

Aegis Logistics Limited (Aegis) - BUY

Q4FY26 Result Update

Current Market Price (CMP) Rs. 775	Fair Value (FV) Rs.920
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Rationale:

- Performance of Aegis was ahead our expectation on volume and profitability front.
- Aegis reported revenue of Rs 2594 cr (+52.2% yoy) with EBIDTA at Rs 624 cr (+52.7% yoy).
- LPG division volumes remained strong during the quarter especially LPG throughput and distribution volumes.
- Liquid division also reported strong numbers during the quarter.
- Aegis Vopak Terminals Ltd (AVTL) has started contributing meaningfully.
- Overall, we continue to believe that Aegis would benefit from increasing LPG penetration in the country.
- Improvement in performance in the last few quarters is a healthy sign.
- We increased estimates and continue to recommend BUY with an increased TP of 920 (from Rs 880) at 22x FY28x based.
- Aegis is our preferred pick in the Logistics space.

👍 Positives:

- Aegis has reported total revenue of Rs 2594 cr (+52.2% yoy) with contribution from LPG throughput, LPG bulk, LPG retail and Liquid business.
- Performance of liquid division was strong during the quarter with strong revenue of Rs 184 cr.
- EBIDTA and PAT were ahead of our expectation.

👎 Negatives:

- Liquid division Q4 EBITDA saw a 38% decline to Rs 126 crore due to specific storage reallocation turnarounds.



The content of this document has been derived from Kotak Securities PCG research report. Kotak's PCG Research has summarized the report (Research Team: shrikant.chouhan@kotak.com). Readers who wish to access the complete report are kindly requested to contact their respective Relationship Manager. Further, the recipient of this material should take their own professional advice before investing.

Holding Period: 12 months

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Definitions of ratings

BUY	– We expect the stock to deliver more than 15% returns over the next 12 months
ADD	– We expect the stock to deliver 5% - 15% returns over the next 12 months
REDUCE	– We expect the stock to deliver -5% - +5% returns over the next 12 months
SELL	– We expect the stock to deliver < -5% returns over the next 12 months
NR	– Not Rated. Kotak Securities is not assigning any rating or price target to the stock. The report has been prepared for information purposes only.
SUBSCRIBE	– We advise investor to subscribe to the IPO.
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NA	– Not Available or Not Applicable. The information is not available for display or is not applicable
NM	– Not Meaningful. The information is not meaningful and is therefore excluded.
NOTE	– Our target prices are with a 12-month perspective. Returns stated in the rating scale are our internal benchmark.

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