



**Avanti Feeds Limited Q1FY19 Earnings Audio Conference Call on
Friday, 17th August, 2018 at 4:00 PM IST**



Avanti Feeds Limited (AFL) will host an Audio Conference Call for investors and analysts to discuss its results and developments for the Q1FY19. The senior management of the company will be present to address the call.

Details of the Audio Conference Call:

Date & Timing : Friday, 17th August, 2018 @ 4:00 PM IST

Senior Management : Mr. C Ramachandra Rao, Joint Managing Director
Mr. M Venkateswara Rao, General Manager - Corp. Affairs
Mr. P V Raj Sekhar, Dy. General Manager - F&A

Conference dial-in

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AVANTI FEEDS LIMITED

Q1FY19 Result Update

August 2018

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These risks and uncertainties include but are not limited to, performance of the Indian economy and of the economies of various international markets, the performance of the industry in India and worldwide, competition, the company's ability to successfully implement its strategy, company's future levels of growth and expansion, technological implementation, changes and advancements, changes in revenue, income or cash flows, withdrawal of governmental fiscal incentives, the company's market preferences and its exposure to market risks, as well as other risks.

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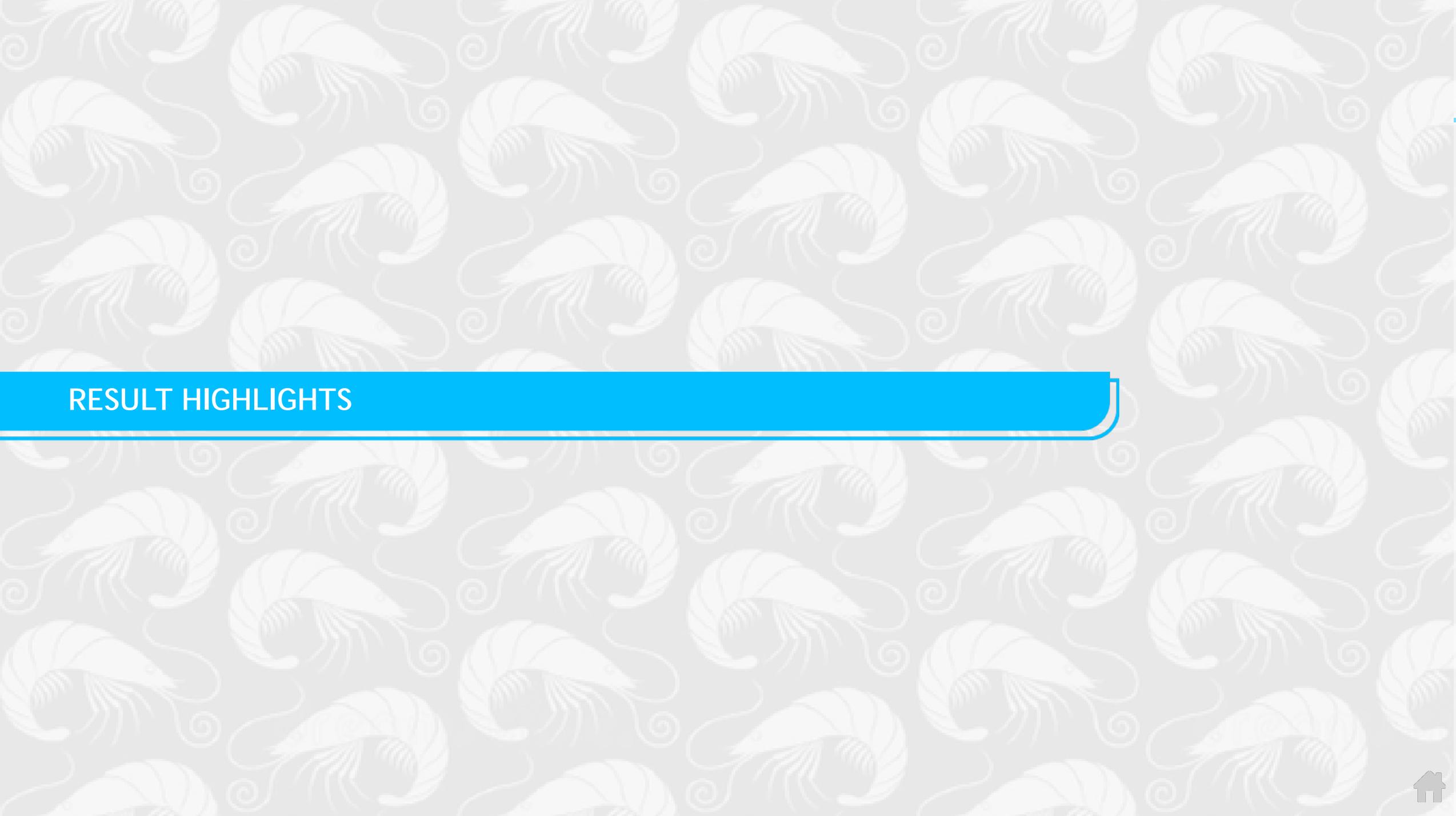
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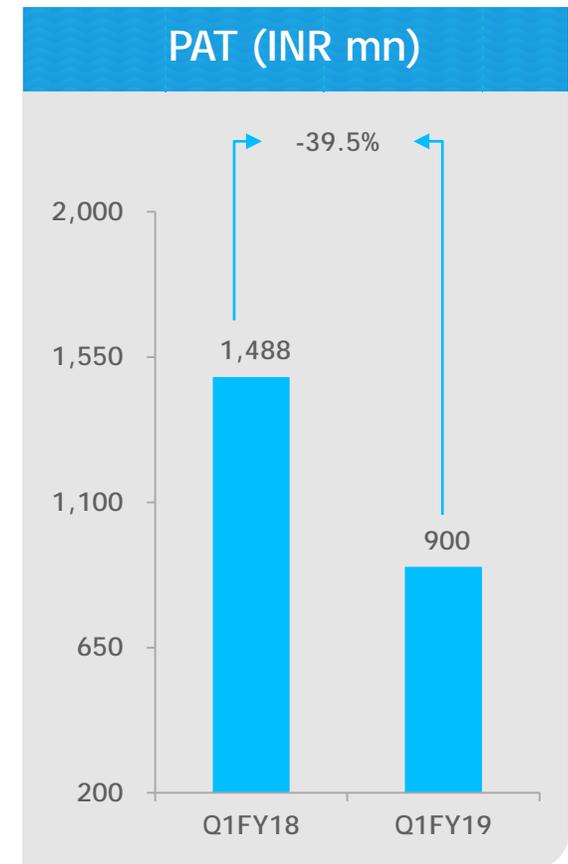
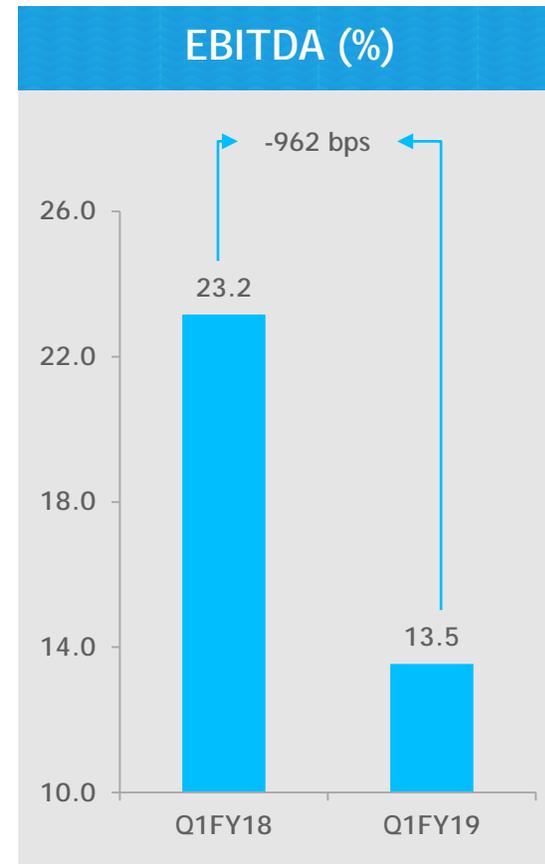
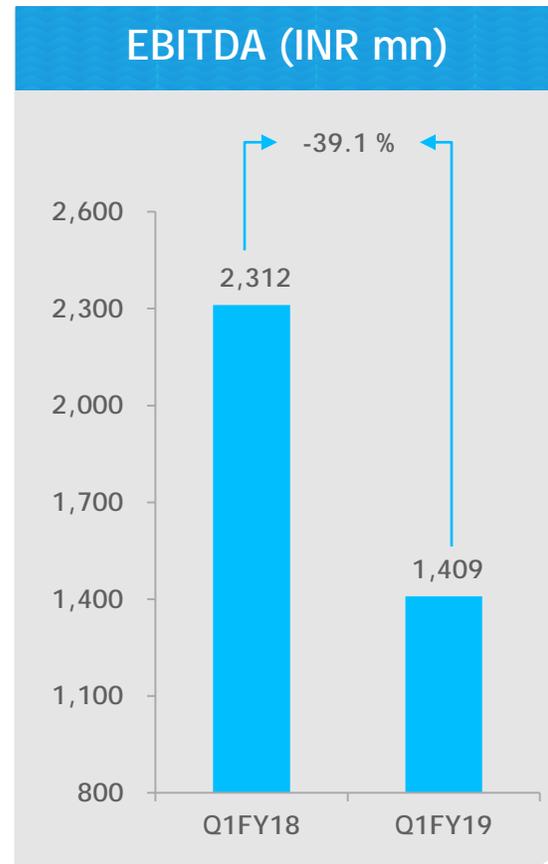
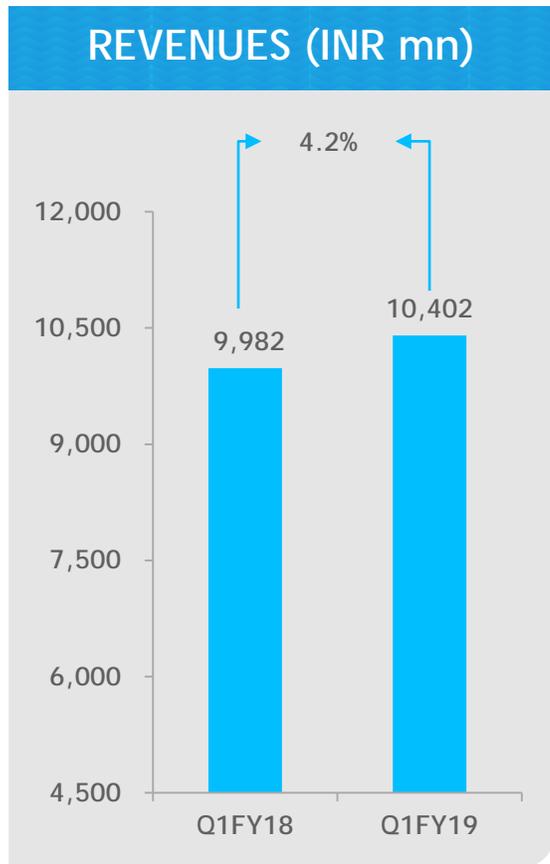
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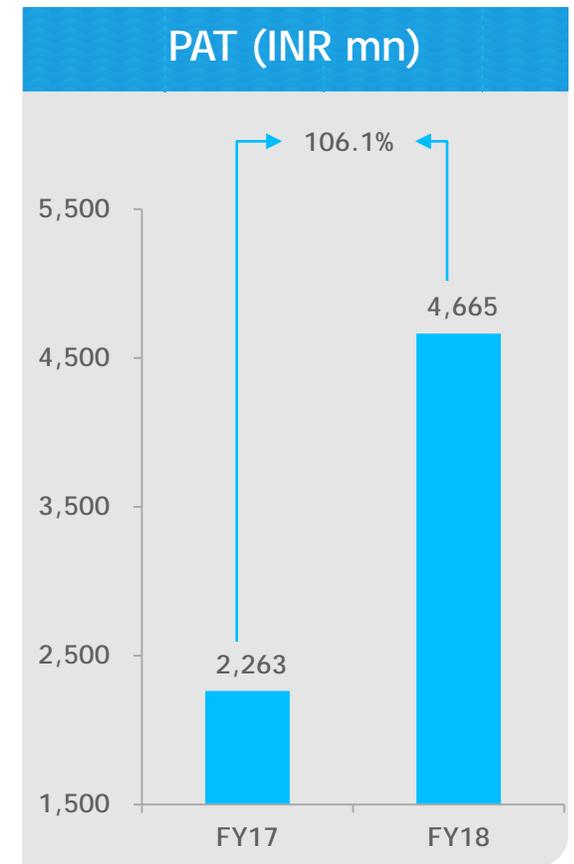
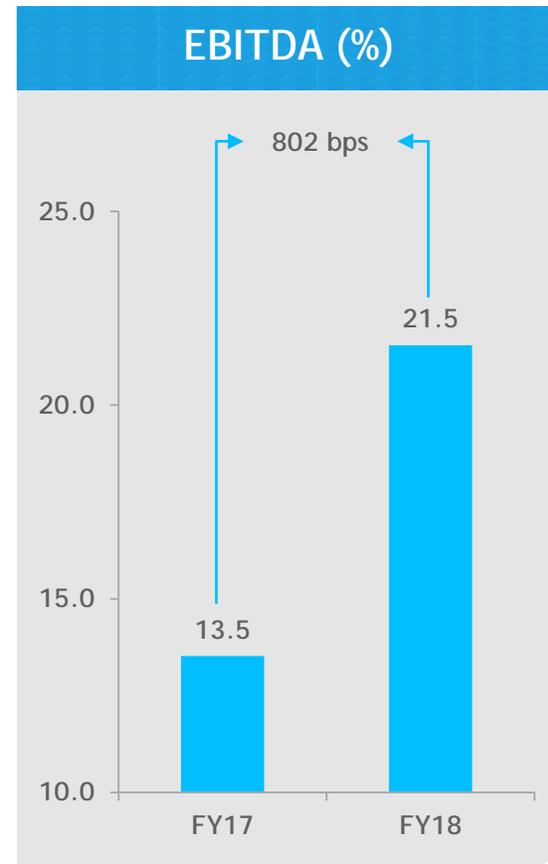
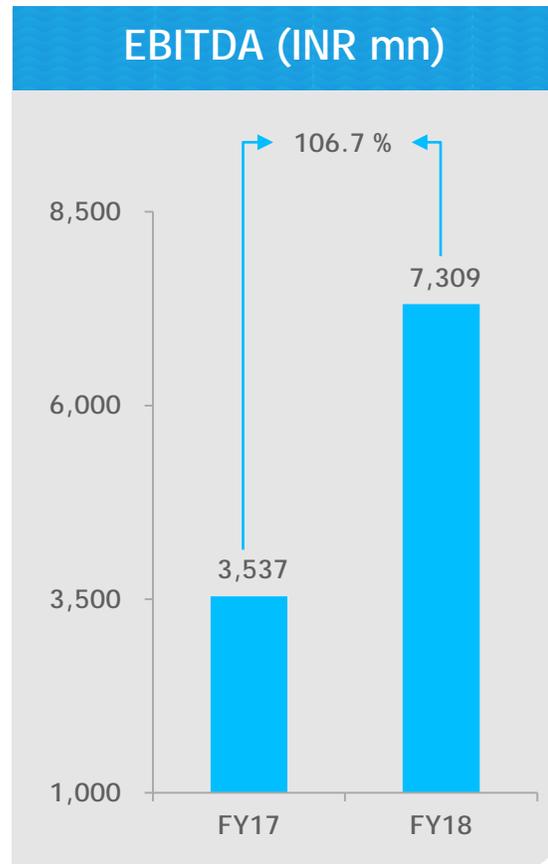
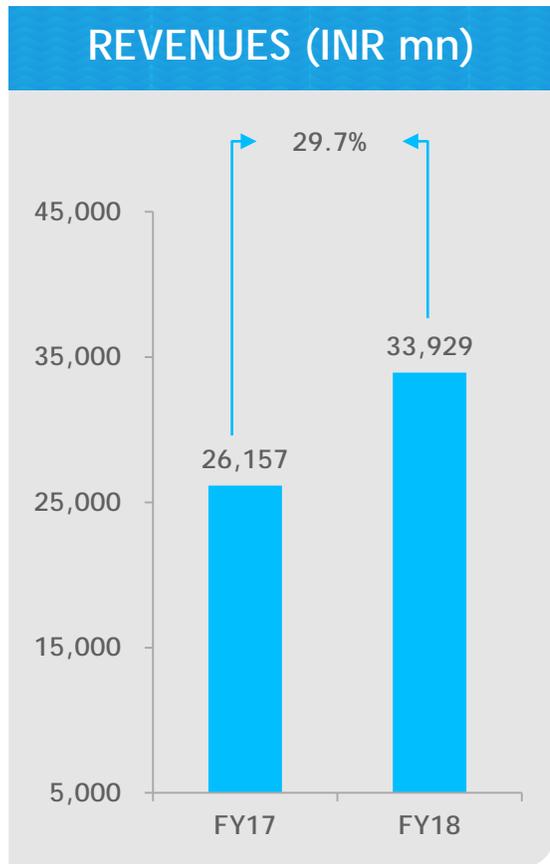
RESULT HIGHLIGHTS



Quarterly Highlights



Annual Highlights



SHRIMP FEED :

- Shrimp Feed revenues in Q1FY19 increased by 3.6% YoY
- EBITDA in Q1FY19, declined by 44.6% mainly due to higher raw material cost of Fish Meal & Soya DOC
- PAT dipped by 39.5% YoY to INR 889.9mn in Q1FY19

PROCESSING & EXPORT :

- Shrimp Processing & Export revenues increased in Q1FY19 by 8.9% YoY
- EBITDA increased by 77.9% YoY in Q1FY19, on account of lower raw material prices of raw shrimp
- PAT increased by 70.1% YoY in Q1FY19 to INR 108.1mn



OPERATIONAL HIGHLIGHTS

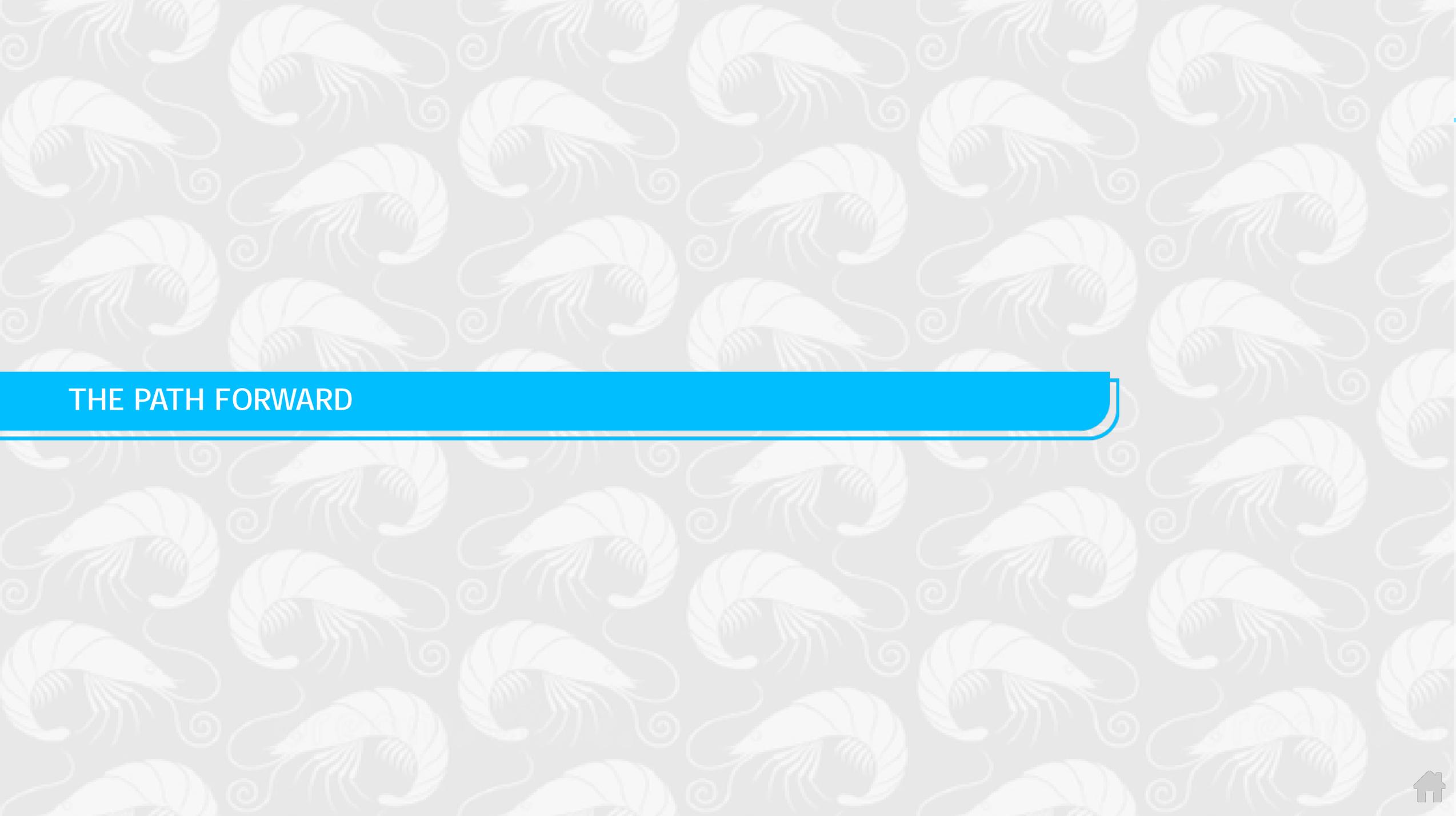


Operational Highlights - Quarterly

	Q2FY17	Q3FY17	Q4FY17	Q1FY18	Q2FY18	Q3FY18	Q4FY18	Q1FY19
Production (MT)								
Shrimp Feed	83245	67865	100772	131912	101496	84474	110570	137140
Shrimp Processing	1504	1085	1001	2037	3051	2391	1626	2586
Sales (MT)								
Shrimp Feed	84193	66975	93787	138532	102498	84890	104394	140123
Shrimp Processing	1679	1268	870	1529	2625	2124	1578	1986
Particulars (INR mn)								
Shrimp Feed revenues	5555.2	4379.6	6076.5	8817.9	6536.5	5512.2	7250.7	9134.2
EBIDTA	440.7	659.4	1285.3	2207.6	1612.0	1468.0	1170.0	1223.8
% Margins	7.9	15.1	21.2	25.0	24.7	26.6	16.1	13.4
Particulars (INR mn)								
Shrimp Processing	1290.1	972.6	639.7	1163.9	2003.7	1552.1	1092.1	1268
EBIDTA	218.6	76.7	77.7	103.9	362.3	229.6	155.5	184.9
% Margins	16.9	7.9	12.2	8.9	18.1	14.8	14.2	14.6
Particulars (INR mn)								
Consolidated Revenues	6845.3	5352.2	6716.1	9981.7	8540.2	7064.3	8342.8	10402.4
EBITDA	659.3	736.1	1363.1	2311.5	1974.3	1697.6	1325.5	1408.7
% Blended Margins	9.6	13.8	20.3	23.2	23.1	24.0	15.9	13.5

Operational Highlights - Annually

	FY14	FY15	FY16	FY17	FY18
Production (MT)					
Shrimp Feed	145930	235752	252032	348851	428452
Shrimp Processing	3552	3521	4394	5289	9376
Sales (MT)					
Shrimp Feed	149891	233489	252590	341660	430314
Shrimp Processing	3289	3409	4377	5155	7857
Particulars (INR mn)					
Shrimp Feed revenues	8595.1	15093.5	17322.3	22316.9	28117.2
EBITDA	793.6	1627.3	2122.3	3089.3	6457.7
% Margins	9.2	10.8	12.3	13.8	23.0
Particulars (INR mn)					
Shrimp Processing	2720.9	2669.1	2860.6	3840.6	5811.8
EBITDA	348.6	276.6	380.2	446.9	851.3
% Margins	12.8	10.4	13.3	11.6	14.6
Particulars (INR mn)					
Consolidated Revenues	11316.1	17762.6	20182.9	26157.4	33929.0
EBITDA	1142.1	1903.9	2502.5	3536.2	7308.9
% Blended Margins	10.1	10.7	12.4	13.5	21.5



THE PATH FORWARD



Shrimp Culture Scenario in India during 2017-18 and 2018-19

- Shrimp culture in India grew consistently YoY since introduction of Vannamei culture. India has about 11,90,000 Ha area potential, of which 1,53,000 Ha is under shrimp farming indicating scope for increased area of shrimp culture
- The shrimp exports grew by 30% in FY18 with 5.66 lakhs MT as compared to 4.34 lakhs MT in the previous year (MPEDA release)
- In the first half of CY18, the export prices of shrimps reduced 15-20% due to extended winter in USA and stable shrimp production globally. As a result farm gate prices of raw shrimps in India have decreased by 20-25% during that period
- The shrimp culture in India saw a reduction of 30% in Q1FY19 vs Q1FY18 as the farm gate prices were not remunerative to the farmers
- Export prices and farm gate prices are now firming up which is encouraging and farmers have started 2nd crop
- Overall, the industry could see a de-growth of 10-15% in shrimp production for FY19 as compared to FY18

Shrimp Production and Exports Market Potential

- in Q1FY19, international prices of shrimps went down 15-20%. However the exports from India have increased in volume terms marginally as compared to corresponding quarter in previous year
- The consistent demand for shrimps reflects the sustainability of the industry and growth prospects over next 5 years
- Over the longer haul, the Indian shrimp export is set to nearly double to \$7 billion (INR 45,000 crore) by 2022, driven by global demand, high quality and improved product mix. (Source: Crisil Report)

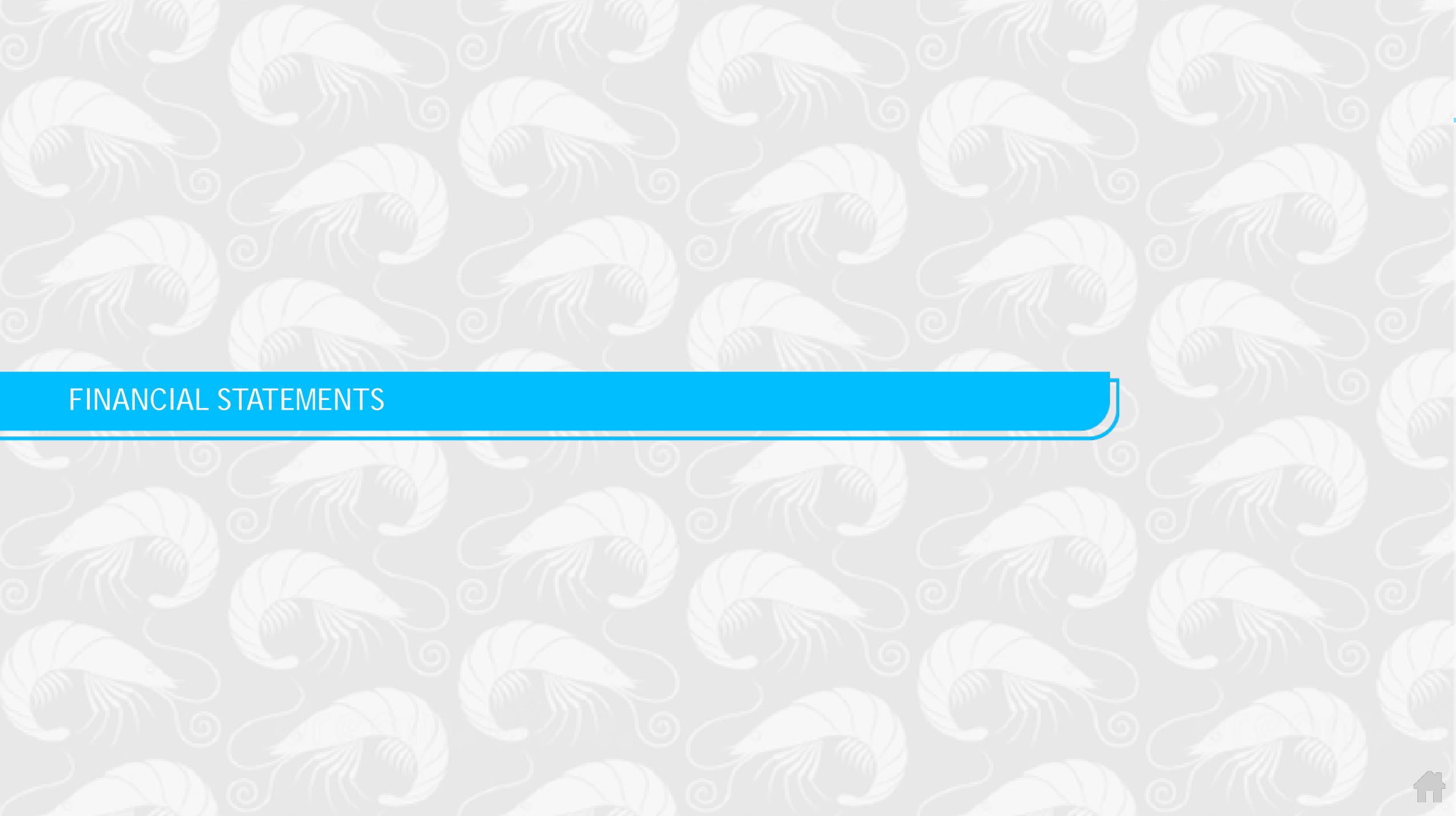
SHRIMP FEED :

- The expanded capacity of feed from 4.25 lakh tonnes to 6 lakh tonnes per annum is fully operational in FY19
- Shrimp feed sales is expected to remain flat similar to FY18 level, while the industry may see a de-growth by 10-15%
- Market share of Shrimp Feed is projected to increase from 43% in FY18 to 47% in the FY19 and the company also targeting new geographies to increase its sales
- Construction work of shrimp hatchery started in April'18. The commercial production is scheduled by early 2019

SHRIMP PROCESSING & EXPORT :

- The new processing plant with an additional capacity of 15,000MT (total 22,000 MT) is fully operational in FY19. The exports are expected to increase by about 50% over FY18
- Targeted to increase the export of value added products

To become USD 1 billion by 2022



FINANCIAL STATEMENTS



Profit & Loss Statement - Quarterly

Consolidated Profit & Loss (INR mn)	Q2FY17	Q3FY17	Q4FY17	Q1FY18	Q2FY18	Q3FY18	Q4FY18	Q1FY19
Income from Operations	6,845.3	5,352.2	6,716.1	9,981.7	8,540.2	7,064.3	8,342.8	10,402.4
Other Income	69.9	47.5	99.5	61.8	107.9	161.7	151.0	87.9
Total Income	6,915.2	5,399.7	6,815.6	10,043.5	8,648.1	7,226.0	8,493.8	10,490.3
Operating Expenses	6,256.6	4,663.6	5,452.6	7,732.0	6,673.9	5,528.4	7,168.3	9,081.7
EBITDA	658.7	736.1	1,363.1	2,311.5	1,974.3	1,697.6	1,325.5	1,408.7
Margin %	9.6	13.8	20.3	23.2	23.1	24.0	15.9	13.5
Depreciation	32.4	39.3	38.1	40.7	49.3	70.2	77.4	87.4
EBIT	626.3	696.8	1,325.0	2,270.8	1,925.0	1,627.4	1,248.1	1,321.3
Margin %	9.1	13.0	19.7	22.7	22.5	23.0	15.0	12.7
Financial Charges	3.0	7.0	18.6	6.2	12.2	9.2	2.1	3.7
PBT	623.4	689.8	1,306.4	2,264.6	1,912.8	1,618.3	1,246.0	1,317.6
Margin %	9.1	12.9	19.5	22.7	22.4	22.9	14.9	12.7
Tax	202.7	217.6	426.4	776.7	656.0	563.2	384.4	465.6
PAT (after minority interest)	426.8	460.2	887.4	1,488.4	1,265.7	1,050.6	860.0	899.9
Margin %	6.2	8.6	13.2	14.9	14.8	14.9	10.3	8.7
EPS	4.70	5.07	6.51	10.77	9.29	7.71	6.09	6.29

Profit & Loss Statement - Annually

Consolidated Profit & Loss (INR mn)	FY14	FY15	FY16	FY17	FY18
Income from Operations	11,316.1	17,806.6	20,182.9	26,157.4	33,929.0
Other Income	36.8	79.8	165.5	235.4	482.5
Total Income	11,352.9	17,886.3	20,348.4	26,392.8	34,411.5
Operating Expenses	10,210.8	15,996.7	17,885.0	22,856.1	27,102.6
EBITDA	1,142.1	1,889.7	2,463.4	3,536.7	7,308.9
Margin %	10.1	10.6	12.2	13.5	21.5
Depreciation	55.4	88.0	102.3	136.9	237.6
EBIT	1,086.8	1,801.7	2,361.1	3,399.8	7,071.4
Margin %	9.6	10.1	11.7	13.0	20.8
Financial Charges	35.0	13.7	18.4	30.5	29.6
PBT	1,051.8	1,788.0	2,342.7	3,369.3	7,041.7
Margin %	9.3	10.0	11.6	12.9	20.8
Tax	354.3	632.7	792.0	1,104.3	2,380.2
PAT (after minority interest)	704.1	1,159.2	1,575.0	2,263.0	4,664.8
Margin %	6.2	6.5	7.8	8.7	13.7
EPS	5.17	8.51	11.56	15.83	32.77

Balance Sheet & Key Ratios

Consolidated Balance Sheet (INR mn)	FY14	FY15	FY16	FY17	FY18
Share capital	90.8	90.8	90.8	90.8	90.8
Reserves and Surplus	1,704.3	2,562.1	4,137.1	7,247.4	11,407.7
Non-current liabilities	587.4	590.4	126.6	421.6	326.4
Current liabilities	1,600.3	1,532.4	1,871.4	2,926.1	3,437.7
Total Equity and Liabilities	3,982.8	4,775.7	6,226.0	10,686.0	15,262.6
Non-current assets	2,396.8	3,303.2	4,401.5	2,996.9	3,639.3
Current assets	1,586.0	1,472.5	1,824.5	7,689.1	11,623.3
Total Assets	3,982.8	4,775.7	6,226.0	10,686.0	15,262.6

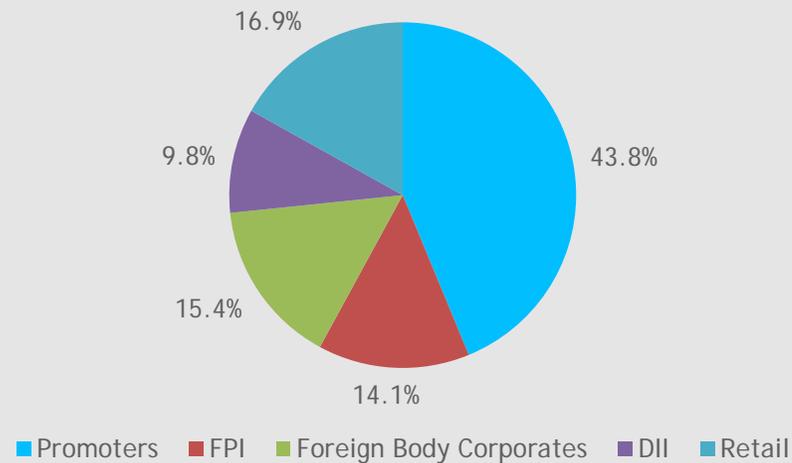
Key Ratios	FY14	FY15	FY16	FY17	FY18
RoCE (%)	31.0	36.5	36.5	30.1	40.2
RoE (%)	39.2	43.7	37.3	29.2	40.6
Net debt to equity (x)	0.2	0	0	0	0
Interest coverage (x)	31.1	131.3	128.4	124.5	238.6
Inventory days	64.2	45.5	51.6	47.5	56.5
Receivables days	14.5	6.9	6.3	3.1	5.4
Payable days	43.3	20.8	29.2	37.9	38.6

ANNEXURE

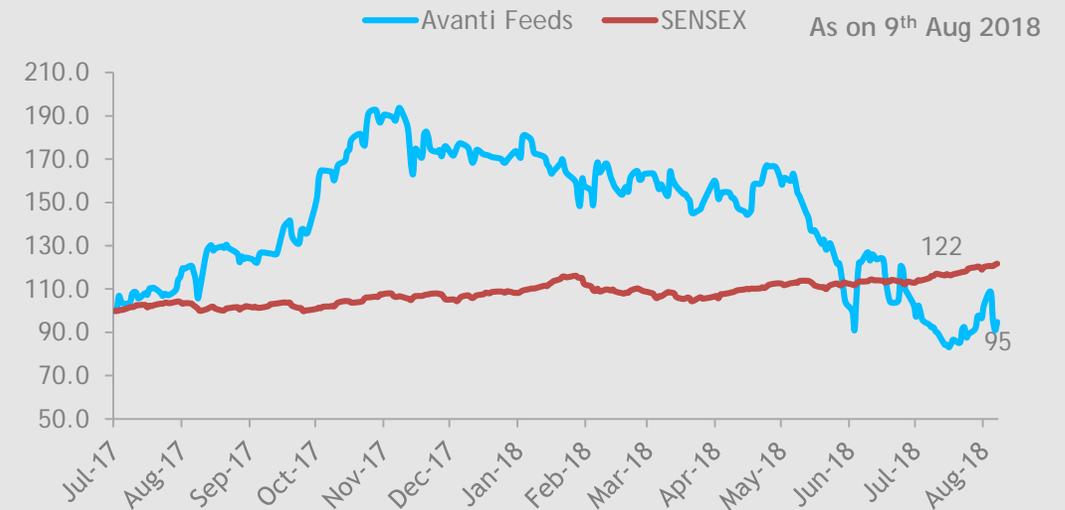


- Market cap (INR) - 64.2 bn (As on 9th Aug18)
- Shares outstanding - 136.25mn (As on 30th June 2018)
- BSE code: 512573
- NSE code: AVANTIFEED

Shareholding Pattern as on 31st March 2018



Relative stock price vs BSE Sensex



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