



**EARNINGS
PRESENTATION**
Q1-FY24

**100%
Swadeshi**



ACE



At a Glance



Established Brand with over 28 years of Industry Presence

World's largest Pick & Carry Crane Manufacturer with Pan India and Global Presence in over 37 Countries

Value for Money Equipment with Focus on Quality and Reliability

Strong Manufacturing, R&D Capabilities providing Customized Solutions for Specific Requirements

Highly Experienced and Professional Team

India's most diversified CE Manufacturer Operating across Infra, Construction, Manufacturing, Logistics and Agri sectors

Customer Centric Organization with In-depth Market Intelligence having 18,000+ strong Customer base

Fastest Service and Product Support through a wide Network across 100+ Locations in India

Strong Financial Discipline with Sharp focus on Accelerated Growth through Flexibility and Quick Change Adaptation

Poised to capture Significant Growth Prospects in Indian Manufacturing & Infrastructure Sector



Company Overview



- **ACTION CONSTRUCTION EQUIPMENT LIMITED** was established in 1995 by Mr. Vijay Agarwal, a technocrat, who has over 50 years of industry experience and is run by a team of experienced professionals.

- ACE is an established and reputed brand with a significant presence across diversified sectors like Construction, Infrastructure, Manufacturing, Logistics and Agriculture.

Market Leader in Mobile and Tower Cranes



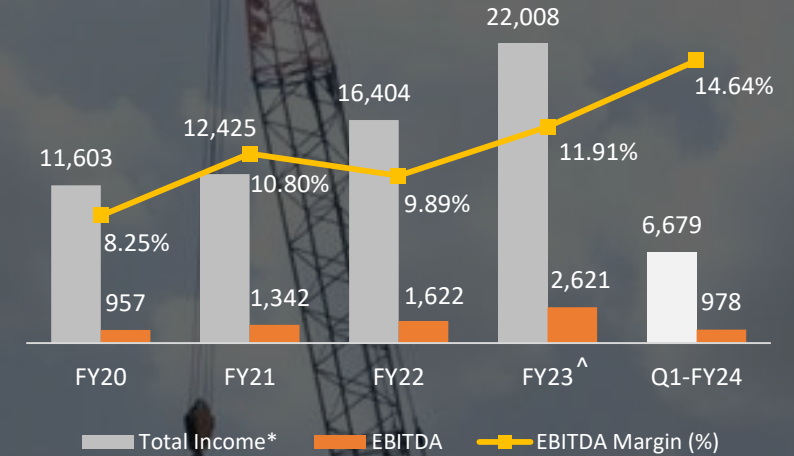
63% +
Market Share



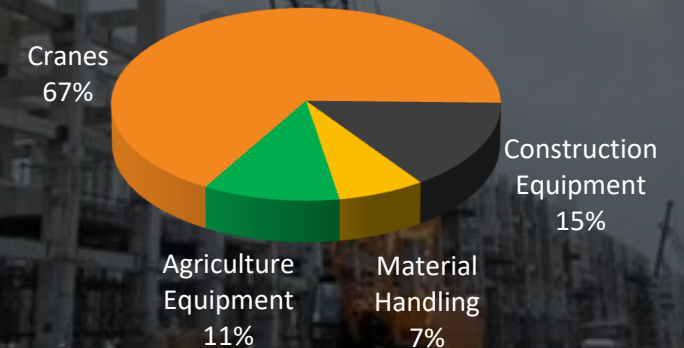
- The company is the world's largest Pick & Carry cranes manufacturer with over 63% market share in the Mobile cranes segment in the country and a majority market share of more than 60% in Tower Cranes segment domestically.
- Additionally, ACE also offers Crawler Cranes, Truck Mounted Cranes, Lorry Loaders, Backhoe Loaders/Loaders, Vibratory Rollers, Motor Graders, Forklifts, Tractors & Harvesters and other Construction Equipment.
- The company has one of the widest Sales and Service network, with over 100+ locations supported by 13 regional offices in India and also exports to over 37 countries across Middle East, Africa, Asia and Latin America.



Consolidated Financial Highlights (INR Mn)



Consolidated Segmental Revenue – Q1 FY24 (%)



*Total Income includes Other Income

[^]Other Income includes one-time exceptional item of INR 197.6 Mn

Product Portfolio



Cranes



Pick & Carry Crane



Lorry Loaders Crane



Self Erecting Tower Crane



Crawler Crane



Truck Crane



Tower Crane

Construction Equipment



Backhoe Loader



Wheel Loader



Soil Compactor & Tandem Vibratory Roller



Motor Grader

Material Handling Equipment



Forklift Trucks



Warehousing Equipment



Piling Rig

Agriculture Equipment



Tractor



Track Combine



Wheel Harvester



Rotovator

Sectoral Growth Drivers



Urban Infra



Railways



Manufacturing



Roads



Housing

- The Centre has allocated INR 10,00,000 Crs capital investment, a steep increase of 33% for third year in a row, to enhance growth potential of the country.
- Investment of INR 75,000 Crs, for one hundred critical transport infrastructure projects, for last and first mile connectivity for ports, coal, steel, fertilizer, and food grains sectors.
- Urban Infrastructure Development Fund (UIDF) will be established through use of priority Sector Lending shortfall, which will be managed by the national Housing Bank, and will be used by public agencies to create urban infrastructure in Tier 2 and Tier 3 cities.
- The government has allocated INR 16,000 Crs towards its Smart Cities Mission for FY24.
- Capital outlay of INR 2,40,000 Crs has been provided for the Railways, which is the highest ever outlay and about nine times the outlay made in 2013-14.
- 400 new Vande Bharat trains to be developed in the next three years and 'One Station-One Product' to help local businesses and supply chains
- Construction of Dedicated New line projects will be getting an allocation of INR 31,850 Crs and National High Speed Rail Corporation Limited will be allocated INR 40,184 Crs.
- The Manufacturing sector of India has the potential to reach US\$ 1 Tn by 2025.
- PLI in 14 sectors for achieving the vision of 'Atmanirbhar Bharat' with the potential to have additional production of INR 3,00,000 Crs during next 5 years.
- Industrial Capex cycle has revived owing to other initiatives such as 'Vocal for Local' and 'China +1 Strategy.'
- As per Budget 2023-24 Expansion of the National Highways network by 14,000 km in FY24, INR 20,000 Crs to be mobilised through innovative ways of financing.
- The roads sector is likely to account for 18% capital expenditure over FY 2019-25 and Roads worth \$200 Bn to be built in next 2 years.
- NHAI is coming up with 23 new highways including network of expressways and economic corridors by March 2025.
- The Central Government awarded a total of 322 projects to construct more than 13,000 km roads under the 'Bharatmala Pariyojana' and 3.71 lakh kms under the PMGSY.
- Outlay for PM Awas Yojana is being enhanced by 66% to over INR 79,000 Crs.
- Real estate sector in India is expected to reach a market size of US\$ 1 trillion by 2030 and contribute 13% to the country's GDP by 2025.
- Retail, hospitality, and commercial real estate are also growing significantly, providing the much-needed infrastructure for India's growing needs.
- The vision of 'Housing For All' and the ambitious PMAY will further bolster the growth in this segment.

Launch of PM Gati Shakti Plan, a INR 100 lakh Crs national infrastructure master plan, building a foundation for holistic infrastructure.

Sectoral Growth Drivers



Agriculture

- In the 2023-24 Union Budget, Ministry of Agriculture and Farmers' Welfare has been allocated INR 1,25,000 Crs. The government has given a clear signal to rural India that it is committed to their cause.
- Indian tractor market stands at ~9,45,000 units and the Indian agricultural tractor market is anticipated to grow at a CAGR of 8.9% over the forecast period 2022-2027.
- Budgetary allocation to Rural Development, Irrigation Projects and Subsidies coupled with credit availability will induce increased demand.



Logistics

- 5 Multimodal Logistics Parks at four locations through PPP mode contracts to be awarded in FY24.
- The government had decided to set up as many as 35 Multi Modal Logistics Parks, at a total capital cost of Rs. 50,000 crore.
- One hundred PM Gati Shakti Cargo Terminals for multimodal logistics facilities will be developed till 2025.
- The logistics market in India is forecasted to grow at a CAGR of 10.5% between 2019 and 2025.
- The deeper penetration into Tier II, III & IV towns and the National Logistics Policy promise an efficient and integrated logistics industry in coming years.



Warehousing

- Supportive Government policies such as establishment of logistic parks and free trade warehouse zones is expected to spur the market growth through 2025.
- 30 Mn square ft of warehousing space is expected to be added to the existing 86 Mn square ft in 2023.
- Indian warehousing and logistics sector is expected to attract ~\$10 Bn investments over the next 4-5 years.



Airports

- 200 low cost airports being built in next 20 years.
- India's aviation industry is expected to witness INR 35,000 Crs (US\$ 4.99 Bn) investment in the upcoming years.
- 50 additional airports, heliports, water aerodromes and advance landing grounds will be revived for improving regional air connectivity.
- The Indian Government is planning to invest US\$ 1.83 Bn for development of airport infrastructure along with aviation navigation services by 2026.

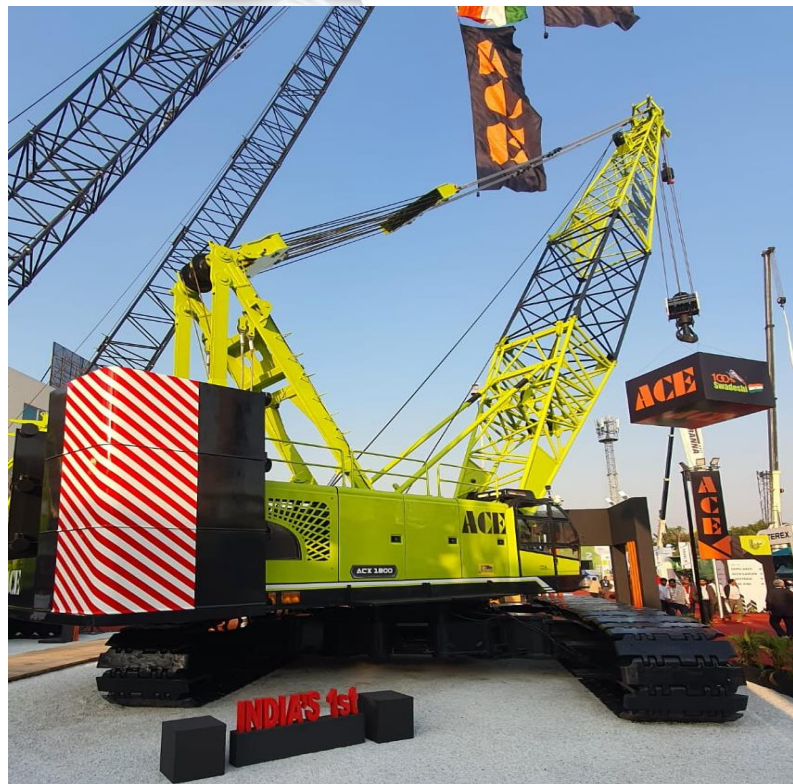


Ports

- The Ministry of Ports, Shipping and Waterways aims to complete projects worth INR 2,00,000 Crs in the next financial year under the Sagarmala Programme.
- The Government has included 1,537 projects under the ambitious Sagarmala Programme at a cost of INR 6,50,000 Crs.
- Projects worth INR 13,308.41 Crs were awarded in the last three years on upgradation of the major ports.

The Government of India has allocated US\$ 1.4 Tn under the National Infrastructure Pipeline for FY 2019-25.

Opportunities & New Products



- ACE intends to increase the contribution of exports in total revenues to a significant share over the medium term
- Tapping Opportunities in the Defence Sector
- Increasing Utilisation Levels of Construction Equipment.
- New Product Launches:
 - India's First Fully Electric Mobile Crane
 - India's Largest Mobile Crane - 180 Tons Crawler Crane
 - Aerial Work Platforms and Telehandlers.
 - 35 Tons 4X4 Next-Gen Crane.

FINANCIAL OVERVIEW Q1-FY24

Q1-FY24 Financial & Operational Highlights



Q1-FY24 Financial Highlights (Consolidated)

INR 6,679 Mn

Total Income*

INR 978 Mn

EBITDA

14.64%

EBITDA Margin

INR 676 Mn

PAT

10.12%

PAT Margin

INR 5.67/Share

Diluted EPS

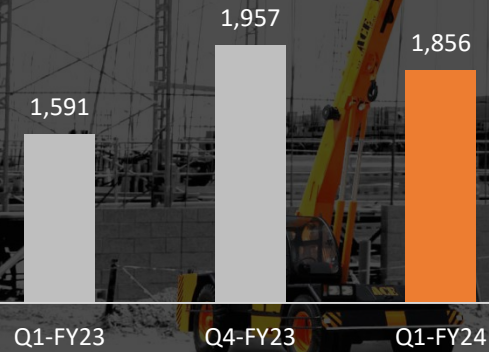
Q1-FY24 Operational Highlights

- The company achieved its highest ever Quarterly Revenues and Margins in its history
- Strong growth momentum continued with operational revenue growing by 30% on a YoY basis and 7% on QoQ basis
- Sustained growth in CE space, segment grew by 78% YOY with margins at 14%
- Strong Revenue growth registered across all segments during the year:
 1. Cranes grew by 26% YoY
 2. Construction Equipment Segment grew by 78% YoY
 3. Material Handling Equipment grew by 10% YoY
 4. Agri Equipment was marginally down by 30% YoY
- Margin expansion continued, driven by operating leverage, better product mix with improved price realizations, efficient cost control measures and softening of the commodity prices
- Going forward, the Government of India's continued emphasis on infrastructure development; Front loading of capital expenditure announced in the Union Budget 2023 augurs well for the company and will contribute to the growth in FY24

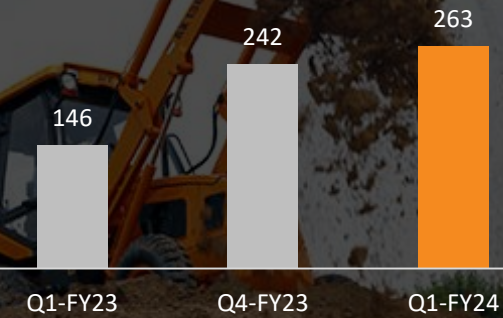
*Total Income includes Other Income

Segment wise – Quarterly Sales Volume

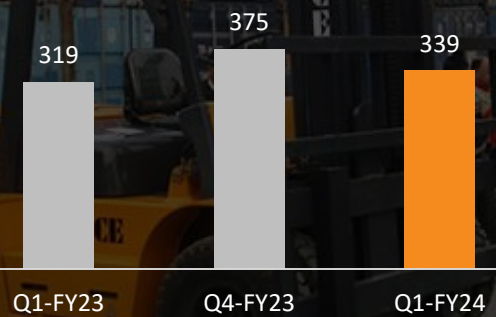
Cranes



Construction Equipment



Material Handling Equipment



Agriculture Equipment



Quarterly Consolidated Financial Performance



Particulars (INR Mn)	Q1-FY24	Q1-FY23 [^]	Y-o-Y	Q4-FY23	Q-o-Q
Total Income*	6,679	5,220	28.0%	6,170	8.2%
Total Expenses	5,701	4,569	24.8%	5,406	5.5%
EBITDA	978	651	50.2%	764	28.0%
EBITDA Margins (%)	14.64%	12.47%	217 Bps	12.38%	236 Bps
Depreciation	52	47	10.6%	50	4.0%
Finance Cost	31	16	93.8%	34	-8.8%
PBT	895	588	52.2%	680	31.6%
Tax	219	135	62.2%	209	4.8%
Profit after Tax	676	453	49.2%	471	43.5%
PAT Margins (%)	10.12%	8.68%	144 Bps	7.63%	249 Bps
EPS (Diluted INR)	5.67	3.65	55.3%	4	41.8%

*Total Income includes Other Income

[^]Other Income includes one-time exceptional item of INR 197.6 Mn

Historical Consolidated Financial Performance



Particulars (INR Mn)	FY21	FY22	FY23 ^	Q1-FY24
Total Income*	12,425	16,404	22,008	6,679
Total Expenses	11,083	14,782	19,387	5,701
EBITDA	1,342	1,622	2,621	978
EBITDA Margins (%)	10.80%	9.89%	11.91%	14.64%
Depreciation	139	154	180	52
Finance Cost	122	95	103	31
PBT	1,081	1,373	2,338	895
Tax	283	323	608	219
Profit after Tax	798	1,050	1,730	676
PAT Margins (%)	6.42%	6.40%	7.86%	10.12%
Other Comprehensive Income	8	(3)	0	0
Total Comprehensive Income	806	1,047	1,730	676
EPS (Diluted INR)	7.03	9.02	14.41	5.67

* Total Income includes Other Income

^ Other Income includes one-time exceptional item of INR 197.6 Mn

Historical Consolidated Balance Sheet



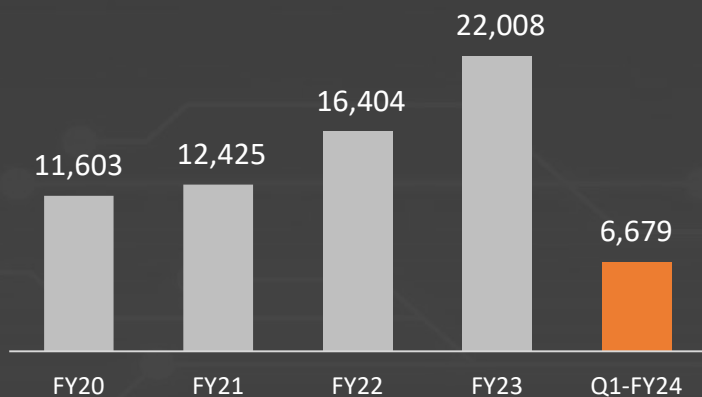
Equities & Liabilities (INR Mn)	FY21	FY22	FY23
(A) Share Capital	227	238	238
(B) Other Equity	5,005	7,303	8,948
Non Controlling Interest	3	2	16
Total - Shareholder Funds	5,235	7,543	9,202
Non Current Liabilities			
(A) Financial Liabilities			
(i) Borrowings	202	-	-
(ii) Lease Liabilities	1	13	7
(B) Provisions	19	23	27
(C) Deferred tax liabilities (Net)	160	135	133
Total - Non – Current Liabilities	382	171	167
Current Liabilities			
Financial Liabilities			
(i) Borrowings	341	292	62
(ii) Trade Payables	3,306	4,127	5,009
(iii) Other Financial Liabilities	875	212	231
(iv) Lease Liabilities	2	5	6
(D) Other current liabilities	380	419	1,296
(E) Provisions	14	18	25
(F) Current tax liabilities (Net)	18	37	-
Total – Current Liabilities	4,936	5,110	6,629
Total Equity and Liabilities	10,553	12,824	15,997

Assets (INR Mn)	FY21	FY22	FY23
(A) Property plant & Equipment	4,161	4,355	4,723
(B) Capital Work in Progress	126	243	244
(C) Right-of-Use Assets	-	17	12
(D) Investment properties	120	118	115
(E) Intangible assets	12	27	25
(F) Financial assets			
(i) Investments	64	802	1,367
(ii) Other financial assets	66	163	348
(G) Other non-current assets	97	67	41
(H) Non-current tax assets (Net)	1	4	7
Total - Non – Current Assets	4,647	5,796	6,882
Current Assets			
(A) Inventories	2,661	3,334	4,185
(B) Financial assets			
(i) Investments	251	990	2,119
(ii) Trade receivables	2,247	1,887	1,693
(iii) Cash and cash equivalents	329	57	215
(iv) Bank balances other than (iii) above	36	86	275
(v) Loans	-	8	7
(vi) Other current financial assets	23	20	78
(C) Other Current Assets	357	646	543
(D) Current Tax Assets (Net)	2	-	-
Total current assets	5,906	7,028	9,115
Total Assets	10,553	12,824	15,997

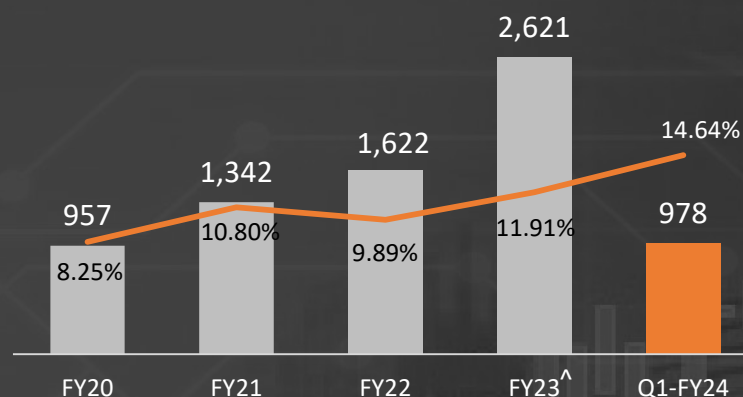
Key Consolidated Financial Highlights



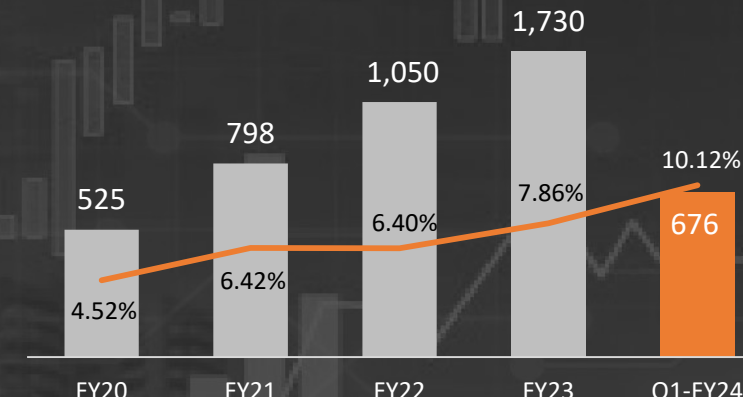
Total Income* (INR Mn)



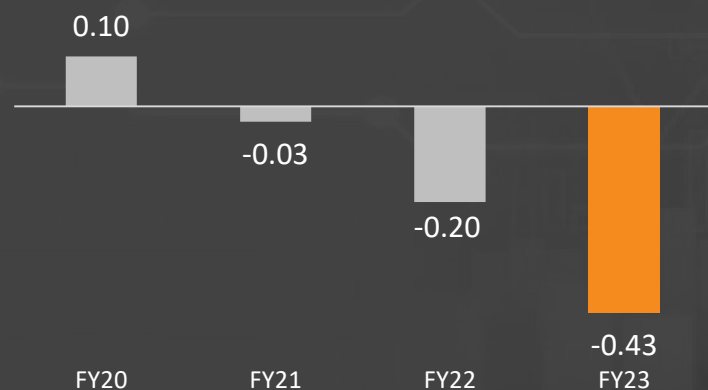
EBITDA and EBITDA Margins (INR Mn)



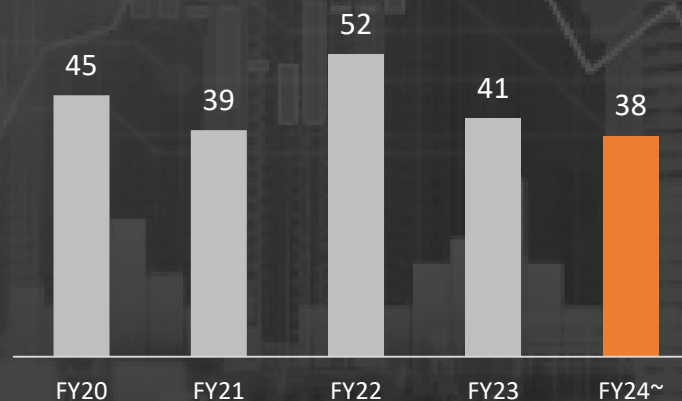
PAT and PAT Margins (INR Mn)



Net Debt to Equity (x)



Working Capital Days



Return on Capital Employed (%)



* Total Income includes Other Income

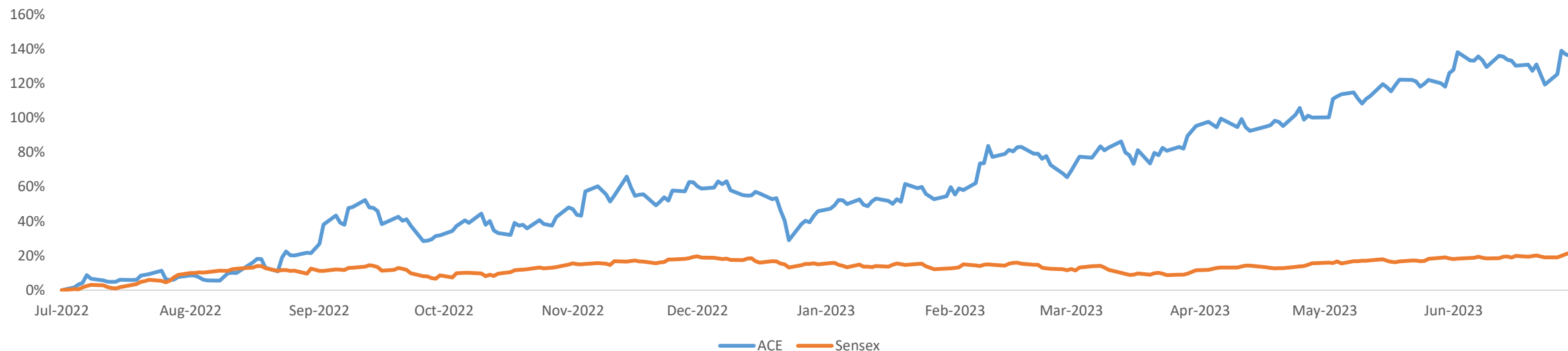
[^] EBITDA Margin includes one-time exceptional item of INR 197.6 Mn

~ Annualized

Capital Market Data



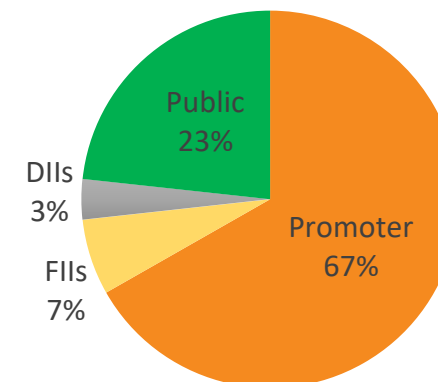
Stock Market Performance (as on 30th June, 2023)



Price Data (As on 30th June, 2023)

Face Value (INR)	2.0
Market Price (INR)	490.2
52 Week H/L (INR)	516.5/206.2
Market Cap (INR Mn)	58,368.6
Equity Share Outstanding (Mn)	119.1
1 Year Avg. Daily Trading Volume ('000)	679.8

Shareholding Holding pattern (As on 30th June, 2023)



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For further details, please feel free to contact our Investor Relations Representatives:



Mr. Anuj Sonpal
Valorem Advisors
Tel: +91-22-49039500
Email: ace@valoremadvisors.com



THANK YOU

