

November 6, 2024

BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001 BSE Scrip Code: 500067	National Stock Exchange of India Ltd Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051 NSE Symbol: BLUESTARCO
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Dear Sir/Madam,

Sub: Press Release

We are enclosing herewith a copy of the Press Release issued by the Company titled “**Blue Star’s Q2FY25 Net Profit increases by 36% to Rs 96.06 crores**”.

This intimation is also being placed on the website of the Company at www.bluestarindia.com

Kindly take the same on record.

Thanking you,
Yours faithfully,
For **Blue Star Limited**



Rajesh Parte
Company Secretary & Compliance Officer

Encl.: a/a

\\172.16.31.16\Legal and Secretarial Documents\01 Blue Star Limited\2024-25\Stock Exchange Compliances\Reg 30 - Information and Update\7. Press Release\3. November 6, 2024

PRESS RELEASE

Blue Star's Q2FY25 Net Profit increases by 36% to Rs 96.06 crores

During the quarter, the Company maintained the growth momentum established in the first quarter. A strong performance across all major segments, supported by a robust order book, reflects increasing demand for its diverse product portfolio. The continued focus on expanding the distribution network, fostering innovation and R&D, consolidating localisation as well as backward integration in manufacturing, and optimising supply chain costs have resulted in growth in revenue and profit.

Consolidated Financial Performance for Q2FY25

- The Company's Revenue from Operations increased by 20.4% to Rs 2275.96 crores for the quarter ended Sep 30, 2024, compared to Rs 1890.40 crores during the same period in the previous year.
- The Operating Profit (PBIDTA excluding Other Income) for the quarter grew 21.7% to Rs 149.31 crores (6.6% of Revenue) compared to Rs 122.69 crores in Q2FY24 (6.5% of Revenue).

- Other Income including treasury income for Q2FY25 was Rs 18.51 crores compared to Rs 12.96 crores in Q2FY24.
- The Tax expense for the quarter was Rs 35.04 crores compared to Rs 24.26 crores in Q2FY24.
- Profit Before Exceptional Items grew by a significant 38.3% to Rs 131.39 crores during the quarter compared to Rs 94.99 crores in Q2FY24.
- Net Profit for the quarter was Rs 96.06 crores compared to Rs 70.77 crores in the same quarter of the previous year, representing a growth of 35.7%.
- Earnings per share (Face value of Rs 2.00) for Q2FY25 stood at Rs 4.67 as compared to Rs 3.65 for Q2FY24.
- Carried-forward order book as of September 30, 2024, grew to Rs 6598.20 crores, as compared to Rs 6008.52 crores as of September 30, 2023, a growth of 9.8%.
- As of September 30, 2024, the capital employed stood at Rs 2550.28 crores, as compared to Rs 2069.62 crores on September 30, 2023. This increase is attributed to sustained investments in manufacturing, product development, and digitalisation initiatives, all part of the Company's plans to improve profitability and drive growth. The increase was largely funded through internal accruals and deployment of QIP funds.
- The Company ended the quarter with a net cash position of Rs 185.26 crores as compared to a net cash position of Rs 285.85 crores as of September 30, 2023.

Consolidated Segment Performance for Q2FY25

- Revenue from the Electro-Mechanical Projects and Commercial Air Conditioning Systems & Services segment grew by 32.6% to Rs 1428.42 crores during the quarter as compared to Rs 1077.21 crores in the same quarter of the previous year. The Segment result grew significantly to Rs 119.21 crores (8.3% of Revenue) compared to Rs 65.28 crores (6.1% of Revenue) in Q2FY24. Scale economies, better profile mix as well as cost reengineering contributed to a 220 bps improvement in segment

margins. In the Electro-Mechanical Projects business, manufacturing and data centre segments continued to drive growth. While the execution of infrastructure projects is gaining momentum, enhanced order finalisations are being witnessed in the commercial real estate sector. In the Commercial Air conditioning business, the primary focus was on accelerating deliveries and improving margins through the ongoing Total Cost Management (TCM) initiatives. The new product development initiatives are progressing as planned. Given the growth opportunities in the manufacturing, data centre, commercial real estate, healthcare, and education sectors, the business prospects are highly promising.

- Unitary Products revenue grew by 5.1% to Rs 767.00 crores in Q2FY25 compared to Rs 729.49 crores in Q2FY24. Though this is typically a lean quarter for this segment, the demand for room air conditioners remained strong and the Company recorded healthy growth and maintained its market share through a comprehensive product portfolio and enhanced distribution network. Dealers began stocking up in anticipation of the festival season. At the same time, one-time challenges in the Commercial Refrigeration business arising from regulatory changes related to BIS and Quality Control Order (QCO) as well as delays in ramping up production of the new range of state-of-the-art glass top deep freezers moderated the overall revenue growth of this segment. These one-time challenges in the Commercial Refrigeration business also caused the Segment margins for the quarter to drop by 140 bps. Accordingly, the Segment result for the quarter was at Rs 53.92 crores (7.0% of Revenue) in Q2FY25 as compared to Rs 61.61 crores (8.4% of Revenue) during the same period last year. The room air conditioner margins though benefited due to scale.
- The Professional Electronics and Industrial Systems segment revenue marginally declined to Rs 80.54 crores in the quarter compared to Rs 83.70 crores in Q2FY24. The segment reported profit of Rs 5.17 crores in Q2FY25 (6.4% of Revenue) as compared to Rs 12.23 crores (14.6% of Revenue) in Q2FY24. This business is largely dependent on the import of hi-tech capital equipment. The demand was expected to revive post Union elections, but supply chain restrictions and uncertainties have resulted in long delays in finalisation and execution of orders which impacted the revenue and profitability of this segment.

Consolidated Financial Performance for the half-year ended September 30, 2024 (H1FY25)

- For the half-year ended September 30, 2024, the Company reported Revenue from Operations of Rs 5141.33 crores compared to Rs 4116.40 crores over the same period in the previous year, a growth of 24.9%.
- Operating Profit (PBIDTA excluding Other Income) was Rs 387.14 crores (7.5% of Revenue) compared to Rs 267.69 crores (6.5% of Revenue) during the same period last year.
- Net Profit for the half-year ended September 30, 2024, was Rs 264.82 crores compared to Rs 154.14 crores in H1FY24.

Outlook

Vir S. Advani, Chairman & Managing Director, Blue Star Limited adds, "The overall prospects for all our businesses continue to look promising. Room Air conditioners and Commercial Air conditioning businesses are doing well, both in terms of revenue and profit. The Commercial Refrigeration business faced setbacks in the first half of the year due to regulatory changes and we expect this impact to be temporary. The Company's investments in R&D, manufacturing, and digitalisation will provide a stable foundation for achieving both our short-term and long-term goals. We expect FY25 to be another milestone year for the Company and remain optimistic for the balance half of the year."

Place: Mumbai

Date: Nov 6, 2024

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