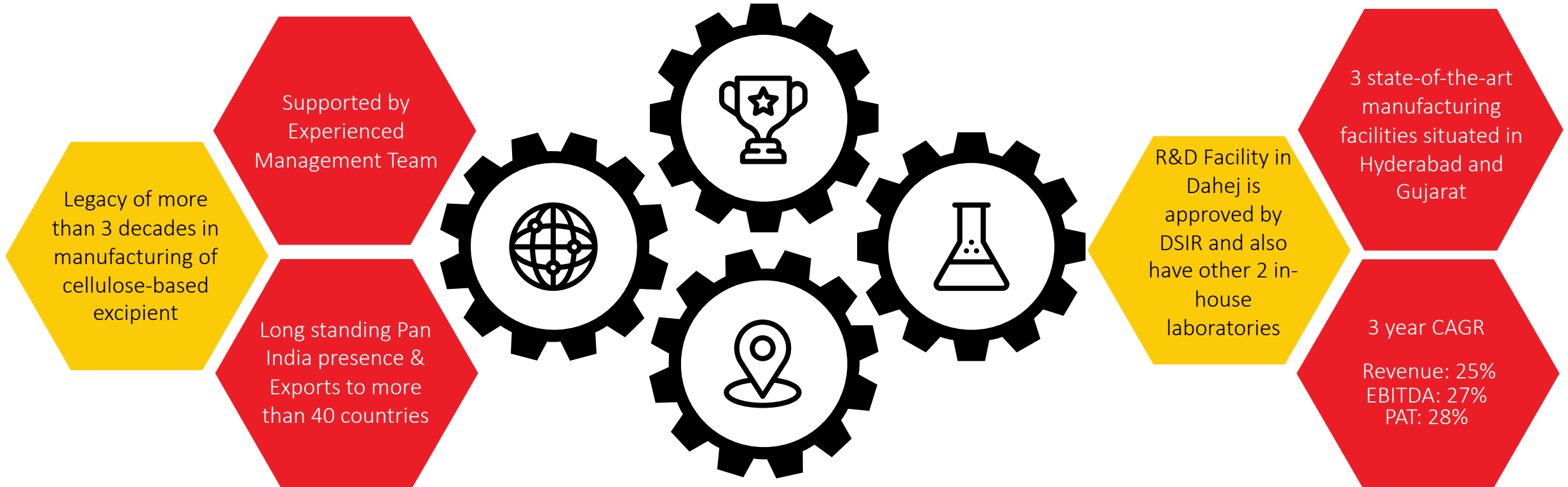




Sigachi Industries Limited

Earnings Presentation

Q3/9M-FY23

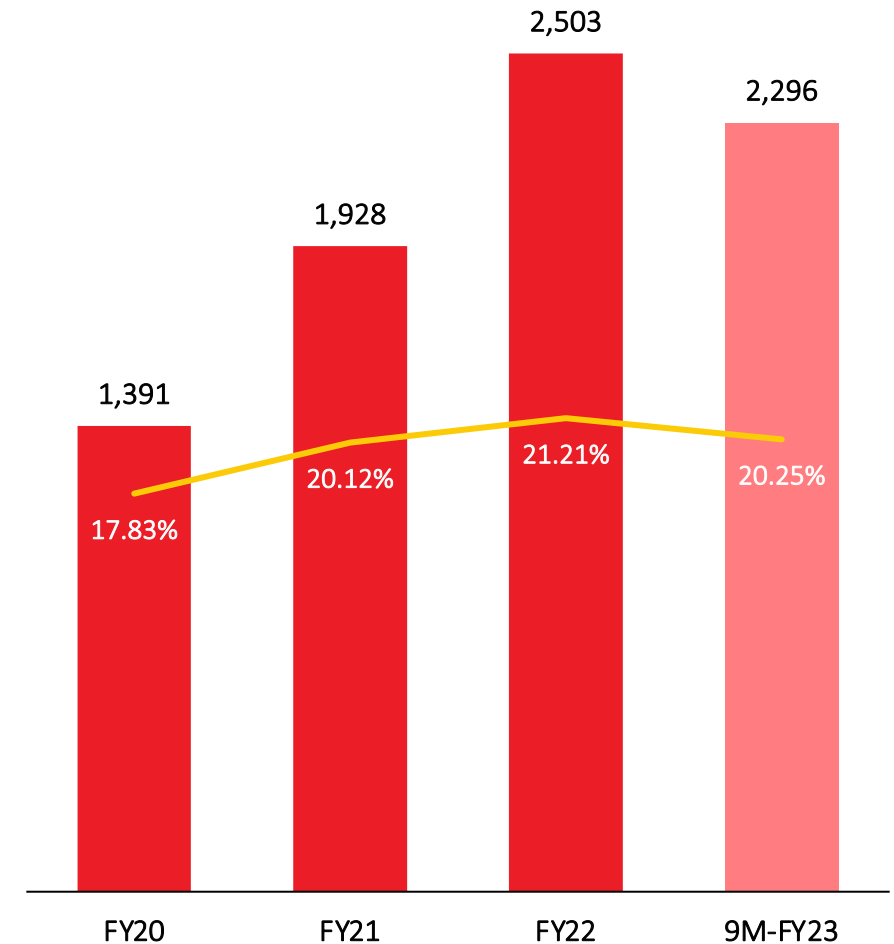




Company Overview

- Sigachi Industries Limited (Sigachi), incorporated in the year 1989, is one of the leading manufacturers of Micro Crystalline Cellulose (MCC) in the world.
- Sigachi manufactures high-quality cellulose-based excipients, which predominantly find usage in the pharmaceutical, supplement and food industries.
- The company has created a niche in manufacturing highly innovative pre-formulated excipients & 60+ widely used excipients of international quality standards.
- With two facilities in Gujarat and one in Telangana, Sigachi ensures supply chain reliability for its customers in India and across the globe.
- Sigachi has a global sales and distribution network and exports to more than 40 countries across Asia, Australia, American Continent, Europe and Middle East.
- From its state-of-the-art R & D facility the company ensures continuous innovation to efficiently meet evolving customer demands.
- The company has an agreement with Gujarat Alkalies and Chemicals Limited (“GACL”) and also with Grasim Industries(Aditya Birla Group) for operating and managing the manufacturing units owned by GACL and for contract manufacturing of sodium chlorate, stable bleaching powder and poly aluminum chloride.

Revenue (INR Mn) & EBITDA Margins (%)





Key Strengths



One of the leading manufacturers of MCC in India with over 30 years' experience:

- Made advancements in development of MCC and positioned as one of the key manufacturing players globally
- Technical capabilities, capable R&D Division and manufacturing infrastructure, gives a first mover advantage in India



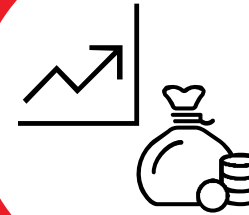
Presence across diverse industry verticals with long standing relationship with customers :

- Customization of products based on customer specifications and requirements
- Track record of consistent delivery of quality and cost-effective products and solutions through strategic alignment of key customers' goals over the years



Pan India and International market presence:

- A long-standing market presence in India and internationally
- Export products to 45 countries including Australia, USA, South America, U.K., Poland, Italy, Denmark, China, Colombia, Bangladesh, to name a few



Growth led by continuous investment and focus on R&D:

- Regular investments in R&D to expand the product offerings and to streamline manufacturing process
- 2 R&D Division and 2 in-house laboratories
- The laboratory in the Dahej R&D Division has been approved and has received an accreditation by DSIR to undertake R&D activities



Comprehensive product portfolio enables to serve diverse end-use applications:

- Customize the usage and application of the products to various industries including but not limited to pharmaceutical, food, nutraceuticals and cosmetics
- Manufacture MCC in various grades ranging from 15 microns to 250 microns



Strategically located manufacturing facilities

- Set up 3 multi locational manufacturing units namely, Hyderabad, Sultanpur unit TG ("Unit I"), Jhagadia, Gujarat ("Unit II") and Dahej, Gujarat ("Unit III") which helps provide timely, efficient and customized delivery of the products in terms with the specific demographic needs

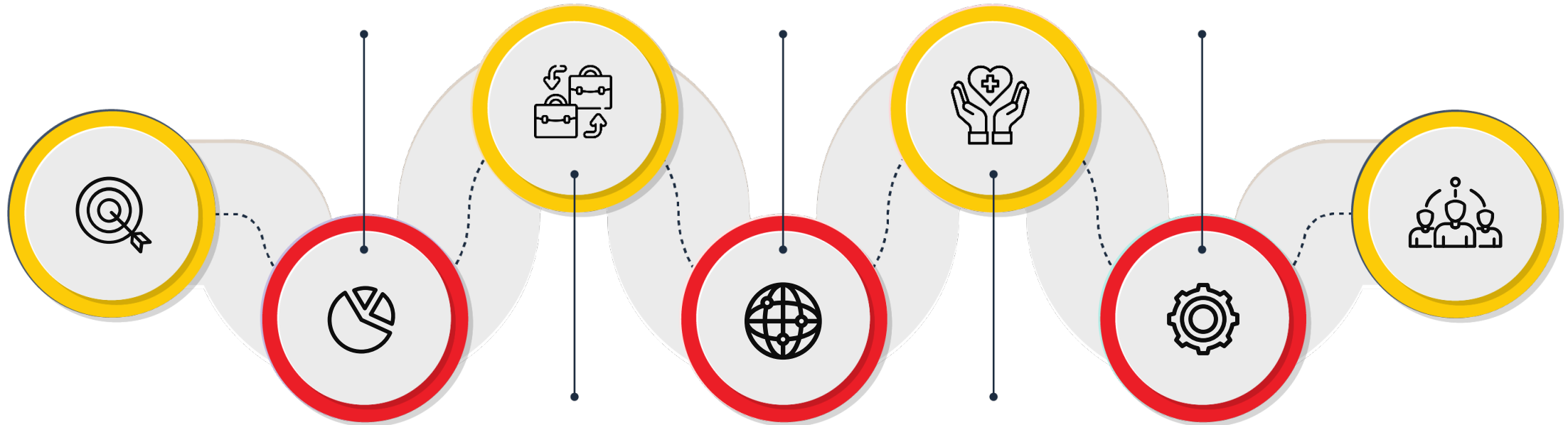


Strategy going forward

Diversifying Product Mix in Pharma:
Manufacturing higher grades of products as well as enhancing product basket by offering innovative new value-added products

Enhancing global footprint:
Increasing market share by exploring untapped markets

Expanding manufacturing capacities:
At Dahej and Jhagadia to focus on the growing demand of MCC, setting up a new unit at Dahej to manufacture CCS



Increasing focus on core business segment:
Pushing efforts towards manufacturing MCC and its various grades for various industries or applications leading to optimum resource utilization

Widen its horizon- Food & Nutrition are integral to good health:
Company will venture into the human nutritional segment, with a prime focus on B2B markets, in India and across the globe. The product portfolio will include spray-dried ingredients, micronutrient premixes and other allied products.

Health Care Division :
Capture the growing Branded Generics & OTC market and cater to the increasing health expenditure in India through launch of various products in the healthcare sector

Dedicated Transformation office to oversee the Hypergrowth:
Enhancing customer base through marketing efforts and customizing products for various applications as per requirements of customers



Financial Overview



Q3/9M-FY23 Consolidated Highlights

Q3-FY23 Financial Highlights

<p>INR 688 Mn Operating Income <i>+5% YoY</i></p>	<p>INR 140 Mn Operating EBITDA <i>+10% YoY</i></p>	<p>20.35% Operating EBITDA Margins <i>+99 Bps YoY</i></p>
<p>INR 98 Mn Net Profit <i>+3% YoY</i></p>	<p>14.24% PAT Margins <i>-24 Bps YoY</i></p>	<p>INR 3.2/Share Diluted EPS <i>-17.1% YoY</i></p>

9M-FY23 Financial Highlights

<p>INR 2,296 Mn Operating Income <i>+29% YoY</i></p>	<p>INR 465 Mn Operating EBITDA <i>+21% YoY</i></p>	<p>20.25% Operating EBITDA Margins <i>-136 Bps YoY</i></p>
<p>INR 362 Mn Net Profit <i>+27% YoY</i></p>	<p>15.77% PAT Margins <i>-21 Bps YoY</i></p>	<p>INR 11.78/Share Diluted EPS <i>+3% YoY</i></p>



Q3/9M-FY23 Operational Highlights

- Revenue growth in 9M-FY23 primarily driven by realisation growth of ~17% YoY and volume growth of ~2% YoY
- Focus on high margin yielding product mix and cost-effective manufacturing processes, effective management of inventory resulted in increase of EBITDA and Profitability.
- During the quarter the company was successful in being able to pass on increased freight & raw material prices on to customers.
- Company is constantly thriving to improve upon its R&D capabilities and cost-effective manufacturing processes and thereby remain a manufacturer of choice with highest quality standards.



Quarterly Consolidated Financial Performance

Particulars (INR Mn)	Q3-FY23	Q3-FY22	Y-o-Y	Q2-FY23	Q-o-Q
Operational Revenue	688	656	4.9%	825	(16.6)%
Total Expenses	548	529	3.7%	662	(17.2)%
EBITDA	140	127	10.2%	163	(14.1)%
<i>EBITDA Margin (%)</i>	20.35%	19.36%	99 Bps	19.76%	59 Bps
Depreciation and amortisation	18	7	NA	21	(14.3)%
Finance costs	12	3	NA	12	0.0%
Other Income	13	5	NA	22	(40.9)%
PBT	123	122	0.8%	152	(19.1)%
Tax Expense	25	27	(7.4)%	16	56.3%
PAT	98	95	3.2%	136	(27.9)%
<i>PAT Margin (%)</i>	14.24%	14.48%	(24) Bps	16.48%	(224) Bps
Other Comprehensive Income	0	0	0%	2	NA
Total Comprehensive Income	98	95	3.2%	138	(29.0)%
Diluted EPS	3.20	3.86	(17.1)%	4.42	(27.6)%



YTD Consolidated Financial Performance

Particulars (INR Mn)	9M-FY23	9M-FY22	Y-o-Y
Operational Revenue	2,296	1,777	29.2%
Total Expenses	1,831	1,393	31.4%
EBITDA	465	384	21.1%
<i>EBITDA Margin (%)</i>	<i>20.25%</i>	<i>21.61%</i>	<i>(136) Bps</i>
Depreciation and amortisation	46	21	NA
Finance costs	29	7	NA
Other Income	51	9	NA
PBT	441	365	20.8%
Tax Expense	79	81	(2.5)%
PAT	362	284	27.5%
<i>PAT Margin (%)</i>	<i>15.77%</i>	<i>15.98%</i>	<i>(21) Bps</i>
Other Comprehensive Income	(6)	(1)	NA
Total Comprehensive Income	356	283	25.8%
Diluted EPS	11.78	11.47	2.7%



Historical Consolidated Financial Performance

Particulars (INR Mn)	FY20	FY21	FY22	9M-FY23
Operational Revenue	1,391	1,928	2,503	2,296
Total Expenses	1,143	1,540	1,972	1,831
EBITDA	248	388	531	465
<i>EBITDA Margin (%)</i>	<i>17.83%</i>	<i>20.12%</i>	<i>21.21%</i>	<i>20.25%</i>
Depreciation and amortisation	20	23	29	46
Finance costs	23	13	12	29
Other Income	48	33	26	51
PBT	253	385	516	441
Tax Expense	50	82	116	79
PAT	203	303	400	362
<i>PAT Margin (%)</i>	<i>14.59%</i>	<i>15.72%</i>	<i>15.98%</i>	<i>15.77%</i>
Other Comprehensive Income	(0)	1	(6)	(6)
Total Comprehensive Income	203	304	394	356
Diluted EPS	8.81	13.13	15.44	11.78



Historical Consolidated Balance Sheet

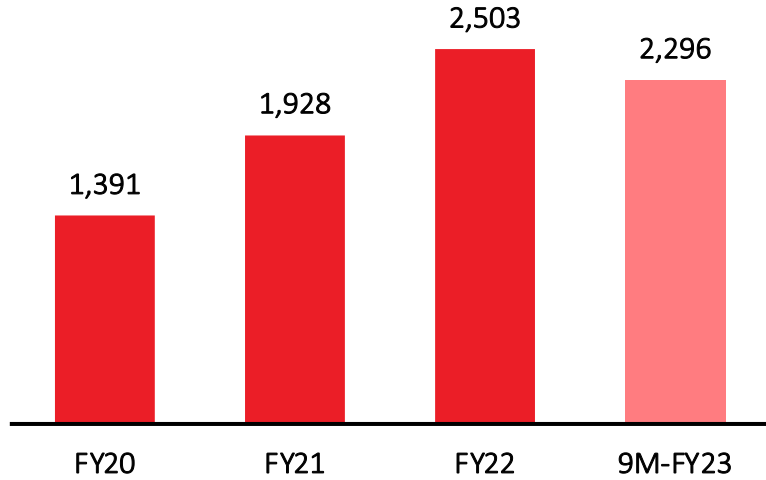


Particulars (INR Mn)	FY20	FY21	FY22	H1-FY23
EQUITY	646	942	2,277	2,504
Equity Share Capital	77	77	307	307
Other Equity	569	865	1,970	2,197
NON-CURRENT LIABILITIES	55	70	76	295
a) Financial Liabilities				
i) Borrowings	19	19	12	10
ii) Lease Liability	-	-	-	231
b) Provisions	7	8	9	8
c) Deferred tax liabilities (net)	29	43	55	46
CURRENT LIABILITIES	390	322	515	727
a) Financial Liabilities				
i) Borrowings	270	183	332	384
ii) Lease Liabilities	-	-	-	36
iii) Trade Payables	72	80	106	215
iv) Other financial liabilities	14	7	6	5
b) Other current liabilities	33	43	59	69
c) Provisions	1	9	12	18
TOTAL LIABILITIES	445	392	591	1,022
TOTAL EQUITY AND LIABILITIES	1,091	1,334	2,868	3,525

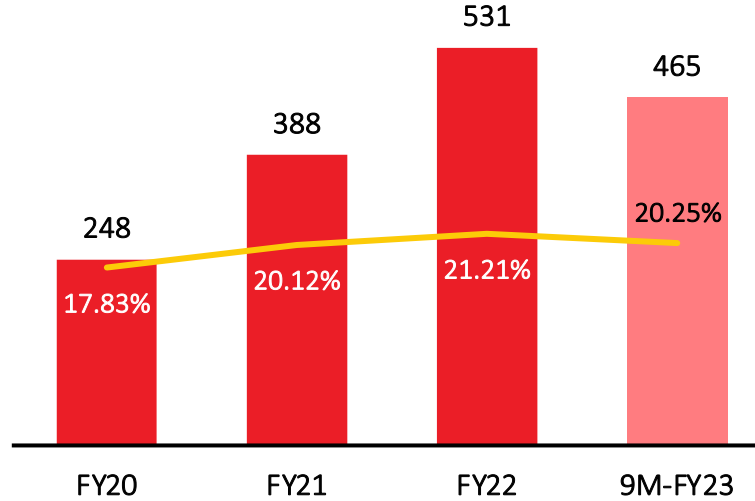
Particulars (INR Mn)	FY20	FY21	FY22	H1-FY23
NON-CURRENT ASSETS	371	463	1,069	1,882
a) Property, plant and equipment	312	376	527	794
b) Capital work-in-progress	31	37	97	177
c) Right of Use Assets	-	-	-	260
c) Intangible assets	4	3	7	7
d) Financial assets				
i) Investments	-	2	2	2
ii) Other Financial Assets	14	18	351	479
e) Other non-current assets	10	27	85	164
CURRENT ASSETS	720	871	1,799	1,643
a) Financial Assets				
i) Trade Receivables	276	358	601	791
ii) Cash and cash equivalents	88	159	291	63
iii) Bank balances other than above	18	21	403	177
iv) Other financial assets	46	100	128	156
b) Other current assets	13	21	71	93
c) Inventories	279	212	305	363
TOTAL ASSETS	1,091	1,334	2,868	3,525

Consolidated Financial Highlights

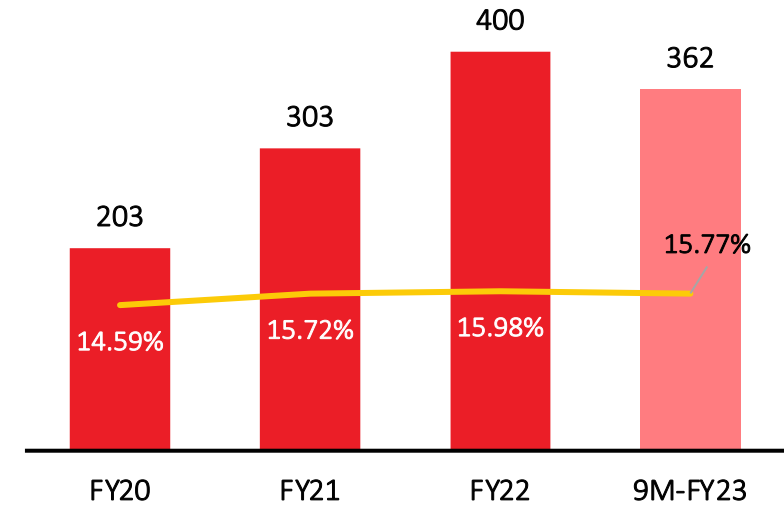
Operational Revenue (INR Mn)



EBIDTA (INR Mn) & EBITDA Margins (%)



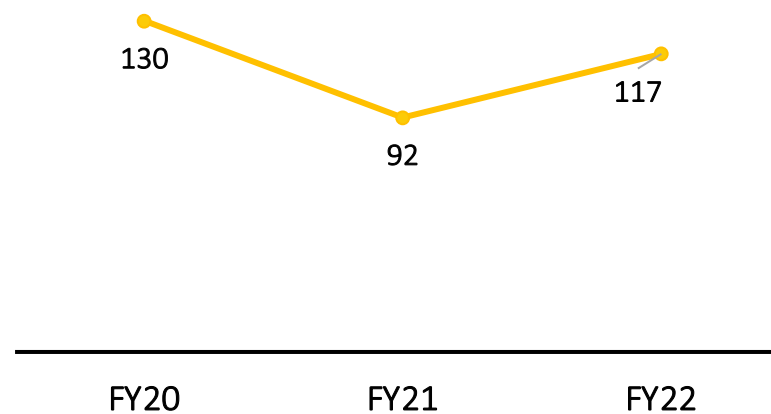
PAT (INR Mn) & PAT Margins (%)



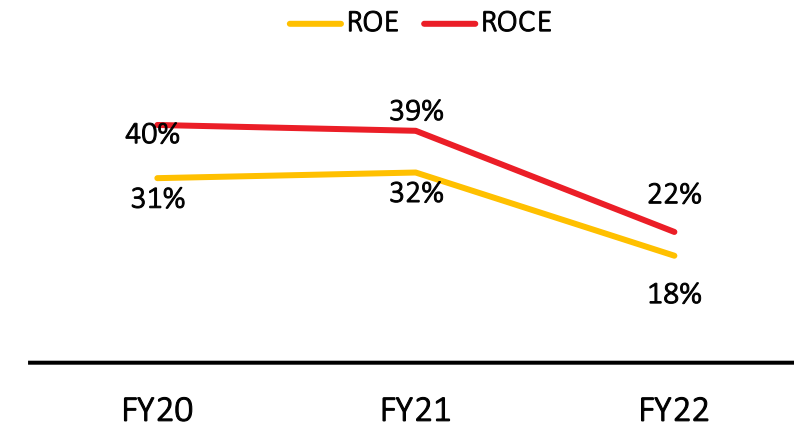
Net Debt to Equity (x)



Cash Conversion Cycle (Days)

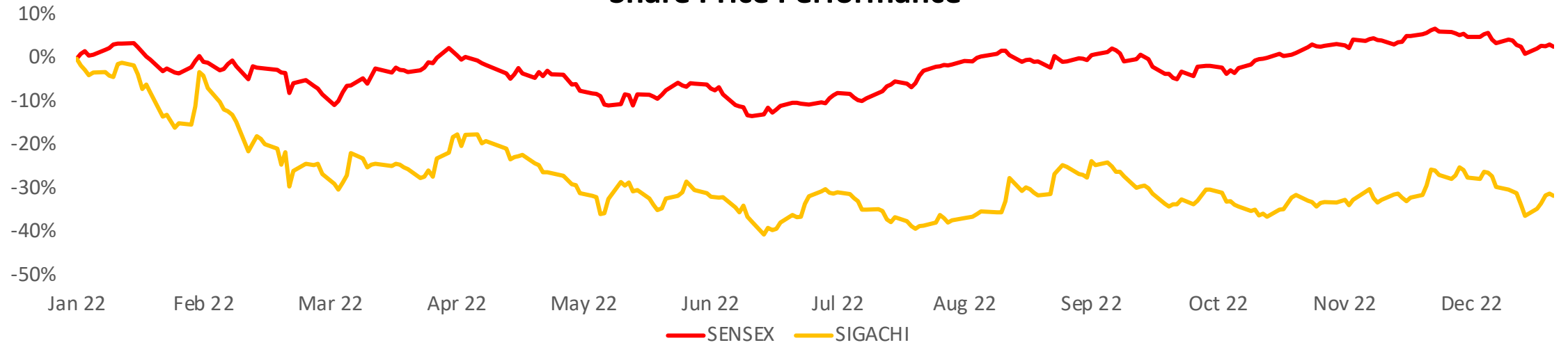


ROCE (%) and ROE(%)





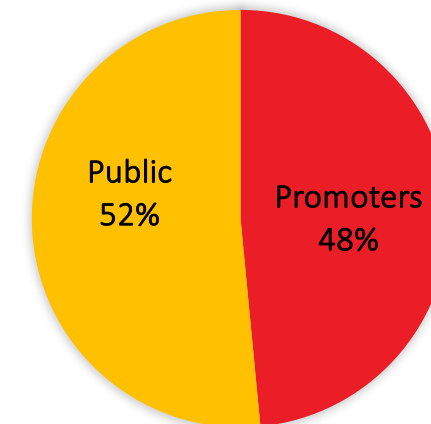
Share Price Performance



Market Data (INR) as on 31st Dec, 2022

Face Value	10.0
CMP	271.85
52 Week H/L	405.55/231.3
Market Cap (INR Mn)	8,345.79
Shares O/S (Mn)	30.7
Avg. Volume ('000)	169.18

Shareholding Pattern as on 31st Dec, 2022





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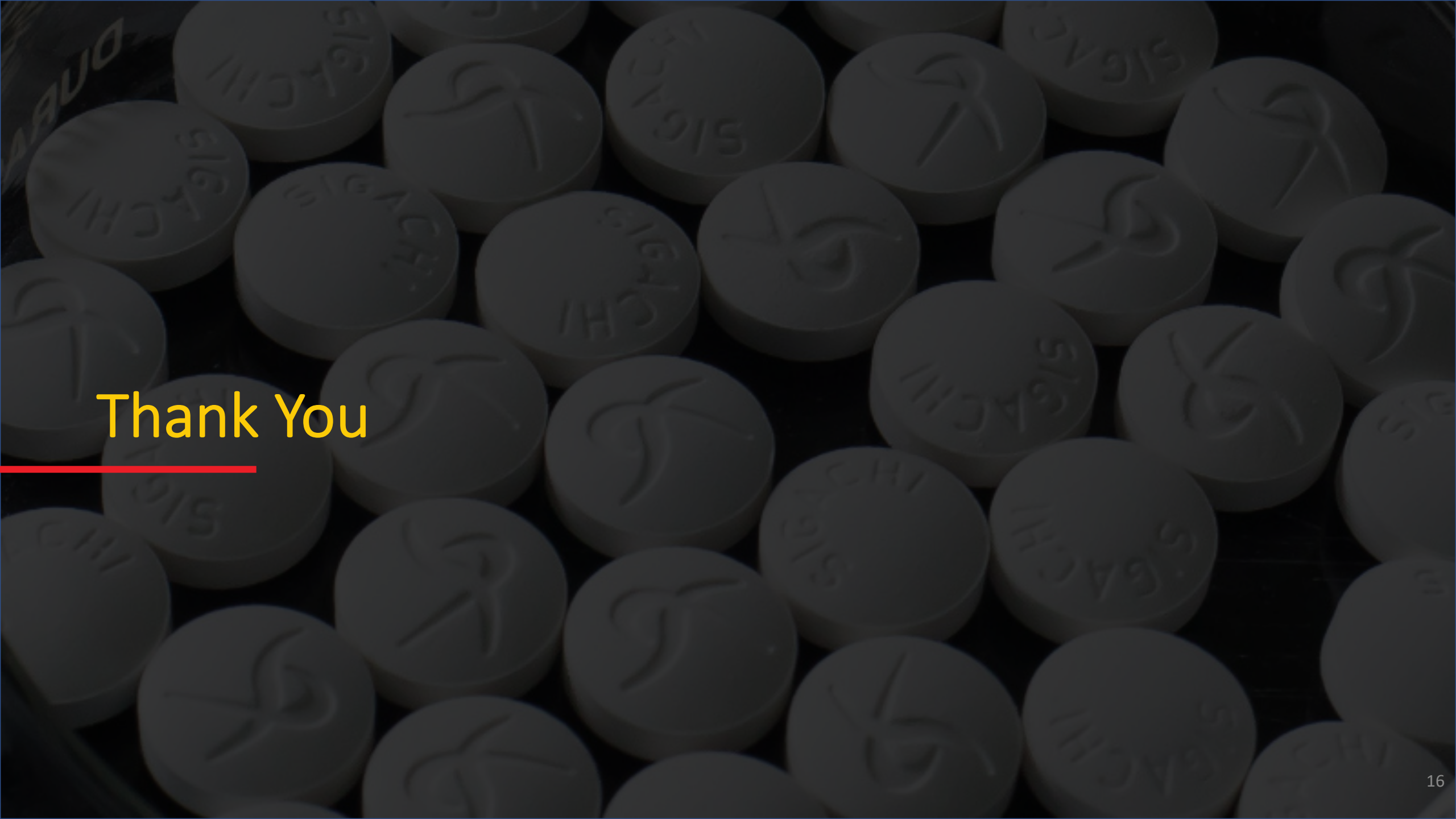
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Thank You
