January 30, 2020

To
The Manager
The Department of Corporate Services
BSE Limited
Floor 25, P. J. Towers,
Dalai Street, Mumbai — 400 001

To
The Manager
The Listing Department
National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Bandra (East), Mumbai — 400 051

Scrip Code: 531147
Scrip Symbol: ALICON

Sub: Investor Presentation – Alicon Castalloy Limited

Sir/ Madam,

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are attaching herewith Investor Presentation for the third quarter and Nine Months ended December 31, 2019.

You are requested to take the same on your record.

Thanking you,

Yours faithfully,

For Alicon Castalloy Ltd

Swapnal Patane
Company Secretary
Disclaimer

Except for the historical information contained herein, statements in this presentation and the subsequent discussions, which include words or phrases such as "will", "aim", "will likely result", "would", "believe", "may", "expect", "will continue", "anticipate", "estimate", "intend", "plan", "contemplate", seek to", "future", "objective", "goal", "likely", "project", "should", "potential", "will pursue", and similar expressions of such expressions may constitute "forward-looking statements". These forward looking statements involve a number of risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward-looking statements. These risks and uncertainties include, but are not limited to our ability to successfully implement our strategy, our growth and expansion plans, obtain regulatory approvals, our provisioning policies, technological changes, investment and business income, cash flow projections, our exposure to market risks as well as other risks. The Company does not undertake any obligation to update forward-looking statements to reflect events or circumstances after the date thereof.
About Alicon Castalloy
Offers end-to-end solutions spanning the entire spectrum of aluminum casting needs across multiple user industries

- Offers - Design, Engineering, Casting, Machining and Assembly, Painting and Surface Treatment of Aluminum Components
- Pioneer in India for processes of Low Pressure Die Casting (LPDC) and Gravity Die Casting (GDC)
- Operates one of the largest Aluminum foundries in India
- Leaders in the development of Pro-Cast and Magma space in India
- Diversified marquee Customer base across core sectors in India coupled with steady rise in International presence
- Robust track record of 44 years, further enriched by 89 year legacy of Illichmann Castalloy
Alicon Castalloy - At a Glance

- **17%** Revenue CAGR (5 yr)
- **21%** EBITDA CAGR (5 yr)
- **23%** PAT CAGR (5 yr)
- **4** Manufacturing Units
- **1,192** INR crore of Revenue in FY19
- **84** customers with..  
  **674** Live Parts
- **46** No. of product innovations during FY19
- **Presence in 18 countries**
- **1,039** No. of permanent employees
A blend of European engineering skills, Japanese quality and inherent Indian ingenuity and frugality
One-stop shop for all engineering solutions related to aluminum alloy castings

Catering to key sectors of the Indian economy

- Automobile
- Infrastructure
- Aerospace
- Medical
- Energy
- Agriculture
Global Presence: Close-to-Demand

Strategic locations enable better speed-to-market and increased cost optimization.

- Austria
- Slovakia
- Pune, Maharashtra
- Binola, Haryana
- Shikrapur, Pune, Maharashtra
- Chinchwad, Pune, Maharashtra
- USA
- France

Key Facilities:
- 4 modern plants (1 international)
- High-end machines
- Advanced Technology Centre
- Globally competent Tool Rooms (20 tools/ month)
- Full-edged Machine Shop (including assembly facility)

- Austria: International Marketing Office
- Binola, Haryana: * Manufacturing Plant
- USA: Marketing Franchise
- France: Marketing Franchise

USA Marketing Franchise
France Marketing Franchise

Marketing Franchise
Diversified base of marquee customers

Diversity across markets and industries provides a natural hedge

Not reliant on a single ‘anchor’ customer
None of the customers contribute >15% of turnover

AND MANY MORE....
Total Income stood at Rs. 227.8 crore, compared to Rs. 266.9 crore in the immediately preceding quarter.

- On a YoY basis, Domestic Revenues de-grew by 15% and the Export segment de-grew by 16%.
- Other income stood at Rs. 0.88 crore, higher by 34% yoy.
- EBITDA was Rs. 32.68 crore, lower by 8% compared to Q2FY20.
- On a YoY basis, EBITDA margins improved 122 bps to 14.3% due to cost control and operating efficiencies.
- On a sequential quarter basis, EBITDA margin improved by 110 bps.
- PAT stood at Rs. 8.4 cr.
- EPS (Diluted) stood at Rs. 6.01 in Q3FY20 as against Rs. 7.84 in Q3FY19.

*Exports (incl. overseas business)
Revenue Mix – Q3FY20

- Auto: 92%
- Non-auto: 8%

- Global: 21%
- Domestic: 79%
9M FY20 Highlights – Consolidated

- Total Income stood at Rs. 761.7 crore as against Rs. 874.6 crore in 9M FY19
  - Domestic Revenues were lower by 14% YoY
  - Export* segment reported degrowth of 7% YoY
- Reduced volumes across the auto industry due to slowing economic growth and changing technologies and emission standards contributed to the de-growth
- Other income stood at Rs. 2.18 crore, lower by 5%
- EBITDA stood at Rs. 95.9 crore
- EPS (Diluted) stood at Rs. 16.39 in 9MFY20

*Exports (incl. overseas business)
Revenue Mix – 9M FY20

- **Auto**: 90%
- **Non-auto**: 10%
- **Global**: 20%
- **Domestic**: 80%
## Abridged P&L – Consolidated

<table>
<thead>
<tr>
<th>Particulars (Rs. crore)</th>
<th>Q3FY20</th>
<th>Q3FY19</th>
<th>Y-o-Y Shift</th>
<th>9M FY20</th>
<th>9M FY19</th>
<th>Y-o-Y Shift</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net Revenue from Operations</strong></td>
<td>226.87</td>
<td>267.66</td>
<td>-15%</td>
<td>759.47</td>
<td>872.34</td>
<td>-13%</td>
</tr>
<tr>
<td><strong>Other Income</strong></td>
<td>0.88</td>
<td>0.65</td>
<td>34%</td>
<td>2.18</td>
<td>2.30</td>
<td>-5%</td>
</tr>
<tr>
<td><strong>Total Income</strong></td>
<td>227.75</td>
<td>268.32</td>
<td>-15%</td>
<td>761.65</td>
<td>874.64</td>
<td>-13%</td>
</tr>
<tr>
<td><strong>Total Expenditure</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Raw Material expenses</td>
<td>112.61</td>
<td>135.32</td>
<td>-17%</td>
<td>390.51</td>
<td>443.99</td>
<td>-12%</td>
</tr>
<tr>
<td>Employee benefits expense</td>
<td>33.23</td>
<td>39.81</td>
<td>-17%</td>
<td>105.54</td>
<td>125.92</td>
<td>-16%</td>
</tr>
<tr>
<td>Other expenses</td>
<td>49.23</td>
<td>57.97</td>
<td>-15%</td>
<td>169.73</td>
<td>196.22</td>
<td>-13%</td>
</tr>
<tr>
<td><strong>EBITDA</strong></td>
<td>32.68</td>
<td>35.22</td>
<td>-7%</td>
<td>95.87</td>
<td>108.51</td>
<td>-12%</td>
</tr>
<tr>
<td><strong>EBITDA margin (%)</strong></td>
<td>14%</td>
<td>13%</td>
<td>+122 Bps</td>
<td>13%</td>
<td>12%</td>
<td>+18 Bps</td>
</tr>
<tr>
<td>Finance Costs</td>
<td>9.61</td>
<td>9.41</td>
<td>2%</td>
<td>30.01</td>
<td>25.57</td>
<td>17%</td>
</tr>
<tr>
<td>Depreciation and Amortization</td>
<td>10.92</td>
<td>9.61</td>
<td>14%</td>
<td>32.65</td>
<td>27.94</td>
<td>17%</td>
</tr>
<tr>
<td><strong>PBT</strong></td>
<td>12.15</td>
<td>16.19</td>
<td>-25%</td>
<td>33.21</td>
<td>55.01</td>
<td>-40%</td>
</tr>
<tr>
<td>Tax Expenses</td>
<td>3.71</td>
<td>5.24</td>
<td>-29%</td>
<td>10.33</td>
<td>17.95</td>
<td>-42%</td>
</tr>
<tr>
<td><strong>PAT</strong></td>
<td>8.44</td>
<td>10.95</td>
<td>-23%</td>
<td>22.87</td>
<td>37.06</td>
<td>-38%</td>
</tr>
<tr>
<td><strong>PAT Margin (%)</strong></td>
<td>4%</td>
<td>4%</td>
<td>-38 Bps</td>
<td>3%</td>
<td>4.2%</td>
<td>-123 Bps</td>
</tr>
</tbody>
</table>
Commenting on the performance, Mr. Rajeev Sikand, Group CEO, Alicon Castalloy said,

“The auto industry continued to witness tepid volumes in Q3 given the challenging macro-economic conditions as well as uncertainty amidst the evolution towards BS-VI emission standards. The festive season which carried into the third quarter did not see increased production at Auto Manufacturing. In this backdrop, we are encouraged to report a relatively stable performance accompanied by improved operating profitability on the back of our cost management initiatives.

Investments in new technologies and talent in recent years have enhanced our preparedness for emerging trends across the industry landscape. We are focused towards increasing market share in India, increase penetration among global customers as well as elevate our platform of products catering to non-auto sectors.

Amidst the dynamic operating environment, we are tightening our belts to enhance efficiencies. Contract wins announced last quarter are progressing along targeted schedules. We believe we are well placed to capitalize on opportunities that will arise as demand recovers.”
Concall Details
Alicon Castalloy’s Q3 & 9M FY20 Earnings Conference Call

Time & Date
• 3:30 PM on Friday, January 31, 2020

Local dial-in numbers
• +91 22 6280 1141
• +91 22 7115 8042

International Toll Free Number
• Hong Kong: 800 964 448
• Singapore: 800 101 2045
• UK: 0 808 101 1573
• USA: 1 866 746 2133
Thank You

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