



February 10, 2024

To

BSE Limited 1st Floor, New Trading Ring, Rotunda Building, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400001 Scrip Code: 544057	National Stock Exchange of India Ltd Exchange Plaza, 5th Floor, Plot No. C/1, G block, Bandra-Kurla Complex, Bandra (E), Mumbai 400051. Symbol: HAPPYFORGE
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Sub : Press Release dated February 10, 2024, for Unaudited Financial Results of the Company for the Quarter and Nine Months ended 31st December, 2023

Dear Sir(s)/ Madam(s),

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed a copy of the Press Release dated February 10, 2024, with respect to the Unaudited Financial Results of the Company for the Quarter and Nine Months ended 31st December 2023.

Kindly take the above information on your record.

Thanking you,

FOR HAPPY FORGINGS LIMITED

BINDU Digitally signed
by BINDU GARG
GARG Date: 2024.02.10
14:58:26 +05'30'

BINDU GARG
COMPANY SECRETARY &
COMPLIANCE OFFICER
M.NO.- F6997

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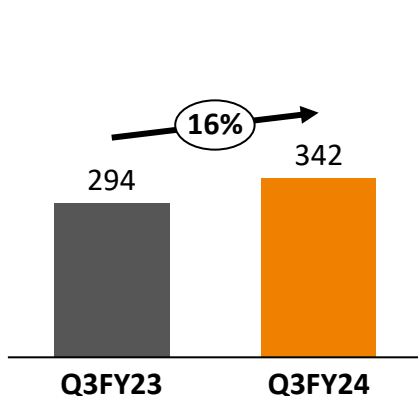
Investor Release: 10th February 2024, Mumbai

Happy Forgings Limited (NSE: HAPPYFORGE, BSE: 544057)

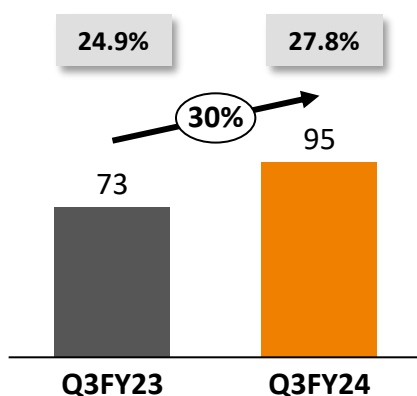
The Board of Directors of Happy Forgings Limited have declared its unaudited financial results for quarter ended 31st December 2023.

Financial Highlights (in Rs. Crs)

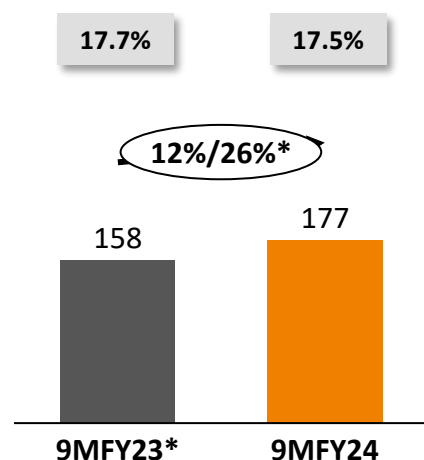
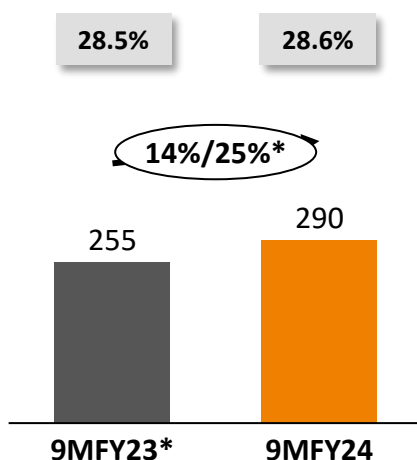
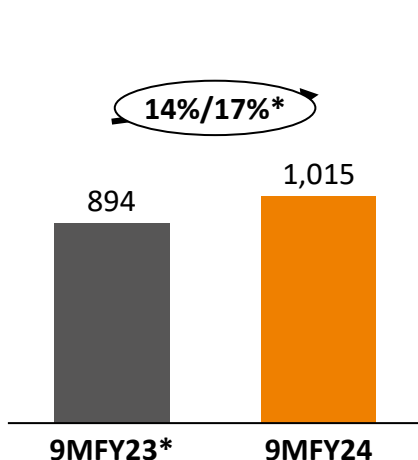
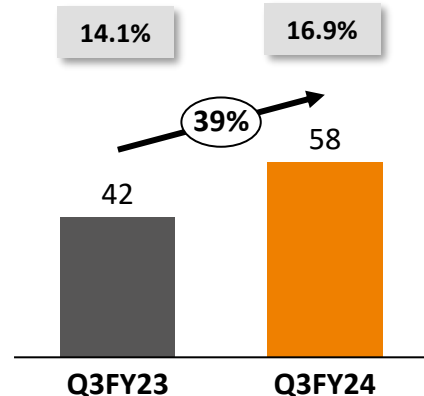
REVENUE FROM OPERATIONS



EBIDTA & EBITDA%



PAT & PAT%



Return Ratios	FY23	9MFY24#
RoE %	23.5%	22.0%
RoCE %	25.7%	24.4%
Fixed Assets Turnover^	1.4	1.4
Net Debt /EBITDA	0.6	(0.3)

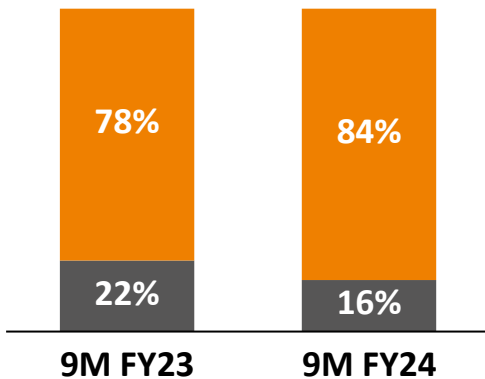
* For the 9MFY23 period, refund of eligible Net SGST incentive pertaining to earlier years of Rs.23.2 crs was recognised (Rs. 9.9 crs on receipt basis and Rs. 13.3 crs on accrual basis). Adjusting for this prior period income in 9MFY23, revenue from operations, EBITDA and PAT growth has been 17%, 25% and 26% respectively. Adjusted EBITDA and PAT margin for 9MFY23 would be 26.6% and 16.1% respectively.

9MFY24 ratios are on annualized basis. ROE and ROCE are adjusted for IPO proceeds

^ Computed on Gross Block



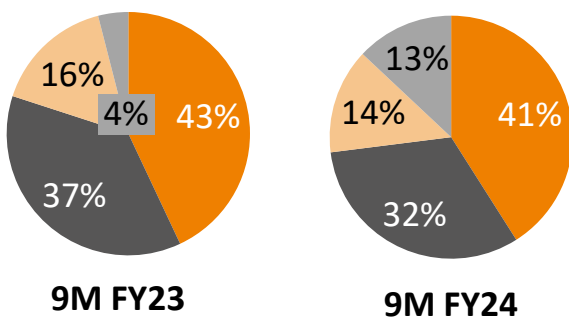
PRODUCT MIX



- Contribution of machined products increased from 78% to 84%
- Enhanced contribution of machined products driven by strength in machining and overall value addition to products leading to high EBITDA margins

■ Forged Products ■ Machined Products

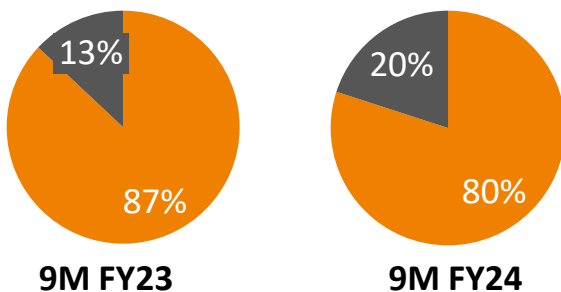
SEGMENT MIX



- Increase in segment mix towards industrial products have helped in margin expansion
- Share of Industrials business increased from 4% to 13%

■ Automotive - Commercial Vehicles ■ Non-Automotive - Off Highway Vehicles
 ■ Non-Automotive - Farm Equipments ■ Non-Automotive - Industrials

GEOGRAPHY MIX



- Exports share increased from 13% to 20%

■ Domestic ■ Exports

Commenting on the results, **Mr. Ashish Garg, Managing Director** said,

We are happy to see an overwhelming response to our IPO. With the IPO proceeds, we have successfully reduced debt and plan to utilize the remaining funds for the upcoming capex. Current Debt/Equity is 0.1x.

In Q3FY24, we registered a 16% YoY revenue growth despite of falling steel prices (volume growth of ~20% YoY), a notable 30% increase in EBITDA and 39% increase in PAT. EBITDA margins expanded by ~295 bps to 27.8%, primarily led by ~75% growth in exports business and further increase in the contribution of value-added machining business to 84%. For 9MFY24, revenue from operations grew by ~17%, EBITDA by ~25% and PAT by 26%.*

We maintain a healthy balance sheet with strong liquidity, positioning us well for future investments and expansion.

Over the medium term, our growth will be backed by increasing utilization at our existing units, addition of capacity with the on-going capex and addition of new customers both domestically and in international markets.

In summary, we are proud of our achievements and confident in our ability to capitalize on opportunities ahead, driving continued success and value for stakeholders.

* For the 9MFY23 period, refund of eligible Net SGST incentive pertaining to earlier years of Rs.23.2 crs was recognised (Rs. 9.9 crs on receipt basis and Rs. 13.3 crs on accrual basis). Adjusting for this prior period income in 9MFY23, revenue from operations, EBITDA and PAT growth has been 17%, 25% and 26% respectively. Without considering this adjustment, revenue growth, EBITDA growth and PAT growth has been 14%, 14% and 12% respectively.

About Happy Forgings Limited

The Company is one of the largest engineering led manufacturer of complex and safety critical, heavy forged and high precision machined components in India in terms of forgings capacity.. The Company through its vertically integrated operations is engaged in engineering, process design, testing, manufacturing, and supply of a variety of components that are both margin accretive and value-additive. The Company primarily caters to domestic and global original equipment manufacturers (“OEMs”) manufacturing commercial vehicles in the automotive sector, while in the non-automotive sector, caters to manufacturers of farm equipment, off-highway vehicles and manufacturers of industrial equipment and machinery for oil and gas, power generation, railways and wind turbine industries.

Safe Harbor Statement

Statements in this document relating to future status, events, or circumstances, including but not limited to statements about plans and objectives, the progress and results of research and development, potential project characteristics, project potential and target dates for project related issues are forward-looking statements based on estimates and the anticipated effects of future events on current and developing circumstances. Such statements are subject to numerous risks and uncertainties and are not necessarily predictive of future results. Actual results may differ materially from those anticipated in the forward-looking statements. The company assumes no obligation to update forward-looking statements to reflect actual results changed assumptions or other factors.

For further information, please contact

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