

1

PI Industries Ltd.

Investor Presentation May, 2022



AGENDA

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• Financial Performance

- Global Agchem Exports (CSM)
- Domestic Agri Brands
- CSR Update

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Another year of robust performance despite global supply chain challenges..



Figures in Rs Million



...performance exceeding the guidance

Acceleration in domestic revenues driving growth in Q4FY22



Fig in Rs Million	Q4FY21	Q4FY22	% YOY
Revenue	11,971	13,952	17%
Gross Margin	42%	44%	+196 bps
Operating Expenses	2,767	3,098	12%
EBITDA	2,273	3,056	34%
EBITDA as % of Revenue	19%	22%	+291 bps
Net Profit	1,798	2,044	14%
11% 10,060 ^{11,142} 1,93	47% 2,273 11 ^{2,810}		2,044 1,798
F	omestic EBI	TDA	ΡΑΤ

Q4FY21 Q4FY22

- Overall 17% Y-o-Y revenue growth
- **11% growth in Exports over a high base (**Q4FY21 over Q4FY20 growth ~47%)
- 47% growth in Domestic revenues
 - o Scale up in Wheat herbicide during Q4FY22
- Revenue growth of 17% driven by price increase of $^{\sim}7\%$ and balance from volume growth
- Trend of rising input costs continued.... cost passthrough effected both in CSM exports and Domestic during Q3 and Q4 FY22
- Cash generated from operations before tax during Q4FY22 of ~Rs 2,640 million
- **14% increase in PAT** in line with planned ETR
- The board has proposed final dividend for FY21-22 of Rs 3 per share aggregating to total dividend for FY21-22 of Rs 6 per share

Exports ramp-up driving earnings growth in FY22



Fig in Rs Million	FY21	FY22	% YOY
Revenue	45,770	52,995	16%
Gross Margin	44%	45%	+103 bps
Operating Expenses	9,936	12,343	24%
EBITDA	10,166	11,460	13%
EBITDA as % of Revenue	22%	22%	(59) bps
Net Profit	7,383	8,438	14%
20%	4%	13 %	14%
39,902 33,217 12,5	10,166 53 13,093		8,438
Exports Dor	mestic EBI FY21 FY22	TDA	PAT

- Overall 16% Y-o-Y revenue growth
- 20% growth in Exports

FY21 over FY20 growth ~35% resulting in a high base

- 4% growth in Domestic revenues
 - FY21 over FY20 growth ~39% resulting in a high base
 - Domestic revenue was impacted by unfavourable agro-climatic conditions in the Kharif season
 - Good Rabi season helped recovery in Q3 and Q4FY22
- Revenue growth of 16% driven by price increase of ~3% and balance from volume growth
- Rising Input costs, lower export incentives, etc. offset by favourable product mix and price hike led to higher gross margin.
- Operating Expenses increase of 24% is mainly attributable to sharp increase in fuel prices leading to increase in utilities cost, one-time expenses pertaining to strategic initiatives, Covid19 related expenses, etc.
- Cash generated from operations before tax during FY22 of ~Rs 7,038 million
- Net profit improved by 14% YoY on a very high base of ~62% YoY growth in FY21

Robust Balance Sheet to drive future growth initiatives



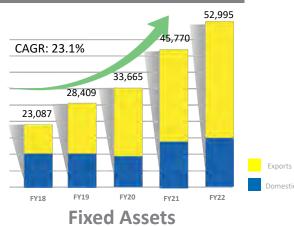
Fig in Rs Million	Mar-21	Mar-22
Shareholders Fund	53,424	61,204
Non Current Liabilities	4,025	3,225
Long term borrowings	2,574	1,699
Other long term liabilities	1,451	1,526
Current liabilities	12,570	13,482
Short term borrowings	705	979
Trade payables	7,960	9,242
Other current liabilities	3,905	3,261
Total	70,019	77,911
Non Current Assets	25,088	28,272
Net Fixed Asset	23,429	24,842
Goodwill	828	828
Non current Investments	207	448
Other assets	624	2,154
Current Assets	44,931	49,639
Inventories	10,528	14,234
Trade receivables	8,517	10,018
Cash, Bank & Investments	23,274	22,650
Other assets	2,612	2,738
Total	70,019	77,911
Key Ratios (%) Annualised		
Net Sales to Fixed Assets	1.89	2.06
Net Sales to Trade Working Capital	4.13	3.53
Debt/ Equity Ratio	0.06	0.04

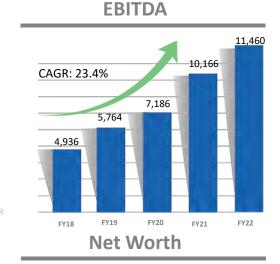
- Net Sales to Fixed Assets ratio improved to 2.06 from 1.89
 - Focused initiatives to improve fixed assets capital efficiency of CSM Exports
- Total capex for FY22 contained at Rs 3,204 million
 - Key focus remains of driving higher capacity utilisation
- Maintained higher inventory levels of Rs 14,234 million
 - To avert supply chain disruptions and meet customer supply schedules / continued operations
- Trade receivables DSO has remained relatively flat at 69 days as on 31-Mar-22 vis-a-vis 68 days as on 31-Mar-21
- Payables in terms of Days of Sales has also remained flat at 64 days vs. 63 days as on 31-Mar-21
- Surplus cash net of debt is Rs 21,642 million. QIP funds remained invested into deposits and debt mutual funds with SLR philosophy while final deployment aligned with PI's longer term growth strategy is underway.

Continued trend of stellar financial performance..

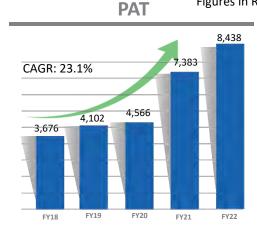


Revenue

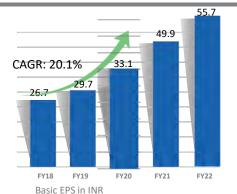




61,204 53,424 CAGR: 33.5% 19,248 22,854 26,191 19,248 22,854 26,191 19,248 22,854 FY20 FY21 FY22 Figures in Rs Million



EPS





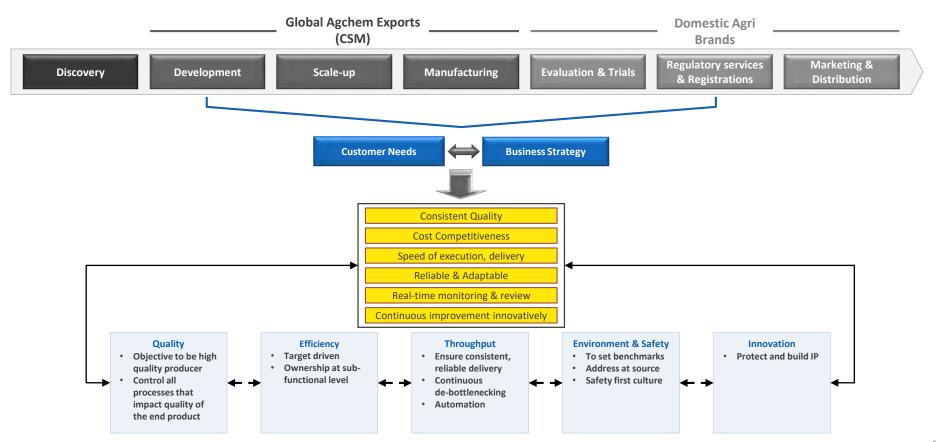
FY18 FY19 FY20 FY21 FY22

7

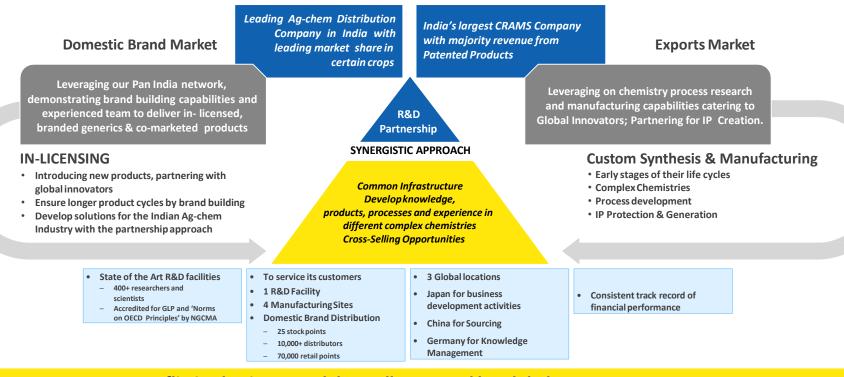
Presence across the Agchem value chain

Strong focus on customer needs and continuous innovation









Non conflicting business model ... well respected by Global Innovators as Partners

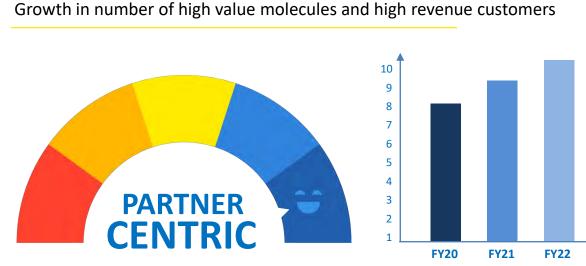


Global Agchem Exports (CSM)	
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	Development		Scale-up	Manufacturing
	Process Development	New Technology	Capacity Build up	Operational Improvements
Science & Technology Driven	• 9 new molecules commercialized in FY22	Continuous flow chemistry developed for	• 2 more Multi Product Plant (MPP) fully	Capital efficiency optimized by:
	 >40 products at different development stages 	 1 intermediate at pilot plant Implemented technology to improve solvent quality & recovery (PSD) 	 commissioned in the FY New chemistry building block (MMH) commissioned 	 ✓ Operational excellence; ✓ Statistical data analysis; ✓ Process improvement New analytical tool implemented for process
	 Pipeline has more than 20% non agchem products 			
Customer Centric	Customer Acquisition/ Order Book			 monitoring in >10 products Contracted for 500KW solar power at Jambusar
	• 36 new enquiries received:			
	 8 new customers were acquired during current fiscal Robust order book of ~\$1.4 Bn 			

Partner Centric approach driving growth of Global CSM Exports





Increase in # of molecules with more than \$5m revenue per annum

11 10

9

8

6

5

3

2

FY20

of customers with revenue greater than \$10m per annum

FY22

FY21

Quotes from global innovators

We are looking long partnership with PI Industries. We are impressed with PI team on their technical capability, deliveries and long term vision

...(We appreciate PI's)...Timely delivery, compliance to the lead time and clear communication...

...PI team has good system(s) in place

11

Portfolio of specialized products and robust pipeline of new products to drive growth in Domestic revenues



		Domestic Agri Brands	
	Evaluation & Trials	Regulatory services & Registrations	Marketing & Distribution
	Product Innovation	Product development and Regulatory approvals	Market Penetration
Science & echnology Driven	 One new insecticide for rice and three specialty fungicide focused on horticulture and rice launched 	 15+ products at different stages of development and registration During FY22, received 3 regulatory approval including the 1st product to receive MRL exemption in India 5 innovative products to be launched in FY23 	 Nominee Gold[®] maintained dominant share among rice herbicides Positive momentum for Awkira[®] (pre-emergent wheat herbicide) with treated acres increase 3x Successful launch of Armatura[®] on
	Channel Expansion	Farm Application Services	grapes, a specialty fungicide with
Customer Centric	 PI Mitra Loyalty Program rolled out for deeper engagement with channel partners Implemented digital Sales Ordering module for channel partners 	 Doubled the area treated using high-tech spray machines Piloted drone applications and evaluating scale-up 	 biological origin Successful launch of Distruptor[®] for control of rice Brown Plant Hopper (BPH) Aggressive growth agenda in horticulture

Some of the recent product launches getting good traction..



Transforming practice from Post to Pre-emergent Herbicide

AWKIRA

- Unique mode of action to control resistant Phalaris minor in Wheat
- Developed application support to treat
 7 lakh acreages, providing better & efficient services
- Immediate expansion in Soybean and Corn, which are highly driven by herbicide business



India's first Pheromone based Insecticide to address boll worm menace affecting cotton crop



- Sustainable solution PB Knot[®] (cotton insecticide) now covering 100,000+ acres across 5 states
- Innovative mating disruption technology
- Best fit in IPM of boll worm management
- Extensively tested globally
- Safe to beneficial insects, environment & applicator



Specialty Fungicide of biological origin for India's major export crop, grapes

ARMATURA®



- Improves grape yield without adversely impacting quality
- Product is MRL exempt and safe to use for preventive disease management
- Farmers find that two applications of Armatura[®] gave effective control of powdery mildew
- Armatura[®] application enhanced the quality of grapes by improving the luster and shining



Aggressively pursuing Horticulture under the JIVAGRÜ







Momentum of new product launches will continue into FY23..



Innovative insecticide for Rice: **Applied for Patent**

DISTRUPTOR

- Works on all stages of insect. Product powered by XP Technology
- Unique Mode of Action to control of Brown Plant Hoppers (BPH) in rice
- Dual mode of action reduces egg laying capacity





INSECTICIDE

- DUAL mode of action; Systemic and Contact activity
- DINOACE[™] gives quick knock down and long duration control on target pest
- SG formulation
- A meta-diamide GABA-gated Cl- channel allosteric modulator
- Broad spectrum control (Leps + sucking pest) н.
- н. Highly effective on diamide resistant pests.



- roots and leaves



- ALS and ACCase inhibitor
- Gives control on broad spectrum weeds of Cotton
 - Advance MEC formulation

5 innovative products to be launched in FY23

NEMATICIDE

New Nematicide

- Selectively inhibits Complex II of the mitochondrial respiratory chain of nematodes
- Only 2 specialized molecules are available, limited competition

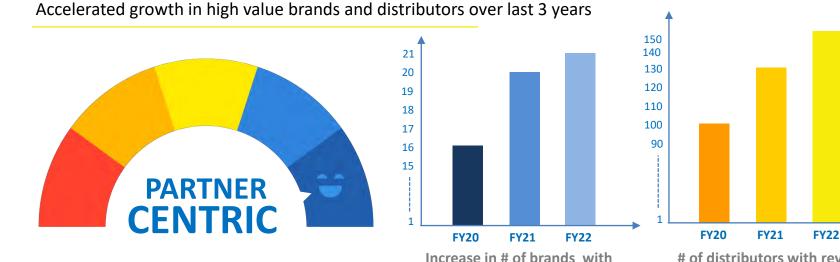




- Combination fungicide giving dual contact and systemic activity against Phycomycetes diseases
- Excellent curative control of diseases

Partner Centric approach to grow Domestic Agri Brands





Domestic Agri Brands

Quotes from farmers

I recommend you too use the PI company's Distruptor to control BPH and be happy with your family. I thank PI on behalf of the farmers for giving us a product like Distruptor. more than Rs 100 million revenue per annum # of distributors with revenue more than Rs 10 million

...the stems are green and healthy and even grains are shining, the results are very good and I am hoping for a very good harvest this year...

...after using the (PI) product we started seeing the result in just two days

Performance underpinned by PI's Compass



Purpose	œ	Reimagining a healthier planet		
Vision	T	Lead with science, technology and human ingenuity to create transformative solutions in life sciences		
Spiky capabilities		Partner centric Science & Technology driven	First to identify and deliver on latent needs of our customers and partners Sustainable solutions by early adoption of cutting-edge sciences/technologies	
	Digital edge	Integrated digital solutions to gain competitive advantage		
	People first ESG anchored	Best opportunities for employees to learn and grow ESG as a way of life		
Values		Act with integrity Be	Curious Creative Caring uestion conventional wisdom • Connect unseen dots to • Be transparent e open-minded and adaptable • Collaborate and experiment • Trust each other evelop intellectual curiosity • Create an environment to • Bring the best out of people • Create an environment to • Create and experiment • Embrace sustainability	

Implemented integrated program for Digital Edge capability





Areas

Select list of initiatives



Operational Excellence

- Scaling up Vendor Management functionality for supplier lifecycle and performance management
- Consolidation of manufacturing platforms for statistical analysis to study process technology and throughput efficiency
- Track & Trace solutions implemented on all formulation lines



Safety and Security

 Al based surveillance for safety and security of facilities and personnel



Customer Engagement

- Digital tools for sales analytics etc.
- Channel Order module for Channel Partners (PI Mitra)





....Others

Learning & Development

- Organization wide launch of digital learning platform
- Advanced analytics including predictive HR analytics

Building future ready PI for the next phase of growth



- PI's ambition is to embark on rapid, differentiated, organic and inorganic growth which is resilient by being ahead scientifically and technologically
- ✓ We @ PI recognize the need to make deep changes to align with enormous and pervasive technological changes all around and the challenges our Planet Earth faces..
- ✓ By Reimaging a Healthier Planet and setting an audacious Vision for ourselves to address expressed and latent needs of people, we are aiming to grow rapidly and sustainably
- ✓ Also implementing a new Operating Model that enables us to continue growing our current businesses, establish new businesses and also continually add new ideas, technologies, scientific discoveries and more to make PI a resilient, resourceful and successful enterprise.
- Elevating leaders with demonstrated success to lead Business Units, which make up our Delivery fold while backing them up with the requisite talent, empowering them to succeed.
- ✓ Aiming highly inclusive and diverse work place ensuring opportunity for all and empowerment of our people to bring out their best whilst ensuring effective accountability.



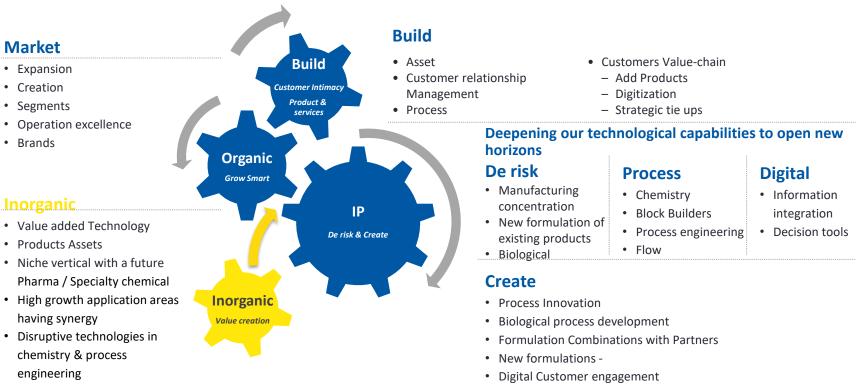
New operating model to equally focus on Delivery & Development..





digital initiatives

Pursuing Multi-pronged growth strategy..



Prudent financial management in place to ensure that long term shareholder value creation remains at the heart of the strategy

Inspired by Science



Domestic: Focus on portfolio diversification with launch of novel offerings	 Strong demand is expected for insecticides, fungicides, herbicides and bio-nutrients on the back of normal monsoon predictions Commodity prices remain robust owing to global demand 5 new products scheduled to be launched in FY23
CSM Export: R&D focused approach to drive incremental business	 Continued scale up in demand of some of the existing products Commercialization of 7 new molecules planned in FY23 Momentum in new enquiries and conversion to continue Drive higher capital efficiency in FY23 with focused program to reduce Trade Working Capital
Efforts to drive strategic initiatives continues	 2 new process innovations to be commercialized in FY23 Evaluation of inorganic growth opportunities in pharma continues, both domestic and international options being evaluated
PI's product & research efforts yielding promising results	 Discussions continues with global innovators for development partnership of 2 promising leads; one novel fungicide and a novel broad spectrum insecticide having sizable potential market opportunity

...Confident of delivering 18%-20% revenue growth with continued improvement in margins and returns

Pl's focus on ESG principles is winning accolades...



Winner of 'Golden Peacock Award for Sustainability



Emerged amongst top quintile companies in the very first S&P global Corporate Sustainability Assessment (CSA) with 82% percentile industry ranking



- Retained water consumption (specific) levels per ton of production even with double digit increase in production
- Initiated programs targeting 25% reduction in CO2 emissions.
- Working towards carbon credit from farmers
- Onsite water treatment plants and recycling of water with the target of becoming Zero Liquid Discharge (ZLD)
- Contracted for 500 KW of Solar Power at Jambusar
- Fully compliant no imposition of penalties
- Information & Cyber Security Infrastructure: ISO 27001 certification. Assured per AA1000 Assurance Standard on ESG indicators
- Cascade shared values of Integrity and Accountability via PI's Compass
- Robust OHS Management systems: ISO 45001
 & 18001 certification
- Best Indian Supplier 2021 Award from international customer based out of Brazil.

Retained Responsible Care[®] certification from ICC

- Renewable Energy Consumption increased 18x over last 2-years
- ~80% of total incinerable waste disposed through co-processing
- Started journey towards "Zero Landfill Waste" through disposal of ETP Sludge/MEE Salt as raw material for fertilizer company
- Nil recordable injuries in FY 2021-22
- Increase in CSR expenditure by 20% ~Rs. 137 million
- ~50,000 new farmers covered through DSR programme in FY'21-22
- Conducted Sciences Camp in Gujarat with more than 2500 students
- Formed SHG 'Momai Maa' to impart financial education to unprivileged women: ~3500 women underwent training in financial and legal literacy
- ~90,000 people covered through 3 Mobile Medical Units
- Collaboration with Industry Players on 'Container Management – Plastic Waste Take Back' program

Rewards and Recognition





Asia's promising business leader

MR. MAYANK SINGHAL RECOGNISED BY THE ECONOMIC TIMES AS ASIA'S PROMISING BUSINESS LEADER 2021-2022



GOLDEN PEACOCK AWARD FOR SUSTAINABILITY (2021)



India's Best CEO

MR. MAYANK SINGHAL, VICE CHAIRMAN AND MD, PI INDUSTRIES LTD. IS INDIA'S BEST CEO IN AGRICULTURE & ALLIED SECTOR IN THE BT-PWC RANKINGS



Heritage Company of India

at FICCI's INDIA @75: CHEMICAL & PETROCHEMICAL INDUSTRY AWARDS 2021



Corporate Sustainability Assessment for 2021





Forbes Asia Best Under a Billion 2021



PI INDUSTRIES, UDAIPUR CERTIFICATE OF APPRECIATION, KARKHANA SURAKSHA PURASKAR-2022

The honour is an attestation of high safety standards and benchmark of excellence set by our team members



BEST SUPPLIER OF 2021

Associated since 2014 for the supply of Agrochemicals to Brazil, the honour comes as a recognition of our commitment to manufacturing best quality products coupled with highest delivery and service standards

PI supporting communities to fight Covid-19...





PI employees volunteered

Our CSR efforts focused on Community welfare & Environment



PI's CSR strategy focuses on:

- Creating a positive impact for marginalized communities via environmentally sustainable approach
- Interventions align with several Sustainable Development Goals (SDG)
- Continuous life cycle evaluation of products and product stewardship to minimize ecoimpact

Implementation

Sustainable Agriculture Practice	700K+ Hectares of Farmlands benefitted by DSR technique thereby saving 1.7 trillion litres of Water annually
Healthcare, Hygiene and Sanitation Interventions	100K+ Lives impacted using Mobile Healthcare Vans under PI's 'Swasthya Seva'' Initiative and Blood Bank services
Women Empowerment	15K+ Women across 82 villages in Bharuch Area benefitted through PI's women empowerment program
Education Interventions	18K+ Govt. school children across 125 Schools benefitted through PI's Learning Enhancement Programmes
Skill Development	2.0K+ Youth employed through large scale Skill Development Programmes

Key Programmes/ Initiatives

- Water conservation through sustainable agriculture practices & farm engagement activities
- SWASTHYA Seva Initiative Aim to provide access to preventive, promotive & curative health care to underprivileged
- Learning enhancement programmes for government school children in 135 schools
- Certified vocational training & employability linked skill enhancement program for underprivileged youth
- Entrepreneurship development & livelihood promotion through sustained agriculture, dairy value chain & skill training for rural women
- Community Drinking Water Initiative and construction of school toilets













Thank You