

# Press Release

## For Full Year

- Consolidated revenue from continued operations was ₹68,631 million in FY 22-23, registering a growth of 17.4% on YoY basis
- Consolidated EBITDA margins for continued operations for FY 22-23 were at 8.7%, improved by 210 bps YoY
- PAT for continued operations was positive at Rs. 388 million in FY 22-23 as against loss reported during last year.
- Lifetime New Order wins in India: ₹51.78 billion for FY 22-23

## For the Quarter

- Consolidated revenue from operations was ₹16,901 million in Q4 FY23, registering a growth of 2.3% on YoY basis
- Consolidated EBITDA margins in Q4 FY23 were at 9.5%, improved by 340 bps YoY and 170 bps QoQ
- PAT was positive at Rs. 400 million in Q4 FY23 as against loss reported last year.

**Pune, May 23, 2023:** Varroc Engineering Ltd. (Varroc), a global tier-I auto components group, today announced its results for the quarter ended Mar 31, 2023. Mr. Tarang Jain, CMD commented,

*“Automobile production in India during Q4 FY23 grew on YoY basis for most of the segments, due to easing of semiconductor issues and improved economic activity. However, the industry segment from which we generate around 70% revenue i.e. 2W, saw de-growth of -3% as exports are impacted by geo-political issues and domestic demand was impacted due to lower consumption in rural areas.*

*Our consolidated revenue from operations grew by 2.6% on YoY basis to Rs.17,011 million during Q4 and by 17.4% during full year. Our EBITDA margin was at 9.5% and it improved on YoY basis by 340 bps due to business mix, recovery and operating leverage. Sequentially also the EBITDA margin has gone up by 170 basis. The reported PBT for the quarter was Rs. 411 million.*

*The early signs of increase in rural consumption and strong domestic economy are expected to augur well for a good FY24.*

*In India, we continue to have strong order wins for new business in FY23 across business units. During FY23, lifetime revenue from new order wins is Rs.51,782 million. Out of this, business wins from 7 prominent EV customers is Rs.17,968 million. The order books also reflect our effort to diversify as we see nearly 56% of lifetime order win from 4W and 44% from 2&3 wheeler.*



## Press Release

*Our strong R&D capabilities helped us in filing 15 patents in FY23 from the group, besides enabling us to commercialize new products in this financial year.*

*During the current financial year, our businesses will continue their focus on profitability improvement, FCF generation, prudent capital deployment and debt reduction.*

We also got “Ind A+” with stable outlook rating from India Ratings.”

### **About Varroc Engineering Ltd.**

Varroc Engineering Ltd is a global tier-1 automotive component group. It was incorporated in 1988. The group manufactures and supplies electricals-electronics, polymers, metallics and exterior lighting systems to leading OEM’s with end-to-end capabilities across design, development and manufacturing for two-wheeler, three-wheeler, passenger vehicles, commercial vehicle, and off-highway vehicle worldwide. The group revenue was ₹ 69,209 million from continued operations in FY23. The group employs more than 6,500 employees (750 + R&D Engineers), has 36 global operating manufacturing facilities supported by 7 R&D Centres, and has more than 90 patents.

Varroc Engineering Limited’s shares are listed on the National Stock Exchange (VARROC) and the Bombay Stock Exchange (541578).

For further information on Varroc Engineering Limited please visit [www.varroc.com](http://www.varroc.com)

### **Contact Details**

<b>Bikash Dugar</b> Head Investor Relations <a href="mailto:bikash.dugar@varroc.com">bikash.dugar@varroc.com</a> +91-8104233847	<b>Pallavi Deshmukh</b> Head Marketing and Communications <a href="mailto:Pallavi.deshmukh@varroc.com">Pallavi.deshmukh@varroc.com</a> +91-9923005424	<b>Suman Das Sarma</b> Vice President - Avian WE <a href="mailto:sumans@avianwe.com">sumans@avianwe.com</a> +91 9820051946
--	--	---

### **Safe Harbor**

This release contains statements that contain “forward looking statements” including, but without limitation, statements relating to the implementation of strategic initiatives, and other statements relating to Varroc Engineering Limited future business developments and economic performance. While these forward-looking statements indicate our assessment and future expectations concerning the development of our business, several risks, uncertainties, and other unknown factors could cause actual developments and results to differ materially from our expectations. These factors include, but are not limited to, general market, macro-economic, governmental and regulatory trends, movements in currency exchange and interest rates, competitive pressures, technological developments, changes in the financial conditions of third parties dealing with us, legislative developments, and other key factors that could affect our business and financial performance. Varroc Engineering Limited undertakes no obligation to publicly revise any forward-looking statements to reflect future / likely events or circumstances.