



**November 10, 2021**

National Stock Exchange of India Limited, Listing Compliance Department Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (East) Mumbai – 400 051 <b>Scrip Symbol: GALAXYSURF</b>	BSE Limited, Listing Department, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001 <b>Scrip Code: 540935</b>
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**Sub: Press release on the unaudited financial results for quarter & half year ended September 30, 2021.**

**Ref: Regulation 30 (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

Dear Sir/ Madam,

We are enclosing press release on the Unaudited Financial Results for the quarter & half year ended September 30, 2021.

The information is also hosted in announcement section on the website of the Company at [www.galaxysurfactants.com](http://www.galaxysurfactants.com).

We request you to take the same on record.

Yours faithfully,  
For **Galaxy Surfactants Limited**

**Niranjan Ketkar**  
Company Secretary  
M. No. A20002

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**Galaxy Surfactants Limited**

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## Galaxy Surfactants Limited

### H1FY22 Consolidated Performance:

- Total volume increased by 3.3% for H1FY22, on YoY basis
- Total Revenue (including other income) stood at Rs. 1,713.2 Cr, a YoY growth of 28.7% driven by increase in realizations owing to rising feedstock prices and better sales mix
- EBITDA stood at Rs. 188.9 Cr, YoY decline of 13.0%; primarily due to volatility in feedstock prices, unavailability of critical feedstocks and increased lead time caused by supply side constraints.
- PAT stood at Rs. 118.8 Cr, YoY decline of 14.1%

### Mumbai, 10<sup>th</sup> November 2021:

Galaxy Surfactants Limited, a leading manufacturer of performance surfactants and specialty care products with over 210 product grades used in Home and Personal Care industry, has announced its un-audited financial results for the Quarter 30<sup>th</sup> September 2021.

### Commenting on the performance Mr. U. Shekhar, Managing Director, Galaxy Surfactants Limited said,

*“This has been a challenging quarter for us. While the demand scenario remains intact and robust, our ability to service the same got seriously impinged in this quarter. While Q-O-Q the volumes have degrown marginally by 2%, Y-O-Y, we have registered a decline of 7%.*

*For H-1 while our volumes have grown 3.3%, our EBITDA has declined by 13%. The EBITDA decline is a result of the extreme Supply driven volatility we experienced in Q-2 FY 2021-22 which adversely impacted volumes and margins.*

*Q-2 began with availability issues with respect to Lauryl Alcohol (sourced from SE Asia which was majorly shut due to the pandemic) and Ethylene Oxide, the two key feedstocks used for manufacturing our Performance Surfactants. This adversely impacted our performance in AMET as well as India. One positive that has emerged in this gloomy environment is the structural uptick we are seeing in our domestic (India) volumes. Despite the heavy base (pent up demand) in Q-2 FY 2020-21 and supply led volatility in Q-2 FY 2021-22, we have Y-O-Y held ground and registered a 1% Q-O-Q growth.*

*With the shipping industry facing a major overhaul, freight rates have been hitting the sky, with month-on-month rates rising by nearly 10-40%. This, along with the container unavailability issues led to delays*

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*in shipment, as well as increased costs which adversely impacted our Specialty Volumes and overall Margins.*

*Cumulatively put together, the supply side factors adversely impacted our EBITDA by Rs. 20 Crores in this Quarter. The increased lead times combined with volatility in feedstock prices further impacted margins in this quarter.*

*To conclude, we envisage the current supply driven volatility to continue atleast for next 2-3 quarters. While the situation with respect to availability of feedstocks seems to be normalising, we have now entered the inflationary phase, with prices of some of our critical feedstocks rising nearly 50% in last 1 month.*

*While the demand scenario continues to remain robust, we do hope normalcy gets restored when it comes to the supply side. At Galaxy while the performance might be muted, we remain fully committed to turn this around.”*

### **Performance Highlights:**

Galaxy Surfactants Limited (Consolidated Results)						
Particulars (Rs. Cr)	Q2FY21	Q2FY22	YoY%	H1FY22	H1FY21	YoY%
Total Revenue*	882	723	22.0%	1,713	1,331	28.7%
EBITDA*	76	126	-39.8%	189	217	-13.0%
PAT	42	82	-48.9%	119	138	-14.1%

\*Includes other income

Galaxy Surfactants Limited (Volume Break up)		
Particulars	YoY Growth % (Q2FY22 vs Q2FY21)	YoY Growth % (H1FY22 vs H1FY21)
<b>Sales Volume</b>	<b>-6.7%</b>	<b>3.3%</b>
ROW	-7.1%	8.8%
India	0.1%	13.8%
AMET	-13.3%	-9.7%

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### Q2FY22 Performance

- Total volumes stood at 58,814 MT for Q2FY22 as against 63,026 MT in Q2FY21, down by 6.7% YoY
  - ROW markets declined by 7.1% due to disruptions in international logistics
  - Indian market grew by 0.1% coming off a high base in Q2FY21 as well as due to unavailability of critical feedstocks
  - AMET market de-grew by 13.3%. AMET volumes were adversely impacted due to on-going Supply Chain constraints and unavailability of critical feedstocks
  - Performance Surfactants volume stood at 38,023 MT for Q2FY22, down by 8.2% on YoY basis
  - Specialty Care Products volume stood at 20,791 MT for Q2FY22, down by 3.7% on YoY basis
- EBITDA for Q2FY22 stood at Rs. 75.9 Cr as against Rs. 126.1 Cr in Q2FY21, down by 39.8% YoY basis
- EBITDA/MT stood at Rs. 12,907 for Q2FY22 as against Rs. 20,006 in Q2FY21, down by 35.5% YoY basis
- PAT stood at Rs. 41.9 Cr for Q2FY22 as against Rs. 81.7 Cr in Q2FY21 down by 48.7% YoY

### H1FY22 Performance

- Total volumes stood at 118,679 MT for H1FY22 as against 114,919 MT in H1FY21, up by 3.3% YoY
  - ROW markets grew by 8.8%
  - Indian market grew by 13.8%
  - AMET market de-grew by 9.7%.
  - Performance Surfactants volume stood at 76,801 MT for H1FY22, down by 1.3% on YoY basis
  - Specialty Care Products volume stood at 41,878 MT for H1FY22, up by 12.9% on YoY basis
- EBITDA for H1FY22 stood at Rs. 188.9 Cr as against Rs. 217.2 Cr in H1FY21, down by 13.0% YoY basis
- EBITDA/MT stood at Rs. 15,917.7 for H1FY22 as against Rs. 18,902.0 in H1FY21, down by 15.8% YoY basis
- PAT stood at Rs. 118.8 Cr for H1FY22 as against Rs. 138.2 Cr in H1FY21 down by 14.1% YoY

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### **About Galaxy Surfactants Limited:**

Incorporated in 1986, Galaxy Surfactants Ltd is leading manufacturers of Performance Surfactants and Specialty Care products with over 210 product grades. These products are used in consumer-centric Home and Personal care products like hair care, oral care, skin care, cosmetics, soap, shampoo, lotion, detergent, cleaning products etc.

Preferred suppliers to leading MNC's, Regional and Local FMCG brands. Our key customers include Unilever, Reckitt Benckiser, P&G, L'OREAL, Himalaya, Colgate Palmolive, CavinKare etc.

Company has its manufacturing facilities located in India (5), Egypt (1) and USA (1).

For more information about the company, please visit our website [www.galaxysurfactants.com](http://www.galaxysurfactants.com)

### **Safe Harbor:**

Statements in this document relating to future status, events, or circumstances, including but not limited to statements about plans and objectives, the progress and results of research and development, potential project characteristics, project potential and target dates for project related issues are forward-looking statements based on estimates and the anticipated effects of future events on current and developing circumstances. Such statements are subject to numerous risks and uncertainties and are not necessarily predictive of future results. Actual results may differ materially from those anticipated in the forward-looking statements. The company assumes no obligation to update forward-looking statements to reflect actual results changed assumptions or other factors.

### **For further details please contact:**

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