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CIN: L15490AP2012PLC080067

Date: 02.06.2018

To
The General Manager,
Department of Corporate Services,
Bombay Stock Exchange Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai- 400001.
Ref: 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,
Bandra (East), Mumbai - 400 051.
Ref: Scrip Symbol : APEX

Dear Sir's,

Sub: Disclosure of information pursuant to 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Disclosure Requirements) Regulations, 2015 and the Company's Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information. Kindly find enclosed copy of the Investor Presentation of the Company.

Please take the same on record.

Thanking you,
for Apex Frozen Foods Limited

A handwritten signature in black ink, appearing to read 'S. Sarojini'.

S.Sarojini
Company Secretary & Compliance officer



Encl: As above



Investor Presentation

Apex Frozen Foods Limited

CIN: L15490AP2012PLC080067

Financial Year 2018



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01

Key Highlights – FY18





Subrahmanya Chowdary
Executive Director

Our performance in FY18

The Company began a new phase in its journey this year, when it got listed as a Public Company on the NSE and the BSE in Sep-17. On the Business front too, the past fiscal year has been a remarkable one, as we witnessed improvement in both revenues and profitability.

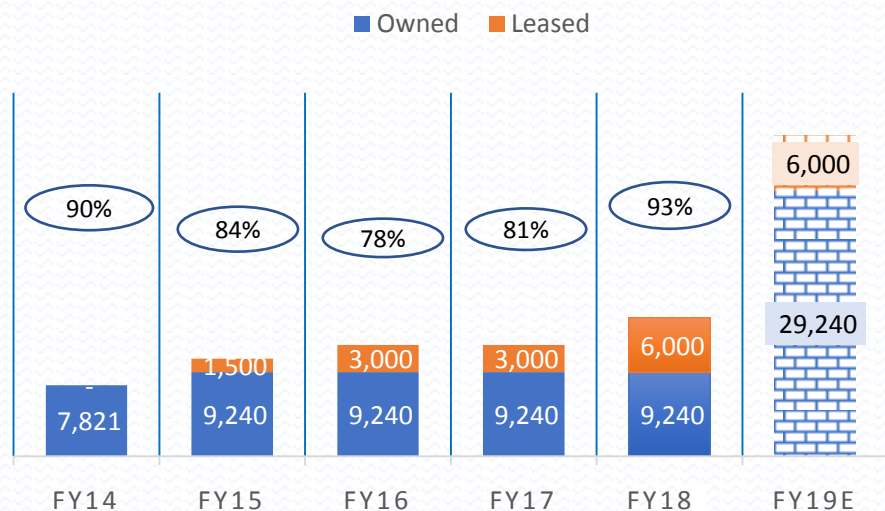
We achieved an important milestone last year, with our Total Income crossing the Rs 10 bn mark, posting a growth of 44% y-o-y, led by better demand from our key markets and enhanced capacities at our end, to cater the same. However, currently we are witnessing a correction in Shrimp Prices and are closely monitoring the trend for the current fiscal.

Our profitability too, was bolstered by the culmination of the Backward Integration efforts like setting up of Hatcheries and enhancing In-House Farming operations. We believe that this Integrated Model would help us maintain a lean cost structure, thereby bringing in consistency in the profit margins. Further, with our proposed expansion and plans to foray into new markets, we look forward to and would strive for a strong Fiscal 2019.

Completion Status of the New Plant – Funded by IPO Proceeds



Capacity expansion, to cater the growing demand – MTPA capacity, % utilisation (sales/capacity*100)



- Shrimp processing plant with total installed capacity of 20,000 MTPA:
 - 15,000 MTPA is for Ready-To-Cook (RTC) products
 - 5,000 MTPA is for Ready-To-Eat (RTE) products
- Total planned outlay of Rs 902 mn, of which, Rs 273 mn has been incurred as of 31-Mar-18
- The cold storage is nearing completion; construction work of the processing area and other support facilities is on track; certain imported machinery has been dispatched to the plant
- Expected to be ready by end of Q2FY19; meanwhile leased capacity of 6,000 MTPA is available to cater the growing demand

Other Key Updates - FY18

Hatchery Operations

- Commissioned one new Hatchery in FY18, taking the total to three Hatcheries, having a combined breeding capacity of over 1bn SPF (specific pathogen free) seeds
- Plan to commission one more Hatchery in FY19, enhancing the capacity to ~1.4bn SPF seeds

Farming Initiatives

- Expanded our in-housing farming activity to currently farming on ~1,800 acres of land (owned + leased)
- Continuing focus on enhancing farm yields by employing better farming techniques

Credit Rating

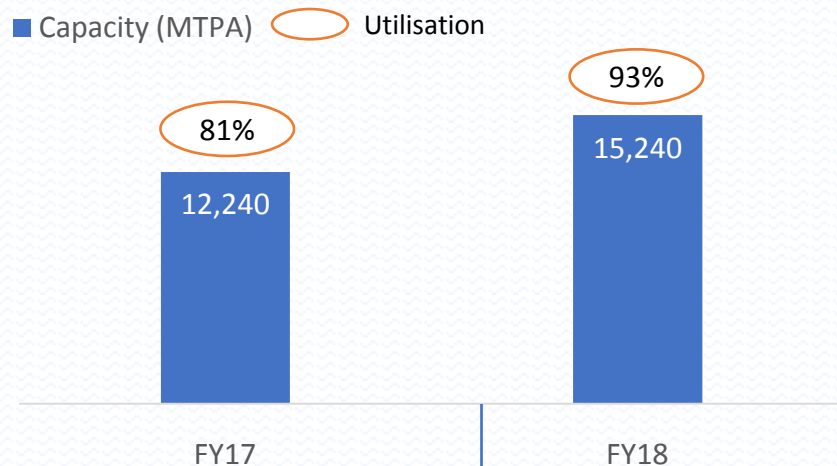
- The Company has been assigned the following credit rating by CRISIL:
 - CRISIL A2+ for Export Funding and Non-Fund Based Limit
 - CRISIL A-/Stable for Term Loans

Dividend

- The Board has recommended a final dividend of 20% of face value, i.e. Rs 2.00 per equity share

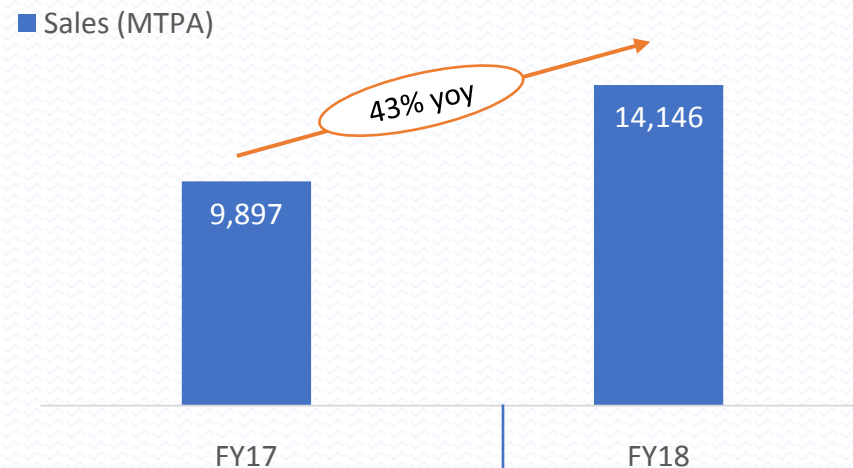
Operational Performance – FY18 (1)

Higher demand, supported by enhanced capacity...



Increased leased capacity by 3,000 MTPA to 6,000 MTPA, effective from 1st Apr-17, to cater demand

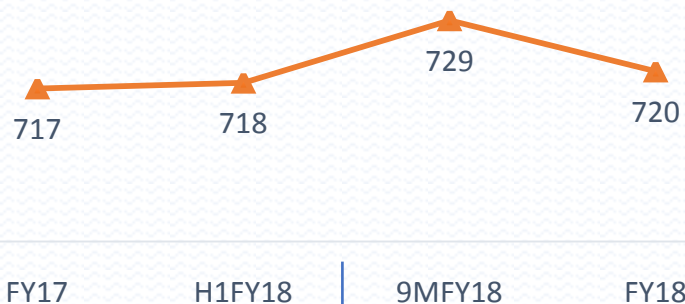
...led to strong growth in total sales (MTPA) in FY18



Growth was supported by higher demand from our key markets of USA, UK and other EU countries

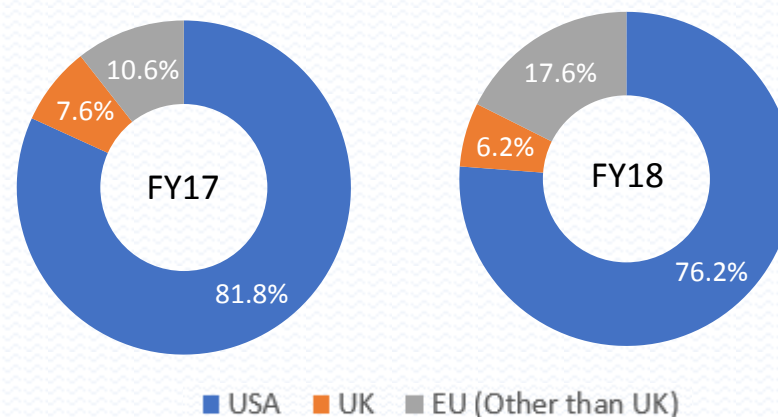
Operational Performance – FY18 (2)

Average realisation* (Rs/kg) in FY18 remained flat y-o-y



Shrimp prices remained firm in H1FY18 but then started correcting, more so in Q4FY18. However, a depreciating rupee aided our overall realisation for FY18 to remain flat y-o-y

Well diversified geographical mix (Revenue Mix)



Our revenue contribution from European Union (EU) has increased to ~24% in FY18 from ~18% in FY17, making the revenue mix more diversified

*Calculated as 'Total Income (including forex fluctuations)/Sales (MTPA)'


Profit & Loss Highlights – Q4 & FY18

Standalone (Rs mn)	Q4 FY18	Q4FY17	Y-o-Y %	FY18	FY17	Y-o-Y %
Net revenue	2,031	1,640	23.8	9,986	6,987	42.9
Other income	29	45	-34.6	199	106	88.1
Total Income	2,060	1,685	22.3	10,185	7,093	43.6
Raw material	1,394	1,224	13.9	7,031	5,317	32.2
Employee expenses	106	46	132.6	389	249	56.2
Other expenses	281	243	15.7	1,466	977	50.0
EBITDA	279	173	61.5	1,299	549	136.5
<i>EBITDA margin</i>	<i>13.5%</i>	<i>10.2%</i>	<i>-</i>	<i>12.8%</i>	<i>7.7%</i>	<i>-</i>
Depreciation & amortisation	25	13	90.1	87	63	38.0
EBIT	254	159	59.1	1,213	487	149.2
<i>EBIT margin</i>	<i>12.3%</i>	<i>9.5%</i>	<i>-</i>	<i>11.9%</i>	<i>6.9%</i>	<i>-</i>
Finance cost	13	24	-45.2	87	112	-22.5
Profit before tax	240	135	77.8	1,126	374	200.7
Tax	64	66	-2.3	335	123	171.8
Profit after tax	176	69	154.0	791	251	214.8
<i>PAT margin</i>	<i>8.5%</i>	<i>4.1%</i>	<i>-</i>	<i>7.8%</i>	<i>3.5%</i>	<i>-</i>
Diluted EPS (Rs)	5.21	4.83	7.9	26.63	12.15	119.2

Balance Sheet Highlights – FY18

Standalone (Rs mn)	Mar'18	Mar'17
Shareholder's Funds	3,023	1,094
Share capital	313	240
Reserves & surplus	2,710	854
Non-current liabilities	66	273
Long term borrowings	83	210
Deferred tax liability	-35	63
Other non-current liabilities	18	-
Current liabilities	1,187	1,400
Short term borrowings	722	847
Trade payables	266	309
Other current liabilities	49	44
Short term provisions	149	199
Total Liabilities	4,276	2,767

Standalone (Rs mn)	Mar'18	Mar'17
Non-current assets	1,373	857
Net block	1,111	829
Capital work-in-progress	209	8
Other non-current assets	54	21
Current Assets	2,902	1,910
Inventories	1,016	638
Trade receivables	674	828
Cash & cash equivalents	644	46
Other current assets	568	398
Total Assets	4,276	2,767



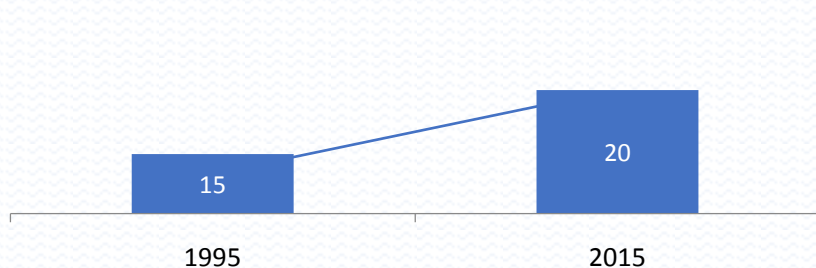
02

Industry Trends



Global Seafood Industry – Overview

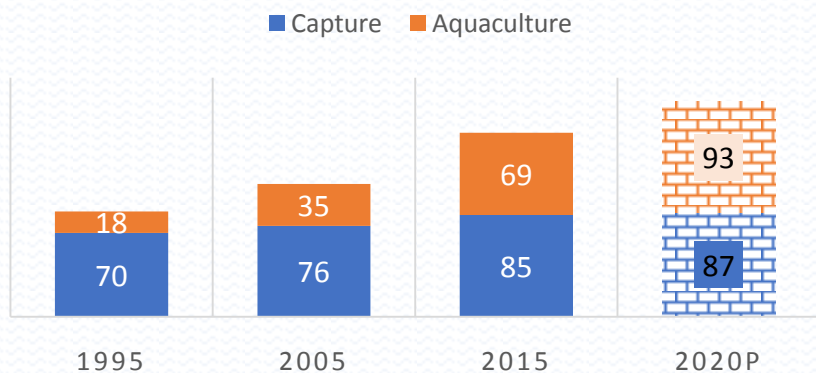
Increased seafood intake globally, reflected in higher per capita consumption of seafood (kg)



- ✓ 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)

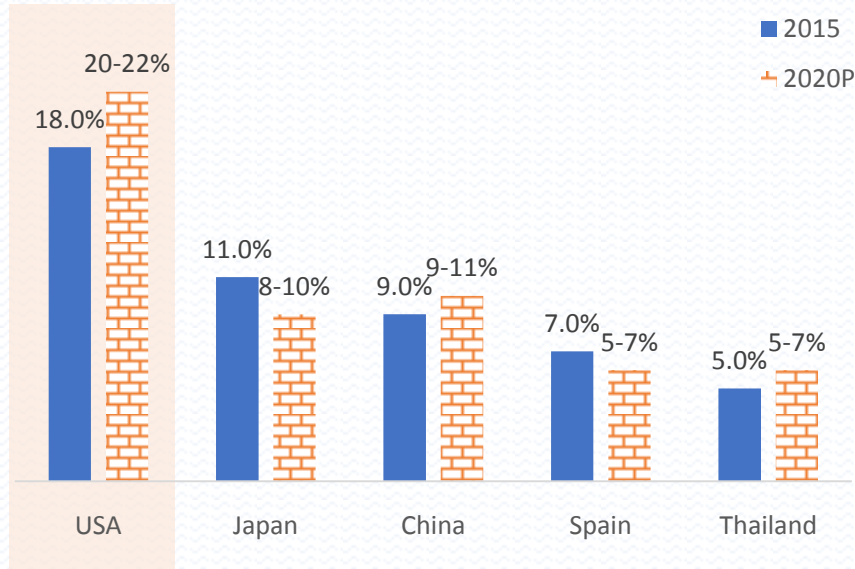


- ✓ Total production grew at a CAGR of 3.3% over 2005-2015
- ✓ Driven by 7% CAGR in aquaculture while capture fishery stagnated with a 1% CAGR
- ✓ The trend is expected to continue in favour of aquaculture growth

Source: FAO, CRISIL Research

Global Demand-Supply Scenario, Favourable for India

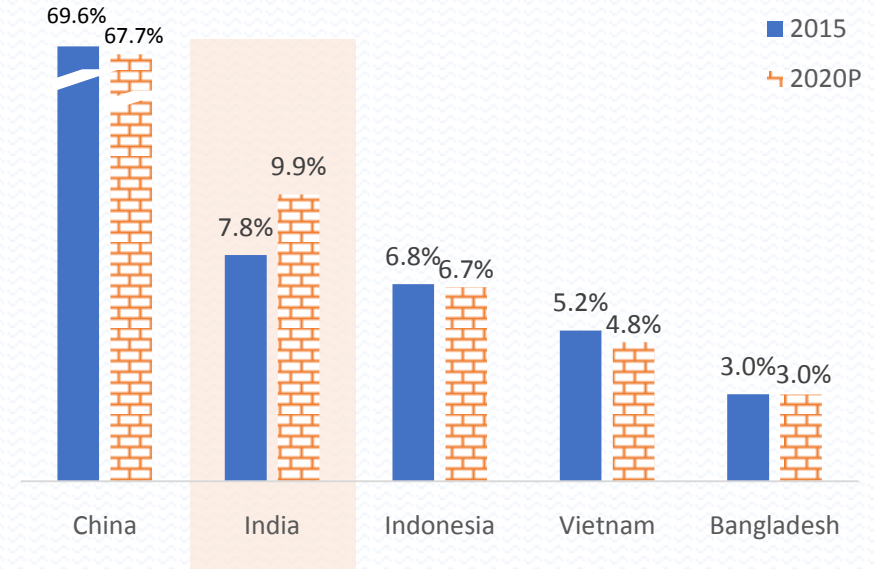
Demand: Top 5 importing countries, forming ~50%



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

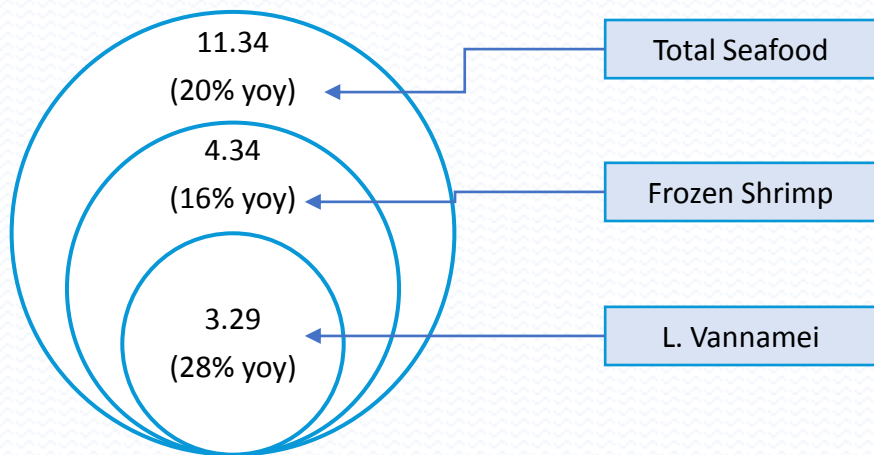


India is gaining market share on the back of its quality output at competitive prices; **Largest exporter of shrimp to USA**

Source: FAO, CRISIL Research

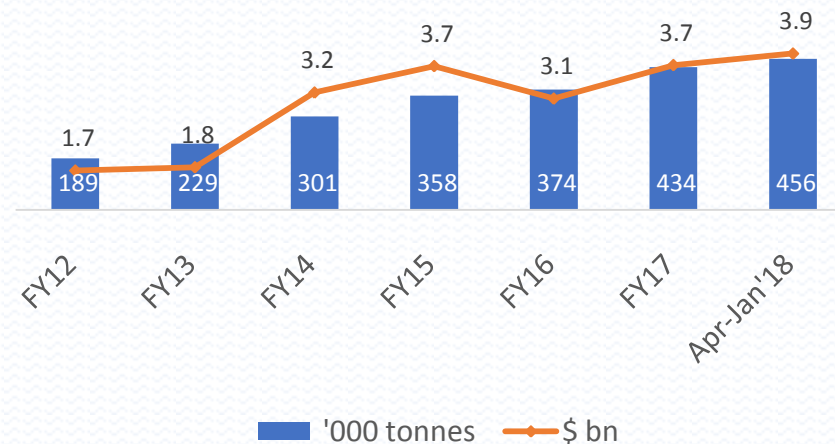
India's Growth in Aquaculture Exports and Farming

India's exports on a rise – FY17 (lakh tonnes)



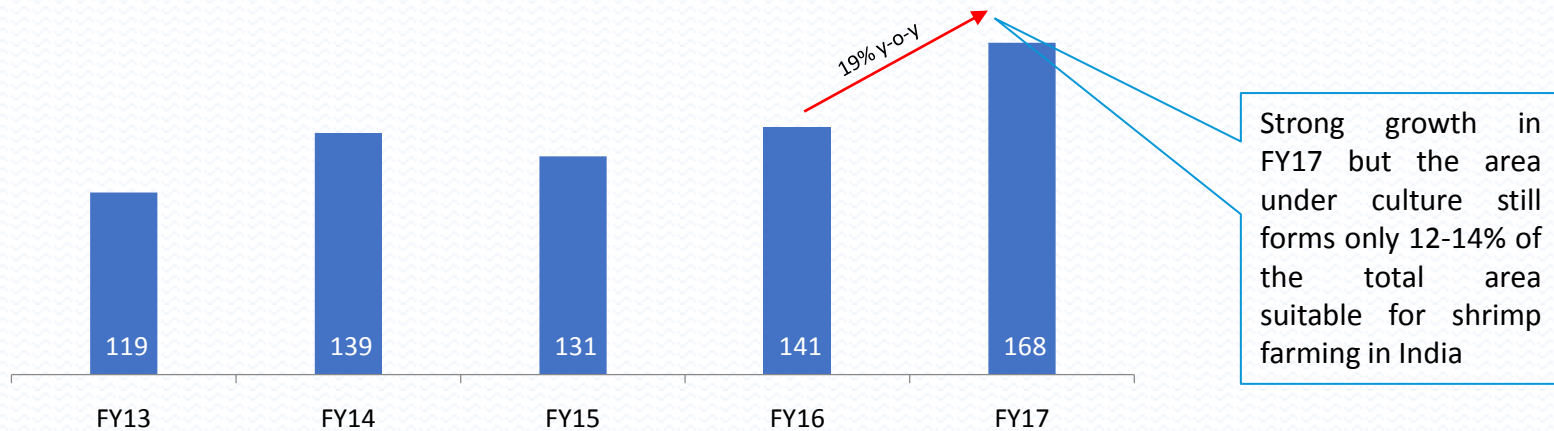
Source: MPEDA

Frozen shrimp exports by India



Source: MPEDA

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



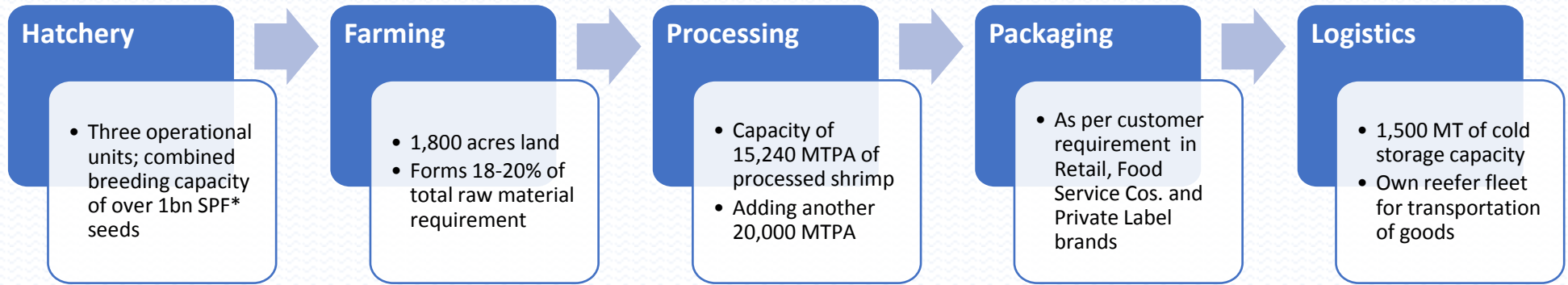


03

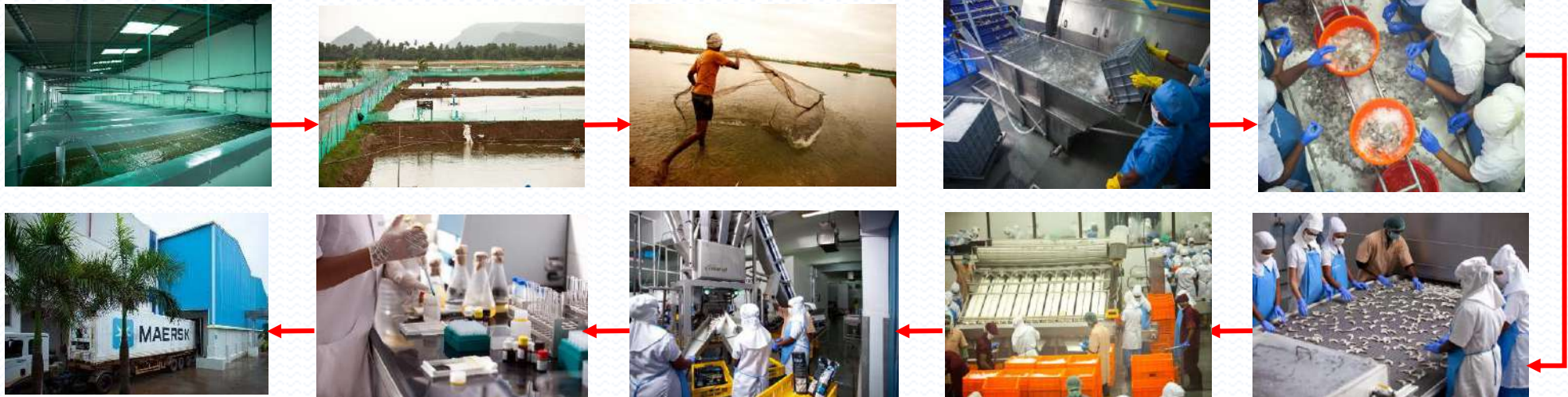
Our Core Strengths



Integrated Operations Ensure Quality Control & Timely Delivery



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



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



Government of India
Ministry of Commerce
Directorate General of Foreign Trade



Four Star Export
House



Export Inspection Council of India

भारतीय निर्यात निरीक्षण परिषद

Approved

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



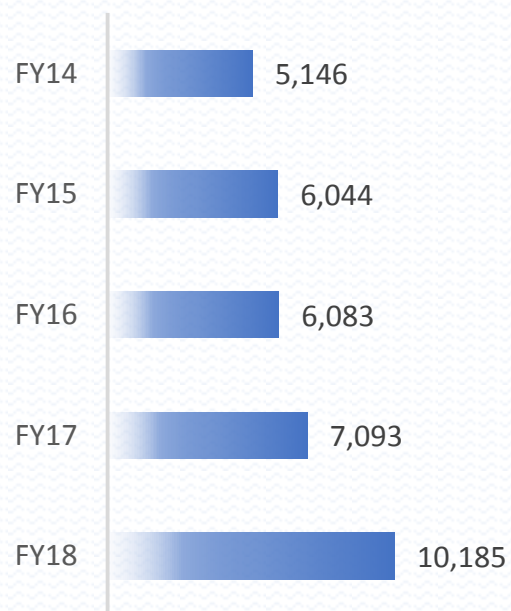
06

Annual Financial Highlights



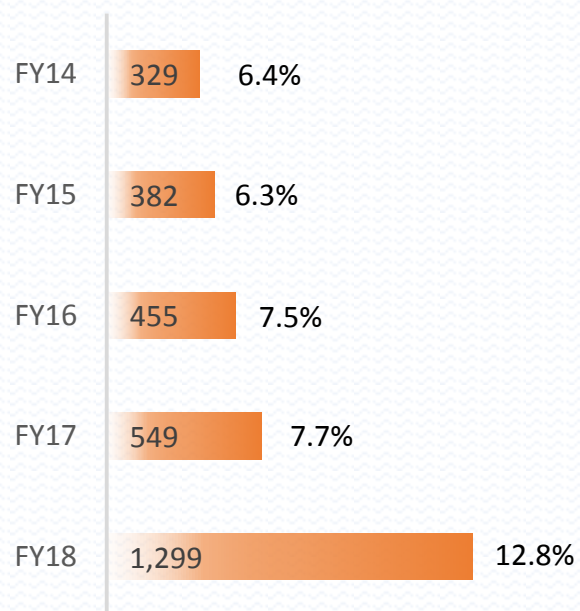
Robust Growth in Revenue and Profits...

Total income (Rs mn)



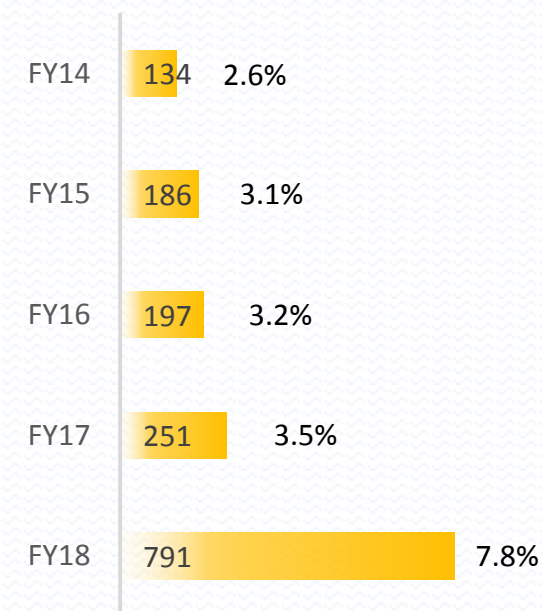
Grown at a CAGR of 19%

EBITDA (Rs mn) & Margin (%)



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

PAT (Rs mn) & Margin (%)

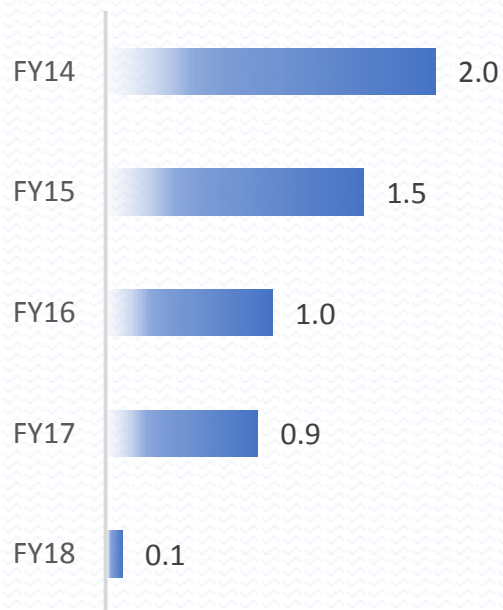


Grown at a CAGR of 56%

Note: The data beyond FY17 is as per Restated Financials

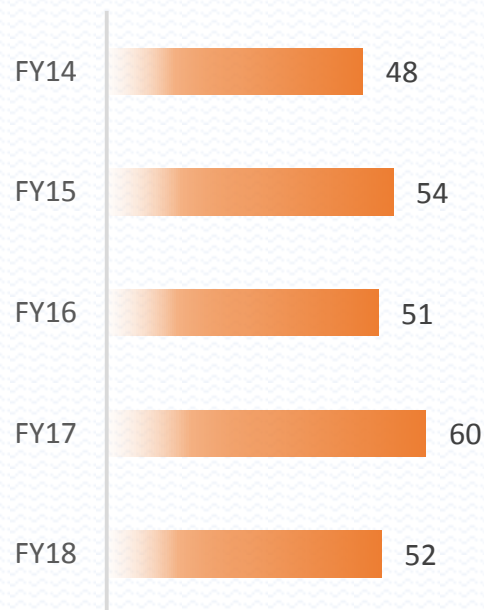
...Led by Strong Financial Discipline, Leading to...

Net debt-to-equity (x)



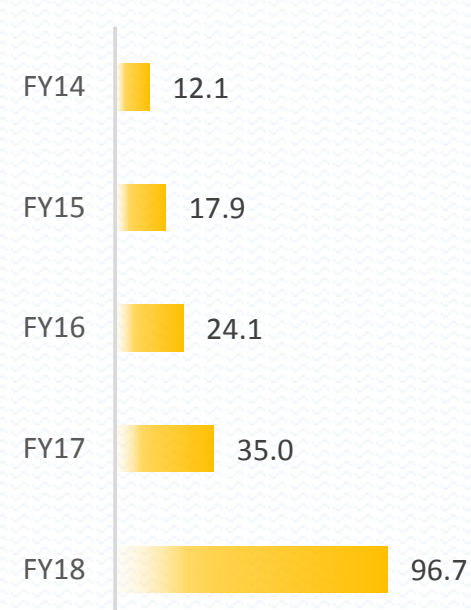
Improved D/E led by...

Working capital (Days)



...largely stable working capital...

Diluted Book value (Rs/share)



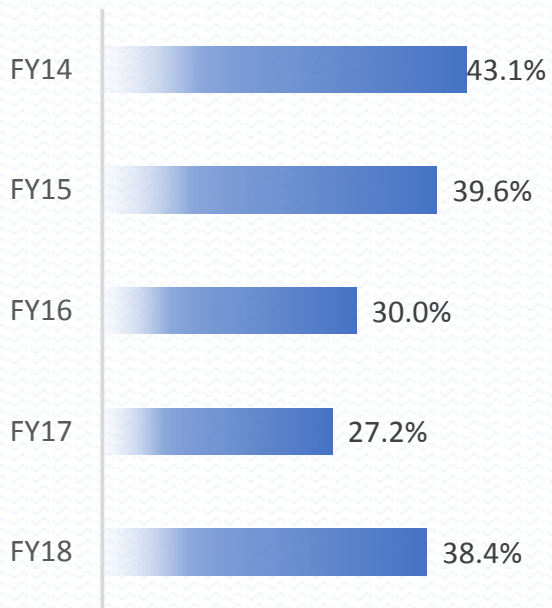
...and growing surplus profits

Note: The data beyond FY17 is as per Restated Financials. Ratios are calculated as per below:

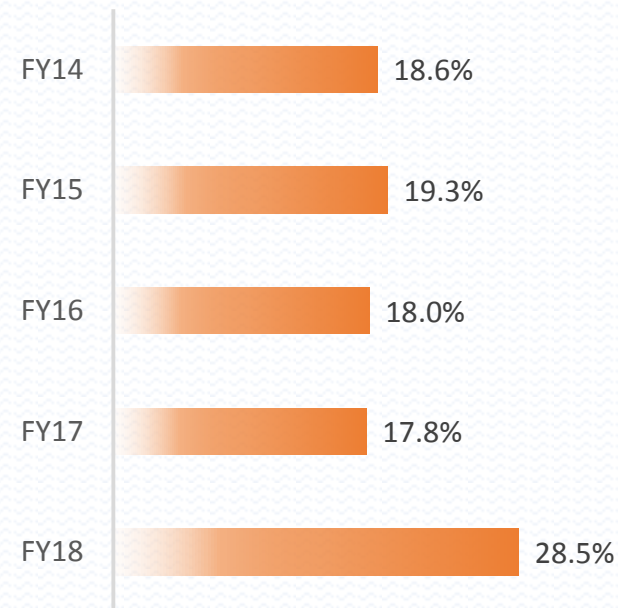
1. Net D/E = (Total debt – Cash & equivalents)/Networth 2. WC days = Inventory days + Debtor days – Creditor days 3. BVPS = Networth/Total no. of outstanding shares (as on Mar-18)

...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 are calculated as per below:

1. $RoNW = PAT / \text{Average Networth} * 100$

2. $RoCE = EBIT * (1 - \text{tax rate}) / \text{Average Capital Employed} * 100$

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)	FY15	FY16	FY17	FY18
Shareholder's Funds	560	753	1,094	3,023
Share capital	240	240	240	313
Reserves & surplus	320	513	854	2,710
Non-current liabilities	103	131	273	66
Long term borrowings	94	119	210	83
Deferred tax liability	8	10	63	-35
Other non-current liabilities	1	2	-	18
Current liabilities	989	904	1,400	1,187
Short term borrowings	777	642	847	722
Trade payables	115	161	309	266
Other current liabilities	35	31	44	49
Short term provisions	61	70	199	149
Total Liabilities	1,651	1,788	2,767	4,276

Standalone (Rs mn)	FY15	FY16	FY17	FY18
Non-current assets	523	632	857	1,373
Net block	523	552	829	1,111
Capital work-in-progress	-	80	8	209
Other non-current assets	1	1	21	54
Current Assets	1,128	1,156	1,910	2,902
Inventories	503	596	638	1,016
Trade receivables	502	415	828	674
Cash & cash equivalents	16	18	46	644
Short term loans & advances	107	127	398	568
Total Assets	1,651	1,788	2,767	4,276

Note: The data beyond FY17 is as per Restated Financials



For further information, contact:



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