

## **Fineotex Chemical Limited's continues robust growth**

### **Fineotex Chemical Limited's continues robust growth, EBITDA up by 76% Operational revenue and dividend increase by 69% and 33% respectively in FY 2022 Y-o-Y**

Fineotex Chemical Limited (FCL), one of India's leading and most progressive speciality chemical producer with a market leading position in international textile industry has announced robust financial numbers in Q4FY22.

#### **HIGHLIGHTS OF CONSOLIDATED BUSINESS**

*Consolidated business represents the performance of FCL and its subsidiaries (FCL Group)*

#### **Consolidated Business Q4-FY22 vs Q4-FY21 (Y-o-Y basis)**

1. The **Revenue from Operations** of the Group has increased to **Rs. 12,139 Lakhs** from **Rs. 7,502 Lakhs**. The **Revenue from Operations** registered a growth of **~ 62%**;
2. The **Profit after tax (PAT)** of the Group has increased to **Rs. 1,700 Lakhs** from **Rs. 1,195 Lakhs**. The **PAT** registered a growth of **~ 42%**;
3. The **Operational EBIDTA** of the Group has increased to **Rs. 2,152 Lakhs** from **Rs. 1,285 Lakhs**. The **Operational EBIDTA** registered a growth of **~ 67%**;
4. The **EPS** of the Group has increased to **Rs. 1.5 per share** from **Rs. 1.0 per share**. The **EPS** registered a growth of **~ 50%**;

#### **Consolidated Business FYE March 2022 vs FYE March 2021 (Y-o-Y basis)**

1. The **Revenue from Operations** of the Group has increased to **Rs. 36,823 Lakhs** from **Rs. 21,851 Lakhs**. The **Revenue from Operations** registered a growth of **~ 69%**;
2. The **Operational EBIDTA** of the Group has increased to **Rs. 7,121 Lakhs** from **Rs. 4,057 Lakhs**. The **Operational EBIDTA** registered a growth of **~ 76%**;

3. **Final Dividend** – The Board has recommended a final dividend subject to the approval of members at the ensuing Annual General Meeting @ 20% i.e. **Rs. 0.40 (PY Rs. 0.30) per Equity Share of Face Value of Rs. 2/-** which represents **33% Y-O-Y growth** in the dividend.

### **Highlights of India Business:**

*India business represents the performance of FCL Standalone and FSPL (wholly-owned subsidiary in India)*

#### **India Business Q4-FY22 vs Q4-FY21 (Y-o-Y basis)**

1. The **Revenue from Operations** of the Company has increased to **Rs. 10,117 Lakhs** from **Rs. 4,796 Lakhs**. The **Revenue from Operations** registered a growth of ~ 110%;
2. The **Profit after tax (PAT)** of the Company has increased to **Rs. 1,696 Lakhs** from **Rs. 910 Lakhs**. The **PAT** registered a growth of ~ 86%;
3. The **Operational EBIDTA** of the Company has increased to **Rs. 2,012 Lakhs** from **Rs. 1,030 Lakhs**. The **Operational EBIDTA** registered a growth of ~ 95%;

#### **India Business FYE March 2022 vs FYE March 2021 (Y-o-Y basis)**

1. The **Revenue from Operations** of the Company has increased to **Rs. 28,261 Lakhs** from **Rs. 12,948 Lakhs**. The **Revenue from Operations** registered a growth of ~ 118%;
2. The **Operational EBIDTA** of the Company has increased to **Rs. 6,191 Lakhs** from **Rs. 3,122 Lakhs**. The **Operational EBIDTA** registered a growth of ~ 98%;

### **Other Highlights**

1. **Working Capital Cycle** - There have been continuous improvements in the working capital cycle over the periods mentioned below –
  - a. Consolidated business – Net working capital has been improved by 51 days.

- b. India business – Net working capital has been improved by 47 days.
2. **Volume Growth** - For the current FYE March 2022 the Consolidated business has seen overall volume growth of 62% compared to the previous FYE March 2021. India business has observed overall volume growth of 85% compared to the Previous FYE 2021.

**Commenting on the successful result, Mr. Surendrakumar Tibrewala, CMD, Fineotex Chemical, said,** "We are thrilled to announce the tremendous growth numbers. We will continue to strengthen our position and expand into new, untapped markets. Our aim will be to develop our chemistries and enter into strategic alliances in order to strengthen our existing and new relationships in both the domestic and foreign markets. Our plant's sustainability requirements will allow expansion and further utilisation, and with demand on the rise, we anticipate a bright future. These are exciting times for Fineotex, and we are excited about the progress that is being achieved and the chances that are heading our way. The Board has proposed a final dividend of Rs.0.40 per share of face value Rs.2. "

**Commenting on the successful result, Mr. Sanjay Tibrewala, Executive Director and CFO, Fineotex Chemical, said,** "We have continued our growth trajectory in the current year, attaining 69% percent growth, achieving working capital efficiency, and boosting our EBITDA margins. With the onset of pandemic, we focused on developing home care and hygiene specialities, a diversified but related division of non-toxic specialty chemical solutions. This emerging business has opened up substantial business openings and thus giving us the opportunity to tap into new markets. The new manufacturing hub at Ambernath is one of the several new investments by us. It was a logical and necessary step in expanding and strengthening our competitive position at a local and global level. The initial planned capacity of 36,000 MTA is being ramped up to 40,000 MTA to cater to growing demand. In terms of our future trajectory, we are currently working on an additional expansion 21000 MT. Due to process efficiency achieved internally, our working capital has also shown constant improvement. Our advanced capabilities, along with strategic collaborations, position us well to sustain growth, add value to our clients, and maximise shareholder value."

**FCL's CEO, Arindam Choudhuri mentioned,** "We have expanded our portfolio and are working on providing more solutions for textile companies as well as a more diverse product range. With these steps, we feel all stakeholders will be able to see an even more beneficial shift in the growth. We have made a significant contribution to the worldwide ESG and sustainability movement. We manufacture while protecting the environment's long-term viability and are devoted to zero waste practises, as seen by our extensive certifications and accreditations. It has endeavored to efficiently manage the release of dangerous chemicals, most notably by launching Zero Discharge of Hazardous Chemicals programmes (ZDHC)"

**About Fineotex Chemical Limited:**

Founded in 1979, Fineotex Chemical (BSE: 533333 | NSE: FCL) is leading specialty chemical producer and a solution provider, having a market leading position in the specialty chemicals, in the international business as well as the domestic textile industry. Company manufactures chemicals for the entire value chain for the textile industry including pre-treatment, dyeing, printing and finishing process. The Company has successfully expanded into home care, hygiene and drilling speciality chemicals sector which is already supporting the next phase of growth for the Company. The Company manufactures over 475 products and exports to over 69 countries.

The Company has manufacturing facilities in Mumbai and Ambarnath, India and Selangor, Malaysia with combined capacity of 83000 MT. The newly set up facility at Ambarnath with capacity of 40,000 MT (initial planned capacity 36,000 MT) will cater to customers' demand for existing textile specialties and the fast-growing home care and hygiene and drilling specialties business.

The subsidiary in Malaysia, Biotex Malaysia drives all the R&D initiatives of the Company and overall new product development. BioTex specializes in high end specialty finishing textile chemicals like water & oil repellents, antimicrobials, etc. for textiles. It has critical industry certifications such as Bluesign, Global Organic Textile Standard, REACH, Bhive, ISO 9001:2015, ZDHC and OEKO-Tex, which makes the Company preferred choice for global textile manufacturers.