

# APOLLO TRICOAT TUBES

Q2 FY21 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.*

# Q2 FY'21 at a Glance



60,823 ton

Q2 FY20 Volume  
121% YoY increase



₹ 373mn

EBITDA  
142% YoY increase



₹ 6,137

EBITDA per ton  
10% YoY increase



11.3%

EBITDA Margin  
126bps YoY increase



₹ 238mn

Net Profit  
153% YoY increase



7.2%

Net Margin  
107 bps YoY increase



₹753mn

Operating Cash flow  
FY20 was ₹833mn



30.7%

ROCE  
FY20 was 20.2%



0.3x

Debt-to-equity ratio  
FY20 was 0.5x



-3

Net WC days  
FY20 was -2 days



350,000 ton

Capacity  
as on 30 Sep 2020



Branding

Resumed TV Ad Campaign  
for Apollo Chaukhat



# Q2 FY'21 Highlights

## Recovery continues

Q2 sales volume momentum sustained after strong recovery in May-June 2020

Improved margin YoY supported by cost management & efficiency actions

Focus on free cash flow generation and debt reduction

## Emerged stronger

Significant improvement in cash conversion supported by actions on working capital

Net debt declined to Rs0.7bn in Q2FY21 from Rs1.1bn in FY20

D/E ratio improved to 0.3x from 0.5x in FY20

## Future ready

Annual capacity enhanced to 350kton from 250k ton with minor capex spends

Capex was funded from internal cash flows

Q2 capacity utilization was 70% (on revised capacity)

# Existing Product Portfolio

## Door Solution

Chaukhat



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

## Home Beautification

Elegant



Designer Hand Railing

Signature



Designer Roofing, Fencing, Steel Furniture

Plank



Staircase Steps, Ceilings, Truck Bodies

# Operational Performance

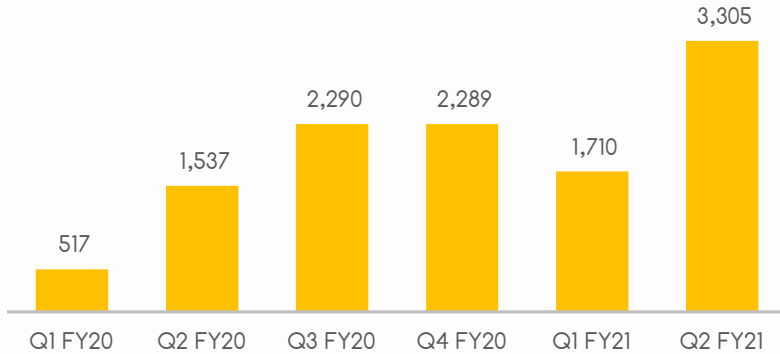
Brands (Tons)	Q1 FY20	Q2 FY20	Q3 FY20	Q4 FY20	Q1 FY21	Q2 FY21	Annual Capacity
Apollo Signature	9,689	15,635	24,970	20,241	18,584	17,968	1,25,000
Apollo Chaukhat	-	6,612	12,850	8,604	4,397	15,185	75,000
Apollo Elegant	631	4,962	7,995	8,281	8,490	26,749	1,25,000
Apollo Plank	-	320	1,333	957	452	921	25,000
<b>Total</b>	<b>10,320</b>	<b>27,529</b>	<b>47,148</b>	<b>38,083</b>	<b>31,923</b>	<b>60,823</b>	<b>3,50,000</b>

Note 1: Figures for the corresponding period last year are not comparable as the Company started commercial production gradually from Q1FY20 onwards. Also the Q1FY21 sales volume figures are for period '28 April 2020 to 30 June 2020' as the company had shut its operations in April 2020 owing to COVID 19 pandemic

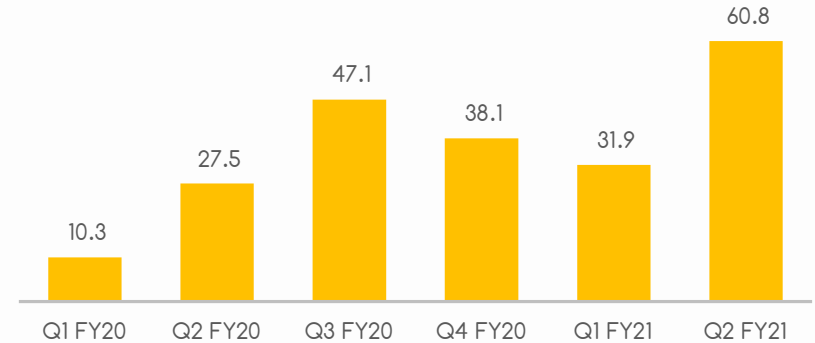
Note 2: In-Line Galvanizing (ILG) Machine is not operational currently; however the same is fungible to produce other products. Therefore it is being used to produce Signature and Elegant. Alfa Tube mill can be used to produce Chaukhat

# Financial Performance

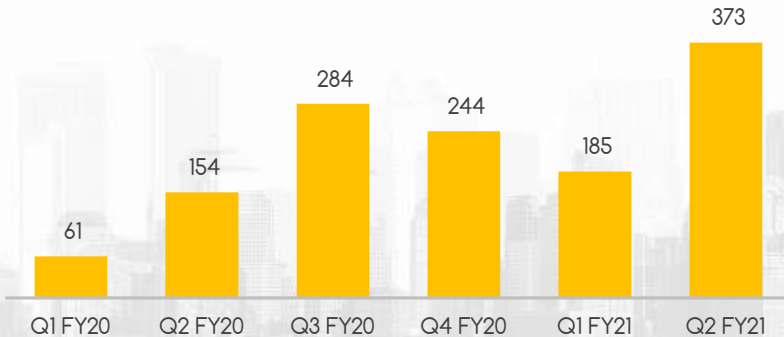
## Revenue (Rsm)



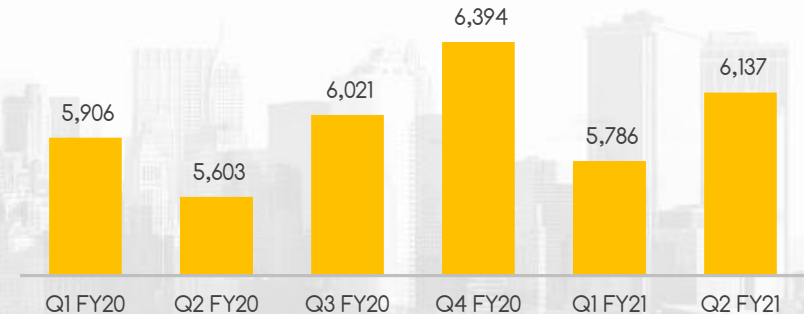
## Volume (000's Ton)



## EBITDA (Rsm)



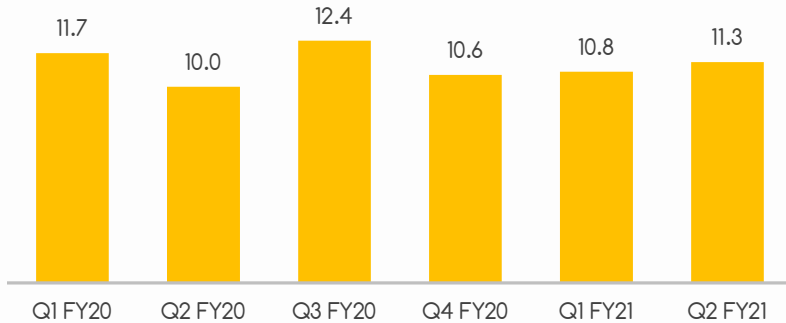
## EBITDA/Ton (Rs)



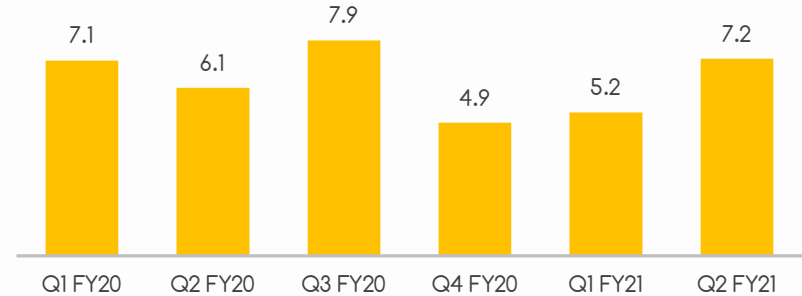
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# Financial Performance

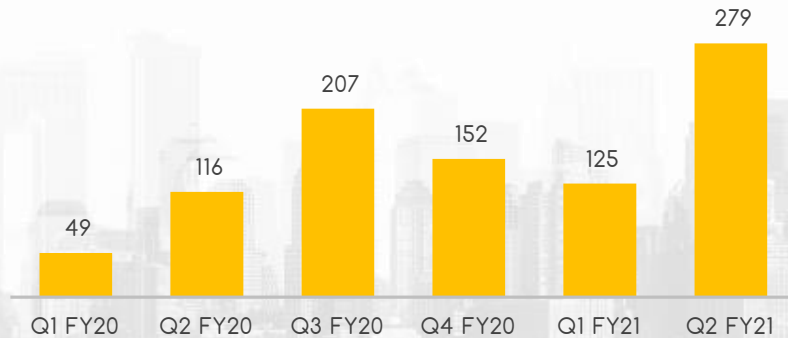
## EBITDA Margin (%)



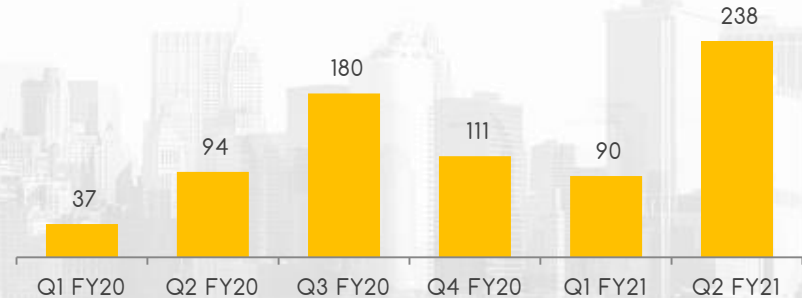
## Net Margin (%)



## Cash Profit (Rsm)



## Net Profit (Rsm)

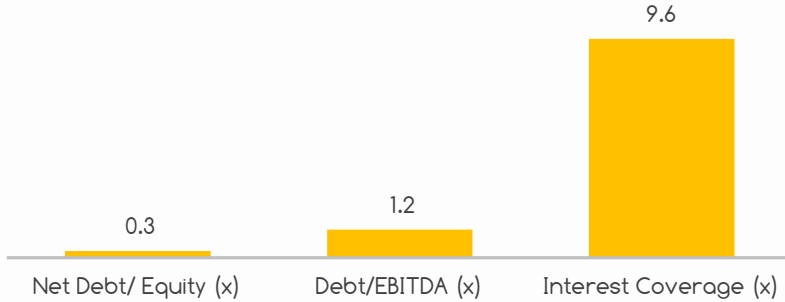


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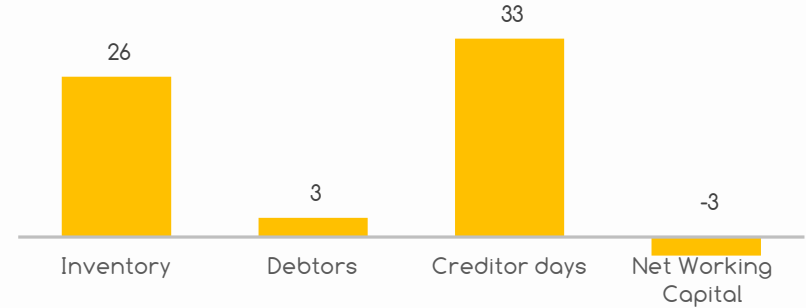


# Financial Performance

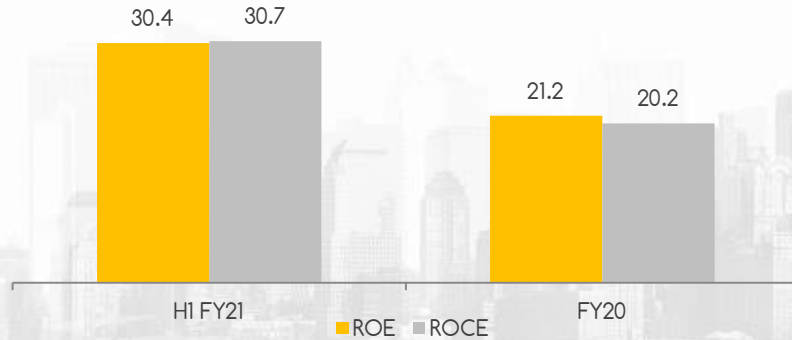
### Leverage Ratio (x)



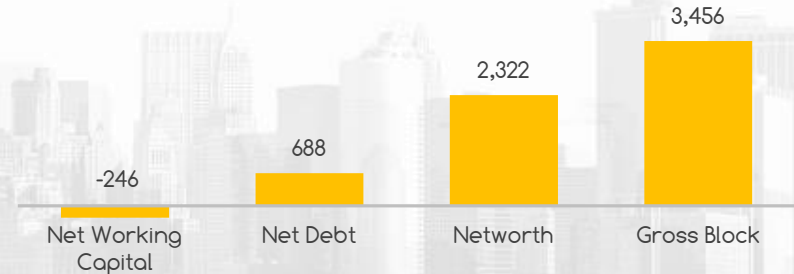
### Working Capital (Days)



### ROE & ROCE (%)



### Key Financials (Rsm)



# Financial Performance

Particulars (Rsm)	Q1 FY20	Q2 FY20	Q3 FY20	Q4 FY20	Q1 FY21	Q2 FY21	Change YoY (%)
Revenue	517	1,537	2,290	2,289	1,710	3,305	115
Raw Material costs	421	1,297	1,804	1,851	1,358	2,635	103
Employee costs	12	20	45	44	39	51	155
Other expenses	24	65	156	150	128	246	279
EBITDA	61	154	284	244	185	373	142
Other income	2	3	1	6	3	6	124
Finance costs	1	5	22	32	32	19	244
Depreciation & Amortization	12	22	27	41	35	41	89
PBT	51	130	235	177	120	320	146
Tax expense	14	36	55	65	30	82	129
Net Profit	37	94	180	111	90	238	153

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# Financial Performance

Assets (Rsm)	HI FY21	FY20
Cash & equivalent	5	48
Receivables	104	379
Inventories	728	768
Other current assets	124	198
Fixed assets (net)	3,113	3,021
Capital work in progress	160	14
Other assets/goodwill	153	123
<b>Total Assets</b>	<b>4,386</b>	<b>4,551</b>
Equity & Liabilities (Rsm)	HI FY21	FY20
Trade payables	899	1,124
Other Current Liability	258	139
Debt	693	1,126
Others	204	163
Minority Interest/Provision	9	4
Shareholders' funds	2,322	1,995
<b>Total Equity &amp; Liabilities</b>	<b>4,386</b>	<b>4,551</b>

Cash Flow (Rsm)	HI FY21	FY20
EBITDA	558	742
Accounts receivables	276	-364
Inventory	40	-689
Other Working capital changes	-49	1,218
Other Income	9	11
Tax	-82	-85
<b>Operating cashflow</b>	<b>753</b>	<b>833</b>
Interest	-44	-60
Fixed assets	-319	-1,454
Investments	0	2
<b>Free cashflow</b>	<b>390</b>	<b>-679</b>
Capital increase	0	243
Increase/Decrease in debt	-433	483
<b>Cash at the end</b>	<b>5</b>	<b>48</b>
<b>Net debt at the end</b>	<b>688</b>	<b>1,078</b>

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# Outlook

Focus on ramping-up sales volume

Target of achieving industry leading EBITDA per ton



Target to achieve high capacity utilization in FY21

Expanding Reach to Newer Markets



Thank You