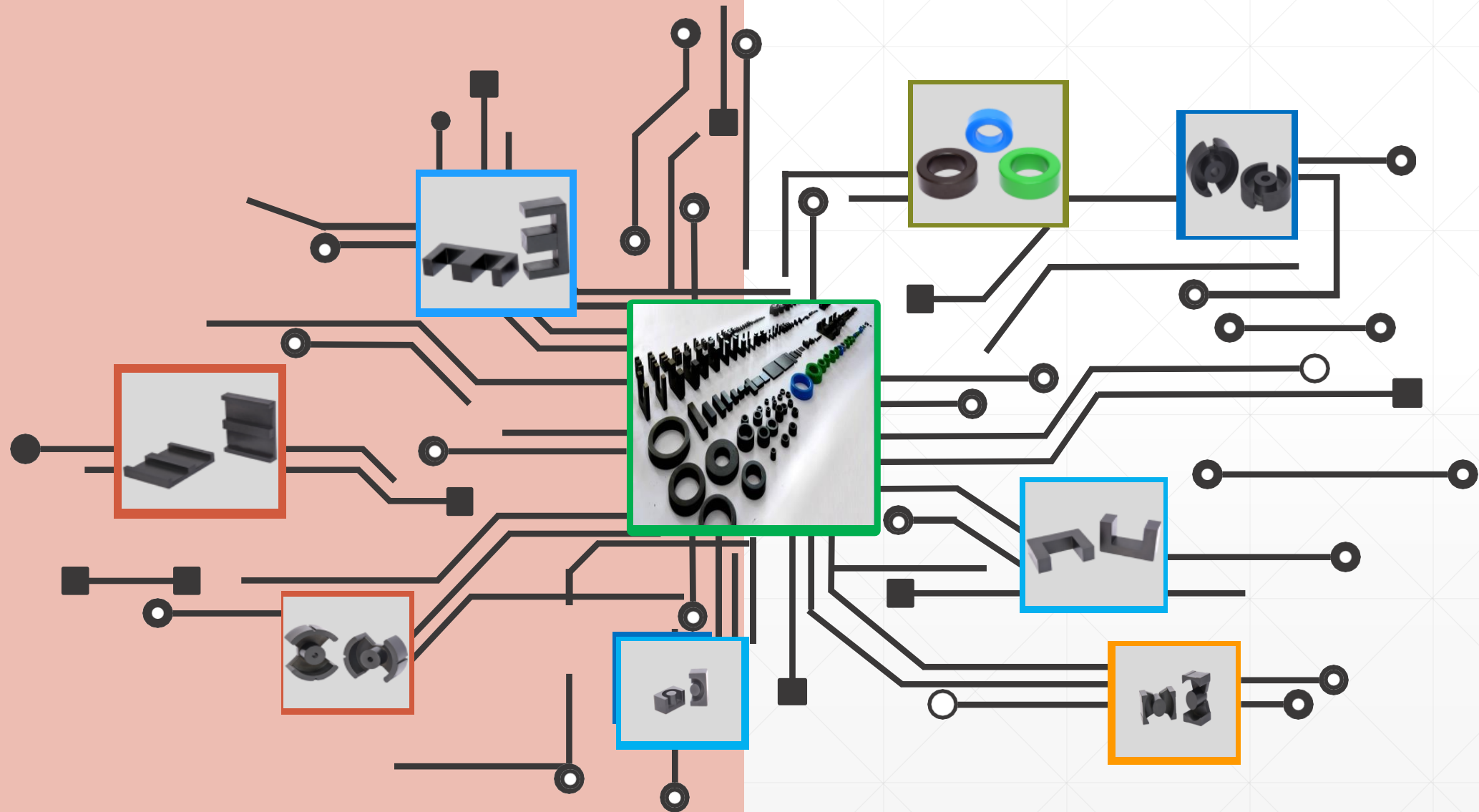


Cosmo Ferrites Limited

Investor Presentation – June 2022



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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% from Q2 FY'23. Further, we are investing in a top hat kiln to meet demand of high permeability ferrite cores which will be operational in Q4 FY'23. These expansion will increase our soft ferrite cores production to 3,900MT per annum from existing capacity of 2,400MT per annum and accelerate our 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.



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Company overview



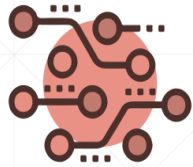
ESTABLISHMENT

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.



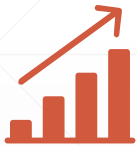
PRODUCT RANGE

- 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 (plan to enhance to 6,000 Tons from Q4 FY23)
- Ferrites Component 2,400 Tons (plan to enhance to 3,600 Tons from Q2 FY 23)



SALES SHARE

- 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 – 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.”

Company Overview – Our Values

Customer Orientation

We believe in long term relations with our customers. Under all circumstances we put the customer first. We ensure value for money for our customers through better products, services & our interactions.

Innovation

We encourage innovation in every facet of its business activity including developing cost effective innovative solutions for our customers.

Cost Consciousness

We always work towards continuous improvement in ongoing process to bring down the cost in a structured manner.

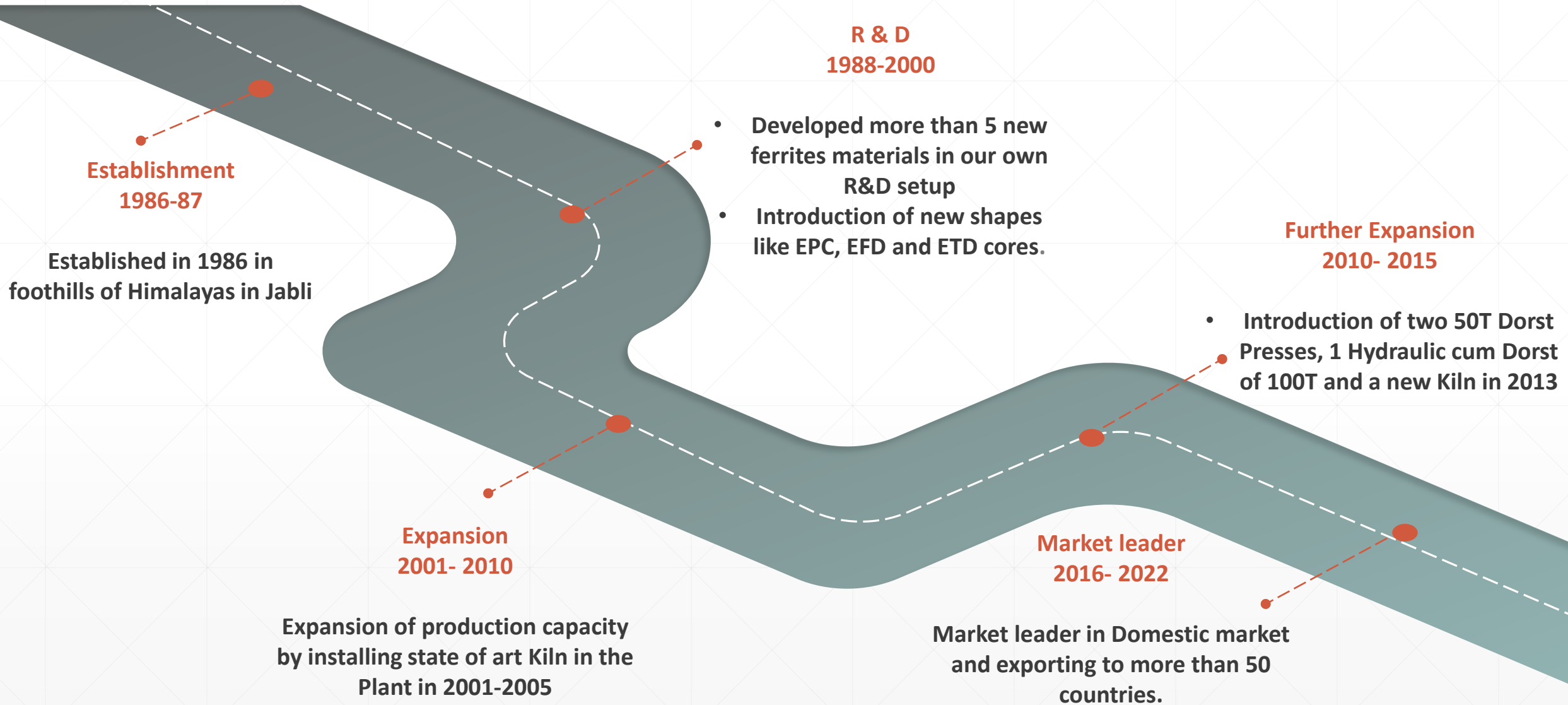
Fair Business Practices

We as company believes fair business practice is important ingredients for success in all dimensions of business.

Transparency

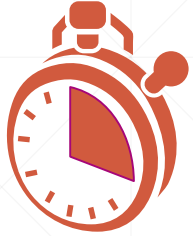
We practice transparency with all stakeholders through structured periodical communication and adhering to best corporate governance practices.

Company Overview - Journey



Business Overview

Why Cosmo Ferrite?



Flexibility in job -line allocation



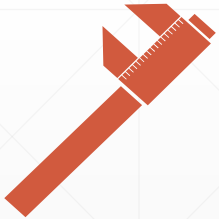
**Widest product portfolio
under one roof**



Global reach



**3 plus decades of Soft Ferrite
excellence**



**Ahead in Product
Development Curve**



Customized Innovation



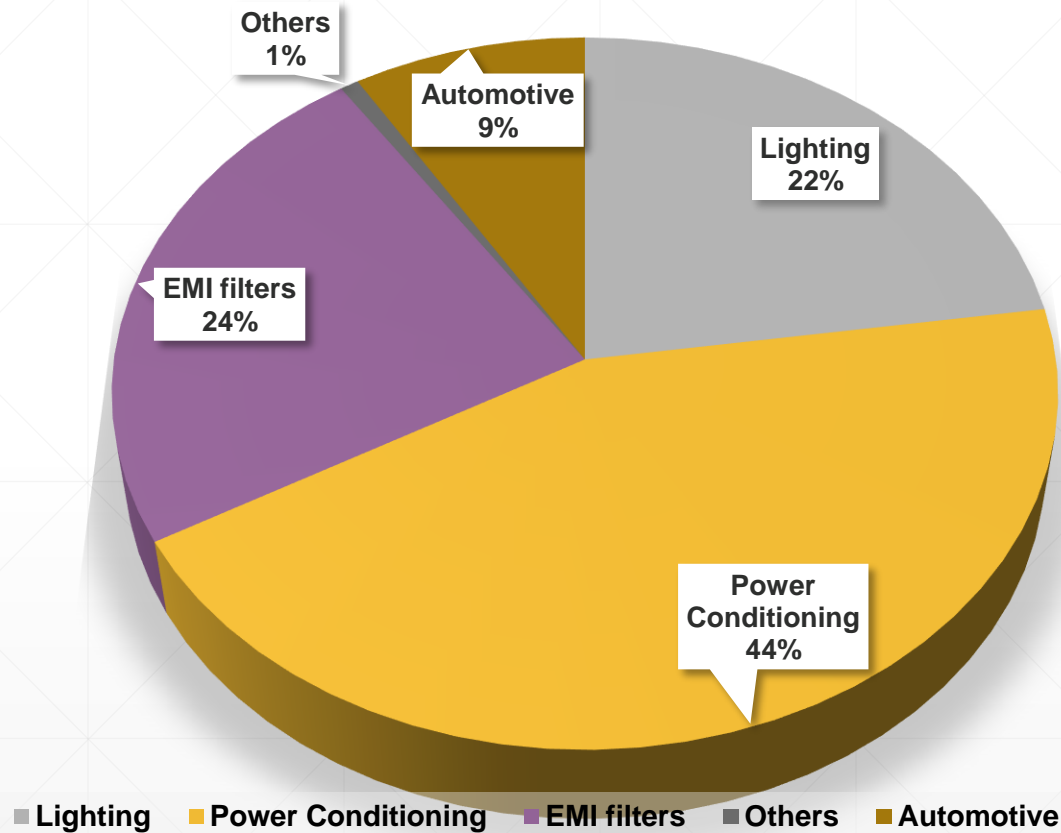
Key Account Teams



Global Stocking Availability

Segment wise sales

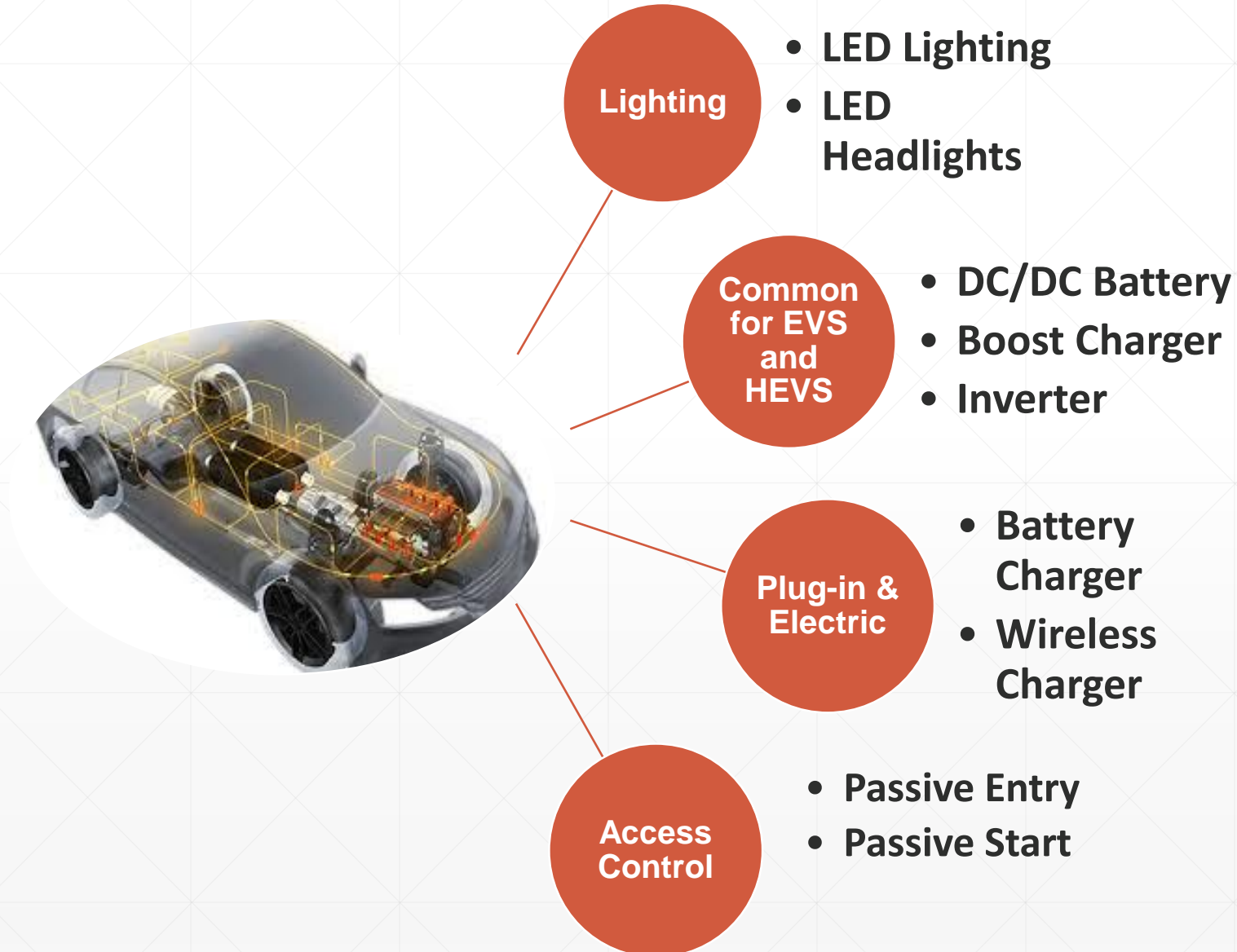
Segment wise %
FY 21-22



Market Segment



Ferrites In Automotive Applications



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



Business Overview – New 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 *



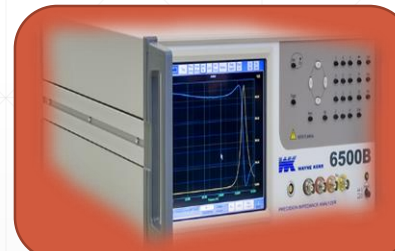
Atmosphere controlled kiln for sintering ferrite materials at lab scale with customized electromagnetic properties



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 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

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



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



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

Instituted in 1976 by Electronic Industries Association Of India, ELCINA awards are highly regarded in industry circles Awards have been supported by officials of Department of Electronics & IT (Government of India) through their participation in selection process

Future Growth & Profitability Drivers



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 Q2 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 Q4 FY 23 onwards. The focus will be on high end applications



Going Vocal for Local by promoting localization of critical raw materials

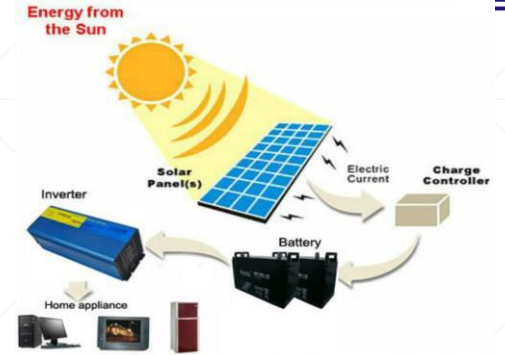
To reduce dependence on imports and improve costs, the Company is working on localization of critical raw materials and will complete this by December 2022.



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 December 2022

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 Highlights

Financials

Particulars (Rs in Lakhs)	Q1' FY22-23 Unaudited	Q4 FY21-22 Audited	Q1' FY21-22 Unaudited
Net Sales	3544	3309	1981
EBITDA	604	938	392
EBITDA%	17%	28%	20%
PBT	400	659	218
PAT	314	490	174
EPS* (In Rs) (Not Annualized)	2.61	4.07	1.45

Key Highlights – Q1, FY22-23 Results

- ✓ The net revenue and EBITDA for Q1'FY23 has increased on YoY basis backed by higher volumes (20%), increased sale of technologically advanced ferrite cores, higher raw material prices and improved internal efficiencies. The results were impacted by non-recurring fixed cost of around 1.5 crores.
- ✓ As at June 2022, the Company's ROCE stands at 42%. Net Debt at Rs. 54 crores is 1.7 times of EBITDA
- ✓ Towards the end of the quarter, new Soft Ferrites manufacturing capacity has kicked off operations which will enhance Company's capacity by 50%. Company has also placed order for a Top Hat Kiln to meet customers growing demand for higher permeability ferrite cores (technologically advanced ferrite cores) which is expected to start operations from FY24 and will further improve sales mix towards value add products."

Financials – Some recent years

Particulars (Rs in Lakhs)	FY 2019-20 Audited	FY 2020-21 Audited	FY 2021-22 Audited
Net Sales	5501	6365	11384
EBITDA	-209	787	2949
EBITDA%	-4%	12%	26%
PBT	-1004	50	1897
PAT	-1003	180	1423
EPS* (In Rs) (Not Annualized)	-8.34	1.50	11.83
Book Value	11.45	12.95	24.83

Key Highlights – FY22 Results

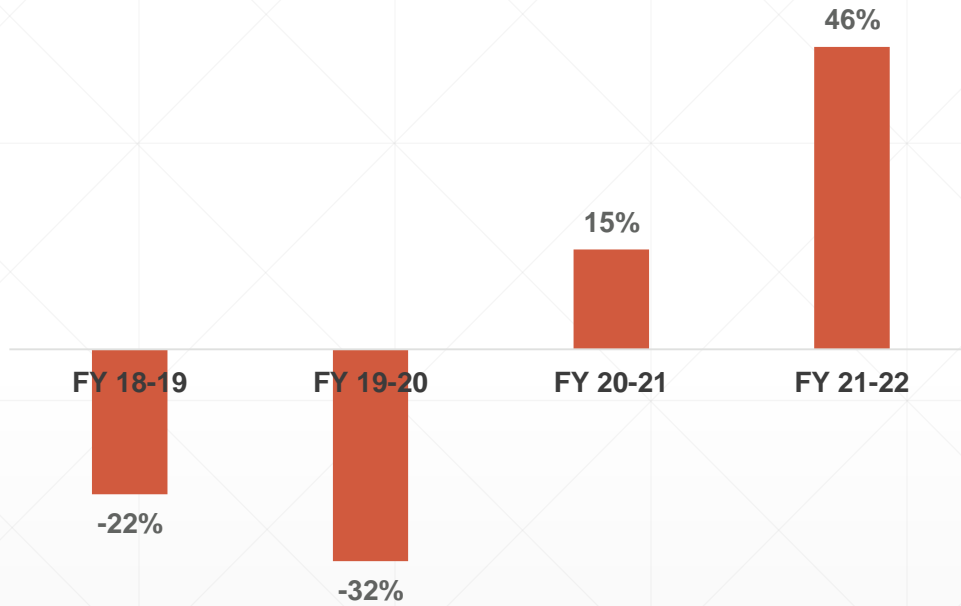
During FY22, PAT has increased by 690% YoY primarily due to following reasons :

- ✓ 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 %

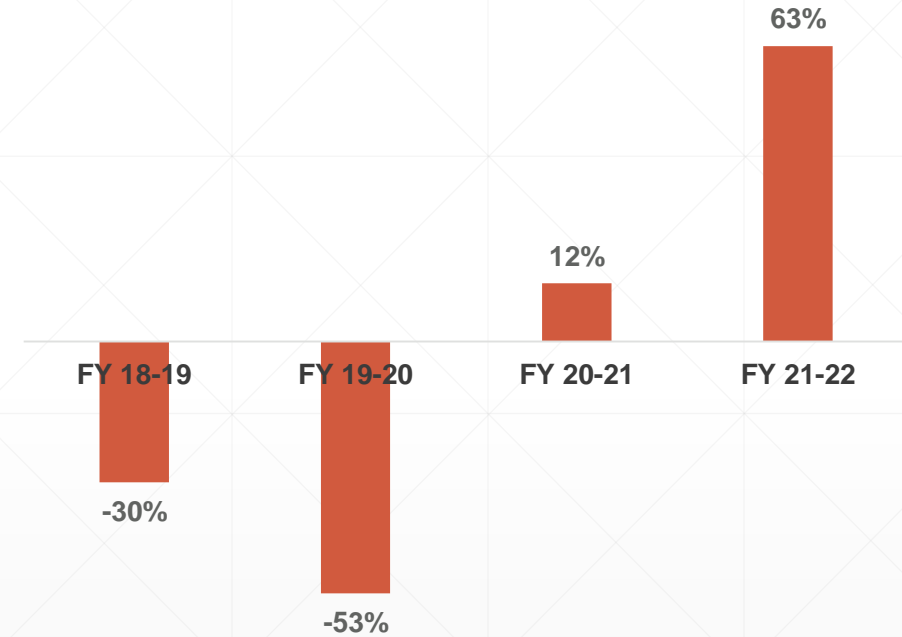
Turnaround improvement in ROCE and ROE

ROCE %



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

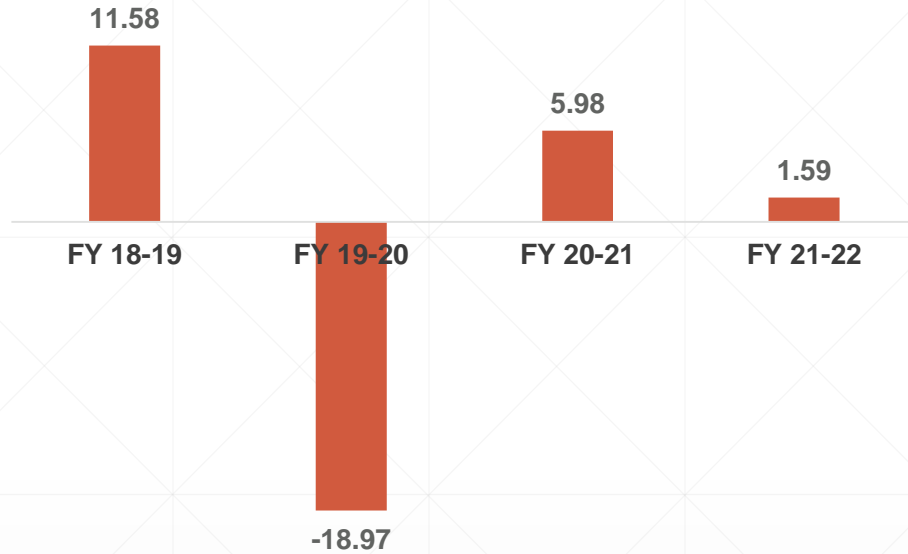
ROE %



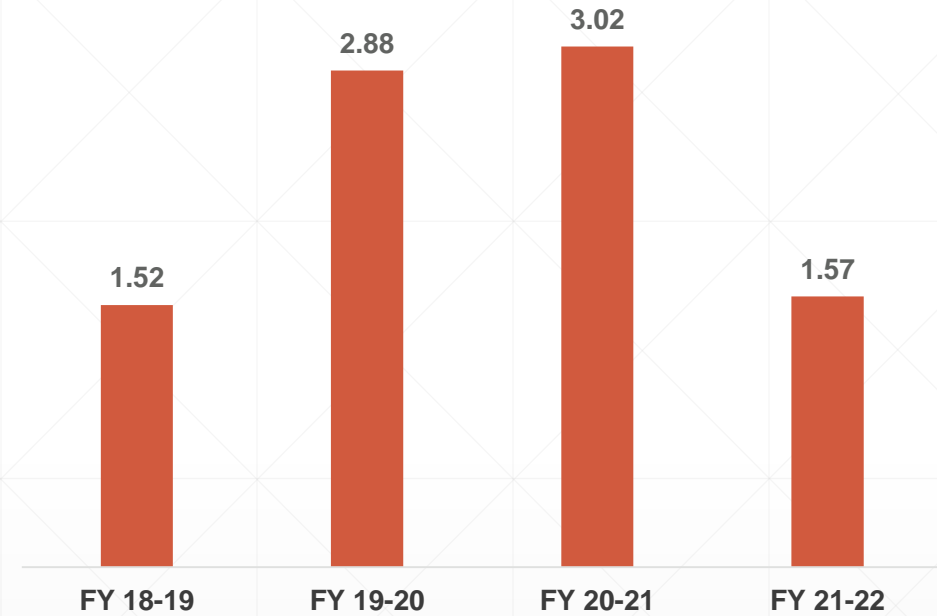
	FY 18-19	FY 19-20	FY 20-21	FY 21-22
ROE	-30%	-53%	12%	63%

Key Financial Highlights – Debt ratios

Debt EBITDA



Debt Equity

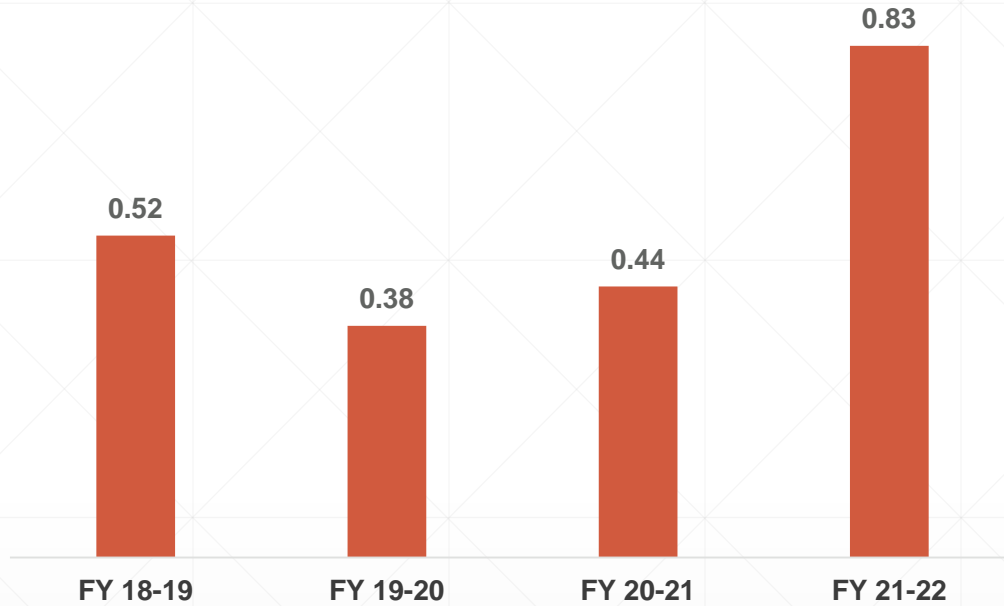


Particulars	FY 18-19	FY 19-20	FY 20-21	FY 21-22
Debt EBITDA	11.58	-18.97	5.98	1.59

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

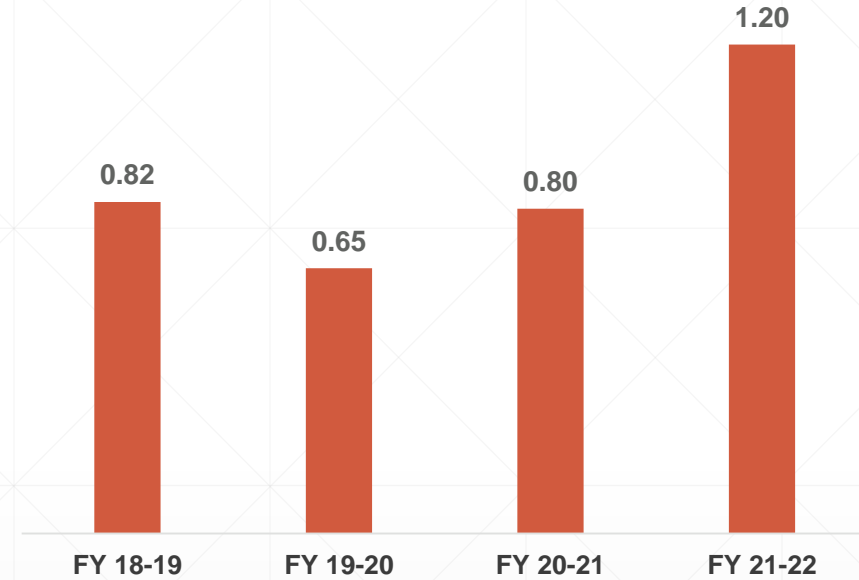
Key Financial Highlights – Other Key Ratios

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

Board of Directors & Management

Board of Directors



Mr. Ambrish Jaipuria
Chairman & Executive Director

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. Kulbhushan Malik
Independent Non Executive Director

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



Mr. Janardhan Pralhadrao Gupta
Independent Non Executive Director

Worked in Jay Engineering Works Ltd, Sriram Group Company. Experienced in Manufacturing, Accounts & Finance, Taxation, Banking, Rehabilitation Scheme /implementation under BIFR, Capital Investment Negotiations, Projects Implementation & MIS.



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. Over 6 years of experience in Electronic equipment & component manufacturing co.



Mr. Pankaj Poddar
Non Executive Director *

26 years of experience as turnaround specialist, quick decision-maker with strengths in commercials, analytics, negotiation, team engagement & strategy building.



Mrs. Himalayani Gupta
Independent Non Executive Director *

Practising lawyer and a Senior Founding Partner in UHV international Partners. She has been Standing Counsel for Union of India in the Supreme Court. Her area of expertise are IPR, Contracts, Trust & Societies, Corporate & Partnership laws.



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. He has been associated with RSM & Co.(now PWC) and Nangia Andersen as a partner for over 10 years.

Leadership Team



Mr. Ambrish Jaipuria

Chairman & Executive Director

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. Sanjeev Katoch

General Manager

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



Mr. Pankaj Poddar

Group CEO

26 years of experience as turnaround specialist, quick decision-maker with strengths in commercials, analytics, negotiation, team engagement & strategy building



Mr. Sanjiv Jindal

Chief Financial Officer

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



Mr. Vikas Puri

Business Head

28 years of experience in Strategy, Business Development, Sales, Operations, Project Management – Greenfield projects & vast experience in Automotive, Power, Telecom and Electronics field.



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.

Thank You