



**YOU THINK
WE SUPPLY**

CELEBRATING NETWORK OF 800 DISTRIBUTORS



Nov 2022

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.



Contents

- APL Apollo Overview
- Core Competence
- Structural Steel Tubes Applications
- Business Strategy
- New Initiatives
- ESG Engagement
- Financial Performance
- Team APL Apollo





APL APOLLO OVERVIEW



APL Apollo at a Glance

01 Leading Structural Steel Tube Brand

14 Brands, Four Product Categories

55% Market Share

2.6 Million Ton, Structural Steel Capacity



16
Patents



10
plants



2,124
Employees



800+
Distributors



1,500+
Products

India's Leading **Building Material Brand**

- a COLUMN
- b ALPHA
- c D SECTION
- d OCTAGON
- e FIRE READY
- f NARROW SECTION
- g SMALL SECTION
- h CHAUKHAT
- i WONDOOR
- j HANDRAIL
- k PLANK
- l FENCE
- m BHEEM
- n SIGNATURE
- o COASTGUARD



Our Brands

Apollo Structural

Structural steel construction material:
Residential, Commercial, Infrastructure

Fabritech, Build, DFT, Column, FireReady, Agri

Apollo Z

Galvanized structural steel construction
material: Residential, Commercial,
Infrastructure

CoastGuard

Apollo Galv

Galvanized steel tubes:
Residential, Commercial, Agri, Industrial

Green, Bheem, Z+

Apollo Tricoat

Home improvement products

Plank, Signature, Elegant, Chaukhat

79%

Building Material

18%

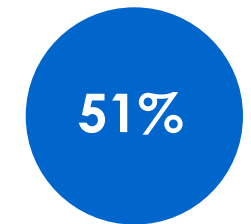
Infrastructure

3%

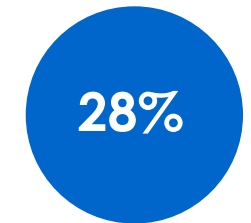
Others

Product Application & Sales Mix*

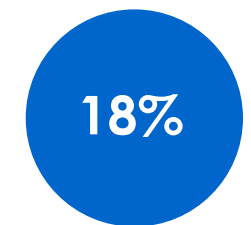
Product Category	Sales Volume Mix (%)	Applications
Apollo Structural	55%	
Residential Buildings & Independent Homes	22%	Structural, Piling, Sheds, Handrails, Gates, Fencing, Balcony Grills, Staircase, Light Structures
Commercial Buildings, Warehouses & Factories	13%	
Infrastructure	18%	Structural for Metros, Airports, Stadiums, Stations etc
Industrial & agriculture	2%	Heavy Equipment
Apollo Z	27%	
Residential Buildings & Independent Homes	18%	Galvanized structural steel tubes for coastal markets
Commercial Buildings, Warehouses & Factories	9%	
Apollo Tricoat	14%	
Residential Buildings and Independent Homes	11%	Door Frame, Staircase Steps, Furniture, Plank, Designer Tubes, Fencing, Electrical Conduits
Commercial Buildings	3%	
Apollo Galv	4%	
Commercial Buildings	3%	Galvanized Structural, Greenhouse Structures, Plumbing, Firefighting
Industrial & agriculture	1%	
Total	100%	



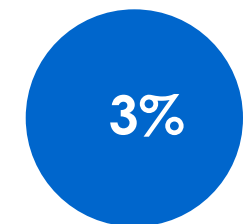
Building Material housing



Building Material Commercial



Infrastructure



Others (Industrial & Agri)

*As per FY22 Sales Volume

Brand Equity

APL APOLLO TUBES



B2C Channel

DISTRIBUTORS

800+

Solid Relationships, Incentive plans



RETAILERS

50,000+

Retailer bonding program



**FABRICATORS,
ARCHITECTS & ENGINEERS**

2,00,000+

Apollo Connect Programs, Fabricator/Architect meets for Brand promotion



END CONSUMER

**CONNECT
THROUGH**

Indian Premier League, Football, Kabaddi League, Amitabh Bachchan Campaign, TV Commercials, Radio, Social Media

CORE COMPETENCE



Porter's Five Forces

Threat of Entry

- Scale of 2.6m ton capacity; wide gap between No. 2 Player
- Vast distribution network (access to 800+ distributors, 50,000 retailers, 200k fabricators)
- Technology advantage (DFT, ILG)
- Lowest cost producer
- (highest profitability in the sector)
- Product range (1,500+ SKUs)
- Lead time to distributors (48hrs delivery)
- Financial strength (doubling capacity every 3rd year without debt)
- Unmatched brand strength

Bargaining power of suppliers

- Company buys 2% of Indian steel production and 10% of Indian HR coil production
- Amongst Top 3 customers for large steel producers
- Company's steel buying price is minimum in structural steel tubing industry

Industry Rivalry

- APL Apollo 55% market share
- Player 2 - 10% market share (ancillary business for steel producer)
- Player 3 - 10% market share (focus on water transportation and Oil & Gas tubes)
- Player 4 - 7% market share (strong player but small in Parent's overall scheme of things)
- Player 5 - 7% market share (focused in East market; regional player)
- Player 6 - 6% market share (high debt)
- Player 7 - 3% market share (high debt)
- Player 8 - 2% market share (poor profitability)
- Others - 1%

Bargaining power of distributors

- 55% market share in structural steel tubing industry
- Monopoly products (new innovative products)
- APL Apollo distributors can churn capital upto 8x in a year which helps them generate high ROCE

Threat of substitute

- No product can replace structural strength of steel

Our Business MOAT...

Highest no. of products
with 1,500 SKUs

Highest scale with 11 plants
(2.6Mn ton capacity)

Largest sales network
(800+ distributors)



Lowest cost producer (largest
buyer of HR coil)

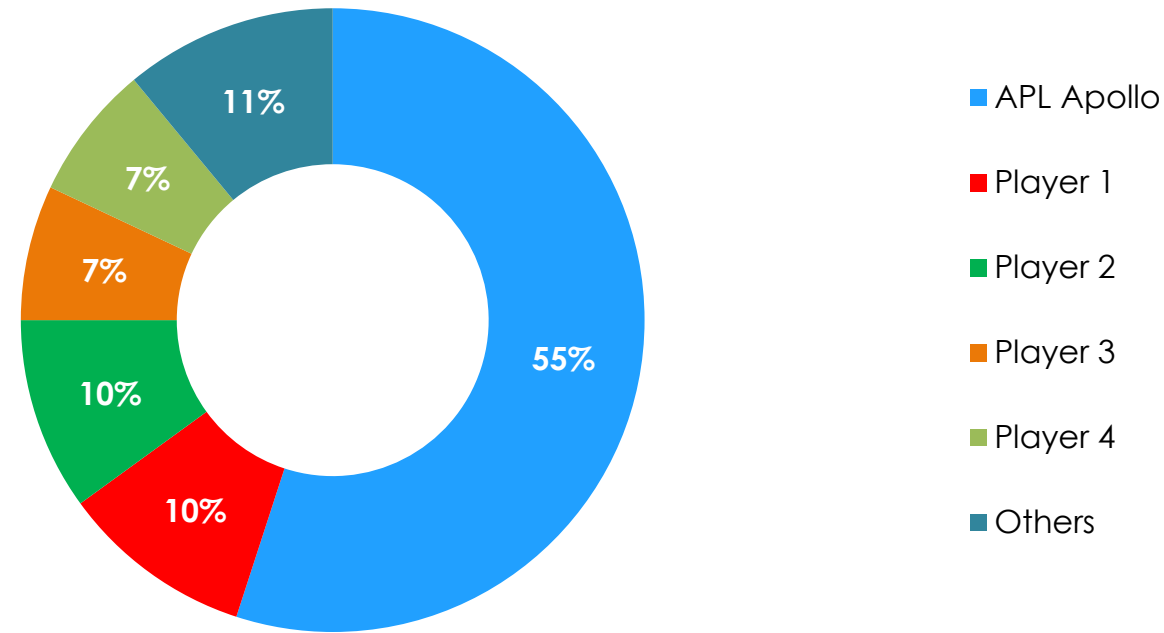
Premium pricing to peers
(brand strength)

Technology edge & Innovation

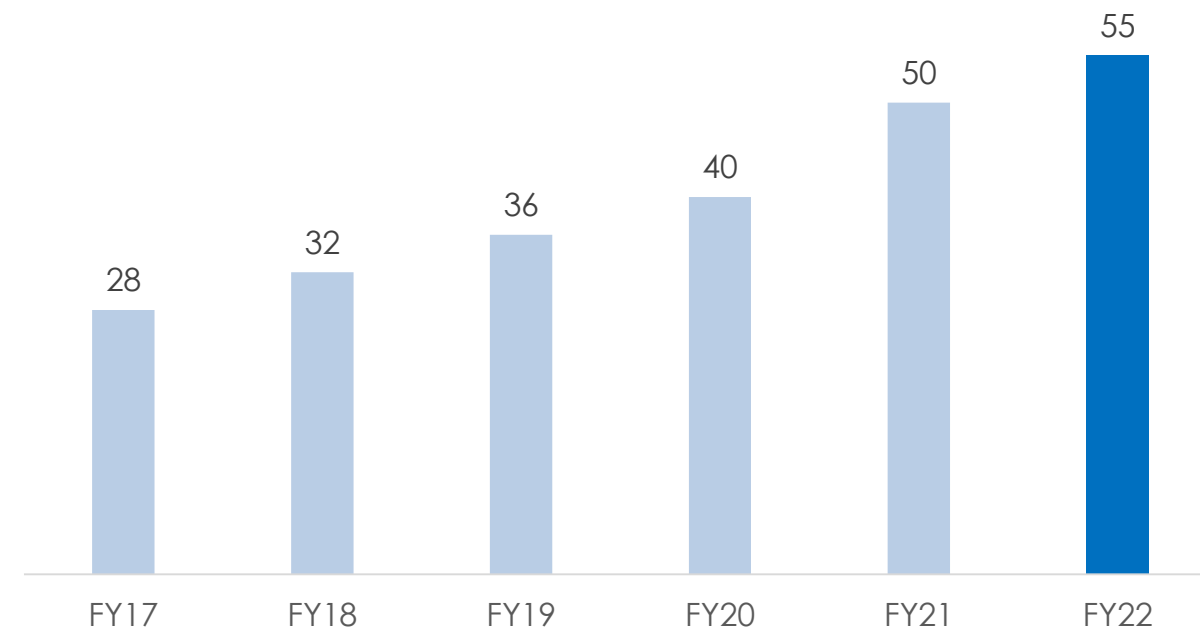
Lowest lead time for delivery to
distributors

Dominant Leadership

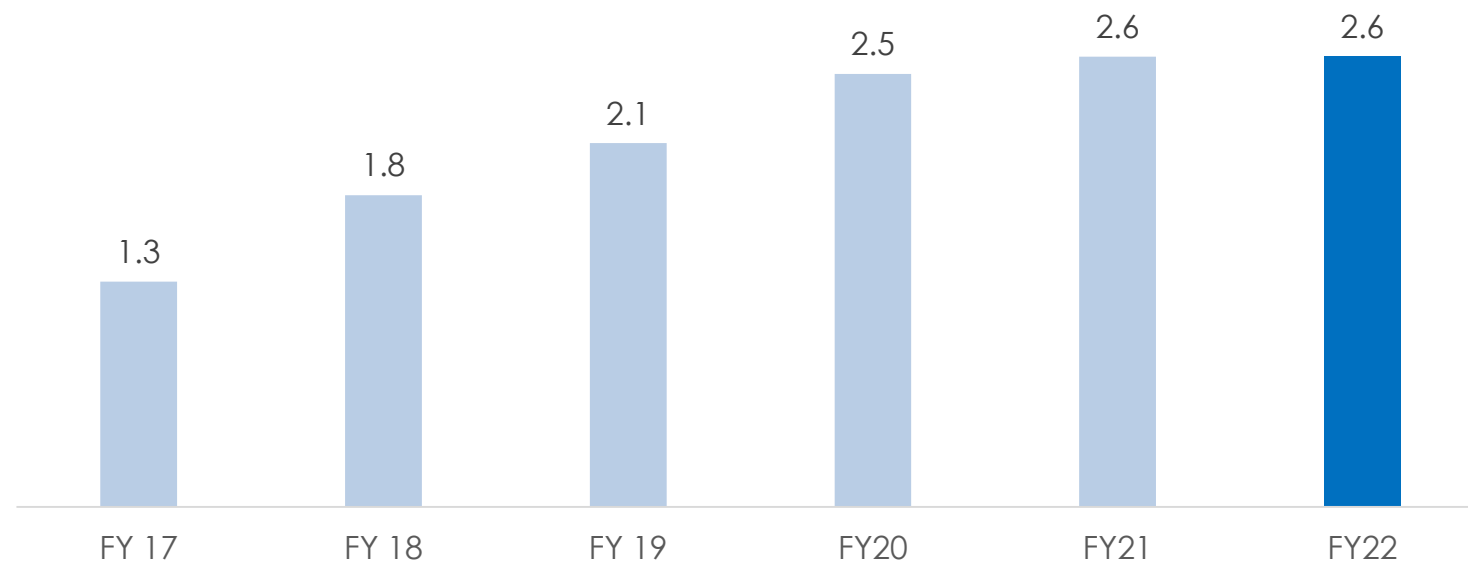
Peer Market Share FY22



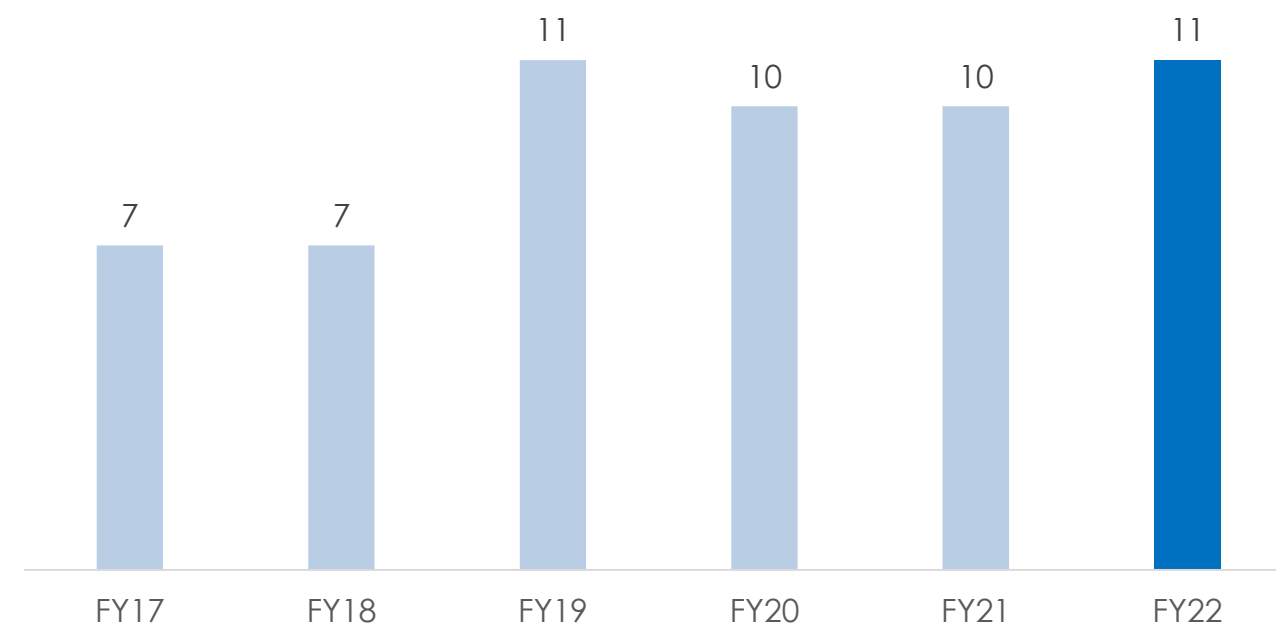
APL's Market Share (%)



Capacity (Mn Tons)



Number of Plants



Note 1: Raipur plant to be fully commissioned in FY23

Note 2: One plant converted into warehouse for better efficiency in FY20

Unique Capabilities



Developed structural
steel
market in India

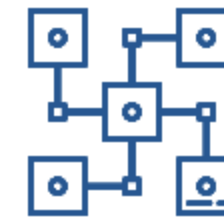
First Mover advantage

No.1 Leader; Focused on steel
strength and building material
applications



Technology

**Direct Forming Technology for big
structural products
In-line Galvanizing to replace
traditional products**



Distribution network

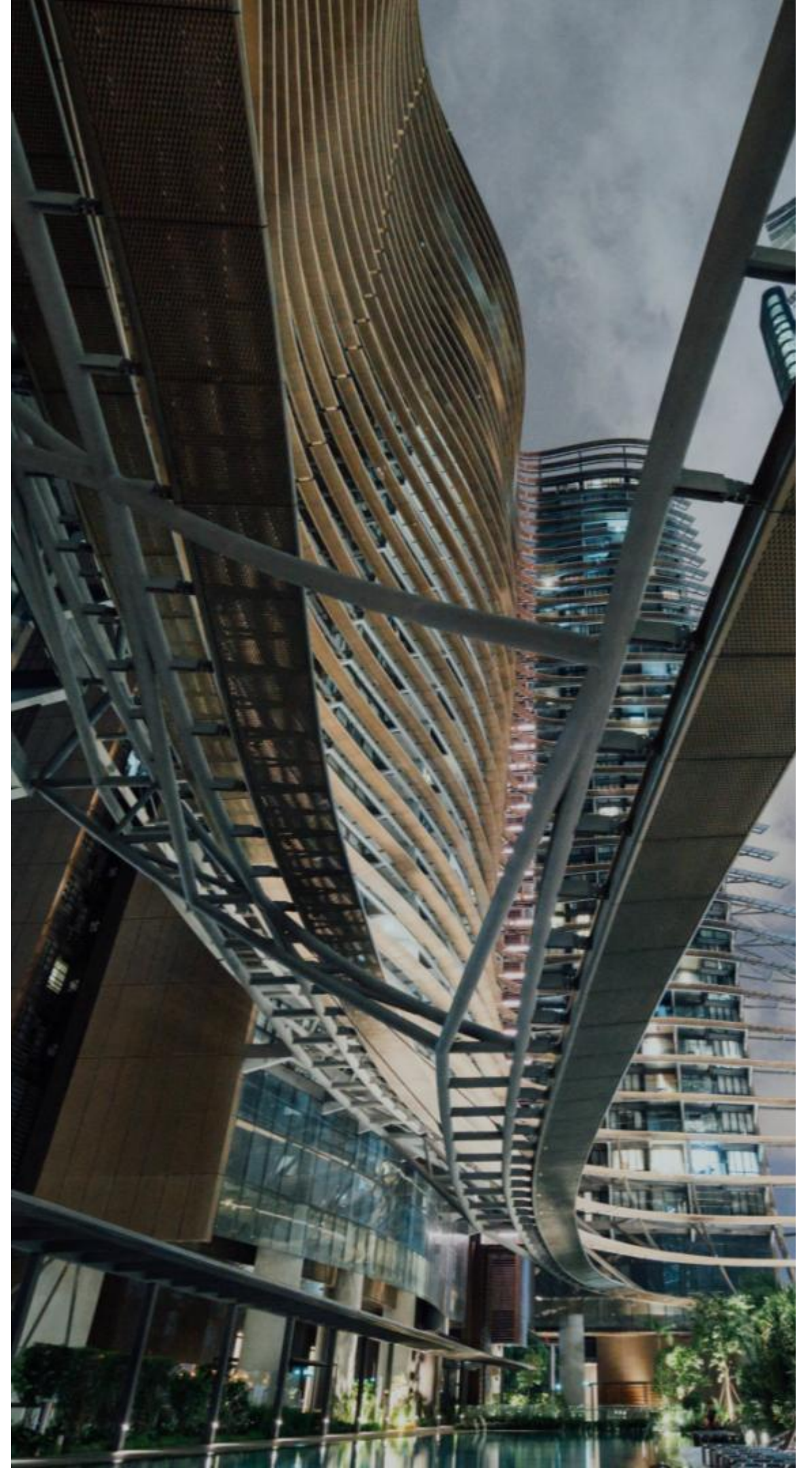
**B2C channel for last mile
penetration**



Innovative products

**Ground breaking solutions
Roofing solutions for coastal
market, door frame**

STRUCTURAL STEEL TUBES APPLICATIONS



Structural Steel Applications



APL APOLLO TUBES

Structural Steel Applications

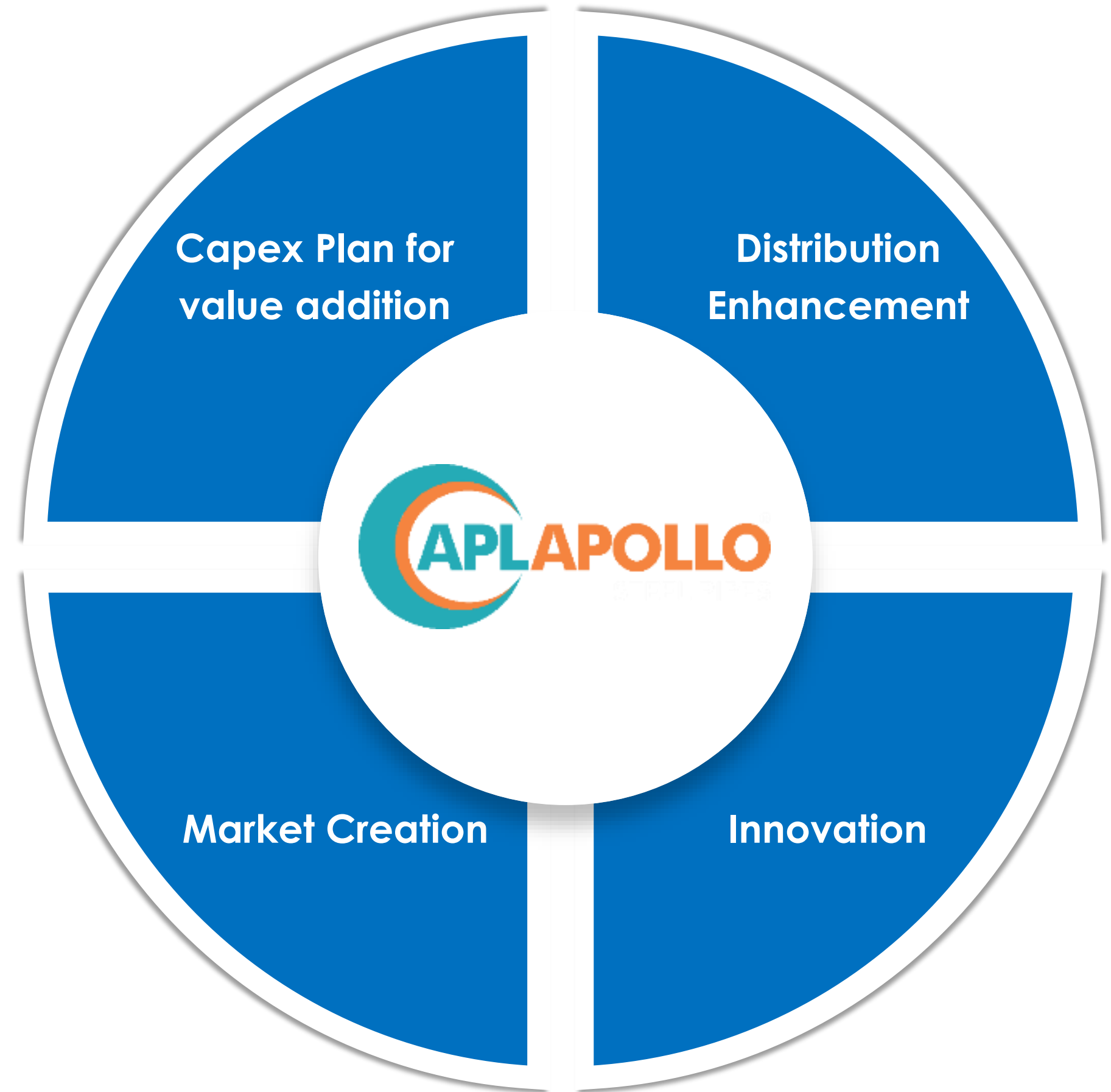


APL APOLLO TUBES

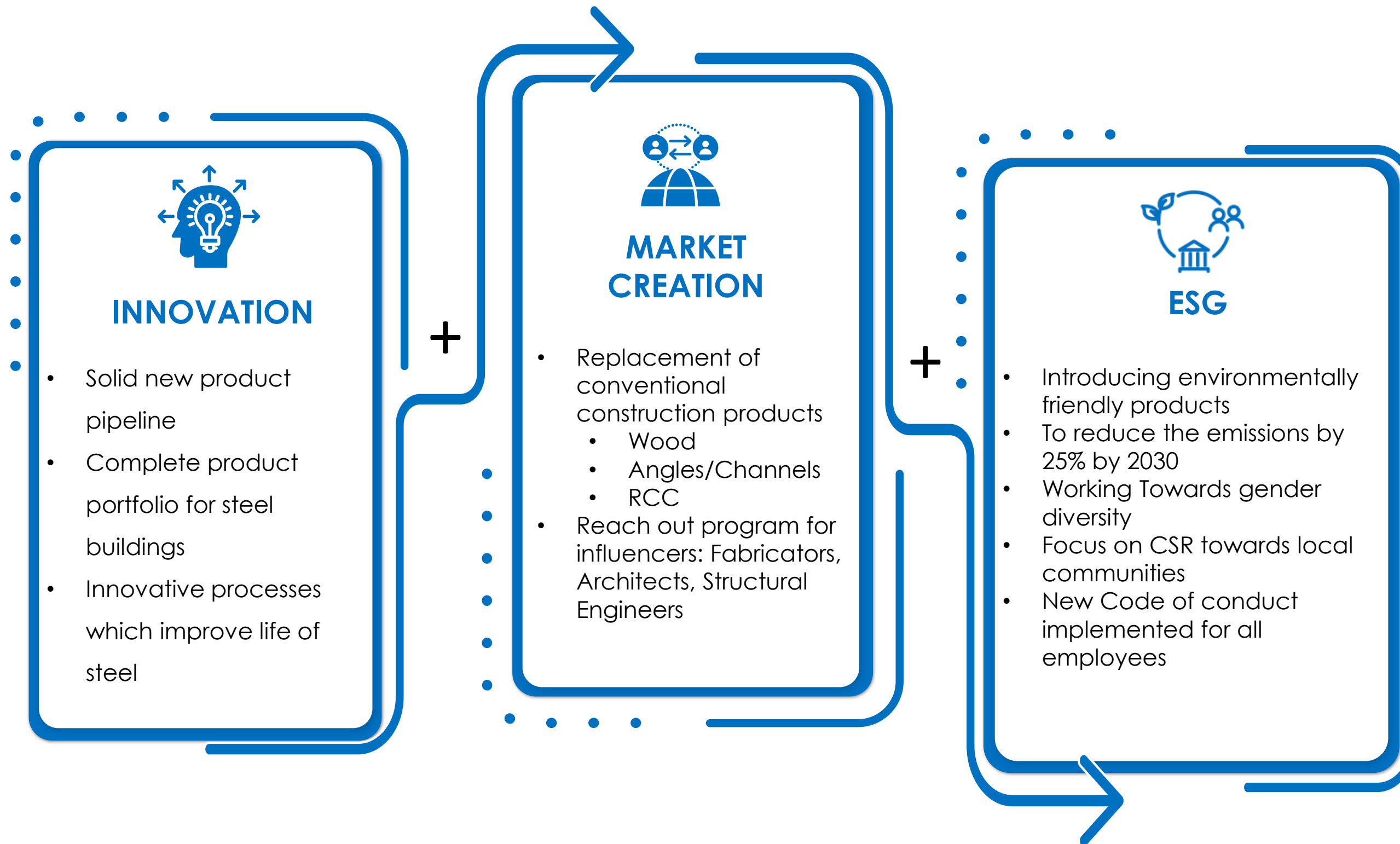


BUSINESS STRATEGY

APL APOLLO TUBES



APL Apollo Vision



INNOVATION

Mission: World's only company to make steel tubes with size range of 10x10mm to 1000x1000mm and thickness range of 0.23 mm to 40mm



What we have done so far as the first company

Indian Markets

Structural steel square and rectangular tubes:



Structural application in construction Industry

Pre-galvanized structural steel tubes (**Apollo Z**):



Corrosive resistant structural applications

DFT (Direct Forming Technology)



Faster TAT with tailor made sizes

300x300mm dia structural steel tubes:



Heavy structural application in Construction industry

Inline galvanizing (**ILG**)



Superior corrosive resistant product strong demand in coastal market

What we have done so far as the first company

Global Markets

Chaukhat (Door frame shape tubes)



Replacing Conventional wooden door frames

Rectangular section of 1:11
(Length to Breadth)



Replacing Conventional wooden sections

16 Registered Patents

			
Double Door Chaukhat Tube	Apollo Signature	Four Double Door Chaukhat Tube	Single Door Chaukhat Tube
			
Elliptical Tube for electric transformers	D Section for Handrail/Fence	Handrail Tube	Window Frame Tube (L)
			
Window Frame Tube (T)	Window Frame Tube (Z)	Reflector Tube	Oval Tube for Gym equipment
			
Plank Tube	Octagon Tube for Furniture	Fencing Tube	Checked Section

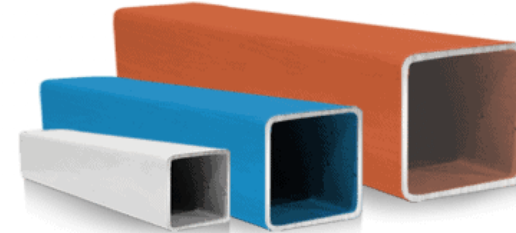
New Product Pipeline from Raipur plant

World's 1st thicker color coated products



Superior corrosion resistant, high load bearing with aesthetics

World's 1st Color coated structural steel tubes



Superior corrosion resistant with aesthetics

India's 1st 500x500mm dia structural steel tubes

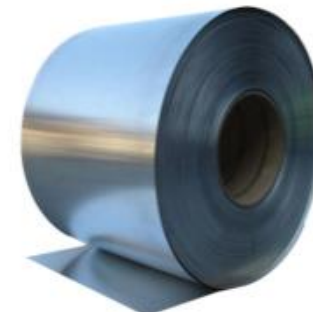


Replacing RCC structures/columns in heavy construction

India's 1st and World's 2nd 1,000x1,000mm



India's 1st CRCA Black annealed tube



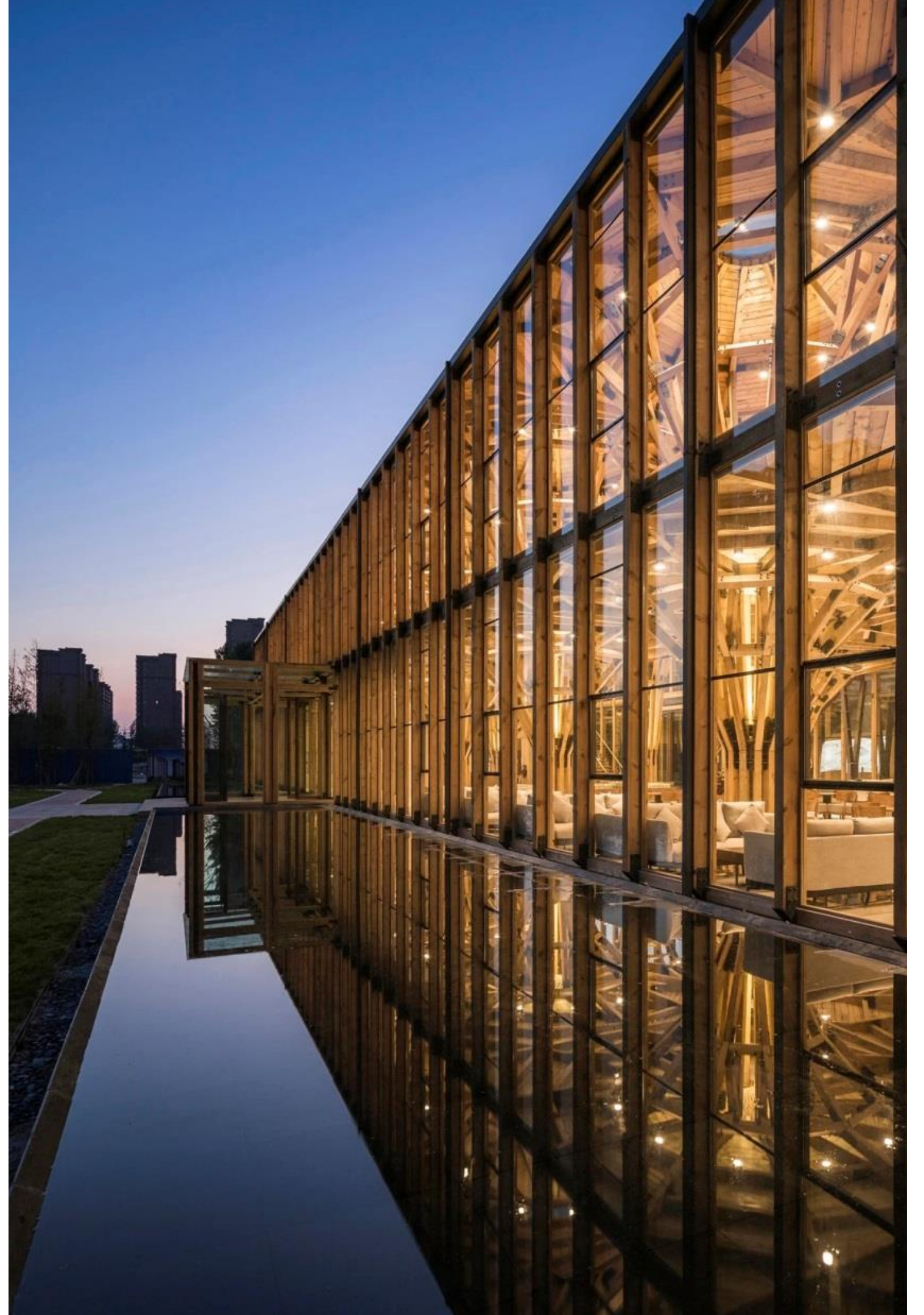
High tensile light structural application; bendable; superior rust proof properties

India's 1st Galvalume tubes



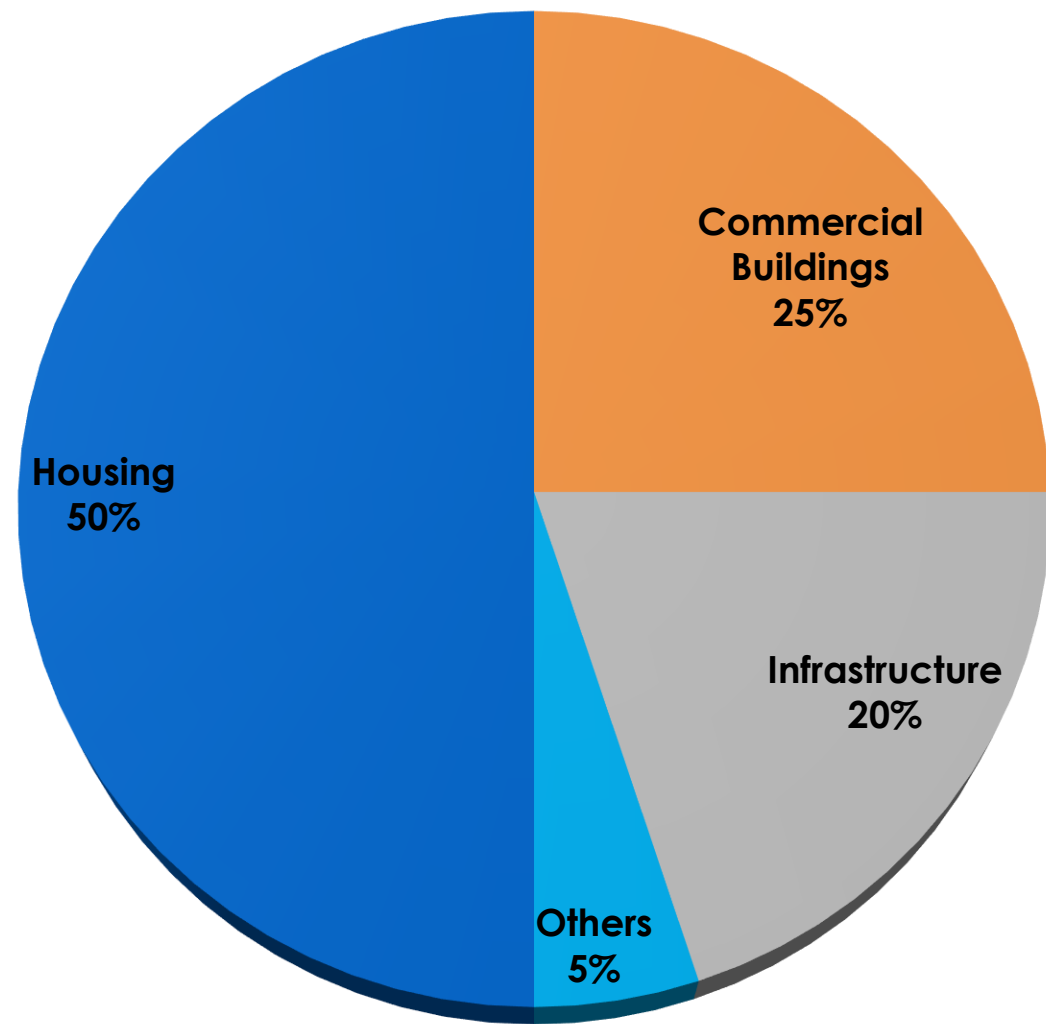
Superior rust proof properties and better life

MARKET CREATION



Structural Steel Tube Applications

Application Mix



How Have We Created Market..

APL APOLLO TUBES

Conventional Construction Products	Applications	Why Structural Steel Tube replaces these products?
Steel Angle/Channels	Structural support, Towers infrastructure	Uniform Strength, Lower steel consumption
Wood	Furniture, Door Frames, Planks	Cost Effective, Termite Proof, Environmental Friendly
Aluminum Profiles	Facades & Glazing	Cost Effective, Higher Strength
Reinforced Cement Concrete	Construction of Buildings	Faster Construction Environmental Friendly
Fabricated Metal Sheet	Pre-Engineered Steel Buildings	Lower steel consumption Reduces overall project cost

How to replace the conventional products??



Low Diameter Steel Tubes/Low Load Bearing

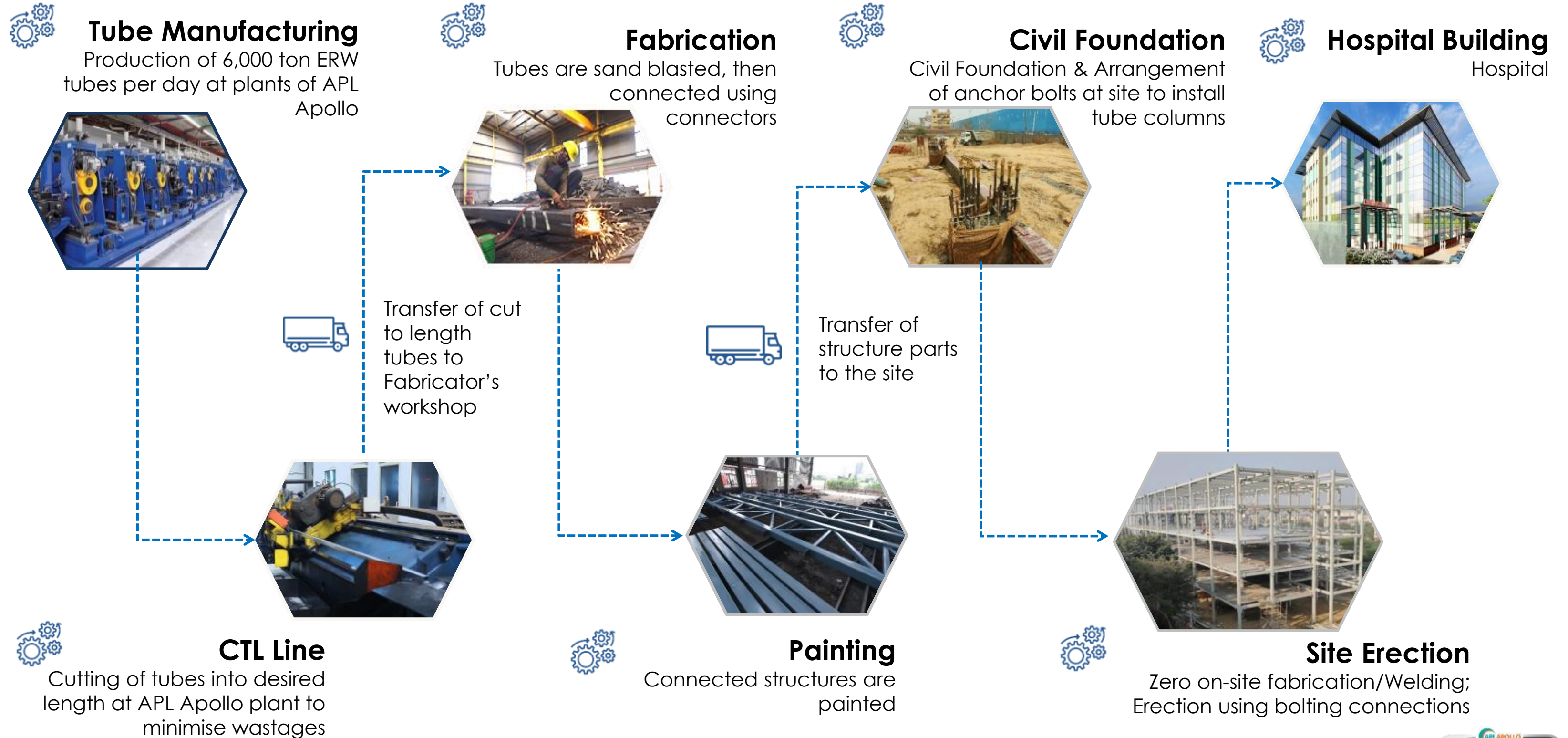


High Diameter Steel Tubes/High Load Bearing

REVOLUTIONIZING CONSTRUCTION INDUSTRY



Tubular Construction Process flow



APL Apollo Tubes



Delhi Hospitals- Proof of Concept



Geeta Colony

Fabrication & Erection
1,000 ton



Sultanpuri

Fabrication & Erection
600 ton



Shalimar Bagh

Fabrication & Erection
3,300 ton



GTB Hospital

Fabrication & Erection
1,800 ton



Sarita Vihar

Fabrication & Erection
900 ton

**Revolution in
Construction**

Applications

- High Rise Buildings
 - Hospitals, Housing, Schools, Courts, Hotels/Malls/Offices
- Warehouses/Cold Storage/Food Parks
- Factory Buildings/Process Structures
- Aviation Hangers
- Data Centres

45
projects

42mn sq. ft.
Visibility

220,000 ton
heavy structural steel
tubes

Ongoing enquiries





OUR BIGGEST EVER

(NEW RAIPUR PANT)



Raipur Plant Update



HIGHLIGHTS

- Upcoming 400 Acre Raipur plant progressing on expected lines
- Project to commence in phases starting H2FY23
- 100% value added products
- Total capex **Rs8-10bn**; **c80%** already incurred

Raipur Plant Update

APL APOLLO TUBES



Area of 1.5mn square feet being built using 100% Apollo Column Tubes

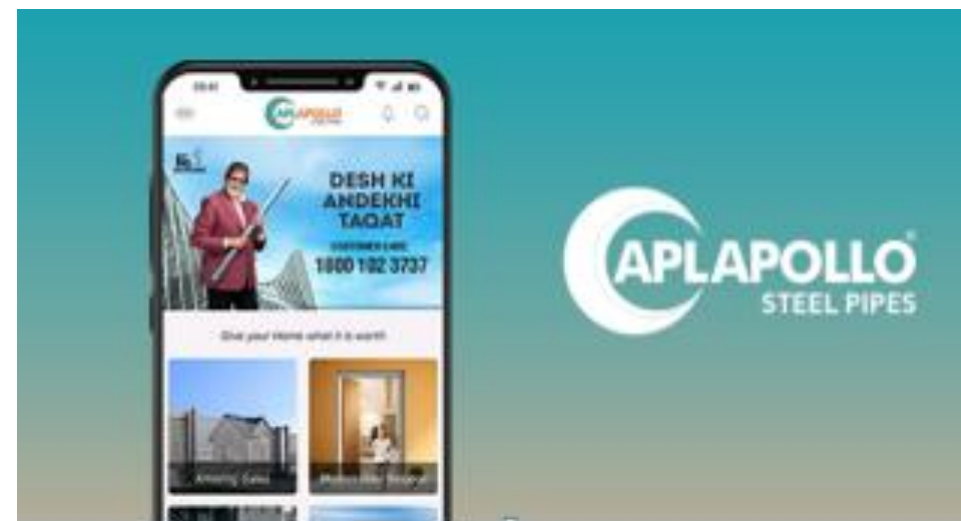
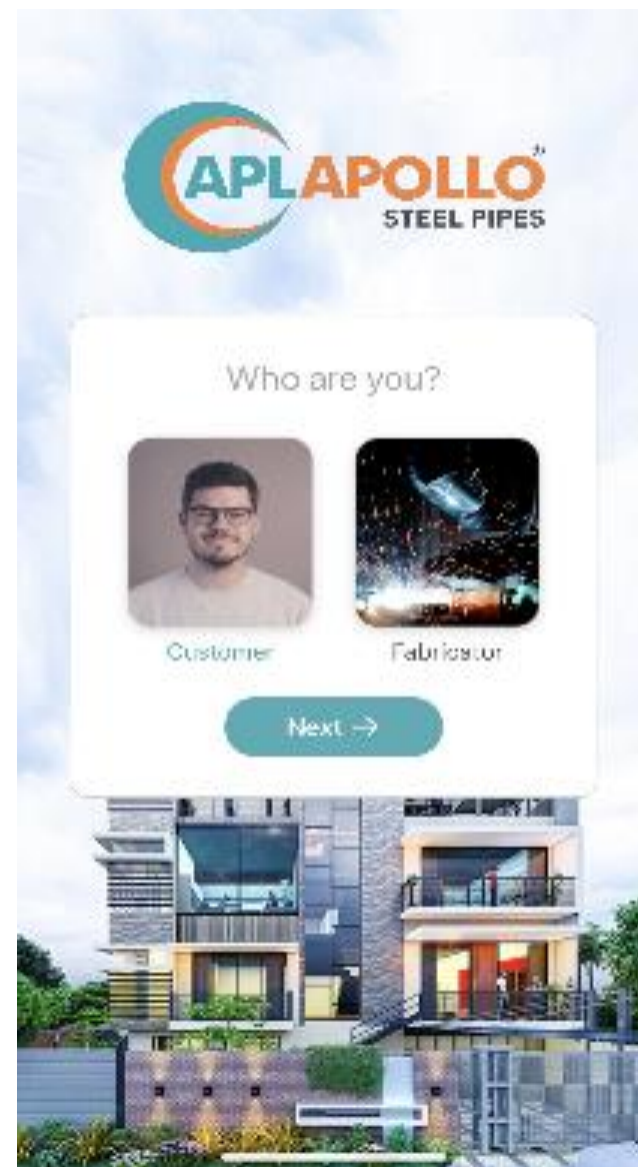
NEW INITIATIVES



B2C Tech App



APL APOLLO MOBILE - APPLICATION LAUNCHED



26,000+ Fabricators enrolled

90,000+ Total Downloads

300+ Designs

16 Patents registered



**APL APOLLO'S
ESG TRANSFORMATION
JOURNEY**

Commitment and achievements

Commitments

- Committed to reducing Scope 1&2 emissions by 25% by 2030 **E**
- Committed to set near term and Net Zero targets by 2050 **E**
- Renewable energy contribution to be 47% by 2030 from 38% **E**
- Targeted to increase the female workforce by 1% every year **S**
- CSR initiatives in the local communities to uplift their lifestyle **S**
- Skill development trainings and safety trainings **S**
- Occupational Health and safety assessment of all work force **S**
- Training on code of conduct to educate each employee **G**

Achievements

- Introduced new, environmentally friendly products **E**
- All plants have access to green energy, 2 plants have more than 85% dependency on green energy **E**
- Almost all plants have rainwater harvesting facilities **S**
- Zero accidents by providing safety training at sites **S**
- Attrition rate below 5% **S**
- Hiring female workforce to achieve gender diversity targets **S**
- Given emphasis to CSR initiatives in local communities **S**
- New Code of conduct implemented for all employees **G**

ESG Developments



Environment

Assessed **Scope 3 emissions** (in addition to Scope 1 & Scope 2)



Social

- 1) **Safety Manual** formulated for all the production facilities and offices
- 2) **New Human Rights policy** incorporated



Governance

Code of Conduct: New Code of conduct is formulated for all employees

Front runner for Steel for Green

- APL Apollo is the **1st** Company to innovate readymade Chaukhat, Fence, Plank and Hand rails as **Steel for Green** Concept which replaced conventional wood application in building construction
- Our Products are saving **250,000 trees** every year, going ahead we will be saving more and more trees to keep the planet greener
- Keeping the **Steel for Green** as priority APL is the **1st** Company to innovate **thicker color coated** sheets which will save more trees

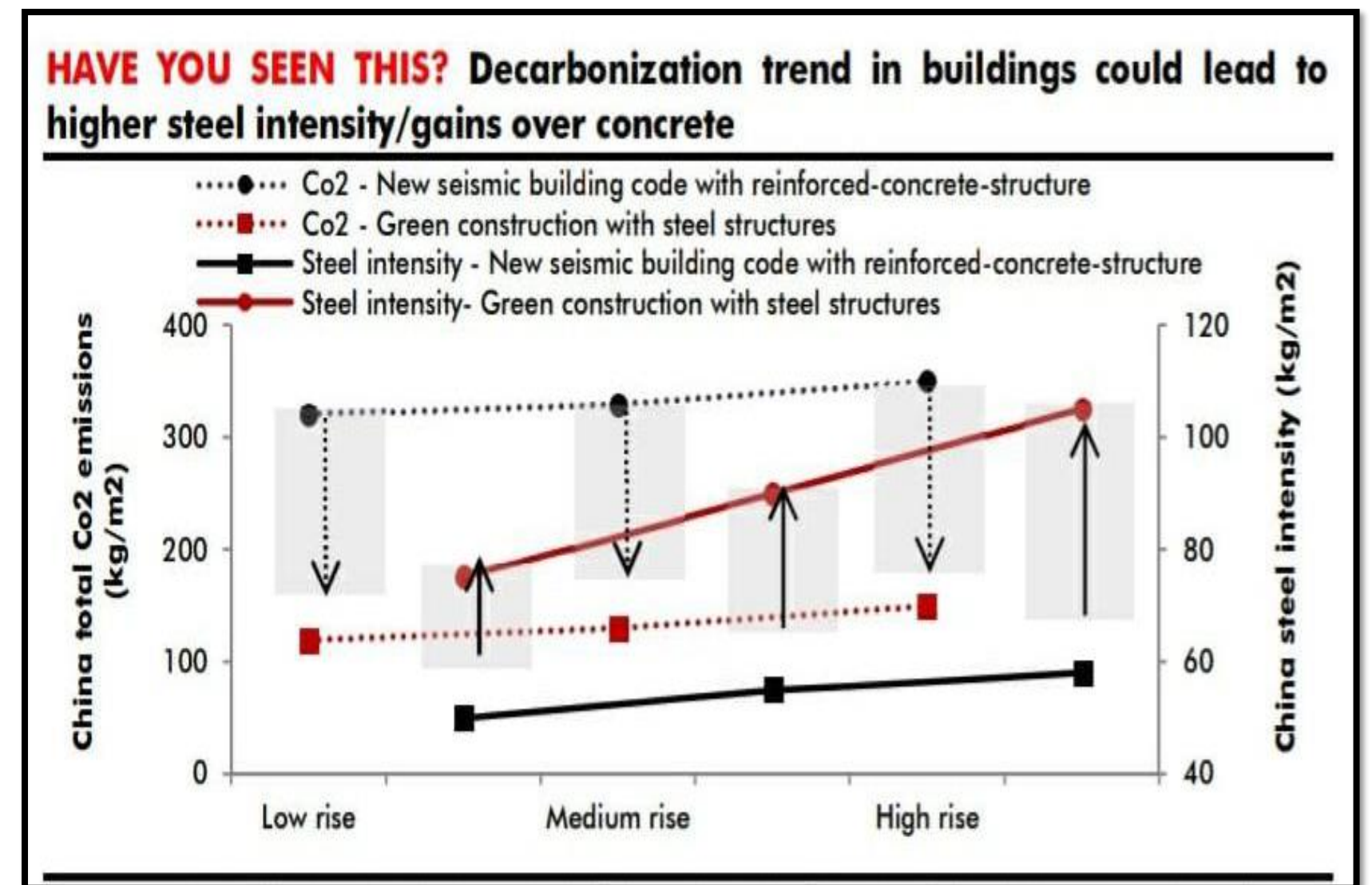


Steel Buildings = Decarbonization

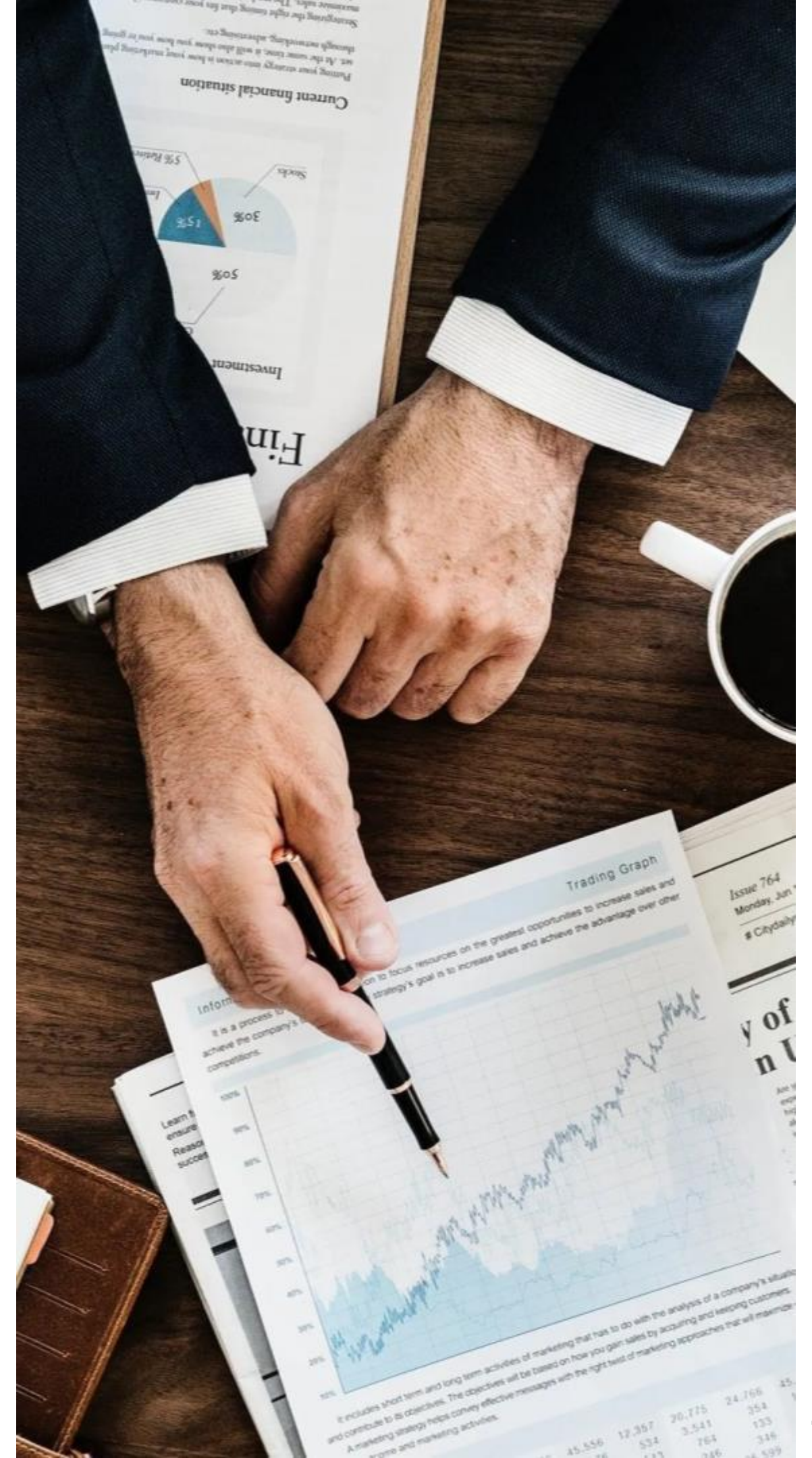
- Construction sector contributes 30% of direct and indirect Co2 emissions
- Structural steel is preferred for steel buildings because steel is
 - Infinitely recyclable
 - Easy to pre-fabricate
 - High volume to weight ratio
 - Lighter/ stronger structure allow gains inn vertical space

Research indicates replacing reinforced concrete with steel structures can reduce emission by 60%

Steel Structure - RCC Structure



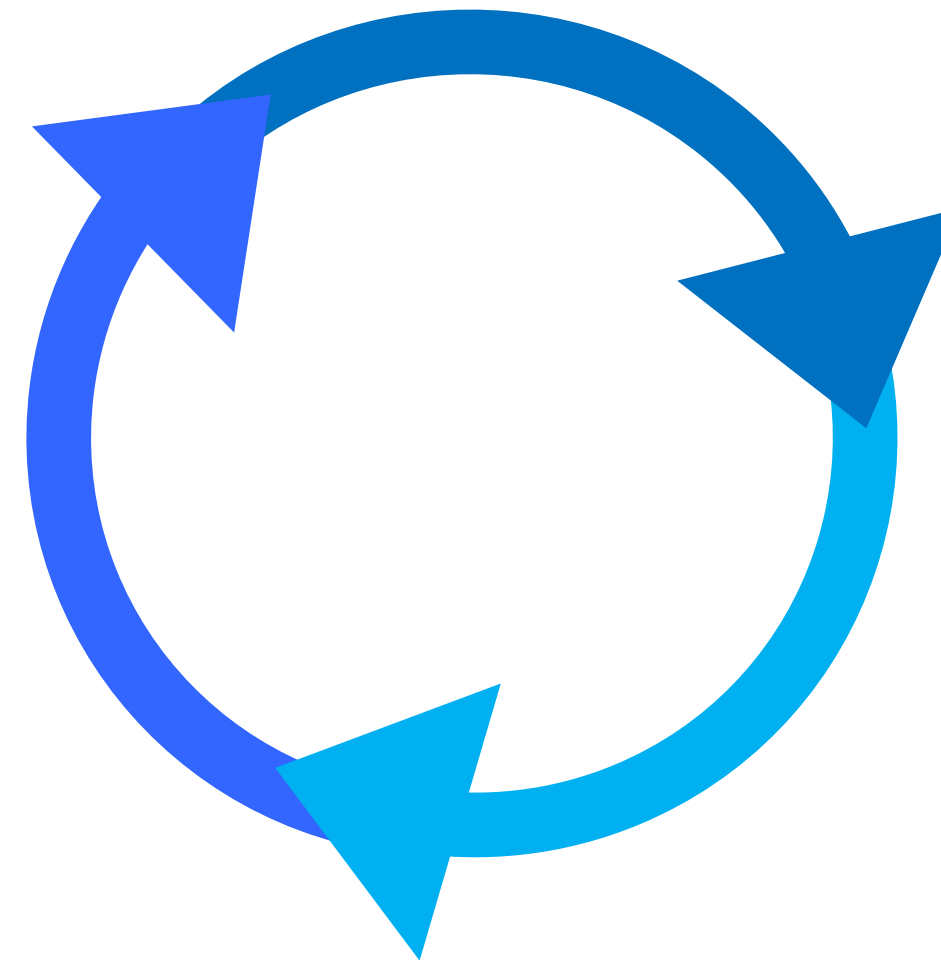
FINANCIAL PRIORITIES & PERFORMANCE



Financial Priorities Under Strong Governance

Growth

- Profitable Organic Growth
- Commitment to R&D and Talent
- Innovate products to replace conventional construction methods



Earnings

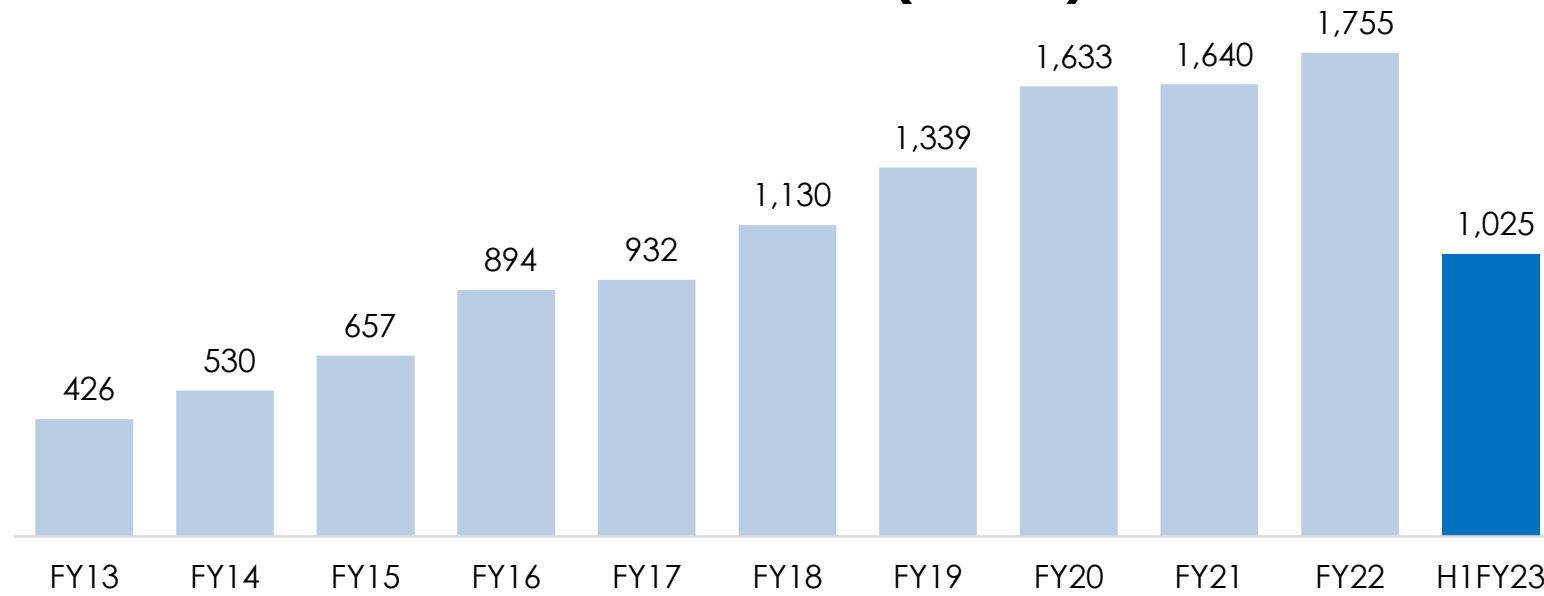
- Drive sustainable EPS growth
- Attain earnings objectives across economic cycles

Capital Allocation

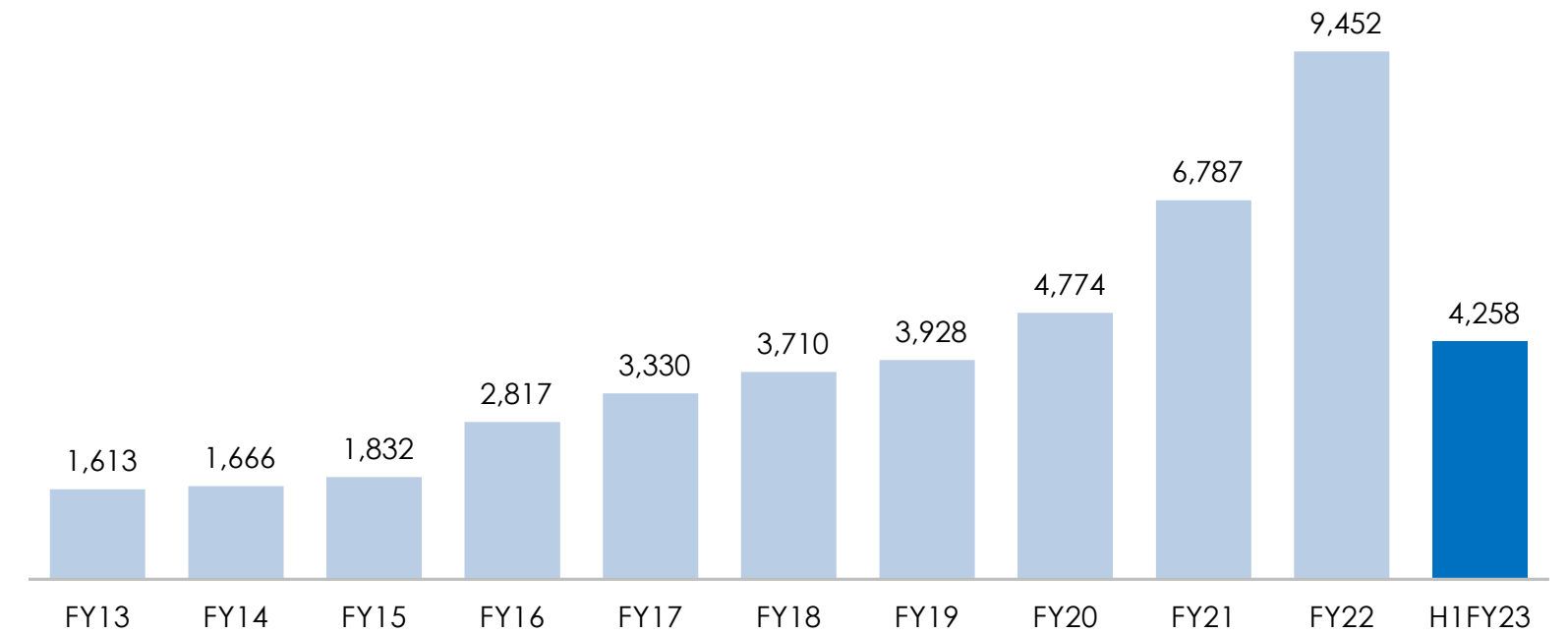
- Drive sustainable EPS growth
- Attain earnings objectives across economic cycles
- Achieve ROCE \geq 30%

Growing Strength to Strength

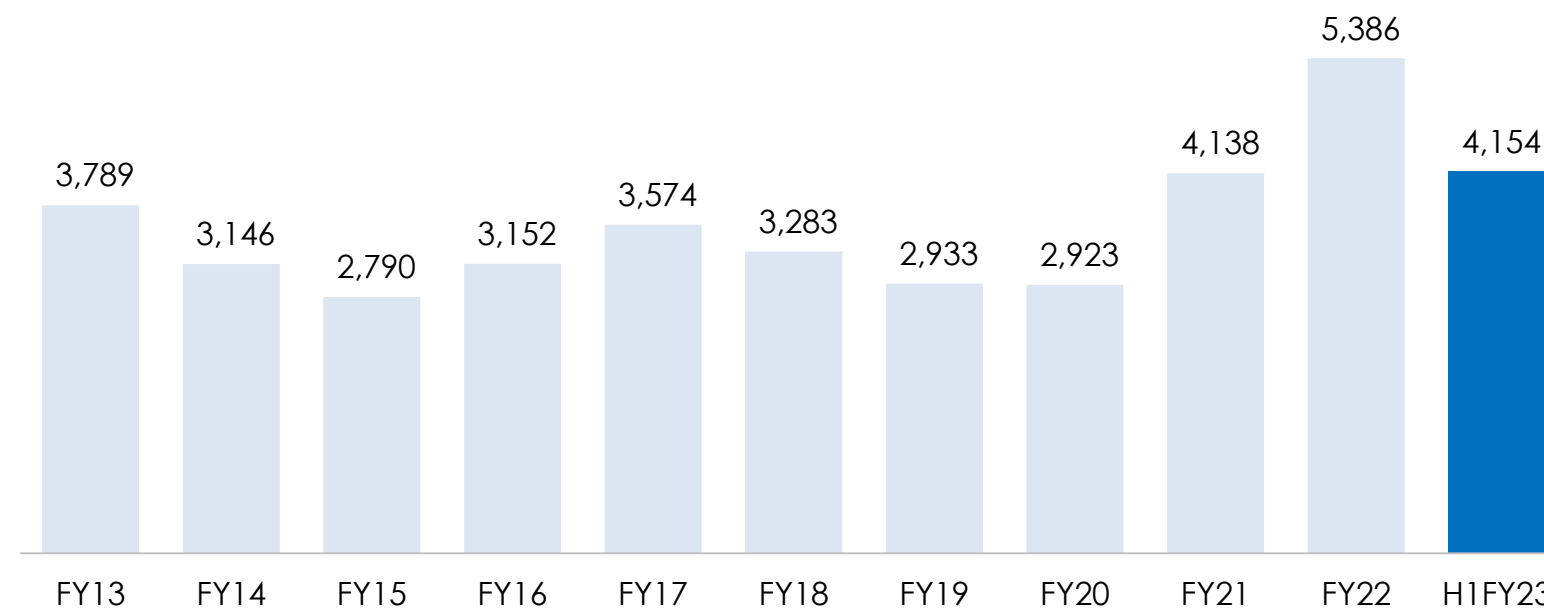
Sales Volume (k tons)



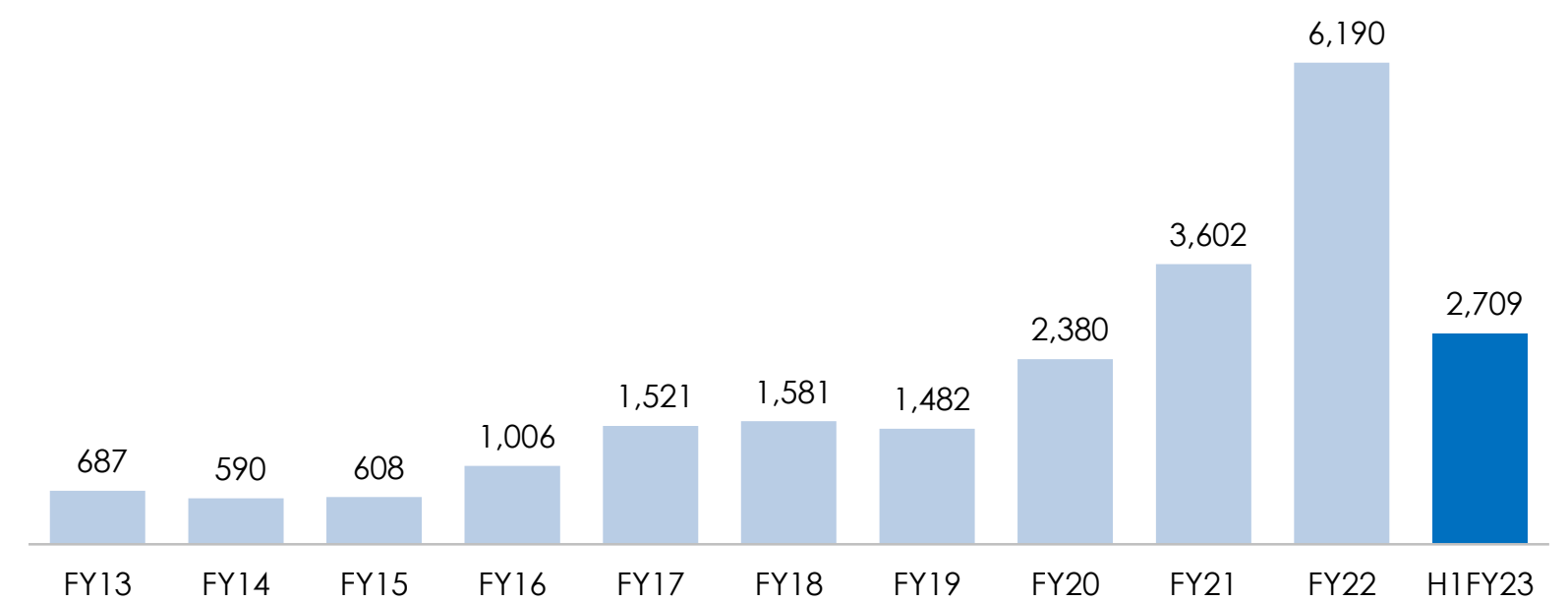
EBITDA (Rsm)



EBITDA/Ton (Rs)



Net Profit (Rsm)

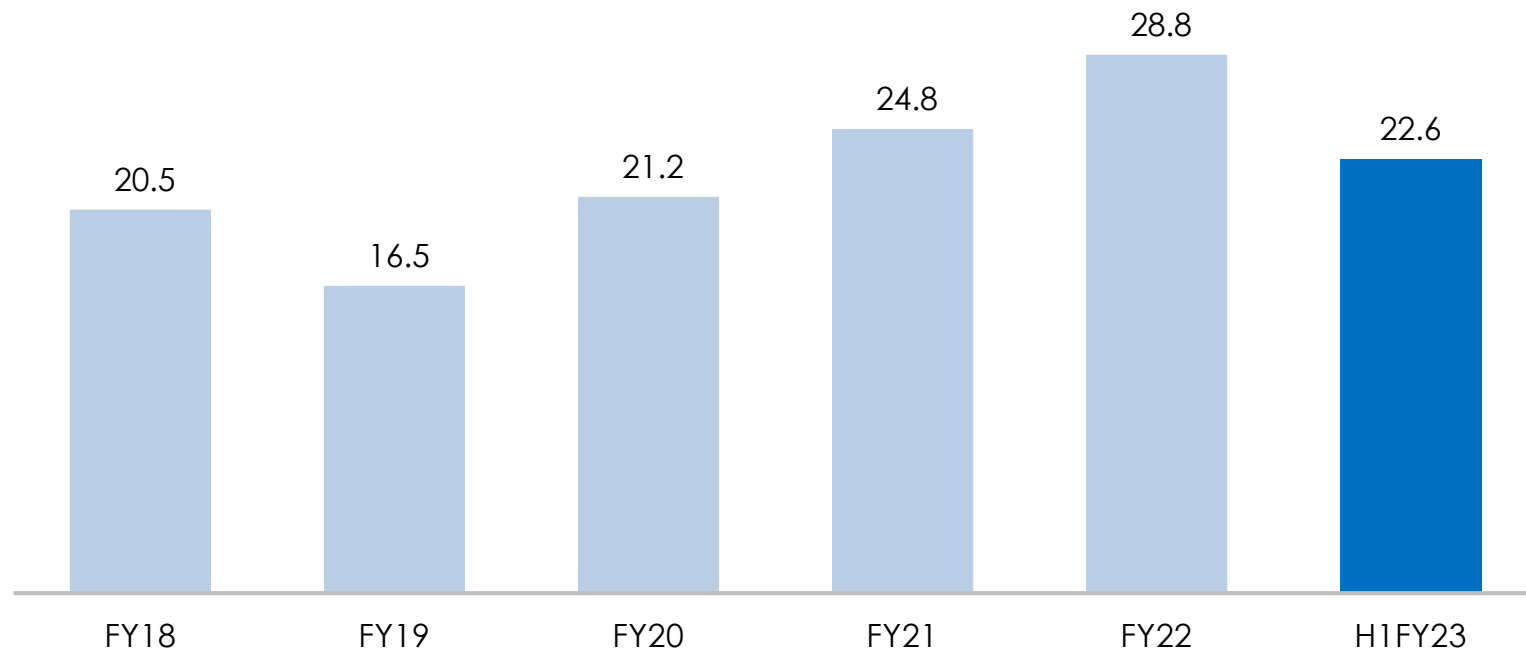


Note 1: This data is based on the Consolidated Financial data of the Company; Interest coverage is calculated on EBIT

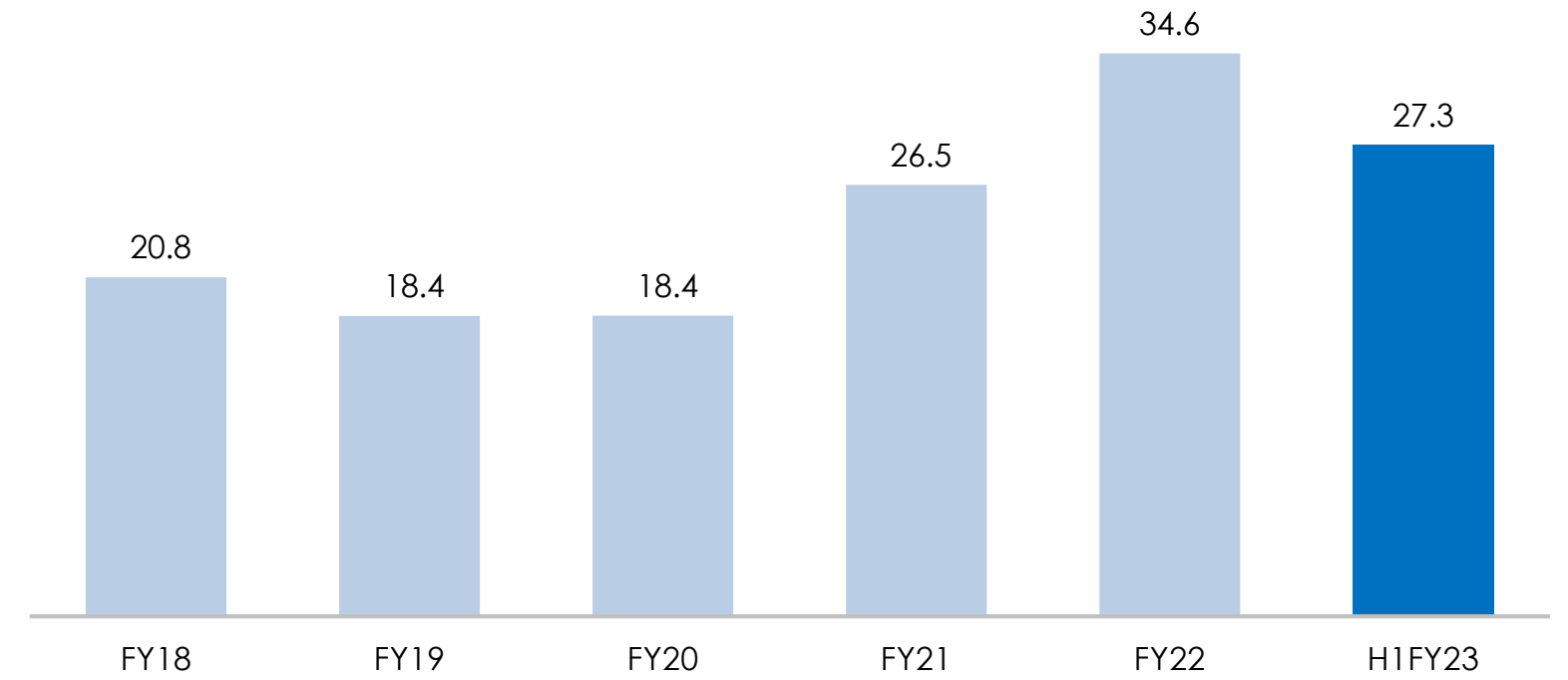
Note 2: Sales Volume and Financials are on consolidated basis and Net Profit is after Minority Interest

Growing Strength to Strength

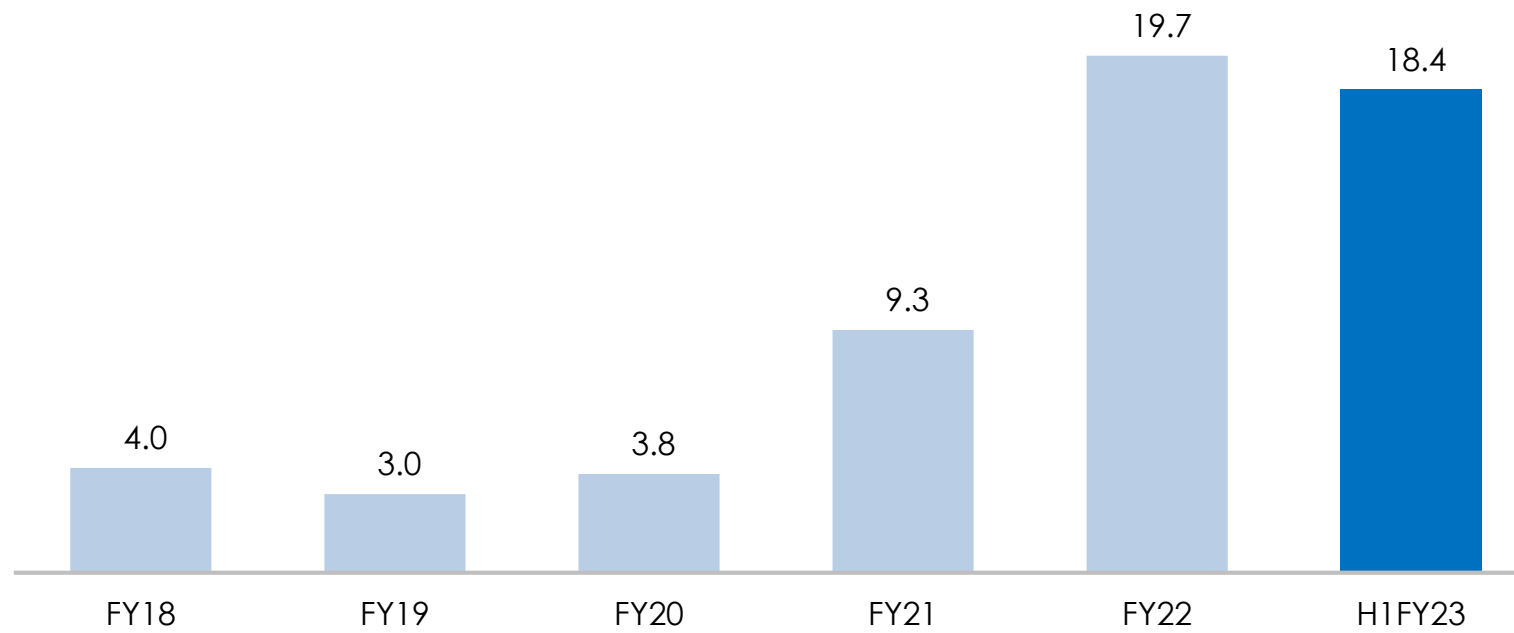
ROE (%)



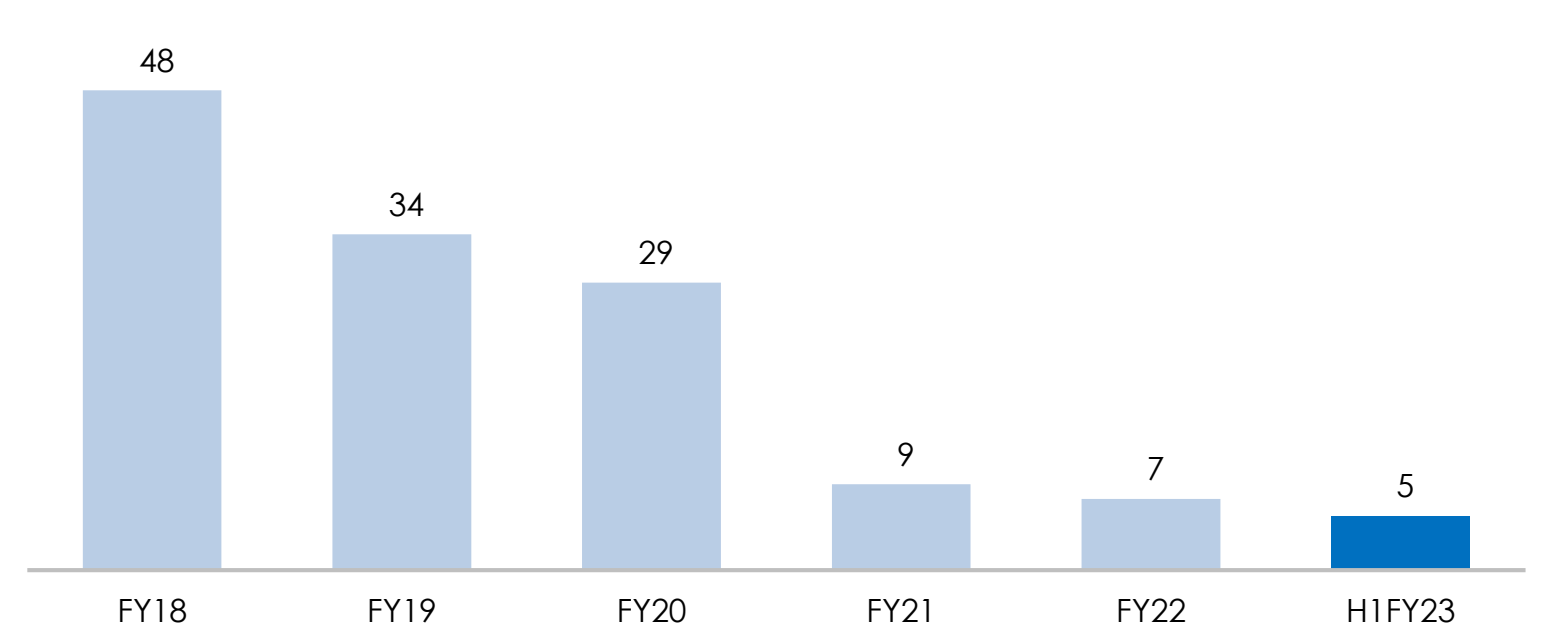
ROCE (%)



Interest Coverage Ratio (x)



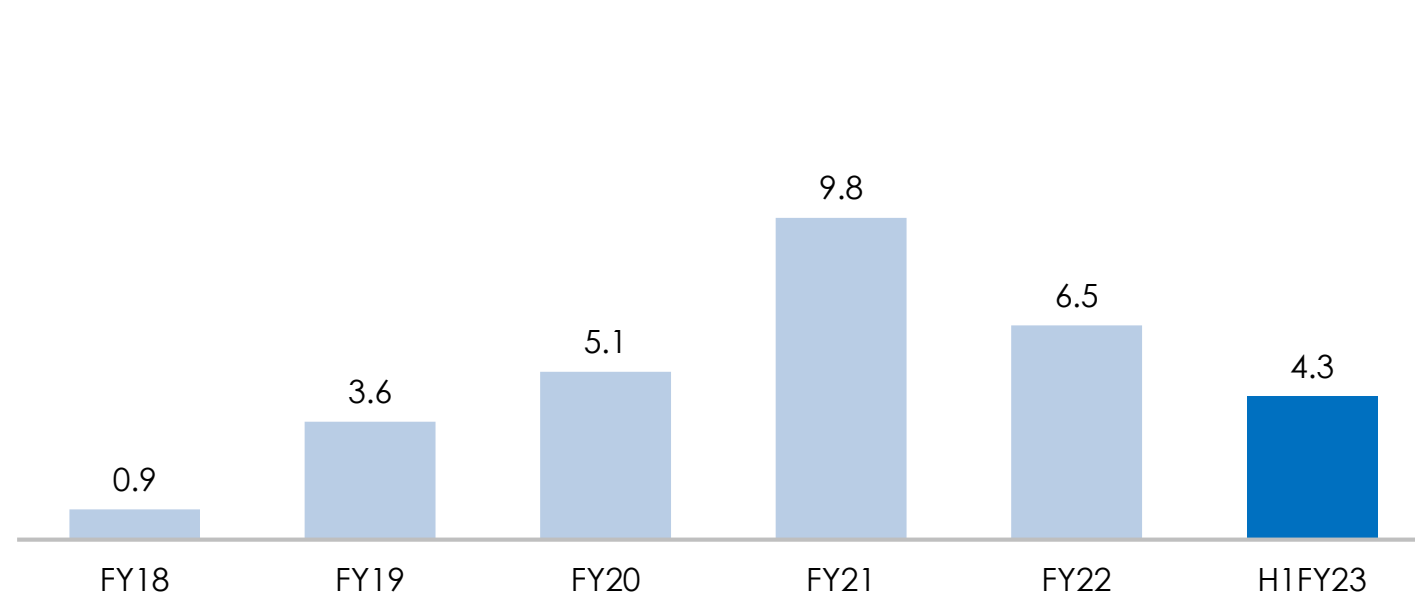
Net Working Capital Days



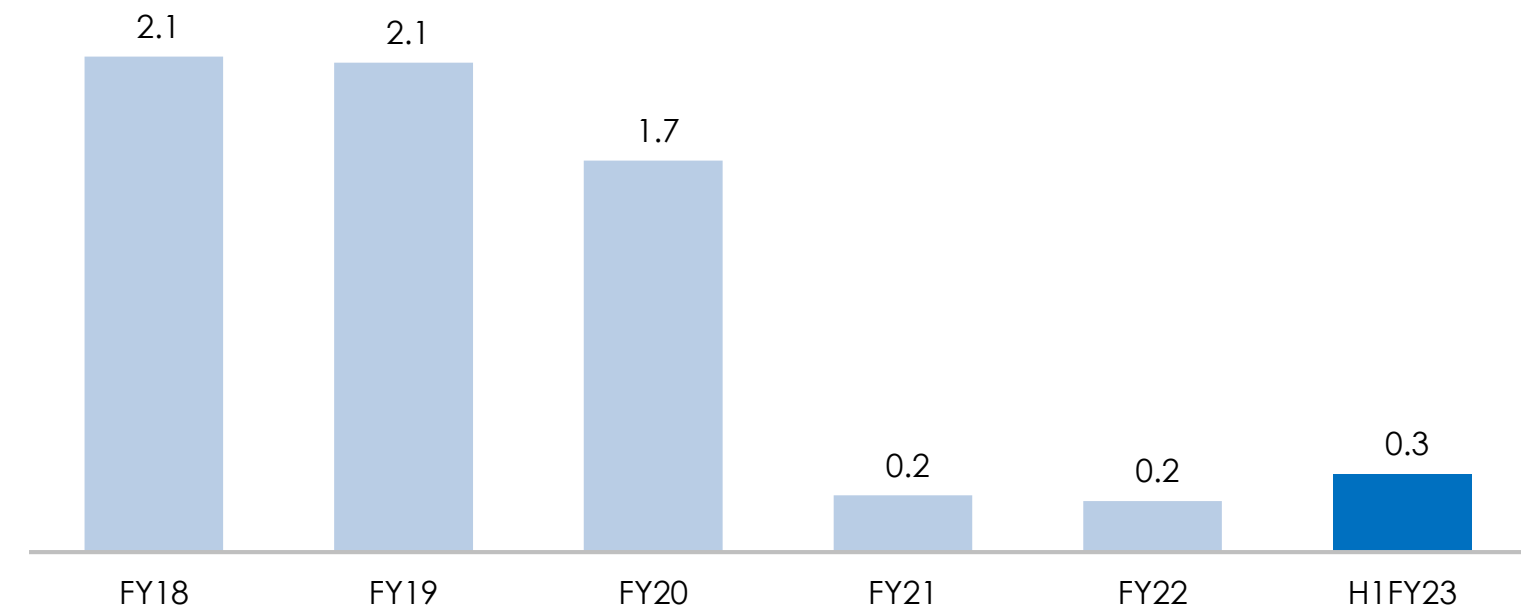
Note: Capital employed for ROCE is computed as Total assets less Current Liabilities & Cash

Growing Strength to Strength

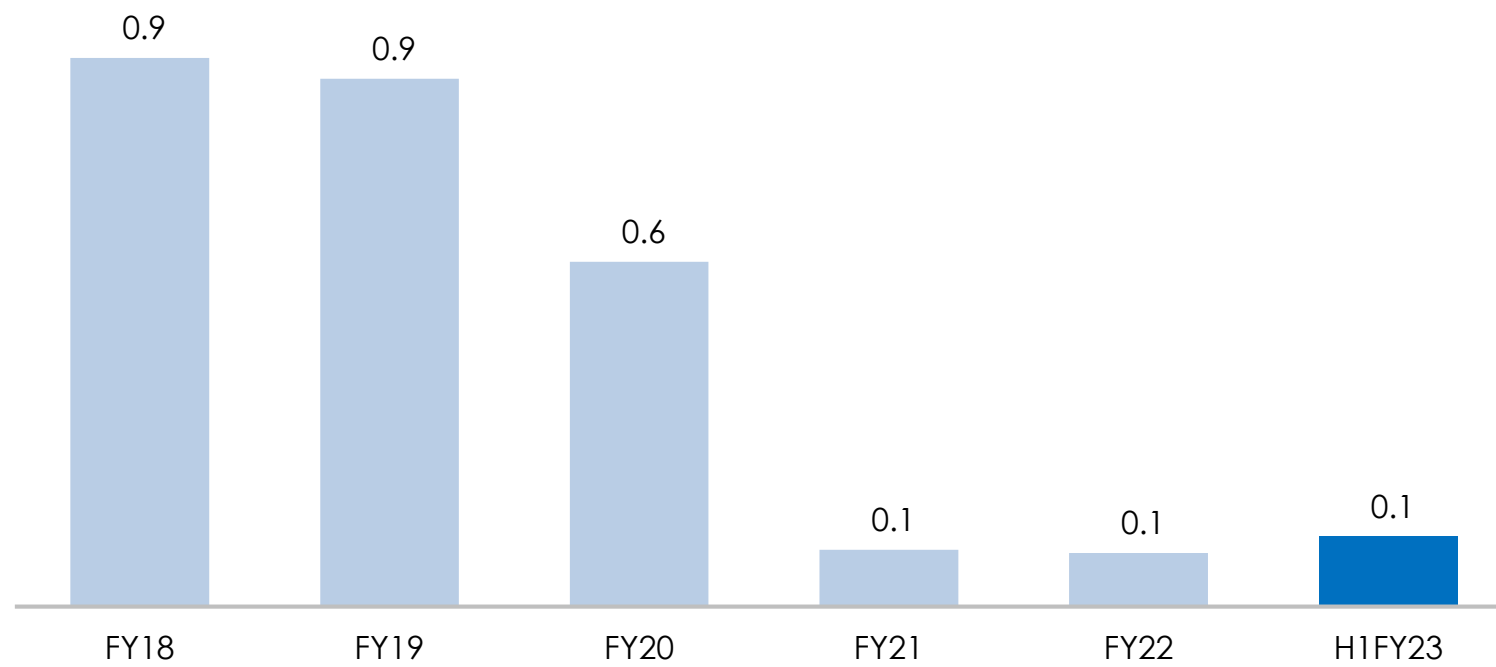
Operating Cash Flow (Rs Bn)



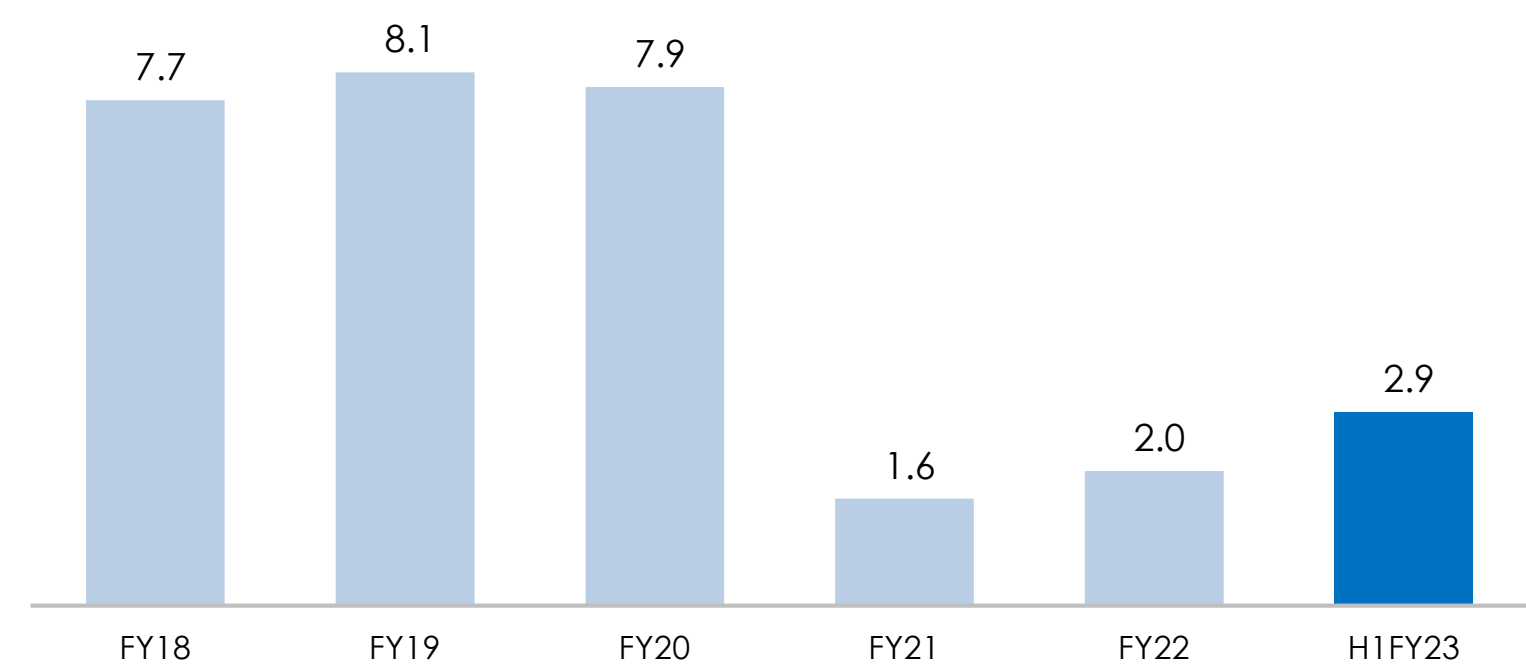
Net Debt/EBITDA (x)



Net Debt/ Equity (x)

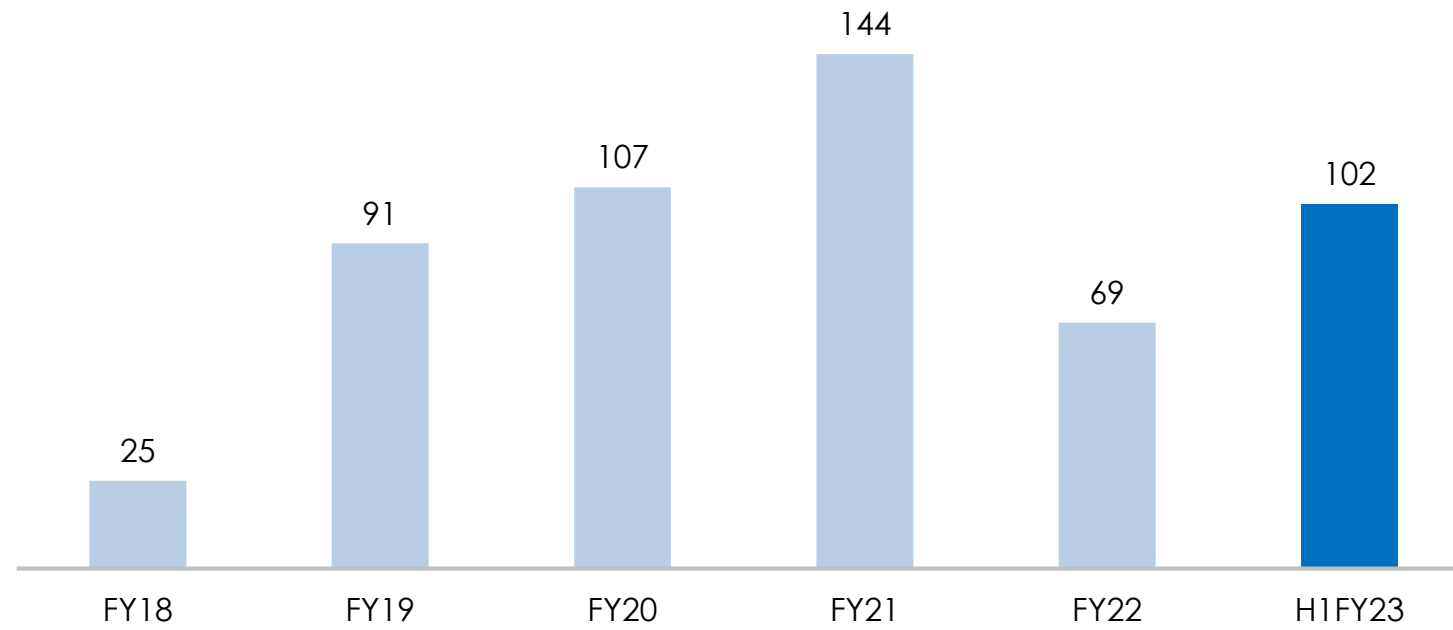


Net Debt (Rs Bn)

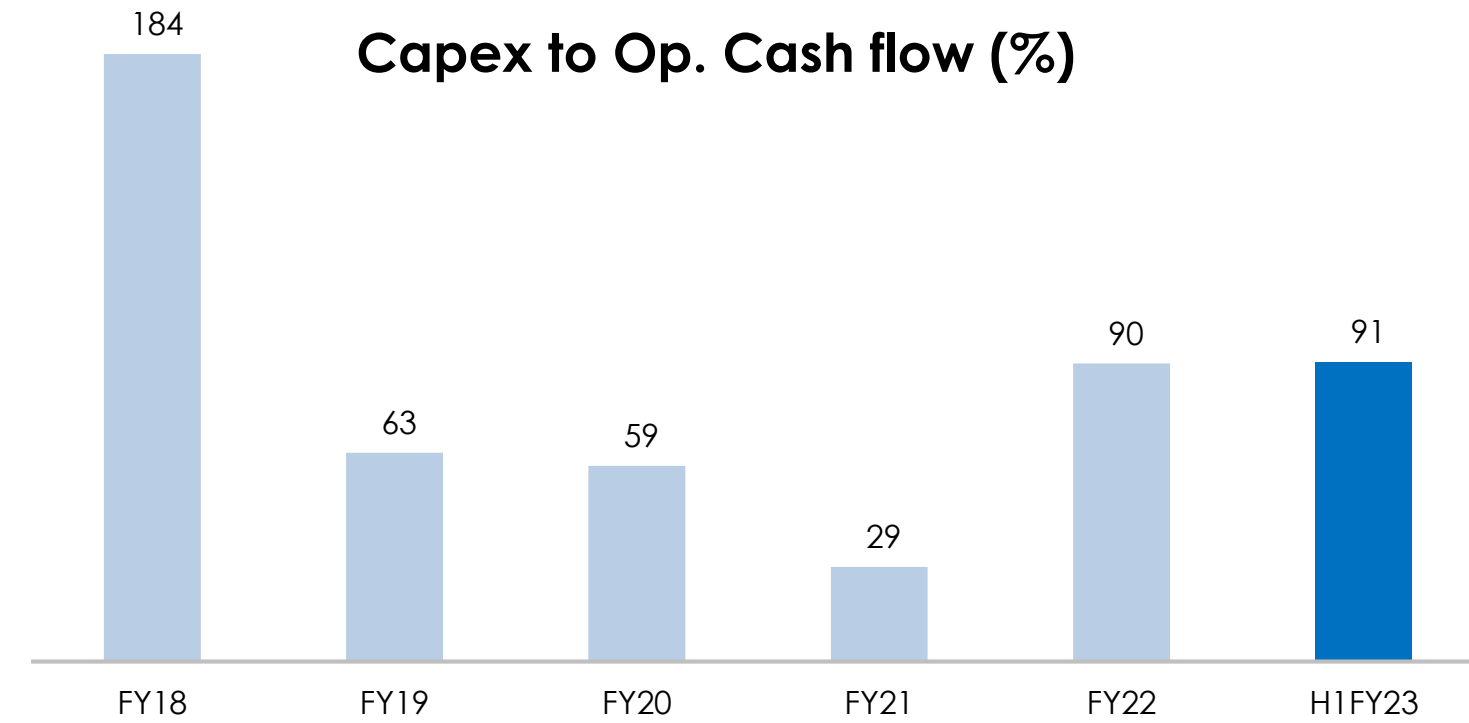


Growing Strength to Strength

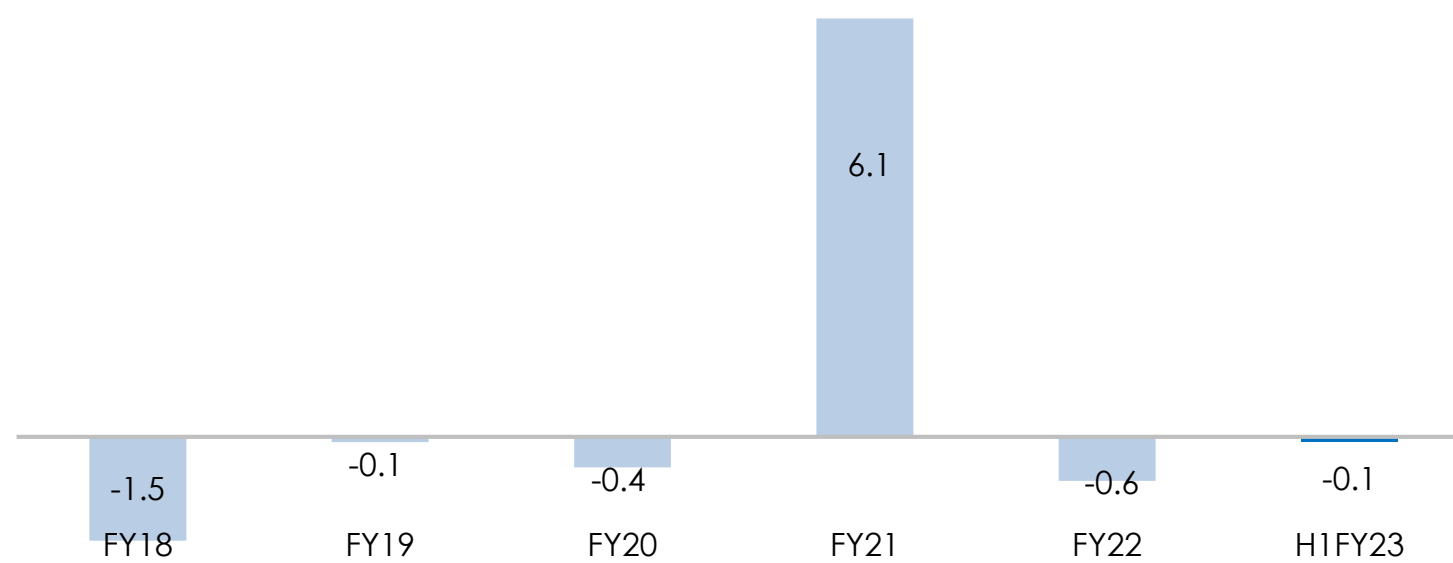
Operating Cashflow to EBITDA (%)



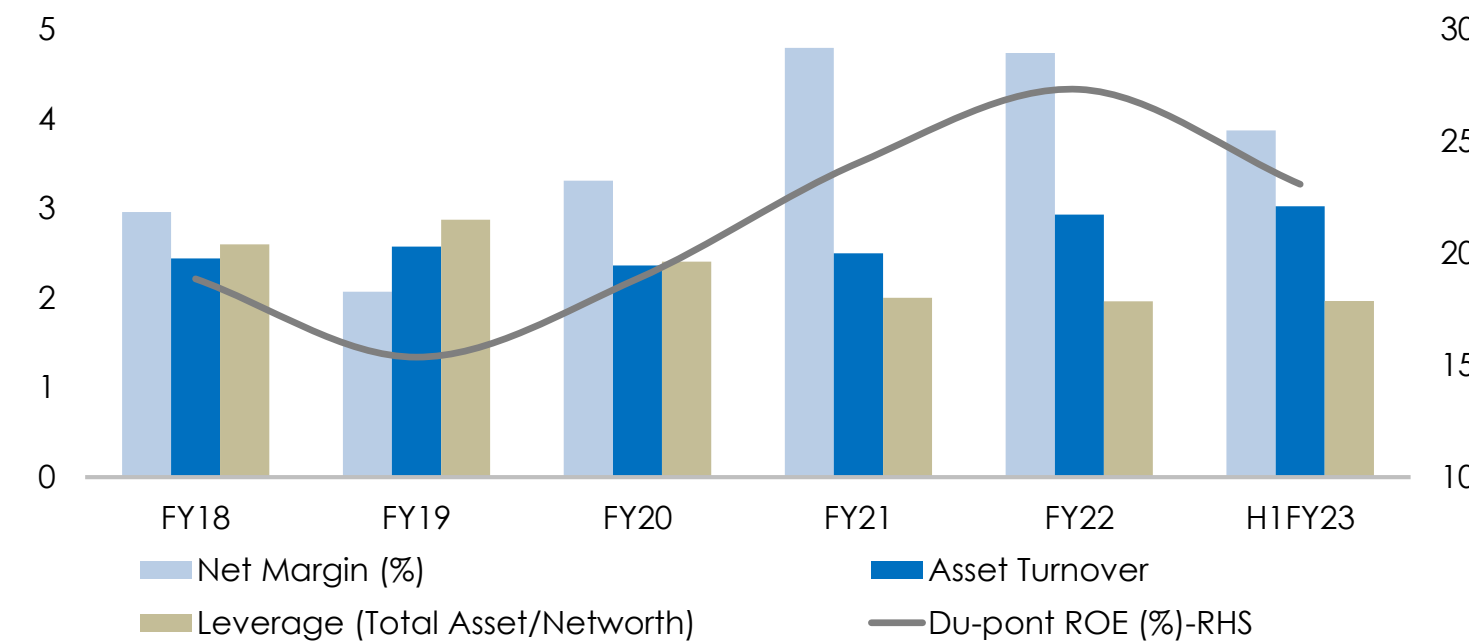
Capex to Op. Cash flow (%)



FCF (Rs Bn)



Du-Pont ROE (%)



De-commoditizing Product Portfolio

Value added products contributed
54% of total sales in Q2

Product Category	Application	Q2FY22			Q3FY22			Q4FY22			Q1FY23			Q2FY23		
		Sales Mix	Volume	EBITDA/Ton	Sales Mix	Volume	EBITDA/Ton	Sales Mix	Volume	EBITDA/Ton	Sales Mix	Volume	EBITDA/Ton	Sales Mix	Volume	EBITDA/Ton
		(%)	(KTon)	(Rs)	(%)	(KTon)	(Rs)	(%)	(KTon)	(Rs)	(%)	(KTon)	(Rs)	(%)	(KTon)	(Rs)
Apollo Structural	Heavy Structures	6	26	6,240	9	35	7,531	7	40	7,835	8	33	7,028	7	41	6,926
	Light Structures	12	51	5,137	12	47	4,721	11	60	5,074	12	50	4,375	13	77	4,155
	General Products	38	161	2,194	35	139	1,524	40	223	1,955	39	165	1,614	46	276	1,388
Apollo Z	Rust-proof structures	21	90	8,083	23	91	7,714	19	103	7,942	19	80	7,015	13	78	6,914
	Rust-proof sheet	5	21	5,136	5	19	4,554	6	35	4,746	5	20	4,105	4	21	3,920
Apollo Tricoat	Home Improvement	14	61	8,172	13	54	7,999	12	65	7,149	12	49	9,194	12	70	8,219
Apollo Galv	Agri/Industrial	4	16	6,353	4	17	6,051	5	26	6,230	4	18	5,005	4	27	4,966
Total (ex Raipur)		100	427	5,199	100	403	5,023	100	552	4,820	98	416	4,579	98	590	3,928
Apollo Build/ New Raipur	Coated Products	-	-	-	-	-	-	0	0.4	5,040	2	7	5,001	2	12	-
Total		100	427	5,199	100	403	5,023	100	552	4,823	100	423	4,587	100	602	3,850

Standard products with
EBITDA around Rs 2,000/ Ton

Value added products with
EBITDA more than Rs 4,000/Ton

De-commoditizing Product Portfolio

Value added products contributed 63% of total sales in FY22 vs 42% in FY18

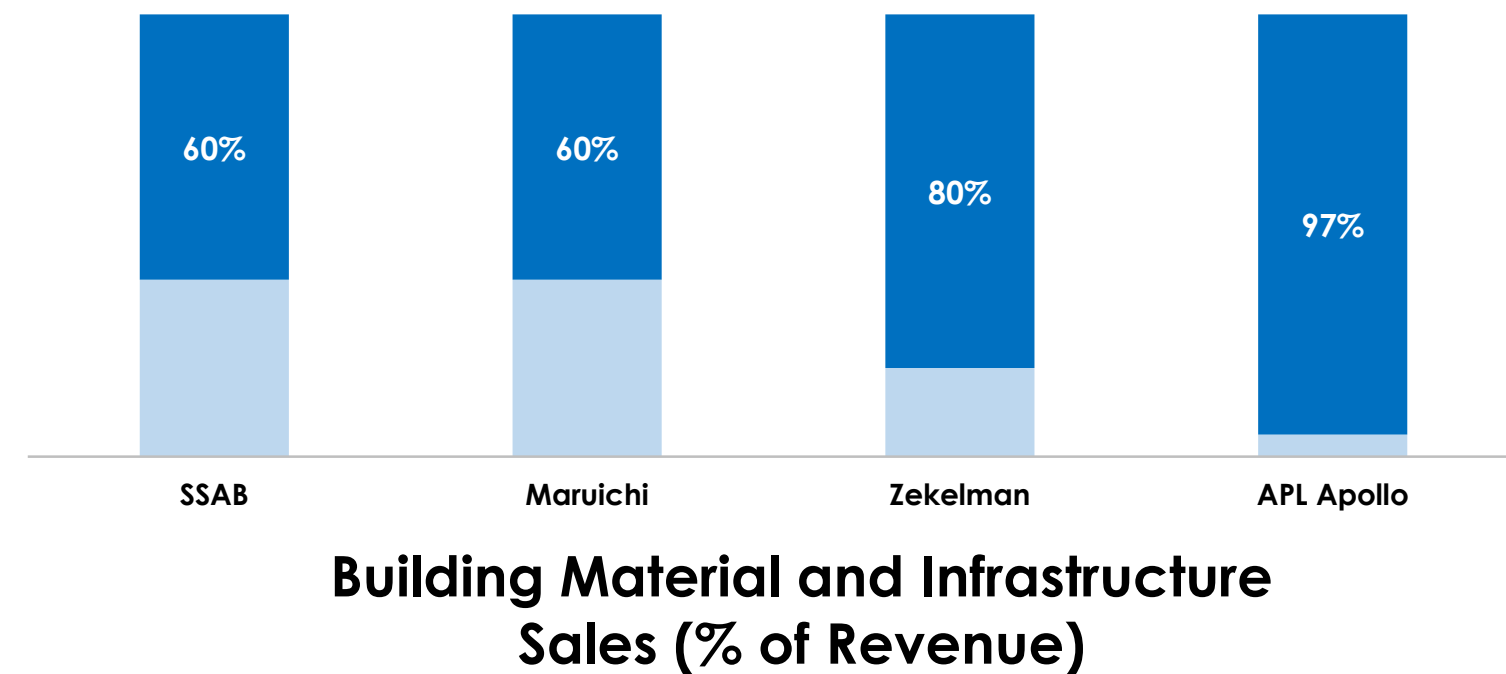
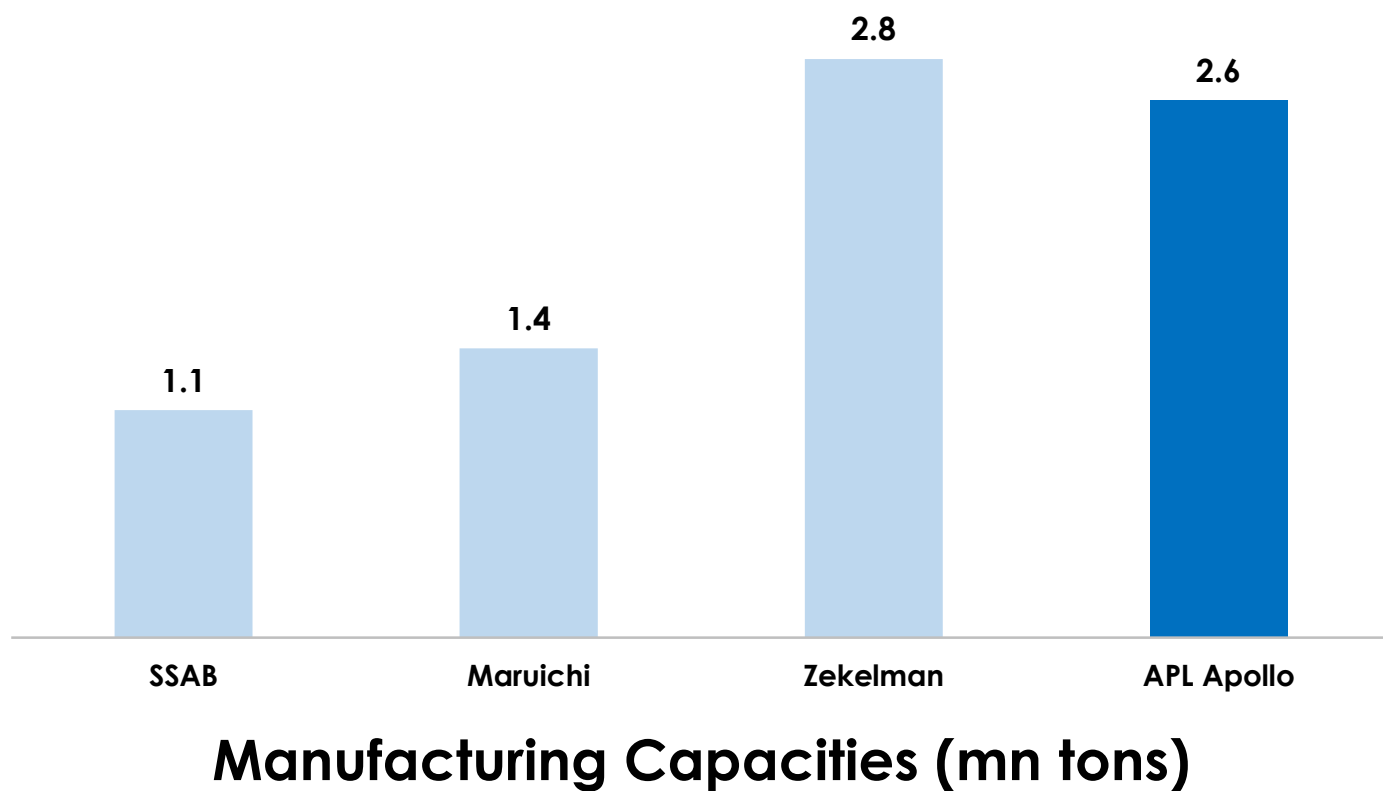
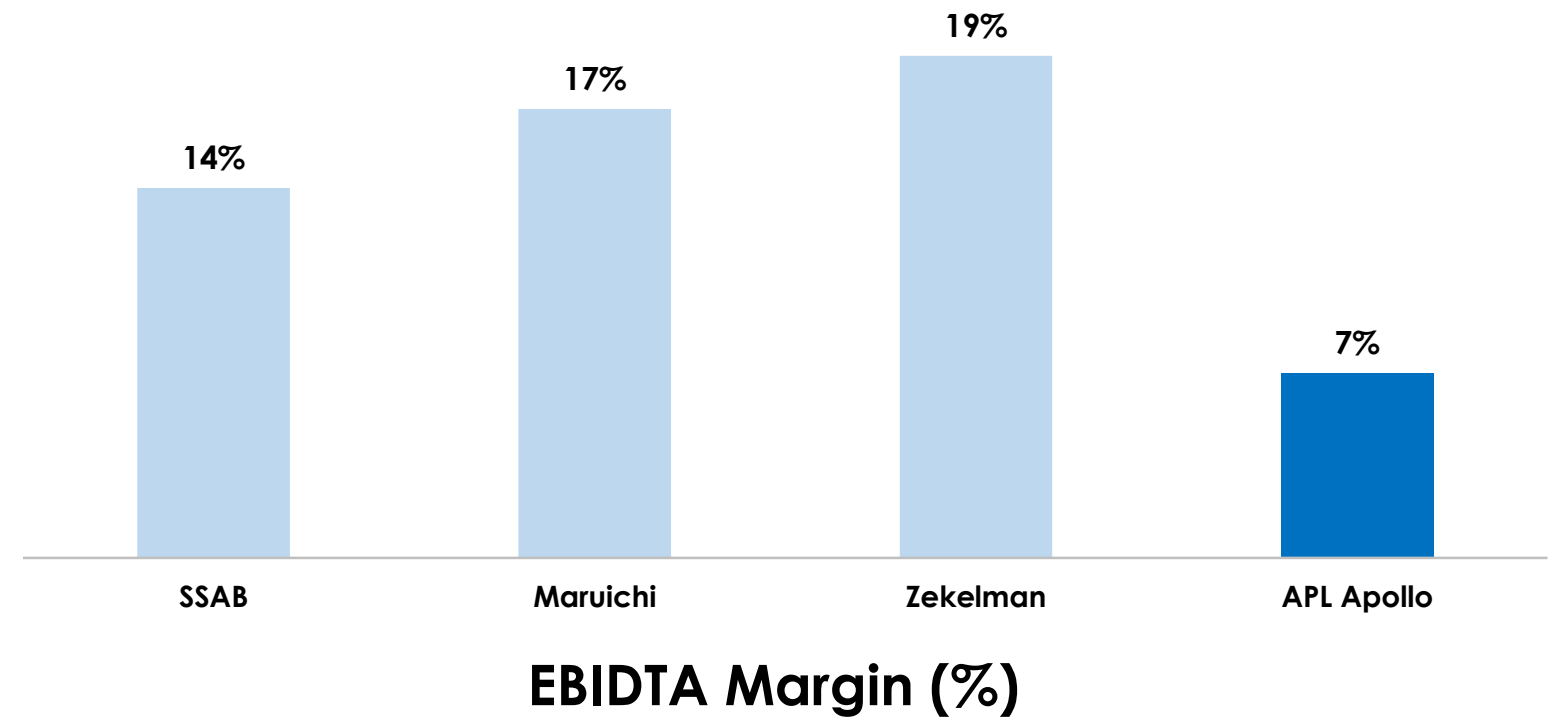
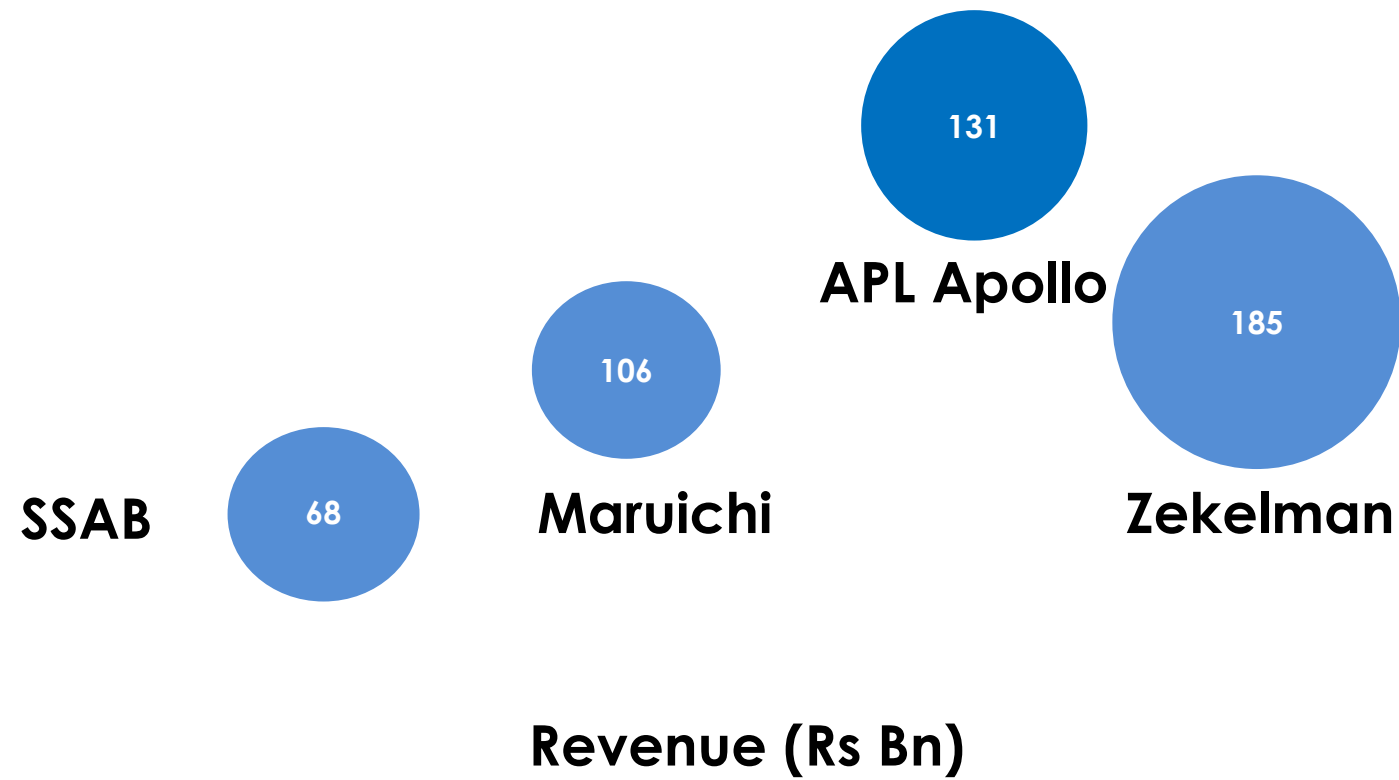
Product Category	Application	FY19			FY20			FY21			FY22			H1FY23			Annual
		Sales Mix	Volume	EBITDA/Ton	Sales Mix	Volume	EBITDA/Ton	Sales Mix	Volume	EBITDA/Ton	Sales Mix	Volume	EBITDA/Ton	Sales Mix	Volume	EBITDA/Ton	Capacity
		(%)	(KTon)	(Rs)	(%)	(KTon)	(Rs)	(%)	(KTon)	(Rs)	(%)	(KTon)	(Rs)	(%)	(KTon)	(Rs)	(KTon)
Apollo Structural	Heavy Structures	6	80	3,775	6	101	4,000	6	95	4,721	7	121	7,422	7	74	6,971	200
	Light Structures	8	108	3,707	5	87	3,800	13	213	4,717	11	198	5,253	12	127	4,242	430
	General Products	58	777	1,615	55	898	1,361	43	713	1,658	37	647	2,145	43	442	1,473	1,000
Apollo Z	Rust-proof structures	21	279	5,568	20	333	5,021	18	294	6,728	21	369	8,161	15	158	6,965	400
	Rust-proof sheet	-	3	4,703	0	2	5,000	1	23	4,720	6	105	5,146	4	41	4,010	100
Apollo Tricoat	Home Improvement	-	-	-	7	113	6,589	14	231	7,072	14	239	8,737	12	119	8,621	350
Apollo Galv	Agri/Industrial	7	92	4,362	6	99	3,952	4	71	6,040	4	76	6,442	4	44	4,982	120
Apollo Build/ New Raipur	Coated Products	-	-	-	-	-	-	-	-	-	0.0	0.4	5,040	2	20	1,913	-
Total		100	1,339	2,933	100	1,633	2,923	100	1,640	4,138	100	1,755	5,386	100	1,025	4,154	2,600

Standard products with EBITDA around Rs 2,000/ Ton

Value added products with EBITDA more than Rs 4,000/Ton

APL APOLLO TUBES

Global Peer Benchmarking



APL APOLLO TUBES

Based on latest financial data available

Profit & Loss Statement (Consol)

Particulars (Rsm)	Q2FY22	Q3FY22	Q4FY22	Q1FY23	Q2FY23	FY22	FY21
Sales Volume (k Ton)	427	403	552	423	602	1,755	1,640
Net Revenue	30,839	32,304	42,147	34,386	39,692	1,30,633	84,998
Raw Material Costs	26,534	28,097	36,829	29,915	34,747	1,12,231	71,648
Employee Costs	373	389	410	445	468	1,530	1,296
Other expenses	1,711	1,795	2,247	2,086	2,158	7,419	5,266
EBITDA	2,222	2,023	2,661	1,939	2,319	9,452	6,787
EBITDA/ton (Rs)	5,199	5,023	4,823	4,587	3,850	5,386	4,138
Other Income	114	79	110	83	116	405	359
Interest Cost	107	109	101	100	136	445	661
Depreciation	273	272	279	294	276	1090	1,028
Tax	495	442	625	422	521	2,133	1,381
Net Profit	1,461	1,279	1,766	1,207	1,502	6,190	4,077
Minority Interest (MI)*	148	123	136	136	0*	617	475

Note 1: Sales Volume and Financials are on consolidated basis

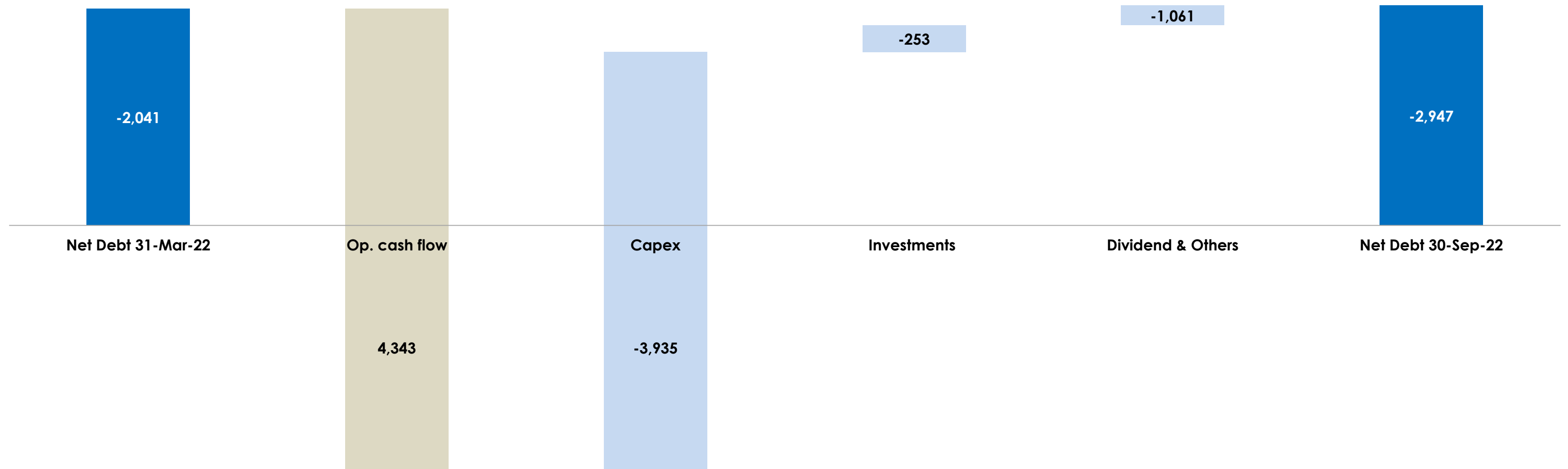
* Apollo Tricoat Tubes Ltd merger has been approved so minority interest ceases to exist

Balance Sheet & Cash flow(Consol)

Balance Sheet - Assets (Rs mn)	H1FY23	FY22
Cash & Bank Balance	6,570	3,764
Receivables	1,049	3,417
Inventories	10,933	8,472
Other current assets	1,816	2,617
Fixed assets (net)	23,887	21,039
Right to use Assets	859	870
Investments	1,035	862
Other assets/goodwill	3,487	3,367
Total Assets	49,635	44,409
Balance Sheet - Liabilities (Rs mn)	H1FY23	FY22
Trade payables	10,689	10,595
Other current liabilities	903	1,365
Debt	9,517	5,806
Others	2,245	2,119
Minority Interest/Provision	-	-
Shareholders' funds	26,281	24,525
Total Equity & Liabilities	49,635	44,409

Cashflow Statement (Rs mn)	H1FY23	FY22
EBITDA	4,258	9,452
Accounts receivables	2,385	-2,108
Inventory	-2,468	-887
Other WC changes	917	1,638
Tax	-948	-1,993
Other Income	199	405
Operating cash flow	4,343	6,506
Capex	-3,935	-5,869
Investments	-253	-871
Interest	-223	-407
Free cash flow	-68	-640
Dividend payments	-876	0
Capital increase	0	70
Tricoat consolidation/Others	38	152
Net change in cash flow	-906	-418
Net debt beginning	-2,041	-1,624
Net debt end	-2,947	-2,041

Consol. Cash Flow Bridge (Rs mn)



✓ Business continues to generate strong operational cash flows

✓ Capex being funded from internal cash flows

✓ Net debt to EBITDA at 0.3x

Team APL Apollo

DIRECTORS (NON EXECUTIVE)

Neeru Abrol

Director at TCNS Clothing Co Limited & others | Awarded best achiever by ICAI | 26 Yr experience in SAIL

Abhilash Lal

3 decades of professional experience in senior roles across financial services including banking, PE & others

Anil Kumar Bansal

Director of NABARD, Rockland Finesto Ltd & others
4 decades of experience in banking industry

Virendra Singh Jain

Board member of Dalmia Bharat Ltd | Ex-Chairman of SAIL | Ex-Executive Director at IOC

Ashok Kumar Gupta

Steel industry veteran with 4 decades of experience
Worked as MD in APL Apollo in the past

Ameet Gupta

Wholetime Director at Havells India, India's largest electrical goods manufacturer

Rahul Gupta

A promising entrepreneur with an experience of around 5 years in Steel Tubes Manufacturing, currently MD of Apollo Tricoat Tubes Ltd.

Vinay Gupta

More than 20 years of industry experience in the manufacturing and trading pipes, tubes and sheets.

EXECUTIVE TEAM

Sanjay Gupta

CMD

Arun Agrawal

Chief Operating Officer

Deepak Goyal

Chief Finance Officer

Romi Sehgal

Director

Anubhav Gupta

Chief Strategy Officer

Anurag Mehrotra

Chief Human Resource Officer

Ravindra Tiwari

Head-Sales & Marketing

Ajay Garg

VP - Procurement

CK Singh

VP - Operations

Thank You

For further information,
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Anubhav Gupta

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APL Apollo new Corporate office (Work in progress)



APL Apollo new Corporate office to be operational by H2CY22