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Date: 11th February, 2024.

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/Madam,

Sub: Investor Presentation Q3/9MFY24 -Reg.

Ref: Disclosure of information pursuant to Regulation 30 read with Part of Schedule II of the SEBI Requirements) Regulations, 2015.

In compliance with Regulation 30 read (Listing Obligations and Disclosure 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and Disclosure Requirements) Regulations, 2015 and the Company's Code of Practices and Procedure for Fair Disclosure of Unpublished Price Sensitive Information, please find the attached copy of Q3/9MFY24 Investor Presentation of the Company.

Please take the same on record.

For Apex Frozen Foods Limited

KARUTURI
SUBRAHMANYA
A CHOWDARY

Digitally signed by
KARUTURI SUBRAHMANYA
CHOWDARY
Date: 2024.02.11 11:09:20
+05'30'

Karuturi Subrahmanya Chowdary
Managing Director
DIN: 03619259

Encl: a/a



Apex Frozen Foods

Result Presentation

Q3 & 9MFY24



Safe Harbour

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Key Business Updates Q3 & 9MFY24

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Financial Highlights – Q3 & 9MFY24

Net Revenue impacted on account of:

- ▶ **Lower Volumes at 2,117 MT in Q3FY24**, on account of continued subdued demand from our key market – USA. While other markets like the European Union (EU) posted growth, we are currently catering only to RTC market as we are awaiting regulatory approvals for RTE sales in the EU
- ▶ **Lower Realization at Rs 663* per Kg in Q3FY24**, on account of tapering global shrimp prices and lower RTE contribution led by change in geographical mix (higher share of EU where RTE products are not sold yet)

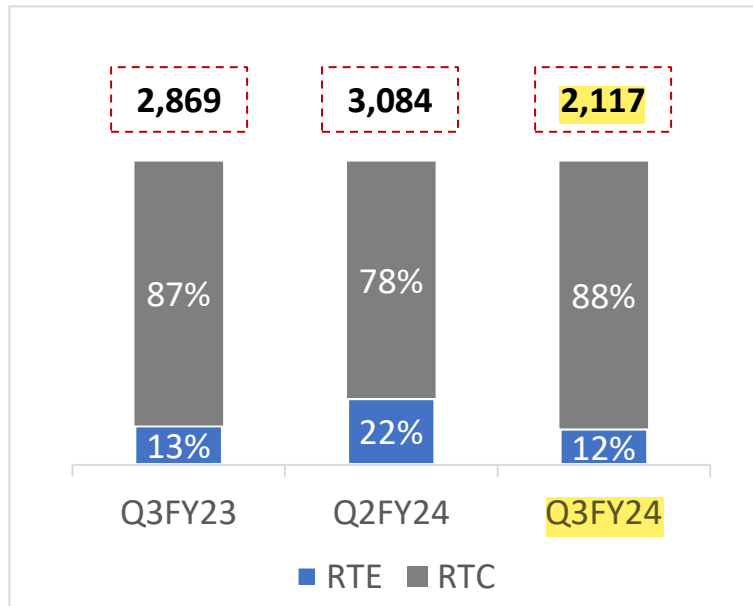
Profitability impacted due to lower operating leverage on account of lower sales and higher freight costs; EBITDA Margin stood at 6% in Q3FY24

Reduced Total Gross Debt further from Rs 906 Mn as on 31-Mar-23 to Rs 832 Mn as on 30-Sep-23, underscoring improved Working Capital cycle and positive Cashflow from Operations

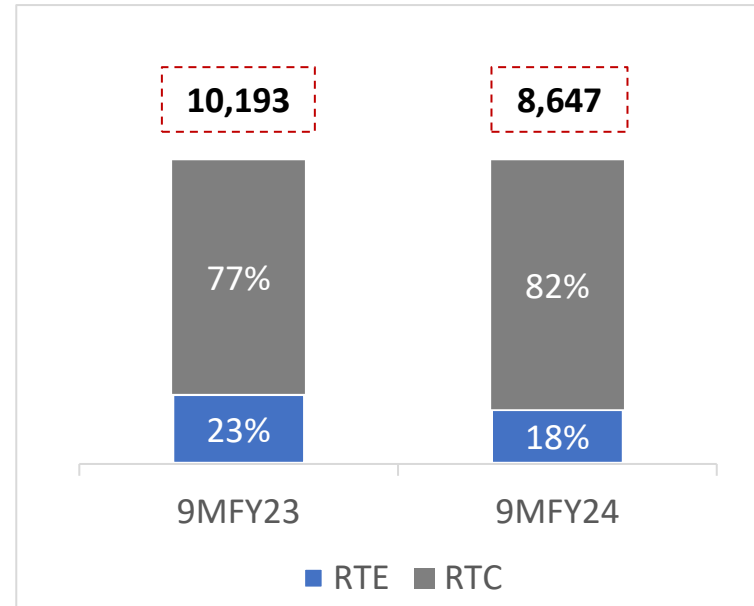
*Average sales realization = Net Revenue (excluding export incentives) / Total Shrimp Volumes sold

Sales Volume Break-up

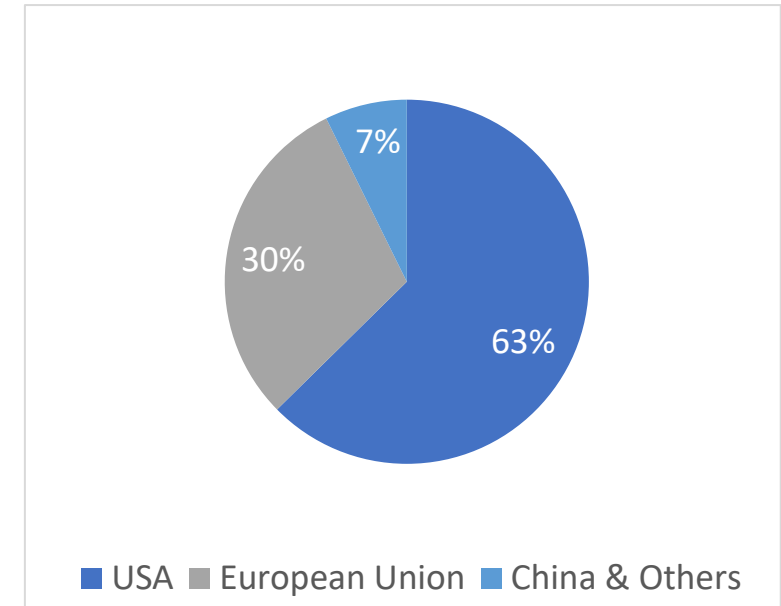
Shrimp Sales (MT) - Quarterly



Shrimp Sales (MT) – Nine Months



Geographical Mix (%) – 9MFY24



- Continued weakness in key markets like the USA impacting Shrimp sales
- Other markets like the EU and UK continued to grow: Shrimp sales to EU grew ~51% YoY in 9MFY24**
- Consequently, with higher share of EU (wherein awaiting regulatory approvals for RTE sales), the share of RTE sales lowered in the overall mix. Weak demand from USA market (key market for RTE products) also impacted RTE sales

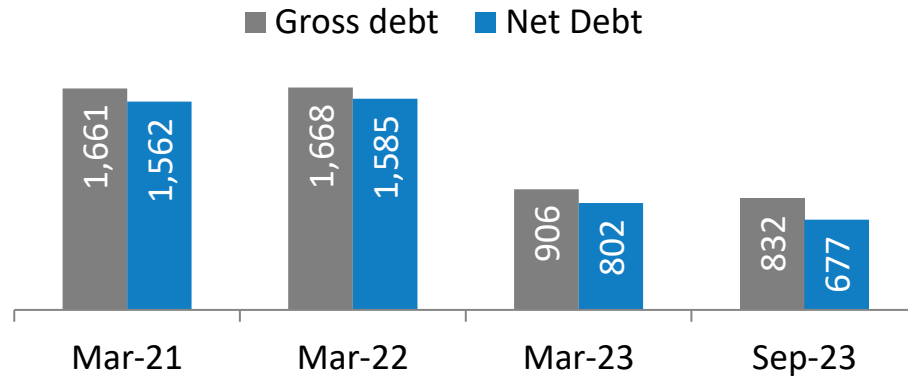
Income Statement Highlights

| Particulars (Rs Mn) | Q3FY24 | Q3 FY23 | Y-o-Y % | Q2FY24 | Q-o-Q % | 9M FY24 | 9M FY23 | Y-o-Y % |
|-----------------------------|--------------|--------------|-------------|--------------|-------------|--------------|--------------|-------------|
| Net revenue* | 1,481 | 2,305 | | 2,405 | | 6,425 | 8,584 | |
| Other income | 5 | 2 | | 10 | | 17 | 63 | |
| Total Income | 1,486 | 2,307 | -36% | 2,415 | -38% | 6,442 | 8,648 | -26% |
| Raw material costs | 967 | 1,612 | | 1,689 | | 4,472 | 5,826 | |
| Employee expenses | 137 | 116 | | 147 | | 409 | 361 | |
| Other expenses | 293 | 393 | | 383 | | 1,144 | 1,644 | |
| EBITDA | 90 | 186 | -52% | 195 | -54% | 416 | 817 | -49% |
| <i>EBITDA margin (%)</i> | <i>6.0%</i> | <i>8.1%</i> | | <i>8.1%</i> | | <i>6.5%</i> | <i>9.5%</i> | |
| Depreciation & amortisation | 34 | 52 | | 53 | | 139 | 155 | |
| Finance cost | 19 | 30 | | 29 | | 76 | 127 | |
| Profit Before Tax | 36 | 104 | -65% | 113 | -68% | 200 | 535 | -63% |
| Tax expenses | 6 | 26 | | 30 | | 51 | 136 | |
| Profit After Tax | 30 | 77 | -62% | 83 | -64% | 150 | 399 | -63% |
| <i>PAT margin (%)</i> | <i>2.0%</i> | <i>3.4%</i> | | <i>3.5%</i> | | <i>2.3%</i> | <i>4.6%</i> | |
| Diluted EPS (Rs) | 0.95 | 2.48 | | 2.67 | | 4.79 | 12.77 | |

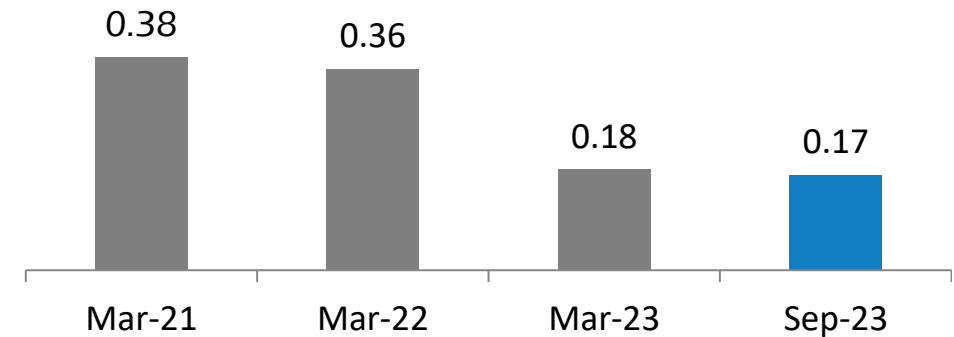
*Net Revenue includes export benefits of Rs 78 Mn for Q3FY24, Rs 101 Mn for Q3FY23, Rs 129 Mn for Q2FY24, Rs 342 Mn for 9MFY24 and Rs 358 Mn for 9MFY23

Balance Sheet Ratios and Operating Cashflow

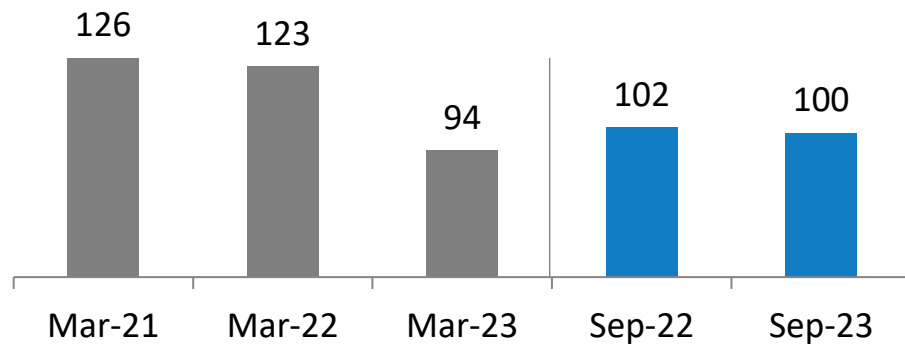
Gross Debt and Net Debt (Rs Mn)



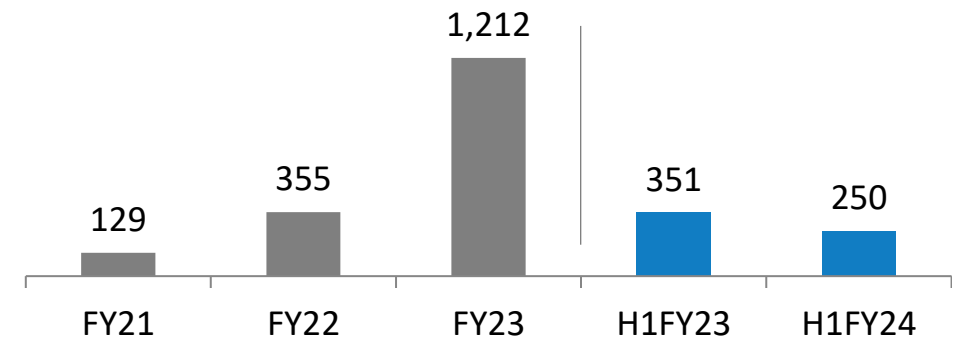
Total Debt To Equity (Times)



Working Capital (Days)



Net Cashflow from Operations (Rs Mn)



Key Growth Drivers

Current Capacity Offers Headroom for Growth

Sales (MT) to Capacity ratio below 50%

Advantage India

India is world's largest shrimp exporter with continuing growth momentum;

Ample growth opportunity in Value-Added Products (VAP)



Improving Product Mix with Growing Share of RTE sales

Enhanced RTE capacity from 5,000 MT to 10,000 MT at marginal capex; The additional capacity of 5,000 MT was commissioned by end of May-23

Long Standing Customer Relationships

Track record of consistent supply of quality products has led to gaining credibility with marquee customers, thereby acting as an entry barrier



Company At a Glance

2

The Growth Journey So Far...

Leased Capacity
~1,200 MT

Owned Capacity
34,240 MT

- Owned **Processing Plant at Kakinada**, Andhra Pradesh (AP)
- Exports to the **USA**
- Exports to **EU**
- Certified processes and quality
- Recognized as a **Star Export House** by the DGFT
- Converted into a Private Limited

2004 – 2012

Export Market Penetration

- IPO and Listing on BSE & NSE in Sep'17
- Backward Integration:** Three owned Hatcheries in AP over 2016-19
- Focus on VAP:** Pre-processing unit in 2017, to support Kakinada plant in processing more VAP
- Capacity Expansion:** New processing plant of 20,000 MT capacity at G. Ragampeta, AP, in Mar'20
- Foray into RTE products:** 5,000 MT of RTE capacity at G. Ragampeta plant

2013 – 2021

Capability Expansion

- Improved Product Mix:** Share of RTE products in overall sales increased from 15% in FY21 to 22% in FY23
- RTE Capacity Expansion:** Commissioned an additional line of 5,000 MT of RTE capacity in end of May-23

2022 - 24

Well-placed to capitalize on the growth opportunities

1995

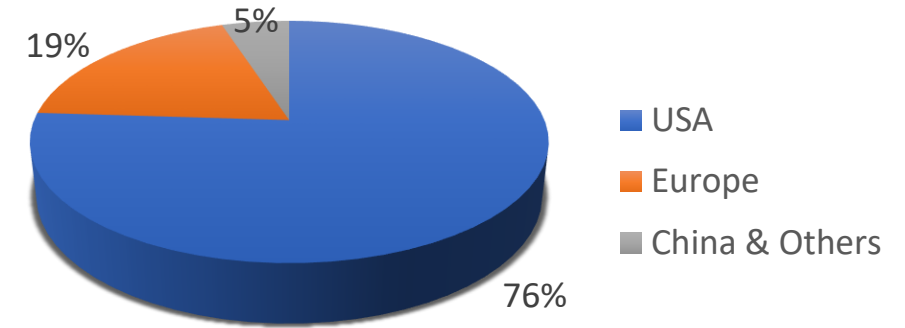
Commenced business operations under partnership firm "Apex Exports"

...To Having Built a Well-Integrated Operations

One Of The Leading Exporters Of Processed Shrimp In India

Catering to wide array of customers such as Food Companies, Retail Chains, Restaurants, Club Stores and Distributors spread across multiple geographies in the USA, European Union and China & Others.

Key Export Markets – FY23



Well Integrated Business Operations with Presence in Hatchery and Processing & Exporting of Shrimp



Shrimp Seed (Hatchery)

Capacity - 1.2 to 1.4 billion
SPF* seed



Shrimp Processing

Capacity - 34,240 MTPA
Cold Storage – 3,500 MT

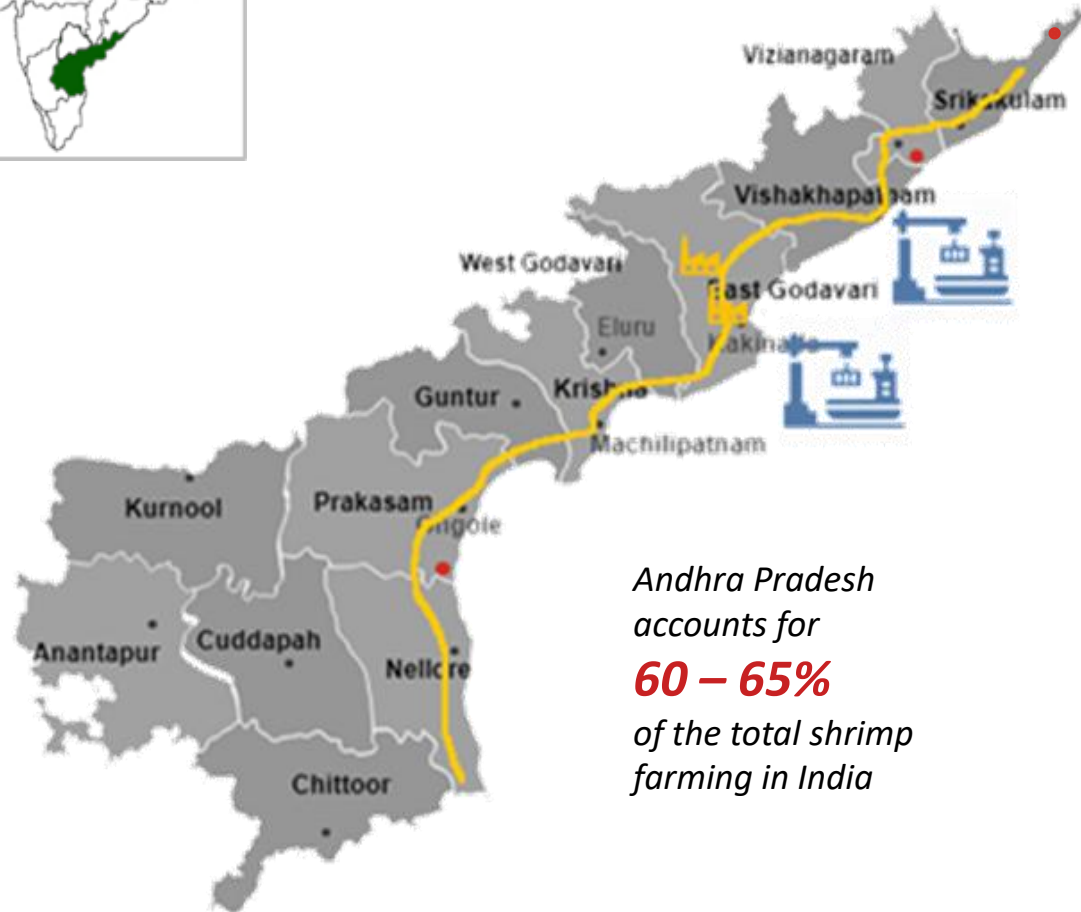


Well Diversified Products

Ready-to-Cook
Ready-to-Eat

Strategically Located Facilities

Enabling smooth transition of products to the next stage



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



Two Processing plants with a total capacity of 34,240 MTPA, along with Cold Storage capacity of ~3,500 MT



Located within 20 - 200 kms of most farms from where the produce is sourced for processing



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

Processing Capacity Offers Headroom for Growth

Total Capacity – 34,240 MTPA



Unit 1 - Kakinada, AP
Ready-to-Cook: 9,240 MTPA
Cold Storage: 1,000 MT



Unit 2 - G. Ragampeta, AP
Ready-to-Cook: 15,000 MTPA
Ready-to-Eat: 10,000 MTPA*
Cold Storage: 2,500 MT

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

100% of the finished product (Frozen Shrimp) is exported primarily to markets like the USA, EU and China & Others

***Of this, 5,000 MT was commissioned towards the end of May-23**

Product Offering – Moving up the Value Chain



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 (RTE)

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



Annexures

3

Income Statement Highlights

| Profit & Loss (Rs Mn) | FY20 | FY21 | FY22 | FY23 |
|--------------------------|--------------|--------------|--------------|--------------------|
| Net revenue* | 8,271 | 8,185 | 9,262 | 10,703 |
| Other income | 190 | 75 | 57 | 17 |
| Total income | 8,461 | 8,260 | 9,319 | 10,720 |
| Raw material costs | 5,735 | 5,531 | 6,150 | 7,419 |
| Employee expenses | 437 | 398 | 430 | 460 |
| Other expenses | 1,228 | 1,346 | 1,818 | 1,993 [^] |
| EBITDA | 1,060 | 985 | 921 | 848 |
| <i>EBITDA margin (%)</i> | <i>12.5%</i> | <i>11.9%</i> | <i>9.9%</i> | <i>7.9%</i> |
| Depreciation | 146 | 219 | 185 | 194 |
| Finance cost | 106 | 159 | 174 | 147 |
| Profit Before Tax | 808 | 606 | 562 | 506 |
| Tax expenses | 201 | 163 | 151 | 148 |
| Profit After Tax | 607 | 443 | 411 | 359 |
| <i>PAT margin (%)</i> | <i>7.2%</i> | <i>5.4%</i> | <i>4.4%</i> | <i>3.3%</i> |

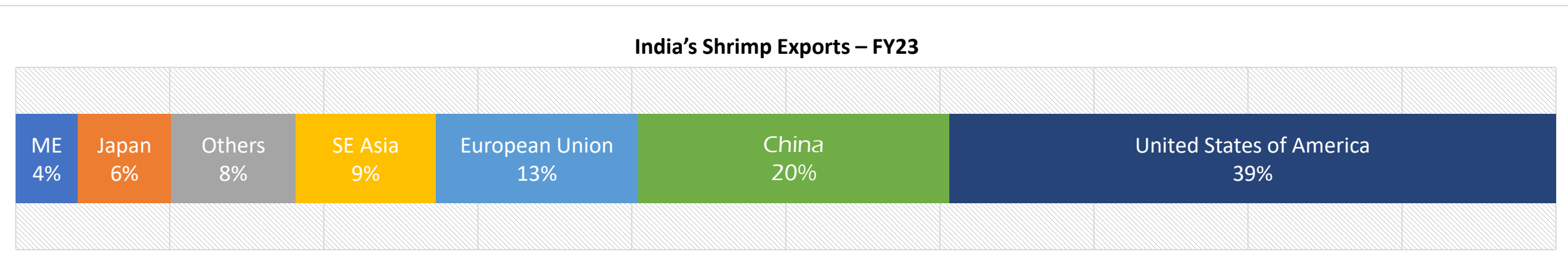
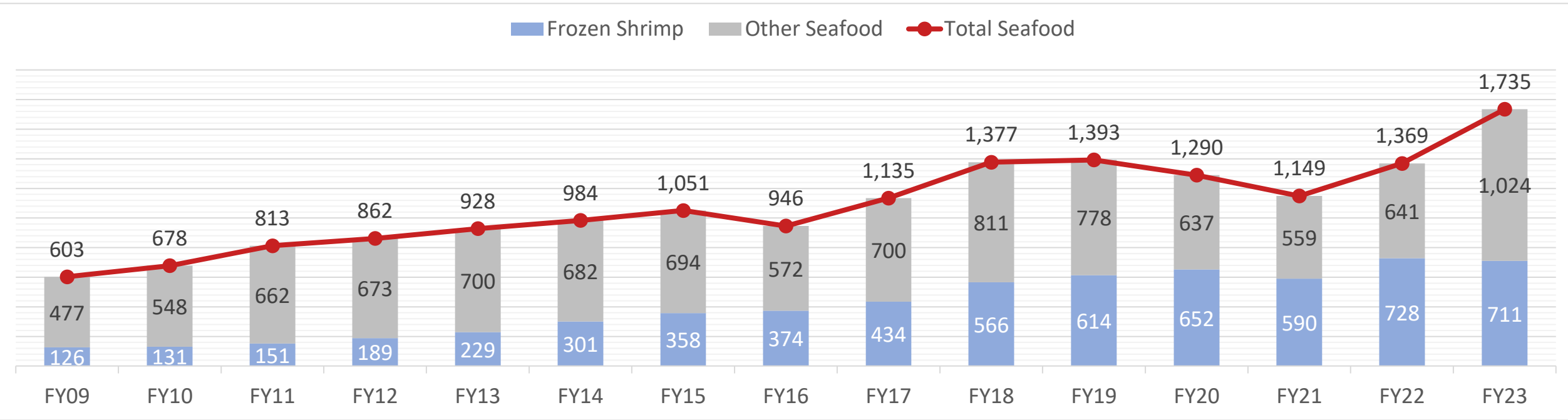
*Includes export incentives; [^] Includes write-off of certain receivables to the extent of Rs 74.6 Mn in FY23 (Rs 13.4 Mn in FY22)

Balance Sheet Highlights

| Liabilities (Rs Mn) | Mar-21 | Mar-22 | Mar-23 | Sep-23 |
|--------------------------------|--------------|--------------|--------------|--------------|
| Shareholder's Funds | 4,398 | 4,684 | 4,900 | 5,019 |
| Share capital | 313 | 313 | 313 | 313 |
| Reserves & surplus | 4,086 | 4,372 | 4,587 | 4,707 |
| Non-current liabilities | 281 | 348 | 101 | 173 |
| Long term borrowings | 281 | 291 | 28 | 106 |
| Other non-current liabilities | 0 | 0 | 9 | 0 |
| Deferred tax liabilities | 0 | 57 | 64 | 67 |
| Current liabilities | 1,889 | 1,745 | 1,138 | 1,036 |
| Short term borrowings | 1,380 | 1,377 | 878 | 726 |
| Trade payables | 300 | 209 | 173 | 184 |
| Other current liabilities | 18 | 55 | 41 | 34 |
| Short term provisions | 135 | 79 | 46 | 61 |
| Current tax liability | 56 | 25 | 0 | 31 |
| Total Liabilities | 6,568 | 6,777 | 6,138 | 6,229 |

| Assets (Rs Mn) | Mar-21 | Mar-22 | Mar-23 | Sep-23 |
|---------------------------|--------------|--------------|--------------|--------------|
| Non-current assets | 2,708 | 2,656 | 2,738 | 2,737 |
| Net block | 2,504 | 2,360 | 2,424 | 2,572 |
| Capital work-in-progress | 154 | 219 | 179 | 9 |
| Other non-current assets | 27 | 77 | 135 | 156 |
| Deferred tax asset | 23 | 0 | 0 | 0 |
| Current Assets | 3,860 | 4,121 | 3,400 | 3,492 |
| Inventories | 1,612 | 2,028 | 1,800 | 1,776 |
| Trade receivables | 1,546 | 1,320 | 1,120 | 1,112 |
| Cash & cash equivalents | 99 | 83 | 104 | 155 |
| Other financial assets | 227 | 91 | 28 | 33 |
| Other current assets | 377 | 599 | 348 | 416 |
| Total Assets | 6,568 | 6,777 | 6,138 | 6,229 |

India's Seafood Exports Driven by Surging Shrimp Exports

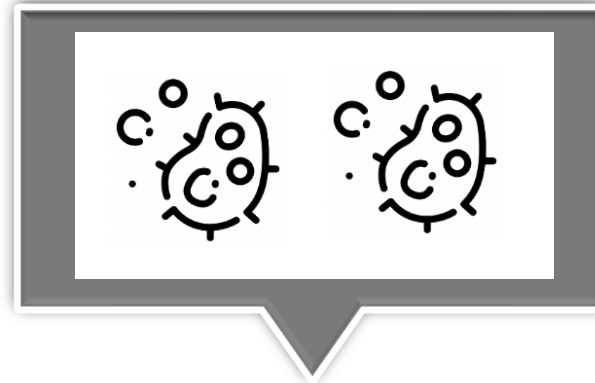


Key Considerations for the Sector



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 the availability of raw material (shrimp)



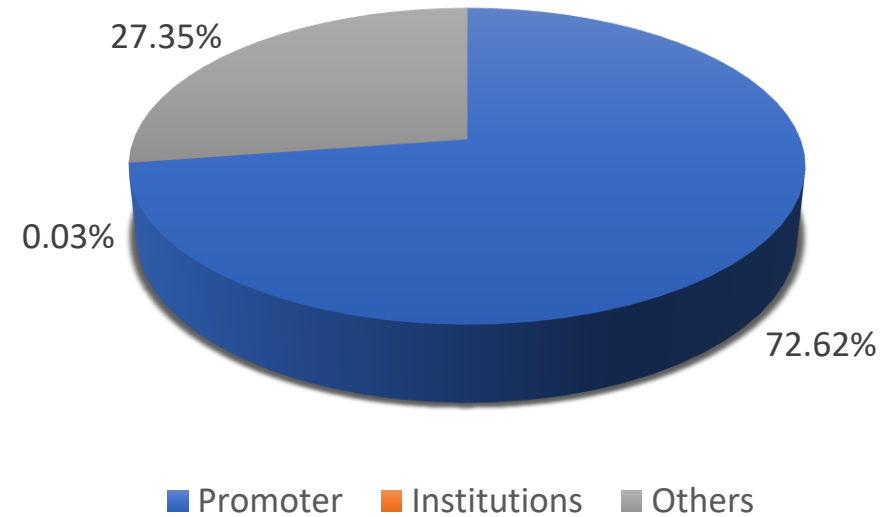
Volatile Pricing

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

Share Capital Information

| | |
|----------------------------------|---------------|
| NSE / BSE code | APEX / 540692 |
| CMP (Rs/share) (as on 09-Feb-24) | 261 |
| Market Cap (Rs Mn) | 8,140 |
| # Shares (Mn) | 31.25 |
| Face Value (Rs/share) | 10.00 |
| Sector | Aquaculture |
| Location | Kakinada, AP |

Shareholding Pattern as on December 31, 2023



Thank You



Apex Frozen Foods

Mr Chowdary Karuturi, Managing Director

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