

PCBL Limited

Investor Update Q4 FY23

Summary of Performance for the Quarter ended March 31, 2023



REVENUES

₹ 1,374 Crores

YoY growth of 13%



OPERATING MARGIN

**₹ 200 Crores
(Margin 15%)**

YoY growth of 35%



PROFIT AFTER TAX

**₹ 102 Crores
(Margin 7 %)**

YoY growth of 13%



EARNINGS PER SHARE (Diluted)

**₹ 2.70
per share**

Q4FY'22 at ₹ 2.39 per share

Summary of Performance for the Year ended March 31, 2023



REVENUES

₹ 5,874 Crores

YoY growth of 32%



OPERATING MARGIN

**₹ 775 Crores
(Margin 13%)**

YoY growth of 14%



PROFIT AFTER TAX

**₹ 444 Crores
(Margin 8 %)**

YoY growth of 4%



EARNINGS PER SHARE (Diluted)

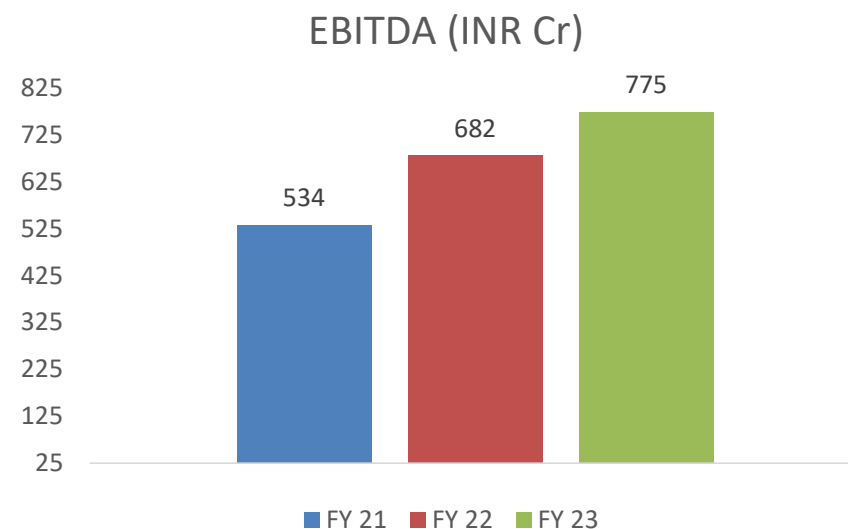
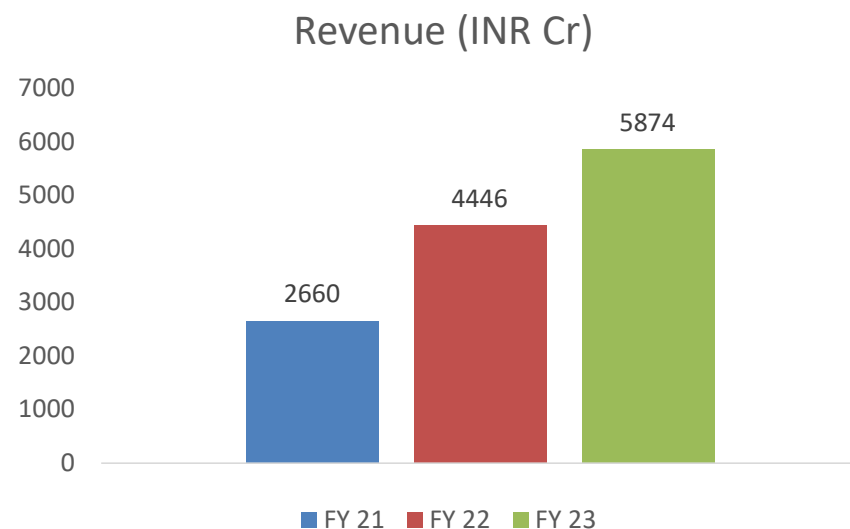
**₹ 11.76
per share**

FY'22 at ₹ 11.84 per share

Key Highlights

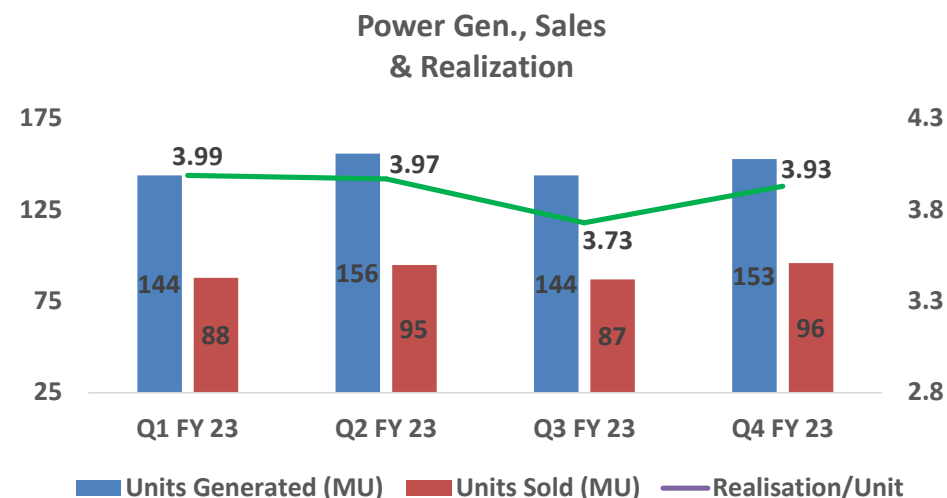
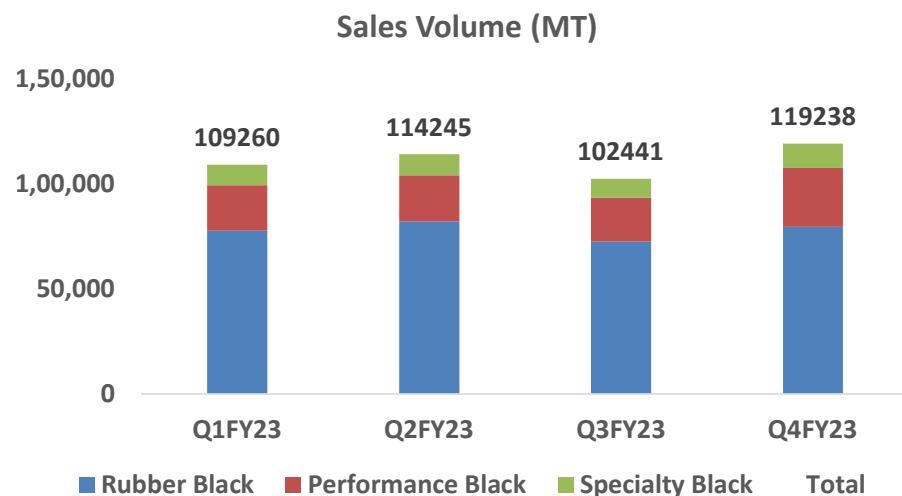
- PCBL reported best ever financial performance in FY23, despite strong global economic headwinds and volatility
- During FY23, Revenue increased by 32% to Rs. 5874 crs, EBIDTA increased by 14% to Rs. 775 crs and PBT increased by around 10% to Rs. 585 crs
- The company reported a stable financial performance in Q4 FY23. Revenue increased by 13% YoY to Rs. 1374 crs while EBIDTA stood at Rs. 200 crs. PBT stood at Rs. 148 crs during the quarter. The EBIDTA/MT increased by 28% YoY to Rs. 16,767/- during the quarter
- The Q4 FY23 sales volume stood at 1,19,238 MT. The sales volume for tyre segment, performance chemical and specialty black stood at 79,617 MT, 28,126 MT and 11,495 MT
- The sales mix between Domestic and International stood at 80,045 MT and 39,193 MT for Q4 FY23
- Power Generation increased by 10% YoY to 153 MU during Q4FY23 with external sales volume of 96 MU, an 18% increase YoY
- With rising demand for power in the country and consequent increase in power tariffs, PCBL's average realization from power sale improved to Rs.3.93/kWh
- The company continues to witness traction in demand for specialty black on back of diverse geographical mix and new customer additions

Financial Performance



- PCBL reported a robust financial performance in FY23 with strong growth in Revenue and EBITDA
- EBITDA/MT increased by 16% YoY to Rs. 17,405/- during FY23. This was achieved due to improvement in operating efficiencies, product mix changes and strong performance from power segment
- PCBL's average realization against power sale sharply increased to Rs. 3.81/kWh in FY23 as against Rs. 2.99/kwh in FY 22

Operational Performance



- Speciality Blacks sales volume increased by over 16% in FY23 to 40,375 MT
- FY23 Power generation increased by 10% to 597 MU while power export volumes increased from 321 MU in FY22 to 366 MU in FY23.
- PCBL commissioned 7 MW green power plant in Kochi during FY23. With this the total capacity of green power stands at 98 MW

- In the domestic tyre market, demand is growing with continued strong momentum in OEM segment and improvement in replacement market
- Demand outlook in the international market is expected to sustain over medium term
- Geopolitical scenario remains extremely volatile with massive fluctuations in oil prices and exchange rates. We remain watchful of the current situation
- The Greenfield project being implemented by PCBL(TN) is progressing satisfactorily. 1st line of the new plant which is around 40% of the total capacity has already been commissioned, while rest of the capacity is likely to be ready for commissioning in another quarter.
- The new green power generation capacity of 24 MW at the Tamil Nadu site is progressing well and should be commissioned by next quarter. Post commissioning, the green power generation capacity would increase to 122 MW
- 1st phase of brownfield expansion of speciality lines at Mundra is likely to be commissioned in Q1 FY24
- PCBL is geared for the next leg of growth, with sufficient capacity to cater to demand from India and global markets. The company has taken several initiatives to expand overseas market presence and is further focused on improving the exports contribution in total sales

Financial Performance

In ₹ Crs	Q1 FY 2023	Q2 FY 2023	Q3 FY 2023	Q4 FY 2023	FY 2023	FY 2022
Revenue from Operations	1409	1628	1463	1374	5874	4446
Other Income	11	3	8	16	38	27
Total Income	1420	1631	1471	1390	5912	4473
<i>QoQ / YoY Growth %</i>	<i>15</i>	<i>15</i>	<i>(10)</i>	<i>(6)</i>	<i>32</i>	<i>67</i>
Cost of Materials (including change in inventory)	1026	1259	1139	1024	4447	3134
Employee Benefit Expense	47	49	48	47	190	159
Other Operating Expense	141	132	108	119	500	498
Operating EBITDA	207	192	176	200	775	682
Operating EBITDA %	15	12	12	15	13	15
Finance Cost	9	11	15	19	53	29
Depreciation and amortization expense	37	33	33	33	137	121
Profit Before Taxes	160	148	128	148	585	532
Taxes	35	32	28	46	141	105
Profit After Tax	126	116	100	102	444	427
Diluted EPS (₹ /Share)	3.34	3.08	2.68	2.70	11.76	11.84

Balance Sheet and Cash Flow Statement

In ₹ Crs	As at 31-Mar-23	As at 31-Mar-22
Equity And Liabilities		
Equity Share Capital	38	38
Other Equity	2782	2567
Borrowings (Current & Non Current)	693	684
Deferred tax liabilities (Net)	257	276
Other Non - Current Liabilities	78	91
Trade Payables	950	911
Other Current liabilities	219	188
Total	5016	4755
Assets		
Fixed Assets (includes Right-of-use assets)	2224	2037
Investments (Current & Non Current)	1005	783
Other Non Current Assets	60	52
Cash and Cash Equivalents	37	104
Inventories	486	604
Trade Receivables	1108	1105
Other Current Assets	96	70
Total	5016	4755

In ₹ Crs	Year ended 31-Mar-23	Year ended 31-Mar-22
Cash Flow from Operating Activities		
Operating Margin	585	532
Adjustment: Non-Cash and Other Income / (Expense)	159	126
Operating Cash before Working Capital	744	659
Add: Working Capital Changes	144	(234)
Less: Income Taxes Paid	(166)	(104)
Net cash generated from Operating Activities (A)	722	321
Cash Flow from Investing Activities		
Capital Expenditure, net	(289)	(170)
Proceeds from Current Investments	(219)	(378)
Net cash generated from / (used in) Investing Activities (B)	(508)	(548)
Cash Flow from Financing Activities		
Proceeds from QIP	0	390
Net Decrease in Borrowings	9	77
Dividend Paid	(208)	(189)
Net Interest Paid	(53)	(33)
Payment of Lease Liabilities	(29)	(29)
Net cash generated from / (used in) Financing Activities (C)	(281)	217
Net (decrease) / increase in Cash and Cash Equivalents	(67)	(10)
Opening Cash and Cash Equivalents	104	114
Closing Cash and Cash Equivalents	37	104

Statement in this “ Investor Update” describing the Company’s objectives, projections, estimates, expectations or predictions may be “ forward looking statements” within the meaning of applicable securities law and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company’s operations include demand supply conditions, finished goods prices, availability and prices of raw materials, changes in the government regulations, tax regimes, economic development within India and the countries within which the Company conducts business and other factors such as litigations and labour negotiations.

Thank You