



Yasho Industries Limited

Investor Presentation - August 2022

Safe Harbour

This presentation and the accompanying slides (the “Presentation”), which have been prepared by **Yasho Industries Limited (the “Company”)**, have been prepared solely for information purposes and do not constitute any offer, recommendation or invitation to purchase or subscribe for any securities, and shall not form the basis or be relied on in connection with any contract or binding commitment whatsoever. No offering of securities of the Company will be made except by means of a statutory offering document containing detailed information about the Company.

This Presentation has been prepared by the Company based on information and data which the Company considers reliable, but the Company makes no representation or warranty, express or implied, whatsoever, and no reliance shall be placed on, the truth, accuracy, completeness, fairness and reasonableness of the contents of this Presentation. This Presentation may not be all inclusive and may not contain all of the information that you may consider material. Any liability in respect of the contents of, or any omission from, this Presentation is expressly excluded.

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.

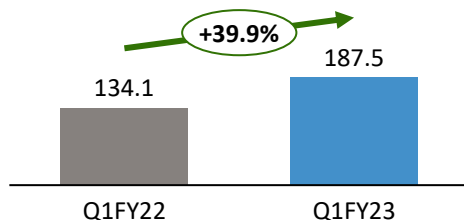


Q1 FY23 Highlights

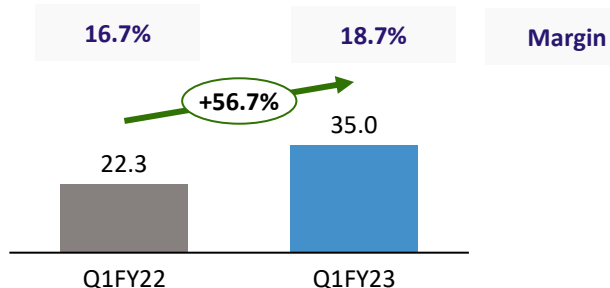
Business Highlights

Q1FY23

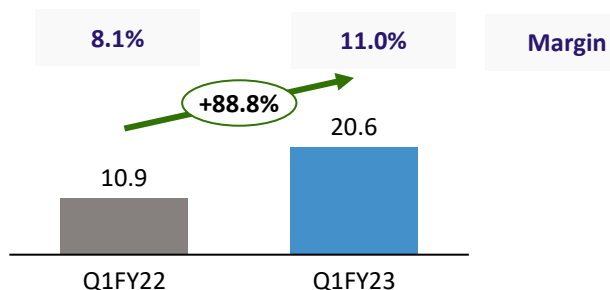
Total Revenue*



EBITDA



Profit After Tax



India Ratings and Research (Ind-Ra) has upgraded Yasho Industries Limited's (YIL) Long-Term Issuer Rating to 'INDBBB+' from 'IND BBB'

"We are pleased to report strong quarterly performance led by healthy product mix. Total revenue for the quarter stood at Rs 187.55 crores, a growth of 39.90% on YoY basis. This was achieved by working at near full capacity and favorable product mix. We continue to see interest in our products from our customers and are confident to grow the business keeping a medium to long term view in mind.

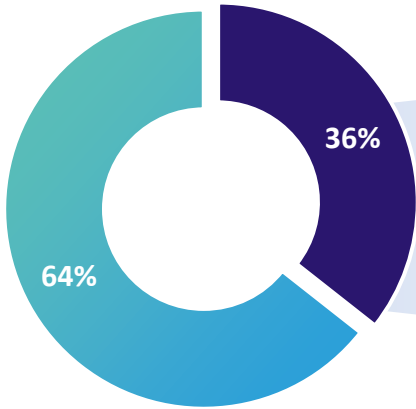
Due to global macroeconomic headwinds and capacity constraints, we see some volatility in the near term revenue which we expect to continue for the next 1-2 quarters. Your company is doing its best to sustain the current sales momentum through better product mix and making efficient use of our multi-purpose facilities. As stated in the past, we intend to expand capacity in phases at a new greenfield facility in Pakhajan, Gujarat. We are awaiting government approval for its environmental clearance, which we expect to receive in the coming months

We continue to gain market share in value-added chemicals, which have made a significant contribution in recent years to our growth and profitability. Sustained efforts and investments in our technical capabilities and R&D activities have played an instrumental role in bringing us this far and we are hopeful that it will help us grow further over the years to come."

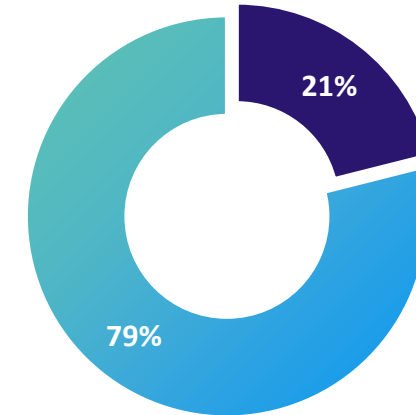
Mr. Parag Jhaveri,
Managing Director & CEO

Growing Contribution From Value Added Category

Q1 FY22 Segment-wise
Revenue Breakup (Rs 131 Cr)

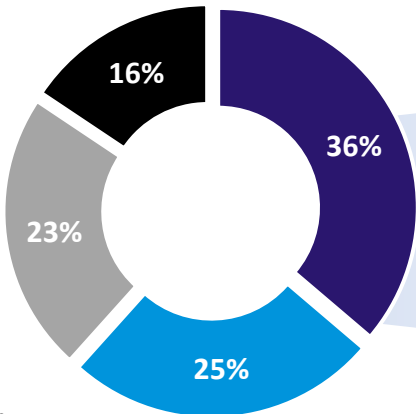


Q1 FY23 Segment-wise
Revenue Breakup (Rs 183 Cr)

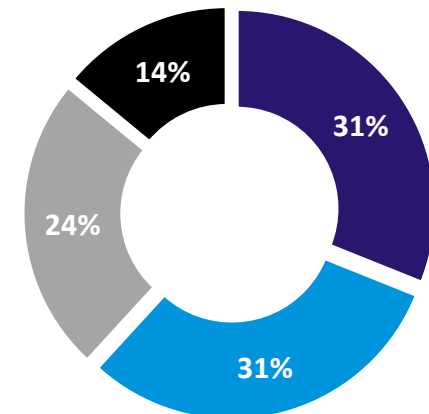


- Consumer Chemicals
- Industrial Chemicals

Q1 FY22 Region-wise



Q1 FY23 Region-wise

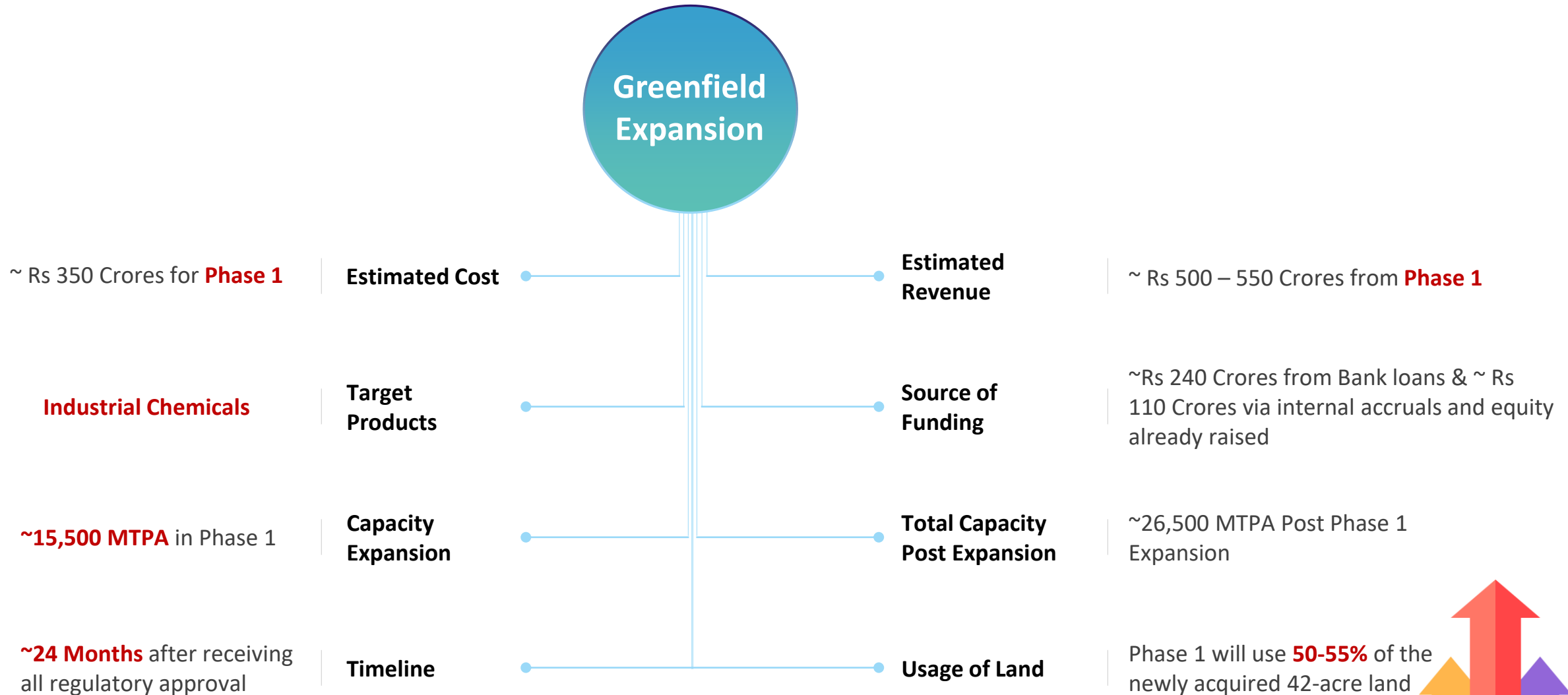


- India
- U.S.A
- Europe
- ROW

Profit & Loss Statement

Particulars (Rs. In Crs.)	Q1FY23	Q1FY22	Y-o-Y	FY22
Revenue from Operation	183.4	132.0		613.8
Other income	4.1	2.0		10.3
Total Revenue	187.5	134.1	39.9%	624.1
Cost of Material Consumed	107.8	84.8		385.1
Employee's Benefits Expense	9.0	7.2		32.5
Other Expenses	35.8	19.7		102.8
EBITDA	35.0	22.3	56.8%	103.7
EBITDA Margin (%)	18.7%	16.7%		16.6%
Depreciation	4.9	3.5		18.7
EBIT	30.1	18.8		85.0
Finance cost	3.9	3.4		13.8
PBT	26.2	15.4		71.3
Tax expense	5.6	4.5		18.5
PAT	20.6	10.9	88.7%	52.7
PAT Margin (%)	11.0%	8.1%		8.4%
EPS (in Rs.)	18.07	10.01		47.65

Greenfield Expansion at Pakhajan, Gujarat





Company Overview

Yasho Industries Ltd : A Snapshot



Manufacturer of Specialty & Performance Chemicals

2,000+ Customers

Strong Presence in Over 50 Countries

Global Certifications

Business Verticals: 2

Total Products : 148

11,000 MT Manufacturing Capacity

3 Manufacturing Units in Vapi, Gujarat

Our Journey

- Commenced exclusive operations for **Aromatic chemicals and Specialty chemicals**

- Commenced manufacturing of various **Rubber Chemicals** developed by in-house R&D

- Expansion at **Unit-2**, realigning the products produced at both units
- Listed on the BSE SME

- Acquired Land near **Pakhajan**, (Dahej) Gujarat for greenfield project

1985

1993

1996

2000

2010

2018

2020

2022

- Incorporated under Companies Act, 1956 as Vasu Preservatives Private Limited

- Change of name from Vasu Preservatives Pvt. Ltd. to Yasho Industries Pvt. Ltd

- Commenced manufacturing of various **Lubricant additives** developed by in-house R&D

- Set up **Unit-3** in March 2020
- Listed on BSE Mainboard

Our Facilities are Multipurpose & Multiproduct

**Total Capacity
11,000 MTPA**

**3 Units at
Vapi, Gujarat**

Competitive Edge



01

Strategically located within 200 Kms from Nhava Sheva Sea Port

02

Designed to be 'multi-purpose', giving us the advantage of manufacturing several products

03

Easy access for import of raw materials and export of finished goods

04

Dedicated R&D center with well equipped instrument

Highly Compliant Manufacturer

Research & Development

- As the cornerstone of our business, R&D is led by our promoters with active contribution and guidance.
- We are working on process improvements and new products which align with our business portfolio.
- Recently, we have upgraded our R&D facility and now have more than 30 chemists contributing actively.
- Several projects are in various stages of development, and we are confident that this will help us to achieve our future growth.

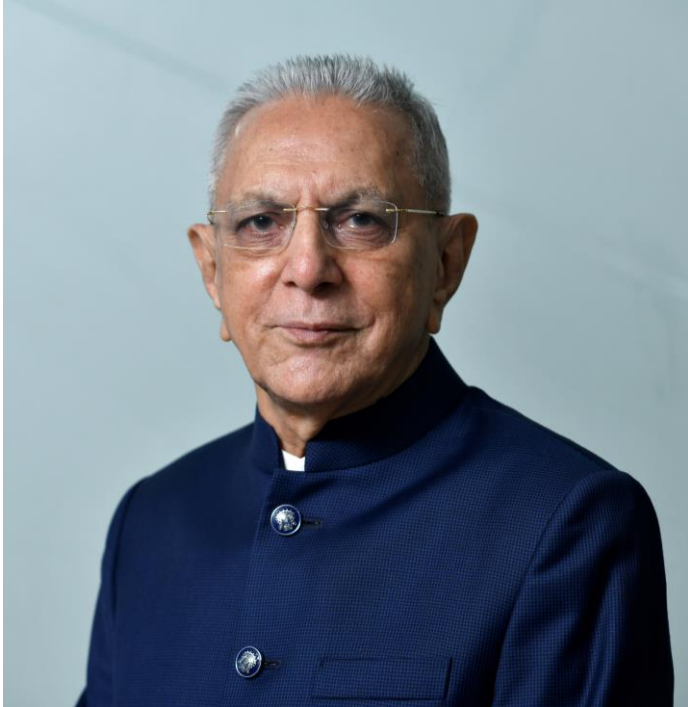
Environment

- Our R&D team identifies process bottlenecks and undertakes specific initiatives to enhance efficiencies. This leads to **cost optimization and ensures higher capacity utilization.**
- Process intensification has helped to reduce energy intensive processes
- Further, the use of environment-friendly catalysts in the units help in eliminating **toxic metal waste generation.**
- We have improved several processes to **reduce water consumption by more than 50%.**
- We continue to endeavor to improve our processes in order to reduce waste.

Certifications



Founding Team on the Board



Mr. Vinod Jhaveri

Chairman & Executive Director

- One of the founding promoters of the Company. He is a Commerce graduate from Gujarat University
- He remains the main guiding force behind the growth and business strategy and plays a crucial role in the accounts and finance function
- Played a key role in ensuring the consistent growth of the Company and has helped build a robust framework for excellence in implementation



Mr. Parag Jhaveri

Managing Director & CEO

- M.Sc Chemistry from Mumbai University. He has over three decades of experience in the chemicals industry
- He played a key role in ensuring the robust growth of the organisation with oversight over the functions of sales, finance, R&D and marketing
- Under his visionary leadership, the Company has built a model for a sustainable future.



Mr. Yayesh Jhaveri

Whole Time Director & CFO

- Commerce graduate from Mumbai University. With experience of more than 25 years in the chemical industry, he has played an eminent role in handling the purchase, logistics, supply chain and production planning
- He played an integral part in setting up Unit-II & Unit-III

Along with the Independent Directors



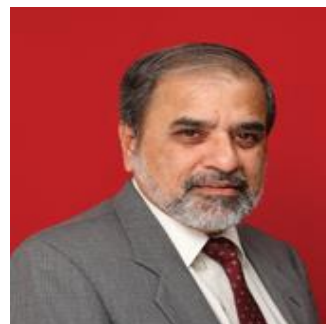
Mr. Anurag Surana
Independent Director

- He has 27 years of professional experience, 14 of which he has spent on the Board of Directors of different Specialty Chemicals and Agrochemical Companies.
- He was associated with PI Industries for 20 years
- Currently, he is the Managing Director of KAGASHIN Global Network Private Limited
- He is a Director on the Board of IFFCO MC Crop Science Pvt Ltd, Nichino India Pvt Ltd, Nichino Chemical India Pvt Ltd, Kagashin Global Network Pvt Ltd, Neogen Chemicals Limited, and Privi Specialty Chemicals Ltd.



Mr. Ullal Bhatt
Independent Director

- M.Sc. from IIT, Kanpur and has attended advanced courses on Finance at the Harvard Business School, Boston and IIM, Ahmedabad
- He is one of India's well-known investment managers having managed foreign institutional investments in Indian equities for more than two decades
- He joined the Dalton group, UK in 2005 to lead their entry into India as the Managing Director of Dalton Capital Advisors (India) Pvt. Ltd., advising foreign institutional investors investing in India and has cofounded Alphaniti Fintech Pvt. Ltd., a new-age Investment Advisory Co. offering data-driven, rule-based and tech-enabled investment products.



Dr. Prakash Bhate
Independent Director

- Ph.D. in Organic Chemistry from the Ohio State University, Columbus.
- He has over 37 years of experience in the chemical industry. He is a visiting professor at the Institute of Chemical Technology in Mumbai
- He has been elected as the Fellow of Society of Dyers and Colourists (UK) in 2011-12, and is a member of the American Chemical Society



Mrs. Sudha Navandar
Independent Director

- Qualified Chartered Accountant and Certified Public Accountancy from USA. She completed post qualification course on Information System Audit (DISA) and is also an Insolvency Professional
- She is currently a partner in M/s. Pravin R. Navandar & Co. Chartered Accountants, with main focuses on IBC matters, corporate advisory services and income leakage
- She is associated as independent director for Route Mobile Limited, Tribhovandas Bhimji Zaveri Limited Anand Rathi Wealth Limited, and Kolte-Patil Developers Limited.



Business Overview

1. Consumer Chemicals

Consumer Chemicals

Aroma Chemicals

- We lead the market share for clove oil and its derivatives.
- Chemicals like fatty esters and natural essential / aroma oils find utilisation in various industries
- Areas of Application
 - Flavours and fragrances
 - Agro chemicals as pheromones
 - Pharmaceutical products such as pain relief, cold and cough formulations
 - Personal care products like toiletries and cosmetics
 - Dentifrices and oral care preparations including toothpaste, tooth powder and mouthwash

Food Antioxidants

- Auto-oxidation of fatty oils and oil-based foods result in unpleasant odour and rancid taste.
- Branded as YANTQ, our synthetic antioxidants, with their superior anti-oxidative power, find widespread application in keeping food fresh and appetising for a longer time while enhancing its nutrient content.
- Areas of Application
 - Edible oils
 - Confectioneries and food stuff
 - Animal feed
 - Vitamin premix
 - Nutraceuticals



2. Industrial Chemicals

Industrial Chemicals

Rubber Chemicals

- Our comprehensive and qualitative range of rubber chemicals are used to manufacture rubber products like tyres and automotive components like hoses, seals, conveyor belts, and others.
- Areas of Application
 - Tyres
 - Conveyor belts
 - Automobile components
 - Surgical gloves
 - Latex gloves
 - Condoms
 - Balloons



Lubricant Additives

- Branded as YALUB, our lubricant additives elevate the performance of lubricants by improving boundary lubricity, oxidation resistance, extreme pressure properties, and inhibiting corrosion
- Areas of Application
 - Hydraulic
 - Turbine
 - Engine and gear oils
 - Metal working fluids and greases



Speciality Chemicals

- We provide customised high-quality speciality chemicals specific to the needs of our clients across multiple industries.
- Areas of Application
 - Stabilisers for acrylics, printing inks/coating, UPR resins and fibre composite resins
 - Cross linkers for thermoplastics urethanes, electroplating chemicals
 - Intermediates for API and bulk drugs, and agrochemicals



Business Overview

Consumer Chemicals

Total Products: 18

Revenue
Contribution: ~27%

Stable Business

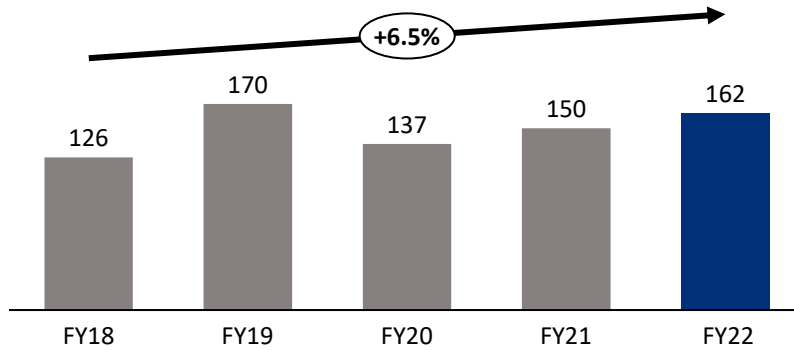
Industrial Chemicals

Total Products: 130

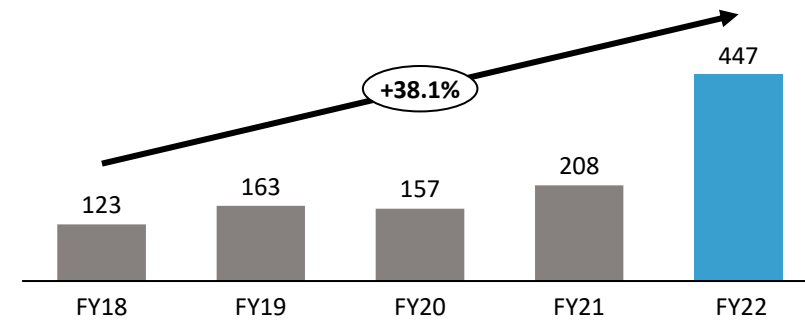
Revenue
Contribution: ~73%

Growing Business

Revenue Trend (Rs. Crs.)



Revenue Trend (Rs. Crs.)



Embracing Opportunities

Opportunities

- China +1 opportunity
- Strong domestic demand
- Demand from global customers for niche products
- Atmanirbhar Bharat opportunity

Our Edge

- Recognized global partner
- Strategically located near port
- Multi-purpose, multiproduct plant
- Dedicated R&D Centre with well equipped instruments
- Branding & distribution capabilities
- As an environmentally conscious company, we stand to benefit from stricter environment norms and compliance

Core Focus

- Continuous product development
- Wide distribution reach through distributors
- Diversified client base across multiple industries
- Market Penetration to reach the end-users directly

Global Chemicals Market: \$2.4 trn

Global Specialty Chemicals Market: \$470 bn

Indian Specialty Chemicals Market: \$32 bn

Indian Chemicals Products: +70,000

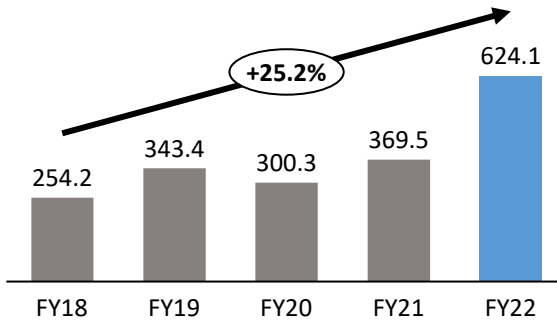
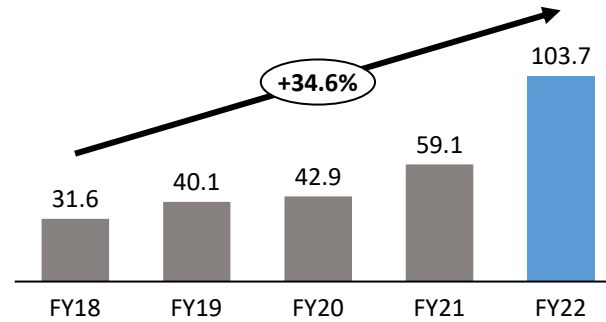
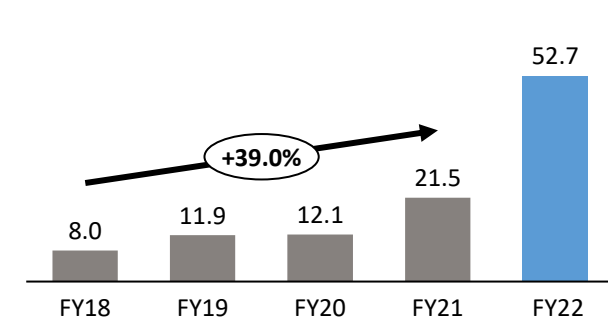
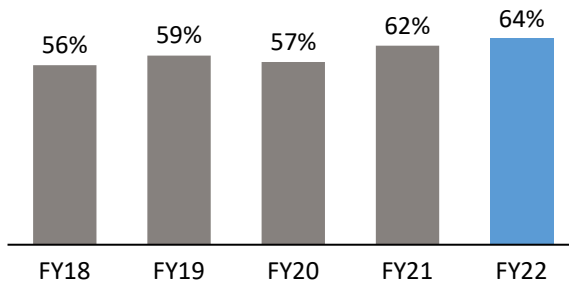
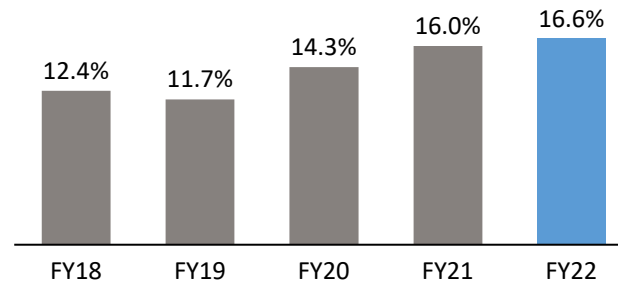
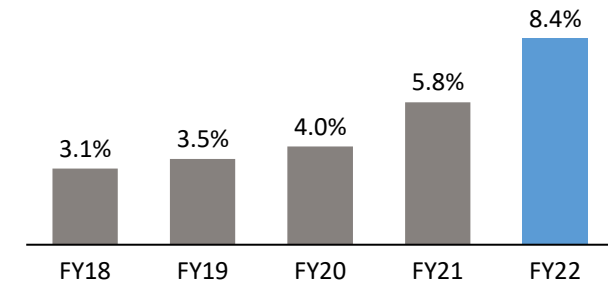
Compliant Manufacturers have a competitive edge

Our Opportunity: Medium to High

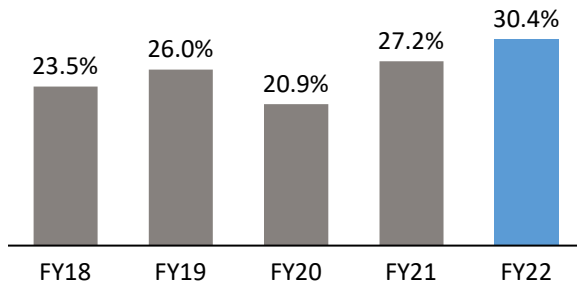
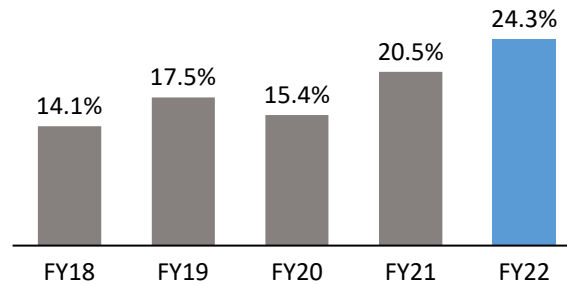
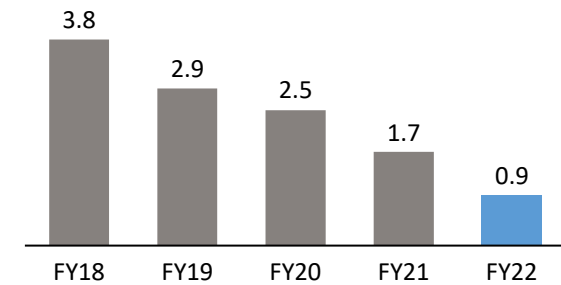
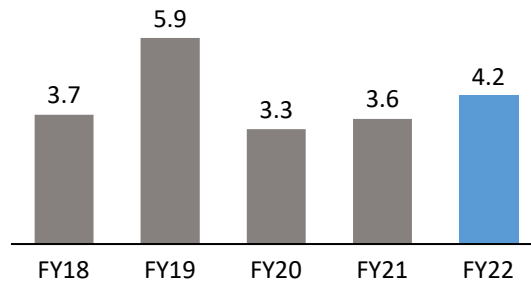
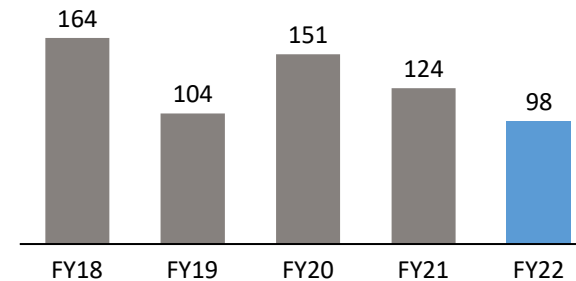


Financial Highlights

Historical Financial Highlights

Revenue* (Rs. Crs.)**EBITDA (Rs. Crs.)****PAT (Rs. Crs.)****Export (%)****EBITDA Margin (%)****PAT Margin (%)**

Historical Financial Highlights

ROE (%)**ROCE (%)****Net Debt / Equity (x)****Fixed Asset Turnover (x)****Working Capital Days**

New Capacity Addition

- The company is expanding its capacity through a greenfield project
- Phase 1 of greenfield project is expected to be commercialized in 24 months after receiving all necessary approval

Operational Efficiency

- We aim to improve our operational efficiencies and product mix through ongoing product development through R&D and product innovation

Enhancing Global Footprint

- Through our subsidiary in Europe, we intend to cater to more customers in the region and increase our presence in the region



Contact Information

Company :



Yasho Industries Ltd.

CIN – L74110MH1985PLC037900

Mr. Yayesh Jhaveri

Email - yayesh@yashoindustries.com

www.yashoindustries.com

Investor Relations Advisors :

SGA Strategic Growth Advisors

Strategic Growth Advisors Pvt. Ltd.

CIN - U74140MH2010PTC204285

Mr. Shrikant Sangani / Ms. Pankti Majithia

Email - shrikant.sangani@sgapl.net

[/pankti.majithia@sgapl.net](mailto:pankti.majithia@sgapl.net)

+91 9619595686 / +91 9619611096

www.sgapl.net
