



SALZER

Salzer Electronics Limited

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August 07, 2023

To

THE CORPORATE RELATIONSHIP DEPT
M/s. BSE Limited
I Floor, New Trading Ring,
Rotunda Building,
P. J. Towers, Dalal Street,
Fort, Mumbai - 400 001.

M/s. NATIONAL STOCK EXCHANGE OF INDIA LTD.,
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex,
Bandra (E), Mumbai – 400 051
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SCRIP CODE: 517059

Symbol: **SALZERELEC**

Dear Sir,

Sub: Intimation under Regulation 30 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”)

Pursuant to Regulation 30 of the SEBI Listing Regulations, please find attached a press release on the unaudited Financial Results of the Company for the quarter ended 30th June 2023.

The above is for your information, records and dissemination please.

Thanking you

Yours Faithfully

For SALZER ELECTRONICS LTD

K.M.Murugesan
Joint Company Secretary
Membership No: A25953

Salzer Electronics reports strong results for the quarter ended 30th June, 2023

- Over 20% YoY growth in consolidated quarterly revenues - driven by in 41% YoY growth in Industrial Switchgear and 12% YoY growth in Wires & Cables
- Q1 FY24 EBITDA (excluding other income) at Rs. 26.07 crore – YoY growth of 26%
- Q1 FY24 EBITDA Margin at 9.03% - YoY growth of 33 bps

Particulars (Rs. Cr)	Consolidated					
	Q1 FY24	Q1 FY23	YoY	FY23	FY22	YoY
Net Revenue	288.67	237.90	21.3%	1,037.09	803.54	29.07%
EBITDA (excluding other income)	26.07	20.70	25.9%	95.90	66.24	44.78%
EBITDA Margin	9.03%	8.70%	33 bps	9.25%	8.24%	101 bps
PAT	10.17	9.64	5.5%	39.60	24.20	63.64%
Basic EPS (Rs.)	6.10	6.03	1.5%	24.21	14.14	71.22%

Coimbatore, August 7th, 2023: Salzer Electronics Limited (BSE: 517059, NSE: SALZERELEC), a capital goods engineering Company offering total and customised electrical solutions, announced its unaudited financial results for the First quarter ended 30th June 2023.

Consolidated Financial Performance Highlights

For the Quarter ended June 30th, 2023:

- **Net Revenue** in Q1 FY24 was **Rs. 288.67 crore** as against Rs. 237.90 crore in Q1 FY23, **YoY growth of 21.3%**. This growth was mainly driven by higher demand for Industrial switchgear business
- ✓ Contribution from **Exports at 22.55%**, export revenue grew 37.9% YoY in Q1 FY24, driven by higher sales from North and South America, Europe and Asian countries.
- **EBITDA (excluding other income) was Rs. 26.07 crore** in Q1 FY24 as against Rs. 20.70 crore in Q1 FY23, **YoY growth of 25.9%** on account of increased sales in the higher margin Switchgear products
- **EBITDA Margin for the quarter stood at 9.03%, rise of 33 bps**
- **Profit After Tax at Rs. 10.17 crore** in Q1 FY24 as against Rs. 9.64 crore in Q1 FY23, **YoY growth of 5.5%**

Q1 FY24 performance highlights of the key businesses of Salzer Electronics Limited:

Industrial Switch Gear Division:

- Industrial Switchgear business division comprises of LOW voltage products such as Toroidal Transformers, Three phase transformers, Rotary Switches, Isolators, General Purpose relays, Wire Harness, Wiring Ducts, MPCB's, Contactors & OLR's, Control Panels, Terminal Blocks, and Sensors. This division offers around 15 products that are all internationally certified
- This business grew 40.7% YoY and contributed 55.04% to the total revenues in this quarter
- The EBIDTA Margin in this business was 11.32% in Q1FY24

Wire & Cables Division:

- Wires & Cables business division comprises of mid voltage products such as Wires & Cables, Flexible Bus Bars, Enamelled Wires, Bunched Conductors and Tinned Copper Wires
- This business division contributed 39.72% to the total revenues this quarter and grew 12.3% YoY in Q1 FY24
- This Division's EBIDTA Margin stood at 6.45% in Q1 FY24 and Lower sales and increased volatility in copper prices impacted margins by 30 bps in Q1 FY24.

Building Products Division:

- Building Electrical Products division comprises of products such as Modular Switches, Wires & Cables, MCB's Distribution Boards and Changeovers
- This division contributed 5.24% to the total revenue in this quarter. The EBITDA Margin of this business division was 0.33% in Q1 FY24.

Management Comment:

Commenting on this, Mr. Rajesh Doraiswamy, Joint Managing Director, Salzer Electronics Ltd said:

"During the First quarter of the financial year, we registered a consolidated revenue of Rs. 288.67 crores with EBITDA (excluding other income) and PAT of Rs. 26.07 crore and Rs. 10.17 crore, respectively. This growth was mainly driven by the higher margin switchgear business that led to margin improvement. Our revenues from exports were largely from Asia, North & South America as well as Europe.

We expect to continue with a similar growth trajectory with our strong product offerings and brand position in the market. Based on domestic and export outlook, we are cautiously optimistic about the overall business performance.

I am also happy to share that to further strengthen & professionalize our Board, we have appointed two non Executive Independent Directors – Mr Sharat Chandra Bhargav and Ms Priya Bhansali. Both are experienced professionals with over two decades of experience and hold directorship positions in various capacities in Indian organizations. Sharat, an engineer from IIT Kharagpur with a Management degree from Wharton Business School while Priya is a CA and a Managing Partner in Kumbhat & Co. I welcome them both and look forward to their valued inputs to help us take our Company to new heights.

I thank the entire team at Salzer Electronics for their untiring efforts and all our stakeholders for their continued support and faith in our Company.”

About Salzer Electronics Limited

- Salzer is a Leading player offering Total and Customized Electrical Solutions in Switchgears, Wires & Cables, and Energy Management business. It is the largest manufacturer of CAM Operated Rotary switches & Wire Ducts in India. The Company caters to a wide range of products with four in-house manufacturing facilities, located in Coimbatore.
- The Company has a wide distribution network locally and globally, exporting to many countries.
- In India, Salzer markets its products through its own distributors and more than 350 local distributors of L&T. The Company has a strong R&D team that focuses on developing and commercializing the technologies of the products, and as a result, can offer total customized electrical solutions to its customers.

For further information, please contact:

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Caution Concerning Forward- Looking Statements:

This document includes certain forward-looking statements. These statements are based on management's current expectations or beliefs and are subject to uncertainty and changes in circumstances. Actual results may vary materially from those expressed or implied by the statements herein due to changes in economic, business, competitive, technological and/or regulatory factors. The Company is under no obligation to, and expressly disclaims any such obligation to, update or alter its forward-looking statements, whether as a result of new information, future events, or otherwise.