

Ref No.: Alicon/Stock Exch/Letter/2024-47

August 8, 2024

To
The Manager
The Department of Corporate Services
BSE Limited
Floor 25, P. J. Towers,
Dalai Street, Mumbai — 400 001

To
The Manager
The Listing Department
National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Bandra (East), Mumbai — 400 051

Scrip Code: 531147**Scrip Symbol: ALICON**

Dear Sir/ Madam,

Sub: Earnings Presentation and result release on Q1 FY 2025

Pursuant to the SEBI (listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached a copy of the results release and presentation on the financials for the quarter ended June 30, 2024.

Request you to please take the same on record.

Thanking You,

Yours faithfully,

For Alicon Castalloy Ltd**Amruta Joshi**
Company Secretary

Alicon Castalloy Ltd

Gate No. 1426, Shikrapur, Tal.Shirur, District Pune - 412208. Maharashtra, INDIA

Alicon Castalloy announces Q1 FY25 Earnings

Reports highest ever quarterly revenue of Rs. 440 crore

EBITDA at Rs. 58.26 crore, higher by 46% YoY

EBITDA Margin improves 194 bps YoY to 13.2% in Q1FY25

PAT doubles to 19 Crore in Q1FY25, higher by 101% YoY

Pune, August 09, 2024: Alicon Castalloy Ltd (Alicon), one of the leading integrated manufacturers of aluminum castings in India, announced its financial results for the quarter ended June 30, 2024.

Financial Performance Highlights

Performance Review for Q1FY25 vs. Q1FY24

- Total Income at Rs. 440.73 crore compared to Rs. 354.86 crore, **higher by 24%**
- EBITDA at Rs. 58.26 crore compared to Rs. 40.03 crore, **an increase of 46%**
- PBT at Rs. 25.48 crore as compared to Rs. 12.20 crore, **higher by 109%**
- Profit after Tax at Rs. 19.04 crore compared to Rs. 9.49 crore, **higher by 101%**

Performance Review for Q1FY25 vs. Q4FY24

- Total Income at Rs. 440.73 crore compared to Rs. 420.77 crore, higher by 5%
- EBITDA at Rs. 58.26 crore compared to Rs. 59.08 crore, a decrease of 1%
- PBT at Rs. 25.48 crore as compared to Rs. 27.39 crore, lower by 7%
- Profit after Tax at Rs. 19.04 crore compared to Rs. 20.54 crore, lower by 7%

Commenting on the performance, Mr. Rajeev Sikand, Group CEO, Alicon Castalloy said,

"We have started FY25 on a strong note and are thrilled to report our highest-ever quarterly revenues for the third consecutive quarter. Revenues of ₹440 crore in Q1 FY25 are higher by 24% on a year-on-year basis. This validates our strategic focus on capturing higher-value opportunities in the passenger and commercial vehicle segments, bolstered by the addition of prestigious global clients to our portfolio.

Alicon's ongoing transformation is also clearly reflected in the improved profitability. Q1FY25 EBITDA of Rs. 58.3 crore is higher by 46% on a year-on-year basis. The EBITDA margin of 13.2% in Q1FY25 is higher by nearly 200 basis points on a year-on-year basis. Sustaining the EBITDA margin, despite the volatile macro-economic backdrop and continued pressure on costs, underscores the success of our strategic initiatives and cost optimization efforts. This discipline has helped us to more than double Profit after tax in Q1FY25 to Rs. 19 crore from Rs. 9.49 crore in Q1 last year, an increase of 101% year-on-year.

As we progress further into FY2025, we are optimistic about our prospects. Our focus on moving up the value chain by leveraging our ability to deliver a diverse range of components across both established and emerging technologies holds us in good stead. With a strong pipeline of new business in hand and an enriched track record, we are further expanding our business horizons across various markets, customer segments, fuel technologies and vehicle categories."

-ENDS-

About Alicon Castalloy Ltd

Alicon Castalloy Limited (Alicon) [BSE: 531147, NSE: ALICON] is one of India's largest integrated manufacturers of aluminum castings. Headquartered at Pune, the Company amalgamates the best of European Engineering, Japanese Quality and Indian Ingenuity & frugality to serve a diversified marquee customer base across sectors such as automobiles, infrastructure, aerospace, energy, agriculture, defence and healthcare. It operates one of the largest aluminum foundries in India and has developed a robust and innovative product pipeline, spanning 16 segments. Alicon enjoys a global presence encompassing facilities at Shikrapur, Chinchwad, Binola in India, and Slovakia in Europe.

For more information about us, please visit www.alicongroup.co.in or contact:

Vishnu Patel

Alicon Castalloy Ltd

Tel: +91 94273 23890

Email: vishnu.patel@alicongroup.co.in

Mayank Vaswani / Mit Shah

CDR India

Tel: +91 98209 40953 / 99201 68314

Email: mayank@cdr-india.com

mit@cdr-india.com

DISCLAIMER:

Certain statements that may be made or discussed at the conference call may be forward-looking statements. Such forward-looking statements are subject to certain risks and uncertainties like government actions, local, political or economic developments, technological risks, and many other factors that could cause actual results to differ materially from those contemplated by the relevant forward-looking statements. Alicon Castalloy will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.

Alicon Castalloy Ltd

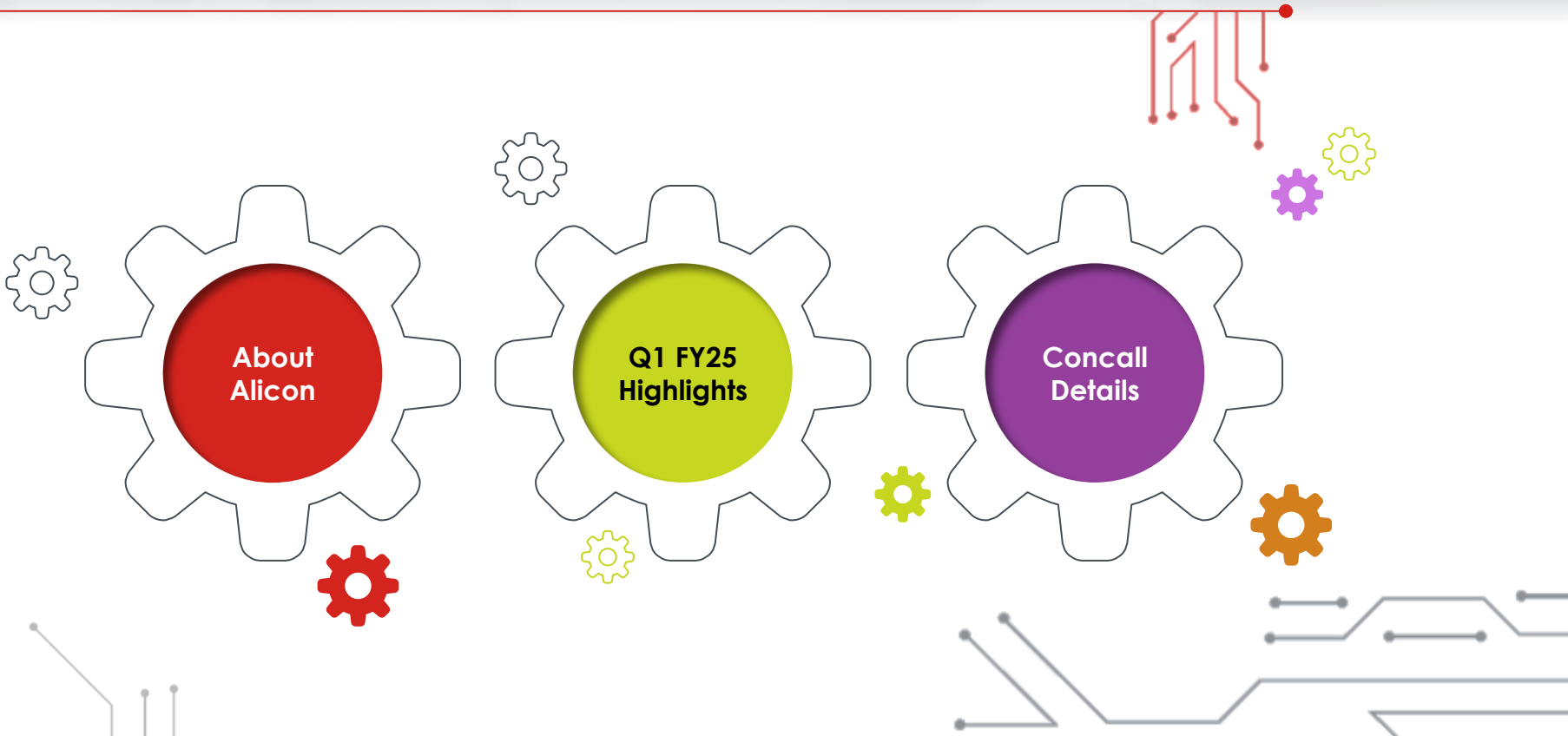
Q1 FY25 Results Presentation

August 09, 2024

Disclaimer

Except for the historical information contained herein, statements in this presentation and the subsequent discussions, which include words or phrases such as "will", "aim", "will likely result", "would", "believe", "may", "expect", "will continue", "anticipate", "estimate", "intend", "plan", "contemplate", seek to", "future", "objective", "goal", "likely", "project", "should", "potential", "will pursue", and similar expressions of such expressions may constitute "forward-looking statements". These forward looking statements involve a number of risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward-looking statements. These risks and uncertainties include, but are not limited to our ability to successfully implement our strategy, our growth and expansion plans, obtain regulatory approvals, our provisioning policies, technological changes, investment and business income, cash flow projections, our exposure to market risks as well as other risks. The Company does not undertake any obligation to update forward-looking statements to reflect events or circumstances after the date thereof.

Contents





About Alicon Castalloy

Alicon Castalloy - Overview

Offers end-to-end solutions spanning the entire spectrum of aluminum casting needs across multiple user industries

Offers - Design, Engineering, Casting, Machining and Assembly, Painting and Surface Treatment of Aluminum Components

Pioneer in India for processes of Low Pressure Die Casting (LPDC) and Gravity Die Casting (GDC)

Operates one of the largest Aluminum foundries in India

Leaders in the development of Pro-Cast and Magma space in India

Diversified marquee Customer base across core sectors in India coupled with steady rise in International presence

Robust track record of 49 years, further enriched by 89 year legacy of Illichmann Castalloy



Alicon Castalloy - At a Glance



1,563

INR crore of Total
Income in FY24



199

INR crore of
EBITDA in FY24



97

customers with..

874

Live Parts



4

Manufacturing
Units



50

No. of product
innovations FY24



18

Customers in
countries



952

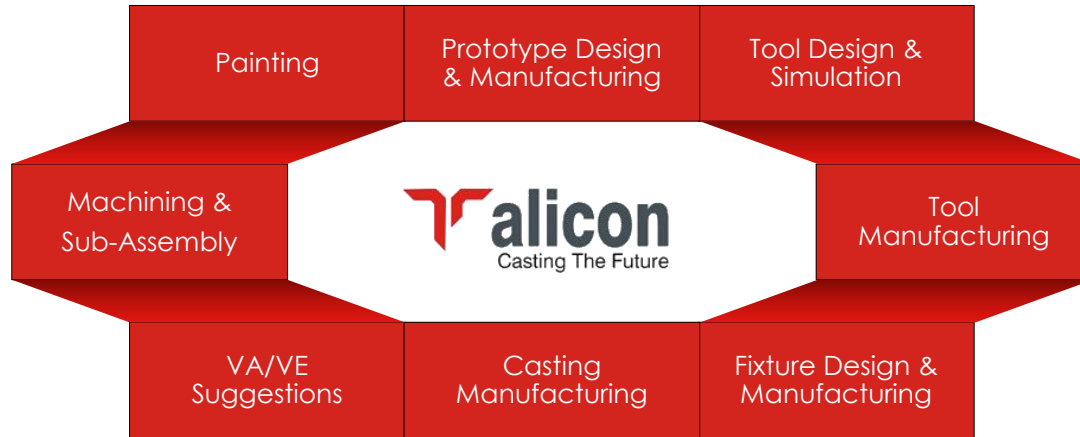
No. of permanent
Employees – FY24

Alicon Castalloy – Blending the best attributes

*A blend of
European
engineering skills,
Japanese quality
and inherent
Indian ingenuity
and frugality*



One-stop shop for all engineering solutions related to aluminum alloy castings



Catering to key sectors of the Indian economy



Automobile



Infrastructure



Defense



Medical



Energy



Agriculture



Aerospace



Carbon Neutral

Global Presence : Close-to-Demand

Strategic locations enable shorter time-to-market and enhanced cost optimization



4 modern plants
(1 international)

High-end machines

Advanced Technology Centre

Globally competent Tool
Rooms (20 tools/ a month)

Full-edged Machine Shop
(including assembly facility)

Austria

International Marketing
Office

Slovakia

- * Manufacturing Plant
- * Tool Room
- * Product Validation Lab

Chinchwad, Pune Maharashtra, India

- * Manufacturing Plant
- * Tool Room
- * Product Validation Lab
- * Machine Shop

Shikrapur, Pune Maharashtra, India

- * Manufacturing Plant
- * Technology Centre
- * Product Validation Lab
- * Machine Shop

Binola, Haryana, India

- * Manufacturing Plant
- * Product Validation Lab

Diversified base of marquee customers

Diversity across markets and industries provides a natural hedge

TWO WHEELER OEM



Not reliant on a single 'anchor' customer

None of the customers contribute >15% of turnover

FOUR WHEELER OEM



TIER 1 & NON AUTO



AND MANY MORE....



Q1 FY2025 Operational & Financial Highlights

Q1 FY25: Overview of Operating Environment (1/2)

Business & Macro-demand Highlights:

- In Q1 FY25, Auto sales showed a healthy performance, especially the 2W segment, which continued to outperform.
 - 3% growth in PV segment on a yoy basis
 - 3% growth in CV segment on a yoy basis
 - 20% growth in 2W segment on a yoy basis
- All segments, including PV, CV, Three-Wheelers, and Two-Wheelers, posted growth in Q1 FY25 compared to the same period last year.
- While PV and CV saw moderate growth, the Two-Wheeler and Three-Wheeler segments experienced strong double-digit increases. Electric 2W and 3W did well despite expiry of FAME 2 subsidy on March 31st. This positive sentiment was further supported by seasonality, better vehicle availability, and financial incentives.
- In particular, Scooters within the Two-Wheeler category posted even higher growth, indicating a recovery in entry-level two-wheelers due to improving rural backdrop and general elections.
- Passenger Vehicle sales in Q1 FY25 hit a record high for the first quarter, exceeding 1 million units for the first time. Sentiment towards Electric 4W has ebbed, causing customers to opt for hybrid and ICE vehicles with greater intent.
- Exports rose 15.5% year-on-year in Q1 FY25, with growth across all segments except three-wheelers. Passenger vehicle exports reached 1,80,483 units, up 19% from 1,52,156 units in the same period of FY24.



Q1 FY25: Overview of Operating Environment (2/2)

Union Budget 2024 – Key Highlights for the Auto industry:

- **Increased Demand Potential:** Higher disposable income from revised tax structures is expected to boost consumer demand for automobiles, including EVs.
- **Enhanced Manufacturing Environment:** Emphasis on infrastructure and MSME support may improve manufacturing efficiencies and supply chain robustness, benefiting the automotive sector.
- **EV Market Growth:** Although direct subsidies weren't highlighted, the budget's economic environment is likely to support EV adoption and production, aligning with the government's push for green technologies.
- **Long-term Investments:** Capital expenditure and infrastructure projects could lead to long-term benefits for the automotive sector, enhancing transportation networks and logistics.
- **Summary:** The Union Budget 2024-25 sets the stage for potential growth in the automotive industry through fiscal prudence, infrastructure investment, and MSME support, strengthening the sector's supply chain and manufacturing capabilities.



Q1 FY25 - Operational Resilience

- Lower fixed expenses
- Lean and Agile manufacturing processes
- Focus on reducing overheads
- Program to reduce interest cost
- Plan to diversify energy mix

Sustainable Cost-optimisation

- Manufacturing facilities operated at utilization levels of around 73-74%
- Persistent inflation coupled with continuation of Russia-Ukraine conflict and escalation in middle east conflict have impacted sentiment thereby impacting exports. Freight costs have also risen. The domestic business continues to do well with slight slowing in larger vehicles offset by pick up in two wheeler business.

Manufacturing processes

New Business Wins:

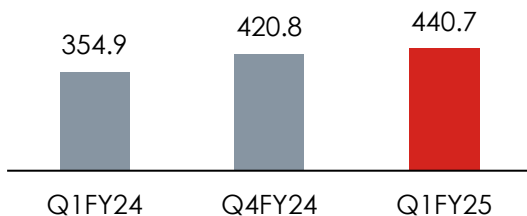
- In Q1 FY25, the Company has booked 8 new parts from 5 customers
- This includes 1 parts from EV/CN, 6 parts from ICE and 1 part from the non-auto business
- 4 parts are for domestic business and 4 parts are for global business

Future Ready

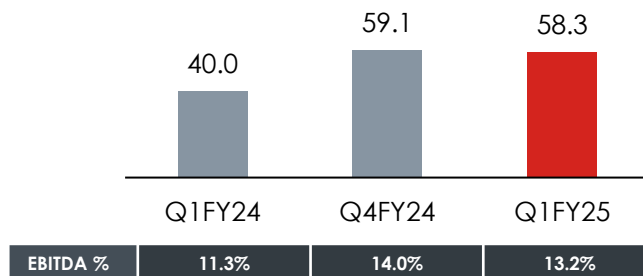
- Alicon, as an organization is Future Ready to tap opportunities arising from:
- Preference for Carbon Neutral tech such as hybrid, EV, fuel cells and hydrogen cells
- Staggered introduction of vehicle scrappage policy
- Thrust on higher fuel efficiency
- Cost-optimisation & light-weighting of products

Q1 FY25 Highlights – Consolidated

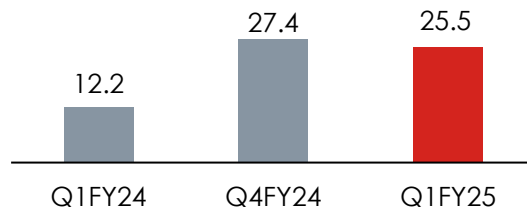
Total Income



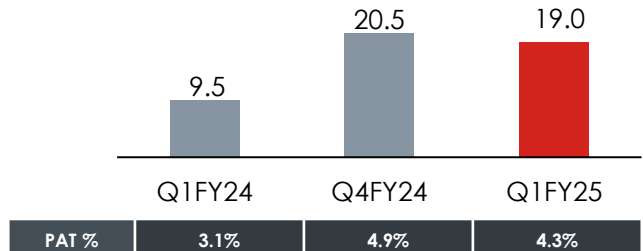
EBITDA



PBT



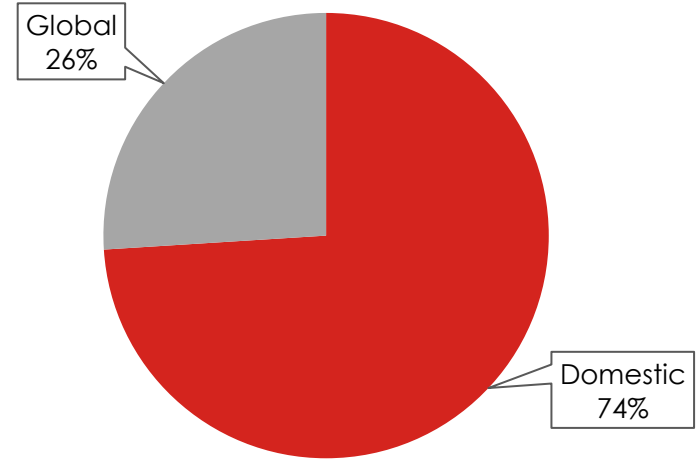
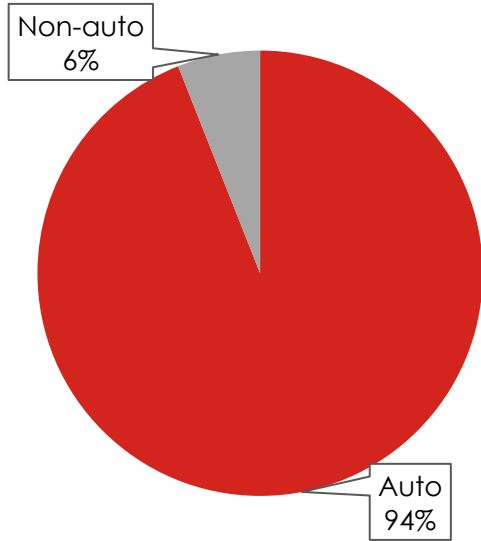
PAT



- In Q1, Alicon delivered Growth in Total Income of 24% on a yoy basis and of 5% on a qoq basis. Revenues of Rs. 440 crore in Q1 represent the **highest ever quarterly revenues** in the history of the Company.
- Gross profit was Rs. 220.72 crore, with the gross margin at 50.17%. **Gross Margin has improved by 164 Bps on a yoy basis** due to richer product mix.
- EBITDA of Rs. 58.26 crore, was higher by 46% on a yoy basis. The **EBITDA margin has improved to 13.2%** from 11.3% in Q1 last year. This is due to richer product mix and operating leverage. EBITDA margin was impacted on a QoQ basis due to wage increases and some one-time items.
- Profit after tax of Rs. 19.04 crore in Q1 was **higher by 101% YoY**.

Figures in Rs. Crore

Revenue Mix – Q1 FY25



Abridged P&L – Consolidated

Particulars (Rs. crore)	Q1FY25	Q1FY24	Y-o-Y Shift
Net Revenue from Operations	439.98	354.06	24%
Other Income	0.74	0.80	-7%
Total Income	440.73	354.86	24%
Total Expenditure	382.47	314.83	21%
Raw Material expenses	219.26	175.54	25%
Employee benefits expense	54.07	47.32	14%
Other expenses	109.14	91.97	19%
EBITDA	58.26	40.03	46%
EBITDA margin (%)	13.2%	11.3%	+194 Bps
Finance Costs	10.35	9.46	9%
Depreciation and Amortization	22.44	18.37	22%
PBT	25.48	12.20	109%
Tax Expenses	6.44	2.71	138%
PAT	19.04	9.49	101%
PAT Margin (%)	4.3%	2.7%	+164 Bps

Management Message

Commenting on the performance, Mr. Rajeev Sikand, Group CEO, Aicon Castalloy said,

"We have started FY25 on a strong note and are thrilled to report our highest-ever quarterly revenues for the third consecutive quarter. Revenues of ₹440 crore in Q1 FY25 are higher by 24% on a year-on-year basis. This validates our strategic focus on capturing higher-value opportunities in the passenger and commercial vehicle segments, bolstered by the addition of prestigious global clients to our portfolio.

Aicon's ongoing transformation is also clearly reflected in the improved profitability. Q1FY25 EBITDA of Rs. 58.3 crore is higher by 46% on a year-on-year basis. The EBITDA margin of 13.2% in Q1FY25 is higher by nearly 200 basis points on a year-on-year basis. Sustaining the EBITDA margin, despite the volatile macro-economic backdrop and continued pressure on costs, underscores the success of our strategic initiatives and cost optimization efforts. This discipline has helped us to more than double Profit after tax in Q1FY25 to Rs. 19 crore from Rs. 9.49 crore in Q1 last year, an increase of 101% year-on-year.

As we progress further into FY2025, we are optimistic about our prospects. Our focus on moving up the value chain by leveraging our ability to deliver a diverse range of components across both established and emerging technologies holds us in good stead. With a strong pipeline of new business in hand and an enriched track record, we are further expanding our business horizons across various markets, customer segments, fuel technologies and vehicle categories."



Concall Details

Conference Call Details

Alicon Castalloy's Q1 FY25 Earnings Conference Call

Time & Date

- 11:30 am IST on Saturday, August 10, 2024

Local dial-in numbers

- +91 22 6280 1141

International Toll Free Number

- Hong Kong: 800 964 448
- Singapore: 800 101 2045
- UK: 0 808 101 1573
- USA: 1 866 746 2133

Pre-registration Link

- [Diamond Pass](#)
-

Thank You

For further information, please contact:

Vishnu Patel

Alicon Castalloy Ltd

Tel: +91 94273 23890

E-mail: vishnu.patel@alicongroup.co.in

Mayank Vaswani / Mit Shah

CDR, India

Tel: +91 98209 40953 / 99201 68314

Email: mayank@cdr-india.com

mit@cdr-india.com

A decorative graphic in the top right corner consisting of a grey circuit board pattern with various lines and dots, set against a white background.

For more information, visit www.alicongroup.co.in