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APLAPOLLO PIPING SYSTEMS
Made for life

February 04, 2020

The National Stock Exchange of India Limited
Exchange Plaza, 5th Floor
Plot No C/1, G Block
Bandra-Kurla Complex
Bandra (East)
MUMBAI – 400 051

Department of Corporate Services/Listing
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
MUMBAI – 400 001

NSE Symbol: APOLLOPIPE
SCRIP Code: 531761

Sub: Intimation under Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 – Press Release

Dear Sir,

In reference to the captioned subject, please find enclosed herewith Press Release being made by the Company today titled "Q3 FY2020".

You are requested to kindly take the same on records.

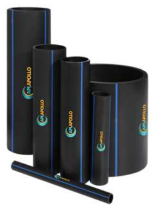
Thanking you

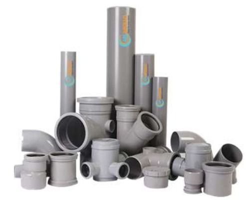
With Due Regards
For Apollo Pipes Limited

APOLLO PIPES LIMITED

Ankit Sharma
Company Secretary

Encl.: A/a





Apollo Pipes Limited

A- 140, Sector 136. Noida, Uttar Pradesh- 201301

Q3 FY2020

Sales volume higher by 15% Y-o-Y to 10,712 MTPA

EBITDA increases by 25% Y-o-Y to Rs. 10.7 crore

PAT higher by 25% to Rs. 6.7 crore

New Delhi, February 4, 2020: Apollo Pipes Limited, among the top 10 leading piping solution providing Company in India, announced its financial results for the quarter and half year ended September 30, 2019.

Financial Performance Highlights

Performance Review for Q3 FY20 vs. Q3 FY19

- Sales Volume greater by 15% to 10,712 tons from 9,300 tons
- Net Revenues higher by 15% to Rs. 100.0 crore compared to Rs. 87.0 crore
- EBITDA increases by 25%, at Rs. 10.7 crore compared to Rs. 8.5 crore
- Net Profit after Tax up by 25% to Rs. 6.7 crore compared to Rs. 5.3 crore

Performance Review for 9M FY20 vs. 9M FY19

- Sales Volume greater by 16% to 34,971 tons from 30,210 tons
- Net Revenues higher by 15% to Rs. 313.8 crore compared to Rs. 272.4 crore
- EBITDA increases by 25%, at Rs. 35.8 crore compared to Rs. 28.6 crore
- Net Profit after Tax up by 20% to Rs. 22.3 crore compared to Rs. 18.6 crore

Management's Message

Commenting on the Company's performance for Q3 & 9M FY2020, Mr. Sameer Gupta, Managing Director, Apollo Pipes said,

"We have delivered an encouraging set of results during quarter despite facing subdued demand conditions and weak market sentiments. In the quarter, volumes stood healthy at 10,712 MTPA, higher by 15% YoY. This volume performance was driven by improving contribution across product categories including value-added product segments.

On the operational front, I am happy to share that we have successfully integrated the recently acquired plant at Bengaluru in our business operations. The plant, with a capacity of 12,000 MTPA, has started contributing to performance from January 2020 onwards. In addition, the utilization levels at our existing plants at Dadri and Ahmedabad are also steadily improving and we remain confident of further improving it in the quarters ahead.

I am also pleased to share that we have launched a brand-new segment of 'PVC Solvent Cements' during the quarter. This new segment has received a positive response from the market and it is our endeavour to steadily gain market share in this category. In addition, we are also planning to launch products to provide water storage solutions in the coming fiscal. Our growth strategy continues to be towards improving products offering across the value-added chain that will help drive enhanced business visibility and profitability going ahead.

On the whole, we believe, launch of value-added products, improved distribution network, enhanced branding activities and ramp-up in utilization at facilities will significantly enhance productivity and improve business efficiency for Apollo Pipes in the medium to longer term. To conclude, we remain optimistic of delivering a sales volume growth of over 25% CAGR over the next 3 years."

Key Developments

- **Strengthening product basket through new and high-potential product segments – 'Solvent Cements' and 'Water Storage Solutions'**
  - Commenced manufacturing of PVC 'Solvent Cements' in January 2020 – a superior quality product with excellent installation properties that can be used in various piping applications
    - Key product features: 1) Meets high ASTM International standards used for plastic pipe installation 2) Qualified for use in various applications 3) User friendly as it reduces fumes and odor 4) Is environmentally Responsible by being LEED® Compliant (Leadership in Energy and Environmental Design)
    - Product to be available in wide range of packaging
  - The Company is also planning to launch products to provide water storage solutions in the next fiscal

- To introduce Aqua Range of water tanks with 4 different variants – will meet the highest standard of hygiene
  - In-line with its growth strategy, the Company is focusing towards improving product offerings across the value chain. This will enable enhanced business visibility, improved sales performance and profitability going forward

- **Successfully integrated the recently acquired 12,000 MTPA manufacturing facility at Tumkur, Bangalore in Company's operations**
  - The Company has successfully integrated the recently acquired manufacturing facility at Tumkur, Bangalore, in its business operations. The plant has started contributing to performance from January 2020 onwards
  - The Company will also be establishing a manufacturing line for its high-margin 'Fittings' product at this facility
  - Improved capacity and better utilization at this plant will enable healthy improvement in volume contribution, going forward

- **Delivered a healthy volume growth of 15% YoY in Q3 FY20**
  - Apollo Pipes delivered a healthy volume growth despite the challenging demand conditions in the domestic market. Performance was primarily driven by a steady demand revival across product segments including the high margin product segments. Volumes stood at 10,712 MTPA as against 9,300 MTPA in Q3FY19
    - Volume in 9MFY20 stood at 34,971 MTPA as against 30,210 MTPA in 9MFY19, growing by a steady 16%
  - Improving utilization levels at existing plants to enable healthy volume growth in the future - utilization levels at Dadri and Ahmedabad facilities are steadily improving and the Company expects it to improve to optimal levels in the upcoming fiscal
  - The Company is also constantly working towards strengthening its sales team, dealer & distribution network, and building on brand presence to capture a higher market share and solidify business operations. Better capacity utilization and enhanced capacities should enable the Company to deliver a healthy 25%+ CAGR over the next 3 years

About the Company

Apollo Pipes (BSE: 531761; NSE: APOLLOPIPE), is among the top 10 leading piping solution providing Company in India. Headquartered in Delhi, the Company enjoys strong brand equity in the domestic markets. With more than 3 decades of experience in the Indian Pipe Market, Apollo Pipes holds a strong reputation for high quality products and a an extensive distribution network.

Equipped with state-of-the-art infrastructure, the Company operates large manufacturing facilities at Dadri – UP, Ahmedabad – Gujarat and Tumkur – Karnataka, with a total capacity of 75,000 MTPA. The multiple and efficient product profile includes over 1,000 product varieties of cPVC, uPVC, and HDPE pipes, PVC taps and fittings of the highest quality. The products cater to an array of industrial applications such as Agriculture, Water Management, Construction, Infrastructure, and Telecom ducting segments. The Company's extensive distribution network spreads across 450 dealers / retailers and over 150 distributors.

For more information about us, please visit *www.apollopipes.com* ***or contact:***

A. K. Jain
Apollo Pipes Ltd
Tel: +91 120 404 1400
Email: akjain@apollopipes.com

Anoop Poojari / Mit Shah
CDR India
Tel: +91 22 66451217
Email: anoop@cdr-india.com
mit@cdr-india.com

DISCLAIMER:

Certain statements in this document that are not historical facts are forward looking statements. Such forward-looking statements are subject to certain risks and uncertainties like government actions, local, political or economic developments, technological risks, and many other factors that could cause actual results to differ materially from those contemplated by the relevant forward-looking statements. Apollo Pipes Limited will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.