

## *Oriental Aromatics Ltd.*

## Oriental Aromatics Limited

### COMPANY BACKGROUND.....

- The Fragrance and Flavours business of Oriental Aromatics was founded by Mr. Keshavlal Bodani in 1955 and has been nurtured and handed down to three generations of the Bodani family.
- In August 2008, Oriental Aromatics' promoters acquired a controlling stake of 57.66% in the listed entity of Camphor & Allied Products Ltd.(CAPL), a key supplier of Camphor and other specialty aroma chemicals.
- In April, 2017, Oriental Aromatics was fully amalgamated into the listed entity and thereafter, the name of CAPL was changed to Oriental Aromatics Limited (OAL).
- OAL is one of the largest manufacturers of variety of specialty aroma chemicals, and camphor, applications in a wide array of industries ranging from like Cosmetics, Soaps, Pharmaceuticals and many more.
- OAL has evolved into a one stop solution provider to the flavour and fragrance industry.

### BUSINESS MIX .....

- Aroma Chemicals & Camphor:** OAL has the ability to manufacture aroma ingredients from bulk to specialty grade at its manufacturing facility in Bareilly and Vadodara. OAL is one of the prominent manufacturers of Camphor in India. It is primarily used in India for religious purposes, but also finds usage in fragrances, cooking, and pharmaceutical industry.
- Fragrance & Flavour:** OAL delivers innovative fragrance & flavour formulations to a wide set of customers. The Company continually strives to find the best balance between creativity and functional needs to develop fragrances with the highest acceptance and the best release performance in the final product.

### KEY STRENGTHS.....

- One of the privileged few integrated manufacturers of fragrances and flavours and specialty aroma chemicals globally.
- Diversified Client base of Large FMCG players and Global F&F Players
- 6 decades of experience in Aroma Chemicals and 7 decades of experience in Fragrances and Flavours
- Pioneer in the field of Terpene Chemistry in India
- Strong Raw Material sourcing capability
- Integrated and fully automated DCS controlled chemical manufacturing facilities

### FINANCIAL HIGHLIGHTS (Consolidated).....

(INR Mn)	Op. Income	EBITDA	EBITDA%	PAT	PAT%	EPS
FY22	8,688	925	10.65%	533	6.13%	15.84
FY23	8,491	542	6.38%	197	2.32%	5.87
FY24	8,364	470	5.62%	91	1.09%	2.71
Q1-FY25	2,158	222	10.29%	110	5.10%	3.26

#### Key Data

BSE Code	500078
NSE Code	OAL
Reuters	OIEN.BO
Bloomberg	OAL:IN

#### Market Data (INR) as on 30<sup>th</sup> June, 2024

Face Value	5.0
CMP	384.00
52 Week H/L	502.00/296.65
MCAP (Mn)	12,922.97
Shares O/S (Mn)	33.65
1 Yr Avg. Vol. ('000)	41.77

#### Performance as on 30<sup>th</sup> June, 2024

	3M	6M	12M
OAL	28.2%	(4.7%)	12.9%
SENSEX	6.8%	9.4%	21.9%
BSE MIDCAP	16.4%	24.7%	60.0%

#### Shareholding Pattern as on 30<sup>th</sup> June, 2024

Promoters	74.17%
Public	25.83%

## BUSINESS SEGMENTS.....

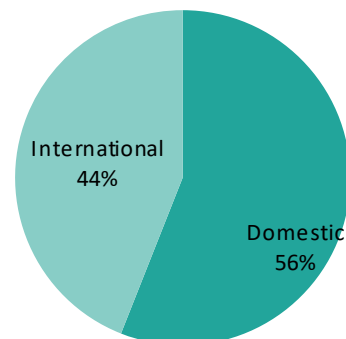
### Aroma Chemicals & Camphor:

- Ranging from Pinene derivatives, to Petrochem derivatives, and even musk and sandalwood derivatives, OAL delivers quality aroma chemicals to clients across the world. 75% of the annual production is exported all over the world to global majors like IFF, Givaudan, Symrise etc.
- One of the few manufacturers who can use turpentine oil that has been derived from all sources in the world.
- OAL has had a longstanding relationship to supply a broad spectrum of aroma chemicals that are used in flavours and fragrances and established the first synthetic Camphor plant in India backed by technology from Dupont.

### Fragrance & Flavors:

- OAL delivers innovative fragrance formulations to a wide set of customers. The Company continually strives to find the best balance between creativity and functional needs to develop fragrances with the highest acceptance and the best release performance in the final product.
- In terms of flavour compounds, OAL manufactures customized blends to give a food product a unique flavour and to maintain flavour consistency between different product batches or after recipe changes.
- The Company has evolved into a one stop solution provider for the flavour and fragrance industry.

**GEOGRAPHICAL SALES – FY24**



## KEY GROWTH DRIVERS.....

- Increased focus on high value– low volume products
- The company has a planned capital expenditure of ~INR 3,500- INR 4,000 Mn for the next 3-5 years.
- Improving mix value added products in product portfolio will drive value and volume growth in coming years.
- One of its kind automated Multi- Purpose plant in India for specialty aroma chemicals.
- Rising backward and forward integration will aid margin and profitability growth.

## PEER COMPARISON (TRAILING 12 MONTHS) INR MN .....

Company (INR Mn)	Op. Income	EBITDA	EBITDA%	Net Profit	PAT%	Mkt. Cap.
OAL	8,565	682	7.96%	261	3.05%	12,923
Privi Speciality	18,075	3,647	20.18%	1,225	6.78%	56,350
Mangalam Organics	5,026	407	8.10%	57	1.13%	3,059
S. H. Kelkar	19,548	3,148	16.10%	99	0.51%	25,642
Kanchi Karpooram	1,562	96	6.15%	61	3.91%	2,017

## INCOME STATEMENT (CONSOLIDATED) .....

INCOME STATEMENT (MN)	FY22	FY23	FY24	Q1-FY25
<b>Total Operational Income</b>	<b>8,688</b>	<b>8,491</b>	<b>8,364</b>	<b>2,158</b>
Total Expenses	7,763	7,949	7,894	1,936
<b>EBITDA</b>	<b>925</b>	<b>542</b>	<b>470</b>	<b>222</b>
<b>EBITDA Margins (%)</b>	<b>10.65%</b>	<b>6.38%</b>	<b>5.62%</b>	<b>10.29%</b>
Other Income	44	57	73	17
Depreciation	170	194	198	49
Finance Cost	40	130	204	41
<b>PBT</b>	<b>759</b>	<b>275</b>	<b>141</b>	<b>149</b>
Tax	226	78	50	39
<b>Profit After Tax</b>	<b>533</b>	<b>197</b>	<b>91</b>	<b>110</b>
<b>PAT Margins (%)</b>	<b>6.13%</b>	<b>2.32%</b>	<b>1.09%</b>	<b>5.10%</b>
EPS (After Exceptional Items)	15.84	5.87	2.71	3.26

## BALANCE SHEET (CONSOLIDATED) .....

LIABILITIES (INR MN)	FY22	FY23	FY24	ASSETS (INR MN)	FY22	FY23	FY24
<b>Shareholders Fund</b>				<b>Assets</b>			
Share Capital	168	168	168	<b>Non-Current Assets</b>			
Other Equity	5,884	6,081	6,155	Property, Plant and Equipment	2,079	2,091	2,070
				Goodwill on Amalgamation	450	450	450
<b>Non-Current Liabilities</b>				Capital WIP	251	524	1,732
Financial Liabilities				Intangible Assets	24	47	50
i) Long-Term Borrowings	450	316	519	Right to use	102	141	133
ii) Other Financial Liabilities	1	17	11	Other Financial Assets	41	68	73
Deferred Tax Liabilities (Net)	269	272	274	Income Tax Assets (Net)	77	103	89
Long-Term Provisions	21	29	41	Other non-Current assets	75	44	67
				<b>Current Assets</b>			
<b>Current Liabilities</b>				Inventories	2,869	3,677	2,772
Financial Liabilities				Financial Assets			
i) Short-Term Borrowings	943	1,972	1,522	i) Trade and other Receivable	1,948	1,900	1,805
ii) Trade Payables	812	869	820	ii) Cash & Cash Equivalents	66	160	106
iii) Other financial Liabilities	41	101	384	iii) Bank Bal other than above	28	14	17
Short-Term Provisions	20	22	23	iv) Other Current Financial Assets	12	7	11
Other Current liabilities	40	18	34	Other Current Assets	627	639	575
				<b>TOTAL ASSETS</b>	<b>8,649</b>	<b>9,865</b>	<b>9,950</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>8,660</b>	<b>9,865</b>	<b>9,950</b>				

## INVESTOR RELATIONS TEAM AT VALOREM ADVISORS .....

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