

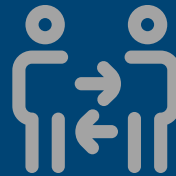
SKIPPER LIMITED

INVESTOR PRESENTATION Q2 & H1 FY'21 Results





Skipper Limited is India's largest and world's most competitive integrated transmission tower manufacturing company



- Flagship company of the S.K. Bansal Group (incorporated 1981).
- Angle rolling, tower, accessories and fastener manufacture coupled with EPC line construction
- One of India's largest and fastest growing polymer pipes & fittings companies

- Four Power Grid Corporation of India-approved transmission tower and pole manufacturing plants (combined engineering capacity 300,000 MTPA)
- Among the most effective knowledge pools in the sector comprising 2,200+ members

- Widely respected player; awarded Largest Tower Supplier Award by Power Grid for 3rd consecutive year
- Awarded Best Industry in Water Resources sector by Central Board of Irrigation and Power.

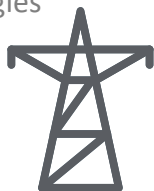


SKIPPER: ONE-STOP SOLUTION PROVIDER

Engineering products

Capacity: 300,000 MTPA

- Power Transmission Tower
- Power Distribution Poles
- Monopoles
- MS & High Tensile Angles
- Solar Structures
- Fasteners
- Tower Accessories
- Railway Structures



Highlights

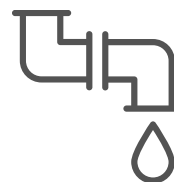
Positioned as one of the world's leading transmission tower manufacturer; largest in India

**Revenues
(FY'20)**
Rs11,425mn

Polymer products

Capacity: 51,000 MTPA

- UPVC Pipes
- CPVC Pipes
- SWR Pipes
- HDPE Pipes
- Fittings



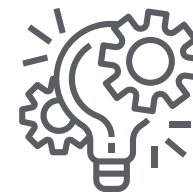
Highlights

- Only polymer pipe company in India to implement TOC in its operations

**Revenues
(FY'20)**
Rs1,363mn

Infrastructure projects

- Transmission Line EPC
- Railway Electrification EPC
- Underground Utility laying by HDD



Highlights

- Forward integration activity
- Aimed at high-margin projects

**Revenues
(FY'20)**
Rs 1,116mn



GLOBAL PRESENCE

SOUTH AMERICA

Peru, Colombia, Chile,
Paraguay, Panama

EUROPE

UK, Germany, Spain

AFRICA

Kenya, Egypt, Ghana, Nigeria,
Zambia, Sierra Leone, Guinea,
South Africa, Botswana,
Burundi, Angola

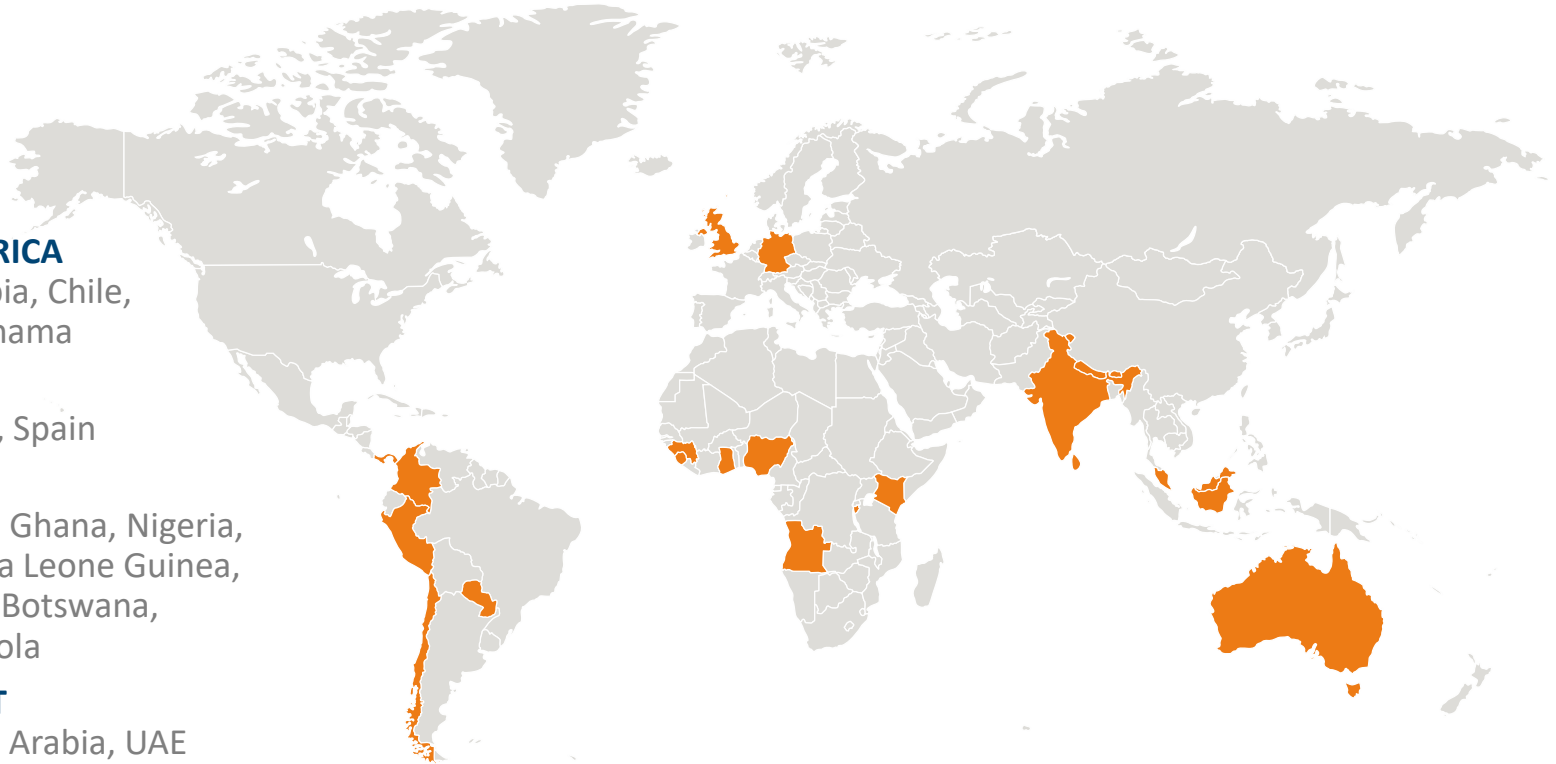
MIDDLE EAST

Jordan, Saudi Arabia, UAE

SOUTH AND SOUTH EAST ASIA

Nepal, Bangladesh, Sri Lanka,
Indonesia, Philippines,
Malaysia

AUSTRALIA



SKIPPER LIMITED
Performance Update

Q2 & H1 FY'21 Update





Financial Performance Q2& H1 FY'21

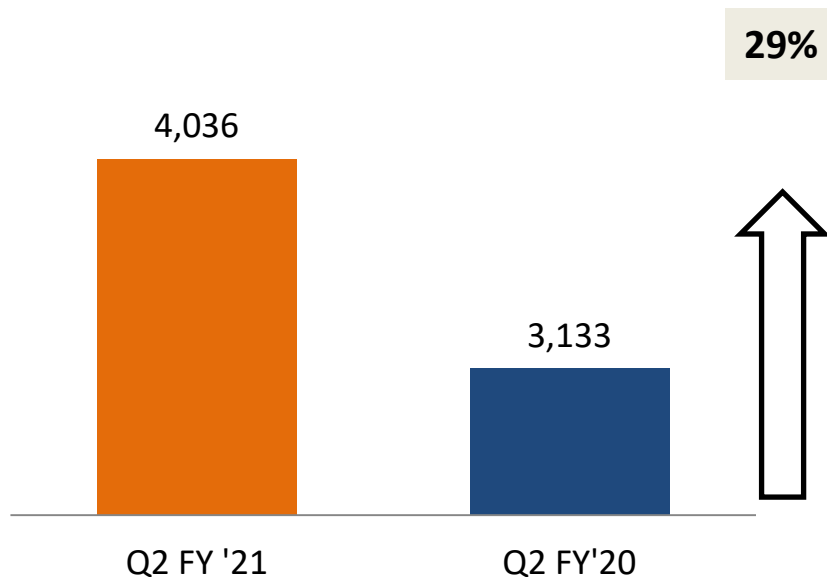
Rs in Mn

Sl	Profit & Loss Summary	Q2 FY'21	Q2 FY'20	H1 FY'21	H1 FY'20
1	Revenues	4,036.0	3,132.5	6,243.1	6,518.2
2	Reported EBITDA	477.6	345.6	568.1	772.1
	% of Revenue	11.8%	11.0%	9.1%	11.8%
3	Forex Gain / (Loss)	138.4	(11.0)	184.1	22.2
4	Operating EBITDA (2-3)	339.3	356.6	384.0	749.9
	% of Revenue	8.4%	11.4%	6.2%	11.5%
5	Depreciation	119.6	94.9	225.9	188.4
6	Interest Expenses	171.9	232.1	345.0	447.7
	% of Revenue	4.3%	7.4%	5.5%	6.9%
7	Other Income	3.8	1.6	6.8	4.3
8	Profit Before Tax (2-5-6+7)	190.0	20.3	4.1	140.4
9	Tax	65.5	6.1	(1.5)	44.0
10	Profit After Tax (8-9)	124.5	14.2	5.6	96.4

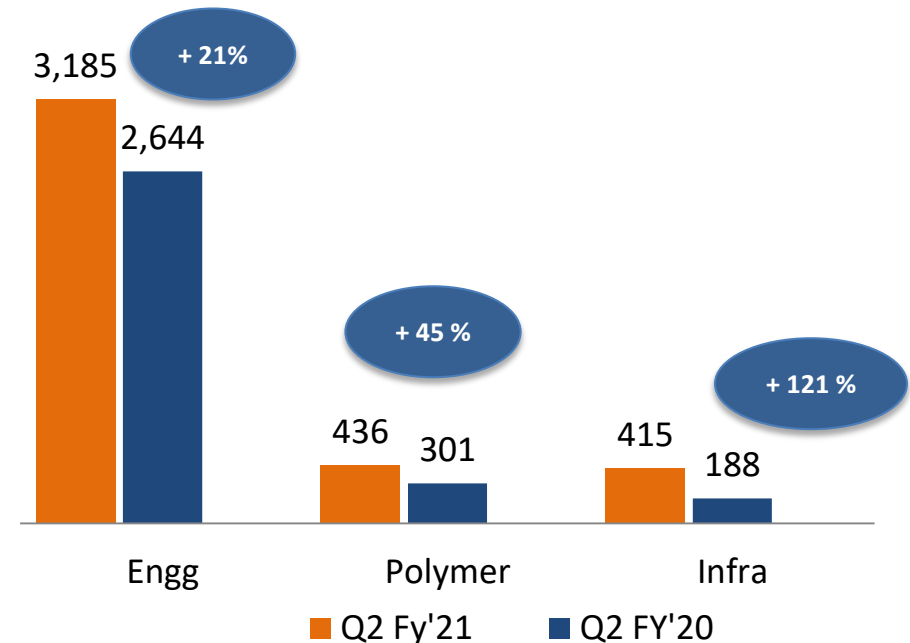


Strong Revenue Performance across all business segments

Stand Alone - Revenue



Segment - Revenue



Our Integrated Plant functions, close proximity to raw material sources and employment of local labor in our Mfg plants - provides us a great edge and control in our operations and supply chain management, helping us to overcome this crisis quickly.

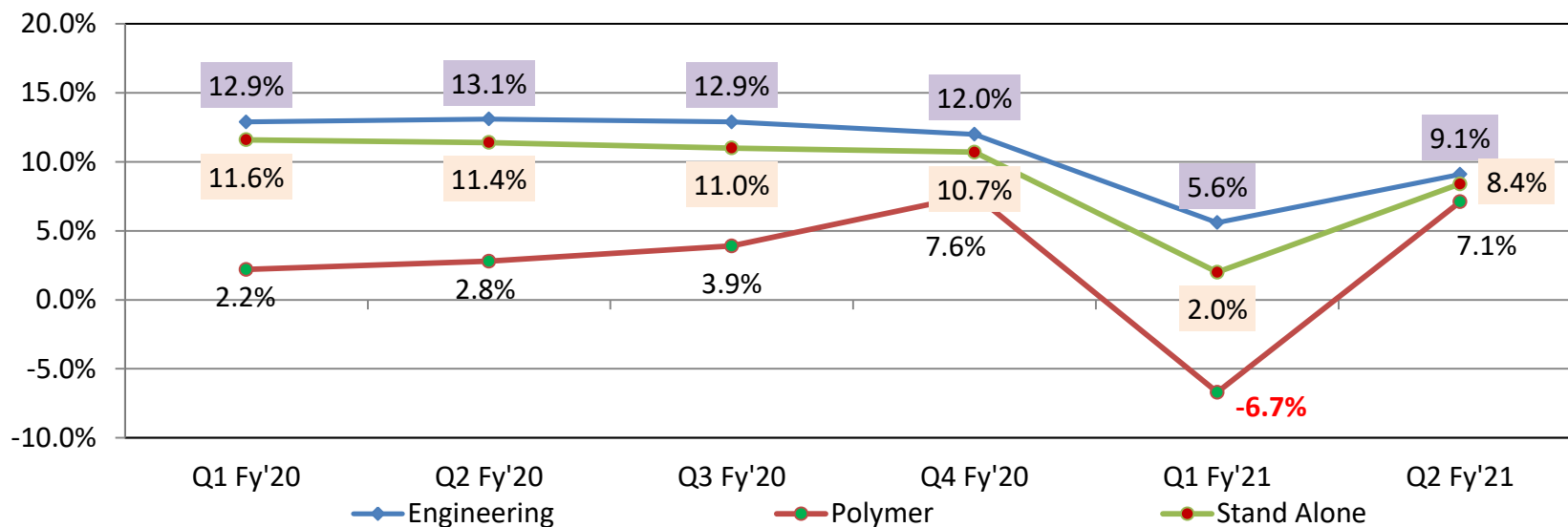


Performance Update

- ❑ Strong Revenue performance across all the business segments ;
- ❑ Stand Alone operating EBITDA margins rebounded to 8.4%; The Engineering operating EBITDA margin got impacted on account of inventory damages and losses booked (One time) due to continuous lockdown/Amphan Cyclone and compromised operational activities due to state government mandated weekly lockdown days and COVID safety guidelines in place for the first 2 months of the quarter.
- ❑ Polymer TOC implementation Progressing well; Improvement continues on both Revenue & Margin front
- ❑ Stronger expected execution in both Engineering & Polymer segment going forth coupled with Productivity and cost reduction initiatives at the plant and site level are expected to further improve efficiency in operations and aid to stable margins
- ❑ Focus continues on Bottom-line improvement; PBT & PAT grew significantly in compare to previous year quarter.
- ❑ Efforts continues on cash flow & balance sheet consolidation; Interest expenses down by 26 % in compare to previous year quarter
- ❑ Secured new orders of Rs 2,200 million in Q2 FY'21 for engineering products supplies from several SEB's and for supplies across various export markets
- ❑ Actively pursuing projects worth Rs 31,000 million on international front and about Rs 15,500 million on the Domestic front.



Op. EBITDA Margin (without Forex)

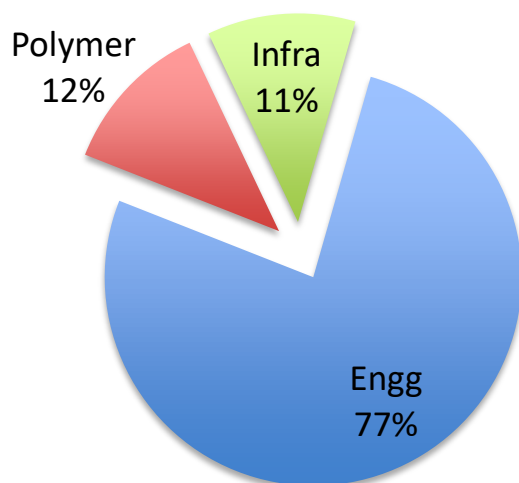


- Strong rebound in margin performance over Q1 FY'21; Improved margin performance despite of covid related challenges and State government mandated weekly lockdown days in place for the month of July & August 20 hampering plant operations
- Polymer Margin rebounded to 7% in Q2FY'20 on account of operational consolidation and TOC benefits.
- The Engineering operating EBITDA margin got impacted on account of inventory damages due to continuous lockdown/Amphan Cyclone and compromised operational activities due to state government mandated weekly lockdown days and COVID safety guidelines in place for the first 2 months of the quarter.
- Margins to get better with expected increase in Engineering execution on both domestic and international front and stronger polymer segment performance going forth.

Note: Engineering EBITDA is net of Forex and includes allocation of un-allocable expenditure in pro-rata share of its sales



Segment Performance Q2 & H1FY'21



Segment	Financial Summary	Q2 FY'21	Q2 FY'20	H1 FY'21	H1 FY'20
Engg. Products	Net revenue	3,184.6	2,643.7	4,777.1	5,576.0
	EBIDTA - Operating	290.9	345.1	379.7	724.3
	% of Revenue	9.1%	13.1%	7.9%	13.0%
Polymer products	Net revenue	436.2	301.1	747.5	541.0
	EBIDTA - Operating	31.1	8.4	10.2	13.6
	% of Revenue	7.1%	2.8%	1.4%	2.5%
Infra projects	Net revenue	415.2	187.7	718.5	401.2
	EBIDTA - Operating	17.3	3.1	(5.9)	11.9
	% of Revenue	4.2%	1.7%	-0.8%	3.0%
Total	Net revenue	4,036.0	3,132.5	6,243.1	6,518.2
	EBIDTA - Operating	339.3	356.6	384.0	749.9
	% of Revenue	8.4%	11.4%	6.2%	11.5%

Note: Segment Operating EBITDA is net of Forex and includes allocation of un-allocable expenditure in pro-rata share of sales in their respective segment



Debt Details

Rs in Million

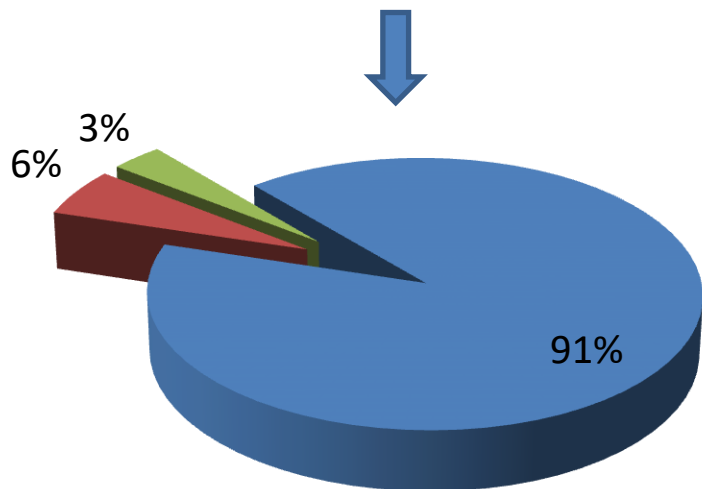
	31.03.2020	30.09.2020	Inc / (Dec)
Long Term Debt	1,569	2,272	703
Current Maturities of Long Term Debt	344	626	282
Short Term Debt	2,624	1,411	(1213)
Gross Debt Level	4,538	4,309	(229)
Debt Equity Ratio (X)	0.66	0.63	(0.03)
Net Working Capital (Days)	128	95	(33)

- Gross Debt reduced by Rs 229 million during the period, on account of better working capital utilisation.
- Net Working capital days improved to 95 days against 128 days (Mar'20) on account of better collection and increased trade payables.
- Half year Interest expenses down by 23 % in compare to previous year period
- Focus continues on Balance sheet consolidation; Implementation of TOC in both Engineering & Polymer business to significantly improve the working capital cycle and profitability



Engineering Products – Order Book Composition – Sep 2020

**Total Order Book
Rs 17,110 million**



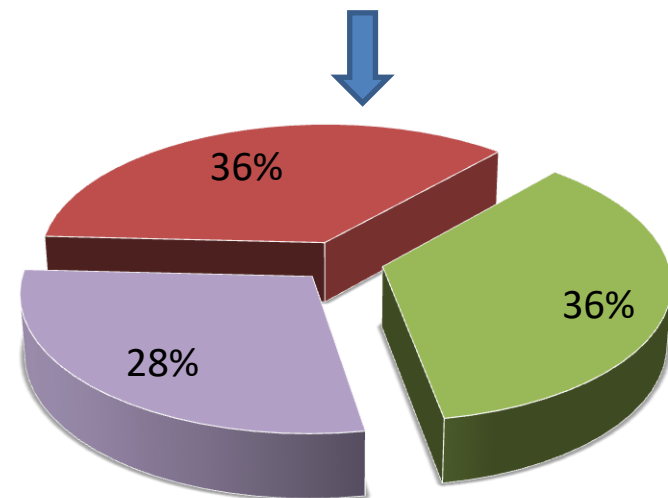
■ T&D ■ Telecom ■ Railways

Domestic – 69%

Export – 31%

T&D Breakup

**T&D Order Book
Rs 15,540 million**



■ PGCIL ■ SEB & Others ■ Export

Order Book to Sales stands at 1.5 X



**Strong Bidding Pipeline of 46,500 Million as on 30th Sep 2020;
International – 31,000 Mn & Domestic - 15,500 Mn**

The domestic T&D activities are showing signs of strong recovery and rebound after a 2 years of lull, The company expects Ordering & Execution to gain pace in H2 FY'21 with increased participation opportunities from Power Grid, SEB, TBCB projects, Exports and Infrastructure push in North East & East India.

International

- ✓ Growing global competitiveness; Focusing on international markets to drive the ordering growth;
- ✓ Strong Anti China Sentiment; and global supply chain now actively looking for reducing their dependence on China is a great positive outcome of this crisis ; will bring more opportunities on our way
- ✓ Majority of New Transmission lines are now getting built to cater renewables; leading to shorter execution cycle and faster supplies to meet project deadlines.

Domestic

- ✓ After a 2 years lull, The domestic T&D activities are showing signs of strong recovery and rebound
- ✓ Large bunching up of order that remained postponed + Rs 500,000 million of GEC related projects to come up for bidding this year will provide much needed boost to the domestic transmission industry
- ✓ Tender Pipeline continues to stay strong, New ordering in domestic TBCB has been postponed to Q3 FY'21 due to COVID and new Make in India norms

These developments reinforce our belief of a strong business rebound in H2 Fy'21



FY'19 & 20

Steps towards growing international presence

International Certifications

Credential Establishments

Audit Approval of Plant

Registration with
International EPC players

FY' 21

Time to ripe the benefits

- Major regulatory approval done
- Established relations with 100 global EPC players
- **Our International bidding pipeline of 31,000 million are at the highest level in company history, is a true testimony of our efforts**
- **We are at inflection juncture** and targeting to grow exports to 50% of revenue in next 2 years





PERFORMANCE OUTLOOK

Covid Lockdown impact is more of a Revenue deferment for us rather than revenue loss, Any Revenue Shortfall on account of this will be made up in subsequent quarter; None of our projects got cancelled neither faced any significant deferment.

Company expects to clock annual revenue growth of 10 % in FY'21 on back of strong execution of export contracts in H2 FY'21 and strong polymer segment performance; added 10% more workforce post covid to support execution pressure ahead.

Desired EBITDA margin focus of 11-12% for remaining part of the year.

Focus on mechanisation and automation along with several cost reduction initiatives to further improve efficiency in operations and aid to stable margins

Implementation of TOC in both Engineering and Polymer business to significantly improve its working capital cycle and bottom-line profitability

Expect good traction in International TL orders, While pending domestic TL ordering bids are expected to get awarded by Q3/Q4 FY 21

Continuing efforts to further strengthen the international T&D order book ; Positioned to grow exports to 50% of revenue in next 2 years

Future Ready



Skipper boasts of largest Tower & Monopole Load Testing Station in India, which is also one of the largest in the world.

- Started Operations in the state of art Transmission Line Tower Testing Station is spread across 14 acres of land in Howrah, West Bengal commissioned in March'20.
- Approved and recognized by Dept. of Scientific and Industrial Research (DSIR), Govt. Of India.
- One of the largest Testing facilities of India and first of its kind in Eastern India
- Capable of Full scale load testing, a reliable tool for validating the structural design
- The facility is designed to Test all kinds of Lattice Towers, Monopoles & Guyed Towers with World Class Technical Parameters
- Ultimate Destination for OHTL Contractors & Manufacturers for Prototype Testing

For the first time ever, all new large T&D projects in domestic markets comes along with Design and Load testing scope; Our new R&D centre will give us distinct advantage over competition.



Skipper USP

- Towers upto 1200kV with 110m height (highest in the country) can be tested seamlessly
- Automated central loading and supervision system to regulate the actual loading
- Customized designs by our Designers for optimum efficiency
- Dual-speed VFD Driven Electrical Winches for smooth loading
- Exceptionally heavy Towers can be loaded optimally (1000t per leg) and large base width (up to 35m)
- Skipper's dedicated in-house R&D center allows study and up gradation of various Transmission Tower Testing methodologies. The center helps our team offer customized and breakthrough solutions to our clients every time



Test Bed Key Features

- | | |
|--|---|
| • Maximum Test Tower Base Width | – 35M x 35M |
| • Maximum Test Tower Height | – 110M |
| • Maximum Compression / Uplift per Leg | – 1000T |
| • Allowable Overturning Moment | – 60,000 T-M |
| • Maximum Cross Arm Spread | – 70M |
| • Maximum Transverse Wire Load | – 120T per point |
| • Maximum Longitudinal Wire Load | – 80T per point |
| • Maximum Vertical Wire Load | – 60T per point |
| • Load Application System | – 60 Nos. 5T & 10T capacity Electrically Operated Winches |
| • Load Measurement System | – Strain Gauge Type Load Cell |
| • Material Testing and Calibration | – 60t digital UTM |
| • Tower Erection through | – 10t Tower Crane |



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