

AERON COMPOSITE LIMITED

Advanced Composite solutions

For sustainable future

Investor Presentation

November 2024

https://www.aeroncomposite.com

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AERON - LEADING THE FUTURE OF COMPOSITE SOLUTIONS



Business Summary



Established in 2011, manufactures and supplies Fiber Glass Reinforced Polymer (FRP) products



The range of FRP products includes **Pultruded** Products, Moulded Gratings, and Rods



Product advantage includes corrosion and chemical resistance, high strength, lightweight and ease of application



The company provides comprehensive solutions encompassing design, prototype development, testing, manufacturing, logistics, installation, and after-sales service



ISO 9001:2015 certified manufacturing facility with in-house R&D unit registered with the Department of Scientific & Industrial Research



"Two Star Export House" recognition under the Foreign Trade Policy 2023

Financial	High	lights

(During the FY 2023-24)

Rs	2	0	0	Cr

Rs 15.5 Cr

Rs 10.1 Cr

Revenue

EBITDA

PAT

7.8%

33.2%

32.2%

EBITDA Margin

ROE

ROCE

Operational Highlights



输 18,845 MT



Products

Installed Capacity

Team Size



26,320 Sq. mtr



Exports

Manufacturing Unit Area

Customers across Globe

FRP (Fiber-reinforced polymer)
Providing long lasting and
new age 'GREEN' solution to aging
Infrastructure

PIONEERING EXCELLENCE: AMONG INDIA'S LARGEST

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COMPOSITE PROVIDERS

FIBER GLASS REINFORCED POLYMER PULTRUDED PRODUCTS

Applications: In industrial structures, utility poles, railway structures, chemical processing plants, and safety equipment due to their high strength-to-weight ratio, corrosion resistance, and durability, offering advantages over steel and other metals



FRP/GRP Structural Profiles



FRP/GRP Cable Tray

FRP Poles



FRP Deck



FRP Ladder



FRP Handrails



FRP Cross Arm FRP Fencing

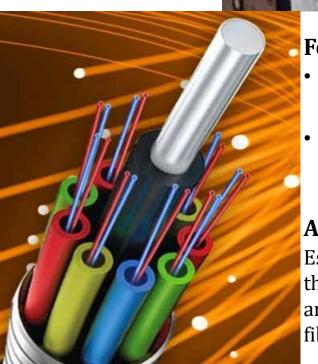
FRP Rods

Applications

Provides support and protection to delicate optical fibers in optic fiber cables

Benefits

Lightweight, Nonmagnetic, Corrosionresistant



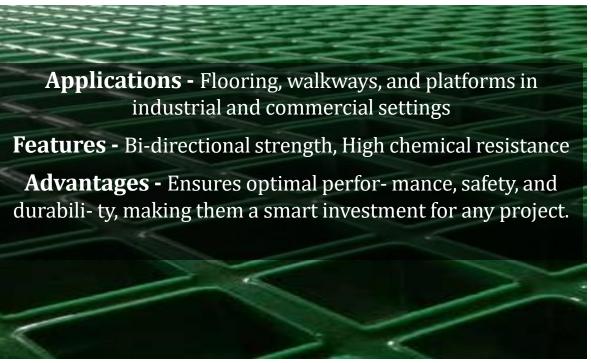
Features

- Minimal impact on cable weight
- Reduces
 electromagnetic
 interference

Advantages

Essential for maintaining the structural integrity and performance of optic fiber networks

FRP Moulded Gratings





ADVANTAGES OF FRP/GRP/FIBERGLASS





Corrosion/Chemical Resistance



High Strength



Light Weight





Thermal Non Conductivity



EMI/RFI Transparent



Ease of Fabrication



Low Life Cycle Cost



Less Environmental Impact



Termite Proof



Flame Retardant

COMPARISON WITH CONVENTIONAL MATERIALS



	Aeron FRP	Steel	Aluminium	Timber
Corrosion Resistance	High	Low	Medium	Low
Strength	High	High	High	Low
Weight	Low	High	Low	Medium
Electrical Conductivity	Low	High	High	Moderate
Thermal Conductivity	Very Low	High	High	Low
EMI/RFI Transparency	Yes	No	No	Yes
Fabrication	Easy	Easy	Moderate	Easy
Life Cycle Cost	Low	Moderate	Moderate	High
Environmental Impact	Low	High	High	Low



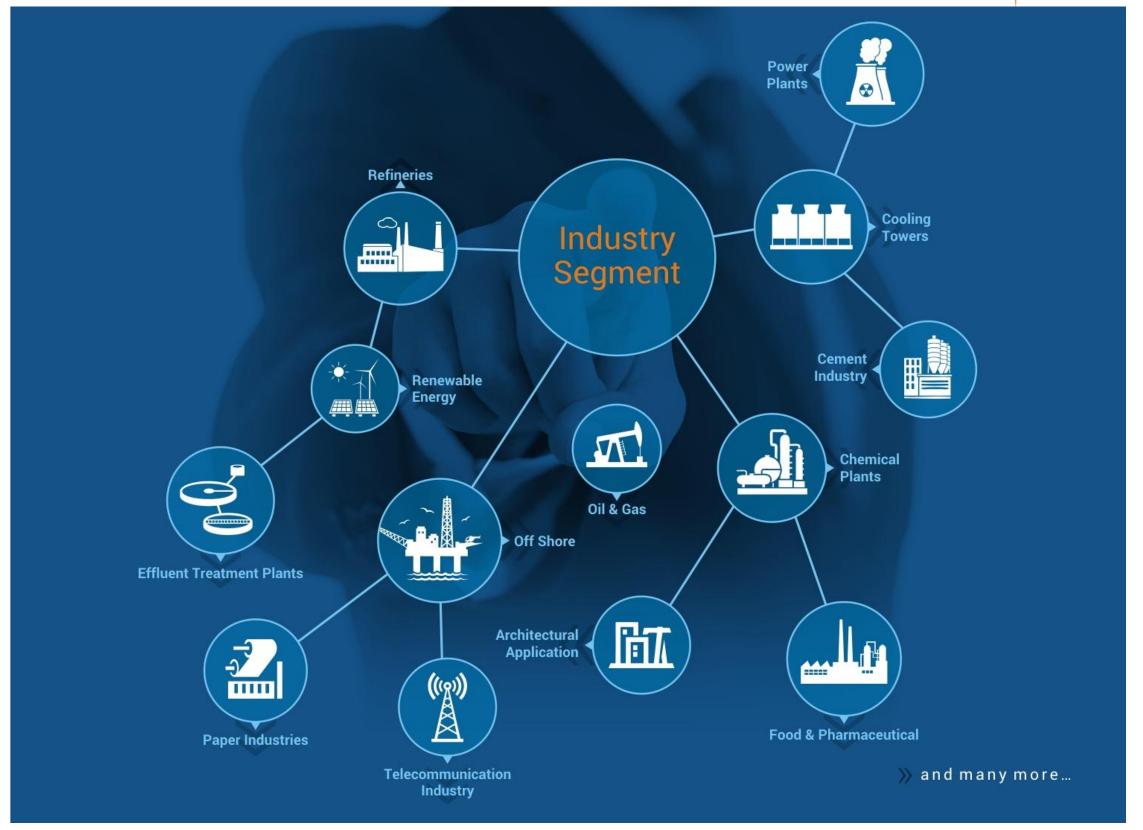




LEADING TO DIVERSE APPLICATION PORTFOLIO



Aeron Composite Ltd. boasts a diverse application portfolio, serving a wide range of industries including telecommunications, oil & gas, and renewable energy. The company's ability to tailor its FRP solutions to specific industry requirements demonstrates its versatility and expertise. This diverse application portfolio positions Aeron as a preferred partner for clients seeking customized and reliable FRP products



SERVING INTERNATIONAL AND DOMESTIC CLIENTS



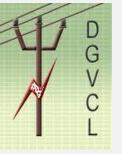






















































SRF























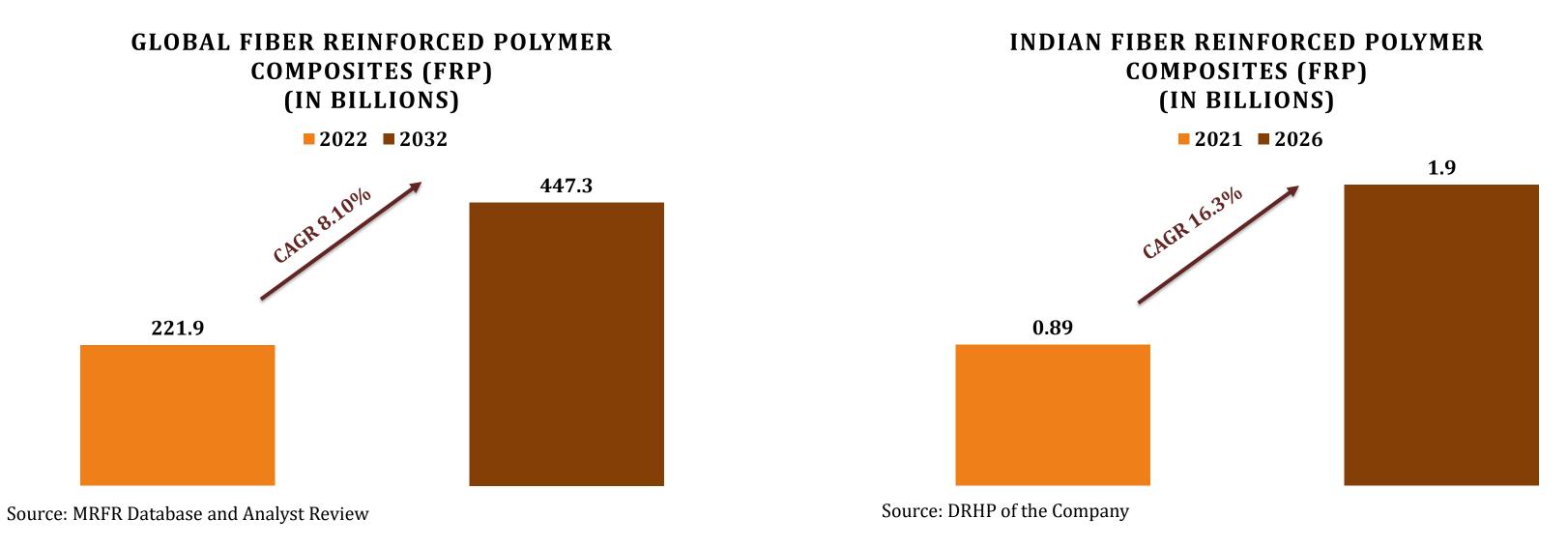




STRONG INDUSTRY TAILWINDS



India's composite sector is experiencing rapid growth, positioning the country favorably in the global market





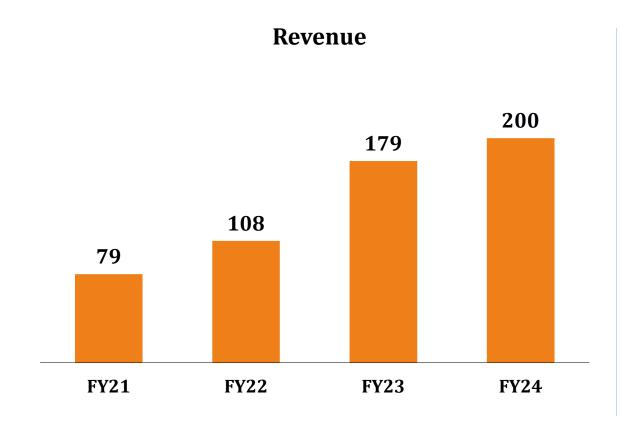
By 2027, India's composite material consumption is projected to reach 768,200 tonnes due to superior performance characteristics.

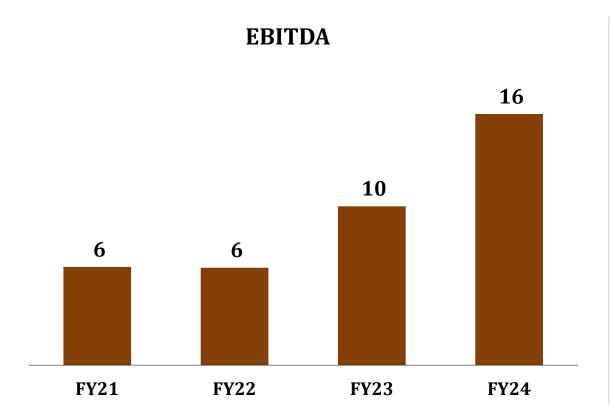


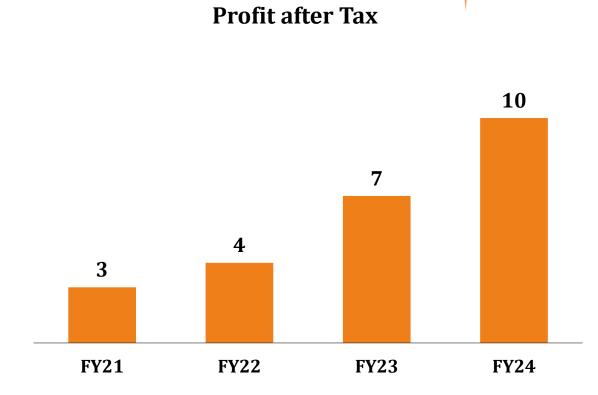
Asia Pacific, led by India and China, is expected to dominate global composite material demand, supported by Asia Pacific, led by mula and Gima, is expected to transfer favourable FDI policies and government regulations.

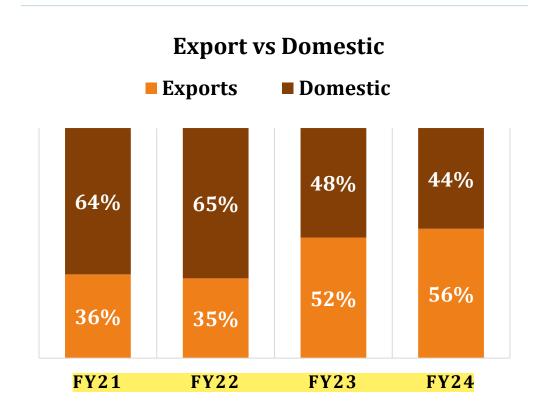
CREATING SUPERIORS SHAREHOLDER VALUE (1/2)

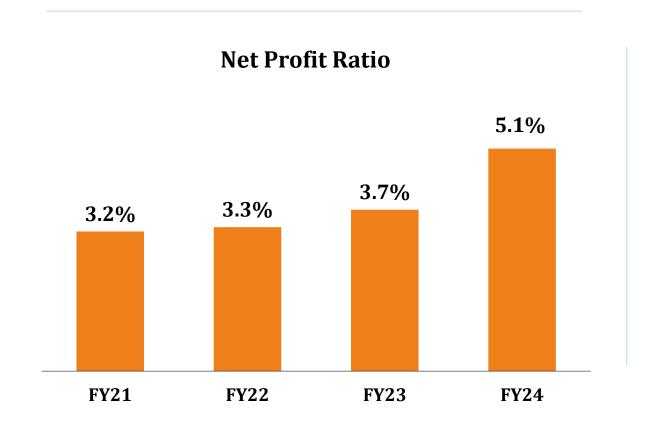


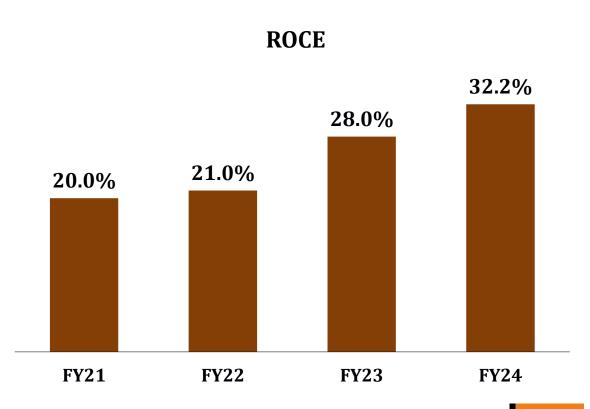










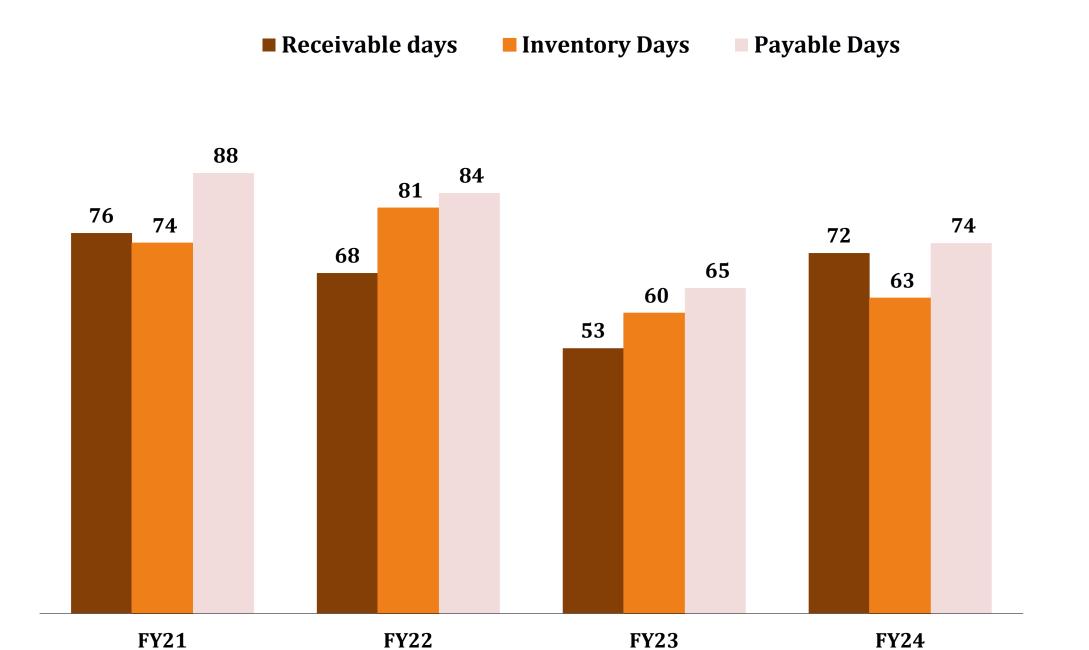


(In ₹Cr except percentages and ratios)

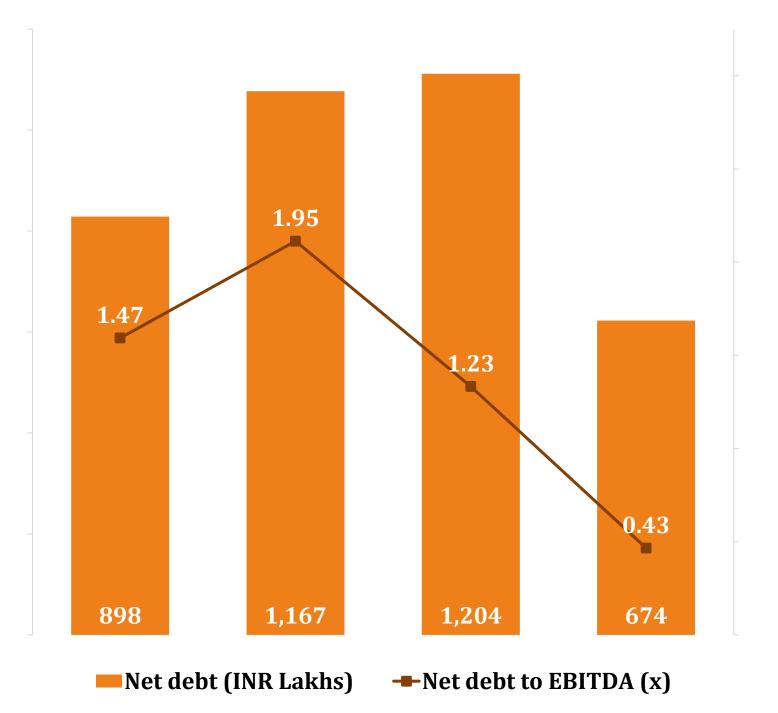
CREATING SUPERIORS SHAREHOLDER VALUE (2/2)





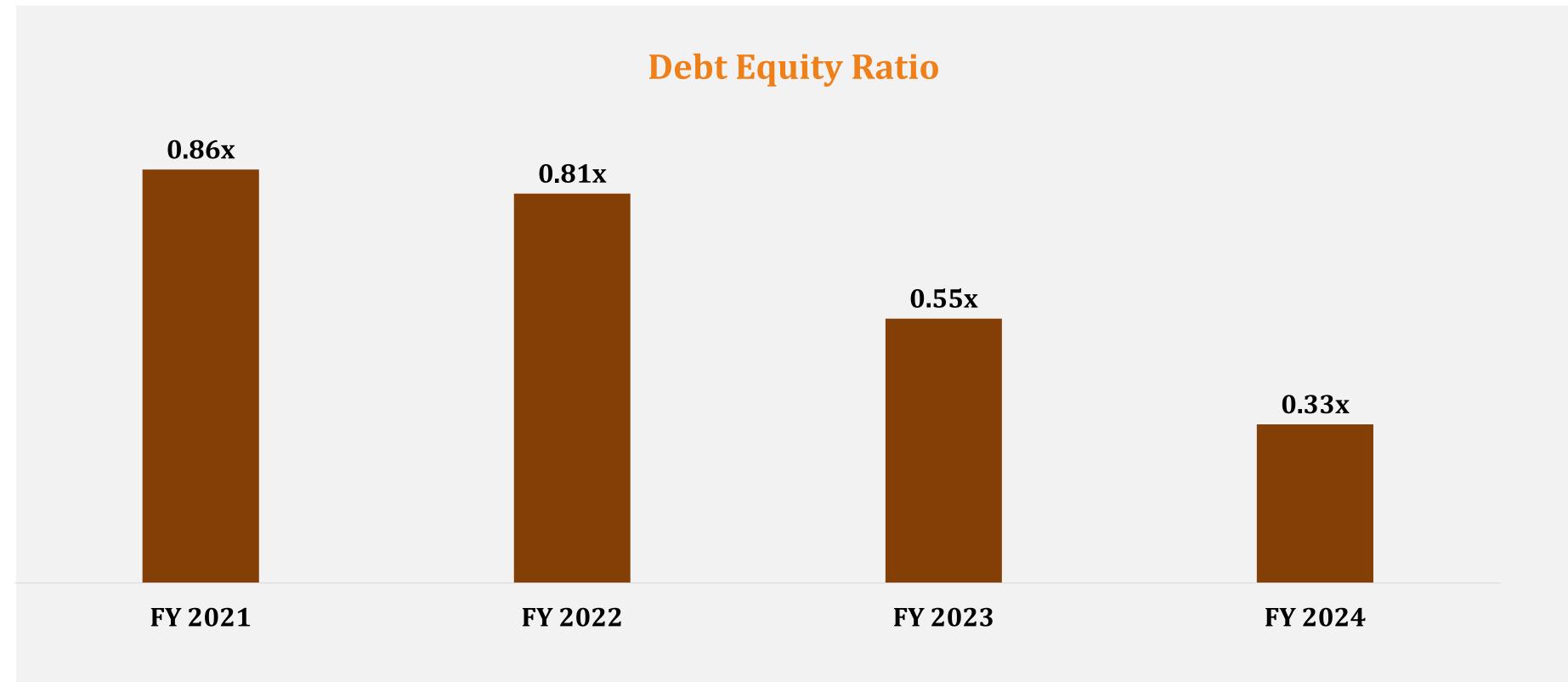


Net Debt Ratios



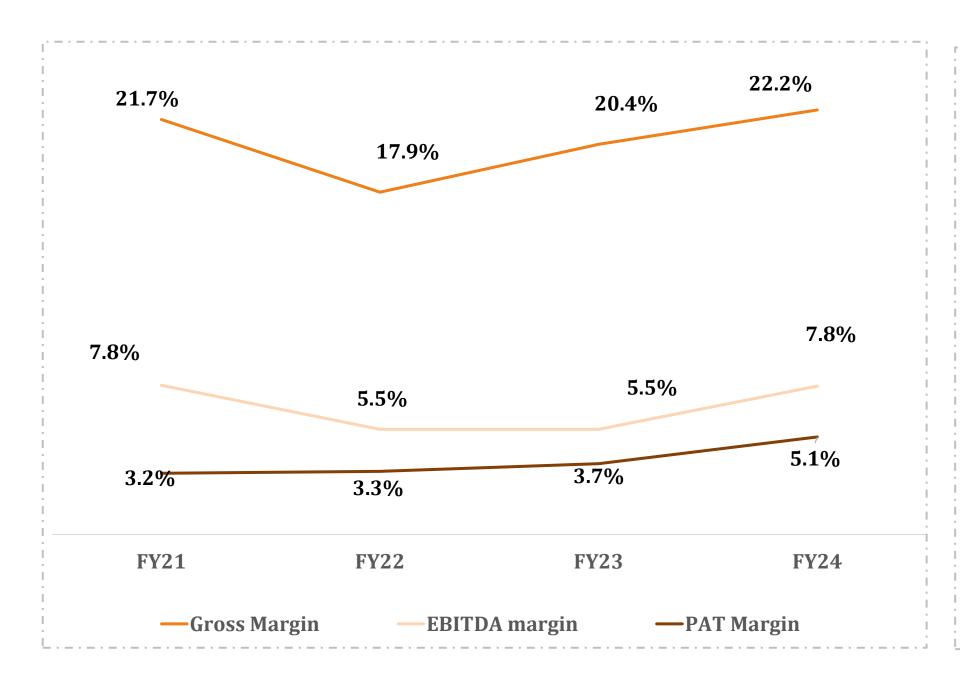
STRENGTHENING BALANCE SHEET

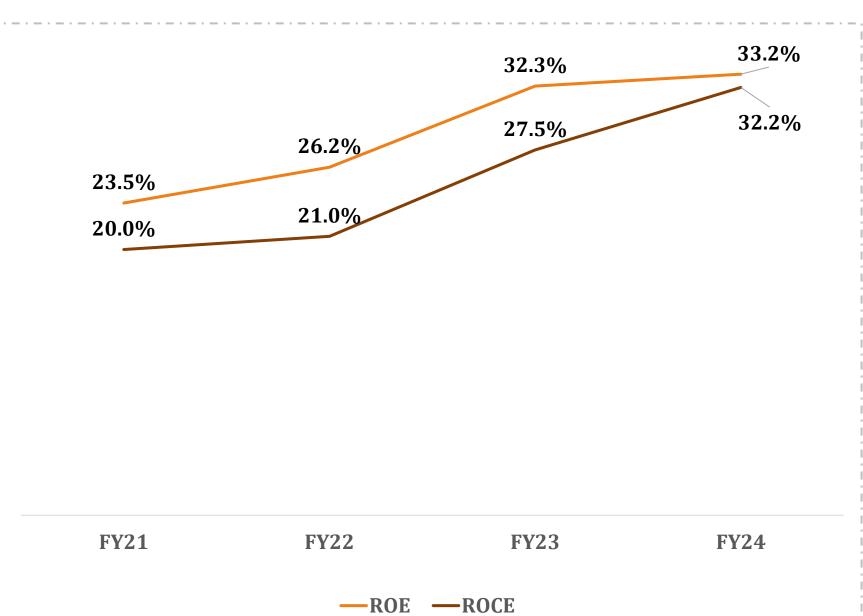




MAINTAINING STRONG MARGINS







COMPETITIVE ADVANTAGES



Diversified Market, Revenue from various countries across the Globe

Aeron's diversified global presence, with significant revenue from top countries like India, USA, Australia, UK, and Qatar, strengthens their market position and mitigates domestic risks

Diverse range of Fiber Glass Reinforce Polymer Products

Aeron manufactures a diverse range of durable, low-maintenance FRP products for industries such as telecommunications, oil & gas, refineries, renewable energy, and chemicals

Branding and promotional activities

Aeron's increased branding and promotional efforts, including participation in national events and trade portals, have enhanced their visibility in the FRP products industry

Consistent focus on quality

Aeron's commitment to quality, ensured by a dedicated team and ISO 9001:2015 accreditation, drives consumer satisfaction and long-term brand loyalty

Experienced Senior Management

Experienced promoters bring a combined **expertise of 80+ years in the industry**, driving growth and strategic development

STRATEGIC PRIORITIES



01

Setup of new integrated manufacturing unit

Currently in the process of setting up a new manufacturing unit in Mehsana district of Gujarat, measuring 51,671 sq. mtr, which is owned by the company

02

Augmenting growth in domestic and global markets

Market products to 30+
countries and gradually
intend to expand
business operations to
other counties across the
world

03

Continue to invest in R&D capabilities

Dedicated team of 15
Employees in Research &
Development department
and further as part of their
strategy, Aeron intend to
enrich its R&D unit for
existing and new line of
products at the proposed
unit

04

Continue to strengthen our existing product portfolio and diversify into new product lines

Product portfolio consists of various FRP products and Aeron is stepping into manufacturing of FRP Rebar and Carbon Fibre Product also, thereby expanding their existing product base to achieve the growth in its business

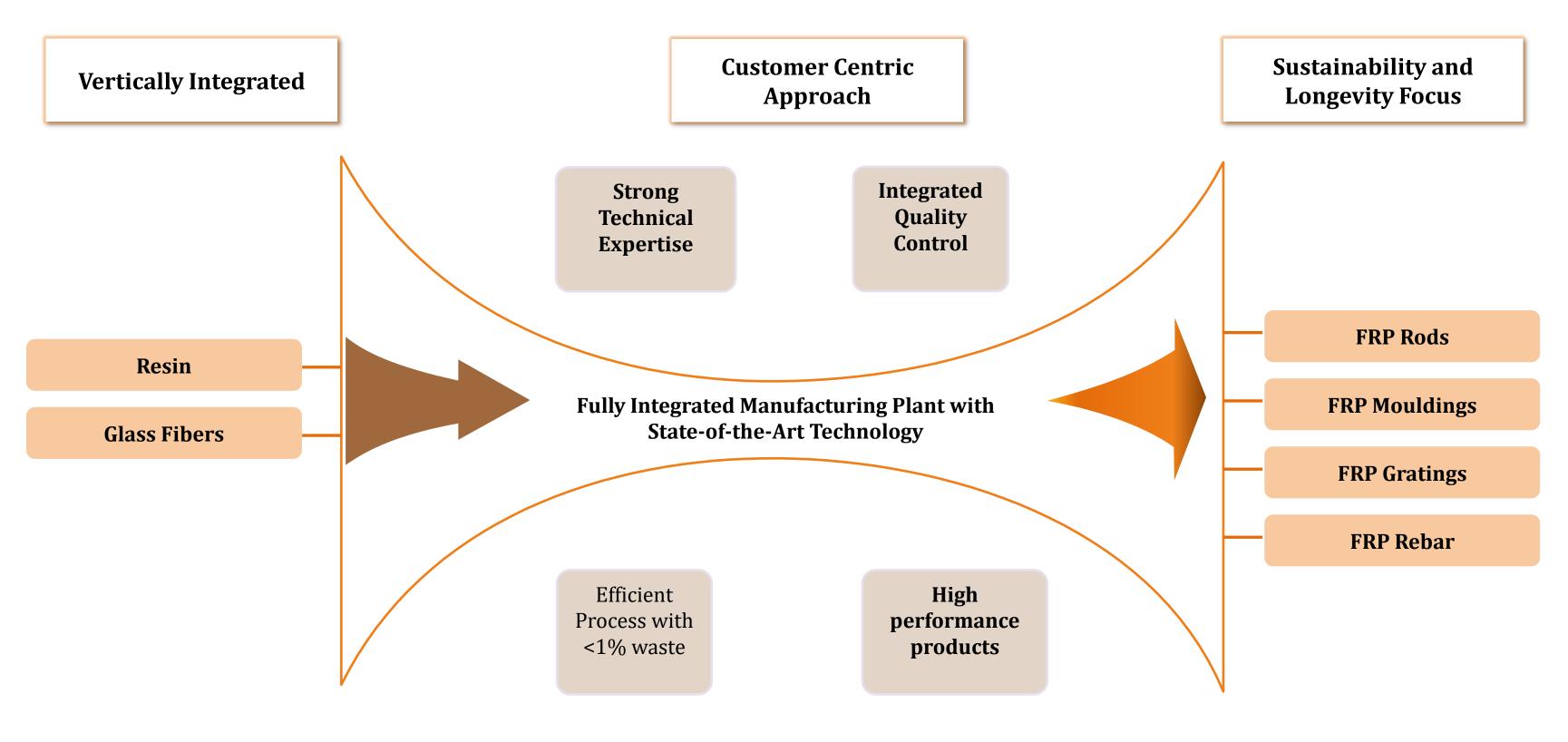




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AERON - INTEGRATED BUSINESS MODEL





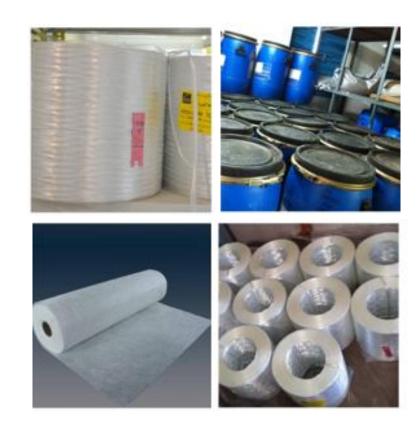
EXCELS IN PRODUCTION OF FRP PRODUCTS



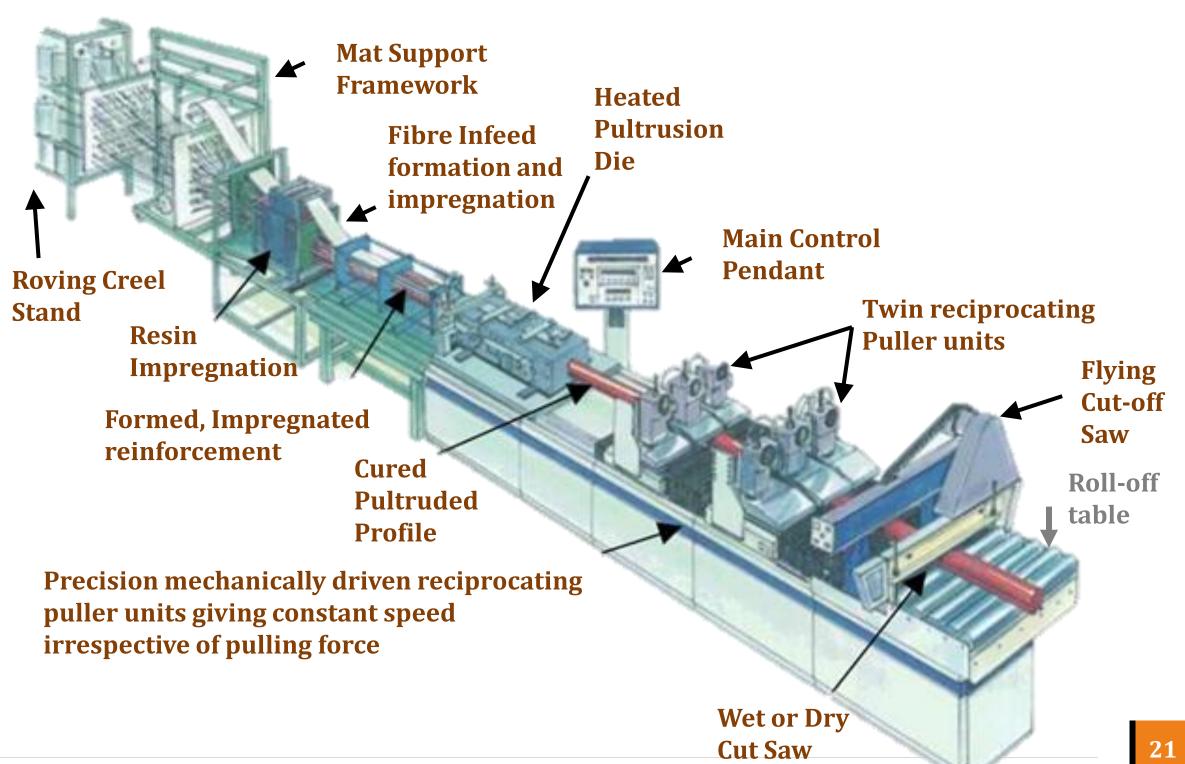
Raw Materials

- Resin System
- Glass Fibres
- Polyester
- Other
- Vinyl Ester (VE)
- **Additives**

Epoxy (EP)



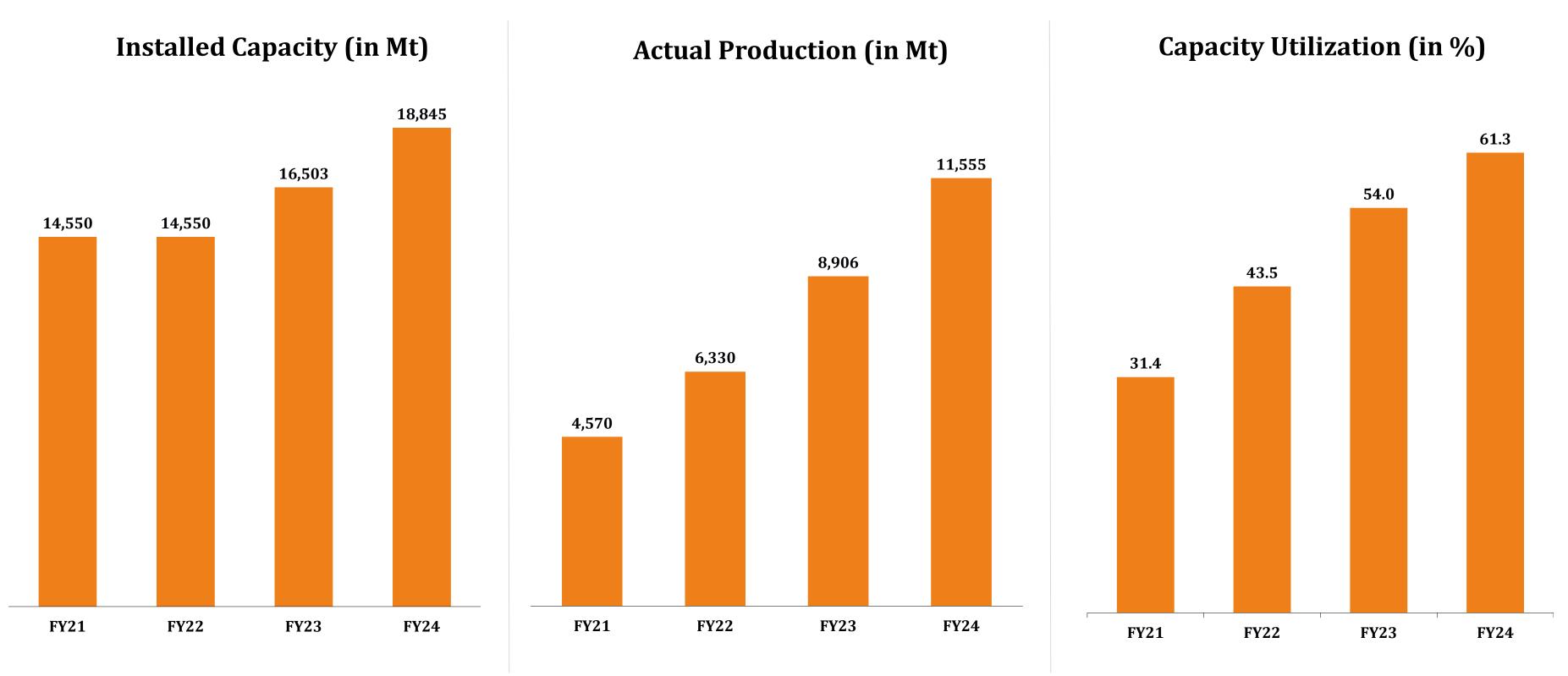
Pultrusion Process



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STATE OF THE ART MANUFACTURING FACILITIES - UPGRADING





NEW PRODUCTS PIPELINE



The Company's new product line will be started in this new manufacturing unit



FRP Rebar



Timeline-

Product introduced by the end of FY 2025

Product introduced by mid of FY2026

Use Cases-

Approved by material quality check department

Auto/Railways, Custom Parts, Windmills Parts

Advantage-

4x lighter than rebar, Price 140-145/kg (cheaper than steel rebar)

Can increase diameter across pole, High Strength, Corrosion Resistance and Enhanced Performance

Projected CAPEX-

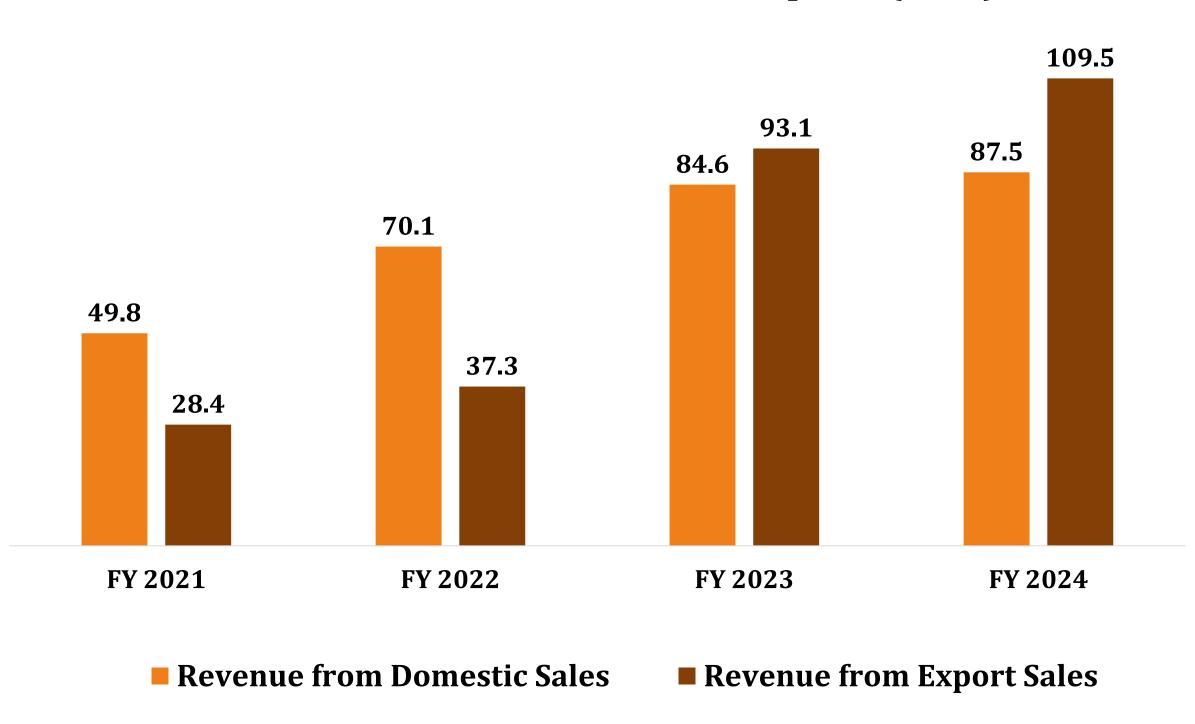
CAPEX of Rs 27 Crores from net proceeds of IPO

[Including Infrastructure]

COMPETITIVE PRODUCTS FOR EXPORTS



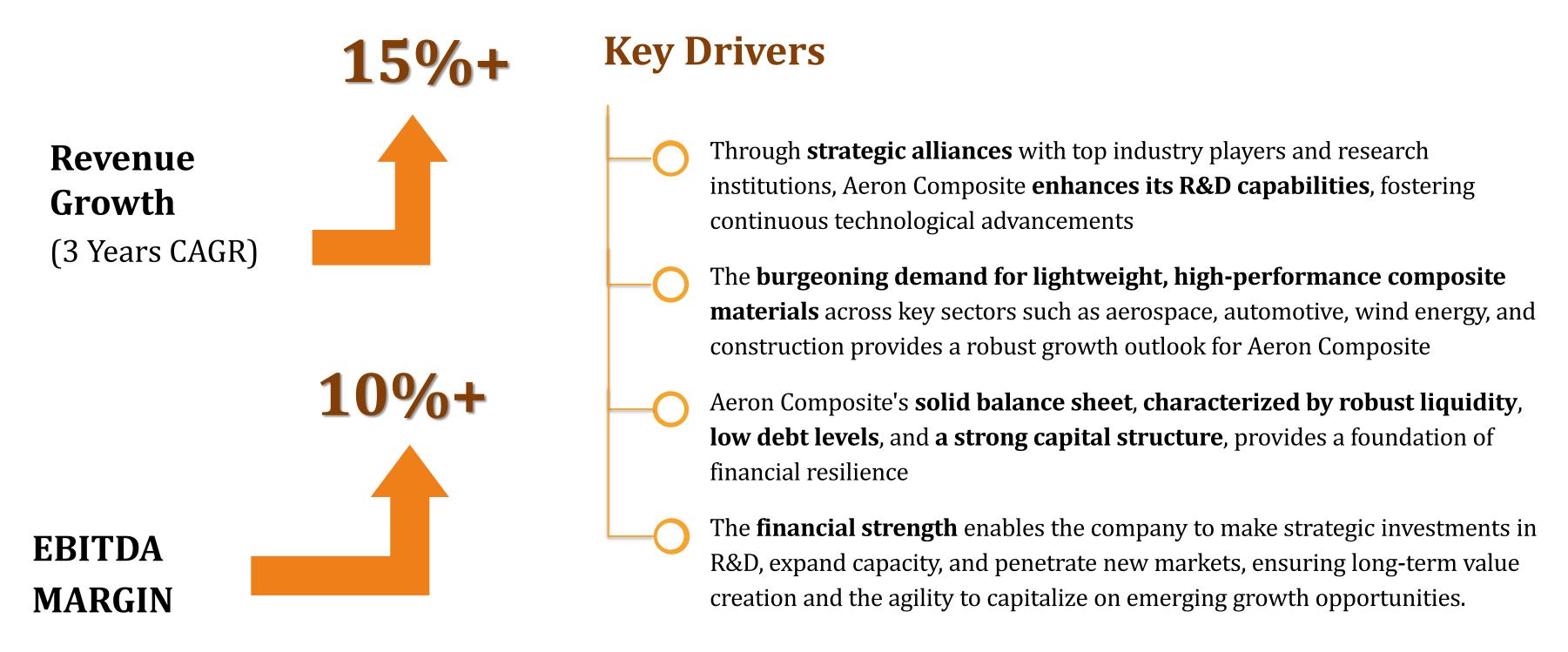
Revenue from Domestic and Exports (in Cr)



At the close of FY 2024, the company generated approximately 82.7%, 85.8%, 90.7%, and 85.8% of its total revenue from sales in its top five markets: India, USA, Australia, UK, and Qatar over the last 4 years. Currently, the company sells its products in over 30 countries worldwide.

STRONG FUTURE GROWTH







KEY PERFORMANCE INDICATORS



(In ₹Cr except percentages and ratios)

Key Financial Performance	FY 21	FY 22	FY 23	FY24	H1FY25
Revenue from operations	78.8	108.3	179.4	199.7	107.9
EBITDA (excluding other income)	6.1	6	9.8	15.5	9.9
EBITDA Margin	7.8%	5.5%	5.5%	7.8%	9.2%
PAT	2.6	3.6	6.6	10.1	6.7
PAT Margin	3.2%	3.3%	3.7%	5.1%	6.2%
RoE	23.5%	26.2%	32.3%	33.2%	10.2%
RoCE	20.0%	21.0%	27.5%	32.2%	8%
Net Worth	12	16	25	35	94

PROFIT & LOSS FOR H1FY25



Particulars	H2FY24	H1FY24	H1FY25	YoY
Revenue from operations	117.7	82.1	107.9	
Other income	1	0.9	2.3	
Total Income	118.7	83	110.2	32.8%
Cost of materials consumed	71.7	57.7	66.3	
Changes in inventories of finished goods, work-in-progress and stock-in-trade	(1.7)	(7.2)	(3.1)	
Employee benefits expense	10.5	8.1	8.8	
Other expenses	29.6	14.9	25.9	
EBITDA	7.4	8.1	9.9	22.3%
Margin	6.3%	9.8%	9.2%	
Finance costs	0.5	0.8	0.9	
Depreciation and amortisation expense	1.3	1	1.7	
Total Expenditure	111.8	75.4	100.5	
PBT	6.9	7.6	9.6	
Net Current Tax Expenses	1.8	2.6	2.9	
PAT	5.1	5	6.7	34%
Margin	4.3%	6.1%	6.2%	

(In ₹Cr except percentages and ratios)

ASSETS AND LIABILITIES AS OF H1FY25



Particulars	FY 21	FY 22	FY 23	FY24	H1FY25	Particulars	FY 21	FY 22	FY 23	FY24	H1FY25
Equity and Liabilities						Non Current assets					
Shareholders' funds						PPE & intangibles	7.9	7.5	9.6	21.8	28.2
a. Share capital	1.3	1.3	1.6	1.6	17	Longtown loons and					
b. Reserves and surplus	10.8	14.3	23.8	33.9	77.3	Long term loans and advances	0.9	0.5	0.0	0.5	4.7
Non Current liabilities						Other non current assets	0.9	1.6	1.7	1.4	0.5
Long term borrowings	4.9	3.2	0.9	4.1	12.8	Current assets					
Other Non current liabilities	0.7	0.5	0.7	2.7	0.2	a. Inventories	11.3	21.7	19.1	25.1	36.7
Current liabilities						b. Trade receivables	19	20.7	31.1	41.5	48.4
	.	0.0	40	- 0	20.5	b. Trade receivables	19	20.7	31.1	41.5	40.4
a. Short-term borrowings	5.6	9.3	13	7.8	20.7	c. Cash and bank balances	1.5	1	2	5.1	54.2
b. Trade Payable	18.0	27.7	21.7	41.3	50.4						
c. Other current liabilities & provisions	2.4	4.3	7.4	9.9	7.5	d. Other current assets	2.2	7.6	5.6	5.9	13.2
TOTAL	43.7	60.6	69.1	101.3	185.9	TOTAL	43.7	60.6	69.1	101.3	185.9

STATEMENT OF PROFIT & LOSS



Particulars	FY21	FY22	FY23	FY24
Revenue from operations	78.8	108.3	179.4	199.7
Other income	0.2	1.6	2.6	2.0
Total Income	79.1	109.9	182.0	201.7
Cost of materials consumed	48.4	82.0	122.1	129.4
Changes in inventories of finished goods, work-in-progress and stock-in-trade	0.9	(7.3)	2.8	(8.8)
Employee benefits expense	5.8	6.7	11.5	18.6
Other expenses	17.5	20.7	32.9	44.5
EBITDA	6.1	6	9.8	15.5
Margin	7.8%	5.5%	5.5%	7.8%
Finance costs	1.1	1.1	1.6	1.3
Depreciation and amortisation expense	1.8	1.7	1.6	2.2
Total Expenditure	75.4	104.9	172.4	187.2
PBT	3.6	5.0	9.6	14.5
Net Current Tax Expenses	1.1	1.4	2.9	4.4
PAT	2.6	3.6	6.6	10.1
Margin	3.2%	3.3%	3.7%	5.1%

(In ₹Cr except percentages and ratios)



MEET THE DOERS AND BUILDERS





Dilipkumar Ratilal Patel
Chairman & Non-

Executive Director

45+ years of experience, drives strategic planning and oversees Human Resources and CSR, providing essential leadership



Chirag Chandulal Patel

Managing Director

Over 14 years of experience, he oversees production, operations, vendor management, and aftersales services, ensuring seamless business operations



Pankaj Shantilal Dadhaniya

Whole Time Director

MBA graduate with over 27 years of experience, he oversees finance and secretarial functions, offering daily guidance to the team



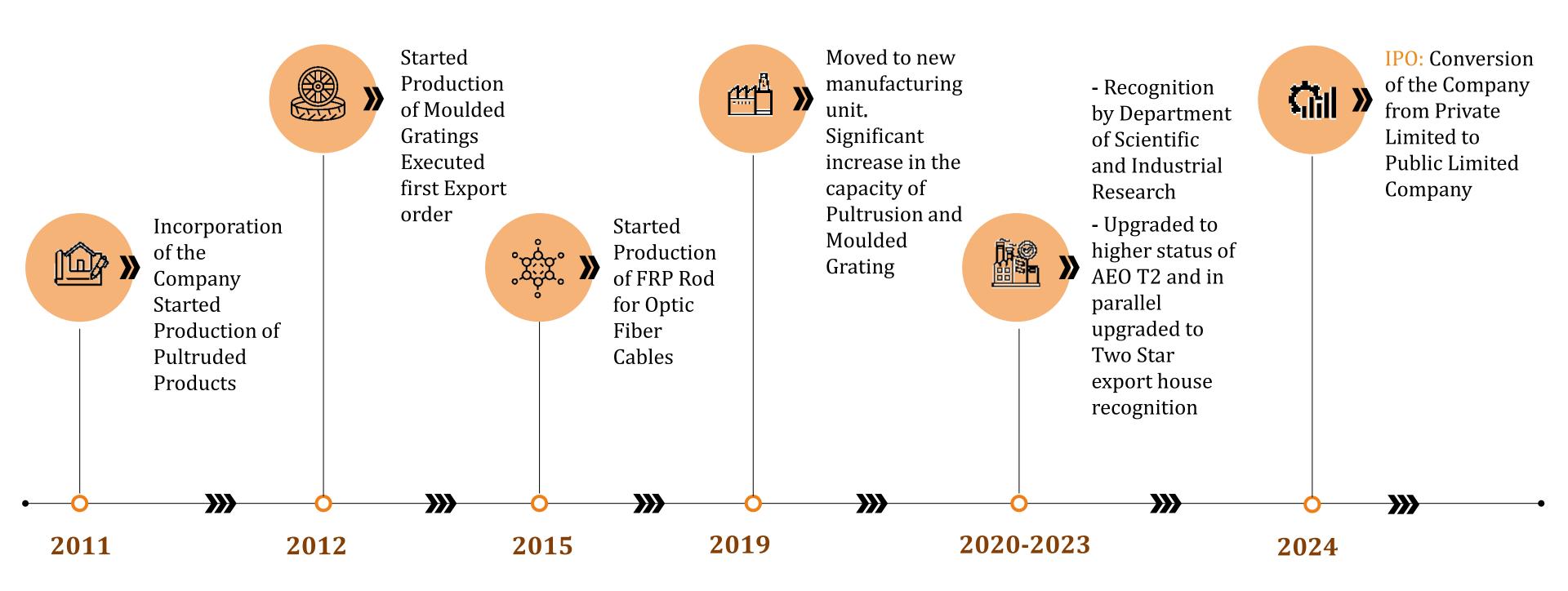
Ravi Pankajkumar Patel

Whole Time Director

With 13+ years of experience and an MBA from Nirma University, he leads sales, marketing, and business development

STORY SO FAR





QUALITY & SYSTEM CERTIFICATIONS



RoHS ISO 9001:2015

CE

REACH

GOV. RECO. EXPORT HOUSE









BRANDING AND PROMOTIONAL ACTIVITIES













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