

## OVERVIEW

Fri, 30<sup>th</sup> NOV' 21

- Endurance Technologies Ltd is an automotive component manufacturing company. The company is engaged in the manufacturing and selling of aluminium die-casting, suspension, transmission, and braking products.
- Some of the products include high pressure and low pressure die castings, shock absorbers, front fork, clutch assemblies, cork, and paper-based friction plates, Continuous Variable Transmission (CVT), hydraulic disc brake, hydraulic drum brake, and others.

## STRENGTHS

- Committed to deliver shareholders value.
- Profitable Growth
- Winning business model
- Technology leader
- High performance culture
- Corporate Governance

## FUTURE ROADMAP

- At the heart of our strategic approach for the future will be our consistent thrust on technology upgradation, quality improvement, cost competitiveness, environment, health and safety. We will further strengthen our focus on more value-added and profitable product mix in our future business.
- We also see significant opportunity for expansion and growth in EV and hybrid vehicle applications in the coming years.

## INNOVATION

- We are the first tier 1 supplier in India to develop a state-of-the-art proving ground to test our products directly on the vehicle. Spread across 29 acres, the Endurance Proving Ground (EPG), enables us to test our suspension, transmission and braking products across different surfaces including high speed performance track, ride evaluation track, ABS evaluation track, ride & handling track, gradient track, steering pad, mud & water trough, dust tunnel & country track.
- EPG is managed from a central control tower at the Operations Centre which includes the fully-equipped confidential workshops required for preparing the vehicles for testing, riders' rest areas and the test track maintenance building. EPG has certified test riders trained by global experts in vehicle riding and evaluation of suspension, transmission & braking products.

## FUTURE PROSPECTS

- 200cc plus motorcycle brakes and clutch assemblies, through acquisition of Adler and Grimeca in Italy.
- Paper-based clutch assemblies, replacing cork-based clutch assemblies for motorcycles.
- Anti-lock braking systems (ABS) for 150cc plus motorcycles.
- Fully finished machined castings, as compared to semi-finished castings for 2-Wheeler, 3-Wheeler and 4-Wheeler applications.

## SUMMARY OF FINANCIALS

- Rs. 65,777 million Total Income.
- Rs. 3,116 million Aftermarket sales.
- 16.3% increase in EBITDA
- 7.9% increase in PAT
- 16.9% increase in ROCE

**Disclaimer:** The analysis is only for information purposes only. Please consult your financial advisor, agent, broker before acting on any information. We may or may not have positions in the stock. We would not be responsible for the profit/loss resulting from this analysis.

Growth Rates (Compound Annual)	1 Yr	3 Yr	5 Yr	10yr
Revenue %	-5.5	0.6	4.5	-
Operating Income %	-10.6	1.8	7.2	-
Earnings/Share %	-8.1	10.0	11.7	-
Dividends %	-	-	-	-
Book Value/Share %	18.5	17.9	-	-
Stock Total Return	53.4	16.8	26.3	-
Market +/-	25.1	0.3	15.6	-

Valuation Analysis	Current	5Yr Avg	Ind	Mkt.
Price/Earnings	40.1	-	34.5	16.0
Forward P/E	-	-	-	-
Price/Cash Flow	29.3	-	-	10.4
Price/Free Cash Flow	70.5	-	-	-
Dividend Yield %	0.4	-	0.5	2.6
Price/Book	6.6	-	3.8	2.2
Price/Sales	3.2	-	1.5	-

Profitability Analysis	Current	5Yr Avg	Ind.	Mkt.
Return on Equity %	17.6	19.6	10.3	15.4
Return on Asset %	10.7	10.3	4.2	5.6
Gross Margin %	36.6	35.4	39.1	-
Operating Margin %	10.3	9.8	8.3	-
Net Margin %	8.0	7.1	4.5	21.6
Inventory Turns	7.5	8.3*	5.1	-
Fixed Asset Turns	3.1	3.4	2.5	-

Financial Position (INR)	03-21 ₹Mi	03-21 (Mil.)
Cash	5,133	3,200
Inventories	6,118	7,197
Receivables	—	—
Current Assets	29,042	28,625
Fixed Assets	24,439	24,692
Intangibles	2,548	2,478
Total Assets	57,475	57,998
Payables	13,484	12,830
Short-Term Debt	2,377	2,214
Current Liabilities	17,234	17,081
Long-Term Debt	3,550	2,854
Total Liabilities	21,854	20,982
Total Equity	35,621	37,015

Source: Company filings & Analyst research