



SAT INDUSTRIES LIMITED

Q1 FY25 - Investor Presentation

August 9, 2024



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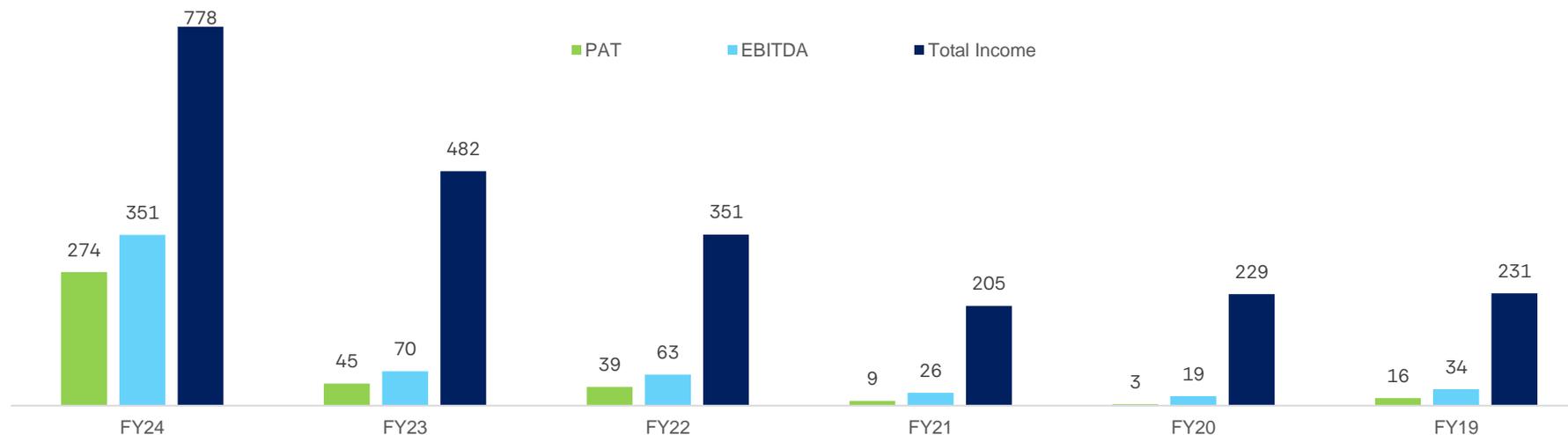
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5 Year Consolidated Financial Highlights – Scaling New Horizons



INR Cr.

Particulars	FY24	FY23	FY22	FY21	FY20	FY19	5yr CAGR
Total Income	778.42	481.78	351.48	205.10	228.95	230.55	28%
Operating EBITDA*	94.71	70.37	63.45	26.16	19.43	33.88	23%
EBITDA	350.73	70.37	63.45	26.16	19.43	33.88	60%
EBITDA margin	45%	15%	18%	13%	8%	15%	
PBT	331.75	58.30	50.27	12.43	2.28	15.29	85%
PBT margin	43%	12%	14%	6%	1%	7%	
PAT	274.22	45.06	38.71	9.44	2.70	15.57	77%
PAT margin	35%	9%	11%	5%	1%	7%	



*Operational EBITDA for FY24 excludes proceeds received from the sale of stake in Aeroflex by SAT (Promoter)

Key Highlights

Q1 FY25 - Profit & Loss Summary (Consolidated)



159
Startup Investments

1500+
Workforce

100+
Countries footprint

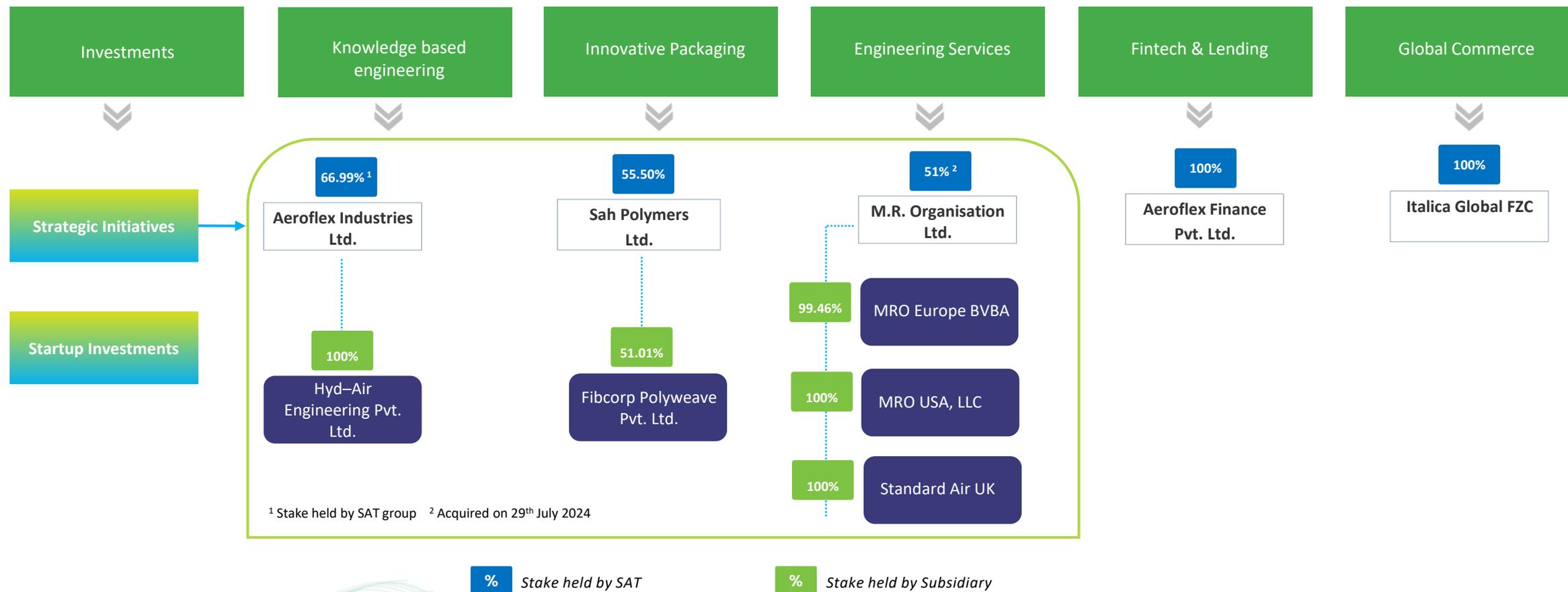
Q1 FY2025 - Profit & Loss Summary (Standalone)



5
Countrywide Offices

129.49 Cr.
Q1 FY25 Group Turnover

A dynamic & diversified incubator



About SAT – United in vision, diversified in action

SAT is a dynamic and diversified business group & incubator that strategically curates a portfolio of businesses and investments across various sectors.

Its business interests span knowledge-based engineering, innovative packaging solutions, engineering services, fintech and lending, as well as cutting-edge startup investments.

At the core of SAT Industries' success is its ability to harmonise cash flow-generating businesses with investments in high-growth start-ups. This delicate balance is meticulously maintained to ensure that each venture complements the other, driving comprehensive growth. The Company's foresight in identifying and nurturing promising start-ups, coupled with timely and successful exits, underscores its commitment to creating long-term value.

A proud contributor to the #MakeInIndia movement, SAT invests in ventures that resonate with India's vision for innovation and progress. By partnering with visionary entrepreneurs, the Company not only fuels individual success stories but also contributes to the broader economic landscape.

Boasting sales touchpoints in over 100+ countries, SAT operates on a universal scale, spearheading the adoption of novel, efficient, and sustainable solutions worldwide. The company is at the forefront of introducing cutting-edge, eco-friendly, and cost-effective solutions to customers across the globe.

With offices strategically located at international business hubs like USA, UK, Belgium, UAE, SAT has established a global presence and a firm foothold in international markets across the Middle East, Europe, Asia, Africa, and the Americas.

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Subsidiaries & Stepdown Subsidiaries

6

Business Verticals

USA, UK, Belgium, UAE

Location of the Foreign Subsidiaries

Investments spread across

35+ diverse sectors

Consolidated Financial Statement



INR Cr.

Particulars	Q1 FY25	Q4 FY24	QoQ (%)	Q1 FY24	YoY (%)
Revenue from operations	122.61	115.42		129.98	
Other Income ¹	6.88	7.40		73.68	
Total Income	129.49	122.82	5.43%	203.66	-36.42%
Cost of Material Consumed	68.66	61.95		88.44	
Purchases of Stock-in-Trade	2.16	5.96		0.79	
Changes in Inventories	-0.25	2.69		-4.98	
Employee Benefit Expenses	10.87	9.56		8.78	
Other Expenses	19.73	18.47		16.13	
EBITDA	28.32	24.20	17.03%	94.50	-70.03%
Operational EBITDA ²	28.32	24.20	17.03%	20.82	36.04%
Operational EBITDA Margin	21.87%	19.70%	217 bps	16.02%	585 bps
Depreciation & Amortization	3.16	2.49		2.13	
Finance Cost	1.34	2.20		2.12	
Exceptional Items	0.00	0.00		0.00	
PBT	23.82	19.51	22.12%	90.25	-73.60%
PBT Margin	18.40%	15.88%	252 bps	44.31%	-2,591 bps
Tax Expense	5.81	5.14		19.90	
PAT	18.01	14.37	25.33%	70.34	-74.40%
PAT Margin %	13.91%	11.70%	221 bps	34.54%	-2,063 bps
Diluted EPS	1.59	1.27		6.22	

¹ Other Income for Q1 FY24 includes proceeds from the Aeroflex's Pre- IPO by SAT (Promoter)

² Operational EBITDA for Q1 FY24 excludes proceeds received from the sale of stake in Aeroflex's Pre- IPO by SAT (Promoter)

Standalone Financial Statement



INR Cr.

Particulars	Q1 FY25	Q4 FY24	QoQ (%)	Q1 FY24	YoY%
Revenue from operations	1.43	1.64		22.77	
Other Income	4.78	5.12		71.45	
Total Income	6.21	6.76	-8.11%	94.22	-93.41%
Cost of Material Consumed	-	0.89		16.8	
Purchases of Stock-in-Trade	-	0.00		0.33	
Changes in Inventories	-	-		-	
Employee Benefit Expenses	0.56	0.45		0.42	
Other Expenses	0.34	0.19		2.93	
EBITDA	5.31	5.23	1.62%	73.73	-92.79%
EBITDA Margin	85.55%	77.36%	819 bps	78.26%	729 bps
Depreciation & Amortization	0.16	0.12		0.13	
Finance Cost	0.18	0.53		0.00	
Exceptional Items	-	-		-	
PBT	4.97	4.58	8.51%	73.59	-93.25%
PBT Margin	80.01%	67.76%	1,225 bps	78.11%	190 bps
Tax Expense	1.24	1.23		15.98	
PAT	3.73	3.35	11.39%	57.62	-93.53%
PAT Margin %	60.02%	49.51%	1,051 bps	61.15%	-113 bps
Diluted EPS	0.33	0.30		5.10	

Acquisition Announcement of M.R. ORGANISATION



COMING TOGETHER
IS A BEGINNING

KEEP MOVING
IS A PROCESS

WORKING TOGETHER
IS SUCCESS

29th July 2024



Transaction Advisors

IBGRID

Due Diligence Advisors

Deloitte | **JHS**

Transaction Brief

SAT Industries Limited is pleased to announce the acquisition of M.R. Organisation Limited, based out of Ahmedabad.

This strategic move aligns with our core strategy of combining cash flow-generating businesses with high-growth investments, creating a balanced and sustainable growth trajectory making the proposition value accretive from day one.

MRO is into the business of tech-based last-mile utility services to the end-user industries. Established in the year 1984 by the promoter Mr. Mayur Kamdar, the company has become a market leader and has presence across all 29 states via 59 locations and 5 warehouses spread across the country to serve the customers with the fastest service and delivery time. With business spread across 75+ countries, the company has global presence in strategic locations viz. USA, UK and Belgium via 3 wholly owned subsidiaries. It supplies Air Compressor parts and kits to more than 3000 customers. The company has value-added products such as blowers and vacuum systems in its pipeline to further enhance its operating margins. Company achieved a consolidated revenue of INR 70.10 crores* in FY24 with an EBITDA margin of 27% showing the strength of its business operations.

The acquisition of M.R. Organisation exemplifies our ability to identify and develop promising ventures while maintaining a balance for comprehensive growth. Integrating M.R. Organisation will improve our financial performance and strengthen our market positioning. We believe this acquisition will drive significant value and contribute to long-term benefits to all our stakeholders.

*Source: Deloitte FDD report

Acquisition Overview

SAT is set to acquire a 90% stake in MRO in four tranches



**Tranche-1
51% Acquisition**

MRO has become a material subsidiary of SAT.



Funding

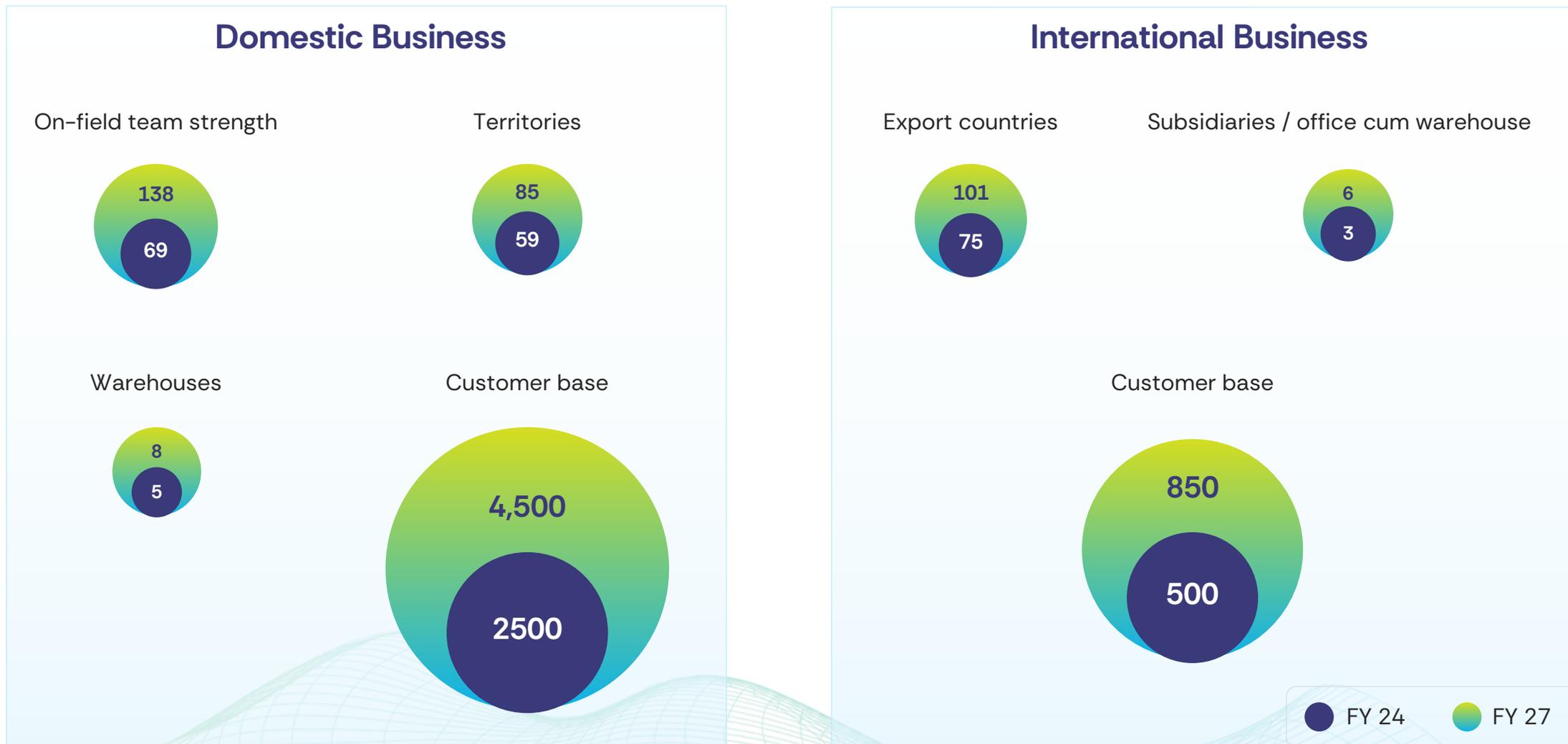
The entire transaction will be fully funded through internal accruals.



Acquisition Cost

INR 115.47 Crores

Operational Metrics – M.R. Organisation



Knowledge based Engineering – Aeroflex Industries



Knowledge based Engineering

Introducing Aeroflex Industries, a pivotal business within the SAT's portfolio, and a distinguished player in the manufacturing and global export of a wide array of flexible flow solutions. These encompass braided hoses, unbraided hoses, solar hoses, gas hoses, vacuum hoses, braiding, interlock hoses, hose assemblies, lancing hose assemblies, jacketed hose assemblies, exhaust connectors, exhaust gas recirculation (EGR) tubes, expansion bellows, compensators, and associated end fittings.

At Aeroflex, state-of-the-art technology converges with a cutting-edge facility, complemented by a team of seasoned professionals. This synergy ensures meticulous oversight and resolute adherence to the most stringent international quality standards. Recognised as an ISO 9001:2015 certified company by TUV NORD Germany, Aeroflex relentlessly pursues excellence, solidifying its presence in both domestic and international markets.

Stake in Aeroflex



Knowledge based Engineering **India**

(Note - Includes indirect holding)



No. of SKU's



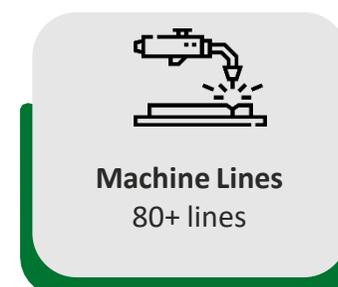
Global Customers Accreditations



Q1 FY25 Revenue



Customized Solution Provider



Value Added Product Segment

Aeroflex now entered into manufacturing of expansion joints (expansion bellows or flexible joints) for piping systems. Made from stainless steel, nickel alloys, inconel, they absorb vibrations, heat, and misalignment, reducing strain and extending system lifespan. These joints enhance flexibility and cut costs, ideal for industries prone to thermal expansion.



"Commitment to Excellence"

Inorganic Acquisition of HYD-AIR ENGINEERING

The acquisition of Hyd-Air Engineering gave Aeroflex a direct advantage by integrating the acquired company's products into its fluid control assemblies, facilitating expansion into the assembly product segment.

The Quality Lab installation is currently underway, and orders for new machinery installations have been placed, with completion expected by Mar-25

- End-to-end solution / vertical integration
- Operational efficiency
- Entry into new industries – Railways, Shipbuilding, Heavy industries
- Access to new clients – Mazgaon Dockyard, SAIL, BHEL, JSW, Arcelor Mittal

Railways, Ship building , Heavy Industries



Aeroflex Industries
 Manufacturer of Metallic Flexible Flow Solutions



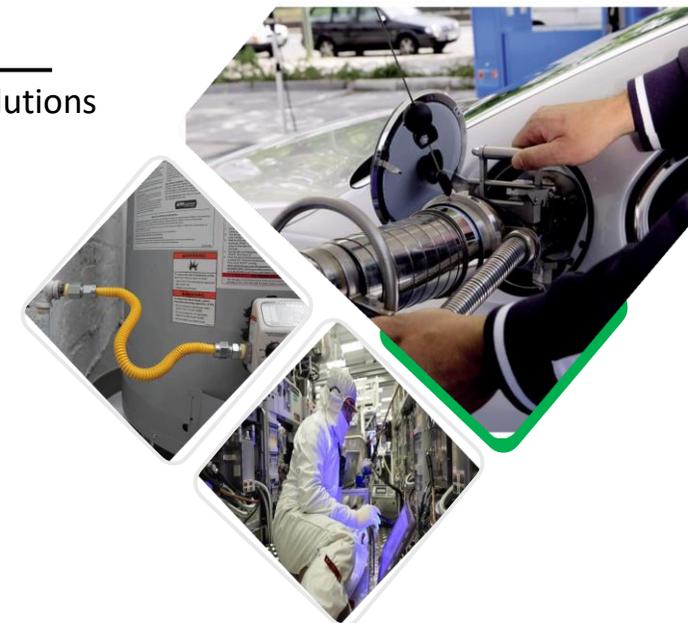
100% Acquisition



Hyd-Air Engineering

Manufacturer of Hydraulic Fittings,
 Fluid Connectors & Flanges

Cost of acquisition: INR 17,20,86,172/-
Funding of the Acquisition :
 Internal Accrual & IPO Proceeds.



Consolidated Profit & Loss Statement - Aeroflex Industries



INR Cr.

Profit & Loss	Q1 FY25	Q4 FY24	QoQ	Q1 FY24	YoY
Revenue from Operations	89.75	77.77	15.40%	82.93	8.22%
Other Income	1.03	1.31		0.99	
Total Income	90.78	79.08	14.80%	83.92	8.17%
Cost of Material Consumed	49.63	48.53		56.39	
Changes in Inventories	4.67	0.50		-2.26	
Employee Benefit Expenses	7.97	6.77		6.51	
Other Expenses	9.38	7.53		6.4	
EBITDA	19.13	15.75	21.47%	16.87	13.35%
EBITDA Margin	21.07%	19.91%	116 Bps	20.11%	96 Bps
Depreciation	2.37	1.74		1.42	
Finance Cost	0.06	0.06		0.92	
Exceptional Item (Gain) / Loss	-	-		-0.16	
Profit before Tax	16.69	13.95	19.66%	14.7	13.57%
PBT Margin	18.39%	17.64%	75 Bps	17.51%	87 Bps
Tax	4.28	3.92		3.61	
Profit After Tax	12.41	10.03	23.67%	11.09	11.91%
PAT Margin	13.67%	12.69%	98 Bps	13.21%	46 Bps
EPS (in INR)	0.96	0.78		0.97	

Innovative Packaging – Sah Polymers



Innovative Packaging

Our innovative packaging business brings with it a rich legacy of about 32 years. We have firmly established ourselves as a reliable and forward-thinking entity in the bulk packaging & polymer industry. Fuelled by a dedicated team of experienced professionals and leveraging cutting-edge technology, the company delivers an exceptional range of products, including Flexible Intermediate Bulk Containers (FIBCs), PP woven bags, box bags, and BOPP laminated bags. Additional accolades are due to its subsidiary, Fibcorp Polyweave, which further enhances its reach in the industry.

With a firm commitment to product quality and innovation, Sah Polymers prioritises customer satisfaction, positioning itself as a crucial element in the intricate puzzle of SAT's success. Notably, the IPO in 2023 signified a pivotal moment for Sah Polymers, as it contributes significant value to the entire SAT family.

Stake in Sah Polymers



 Innovative Packaging

 India



Export Market

- Sah has successfully expanded its market reach by exporting its products to **30+ countries** around the world.



Domestic Market

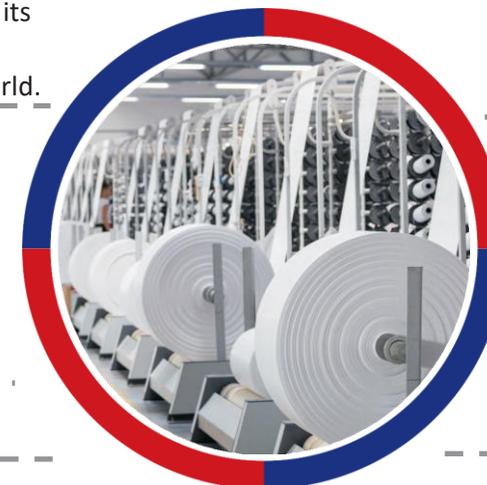
- Total States: **13 States & 1 UT**
- Total Customers: **80+**
- Total Cities: **24 Cities**



Production Capacity

- Total Consolidated Capacity: **9,120 MTPA***

* Note: Total Consolidated capacity includes 7,920 MTPA of Sah & 1,200 MTPA of Fibcorp.



Strategic/Inorganic Growth Transactions

Actively seeking/evaluating companies, in India and abroad, to make strategic investments and expand the footprint, presence, capacities, business, etc



Research & Development

- Peanut Food Grade Bag**
- Type C FIBC Bag**



Revenue Split

- Revenue from Exports (%): **73.85%**
- Revenue from Domestic (%): **26.15%**



Value Added Product Segment

Sah has embarked on a journey to upgrade the processes and standard operating procedures. It is in the final stages of obtaining the BRC audit certification, which will enable it to supply to the lucrative food and pharma industry and aiming to expanding the presence, especially in the High End FIBC market.

Inorganic Acquisition of FIBCORP POLYWEAVE

- Involved in the business of Manufacturing and Exporting FIBC since July 2017
- Manufactures entire range of FIBC from Simple builder bags to complex C panel and circular baffle bags
- Strong export customer base in 18+ countries across the globe.
- Recognized as Star Export House by the Government of India.
- Driven by a strong team of experienced and knowledgeable professionals and workers across critical production departments.

Fibcorp Polyweave, a subsidiary of Sah Polymers post the acquisition of a controlling stake in January 2022, is in the process of amalgamation with the parent Company.

This strategic decision will further integrate the operations of both Companies.

- ✓ **Allow for cost optimization**
- ✓ **Offer cross-selling opportunities within each other's clientele**
- ✓ **Fortify presence in global markets**



Consolidated Profit & Loss Statement - Sah Polymers



INR Cr.

Profit & Loss	Q1 FY25	Q4 FY24	QoQ (%)	Q1 FY24	YoY (%)
Revenue from Operations	29.11	32.4		23.29	
Other Income	0.31	0.41		0.54	
Total Income	29.42	32.82	-10.35%	23.83	23.46%
Cost of Material Consumed	19.99	17.6		15.43	
Purchases of Stock-in-Trade	0.54	0.18		0.45	
Changes in Inventories	-4.91	2.18		-2.72	
Employee Benefit Expenses	2.09	2.08		1.63	
Other Expenses	9.83	9.18		6.81	
EBITDA	1.88	1.6	17.45%	2.24	-15.78%
EBITDA Margin	6.40%	4.88%	151 bps	9.38%	-298 bps
Depreciation	0.63	0.63		0.58	
Finance Cost	0.80	0.8		0.79	
Exceptional Item (Gain) / Loss	-	-		-	
Profit before Tax	0.46	0.18	159.53%	0.87	-47.44%
PBT Margin	1.56%	0.54%	102 bps	3.67%	-210 bps
Tax	0.16	0.05		0.26	
Profit After Tax	0.30	0.13	133.99%	0.61	-51.56%
PAT Margin	1.01%	0.39%	62 bps	2.56%	-156 bps
EPS (in INR)	0.11	0.05		0.24	

Startup Investments – Sowing innovation, reaping growth

3

New Investments in Q1 FY25

6

Follow on Investment in Q1 FY25

159

Total Startup Investments

SAT employs defined processes and a professional team of analysts to conduct thorough research and due diligence, providing operational inputs and necessary bandwidth to manage the startup portfolio.

SAT boasts a diverse investment portfolio, spanning **35+ sectors**, and has invested in **159 startups**.

Key companies invested in



Rare Planet



Inc42



GalaxyEye



Autocracy



Eduvanz



Chargezone



Pandorum



LenDen Club



Agnikul



Xetgo

Key funds invested in



India Quotient



Beams Fintech Fund



ZTOF



Artha Venture



Blinc Fund II



9 Unicorn Fund



IIOF

Get Funded Initiative :

In an innovative move, SAT launches a [Get Funded](#) section on its website, offering founders across various sectors an opportunity to seek funding.



Fintech & Lending – Aeroflex Finance



Fintech & Lending

As a wholly owned subsidiary under the SAT umbrella, Aeroflex Finance operates as a Type-II non-deposit taking Non-Banking Finance Company (NBFC), duly registered with the Reserve Bank of India (RBI). The company specialises in delivering innovative financial solutions tailored to the needs of Micro, Small, and Medium Enterprises (MSMEs) and individuals. Functioning as a trusted ally to MSMEs, Aeroflex Finance focuses on providing a diverse range of loan products designed to meet both working capital and expansion-related requirements, thereby enabling small businesses to realise their full potential and drive growth.

To enhance its service offerings and reach a broader customer base, Aeroflex Finance collaborates closely with leading Fintech platforms such as LenDen Club and FinAGG. These partnerships leverage cutting-edge infrastructure and technology for loan origination and lifecycle management, enabling a seamless and efficient lending experience. This strategic move aligns with SAT's overarching value of empowering individuals and businesses to foster growth and prosperity. Committed to financial excellence, Aeroflex Finance is a dynamic subsidiary that perfectly complements the group's vision and contributes to its ongoing success.

Stake in Aeroflex Finance



Fintech and Lending



Note: Sat Industries Limited is an investor in LenDen Club and FinAGG

9300+	29.45 Cr.	63.31 Cr.	47.03 Cr.	15.44%
Unique Borrowers	Loan Book	Disbursements	Collections	Net Interest Margin
8.31%	25.10%	30.70%	0.00%	44.55%
ROA	ROE	CAR	NNPA	Net Profit Margin

Above data is related to Q1 FY25

Management Comments

Commenting on the performance of the quarter ended 30th June, 2024

Mr. Harikant Turgalia (Whole-time Director) said:

We are pleased to report that SAT Industries Limited has achieved notable growth and strategic advancements in Q1 FY25.

Our recent acquisition of M.R. Organisation Limited marks a significant milestone in our strategic plan, aligning with our strategy of integrating cash flow-generating businesses with high-growth investments. This acquisition will add value by enhancing both our market position and financial performance.

During the quarter, we made three new and six follow-on investments in startups, reinforcing our commitment to innovation.

Our total income grew to Rs.129.49 crores in Q1 FY25 from Rs.122.82 crores in Q4 FY24, with EBITDA increasing to 28.32% from 24.20%. Our profit after tax grew to Rs.18.01 crores from Rs.14.37 crores, and the PAT margin improved to 13.91% from 11.70%.

Aeroflex Industries Limited demonstrated resilience despite macro-level challenges, leveraging a diversified product mix and geographical reach. Our focus on the metal bellows segment and inorganic expansion promises continued margin improvement, with full capacities expected by year end.

Sah Polymers Limited faced challenges from high ocean freight and polymer prices but remains focused on cost optimization and new market opportunities. Total income grew by 23.46% YoY to Rs.29.42 crores, with QoQ margin improvements.

Aeroflex Finance Private Limited expanded its reach through strategic fintech collaborations, enhancing loan origination and lifecycle management. Our strategic move across the portfolio positions us well for sustainable growth, reaffirming our commitment to delivering long-term value to stakeholders.

Thank you for your ongoing support and trust.



Thank You

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