

Ref: ASCL/SEC/2021-22/27

August 5, 2021

1. To,
The General Manager
Department of Corporate Services
BSE Limited
1st Floor, New Trading Ring
Rotunda Building, P. J. Tower
Dalal Street, Fort
Mumbai - 400 001
BSE Scrip Code: 532853

2. ✓ To,
The General Manager (Listing)
National Stock Exchange of India Ltd
5th Floor, Exchange Plaza
Plot No. C/1, G Block
Bandra - Kurla Complex
Bandra (East)
Mumbai - 400 051
NSE Trading Symbol: ASAHISONG

SUB: PRESS RELEASE

REF: REGULATION 30 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

Dear Sir/Madam,

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith a Press Release of the Company.

This is for your information and records.

Thanking you,

Yours faithfully,

For, **ASAHI SONGWON COLORS LIMITED**



SAJI JOSEPH

Company Secretary and Compliance Officer



Encl: As above

Asahi Songwon Colors Ltd.

CIN: L24222GJ1990PLC014789

Regd. Office: "Asahi House", 13, Aaryans Corporate Park, Nr. Shilaj Railway Crossing, Thaltej-Shilaj Road, Thaltej, Ahmedabad-380 059, Gujarat. India

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Asahi Songwon Colors Limited Reports Q1FY 22 Results

Standalone Revenue from Operations of ₹96.87 Cr; growth of 67.54% YoY
Standalone EBITDA at ₹12.07 Cr

Ahmedabad, August 4th, 2021: Asahi Songwon Colors Limited, India's leading manufacturer of pigments for ink, plastics, paint, textile and the paper industry has announced its financial results for the first quarter ended June 30th, 2021.

Standalone Financial Highlights for Quarter Ended June 30th, 2021:

- Revenue from Operations was ₹96.87 Cr during the quarter under review, a sequential growth of 7.23%: year-on-year of 67.54%.
- Company reported an EBITDA of ₹12.07 Cr during the quarter under review a sequential decline of 9.00%: year-on-year growth of 9.63%.
- EBITDA Margin stood at 12.47% for Q1FY22 as compared to 14.65% in Q1FY21 and 19.05% in Q4FY21.
- Net Profit stood at ₹6.82 Cr during the quarter under review, a sequential decline of 28.44%: year-on-year of 4%.

Consolidated Financial Highlights for Quarter Ended June 30th, 2021:

- Revenue from Operations was ₹96.96 Cr during the quarter under review, a sequential growth of 7.16%: year-on-year of 67.69%.
- Company reported an EBITDA of ₹10.32 Cr during the quarter under review a sequential decline of 16.71%: year-on-year of 6.27%.
- EBITDA Margin stood at 10.64% for Q1FY22 as compared to 13.70% in Q1FY21 and 19.05% in Q4FY21.
- Net Profit stood at ₹4.56 Cr during the quarter under review, a sequential decline of 25.85%: year-on-year of 52.15%.

Commenting on the Q1 performance Gokul M. Jaykrishna, Joint Managing Director & CEO, said

"At ASCL, we strongly believe that testing times brings out the best in organisations and we witnessed the adage come true for us.

Just when the world was dealing with the first wave, the second wave of the pandemic wreaked greater havoc, once again bringing the world to a standstill. While the financial year again began on a note of anxiety, it was also a quarter when our strengths came to the fore. I would like to take this opportunity and credit all the people at our plants and head office for their tireless efforts in these trying times. Despite the odds stacked against us, I am proud of the way the entire team came together, reacted swiftly to the challenges and managed to achieve highest ever quarterly turnover. We continue to be optimistic and anticipate that the economic situation will improve further in the times ahead as a result of decrease in the spread of the COVID-19 virus and increasing rate of vaccination."

Arjun G. Jaykrishna, Executive Director, commented, *"We are well on our way to becoming one of the largest pigment players by enhancing our product basket to offer a full suite of colour range in organic pigments.*

I am satisfied with the overall financial performance of the business. While the company recorded its highest quarterly revenue ever, EBITDA margins contracted due to increased input prices. Input costs have begun to decline, and we anticipate EBITDA margins to revert to higher levels going forward.

The Company is now at an inflexion point where the investments in the Azo segment to the tune of ₹ 82 cr. will start playing out over the medium to longer term. We have started production of Azo pigments at Dahej and have received very good initial response to the sampling.

The Indian Azo pigments market is a sea of opportunities, and we are confident of leveraging our strengths to make the most of them. We remain confident that by the end of 2021, we would hit 40% utilization levels on month-to-month basis and as soon as we reach 50%, we would want to double the capacity to 4,800 tonnes"

About Asahi Songwon Colors Ltd. (ASCL):

Asahi Songwon Colors Ltd. is a leading player in the Indian Pigment industry and is one of the leading manufacturers of pigments. The company manufactures CPC Beta Blue and Blue Crude. Recently, the company has also ventured into manufacturing yellow and red (AZO) pigments also. The company caters to a diverse base of global and Indian customers with more than 60% of business from exports to global MNC's. It is currently manufacturing products for over 40 international and domestic customers. The company operates via its two manufacturing facilities in Gujarat, India, located at Padra, Vadodara and at Dahej, Bharuch with an aggregate installed capacity of 16,800 MT, as of June 30th, 2021.

FOR FURTHER DETAILS PLEASE GET IN TOUCH WITH:

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