

Action Construction Equipment Limited

Corporate & Registered Office

Dudhola Link Road, Dudhola, Distt. Palwal-121102, Haryana, India



Date: November 08, 2024

To,

The Manager Listing
BSE Limited
5th Floor, P.J. Towers,
Dalal Street,
Mumbai-400001

Scrip Code: 532762

The Manager Listing
National Stock Exchange of India Ltd.
Exchange Plaza, Bandra Kurla Complex,
Bandra (E),
Mumbai-400051

CM Quote: ACE

Subject: Earnings presentation-Q2/H1-FY25

Dear Sir/Madam,

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith, earnings presentation (Q2/H1-FY25) of the Company.

Kindly take the above in your record.

Thanking you

Yours faithfully

For Action Construction Equipment Limited

Anil Kumar
Company Secretary



Corporate Office: Phone: +91-1275-280111 (50 Lines), Fax: +91-1275-280133, E-mail: works2@ace-cranes.com

Mktg. H.Q.: 4th Floor, Pinnacle, Surajkund, Faridabad, NCR-121009, Phone: +91-129-4550000 (100 Lines), Fax: +91-129-4550022, Email: marketing@ace-cranes.com **Customer Care No.:** 1800 1800 004 (Toll Free), **CIN:** L74899HR1995PLC053860, **Website:** www.ace-cranes.com



EARNINGS PRESENTATION

Q2/H1-FY25



ACE

At a Glance



Established Brand with over 29 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, Defence & Agri sectors

Customer Centric Organization with In-depth Market Intelligence having strong Customer base across sectors

Fastest Service and Product Support through a wide Network across 125+ Locations in India

Financial Discipline with 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

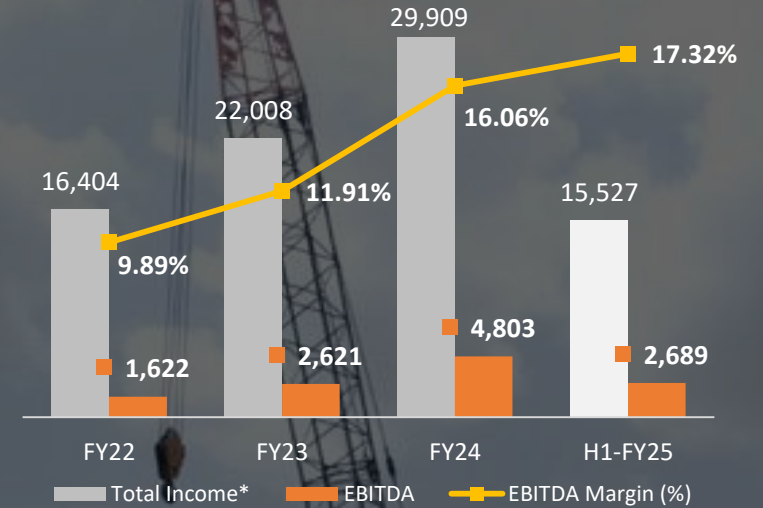


63% +
Market Share

- 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 End-user Sector exposure of the company can be broadly classified as follows: Manufacturing ~45%, Infrastructure ~ 35%, Agriculture ~ 10% and Real Estate~10%.
- 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)



* Total income includes other income

Consolidated Segmental Revenue-FY24 (%)



Product Portfolio



Cranes



Pick & Carry Cranes

Lorry Loaders

Rough Terrain Cranes

Crawler Cranes

Truck Cranes

Tower Cranes

Construction Equipment



Backhoe Loaders

Tele Handlers

Vibratory Rollers

Motor Graders

Access Platforms

Material Handling Equipment



Forklift Trucks

Warehousing Equipment

Piling Rigs

Agri Equipment



Tractors

Track Harvesters

Opportunities & New Products



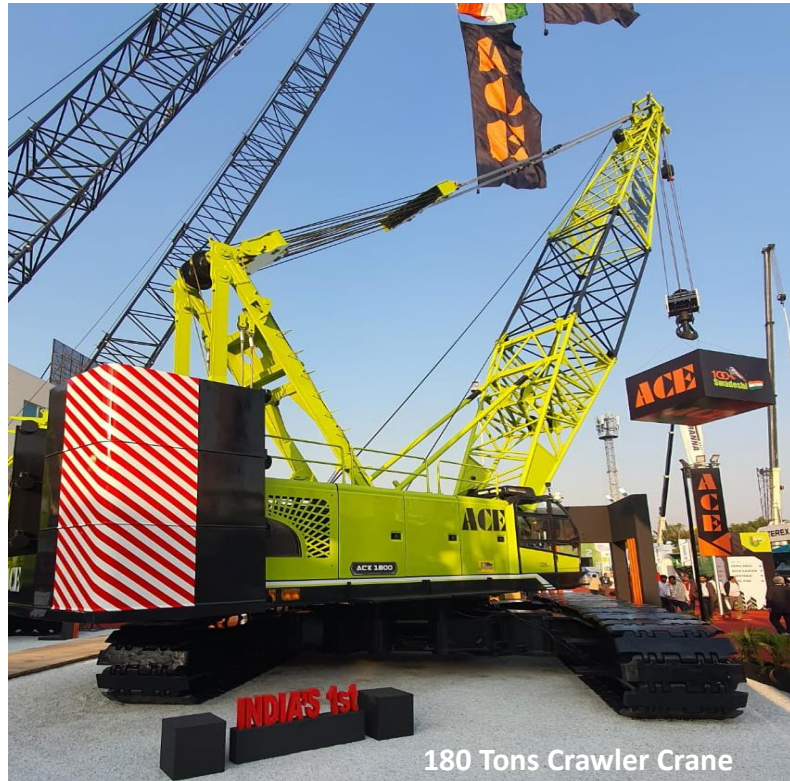
Fully Electric Mobile Crane



Aerial Work Platforms



Telehandler



180 Tons Crawler Crane

- 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.
- Recent 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.
 - Rough Terrain Cranes

Evolving Opportunities - Exports



Forma Range of Tractors



Telehandler 2-4 Tons



Backhoe Loader – Phantom 4x4

- ▶ ACE intends to increase the contribution of exports in total revenues to a significant share over the next 2-3 years
- ▶ Accordingly, ACE launched Forma Range of Tractors, Telehandler and Backhoe Loader “Phantom 4x4”, especially designed for International Markets
- ▶ ACE’s products have been upgraded to new emission norms CEV-5 (BS-5) which is at par with the European standards. This will help the company increase its sales and open up new opportunities in international markets

Sectoral Growth Drivers



Urban Infra

- 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. Additionally, a provision of Rs 1.5 tn for long-term interest free loans has been made to support states in their resource allocation based on their developmental priorities.



Railways

- Implementation of three major economic railway corridor programs and Expansion of Metro Rail and NaMo Bharat to be supported in large cities, focusing on transit-oriented development.
- 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.



Manufacturing

- 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.'



Roads

- As per Budget 2023-24 Expansion of the National Highways network by 14,000 km in FY24, INR 20,000 Crs to be mobilized through innovative ways of financing, while in FY 25 MoRTH has received an allocation of ₹2.7 lakh crore, a 15% increase from the previous fiscal year.
- 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.



Housing

- Union Budget aims to provide affordable housing to 1 crore families under Pradhan Mantri Awas Yojana (PMAY), with an investment of INR 10 lakh crore and central assistance of INR 2.2 lakh crore over five years.
- The government plans to construct an additional 3 crore houses under the Pradhan Mantri Awas Yojana, encompassing both urban and rural areas.
- 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.

Capex outlay increased by ~17% to INR 11.11 lakh crores in FY25 Union budget. Major outlay is for roads at INR 2.78 lakh crore and railways at INR 2.52 lakh crore.

Sectoral Growth Drivers



Agriculture

- The Ministry of Agriculture and Farmers' Welfare has been allocated INR 1,52,000 Crores in the 2024-25 Union Budget.
- Indian tractor market stands at ~8,74,000 units and the Indian agricultural tractor market is anticipated to grow at a CAGR of 6.7% over the forecast period 2024-2029.
- Increased budgetary allocation to Rural Development, Irrigation Projects, and Subsidies, along with improved credit availability, is anticipated to stimulate higher demand in these sectors.



Logistics

- 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.
- Indian warehousing and logistics sector is expected to attract ~\$10 Bn investments over the next 4-5 years.



Defense

- Allocations to Defence Budget remained flat at Rs 4.5 tn yoy.
- Capital outlay increased to Rs 1.7 tn in FY25 (+11% YoY over FY24), while revenue expenditure declined by 5% yoy to Rs 2.8 tn in FY25 as compared to FY24).
- Major allocations will be towards Aircrafts (23%), Other equipments (36%), Naval fleet, dockyard & projects (18%) and Research & Development (8%)



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 National Infra Pipeline for FY 2019-25.


The main title of the slide is 'FINANCIAL OVERVIEW Q2/H1-FY25', centered in white, uppercase, sans-serif font. A vertical orange bar is positioned to the left of the text, partially overlapping the first letter 'F'. The background of the slide is dark grey with faint, semi-transparent financial charts, including a candlestick chart in the upper right and a bar chart in the lower right.

Q2/H1-FY25 Financial & Operational Highlights

Q2-FY25 Financial Highlights (Consolidated)

INR 7,909 Mn Total Income* 	INR 1,427 Mn EBITDA 	18.04% EBITDA Margin 
INR 948 Mn PAT 	11.99% PAT Margin 	INR 7.96/Share Diluted EPS 

H1-FY25 Financial Highlights (Consolidated)

INR 15,527 Mn Total Income* 	INR 2,689 Mn EBITDA 	17.32% EBITDA Margin 
INR 1,790 Mn PAT 	11.53% PAT Margin 	INR 15.03/Share Diluted EPS 

Q2-FY25 Operational Highlights

- ACE registered its best ever Q2 i.e. Jul-Sep quarter in terms of revenue and margins.
- Continued growth momentum with operational revenue growing by 12.2% on a YoY basis
- EBITDA Margins expand by 268 bps YoY to 18.04%
- Margin expansion continued, driven by operating leverage, better product mix and efficient cost control measures
- Cranes, Material Handling & Construction equipment Volumes grew by 9% YoY, Revenue grew by 13.11% YoY
- Going forward, Government of India's continued emphasis on infrastructure development, manufacturing and capital expenditure announced in Union Budget 2024-25 augurs well for company and will contribute to its growth in the current fiscal

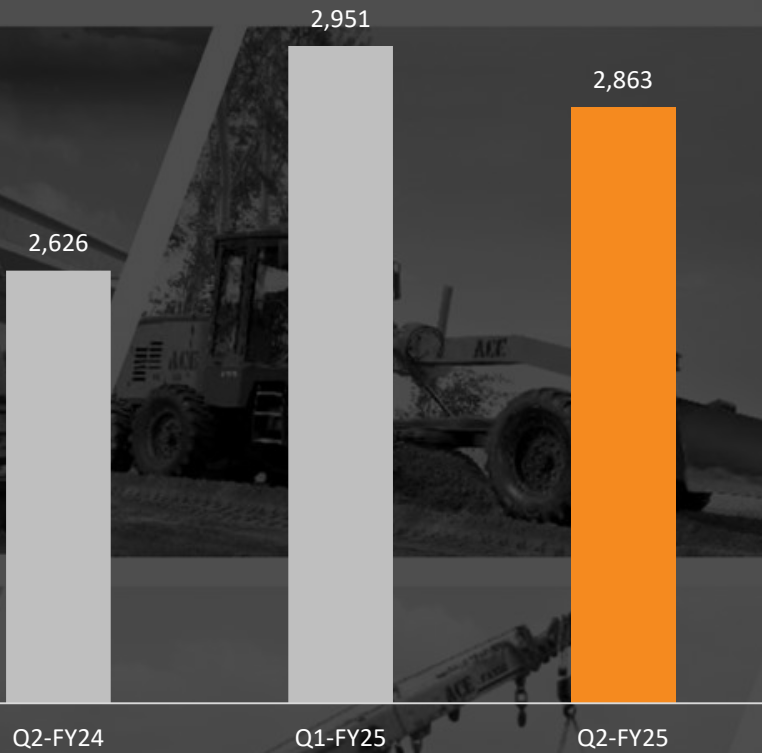
*Note : Total Income includes Other Income

Segment wise – Quarterly Sales Volume



Cranes, Material Handling & Construction Equipment

Agri Equipment*



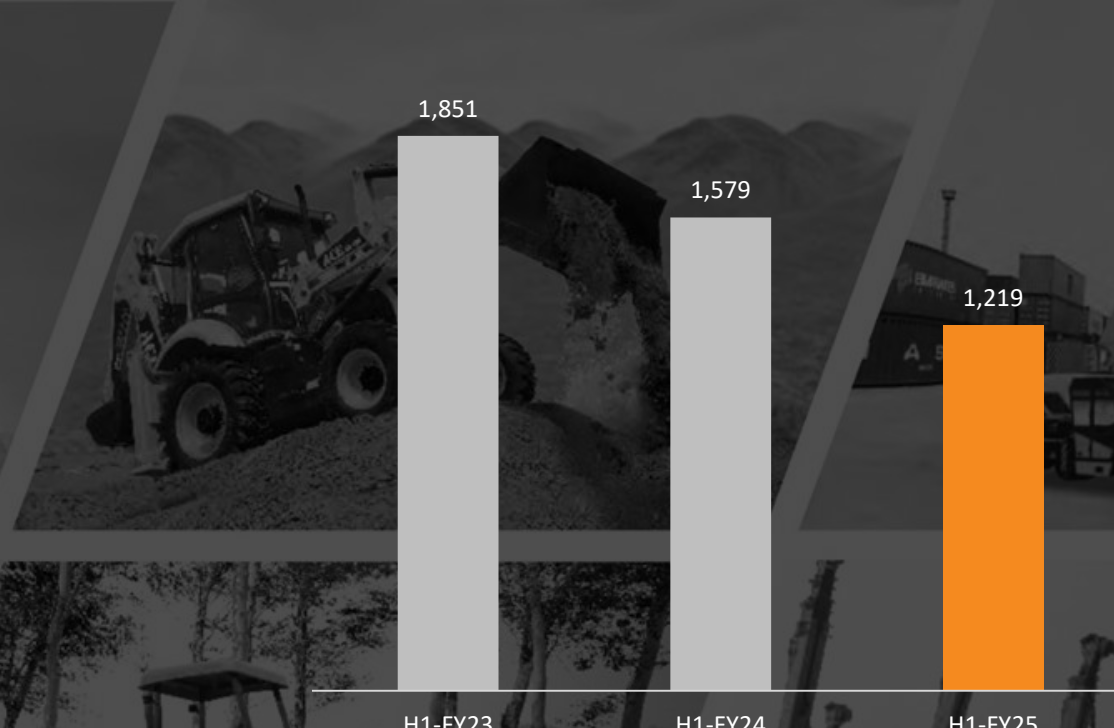
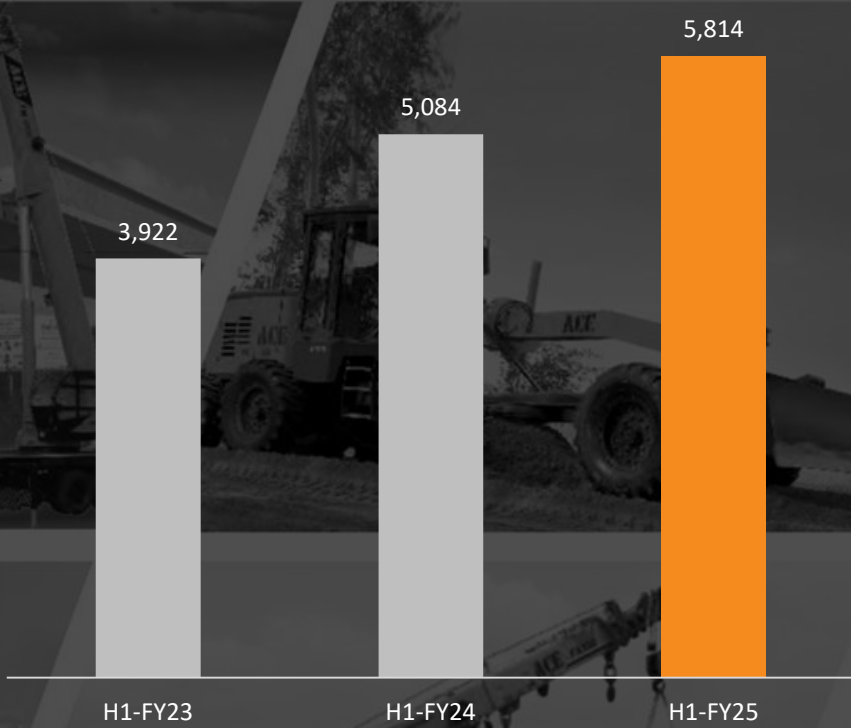
*Rotavators Have Been Discontinued in FY25 hence numbers are not strictly comparable

Segment wise – H1 Sales Volume



Cranes, Material Handling & Construction Equipment

Agri Equipment*



*Rotavators Have Been Discontinued in FY25 hence numbers are not strictly comparable

Quarterly Consolidated Financial Performance



Particulars (INR Mn)	Q2-FY25	Q2-FY24	Y-o-Y	Q1-FY25	Q-o-Q
Total Income*	7,909	6,902	14.6%	7,618	3.8%
Total Expenses	6,482	5,841	11.0%	6,356	2.0%
EBITDA	1,427	1,061	34.5%	1,262	13.1%
EBITDA Margins (%)	18.04%	15.37%	267 Bps	16.57%	147 Bps
Depreciation	70	54	29.6%	69	1.4%
Finance Cost	90	38	136.8%	73	23.3%
PBT	1,267	969	30.8%	1,120	13.1%
Tax	319	230	38.7%	278	14.7%
Profit after Tax	948	739	28.3%	842	12.6%
PAT Margins (%)	11.99%	10.71%	128 Bps	11.05%	94 Bps
EPS (Diluted INR)	7.96	6.21	28.2%	7.07	12.6%

*Total Income includes Other Income

YTD Consolidated Financial Performance



Particulars (INR Mn)	H1-FY25	H1-FY24	Y-o-Y
Total Income*	15,527	13,581	14.3%
Total Expenses	12,838	11,540	11.2%
EBITDA	2,689	2,041	31.7%
EBITDA Margins (%)	17.32%	15.03%	229 Bps
Depreciation	138	106	30.2%
Finance Cost	164	70	134.3%
PBT	2,387	1,865	28.0%
Tax	597	450	32.7%
Profit after Tax	1,790	1,415	26.5%
PAT Margins (%)	11.53%	10.42%	111 Bps
EPS (Diluted INR)	15.03	11.88	26.5%

*Total Income includes Other Income

Historical Consolidated Financial Performance



Particulars (INR Mn)	FY22	FY23	FY24	H1-FY25
Total Income*	16,404	22,008	29,909	15,527
Total Expenses	14,782	19,387	25,106	12,838
EBITDA	1,622	2,621	4,803	2,689
EBITDA Margins (%)	9.89%	11.91%	16.06%	17.32%
Depreciation	154	180	232	138
Finance Cost	95	103	232	164
PBT	1,373	2,338	4,339	2,387
Tax	323	608	1,057	597
Profit after Tax	1,050	1,730	3,282	1,790
PAT Margins (%)	6.40%	7.86%	10.97%	11.53%
Other Comprehensive Income	(3)	0	(2)	4
Total Comprehensive Income	1,047	1,730	3,280	1,794
EPS (Diluted INR)	9.02	14.41	27.56	15.03

* Total Income includes Other Income

Historical Consolidated Balance Sheet



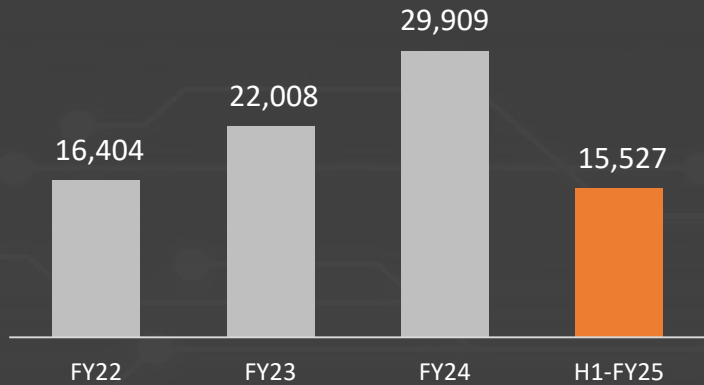
Equities & Liabilities (INR Mn)	FY23	FY24	H1-FY25
(A) Share Capital	238	238	238
(B) Other Equity	8,948	12,060	13,599
Non Controlling Interest	16	17	17
Total - Shareholder Funds	9,202	12,315	13,854
Non Current Liabilities			
(A) Financial Liabilities			
(i) Borrowings	-	-	-
(ii) Lease Liabilities	7	2	2
(B) Provisions	27	32	36
(C) Deferred tax liabilities (Net)	133	97	131
Total - Non – Current Liabilities	167	131	169
Current Liabilities			
Financial Liabilities			
(i) Borrowings	62	39	1,138
(ii) Trade Payables	5,009	6,880	6,000
(iii) Other Financial Liabilities	231	414	325
(iv) Lease Liabilities	6	4	2
(D) Other current liabilities	1,296	1,801	1,531
(E) Provisions	25	38	42
(F) Current tax liabilities (Net)	-	70	150
Total – Current Liabilities	6,629	9,246	9,188
Total Equity and Liabilities	15,997	21,692	23,211

Assets (INR Mn)	FY23	FY24	H1-FY25
(A) Property plant & Equipment	4,723	5,595	5,669
(B) Capital Work in Progress	244	436	535
(C) Right-of-Use Assets	12	5	3
(D) Investment properties	115	164	162
(E) Intangible assets	25	31	27
(F) Financial assets			
(i) Investments	1,367	2,245	3,931
(ii) Other financial assets	348	110	84
(G) Other non-current assets	41	368	567
(H) Deferred tax assets	-	6	7
(I) Non- Current tax assets (Net)	7	4	5
Total - Non – Current Assets	6,882	8,964	10,990
Current Assets			
(A) Inventories	4,185	5,534	5,203
(B) Financial assets			
(i) Investments	2,119	3,696	3,437
(ii) Trade receivables	1,693	1,643	2,059
(iii) Cash and cash equivalents	215	482	252
(iv) Bank balances other than (iii) above	275	622	391
(v) Loans	7	8	8
(vi) Other current financial assets	78	94	50
(C) Other Current Assets	543	649	821
Total current assets	9,115	12,728	12,221
Total Assets	15,997	21,692	23,211

Key Consolidated Financial Highlights



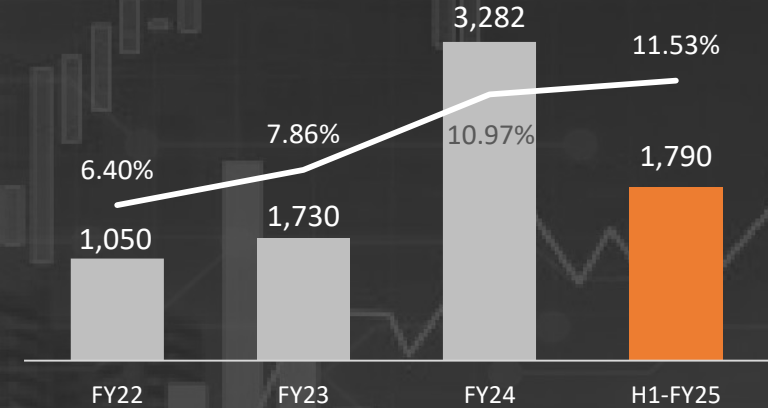
Total Income* (INR Mn)



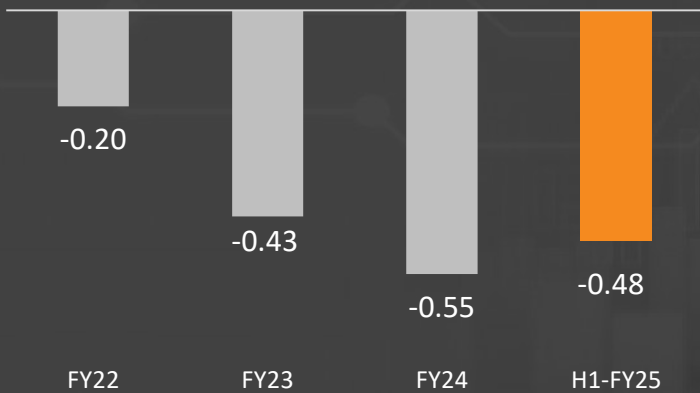
EBITDA and EBITDA Margins (INR Mn)



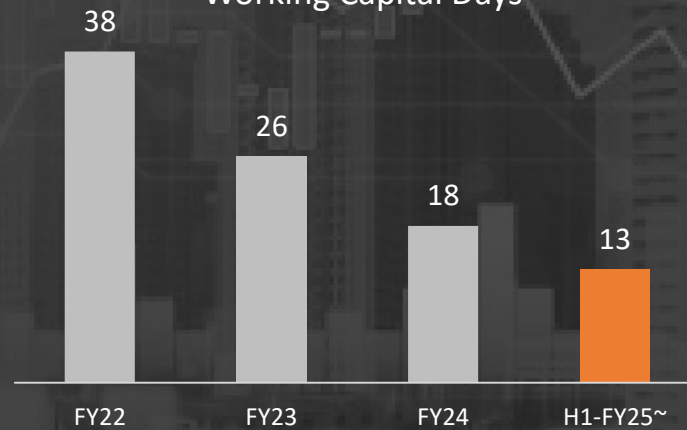
PAT and PAT Margins (INR Mn)



Net Debt to Equity (x)



Working Capital Days



Return on Capital Employed (%)

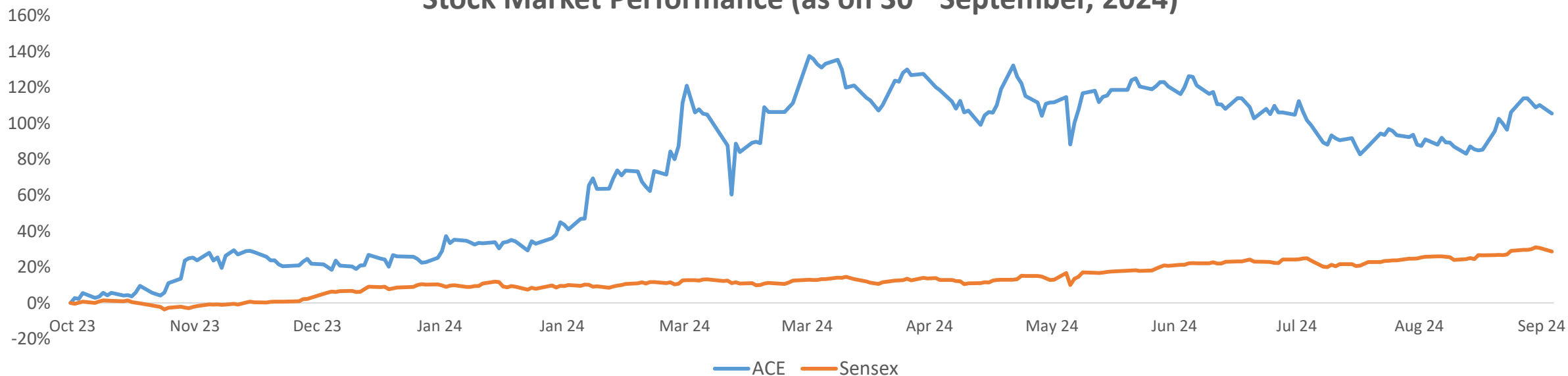


*Total income includes other income
~Annualized

Capital Market Data



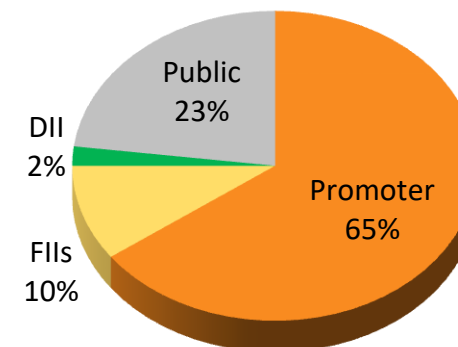
Stock Market Performance (as on 30th September, 2024)



Price Data (As on 30th September, 2024)

Face Value (INR)	2.0
Market Price (INR)	1387.4
52 Week H/L (INR)	1693.1/658.5
Market Cap (INR Mn)	1,65,216.03
Equity Share Outstanding (Mn)	119.1
1 Year Avg. Daily Trading Volume ('000)	468.0

Shareholding Holding pattern (As on 30th September, 2024)



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ACE- Lifting India's Growth



100%
Swadeshi

THANK YOU

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