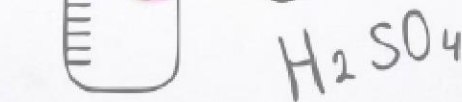


EARNINGS PRESENTATION | 9M / Q3-FY22



Executive Summary

Oriental Aromatics Ltd.



Overview

- Oriental Aromatics Ltd. is one of the largest Indian manufacturers of a variety of Aroma Chemicals, Camphor, Fragrances and Flavours.
- The company is one of the privileged few integrated manufacturers of fragrances and flavours as well as aroma chemicals globally.
- The Company aspires to become a global player in the specialty aroma chemicals and use these synergies to become one of the most prominent fragrance and flavour companies.
- The company is listed on both NSE and BSE with an approximate Market Capitalisation of INR 25,840 Mn as on Dec 31, 2021.

Business Mix

- **Aroma Chemicals and Camphor** - Ranging from Pinene derivatives, to petrochem derivatives, and even musk and sandalwood derivatives, OAL delivers quality aroma chemicals to clients across the world.
- **Flavours and Fragrances** – OAL delivers innovative flavours and fragrance raw materials to marquee FMCG companies.

Manufacturing Plants & Capacities

Aroma Chemicals and Camphor:

- Bareilly, U.P. – 7,200 MTPA
- Vadodara, Gujarat - 6,200 MTPA

Flavours and Fragrances:

- Ambernath, Maharashtra - 6,000 MTPA

R&D Facilities

- Centre for Innovation at Mumbai
- Process re-engineering lab at Vadodara

FY21 Consolidated Financials

Op. Income
INR 7,088 Mn

EBITDA
INR 1,551 Mn

EBITDA Margin
21.88%

ROCE
25.46%

PBT
INR 1,370 Mn

Net Profit
INR 1,019 Mn

EPS
INR 30.29

ROE
18.29%



Company Overview

Company Overview

Oriental Aromatics Ltd.

- The Fragrance and Flavours business of Oriental Aromatics was founded by Mr. Keshavlal Bodani in 1955 and has been nurtured and handed down to three generations of the Bodani's.
- In August 2008, Oriental Aromatics' promoters acquired a controlling stake of 57.66% in the listed entity of Camphor & Allied Products Ltd.(CAPL), a key supplier of Camphor and other specialty aroma chemicals. Furthermore in April, 2017, Oriental Aromatics was fully amalgamated into the listed entity and thereafter, the name of CAPL was changed to Oriental Aromatics Limited (OAL).
- Today, The Company is one of the largest manufacturers of variety of specialty based aroma chemicals, and camphor, with a vast product range including Synthetic Camphor, Terpeneols, Pine Oils, Astromusk, several other specialty aroma chemicals finding applications in a wide array of industries ranging from like Cosmetics, Soaps, Pharmaceuticals and many more.
- OAL's custom designed fragrances are found in fine fragrances, incense sticks, candles, and various FMCG products like soaps, shampoos, hair oils, detergents, etc. and it also provides flavours for ice-creams, bakeries, confectionaries, beverages, chewing gums, chocolates etc.
- The Company has evolved into a one stop solution provider for the flavour and fragrance industry.



Fragrances



Flavours

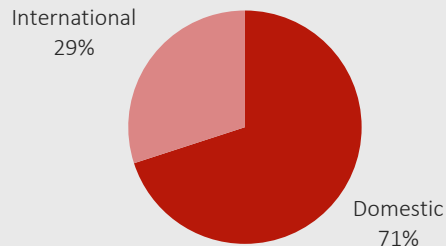


Aroma Chemicals

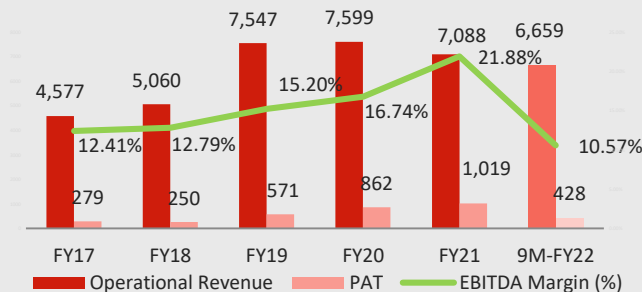


Camphor

FY21 Geographical Sales (%)



Operational Revenue, PAT & EBITDA Margin (INR)



Sources of Raw Materials



Pine Tree



Petroleum



Aleuritic Acid
(Shellac Powder)

Raw Materials



Alpha Pinene



Petro Chemicals

Products/Blends

Aroma Ingredients

Speciality Aroma Chemicals

Pine Oil

Terpene based aroma chemicals

Others

Synthetic Camphor

Fragrance and Flavour Products

Industrial Fragrance Compounds

Flavour Compounds

Customized Fragrance
Compounds

Applications



Incense Sticks



Air Fresheners



Cosmetics



Spiritual



Balms



Detergents



Hair Oils,
Shampoos, Soaps
etc.



9M / Q3-FY22
Financial
Overview

9M / Q3-FY22 Financial Highlights

Oriental Aromatics Ltd.

Q3-FY22 Consolidated Financial Performance

INR 2,058 Mn Revenue from Operations	INR 162 Mn EBITDA	7.87% EBITDA Margin
INR 80 Mn Net Profit	3.89% PAT Margin	INR 2.37 Basic/Diluted EPS

9M-FY22 Consolidated Financial Performance

INR 6,659 Mn Revenue from Operations	INR 704 Mn EBITDA	10.57% EBITDA Margin
INR 428 Mn Net Profit	6.43% PAT Margin	INR 12.72 Basic/Diluted EPS

- Strong demand witnessed across all product categories, resulting in a better top line growth compared to the same period last year, even after volumes were slightly lower due to the planned shutdown undertaken at the Bareilly site for 20 days during the quarter.
- Production numbers and sales numbers at all plants crossed pre-Covid levels for a 9-month period (April-December).
- Margin and profitability pressure continued due to significant increases across all input costs, however showing signs of stabilization and in some cases have started showing downward correction as well. The company has successfully passed on these prices increases to most customers and expect margin recovery in coming quarters.
- Realisations for finished products have also increased as compared to pre-Covid levels highlighting the continuous and successful transition of OAL from a bulk commodity aroma ingredients manufacturer to a specialty aroma ingredients manufacturer.
- This quarter also marked the successful commissioning of the dedicated specialty aroma ingredient plant at Vadodara and the validation process is continuing as scheduled. Commercial shipments from this plant have started and the material has been well accepted by the customers
- The company has also successfully completed the capacity expansion project in Bareilly plant increasing capacity of one of the products by almost 70 percent through process re-engineering. Validation process for this expansion will continue in q4 and top line contribution of this expansion will happen in FY23.

Quarterly Consolidated Financial Performance

Oriental Aromatics Ltd.

Particulars (INR Mn)	Q3-FY22	Q3-FY21	Y-O-Y	Q2-FY22	Q-O-Q
Revenue from Operations	2,058	1,907	7.9%	2,305	(10.7)%
Total Expenses	1,896	1,374	38.0%	2,107	(10.0)%
EBITDA	162	533	(69.6)%	198	(18.2)%
<i>EBITDA Margin (%)</i>	<i>7.87%</i>	<i>27.95%</i>	<i>NA</i>	<i>8.59%</i>	<i>(72) Bps</i>
Other Income	0	7	NA	20	NA
Depreciation	43	42	2.4%	41	4.9%
Finance Cost	7	2	NA	10	(30.0)%
PBT	112	496	(77.4)%	167	(32.9)%
Tax	32	132	(75.8)%	46	(30.4)%
PAT	80	364	(78.0)%	121	(33.9)%
<i>PAT Margin (%)</i>	<i>3.89%</i>	<i>19.09%</i>	<i>NA</i>	<i>5.25%</i>	<i>(136) Bps</i>
Basic/Diluted EPS (INR)	2.37	10.8	(78.1)%	3.61	(34.3)%

YTD Consolidated Financial Performance

Oriental Aromatics Ltd.

Particulars (INR Mn)	9M-FY22	9M-FY21	Y-O-Y
Revenue from Operations	6,659	4,878	36.5%
Total Expenses	5,955	3,666	62.4%
EBITDA	704	1,212	(41.9)%
<i>EBITDA Margin (%)</i>	<i>10.57%</i>	<i>24.85%</i>	<i>NA</i>
Other Income	31	12	NA
Depreciation	124	135	(8.1)%
Finance Cost	23	13	76.9%
PBT	588	1,076	(45.4)%
Tax	160	281	(43.1)%
PAT	428	795	(46.2)%
<i>PAT Margin (%)</i>	<i>6.43%</i>	<i>16.30%</i>	<i>(987) Bps</i>
Basic/Diluted EPS (INR)	12.72	23.63	(46.2)%



Historical Financial Overview

Historical Standalone Income Statement

Oriental Aromatics Ltd.

Income Statement (Mn)	FY19	FY20	FY21	9M-FY22
Total Operational Income	7,526	7,594	7,088	6,659
Total Expenses	6,372	6,312	5,532	5,946
EBITDA	1,154	1,282	1,556	713
<i>EBITDA Margin (%)</i>	<i>15.33%</i>	<i>16.88%</i>	<i>21.95%</i>	<i>10.71%</i>
Other Income	13	63	18	31
Depreciation	177	190	175	124
Finance Cost	130	120	24	23
Exceptional Items	(101)	-	-	-
PBT	759	1,035	1,375	597
Tax	260	167	351	161
Profit After Tax	499	868	1,024	436
<i>PAT Margin (%)</i>	<i>6.63%</i>	<i>11.43%</i>	<i>14.45%</i>	<i>6.55%</i>
EPS (After Exceptional Items)	14.82	25.78	30.44	12.96

Historical Standalone Balance Sheet

Oriental Aromatics Ltd.

Liabilities (INR Mn)	FY20	FY21	H1-FY22
Shareholders Fund			
Share Capital	168	168	168
Other Equity	4,470	5,406	5,757
Non-Current Liabilities			
Financial Liabilities			
i) Long-Term Borrowings	15	-	300
ii) Other Financial Liabilities	8	2	-
Deferred Tax Liabilities (Net)	261	267	265
Long-Term Provisions	18	25	28
Current Liabilities			
Financial Liabilities			
i) Short-Term Borrowings	431	779	400
ii) Trade Payables	566	713	823
iii) Other financial Liabilities	114	58	75
Short-Term Provisions	17	14	19
Other Current liabilities	21	24	31
TOTAL EQUITY AND LIABILITIES	6,089	7,456	7,866

Assets (INR Mn)	FY20	FY21	H1-FY22
Assets			
Non-Current Assets			
Property, Plant and Equipment	1,814	1,846	1,809
Intangible Asset	24	2	11
Capital WIP	17	125	366
Right of use- Lease	74	67	63
Goodwill on amalgamation	450	450	450
Financial Assets			
Investment in Subsidiaries	60	96	96
Other financial assets	37	40	40
Income Tax Assets (Net)	32	74	62
Other non-Current assets	6	6	40
Current Assets			
Inventories	1,623	2,276	2,520
Financial Assets			
Trade and other Receivable	1,524	1,891	1,875
Cash & Cash Equivalents	131	151	72
Bank Balance other than above	18	20	20
Other Current Financial Assets	8	10	27
Other Current Assets	270	401	414
Non-Current Assets classified as held for Sale	1	1	1
TOTAL ASSETS	6,089	7,456	7,866

Historical Consolidated Income Statement

Oriental Aromatics Ltd.

Income Statement (Mn)	FY19	FY20	FY21	9M-FY22
Total Operational Income	7,547	7,599	7,088	6,659
Total Expenses	6,397	6,327	5,537	5,955
EBITDA	1,150	1,272	1,551	704
<i>EBITDA Margin (%)</i>	<i>15.24%</i>	<i>16.74%</i>	<i>21.88%</i>	<i>10.57%</i>
Other Income	13	66	17	31
Depreciation	178	190	175	124
Finance Cost	130	119	23	23
Exceptional Item	(23)	-	-	-
PBT	832	1,029	1,370	588
Tax	261	167	351	160
Profit After Tax	571	862	1,019	428
<i>PAT Margin (%)</i>	<i>7.57%</i>	<i>11.34%</i>	<i>14.38%</i>	<i>6.43%</i>
EPS (After Exceptional Items)	16.98	25.61	30.29	12.72

Historical Consolidated Balance Sheet

Oriental Aromatics Ltd.

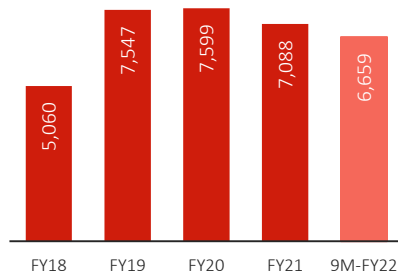
Liabilities (INR Mn)	FY20	FY21	H1-FY22
Shareholders Fund			
Share Capital	168	168	168
Other Equity	4,473	5,405	5,752
Non-Current Liabilities			
Financial Liabilities			
i) Long-Term Borrowings	15	-	300
ii) Other Financial Liabilities	8	2	-
Deferred Tax Liabilities (Net)	260	266	264
Long Term Provisions	18	25	29
Current Liabilities			
Financial Liabilities			
i) Short-Term Borrowings	431	779	401
ii) Trade Payables	557	709	818
iii) Other financial Liabilities	115	58	75
Short-Term Provisions	17	14	18
Other Current liabilities	21	24	30
TOTAL EQUITY AND LIABILITIES	6,083	7,450	7,855

Assets (INR Mn)	FY20	FY21	H1-FY22
Assets			
Non-Current Assets			
Property, Plant and Equipment	1,815	1,846	1,852
Goodwill on Amalgamation	450	450	450
Capital WIP	18	127	373
Intangible Assets	24	2	11
Right to use	74	67	64
Other Financial Assets	37	40	40
Income Tax Assets (Net)	32	74	62
Other non-Current assets	6	68	62
Current Assets			
Inventories	1,623	2,276	2,520
Financial Assets			
Trade and other Receivable	1,514	1,886	1,869
Cash & Cash Equivalents	173	154	73
Bank Bal other than above	38	47	35
Other Current Financial Assets	8	10	28
Other Current Assets	270	402	415
Non-Current Assets Classified as held for Sale	1	1	1
TOTAL ASSETS	6,083	7,450	7,855

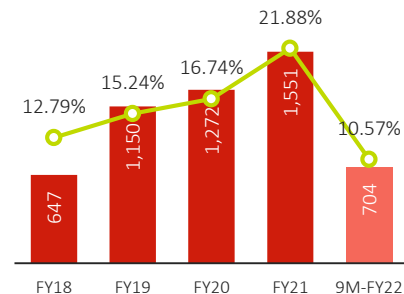
Consolidated Financial Performance

Oriental Aromatics Ltd.

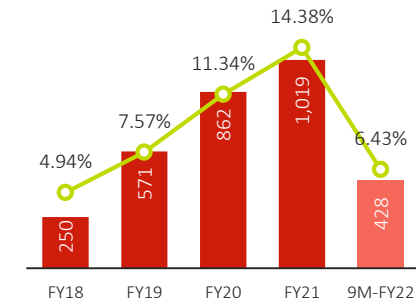
Revenue from Operations (INR Mn)



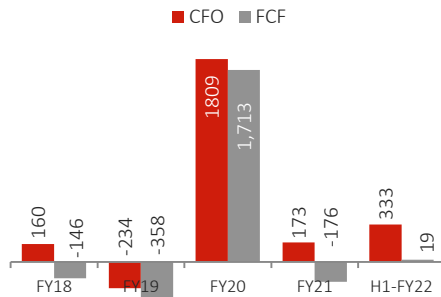
EBITDA (INR Mn) EBITDA MARGIN (%)



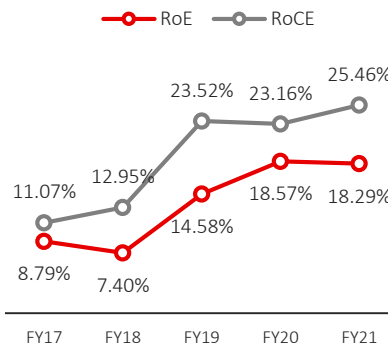
PAT (INR Mn) PAT MARGIN (%)



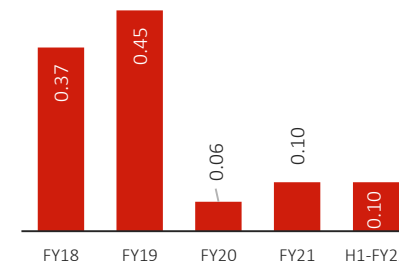
Cash flow from operations
(CFO) & Free Cash Flows (FCF)
(INR Mn)



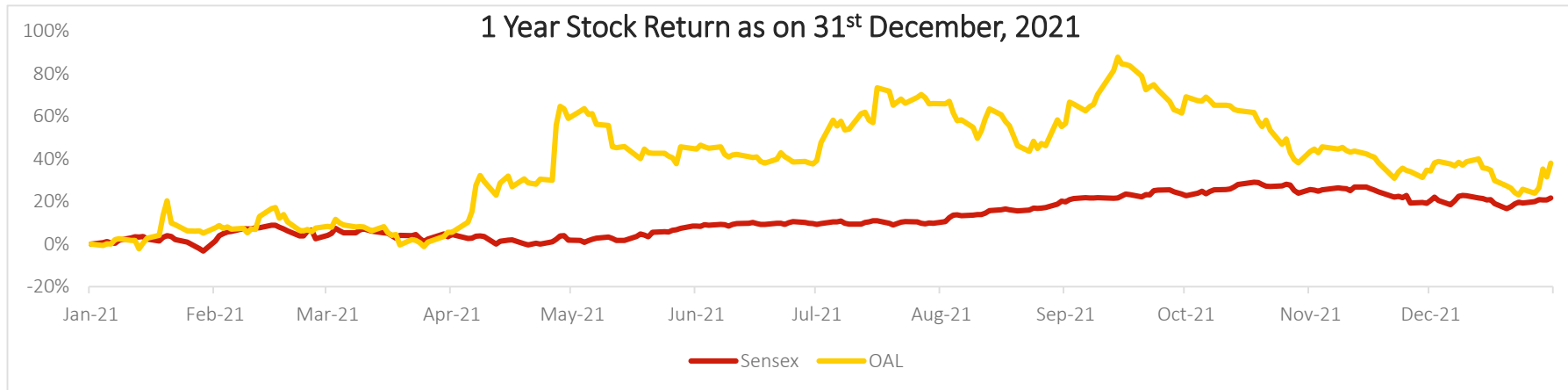
RoE (%) and RoCE (%)



Net D/E (x)



1 Year Stock Return as on 31st December, 2021

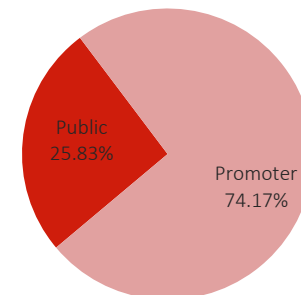


Price Data (31st December , 2021)

INR

Face Value	5.0
CMP	767.8
52 Week H/L (INR)	1,148.0/532.8
Avg. Net Turnover(INR Mn)	29.1
Market Cap (INR Mn)	25,840.0
Equity Shares Outstanding (Mn)	33.7

Shareholding Pattern as on 31st December, 2021



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thank you

Oriental Aromatics Ltd.