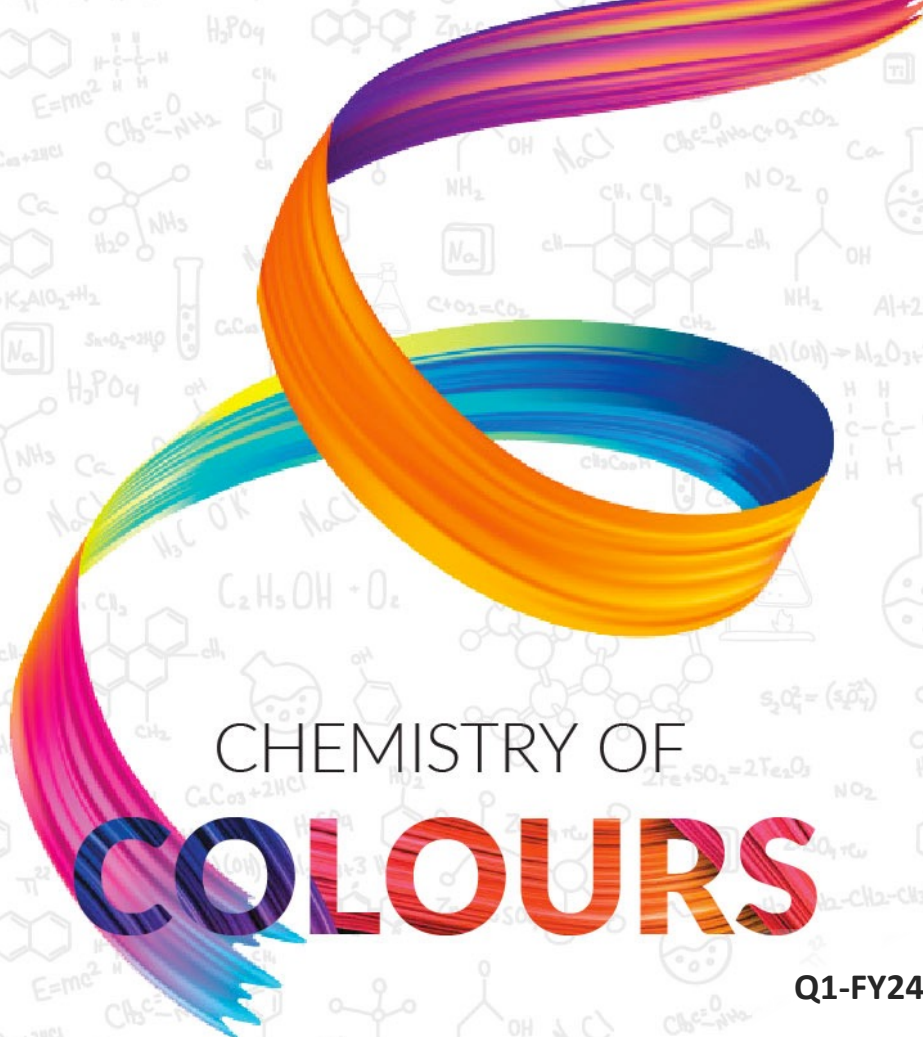




Kiri Industries Limited

Future Full of Colours.....



CHEMISTRY OF

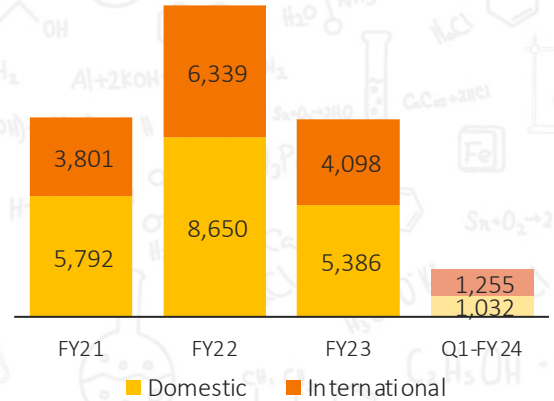
COLOURS

Q1-FY24 | EARNINGS PRESENTATION

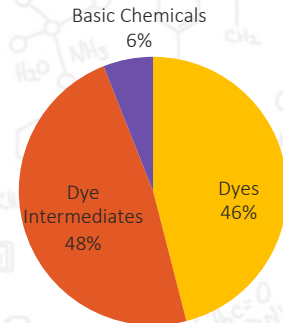
Company Overview



Consolidated Revenue Break-up (INR Mn)



Standalone Revenue Breakup (FY23)



- Established in 1998, Kiri Industries Limited (KIL), is based out of Gujarat and has emerged as one of the largest manufacturers and exporters of a wide range of Dyes, Dyes Intermediates and Basic Chemicals from India with 'Zero Effluent'.
- KIL is an accredited and certified Key Business Partner with world's top Dyestuff majors across Asia-Pacific, the EU and America.
- It provides products and services across the whole value chain in numerous industrial sectors (apparel, hosiery, automotive, carpets, leather, paper, home upholstery, industrial fabrics, etc.)
- In the 25 years of the Company's corporate journey, KIL has been focusing on providing products of high quality standards, executing collaborations and strategic acquisitions, implementing environmentally aligned R&D, finding innovative solution centric and all-encompassing customer care
- All initiatives taken by KIL has enabled it to set its footprints in over 50 countries across 7 continents.
- The Company has sizeable manufacturing facility of Dyes Intermediates and Basic chemicals at Padra (Baroda, Gujarat) and to strengthen its competitive edge in dyes vertical, KIL formed a joint venture with Longsheng (China) and set up a manufacturing facility for dyes.

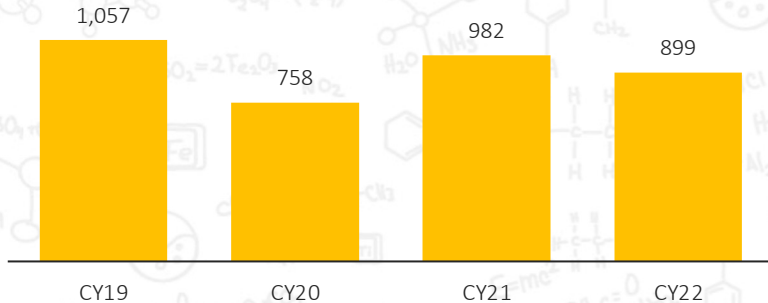
About DyStar



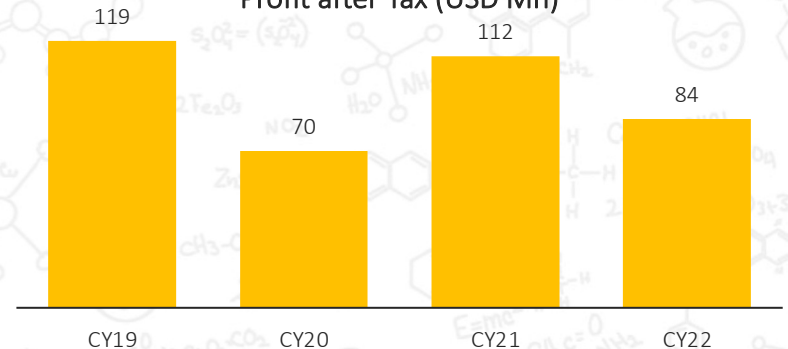
**KIL acquired DyStar
in 2010, along with
Zhenjiang Longsheng
holding 37.57%
presently**

- The DyStar Group is a leading dyestuff and chemical manufacturer and solution provider, offering a broad portfolio of colorants, specialty chemicals, and services to customers across the globe.
- With a heritage of more than a century in product development and innovation for the textile industry, DyStar also caters to multiple sectors including paints, coatings, paper and packaging industries. Its expansion into food and beverages and personal care sectors reinforces the company's position as a specialty chemical manufacturer.
- DyStar's global presence offers customers reliable access to experts from offices, competence centres, agencies and production plants spanning over 50 countries.
- DyStar has 16 manufacturing plants with a combined production capacity of 176,000 TPA. It is a market leader in global dyes market with a market share of over ~21%.
- It has expertise in dyes, dyes solutions, leather solutions, performance chemicals, and custom manufacturing of special dyes/ pigments.

Total Revenue (USD Mn)



Profit after Tax (USD Mn)



History

DyStar was founded in 1995 as a joint venture between Hoechst AG and Bayer Textile Dyes. In 2000, the textile dyes business from BASF was integrated. In 2010, DyStar Group was acquired by Kiri Industries Limited (KIL).

1995

**FOUNDATION
JOINT
VENTURE OF:**
Bayer AG and
Hoechst AG
(Textile dyes,
Ind.
Mitsubishi)



2002

ACQUISITION:
Color
Solutions
International



2007

ACQUISITION:
Texanlab



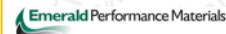
2012

FOUNDATION:
Sustainable
Textile
Solutions



2016

ACQUISITION:
Emerald
Performance
Materials
Specialities
Group



**JOINT
VENTURE
OF:**
Bayer AG,
Hoechst AG,
BASF AG
(Textile
dyes, Ind.
ICI/Zeneca
dyes and
Mitsui

2000



LAUNCH:
E-confidence
program

ACQUISITION:
Yorkshire
Americas,
Rotta Group
and Boehme
Group

2004-06

**ACQUISITION
BY KIL**

2010

ACQUISITION:
Lenmar
Chemicals
(Business and
Assets)

2013

Financial Highlights

Q1-FY24 Financial Highlights (Consolidated)

Operational Revenue
INR 2,273 Mn

EBITDA*
INR 17 Mn

EBITDA Margin*
0.75%

Net Profit*
INR (153) Mn

PAT Margin*
NA

Diluted EPS
INR (0.49)

Q1-FY24 Financial Highlights (Standalone)

Operational Revenue
INR 1,415 Mn

EBITDA
INR (124) Mn

EBITDA Margin
NA

Net Profit
INR (13) Mn

PAT Margin
NA

Diluted EPS
INR (0.25)

Q1-FY24 Operational Highlights

Consolidated:

The sluggish demand for textiles during the last two years has impacted both volumes and selling prices of dyestuff, which is not allowing industry players to pass on the increase in input cost to end customer.

Kiri has adapted a coherent approach in addressing the dynamic global business environment to beat economic contraction, with astute sales strategy for its entire range of dyes, dyes intermediates and specialty dyes intermediates.

In the coming quarters, industry experts foresee rebound in demand for textiles which shall enhance demand for dyestuff industry enabling market players to strengthen business growth and improve mark-up in material margins.

Standalone:

Topline for Q1FY24 is 10% lower as compared to Q4FY23 and 17% lower as compared to Q1FY23, mainly because of sluggish demand impacting both volumes and selling prices.

Finance Cost has increased because company has availed loan of ₹66.59 Crore in April/May 2023.

In Q1FY24 company earned material margin of 23.4% on account of pressure on selling prices and reduction in volumes.

EBIDTA was mainly impacted because of the legal costs incurred in litigation against Longsheng Group for Kiri's stake in DyStar. It needs to be highlighted that legal costs would have to be incurred in coming quarters also since the legal proceedings related to enforcement of the buy-out order has now been initiated against Senda.

Update on DyStar court case in Singapore

Kiri has filed an Alternate Relief Application with Singapore International Commercial Court (SICC) for enforcement of Valuation Judgement and recover US\$603.80 Million determined by SICC with its judgment dated March 3, 2023, wherein it has applied to SICC for making Senda International Capital Limited (“Senda”) and DyStar Global Holdings (Singapore) Pvt Ltd (“DyStar”) jointly and severally liable to complete the buy-out, wherein:

DyStar to complete purchase of 17.57% of the equity of DyStar from Kiri at US\$282.37Million within one month of the date of Court Order, thereafter Senda and/or DyStar buy balance 20% of equity of DyStar from Kiri at US\$321.47Million within four months of the date of Court Order, for which a receiver be appointed by the Court for limited purpose of executing the share purchase by DyStar.

In the event Senda and DyStar fail to comply with the order of the Court, DyStar should be wound up by Court and pay the buy-out order amount of US\$603.80Million and all interest and legal expenses in priority to Senda from liquidation of DyStar’s assets.

Senda shall be liable to pay interest on the Final Purchase Price from 3 April 2023 at 14.85% per annum (or any alternative interest rate determined by the SICC until the completion of the purchase of Kiri’s shareholding in DyStar or until Kiri receives the full amount of the Final Purchase Price, whichever is later.

Senda be restrained from transferring, charging, or otherwise dealing with its shares in DyStar until full payment of the Final Purchase Price, and all interest and legal costs, to Kiri;

Kiri has also commenced examination of judgment debtor proceedings in SICC in relation to cost orders made in Kiri’s favour by SICC and the Singapore Court of Appeal. Kiri has applied to examine Mr. Ruan Weixiang, (The Chairman of Zhejiang Longsheng Group, DyStar, and former director of Senda), and Ms. Fan Jing (current director of Senda) for information on Senda’s assets. Kiri is currently taking steps to effect service of the relevant court documents on Mr. Ruan Weixiang and Ms. Fan Jing.

DyStar shall be liable to pay interest at 14.85% per annum (or any alternative interest rate determined by SICC on the amount of US\$603.80 million, from the date on which the purchase should be completed or until Kiri receives the purchase price of US\$603.80 million, whichever is later.



Q1-FY24 FINANCIAL HIGHLIGHTS

Q1-FY24 Standalone Income Statement

PARTICULARS (INR Mn)	Q1-FY24	Q1-FY23	Y-o-Y	Q4-FY23	Q-o-Q
Revenue from Operations	1,415	1,714	(17.4)%	1,568	(9.8)%
Total Expenses	1,539	2,032	(24.3)%	1,720	(10.5)%
EBITDA	(124)	(318)	(61.0)%	(152)	(18.4)%
<i>EBITDA Margins (%)</i>	NA	NA	NA	NA	NA
Other Income	251	151	66.2%	12	NA
Depreciation	111	109	1.8%	109	1.8%
Finance Cost	39	13	NA	19	NA
PBT	(23)	(289)	(92.0)%	(268)	(91.4)%
Tax	(10)*	(10)*	NA	(2)*	NA
Profit After Tax	(13)	(279)	(95.3)%	(266)	(95.1)%
<i>PAT Margins (%)</i>	NA	NA	NA	NA	NA
Other Comprehensive Income	-	-	NA	5	NA
Total Comprehensive Income	(13)	(279)	(95.3)%	(261)	(95.0)%
Diluted EPS (INR per share)	(0.25)	(5.37)	(95.3)%	(5.03)	(95.0)%

* Deferred Tax

Q1-FY24 Consolidated Income Statement

PARTICULARS (INR Mn)	Q1-FY24	Q1-FY23	Y-o-Y	Q4-FY23	Q-o-Q
Revenue from Operations	2,273	2,767	(17.9)%	2,224	2.2%
Total Expenses	2,256	2,852	(20.9)%	2,271	(0.7)%
EBITDA	17	(85)	NA	(47)	NA
<i>EBITDA Margins (%)</i>	<i>0.75%</i>	<i>NA</i>	<i>NA</i>	<i>NA</i>	<i>NA</i>
Other Income	14	1	NA	28	(50.0)%
Depreciation	122	122	NA	121	0.8%
Finance Cost	39	13	NA	20	95.0%
PBT	(130)	(219)	(40.6)%	(160)	(18.8)%
Tax	23	45	(48.9)%	23	NA
Profit After Tax	(153)	(264)	(42.0)%	(183)	(16.4)%
<i>PAT Margins (%)</i>	<i>NA</i>	<i>NA</i>	<i>NA</i>	<i>NA</i>	<i>NA</i>
Share of Profit of Associates	127	799	(84.1)%	(432)	NA
Other Comprehensive Income	-	-	NA	5	NA
Total Comprehensive Income	(26)	535	NA	(610)	(95.7)%
Diluted EPS (INR per share)	(0.49)	10.32	NA	(11.77)	(95.8)%



HISTORICAL FINANCIALS

Historical Standalone Income Statement

PARTICULARS (INR Mn)	FY21	FY22	FY23	Q1-FY24
Revenue from Operations	6,892	11,368	6,015	1,415
Total Expenses	6,901	11,054	7,106	1,539
EBITDA	(9)	314	(1,091)	(124)
<i>EBITDA Margins (%)</i>	NA	2.76%	NA	NA
Other Income	20	18	234	251
Depreciation	390	436	441	111
Finance Cost	38	46	61	39
PBT	(417)	(150)	(1,359)	(23)
Tax	(52)*	(57)*	(17)*	(10)*
Profit After Tax	(365)	(93)	(1,342)	(13)
<i>PAT Margins (%)</i>	NA	NA	NA	NA
Other Comprehensive Income	(2)	(3)	5	-
Total Comprehensive Income	(367)	(96)	(1,337)	(13)
Diluted EPS (INR per share)	(7.08)	(1.85)	(25.80)	(0.25)

* Deferred Tax

Standalone Balance Sheet

PARTICULARS (INR Mn)	FY21	FY22	FY23	PARTICULARS (INR Mn)	FY21	FY22	FY23
Equity	6,346	6,250	4,913	Non Current Assets	8,098	8,117	7,726
Equity Share Capital	336	518	518	a) Property, Plant and Equipment	5,189	5,062	4,736
Other Equity	6,010	5,732	4,395	b) Other Intangible assets	-	1	0
				c) Capital Work In Progress	579	590	674
Non Current Liabilities	1,113	337	502	d) Investment in Subsidiary/Associate	1,403	1,403	1,403
a) Financial Liabilities				e) Financial Assets			
(i) Borrowings	952	267	412	(i) Investments	1	-	-
(ii) Trade Payable	5	17	27	(ii) Trade Receivable	12	8	14
(iii) Other Financial Liabilities	12	13	11	(iii) Other financial assets	119	121	129
b) Provisions	144	40	52	f) Other Non - Current Assets	698	779	600
c) Deferred Tax Liabilities (Net)	-	-	-	g) Deferred Tax Assets (Net)	97	153	170
d) Other Non Current Liabilities	-	-	-	Current Assets	2,832	2,449	1,938
				a) Inventories	1,070	1,158	989
Current Liabilities	3,471	3,979	4,249	b) Financial Assets			
a) Financial Liabilities				(i) Trade Receivables	1,446	1,034	614
(i) Borrowings	534	692	40	(ii) Cash and Cash Equivalents	40	42	5
(ii) Trade Payables	2,072	2,606	3,517	(iii) Bank balances other than above	17	18	17
(iii) Other Financial Liabilities	422	255	260	(iv) Loans	94	29	36
b) Other Current liabilities	421	401	411	(v) Other financial assets	43	21	10
c) Provisions	22	25	21	c) Current Tax Assets (Net)	5	16	40
d) Current Tax Liabilities (Net)	-	-	-	d) Other Current Assets	117	131	227
GRAND TOTAL - EQUITIES & LIABILITES	10,930	10,566	9,664	GRAND TOTAL – ASSETS	10,930	10,566	9,664

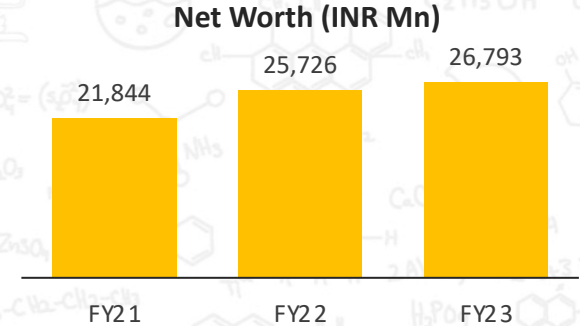
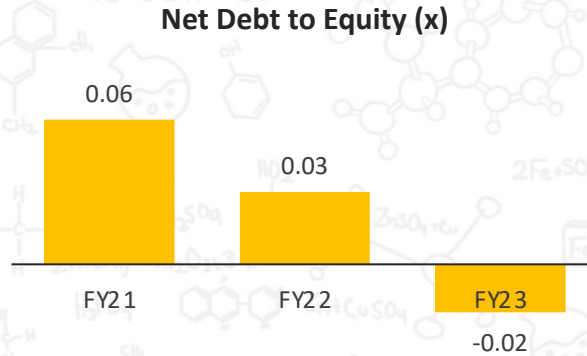
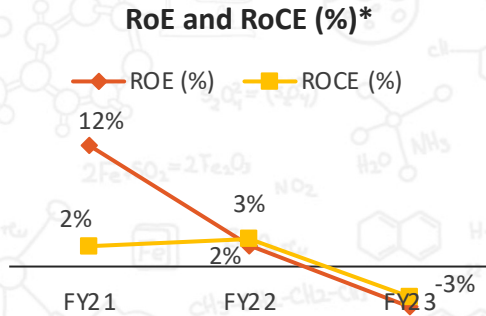
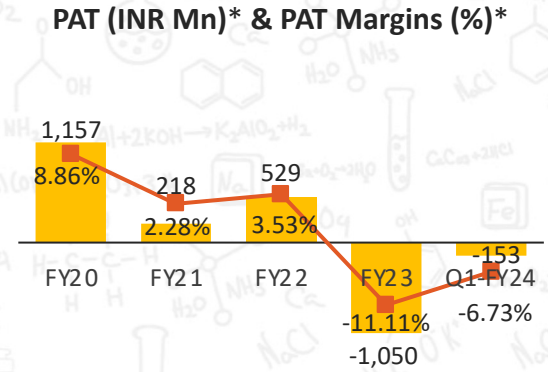
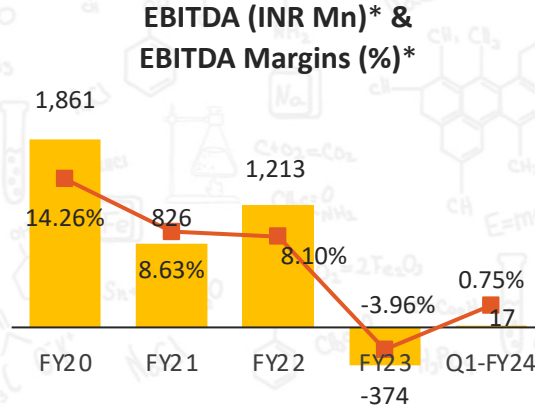
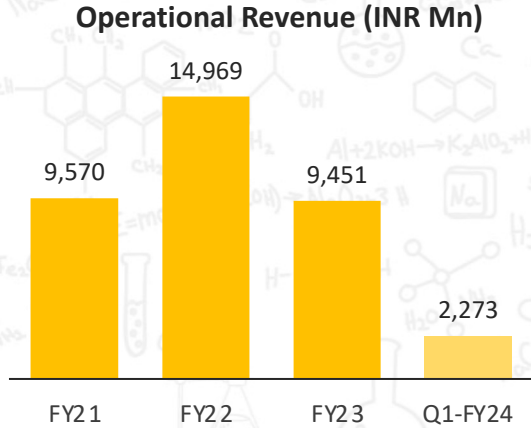
Historical Consolidated Income Statement

PARTICULARS (INR Mn)	FY21	FY22	FY23	Q1-FY24
Revenue from Operations	9,570	14,969	9,451	2,273
Total Expenses	8,744	13,756	9,825	2,256
EBITDA	826	1,213	(374)	17
EBITDA Margins (%)	8.63%	8.10%	NA	0.75%
Other Income	22	20	33	14
Depreciation	461	502	489	122
Finance Cost	40	48	63	39
PBT	347	683	(893)	(130)
Tax	129	154	157	23
Profit After Tax	218	529	(1,050)	(153)
PAT Margins (%)	2.28%	3.53%	NA	NA
Income from Associate	2,307	3,359	2,116	127
Other Comprehensive Income	(1)	(3)	5	-
Total Comprehensive Income	2,524	3,885	1,071	(26)
Diluted EPS (INR per share)	48.69	74.94	20.67	(0.49)

Consolidated Balance Sheet

PARTICULARS (INR Mn)	FY21	FY22	FY23	PARTICULARS (INR Mn)	FY21	FY22	FY23
Equity	21,844	25,726	26,793	Non Current Assets	21,580	24,949	26,681
Equity Share Capital	336	518	518	a) Property, Plant and Equipment	5,591	5,430	5,081
Other Equity	21,508	25,208	26,275	b) Other Intangible assets	42	28	14
Non Current Liabilities	1,125	351	505	c) Capital Work In Progress	584	629	725
a) Financial Liabilities				d) Investment in Subsidiary/Associate	14,447	17,806	19,921
(i) Borrowings	952	267	412	e) Financial Assets			
(ii) Trade Payable	5	17	27	(i) Investments	1	0	0
(iii) Other Financial Liabilities	12	13	11	(ii) Trade Receivable	12	8	14
b) Provisions	156	54	55	(iii) Other financial assets	131	134	162
c) Deferred Tax Liabilities (Net)	-	-	-	f) Other Non – Current Assets	700	781	614
d) Other Non Current Liabilities	-	-	-	g) Deferred Tax Assets (Net)	72	133	150
Current Liabilities	4,031	4,665	4,713	Current Assets	5,420	5,793	5,330
a) Financial Liabilities				a) Inventories	1,690	2,451	1,948
(i) Borrowings	534	692	40	b) Financial Assets			
(ii) Trade Payables	2,563	3,248	3,943	(i) Trade Receivables	3,293	2,887	2,059
(iii) Other Financial Liabilities	432	263	268	(ii) Cash and Cash Equivalents	74	132	275
b) Other Current liabilities	478	425	439	(iii) Bank balances other than above	30	54	710
c) Provisions	22	26	22	(iv) Loans	92	30	21
d) Current Tax Liabilities (Net)	2	11	1	(v) Other financial assets	44	21	20
GRAND TOTAL - EQUITIES & LIABILITES	27,000	30,742	32,011	c) Current Tax Assets (Net)	5	15	40
				d) Other Current Assets	192	203	257
				GRAND TOTAL – ASSETS	27,000	30,742	32,011

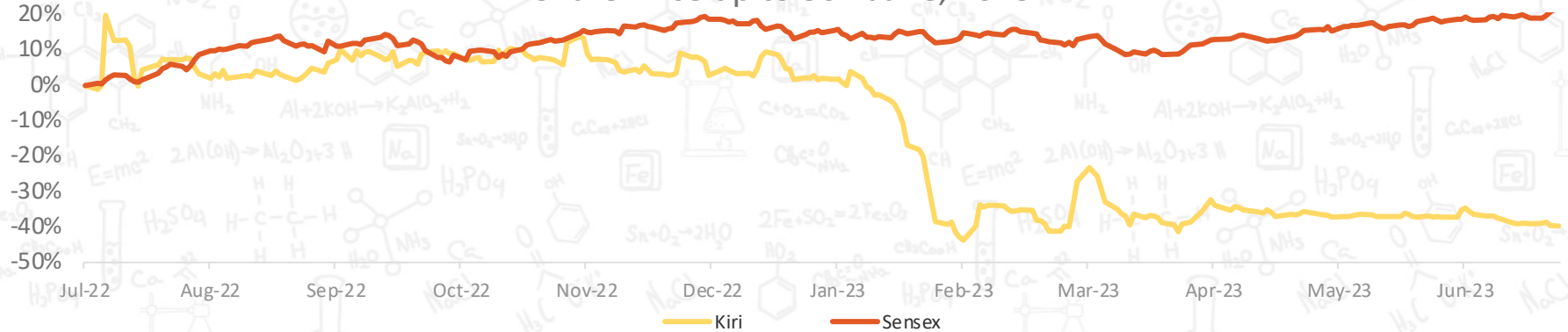
Consolidated Financial Highlights



*Before share of profit of associate and OCI

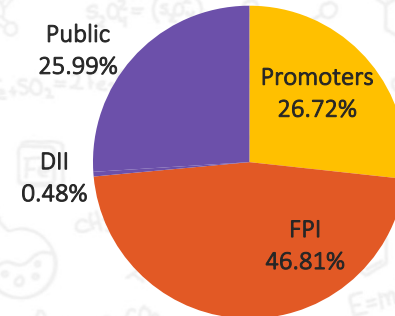
Capital Market Data

Share Price up to 30th June, 2023



Price Data (As on 30, 2023)	INR
Face Value	10.0
Market Price	277.9
52 Week H/L	566/255
Market Cap (Mn)	14,404.7
Equity Shares Outstanding (Mn)	51.8
1 Year Avg Trading Volume ('000)	198.9

Shareholding Pattern (As on 30th June, 2023)



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THANK YOU