

27<sup>th</sup> October 2023

<b>To, The Manager - Listing Department, The National Stock Exchange of India Ltd, Exchange Plaza, 5th floor, Plot no. C/1, "G" Block, Bandra-Kurla Complex, Mumbai-400051</b>	<b>To, Manager-Department of Corporate Services BSE Limited Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400 001</b>
<b>Symbol: APCOTEXIND</b>	<b>Security Code: 523694</b>

**Sub: Earnings Presentation – September 2023 (Q2 – FY 2023-24)**

Dear Sir/Madam,

Please find enclosed herewith Earnings Presentation – September 2023 (Q2 – FY 2023-24). The same is for your reference and records.

Thanking you,

For Apcotex Industries Limited

Jeevan Mondkar  
Company Secretary & Head - Legal

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# Earnings Presentation

Q2/H1-FY24



# Executive Summary

## OVERVIEW

- ▶ Apcotex Industries Ltd (Apcotex) is a leading producer of Synthetic Rubber (Nitrile Rubber, High Styrene Rubber, Nitrile Polyblends and Nitrile Powder) and Synthetic Latex (XSB Latex, VP Latex, Styrene Acrylics and Nitrile Latex) in India.
- ▶ The company has one of the broadest range of Emulsion Polymers available in the market today.
- ▶ Apcotex is listed on both the BSE and NSE and has an approximate market capitalisation of INR 26,438.34 Mn as on 30<sup>th</sup> September, 2023.

## BUSINESS MIX

- ▶ SYNTHETIC LATEX
  - ▷ Paper/ Paper Board, Carpet, Gloves, Construction, Tyre Cord, Speciality, Textile.
- ▶ SYNTHETIC RUBBER
  - ▷ Automobile, Footwear, Rice Rolls, Various Rubber Products.

## MARQUEE CLIENTS

- ▶ SYNTHETIC LATEX
  - ▷ ITC, Asian Paints, Ultratech Cement, Welspun, BILT, JK PAPER, Pidilite Industries, MRF, SRF, Century Enka, Standard, Mac, Kordsa etc.
- ▶ SYNTHETIC RUBBER
  - ▷ Paragon Footwear, Jayshree Polymers, Parker Hannifin, Gates India, Armacell, Supreme Industries etc.

## MANUFACTURING

- ▶ Taloja Facility: Maharashtra
  - ▷ 1,00,000 MTPA Synthetic Latex
  - ▷ 7,000 MTPA High Styrene Rubber
- ▶ Valia Facility: Gujarat
  - ▷ 21,000 MTPA Nitrile Rubber and Allied Products.
  - ▷ 50,000 MTPA Nitrile Latex Plant.

## FY23 FINANCIALS

Operational Revenue - **INR 10,799 Mn**

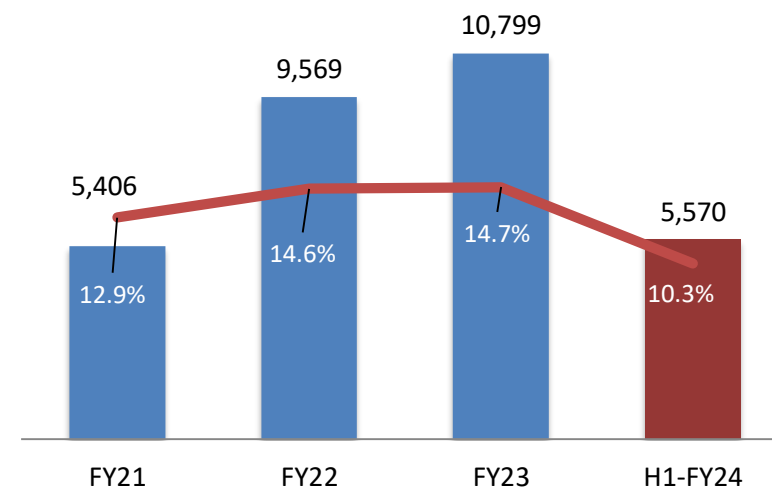
EBITDA - **INR 1,585 Mn**

PAT- **INR 1,079 Mn**

# Company Overview

- ▶ The company's Taloja plant was established in 1980 as a division of Asian Paints (India) Ltd. In 1991, the division was spun off as a separate company, which was headed by Mr. Atul Choksey, former MD of Asian Paints. The company is currently headed by Abhiraj Choksey who is the Managing Director.
- ▶ Apcotex has a significant global presence and for last few years has done business in all continents and several countries.
- ▶ It is one of the leading producers of Synthetic Rubber and Synthetic Latex in India.
- ▶ Its state-of-the-art manufacturing plants are strategically located on the western coast of India.
- ▶ Over the past several years, the company has developed a strong Research & Development base, which has enabled them to develop, manufacture and export products and compete effectively against global players.
- ▶ Apcotex Industries has a workforce strength of over 550 fulltime employees.
- ▶ Apcotex Industries is also a part of the Top 10 Indian companies on the list of "Forbes Asia Best Under A Billion 2023".

## Operational Revenue (INR Mn) and EBITDA Margin (%)



# Financial Highlights

## Q2-FY24 Financial Highlights

**INR 2,792 Mn**

Operational Revenue

**(1.4)% YoY**

**INR 316 Mn**

EBITDA

**(30.1)% YoY**

**11.32%**

EBITDA Margin

**(464) Bps YoY**

**INR 153 Mn**

Net Profit

**(50.3)% YoY**

**5.48%**

Net Profit Margin

**(540) Bps YoY**

**INR 2.95/share**

EPS

**(50.3)% YoY**

## H1-FY24 Operational Highlights

**INR 5,570 Mn**

Operational Revenue

**(5.5)% YoY**

**INR 571 Mn**

EBITDA

**(39.1)% YoY**

**10.25%**

EBITDA Margin

**(564) Bps YoY**

**INR 274 Mn**

Net Profit

**(57.5)% YoY**

**4.92%**

Net Profit Margin

**(600) Bps YoY**

**INR 5.29/share**

EPS


**(57.4)% YoY**

# Q2/H1-FY24 Operational Highlights

## Q2-FY24

- Highest Quarterly volume growth of 35% YoY
- Highest Quarterly export volume growth of 114% YoY
- Revenue growth was flat even though volumes increased, due to sharp fall in the raw material prices and thus lower realisations of finished goods
- EBITDA: Decreased 30% YoY due to lower margins in NBR, XNB and Paper due to pressure on demand
  - There is no significant inventory loss/gain in this quarter
  - EBITDA of Q2 is in line with the EBITDA of Q3 & Q4 - FY23
- PBT and PAT lower YoY, partially because of increase in Depreciation and Interest Cost due to new expansion projects

## H1-FY24

- Volume growth of 28% YoY
  - Export Volume growth of 120% YoY
  - Revenue decreased by 5.5% compared to volume increase of 35%, due to sharp fall in the raw material prices and thus lower realisations of finished goods
- 

# Quarterly Financial Performance

Particulars (INR Mn)	Q2-FY24	Q2-FY23	Y-o-Y	Q1-FY24	Q-o-Q
<b>Operational Revenue</b>	<b>2,792</b>	<b>2,832</b>	<b>(1.4)%</b>	<b>2,777</b>	<b>0.5%</b>
Total Expenses	2,476	2,380	4.0%	2,522	-1.8%
<b>EBITDA</b>	<b>316</b>	<b>452</b>	<b>(30.1)%</b>	<b>255</b>	<b>23.9%</b>
<b>EBITDA Margins</b>	<b>11.32%</b>	<b>15.96%</b>	<b>(464) Bps</b>	<b>9.18%</b>	<b>214 Bps</b>
Depreciation	78	38	NA	74	5.4%
Finance Cost	43	20	NA	36	19.4%
Other Income	17	25	(32.0)%	20	(15.0)%
<b>PBT</b>	<b>212</b>	<b>419</b>	<b>(49.4)%</b>	<b>165</b>	<b>28.5%</b>
Tax	59	111	(46.8)%	44	34.1%
<b>PAT</b>	<b>153</b>	<b>308</b>	<b>(50.3)%</b>	<b>121</b>	<b>26.4%</b>
<b>PAT Margins</b>	<b>5.48%</b>	<b>10.88%</b>	<b>(540) Bps</b>	<b>4.36%</b>	<b>112 Bps</b>
Other Comprehensive Income	14	71	(80.3)%	93	(84.9)%
<b>Total Comprehensive Income</b>	<b>167</b>	<b>379</b>	<b>(55.9)%</b>	<b>214</b>	<b>(22.0)%</b>
Diluted EPS (INR)	2.95	5.94	(50.3)%	2.34	26.1%

# YTD Financial Performance

Particulars (INR Mn)	H1-FY24	H1-FY23	Y-o-Y
<b>Operational Revenue</b>	<b>5,570</b>	<b>5,897</b>	<b>(5.5)%</b>
Total Expenses	4,999	4,960	0.8%
<b>EBITDA</b>	<b>571</b>	<b>937</b>	<b>(39.1)%</b>
<b>EBITDA Margins</b>	<b>10.25%</b>	<b>15.89%</b>	<b>(564) Bps</b>
Depreciation	152	74	NA
Finance Cost	79	33	NA
Other Income	37	42	(11.9)%
<b>PBT</b>	<b>377</b>	<b>872</b>	<b>(56.8)%</b>
Tax	103	228	(54.8)%
<b>PAT</b>	<b>274</b>	<b>644</b>	<b>(57.5)%</b>
<b>PAT Margins</b>	<b>4.92%</b>	<b>10.92%</b>	<b>(600) Bps</b>
Other Comprehensive Income	106	2	NA
<b>Total Comprehensive Income</b>	<b>380</b>	<b>646</b>	<b>(41.2)%</b>
Diluted EPS (INR)	5.29	12.41	(57.4)%



# Historical Income Statement

Particulars (INR Mn)	FY21	FY22	FY23	H1-FY24
<b>Operational Revenue</b>	<b>5,406</b>	<b>9,569</b>	<b>10,799</b>	<b>5,570</b>
Total Expenses	4,708	8,171	9,214	4,999
<b>EBITDA</b>	<b>698</b>	<b>1,398</b>	<b>1,585</b>	<b>571</b>
<b><i>EBITDA Margins</i></b>	<b><i>12.91%</i></b>	<b><i>14.61%</i></b>	<b><i>14.68%</i></b>	<b><i>10.25%</i></b>
Depreciation	145	141	152	152
Finance Cost	38	32	51	79
Other Income	52	79	73	37
<b>PBT</b>	<b>567</b>	<b>1,304</b>	<b>1,455</b>	<b>377</b>
Tax	125	316	376	103
<b>PAT</b>	<b>442</b>	<b>988</b>	<b>1,079</b>	<b>274</b>
<b><i>PAT Margins</i></b>	<b><i>8.18%</i></b>	<b><i>10.33%</i></b>	<b><i>10.00%</i></b>	<b><i>4.92%</i></b>
Other Comprehensive Income	177	127	(21)	106
<b>Total Comprehensive Income</b>	<b>619</b>	<b>1,115</b>	<b>1,058</b>	<b>380</b>
Diluted EPS (INR)	8.52	19.06	20.82	5.29

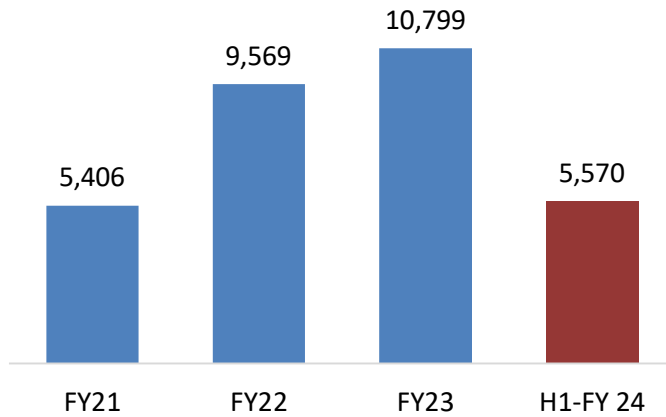
# Balance Sheet

Particulars (INR Mn)	FY22	FY23	H1-FY24
<b>Shareholders Fund</b>	<b>3,962</b>	<b>4,760</b>	<b>4,959</b>
Equity Share Capital	104	104	104
Other Equity	3,858	4,656	4,855
<b>Total Non Current Liabilities</b>	<b>439</b>	<b>1,474</b>	<b>1,410</b>
Deferred Tax liabilities	81	122	163
Borrowings	264	1248	1,092
Lease liabilities	1	-	51
Long Term Provision	33	34	34
Other Financial Liabilities	60	70	70
<b>Total Current Liabilities</b>	<b>1,648</b>	<b>1,800</b>	<b>2,189</b>
Short Term Borrowings	238	270	747
Lease Liabilities	-	-	9
Trade Payables	1,000	1,021	1,018
Other Financial Liabilities	256	360	312
Short Term Provision	16	16	15
Other Current Liabilities	138	133	88
<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>6,049</b>	<b>8,034</b>	<b>8,558</b>

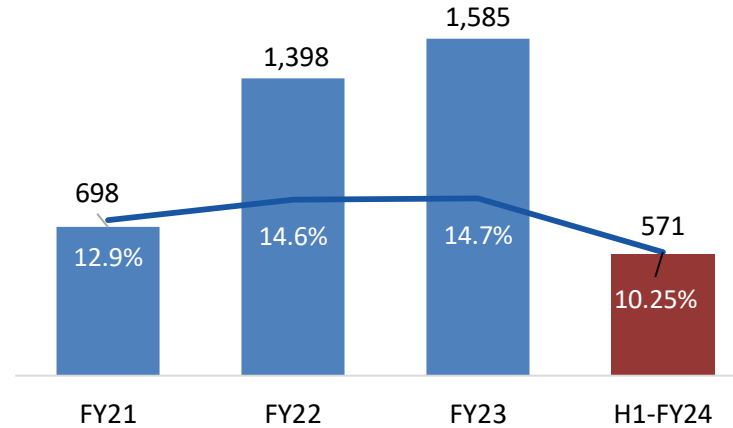
Particulars (INR Mn)	FY22	FY23	H1-FY24
<b>Total Non Current Assets</b>	<b>3,014</b>	<b>4,809</b>	<b>4,940</b>
Property, Plant and Equipment	1,560	3,834	3,886
Capital Work in progress	386	123	100
Investment Properties	-	15	15
Financial Assets	823	732	829
Intangible Assets	6	4	4
Non Current Tax Assets (net)	28	47	52
Other Non Current Assets	211	54	54
<b>Total Current Assets</b>	<b>3,035</b>	<b>3,225</b>	<b>3,618</b>
Investments	153	148	171
Inventories	871	1,051	1,130
Trade Receivables	1,618	1,371	1,745
Cash & Cash Equivalents	20	153	73
Other Bank Balances	69	71	91
Short Term loans & Advances	4	5	5
Other Financial Assets	93	74	94
Other Current Asset	207	352	309
<b>TOTAL ASSETS</b>	<b>6,049</b>	<b>8,034</b>	<b>8,558</b>

# Historical Performance Indicators

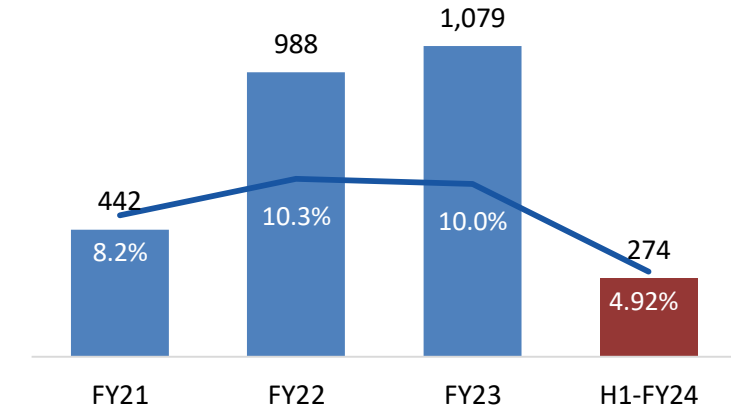
### Operational Revenue (INR Mn)



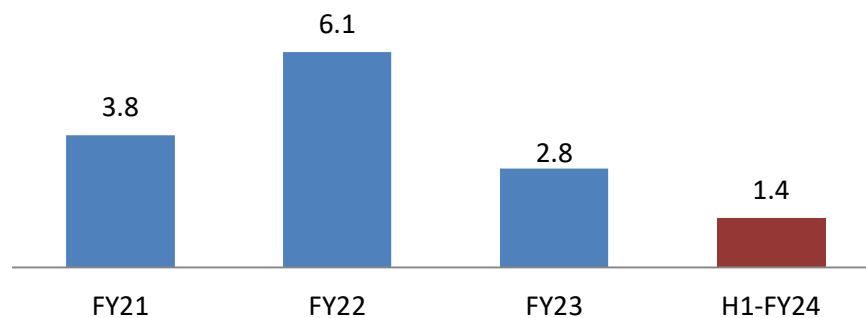
### EBITDA (INR Mn) EBITDA Margin (%)



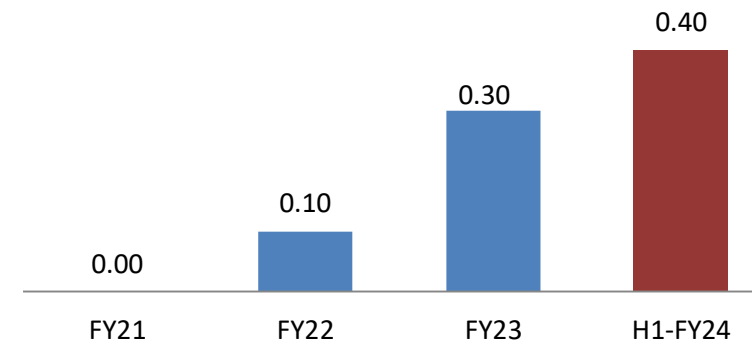
### PAT (INR Mn) and PAT Margin (%)



### Asset Turn Over Ratio (x)



### Net Debt to Equity (x)



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**Thank You**

