

Salzer



SALZER ELECTRONICS LIMITED

Results Update Presentation

Q2 & H1 FY26



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Joint Managing Director's Message





Commenting on the Company's performance,

Mr. Rajesh Doraiswamy

Joint Managing Director, Salzer Electronics Ltd said:

While the quarter witnessed margin moderation to 8.7%, largely due to higher input costs and initial scaling expenses in the new segment, we remain confident of an improvement in profitability as volumes grow and operating efficiencies strengthen in the coming quarters. The steady performance of our switchgear and wire & cable divisions, continues to be a strong backbone of our business.

During the quarter, we continued to focus on operational efficiency, working capital optimization, and expanding our product portfolio in line with the evolving industry landscape. With the government's continued push on smart metering and infrastructure modernization, Salzer is well positioned to capture long-term growth opportunities through innovation, quality, and customer-centricity.

Moreover, we are proud to have been granted a patent for our 'Disconnecting and Earthing Device for High Voltage Applications.' This innovation is a significant step forward in enhancing safety and efficiency for traction, locomotive, and other high-voltage systems. It reflects our continued commitment to engineering excellence and developing indigenous solutions that add real value to our customers and the power industry at large.

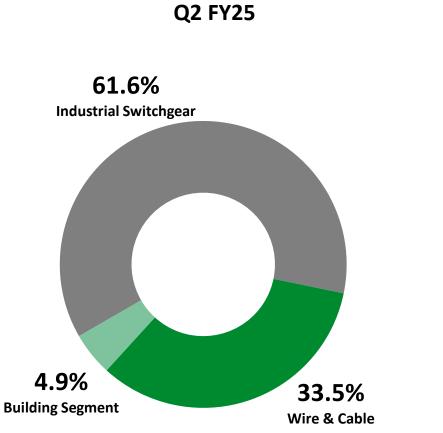
Looking ahead, we aim to sustain double-digit revenue growth for the full year with a focus on improving margins, scaling our smart metering operations, and strengthening our leadership position in the electrical and automation solutions space.

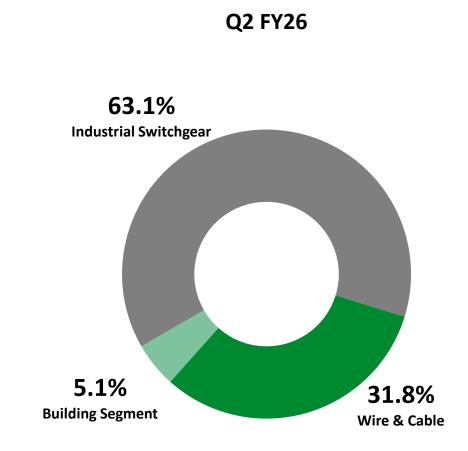
I thank the entire team at Salzer Electronics for their untiring efforts and all our stakeholders for their continued support and faith in our Company.



Q2 FY26 Revenue Breakup – Business Verticals





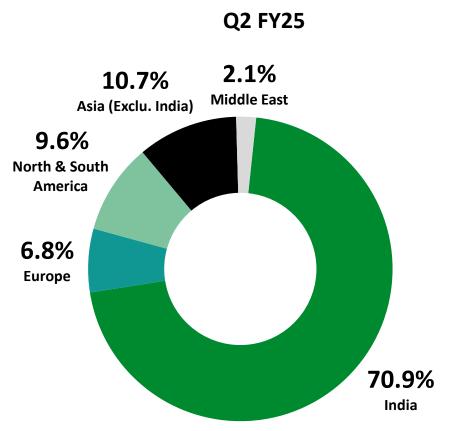


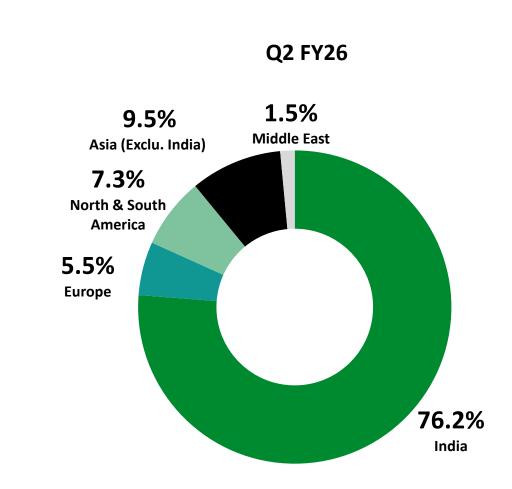
- Industrial Switchgear 63.1% of net revenues
- Wires & Cables 31.8% of net revenues
- Building Electrical Products 5.1% of net revenues



Q2 FY26 Revenue Breakup – Geographical







■ Contribution from Exports at 23.79%



Q2 FY26 Standalone Financial Highlights



Rs. in Crore	Q2 FY26	Q2 FY25	Y-o-Y %	Q1 FY26
Net Revenue	408.74	336.40	21.51%	432.41
Raw Materials	311.45	250.41		335.10
Employee Cost	16.38	13.16		14.79
Other Expenses	46.24	39.67		41.21
Total Expenditure	374.06	303.24		391.10
EBITDA (Excluding other Income)	34.68	33.16	4.58%	41.31
EBIDTA Margin (%)	8.48%	9.86%	(138 bps)	9.55%
Other Income	0.59	0.07		0.58
Depreciation	6.86	5.38		5.88
Interest / Finance Cost	11.15	10.07		12.02
Exceptional Item (Gain) / Loss	0.65	15.76		0.00
Profit Before Tax	17.91	33.54	(46.60%)	24.00
Tax	4.44	7.34		6.40
Profit After Tax	13.47	26.20	(48.59%)	17.59
Profit After Tax Margin (%)	3.30%	7.79%	(449 bps)	4.07%
Basic EPS (Rs.)	7.62	14.82	(48.58%)	9.95



H1 FY26 Standalone Financial Highlights



Rs. in Crore	H1 FY26	H1 FY25	Y-o-Y %
Net Revenue	841.15	683.52	23.06%
Raw Material Expenses	646.55	523.96	
Employee Expenses	31.17	24.69	
Other Expenses	87.45	70.45	
Total Expenditure	765.17	619.10	
EBITDA (Excluding other Income)	75.99	64.42	17.96%
EBITDA Margin (%)	9.03%	9.42%	(39 bps)
Other Income	1.18	1.14	
Depreciation	12.73	10.71	
Interest / Finance Cost	23.17	19.71	
Exceptional Item (Gain) / Loss	0.65	15.76	
РВТ	41.91	50.90	(17.67%)
Tax	10.84	11.45	
PAT	31.07	39.45	(21.25%)
PAT Margin (%)	3.69%	5.77%	(208 bps)
Basic EPS (Rs.)	17.57	22.44	(21.70%)



Q2 FY26 Consolidated Financial Highlights



Rs. in Crore	Q2 FY26	Q2 FY25	Y-o-Y %	Q1 FY26
Net Revenue	418.92	344.23	21.70%	441.12
Raw Materials	315.85	252.77		338.50
Employee Cost	17.86	14.35		16.20
Other Expenses	48.63	41.81		44.65
Total Expenditure	382.35	308.93		399.35
EBITDA (Excluding other Income)	36.57	35.31	3.56%	41.76
EBIDTA Margin (%)	8.73%	10.26%	(153 bps)	9.47%
Other Income	0.34	(0.13)		0.76
Depreciation	7.15	5.66		6.16
Interest / Finance Cost	11.23	10.16		12.10
Exceptional Item (Gain) / Loss	0.00	0.00		0.00
Profit Before Tax	18.52	19.35	(4.31%)	24.26
Share of profit from Associate	(0.19)	0.00		(0.14)
Tax	4.94	7.83		6.90
Profit After Tax	13.39	11.52	16.24%	17.22
Profit After Tax Margin (%)	3.20%	3.35%	(15 bps)	3.90%
Basic EPS (Rs.)	7.35	6.25	17.60%	9.77



H1 FY26 Consolidated Financial Highlights



Rs. in Crore	H1 FY26	H1 FY25	Y-o-Y %
Net Revenue	860.03	701.14	22.66%
Raw Material Expenses	654.35	530.72	
Employee Expenses	34.07	27.09	
Other Expenses	93.28	74.57	
Total Expenditure	781.70	632.38	
EBITDA (Excluding other Income)	78.33	68.76	13.92%
EBITDA Margin (%)	9.11%	9.81%	(70 bps)
Other Income	1.10	1.14	
Depreciation	13.31	11.27	
Interest / Finance Cost	23.34	19.90	
Exceptional Item (Gain) / Loss	0.00	0.00	
PBT	42.78	38.73	10.45%
Share of profit from Associate	(0.33)	0.00	
Tax	11.84	12.46	
PAT	30.61	26.27	16.52%
PAT Margin (%)	3.56%	3.75%	(19 bps)
Basic EPS (Rs.)	17.13	14.45	18.55%

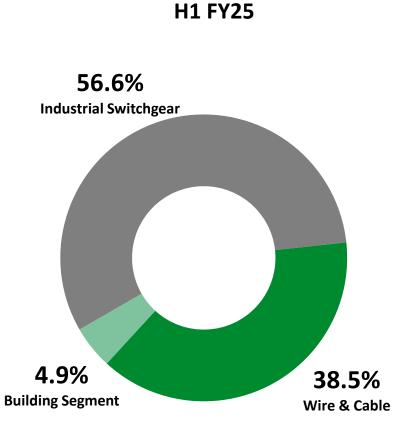
[■] Increase in Revenue – mainly driven by core business divisions

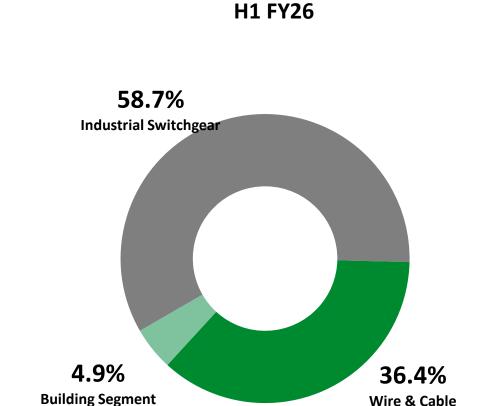
[■] Contribution from exports was 24.0% in H1 FY26



H1 FY26 Revenue Breakup – Business Verticals





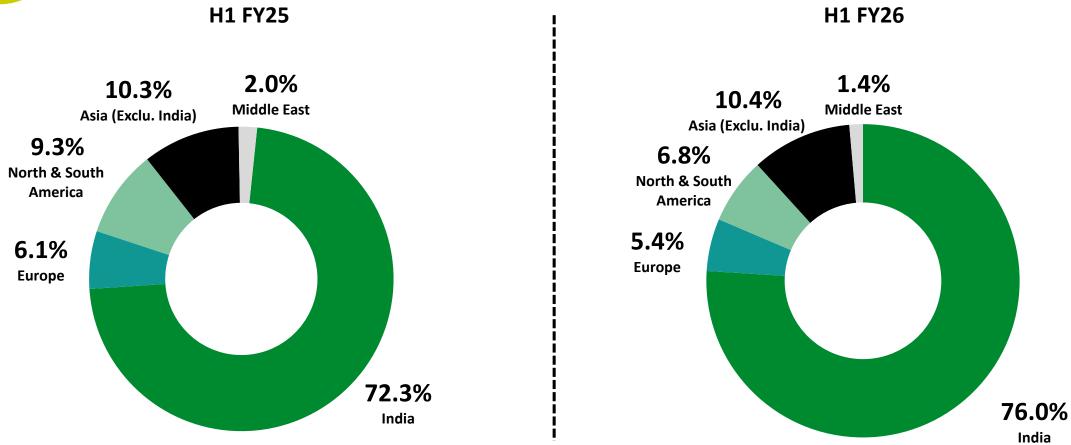


- Industrial Switchgear 58.7% of net revenues
- Wires & Cables 36.4% of net revenues
- Building Electrical Products 4.9% of net revenues



H1 FY26 Revenue Breakup – Geographical





Contribution from exports was 24.0% in H1 FY26



Standalone Balance Sheet As on 30th September 2025



Rs. Crore	As on 30 th Sept' 25	As on 31 st Mar' 25
Shareholder's Funds	556.87	530.28
Share capital	17.68	17.68
Other Equity	539.19	512.60
Non Controlling Interest	0.00	0.00
Non-current liabilities	51.80	49.61
Financial Liabilities		
Borrowing	23.07	22.32
Lease Labilities	0.25	0.28
Provisions	0.41	0.02
Deferred Tax Liabilities (Net)	28.07	26.99
Other Long term liabilities	0.00	0.00
Other Non-Current Liabilities	0.00	0.00
Current liabilities	703.23	585.19
Financial Liabilities		
Borrowing	453.59	395.56
Current maturity of lease liability	0.06	0.06
Trade Payable	226.24	164.55
Others	0.90	0.93
Other Current Liabilities	10.20	12.67
Provisions	10.92	9.74
Current tax liability (Net)	1.31	1.69
Total Equities & Liabilities	1,311.89	1,165.08

Rs. Crore	As on 30 th Sept' 25	As on 31 st Mar' 25
Non-current assets	344.84	325.98
Property, Plant & Equipment	304.17	290.02
Capital WIP	6.03	2.62
Investments Property	0.01	0.01
Goodwill	0.93	0.93
Intangible Assets	3.48	3.92
FA - Investments	17.76	17.79
FA - Others	2.94	2.54
Other Non Current Assets	9.51	8.15
Current assets	967.06	839.10
Inventories	407.73	364.00
Financial Assets		
Investments	9.86	8.56
Trade receivables	467.85	408.50
Cash & Cash equivalent	4.65	1.65
Bank Balance other than above	7.96	3.66
Loans	2.17	1.42
Other	2.39	2.32
Other Current Assets	64.45	49.00
Total Assets	1,311.89	1,165.08



Consolidated Balance Sheet As on 30th September 2025

Rs. Crore	As on	As on
	30 th Sept' 25	31 st Mar' 25
Shareholder's Funds	579.72	552.94
Share capital	17.68	17.68
Other Equity	552.88	526.27
Non Controlling Interest	9.15	8.99
Non-current liabilities	54.78	52.83
Financial Liabilities		
Borrowing	23.07	22.32
Lease Labilities	2.73	3.05
Provisions	0.62	0.21
Deferred Tax Liabilities (Net)	28.01	26.92
Other Long term liabilities	0.08	0.08
Other Non-Current Liabilities	0.27	0.26
Current liabilities	709.55	573.99
Financial Liabilities		
Borrowing	453.63	395.56
Current maturity of lease liability	0.61	0.58
Trade Payable	230.46	151.03
Others	0.95	0.98
Other Current Liabilities	11.12	13.85
Provisions	11.14	9.96
Current tax liability (Net)	1.63	2.03
Total Equities & Liabilities	1,344.05	1,179.76

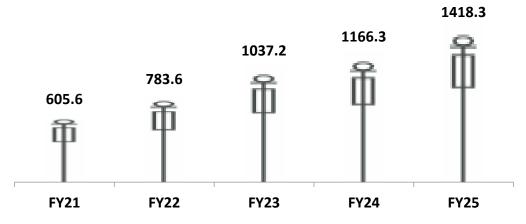
Rs. Crore	As on 30 th Sept' 25	As on 31 st Mar' 25
Non-current assets	352.13	335.27
Property, Plant & Equipment	311.49	297.24
Capital WIP	6.03	2.62
Investments Property	0.01	0.01
Goodwill	7.32	7.32
Intangible Assets	3.57	4.05
FA - Investments	10.97	11.28
FA - Others	2.94	4.32
Other Non Current Assets	9.81	8.44
Current assets	991.92	844.49
Inventories	412.31	367.73
Financial Assets		
Investments	10.26	8.82
Trade receivables	483.42	405.48
Cash & Cash equivalent	4.93	3.52
Bank Balance other than above	10.72	5.72
Loans	2.17	1.42
Other	2.39	2.32
Other Current Assets	65.71	49.48
Total Assets	1,344.05	1,179.76



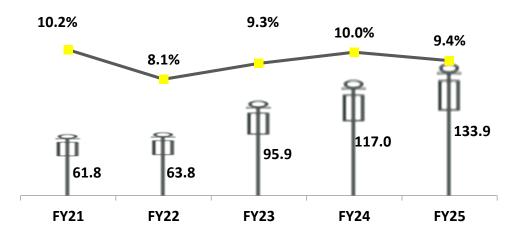
Key Consolidated Financial Highlights – Annual



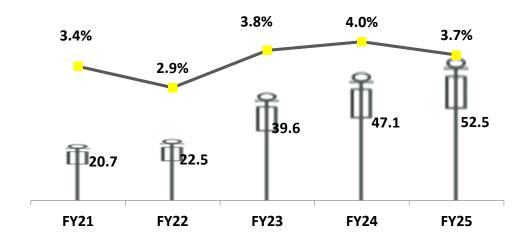
Revenue (Rs. Crore)



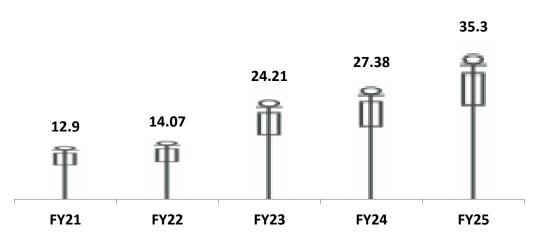
EBITDA (Rs. Crore) / Margins (%)



Net Profit (Rs. Crore)



Earning per Share(Rs.)





Key Consolidated Balance Sheet Highlights – Annual



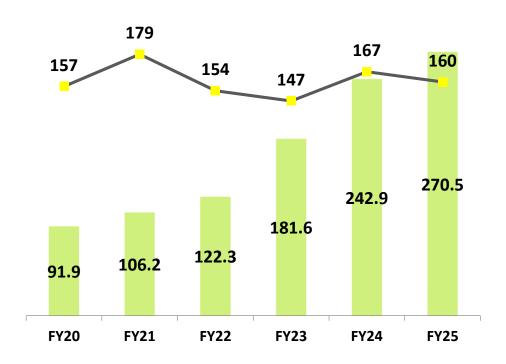




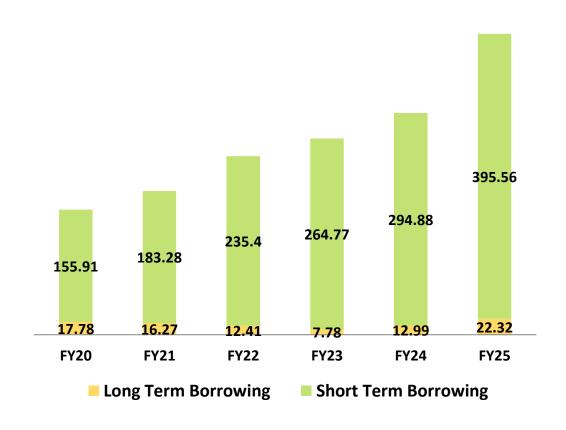
Working Capital & Borrowings



Working Capital (Cr.) – Bar Chart Working Capital (Days) – Line Chart



Borrowing (Cr.)







About Us

















Leading player offering total and customized electrical solutions

- Incorporated in 1985
- Headquartered in Coimbatore, Tamil
 Nadu
- Caters to sectors such as Engineering, Automotive, Tractor, Bearing and Allied Industries

Experienced Management Team

- Significant experience in Engineering Industry
- Long term vision and proven ability to achieve long term goals for Company
- Technical collaboration with Plitron for Toroidal transformers – 1st Company to bring technology to India, Joint Venture with C3Controls for contactors and relays

State-of- art manufacturing facilities

- Seven manufacturing units located in Tamil Nadu
- More than 15 products catering to Industrial / Building Electrical / Automobile verticals

Quality Standards, Assurance & Certifications

- ISO 9001; ISO 14001; ISO 45001; UKAS Management; IATF 16949
- International Approvals













Extensive Product offerings –

- Presence in Industrial Switchgears, Wires & Cables, Energy management and Smart Metering business
- Largest manufacturer of Cam Operated Rotary Switches – Market leader with 25% share

200+ Reputed and long-term customers

- Preferred supplier to GE, Schneider and only approved supplier of Nuclear Power Corporation
- Largest supplier of rotary and load break switches to Indian Railways

Strong Domestic & International Customer Base for forging applications

- Own distribution network local and global – export to 50 countries with 40 International distributors
- Access to L&T's local network through more than 350 distributors



From a Single Product Company...



1985 - 1995

- Established to manufacturer of CAM operated Rotary Switches
- Unit I (Coimbatore) –
 manufacture contactors, relays,
 panels, energy savers
- Starting of long term association with L&T
- Technical collaboration with Plitron for manufacture of Toroidal Transformers
- 1st Indian company to bring technology to India

2001 - 2014

- Unit III manufacture modular switches
- Started manufacturing of Wire & Cable for L&T
- Leading player offering total and customized electrical solutions
- More than 15 different products
- 2,000 employees
- 5 manufacturing units
- Foray into tailor made products and branding for large customers
- Specialized panels for OEMs

2015 - 2020

- Started commercial production of Three Phase Dry Type Transformers
- Acquired Salzer Magnet Wires
- Upgrade in Credit Rating for longterm borrowing to 'CRISIL A/Stable'
- Acquired Kaycee Industries Ltd.

2021 – Till Date

- Forays into EV Business through JVs with Kostad Steuerungsbau GmbH and EMarch LLP
- Set up new manufacturing rented facility strategically located in Hosur, Tamil Nadu – production to commence in March 2023
- Kostad Steuerungsbau GmbH JV Company has become a Subsidiary Company with shareholding of 60%
- Building "one-of-its-kind Fully Integrated" Smart Meter manufacturing facility in India
- Planning a total CAPEX of ₹50 crore for FY25, with ₹25 crore allocated to the Smart Meter factory and another ₹20 crore for additional CAPEX.
- Investment of ₹8 crore for a 30% stake in Ultrafast Chargers Private Limited, a startup in EV charger manufacturing.
- Incorporated a Wholly Owned Overseas Subsidiary -Salzer Electronics Arabia Limited
- Secures Major Order of Rs. 50 Cr. for Smart Meters under RDSS
- Secured order of Rs. 192 Cr from Bruhat Bengaluru Mahanagara Palike (BBMP)
- Incorporated Special Purpose Vehicle Effilume Pvt. Ltd.
- Granted a patent for its product titled "Disconnecting and Earthing Device for High Voltage Applications

... to manufacturing multiple products across sectors



Professional Management





R. Doraiswamy - Managing Director

- Qualified Electrical Engineer and Technocrat Entrepreneur with over 4 decades of experience
- Vast Experience in Foreign Collaboration & wide global contacts



D. Rajeshkumar – Joint Managing Director

- Electrical Engineer, India; Postgraduate in Business Management, US
- JMD of Company responsible for driving the vision of Company



P. Sivakumar A - AVP – Marketing Corporate

- Bachelors in Engineering with over 3 decades of experience
- Responsible for Sales & Marketing division



M Laksminarayana - VP - Operations

- B.E (Electrical) with over 2 decades of experience
- Responsible for Production, Planning, Inventory Management,
 Maintenance & General Administration



R. Menaka – General Manager - Accounts

- Degree in Commerce with over 3 decades of experience
- Extensive expertise in Accounts, Finance, and Taxation



R Karunakaran - GM - PR & GST

- BSc, Diploma in Marketing Management with more than 3 decades of experience
- Responsible for GST and Public Relations of Company





Business Overview





Industrial Switch Gear Products

- Transformers
- Terminal Blocks
- Rotary Switches
- Isolators
- General Purpose relays
- Wiring Ducts
- MPCB's
- Contactors & OLR's
- Control Panels
- Wire Harness



Building Electrical Products

- Modular Switches
- Wires & Cables
- MCB's
- Changeovers



Wire & Cable

- Wires & Cables
- Flexible Bus Bars
- Enamelled Wires
- Bunched Conductors
- Tinned Copper Wires



Energy Management products

- Energy Savers
- Street Light Controllers



Smart Meters

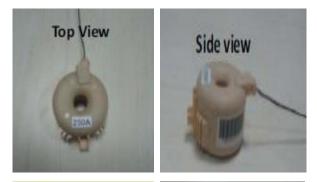
- Single Phase Meters
- Three Phase Meters



Wide Product Suite- Customized for OEM's



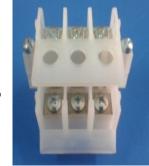
CT's





Terminal Sockets







Coils / Inductors





Panels



In-house manufacturing and R&D enables superior customization of products



Key Strengths



Complete Backward Integration

In-house manufacturing facilities with process capabilities ensures better product development and customization

Well developed R&D enables continual product innovation

Wide Product Suite

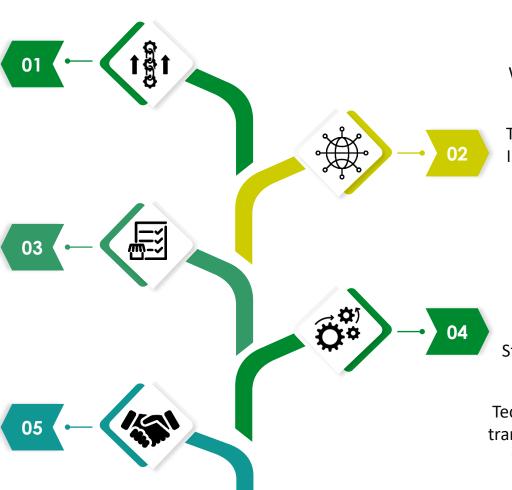
Amongst few players in India, to offer total & customized electrical solutions
Wide product basket – 15 products developed in-house
Largest manufacturer and market leader in CAM operated rotary switches

Strong Customer Relationships

Strong customer relationships across globe

Preferred supplier to GE, Schneider and only approved supplier of Nuclear Power Corporation

Largest supplier of rotary and load break switches to Indian Railways



Wide Distribution Network

Wide distribution network – international and domestic

Tie up with L&T – access to over 350 dealers in India; own network for modular switches with 50 stockists in 4 southern & western states

Direct network across 50 countries with 40 international distributors

Advanced Engineering Capabilities

Strong engineering capabilities backed by inhouse manufacturing and R&D team

Technical collaboration with Plitron for Toroidal transformers – 1st Company to bring technology to India, Joint Venture with C3Controls for contactors and relays

Resulting in all products been international certified and universal acceptance 26



Seven Manufacturing facilities...



Unit 1



Rotary Switch

Contactors & Relays

Panel Assembly

Lighting Energy Savers

Automatic Meter Reading

Three Phase Dry Type **Transformers**



Toroidal Transformers

Isolators (Dis-connectors)

Terminals

Wiring Ducts

MPCB

Wire Harness

3 PH Transformers

Unit 3



Wiring Accessories

Unit 4



Wires & Cables

Flexible Bus Bars

Bunched Conductors

Unit 5



Enamelled Copper Wires Fine Enamelled Copper Wires **Polyester Coated Winding wires**





Toroidal Transformers



Smart Meters

Tinned Wires



...With In-house process capabilities...





- Full fledged Type testing laboratory
 - Loads up to 500Amps
 - Environmental test chamber for humidity test
 - Salt spray test & all other basic tests as per UL Standards



- In-house tool room facility for manufacturing and servicing of Moulds and press tools
 - CNC Wire Cut Machines and Spark erosion machines
 - CNC Machining center, EDM Drilling
 - Conventional machines
 - Latest digital measuring equipment
 - Inspected and certified by GE Tool Divisionca

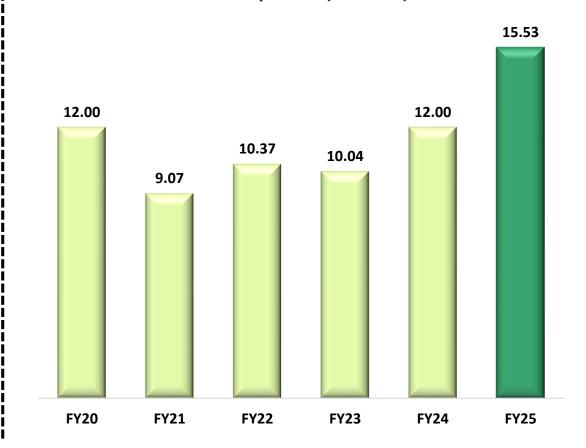


...And a strong R&D team



- In-house R&D Center
 - More than 35 engineers
 - Recognized by Department of Science, Govt of India
- Patented Rotary switches
- Six patents in process
 - Manual Single-Phase Starter with no voltage tripping, Energy Saver System for Street Lighting, Track Feed Battery Changer Over System, Heavy duty energy efficient automatic source change over, Training warning system and Modular Housing
 - Received two patents for CAM operated rotary switch & Motor
 Protection Circuit Breaker' for duration of 20 years, ending 2036
- 1st of its kind product in India
 - Designed and manufactured Load Break Switches, Single Hole Mounting Switches, Halogen Free Cable Ducts, Flat Wire Ducts, Flexible Bus Bars etc

R&D expenses (Rs crore)





Internationally certified













ISO 9001

ISO 14001

CE Certification

ISO 18001

UL Certification



CB certification by IE

CB certification



RoHS





CSA Certification



... Across entire product portfolio



Blue Chip Customers



- Marketing Tie-up with L&T for Indian Market
- Largest supplier of rotary switches to Indian Railways
- Branding partner to various large OEM's in India
- Tie-up with American Technical Company C3Controls, to manufacture market contactors & overload relays
- Technical Tie-up with Trafomodern for Three **Phase Transformers**
- Preferred supplier to:
 - Nuclear Power Corporation
 - Schneider Electric
 - **GE Energy**











































Wide Distribution Network





International

- Direct network across 50 countries
 - ✓ 27% of sales from exports (FY25)
 - √ 40 international distributors
- Plans to expand in US, Africa and Middle east

Domestic

- Tie up with L&T access to more than 350 dealers in India
- Direct network for Modular Switches
 50 stockists in 4 southern & western states





Way Ahead



Operational Excellence

 Consistently executing business strategy and continued focus on improving operating costs by sourcing quality raw materials and efficient manpower

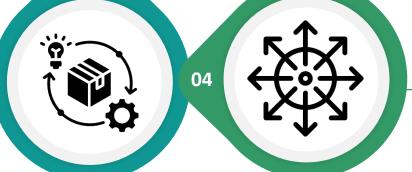


Focus on margin improvement

- Increase sales of high margin products – existing and new
- Increase exports fast growing markets of US, Africa and Middle East

Venture into new project

- Seek Technical alliances to develop new and technically advanced products
- Acquired Kaycee Industries for new product development, enter new ventures and leverage brand & distribution network
- Ventured into EV Segment for EV Chargers manufacturing
- Ventured into Smart metering manufacturing in Coimbatore



Growth and expansion of existing product verticals

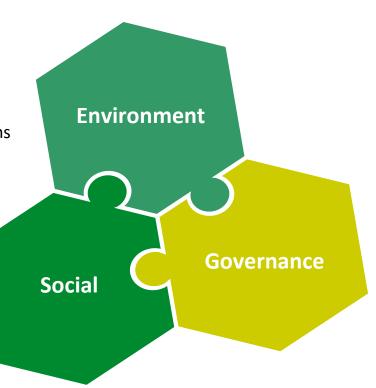
- Constantly develop new products through in-house R&D
- Expand existing product portfolio to newer geographies



ESG Initiatives



- Committed towards a cleaner, greener and healthier environment
- Optimise energy consumption
- Towards this end Company has identified installation of rooftop solar panels
- Plan to recycle water as per environmentally friendly norms
- Increasing green cover around all plants in and around the manufacturing facilities
- Partner in EV Ecosystem to manufacture parts of environmentally friendly transportation
- Continues to contribute towards skill development among the local population
- Recruitment of rural youth for local sales operations
- Contribution for women empowerment. Engaged around 50% women employees hailed from local rural areas who are breadwinners of their families
- Spending under CSR Initiatives for health Care and education of rural populous particularly residing in the local regions



- M/s. Swamy and Ravi, Chartered Accountants for statutory audit and M/s D A T & Associates , Chartered Accountants for internal audit
- Three independent Directors out of 8 Members on the Board
- Focus on Better compliances and best governance practices
- Plan for gender diversification on the Board in due course



ESG Initiatives - Carbon Emission by Scope



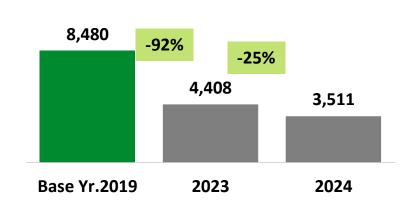
Scope 1

All Fossil fuels used in factories, such as diesel for backup power and fuels used in Cars, transport & fleet vehicles

Scope 2

- Electricity consumed at all factories and offices of Salzer owned facilities
- Also the avoidable emissions are calculated by the use of Renewable power by own renewable sources as well as purchased renewable sources

Details	Base Yr - 2019	2023	2024
Scope 1 (Tons of Co2)	123	191	217
Scope 2 (Tons of Co2)	8357	4217	3294
Turnover INR Cr	559	1013	1135
Scope 1+2 (Tons of Co2)	8480	4408	3511
Intensity	15.17	4.31	3.09
Delta		(248%)	(40%)



- 2019 was considered the Base year for calculation. 2020 & 2021 was not considered as it was a year with partial shutdowns due to Pandemic
- The Direct Greenhouse Gas (GHG) emission from facilities we operate (scope 1) has increased from 123 tons of Co2 in 2019-20 to 217 tons of Co2 in 2023-24. The increase over the last three years is due to higher activities due to increased turnover
- The indirect GHG emissions from Energy consumption (Scope 2) was reduced by 25% in 2023-24 from 2022-23 and this was achieved by taking energy conservation measures and sourcing & generation of renewable power
- Scope 1 & 2 put together there is a Net intensity reduction of 40% in 2023-24 from 2022-23
- Salzer will continuously endeavor its best efforts in all available avenues to reduce Carbon Emission level by 25% every year and attain the Net Zero Emission level by 2030

