

November 11, 2022

Press Release

Exide reports 32% growth in both Sales and PBT in the first half of the financial year 2022-23

Standalone financial performance highlights

Particulars	Units	Q2FY23	Q2FY22		H1FY23	H1FY22
Revenue from operations	Rs. Crore	3,719	3,290		7,618	5,776
EBITDA	Rs. Crore	412	413		799	674
PBT	Rs. Crore	330	315		633	478
PAT	Rs. Crore	246	234		473	360
EPS	Rs.	2.90	2.75		5.56	4.23

Key Financial Highlights

- Sales momentum remains healthy, as revenue from operations grew by 13% and 32%, year-on-year in Q2FY23 and H1FY23, respectively.
- Our effective cost optimisation initiatives continue to lower fixed costs. Total fixed expenses (employee costs and other expenses) were 19.4% and 18.7% of sales in Q2FY23 and H1FY23 (down from 20.2% in Q2FY22 and 20.5% in H1FY22).
- High input costs continue to impact profits on a year-on-year basis. However, EBITDA margin increased to 11.1% in Q2FY23 as compared to 9.9% in Q1FY23. Similarly, PBT increased to 8.9% in Q2FY23 as compared 7.8% in Q1FY23. Judicious pricing strategies along with sequential respite in input cost inflation have supported margins.
- We maintain our track record of generating high cashflows and a comfortable balance sheet with zero debt.

Key Business highlights

- Demand scenario was upbeat, both in the replacement market and with the OEMs, thereby driving volumes both in Q2FY23 and in H1FY23. Improvement in semi-conductor supply situation led to demand recovery from OEMs.
- The Industrial vertical witnessed strong recovery compared to previous year, driven by pick-up in business activity.

Other key updates

- Exide Energy Solutions Limited, the wholly owned subsidiary company, conducted the Bhoomi Poojan ceremony of its lithium-ion cell manufacturing facility in Bengaluru in September 2022.
 - The ceremony was graced by the Honourable Chief Minister of Karnataka, and the Honourable Minister for IT, BT, Higher Education & Skill Development along with other key government representatives.
 - The event marked the formal start of construction of one of India's first multi-gigawatt hour lithium- ion cell manufacturing facility.
- Exide Leclanche Energy Private Limited, the JV subsidiary company ('ELEPL'), through a buy-back scheme, bought back the entire paid-up and issued equity shares held by "Leclanche S.A." ('LSA') on 4th of November, 2022. As a result of this buy-back, ELEPL is now a 100% subsidiary of Exide Industries Limited with effect from the same date.

Since, the requisite technology for Li-ion battery pack and assembly offered by LSA has already been absorbed by ELEPL, the management does not foresee any problem as a result of the above development.

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

'Sales growth of 13% and 32% respectively during second quarter and first half of the year is driven by uptick in volumes and our judicious pricing strategies across verticals. From the current quarter onwards, our profitability margins have also started recovering compared to the immediate previous quarter. Easing of unprecedented inflationary pressures in input costs and benefits of the cost optimisation strategies have contributed to margin increase. We expect buoyant demand scenario to remain in the medium-term across most verticals and margin recovery to be supported by respite in input costs to some extent.'

'We have recently conducted the Bhoomi Poojan ceremony and are delighted to announce a formal start to our lithium-ion cell manufacturing project. While we have been maintaining the leading position in the lead-acid battery market for the past 75 years, we are simultaneously taking significant steps to strengthen our position in the emerging Li-Ion space.'

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 automotive, power, telecom, infrastructure projects, computer industries, as well as railways, mining, and defence sectors. The company enjoys leadership position in India and its exports span 60 countries across six continents.

Exide has forayed into the lithium-ion battery space initially through its module and pack making facility through its subsidiary in Prantij, Gujarat. Subsequently, it has further reinforced its intent through the formation of a wholly owned subsidiary – Exide Energy Solutions Ltd (EESL) – located in Karnataka for setting up a multigigawatt hour lithium ion cell making facility.

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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