



**YOU THINK
WE SUPPLY**

CELEBRATING NETWORK OF 800 DISTRIBUTORS



May 2023

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

- APL Apollo Overview
- Core Competence
- Structural Steel Tubes Applications
- Business Strategy
- New Initiatives
- ESG Engagement
- Financial Performance
- Team APL Apollo





APL APOLLO OVERVIEW



APL Apollo at a Glance

01 Leading Structural Steel Tube Brand

14 Brands, Four Product Categories

55% Market Share

3.6 Million Ton, Structural Steel Capacity



16
Patents



11
plants



2,587
Employees



800+
Distributors



1,500+
Products

India's Leading **Building Material Brand**

- a COLUMN
- b ALPHA
- c D SECTION
- d OCTAGON
- e FIRE READY
- f NARROW SECTION
- g SMALL SECTION
- h CHAUKHAT
- i WONDOOR
- j HANDRAIL
- k PLANK
- l FENCE
- m BHEEM
- n SIGNATURE
- o COASTGUARD



Our Brands

Apollo Structural

Structural steel construction material:
Residential, Commercial, Infrastructure

Fabritech, Build, DFT, Column, FireReady, Agri

Apollo Z

Galvanized structural steel construction
material: Residential, Commercial,
Infrastructure

CoastGuard

Apollo Galv

Galvanized steel tubes:
Residential, Commercial, Agri, Industrial

Green, Bheem, Z+

Apollo Tricoat

Home improvement products

Plank, Signature, Elegant, Chaukhat

79%

Building Material

18%

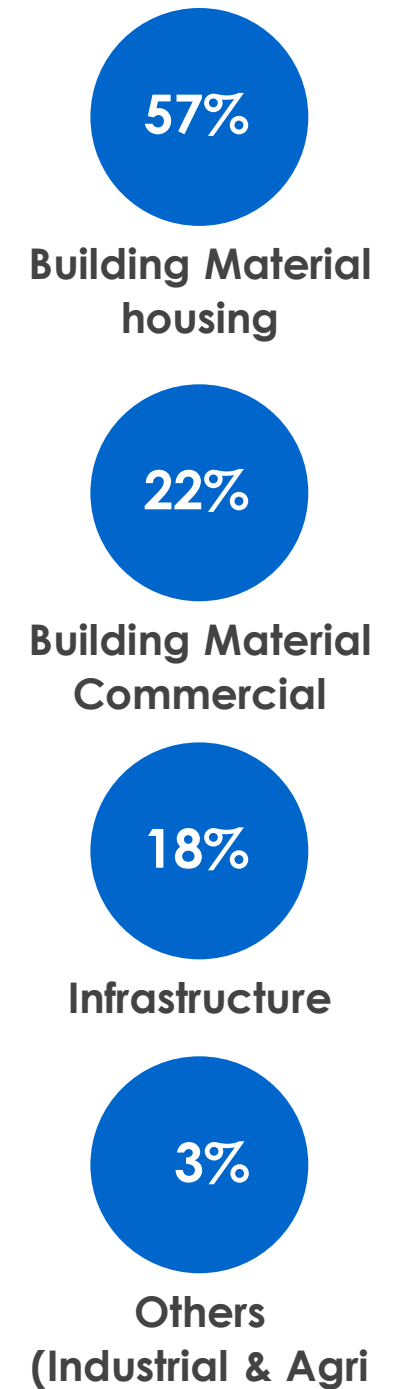
Infrastructure

3%

Others

Product Application & Sales Mix*

Product Category	Sales Volume Mix (%)	Applications
Apollo Structural	69%	
Residential Buildings & Independent Homes	32%	Structural, Piling, Sheds, Handrails, Gates, Fencing, Balcony Grills, Staircase, Light Structures
Commercial Buildings, Warehouses & Factories	17%	
Infrastructure	18%	Structural for Metros, Airports, Stadiums, Stations etc
Industrial & agriculture	2%	Heavy Equipment
Apollo Z	27%	
Residential Buildings & Independent Homes	25%	Galvanized structural steel tubes for coastal markets
Commercial Buildings, Warehouses & Factories	2%	
Apollo Galv	4%	
Commercial Buildings	3%	Galvanized Structural, Greenhouse Structures, Plumbing, Firefighting
Industrial & agriculture	1%	
Total	100%	



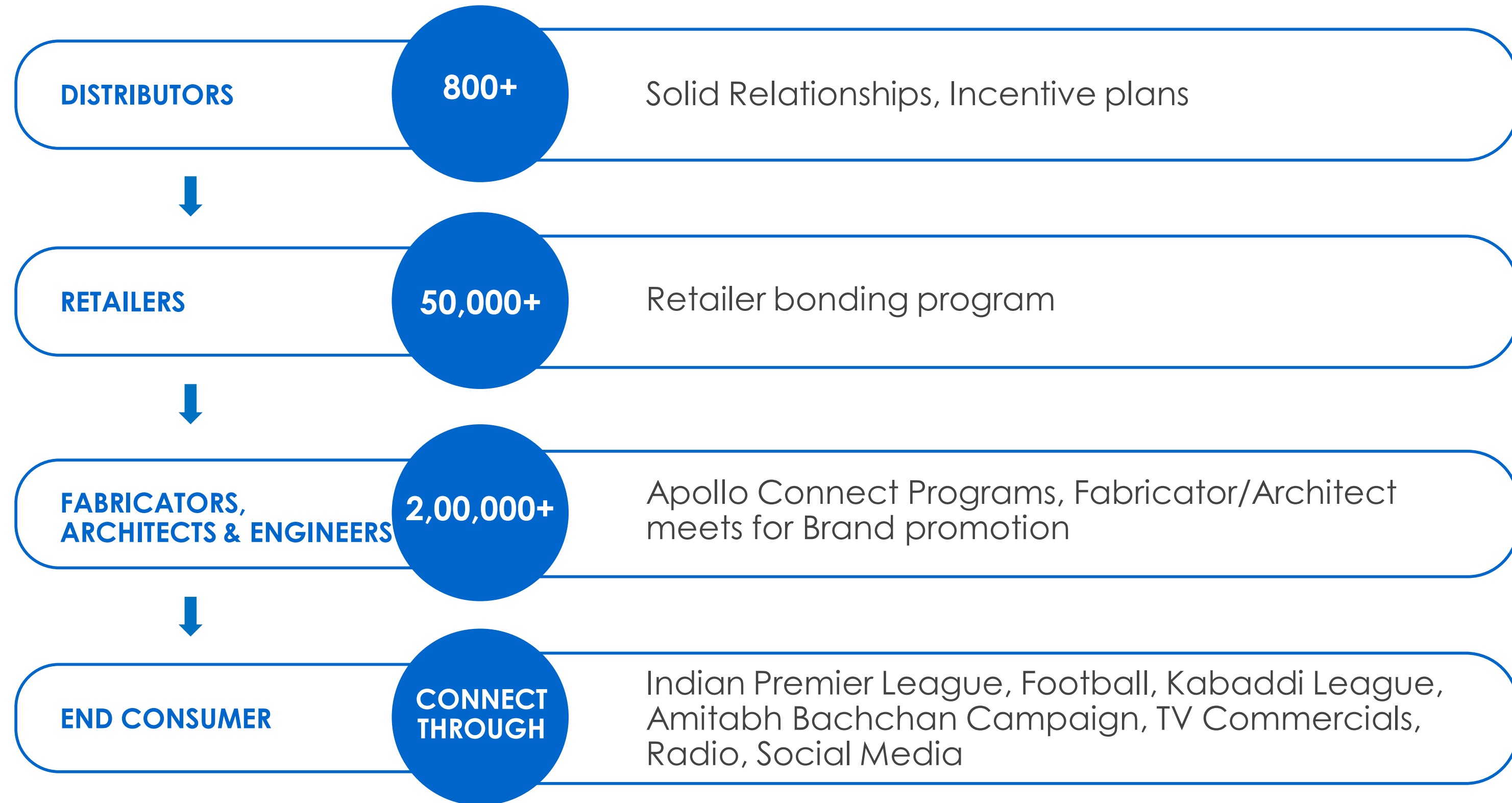
*As per FY23 Sales Volume

Brand Equity

APL APOLLO TUBES



B2C Channel



CORE COMPETENCE



Porter's Five Forces

Threat of Entry

- Scale of 3.6 Mn ton capacity; wide gap between No. 2 Player
- Vast distribution network (access to 800+ distributors, 50,000 retailers, 200k fabricators)
- Technology advantage (DFT, ILG)
- Lowest cost producer
- (highest profitability in the sector)
- Product range (1,500+ SKUs)
- Lead time to distributors (48hrs delivery)
- Financial strength (doubling capacity every 3rd year without debt)
- Unmatched brand strength

Bargaining power of suppliers

- Company buys 2% of Indian steel production and 10% of Indian HR coil production
- Amongst Top 3 customers for large steel producers
- Company's steel buying price is minimum in structural steel tubing industry

Industry Rivalry

- APL Apollo 55% market share
- Player 2 - 10% market share (ancillary business for steel producer)
- Player 3 - 10% market share (focus on water transportation and Oil & Gas tubes)
- Player 4 - 7% market share (strong player but small in Parent's overall scheme of things)
- Player 5 - 7% market share (focused in East market; regional player)
- Player 6 - 6% market share (high debt)
- Player 7 - 3% market share (high debt)
- Player 8 - 2% market share (poor profitability)
- Others - 1%

Bargaining power of distributors

- 55% market share in structural steel tubing industry
- Monopoly products (new innovative products)
- APL Apollo distributors can churn capital upto 8x in a year which helps them generate high ROCE

Threat of substitute

- No product can replace structural strength of steel

Our Business MOAT...

Highest no. of products
with 1,500 SKUs

Highest scale with 11 plants
(3.6Mn ton capacity)

Largest sales network
(800+ distributors)



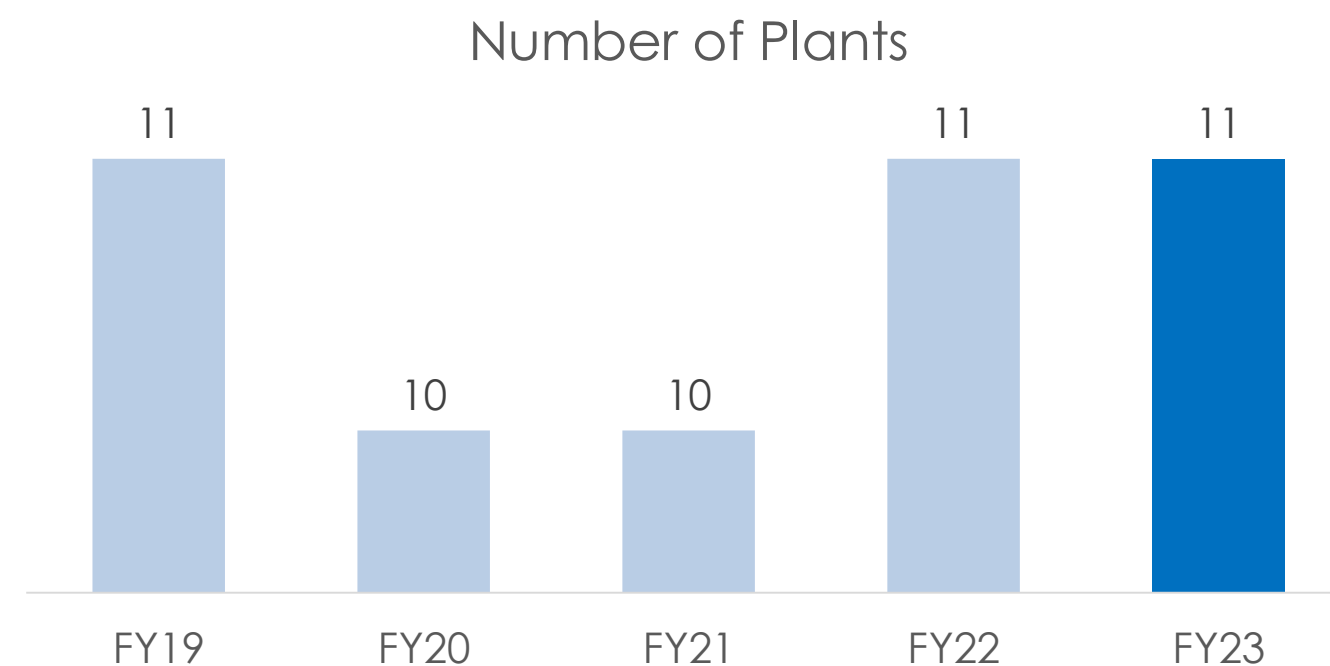
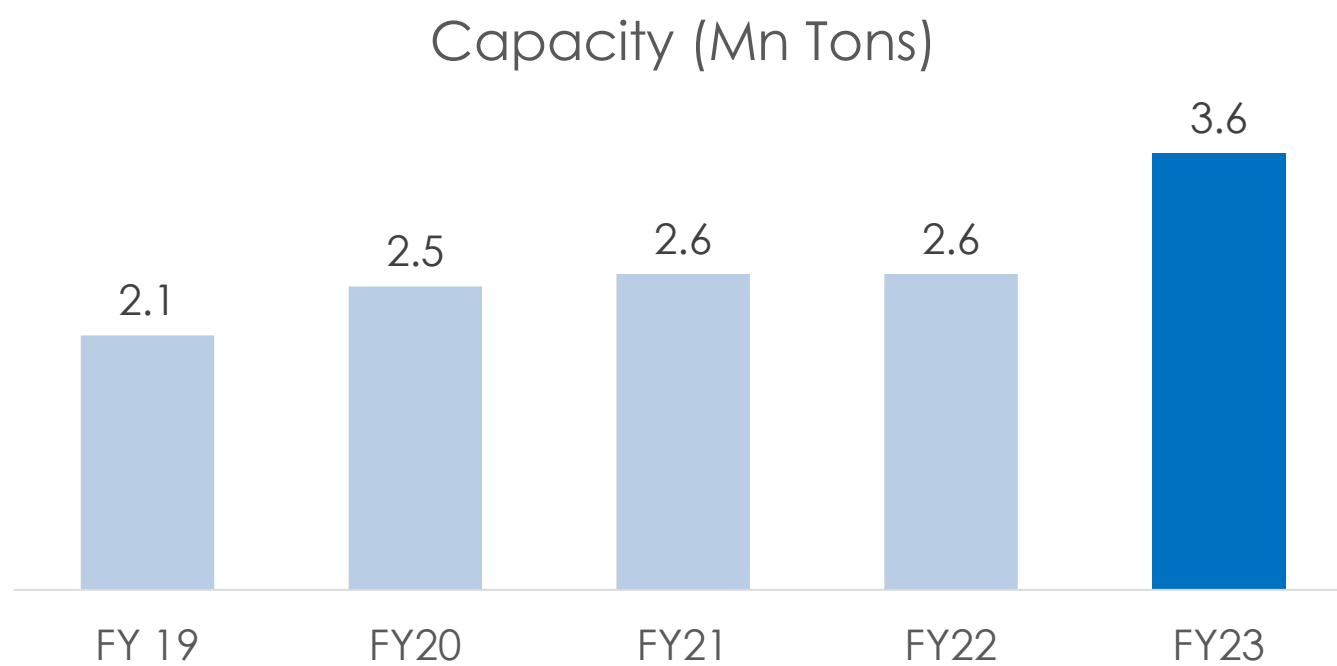
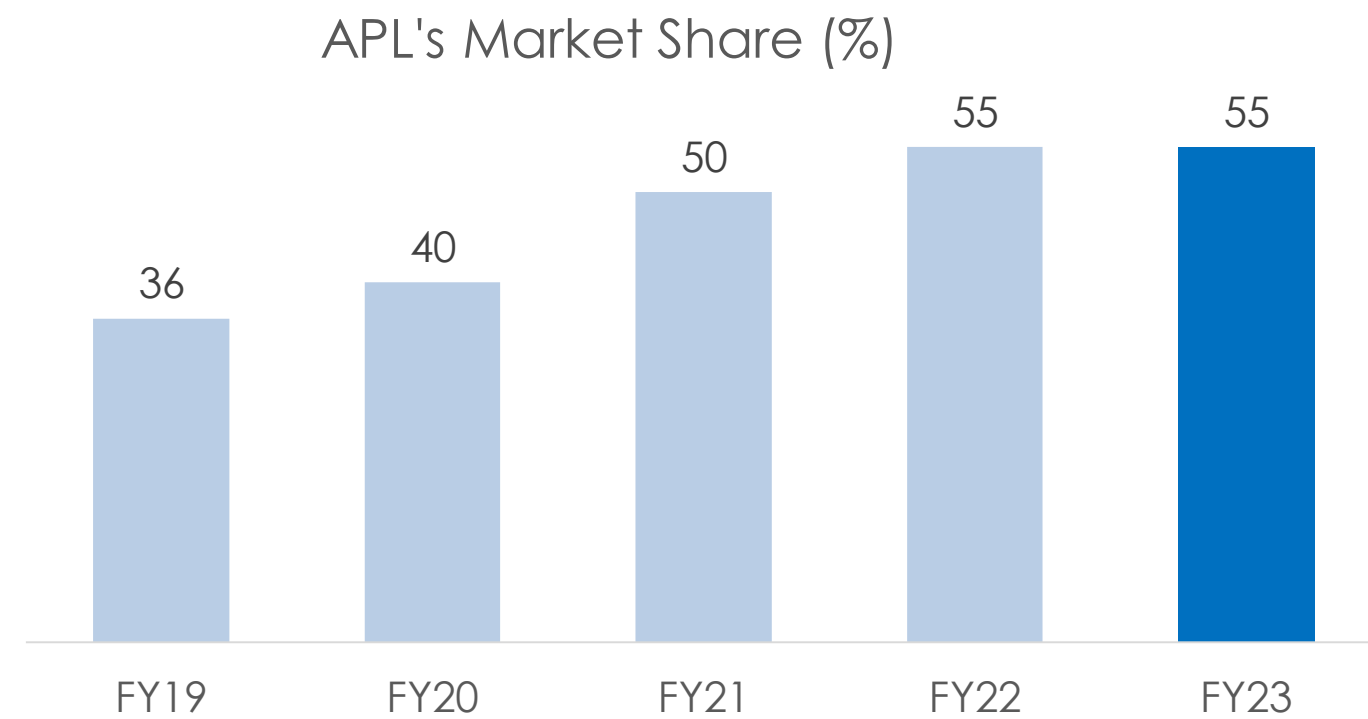
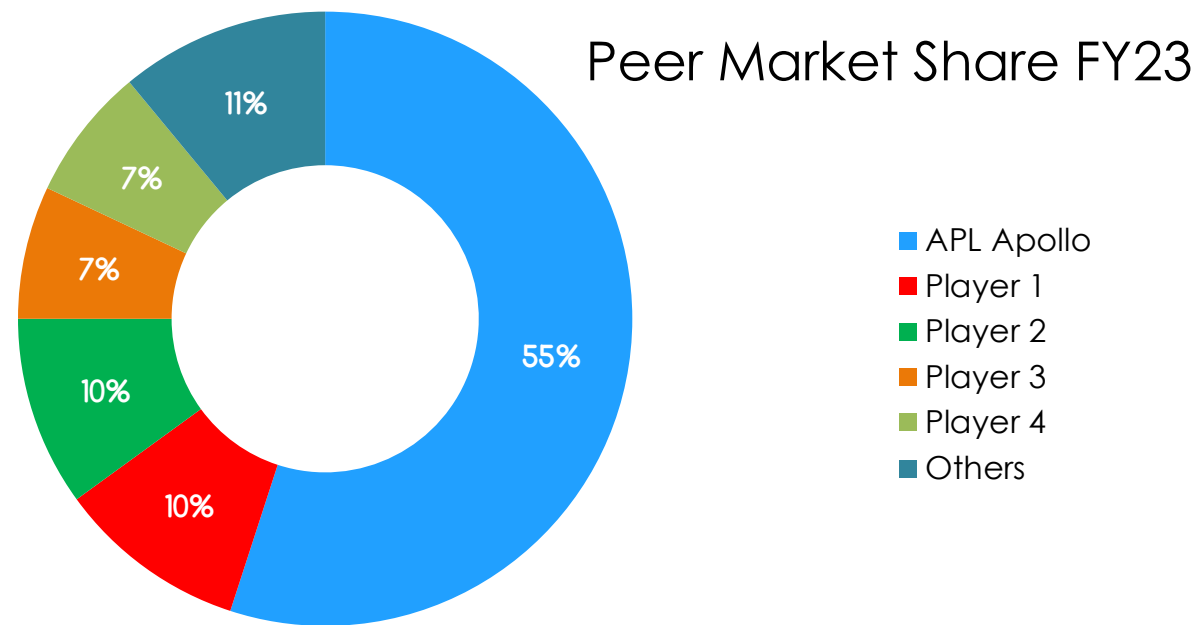
Lowest cost producer (largest
buyer of HR coil)

Premium pricing to peers
(brand strength)

Technology edge & Innovation

Lowest lead time for delivery to
distributors

Dominant Leadership



Note 1: Raipur plant to be fully commissioned in FY23
 Note 2: One plant converted into warehouse for better efficiency in FY20

Unique Capabilities



Developed structural
steel
market in India

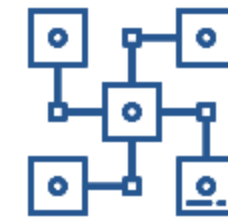
First Mover advantage

No.1 Leader; Focused on steel
strength and building material
applications



Technology

**Direct Forming Technology for big
structural products
In-line Galvanizing to replace
traditional products**



Distribution network

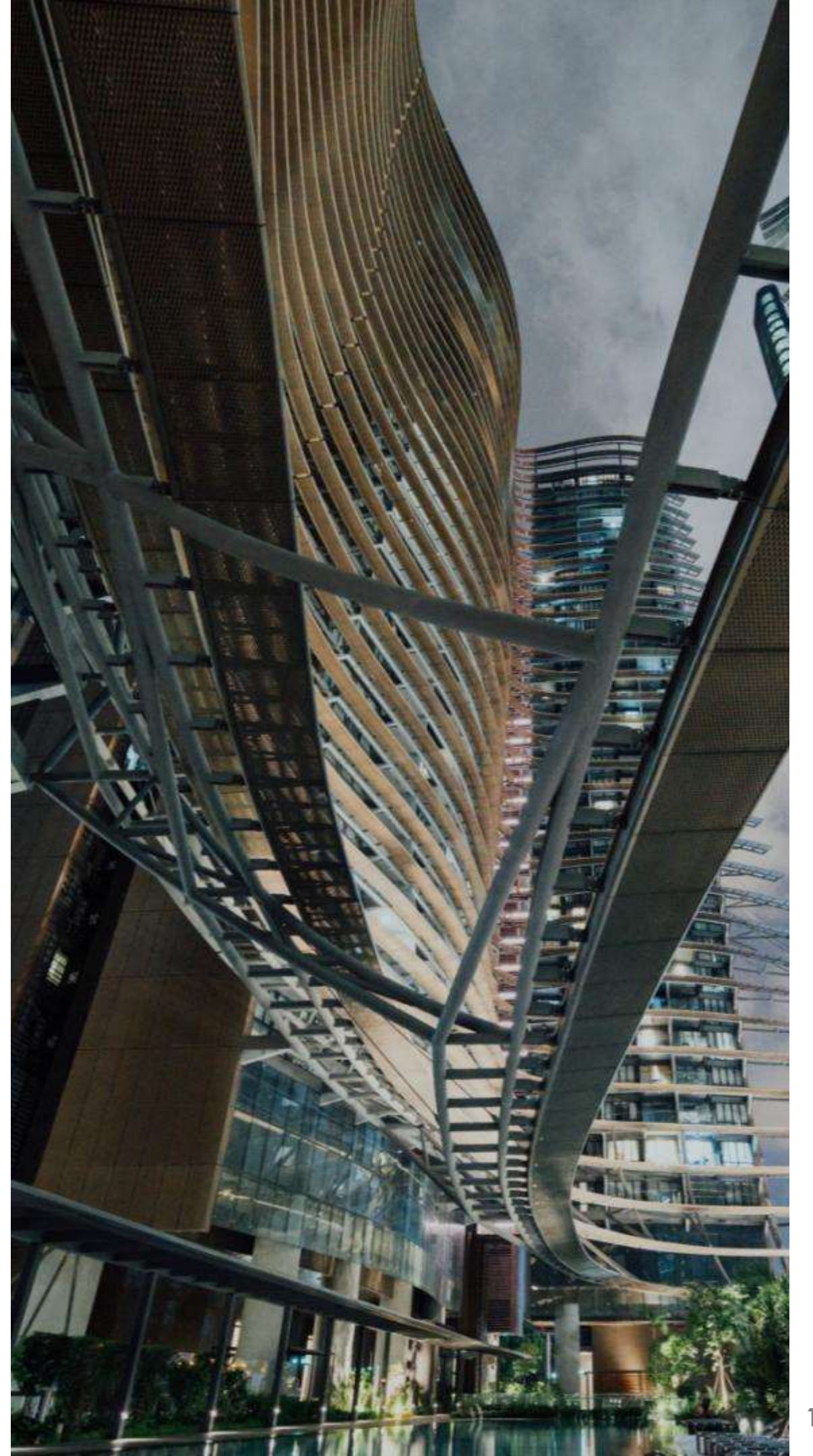
**B2C channel for last mile
penetration**



Innovative products

**Ground breaking solutions
Roofing solutions for coastal
market, door frame**

STRUCTURAL STEEL TUBES APPLICATIONS



Structural Steel Applications



APL APOLLO TUBES

Structural Steel Applications

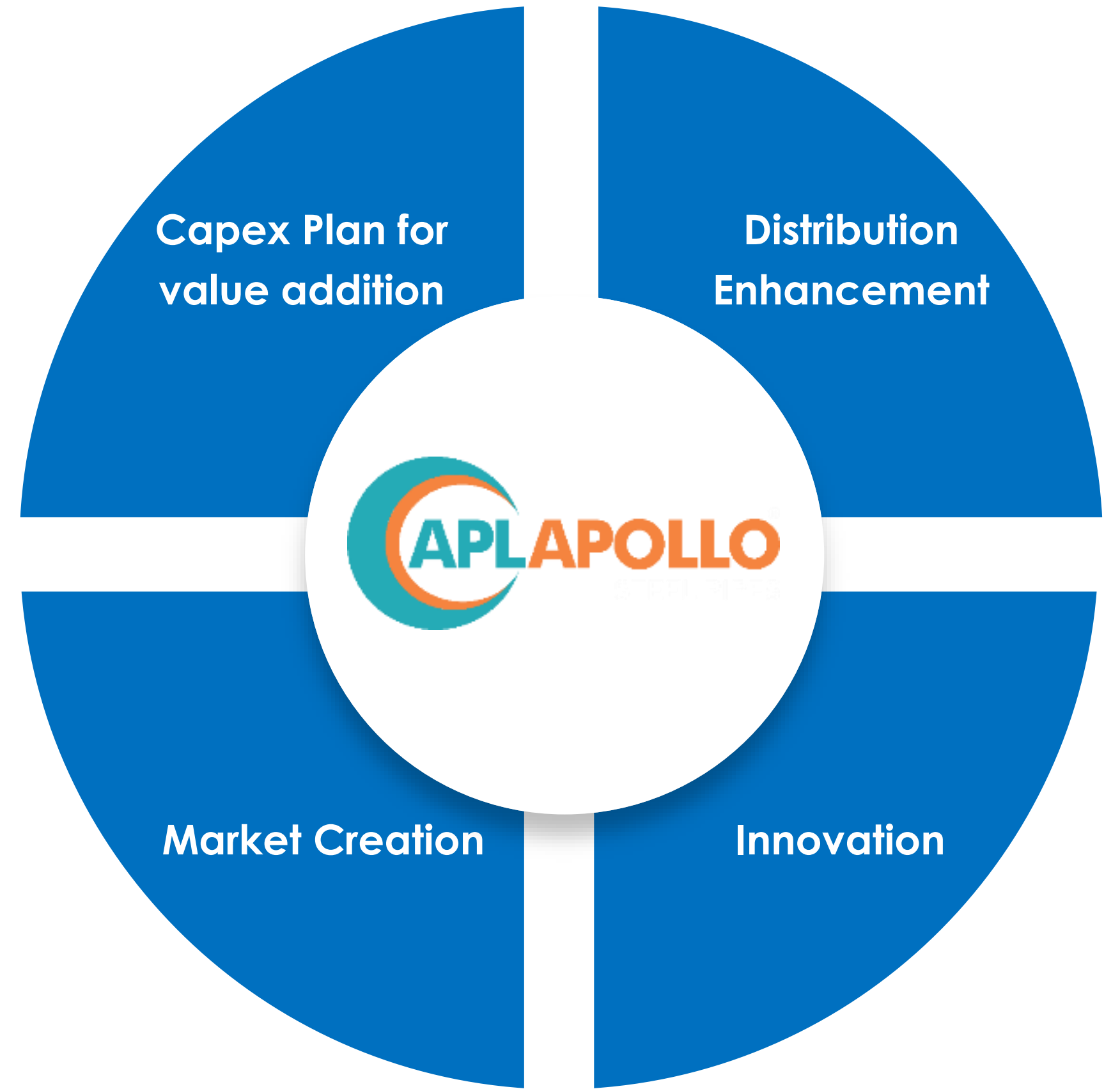


APL APOLLO TUBES

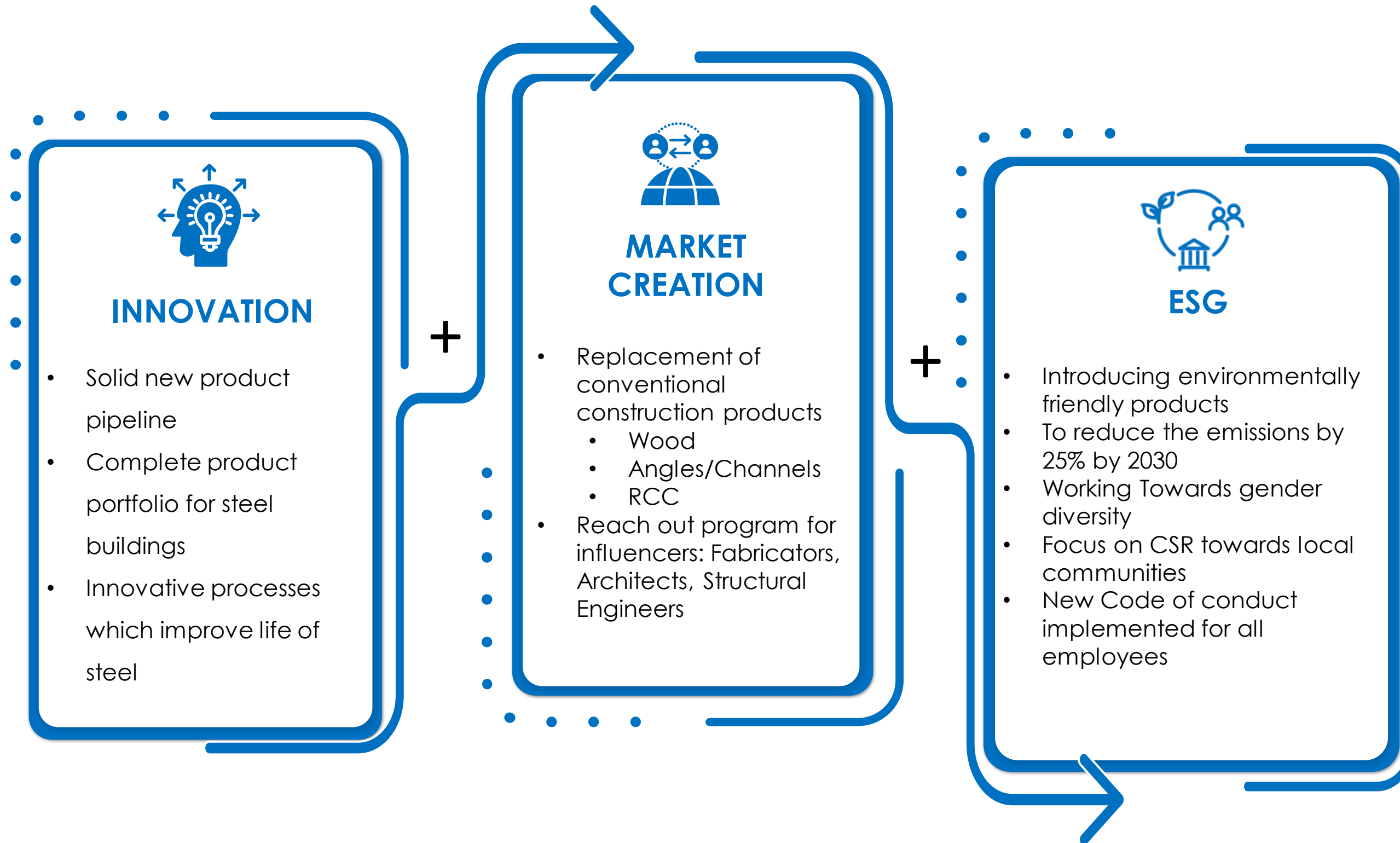


BUSINESS STRATEGY

APL APOLLO TUBES

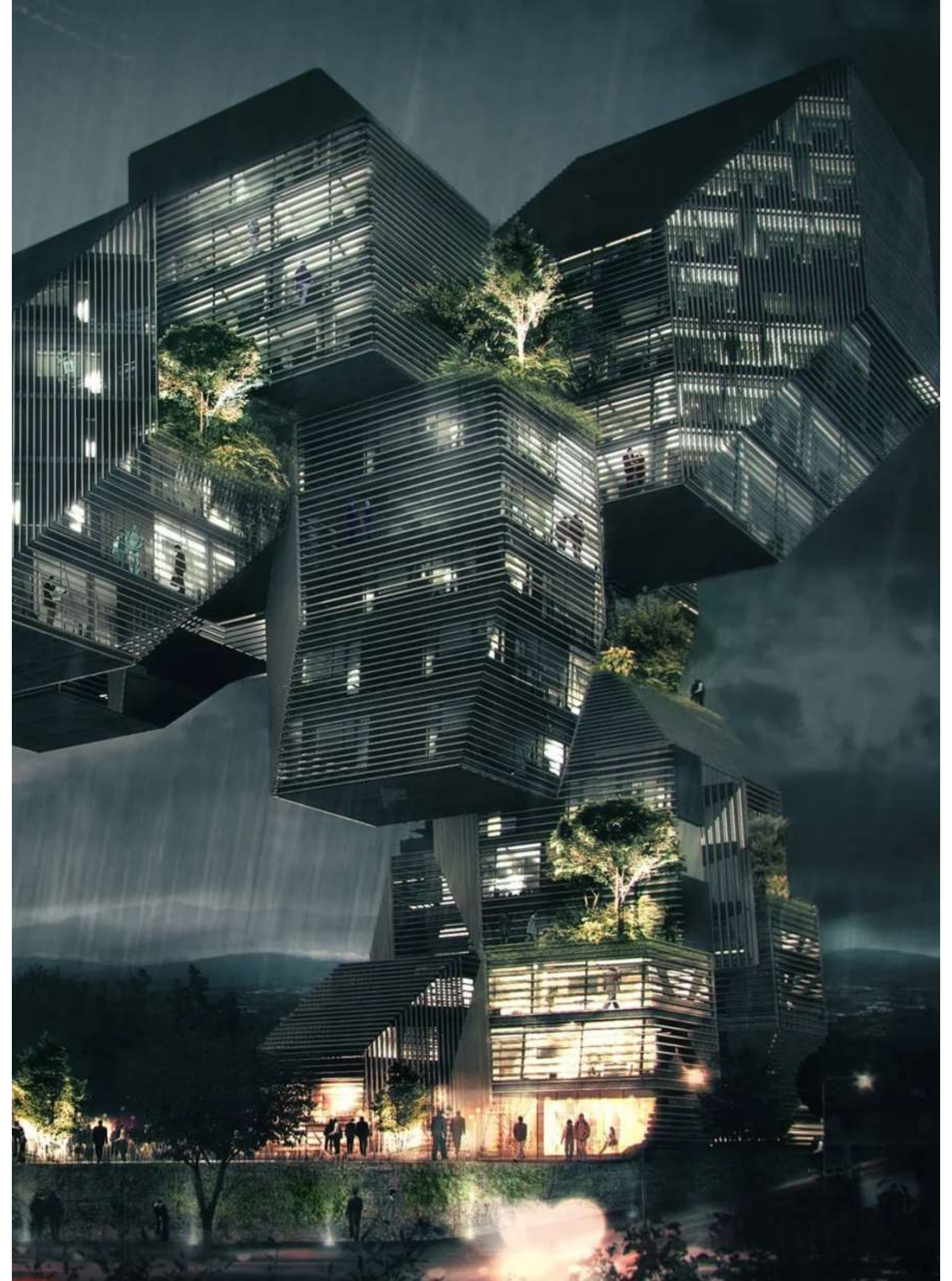


APL Apollo Vision



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	Checked Section

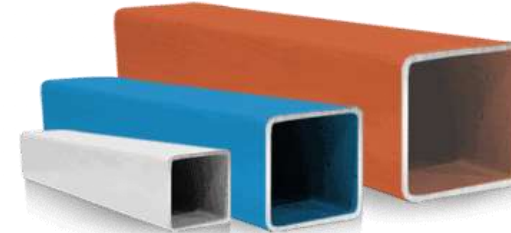
New Product Pipeline from Raipur plant

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

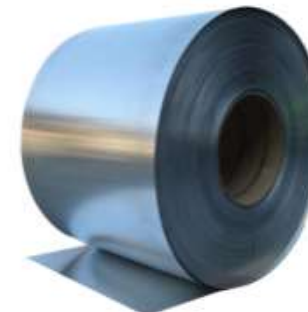


Replacing RCC structures/columns in heavy construction

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



India's 1st CRCA Black annealed tube



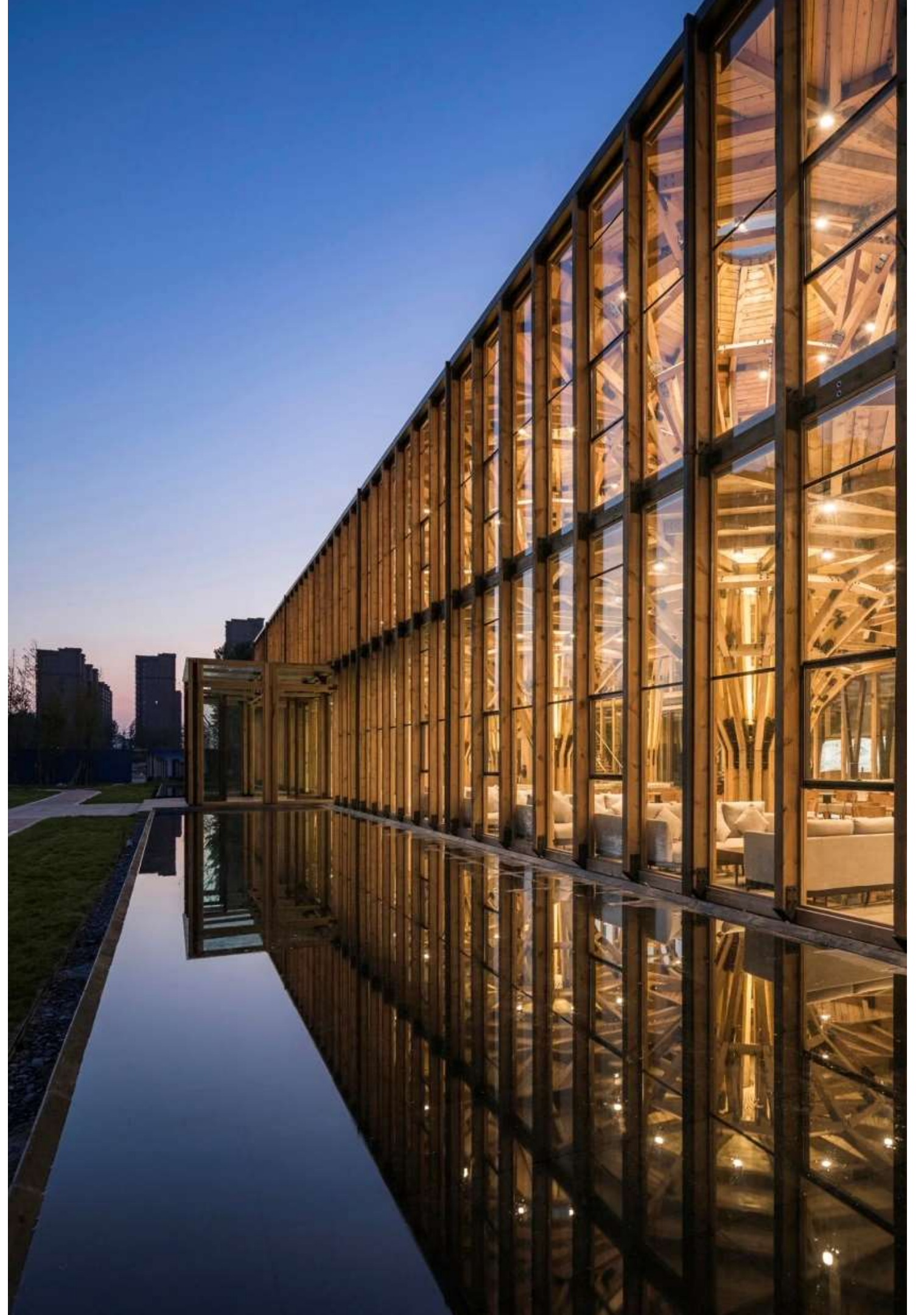
High tensile light structural application; bendable; superior rust proof properties

India's 1st AluZinc tubes



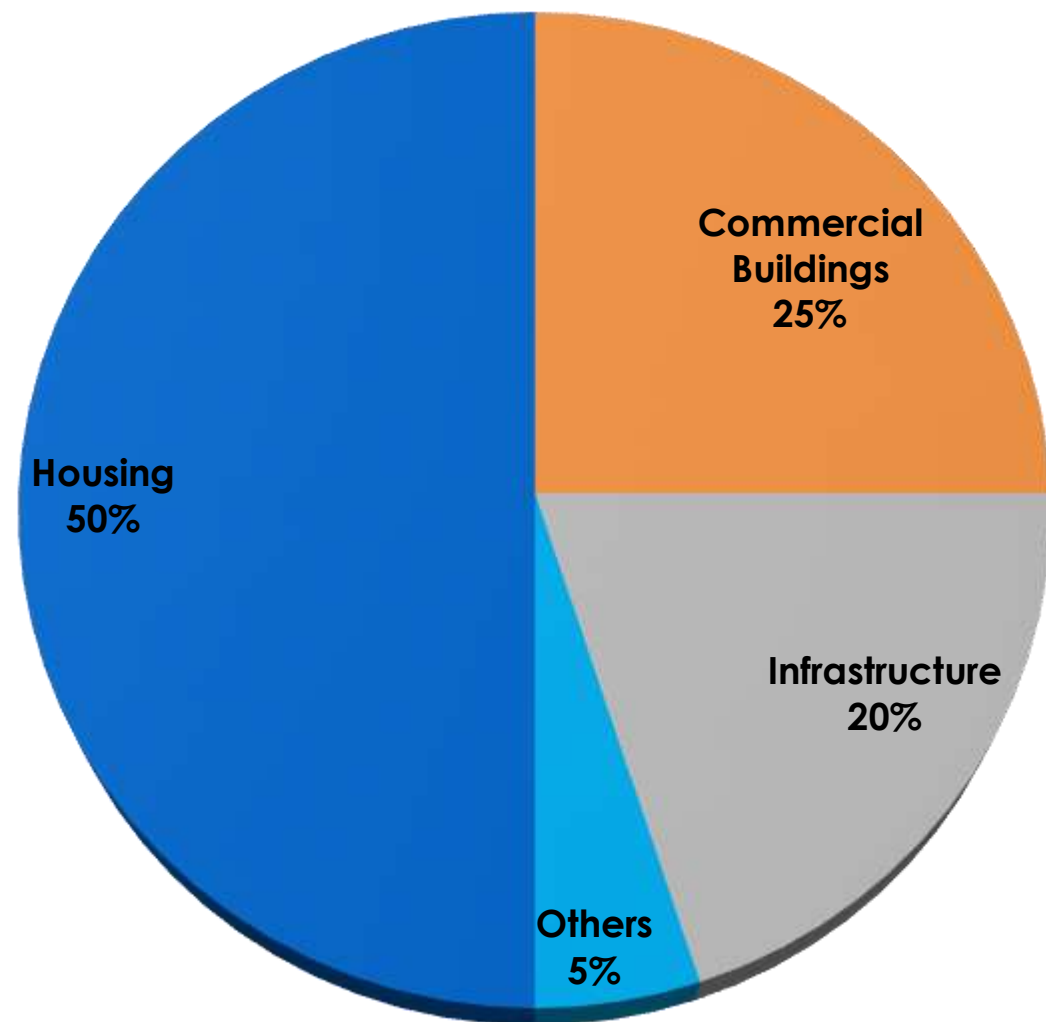
Superior rust proof properties and better life

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



APL Apollo Tubes



Transfer of cut to length tubes to Fabricator's workshop



Transfer of structure parts to the site



6 Delhi Hospitals: Proof of Concept

Revolution in Construction



Geeta Colony



Sultanpuri



Shalimar Bagh



GTB Hospital



Sarita Vihar



Raghuvir Nagar

APL APOLLO TUBES

- Total 2mn Sq. ft built-up
- 18k ton Steel Tubes used
- Structural work completed in average 90days

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 commenced in phases from 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

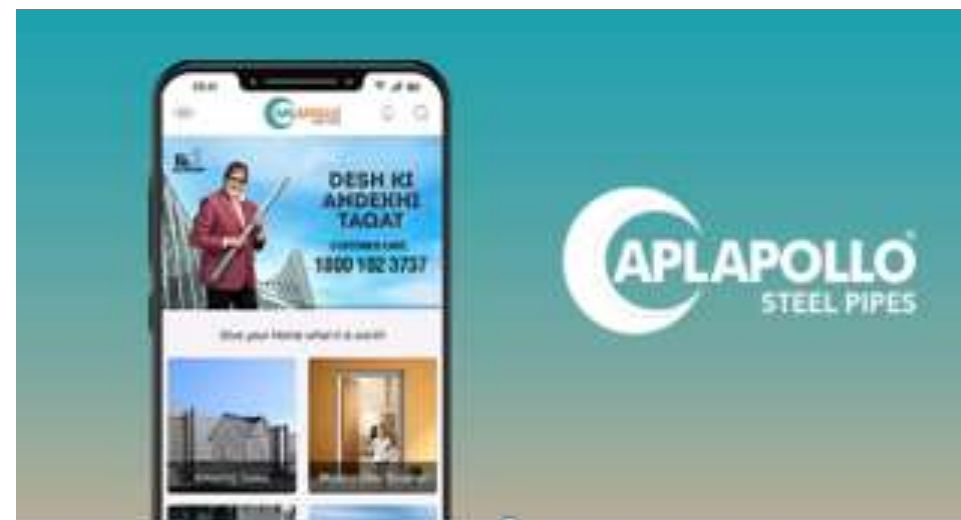
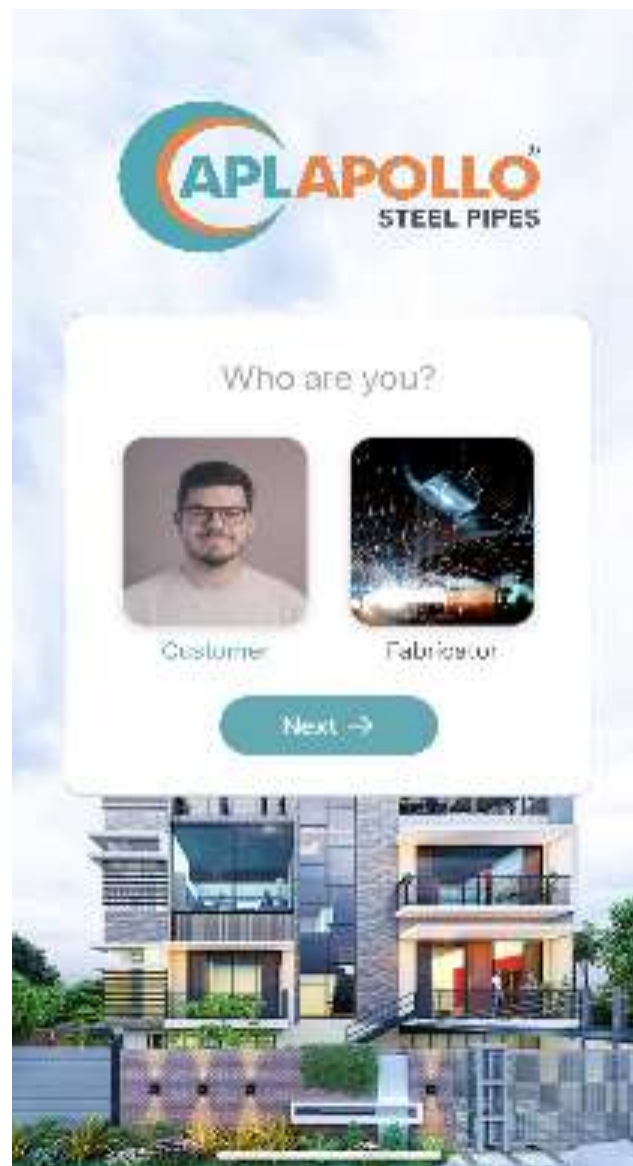
NEW INITIATIVES



B2C Tech App



APL APOLLO MOBILE - APPLICATION LAUNCHED



40,000+ Fabricators enrolled

340,000+ 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
FY23**

**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

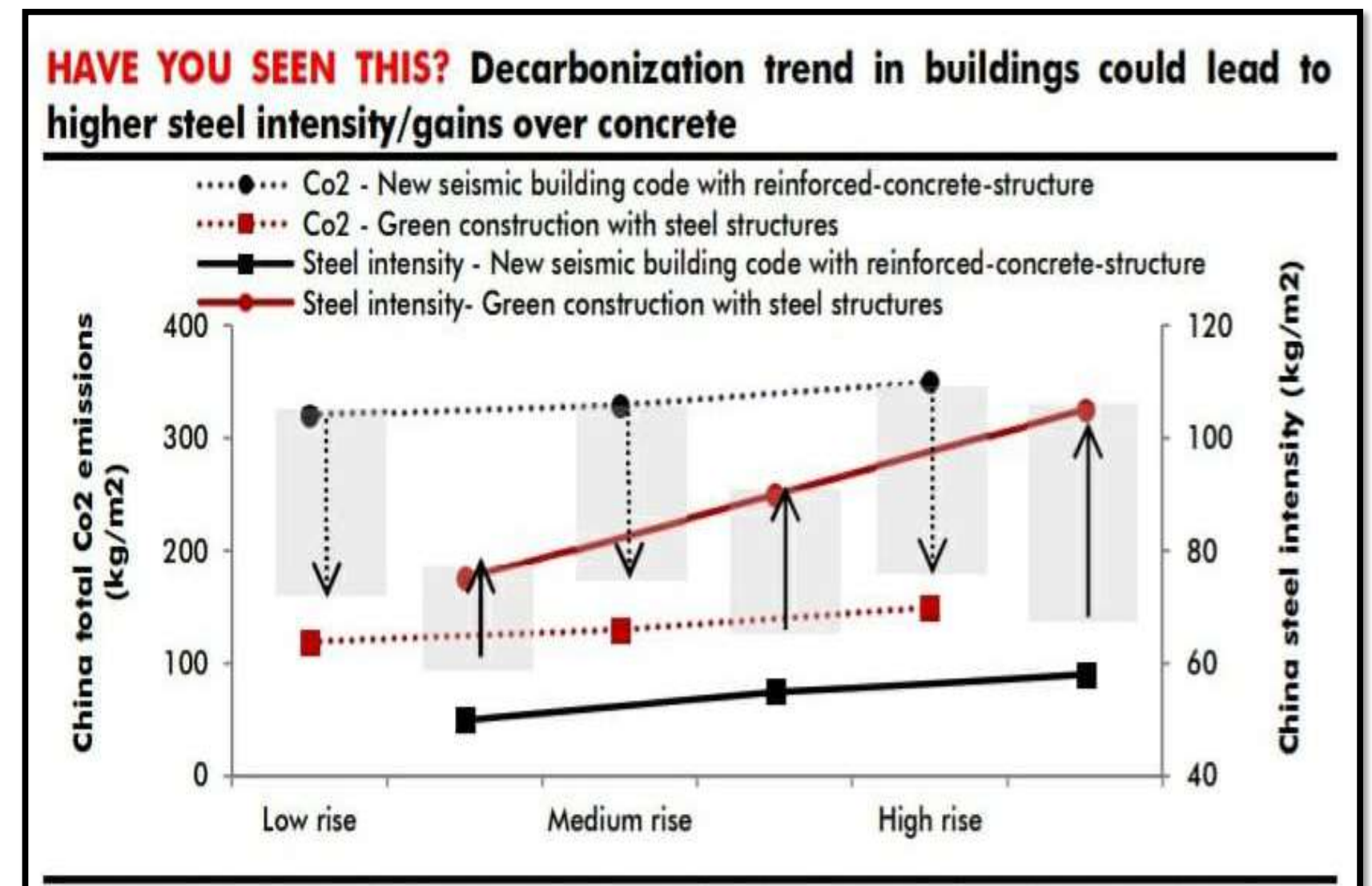


Steel Buildings = Decarbonization

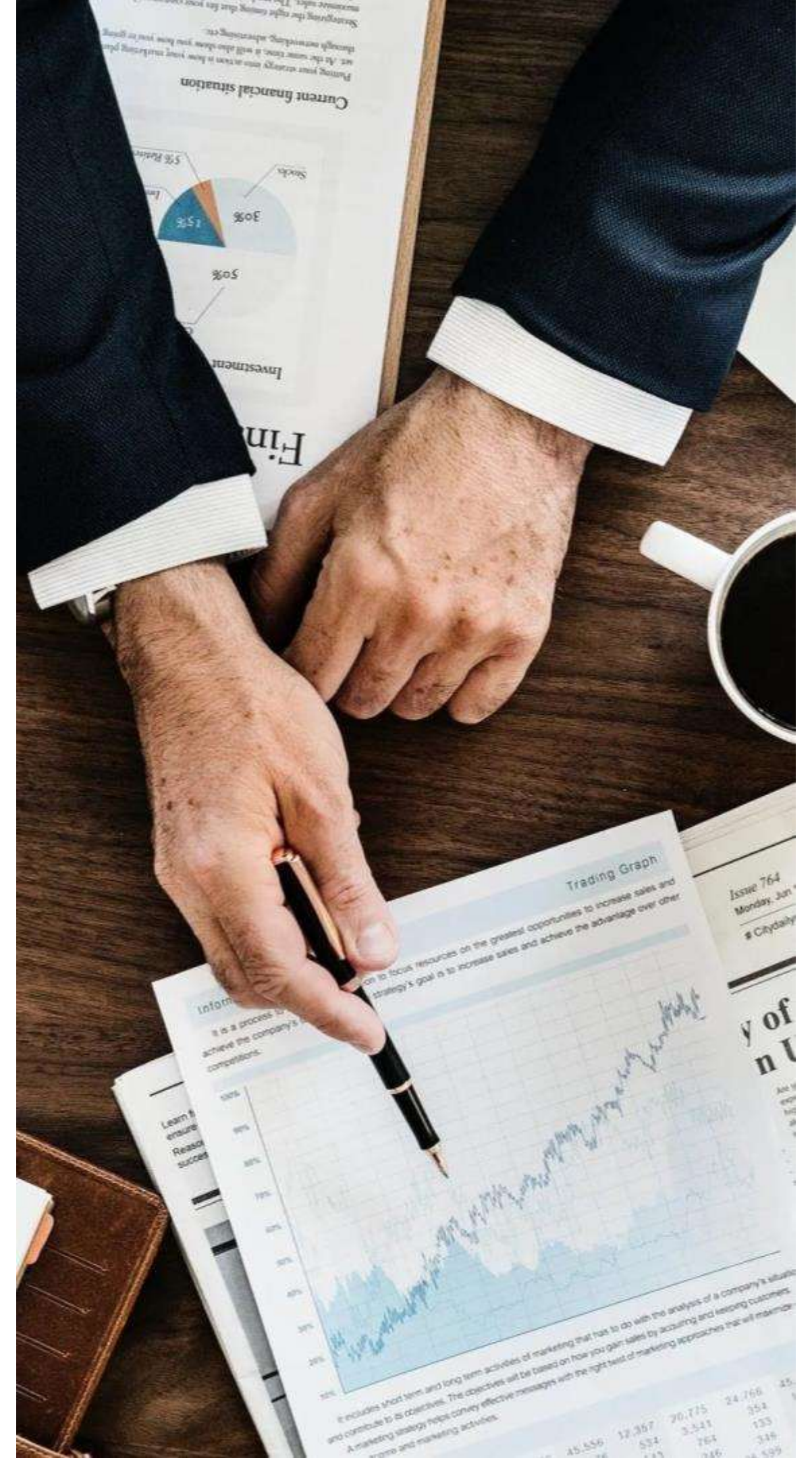
- Construction sector contributes 30% of direct and indirect Co2 emissions
- Structural steel is preferred for steel buildings because steel is
 - Infinitely recyclable
 - Easy to pre-fabricate
 - High volume to weight ratio
 - Lighter/ stronger structure allow gains inn vertical space

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

Steel Structure - RCC Structure



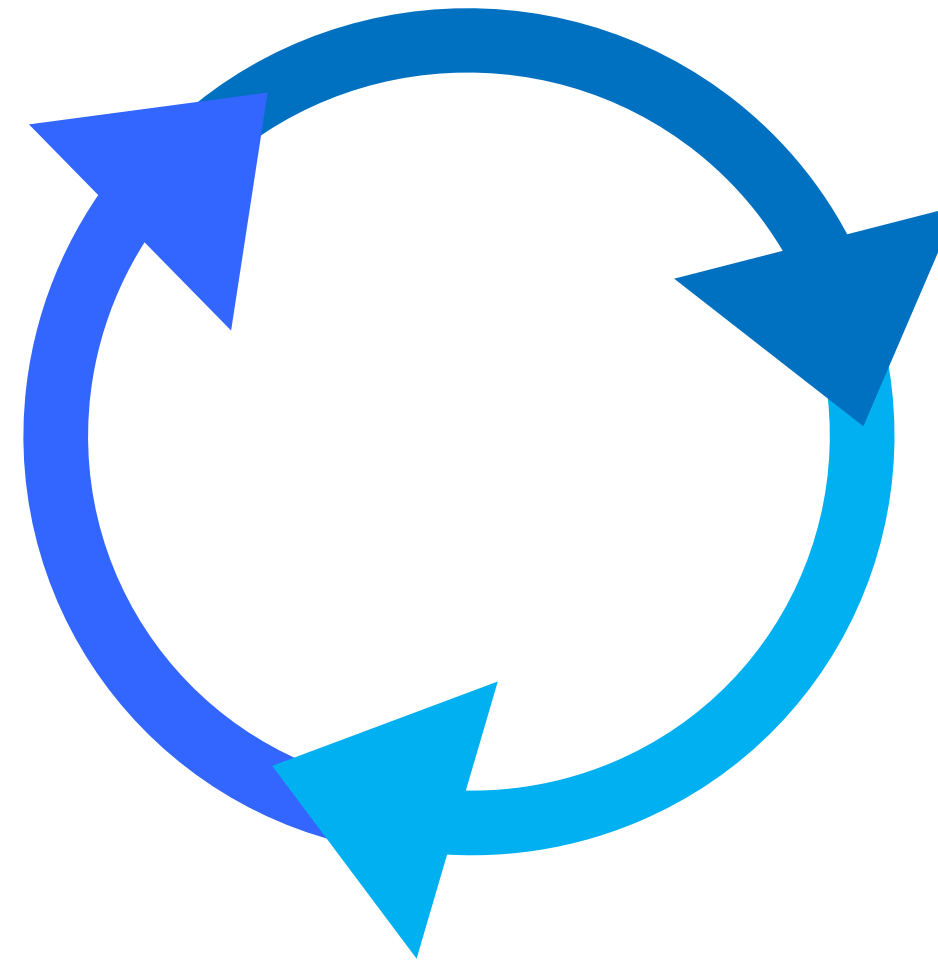
FINANCIAL PRIORITIES & PERFORMANCE



Financial Priorities Under Strong Governance

Growth

- Profitable Organic Growth
- Commitment to R&D and Talent
- Innovate products to replace conventional construction methods



Earnings

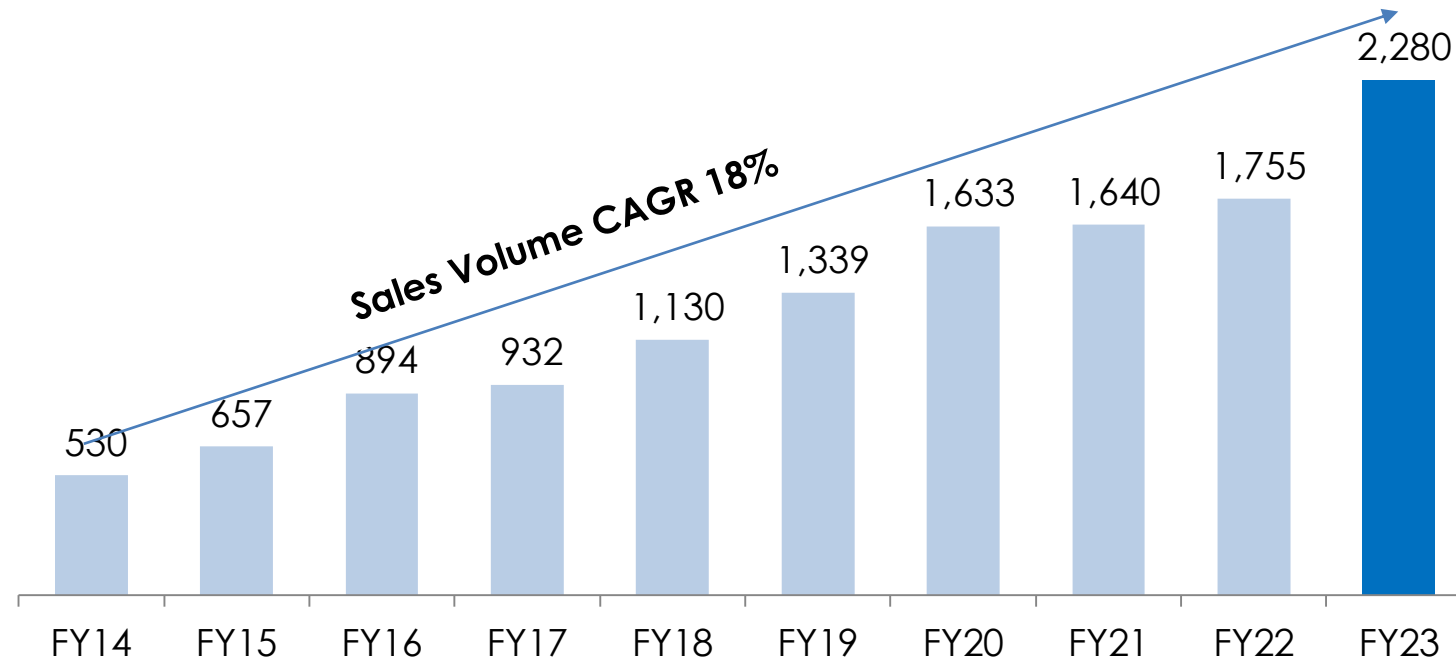
- Drive sustainable EPS growth
- Attain earnings objectives across economic cycles

Capital Allocation

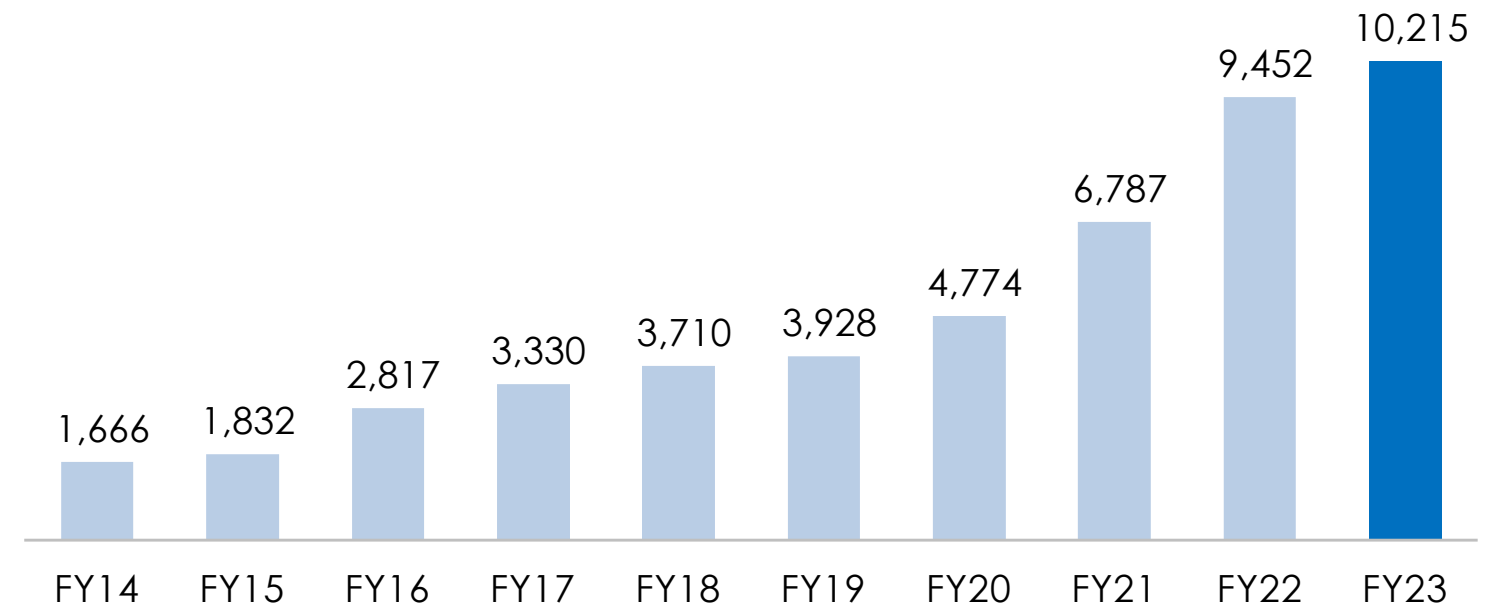
- Drive sustainable EPS growth
- Attain earnings objectives across economic cycles
- Achieve ROCE \geq 30%

Growing Strength to Strength

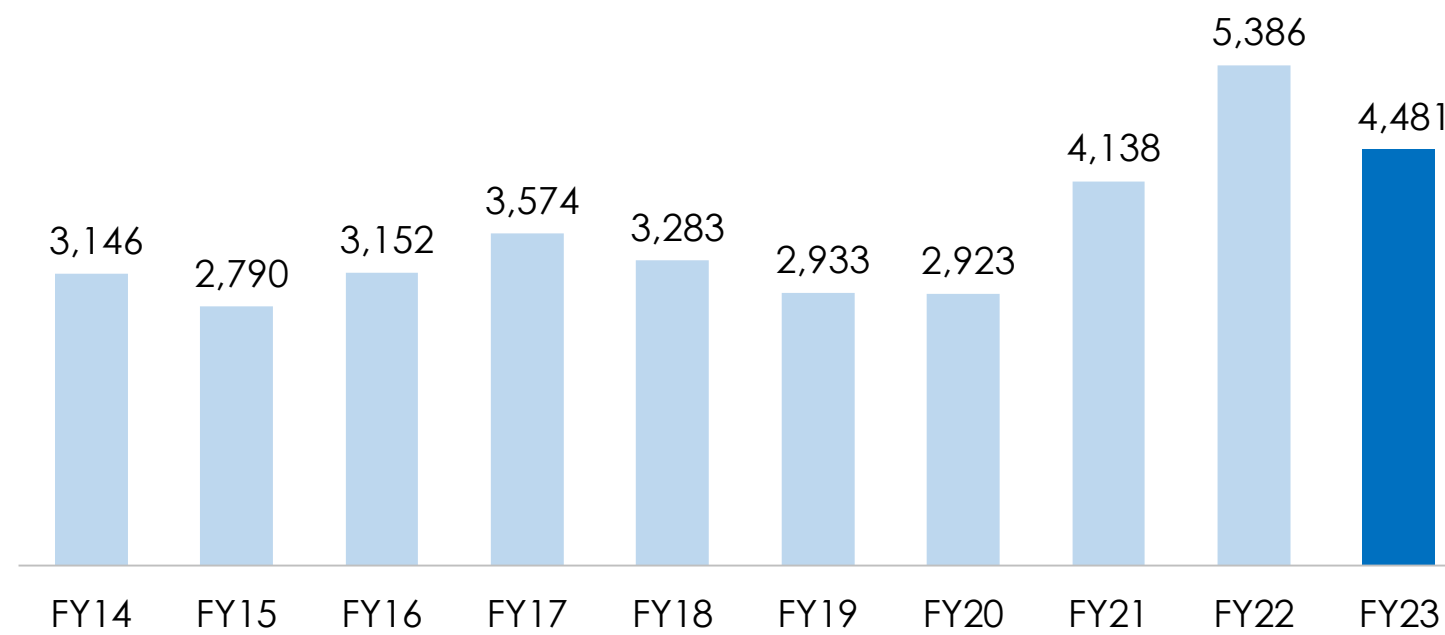
Sales Volume (k tons)



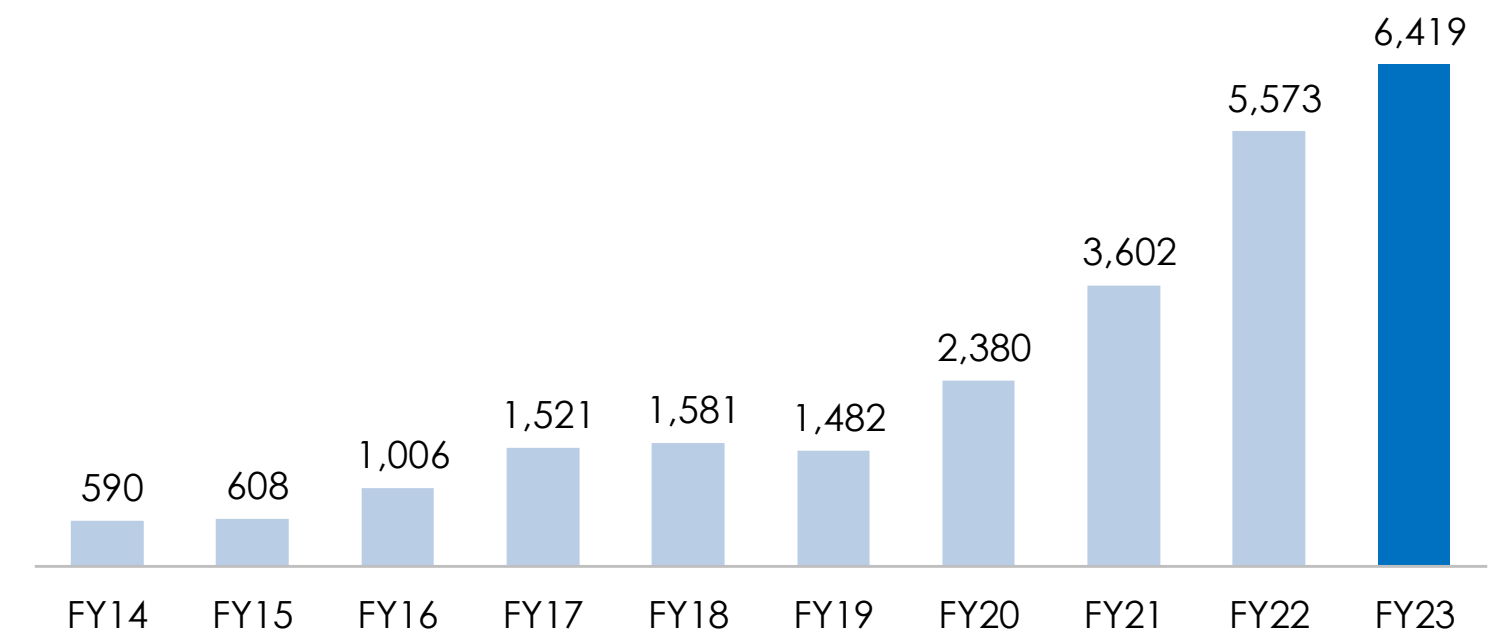
EBITDA (Rsm)



EBITDA/Ton (Rs)



Net Profit (Rsm)

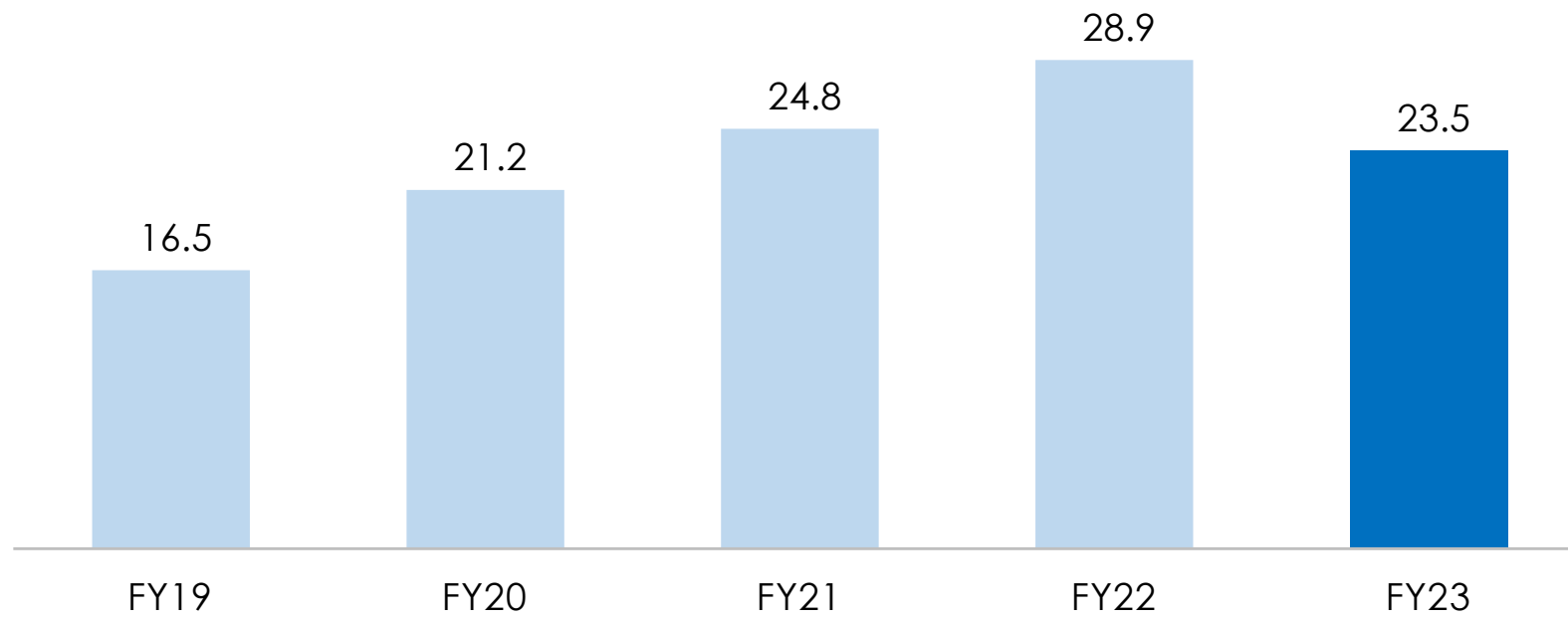


Note 1: This data is based on the Consolidated Financial data of the Company; Interest coverage is calculated on EBIT

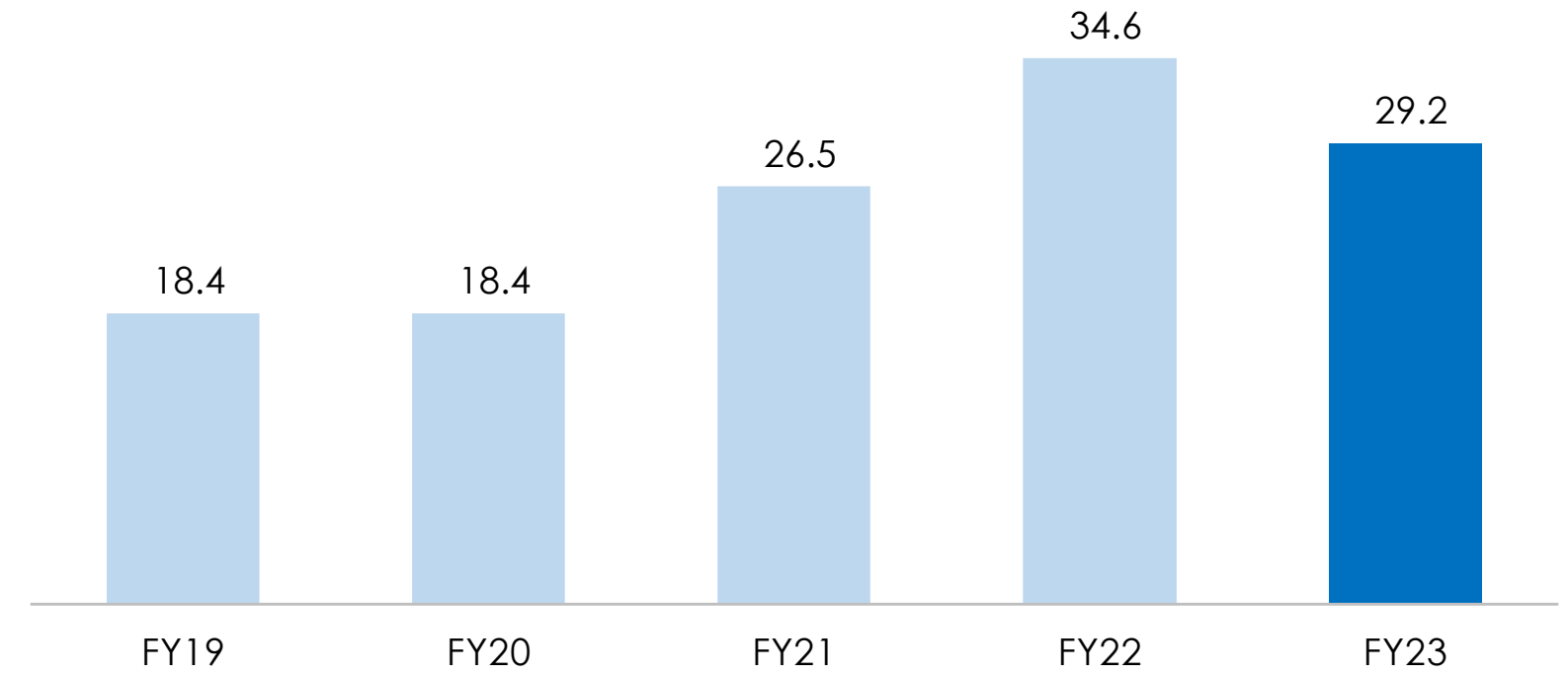
Note 2: Sales Volume and Financials are on consolidated basis and Net Profit is after Minority Interest

Growing Strength to Strength

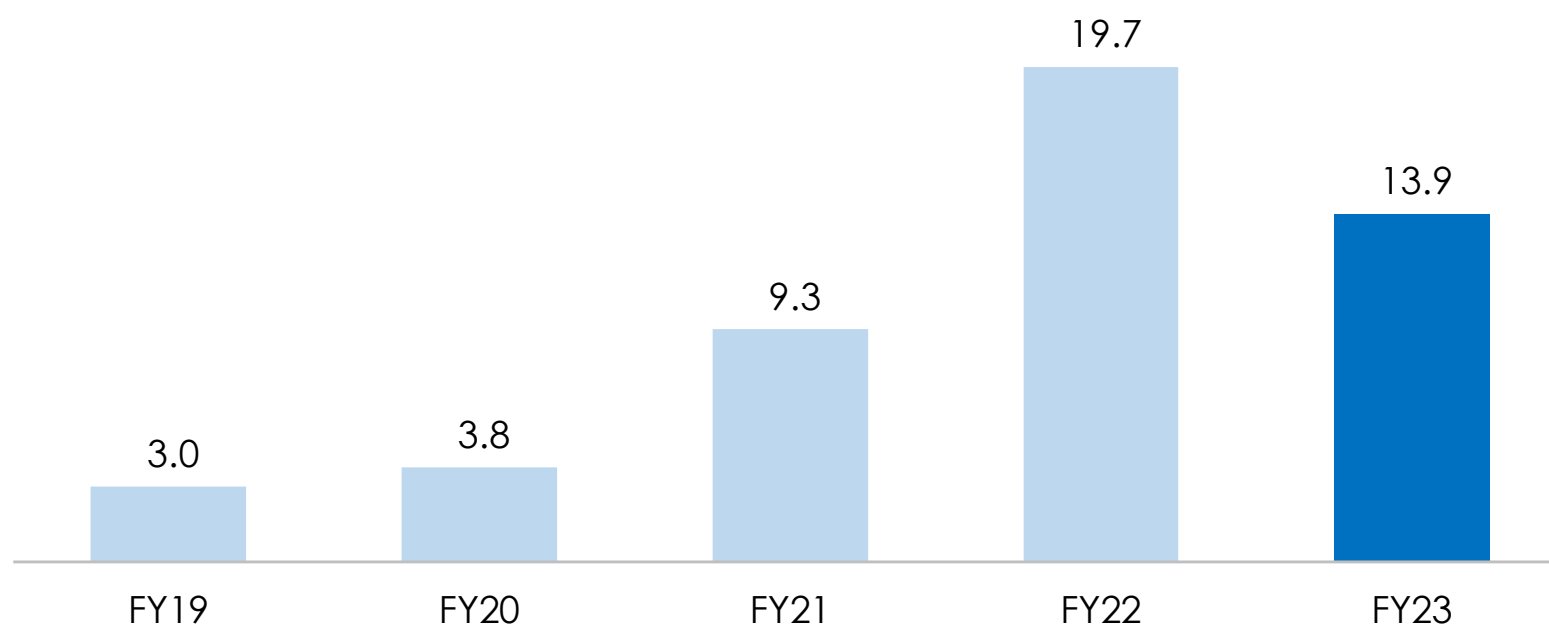
ROE (%)



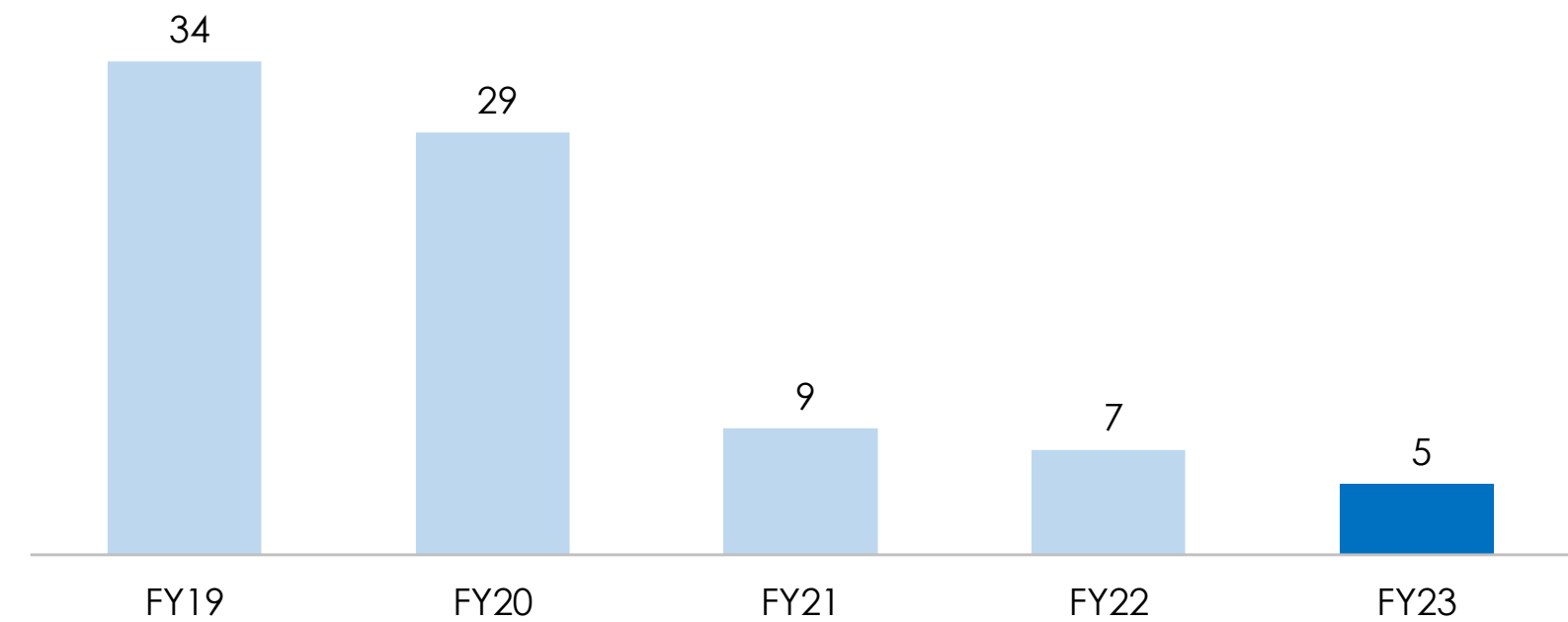
ROCE (%)



Interest Coverage Ratio (x)



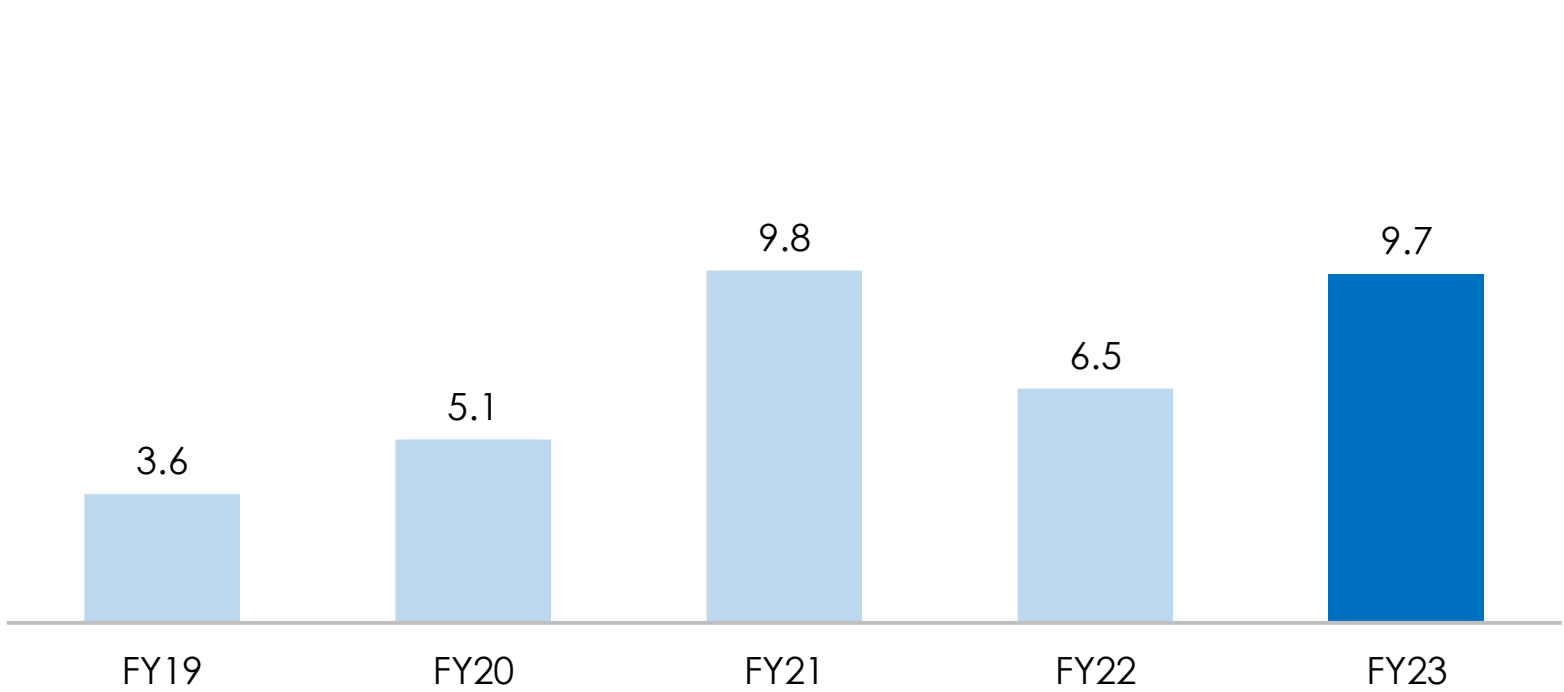
Net Working Capital Days



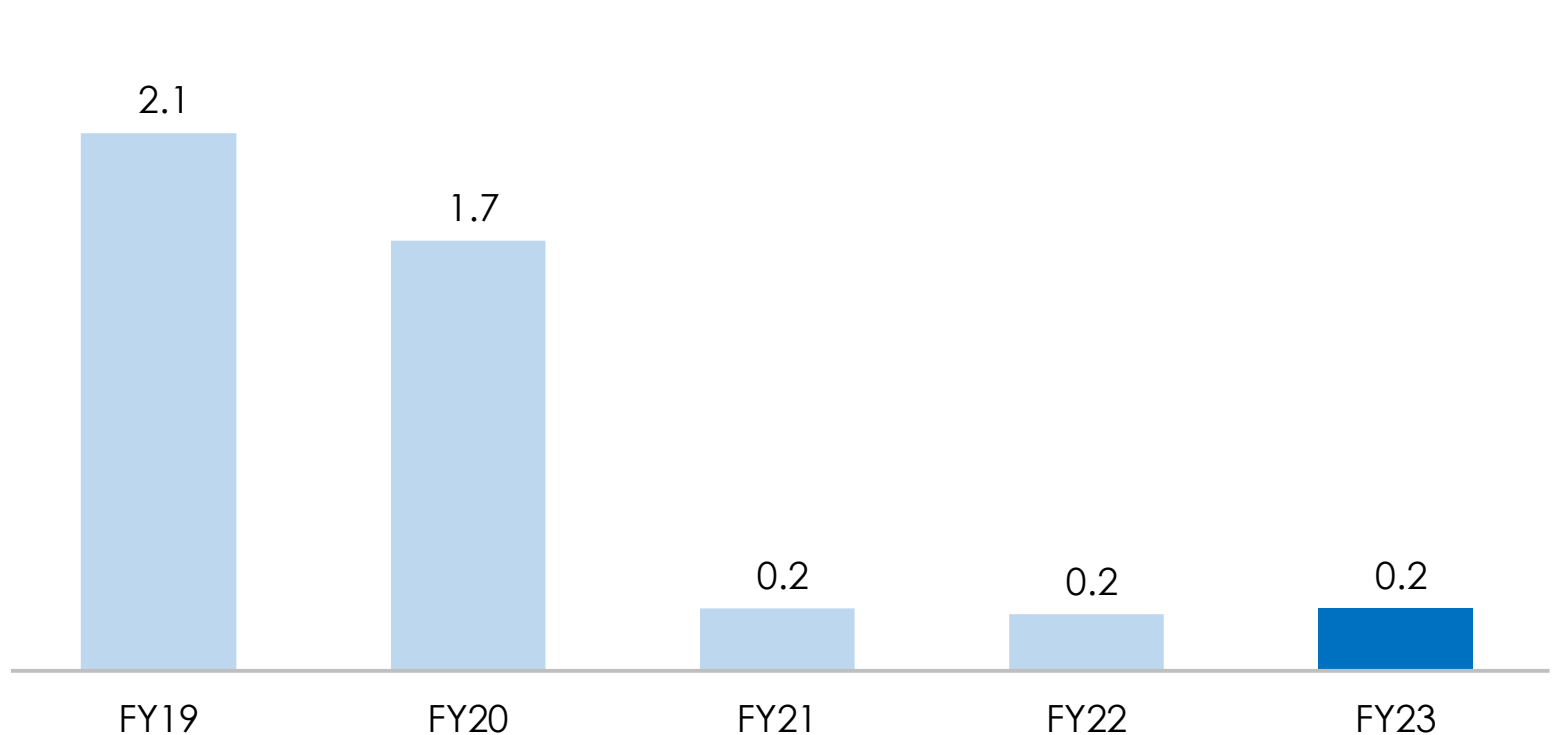
Note: Capital employed for ROCE is computed as Total assets less Current Liabilities & Cash

Growing Strength to Strength

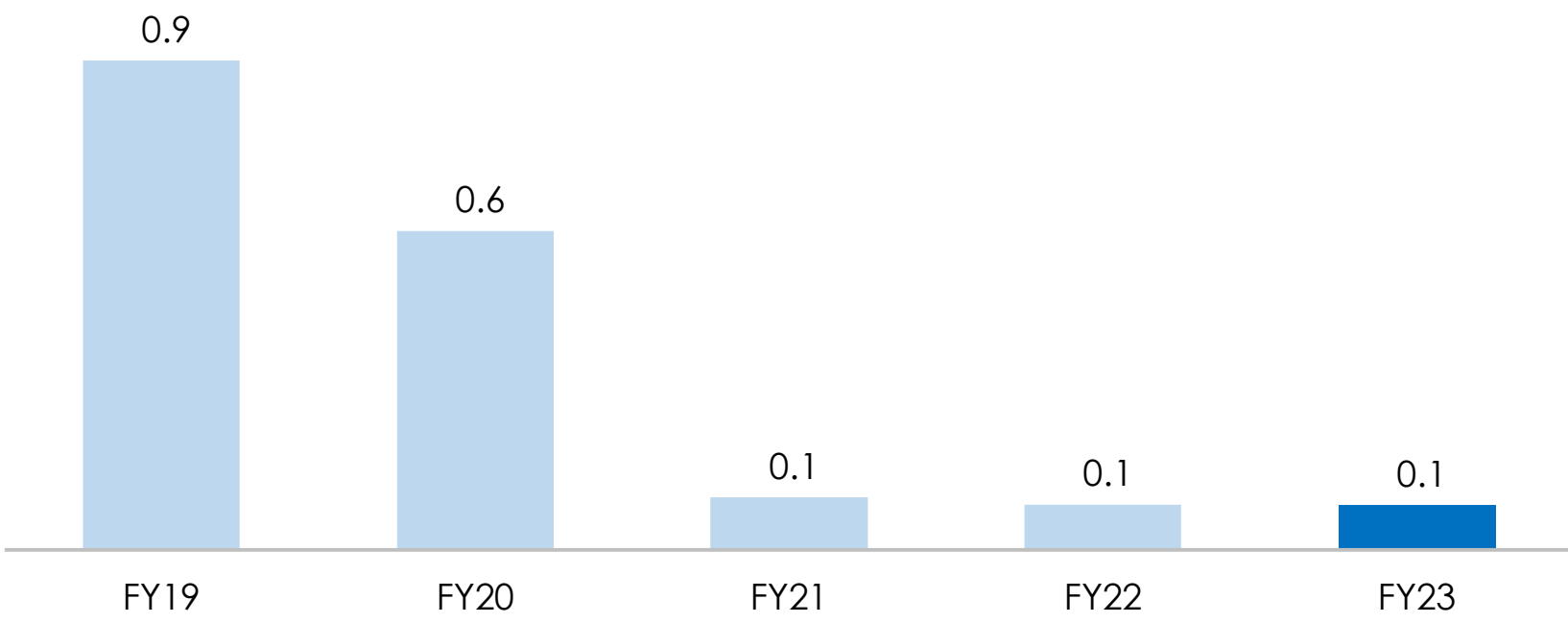
Operating Cash Flow (Rs Bn)



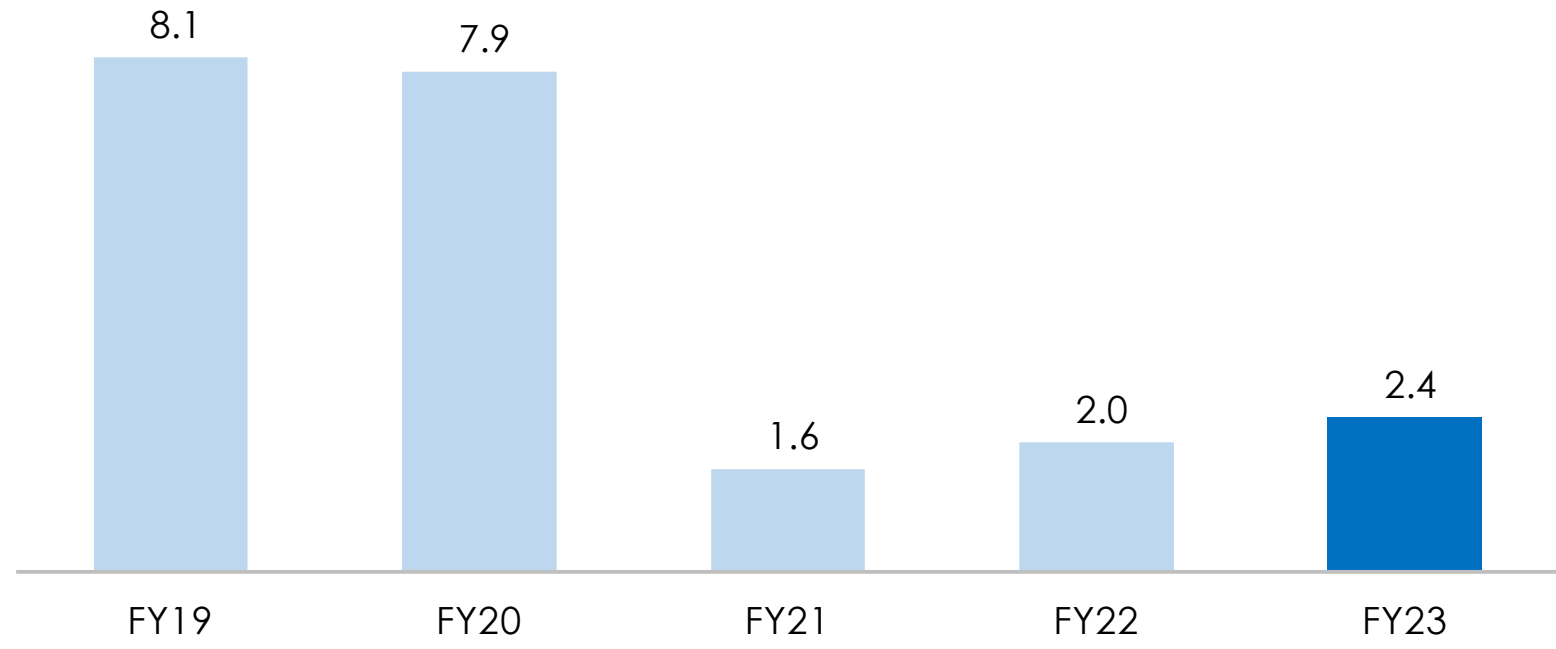
Net Debt/EBITDA (x)



Net Debt/ Equity (x)



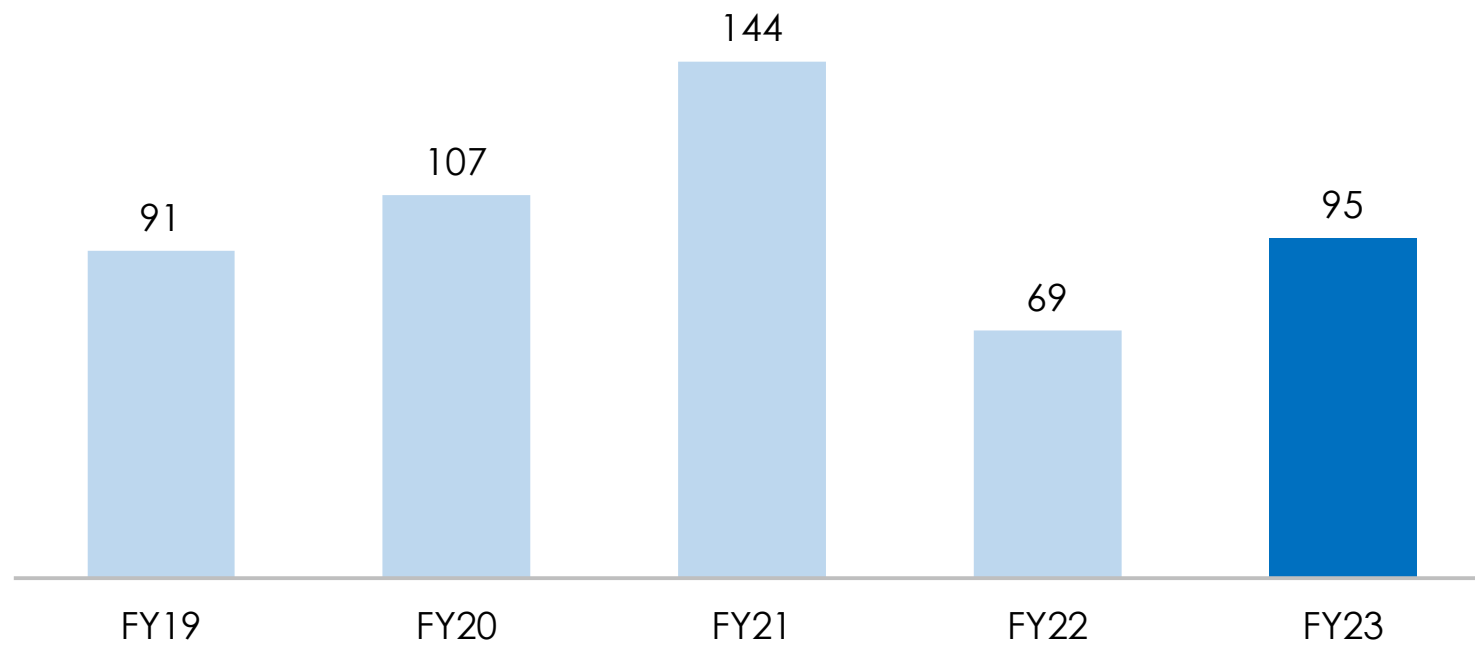
Net Debt (Rs Bn)



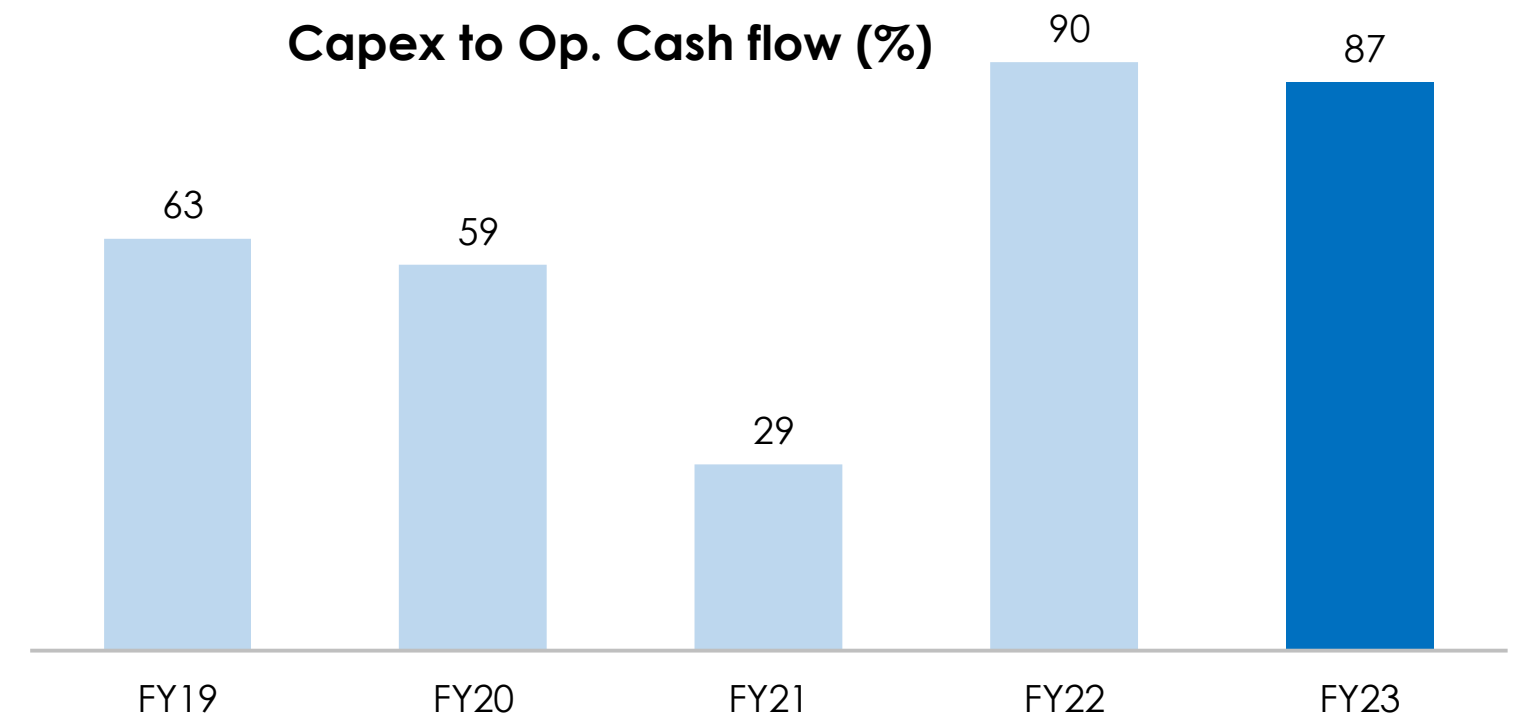
APL APOLLO TUBES

Growing Strength to Strength

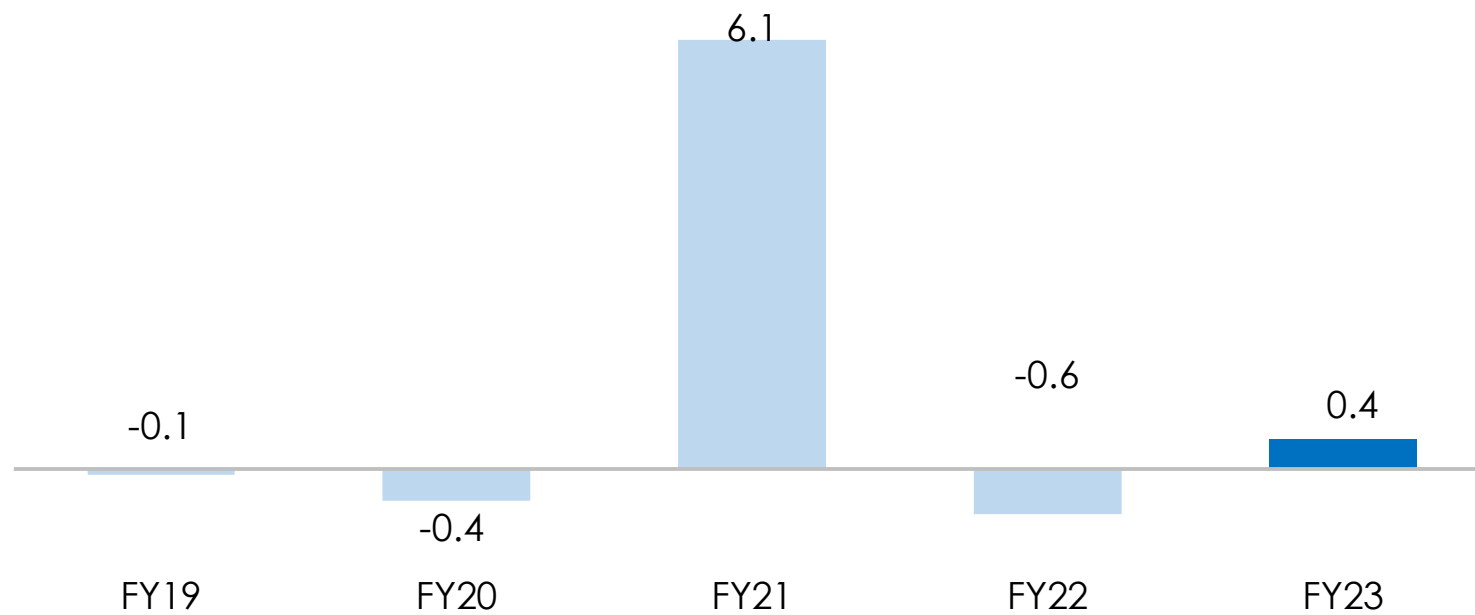
Operating Cashflow to EBITDA (%)



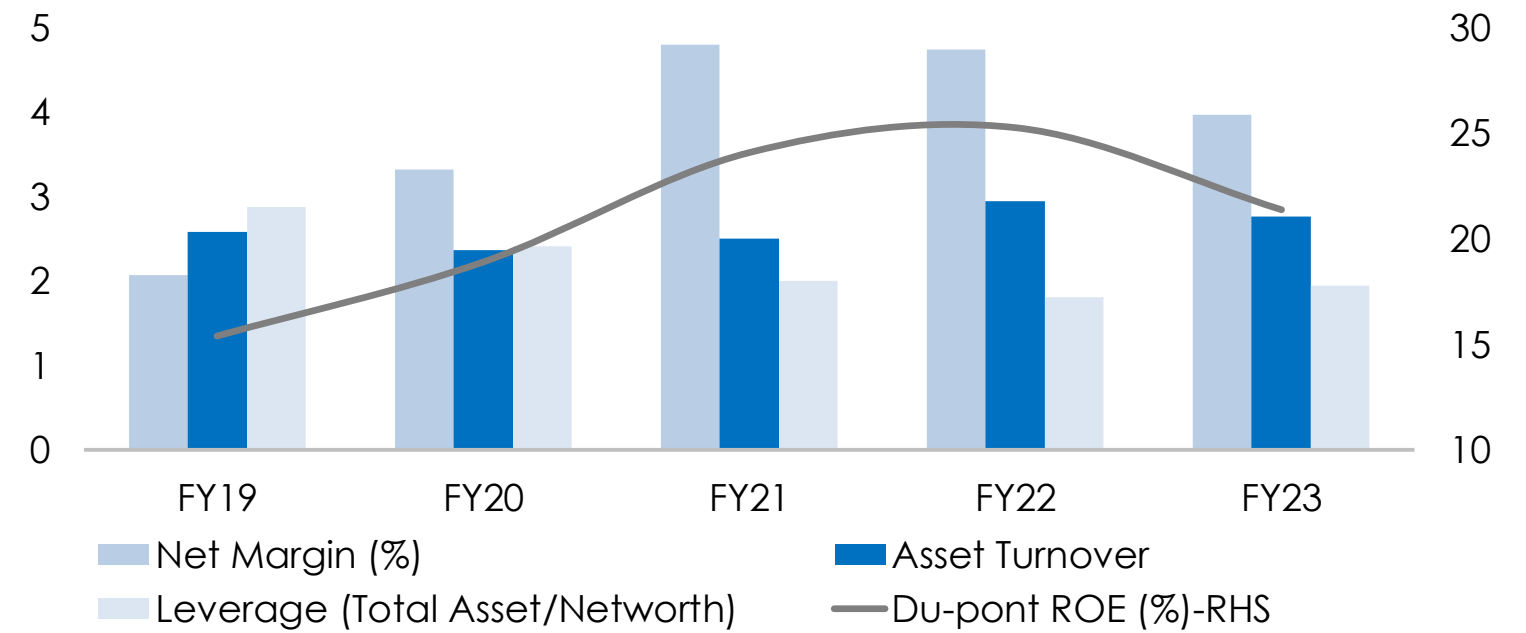
Capex to Op. Cash flow (%)



FCF (Rs Bn)



Du-Pont ROE (%)



De-commoditizing Product Portfolio

APL APOLLO TUBES

Product Category	Application	Q4FY22			Q1FY23			Q2FY23			Q3FY23			Q4FY23		
		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)
Apollo Structural	Heavy Section	7	40	7,835	8	33	7,028	7	41	6,926	8	46	7,568	6	39	8,437
	Super Heavy Section		0			0			0			0		0	2	9,604
	Light Structures	17	96	5,852	14	59	5,081	18	109	5,344	22	132	4,059	17	108	6,256
	General Products	40	223	1,955	39	165	1,614	46	276	1,388	44	264	2,284	46	299	2,612
Apollo Z	Rust-proof structures	30	166	7,134	33	141	7,224	23	137	6,816	21	125	7,492	25	163	7,327
	Coated Products		0	5,040	2	7	5,001	2	12	9,401	2	10	3,146	1	10	4,424
Apollo Galv	Agri/Industrial	5	26	5,040	4	18	5,005	4	27	4,966	5	28	5,659	4	27	6,780
Total		100	552	4,823	100	423	4,587	100	602	3,850	100	605	4,510	100	650	4,970

*ABPL (New Raipur) products have been re-classified in Super Heavy, Light and Coated Products

De-commoditizing Product Portfolio

Product Category	Application	FY19			FY20			FY21			FY22			FY23		
		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)
Apollo Structural	Heavy	6	80	3,775	6	101	4,000	6	95	4,721	7	121	7,422	7	160	7,505
	Super Heavy	-	-	-	-	-	-	-	-	-	-	-	-	2	9,604	
	Light	8	108	3,707	8	134	4,778	21	352	5,649	19	336	6,683	18	407	5,134
	General	58	777	1,615	55	898	1,361	43	713	1,658	37	647	2,145	44	1,005	2,025
Apollo Z	Rust-proof	21	283	5,568	25	401	5,279	25	409	6,692	33	575	7,710	25	567	7,214
	Coated	-	-	-	-	-	-	-	-	-	0	0	-	2	39	5,731
Apollo Galv	Agri/Industrial	7	92	4,362	6	99	3,952	4	71	6,040	4	76	6,442	4	99	5,667
Apollo Build/ New Raipur*	Coated Products	0	0	-	0	0	-	0	0	-	-	-	-	-	-	-
Total		100	1,339	2,933	100	1,633	2,923	100	1,640	4,138	100	1,755	5,386	100	2,280	4,481

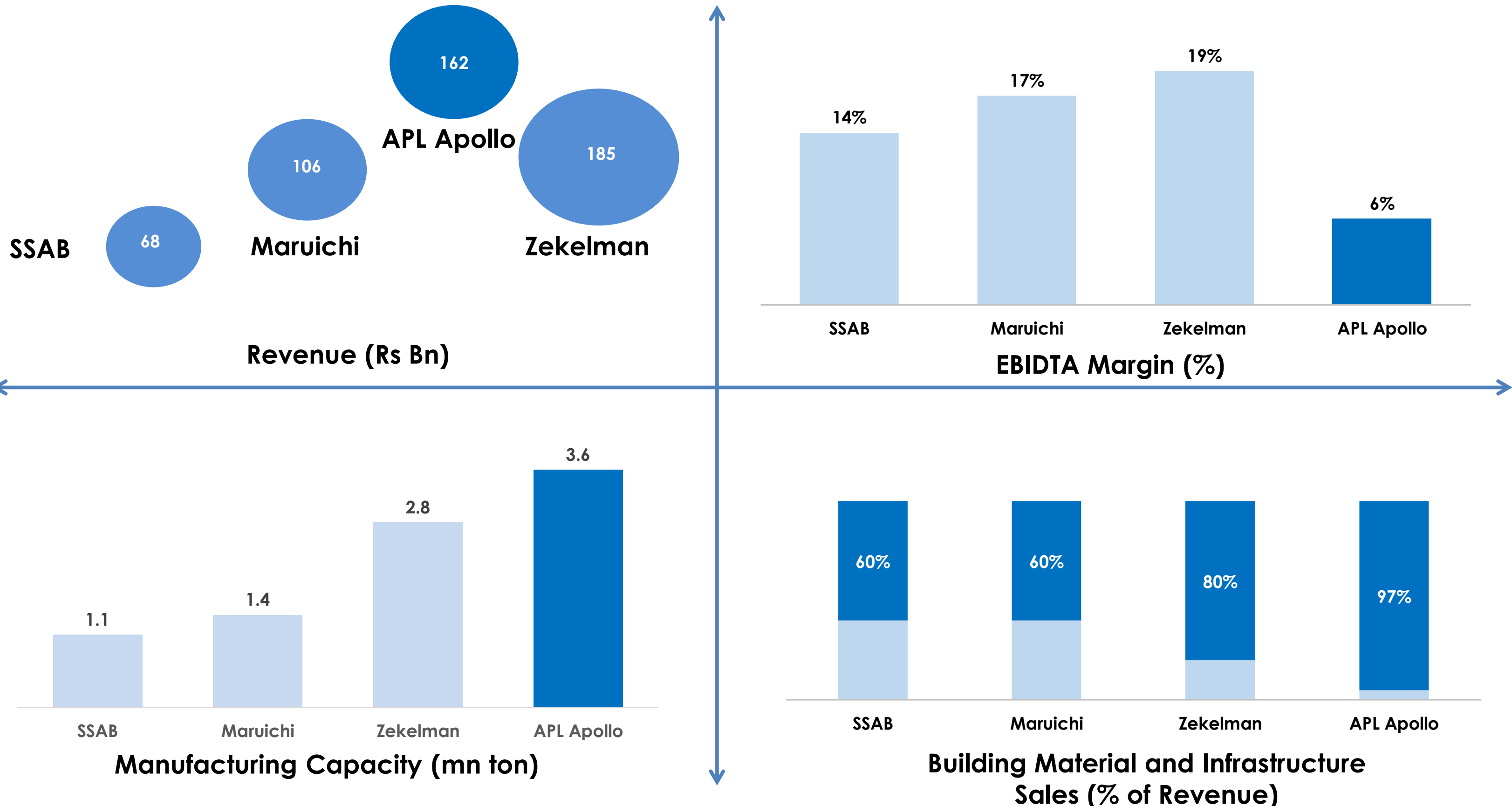
APL APOLLO TUBES

Standard products with EBITDA around Rs 2,000/ Ton

Value added products with EBITDA more than Rs 4,000/Ton

*ABPL (New Raipur) products have been re-classified in Super Heavy, Light and Coated Products

Global Peer Benchmarking



APL APOLLO TUBES

Based on latest financial available data

Profit & Loss Statement (Consol)

Particulars (Rsm)	Q4FY22	Q1FY23	Q2FY23	Q3FY23	Q4FY23	FY22	FY23
Sales Volume (k Ton)	552	423	602	605	650	1,755	2,280
Net Revenue	42,147	34,386	39,692	43,271	44,311	1,30,633	1,61,660
Raw Material Costs	36,829	29,915	34,747	37,693	37,823	1,12,231	1,40,178
Employee Costs	410	445	468	554	595	1,530	2,062
Other expenses	2,247	2,086	2,158	2,296	2,665	7,419	9,204
EBITDA	2,661	1,939	2,319	2,729	3,229	9,452	10,215
EBITDA/ton (Rs)	4,823	4,587	3,850	4,510	4,970	5,386	4,481
Other Income	110	83	116	93	180	405	472
Interest Cost	101	100	136	186	249	445	671
Depreciation	279	294	276	345	468	1,090	1,383
Tax	625	422	521	598	673	2,133	2,214
Net Profit	1,766	1,207	1,502	1,692	2,018	6,190	6,419
*Trading Revenue	497	235	765	1,084	785	2,505	2,869

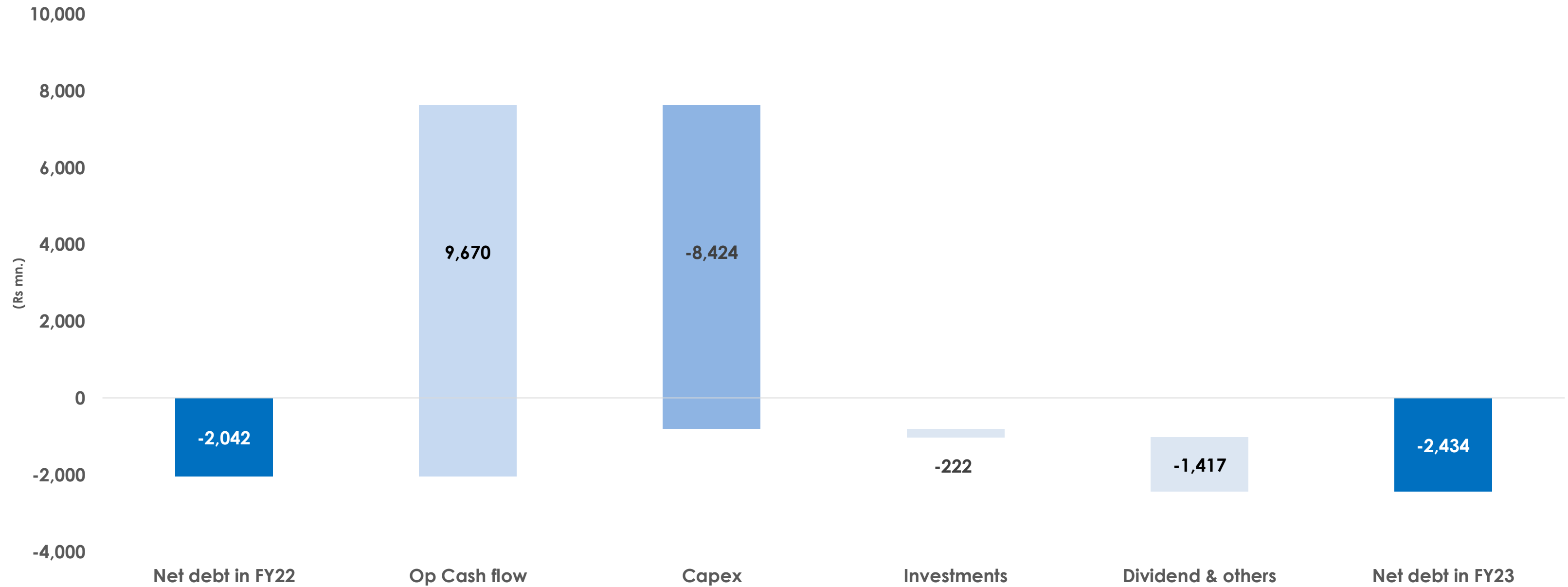
Balance Sheet & Cash flow (Consol)

Balance Sheet - Assets (Rs mn)	FY23	FY22
Cash & Bank Balance	6,295	3,764
Receivables	1,374	3,417
Inventories	14,799	8,472
Other current assets	3,110	2,617
Fixed assets (net)	27,232	21,039
Right to use Assets	925	870
Investments	960	862
Other assets/goodwill	3,821	3,367
Total Assets	58,516	44,409
Balance Sheet - Liabilities (Rs mn)	FY23	FY22
Trade payables	15,970	10,595
Other current liabilities	1,185	1,365
Debt	8,729	5,806
Others	2,576	2,119
Minority Interest/Provision	0	0
Shareholders' funds	30,056	24,525
Total Equity & Liabilities	58,516	44,409

Cashflow Statement (Rs mn)	FY23	FY22
EBITDA	10,215	9,452
Accounts receivables	1,990	-2,108
Inventory	-6340	-887
Other WC changes	5,494	1,638
Tax	-2,161	-1,993
Other Income	472	405
Operating cash flow	9,670	6,506
Capex	-8,424	-5,869
Investments	-222	-871
Interest	-602	-407
Free cash flow	423	-640
Dividend payments	-875	0
Capital increase	27	70
Others	32	152
Net change in cash flow	-393	-418
Net debt beginning	-2,042	-1,624
Net debt end	-2,434	-2,042

* Rs 2.8bn Fixed Deposit Receipt (FDR) is classified under Cash & Bank/Other current Assets due to maturity of FDR less than 365days

Consol. Cash Flow Bridge (Rs Mn.)



✓ Business continues to generate strong operational cash flows

✓ Capex being funded from internal cash flows

✓ Net debt to EBITDA at 0.2x

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

Deepak Goyal

Chief Finance Officer

Romi Sehgal

Director

Anubhav Gupta

Chief Strategy Officer

Anurag Mehrotra

Chief Human Resource Officer

Ravindra Tiwari

Head-Sales & Marketing

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