

Date: 14.11.2021

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,  
Bandra Kurla Complex,  
Bandra (East), Mumbai - 400 051.  
**Scrip Symbol : APEX**

Dear Sir/Madam,

**Sub: Investor Presentation Q2/H1 FY22 -Reg.**

**Ref: Disclosure of information pursuant to Regulation 30 read with Part 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and Disclosure Requirements) Regulations, 2015 and the Company's Code of Practices and Procedure for Fair Disclosure of Unpublished Price Sensitive Information, please find the attached copy of Q2/H1 FY22 Investor Presentation of the Company.

Please take the same on record.

Thank You,

**For Apex Frozen Foods Limited**



S.Sarojini,  
Company Secretary & Compliance officer



# Apex Frozen Foods

---

Result Presentation

Q2/H1 FY22

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 whatsoever. 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 – Q1/H1 FY22

While demand for Shrimp from our key markets continued to remain robust in Q2 & H1 FY22, the global sea transportation challenges persisted, limiting our growth in volumes sold.

**Outlook:** The transport situation is easing out, albeit, gradually

#### Operational Updates:

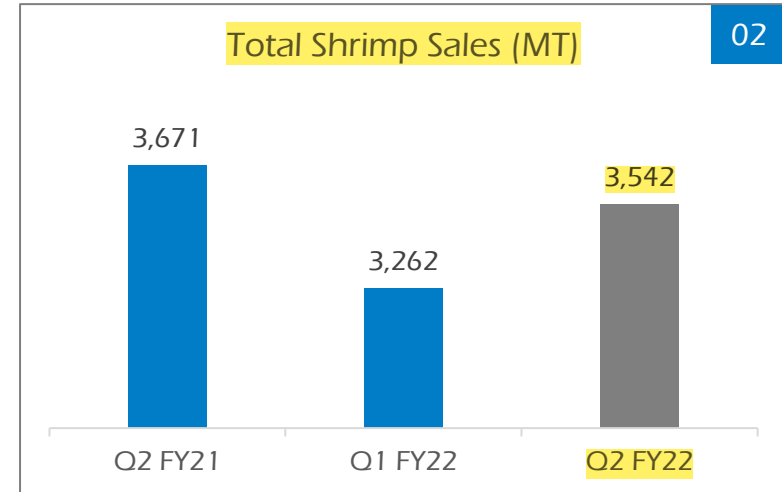
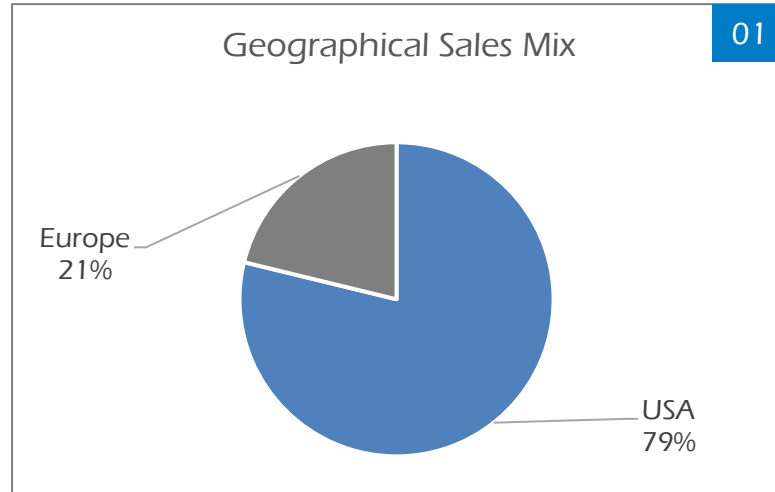
- Overall capacity utilization improved to **~54% in H1 FY22** from ~41% in FY21
- Amidst the challenging sea transport situation, Shrimp sales volumes in Q2FY22 stood marginally lower on YoY basis at **3,542 MT, but grew by 9% QoQ**
- The share of high value Ready-To-Eat (RTE) products increased to **~21% in Q2 & H1 FY22** versus ~15% in FY21

#### Financial Updates:

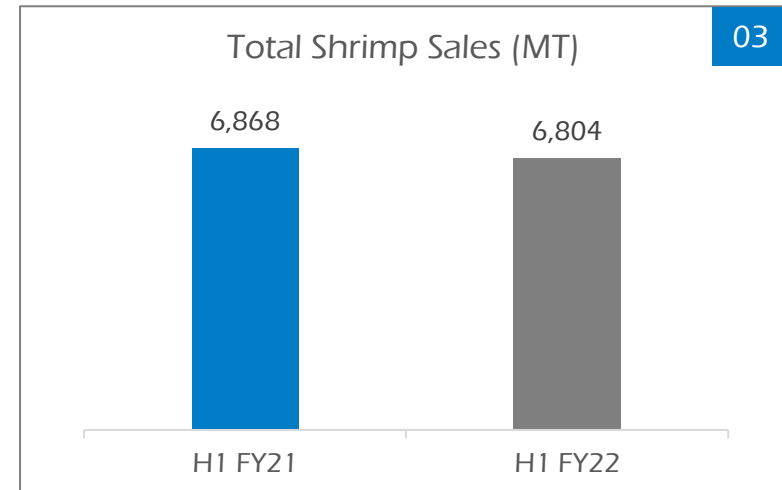
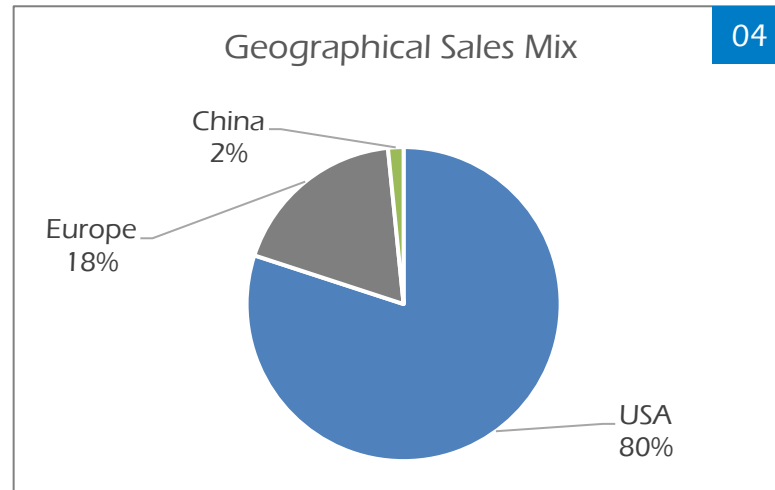
- **Net Revenue** in Q2 FY22 **grew by 2% Y-o-Y** mainly on account of robust growth in Realization, and by 20% QoQ backed by a combination of Volume and Value growth
- The average realization increased on account of **better product mix** and stable shrimp prices, globally
- **Profitability maintained within expected range**, despite higher Other Expenses (freight costs)

## Key Operational Highlights

Q2 FY22



H1 FY22



## Income Statement Highlights

Particulars (Rs Mn)	Q2 FY22	Q2 FY21	Y-o-Y %	Q1 FY22	Q-o-Q %	H1 FY22	H1 FY21
Net revenue	2,671	2,622		2,228		4,899	4,805
Other income	28	16		47		75	42
<b>Total Income</b>	<b>2,699</b>	<b>2,638</b>	<b>2.3</b>	<b>2,275</b>	<b>18.6</b>	<b>4,974</b>	<b>4,847</b>
Raw material costs	1,697	1,739		1,550		3,247	3,223
Employee expenses	100	119		119		219	223
Other expenses	507	338		469		976	747
<b>EBITDA</b>	<b>394</b>	<b>441</b>	<b>-10.7</b>	<b>138</b>	<b>186.8</b>	<b>532</b>	<b>654</b>
<i>EBITDA margin</i>	<i>14.6%</i>	<i>16.7%</i>		<i>6.0%</i>		<i>10.7%</i>	<i>13.5%</i>
Depreciation & amortisation	47	67		46		93	123
Finance cost	51	35		45		96	75
<b>Profit Before Tax</b>	<b>297</b>	<b>339</b>	<b>-12.5</b>	<b>47</b>	<b>530.8</b>	<b>344</b>	<b>455</b>
Tax expenses	77	87		14		91	119
<b>Profit After Tax</b>	<b>220</b>	<b>252</b>	<b>-12.6</b>	<b>33</b>	<b>569.0</b>	<b>253</b>	<b>337</b>
<i>PAT margin</i>	<i>8.2%</i>	<i>9.6%</i>		<i>1.4%</i>		<i>5.1%</i>	<i>6.9%</i>
Other comprehensive income	11	1		3		14	-6
Total Comprehensive Income	231	253		36		267	331
<b>Diluted EPS (Rs)</b>	<b>7.05</b>	<b>8.06</b>	<b>-12.5</b>	<b>1.05</b>	<b>571.4</b>	<b>8.10</b>	<b>10.77</b>

## Balance Sheet Highlights

Liabilities (Rs Mn)	Mar-21	Sep-21
<b>Shareholder's Funds</b>	<b>4,398</b>	<b>4,575</b>
Share capital	313	313
Reserves & surplus	4,086	4,262
<b>Non-current liabilities</b>	<b>281</b>	<b>278</b>
Long term borrowings	281	278
Other non-current liabilities	0	0
<b>Current liabilities</b>	<b>1,889</b>	<b>2,265</b>
Short term borrowings	1,380	1,540
Trade payables	300	352
Other current liabilities	18	16
Short term provisions	135	274
Current tax liability	56	83
<b>Total Liabilities</b>	<b>6,568</b>	<b>7,118</b>

Assets (Rs Mn)	Mar-21	Sep-21
<b>Non-current assets</b>	<b>2,708</b>	<b>2,677</b>
Net block	2,504	2,434
Capital work-in-progress	154	197
Other non-current assets	27	27
Deferred tax asset	23	19
<b>Current Assets</b>	<b>3,860</b>	<b>4,440</b>
Inventories	1,612	2,120
Trade receivables	1,546	1,603
Cash & cash equivalents	99	128
Other financial assets	227	215
Other current assets	377	373
<b>Total Assets</b>	<b>6,568</b>	<b>7,118</b>





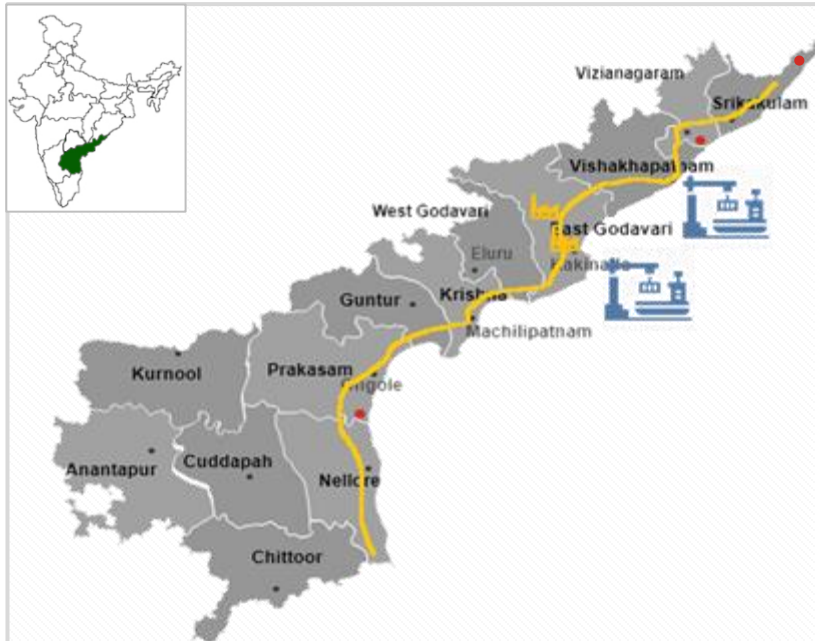
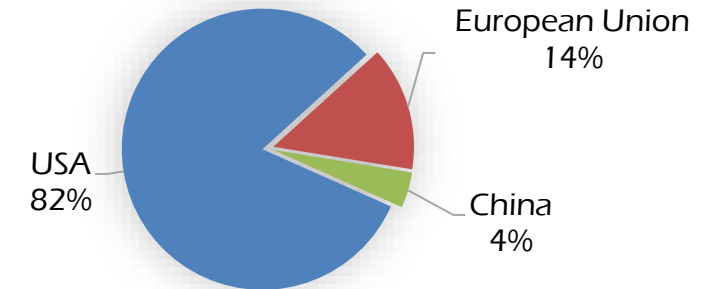
## Company At a Glance



# 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 & exporters in India
- Diversified customer base of Food Companies, Retail Chains, Restaurants, Club Stores and Distributors across the key markets
- Well integrated operations with presence in **Hatchery and Processing & Exporting of Shrimp**

### Key Export Markets – FY21



## Strategically Located & Well Integrated Operations



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



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



Two facilities with a total Processing Capacity of 29,240 MTPA and Cold Storage capacity of ~3,500 MT



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

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



Location: North of Vizag  
Commenced: Year 2016



Location: Srikakulam  
Commenced: Year 2019



Location: Ongole  
Commenced: Year 2019



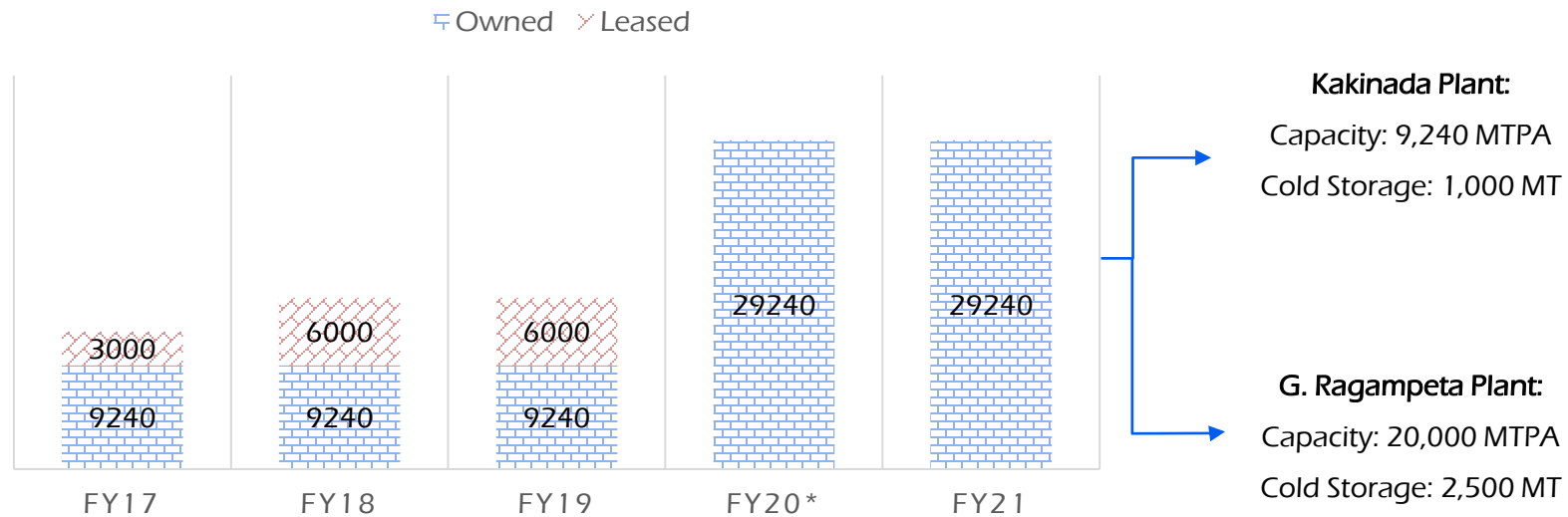
Phase – II  
(Ongole)

Construction  
completed



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

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

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



**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**

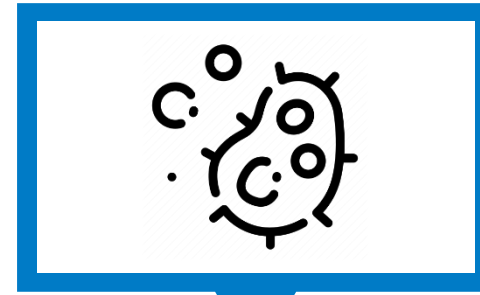
- Cooked Peeled & De-veined Tail-on
- Cooked in Shell
- Shrimp Rings
- Dusted and Breaded
- Par-fried Shrimp

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



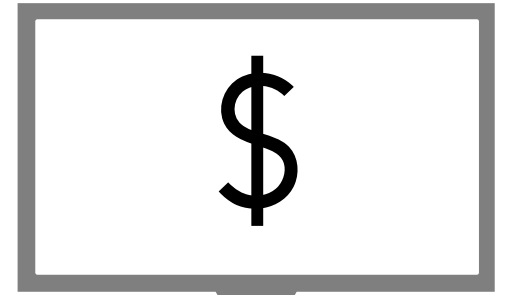
### Demand Slowdown

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 the availability of raw material (shrimp)



### Volatile Pricing

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



## Annexures



## Operational Highlights – Yearly Trend

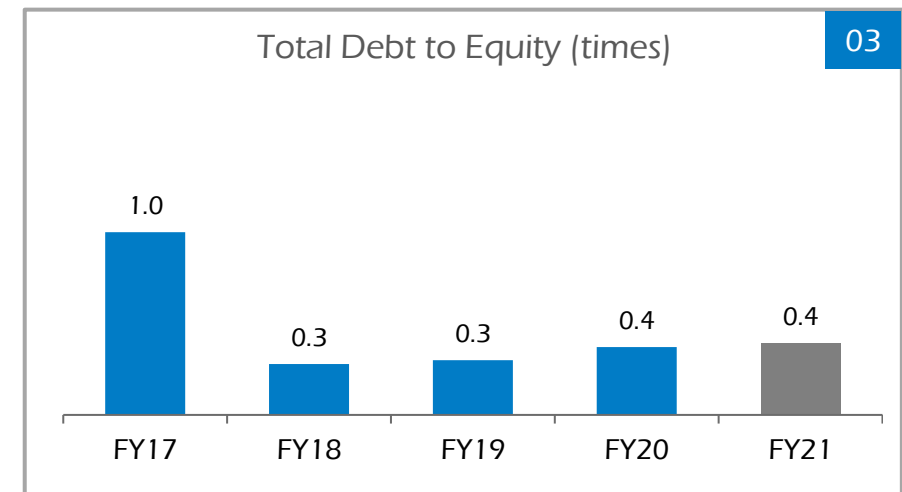
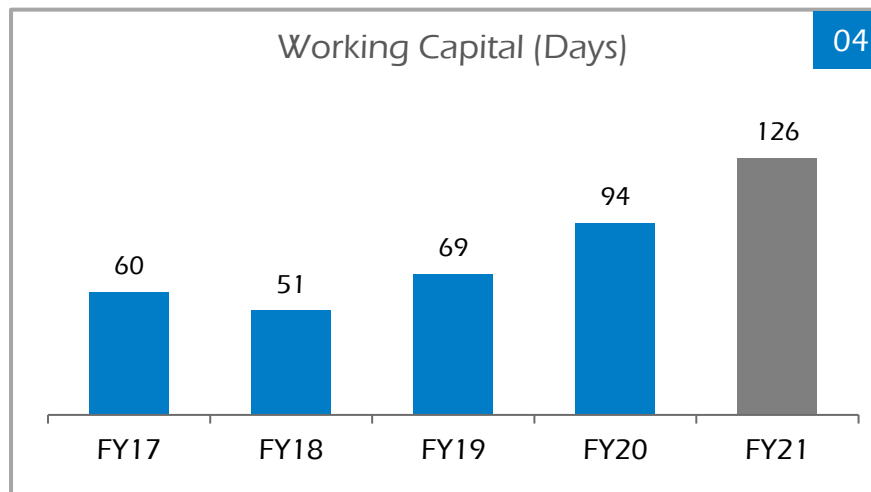
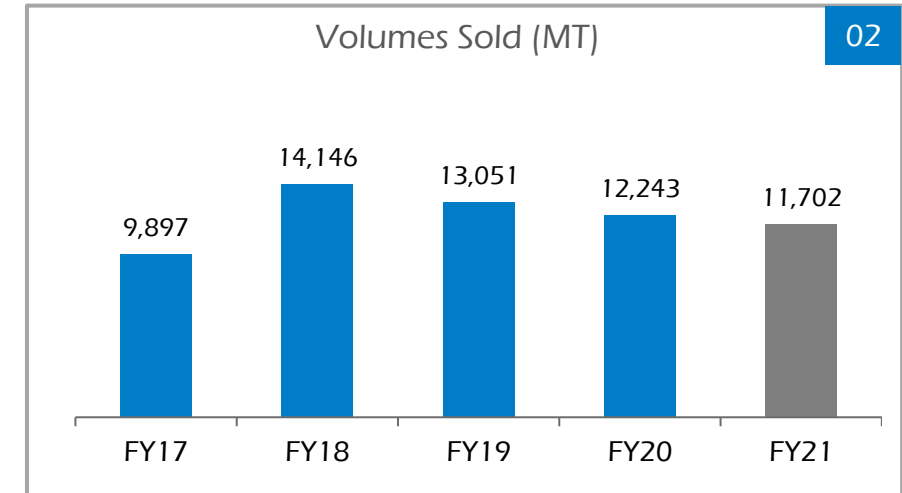
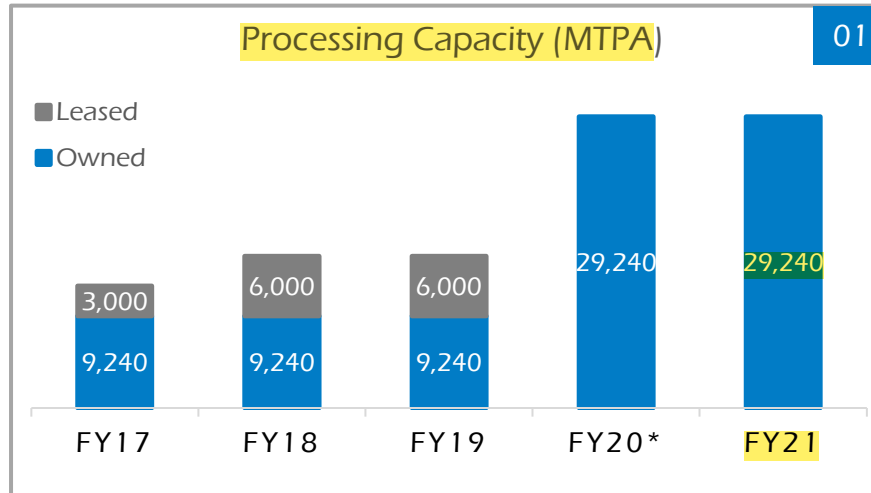


Figure 01: \*Discontinued operations at the leased facility (6,000 MTPA) and commenced operations at the new processing plant in G. Ragampeta (20,000 MTPA)  
 Figure 04: Working capital days increased due to enhanced Hatchery operations since FY19 and inventory & debtor build-up as on FY20 and FY21, led by the Covid-19 impact



## Income Statement – Yearly Trend

Profit & Loss (Rs Mn)	FY17	FY18	FY19	FY20	FY21
Net revenue	6,987	9,986	8,747	8,271	8,185
Other income	106	199	215	190	75
<b>Total income</b>	<b>7,093</b>	<b>10,185</b>	<b>8,962</b>	<b>8,461</b>	<b>8,260</b>
Raw material costs	5,317	7,031	5,810	5,735	5,531
Employee expenses	249	389	482	437	398
Other expenses	977	1,466	1,559	1,228	1,346
<b>EBITDA</b>	<b>549</b>	<b>1,299</b>	<b>1,111</b>	<b>1,060</b>	<b>985</b>
<i>EBITDA margin (%)</i>	<i>7.7%</i>	<i>12.8%</i>	<i>12.4%</i>	<i>12.5%</i>	<i>11.9%</i>
Depreciation	63	87	109	146	219
Finance cost	112	87	65	106	159
<b>Profit Before Tax</b>	<b>374</b>	<b>1,126</b>	<b>937</b>	<b>808</b>	<b>606</b>
Tax expenses	123	335	329	201	163
<b>Profit After Tax</b>	<b>251</b>	<b>791</b>	<b>608</b>	<b>606</b>	<b>443</b>
<i>PAT margin (%)</i>	<i>3.5%</i>	<i>7.8%</i>	<i>6.8%</i>	<i>7.2%</i>	<i>5.4%</i>

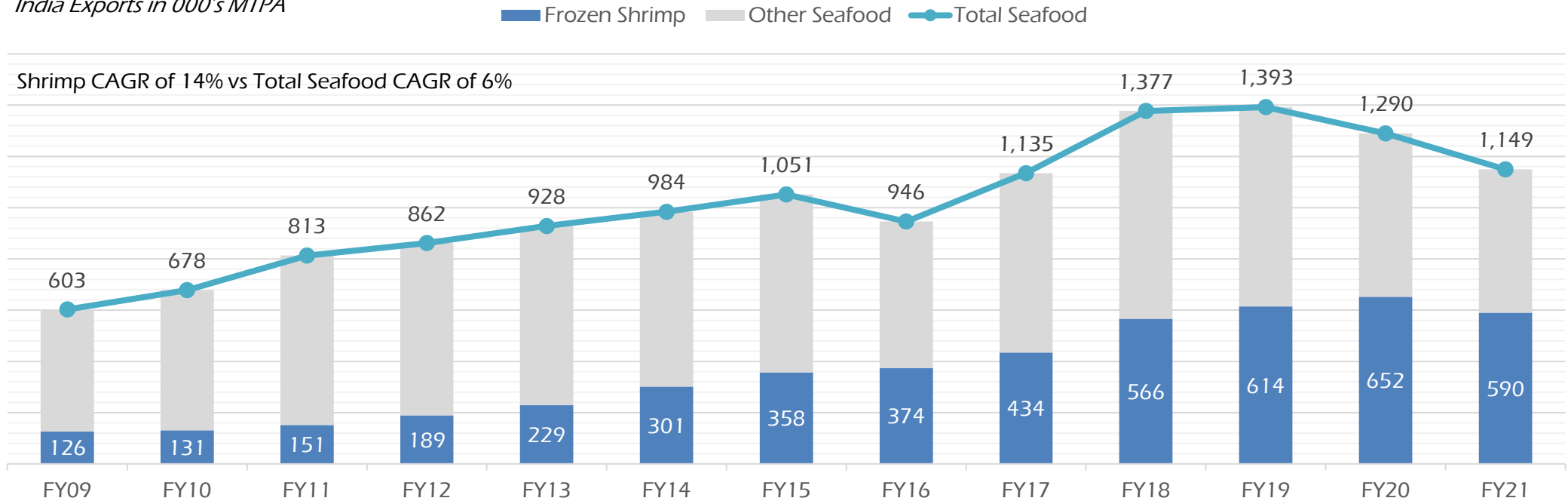
## Balance Sheet – Yearly Trend

Liabilities (Rs Mn)	Mar-19	Mar-20	Mar-21
<b>Shareholder's Funds</b>	<b>3,551</b>	<b>3,959</b>	<b>4,398</b>
Share capital	313	313	313
Reserves & surplus	3,238	3,646	4,086
<b>Non-current liabilities</b>	<b>94</b>	<b>243</b>	<b>281</b>
Long term borrowings	71	241	281
Other non-current liabilities	23	3	0
<b>Current liabilities</b>	<b>1,453</b>	<b>2,063</b>	<b>1,889</b>
Short term borrowings	958	1,197	1,380
Trade payables	315	453	300
Other current liabilities	51	188	18
Short term provisions	129	99	135
Current tax liability	0	125	56
<b>Total Liabilities</b>	<b>5,098</b>	<b>6,265</b>	<b>6,568</b>

Assets (Rs Mn)	Mar-19	Mar-20	Mar-21
<b>Non-current assets</b>	<b>2,456</b>	<b>2,913</b>	<b>2,708</b>
Net block	1,147	2,802	2,504
Capital work-in-progress	1,163	28	154
Other non-current assets	114	49	27
Deferred tax asset	33	34	23
<b>Current Assets</b>	<b>2,641</b>	<b>3,352</b>	<b>3,860</b>
Inventories	1,063	1,840	1,612
Trade receivables	935	791	1,546
Cash & cash equivalents	67	72	99
Other financial assets	218	162	227
Other current assets	358	486	377
<b>Total Assets</b>	<b>5,098</b>	<b>6,265</b>	<b>6,568</b>

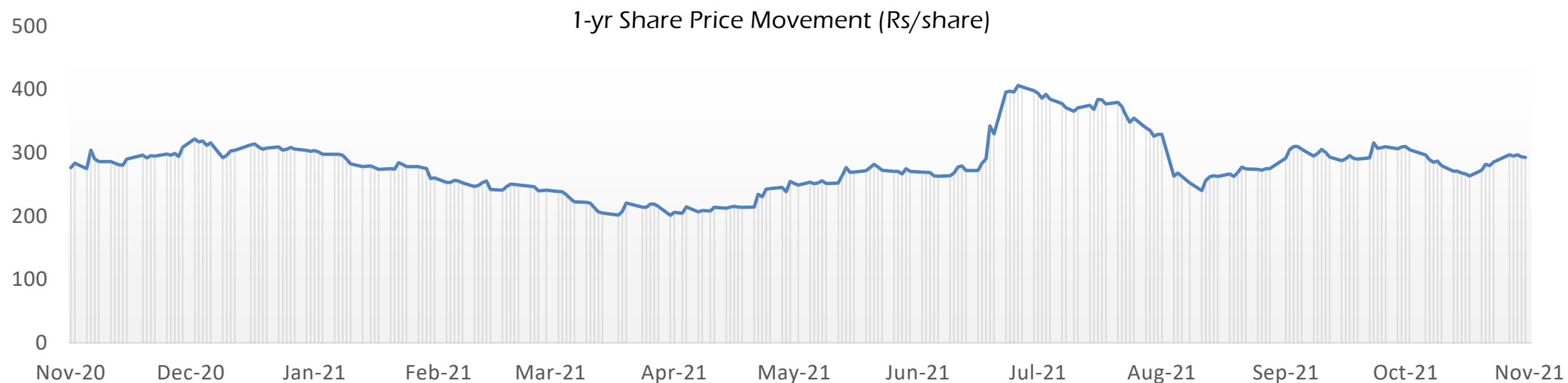
# India's Seafood Exports Driven by Surging Shrimp Exports

India Exports in 000's MTPA



India's Shrimp Exports – FY21

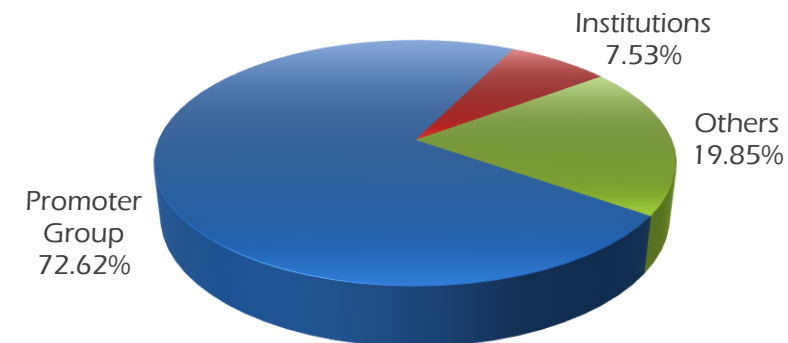




#### Other data (as on 13-Nov-21)

NSE / BSE code	APEX / 540692
CMP (Rs/share)	292.80
Market Cap (Rs Mn)	9,150
# Shares (Mn)	31.25
Face Value (Rs/share)	10.00
Sector	Aquaculture
Location	Kakinada, AP

#### Shareholding Pattern (as on Sep-21)





Apex Frozen Foods

CIN: L15490AP2012PLC080067

Mr Subhramanya Chowdary, ED

[ir@apexfrozenfoods.com](mailto:ir@apexfrozenfoods.com)



Investor Relations

Pooja Sharma / Sheetal Keswani

[pooja.sharma@stellar-ir.com](mailto:pooja.sharma@stellar-ir.com)

[sheetal@stellar-ir.com](mailto:sheetal@stellar-ir.com)