

# Aegis Logistics Limited

“Positioned for growth”

## Investor Presentation

September 2017

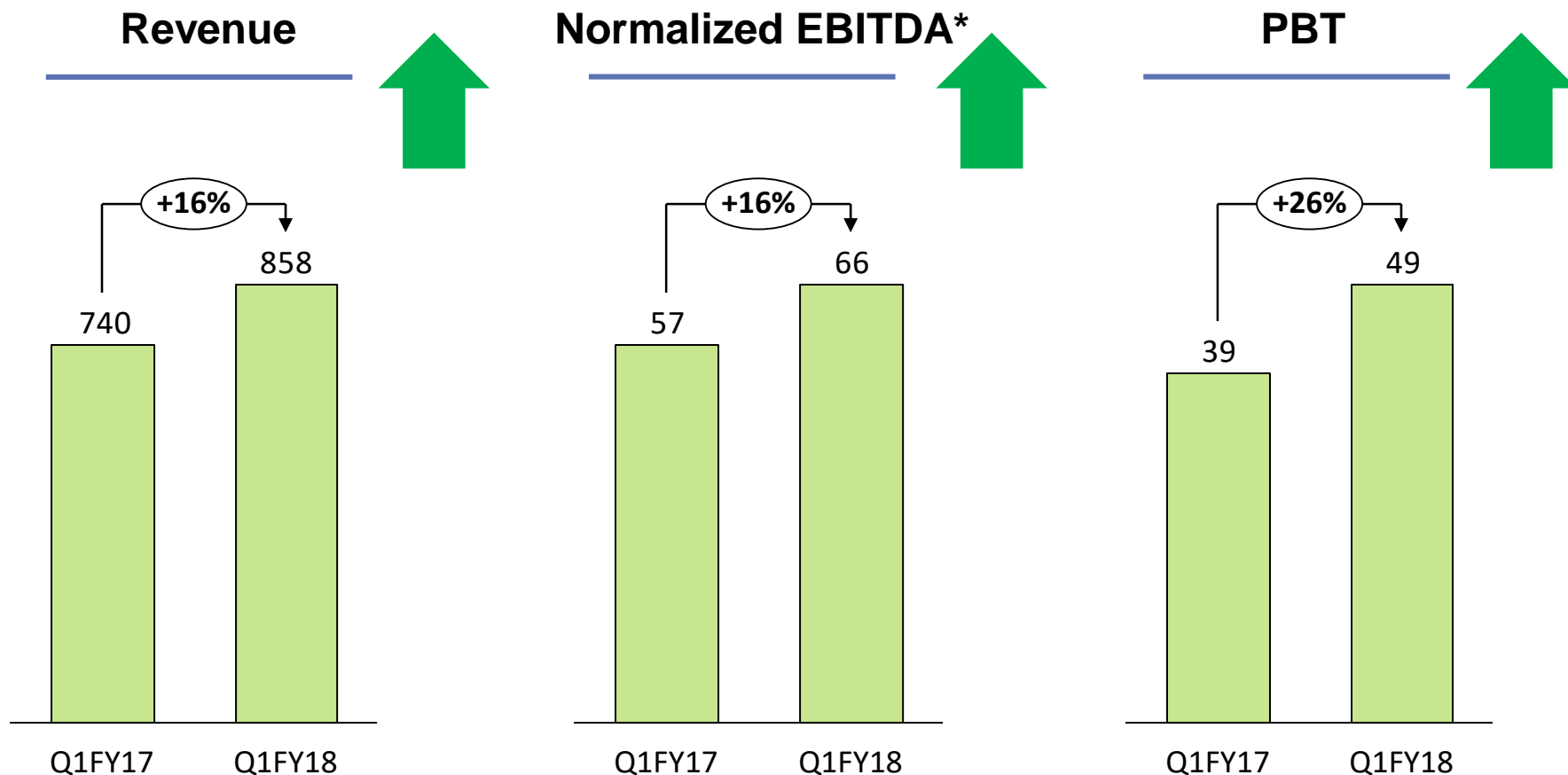


This presentation and the accompanying slides (the “Presentation”), which have been prepared by Aegis Logistics Limited (the “Company”), have been prepared solely for information purposes and do not constitute any offer, recommendation or invitation to purchase or subscribe for any securities, and shall not form the basis or be relied on in connection with any contract or binding commitment whatsoever. No offering of securities of the Company will be made except by means of a statutory offering document containing detailed information about the Company.

This Presentation has been prepared by the Company based on information and data which the Company considers reliable, but the Company makes no representation or warranty, express or implied, whatsoever, and no reliance shall be placed on, the truth, accuracy, completeness, fairness and reasonableness of the contents of this Presentation. This Presentation may not be all inclusive and may not contain all of the information that you may consider material. Any liability in respect of the contents of, or any omission from, this Presentation is expressly excluded.

This presentation contains certain forward looking statements concerning the Company’s future business prospects and business profitability, which are subject to a number of risks and uncertainties and the actual results could materially differ from those in such forward looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding fluctuations in earnings, our ability to manage growth, competition (both domestic and international), economic growth in India and abroad, ability to attract and retain highly skilled professionals, time and cost over runs on contracts, our ability to manage our international operations, government policies and actions regulations, interest and other fiscal costs generally prevailing in the economy. The Company does not undertake to make any announcement in case any of these forward looking statements become materially incorrect in future or update any forward looking statements made from time to time by or on behalf of the Company.

# Strong Quarterly Performance



\* Normalized EBITDA – Before Forex, Hedging Related Expenses

Financials are per IndAS; Rs. In Cr

# Current Business Break-up

## Liquid Division

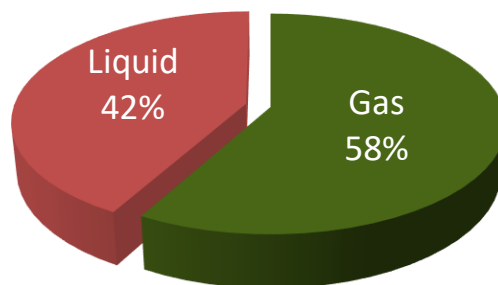
### ■ Business

- Third Party Liquid Logistics (3PL)
- O&M Services

### ■ Revenue Model

- Fee based Revenue Model
- Handling and Other Service Charges
- O&M fees

**Q1FY18 EBITDA**  
**Rs. 66 Cr**



## Gas Division

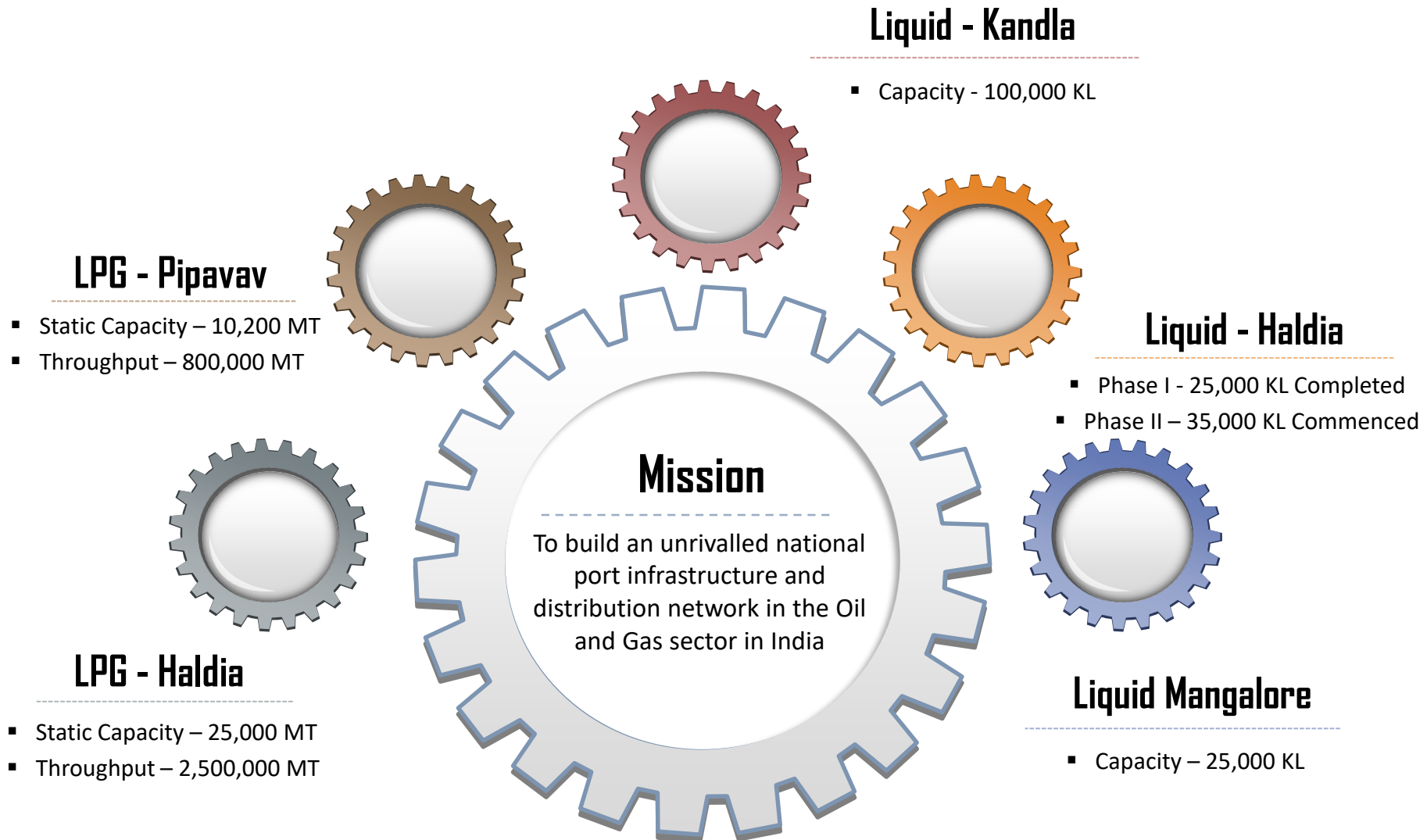
### ■ Business

- Third Party Gas Logistics (3PL)
- Auto Gas Retailing and Packed LPG Cylinders for Commercial segment
- Industrial Gas Distribution
- Marine Products Distribution (Bunkering)
- Gas Sourcing

### ■ Revenue Model

- Fee based Revenue Model for Gas Logistics
- Fees for Sourcing Business
- Retail Margin for Gas Distribution
- Handling and Other Service Charges

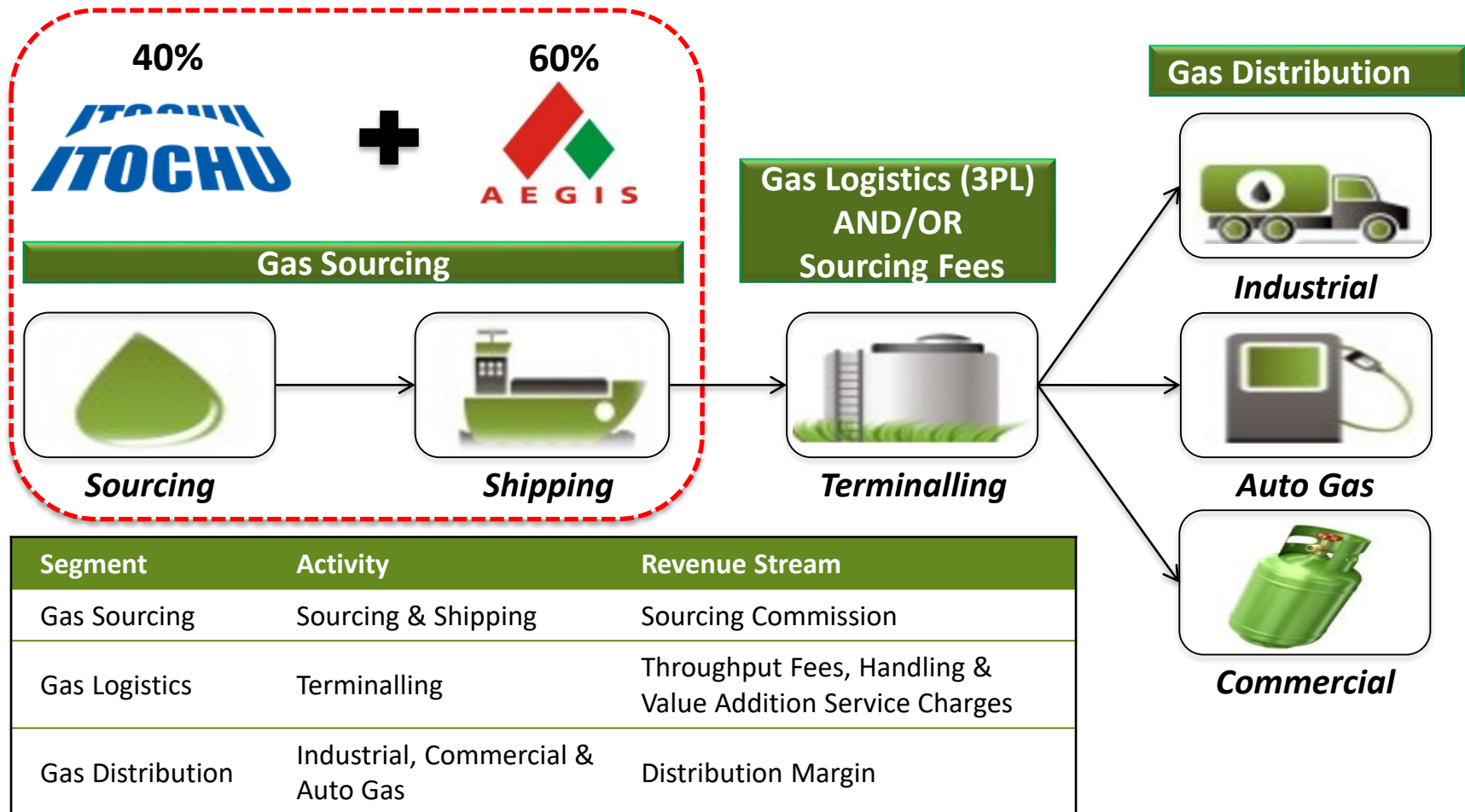
# Major ongoing Expansion Projects





## Gas Logistics

# Gas Logistics - Capturing Complete Value Chain

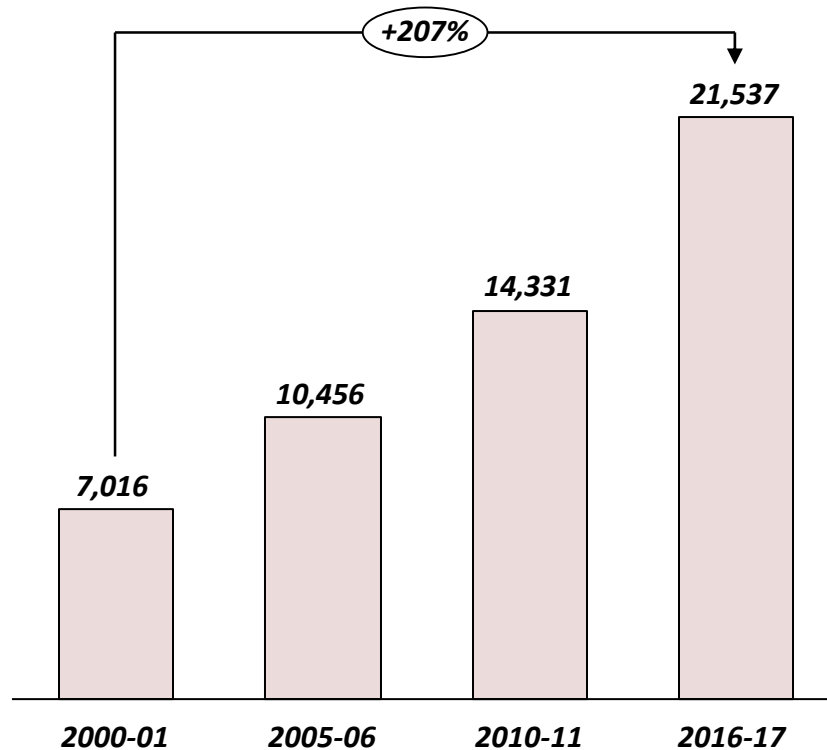


**Creating 'Leading LPG Sourcing Player in India' through Vertical Integration Strategy**

# Demand Supply Gap exists for LPG in India...

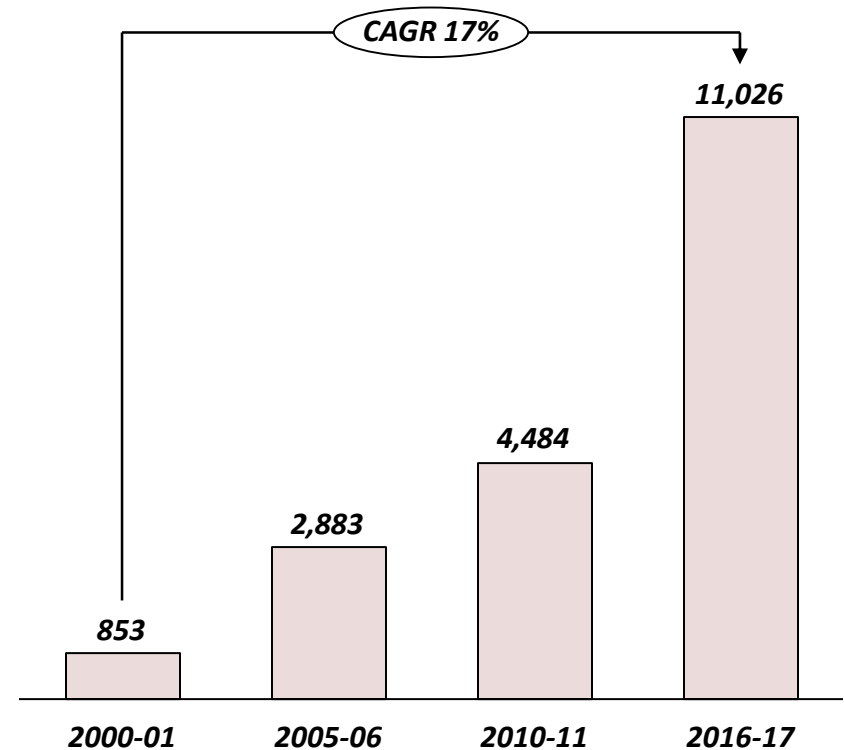
## Consumption of LPG in India

'000 MT



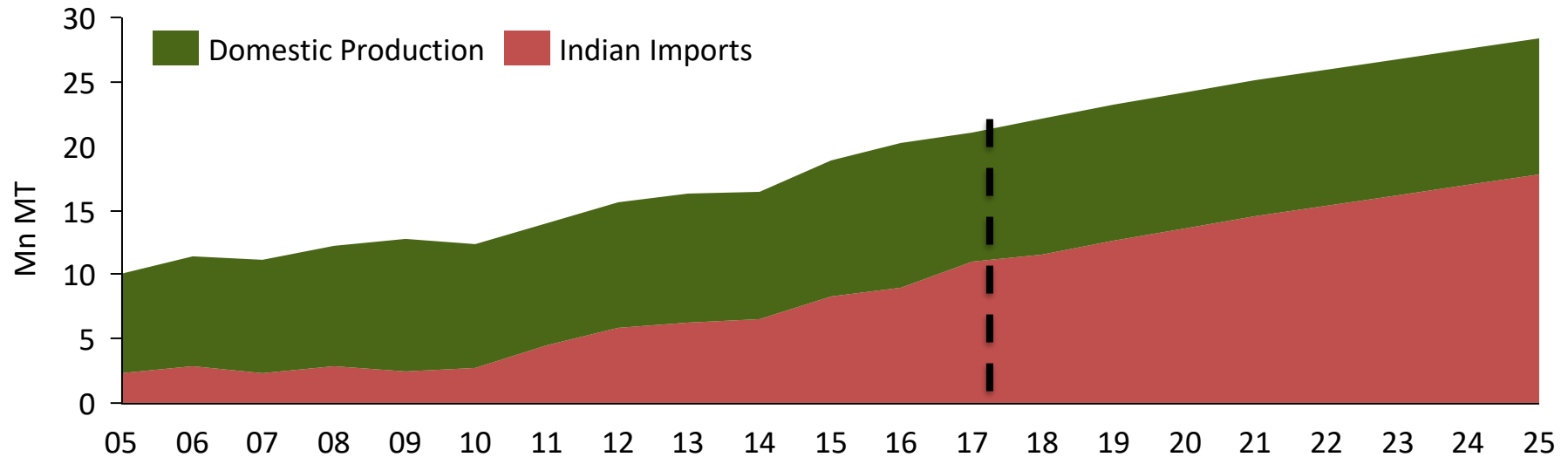
## Imports of LPG in India

'000 MT



Incremental Demand in LPG met through Imports

# ...LPG Import Terminal Capacity has a Shortfall



Figures in MT	2014/15	2020/21	Comments
Static Import Capacity	312,800	312,800*	Aegis capacity in 2015 is 25,400
Import Throughput	8,300,000	14,576,000	
# of Turns	<b>26.5</b>	<b>46</b>	High demurrage costs
Optimum Turns	24	24	

\* Assuming no new build up

Source: PPAC/IOC and Management Estimates

# To Capitalize on this Opportunity

## *Leading LPG Logistics Player in India*



- ✓ Efficient and Cost Effective Shipping for High Volumes
- ✓ Strong Negotiating Power
- ✓ Financial Muscle

JV with ITOCHU

Expansion -  
Terminaling Capacity



- ✓ Growing LPG Market in India
- ✓ Strong Customer Relationship
- ✓ Terminaling Capacity

***Aegis entered into a Joint Venture for its  
Singapore based LPG Sourcing and Supply Business  
with  
ITOCHU Petroleum Co., (Singapore) Pte Ltd***

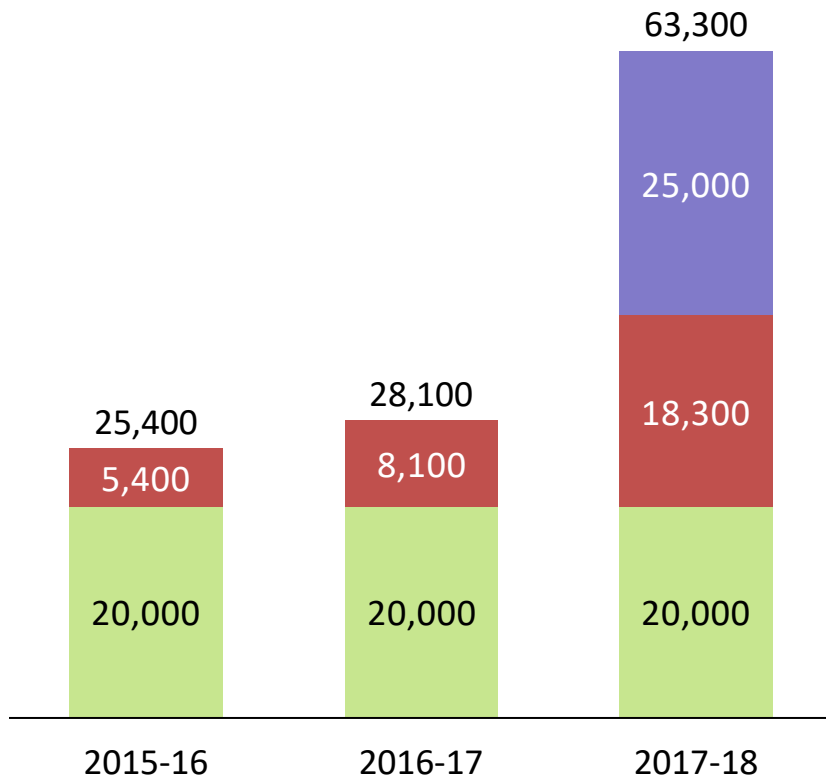
*Aegis Logistics Limited sold 40% of its equity ownership in its wholly owned subsidiary, Aegis Group International Pte. Ltd. Singapore, to ITOCHU Petroleum Co., (Singapore) Pte Ltd., a wholly owned subsidiary of ITOCHU Corporation for a total consideration of \$ 5.85 million*



**Attaining Cost Leadership in the LPG import market  
Lowering the delivered price to most Competitive levels**

# LPG Capacity Post Expansion

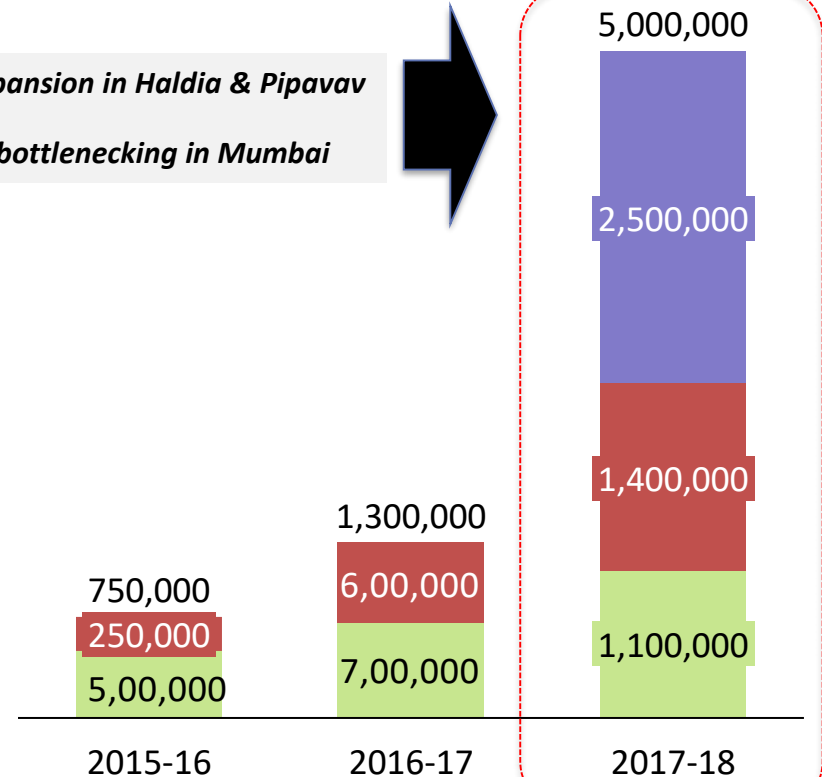
Static Capacity MT



Throughput Capacity MT

*Expansion in Haldia & Pipavav*

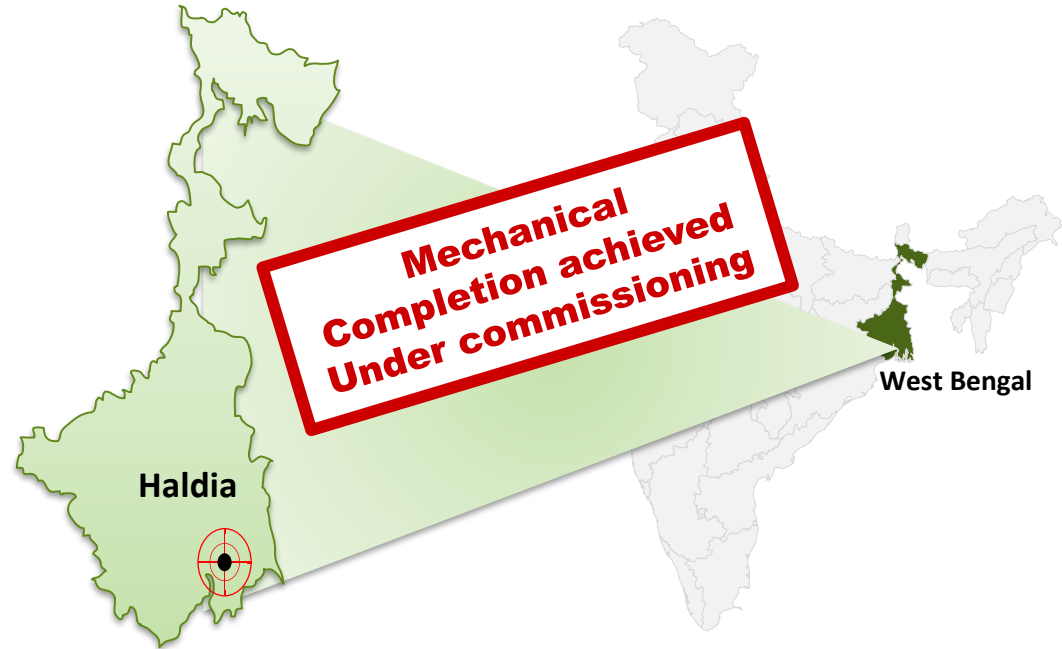
*Debottlenecking in Mumbai*



 Haldia  Pipavav  Mumbai

# Greenfield Capacity Expansion at Haldia

- ✓ **Static Capacity**
  - 25,000 MT – 2 Fully Refrigerated Tanks of 12,500 MT each
  - 24 carousel (Filling Points) bottling plant
- ✓ **Throughput Capacity**
  - 2,500,000 MT at full utilization
- ✓ **Project Cost**
  - Rs 250 crs – LPG Terminal
  - Rs. 25 crs – LPG Bottling Plant
- ✓ **Means of Finance**
  - Internal Accruals
- ✓ **Project Completion Date**
  - H1 FY17-18
- ✓ **Pipeline Connectivity**
  - Paradip -Durgapur Pipeline passes through Haldia



***Signed 20 years of MOU with  
a Large PSU as Anchor Customer  
at the Current Market Throughput Rates***

# Debottlenecking of LPG Terminals at Mumbai

- ✓ **Static Capacity to remain same**
  - 20,000 MT
- ✓ **Throughput Capacity**
  - 1,100,000 MT (incremental 400,000 MT)
- ✓ **Project Cost**
  - Rs 15 crs
- ✓ **Means of Finance**
  - Internal Accruals
- ✓ **Project Completion Date**
  - H1 FY17-18
- ✓ **Pipeline Connectivity**
  - Uran – Chakan / Shikrapur LPG Pipeline passes through Mumbai

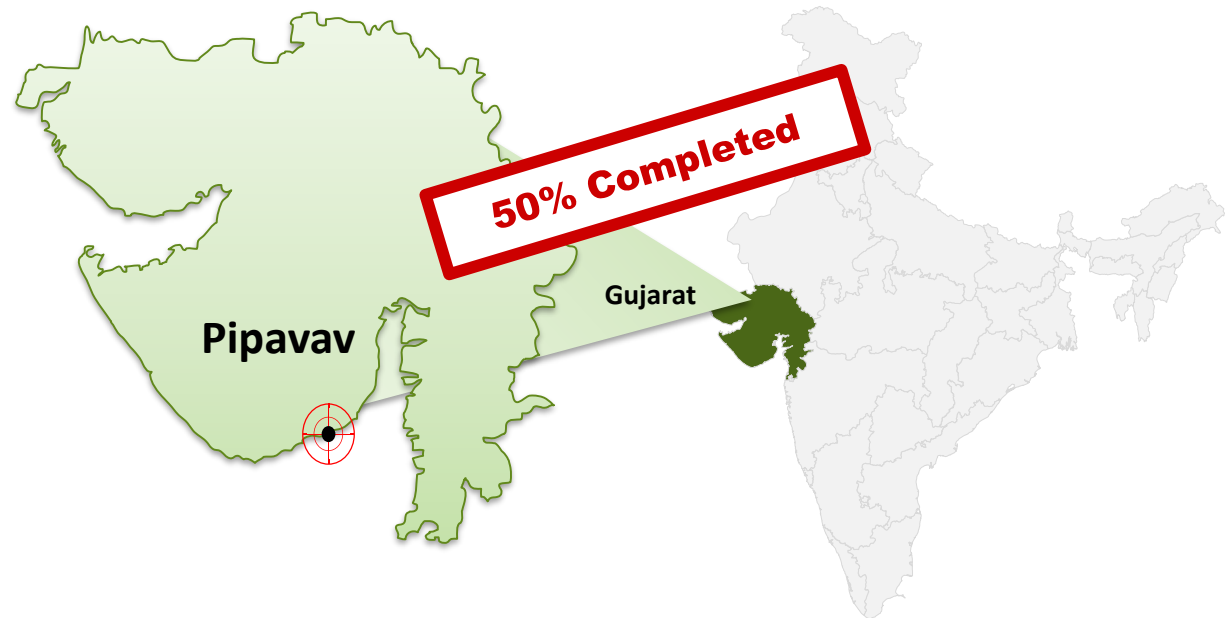


## ***Project Status:***

- Intake Pumps – Under Progress
- Internal Pipeline – Completed
- Connectivity of Mumbai Terminal to Uran – Chakan Pipeline Grid – Completed

# Brownfield Capacity Expansion at Pipavav

- ✓ **Static Capacity**
  - 10,200 MT
- ✓ **Throughput Capacity**
  - ~800,000 MT at full utilization
- ✓ **Project Cost**
  - Rs 75 crs
- ✓ **Means of Finance**
  - Internal Accruals
- ✓ **Project Completion Date**
  - H1 FY17-18



***Throughput volumes for LPG handled in Pipavav  
expected to grow***

***through***

***existing and new customer relationships***

# Our Gas Distribution Network

## B2C



- **Auto Gas Retailing:** Distribute LPG as Auto Fuel through Gas Station Network
- 107 Auto Gas Stations across 7 States

## B2B

- **Bulk Industrial Distribution:** Distribute LPG through road tankers to Auto, Steel, Ceramic Industries etc



- **Commercial LPG:** Distribute Packed Cylinders for Commercial and Industrial users
- 100 Commercial Distributors spread across 45 Cities in 8 states

# Gas Division Performance EBITDA\*

Capacity  
Expansion

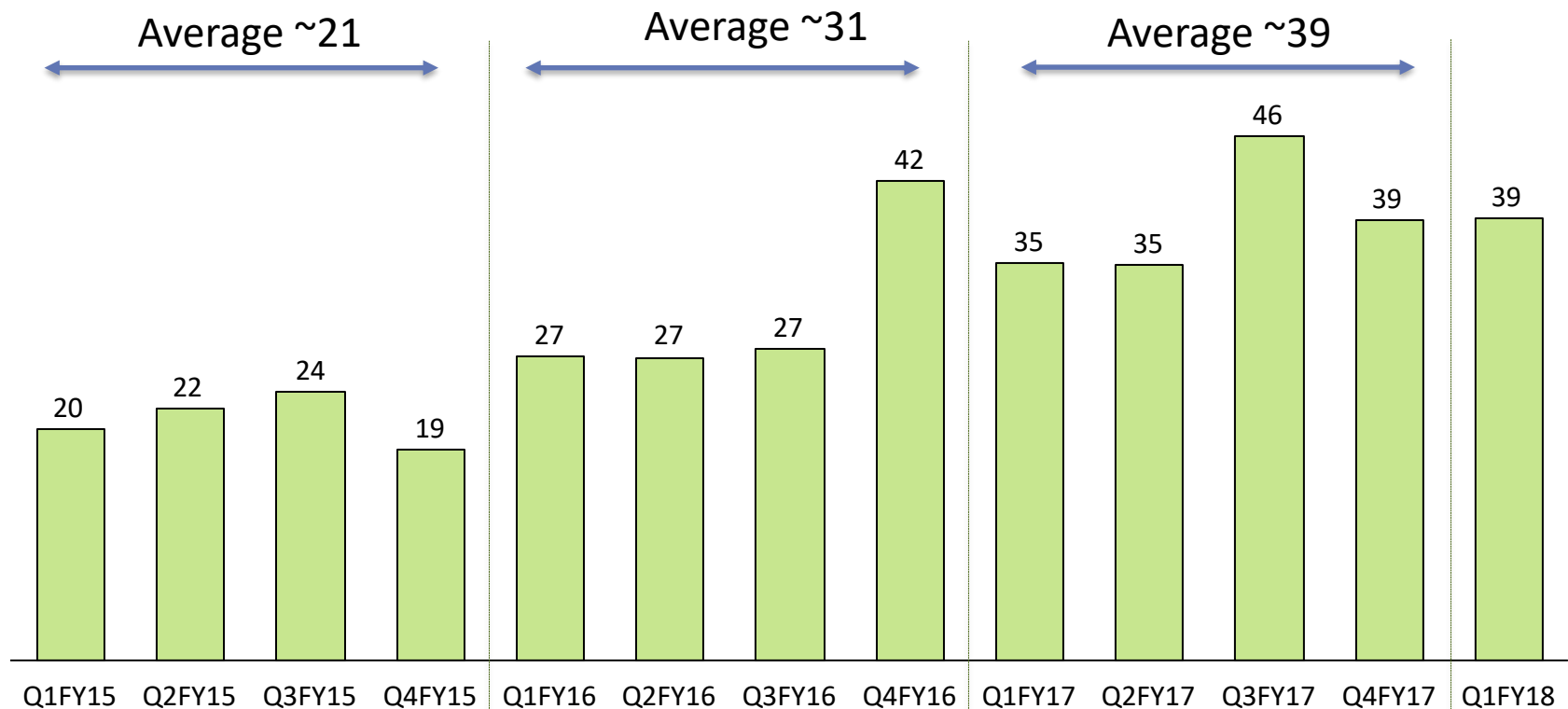


Existing & New  
Customer Relationships



Sustainable Business

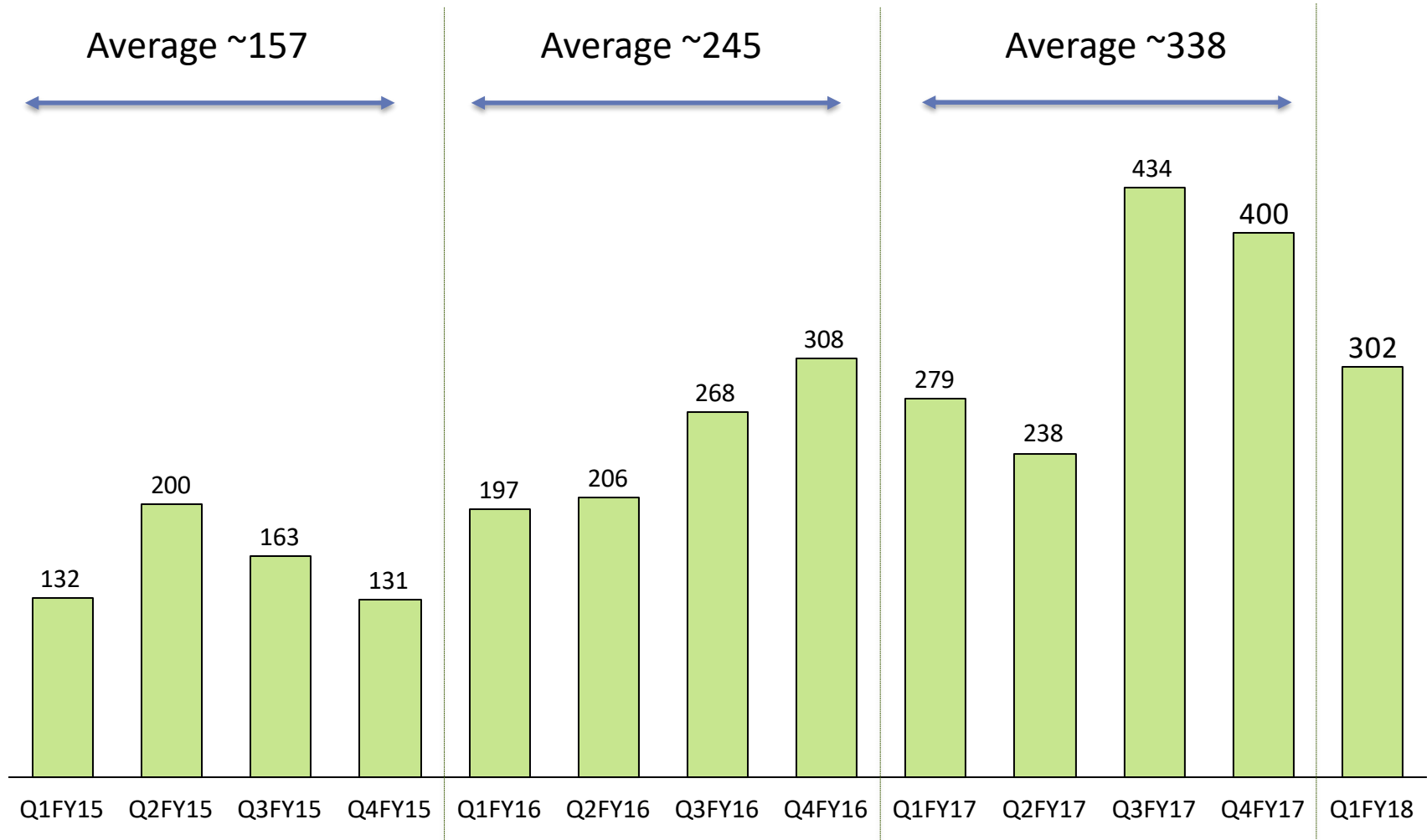
Rs. in Cr.



\* Normalized EBITDA – Before Forex, Hedging Related Expenses

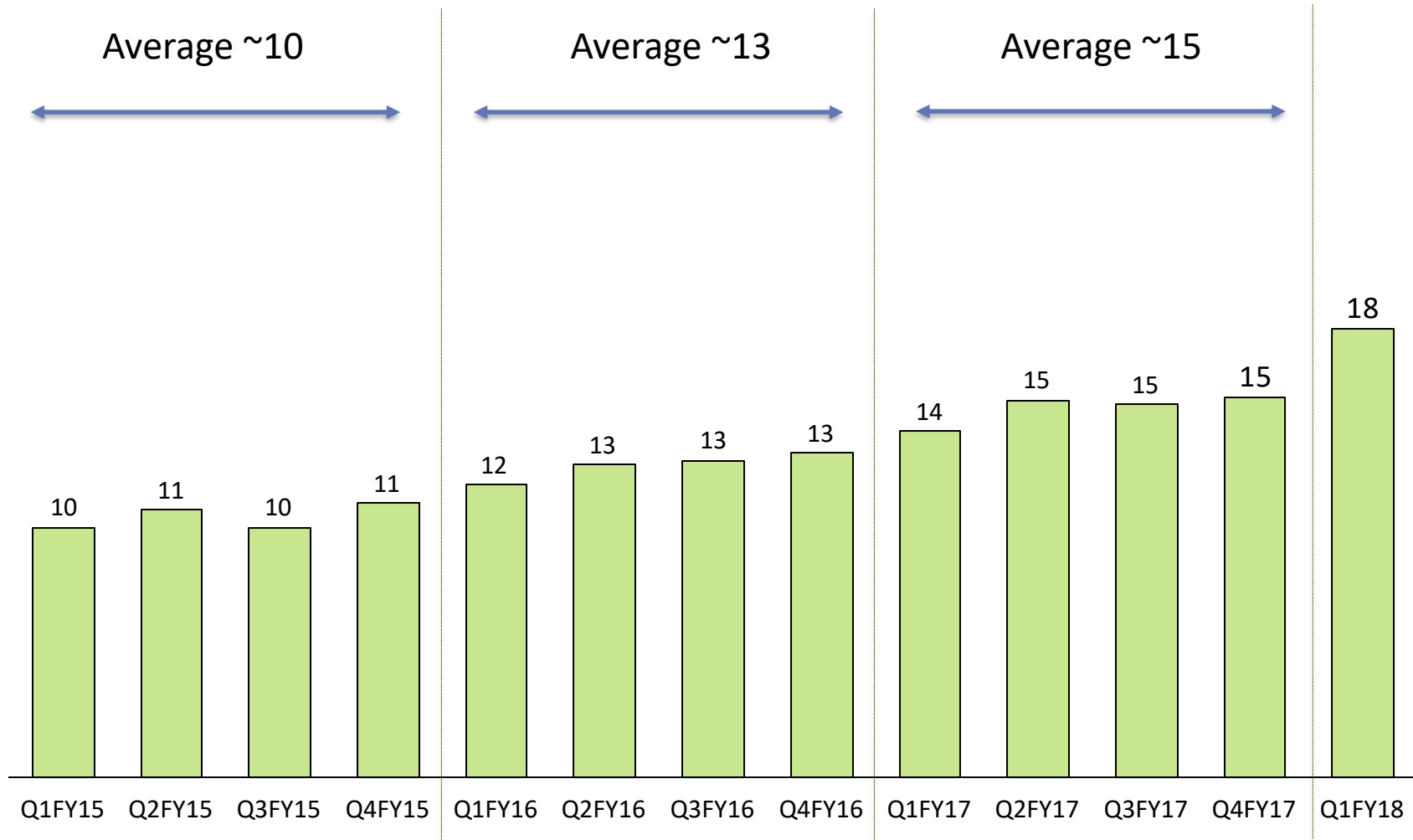
# LPG Volume - Logistics

'000 MT



# LPG Volume - Distribution

'000 MT





## Liquid Logistics

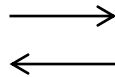
# Liquid Logistics and EPC Services

## Liquid Logistics (3PL)

## O&M Services



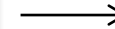
***Shipping***



***Logistics***



***O&M***

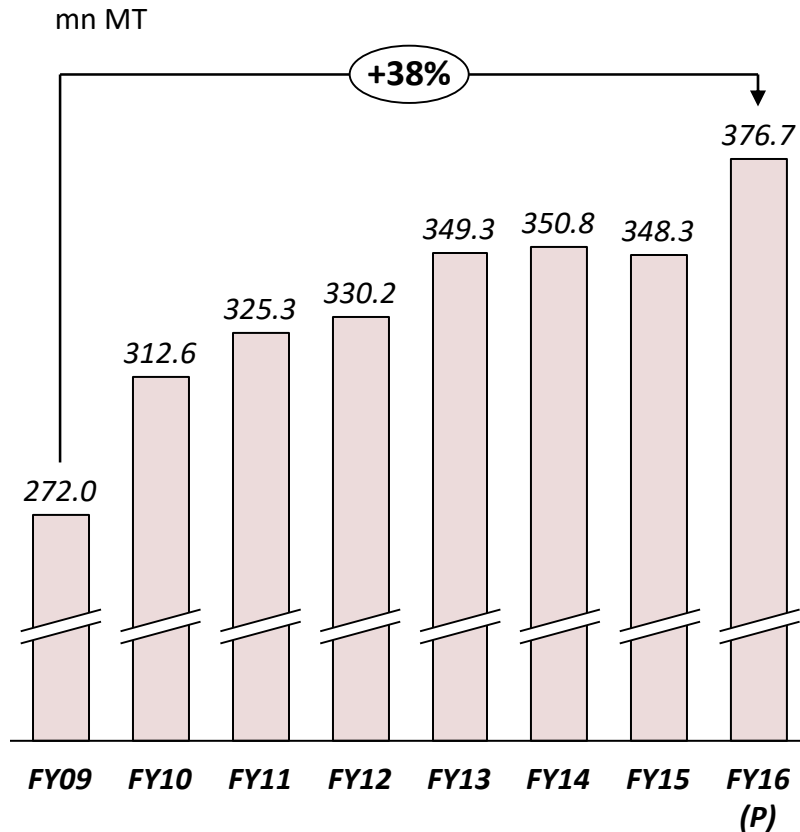


***Facilities***

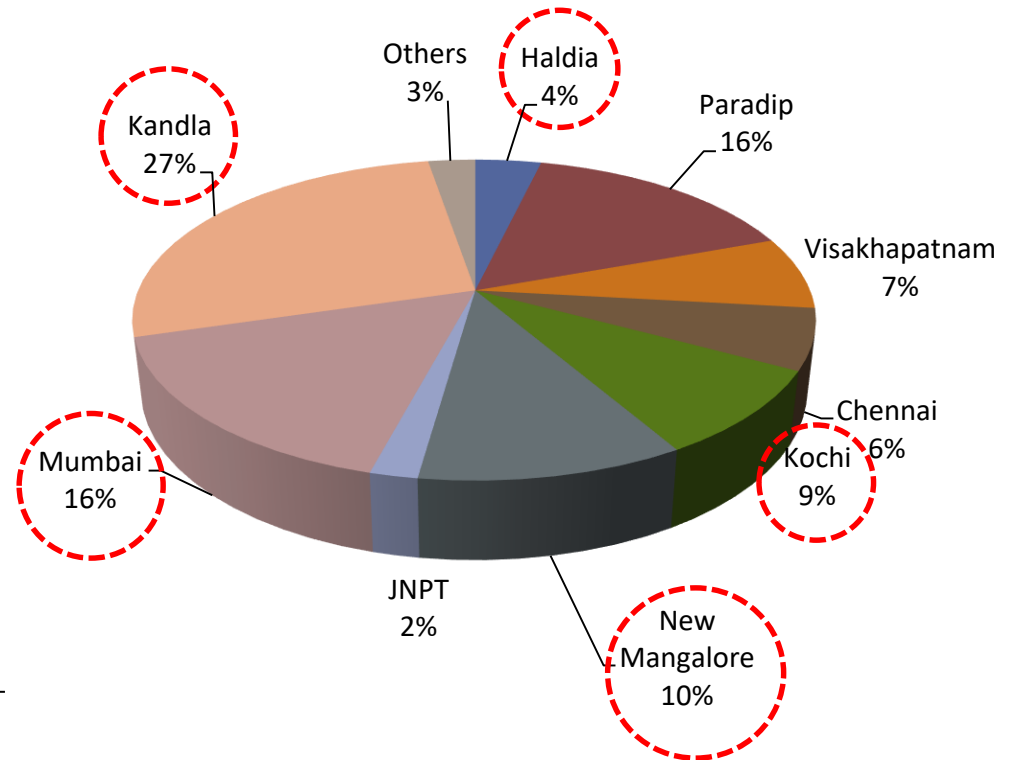
Segment	Activity	Revenue Stream
Liquid Logistics	Logistics	Throughput Fees, Handling & Value Addition Charges
O&M Services	Operations & Maintenance	O&M Fees

# Liquid\* Traffic at Indian Ports

## POL Traffic Growth at Indian Ports



## POL Traffic at Major Ports\*



**Mumbai, Kochi, Haldia, Kandla and Mangalore handle ~70% of the traffic at Major Ports**

Liquid – Excludes Chemicals

Source: Indian Ports Association

\* During April – July 17

# Greenfield Liquid Terminal Expansion

## Greenfield Liquid Terminal Expansion at Kandla Port – 100,000 KL



### ✓ Project Cost

- Rs 75 crs

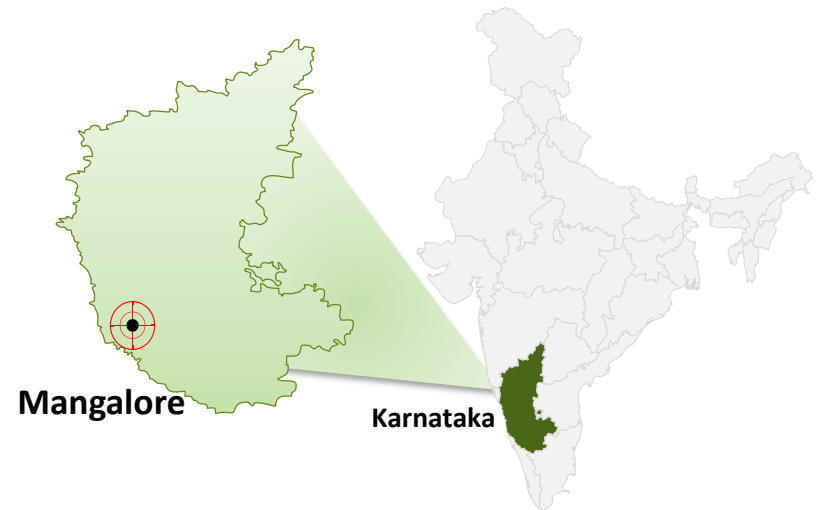
### ✓ Means of Finance

- Internal Accruals

### ✓ Project Completion Date

- FY17-18

## Greenfield Liquid Terminal Expansion at Mangalore Port – 25,000 KL



### ✓ Project Cost

- Rs 18 crs

### ✓ Means of Finance

- Internal Accruals

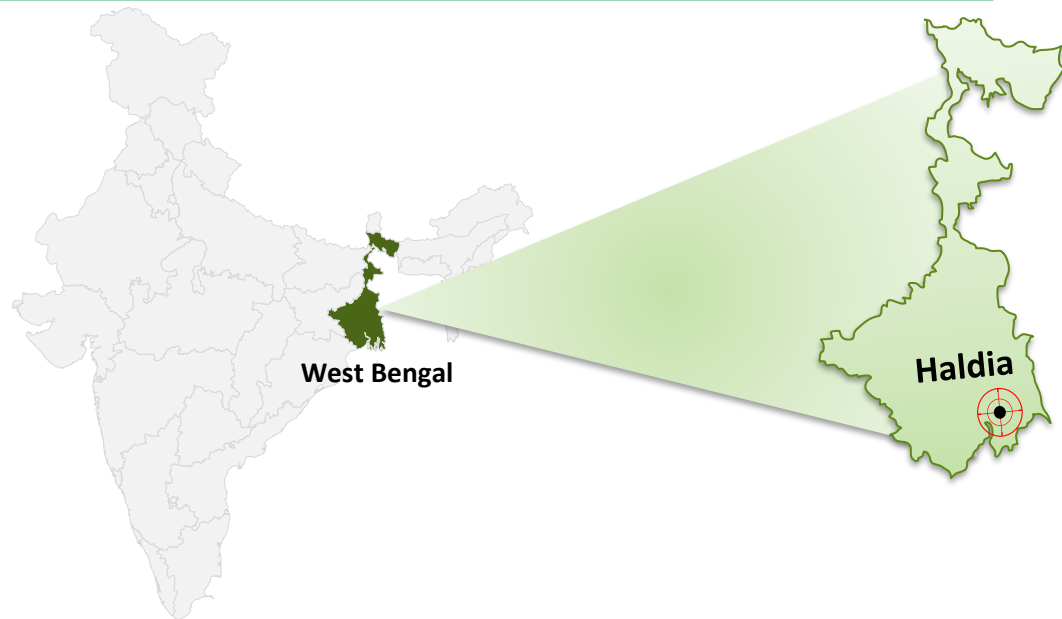
### ✓ Project Completion Date

- FY17 - 18

# Brownfield Liquid Terminal Expansion

## Liquid Terminal Expansion at Haldia Port – 35,000 KL

**Phase I – Completed**  
**Phase II – Commenced**



**Phase I**  
**25,000 KL**

**Project Cost**

- Rs 15 crs

**Means of Finance**

- Internal Accruals

**Project Completion Date**

- Q1 FY17 - 18

**Phase II**  
**35,000 KL**

**Project Cost**

- Rs 35 crs

**Means of Finance**

- Internal Accruals

**Project Completion Date**

- Q1 FY18 - 19

# Liquid Capacity Post Expansion

## 01 Mumbai

✓ Existing – 273,000 KL

## 02 Kochi

✓ Existing – 51,000 KL

## 03 Haldia

✓ Expansion – 35,000 KL

✓ Existing – 85,190 KL

## 04 Pipavav

✓ Existing – 120,120 KL

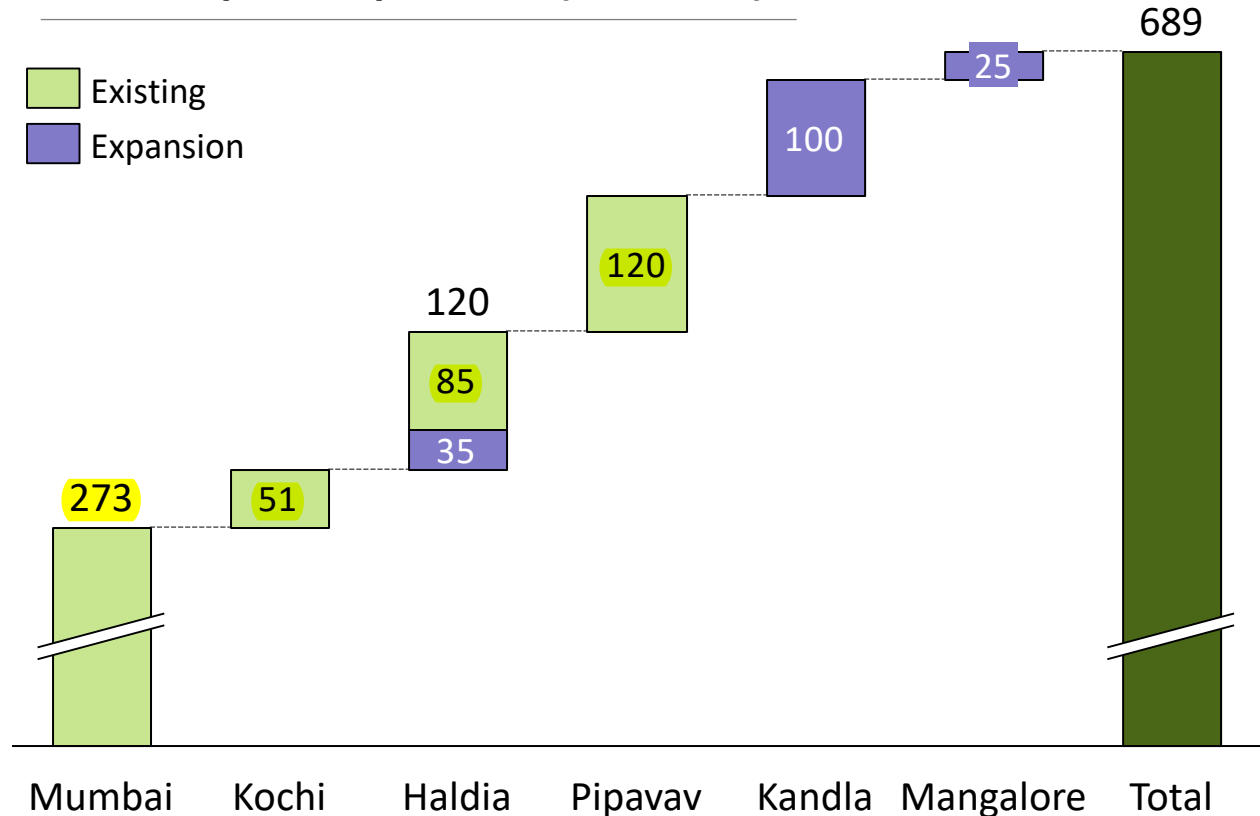
## 05 Kandla

✓ Expansion – 100,000 KL

## 06 Mangalore

✓ Expansion – 25,000 KL

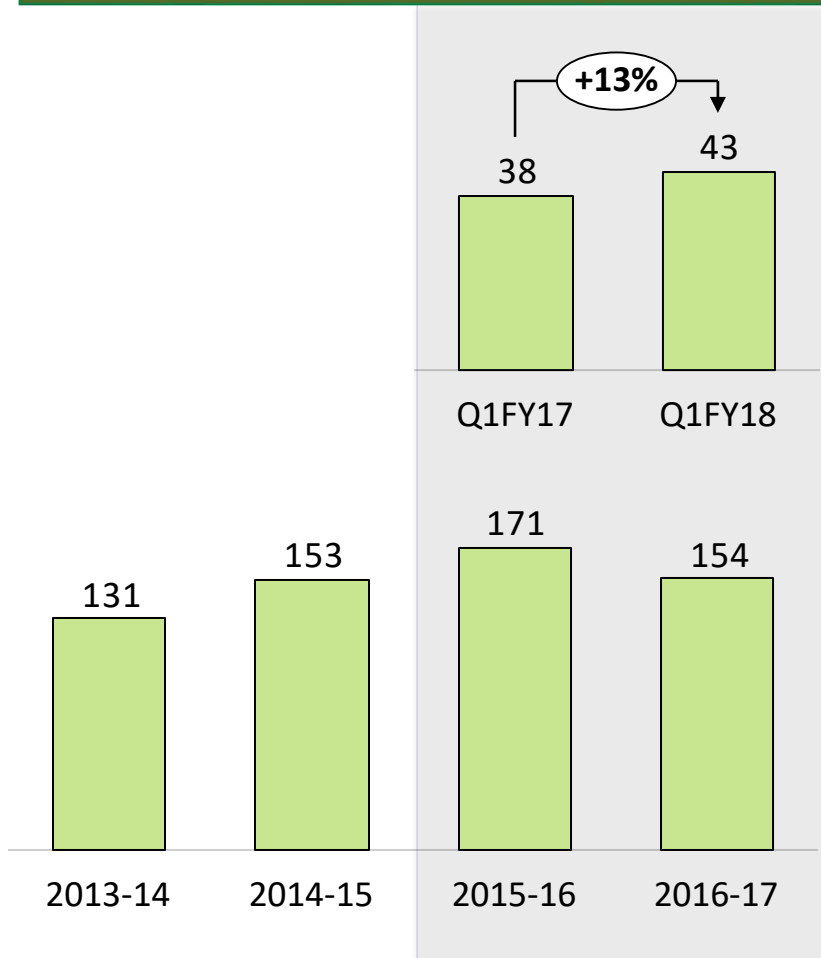
### Built up of Capacities ('000s KL)



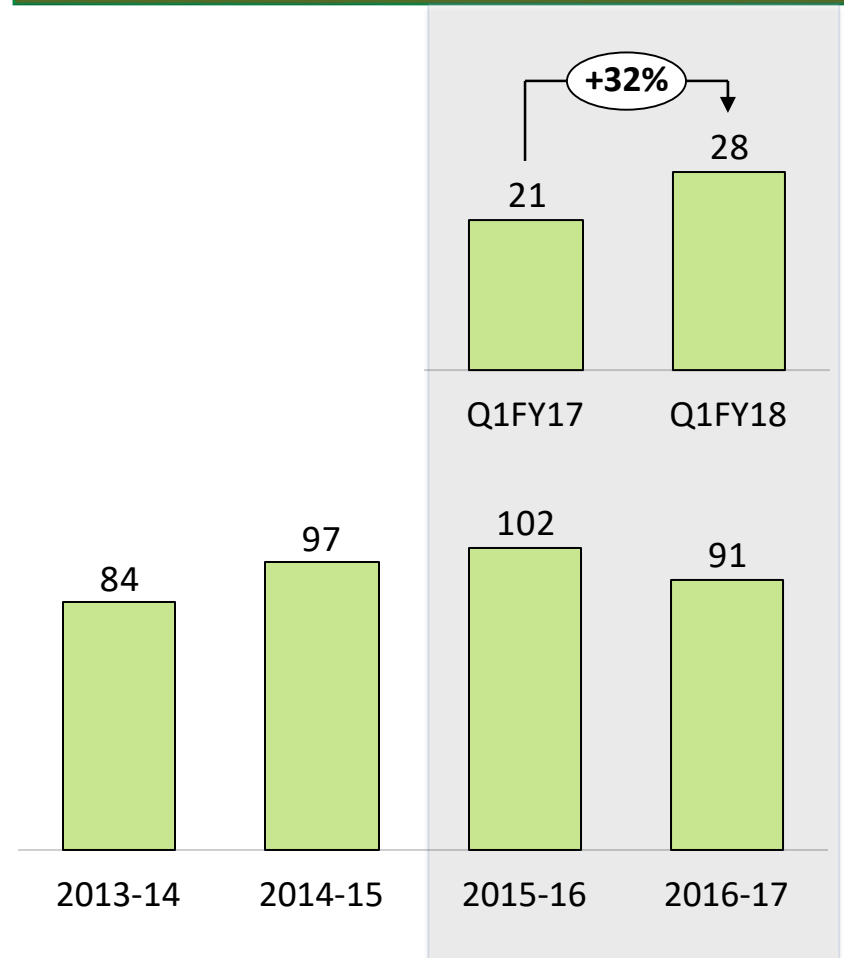
**Total Capacity post expansion at Kandla & Haldia : ~ 689,000 KL**

# Liquid Division Performance

## Revenue (Rs. In Cr.)



## Normalized EBITDA (Rs. In Cr.)



# We are leading provider of logistics and supply chain services to India's oil, gas and chemical industry

Strategic port locations



Storage terminals



Rail connectivity



Pipelines



# Unique Infrastructure

## Liquids

- Terminals at key ports- Mumbai, Kochi, Haldia, Pipavav
- Jetty Pipelines
- Multiple tank sizes
- Coated , Stainless Steel and Heated tanks
- Road, Rail and Pipeline connectivity

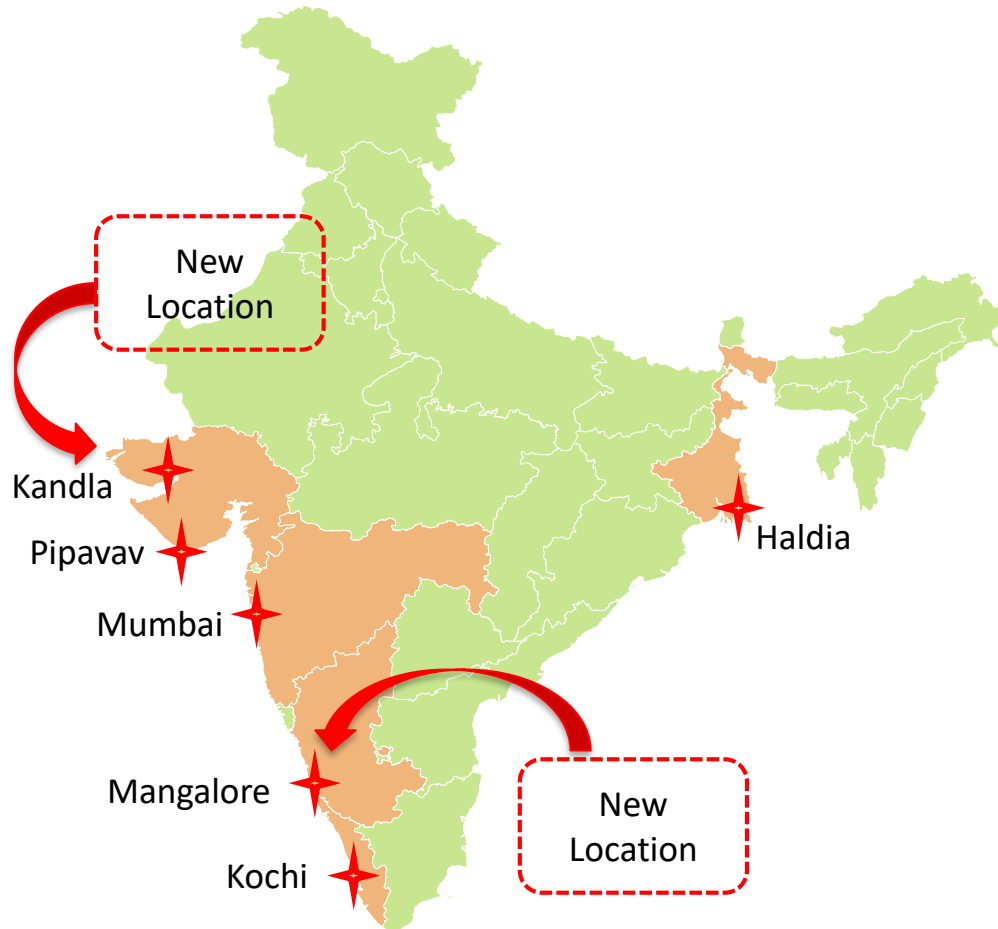
## LPG

- Refrigerated Gas Terminal in Mumbai
- Pressurized Gas Terminal in Pipavav
- Pipeline connectivity to Petchem plant
- Network of 107 Autogas stations in 7 states
- Network of 100 commercial distributors in 8 states
- LPG Sourcing JV with Itochu in Singapore



**Integrated Supply Chain Management**

# Our Strategy : Building a Necklace of Terminals around the coastline of India



## ✓ VLGC

- All Ports are Deep Water Ports to accommodate VLGC

## ✓ Pipelines

- Pipeline Facilities for Larger Customers

## ✓ Railways

- Railways available at Pipavav and can be set up at all ports except Mumbai

## ✓ Roadways

- Well developed Infrastructure to enable connectivity to the customers

# Strong Industry Partners



# Management Team

**Raj Chandaria**

Chairman & MD



**Anish Chandaria**

Vice Chairman & MD



**Sudhir Malhotra**

Group President & COO



**Rajiv Chohan**

President -Business Development



**Murad Moledina**

Chief Financial Officer



**K. S. Sawant**

President - Operations & Projects



Solid Foundations



# Consolidated Profitability Statement

Rs. In Cr.	Q1 FY18	Q1 FY17	Y-o-Y %
<b>Revenue</b>	<b>858</b>	<b>740</b>	<b>16%</b>
Cost of Sales	760	655	
Others	32	28	
<b>Normalized EBITDA (Segment) *</b>	<b>66</b>	<b>57</b>	<b>16%</b>
Finance, Hedging & Forex related Expenses (Net)	3	4	
Depreciation	6	6	
Unallocated Expenses	8	8	
<b>Profit Before Tax</b>	<b>49</b>	<b>39</b>	<b>26%</b>
Tax	2	7	
<b>Profit after Tax</b>	<b>47</b>	<b>32</b>	<b>47%</b>

\* Normalized EBITDA – Before Forex Hedging Related expenses

Financials as per IndAS

# Annual Consolidated Profitability Statement

Rs. In Cr.	FY17	FY16	Y-o-Y %
<b>Revenue</b>	<b>3,938</b>	<b>2,213</b>	<b>78%</b>
Cost of Sales	3,567	1,874	
Others	125	114	
<b>Normalized EBITDA (Segment) *</b>	<b>246</b>	<b>225</b>	<b>9%</b>
Finance, Hedging & Forex related Expenses (Net)	18	16	
Depreciation	23	22	
Unallocated Expenses	33	34	
<b>Profit Before Tax</b>	<b>172</b>	<b>153</b>	<b>12%</b>
Tax	38	27	
<b>Profit after Tax</b>	<b>134</b>	<b>126</b>	<b>6%</b>

\* Normalized EBITDA – Before Forex Hedging Related expenses

Financials as per IGAAP

# Consolidated Balance Sheet

Rs. In Cr.	Mar-17	Mar-16
<b>Shareholder's Fund</b>	<b>602</b>	<b>504</b>
Share Capital	33	33
Reserves & Surplus	569	471
<b>Minority Interest</b>	<b>29</b>	<b>39</b>
<b>Non-Current Liabilities</b>	<b>130</b>	<b>154</b>
Long Term Borrowings	77	109
Other Non Current Liabilities	53	45
<b>Current Liabilities</b>	<b>977</b>	<b>202</b>
Short Term Borrowings / Buyers Credit	177	47
Trade Payables	681	77
Other Current Liabilities	118	78
<b>Total Liabilities</b>	<b>1,738</b>	<b>899</b>

Rs. In Cr.	Mar-17	Mar-16
<b>Non-Current Assets</b>	<b>899</b>	<b>651</b>
Fixed Assets *	784	545
Non-Current Investments	-	-
Other Non-Current Assets	115	106
<b>Current Assets</b>	<b>838</b>	<b>248</b>
Inventories	22	12
Trade Receivables	706	97
Cash and Bank Balances	61	97
Other Current Assets	50	42
<b>Total Assets</b>	<b>1,738</b>	<b>899</b>

\* Including Goodwill on Consolidation  
Financials as per IGAAP

# Profit & Dividend Track Record

**Dividend  
Payout**

**32%**

**35%**

**44%**



**34%**

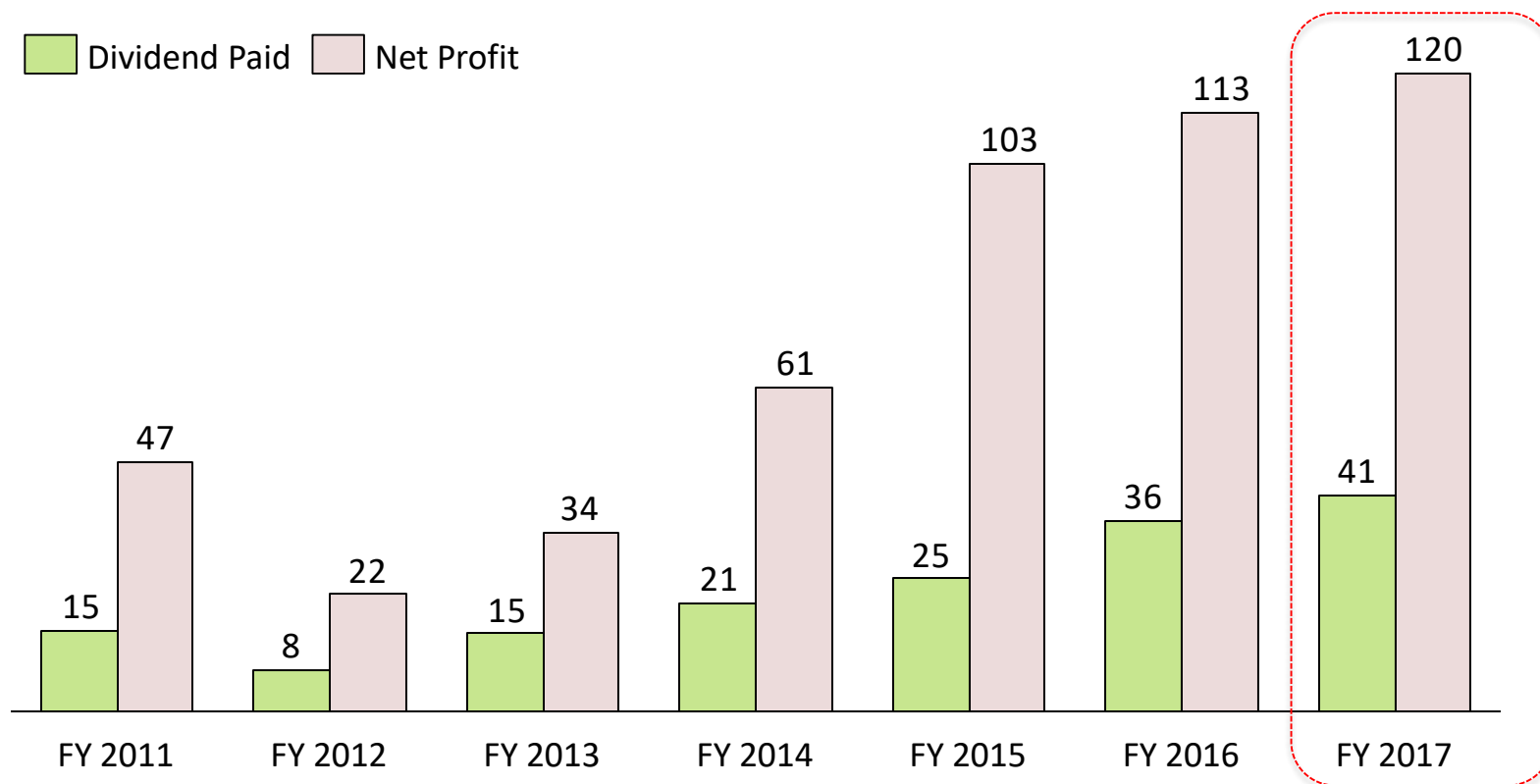
**24%**

**32%**

**34%**

Rs. In Cr.

 Dividend Paid  Net Profit



## For further information, please contact:

### Company :

**Aegis Logistics Limited**

CIN: L63090GJ1956PLC001032

Mr. Murad Moledina, CFO

[murad@aegisindia.com](mailto:murad@aegisindia.com)

[www.aegisindia.com](http://www.aegisindia.com)

### Investor Relations Advisors :

**Strategic Growth Advisors Pvt. Ltd.**

CIN: U74140MH2010PTC204285

Ms. Payal Dave / Mr. Jigar Kavaiya

[payal.dave@sgapl.net](mailto:payal.dave@sgapl.net) / [jigar.kavaiya@sgapl.net](mailto:jigar.kavaiya@sgapl.net)

[www.sgapl.net](http://www.sgapl.net)