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Date:15.11.2017

To
The General Manager,
Department of Corporate Services,
Bombay Stock Exchange Limited,
PhirozeJeejeebhoy 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,
BandraKurla Complex,
Bankdra (East), Mumbai - 400 051.
Ref: Scrip Symbol : APEX

Dear Sir's,


Subject: 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and Disclosure Requirements) Regulations, 2015 and the Company's Code of Practices and Procedure for Fair Disclosure of Unpublished Price Sensitive Information, kindly find enclosed herewith a copy of the Investor Presentation of the Company.

Please take the same on record.

Thank You,

Thanking you,
for Apex Frozen Foods Limited


K. S. Chowdary
Executive director



Encl: As above



Investor Presentation

Apex Frozen Foods Limited

H1FY18



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Table of Contents

- 1 Key Highlights – Q2 & H1FY18
- 2 Company Overview
- 3 Our Core Strengths
- 4 Growth Strategy
- 5 Financial Performance



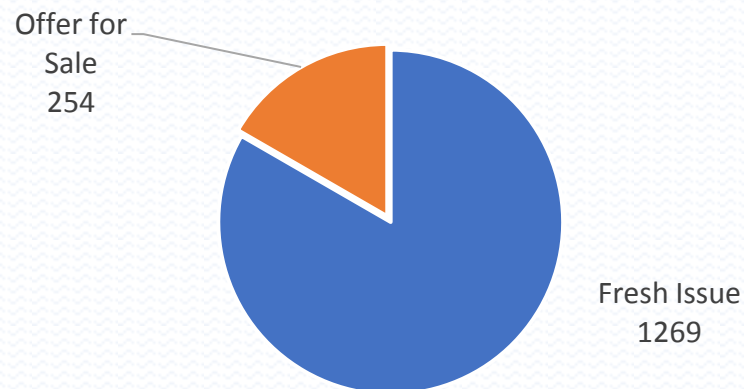
01

Key Highlights – Q2 & H1FY18

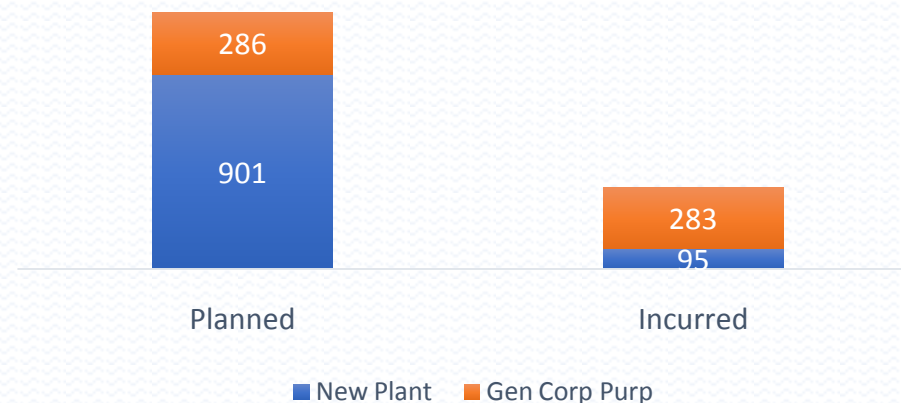


Initial Public Offering (IPO) - Update

Total issue size of Rs 1,523mn – in Rs mn



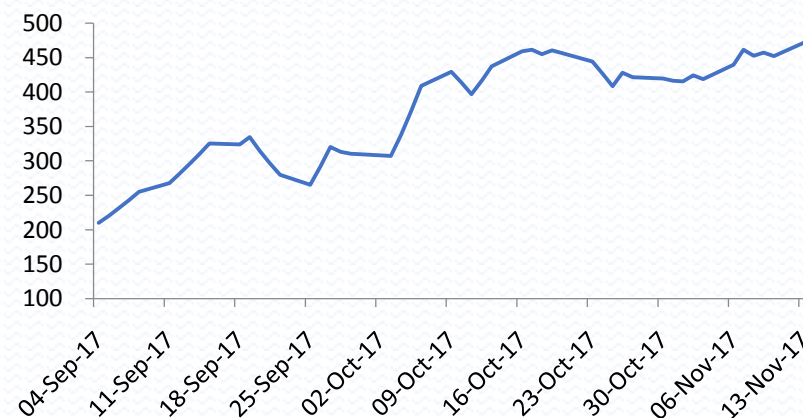
Utilisation of IPO proceeds till Sep'17 – in Rs mn



Shareholding pattern

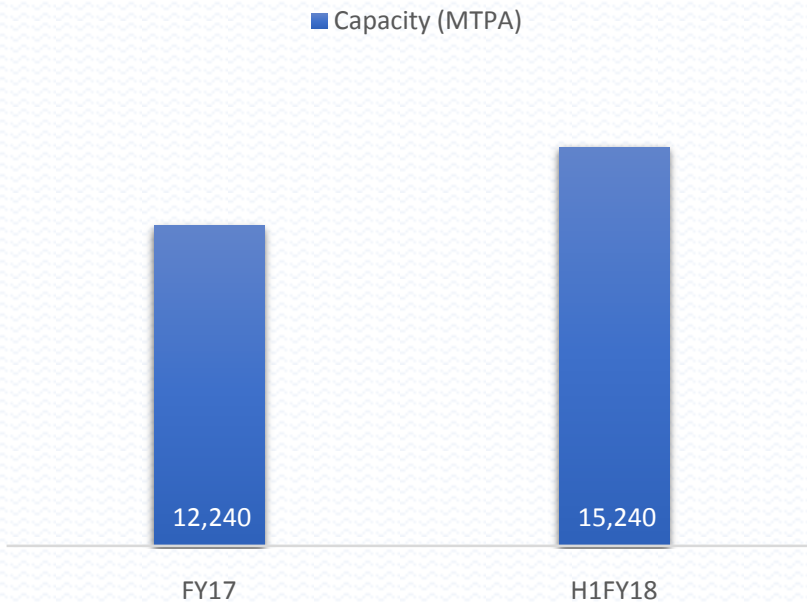
As on Sep'17	Shares (lakh)	Shares (%)
Promoter group	225	72.1
Mutual funds	32	10.1
FPIs	2	0.7
Non institutions	54	17.2
Total	313	100.0

Share price movement since listing – Rs/share

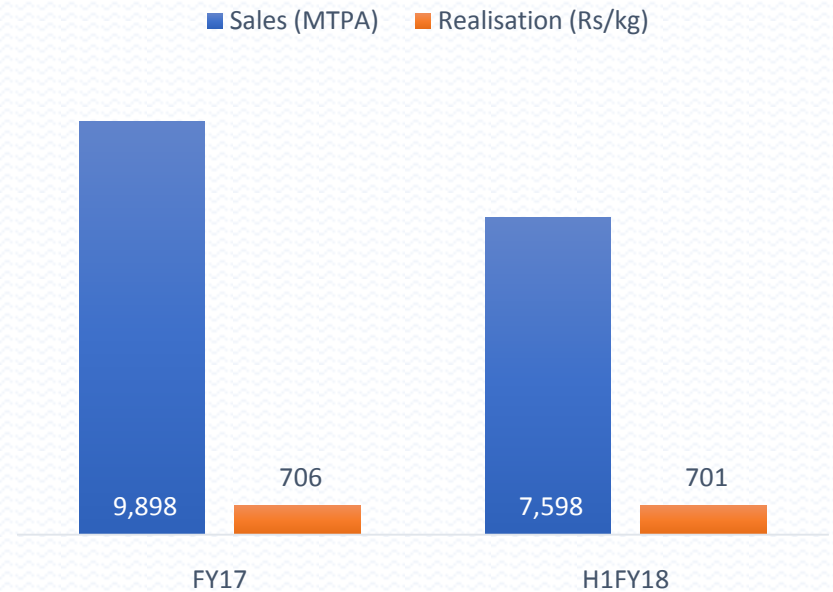


Key Operational Metrics – H1FY18

Higher capacity with better utilisation led to...



...Increased sales while realisation remained stable



Profitability Highlights – H1FY18 & FY17

Standalone UFR* (Rs mn)	Q2 FY18	H1FY18	FY17
Net sales	2,851	5,327	6,991
Other income	71	126	106
Total Income	2,922	5,453	7,097
Raw material	2,244	4,189	5,359
Change in inventories	-232	-408	-42
Employee expenses	91	170	250
Other expenses	439	822	972
EBITDA	379	680	558
<i>EBITDA margin (%)</i>	<i>13.0</i>	<i>12.5</i>	<i>7.9</i>
Depreciation & amortisation	24	42	68
EBIT	355	638	490
<i>EBIT margin (%)</i>	<i>12.1%</i>	<i>11.7%</i>	<i>6.9%</i>
Finance cost	28	53	112
Profit before tax	327	584	378
Tax	107	197	134
Profit after tax	220	387	243
<i>PAT margin (%)</i>	<i>7.5</i>	<i>7.1</i>	<i>3.4</i>

*UFR = Unaudited Financial Result

Balance Sheet Highlights – H1FY18 & FY17

Standalone (Rs mn)*	Sep'17	Mar'17
Shareholder's Funds	2,517	1,016
Share capital	313	240
Reserves & Surplus	2,204	776
Non-current liabilities	240	253
Long term borrowings	215	210
Deferred tax liability	18	43
Non-Current Liabilities	6	-
Current liabilities	1,544	1,371
Short term borrowings	881	847
Trade payables	368	309
Other current liabilities	50	44
Current Tax Liability	103	35
Short term provisions	141	135
Total Liabilities	4,300	2,639

*UFR = Unaudited Financial Result

Standalone (Rs mn)*	Sep'17	Mar'17
Non-current assets	1,029	857
Property, plant & equipment	964	829
Capital work-in-progress	34	8
Other non-current assets	31	21
Current Assets	3,272	1,782
Inventories	1,046	638
Trade receivables	1,156	828
Cash & cash equivalents	897	46
Short term loans & advances	66	137
Other non-current assets	107	133
Total Assets	4,300	2,639




Our Executive Director on H1FY18 performance:

“The Company began a new phase in its journey in Q2FY18 by getting listed on the NSE and the BSE. While the overall global economic conditions remain challenging, I am happy to announce that Apex Frozen Foods Limited is steadfast on its business plan and growth trajectory.

The demand from the United States and Europe continues to be strong and we believe we should be on track to achieve the goals and budget that we had set for ourselves at the beginning of the year. With the supplies of shrimp improving globally, we expect prices to remain steady, however we will continue to aim for improvement in profitability by focusing on value added products and cost reduction initiatives.

The fund from the IPO have already begun to get deployed and we are on track to get the plant operational by end of June 2018. We believe these factors will help us maintain and subsequently increase our growth”



02

Company Overview



Leading Exporter of Processed Seafood in India

Leading Producer-Exporter of processed, read-to-cook, **Shrimp** in India

Presence Across the Value Chain – from ‘Hatchery to Port’

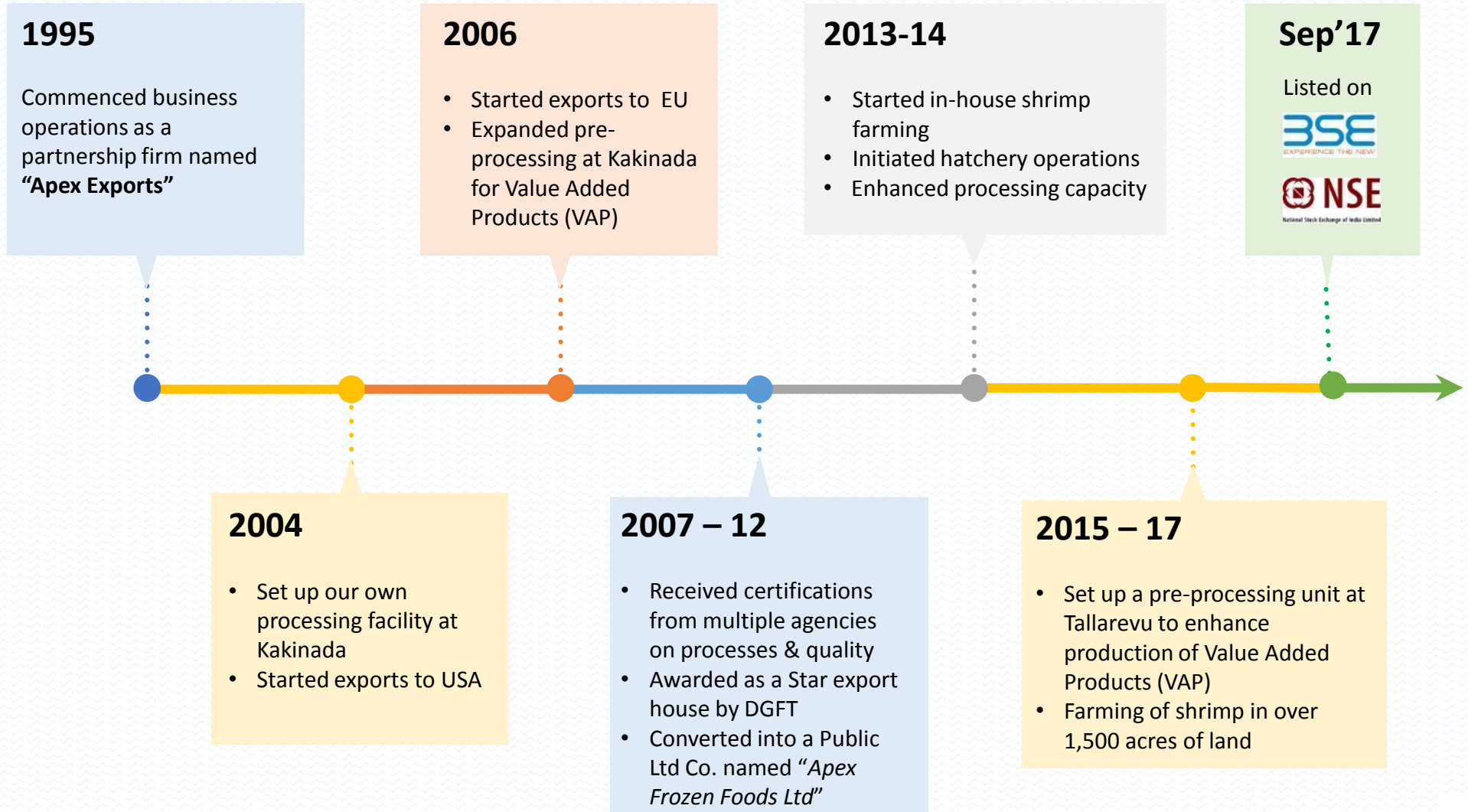
15,240 MTPA of processing capacity; **1,800 acres** of farm land; breeding capacity of over **1bn feeds**; cold storage of **1,500 MT** of finished goods

Caters to High Consuming Markets like the **USA** and **UK/Europe**

High level Quality Certifications like **ISO 22000**, **HACCP** and **BRC Food Grade**

Products are sold under its Diversified Customers’ brands as well as **Own brands**

Major Events and Milestones in Our Journey



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 20 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 12 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

Deep knowledge and operational experience makes the first line of management strong

Ch Vijaya Kumar, *Chief Financial Officer*

- Aged 41 years, is a CA with a B.Com from Andhra University
- Handles the finance function for the Company

G. V. Raghava Raju, *Purchase Manager*

- Aged 46 years, he has 25 years of experience as a Purchase Manager
- Responsible for qualitative raw material at competitive prices from farms in and around Andhra Pradesh

H. Rajashekhar, *Operations Manager*

- Holds a degree in Bachelor of Fisheries Sciences from University of Agriculture Sciences, Bangalore and an MBA in Intl Business
- Has over 20 years of work experience in sea-food processing industry

DR. T. Rambabu *Farms In-charge*

- Aged 43 years, holds a Ph.D on Microbial Diseases of Shrimp and Pond Environmental Quality, ICAR SRF project fellowship and M.Sc. In Aquaculture
- Has a strong research background

Our Key Product – Shrimp

Product

- We sell variants of processed White-leg shrimp (*L. Vannamei*) and Black Tiger shrimp (*P. Monodon*) in frozen form
- Types of finished goods include - Head on; Headless & Shell on; Easy peel; Peeled, Deveined & Tail on; Peeled, Un-deveined & Tail off; Butterfly; Skewered

Origin

- Up to early 2000s, aquaculture in India was confined to Black Tiger shrimp (*P. Monodon*)
- However due to spread of White Spot Syndrome Virus (WSSV), production was stagnated
- In 2003, pilot research and small scale production of *L. Vannamei* was initiated and commercial production was allowed in 2009
- Since then, production growth in India skyrocketed – CAGR of 190% to ~400,000 MT in 2015

Features

- Voluminous production due to high stocking density, all year round cropping, higher yields
- Availability of Specific Pathogen Free (SPF) feed ensures a reliable produce
- Better export margin owing to low costs resultant from large scale of production
- Capital intensive - acquisition of land, construction of ponds, high maintenance costs

Typical Work Flow for Shrimp Processing

Sourcing

HATCHERY

Production of SPF seed



FARMING

Procure and cultivate raw shrimp which are reared in ponds in a bio-secured environment



Processing



PRE PROCESSING

Pre-processing involves chilled storage with the following stages of raw material: receiving, washing, weighing, de-heading, grading, peeling and de-veining

PROCESSING

Processing involves various steps that enhance the shelf life of the shrimp. Processing ends with packing of finished products in the end use packaging material

Controlled movement of material in reefer trucks – to ensure time & temperature control

Sales

COLD STORAGE

The finished product (frozen shrimp) is then sorted and stored in refrigerated warehouses awaiting shipment



EXPORTS

The finished product is then exported after passing the necessary quality tests



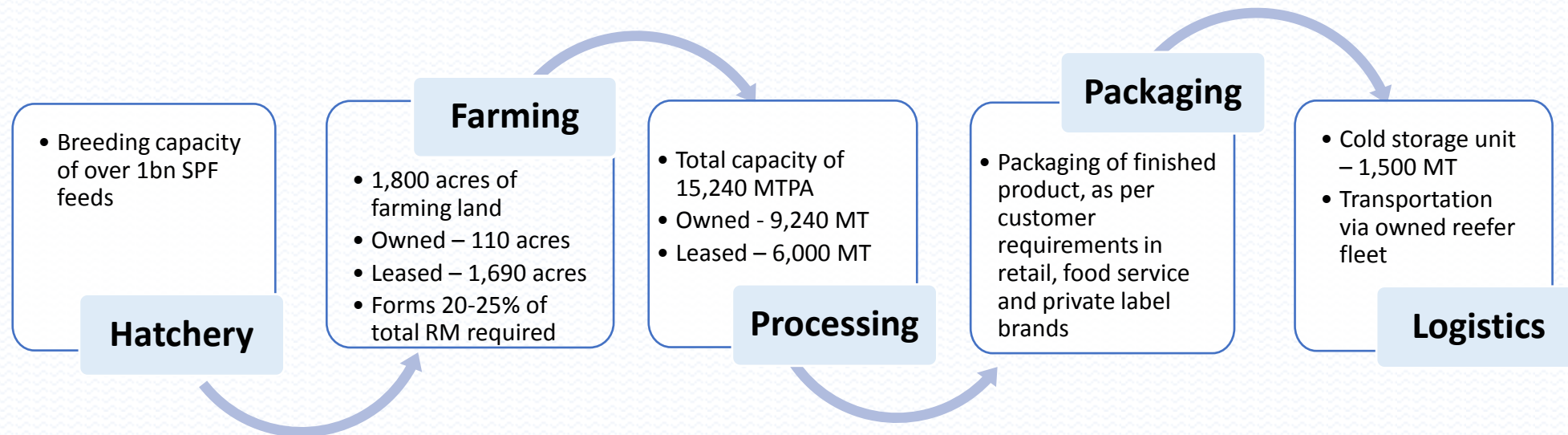


03

Our Core Strengths



Integrated Operations Enable Economies of Scale



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 of products to the next stage

- 10 - 200 kms from the farms
- ~20 kms from Kakinada port
- ~150 kms from Vishakapatnam port

Long Standing Relationships with Reputed Brands

Our key distributors...



OCEAN WORLD
VENTURES



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



Long-standing relationship directly with customers, has been one of the significant growth factors

Quality Control Certifications act as Entry Barrier





04

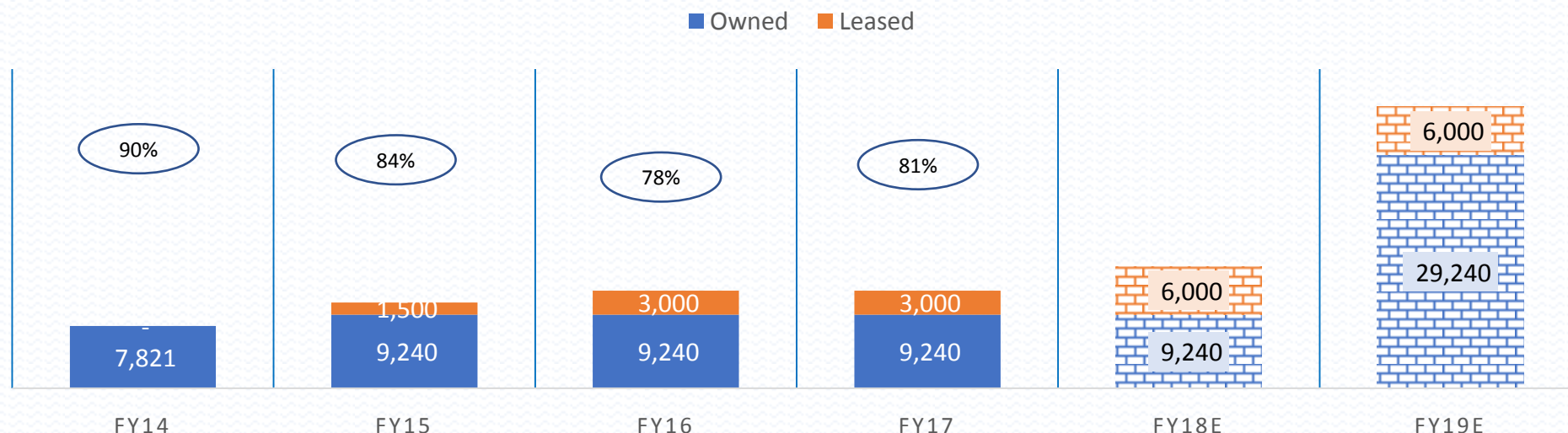
Growth Strategy



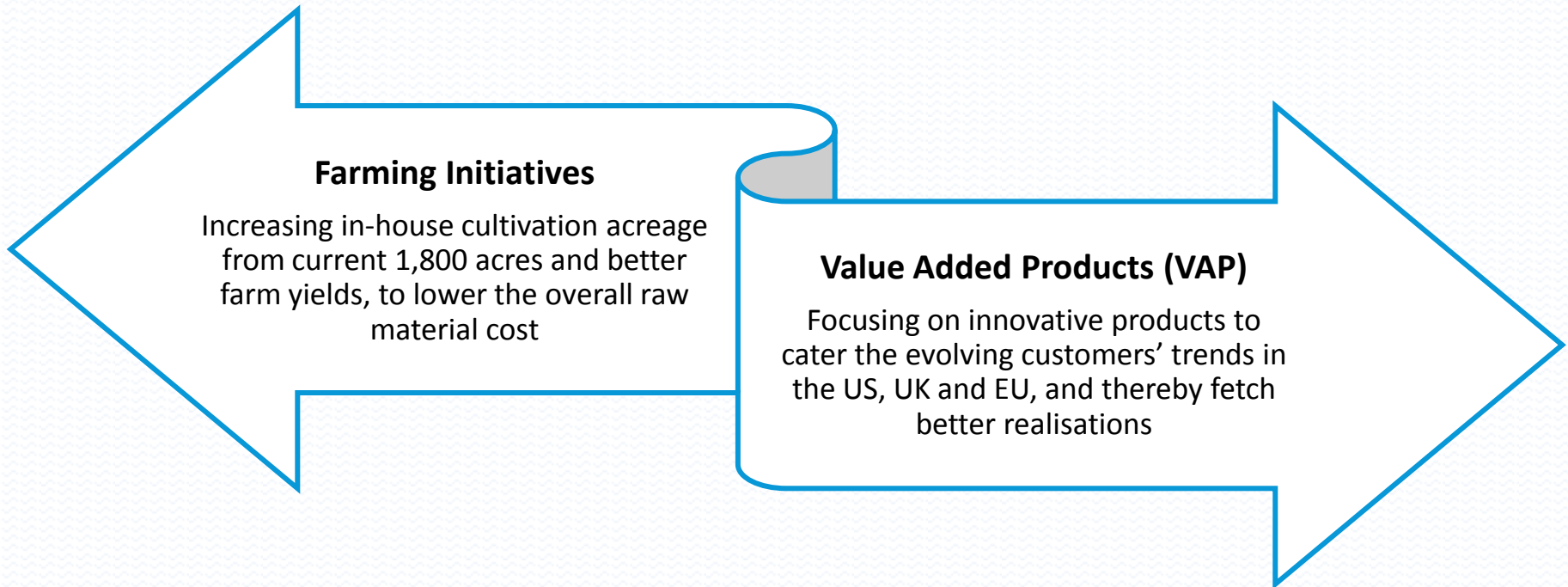
Planned Expansion, to Cater the Growing Demand

- Setting up a new processing plant in Ragampeta, East Godavari, with a total capacity of 20,000 MTPA; including 5,000 MTPA for VAP (cooked, breaded and par fried shrimp) along with 5,000 MT of cold storage facility
- The plant is expected to be commissioned by Jun'18
- Meanwhile, we have enhanced our lease based capacity from 3,000 MTPA to 6,000 MTPA, effective from 1st Apr'17

Capacity expansion, to cater the growing demand – MTPA capacity, % utilisation



Backward Integration; Better Product Mix, to Boost Margins



Demand-led expansion of scale of operations, improving product mix and increased backward integration should help in improving profitability

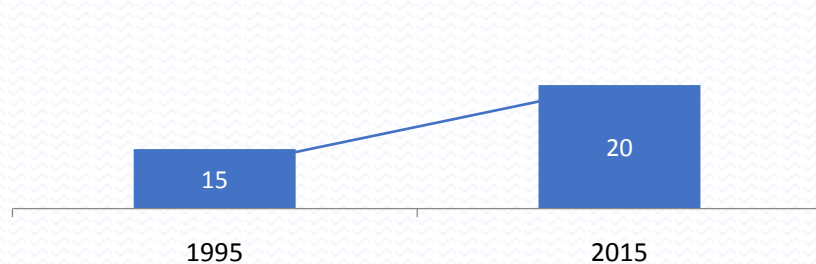
05

About the Industry



Global Seafood Industry – Overview

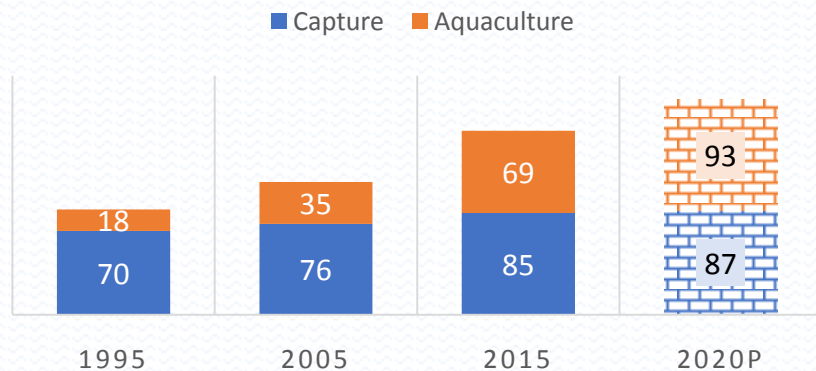
Increased seafood intake globally, reflected in higher per capita consumption of seafood (kg)



- ✓ 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)

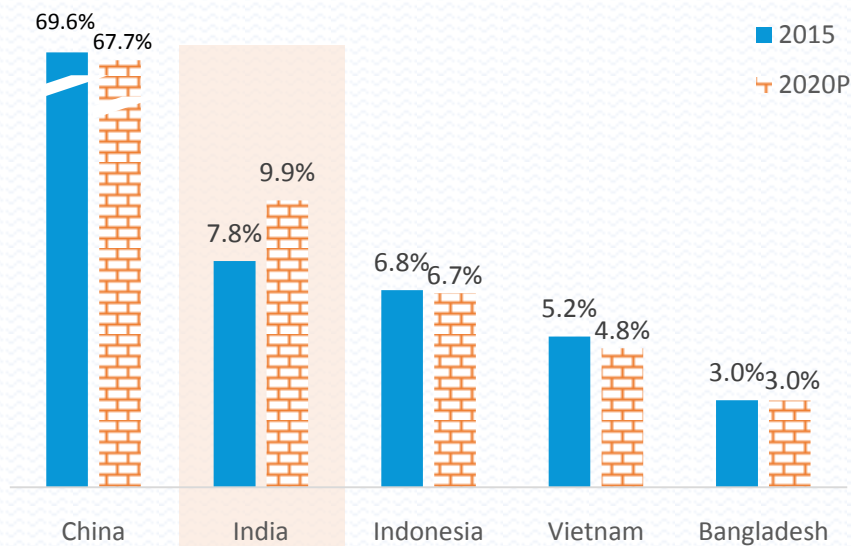


- ✓ Total production grew at a CAGR of 3.3% over 2005-2015
- ✓ Driven by 7% CAGR in aquaculture while capture fishery stagnated with a 1% CAGR
- ✓ The trend is expected to continue in favour of aquaculture growth

Source: FAO, CRISIL Research

Aquaculture Industry – Demand Supply Outlook

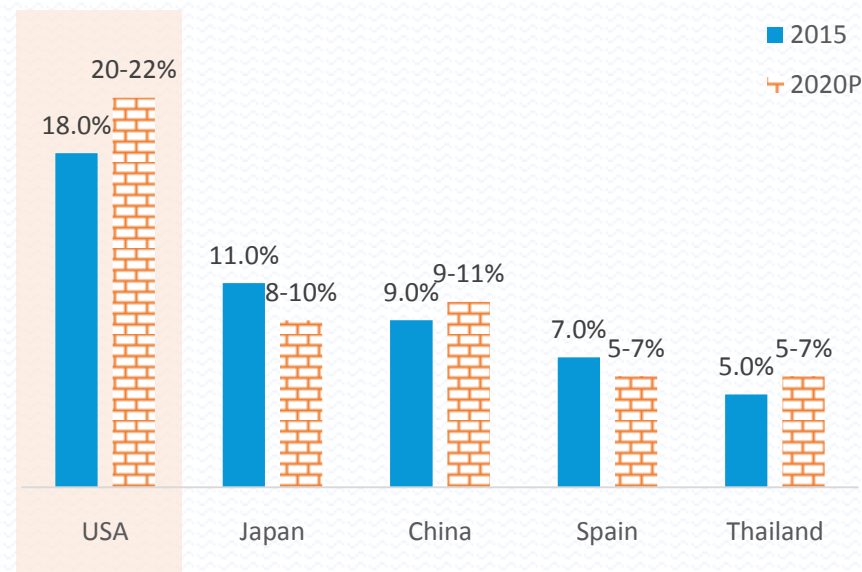
Asia forms ~92% of total aquaculture production



India is gaining market share on the back of rising farming capabilities and share of EMS affected countries

Source: FAO, CRISIL Research

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



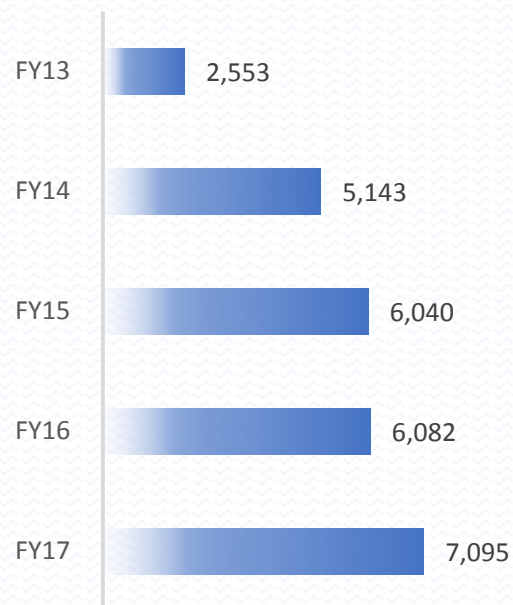
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Financial Performance



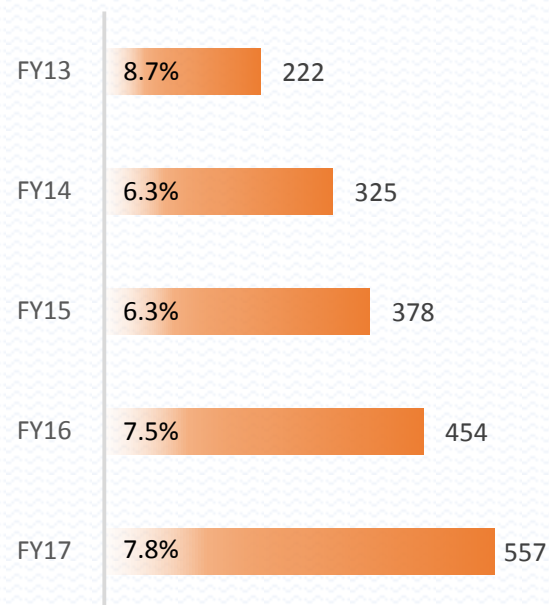
Robust Growth in Revenue and Profits...

Total Income (Rs mn)



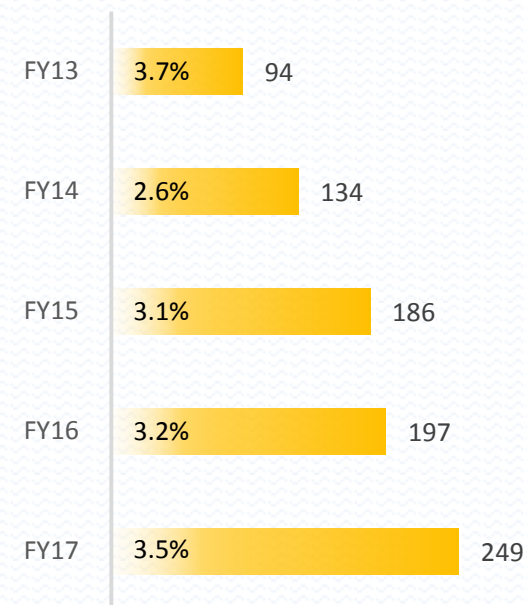
Grown at a CAGR of 29%

EBITDA (Rs mn) & Margin (%)



Margin expansion led by growing in-house farming and share of VAP

PAT (Rs mn) & Margin (%)

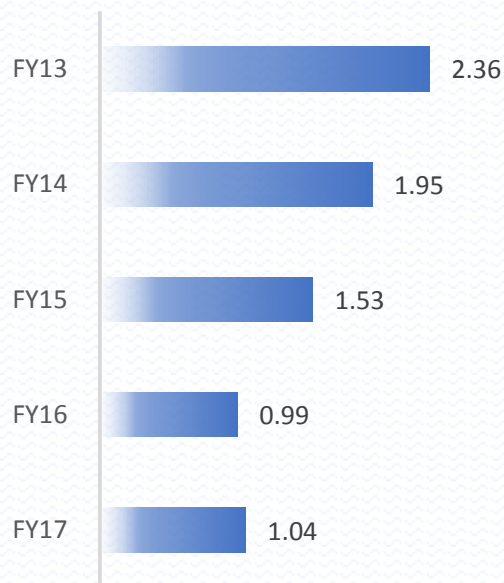


Grown at a CAGR of 28%

Note: The above data is as per Restated Financials of the Company

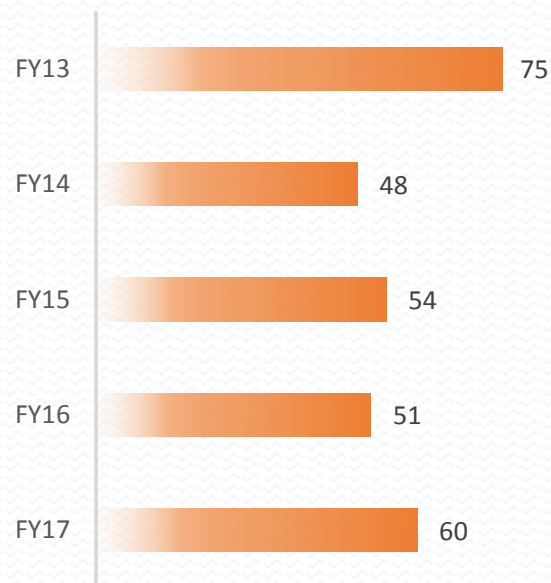
...Led by Strong Financial Discipline, Leading to...

Net Debt to Equity (x)



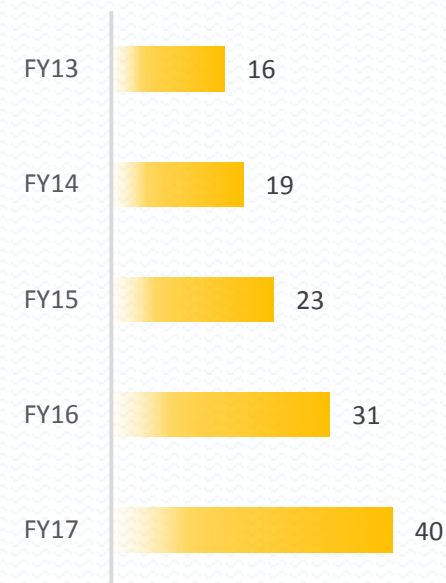
Improved D/E led by...

Working Capital (Days)



...largely stable working capital...

Book value (Rs/share)



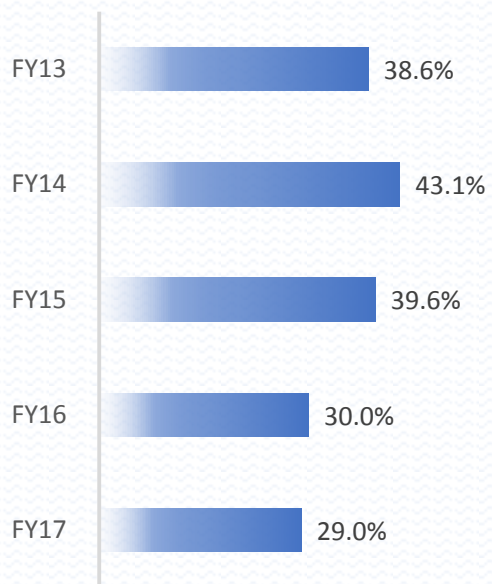
...and growing surplus profits

Note: The above data is as per Restated Financials and based on calculation as follows:

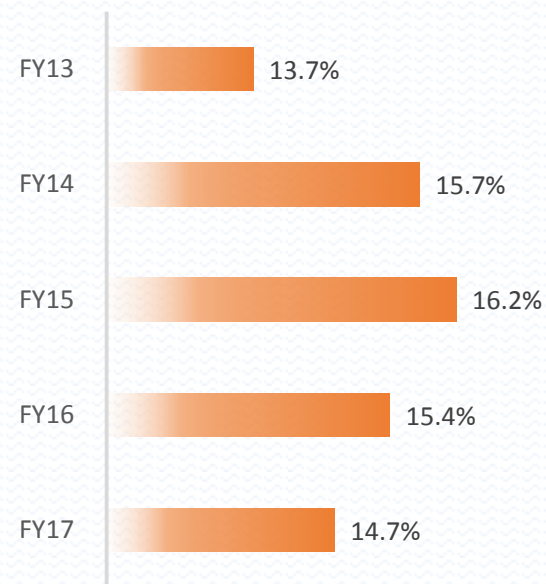
1. Net D/E = (Total debt – Cash & equivalents)/Networth 2. WC days = Inventory days + Debtor days – Creditor days 3. BVPS = Networth/Total no. of outstanding shares

...Enhanced Profitability for Stakeholders

Return on Net Worth (%)



Return on Capital Employed (%)



Consistently generating high Return Ratios

Note: The above data is as per Restated Financials and based on calculation as follows:

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)	FY13	FY14	FY15	FY16	FY17
Total Income	2,553	5,143	6,040	6,082	7,095
Raw Material	1,895	4,013	4,890	4,675	5,492
Manufacturing cost	151	225	270	406	513
Employee Expenses	104	226	258	233	249
SG&A Expenses	180	353	244	314	284
EBITDA	222	325	378	454	557
<i>EBITDA Margin (%)</i>	<i>8.7</i>	<i>6.3</i>	<i>6.3</i>	<i>7.5</i>	<i>7.8</i>
Depreciation	25	45	4	49	63
Other Income	2	3	3	1	2
Interest	56	80	96	104	112
Profit Before Tax	143	204	282	302	384
Tax	49	70	96	105	135
Profit After Tax	94	134	186	197	249
<i>PAT Margin (%)</i>	<i>3.7</i>	<i>2.6</i>	<i>3.1</i>	<i>3.2</i>	<i>3.5</i>

Note: The above data is as per Restated Financials of the Company

Balance Sheet Highlights

Standalone (Rs mn)	FY15	FY16	FY17
Shareholder's Funds	560	753	968
Share capital	240	240	240
Reserves & Surplus	320	513	728
Non-current liabilities	103	131	225
Long term borrowings	94	119	210
Deferred tax liability	8	10	15
Long term provisions	1	2	-
Current liabilities	989	904	1,382
Short term borrowings	777	642	847
Trade payables	115	161	309
Other current liabilities	35	31	44
Short term provisions	61	70	181
Total Laibilities	1,651	1,788	2,574

Standalone (Rs mn)	FY15	FY16	FY17
Non-current assets	523	632	857
Gross block	599	756	1,023
Less: acc. Depreciation	76	124	187
Net block	523	632	836
Other non-current assets	-	1	21
Current Assets	1,128	1,156	1,717
Inventories	503	596	638
Trade receivables	502	415	828
Cash & cash equivalents	16	18	46
Short term loans & advances	107	127	205
Total Assets	1,651	1,788	2,574

Note: The above data is as per Restated Financials of the Company



For further information, contact:



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