

January 25, 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
---	--

Sub: Quarterly Earning Updates for the Quarter and Nine months ended December 31, 2023.

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 Quarterly Earning Updates for the Quarter and Nine Months ended December 31, 2023.

Kindly take the same on your record.

Thanking you,

Yours faithfully,

FOR AEROFLEX INDUSTRIES LIMITED

ASAD Digitally signed
by ASAD DAUD
DAUD Date: 2024.01.25
16:55:58 +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



Govt. of India Recognised Export House



Commitment to Excellence



Aeroflex Industries Limited

Q3 & 9M FY24

Investor Presentation

This presentation and the accompanying slides (the “Presentation”), which have been prepared by **Aeroflex Industries Limited (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.

This presentation contains certain forward looking statements concerning the Company’s future business prospects and business profitability, which are subject to a number of risks and uncertainties and the actual results could materially differ from those in such forward looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding fluctuations in earnings, our ability to manage growth, competition (both domestic and international), economic growth in India and abroad, ability to attract and retain highly skilled professionals, time and cost over runs on contracts, our ability to manage our international operations, government policies and actions regulations, interest and other fiscal costs generally prevailing in the economy. The Company does not undertake to make any announcement in case any of these forward looking statements become materially incorrect in future or update any forward looking statements made from time to time by or on behalf of the Company.



Commitment to Excellence

Q3 & 9M FY24 PERFORMANCE HIGHLIGHTS



Financial Performance (Q3 FY24):

- Total Income stood at ₹74.32 Cr., **YoY growth of 12.78%**
- EBITDA stood at ₹15.01 Cr., with **YoY growth of 63.32%**
- PBT stood at ₹13.35 Cr., with a **YoY growth of 94.93%**
- Net profit surged to ₹9.04 Cr., with **YoY growth of 75.56%**

Financial Performance (9M FY24):

- Total Income stood at ₹242.67 Cr., **YoY growth of 18.72%**
- EBITDA stood at ₹49.90 Cr., with a **YoY growth of 45.83%**
- PBT stood at ₹43.30 Cr., with a **YoY growth of 54.27%**
- Net profit surged to ₹31.70 Cr., with **YoY growth of 49.41%**

Operational Metrics (Q3 FY24):

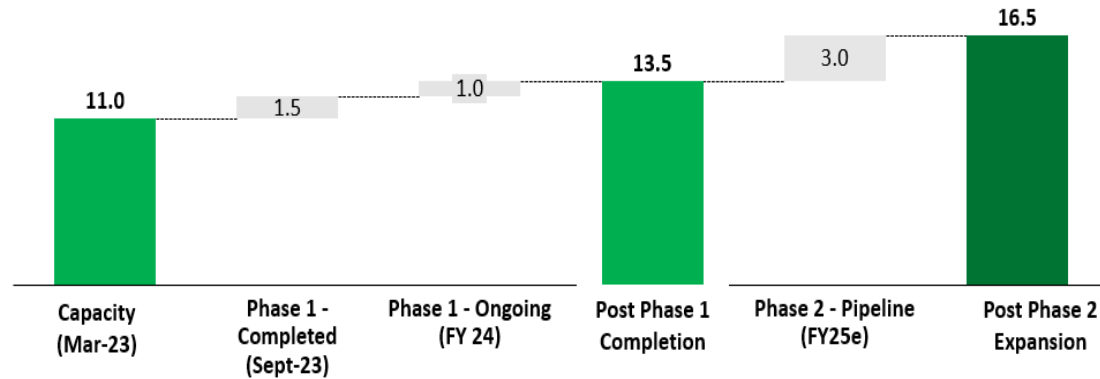
- Production Volume grew to 2.98 Mn Mtrs from 1.80 Mn Mtrs representing a growth of 65.45%
- Export Sales grew at an impressive ~26%, indicating robust performance
- Strong profitability growth momentum continues due to an increase in fire sprinkler and new-age businesses

Revenue Composition (Q3 FY24):

- New-age industries including fire sprinklers have emerged as significant contributors to the company's overall sales
- Demonstrated a global footprint, with approximately 85% of its total sales derived from international markets

Note: December's export sales would have been better if not for the disruptions caused by the Middle East conflict and the Red Sea crisis. Additionally, December also saw a subsequent rise in shipping costs, due to logistics challenges stemming from the Red Sea crisis.

Capacity Expansion (Mn Mtrs)



- As part of Phase 1's capacity expansion project, 1.5 million meters were successfully added by upgrading and modernizing machines and equipment, reaching a total capacity of 12.5 million meters in September 2023
- The remaining portion of the Phase 1 capacity expansion, which amounts to 1 million meters, is projected to be finished by the end of March 24, increasing the total capacity to 13.5 million meters
- Additionally, the company has procured a land parcel measuring 79,061 square feet adjacent to its existing factory location. This extra land will facilitate our capacity expansion

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 June 2024

Welding & Assembly

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

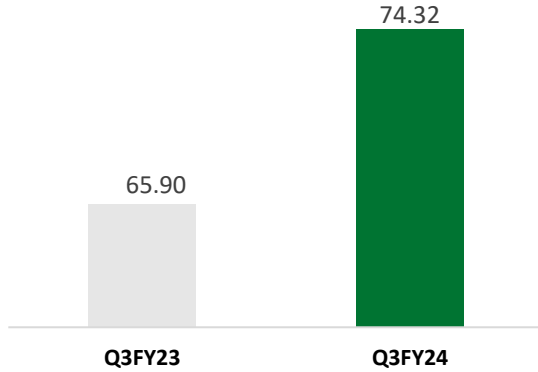
Metal Bellows

- Metal Bellows and Expansion Joint, to be completed in two phases - Total expected capacity of 300,000 pieces annually
- In the first phase of expansion, we are setting up a manufacturing capacity of 120,000 units per year, which is expected to be completed in Dec-24
- Targeting a range of products with diameters ranging from 25mm to 600mm
- Currently in the process of leasing an 80,540 sq ft. building for the plant setup
- Plant & Machine orders have been placed
- A seasoned senior team is already in place, bringing valuable experience to manage the setup and operation of the plant

Q3 & 9MFY24 Performance Highlights

Total Income (Rs. Crs)

Q3FY24



EBITDA (Rs. Crs)

13.94%

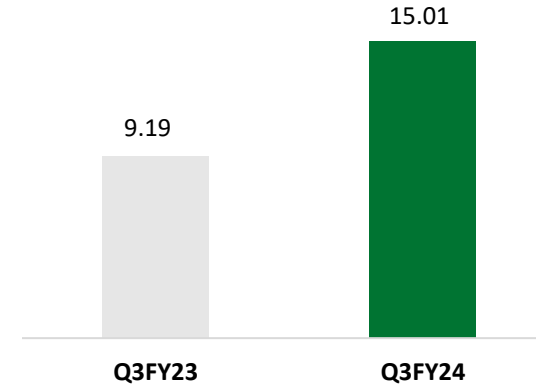
20.19%

9.19

15.01

Q3FY23

Q3FY24



PAT (Rs. Crs)

7.81%

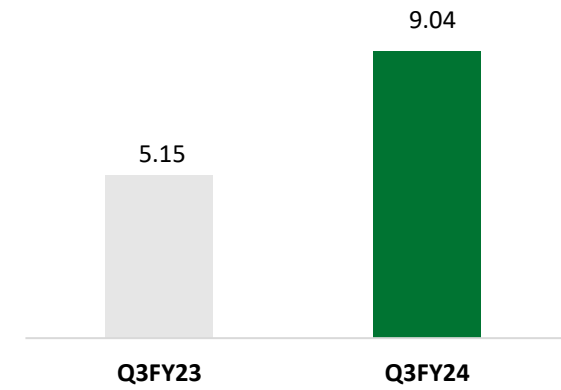
12.16%

5.15

9.04

Q3FY23

Q3FY24



Margin

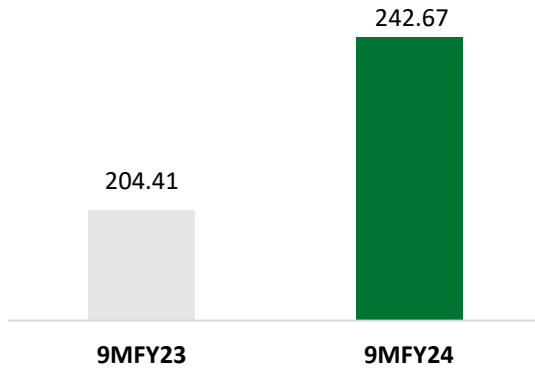
9MFY24

204.41

242.67

9MFY23

9MFY24



16.74%

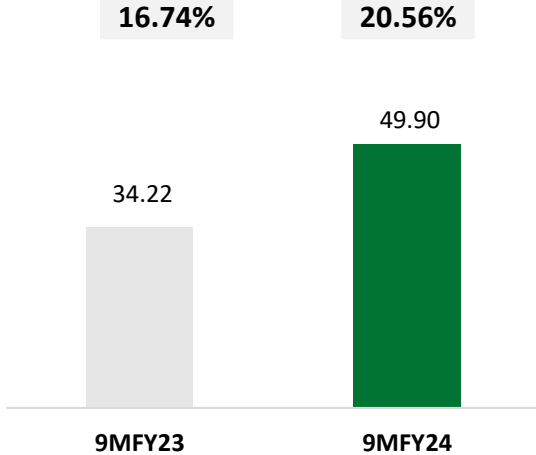
20.56%

34.22

49.90

9MFY23

9MFY24



10.38%

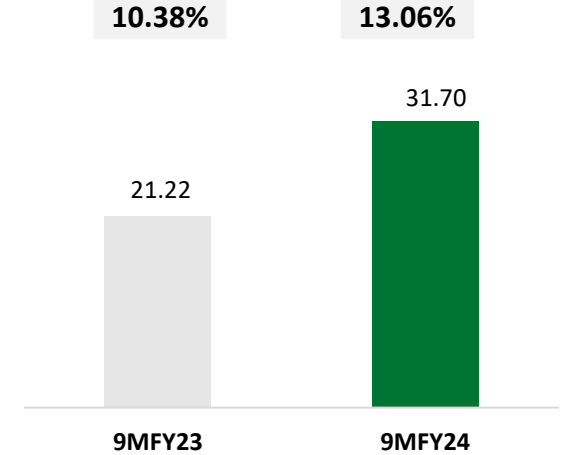
13.06%

21.22

31.70

9MFY23

9MFY24



Consolidated Profit & Loss Statement

Profit & Loss (Rs. Crs)	Q3 FY24	Q3 FY23	YoY	9M FY24	9M FY23	YoY
Revenue from Operations	73.13	65.90		240.14	204.40	
Other Income	1.19	0.01		2.54	0.01	
Total Income	74.32	65.90	12.78%	242.67	204.41	18.72%
Cost of Material Consumed	49.41	44.08		158.71	145.46	
Changes in Inventories	(3.83)	(0.09)		(6.34)	(14.06)	
Employee Benefit Expenses	6.74	5.81		19.43	16.41	
Other Expenses	6.99	6.91		20.97	22.38	
EBITDA	15.01	9.19	63.32%	49.90	34.22	45.83%
EBITDA Margin	20.19%	13.94%	625 bps	20.56%	16.74%	382 bps
Depreciation	1.59	1.45		4.52	3.68	
Finance Cost	0.07	0.89		2.08	2.48	
Exceptional Item (Gain) / Loss	-	-		-	-	
Profit before Tax	13.35	6.85	94.93%	43.30	28.07	54.27%
PBT Margin	17.96%	10.39%	757 bps	17.84%	13.73%	411 bps
Tax	4.31	1.70		11.60	6.85	
Profit After Tax	9.04	5.15	75.56%	31.70	21.22	49.41%
PAT Margin	12.16%	7.81%	435 bps	13.06%	10.38%	268 bps
EPS (in Rs.)	0.70	0.45		2.57	1.86	





Commenting on the results, Mr. Asad Daud – Managing Director said,

"We are pleased to report a healthy performance for the third quarter and the nine months ending financial year 2024. Our Total Income reached ₹74.32 Cr., marking a YoY growth of 12.78%. EBITDA recorded a substantial growth of 63.32%, while PBT showed an increase of 94.93%. Notably, our Net Profit surged to ₹9.04 Cr., exhibiting a YoY growth of 75.56%.

Our strong balance sheet and debt-free status strategically position us for expansion, allowing us to seize opportunities in both traditional and emerging industries. Despite geopolitical challenges, we have sustained resilient momentum, achieving a remarkable 26% growth in exports, with substantial contributions from key segments such as fire sprinklers and other innovative industries.

We are aiming to set up the full-fledged Metal Bellows plant by December 2024. The new plant in phase 1 expansion will have a capacity to make 120,000 units a year out of Total capacity of 3,00,000 units.

Our highly skilled team, possessing extensive experience, relevant certifications, and in-house R&D capabilities, empowers us to collaboratively develop and deliver products tailored to meet the unique needs of our clients. This underscores our commitment to creating resilient and future-ready products.

We are confident that our strategic initiatives, coupled with financial strength, will consistently yield high growth margins and profitability, ultimately creating value for our stakeholders."



Commitment to Excellence

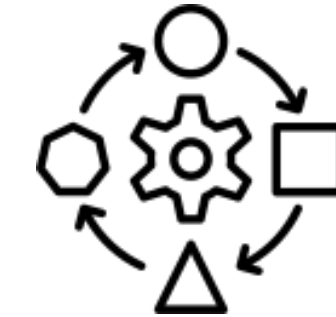
India's leading flexible flow solution provider



Leading Manufacturer of Metallic flexible flow solutions

Scalable and Customized flexible flow solution products

De-risk and Diversified Portfolio



Responsible Corporate

Innovation & Strong R&D led Business

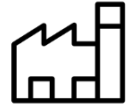
State of the art Infrastructure

Serving multiple end user Industries

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 **87+ 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

12

Qualified R&D Team Members

1,825+

No. of SKU's



Global Customers Accreditations

Rs.240 Crs

9M 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

62.5%

- 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

30.8%

- 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

6.7%

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

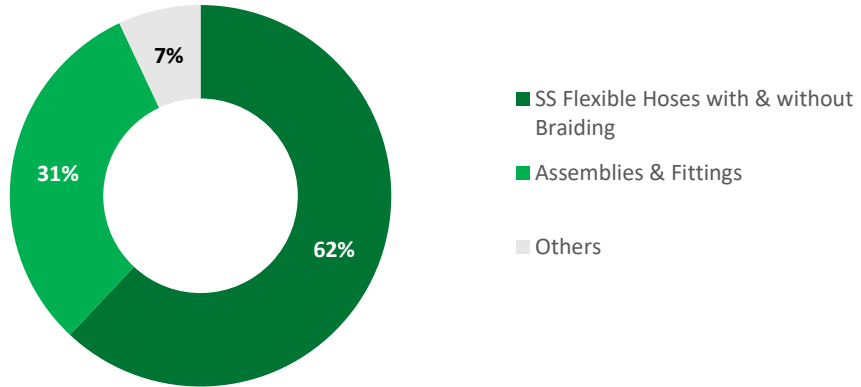


Aeroflex goes beyond mere product offerings;

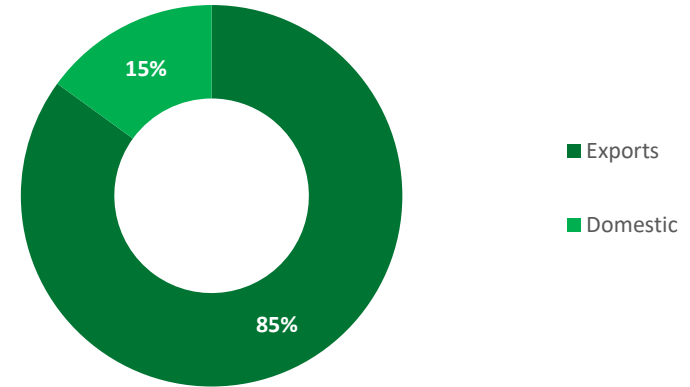
Our curated solutions enhance and elevate critical flow technologies across diverse industries

3. De-risk and diversified Portfolio – 9MFY24

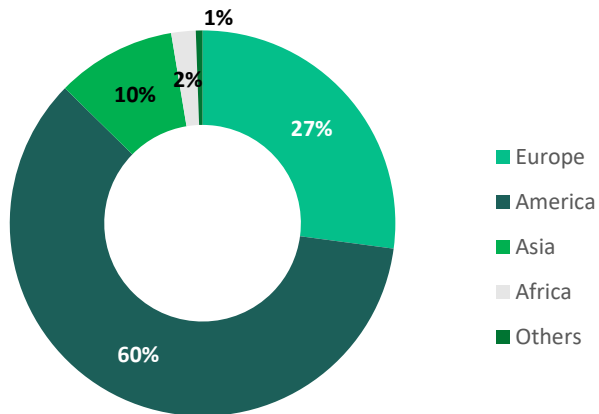
Product Segments



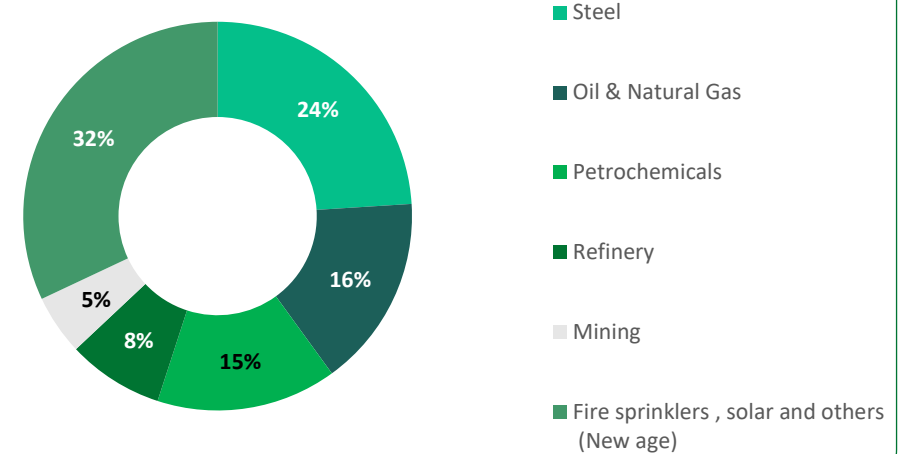
Domestic: Export Mix



Geographical Split



End user Industries



4. Serving multiple end user Industries

Wherever There's Critical Flow, Aeroflex Leads the Way

Current Major Industries



Steel & Metal



Oil & Gas



Chemicals



Sea Port Terminal
Handling



Paper and Pulp



Pharmaceutical

New Age Industries



Semiconductors



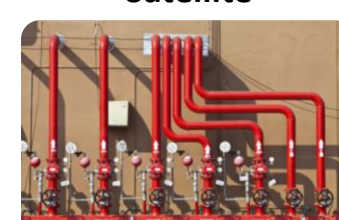
Aerospace and
Satellite



Electric Mobility



Solar



Fire Sprinklers



Robotics

Key Properties of our Products



Close substitute of rubber and polymers



Perfect fit for extreme environment conditions



Temperature Resistant



Available in different sizes



Abrasion Resistance & Flexibility in fitting



Absorb High Pressure



High replacement creates demand



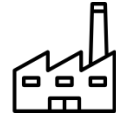
Chemical Compatible



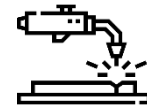
Well-equipped Infrastructure



Situated at
Taloja, Navi Mumbai



Production Capacity
12.5 million meters



Machine Lines
80+ lines



Employee strength
420+ people



In-house Design
And R&D Laboratory



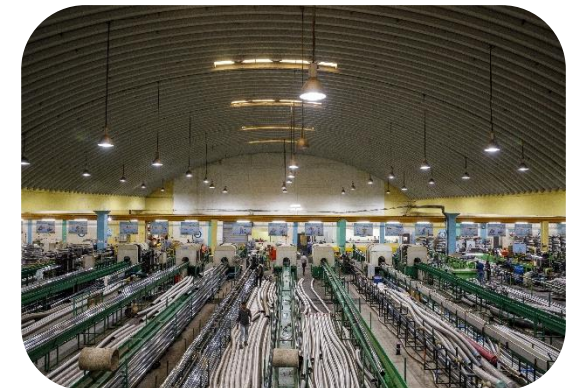
Presence in
87+ Countries



Strategically Located
Near JNPT Port



9MFY24 Capacity Utilisation
95.64%



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 Aviation Assemblies	Hose for highly corrosive environment, shipping and submarine 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 Hose 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

12

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



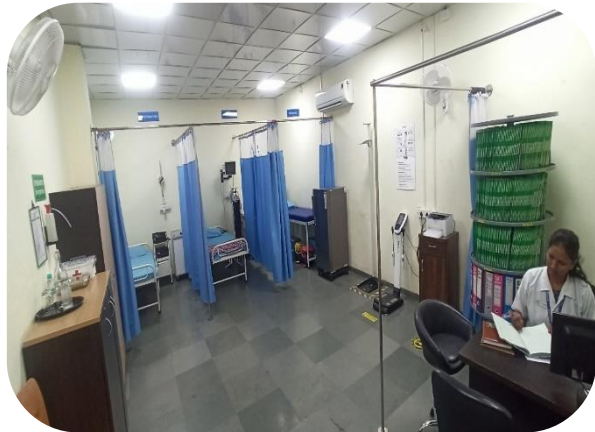
Strong Corporate Governance

- **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



Aeroflex has an Occupational Healthcare Center and Mind & Body Wellness Center, at its facility in Taloja, 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 Medicover 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



15TH AUGUST
INDEPENDENCE DAY

FREE HEARING SCREENING CAMP
For Children Below 5 Years

• Child Not Speaking by age of 3 yrs?
• Child not responding to Sounds?
• Having Doubts About Hearing Loss

1500/- FREE

MEDICOVER HOSPITALS
NAVI MUMBAI
Star 10, Kharghar, Navi Mumbai

Organized in

DATE: 15th August 2023 (Tuesday)
TIME: 11:00 am to 2:00 pm

*Prior Appointment is Mandatory



Putting Employees Wellbeing First – Initiatives during Q3FY24



AEROFLEX INDUSTRIES LIMITED
ANNUAL EMPLOYEE MEDICAL HEALTH CHECKUP - 2023
 वार्षिक कर्मचारी चिकित्सा स्वास्थ्य जांच - 2023
 वार्षिक कर्मचारी वैद्यकीय आरोग्य तपासणी - 2023
 BY
NDC DIAGNOSTIC CENTRE
 Dr. Sheetal Rajput
 (Authorised from Directorate of Industrial Safety & Health, Govt. of Maharashtra)

Annual Employee Health Checkup



AEROFLEX INDUSTRIES LIMITED
EMPLOYEE REWARD PROGRAM
 कर्मचारी पुरस्कार कार्यक्रम
 (06th November 2023)
Employee InBody Score Competition
MIND & BODY Wellness Center
 Let's Make Our Lives Healthier.
 आइए अपने जीवन को स्वस्थ बनाएं
 तला आपले जीवन निरोगी बनवूया.

Employee Reward Program



AEROFLEX INDUSTRIES LIMITED
OCTOBER 12TH WORLD SIGHT DAY
 विश्व दृष्टी दिवस 2023
LOVE YOUR EYES AT WORK
 EYE CHECK-UP CAMP BY
MEDEXUS Healthcare and Diagnostics
 Accuracy You Can Trust

Eye Checkup Camp



OCCUPATIONAL Health Center
2024+ HAPPY NEW YEAR
NEW YEAR, NEW BEGINNINGS

- Random Blood Sugar
- HBAIC
- Complete Blood Count
- Complete Urine
- Examination
- Lipid Profile
- Liver Function Test
- TSH
- Creatinine
- Blood Urea
- Blood Group
- Mammography
- Pap Smear
- X-Ray Chest
- USB Abdomen Pelvis
- Pulmonary Function Test
- ECG
- 2D-Echo
- Cardiologist Consultation
- Gynaecologist Consultation
- Physician Consultation
- Pulmonologist Consultation
- Orthopedician Consultation
- Dietician Consultation

SPECIAL PACKAGE
₹ 2024 only ₹ 21060
 Organized in **MEDICOVER HOSPITALS NAVI MUMBAI**
 Sector 10, Kharghar, Navi Mumbai
 Valid up to 31st January 2024 | Timing: 9am to 4pm
 *Prior Appointment is Mandatory

Employees Family Member “Special Package” Health Checkup

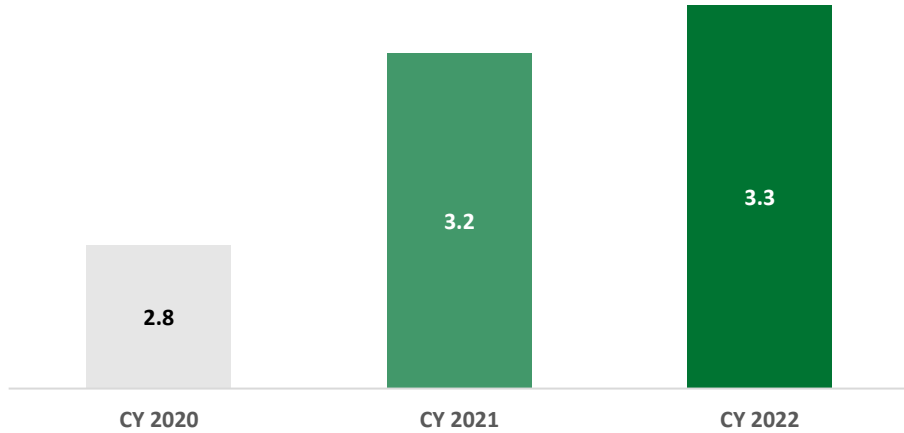


Commitment to Excellence

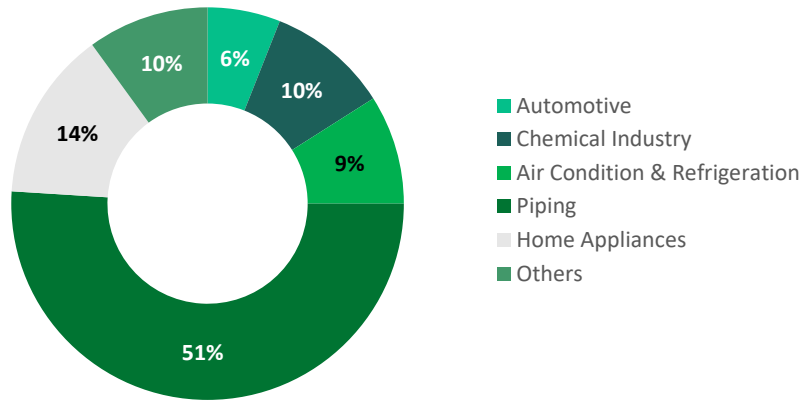
Way Forward



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 will expand existing capacity in a phased manner from 12.5 mn mtrs to 13.5 mn mtrs by Mar'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, EV, robotics, defence etc.

Inorganic Acquisitions

The company has future plans for inorganic acquisition to create forward and backward integration and is currently evaluating target companies in India and abroad.





Commitment to Excellence

Annexures





Asad Daud

Managing Director

- Masters in Accounting and Finance from London School of Economics
- Executive courses done from IIM Bangalore and ISB Hyderabad
- 12 years of Experience in Manufacturing Industry



Ramesh Soni

Independent Director

- Practicing CA with an experience of over 35 years in the fields on accounts, finance, taxation and banking
- Bachelor's degree in commerce from Udaipur University



Partha Sarathi Sarkar

Independent Director

- MBA from IIM Ahemdabad
- B.Tech (Honours) from IIT Delhi
- MD of Tata Finance



Shilpa Bhatia

Independent Director

- Bachelor's and master's degree in law from Mumbai University
- Practicing advocate in Hon'ble High Court of Bombay and has over 20 years of experience



Arpit Khandelwal

Independent Director

- Chartered Accountant and Chartered Financial Analyst
- 10 years of experience in the field of risk management, corporate laws, indirect taxes and international trade laws



Mustafa Kachwala

Whole-time Director

- Associated with the company since 2008
- Bachelors' degree in Commerce from Mumbai University
- Previously worked with Akbarallys Pharma Vet Division



Harikant Tugalia

Non – Executive Director

- Bachelors' degree in Commerce from Udaipur University
- Has 30 years of manufacturing industry experience



TERM	DETAIL
SKU	Stock Keeping Units
SS	Stainless Steel
OEM	Original Equipment Manufacturers
MRO	Maintenance, Repair and Operations
NABL	National Accreditation Board for Testing and Calibration Laboratories
PTFE	Polytetrafluoroethylene
Mn Mtrs	Million Meters



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

manasi.bodas@sgapl.net / shaily.p@sgapl.net

+91 9821043510 / +91 9819494608