

# Aegis Logistics Limited

“Positioned for growth”

## Investor Presentation

September 2017

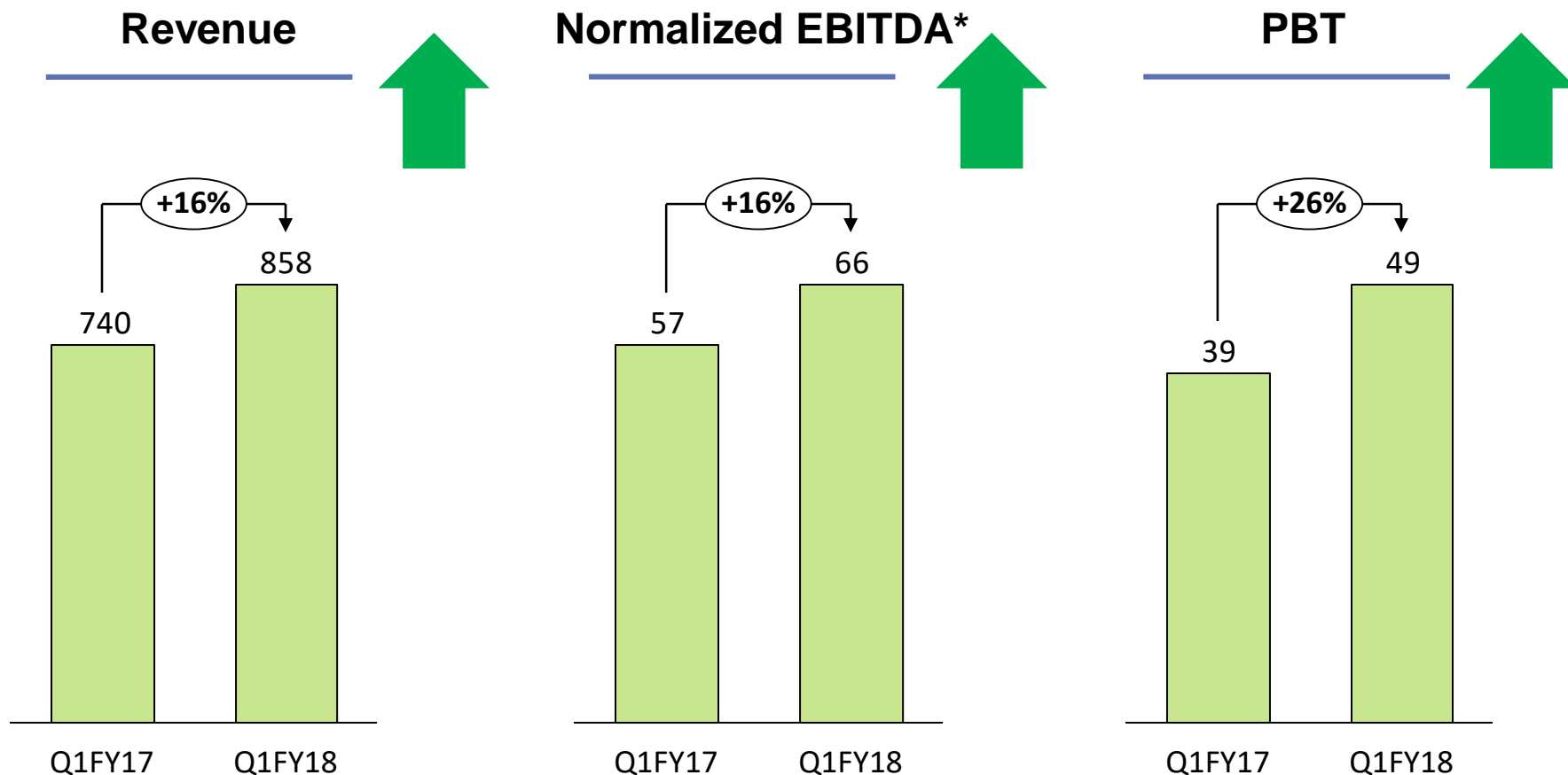


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# Strong Quarterly Performance



\* Normalized EBITDA – Before Forex, Hedging Related Expenses

Financials are per IndAS; Rs. In Cr

# Current Business Break-up

## Liquid Division

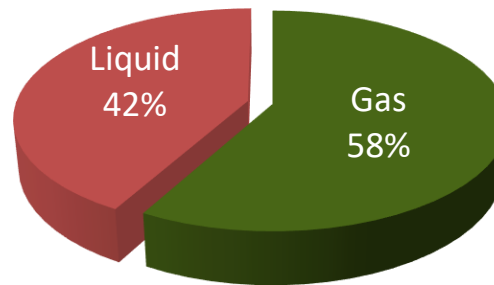
### ▪ Business

- 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

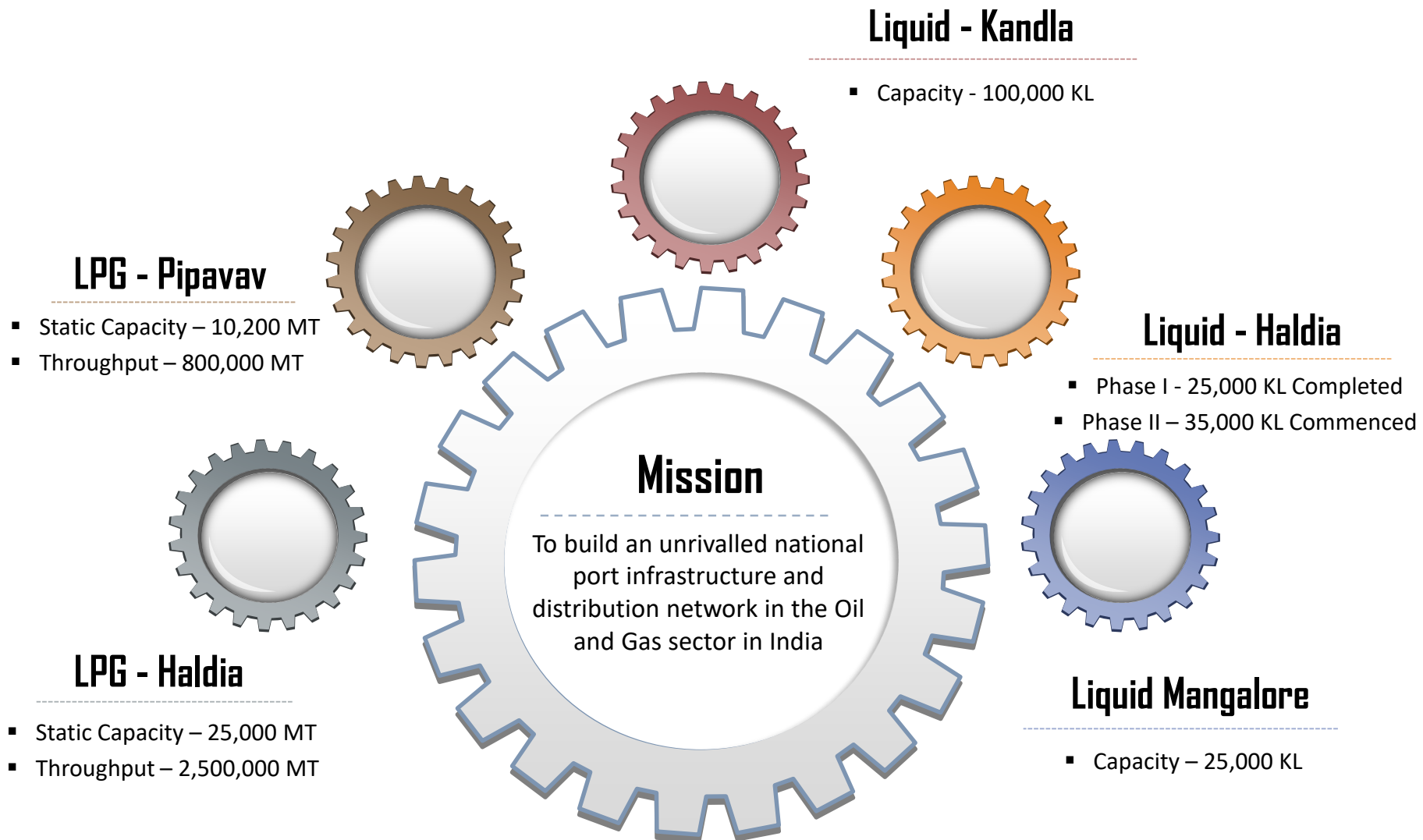
### ▪ Business

- 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

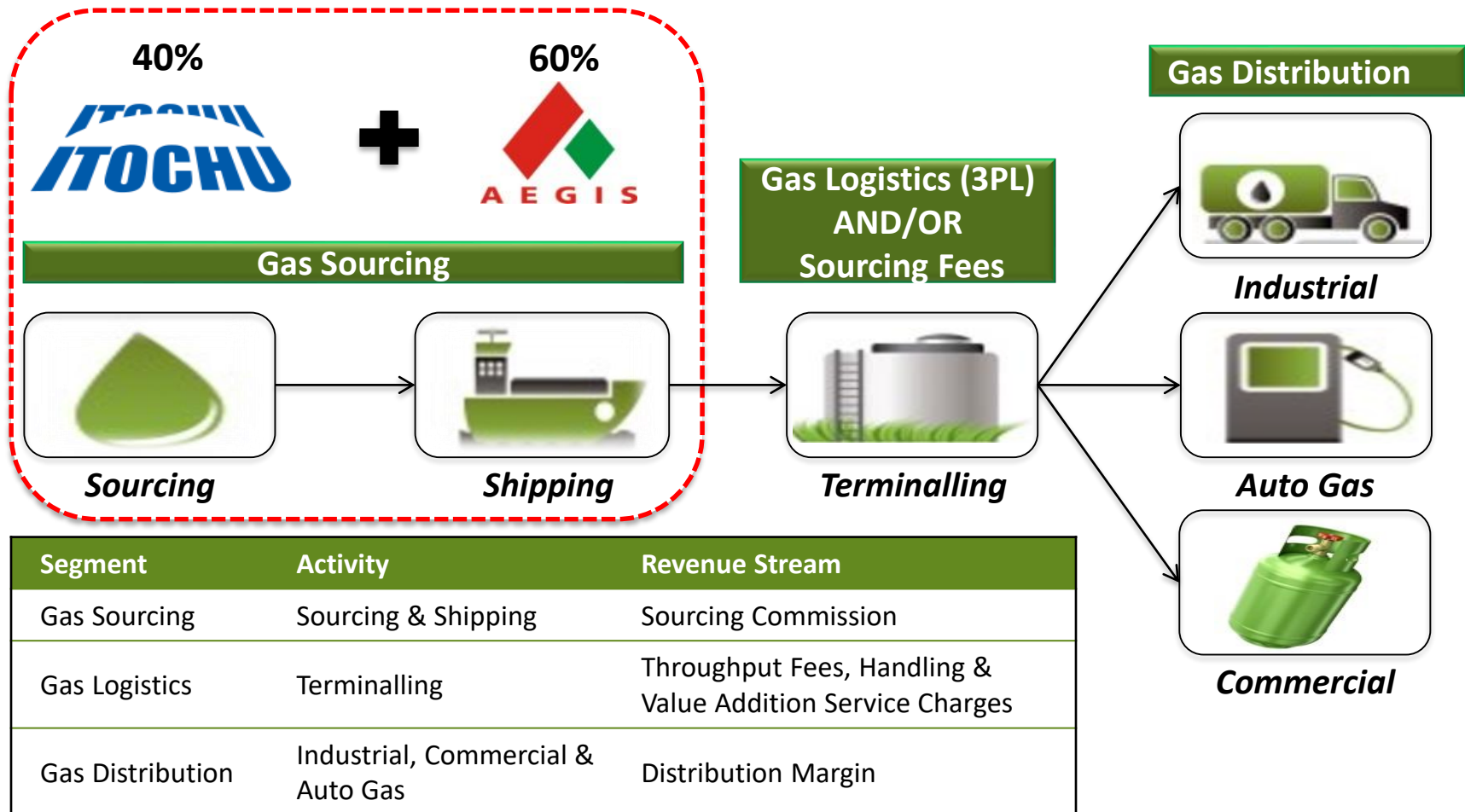




## Gas Logistics



# Gas Logistics - Capturing Complete Value Chain

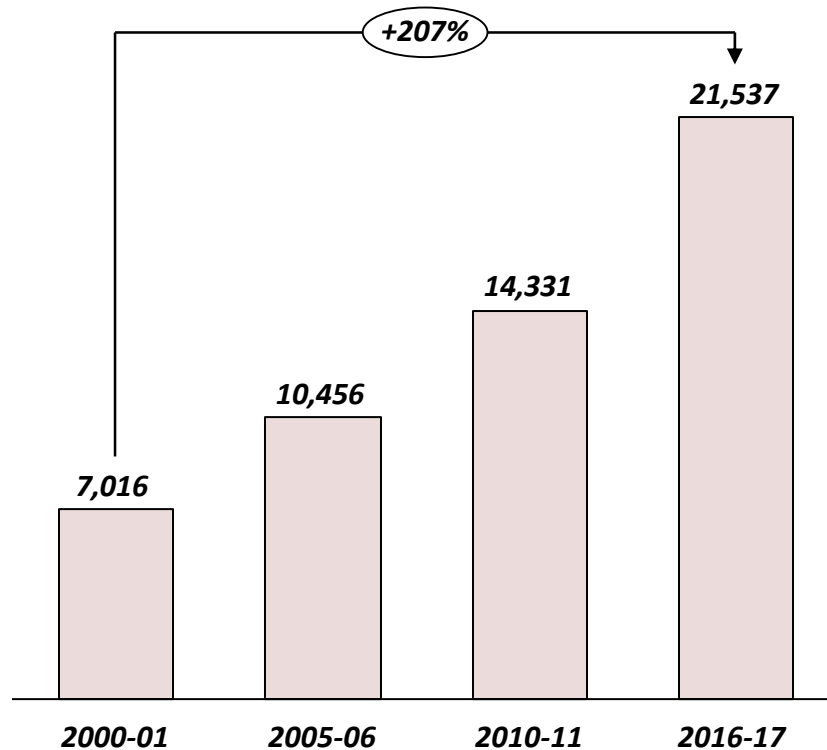


Creating 'Leading LPG Sourcing Player in India' through Vertical Integration Strategy

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

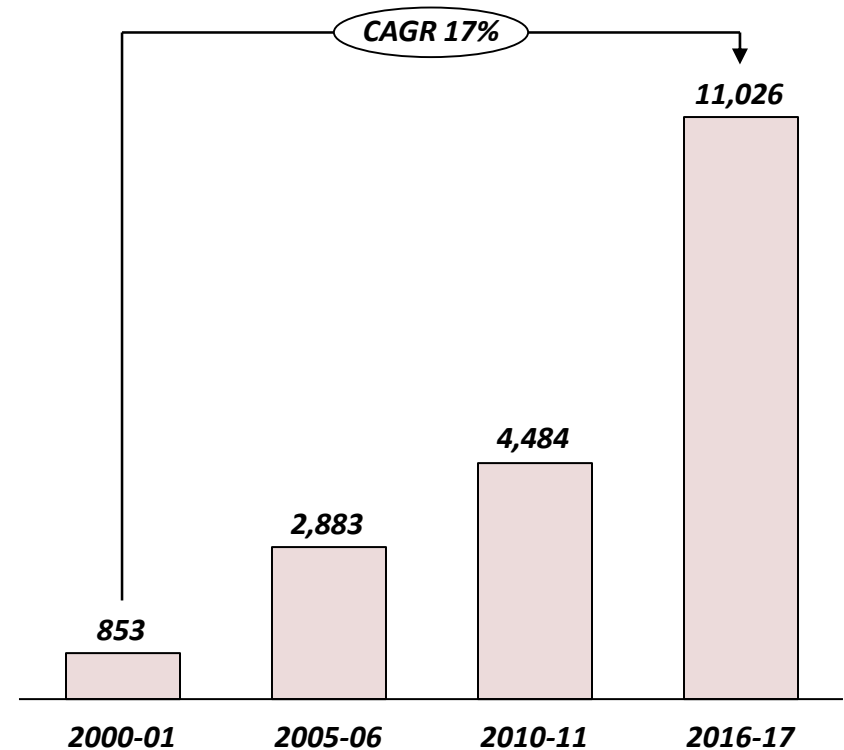
## Consumption of LPG in India

'000 MT



## Imports of LPG in India

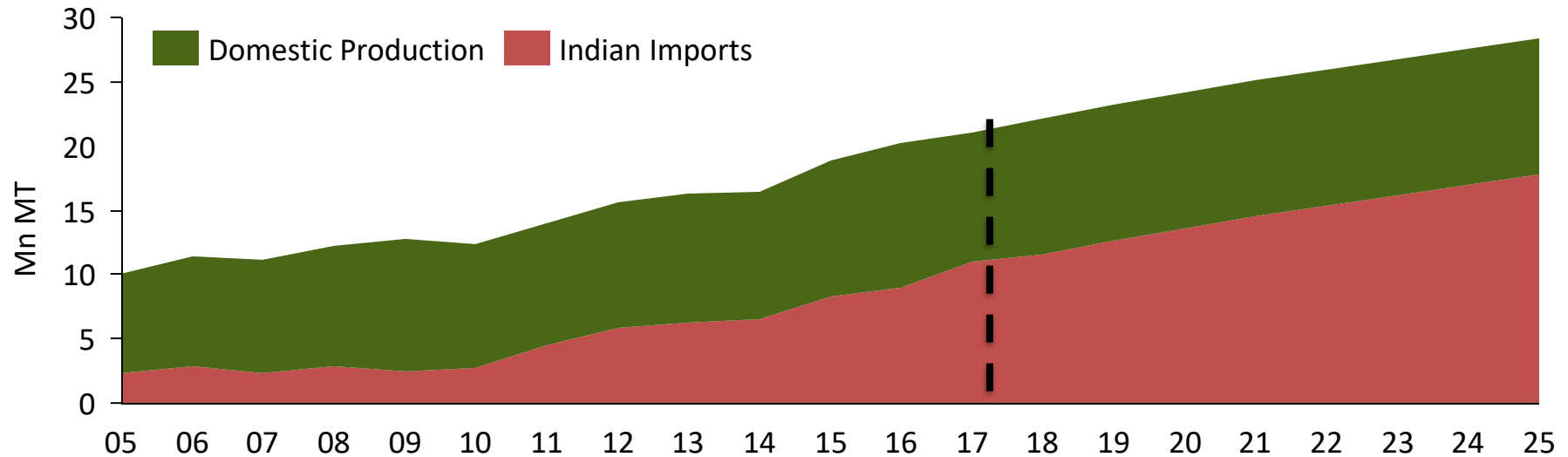
'000 MT



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***

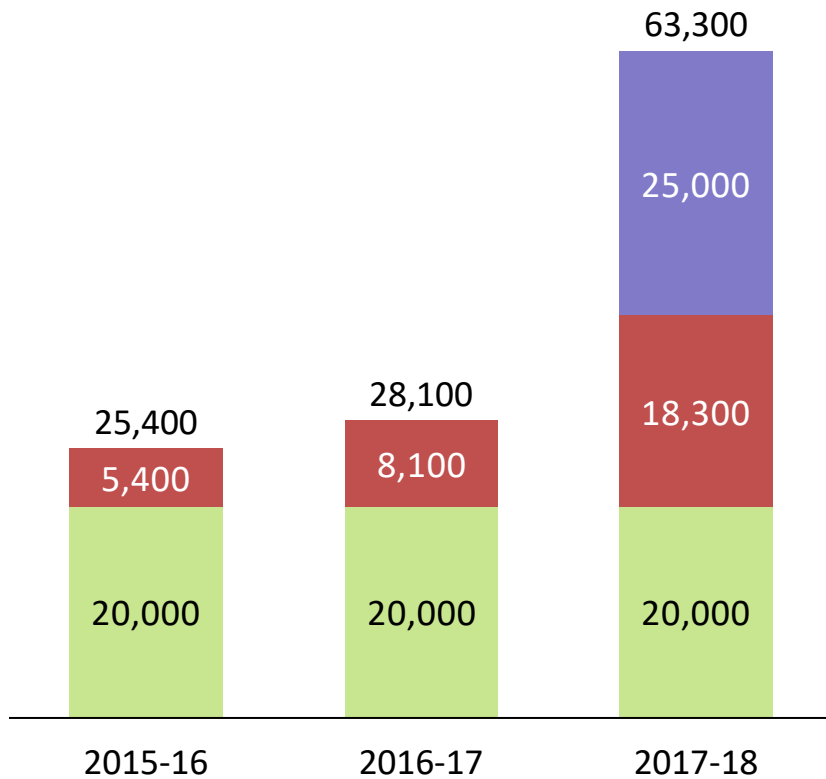
*Aegis Logistics Limited sold 40% of its equity ownership in its wholly owned subsidiary, Aegis Group International Pte. Ltd. Singapore, to ITOCHU Petroleum Co., (Singapore) Pte Ltd., a wholly owned subsidiary of ITOCHU Corporation for a total consideration of \$ 5.85 million*



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

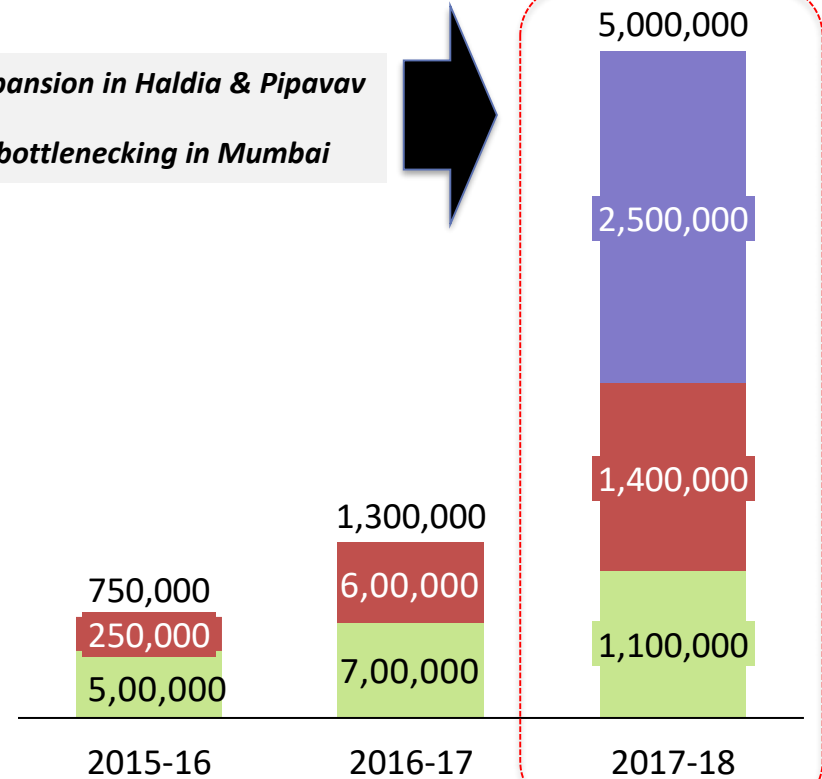
# LPG Capacity Post Expansion

Static Capacity MT



Throughput Capacity MT

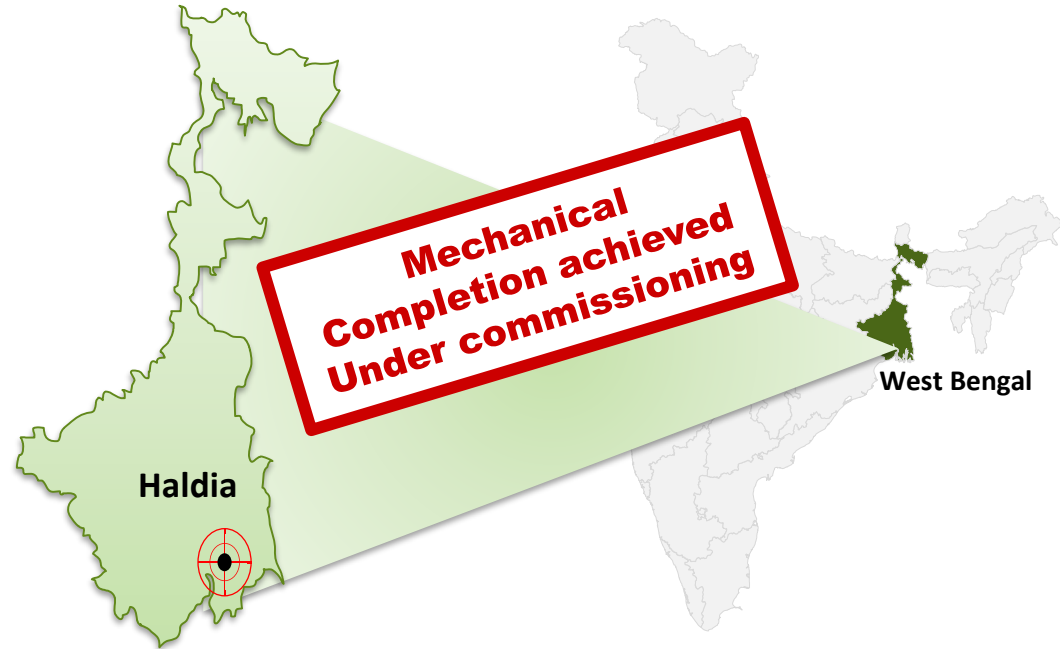
*Expansion in Haldia & Pipavav*  
*Debottlenecking in Mumbai*



 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

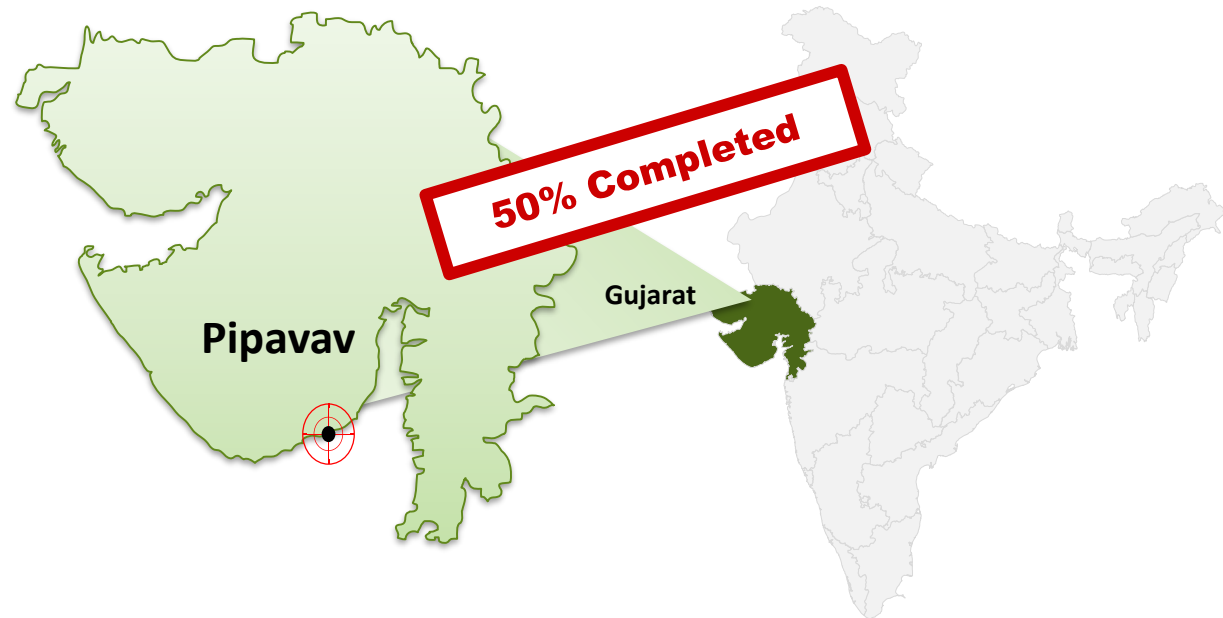


## ***Project Status:***

- 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

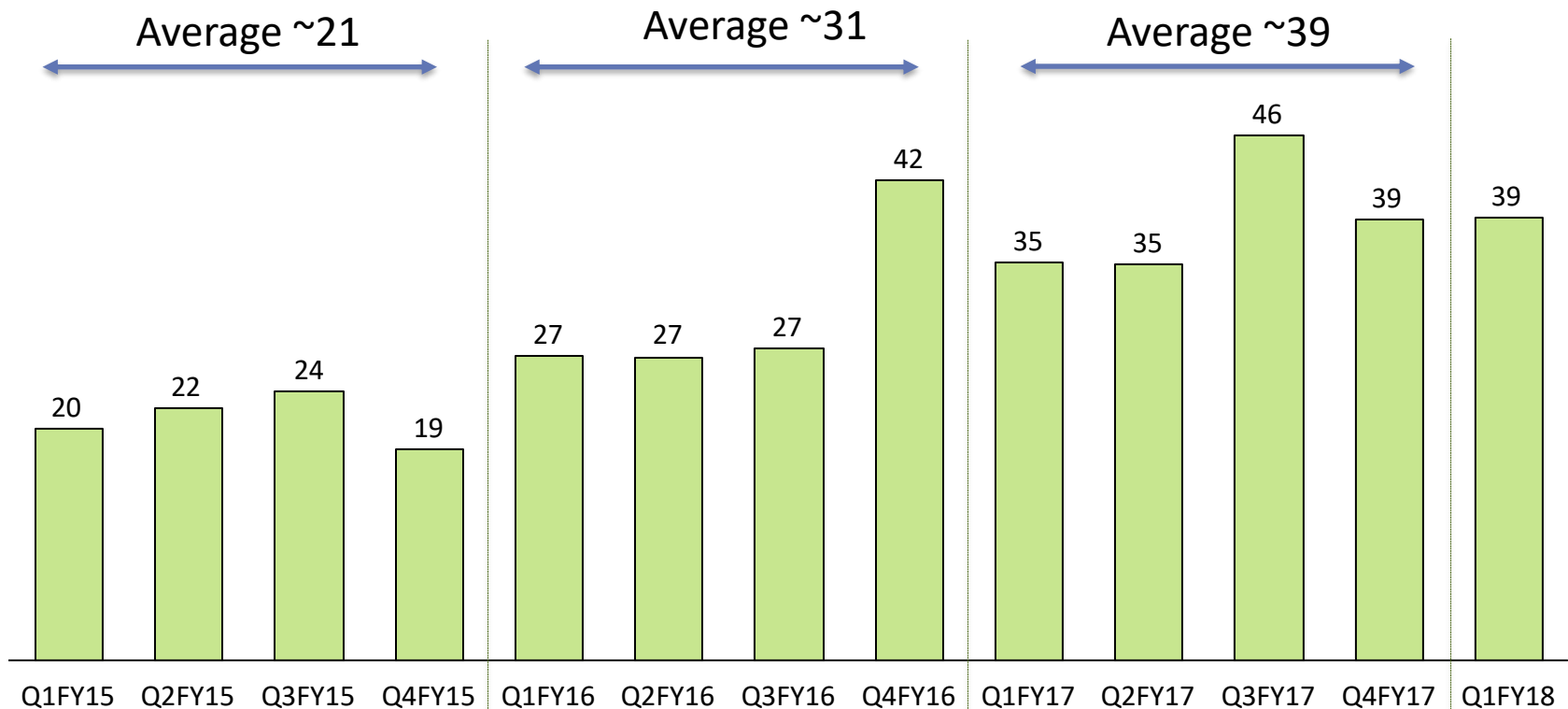


Existing & New  
Customer Relationships



Sustainable Business

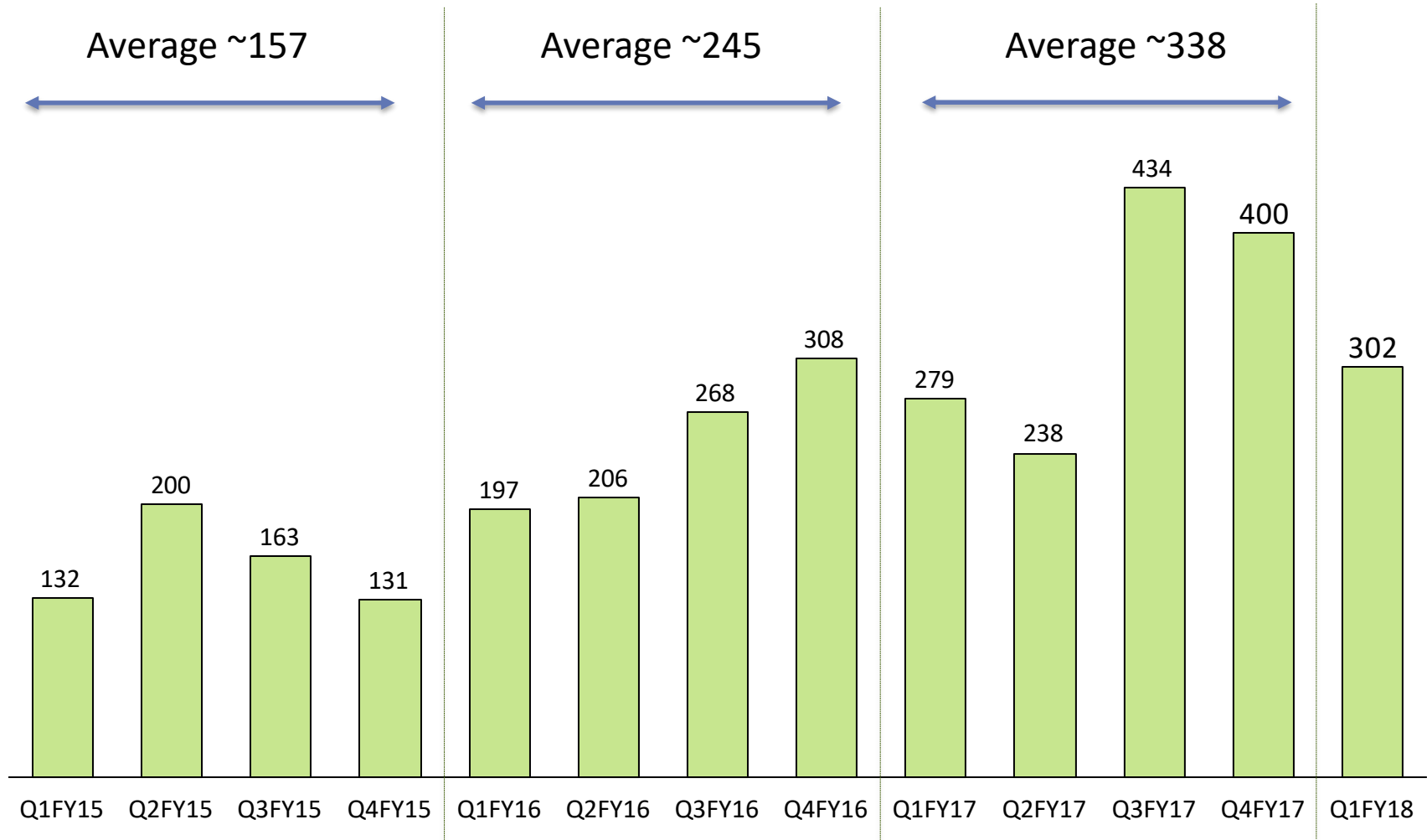
Rs. in Cr.



\* Normalized EBITDA – Before Forex, Hedging Related Expenses

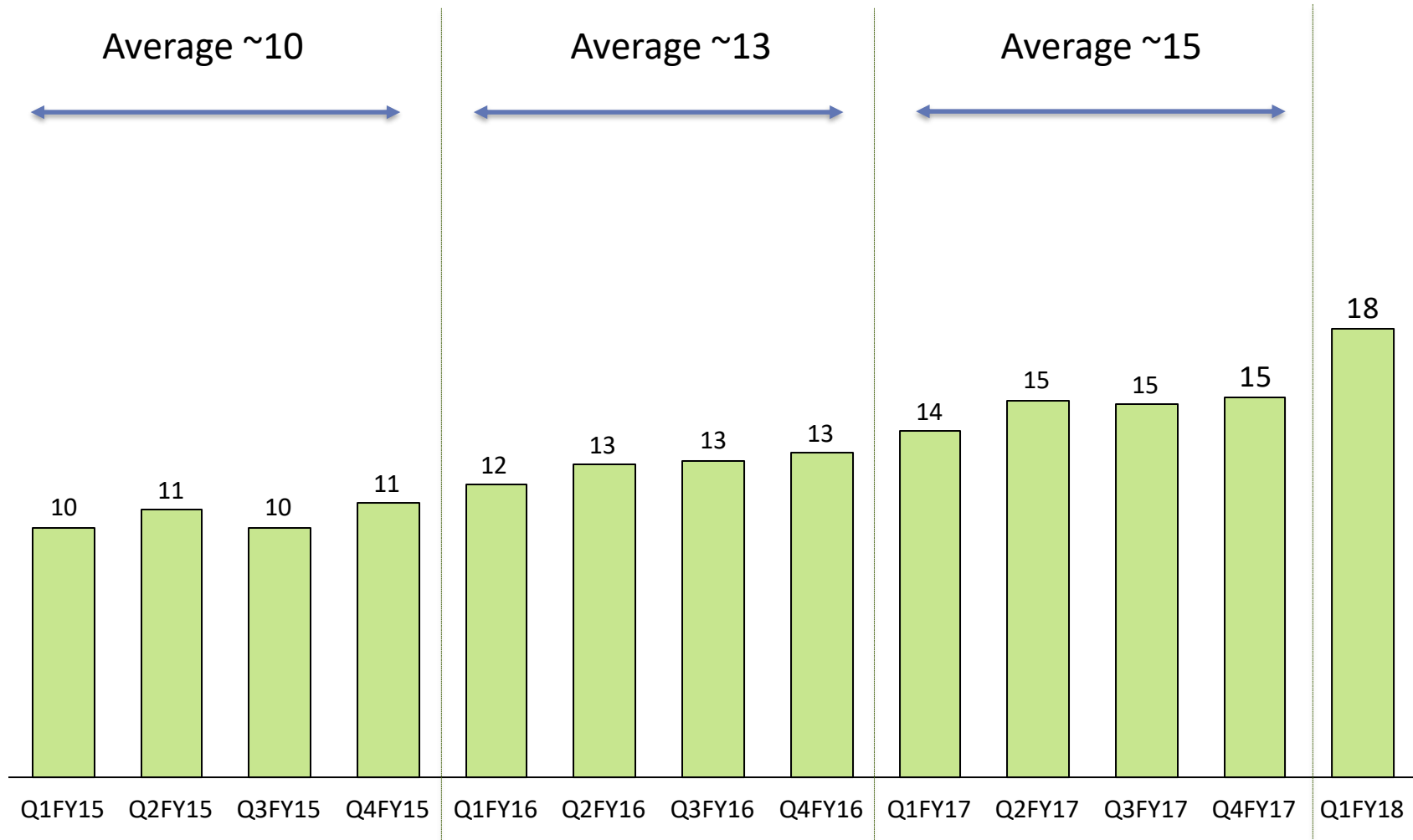
# LPG Volume - Logistics

'000 MT



# LPG Volume - Distribution

'000 MT





## Liquid Logistics

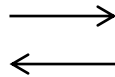
# Liquid Logistics and EPC Services

## Liquid Logistics (3PL)

## O&M Services



***Shipping***



***Logistics***



***O&M***

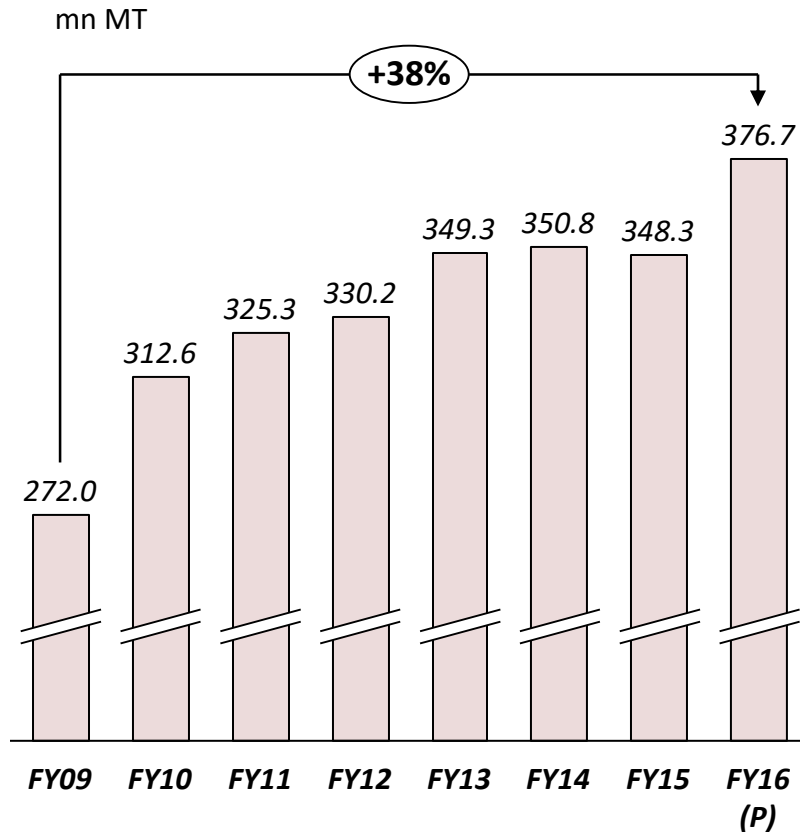


***Facilities***

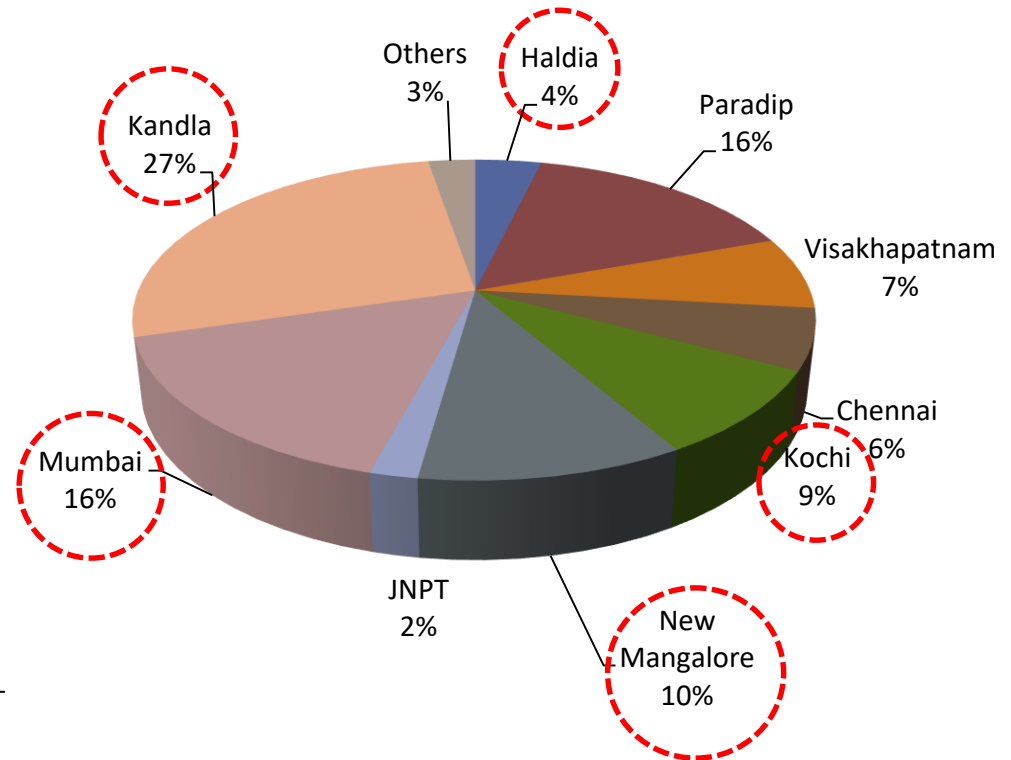
Segment	Activity	Revenue Stream
Liquid Logistics	Logistics	Throughput Fees, Handling & Value Addition Charges
O&M Services	Operations & Maintenance	O&M Fees

# 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

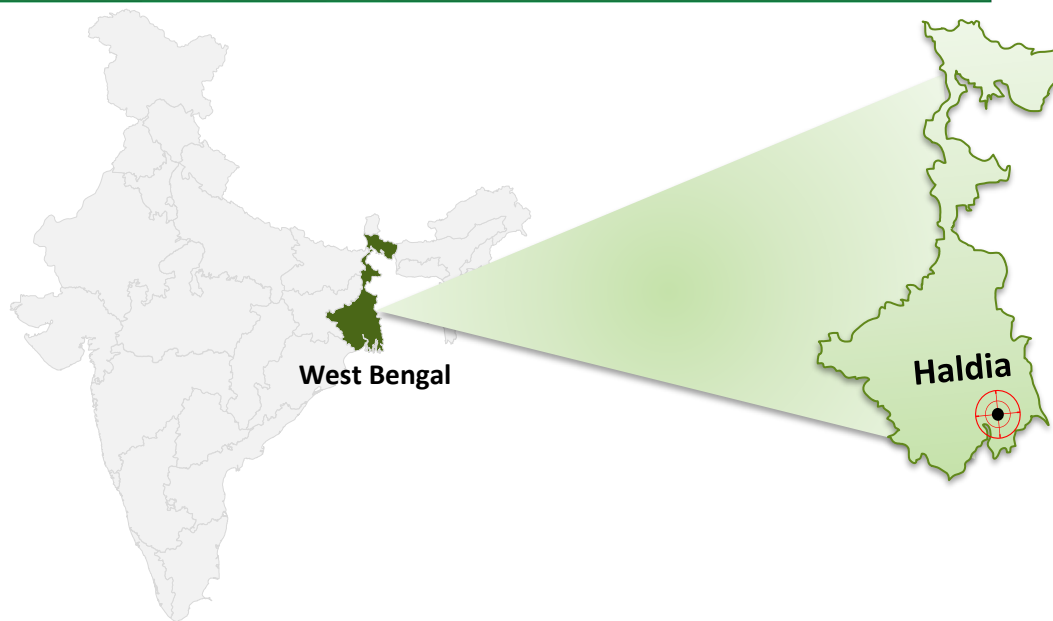
### ✓ Project Completion Date

- 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

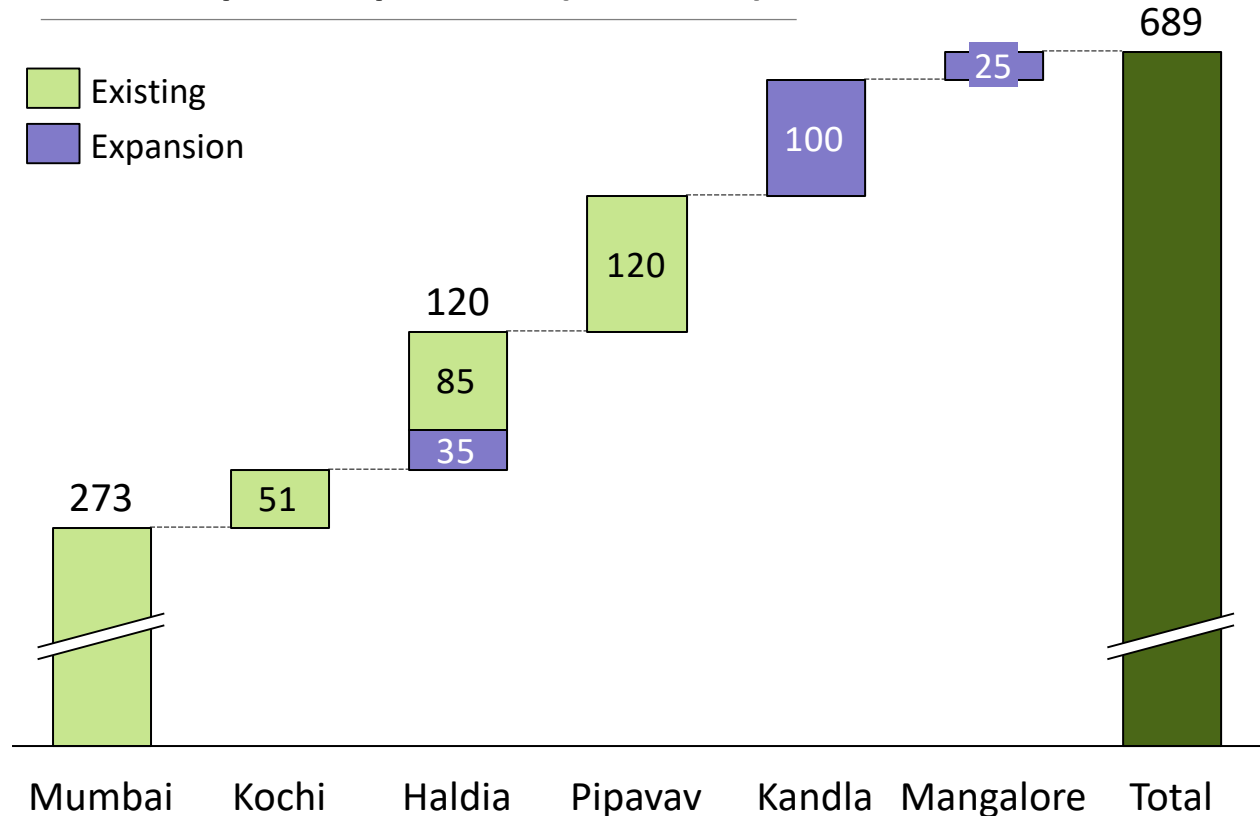
## 05 Kandla

✓ Expansion – 100,000 KL

## 06 Mangalore

✓ Expansion – 25,000 KL

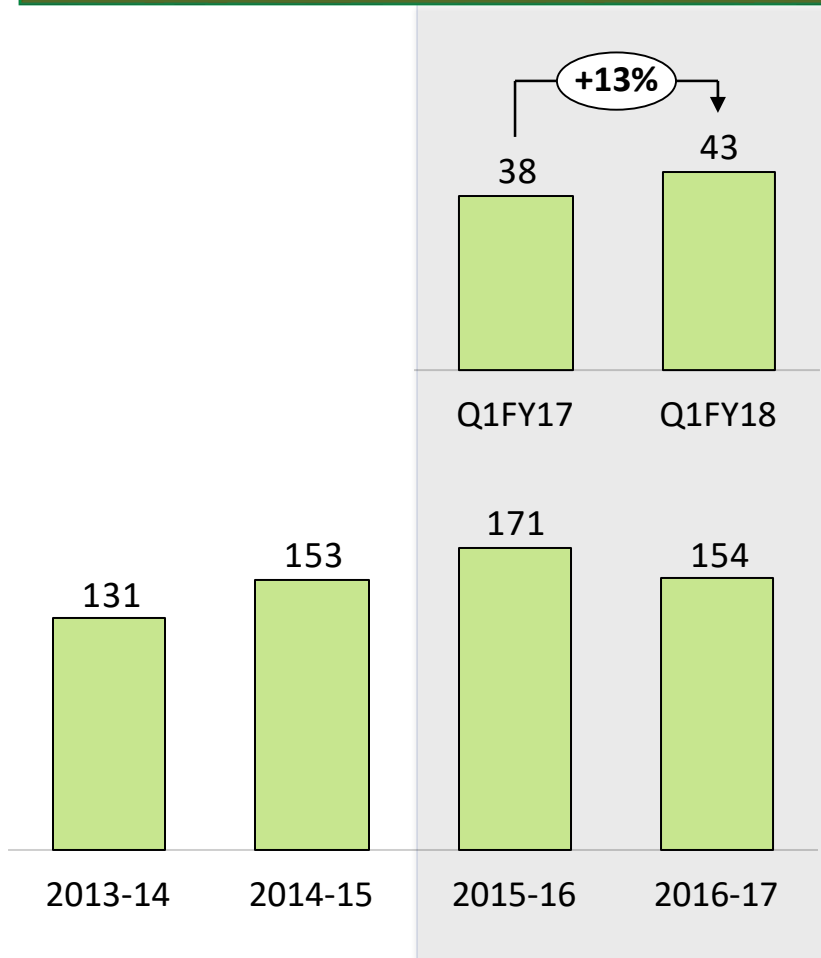
### Built up of Capacities ('000s KL)



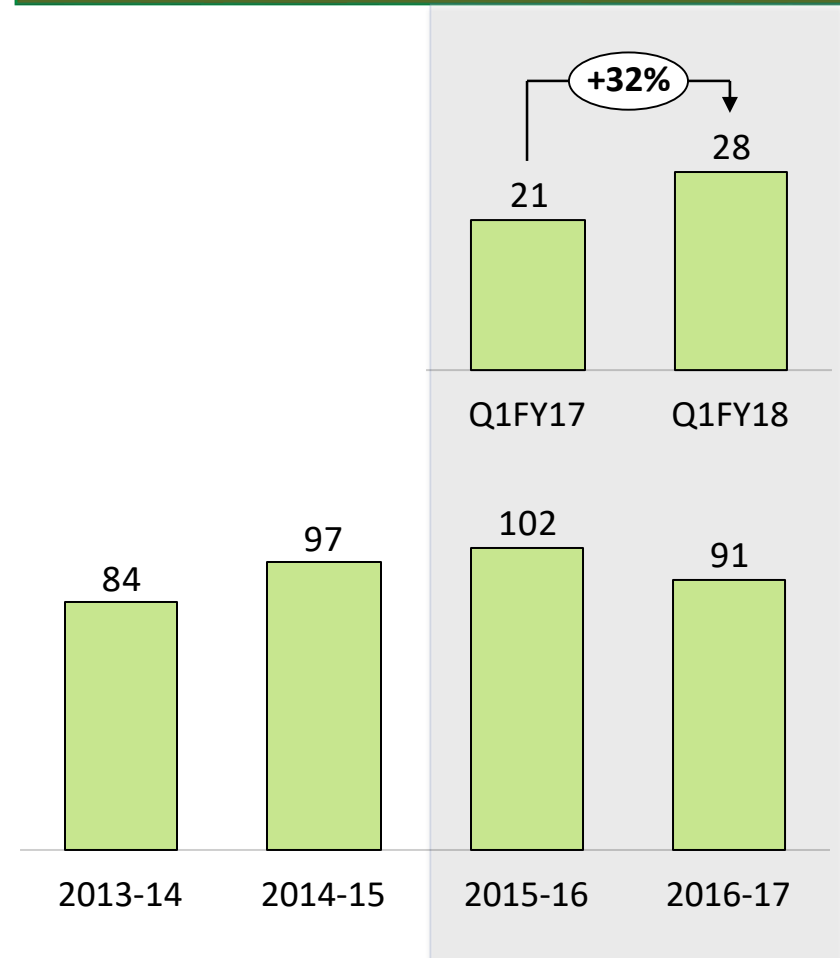
**Total Capacity post expansion at Kandla & Haldia : ~ 689,000 KL**

# 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

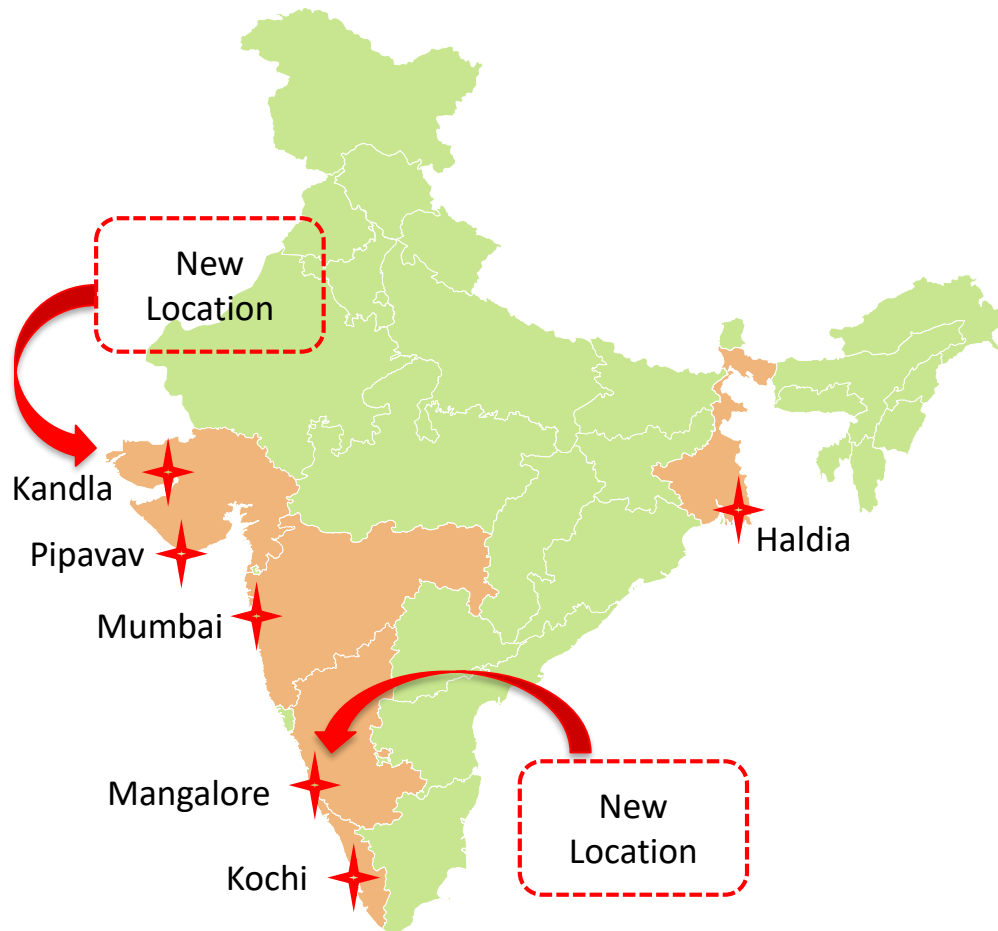
## LPG

- 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

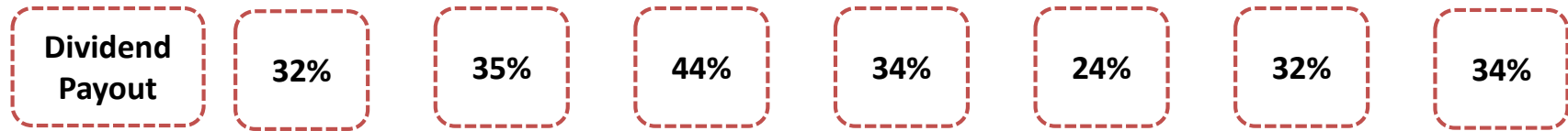
# Consolidated Balance Sheet

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>

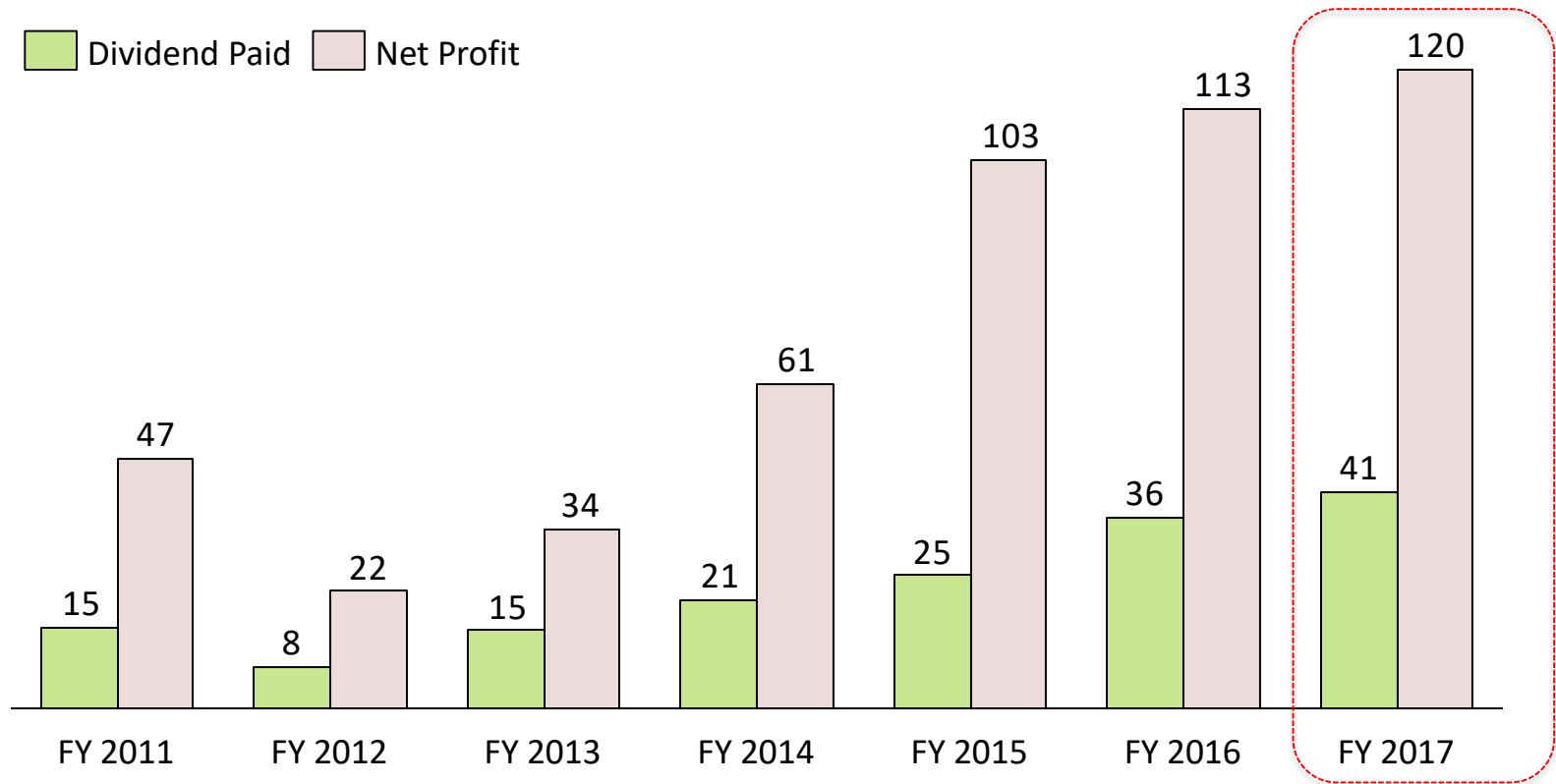
\* Including Goodwill on Consolidation  
Financials as per IGAAP

# Profit & Dividend Track Record



Rs. In Cr.

■ Dividend Paid ■ Net Profit





## For further information, please contact:

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Mr. Murad Moledina, CFO

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### Investor Relations Advisors :

**Strategic Growth Advisors Pvt. Ltd.**

CIN: U74140MH2010PTC204285

Ms. Payal Dave / Mr. Jigar Kavaiya

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