

Investor Presentation
Q4 & FY23 Results - May 2023

Safe Harbour

This presentation and the accompanying slides (the “Presentation”), which have been prepared by **Shankara Building Products Limited** (the “Company”), have been prepared solely for information purposes and do not constitute any offer, recommendation or invitation to purchase or subscribe for any securities, and shall not form the basis or be relied on in connection with any contract or binding commitment what so ever. No offering of securities of the Company will be made except by means of a statutory offering document containing detailed information about the Company.

This Presentation has been prepared by the Company based on information and data which the Company considers reliable, but the Company makes no representation or warranty, express or implied, whatsoever, and no reliance shall be placed on, the truth, accuracy, completeness, fairness and reasonableness of the contents of this Presentation. This Presentation may not be all inclusive and may not contain all of the information that you may consider material. Any liability in respect of the contents of, or any omission from, this Presentation is expressly excluded.

Certain matters discussed in this Presentation may contain statements regarding the Company’s market opportunity and business prospects that are individually and collectively forward-looking statements. Such forward-looking statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties and assumptions that are difficult to predict. These risks and uncertainties include, but are not limited to, the performance of the Indian economy and of the economies of various international markets, the performance of the industry in India and world-wide, competition, the company’s ability to successfully implement its strategy, the Company’s future levels of growth and expansion, technological implementation, changes and advancements, changes in revenue, income or cash flows, the Company’s market preferences and its exposure to market risks, as well as other risks. The Company’s actual results, levels of activity, performance or achievements could differ materially and adversely from results expressed in or implied by this Presentation. The Company assumes no obligation to update any forward-looking information contained in this Presentation. Any forward-looking statements and projections made by third parties included in this Presentation are not adopted by the Company and the Company is not responsible for such third-party statements and projections.



Commenting on the results, Mr. Sukumar Srinivas – Managing Director said,

“I am happy to share that, our performance in FY23 has been strong and resilient. On the back of a recovery in the entire home improvement industry, our Topline increased by 67% in FY23. Consistent efforts taken over the last few years have strengthened our balance sheet.

Our strong performance is a reflection of our well-defined and persuasive strategy, which is supported by the power of our most valuable assets—our people and execution approach. We not only successfully navigated the immediate challenges, but also significantly advanced our long-term strategic aims.

In addition to sticking to our long-term profitable growth strategy, we strive to differentiate ourselves through innovation, a stronger retail presence, unparalleled quality, and the highest standards of customer service. We continue to aspire to grow our topline by 30% and believe FY24 to be a milestone year in our journey.”

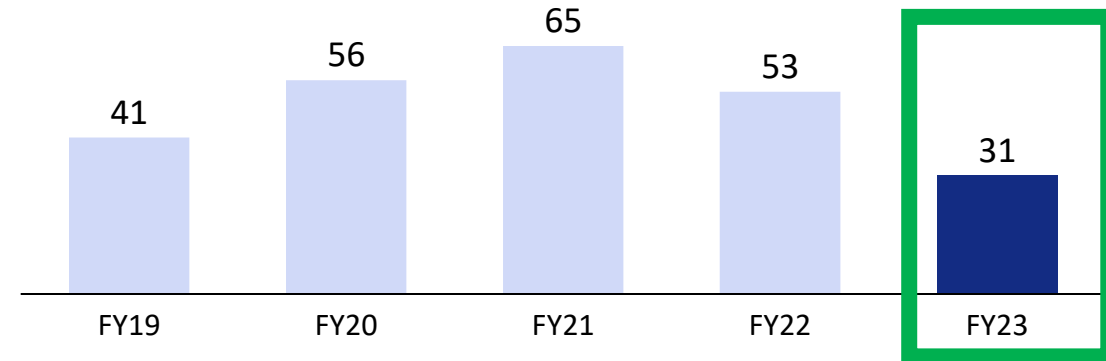
Key Highlights

1 Top Line Growth

Particulars (Rs. Cr)	FY19	FY20	FY21	FY22	FY23
Revenue	2,546.3	2,639.7	2,038.3	2,418.4	4,029.7

Growth (FY22 - FY23)
67%

2 Working Capital Management



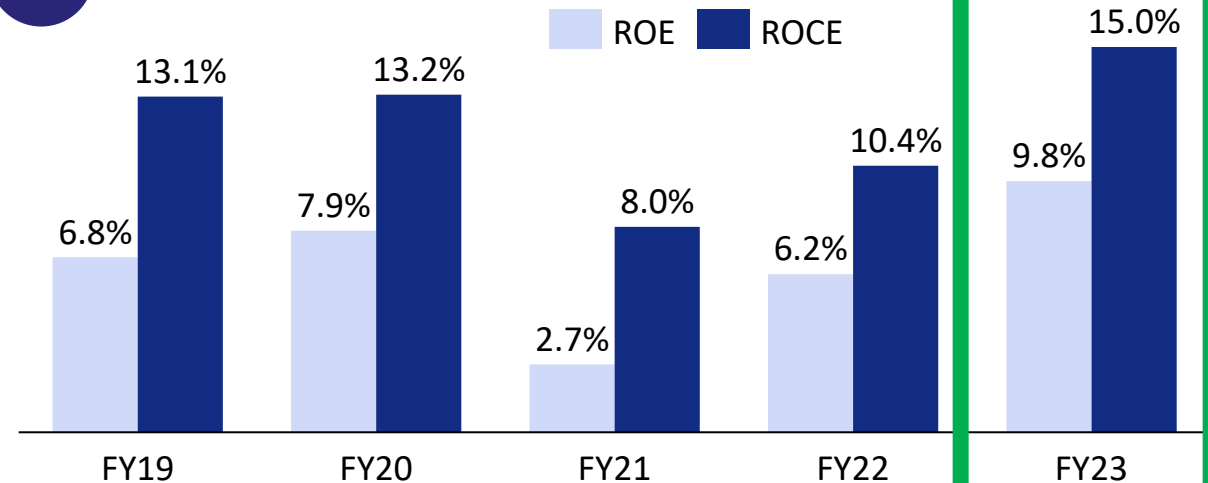
Strengthened NWC position

3 Balance Sheet

Particulars (Rs. Cr)	FY19	FY20	FY21	FY22	FY23
Net Debt	179.9	219.7	136.5	114.7	70.6

Improved Debt position

4 Improved Ratios



Q4&FY23 Result Highlights

Revenue

EBITDA

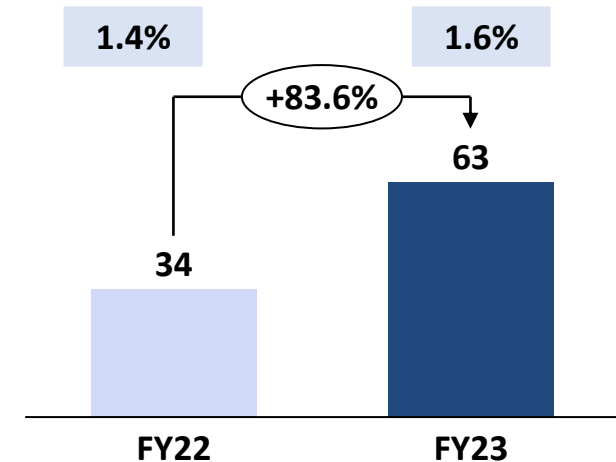
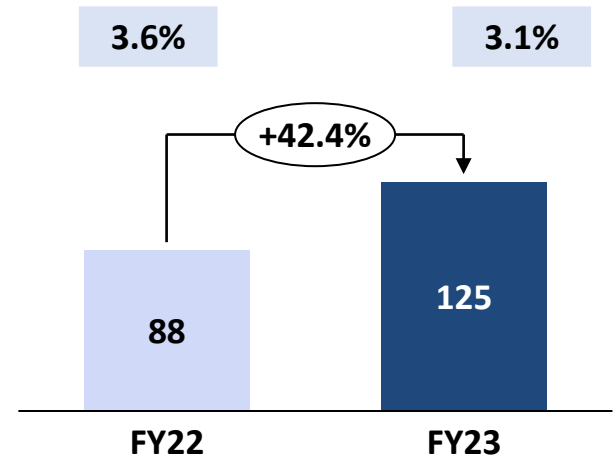
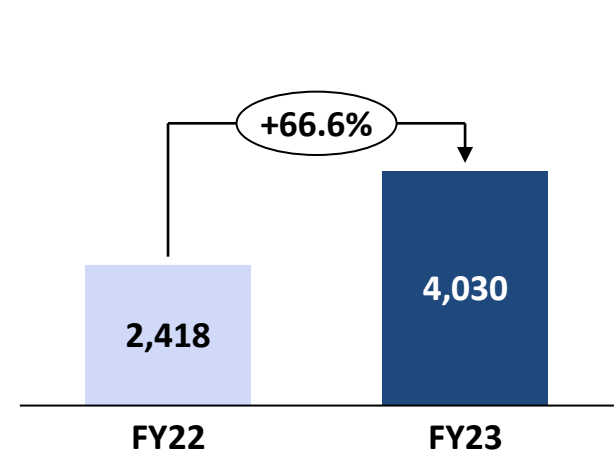
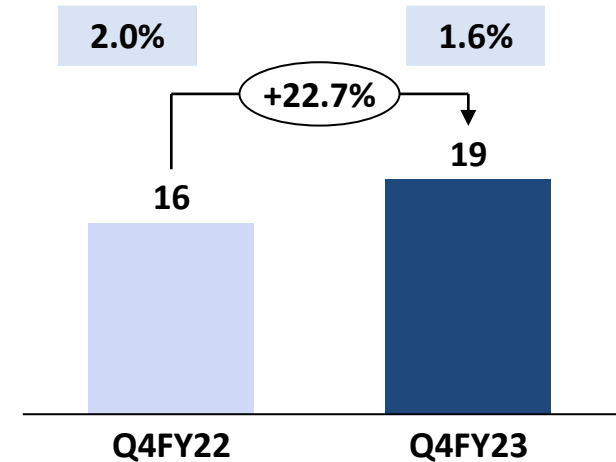
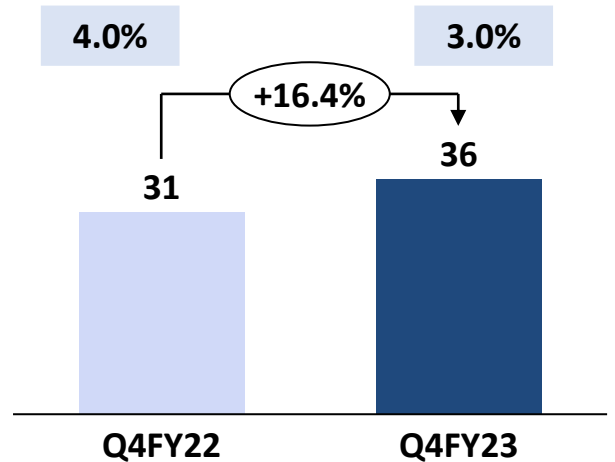
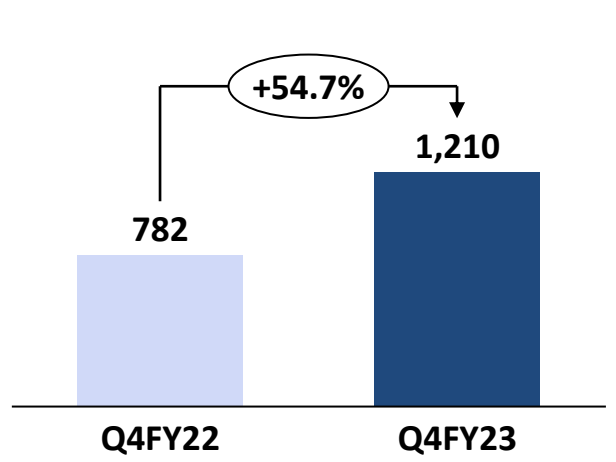
PAT

Margin%

Rs. In Crs

Q4FY23

FY23



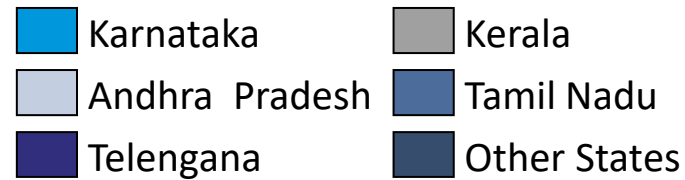
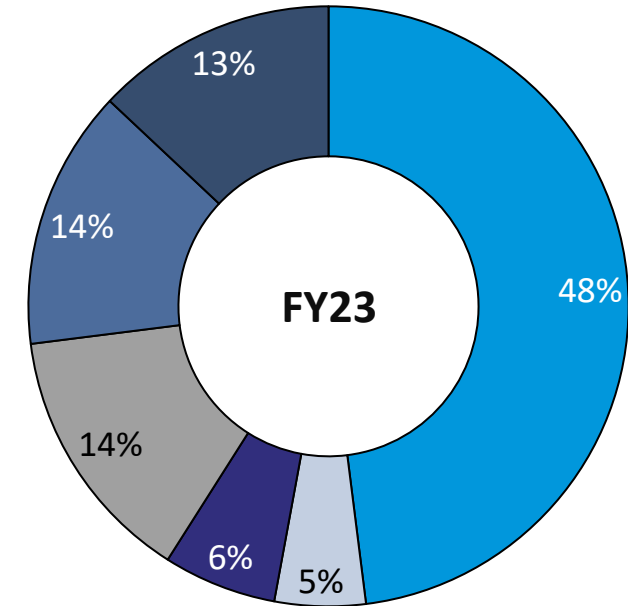
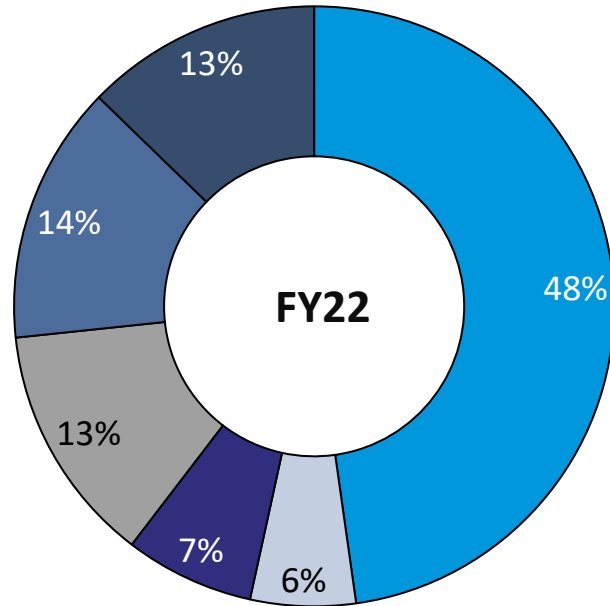
Segmental Performance

Revenue (Rs. Crs)	FY23	Q4FY23	Q3FY23	Q2FY23	Q1FY23
Retail Segment	2,235.71	674.86	595.31	483.93	481.61
Non Retail Segment (Channel + Enterprises)	1,794.01	535.16	485.13	422.81	350.92
Total	4,029.72	1,210.02	1,080.44	906.73	832.53

- ✓ The Company achieved stellar performance on the back of revival home improvement and infrastructure creation. Overall demand scenario was supportive
- ✓ Registered SSSG of 53.5% during Q4FY23
- ✓ Witnessed higher footfalls in retail stores; improved trajectory witnessed in online channel

Revenue Break up – Geographical split

Revenue across States



Store Metrics

	Q4FY23	Q3FY23	Q2FY23	Q1FY23	Q4FY22
No. of Retail Stores	91	91	91	91	90
Total Area (in Sft)	4,58,412	4,58,412	4,58,412	4,58,412	4,34,412
Average Store size (in Sft)	5,037	5,037	5,037	5,037	4,827
Average Ticket size (In Rs)	46,557	44,946	42,831	43,401	37,966
Revenue from retail stores (Rs. Cr)	674.86	595.32	483.9	481.6	438.3
Average rental cost per Sq. Ft. per month	16.8	16.0	16.3	16.2	14.1

Same Store Sales Growth (YOY)			
Period	No of stores	Revenue (in Rs. Crs)	Growth*
Q4-23	90	673.22	53.5%
Q4-22	90	438.38	

*The growth is calculated on mature store outlets (Store count – 90)

Consolidate P&L Statement

Particulars (Rs. in Crs)	Q4FY23	Q4FY22	YoY%	Q3FY23	QoQ%	FY23	FY22	YoY%
Revenue From Operations	1,210.0	782.2	55%	1,080.4	12%	4,029.7	2,418.4	67%
Other Income	0.85	0.86		3.6		7.7	3.1	
Raw Material	1,146.3	726.4		1,024.0		3,805.7	2,244.3	
Employee Expenses	12.5	11.3		12.5		48.2	41.3	
Other Expenses	15.8	14.2		14.8		58.5	48.0	
EBITDA	36.1	31.0	16%	32.8	10%	124.8	87.6	42%
EBITDA %	3.0%	4.0%	(98)Bps	3.0%	(4)Bps	3.1%	3.6%	(53)Bps
Depreciation	4.2	4.2		4.1		16.3	17.2	
Finance Cost	6.0	5.9		5.9		24.2	24.3	
Profit before Tax	25.9	20.9	24%	22.8	14%	84.3	46.1	83%
Tax	6.7	5.3		6.4		21.3	11.7	
Profit After Tax	19.1	15.5	23%	16.4	17%	63.0	34.3	84%

Consolidate Balance Sheet Statement

Particulars (Rs. in Crs)	Mar-23	Mar-22
Total Equity	643.1	556.0
Equity Share Capital	22.9	22.9
Other Equity	620.2	533.1
Non-current liabilities	40.4	52.5
Financial Liabilities		
(i) Borrowings	26.9	35.6
(ii) Lease Liabilities	4.6	10.0
(iii) Other Financial Liabilities	0.1	0.1
Deferred Tax Liabilities (Net)	8.8	6.8
Current liabilities	608.3	432.3
Financial Liabilities		
(i) Borrowings	55.7	86.0
(ii) Trade Payables	520.3	318.7
(iii) Lease Liabilities	0.7	1.3
(iv) Other Financial Liabilities	11.4	9.5
Provisions	0.7	0.8
Current Tax Liabilities (Net)	6.0	3.2
Other Current Liabilities	13.5	12.8
Total Liabilities	1291.8	1040.8

Particulars (Rs. in Crs)	Mar-23	Mar-22
Non-current assets	301.1	274.5
Property, Plant and Equipment	253.4	225.8
Investment Property	9.6	9.6
Capital Work in Progress	2.3	1.5
Right of use Assets	3.8	8.6
Goodwill on Consolidation	14.0	14.0
Other Intangible assets	1.3	-
Financial Assets		
(i) Trade Receivables	2.9	3.2
(ii) Loans	0.1	0.1
(iii) Other financial assets	10.4	9.6
Other non-current assets	3.3	2.1
Current Assets	990.7	766.3
Inventories	425.4	372.3
Financial Assets		
(i) Trade receivables	511.0	354.0
(ii) Cash and cash equivalents	5.9	2.5
(iii) Bank balances other than above	6.0	4.4
(iv) Others financial assets	1.4	0.8
Other Current Assets	40.2	32.1
Current Assets Net	0.8	0.2
Total Assets	1291.8	1040.8

Consolidate Cash Flow Statement

Particulars (Rs. Crs)	31-Mar-23	31-Mar-22
Operating profit before working capital changes	118.62	90.34
Changes in working capital	(11.34)	(10.40)
Cash generated from operations	107.28	79.94
Direct taxes paid (net of refund)	(15.32)	(10.30)
Net Cash from Operating Activities	91.96	69.64
Net Cash from Investing Activities	(45.20)	(18.38)
Net Cash from Financing Activities	(43.37)	(59.68)
Net Change in cash and cash equivalents	3.39	(8.42)

04 More focus to non steel based products

- **Next generation to drive the growth in Non-steel based business**
- Business aspirations to make this 25% of total revenue in next 3-4 years (10% in FY22)

03 Expanding product categories & Geographical presence

- Aims to increase its **footprint** in new markets/geographies
- Product portfolio consists of a wide range of building materials

02 Focus on digital presence/marketplace model

- Move towards **greater online processes**, ensuring quality and organising the vendor base
- Greater focus on **tech driven customer acquisition** and retention

01 Building strong relationships with key suppliers/vendors

- **Consistency** in supplies
- **Faster delivery** & turnaround schedules
- Preferred customer



WELCOME TO THE WORLD OF BUILDING MATERIALS



Retail Space
0.45mn sqft



Products
75+



SKUs
1,00,000+



States/UT
9/1

India's best one stop shop for all your building material needs!



Nellore



Bangalore



Chennai



Cochin



Hubli



Hyderabad

One Stop Shop solution

TMT &
Cement

Electrical &
Lighting

Plumbing &
Sanitaryware

Steel Tubes
& Pipes

Tiles &
Flooring

Roofing,
Exterior &
Interior



BRANDS

Transforming our ecosystem with technology and innovation

Moving to marketplace model - an omni-channel platform for all construction-related material along with existing stores (fulfillment centers)



Steel building material Products

- Structural Steel tubes
- Roofing solution
- Light structure
- Rebars
- Fabrication accessories

Non Steel Building Products

- Tiles
- PVC pipes and fittings
- Faucet & Sanitary
- Electrical fittings
- Adhesive & Accessories

- 91 Fulfillment Centers**
(4.5 lac sq ft area)

- Online channel**

- Omnichannel Platform**

- Wholesale
- Retail
- Online

- Retailer
- Mom-and-pop stores
- End customer/Household owner
- Contractors/Developers

- Fabricator
- Plumber
- Architect
- Engineer
- Painter
- Electrician

Influencer

THE SHANKARA OMNICHANNEL

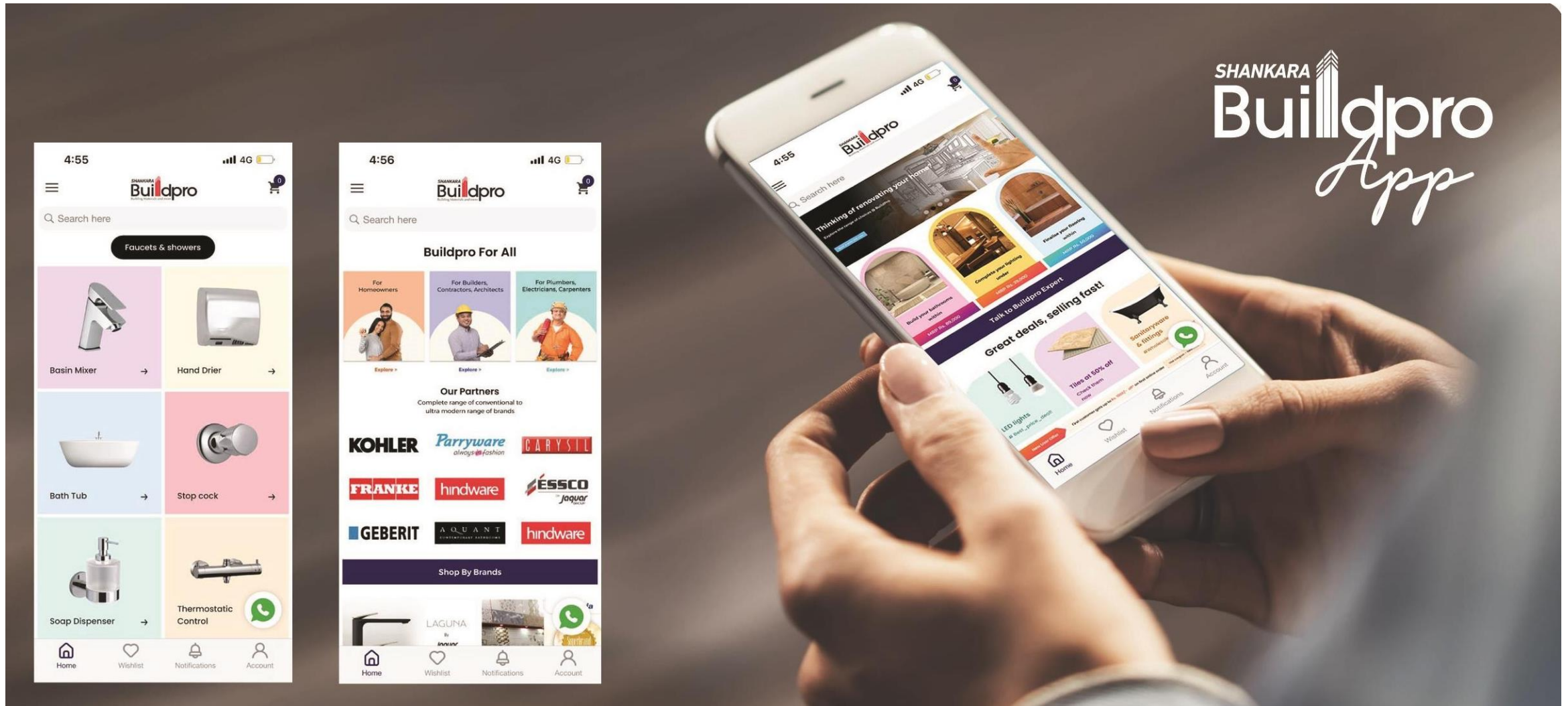


23



Consumer Friendly Approach

with the launch of Shankara Buildpro App



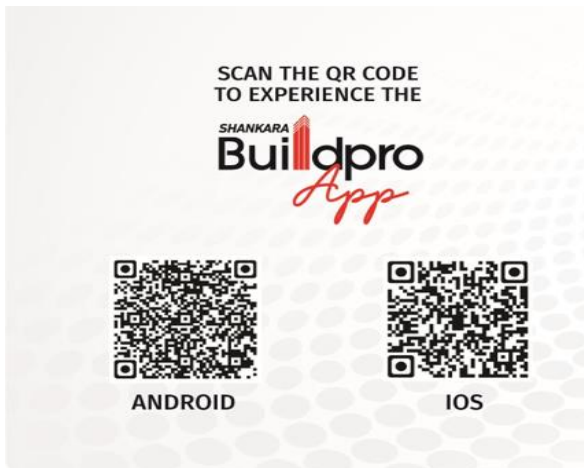
Company :

Shankara Building Products Limited

CIN: L269222KA1995PLC018990

Mr. Alex Varghese, Chief Financial Officer (CFO)
alex@shankarabuildpro.com

www.shankarabuildpro.com



Investor Relations Advisors :

Strategic Growth Advisors Pvt. Ltd.

CIN: U74140MH2010PTC204285

Ms. Manasi Bodas

Manasi.bodas@sgapl.net | +91 9821043510

Mr. Shogun Jain

Shogun.jain@sgapl.net | +91 7738377756

www.sgapl.net