apcotex

Responsible Care®
OUR COMMITMENT TO SUSTAINABILITY

18th August 2017

The Manager - Listing Department,
The National Stock Exchange of India Ltd
Exchange Plaza, 5th floor, Plot no. C/1, "G" Block, Bandra-Kurla Complex,
Mumbai-400051
Symbol: APCOTEXIND

Manager - Department of Corporate Services
Bombay Stock Exchange Ltd.
Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai - 400 001
Security Code : 523694

Subject: Investor Presentation – August 2017

Dear Sir/Madam,

Please find enclosed herewith Investor Presentation – August 2017. The same is for your reference and records.

Thanking you,

Yours truly,

For Apcotex Industries Limited

Anand Kumashi
Company Secretary

Enclosed

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apcotex industries limited

EARNINGS PRESENTATION

AUGUST 2017

Executive Summary

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OVERVIEW

- Apcotex Industries Ltd (Apcotex) is a leading producer of Synthetic Rubber (Nitrile Rubber, High Styrene Rubber, Nitrile Polyblends and Nitrile Powder) and Synthetic Latex (XSB Latex, VP Latex, Styrene Acrylics and Nitrile Latex) in India.
- The company has one of the broadest range of Emulsion Polymers available in the market today.
- The various grades of Synthetic Rubber find application in products such as Automotive Components, Hoses, Gaskets, Rice De-husking Rollers, Printing and Industrial Rollers, Friction Materials, Belting and Footwear.
- Apcotex is listed on both the BSE and NSE and has an approximate market capitalisation of INR 8,500 Mn.

BUSINESS MIX

- SYNTHETIC LATEX
  - Paper/ Paper Board, Carpet, Construction, Tyre Cord, Speciality.
- SYNTHETIC RUBBER
  - Automobile, Footwear, Rice Rolls.

MARQUEE CLIENTS

- SYNTHETIC LATEX
  - ITC Ltd, BILT, JK PAPER, Pidilite Industries, MRF, SRF, Century Enka, etc.
- SYNTHETIC RUBBER
  - Paragon Footwear, Banik/Ajanta Footwear, Relaxo Footwear, Jayshree Polymers, Parker Hannifin, etc.

MANUFACTURING

- Taloja Facility: Maharashtra
  - 55,000 MTPA Synthetic Latex
  - 7,000 MTPA High Styrene Rubber
- Valia Facility: Gujarat
  - 16,000 MTPA Nitrile Rubber and Allied Products.

FY17 FINANCIALS

Revenue - **INR 3,551 Mn**

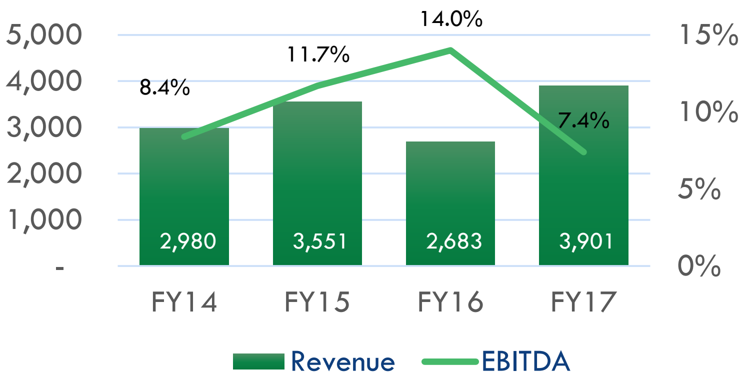
EBITDA - **INR 289 Mn**

PAT- **INR 191 Mn**

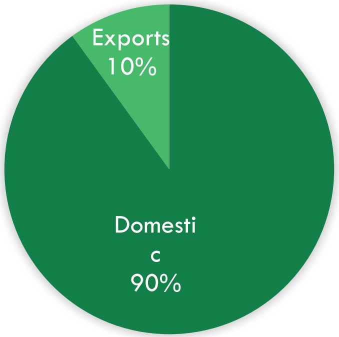
Company Overview

- The company's Taloja plant was established in 1980 as a division of Asian Paints (India) Ltd. In 1991, the division was spun off as a separate company, which was headed by Mr. Atul Choksey, former MD of Asian Paints. The company is currently headed by Abhiraj Choksey who is the Managing Director.
- Apcotex has a significant global presence and for last few years has done business in all continents and several countries.
- It is one of the leading producers of Synthetic Rubber and Synthetic Latex in India.
- Its state-of-the-art manufacturing plants are strategically located on the western coast of India.
- Over the past several years, the company has developed a strong Research & Development base, which has enabled them to develop, manufacture and export products and compete effectively against global players.
- Apcotex Solutions (Erstwhile Omnova Solutions) recently amalgamated with the company which has made it the leading manufacturer of Synthetic Rubber and the sole manufacturer of Nitrile Rubber in India.
- Apcotex Industries has a workforce strength of over 450 fulltime employees.

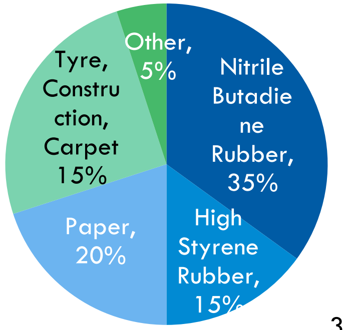
Revenue (INR Mn) and EBITDA Margin (%)



Geographical Mix FY17



Revenue Breakup FY17



Q1- FY18 Financial & Operational Highlights

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Q1-FY18 Financial Highlights:
- **Total Revenue** : INR 1,321 Mn
- **EBITDA** : INR 86 Mn
- **EBITDA Margin** : 6.5%
- **Net Profit** : INR 52 Mn
- **PAT Margin** : 3.9%
- **Diluted EPS** : INR 2.52

FY17 Financial Highlights:
- **Total Revenue** : INR 3,901 Mn
- **EBITDA** : INR 289 Mn
- **EBITDA Margin** : 7.4%
- **Net Profit** : INR 191 Mn
- **PAT Margin** : 4.9%
- **Diluted EPS** : INR 9.21

Q1-FY18 Operational Highlights:
- Positives
  - Union agreement settled and full normalcy in production restored from April 2017.
  - Strong export orders in Q1.
- Challenges
  - Due to strike many customers had imported or made other arrangements so sales till April 2017 were affected.
  - Due to falling RM prices in Q1, we were stuck with some high cost raw materials resulting in depressed margins in Q1.
  - 1 large customer's volumes and collections still remain uncertain.

Q1-FY18 Standalone Income Statement

Particulars (INR Mn)	Q1 FY18	Q1 FY17	Y-o-Y
Revenue	**1,321**	**1,169**	**13.0%**
Total Expenses	1,235	1,062	16.3%
EBITDA	**86**	**107**	**(19.6)%**
EBITDA Margin	***6.5%***	***9.1%***	***(260) Bps***
Depreciation	31	30	3.3%
Interest	5	6	(16.7)%
Other Income	22	35	(37.1)%
PBT	**72**	**106**	**(32.1)%**
Tax	20	23	(13.0)%
PAT	**52**	**83**	**(37.3)%**
PAT Margin	***3.9%***	***7.1%***	***(320) Bps***
EPS	2.52	4.01	(37.2)%

Income Statement

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Particulars (INR Mn)	FY15	FY16	FY17	Q1 FY18
Revenue	**3,551**	**2,683**	**3,901**	**1,321**
Total Expenses	3,136	2,309	3,612	1,235
EBITDA	**415**	**374**	**289**	**86**
EBITDA Margin	***11.7%***	***14.0%***	***7.4%***	***6.5%***
Depreciation	90	89	121	31
Interest	32	24	29	5
Other Income	56	73	83	22
PBT	**349**	**334**	**222**	**72**
Tax	102	88	31	20
PAT	**247**	**246**	**191**	**52**
PAT Margin	***7.0%***	***9.2%***	***4.9%***	***3.9%***
EPS	11.90	11.90	9.21	2.52

Balance Sheet Statement

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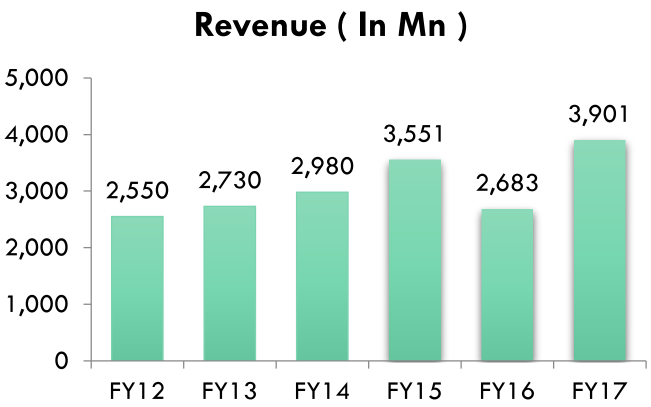
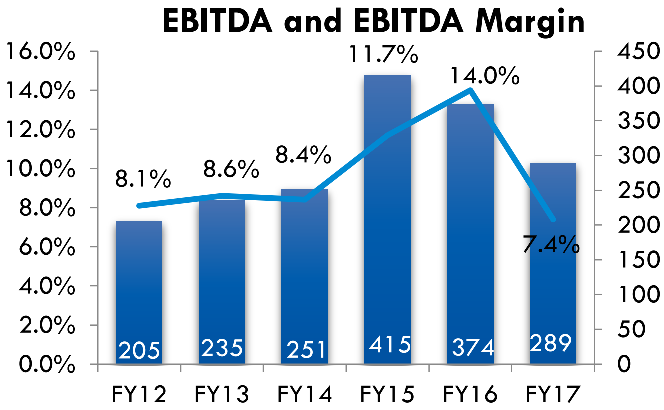
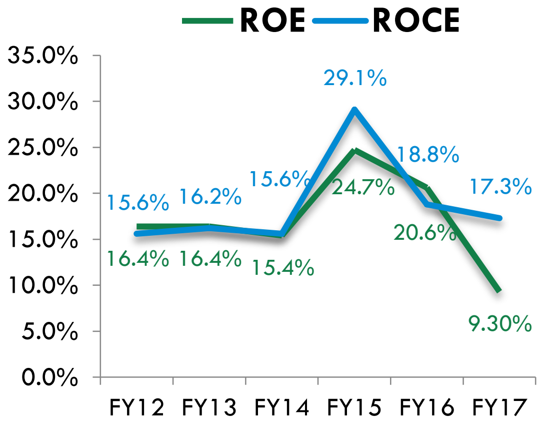
Particulars (INR Mn)	Mar – 17	Mar - 16
Shareholders Fund	**2,063**	**1,872**
Share Capital	104	104
Reserves & Surplus	1,959	1,768
Total Non Current Liabilities	**91**	**34**
Long Term Borrowings	00	00
Deferred Tax liabilities	34	00
Other Long Term Liabilities	31	14
Long Term Provision	26	20
Total Current Liabilities	**668**	**975**
Short Term Borrowings	222	171
Trade Payables	222	341
Other Current Liabilities	221	319
Short term provision	3	144
TOTAL EQUITY & LIABILITIES	**2,822**	**2,881**

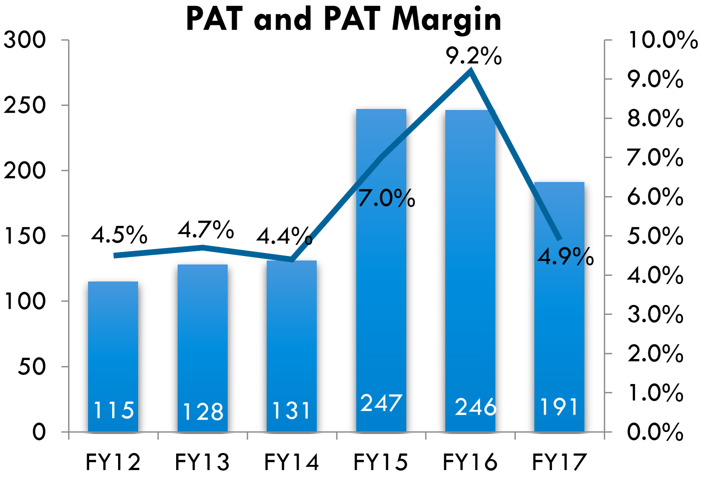
Particulars (INR Mn)	Mar-17	Mar - 16
Total Non Current Assets	**1,281**	**1,360**
Fixed Assets	937	948
Non Current Investments	236	178
Deferred Tax Assets (Net)	00	67
Long term loans & advances	86	106
Other Non Current assets	22	61
Total Current Assets	**1,541**	**1,521**
Inventories	445	433
Trade Receivables	782	839
Cash & Cash Equivalents	62	98
Short Term loans & Advances	191	74
Other current asset	61	77
TOTAL ASSETS	**2,822**	**2,881**

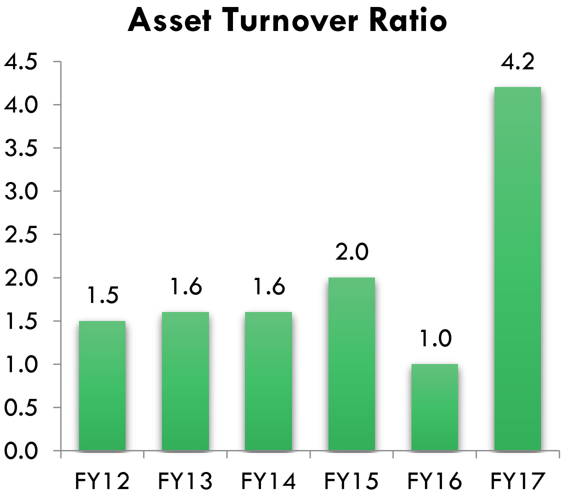
Key Performance Indicators

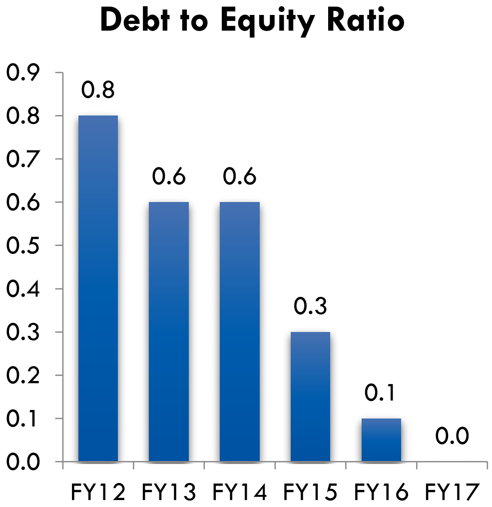






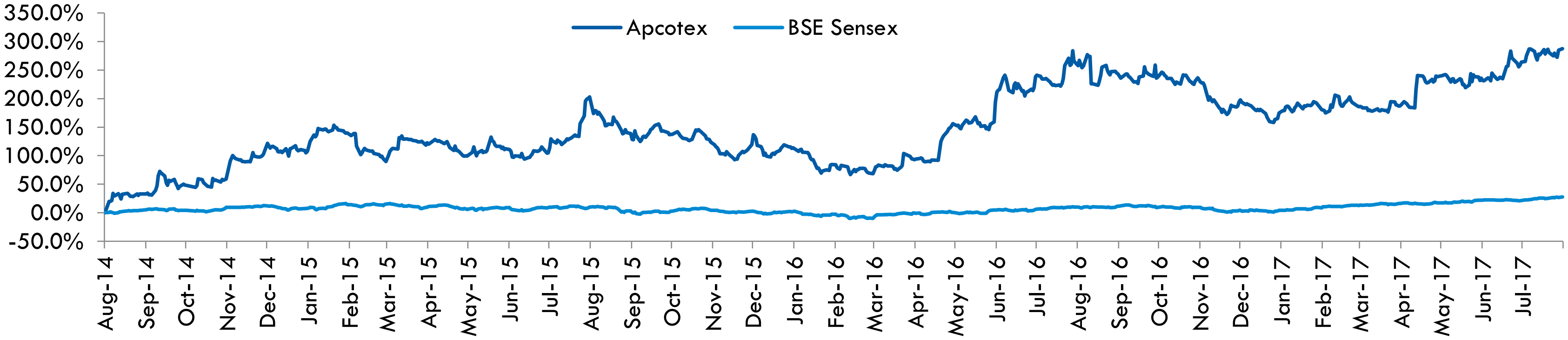






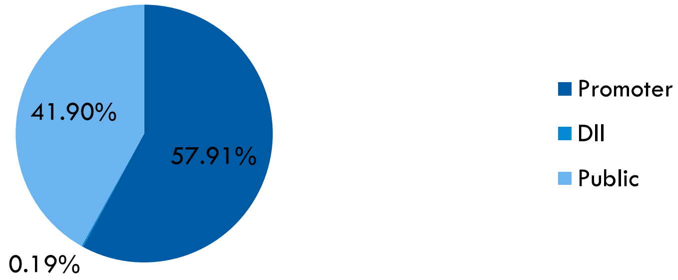
Capital Market Data

Share Price Performance (as on July 31st 2017)



Price Data (as on June 30th 2017)	
Face Value	5
CMP	405.80
52 Week H/L	440.1/282
MCAP (Mn)	8,416
Shares O/S (Mn)	20.74
1 Yr Avg. Vol ('000)	34.7

Shareholding Pattern (as on June 30th 2017)



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Thank You