

Jindal Stainless

| | |
|------------------|---|
| Estimate changes | ↔ |
| TP change | ↔ |
| Rating change | ↔ |

| | |
|-----------------------|-------------|
| Bloomberg | JDSL IN |
| Equity Shares (m) | 824 |
| M.Cap.(INRb)/(USDb) | 596.9 / 6.8 |
| 52-Week Range (INR) | 803 / 497 |
| 1, 6, 12 Rel. Per (%) | 11/8/6 |
| 12M Avg Val (INR M) | 645 |

Financials Snapshot (INR b)

| Y/E MARCH | FY25 | FY26E | FY27E |
|----------------|-------|-------|-------|
| Net Sales | 393.1 | 444.6 | 510.1 |
| EBITDA | 46.7 | 53.4 | 63.6 |
| Adj. PAT | 25.1 | 29.7 | 36.6 |
| Adj. EPS (INR) | 30.5 | 36.1 | 44.5 |
| BV/Sh (INR) | 203 | 235 | 276 |

Ratios

| | | | |
|----------|------|------|------|
| ROE (%) | 15.1 | 15.3 | 16.1 |
| RoCE (%) | 12.3 | 12.7 | 13.2 |

Valuations

| | | | |
|---------------|------|------|------|
| P/E (X) | 18.5 | 20.0 | 16.2 |
| P/BV (X) | 2.8 | 3.1 | 2.6 |
| EV/EBITDA (X) | 10.7 | 11.9 | 9.9 |
| Div Yield (%) | 0.5 | 0.5 | 0.6 |

Shareholding pattern (%)

| As On | Jun-25 | Mar-25 | Jun-24 |
|----------|--------|--------|--------|
| Promoter | 61.1 | 60.9 | 60.5 |
| DII | 7.1 | 6.9 | 6.3 |
| FII | 21.3 | 21.4 | 22.5 |
| Others | 10.6 | 10.8 | 10.8 |

FII Includes depository receipts

CMP: INR725 TP: INR830 (+15%) Buy

Revenue in line; lower cost drives EBITDA beat

- Revenue stood at INR102b (+8% YoY and flat QoQ), in line with our estimate. The sales volume came in line with our est. at 626KT (+8% YoY and -3% QoQ). Exports share was 9% in 1QFY26 vs. 8% in 4QFY25.
- ASP stood at INR163,000/t (flat YoY and +3% QoQ), led by SS price recovery during the quarter.
- Adj. EBITDA stood at INR13.1b, up 8% YoY and 24% QoQ, against our est. of INR11.4b. EBITDA/t improved to INR20,915 (flat YoY and +27% QoQ), led by favorable pricing and lower costs during the quarter.
- APAT stood at INR7.1b (+10% YoY and +19% QoQ) against our est. of INR6b during the quarter.
- Consol. net debt stood at INR38.7b, with net debt/EBITDA of 0.8x as of Jun'25 vs 0.9x as on Mar'25.

Highlights from the management commentary

- Management reiterated volume growth guidance of 9-10% YoY for FY26, with capacity utilization of 80-85%. Moreover, similar volume growth is expected in FY27, subject to timely capacity addition and demand conditions.
- JSL saw a 12% QoQ increase in higher-margin Cold Rolled (CR) volumes in 1QFY26 and guided for a further ~15-20% increase in 2H, supported by a ramp-up at Chromeni (now at 65% utilization and targeting 80-85%).
- The company aims to increase the CR share to 75% of its total melting capacity, indicating a long-term push toward higher-margin products.
- The company maintained its EBITDA/t guidance of INR19,000-21,000/t for FY26, despite volatile raw material prices.

Valuation and view

- JSL reported a decent performance in 1QFY26, supported by value-added products and subdued costs. Industry-level SS demand is set for strong growth to 7.3mt by FY31, driven by domestic SS consumption. We believe JSL is well-placed to capitalize on this robust demand outlook, with higher VAP supporting margins.
- JSL has expanded into rebar, wire rods, and others, unlocking significant infrastructure opportunities. Additionally, its focus on value-added CR SS has strengthened its position in both domestic and export markets.
- We maintain our FY26/27E earnings estimates. We have projected JSL revenue CAGR of ~14%, with steady EBITDA of INR20,500-22,000/t, leading to ~17% EBITDA CAGR over FY25-27E. Moreover, the healthy CFO and steady capex outflow will ensure a resilient B/S. **At CMP, JSL trades at 9.9x EV/EBITDA and 2.6x P/BV on FY27E. We reiterate our BUY rating with a TP of INR830 (premised on 11x FY27E EV/EBITDA).**

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Investors are advised to refer through important disclosures made at the last page of the Research Report.

Motilal Oswal research is available on www.motilaloswal.com/Institutional-Equities, Bloomberg, Thomson Reuters, Factset and S&P Capital.

Consolidated financial performance (INR b)

| Y/E March | FY25 | | | | FY26E | | | | FY25 | FY26E | FY26 | Vs Est |
|---------------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|----------------|----------------|-----------------|-------------|
| | 1Q | 2Q | 3Q | 4Q | 1Q | 2QE | 3QE | 4QE | | | 1QE | (%) |
| Sales (kt) | 578 | 565 | 588 | 643 | 626 | 615 | 660 | 694 | 2,374 | 2,595 | 623 | 0.6 |
| Change (YoY %) | 5.3 | 3.9 | 14.8 | 12.8 | 8.3 | 8.8 | 12.2 | 7.9 | 9.1 | 9.3 | | |
| Change (QoQ %) | 1.4 | (2.2) | 4.1 | 9.4 | (2.6) | (1.8) | 7.3 | 5.1 | | | | |
| Net Realization/t | 1,63,145 | 1,73,041 | 1,68,491 | 1,58,605 | 1,62,988 | 1,67,488 | 1,73,488 | 1,80,144 | 165,595 | 171,311 | 1,64,105 | -0.7 |
| Net Sales | 94.3 | 97.8 | 99.1 | 102.0 | 102.1 | 103.0 | 114.5 | 125.0 | 393.1 | 444.6 | 102.2 | -0.1 |
| Change (YoY %) | (7.4) | (0.2) | 8.5 | 7.9 | 8.2 | 5.4 | 15.6 | 22.5 | 1.9 | 13.1 | | |
| Change (QoQ %) | (0.3) | 3.7 | 1.3 | 2.9 | 0.1 | 0.9 | 11.2 | 9.1 | | | | |
| EBITDA | 12.1 | 11.9 | 12.1 | 10.6 | 13.1 | 11.5 | 13.8 | 15.0 | 46.7 | 53.4 | 11.4 | 15.3 |
| Change (YoY %) | 1.6 | (3.6) | (3.1) | 2.5 | 8.1 | (3.2) | 14.5 | 41.5 | (0.8) | 14.5 | | |
| Change (QoQ %) | 17.1 | (2.1) | 1.8 | (12.1) | 23.5 | (12.3) | 20.5 | 8.5 | | | | |
| EBITDA (INR per ton) | 20,964 | 21,000 | 20,536 | 16,499 | 20,915 | 18,669 | 20,957 | 21,636 | 19,657 | 20,586 | 18,252 | 14.6 |
| Interest | 1.4 | 1.6 | 1.6 | 1.5 | 1.4 | 1.7 | 1.8 | 2.1 | 6.1 | 7.0 | | |
| Depreciation | 2.3 | 2.4 | 2.4 | 2.4 | 2.5 | 2.3 | 2.5 | 2.5 | 9.6 | 9.8 | | |
| Other Income | 0.5 | 0.5 | 1.0 | 0.9 | 0.7 | 0.8 | 0.8 | 0.9 | 2.9 | 3.1 | | |
| PBT (before EO Item) | 8.9 | 8.3 | 9.0 | 7.6 | 9.8 | 8.2 | 10.4 | 11.3 | 33.9 | 39.8 | | |
| EO Items | - | - | - | 0.1 | - | - | - | - | 0.1 | - | | |
| PBT (after EO Item) | 8.9 | 8.3 | 9.0 | 7.6 | 9.8 | 8.2 | 10.4 | 11.3 | 33.8 | 39.8 | | |
| Total Tax | 2.4 | 2.2 | 2.4 | 1.4 | 2.5 | 2.1 | 2.6 | 2.7 | 8.4 | 9.9 | | |
| % Tax | 27.1 | 27.0 | 26.5 | 19.0 | 26.3 | 25.0 | 25.0 | 23.9 | 25.1 | 25.0 | | |
| PAT before MI and Asso. | 6.5 | 6.1 | 6.7 | 6.2 | 7.3 | 6.2 | 7.8 | 8.6 | 25.4 | 29.9 | | |
| MI (Profit)/Loss | (0.0) | (0.0) | (0.0) | (0.0) | 0.0 | - | - | - | (0.1) | 0.0 | | |
| Share of P/(L) of Ass. | (0.0) | 0.0 | (0.1) | (0.3) | (0.1) | - | - | - | (0.4) | (0.1) | | |
| RPAT after MI and Asso. | 6.5 | 6.1 | 6.5 | 5.9 | 7.1 | 6.2 | 7.8 | 8.6 | 25.1 | 29.7 | | |
| Adj. PAT (after MI & Asso) | 6.5 | 6.1 | 6.5 | 6.0 | 7.1 | 6.2 | 7.8 | 8.6 | 25.1 | 29.7 | 6.0 | 18.9 |
| Change (YoY %) | (13.1) | (9.2) | (5.4) | 19.0 | 10.2 | 1.0 | 19.0 | 44.0 | (3.9) | 18.3 | | |
| Change (QoQ %) | 29.0 | (5.7) | 7.1 | (8.7) | 19.4 | (13.6) | 26.2 | 10.5 | | | | |

Source: MOFSL, Company



Highlights from the management interaction

Guidance:

- Management reiterated volume growth guidance of 9-10% YoY for FY26, with capacity utilization of 80-85%. Moreover, similar volume growth is expected in FY27, subject to timely capacity addition and demand conditions.
- JSL saw a 12% QoQ increase in higher-margin Cold Rolled (CR) volumes in 1QFY26 and guided for a further ~15-20% increase in 2H, supported by a ramp-up at Chromeni (now at 65% utilization and targeting 80-85%).
- The company aims to increase the CR share to 75% of its total melting capacity, indicating a long-term push toward higher-margin products.
- The company has maintained its EBITDA/t guidance of INR19,000-21,000/t for FY26, despite volatile raw material prices.
- The SS series mix for 1QFY26 stood at 200 series - 36%, 300 series - 46%, and 400 series - 18%.
- Management expects LME-nickel prices to remain range-bound between USD15,000 and 16,000/t in the near term.

Capex:

- Capex guidance for FY26 is INR27b (incl. spill overs and maintenance capex). For FY27, capex is expected to be ~INR10-12b.
- The Indonesian SMS project is progressing as planned and will come online in FY27.
- The land acquisition of the Maharashtra expansion is underway, and the expansion will occur in a phase manner of 1mtpa x 4 unit, subject to approval and other macro/micro environment. Phase 1 is likely to come on stream by FY29-30.
- The HRAP line is on schedule for commissioning in 2HFY27.

Subsidiaries business operations:

- Despite flat volumes, JUSL (100% subsidiary) showed improved EBITDA contribution due to a better product mix.
- The Rathi steel capacity is running at 80-85% of utilization level, with 70% of the wire rod share. The rebar production remain muted, while management aims to increase the rebar output.
- Chromeni has turned EBITDA-positive and currently operates at 60-65% of the utilization level, while management targets to reach 80-85% of utilization in 2H.
- NPI operations are steadily ramping up and have already reached a certain operational stage.

Demand outlook:

- Domestic demand remained robust, especially in the auto, railways, elevators, and white goods sectors.
- JSL is increasing its focus on domestic markets due to global trade uncertainties and tariff realignments.
- For JSL, domestic demand is expected to remain the growth driver and exports will only be pursued if it benefits margins incrementally.
- Imports from China and other countries declined with the implementation of BIS quality norms and management is actively supporting anti-dumping measures.
- Management indicated that the company is fully compliant with CBAM and will continue to cater to the European market.

Other highlights:

- The company is evaluating a merger of the recently acquired downstream assets to improve tax efficiency.
- JSL has received ~USD20m from the sale of equipment for its earlier operations in Indonesia and is working on the divestment of the remaining land parcel only over favorable valuations.
- Indian Stainless Steel Development Association (ISSDA) has submitted a formal application to the DGTR over CR SS flat products from China, Vietnam, and Indonesia, alleging harmful impact on the domestic industry.

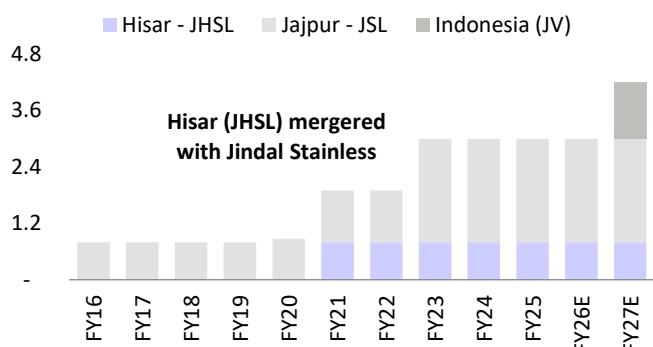
Story in charts

Exhibit 1: Consolidated operating performance estimates

| Particular | FY20 | FY21 | FY22 | FY23 | FY24 | FY25 | FY26E | FY27E |
|-------------------------|----------|----------|----------|----------|----------|----------|----------|----------|
| Volumes (mt) | 0.9 | 1.0 | 1.7 | 1.8 | 2.2 | 2.4 | 2.6 | 2.9 |
| Growth % | 7.4 | 10.4 | 65.2 | 5.6 | 23.2 | 9.1 | 9.4 | 11.0 |
| Net Realization (INR/t) | 1,41,399 | 1,20,524 | 1,95,931 | 2,02,318 | 1,77,331 | 1,65,665 | 1,71,311 | 1,77,132 |
| Growth % | (11.1) | (14.8) | 62.6 | 3.3 | (12.4) | (6.6) | 3.4 | 3.4 |
| EBITDA (INR/t) | 12,441 | 14,083 | 30,471 | 20,325 | 21,633 | 19,666 | 20,586 | 22,070 |
| Growth % | (8.9) | 13.2 | 116.4 | (33.3) | 6.4 | (9.1) | 4.7 | 7.2 |

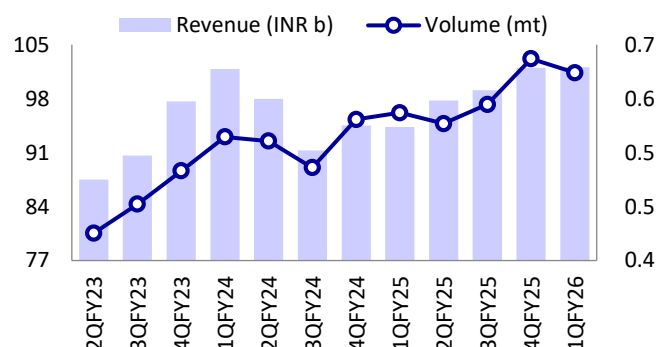
Source: MOFSL, Company

Exhibit 1: Capacity targets to reach +4mtpa by FY27E



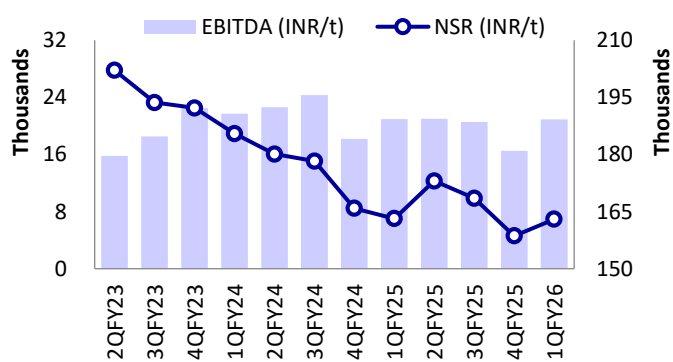
Source: MOFSL, Company

Exhibit 2: Sales volume stood at 0.63mt during 1Q



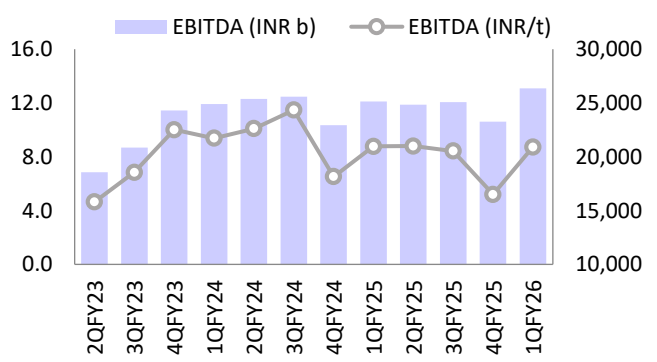
Source: MOFSL, Company

Exhibit 3: NSR rebounded QoQ amid recovery in SS prices



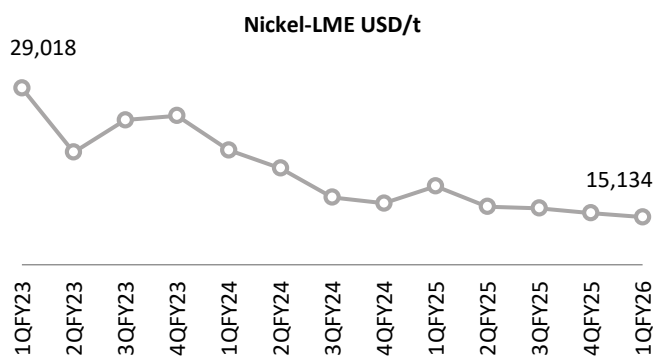
Source: MOFSL, Company

Exhibit 4: EBITDA rise was due to better NSR and muted cost



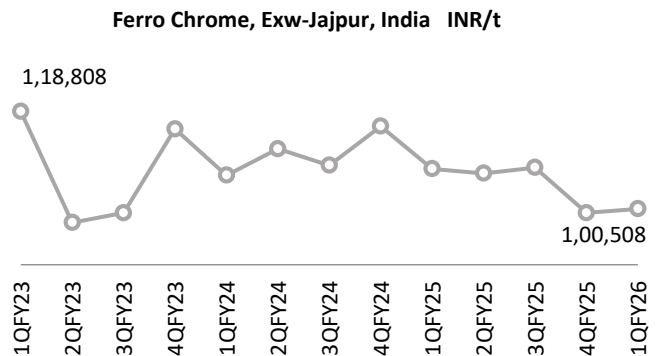
Source: MOFSL, Company

Exhibit 5: LME-Nickel prices remained muted



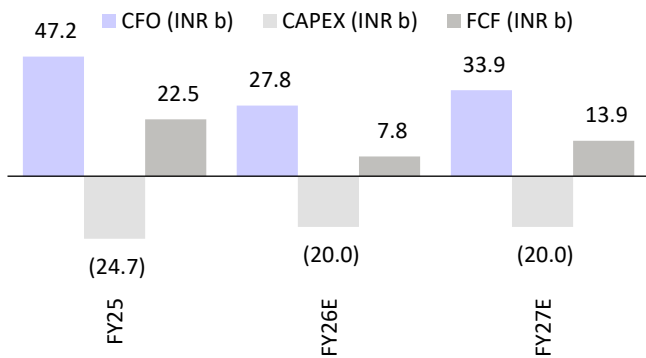
Source: MOFSL, Company

Exhibit 6: Ferro Chrome prices stood stable QoQ



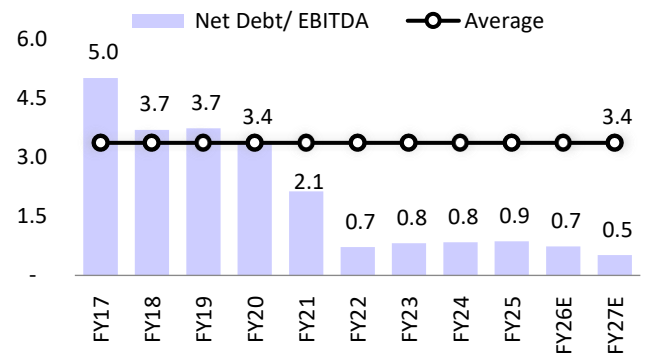
Source: MOFSL, Company

Exhibit 7: Steady capex outgo over FY26-27E



Source: MOFSL, Company

Exhibit 8: Net debt/EBITDA likely to remain at the bottom



Source: MOFSL, Company

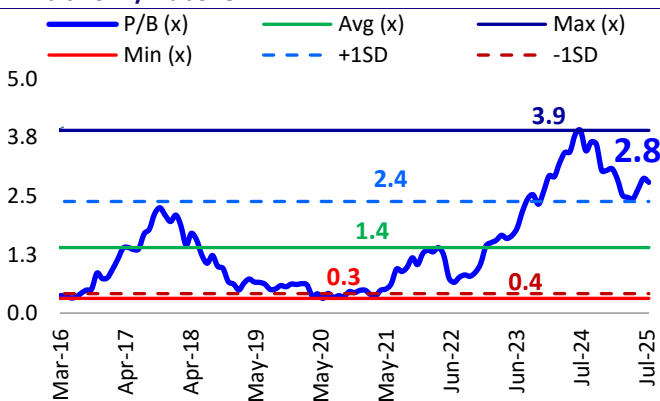
Change in estimates and valuations

Exhibit 9: Changes to our key assumptions and estimates (consolidated)

| Particulars (INR b) | FY26E | | | FY27E | | |
|------------------------|-------|-----|----------|-------|-----|----------|
| | New | Old | % Change | New | Old | % Change |
| Revenue | 445 | 445 | 0.0% | 510 | 510 | 0.0% |
| EBITDA | 53 | 53 | 0.0% | 64 | 64 | 0.0% |
| Adj PAT | 30 | 30 | -0.4% | 37 | 37 | 0.0% |

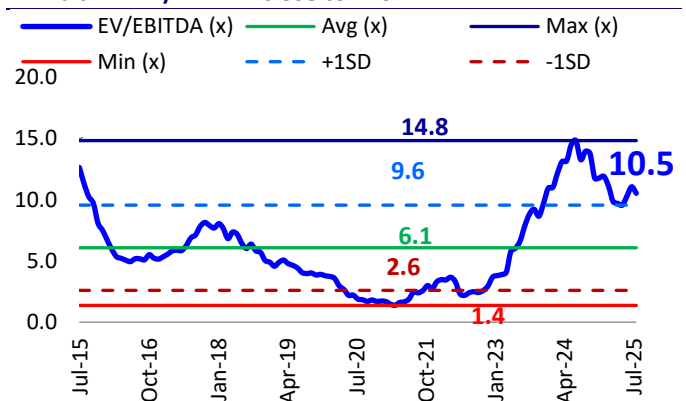
Source: MOFSL, Company

Exhibit 10: P/B above LTA



Source: MOFSL, Company Data

Exhibit 11: EV/EBITDA close to +1SD



Source: MOFSL, Company Data

Exhibit 12: TP calculations

| Particular | UoM | FY27E |
|------------------|----------|------------|
| Target EV/EBITDA | x | 11.0 |
| Target EV | (INR b) | 699 |
| Net debt | (INR b) | 36 |
| Equity value | (INR b) | 667 |
| No. of Shares | (Nos. b) | 0.8 |
| TP | | 830 |
| Upside % | | 15% |

Source: MOFSL, Company

Financials and Valuation

Income statement (Consol)

(InR b)

| Y/E March | FY20 | FY21 | FY22 | FY23 | FY24 | FY25 | FY26E | FY27E |
|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Net sales | 129.5 | 121.9 | 327.3 | 357.0 | 385.6 | 393.1 | 444.6 | 510.1 |
| Change (%) | (4.5) | (5.9) | 168.6 | 9.1 | 8.0 | 1.9 | 13.1 | 14.8 |
| Total Expenses | 118.1 | 107.6 | 276.4 | 321.1 | 338.6 | 346.5 | 391.1 | 446.6 |
| EBITDA | 11.4 | 14.2 | 50.9 | 35.9 | 47.0 | 46.7 | 53.4 | 63.6 |
| % of Net Sales | 8.8 | 11.7 | 15.6 | 10.0 | 12.2 | 11.9 | 12.0 | 12.5 |
| Depn. & Amortization | 4.3 | 4.0 | 7.6 | 7.2 | 8.8 | 9.6 | 9.8 | 10.7 |
| EBIT | 7.1 | 10.2 | 43.3 | 28.6 | 38.3 | 37.1 | 43.7 | 52.9 |
| Net Interest | 5.9 | 4.8 | 3.4 | 3.2 | 5.5 | 6.1 | 7.0 | 7.6 |
| Other income | 0.4 | 0.4 | 0.7 | 1.3 | 1.7 | 2.9 | 3.1 | 3.6 |
| PBT before EO | 1.7 | 5.8 | 40.6 | 26.6 | 34.4 | 33.9 | 39.8 | 48.8 |
| EO income | (0.0) | (1.0) | - | - | (1.0) | 0.1 | - | - |
| PBT after EO | 1.7 | 6.8 | 40.6 | 26.6 | 35.4 | 33.8 | 39.8 | 48.8 |
| Tax | 0.9 | 2.7 | 10.5 | 6.9 | 9.0 | 8.4 | 9.9 | 12.2 |
| Rate (%) | 53.5 | 39.5 | 25.9 | 25.9 | 25.4 | 24.8 | 24.9 | 25.0 |
| PAT before MI and Asso. | 0.8 | 4.1 | 30.1 | 19.7 | 26.4 | 25.4 | 29.9 | 36.6 |
| Minority interests | 0.0 | 0.0 | 0.3 | (0.3) | (0.2) | (0.1) | 0.0 | - |
| Share of Associates | (0.1) | 0.1 | 1.0 | 1.1 | 0.5 | (0.4) | (0.1) | - |
| Reported PAT after MI and Asso. | 0.7 | 4.2 | 30.8 | 21.1 | 27.1 | 25.1 | 29.7 | 36.6 |
| Adj. PAT (after MI & Asso) | 0.7 | 3.2 | 30.8 | 21.1 | 26.1 | 25.1 | 29.7 | 36.6 |
| Change (%) | (52.8) | 373.6 | 871.8 | (31.3) | 23.6 | (3.9) | 18.3 | 23.2 |

Balance sheet (Consol)

| Y/E March | FY20 | FY21 | FY22 | FY23 | FY24 | FY25 | FY26E | FY27E |
|------------------------------------|--------------|-------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Share Capital | 1.0 | 1.0 | 1.1 | 1.6 | 1.6 | 1.6 | 1.6 | 1.6 |
| Reserves | 26.2 | 31.1 | 97.2 | 117.7 | 141.9 | 165.2 | 192.1 | 225.4 |
| Net Worth | 27.2 | 32.1 | 98.2 | 119.3 | 143.6 | 166.9 | 193.7 | 227.1 |
| Minority Interest | 0.1 | 0.1 | 0.7 | 0.4 | 0.2 | 0.2 | 0.2 | 0.2 |
| Total Loans | 33.6 | 31.5 | 39.2 | 38.7 | 59.5 | 63.0 | 69.9 | 80.0 |
| Deferred Tax Liability | 1.9 | 4.6 | 8.9 | 8.6 | 12.4 | 13.0 | 13.0 | 13.0 |
| Capital Employed | 66.1 | 71.1 | 150.8 | 171.3 | 219.9 | 247.1 | 280.9 | 324.3 |
| Gross Block | 80.9 | 81.2 | 112.5 | 131.9 | 164.6 | 183.8 | 201.8 | 225.8 |
| Less: Accum. Deprn. | 19.1 | 22.6 | 32.4 | 38.6 | 42.0 | 51.5 | 61.3 | 72.0 |
| Net Fixed Assets | 61.8 | 58.6 | 80.1 | 93.3 | 122.6 | 132.3 | 140.5 | 153.8 |
| Capital WIP | 0.2 | 0.6 | 11.7 | 14.1 | 21.1 | 33.6 | 35.6 | 31.6 |
| Investments | 6.6 | 7.0 | 14.2 | 12.7 | 16.7 | 27.8 | 27.8 | 27.8 |
| Curr. Assets | 38.3 | 41.2 | 119.9 | 151.1 | 147.8 | 168.0 | 183.3 | 223.2 |
| Inventory | 27.4 | 27.9 | 67.9 | 83.9 | 79.3 | 97.0 | 101.0 | 114.8 |
| Account Receivables | 7.1 | 9.3 | 38.6 | 36.6 | 28.4 | 31.1 | 34.3 | 43.8 |
| Cash and Bank Balance | 0.7 | 1.2 | 2.6 | 9.3 | 19.9 | 22.7 | 30.7 | 47.4 |
| Others | 3.1 | 2.8 | 10.9 | 21.3 | 20.3 | 17.2 | 17.2 | 17.2 |
| Curr. Liability & Prov. | 40.7 | 36.2 | 75.0 | 99.8 | 88.2 | 114.5 | 106.3 | 112.0 |
| Account Payables | 26.6 | 26.3 | 57.4 | 78.2 | 69.3 | 91.4 | 83.2 | 88.9 |
| Provisions & Others | 14.1 | 9.9 | 17.6 | 21.6 | 19.0 | 23.1 | 23.1 | 23.1 |
| Net Current Assets | (2.5) | 5.0 | 44.9 | 51.3 | 59.6 | 53.5 | 77.0 | 111.2 |
| Appl. of Funds | 66.1 | 71.1 | 150.8 | 171.3 | 219.9 | 247.1 | 280.9 | 324.3 |

Financials and Valuation

Ratios

| Y/E March | FY20 | FY21 | FY22 | FY23 | FY24 | FY25 | FY26E | FY27E |
|-------------------------------|------------|------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Basic (INR) | | | | | | | | |
| EPS | 1.4 | 6.5 | 58.6 | 25.7 | 31.7 | 30.5 | 36.2 | 44.5 |
| Cash EPS | 10.2 | 16.9 | 73.6 | 34.1 | 43.4 | 42.0 | 48.1 | 57.4 |
| BV/Share | 55.8 | 65.8 | 186.9 | 144.9 | 174.4 | 202.6 | 235.3 | 275.8 |
| DPS | - | - | - | 2.5 | 3.0 | 3.0 | 3.5 | 4.0 |
| Pay-out (%) | - | - | - | 9.7 | 9.1 | 9.9 | 9.7 | 9.0 |
| Valuation (x) | | | | | | | | |
| P/E | 23.5 | 6.2 | 2.7 | 7.0 | 21.7 | 18.5 | 20.0 | 16.2 |
| Cash P/E | 3.4 | 3.2 | 2.2 | 5.2 | 16.4 | 13.3 | 15.1 | 12.6 |
| P/BV | 0.6 | 0.8 | 0.9 | 1.2 | 4.1 | 2.8 | 3.1 | 2.6 |
| EV/Sales | 0.4 | 0.5 | 0.4 | 0.5 | 1.6 | 1.3 | 1.4 | 1.2 |
| EV/EBITDA | 4.9 | 4.0 | 2.4 | 4.9 | 13.3 | 10.7 | 11.9 | 9.9 |
| Dividend Yield (%) | - | - | - | 1.4 | 0.4 | 0.5 | 0.5 | 0.6 |
| Return Ratios (%) | | | | | | | | |
| EBITDA Margins (%) | 8.8 | 11.7 | 15.6 | 10.0 | 12.2 | 11.9 | 12.0 | 12.5 |
| Net Profit Margins (%) | 0.5 | 2.6 | 9.4 | 5.9 | 6.8 | 6.4 | 6.7 | 7.2 |
| RoE | 2.5 | 9.9 | 31.3 | 17.7 | 18.2 | 15.1 | 15.4 | 16.1 |
| RoCE (pre-tax) | 4.9 | 9.5 | 22.4 | 13.4 | 13.9 | 12.3 | 12.7 | 13.2 |
| RoIC (pre-tax) | 8.2 | 11.9 | 21.3 | 13.6 | 13.7 | 12.4 | 12.3 | 12.3 |
| Working Capital Ratios | | | | | | | | |
| Fixed Asset Turnover (x) | 2.1 | 2.1 | 3.6 | 3.3 | 2.7 | 2.4 | 2.5 | 2.8 |
| Asset Turnover (x) | 1.2 | 1.1 | 1.4 | 1.3 | 1.3 | 1.1 | 1.1 | 1.2 |
| Debtor (Days) | 22 | 24 | 39 | 40 | 32 | 28 | 32 | 35 |
| Inventory (Days) | 78 | 89 | 91 | 93 | 90 | 94 | 100 | 100 |
| Creditors(Days) | 80 | 90 | 55 | 77 | 79 | 85 | 80 | 75 |
| Working Capital (Days) | 21 | 23 | 75 | 56 | 43 | 37 | 52 | 60 |
| Leverage Ratio (x) | | | | | | | | |
| Current Ratio | 0.9 | 1.1 | 1.6 | 1.5 | 1.7 | 1.5 | 1.7 | 2.0 |
| Interest Cover Ratio | 1.2 | 2.1 | 12.6 | 8.8 | 6.9 | 6.1 | 6.2 | 7.0 |
| Debt/Equity | 1.4 | 0.9 | 0.4 | 0.2 | 0.3 | 0.2 | 0.2 | 0.1 |

Cash flow (Consol)

| Y/E March | FY20 | FY21 | FY22 | FY23 | FY24 | FY25 | FY26E | FY27E |
|---|--------------|---------------|--------------|---------------|---------------|---------------|---------------|---------------|
| EBITDA | 11.4 | 14.2 | 50.9 | 35.9 | 47.0 | 46.7 | 53.4 | 63.6 |
| (Inc)/Dec in Wkg. Cap. | (1.7) | (2.0) | (45.7) | (17.5) | 13.9 | (19.1) | (15.5) | (17.4) |
| Tax Paid | 0.0 | 0.1 | (8.6) | (7.5) | (7.4) | (6.2) | (9.9) | (12.2) |
| Others | 2.1 | 0.8 | 13.8 | 20.2 | (5.4) | 25.8 | (0.1) | - |
| CF from Op. Activity | 11.8 | 13.1 | 10.4 | 31.0 | 48.2 | 47.2 | 27.8 | 33.9 |
| (Inc)/Dec in FA + CWIP | (1.7) | (1.6) | (9.7) | (16.5) | (29.4) | (24.7) | (20.0) | (20.0) |
| (Pur)/sale of Invest. | (0.2) | (0.1) | (0.3) | (8.7) | (2.4) | (6.7) | - | - |
| Int. & Dividend Income | 0.1 | 0.2 | 0.2 | 0.3 | (1.6) | (3.0) | 3.1 | 3.6 |
| Others | - | (0.0) | - | - | - | - | - | - |
| CF from Inv. Activity | (1.9) | (1.5) | (9.9) | (24.8) | (33.4) | (34.4) | (16.9) | (16.4) |
| Equity raised/(repaid) | 0.3 | 0.5 | 1.1 | - | - | 0.0 | - | - |
| Debt raised/(repaid) | (5.1) | (8.3) | 3.3 | (0.8) | 0.1 | (10.2) | 7.0 | 10.1 |
| Dividend (incl. tax) | - | - | - | - | (2.9) | (2.4) | (7.0) | (7.6) |
| Interest paid | (5.0) | (3.4) | (3.3) | (3.0) | (5.3) | (5.9) | (2.9) | (3.3) |
| Other financing | (0.0) | (0.0) | (0.1) | (0.1) | (0.2) | (0.3) | - | - |
| CF from Fin. Activity | (9.9) | (11.2) | 1.0 | (3.9) | (8.3) | (18.8) | (2.9) | (0.8) |
| (Inc)/Dec in Cash | 0.0 | 0.4 | 1.5 | 2.3 | 6.5 | (6.0) | 8.0 | 16.7 |
| Add: opening Balance | 0.4 | 0.4 | 0.9 | 2.4 | 4.7 | 12.3 | 6.3 | 14.3 |
| Regrouping / transaction Adj. | 0.0 | 0.0 | - | 0.0 | 1.1 | 0.1 | - | - |
| Closing cash balance | 0.4 | 0.8 | 2.4 | 4.7 | 12.3 | 6.3 | 14.3 | 31.1 |
| Bank Balance | 0.3 | 0.4 | 0.2 | 4.6 | 7.6 | 16.4 | 16.4 | 16.4 |
| Closing Balance (incl. bank balance) | 0.7 | 1.2 | 2.6 | 9.3 | 19.9 | 22.7 | 30.7 | 47.4 |

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|----------------------------------|--|
| Investment Rating | Expected return (over 12-month) |
| BUY | >=15% |
| SELL | < - 10% |
| NEUTRAL | < - 10 % to 15% |
| UNDER REVIEW | Rating may undergo a change |
| NOT RATED | We have forward looking estimates for the stock but we refrain from assigning recommendation |

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