

Ref: ASCL/SEC/2022-23/53

November 15, 2022

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 VARGHESE
JOSEPH**

Digitally signed by SAJI VARGHESE JOSEPH
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49ced9f4070d40788, postalCode=382421, st=Gujarat,
serialNumber=R6209410930905443ba5c32644eb51d699
1240895c262708ba9461, cn=SAJI VARGHESE JOSEPH
Date: 2022.11.15 18:49:21 +05'30'

SAJI JOSEPH
Company Secretary and Compliance Officer

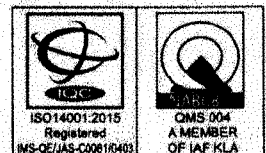
Encl: As above

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 Q2FY23 Results

Total Revenue - ₹127.52 Cr;

EBITDA at - ₹7.49 Cr

Ahmedabad, November 15th, 2022: 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 third quarter ended September 30th, 2022.

Standalone Financial Highlights for Quarter Ended September 30th, 2022:

- Total Revenue was ₹82.48 Cr during the quarter under review, Q-o-Q degrowth of 30.48% and Y-o-Y degrowth of 12.27%
- EBITDA ₹9.16 Cr during the quarter, a Q-o-Q degrowth of 25.53% and Y-o-Y decline of 22.87%
- EBITDA Margin stood at 11.11% for Q2FY23 as compared to 10.37% in Q1FY23 and 12.64% in Q2FY22
- Net Profit stood at ₹3.33 Cr a Q-o-Q decrease of 45.29% and 51.14% decline on Y-o-Y basis

Consolidated Financial Highlights for Quarter Ended September 30th, 2022:

- Total Revenue was ₹127.52 Cr, a Q-o-Q degrowth of 21.82% and Y-o-Y growth of 34.42%
- EBITDA ₹7.49 Cr during the quarter, a Q-o-Q decrease of 36.36% and Y-o-Y decline of 27.63 %
- EBITDA Margin stood at 5.87% for Q1FY23 as compared to 7.22% in Q1FY23 and 10.91% in Q2FY22
- Net Profit stood at ₹ (1.00) Cr a Q-o-Q decrease of 74.75% and 78.86% decline on Y-o-Y basis

Commenting on the Q2FY23 performance , Gokul Jaykrishna, Joint Managing Director and CEO, said

"I am pleased to report on our performance for Q2FY23. We recorded subdued financial performance on the back a very challenging operating environment. All our three business faced headwinds which resulted in significantly low profitability. While the drop in raw material prices is positive development but it has resulted in inventory losses during the quarter. With issues in Europe continuing for longer than expected the troubles have compounded and the demand continues to suffer. On the internal measures, with improvement in logistics, we have started shifting back towards the just in time inventory and expect our working capital cycle to improve going forward. While we have had a slow start to the third quarter, we expect demand to pick up from Q4FY23 as the restocking comes to an end.

On a standalone basis, our blue business is operating at decadal low margins. Barring a few quarters in an uncertain environment, we remain highly optimistic about a strong bounce back in our operating performance."

Arjun G. Jaykrishna, Executive Director, commented,

" While the overall operating environment remained very challenging, we made significant qualitative progress in our Azo and API business. On the Azo front we have achieved the required product quality levels on a number of products and expect quick ramp up as the overall demand scenario improves and we expect Azo pigment to be a major contributor to our consolidated business. On the API front while the realisations have stabilised, the profitability continued to suffer on account of erratic raw material price fluctuations. On the positive side, we have made significant progress with our ongoing CAPEX plans and expect to begin commercial production ahead of our plans.

On a consolidated basis, all our businesses are facing temporary headwinds, and we remain confident of a strong bounce back in our performance as soon as the situation stabilizes".



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 as well as APIs. 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 September 30th, 2022.

FOR FURTHER DETAILS PLEASE GET IN TOUCH WITH:

SAJI JOSEPH

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