Management Discussion

Raj Chandaria - Chairman & Managing Director, Aegis Logistics Limited
Okay, thank you very much, and good afternoon, everybody. Today I have with me our Chief Financial Officer, Mr. Murad Moledina, and Ms. Payal Dave from our investor relations team. Today I am going to cover four main things. First is our planned acquisition of Tristar Holdings Limited. Secondly, the performance of Aegis Logistics. Third is the performance of Aegis Vopak Terminals, or AVTL. And fourth, a brief update on the progress of our port-by-port expansion projects. Murad can then take you through the financial performance in more detail. Let me start with Tristar. Many of you would have heard about this transaction. I am really pleased to announce this landmark development for Aegis Logistics. On the 13th of October 2026, we signed a definitive agreement to acquire 89.8% stake in Tristar Holdings Limited for a consideration of $809 million.Tristar is an integrated energy logistics company headquartered in Dubai, but with global operations. The acquisition is a transformational step in Aegis journey from a predominantly India-focused business to a global integrated energy logistics platform. This transaction will bring together our domestic infrastructure and integrated logistics capabilities with Tristars international network, its diversified service offerings, and established global customer relationships. We think that this will significantly enhance our scale, obviously our geographic diversification and earnings potential, and create meaningful operational and commercial synergies. Subject to regulatory approvals and the customary closing conditions, we expect to complete this transaction in Q4 of FY27. We expect to have much more to report on the benefits of this move as we work to complete the transaction.Now, moving on, we are halfway through the year, through the financial year, and the halfway mark always brings into perspective how we have done and gives a good indication of where we are heading. I am pleased to report a record-breaking profit in the first half of this year, FY 2027. We had a revenue of INR 4,570 crores, generating an EBITDA of INR 1,184 crores, and a profit after tax of INR 866 crores. In comparison to where we were this time last year, H1 FY 2026, profit after taxes doubled, reflecting the strong operating and financial performance. Earnings per share for the first half of FY 2027 was at INR 21.23, which is up 140% from H1 FY 2026. For the quarter FY 2027, we delivered revenue of INR 2,213 crores, EBITDA INR 456 crores, and profit after tax of INR 321 crores.Both EBITDA and profit after tax grew 32% year-on-year, underscoring the strength of our business fundamentals. Earnings per share for the quarter was at INR 7.42, up 45% year-on-year. This is obviously better than what we normally expect. Our liquid division delivered its highest performance ever in the first half of the year, with revenues of INR 366 crores, EBITDA of INR 284 crores, representing a margin of 78%. As we have emphasized in the past, this is a well-diversified, stable, and cash-generating business for the company, and we will continue to expand capacity here. In our gas division, the business delivered an exceptional performance during this period. We achieved the highest ever first half EBITDA of INR 900 crores in the first half of this year, which is up 137% year-on-year.This reflects the strength of our integrated business model and our ability to consistently capitalize on market opportunities. Looking at the individual segments, the logistics volume grew by 19% over the previous quarter, which is a very healthy improvement. Our distribution business continued to deliver an exceptional growth, with volumes up 25% in the second quarter and 54% in the first half on a year-on-year basis. What makes this particularly noteworthy is that we have achieved this growth even as global supply conditions have largely normalized, and it shows that our growth is not merely the result of favorable market conditions, but is increasingly driven by new and large capacity additions in the previous year, our increased geographic reach, and a new product addition, namely ammonia, and structural strengths, and the competitive

advantages of our business model.In the sourcing business, volumes were lower during the year on account of some contracts expiring. We need to keep in mind, of course, that sourcing volumes do not include our own distribution volumes. In distribution, we expanded our customer base over the year by onboarding several new private sector customers, and this momentum has continued into the current financial year. Our ability to consistently add customers, deepen the existing relationships, and scale our volumes is a direct reflection of our integrated business model. Overall, we are confident that the gas division is well-positioned to sustain this growth trajectory and continue delivering strong operating performance and long-term value. Now, let me turn to Aegis Vopak Terminals, which I will take through on a port by port progress.Turning to AVTL, we delivered another strong operating performance in Q2 FY2027, with revenues of INR 271 crore, which are up approximately 17% year-on-year, and an EBITDA of INR 212 crore, which is up by 22%. Profit after tax was INR 96 crore, slightly lower than last year, mainly due to higher finance costs and tax. I am sure Murad will go into a little more detail on that. For the first half, revenue rose 15% year-on-year to INR 505 crore, supported by the ramp-up of recently commissioned capacities and strong performance in our liquid business. EBITDA was INR 392 crore, which is up 19%, and profit after tax was INR 166 crore. Earnings per share for the first half was INR 1.38 compared to INR 1.49, reflecting those higher finance and tax costs.If I can run through the port-by-port rundown, starting with Mumbai, which is, of course, part of Aegis Logistics and not part of Aegis Vopak. This port continues to operate at high utilization levels. We are developing an additional 64,000 cubic meters of liquid storage at this port with an additional investment of INR 125 crore. The project is progressing on schedule, and we expect to commission gradually as the year unfolds. Based on customer interest and existing demand, we are confident that this new capacity will ramp up quickly once it becomes operational. As far as JNPT is concerned, we have reached an important milestone with the commissioning of our LPG bottling plant with an annual capacity of 35,000 metric tons, which we did on October 15th of this year. JNPTs liquid storage capacity, which is currently 101,900 cubic meters, is doing well.Our larger greenfield expansion in that represents a significant investment of about INR 1,675 crore, comprising an additional 318,000 cubic meters of liquids and approximately 77,286 metric tons of LPG storage. As communicated earlier, the first phase of this liquid storage expansion, which is about 100,000 cubic meters, will be commissioned in the third quarter of this year, and otherwise everything is on schedule. Last quarter, we had also announced a 51,000, approximately 52,000 metric ton refrigerated double-wall LPG storage tank at JNPT. This important investment will further enhance our gas handling capabilities on the West Coast. Once all of these capacities become operational and ramp up, we expect them to contribute significantly to our future growth. At Haldia Port, everything continues to do well.We have acquired an additional three acres of land at Haldia, which gives us further room to expand our liquid storage and increase our presence on the East Coast. Moving on to Kandla, which is one of our largest and strategically most important terminals, serving the extensive hinterland across northern and western India. We have 952,000 cubic meters of liquid storage and 48,000 metric tons of static LPG storage. An important milestone last year was the development of the VLGC handling capability at the terminal, which lets us accommodate these large gas carriers. This has really strengthened our operations and our ability to handle large LPG shipments. Our expansion at Kandla is progressing well. We have a CRL4 liquid terminal, which will add another 94,148 cubic meters. This is underway and with commissioning targeted for the next financial year.The two important pipeline developments, first of all, as weve spoken earlier, the Jamnagar-Loni pipeline is now complete and operational and performing very well. The Kandla-Gorakhpur LPG pipeline, which is one of the countrys largest LPG

pipeline projects, is nearing completion. As per the latest CRISIL ratings report, the project is approximately 96% physically complete, with the entire 1,958 kilometer main trunk pipeline laid. The Kandla-Lucknow section has been charged with LPG, and work on the remaining sections and the bottling plant connections are progressing well. We think that these pipelines will be important growth enablers for Kandla and Pipavav. More importantly, as these pipelines become fully operational, we will be able to handle larger LPG volumes and serve a wider customer base across northern and western India. Moving on to Pipavav Port, another important location with significant growth opportunities.We believe Pipavav is entering an important phase of development, supported by three infrastructure initiatives. First of all, APM Terminals is developing a new VLGC-compliant jetty, which will let us handle larger LPG vessels and improve vessel turnaround and economics. Secondly, the Kandla-Gorakhpur pipeline, as I mentioned earlier, is in its advanced stage. This is the connection from that pipeline to Pipavav. Once its connected to Pipavav, it will provide additional and more efficient evacuation into the hinterland of India. Thirdly, of course, our existing rail loading infrastructure and bottling plants and truck loading bays gives customers multiple evacuation options. I think together, these developments will transform Pipavav into a more integrated LPG logistics hub with enhanced vessel handling capabilities, better storage, larger storage, and better connectivity. The biggest development, of course, was the commissioning of the ammonia terminal at Pipavav.This is 36,000 metric tons of specialized ammonia storage and terminalling at Pipavav. As I mentioned earlier, we have signed a 15-year take-or-pay agreement with Hindustan Zinc, which gives us long-term revenue visibility and predictable cash flows, and reinforces the commercial case for this investment. What excites us most about this is that this is more like a storage asset. It is more than a storage asset. Much like our LPG business, it does allow us to participate in the distribution of ammonia to industrial customers, moving further along the value chain and capturing margins significantly higher than just the traditional storage revenues. The strategic potential of this ammonia business is reinforced by the investment from ITOCHU Corporation, one of Japans leading global trading houses, with whom, of course, we have a long-standing relationship.Theyve acquired a 10% stake in Aegis Terminal (Pipavav) Limited, which is the ammonia facility, and intend to increase its holding to 25% over the next three years. We expect ammonia demand to grow beyond traditional fertilizer and industrial uses, potentially into emerging clean energy applications such as fuel and hydrogen carriers. This partnership with ITOCHUs global sourcing and trading expertise, along with our integrated storage and logistics infrastructure, bodes well for this business. Moving on to Kochi, our existing storage capacity of 82,000 cubic meters continues to operate well. The expansion of another 49,577 cubic meters is underway, which will finally end up at 132,000 cubic meters of total storage, which is about 60% increase. We expect this to be commissioned in early FY 2028.On Mangalore Port, the liquid storage, the 75,000 cubic meters added last year is now fully operational and operating at 100% utilization, taking our total capacity to 192,000 cubic meters. Encouraged by the excellent demand that we are seeing in Mangalore, in that part of India, we have secured additional land, and we are evaluating at this point of adding a further 60,000 cubic meters of liquid storage. This is a summary of our business outlook for Triport, project by project. I will just conclude by saying that our strong start to FY27 and the first half performance reinforces our confidence in the growth trajectory of the business over the coming years. Our proposed acquisition of Tristar Holdings Limited is a transformational milestone in Aegis journey. It will really expand our international footprint, diversify our revenue streams, and bring together complementary capabilities across the global energy logistics value chain.As far as the Indian side is concerned, multiple growth drivers are taking shape. The investments we have made over the years, along with the capacity

expansion, position us to capitalize on rising demand and deliver, as we have demonstrated, sustainable growth. With that, I would like to hand over to Murad, who will take you through more financial details for the quarter and for the first half. Thank you. Over to you, Murad.

Operator
Murad sir, please go ahead. You are not audible.

Murad Moledina - Chief Financial Officer, Aegis Logistics Limited
Hello?

Operator
Yes, sir. Please go ahead.

Murad Moledina - Chief Financial Officer, Aegis Logistics Limited
Am I audible? Can I go ahead?

Operator
Yes, sir. Now you are.

Murad Moledina - Chief Financial Officer, Aegis Logistics Limited
Okay. Thank you, Mr. Raj. Let me take you through the financials and then our capital allocation framework. As Mr. Raj highlighted, we began FY27 on a very strong footing, delivering a record profitability. I would perhaps personally call this quarter a perfect quarter in terms of all parameters that we have delivered. Very happy for the same. Aegis Logistics quarterly highlights. We reported revenue of INR 2,213 crore compared to INR 2,294 crore in the corresponding quarter last year. Despite the moderation in revenue, profitability improved significantly. Normalized segment EBITDA increased 32% year-on-year to INR 456 crore compared with INR 347 crore in Q2 FY26. Profit after tax also grew 32% to INR 321 crore from INR 244 crore in the corresponding quarter last year. Earnings per share increased by 45% year-on-year to INR 7.42.As far as half-yearly highlights for Aegis Logistics is concerned, we delivered an exceptional first half with revenue up 14% year-on-year to INR 4,570 crore compared to INR 4,013 crore H1 FY26. Profitability improved substantially. Normalized segment EBITDA nearly doubled, 97% year-on-year to INR 1,184 crore compared to INR 602 crore in H1 FY26. Profit after tax more than doubled also, 108% to INR 866 crore up from INR 417 crore in H1 of FY26. Reflecting this earnings performance, earnings per share also rose sharply to INR 21.23 from INR 8.86 in H1 FY26, a growth of 140%. As far as segment-wise breakup is concerned, in LPG, strong momentum continued in Q2 FY27, with EBITDA up 34% year-on-year to INR 309.25 crore. For H1 FY27, the LPG segment reported an EBITDA of INR 900 crore, an exceptional 137% growth year-on-year.As far as volume across the segments are concerned, distribution business again achieved 2.41 lakh metric tons, up 25% over Q2 FY 2026. For half year, volumes were 5.18 lakh metric tons, up 54%. We are very well on our way to touch the magic one million tons distribution volumes in this year, if you look at the rate at which we are at H1. This was, of course, driven by robust demand and continued customer additions across the market. Also, just to add here, please keep in mind, we have commissioned last year two very big, large cryogenic LPG terminals, 48,000 metric tons in Pipavav to make it 70,000 metric tons there, and 82,000 metric tons in Mangalore. Mangalore gives us a new geography for distribution, and also the large capacities enable us to drive more volumes in our distribution business.In logistics, throughput volumes have increased by 19% over previous year, though they were a tad lower by 5% year-on-year at 1.34 million metric tons in Q2. That shows a marked improvement from Q1, which

was affected by the geopolitics disruption and global uncertainty. This also shows the resilience of our infrastructure platform and the reliability of our operations. Our sourcing business volumes were 0.9 lakh metric tons in Q2 and 2.1 lakh metric tons in H1 FY 2027. Turning to the liquid division, we delivered another quarter of strong, consistent growth. Q2 FY 2027 revenue was INR 187 crore, up 21% year-on-year. For H1 FY 2027, the revenue was INR 366 crore, up 22%. This gives us a realization of over INR 3,600 per CBM. You very well know that we hold two million CBM in the liquid segment storage capacity.EBITDA again was INR 147 crore, up 27% on the corresponding quarter last year. For H1 FY 2027, EBITDA stood at INR 284 crore, up 28%. I believe this year we may realize INR 3,000 per CBM as EBITDA. Mind you, earlier we were talking about INR 3,000 per CBM for revenue. This may very well be the EBITDA realization from this year. So its a very, very great performance as far as liquid division is concerned. Turning on to Aegis Vopak Terminals Limited quarterly highlights. For Q2 FY 2027, total revenue increased 16.6% year-on-year to INR 217 crore compared to INR 232 crore in the corresponding quarter last year, in spite of all the geopolitics issues and global uncertainty that prevailed in the current year.EBITDA also grew by 22.4% to INR 212 crore compared with INR 173 crore in the Q2 of FY 2026, with EBITDA margins also expanding to 78.6% from 74.7%, an improvement of approximately 372 basis point. Profit after tax was at INR 96.4 crore compared with INR 100.2 crore in the corresponding quarter last year, as the decline was, of course, mainly due to the higher finance cost and tax for the quarter. Aegis Vopak half-yearly highlights. Looking at the first half of FY 2027, revenue increased by 14.6% year-on-year to INR 505 crore compared to INR 444 crore in H1 FY 2026. EBITDA grew by 19.2% to INR 392 crore compared with INR 329 crore in the corresponding period last year. EBITDA margins year to improve to 77.7% from 74.7%, reflecting an expansion approximately of 297 basis point. Profit after tax stood at INR 165.8 crore.As I have consistently emphasized in our earlier interaction, again reiterating two important messages. Cumulative capex is expected to reach approximately $1.2 billion by next year, reflecting the pace of expansion across our port network. Looking further to add, we have planned an aggregate capex investment of approximately $5 billion through 2030-31. Our investments would span both traditional energy infrastructure and emerging energy transition value chain. We will pursue this growth with disciplined funding through a balanced mix of equity, internal accruals, and debt, targeting a gearing of no more than 0.6x. Low leverage, strong cash generation, and a resilient balance sheet gives us the financial flexibility to move quickly on opportunities. Taking this occasion to wish all of you a very happy Deepavali and a prosperous New Year coming ahead. Thank you. I will now request the moderator to open the floor for questions.

Questions & Answers

Operator
Thank you. We will now begin the question-and-answer session. Anyone who wishes to ask a question may press star and one on their touch-tone telephone. If you wish to remove yourself from the question queue, you may press star and two. Participants are requested to use handsets while asking a question. Ladies and gentlemen, we will wait for a moment while the question queue assembles. Our first question comes from the line of Vibhav Zutshi with JPMorgan. Please go ahead.

Vibhav Zutshi - Analyst, JPMorgan
Yes. Hi. Thanks for the opportunity, and congratulations on a strong 1H performance. First question is on the Tristar acquisition. Sir, do you foresee any significant integration challenges given the difference in geographical presence and segments?

Murad Moledina - Chief Financial Officer, Aegis Logistics Limited
No, Vibhav. We intend. Please, lets just keep in mind, this company has been operating for last 30 years, and the entire management is in place and will carry on. We dont expect to change the management, and the continuity will ensure that there is no disturbance in the operations and performance of the company. We would, of course, lend whatever skill set we have to the company, and it will only enhance the performance of the Tristar when we acquire. We have lot of things which we can support each other on, and Im sure it is going to be a wonderful journey going ahead.

Vibhav Zutshi - Analyst, JPMorgan
Got it. Just a follow-up here. When we talk about the synergies from the acquisition, for Aegis Logisticss perspective, would these primarily come from procurement efficiencies, lower input costs, or anything else?

Murad Moledina - Chief Financial Officer, Aegis Logistics Limited
Oh, no. We really are constrained to talk much on a transaction that has still not been completed. Pardon our constraint because we cannot really step out and put everything right across. But we have explained that the company, Tristar, has storage terminals, liquid storage terminals spread across the globe. They have very high-quality ships, very high-end trucks, and distribution business. A lot of things are akin to what we do in India. I think there will be a lot of synergy across both ways. Again, repeating, the skill sets which each, we and they have, will help to enhance value for both, Aegis as well as Tristar, going forward. I think we should leave it at that. More will come when we complete the transaction, and then we can dwell on more details at that particular point of time. Pardon us.

Vibhav Zutshi - Analyst, JPMorgan
Sure. Thank you. Sure. Just a second quick question on the distribution segment profitability. With the bulk of the LPG-related issues behind, I mean, do we go back to the INR 7,000 per ton that you talked about, or, I mean, is there any deviation? I mean, just trying to understand that, given the scale and the ESG compliance that we have, obviously, we are seeing freight cost saving as well. But, I mean, how to think about, because it looks like the profitability in Q2 was down sequentially, which was anyway expected, but yeah, how do you think about it going forward? Thank you.

Murad Moledina - Chief Financial Officer, Aegis Logistics Limited
Yeah. Sequentially, there was never to be a comparison, because the first quarter had geopolitics and difficulty margin. So, it was more a price-led margin rather than cost efficiency. What has happened is that over last one and a half years, we have improved our cost efficiency by having larger capacities where we can unload from largest of the ships. These cost efficiencies have scaled up our margin, which earlier, historically, probably in 2024, 2025, was around INR 4,000 to around INR 7,000, clearly demonstrated by this quarter, that in spite of all the problems of supply glut going away, we still have delivered INR 7,000. That is a huge demonstration of how we take advantage of our cost efficiency. Price, we dont lead in setting price, right? We follow price.So, what margins we deliver is out of our supply chain efficiency that we have built over a number of years, which includes our partnerships, which includes our high-quality, large capacities that we have built across the geography, the customer relationships that we have. And these all have made it possible for us to reach where we are now today with a very healthy INR 7,000 margin in spite of everything back to normal. I think this is what is very reassuring, so to say.

Vibhav Zutshi - Analyst, JPMorgan
Got it. Thank you so much and all the best.

Operator
The next question comes from the line of Satyam Kesarwani with Prabhudas Lilladher Private Limited. Please go ahead.

Satyam Kesarwani - Analyst, Prabhudas Lilladher
Hello. Sir, am I audible?

Murad Moledina - Chief Financial Officer, Aegis Logistics Limited
Yes. Yeah, yeah.

Satyam Kesarwani - Analyst, Prabhudas Lilladher
Okay, sir. First of all, thank you for the opportunity. Congrats on great set of numbers. Sir, firstly, I would like to ask you about LPG business. Could you help us understand where exactly do we currently stand in terms of our market share when we talk about LPG handling and storage capacity? On top of that, I would like to ask a follow-up question is that, how do we see it going ahead? Also, what are the growth drivers of LPG currently? Because right now, mostly it is driven by domestic demand, right? What are the other drivers which is going to drive the incremental LPG demand going forward? Thats my first question, sir.

Murad Moledina - Chief Financial Officer, Aegis Logistics Limited
Yep. Okay. As far as capacities are concerned, we have built huge capacities which has helped us as a company to earn profits as well as it has helped our country as far as storage capacity for LPG is concerned. As you are aware, once our JNPA comes up, we would have a huge capacity of around 29 million tons, which we will be able to handle from our six terminals across India, which is Kandla, Pipavav, Mumbai, JNPA, Mangalore, Haldia, all over the place. Therefore, we have a very large capacity which should help the country also to handle more of LPG, to store more of LPG, because LPG per se is very, very great fossil fuel. It has got 25% more calorific value than the nearest rival.It is portable, it is cheap, it can be packed in cylinders, it can reach anywhere across the countrys varied geography. Also, as a macro picture, the demand that is going to grow in energy is that India has till date a very low per capita energy consumption. Of course, this is going to go up as the country is on a very fast and very high growth rate with income effect, more energy consumption is going to happen. In addition, more cleaner fossil fuel and non-fossil fuel as energy source will be consumed because as the country will progress and develop, and with the income effect, lot of dirty fuel like wooden briquettes, etc., will be eased out going forward. So, this is what drives the energy demand for LPG, income effect by GDP growth and energy transition out of dirty fuel.Also, one more thing please keep in mind is that when we are putting up such large capacities, they enable very large ships to get unloaded in our facility, which has least of freight and practically no demurrage, because you can unload these very large ships carrying around up to 50,000 metric tons in 24 hours. That is unbelievable advantage as a country that we have, that we incur the least logistics cost to get energy into our country. Then we have large capacities to store bulk. These are unbelievable infrastructure advantage which Im sure will greatly help going forward as the energy transition continues. I think Ill leave it to that. I can talk no end on this.

Raj Chandaria - Chairman & Managing Director, Aegis Logistics Limited
Yeah. Just, Murad, if I can just add one comment to yours. We believe that with the six LPG terminals that Murad referenced and the capacities, the large-scale terminals, these are world-scale terminals. Its kind of difficult for anybody to replicate this network. Not only the actual size and scale, the cost at which they have been built, but also the infrastructure that has been built alongside it with rail and pipeline evacuations and so on. I think in answer to your general point about our competitive position in the LPG business in India, I think we are quite well positioned.

Murad Moledina - Chief Financial Officer, Aegis Logistics Limited
Yeah, absolutely.

Satyam Kesarwani - Analyst, Prabhudas Lilladher
Thank you, sir. Thank you for such an elaborative answer. Sir, if you could help us quantify it would be great. Like, what is it currently in terms of a number? Going ahead, is it a number that we are chasing going ahead over the next couple of years?

Murad Moledina - Chief Financial Officer, Aegis Logistics Limited
We dont-

Raj Chandaria - Chairman & Managing Director, Aegis Logistics Limited
Number for what?

Satyam Kesarwani - Analyst, Prabhudas Lilladher
Market share, sir. Market share for LPG capacity in India.

Murad Moledina - Chief Financial Officer, Aegis Logistics Limited
We hold more than 30% of the static capacity of LPG in the country, and leave it at that. Who knows future? But today, we hold more than 30% of Indias LPG static capacity.

Satyam Kesarwani - Analyst, Prabhudas Lilladher
Okay. Understood, sir. Understood. Thank you so much. Sir, my second question is moving on to ammonia business. Basically, sir, over here, we want to expand our terminals to almost eight one and a half to 10 terminals, right, by 2030. Currently, recently, we commissioned our Pipavav terminal. So, sir, I wanted to ask you, how do we see this particular segment going ahead, right? Like, what sort of contribution are we looking from ammonia going ahead, as we also going ahead, like in LPG as well as in liquid? So, how will ammonia going to do ahead? And of course, theres a lot of ambiguity about ammonia demand. Is there a clarity that you can provide, sir, over there? Thanks.

Murad Moledina - Chief Financial Officer, Aegis Logistics Limited
Yeah, let me take this. Please refer to our RHP last year when we did the IPO. There, we have a whole chapter on ammonia, written by an independent agency, CRISIL, which talks about a supply-demand gap of around three million tons by 2029. So, that gives you the demand as far as ammonia is concerned. What we have built today is a terminal which is so large that very large ships can bring ammonia into the country for the first time. 36,000 metric tons, one tank. So, that enables lower freight, again, reduction of logistics cost. Third is that we have built it at such a low cost of $50 million, thats around INR 525 crore.Now, that means that in ammonia also, I would be vertically integrated, that I would be sourcing ammonia for customers in India, I would be storing ammonia for customers in India, and I would also be distributing ammonia for customers in India. The distribution

margin would be similar to LPG at INR 7,000, because it is coming out of my procurement efficiency, not by the price that one can command. Storage charges are around close to INR 2,750 per metric ton. So, this is what it brings to you. So, if you get around INR 10,000 a metric ton and you have built a terminal capable to do one million tons, even if you start at 25% capacity utilization as you begin, you have a huge payback, because your cost is so low. That is the kind of profitability that we look at.

Satyam Kesarwani - Analyst, Prabhudas Lilladher
Oh, okay, sir. Thank you so much. Again, congrats. Ill follow back on with you. Thank you.

Operator
The next question comes from the line of Priyankar Biswas with JM Financial. Please go ahead.

Priyankar Biswas - Analyst, JM Financial
Yeah. Hi, good afternoon, Raj and Murad. Great to hear you again.

Murad Moledina - Chief Financial Officer, Aegis Logistics Limited
Good afternoon.

Priyankar Biswas - Analyst, JM Financial
My first question is, of course, seeing the Tristar acquisition, I am just reminded of the time when you did the Aegis Vopak deal. That was quite a long time back. And again, similar to that, I guess this also has to be seen from the long term, especially the synergies. Now, I know you may be constrained about talking on numbers specifically, since this is an ongoing deal, but what I would ask you is to address a few points. What I see from the public domain information on Tristar is, they are very strong in end-to-end liquids distribution. I do not think we are there currently. They also have shipping also, and they can do some inert gases also, that I see, like argon and helium.So, can you say what is the kind of synergies, like these additional capabilities that you get, maybe some additional customer penetration? If you can talk more about this. I am looking more from the long term, what sort of transformation that you can bring in not just Aegis, not just in Tristar, but also in Aegis Logistics overall. More to get the value out of the deal. If you can explain.

Murad Moledina - Chief Financial Officer, Aegis Logistics Limited
Yeah, thank you. Thank you for bringing up these points, and these are what I call intangibles, but very, very exciting future that now we have. As Mr. Raj Chandaria said, it is a transformational change. We have to look at the target. Tristar has worked for last 30 years to build quality assets spread. So, it is small building blocks spread across the globe. Secondly, these are all part of supply chain, supply chain assets, very, very critical in current times, where these assets, including the ships, the trucks, the fuel farms, all are needed to reach products to the end point, the point of the consumer. Also, for the last 30 years, it has built blue chip, very, very deep customer relationships.I can tell you, everyone is looking to India, and this is going to be really, really big time when these relationships will come and we will get advantage of that because when you step into the shareholding, you become part of that family. It is really exciting times to think of what kind of work we will be able to do with these deep relationships in India. On the other hand, we are also very excited with our partner, Itochu, to look forward that how best we can use these assets which have been set up across the globe to reach products. Currently, we were only thinking of India and distribution in India. I think now things will change going forward. It may take some time, but I am sure that there will be a lot of distribution happening using the assets of Tristar.I think this is the

most that I can talk about today, but I am sure going forward we will be able to talk in more details.

Raj Chandaria - Chairman & Managing Director, Aegis Logistics Limited
Yeah, if I can just add, Bharat, just a couple, and thanks, Priyankar, for bringing a spot, highlighting the strategic benefits of the Tristar thing. As Bharat said, and I said in my earlier remarks as well, once the transaction is complete in the next few months, we will definitely be talking to all of you with respect to the real synergies and benefits that we expect. Just to highlight a couple of things in addition, you mentioned ships. We know that, for example, several of the Tristar ships, they have over 20 ships, 28 ships, I think, in total. Many of them call at the ports that we operate. They are in liquids and in gas. You mentioned inert gases. Thats definitely an area where we can leverage their expertise in India.They do aircraft refueling at airports, and thats going to be. They have some good expertise in that. There are many areas, but I think, and of course, as you mentioned, the customer partnerships that they have with Shell, with Glencore, with so many other, BP, Total, and so on, Saudi Aramco, so many different partnerships that they have, long-term business relationships, and these will all be available for Aegis to leverage and bring into India. I think this just gives you a flavor, but it is truly an important step for Aegis going forward over the next three, four, five years, 10 years possibly.

Priyankar Biswas - Analyst, JM Financial
Raj, that was a very clear explanation. Just asking here only, does the Tristar give us this advantage that right now you can actually, you are essentially both at the source and destination of the liquid trade? I mean, in India, we were kind of the destination. Of course, there were some exports happening, while Middle East, U.S. are kind of a lot of the sources. Does that also translate into synergies, and would it actually help us achieve the goals that we have set, lets say, in Aegis Vopak of going to, lets say, from three million to, lets say, six million KL eventually? Would that accelerate our journey?

Raj Chandaria - Chairman & Managing Director, Aegis Logistics Limited
Yeah, I think, as I mentioned, the kind of deep relationships they have with the sources in the Middle East, assuming that the current conflict will at some point die down, they have very deep relationships with the Abu Dhabi National Oil Company, with Saudi Aramco, and all the other sort of major oil-producing companies and countries in the region. Definitely having those deep connections will enable us to leverage that for the benefit of Aegis. I think at this point, Priyankar, I think I cant go into more detail, obviously.

Priyankar Biswas - Analyst, JM Financial
Yes, I understand your constraints, that is why I kept the questions qualitative rather than asking on numbers. Just two numbers I would want from you, that is purely from the results, do not worry, not from the Tristar. I may have missed it. Murad, if you can tell me the liquids and gas EBITDA for Aegis and AVTL respectively. I think I may have missed the numbers.

Murad Moledina - Chief Financial Officer, Aegis Logistics Limited
Oh, yes. Aegis liquid EBITDA, just give me a minute. Liquid EBITDA was INR 147 crore.Yeah. The gas EBITDA was INR 309 crore.

Priyankar Biswas - Analyst, JM Financial
And for AVTL?

Murad Moledina - Chief Financial Officer, Aegis Logistics Limited
For AVTL, we gave only consolidated EBITDA, right? That is INR 392 crore.

Priyankar Biswas - Analyst, JM Financial
Okay. That is broadly from my side.

Operator
The next question comes from the line of Kunal Mehta with InCred Equities. Please go ahead.

Kunal Mehta - Analyst, InCred Capital
Hi, Murad and Raj sir. Very, very good evening. My first question is on the LPG logistics volumes. First of all, sir, you mentioned in the previous answer that our capacity has now gone upwards of 29 million throughput. As far as I know, the consumption demand in India is roughly 33 million. I think last year we did a volume of around 5.2 million in terms of logistics volume. How do we see this grow? If you can also provide the quarterly and half-yearly logistics volumes, absolute numbers, so we can get a sense of how are we progressing year-over-year?

Murad Moledina - Chief Financial Officer, Aegis Logistics Limited
Yeah. We have already said that we have improved by 19% our logistics volume in Q2. Q1 was affected by the war, so it was 1.1 million and 1.3 million in Q2 makes it 2.4 million. We should definitely have an upside on the previous years 5.1 million that we did. 29 million is when JNPA next year is going to be ready. Currently, we are at 20 million. We are around 25% plus as far as capacity utilization is concerned. We are well above our ask rate to get our hurdle higher.

Kunal Mehta - Analyst, InCred Capital
Okay. And sir, the liquid segment has done fairly well on the EBITDA per ton. As you mentioned, we will be approaching around INR 3,000 per CBM. If you can just throw some light on how are we achieving this? Are we doing more fast-moving liquids to optimize utilization of the tanks? If you can just throw some light on that.

Murad Moledina - Chief Financial Officer, Aegis Logistics Limited
Yes. What happened was last or just in the recent past, we have commissioned around 60,000 CBM in Mumbai, which is a high-value location, and we have also commissioned 101,000 CBM in JNPA, another high-value, high-realization location. These are driving up the EBITDA. What is coming up is even more exciting, that 318,000 odd CBM is again coming up in JNPA, 64,000 additionally at Mumbai. These are again going to further drive up the EBITDA margin. Of course, product mix also makes a difference, so that is in addition to capacities coming up in higher realization locations.

Kunal Mehta - Analyst, InCred Capital
And so similarly on the LPG distribution side, has the EBITDA per ton gone a little below INR 7,000? Has the pricing normalized for the bulk as well as the-

Murad Moledina - Chief Financial Officer, Aegis Logistics Limited
No. In fact, realized EBITDA per ton in distribution is ahead about INR 7,000 in the current quarter Q2, which is you can regard as a normal quarter. So we have achieved INR 7,000 plus. That comes out of the fact that we have procurement efficiencies by setting up the supply chain, quality supply chain assets, and the partnerships that we have makes it possible to get it from the best source, to cart it in the best of ships, the largest with lowest freight, to unload it in terminals which have the

least demurrage and the capacity to unload very large ships, and then the distribution assets which effectively reach it to the end consumer. The entire chain has been painstakingly constructed over last so many years, and then alone do we achieve such healthy margins in distribution business. It doesnt just come casually or off the cuff. Yeah.Its a painstaking. Yeah.

Kunal Mehta - Analyst, InCred Capital
The ammonia terminal which you have recently commissioned, the take-or-pay, does it start right away or is it from FY28 onwards?

Murad Moledina - Chief Financial Officer, Aegis Logistics Limited
Yeah, it will start in this year. Later this year.

Kunal Mehta - Analyst, InCred Capital
Okay.

Murad Moledina - Chief Financial Officer, Aegis Logistics Limited
Later this year.

Kunal Mehta - Analyst, InCred Capital
Just one last question that we already have a massive capex plan ongoing of roughly $5 billion, and this acquisition also is roughly around $800 million, and I think this is going to put some additional stress on Aegis Logisticss balance sheet. How do we plan to fund it? Any color on that if you can provide?

Murad Moledina - Chief Financial Officer, Aegis Logistics Limited
We have already asked a resolution in Extraordinary General Meeting to do a funding of INR 6,000 crore. We have, if you see my September balance sheet, already INR 6,400 crore available cash. We are good. We do not need to stretch. We do not need to take crazy debts for the acquisition. As far as Aegis Vopak is concerned, the capex of $5 billion, we have explained time and again repeatedly that we will follow a very conservative 0.6 debt gearing. That requires $2 billion of equity, which both the partners, Aegis and Vopak, have diluted their equity by listing the company, doing the IPO last year. That would bring in the required equity along with the internal accruals. Aegis Vopak capex is self-funded by dilution of equity and listing of its shares. We are very comfortable in the parent.We hardly have, we have no debt, and as I said, INR 6,400 crore of free cash, and this acquisition is exactly matching with cash we have in our pocket. That is not a stretch by any imagination.

Kunal Mehta - Analyst, InCred Capital
Okay, sir. Great. Thank you, and a very happy Deepavali to Aegis family. Thank you.

Murad Moledina - Chief Financial Officer, Aegis Logistics Limited
Thank you. Thank you so much. Thank you.

Operator
The next question comes from the line of Koundinya Nimmagadda with Jefferies Group. Please go ahead.

Koundinya Nimmagadda - Analyst, Jefferies Group
Yeah. Hi, sir. Thanks for the opportunity. Firstly, a bookkeeping question before I get into other stuff.

On Aegis Vopak, can you help me with the throughput for the quarter, please?

Murad Moledina - Chief Financial Officer, Aegis Logistics Limited
That is 1.1 million tons.

Koundinya Nimmagadda - Analyst, Jefferies Group
Understood. Secondly, in Vopak, there is this minor drop in liquid realization, but I see the margins have gone up. Same is the case with the gas segment, where the margins have gone up. Can you help us understand on the realization bit and also the margins front separately, please?

Murad Moledina - Chief Financial Officer, Aegis Logistics Limited
I am sorry, I did not get your question.

Koundinya Nimmagadda - Analyst, Jefferies Group
In Aegis Vopak, there is a marginal quarter-on-quarter drop in realizations in the liquid segment, if I were to look at. At the same time, if I were to look at the margins, the margins have gone up for both liquid and also for gas segment. Just trying to understand.

Murad Moledina - Chief Financial Officer, Aegis Logistics Limited
Correct

Koundinya Nimmagadda - Analyst, Jefferies Group
What was the margin expansion?

Murad Moledina - Chief Financial Officer, Aegis Logistics Limited
Yes. So, margin expansion, like I said, if you do more revenue in locations of higher realization, you get more margins. Simple as that.

Koundinya Nimmagadda - Analyst, Jefferies Group
Okay.

Murad Moledina - Chief Financial Officer, Aegis Logistics Limited
Yeah?

Koundinya Nimmagadda - Analyst, Jefferies Group
Understood, sir. Maybe more JNPA, perhaps.

Murad Moledina - Chief Financial Officer, Aegis Logistics Limited
Correct. More from JNPA.Yep. Yeah.

Koundinya Nimmagadda - Analyst, Jefferies Group
Understood, sir. Thank you and all the best.

Murad Moledina - Chief Financial Officer, Aegis Logistics Limited
Yeah.

Operator
The next question comes from the line of Siddharth Chauhan with 361 Capital. Please go ahead.

Siddharth Chauhan - Analyst, 361 Capital
Hi, sir. Thank you for the opportunity, and congratulations on good set of numbers. If you can

expand further on the competitive intensity in the LPG terminal segment, given recently we have seen comments from Petronet LNG that they plan to build a three million ton propane storage at Dahej. I believe even Indian Oil, BPCL, GAIL will be infra, they are also working on expanding or coming up with new LPG storage capacities. Can you expand further on the intensity bit?

Murad Moledina - Chief Financial Officer, Aegis Logistics Limited
No, so infrastructure is always welcome. India is short on infrastructure. We have around one million metric tons of static storage capacity, as far as I know, in India. That is not even equivalent to 10 days storage. Most of the countries, I may not say every, most of the countries in the world would ideally like 90 days storage capacity and infrastructure. So, we have a very, very long way to go. We are very short. So, anybody doing anything on infrastructure is welcome. But it has to be done at the right cost. It has to be done in the right time. That is the key.

Siddharth Chauhan - Analyst, 361 Capital
Okay. Just one bit on the distribution part. In Morbi, what is the price of LPG and natural gas currently?

Murad Moledina - Chief Financial Officer, Aegis Logistics Limited
This is completely commercial, so I would not like to comment. It changes regularly, so that is very detailed.

Siddharth Chauhan - Analyst, 361 Capital
Okay. No worries. Thank you so much, and wish you happy Deepavali.

Murad Moledina - Chief Financial Officer, Aegis Logistics Limited
Thank you. Thank you. Same to you.

Operator
Ladies and gentlemen, that was the last question for today. I would now like to hand the conference over to the management for the closing remarks.

Raj Chandaria - Chairman & Managing Director, Aegis Logistics Limited
Okay. Thank you so much. I think there were some very important questions that we are keen to answer, of course, on Tristar, but we are, to a certain extent, constrained to really get into the details. But thank you so much for bringing up and highlighting how important this move is for us, and how transformational it will be for Aegis. Otherwise, what I would like to leave everybody with the message is that I think we have had an amazing first half of the year. The second half of the year promises to be as good, if not better. Generally speaking, we have a better second half, and really looking forward to the story as we roll it out, and we will connect probably the end of January. Thank you.

Operator
[Operator Closing Remarks]