

**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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Email Id: info@sjsindia.com, compliance@sjsindia.com

ISO 14001 ISO 45001  
ISO 9001 IATF 16949  
Certified

CIN: L51909KA2005PLC036601

www.sjsindia.com



Creating Possibilities

July 26, 2023

To,

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

Dear Sir/Madam,

**Subject: Earnings Call Presentation of the Company pertaining to Q1 of FY 2023-24**

In continuation with the Company's letter dated July 20, 2023, pertaining to Intimation of schedule of Earnings call to be held on Thursday, July 27, 2023 at 11:00 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 ended June 30, 2023.

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**

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**Thabraz Hushain W.**

**Company Secretary and Compliance Officer**

**Membership No.: A51119**

***Encl: As mentioned above***

**SJS Enterprises Limited**  
**Q1FY24 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 1,172.5 Mn**  
Revenue Q1FY24



**26.1%**  
EBITDA margin Q1FY24



**4**  
Production facilities  
*(Bangalore, Pune, Manesar)*



**~2,400**  
Workforce

**22**  
Countries served

**175+**  
Customer locations  
*(Mar'22)*

**6,700+**  
SKUs  
*(FY23)*

**136 Mn**  
Parts supplied  
*(FY23)*

### 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 at SJS 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**



# Q1FY24 Business & Financial Highlights



- **SJS automotive segment (2W+PV) grew at 18.6% YoY**, compared to 2.3% YoY growth in auto industry production volumes during the quarter



- **Total Revenue at Rs 1,172.5 mn**, 13.6% YoY growth



- Continue to generate strong cash flows & have a **robust cash & cash equivalents<sup>1</sup> at Rs 2,849.7 Mn**



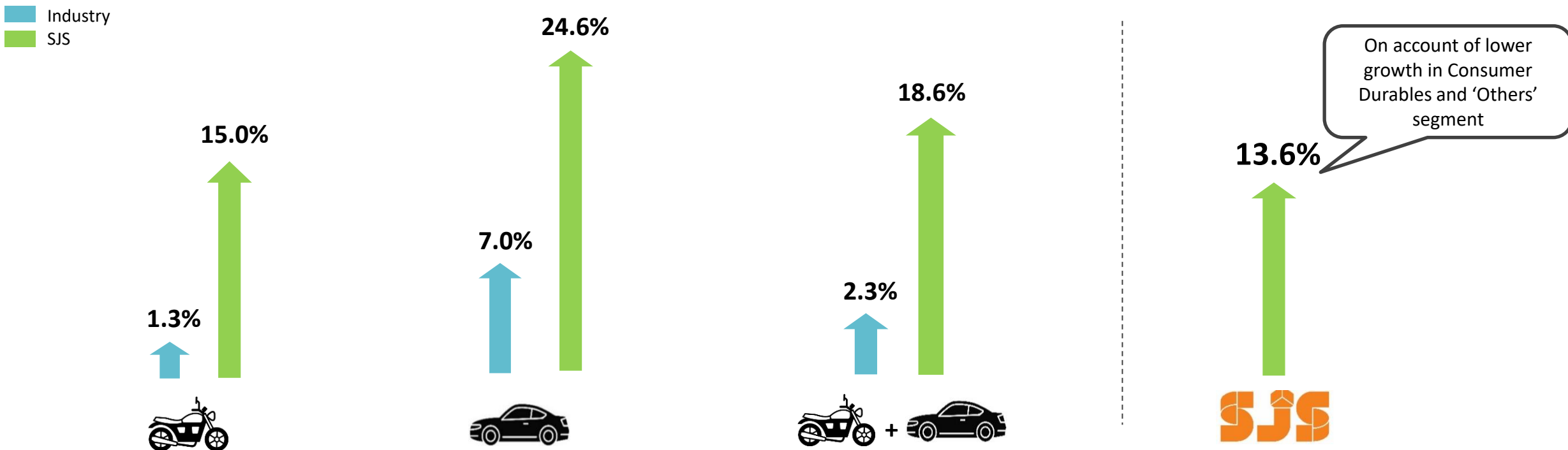
- Added **Toyota Tsusho & Autoliv** as new customers in automobile segment



- **Extended coverage of Swachh Bharat initiative for garbage cleaning from 7 to 12 surrounding villages**

**July'23 - SJS completes acquisition of 90.1% stake in Walter Pack India (WPI) for a consideration of Rs 2,393 Mn**

## Q1FY24 - Industry Production Volume<sup>1</sup> v/s SJS YoY Sales<sup>2</sup>



**Q1FY24 SJS exports revenue almost doubled YoY on account of new business wins and recovery in European market**

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



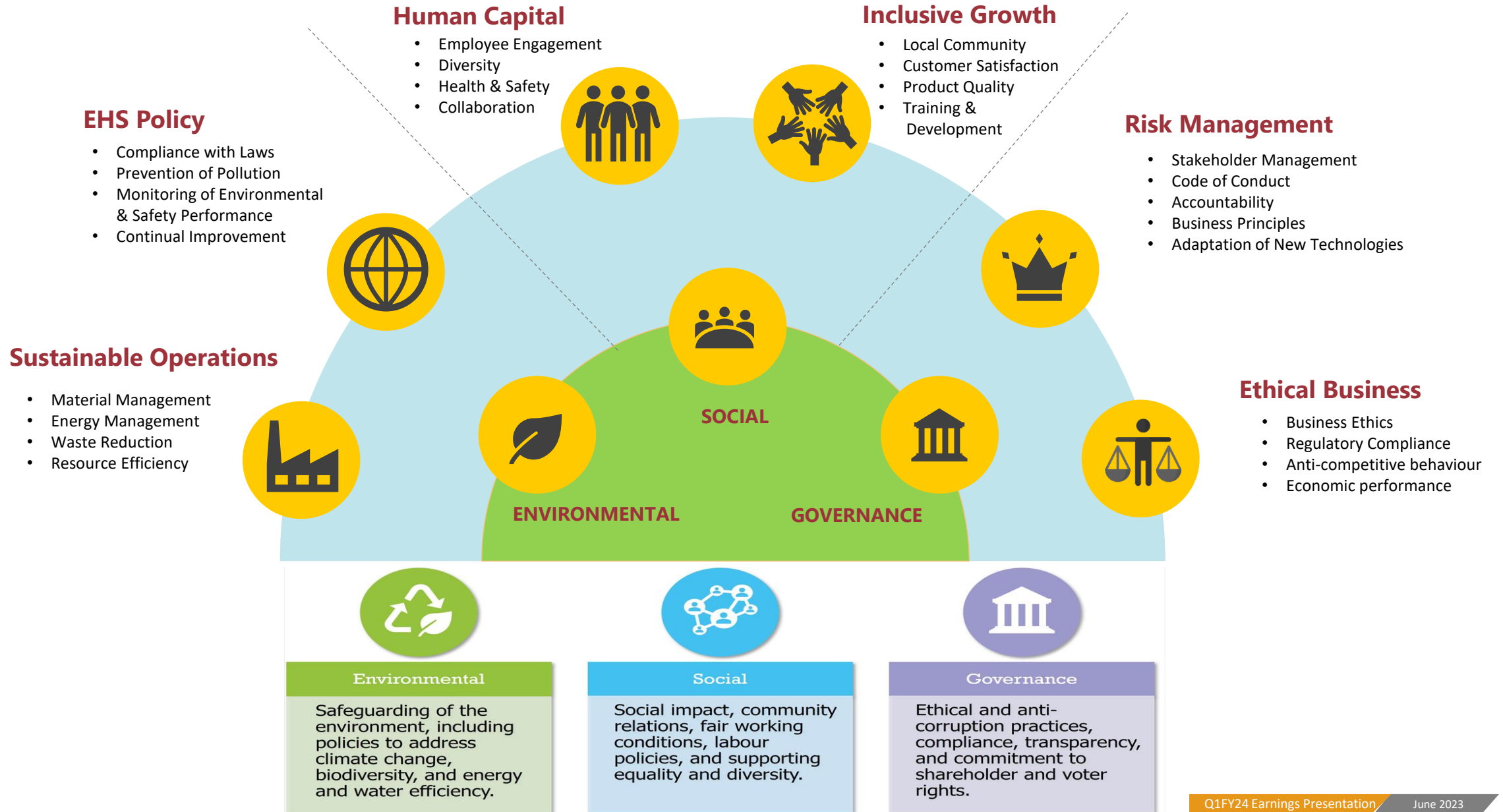
**Strong growth story continues...**

**Growing Mega Accounts**  
- Key Business Projects Won



**Adding New Customers**





**EHS Policy**

- Compliance with Laws
- Prevention of Pollution
- Monitoring of Environmental & Safety Performance
- Continual Improvement

**Human Capital**

- Employee Engagement
- Diversity
- Health & Safety
- Collaboration

**Inclusive Growth**

- Local Community
- Customer Satisfaction
- Product Quality
- Training & Development

**Risk Management**

- Stakeholder Management
- Code of Conduct
- Accountability
- Business Principles
- Adaptation of New Technologies

**Sustainable Operations**

- Material Management
- Energy Management
- Waste Reduction
- Resource Efficiency

**Ethical Business**

- Business Ethics
- Regulatory Compliance
- Anti-competitive behaviour
- Economic performance

**Environmental**

Safeguarding of the environment, including policies to address climate change, biodiversity, and energy and water efficiency.

**Social**

Social impact, community relations, fair working conditions, labour policies, and supporting equality and diversity.

**Governance**

Ethical and anti-corruption practices, compliance, transparency, and commitment to shareholder and voter rights.


Extended coverage of Swachh Bharat initiative for garbage cleaning from 7 to 12 surrounding villages




SJS sponsored, para climber – Manikandan won Bronze medal at IFSC Para climbing World Cup in Switzerland




## *Picking up pace...*

 **13.6%**  
YoY growth

- **Revenue\*** at Rs 1,172.5 Mn on account of **24.6% and 15.0% YoY growth** in PV and 2W segment respectively - **outperforming the underlying industry**

 **12.8%**  
YoY growth

- **EBITDA\*** at Rs 313.8 Mn, EBITDA margins of **26.1%**,

 **11.1%**  
YoY growth

- **Net Profit\*** at Rs 180.0 Mn, with a **margin of 15.4%**

- **Overall Domestic sales** clocked **8.4% YoY growth**; on back of **13.6% & 14.5% YoY growth** in **PV & 2W** segment respectively - **outperforming the underlying industry**

Particulars (INR in Mn)	Q1FY24	Q1FY23	YoY%	Q4FY23	QoQ%	Q1FY24 Proforma <sup>1</sup>	YoY%
<b>Operating Revenue</b>	<b>1172.5</b>	<b>1031.7</b>	<b>13.6%</b>	<b>1065.7</b>	<b>10.0%</b>	<b>1528.7</b>	<b>48.2%</b>
<b>EBITDA</b>	<b>313.8</b>	<b>278.2</b>	<b>12.8%</b>	<b>271.8</b>	<b>15.5%</b>	<b>426.5</b>	<b>53.3%</b>
EBITDA Margin %	26.1%	26.4%		24.8%		27.3%	
<b>Reported PAT</b>	<b>180.0</b>	<b>162.1</b>	<b>11.1%</b>	<b>153.8</b>	<b>17.0%</b>	<b>246.5</b>	<b>52.1%</b>
PAT Margin %	15.4%	15.7%		14.4%		16.1%	
<b>EPS</b>	<b>5.90</b>	<b>5.33</b>	<b>10.8%</b>	<b>5.05</b>	<b>16.7%</b>	<b>8.08<sup>2</sup></b>	<b>51.8%</b>

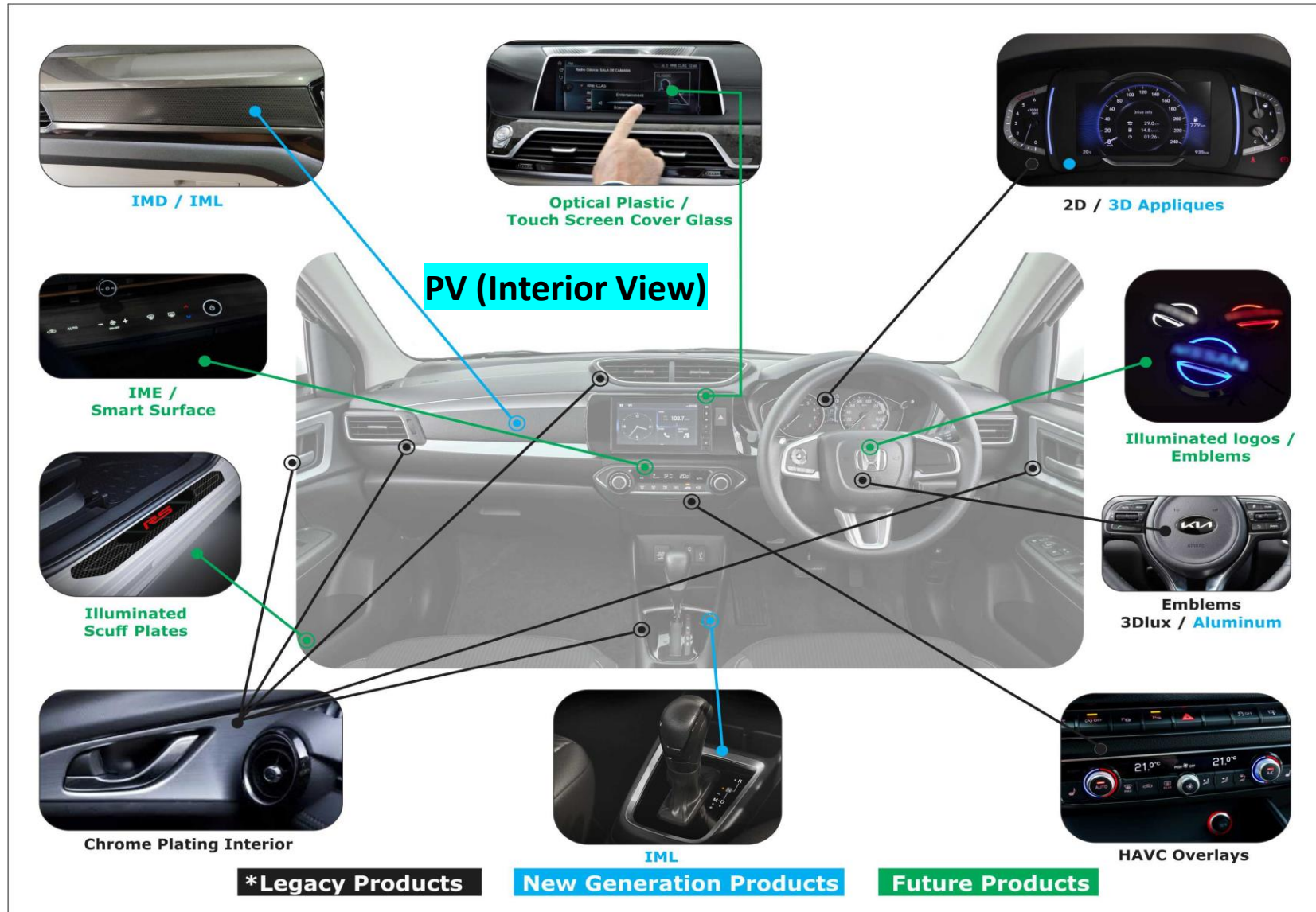
- Q1FY24 financials indicate 13.6% YoY revenue growth and PAT growth of 11.1% YoY, leading to 10.8% YoY growth in EPS
- However, Q1FY24 Proforma (incl WPI) financials indicate 48.2% YoY revenue growth and PAT growth<sup>2</sup> of 52.1% YoY, leading to 51.8% YoY growth in EPS<sup>2</sup>
- Q1FY24 Proforma EPS<sup>2</sup> is 37.0% higher than Q1FY24 Reported EPS, highlighting that addition of WPI is EPS accretive

Note: 1) Q1FY24 Proforma includes 90.1% consolidation for WPI (as per Indian GAAP); 2) PAT & EPS for Q1FY24 Proforma does not include interest cost of acquisition which will be effective from Q2FY24 onwards. Had the effect of lower Other Income and higher interest cost on loan for WPI acquisition been effective in Q1FY24, it would have led to a Q1 Proforma EPS growth of ~21% over Q1FY24 Reported EPS



# Future Growth Outlook

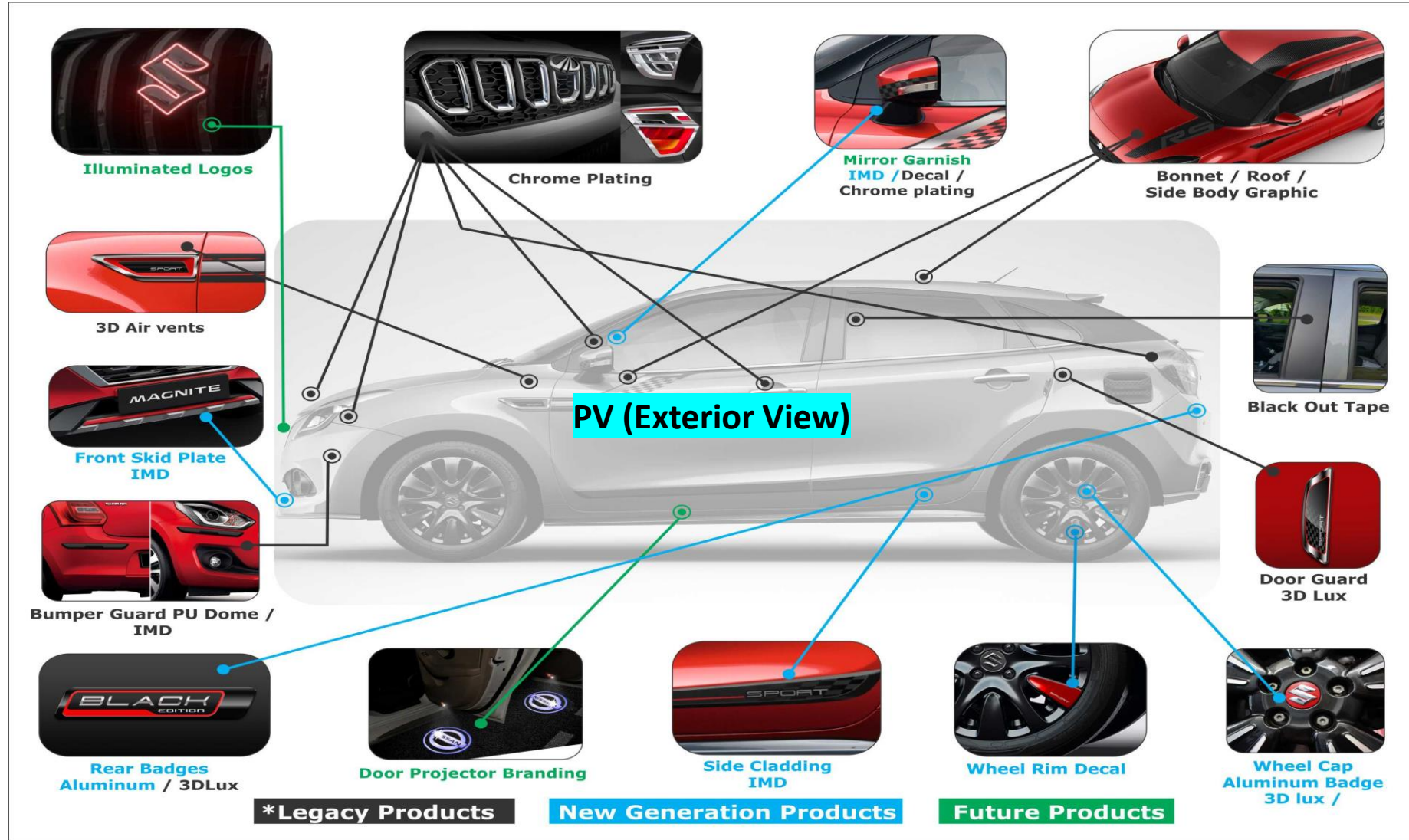
Transforming SJS with a well diversified product suite addressing every requirement of varied customer base



**Rs 1200 – 1500**  
Per vehicle  
**Legacy Kit Value**

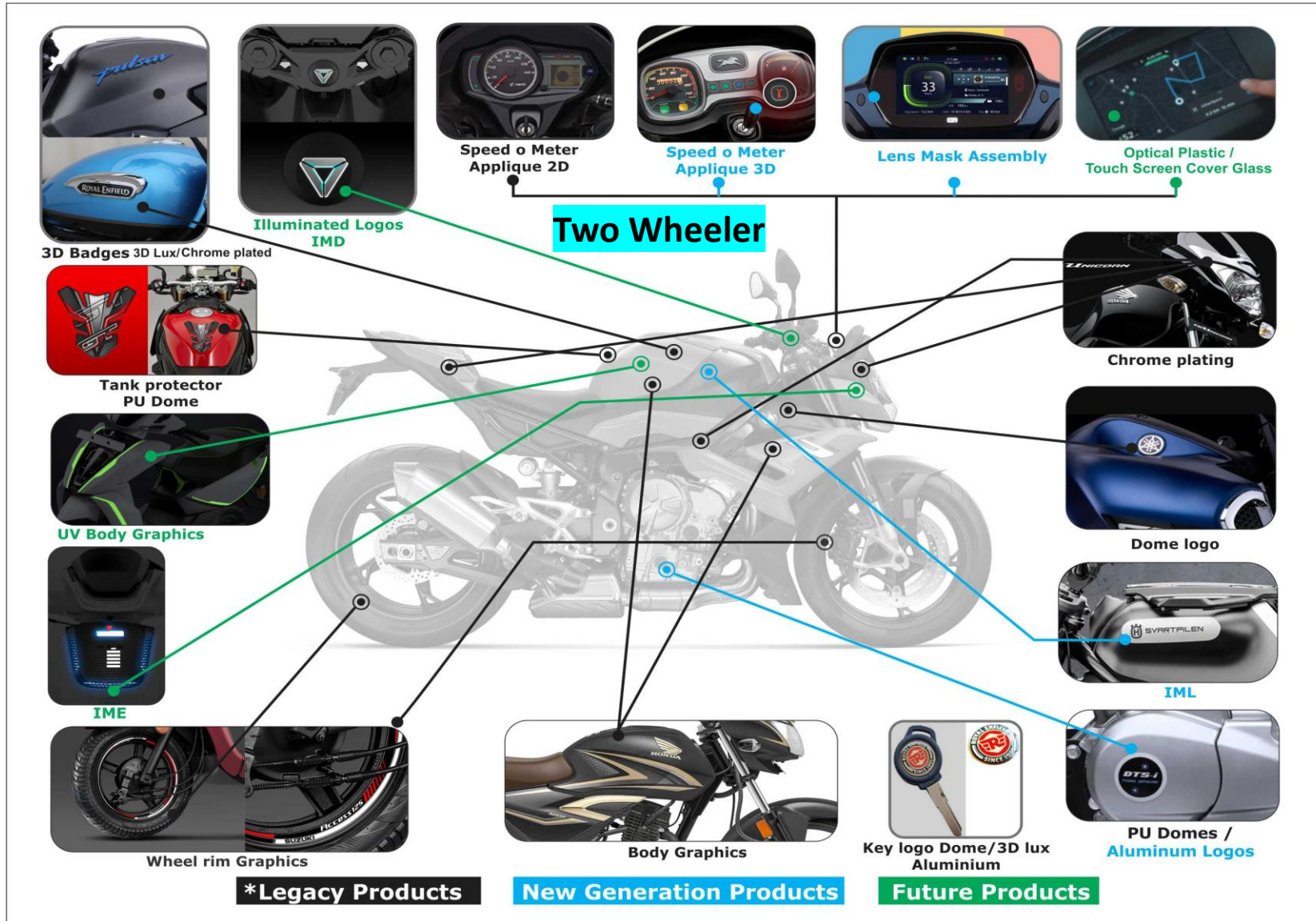
**3 - 4x growth**  
Per vehicle  
**Future Kit Value**

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 300 - 500**  
Per vehicle

**Legacy Kit Value**

**1.5 - 2x**  
**growth**  
Per vehicle

**Future Kit Value**



## Strategy for organic growth over FY24-26



### 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 Columbia 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



### Chrome Plating : Increase chrome plating capacity through debottlenecking and partnerships

- Increasing capacity at the existing plant through debottlenecking and partnering with external chrome plating manufacturers
- Greenfield chrome plating expansion plan to be finalized in CY24 after assessing synergies with neighbouring WPI plant

## Merger & Acquisitions Strategy

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

- **20.0% YoY growth in Revenue**, increasing from Rs 298.3 Mn to Rs 356.7 Mn in Q1FY24.
- Cost synergies & efficiency resulted in **Exotech EBITDA margin expansion by 145 bps YoY** from 12.0% in Q1FY23 to 13.5% in Q1FY24.
- **Continuous improvement initiatives led to a cumulative expansion in EBITDA margins by ~300 bps from FY21<sup>1</sup> to FY23.**



### 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

**WPI to aid in revenue growth acceleration and will be EPS accretive from FY24 itself**

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** with gradual recovery in exports and domestic 2W markets
- **SJS expects over 50% YoY revenue growth** on account of expected positive outlook for 2W, PV and Consumer Durables
  - Premiumisation + New Customer Wins + Exports + WPI Acquisition = **Higher than industry sales growth for SJS**
- High visibility : Current **order book** to be executed **in FY24 is over 90% of FY24 forecasted revenue**
- SJS expects **WPI acquisition to be significantly EPS accretive** in current year itself. WPI would add incremental scale to SJS given WPI's EBITDA is approximately one-third of SJS' EBITDA
- Robust margin profile of business and WPI acquisition to **drive PAT growth of ~40% YoY for FY24** as we balance higher growth with margins

Q1FY24 Performance (INR Mn)		YoY Growth %
Revenue	1,172.5	13.6%
EBITDA*	313.8	12.8%
EBITDA margin	26.1%	
PAT *	180.0	11.1%
PAT Margin	15.4%	



- Continue to maintain best-in-class margins
- Strong cash flow generation leading to cash and equivalents balance of Rs 2,849.7 Mn in Q1FY24

## Q1FY24 Earnings Call Invite

**SJS Enterprises Limited (BSE: 543387)** announced its results for the quarter ended June 30, 2023, on July 26<sup>th</sup>, 2023. Following the announcement, the management team will host a conference call for investors and analysts on July 27<sup>th</sup>, 2023, at 11:00 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:

<b>Date</b>	<b>27<sup>th</sup> July, 2023</b>
<b>Time</b>	<b>11:00 AM IST   01:30 PM HK/SG   06:30 AM UK (London)   01:30 AM EST USA</b>
<b>Duration</b>	60 minutes
<b>Universal Dial in</b>	<b>+91 22 6280 1366   +91 22 7115 8267</b>
<b>International Toll Free</b>	HK: 800 964 448   SG: 800 101 2045   UK: 0 808 101 1573   USA: 1 866 746 2133
<b>Diamond Pass Link</b>	<a href="https://choruscall.in">Diamond Pass Registration (choruscall.in)</a>

*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](http://www.sjsindia.com)).*

For further information, please contact: Devanshi Dhruva | [devanshi@sjsindia.com](mailto:devanshi@sjsindia.com)

**THANK YOU**

**IR Contact**

Ms. Devanshi Dhruva | Head - Investor Relations  
[devanshi@sjsindia.com](mailto:devanshi@sjsindia.com)

# Appendix



# SJS | Longstanding history of design backed manufacturing excellence



Evolution into a leading design and aesthetics focused business

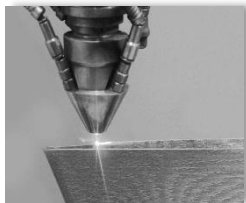


**1987**

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

**2023**

Walter Pack India Acquired 90.1% stake in WPI. Focused on IMF, IML, IMD and IME technologies for automotive and appliance sectors

## Decals & Body Graphics



## 2D Appliques & Dials



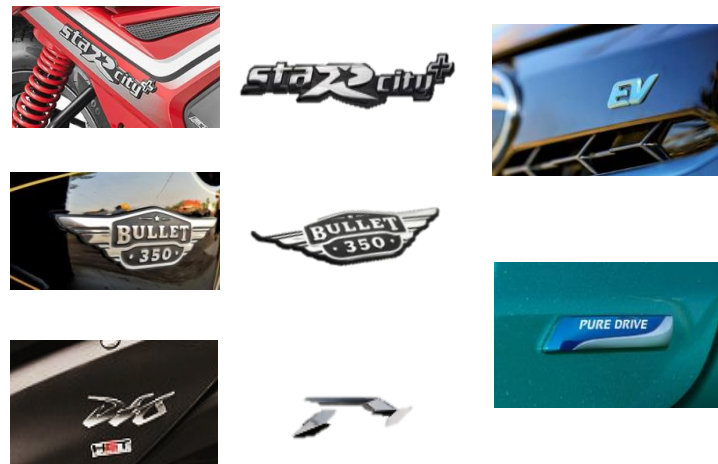
## Domes



## 3D Appliques & Dials



## 3D Lux Badges



## Aluminium Badges



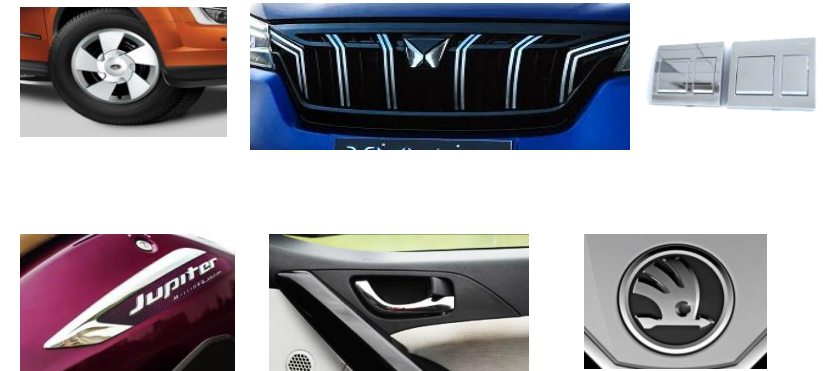
## Overlays



## Lens Mask Assembly



## Chrome plated parts



## IMLs / IMDs



## Optical Plastics



Without Anti glare/ Anti Reflection

With Anti glare/ Anti Reflection

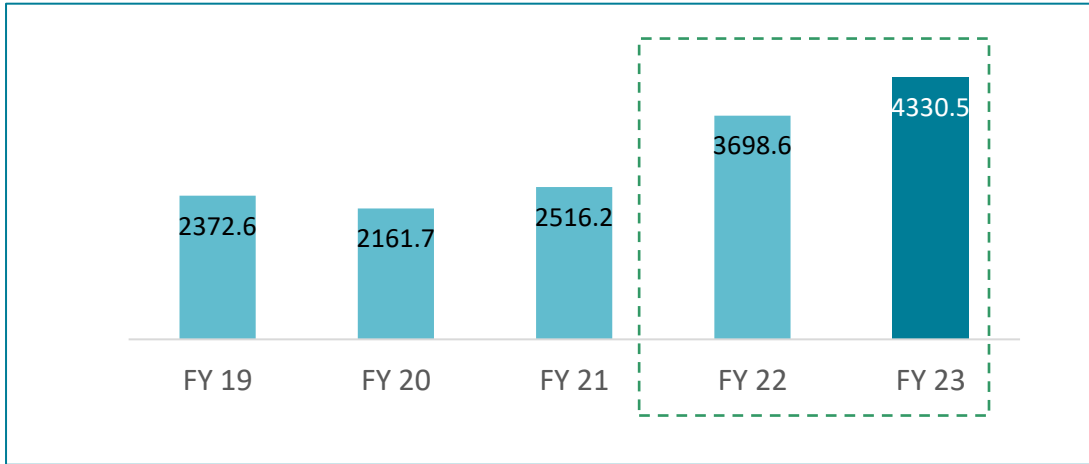
## Aftermarket – “Transform”



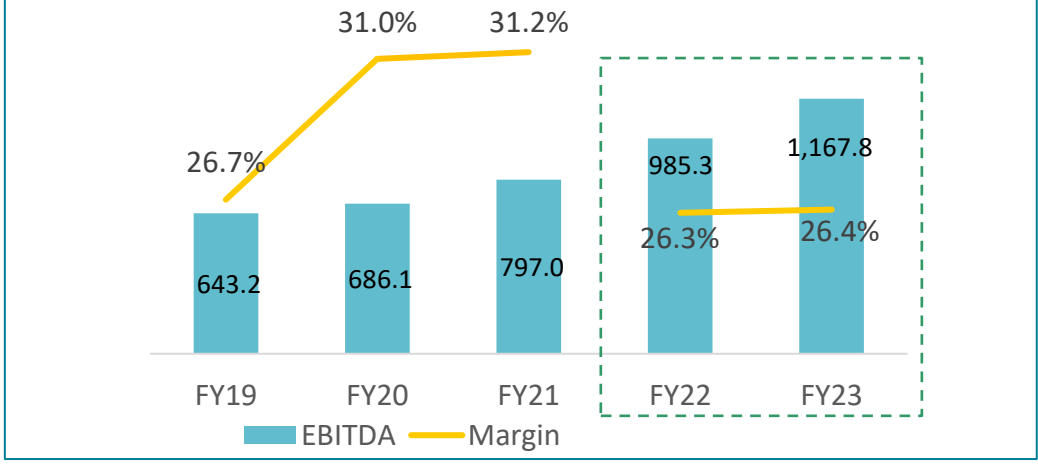
# SJS | Superior financial metrics and resilient business model



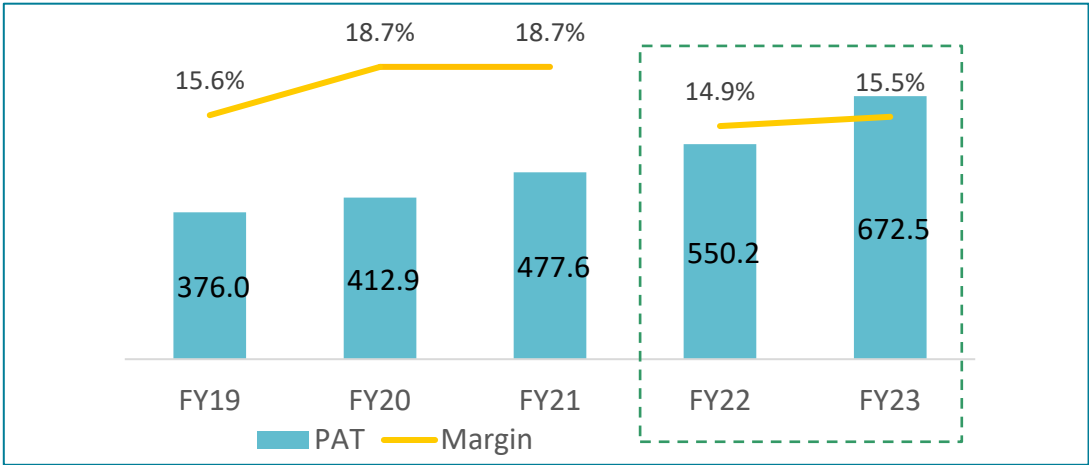
Revenue from Operation (INR Mn)



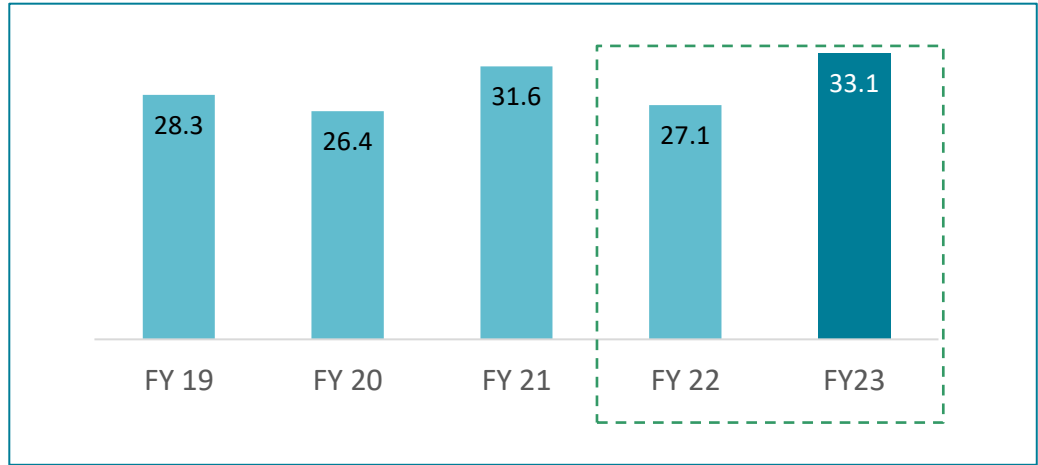
EBITDA (INR Mn) and EBITDA Margin (%)



PAT (INR Mn) and PAT Margin (%)



ROCE (%)



Note: FY22 and FY23 figures consolidated for SJS and Exotech (Reported financials)

# SJS | Experienced & Qualified Board & Management Team



## **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 <sup>(1)</sup>; 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 <sup>(2)</sup> 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: <sup>(1)</sup> BCG India – Boston Consulting Group (India) Private Limited; <sup>(2)</sup> Chartered Accountant