

**PRESS RELEASE****Blue Star's Consolidated Revenue for Q1FY25 grows 28.7% to Rs 2,865 crores; Net Profit more than doubles to Rs 168.76 crores**

Building on the growth trajectory of the previous year, Blue Star delivered an exceptional business performance in the first quarter of FY25. During the quarter, the Company's impressive revenue and profit growth were driven by robust demand for its diverse product portfolio across various segments, complemented by its focused cost management efforts. The quarter also ended with a healthy carried forward order book.

**Consolidated Financial Performance for Q1FY25**

- The Company's Revenue from Operations increased by a significant 28.7% to Rs 2,865.37 crores for the quarter ended June 30, 2024, compared to Rs 2,226.00 crores during the same period in the previous year.
- The Operating Profit (EBITDA excluding Other Income and Finance Income) for the quarter grew by 64% to Rs 237.83 crores (8.3% of Revenue) compared to Rs 145.00 crores (6.5% of Revenue) in Q1FY24.
- Profit Before Tax grew by 98.9% to Rs 226.02 crores in Q1FY25 compared to Rs 113.61 crores in Q1FY24.
- Net Profit for the quarter at Rs 168.76 crores more than doubled by 102.4% as compared to Rs 83.37 crores reported in the same period of the previous year.
- Strong operating performance aided healthy cash flow during the quarter. Consequently, Other Income, including treasury income, for Q1FY25 was Rs 23.77 crores compared to Rs 9.40 crores in Q1FY24.
- The quarter ended with a net cash position of Rs 1042.87 crores as compared to a net

borrowing of Rs 283.46 crores (debt equity ratio of 0.20 on a net basis). As a result, Finance Cost for the quarter decreased to Rs 7.64 crores from Rs 18.00 crores in Q1FY24.

- Tax expense for the quarter was Rs 57.26 crores compared to Rs 30.24 crores in Q1FY24.
- Earnings per share (not annualised) for Q1FY25 (Face value of Rs 2.00) was Rs 8.21 compared to Rs 4.33 in Q1FY24.
- Carried Forward Order Book as on June 30, 2024, grew by 13.5% to Rs 6,084.69 crores, compared to Rs 5,359.05 crores as on June 30, 2023.

### **Consolidated Segment Performance for Q1FY25**

- Revenue of Segment 1 primarily comprising Electro-Mechanical Projects, Commercial Air Conditioning Systems, Service and International Business grew by 9.5% to Rs 1038.99 crores in Q1FY25 compared to Rs 949.12 crores in Q1FY24. The Segment Result for Q1FY25 was Rs 103.03 crores (9.9% of Revenue) compared to Rs 66.62 crores (7.0% of Revenue) in Q1FY24. Despite limited traction in the commercial building sector, the Company experienced robust bookings from segments such as factories and data centres, primarily driven by ongoing efforts of the Government to encourage manufacturing investments through PLI initiatives. There was also an uptick in enquiries from the healthcare and retail sectors. The Commercial Air Conditioning business witnessed enhanced demand from education, manufacturing and retail segments, driving revenue growth during the quarter. Demand from Tier 3 and 4 cities remained strong, with significant orders for ducted systems and VRF systems from these markets. A favourable mix of profile in this segment had a positive impact on the margins. During the quarter, the Company launched state-of-the-art chillers for data centres and brine chillers, thereby further broadening the product portfolio. With the addition of these new product lines, the Company is confident of penetrating new market segments.
- Unitary Products, which comprises Room ACs and Commercial Refrigeration products reported a revenue growth of 44.3% to Rs 1729.52 crores in Q1FY25 compared to Rs 1,198.45 crores in Q1FY24. The Segment Result was Rs 158.03 crores (9.1% of Revenue) in Q1FY25 compared to Rs 89.34 crores (7.5% of Revenue) in Q1FY24. With most parts of the country witnessing extremely high temperatures and an overall harsh summer, the increase in demand led to an unprecedented growth in the room air conditioners business. The demand exceeded inventory plans of the business and

while the Company met most of the excess requirements through an increase in production at its plants, it still lost some opportunity to cater to the entire demand that the season offered. The Commercial Refrigeration market, which mainly comprises deep freezers, water coolers and modular cold rooms also witnessed good traction across all segments and grew at a very reasonable rate. This helped the segment to report a strong blended growth rate of 44.3%. The margins for the quarter in this segment improved due to volume growth, which enhanced operating leverage. BIS-related regulatory changes for water coolers announced in March 2024, had an adverse impact on its production and sales. However, the same has been normalised in the current quarter.

- The Professional Electronics and Industrial Systems Business revenue grew by 23.5% to Rs 96.86 crores in Q1FY25 compared to Rs 78.43 crores in Q1FY24. The Segment Result was Rs 9.60 crores (9.9% of Revenue) in Q1FY25 compared with Rs 10.49 crores (13.4% of Revenue) in Q1FY24. While most of the product categories are performing well, supply chain disruptions and cost overruns in the MedTech business impacted profitability. While the margins for the quarter were affected, the overall prospects for this segment look promising.

## **Outlook**

Vir S. Advani, Chairman & Managing Director, Blue Star Limited adds, "The year has commenced on a strong note, marked by a record demand for room air conditioners. We expect sustained growth driven by good demand, from the introduction of new products across all product categories and a strong carried forward order book. In order to capitalise on future opportunities and enhance our competitiveness, we will continue to make investments in manufacturing, research and development and digitalisation initiatives and at the same time continue to be prudent in capital allocation. While we remain optimistic about the prospects for the rest of the fiscal year, the geopolitical developments across the globe, especially in the Middle East is a matter of concern."

Place: Mumbai

Date: August 6, 2024

*For additional information, please contact Girish Hingorani, Vice President – Marketing (Cooling & Purification Appliances) & Corporate Communications, Blue Star Limited. Email: [girishhingorani@bluestarindia.com](mailto:girishhingorani@bluestarindia.com) Tel: +91 22 66684000/ +91 9820415919*