

STERLING TOOLS LIMITED

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By NEAPS	By Listing Centre
National Stock Exchange of India Limited "Exchange Plaza", Bandra-Kurla Complex, Bandra (E) Mumbai-400051	General Manager BSE Limited 1 st Floor, P. J. Towers Dalal Street Mumbai – 400001
Security Code No.: STERTOOLS	Security Code No.: 530759

Date: 10th August, 2022
Ref.: STL/2022-2023

Sub: Investor Presentation for Quarter (Q1) ending on 30th June, 2022

Dear Sir/ Madam,

This is in continuation of our letter dated 28th July, 2022 with respect to intimation of Schedule of Analyst / Institutional Investor meeting – Conference Call on 10th August, 2022 at 4.00 p.m.

Further in pursuant to Regulation 30 read with Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith Investor Presentation for the quarter (Q1) ending on 30th June, 2022 of the Company .

This is for your information and records.

Sincerely
For **Sterling Tools Limited**

A handwritten signature in blue ink that reads 'Vaishali' with a flourish underneath.

Vaishali Singh
Company Secretary

Encl.: As above.



STERLING TOOLS LTD

INVESTOR PRESENTATION Q1 FY23

AUG 10th, 2022

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About Sterling Tools Ltd (STL)



1 STL is the **2nd** largest automotive fastener manufacturer in India since last 4 decades

2 Well **diversified** presence across all automotive segments and customers

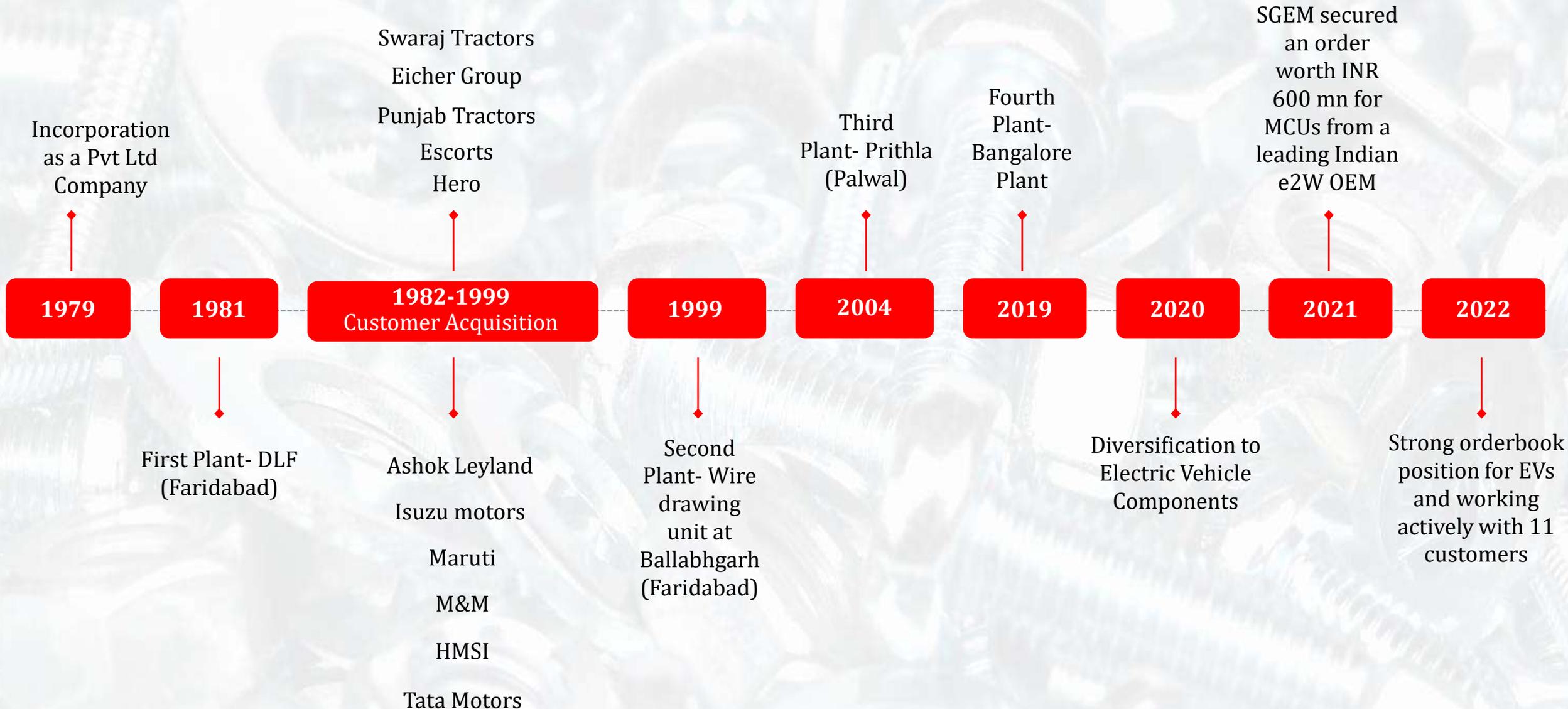
3 Strategically located **4 Manufacturing facilities**- 3 in North India (Faridabad) and 1 in South India (Bangalore)

4 Rated by ICRA **A1+/AA-** (Highest short term rating)

5 One of the **largest MCU** supplier for electric vehicles in India

6 Entered the **EV space in 2020**– Now one of the largest e-2W MCU suppliers in India

History & Milestones



Mr. Manohar Lal Aggarwal

Chairman Emeritus

Mr. Anil Aggarwal

Chairman-cum Managing Director

38+ years of experience
Expertise in Manufacturing, Project management, Administration, Product and Project development and Quality control for auto components

Mr. Atul Aggarwal

Whole Time Director

34+ years of experience,
Expertise in Marketing,
Banking, Finance, Corporate
Affairs, Information
Technologies and Export
Resources Management.

Dr. Triloki Nath Kapoor

Director

50+ years of experience,
Expertise in Administration,
Management, Regulatory
Compliances and Governance
related issues.
Ex- Vice Chancellor and Dean of
Punjab University.

Mr. Chhotu Ram Sharma

Director

40+ years of experience,
Expertise in Banking & Finance
Ex- MD & CEO of Bank of
Punjab Ltd.

Ms. Malini Sud

Director

35+ years of experience,
Expertise in Corporate Laws
Founder- Capex Legal.

Mr. Shailendra Swarup

Director

50+ years of experience,
Expertise in Corporate Law
including International Law
CEO- Swarup & company.

Mr. Rakesh Batra

Director

30+ years of experience,
Expertise in Consulting and
Strong knowledge in
Regulatory Compliances
Ex- EY Partner and National
Leader Auto Sector.

Mr. Jaideep Wadhwa

Director

30+ years of experience,
Expertise in International
Business Management, Auto &
Industrial Component Industry
Knowledge.
Ex- MD in the Ingersoll Rand.

Mr. Akhill Aggarwal

Director

10+ years of experience,
Expertise in Automobile
business and other allied
services related to the sector.

Vision

We provide reliable and superior quality auto components to our customers by harnessing best-in-class manufacturing practices, clean and green technology, entrepreneurial spirit, and passion of our people



**360 Degree
Vision**

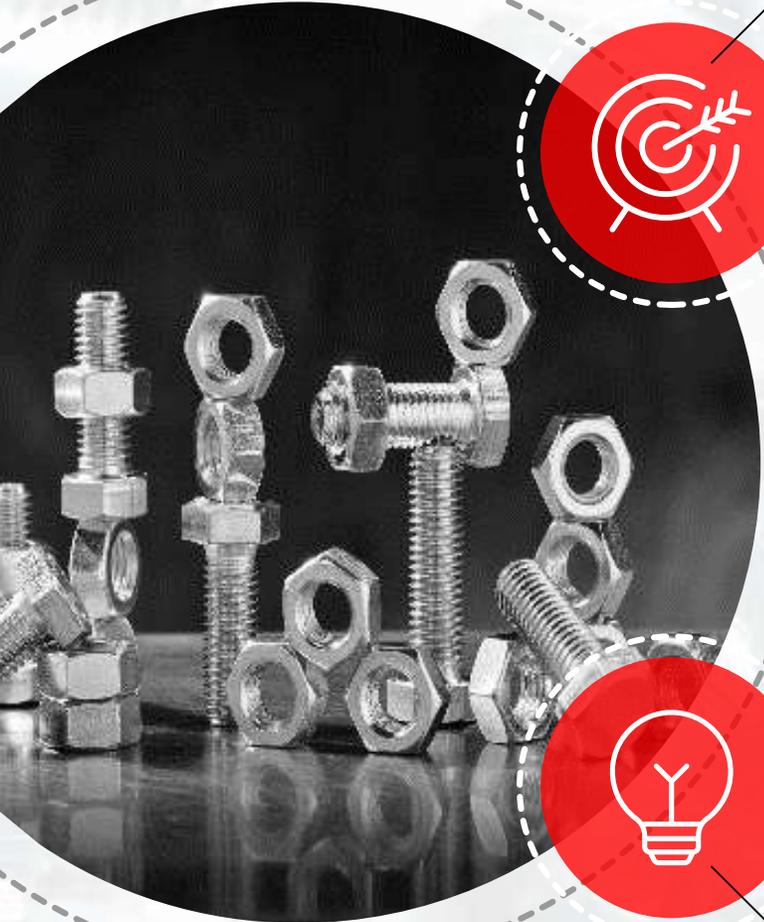
**Achieving
Excellence**

**Engineering
To Perfection**

- Be the most trusted brand for our customers
- Maximize value for our shareholders
- Be respected in our community
- Bring pride to our people



Mission





Two Wheelers: Favourable monsoon outlook led rural demand recovery, cut in fuel prices and easing commodity prices may support 2W demand; high inflation remains a concern

Passenger Vehicles: The underlying demand for the industry continues to be robust; (Q1FY23 retail sales averaging at ~92% of pre-Covid levels) inventory levels across dealerships have started improving, even as they remain lower than the normal levels at around 15-20 days.

Supply shortage is expected to fully resolve by 2023; the impact of the ongoing Russia Ukraine crisis on chip supplies remains monitorable

Commercial Vehicles: Domestic CV industry volumes are on a recovery track as a result of gradual improvement in the macroeconomic environment and healthy demand from the end user industries.

Tractors: Industry volumes have remained healthy over the past three months, after a period of moderation in volumes, aided by healthy rabi cash flows forecast of normal monsoons and continuation of healthy procurement by the Government to support rural cash flows and industry demand



Fasteners Business:

- Increase in SOB with existing customers based on the quality customer relations and services

Electric Vehicle Business:

- Order from India's leading CV OEM for MCUs for LCV
- Order for 4in1 (Auxiliary Drives, DC/DC, PDU) from a HCV OEM
- Continued inroads into the electric low speed scooter, high speed scooter, motorcycle and L5 segments

Key Financial Highlights For The Quarter



Revenues increased by 53% Y-o-Y
to

Rs 138 Cr

EBITDA increased by 50% Y-o-Y
and 16% Q-o-Q to

Rs 22 Cr

EBITDA Margin increased by
230 bps Q-o-Q to

15.6%

PAT increased by 97% Y-o-Y
and 6% Q-o-Q to

Rs 9 Cr



Fasteners Business



Product Range- Fasteners



Bolts and Screws

Size : M5 to M24 and equivalent inch series
Lengths: 8 mm to 250 mm

Nuts

M6 to M 22 and equivalent inch series

Engine / Special Fasteners



Standard / Chassis Fasteners



Chassis Fasteners



Engine Fasteners



Special Fasteners



Standards



Indian Standards



German Standards



Japanese Standards



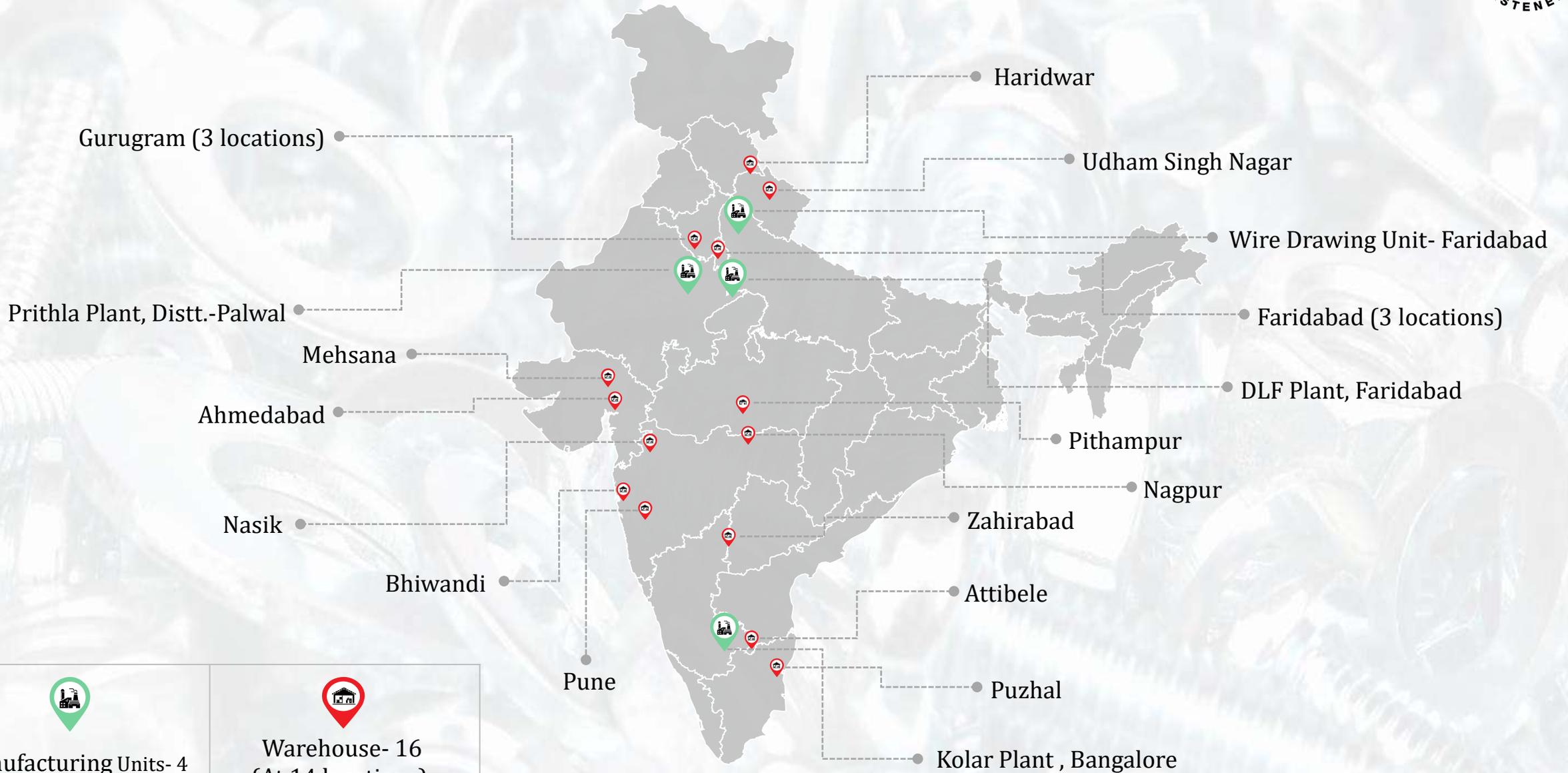
American Standards



British Standards

Strictly Confidential

Pan India Presence- Fasteners



 Manufacturing Units- 4	 Warehouse- 16 (At 14 locations)
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Manufacturing Facilities



DLF Plant, Faridabad



Wire Drawing Plant, Faridabad



Prithla Plant, Palwal



Bangalore Plant



Key Clientele- Fasteners



Passenger Vehicles



Two Wheelers



Farm Equipment



Commercial Vehicles



Exports



Construction



Aftermarket

Strong Pan-India presence with 100 Distributors



TIER-1



Swaraj Engines Limited



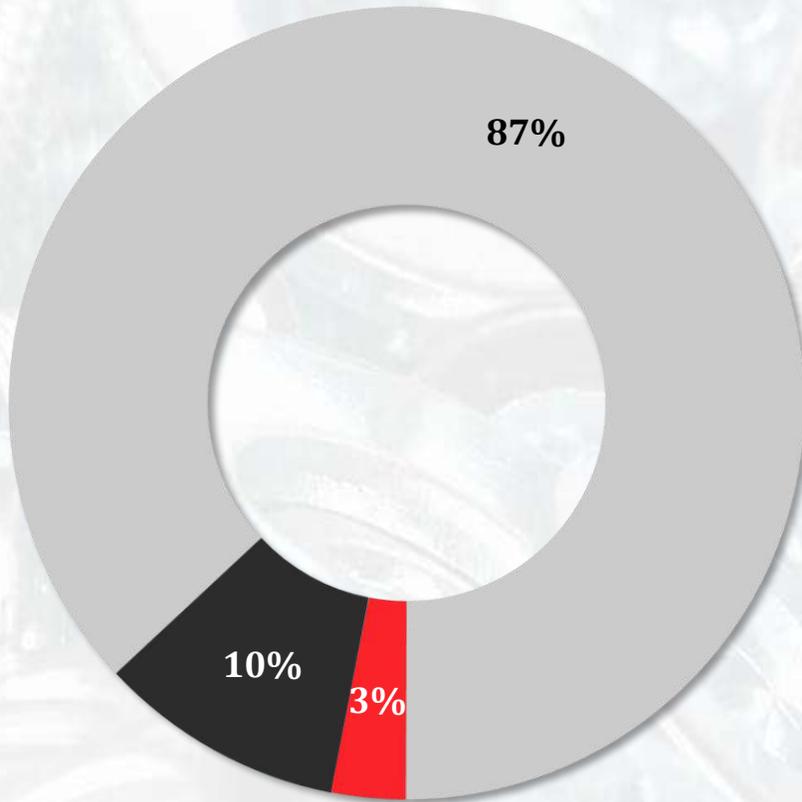
WHEELS INDIA LIMITED



Well Diversified Revenue Mix

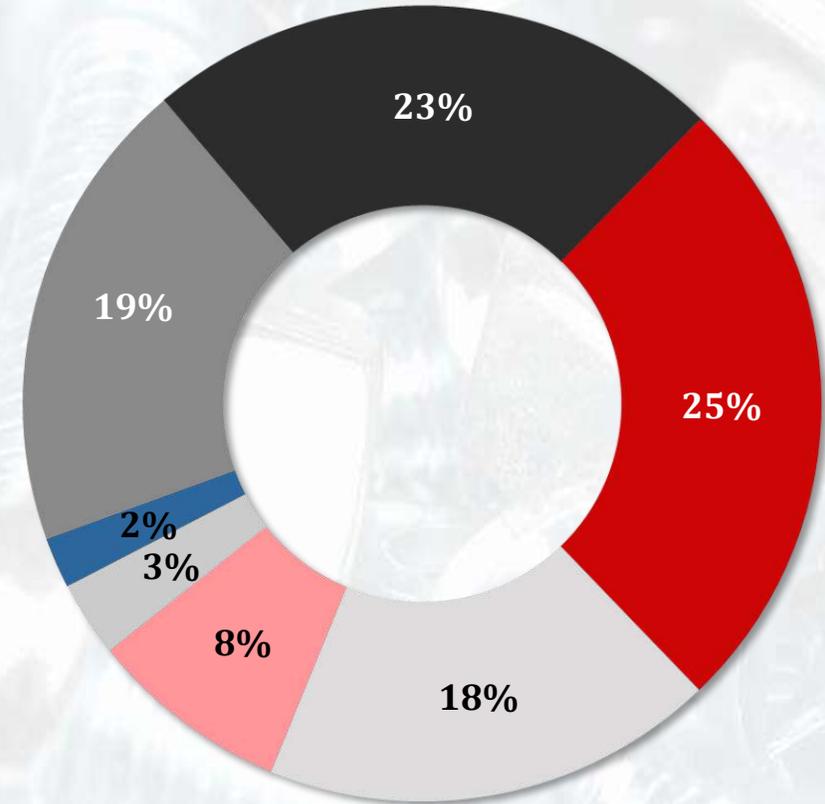


Channel-wise Mix



■ OEM ■ Exports ■ Replacement

Segment-wise Mix



■ 2W ■ PV ■ CV ■ Farm equipment & Off-road ■ Retail ■ Exports ■ Others



STERLING GTAKE
E-MOBILITY

Electric Vehicle Business



Forging The
Future



Investor
Presentation

1

Partnership between Sterling Tools and Jiangsu Gtake of Shenzhen (China).

2

Gtake is a technology leader in motor control units for electric and hybrid vehicles and has a dominant market share in the electric CV space in China.

3

The agreement calls for the companies to manufacture motor control units domestically to cater to the Indian automotive market as well as to develop local design (hardware & software customization) engineering, application support and after-sales service capabilities.

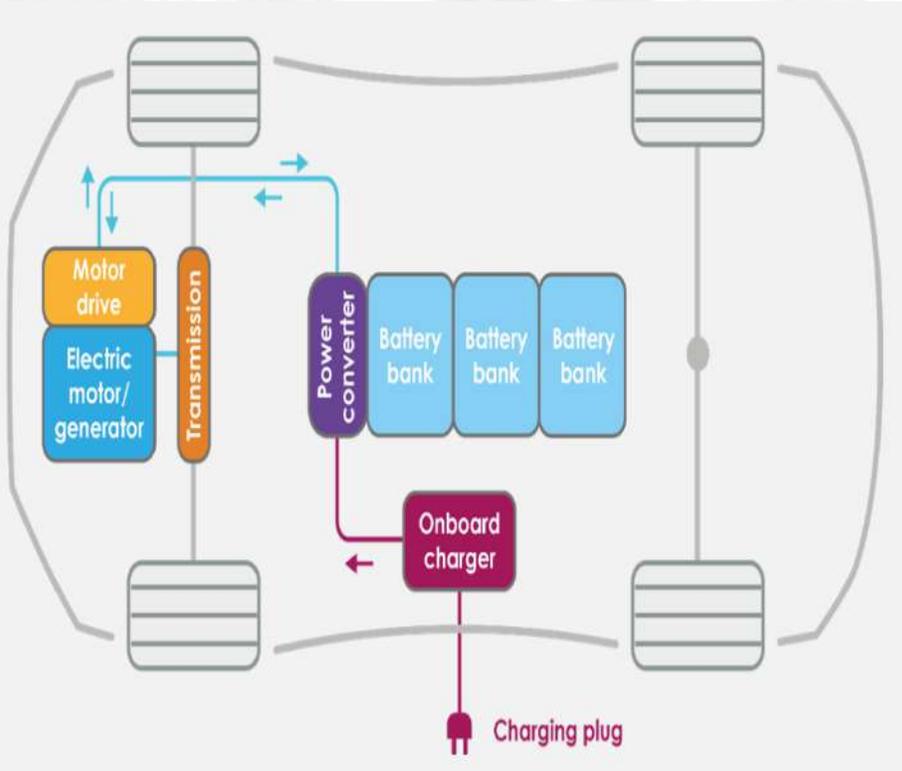
4

Installed capacity of 300,000 MCUs facility expansion being planned to further enhance capacity.

5

First mover advantage in application support, market development as well as product localization.

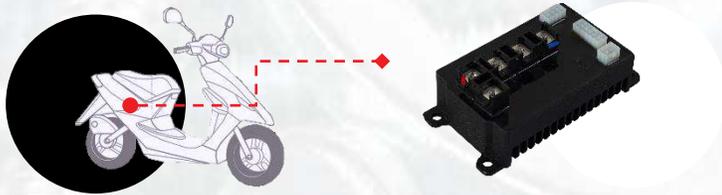
About Motor Control Unit (MCU)



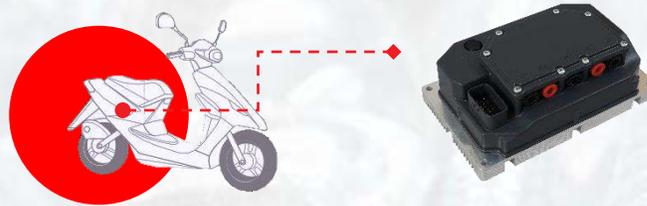
- 1 A Motor Control Unit (MCU) is an electronic module that interfaces with the Motor as well as the Battery Pack to control the electric vehicle's speed, acceleration and range based on the throttle input.
- 2 MCUs are one of the most important components of an EV and require a combination of power electronics, motor control algorithm and firmware expertise.
- 3 In the absence of a VCU, the MCU also controls some basic vehicle level functionality.
- 4 EV powertrain usually describes a sub-system consisting of the motor, controller and gearbox/differential. Some EV powertrain suppliers may also include the battery pack, the AC/DC and DC/DC convertors, the wiring harnesses and possibly the instrument cluster so as to provide a comprehensive solution for the entire electrical sub-system.
- 5 MCUs make upto 10% of electric 2W cost.

SGEM Product Portfolio

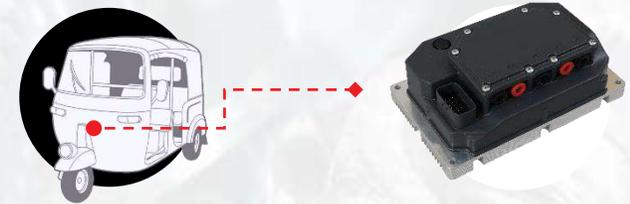
Product: D00
Application: Low Speed Scooter



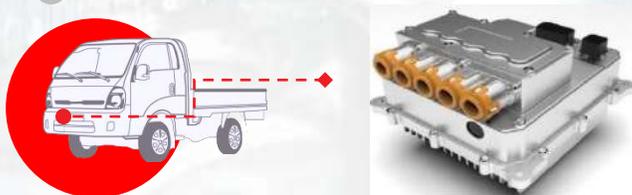
Product: D06
Application: High Speed Scooter



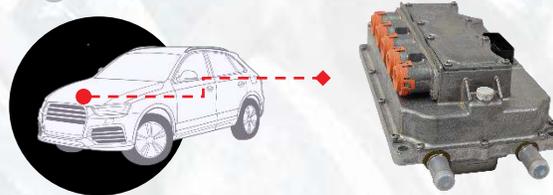
Product: D03
Application: Performance Scooters & 3W



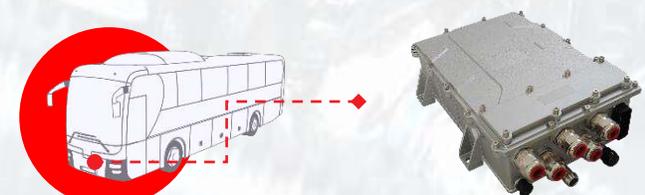
Product: D04
Application: Light Commercial Vehicles



Product: G05
Application: Passenger Vehicles



Product: G02
Application: Heavy Commercial Vehicles



Product portfolio covers the entire spectrum of applications from 1 KW to 200 KW and 48V to 700V

Investor Presentation

- 1 SGEM has production orders from 11 EV OEMs.
- 2 SGEM is in advanced stages of discussions with more than 30 automobile (EV) OEMs for their MCU requirements for different vehicle segments, including two-wheelers, three-wheelers, passenger vehicles and commercial vehicles.
- 3 3 product families are at advanced stages of localization and already compliant or in the process of being compliant with FAMEII requirements.
- 4 3 additional product families likely to be localized in FY23 basis finalization of customer programs.
- 5 In-house SMT lines for board population planned.
- 6 Local product development initiated.

Sterling Group EV Vision



Motor Controller



Motor



AC/DC chargers / OBC



Battery / BMS



Financial Summary

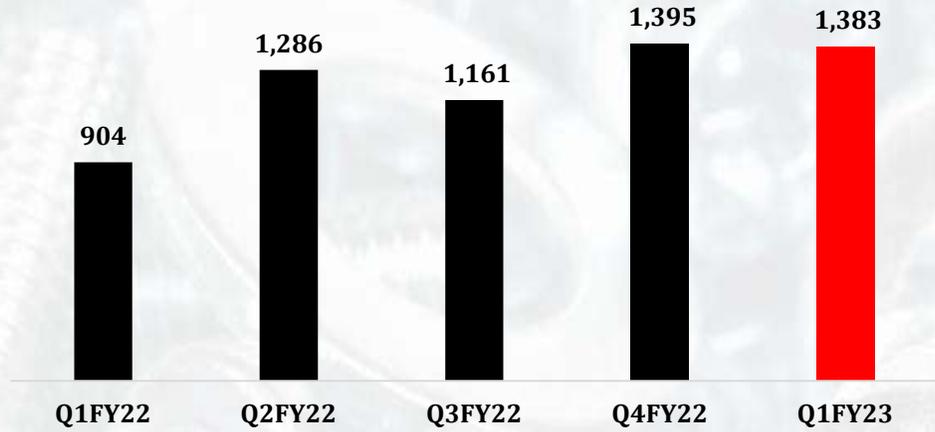


Standalone Quarterly Financials

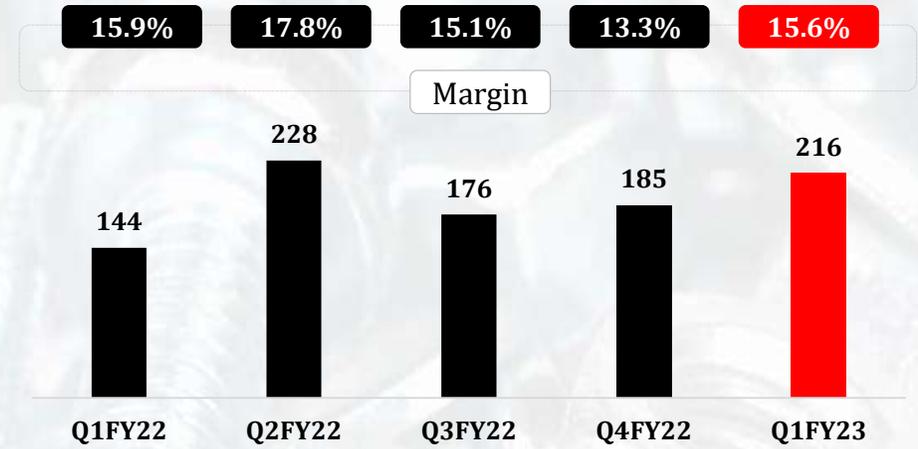


Rs. In Mn

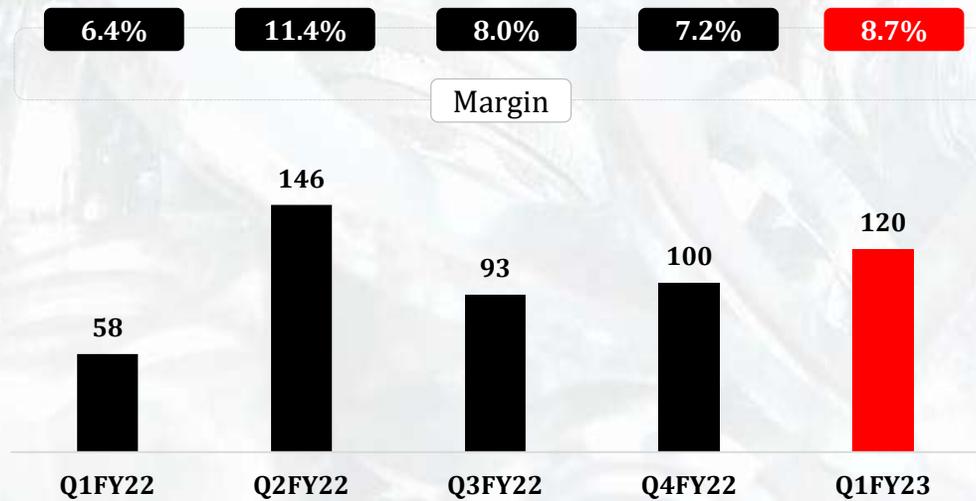
REVENUE



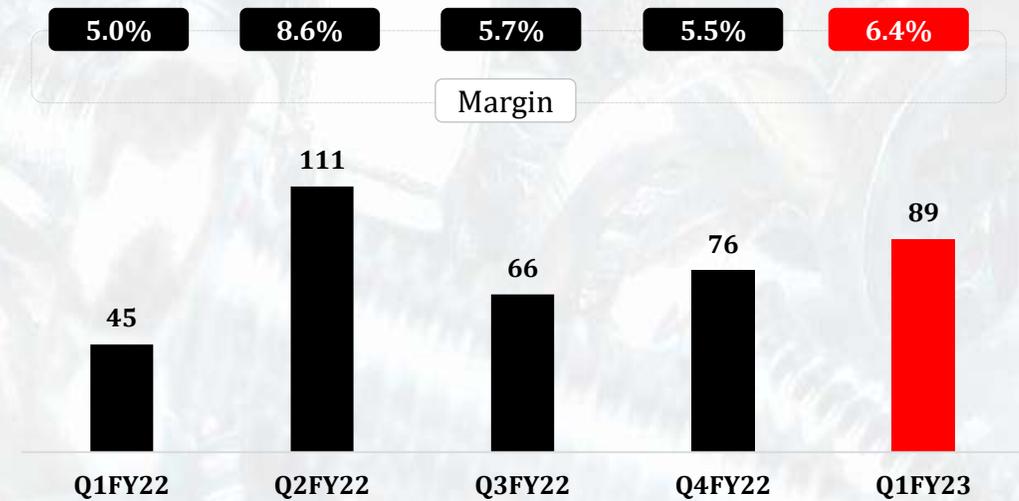
EBITDA & EBITDA Margin (%)



PBT & PBT MARGIN%



PAT & PAT MARGIN



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Sterling Tools Limited

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