

**Ref No: KIVL/BSE/SEC/879****25th August, 2025**

To,
Department of Corporate Services
BSE Limited
Floor 25, PJ Towers,
Dalal Street, Mumbai – 400001

Ref: Scrip No. 530215

Dear Sir/Ma'am,

Sub: Intimation under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 – Transcript of the Earnings Call-Q1FY26.

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the transcript of the Investor Conference held on Wednesday, 20th August, 2025, at 04.00 P.M. IST with regard to the business and financial performance of the Company for the quarter ended 30th June, 2025.

The transcript has also been uploaded on the Company's website and can be accessed through the following link:

<https://www.kingsinfra.com/earnings-call>

You are requested to kindly note the same and acknowledge receipt.

Thanking you,
Yours faithfully,
For Kings Infra Ventures Limited

Nanditha T.
Company Secretary & Compliance Officer



Kings Infra Ventures Limited

Q1 FY26, Results Conference Call

Event Date / Time: 20/08/2025, 16:00 Hrs.

Event Duration: 57 mins 50 secs

CORPORATE PARTICIPANTS:

Mr. Shaji Baby John

Chairman and Managing Director

Mr. Balagopal Veliyath

Executive Director

Mr. Lalbert Cherian

Chief Financial Officer

Mr. Sreeram Inagalla

Chief Operating Officer

Mr. Joseph Raghunath

Head of Operations

Mr. Parth Raorane

ConfideLeap Partners

Moderator

Ladies and gentlemen, good day and welcome to Kings Infra Ventures Limited Q1 FY26 Results Conference Call hosted by Ventura Securities Limited. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal the operator by pressing * and then 0 on your touch-tone phone. Please note that this conference is being recorded.

Before we begin, I would like to point out that this conference call may contain forward-looking statements about the company, which are based on the beliefs, opinions and expectations of the company as on date of this call. These statements do not guarantee the future performance of the company and it may involve risks and uncertainties that are difficult to predict.

I would now like to hand over the floor to Mr. Parth from ConfideLeap Partners. Thank you and over to you, sir.

Parth Raorane

Thank you. Good day, ladies and gentlemen. This is Parth here from ConfideLeap Partners. We represent the Investor Relations for Kings Infra Ventures Limited. On behalf of Ventura Securities and ConfideLeap Partners, I warmly welcome you all to Kings Infra Ventures Limited Q1 FY26 Earnings Conference Call.

The company today is represented by Mr. Shaji Baby John who is the Chairman and Managing Director; Mr. Balagopal Veliyath who is the Executive Director; Mr. Lalbert Cherian, the Chief Financial Officer; Mr. Sreeram Inagalla, COO of International Operations and Mr. Joseph Raghunath who is the Head of Operations in Aqua and Seafood Processing.

Now, I would like to hand over the call to Mr. Shaji Baby John for his opening remarks. Thank you, and over to you, Shaji sir.

Shaji Baby John

Hello?

Parth Raorane

Yeah, you are audible.

Shaji Baby John

Thank you all for joining on this call, and thank you, Parth, for organizing it. And good afternoon. So, thank you all for joining. This quarter has been a very successful quarter for us, for the Kings Infra Ventures due to the main reason that there have been several strategic initiatives which have been started during this quarter.

The main development is that we made a very strong entry into the Andhra market. Earlier, we were operating only from Kerala and Tamil Nadu, but now we have a strong entry into the Andhra market,

and we are starting exporting through the Vizag Port. At the core of this is a strategic acquisition of one of the leading merchant exporters, Sriaqua, based out of Vishakhapatnam, where we are going to merge the companies together. We are going to take over Sriaqua and the merger and the works are going on, but we have started working together as a single team and the Sriaqua is now operating as a part of Kings Infra.

And the Sriaqua's order book of more than 100 containers with LX Corporation and also with some other leading companies are also transferred to Kings Infra now. And the managing partner of Sriaqua, Mr. Sreeram, has taken over as the Chief Operating Officer for International Business. And Sreeram's initiative, we are taking up the KI Global, Dubai-based entity, which will do the entire global marketing and distribution. So, that is a major development.

And in addition to that, we have a very experienced businessman, Mr. Joseph Raghunath, who was operating his own very large export establishment, now joined the group as the Head of Operations. And he's now based out of Tuticorin and handling the entire aqua and seafood business as the Head of Operations of the group. He had also earlier in his individual capacity done more than INR 150 crore turnover on his own capacity, and he has now joined as a part of the group.

So, with these two very leading figures joining the group and using the Kings Infra as a platform, we are on a very strong path to a good growth prospect. And in addition to that, our farming business, we have started leasing out farms from other farmers on lease basis, three years and five years leases, so that we are pursuing an asset-light model. And more and more farmers are joining with us as a part of our supply-chain.

So, they use our protocol, SISTA360 protocols, and we are now giving them technology support. They use our entire probiotics and the minerals and whatever the healthcare products that we have developed under the Aqua Kings brand is also being used by them. And so, this entire package now that we are offering to the farmers on an annual lease, minimum of which is three years to five years lease. So, this asset-light model is gaining popularity, especially in Tamil Nadu. And this quarter, we have increased the farm area by about 50%. And by the end of the year, our farming area is expected to more than double.

So, these are the main positives. And our company is planning to transform itself into a completely healthy food options, healthy protein space. And our Frigo and Bento, which are the retail brands, which we were doing on a trial basis in Kerala and Bengaluru, now is ready for scaling. So, we will have a fully integrated chain of activities, the entire value chain from the farm, the probiotics, the processing, and now the retail marketing and distribution.

So with this, we will be connecting all the dots, which in the seafood industry will be a first of its kind. The management is sure that we'll be able to grow very well and have a much higher profitability ratio when all these different buckets are all connected and together. So, this will be one of the first fully integrated seafood, aquaculture, sustainable production, processing, marketing, everything included, this will be one of the very few companies which will be in the country. And we also started our land monetization program.

The initial advances have started coming in and the Maritech Park is also under construction. And the first part of it is in Tuticorin, Tamil Nadu. And with the encouraging support from Andhra Government, we are proposing to have a larger unit in Andhra near Srikakulam since we already started our Vizag operations. So, with this entire plan together, I am sure that Kings Infra will become one of the most valuable seafood companies in the country, and we are ready to be on the global map.

Thank you very much. Hello? Hello?

Moderator

Yes, sir.

Shaji Baby John

Yeah. Thank you.

Moderator

Can we open the floor for questions, sir?

Shaji Baby John

No. What is the next item? I would like the other colleagues also to speak a few words from Mr. Sreeram, Mr. Joseph and our CFO. Then, we'll have the questions.

Moderator

Okay, sir.

Sreeram Inagalla

Hello, everyone. This is Sreeram here. So, I'm the Chief Operating Officer of Kings Infra Ventures, and I take care of the International Business developing the export market. So, for any exports business, raw material sourcing and backward integration is very essential. So, Kings Infra having its own aquaculture and contract farming and also sea-caught materials where we invest and take material from the boat owners. And, so both aquaculture products and sea-caught products, both we do. So, we have a strong position in sourcing and having control in raw material is very essential for an export business.

So having said that, the processing is the key where understand the international market's requirement where the value addition, the processing, packaging as per the buyer's requirement. So, having a strength of four decades in the export business, we have a strong team developing the packaging and processing. So, we have a strong potential in connecting with many countries and we have control on the business in every step of the supply-chain. So today, we directly work with many buyers across the globe.

So, seafood is not only for the western markets. Seafood starts with Southeast Asian countries like Japan, China, Vietnam, which are the major consumers, and it is their main product that they import into their country because seafood is their major product that they consume on a daily basis. Apart from this, Europe is another big market where a lot of products of India go to Europe and, all the value-added products get a premium price. Having a vast coastline in India and having experienced people on aquaculture gives us lot of potential in exporting. And India is now also developing to consume seafood in a big way. So, with both domestic and export, we are doing in good quantities.

And the newly developed markets like GCC, Dubai, so we are focusing to have our own distribution business in Dubai where we will be importing into Dubai on our own office and we'll be redistributing to all the countries within the Middle-East region. So we have strong connections with direct buyers

which are large corporates, which are worth of \$5 billion, \$6 billion companies who are having distribution in many countries. And one of them, which Shaji sir has mentioned, LX Corporation, and CP Foods is another company that we also work with. And like this, today, in Vietnam, Minh Phu Seafoods is one of the listed company in Vietnam stock market, and we work directly with them.

Like this, there are many companies that we directly work in Europe and Southeast Asian countries. So, we don't focus majorly to US. So, with tariff or without tariff, we don't affect us. So, our major markets are Europe and Southeast Asia. And, the business, after COVID, has taken a very uptrend in terms of seafood importing, having protein in mind and considering seafood as a highest protein product. So, mainly the countries are importing seafood in a large volume and making it as a daily essential. So, the international market looks very welcoming and also very good potential to grow.

Any questions on the international business, I would be happy to answer. Thank you for now.

Shaji Baby John

Thank you, Sreeram. Lalbert, would you like to add anything regarding the financials, at least you can mention about the last quarter financials and whatever we are planning to do. And then a few words from Joseph also, and then after that, we'll be ready for taking the questions.

Lalbert Cherian

Thank you, sir. Good evening, ladies and gentlemen. I'm very happy to inform that Kings Infra Ventures Limited [inaudible 00:16:12] in all major divisions in the first quarter of 2026. And the revenue for the quarter is INR 34.35 crore, which is almost 22% growth, which we can see Q1 FY24. With the EBITDA margin of INR 7 crore and the PBT of INR 5 crore, that is also 30% growth which we can see compared to the same part of the previous financial year.

And our EPS stands at INR 1.48, 24% growth, which we can see compared to the same quarter of the previous financial year, INR 1.20. And this quarter, with all global challenges, which we would be able to achieve the record performance ever for the Kings Infra Ventures' history. This is the overall Q1 performance for the company.

I'm very happy to address any queries from the investor later side. Thank you, sir.

Shaji Baby John

Thank you. Joseph can speak a few words.

Joseph Raghunath

Good evening, all. I'm Joseph Raghunath. I'm heading the Seafood Operations of Kings Infra. I'm happy to associate with Kings. I'm leading a strong team as some who are all very well experienced right from procurement and the production. As per the customer requirement, they do it in a very hygienic way, and we satisfy the customers in all the way. And most, we are entering into the all country. Except the US, we are being in old country.

So, we have our freezing facility at Tuticorin and Andhra Pradesh, Tamil Nadu, Kerala, and then Andhra Pradesh. And we are strong in production and we have a strong, very good team who can do around the clock as per the customer to satisfy the customer requirement.

Thank you. I will be happy if anybody is having any query regarding production and operation. Thank you.

Shaji Baby John

Thank you. We are ready for the Q&A.

Moderator

Thank you, sir. Ladies and gentlemen, we will now begin the question-and-answer session. If you have a question, please press * and 1 on your telephone keypad and wait for your turn to ask a question. If you would like to withdraw your request, you may do so by pressing * and 1 again. Ladies and gentlemen, if you have any question, please press * and 1 on your telephone keypad.

First question comes from Pranav Jain, an individual investor. Please go ahead.

Pranav Jain

Am I audible?

Moderator

Yes, sir.

Pranav Jain

First of all, congratulations for a good set of number. Actually, I had a doubt. Our working capital is increasing based on higher receivables and inventories in FY25.

So, how do you plan to optimize the working capital going forward? So, this will be my first question.

Shaji Baby John

See, because we are expanding the farming area, so unlike the other companies who are exporters who just procure and export, we have a four-month growing period for the shrubs. So, that accounts for a larger working capital requirement for the company. But as the volume of exports increase, the turnaround will become faster.

The second new whatever we introduced to reduce the working capital requirement is going for increasing the number of crop cycles and also seeding in a phased manner. So that every month, there'll be at least 30% of the farms getting harvested and new stuffing. So, the cyclic pattern of culture we have introduced, that will also reduce our working capital requirement or increase the turnaround of the working capital as we move forward.

Right now, there are only two crops. We have succeeded to make it to two and a half crops a year. Now, some of the ponds we are achieving three crops a year. And as we move forward, we'll be targeting to go up to five crops a year. So, that is where we look forward to reduce the working capital requirement.

Pranav Jain

Okay, sir. Got it. The other question was, sir, interest cost has increased on a YoY basis, if we see. So, should we expect further increase in the leverage as our capacity we are trying to increase and the retail presence?

Shaji Baby John

See, we are we are also looking at supply-chain support from the banks so that some of the burden of the interest will go to our farmers or suppliers. So, we are working on it.

Pranav Jain

So, this means that our finance cost will decrease going forward. Correct?

Shaji Baby John

Yeah. Maybe by next year, we have spoken to our bankers, Punjab National Bank, but they said for any minimum for the supply-chain financing to direct customers who supply to us, provided they are MSME, the overall scheme should be around INR 100 crore. So, we have not reached that scale, but we hope we will reach that scale by the end of the year.

So, by next financial year, you can expect the interest cost may grow, but in percentage terms, it will come down.

Pranav Jain

Okay. Got it. And, sir, lastly, the cash and the bank balance, so can you elaborate the management strategy how do you plan to stabilize our cash?

Shaji Baby John

No. It is improving. As the number of crop cycles are increased, that figures are improving now.

Pranav Jain

Okay, sir. Got it. Thank you. I will join back if I'll have any further questions.

Shaji Baby John

Yeah. You can please mail to ConfideLeap, they will be happy to give you more further details if you need it.

Pranav Jain

Sure, sir. Sure. Thank you.

Moderator

Thank you. The next question comes from Bhavesh Rathore from Alpha Capital. Please go ahead.

Bhavesh Rathore

Am I audible?

Shaji Baby John

Yeah. You are audible.

Bhavesh Rathore

Good evening, sir. So, I have couple of questions. So, your productivity metrics are some bit of far ahead of industry averages, which is quite low. So, what are the biggest costs or scalability constraints what we are facing in replicating those across our peers or new farms?

Shaji Baby John

See, because this is a live commodity, we have the technology, we have the people now. The biggest constraint is that we have to increase our manpower as we take more farms because every pond needs one additional person. And every 20 ponds need a trained technician manager. And even in rural India, security is an issue, so we need trusted people.

So, that is why if you want to sign up 500 hectares also today, I can sign it up. There are so many farmers approaching, but we are very selective that we should have everything in place before we adopt the farm. Earlier, we wanted to scale it by contract farming, but that contract farming was not working very well for anyone because if you give seed and feed and give it to a farmer, and then they may not harvest your sizes when you need or they may just harvest and sell it off without informing us. So, that is the challenge when we wanted to scale through contract farming.

So, we changed that model, and we are going to lease farming so that if taking on a lease the farm, putting our entire team, and we are managing the farm and we are giving a fixed lease and we are giving them some incentive, few percentage, 2%, 3% of the profits for maximum to 5% of the profits for taking care of the local area. But that way, we are able to get a much better result, much better control over the product. But we need that much number of people who will be working as a team in the farm.

So, also now we have implemented a training program called SPEED, which is the SISTA Protocol Entrepreneurship Development Program, where we train the technicians to become part of our team to manage it. So, this is a slow process. We don't want to rush and make from 100 we don't want to go to 500 ponds. From 100, we wanted to go to 200, 300, like. Hello?

Bhavesh Rathore

Yes, sir. Yes, I'm listening.

Shaji Baby John

Yeah. So, that's the way. And, definitely, since we are also going by this leasing and growing the shrimps ourselves, it is little more working capital intensive compared to others who just buy the shrimps from any farmer and export, but this will become fully integrated and then about another couple of years' time, most of the buyers will look at this model only.

Because when you buy from any farmer who supplies to you, you don't know the source of the material, the ingredients that went into the production of the materials, the traceability, sustainability, everything is a question mark. So, we are building this block by block, but we are very sure that we are on the right path.

Bhavesh Rathore

Okay. So, talking about the management professional and kind of training process, how do we monetize this policy for creating a professional management or kind of a training process?

Shaji Baby John

We are taking fresher from reputed institutions, fisheries technology, fisheries engineering. And there are few good institutions here where we have a good arrangement. And every year, we are taking new candidates from there and making them part of our Kings Aquaculture management team. And as our team members increase, we are able to take more farms on our list.

Bhavesh Rathore

Okay. Got it. So, another question what I'm having is.

Moderator

I am sorry to interrupt, sir. Can you join back the queue?

Bhavesh Rathore

Sure, ma'am.

Moderator

Thank you, sir. The next question comes from Aditya Bhutra from Avora Advisors LLP. Please go ahead.

Aditya Bhutra

Hi. Firstly, I would like to congratulate on the great set of numbers and the recent developments. My question relates to Eco Park. Could you tell us what is the tentative finishing time?

Shaji Baby John

See, we have started the Eco Park Phase 1 in Tuticorin, which we expected to complete in another 12 months' time because it's a very, very innovative project, fully AI-enabled and with all the electronic measurements of all water quality parameters, everything automated, PLC-controlled indoor cultivation. And for Phase 1, we will do in Tuticorin.

And the Phase 2, we want to do in Andhra now. We are negotiating with Andhra Government for a long-term lease or outright purchase of a very large land. And that is under the subsidiary, Kings

Maritech Eco Park Limited, which is a subsidiary of Kings Infra Ventures. But then that production will come to Kings Infra Ventures for our export.

Aditya Bhutra

Understood. My next question is about Kings Frigo and Bento. Have you started pilot operations for them?

Shaji Baby John

Yes, sir. Pilot operations are going on for the last 2-3 quarters. It's going on in Kerala and Bengaluru. Now, we have come to a commercial scale. We have done a little bit of rebranding. Earlier, we had sold as a Kings Fresh. The brand was Kings Fresh. But then we realized that it's a misnomer because the people are thinking it is brought fresh directly.

But really speaking, a well-processed frozen retains its freshness much better than bringing a product directly without the processing. So, that is why we rebranded the Kings Fresh as Kings Frigo. And Kings Frigo is the European Italian word for the frozen. Italian, France, they used Frigo for frozen. So, it's a Kings Frozen product. We are exclusively marketing as a frozen product.

Now, after the trial marketing, we have two segments in mind. That is a HORECA model and the exclusive dedicated showrooms also. We'll start with Kerala. We are already signing up the exclusive showrooms now.

Aditya Bhutra

Understood. Thank you.

Moderator

Thank you. The next question comes from Raj Shah from RK Family Office. Please go ahead. I repeat, question comes from Raj Shah.

Raj Shah

Hello?

Moderator

Yes, sir. Please go ahead.

Raj Shah

Yeah. So, my first question is, what is the volume in tons for aquaculture operations and seafood exports in the Q1 and as well as whole FY25?

Shaji Baby John

See, till the last year, aquaculture was the major portion of the turnover. But with the Andhra processing exports and with the focus more on the export and our distribution, there will be a change in the ratios. This year, we'll target around 50:50. But as we move forward, hello?

Raj Shah

Yes, sir. I was asking about tons. Sir, can you specify how many tons we processed in full exports and how many tons we produce in aquaculture? I need tons.

Shaji Baby John

Lalbert, can you give that figure? Because I'm speaking from outside the office. So, Lalbert, can you give the figure?

Lalbert Cherian

Yes, sir. Give me a moment.

Raj Shah

Meanwhile, I'll ask my second question.

Shaji Baby John

Yeah, please.

Raj Shah

So, sir, in presentation, I see that we have doubled our lease expansion of aquaculture farming. So, post lease expansion, what is the current aquaculture capacity? And if contract farming is out of the picture or we will try contract farming slowly, slowly, but initially, we will go with owned and leased aquaculture farming, so what is the current capacity after lease expansion?

And is contract farming totally out of the picture or we will try?

Shaji Baby John

We are working on a hybrid model. See, our capacity is 1,800 tons in the last year. This year, we have already increased 50% of that. And by the end of the year, we'll have 3,600 tons for this owned plus leased. Our own is 1,800 tons, owned plus leased is earlier, around 600 tons that is going to 1,200 tons now.

And regarding the second question, that contract, we don't want to exactly go by the earlier concept of contract farming. Once we have a leased farm, we will go for a cluster development in and around that area. See, we would like to have more control over production in a situation where earlier people are saying contract farming, but it is actually giving seed and feed on credit, which is not what we want to do.

We want to have our technicians on the farm and we want the farm to work according to our protocols. So, if some farmer is willing to work like that fully under our control and where we decide when to harvest, what seed to put, what feed to use, what chemicals to use and with the proper security of our feed and material, then we are willing to consider that option also.

Raj Shah

Okay. So, sir, if I calculate roughly, I think our processing capacities are grossly underutilized. So, what is the reason for that? Are we not able to procure quality strength or any other reason?

Shaji Baby John

See, processing capacity in terms of tonnage is normally processing capacity is given in 24/7 freezing capacity. I think the average processing capacity utilization in any fisheries industry in seafood processing plant will be only around 20-25%. It's not like other thing because we have to calculate for peak seasonal processing. Sometimes in peak season, there is 25 tons, 30 tons coming to factory every day. Off season, it may be 2 tons, 3 tons, 4 tons.

So, the capacity, what is mentioned for freezing plant is your machine capacity, not the actual production capacity.

Raj Shah

So, can we say, like, how capacity utilized in FY25? If we take an average number, that 20-25% of stated capacity can be utilized, then in FY25, how much percentage of that had been utilized, 50%, 60%, 100%?

Shaji Baby John

That is what I was saying that if your freezer is a 5 ton or if your freezer takes a batch of 1 ton every 2 hours, then you calculate that freezer capacity as 12 tons in 24-hour capacity, but normally, it works 16 hours or 18 hours.

So, in the seafood processing, we cannot exactly go by the machine capacity because it is a batch processing. This is not a continuous cycle processing. But in a pond, we can say we have two crops, we have three crops. This is our capacity. This is what we are achieving. So in pond, we are achieving almost 90% of our capacity. In the factory, we may be achieving about 20-25% maximum.

Raj Shah

Okay. And that is optimum, right? We can't go beyond that.

Shaji Baby John

Yeah. We cannot go beyond that. Maximum 30%. If you see any industry, any processing plant in the country, this is what they will achieve.

Raj Shah

Sir, my last question, and then I'll go back in queue. So, are we targeting three cycles on a 100% of our farms in FY26? And if you have pulled out the number, answer of my first question, tons for aquaculture operations and seafood exports.

And my question is, are we targeting three cycles on 100% of our farm in FY26?

Shaji Baby John

In our own farm, definitely, we can target three crops. In the leased farms where depending upon the location, in 2 years' time, we can do both five crops in the leased operations because there also the training to the team people, everything has to be perfected.

In our own farm, we have been working on this for last at least 7-8 years to achieve this type of efficiency. So, in the leased farms also, it will come to that level. It also depends upon what size is in demand and which size of prawn you have to harvest. So, it's a calculation based on all these factors.

Raj Shah

Okay. So, sir, if you have pulled out the number for our volumes in aquaculture operations in seafood exports in FY25, can you give me that?

Shaji Baby John

Lalbert? Hello?

Lalbert Cherian

Yes, sir.

Shaji Baby John

What is the percentage, they're asking for the percentage of aquaculture sale and exports data.

Lalbert Cherian

Yeah. It comes 60% of aquaculture and 40% from the export division, sir, as of now. For aquaculture, at 350 tons from export division, sir.

Shaji Baby John

Yeah.

Raj Shah

Sorry, sir, your voice was breaking, can you repeat?

Shaji Baby John

Please, hello?

Lalbert Cherian

Mail your questions to Confideleap okay? Thank you.

Shaji Baby John

Hello?

Raj Shah

Okay, I will drop back in the queue. Yes, sir.

Shaji Baby John

ConfideLeap will give you the figures. It is approximately about, Lalbert, you are saying about 350 and approximately like 40% and 60%.

Raj Shah

Yes, sir.

Shaji Baby John

Anyway, they'll give you the specific numbers. Please share your email ID and details to ConfideLeap. Hello?

Moderator

Thank you, sir. Ladies and gentlemen, if you have any question, please press * and 1 on your telephone keypad. I repeat, ladies and gentlemen, if you have any question, please press * and 1 on your telephone keypad.

The next question comes from Manpreet Arora from Arora Wealth. Please go ahead.

Manpreet Arora

Thank you for the opportunity. Am I audible?

Shaji Baby John

Yeah. It's clear.

Manpreet Arora

Yes, sir. So, first question is on the exports and our international expansion. Now in the presentation, you've mentioned that, you know, we have got a contract with LX International, a large player in Korea. And I believe this is through our partnership or acquisition with Sriaqua Foods.

So, are these contracts with LX, do they have the same margin profile that we have in our other contracts?

Shaji Baby John

Sreeram, are you online? Can you take that question? Hello?

Sreeram Inagalla

Yeah. So, am I audible?

Shaji Baby John

I think, Sreeram is, yeah.

Sreeram Inagalla

So, the margins are better than any other customers that we have. So, since LX Group have their own distribution channel, so their cost quality specification and the product requirement are different. So, the margins are much better than many other customers.

Manpreet Arora

Okay. All right. Thank you. And then, you've mentioned a lot of things we're doing in the international market about the Canadian market entry and also in UK, I believe with the free trade agreement, it opens up further opportunities for us.

So, can you talk a bit about what kind of opportunities we are seeing there and how do we see it for the rest of the year?

Sreeram Inagalla

So, Canada was organically growing in terms of the population, and the country was importing lot of seafood. And the growth has increased lot from Canada. Right now, the local consumption within Canada is increased by 200% and the opportunity for exporting seafood into Canadian market without any tariff, without any clearances issues and everything, so we see a lot of good potential developing a local partner there and also distributing our product through the importers in Canada.

Now, coming to the UK, UK free trade agreement gives us opportunity to export, both fresh, fresh is exported through by air and frozen is exported through sea. So, both these things had a tariff on the importer side, and now the free trade agreement has given opportunity to expand and explore new buyers within UK. And UK consists of other provinces like Scotland and Wales. So, all three together, we have a good demand coming up from UK alone. This is, again, non-EU country right now what we consider.

And, also, there are much more opportunities coming up with new countries where Morocco and Dominican Republic and few other countries, they're also giving lot of inquiries, and they also want to have a large tie-up with India.

Manpreet Arora

Great. Thank you. So, just a follow-up on that. So, have you already signed up in UK and Europe and Canada, the increased opportunities or are we still under discussions right now?

Sreeram Inagalla

So usually, the buyers are always the regular importers who are either distributor or a re-processor. So, majority of the western markets are the distributors who are there in the market since many years, and we are already working with them. And now this free trade has made this value proposition in a better way so that we have our direct customers in UK also.

Manpreet Arora

Okay. Thank you. And on The Middle-East, Dubai that we're setting up there. Is it just for the marketing and distribution in The Middle-East? And is it primarily targeted at the Indian diaspora? It is a much bigger market.

Sreeram Inagalla

So, all the products that what we do are definitely less consumed by Indian ethnic community. Only, I would say 10% will be our Indian ethnic will be consuming. These products are mainly for the Southeast Asian ethnic and also the Western ethnic. So, for these shrimp, cuttlefish, squid, octopus, all these products are very high demand with the western community and they pay premium for getting these products.

And Middle-East now having a lot of population moving in from various countries, so the opportunity to have own distribution both in B2B and B2C. So, B2C will be our second milestone and B2B will be our first milestone. So, there are importers who are currently doing it to many retail chains within GCC.

So, we have already signed up with one customer and we are already working with other customers who have distribution to large retail chains within GCC. So, we will be supplying on their requirement and we will be developing as a Phase 2 our own distribution channel.

Shaji Baby John

Sorry to interrupt. We have existing customers there, but they are all, like, importers. But now with this new idea of Sreeram joining the group and then forming a subsidiary there, we can procure and distribute not only from Kings, but that entity will also procure and distribute whatever the retail chain demands. So that will be another good point for us.

Manpreet Arora

Thank you. Thanks for that explanation and that was really helpful. Next question is on the Kings Frigo and Bento.

Moderator

Mr. Manpreet, can you join back the queue, sir?

Manpreet Arora

Ma'am, this is my second question, if you can allow me.

Moderator

Please go ahead, sir.

Manpreet Arora

All right. Thank you. So, this is the Kings Frigo, Kings Bento, the retail strategy. And you mentioned that we've already done some pilots in Bengaluru and Kochi and want to expand. So, what is the strategy, especially in terms of the retail side? Will it be a company-owned, company-operated model or a franchisee-owned, COCO-FOCO model? Have you thought about thing?

Shaji Baby John

Right. It will be initially company-owned or company-operated hubs, which will have the stock points. And then from there, we'll target the HORECA as well as the other retail chain also where we will be providing something like a freezer wall or a small store within store sort of a concept for our product.

Manpreet Arora

Okay. All right. Thank you very much, sir. I'll get back in the queue.

Shaji Baby John

Yeah.

Moderator

Thank you. I request the participants to restrict with two questions in the initial round and join back the queue for more questions.

The next question comes from Sathish Patnaik, an individual investor. Please go ahead.

Sathish Patnaik

Hello, thank you. Am I audible?

Shaji Baby John

Yes.

Sathish Patnaik

Okay. Sir, good evening. Most of my questions have been asked. Okay. Just out of your presentation, on the guidance part, I see that, it is 60-65% CAGR for three years. So, is that I'm reading correctly?

Shaji Baby John

No. I didn't get the question clearly.

Sathish Patnaik

Sir, on the guidance part, towards the end of the presentation, I see the expected top line to be 60-65% CAGR for next three years.

Shaji Baby John

Lalbert, CFO, can you take that? Or in absolute numbers, in three years, we are targeting to grow around 400% turnover approximately. I don't know in that working, Lalbert, can you see?

Lalbert Cherian

Yes. We are targeting for 60-65% CAGR growth in in top line for the next three years. It's a margin of about [inaudible 00:52:29] EBITDA. That is what we are projecting.

Shaji Baby John

Yeah.

Sathish Patnaik

So, yeah, that's what I wanted to double check on that. What did you say on the margin side? Sorry. I could not hear that.

Lalbert Cherian

So, we could be able to maintain our EBITDA margin almost, about 20%.

Sathish Patnaik

EBITDA margin?

Shaji Baby John

Yeah.

Lalbert Cherian

Okay.

Shaji Baby John

Thank you.

Sathish Patnaik

Thank you so much, sir. All the very best. That's all I had to ask.

Moderator

Thank you. The next question comes from Amit Agicha from HG Hawa. Please go ahead.

Amit Agicha

Good evening, sir. Am I audible?

Shaji Baby John

Yes, sir.

Amit Agicha

Thank you for the opportunity, sir, and congratulations for good set of numbers. So, my question is, like, you say, what is total planned CapEx for FY2627 for Maritech Eco Park and for Frigo, Bento, retail, long-term farm expansion?

Shaji Baby John

Maritech Park, original the total CapEx is about INR 200 crore with we got a in-principle approval for a soft loan from Union Bank of India for INR 120 crore and the balance through, there is a separate subsidiary altogether. But now we have phased it out. Only Phase 1, we are doing for about INR 40 crore to INR 50 crore.

Phase 1, we'll be doing in Tamil Nadu, and then we'll be shifting Phase 2 to Andhra. So, that is the plan now because the Andhra Government is offering much, much better facilities, including better lands and the tax breaks and other things. So, that negotiation is going up.

So initially, we'll do it in phases, four phases, so INR 40 crore to INR 50 crore in each phase.

Amit Agicha

And sir, the farm expansion and Bento, Frigo rollout?

Shaji Baby John

Total budget for Bento, Frigo for the next 18 months is around INR 25 crore, but most of it, we are seeing that as a self-generation because the margins on this product are very good. Even compared to the export, the margins are very, very high.

Amit Agicha

And sir, for farm expansion?

Shaji Baby John

Farm expansion, now we are following the asset-light model. So, it's about INR 7.5 lakh total per pond we'll be investing instead of around INR 40 lakh if you have to buy a farm and lease it out, you have to spend INR 40 lakh.

Now, we'll be around INR 7.5 lakh per pond. So, if you take 100 ponds that the CapEx is only INR 7.5 lakh plus, which is also almost self-generating.

Amit Agicha

And so, most of the CapEx will be funded internal approvals or debt or equity?

Shaji Baby John

Mostly by internal approvals.

Amit Agicha

Thank you, sir. Thank you for answering. I appreciate answering. All the best for the future.

Moderator

Thank you. Ladies and gentlemen, if you have any question, please press * and 1 on your telephone keypad. Ladies and gentlemen, if you have any question, please press * and 1 on your telephone keypad.

There are no further questions. Now, I hand over the floor to management for closing comments.

Shaji Baby John

Bala sir.

Balagopal Veliyath

Good evening, everyone. As we come to the end of this earnings call, let me convey our hearty thanks to each one of you for joining us this evening. If you are aware, we have had good financials during the first quarter. And with the innovative plans we have chartered out for the way ahead, I am sure you will find it very encouraging and exciting to be a part of our growth journey in the days ahead.

I thank the ConfideLeap team for organizing this earnings call. Thank you.

Thank you very much.

Moderator

Thank you, sir. Ladies and gentlemen, this concludes the conference call for today. Thank you for your participation. You may disconnect your lines now. Thank you and have a good day.

Shaji Baby John

Thank you all.

Moderator

Thank you, sir.

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- Note:**
1. This document has been edited to improve readability
 2. Blanks in this transcript represent inaudible or incomprehensible words