CIN No.: L30009GJ2003PLC043419 | MSME PART-II No.: 24-009-12-01046

MACPOWER CNC MACHINES LIMITED

Converted from MACPOWER CNC MACHINES PRIVATE LIMITED to MACPOWER CNC MACHINES LIMITED (W.E.F. 16th NOVEMBER, 2017)

November 15, 2019

To,
Listing Compliance Department,
National Stock Exchange of India Limited,
'Exchange Plaza, C-1, Block – G,
Bandra Kurla Complex, Bandra [east],
Mumbai – 400 051, Maharashtra, India

Symbol: MACPOWER
Series: SM

Sub: Earning Presentation on half year ended on September 30, 2019

Ref: Regulation – 30 of Securities Exchange Board of India [Listing Obligations and Disclosure Requirements] Regulations, 2015.

Respected Sir/Ma'am,

Refer to the captioned subject we, Macpower CNC Machines Limited ["the Company"] are hereby submitting Earning Presentation on half year ended on September 30, 2019.

Kindly take the same on your record.

Thanking You.

For and on behalf of
Macpower CNC Machines Limited

[Rupesh J. Mehta]
Managing Director
DIN: 01474523

Encl: a/a

MACPOWER CNC MACHINES LIMITED

EARNINGS PRESENTATION – H1-FY20

EXECUTIVE SUMMARY

Company Overview:

- Macpower CNC Machines Ltd. (Macpower), incorporated in 2003, has more than one decade of experience in competitive manufacturing solutions.
- It has become India's fastest growing CNC Machines Manufacturing Company.
- Macpower provides 'Competitive Manufacturing Solutions' to meet the exact requirements of their customers.
- MSE – 1 Highest Financial Strength in SME Segment certified by CRISIL.
- Macpower is manufacturing Special Purpose Machines [SPM] for Defense sectors like DRDO and for Aeronautics segments like HAL.

Business Mix:

Manufacturing range includes CNC Turning Centre, VMC, HMC, Turn Mill Centre, VTL, Twin Spindle Turning & VMC, Drill Tap Centre, Cylindrical Grinder along with Robotic Automation solutions.

Financials FY19

Revenue from Operations
INR 1,403 Mn
31% 3 Year CAGR

EBITDA
INR 166 Mn
140% 3 Year CAGR

PAT
INR 127 Mn
177% 3 Year CAGR

Financials FY19

Revenue from Operations
31% Y-o-Y Growth

EBITDA
45% Y-o-Y Growth

PAT
80% Y-o-Y Growth

COMPANY OVERVIEW

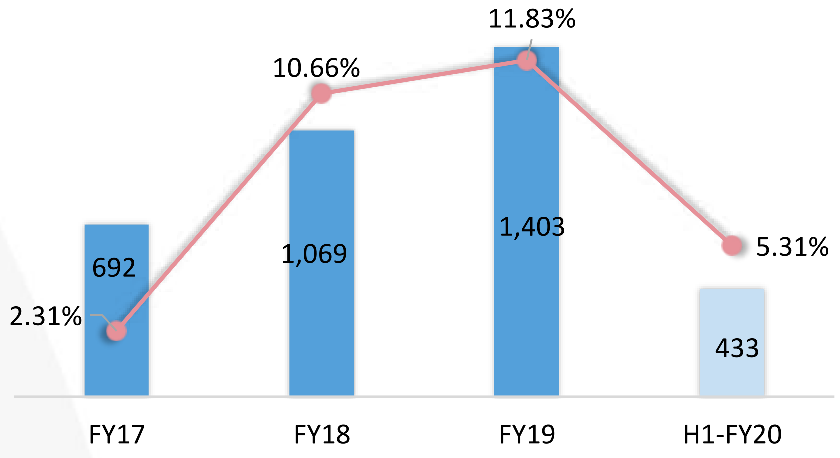
COMPANY OVERVIEW

- Incorporated in 2003, Macpower CNC Machines Limited (Macpower) has a vision to provide the best possible solution in CNC machine industry thereby unleashing value for end users.
- Led by highly experienced promoters and management team, Macpower adopts an innovation driven approach, which makes the company successful in all its operations.
- Macpower's manufacturing range includes CNC Turning Centre, VMC, HMC, Turn Mill Centre, VTL, Twin Spindle Turning & VMC, Drill Tap Centre, Cylindrical Grinder along with robotic automation solution.
- Macpower has successfully executed projects across India for sectors like Automobile, Railways, Aerospace, Defense, Power, Medical, Agriculture, Government Education Sector and General Engineering.
- Macpower has its manufacturing unit in an area of around 4 acres which is situated at Metoda G. I. D. C. , Rajkot (India).
- It exports to companies in countries like the USA, UK, Turkey, Thailand, UAE, South Africa and many more.

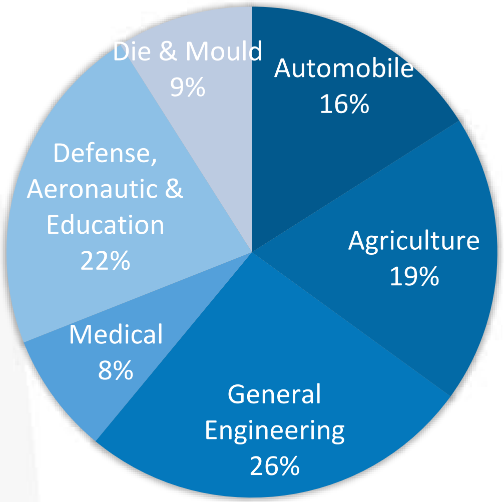
65
Different Models

1,000
Application Solutions

Revenue from Operations (In Mn) and EBITDA Margins



Industry Segment wise Revenue H1-FY20



H1-FY20 FINANCIAL & OPERATIONAL HIGHLIGHTS

- **H1-FY20 Financial Performance:**
  - Revenue from Operations: INR 433 Mn
  - EBITDA: INR 23 Mn
  - EBITDA Margin: 5.31%
  - PAT: INR 41 Mn
  - PAT Margin: 9.47%
  - Diluted EPS: INR 4.21/ Share

- **OPERATIONAL HIGHLIGHTS**

- Total number of machines dispatched in H1-FY20 were 207 as against 403 in H1-FY19. Further, the overall machine tools industry has also declined by 50% YoY. This fall in volumes is due to the slowdown in the auto sector along with overall liquidity crunch in the economy, which resulted in lower offtake of CNC machines.

- During H1-FY20, the company executed large defense orders including 6 machines to the heavy vehicle factory and research institute and 4 machines to Central Institute of Plastics Engineering & Technology [CIPET].

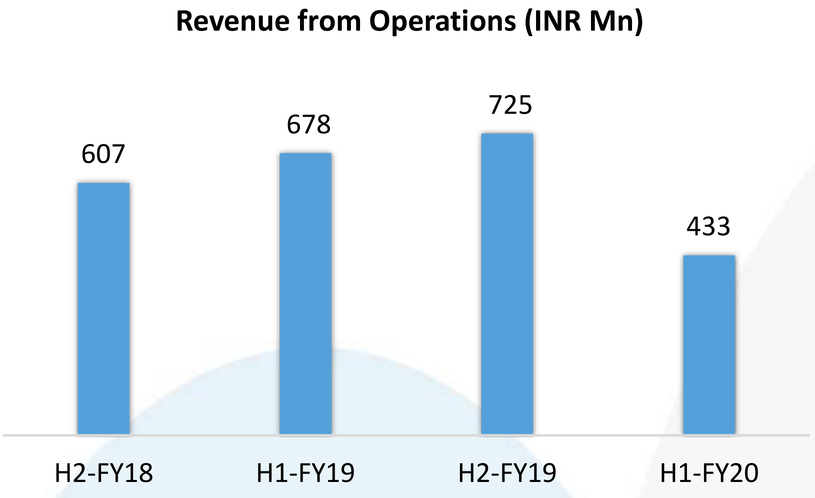
- Execution of these large government orders resulted in realization per unit increasing by 30% YoY in H1-FY20. The company has also put in bids for supply of additional machines to the government to the tune of INR 1,530 Mn.

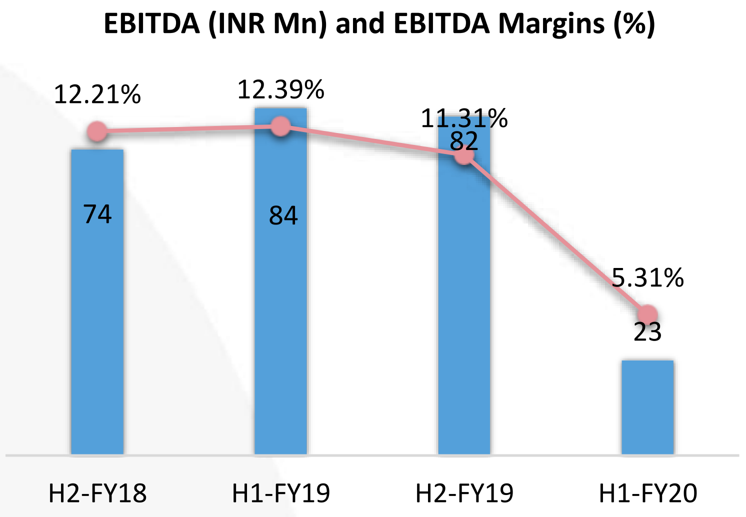
- The company is in the final stages of implementing its backward integration process, as almost all equipments have landed at the factory. Further, the heavy machine shop has commenced operations, which will provide in-house processing benefits going forward. The facility for powder coating is at an advance stage of commissioning and is expected to be operational by January, 2020. After completion of this CAPEX, the company's operating margins and output will increase significantly.

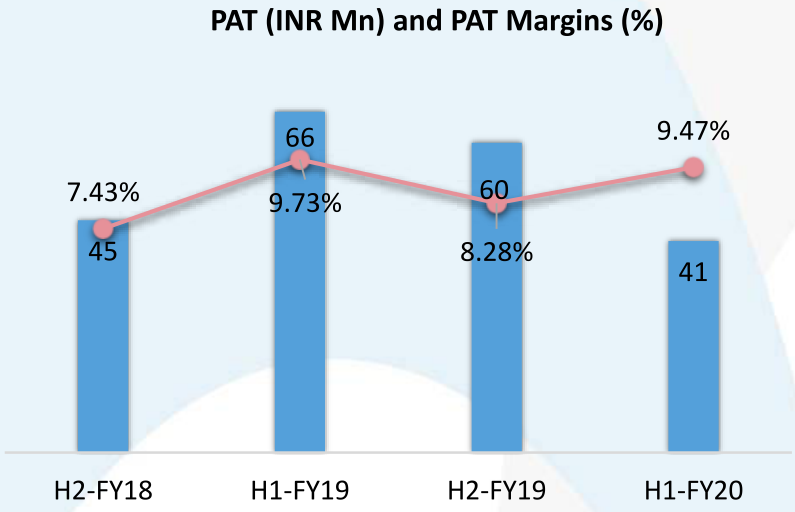
H1-FY20 FINANCIAL OVERVIEW

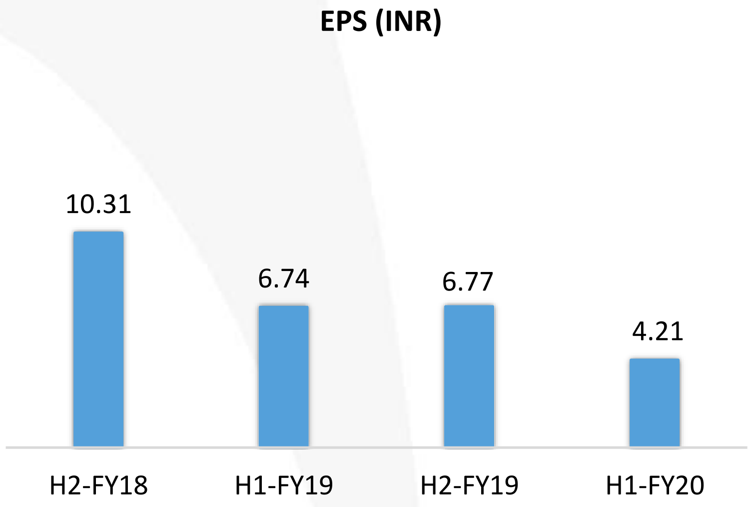
PARTICULARS (INR Mn)	H1-FY20	H1-FY19	Y-o-Y
Revenue From Operations	**433**	**678**	**(36.1)%**
Total Expenses	410	594	(31.0)%
EBITDA	**23**	**84**	**(72.6)%**
EBITDA Margin	***5.31%***	***12.39%***	***(708)Bps***
Other Income	28	*18*	55.6%
Finance Cost	1	1	NA
Depreciation	4	6	(33.3)%
PBT	**46**	**95**	**(51.6)%**
Tax	5	29	(82.8)%
PAT	**41**	**66**	**(37.9)%**
PAT Margin	***9.47%***	***9.73%***	***(26)Bps***
Diluted EPS (INR)	4.21	6.74	(37.5)%

H1-FY20 FINANCIAL HIGHLIGHTS









** Includes Other Income*

ORDER BOOK (As on 31st October, 2019)

Description	No. of Units	Value (INR Mn)
Pending Order/ Advance (Private)	415	737/44
Govt. Supplied	193	875
L1/Order Recd. (as on H1-FY20)	13	61
Tender Bided	230	1,530

Order Book	Domestic	
Products	No. of Units	Value (INR Mn)
Turning Centre	312	469
Vertical Turning Lathe	-	-
Vertical Machining Centre	103	269
Horizontal Machining Centre	-	-

HISTORICAL INCOME STATEMENT

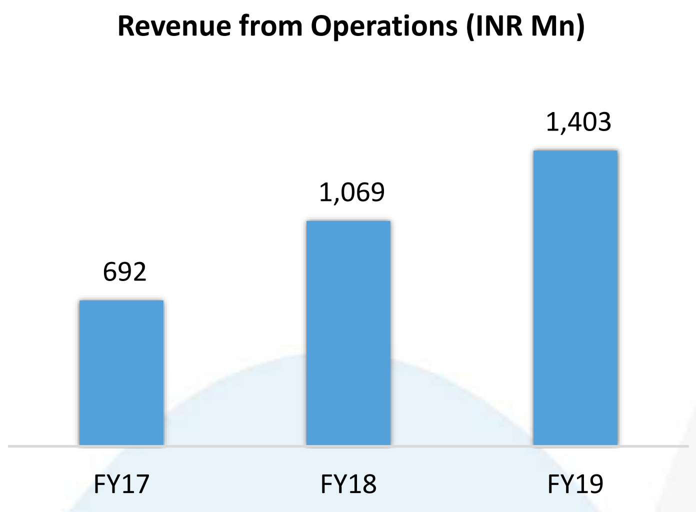
PARTICULARS (INR Mn)	FY17	FY18	FY19	H1-FY20
Revenue From Operations	692	1,069	1,403	433
Total Expenses	675	955	1,237	411
EBITDA	**17**	**114**	**166**	**23**
EBITDA Margin	***2.46%***	***10.66%***	***11.83%***	***5.31%***
Other Income	4	5	29	28
Finance Cost	4	2	2	1
Depreciation	7	10	12	4
PBT	**10**	**107**	**181**	**46**
Tax	**2**	**37**	**54**	5
PAT	**8**	**70**	**127**	**41**
PAT Margin	***1.16%***	***6.55%***	***9.05%***	***9.47%***
Diluted EPS (INR)	2.54	10.31^	12.89	4.21

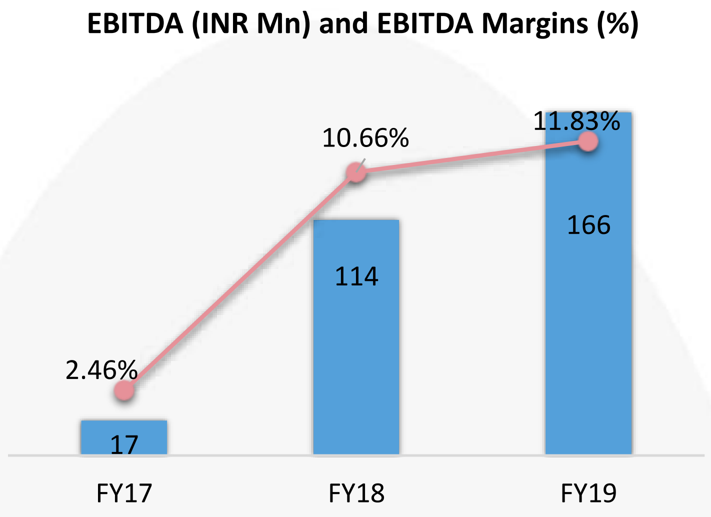
^ weighted average

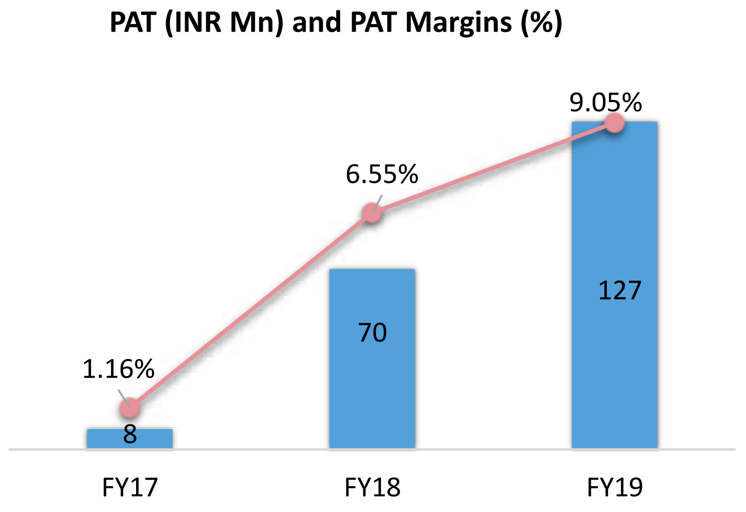
BALANCE SHEET

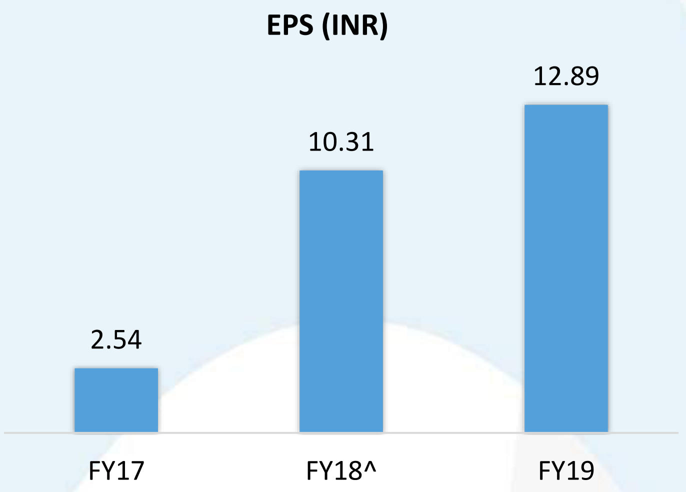
EQUITY AND LIABILITIES (INR Mn)	FY18	FY19	H1-FY20	ASSETS (INR Mn)	FY18	FY19	H1-FY20
1) SHARE HOLDERS' FUND				**1) NON CURRENT ASSETS**			
Share Capital	98	98	98	**Fixed Assets**			
Reserves and Surplus	435	558	598	Tangible Assets	44	58	94
Total	**533**	**656**	**696**	Intangible Assets	1	1	2
				Capital Work-in-progress	1	55	147
2) NON CURRENT LIABILITIES				Deferred Tax Asset (Net)	6	5	5
Long Term Borrowings	2	-	-	Long Term Loans & Advances	12	10	9
Long Term Provisions	5	6	6	Other Non Current Assets	16	17	18
Total	**7**	**6**	**6**	**Total**	**80**	**146**	**275**
3) CURRENT LIABILITIES				**2) CURRENT ASSETS**			
Short Term Borrowings	-	-	14	Current Investments	75	10	-
Trade Payables	358	369	219	Inventories	277	474	449
Other Current Liabilities	5	4	44	Trade Receivables	42	87	46
Short Term Provisions	44	57	65	Cash & Cash Equivalents	392	279	158
Total	**407**	**430**	**342**	Short Term Loans & Advances	81	96	116
				Total	**867**	**946**	**769**
Total	**947**	**1,092**	**1,044**	**Total**	**947**	**1,092**	**1,044**

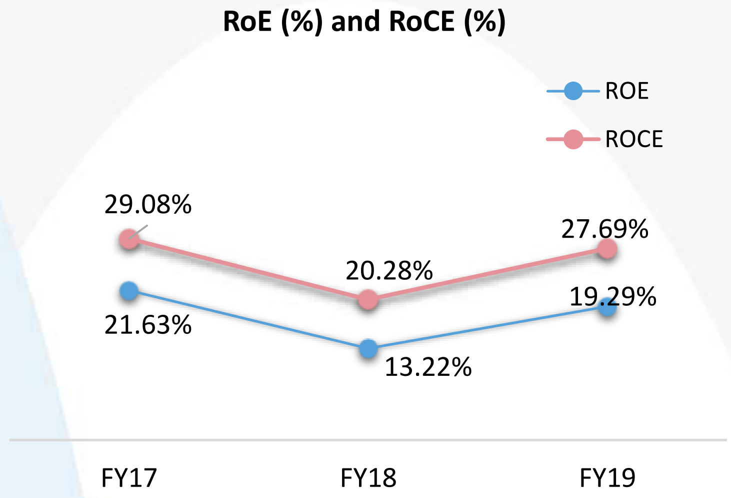
FINANCIAL HIGHLIGHTS

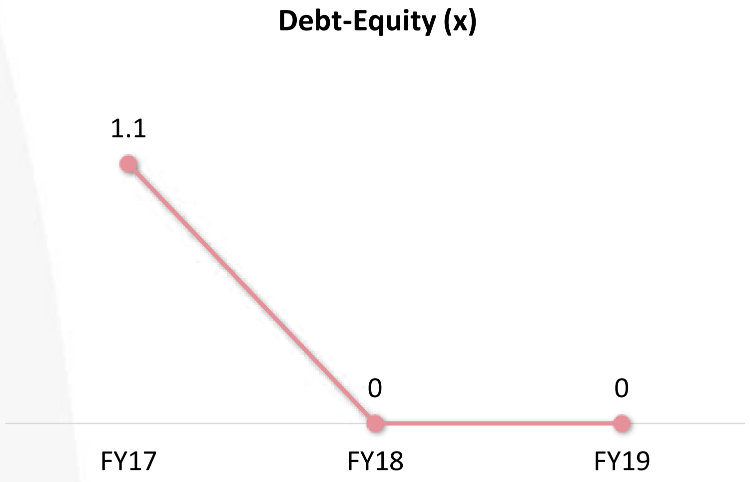






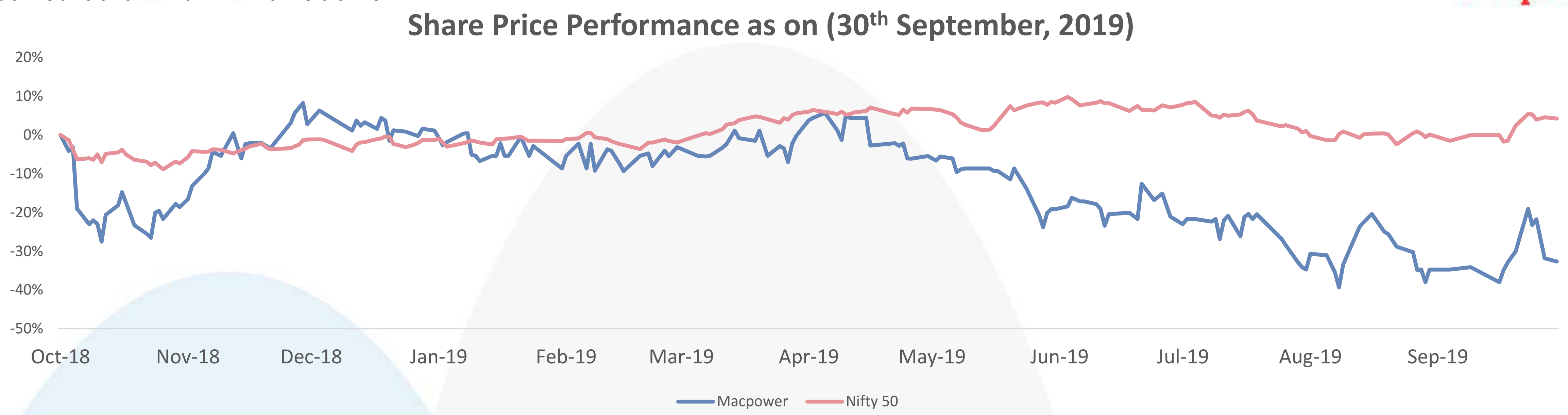




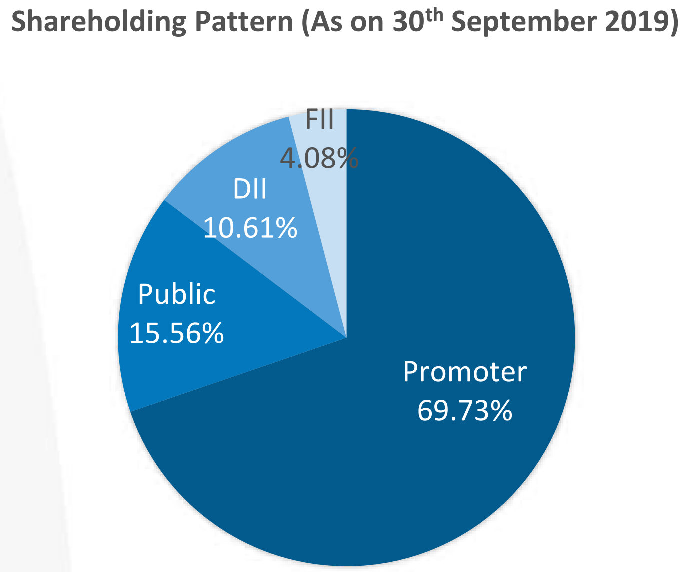


^ weighted average

MARKET DATA



Price Data (As on 30th September, 2019)	
CMP	103.2
52 Week H/L	166.5/91.4
Avg. Trading Vol. (‘000)	11.59
Avg. Net Turnover (INR Mn)	1.61
Market Cap (INR Mn)	1,012.2
Total No. of Shares (In Mn)	9.80



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THANK YOU