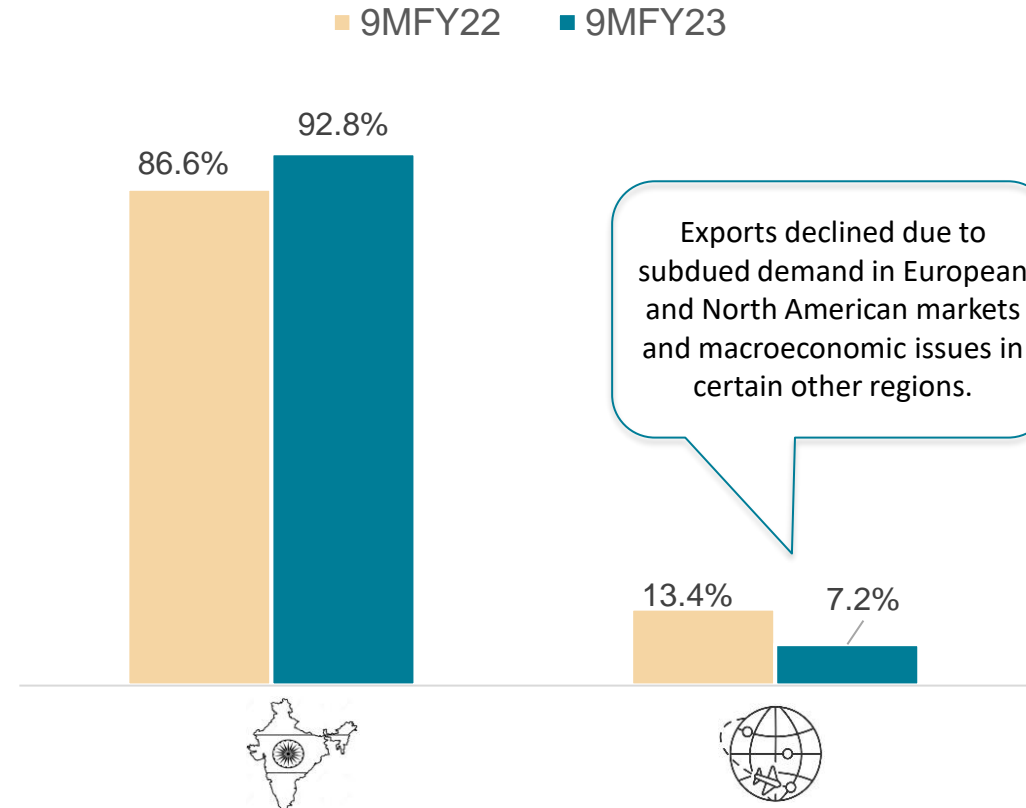
- Domestic sales clocked 31.7% YoY growth; on back of 39.9% and 37.2% YoY growth in 2W and PV segments for the Company

Exotech achieved FY22 full year revenue in just 9M of FY23 with EBITDA margin improvement to 14.0% from 12.8% in FY22, 115 bps improvement in 9 months

Revenue by end segment



Revenue by Geography



New generation products contributed ~11-12% of revenue during 9MFY23, impacted due to drop in exports

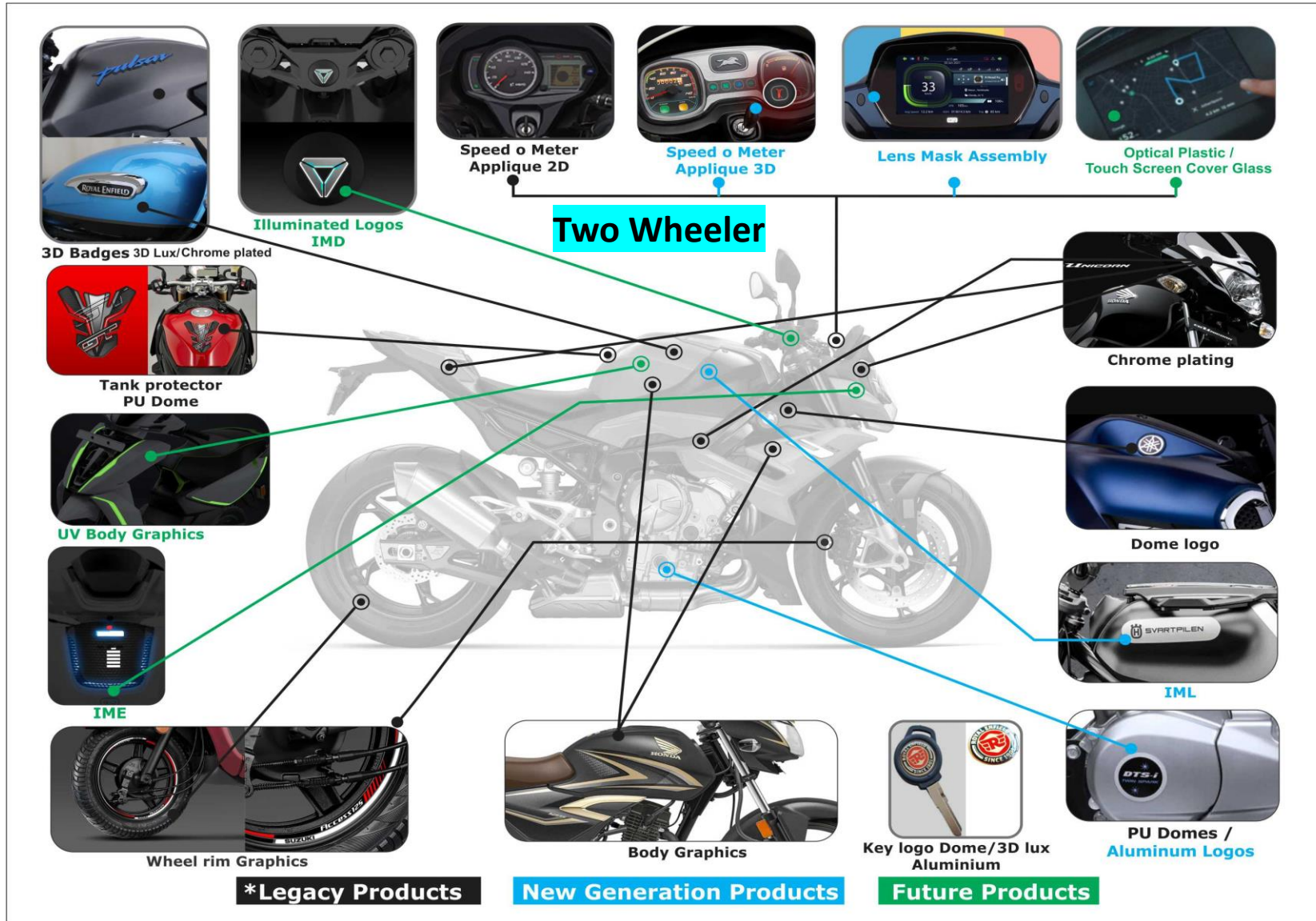
Particulars (INR in Mn)	Q3FY23	Q3FY22 ¹	YoY%	Q2FY23	QoQ%	9MFY23	9MFY22 ¹	YoY%
Operating Revenue	1063.7	880.3	20.8%	1169.4	-9.0%	3264.8	2619.9	24.6%
EBITDA	284.0	226.7	25.3%	333.8	-14.9%	896.0	680.7	31.6%
EBITDA Margin %	26.1%	25.6%		28.0%		26.9%	25.7%	
Reported PAT	157.1	148.9	5.5%	199.5	-21.3%	518.7	396.6	30.8%
PAT Margin %	14.8%	16.9%		17.1%		15.9%	15.1%	
Adjusted PAT	157.1	121.3	29.5%	199.5	-21.3%	518.7	368.9	40.6%
PAT Margin %	14.8%	13.8%		17.1%		15.9%	14.1%	

Note: 1) Exceptional item – Rs. 37.61 Mn of provision for discount on a customer sale created during FY21 was reversed in December 2021 resulted in increased Sales, EBITDA, PBT & PAT



Future Growth Outlook

Transforming SJS with a well diversified product suite addressing every requirement of varied customer base



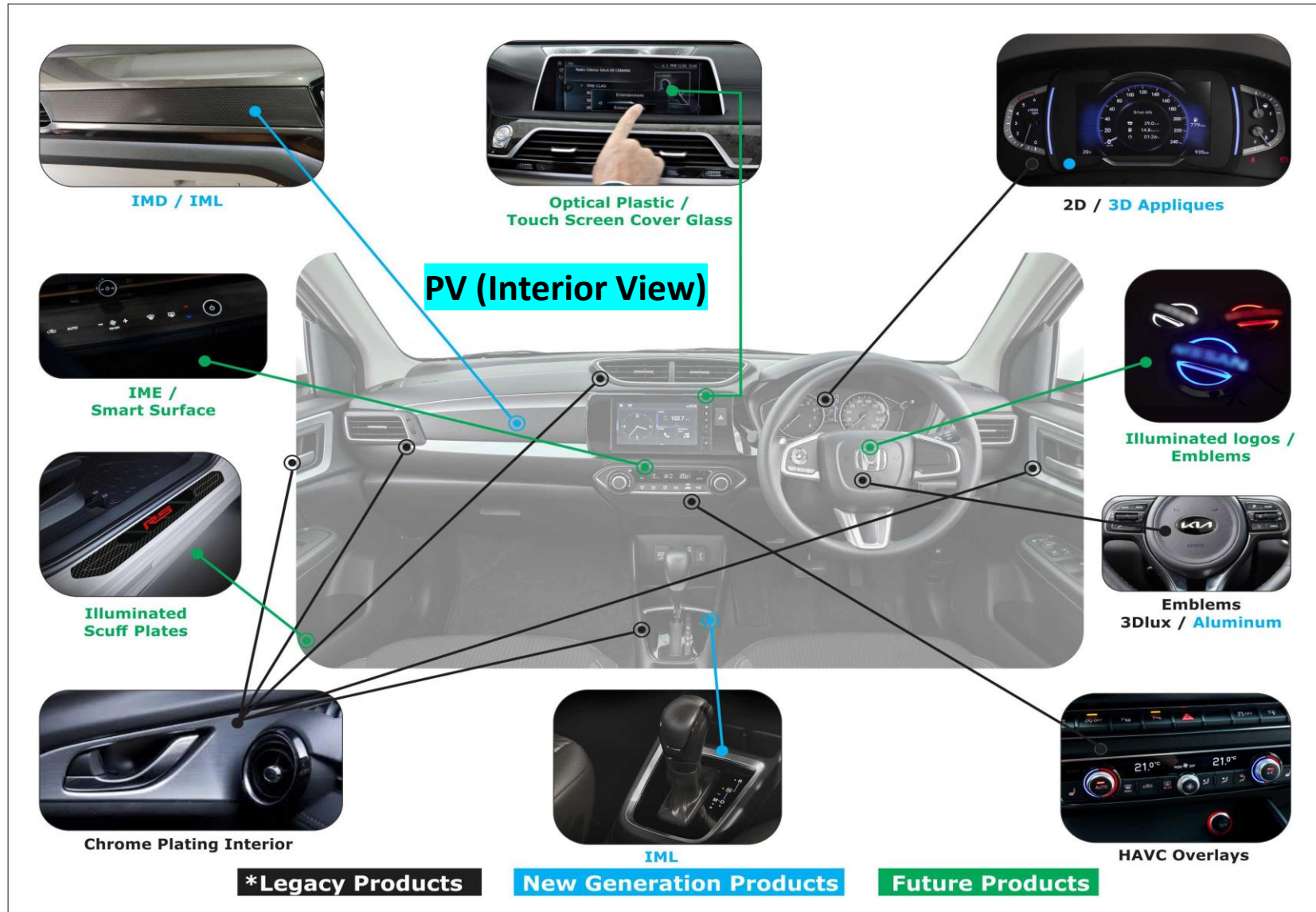
Rs 300 - 500
Per vehicle

Legacy Kit Value

1.5 - 2x
growth
Per vehicle

Future Kit Value

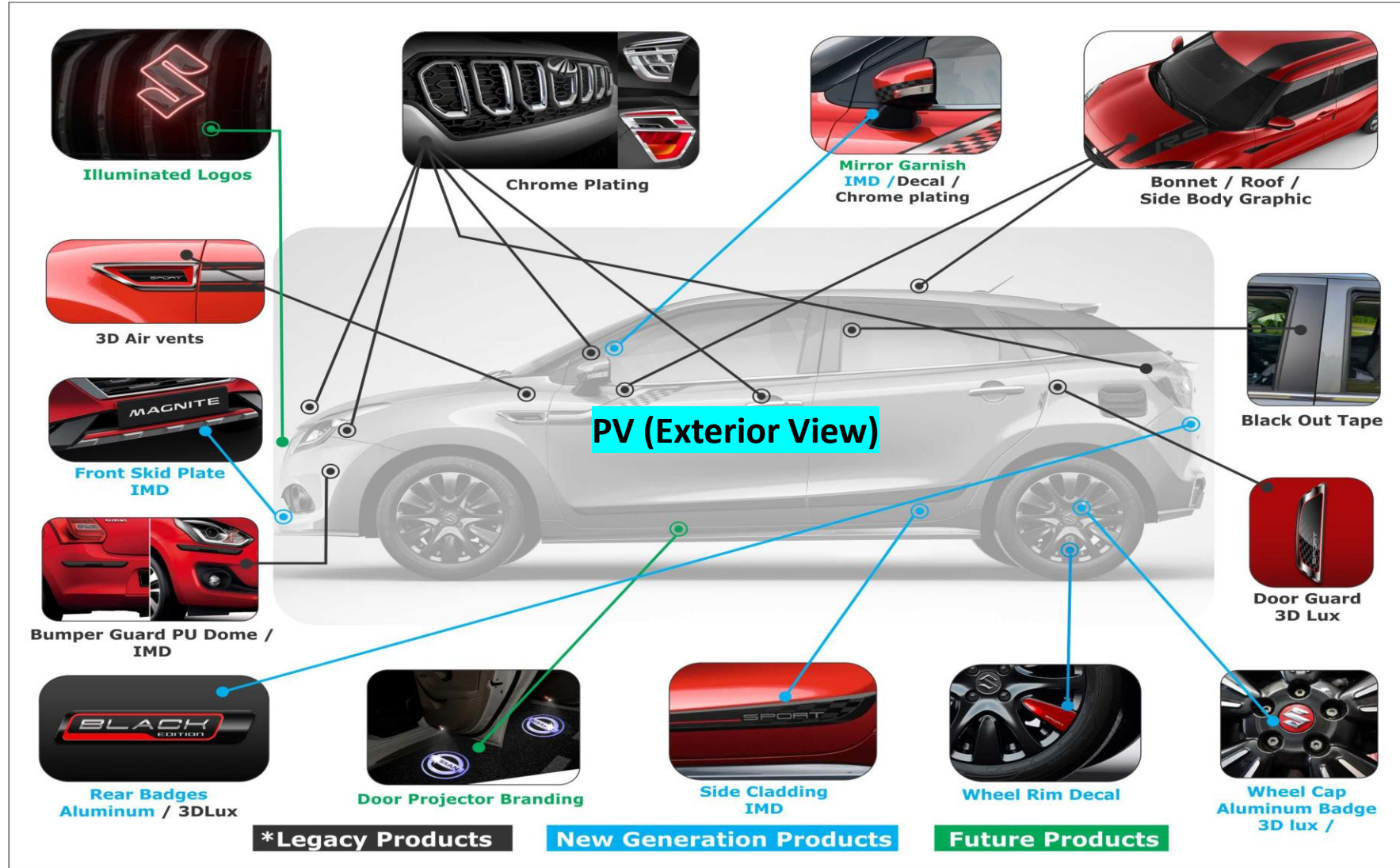
Transforming SJS with a well diversified product suite addressing every requirement of varied customer base



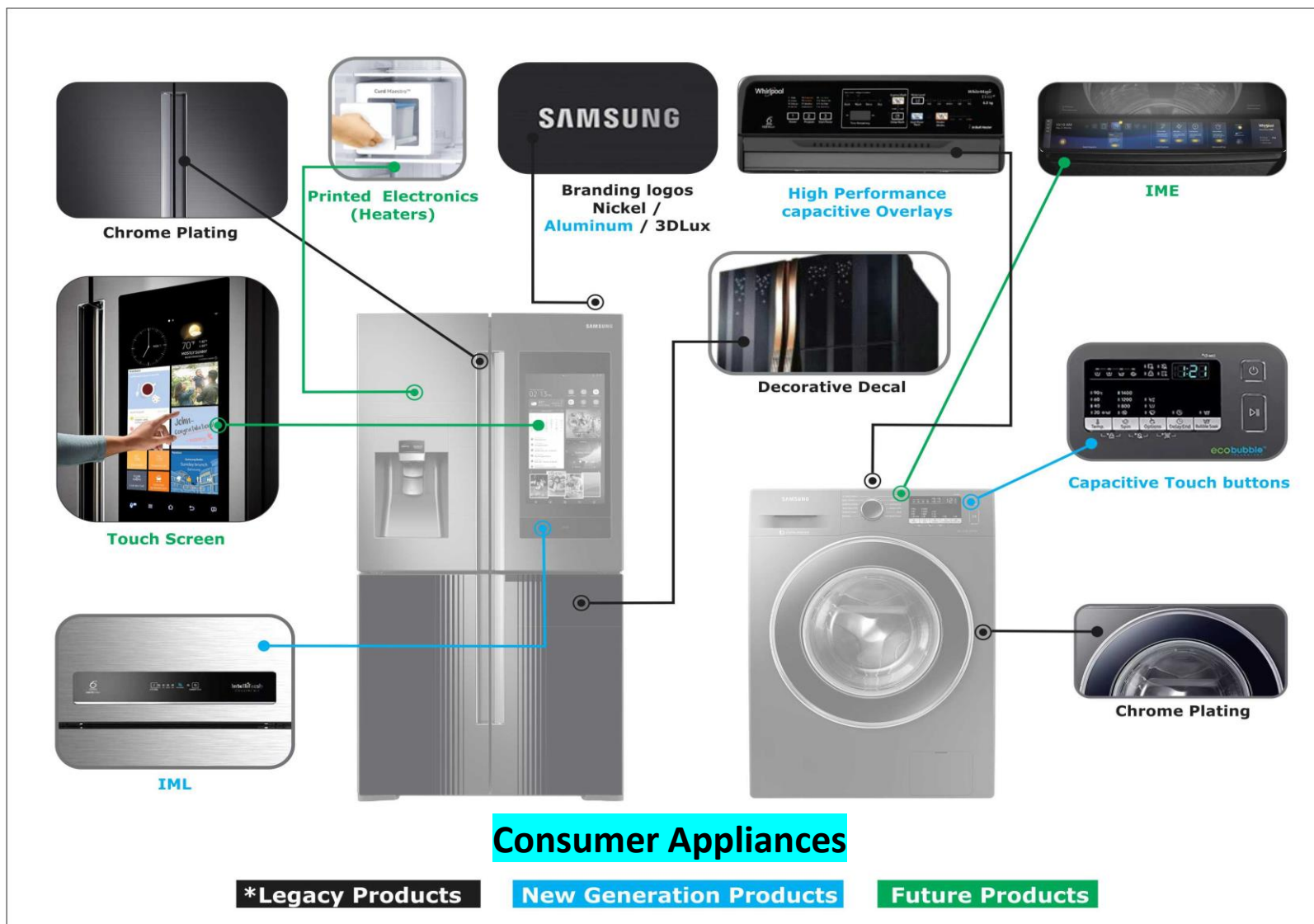
Rs 1200 – 1500
Per vehicle
Legacy Kit Value

3 - 4x growth
Per vehicle
Future Kit Value

Transforming SJS with a well diversified product suite addressing every requirement of varied customer base



Transforming SJS with a well diversified product suite addressing every requirement of varied customer base



Rs 50 - 150
Per appliance

Legacy Kit Value

3 - 4x
growth
Per appliance

Future Kit Value

Strategy for organic growth over FY23-25



Exports : Increasing global presence

- Penetrate deeper in existing geographies and enter new geographies
- Strong focus on expanding presence in ASEAN
- Strengthening our sales force in Turkey, Brazil & Argentina and exploring similar opportunities in other countries



Products : Focus on development of new technologies & advanced products

- Intend to develop and introduce Illuminated logos, In Moulded Electronic (IME) parts and other new gen technologies
- Continue to build capabilities to innovate & develop new products & increase application of products across industries



Key Customers : Growing mega accounts

- Building mega accounts with existing customers by expanding the array of products
- Increase customer base by marketing existing products to new customers and explore cross selling opportunities between SJS and Exotech



Capacity Expansion : Expand chrome plating capacity to meet higher demand pipeline

- Double the chrome plating capacity to support revenues of Rs 3,000 Mn from the current Rs 1,300 Mn capacity
- Higher capacity will also enable entry into global markets

Merger & Acquisitions Strategy

SJS successfully integrated Exotech business and demonstrated credible business improvement in Exotech's FY22 performance:

- ~50% YoY growth in Revenue, increasing from Rs 685 Mn to Rs 1,020 Mn in FY22. **Exotech already achieved Rs 1,008 Mn for 9MFY23**
- **Cost synergies & efficiency resulted in Exotech EBITDA margin expansion by 70 bps YoY from 12.2% in FY21¹ to 12.8% in FY22. Continuous improvement initiatives led to another 115 bps expansion in margins to 14% in 9MFY23.**



Build capability in adjacent / new aesthetic product categories

Identified key product categories to enter / expand presence which include:

- IMD / IML
- IME (In-Mould Electronics)
- Plastic injection moulding



Expand presence in consumer related industries

Enter new segments and expand presence in other consumer related industries targeting

- Appliance manufacturers
- Consumer electricals



Enter new geographies / OEMs for chrome plating

- Expand presence in chrome plating (largest segment) and increase cross selling opportunities
- Overcome logistics cost as bulky parts
- Provides direct entry into OEMs to support cross selling opportunities

Actively evaluating opportunities and building an M&A pipeline to give an impetus to revenue growth over and above the organic growth of ~25%

Note: 1) FY21 EBITDA Margins is excluding one time gain on sale of land to the extent of Rs 53.83 Mn

- **SJS will continue to outperform the industry** despite the macro economic headwinds in export markets and slow down in domestic market post festive season
- **SJS expects ~20% YoY revenue growth** on account of expected outlook for 2W, PV and Consumer Durables
- Robust margin profile and expected operating leverage to **drive PAT growth of ~20 - 25% YoY**

9M FY 23 Performance (INR Mn)		YoY Growth %
Revenue	3,264.8	24.6%
EBITDA	896.0	31.6%
EBITDA margin	26.9%	
PAT	518.7	40.6%
PAT Margin	15.9%	



- Target revenue growth of ~20% & PAT growth of ~20-25% in FY 23
- Continue to maintain best-in-class margins
- Strong cash flow generation of Rs 478 Mn in 9MFY23
- Debt free company

Q3FY23 Earnings Call Invite

SJS Enterprises Limited (BSE: 543387) announced its results for the third quarter ended December 31, 2022, on February 9th, 2023. Following the announcement, the management team will host a conference call for investors and analysts on February 10th, 2023, at 10:30 AM IST. The call will commence with a brief discussion on the previous quarter's performance followed by an interactive question and answer session. Call details are below:

Date	10th February, 2023
Time	10:30 AM IST 01:00 PM HK/SG 05:00 AM UK (London) 12:00 AM EST USA
Duration	60 minutes
Universal Dial in	+91 22 6280 1145 +91 22 7115 8046
International Toll Free	HK: 800 964 448 SG: 800 101 2045 UK: 0 808 101 1573 USA: 1 866 746 2133
Diamond Pass Link	https://services.choruscall.in/DiamondPassRegistration/register?confirmationNumber=8158285&linkSecurityString=28b3d45d24

Note: Please dial in at least 10 minutes prior to the schedule to ensure that you are connected in time. Audio and transcript will be available within ten working days after the call on Investors page of company website (www.sjsindia.com).

For further information, please contact: Devanshi Dhruva | devanshi@sjsindia.com

THANK YOU

IR Contact

Ms. Devanshi Dhruva | Head - Investor Relations
devanshi@sjsindia.com

Appendix

SJS | Longstanding history of design backed manufacturing excellence

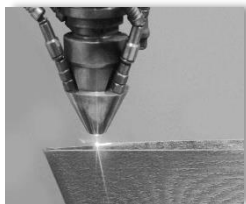


Evolution into a leading design and aesthetics focused business



1987

SJS founded by three entrepreneurs



2006

Joint Venture with Serigraph, a US based commercial printing player



2010-14

New product addition in premium segment – 3D Lux etc.



2015

Everstone Capital acquired a majority stake; exit by Serigraph



2015-17

Entry into new product lines - IMD parts, aluminum & electro formed badges

2018

New manufacturing facility commissioned with 225,000 sq.ft. area and significant capacity boost



2019-20

Introduced premium / technologically advanced products (formed dials, Optical plastics, lens mask assemblies) and expanded PV customer base with new product range

2021

Exotech Plastics

Acquisition completed to further complement product suite with addition of chrome products

Decals & Body Graphics



2D Appliques & Dials



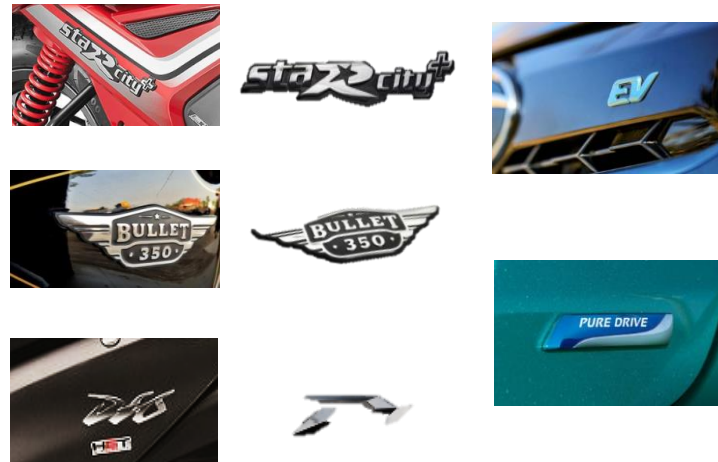
Domes



3D Appliques & Dials



3D Lux Badges



Aluminium Badges



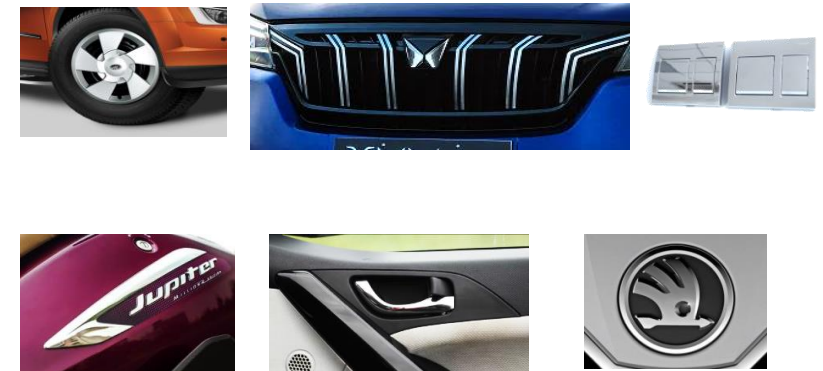
Overlays



Lens Mask Assembly



Chrome plated parts



IMLs / IMDs



Optical Plastics



Without Anti glare/ Anti Reflection

With Anti glare/ Anti Reflection

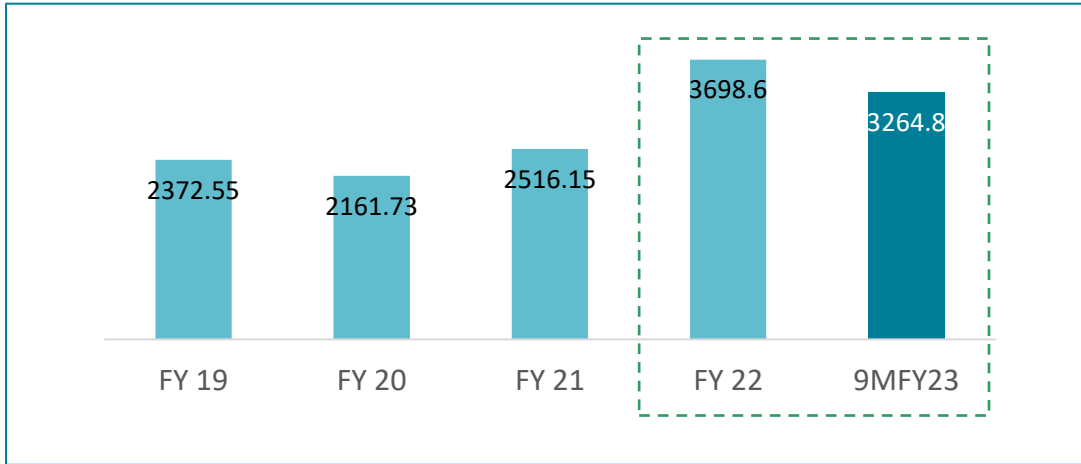
Aftermarket – “Transform”



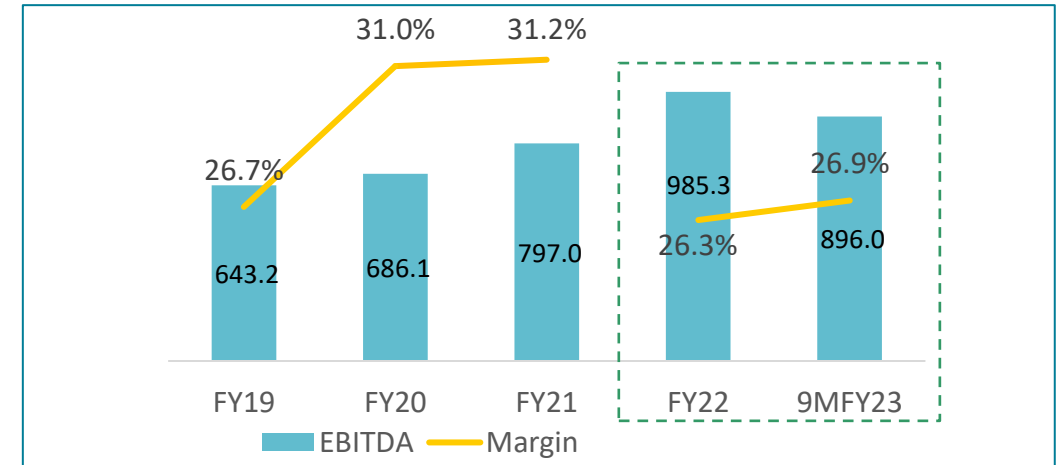
SJS | Superior financial metrics and resilient business model



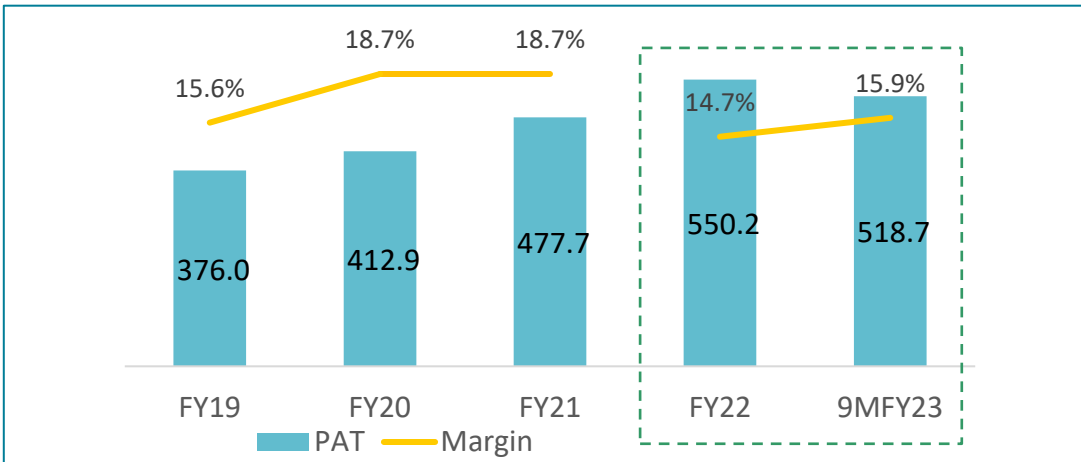
Revenue from Operation (INR Mn)



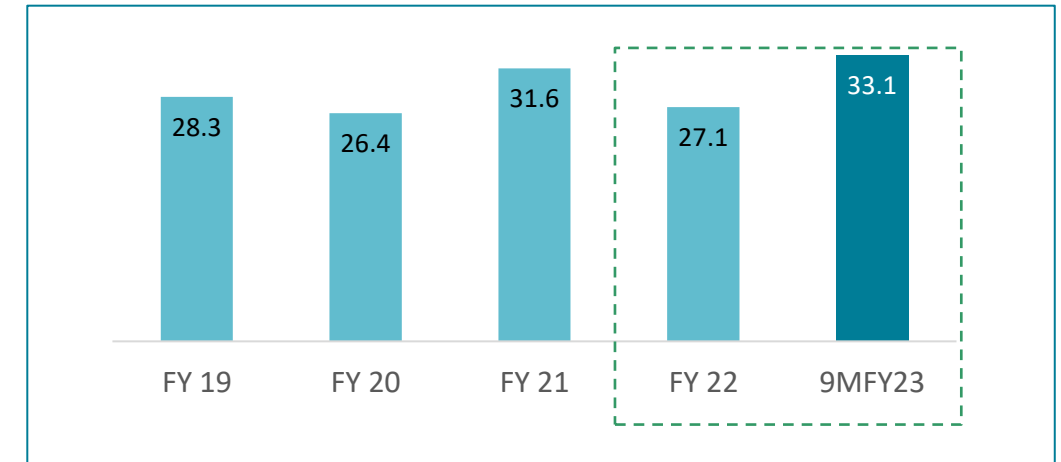
EBITDA (INR Mn) and EBITDA Margin (%)



PAT (INR Mn) and PAT Margin (%)



ROCE (%)



Note: FY 22 and 9MFY23 figures consolidated for SJS and Exotech



K A Joseph

Managing Director – Promoter & Co-founder

- ❖ More than 34 years of experience in aesthetics printing business
- ❖ Leads the manufacturing operations for the Company and has spearheaded technological and product innovation over the years
- ❖ Also a director on the board of Exotech



Ramesh Chandra Jain

Non-Exec Chairman & Independent Director

- ❖ Worked for 25 years in Eicher & retired as group vice chairman
- ❖ Received the Society of British Aerospace Companies Prize in Aircraft Production ,1972-73 from the Cranfield University,

Board of Directors



Sanjay Thapar

Executive Director and CEO

- ❖ Over 30 years of experience in the auto industry
- ❖ Previously Group Chief Strategy Officer with Ashok Minda Group; MD of Minda Valeo Security Systems



Kevin K. Joseph

Executive Director

- ❖ Holds a bachelor’s degree in mechanical engineering
- ❖ Previously worked with Tata Elxsi Limited as a senior design engineer



Matthias Frenzel

Non-Executive & Independent Director

- ❖ Previously worked with Visteon Electronics Germany GmbH, S-Y Systems Technologies Europe GmbH and Johnson Controls GmbH



Vishal Sharma

Nominee Director

- ❖ MD - investments and operations with Everstone Capital Advisors Private Limited
- ❖ Previously worked with BCG India ⁽¹⁾; Sapient Corp (now known as Publicis Sapient)



Kazi Arif Uz Zaman

Nominee Director

- ❖ Ex-MD – private equity with Everstone Capital
- ❖ Presently a partner of GestAlt Network LLP



Veni Thapar

Non-Executive Independent Director

- ❖ Presently a partner of V K Thapar & Company, Chartered Accountants
- ❖ Was on the board of Bank of India as a part-time, non-official director under the CA ⁽²⁾ category

KMPS



Mahendra Naredi

Chief Financial Officer

- ❖ 20+ years of experience in financial management and analysis, key accounting and strategy. Previously worked in Minda Corp, Wipro & GE



R. Raju

Chief Marketing Officer

- ❖ Has over 22 years of experience in the field of marketing; Previously worked with ITW India Limited, ITW Signode India Limited etc.



Sadashiva Baligar

Chief Operation Officer

- ❖ Previously worked with Motherson Automotive Technologies, Automotive Manufacturers (Malaysia) SDN BHD, Toyota Kirloskar etc.

Note: ⁽¹⁾ BCG India – Boston Consulting Group (India) Private Limited; ⁽²⁾ Chartered Accountant