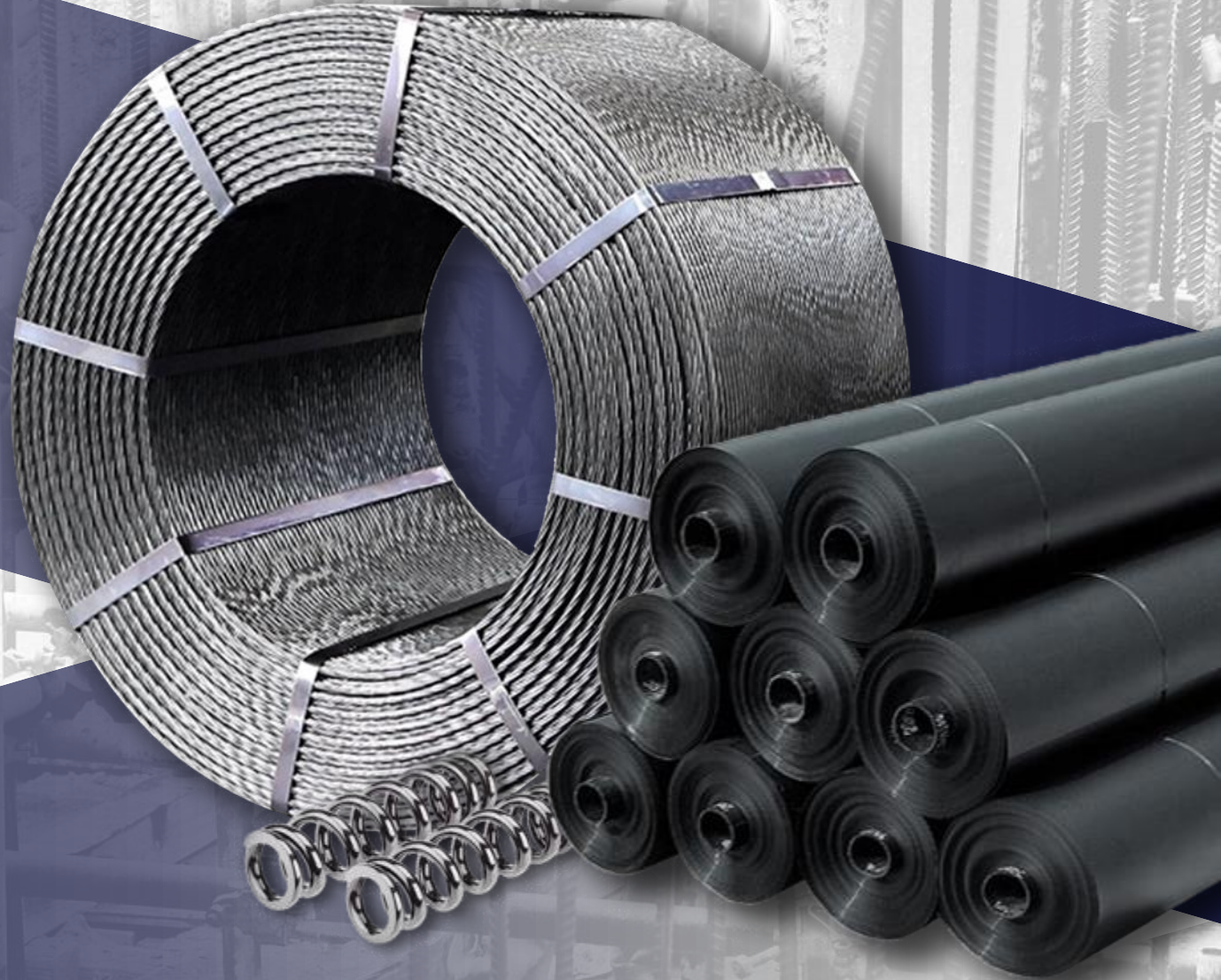


DP WIRES LIMITED

INVESTOR PRESENTATION

Q1FY23 (JULY)





Disclaimer

This presentation and the accompanying slides (the “Presentation”), which have been prepared by DP Wires 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 whatsoever. 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.

Table of Content

1

Key Highlights – Q1FY23

2

Overview of the Company

3

Business Strength & Growth Strategies

4

Financial Performance

Key Highlights - Q1FY23

Revenue

Rs 2,002 Mn



40.9% YoY
12.4% QoQ

EBITDA

Rs 107 Mn



1.1% YoY
16.4% QoQ

Profit After Tax

Rs 76 Mn



Flat YoY
8.9% QoQ

Steel Wire Division Sales

16,990 MT



15% YoY

Plastic Division Sales

1,371 MT



62% YoY

Capacity Utilization

85%
74% (Q1FY22)

Business Updates – Q1FY23

- **Highest ever quarterly revenue**, backed by volume growth of 15% YoY and improved realisations
- However, profitability was impacted on account of rising raw material prices (mainly steel) amidst inflationary input cost scenario; Margins were maintained on a sequential basis
- Export sales in Q1FY23 were affected on account of the export duty of 15% levied on steel products

Outlook:

The global business environment is faced by challenges such as recession in the US, global inflationary pressures, and geopolitical tensions which has an impact on the Steel Industry too. Due to volatile steel prices worldwide, the global steel industry is still under severe margin pressure. However, the domestic demand for steel continues to remain firm and we are happy to report growth in the first quarter of the current fiscal.

With value-added product portfolio, production capability and well-established customer base, we believe that DP Wires is positioned itself to withstand the cyclical challenges and will continue to perform better in coming years and expand its footprint pan India to achieve its desired goals and to enhance the stakeholders value.

Financial Highlights – Q1FY23

Particulars (Rs in Mn)	Q1FY23	Q1FY22	YoY (%)	Q4FY22	QoQ (%)	FY22	YoY (%)
Net Revenue	2,002	1,421	40.9%	1,782	12.4%	6,124	31.4%
Total Expenses	1,895	1,315		1,690		5,726	
EBITDA	107	106	1.1%	92	16.4%	398	22.2%
<i>EBITDA Margin</i>	5.3%	7.4%		5.2%		6.5%	
Depreciation	8	5		7		25	
Interest Cost	6	2		4		21	
Other Income	8	5		14		36	
PBT	101	104	-2.4%	94	7.5%	388	19.7%
Tax expense	25	27		24		98	
PAT	76	77	-0.6%	70	8.9%	291	20.7%
<i>PAT Margin</i>	3.8%	5.4%		3.9%		4.7%	
EPS	5.61	5.65	-0.6%	5.20	8.9%	21.4	20.7%



Company Overview

About DP Wires

- Established in the year 1998, DP Wires is India's one of the leading manufacturers and suppliers of Steel wires, and Plastic films which find its application in industries like Oil & Gas, Power, Environment, Civil, Energy, Automobile, Infrastructure etc.
- Manufacturing facilities with a capacity of over 80,000 MT per annum is situated in a single premise in Ratlam, Madhya Pradesh
- ISO certified range of products that cater to marquee clients such as Hindalco, L&T, APCO, Gannon Dunkerley, Simplex Infrastructures, Vascon Engineers and such others



Vision

Our vision is to be the leading player in the wire business by providing a complete solution, adopting cutting-edge technologies, and ensuring long-term, inclusive growth for all the stakeholders.



Mission

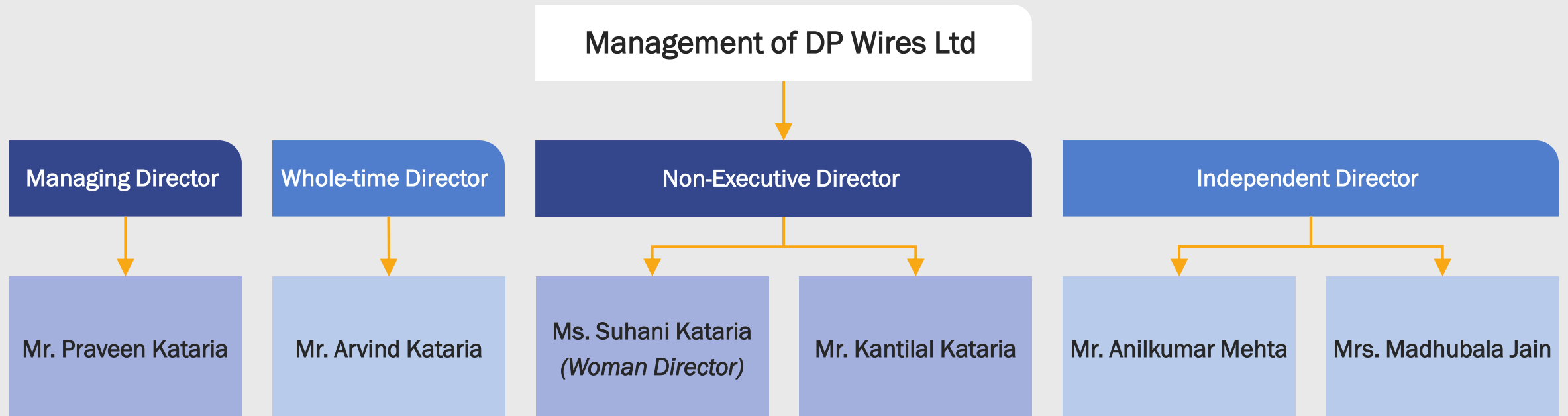
Consistent with the vision and values of the founder Shri Kantilalji Kataria, DP Wires strives to Strengthen India's Infrastructure base by providing the best quality products manufactured using the best of technology, thereby creating a value for all the stakeholders



Core Values

- Customized economical solutions
- High quality products and services
- Relationship based Ethos
- Economical use of resources

Organization Structure



Experienced Management at the Helm

Mr. Kantilal Kataria,
Non-Executive Director

- The genius behind the DP wires, currently working as the Non-Executive Director of the company
- Graduated as BE Mechanical from GSITS Indore (M.P.)
- Having experience of 50+ Years in steel wires and plastic products
- Huge credit goes to Mr. Kataria for making the company reach this position.

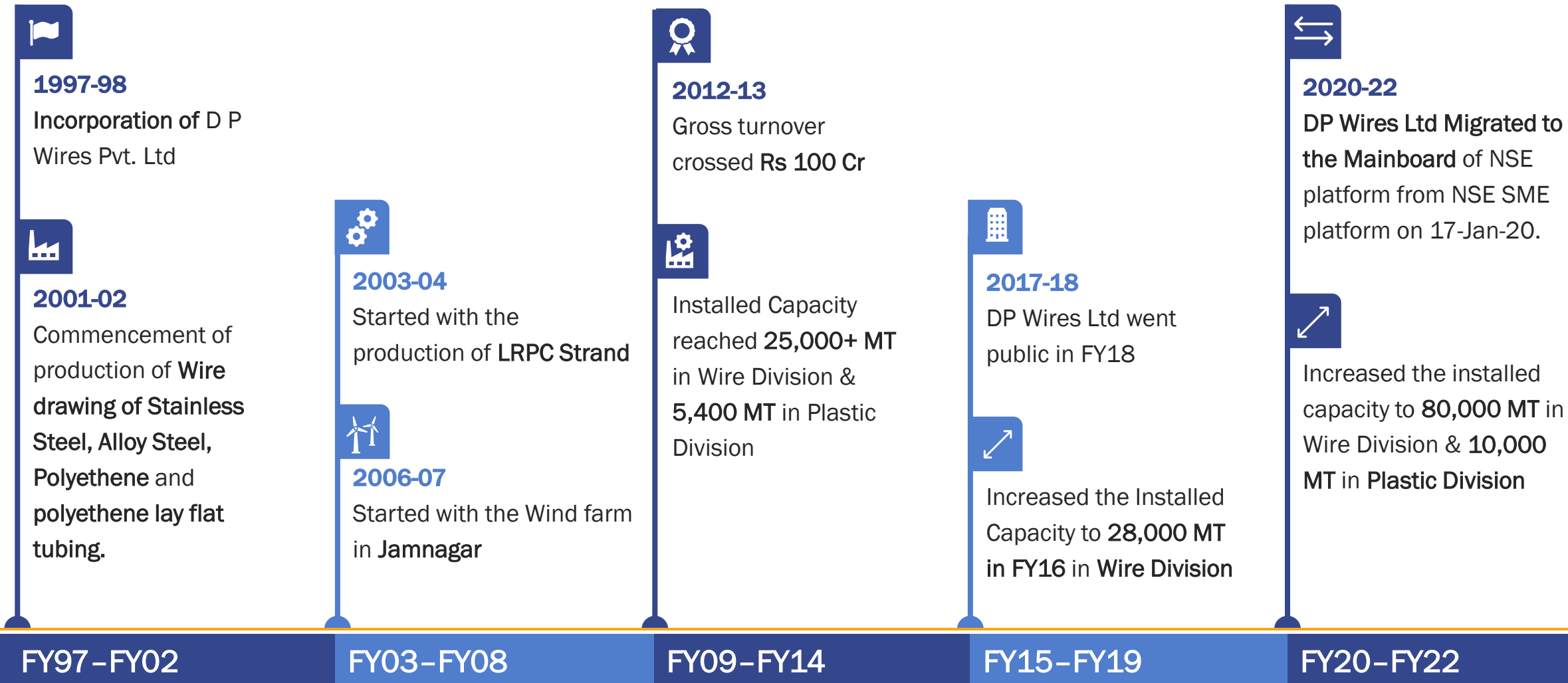
Mr. Praveen Kataria,
Managing Director

- Holds the degree in B.E.(Production) from Akola
- Having experience of 27+ Years in Production and Quality Control departments
- Actively involved in improving the technology, cost reduction in producing of steel wire and plastic division

Mr. Arvind Kataria,
Whole-Time Director & CFO

- Post Graduated as Master in Commerce
- Having experience of 22+ Years in promotion and quality control at organization
- Personal attention to ensure that the company gets worldwide reach for its high-quality manufacturing products

Ongoing Growth Journey



Showcasing our Capabilities



Installed Capacity
>80,000 MT

Centralized manufacturing facility to cater to pan India demand

Vast Sectoral Experience
30+ years

Employee Strength
200+

Core Strength



Metro, Bullet Train & NHAI projects

Approved Supplier

Branch Network
8 Cities

Caters to over
100+ Clients

Wide-spread Distribution Network



Key Segments

Steel Wires & Plastic Films

Product portfolio

Wide Range

Applications

New Age Building Material

QMS Certification

ISO 9001-2015

Innovative Products



Revenue CAGR*

30%

EBITDA CAGR*

24%

PAT CAGR*

31%

Healthy Return Ratios

19% ROE & 25% ROCE

Debt Free

0.1x

Resilient Financial

*FY18-FY22

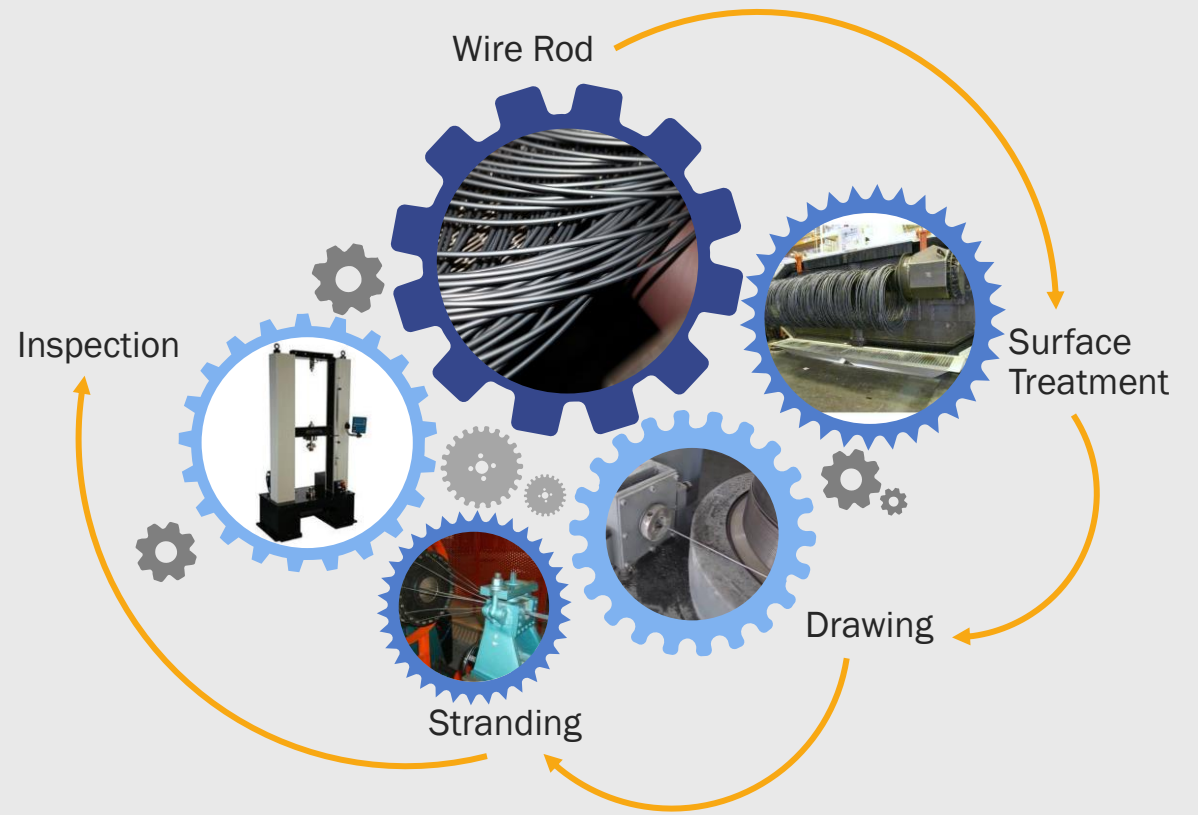
Company's State-of-the-art Facilities



- **Sourcing** – TATA Steel, JSW, Electro steel
- **80,000 MT** capacity of Wires and Plastic Sheets
- **Growth** - Sufficient space to plan future capacity expansion with minimum capex

Integrated Facilities Under One Roof

Sourcing of raw material → Pickling → Wire Drawing → Stranding →
Inspection → Packing & Storage



Continued Focus on Capacity Expansion

Strengthening Capacities to enable Growth

Capacity in MT

■ Wire Division ~3x in 5 years

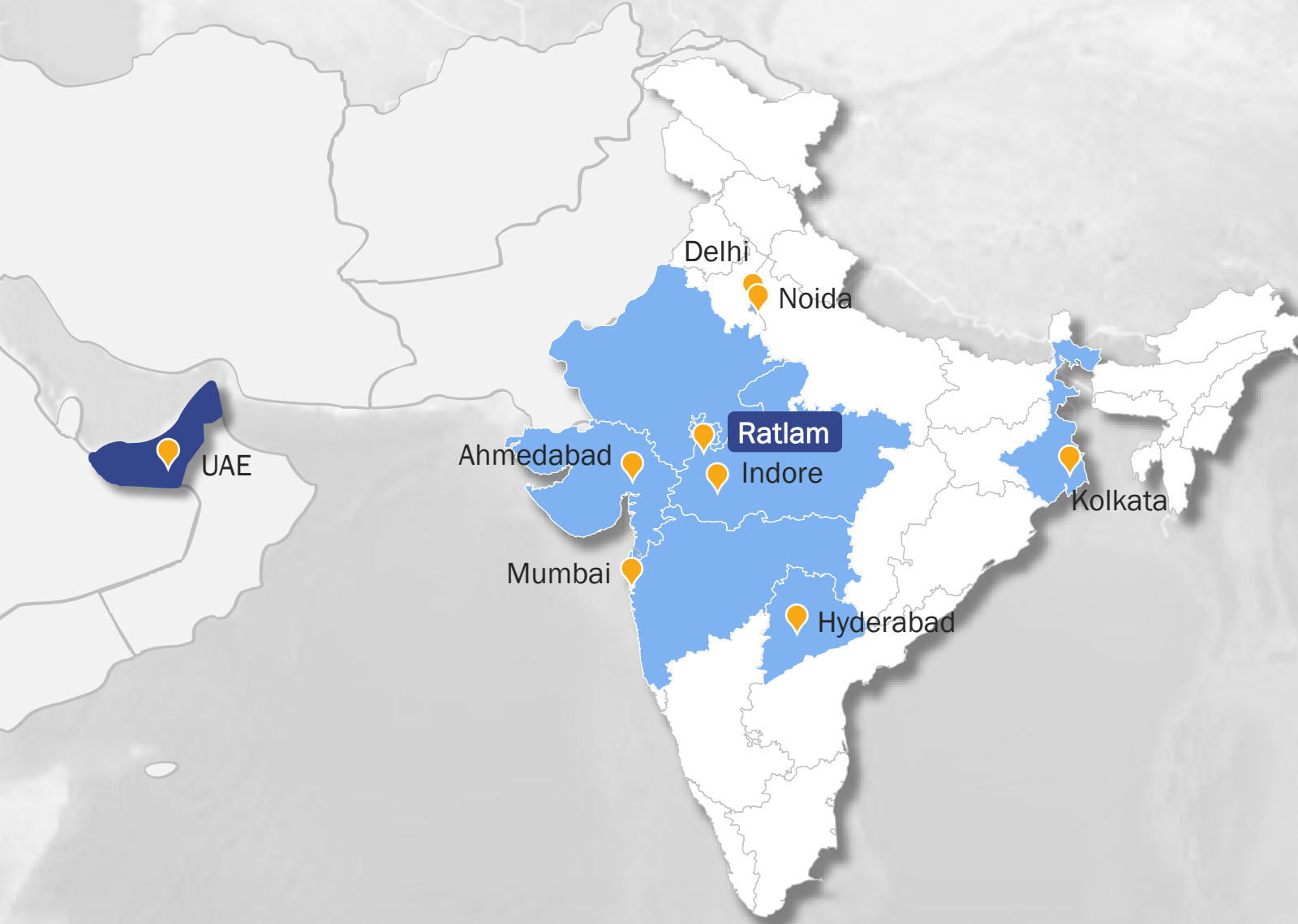
■ Plastic Division ~2x in 5 years

Utilisation 72% (FY22) - headroom for growth



Capacity utilization stands below the optimum level of over 90%, thereby providing headroom for growth in the near term

Strategically Located – Close to all demand centers



Centrally Located Manufacturing Plant that can cater to Northern and Southern Markets



In between India's major metro cities i.e., Mumbai & Delhi



Widespread distribution network in all the key markets in India



Exporting to UAE market

Steel Products - Wide Product Portfolio

★★★
Quality & Reliability


ISI-Certified Products


Pan-India Delivery


Easy Logistics


Better Pricing

LRPC strands

Features

- Low Relaxation Pre-Stressed Concrete Steel Strands which are used in pre-stressing of concrete for different kind of construction works
- Better build which in turn assures the safety and longevity

Uses

- To prestress the concrete in different types of construction works



Induction Tempered Wire

Features

- Spring wire is a type of wire which is known for its property of offering high wear resistance

Uses

- Suspension springs for metro trains, shock absorbers of vehicles and even in the emergency brakes of large vehicle

Features

- Heat Resistant + Smooth Surface

Uses

- To make railway sleepers
- To make PCC Poles

Steel Wire



Plastic Films - Wide Product Portfolio

Geomembrane Sheet

Features

- Stellar surface finish
- Available in single textured surface
- Supreme shear strength
- Strong hold from tear or abrasion



Features

- Has high demand in Agri sector, also provides superior germination and faster plant growth
- Excellent durability
- High resilience
- Maintains soil moisture

Pond Lining Films

Features

- Highly flexible in nature, being used as a shield from contamination of impurities.
- Available in different length and thickness.
- Weather resistance
- Resistant to puncture
- Enhanced durability



Features

- This film prevents from contamination of impurities, improves water availability over longer period
- Perfect finish
- Easy to tear by means of cutting tools
- Optimum flexibility

Greenhouse Films

Features

- Manufacturing of this sheet keeping in mind industry marked standard. Highly resistant to UV and water
- Available in various lengths and thickness.
- Withstands diverse weather conditions
- Highly stretchable



Agro HDPE Films

LDPE Canal Lining Films

Long Standing Relationships with Marquee Clients

Approved Supplier in
Bullet Train Project

Approved Supplier in Metro
Projects of India

Supplier of most of the mall
constructions in Mumbai, Delhi

National Highways
Authority of India



Nuclear Power
Corporation of India



Kolkata Metro
Railways



Gujarat Metro Rail
Corporation



Madhya Pradesh
Metro Rail Corporation



Delhi Metro
Rail Corporation



Maharashtra Metro
Rail Corporation



National Thermal
Power Corporation



Simplex
Infrastructure



Larsen & Toubro

Growth Strategies

Maximum Utilization of Current capacity to help with the growth in the Medium Term



Inorganic Growth Strategy to be pursued for Medium to Long Term Growth



Expanding Market – Deepening Existing Relationships + Newer Geographies



Product/Capacity Expansion – Possible Expansion on Owned Land



Steel Sector Opportunities

7.5%

India's steel demand growth in 2022*

120 MT#

Crude Steel Production in India in FY2022*

13.5 MT#

Export of Finished Steel from India in FY2022*

6%

India's Steel Sector CAGR for past 5 years*

10%

Expected Growth Rate for Steel Sector*

300 MT#

Production capacity of Steel by 2030-31 as per the National Steel Policy 2017*

US\$ 100 Bn

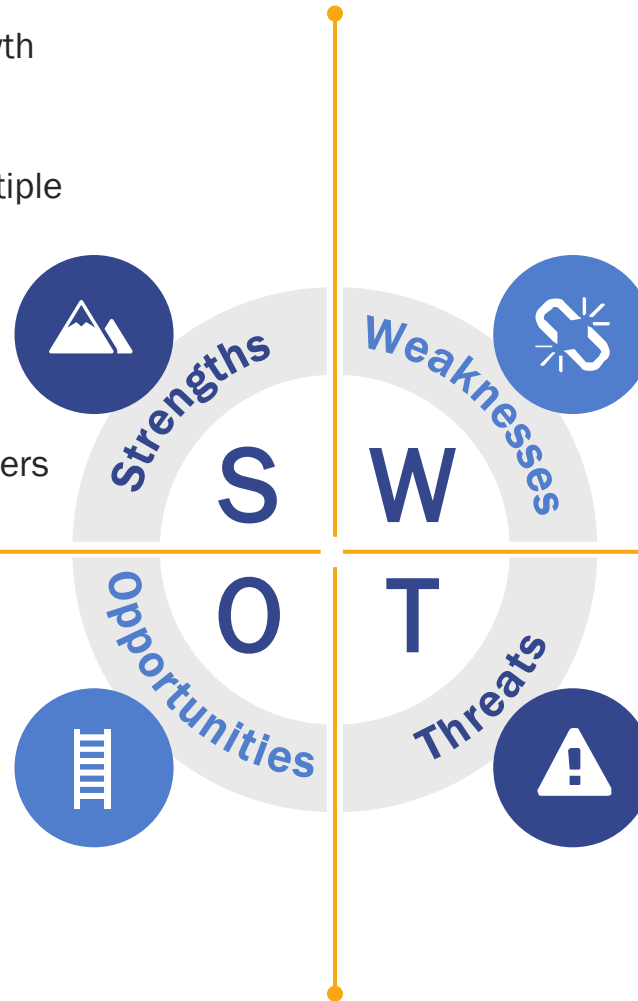
Proposed capital spending will grow by 35.4% year on year



- In the coming years, Infrastructure spending and a modest recovery in automobile production would likely assist India's building and manufacturing, with a predicted improvement in semiconductor supply.
- With the government's plan to transition to a carbon-neutral economy by announcing projects for coal gasification and conversion of coal into chemicals, push on infrastructure through the PM Gati Shakti scheme and a significant increase on capital spend budget
- Indian steel prices to remain resilient, supported by strong international prices and input costs which remain elevated
- With the geopolitical situation in Europe causing supply issues, pricing is expected to remain firm, continuing the trend witnessed in Q4FY22

Strength, Weakness, Opportunities and Threat Analysis

- Strong and proven track record of delivering growth through innovation
- Resilient business model that has withstood multiple business cycles
- Diversified product portfolio catering to wide array of customers
- Long standing relationship with marquee customers



- Competition from larger established peers
- Players from unorganised sector pose price challenges in the medium term

- India's burgeoning economy – growth for auto, real estate, white goods, transportation
- Thrust on Infrastructure – GOI spending increasing YoY to bolster country's infrastructure

- Evolving regulations in the Industry – especially to combat pollution
- New age materials that could require extensive capital investment



Financial Highlights

Key highlights - FY22

Revenue

▲ **Rs. 6,124 Mn** up by **31.2%** YoY

Maiden Dividend

Rs. 1 per share (10% of Face Value)

EBITDA

▲ **Rs. 398 Mn** with **6.5%** of EBITDA Margin

Healthy Return Ratios

ROCE **25%** and ROE **19%**

Net Profit

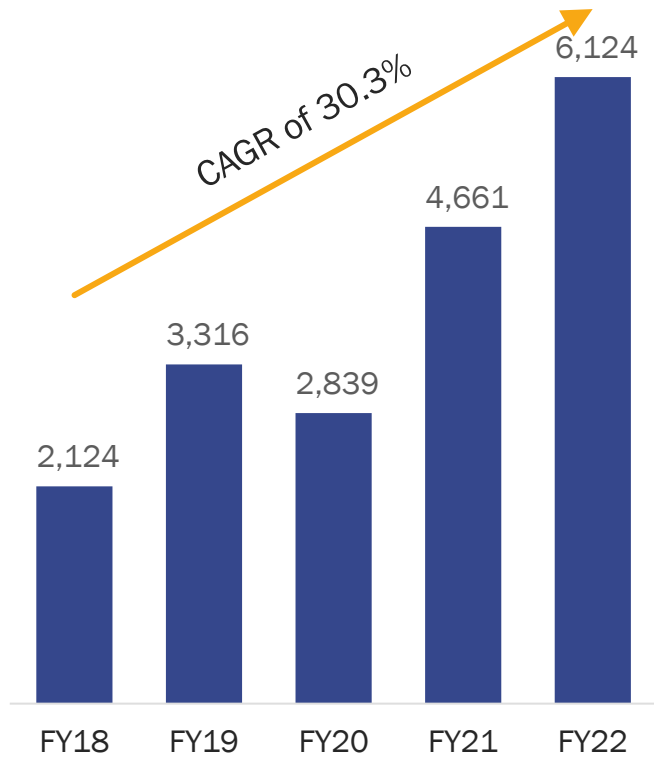
▲ **Rs. 70 Mn** with Margin of **4.7%** YoY

Net Debt to Equity

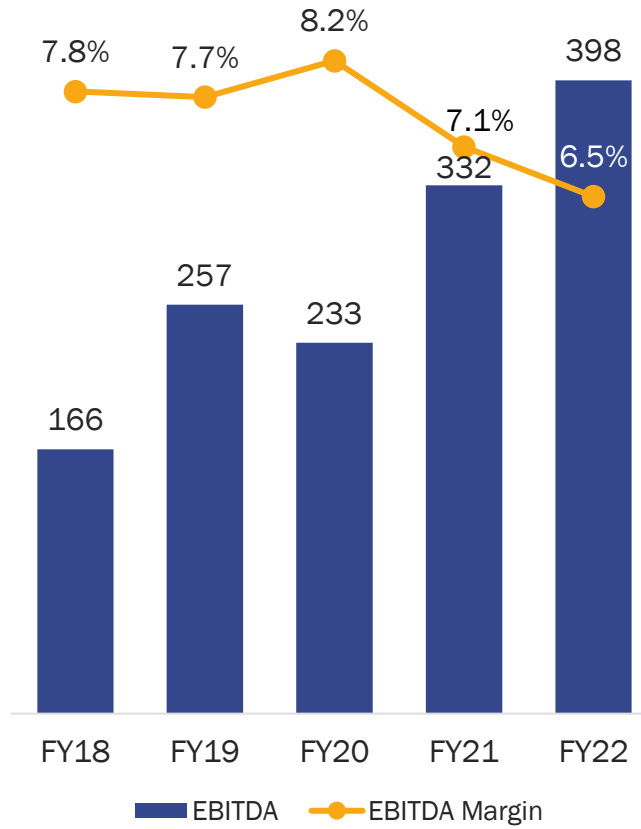
Stable at 0.1x

Key Ratios

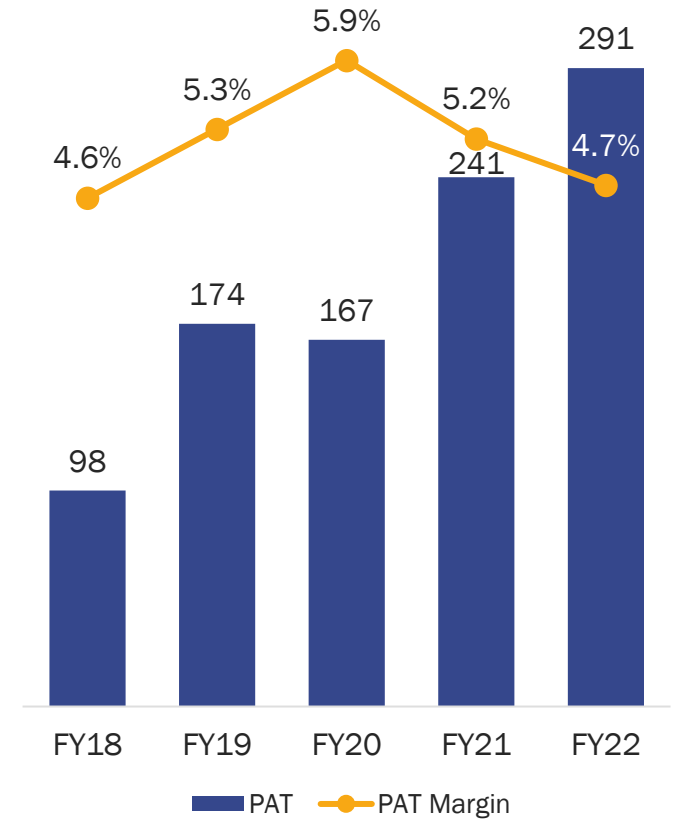
Revenue from Operations (Rs Mn)



EBITDA (Rs Mn) & Margin (%)

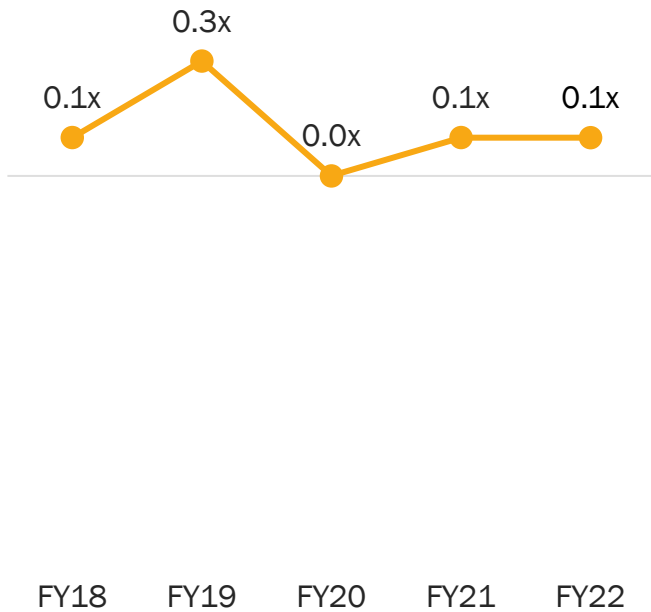


PAT (Rs Mn) & Margin (%)

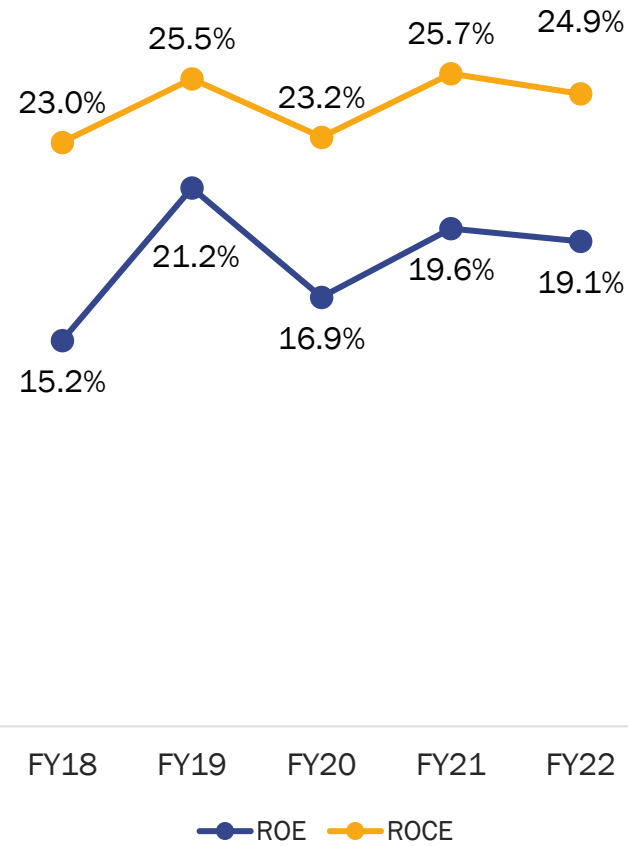


Key Ratios

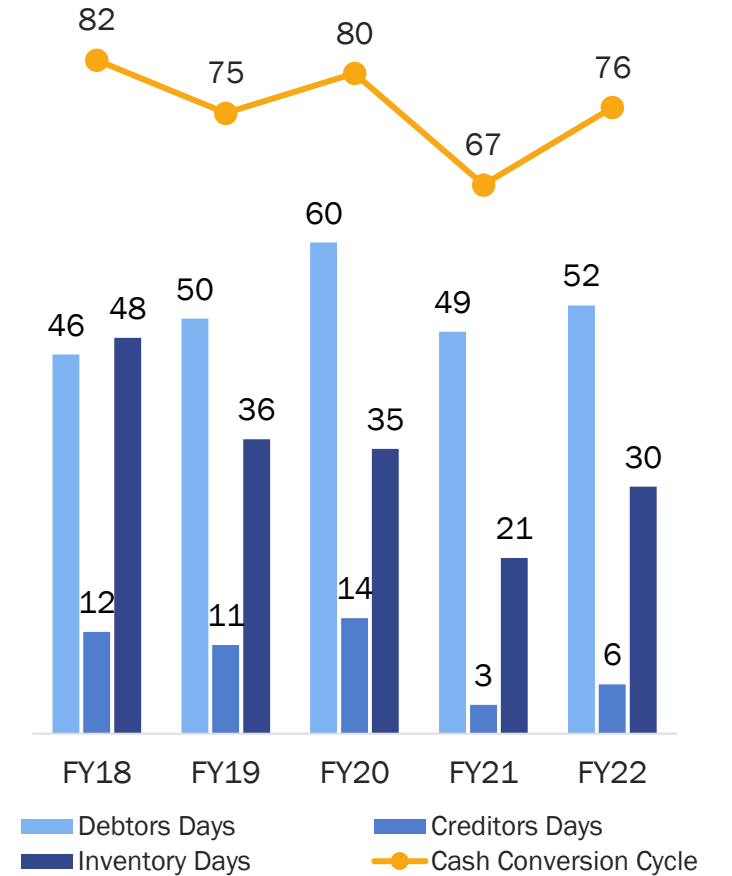
Debt/Equity (X)



ROE (%) & ROCE (%)



Working Capital (days)



Annual Profit & Loss Highlights

Particulars (Rs in Mn)	FY18	FY19	FY20	FY21	FY22
Net Revenue	2,124	3,316	2,839	4,667	6,124
Total Expenses	1,958	3,059	2,606	4,335	5,726
EBITDA	166	257	233	332	398
<i>EBITDA Margin</i>	7.8%	7.7%	8.2%	7.1%	6.5%
Depreciation	12	16	20	22	25
Interest Cost	13	23	13	11	21
Other Income	8	25	23	31	36
PBT	149	243	223	324	388
Tax expense	51	69	56	83	98
PAT	98	174	167	241	291
<i>PAT Margin</i>	4.6%	5.3%	5.9%	5.2%	4.7%
EPS	8.3	12.8	12.3	17.8	21.4

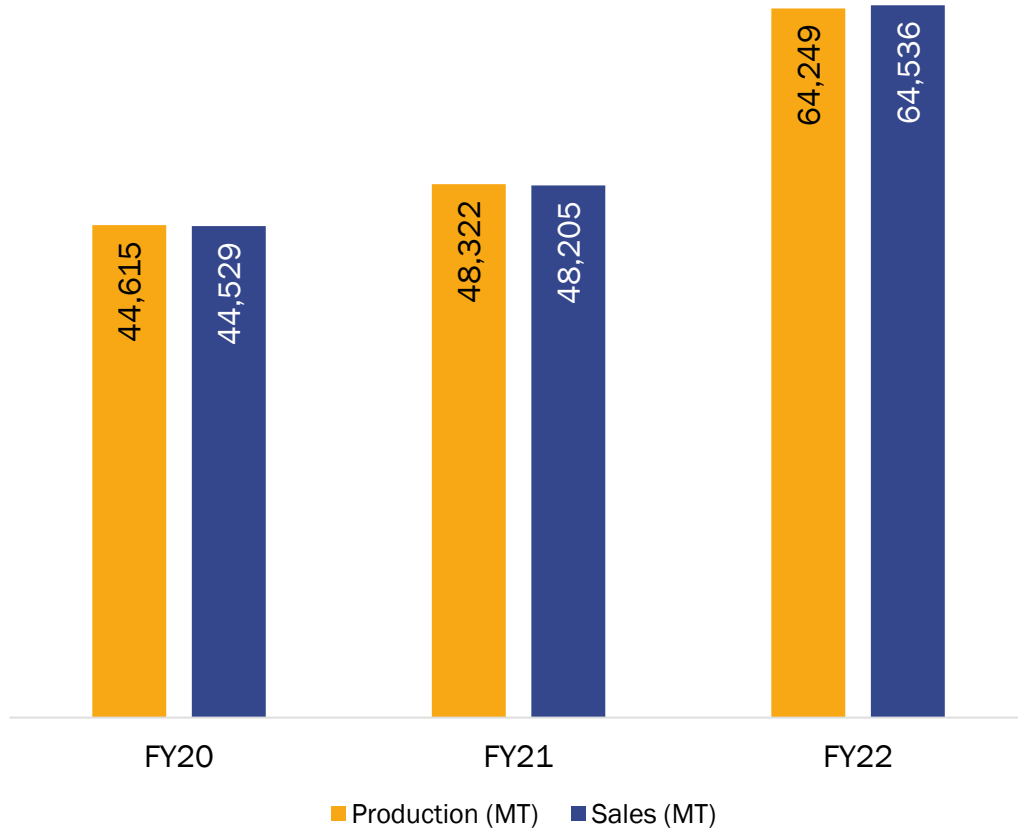
Annual Balance Sheet Trend

Liabilities (Rs Mn)	FY20	FY21	FY22
Total Equity	986	1,227	1,518
Share Capital	136	136	136
Other Equity	850	1,091	1,382
Non-Current Liabilities	32	36	28
Borrowings	24	28	21
Lease Liabilities	3	3	3
Current Liabilities	234	274	415
Borrowings	6	48	108
Trade Payables	100	42	89
Other Financial Liabilities	1	1	-
Other Current Liabilities	111	161	198
Provisions	16	22	19
Total Liabilities	1,252	1,537	1,960

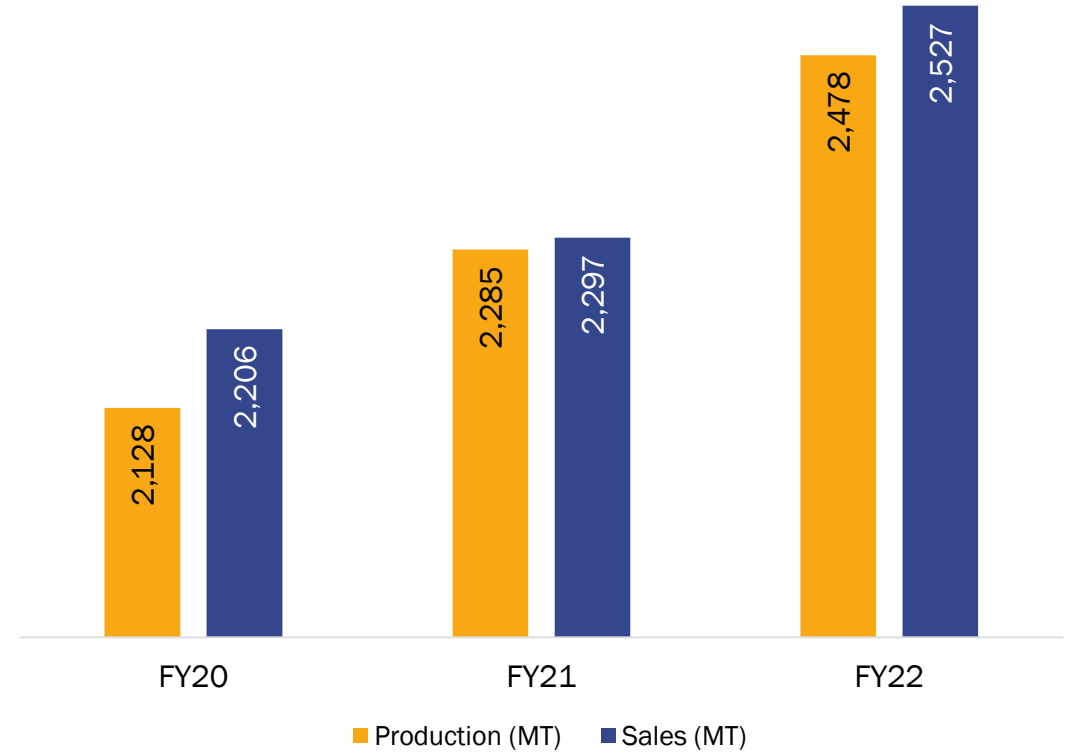
Assets (Rs Mn)	FY20	FY21	FY22
Non-Current Assets	266	260	297
PPE	152	169	184
Capital WIP	-	-	-
Current Assets	985	1,277	1,663
Inventories	247	254	471
Debtors	464	624	878
Cash Eq. and Bank	129	53	83
Loans	40	67	41
Current Tax Assets	2	6	0
Other Current Assets	104	274	190
Total Assets	1,252	1,537	1,960

Production & Sales Trend

Wire Division



Plastic Division



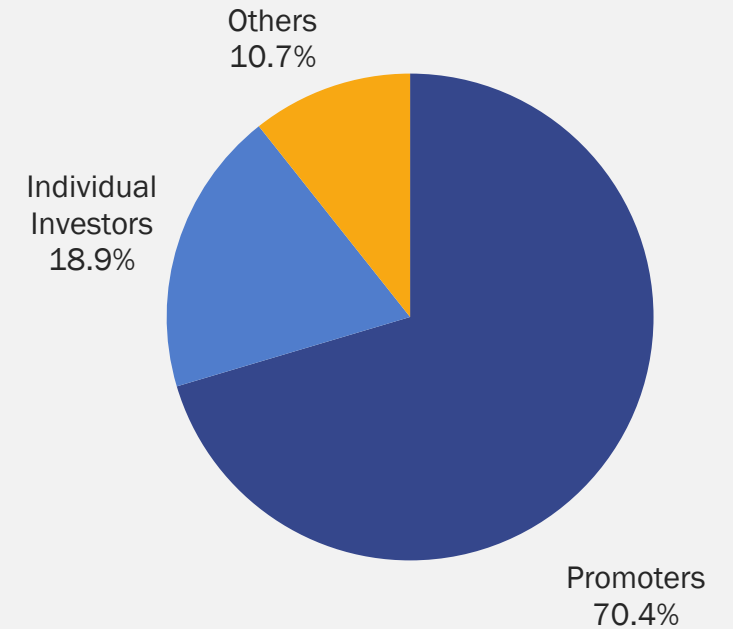
Stock Information | Declared Maiden Dividend in FY22

1 year Stock Performance (Price-Volume)



Stock Price Chart as on 26-Jul-2022

Share Holding Pattern (as on Jun '22)



THANK YOU



16-18A, Industrial Estate, Ratlam – 457001

Ms. Krutika Maheshwari
Company Secretary & Compliance Officer
krutika@dpkataria.com

Investor Relations
investors@dpwires.co.in



B-612/A, Kanakia Wallstreet, Andheri (East), Mumbai

Ms. Pooja Sharma
pooja.sharma@stellar-ir.com
[+91-99309 53861](tel:+919930953861)

Mr. Vishal Mehta
vishal@stellar-ir.com
[+91-93264 78472](tel:+919326478472)