



SIGACHI INDUSTRIES LIMITED

CIN: L24110TG1989PLC009497

AN EXCiPACT GMP, ISO 9001:2015 & FSSC 22000 CERTIFIED COMPANY

www.sigachi.com



To,

Date: 10.08.2023

The Manager BSE Limited P.J. Towers, Dalal Street Mumbai- 400001 (BSE Scrip Code: 543389)	The Manager National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai- 400051 (NSE Symbol: SIGACHI)
--	--

Dear Sir/Madam,

Sub: Earnings Presentation for Q1 FY 24

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) 2015, and with reference to the subject cited, please find enclosed the Earnings Presentation for Q1 FY 2024 for the earnings call to be held on 11.08.2023. The same is also uploaded on the website of the Company www.sigachi.com.

This is for your information and records.

Thanking You,

Yours faithfully

For Sigachi Industries Limited

Shreya Mitra
Company Secretary and Compliance Officer

Encl: As above



Sigachi Industries Limited

Earnings Presentation

Q1-FY24

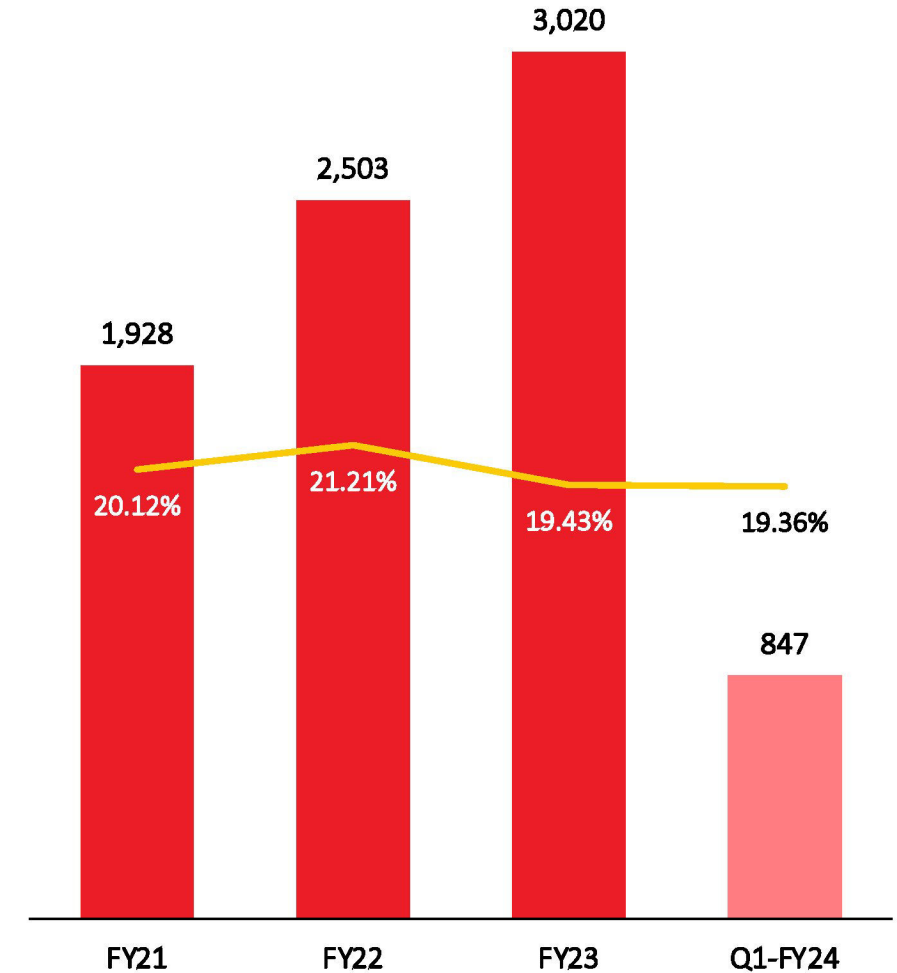




Company Overview

- Sigachi Industries Limited (Sigachi), incorporated in the year 1989, is one of the leading manufacturers of Micro Crystalline Cellulose (MCC) in the world.
- Sigachi manufactures high-quality cellulose-based excipients, which predominantly find usage in the pharmaceutical, supplement and food industries.
- The company has created a niche in manufacturing highly innovative pre-formulated excipients & 60+ widely used excipients of international quality standards.
- With two facilities in Gujarat and two in Telangana, Sigachi ensures supply chain reliability for its customers in India and across the globe.
- Sigachi has a global sales and distribution network and exports to more than 50 countries across Asia, Australia, American Continent, Europe and Middle East.
- From its state-of-the-art R & D facility the company ensures continuous innovation to efficiently meet evolving customer demands.
- The company has an agreement with Gujarat Alkalies and Chemicals Limited (“GACL”) and also with Grasim Industries(Aditya Birla Group) for operating and managing the manufacturing units owned by GACL and for contract manufacturing of sodium chlorate, stable bleaching powder and poly aluminum chloride.

Revenue (INR Mn) & EBITDA Margins (%)





Key Strengths



One of the leading manufacturers of MCC in India with over 30 years' experience:

- Made advancements in development of MCC and positioned as one of the key manufacturing players globally
- Technical capabilities, capable R&D Division and manufacturing infrastructure, gives a first mover advantage in India



Pan India and International market presence:

- A long-standing market presence in India and internationally
- Exporting products to over 50 countries worldwide, including regions of US, UK, Australia, EU region, Middle East and SE Asia



Comprehensive product portfolio enables to serve diverse end-use applications:

- Customize the usage and application of the products to various industries including but not limited to pharmaceutical, food, nutraceuticals and cosmetics
- Manufacture MCC in various grades ranging from 15 microns to 250 microns



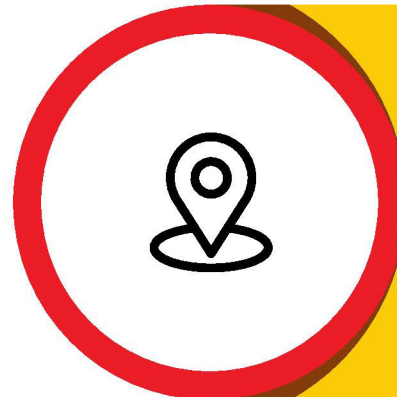
Presence across diverse industry verticals with long standing relationship with customers:

- Customization of products based on customer specifications and requirements
- Track record of consistent delivery of quality and cost-effective products and solutions through strategic alignment of key customers' goals over the years



Growth led by continuous investment and focus on R&D:

- Regular investments in R&D to expand the product offerings and to streamline manufacturing process
- 2 R&D Division and 2 in-house laboratories
- The laboratory in the Dahej R&D Division has been approved and has received an accreditation by DSIR to undertake R&D activities



Strategically located manufacturing facilities

- Set up 4 multi locational manufacturing units namely, Hyderabad, Sultanpur unit TG ("Unit I"), Jhagadia, Gujarat ("Unit II") and Dahej, Gujarat ("Unit III") and Kurnool plant ("Unit IV") which helps provide timely, efficient and customized delivery of the products in terms with the specific demographic needs



Strategy going forward

Diversifying Product Mix in Pharma:

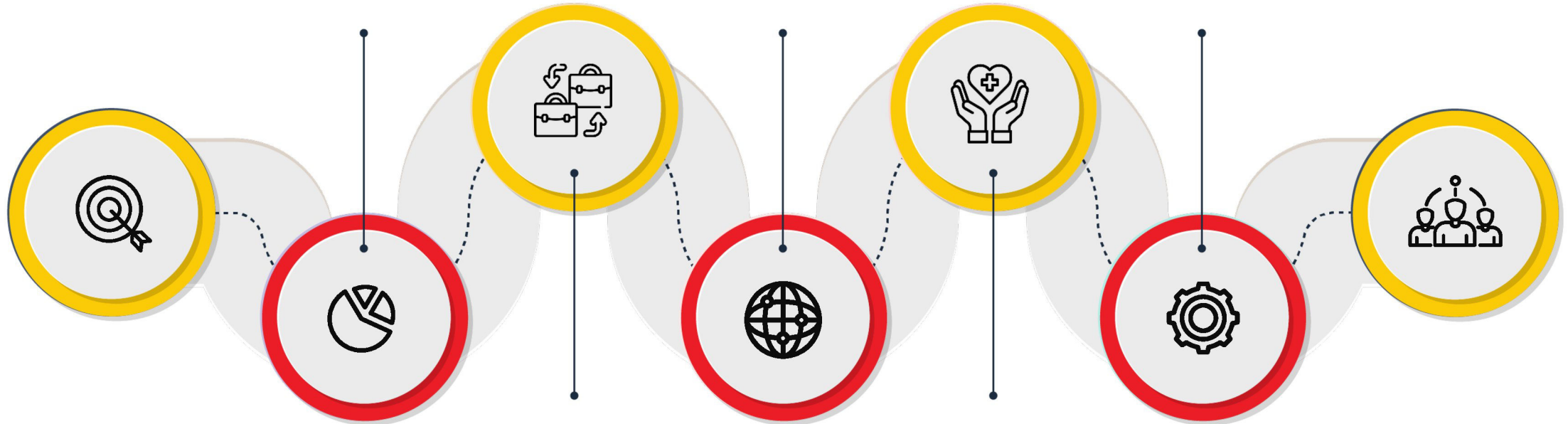
Manufacturing higher grades of products as well as enhancing product basket by offering innovative new value-added products

Enhancing global footprint:

Increasing market share by exploring untapped markets

Expanding manufacturing capacities:

At Dahej and Jhagadia to focus on the growing demand of MCC, setting up a new unit at Dahej to manufacture CCS



Increasing focus on core business segment:

Pushing efforts towards manufacturing MCC and its various grades for various industries or applications leading to optimum resource utilization

Widen its horizon- Food & Nutrition are integral to good health:

Company will venture into the human nutritional segment, with a prime focus on B2B markets, in India and across the globe. The product portfolio will include spray-dried ingredients, micronutrient premixes and other allied products.

Health Care Division :

Capture the growing Branded Generics & OTC market and cater to the increasing health expenditure in India through launch of various products in the healthcare sector

Dedicated Transformation office to oversee the Hyper growth:

Enhancing customer base through marketing efforts and customizing products for various applications as per requirements of customers



Financial Overview

Q1-FY24 Financial Highlights

<p>INR 847 Mn</p> <p>Operating Income</p> <p><i>8% YoY</i></p>	<p>INR 164 Mn</p> <p>Operating EBITDA</p> <p><i>1% YoY</i></p>	<p>19.36%</p> <p>Operating EBITDA Margins</p> <p><i>(146) Bps YoY</i></p>
<p>INR 109 Mn</p> <p>Net Profit</p> <p><i>(15)% YoY</i></p>	<p>12.87%</p> <p>PAT Margins</p> <p><i>(348) Bps YoY</i></p>	<p>INR 3.54/Share</p> <p>Diluted EPS</p> <p><i>(15)% YoY</i></p>

Q1-FY24 Operational Highlights

- Revenue growth was driven by ~10% growth in realisations and 3% growth in volumes on a YOY basis.
- Company is constantly thriving to improve upon its R&D capabilities and cost-effective manufacturing processes and thereby remain as a manufacturer of choice with highest quality standards.
- Focus is on high margin yielding product mix and cost-effective manufacturing processes, effective management of inventory to improve EBITDA and Profitability.
- CAPEX at Gujarat facilities for MCC to the extent of around 7,000 MTPA will be added by the end of Q2-FY24 which would contribute to incremental revenue.



Quarterly Consolidated Financial Performance

Particulars (INR Mn)	Q1-FY24	Q1-FY23	Y-o-Y	Q4-FY23	Q-o-Q
Operational Revenue	847	783	8.2%	724	17.0%
Total Expenses	683	620	10.2%	602	13.5%
EBITDA	164	163	0.6%	122	34.4%
EBITDA Margin (%)	19.36%	20.82%	(146) Bps	16.85%	251Bps
Depreciation and amortisation	20	8	NA	20	NA
Finance costs	13	5	NA	14	(7.1)%
Other Income	16	16	NA	15	6.7%
PBT	147	166	(11.4)%	103	42.7%
Tax Expense	38	38	NA	30	26.7%
PAT	109	128	(14.8)%	73	49.3%
PAT Margin (%)	12.87%	16.35%	(348) Bps	10.08%	279 Bps
Other Comprehensive Income	-	(7)	NA	7	NA
Total Comprehensive Income	109	121	(9.9)%	80	36.3%
Diluted EPS	3.54	4.17	(15.1)%	2.38	48.7%



Historical Consolidated Financial Performance

Particulars (INR Mn)	FY21	FY22	FY23	Q1-FY24
Operational Revenue	1,928	2,503	3,020	847
Total Expenses	1,540	1,972	2,433	683
EBITDA	388	531	587	164
EBITDA Margin (%)	20.12%	21.21%	19.43%	19.36%
Depreciation and amortisation	23	29	66	20
Finance costs	13	12	43	13
Other Income	33	26	67	16
PBT	385	516	545	147
Tax Expense	82	116	109	38
PAT	303	400	436	109
PAT Margin (%)	15.72%	15.98%	14.43%	12.87%
Other Comprehensive Income	1	(6)	1	-
Total Comprehensive Income	304	394	437	109
Diluted EPS	13.13	15.44	14.16	3.54



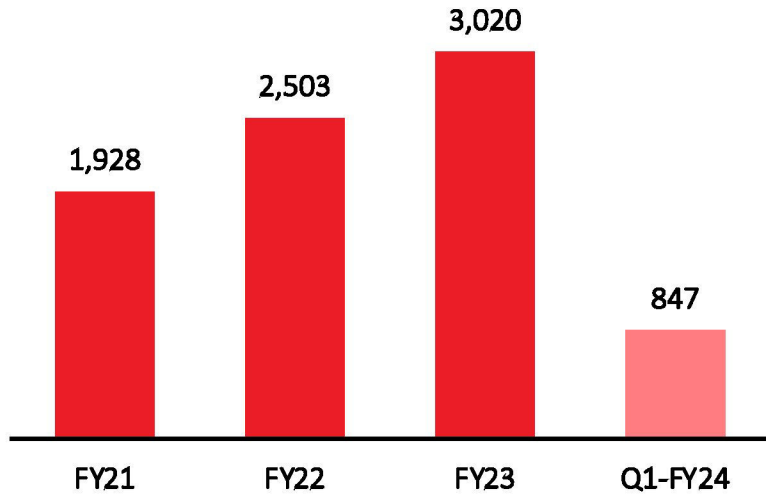
Historical Consolidated Balance Sheet

Particulars (INR Mn)	FY21	FY22	FY23
EQUITY	942	2,277	2,683
Equity Share Capital	77	307	307
Other Equity	865	1,970	2,376
NON-CURRENT LIABILITIES	70	76	308
a) Financial Liabilities			
i) Borrowings	19	12	10
ii) Lease Liability	-	-	231
b) Provisions	8	9	15
c) Deferred tax liabilities (net)	43	55	52
CURRENT LIABILITIES	322	515	747
a) Financial Liabilities			
i) Borrowings	183	332	395
ii) Lease Liabilities	-	-	41
iii) Trade Payables	80	106	208
iv) Other financial liabilities	7	6	9
b) Other current liabilities	43	59	94
c) Provisions	9	12	-
TOTAL LIABILITIES	392	591	1,055
TOTAL EQUITY AND LIABILITIES	1,334	2,868	3,738

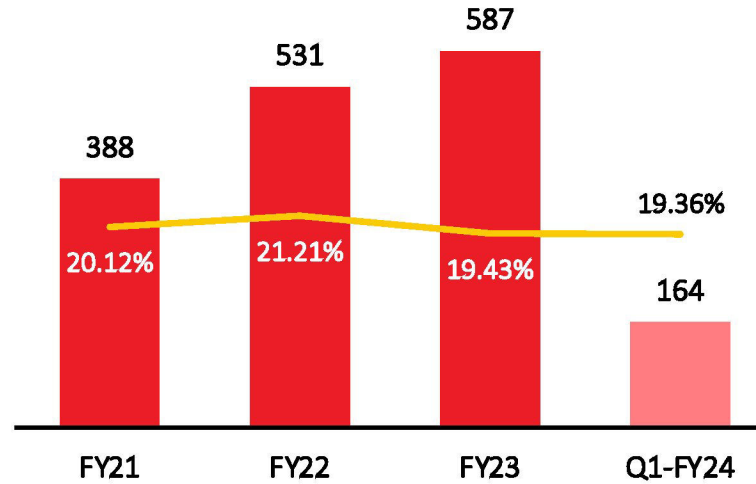
Particulars (INR Mn)	FY21	FY22	FY23
NON-CURRENT ASSETS	463	1,069	1,964
a) Property, plant and equipment	376	527	960
b) Capital work-in-progress	37	97	349
c) Right of Use Assets	-	-	257
c) Intangible assets	3	7	7
d) Financial assets			
i) Investments	2	2	2
ii) Other Financial Assets	18	351	225
e) Other non-current assets	27	85	164
CURRENT ASSETS	871	1,799	1,774
a) Financial Assets			
i) Trade Receivables	358	601	802
ii) Cash and cash equivalents	159	291	137
iii) Bank balances other than above	21	403	190
iv) Other financial assets	100	128	69
b) Other current assets	21	71	110
c) Inventories	212	305	466
TOTAL ASSETS	1,334	2,868	3,738

Consolidated Financial Highlights

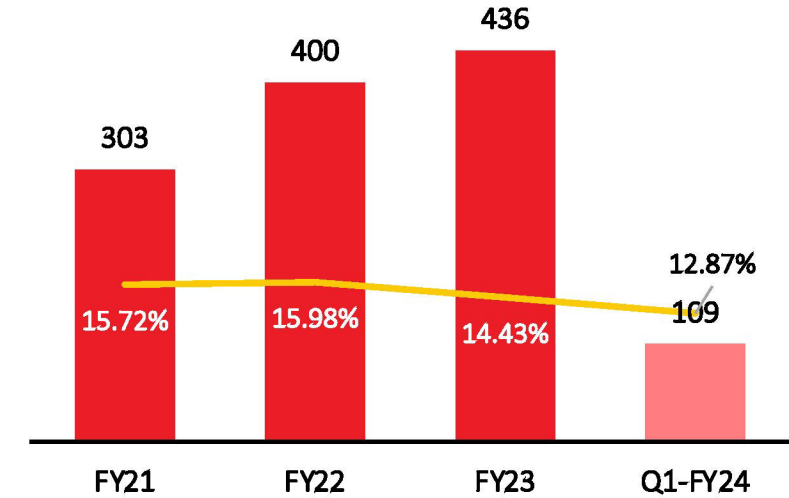
Operational Revenue (INR Mn)



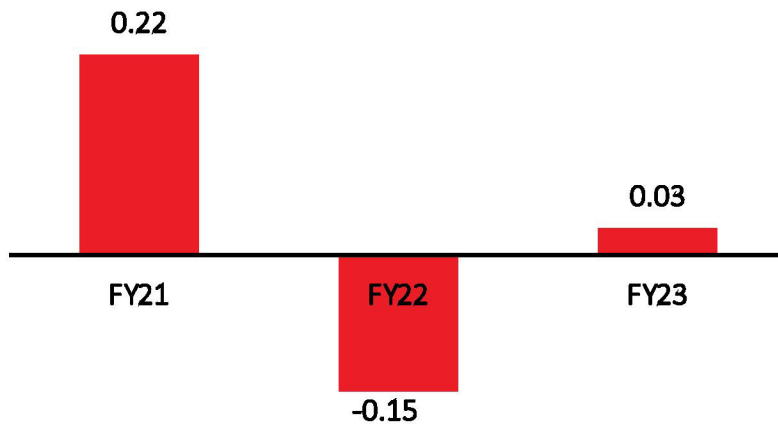
EBIDTA (INR Mn) & EBITDA Margins (%)



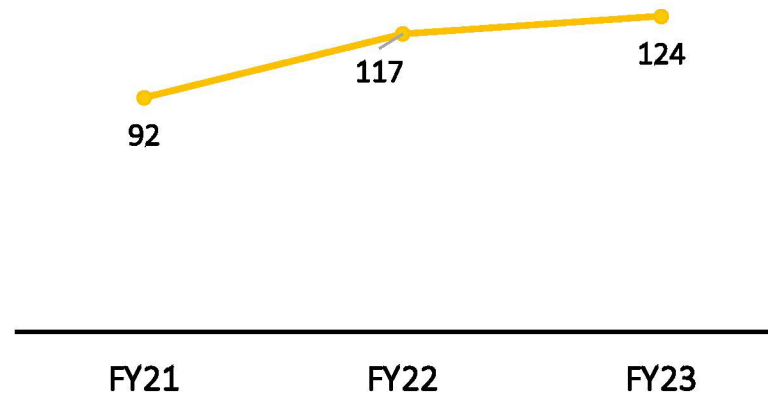
PAT (INR Mn) & PAT Margins (%)



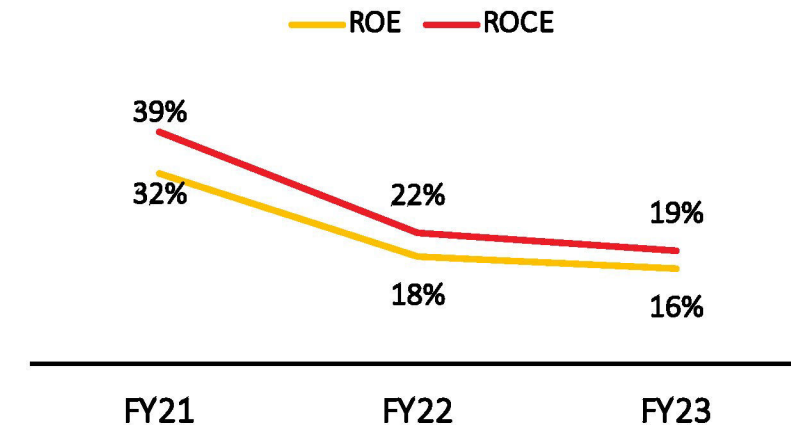
Net Debt to Equity (x)



Cash Conversion Cycle (Days)

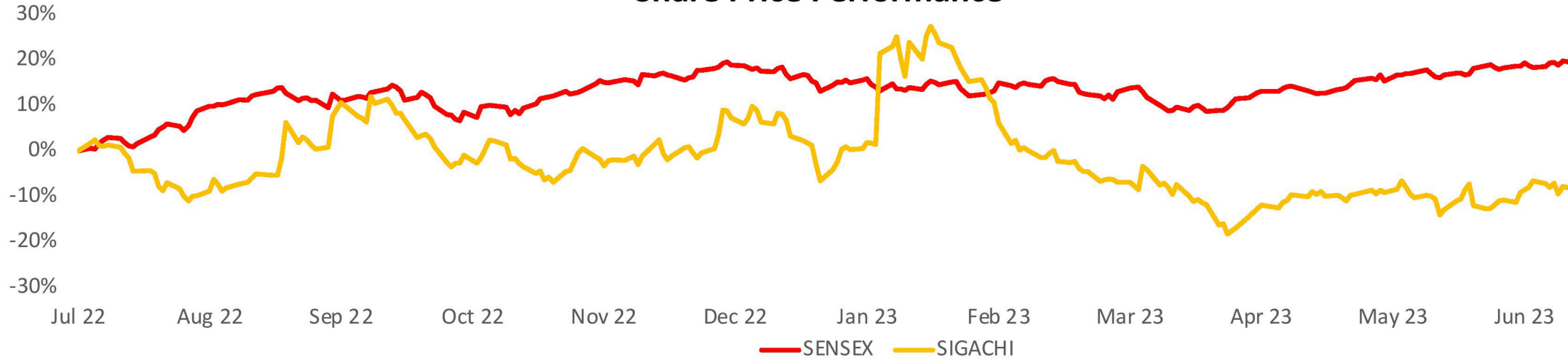


ROCE (%) and ROE (%)





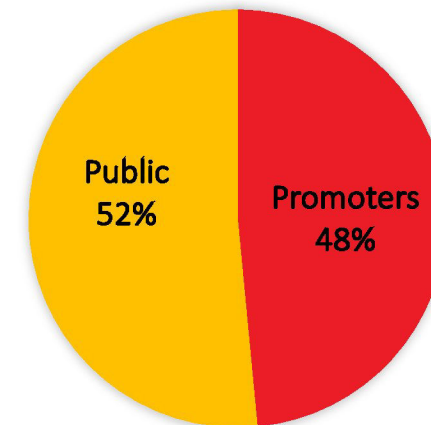
Share Price Performance



Market Data (INR) as on 30th June, 2023

Face Value	10.0
CMP	309.7
52 Week H/L	359.0/220.0
Market Cap (INR Mn)	9,522.49
Shares O/S (Mn)	30.7
Avg. Volume ('000)	220.19

Shareholding Pattern as on 30th June, 2023





Disclaimer

Sigachi Industries Limited Disclaimer:

No representation or warranty, express or implied, is made as to, and no reliance should be placed on the fairness, accuracy, completeness or correctness of the information or opinions contained in this presentation. Such information and opinions are in all events not current after the date of this presentation. Certain statements made in this presentation may not be based on historical information or facts and may be "forward looking statements" based on the currently held beliefs and assumptions of the management of Sigachi Industries Limited (Sigachi), which are expressed in good faith and in their opinion reasonable, including those relating to the Company's general business plans and strategy, its future financial condition and growth prospects and future developments in its industry and its competitive and regulatory environment.

Forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause the actual results, financial condition, performance or achievements of the Company or industry results to differ materially from the results, financial condition, performance or achievements expressed or implied by such forward-looking statements, including future changes or developments in the Company's business, its competitive environment and political, economic, legal and social conditions. Further, past performance is not necessarily indicative of future results. Given these risks, uncertainties and other factors, viewers of this presentation are cautioned not to place undue reliance on these forward-looking statements. The Company disclaims any obligation to update these forward-looking statements to reflect future events or developments.

This presentation is for general information purposes only, without regard to any specific objectives, financial situations or informational needs of any particular person. This presentation does not constitute an offer or invitation to purchase or subscribe for any securities in any jurisdiction, including the United States. No part of it should form the basis of or be relied upon in connection with any investment decision or any contract or commitment to purchase or subscribe for any securities. None of our securities may be offered or sold in the United States, without registration under the U.S. Securities Act of 1933, as amended, or pursuant to an exemption from registration there from.

This presentation is confidential and may not be copied or disseminated, in whole or in part, and in any manner.

Valorem Advisors Disclaimer:

Valorem Advisors is an Independent Investor Relations Management Service company. This Presentation has been prepared by Valorem Advisors based on information and data which the Company considers reliable, but Valorem Advisors and the Company makes no representation or warranty, express or implied, whatsoever, and no reliance shall be placed on, the truth, accuracy, completeness, fairness and reasonableness of the contents of this Presentation. This Presentation may not be all inclusive and may not contain all of the information that you may consider material. Any liability in respect of the contents of, or any omission from, this Presentation is expressly excluded. Valorem Advisors also hereby certifies that the directors or employees of Valorem Advisors do not own any stock in personal or company capacity of the Company under review.

For further details, please feel free to contact our Investor Relations Representatives:



Mr. Anuj Sonpal

Valorem Advisors

Tel: +91-22-4903-9500

Email: sigachi@valoremadvisors.com



Thank You
