

25th October 2024

**To,
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

**To,
Manager-Department of Corporate Services
BSE Limited
Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai - 400 001**

Security Code: 523694

Sub: Earnings Presentation – September 2024 (Q2 – FY 2024-25)

Dear Sir/Madam,

Please find enclosed herewith Earnings Presentation – September 2024 (Q2 – FY 2024-25). The same is for your reference and records.

Thanking you,

For Apcotex Industries Limited

**Sachin Karwa
Chief Financial Officer**

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CORPORATE OFFICE

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TALOJA FACTORY

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Taloja, Dist. Raigad 410208
Maharashtra, India
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Earnings Presentation

Q2/H1-FY25



Executive Summary

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.
- ▶ Apcotex is listed on both the BSE and NSE and has an approximate market capitalisation of INR 21,935.60 Mn as on 30th September, 2024.

BUSINESS MIX

- ▶ **SYNTHETIC LATEX**
 - ▷ Paper/ Paper Board, Carpet, Gloves, Construction, Tyre Cord, Speciality, Textile.
- ▶ **SYNTHETIC RUBBER**
 - ▷ Automobile, Footwear, Rice Rolls, Various Rubber Products.

MARQUEE CLIENTS

- ▶ **SYNTHETIC LATEX**
 - ▷ ITC, Asian Paints, Ultratech Cement, Welspun, BILT, JK PAPER, Pidilite Industries, MRF, SRF, Century Enka, Standard, Mac, Kordsa etc.
- ▶ **SYNTHETIC RUBBER**
 - ▷ Paragon Footwear, Jayshree Polymers, Parker Hannifin, Gates India, Armacell, Supreme Industries etc.

MANUFACTURING

- ▶ **Taloja Facility: Maharashtra**
 - ▷ 1,00,000 MTPA Synthetic Latex
 - ▷ 7,000 MTPA High Styrene Rubber
- ▶ **Valia Facility: Gujarat**
 - ▷ 21,000 MTPA Nitrile Rubber and Allied Products.
 - ▷ 50,000 MTPA Nitrile Latex Plant.

FY24 FINANCIALS

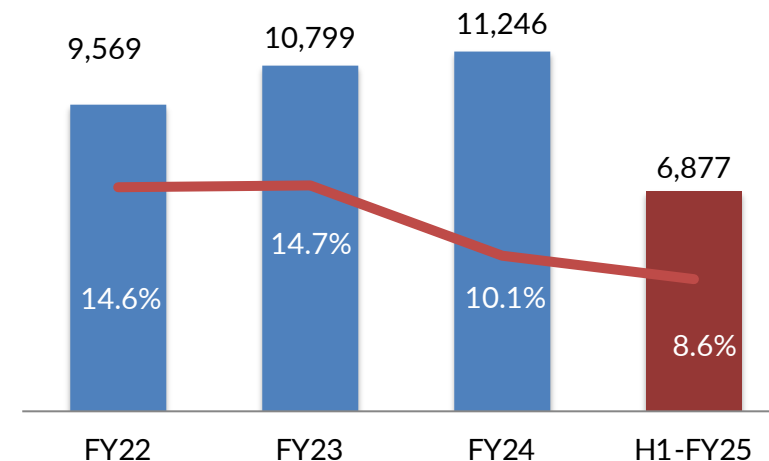
Operational Revenue - **INR 11,246 Mn** EBITDA - **INR 1,139 Mn**

PAT- **INR 539 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 Industries has a workforce strength of over 550 fulltime employees.
- ▶ Apcotex Industries is also a part of the Top 10 Indian companies on the list of "Forbes Asia Best Under A Billion 2023".

Operational Revenue (INR Mn) and EBITDA Margin (%)



Forbes Asia
BEST UNDER A
BILLION
2023

Financial Highlights

Q2-FY25 Financial Highlights

INR 3,511 Mn

Operational Revenue

25.8% YoY

INR 275 Mn

EBITDA

(13.0)% YoY

7.83%

EBITDA Margin

(349) Bps YoY

INR 110 Mn

Net Profit

(28.1)% YoY

3.13%

Net Profit Margin

(235) Bps YoY

INR 2.11/share

EPS

(28.5)% YoY

H1-FY25 Financial Highlights

INR 6,877 Mn

Operational Revenue

23.5% YoY

INR 593 Mn

EBITDA

3.9% YoY

8.62%

EBITDA Margin

(163) Bps YoY

INR 258 Mn

Net Profit

(5.8)% YoY

3.75%

Net Profit Margin

(117) Bps YoY

INR 4.97/share

EPS

(6.0)% YoY

Q2/H1-FY25 Operational Highlights

Q2-FY25

- Highest quarterly revenue of INR 3,511 Mn, increase by 26% Y-o-Y driven by increased volume and product mix
- Highest quarterly volume, representing a growth of 12% Y-o-Y
- Highest export volume, increasing by 31% Y-o-Y, and export revenue (34% of Sales Revenue) increased by 48% Y-o-Y
- Operating EBITDA lower by 13% Y-o-Y due to margin pressures in Nitrile latex, Carpet and Paper range of products driven by market dynamics and high ocean freight rates

H1-FY25

- Highest half-yearly revenue of INR 6,877 Mn, increase by 24% driven by increased volume and product mix
- Highest half-yearly volume, representing a growth of 13% Y-o-Y
- Highest export volume, increasing by 22% Y-o-Y, and export revenue (32% of Sales Revenue) increased by 32% Y-o-Y
- Operating EBITDA grew by 4% Y-o-Y

Other Highlights

- For NBR, Anti-dumping case initiated by DGTR in September 2024

Quarterly Financial Performance

Particulars (INR Mn)	Q2-FY25	Q2-FY24	Y-o-Y	Q1-FY25	Q-o-Q
Operational Revenue	3,511	2,792	25.8%	3,366	4.3%
Total Expenses	3,236	2,476	30.7%	3,048	6.2%
EBITDA	275	316	(13.0)%	318	(13.5)%
EBITDA Margins	7.83%	11.32%	(349) Bps	9.45%	(162) Bps
Depreciation	106	78	35.9%	98	8.2%
Finance Cost	43	43	-	39	10.3%
Other Income	27	17	58.8%	20	35.0%
PBT	153	212	(27.8)%	201	(23.9)%
Tax	43	59	(27.1)%	53	(18.9)%
PAT	110	153	(28.1)%	148	(25.7)%
PAT Margins	3.13%	5.48%	(235) Bps	4.40%	(127) Bps
Other Comprehensive Income	61	14	NA	83	(26.5)%
Total Comprehensive Income	171	167	2.4%	231	(26.0)%
Diluted EPS (INR)	2.11	2.95	(28.5)%	2.85	(26.0)%

YTD Financial Performance

Particulars (INR Mn)	H1-FY25	H1-FY24	Y-o-Y
Operational Revenue	6,877	5,570	23.5%
Total Expenses	6,284	4,999	25.7%
EBITDA	593	571	3.9%
<i>EBITDA Margins</i>	8.62%	10.25%	(163) Bps
Depreciation	204	152	34.2%
Finance Cost	83	79	5.1%
Other Income	48	37	29.7%
PBT	354	377	(6.1)%
Tax	96	103	(6.8)%
PAT	258	274	(5.8)%
<i>PAT Margins</i>	3.75%	4.92%	(117) Bps
Other Comprehensive Income	144	106	35.8%
Total Comprehensive Income	402	380	5.8%
Diluted EPS (INR)	4.97	5.29	(6.0)%

Historical Income Statement

Particulars (INR Mn)	FY22	FY23	FY24	H1-FY25
Operational Revenue	9,569	10,799	11,246	6,877
Total Expenses	8,171	9,214	10,107	6,284
EBITDA	1,398	1,585	1,139	593
<i>EBITDA Margins</i>	<i>14.61%</i>	<i>14.68%</i>	<i>10.13%</i>	<i>8.62%</i>
Depreciation	141	152	315	204
Finance Cost	32	51	156	83
Other Income	79	73	77	48
PBT	1,304	1,455	745	354
Tax	316	376	206	96
PAT	988	1,079	539	258
<i>PAT Margins</i>	<i>10.33%</i>	<i>10.00%</i>	<i>4.79%</i>	<i>3.75%</i>
Other Comprehensive Income	127	(21)	203	144
Total Comprehensive Income	1,115	1,058	742	402
Diluted EPS (INR)	19.06	20.82	10.39	4.97

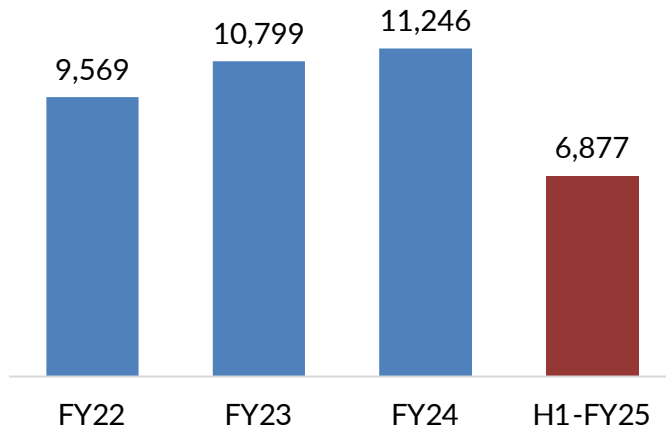
Balance Sheet

Particulars (INR Mn)	FY23	FY24	H1-FY25
Shareholders Fund	4,760	5,217	5,438
Equity Share Capital	104	104	104
Other Equity	4,656	5,113	5,334
Total Non Current Liabilities	1,474	1,281	1,126
Deferred Tax liabilities	122	199	226
Borrowings	1248	936	780
Lease liabilities	-	45	40
Long Term Provision	34	31	30
Other Financial Liabilities	70	70	50
Total Current Liabilities	1,800	2,722	3,252
Short Term Borrowings	270	892	1,308
Lease Liabilities	-	10	11
Trade Payables	1,021	1,348	1,610
Other Financial Liabilities	360	341	217
Short Term Provision	16	15	14
Other Current Liabilities	133	116	92
TOTAL EQUITY & LIABILITIES	8,034	9,220	9,816

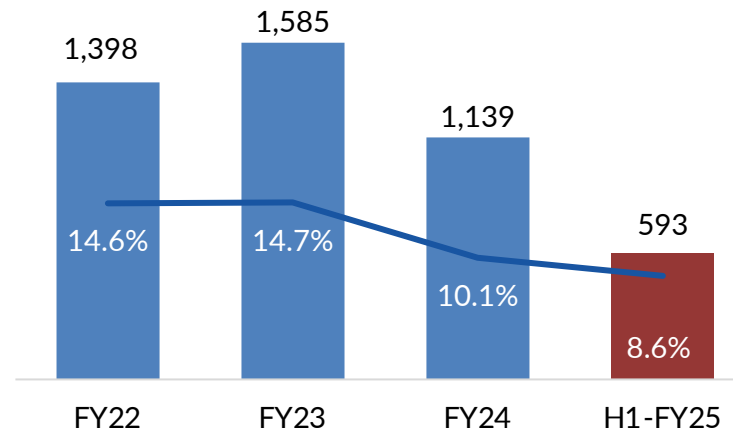
Particulars (INR Mn)	FY23	FY24	H1-FY25
Total Non Current Assets	4,809	4,958	5,002
Property, Plant and Equipment	3,834	3,838	3,693
Capital Work in progress	123	79	119
Investment Properties	15	15	15
Financial Assets	732	886	1,025
Intangible Assets	4	5	5
Non Current Tax Assets (net)	47	68	50
Other Non Current Assets	54	67	95
Total Current Assets	3,225	4,262	4,814
Investments	148	225	154
Inventories	1,051	1,250	1,359
Trade Receivables	1,371	2,030	2,379
Cash & Cash Equivalents	153	152	168
Other Bank Balances	71	90	110
Short Term loans & Advances	5	5	5
Other Financial Assets	74	162	101
Other Current Asset	352	348	538
TOTAL ASSETS	8,034	9,220	9,816

Historical Performance Indicators

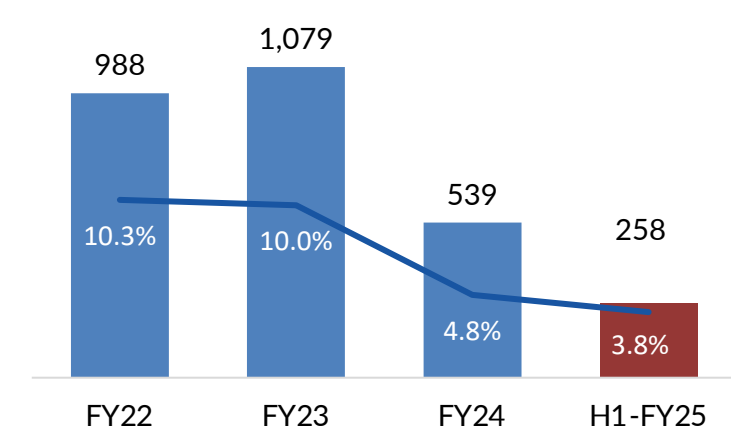
Operational Revenue (INR Mn)



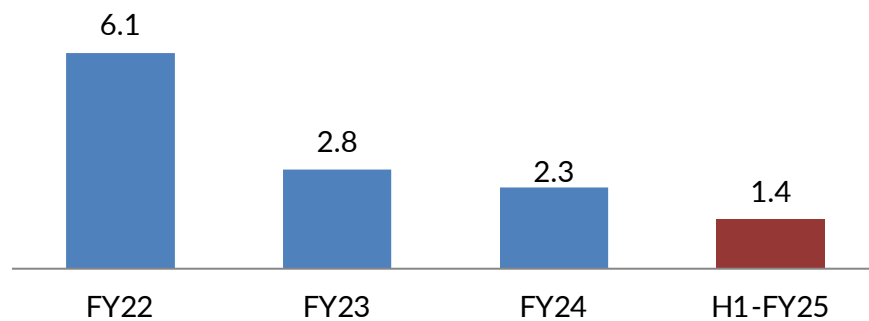
EBITDA (INR Mn) EBITDA Margin (%)



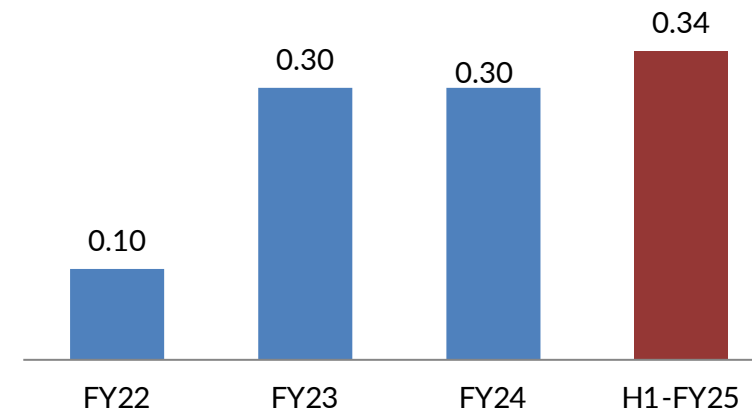
PAT (INR Mn) and PAT Margin (%)



Asset Turn Over Ratio (x)



Net Debt to Equity (x)



11 Disclaimer

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Thank You

