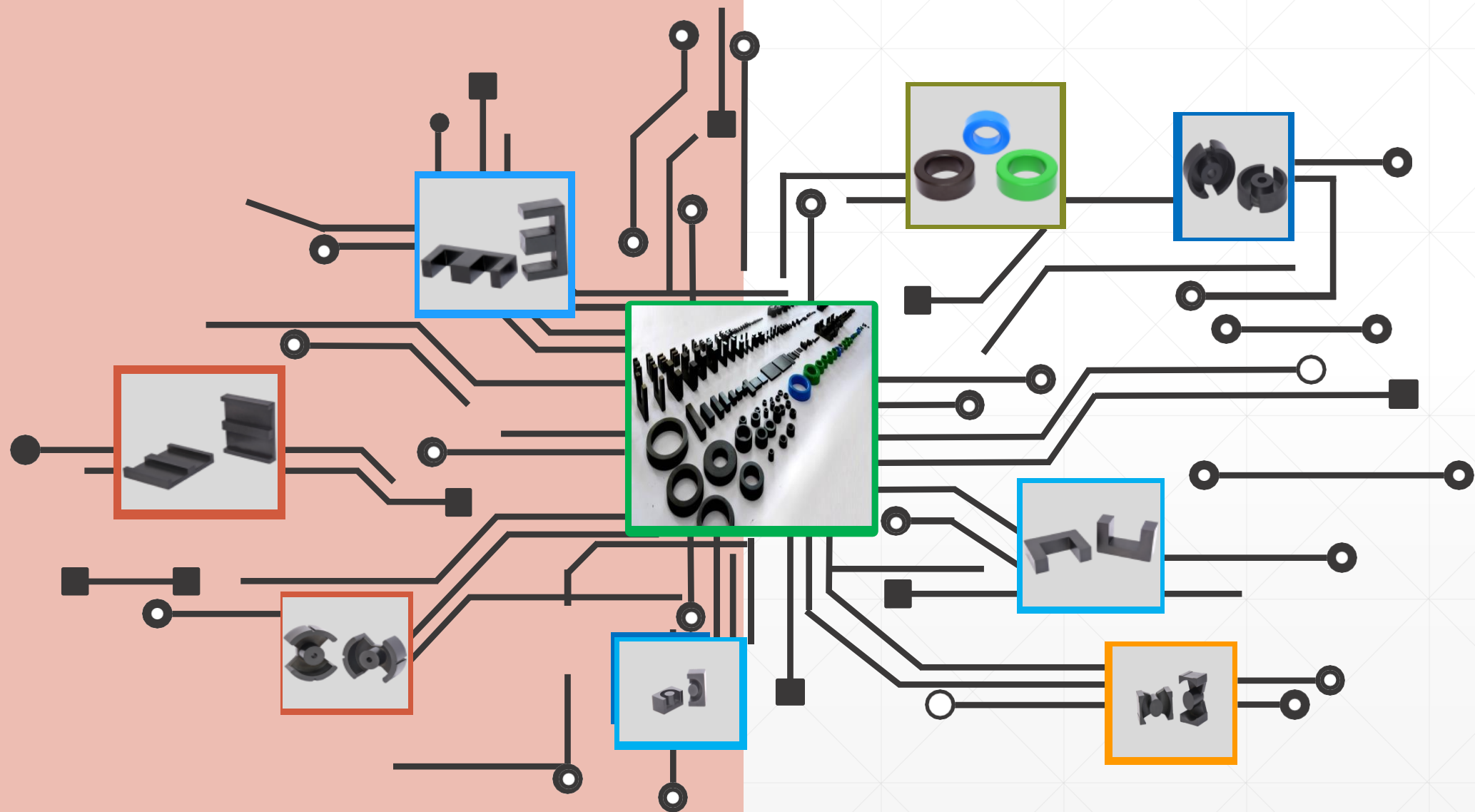


Cosmo Ferrites Limited

Investor Presentation – September 2022



Disclaimer

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Chairman Message

Market for electronic products is set to witness a remarkable growth in coming years with adoption of high end technology devices, technology driven transformation such as increased adoption of 5G network, IoT devices and shift towards major emerging trends like Electric Vehicles, Renewable Energy, Automation and Industry 4.0. The new era will be of Companies creating disruption in the market.

Cosmo Ferrites Ltd. one of India's leading manufacturer of Soft ferrites want to be known as a disrupter in the segment. Inspired by our 3.5 decades young experience we feel pride in bringing industry first products to the market. With our years of research experience and advanced testing and evaluation facilities manned by our talented people, we develop various types of soft ferrite cores , to meet the evolving customers' demand and deliver innovative solutions.

We have state of the art manufacturing facility in the foothills of Himalaya at Jabli (Himachal Pradesh, India) serving needs of our esteemed local and global customers. With strong focus on innovation and thrust on customer satisfaction, we are continuously investing in R&D, automation and capacity expansion to introduce evolving technologies and attune our products to newer segments & increase our presence in the global market. We are both backward & forward integrated and are strategically positioned to capitalise on the available opportunities. As a part of our capacity expansion plan, our soft ferrite cores production will increase by 50% during H2 FY'23. Further, we are investing in a top hat kiln to meet demand of high permeability ferrite cores which will be operational in late FY'23. These expansion will increase our soft ferrite cores production capacity to 3,600MT per annum from existing capacity of 2,400MT per annum and accelerate company's growth aspirations.

We enter this age of rapid change firmly rooted in our values and unwavering focus on innovation, quality and safety, while simultaneously keeping our eyes on the prize of being future-ready, we strive to become one of the leading power electronics players globally. We look forward to your continued support and feedback as we enter the new era of Cosmo Ferrites.

Discussion Summary

- ❑ Cosmo Ferrites Limited – An Overview
- ❑ September 2022 Quarter and Half Year Performance Snapshot
- ❑ Strategic Perspective
- ❑ Financial Snapshot
- ❑ ESG Focus



COSMO FERRITES - AN OVERVIEW

Company Overview



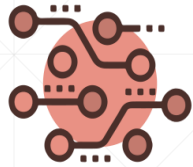
ESTABLISHMENT

Established in 1986, Cosmo Ferrites Limited is one of the largest manufacturer of Mn-Zn based Soft Ferrite cores used in Power Electronics Industry



PROMOTER

Promoted by Mr. Ashok Jaipuria, 1st Generation Entrepreneur, who introduced the country to Soft Ferrite Cores.



PRODUCT RANGE

- MnZn Ferrite Components (EE, EC, ETD, EER, EI, EFC, UU, TOROIDS, EP, RM, PQ, Pot, Planar, PTS, I Bar, EFF, EVD and EED)
- Pre-Calcined Ferrite Powder



CAPACITY

- Ferrites Powder 3,600 Tons
- Ferrites Component 3,600 Tons



DEMOGRAPHIC DISTRIBUTION

- Export 46%
- Domestic (India) 54%



EXPORT MARKET

Europe, USA, UK, New Zealand, Israel, Turkey, Thailand, Malaysia, China, Sri Lanka etc.



CERTIFICATIONS

ISO 9001:2015
ISO 14001:2015
ISO/TS:16949
ROHS Certified
REACH Compliant
UL Approved Insulation Coating

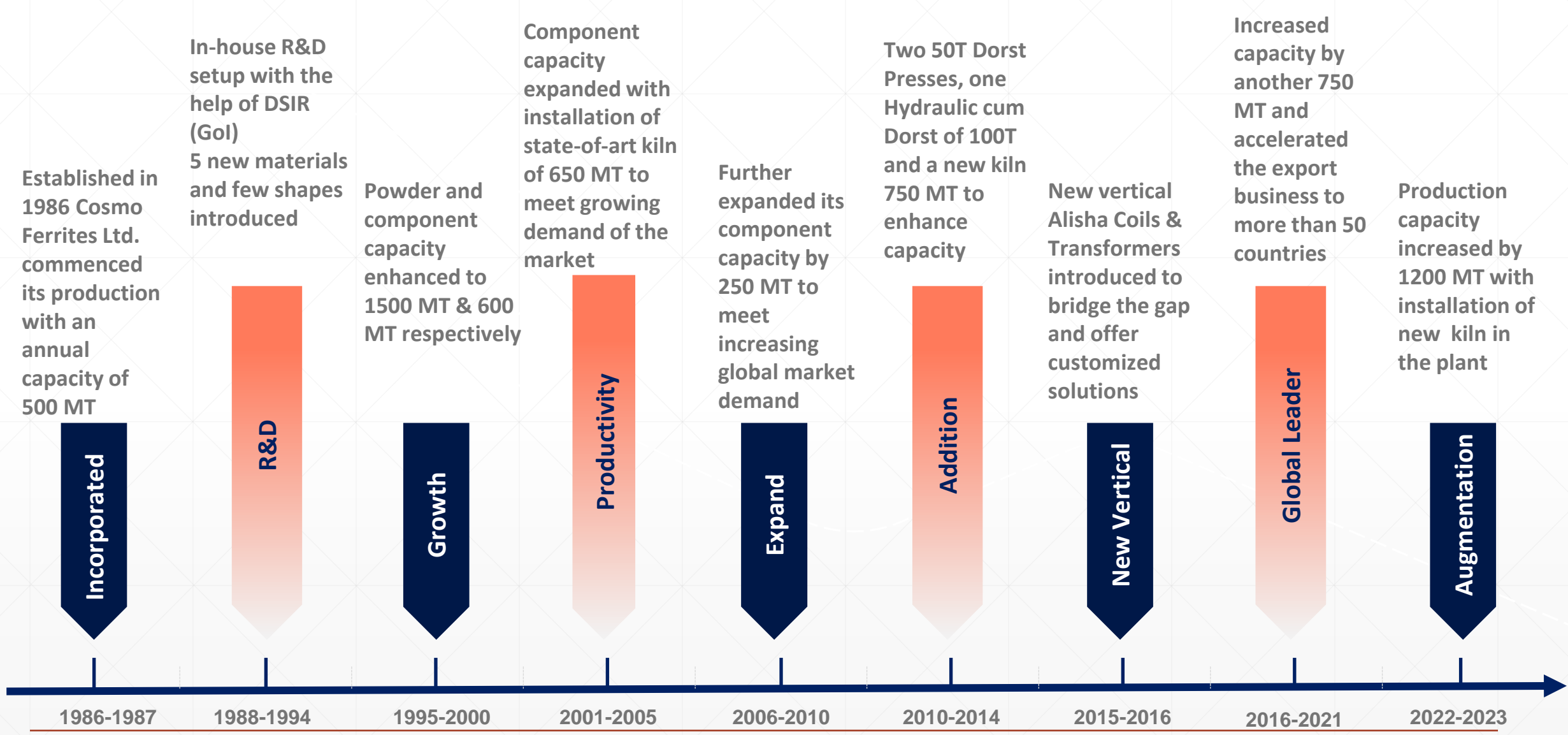


MANUFACTURING FACILITY

Located in the Foothills of Himalayas at Jabli, Solan Dist., Himachal Pradesh, India



Company Overview – Key Milestones



Company Overview – Vision & Mission

Vision

“Striving to become the market, product and quality leader of soft ferrite cores in the power electronics industry.”

Mission

“We shall endeavour to be an organization which delivers outstanding customer service, respects all individuals working with it and always encourages initiative & innovation.”

Business Overview – Manufacturing Infrastructure



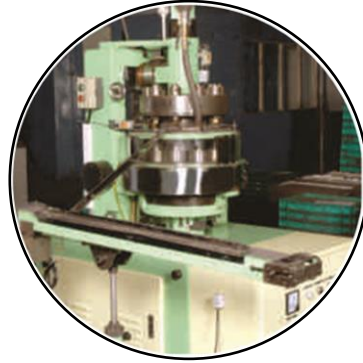
Powder Making Plant

In-house Powder
Manufacturing Facility

Installed capacity

Powder Production – 3600
Tons

Ferrite Production – 2400
Tons



Press

Rotary Press

Hydraulic Press

Mechanical Press (Dorst
Make)



Kiln

REIDHAMMER (Germany) - 4



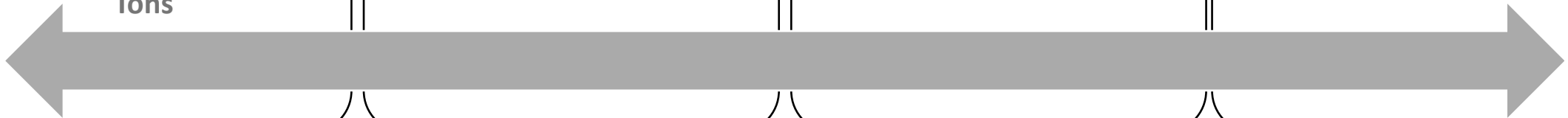
Grinder

Linear Abrasive

Famtec Aplanab

4 Station Automatic Grinding
Line

Diskus Werke



Market Segments We Cater:

**Automotive
Antenna, Sensors**



**Solar
Inverter, Current Sensor**



**Industrial Electronics
Medical , Power Supplies**



**Electric Vehicle Battery Charger,
OBD, Wireless Charging**



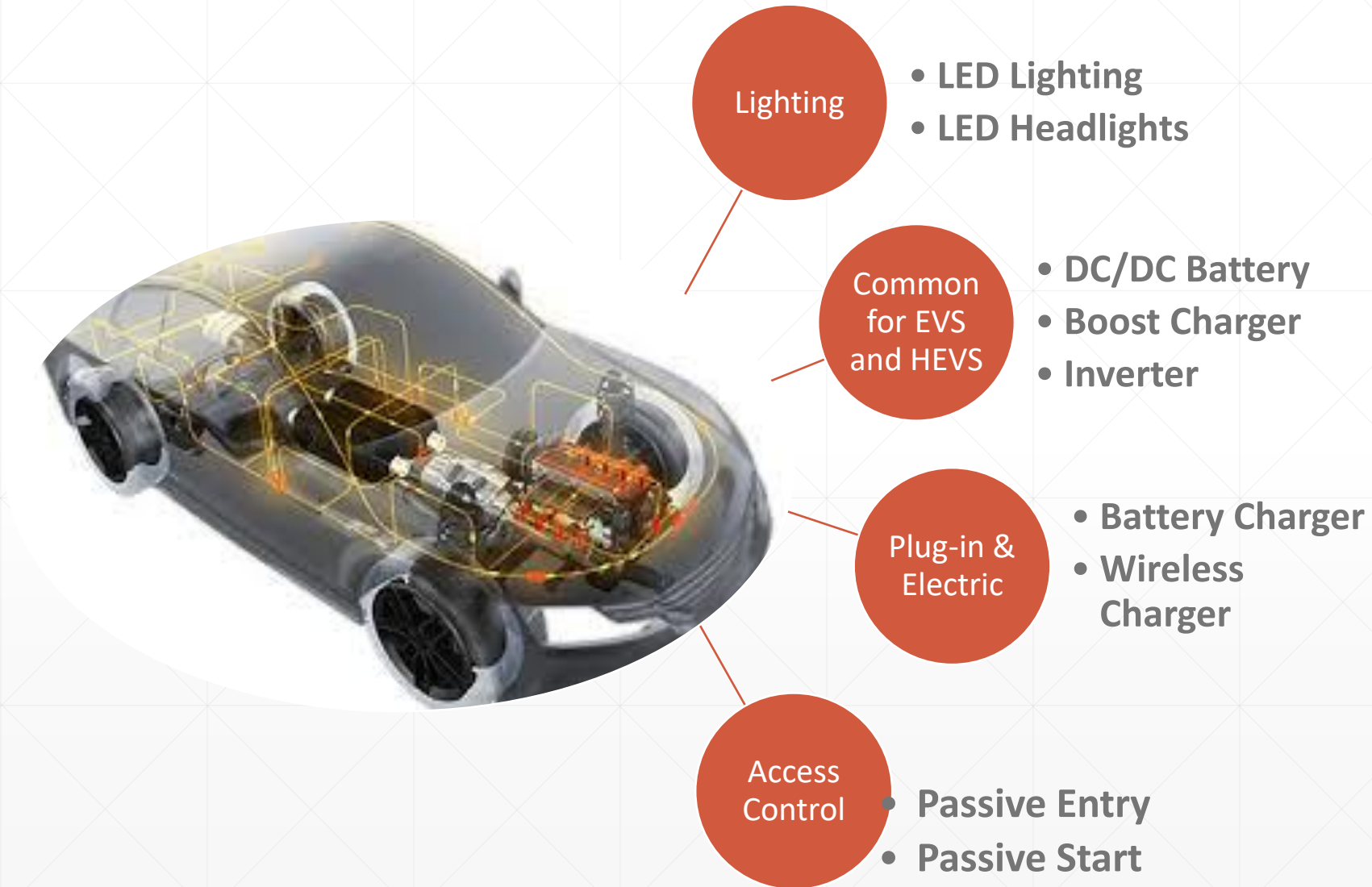
**EMI Filters
Line Filter, Choke**



**Lighting
Inductor, Transformer**



Market Segment: Automotive Applications



Product Categories- Ferrites



EE Cores

- Sizes Available from 10 mm to 128 mm
- Application – Power Transformer and Inductors



Pot Cores

- Sizes Available from 14 mm to 36 mm
- Application – Power Transformers, Power Inductors, Converters, Inverters, SMPS and Filter Inductors



Toroid (With and Without Coating)

- Sizes Available from 06 mm to 202 mm
- Application - Wide Band and Pulse Transformers and Common Mode Chokes



RM Cores

- Sizes Available from 05 mm to 14 mm
- Application – Power and Wide Band Transformer; High Q Inductors and Tuned Transformers



UU Cores

- Sizes Available from 10 mm to 141 mm
- Application – Power Transformer and Inductors



EER/ETD Cores

- Sizes Available from 29 mm to 59 mm
- Application – Power Transformer and Inductors



PQ Cores

- Sizes Available from 20 mm to 71 mm
- Application – Power Transformer and Inductors



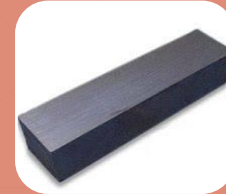
Planar Cores

- Sizes Available from 18 mm to 153 mm
- Application – Differential Inductors and DC/DC, AC/DC converters



EC Cores

- Sizes Available from 35 mm to 90 mm
- Application – Power Transformer and Inductors



I Bars, Plates

- Sizes Available from 20 mm to 186 mm
- Application – Antennas, High Frequency Welding, EV Charging.



PM Cores

- Sizes Available from 50 mm to 87 mm
- Application – Power Conversion Transformer



EFF Cores

- Sizes Available from 15 mm to 30 mm
- Application – Excellent space utilization for transformers and inductors

Compliance with Global Standards



IATF 16949



ISO 9001:2015
(ACT)



ISO 9001:2015
(CFR)



ISO 14001:2015



UL94 V-0 Approved
Coating

Business Overview – Customer Network



Business Overview – Global Clientele

1

63% - Asia

India | China | Sri Lanka
Thailand | Turkey | Taiwan
Malaysia | Vietnam | Japan

2

34% - Europe

Germany | Italy | Poland
Czech Republic | Spain
United Kingdom | France
Russia | Ukraine | Denmark

3

4% - North America

United States of America

4

1% - South America

Brazil | Argentina



Business Overview – Our Customers



Dixon Technologies (India) Limited



* Above include direct and indirect customers

Disclosure: All these are trademarks of respective Owners

Business Overview – R&D Resource Centre



XRF for determination of material composition and purity level accurately.



XRD for determination of crystalline phases present in ferrite system *



Particle size analyser for determination of particle size distribution in powder material *



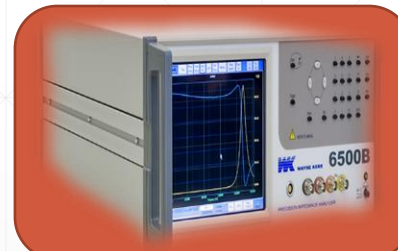
Atmosphere controlled kiln for sintering ferrite materials at lab scale with customized electromagnetic properties



Computerised BET surface analyser for determining specific surface area of powder materials



High resolution digital microscope (1000 x) for determining granulate shape, size, defects and micro crack *



Precision Impedance analyzer capable to measure up-to 5 MHz *

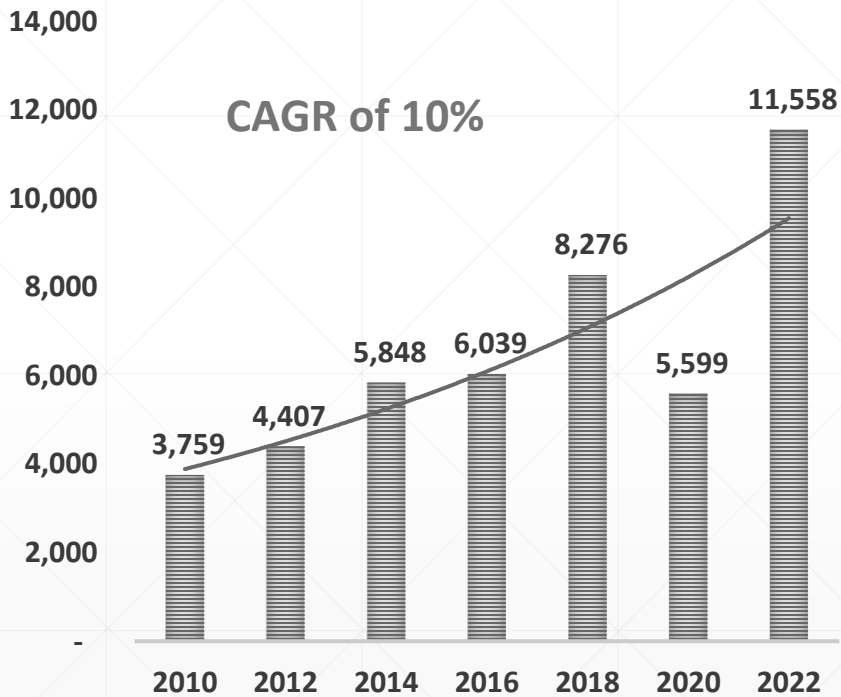


Powerloss combined with B-H loop tracer capable to measure upto 2 MHz *

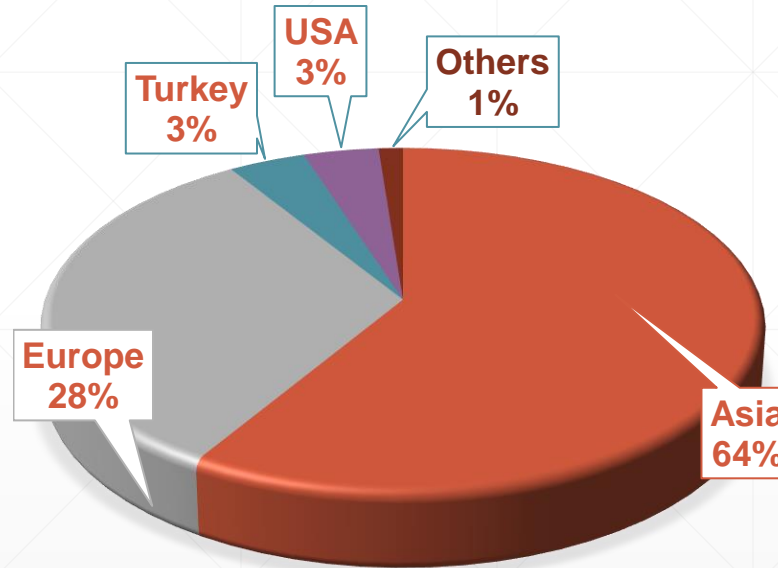
* Planned in FY 23

Business Journey

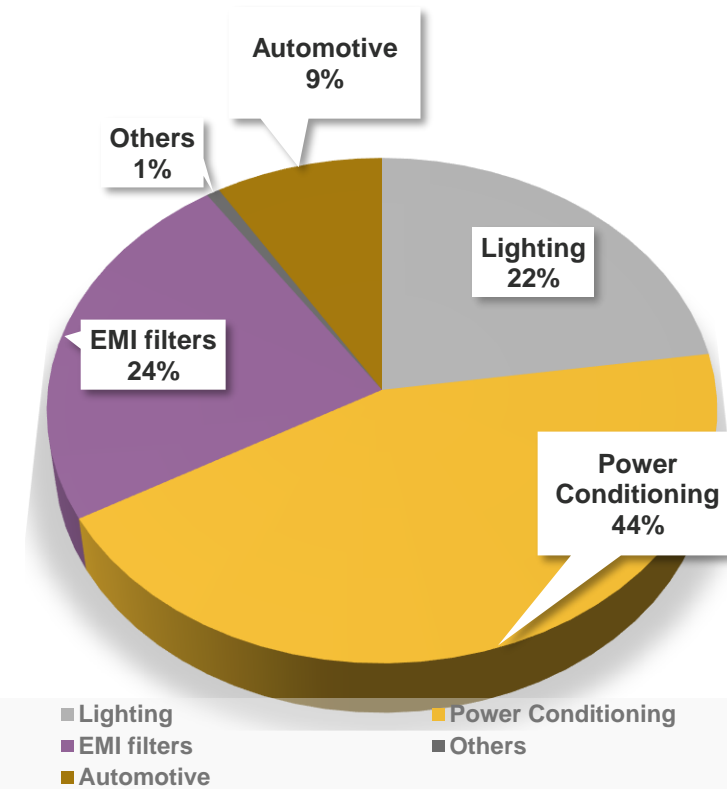
**Sales Revenue:
(INR lakhs)**



**Geography Wise %
FY 2021-22**



**Segment Wise %
FY 2021-22**



RESULTS UPDATE- SEPTEMBER 2022Q and H1

September 2022 Quarter and H1 - Performance Snapshot

(fig. in Rs. Lakhs)

Particular	Quarter Ended			Half Year Ended	
	30.09.2022	30.06.2022	30.09.2021	30.09.2022	30.09.2021
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited
Net Sales	2,457	3,544	2,619	6,001	4,600
EBITDA	189	604	701	793	1,093
EBITDA %	8%	17%	27%	13%	24%
PBT	-50	400	470	350	688
PAT	-41	314	351	273	525
EPS (in Rs.)	-0.35	2.61	2.92	2.26	4.37

Key Highlights – Q2 & H1'FY23 Results

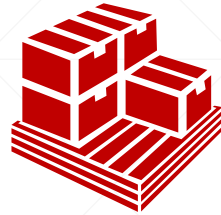
- During Q2, FY23, Revenue and EBIDTA dropped on YoY basis primarily due to lower exports sales (particularly from Europe region, which is the main stray in exports for Cosmo due to inventory corrections, geo-political turmoil and fears of recession in Europe). There is an inventory loss of Rs 1.5 crores due to drop in raw material prices.
- The management expects an improvement from Q4, FY23 given all the recent developments with the new set of customers as well as corrections in the supply chain.
- The new soft ferrites manufacturing capacity and planned Top Hat Kiln for higher permeability ferrites cores (technologically advanced ferrites cores) which is expected to start operations from FY'24 will improve the sales mix towards value-add products and shall drive profitability.

STRATEGIC PERSPECTIVE

Why Cosmo Ferrite?



Flexibility in job -line allocation



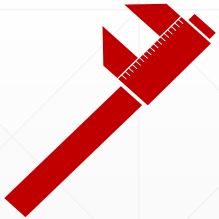
Widest product portfolio under one roof



Global reach



3 plus decades of Soft Ferrite excellence



Ahead in Product Development Curve



Customized Innovation



Key Account Teams



Global Stocking Availability



Key Future Growth & Profitability Drivers



Meet growing demand of Soft Ferrite cores with increased capacity

Ferrite capacity will be increase from present production capacity of 200 Ton per month to 300 Ton per month from H2 FY23



Moving towards high end application (Top Hat Kiln)

With Top Hat Kiln, Cosmo expects to meet customers' growing demands related to high permeability ferrite cores with an additional capacity of 25 Ton per month H2 FY 23 onwards. The focus will be on high end applications



Going Vocal for Local by promoting localization of critical raw materials

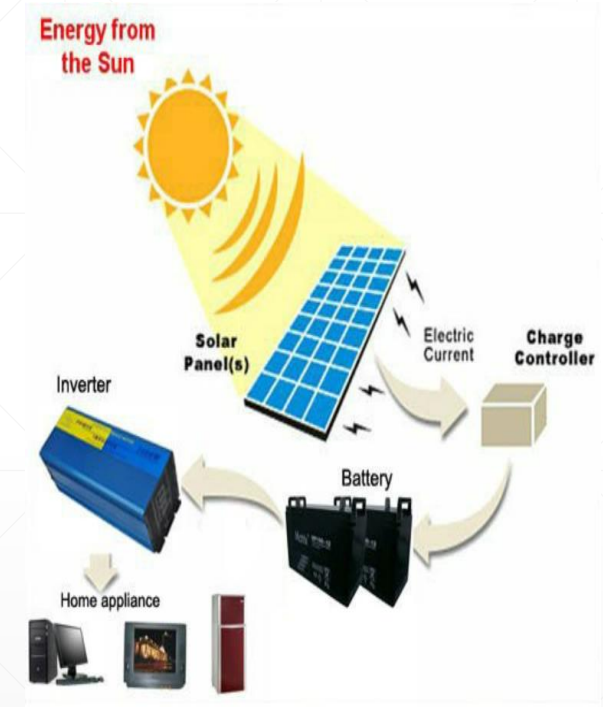
To reduce dependence on imports and improve costs, the Company is working on localization of critical raw materials and will complete this by December 2022.



Meet growing demand of Powder with increased capacity

Ferrite powder production will be increased from present capacity of 300 Ton per month to 500 Ton per month by H2 FY23

Emerging Trends to Drive Demand of Soft Ferrites!!



- Significant push Globally to increase sales of EVs.
- Solar and Wind Energy are going to become mainstream energy sources
- IOT, Cloud computing, 5G and Industry 4.0 are on an acceleration mode

FINANCIAL SNAPSHOT

Financials – Some recent years

(fig. in Rs. Lakhs)

Particulars	FY 2019-20	FY 2020-21	FY 2021-22
	Audited	Audited	Audited
Net Sales	5,501	6,365	11,384
EBITDA	-209	787	2,949
EBITDA %	-4%	12%	26%
PBT	-1004	50	1897
PAT	-1003	180	1423
EPS (in Rs.)	-8.34	1.50	11.83
Book Value	11.45	12.95	24.83

Key Highlights – FY22 Results

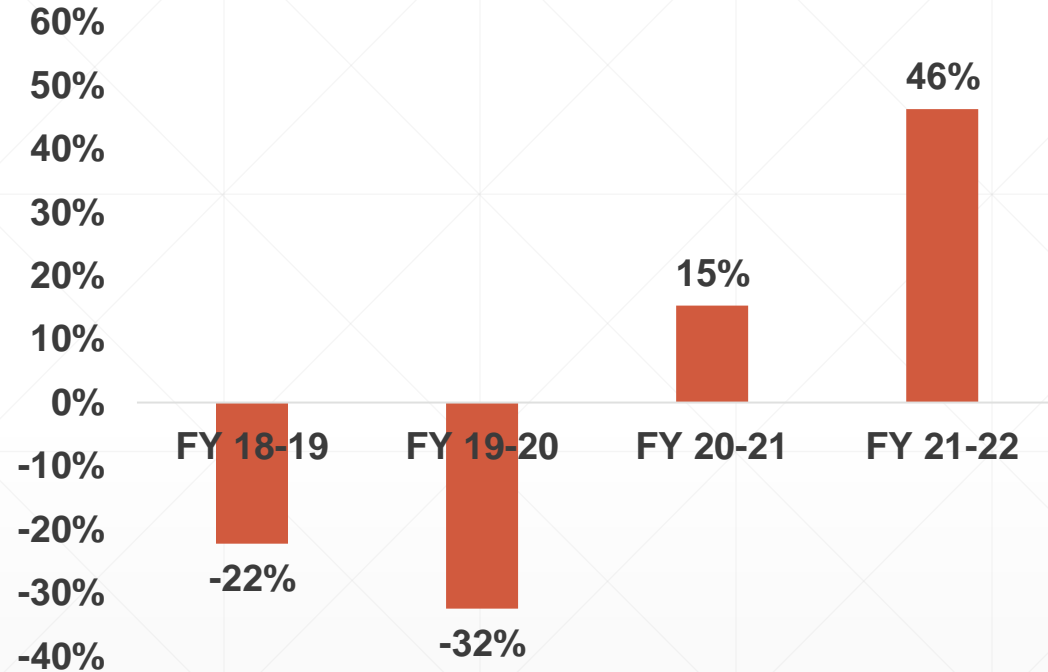
During FY22, PAT has increased by 690% YoY primarily due to following reasons :

- Improved sales mix (shift towards high-end applications)
- Better sales realisation
- Higher export sales
- Localisation
- Power cost rationalization
- Improved input/output ratio

Key Financial Highlights – ROCE & ROE %

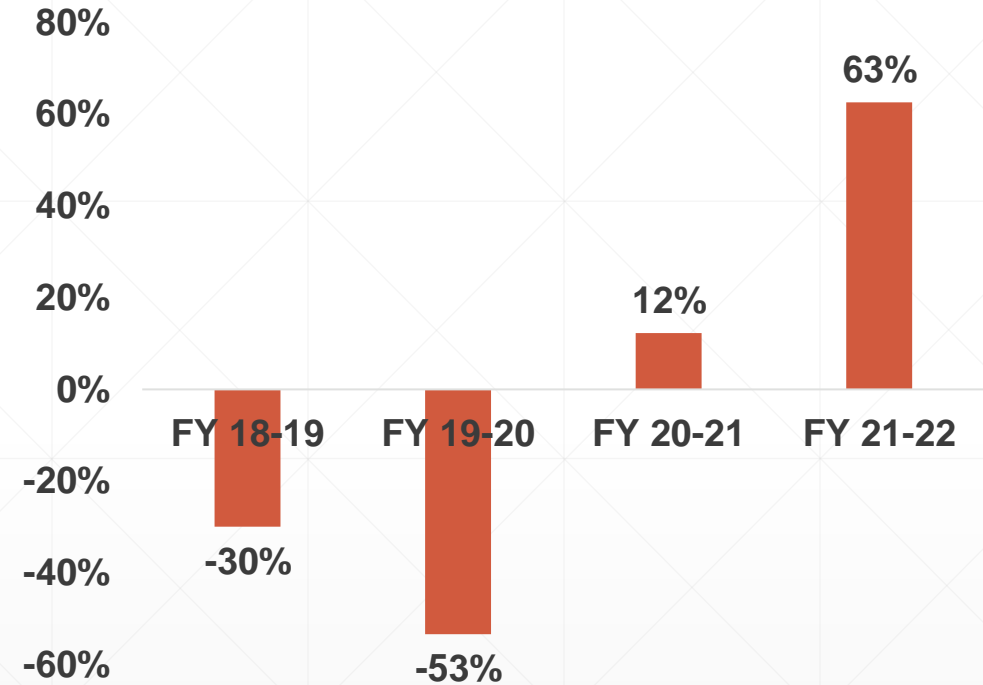
Turnaround improvement in ROCE and ROE

ROCE %



	FY 18-19	FY 19-20	FY 20-21	FY 21-22
ROCE	-22%	-32%	15%	46%

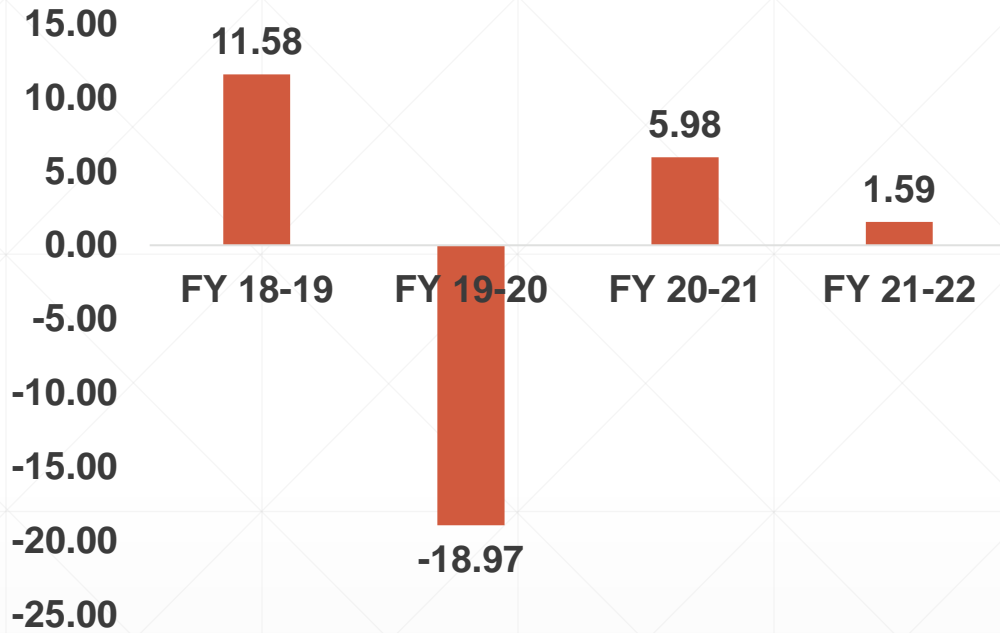
ROE %



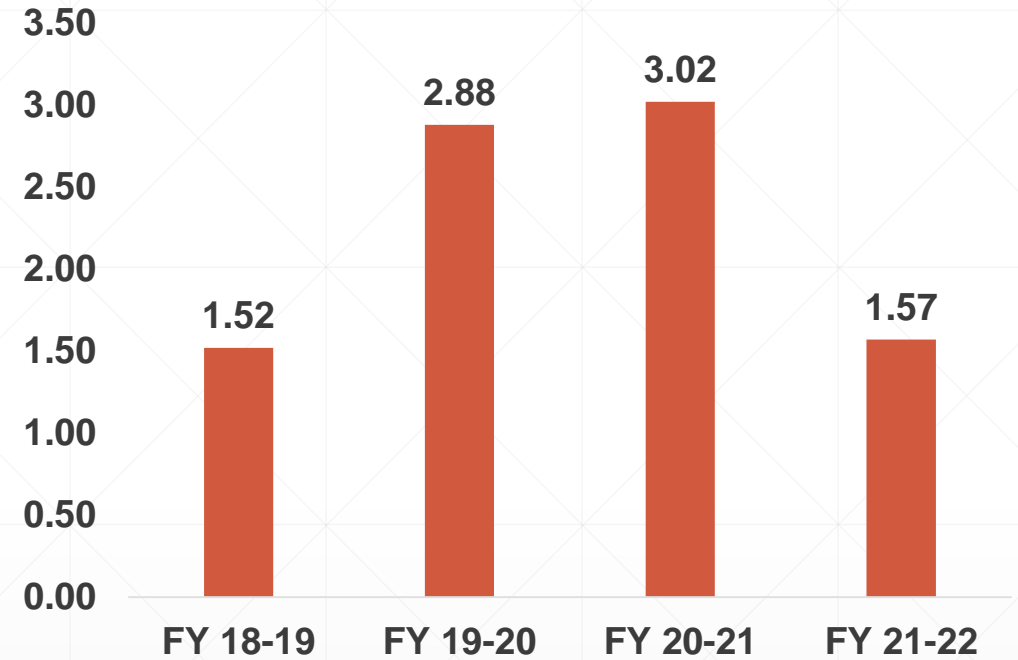
	FY 18-19	FY 19-20	FY 20-21	FY 21-22
ROE	-30%	-53%	12%	63%

Key Financial Highlights – Debt Ratios

Debt EBITDA



Debt Equity

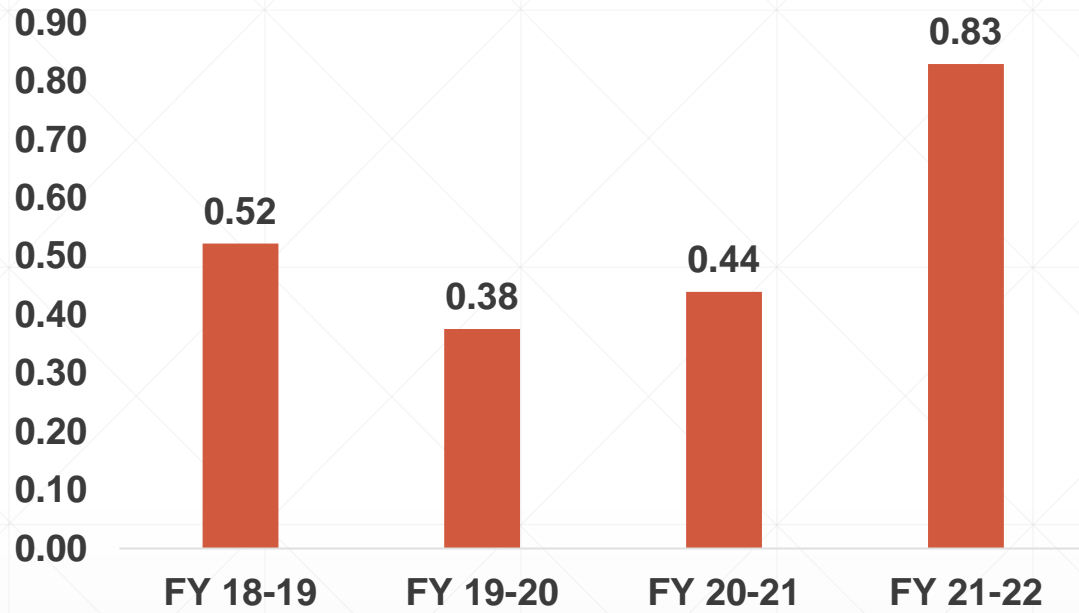


Particulars	FY 18-19	FY 19-20	FY 20-21	FY 21-22
Debt EBITDA	11.58	-18.97	5.98	1.59

Particulars	FY 18-19	FY 19-20	FY 20-21	FY 21-22
Debt Equity	1.52	2.88	3.02	1.57

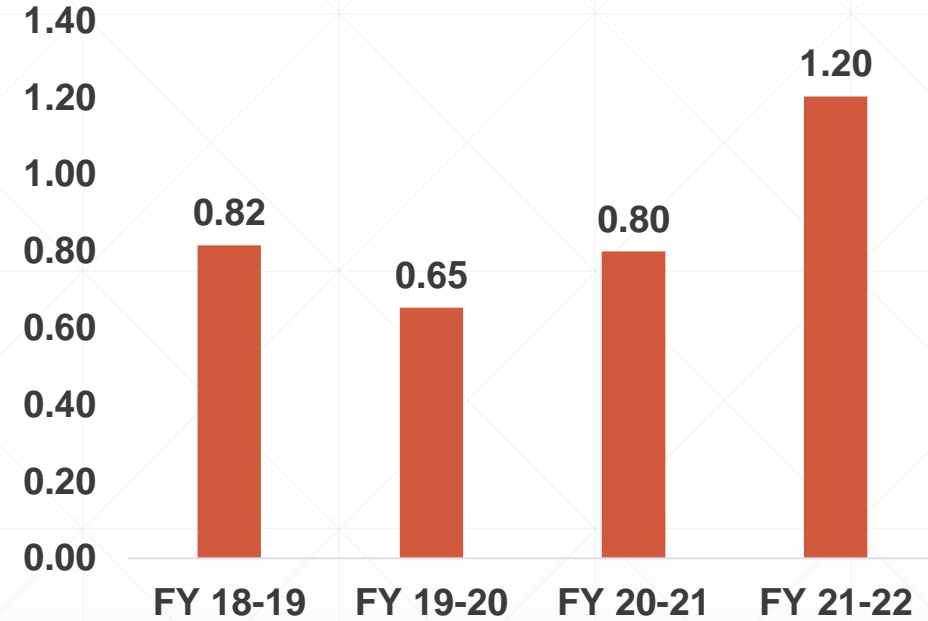
Key Financial Highlights – Other Key Ratios

Current Ratio



Particulars	FY 18-19	FY 19-20	FY 20-21	FY 21-22
Current ratio	0.52	0.38	0.44	0.83

Asset Turnover



Particulars	FY 18-19	FY 19-20	FY 20-21	FY 21-22
Asset Turnover	0.82	0.65	0.80	1.20

Entry barriers as Soft Ferrites requires Years of R&D, Customer approvals and entire backward integration

ESG & SUSTAINABILITY INITIATIVES

Approach towards Sustainability

Technology



- Customized innovation
- Ahead in product development curve
- Wide product portfolio under one roof

Environment



- Carbon footprints reduction
- People health , safety and well beings
- Flexibility in job -line allocation

Values



- Risk management practices
- Transparency and accountability
- Effective Internal Control Environment

Corporate Governance

Well established practices in place

- I. Well qualified Board of Directors from diversified fields with majority of directors being independent
- II. 71% independent directors
- III. Independent Audit Committee with Board of Directors
- IV. Established risk management practices
- V. Separate Independent directors meetings
- VI. Experienced and independent internal audit function
- VII. Board performance evaluation
- VIII. Active Whistle Blower Policy
- IX. Professional Management



Company Overview – Board of Directors



Mr. Ambrish Jaipuria
Chairman

CEO & Executive Director at Cosmo Ferrites Ltd. Mr. Jaipuria is also on the board of Hanuman Textile MFG, Inv Co. Ltd. and Sunrise Manufacturing Co. Ltd.



Mr. Rajesh Kumar Gupta
Independent Non-Executive Director

Experienced in Manufacturing, Accounts & Finance, Taxation, Banking, Rehabilitation Scheme /implementation under BIFR, Capital Investment Negotiations.



Mr. Pankaj Poddar
Group Chief Executive Officer

Over 27 years of experience in finance, advisory and various leadership roles with strengths in commercials, analytics, negotiation, team engagement & strategy building



Mr. Janardhan Pralhadrao Gupta
Independent Non-Executive Director

28 years of experience in Plastic packaging and film manufacturing company in departments like Accounts, Finance, Secretarial, Commercial Logistics, Purchase, Indirect taxation, Legal.



Mrs. Himalayani Gupta
Independent Non-Executive Director

Consultant to several national & multinational organisations, including Fortune 500 Companies. Her area of expertise are IPR, Contracts, Trust & Societies, Corporate & Partnership laws.



Mr. Kulbhushan Malik
Independent Non Executive Director

Experience of over 20 years in areas of General Management, Strategy, Sales, and Financial management.



Mr. Neeraj Sharma
Independent Non- Executive Director

20 years of experience in Oil & Gas, Healthcare, Hospitality and E-Commerce in areas like International/Domestic Tax, Transfer Pricing, Regulatory & Policy matters.

Company Overview – Leadership Team



Mr. Ambrish Jaipuria
Chairman

CEO & Executive Director at Cosmo Ferrites Ltd. Mr. Jaipuria is also on the board of Hanuman Textile MFG, Inv Co. Ltd. and Sunrise Manufacturing Co. Ltd.



Mr. Pankaj Poddar
Group Chief Executive Officer

Over 27 years of experience in finance, advisory and various leadership roles with strengths in commercials, analytics, negotiation, team engagement & strategy building



Mr. Neeraj Jain
Group Chief Financial Officer

Over 22 years of experience in finance, strategy and risk management with large manufacturing and service industries in leadership roles



Mr. Vikas Puri
Business Head

28 years of experience in Strategy, Business Development, Sales, Operations, Project Management.



Mr. Sanjeev Katoch
General Manager

Experience of 33 years in field of Plant Operations, Project, Business & Strategy Management



Mr. Sanjiv Jindal
Chief Financial Officer

Experience of 32 years in finance while working with large engineering and automotive manufacturing industries.



Mr. K. Sriram
AGM (Operations and R&D)

Experience of more than 28 years in R&D of Ferrites and Production Process Management of Ceramic Components.

Awards and Recognition



ELCINA-EFY Certificate of Merit for Outstanding Achievement in "Exports/Large Scale" Year 2016-17



ELCINA-EFY Certificate of Merit for Outstanding Achievement in "Exports" Year 2020-21



ELCINA-EFY Certificate of Merit for Outstanding Achievement in "Exports/Large Scale" Year 2013-14



43rd ELCINA-EFY Award for Outstanding Achievement in "Exports/Large Scale" Year 2017-18

Thank You



NEW DELHI
Head Quarters:

**517, 5th Floor, DLF Tower-A,
New District Centre, Jasola,
New Delhi – 110 025, India**



HIMACHAL PRADESH
Regd. Office and Works

**Post Office – Jabli
District – Solan
Himachal Pradesh – 173 209
India**

For more information, please contact:

Mr. Sanjiv Jindal

Chief Financial Officer

Email ID: Sanjiv.jindal@cosmoferrites.com