

# APOLLO TRICOAT TUBES

Q4 FY20 Results



Apollo TriCoat

STEEL PIPES & DOOR FRAMES

# Safe Harbour

*Except for the historical information contained herein, statements in this presentation and the subsequent discussions, which include words or phrases such as "will", "aim", "will likely result", "would", "believe", "may", "expect", "will continue", "anticipate", "estimate", "intend", "plan", "contemplate", "seek to", "future", "objective", "goal", "likely", "project", "should", "potential", "will pursue", and similar expressions of such expressions may constitute "forward-looking statements". These forward looking statements involve a number of risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward-looking statements. These risks and uncertainties include, but are not limited to our ability to successfully implement our strategy, our growth and expansion plans, obtain regulatory approvals, our provisioning policies, technological changes, investment and business income, cash flow projections, our exposure to market risks as well as other risks. The Company does not undertake any obligation to update forward-looking statements to reflect events or circumstances after the date thereof.*

# Q4 FY'20 at a Glance



38,083

Sales Volume  
19% QoQ decrease



₹ 249mn

EBITDA  
12% QoQ decrease



₹ 6,540

EBITDA per ton  
8% QoQ increase



10.9%

EBITDA Margin  
156bps QoQ decline



₹ 11mn

Net Profit  
38% QoQ decrease



4.9%

Net Margin  
301bps QoQ decrease



21.2%

ROE  
as on 31 Mar 2020



20.2%

ROCE  
as on 31 Mar 2020



0.5x

Debt-to-equity ratio  
as on 31 Mar 2020



8

Net WC days  
as on 31 Mar 2020



250,000ton

Capacity  
as on 31 Mar 2020



Branding

Launched TV Ad  
Campaign for Apollo  
Chaukhat



# Q4 FY'20 Highlights

## COVID 19 Impact

Started operations in Q1FY20. Solid sales volume ramp-up in 9MFY20 backed by new product launches and distribution expansion

4QFY20 sales volume is for period '1 January 2020 to 21 March 2020' as the company had shut its operations due to COVID 19

Resumed partial operations at plants from 28 April onwards

## Better Margins

Full-fledged TV Ad Campaign for *Apollo Chaukaht* in Jan-Feb 2020 which was well received by our customers and target market

Improvement in EBITDA spreads to Rs6,543/ton backed by sale of high-margin products

## Strong balance sheet

Efficient working capital cycle with low inventory and debtors

Comfortable leverage ratios with D/E at 0.5 x, Debt/EBITDA at 1.4 x and Interest coverage at 10.9x

Target to ramp-up production and sales volume as Indian economy opens up gradually while the country fights the Pandemic

# FY'20 at a Glance



123,080

Sales Volume



₹ 754mn

EBITDA



₹ 6,124

EBITDA per ton



11.3%

EBITDA Margin



₹ 423mn

Net Profit



6.5%

Net Margin



21.2%

ROE  
as on 31 Mar 2020



20.2%

ROCE  
as on 31 Mar 2020



0.5x

Debt-to-equity ratio  
as on 31 Mar 2020



8

Net WC days  
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# Innovative Home Improvement Solutions

## 1. Door & Window Solution



Steel-Door Frames in affordable housing segments, high-end housing, commercial buildings and industrial sheds

Chaukhat



Window Frames

Alpha



Electrical Conduit

Tricoat



Borewell & Plumbing Solution

Hybrid

## 3. Conduit & Plumbing

## 2. Home Beautification



Designer Hand Railing

Elegant



Designer Roofing, Fencing, Steel Furniture

Signature



Staircase Steps, Ceilings, Truck Bodies

Plank

## 4. Construction Material



Scaffolding & Green House Solution

Scuff

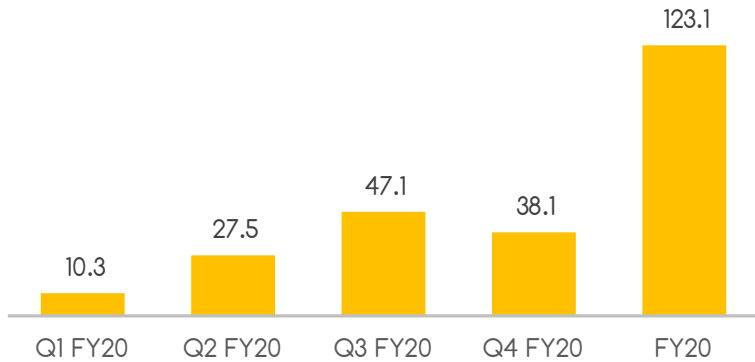
# Sales Volume Performance

Products (Tons)	Q1 FY20	Q2 FY20	Q3 FY20	Q4 FY20	FY20	Annual Capacity
Apollo Signature	7,370	13,692	24,740	20,241	66,043	85,000
Apollo Chaukhat	-	6,612	12,850	8,604	28,066	50,000
Apollo Elegant	631	4,962	7,995	8,281	21,869	25,000
Apollo Tricoat	2,319	1,943	230	-	4,492	15,000
Apollo Plank	-	320	1,333	957	2,610	25,000
Apollo Hybrid*	-	-	-	-	-	10,000
Apollo Scaff*	-	-	-	-	-	25,000
Apollo Alpha*	-	-	-	-	-	15,000
<b>Total</b>	<b>10,320</b>	<b>27,529</b>	<b>47,148</b>	<b>38,083</b>	<b>123,080</b>	<b>250,000</b>

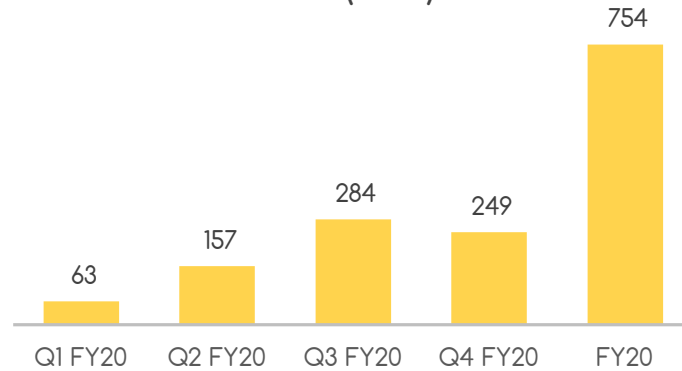
\*Capacity installed, production expected in FY21

# Financial Performance

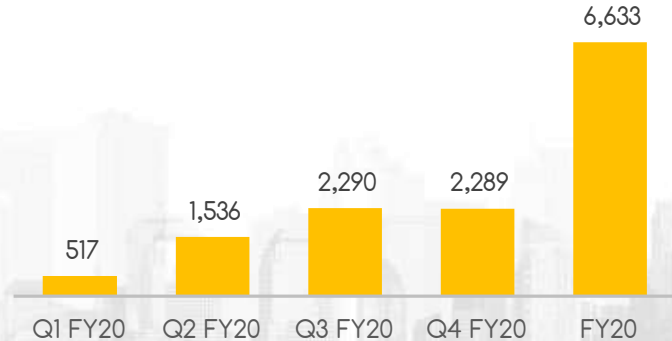
## Sales Volume (000's Ton)



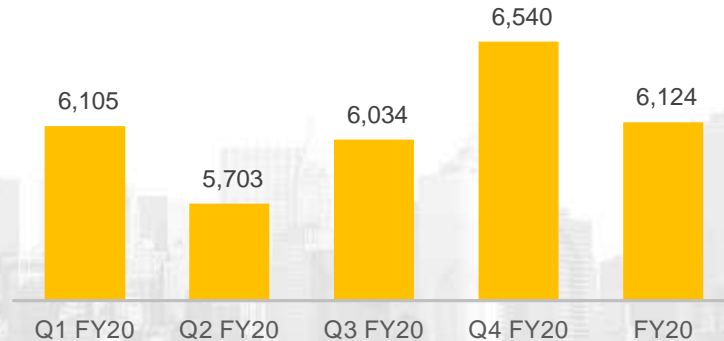
## EBITDA (Rsm)



## Revenue (Rsm)



## EBITDA/Ton

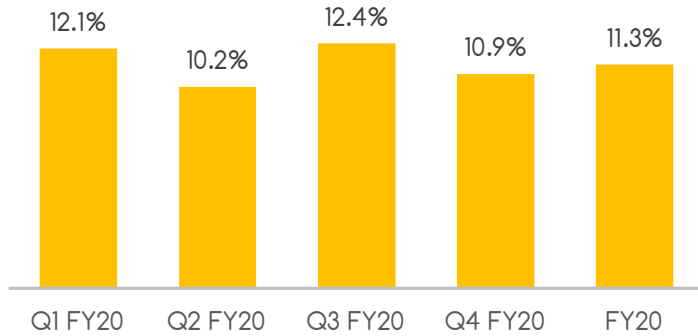


**Note:** 4QFY20 sales volume figures are for period '1 January 2020 to 21 March 2020' as the company had shut its operations owing to COVID 19 pandemic

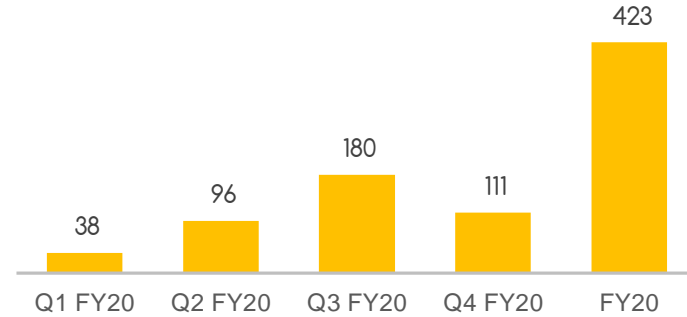


# Financial Performance

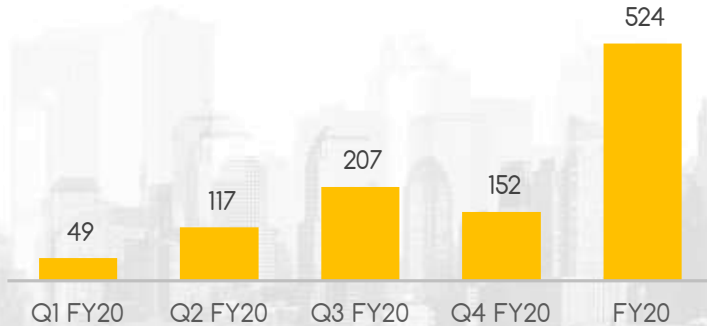
## EBITDA Margin



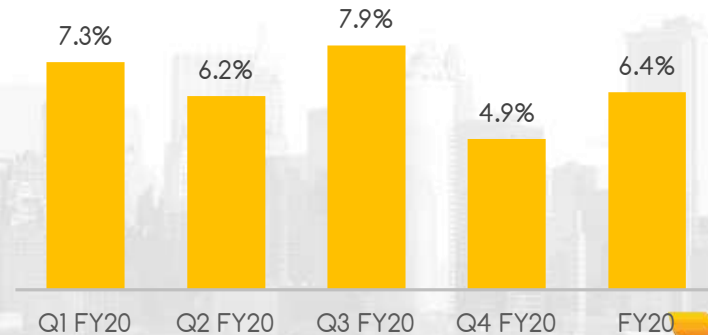
## Net Profit (Rsm)



## Cash Profit (Rsm)



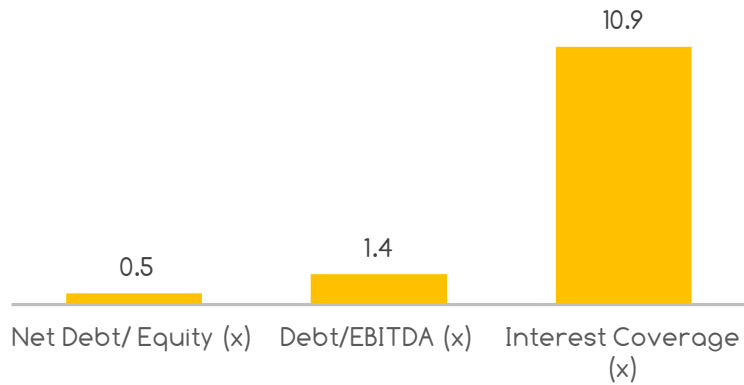
## Net Margin



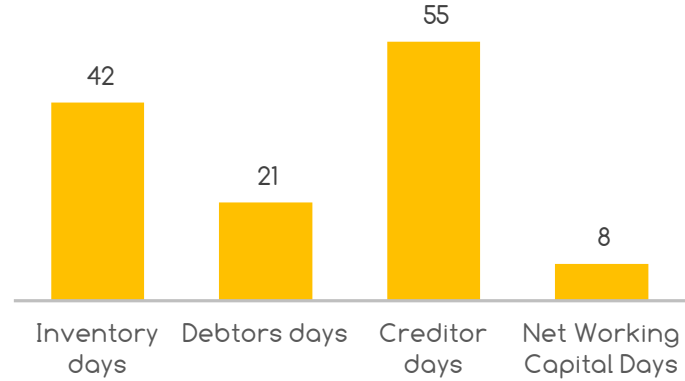
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# Financial Performance

## Leverage Ratios



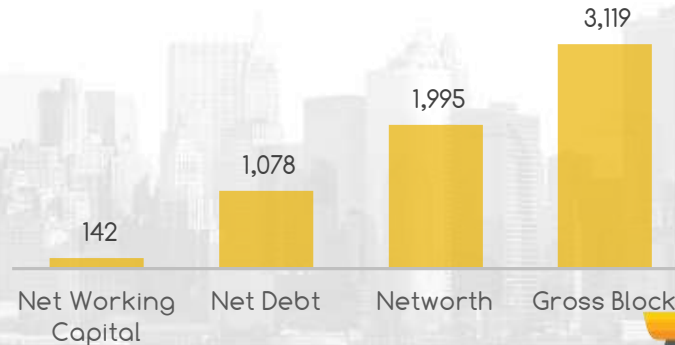
## Working Capital



## Return Profile



## Key Financials



**Note:** 4QFY20 sales volume figures are for period '1 January 2020 to 21 March 2020' as the company had shut its operations owing to COVID 19 pandemic

# P&L Statement

Particulars (Rsm)	Q1 FY20	Q2 FY20	Q3 FY20	Q4 FY20	FY20
Revenue	517	1,536	2,290	2,289	6,633
Other Income	2	2	1	6	11
Total Income	519	1,538	2,290	2,294	6,644
Raw Material Costs	420	1,297	1,804	1,851	5,373
Employee Costs	12	19	45	44	121
Other expenses	24	65	156	150	396
EBITDA	63	157	284	249	754
Interest Cost	1	5	22	32	60
Depreciation and Amortization	11	21	27	41	101
Tax expense	13	35	55	65	170
Net Profit	38	96	180	111	423

**Note:** Figures for the corresponding period last year are not comparable as the Company started commercial production from Q1 FY20 onwards

# Balance Sheet

Assets (Rsm)	FY20	FY19
Cash & equivalent	48	0
Receivables	379	15
Inventories	768	79
Other current assets/loans & advances	198	103
Fixed assets (net)	3,021	947
Investments	-	-
Capital work in progress	14	598
Other assets/goodwill	133	473
<b>Total Assets</b>	<b>4,560</b>	<b>2,215</b>

Equity & Liabilities (Rsm)	FY20	FY19
Trade payables	1,005	4
Other current liabilities	184	230
Debt	1,126	555
Others	245	94
Minority Interest/Provision	4	1
<b>Shareholders' funds</b>	<b>1,995</b>	<b>1,330</b>
<b>Total Equity &amp; Liabilities</b>	<b>4,560</b>	<b>2,215</b>

**Note:** Figures for the corresponding period last year are not comparable as the Company started commercial production from Q1 FY20 onwards

# Cash flow Statement

Cash Flow (Rsm)	FY20
EBITDA	751
Accounts receivables	-364
Inventory	-689
Other Working capital changes	1,123
<b>Operating cash flow</b>	<b>821</b>
Interest	-60
Tax	-85
<b>Residual cash flow</b>	<b>675</b>
Fixed assets	-1,454
Investments	2
<b>Free cash flow</b>	<b>-777</b>
Capital increase	243
Dividend payments	0
Others/minority interest	0
<b>Net change in cash flow</b>	<b>-533</b>
Net debt beg	-545
<b>Net debt end</b>	<b>-1,078</b>

**Note:** Figures for the corresponding period last year are not comparable as the Company started commercial production from Q1 FY20 onwards

# Outlook

Commercial production of Tricoat, Hybrid and Scaff Products to start in FY21



Target to further ramp-up sales volume growth in FY21

Target of achieving industry leading EBITDA per ton

Expanding Reach to Newer Markets



Thank You