

23<sup>rd</sup> January 2024

<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 – December 2023 (Q3 – FY 2023-24)**

Dear Sir/Madam,

Please find enclosed herewith Earnings Presentation – December 2023 (Q3 – 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

Q3/9M-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 26,409.82 Mn as on 31<sup>st</sup> December, 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**

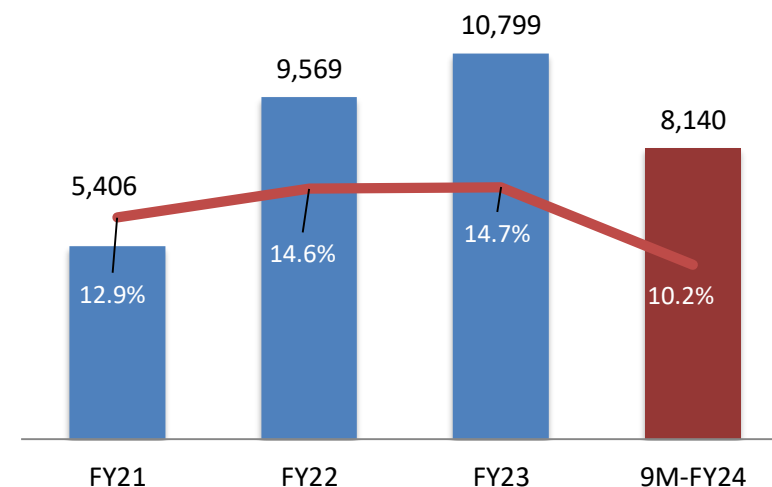
EBITDA - **INR 1,585 Mn**

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

## Q3-FY24 Financial Highlights

**INR 2,570 Mn**

Operational Revenue

9.8% YoY

**INR 254 Mn**

EBITDA

(17.0)% YoY

**9.88%**

EBITDA Margin

(319) Bps YoY

**INR 111 Mn**

Net Profit

(45.6)% YoY

**4.32%**

Net Profit Margin

(439) Bps YoY

**INR 2.15/share**

EPS

(45.3)% YoY

## 9M-FY24 Operational Highlights

**INR 8,140 Mn**

Operational Revenue

(1.2)% YoY

**INR 827 Mn**

EBITDA

(33.5)% YoY

**10.16%**

EBITDA Margin

(494) Bps YoY

**INR 386 Mn**

Net Profit

(54.4)% YoY

**4.74%**

Net Profit Margin

(554) Bps YoY

**INR 7.44/share**

EPS

(54.5)% YoY

# Q3/9M-FY24 Operational Highlights

## Q3-FY24

- Quarterly volume growth of 21% YoY, 8% volume drop QoQ mainly due to NBR & HSR
- Highest Quarterly export volume growth of 98% YoY led by Nitrile Latex, Carpet and Construction
- Revenue growth of 10%, due to increased volumes in spite of challenging market conditions
- EBITDA: decreased 17% YoY due to lower margins in NBR, XNB and Paper, and there was no significant inventory loss/gain in this quarter
- PBT and PAT lower YoY, because of increase in Depreciation and Interest Cost due to new expansion projects.

## 9M-FY24

- Volume growth of 26% YoY
- Export Volume growth of 107% YoY
- Revenue is flat compared to volume increase of 27%, due to change in product-mix, fall in the raw material prices and thus lower realisations of finished goods

# Quarterly Financial Performance

Particulars (INR Mn)	Q3-FY24	Q3-FY23	Y-o-Y	Q2-FY24	Q-o-Q
<b>Operational Revenue</b>	<b>2,570</b>	<b>2,341</b>	<b>9.8%</b>	<b>2,792</b>	<b>(8.0)%</b>
Total Expenses	2,316	2,035	13.8%	2,476	(6.5)%
<b>EBITDA</b>	<b>254</b>	<b>306</b>	<b>(17.0)%</b>	<b>316</b>	<b>(19.6)%</b>
<b>EBITDA Margins</b>	<b>9.88%</b>	<b>13.07%</b>	<b>(319)Bps</b>	<b>11.32%</b>	<b>(144)Bps</b>
Depreciation	82	37	NA	78	5.1%
Finance Cost	38	11	NA	43	(11.6)%
Other Income	20	18	11.1%	17	17.6%
<b>PBT</b>	<b>154</b>	<b>276</b>	<b>(44.2)%</b>	<b>212</b>	<b>(27.4)%</b>
Tax	43	72	(40.3)%	59	(27.1)%
<b>PAT</b>	<b>111</b>	<b>204</b>	<b>(45.6)%</b>	<b>153</b>	<b>(27.5)%</b>
<b>PAT Margins</b>	<b>4.32%</b>	<b>8.71%</b>	<b>(439)Bps</b>	<b>5.48%</b>	<b>(116)Bps</b>
Other Comprehensive Income	66	(3)	NA	14	371.4%
<b>Total Comprehensive Income</b>	<b>177</b>	<b>201</b>	<b>(11.9)%</b>	<b>167</b>	<b>6.0%</b>
Diluted EPS (INR)	2.15	3.93	(45.3)%	2.95	(27.1)%

# YTD Financial Performance

Particulars (INR Mn)	9M-FY24	9M-FY23	Y-o-Y
<b>Operational Revenue</b>	<b>8,140</b>	<b>8,238</b>	<b>(1.2)%</b>
Total Expenses	7,313	6,994	4.6%
<b>EBITDA</b>	<b>827</b>	<b>1,244</b>	<b>(33.5)%</b>
<b><i>EBITDA Margins</i></b>	<b><i>10.16%</i></b>	<b><i>15.10%</i></b>	<b><i>(494)Bps</i></b>
Depreciation	234	111	NA
Finance Cost	118	45	NA
Other Income	56	60	(6.7)%
<b>PBT</b>	<b>531</b>	<b>1,148</b>	<b>(53.7)%</b>
Tax	145	301	(51.8)%
<b>PAT</b>	<b>386</b>	<b>847</b>	<b>(54.4)%</b>
<b><i>PAT Margins</i></b>	<b><i>4.74%</i></b>	<b><i>10.28%</i></b>	<b><i>(554)Bps</i></b>
Other Comprehensive Income	171	0	NA
<b>Total Comprehensive Income</b>	<b>557</b>	<b>847</b>	<b>(34.2)%</b>
Diluted EPS (INR)	7.44	16.34	(54.5)%



# Historical Income Statement

Particulars (INR Mn)	FY21	FY22	FY23	9M-FY24
<b>Operational Revenue</b>	<b>5,406</b>	<b>9,569</b>	<b>10,799</b>	<b>8,140</b>
Total Expenses	4,708	8,171	9,214	7,313
<b>EBITDA</b>	<b>698</b>	<b>1,398</b>	<b>1,585</b>	<b>827</b>
<b>EBITDA Margins</b>	<b>12.91%</b>	<b>14.61%</b>	<b>14.68%</b>	<b>10.16%</b>
Depreciation	145	141	152	234
Finance Cost	38	32	51	118
Other Income	52	79	73	56
<b>PBT</b>	<b>567</b>	<b>1,304</b>	<b>1,455</b>	<b>531</b>
Tax	125	316	376	145
<b>PAT</b>	<b>442</b>	<b>988</b>	<b>1,079</b>	<b>386</b>
<b>PAT Margins</b>	<b>8.18%</b>	<b>10.33%</b>	<b>10.00%</b>	<b>4.74%</b>
Other Comprehensive Income	177	127	(21)	171
<b>Total Comprehensive Income</b>	<b>619</b>	<b>1,115</b>	<b>1,058</b>	<b>557</b>
Diluted EPS (INR)	8.52	19.06	20.82	7.44

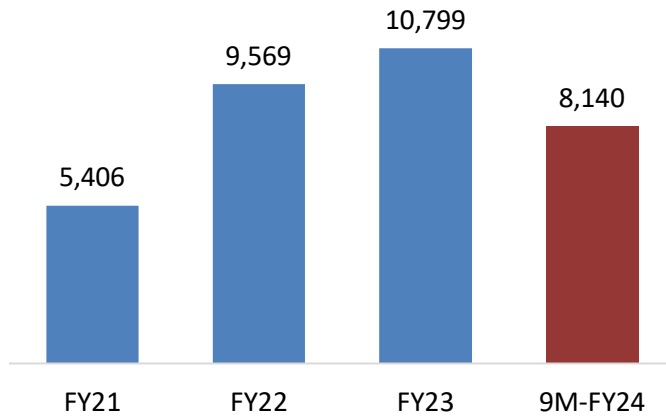
# Balance Sheet

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>

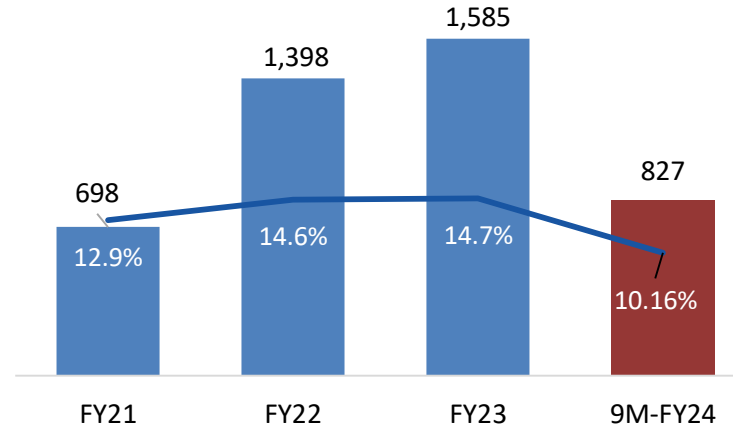
Particulars (INR Mn)	FY22	FY23	H1-FY24
<b>Total Non Current Assets</b>	<b>3,014</b>	<b>4,809</b>	<b>4,940</b>
Property, Plant and Equipment	1,560	3,834	3,886
Capital Work in progress	386	123	100
Investment Properties	-	15	15
Financial Assets	823	732	829
Intangible Assets	6	4	4
Non Current Tax Assets (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

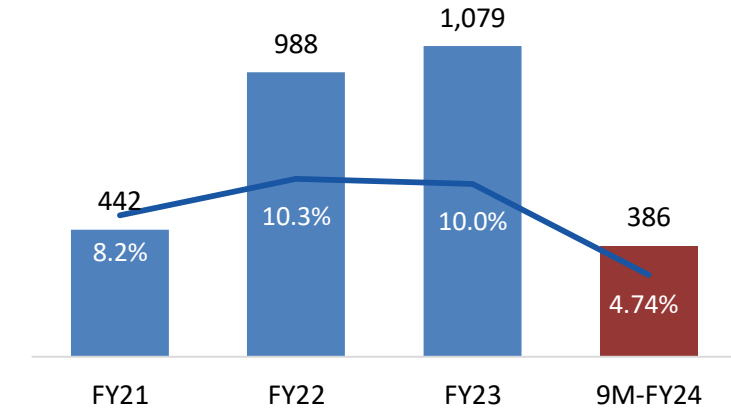
### Operational Revenue (INR Mn)



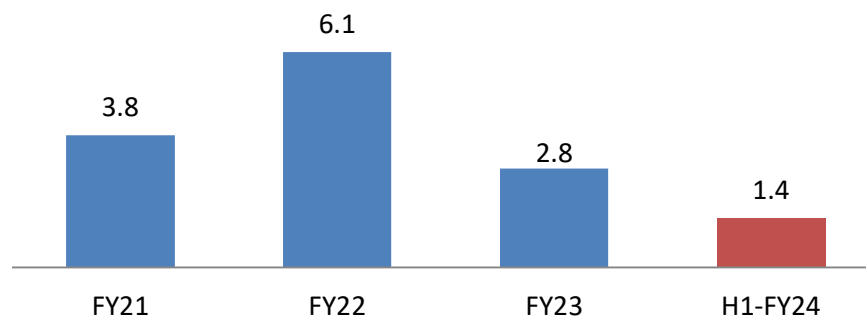
### EBITDA (INR Mn) EBITDA Margin (%)



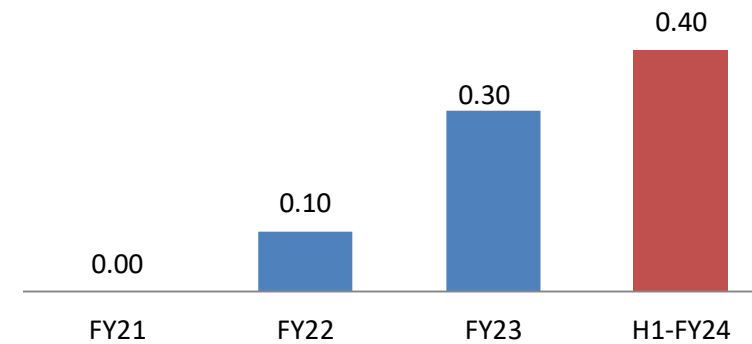
### PAT (INR Mn) and PAT Margin (%)



### Asset Turn Over Ratio (x)



### Net Debt to Equity (x)



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**Thank You**

