

May 05, 2022

Press Release

Exide reports 16% year-on-year sales growth in the fourth quarter of financial year 2021-22

Standalone financial performance highlights (Q4FY22 & FY22)

	Q4FY22	Q4FY21		FY22	FY21
Revenue from operations (crs)	3,409	2,939		12,382	10,041
EBITDA (crs)	349	412		1,396	1,356
PBT before exceptional items (crs)	271	330		1,025	1,018
Exceptional item* (crs)	4,694	Nil		4,694	Nil
Reported PAT (crs)	4,120	244		4,684	758
Reported EPS (Rs.)	48.47	2.87		55.10	8.92

**Exceptional item pertains to gain arising from the sale of our erstwhile material subsidiary company – Exide Life Insurance Company Limited.*

Key Financial Highlights

- Revenue from operations grew at an impressive rate of 16.0% and 23.3% in Q4FY22 and FY22, respectively.
- The company's efforts towards cost optimisation have helped lower fixed costs appreciably. Total fixed expenses (employee costs and other expenses) were 19.5% of sales in FY22 against 21.0% in FY21.
- However, the handsome gains from fixed cost optimisation could not fully neutralise the inflationary impact due to escalation in input costs, coupled with high fuel & freight costs. PBT (excluding exceptional items) declined by 17.8% in Q4FY22 and registered a marginal growth of 0.7% in FY22.
- The balance sheet remains strong with zero debt and a comfortable liquidity position

Key Business Highlights for the fourth quarter ended 31st March 2022

- In the automotive vertical, the double-digit growth was led by further strengthening of our new initiatives in both Trade Sales and Service.
- Demand for Industrial UPS batteries continues to remain strong compared to the fourth quarter in the previous year. Solar, Railways, and Infrastructure Verticals have also registered excellent volume growth in this quarter over previous year.
- We continue to increase our presence in global markets with exports growing at a much faster pace, both in automotive and industrial verticals.

Other updates

- Exide sets up wholly owned subsidiary Exide Energy Solutions Ltd for lithium-ion business
 - Exide has incorporated Exide Energy Solutions Ltd to set up a green field multi-gigawatt hour lithium-ion cell manufacturing facility. The subsidiary will be engaged in manufacturing battery cells of advanced chemistry in multiple formats.
 - Exide has entered into a multi-year technical collaboration agreement with SVOLT Energy Solutions Co. Ltd (SVOLT), for lithium-ion cell manufacturing. SVOLT will also provide the support required for setting the plant on a turnkey basis.
 - SVOLT is a global high-tech company, and its comprehensive one-stop product portfolio includes battery materials, cells, modules, packs, and battery management systems as well as energy storage products. SVOLT is headquartered in Jiangsu province in China. The company employs in excess of 9,500 people with more than 3000 R&D team members and over 500 foreign & outsourced experts, with an international vision of lithium-ion battery R&D and rich experience of mass production.
 - Exide is also in advanced stages of procuring a land parcel for the project in the State of Karnataka.

Commenting on the performance – Mr. Subir Chakraborty, MD & CEO, said

‘During the fourth quarter, sales growth of 16% is supported by overall volume growth and calibrated pricing strategies, implemented across various verticals. For the full financial year 2021-22, sales grew at a robust rate of 23%. The company was successful in appreciably lowering fixed costs; however, this could not fully neutralise the inflationary impact of sharp and continued escalation in prices of inputs, coupled with runaway fuel and freight costs, leading to decline in operating margins. Lowering of fixed costs came about from the bold initiatives undertaken in sales transformation and cost compression strategies, which are presently yielding handsome results.

Exide is strategically moving forward towards accomplishing its aspiration of becoming a leading player in the rapidly emerging new-age electric mobility and stationary application businesses. We are excited to partner with SVOLT which has strong technical expertise, R&D capabilities, and rich experience in manufacturing lithium-ion batteries.

Under the newly formed wholly owned subsidiary, Exide Energy Solutions Ltd., Exide plans to set-up a multi-gigawatt hour lithium-ion cell manufacturing facility. Spread out across two popular cell chemistries and three cell formats, this unit shall be uniquely placed to cater to the diverse requirements of customers in India.’

About Exide Industries Limited

For more than seven decades, Exide has been one of India's most reliable battery brands, enjoying unrivalled reputation and recall. Exide designs, manufactures, markets, and sells the widest range of lead acid storage batteries in the world from 2.5Ah to 20,200Ah capacity, to cover the broadest spectrum of applications. The batteries are manufactured for the automotive, power, telecom, infrastructure projects, computer industries, as well as the railways, mining, and defence sectors. The company enjoys leadership position in India and its exports span 60 countries across six continents.

Exide has also forayed into Lithium-ion battery systems and energy solutions through its subsidiary Exide Leclanche Energy Private Limited (under the brand Nexcharge), together with the JV partner Leclanche SA, Switzerland. With its state-of-the-art R&D centre, the subsidiary aims to build lithium-ion battery modules/packs and provide energy storage systems for India's electric vehicle market and grid-based applications

For more information on the Company, please log on to www.exideindustries.com

Disclaimer

In this document, we have disclosed 'forward looking statements' within the meaning of applicable laws and regulations. Actual results might differ substantially from those expressed or implied. Important developments that could affect the Company's operations include changes in industry structure, significant changes in political and economic environment in India and overseas, tax laws, import duties, litigation and labour relations.

For any further queries/clarifications please contact us at:

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