



Apex Frozen Foods

Result Presentation

Q3 / 9M FY20

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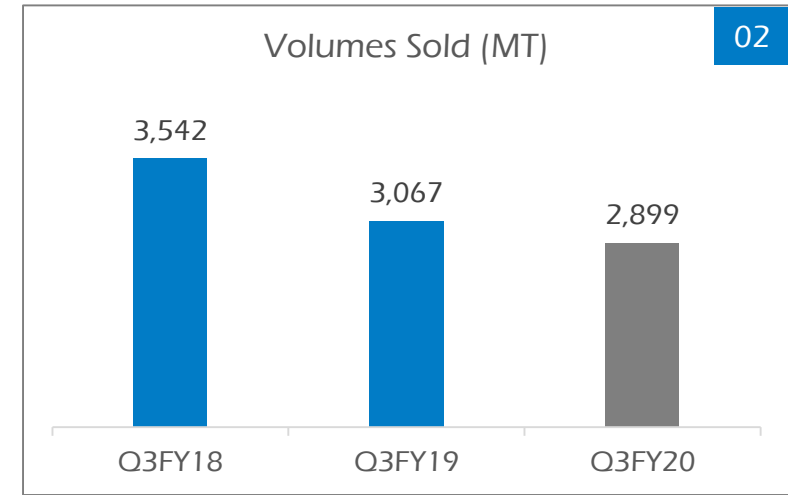
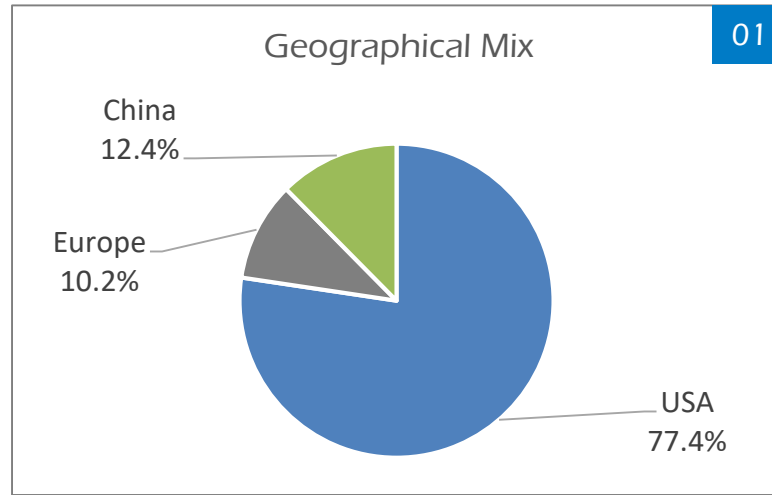
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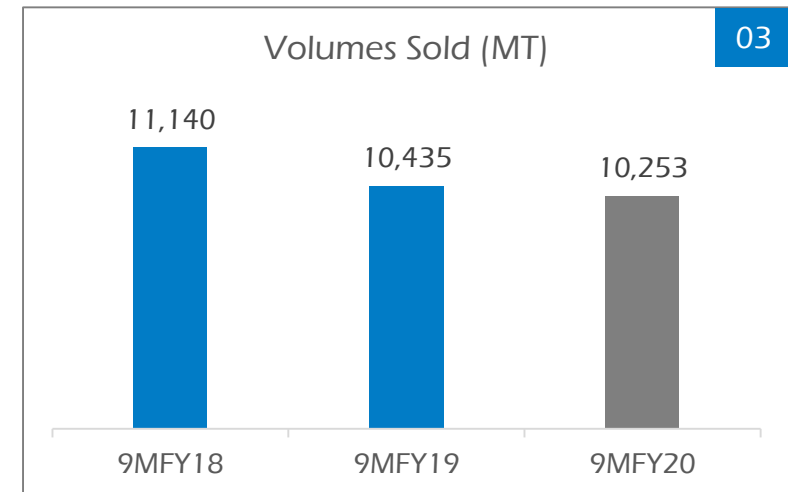
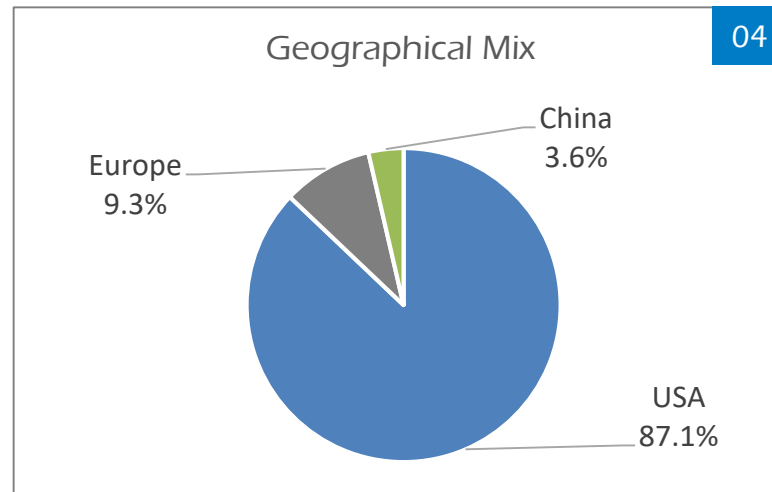
Key Financial Updates

Operational Highlights – Q3/9M FY20

Q3 FY20



9M FY20

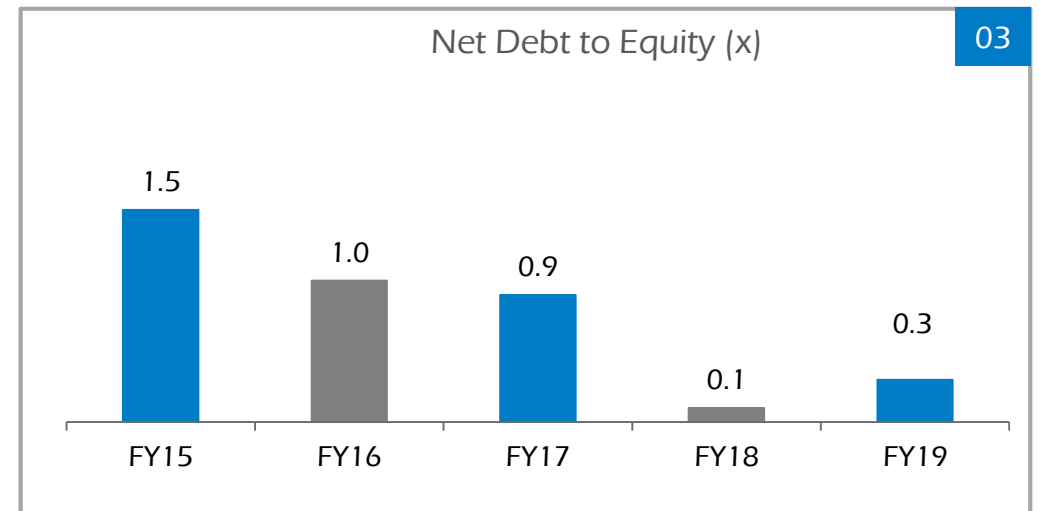
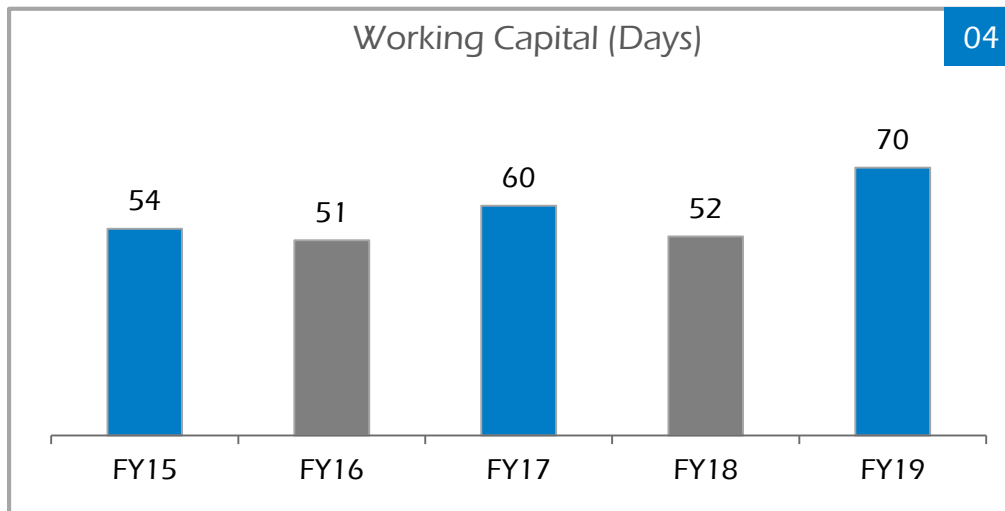
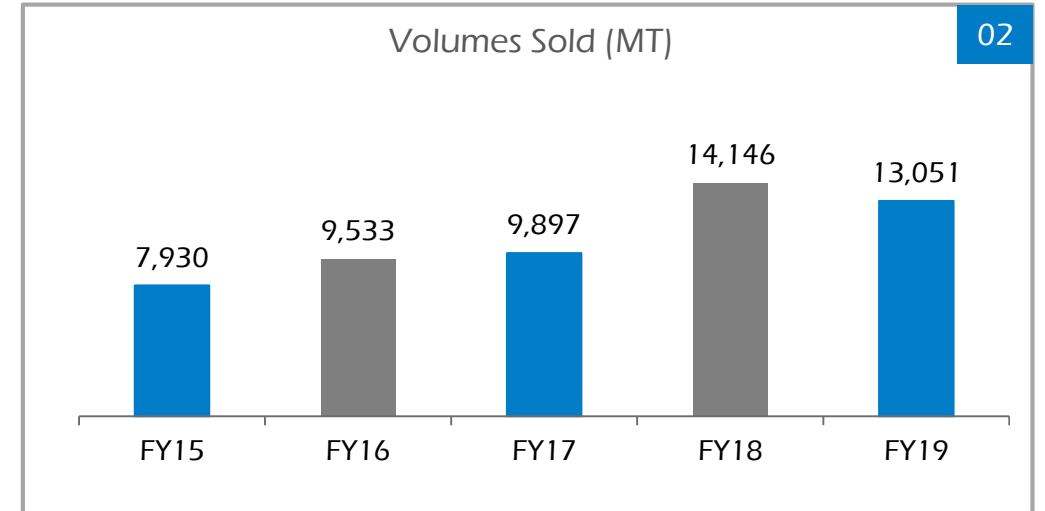
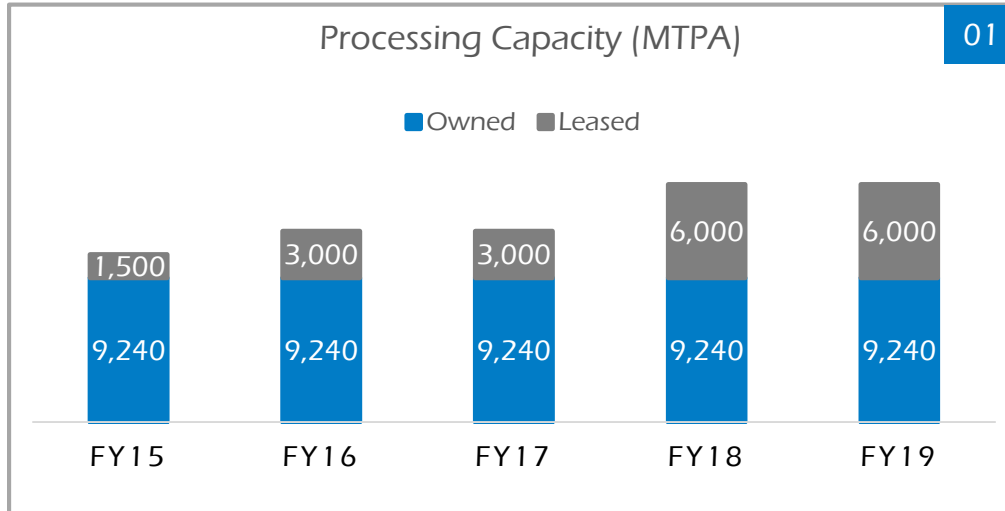


Income Statement – Q3/9M FY20

Standalone (Rs mn)	Q3 FY20	Q3 FY19	y-o-y %	Q2 FY20	q-o-q %	9M FY20	9M FY19
Net revenue	1,952	2,160		2,694		6,864	7,108
Other income	43	50		52		137	184
Total Income	1,995	2,210	-10%	2,746	-27%	7,001	7,292
Raw material	1,359	1,520		1,820		4,824	4,783
Employee expenses	109	121		129		340	359
Other expenses	241	340		374		964	1,215
EBITDA	286	229	25%	423	-32%	873	935
<i>EBITDA margin</i>	<i>14.4%</i>	<i>10.3%</i>	<i>-</i>	<i>15.4%</i>	<i>-</i>	<i>12.5%</i>	<i>12.8%</i>
Depreciation & amortisation	37	28		31		98	81
Finance cost	31	15		39		88	50
Profit Before Tax	219	186	18%	353	-38%	687	803
Tax	6	73		133		173	279
Profit After Tax	212	114	87%	220	-3%	514	524
<i>PAT margin</i>	<i>10.6%</i>	<i>5.1%</i>	<i>-</i>	<i>8.0%</i>	<i>-</i>	<i>7.3%</i>	<i>7.2%</i>
Other comprehensive income	-20	76		30		7	-36
Total Comprehensive Income	193	189		250		522	488
Diluted EPS (Rs)	6.80	3.63	87%	7.02	-3%	16.47	16.77

Note: 9M FY19 includes a one-time gain of ~Rs 110 mn on account of refund of anti-dumping duty

Operational Highlights – Yearly Trend



Income Statement – Yearly Trend

Profit & Loss (Rs mn)	FY15	FY16	FY17	FY18	FY19
Net revenue	5,994	6,035	6,987	9,986	8,747
Other income	50	47	106	199	215
Total income	6,044	6,083	7,093	10,185	8,962
Raw material	4,752	4,510	5,317	7,031	5,810
Employee expenses	258	233	249	389	482
Other expenses	652	884	977	1,466	1,559
EBITDA	382	455	549	1,299	1,111
<i>EBITDA margin (%)</i>	<i>6.3%</i>	<i>7.5%</i>	<i>7.7%</i>	<i>12.8%</i>	<i>12.4%</i>
Depreciation	4	49	63	87	109
Finance cost	96	104	112	87	65
Profit Before Tax	282	302	374	1,126	937
Tax	96	105	123	335	329
Profit After Tax	186	197	251	791	608
<i>PAT margin (%)</i>	<i>3.1%</i>	<i>3.2%</i>	<i>3.5%</i>	<i>7.8%</i>	<i>6.8%</i>

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

Balance Sheet – Yearly Trend

Liabilities (Rs mn)	FY17	FY18	FY19
Shareholder's Funds	1,094	3,023	3,551
Share capital	240	313	313
Reserves & surplus	854	2,710	3,238
Non-current liabilities	273	101	94
Long term borrowings	210	83	71
Other non-current liabilities	63	18	23
Current liabilities	1,400	1,187	1,453
Short term borrowings	847	722	958
Trade payables	309	266	315
Other current liabilities	44	107	51
Short term provisions	199	91	129
Total Liabilities	2,767	4,311	5,098

Assets (Rs mn)	FY17	FY18	FY19
Non-current assets	857	1,408	2,456
Net block	829	1,111	1,147
Capital work-in-progress	8	209	1,163
Other non-current assets	21	54	114
Deferred tax asset	0	35	33
Current Assets	1,910	2,902	2,641
Inventories	638	1,016	1,063
Trade receivables	828	674	935
Cash & cash equivalents	46	644	67
Other financial assets	128	184	218
Other current assets	270	384	358
Total Assets	2,767	4,311	5,098

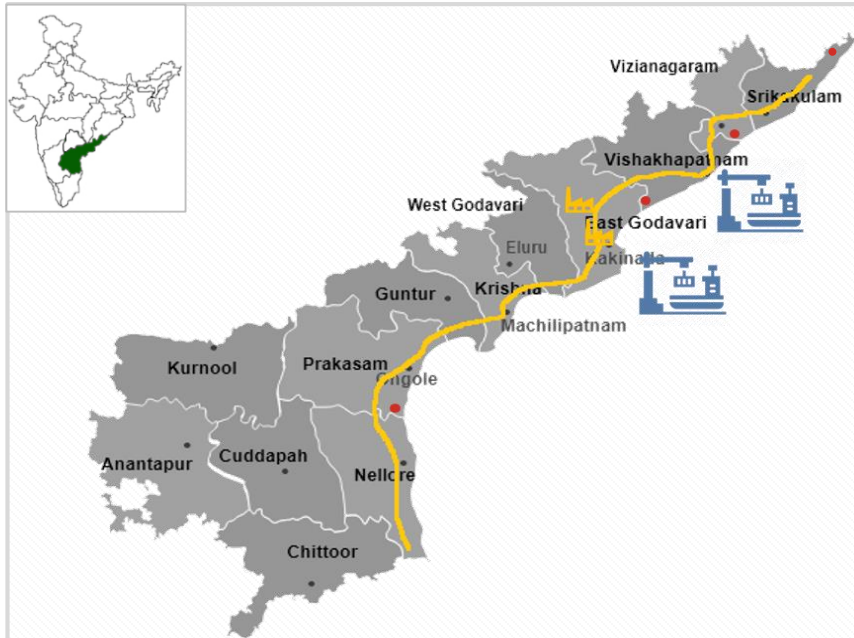
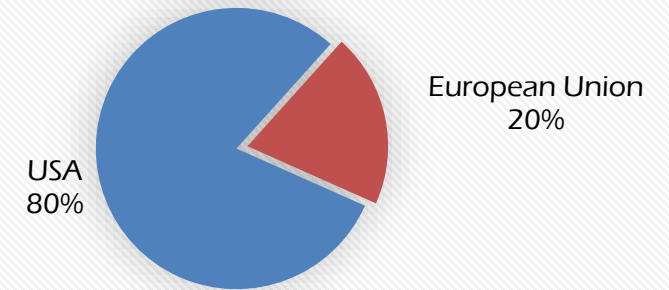


Company At a Glance

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 – FY19



Strategically Located & Well Integrated Operations

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



— 20 - 200 kms from most farms; ~ 1,800 acres of farm-land



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



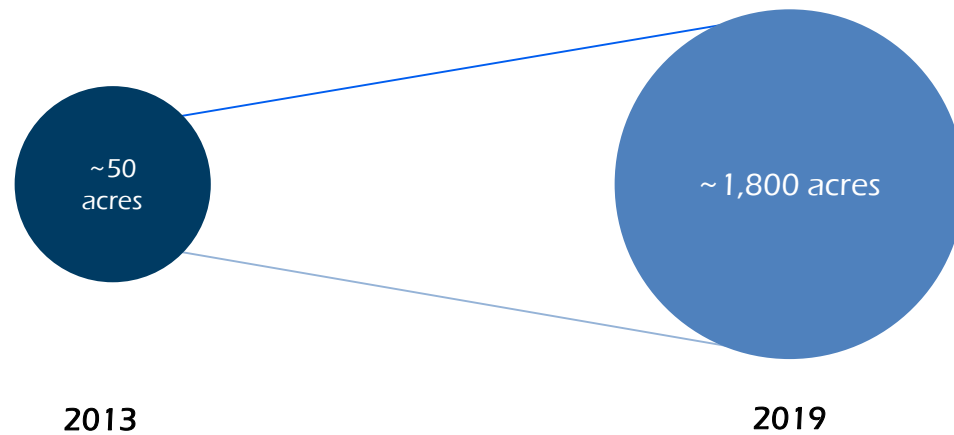
Combined breeding capacity of ~ 1.2 to 1.4 bn Specific Pathogen Free seed for Captive + Outside Sales

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 ~45 locations in Andhra Pradesh

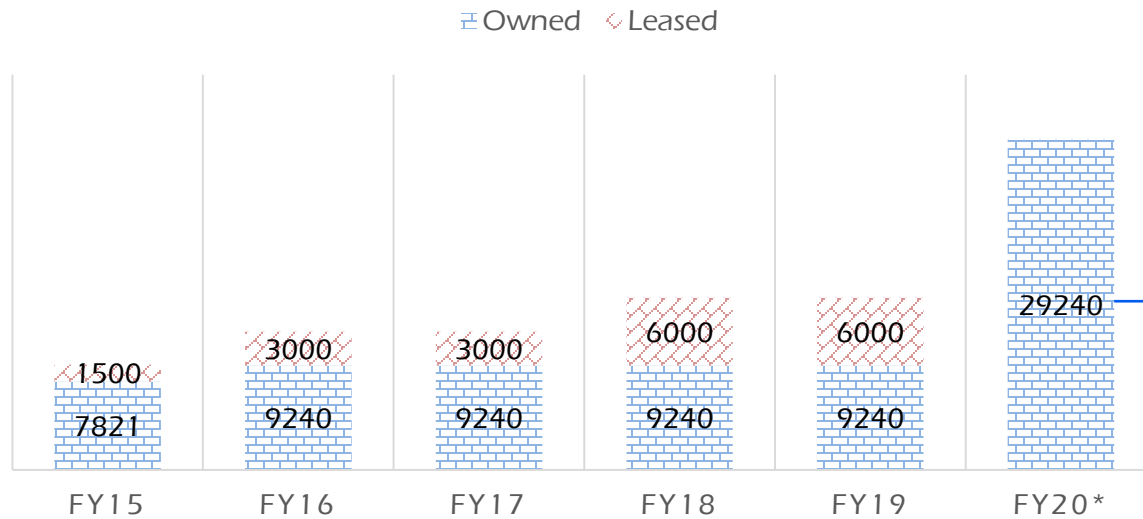


Caters to 15 - 20% of in-house raw material requirement; the balance is purchased directly from farmers across the states of Andhra Pradesh, Orissa, Bengal, Gujarat

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



*New plant at G. Ragampeta commenced operations in Nov '19



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

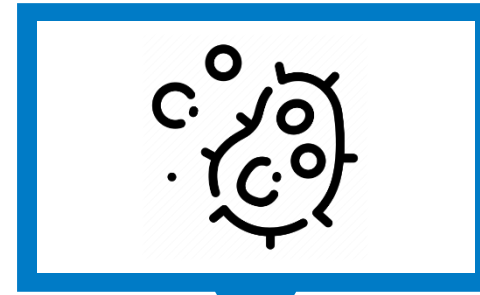
- Cooked Peeled & De-veined Tail-on
- Cooked in Shell
- Shrimp Rings
- Dusted and Breaded
- Par-fried Shrimp

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



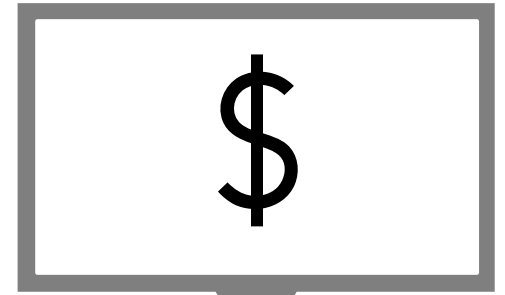
Demand Slowdown

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

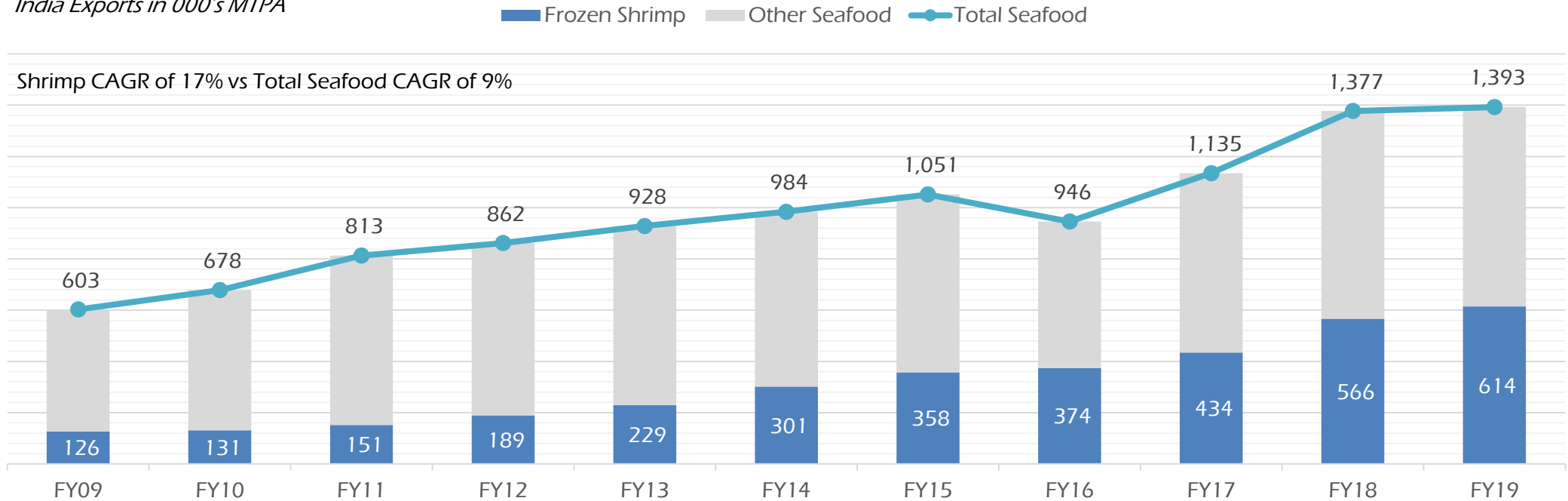
Global imbalances in demand-supply can impact pricing. Exchange rate fluctuations can amplify the volatility



Annexures

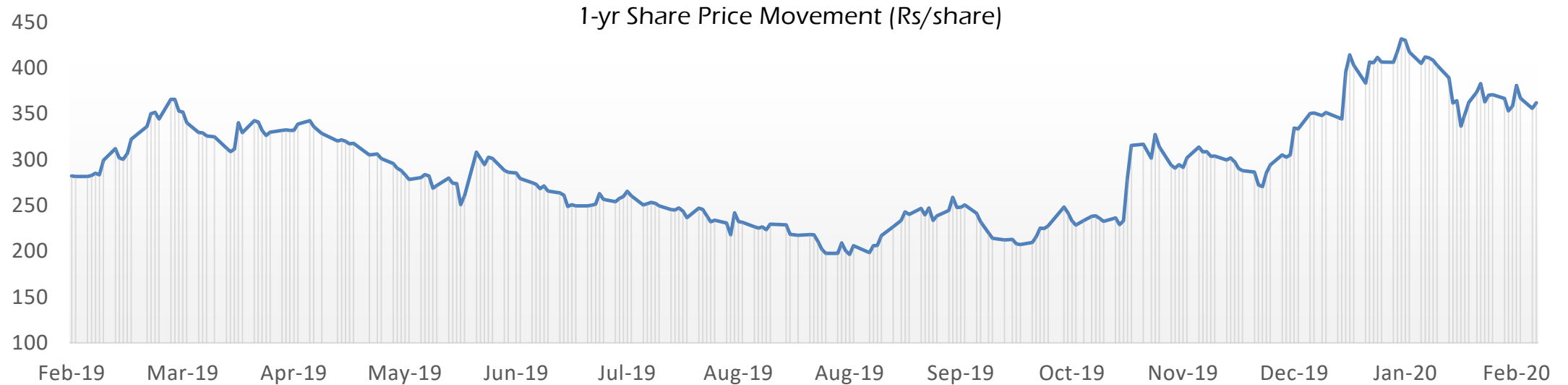
India's Seafood Exports Driven by Surging Shrimp Exports ...

India Exports in 000's MTPA



India's Shrimp Exports – FY19

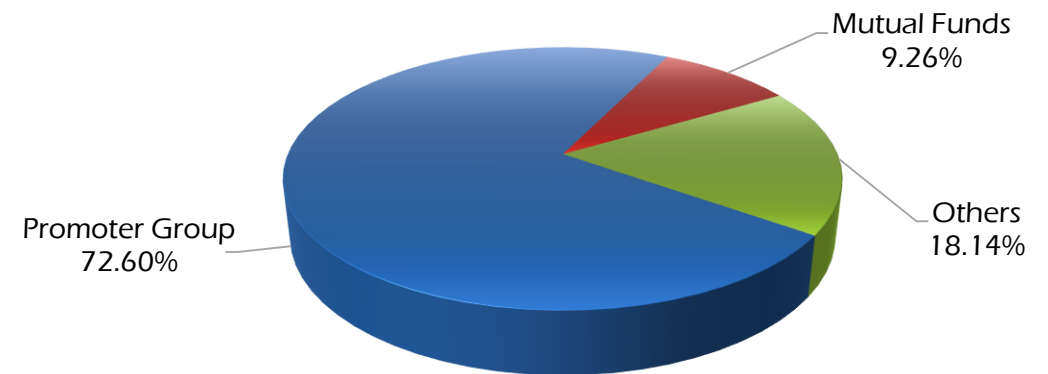




Other data (as on 18-Feb-20)

NSE / BSE code	APEX / 540692
CMP (Rs)	362
Market Cap (Rs mn)	11,314
# Shares (mn)	31.25
Face Value (Rs)	10.00
Sector	Aquaculture
Location	Kakinada, AP

Shareholding Pattern (as on Sep-19)





Apex Frozen Foods

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