



Earnings Presentation | Q1 FY24

Disclaimer

These materials have been prepared by Apollo Tyres Limited together with its subsidiaries (the “Company”), are for informational purposes only and do not constitute a prospectus or an offer document, or form part of an offer, solicitation or invitation of any offer to purchase or subscribe for any securities of the Company in any jurisdiction, nor should these materials or any part thereof form the basis of, or be relied upon in any connection with, any contract, commitment or investment decision whatsoever.

These materials have not been independently verified. No representation or warranty, expressed or implied, is made and no reliance should be placed on the accuracy, fairness or completeness of the information presented or contained in these materials. None of the Company or any of its directors, officers, affiliates, advisers or representatives accepts any liability whatsoever for any loss howsoever arising from any information presented or contained in these materials. The information presented or contained in these materials is subject to change without notice and its accuracy is not guaranteed.

These materials contain statements that constitute forward-looking or belief statements. These statements include descriptions regarding the intent, belief or current expectations of the Company or its management and information currently available with them including with respect to the consolidated results of operations and financial condition of the Company. These statements can be recognized by the use of words such as “expects,” “plans,” “will,” “estimates,” “projects,” “believes,” “intends,” or words of similar meaning. Such forward-looking statements are not guarantees of future performance and involve risks and uncertainties, and actual results may differ from those in the forward-looking statements as a result of various factors and assumptions. Neither the Company nor any of its advisors or representatives, on behalf of the Company assumes any responsibility or obligation to update or revise forward-looking statements to reflect future events or circumstances.

In no event shall the Company be responsible to any person or entity for any loss or damage, whether direct, indirect, incidental, consequential or otherwise, arising out of access or use or dissemination of information contained in this presentation, including, but not limited to, loss of profits. You acknowledge that you will be solely responsible for your own assessment of the market and the market position of the Company and that you will conduct your own analysis and be solely responsible for forming your own view of the potential future performance of the business of the Company.

No representation, warranty, guarantee or undertaking (express or implied) is made as to, and no reliance should be placed on, the accuracy, completeness or correctness of any information, including any projections, estimates, targets and opinions, contained herein, and no liability whatsoever is accepted as to any errors, omissions or misstatements contained herein and, accordingly, none of the Company, its advisors and representative and any of its or their affiliates, officers, directors, employees or agents, and anyone acting on behalf of such persons accepts any responsibility or liability whatsoever, in negligence or otherwise, for any loss or damage, direct, indirect, consequential or otherwise arising directly or indirectly from use of this presentation or its contents or otherwise arising in connection therewith.

This presentation includes certain industry data and projections that have been obtained from industry publications and surveys. Industry publications and surveys and forecasts generally state that the information contained therein has been obtained from sources believed to be reliable, but there is no assurance that the information is accurate or complete. Neither the Company nor any of its advisors or representatives have independently verified any of the data from third-party sources or ascertained the underlying economic assumptions relied upon therein. All industry data and projections contained in this presentation are based on data obtained from the sources cited and involve significant elements of subjective judgment and analysis, which may or may not be correct. For the reasons mentioned above, you should not rely in any way on any of the projections contained in this presentation for any purpose.

The distribution of these materials in certain jurisdictions may be restricted by law and persons into whose possession these materials comes should inform themselves about and observe any such restrictions.

THIS PRESENTATION AND INFORMATION CONTAINED HERE IS NOT INTENDED FOR PUBLICATION OR DISTRIBUTION IN, AND DOES NOT CONSTITUTE AN OFFER OF SECURITIES IN, THE UNITED STATES. NO SECURITIES OF THE COMPANY HAVE BEEN OR WILL BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED, OR WITH ANY SECURITY REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND, ACCORDINGLY, MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES EXCEPT PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT OR PURSUANT TO AN EFFECTIVE REGISTRATION UNDER THE SECURITIES ACT AND/OR ANY APPLICABLE U.S. STATE OR LOCAL SECURITIES LAWS.

By accessing this presentation, you accept that this disclaimer and any claims arising out of the use of the information from this presentation shall be governed by the laws of India and only the courts in New Delhi, India, and no other courts, shall have jurisdiction over the same.

Consolidated Financial Snapshot

Q1 FY24 Financial Performance

Revenue	EBITDA	EBITDA Margins
INR 62,446 Mn	INR 10,515 Mn	16.8%
Y-o-Y	Y-o-Y	Y-o-Y
+5.1%	+52%	+523 Bps
Net Profit	Net Profit Margins	Diluted EPS
INR 3,969 Mn	6.4%	INR 6.25
Y-o-Y	Y-o-Y	
+124%	+337 Bps	

FY23 Financial Performance

Revenue	EBITDA	EBITDA Margins
INR 245,681 Mn	INR 33,137 Mn	13.5%
Y-o-Y	Y-o-Y	Y-o-Y
+17%	+29%	+120 Bps
Net Profit	Net Profit Margins	Diluted EPS
INR 10,458 Mn	4.3%	INR 16.5
Y-o-Y	Y-o-Y	
+73%	+137 Bps	

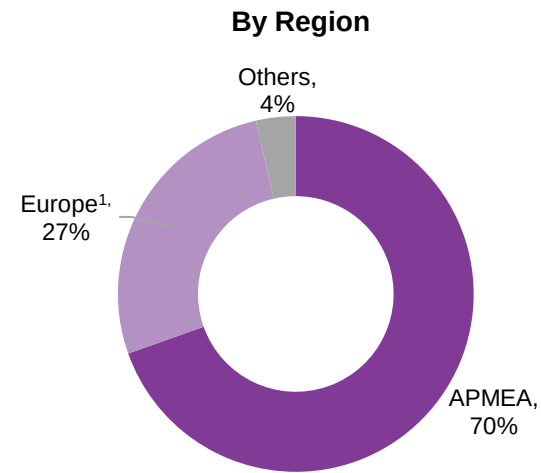
Q1 FY24 Operational Highlights

- Topline growth impacted by challenging demand environment across key markets
- In terms of volume performance, both India and Europe saw YoY decline
- However, despite subdued topline growth, reported strong improvement in operating margins, primarily on the back of robust performance in India
- Consolidated EBITDA margin at 16.8% was up 523 bps YoY and up 86bps QoQ

Performance Summary – YTDFY24

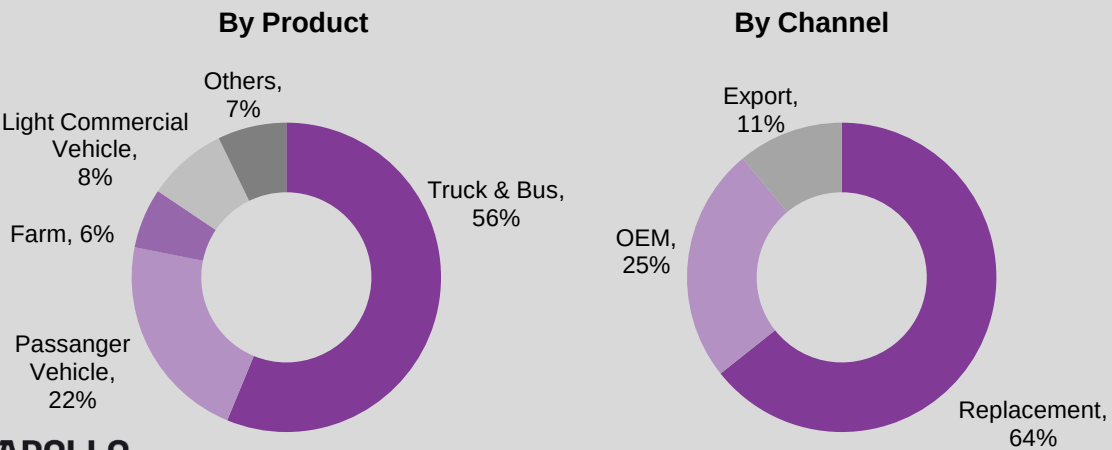
Consolidated Revenue	Consolidated EBITDA
~₹62 Bn	~₹10.5 Bn (16.8%)
Capacity Utilization	
India	Europe
75%	80%

Revenue Mix Consolidated – YTD FY24

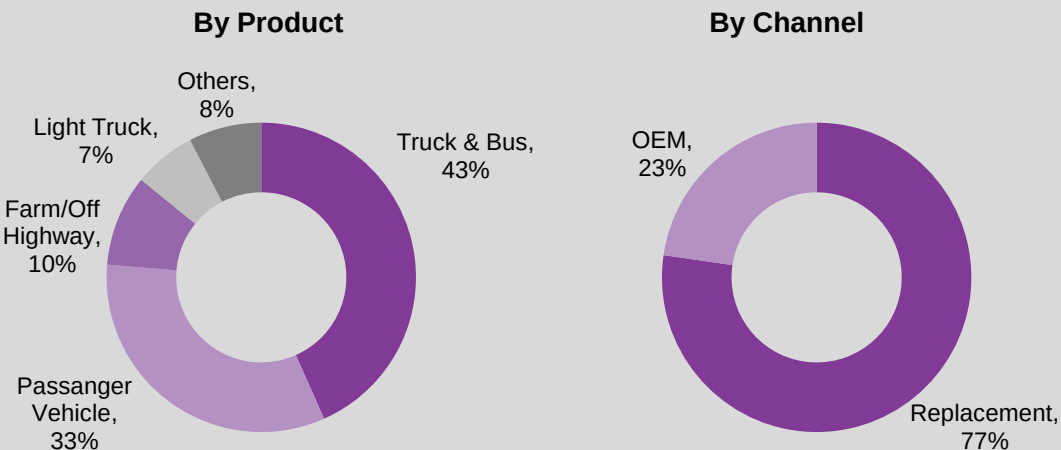


Note:
1. Europe Includes operations of ReifenCom

Revenue Mix Standalone – YTD FY24



Revenue Mix Consolidated – YTD FY24

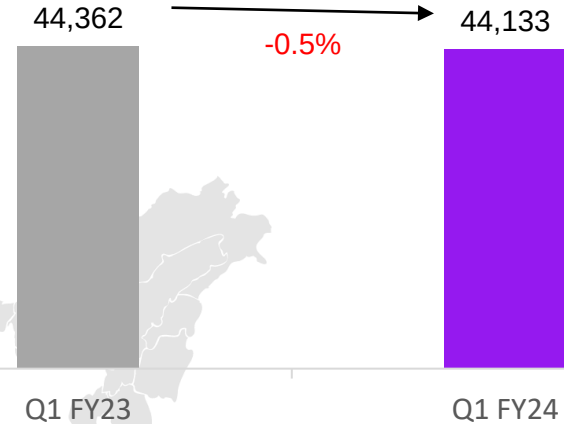


Operating Highlights – India

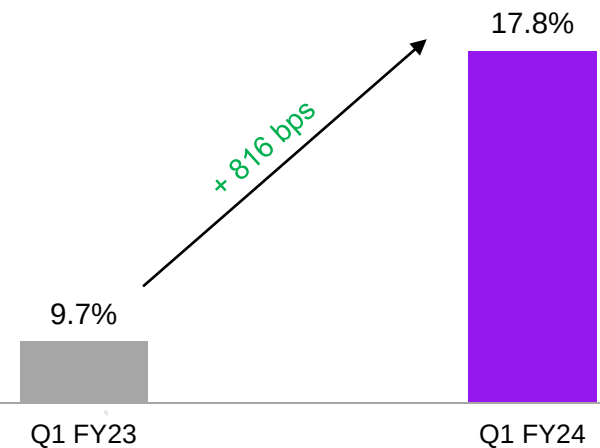
Q1 FY24

- On a YoY basis, overall volumes were down, impacted by decline in exports while both replacement and OEM segment volumes were largely flattish.
- On the positive side, registered QoQ volume growth across all product segments in replacement channel
- Pricing environment remained stable. We were able to maintain price advantage in replacement segment, gained in last few quarters
- Consequently, gross margin improved both YoY and QoQ
- Reported 816 bps improvement in EBITDA margin YoY (+188 bps QoQ), helped by lower RM costs and stringent cost control
- Expect the margin performance to remain healthy on back of correction in input prices and tight cost control

Revenue (₹ Mn)



EBITDA Margin (%)

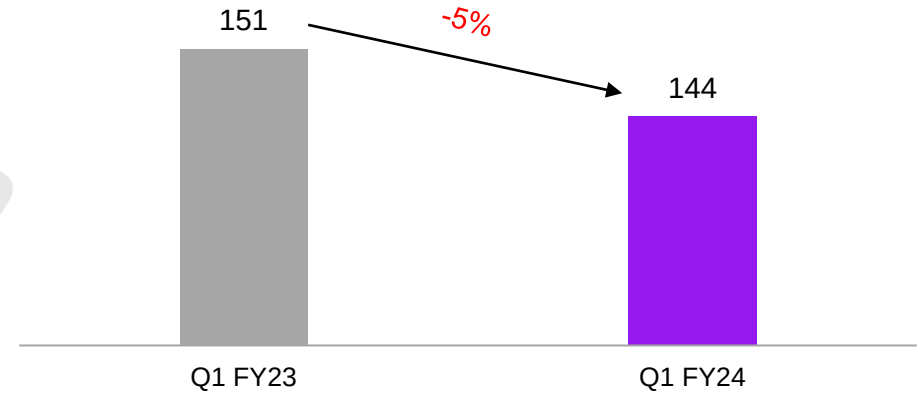


Operating Highlights – Europe¹

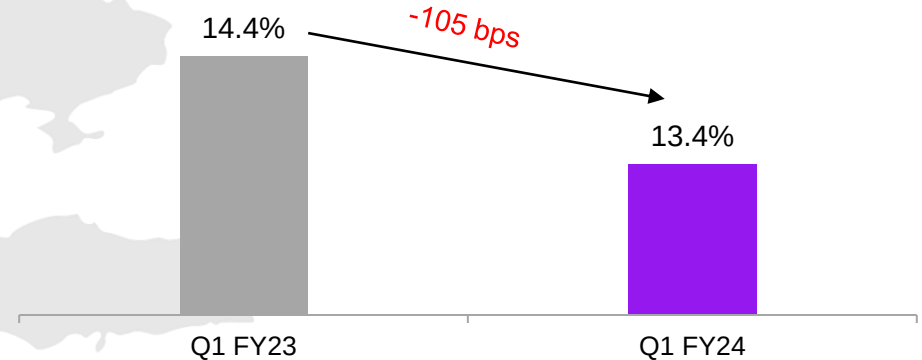
Q1 FY24

- PCLT market declined by ~13% (YoY), mainly on account of high channel inventory and mild winters. All season continued to outperform overall market with minimal decline
- Despite sluggish demand environment gained ~15bps market share in PCLT segment (YoY). Gained ~20 bps market share in OHT segment (YoY).
- Pricing environment remained stable during the quarter
- Registered gross margin improvement (YoY and QoQ)
- Reported EBITDA margin of 13.4%, -105 bps YoY / -474 bps QoQ. The decline in EBITDA margin was primarily due to lower topline
- In terms of outlook, the industry is expected to remain sluggish in near term. We will continue to focus on cost containment measures in near term.

Revenue (€ Mn)



EBITDA Margin (%)

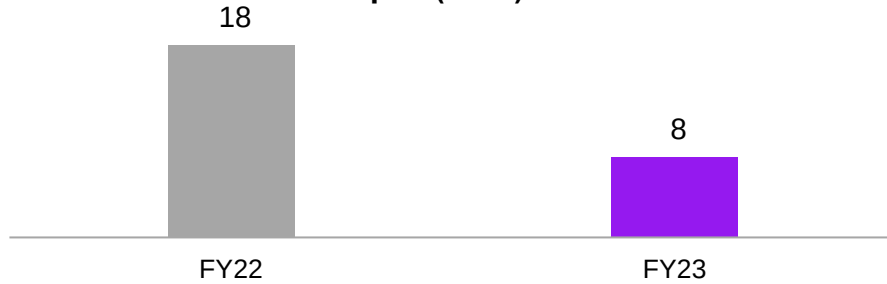


Notes:

1. Includes only sales and manufacturing operations, excl. Reifencom GmbH (Distribution business)

Consolidated Cash Flow & Balance Sheet Highlights

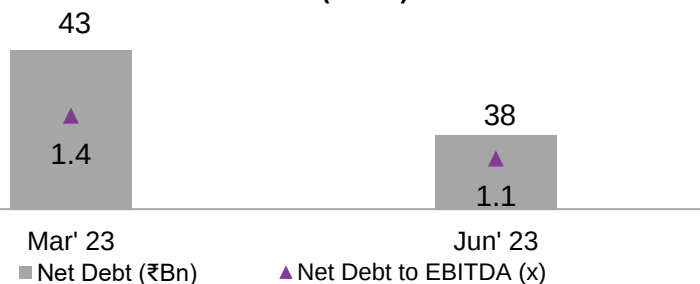
Capex (₹ Bn)



Free Cash flow (₹ Bn)

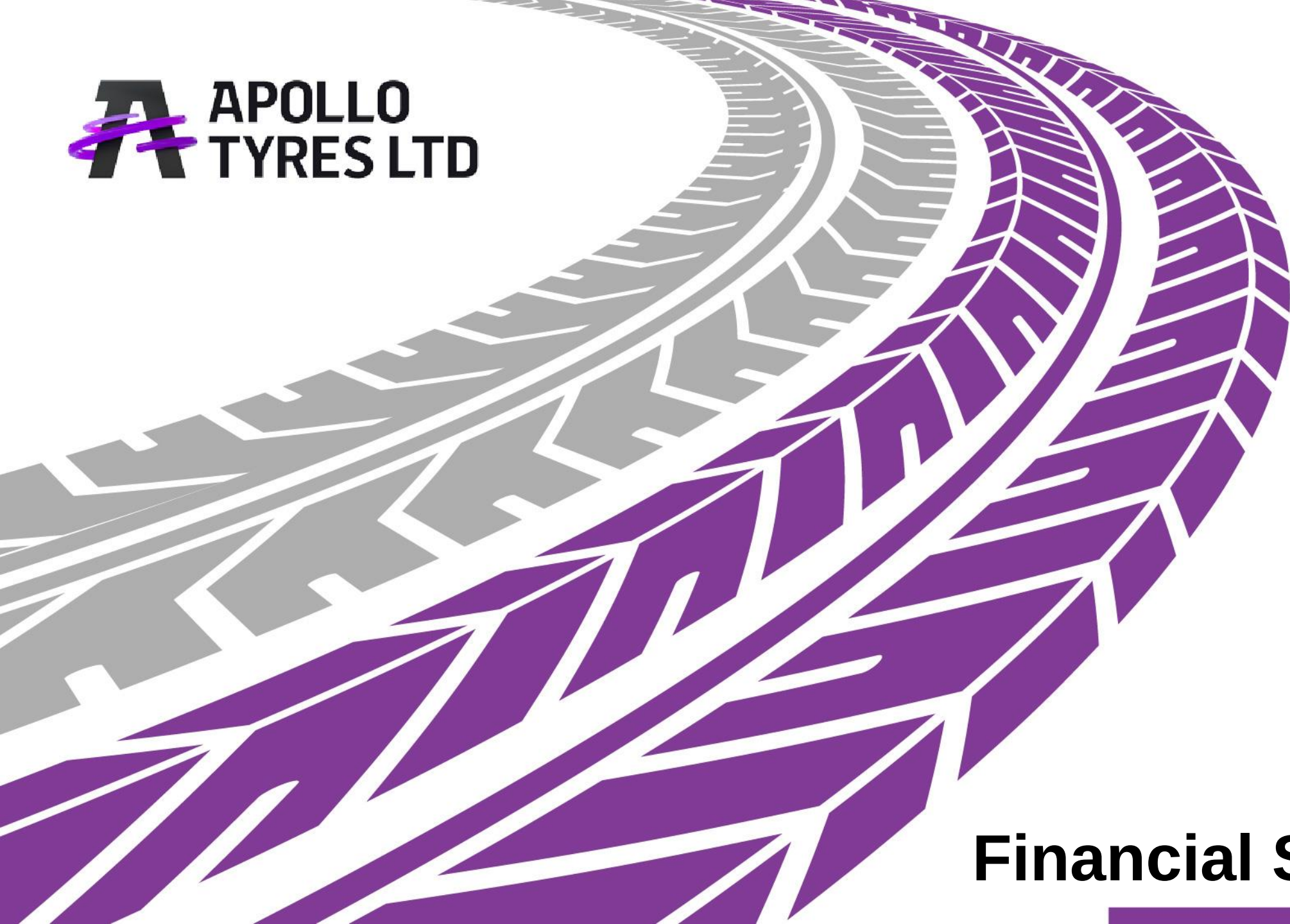


Net Debt (₹ Bn)



Key Highlights

- Capex in line with guidance.
- Registered free cash flow generation, helped by improvement in operating performance and judicious capex spends
- Net debt decreased from ₹ 43bn (Mar '23) to ₹ 38bn (Jun '23)
- The gross debt during the period also came down (₹ 56bn in Mar '23 to ₹ 54bn in Jun '23)



Financial Statements

Profit & Loss (Quarterly) – Consolidated

Particulars (₹ Mn)	Q1 FY24	Q1 FY23	Q4 FY23	% Change - YoY	% Change - QoQ
Revenues	62,446	59,420	62,473	5%	0%
Raw Material	34,319	35,840	35,370		
Staff Cost	7,388	6,453	6,882		
Other Costs	10,224	10,229	10,237		
EBITDA	10,515	6,898	9,985	52%	5%
EBITDA Margin (%)	16.8%	11.6%	16.0%		
Depreciation	3,620	3,437	3,724		
Other Income	355	106	169		
EBIT	7,250	3,567	6,429		
EBIT Margin	11.6%	6.0%	10.3%		
Interest	1,355	1,182	1,390		
Tax	1,795	611	1,163		
Exceptional Items	132	0	-226		
PAT	3,969	1,773	4,102		
PAT Margin (%)	6.4%	3.0%	6.6%		

Profit & Loss (Quarterly) – Standalone

Particulars (₹ Mn)	Q1 FY24	Q1 FY23	Q4 FY23	% Change - YoY	% Change - QoQ
Revenues	44,133	44,362	43,662	-1%	1%
Raw Material	26,690	31,211	27,329		
Staff Cost	2,782	2,604	2,678		
Other Costs	6,794	6,259	6,692		
EBITDA	7,867	4,288	6,964	83%	13%
EBITDA Margin (%)	17.8%	9.7%	15.9%		
Depreciation	2,260	2,155	2,421		
Other Income	286	289	172		
EBIT	5,892	2,421	4,714		
EBIT Margin	13.4%	5.5%	10.8%		
Interest	1,099	1,058	1,183		
Tax	1,635	453	1,142		
Exceptional Items	132	0	0		
PAT	3,027	910	2,389		
PAT Margin (%)	6.9%	2.1%	5.5%		



For further details please feel free to get in touch with the IR team

Himanshu Sharma
Head – IR & Budgeting
himanshu.sharma1@apolloyres.com

Thank you

