



CAMSON

Camson Bio Technologies Limited
(BSE: 538858)

FY2015 Earnings Presentation

June 2015



Cautionary Statement



This presentation contains statements that contain “forward looking statements” including, but without limitation, statements relating to the implementation of strategic initiatives, and other statements relating to Camson Bio Technologies Limited’s (“Camson Bio Technologies”) future business developments and economic performance.

While these forward looking statements indicate our assessment and future expectations concerning the development of our business, a number of risks, uncertainties and other unknown factors could cause actual developments and results to differ materially from our expectations. These factors include, but are not limited to, general market, macro-economic, governmental and regulatory trends, movements in currency exchange and interest rates, competitive pressures, technological developments, changes in the financial conditions of third parties dealing with us, legislative developments, and other key factors that could affect our business and financial performance.

Camson Bio Technologies undertakes no obligation to publicly revise any forward looking statements to reflect future / likely events or circumstances.



Performance Highlights



Commenting on the performance, **Mr. Santosh Nair, CEO of Camson Bio Technologies Limited** said:

“Last financial year has been an inflexion point for our core biocides business from where we expect to move to the next trajectory of growth. During the year, we made significant investments in our R&D, sales & marketing channels and overall human resources. We believe that these investments will fructify in the coming year. Although, the performance of the last quarter was impacted largely by unseasonal rains, coupled with increased sales & marketing expenses to push the subdued sales in bad weather conditions. This is a short term phenomenon and we have taken essential steps to minimize the impact.

In Q4 FY2015, we signed several MoUs with government organizations to undertake research on secondary metabolite based biocides for them. It gives me immense pleasure to see that our efforts to create a strong microbe research based, bio-technology driven organization has been recognized at all levels. Our products have already created a brand recall for themselves and we have an exciting pipeline for the next year to build upon the existing portfolio. We look forward to an exciting phase of growth for the Company.”

Consolidated Highlights: FY2015 vs. FY2014

- Total Revenue increased by 6.4% on y-o-y basis, to Rs. 2,030 million
- Agri Biotech segment revenue increased by 36.8% on y-o-y basis, to reach Rs. 600 million
- EBITDA of Rs. 147.6 million, at a margin of 7.3%
- Strong financial position, with Net Debt / EBITDA at 3.1x and Total Debt/ Net Worth at 0.2x





Consolidated Financials

Particulars (Rs. million)	Q4		y-o-y	12 months ended		y-o-y
	FY2015	FY2014	Growth (%)	FY2015	FY2014	Growth (%)
Net Revenue from Operations	462	395	16.9%	2,030	1,909	6.4%
EBITDA	(47)	92	nm	148	247	(40.3)%
Margin (%)	(10.1)%	23.3%		7.3%	12.9%	
Net Profit	(41)	81	nm	19	132	(85.3)%
Margin (%)	(8.8)%	20.4%		1.0%	6.9%	
Basic EPS (Rs.)	(1.41)	3.19	nm	0.67	5.61	(88.1)%

Financial Discussion

- FY2015 Revenue increased by 6.4% on y-o-y basis, to Rs. 2,030 million, primarily driven by a robust 36.8% growth in the Agri-Biotech business segment while the Seeds business declined a modest (4.1)% due to the ongoing portfolio rationalization
- However, the last quarter's performance was impacted by unseasonal rainfall. This has resulted in subdued sales performance and increase in sales & marketing expenses to push sales in the bad weather conditions
- In line with the management expectations and the ongoing focus on the core biocides business, FY2015 revenue contribution from the Agri Biotech segment increased from 22.9% in FY2014 to 29.5% currently
- Overall leverage position has remained healthy in FY2015, with Net Debt / EBITDA at 3.1x and Total Debt/ Net Worth at 0.2x. Net Debt stood at Rs. 459 million compared with Rs. 381 million at the end of the last year

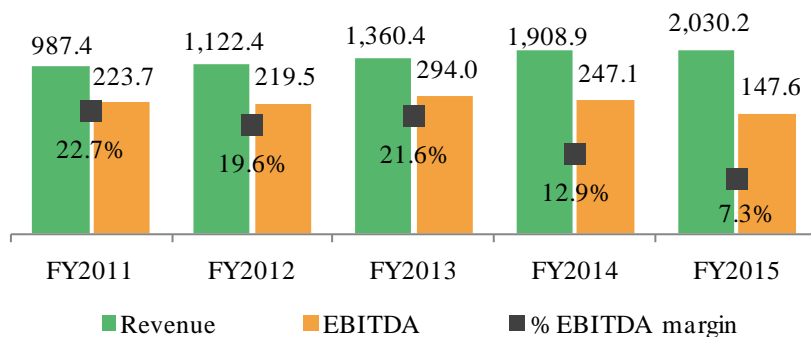


Financial Overview: Consolidated



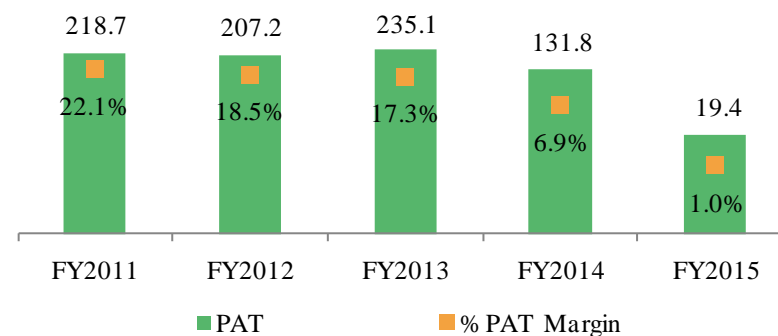
Revenue, EBITDA & EBITDA Margin (%)

In Rs. million



Profit after Tax and Margin (%)

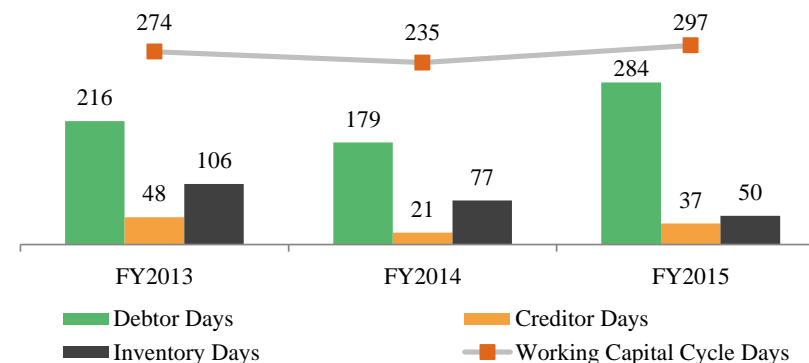
In Rs. million



Leverage Profile

(Rs. million)	31.03.2015	31.03.2014
Short Term Borrowings ¹	401.5	280.7
Long Term Borrowings	72.6	119.5
Total Debt	474.0	400.2
Less: Cash & Cash Equivalents	14.6	19.6
Net Debt	459.5	380.6
Net Worth	2,661.7	2,276.4
Net Debt / EBITDA (x)	3.1x	1.5x
Total Debt / Net Worth (x)	0.18x	0.18x
Interest Coverage Ratio	0.21x	6.2x

Working Capital Cycle



Note:

- Short term borrowings also include: a) Current portion of long-term maturities and b) Interest accrued but not due on borrowings & security deposit



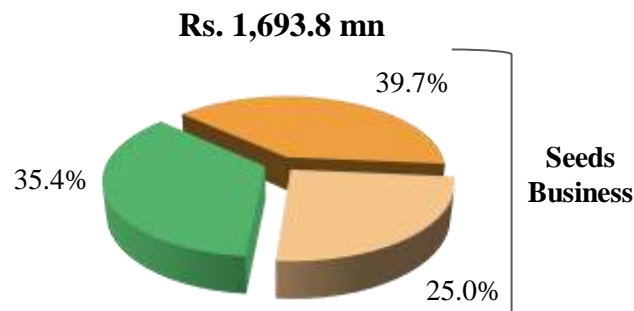
Financial Overview: Standalone



Standalone Financials

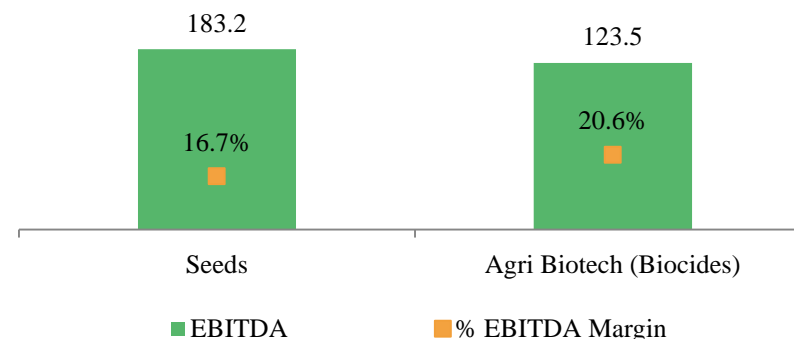
Particulars (Rs. million)	Q4		y-o-y Growth (%)	12 months ended		y-o-y Growth (%)
	FY2015	FY2014		FY2015	FY2014	
Net Revenue from Operations	375	391	(4.1)%	1,694	1,456	16.3%
EBITDA	(32)	92	nm	162	247	(34.4)%
Margin (%)	(8.6)%	23.5%		9.6%	16.9%	
Net Profit	(31)	82	nm	31	133	(76.8)%
Margin (%)	(8.4)%	20.9%		1.8%	9.1%	
Basic EPS (Rs.)	(1.10)	3.23	nm	1.07	5.65	(81.1)%

FY2015 Revenue Contribution: Segment Wise



■ Agri Biotech (Biocides) ■ Seeds Cultivation ■ Trading of Seeds

EBITDA¹ (Rs. million) & EBITDA Margin (%)

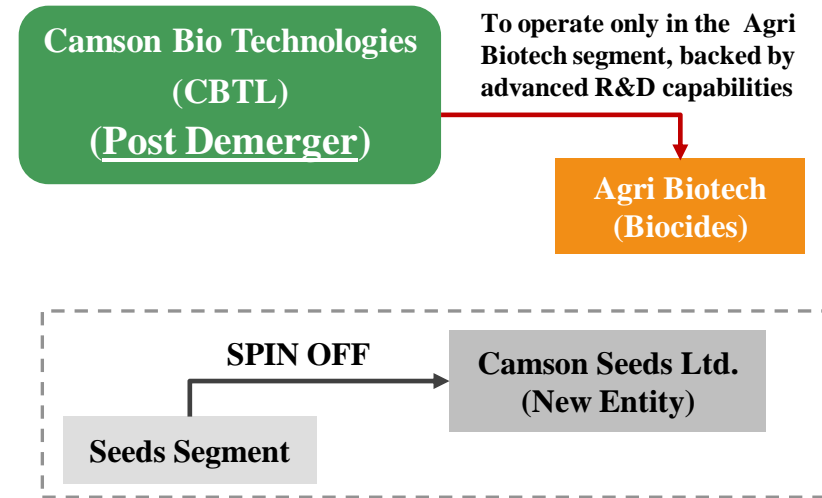
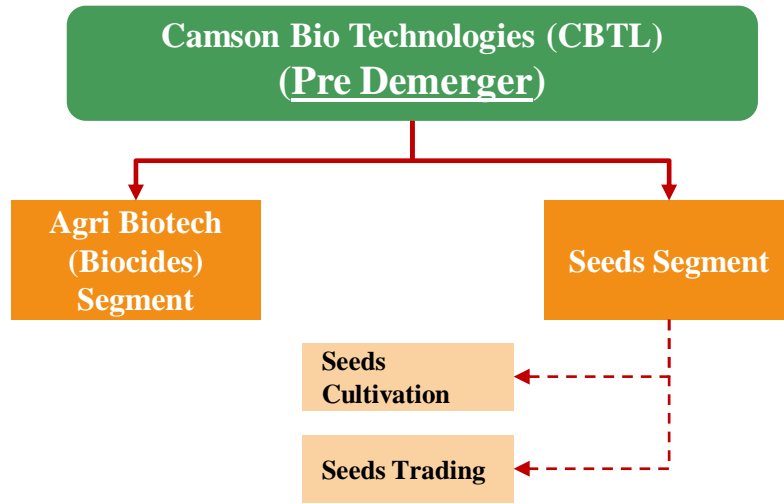


Note:

1. Includes Other non-operating Income and unallocated earnings



Demerger of the Seeds business



Demerger Highlights

- 1 Application filed with Karnataka High court, for the Demerger of Seeds business to form a new entity (Camson Seeds Limited)
- 2 Shareholding pattern of Camson Seeds to be same as of CBTL
- 3 Existing shareholders of CBTL to be allotted shares of Camson Seeds Ltd. in the ratio of 1:1
- 4 Obtained shareholders and creditors' approval for the Scheme of Demerger, the meeting convened on order of the High Court
- 5 CBTL will continue to operate only the Agri biotech (Biocides) business, focusing upon Zero-residue & eco friendly products

Rationale for Demerger

Changing Business Dynamics

- Most dynamics like risk, capital requirements & return ratios of both businesses begun to differ, necessitating need for the demerger

Cultivating Future Growth

- Enhance focus on the rapidly growing Agri-biotech business, to further scale it up
- In line with the Company's long-term strategy

Enhancing Market Position

- Building brand equity
- Accelerating international sales
- Further penetrating the Indian agri market



Demerger of the Seeds business



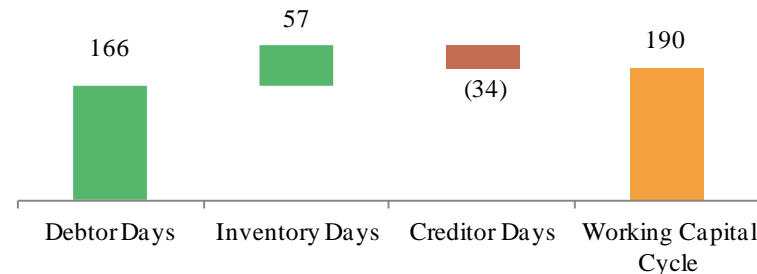
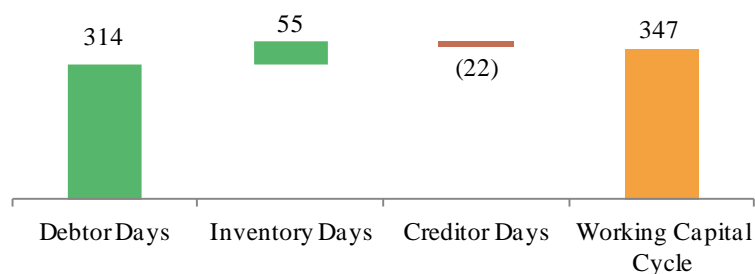
Leverage Comparison

FY2015 Leverage Profile: Camson Standalone

(Rs. million)	31.03.2015
Short Term Borrowings ¹	319.6
Long Term Borrowings	49.4
Total Debt	369.0
Less: Cash & Cash Equivalents	10.3
Net Debt	358.7
Net Worth	2,639.8
Net Debt / EBITDA (x)	2.2x
Total Debt / Net Worth (x)	0.14x
Capital Employed	3,060.0

FY2015 Leverage Profile: Agri Biotech (Biocides)

(Rs. million)	31.03.2015
Short Term Borrowings ¹	286.2
Long Term Borrowings	44.7
Total Debt	330.8
Less: Cash & Cash Equivalents	10.1
Net Debt	320.8
Net Worth	1,185.7
Net Debt / EBITDA (x)	2.6x
Total Debt / Net Worth (x)	0.28x
Capital Employed	1,563.1



Note:

- Short term borrowings also include: a) Current portion of long-term maturities and b) Interest accrued but not due on borrowings & security deposit



Recent Corporate Developments



Awards and Recognition

Deloitte 2014 Technology Fast 500™ Powerful Connections

Camson recognized as one of the fastest growing technology companies in Asia Pacific and received the Technology Fast 500 award



Camson wins 2nd Inc India Innovative 100 Award under the category “Responsible Business & Technology”



Camson awarded ETNow ‘Leaders of Tomorrow’

Key Developments

- ❑ Received approval from Shareholders and Creditors for the Scheme of Arrangement (Demerger) of the Seeds Business to create a separate entity Camson Seeds Limited
- ❑ Signed MOU with the Kerala Cardamom Processing and Marketing Company to facilitate residue free farming for Kerala farmers
- ❑ Signed MOU with Vazhakkulam Pineapple Growers and Processors Pvt. Ltd. to advance the usage of biocide products in pineapple farming
- ❑ Signed MOU with the Coconut Development Board (a Government of India enterprise), to undertake research on secondary metabolite based biocides to control red palm weevil infesting coconut plantations



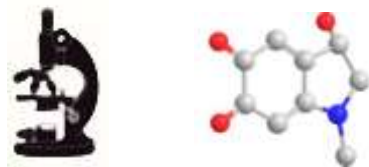
Company Overview



Pioneer in 'zero residue' biocide products, supported by scientific research spanning over two decades

- Camson Bio Technologies Limited ("Camson" or the "Company") is India's first integrated IPR driven agricultural biotechnology company
- Founded in 1993, Camson is headquartered in Bangalore, with primary focus on biotech R&D
- Pioneer in zero residue farming products, which uses secondary metabolites (biological origin) of microbes to kill / inhibit pathogens, with no use of chemicals
- Recognized by Deloitte as one the fastest growing technology companies in 2015 and conferred the Technology Fast 500 award and awarded 'Leaders of Tomorrow Award' by ET Now & Indiamart 2014-15
- Long standing relationship with its institutional investors such as CLSA and SBI

R&D



4000+ microbes library
3 Research Centers; (Bangalore,
Aligarh and Hyderabad)

Production



2.7 mn litres per
annum capacity

Product Type



22 Bio pesticides
7 Bio fertilizers
60+ Hybrid seeds





Ability to leverage its first mover advantage in a market with significant growth potential

Agri Biotech Products (Biocides)

29.5% of
FY2015
Consolidated
Revenue



- Produced using secondary metabolites of microbes, suitable for killing pests
- Maximize agricultural productivity while reducing the environmental impact
- Categorized into four product types: Bio Insecticides, Bio Pesticides, Bio Fertilizers and Growth Stimulants
- Products are highly specific in their action, non – synthetic, economical and environmentally safe

Hybrid Seeds

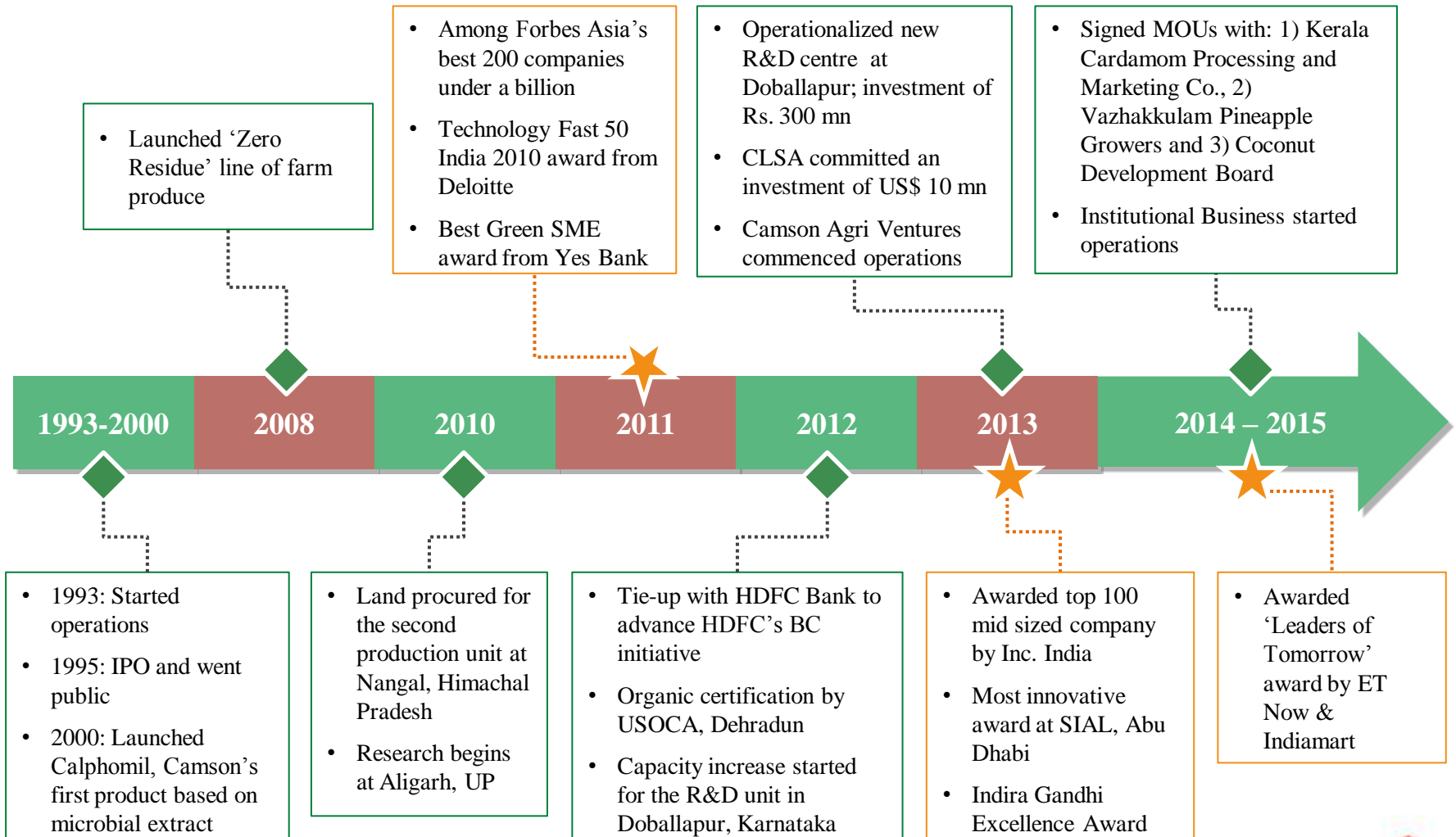
69.5% of
FY2015
Consolidated
Revenue



- Deploys Intragenics technique (hybrids created among same kingdom species)
- Proven track record of hybrid vegetable seeds with range of over 60 varieties
- Includes scientific knowledge based farming through its subsidiary Camson Agri-Ventures (CAV)



Corporate History



Key Strengths and Core Competencies



R&D capabilities driving operational excellence and market positioning

Highly Specialized R&D Capabilities

- First mover advantage in the 'Zero Residue' biocides market
- Developed an in-house proprietary technology platform consisting of 4,000+ micro organism database, screening technology and a natural compound library
- Scientific results driven by state-of-the art in-house technology platform and significant knowledge base of microbes study

Operational Excellence

- Asset light manufacturing process
- Camson products uses secondary metabolites with no live micro organisms, thereby leading to much higher shelf lives
- Two company owned and two contracted production facilities for biocides and 5000 acres of contract farming
- Presence across the entire Agri value chain through Camson Agri Ventures

Well Established Market Reach

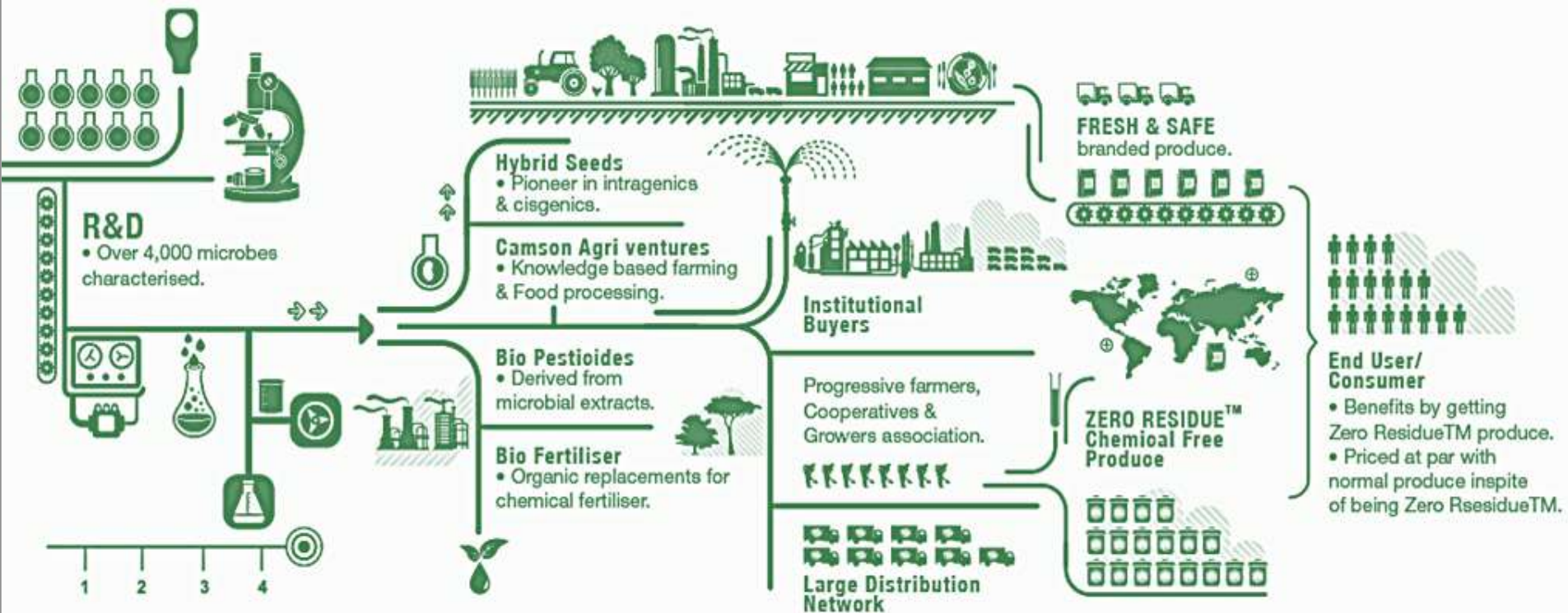
- Facilitate sales via two way process: One of direct sales to the retail shops and second is to derive demand via product demos and consultancy to the farmers
- Has a strong network of 2,600+ dealers, 300 distributors and 300+ marketing personnel spread across India



Integrated Manufacturing Process



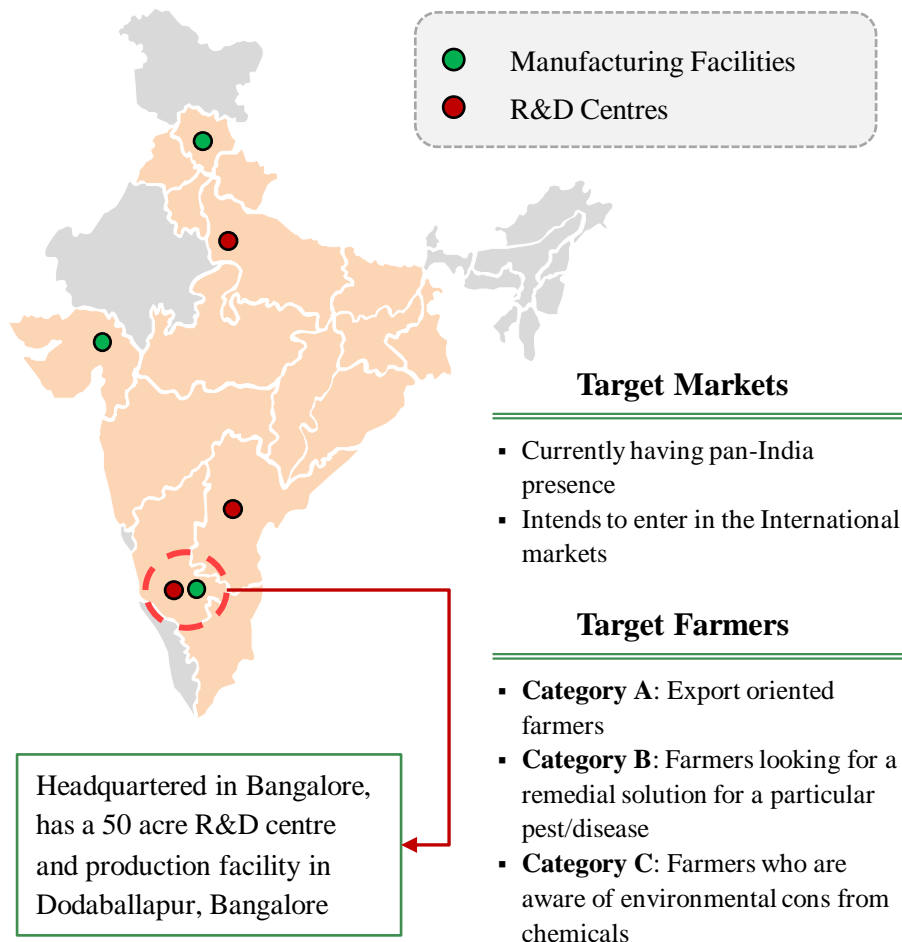
Integrated Agriculture: Farm to Fork



Geographical Presence and Distribution Network



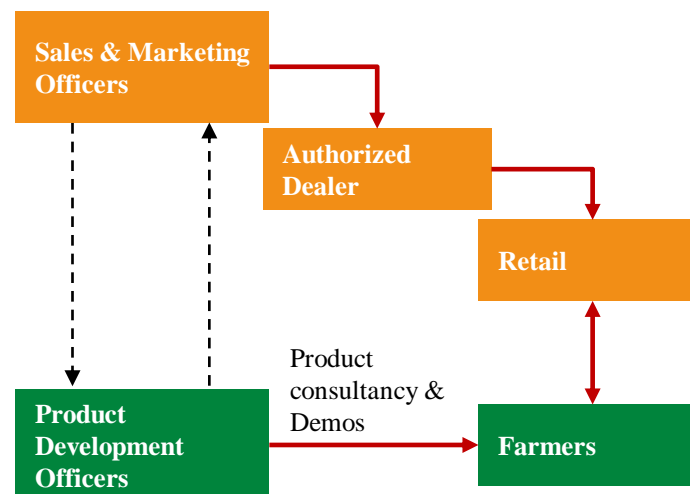
Geographical Presence and Key Markets



Sales & Distribution Network

Marketing Mechanism:

- Has clearing & forwarding agents across the country for storage and handling



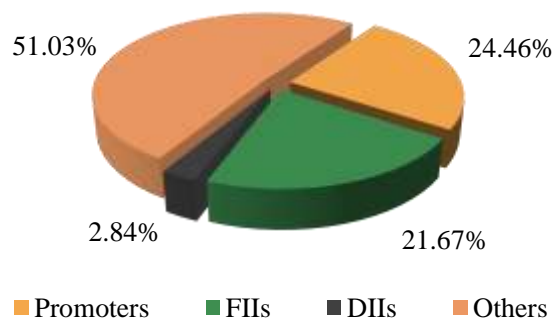
Also, employs Field Assistants at local level on a temporary basis during sales promotions



Capital Structure



Shareholding Pattern (Mar 31, 2015)



Key Investors



Market Data (June 12, 2015)

Market Cap (Rs. mn)	2,850
Enterprise Val (Rs. mn)	3,339
52 Week H/L (Rs.)	164.00 / 76.00
Bloomberg	CBTL:IN
Reuters	CAMS.BO
Sector	Biotechnology

Key Developments

Shareholders	Mar-15	Dec-14	Sep-14	Jun-14	Mar-14
Promoters	24.46%	24.46%	24.46%	25.91%	26.32%
Foreign Institutional Investors (FII's)	21.67%	21.32%	21.30%	16.44%	18.51%
Domestic Institutional Investors (DII's)	2.84%	2.84%	2.53%	2.67%	2.97%
Others	51.03%	51.38%	51.71%	54.98%	52.20%
Total Shares (million)	29.99	29.99	29.99	28.32	25.22



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