



PRESS RELEASE

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Q3 Performance Highlights

Revenues increase by 20% Y-o-Y to Rs. 850 crore

EBITDA at Rs. 186 crore, margins at 21.9%

Board approved interim dividend of 300%

Gurgaon, February 12, 2020: PI Industries Limited (PI), a company with an integrated approach to Agri sciences business, announced its financial results for the quarter and nine months ended December 31, 2019.

Financial Highlights for Q3 & 9M FY2020

Particulars (Rs. in Crore)	Q3 FY2020	Q3 FY2019	Growth %	9M FY2020	9M FY2019	Growth %
Revenues	850	708	20.1%	2,511	2,036	23.3%
EBITDA	186	149	24.6%	529	401	31.7%
PAT	120	107	12.4%	344	283	21.5%

Financial and Operational Commentary for the quarter and nine months ended December 31, 2019.

Net Revenue

Q3 revenues reported ~20% increase driven by good recovery in domestic business with 24% improvement and continued ramp up in exports with 19% Y-o-Y growth. Higher acreages across key crops during Rabi helped PI's portfolio of brands deliver healthy volume gains. Newly launched wheat herbicide 'Awkira' showed promising acceptance. Exports continued to report scale-up, as per plan.

9M revenues stood 23% higher marked by 40% gains in exports.

EBITDA

Q3 EBITDA stood ~25% higher at Rs. 186 crore, where margins maintained at 21.9%. Enhanced product mix and moderation in cost of inputs supported the earnings momentum. 9M EBITDA came in at Rs. 529 crore, growing 32% and margins were reported at 21%.

Post-tax Earnings

Q3 PAT stood at Rs. 120 crore, which was 12% better Y-o-Y. The EPS came in at Rs. 8.7 per share reflecting the enhanced performance. 9M PAT was at Rs. 344 crore, increasing 21% YoY. Effective tax rate was at 27% due to change in SEZ share to overall business.



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Interim Dividend

The Board of Directors of PI Industries have approved payment of an interim dividend of 300% i.e. Rs. 3.00 per equity share of face value of Re. 1 each.

Completion of Isagro Acquisition

The Company has completed the acquisition of Isagro Asia on 27th December, 2020. Total consideration paid was Rs. 455 crore including Rs. 111 crore towards surplus cash. As part of acquisition plan, Isagro business will be reorganized such that the domestic distribution business will be transferred to Jivagro Limited and rest of the activities will be merged into PI Industries. The Board of Directors of the Company has authorized to submit scheme of arrangement for filing with the Court.

Strong Balance Sheet

Healthy underlying trends in performance resulted in robust operating cash generation and enhanced balance sheet. During the year, company has deployed the surplus cash in acquisition of Isagro Asia and in capacity expansion at Jambusar. Total debt net of cash on consolidated basis as on December 31, 2019 stood at Rs. 252 crore.

Future Fund Raising

The Board of Directors approved fund raising of upto Rs. 2,000 crore to support next leg of growth strategy for business. This is an enabling resolution and the actual investment will depend on the plans as they get firmed up.

Commenting on the performance, Mr. Mayank Singhal – Vice Chairman & Managing Director, PI Industries Limited, said:

“Our Q3 performance remains on trend, where a 20% blended increase was delivered. Domestic sales benefited from higher acreages across all major crops. ‘Awkira’, our new-gen. herbicide has found great acceptance and we are focusing on building the brand strongly within Wheat, Maize and Soybean.

Exports present an attractive runway for growth. We have added 3 new molecules to our commercialized portfolio this year. The business is seeing timely addition of capacities at Jambusar and we should operationalize new plants in the present quarter. The order book position stands robust and we are getting good quantum of fresh enquires from innovators.

Our strategic objective is to sustain current growth momentum, diversify into niche business areas beyond agchem where we can leverage our current capabilities & reach and also de-risk our current business operations. In the last decade, we have demonstrated our capabilities to develop, successfully scale up and market high-end technologies mainly in Agchem space. The new decade will see PI replicate this performance in high growth, niche business areas, beyond Agchem.”

Outlook

Maintain FY20 guideline for ~20% improvement in performance Y-o-Y backed by healthy order position, commissioning of additional capacity and contribution from newly launched brands.



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About PI Industries Ltd. (PI)

Incorporated in 1947, PI Industries (BSE: 523642, NSE: PIIND, ISIN ID: INE603J01030) focuses on complex chemistry solutions in agri-sciences.

With strength of over 2,300 employees, PI Industries currently operates a strong infrastructure set-up consisting 3 formulation facilities as well as 9 multi-product plants under its 3 manufacturing locations. These state-of-art facilities have integrated process development teams with in-house engineering capabilities. The Company maintains a strong research presence through its R&D facility at Udaipur, where it has a dedicated team of over 250 scientists and chemists. The facility includes advanced research and development labs, kilo plants and pilot plants with NABL certification.

Over the years, the Company has successfully leveraged its capabilities across the Agri Sciences value chain by providing integrated and innovative solutions to its customers by partnering with the best. Its business approach is built on the foundation of trust, integrity and IP protection. PI Industries' has formed partnerships with leading companies globally where it provides solutions across the fields of research & development, regulatory services, manufacturing services, application development, marketing, distribution and customer connect initiatives.

Through its evolution, the PI Industries brand has brought value added offerings to millions of farmers in the country and across the globe thereby carving a niche position in the minds of the local and global customers. Some of the key strengths of the Company is its strong technical capabilities in the area of research and development, manufacturing services, brand building, strong distribution presence in India and customer connect initiatives.

PI Industries is geared to show accelerated performance backed by a combination of attractive opportunity and well-integrated capabilities given its partnership approach to business.

For further information, please visit: www.piindustries.com or contact:

Nishid Solanki / Siddharth Rangnekar

CDR India

Tel: +9122 66451221

Tel: +9122 66451209

Email: nishid@cdr-india.com

siddharth@cdr-india.com

Rajnish Sarna / Subhash Anand

PI Industries Limited

Tel: +91 124 6790000

Fax: +91 124 4081247

Email: r.sarna@piind.com

subhash.anand@piind.com

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