

Date: 10.08.2023

To
Listing Compliance Department
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai – 400 001

Subject: Press Release

Dear Sir/ Madam,

Pursuant to Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the copy of press release made to analysts and investors in connection with Unaudited Standalone & Consolidated Financial Results for quarter ended 30th June,2023.

Request you to please take note of the same.

Thanking You

Yours Faithfully,

For Natural Capsules Limited

Shilpa Burman
Company Secretary & Compliance Officer



NATURAL CAPSULES LIMITED REPORTS Q1FY24 RESULTS

Bangalore, August 9th, 2023: Natural Capsules Limited, one of India's leading manufacturer of hard capsules shell has announced its financial results for the first quarter ended June 30th, 2023.

FINANCIAL HIGHLIGHTS FOR QUARTER ENDED JUNE 30TH, 2023

REVENUES	37.70 cr	EBITDA	5.96 cr	EBITDA MARGINS	15.81%
⬆️ 0.21%	⬇️ -14.69%	⬇️ -11.41%	⬇️ -34.72%	⬇️ -184 BPS	⬇️ -485 BPS
PAT	1.82 cr	EPS	₹ 1.96	Key	
⬇️ -46.15%	⬇️ -65.07%	⬇️ -42.86%	⬇️ -73.62%	⬆️ Q-o-Q	⬆️ Y-o-Y

COMMENTING ON THE PERFORMANCE, MR. SUNIL MUNDRA, EXECUTIVE DIRECTOR, SAID,

I am pleased to provide you with an update on our performance in Q1FY24. The operating environment in the pharmaceutical industry continued to remain challenging throughout the quarter. Even amid these challenges, our realisations and volumes remained consistent with the previous quarter.

The impact on profitability, particularly on EBITDA margins, was influenced by a primary factor. There were closures of a few capacities in India for the manufacturing of Gelatin due to maintenance shutdowns. This led to availability issues for Gelatin, our key raw material. As a result, we had to resort to the import of high-cost inventory during the quarter, which inevitably affected our profitability.

Our strategic thrust this year is on the exports market. With a keen eye on broadening our horizon and expanding our footprint, we are optimistic about recording substantial growth in our exports in the coming year.

While we have encountered some challenges with the installation of the first HPMC line, culminating in delays in the commencement of commercial operations, our team has been working diligently to address and rectify these issues. These unanticipated challenges have resulted in slight deviations from our initial timelines for the HPMC lines.

On the API front, the yields recorded for the scale-up batches have shown marked improvement compared to the small batches. We have successfully completed the first round of inspections by the Drug Department for our API facility and are gearing up for the second round. Following this, we anticipate obtaining the manufacturing license.

We remain on schedule to begin the commercial production of small volume batches by the end of Q2FY24, and confidently aim to start commercial production of large volume batches by Q4FY24.

It's worth acknowledging that as we embark on these large CAPEX undertakings, certain challenges and delays, unfortunately, become part and parcel of the journey. Furthermore, the operating environment in the capsule business has been less than conducive in the past quarters. However, we are committed and are taking all the necessary measures to ensure that Natural Capsules Limited is swiftly back on a growth trajectory.

We deeply appreciate your belief in our vision and our capabilities. Rest assured, we remain steadfast in our mission to deliver value and sustained growth.

UPDATES ON CAPEX

	Q1FY23	Q2FY23	Q3FY23	Q4FY23	Q1FY24	Q2FY24	Q3FY24	Q1FY24
CAPSULES	• Added 1 line for gelatin capsules added in June	• 1 line for gelatin capsules added in September			• 1 lines for HPMC capsules to be added in Q1FY24		• 1 lines for HPMC capsules to be added in Q3FY24	• 1 lines for HPMC capsules to be added in Q4FY24
API						• Start of Commercial production in small volume batches		• Start of Commercial production in large volume batches

ABOUT NATURAL CAPSULE LIMITED (NCL)

Natural Capsules Limited (NCL) is a hard capsule shell manufacturer, who pioneered manufacturing of vegetarian capsules in India and is the second largest Indian manufacturer for gelatin capsules. The company was incorporated as a Public Limited Company in 1993 at Bangalore, and it further expanded its operations to Pondicherry in 2003. The company is now foraying into API manufacturing with complex high-end patented technology developed in-house, under its subsidiary company Natural Biogenex Private Limited.

For further details please get in touch with

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Certain statements in this document that are not historical facts are forward looking statements. Such forward looking statements are subject to certain risks and uncertainties like government actions, local, political or economic developments, technological risks, and many other factors that could cause actual results to differ materially from those contemplated by the relevant forward- looking statements. Natural Capsules Limited will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.