

Aegis Logistics Limited

“Positioned for growth”

Investor Presentation

January 2016



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Who We Are: A leading provider of logistics and supply chain services to India's oil, gas and chemical industry

Strategic port locations



Storage terminals



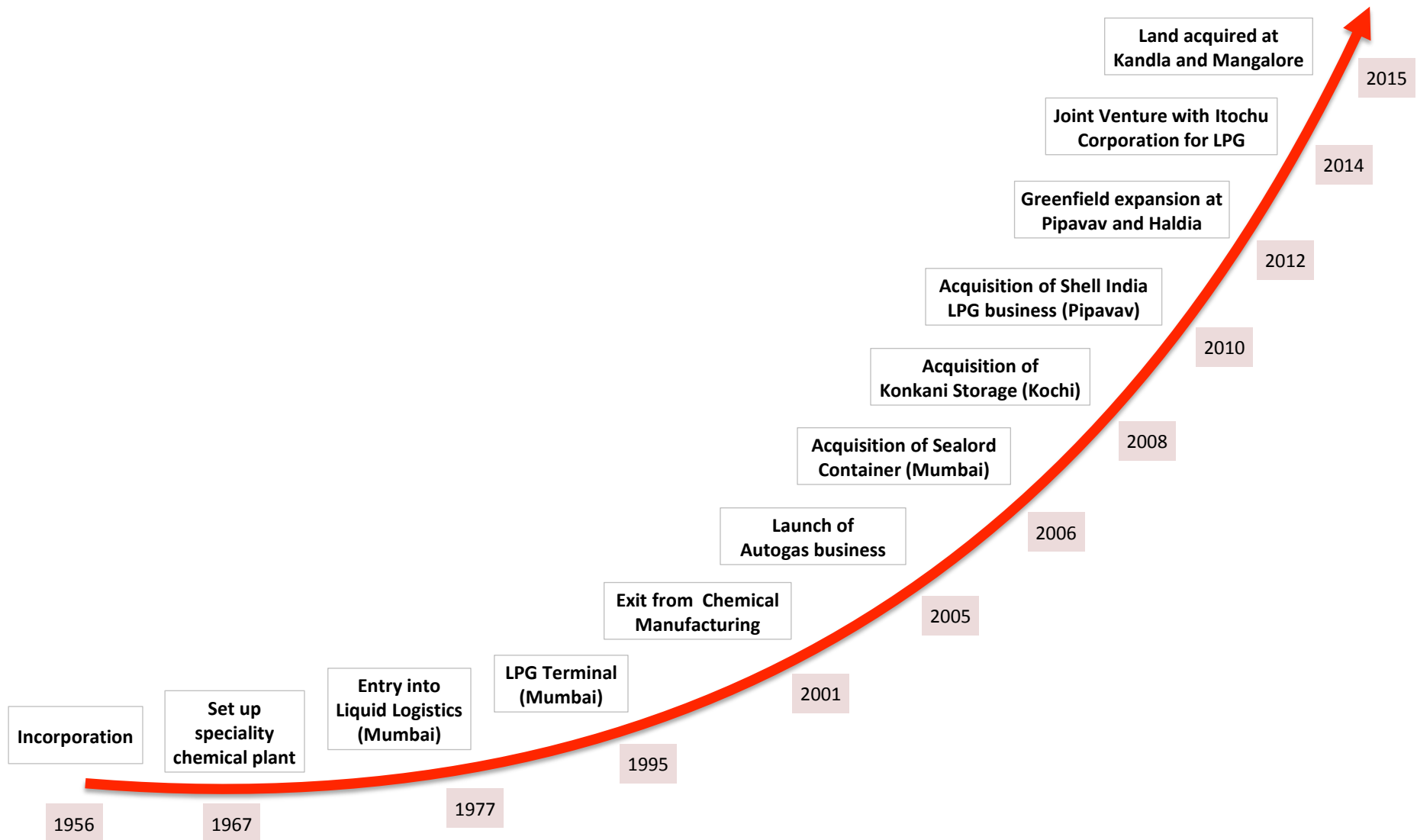
Rail connectivity



Pipelines



Corporate Evolution



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

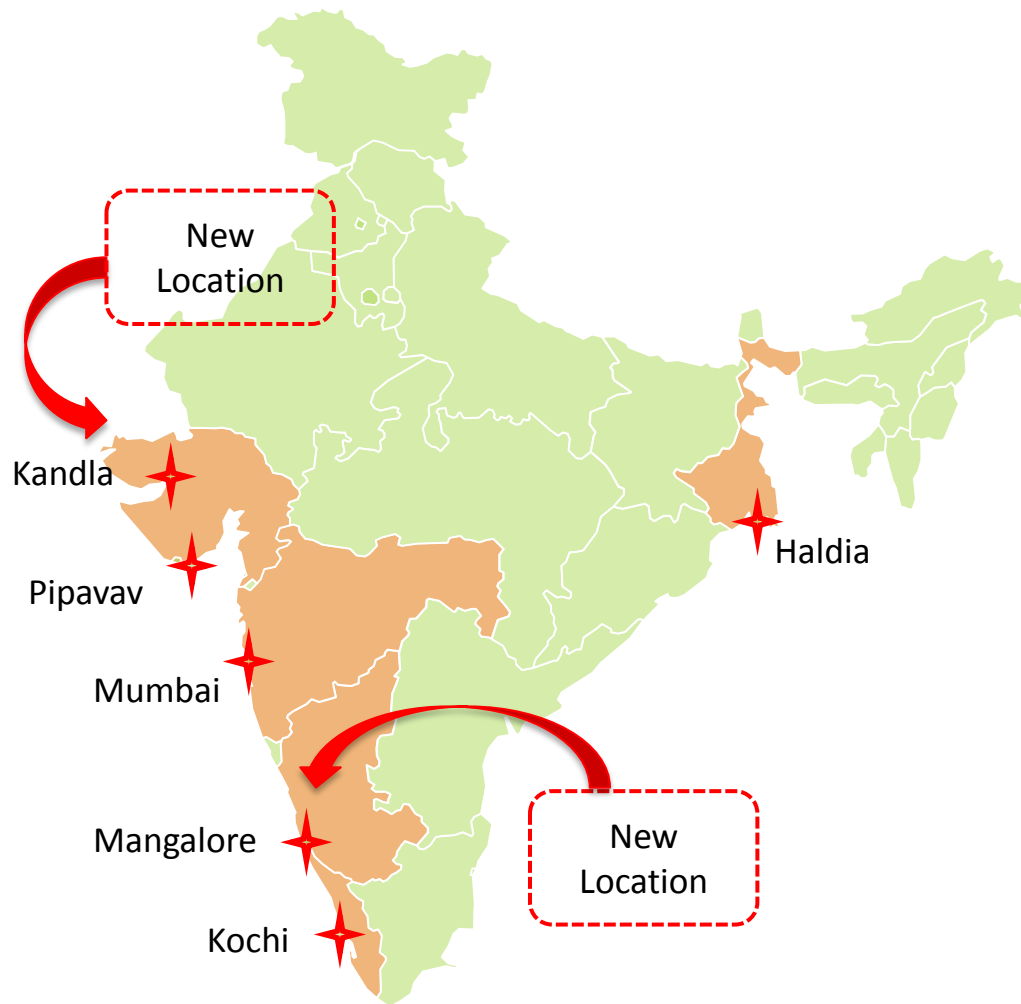
LPG

- Refrigerated Gas Terminal in Mumbai
- Pressurized Gas Terminal in Pipavav
- Pipeline connectivity to Petchem plant
- Network of 102 Autogas stations in 7 states
- Network of 76 commercial distributors
- LPG Sourcing JV with Itochu in Singapore



Integrated Supply Chain Management

Our Strategy : Building a Necklace of Terminals around the coastline of India



Map not to scale

✓ 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

Vice Chairman & MD



Anish Chandaria

MD & CEO



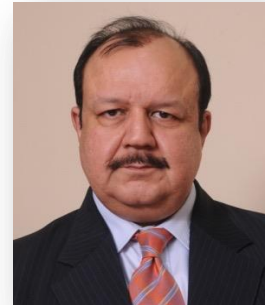
Sudhir Malhotra

Group President & COO



Rajiv Chohan

President -Business Development



Murad Moledina

Chief Financial Officer



K. S. Sawant

President - Operations & Projects



Liquid Division

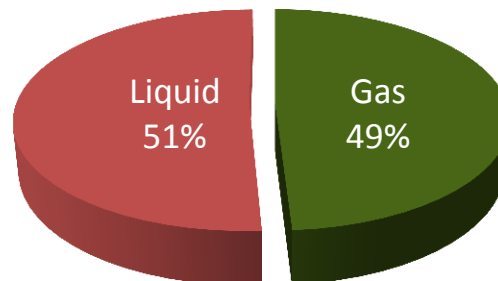
▪ Business

- Third Party Liquid Logistics (3PL)
- O&M Services

▪ Revenue Model

- Fee based Revenue Model
- Handling and Other Service Charges
- O&M fees

H1 FY16 EBITDA
Rs 109 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



Liquid Logistics

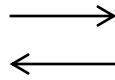
Liquid Logistics and EPC Services

Liquid Logistics (3PL)

O&M Services



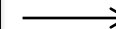
Shipping



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

Our Liquids Business

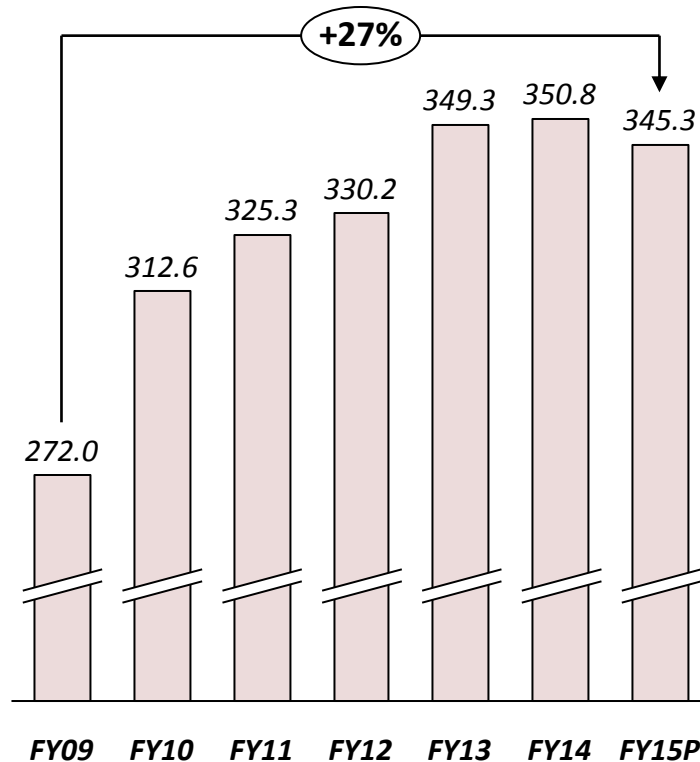
- **Third Party Logistics (3 PL) for over fifty Petroleum, Oil and Chemical Products**
- **Facilities at Mumbai, Kochi , Haldia, Pipavav & Kandla Ports**
- **Service Offering**
 - Long Term, Spot and Throughput Contracts
 - Unloading, Transfer through Jetty Pipelines, Store and Distribution
 - Customs bonding, Inventory management, Just in time delivery and On-site product quality testing
- **Customers**
 - Large Oil Companies & Chemical Industries
 - Well diversified Customer Base



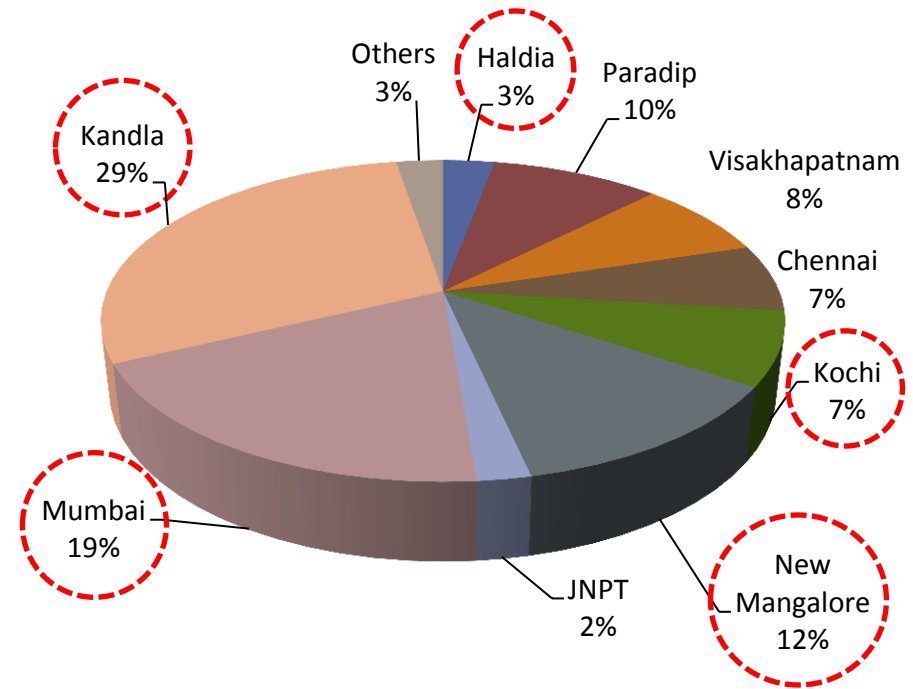
Liquid* Traffic at Indian Ports

POL Traffic Growth at Indian Ports

mn MT



POL Traffic at Major Ports in FY 2015P



Mumbai, Kochi, Haldia, Kandla and Mangalore handle ~70% of the traffic at Major Ports

Capacity Expansion in Liquid Division

01 Kandla

- ✓ Expansion – 100,000 KL

02 Haldia

- ✓ Expansion – 25,000 KL
- ✓ Existing – 60,190

03 Mumbai

- ✓ Existing – 273,000 KL

04 Pipavav

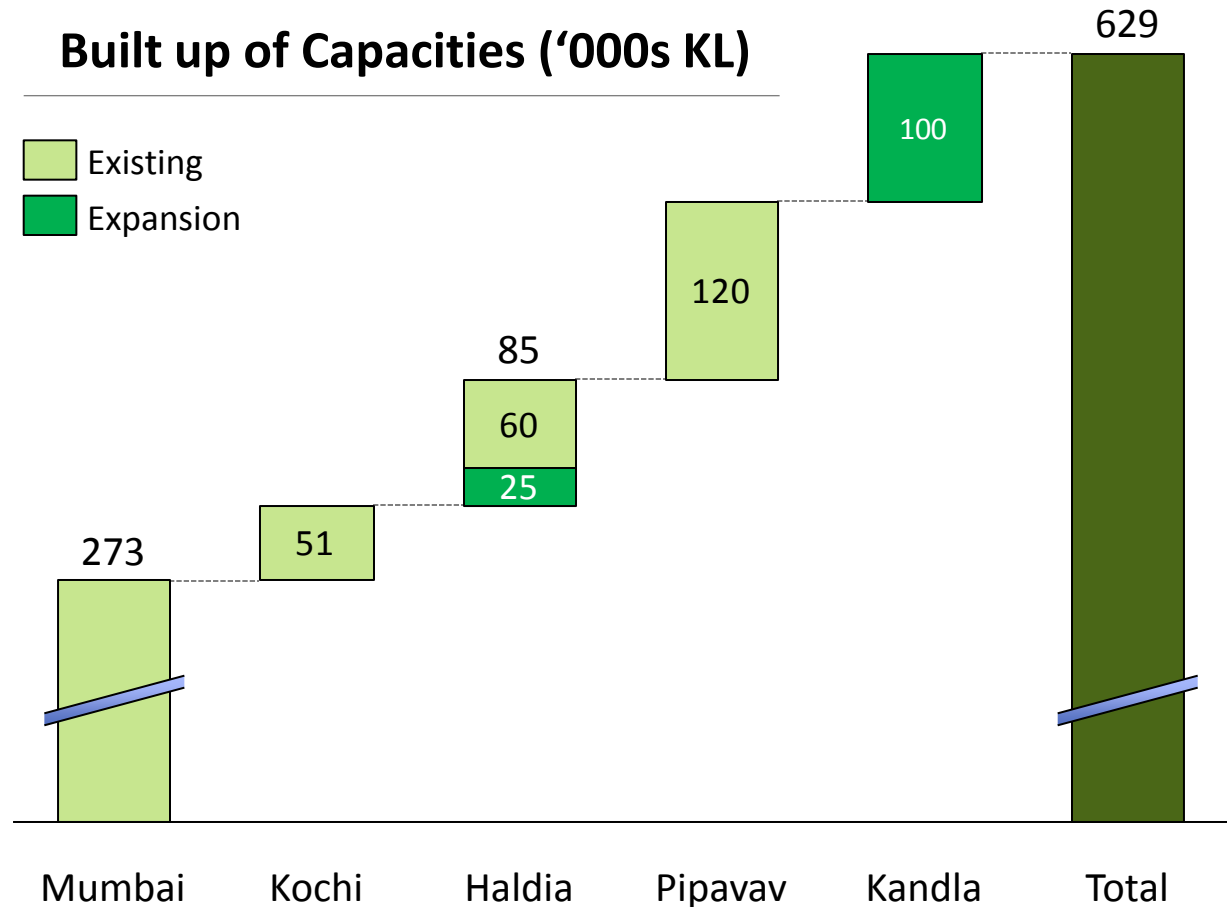
- ✓ Existing – 120,120

05 Kochi

- ✓ Existing – 51,000

Built up of Capacities ('000s KL)

Existing
Expansion



Total Capacity post expansion at Kandla & Haldia : ~ 630,000 KL

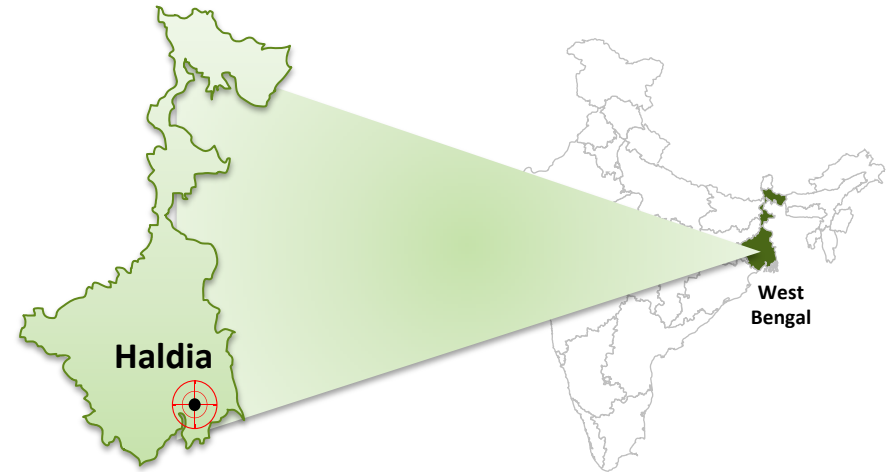
Liquid Terminal Expansion at Kandla and Haldia Ports

Greenfield Liquid Terminal Expansion at Kandla Port



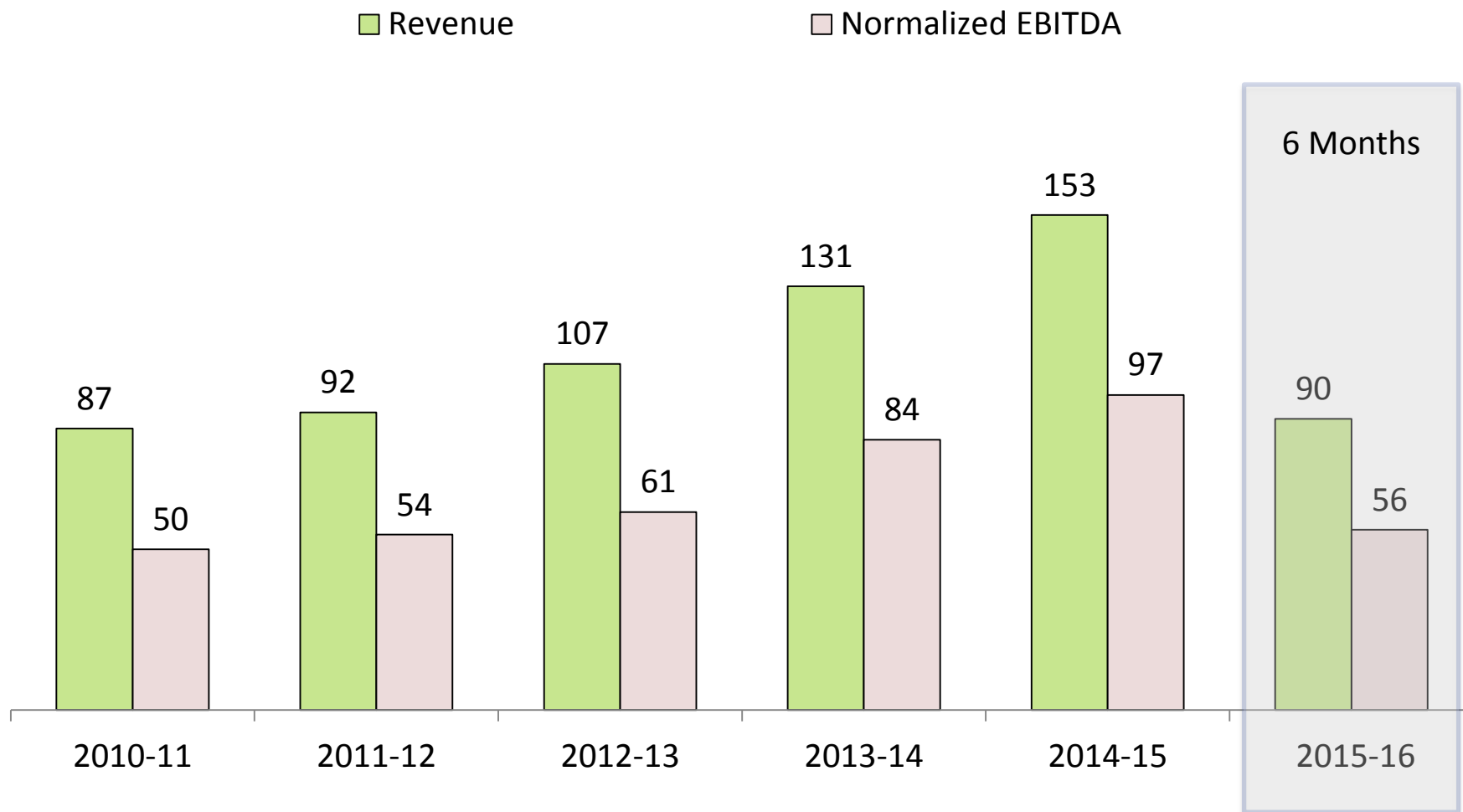
- ✓ **Land**
 - Total land available 20 acres
- ✓ **Project Cost**
 - Rs 75 crs
- ✓ **Means of Finance**
 - Internal Accrual

Brownfield Liquid Terminal Expansion at Haldia Port



- ✓ **Land**
 - Total land available 13 acres
- ✓ **Project Cost**
 - Rs 15 crs
- ✓ **Means of Finance**
 - Internal Accrual

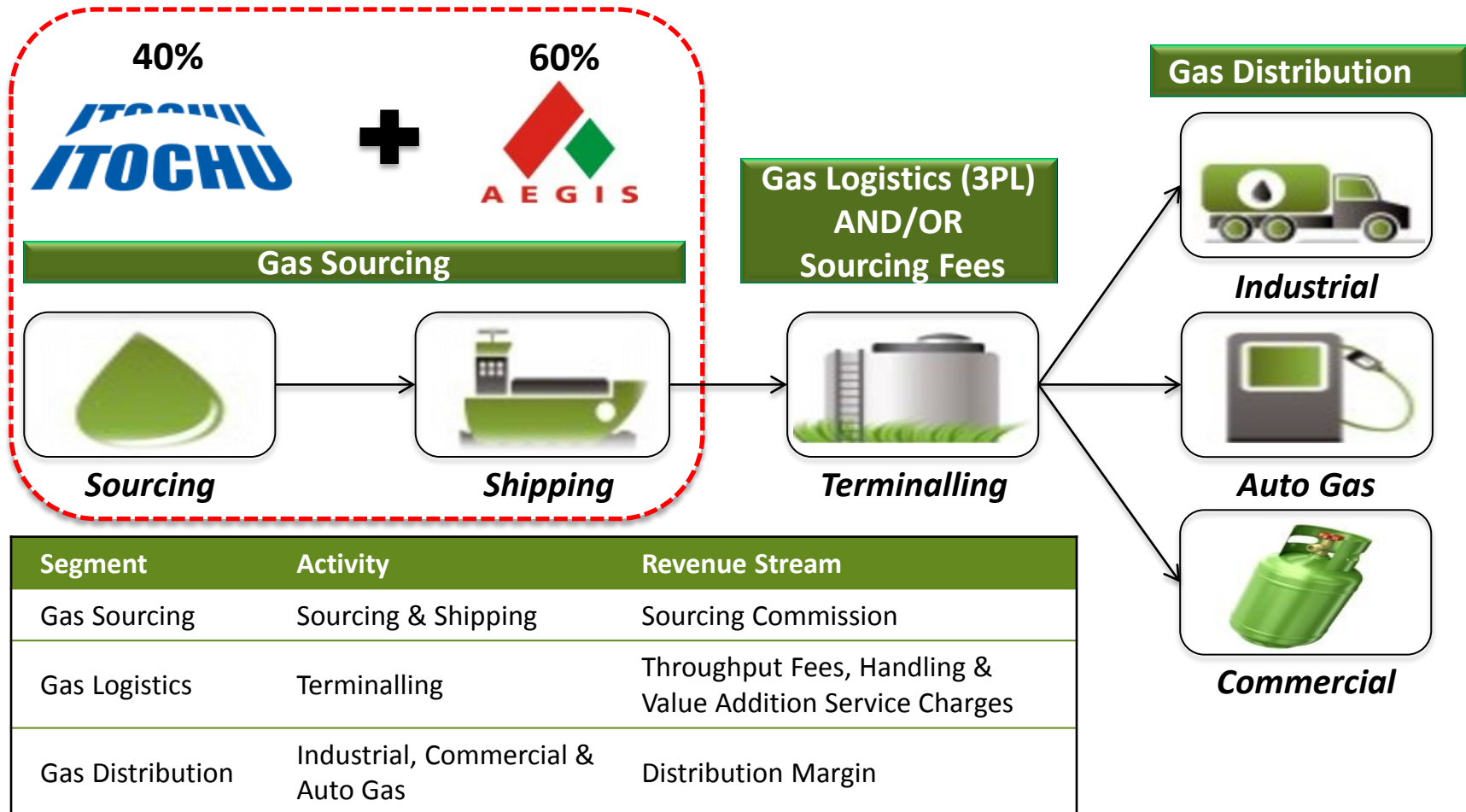
Liquid Division Performance





Gas Logistics

Capturing Complete Value Chain



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

Our Gas Distribution Network

B2C



- **Auto Gas Retailing:** Distribute LPG as Auto Fuel through Gas Station Network
- 102 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
- 76 Commercial Distributors spread across 42 Cities in 7 states

Gas logistics - A huge growth opportunity

Shortfall in Indian LPG import infrastructure

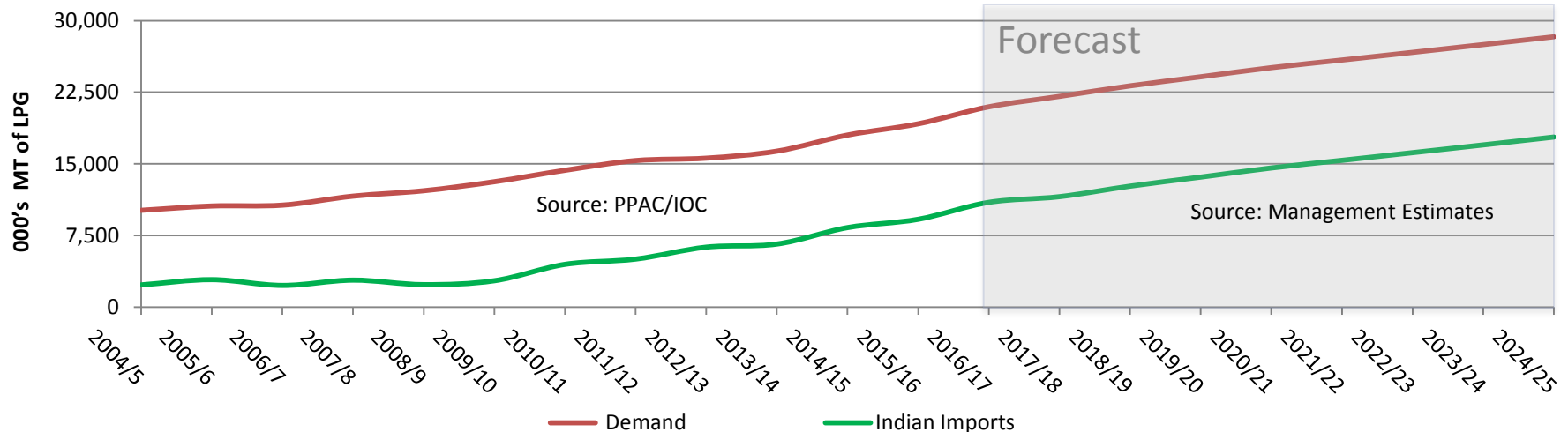
- Demand growth for LPG is strong due to rural penetration
- Supply from domestic refining and natural gas production is constrained
- Supply from imports is growing
- Import infrastructure is inadequate
- Logistics cost is high (shipping and inland transport)
- Road, Rail and Pipeline links needed

India's LPG Import Terminal Capacity 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	26.5	46	high demurrage costs
Optimum Turns	24	24	

*Assuming no new build

Indian LPG import demand



Current Capacity in Gas Division

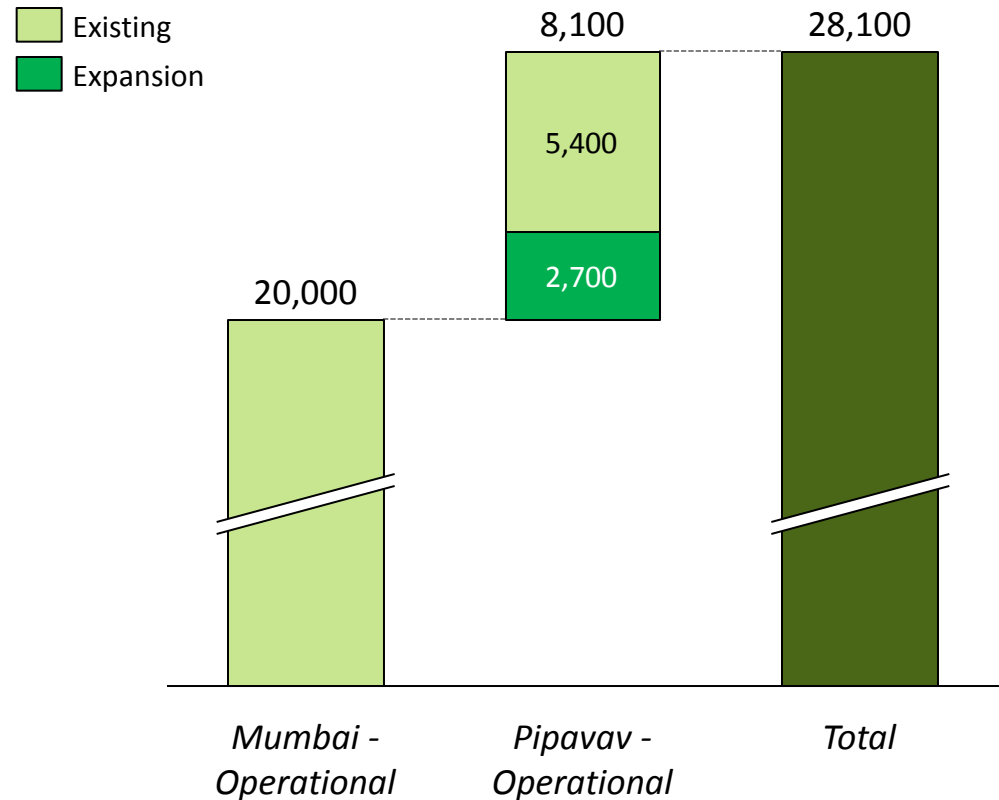
01 Mumbai

- ✓ Existing Static Capacity – 20,000 MT
- ✓ Existing Throughput Capacity – 500,000 MT

02 Pipavav

- ✓ Expansion Static Capacity – 2700 MT
- ✓ Expansion Throughput Capacity – 100,000 MT
- ✓ Existing Static Capacity – 5,400 MT
- ✓ Existing Throughput Capacity – 200,000 MT

Built up of Capacities



Post Expansion : Ability to handle 800,000 MT of LPG per annum at Owned Terminals

Brownfield Gas Terminal Expansion at Pipavav Port



Land

- Total land available 95 acres



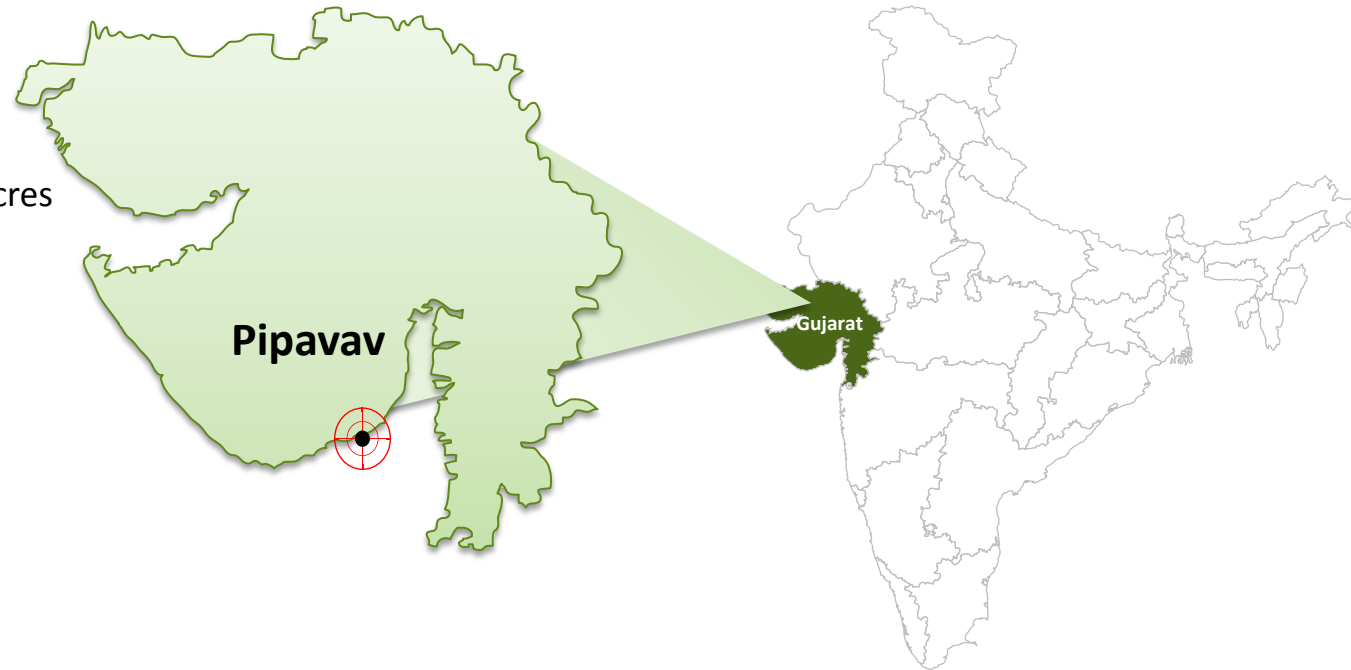
Project Cost

- Rs 15 crs



Means of Finance

- Internal Accrual

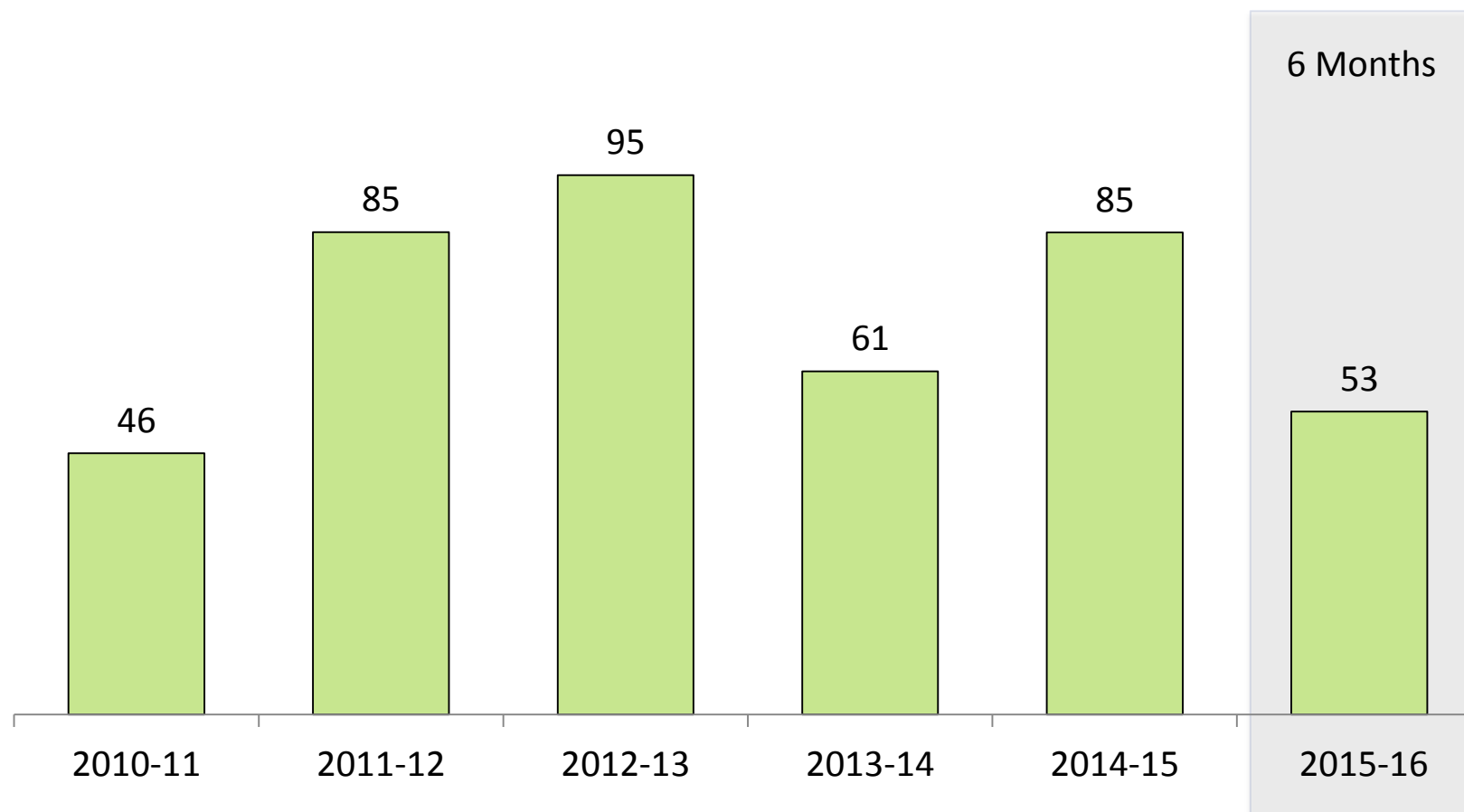


Brownfield Gas Terminal Expansion at Pipavav Port - 2700 MT

- Pipavav port is strategically located in the Gulf of Khambat, 152 nautical miles north of Mumbai.
- It is an all weather port with 24X7 operations and modern environment friendly infrastructure facilities with well connected road and rail networks.

Gas Division Performance EBITDA*

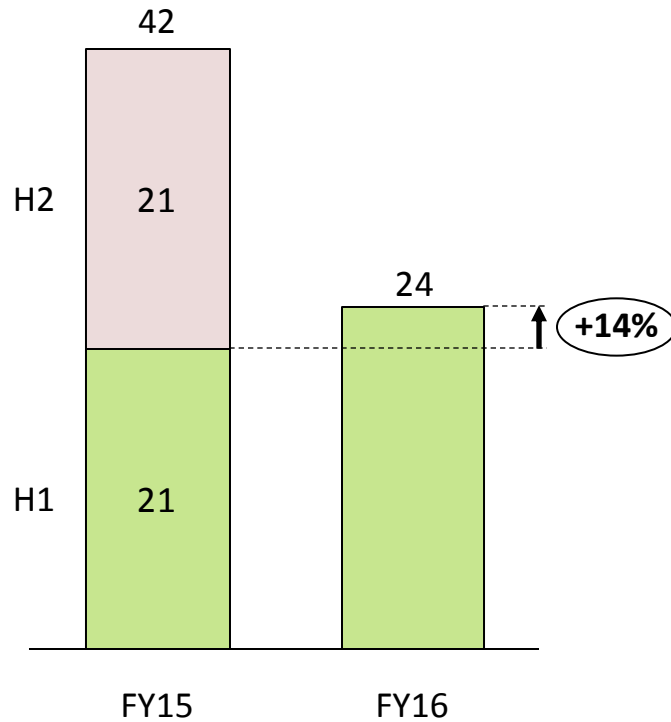
Rs. in Cr.



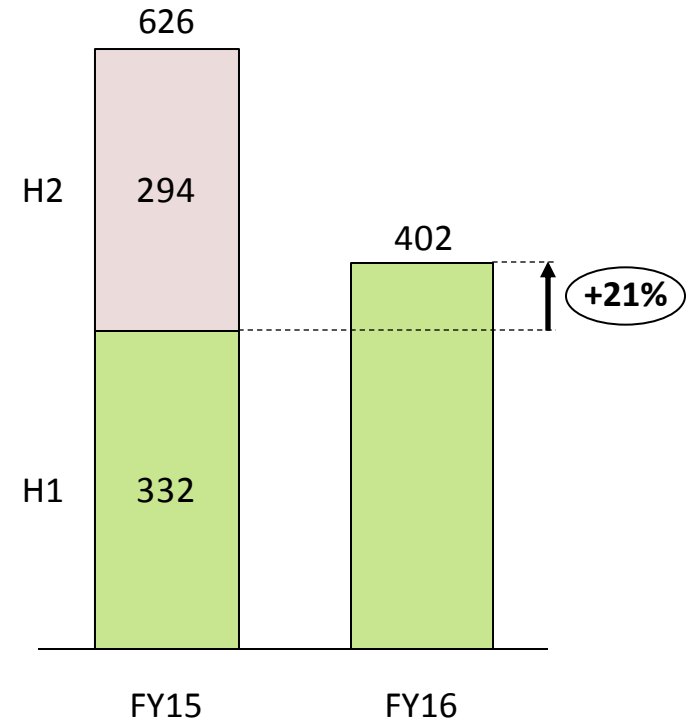
* Normalized EBITDA – Before Forex, Hedging Related Expenses

LPG Volume Break-up

Distribution ('000 MT)



Logistics ('000 MT)



Creating 'Leading LPG Sourcing Player in India'

***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**

JV : Best of both Worlds

Aegis

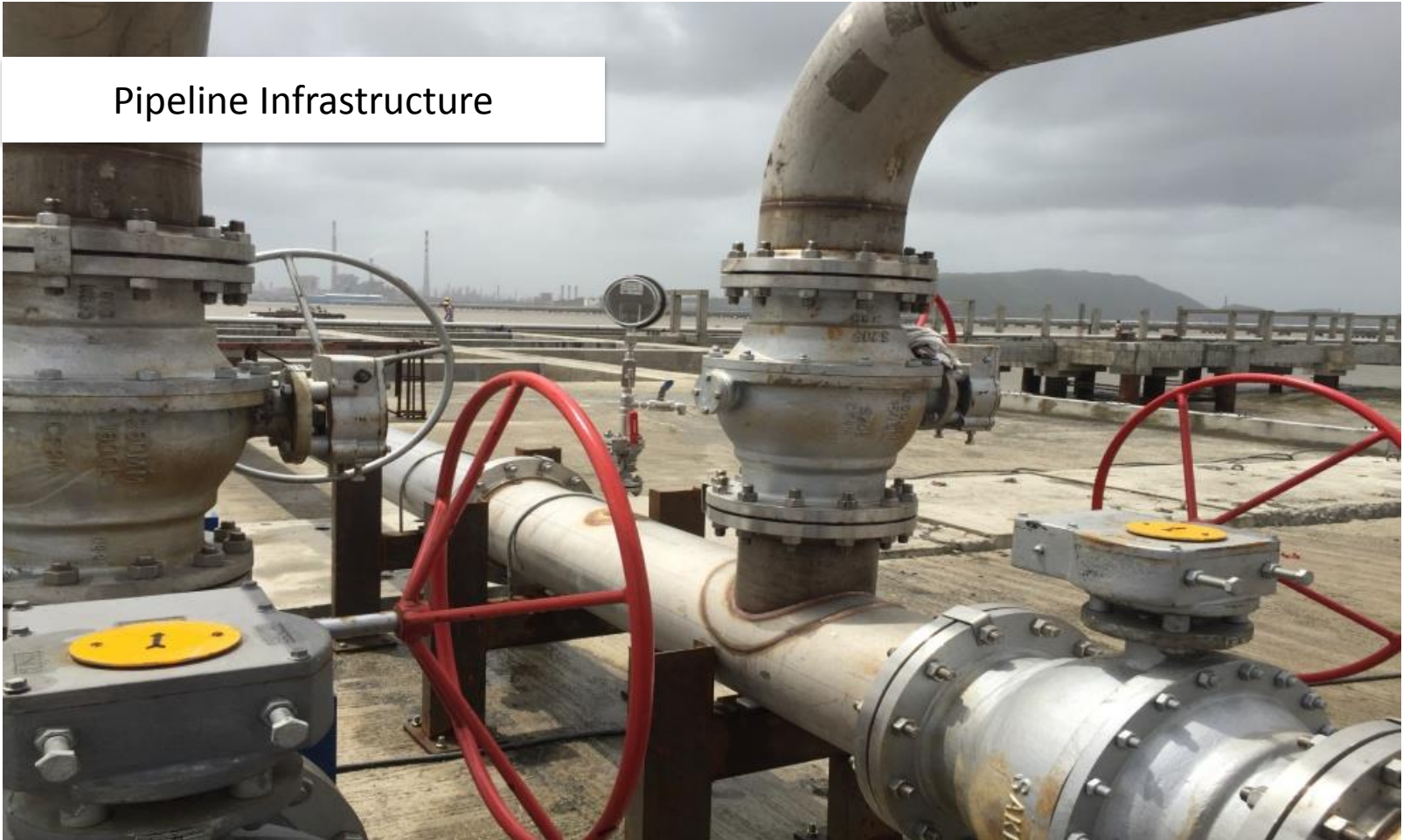
- ✓ Growing LPG Market in India
- ✓ 0.85 mn MT p.a. throughput capacity at Mumbai and Pipavav Port
- ✓ Strong Customer Relationships with Large Oil Companies
- ✓ Setting up of New LPG Terminals

ITOCHU

- ✓ Large Volume of LPG Sourcing
- ✓ Efficient and Cost Effective Shipping for High Volumes
- ✓ Strong Negotiating Power
- ✓ Financial Muscle

Market Share of 20-25% with 2.5 mn MT of sales volume in 5 years

Pipeline Infrastructure



Liquid

- ✓ Operationalise land acquired on long term lease:
 - Build to max capacity at Mangalore and Kandla
 - Continue expansion at Haldia and Kochi
- ✓ Petroleum rail connectivity at Pipavav
- ✓ Look for land at new ports - to expand the necklace of terminals

LPG

- ✓ Build new Refrigerated LPG Terminals with associated pipeline, rail and road connectivity
- ✓ Expand Pipavav LPG terminal capacity
- ✓ Focus on key ports which can handle VLGC's
- ✓ Enhance existing pipeline, rail and road capacity
- ✓ Leverage Itochu Corporation of Japan's expertise on sourcing and shipping, especially VLGCs
- ✓ Reduce logistics costs with a goal of cost leadership in India's LPG imports.

Multiple Gears for Future Growth

Haldia Expansion

- Current Capacity fully utilized
- Total Land of **13 acres** available
- Brownfield expansion of 25,000 KL

Mangalore Expansion

- **3 Acres** of Land allotted at the Port

Kandla Expansion

- Total land of **20 acres** allotted
- Greenfield Expansion of 100,000 KL

Mumbai Port - Jetty

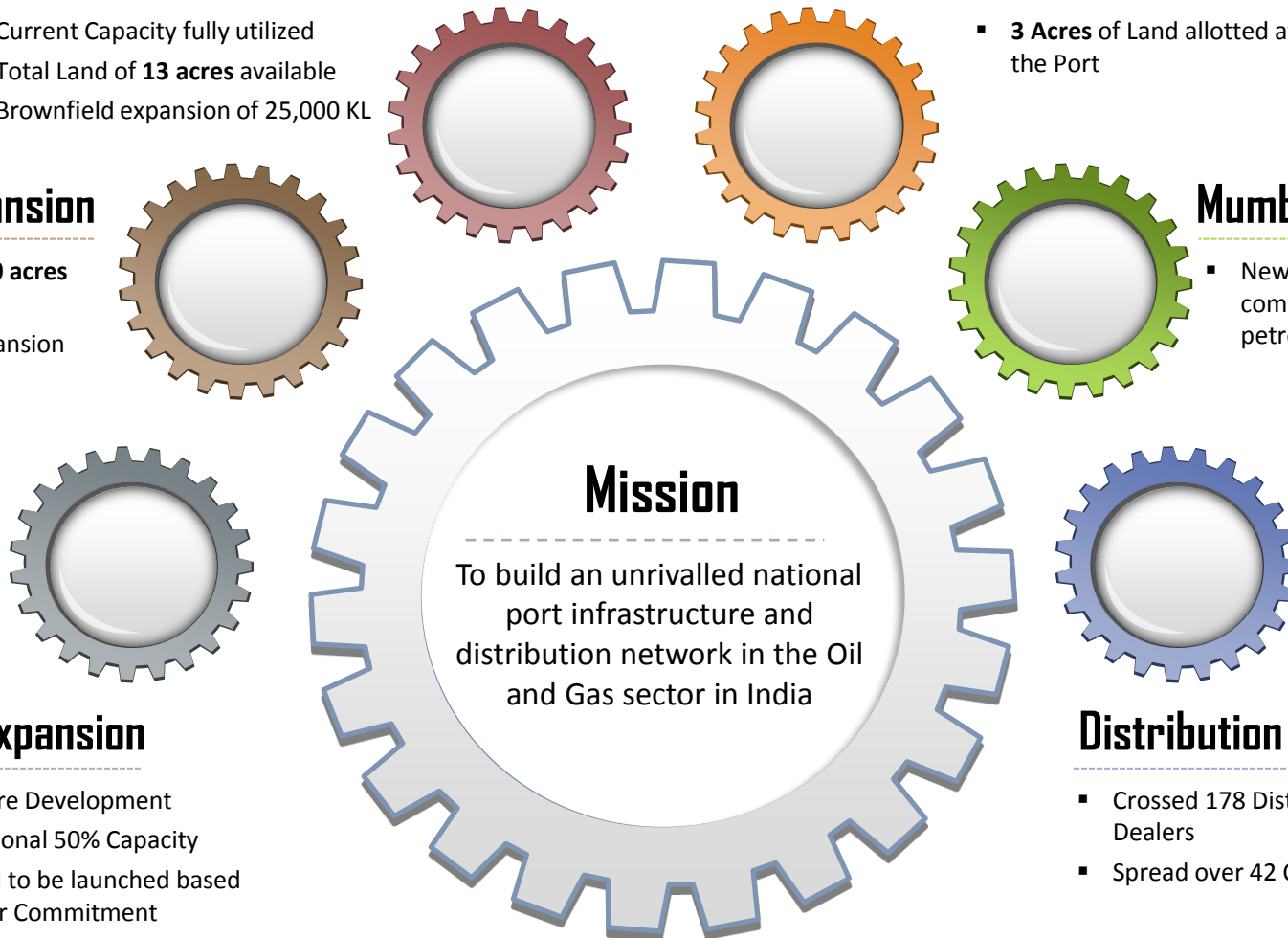
- New Jetty already commissioned for non petroleum products

Pipavav Expansion

- Infrastructure Development
- LPG - Additional 50% Capacity
- Phase II & III to be launched based on Customer Commitment

Distribution Network

- Crossed 178 Distributors / Dealers
- Spread over 42 Cities in 7 States



Land Bank & New Land Allotments

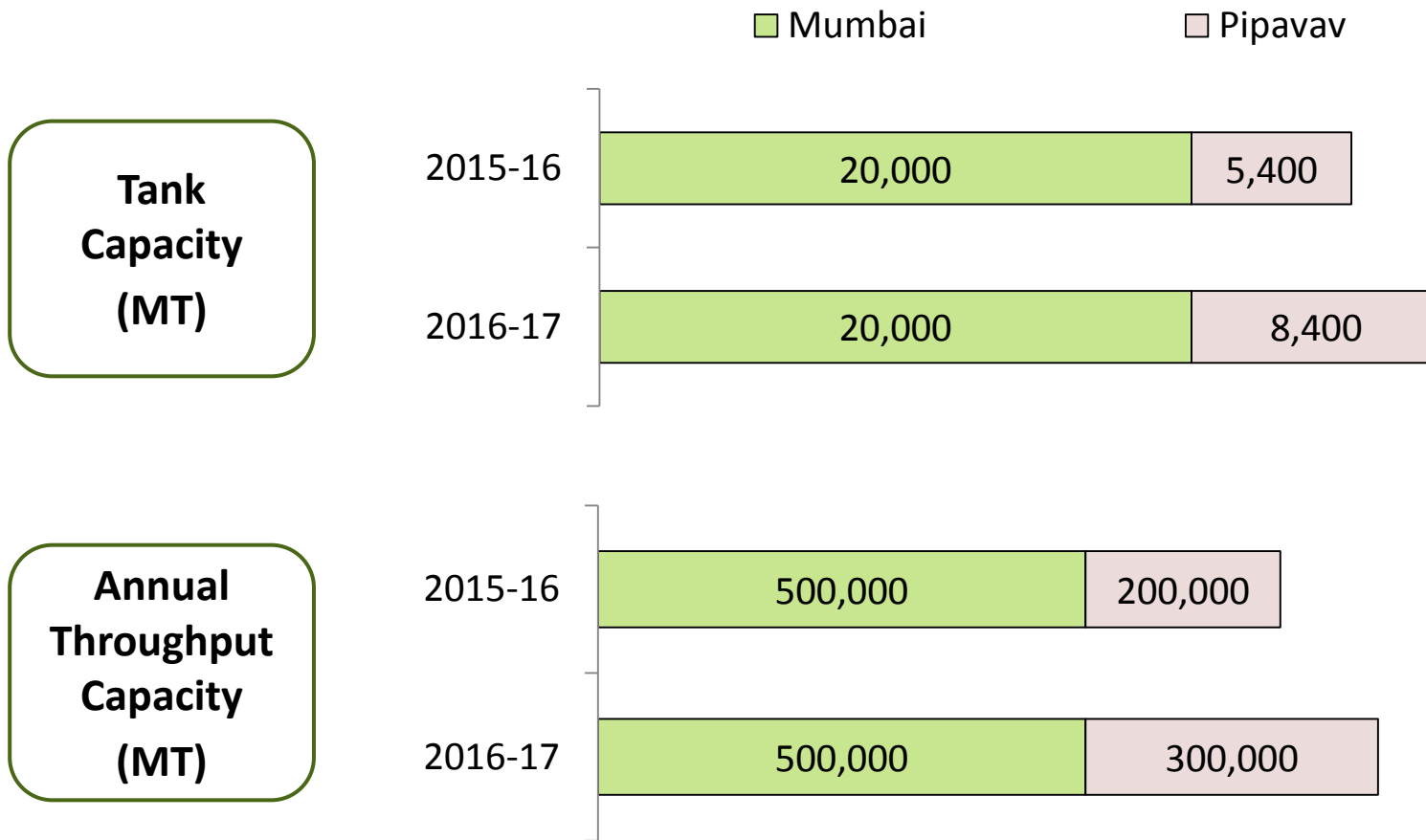
Unused Land Bank

Port	Land (acres)
Mangalore	3
Kochi	4
Haldia	12
Kandla	20
Pipavav	75
Total	114

New Land Allotments




LP Gas Division Capacity Expansion




Financial Performance

Solid Foundations


H1 FY2016

28% 

Normalised EBITDA

40% 

PBT

30% 

PAT

Sep 2015

23 %

ROCE- Liquid Division

54 %

ROCE- Gas Division

0.08x

Net Debt to Equity

Consolidated Profitability Statement

Rs Crs	H1 FY16	H1 FY15	Y-o-Y %
Revenue	1,247	2,438	-49%
Cost of Sales	1,083	2,304	
Others	55	49	
Normalized EBITDA (Segment) *	109	85	28%
Finance, Hedging & Forex related Expenses (Net)	8	9	
Depreciation	11	11	
Unallocated Expenses	16	13	
Profit Before Tax	74	53	40%
Capital Gains on Divestment	0	0	
Tax on Capital Gains	0	0	
Tax	15	7	
Profit after Tax	59	46	30%
Profit after Tax excluding Capital Gains	59	46	30%

* Normalized EBITDA – Before Forex Hedging Related expenses

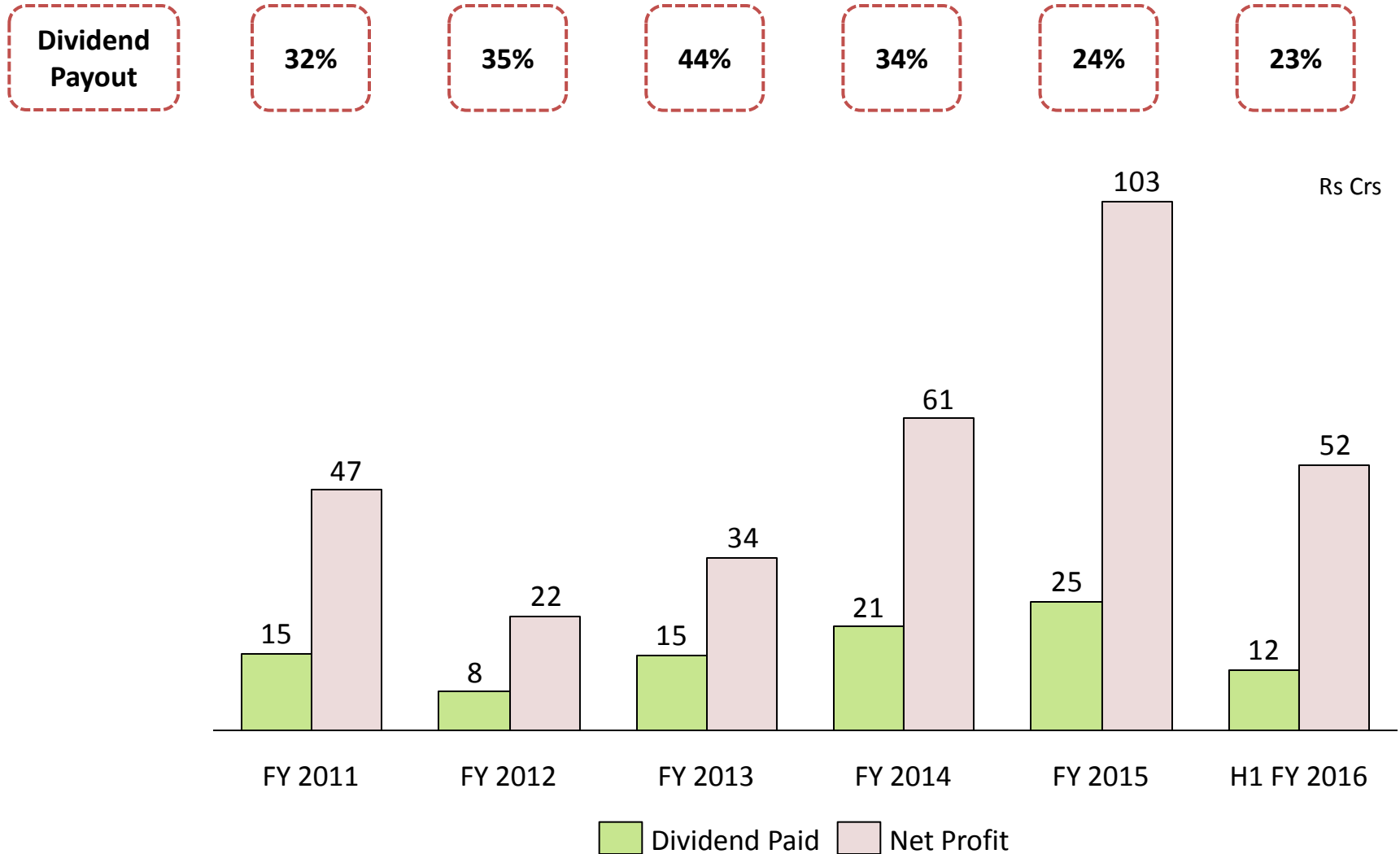
Consolidated Balance Sheet

Rs. Crs	Sep-15	Mar-15
Shareholder's Fund	479	427
Share Capital	33	33
Reserves & Surplus	446	394
Minority Interest	34	26
Non-Current Liabilities	156	170
Long Term Borrowings	117	132
Other Non Current Liabilities	39	38
Current Liabilities	242	314
Short Term Borrowings / Buyers Credit	52	63
Trade Payables	130	192
Other Current Liabilities	60	59
Total Liabilities	911	937

Rs. Crs	Sep-15	Mar-15
Non-Current Assets	584	558
Fixed Assets *	510	488
Non-Current Investments	2	3
Other Non-Current Assets	72	67
Current Assets	327	379
Inventories	19	20
Trade Receivables	140	201
Cash and Bank Balances	129	125
Other Current Assets	39	33
Total Assets	911	937

* Including Goodwill on Consolidation

Profit & Dividend Track Record



Project Capex & Funding Plan

Indicative Project Capex			
FY	2015-16	2016-17	Total (Rs. in Cr)
Liquid Kandla	15	60	75
Liquid Haldia	15	-	15
LPG Pipavav	15	-	15
LPG Location X			
Total			

Capex Funding Plan		
(Rs. in Cr.)	2015-16	2016-17
Capex	95	210
Funded by		
After-Tax Free Cashflow and Cash Balance	95	100
Debt	0	110
Total	95	210

For further information, please contact:

Company :

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