



**YOU THINK
WE SUPPLY**

CELEBRATING NETWORK OF 800 DISTRIBUTORS



Q3FY22 Results

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

- Q3FY'22 at a glance
- Financial Performance
- Market Creation
- New Initiatives
- ESG Engagement
- Management Structure



Q3FY'22 at a Glance



403k ton
Sales Volume
-17% yoy decline



₹ 32.3 Bn
Revenue
24% yoy increase



₹2.0 Bn
EBITDA
13% yoy decline



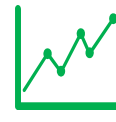
₹ 5,023
EBITDA/ ton
5% yoy increase



₹109 Mn*
Interest Cost
26% yoy decline



₹ 1.2 Bn
Net profit
12% yoy decline



65%
Value Added
Portfolio mix
FY21 was 57%



10 Days
Net working Capital
Days
FY21 was 8 Days



₹ 1.6 Bn
Net debt
FY21 was 1.6 Bn



32.3%
ROCE as at 1HFY22
FY21 was 24.3%



30.3%
ROE as at 1HFY22
FY21 was 24.8%



ESG
Scored 56th percentile on
DJSI assessment FY21

**Interest Cost does not include Interest Income of Rs27.3mn; it has been accounted in Other Income*

Note1: Sales Volume and Financials are on consolidated basis and Net Profit is after Minority Interest

Note2: Capital employed for ROCE computed as Total assets less Current Liabilities

FINANCIAL PERFORMANCE



De-commoditizing Product Portfolio

Value added products contributed 65% of total sales in Q3

Product Category	Application	Q3FY21			Q4FY21			Q1FY22			Q2FY22			Q3FY22		
		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 Structure	6	27	5,000	9	38	5,012	5	19	8,000	6	26	6,240	9	35	7,531
	Light Structure	17	83	5,100	13	58	5,106	11	40	6,300	12	51	5,137	12	47	4,721
	General Structure	40	194	1,993	40	173	1,996	33	124	3,125	38	161	2,194	35	139	1,524
Apollo Z	Rust-proof Structure	17	82	7,654	16	70	7,708	23	85	8,990	21	90	8,083	23	91	7,714
	Rust-proof sheet	1	6	4,760	2	10	4,804	8	30	6,000	5	21	5,136	5	19	4,554
Apollo Tricoat	Home improvement	15	73	7,872	15	66	7,671	16	59	11,716	14	61	8,172	13	54	7,999
Apollo Galv	Agri/Industrial	4	21	7,118	4	19	6,981	4	17	7,257	4	16	6,353	4	17	6,051
Total		100	486	4,780	100	435	4,742	100	373	6,825	100	427	5,199	100	403	5,023

APL APOLLO TUBES

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 65% of total sales in 9MFY22 vs 42% in FY18

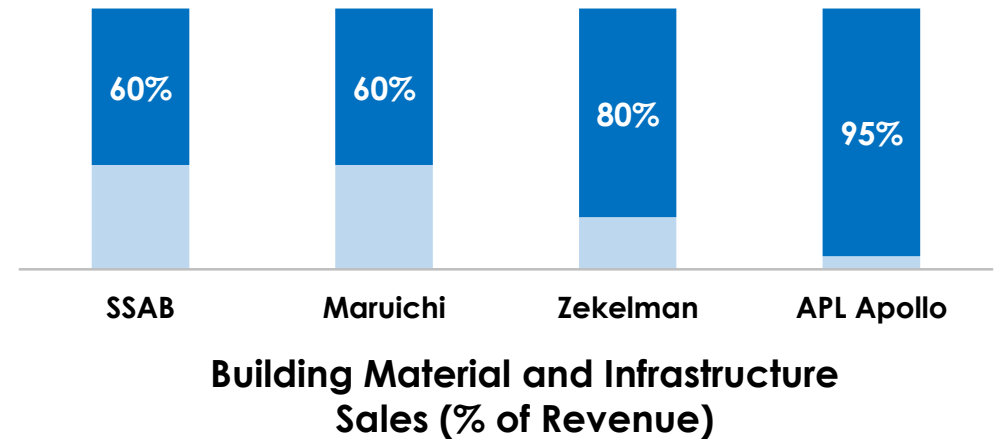
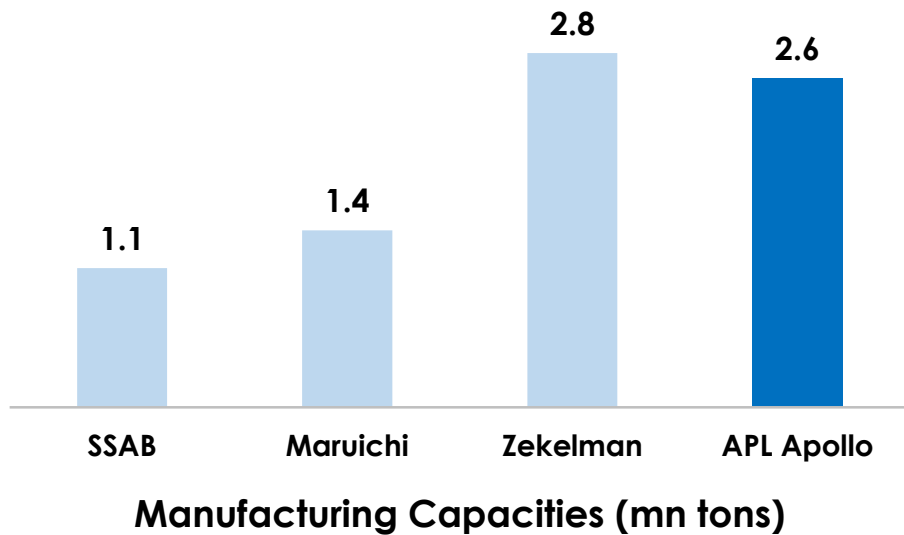
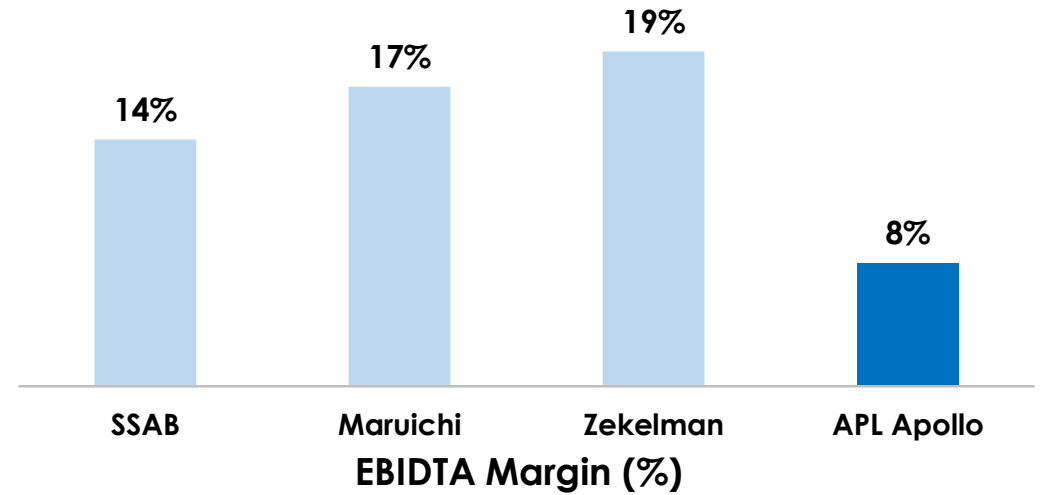
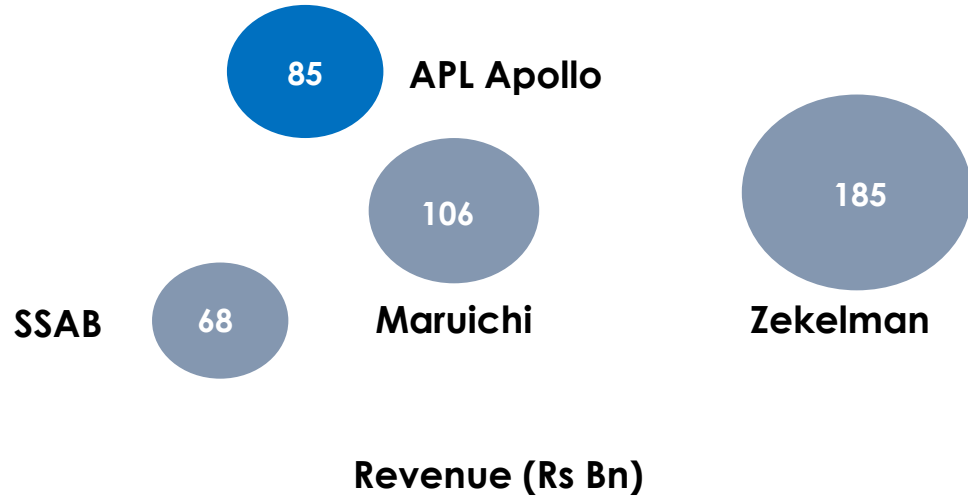
Product Category	Application	FY18			FY19			FY20			FY21			9MFY22			Annual
		Sales Mix	Volume	EBITDA/Ton	Sales Mix	Volume	EBITDA/Ton	Sales Mix	Volume	EBITDA/Ton	Sales Mix	Volume	EBITDA/Ton	Sales Mix	Volume	EBITDA/Ton	Capacity
		(%)	(KTon)	(Rs)	(%)	(KTon)	(Rs)	(%)	(KTon)	(Rs)	(%)	(KTon)	(Rs)	(%)	(KTon)	(Rs)	(KTon)
Apollo Structural	Heavy Structure	5	52	3,707	6	80	3,775	6	101	4,000	6	95	4,721	7	81	7,217	200
	Light Structure	6	70	3,658	8	108	3,707	5	87	3,800	13	213	4,717	12	139	5,330	430
	General Structure	58	656	2,052	58	777	1,615	55	898	1,361	43	713	1,658	35	424	2,246	1,000
Apollo Z	Rust-proof Structure	21	241	5,691	21	279	5,568	20	333	5,021	18	294	6,728	22	266	8,246	450
	Rust-proof sheet	-	0	4,704	-	3	4,703	0	2	5,000	1	23	4,720	6	70	5,345	50
Apollo Tricoat	Home improvement	-	-	-	-	-	-	7	113	6,589	14	231	7,072	14	174	9,327	350
Apollo Galv	Agri/Industrial	10	111	4,880	7	92	4,362	6	99	3,952	4	71	6,040	4	50	6,552	120
Total		100	1,130	3,283	100	1,339	2,933	100	1,633	2,923	100	1,640	4,138	100	1,203	5,644	2,600

APL APOLLO TUBES

Standard products with EBITDA around Rs 2,000/ Ton

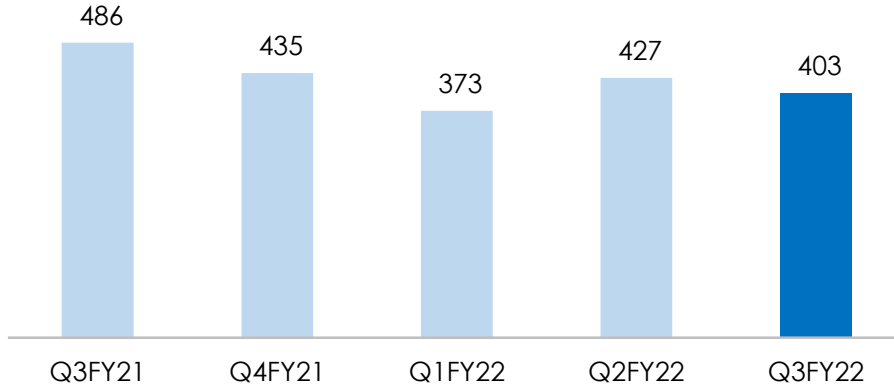
Value added products with EBITDA more than Rs 4,000/Ton

Global Peer Benchmarking

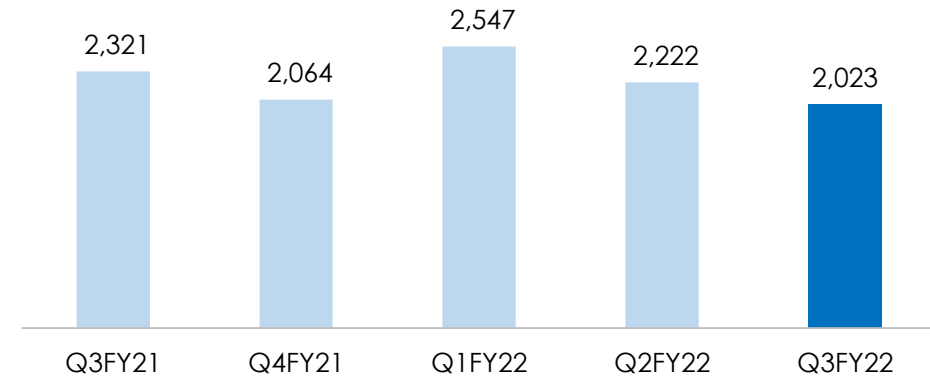


Growing Strength to Strength

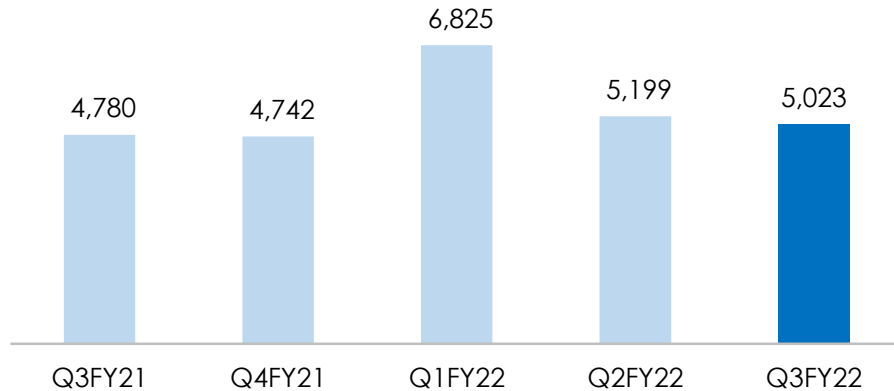
Volume (k'ton)



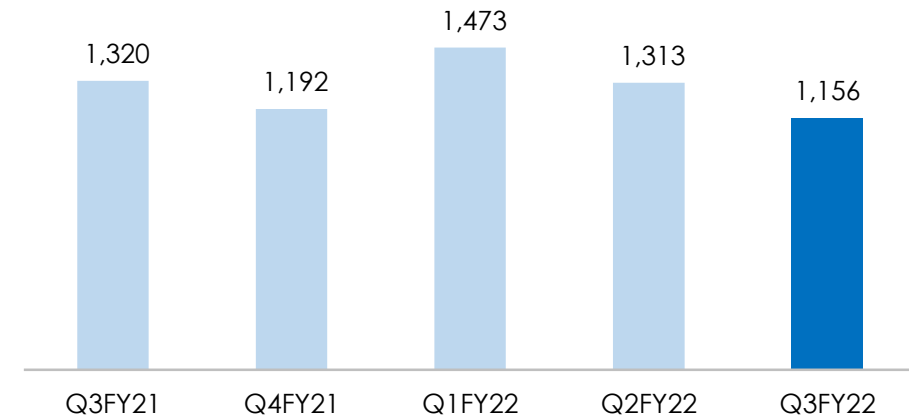
EBITDA (Rsm)



EBITDA/Ton (Rs)



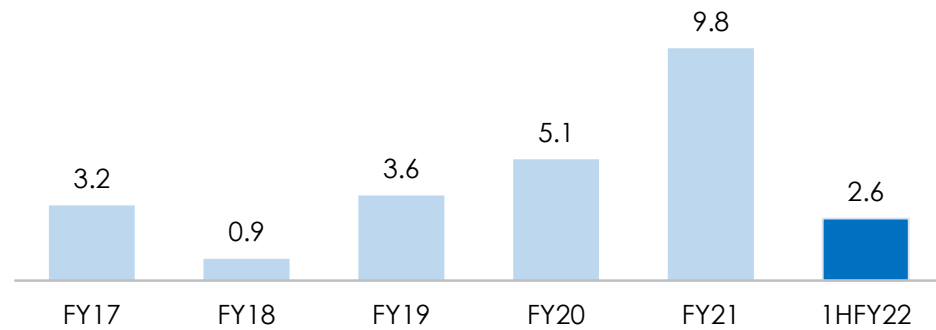
Net Profit (Rsm)



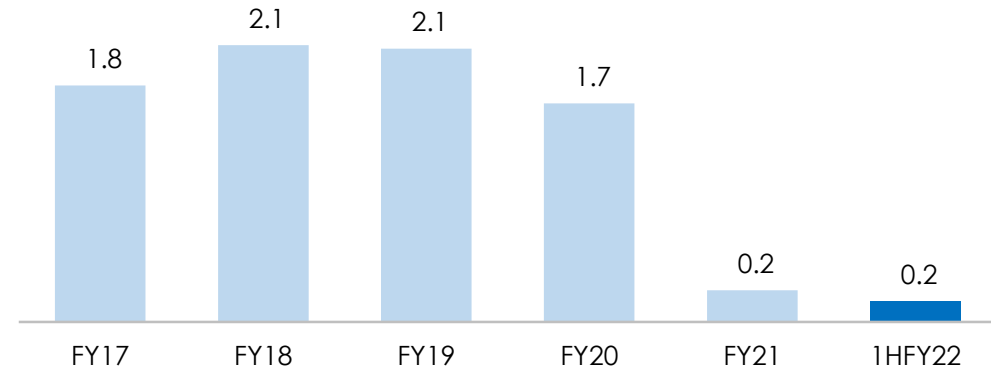
1. Sales Volume and Financials are on consolidated basis and Net Profit is after Minority Interest
2. EBITDA has been calculated without other income

Growing Strength to Strength

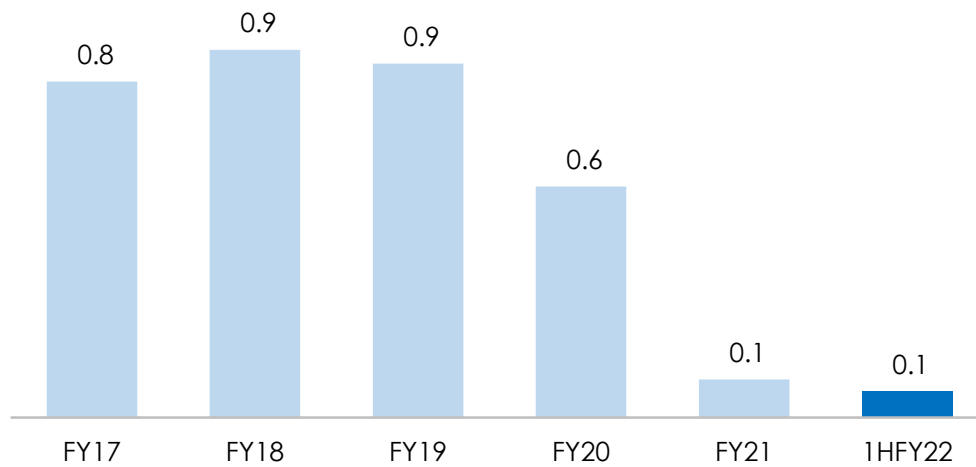
Operating Cash Flow (Rs Bn)



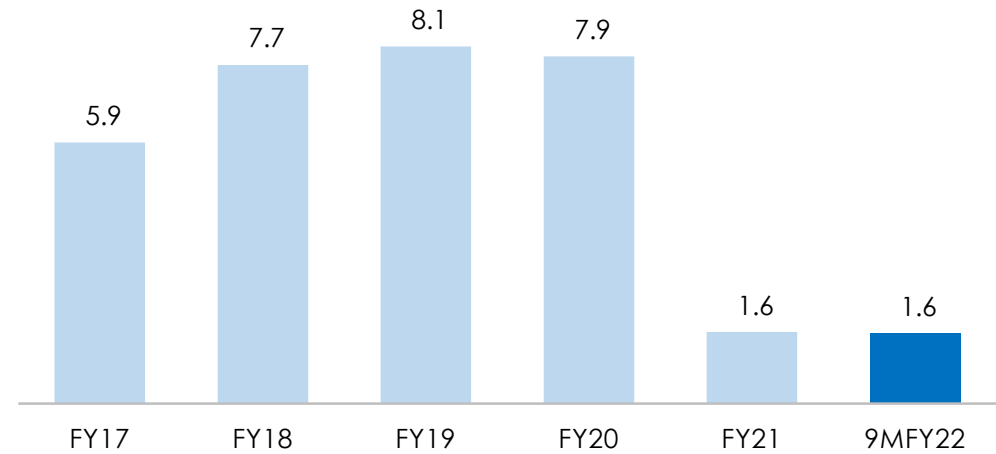
Net Debt/EBITDA (x)



Net Debt/ Equity (x)

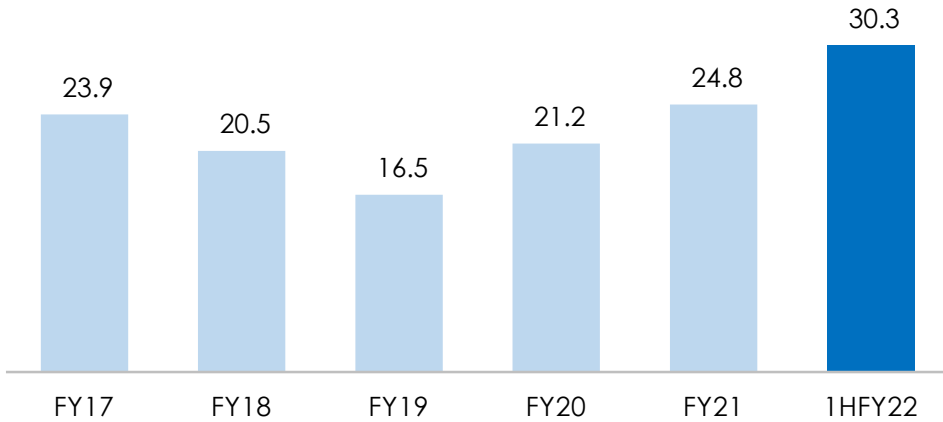


Net Debt (Rs Bn)

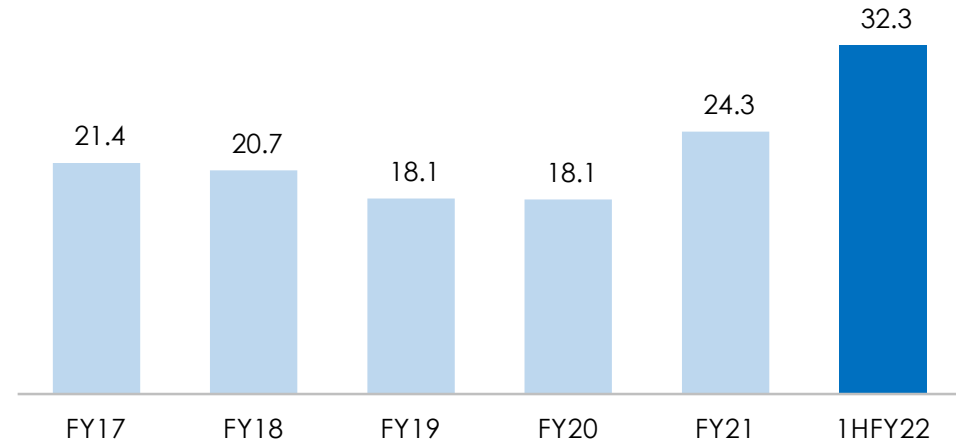


Growing Strength to Strength

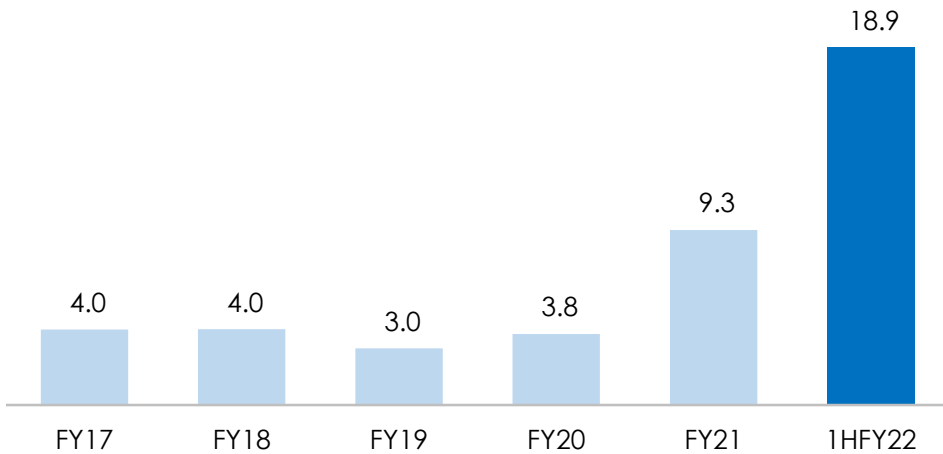
ROE (%)



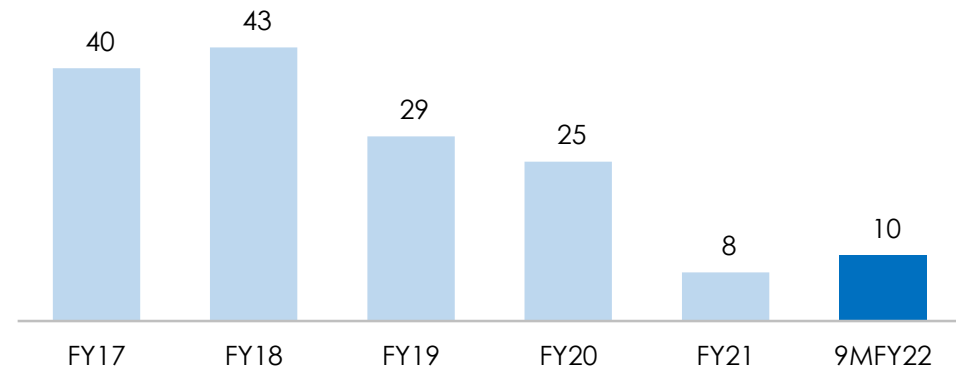
ROCE (%)



Interest Coverage Ratio (x)



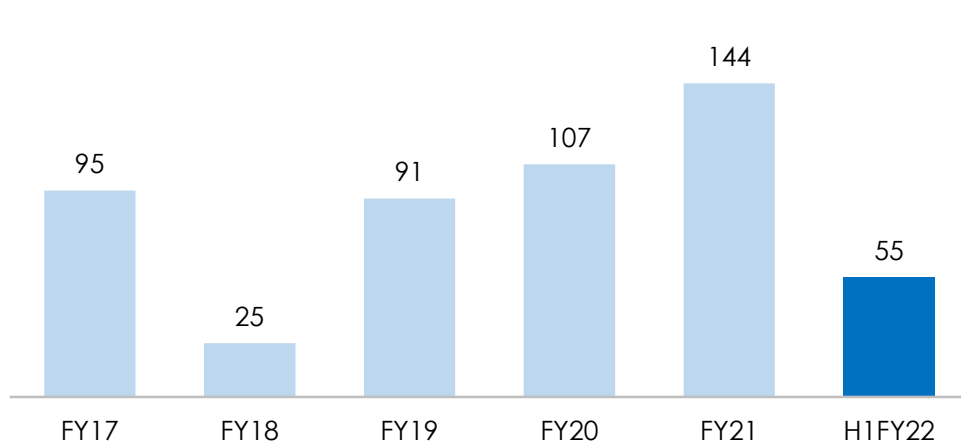
Net Working Capital Days



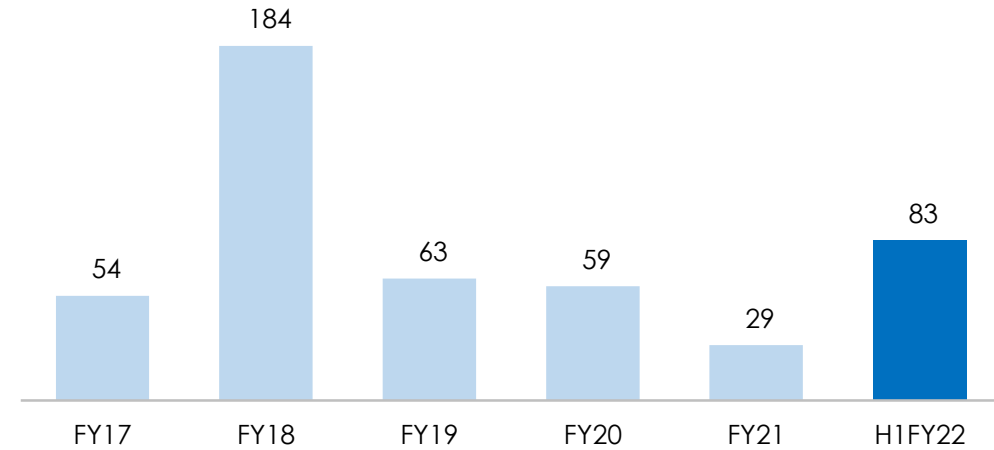
Note: Capital employed for ROCE is computed as Total assets less Current Liabilities

Growing Strength to Strength

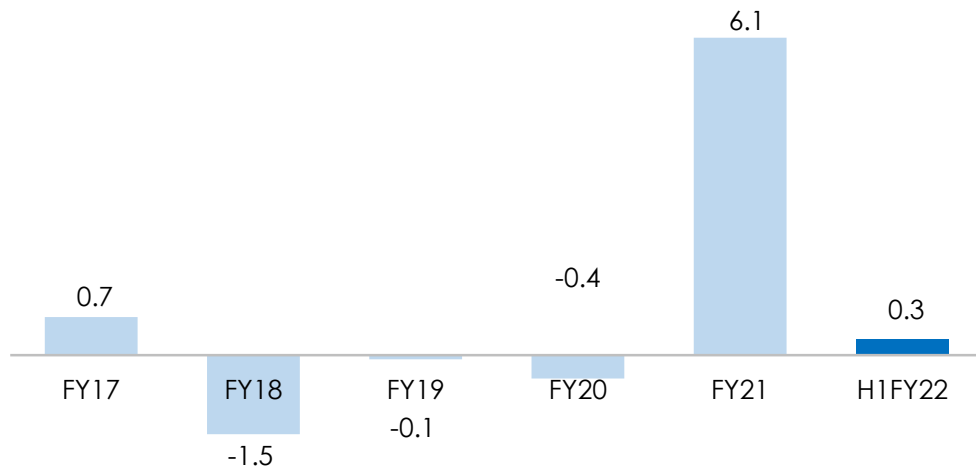
Operating cash flow to EBITDA(%)



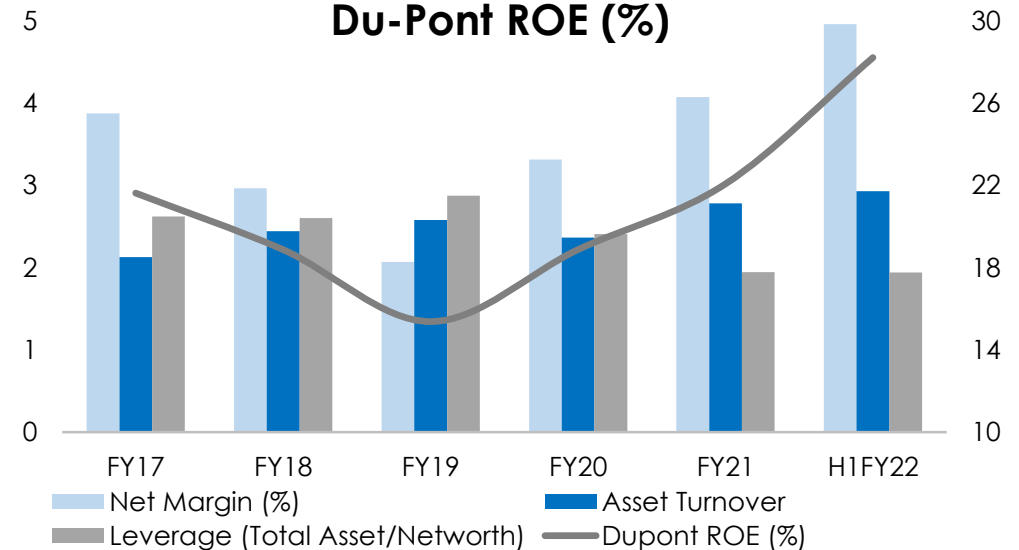
Capex to Op. Cash flow (%)



Free cash flow (Rs Bn)



Du-Pont ROE (%)



Profit & Loss Statement (Consol.)

Particulars (Rsm)	Q1 FY22	Q2FY22	Q3FY22	9MFY22	9MFY21	FY21
Sales Volume (k Ton)	373	427	403	1,203	1,205	1,640
Net Revenue	25,343	30,839	32,304	88,486	59,128	84,998
Raw Material Costs	20,771	26,534	28,097	75,402	49,656	71,648
Employee Costs	359	373	389	1,120	979	1,296
Other expenses	1,666	1,711	1,795	5,172	3,770	5,266
EBITDA	2,547	2,222	2,023	6,791	4,723	6,787
EBITDA/ton (Rs)	6,825	5,199	5,023	5,644	3,921	4,138
Other Income	102	114	79	295	233	359
Interest Cost	128	107	109	344	518	661
Depreciation	265	273	272	810	752	1028
Tax	572	495	442	1,508	953	1,381
Net Profit	1,684	1,461	1,279	4,424	2,733	4,077
Minority Interest (MI)	211	148	123	481	323	475
Net Profit (after MI)	1,473	1,313	1,156	3,943	2,409	3,602

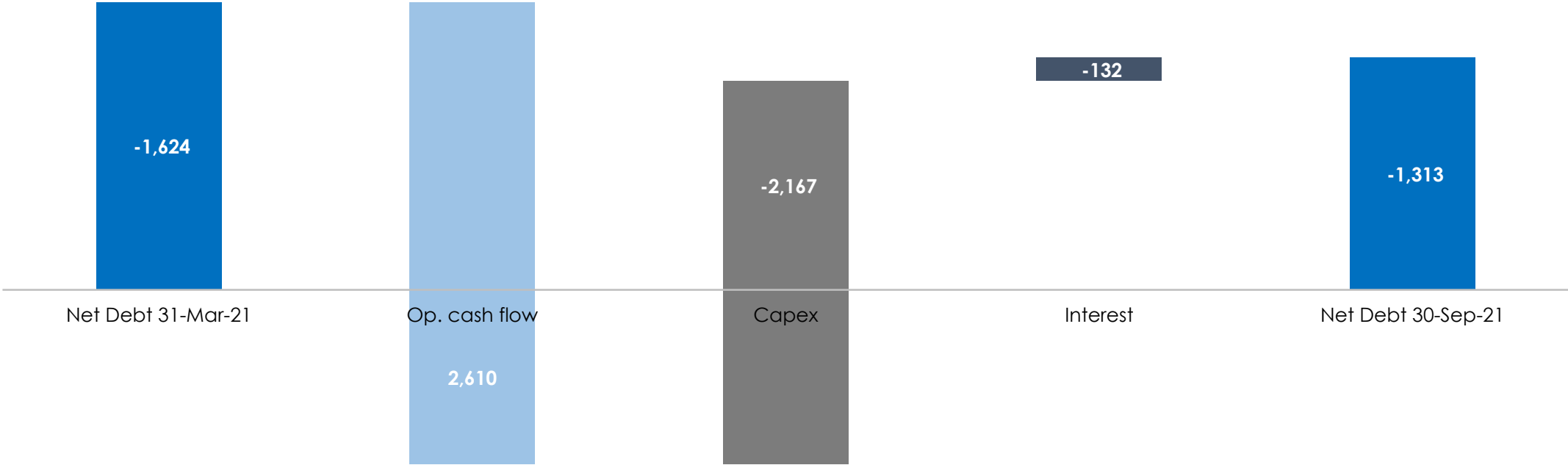
Note 1: Sales Volume and Financials are on consolidated basis and Net Profit is after Minority Interest

Balance Sheet & Cash flow (Consol)

Balance Sheet - Assets (Rs mn)	H1FY22	FY21
Cash & Bank Balance	4,202	3,579
Receivables	1,866	1,306
Inventories	9,182	7,599
Other current assets	1,353	1,507
Fixed assets (net)	16,678	16,091
Right to use Assets	954	949
Investments	669	15
Other assets/goodwill	3,429	2,943
Total Assets	38,335	33,990
Balance Sheet - Liabilities (Rs mn)	H1FY22	FY21
Trade payables	8,219	7,859
Other current liabilities	1,012	557
Debt	5,515	5,203
Others	2,099	2,041
Minority Interest/Provision	1,741	1,383
Shareholders' funds	19,750	16,947
Total Equity & Liabilities	38,335	33,990

Cash Flow Statement (Rs mn)	H1FY22	FY21
EBITDA	4,769	6,787
Accounts receivables	-492	3,470
Inventory	-1,589	232
Other WC changes	414	117
Tax	-632	-1,195
Other Income	140	359
Operating cash flow	2,610	9,771
Capex	-2,167	-2,798
Investments	0	-265
Interest	-132	-623
Free cash flow	311	6,086
Dividend payments	0	0
Capital increase	0	154
Tricoat consolidation/Others	0	18
Net change in cash flow	311	6,258
Net debt beginning	-1,624	-7,882
Net debt end	-1,313	-1,624

Consol. Cash Flow Bridge (Rs mn)



APL APOLLO TUBES

✓ Business continues to generate strong operational cash flows

✓ Capex being funded from internal cash flows

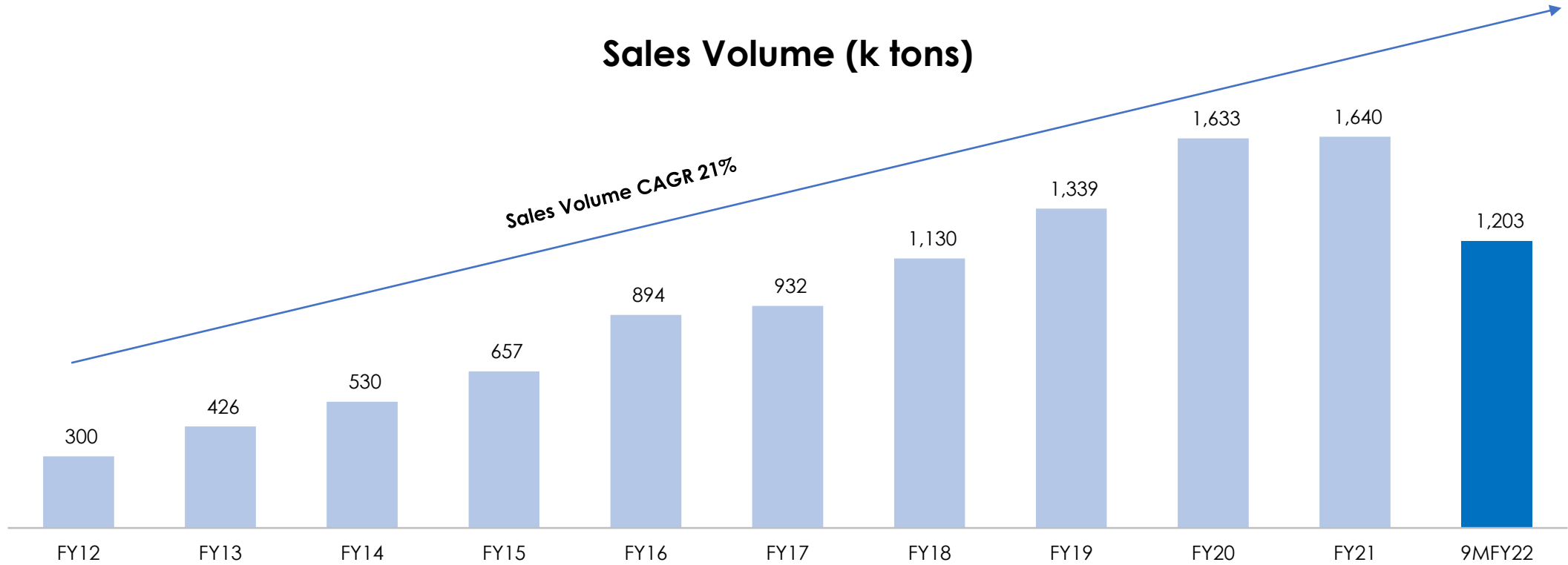
✓ Net debt declined 19% on solid free cash flow generation

MARKET CREATION



Growing Strength to Strength

Sales Volume (k tons)



50% Market Share in Structural Steel Tubes

- Developed Structural steel tube market in India
- Focused on steel strength and building material application
- Innovation of new sizes and shapes
- Introduction of new applications

How Have We Created Market..

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

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	Checkeded Section

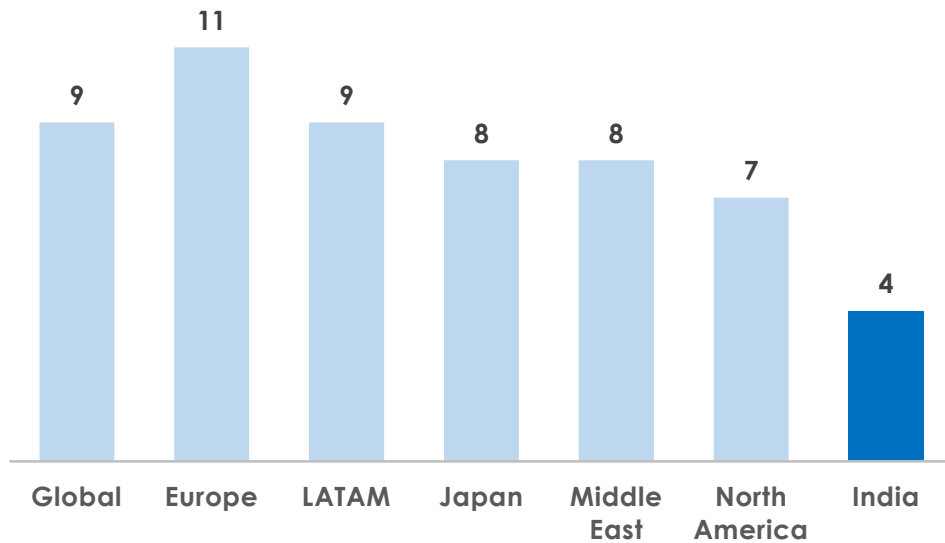
Revolutionizing Construction Industry

APL APOLLO TUBES

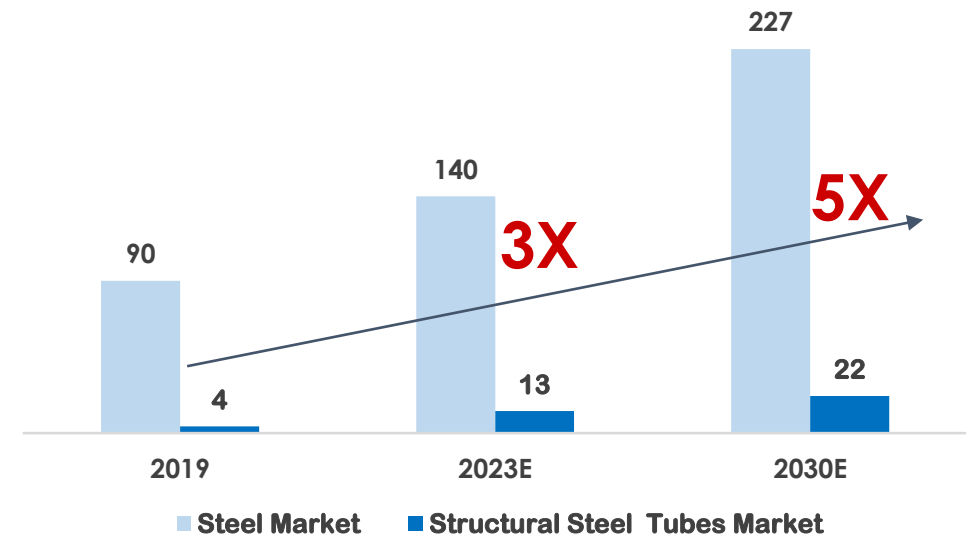


India at the Start of Structural Steel Usage

Structural Steel Tubes Market as % of Steel Market (2020)



Potential Structural Steel Tubes Market in India (Mn Tons)



India has huge structural steel tubes based construction potential

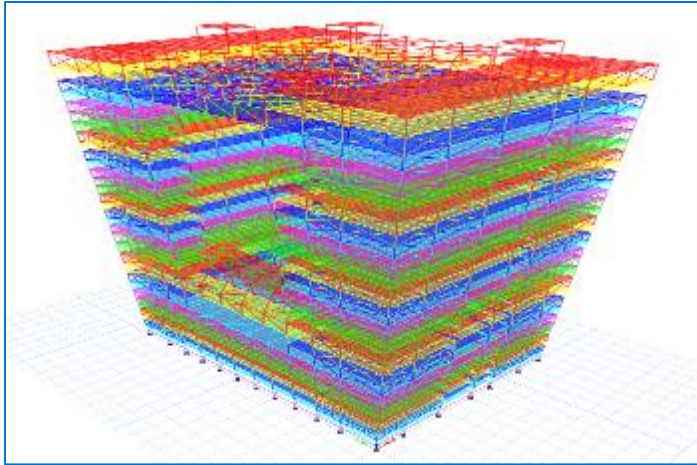
Note: Structural Steel Tubes is 4Mn ton market size, out of total ERW market size of 6Mn ton (balance is water transportation)
Source: Company data and Industry research

Future of Construction



APL APOLLO TUBES

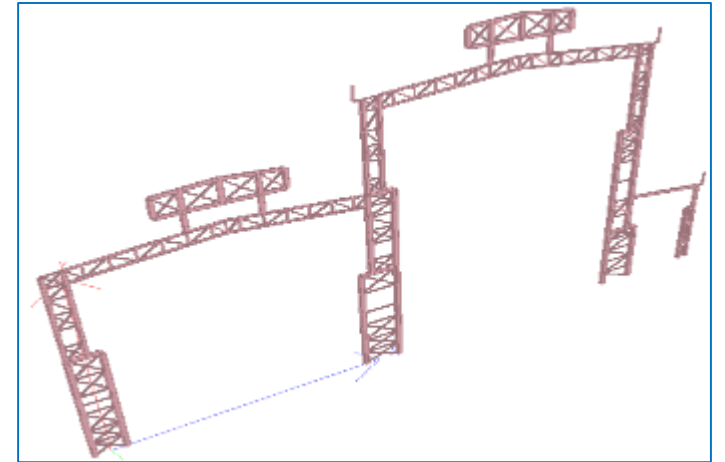
Future of Construction



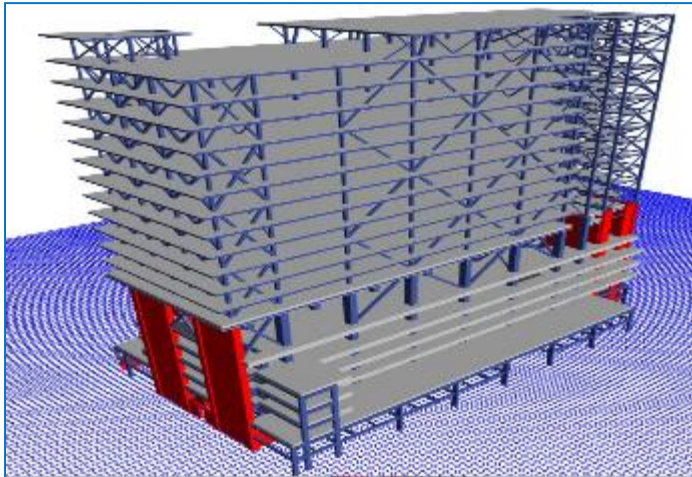
G+32 Hotel, Bengaluru



Night Shelter, Delhi



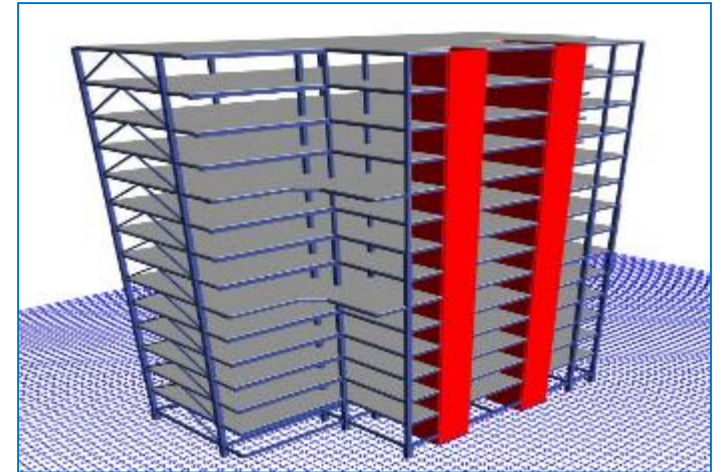
JSW Industrial Shed, Karnataka



Office cum Commercial Building

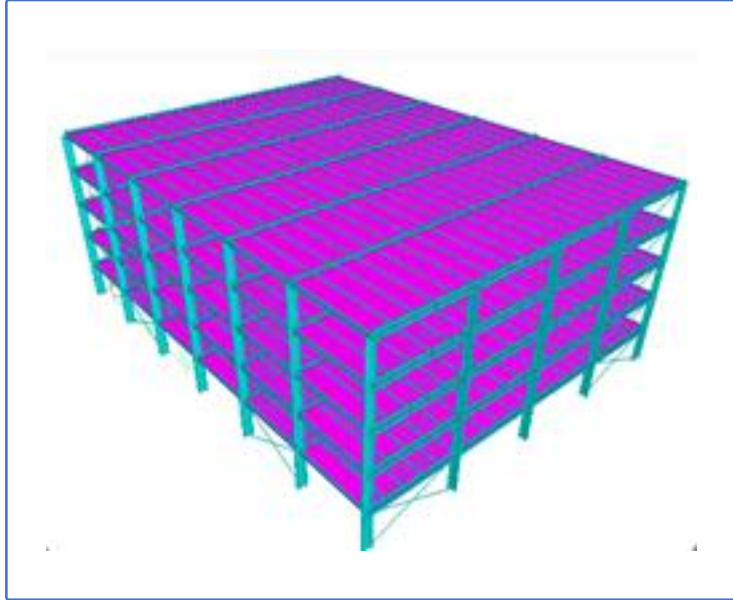


Hospital, Delhi

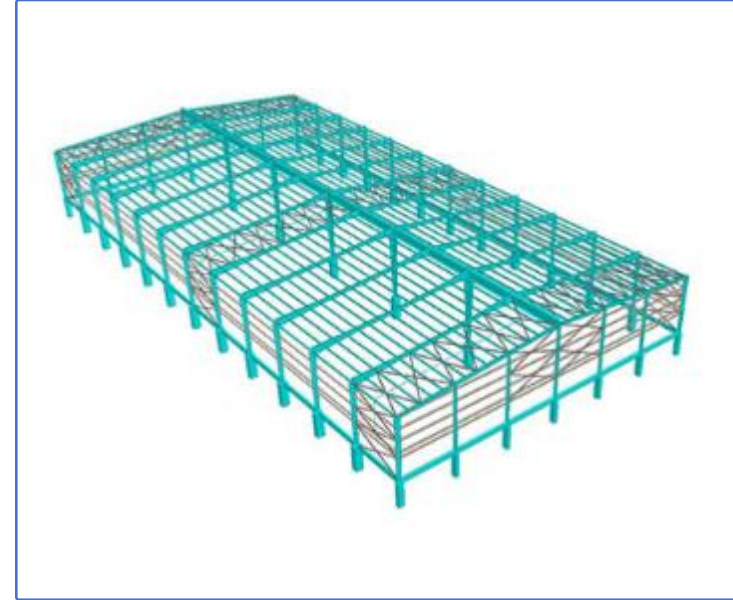


Group Housing Project, Faridabad

On-going Projects



Hospital (2mn sqft)
To be completed within 6 months
Structure to be completed within 50 days



Oxygen Plant (0.1mn sqft)
Structured completed in 15 days
More enquiries inline

Benefits of using APL Apollo tubes in above steel structures	
20% less steel consumption in structure	10% savings in total project cost
Faster project completion	Environment friendly construction

Hospital Projects – Delhi

- Seven Hospitals to be constructed in 150 days (Tender out)
- 2.2mn sq ft Built-up area to be construct using Tubular Technology
- Dry Wall will be erected on Tubular Steel Structure
- Deck Slab will cast on Tubular Steel structure
- All Steel Fabrication work will take place at Fabrication Shop
- Only Assembly of structure will take place at site (Zero On-site welding)

Project Details		
Total Build up Area	2,211,434	Sq ft
Steel Tube Consumption	4.5	kg/sqft
Steel Tube Quantity	10,000	Ton
Fabricators Capacity	480	Ton/Day
Steel Supply to 7 fabricator	480	Ton/Day
Supply Completion	30	days
Dispatch Completion	4th-8th	Weeks
Erection Completion	5th-9th	Weeks

Hospital Work on Full swing - Delhi

APL APOLLO TUBES



Hospital structure put in place in 6 weeks



Final view of the hospital

New Initiatives



Raipur Plant Update



HIGHLIGHTS

- Upcoming 400 Acre Raipur plant
- Project to commence in phases starting H1FY23
- Total Capacity – **1.5mn ton**
- 100% value added products
- Total capex **Rs8 bn; c50%** already incurred

Raipur Plant Update

3 Products:

- Apollo Column - 0.5mn ton capacity with high Dia and high thickness sizes upto 500mm X 500 mm
- Coated tubes - 0.5mn ton capacity
- Coated products - 0.5mn ton capacity



Raipur Plant Update

APL APOLLO TUBES



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

Apollo Mart

Strategic Rationale

- To become India's largest market platform for steel building materials
- To leverage Apollo Brand and enhance the distribution network
- 100% subsidiary of APL Apollo Tubes

Tech enabled trading platform for Steel building material products

Products other than steel tubes	Market size (Rs bn)
TMT Bars	1,480
Structural Sections	228
Metal Sheets	325
Welding Rods	46
Meshnet Steel	40
Binding Wire	80
Potential addressable market size	2,200

To start with existing distribution network and expand reach in untapped markets

- Reach expansion will boost penetration for APL's products
- Pan-India warehousing infrastructure with initial 4 locations
- Outsource newer products from local manufacturers
- Introduction of private labels wherever applicable



Apollo Mart

Strategic Rationale & Steps

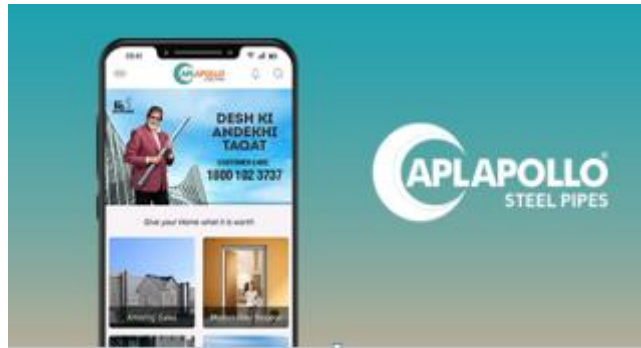
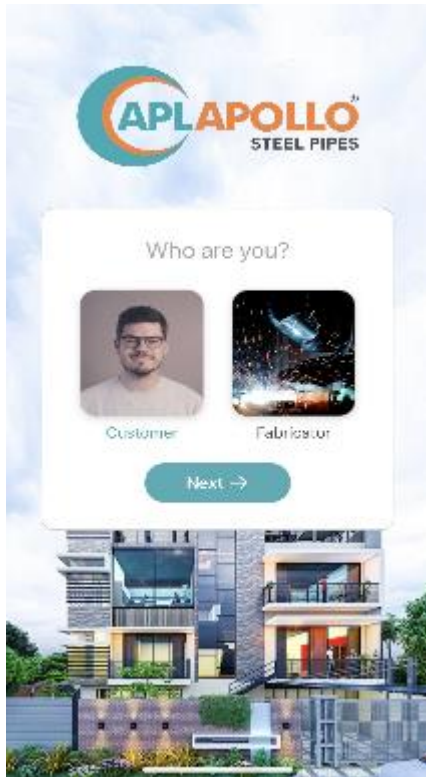
- **FOCUS & LEARN:** A separate sales & service team will provide increased focus on and learning from our smaller retailers, dealers and their end customers
- **BRAND:** Leverage the **APOLLO** brand to build market share & margin with our dealer base by adding highly adjacent materials in Steel (white label)
- **DIGITIZE:** Use the dealer base & increased market presence to develop a full tech & logistics platform for the existing business first
- **PLATFORM:** Offer the platform to a large set of customers and suppliers to become India's largest full-stack marketplace for steel building materials



B2C Tech App



APL APOLLO MOBILE - APPLICATION LAUNCHED



25,000+ Fabricators enrolled

300+ Designs

16 Patents registered

B2C Furniture Store



**B2C Retail Store for steel tube furniture
Distributor opened 5,500 sq ft store in Dehradun
Furniture made from APL Apollo's products**



Brand Ambassador

APL APOLLO TUBES



Tiger Appointed Brand Ambassador

Social Media campaign launched in Q3FY22

Apollo Column TVC
(On Apollo Tubes Platform)

	1 Million Views
	1.2 Million Views
	1.9 Million Views
	7.84 Lakh Views

TV commercial campaign launched on business channels in Q3FY22

Watch the commercial

[Link](#)

APL APOLLO ESG ENGAGEMENT

APL APOLLO TUBES



Materiality Assessment

RESPONSIBLE BUSINESS

Corporate Governance | Market Presence | Economic Performance

RESPONSIBLE OPERATIONS

Energy Management | Water and Effluent Management | Emissions Management | Waste Management | Environmental Compliance

RESPONSIBILITY TOWARDS COMMUNITIES

Local Communities

RESPONSIBLE EMPLOYEMENT

Health and Safety | Labour Relations and | Human Rights | Training and Education | Diversity and Equal Opportunity



ESG Framework

ESG Vision & Mission



ESG Governance



ESG Focus Areas



RESPONSIBLE
BUSINESS



RESPONSIBLE
OPERATIONS



RESPONSIBLE
EMPLOYEMENT



RESPONSIBILITY
TOWARDS
COMMUNITIES





ESG Performance Indicators and Targets





Responsible
Communication

ESG Performance Indicators and Targets

 RESPONSIBLE BUSINESS	PERFORMANCE INDICATORS	TARGETS
	Corporate Governance	
	Number of cases in violation of code of conduct	Zero cases of violation of code of conduct
	Average training hours per employee on Code of Conduct	Yearly training on Code of Conduct for all employees
 RESPONSIBLE OPERATIONS	PERFORMANCE INDICATORS	TARGETS
	Energy Management	
	Number of units used from renewable energy sources (solar, wind)	All plants to have access to renewable energy by 2025
	Water & Effluent	
	Number of sites where Rainwater Water Harvesting facility have been installed	Rainwater harvesting to be installed at all units by 2025
	Number of sites where Zero Liquid Discharge (ZLD) facilities have been installed	All units to be ZLD facilities by 2025
	Emissions	
	GHG Emissions (Scope 3)	Start monitoring Scope 3 emissions by 2022
	Air Emissions	Maintain SOx, NOx and PM within permissible limits
	Environmental Compliance Management	
Number of cases in violation of environment regulations	Zero incidents of non-compliance	

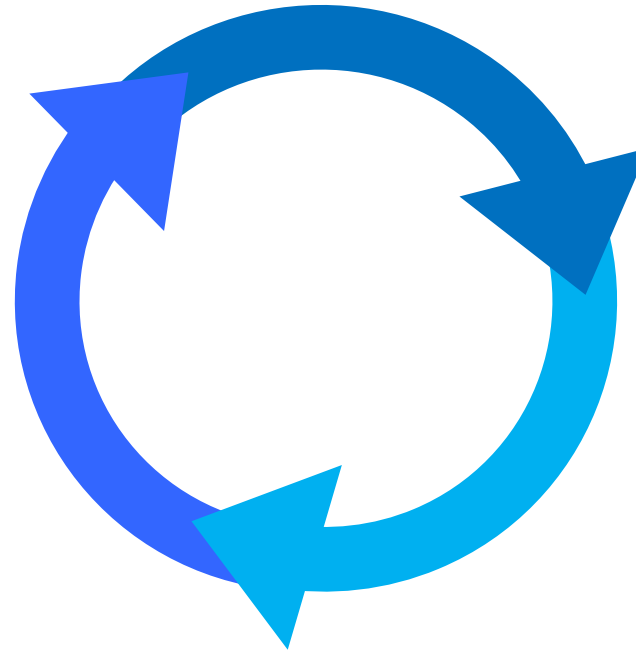
ESG Performance Indicators and Targets

	PERFORMANCE INDICATORS	TARGETS
 <p>RESPONSIBLE EMPLOYEMENT</p>	Health & Safety	
	Lost time Injuries	Achieving Zero Incident and Zero Harm by 2025
	Average training hours per employee to site employees on health and safety	Provide 4 hours of safety training (per site employee) to site employees
	Average training hours per employee to corporate employees on health and safety	Provide 2 hours of safety training (per employee) to corporate employees
	Labour Relations and Human Rights	
	Regulatory compliance of labour laws	100% compliance to all labour legal requirements
	Average training hours per employee on human rights	Provide 1 hours of training per employee on human rights
	Employee attrition	Maintain attrition rate below 5%
	Training and Education	
	Average trainings hours per employee on behavioral and technical aspects	Provide 4 hours of training to permanent employees
	Diversity and Equal Opportunity	
	Female to Male Ratio in permanent employee	Female workforce to be increase by 1% in the permanent employee category by 2025
	 <p>RESPONSIBILITY TOWARDS COMMUNITIES</p>	PERFORMANCE INDICATORS
Energy Management		
Number of units used from renewable energy sources		All plants to have access to renewable energy by 2025

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
- Achieve ROCE \geq 30%

Capital Allocation

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

Strong Management

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.

EXECUTIVE TEAM

Sanjay Gupta

CMD

Arun Agrawal

Chief Operating Officer

Vinay Gupta

Director

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

Thank You

For further information,
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APL Apollo new Corporate office (Work in progress)



APL Apollo new Corporate office to be operational by H2CY22