



October 30, 2024

To, The General Manager, Department of Corporate Services, BSE Limited, P.J. Towers, Dalal Street, Mumbai – 400001 Company Code No.: 543972	To, The Listing Department, National Stock Exchange of India Limited Exchange Plaza, C-1, Block G Bandra Kurla Complex Bandra (E), Mumbai – 400 051 Trading Symbol: AEROFLEX
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Sub: Earning Updates for the Quarter and Half year ended September 30, 2024.

Dear Sir/Ma'am,

Pursuant to Regulation 30 of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015, we enclose herewith the Earning Updates for the Quarter and Half year ended September 30, 2024.

Kindly take the same on your record.

Thanking you,

Yours faithfully,

For AEROFLEX INDUSTRIES LIMITED

Kinjal Kamlesh Shah
Company Secretary & Compliance Officer

Encl.: as above

Aeroflex Industries Limited
Business Office & Factory
Plot No: 41 & 42/13, 14, 18, Village: Chal, Near Taloja M.I.D.C.,
Post: Ghot Camp, Tal: Panvel, Dist: Raigad,
Maharashtra - 410 208 India
Phone: +91 22 6146 7100 (100 Lines), Fax: +91 22 6146 7136
Email: info@aeroflexindia.com, Website: www.aeroflexindia.com
CIN: L24110MH1993PLC074576





Commitment to Excellence

*Engineering Flexibility.
Delivering Innovation*



Aeroflex Industries Limited

Leading Manufacturer of Metallic flexible flow solutions

Investor Presentation
October 2024

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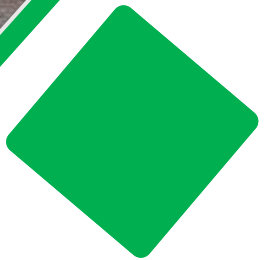
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Commitment to Excellence

Q2 & H1FY25 Performance Highlights





Mr. Asad Daud, Managing Director, highlighted the company's strong performance, stating, "We are delighted to report a 13% year-on-year growth in revenue for this quarter. This achievement underscores our strategic initiatives and commitment to operational efficiency, which have contributed to improved EBITDA margins."

Our capital expenditures are progressing as planned, positioning us for sustained growth and innovation further strengthening our manufacturing capabilities to meet rising customer demand.

We are confident in our future prospects and are proud to reaffirm our guidance of achieving a 25% growth in absolute EBITDA on an yearly basis. This ambitious goal reflects our dedication to operational excellence and strategic expansion. We remain optimistic about our trajectory and are excited about the opportunities ahead."

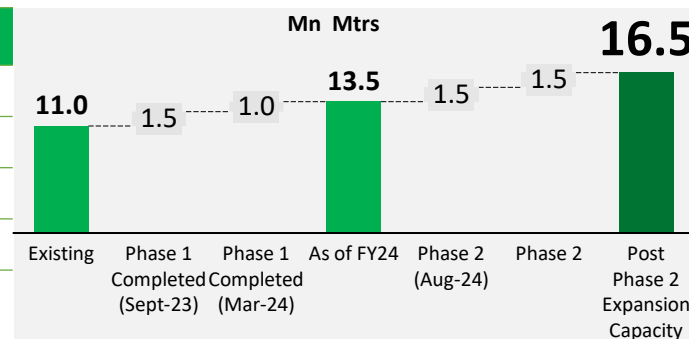
Rs. In Crs	H1FY25	FY24
Total Income	186.58	321.75
EBITDA	40.30	65.65
Margin	21.60%	20.40%
PAT	26.07	41.73
Margin	13.97%	12.97%

01

SS Flexible Hoses with & without Braiding

Timelines	Capacity (Mn Mtrs)	Remarks	Capacity Details
Mar-23	11.0	Existing Capacity	Includes Hoses & Braiding
Mar-24 (Phase 1)	13.5	Added 2.5 Mn Mtrs in FY24 in Phases	Additional 2.5 Mn Mtrs includes Hoses & Braiding
Aug-24 (Phase 2)	15.0	Added 1.5 Mn Mtrs in Aug-24	Additional 1.5 Mn Mtrs includes Hoses & Braiding
Dec-24 (Phase 2)	16.5	Plans to Add 1.5 Mn Mtrs	Additional 1.5 Mn Mtrs includes Hoses & Braiding

- In Phase 2, the company has increased capacity to 15.0 Mn Mtrs in Aug-24, Balance 1.5 Mn Mtrs will be completed as per given timeline



02

Composite Hoses

- Currently, 3 Operational lines for manufacturing product sizes upto 14 inches
- The addition of three more lines for sizes up to 20 inches is **scheduled to be completed by Dec-24**

3 + 3 = 6 Operational lines

03

Assembly & Fittings

- Added 5 new stations in Aug-24
- The company intends to gradually implement automated and robotic assembly lines as part of its future plans

29 + 5 = 34 Assembly stations

04

Metal Bellows

- Metal Bellows and Expansion Joint project, to be completed in two phases - Total expected capacity of 300,000 pieces annually
- For this expansion, the Company has taken an industrial shed measuring 68,459 square feet on long term lease in the 'Lodha Industrial and Logistics Park Palava II', situated in Nathen village, Ambernath
- In the first phase of expansion, we are setting up a manufacturing capacity of 120,000 pieces per year, which is expected to be completed in Dec-24
- Targeting a range of products with diameters ranging from 25mm to 600mm

1,20,000 + 1,80,000 = 3,00,000 Pieces

Phase 1 Phase 2

Value Added Product Segment

Metal Bellows

DETAILS

Aeroflex now entered into manufacturing of expansion joints (expansion bellows or flexible joints) for piping systems. Made from stainless steel, nickel alloys, Inconel, they absorb vibrations, heat, and misalignment, reducing strain and extending system lifespan. These joints enhance flexibility and cut costs, ideal for industries prone to thermal expansion.

UPDATE

The installation of machinery and auxiliary components is currently in progress, part of which is already completed. **Production for the first phase is scheduled to begin before Dec-24.**

BENEFITS

- Increase in existing product offerings
- Higher ticket size/Margin expansion
- Expanding clientele via new segments

INDUSTRIES

Power plant, Process Industries, Automobile Industries, Water Treatment plants, HVAC industries, Gensets and Exhaust systems



Inorganic Acquisition

Hyd-Air Engineering Pvt Ltd

The acquisition of Hyd-Air Engineering gave Aeroflex a direct advantage by integrating the acquired company's products into its fluid control assemblies, facilitating expansion into the assembly product segment.

The installation of the quality lab is progressing well and is projected for completion by the next quarter. **We have placed orders for new machinery, with half expected to arrive by Dec-24. The remaining machinery is expected to be fully installed by Mar-25**, which will increase our capacities. We wish to announce that we have **received our first trial order from the railway coach factory.**

- End to end solution/vertical integration
- Operational efficiency
- Entry into new industries - Railways, Shipbuilding, Heavy industries
- Access to new clients - Mazgaon Dockyard, SAIL, BHEL, JSW, Arcelor Mittal

Railways, Shipbuilding, Heavy Industries



Consolidated Profit & Loss Statement

Profit & Loss (Rs. Crs)	Q2 FY25	Q2 FY24	YoY	Q1 FY25	QoQ	H1FY25	H1FY24	YoY
Revenue from Operations	94.99	84.08	12.99%	89.75	5.85%	184.74	167.01	10.62%
Other Income	0.80	0.36		1.03		1.84	1.35	
Total Income	95.80	84.43	13.46%	90.78	5.53%	186.58	168.35	10.82%
Cost of Material Consumed	60.96	52.91		49.63		110.59	109.30	
Changes in Inventories	(5.18)	(0.25)		4.67		(0.51)	(2.51)	
Employee Benefit Expenses	8.85	6.18		7.97		16.82	12.70	
Other Expenses	9.99	7.57		9.38		19.37	13.97	
EBITDA	21.18	18.02	17.49%	19.13	10.71%	40.30	34.90	15.49%
EBITDA Margin	22.10%	21.35%	76 bps	21.07%	103 bps	21.60%	20.73%	87 bps
Depreciation	2.43	1.52		2.37		4.80	2.94	
Finance Cost	0.08	1.09		0.06		0.14	2.01	
Exceptional Item (Gain) / Loss	-	0.16		-		-	-	
Profit before Tax	18.67	15.26	22.34%	16.69	11.83%	35.36	29.95	18.04%
PBT Margin	19.49%	18.07%	141 bps	18.39%	110 bps	18.95%	17.79%	116 bps
Tax	5.01	3.68		4.28		9.29	7.29	
Profit After Tax	13.66	11.58	17.98%	12.41	10.08%	26.07	22.66	15.01%
PAT Margin	14.26%	13.71%	55 bps	13.67%	59 bps	13.97%	13.46%	51 bps
EPS (in Rs.)	1.06	0.94		0.96		2.02	1.84	

Consolidated Balance Sheet

Assets (Rs. Crs)	Sep-24	Mar-24	Equity & Liabilities (Rs. Crs)	Sep-24	Mar-24
Non - Current Assets	133.04	94.89	Total Equity	315.99	293.15
Property, Plant & Equipment	92.04	82.37	Share Capital	25.86	25.86
CWIP	33.84	5.38	Other Equity	290.13	267.29
Intangible assets	1.88	0.60	Non - Controlling Interest	-	-
Intangible assets - WIP	0.05	0.04	Non-Current Liabilities	1.26	0.78
Financial Assets			Financial Liabilities		
(i) Investments	-	-	(i) Borrowings	0.62	0.06
(ii) Loans	-	-	(ii) Lease Liabilities	-	-
(iii) Other Financial Assets	2.48	3.46	(iii) Other Financial Liabilities	-	-
Other Non - Current Assets	2.75	3.05	Provisions	-	-
Current Assets	279.73	280.08	Deferred Tax Liabilities (net)	0.64	0.72
Inventories	66.19	58.94	Other Non - Current Liabilities	-	-
Financial Assets			Current Liabilities	95.53	81.04
(i) Investments	-	-	Financial Liabilities		
(ii) Trade receivables	115.94	94.72	(i) Borrowings	0.12	0.06
(iii) Cash and cash equivalents	54.00	76.50	(ii) Trade Payables	68.15	55.14
(iv) Bank balances	5.92	29.22	(iii) Lease Liabilities	-	-
(v) Loans	-	-	(iv) Other Financial Liabilities	-	-
(vi) Others	-	-	Other Current Liabilities	23.91	23.97
Current Tax Assets (Net)	-	-	Current tax liabilities (net)	3.34	1.87
Other Current Assets	37.69	20.69	Provisions	-	-
Total Assets	412.78	374.97	Total Equity & Liabilities	412.78	374.97

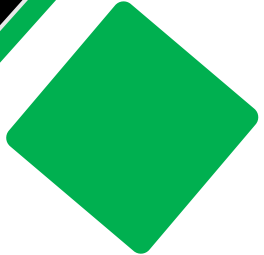
Consolidated Cash Flow

Particulars (Rs. Crs)	Sep-24	Sep-23
Net Profit Before Tax	35.36	29.95
Adjustments for: Non - Cash Items / Other Investment or Financial Items	3.47	4.58
Operating profit before working capital changes	38.83	34.54
Changes in working capital	-29.77	-13.95
Operating profit after working capital changes	9.06	20.59
Direct taxes paid (net of refund)	-9.37	-7.25
Net Cash from Operating Activities	-0.31	13.33
Net Cash from Investing Activities	-19.44	-88.67
Net Cash from Financing Activities	-2.76	90.51
Net Increase/Decrease in Cash and Cash equivalents	-22.50	15.18
Add: Cash & Cash equivalents at the beginning of the period	76.50	6.13
Cash & Cash equivalents at the end of the period	54.00	21.31



Commitment to Excellence

About Us



Leading Manufacturer of Metallic flexible flow solutions

Scalable and Customized flexible flow solution products

De-risk and Diversified Portfolio

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07

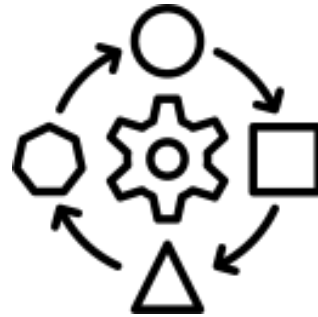
06

Responsible Corporate

Innovation & Strong R&D led Business

State of the art Infrastructure

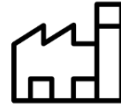
**Wherever There's Critical Flow,
Aeroflex Leads the Way**



1. Leading Manufacturer of Metallic flexible flow solutions



Incorporated in **1993**, part of the promoter group **Sat Industries Limited (BSE & NSE Listed Company)**



Leading Manufacturer of Metallic flexible flow solutions



Used for **controlled flow of all forms of substances** including **Solid, Liquid and Gas**



Exports to **89 countries** across Asia, Americas, Europe and Africa, through a diversified go-to-market model

In-House R&D



NABL Accredited Lab

72+

Products across various stages of Research and Development

14

Qualified R&D Team Members

2,613

No. of SKU's



Global Customers Accreditations

Rs. 187 Crs

H1 FY25 Revenue



Customized Solution Provider

Awarded as Great Place to Work by Great Place to Work Institute



2. Scalable and Customized flexible flow solution products

SS Flexible Hoses with & without Braiding

52.4%

- SS hoses are designed to withstand high pressures, extreme temperatures, and corrosive environments
- SS flexible hoses play a pivotal role in ensuring the efficiency and safety of a diverse range of industries, including manufacturing, oil refineries, and firefighting

Assemblies & Fittings

39.2%

- Fittings affixed to both ends of flexible hoses serve as the connectors, ensuring that these hoses are seamlessly linked for their designated applications
- When fittings are affixed to the hose, this combination is referred to as an assembly. Various types of fittings can be securely fastened to the hose ends through welding or clamping methods

Composite Hose & Others

8.4%

- **Braiding:** Single braid, Multiple braid
- **Interlock & Composite Hoses:** Interlock exhaust hose, Interlock conveyor hose, and Interlock pressure hose etc.

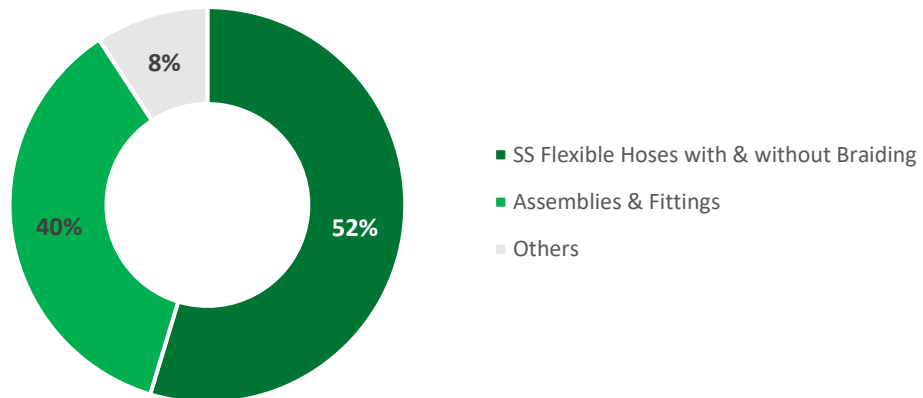


Aeroflex goes beyond mere product offerings;

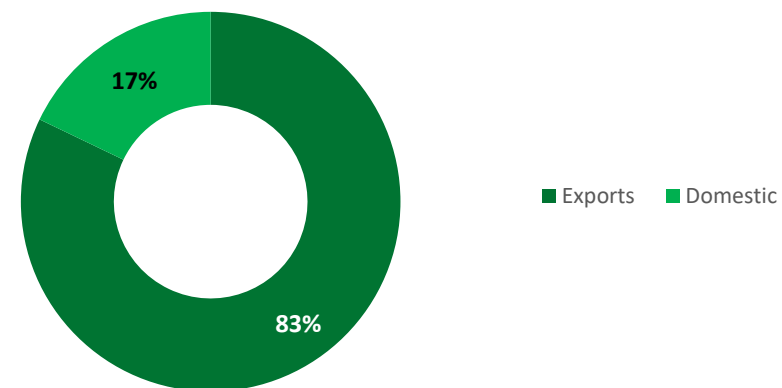
Our curated solutions enhance and elevate critical flow technologies across diverse industries

3. De-risk and diversified Portfolio – H1 FY25

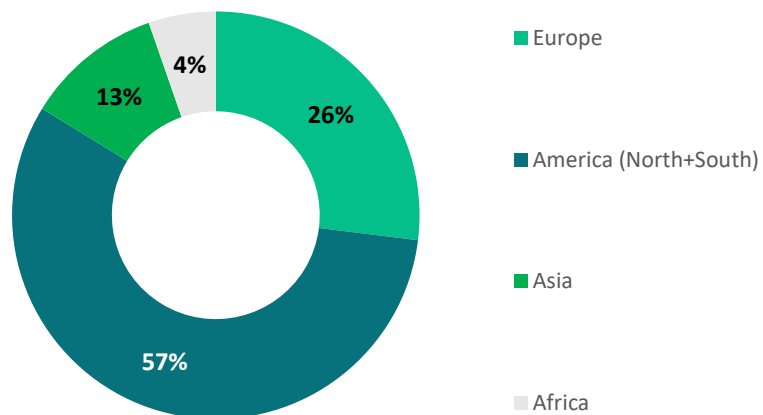
Product Segments



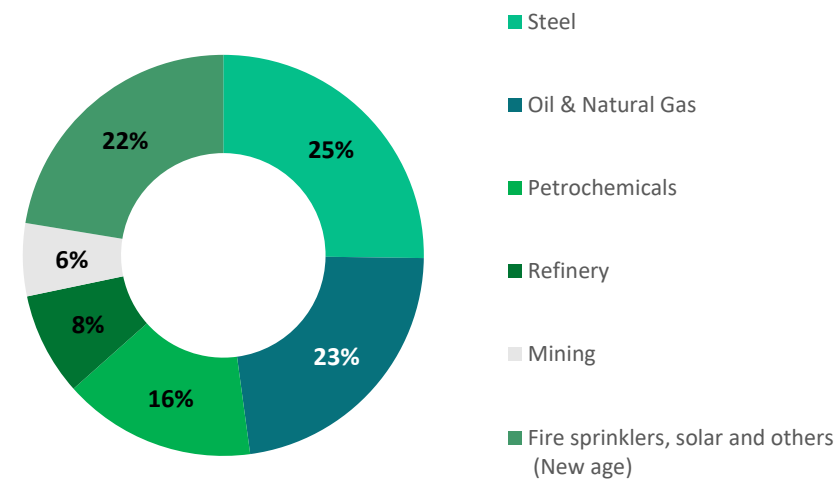
Domestic: Export Mix



Geographical Split



Industry Split



4. Wherever There's Critical Flow, Aeroflex Leads the Way

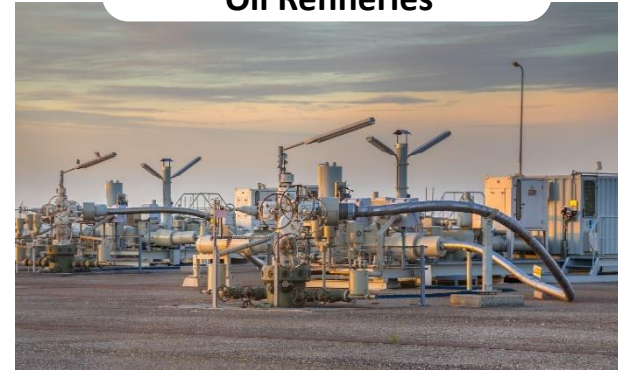
Aerospace



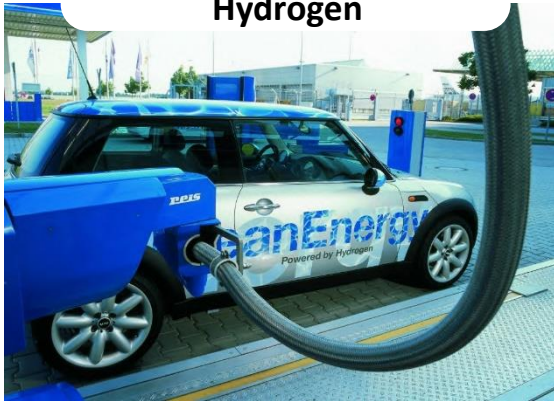
Marine



Oil Refineries



Hydrogen



Solar



Semi-conductor



Current Major Industries

- Steel & Metal
- Oil & Gas
- Chemicals
- Sea Port Terminal Handling
- Paper & Pulp
- Pharmaceutical



Expanding our presence to:

- Fire Sprinklers
- Solar
- Robotics
- Semiconductors
- Aerospace and Satellite
- Electric Mobility

Used for **controlled flow of all forms of substances** including **Solid, Liquid and Gas**

Key Properties of our Products



Close substitute of rubber and polymers



Abrasion Resistance & Flexibility in fitting



Perfect fit for extreme environment conditions



Absorb High Pressure



High replacement creates demand



Temperature Resistant



Available in different sizes



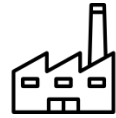
Chemical Compatible

5. State of the art Infrastructure

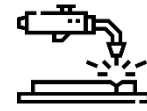
Well-equipped Infrastructure



Situated at
Taloja – Navi Mumbai
MIDC – Chakan, Pune



Production Capacity
15.0 million meters



Machine Lines
83 lines



Employee Strength
531 people



Total No. of SKU's
2,613



Capacity Utilization - H1FY25
89.38%
Hoses (with & without braiding)



In-house Design
And R&D Laboratory



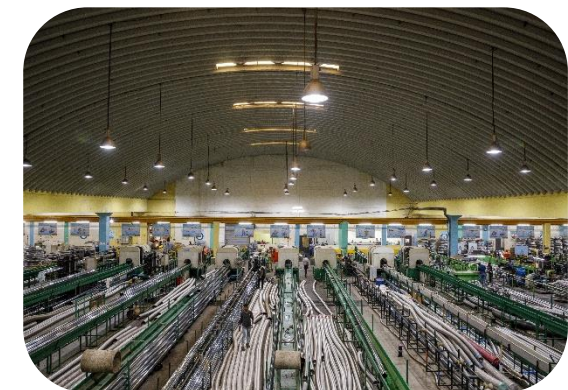
Presence in
89 Countries



Strategically Located
Near JNPT Port



Products used in Critical flow
application across diverse
industries



6. Innovation & Strong R&D led Business

Key Products under research and development	
Fire Sprinklers Solution for EV buses	Development is underway for electric bus rooftops designed to provide protection against fires
Inconel 625 and 825 Hoses and Assemblies	Hoses made of Inconel 625 & Inconel 825 for higher temperature application – feed gas hose for blast furnace
Monel Hoses	Hose for highly corrosive environment, shipping and submarine
Aviation Assemblies	For Engine Cooling applications
Semiconductor Assemblies	For transfer of various gases and energies with ultimate precision
Cryogenic Application Assemblies	Hose assemblies with copper / brass fittings are used for Oxygen, Argon, Nitrogen loading & unloading
Fire Sprinkler Assembly	Hose assemblies with Sprinkler Nozzle & end fittings for Fire Hydrant System
Solar Hoses with Fitting Kit	Hose assemblies for Solar Application, used for Water Heating System

Products commercialised in Q2 For marquee customers

Applications
Air Compressor
Hydrogen Applications (SS 904L Hose and SS316L Braiding)
Automobile Firesafety (High Pressure Hose DN20 & Testing on DN16)
Heat pump hose fan coil application

72+

Products across various stages of Research and Development



NABL Accredited Lab

14

Qualified R&D Team Members

Our R&D efforts are focused on expanding our product portfolio across existing and new materials including SS, Bronze, Inconel, Monel, PTFE, among others





01

Sustainability Integrated across the Operations

- **Green process** with negligible use of fossil fuels
- **100% recycling of water** with an **In-house water treatment plant**
- Active **use of electric vehicles** for movement of goods and materials within the premises



02

Use of Non-emitting Technology and Recycled Consumables

- The production technologies are **zero emission**
- Use of packaging materials made out of **reprocessed materials** to the extent of **35%-40%**
- **Planning to shift to use of 100% recycled packaging materials in next 3 years**



03

Comprehensive Internal Checks & Balances

- Use of an **integrated SAP ERP** for efficient management of operations;
- Connected all our production lines through digital mediums using dedicated tablets installed at the lines to derive real time data of the machines to improve efficiency



04

Adherence to Global Standards

- ISO 9001:2015, ISO 45001:2018 and ISO 14001:2015 certified; NABL certified R&D lab
- Awarded as **Great Place to Work** by the Great Place to Work Institute



05

Strong Corporate Governance

- **Led by highly reputed promoter** and team of professionals along with oversight of independent directors hailing from organizations like Tata Group, Ashok Leyland, Senior India;
- No pending litigations related to Taxes, Companies Act matters, etc



06

CRM System Implementation

- We have implemented **Sales force CRM system** for managing the end- end flow from Lead generation End to End order

Aeroflex has an Occupational Healthcare Center and Mind & Body Wellness Center, at its facility in Taloja, Navi Mumbai, to address any emergencies and health and well being of employees

Employee Wellbeing Initiatives

- Well equipped with trained & qualified nurses and medical equipment
- Dedicated beds for examination, dressing and physiotherapy
- Specialized Doctors on-boarded for periodic check-ups
- Affiliation with Medicovert Hospitals, Kharghar Navi Mumbai
- Body composition analysis done for every employee every 60 days to monitor their health
- Standby ambulance available 24*7 for any emergency
- Regular mental health sessions by Psychologist



Aeroflex has established a Child Care Center at the Taloja Factory, exclusively for our employees. Here, we offer comprehensive Child care and creche services, all carefully designed to nurture the children of our workforce.

Wellness workshops & Fitness programs for employees During Q2FY25



Workshop on boosting immunity



Workshop on Ear, Nose, and Throat Care



Emergency Mock Drill



Quarterly Health Checkups

Capacity Expansion

The company has expanded existing capacity in a phased manner to 15.0 Mn Mtrs

Plans to add another 1.5 Mn Mtrs by Dec-24

Higher Value Added products

The company aims to augment its revenue share by focusing on the high-margin product segment, specifically Assemblies and Fittings

Entering New Industries

With the addition of products the company targets to enter New-Age Industries such as Aerospace, Semiconductor, Solar connectors, EV, robotics, defence, etc.

Inorganic Acquisitions

The company has already acquired Hyd-Air Engineering in April-24

Planning for inorganic acquisition to create forward and backward integration and currently evaluating target companies in India

THANK YOU!



Commitment to Excellence

Aeroflex Industries Limited

CIN - L24110MH1993PLC074576

Email: corporate@aeroflexindia.com

SGA Strategic Growth Advisors

Investor Relations Advisors:

Strategic Growth Advisors Pvt. Ltd.

CIN - U74140MH2010PTC204285

Ms. Manasi Bodas/ Mr. Dhruvil Jani

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