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CIN: L15490AP2012PLC080067

Date: 14.11.2018

To
The General Manager,
Department of Corporate Services,
Bombay Stock Exchange Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai- 400001.
Scrip Code : 540692

To
The Manager,
Listing Department,
National Stock Exchange of India Limited
Exchange Plaza, Plot No C/1,
G Block, Bandra Kurla Complex,
Bankdra (East), Mumbai - 400 051.
Scrip Symbol : APEX

Dear Sir's,

Subject: Submission of Investor Presentation on Q2 FY19 results-reg.

Ref: Regulation 30 read with Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In compliance with Regulation 30 read with Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Company's Code of Practices and Procedure for Fair Disclosure of Unpublished Price Sensitive Information, kindly find enclosed copy of the Q2 FY19 Investor Presentation of the Company.

Please take the same on record.

Thank You,

For Apex Frozen Foods Limited

S. Sarojini

S.Sarojini
Company Secretary & Compliance officer



Encl: as above



Investor Presentation

Apex Frozen Foods Limited

CIN: L15490AP2012PLC080067

Q2 FY19 Result



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- 3 Our Core Strengths
- 4 Past Performance



01

Key Highlights – H1 & Q2 FY19



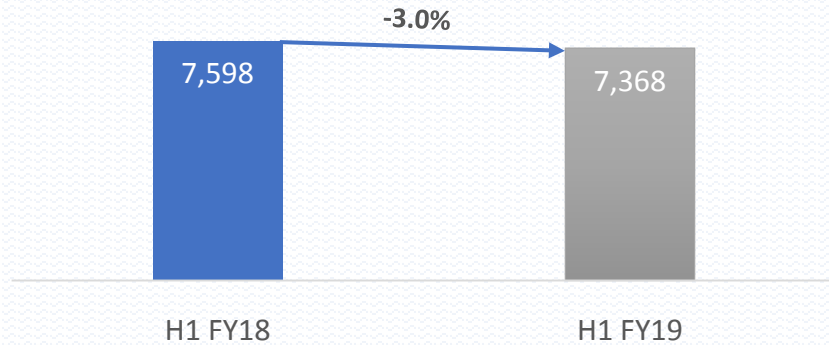
Completion Status of the New Shrimp Processing Plant

- New shrimp processing plant with installed capacity of 20,000 MTPA; of which:
 - 15,000 MTPA for Ready-To-Cook (RTC) products and
 - 5,000 MTPA for Ready-To-Eat (RTE) products
- Total planned outlay of Rs 902 mn, of which, Rs 625 mn has been incurred as on 30-Sep-18
- The civil construction work which was delayed, is now moving on track along with installation of various key equipments; We are looking forward to start the trial production in the last quarter of current fiscal (Q4 FY19)



H1 FY19 : Key Performance Indicators

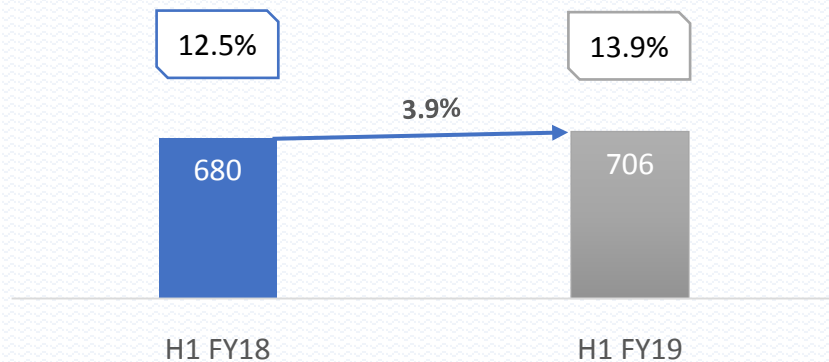
Volumes sold (MT); operating at almost full capacity



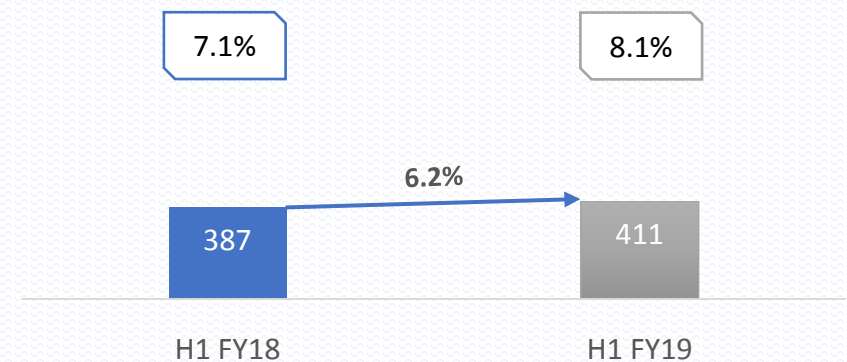
Total income (Rs mn) and y-o-y %



EBITDA (Rs mn) and EBITDA margin (%)

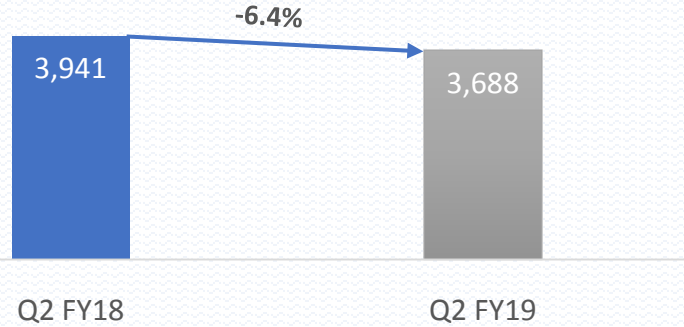


PAT (Rs mn) and PAT margin (%)

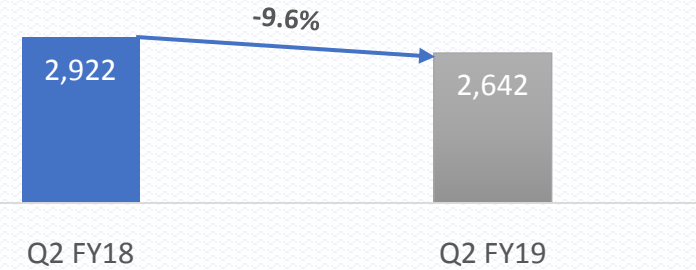


Q2 FY19 : Key Performance Indicators

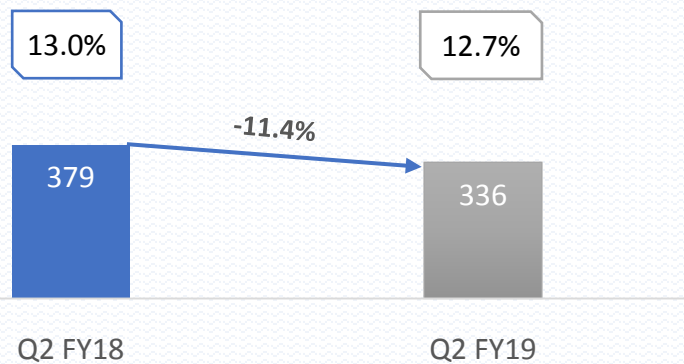
Volumes sold (MT); operating at almost full capacity



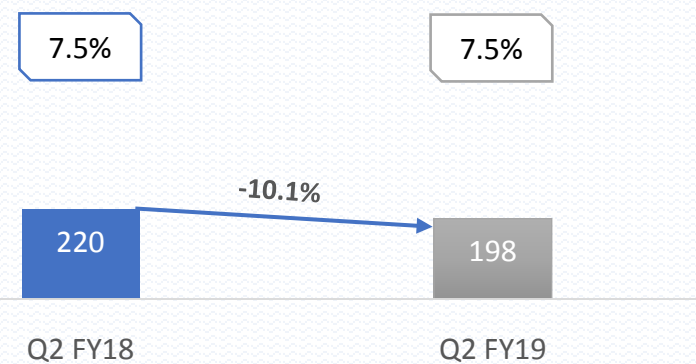
Total income (Rs mn) and y-o-y %



EBITDA (Rs mn) and EBITDA margin (%)



PAT (Rs mn) and PAT margin (%)



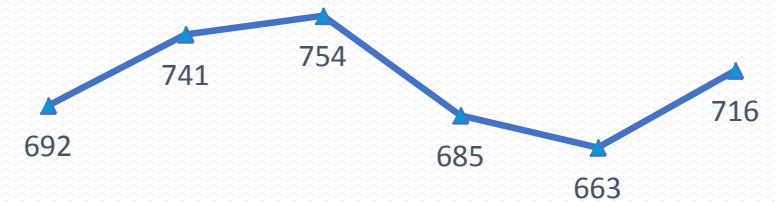
Quarterly Trend : Volumes sold | Average realisation | EBITDA

Volumes sold (MT)



Q1 FY18 Q2 FY18 Q3 FY18 Q4 FY18 Q1 FY19 Q2 FY19

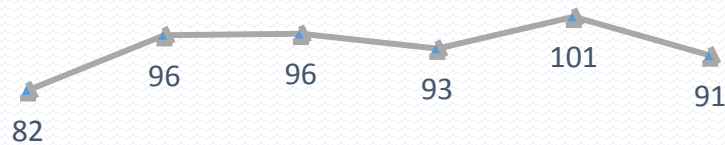
Avg. Realisation* (Rs/Kg)



Q1 FY18 Q2 FY18 Q3 FY18 Q4 FY18 Q1 FY19 Q2 FY19

* *Total Income, including other income (Rs) ÷ Volumes sold (MT) × 1000'*

EBITDA per Kg # (Rs)



Q1 FY18 Q2 FY18 Q3 FY18 Q4 FY18 Q1 FY19 Q2 FY19

'EBITDA (Rs) ÷ Volumes sold (MT) × 1000'

- ✓ The dip in shrimp consumption in some of our key markets is picking up, however, gradually
- ✓ Globally, shrimp prices corrected by 15-20% in Apr-May from the peak of FY18; but started stabilizing from Q2 FY19
- ✓ Additionally, our valued-added focused product portfolio along with depreciating INR aided realisation on q-o-q basis
- ✓ Our EBITDA per kg has been largely maintained / improved (post adjusted for one-time gain of ~Rs 110 mn in Q1 FY19)

Profit & Loss Highlights

Standalone (Rs mn)	Q2 FY19	Q2 FY18	y-o-y %	Q1 FY19	q-o-q %	H1 FY19	H1 FY18	y-o-y %
Net revenue	2,555	2,851	-10.4	2,393	6.8	4,948	5,327	-7.1
Other income	87	71	22.7	47	82.8	134	126	6.5
Total Income	2,642	2,922	-9.6	2,440	8.3	5,082	5,453	-6.8
Raw material	1,762	2,013	-12.5	1,501	17.4	3,263	3781	-13.7
Employee expenses	121	91	33.2	117	2.9	238	170	40.6
Other expenses	424	439	-3.6	451	-6.2	875	822	6.4
EBITDA	336	379	-11.4	371	-9.5	706	680	3.9
<i>EBITDA margin</i>	<i>12.7%</i>	<i>13.0%</i>	<i>-</i>	<i>15.2%</i>	<i>-</i>	<i>13.9%</i>	<i>12.5%</i>	<i>-</i>
Depreciation & amortisation	27	24	16.0	26	6.0	53	42	25.8
Finance cost	19	28	-32.8	17	11.6	35	53	-34.2
Profit Before Tax	289	327	-11.6	328	-11.7	617	584	5.7
Tax	91	107	-14.6	116	-21.0	207	197	4.9
Profit After Tax	198	220	-10.1	212	-6.7	411	387	6.2
<i>PAT margin</i>	<i>7.5%</i>	<i>7.5%</i>	<i>-</i>	<i>8.7%</i>	<i>-</i>	<i>8.1%</i>	<i>7.1%</i>	<i>-</i>
Other comprehensive income	-47	-37	26.8	-65	-27.6	-112	-39	191.9
Total Comprehensive Income	151	183	-17.6	147	2.5	298	348	-14.4
Diluted EPS (Rs)	6.35	8.74*	-27.3	6.78	-6.3	13.13	15.35*	-14.5

*Calculated as per weighted average total no. of shares

Balance Sheet Highlights

Standalone (Rs mn)	Mar-18	Sep-19
Shareholder's Funds	3,023	3,245
Share capital	313	313
Reserves & surplus	2,710	2,932
Non-current liabilities	101	96
Long term borrowings	83	75
Other non-current liabilities	18	21
Current liabilities	1,187	1,642
Short term borrowings	722	992
Trade payables	266	333
Other current liabilities	49	142
Current tax liability	58	43
Short term provisions	91	132
Total Liabilities	4,311	4,982

Standalone (Rs mn)	Mar-18	Sep-19
Non-current assets	1,408	1,982
Net block	1,111	1,172
Capital work-in-progress	209	690
Other non-current assets	54	75
Deferred tax asset	35	46
Current Assets	2,902	3,000
Inventories	1,016	923
Trade receivables	674	1,068
Cash & cash equivalents	644	277
Other financial assets	184	208
Other current assets	384	525
Total Assets	4,311	4,982

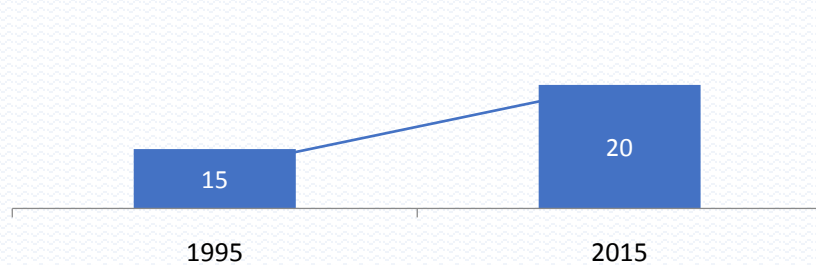
02

Industry Trends



Global Seafood Industry – Overview

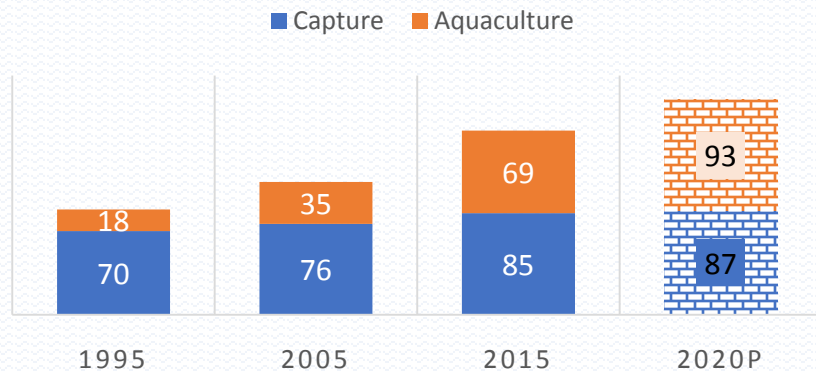
Increased seafood intake globally, reflected in higher per capita consumption of seafood (kg)



- ✓ Rising income level
- ✓ Variety in product offering
- ✓ Richer protein content
- ✓ Favourable State policies like FTAs

Source: FAO, CRISIL Research

Seafood industry's growth trajectory, led by rising share of Aquaculture – Production (mn tonne)

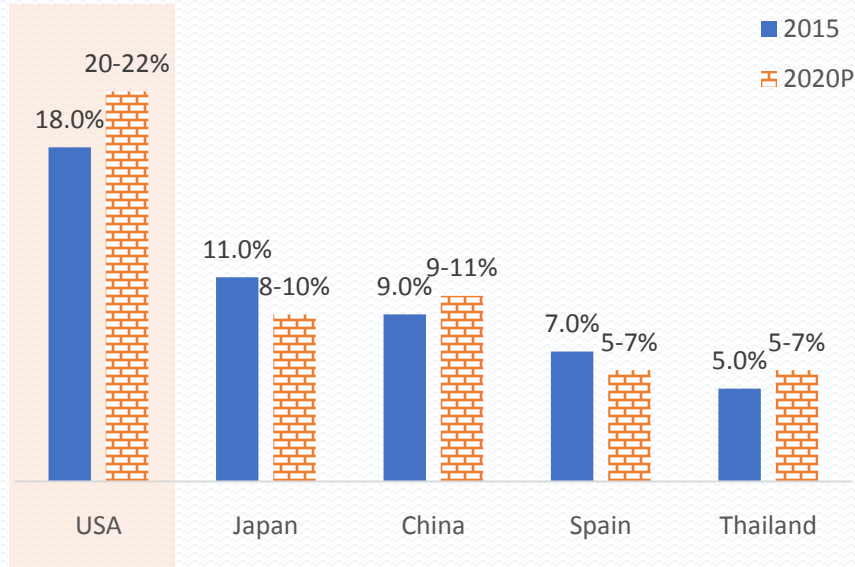


- ✓ Total production grew at a CAGR of 3.3% over 2005-2015
- ✓ Driven by 7% CAGR in aquaculture while capture fishery stagnated with a 1% CAGR
- ✓ The trend is expected to continue in favour of aquaculture growth

Source: FAO, CRISIL Research

Global Demand-Supply Scenario, Favourable for India

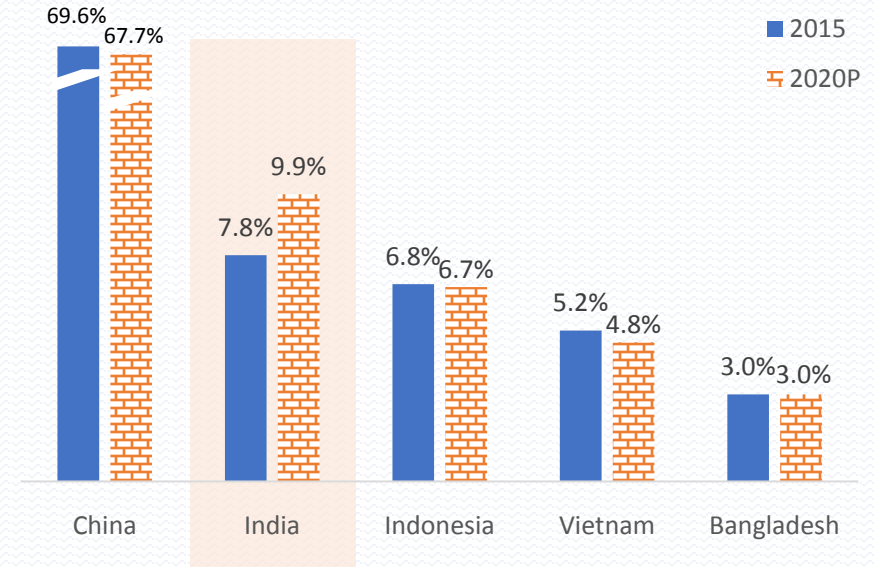
Demand: Top 5 importing countries, forming ~50%



Rising demand for Shrimp and Tuna in the USA is driving its market share increase in consumption, globally

Source: CRISIL Research

Supply: Asia forms ~92% of total aquaculture production

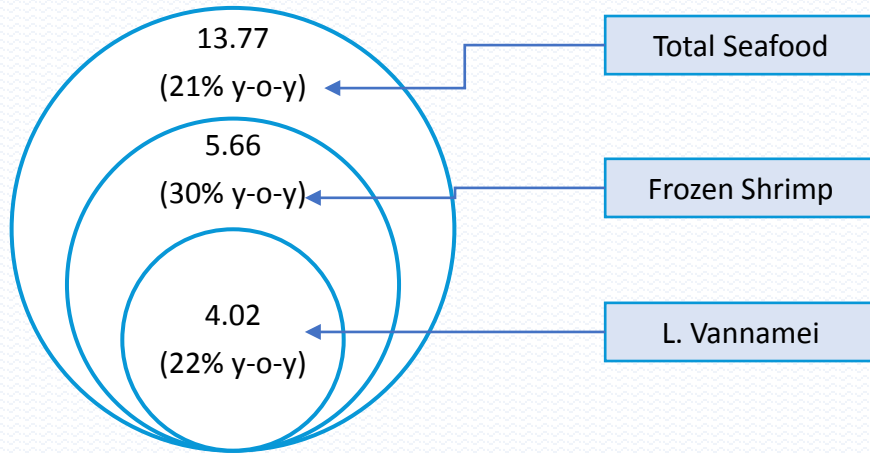


India is gaining market share on the back of its quality output at competitive prices;
Largest exporter of shrimp to USA

Source: FAO, CRISIL Research

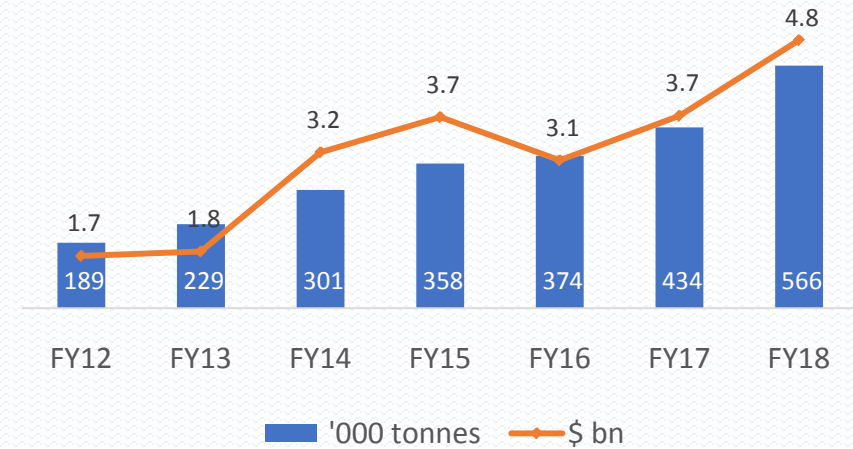
India's Growth in Aquaculture Exports and Farming

India's exports on a rise – FY18 (lakh tonnes)



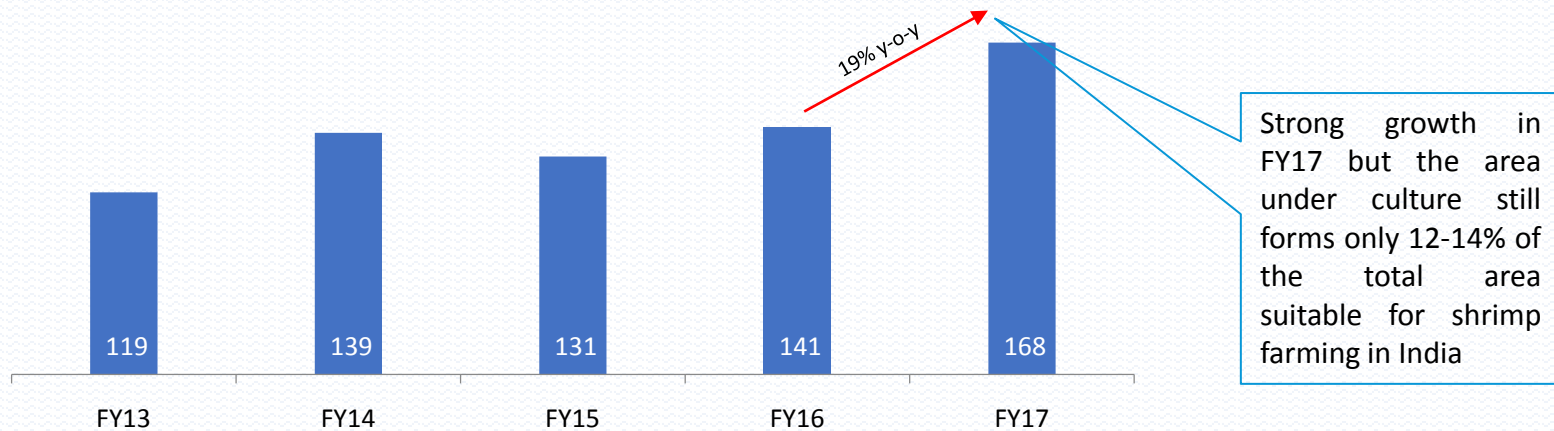
Source: MPEDA

Frozen shrimp exports by India



Source: MPEDA

Significant potential for scaling up shrimp farming in India – Area under culture ('000 hectares)



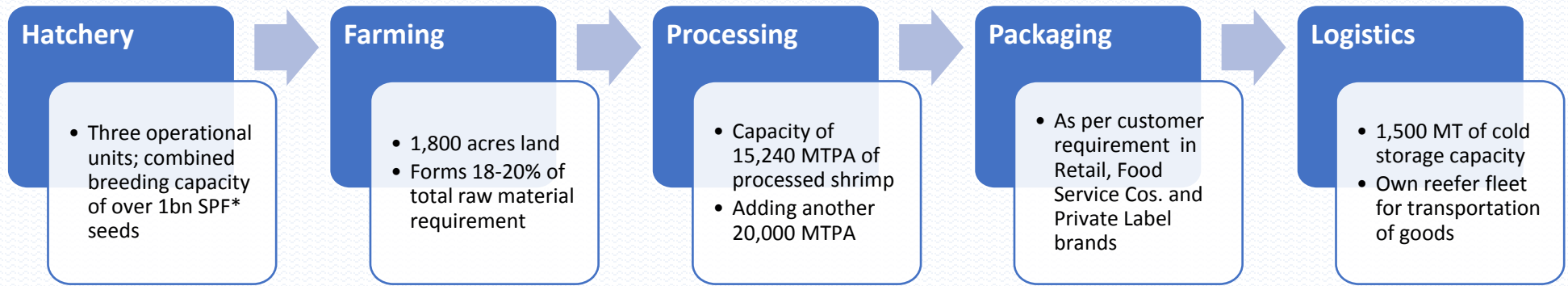


03

Our Core Strengths



Integrated Operations Ensure Quality Control & Timely Delivery



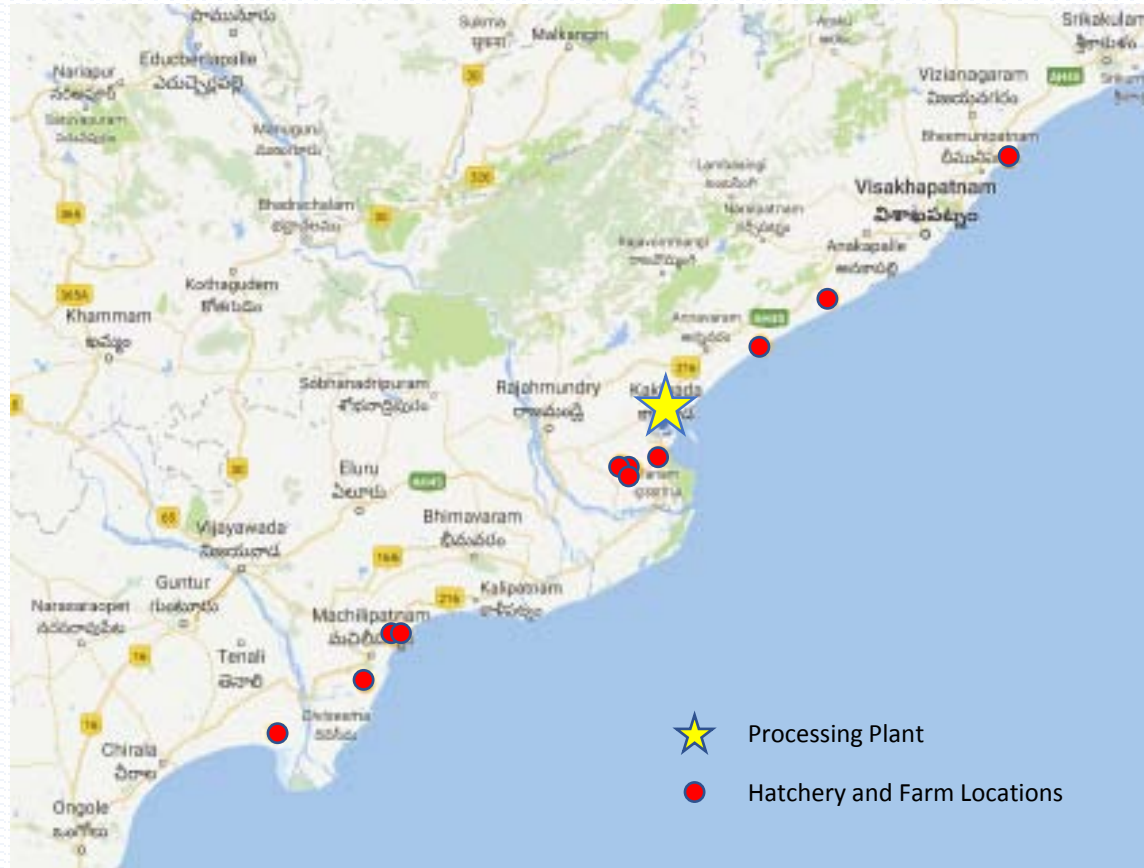
Backward integration allows flexibility in shaping production plan based on customers' needs



* Specific Pathogen Free

Strategically Located – Close to Farms as well as Ports

Andhra Pradesh accounts for ~70% of the total shrimp farming in India



*Our facilities are in proximity to one another, enabling smooth transition to the next stage:
Farms are within **10-200 kms**; Kakinada port is within **~20 kms**; Vizag port is within **~150 kms***

Long Standing Relationships with Reputed Clients

Our key distributors...

Pacific Seafood

OCEAN WORLD
VENTURES

Mazzetta Company

Chicken of the Sea
frozen foods

...The end customers (Retail/Food Service Companies)

Walmart

WinCo
FOODS

Sysco

US.
FOODS

Kroger

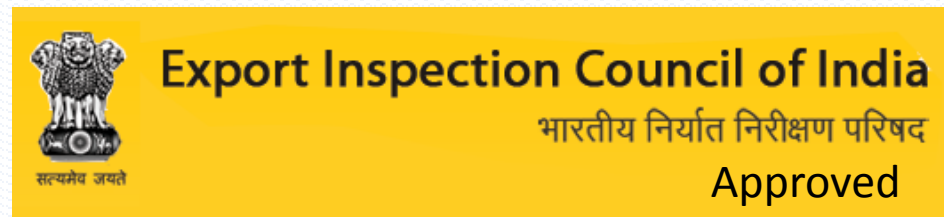
SAFEWAY

ALDI

Quality Control Certifications act as Entry Barrier



EU Approved



Founded by Promoters with Extensive Experience ...

Industry knowledge, relationships and experience of the founders has enabled sustained growth



Karuturi Satyanarayana Murthy, *Chairman and Managing Director*

- Founding Promoter of the company and has an experience of over 25 years in aquaculture industry
- Responsible for making strategic decisions and decisions relating to business development and overall administration
- Active member of the Rotary International Club



Karuturi Subrahmanya Chowdary, *Executive Director*

- Promoter of the company with experience of over 15 years in aquaculture industry.
- Played a significant role in the development of our business
- Involved in the business operations and marketing activities of our Company.



...Supplemented by a Strong First Line of Management having Deep Operational Experience

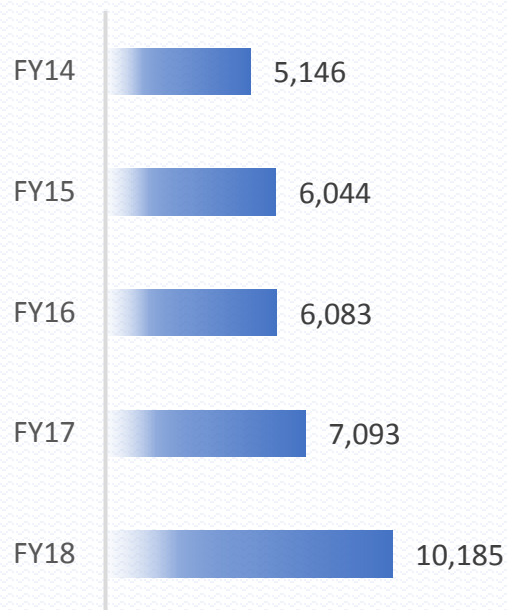
04

Annual Financial Highlights



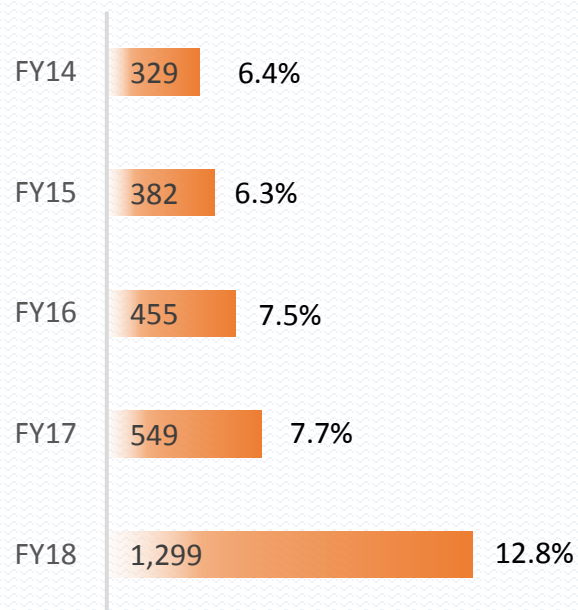
Robust Growth in Revenue and Profits...

Total income (Rs mn)



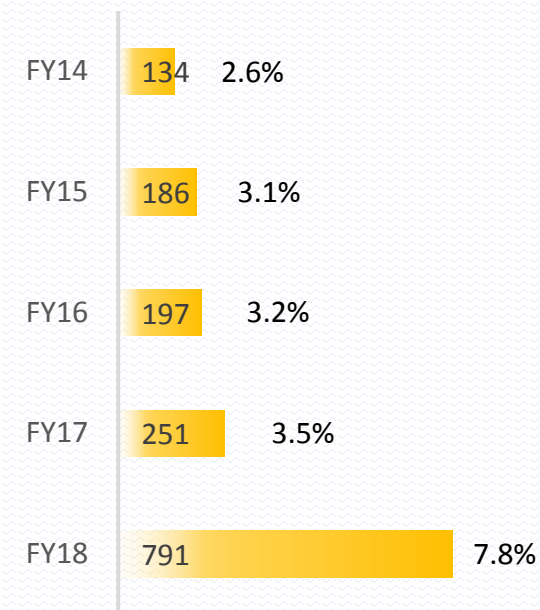
Grown at a CAGR of 19%

EBITDA (Rs mn) & Margin (%)



Margin expansion led by higher utilization, in-house farming and value-added products

PAT (Rs mn) & Margin (%)

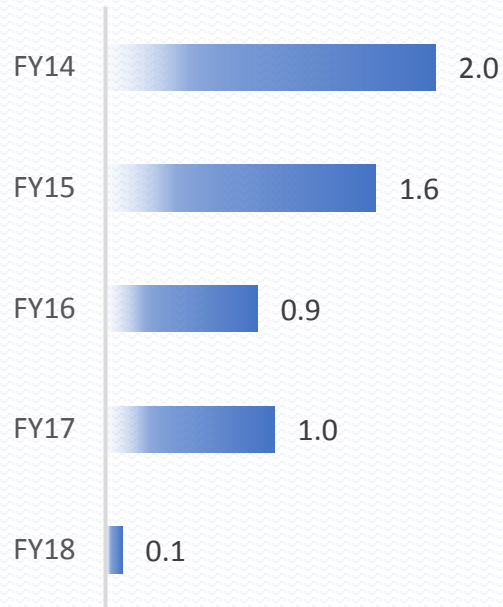


Grown at a CAGR of 56%

Note: The data beyond FY17 is as per Restated Financials

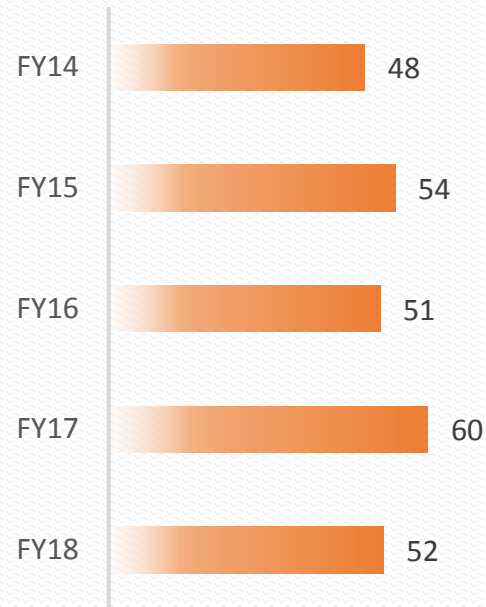
...Led by Strong Financial Discipline, Leading to...

Net debt-to-equity (x)



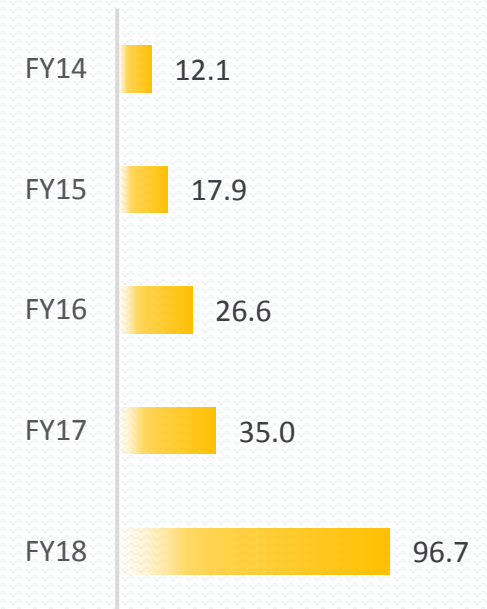
Improved D/E led by...

Working capital (Days)



...largely stable working capital...

Diluted Book value (Rs/share)



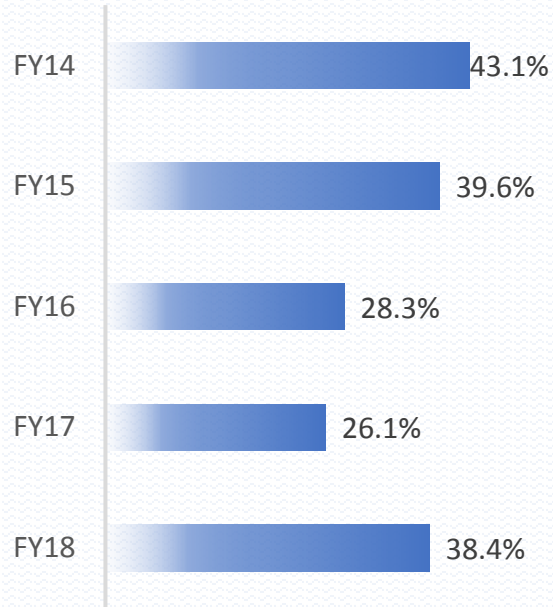
...and growing surplus profits

Note: The data beyond FY17 is as per Restated Financials.

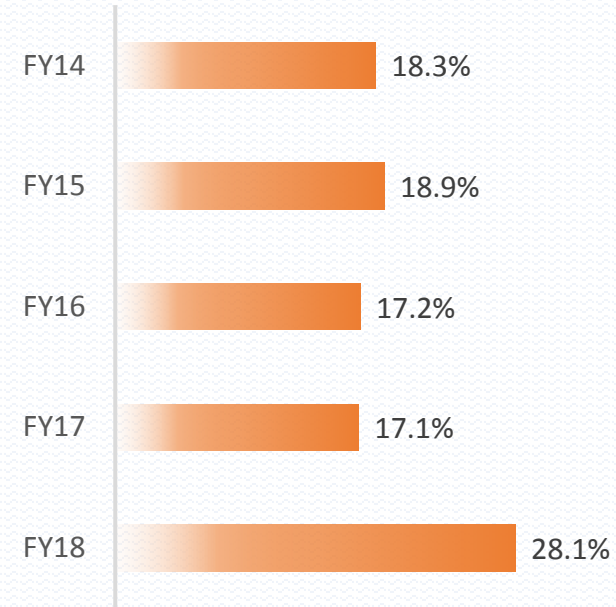
Ratios: Net D/E = (Total debt – Cash & equivalents) ÷ Net-worth; WC days = Inventory days + Debtor days – Creditor days; BVPS = Net-worth ÷ Total no. of outstanding shares

...Enhanced Profitability for Stakeholders

Return on Net Worth (%)



Return on Capital Employed (%)



Consistently generating high Return Ratios

Note: The data beyond FY17 is as per Restated Financials;

Ratios: RoNW = PAT (before OCI) ÷ Average Net-worth × 100; RoCE = EBIT × (1-tax rate) ÷ Average Capital employed × 100

Profit & Loss Highlights

Profit & Loss (Rs mn)	FY14	FY15	FY16	FY17	FY18
Net revenue	5,143	5,994	6,035	6,987	9,986
Other income	3	50	47	106	199
Total income	5,146	6,044	6,083	7,093	10,185
Raw material	3,885	4,752	4,510	5,317	7,031
Employee expenses	226	258	233	249	389
Other expenses	705	652	884	977	1,466
EBITDA	329	382	455	549	1,299
<i>EBITDA margin (%)</i>	<i>6.4%</i>	<i>6.3%</i>	<i>7.5%</i>	<i>7.7%</i>	<i>12.8%</i>
Depreciation	45	4	49	63	87
EBIT	283	378	406	487	1,213
<i>EBIT margin (%)</i>	<i>5.5%</i>	<i>6.3%</i>	<i>6.7%</i>	<i>6.9%</i>	<i>11.9%</i>
Finance cost	80	96	104	112	87
Profit Before Tax	204	282	302	374	1,126
Tax	70	96	105	123	335
Profit After Tax	134	186	197	251	791
<i>PAT margin (%)</i>	<i>2.6%</i>	<i>3.1%</i>	<i>3.2%</i>	<i>3.5%</i>	<i>7.8%</i>

Note: The data beyond FY17 is as per Restated Financials

Balance Sheet Highlights

Standalone (Rs mn)	FY16	FY17	FY18
Shareholder's Funds	831	1,094	3,023
Share capital	240	240	313
Reserves & surplus	591	854	2,710
Non-current liabilities	189	273	101
Long term borrowings	119	210	83
Deferred tax liability	70	63	0
Other non-current liabilities	0	0	18
Current liabilities	924	1,400	1,187
Short term borrowings	642	847	722
Trade payables	161	309	266
Other current liabilities	31	44	49
Short term provisions	89	199	149
Total Liabilities	1,944	2,767	4,311

Standalone (Rs mn)	FY16	FY17	FY18
Non-current assets	632	857	1,408
Net block	552	829	1,111
Capital work-in-progress	80	8	209
Other non-current assets	0	21	54
Deferred tax asset	0	0	35
Current Assets	1,312	1,910	2,902
Inventories	596	638	1,016
Trade receivables	415	828	674
Cash & cash equivalents	18	46	644
Other financial assets	132	128	184
Other current assets	151	270	384
Total Assets	1,944	2,767	4,311



For further information, contact:



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Executive Director
ir@apexfrozenfoods.com



Ms. Pooja Sharma
pooja.sharma@stellar-ir.com