

Date: - 27th January, 2023

To

BSE Ltd.

Regd. Office: Floor - 25,
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai-400 001.

BSE Scrip Code: 543300

Subject: - Intimation under Reg. 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for investor presentation.

Dear Sir / Madam,

This is in reference of disclosure made by the Company on 25th January, 2023 at 11:54 a.m. (IST) for investor presentation on Q3 financial of the Company. As per the requirement of BSE Ltd, we hereby again attaching the investor presentation on Q3 financials of the Company for the financial year 2022-23 along with this covering letter.

This is for your information and further dissemination.

Thanking you,

For **SONA BLW Precision Forgings Limited**

Ajay Pratap Singh
Vice President (Legal), Company Secretary and Compliance Officer

Enclosed; as above



SONA COMSTAR

Q3 & 9M FY23 Earnings Presentation

24 January 2023

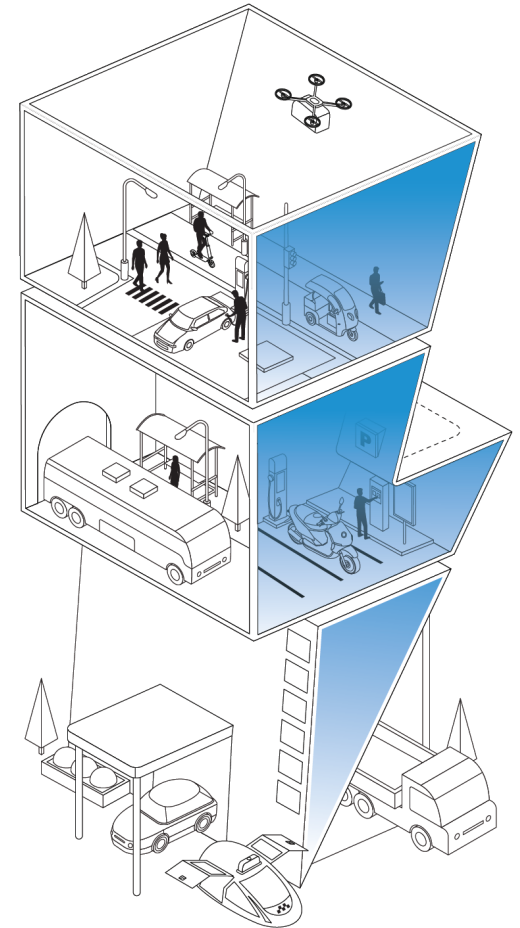
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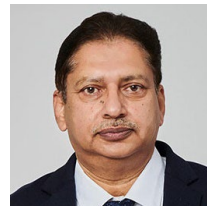
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Our Management



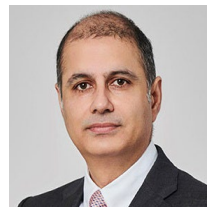
**Mr. Kiran Manohar
Deshmukh**
Group CTO



Mr. V. Vikram Verma
CEO, Driveline Business



Mr. Sat Mohan Gupta
CEO, Motor Business



Mr. Rohit Nanda
Group CFO



Mr. Vivek Vikram Singh
MD & Group CEO



Mr. Amit Mishra
Head, Investor Relations

Q3 FY23 Financial Performance Highlights

6,850 mn | **39%**

Revenue | YoY Growth

1,862 mn | **43%**

EBITDA | YoY Growth

1,071 mn | **45%**

PAT | YoY Growth¹

27.2% EBITDA Margin

15.6% PAT Margin

1,733 mn | **29%**

BEV Revenue | YoY Growth

26%

Q3 FY23 Revenue Share
from BEV

Notes:

1. Excluding exceptional income of Q3 FY22

9M FY23 Financial Performance Highlights

19,316 mn | 22%

Revenue | YoY Growth

4,944 mn | 17%

EBITDA | YoY Growth

2,755 mn | 18%

PAT | YoY Growth¹

25.6% EBITDA Margin

14.3% PAT Margin

CY21 → CY22
6.3% → 7.2%

Global Market Share
of Differential Gears²

CY21 → CY22
4.6% → 4.1%

Global Market Share
of Starter Motors³

Notes:

1. Excluding exceptional income of Q1 & Q3 FY22
2. As per Ricardo's market size estimates for CY21 & CY22
3. Across light vehicles; as per Ricardo's market size estimates for CY21 & CY22

The image shows four glowing orange, net-formed differential gears arranged in a diagonal line on a dark metal mesh conveyor belt. The gears have a complex, multi-lobed shape and are illuminated from within, giving them a bright, fiery appearance. The background is dark and industrial, suggesting a factory setting.

Update on our Strategic Priorities

Net formed differential gears coming out of our forging press

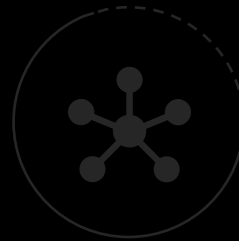
Update on our Strategic Priorities



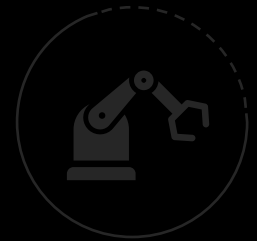
Electrification



**Global Market
Significance**



Diversification



Technology

Sizeable and Increasing Presence in EVs



25%

9M FY23 Revenue Share
from BEV

4,670 mn

9M FY23 BEV segment
revenue

31%

9M FY23 BEV revenue
YoY growth

37

(10+27)¹

EV Programs¹ awarded across
23 customers as at the end of
Q2 FY23

+4



41

(10+31)¹







EV Programs¹ awarded across
25 customers as at the end of
Q3 FY23

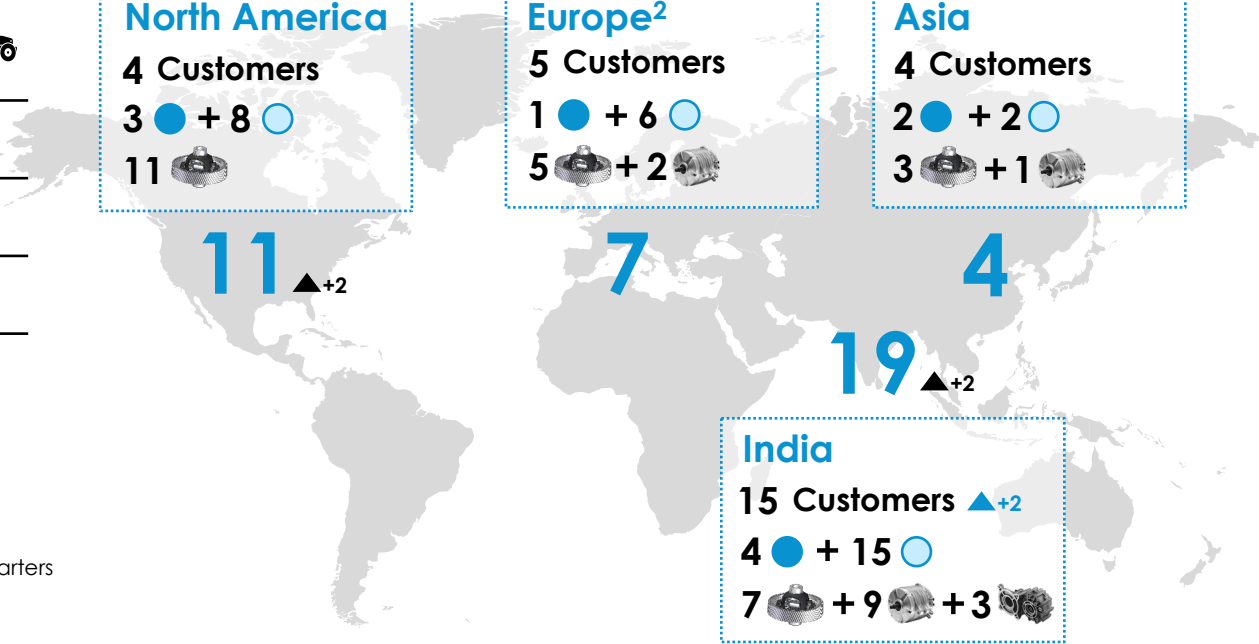
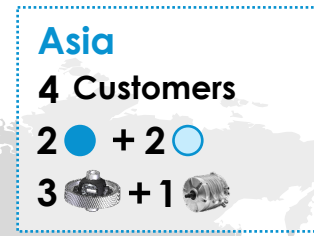
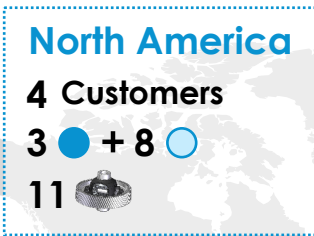
Notes:




1. Include only BEV and PHEV programs currently in serial production as well as in the orderbook; numbers in brackets to be read as → (# of programs in serial production + # of programs in orderbook)

41 EV programs across 25¹ different customers



No. of programs customers			
 22 10	-	4 4	
 3 3	9 8	-	
 -	3 3	-	



- Programs in serial production
- Programs in orderbook
-  Programs for geartrain components
-  Programs for traction motors, IMCM and PHEV starters
-  Programs for e-Axle

▲+x denotes the change during Q3 FY23

Notes:

- 2 customers are present in more than one geography
- Europe geography includes the UK

2 significant EV program wins in Q3 along with the introduction of a new EV product



**Electronically
Locking Differential
for Electric SUVs**



**Differential Assembly for
Electric Cars**

Global OEM of EVs

₹ 33,500 mn

addition in our orderbook

H2 FY24

SOP Year

US-European OEM of PVs & EVs

₹ 3,600 mn

addition in our orderbook

H2 FY24

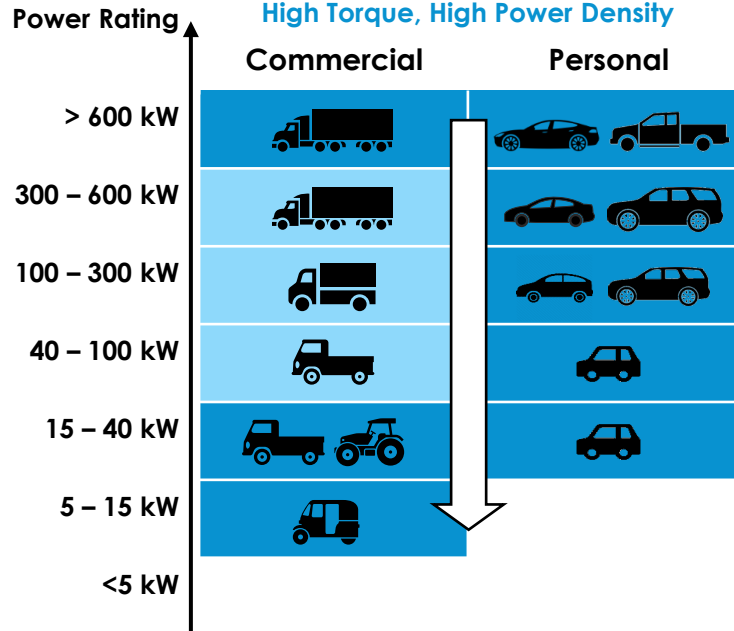
SOP Year

Electrification: Our Approach to Market

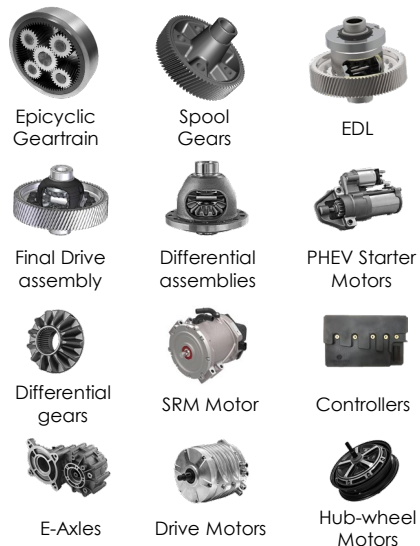


Driveline Solutions

Core Strength:
High Torque, High Power Density

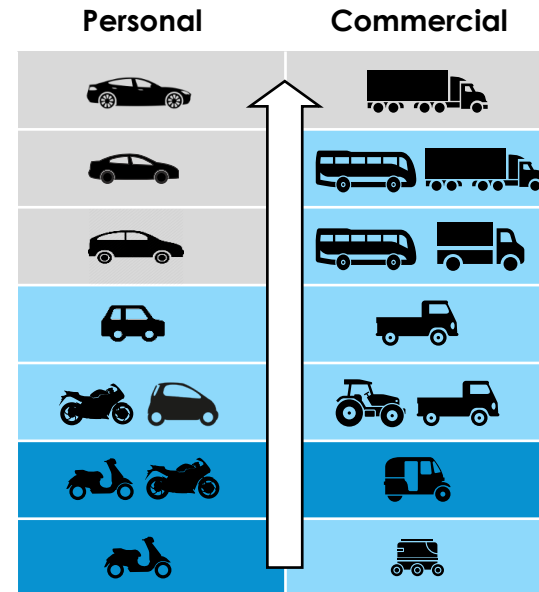


EV Products



Motor Solutions

Core Strength:
Low Voltage, High Power Density



In serial production or in orderbook

To be added between CY23-25

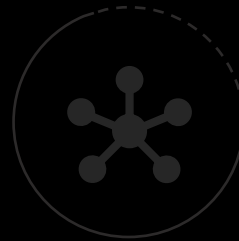
Our Strategic Priorities



Electrification



Global Market
Significance

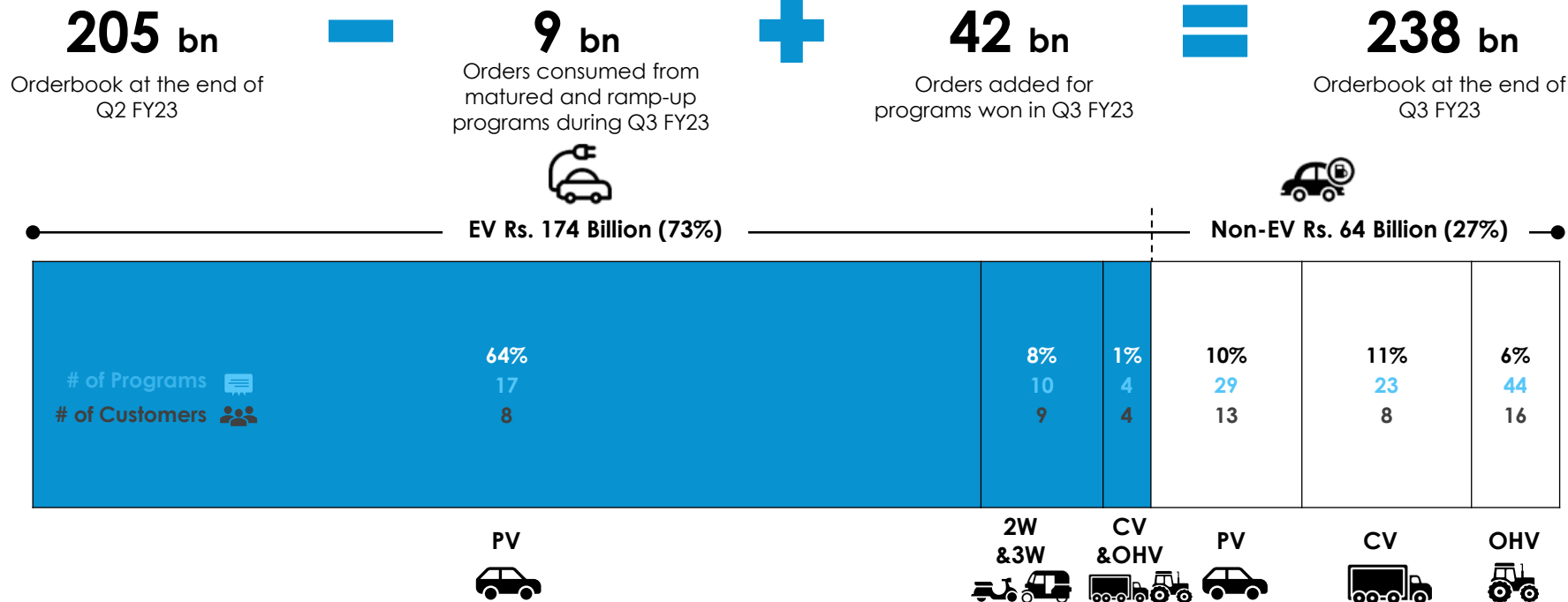


Diversification



Technology

With new wins of ₹42 billion our net order book¹ grows to ₹238 billion (11.2x FY22 revenue)



Notes:

1. Net order book means the aggregate revenue from awarded programs which are either yet to start production or are yet to fully ramp up, in the next 10 years, after adjusting for the negative impact of all programs that are expected to reach end of life or be phased out. We have also applied a discount to accommodate any unforeseen delays or changes in program launches that may happen in the future.

We are supplying to most of the major global OEMs



 7 of the world's top 10 PV OEMs^{1a}

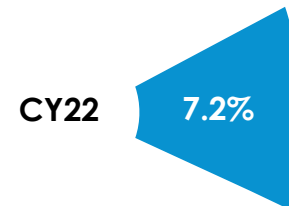
 5 of the world's top 15 EV OEMs^{1c}

 3 of the world's top 10 CV OEMs^{1b}

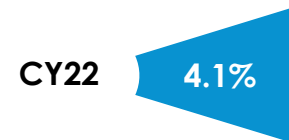
 4 of the Indian top 15 Indian e-2-Wheeler OEMs^{1d}

 7 of the world's top 10 tractor OEMs^{1b}

Global Market Share of
Differential Gears²



Global Market Share of
Starter Motors²



Notes:

1. Data Source: a) BofA Global Automobiles Report; b) Ricardo Report; c) EV-Volumes; d) Vahan Database; Company Analysis
2. As per Ricardo's market size estimates; starter motor market share across light vehicles

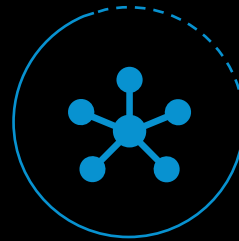
Our Strategic Priorities



Electrification



Global Market
Significance



Diversification



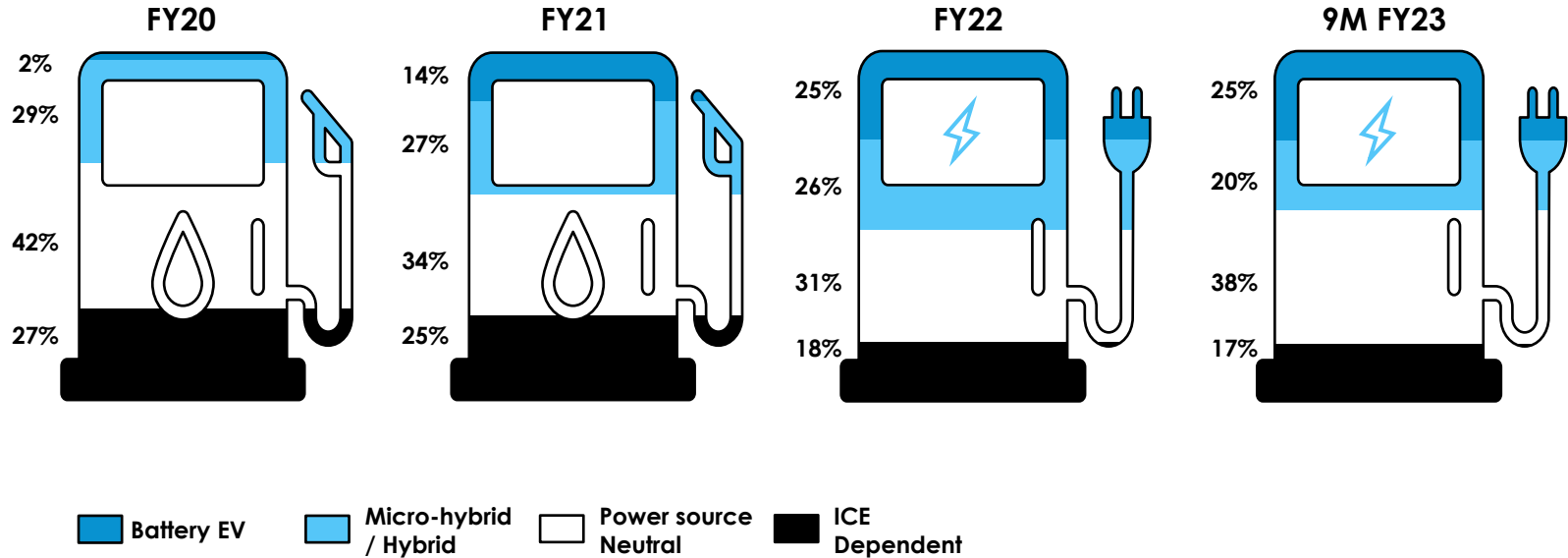
Technology



Diversified Revenue Mix – By Powertrain

Battery EV increasing as a % of our revenue continues to be our dominant and secular theme

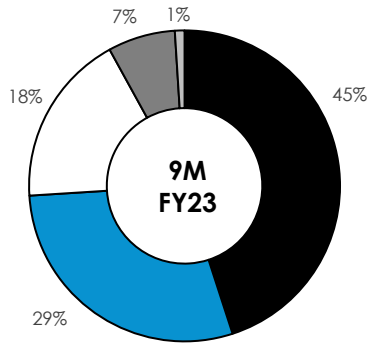
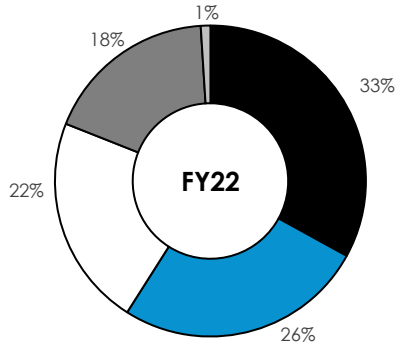
Our pure ICE dependence continues to reduce steadily going from 25% in FY21 to 17% in 9M FY23



Diversified Revenue Mix

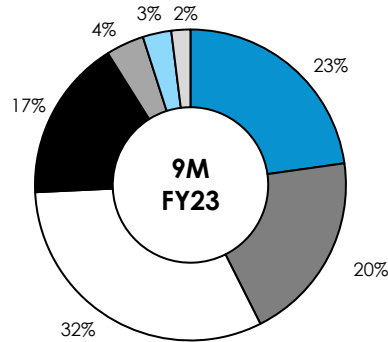
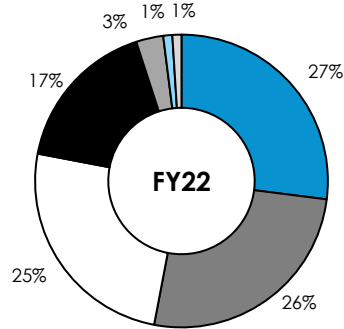


By Geography



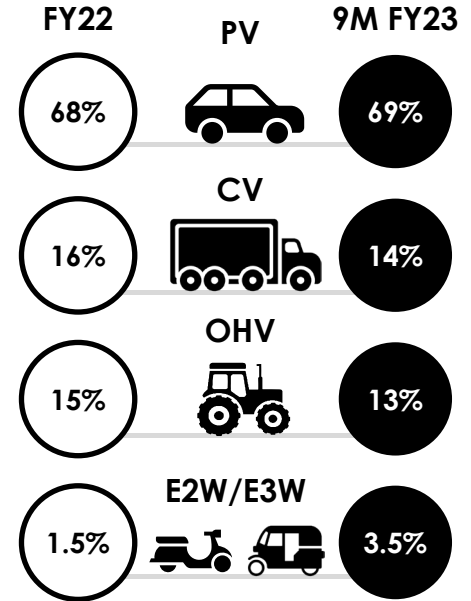
■ North America ■ India □ Europe ■ Asia (excl. India) □ RoW

By Product



■ Differential Assembly ■ Micro/Plug-in Hybrid Starter Motors
 □ Differential Gears ■ Conventional Starter Motors
 ■ Others Drivetrain Parts ■ Traction Motors
 □ Others

By Vehicle segment



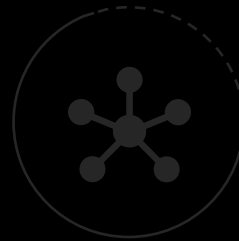
Our Strategic Priorities



Electrification



Global Market
Significance



Diversification



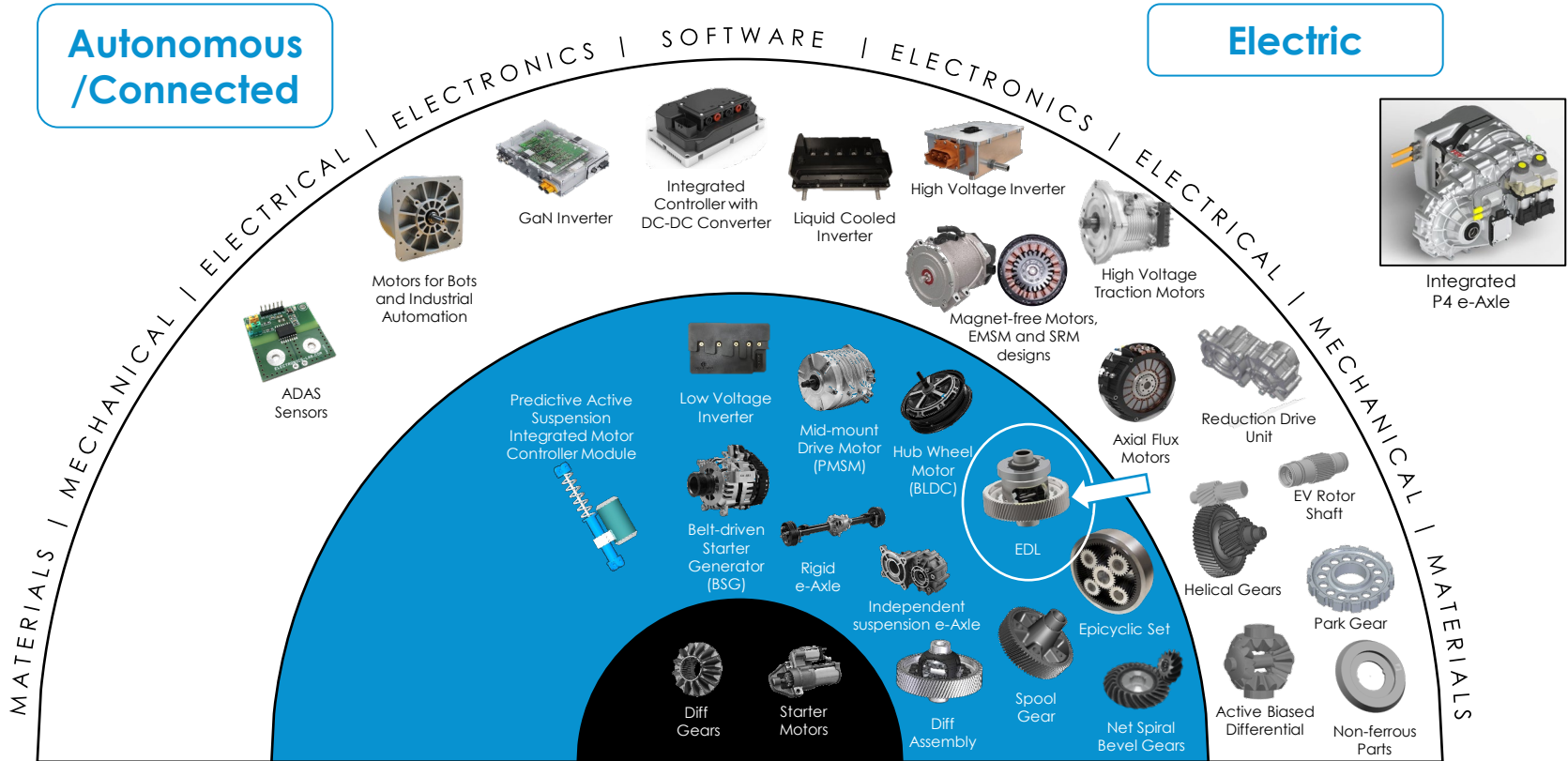
Technology



We have introduced one more product to the market

Autonomous /Connected

Electric



Future Products
 Current Products
 Legacy Products

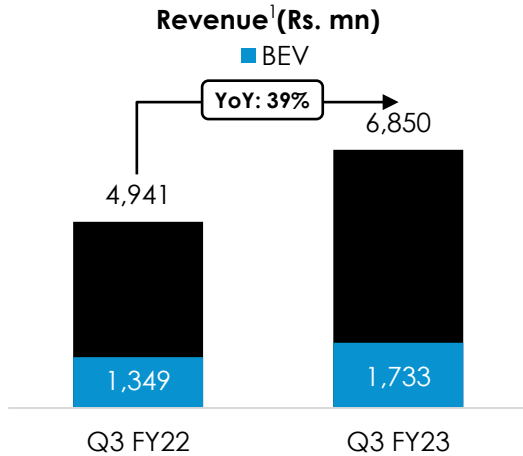
Note: The product images shown are for illustration purposes only and may not be an exact representation of the products



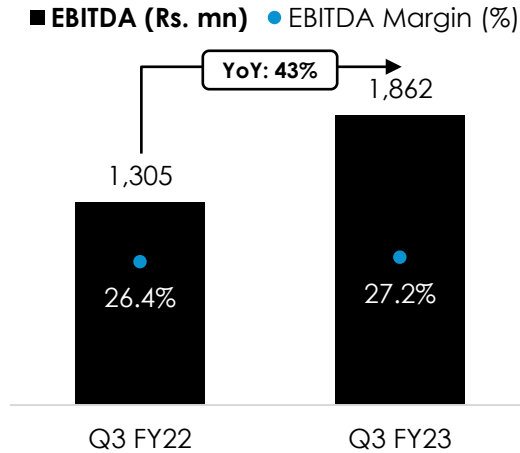
Q3 FY23 Financial Update

Our final drive gears

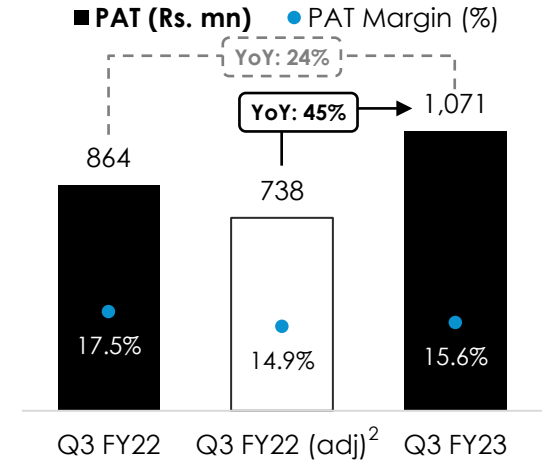
Q3 FY23 Financials



- Highest ever BEV revenue
 - Up 29% YoY
 - 26% of total revenue
- Non-BEV Revenue grew by a robust 42% while light vehicle sales in our top-3 markets (North America, India, and Europe) grew by only 18%



- EBITDA Margin is higher by ~0.8% mainly due to product mix
 - Gain from operating leverage has helped offset impact of higher RM prices
- Sequentially, EBITDA margin has improved by ~200 bps

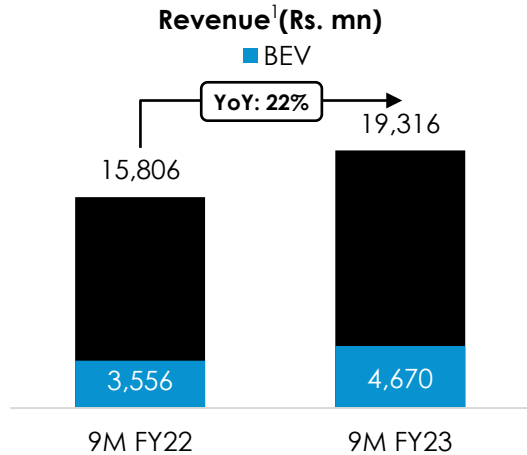


- PAT margin improved to 15.6% due to higher EBITDA margin

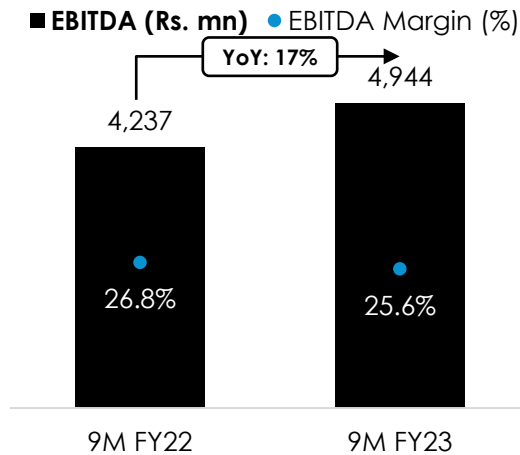
Notes:

1. Revenue includes net gain from foreign exchange
2. Excluding exceptional income

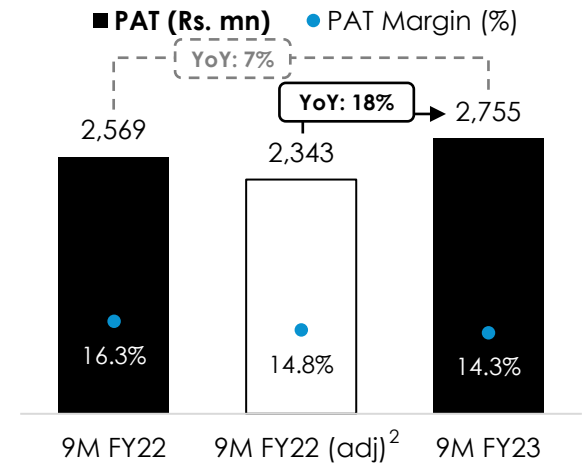
9M FY23 Financials



- BEV Revenue grew by 31% and constitutes 25% of total revenue
- Non-BEV Revenue grew by 20% while light vehicle sales in our top-3 markets (North America, India, and Europe) grew by only 1%



- EBITDA Margin was lower largely due to increase in RM prices (because of "arithmetic effect" despite material price passthrough) despite positive impact of product mix

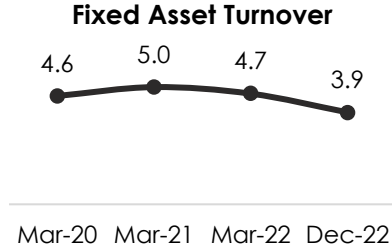
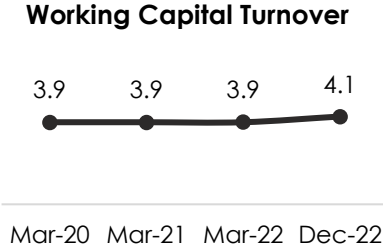
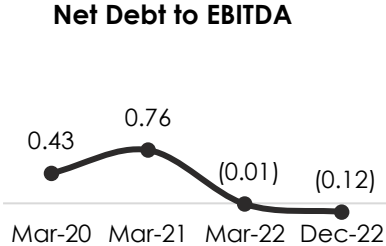
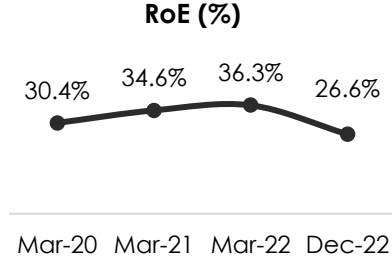
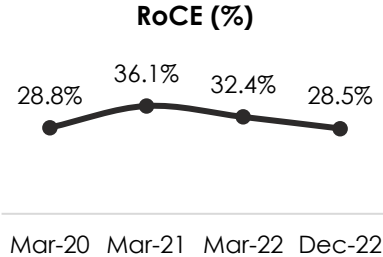
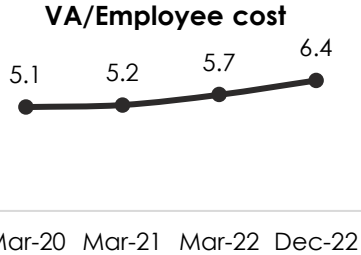


- Lower net finance cost has resulted into better margin transmission between EBITDA and PAT

Notes:

- Revenue includes net gain from foreign exchange
- Excluding exceptional income

Key Ratios



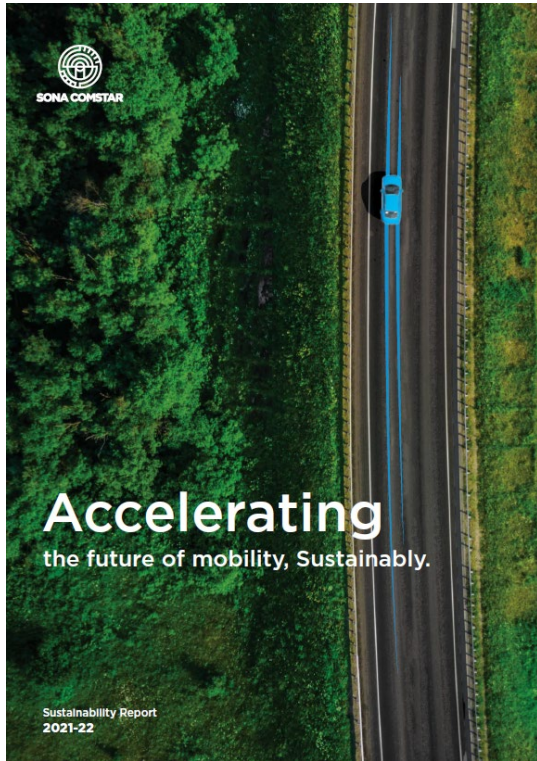
Note:

- 1) VA/Employee Cost = Material margin/ (Employee cost + Manpower cost on hiring)
- 2) ROCE = LTM EBIT/ Average tangible capital employed
- 3) ROE = LTM PAT/ Average tangible net worth
- 4) Net Debt to EBITDA = Short-term & long-term debt less cash, bank balances & mutual fund investments / LTM EBITDA
- 5) Working Capital Turnover = LTM Revenue/ Average net working capital
- 6) Fixed asset turnover = LTM Revenue/ Average Tangible net block
- 7) Mar-20 numbers are based on pro-forma financials
- 8) RoCE and RoE for earlier years have been recalculated due to merger

The image features a dense, close-up view of dark green ferns. The fronds are intricate and layered, creating a rich, textured background. The lighting is somewhat dramatic, with some areas appearing brighter than others, highlighting the fine details of the leaves. Overlaid on this natural scene is the text "ESG Update" in a clean, white, sans-serif font, positioned in the lower-left quadrant of the image.

ESG Update

We have published our first sustainability report



Click on the image to read the report

Our ESG Goals

Environment

- Providing low carbon mobility solutions
- Resource efficiency improvement and management
- Carbon footprint reduction

Social

- Maintaining highest level of Quality, Health and Safety
- Becoming an equal opportunity provider
- Ensuring social impact

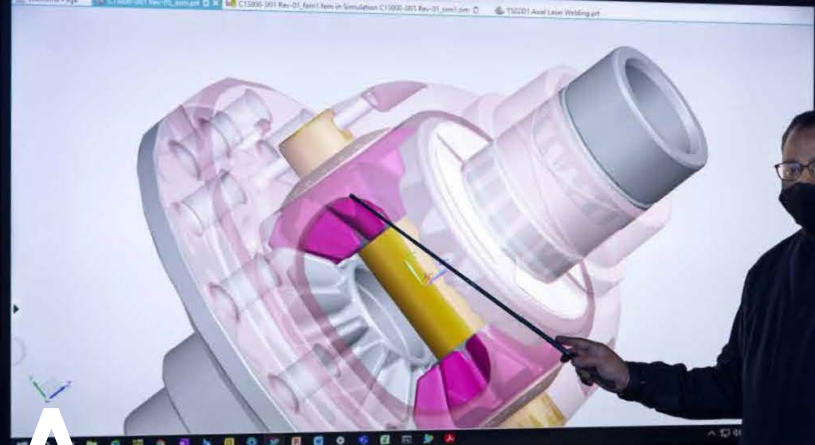
Governance

- Zero tolerance for corruption
- Zero non-compliance with regulations & laws

Linkage to UN Sustainable Development Goals (SDG)



Q&A



New Product Development Discussion

Appendix



Inside view of our manufacturing plant at Manesar, Haryana

One Vision

To become one of the World's
most **Respected** and **Valuable**
Auto Technology companies
for our
Customers, Employees &
Shareholders

Our story so far...

Phase - 1

- 18 Customers
- 2 Plants
- 1 Product

Phase - 2

- 22 Customers
- 2 Plants
- 2 Products

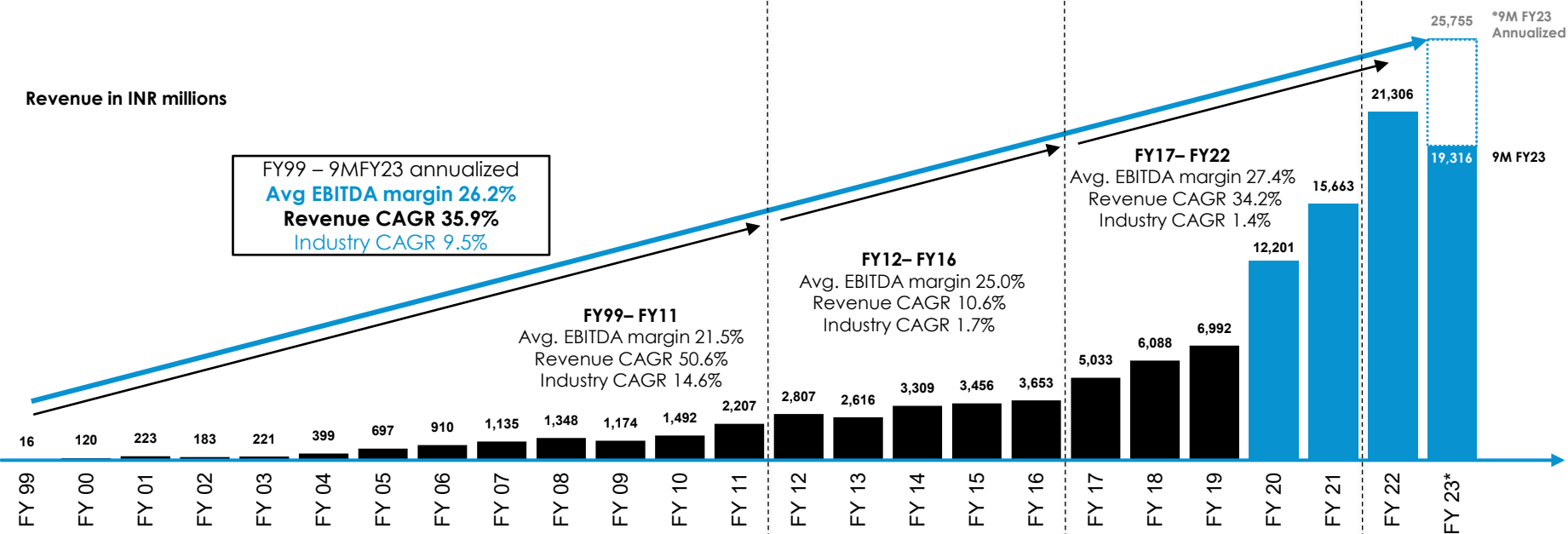
Phase - 3

- Acquisition of Comstar
- 47 Customers (37+10)
- 9 Plants (5+4)
- 10 Products (5+5)

Phase - 4

- Started journey as public company
- 68 customers
- 9 plants
- 15 products

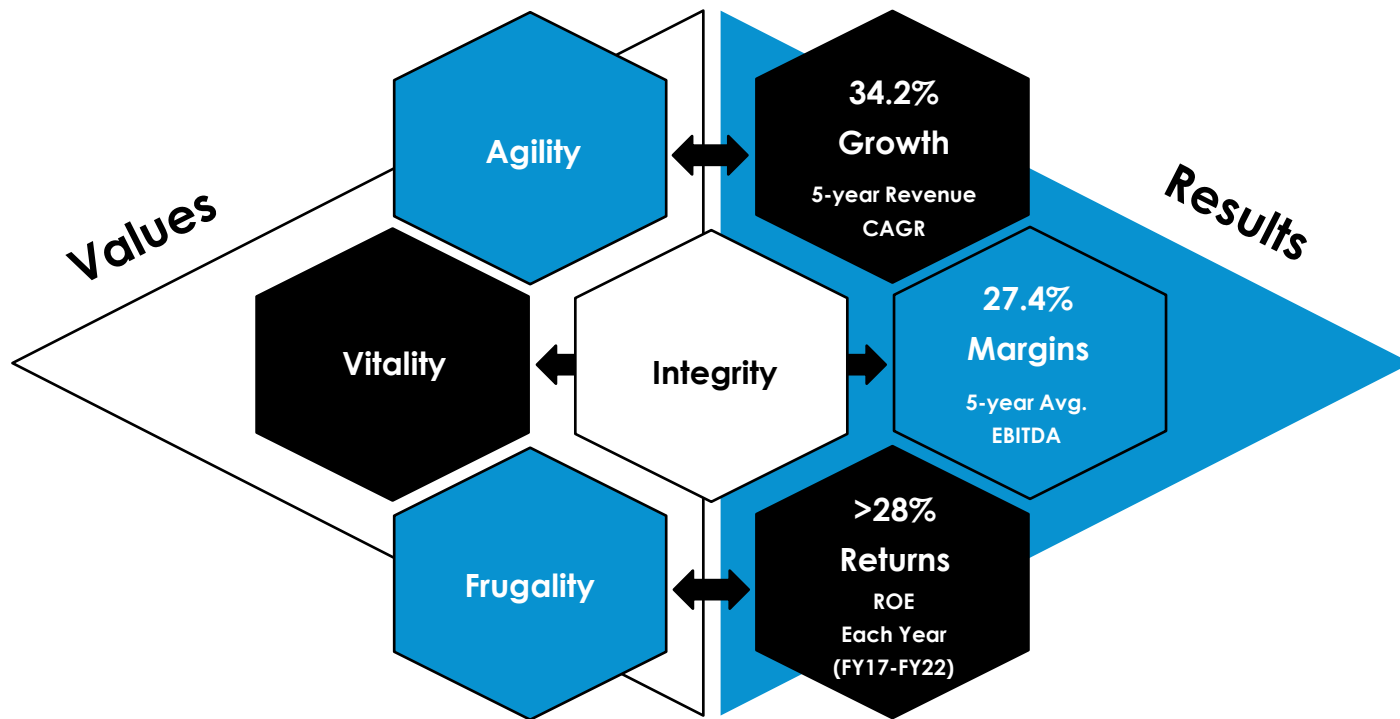
Revenue in INR millions



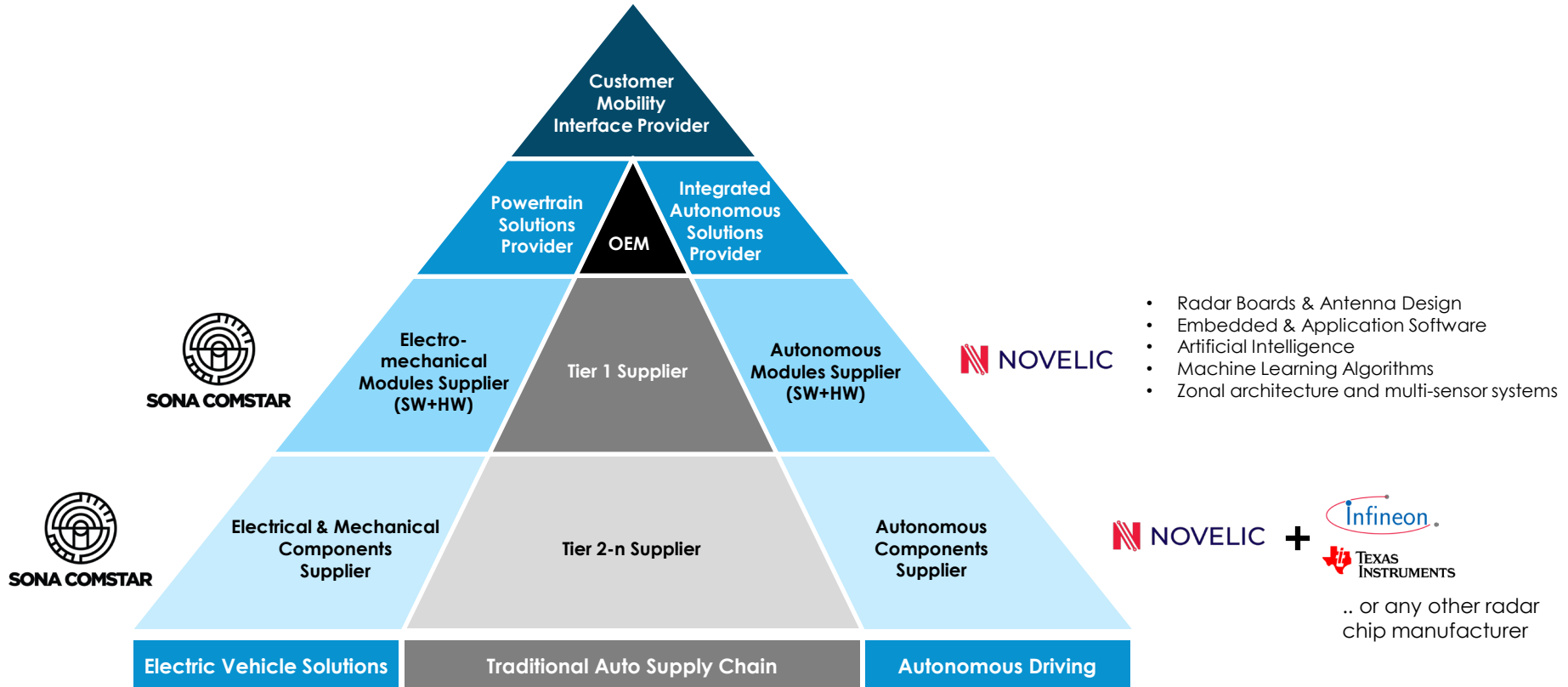
Notes:

1. FY20 onwards financials include Comstar
2. Industry data source: SIAM

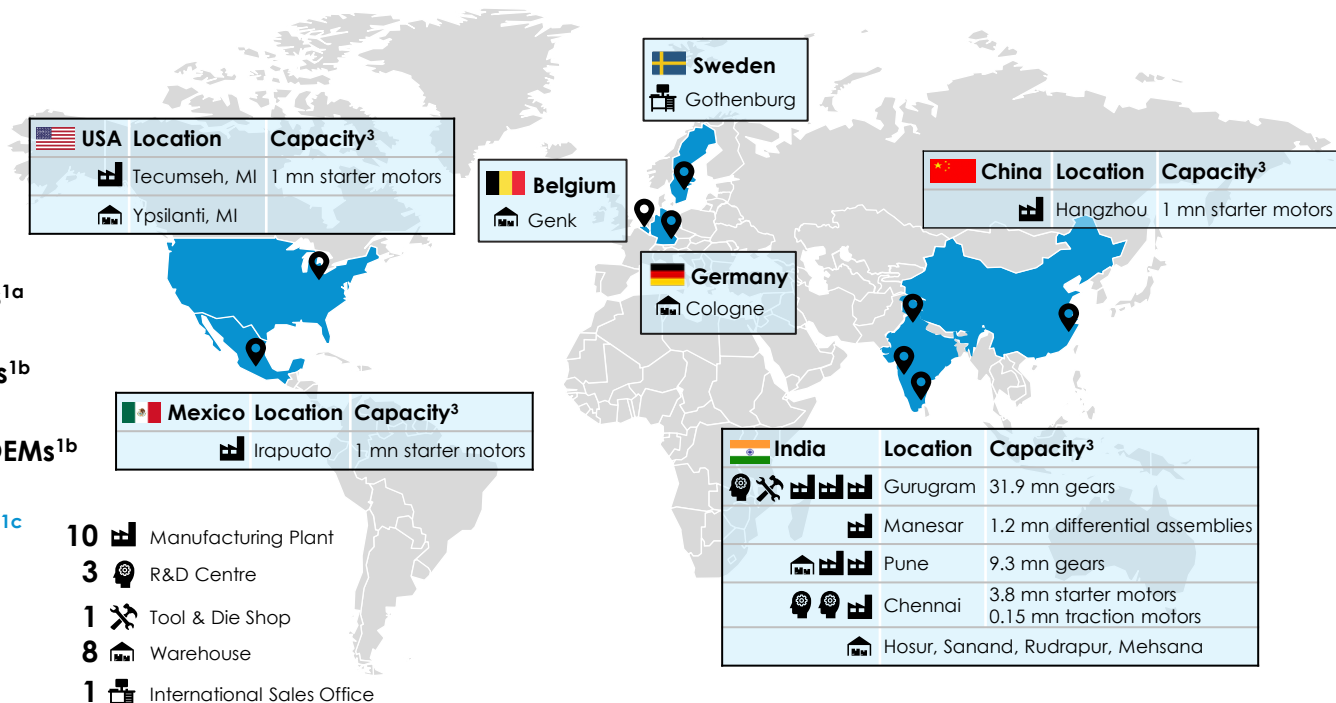
Guided by Values



Vertically-integrated and modular electro-mechanical and autonomous solutions provider for the new EPIC value chain



Established Global Presence to Serve Customers Locally

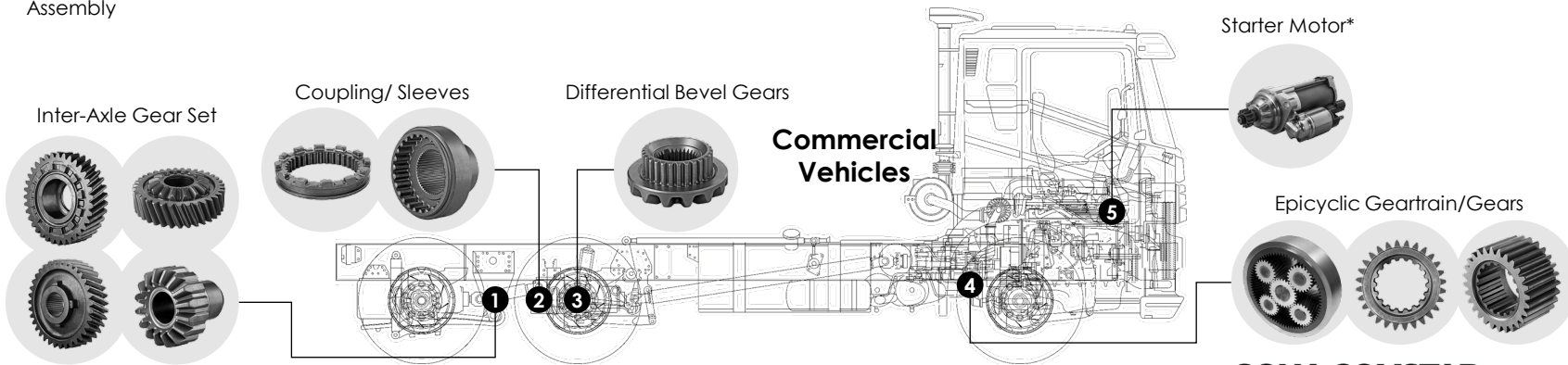
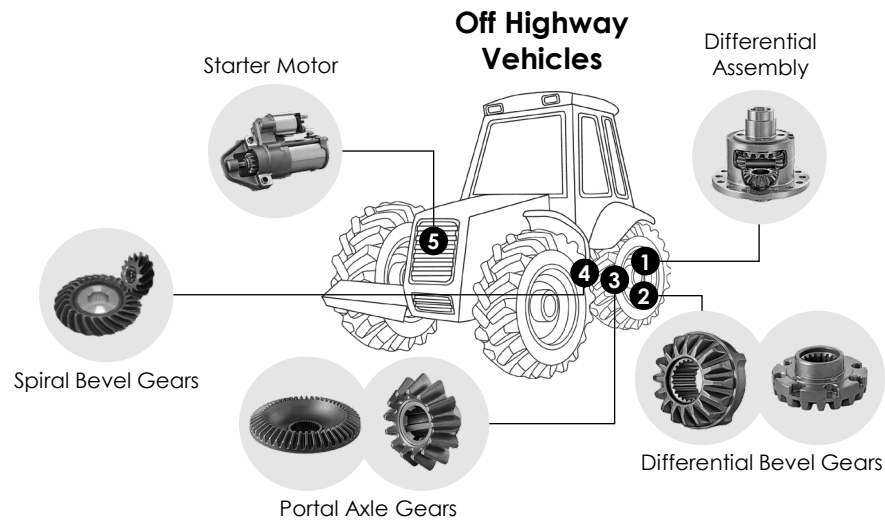
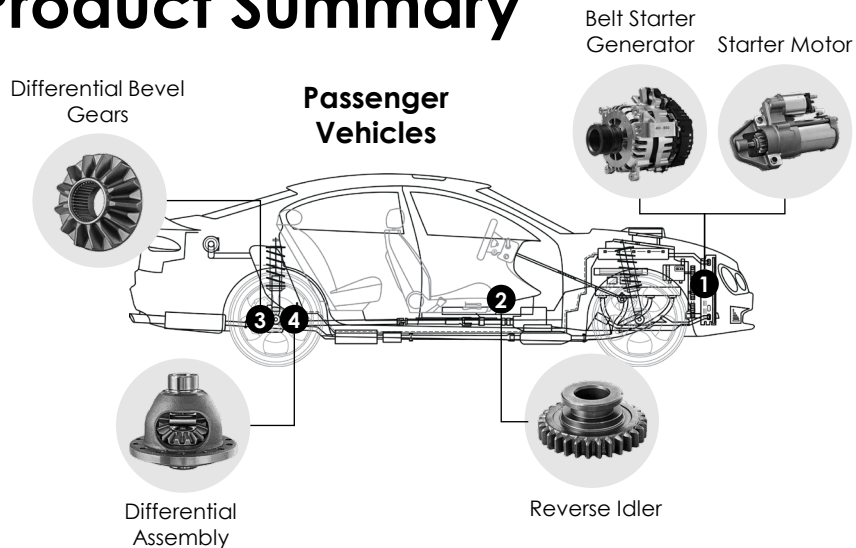


- 7 of the world's top 10 PV OEMs^{1a}
- 3 of the world's top 10 CV OEMs^{1b}
- 7 of the world's top 10 tractor OEMs^{1b}
- 5 of the world's top 15 EV OEMs^{1c}
- 4 of the Indian top 15 Indian e-2-Wheeler OEMs^{1d}

- 10 Manufacturing Plant
- 3 R&D Centre
- 1 Tool & Die Shop
- 8 Warehouse
- 1 International Sales Office

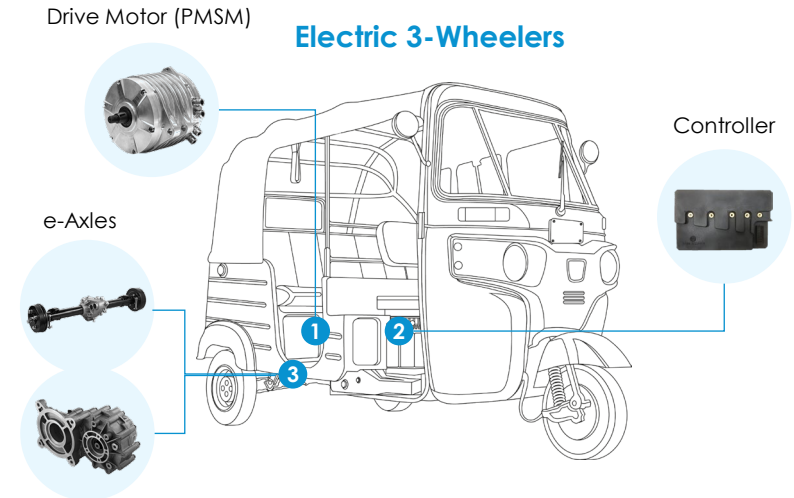
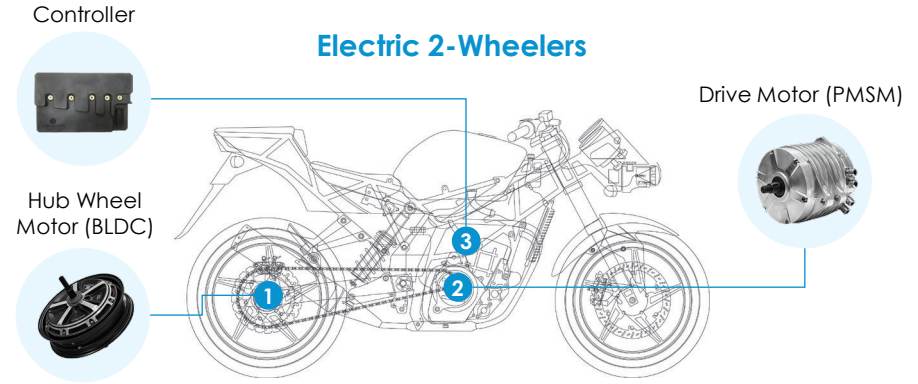
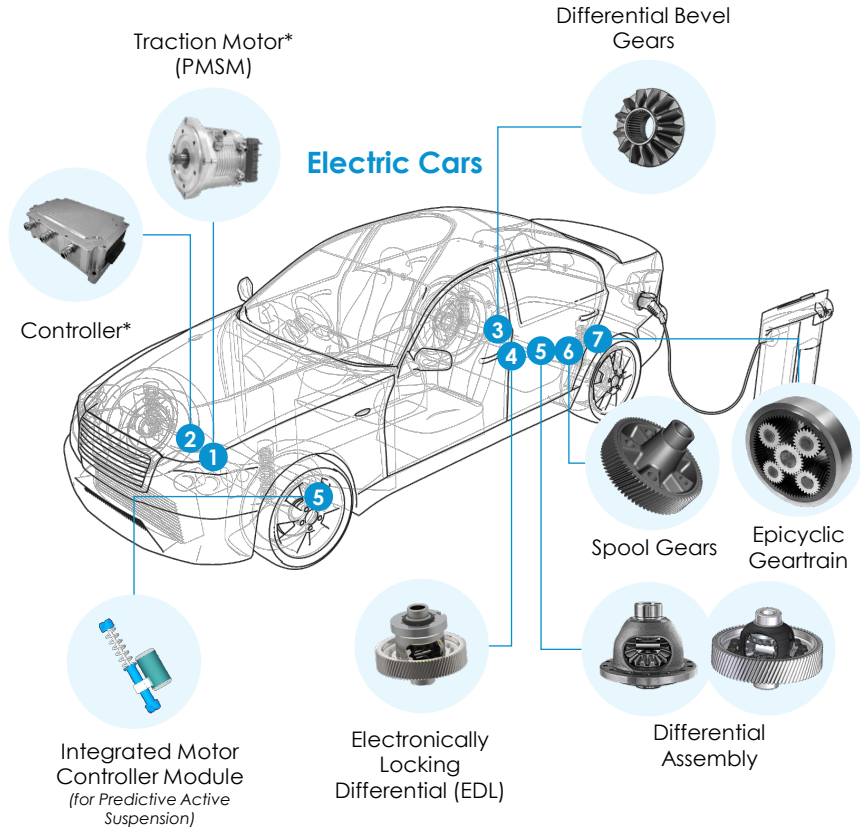
Notes:
 1. Data Source: a) BofA Global Automobiles Report; b) Ricardo Report; c) EV-Volumes; d) Vahan Database; Company Analysis
 2. Capacity as of March 2022

Product Summary



* Product under development

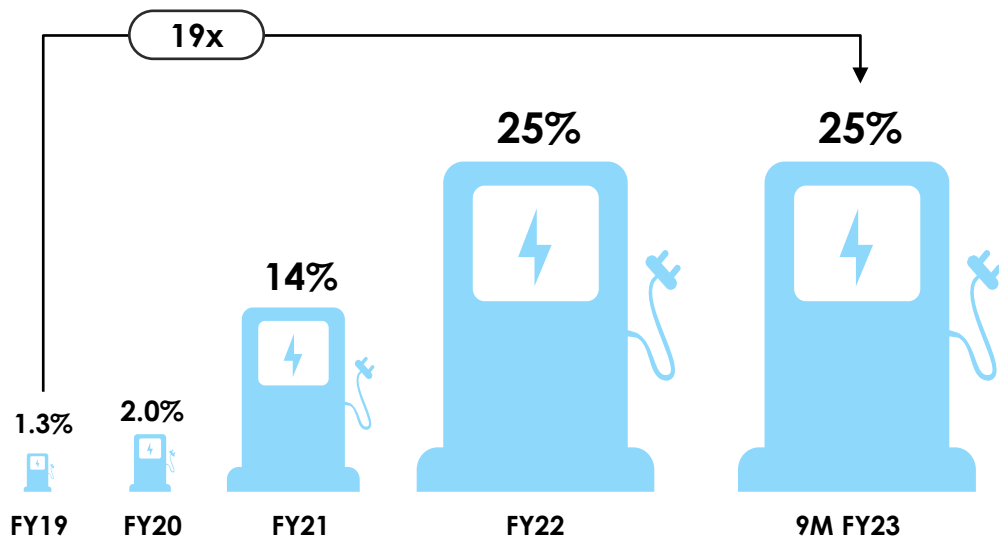
Product Summary



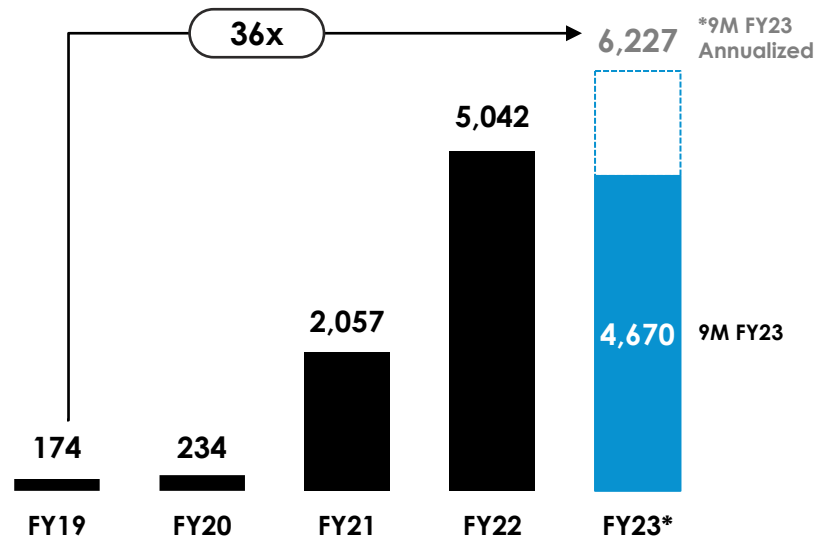
* Product under development

Revenue share from BEV has grown 22x over 4 years, with absolute BEV revenue growth at 36x

Revenue from BEV (%)

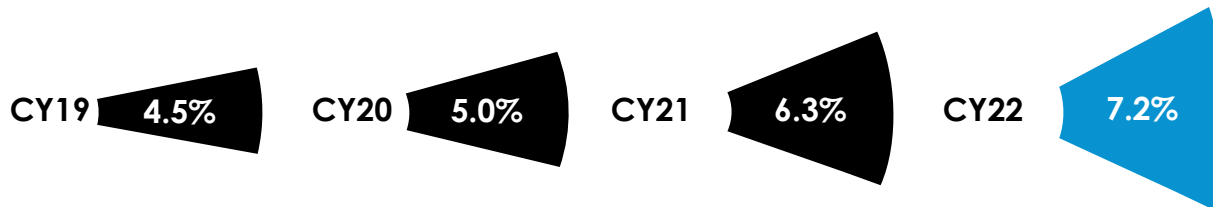


BEV Segment Revenue (Rs. mn)



Market Shares for Differential Gears and Starter Motors

Global Market Share of Differential Gears¹



Global Market Share of Starter Motors¹



While we continue to dominate the Indian market for Differential Gears

Passenger Vehicles



55-60%²

Commercial Vehicles



80-90%²

Tractors



75-85%²

Notes:

1. As per Ricardo report; starter motor market share across light vehicles
2. As per CRISIL report dated Feb 2021

Illustration of change in margin with 100% RM cost passthrough

(numbers in INR)	Before RM price increase	RM price increase @15%	After RM price increase
Revenue	100.00	+6.75	106.75
Material Cost	45.00	+6.75	51.75
Material Profit	55.00	-	55.00
Material Margin	55.0%	350 bps	51.5%

Ceteris paribus, 15% RM price increase should lead to 350 bps margin decline even with 100% RM cost passthrough

