



Investor Presentation

February 2024



FINE ORGANICS

Safe Harbor



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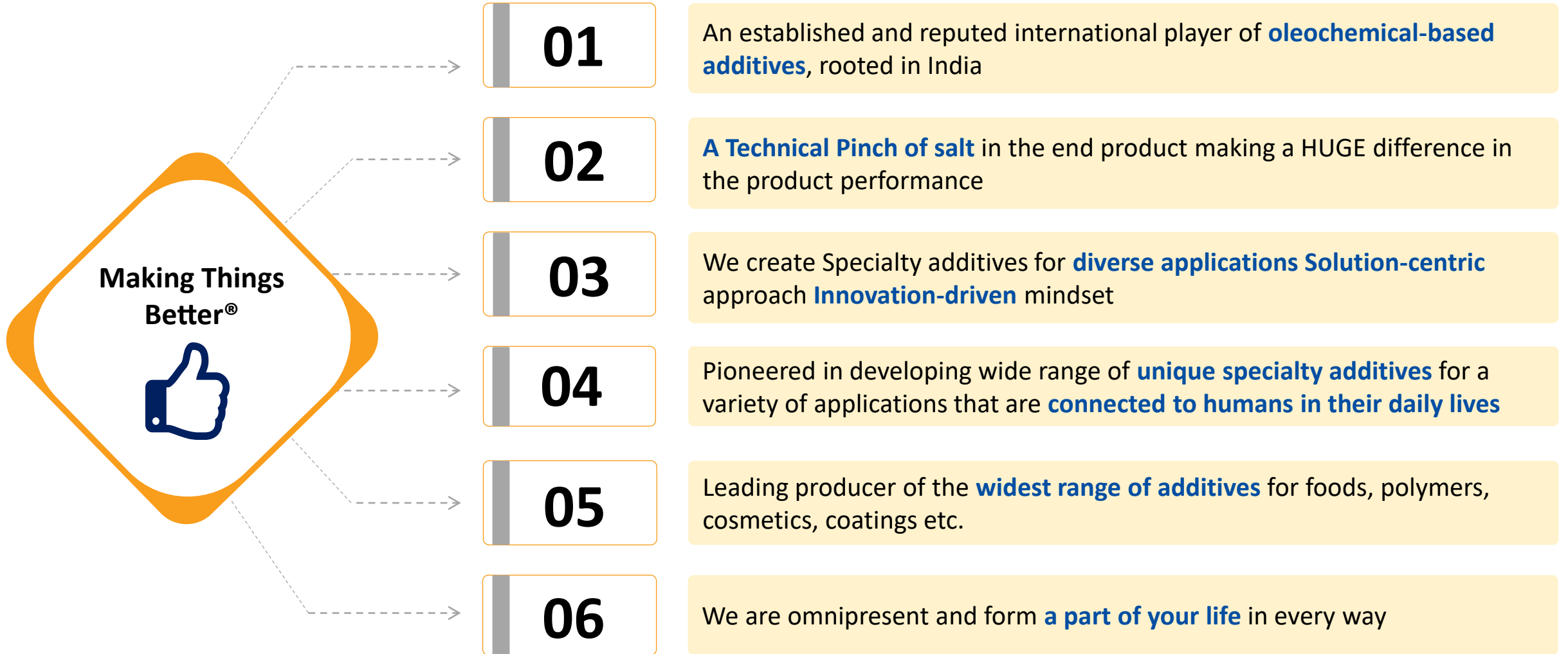
This presentation contains certain forward looking statements concerning the Company’s future business prospects and business profitability, which are subject to a number of risks and uncertainties and the actual results could materially differ from those in such forward looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding fluctuations in earnings, our ability to manage growth, competition (both domestic and international), economic growth in India and abroad, ability to attract and retain highly skilled professionals, time and cost over runs on contracts, our ability to manage our international operations, government policies and actions regulations, interest and other fiscal costs generally prevailing in the economy. The Company does not undertake to make any announcement in case any of these forward looking statements become materially incorrect in future or update any forward looking statements made from time to time by or on behalf of the Company.

THE FINE STORY
OF SUCCESS



FINE ORGANICS





Why FINE additives are preferred?

Demand for oleochemical derived additives is increasing

01

FINE green additives have been effectively replacing potentially hazardous chemicals in wide range of industries such as plastics, packaging, foods, cosmetics, rubbers, coatings etc. without compromising on the performance

02

Increasing consumer awareness for environment has resulted in remarkable preference for 'Green' and 'Sustainable' products

03

FINE additives are majorly bio-based, safe to use and bio-degradable; therefore, can offer the most effective benefits through 'Sustainability' combined with excellence in functionality and safety

04

Minimized waste generation, effluent management through effective production process and stringent compliance to regulations





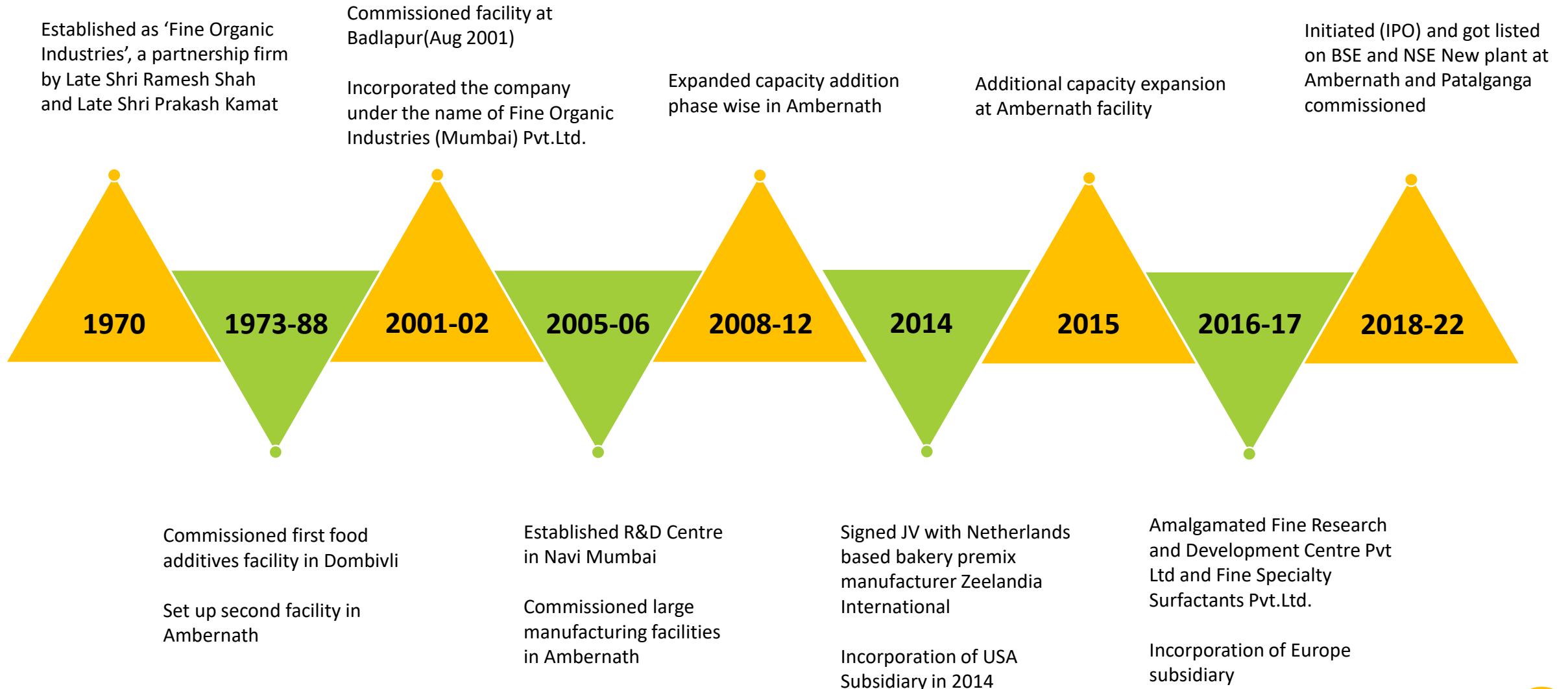
FINE ORGANICS

High-Performance

Environment-Friendly Additives



50 years of Journey



A Fine Family

825+

Employee Strength

Women Employees

>17%

>10%

Employees completed 25 years of journey with us

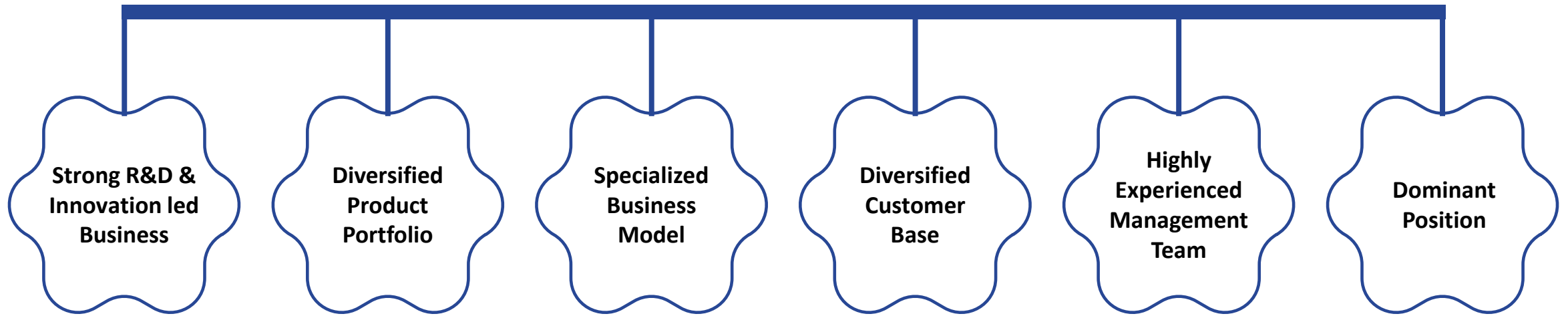
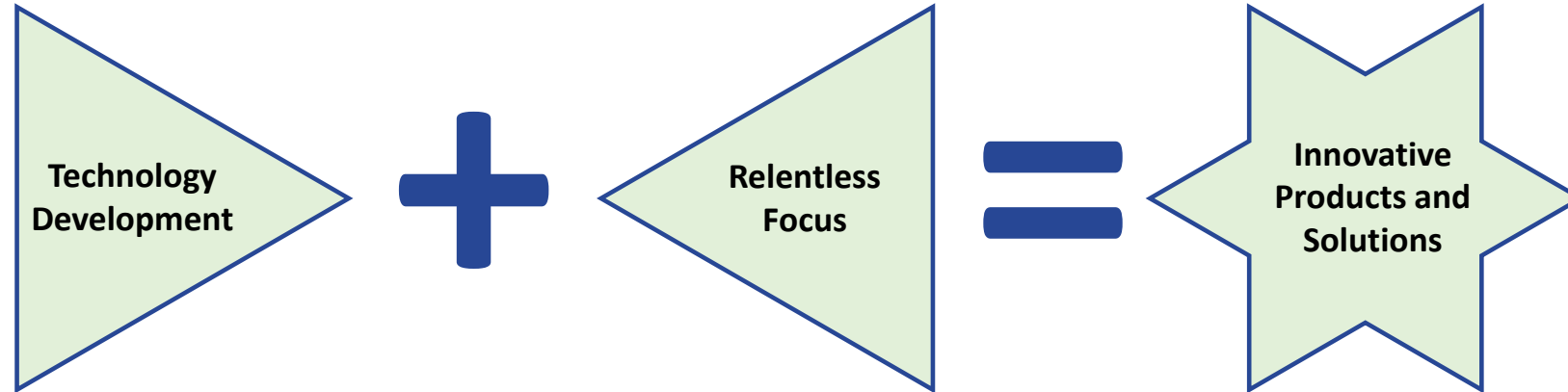
2nd Generation Employees

>7%

Integrity is both a value as well as a character that is embedded in every Fine Organics employee, manifesting itself in every thought and action, every day with everyone

Creating and encouraging home grown leadership with the signature Fine Organics character comprising integrity, trust, fairness and strong values

Strength Formulae for Success of FINE ORGANICS



1. Strong R&D : Innovative Approach



Strong R&D Capabilities

- Value Creation; Effective and Efficient technical support to customers
- Dedicated team of **25+ Scientists and Technicians**



In-House Design and Engineering

- In-house capabilities for plant designing and engineering
- **Minimize capital expenditures** & quicker commissioning



New Product Developments

Specialty Additives for:

- **Feed nutrition**
- **Foods**
- **CosPha**
- **Coatings**
- **Polymers**
- **Others**

Focus on

Developing New Products

Improving Process Technology

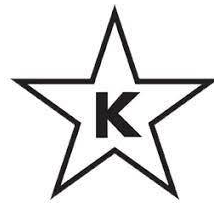
Exploring New Markets

Expanding Capacities

With Industry Standards and Regulatory Credentials



Fine's facilities are fully geared towards meeting growing **Global Demands**



- ✓ Setting new benchmarks in quality and consistency
- ✓ High safety and productivity standards
- ✓ Products are appreciated by customers worldwide for their consistent quality and packaging standards

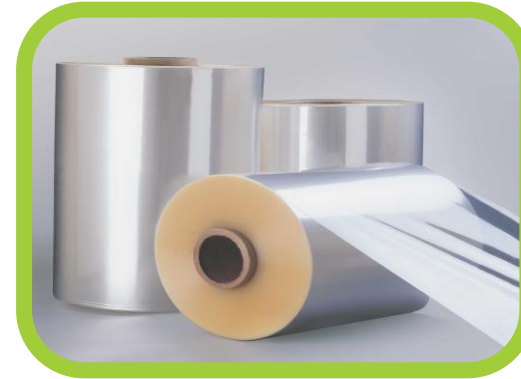
2. Diversified Product Portfolio : Multiple End-users



The diversity of oleochemistry has enabled us to develop a wide range of additives for PVC, Polyolefins, Styrenics, Polyamides & other engineering polymers, Rubbers and Elastomers



Our product range for CosPha (Cosmetics and Pharmaceuticals) applications serve as base ingredients
They enhance appearance and use for enduses in skin care products like Creams, Lotions & Ointments etc.



Using our oleochemistry expertise, we have developed a line of functional additives and special formulations for several other industries



Pioneer in manufacturing of food emulsifiers in India
Expanded its range to anti-fungal agents, bread improvers, beverage clouding agents etc.

2. Diversified Product Portfolio : Multiple End-users

Food Additives

Additives for maintaining the quality and freshness of the food products, impart better product structure integrity and helps in increasing the shelf life of food products

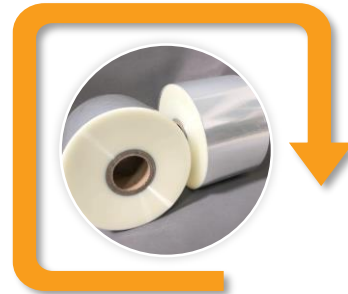


Polymer Additives

Used for various functionalities in wide range of plastic products made from various polymers

Additives for Coatings

Used as anti-settling agents, emulsifiers, thickening/anti-sagging agents, wetting and dispersing agents, defoamers, biocides and anti-mar waxes for use in coating applications. Capable of improving the appearance and durability of a coating



Emollients for Cosmetics

Enables manufacturing of products with different structures like creams, gels, pastes, lotions etc. Aids in achieving long term physical stability for transport and storage. Increases sensory perception and the chemical stability of the sensitive active agents

Feed Nutrition Additives

Replaces harmful antibiotics and improves feed efficiency and imparts several technical advantages to the end products



Specialty Additives

A wide range of specialty performance additives for various industries

3. Specialised Business Model: Entry Barriers

Limited Players

01

Limited & small players in Indian specialty additives market. Globally Few players which are very large

Fine Organics : Largest organised player in the Indian market & is making its presence across the globe

Customer Loyalty

02

Lengthy & expensive product approval processes lead to high switching costs for customers. Due to this, customers rely on established suppliers, as performance ingredients are very critical to their end products

Fine Organics: Eco-friendly oleo-derived green additives follow stringent quality parameters & regulations, governing the industry

Complex Technology

03

Complex technology & manufacturing processes create multiple entry barriers into the oleochemical derived green additives industry. Product formulations, innovation & process technology are time & capital intensive

Fine Organics: Has an early-mover advantage in this industry and has successfully established its in-house manufacturing set up and has been consistently delivering quality product

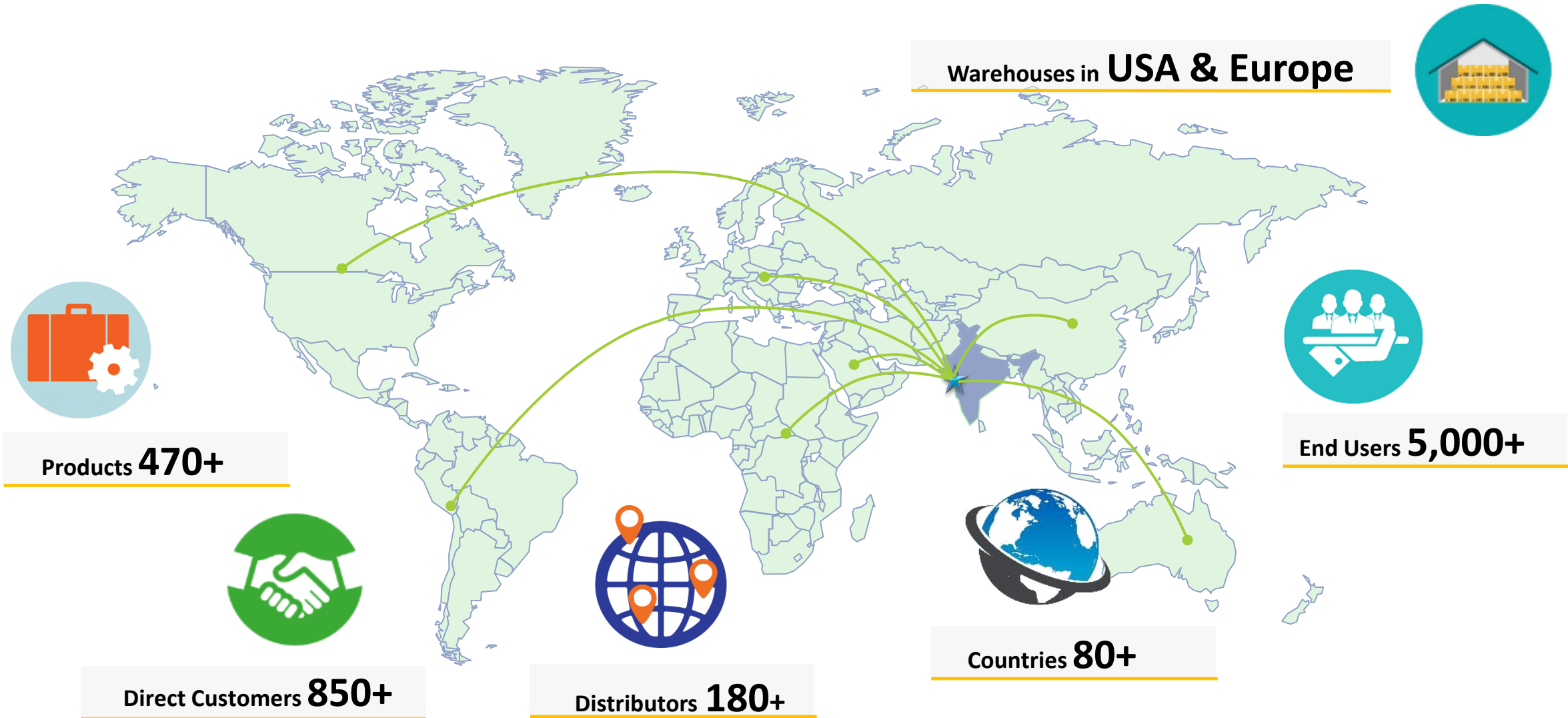
Highly Regulated

04

The additives have a direct impact on human life as well as the environment, thus necessitating stringent regulatory parameters

Fine Organics: Eco-friendly oleo-derived green additives follow stringent quality parameters & regulations, governing the industry

4. Diversified Customer Base



5. Highly Experienced Management Team



Mukesh Shah - Chairman and Managing Director

- Joined in 1973. Holds a Bachelor's degree in Science
- Played a key role in establishing quality control and marketing



Tushar Shah – Executive Director and CFO

- Joined in 1989 and led several initiatives like ERP, CRM, etc.
- Key role in the development of the first slip additive facility



Nikhil Kamat - Executive Director

- Joined in 1987, holds a Master's of Science Degree in Biochemistry from ICT, Mumbai
- Played a key role in operations, productions, planning, handling technical, environmental and regulatory tasks



Mahesh Sarda - Independent Director

- On the Board since Nov 2017. Qualified Chartered Accountant
- Previously served as a Partner at Deloitte Haskins & Sells



Kaushik Shah - Independent Director

- On the Board since Jan 2018. Holds a Bachelor's degree in Commerce and a Qualified Chartered Accountant
- Previously served as MD of Fulford (India)



Rashi Mehta - Independent Director*

- Law graduate from KC Law College and holds a degree in arts from St. Xavier's College, Mumbai University
- Practicing legal professional having wide experience in pivotal areas of law



Jayen Shah – Executive Director and CEO

- Joined in 1986. Holds a Master's degree in Science
- Instrumental in creating a strong vendor-partner network



Bimal Shah - Executive Director

- Joined in 2009. Holds a Bachelor's degree in Science from Purdue University and a Master's degree from Boston College
- Led initiatives for new projects and processes



Prakash Apte - Independent Director

- On the Board since Nov 2017. Holds a Bachelor's degree in Mechanical Engineering
- Previously served as MD of Syngenta India



Parthasarathi Thiruvengadam - Independent Director

- On the Board since Nov 2017. Holds a BTech degree from IIT, Madras and Post Graduate in Industrial Engineering
- Previously served as a Senior Director with Deloitte India

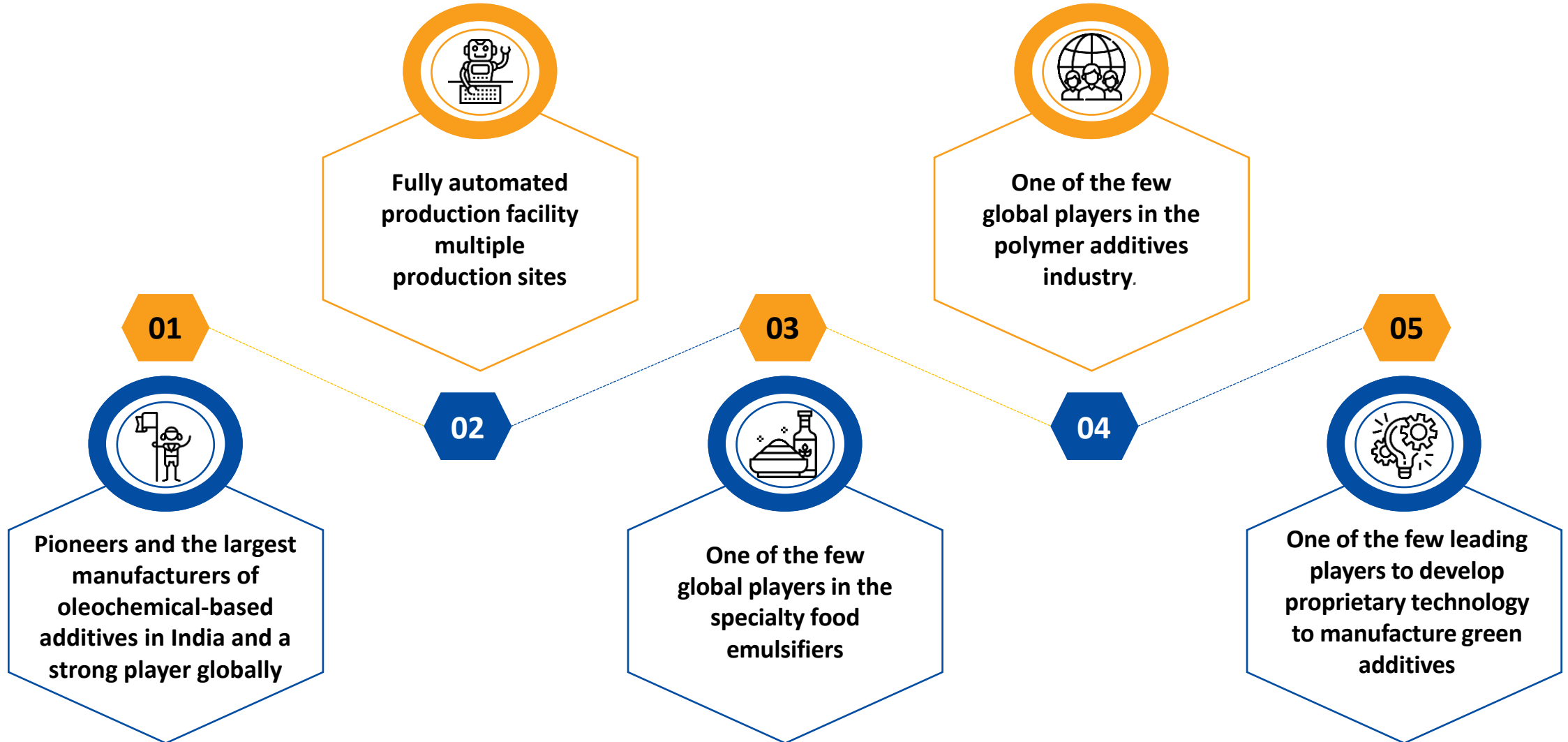


Pratima Umarji Independent Director

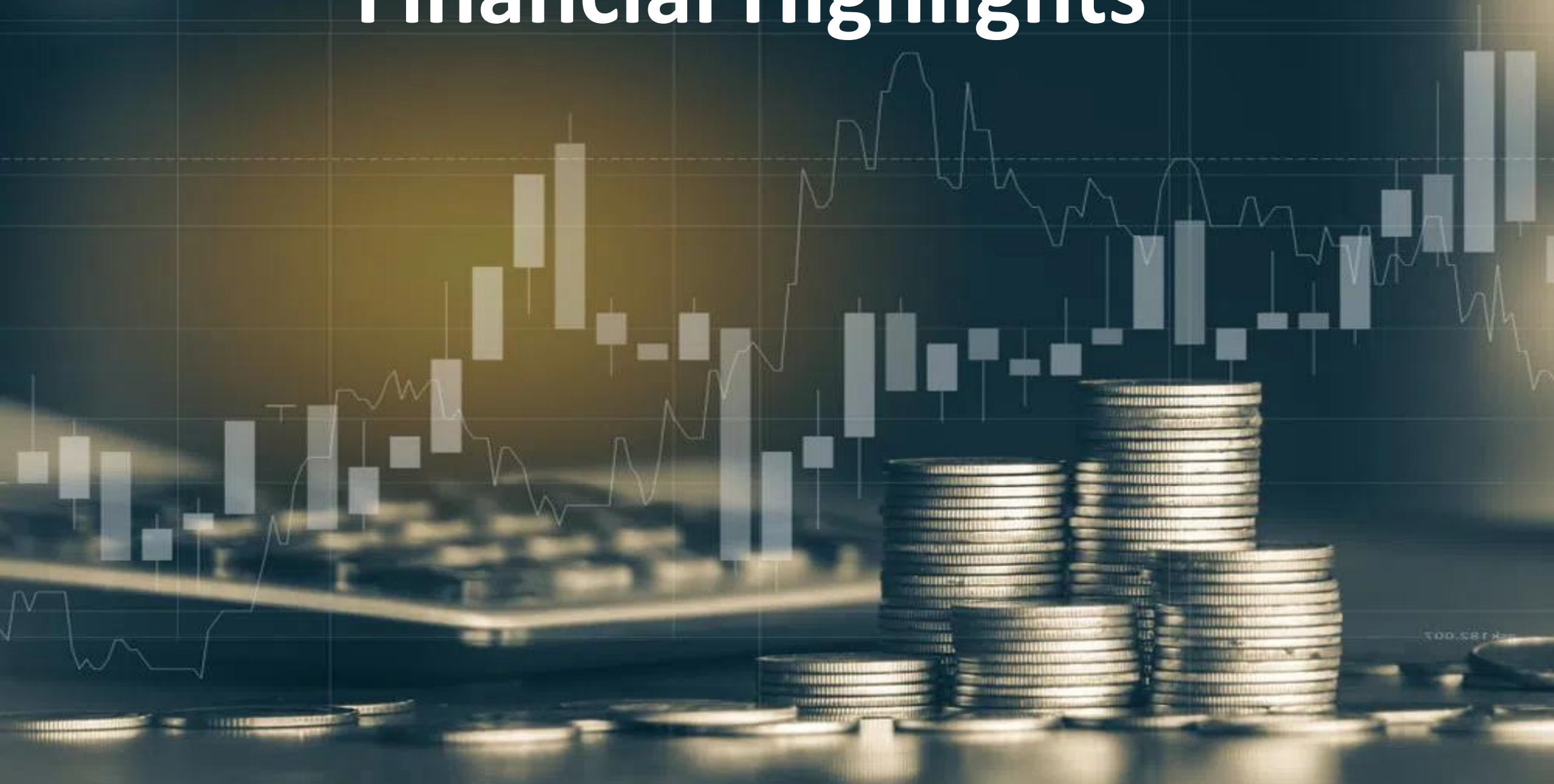
- On the Board since Nov 2017. Holds a Law degree
- Current panel member of the "Lok Adalat", Bombay High Court

*With effect from 2nd February 2024, subject to approval of the shareholders of the Company

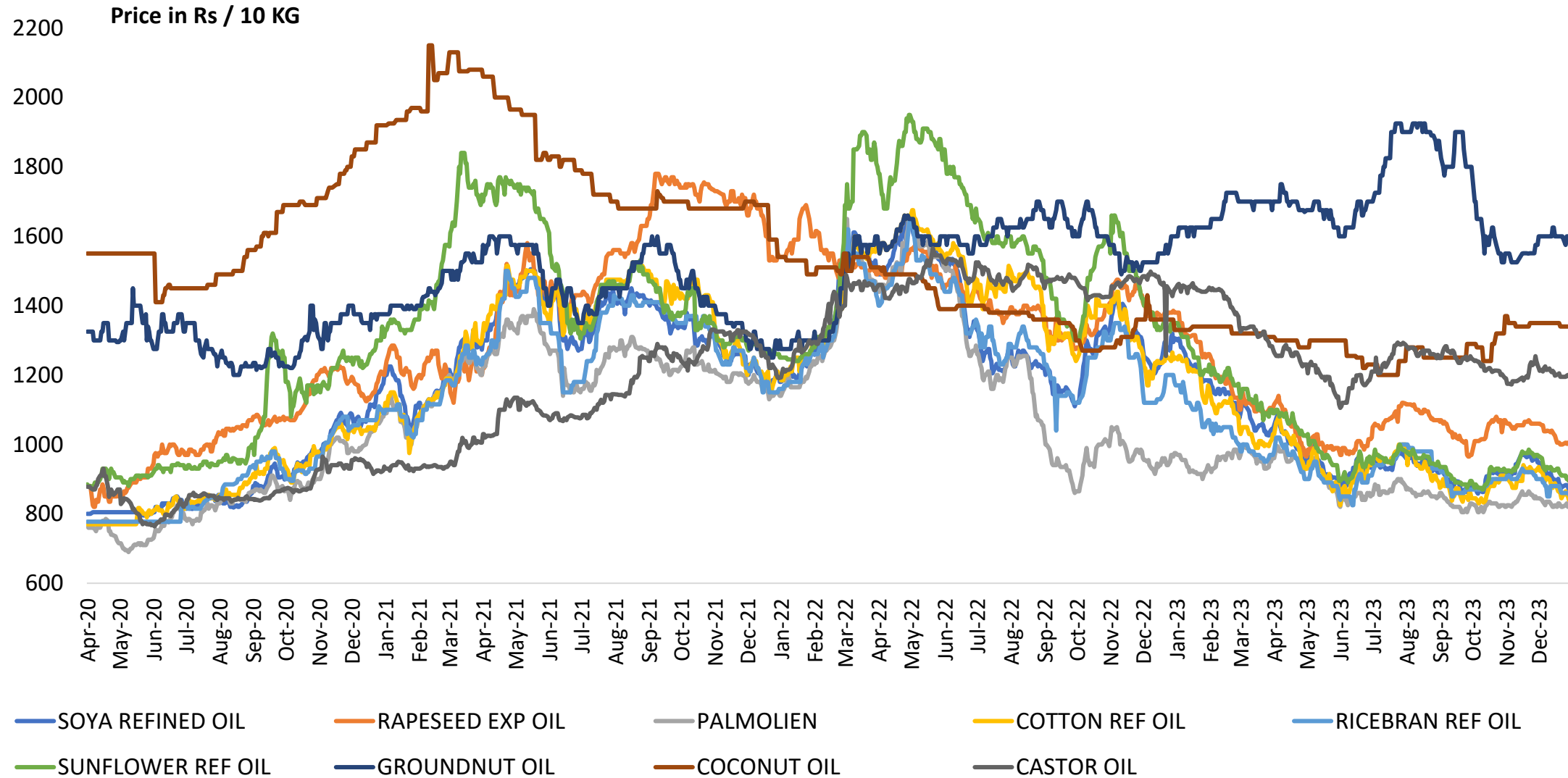
6. Dominant Position



Financial Highlights



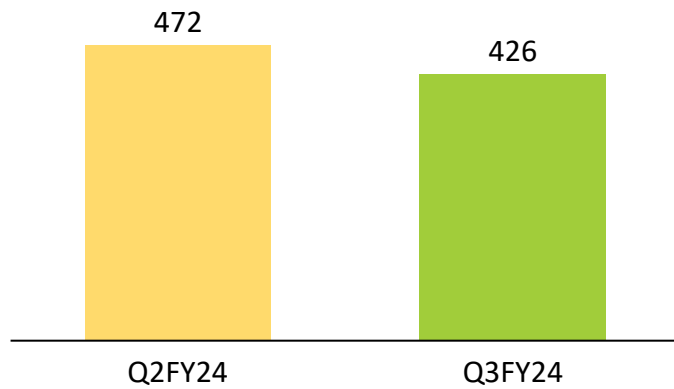
Volatility in RM Prices till Dec'23



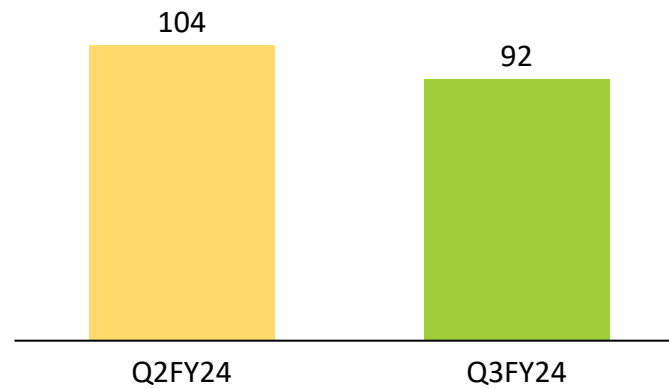
Standalone Performance Highlights

Revenues

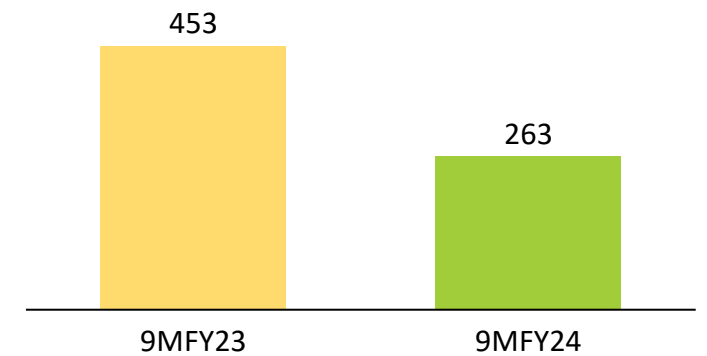
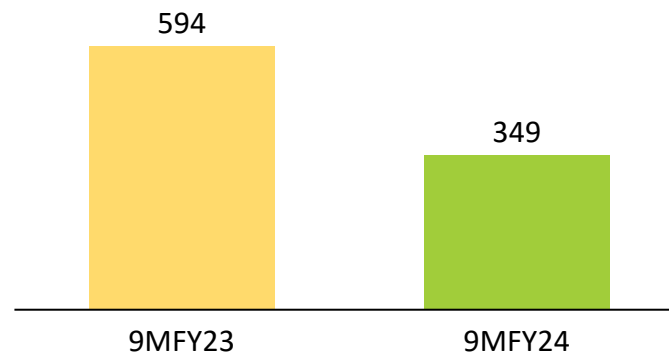
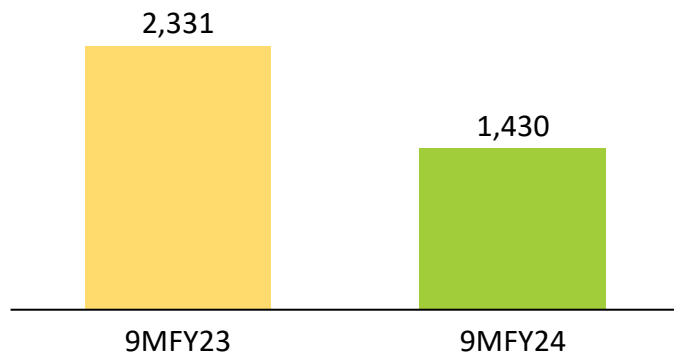
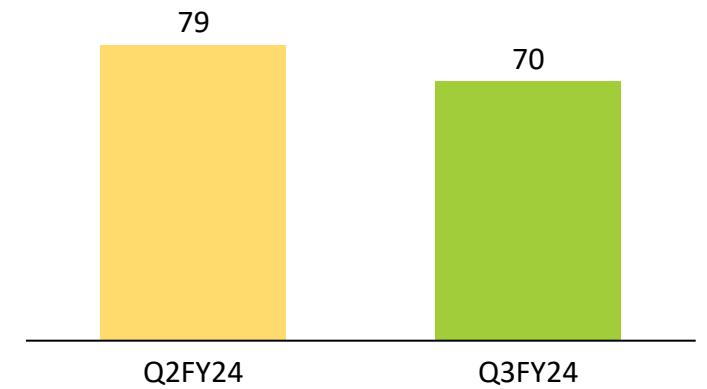
Rs in Crores



EBITDA



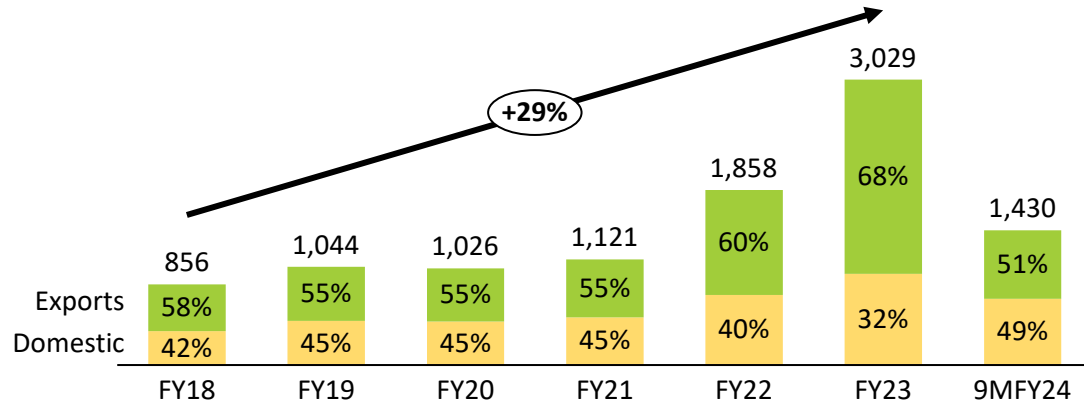
PAT



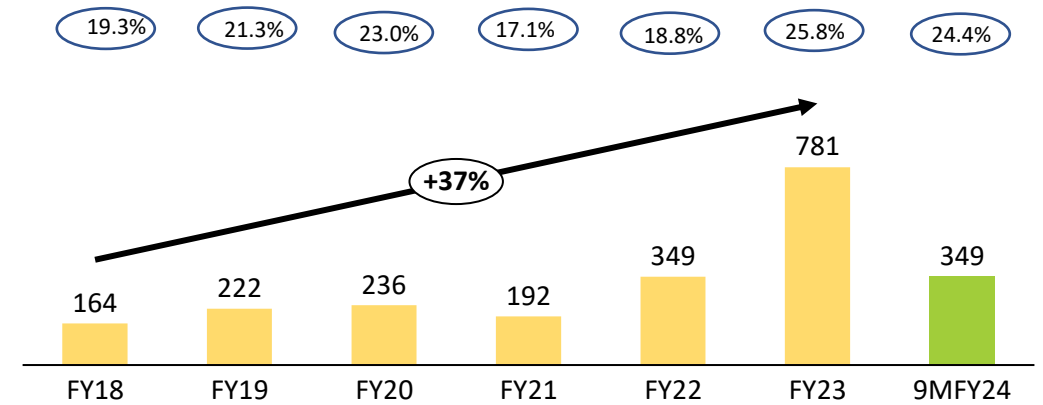
9MFY24 Standalone Operating Performance

Rs in Crores

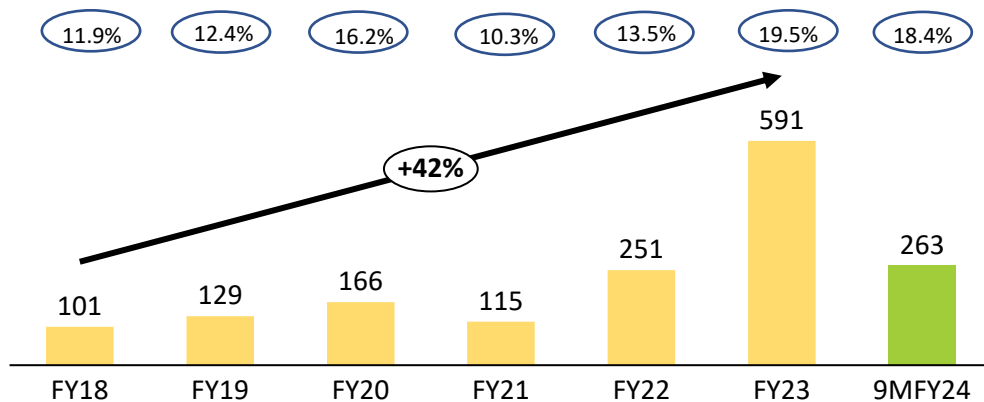
Revenues



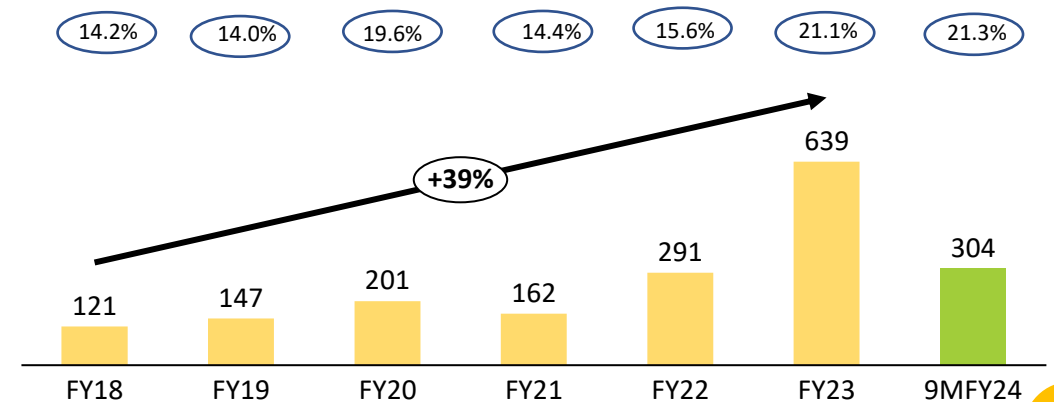
Operating EBITDA & Margins



PAT & Margins

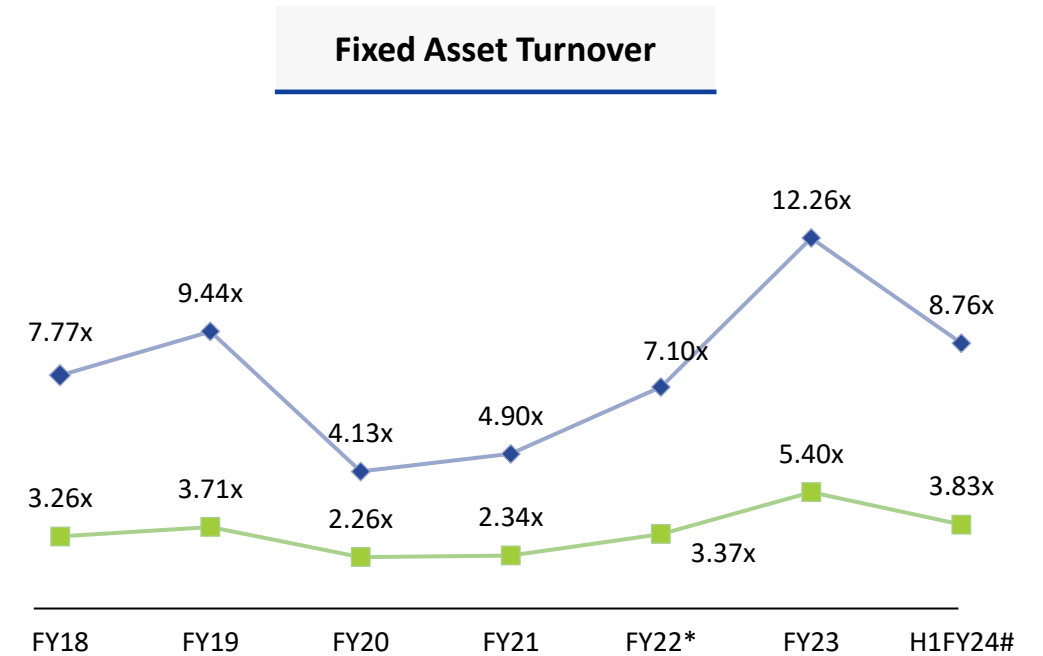
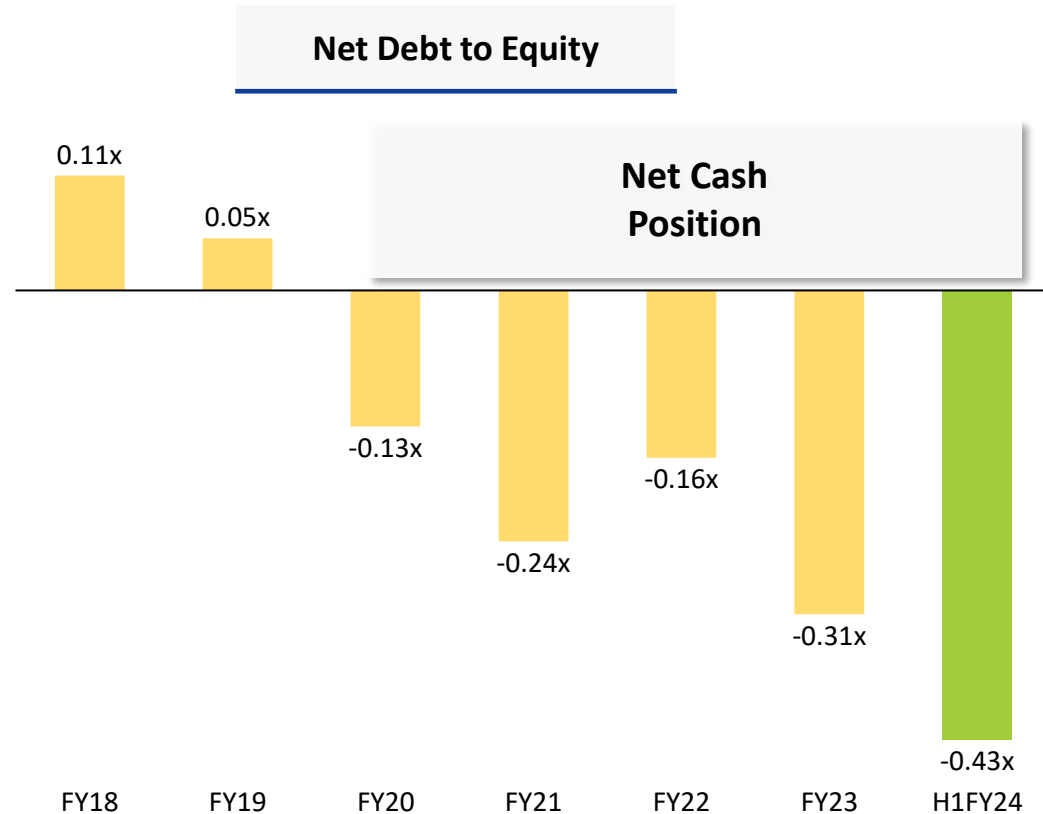


Cash PAT & Margins



Cash PAT = NPAT + Depreciation

Use of Capital (Standalone)

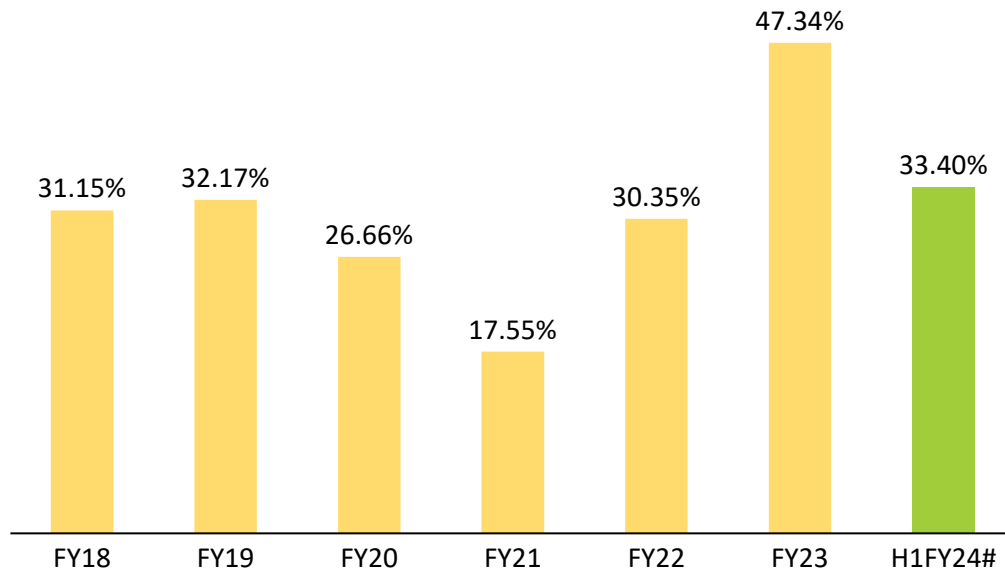


Net Debt = Total Long term debt + short term debt + current of maturities of long term debt – cash and bank balances

- Fixed Asset Turnover (**Gross**) = Net Revenue from Operations / Total Gross Block of Fixed Assets including Land
- ◆ Fixed Asset Turnover (**Net**) = Net Revenue from Operations / Total Net Block of Fixed Assets including Land

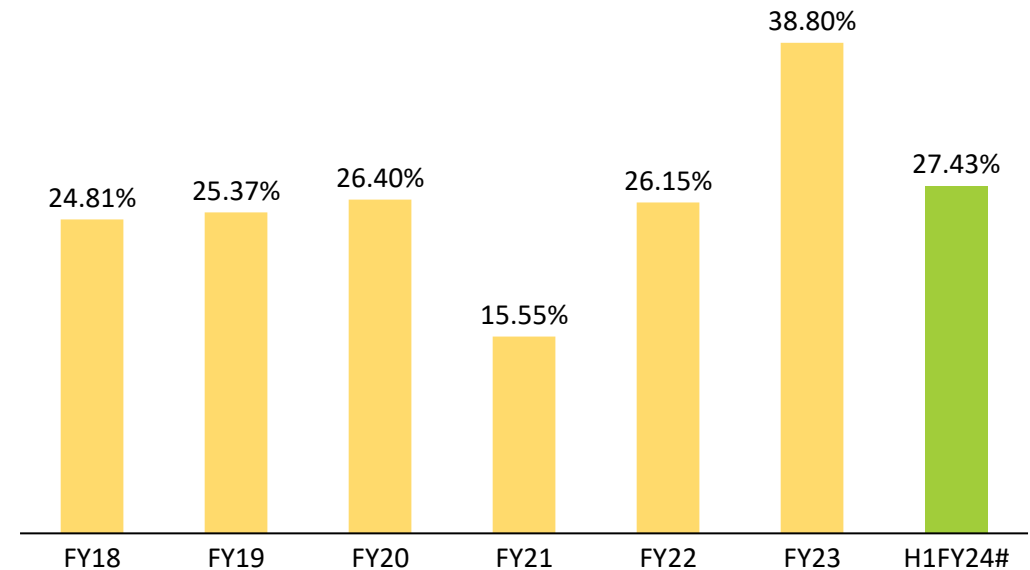
Standalone Return Profile

Return on Capital Employed



Return on Capital Employed = $\text{EBIT (excluding Other Income)} / (\text{Total Debt} + \text{Total Net worth})$

Return on Net Worth



Return on Net Worth = $\text{Net Profit After Tax} / \text{Total Net Worth}$

Standalone Profit & Loss Statement



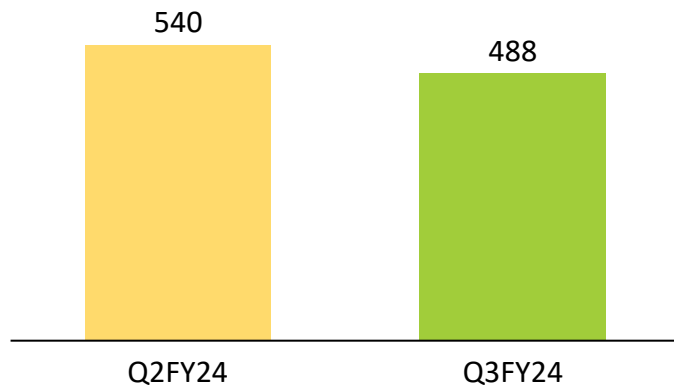
| Particulars (Rs in Crs) | Q3FY24 | Q3FY23 | YoY | Q2FY24 | QoQ | 9MFY24 | 9MFY23 | YoY | FY23 |
|---|--------------|--------------|---------------|--------------|---------------|----------------|----------------|---------------|----------------|
| Revenue from Operations | 425.8 | 749.9 | -43.2% | 471.7 | -9.7% | 1,429.6 | 2,330.5 | -38.7% | 3,029.1 |
| Cost of Raw Material Consumed | 247.9 | 486.3 | | 273.8 | | 825.7 | 1,440.2 | | 1,865.7 |
| Gross Profit | 177.9 | 263.5 | -32.5% | 197.9 | -10.1% | 603.9 | 890.3 | -32.2% | 1,163.4 |
| Gross Profit Margin | 41.8% | 35.1% | | 41.9% | | 42.2% | 38.2% | | 38.4% |
| Employee Cost | 26.9 | 23.1 | | 27.0 | | 82.4 | 71.1 | | 100.6 |
| Other Expenses | 58.6 | 65.8 | | 66.5 | | 172.9 | 225.2 | | 281.5 |
| EBITDA | 92.4 | 174.7 | -47.1% | 104.4 | -11.5% | 348.6 | 594.0 | -41.3% | 781.3 |
| EBITDA Margin | 21.7% | 23.3% | | 22.1% | | 24.4% | 25.5% | | 25.8% |
| Other Income | 17.4 | 15.2 | | 17.2 | | 49.1 | 51.1 | | 64.1 |
| Depreciation | 14.7 | 12.3 | | 14.4 | | 40.9 | 34.9 | | 47.9 |
| EBIT | 95.1 | 177.6 | -46.4% | 107.1 | -11.2% | 356.8 | 610.3 | -41.5% | 797.5 |
| EBIT Margin | 22.3% | 23.7% | | 22.7% | | 25.0% | 26.2% | | 26.3% |
| Finance Cost | 0.5 | 1.1 | | 0.7 | | 1.8 | 3.6 | | 4.5 |
| PBT | 94.6 | 176.4 | -46.4% | 106.4 | -11.1% | 355.0 | 606.7 | -41.5% | 793.0 |
| PBT Margin | 22.2% | 23.5% | | 22.6% | | 24.8% | 26.0% | | 26.2% |
| Tax | 24.9 | 45.2 | | 27.0 | | 91.7 | 154.2 | | 202.4 |
| PAT | 69.7 | 131.3 | -46.9% | 79.4 | -12.2% | 263.2 | 452.5 | -41.8% | 590.6 |
| PAT Margin % | 16.4% | 17.5% | | 16.8% | | 18.4% | 19.4% | | 19.5% |
| Other Comprehensive Income | -0.1 | 0.1 | | -0.2 | | -0.7 | 0.6 | | 0.6 |
| Total Comprehensive Income for the year / period | 69.6 | 131.4 | -47.0% | 79.2 | -12.2% | 262.5 | 453.1 | -42.1% | 591.2 |
| EPS* | 22.7 | 42.8 | | 34.7 | | 85.9 | 147.6 | | 192.6 |

* Not Annualized for the quarter

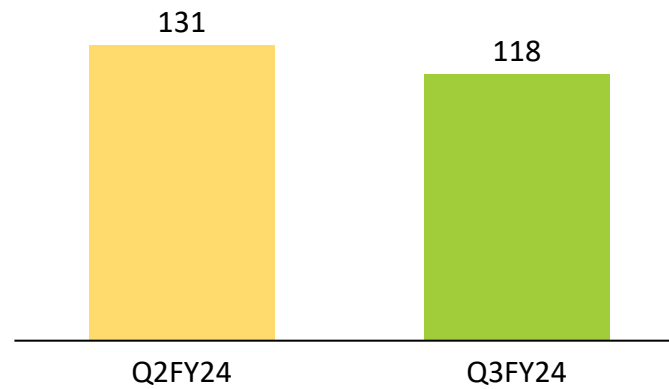
Consolidated Performance Highlights

Revenues

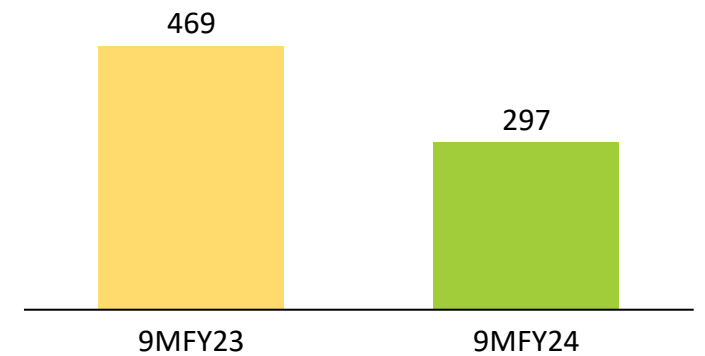
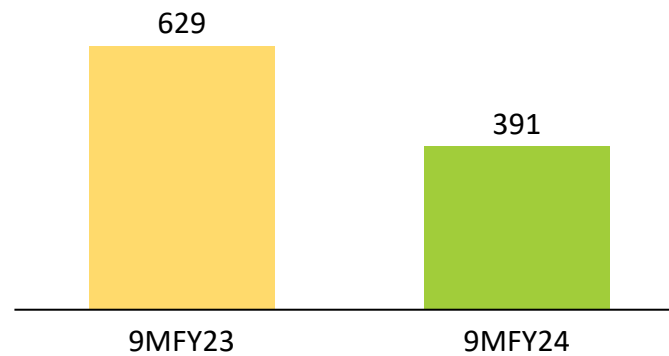
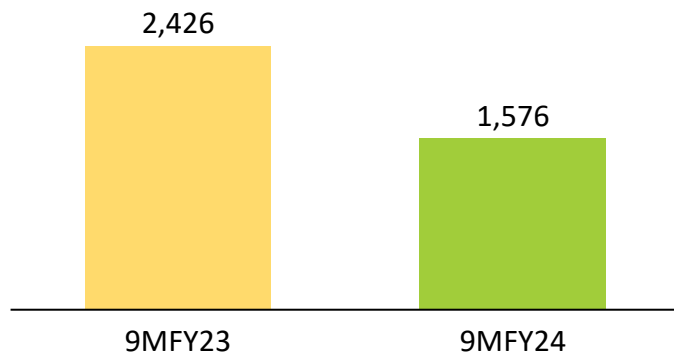
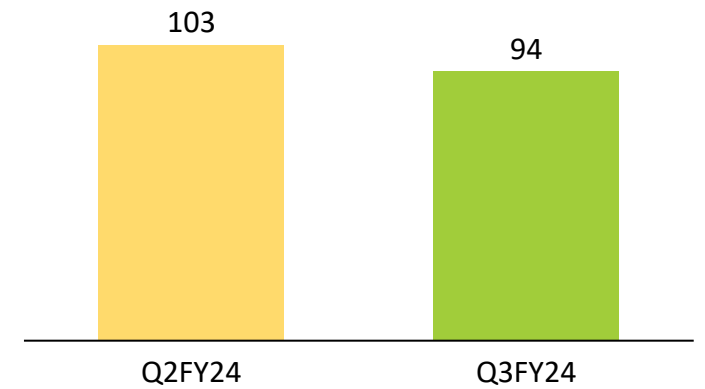
Rs in Crores



EBITDA

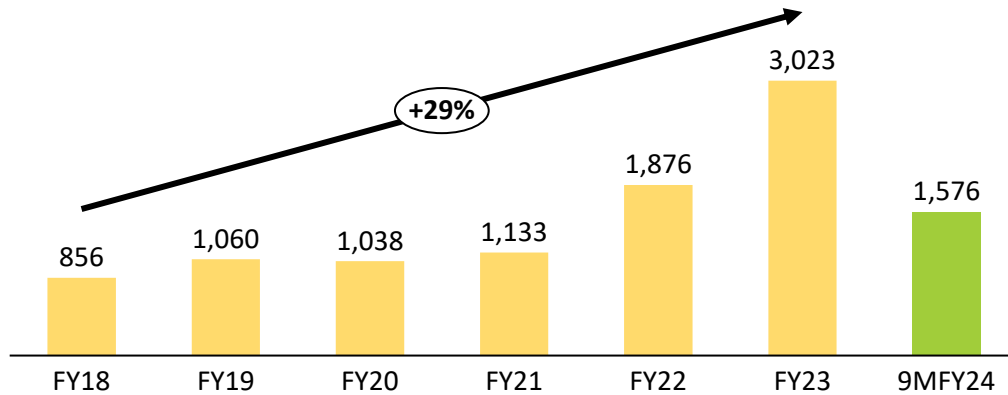


PAT

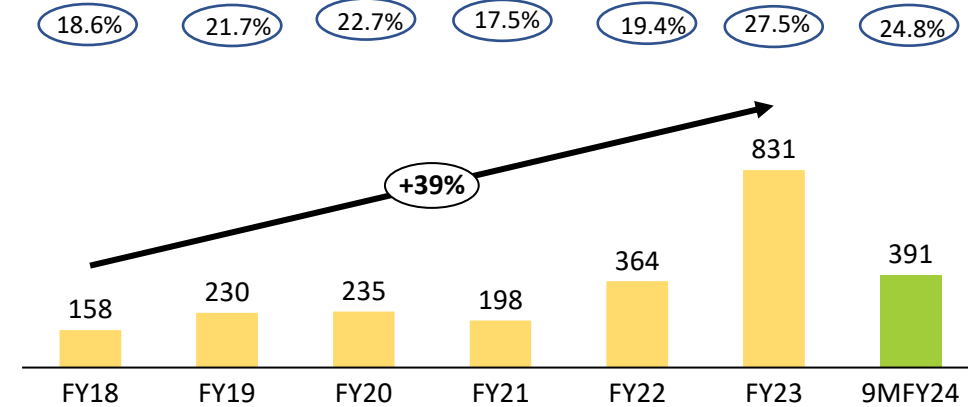


9MFY24 Consolidated Operating Performance

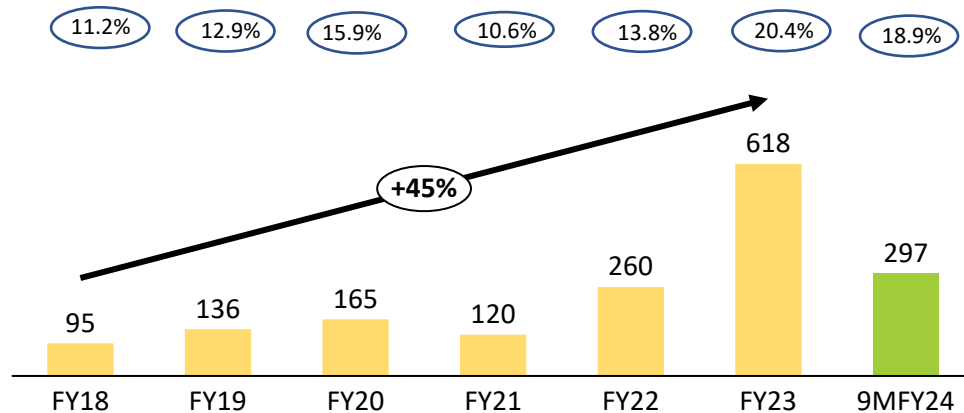
Revenues



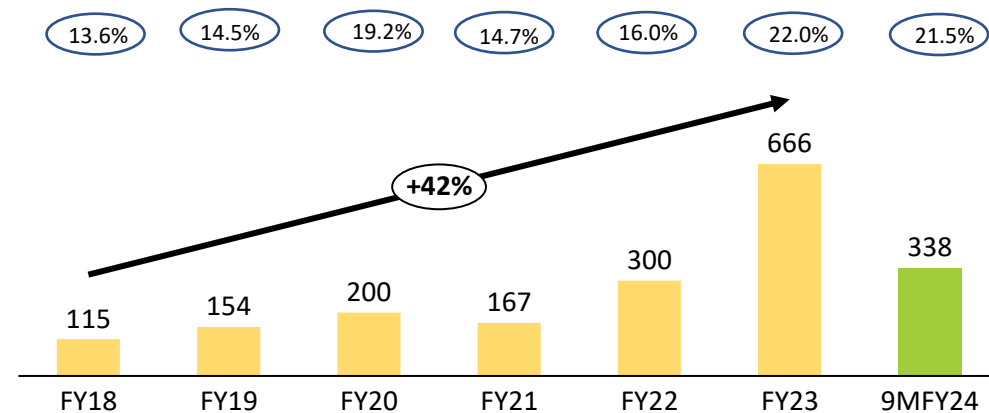
Operating EBITDA & Margins*



PAT & Margins



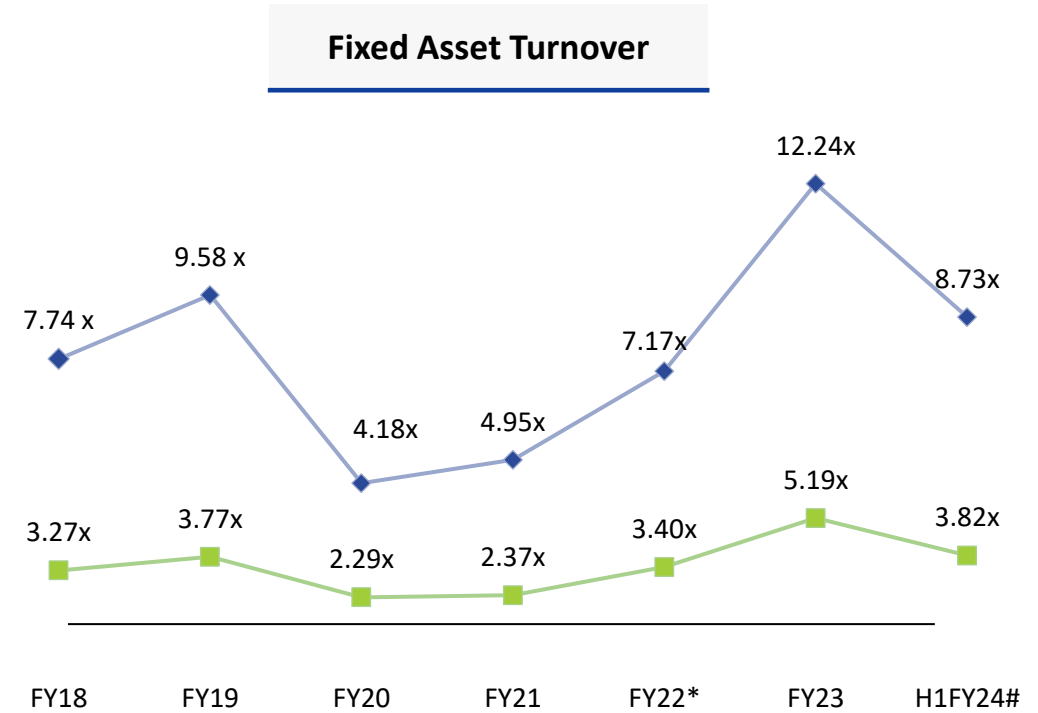
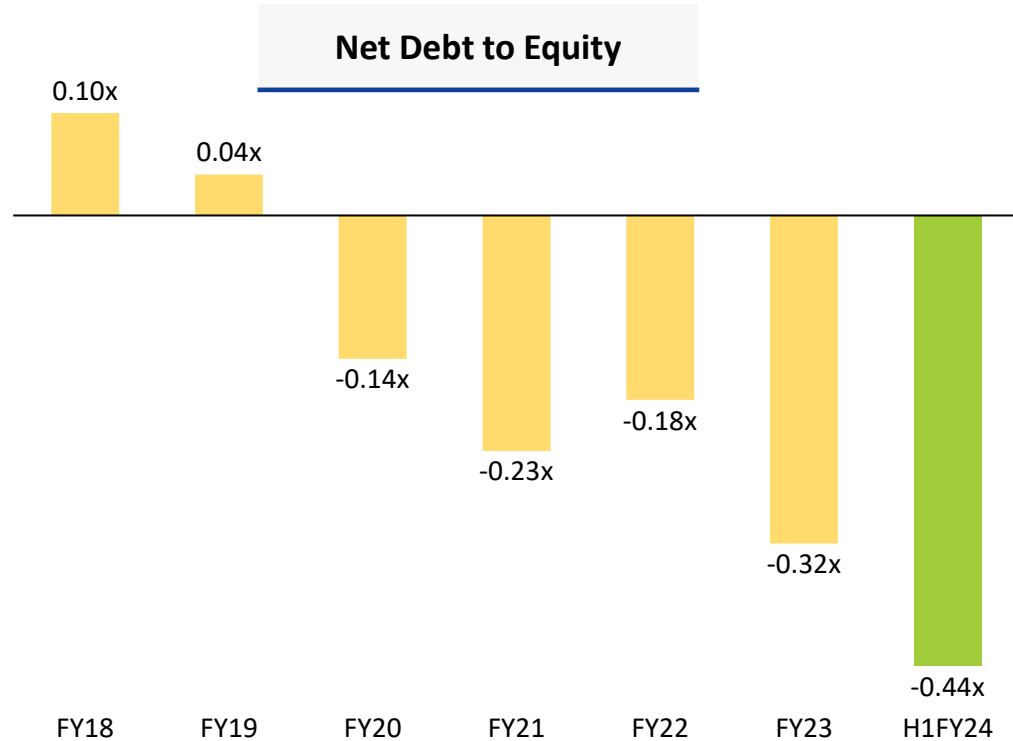
Cash PAT & Margins



*After Share Profit / (Loss) of Joint Venture

Cash PAT = NPAT + Depreciation

Use of Capital (Consolidated)

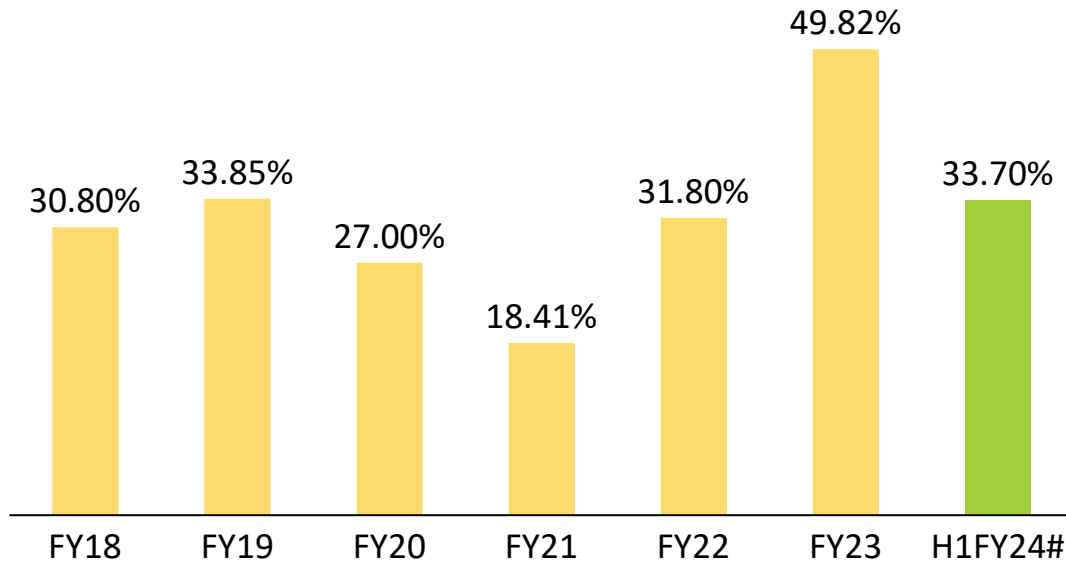


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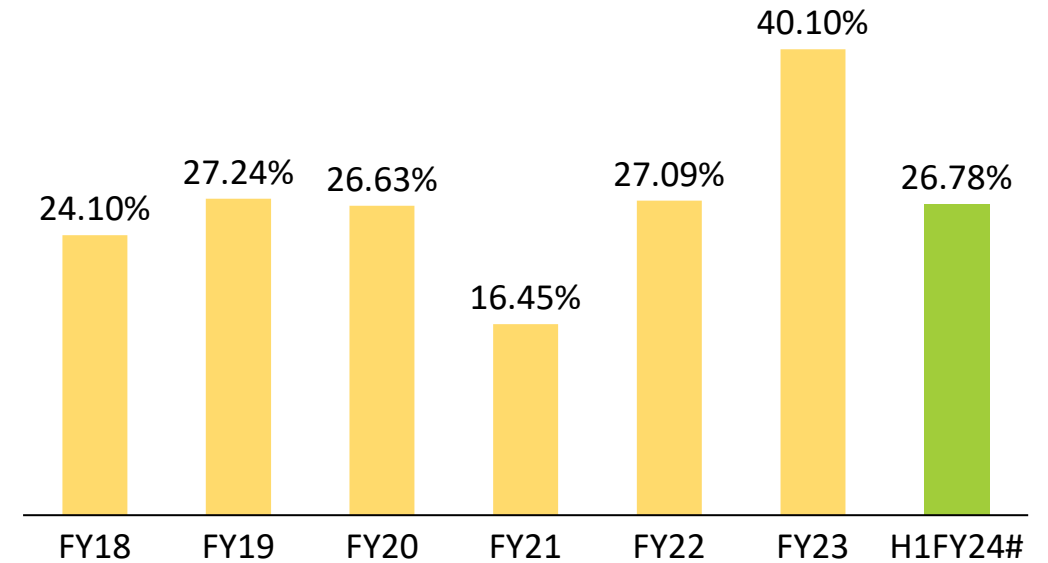
- Fixed Asset Turnover (Gross) = Net Revenue from Operations / Total Gross Block of Fixed Assets including Land
- ◆ Fixed Asset Turnover (Net) = Net Revenue from Operations / Total Net Block of Fixed Assets including Land

Consolidated Return Profile

Return on Capital Employed



Return on Net Worth



Return on Capital Employed = EBIT (excluding Other Income and including share of profit / (loss) of JV (net of tax)) / (Total Debt + Total Net worth)

Return on Net Worth = Net Profit After Tax / Total Net Worth

Consolidated Profit & Loss Statement



| Particulars (Rs in Crs) | Q3FY24 | Q3FY23 | YoY | Q2FY24 | QoQ | 9MFY24 | 9MFY23 | YoY | FY23 |
|---|--------------|--------------|---------------|--------------|--------------|----------------|----------------|---------------|----------------|
| Revenue from Operations | 488.4 | 759.5 | -35.7% | 540.5 | -9.6% | 1,576.1 | 2,426.4 | -35.0% | 3,023.1 |
| Cost of Raw Material Consumed | 277.4 | 502.6 | | 309.3 | | 911.3 | 1,483.3 | | 1,784.2 |
| Gross Profit | 211.0 | 257.0 | -17.9% | 231.2 | -8.7% | 664.8 | 943.2 | -29.5% | 1,238.9 |
| Gross Profit Margin | 43.2% | 33.8% | | 42.8% | | 42.2% | 38.9% | | 41.0% |
| Employee Cost | 28.4 | 24.0 | | 28.6 | | 87.0 | 74.2 | | 105.3 |
| Other Expenses | 64.4 | 72.9 | | 71.5 | | 187.2 | 240.4 | | 302.5 |
| EBITDA | 118.2 | 160.1 | -26.1% | 131.1 | -9.8% | 390.5 | 628.6 | -37.9% | 831.1 |
| EBITDA Margin | 24.2% | 21.1% | | 24.2% | | 24.8% | 25.9% | | 27.5% |
| Other Income | 17.4 | 15.2 | | 17.2 | | 49.0 | 51.2 | | 64.2 |
| Depreciation | 14.7 | 12.3 | | 14.4 | | 40.9 | 34.9 | | 47.9 |
| EBIT | 120.9 | 163.0 | -25.8% | 133.8 | -9.6% | 398.7 | 645.0 | -38.2% | 847.3 |
| EBIT Margin | 24.8% | 21.5% | | 24.8% | | 25.3% | 26.6% | | 28.0% |
| Finance Cost | 0.5 | 1.1 | | 0.7 | | 1.9 | 3.7 | | 4.6 |
| Share of profit/(loss) of joint ventures (net of tax) | -1.0 | -0.8 | | -0.8 | | -2.5 | -1.1 | | -1.8 |
| PBT | 119.5 | 161.1 | -25.9% | 132.3 | -9.7% | 394.3 | 640.2 | -38.4% | 841.0 |
| PBT Margin | 24.5% | 21.2% | | 24.5% | | 25.0% | 26.4% | | 27.8% |
| Tax | 25.2 | 54.9 | | 28.9 | | 96.9 | 171.5 | | 222.9 |
| PAT | 94.2 | 106.2 | -11.3% | 103.4 | -8.9% | 297.3 | 468.7 | -36.6% | 618.1 |
| PAT Margin % | 19.3% | 14.0% | | 19.1% | | 18.9% | 19.3% | | 20.4% |
| Other Comprehensive Income | -0.1 | 0.1 | | -0.2 | | -0.7 | 0.6 | | 0.6 |
| Total Comprehensive Income for the year / period | 94.1 | 106.3 | -11.5% | 103.2 | -8.8% | 296.6 | 469.2 | -36.8% | 618.7 |
| EPS* | 30.7 | 34.6 | | 33.7 | | 97.0 | 152.9 | | 201.6 |

* Not Annualized for the quarter



Thank You!



Company:

CIN: L24119MH2002PLC136003

Ms. Sonali Bhadani
Senior Vice President – Finance

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SGA Strategic Growth Advisors

Investor Relations Advisors:

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