



Earnings Presentation | Q3 FY22

Disclaimer

These materials have been prepared by Apollo Tyres Limited together with its subsidiaries (the "Company"), are for informational purposes only and do not constitute a prospectus or an offer document, or form part of an offer, solicitation or invitation of any offer to purchase or subscribe for any securities of the Company in any jurisdiction, nor should these materials or any part thereof form the basis of, or be relied upon in any connection with, any contract, commitment or investment decision whatsoever.

These materials have not been independently verified. No representation or warranty, expressed or implied, is made and no reliance should be placed on the accuracy, fairness or completeness of the information presented or contained in these materials. None of the Company or any of its directors, officers, affiliates, advisers or representatives accepts any liability whatsoever for any loss howsoever arising from any information presented or contained in these materials. The information presented or contained in these materials is subject to change without notice and its accuracy is not guaranteed.

These materials contain statements that constitute forward-looking or belief statements. These statements include descriptions regarding the intent, belief or current expectations of the Company or its management and information currently available with them including with respect to the consolidated results of operations and financial condition of the Company. These statements can be recognized by the use of words such as "expects," "plans," "will," "estimates," "projects," "believes," "intends," or words of similar meaning. Such forward-looking statements are not guarantees of future performance and involve risks and uncertainties, and actual results may differ from those in the forward-looking statements as a result of various factors and assumptions. Neither the Company nor any of its advisors or representatives, on behalf of the Company assumes any responsibility or obligation to update or revise forward-looking statements to reflect future events or circumstances.

In no event shall the Company be responsible to any person or entity for any loss or damage, whether direct, indirect, incidental, consequential or otherwise, arising out of access or use or dissemination of information contained in this presentation, including, but not limited to, loss of profits. You acknowledge that you will be solely responsible for your own assessment of the market and the market position of the Company and that you will conduct your own analysis and be solely responsible for forming your own view of the potential future performance of the business of the Company.

No representation, warranty, guarantee or undertaking (express or implied) is made as to, and no reliance should be placed on, the accuracy, completeness or correctness of any information, including any projections, estimates, targets and opinions, contained herein, and no liability whatsoever is accepted as to any errors, omissions or misstatements contained herein and, accordingly, none of the Company, its advisors and representative and any of its or their affiliates, officers, directors, employees or agents, and anyone acting on behalf of such persons accepts any responsibility or liability whatsoever, in negligence or otherwise, for any loss or damage, direct, indirect, consequential or otherwise arising directly or indirectly from use of this presentation or its contents or otherwise arising in connection therewith.

This presentation includes certain industry data and projections that have been obtained from industry publications and surveys. Industry publications and surveys and forecasts generally state that the information contained therein has been obtained from sources believed to be reliable, but there is no assurance that the information is accurate or complete. Neither the Company nor any of its advisors or representatives have independently verified any of the data from third-party sources or ascertained the underlying economic assumptions relied upon therein. All industry data and projections contained in this presentation are based on data obtained from the sources cited and involve significant elements of subjective judgment and analysis, which may or may not be correct. For the reasons mentioned above, you should not rely in any way on any of the projections contained in this presentation for any purpose.

The distribution of these materials in certain jurisdictions may be restricted by law and persons into whose possession these materials comes should inform themselves about and observe any such restrictions.

THIS PRESENTATION AND INFORMATION CONTAINED HERE IS NOT INTENDED FOR PUBLICATION OR DISTRIBUTION IN, AND DOES NOT CONSTITUTE AN OFFER OF SECURITIES IN, THE UNITED STATES. NO SECURITIES OF THE COMPANY HAVE BEEN OR WILL BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED, OR WITH ANY SECURITY REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND, ACCORDINGLY, MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES EXCEPT PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT OR PURSUANT TO AN EFFECTIVE REGISTRATION UNDER THE SECURITIES ACT AND/OR ANY APPLICABLE U.S. STATE OR LOCAL SECURITIES LAWS.

By accessing this presentation, you accept that this disclaimer and any claims arising out of the use of the information from this presentation shall be governed by the laws of India and only the courts in New Delhi, India, and no other courts, shall have jurisdiction over the same.

Consolidated Financial Snapshot

Q3 FY22 Financial Performance

Revenue	EBITDA	EBITDA Margins
INR 57,075 Mn	INR 7,429 Mn	13.0%
Y-o-Y	Y-o-Y	Y-o-Y
9.9%	-27.9%	-682 bps
Net Profit	Net Profit Margins	Diluted EPS
INR 2,235 Mn	3.9%	INR 3.52
	Y-o-Y	
	-463 bps	

YTD FY22 Financial Performance

Revenue	EBITDA	EBITDA Margins
INR 153,693 Mn	INR 19,477 Mn	12.7%
Y-o-Y	Y-o-Y	Y-o-Y
24.2%	-1.8%	-335 Bps
Net Profit	Net Profit Margins	Diluted EPS
INR 5,250 Mn	3.4%	INR 8.27
	Y-o-Y	
	291 bps	

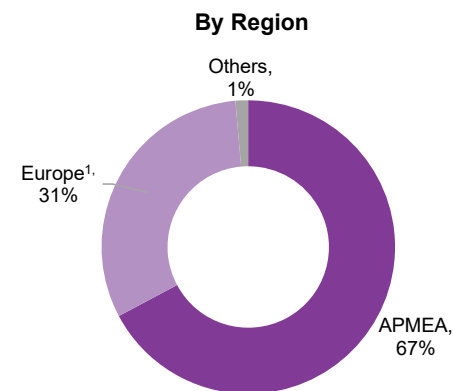
Q3 FY22 Operational Highlights

- Growth across both India & Europe operations driven by sharp execution, price increases and strong volume growth in Europe
- YoY decline in Operating margins on the back of steep increase in RM costs, constrained OEM demand and agri demand weakness
- QoQ improvement in operating margins as continued strong operating performance in Europe negated weakness in India operating performance

Performance Summary – YTD FY22

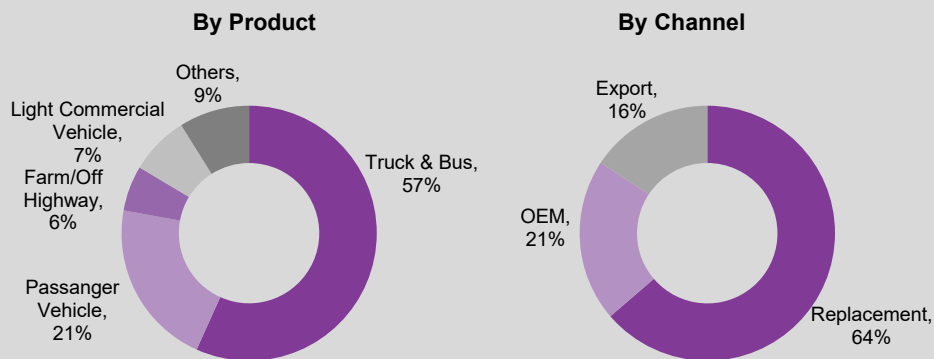
Consolidated YTD Revenue of ~₹154 Bn	Consolidated YTD EBITDA of ~₹19 Bn (12.7%)
YTD Capacity Utilization	
India 82%	Europe 84%

Revenue Mix Consolidated – YTD FY22

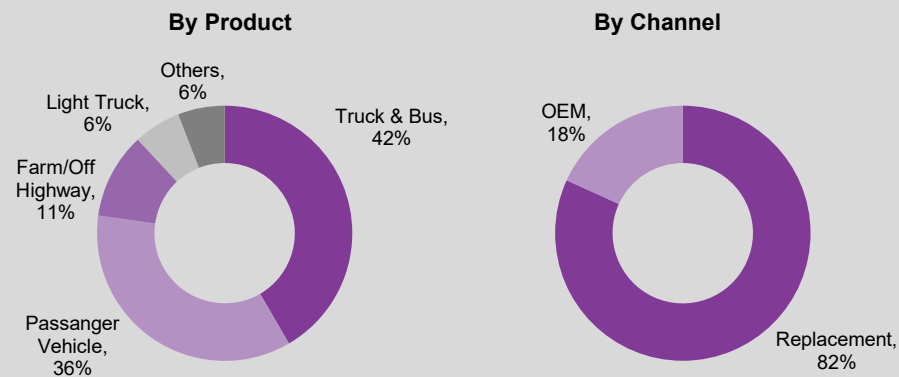


Note:
1. Europe Includes operations of ReifenCom

Revenue Mix Standalone – YTD FY22



Revenue Mix Consolidated – YTD FY22

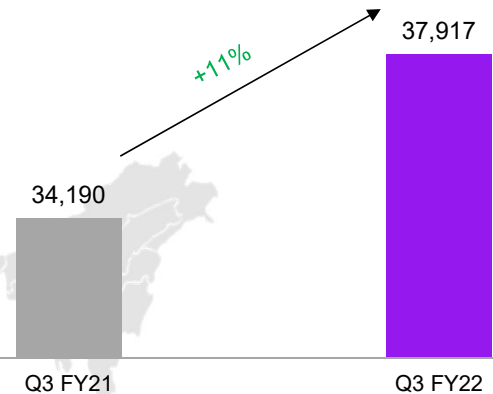


Operating Highlights – India

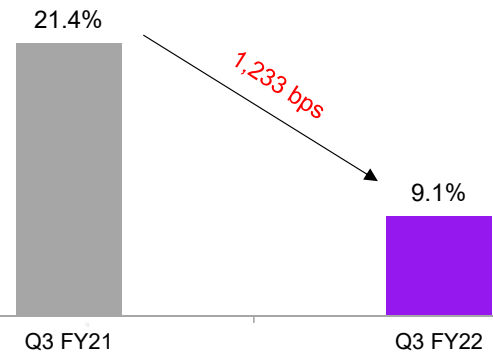
Q3 FY22

- Quarter started on a positive note, however, pace of growth in last two months of the quarter was constrained by:
 - Muted CV (both OE & Replacement) demand
 - Steep inflation, especially in fuel/ energy costs
 - Chip shortage (Passenger Vehicle)
 - Weakness in agri segment
- Continued RM inflation (~4% QoQ) along with tepid demand impacted operating performance
- Pricing environment remained stable and we undertook small price increase in replacement segment
- Will continue to work on negating RM cost pressure through 1) improvement in sales mix and 2) selective and well timed pricing actions

Revenue (₹ Mn)



EBITDA Margin (%)

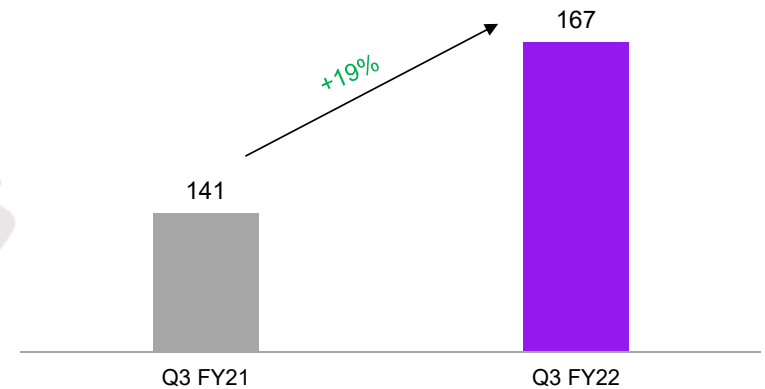


Operating Highlights – Europe¹

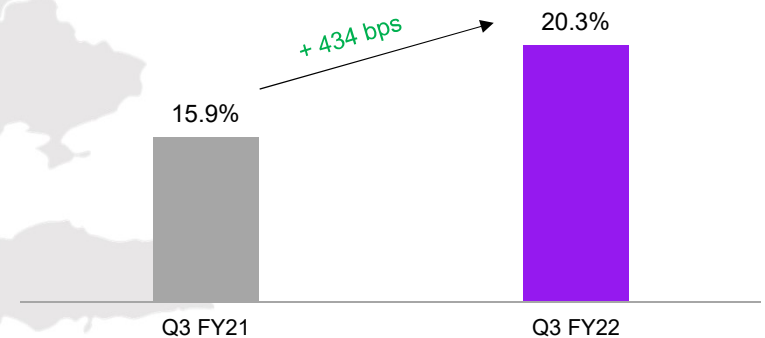
Q3 FY22

- Witnessed strong volume recovery in the industry - 9% growth in PCLT (YoY)
 - PCLT UHP segment: ~20%
- Gained market share in key focus segments
- Improvement in sales mix – UHP/ UUHP accounted for ~43% of sales mix (volumes)
- Undertook price hikes to the extent of 3% - 7% during the quarter (PCLT, TBR and Agri)
- Despite costs push, reported healthy operating performance
- Expect demand momentum to remain strong going forward

Revenue (€ Mn)



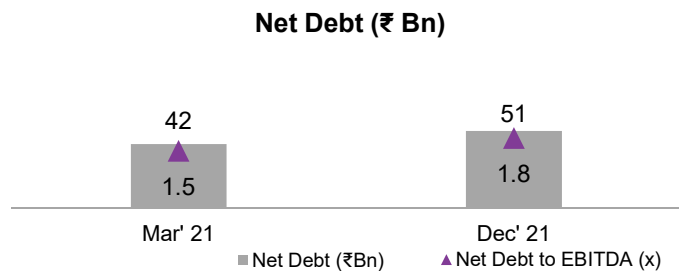
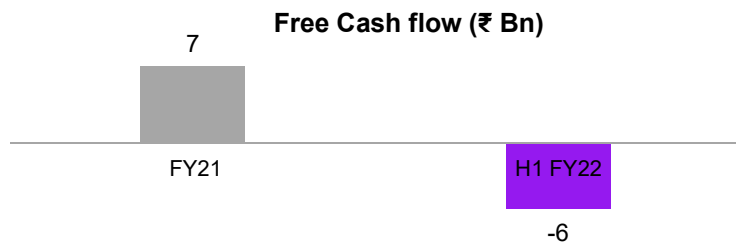
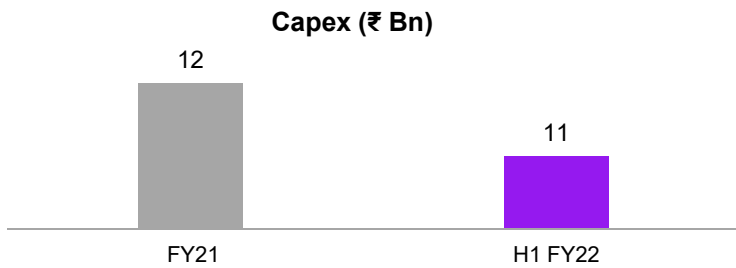
EBITDA Margin (%)



Notes:

1. Includes only sales and manufacturing operations , excl. Reifencor GmbH (Distribution business)

Consolidated Cash Flow & Balance Sheet Highlights



Key Highlights

- Capex in line with guidance
- Marginally increase in net debt from ₹ 50bn (Sep '21) to ₹ 51bn (Dec '21); Significant decrease from ₹ 60bn (Mar '20)



Financial Statements

Profit & Loss (Quarterly) – Consolidated

Particulars (₹ Mn)	Q3 FY22	Q3 FY21	Q2 FY22	% Change - YoY	% Change - QoQ
Revenues	57,075	51,947	50,773	10%	12%
Raw Material ¹	34,271	27,039	29,731		
Staff Cost	6,432	6,826	6,391		
Other Costs	8,942	7,779	8,271		
EBITDA	7,429	10,302	6,380	-28%	16%
EBITDA Margin (%)	13.0%	19.8%	12.6%		
Depreciation	3,443	3,273	3,397		
Other Income	170	228	289		
EBIT	4,156	7,257	3,272		
EBIT Margin	7.3%	14.0%	6.4%		
Interest	1,083	1,049	1,036		
Tax	833	1,715	454		
Exceptional Items	5	55	44		
PAT	2,235	4,438	1,737		
PAT Margin (%)	3.9%	8.5%	3.4%		

Profit & Loss (YTD) – Consolidated

Particulars (₹ Mn)	YTD FY22	YTD FY21	% Change - YoY
Revenues	153,693	123,713	24%
Raw Material ¹	90,247	66,360	
Staff Cost	19,359	18,429	
Other Costs	24,609	19,095	
EBITDA	19,477	19,828	-2%
EBITDA Margin (%)	12.7%	16.0%	
Depreciation	10,243	9,673	
Other Income	863	675	
EBIT	10,097	10,831	
EBIT Margin	6.6%	8.8%	
Interest	3,165	3,388	
Tax	1,623	749	
Exceptional Items	59	6,065	
PAT	5,250	629	
PAT Margin (%)	3.4%	0.5%	

Profit & Loss (Quarterly) – Standalone

Particulars (₹ Mn)	Q3 FY22	Q3 FY21	Q2 FY22	% Change - YoY	% Change - QoQ
Revenues	37,917	34,190	36,497	11%	4%
Raw Material ¹	26,452	19,419	24,604		
Staff Cost	2,555	2,263	2,600		
Other Costs	5,460	5,180	5,531		
EBITDA	3,450	7,328	3,762	-53%	-8%
EBITDA Margin (%)	9.1%	21.4%	10.3%		
Depreciation	2,027	1,770	1,951		
Other Income	190	222	318		
EBIT	1,614	5,780	2,129		
EBIT Margin	4.3%	16.9%	5.8%		
Interest	951	893	896		
Tax	171	1,477	331		
Exceptional Items	-	55	5		
PAT	492	3,354	897		
PAT Margin (%)	1.3%	9.8%	2.5%		

Profit & Loss (YTD) – Standalone

Particulars (₹ Mn)	YTD FY22	YTD FY21	% Change - YoY
Revenues	106,614	81,038	32%
Raw Material ¹	72,248	47,128	
Staff Cost	7,778	6,385	
Other Costs	16,041	12,788	
EBITDA	10,547	14,737	-28%
EBITDA Margin (%)	9.9%	18.2%	
Depreciation	5,901	5,227	
Other Income	886	657	
EBIT	5,532	10,167	
EBIT Margin	5.2%	12.5%	
Interest	2,741	2,939	
Tax	711	2,144	
Exceptional Items	13	104	
PAT	2,068	4,980	
PAT Margin (%)	1.9%	6.1%	



For further details please feel free to get in touch with the IR team

Ravi Shingari
Group Head - Accounts and Taxation
ravi.shingari@apolloyres.com

Himanshu Sharma
Head – IR & Budgeting
himanshu.sharma1@apolloyres.com

Thank you

The logo for Apollo Tyres, featuring the word 'apollo' in a bold, lowercase font with 'TYRES' in a smaller font below it.

apollo
TYRES

The logo for Vredestein Tyres, featuring the word 'VREDESTEIN' in a bold, uppercase font with 'TYRES' in a smaller font below it.

VREDESTEIN
TYRES