

REF: BSE/Press Release/Q2/2022-23.

November 14, 2022

To,
BSE Limited
Phiroze Jeejeebhoy Towers, Dalal Street,
Fort, Mumbai – 400 001.
BSE Scrip Code: 522257
BSE Script ID: RAJOO

Sub: Media release of financial results for the quarter and half year ended September 30, 2022.

Ref: Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations)

Dear Sir/ Madam,

With reference to the captioned subject and pursuant to the provisions of regulation 30 of SEBI Listing Regulations, we are enclosing herewith the media release of financial results of the Company for the quarter and half year ended September 30, 2022.

This is for the information of the exchanges and the members.

Kindly take the same on your record.

Thanking you.

Yours faithfully,

For Rajoo Engineers Limited

Khushboo C. Doshi

Managing Director

(DIN: 00025581)

Encl: a/a



Rajoo Engineers Limited

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CIN : L27100GJ1986PLC009212 GSTN : 24AABCR3204M1ZL



Media Release

- Q2 FY23 Revenue from operations at Rs. 33.63 crore
- Q2 FY23 EBIDTA (excluding Other Income) at Rs. 3.60 crore
- Q2 FY23 EBIDTA Margin (excluding Other Income) at 10.69%
- Q2 FY23 Net Profit at Rs. 2.32 crore
- Q2 FY23 Net Profit Margin at 6.91%
- Q2 FY23 Basic EPS at Rs. 0.38

Rajkot, 9th November, 2022: Rajoo Engineers Limited (BSE: 522257), amongst leading plastic extrusion machine manufacturers in India, with nearly 35 years of “excellence in extrusion” in the industry, announced its unaudited financial results for the Second quarter and half year ended 30th September 2022. These financials are as per the IND AS accounting guidelines.

Key Financials (Rs. In Crore):

| Particulars | Q2 FY23 | Q2 FY22 | YoY% | H1 FY23 | H1 FY22 | YoY% |
|-------------------------|---------|---------|-----------|---------|---------|-----------|
| Revenue from operations | 33.63 | 36.99 | (9.07%) | 51.85 | 70.09 | (26.02%) |
| EBIDTA* | 3.60 | 5.23 | (31.22%) | 4.42 | 7.45 | (40.70%) |
| EBIDTA Margin (%) | 10.69% | 14.13% | (344 bps) | 8.52% | 10.63% | (211 bps) |
| PAT | 2.32 | 3.35 | (30.57%) | 3.07 | 4.41 | (30.21%) |
| PAT Margin (%) | 6.91% | 9.05% | (214 bps) | 5.93% | 6.28% | (35 bps) |
| Basic EPS (in Rs.) | 0.38 | 0.54 | (29.63%) | 0.50 | 0.72 | (30.56%) |

*Excluding Other Income

Performance Highlights - For the Second quarter ended 30th September 2022

Revenue from operations for the quarter was **Rs. 33.63 crore** in Q2 FY23, as against Rs. 36.99 crore in Q2 FY22, a YoY decrease of 9.07%. Being in the capital goods sector, the sales numbers are purely dependent on lifting of machines by the customers. Despite these machines being ready for sale, the lifting of the machines has still been slow, based on the fears of global recession.

EBITDA (excluding Other Income) was at **Rs. 3.60 crore** in Q2 FY23 as against **Rs. 5.23 crore** in Q2 FY22, decreased of 31.22% YoY, mainly on account supply chain issues of incoming materials including instrumentation components resulting in some of the machines not being ready and hence could not be converted into sales, customers not lifting the ready machines.

Profit after Tax was **Rs. 2.32 crore** in Q2 FY23 compared to Rs. 3.35 crore in Q2 FY22, YoY decrease of 30.57%, mainly on account of lower sales turnover during the quarter.

Basic EPS stood at Rs. 0.38 in Q2 FY23 as compared to Rs. 0.54 in Q2 FY22

For the Half year ended 30th September 2022

Revenue from operations for the quarter was **Rs. 51.85 crore** in H1 FY23, as against Rs. 70.09 crore in H1 FY22, a YoY decreased of 26.02%, due to slowdown in lifting of machines following fears of global recession in the market.

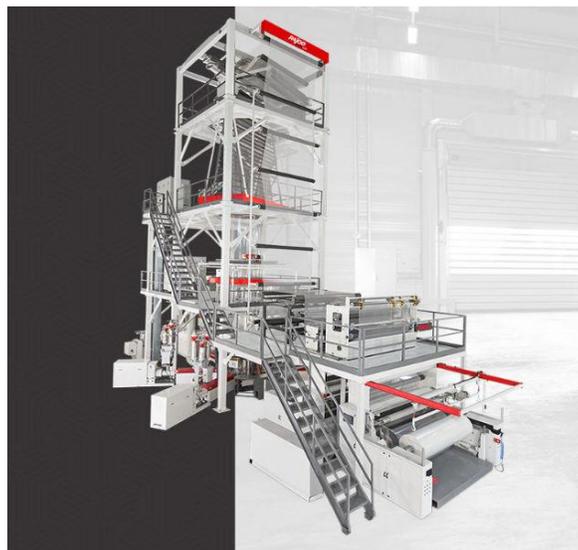
EBITDA (excluding Other Income) was at **Rs. 4.42 crore** in H1 FY23 as against **Rs. 7.45 crore** in H1 FY22, decreased of 40.70% YoY.

Profit after Tax was **Rs. 3.07 crore** in H1 FY23 compared to Rs. 4.41 crore in H1 FY22, YoY decrease of 30.21%.

Basic EPS stood at Rs. 0.50 in H1 FY23 as compared to Rs. 0.72 in H1 FY22

Recent Developments:

- ✓ On 9th September 2022 Rajoo Engineers organized an in-person open house to launch their new product - **PentaFoil[®] - POD** - the new generation 5-layer blownfilm line. This event was hugely successful; attended by more than 500 participants from India and abroad. Subsequently, on 27th September 2022, a virtual open-house was also carried out and attended by more than 200 participants and nearly 50 from overseas.



- **Features of this new product:**
 - ✓ Pentafoil®- POD is latest addition to the portfolio with several advanced features.
 - ✓ It incorporates reEX 4.0 Extruders, leading to 27% increased output
 - ✓ It includes thickness control by air and temperature
 - ✓ It is Industry 4.0 compliant with remote diagnostics and support through Smart Glasses
 - ✓ It includes fully automatic winders designed for line speed of 150 m/min

- **Applications of the new product:** Lamination grade film for flexible Packaging, Shrink Films, liquid packaging films etc.

Management Comment:

Commenting on the Company's performance, **Ms. Khushboo Chandrakant Doshi, Managing Director, Rajoo Engineers Ltd** said:

During the Second quarter we have registered a Revenue at Rs. 33.63 cr. EBITDA and PAT of Rs. 3.60 crore and Rs. 2.32 crore, respectively. Our sales turnover was impacted due to the delay in lifting of machines by the customers on account of fears of a global recession on one hand and several machines not being ready due to global supply chain issues, primarily instrumentation component. Revenue decline however was marginal mainly due to the Company's focus on business sustainability considering the uncertainty around. The raw material prices have more or less stabilised during the quarter.

Today, the world is witnessing historically high inflation with fears of recession already setting in. Interest rates have been on the rise. The US Dollar continues to strengthen and is a cause of concern for net importing countries. Along with this, the geopolitical environment is very unstable, and the climate changes continuing to pose new challenges.

In such volatile times, India has done very well. Economically speaking, India has held on well, done well and we have seen tax collection numbers coming up clearly. That shows what is happening on the ground and in reality. Of course, we are in a global village. Globally markets are inter-linked so it will be wrong to say that if something negative happens in the US or other countries, we will not get impacted at all from a business perspective. Trade disruptions are leading to new shortages of materials and inputs. Surging energy and commodity prices are reducing demand and holding back production. Inflation has increased significantly and looks like, it will remain high over the coming

months, mainly because of the sharp rise in energy costs. Inflation pressures have intensified across many sectors.

At Rajoo, we are very cognizant of these headwinds and the challenges that we face. We are being nimble footed and agile with our business strategy and focusing on making ourselves better to create a strong & sustainable business. One step that we have taken towards this is our focus on enhancing the features of existing products and have emerged to become first player in India to offer advanced products with higher output and more energy efficient. We believe that this is just one-step towards the right direction and will continue to work hard & strive to build a robust business and aiming to reach newer heights.

I would like to thank each member of the Rajoo family, as well as our Clients, Creditors, Banks, Financial Institutions, and all other Stakeholders. Their faith in us and support extended makes it easier for us to strive and excel.”

About Rajoo Engineers Limited

Based in Rajkot, Rajoo Engineers Limited, having made a modest beginning in 1986, has today emerged as an undisputed global player in blown film and sheet extrusion lines. Owing to its focused efforts in blown film, sheet extrusion lines and Thermoformers, the Company enjoys a premium market position in this segment. Being a technology driven Company, product innovations, world-class quality, state-of-the-art workmanship, increased energy efficiency and high levels of sophistication and automation have become the hallmark of Rajoo products during all these years, positioning the Company's products on a global platform, competing with the established world leaders. With representations in many countries of the world and customers in over 70 countries, the Company's exports have multiplied after its debut in the international market in 1990. (www.rajoo.com)

For further information, please contact:

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Caution Concerning Forward- Looking Statements:

Certain statements in this document may be forward-looking statements. Such forward-looking statements are subject to certain risks and uncertainties like regulatory changes, local political or economic developments, and many other factors that could cause our actual results to differ materially from those contemplated by the relevant forward-looking statements. Further, past performance is not necessarily indicative of future results. Given these risks, uncertainties and other risk factors, viewers are cautioned not to place undue reliance on these forward-looking statements. The Company will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.