

August 04, 2020

The National Stock Exchange of India Limited
Exchange Plaza", 5th Floor,
Plot No. C/1, G Block,
Bandra-Kurla Complex, Bandra (East),
MUMBAI – 400 051

Department of Corporate Services/Listing
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
MUMBAI – 400 001

NSE Symbol: APOLLOPIPE

SCRIP Code: 531761

Dear Sir/Madam,

Re: Intimation under Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 - Result Presentation

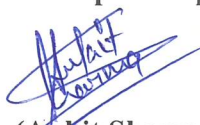
In reference to the captioned subject, please find enclosed herewith a copy of "Q1 FY21 Earnings Presentation".

This presentation has also been uploaded on the official website of the Company.

You are requested to kindly take the same on records.

Yours Truly

For Apollo Pipes Limited



(Ankit Sharma)
Company Secretary



Encl: a/a

APOLLO PIPES LIMITED

Regd. Office: 37, Hargobind Enclave, Vikas Marg, Delhi-110092, India
Corporate Office : A-140, Sector-136, Noida-201301 (U.P.), India
Manufacturing Unit : Dadri (U.P.), Ahmedabad (Gujarat), Bengaluru (Karnataka), India
Tel: 0120-2973411 | Toll Free No. : 1800-121-3737 | Email: info@apollopipes.com
Website : www.apollopipes.com | CIN : L65999DL1985PLC022723



APOLLO PIPES LTD.

Q1FY21 Earnings Presentation

August 4, 2020



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.



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Company Overview

Apollo Pipes at a glance



Among the top 10

leading PVC pipe manufacturers in
India



84,000 MTPA

Capacity* as on 31st March
2020



4

Manufacturing Plants



170+

Distributors

500+

Dealers



1,000+

Products



14%

5-year Volume
CAGR



19%

5-year Revenue
CAGR



29%

5-year PAT
CAGR

Presence across Sectors

Agriculture Segment

- Casing pipes
- Drip irrigation &
- Sprinkler system



Water Management Segment

- Hot & cold potable water distribution & transportation
- Residential, commercial installations



Oil & Gas Segment

- Conveying edible oils and chemicals & corrosive fluids



Construction Segment

- Bore well pipes
- Sanitation & Sewage pipes
- Plumbing Pipes



Telecom Ducting Segment



Apollo Pipes - key focus area



Product Portfolio - Diversified Basket of 1,000+ Products

uPVC PIPING SYSTEM



PIPES

uPVC PIPES

uPVC COLUMN PIPES

FITTINGS

uPVC RING FIT PIPES

uPVC RIBBED SCREEN PIPES

uPVC PLUMBING PIPING SYSTEM

uPVC AGRI FITTINGS

DRAINAGE
PIPES AND
FITTINGS

cPVC PIPING SYSTEM



PIPES

SOLVENT CEMENT

FITTINGS

PVC
CEMENTuPVC
CEMENTCPVC
CEMENT

HDPE PIPING SYSTEM



OPTICAL FIBRE PIPES

WATER STORAGE
SOLUTIONS

IRRIGATION PIPES

SPRINKLER PIPES



RESIDENTIAL

COMMERCIAL

AGRI

PLASTIC TAPS/ FAUCETS/SHOWERS



FAUCETS

CISTERNS AND SEAT
COVERS

SHOWERS

ALLIED



RESIDENTIAL

VARIETY

DURABLE

Success Milestones

- Commenced PVC pipe manufacturing operations
- Established 3,000 MTPA plant in Sikanderabad, U.P.
- Started manufacturing uPVC Plumbing fittings with 180 MTPA capacity
- Commenced manufacturing cPVC Pipes & fittings using Remone, France resin
- Started manufacturing uPVC agri and SWR fittings
- Largest plastic piping solution company
- Installed capacity of molding division enhanced to 2,700 MTPA
- Concluded promoter infusion of Rs. 202 crore through issuance of Equity Shares and fully convertible warrants on Preferential basis
- Concluded the strategic acquisition of Kisan Mouldings' manufacturing unit in Bengaluru
- Successful listing of Company's shares on NSE



- Started manufacturing HDPE pipes
- Setup new plant at Dadri – UP of Capacity – 21000 MTPA
- 1st Company to start manufacturing of patented uPVC column pipes in North India
- First in North India to install 900 kg/hr PVC extension line
- Expanded capacity by 10,000 MTPA
- Took total available capacity to 50,000 MTPA
- Purchased a land with building in Noida to develop Apollo Pipes' corporate office
- Introduced a brand new product range of premium plastic faucets, taps, showers and accessories

Robust 5-year CAGR

(FY16 – FY20)

14%
growth in Sales Volume

24%
growth in EBITDA

29%
growth in PAT

Experienced Management Team

Mr. Sameer Gupta

Managing Director

B.Com Honors from Delhi University (SRCC)

Mr. Sameer Gupta joined the family business in the year 2000 and established the PVC Pipes unit business

Under his leadership, the Company continues to reach newer heights, nurturing the values of Hard Work, Commitment to Quality, Excellence & Growth

Mr. Sanjay Gupta

Non- Executive Chairman

Mr. Sanjay Gupta is the second generation of the entrepreneurial family

Holds a rich experience of over 3 decades in the steel & pipe industry

Mr. A.K. Jain

CFO

Chartered Accountant
ICAI,
20 Years in the field of Finance and Accounting

Mr. Manoj Sharma

Senior General Manager (Sales)

B. Sc,
25 Years into Plastic Pipes Sales & Marketing

Mr. V.S. Verma

Senior General Manager (Business Development)

BE(EEE),
23 Years Experience in field of Project
Engg., Product Development & Procurement

Mr. N.S. Rana

General Manager (Production)

B.Sc & CIPET,
30 Years into Plastic Pipes Processing

Strong governance and Management

Board of Directors		
Promoter Directors	Non Executive Directors	Independent Directors
Mr. Sameer Gupta <i>Managing Director</i>	Mr. Sanjay Gupta <i>Chairman</i> Mr. Saket Agarwal <i>Director</i>	Mr. Pradeep Kumar Jain <i>Independent Director</i> Ms. Neeru Abrol <i>Independent Director</i> Mr. Abhilash Lal* <i>Independent Director</i>

* Joined as on March 22, 2020

Our Environment, Social, Governance and Safety Policy

- **Cost Savings and Energy conservation are one of the key focus areas for Apollo Pipes**

- Installed rooftop solar plant at Dadri for optimum utilisation of energy
- Evaluating opportunities to install rooftop solar plants at Ahmedabad and Bengaluru in the near future
- Organized various awareness programmes for Shop-floor manpower to ensure optimum utilization of energy across plants
- Complete in-house set-up for re-use of Polymer Waste ensuring nil environmental pollution

- **Social Welfare of the Society**

- Funds and efforts towards Education and Welfare of orphaned and abandoned children and Health Care of the unprivileged
- Associated with Bharat Lok Shiksha Parishad ("BLSP") and FCS Foundation to include scholarship programme for meritorious students who are socially backward and under-privileged

- **Effective safety policy and regular safety audits conducted regularly**

- RO and water softening plant facilitating safe consumption of water
- Regular workshops & training for machine operations / handling & safety
- Mechanized Finished Goods movement
- Usage of masks and safety gears for plant personnel



- **Highest standards of corporate governance practices**

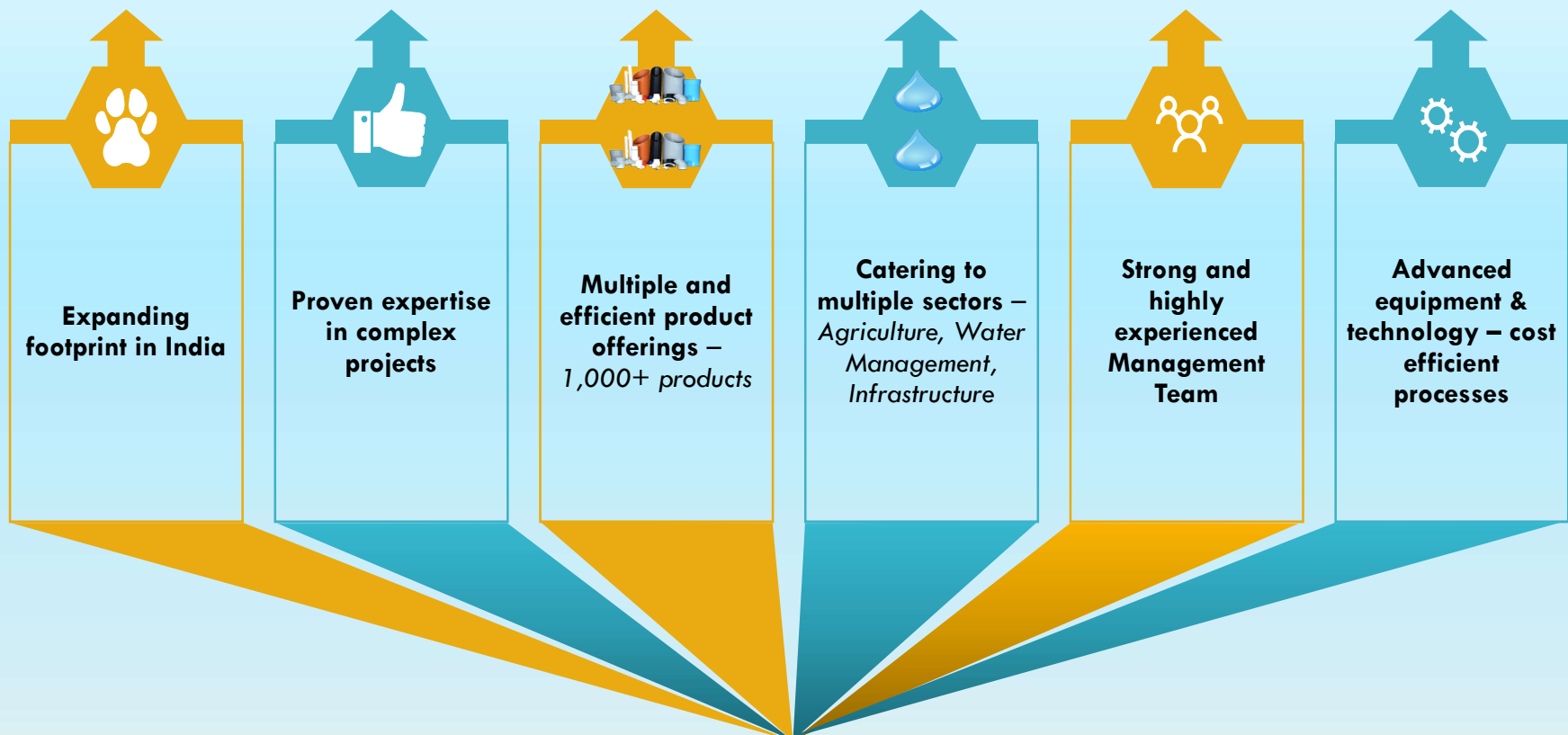
- Maintains high levels of transparency, accountability in all its interactions with its stakeholders including shareholders, employees, lenders and the government

GROWTH LEVERS

12

APLAPOLLO
PIPING SYSTEMS
Made for life

Key Business Strengths



Strengthening distribution network across India to augment presence and improve market penetration

Enjoys a dominant and leading presence in North India

Tapping newer markets to reduce inventory cost for Distributors & Dealers

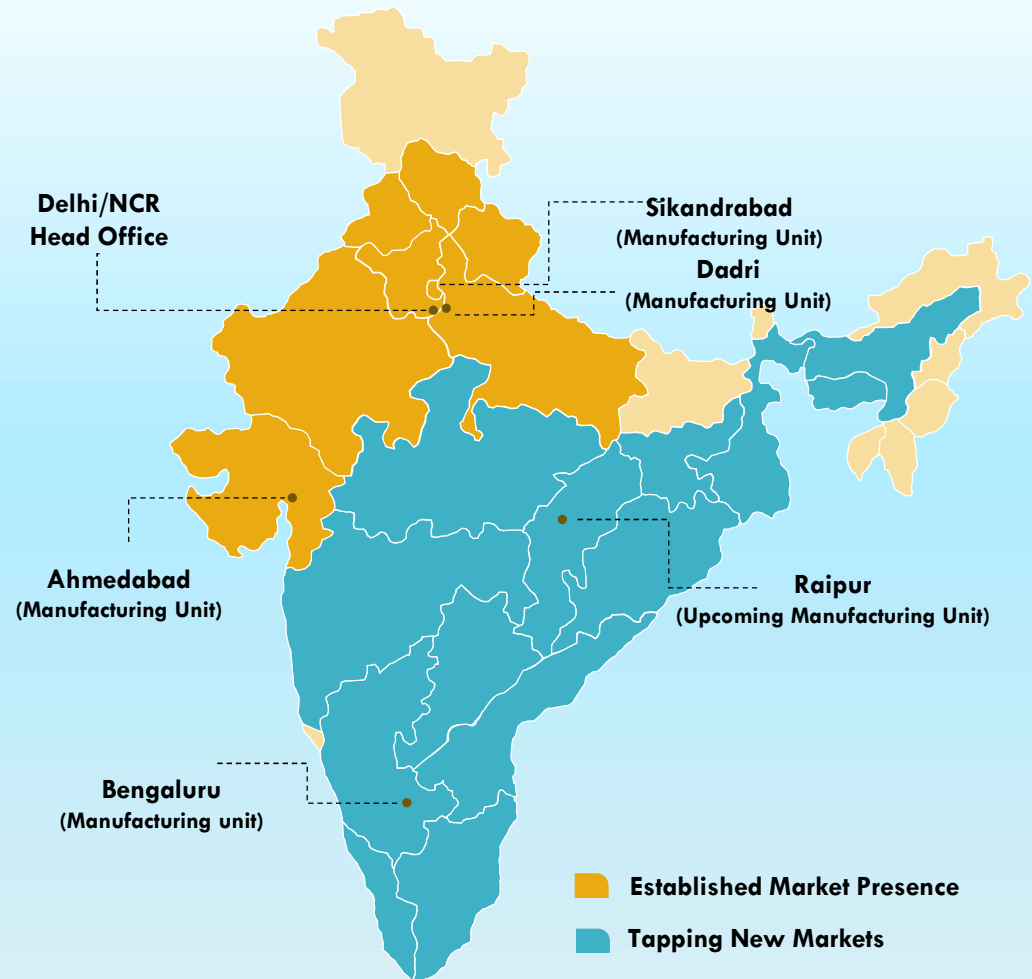
Extensive distribution network significantly reduces delivery time to 48 hours (from 10-12 days)

170+

Distributors

500+

Dealers

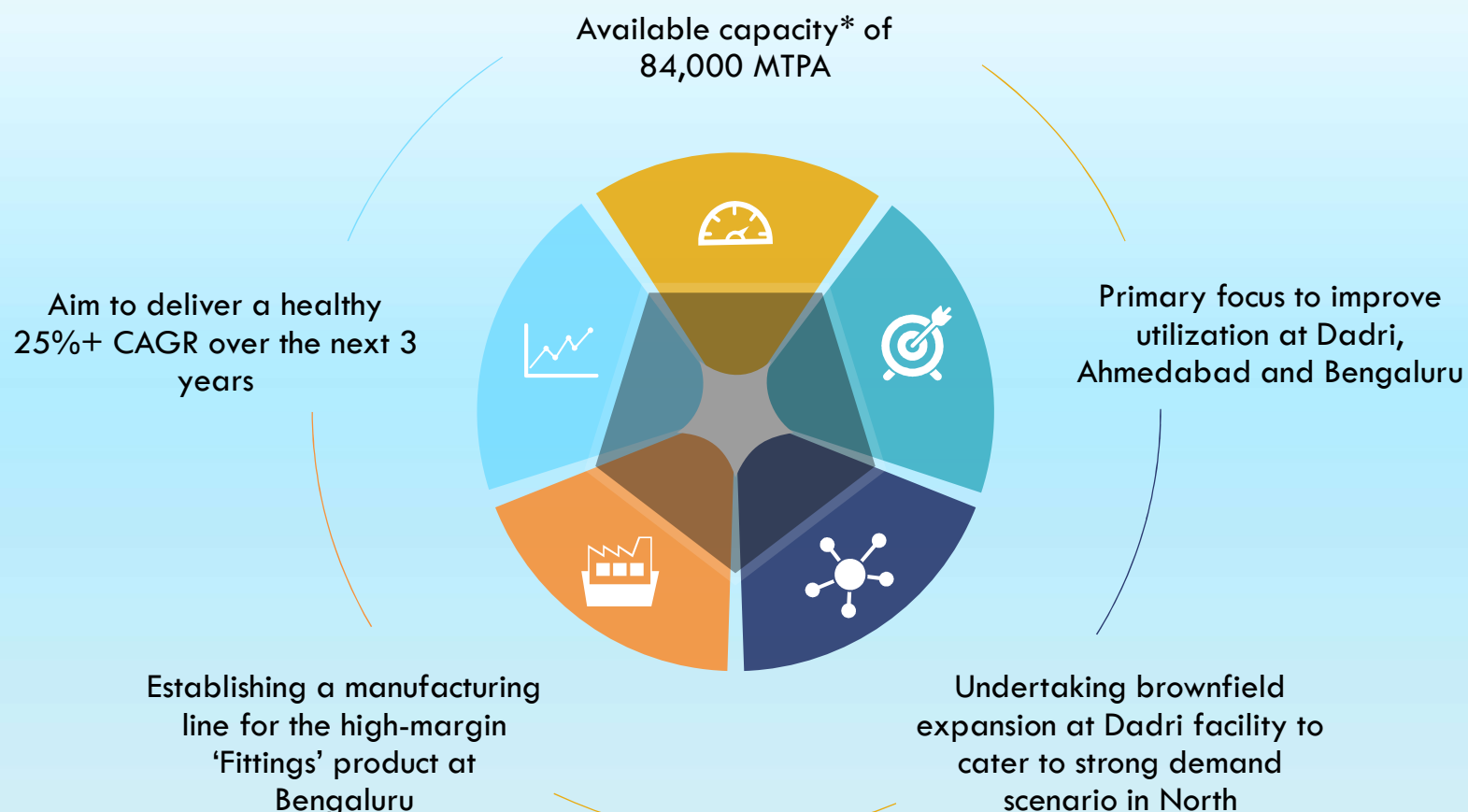


Diversified Product Portfolio with total offerings at 1,000+, aiming to achieve 2,000+ products to the basket

- Range of products manufactured at the technologically-advanced manufacturing facility at Dadri, Ahmedabad, Bengaluru and Sikandrabad
- Emphasis on innovation: One of the first companies to launch “Super Lock System” pipes in the country - Awarded 10 year patent for the innovative product
- Launched ‘Plastic Faucets, Taps and Showers’ in the domestic market – to drive higher brand visibility through New Products



Capacity Expansion to aid long-term growth plan – to achieve 90,000 MTPA in FY21



* Includes acquired 12,000 MTPA capacity unit in Bengaluru

Efficiently leverage the 'APL Apollo' brand reach and recall to drive higher growth

The 'APL Apollo' Brand Edge enables better reach and product competitiveness



Branding Activities – Sports sponsorship

Principal Sponsor of Pro Kabbaddi League

IPL TVC – Principal sponsor of Delhi Capitals

Branding sponsor of 'India vs West Indies' cricket series

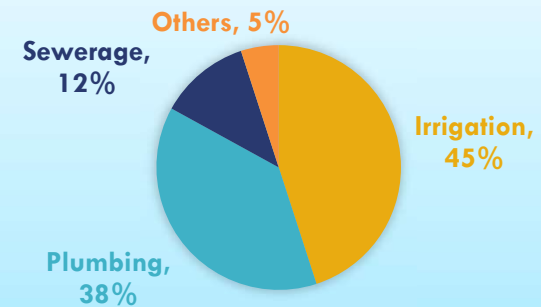
MACRO GROWTH DRIVERS

PVC pipe industry

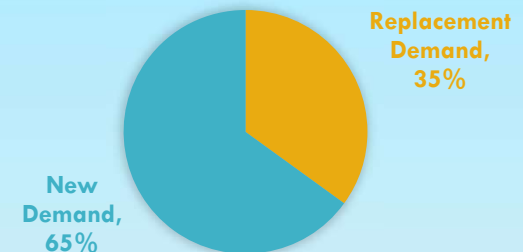
The Indian PVC pipes and fittings market expected to register 15% CAGR during FY18 - FY26

- The domestic plastic pipes industry size at ~Rs. 315B
- Organized players account for ~60% market share
- Key features of plastic pipes against other pipes
 - Lightweight
 - Ease of transportation
 - Longer life span
- Key growth drivers:
 - Government's push for cleanliness and sanitation to boost water management sector
 - Increased Building of affordable houses and growing housing demand
 - Requirement for infrastructure for irrigation and water supplies

DEMAND SEGMENTATION – DOMESTIC INDUSTRY



DEMAND SPLIT – DOMESTIC INDUSTRY



At the Forefront of multiple sector trends

Urban Infrastructure & Construction



- Infrastructure push - plumbing and distribution requirements
- Water Management, Waste Management, Water Drainage & Sewerage System
- 'Housing for All' scheme and 'Smart Cities' scheme to drive demand
- Govt targeted construction of 20M and 40M houses in urban and rural areas, by 2022
 - One unit in the urban area nearly consumes 200 kg of PVC products
 - Rural house consumes ~75kg

Water Management



- Rehabilitation of aging pipelines and installation of new pipes in transportation of liquids offers a significant opportunity
- Government focus on providing clean water, clean cities with well-organized plans for sewage removal and efficient transport facilities
- National Rural Drinking Water Mission (NRDWM) to create a safe drinking water program

Agriculture Focus



- Improving irrigation schemes for farmers
- Water Table Depletion – increase in bore well activities leading to higher demand of larger diameter pipes
- Increase in land under irrigation for food production
- Increasing agriculture focus will have better demand for irrigation and thus demand for PVC pipes

Future Outlook



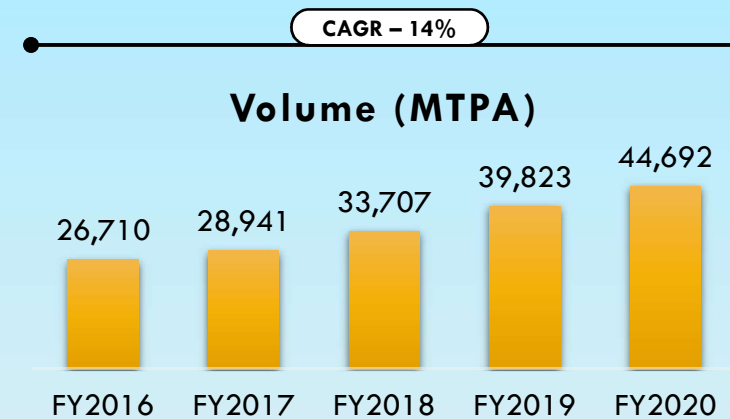
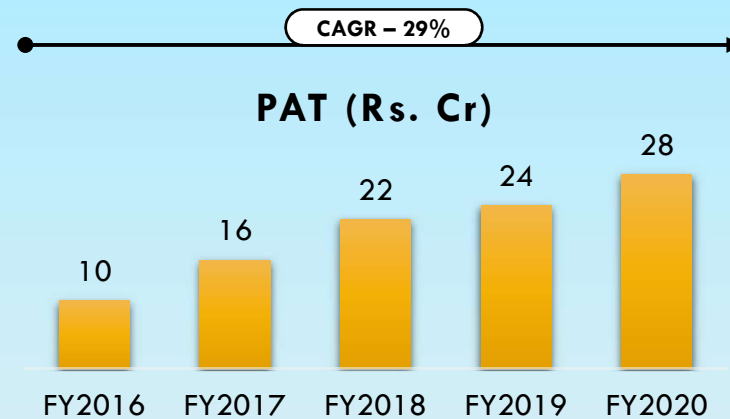
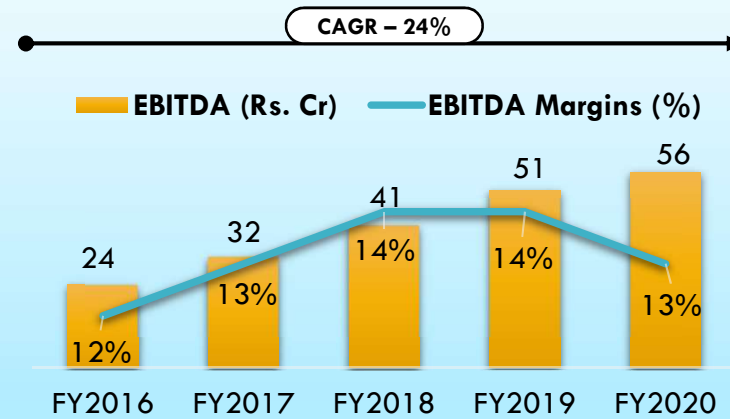
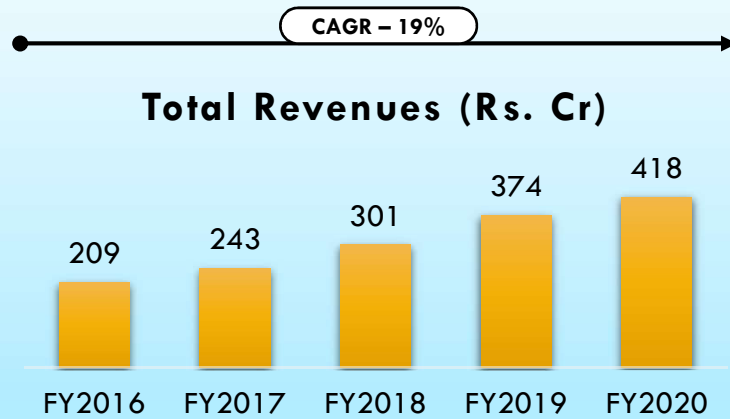
Focus Areas for FY20 & FY21





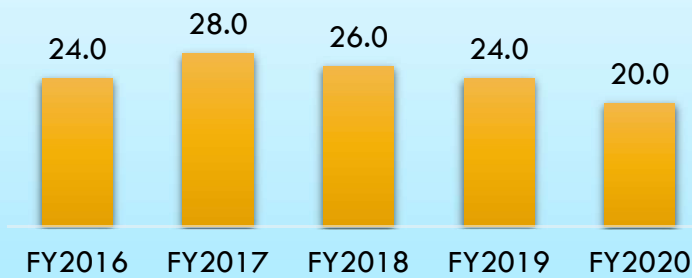
5-Year Financial Highlights

Financial Trend

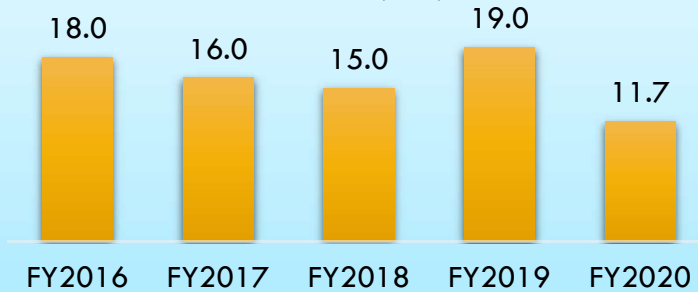


Financial Trend

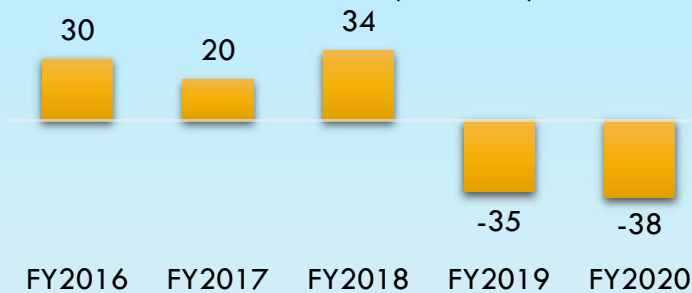
ROCE (%)



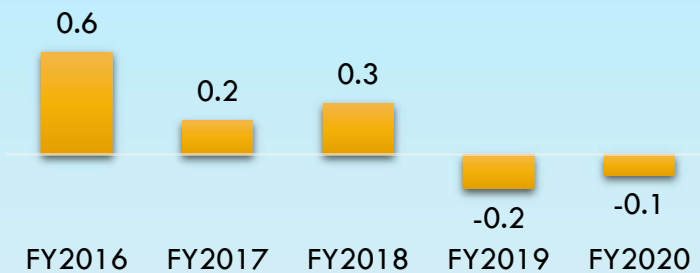
ROE (%)



Total debt (Rs. Cr)



Debt to Equity (x)



5-year Financial Track-record

Particulars	FY2016	FY2017	FY2018	FY2019	FY2020
Net Worth (Rs. Cr)	55.0	91.4	113.3	229.8	306.5
Capex for the year (Rs. Cr)	12.2	9.1	17.1	48.2	59.3
Inventory (Rs. Cr)	13.7	22.7	44.3	52.3	82.4
Inventory Days	24	34	55	53	74
Debtors (Rs. Cr)	29.5	34.2	38.5	35.8	59.4
Debtor Days	45	45	42	31	45
Creditor (Rs. Cr)	8.8	18.9	39.0	36.1	68.0
Creditor Days	15	29	49	36	61
Net Working Capital (Rs. Cr)	34.4	38.0	43.9	51.9	73.8
Net Working Capital Days	54	50	48	48	58
Dividend Per Share (Rs)	0		0	1	0
Dividend Payout Ratio	0%	0%	0%	10%	0%

Operational & Financial Highlights Q1FY21

Q1 FY21 at a glance



84,000

Capacity* as on 31st March
2020



170+

Distributors

500+

Dealers



1,000+

Products



10,633 MTPA

Volume



6.2 cr

EBITDA



2 cr

Net Profit



64

Net WC days



20 (%)

ROCE in FY20

- Includes acquired 12,000 MTPA capacity unit of Kisan Mouldings in Bengaluru

Q1 FY21 Highlights



Resilience

Resumed operations in a phased manner post 24 April 2020 after assessing the local situation

Utmost consideration to the health & safety of people

Strong recovery in volumes in May-June 2020

Q1FY21 volume growth of 9% QoQ backed by increased sales to agri sector

EBITDA margin was impacted due to negative operating leverage and decline in PVC prices/inventory devaluation

Emerged stronger

Maintained cash conversion cycle despite lockdown

Supported by actions on working capital

Balance sheet remains strong with surplus cash on books

Future ready

Operated at elevated capacity utilization levels in June 2020

Planned capex of up to Rs120mn for new plant in Raipur, Chhattisgarh

New plant will help boost sales in Central and East India

Marginal brownfield expansions at all existing plants to improve product portfolio

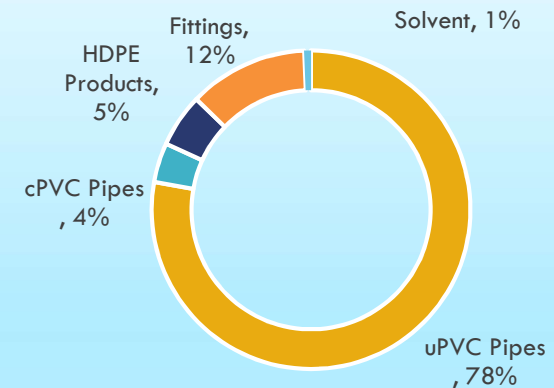
All capex to be funded from internal cash flows

Key Financial & Operational Parameters

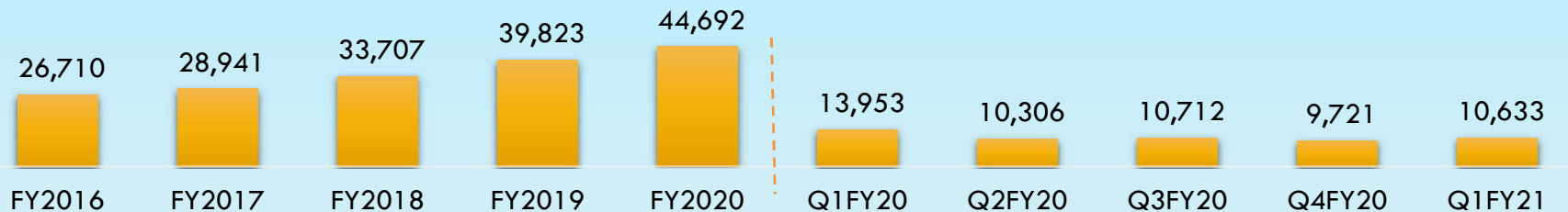
Product-wise Revenue Breakup

Particulars (Rs. crore)	Q1 FY21	Q1 FY20	Y-o-Y Shift
uPVC Pipes	67.2	88.9	-24%
cPVC Pipes	3.4	3.7	-7%
HDPE Products	4.7	7.4	-36%
Fittings	10.5	15.3	-32%
Solvent	0.6	0.5	12%
Others	6.2	1.6	275%
Total	92.5	117.3	-21%

Product Revenue (excluding Others segment) Break-up – Q1FY21



Sales Volume MT



Abridged P&L Statement

Particulars (Rs. crore)	Q1 FY21	Q1 FY20	Y-o-Y Shift	Q4 FY20	Q-o-Q Shift
Sales Volume	10,633	13,953	-24%	9,721	9%
Total Revenue From Operations	92.5	117.3	-21%	94.1	-2%
Total Expenditure					
Raw Material expenses	72.7	85.4	-15%	65.7	11%
Employee benefits expense	5.2	6.0	-14%	6.9	-25%
Other expenses	8.5	10.8	-21%	11.1	-24%
EBITDA	6.2	15.2	-59%	10.5	-41%
<i>EBITDA margin (%)</i>	7%	13%	-626 BPS	11%	-431 BPS
Other Income	2.1	2.4	-10%	2.6	-19%
Finance Costs	2.1	1.2	74%	2.0	8%
Depreciation and Amortization	3.4	2.6	31%	3.7	-10%
PBT	2.9	13.8	-79%	7.4	-61%
Tax expense	0.9	4.0	-78%	1.3	-31%
Net Profit	2.0	9.8	-80%	6.2	-68%
<i>Net margin (%)</i>	2%	8%	-622 BPS)	7%	-440 BPS
Diluted EPS (Rs.)	1.53	6.79	-77%	4.28	-64%

Conclusion



Key Takeaways

Aiming capacity upgradation to the tune of 90,000 MTPA

Target to achieve 25%+ sales volume growth CAGR over next three years

Value-added product categories to provide impetus to volumes and profitability

Increased market presence and improving distributor network to address demand across pan-India

Leveraging 'APL Apollo' brand reach and recall to drive higher growth in business

About Us

Apollo Pipes (BSE: 531761; NSE: APOLLOPIPE), is among the top 10 leading piping solution providing Company in India. Headquartered in Delhi, the Company enjoys strong brand equity in the domestic markets. With more than 3 decades of experience in the Indian Pipe Market, Apollo Pipes holds a strong reputation for high quality products and a an extensive distribution network.

Equipped with state-of-the-art infrastructure, the Company operates large manufacturing facilities at Dadri and Sikandrabad—UP, Ahmedabad – Gujarat and Tumkur – Karnataka, with a total capacity of 84,000 MTPA. The multiple and efficient product profile includes over 1,000 product varieties of cPVC, uPVC, and HDPE pipes, PVC taps and fittings, Solvent Cement and Water Storage Tanks of the highest quality. The products cater to an array of industrial applications such as Agriculture, Water Management, Construction, Infrastructure, and Telecom ducting segments. The Company's extensive distribution network spreads across 500 dealers and over 170 distributors.

For further information, please contact:

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Thank You

