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Date: 22.08.2026.

To
The General Manager,
Department of Corporate Services,
Bombay Stock Exchange Limited,
PhirozeJeejeebhoy Towers,
Dalal Street,
Mumbai- 400001.
Scrip Code : 540692

To
The General Manager,
Listing Department,
National Stock Exchange of India Limited
Exchange Plaza, Plot No C/1, G Block,
BandraKurla Complex,
Bankdra (East), Mumbai - 400 051.
Scrip Symbol : APEX

Dear Sir/Madam,

Sub: Transcript of Q1FY27 Earnings Conference Call held on 18th August, 2026-Reg.

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Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, kindly find enclosed a transcript of the Q1FY27 Earnings Conference Call, which was held on 18th August, 2026.

The aforementioned Earnings Conference Call, as per the transcript enclosed, incorporates mainly the highlights of Un-Audited financial results of the 01st Quarter ended 30th June, 2026 and other related information which is already in public domain and/or made available/uploaded on the Company's website.

Please take the same on record.

For **Apex Frozen Foods Limited**

KARUTURI SUBRAHMANYA CHOWDARY
Digitally signed by KARUTURI SUBRAHMANYA CHOWDARY
Date: 2026.08.22 10:38:02 +05'30'

Karuturi Subrahmanya Chowdary
Managing Director & CFO
DIN: 03619259

Encl: a/a

“Apex Frozen Foods Limited

Q1 FY27 Earnings Conference Call”

August 18, 2026

MANAGEMENT: **MR. KARUTURI CHOWDARY – MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER – APEX FROZEN FOODS LIMITED**
MR. DURGA PRASAD – SENIOR MANAGER, ACCOUNTS – APEX FROZEN FOODS LIMITED

MODERATOR: **MR. HRITHIK HATTIANGADI – STELLAR IR ADVISORS**

Moderator: Ladies and gentlemen, good day, and welcome to the Apex Frozen Foods Limited Q1 and FY27 Earnings Conference Call. As a reminder, all participants will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing star then zero on your touchtone phone.

I now hand the conference over to Mr. Hrithik Hattiangadi from Stellar IR Advisors. Thank you, and over to you, Hrithik.

Hrithik Hattiangadi: Thank you. Good morning, everyone, and thank you for joining us today. We have with us today the senior management team of Apex Frozen Foods Limited, Mr. Chowdary Karuturi, Managing Director and Chief Financial Officer; and Mr. Durga Prasad, Senior Manager Accounts, who will represent Apex Frozen Foods on the call.

The management will be sharing the key operating and financial highlights for the quarter ended 30th June 2026, followed by a question-and-answer session. Please note that this call may contain some of the forward-looking statements, which are completely based upon the company's beliefs, opinions and expectations as of today.

These statements are not a guarantee of the company's future performance and involve unforeseen risks and uncertainties. The company also undertakes no obligation to update any forward-looking statements to reflect developments that occurs after a statement is made.

I now hand over the call to Mr. Chowdary Karuturi. Thank you, and over to you, sir.

Karuturi Chowdary: Thank you, Hrithik. Good morning, everyone, and thank you for joining us on this investor call for Q1 FY27. We have uploaded the Investor Presentation on the website of the stock exchanges, and we do hope that you had a chance to go through it.

Q1 FY27 was a quarter of mixed trends with improving global shrimp prices and higher conversion rate for USD INR, aiding realization growth on one hand, while labour shortage mainly in the months of April and May and war-led transportation disruptions across certain export markets affecting the shrimp sales volumes on the other hand.

Against this backdrop, our average shrimp realization grew 15% year-on-year to almost INR930 per kilo in the Q1 of FY27, offsetting the impact of decline in total shrimp sales, which stood at 2,624 metric tons in Q1 FY27 compared with 3,015 metric tons in Q1 FY26. We are hopeful of a recovery in sales volume in the Q2 of FY27, subject to the normalization or improvement of global transportation conditions.

In terms of profitability, Q1 FY27 benefited from improving shrimp realizations, stable farm gate prices. and continued cost-efficiency measures. While the farm gate prices are beginning to rise, we expect other factors to remain favourable for clocking a healthy profit margin in the current fiscal.

Coming to our geographical mix. The U.S.A. accounted for 70% of our total shrimp sales in Q1 of FY27 compared with 54% in Q1 of FY26. Shrimp sales to the U.S. increased 13% year-on-year and 121% quarter-on-quarter supported by softening tariff-related uncertainties.

The U.S.A. continues to remain an important market for our company and we remain well positioned to capitalize on improving market conditions. The EU and the U.K. together contributed 25% of the total shrimp sales compared with 39% in Q1 of FY26.

Sales to these markets were impacted during the quarter by the war-led transportation disruptions and certain regulatory basically the testing and certification requirements done at the origin in India.

Despite the near-term impact, these markets continue to remain an important part of our diversified export portfolio. We continue to focus on expanding our presence across markets to build a more diversified and resilient business.

Alongside the geographical diversification, we continue to strengthening our product mix with a higher share of value-added products, which garners higher realization and margins, of course.

Now coming to our financial performance for the Q1 of FY27. Net revenue remained flat at INR257 crores compared with INR258 crores in the first quarter of FY26. EBITDA increased 79% year-on-year to INR33 crores compared with INR18 crores in the first quarter of FY26 with EBITDA margin expanding to 12.7% from 7.1% in the first quarter of FY26. Profit after tax stood at INR22 crores compared with INR9 crores in the first quarter of FY26, registering a 138% year-on-year growth, while the PAT margin improved to 8.4% from 3.5%.

The improvement in profitability was mainly supported by the higher shrimp realizations along with stable farm gate prices and ongoing cost efficiency measures, which more than offset the impact of lower volumes.

Coming to the balance sheet, we continue to maintain a lean financial profile with debt levels prudently managed and at comfortable levels. Our focus remains on disciplined working capital management and maintaining a healthy balance sheet as the business scales.

With that, we would like to conclude our opening remarks and reiterate with our diversified market presence, focused on value-added products, established manufacturing capabilities and the available capacity, we remain well positioned to capitalize on improving market conditions and drive sustainable growth going forward.

I think we can now open the floor for a question-and-answer session. Thank you very much.

Moderator: Thank you so much, sir. Ladies and gentlemen, we will now begin with the question-and-answer session. First question comes from the line of Murtaza with Pinpoint X Capital.

Murtaza: Congratulations on a set of good numbers. Sir, I just had a quick question regarding the sharp increase in the price you've been seeing for the fish meal and the shrimp feed prices. So, could you like please help us understand the economics, like how is it affecting the shrimp farmers? And ultimately, how is it impacting us?

And also, if you could help us understand like to what extent are these costs really passed through? And if we were to see further increase in such prices. So can we see any impact on the farmers stocking up or overall demand scenario. And lastly, like, do you see this higher feed cost as a temporary thing? Or can they remain like a headwind for a while for over a few quarters? Yes, so on that.

Karuturi Chowdary: Yes. Firstly, I guess that question is not relevant to us, our company as such because we are primarily into the processing and export of shrimp and not into any feed manufacturing. However, to answer that question, partly, as we have informed through our opening remarks that the farm gate prices have been rising and have been providing a good comfort level to the farmers, the primary producers as we speak over the past 1 month and so on.

So, I think that should be taken care to a great extent with regard to the costing at the primary producer level, of course, subject to their other farm level conditions. So, we wouldn't be able to much comment on the input costs with regard to the feed manufacturing as we are not into that activity.

Murtaza: Understood. So, sir, we don't really have any exposure to that segment as such?

Karuturi Chowdary: No, no.

Murtaza: And sir, if you could just give a bit of guidance, how do we see our margins going forward since we have done pretty well. So just a bit commentary from your end would really be appreciated.

Karuturi Chowdary: Well, again, as we did state in our remarks that considering the ongoing subsequent a little bit stable export realizations in dollar terms as well as the depreciated rupee combined and also our cost efficiency measures, we believe the margins could be stable. But at the same time, we also have to factor in a little bit of the increase in freight costs and also to a certain extent, also the increase in the farm gate prices, which we have stated.

So even though the margins could be slightly affected because of these factors, but we anticipate a volume growth, which will take care of more of efficient costing, and that should give us maintain stable margins for us. Of course, as we would be hoping that this present depreciated rupee further from Q1 is also helping us to a certain extent.

So, we would continue to be around these levels. But even if there are some hiccups like ocean freight expenses being increased mainly because of this war-led disruptions, which we stated earlier. So apart from that, I think most of it should be maintained. But as we have mentioned, there could be certain issues which are unforeseen by us considering the international trade and logistical issues and issues mainly related to the war.

Murtaza: Understood, sir. And sir, lastly, can you please just also elaborate a bit on how has the realization been for this quarter? And how was it for Q2?

Karuturi Chowdary: Well, as stated in the beginning, the realization per kilo in rupee terms has been INR930 for the first quarter of FY27 comparing it to around INR812 during the first quarter of FY26. That, of course, there is also increase in the dollar unit value in general because also we are increasing more into the volume of the value-added products or Ready-to-Eat products and also supported by the depreciating currency. So that maybe the big difference between Q1 of FY26 and Q1 of FY27, that almost INR80, INR90 gap has come up. Increase has happened during this first quarter.

Murtaza: Understood. So, are we seeing it hold in Q2 as well or roughly similar INR900 level?

Karuturi Chowdary: Yes, we are seeing around a similar level as far as realization in rupee terms are concerned, yes, we are expecting on similar other levels as far as realizations are concerned. Yes.

Moderator: Next question comes from the line of Nilesh Patil with Share India Securities

Nilesh Patil: Congrats on margin expansion. My first question is on the volumes. You have guided that we can see good growth into Q2, particularly, which has been a conventionally strong quarter. But could you just elaborate more on the fact that we had guided that at the start of the year that 14,000 MT will be the guided range for volumes.

And even if I on a conservative basis, take a volume of about 12,500 or something like that. So this quarter, more or less, we have kind of delivered less. So,for the rest of the 3 quarters, what can be the volume growth that we can see? And is the U.S. exposure, we can say that the growth in the U.S. market is particularly due to the tariff-related concerns easing up or we can say that the Ecuador dumping is more or less reduced, which has given an edge for Indian companies?

Karuturi Chowdary: Okay. Firstly, we have not given any, basically, we said we are around 12,000 metric tons is doable in this year. That is what we have given in the beginning of the year. And even in during our Q4 quarterly con call also, we have stated on similar lines. However, of course, because of the summer heat during April, there were certain labour shortages and that definitely affected our production a little bit, which we should have been doing more.

But mainly the shipments got impacted on two fronts. One is in general with regard to these shortages in containers equipment. But also, the other part is instead of stating that our U.S. volumes have increased because of certain delays, our EU volumes have actually reduced.

Our Europe volumes should have been higher during the Q1, during the first quarter. But because of certain delays in getting the clearances for shipments, that got spilled over into the subsequent month. So, it's into the subsequent quarter. So, the Europe sales volumes has actually come down. So that is why the U.S. sales seems to be looking very high.

On the other front, you asked about anything about dumping from Ecuador. It's more about certainty we create in regard to the tariffs as once the 50% tariffs were removed by the U.S. government and 10% has been finalized during the beginning of the year, the buyers in the

U.S. also have found more certainty in doing business rather than almost 4 or 5 months of uncertain situation during last year.

So, because of the certainty and they could assess their market conditions, their business strategy, they have accordingly increased their orders position with us in India in general and also our company specifically. That is one of the reasons why there was a lot of U.S. orders which were added.

But parallelly, there were Europe orders, as I just mentioned, but they could not get shipped out because of certain issues. And they got spilled over, as I mentioned in the subsequent quarter. So that's why the U.S. volumes seem to look very high compared to last year during this quarter. So that is situation.

So, there is definitely better certainty among our customers to place orders on us. And so that is on the U.S. side. Europe is also very stable as far as the order requirement is I mean, volume requirement is concerned.

Nilesh Patil: Understood. Secondly, sir, on the Ready-to-Eat contribution, what has been the contribution from this margin accretive segment for Q1? And how do you see kind of it scaling up into over the medium term? And just what's the margin differential between our RTE and RTC, if you can throw some light on it?

Karuturi Chowdary: With regard to the volume, of course, in the Q1, it was 16% of the total volume. Last year, it was, of course, 15%. But mainly looking at the medium term, I mean, in the current year, we expect the sales volumes at least reach clocking 18% to 20%, minimum, 20% would be there, hopefully on the RTE specifically, minimum, we expect that because the specific inquiries coming from different parts of the world, both from the U.S. and Europe and other countries also. So RTE is a big support, I mean that category, that segment would be a good volume this year.

That's what we expect based on the inquiries and confirmations which we have. And the margin front with regard to RTE to RTC is roughly around $0.50 per kilo between RTC and RTE. That's the minimum, depending on the products we do. There are certain products which could be higher also. That's what the minimum is USD 0.50 per kilo.

Nilesh Patil: Okay. Understood. And I believe now the labour issues must be behind us and the margin stability more or less will continue for the rest of the year, if I'm not wrong, sir?

Karuturi Chowdary: Yes. They should continue. But again, at the same time, as we also stated in the beginning, there are also very firming up and increasing of the farm gate prices also, which are there. Of course, we are also having some increase on the realization front too. So overall, it should be, but subject to the conditions mainly both on the supply.

But more than that, now the war-led disruptions are still continuing, and we do not know right now. Our freight costs compared to Q4 of last year and now between these 3, 4 months, it has increased, more than doubled.

So that is another part which we are watching and we are treading carefully on that part. But we do expect kind of stable stabilization around, we don't expect to see a significant drop as far to answer that question.

Moderator: Next question comes from the line of Bala Murali Krishna with Oman Investment Advisors.

Bala Murali Krishna: On farm gate prices, sir, we know that prices are a little bit lower and farmers also little bit tend to cultivate the shrimps. So how do you see sort of demand as of now?

Karuturi Chowdary: I think we have mentioned it in our opening remarks today and also one of the first participant who has raised the question regarding the farm gate pricing in a different manner. But the farm gate prices have become more firm compared to Q1. And in fact, the prices even during Q1 were not really that bad because we do have feedback from several farmers who have been very happy with the way the prices remained very stable through the first quarter of FY27, very stable compared to the earlier recent last few years.

However, in the case of farmers, it also goes down to each individual farm and farmer economics and their success of the crop, their growth and their farm level, the ponds. That also is a major factor. But overall, a significant number of farmers were quite happy with the way the farm gate prices remained stable during Q1, first quarter.

And as far as the second quarter, I mean, currently, as we go by, definitely, the prices have increased over the past 3 to 4 weeks. And they are more firm between then and now, I think there's almost roughly around 6% to 7% jump in the farm gate pricing average. But then I think that should be fine, they are good, they are happy as long as the farm gate prices are commensurating.

But the different state governments are taking the necessary measures for them to realize the most amount of money and bring down their costs in an efficient manner. So, the respective state governments are also taking steps in that regard. And I think we understand that the state government is also producing a sustainable, reasonable costed product as now the products are not competing against each other domestically, but internationally and especially when we have the largest shrimp producer in Asia and on the other side in South America. So, the respective governments also are taking steps, but they are very comfortable as far as we understand.

But there are times during the year, certain times of the year where the crop, the weather patterns, climate conditions could be affecting the overall scenario. So, they could have certain disease-related issues or distress harvests, which are more of a farm-specific related issues case by case issue, which is not a general scenario all over the country or even in one particular state. So otherwise, yes, they are good. They are comfortable. That's what we understand from a good number of farmers actually.

Bala Murali Krishna: That's great, sir. So, on the US tariff front, sir, I think few companies are giving some of the rebates which they have paid earlier with the tariffs. Do you see any rebate in our case also?

Karuturi Chowdary: Can you repeat the question? If you don't mind.

Bala Murali Krishna: Earlier when the tariff is at 50%, so people have the tariff. And I think we also took some discounted rates also there some part of the tariff amount. So now I think because of the previous court orders of 10% tariffs, maximum 10% tariff, so the companies are getting some rebate from the tariffs they are paid in that period. So, do you see that is applicable to our sector also? Few companies have spoken about that, and they are getting some rebate also. That's I'm asking.

Karuturi Chowdary: As of now, we have not received any refunds of the tariffs. And these tariffs, everybody in the sector know that these tariffs were actually compensated by the customers. But as of now, there are no refunds yet. And whether it would be sometime next year or the year after that, we do not know as there are certain regulatory issues and the government of the U.S. also is continuously following up as they have taken a legal angle.

They are also going through court battles and all that. So, at this point, there is no confirmation as of when we would receive them, if we receive them. However, they have given certain steps and guidances to receive the various customs and which we would be implementing. But however, as stated, we do not have a clarity if there would be refunds when they would be.

So as of now, there is no clarity on that. So, it would be a misstatement if we say that we are going to get them as of today because there's no clarity. So, there is definitely uncertainty on that part. So that is the situation with regard to that.

Bala Murali Krishna: Yes. On the growth front, sir, in this quarter, we have a good number because of higher realization and a stable farm gate effect. Is it only a factor which contributed to good margins? Or is there any special factor or FTA, any advantage we through that in the past quarter.

Karuturi Chowdary: No, none of the FTAs are coming, except the UK - India UK FTA has come into play on July 15 onwards. And we are yet to see results of that going on with our customers. Of course, inquiries have increased, but there are certain other non-tariff barriers which are still there and which we believe Government of India is taking it up with the respective governments wherever they have had the signed the FTAs. But mainly the margins during the first quarter, Q1 were attributed to the stable farm gate prices and also a good set of realization in Indian rupees.

And going forward, we believe once these FTAs are fully implemented in all aspects, not just duty tariff-related aspects, but also removal of certain, some of these non-tariff barriers like having Indian shrimp consignments being tested 50% of all the shipments arriving from India still continuing to be tested.

So such non-tariff barriers when they are addressed, I think we could see even more volume growth to these markets, especially the U.K. and EU. Of course, EU's FTA will maybe hopefully sometime by the end of this year or early next year. But we will see those results at that time.

Moderator: Our next question comes from the line of Abhishek with SNS Capital.

Abhishek: Okay. Sir, I have 3 questions. One, the average realization, I heard you saying it's around INR900-odd now. So, if we have to do a look back in the history, what is the normal top which you have seen earlier? Or we have already crossed that top and now we are in process to see a new high kind of a thing? That's the first question.

Karuturi Chowdary: This is with regard to realization, you stated around INR930 for the first quarter. So sorry, can you elaborate the question.

Abhishek: So, what I was trying to understand is like if in history after see, I think 2018 was the last time when you have done very well in terms of the OPM. So, I'm trying to understand if there was a better realization which you had in history before this INR930? Or this is the new high which we have done in terms of company's history?

Karuturi Chowdary: No, we also had a similar realization, I think during the second COVID Phase 2, I think FY22 also around these levels. At that time, it was not supported by the depreciated rupee currency at that time, but the unit value was very high at that time during the second phase of COVID Phase 2.

Also, that's because the unit values in dollar terms were very high because of some panic buying, which was happening, anticipating shortages in product and all that during that time. But of course, when you have such high level pricing just for a regular commodity product, obviously, that would impact the consumption overall. The volumes will get affected.

But here, in our case, we are trying to improve and push more into the ready-to-eat and value-added segment, thereby achieving better realization on the whole on an average per kilo, not just at the commodity, we can't commodity, there is a limit. On the RTC, there is a limit. Beyond certain levels, if the pricing goes up, it will definitely hit the consumption. It will definitely hit the volume intake by the customers. So, there are limitations to that.

So, we have seen that impact even like you rightly asked during COVID Phase 2. I think mostly it was in FY22. We did see an impact on that because subsequently in FY23, the volumes were going down. So that is there. But we would want to achieve a better realization per kilo more based on the diversified product mix by having more enhanced product sales.

That way, we would want to achieve better realization so that it not only this takes care of realization part, whether it is supported by the currency or not, but also, we have a better margin on a margin front also, it would be taken care. That is our goal.

Abhishek: Okay. So, what I'm understanding is you're saying this time we are trying to make this the new normal like for a longer time compared to what happened earlier in 2022, where the margins did not really stabilize. Is that correct?

Karuturi Chowdary: Yes, yes. I mean we are looking at better realizations on the front of doing more value-added products so that not only takes care on the realization front, but also has a minimum kind of assurance on the margin front because as stated earlier in many many calls in the past, obviously, ready-to-eat products have a better margin realization and that is the more volumes we can do in that segment, that obviously takes care of the margins for the company overall also. So that is...

Abhishek: Got it. Okay. Okay. My second question, what is the capacity utilization right now? Because if I remember, in FY26 beginning, it was around 30% levels. So, has it increased? So, I have 2 parts to the second question. Has it increased when you look at the whole FY27? And what do you think we are going to close the FY27 at like the beginning of FY28? What do you think or what is the trajectory we are looking at going forward with the capacity utilization?

Karuturi Chowdary: See, the volume capacity utilization was almost similar to last year of FY26, the first quarter was similar, 39% last year and it was 38% this year. But this year, we have a different plan, and we are as with the different products and different markets, especially more diverse markets, which we are doing, we believe this capacity utilization should be consistently maintained over and above 35% to 40% through the year. Whether, of course, some issues related to logistics or disruptions and shipments, those are all a different part.

But as far as utilization is concerned, we are planning to have a better utilization from this year onwards. And we have done the required changes even internally, which also are taking care of cost-efficient measures, certain cost reduction measures also.

Abhishek: Okay. So, the U.K. FTA should supplement in this new target, right, which we have set internally for at least to begin with.

Karuturi Chowdary: It would to a certain extent, but as stated to in the past also, we are betting bigger on the EU FTA. And actually, U.K. FTA as such, the size of the market considerably is smaller when we compare it to the EU, and we are really betting high on the EU FTA to get implemented along with the non-tariff measures being removed, which I think we have stated to one of the earlier participants with regard to certain non-tariff barriers, which are still existing actually, like even in the case of U.K. FTA from July 15, it is effective, but still the non-tariff barrier still exists.

So those things are being taken by the government of India. And hopefully, when they get removed, the buyers also have more confidence on Indian products, faster deliveries, saving of time and which equals to their money. So, the customers also would be betting on higher volumes from India.

That's what we understood. We got the feedback from them. That is the only point which is pending now in a very good FTA arrived by India and these countries.

Abhishek: So, in terms of timelines, when do you think, these FTAs will actually start fruiting for the company? I mean, definitely, the government can say that it's going to begin like, for example, U.K. FTA was supposed to start from July of '26. But on ground, will take some time for us to see the results in the P&L of the company?

Karuturi Chowdary: Usually, the FTAs, I think by the time they are fully implemented, they are taking minimum of 1 year usually. So, it's minimum 1 year. So, I think as the FTA with U.K. has already been implemented. there are some minor issues.

But for our trade, it becomes big. But otherwise, the EU FTA we are hoping that it would be sometime by the end of this calendar year, sometime by December or early January. That's what we have been told. We have been given the feedback so we should see.

Abhishek: Got it. So maybe by Q1 of FY28, we should be able to see some benefits passing through?

Karuturi Chowdary: Yes. I mean a full effect of these FTAs definitely, especially the EU, which we are hoping, having big expectations of, yes.

Abhishek: Got it. And just one last question. Where is the number now for the U.S., the import tariffs, which I got? I remember you saying some 18% or 19%. Is it same? Or it has come down now, the import tax, which we have added?

Karuturi Chowdary: No, the import, the tariffs are at 10% and there's an ADD and CVD, but tariff wise, it is at 10%. What has been there for first quarter is still there for the second quarter, that is the same. No change in that.

Abhishek: That's all. But really great. I mean, you said that you will be diversifying, and I can see the numbers changing in geography as well. I see the Europe part coming out very well when we see the split with U.S. So that's really great.

Karuturi Chowdary: Thank you.

Moderator: Our next question comes from the line of Yogansh with Mittal Analytics.

Yogansh: Sir, a couple of questions from my end. So firstly, if you could just broadly help me understand, are the global shrimp prices more or less similar between our 2 key geographies, U.S. and Europe?

Karuturi Chowdary: They wouldn't be the same. I mean, of course, there are certain other factors like antidumping and countervailing duties in the U.S.A. The pricing in the U.S.A. is higher, I mean, as far as the realization is concerned on a unit per kilo in dollar terms, the U.S.A. is higher.

But the Europe, considering that Europe, we don't take care of any tariff for duty payments in the case of EU shipments. It is to the account of the customer. So, they do not affect our pricing there. But here in the U.S., there is ADD, there is CVD, then there is a tariff of 10%.

So, these things do play a role. Tariffs, they are being absorbed by the customers as far as tariff of 10% is concerned. But of course, ADD and CVD is part of our pricing. So obviously, if we are looking at a 9%, almost 9%-odd towards ADD and CVD, the U.S. sale prices usually found to be higher than the other European pricing.

Yogansh: Okay. Sir, just on that front, from what we understood last time from you, last year, the prices of shrimp were around INR860 plus, right? And those were inclusive of tariffs. Today, in the call, what you've mentioned, the INR930-odd price that we clocked this quarter, that also includes some bit of tariff.

But given that the tariff from last year to this quarter has come down significantly, so is it safe to understand that this whole gap is broadly because of the higher realization excluding the tariff thing. So, what I mean to ask is this increase is after reducing the tariff, then this increase looks very, very high. Is that understanding, correct?

Karuturi Chowdary: No. In the case of the realization, there are points here. One is the depreciating currency, which has supported. Apart from that, there has also been an increase in dollar terms. And between Q1 of last year and Q1 of this year, 10% tariff did exist. 10% was there.

And even Q4 of last year and Q1 of this year, 10% was there. So, when we discussed about this pricing or when we stated what we stated about INR930 versus INR830 of Q4 or INR811, INR812 of Q1 of FY26, it includes for the U.S.A. shipments, it includes the 10% tariff. Of course, between Q2 and Q3, the tariffs have varied between, 25% and 50% also. But in the case of Q1, first quarter, both the first quarters of last year and this year, it was with 10% tariff on U.S. sales.

Yes, it was the same. But yes, there's no change to that. It was the same, it's a comparable number, it's a comparable number. Both had tariffs. That's what I'm trying to say.

Yogansh: Got it, sir. And sir, moving on to the next part of my question. So, in previous calls, we've also mentioned that we'll be working aggressively on newer markets like Australia and Russia. and you were expecting some business from them in this financial year. So, have we started seeing some business coming in from these geographies? If yes, how big was it this quarter? And what is our expectation for the coming quarters, like Australia, Russia?

Karuturi Chowdary: Yes. With regard to Russia, we haven't yet, that hasn't yet taken up in the first quarter yet. Positively, either by the end of Q2 or Q3, we should be able to take it up as far as Russia is concerned. Australia, it's still being at the discussion stage because there are some audits which were pending by the customer. I mean that's a customer-specific requirement, nothing to do with any regulatory part.

So, we are awaiting that. But so far, we have not yet taken up that, but we have initiated our business for Japan, which we were not doing in the past decade, almost more than a decade. So that has been initiated presently and that would be reflecting in the subsequent quarters of the current fiscal year.

Yogansh: Got it, sir. And sir, on the RTE utilization, if you could share what was it during this year? And where do we see it ramping up during the current year?

Karuturi Chowdary: On the RTE front, one minute.

Karuturi Chowdary: Just provide you in a bit. I'll be providing it to you.

Yogansh: Sure, sir. No worries. So, one last question from my end, sir. In terms of the overall capacity utilization, you mentioned 35%, 40% is what we are expecting. So broadly, if you could just help me understand how do you see ourselves scaling up towards, say, 13,000 and then probably to 14,000, 15,000 tons for a full year. By when do you think that is doable in your assessment? That would be from my end.

Karuturi Chowdary: Now with regard to the earlier question, RTE moved up from $11.2 per kilo to $12.05 in Q1 of FY27. And just to answer your question, the increase in realization between $11.18 and now it $12.05 in this quarter. okay? That is answered as far as RTE is concerned.

Yogansh: I asked for RTE utilization. What is the overall utilization of RTE capacity?

Karuturi Chowdary: On the utilization front, it was 16% Yes, yes, similar to last year, similar to the earlier year.

Yogansh: And on the second part of the question, sir, the overall utilization, how do you see that trailing from 10,000, 11,000 to 13,000 then probably to 15,000 plus tons?

Karuturi Chowdary: So, for now, we have estimated the current year production to be around 12,000 metric tons. We are working in that direction. Of course, Q1 was affected mainly because of some the labour shortage fronts. A stable supply environment and with these issues related to trade and non-trade and logistics kind of being reasonable, we should be able to do that. That's what we expect even as of now, and we'll continue to work in that direction of around 12,000 metric tons for this year-end.

And whereas going forward into next year in FY28 and FY29, it will be too premature to comment at this time. But definitely, our next round is to be between 14,000 to 15,000 metric tons like you just asked. We should be looking forward to that with all these improvements in the global scenario with regard to the FTAs. But of course, subject to no new issues coming up regarding any tariff issues or related to that, hopefully. And we should be looking at, but in a diverse market, diversified market environment, I think we should be moving in that direction, working stage by stage.

Moderator: Our next question comes from the line of Sharan with SVS Family Office.

Sharan: Sir, how early are the orders booked for, I mean, how do we look, the orders?

Karuturi Chowdary: Yes, we are good with our order book is good. It's pretty much currently good until middle of Q3 presently. But in fact, the issue is the position of the order books also keep changing due to certain issues like if there are going to be a lot of issues related to the equipment or shipment delays, for example, or any supply-related issues. So, at that time also that keeps changing. But currently, we are good through the middle of Q3 as of now.

Sharan: Sir, the way I see for our business is, let's say, rupee depreciated, which is in our favour demand is stable and a stable farm gate. And internally, we have done really well on the operational efficiency and clean balance sheet. The only thing is capacity utilization. And I think we are not able to ramp that up as quickly as what everyone is anticipating. So, what is the one thing which is hindering or coming in the way to ramp up this capacity utilization, sir, because if we see every other variable is favourable for us.

Karuturi Chowdary: First thing is we have actually utilized better in the past, even the existing capacity, like even in the post-COVID, for example, in FY22 and all that we have done even higher volumes. There were certain issues over the past 2 years, but that has been changing since FY26 from pretty much in the middle of FY26 as far as the utilization also, which was connected to our order book compared to earlier. If you see even our sales to the U.S. were also reduced during FY24 and FY25.

But FY26, our overall sales increased. I mean, even though the U.S. was lower, but we diversified into other markets. And that's more related on the tariff front.

But that paves way for a better utilization, right? They both go in tandem, utilization and sales also sales volumes also they go in tandem. So, we definitely had issues during FY24 and '25. That we have been coming out of those issues in FY26, especially. And -- but there is one main thing is on the labour front, this is something which was unexpected by many of the industry players during the summer of this year, early part of this year, which was a big setback.

But otherwise, we should have clocked in at least 3,000-plus metric tons of volumes in the Q1 itself, there was a bit of issue there, which we had not anticipated. So now that issue has been resolved more towards the end of Q1, and there are no issues related to that.

And even though there's a bit of certain amount of shortages of raw material supply, but that will be overcome as the new crop comes in as the new second crop comes in from different farmers and there are different producers all over the state and the country. So overall, it was mainly on the labour front and certain issues on the order book front. But the order book has been taken care and the labour is also being addressed. And hopefully, with a positive supply, I mean, reasonable supply available, we will continue to increase our utilization of the capacities. whether there could be some marginal impact on margins or because of the higher costs a little bit.

But end of the day, we are now focused on, of course, on the utilization much better than ever before. And we believe our steps in that direction are going to help us have a sustainable volumes, capacity utilization rather, that's what we expect. And these have been done more towards, so those steps have been taken more in the middle of FY26. It's just that the first quarter during the summer time as there was an issue with regard to labour.

That's why we have had problems. But otherwise, our plans for utilizing throughout all throughout the year have been made, and we are looking forward for that. And we believe, we are in a better position today in the present year compared to the past with regard to planning of utilization of capacities as well as supported by a strong order book actually.

Moderator: Next question comes from the line of Shubhroy Tripathi with Krish Capital.

Shubhroy Tripathi: Sir, my question is regarding the CVD and antidumping duty that was supposed to come up for a review sometime this year, I understand. So, could you provide an update on that front?

Karuturi Chowdary: Sorry, you said CVD. I'm sorry. Can you repeat?

Shubhroy Tripathi: Yes, in the U.S., the countervailing duty and antidumping duty, it was supposed to come up for a review sometime this year. So, I'm asking if there is any update on that.

Karuturi Chowdary: Yes. The countervailing duty, most likely, we will have the announcement more towards the end of this year, around December. We would know if there would be any changes. We expect a reduction considering a good response even from the government of India with regard to certain schemes like duty drawback and RoDTEP schemes as their responses are hopefully, they are positive and the U.S. government will agree to that, that they are not actually subsidies, but just more of a reimbursement or refund of taxes and various indirect taxes and savings paid by the sector.

So that we are expecting towards the end of this year in December. ADD, which was 1.35% earlier is 3.4% currently. It's an every year review. So again, next year, there would be a review, we would know more and I think ADD, final determination of ADD will be around September, correct? Yes, around September, we will know. Antidumping duty, we will know in September and countervailing duty, we'll know in December.

Shubhroy Tripathi: And if we get a positive response, what could be the reduction in the countervailing duty?

Karuturi Chowdary: Yes. Hopefully, if they accept the explanations and justifications given by the government of India with regard to assuring that the 2 major main schemes for the shrimp sector duty drawback and RoDTEP, Remission of Duties and Taxes on Export Product scheme. They both are not actually a subsidy but or not an incentive, but actually, they are nothing but refunding those indirect levies or taxes, which were paid by the sector from the entire supply chain.

So, if those are accepted by the U.S. government, we expect a positive response. Hopefully, we get a reduction in the CVD of 5.77%. That is what was expected presently.

Shubhroy Tripathi: And sir, to my understanding, you will also get a refund of the amount we have paid over the previous few years, if I'm not wrong?

Karuturi Chowdary: Yes. So that is if there is a reduction, there will be a refund. But if there is an increase, we will also have to pay. It works in both ways.

Shubhroy Tripathi: And sir, coming to my second question, about 2, 3 quarters back, you had discussed that you are planning to move into some adjacent products, new categories you had mentioned. So, could you share some light now what those products could be?

Karuturi Chowdary: Sorry, new product? I mean we are already taken up certain products for certain customers. We have also worked on development of certain products with those customers. And since these products are more of a proprietary to those customers, we are not able to discuss much about them.

But however, they are both in the RTE as well as RTC. These products are being produced. And we plan on increasing our sales in the RTE for the various reasons explained to the earlier participants about better realizations on the margin front also. So those products are mainly on the RTE front. They are specifically developed by the customers who have agreed for us to do and cater to their needs. So, we are mostly in the ready-to-eat to answer your question.

Shubhroy Tripathi: Yes. These products are already commercialized, sir?

Karuturi Chowdary: Yes.

Shubhroy Tripathi: We are already selling...

Karuturi Chowdary: Yes. No, we are already producing them, and they are getting shipped as we speak.

Shubhroy Tripathi: How much of the total sales could they be for this financial year as a percentage?

Karuturi Chowdary: Well, of course, it will be in the single digits, the specific product, what we are talking about, maybe around 3% to 4% of the total sales. But that is like if we are able to do out of, let us say, around 12,000 metric tons, even if 3%, 4% is like giving 300, 400 metric tons roughly. So that is what we expect.

On an annual sales, that should grow to around 500 metric tons at least on those specific products. But there are multiple products which we are working, which I told you earlier, even in the RTC also, where they are much higher value than the regular commodity products.

Shubhroy Tripathi: It has been a long wait, sir. Since 2019, we were waiting for the European clearance, and I think things are...

Karuturi Chowdary: That has been done last year. It has been...

Shubhroy Tripathi: It has been done last year so in the span of 6 to 7 years, 1 year is a very short amount of time. So, I hope we really get the turnaround we are all expecting and wish you all the best.

Moderator: Ladies and gentlemen, due to the time constraint, that was the last question for today. I now hand the conference over to Mr. Chowdary for the closing comments. Thank you, and over to you, sir.

Karuturi Chowdary: Thank you, everyone, for making it to our Q1 FY27 investor call. Should you have any further queries or require any clarifications, please feel free to reach out to us at ir@apexfrozenfoods.com. You may also connect with Stellar IR Advisors, our Investor Relations advisers, who will be happy to assist you with any queries or additional information. Thank you once again for your time and participation. Have a great day.

Moderator: Thank you so much, sir. Ladies and gentlemen, on behalf of Apex Frozen Foods Limited, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.