



May 06, 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: Investor Presentation for the Quarter and year ended March 31, 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 Investor Presentation for the Quarter and year ended March 31, 2024.

Kindly take the same on your record.

Thanking you,

Yours faithfully,

FOR AEROFLEX INDUSTRIES LIMITED

ASAD Digitally signed
by ASAD DAUD
Date: 2024.05.06
DAUD 17:41:25 +05'30'

Asad Daud
Managing Director
DIN:02491539

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: U24110MH1993PLC074576





Commitment to Excellence

Aeroflex Industries Limited

Leading Manufacturer of Metallic flexible flow solutions





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Commitment to Excellence

Q4 & FY24 PERFORMANCE HIGHLIGHTS





Commenting on the financial performance, Mr. Asad Daud – Managing Director said, “Reflecting on our FY24 performance, I am pleased to announce that Aeroflex has experienced a highly successful year marked by substantial growth. The company has announced a 12.5% dividend on equity for FY24.

This period also highlights a significant milestone for us as we made our debut on the stock exchange, culminating in our full year of post-listing performance.

Our confidence in our business strategies remains unwavering, with a continued emphasis on bolstering our EBITDA Margins and Revenue. During the year, we undertook various strategic expansion initiatives, built up the capacity by adding new products like Metal Bellows. Additionally, the acquisition of Hyd Air Engineering Pvt Ltd not only bolstered our product portfolio but also augmented our assembly capabilities.

As we look ahead, our optimism regarding our business model is high, and we are committed to sustaining our momentum. We anticipate an EBITDA growth of 25% + for the upcoming years.”



Acquired: Hyd-Air Engineering Private Limited

The acquisition of Hyd Air positions Aeroflex for business expansion, fortifying its market position through expanded product offerings and strategic integration

Aeroflex Industries Limited

Manufacturer of Metallic Flexible Flow Solutions



100% Acquisition

Cost of acquisition: INR 17,20,86,172/-
Funding of the Acquisition : Internal Accrual

Hyd-Air Engineering Private Limited

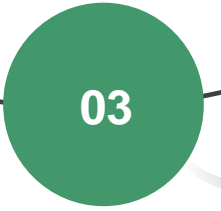
Manufacturer of Hydraulic Fittings, Fluid Connectors & Flanges



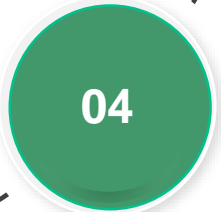
Access to a prestigious clientele roster featuring industry giants like Mazgaon Dockyard, SAIL, BHEL, JSW, Arcelor Mittal – Nippon, KSB Pumps, MCF, ICF, RCF, Tata Power



Synergies of Acquisition



This acquisition will help Aeroflex in providing end to end solution
(From Hoses, Fittings to Assemblies)



Acquisition broadens Aeroflex's horizons, entering Railways, Shipbuilding, & Heavy Industries for heightened market penetration and growth

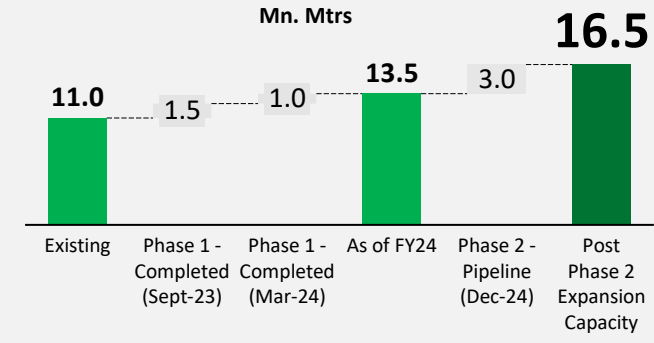
Strategic location near MIDC-Chakan, Pune offers access to key vendor network & proximity to leading OEMs, Expert team enhancing operational efficiency and growth prospects



01 SS Flexible Hoses with & without Braiding

Timelines	Capacity (Mn Mtrs)	Remarks	Capacity Details
March-23	11.0	Existing Capacity	Includes Hoses & Braiding
March-24 (Phase 1)	13.5	Added 2.5 Mn. Mtrs in FY24 in Phases	Additional 2.5 Mn. Mtrs includes Hoses & Braiding
Dec-24 (Phase 2)	16.5	Plans to Add 3 Mn. Mtrs	Additional 3 Mn. Mtrs includes Hoses & Braiding

- As part of Phase 1's capacity expansion project, 2.5 Mn. Mtrs were successfully added in FY24 at Taloja unit
- In Phase 2, the company intends to increase capacities to 16.5 Mn. Mtrs an additional 3 Mn. Mtrs will be set up on the land adjacent to its existing Taloja factory



02 Composite Hoses

- Currently, 3 Operational lines for manufacturing product sizes of 14 inches
- Plan to add 3 more lines for sizes up to 20 inches by Q2 FY25

$3 + 3 = 6$ Operational lines

03 Assembly & Fittings

- Presently running 21 welding stations
- Added 8 new stations in March 2024
- The company intends to gradually implement automated and robotic assembly lines as part of its future plans

$21 + 8 = 29$ Welding stations

04 Metal Bellows

- Metal Bellows and Expansion Joint, 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

Consolidated Profit & Loss Statement

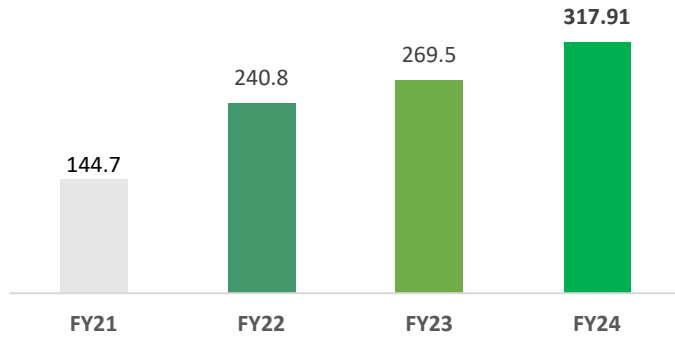
Profit & Loss (Rs. Crs)	Q4 FY24	Q4 FY23	YoY	FY24	FY23	YoY
Revenue from Operations	77.77	70.07	10.99%	317.91	269.46	17.98%
Other Income	1.31	0.03		3.84	0.04	
Total Income	79.08	70.10	12.80%	321.75	269.50	19.39%
Cost of Material Consumed	48.53	43.05		207.24	188.51	
Changes in Inventories	0.50	-3.73		-5.84	-17.78	
Employee Benefit Expenses	6.77	6.75		26.20	23.15	
Other Expenses	7.53	5.27		28.50	22.67	
EBITDA	15.75	18.77	-16.09%	65.65	52.96	23.97%
EBITDA Margin	19.91%	26.77%	-686 bps	20.40%	19.65%	75 bps
Depreciation	1.74	1.54		6.26	5.22	
Finance Cost	0.06	0.96		2.14	3.43	
Exceptional Item (Gain) / Loss	-	-		-	3.08	
Profit before Tax	13.95	16.26	-14.24%	57.25	41.23	38.87%
PBT Margin	17.64%	23.20%	-556 bps	17.79%	15.30%	250 bps
Tax	3.92	3.73		15.52	11.07	
Profit After Tax	10.03	12.53	-19.96%	41.73	30.15	38.41%
PAT Margin	12.69%	17.88%	-519 bps	12.97%	11.19%	178 bps
EPS (in Rs.)	0.78	1.10		3.39	2.64	

Consolidated Balance Sheet

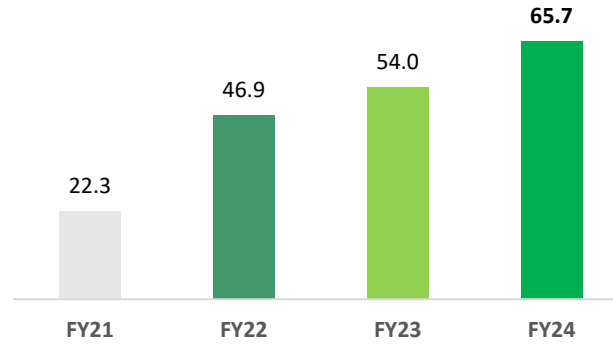
Assets (Rs. Crs)	Mar-24	Mar-23	Equity & Liabilities (Rs. Crs)	Mar-24	Mar-23
Non - Current Assets	94.89	59.54	Total Equity	293.15	114.09
Property Plant & Equipment	82.37	55.54	Share Capital	25.86	22.86
CWIP	5.38	0.64	Other Equity	267.29	91.23
Intangible assets	0.60	0.77	Non - Controlling Interest	-	-
Intangible assets - WIP	0.04	-	Non-Current Liabilities	0.78	20.95
Financial Assets			Financial Liabilities		
(i) Investments	-	-	(i) Borrowings	0.06	19.69
(ii) Loans	-	-	(ii) Lease Liabilities	-	-
(iii) Other Financial Assets	3.46	0.56	(iii) Other Financial Liabilities	-	-
Other Non - Current Assets	3.05	2.02	Provisions	-	-
Current Assets	280.08	154.44	Deferred Tax Liabilities (net)	0.72	0.28
a. Inventories	58.94	56.01	Other Non - Current Liabilities	-	0.99
b. Financial Assets			Current Liabilities	81.04	78.93
(i) Investments	-	-	a. Financial Liabilities		
(ii) Trade receivables	94.72	66.97	(i) Borrowings	0.06	25.32
(iii) Cash and cash equivalents	76.50	6.13	(ii) Trade Payables	55.14	36.63
(iv) Bank balances	29.22	0.12	(iii) Lease	-	-
(v) Loans	-	-	(iv) Other Financial Liabilities	-	-
(vi) Others	-	0.61	b. Other Current Liabilities	23.97	10.91
c. Current Tax Assets (Net)	-	-	c. Current tax liabilities (net)	1.87	6.07
d. Other Current Assets	20.69	25.21	d. Provisions	-	-
Total Assets	374.97	213.98	Total Equity & Liabilities	374.97	213.98

Particulars (Rs. Crs)	Mar-24	Mar-23
Net Profit Before Tax	57.25	41.23
Adjustments for: Non -Cash Items / Other Investment or Financial Items	-9.46	-2.20
Operating profit before working capital changes	47.79	39.03
Changes in working capital	-3.72	-31.81
Net Cash from Operating Activities	44.08	7.22
Net Cash from Investing Activities	-34.90	-9.45
Net Cash from Financing Activities	90.30	0.16
Net Decrease in Cash and Cash equivalents	99.47	-2.08
Add: Cash & Cash equivalents at the beginning of the period	6.25	8.33
Cash & Cash equivalents at the end of the period	105.72	6.25

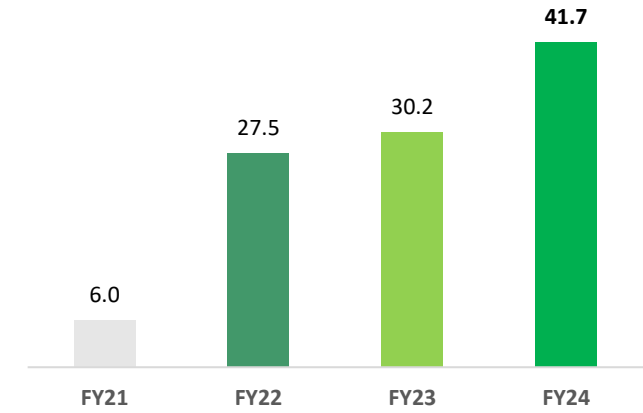
Revenue (Rs. Cr)



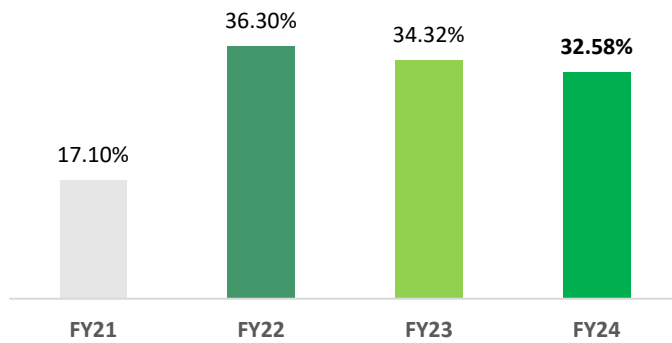
EBITDA (Rs. Cr)



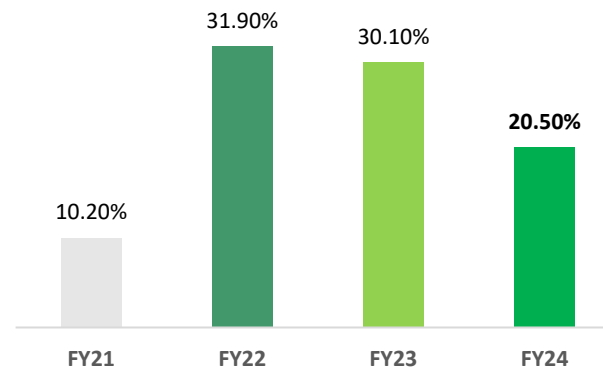
PAT (Rs. Cr)



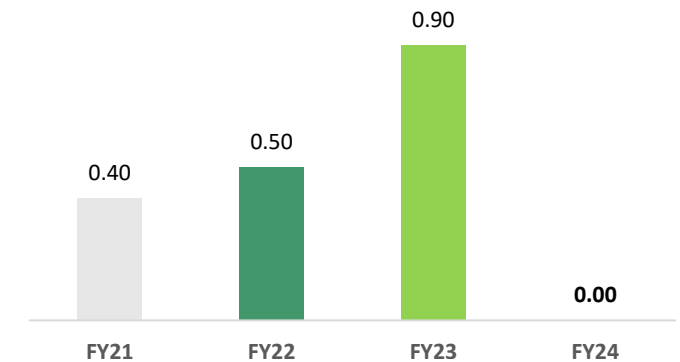
RoCE (%)



RoE (%)



Net Debt-Equity (x)





Commitment to Excellence

ABOUT US



Leading Manufacturer of Metallic flexible flow solutions

Scalable and Customized flexible flow solution products

De-risk and Diversified Portfolio

01

02

03

04

05

07

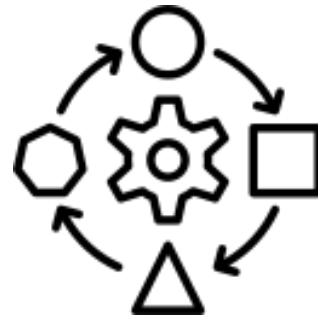
06

Responsible Corporate

Innovation & Strong R&D led Business

State of the art Infrastructure

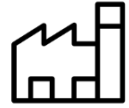
**There's Critical Flow,
Aeroflex Leads the Way**



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 **88 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

2,388+

No. of
SKU's



Global Customers
Accreditations

**Rs.317
Crs**

FY24
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

60.4%

- 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

33.6%

- 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

6.0%

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

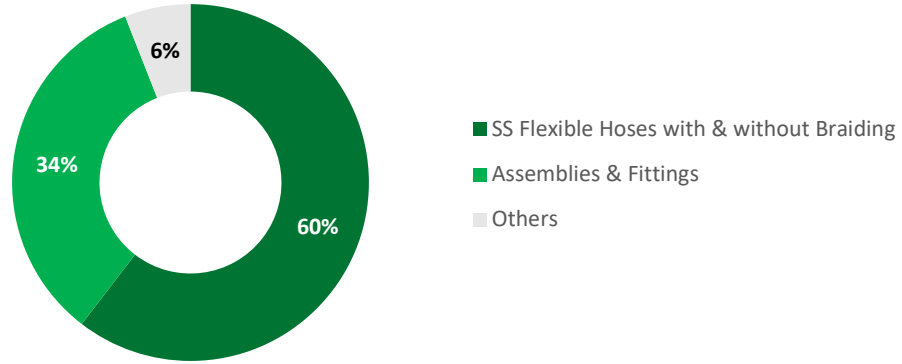


Aeroflex goes beyond mere product offerings;

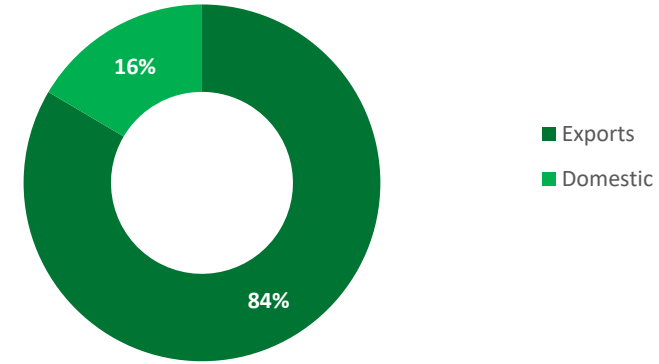
Our curated solutions enhance and elevate critical flow technologies across diverse industries

3. De-risk and diversified Portfolio – FY24

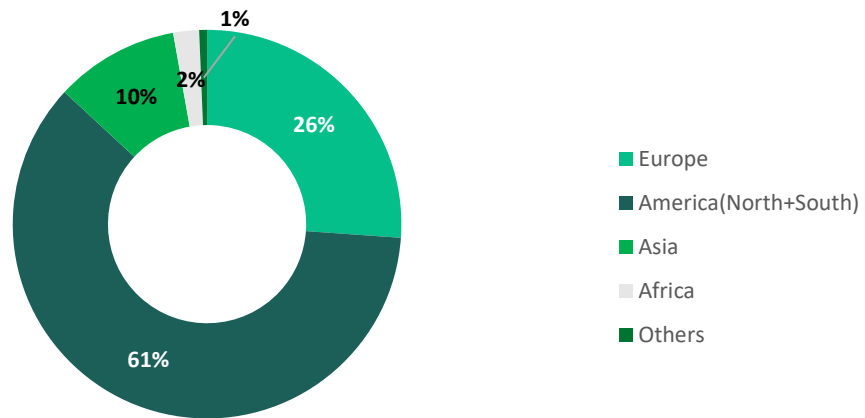
Product Segments



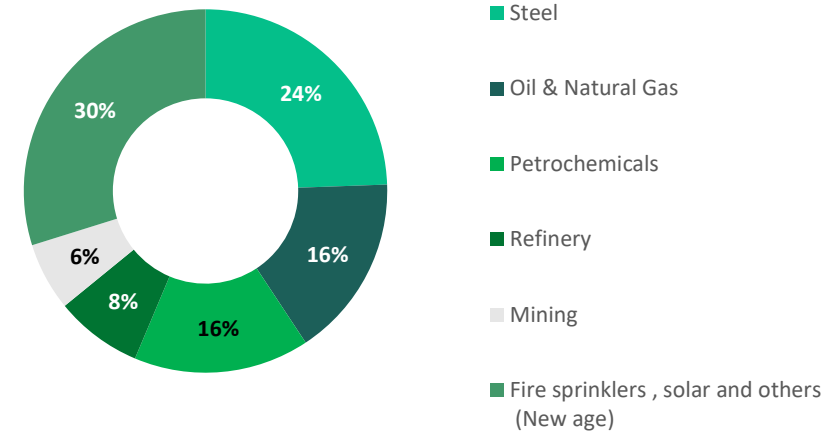
Domestic: Export Mix



Geographical Split



Industry Split

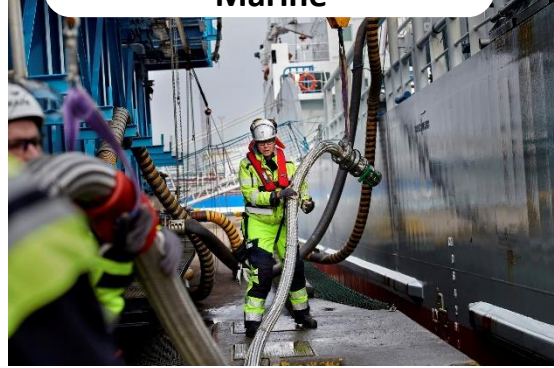


4. Wherever There's Critical Flow, Aeroflex Leads the Way

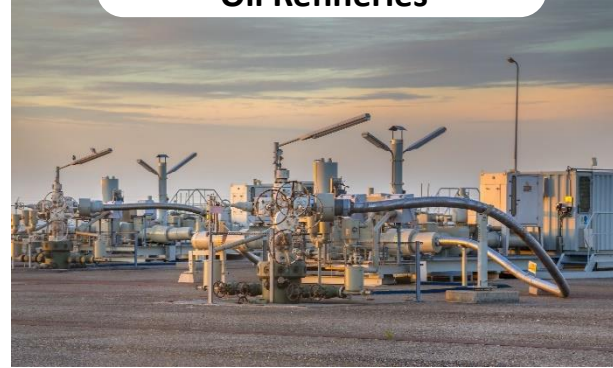
Aerospace



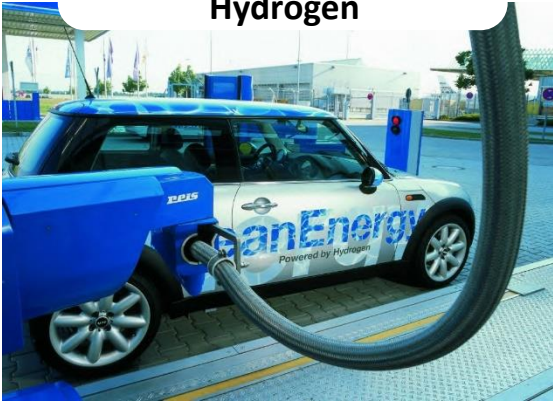
Marine



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



Absorb High Pressure



Temperature Resistant



Available in different sizes



Chemical Compatible



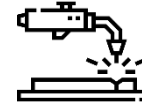
Well-equipped Infrastructure



Situated at
Taloja, Navi Mumbai



Production Capacity
13.5 million meters



Machine Lines
80+ lines



Employee Strength
480+ people



In-house Design
And R&D Laboratory



Presence in
88 Countries



Strategically Located
Near JNPT Port



Products used in **Critical flow application** across **diverse industries**

Total No. of SKU's
2,388 +

Particulars	Plant Capacity - FY24	Utilisation - FY24	Production - FY24	Production – FY23	Growth %
Hoses (Mtr. pa) (Hoses & Braiding)	1,35,00,000	87.91%	1,18,68,100	89,79,060	32.18%
Composite Hoses(Mtr. pa)	40,000	46.06%	18,424	-	-

6. Innovation & Strong R&D led Business

Key Products developed recently / under research and development

Fire Sprinklers Solution for EV buses	Development is underway for electric bus rooftops designed to provide protection against fires
Bronze Metal Flexible Flow Solutions	Bronze hoses for HVAC (Heat Ventilation and Air-conditioning)
A-704 Hoses	Higher thickness hose and longer lengths without joint (Mechanical Formed)
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 Spiral Hose	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

72+

Products across various stages of Research and Development

14

Qualified R&D Team Members



NABL Accredited Lab

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 material 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

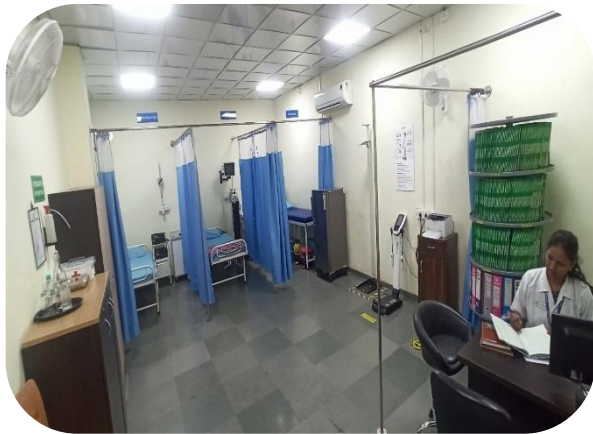
- We have implemented **Sales force CRM system** for managing the end- end flow from Lead generation to End order

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

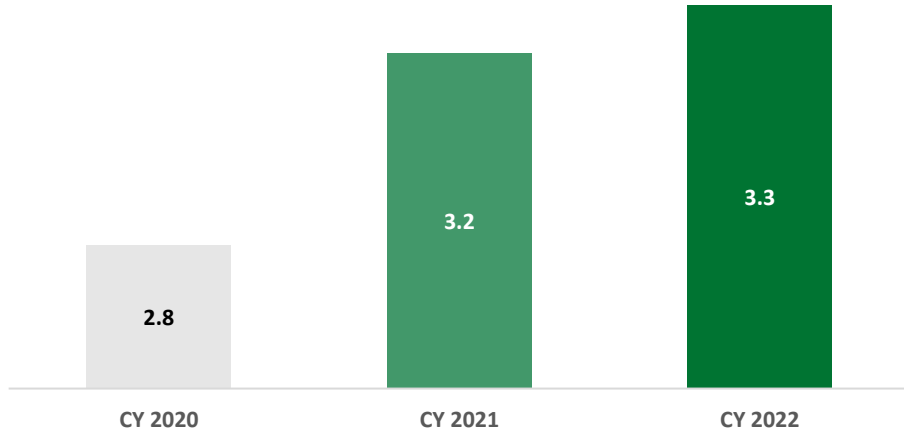
- Well equipped with trained & qualified nurses and medical equipment
- Dedicated beds for examination, dressing and physiotherapy
- Specialized Doctors on-boarded for periodic check-ups
- Affiliation with Medicovert Hospitals, Kharghar Navi Mumbai
- Body composition analysis done for every employee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



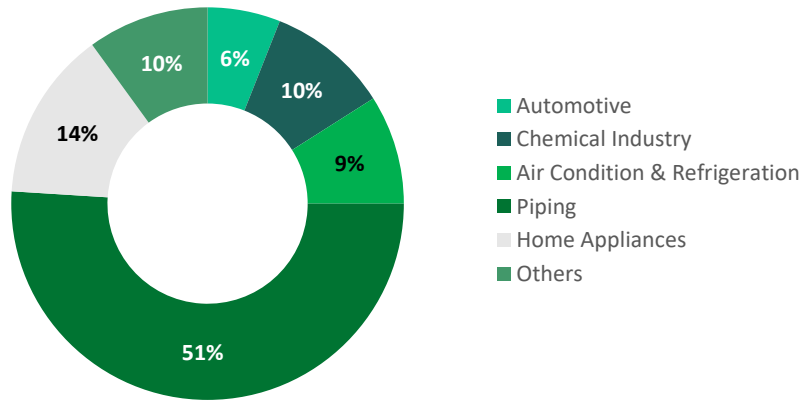
Aeroflex has established a Child Care Center at the Talaja Factory, exclusively for our employees. Here, we offer comprehensive Child care and creche services, all carefully designed to nurture the children of our workforce.



Global Market (USD Bn)



Global Market Share by Application



- Global market for **SS flexible hose** has grown at a CAGR of 8.2% to value at approximately USD 3.3 Bn in 2022
- Traditionally, the demand for Flexible Flow Solutions made with Stainless Steel Corrugation was largely driven by the industrial sector – manufacturing plants and manufacturing products from chemicals to paper
- Between FY'18-9M FY23, over 1,840 projects (brownfield and greenfield) were completed in the manufacturing
- With Flexible Flow Solutions made with Stainless Steel Corrugation application being universal, this large base is believed to have supported a strong demand for the product
- Given the increasing preference for Flexible Flow Solutions made with Stainless Steel Corrugation in place of rubber / PTFE / polymer hoses, the demand for the former from the industrial sector would be stable

Key Growth Drivers:

- Increasing Demand of HVAC system
- Large Scale Industrialization
- Modernization in Agriculture
- Govt initiative to curb Carbon Emission
- Demand from new edge industries like Aerospace, Satellite, Solar and Robotics



Capacity Expansion

The company has expanded existing capacity in a phased manner from 12.5 mn mtrs to 13.5 mn mtrs in Mar-24.

Plans to add another 3Mn. 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 - U24110MH1993PLC074576

Email: corporate@aeroflexindia.com

SGA Strategic Growth Advisors

Investor Relations Advisors:

Strategic Growth Advisors Pvt. Ltd.

CIN - U74140MH2010PTC204285

Ms. Manasi Bodas/ Ms. Shaily Patwa

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