



Exide Industries - Investor Presentation

February 2024

Agenda

- 1 Company Overview
- 2 Automotive Vertical
- 3 Industrial Vertical
- 4 New Business: Green Technology Solutions
- 5 Key Financial Highlights
- 6 Sustainability Initiatives & CSR

Company Overview

EXIDE Company at a snapshot

75+ Years of
Operations in
India

Presence in
60+
Countries

5,200+
Employees

05
Overseas
Technical
Collaborations

10
Manufacturing
Plants

66 million
Automotive &
Motorcycle Batteries
Capacity p.a.

5.8 billion AH
of Industrial Power
Supply Capacity p.a.

252 KMT
per annum
Capacity of Three Lead
Recycling Plants

Rs.27,000
crore+
Market Cap as
on 31st Dec-23

Rs.14,500
crore+
Revenues

Rs.1,500
crore+
EBITDA

Rs.900
crore+
PAT



Comprehensive product portfolio serving multiple applications

We manufacture batteries for multiple applications in automotive sector

Vehicular

Non- Vehicular



4-Wheeler



3-Wheeler



2-Wheeler



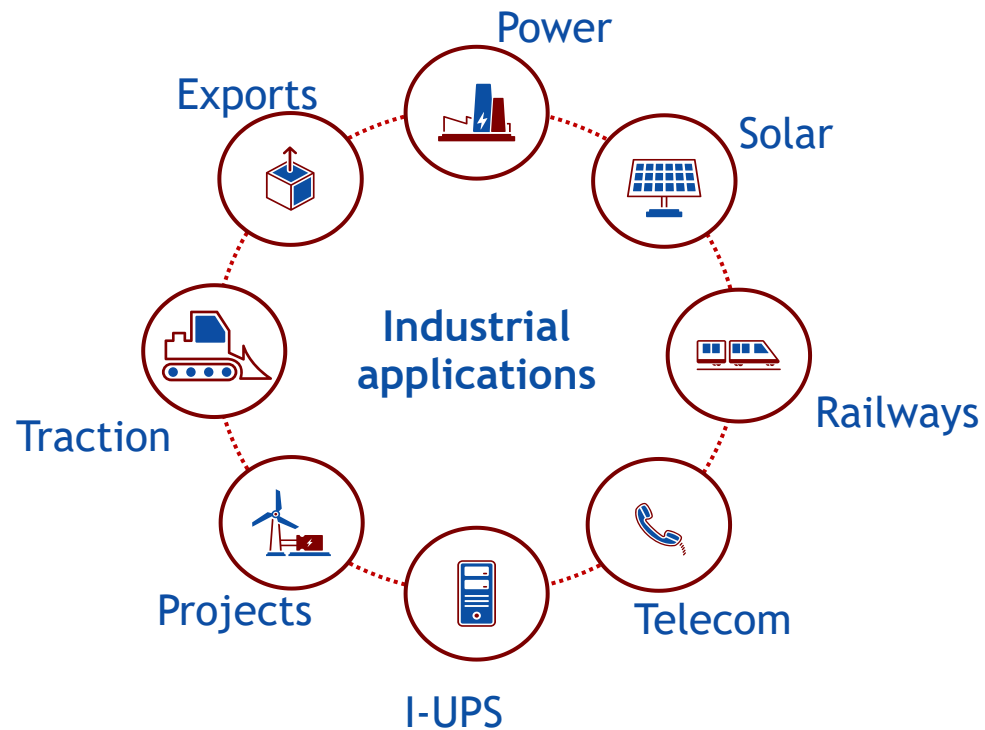
E-Rickshaw




H-UPS

- **Wide range:** 2.5 Ah for 2-wheelers to 260 Ah for Non-vehicular
- **Wide range of warranty period:** 12 months to 77 months (flat + pro-rata)

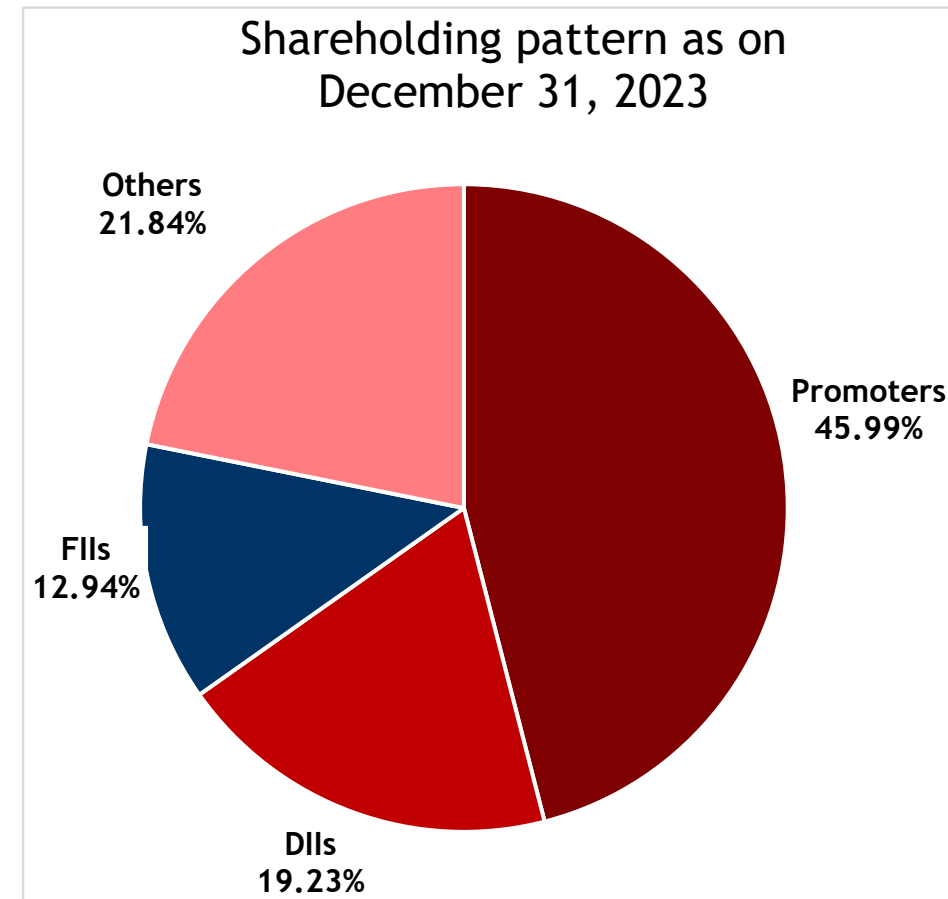
We are a reliable power solution provider for all industrial applications



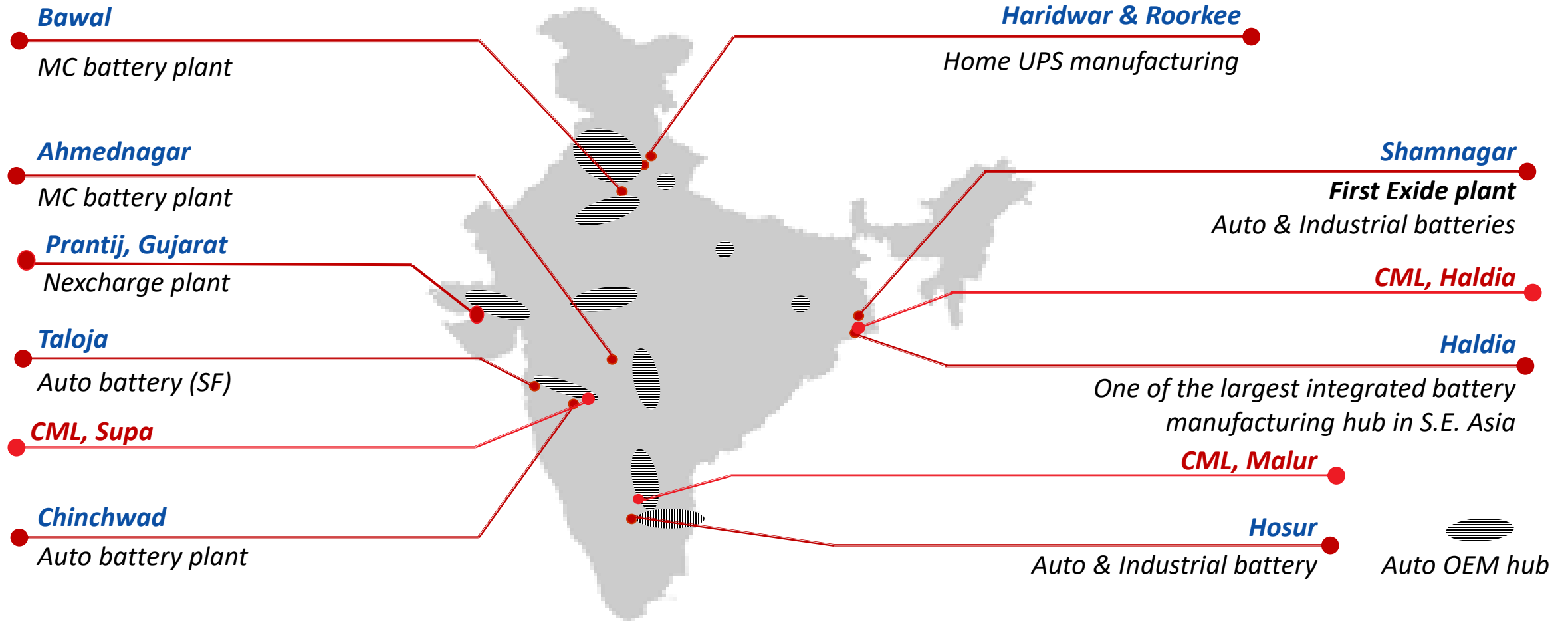
- **Industrial batteries range:** 7 Ah to 3200 Ah for multiple applications
- **Other application areas:** Batteries for submarines 

Eminent Board of Directors and shareholding pattern

Name	Designation
Mr. Bharat Dhirajlal Shah	Chairman and Independent Director
Mr. R.B. Raheja	Vice Chairman and Non-Executive Director
Mr. Sridhar Gorthi	Independent Director
Ms. Mona N Desai	Independent Director
Mr. Surin Kapadia	Independent Director
Mr. Subir Chakraborty	Managing Director and Chief Executive Officer
Mr. Asish Kumar Mukherjee	Director Finance and Chief Financial Officer
Mr. Arun Mittal	Director - Automotive
Mr. Avik Roy	Director - Industrial



EXIDE Manufacturing plants: Proximity to clients drives agility & efficiency



Our manufacturing locations are in close proximity to the automotive clusters across the country

Strong R&D focus leading to advanced technical products & solutions

Exide R&D Centre, Kolkata

Established in 1976, it's one of the finest R&D centers in India



International technical collaborations



Brazil

- Moura Batteries



Japan

- Furukawa Battery Company



USA

- East Penn Manufacturing
- Advanced Battery Concepts



China

- SVOLT Energy Technology Co. Ltd

Recent developments

Extending the punched plate technology in batteries to 2W, post successful implementation in 4W

Setting manufacturing process for making Absorbent Glass Mat (AGM) batteries, which has higher efficiency







Focus on exports: Developing customized advanced featured automotive batteries for different countries

Developed compact, high performance sealed batteries for telecom 5G network roll-out

Battery energy storage systems (BESS): R&D team developing multiple solutions for future deployment



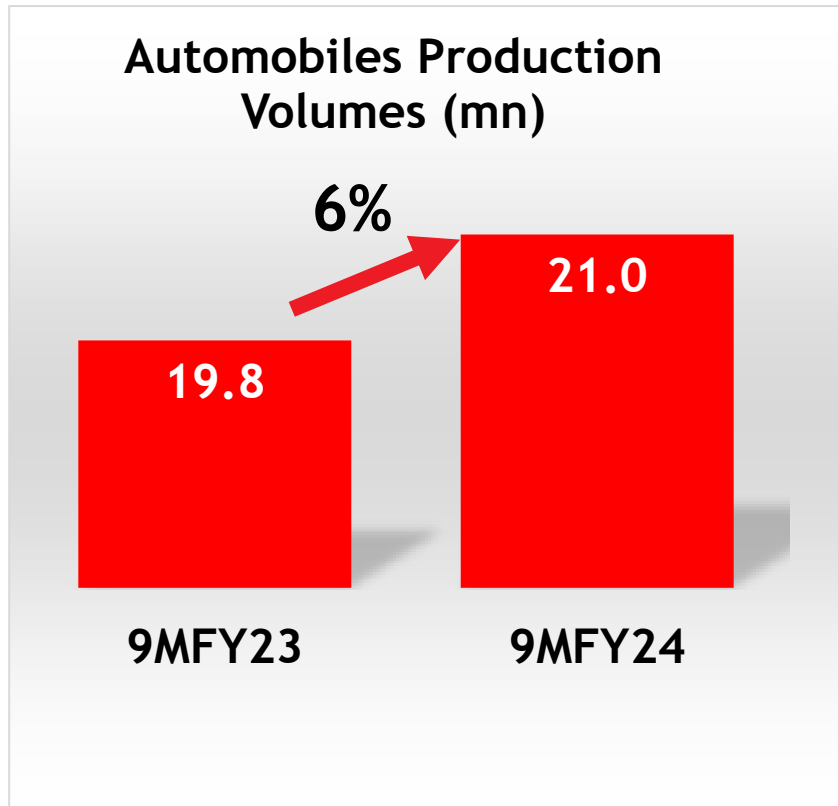
Our key strategic pillars: centered on sustainable growth and operational excellence

-  Driving profitable growth in lead-acid battery and storage solutions business
-  Taking leadership in the Green Technologies Solutions business (lithium-ion cell manufacturing)
-  Driving excellence through innovation and delivering value to our stakeholders
-  Enabling Digital transformation and cost efficiencies across the value chain
-  Maximizing potential with a robust financial foundation
-  Building a sustainable future

Automotive Vertical

Automotive volumes have grown at a healthy pace in 9MFY24

Overall automotive volumes grew at 6% in 9MFY24



- All end-user segments (4Ws, 2Ws, 3Ws and CVs) have registered growth in 9MFY24
- Domestic demand was strong, though export demand was muted due to high channel inventory



Key growth drivers remain intact for near-term



Upbeat consumer sentiments, higher purchasing power



Higher rural income, increased middle-class population



Uptick in commercial and business activity, higher infrastructure spendings leading to better connectivity

Long-term drivers indicate strong demand for technologically advanced products & solutions

Long-term growth drivers



Rising urbanization to create demand for personal mobility: Passenger vehicle production is expected to double in next 4-5 years



Increase in business activity and infrastructure development will improve intra & inter-state connectivity: Higher demand for CVs, 2Ws and PVs



Demand for more efficient batteries to increase share of organized players: ISS batteries, EFB batteries, AGM batteries are gaining prominence



Auxiliary battery requirement for electric vehicles: Lead-acid battery is required for lights, audio system, and other equipments in an electric vehicle



Shift in Global supply chains: China +1 strategy is expected to lead the shift towards Indian exports; enabling India to potentially increase its share in the global auto trade in next few years

Automotive Vertical: Getting future ready



- New product launches with technologically advanced features
- Expanding domestic reach
- Exports: Expanding international footprints
- Supporting channel partners and enhancing customer experience

- Digitalization initiatives: Increasing operational efficiency across processes
- Focus on achieving manufacturing excellence

- Aim to create optimum product mix: higher share of premium products

EXIDE Exide is ruling the automotive market with 3 powerful brands





Introducing technologically advanced products as per the evolving market needs

1

Idle-Start Stop batteries - replacement market



- Higher performance
- More efficiency
- Long-Life

2

In process of launching AGM batteries for the OEM market



- Higher efficiency
- Advanced Features
- Durable and eco-friendly

3

Superior and eco-friendly products for H-UPS market



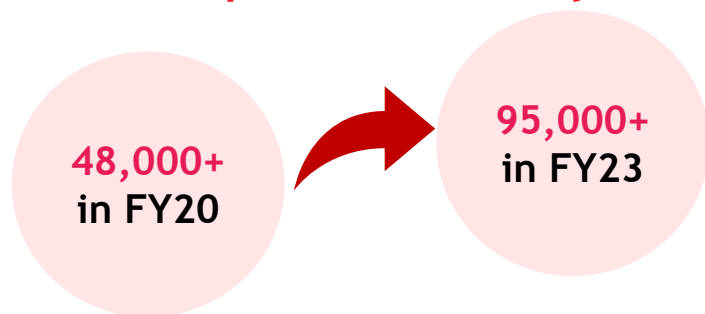
- Unmatched performance
- Easy maintenance
- Zero-emissions and spill-proof



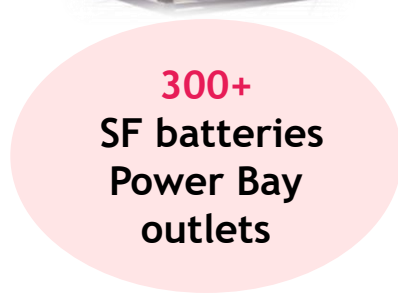
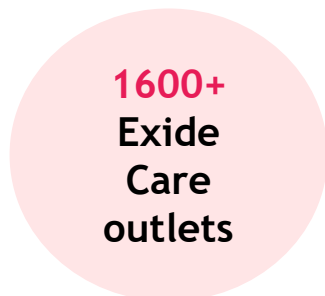


Expanding domestic distribution network and our global footprints

Direct & indirect pan India distributors/dealers: **sharp increase in 3 years**



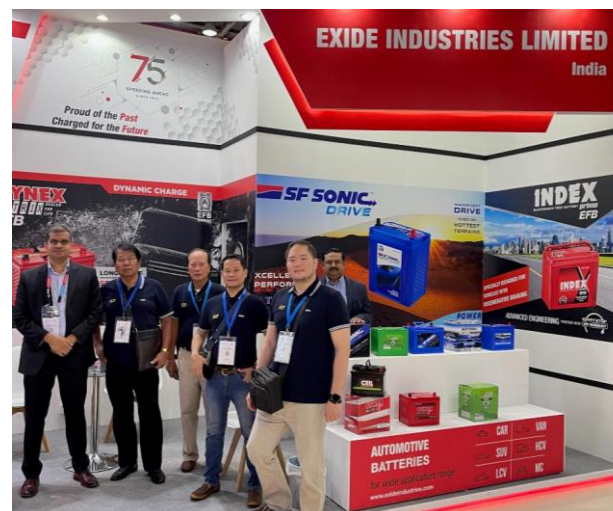
Exclusive outlets: Exide & SF brands



Deepening and widening our customer reach through our distribution network

Exports: strong focus on expanding global presence

- **New products with advanced features** launched in few countries
- Considering private labelling and contract manufacturing
- Increasing distribution network and manpower deployment
- Actively participating in international exhibitions to increase visibility



Exide participated in Automechanika, Dubai - Largest international trade exhibition for the Automotive aftermarket industry in Middle East



Supporting channel partners and enhancing customer experience

Empowering channel partners through digitalization initiatives



Hyperlocal marketing initiative enables dealers in attracting more end-customers

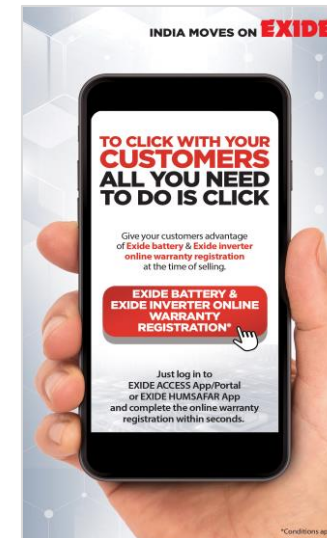
100% of our channel partners are connected to us through Mobile apps:

- Faster resolution with higher transparency
- Stronger after-sale support
- Ability to provide superior customer service



Customers: Introducing services for quicker and hassle-free solutions

Annual Maintenance Contract (AMC) services for HUPS and invertors



Paperless warranty registration for vehicular and inverter batteries & HUPS

Digitalization initiatives across processes for increasing operational efficiency



Integrated business planning

- More accurate demand forecasting
- Production and dispatch planning as per demand pull
- Better inventory management



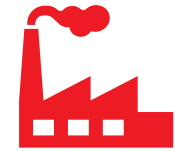
Sales force efficiency

- Integrated data analysis provides 100% visibility on secondary sales
- More transparency and result orientation approach by sales force
- Lower turnaround time and lower warranty costs



Logistics and warehouse

- Real-time information on primary, secondary and tertiary logistics
- Timely delivery and lower logistics costs
- Online inventory tracking at warehouse
- Better inventory liquidation and lower aging of stock

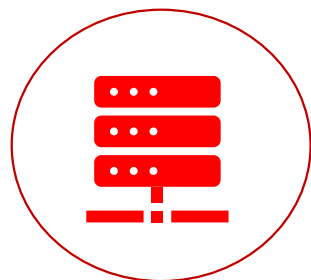


Manufacturing

- Implemented industry 4.0 for digitalizing industries
- Efficiently monitoring of production process
- Manufacturing excellence practices like LEAN, waste minimisation, etc

Industrial Vertical

Mega trends across verticals: Navigating the future of business



Data Centers

- Increasing i-cloud adoption and rising per capita data consumption
- Growing requirement of critical load (vs. backup power) at banks, hospitals, offices etc.
- ~20% CAGR growth expected in data center capacity in medium-term



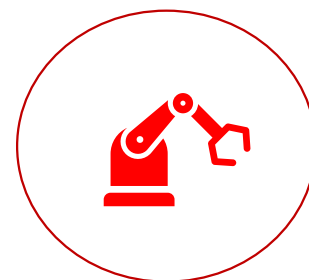
Renewable

- India's 500 GW renewable energy (RE) ambition by 2030
- MNRE's roof-top solar target of 40GW by 2026¹
- Higher mix of RE driving growth of BESS solutions (e.g., utility-scale, DG replacement)



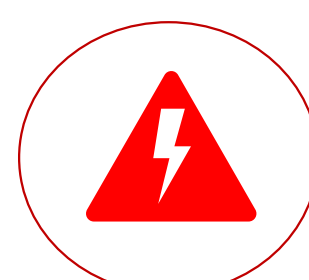
Infra Investment

- **Railways:** 100% electrification of railway routes by FY26²
- **Metros:** Govt. impetus on infra spending - outlay for metro projects & urban infra³
- **Telecom:** 5G rollout and demand for greener infrastructure



Automation

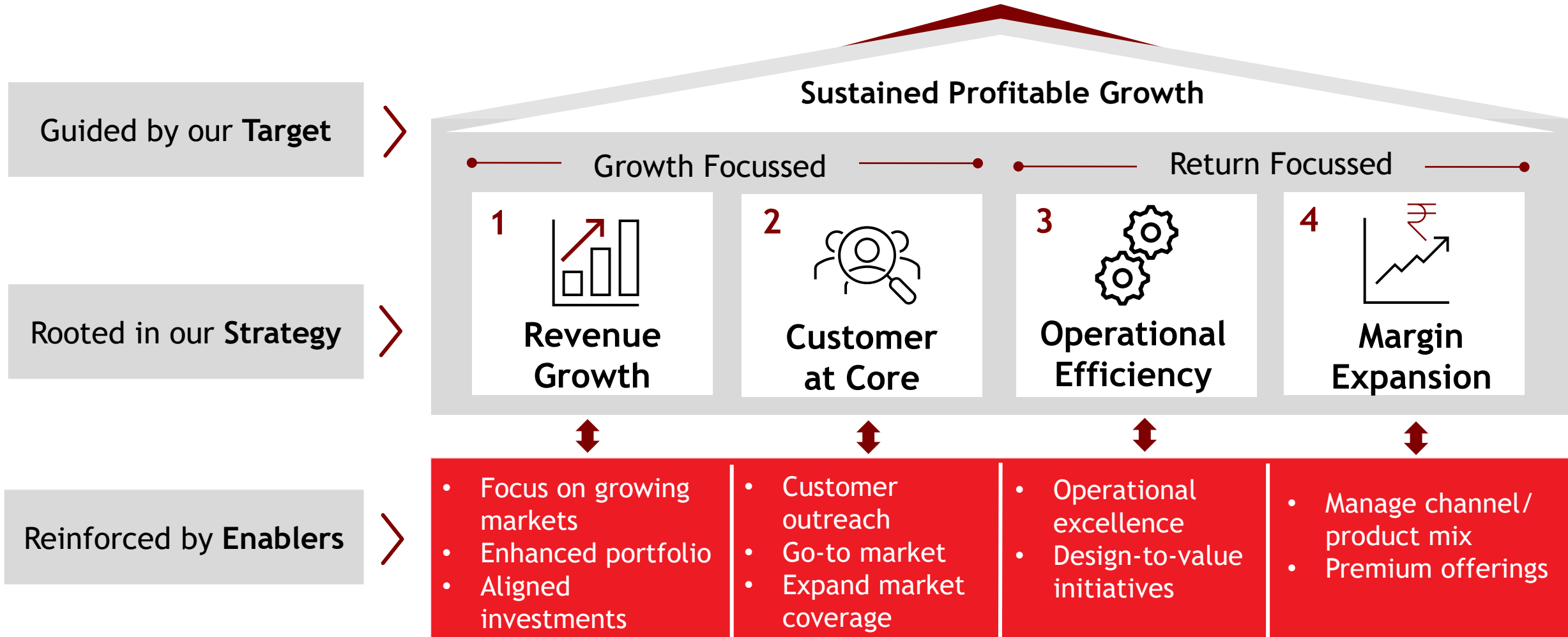
- **Traction Battery:** 10-15% electrification of Material Handling Equipments expected across industrial operating units and growth of modern warehousing
- Robust growth of modern warehousing at >15% CAGR as per industry experts



Power

- Technology integration to strengthen distribution network and increase real-time monitoring & control⁴
- Penetration of microgrids for last-mile electrification

Strategy framework: Our operating model uniquely positions us to deliver results





Enriched product range across verticals to address industry trends



Data Centre



Upgraded Data Centre EHP Series Batteries



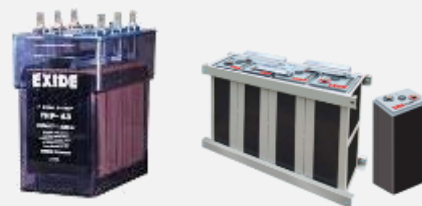
Solar



End-to-End & Rooftop Solar Solutions



Standby



YHP Plante Batteries Standby Power Batteries

Top of the Line Batteries for Standby Power



Traction



Augmented Portfolio in Traction



Telecom



5G Ready Batteries for Telecom



New launches as per evolving market requirements & customer outreach for faster growth

New launches with technologically advanced features

Unique front terminal range of batteries for data centre



Exide NXT+ that ensures seamless power for your critical needs such as in hospitals, banks etc.



New range of Traction Batteries launched:

- Longer service life
- Extended working cycle
- Fast charging capabilities



Showcasing our prowess

Building brand resonance across the Globe

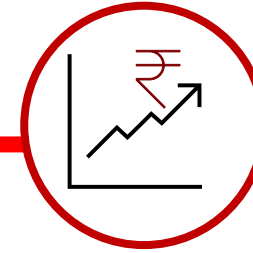


Focusing on various levers to unlock value for margin expansion



Cost Optimization

- **Operational Excellence:** Reducing the Cost-to-serve through digitalised processes
- **Industry 4.0 initiatives** aimed at continuous real-time monitoring of production processes
- **Design-to-Value Initiatives:** Using our long-standing knowledge of application and consumer insights to optimize the full product (at system level)



Margin Expansion

- **Manage channel/product mix:** Optimal product & distribution channel mix
- **Premium offerings:** Top-tier products with industry first features, disrupting the market as market leaders

Raise the bar on profitability

Green Technology Solutions: Lithium- ion Cells & Batteries

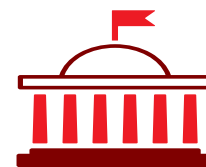
India's electrification demand expected to be 150GWh by 2030

Lithium-ion demand (GWh) in India by 2030

Mobility	2025		2030	
	2Ws	10 - 12	40 - 45	
	3Ws	1.2 - 1.7	5 - 6	
	4Ws	4 - 5	40 - 45	
	LCV / HCV	0.9 - 1.2	3 - 4	
	Buses	1 - 1.5	4 - 5	
	Tractors	1 - 1.5	6 - 7	
	Mobility Total	20-30	100-110	
	Stationary	20 - 25	50 - 60	
	Total	40 - 50	150 -160	

Source: Internal Assessment

Key growth drivers



Strong policy & regulatory support

- Auto PLI
- State EV policies
- FAME extension

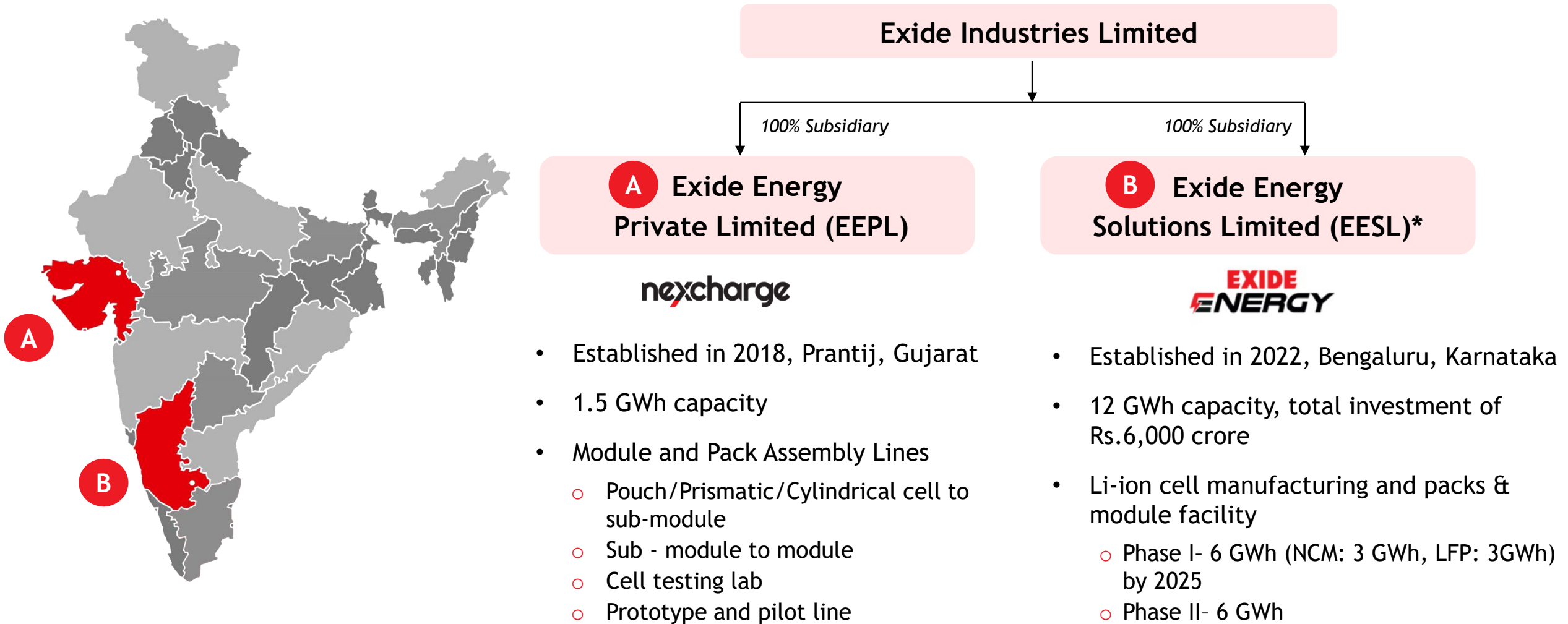


Market adoption drivers across user segments

- 2W & 3W: Personal, B2B, e-commerce
- 4W: Personal, taxi fleet
- CV: Last mile connectivity
- **Renewables:** Increased Government focus
- **Telecom:** 5G roll-out



Exide is ahead of the curve in its lithium-ion foray



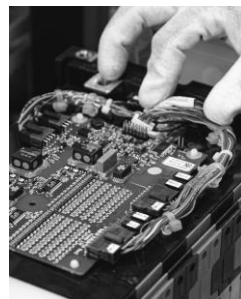
*Note: Scheme of amalgamation between Exide Energy Private Ltd. and Exide Energy Solution Ltd has been approved by Board of Directors of both the companies. Post approval from NCLT, EEPL will be amalgamated into EESL.

Nexcharge has strong capabilities to cater to diverse customer specifications

Our strong technical expertise



Deep design capability: providing energy density, thermal stability and functionality



In-house competency: Ability to customise as per customer specifications



Quality manufacturing: Automated process for compliance with high standards



Economies of scale: High scale processes at competitive costs

...along with extensive product offerings can provide solutions across verticals



2W Light Battery Pack



2W Medium Battery Pack



3W Battery Pack



Bus Battery Pack



UPS Battery



Telecom



Energy Storage Systems

Nexcharge has order book of Rs.600-700 crore as of Sep-23, to be executed in next 12-15 months



Exide is in advanced stages of setting lithium-ion cell manufacturing facility

Wholly owned subsidiary Exide Energy Solutions Limited



- Setting up the multi-gigawatt green field project for li-ion cell manufacturing
- Offer complete end to end solution: from cell to system, from molecule to megawatt
- Exide has invested equity of Rs.1,820 crore in EESL till Dec-23

Technical Collaboration with SVOLT Technology Solutions Ltd.



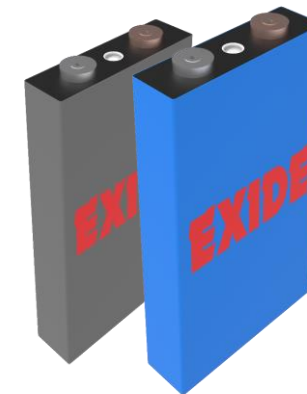
- Multi-year technical collaboration for li-ion cell technology
- Support for setting the plant on a turnkey basis



- Leading li-ion cell manufacturer
- Headquartered in China
- ~3,000 team members and ~500 experts in Li-ion battery R&D

4 lines planned for capacity of 6Gwh by 2025

Cylindrical Cells:
4.2Ah & 5Ah



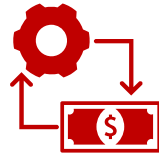
Radial Prismatic
Cells: 106Ah,
157Ah & 228Ah

Our competitive edge and value proposition



End-to-end “Cell to Pack” product portfolio

- Multiple chemistries/form factors
- Customizable module/pack solutions
- Joint product development integrated with the new product development cycle



High focus on offering competitive costing

- Strategic raw material sourcing partnerships to improve costing
- Manufacturing efficiencies through automation & technology deployment



Backed by SVOLT's world class technology & quality

- Tech partnership with global li-ion cell player
- Industrial leading thermal stability with automated robotic assembly
- Robust quality check test points within manufacturing process



Scalable operations to meet customer needs

- State-of-the-art plant planned with multiple production lines
- Potential access to strong dealer network for charging and after-sales market support

Progress so far

Particulars	Progress
Organization	<ul style="list-style-type: none">• Recruitment of top-tier team experienced professionals completed• Regular training and ramp-up of teams is ongoing• 100+ personnel currently supporting project execution and timely delivery
Funding	<ul style="list-style-type: none">• Mix of internal accruals and loan financing, Exide has invested equity of Rs.1,820 crore (Dec-23)• Recently secured credit facility from banks for project financing
Project Construction	<ul style="list-style-type: none">• Key approvals obtained; Detailed designing and construction works progressing• Selection and order placement for equipments in advanced stages
Technology & R&D development	<ul style="list-style-type: none">• Jointly working with SVOLT to achieve key milestones across workstreams• R&D members training with SVOLT team is underway• Setting up of quality and safety labs for supporting operations (testing/pilot line)
Supply Chain	<ul style="list-style-type: none">• Identification and onboarding of both local and international suppliers under progress• In-person visits and reviews being conducted for ensuring uninterrupted supply of key materials
Volume Off-take	<ul style="list-style-type: none">• Active customer engagement across mobility, industrial and stationary applications• Regular plant visits being undertaken by OEMs to support new customer acquisition and to develop stronger pipeline

Onsite construction works is progressing well

Onsite construction is on track....



Final View post completion of Phase -1 (2025)

Cell-manufacturing plant



Administrative building

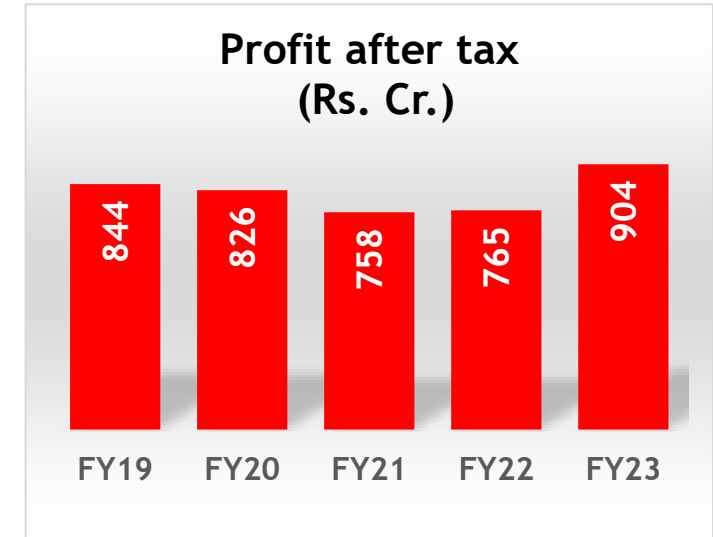
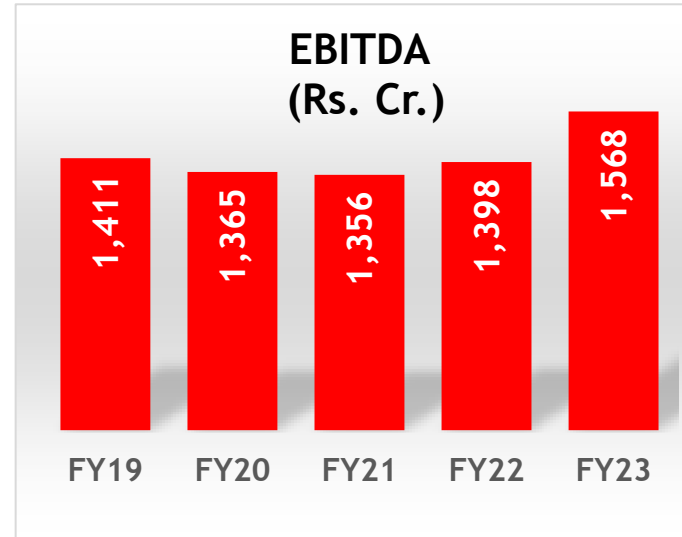
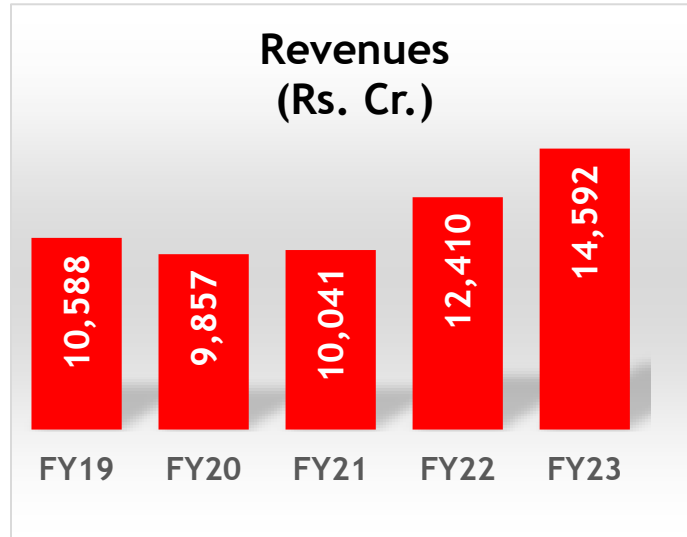


Our readiness in the emerging
EV battery space

[Click here for the video](#)

Key Financial Highlights

Consistent financial performance delivered over the years

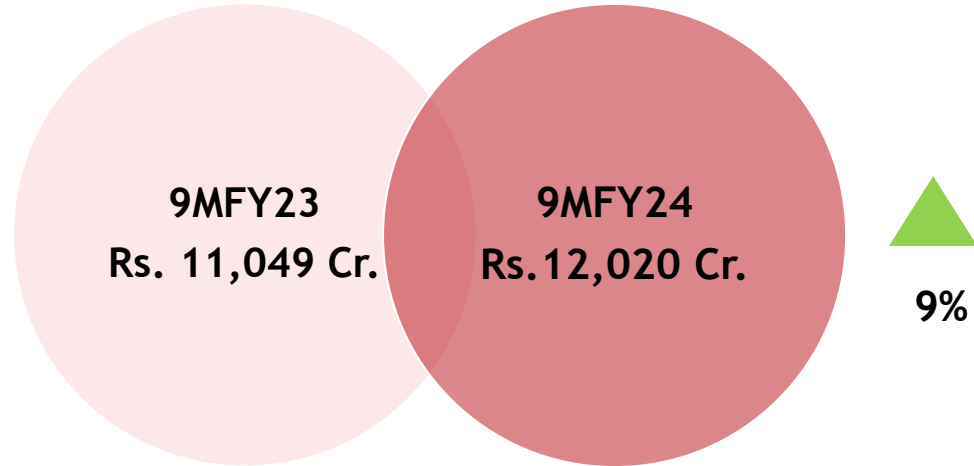


- Strategic initiatives to boost sales and control costs enabled company to deliver consistent performance
- **Healthy profit generation** despite tough macro environment in past few years
- Generated positive cash flows for last **10+** years
- **Zero debt** company since 2011¹

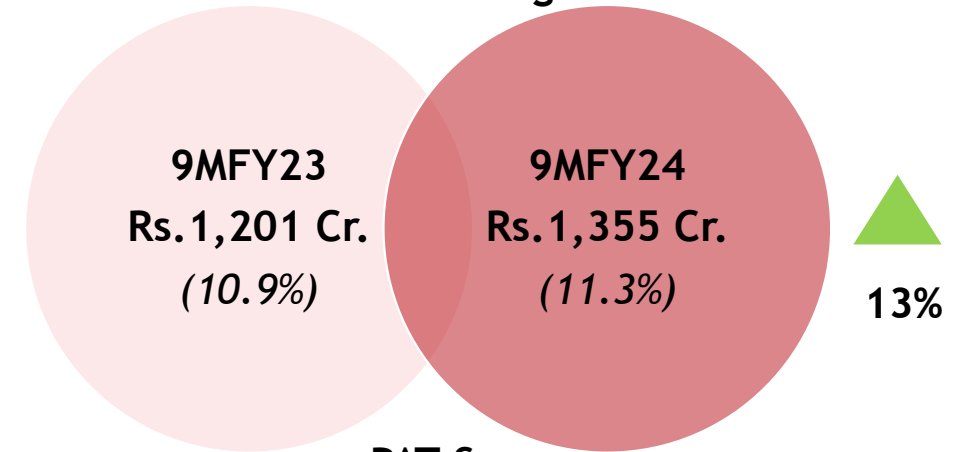
1. Except for short-term borrowing for overseas equipment purchases @ 1-2% interest availed during FY15-FY17, Profits exclude exceptional items

9MFY24 performance highlights - focus on profitability

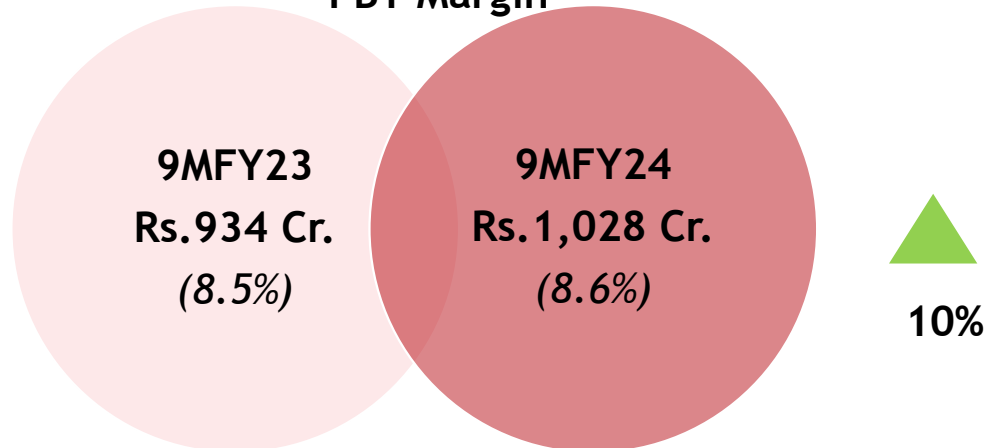
Revenues



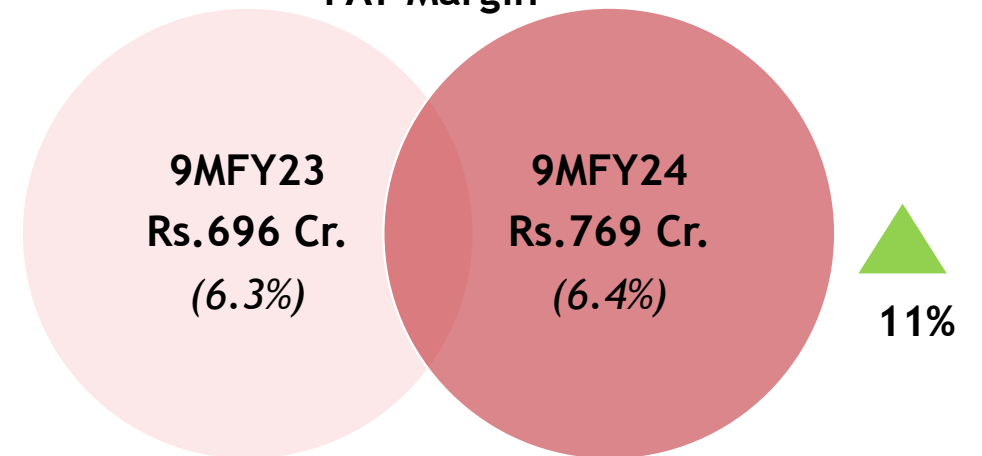
EBITDA & EBITDA Margin



PBT & PBT Margin



PAT & PAT Margin



Strong balance sheet and positive cash flow generation

Balance sheet Highlights

Particulars	Unit	Mar-22	Mar-23	Sep-23
Total Equity	Rs. Crore	10,598	11,210	12,639
Total Debt	Rs. Crore	Nil	Nil	Nil
Debt : Equity	X	Nil	Nil	Nil
RoCE*	%	19.3%	19.5%	20.9%#

- Continue to maintain the **Zero debt** company since 2011
- **Healthy return ratios**

Positive Cash flow generation

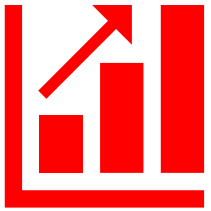
Particulars	Unit	FY2021-22	FY2022-23	H1FY24
Cash flow from operations	Rs. Crore	830^	848	1,491

- Healthy profits plus prudent working capital management supports **strong cash flow generation**

- *RoCE is calculated as Profit Before Interest and Tax divided by average capital employed (excluding stake in HDFC Life Insurance Ltd and Exide Life Insurance),# on an annualized basis
- ^ Cash flow from operations excludes cash tax paid on profit earned from sale of stake in subsidiary in FY22

Aim to maximize investor returns through multiple initiatives

Revenue Growth



- Product launches and deeper market penetration in domestic markets
- Focus on Exports
- Digitalisation in sales to increase volumes and lower inefficiencies

Operational efficiency



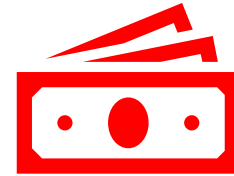
- Streamlining supply chain to optimise inventory
- Automation projects to increase productivity & efficiency

Improved Profitability



- Improving product mix towards higher margin products

Dividend payment

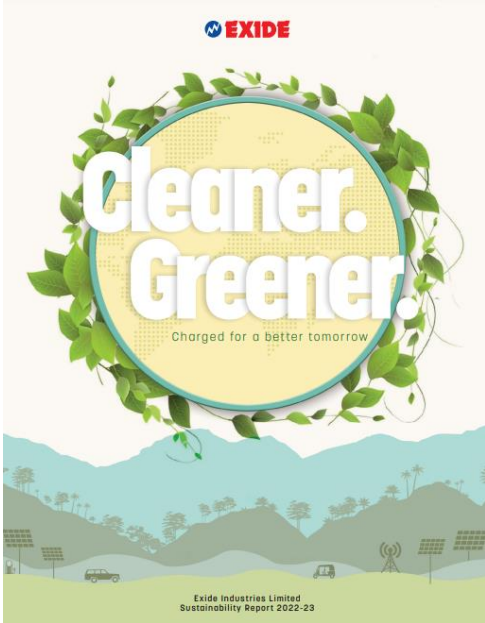


- Regularly paid dividends to shareholders

Sustainability and CSR



ESG is an integral part of our business and strategy



Our sustainability report

Environment



19% green energy consumption in FY23



Introducing eco-friendly products



Backward integration for recycling used batteries to recover lead

Social



2.08 lakh+ of manhours of training to employees



Nurturing Diversity: Hybrid working policy for young mothers



Maintaining highest standards of employee health and safety

Governance



Highest standard of corporate governance and risk management



Total board remuneration is less than 2% of profits against mandate of 11%



Separate position for Chairman and CEO for more than a decade



CSR initiatives focuses on building equal and inclusive societies

Focus on 5 key pillars for socio-economic development:



Health



Education



Employability



Empowerment



Environment

Impact created:

- More than 3.1 lakh people benefited in FY23
- 80% of beneficiaries are from socially and economically disadvantaged sections
- Active employee participation across CSR projects



In this document, we have disclosed forward-looking information to enable analysts and investors comprehend our prospects and take investment decisions. This document and other statements-written and oral-that we periodically make, contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions.

The achievements of results are subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. We undertake no obligation to publicly update any forward-looking statement or comparative assessments, whether as a result of any new information, future events or otherwise.

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THANK YOU!

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