

Panama Petrochem



**Investor
Presentation
August 2022**



Safe Harbor



The Corporate Presentation (the “Presentation”) is based on management estimates and is being provided to you (herein referred to as the “Recipient”) only for information purposes. The sole purpose of this Presentation is to provide preliminary information on the business activities of the Company, in order to assist the recipient in understanding the Company. This Presentation does not purport to be all inclusive or necessarily include all information that a prospective investor may desire in evaluating the Company. The Company expressly disclaim any and all liability for any errors and/or omissions, representations or warranties, expressed or implied as contained in this document.

This Presentation has been prepared for information purposes relating to this Company only and upon the express understanding that it will be used only for the purposes set forth above. In furnishing this Presentation, the Company do not make any obligation to provide the Recipient with access to any additional information on the Company or its subsidiaries. This Presentation should not be deemed an indication of the state of affairs of the Company nor shall it constitute an indication that there has been no change in the business or state of affairs of the Company since the date of publication of this Presentation.

Any clarifications / queries on the proposal as well as any future communication regarding the Company should be addressed to Panama Petrochem Limited / the Company.

Contents



- Key Business Highlights
- Q1 Financial Update
- Corporate Overview
- Product Overview
- New Product Development
- Capacity Addition
- Environmentally Compliant
- Dividend Policy
- Annual Financial Highlights

Q1 June 2022 Financial Update



| Particulars (Consolidated) Rs. In Crores | June 2022 Q1 | March 2022 Q4 | QOQ Change (%) | June 2021 Q1 | Mar-22 Annual Audited |
|--|--------------------|---------------------|----------------------|--------------------|-----------------------------|
| Total Revenue | 553.01 | 510.92 | 8.2 | 552.33 | 2138.08 |
| Materials Consumed | 397.68 | 398.57 | | 420.60 | 1660.03 |
| Employee Cost | 13.25 | 3.65 | | 11.07 | 24.02 |
| Other Expenses | 54.51 | 36.53 | | 42.94 | 152.31 |
| EBIDTA | 87.57 | 72.17 | 21.3 | 77.72 | 301.72 |
| <i>EBIDTA margin (%)</i> | 15.84 | 14.10 | | 14.07 | 14.10 |
| Depreciation | 2.27 | 2.17 | | 2.05 | 8.40 |
| Finance Cost | 2.18 | 1.30 | | 1.68 | 7.06 |
| Profit Before Tax | 83.12 | 68.70 | | 73.99 | 286.26 |
| Income Tax | 18.54 | 12.48 | | 15.92 | 55.92 |
| Profit After Tax | 64.58 | 56.22 | 14.9 | 58.07 | 230.34 |
| Earning Per Share | 10.67 | 9.29 | | 9.60 | 38.08 |

Company Overview



- Commenced operations in 1982, leading manufacturers & exporters of petroleum based speciality oils.
- More than 80 variant of speciality products used in across industries like inks & resins, textiles, rubber, cosmetics and pharma, power generation, cables etc.
- Four manufacturing plants in India with state of the art technology located at Ankleshwar , Dahej, Daman and Taloja.
- 100 % EOU facility at Taloja
- Wholly owned manufacturing subsidiary “Panol Industries RMC FZE “ at UAE, catering to GCC and MENA region.
- Company exports to more than 70 countries with overseas revenue contributes around 40%
- Consolidated installed capacity of the Company is 2.40 lakhs TPA.
- Listed on BSE & NSE and Luxembourg Stock Exchange
- DSIR approved R&D Centre at Ankleshwar , Gujarat with latest analytical facility

Net Revenue*
Rs. 2138 Crores

EBIDTA
Rs. 302 Crores

Net Profit
Rs. 230 Crores

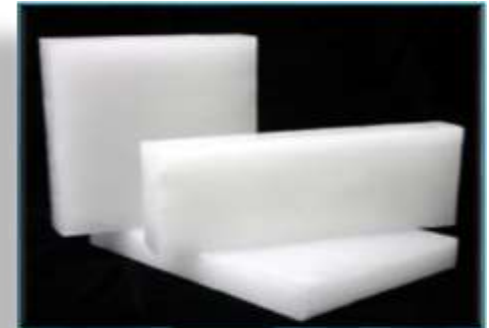
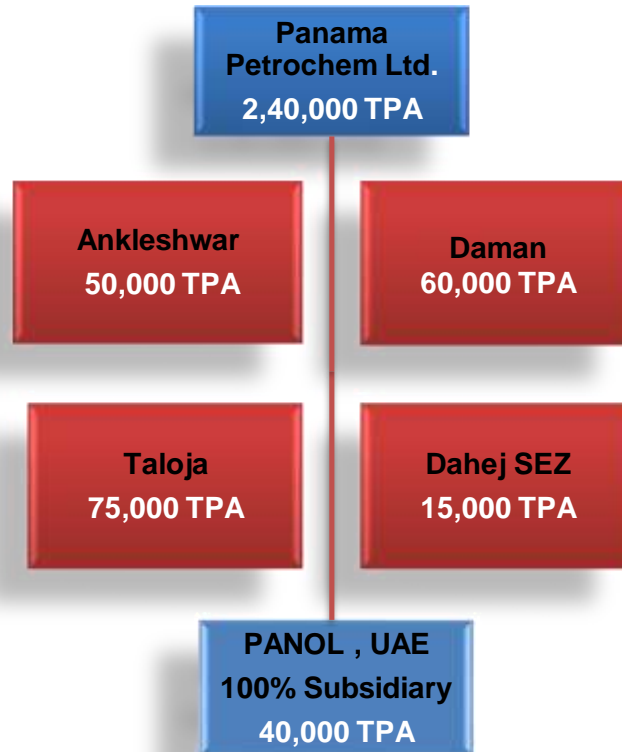
EPS
Rs. 38.08

*YE March 2022 Audited

Company Overview



Manufacturing Units with Installed Capacities



Product Overview



Speciality Products

White Oils

Petroleum Jelly

Transformer Oils

Ink & Coating Oils

**Rubber Process
Oils**

**Knitting Oils &
Antistatic Coning
Oils**

**Industrial Oils &
Lubricants**

Drilling Fluids

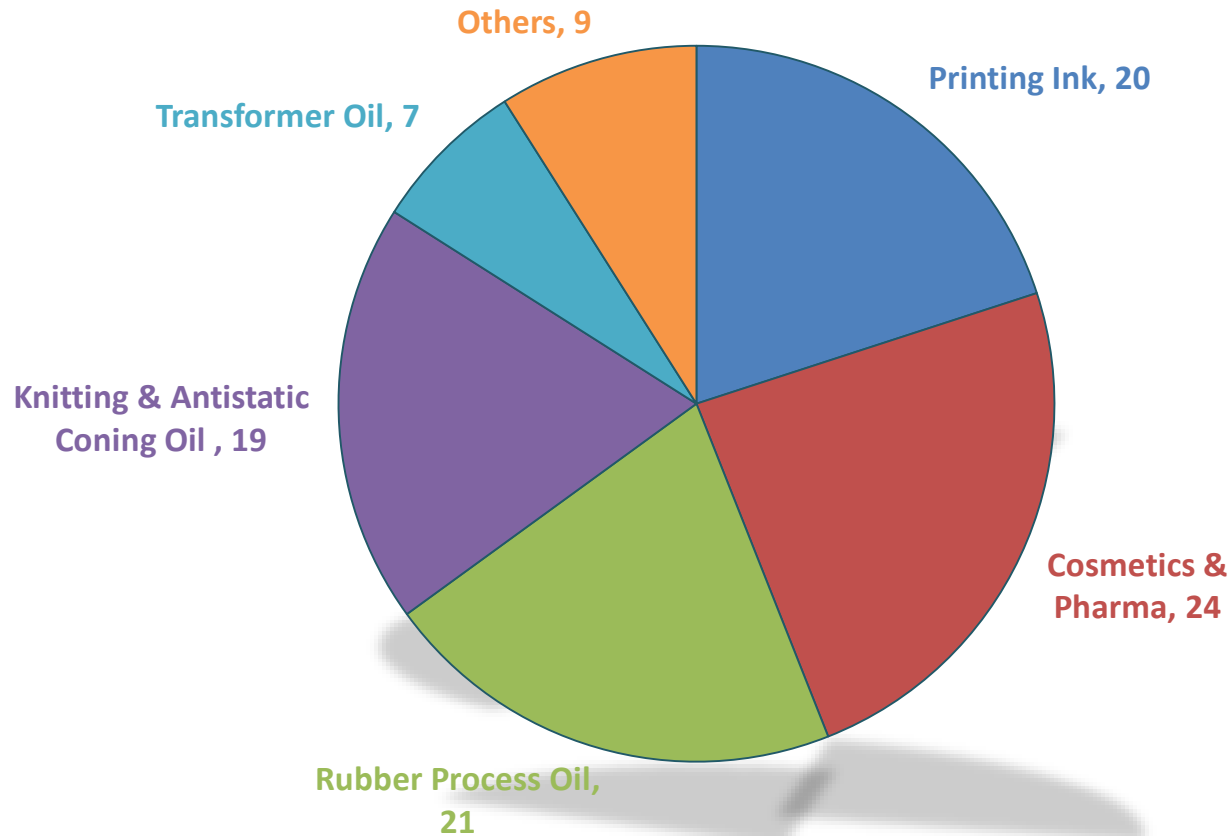
Revenue across Industries



Revenue Mix



SALES (%)



Star Export House



Export Markets (40%)

USA

Latin America

Europe

Middle East

**African Sub-
continent**

South East Asia

Australia

New Products in Pipeline



Aroma Free Distillates for Ink & Coating Industry

Aromatic Free Solvent for Paint Industry

Bio-degradable oils for drilling & Oil Exploration

Aromatic free and non-carcinogenic new generation oils for Rubber Industry such as TDAE & RAE

Capacity Addition



Proposed Capacity Addition by 40% over three years period

Enhanced Capacity to start contributing from FY023

Planned Volume growth for next 4 years.

Proposed Capacity addition to Panol, UAE by 50%

Environmentally Compliant



Company is assigned ISO 14001: 2018

Pioneer in introducing eco friendly products for Ink industries.

Eco Friendly Edge in providing Import Substitute products

First in India to introduce eco friendly drilling fluids for onshore & offshore exploration as certified by NIO.



राष्ट्रीय समुद्र विज्ञान संस्थान
(भारतीय विज्ञान संस्थान अखण्ड) 
national institute of oceanography
(Council of Scientific & Industrial Research)

NIO/TSP-07/2016 (TSP3015)

21/03/2016

TO WHOMSOEVER IT MAY CONCERN

This is to certify that the Synthetic drilling fluid "Pandrill-3" provided by M/s. Panama Petrochem Ltd., Gujarat, India has been approved for use in onshore and offshore oil and gas explorations in India.

CSIR-NIO, Dona Paula Goa, has evaluated the synthetic base drilling fluid "Pandrill-3" for acute toxicity (96h LC50) as per MoEFCC/CPCB/USEPA/OSPAR guidelines. The determined 96h LC50 values for "Pandrill-3" manufactured by M/s. Panama Petrochem Ltd., fell within the acceptance criterion of $>30,000$ mg/L ($>3\%$) specified by MoEFCC/CPCB/USEPA/OSPAR for safe use in the aquatic/marine environment. The details of the tests carried out are given in the Project Report.

The validity of this test is for a period of five years (5 yrs.) from the date of issue of this certificate.

Dr Prabhá Devi

डॉ. प्रभा देवी / Dr. Prabhá Devi
ज्येष्ठ तकनीकी अधिकारी / Senior Technical Officer
जी.एन.ओ.ए. - राष्ट्रीय समुद्र विज्ञान संस्थान
CSIR- National Institute of Oceanography
दोना पाला, गोवा / Dona Paula, Goa-403004
भारत / India

Environmentally Compliant



BIOCHEMICAL INSTITUTE FOR ENVIRONMENTAL CARCINOGENS
Prof. Dr. Gernot Grimmer-Foundation
Lurup 4, D-22927 Grosshansdorf, Germany



TESTREPORT

BIU-Report-No.: PAF2002_EN16143

Customer: Panama Petrochem Ltd.
Mr. Pradip V. Nilam
Vice President (Technical)
Plot 3303, Gido Estate, Ankleshwar, Guj.
393002 Ankleshwar - Gujarat, India

Order from: 18.02.2020

| Sample: | Origin Customer-No. | Sample description | BIU-Sample-No. |
|---------|---------------------|--------------------|------------------|
| | PANCOIL 2800 (RAE) | rubber process oil | PAF2002_EN 16143 |

Analysis of: Determination of polycyclic aromatic hydrocarbons

Sampling: sent by customer

receipt of sample: 24.02.2020

Test method: DIN EN 16143 : 2013

Start of analysis: 28.02.2020

End of analysis: 02.03.2020

Results of analysis: see table 01

Remarks: no

Pioneer in introducing speciality Rubber Process oil with lowest toxicity

BIU certificates for lowest PH content by German Agency

Plan to introduce eco friendly products in Pesticide Industry

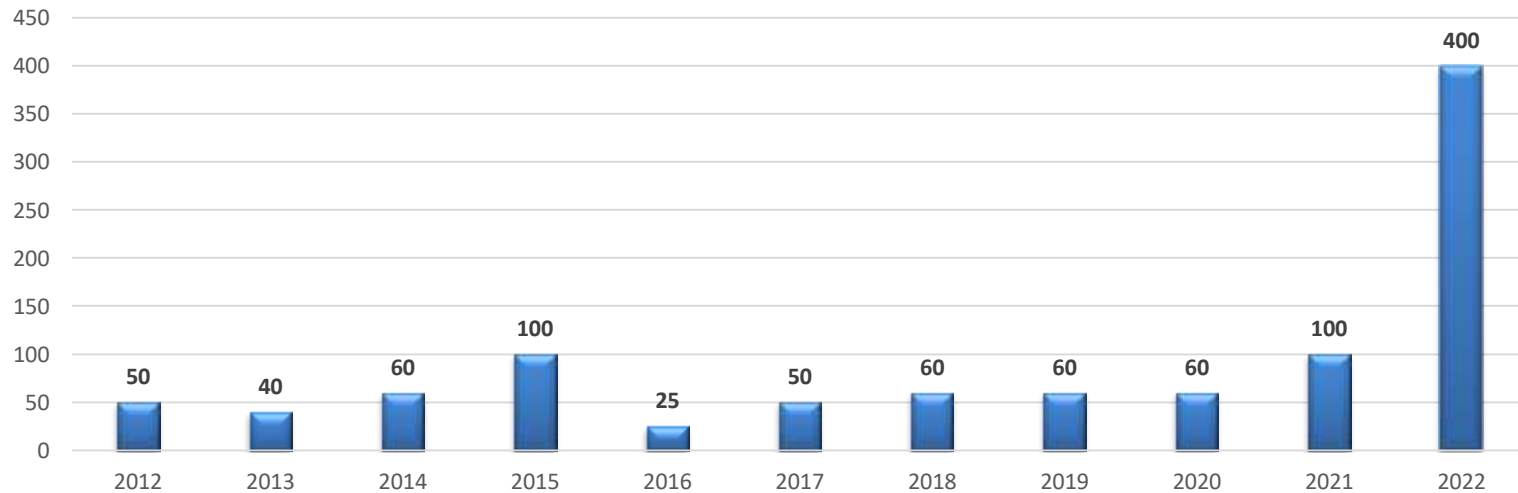
Focused Research & Development towards GREEN technology

Dividend Policy



“The Company stands committed to deliver sustainable value to all its stakeholders and will strive to distribute an appropriate level of profits earned in the form of dividend. “

Equity Dividend (%)

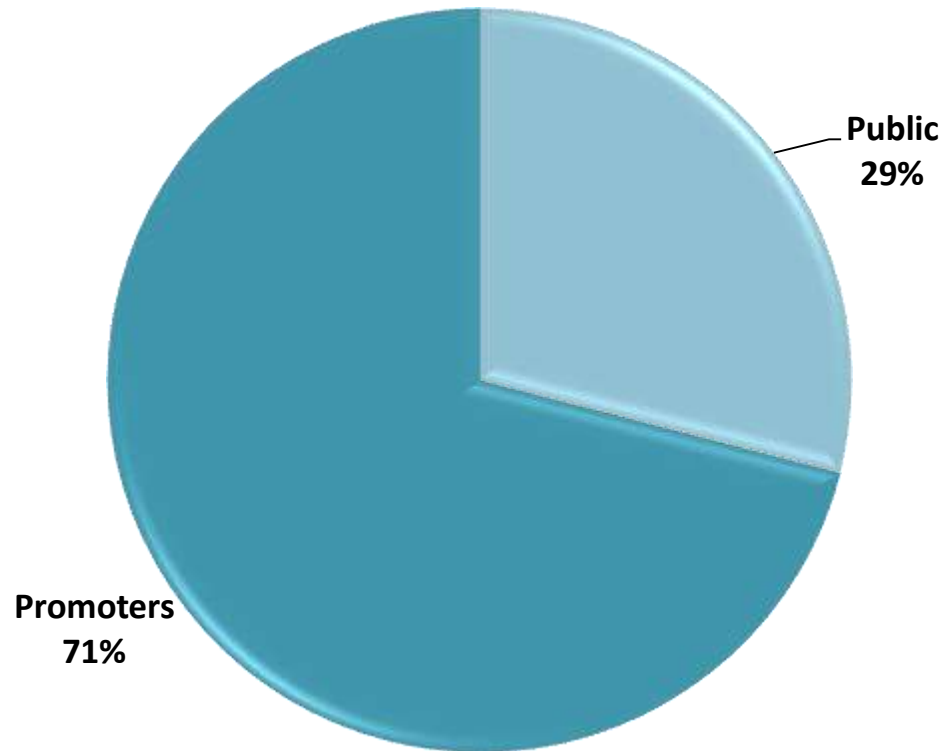


** Detailed Dividend Distribution Policy of the Company is available on Company's website.*

Shareholding Pattern



As on 30th June 2022

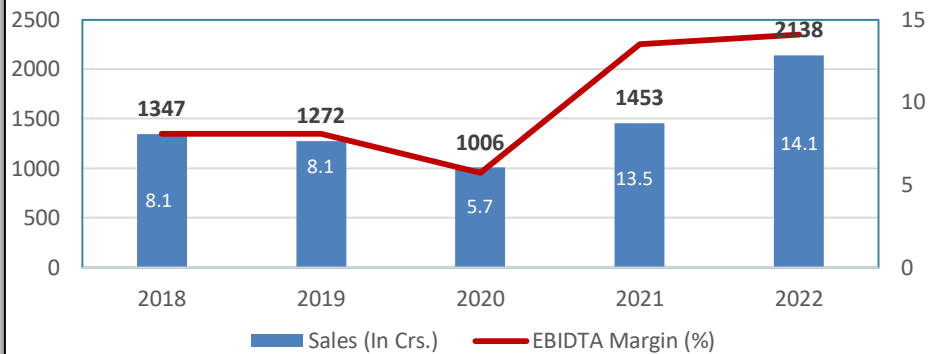


** As per voting capital of the Company.*

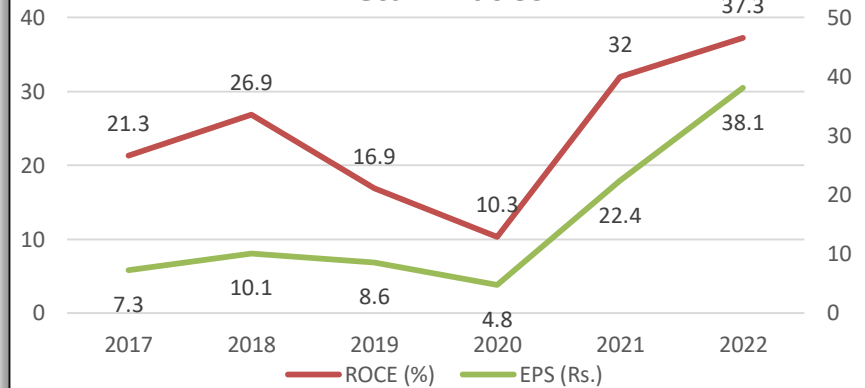
Financial Snapshot



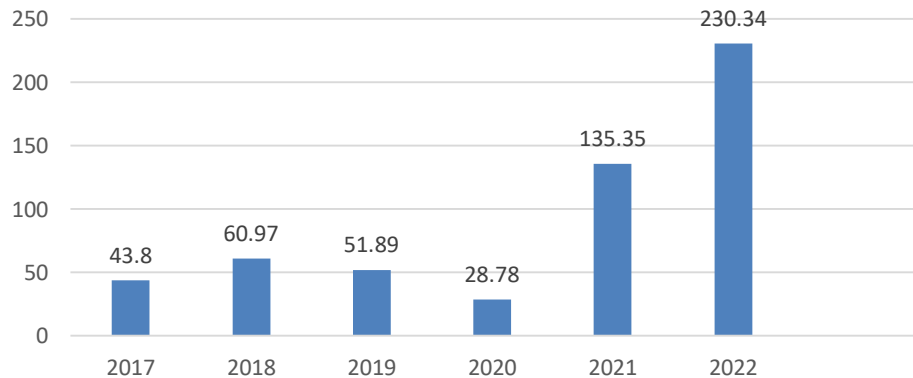
Revenue & Margins



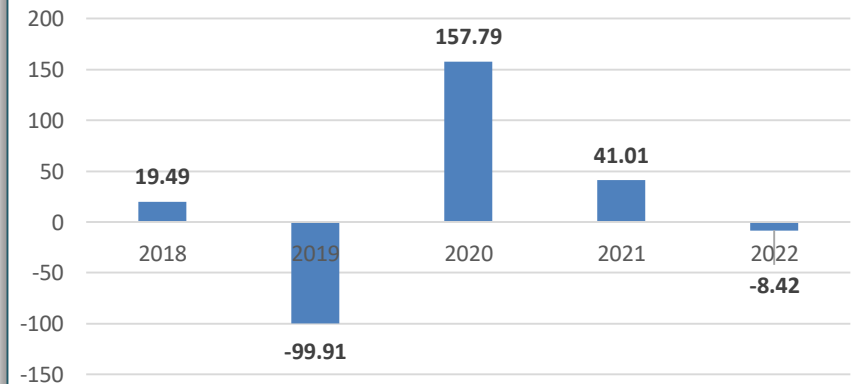
Return Ratios



PAT (Rs. Crs)



Free Cash Flow (Rs. Crs)



Annual Financials - Income



| Particulars (Rs. Crores) | Mar-17 | Mar-18 | Mar-19 | Mar-20 | Mar-21 | Mar-22 |
|--------------------------|---------------|----------------|----------------|----------------|----------------|----------------|
| Revenue | 903.50 | 1347.38 | 1272.05 | 1006.35 | 1452.15 | 2138.08 |
| Expenses | 824.39 | 1238.18 | 1169.42 | 949.51 | 1256.08 | 1836.36 |
| EBIDTA | 79.11 | 109.2 | 102.63 | 56.84 | 196.07 | 301.72 |
| Depreciation | 4.87 | 5.29 | 5.92 | 7.25 | 7.61 | 8.40 |
| PBIT | 74.24 | 103.91 | 96.71 | 49.59 | 188.46 | 293.32 |
| Interest | 8.58 | 13.76 | 25.17 | 17.44 | 8.95 | 7.06 |
| PBT | 65.66 | 90.15 | 71.54 | 32.15 | 179.51 | 286.26 |
| Tax | 21.86 | 29.18 | 19.66 | 3.37 | 44.16 | 55.92 |
| PAT | 43.80 | 60.97 | 51.88 | 28.78 | 135.35 | 230.34 |

Annual Financials – Balance Sheet



| Particulars (Rs. Crores) | Mar-17 | Mar-18 | Mar-19 | Mar-20 | Mar-21 | Mar-22 |
|----------------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Equity Capital | 8.07 | 12.10 | 12.10 | 12.10 | 12.10 | 12.10 |
| Reserves | 304.72 | 359.42 | 401.67 | 420.92 | 548.87 | 756.11 |
| Borrowings | 32.58 | 45.13 | 159.90 | 50.67 | 65.17 | 29.81 |
| Other Liab. | 323.42 | 559.31 | 345.53 | 273.22 | 366.48 | 455.17 |
| Total | 668.79 | 975.96 | 919.20 | 756.91 | 992.62 | 1253.19 |
| Net Block | 129.61 | 147.97 | 167.31 | 189.77 | 207.45 | 235.08 |
| Other Assets | 539.18 | 827.99 | 751.89 | 567.14 | 785.17 | 1018.11 |
| Total | 668.79 | 975.96 | 919.20 | 756.91 | 992.62 | 1253.19 |
| Cash Flow Statement | | | | | | |
| From Operations | 58.56 | 33.87 | -78.31 | 178.80 | 56.07 | 170.02 |
| For Investments | -20.85 | -14.38 | -21.60 | -21.01 | -14.47 | -110.96 |
| FREE CASH | 37.71 | 19.49 | -99.91 | 157.79 | 41.60 | 59.06 |
| From Financing | -36.04 | -6.13 | 81.25 | -136.30 | -1.29 | -67.47 |
| Net Cash Flow | 1.67 | 13.36 | -18.66 | 21.49 | 40.31 | -8.41 |

Credentials





Thank You

Contact :

Mahesh Narvekar

Vice President – Corporate Relations

mahesh@panamapetro.com

investorrelations@panamapetro.com

Phone : +91 22 42177741