



3 -160, Panasapadu, Kakinada 533 005
Andhra Pradesh . India
off +91 884 2383902 - 4 (3 lines)
fax +91 884 2383905 - 6
kkd@apexfrozenfoods.com
CIN: L15490AP2012PLC080067

Date: 26th June, 2020.

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

To
The General Manager,
Listing Department,
National Stock Exchange of India Limited
Exchange Plaza, Plot No C/1, G Block,
BandraKurla Complex,
Bankdra (East), Mumbai - 400 051.
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and Disclosure Requirements) Regulations, 2015 and the Company's Code of Practices and Procedure for Fair Disclosure of Unpublished Price Sensitive Information, kindly find enclosed herewith a copy of the Q4 FY20 **Investor Presentation** of the Company.

Please take the same on record.

Yours faithfully,

for **Apex Frozen Foods Limited**

A handwritten signature in blue ink, appearing to read 'S. Sarojini', is written over a circular blue stamp.

S.Sarojini
Company secretary





Apex Frozen Foods

Result Presentation

Q4 / FY20

This presentation and the accompanying slides (the “Presentation”), which have been prepared by Apex Frozen Foods Ltd (the “Company”) solely for information purposes and do not constitute any offer, recommendation or invitation to purchase or subscribe for any securities, and shall not form the basis or be relied on in connection with any contract or binding commitment what so ever. No offering of securities of the Company will be made except by means of a statutory offering document containing detailed information about the Company.

This Presentation has been prepared by the Company based on information and data which the Company considers reliable, but 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. All product names, logos, and brands are property of their respective owners. All company, product and service names used in this presentation are for identification purposes only. Use of these names, logos, and brands does not imply endorsement.

Certain matters discussed in this Presentation may contain statements regarding the Company’s market opportunity and business prospects that are individually and collectively forward-looking statements. Such forward-looking statements are not guaranteeing of future performance and are subject to known and unknown risks, uncertainties and assumptions that are difficult to predict. These risks and uncertainties include, but are not limited to, the performance of the Indian economy and of the economies of various international markets, the performance of the industry in India and world-wide, competition, the company’s ability to successfully implement its strategy, the Company’s future levels of growth and expansion, technological implementation, changes and advancements, changes in revenue, income or cash flows, the Company’s market preferences and its exposure to market risks, as well as other risks. The Company’s actual results, levels of activity, performance or achievements could differ materially and adversely from results expressed in or implied by this Presentation. The Company assumes no obligation to update any forward-looking information contained in this Presentation. Any forward-looking statements and projections made by third parties included in this Presentation are not adopted by the Company and the Company is not responsible for such third party statements and projections

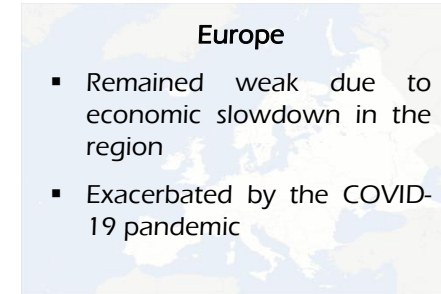
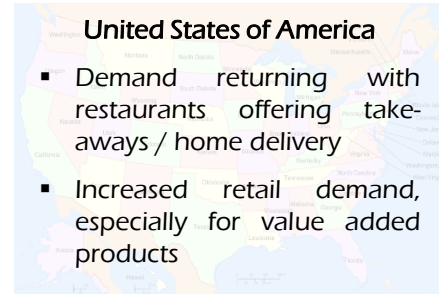


Key Business Updates – Q4 / FY20

Impact on Business

- Food processing sector resumed within a week of lockdown imposition.
- For the Company, the operations saw some disruption primarily on account of lack of availability of labour in the early days of the lockdown
- Operations are improving both on the demand and supply front

Major markets are beginning to resume their purchases



Supply Chain

- The Company continued procurement and building of raw shrimp inventory on the back of its recently expanded cold storage facility at the new plant
- On the hatcheries front, off-take of existing stock (shrimp seed) by farmers was impacted due to the lockdown. Import restrictions on brood-stock were eased around mid-May

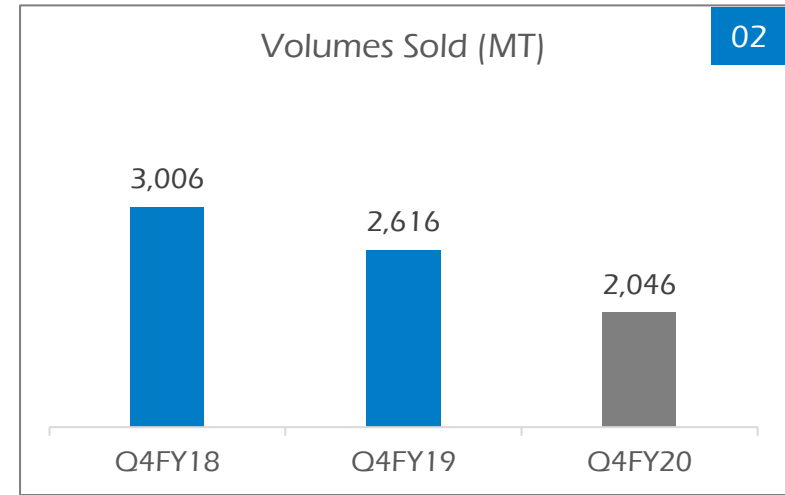
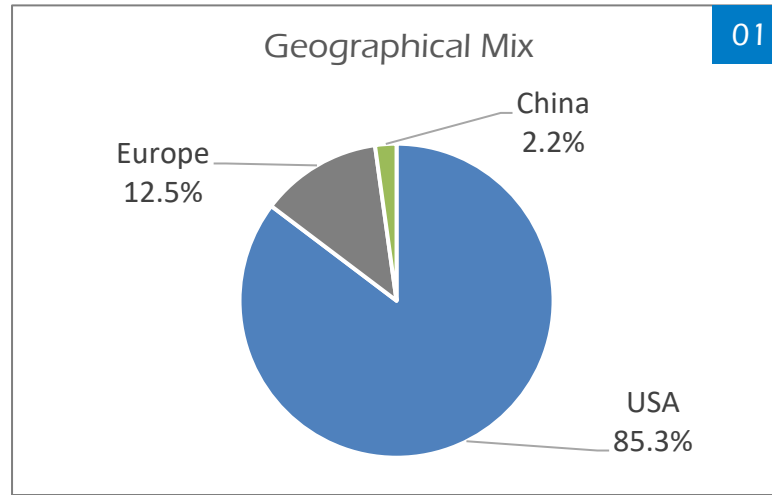
SOPs Implemented

- Company's operations already adhered to stringent health and safety measures on account of being in the food processing sector
- Additional measures such as temperature checks, entry through sanitization chamber, social distancing, etc. were also quickly implemented and are being adhered to
- A review mechanism is in place to monitor the execution of the works systematically in compliance with the extant rules and regulations

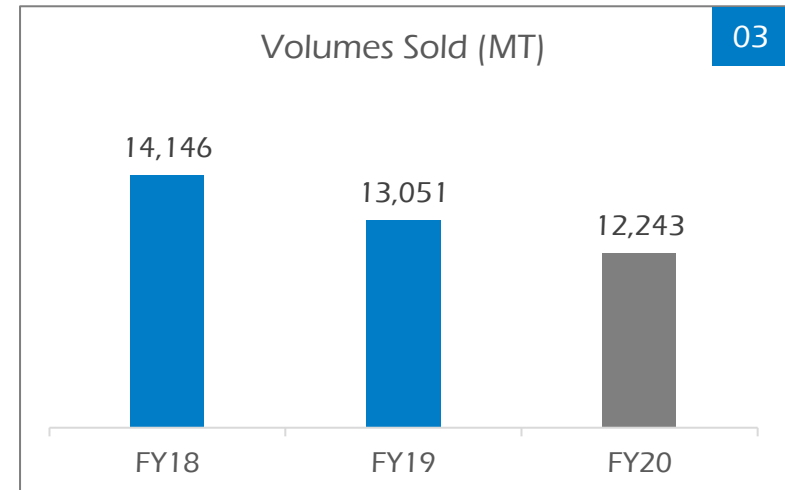
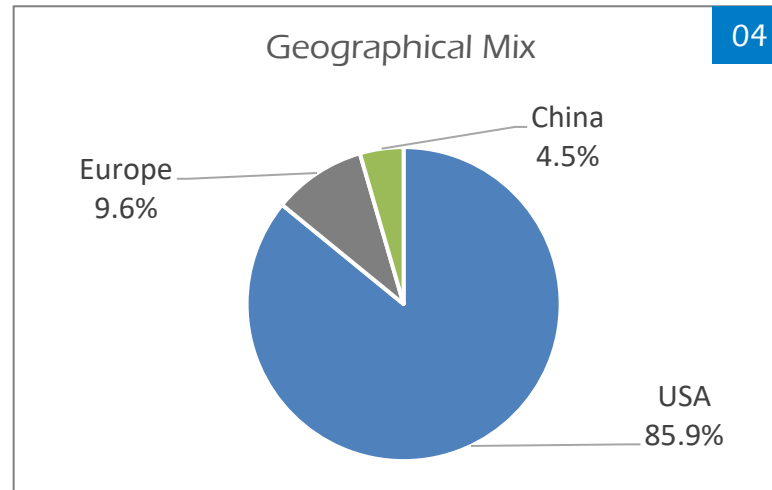
Financial Impact

- **Profitability:** Shipments of our finished products were disrupted during the last fortnight of March which has had some impact on revenues in Q4FY20. Similarly, Q1FY21 too may be affected on account of lower production and sales due to lockdown. Our operations for the forthcoming quarters will be dependent on the resumption of markets
- **Ability to service debt and other financing arrangements:** The Company believes that it will be able to service its debt obligation for the foreseeable future on the back of a comfortable liquidity position
- **Capital and financial resources:** The Company has recently completed its capex cycle and does not envisage any major capex in the forthcoming quarters and has sufficient financial resources required for its current level of operations

Q4 FY20



FY20



Income Statement Highlights

| Standalone (Rs mn) | Q4 FY20 | Q4 FY19 | y-o-y % | FY20 | FY19 | y-o-y % |
|-----------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Net revenue | 1,407 | 1,639 | | 8,271 | 8,747 | |
| Other income | 53 | 31 | | 190 | 215 | |
| Total Income | 1,460 | 1,670 | -12.6 | 8,461 | 8,962 | -5.6 |
| Raw material | 911 | 1,027 | | 5,735 | 5,810 | |
| Employee expenses | 97 | 123 | | 437 | 482 | |
| Other expenses | 264 | 344 | | 1,228 | 1,559 | |
| EBITDA | 187 | 176 | 5.9 | 1,060 | 1,111 | -4.6 |
| <i>EBITDA margin</i> | <i>12.8%</i> | <i>10.5%</i> | | <i>12.5%</i> | <i>12.4%</i> | |
| Depreciation & amortisation | 48 | 28 | | 146 | 109 | |
| Finance cost | 18 | 15 | | 106 | 65 | |
| Profit Before Tax | 120 | 133 | -9.8 | 808 | 937 | -13.8 |
| Tax | 29 | 49 | | 201 | 329 | |
| Profit After Tax | 92 | 84 | 9.3 | 606 | 608 | -0.2 |
| <i>PAT margin</i> | <i>6.3%</i> | <i>5.0%</i> | | <i>7.2%</i> | <i>6.8%</i> | |
| Other comprehensive income | 31 | 56 | | 39 | 19 | |
| Total Comprehensive Income | 123 | 140 | | 645 | 627 | |
| Diluted EPS (Rs) | 2.93 | 2.69 | 8.9 | 19.41 | 19.45 | -0.2 |

Note: FY19 includes a one-time gain (net) of ~Rs 110 mn on account of refund of anti-dumping duty

Balance Sheet Highlights

| Liabilities (Rs mn) | Mar-19 | Mar-20 |
|--------------------------------|--------------|-------------|
| Shareholder's Funds | 3,551 | 3959 |
| Share capital | 313 | 313 |
| Reserves & surplus | 3,238 | 3646 |
| Non-current liabilities | 94 | 243 |
| Long term borrowings | 71 | 241 |
| Other non-current liabilities | 23 | 3 |
| Current liabilities | 1,453 | 2063 |
| Short term borrowings | 958 | 1197 |
| Trade payables | 315 | 453 |
| Other current liabilities | 51 | 313 |
| Short term provisions | 129 | 99 |
| Total Liabilities | 5,098 | 6265 |

| Assets (Rs mn) | Mar-19 | Mar-20 |
|---------------------------|--------------|-------------|
| Non-current assets | 2,456 | 2913 |
| Net block | 1,147 | 2802 |
| Capital work-in-progress | 1,163 | 28 |
| Other non-current assets | 114 | 49 |
| Deferred tax asset | 33 | 34 |
| Current Assets | 2,641 | 3352 |
| Inventories | 1,063 | 1840 |
| Trade receivables | 935 | 791 |
| Cash & cash equivalents | 67 | 72 |
| Other financial assets | 218 | 162 |
| Other current assets | 358 | 486 |
| Total Assets | 5,098 | 6265 |

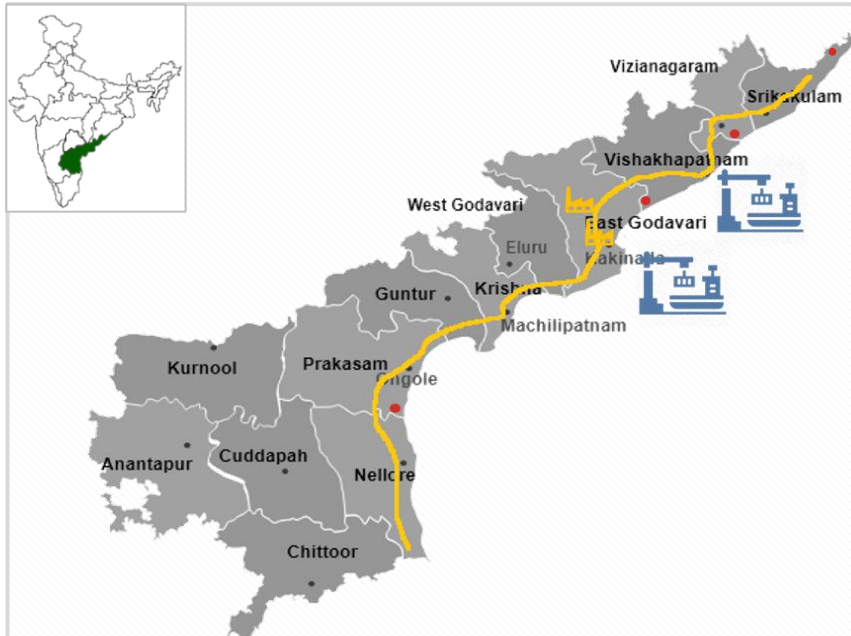
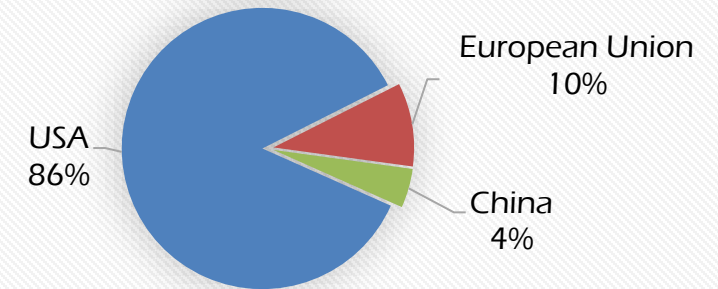


Company At a Glance

One of the Leading Exporters of Processed Shrimp in India

- Commenced business operations in 1995, Apex Frozen Foods has grown to become one of the leading shrimp processors in India
- Diversified customer base of Food Companies, Retail Chains, Restaurants, Club Stores and Distributors across the key markets
- Well integrated operations with presence across the value chain - Hatchery, Farming, Processing and Exporting of Shrimp

Key Export Markets – FY20



Strategically Located & Well Integrated Operations

● Hatcheries with a total capacity of 1.2-1.4 bn SPF seed



~ 1,500 acres of farm-land operated by the Company



20 - 200 kms from most farms from where produced is sourced



Processing plants with a total capacity of 29,240 MTPA



~ 20 kms from Kakinada port and ~ 150 kms from Vizag port

Hatchery | Stepping-stone for Ensuring Quality Produce



Production of Specific Pathogen Free (SPF) shrimp seed | Typical cycle of 40 – 50 days



Location: North of Vizag
Commenced: Year 2016

Location: South of Vizag
Commenced: Year 2017

Location: Srikakulam
Commenced: Year 2019

Location: Ongole
Commenced: Year 2019



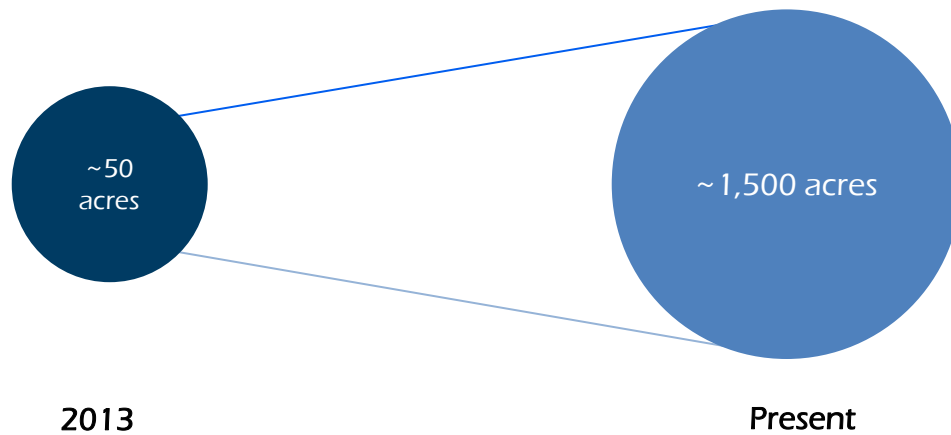
Combined breeding capacity of ~ 1.2 to 1.4 bn Specific Pathogen Free seed for Captive + Outside Sales

Farming | Critical Cushion for Consistent Supply



Cultivation of shrimp, which are reared in ponds in a bio-secured environment | Typical cycle of 90 - 120 days

Farming operations spread across various locations in Andhra Pradesh

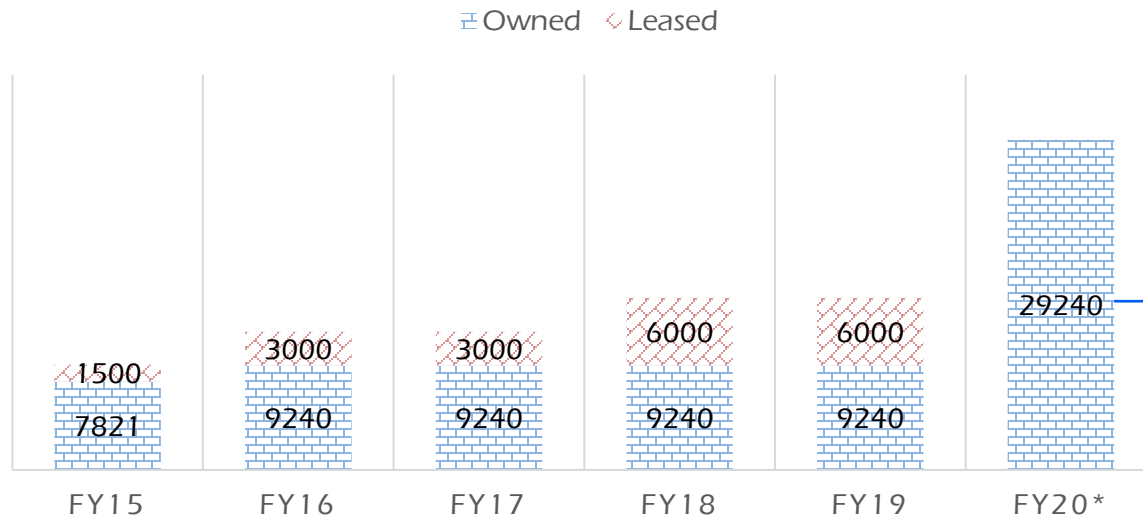


Caters to 15 - 20% of in-house raw material requirement; the balance is purchased directly from farmers across the states of Andhra Pradesh, Orissa, Bengal, Gujarat

Processing | Doubling Capacity and Expanding Product Line...



Washing, Weighing, Beheading, Grading, Peeling, De-veining, Cooking and Freezing



Kakinada Plant:
Capacity: 9,240 MTPA
Cold Storage: 1,000 MT



G. Ragampeta Plant:
Capacity: 20,000 MTPA
Cold Storage: 2,500 MT



**Discontinued operations at leased facility and commenced operations at the new processing plant in G. Ragampeta*



100% of the finished product (Frozen Shrimp) is exported to markets like USA, EU, China etc.



Base Product

- Head On, Whole
- Headless, Shell-on,
- Easy Peel



Peeled Product

- Peeled, Deveined, Tail-on
- Peeled Un-deveined, Tail-on
- Peeled, Deveined, Tail-off
- Peeled, Un-deveined
- Peeled and Deveined



Specialty Product

- Butterfly Shrimp
- Skewered Shrimp
- Seasoned Shrimp



Ready to Eat

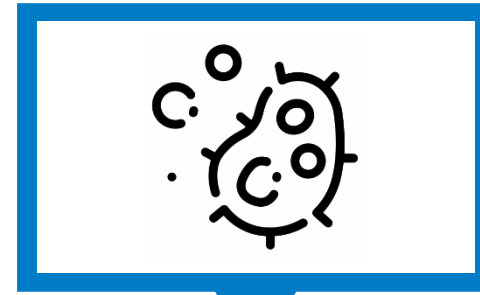
- Cooked Peeled & De-veined Tail-on
- Cooked in Shell
- Shrimp Rings
- Dusted and Breaded
- Par-fried Shrimp

Of the 20,000 MTPA capacity at the new plant, 5,000 MTPA is towards Ready-to-Eat (new product line)



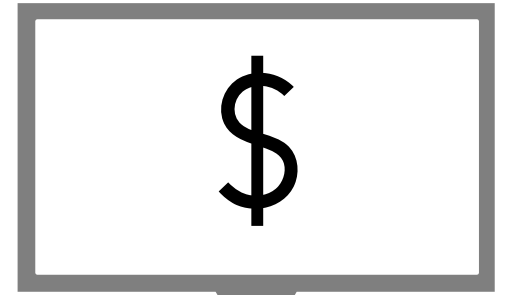
Demand Slowdown

Being an export-oriented sector, any slowdown in consumption in key markets like the USA, EU and South East Asia will have an adverse impact on India's shrimp exports



Disease Related

Highly susceptible to outbreak of diseases, which can have a detrimental effect on availability of raw shrimp



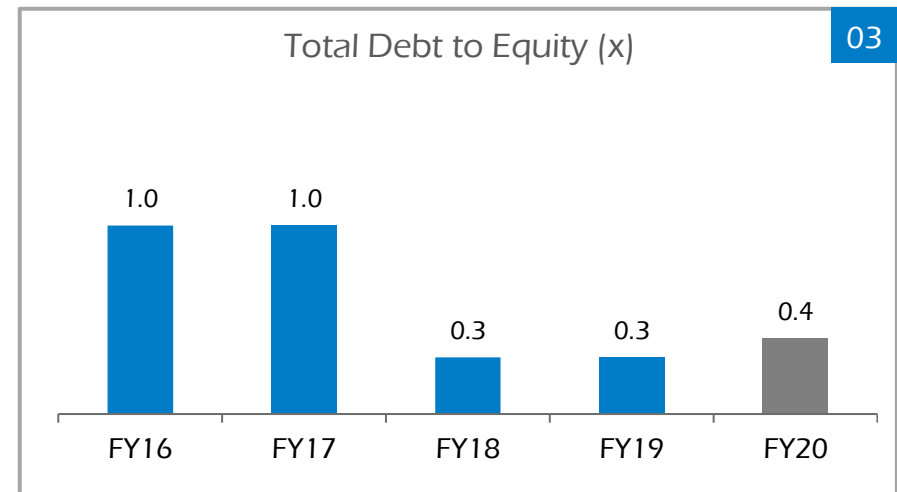
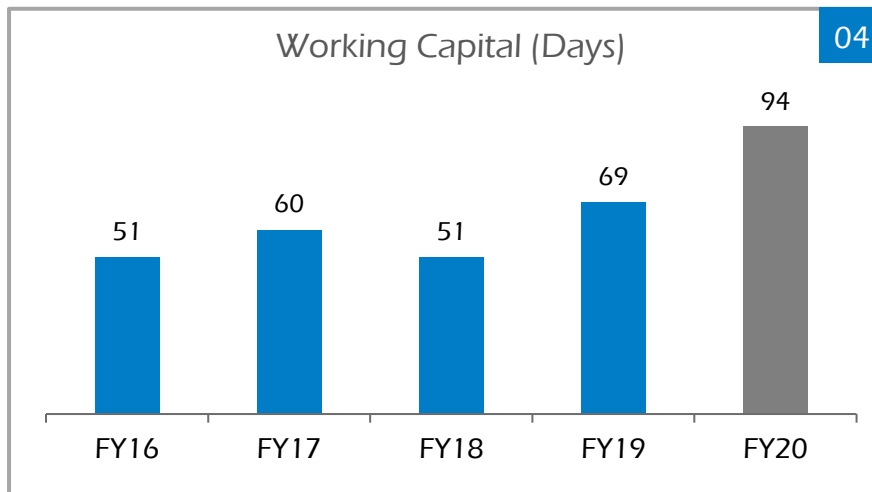
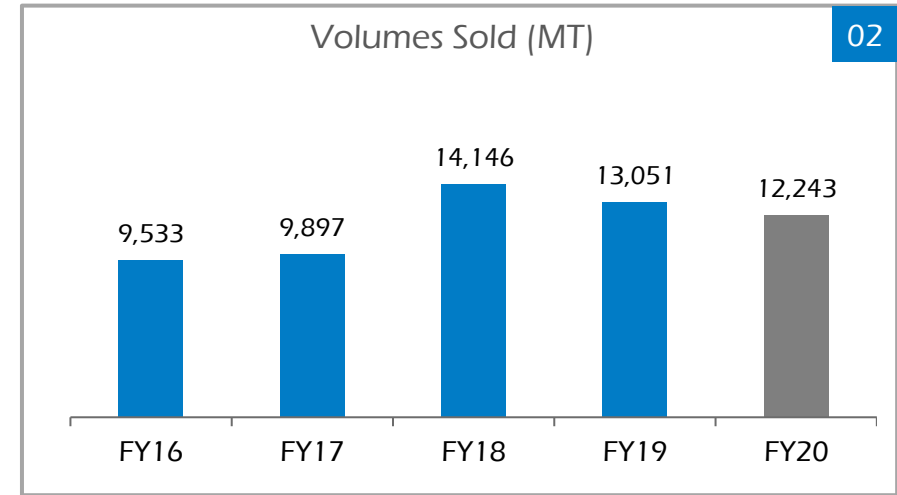
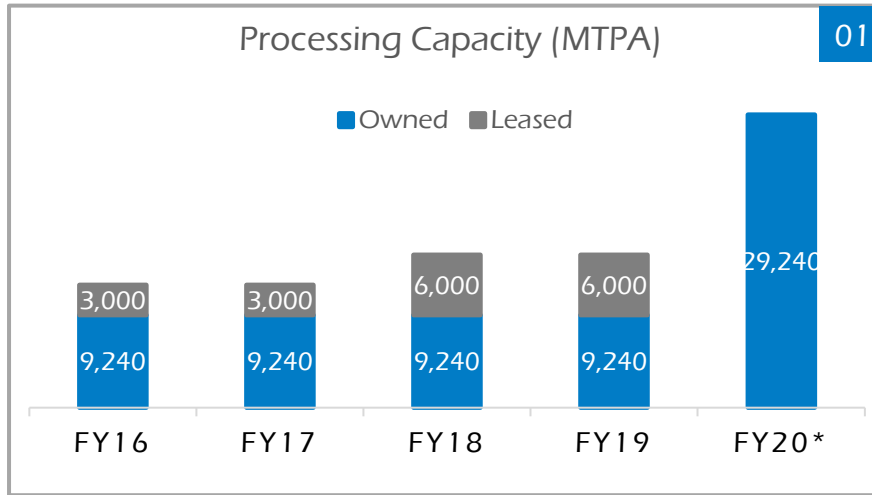
Volatile Pricing

Global imbalances in demand-supply can impact pricing. Exchange rate fluctuations can amplify the volatility



Annexures

Operational Highlights – Yearly Trend



*Discontinued operations at leased facility and commenced operations at the new processing plant at G. Ragampeta

Income Statement – Yearly Trend

| Profit & Loss (Rs mn) | FY16 | FY17 | FY18 | FY19 | FY20 |
|--------------------------|--------------|--------------|---------------|--------------|--------------|
| Net revenue | 6,035 | 6,987 | 9,986 | 8,747 | 8,271 |
| Other income | 47 | 106 | 199 | 215 | 190 |
| Total income | 6,083 | 7,093 | 10,185 | 8,962 | 8,461 |
| Raw material | 4,510 | 5,317 | 7,031 | 5,810 | 5,735 |
| Employee expenses | 233 | 249 | 389 | 482 | 437 |
| Other expenses | 884 | 977 | 1,466 | 1,559 | 1,228 |
| EBITDA | 455 | 549 | 1,299 | 1,111 | 1,060 |
| <i>EBITDA margin (%)</i> | <i>7.5%</i> | <i>7.7%</i> | <i>12.8%</i> | <i>12.4%</i> | <i>12.5%</i> |
| Depreciation | 49 | 63 | 87 | 109 | 146 |
| Finance cost | 104 | 112 | 87 | 65 | 106 |
| Profit Before Tax | 302 | 374 | 1,126 | 937 | 808 |
| Tax | 105 | 123 | 335 | 329 | 201 |
| Profit After Tax | 197 | 251 | 791 | 608 | 606 |
| <i>PAT margin (%)</i> | <i>3.2%</i> | <i>3.5%</i> | <i>7.8%</i> | <i>6.8%</i> | <i>7.2%</i> |

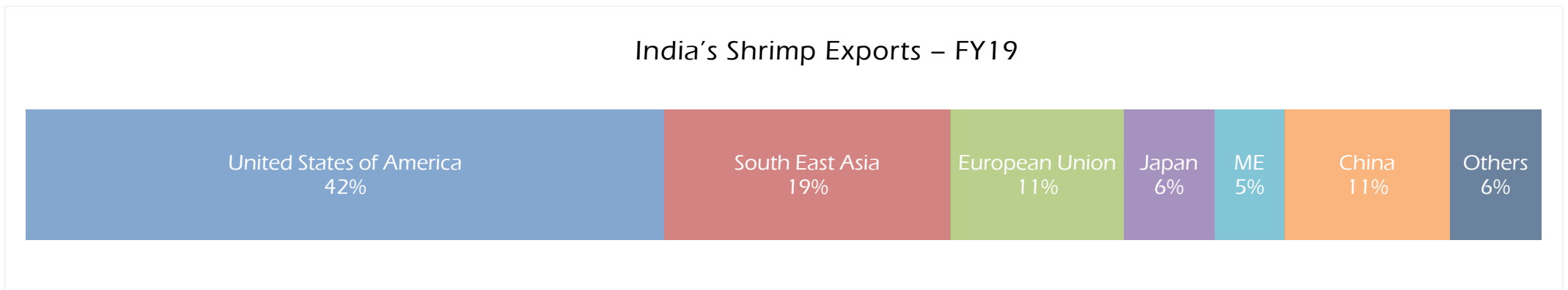
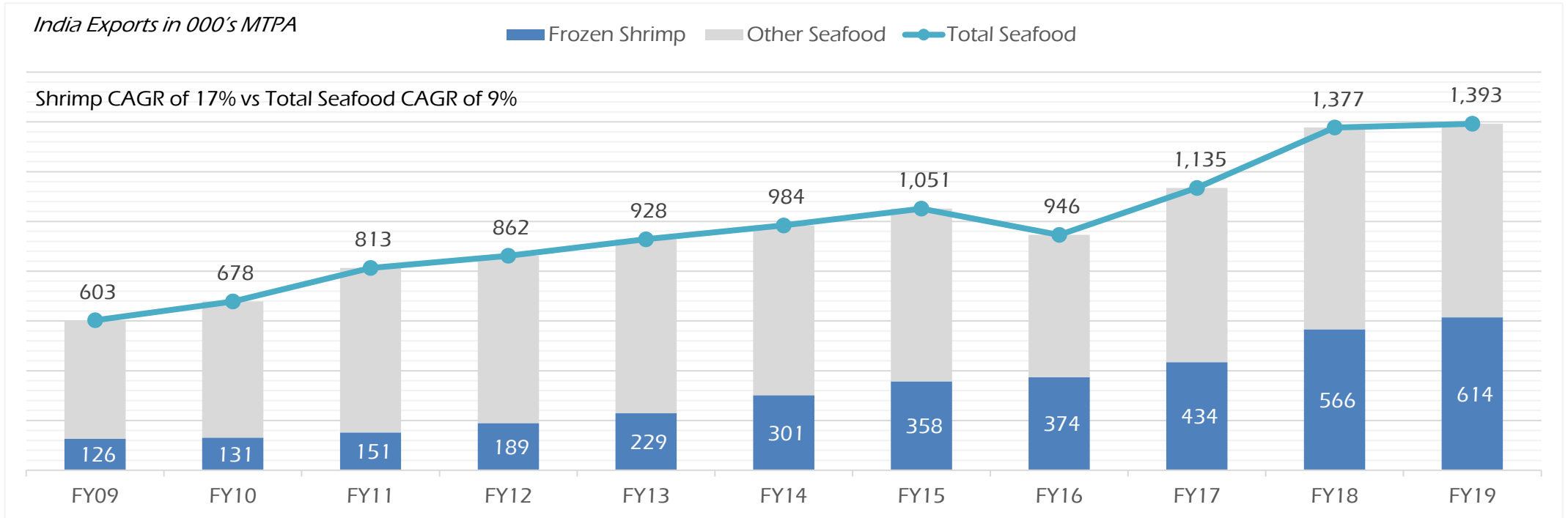
Note: The data beyond FY17 is as per Restated Financials; FY19 includes a one-time gain (net) of ~Rs 110 mn on account of refund of anti-dumping duty

Balance Sheet – Yearly Trend

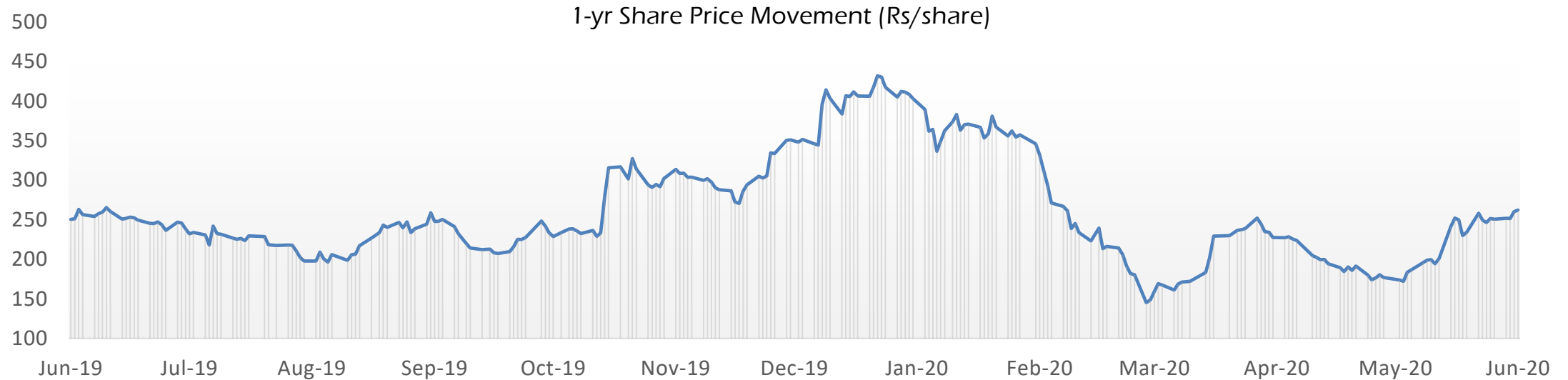
| Liabilities (Rs mn) | FY18 | FY19 | FY20 |
|--------------------------------|--------------|--------------|--------------|
| Shareholder's Funds | 3,023 | 3,551 | 3,959 |
| Share capital | 313 | 313 | 313 |
| Reserves & surplus | 2,710 | 3,238 | 3,646 |
| Non-current liabilities | 101 | 94 | 243 |
| Long term borrowings | 83 | 71 | 241 |
| Other non-current liabilities | 18 | 23 | 3 |
| Current liabilities | 1,187 | 1,453 | 2,063 |
| Short term borrowings | 722 | 958 | 1,197 |
| Trade payables | 266 | 315 | 453 |
| Other current liabilities | 107 | 51 | 313 |
| Short term provisions | 91 | 129 | 99 |
| Total Liabilities | 4,311 | 5,098 | 6,265 |

| Assets (Rs mn) | FY18 | FY19 | FY20 |
|---------------------------|--------------|--------------|--------------|
| Non-current assets | 1,408 | 2,456 | 2,913 |
| Net block | 1,111 | 1,147 | 2,802 |
| Capital work-in-progress | 209 | 1,163 | 28 |
| Other non-current assets | 54 | 114 | 49 |
| Deferred tax asset | 35 | 33 | 34 |
| Current Assets | 2,902 | 2,641 | 3,352 |
| Inventories | 1,016 | 1,063 | 1,840 |
| Trade receivables | 674 | 935 | 791 |
| Cash & cash equivalents | 644 | 67 | 72 |
| Other financial assets | 184 | 218 | 162 |
| Other current assets | 384 | 358 | 486 |
| Total Assets | 4,311 | 5,098 | 6,265 |

India's Seafood Exports Driven by Surging Shrimp Exports ...



Source: MPEDA

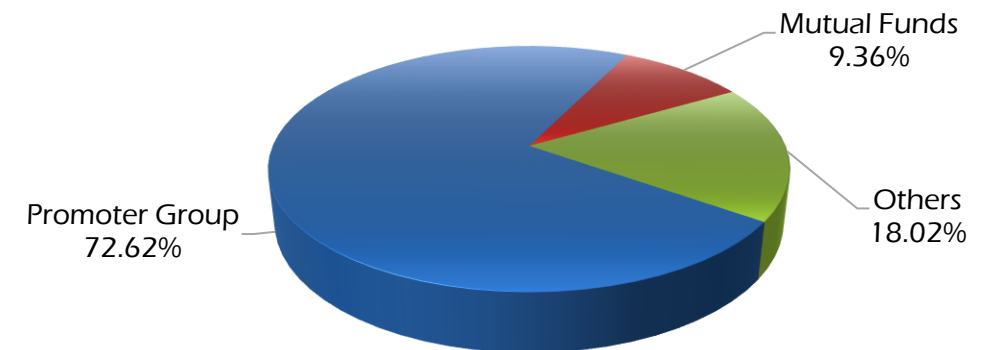


Other data (as on 25-Mar-20)

| | |
|--------------------|---------------|
| NSE / BSE code | APEX / 540692 |
| CMP (Rs) | 262.10 |
| Market Cap (Rs mn) | 8,191 |
| # Shares (mn) | 31.25 |
| Face Value (Rs) | 10.00 |
| Sector | Aquaculture |
| Location | Kakinada, AP |

Source: BSE

Shareholding Pattern (as on Mar-20)





Apex Frozen Foods

CIN: L15490AP2012PLC080067

Mr Subhramanya Chowdary, ED

ir@apexfrozenfoods.com



Investor Relations

Pooja Sharma / Sheetal Keswani

pooja.sharma@stellar-ir.com

sheetal@stellar-ir.com