

## Rolex Rings Limited

*Update on earnings for Q2FY23*

---



*This presentation and the accompanying slides (the "Presentation"), which have been prepared by Rolex Rings Ltd (the "Company"), have been prepared solely for information purposes and do not constitute any offer, recommendation or invitation to purchase or subscribe for any securities, and shall not form the basis or be relied on in connection with any contract or binding commitment whatsoever. No offering of securities of the Company will be made except by means of a statutory offering document containing detailed information about the Company. This Presentation has been prepared by the Company based on information and data which the Company considers reliable, but the Company makes no representation or warranty, express or implied, whatsoever, and no reliance shall be placed on, the truth, accuracy, completeness, fairness and reasonableness of the contents of this Presentation. This Presentation may not be all inclusive and may not contain all of the information that you may consider material. Any liability in respect of the contents of, or any omission from, this Presentation is expressly excluded. Certain matters discussed in this Presentation may contain statements regarding the Company's market opportunity and business prospects that are individually and collectively forward-looking statements. Such forward-looking statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties and assumptions that are difficult to predict. These risks and uncertainties include, but are not limited to, the performance of the Indian economy and of the economies of various international markets, the performance of the industry in India and world-wide, competition, the company's ability to successfully implement its strategy, the Company's future levels of growth and expansion, technological implementation, changes and advancements, changes in revenue, income or cash flows, the Company's market preferences and its exposure to market risks, as well as other risks. The Company's actual results, levels of activity, performance or achievements could differ materially and adversely from results expressed in or implied by this Presentation. The Company assumes no obligation to update any forward-looking information contained in this Presentation. Any forward-looking statements and projections made by third parties included in this Presentation are not adopted by the Company and the Company is not responsible for such third party statements and projections*

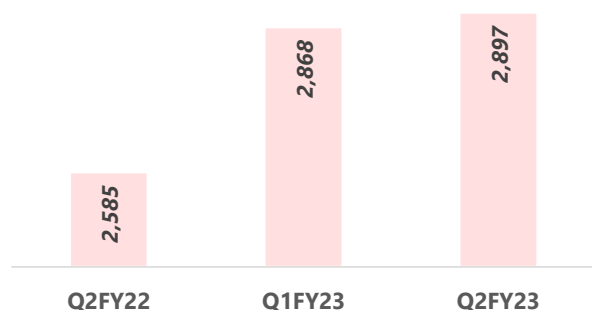
## Q2 FY23 financials and business developments

---

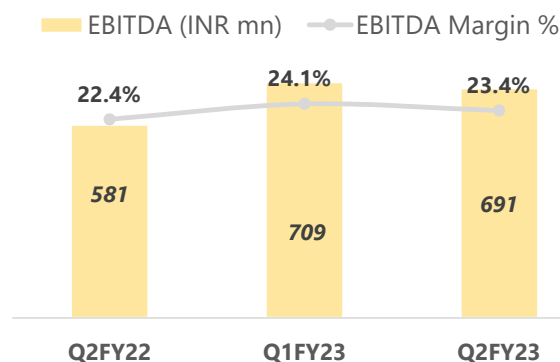
## Financial Performance - Quarterly



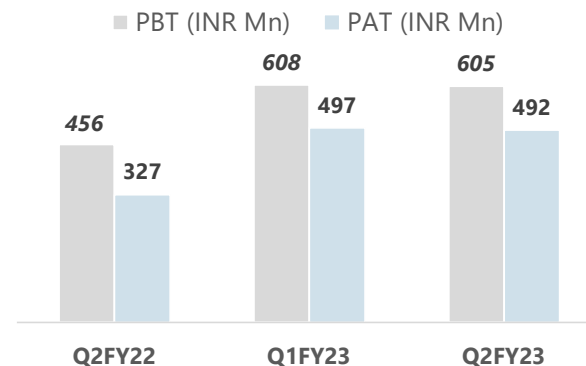
### Revenues from Operations (₹ mn)



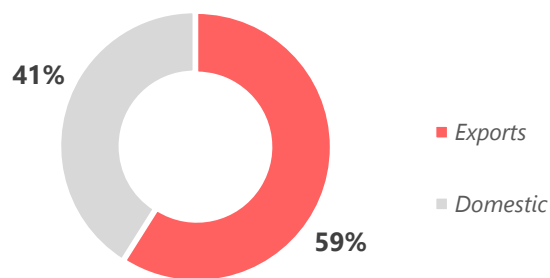
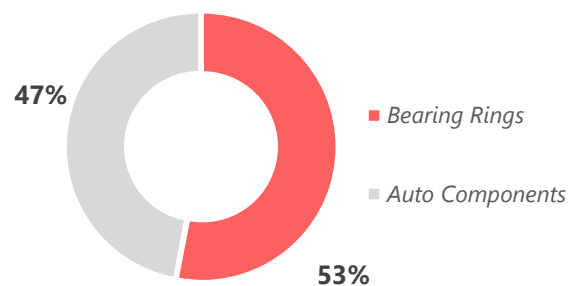
### EBITDA (₹ mn) and margins



### PBT/ PAT (₹ mn)



### Revenues from Operations (excluding scrap and other operating income) for H1 FY23

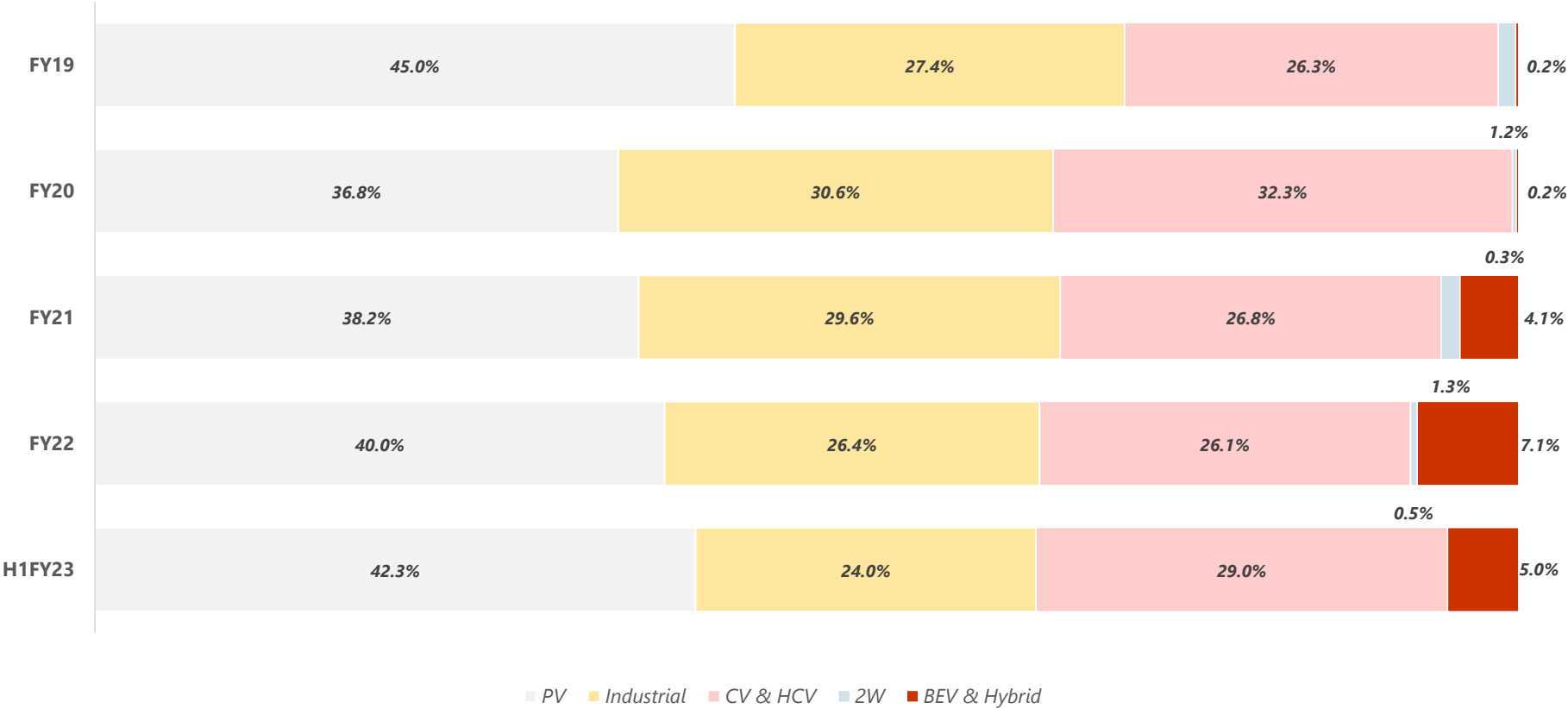


- We continue to receive new enquiries from existing as well as new customers in both bearing rings as well as auto components segment
- We expect supply for multiple new programs (which we had won over the last few quarters) to go into production from Jan 2023 onwards
- Our RM costs have started to come off but we are keeping a watch on change in commodity prices as lockdowns in China expire
- Our 4.0 MW solar project is expected to be commissioned by end of Dec. 2022; the residual capacity should come on-stream by Mar. 2023
- Net Debt of the Company as at end of Quarter has reduced to below INR 1,500mn

# Revenue mix by indicative end-user industries



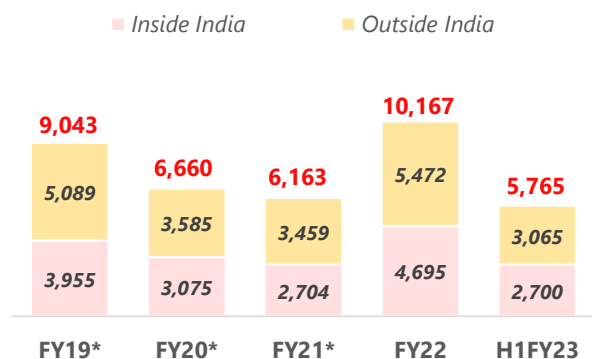
Revenues from operations (excluding scrap sales and other operating income)



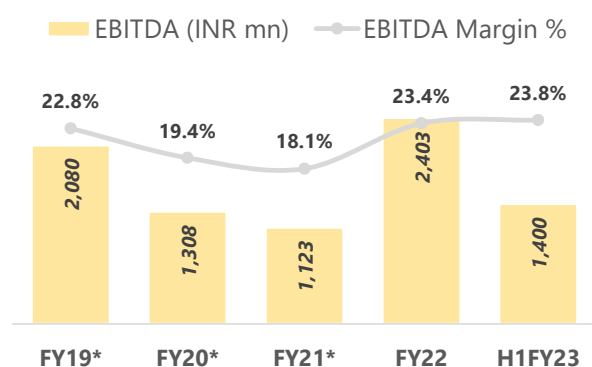
# Rolex continues to maintain growth momentum with focus on margins and strengthening balance sheet



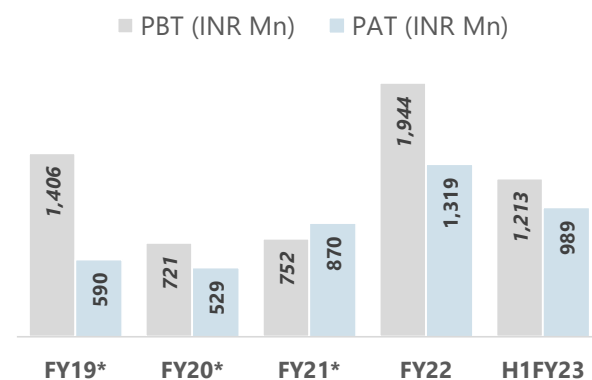
## Total Revenues from Operations (₹ mn)



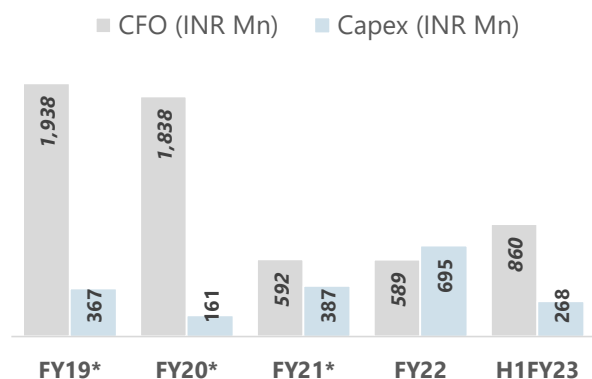
## EBITDA (₹ mn) and margins



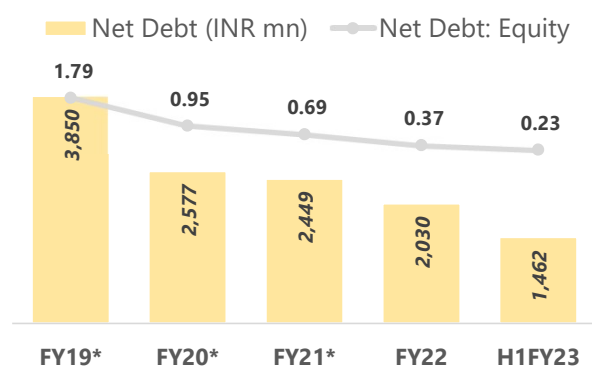
## PBT/ PAT (₹ mn)



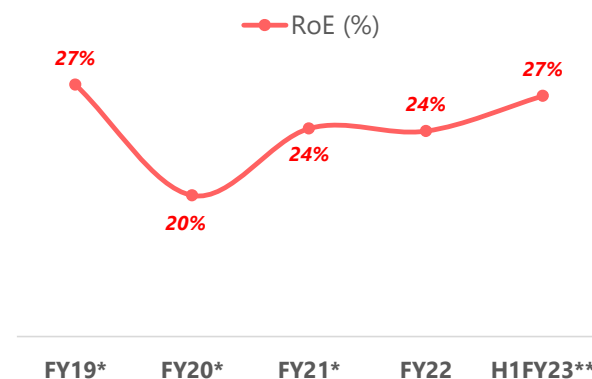
## Operating Cash Flows & Capex (₹ mn)



## Net Debt (₹ mn) and Net Debt: Equity



## Return on Equity (%)



Note : Return on Equity = Profit After Tax / Total Equity; \* indicates that numbers are based on Restated Financials; \*\* ROE for 6 month period has been computed assuming similar profitability in H2 FY23

## Statement of Profit and Loss (Quarterly)



Particulars (₹ mn)	Q1FY23	Q1FY23	Q-o-Q %	Q3FY22	Y-o-Y %
<b>Income</b>					
Revenue from operations	2,897	2,868		2,585	
Other income	54	69		9	
<b>Total income (I)</b>	<b>2,951</b>	<b>2,936</b>	<b>1%</b>	<b>2,594</b>	<b>14%</b>
<b>Expenses</b>					
Cost of raw materials and components consumed	1,478	1,405		1,325	
Decrease/ (increase) in inventories of finished goods and work-in progress	(118)	(31)		(124)	
Employee benefits expense	152	146		155	
Finance costs	20	38		61	
Depreciation and amortization expense	66	63		64	
Other expenses	748	708		658	
<b>Total expenses (II)</b>	<b>2,346</b>	<b>2,329</b>		<b>2,138</b>	
<b>Profit before tax (III) = (I - II)</b>	<b>605</b>	<b>608</b>	<b>(0)%</b>	<b>456</b>	<b>33%</b>
<b>Tax expense</b>					
Current tax expenses	154	155		152	
Deferred tax charge / (Credit)	(41)	(44)		(22)	
<b>Total tax expense (IV)</b>	<b>113</b>	<b>110</b>		<b>129</b>	
<b>Profit for the period (V) = (III - IV)</b>	<b>492</b>	<b>497</b>	<b>(1)%</b>	<b>327</b>	<b>50%</b>



## Statement of Profit and Loss (Annual)



Particulars (₹ mn)	H1FY23	FY22	FY21	FY20	FY19
<b>Income</b>					
Revenue from operations	5,765	10,167	6,163	6,660	9,043
Other income	123	114	34	93	69
<b>Total income (I)</b>	<b>5,888</b>	<b>10,281</b>	<b>6,198</b>	<b>6,753</b>	<b>9,113</b>
<b>Expenses</b>					
Cost of raw materials and components consumed	2,882	5,195	3,166	3,137	4,529
Decrease/ (increase) in inventories of finished goods and work-in progress	(149)	(554)	(292)	156	(190)
Employee benefits expense	299	588	519	527	608
Finance costs	59	204	117	322	420
Depreciation and amortization expense	129	256	254	265	254
Other expenses	1,456	2,649	1,682	1,626	2,085
<b>Total expenses (II)</b>	<b>4,675</b>	<b>8,338</b>	<b>5,446</b>	<b>6,032</b>	<b>7,707</b>
<b>Profit before tax (III) = (I - II)</b>	<b>1,213</b>	<b>1,944</b>	<b>752</b>	<b>721</b>	<b>1,406</b>
<b>Tax expense</b>					
Current tax expenses	309	666	130	127	309
Deferred tax charge / (Credit)	(85)	(41)	(248)	64	506
<b>Total tax expense (IV)</b>	<b>224</b>	<b>625</b>	<b>(118)</b>	<b>191</b>	<b>815</b>
<b>Profit for the period (V) = (III - IV)</b>	<b>989</b>	<b>1,319</b>	<b>870</b>	<b>529</b>	<b>590</b>



## Balance Sheet - Snapshot



Particulars (₹ mn)	H1FY23	FY22	FY21	FY20	FY19
<b>Assets</b>					
<b>Non-current assets</b>					
Property, plant, and equipment	3,825	3,789	3,714	3,730	3,808
Capital work in progress	571	460	12	-	10
Right-of-use assets	0	0	1	1	1
Intangible assets	7	8	9	12	14
Financial assets					
a) Loans		-	-	25	33
b) Other financial assets	223	42	140	34	125
Income tax assets (net)	20	20	20	20	20
Other non-current assets	139	155	288	111	131
<b>Current assets</b>					
Inventories	2,755	2,617	1,711	1,306	1,602
Financial assets					
a) Loans	0	0	1	31	1
b) Trade receivables	2,316	2,305	1,708	1,277	1,815
c) Cash and cash equivalents	28	37	46	12	1
d) Bank balances other than Cash and cash equivalents	16	162	58	152	45
e) Other financial assets	63	104	68	60	102
Other current assets	174	156	195	92	113
<b>Total assets</b>	<b>10,137</b>	<b>9,854</b>	<b>7,969</b>	<b>6,862</b>	<b>7,823</b>

Particulars (₹ mn)	H1FY23	FY22	FY21	FY20	FY19
<b>Equity and liabilities</b>					
<b>Equity</b>					
Equity share capital	272	272	240	240	240
Other equity	6,166	5,176	3,328	2,441	1,914
<b>Total equity</b>	<b>6,438</b>	<b>5,448</b>	<b>3,567</b>	<b>2,681</b>	<b>2,153</b>
<b>Liabilities</b>					
<b>Non-current liabilities</b>					
Financial liabilities					
a) Borrowings	170	205	323	442	913
b) Lease liabilities	0	1	1	1	1
Income tax liabilities (net)	33	179	179	179	171
Deferred tax liabilities (net)	179	608	324	569	506
Provisions	523	33	31	31	23
<b>Current liabilities</b>					
Financial Liabilities					
a) Borrowings	1,538	2,024	1,836	1,939	2,343
b) Lease liabilities	0	0	0	0	0
c) Trade payables	1,082	1,201	1,176	738	913
d) Other financial liabilities	56	58	434	261	671
Other liabilities	12	23	15	8	13
Provisions	8	8	7	7	7
Income tax liabilities (net)	96	67	75	3	107
<b>Total liabilities</b>	<b>3,699</b>	<b>4,406</b>	<b>4,402</b>	<b>4,181</b>	<b>5,669</b>
<b>Total equity and liabilities</b>	<b>10,137</b>	<b>9,854</b>	<b>7,969</b>	<b>6,862</b>	<b>7,823</b>

## Contact Us



For further information,  
please contact:

**Mr. Hiren Doshi** – Chief Financial Officer  
+91 281 6699 577/ 677  
[info@rolexrings.com](mailto:info@rolexrings.com)