

S&S Power

Investor Presentation – Q4 and FY'23

30th May 2023

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Agenda

- Our Business
- Transfer of Pondicherry plant operations
- 2022-23 Performance - A successful turnaround
- Business outlook
- Key business challenges for 3 to 5 Years

S&S Power Business Overview



Our Business Verticals

T&D Grid



Power Plant



Renewable



Industry



Our 2 Brands



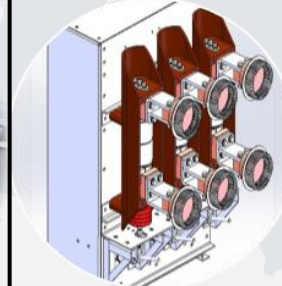
Our 4 Primary Business Lines



MV, HV & EHV
Disconnecter, ES & LBS



Protection, control &
Automation System Integration



MV Circuit Breaker
Indoor/ Outdoor



R3 Services Business
DS, CB, CRP, Automation

Our 2 Manufacturing Locations- India and UK



Supervisory Leadership Board of Directors



Ashish Jalan
Promoter & Chairman



Ashok Vishwakarma
MD & CEO

BOARD PROFILE

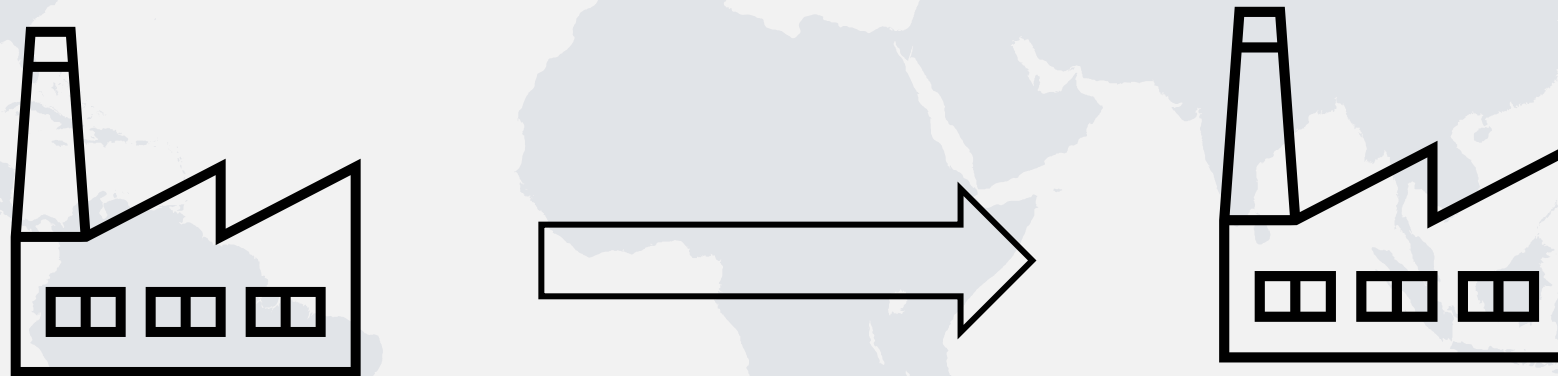
S&S POWER SWITCHGEAR LIMITED - BOARD OF DIRECTORS

<p>1. Mr. ASHISH SUSHIL JALAN - CHAIRMAN</p> <p>Mr. Ashish Jalan is a Commerce Graduate. He has to his credit over 30 years of Managerial and Administrative experience in various Industries and exposure in International business.</p>	
<p>2. Mr. AJAY KUMAR DHAGAT - INDEPENDENT DIRECTOR</p> <p>Mr. Ajay Dhagat is an Electrical Engineer from University of Jabalpur, India. He has deep domain expertise in Transmission & Distribution Industry, General Management, Business Leadership and Market for over 40 years. He has held position like AREVA T&D India Country President and MD and IEEMA President. He also has an international experience of handling Asia Pacific regions of Alstom T&D and was located in France.</p>	
<p>3. Mr. DEEPAK JUGAL KISHORE CHOWDHARY - INDEPENDENT DIRECTOR</p> <p>Mr. Deepak Chowdhary is the Founder Owner of MPM Private Limited, Nagpur, India's pioneering manufacturer and Technical Application experts of Lustrous Carbon additives for use in Green sand molding. Mr. Chowdhary is a B.Com (Honors) graduate from Sydenham College of Commerce and Economics, Mumbai University. He has been an invitee on several Management Institutes and likes to interact with Students on Entrepreneurship.</p>	
<p>4. Mrs. GAYATHRI SUNDARAM - INDEPENDENT DIRECTOR</p> <p>Mrs. Gayathri is a Chartered Accountant and Cost Accountant. She combines a very bright academic record with best corporate exposure of over 20 years with specialization in Corporate accounting, Risk Management & Treasury. Currently, a freelance Chartered Accountant, associated with M/s Profoids Consulting, handling internal and management audits up to Audit Committee presentations, for a variety of Corporates Pan-India, including listed companies.</p>	
<p>5. Mr. NANDAKUMAR SUNDARRAMAN - INDEPENDENT DIRECTOR</p> <p>Mr. Nandakumar is a Company Secretary & practicing Chartered Accountant for over 40 years. He is also a DISA Certified & Insolvency Professional. He has a wide knowledge & expertise in Corporate Matters, Financial accounting, Taxation & Statutory Audit. He is the Chairman of Audit Committee & Board Sub-committees.</p>	
<p>6. Mr. ASHOK KUMAR VISHWAKARMA - MANAGING DIRECTOR</p> <p>Mr. Ashok Kumar Vishwakarma is an Engineering Graduate from NIT, Allahabad, India. He has been leading S&S Power Business from last 5 years. He has over 25 years of professional experience in Indian Switchgear Industry, in Sales & Marketing, Technical Development, Sourcing, Manufacturing Operations & PL Management. He was earlier employed with GE, Areva T&D, Alstom, GEC Alstom & GEC.</p>	

Transfer of Pondicherry Plant operations to Chennai Plant

Rationale for Transfer

Capacity Utilisation of Pondicherry Plant was low. Supplier were all based in Chennai. Logistics was complex & expensive. Single product operation lack of cross deployment of labour. Running two plants was posing high cost of management.

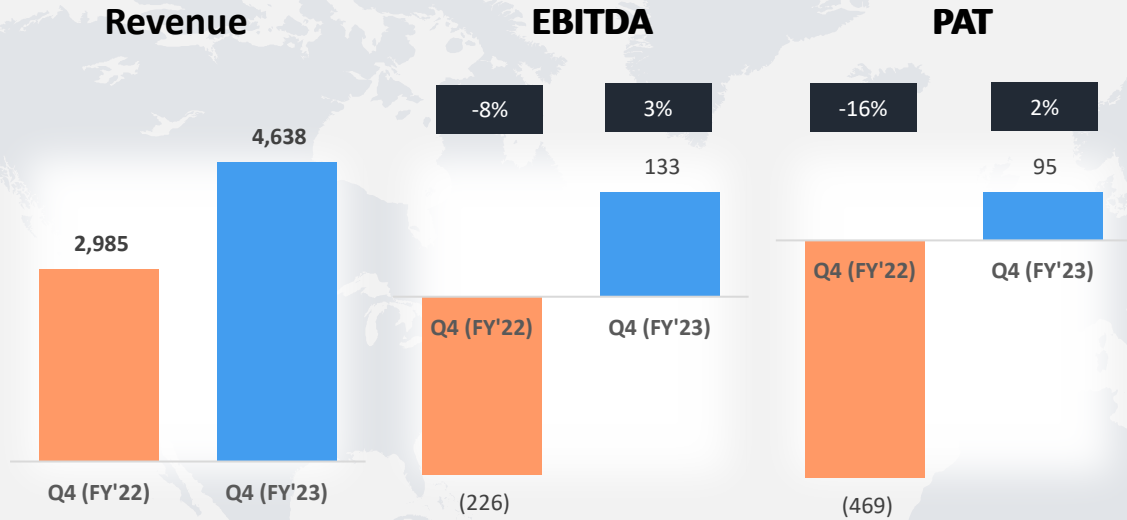


During FY'23 Pondicherry Operations were closed and transferred to Chennai Plant.
Land & Building was sold to EATON. Capacities were fully built in Chennai Plant
New Plant Approved by PGCIL, NTPC & STEG Tunisia
Successfully completed the integration by December 2022.

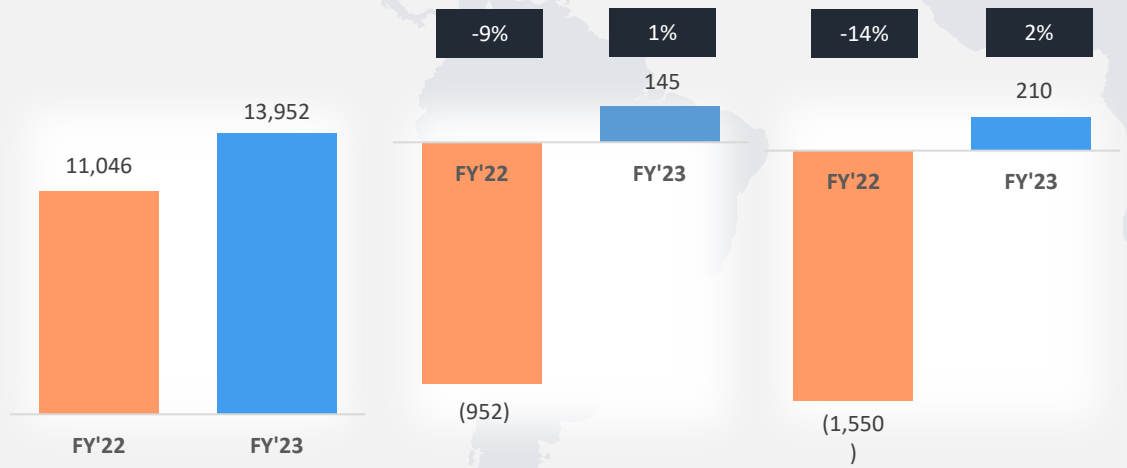
Significant Improvement in Performance of 2022-23-P&L



Quarterly



Yearly



Key highlights:

- **India Operation Cost Structure Improvement:** Pondicherry plant closed, and operations transferred to Chennai plant, there by resulted in
 - ✓ Operational efficiency by savings in fixed costs > 20% reduction
 - ✓ Improved logistics thereby saving in bound freight
 - ✓ Lower labor cost in Chennai plant
 - ✓ Insourcing of fabrication; better utilization of feeder shops
 - ✓ Improvement of contribution margin by ~ 4%
 - ✓ Improved Inventory Turn - Faster execution

- **Revenue grew by 26% in FY'23**

- **EBITDA margins grew by 10% in FY'23**
 - ✓ Improved tendering costing, thereby better tender margins
 - ✓ Commodity prices easing out
 - ✓ Lower labor cost in Chennai plant compared to Pondy plant
 - ✓ Insourcing of Fabrication, thereby reducing direct costs
 - ✓ Employee cost reduced by 12% for Indian operations
 - ✓ Logistics cost improved

- **PAT increased by 16%**
 - ✓ Net gain on sale of Pondicherry Plant is Rs.572 lacs

Consolidated Profit & Loss Account

Rs.Lacs

Particulars	Quarterly			Yearly		
	Q4 (FY'22)	Q4 (FY'23)	Growth (Q-Q)	FY'22	FY'23	Growth (Y-Y)
Revenue from operations	2,985	4,638	55%	11,046	13,952	26%
Cost of Goods Sold	2,357	3,394		7,976	9,898	
Employee Cost	606	747		3,019	2,799	
Other Fixed Costs	249	364		1,004	1,110	
EBITDA	(226)	133		(952)	145	
EBITDA Margin (%)	-8%	3%		-9%	1%	
Other income	43	160		106	213	
Depreciation	68	52		223	202	
Interest	197	95		474	490	
PBT before exceptional items	(448)	147		(1,544)	(334)	
Exceptional Items**	-	(10)		-	572	
Profit Before Tax	(448)	137		(1,544)	238	
Tax	(21)	(41)		(7)	(27)	
PAT	(469)	95		(1,550)	210	
PAT Margin %	-16%	2%		-14%	2%	
Basic EPS (Rs./share)	(7.56)	1.54		(25.00)	3.39	

** Net sale proceeds from sale of Pondicherry plant is Rs.5.71 Cr

Consolidated Balance Sheet

Rs. Lacs

Particulars	31-03-2022	31-03-2023
Non Current Assets	4,875	5,188
Current Assets		
Inventories	2,106	2,305
Financial Assets	-	-
(i) Trade receivables	2,592	2,798
(ii) Cash and bank balances	572	349
Other current assets	977	753
Less: Current Liabilities		
Financial Liabilities		
(i) Borrowings	4,850	758
(ii) Trade payables	4,222	3,925
Other current liabilities	337	385
Net Current Assets	(3,163)	1,137
Non-current liabilities		
(i) Borrowing	-	4,209
(i) Lease Liability	-	143
Others	2,834	2,743
Networth	(1,123)	(770)

Indian Operations - Profit & Loss Account

Rs.Lacs

Particulars	Quarterly			Yearly		
	Q4 (FY'22)	Q4 (FY'23)	Growth (Q-Q)	FY'22	FY'23	Growth (Y-Y)
Revenue from operations	1,500	2,836	89%	3,221	4,325	34%
Cost of Goods Sold	1,313	2,045		2,581	3,154	
Employee Cost	58	766		752	551	
Other Fixed Costs	189	310		641	694	
EBITDA	(61)	(286)		(753)	(74)	
EBITDA Margin (%)	-4%	-10%		-23%	-2%	
Other income	43	160		106	213	
Depreciation	63	47		192	167	
Interest	118	95		418	434	
PBT before exceptional items	(199)	(268)		(1,257)	(462)	
Exceptional Items**		(10)			572	
Profit Before Tax	(199)	(278)		(1,257)	110	
PBT Margin (%)	-13%	-10%		-39%	3%	

** Net sale proceeds from sale of Pondicherry plant is Rs.572 Lacs

UK Operations - Profit & Loss Account



Rs.Lacs

Particulars	Quarterly			Yearly		
	Q4 (FY'22)	Q4 (FY'23)	Growth (Q-Q)	FY'22	FY'23	Growth (Y-Y)
Revenue from operations	1,486	1,802	21%	7,826	9,627	23%
Cost of Goods Sold	1,043	1,349		5,395	6,743	
Employee Cost	548	(19)		2,267	2,249	
Other Fixed Costs	60	53		363	416	
EBITDA	(165)	419		(200)	219	
EBITDA Margin (%)	-11%	23%		-3%	2%	
Other income						
Depreciation	5	4		31	35	
Interest	79	0		56	56	
PBT before exceptional items	(249)	414		(287)	128	
Exceptional Items	-	-		-	-	
Profit Before Tax	(249)	414		(287)	128	
PBT Margin (%)	-17%	23%		-4%	1%	

Business outlook


Indian Operations:

- With 6 months of sales as opening order in hand, orderbook remains robust in FY'24,. Energy Transition initiatives towards green energy, inter state and inter country grid integration, e mobility, railway infrastructure electrification and old grid automation and re-electrification are driving demand for our main products and services in emerging and developing markets. With strong pipeline from Africa, Nepal, Vietnam and Indian customers we are positioned to witness significant improvement in Order Book and Sales in 23-24.
- Plant Restructuring has brought the breakeven sales level low. Consolidation has improved management oversight; this will Improve Financial Sustenance of the company and improve Profitability.
- Focus on better inventory management, tight control of T&C and competitive sourcing will continue drive efficient working capital management. Driving Cash as No 1 Priority and measuring Cash Velocity will continue to help us in better cash management.
- Expanding product portfolio in line with our 3-5 years business growth plan will build our offerings strong for future. We have expanded the product development team working with Research Institutions to accelerate development programs.
- Strong drive on Digitalization and specially focusing on full utilization of our Core System for Transactional Process Management- SAP B1 will improve transactional productivity.
- Company has plans to support its growth plans by executing suitable hiring program in 23-24. Continuing to drive the cultural change and improving talent in the company will build long term capability in the company.

Business outlook

UK Operations:

- With existing frame agreements with our key customers and 6 months sales already covered by opening order in Hand, our order book remains robust. Energy transition initiatives in UK, Drive for Automation and encouragement to local manufacture has facilitated demand generation. Our strong position in market and focus on discovery of new segments & new customers for growth will help us in improved order book. Our pipeline is strong for domestic demands.
- Post COVID international supply chains for electronic products have been witnessing disturbance. They have been improving and lead time for key components like Relays are stabilizing. Sheet metal commodity prices are also stabilizing. Our continued focus on creative sourcing, advance purchase planning and close working with key suppliers is helping in managing this disturbance.
- In order to grow our business further we are driving New Business Development for Portable Relay Room. These are major projects and will help us to develop our business.
- India and UK Team has been working together in a collaborative manner. We are improving digital connectivity between India and UK Facilities further as a result of our Digitalization program.

A light blue, semi-transparent world map is centered in the background of the slide.

Thank you
website:www.sspower.com
E-mail – ashok.vishwakarma@sspower.com