

About Apollo Fashion International Private Equity

A) About Apollo Fashion

Founder's Vision and Diversification Strategy:

Apollo Fashion is part of the Apollo Group and Raaja Kanwar's leadership has been instrumental in diversifying Apollo International Limited from its tire business into multiple verticals including leather, EPC and project management, digital cinema and wellness. His vision of "empowering entrepreneurs through partnerships" was realized through the establishment of a leather start-up in 1995 and subsequent strategic expansion.

Apollo International subsequently spun off the Apollo Fashion division to cater to well-known international brands of leather accessories, footwear, and outerwear, primarily for export.

Shiraz Askari's Leadership: After joining Apollo Fashion Company in 2005, Shiraz Askari's extensive background in sales, business development and leather exports has contributed significantly to the rapid growth of the company. His focus on best practices, ethical business behavior, and inclusive opportunities leads to continuous improvement across all product categories.

Product Line Development:

Leather Goods and Clothing: The company started manufacturing leather clothing in 1995 and by 2014, it had grown into a bags, wallets, and belts company.

Footwear: Initially, the company focused on men's shoes but later expanded its offerings to women's shoes, garnering attention from international brands.

Textile Sector: Entering this sector in 2017, the company expanded its production to outerwear, woven shirts, women's tops, and dresses to cater to a wider range of customers.

International Presence and Market Penetration Apollo Fashion has established a strong presence in over 45 countries, garnering international recognition. The company's global reach and expertise in various product categories has strengthened its credibility among discerning customers.

Production Capacity & Workforce:

With a team of over 200 qualified employees, Apollo Fashion has a state-of-the-art production facility. Fast turnaround times and a customer-centric approach ensure adaptability and agility to meet the needs of the e-commerce market.

Ethical Practices & Vision:

The company values ethical practices, customer-focused product development and sustainable opportunities. Shiraz Askari's commitment to equal opportunities and ethical behavior permeates the culture and ensures that all teams maintain the highest standards.

Design Research and Development:

Apollo's focus on research and continuous product development drives innovation. The company understands and responds to its customers' needs, providing them with high-quality products that reflect their inspiration and creativity.

Brand Relationships:

The company designs and manufactures for select global brands, maintaining strong partnerships based on trust and quality. This relationship-oriented approach allows for a seamless supply chain and helps the company adapt to the changing needs of the market.

Future Expansion Plans:

The recent expansion of its textile division reflects the company's ongoing diversification strategy aimed at increasing production capacity and entering new markets. This expansion signals Apollo Fashion's readiness to pursue new opportunities and invest in future growth.

Competitive Advantages:

Apollo International's competitive advantages lie in its diversified product portfolio, ethical business practices, focus on design research, customer-centric mindset, and strategic leadership. The company continues to be well-positioned to capitalize on new opportunities across a range of sectors.

B) Company Products

Apollo Fashion Limited is a well-established company in its field and a leading exporter of leather outerwear in India. The company has partnered with renowned brands to provide quality products that exceed customer expectations.

- 1.** Apollo Fashion Limited specializes in leather jackets that are handcrafted by skilled artisans.
- 2.** The company has vast experience in manufacturing high-quality leather accessories for the global market.
- 3.** Providing an unmatched range of women's and men's shoes including formal shoes, casual shoes, sneakers, real moccasins, sandals, ankle boots, and long boots, with a commitment to excellence and finesse.

C) Why Apollo Fashion?

Category	Key Strength	Details
Customers First	Customer-Centric Approach	Prioritizes quality, creativity, sustainability, and customer satisfaction.
Design Expertise	Creative Understanding	Team of 1500+ employees who deliver designs that meet or exceed customer expectations.
Smarter Production	Superior Manufacturing	Strong manufacturing foundation with ethical practices and competitive pricing.
Flexible Orders	Order Size Flexibility	Accommodates both small and large orders through a robust supply chain network.
Global Sourcing	Strategic Supplier Network	Partnerships with global suppliers to ensure ethical and sustainable sourcing practices.
Tech-Enabled Ops	Efficient Operations	Leverages digital innovation to optimize operations and maintain competitiveness.
Timely Delivery	Supply Chain Management	Ensures timely delivery through efficient supply chain management and clear communication.
Quality Compliance	Rigorous Quality Control	Testing of raw materials and inspections ensure products meet international standards.

D) Apollo Fashion Production Capacity

1. Outerwear 500,000 pieces
2. Accessories 300,000 bags, 700,000 SLG belts
3. 800,000 pairs of shoes - The footwear division is one of the top 5 largest shoe manufacturers in North India and has a vast factory of over 85,000 sq. ft.

E) Sourcing of Raw Materials

1. Apollo Fashion specializes in leather goods, shoes, and belts, so sourcing high-quality leather as raw material is important to us.
2. 90% of our leather comes from tanneries certified by the Leather Working Group (LWG). Our hides and furs are sourced from all over the world, including the Middle East, New Zealand, Brazil, and Argentina.
3. A global network of tanneries ensures the availability of high-quality leather at competitive prices. Strict quality control with a six-point inspection regime ensures high standards.

F) Understanding Apollo Fashion's Value Chain

1. Sourcing and Purchasing: The company sources 90% of its leather from LWG-certified tanneries, while chrome-free leather, recycled textiles, and high-quality trimmings are sourced from across the globe. This ensures a wide range of leather types (aniline, Nappa, nubuck, suede) and textile options ranging from 100% cotton blends to silk and scuba.

2. Production Hall and Machinery: The out production hall is maintained by experienced craftsmen and the latest machines are set up by trained technicians. Regular audits ensure compliance with REACH standards and approvals from renowned quality agencies such as Intertek and Bureau Veritas.

3. Quality Control: A strict evaluation system and 6-point inspection ensure that only high-standard products are packed and shipped. Defects are identified early and corrected or removed at every production stage.

4. Design Team: The team analyzes the brand aesthetic, is knowledgeable about materials, and creates a wide range of custom options based on trends. They work closely with the client's design team to conceptualize ideas and finalize the initial product design utilizing pattern masters, CAD makers, apparel technicians, and artisans.

5. Renowned Partnerships: Apollo Fashion Limited partners with globally renowned brands to provide quality products that exceed customer expectations.

6. Service and Support: Continuous collaboration with customers ensures that the final product is in line with the customer's brand identity and market needs.

Please take note of the financial information:

Note 1: Apollo Fashions was spun off as a separate company from Apollo International Limited last year. Hence, the figures may not be entirely accurate as they have been carved out from the previous parent company.

Fundamentals

Fundamentals			
Apollo Fashion		Market Cap (in cr.)	201.6
Unlisted Shares Price	115 Per Equity Price	P/E Ratio	11.94
Lot Size	1000 Shares	P/B Ratio	1.37
52 Week High	120	Debt to Equity	0.24
52 Week Low	95	ROE (%)	11.45
Depository	NSDL/CDSL	Book Value	81.91
PAN Number	AAZCA3434G	Face Value	10
ISIN Number	INE0RYY01014		
CIN Number	U46411DL2023PLC419636		
RTA	N/A		

Financials (Figures in cr)

Balance Sheet			
Assets	2021	2022	2023
Fixed Assets	1866	2157	2506
CWIP	0	0	0
Investments	442	442	442
Trade Receivables	3036	4078	4668
Inventory	2640	3663	4243
Other Assets	2033	5005	8814
TotalAssets	10017	15345	20673
Liabilities	2021	2022	2023
Share Capital	0	0	1800
FV	0	0	10
Reserves	8386	11225	12944
Borrowings	645	1803	3520
Trade Payables	708	2092	1928
Other Liabilities	278	195	481
TotalLiabilities	10017	15345	20673

P&L Statement			
P&L Statement	2021	2022	2023
Revenue	12125	19785	20483
Cost of Material Consumed	9581	14753	15373
Gross Margins	20.98	25.43	26.24
Change in Inventory	59	-134	-178
Employee Benefit Expenses	729	1421	2058
Other Expenses	642	865	1360
EBITDA	1114	2880	2230
OPM	9.19	14.56	10.7
Other Income	221	432	39
Finance Cost	276	266	370
D&A	172	176	209
EBIT	942	2704	2021
EBIT Margins	7.77	13.67	9.7
PBT	554	2870	1688
PBT Margins	4.57	14.51	8.1
Tax	0	0	0
PAT	554	2870	1688
NPM	4.57	14.51	8.1
EPS	-	-	9.38
Financial Ratios	2021	2022	2023
Operating Profit Margin	9.19	14.56	10.7
Net Profit Margin	4.57	14.51	8.1
Earning Per Share (Diluted)	-	-	9.38