



**YOU THINK
WE SUPPLY**

CELEBRATING NETWORK OF 800 DISTRIBUTORS



Q3FY23 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


- Q3FY23 at glance
- Financial Performance
- Business Strategy
- New Initiatives
- ESG Engagement
- Team APL Apollo



Q3FY23 at a Glance

 **605k ton**
Sales Volume
50% yoy increase


 **₹ 43.3 Bn**
Revenue
34% yoy increase


 **₹2.7 Bn**
EBITDA
35% yoy increase


 **₹ 4,510**
EBITDA/ton
10% yoy decline


 **₹186 Mn***
Interest Cost
71% yoy increase


 **₹ 1.7 Bn**
Net profit
32% yoy increase

 **56%**
Value Added
Sales mix
FY22 was 63%

 **₹ 6.0 Bn**
9MFY23 OpCF
FY22 was Rs 6.5 Bn

 **6 days**
Net WC days
FY22 was 7 days

 **28.7%**
ROCE as at Q3FY23
FY22 was 34.6%

 **23.5%**
ROE as at Q3FY23
FY22 was 28.9%

 **₹ 2.6 Bn**
Net debt
FY22 was 2.0 Bn

**Interest Cost does not include Interest Income of Rs49mn; it has been accounted in Other Income*

Note1: Sales Volume and Financials are on consolidated basis

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

Highest ever Quarterly Sales Volume/EBITDA

Profit & Loss (Rs Crs)	Q1 FY21	Q2 FY21	Q3 FY21	Q4FY21	Q1FY22	Q2FY22	Q3FY22	Q4FY22	Q1FY23	Q2FY23	Q3FY23
Volume (K tons)	238	481	486	435	373	427	403	552	423	602	605
Net Sales	1,110	2,202	2,601	2,587	2,534	3,084	3,230	4,215	3,439	3,969	4,327
EBITDA	71	169	232	206	255	222	202	266	194	232	273
EBITDA/ton (Rs)	2,982	3,514	4,780	4,742	6,825	5,199	5,023	4,823	4,587	3,850	4,510
PBT	31	138	200	177	226	196	172	239	163	202	229
Net Profit*	17	92	132	119	168	146	128	177	121	150	169

* FY21 Net profit numbers are post minority

FINANCIAL PERFORMANCE



De-commoditizing Product Portfolio

APL APOLLO TUBES

Product Category	Application	Q3FY22			Q1FY23			Q2FY23			Q3FY23		
		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)
	Big Section	9	35	7,531	8	33	7,028	7	41	6,926	8	46	7,568
Apollo Structural	Light Structures	19	76	5,970	14	59	5,081	18	109	5,344	16	96	5,580
	General Products	35	139	1,524	39	165	1,614	46	276	1,388	44	264	2,284
Apollo Z	Rust-proof structures	33	135	7,319	33	141	7,224	23	137	6,816	21	125	7,492
Apollo Galv	Agri/Industrial	4	17	6,051	4	18	5,005	4	27	4,966	5	28	5,659
Apollo Build/ New Raipur	Coated Products	-	-	-	2	7	5,001	2	12	-	8	46	3,146
Total		100	403	5,023	100	423	4,587	100	602	3,850	100	605	4,510

De-commoditizing Product Portfolio

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

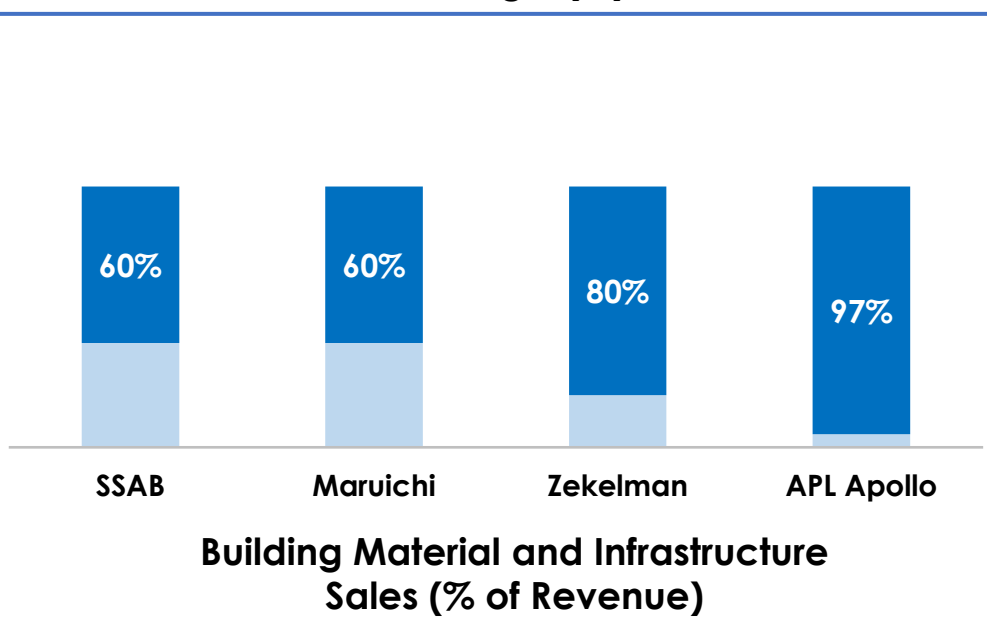
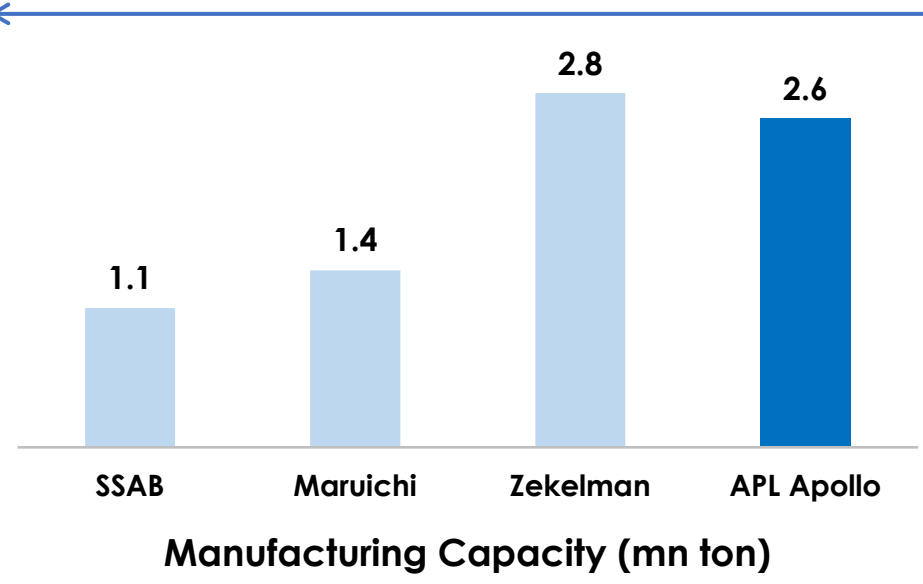
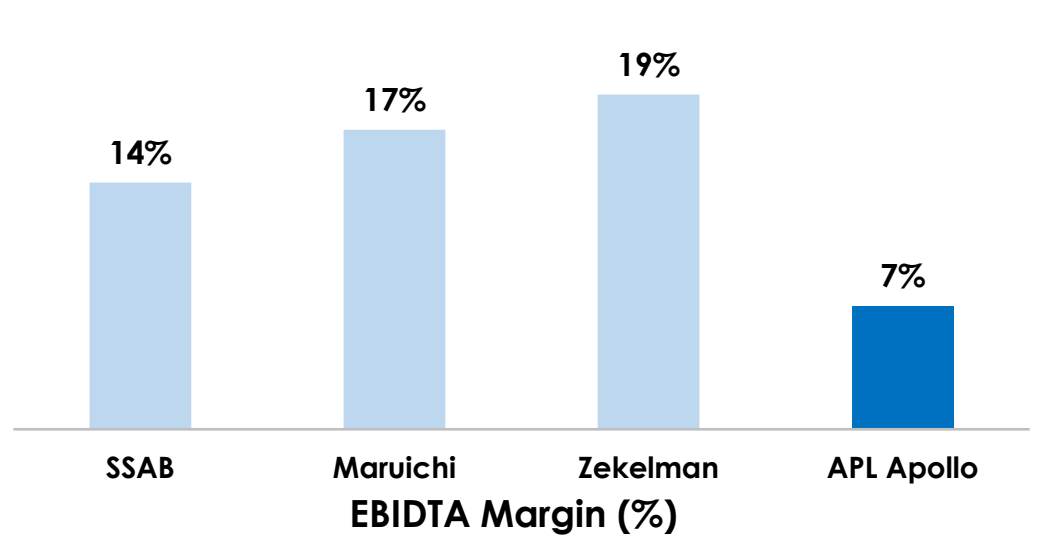
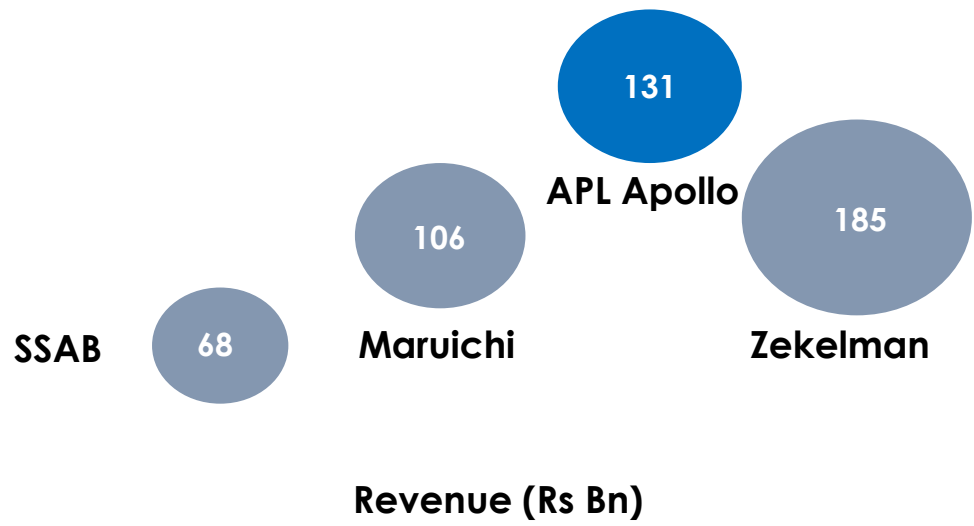
Product Category	Application	FY18			FY19			FY20			FY21			FY22			9MFY23		
		Sales Mix	Volume	EBITDA/Ton	Sales Mix	Volume	EBITDA/Ton	Sales Mix	Volume	EBITDA/Ton	Sales Mix	Volume	EBITDA/Ton	Sales Mix	Volume	EBITDA/Ton	Sales Mix	Volume	EBITDA/Ton
		(%)	(KTon)	(Rs)	(%)	(KTon)	(Rs)	(%)	(KTon)	(Rs)	(%)	(KTon)	(Rs)	(%)	(KTon)	(Rs)	(%)	(KTon)	(Rs)
	Product Category	5	52	3,707	6	80	3,775	6	101	4,000	6	95	4,721	7	121	7,422	7	121	7,201
Apollo Structural	Light Structures	6	70	3,658	8	108	3,707	8	134	4,778	21	352	5,649	20	345	6,506	16	263	5,371
	General Products	58	656	2,052	58	777	1,615	55	898	1,361	43	713	1,658	37	647	2,145	43	705	1,776
Apollo Z	Rust-proof structures	21	241	5,691	21	283	5,568	25	401	5,279	25	409	6,692	32	566	7,834	25	404	7,169
Apollo Galv	Agri/Industrial	10	111	4,880	7	92	4,362	6	99	3,952	4	71	6,040	4	76	6,442	4	72	5,243
Apollo Build/ New Raipur	Coated Products	0	0	-	0	0	-	0	0	-	0	0	-	0	0	5040	4	65	2,779
Total		100	1,130	3,283	100	1,339	2,933	100	1,633	2,923	100	1,640	4,138	100	1,755	5,386	100	1,630	4,286

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

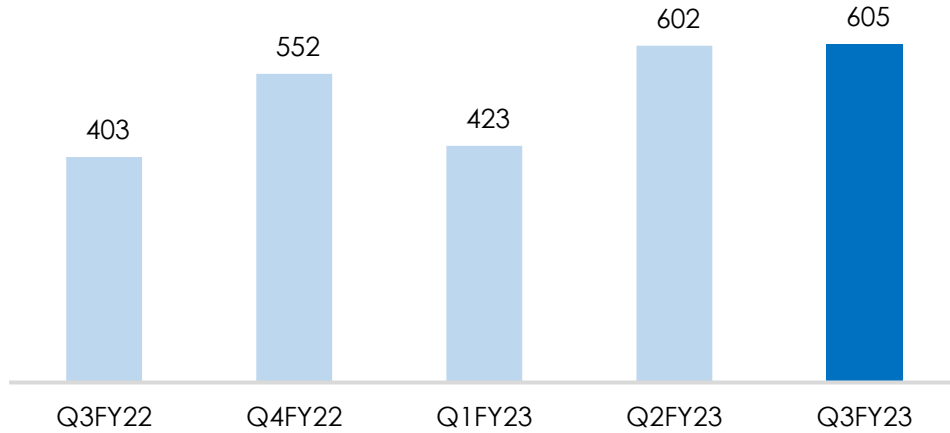


APL APOLLO TUBES

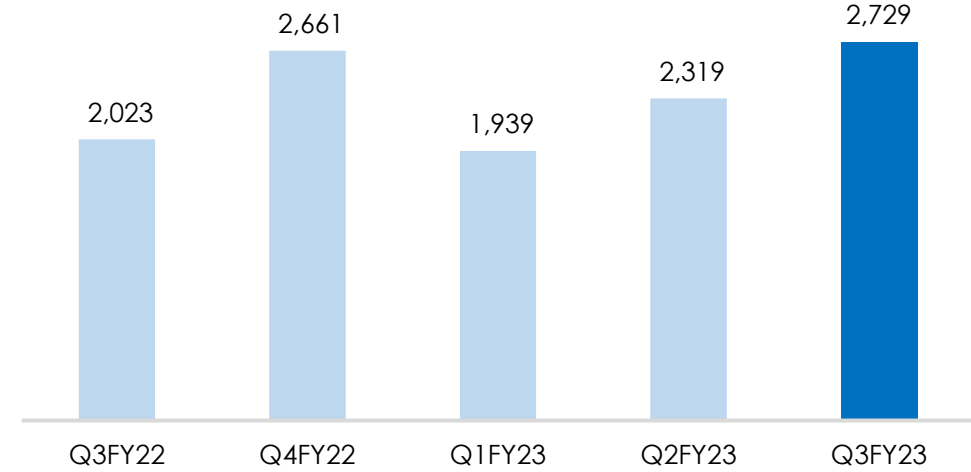
Based on latest financial available data

Growing Strength to Strength

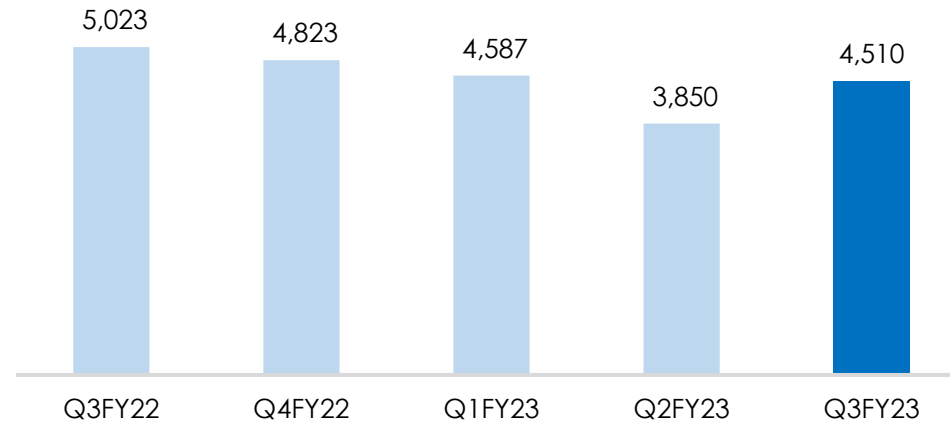
Volume (k'ton)



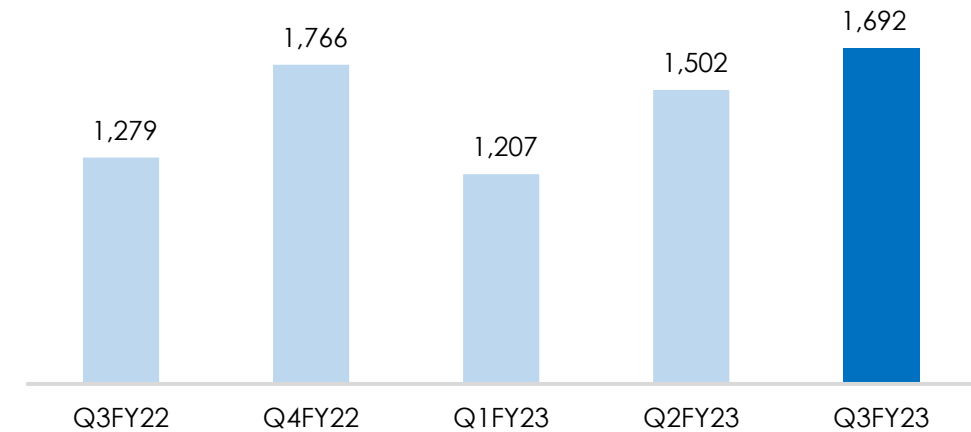
EBITDA (Rsm)



EBITDA/Ton (Rs)



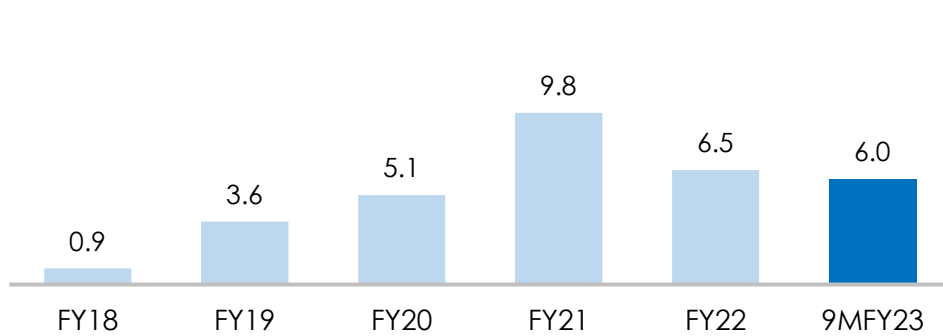
Net Profit (Rsm)



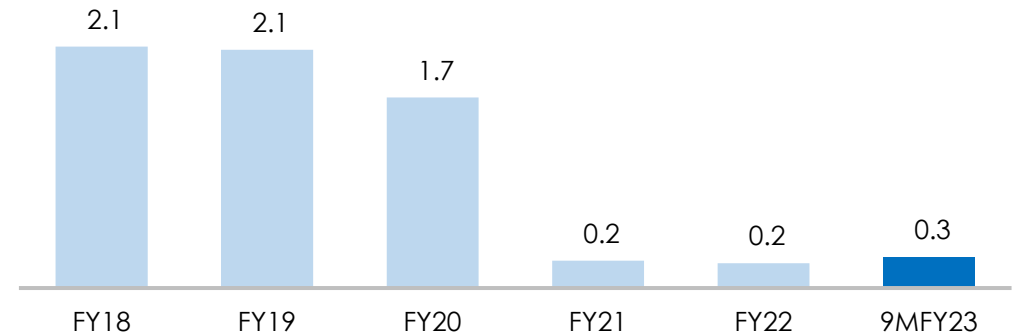
1. Sales Volume and Financials are on consolidated basis
2. EBITDA has been calculated without other income

Growing Strength to Strength

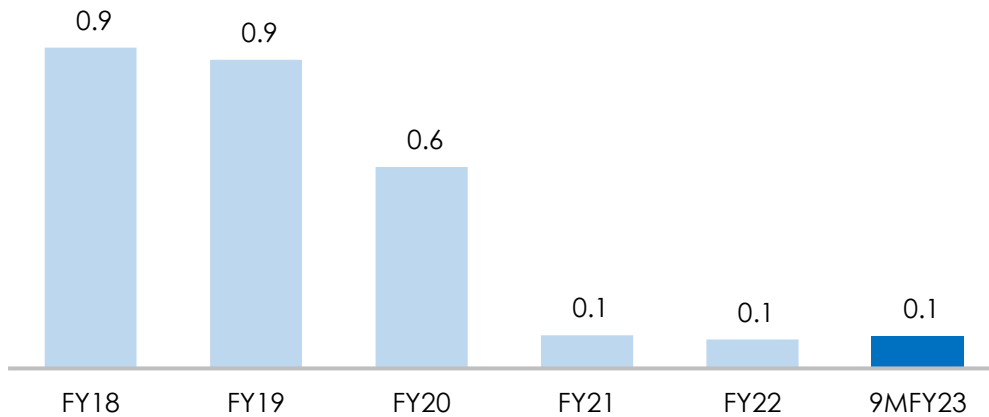
Operating Cash Flow (Rs Bn)



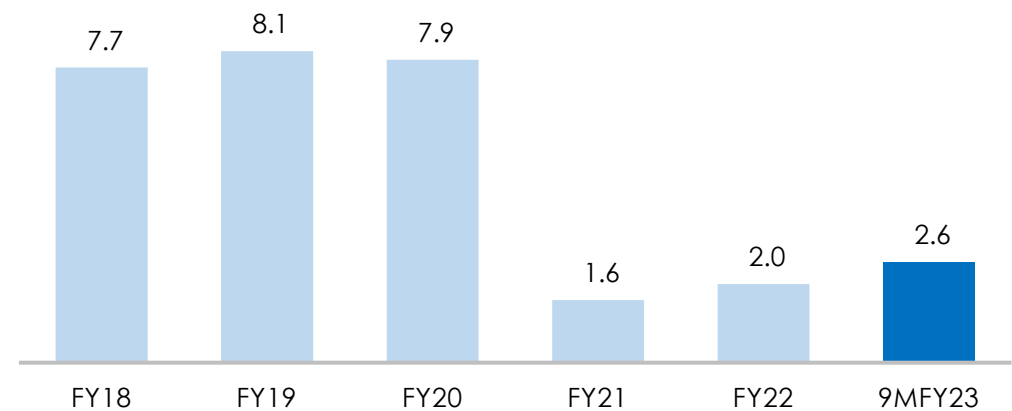
Net Debt/EBITDA (x)



Net Debt/ Equity (x)

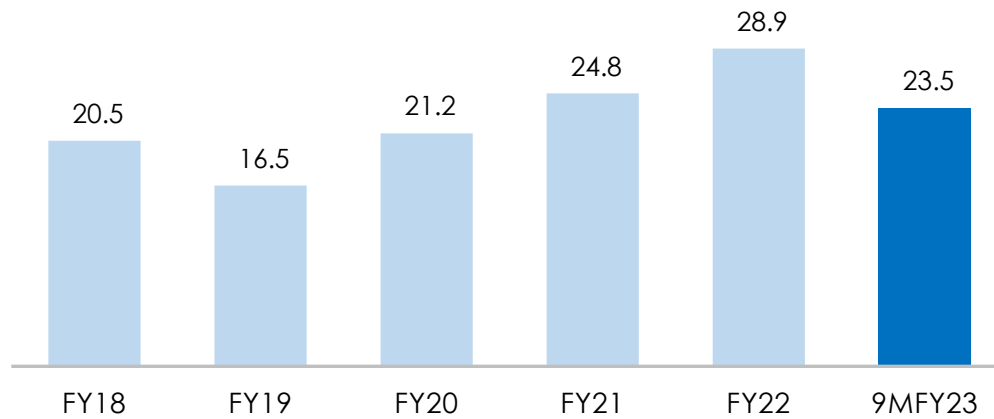


Net Debt (Rs Bn)

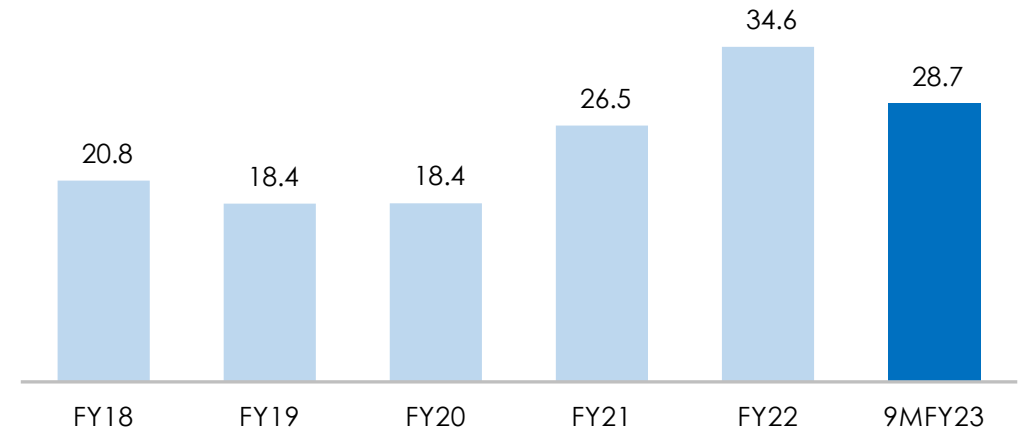


Growing Strength to Strength

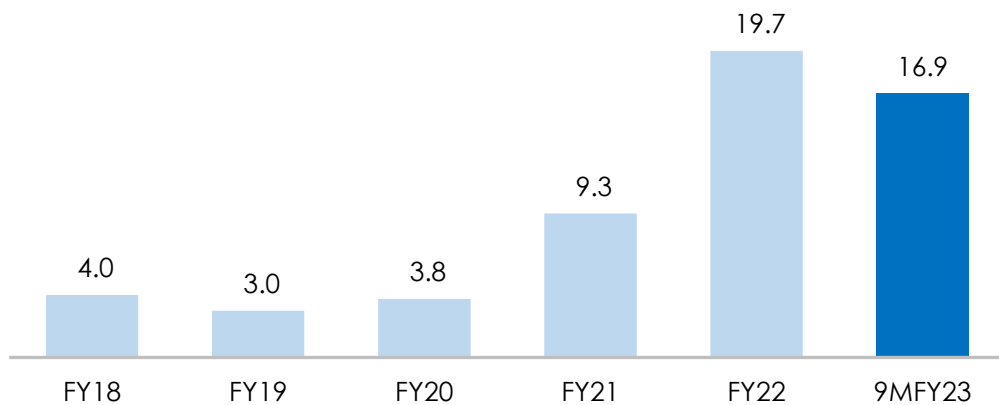
ROE (%)



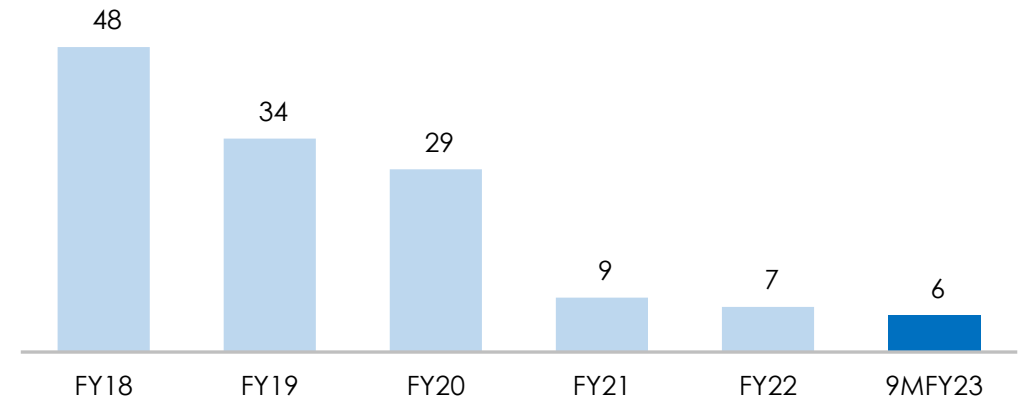
ROCE (%)



Interest Coverage Ratio (x)



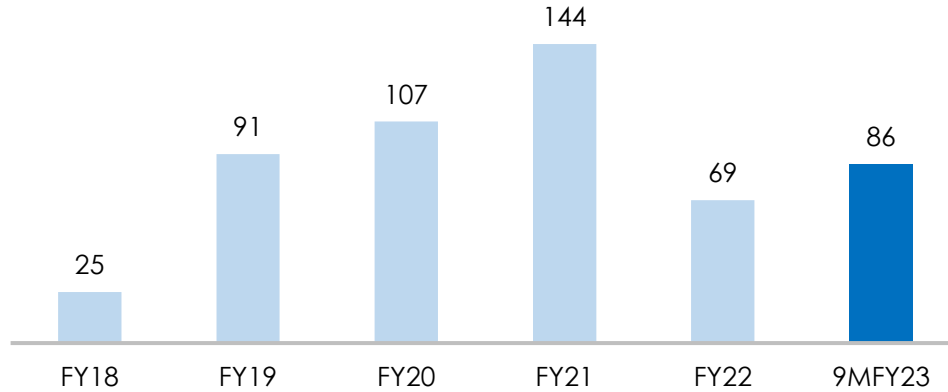
Net Working Capital Days



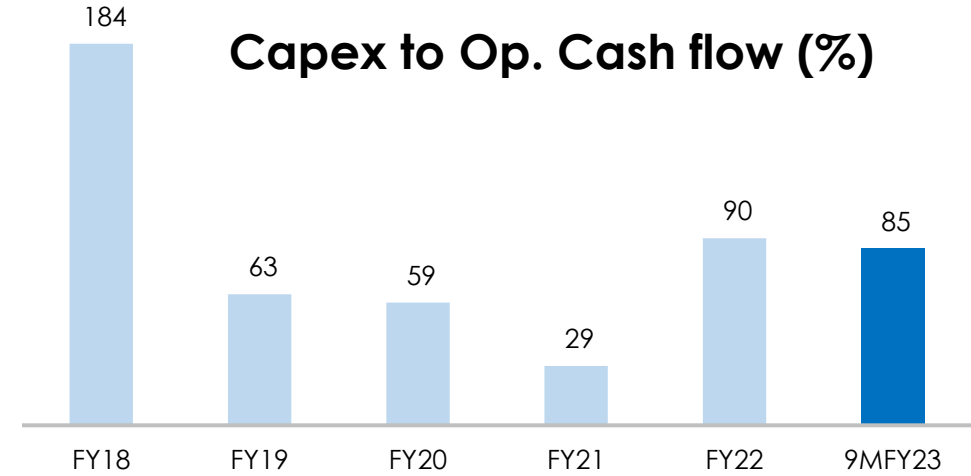
Note: Capital employed for ROCE is computed as Total assets less Current Liabilities & Cash

Growing Strength to Strength

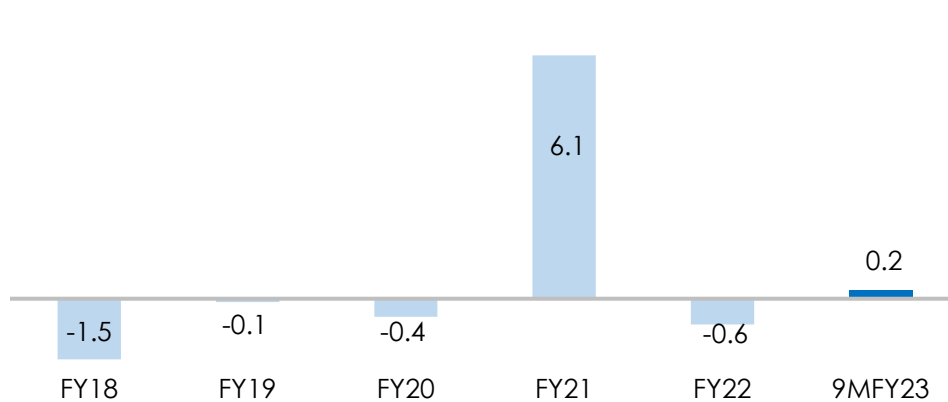
Operating Cashflow to EBITDA (%)



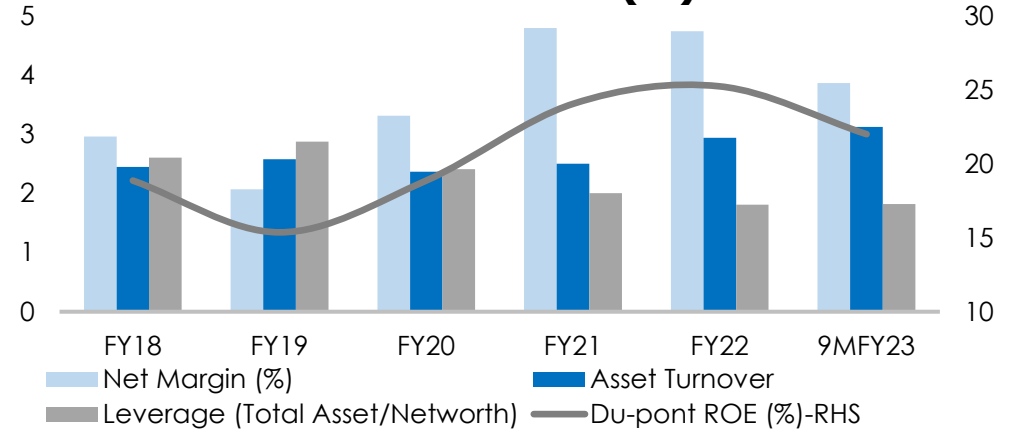
Capex to Op. Cash flow (%)



FCF (Rs Bn)



Du-Pont ROE (%)



Profit & Loss Statement (Consol)

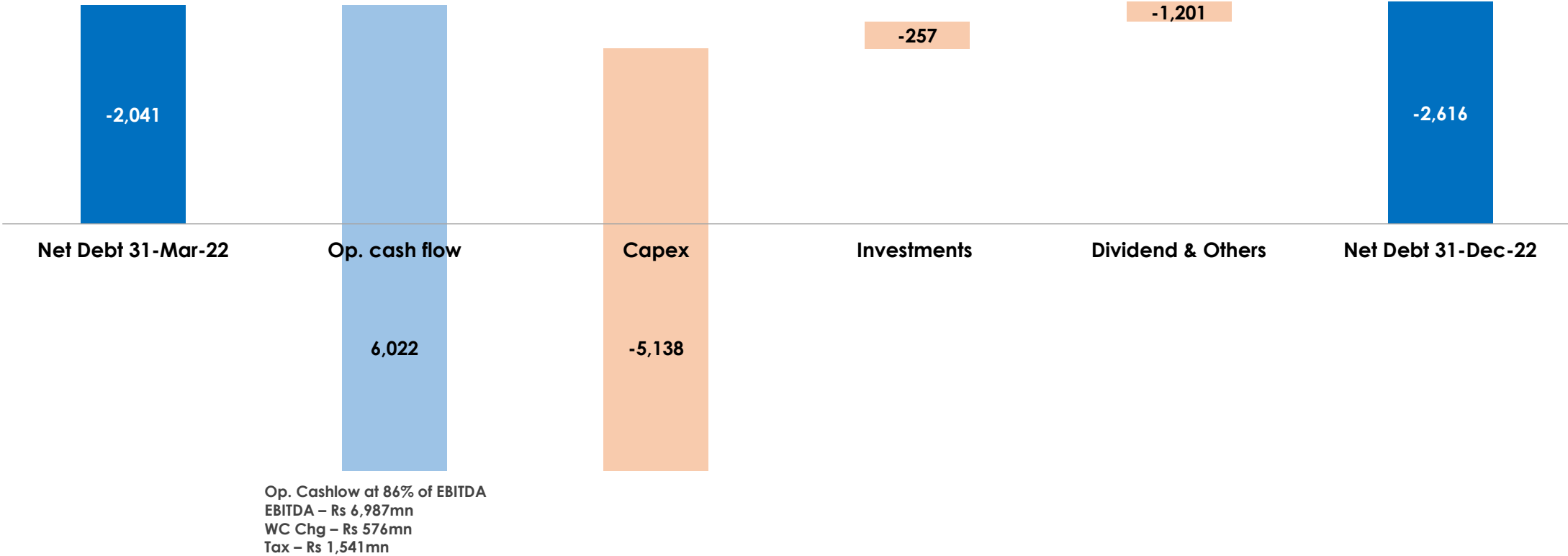
Particulars (Rsm)	Q3FY22	Q4FY22	Q1FY23	Q2FY23	Q3FY23	FY22	FY21
Sales Volume (k Ton)	403	552	423	602	605	1,755	1,640
Net Revenue	32,304	42,147	34,386	39,692	43,271	1,30,633	84,998
Raw Material Costs	28,097	36,829	29,915	34,747	37,693	1,12,231	71,648
Employee Costs	389	410	445	468	554	1,530	1,296
Other expenses	1,795	2,247	2,086	2,158	2,296	7,419	5,266
EBITDA	2,023	2,661	1,939	2,319	2,729	9,452	6,787
EBITDA/ton (Rs)	5,023	4,823	4,587	3,850	4,510	5,386	4,138
Other Income	79	110	83	116	93	405	359
Interest Cost	109	101	100	136	186	445	661
Depreciation	272	279	294	276	345	1090	1,028
Tax	442	625	422	521	598	2,133	1,381
Net Profit	1,279	1,766	1,207	1,502	1,692	6,190	4,077

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)



APL APOLLO TUBES



Business continues to generate strong operational cash flows



Capex being funded from internal cash flows

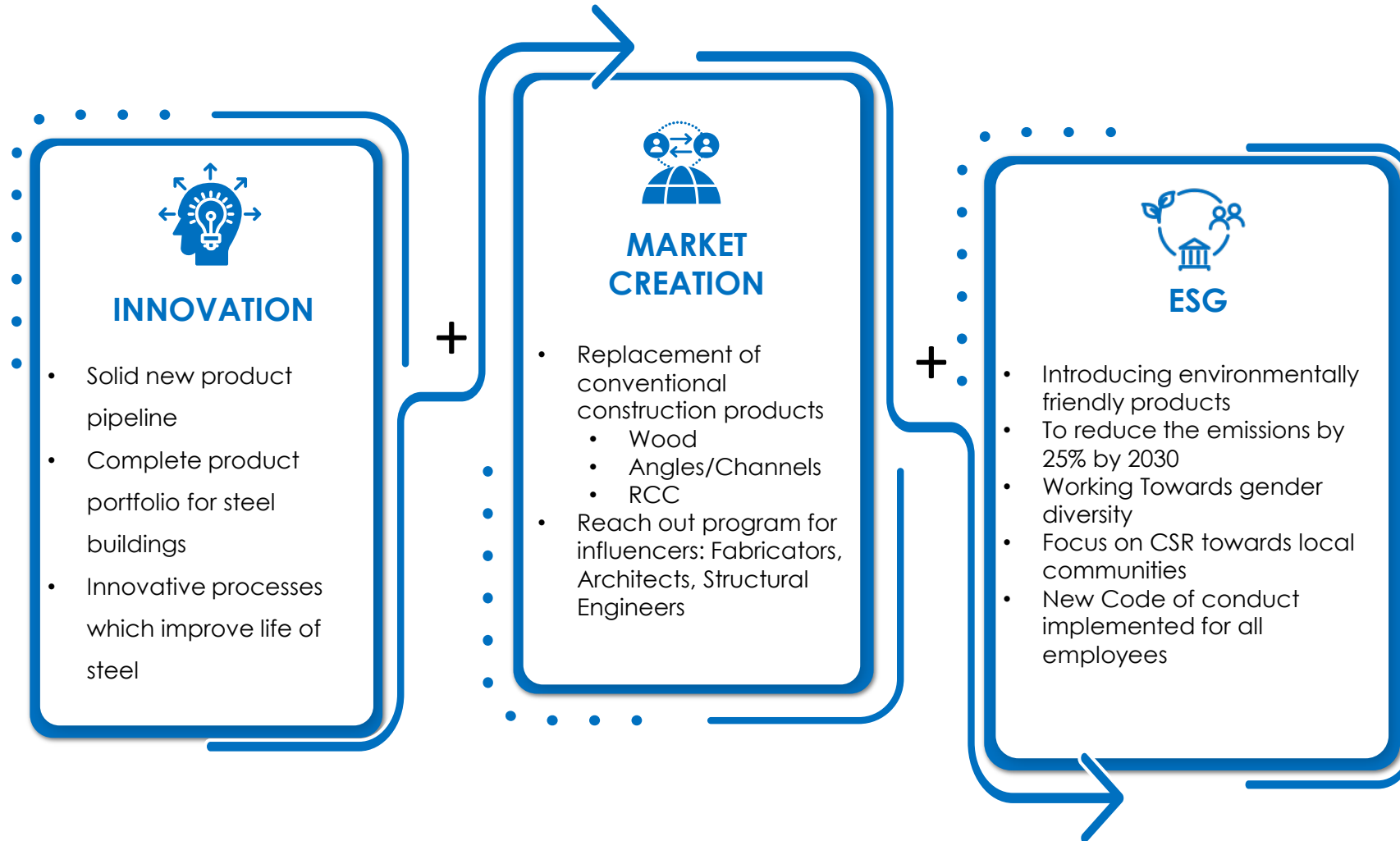


Net debt to EBITDA at 0.3x

BUSINESS STRATEGY



APL Apollo Vision



INNOVATION

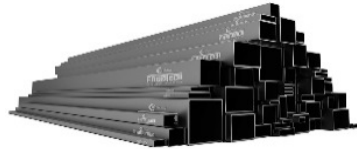
Mission: World's only company to make steel tubes with size range of 10x10mm to 1000x1000mm and thickness range of 0.23 mm to 40mm



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	Checkered Section

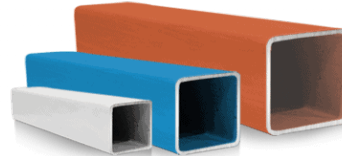
New Product Pipeline from Raipur plant

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

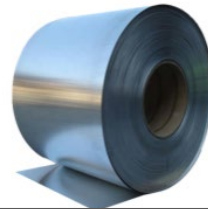


Replacing RCC structures/columns in heavy construction

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



India's 1st CRCA Black annealed tube



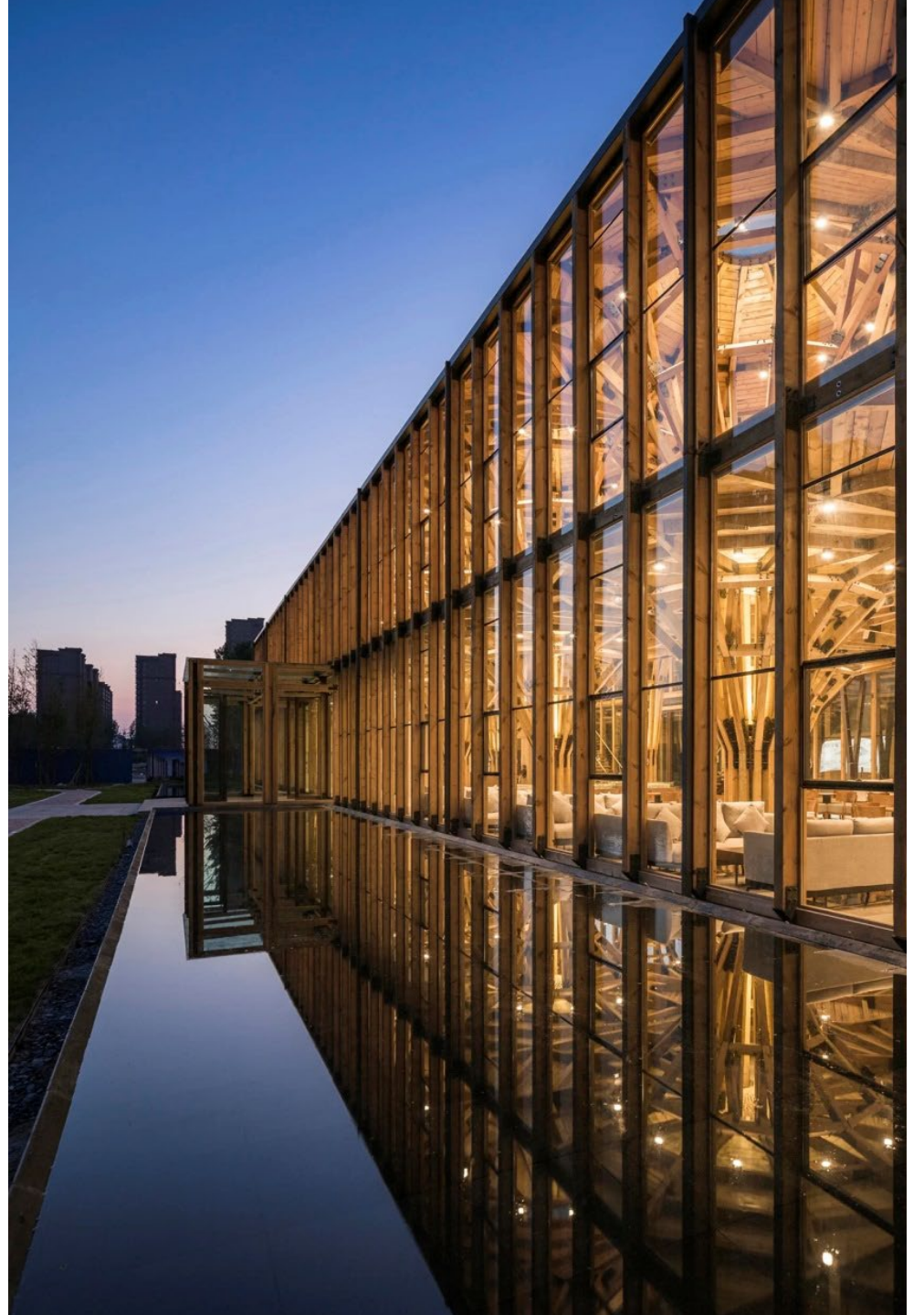
High tensile light structural application; bendable; superior rust proof properties

India's 1st AluZinc tubes



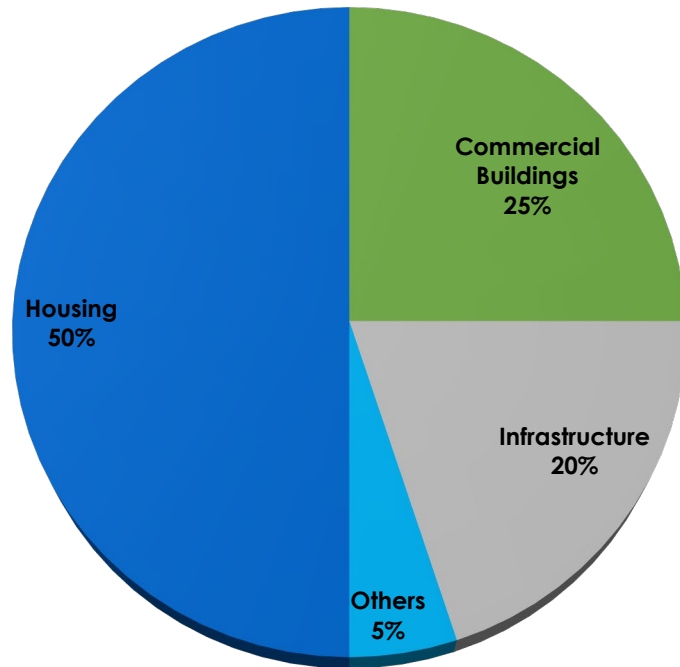
Superior rust proof properties and better life

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



Tube Manufacturing

Production of 6,000 ton ERW tubes per day at plants of APL Apollo



Fabrication

Tubes are sand blasted, then connected using connectors



Civil Foundation

Civil Foundation & Arrangement of anchor bolts at site to install tube columns



Hospital Building

Hospital



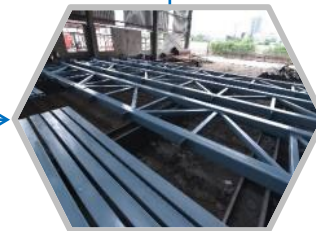
CTL Line

Cutting of tubes into desired length at APL Apollo plant to minimise wastages



Painting

Connected structures are painted



Site Erection

Zero on-site fabrication/Welding; Erection using bolting connections



Transfer of cut to length tubes to Fabricator's workshop



Transfer of structure parts to the site

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**; **c90%** already incurred

Raipur Plant Update

APL APOLLO TUBES



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

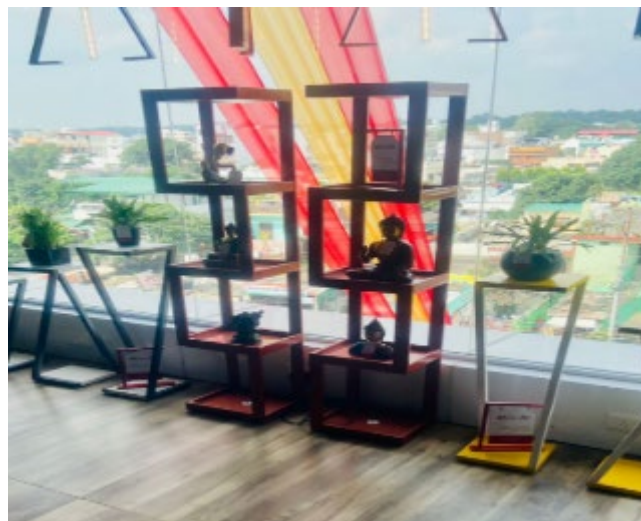
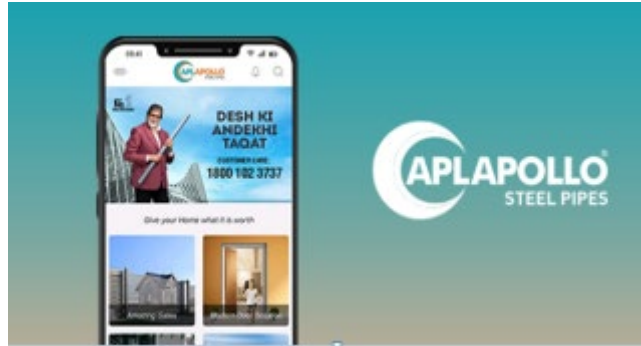
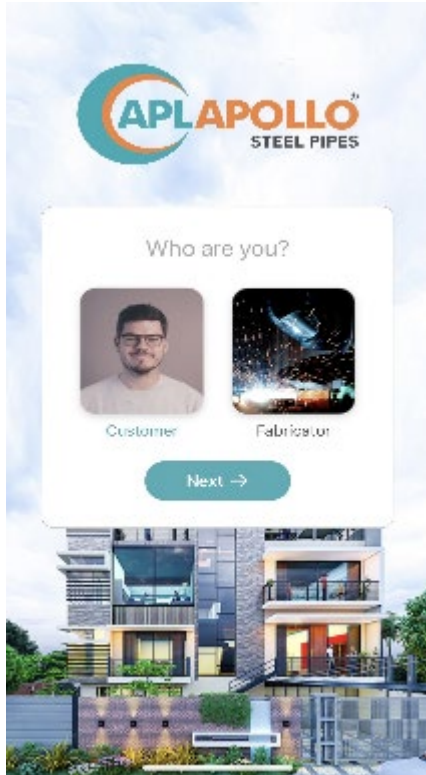
NEW INITIATIVES



B2C Tech App



APL APOLLO MOBILE - APPLICATION LAUNCHED



30,000+ Fabricators enrolled

145,000+ Total Downloads

400+ Designs

16 Patents registered



APL Apollo's ESG Transformation Journey

DJSI Scoring

MEMBER OF
Dow Jones
Sustainability Indices
In Collaboration with RobecoSAM

APL APOLLO
STEEL PIPES

DJSI FY2022 SCORE

APL APOLLO TUBES
STANDS AT 80TH
PERCENTILE

(IN THE PEER INDUSTRY COMPRISING OF GLOBAL COMPANIES)
SCORE REACHED A HIGH OF 29 POINTS, ABOVE THE INDUSTRY AVERAGE OF 22

IMPROVEMENT ACROSS AREAS

- Social Dimension
- Governance & Economic Dimension
- Environmental Dimension

**APL APOLLO
SCORED 80TH
PERCENTILE IN FY22**

**We expect better score
this year as we are
improving on ESG
parameters**

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 **narrow and thicker color coated** galvanized sheets which will save more trees

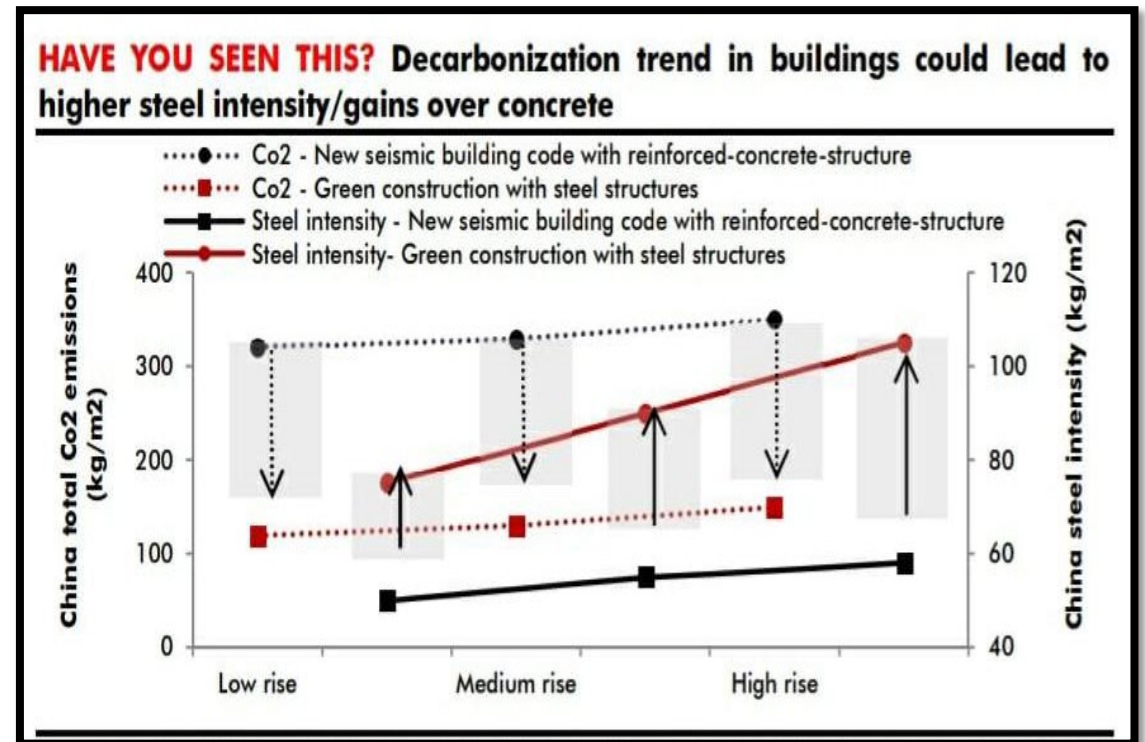


Steel Buildings = Decarbonization

- 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 in vertical space

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

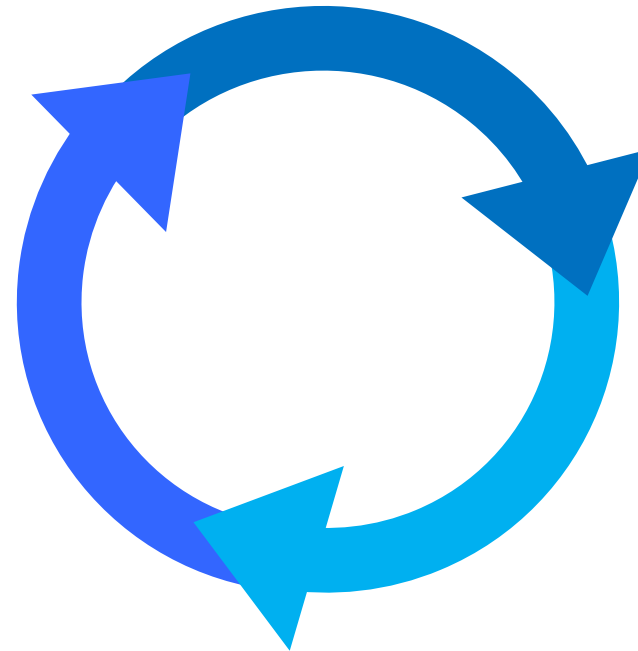
Steel Structure - RCC Structure



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%

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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APL Apollo new Corporate office (Work in progress)



APL Apollo new Corporate office to be operational by H1CY23