



Valiant Organics Limited

August 10, 2023

To,
Listing/Compliance Department
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai- 400 001.

SCRIP CODE - 540145

To,
Listing/Compliance Department
**National Stock Exchange of
India Limited**
"Exchange Plaza", Plot No. C/1,
G Block Bandra-Kurla Complex,
Bandra (E), Mumbai- 400 051.
SYMBOL- VALIANTORG

Sub: Investor Presentation.

Ref: Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Dear Sir/Madam,

Please find attached herewith Investor Presentation on Q1 FY24 Results of the Company.

The above presentation is also being made available on the website of the Company at <https://www.valiantorganics.com/investors.php>.

Kindly take the same on your record.

Thanking you,

Yours faithfully,

For Valiant Organics Limited

Avani D. Lakhani
Company Secretary
ICSI M. NO: A47118

Encl: As above



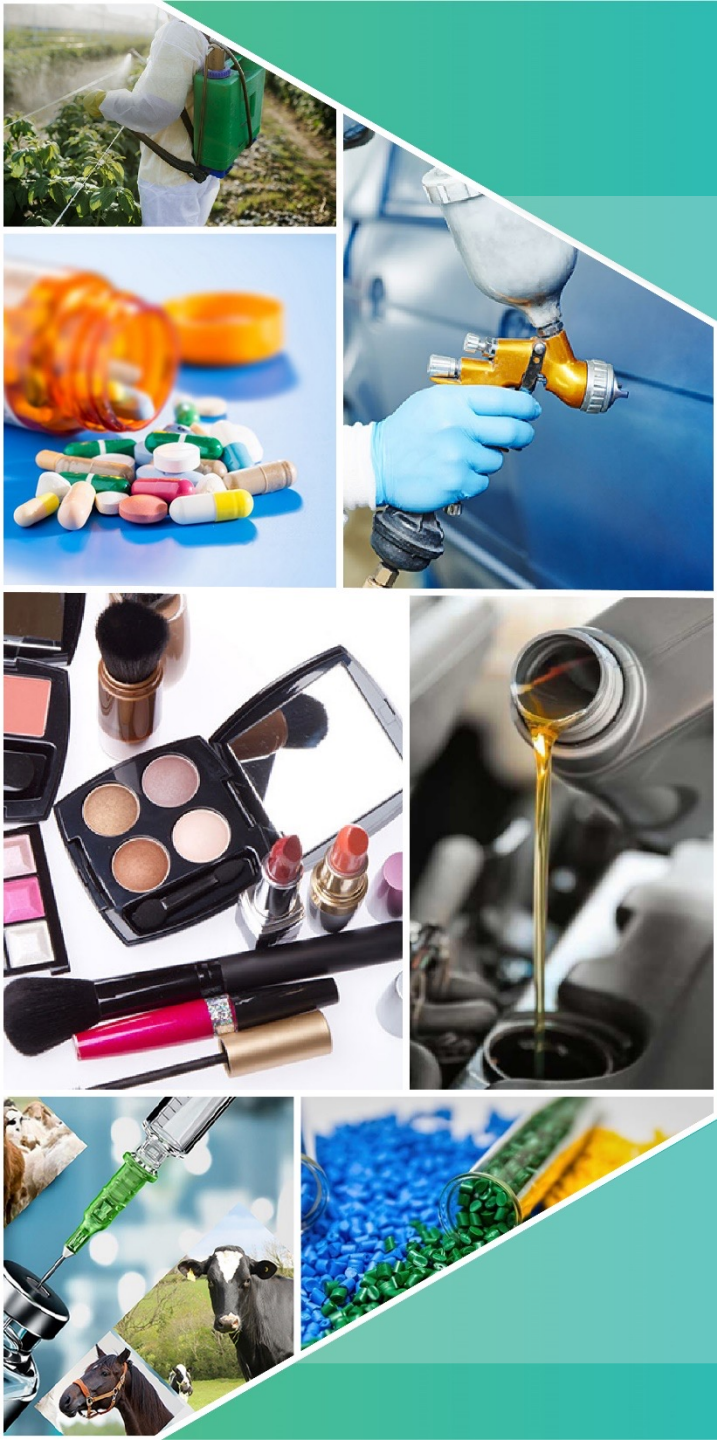
Valiant Organics
Limited



Valiant Organics Limited

Earnings Presentation | Q1-FY24

SNAPSHOT



One of the largest chlorophenol derivatives manufacturer globally



One of the leading manufacturer of Benzene derivatives products



One of the largest domestic PNA manufacturer



One of the few commercial players in Ortho Anisidine and Para Anisidine



Amongst 1st few domestic PAP Manufacturers



Diversified client base across Pharmaceuticals, Dyes & Pigments, Agrochemicals and specialty chemicals.



6 Manufacturing units across 5 Locations



5 Zero Liquid Discharge plants



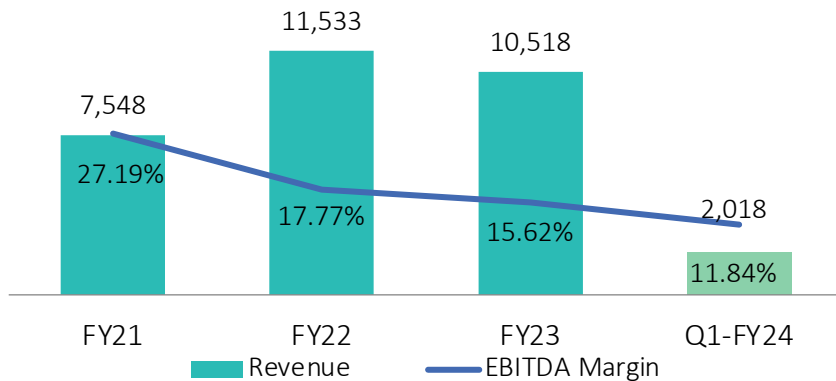
Total Production Capacity of 70,000 TPA



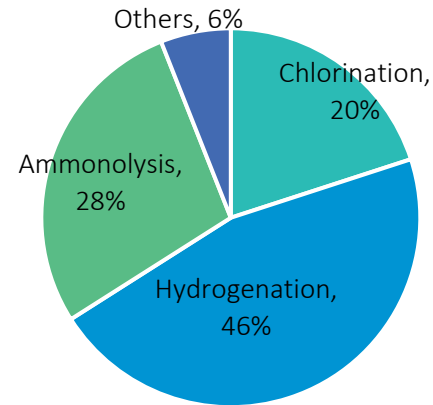
850+ Employees

- Valiant Organics Limited was incorporated in 1984 by first generation technocrats and is headquartered out of Mumbai, India.
- The company is focused on the manufacturing and marketing of specialty chemicals which find usage in a variety of industries, including agrochemicals, pharmaceuticals, dyes, pigments, and veterinary medications.
- Key chemistries include Chlorination, Hydrogenation, Ammonolysis, Acetylation, Sulphonation, Methoxylation amongst others.
- Over the years the company has primarily focused on manufacturing specialty chemicals that have a high demand but low supply and are primarily dependent on imports.
- The company is listed on both the BSE and NSE with a market capitalization of INR 15,189.66 as on 30th June, 2023.

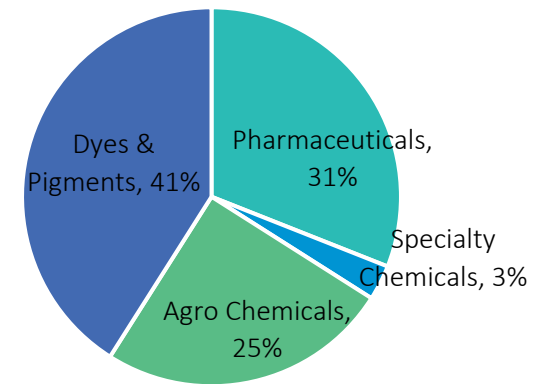
Operating Revenue (INR Mn) and EBITDA Margin (%)



FY23 Revenue Break-up – Chemistries



FY23 Revenue Break-up – End user Industry



Q1-FY24 Revenue Share

Chlorination

Key Products:

- Para ChloroPhenol (PCP)
- Ortho ChloroPhenol (OCP)
- 2,4 Di Chlorophenol (2,4 DCP)
- 2,6 Di ChloroPhenol (2,6 DCP)
- 2,4,6 Tri ChloroPhenol (2,4,6 TCP)

Industries Served:

- Agro Chemicals
- Cosmetics
- Veterinary
- Pharmaceuticals

Others

Acetylation

Key Products:

- 6 Acetyl OAPSA
- OA Acetanilide
- PA Acetanilide

Industries Served:

- Dyes

Sulphonation

Key Products:

- OT5SA
- 4B Acid
- 2B Acid

Industries Served:

- Dyes
- Pigments

Methoxylation

Key Products:

- Ortho Nitro Anisole
- Para Nitro Anisole

Industries Served:

- Dyes
- Pigments

Hydrogenation

Key Products:

- Ortho Anisidine
- Para Anisidine
- IPPCA
- Meta Chloro Aniline
- Para Amino Phenol
- Ortho Amino Phenol

Industries Served:

- Dyes
- Pigments
- Pharmaceutical
- Agro Chemicals

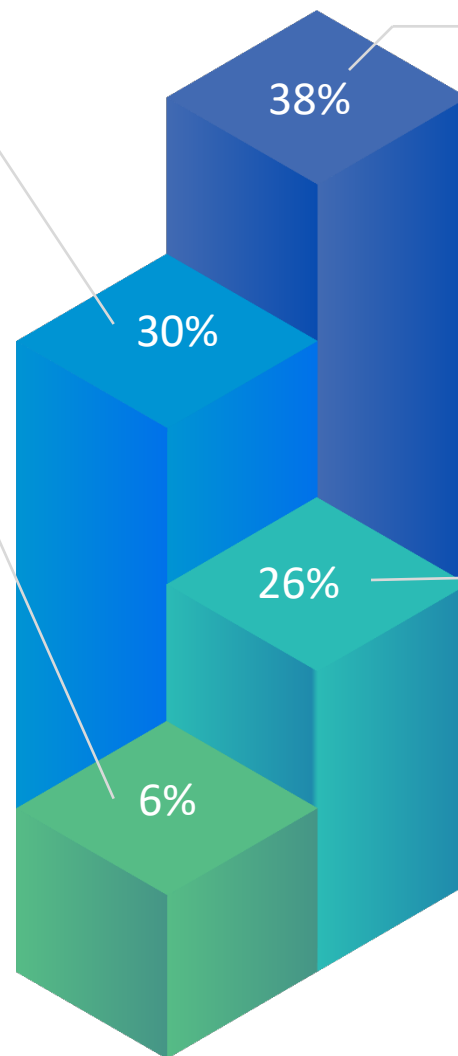
Ammonolysis

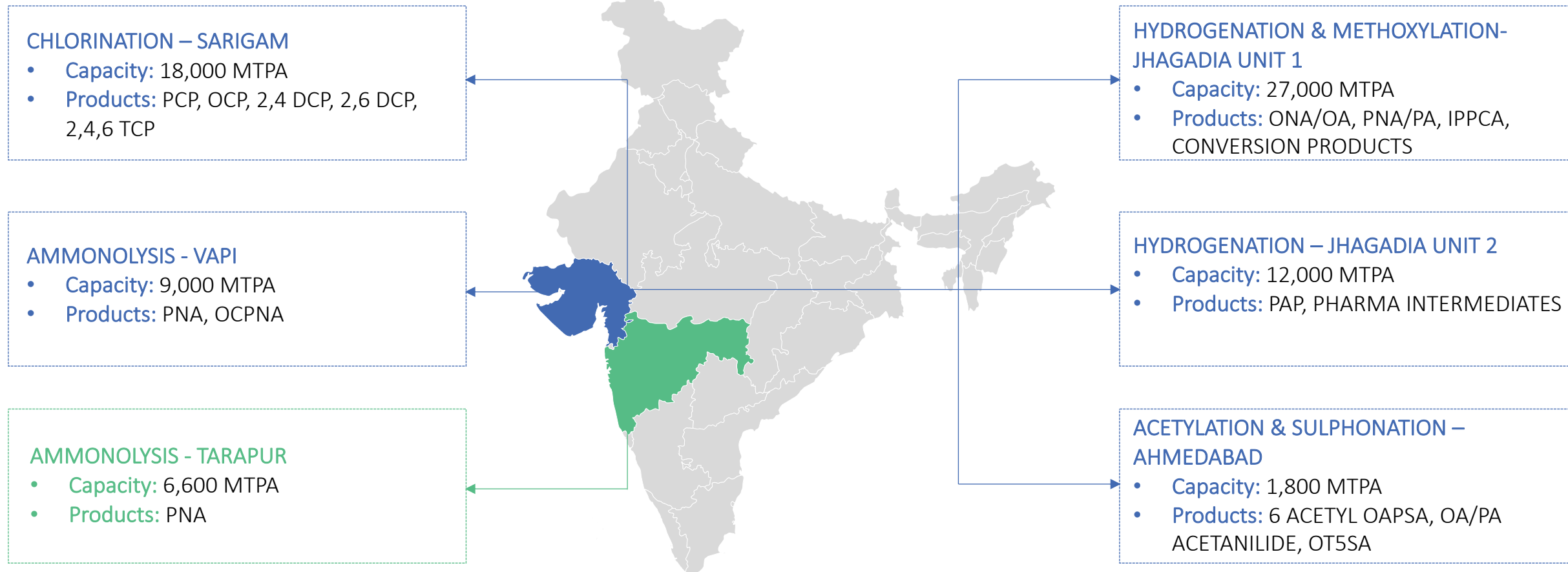
Key Products:

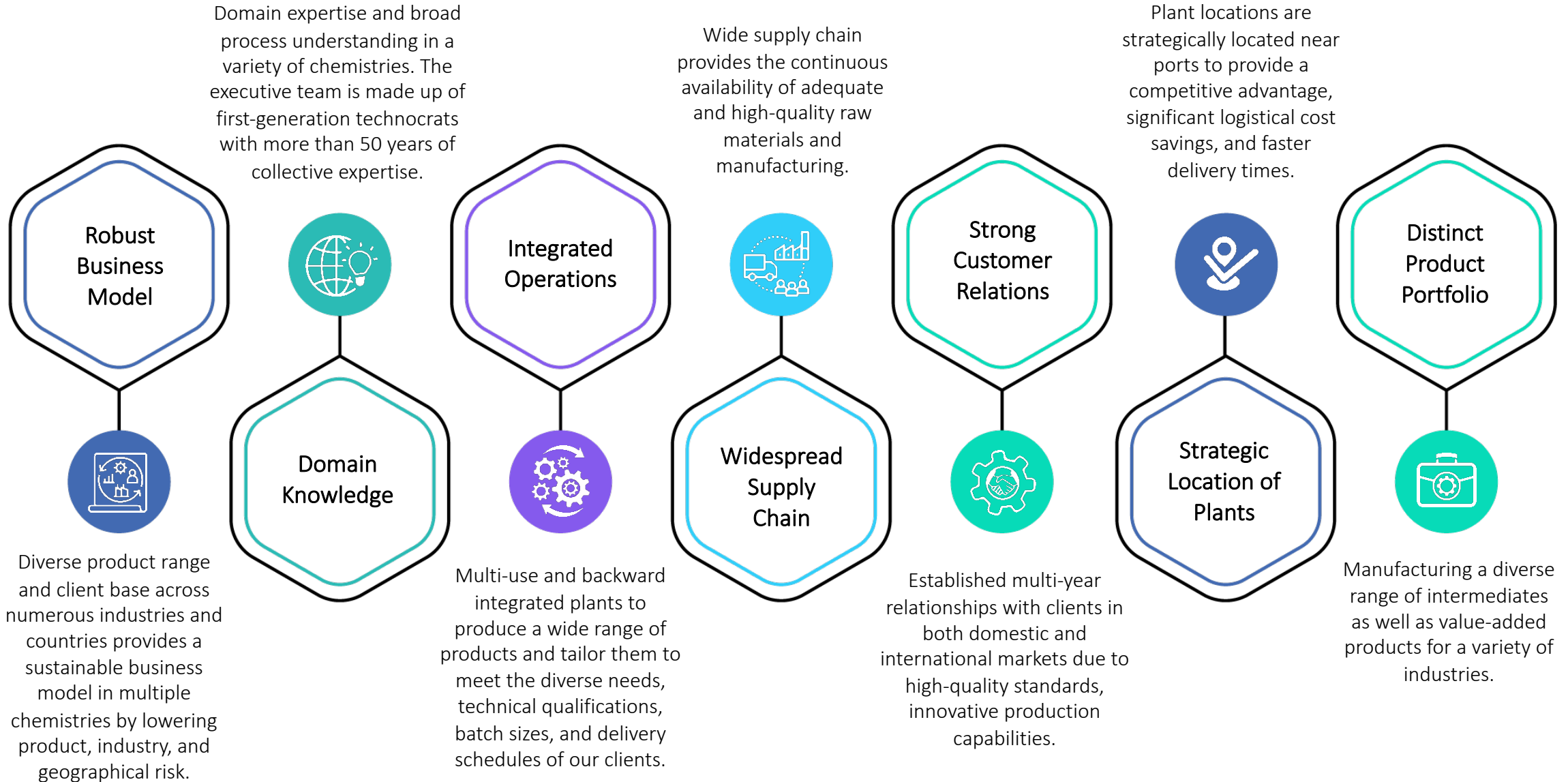
- Para Nitro Aniline
- Ortho Chloro Para Nitro Aniline

Industries Served:

- Dyes
- Pigments





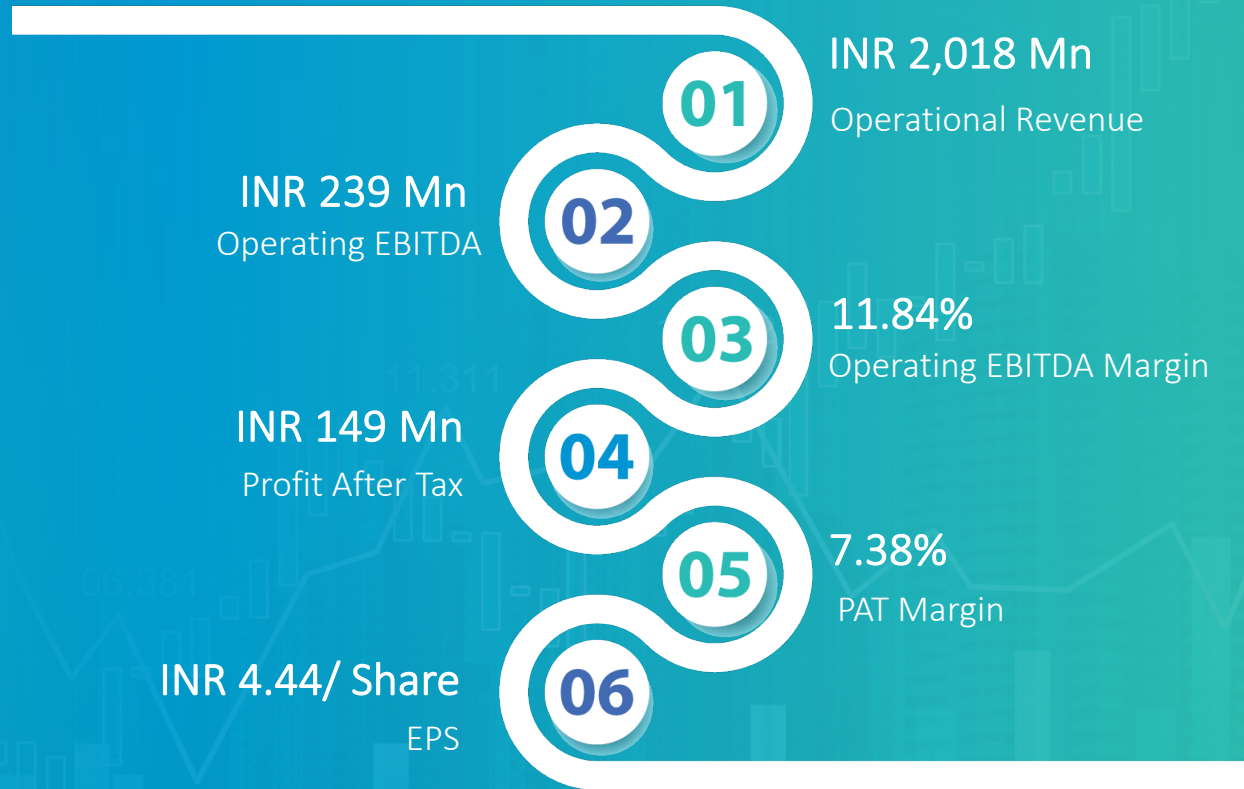


| Product | Project Status | Remarks |
|--------------------------|---|---|
| Commissioned | | |
| Para Amino Phenol (PAP) | Completed in Q4 FY'21 | <ul style="list-style-type: none"> • Currently, limited availability domestically and mostly imported • Ramp up in the production ongoing to achieve the target by the end of FY'24 |
| Pharma Intermediates | Completed in Q4 FY'23 | <ul style="list-style-type: none"> • Multi-purpose plant for forward integration within Group Company • Manufactures N-1, N-2 raw materials for API products • Product identification and streamlining ongoing for ramp up in producton |
| Ongoing Projects | | |
| Ortho Amino Phenol (OAP) | Expected to commence by end of Q2-FY'24 | <ul style="list-style-type: none"> • Currently, entirely imported in India • Part of the production will be utilized as forward integration for one of company's existing products • Trial run successful however, further improvement is still required |



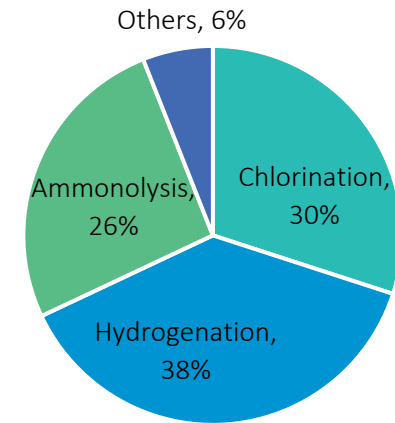
Q1-FY24 HIGHLIGHTS

Q1-FY24 CONSOLIDATED FINANCIAL HIGHLIGHTS

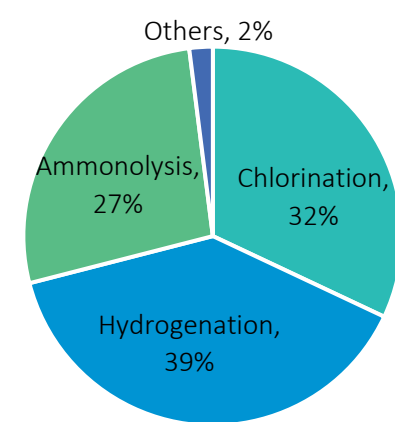


- Q1-FY24 was a subdued quarter owing to poor market conditions as a result of China opening up significantly, and continued inventory destocking and overall on-going geopolitical issues
- While dyes & pigments continued to remain slow, a new slowdown experienced in agrochemicals which impacted the financials further. Low demand and Chinese oversupply resulted in significant price corrections.
- On a standalone basis, margins squeezed from the previous quarter; however, gross margins improved on YoY basis from 30.30% in Q1-FY23 to 35.49% in Q1-FY24, while EBITDA & PAT margins remained similar to Q1-FY23 at 11.47% & 5.87% respectively.
- The company commercialized the renewable power plant for captive purposes. It is a 2.2MW wind power plant which will result in benefits of reduced power costs from Q2-FY24 onwards.

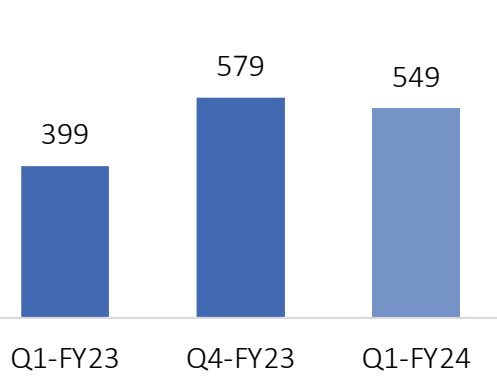
Q1-FY24 Revenue Break-up – Chemistries



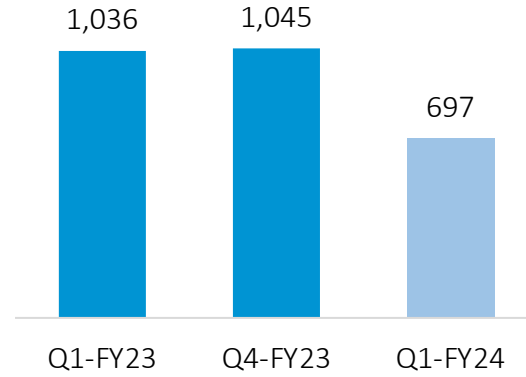
Q1-FY24 Volume Break-up – Chemistries



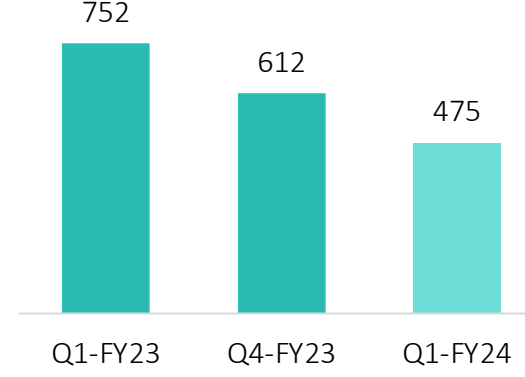
Chlorination (INR Mn)



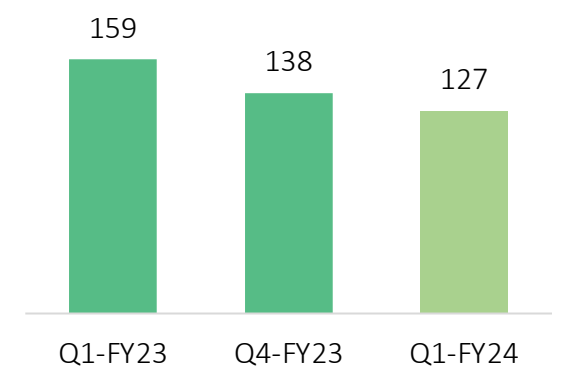
Hydrogenation (INR Mn)



Ammonolysis (INR Mn)

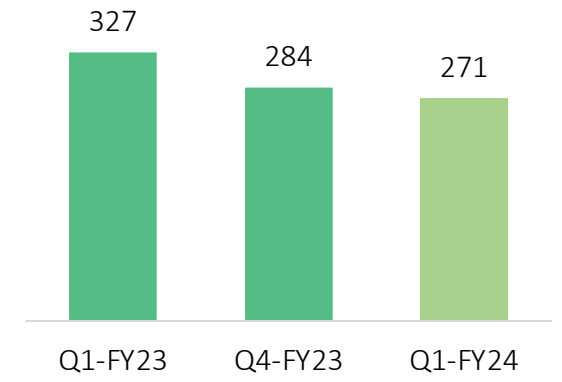
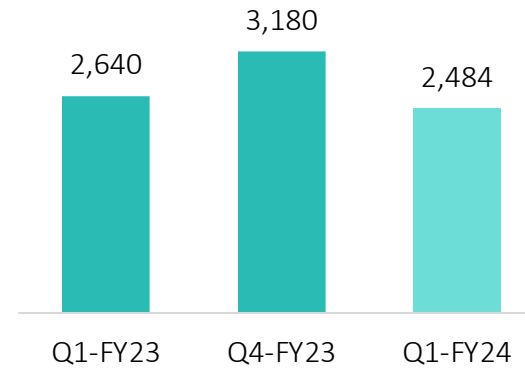
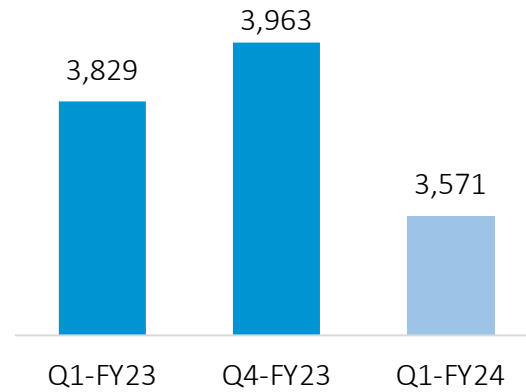
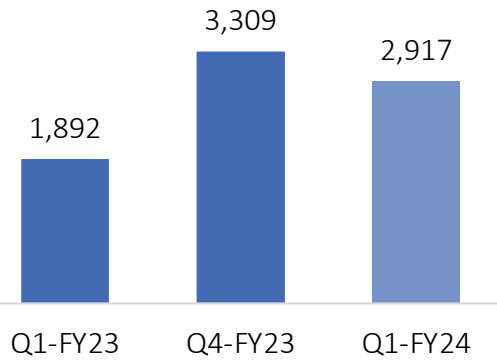


Others (INR Mn)



REVENUES

SALES VOLUMES (MT)



Quarterly Consolidated Financial Performance

| Particulars (INR Mn) | Q1-FY24 | Q1-FY23 | Y-o-Y | Q4-FY23 | Q-o-Q |
|--------------------------------------|---------------|---------------|-----------------|---------------|------------------|
| Revenue from Operations | 2,018 | 2,660 | (24.1)% | 2,714 | (25.6)% |
| Total Expenses | 1,779 | 2,341 | (24.0)% | 2,191 | (18.8)% |
| EBITDA | 239 | 319 | (25.1)% | 523 | (54.3)% |
| <i>EBITDA Margins (%)</i> | <i>11.84%</i> | <i>11.99%</i> | <i>(15) Bps</i> | <i>19.27%</i> | <i>(743) Bps</i> |
| Other Income | 32 | 19 | 68.4% | 28 | 14.3% |
| Depreciation | 87 | 68 | 27.9% | 80 | 8.8% |
| Finance Cost | 43 | 27 | 59.3% | 30 | 43.3% |
| PBT (Incl. Exceptional Items) | 141 | 243 | (42.0)% | 441 | (68.0)% |
| Exceptional Items | 57 | - | NA | - | NA |
| PBT | 198 | 243 | (18.5)% | 441 | (55.1)% |
| Tax | 49 | 74 | (33.8)% | 101 | (51.5)% |
| PAT | 149 | 169 | (11.8)% | 340 | (56.2)% |
| <i>PAT Margins (%)</i> | <i>7.38%</i> | <i>6.35%</i> | <i>103 Bps</i> | <i>12.53%</i> | <i>(515) Bps</i> |
| Other Comprehensive Income | 1 | (5) | NA | (2) | NA |
| Total Comprehensive Income | 150 | 164 | (8.5)% | 338 | (55.6)% |
| Basic/Diluted EPS (INR) | 4.44 | 5.52 | (19.6)% | 10.64 | (58.3)% |

Quarterly Standalone Financial Performance

| Particulars (INR Mn) | Q1-FY24 | Q1-FY23 | Y-o-Y | Q4-FY23 | Q-o-Q |
|--------------------------------------|---------------|---------------|----------------|---------------|------------------|
| Revenue from Operations | 1,766 | 2,346 | (24.7)% | 2,272 | (22.3)% |
| Total Expenses | 1,563 | 2,085 | (25.0)% | 1,831 | (14.6)% |
| EBITDA | 203 | 261 | (22.2)% | 441 | (53.9)% |
| <i>EBITDA Margins (%)</i> | <i>11.49%</i> | <i>11.13%</i> | <i>36 Bps</i> | <i>19.41%</i> | <i>(792) Bps</i> |
| Other Income | 2 | 12 | (83.3)% | 6 | (66.7)% |
| Depreciation | 82 | 64 | 28.1% | 75 | 9.3% |
| Finance Cost | 43 | 27 | 59.3% | 29 | 48.3% |
| PBT (Incl. Exceptional Items) | 80 | 182 | (56.0)% | 343 | (76.7)% |
| Exceptional Items | 57 | - | NA | - | NA |
| PBT | 137 | 182 | (24.7)% | 343 | (60.1)% |
| Tax | 33 | 44 | (25.0)% | 81 | (59.3)% |
| PAT | 104 | 138 | (24.6)% | 262 | (60.3)% |
| <i>PAT Margins (%)</i> | <i>5.89%</i> | <i>5.88%</i> | <i>1 Bps</i> | <i>11.53%</i> | <i>(564) Bps</i> |
| Other Comprehensive Income | - | (7) | NA | (2) | NA |
| Total Comprehensive Income | 104 | 131 | (20.6)% | 260 | (60.0)% |
| Basic/Diluted EPS (INR) | 3.70 | 4.93 | (24.9)% | 9.36 | (60.5)% |



HISTORICAL FINANCIAL OVERVIEW

Historical Consolidated Income Statement

| Particulars (INR Mn) | FY21 | FY22 | FY23 | Q1-FY24 |
|--------------------------------------|---------------|---------------|---------------|---------------|
| Operational Income | 7,548 | 11,533 | 10,518 | 2,018 |
| Total Expenses | 5,496 | 9,484 | 8,875 | 1,779 |
| EBITDA | 2,052 | 2,049 | 1,643 | 239 |
| <i>EBITDA Margins (%)</i> | <i>27.19%</i> | <i>17.77%</i> | <i>15.62%</i> | <i>11.84%</i> |
| Other Income | 59 | 74 | 80 | 32 |
| Depreciation | 212 | 296 | 292 | 87 |
| Finance Cost | 50 | 65 | 108 | 43 |
| PBT | 1,849 | 1,762 | 1,323 | 141 |
| Exceptional Items | - | - | 49 | 57 |
| PBT (Incl. Exceptional Items) | 1,849 | 1,762 | 1,372 | 198 |
| Tax | 540 | 483 | 346 | 49 |
| Profit After Tax | 1,309 | 1,279 | 1,026 | 149 |
| <i>PAT Margins (%)</i> | <i>17.34%</i> | <i>11.09%</i> | <i>9.75%</i> | <i>7.38%</i> |
| Other Comprehensive Income | 69 | 6 | 1 | 1 |
| Total Comprehensive Income | 1,378 | 1,285 | 1,027 | 150 |
| Diluted EPS (INR per share) | 40.97 | 40.51 | 31.5 | 4.44 |

*FY21 onward figures as per Ind AS

Consolidated Balance Sheet

| Particulars (INR Mn) | FY21 | FY22 | FY23 |
|---|--------------|---------------|---------------|
| EQUITY | 5,086 | 6,489 | 7,401 |
| a) Equity Share Capital | 272 | 272 | 272 |
| b) Other Equity | 4,747 | 5,856 | 6,616 |
| c) Optionally Convertible Preference Shares | 4 | 4 | 4 |
| d) Non Controlling Interest | 63 | 357 | 509 |
| LIABILITIES | | | |
| Non-Current Liabilities | 971 | 1,340 | 1,064 |
| Financial Liabilities | | | |
| a) Borrowings | 751 | 1,058 | 706 |
| b) Lease Liabilities | 2 | 5 | 11 |
| c) Provisions | 15 | 11 | 15 |
| d) Deferred Tax Liabilities (Net) | 203 | 266 | 332 |
| Current Liabilities | 2,706 | 4,092 | 3,927 |
| a) Financial Liabilities | | | |
| (i) Borrowings | 1,330 | 2,568 | 2,018 |
| (ii) Trade Payables | 1,072 | 1,312 | 1,656 |
| (iii) Other Financial Liabilities | 253 | 161 | 200 |
| (iv) Lease Liabilities | 4 | 3 | 2 |
| b) Other Current Liabilities | 21 | 24 | 21 |
| c) Provisions | 26 | 24 | 30 |
| GRAND TOTAL - EQUITIES & LIABILITIES | 8,763 | 11,921 | 12,392 |

| Particulars (INR Mn) | FY21 | FY22 | FY23 |
|----------------------------------|--------------|---------------|---------------|
| Non-Current Assets | 5,731 | 6,652 | 7,682 |
| a) Property, Plant and Equipment | 4,967 | 5,303 | 6,565 |
| c) Right-Of-Use Assets | 6 | 8 | 12 |
| b) Capital Work In Progress | 459 | 1,116 | 709 |
| d) Other Intangible Assets | - | - | 2 |
| e) Goodwill on Consolidation | 123 | 123 | 123 |
| f) Financial Assets | | | |
| (i) Investments | 23 | 33 | 37 |
| (ii) Loans | 59 | 58 | 68 |
| (iii) Other Financial Assets | - | - | - |
| g) Other Non-Current assets | 94 | 11 | 166 |
| Current Assets | 3,032 | 5,269 | 4,710 |
| a) Inventories | 722 | 1,136 | 1,262 |
| b) Financial Assets | | | |
| (i) Investments | 40 | 46 | 375 |
| (ii) Trade Receivables | 1,568 | 3,209 | 2,543 |
| (iii) Cash and Cash Equivalents | 128 | 250 | 78 |
| (iv) Other Bank balances | 182 | 203 | 4 |
| (v) Loans | 5 | 5 | 8 |
| (vi) Other financial assets | 2 | 11 | 36 |
| c) Other Current Assets | 363 | 300 | 308 |
| d) Current Tax Assets (Net) | 22 | 109 | 96 |
| GRAND TOTAL – ASSETS | 8,763 | 11,921 | 12,392 |

Historical Standalone Income Statement

| Particulars (INR Mn) | FY21 | FY22 | FY23 | Q1 FY24 |
|--------------------------------------|---------------|---------------|---------------|---------------|
| Revenue from Operations | 5,742 | 9,484 | 9,116 | 1,766 |
| Total Expenses | 4,170 | 7,811 | 7,817 | 1,563 |
| EBITDA | 1,572 | 1,673 | 1,299 | 203 |
| <i>EBITDA Margins (%)</i> | <i>27.38%</i> | <i>17.64%</i> | <i>14.25%</i> | <i>11.49%</i> |
| Other Income | 169 | 33 | 29 | 2 |
| Depreciation | 186 | 273 | 276 | 82 |
| Finance Cost | 35 | 64 | 105 | 43 |
| PBT | 1,520 | 1,369 | 947 | 80 |
| Exceptional Items | - | - | 49 | 57 |
| PBT (Incl. Exceptional Items) | 1,520 | 1,369 | 996 | 137 |
| Tax | 374 | 340 | 240 | 33 |
| Profit After Tax | 1,146 | 1,029 | 756 | 104 |
| <i>PAT Margins (%)</i> | <i>19.96%</i> | <i>10.85%</i> | <i>8.29%</i> | <i>5.89%</i> |
| Other Comprehensive Income | 69 | 8 | (11) | - |
| Total Comprehensive Income | 1,215 | 1,037 | 745 | 104 |
| Diluted EPS (INR per share) | 40.98 | 36.81 | 27.02 | 3.70 |

*FY21 onward figures as per Ind AS

Standalone Balance Sheet

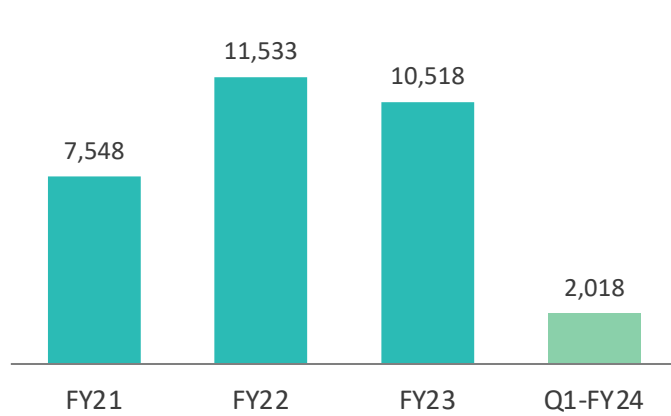
| Particulars (INR Mn) | FY21 | FY22 | FY23 |
|--|--------------|---------------|---------------|
| EQUITY | 5,023 | 6,031 | 6,661 |
| a) Equity Share Capital | 272 | 272 | 272 |
| b) Other Equity | 4,747 | 5,755 | 6,385 |
| c) Optionally Convertible Preference Shares | 4 | 4 | 4 |
| LIABILITIES | | | |
| Non-Current Liabilities | 962 | 1,215 | 932 |
| Financial Liabilities | | | |
| a) Borrowings | 748 | 940 | 589 |
| b) Lease Liabilities | 2 | 2 | 2 |
| c) Provisions | 15 | 10 | 15 |
| d) Deferred Tax Liabilities (Net) | 197 | 263 | 326 |
| e) Other Non-Current Liabilities | - | - | - |
| Current Liabilities | 2,071 | 3,583 | 3,465 |
| a) Financial Liabilities | | | |
| (i) Borrowings | 736 | 2,110 | 1,602 |
| (ii) Trade Payables | 1,042 | 1,271 | 1,643 |
| (iii) Other Financial Liabilities | 244 | 154 | 179 |
| (iv) Lease Liabilities | 3 | 2 | 2 |
| b) Other Current Liabilities | 20 | 22 | 11 |
| c) Provisions | 26 | 24 | 28 |
| d) Current Tax Liabilities (Net) | - | - | - |
| GRAND TOTAL - EQUITIES & LIABILITES | 8,056 | 10,829 | 11,058 |

*FY21 onward figures as per Ind AS

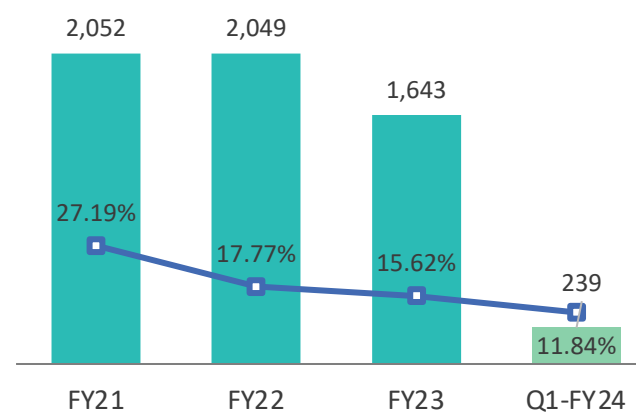
| Particulars (INR Mn) | FY21 | FY22 | FY23 |
|----------------------------------|--------------|---------------|---------------|
| Non-Current Assets | 5,798 | 6,787 | 7,424 |
| a) Property, Plant and Equipment | 4,771 | 5,085 | 6,092 |
| b) Right-Of-Use Assets | 4 | 4 | 4 |
| c) Capital Work In Progress | 459 | 1,102 | 702 |
| d) Other Intangible Assets | - | - | 2 |
| e) Financial Assets | | | |
| (i) Investments in Subsidiaries | 395 | 501 | 489 |
| (ii) Other Investments | 24 | 32 | 37 |
| (iii) Loans | 52 | 52 | 55 |
| f) Other Non-Current assets | 93 | 11 | 43 |
| Current Assets | 2,258 | 4,042 | 3,634 |
| a) Inventories | 660 | 973 | 1,137 |
| b) Financial Assets | | | |
| (i) Investments | 1 | 1 | 2 |
| (ii) Trade Receivables | 1,166 | 2,532 | 2,118 |
| (iii) Cash and Cash Equivalents | 86 | 230 | 63 |
| (iv) Other Bank balances | 32 | 3 | 3 |
| (v) Loans | 5 | 5 | 7 |
| (vi) Other financial assets | 2 | 3 | 29 |
| c) Other Current Assets | 257 | 217 | 198 |
| d) Current Tax Assets (Net) | 49 | 78 | 77 |
| GRAND TOTAL – ASSETS | 8,056 | 10,829 | 11,058 |

Consolidated Financial Highlights

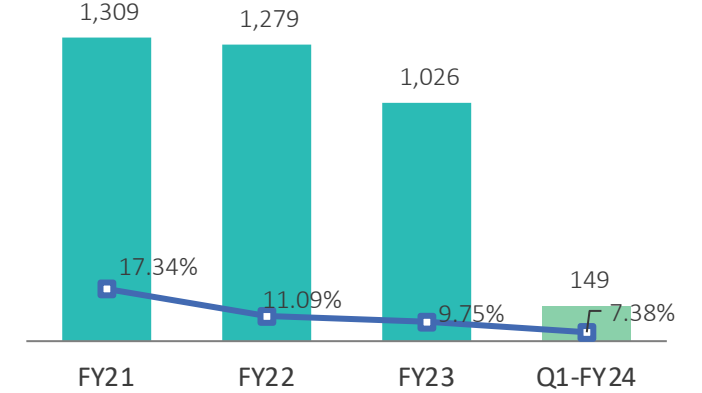
Operational Revenue (INR Mn)



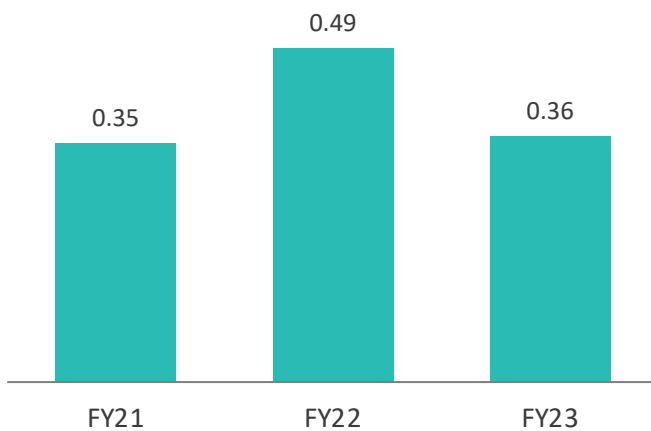
EBITDA (INR Mn) & EBITDA Margins (%)



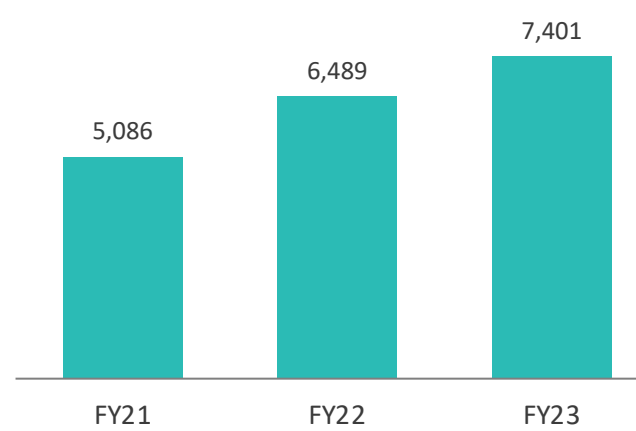
PAT (INR Mn) & PAT Margins (%)



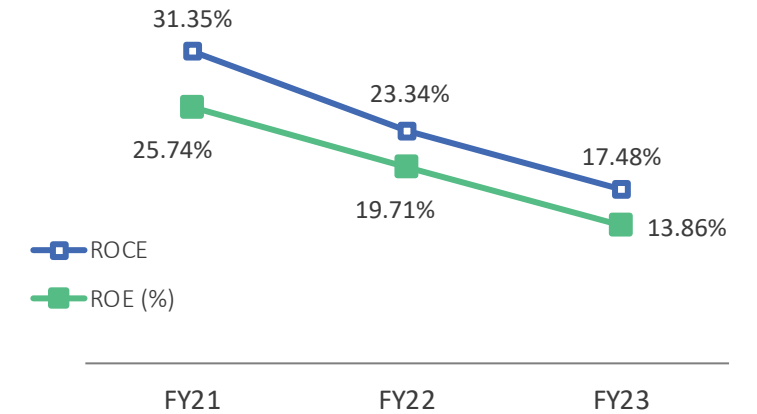
Net Debt to Equity (x)



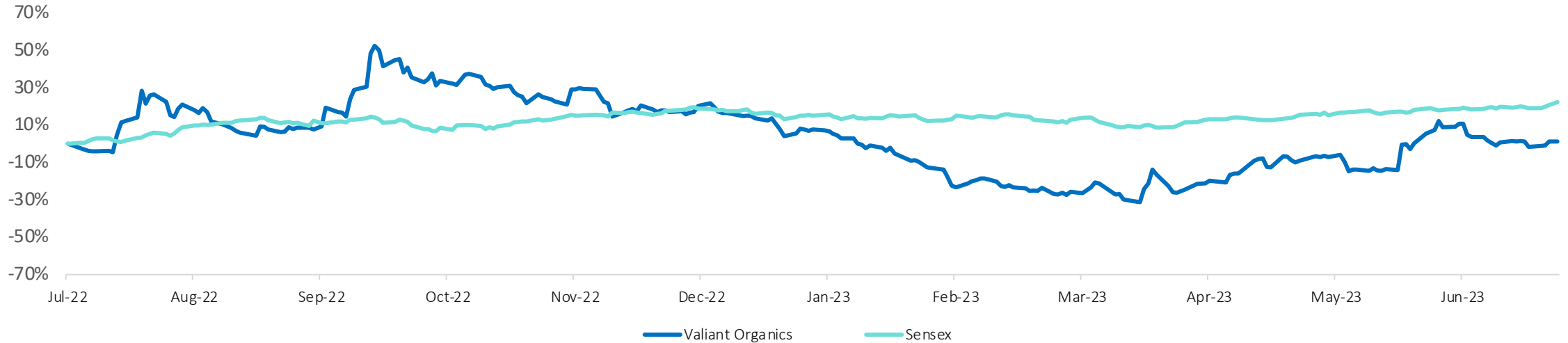
Net Worth (INR Mn)



Return on Capital Employed & Return on Equity (%)

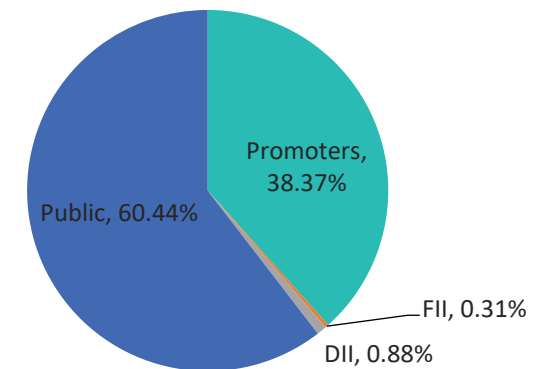


Share Price up to 30th June, 2023



| Price Data (As on 30 th June, 2023) | INR |
|--|---------------|
| Face Value | 10.00 |
| Market Price | 559.4 |
| 52 Week H/L | 869.0 / 366.2 |
| Market Cap (Mn) | 15,189.66 |
| Equity Shares Outstanding (Mn) | 27.15 |
| 1 Year Avg Trading Volume ('000) | 150.26 |

Shareholding pattern (As on 30st June, 2023)



Valiant Organics Limited

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THANK YOU