



Lancer Container Lines Ltd.

Date: August 11, 2023

To,
BSE Ltd.
P.J. Towers,
Dalal Street,
Mumbai -400 001

Subject: Submission of Press Release on Un-Audited Results for Quarter ended June 30, 2023.

Ref: Script Code- 539841 - Lancer Container Lines Limited.

Dear Sir/ Madam,

In continuation of our letter dated August 10th, 2023 conveying Outcome of Board Meeting, kindly find attached Press Release on Un-Audited Results for quarter ended June 30, 2023.

Kindly take the same on records and acknowledge the receipt of the same.

Thanking You.
Yours faithfully

On Behalf of Board of Directors
For Lancer Container Lines Limited

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MITITAILONG
Date: 2023.08.11
17:02:09 +05'30'

Miti Tailong
Company Secretary and Compliance Officer

Place: - Navi Mumbai



CIN: L74990MH2011PLC214448

Registered Office: Mayuresh Chambers Premises Co-Operative Society Ltd, Unit No. H02-2, H02-3 & H02-4, Plot No. 60, Sector-11, CBD Belapur, Navi Mumbai – 400614.

Q1 FY24 – Earnings Update

Revenue from Operations reported at **INR 1,642.54 Mn** in Q1 FY24

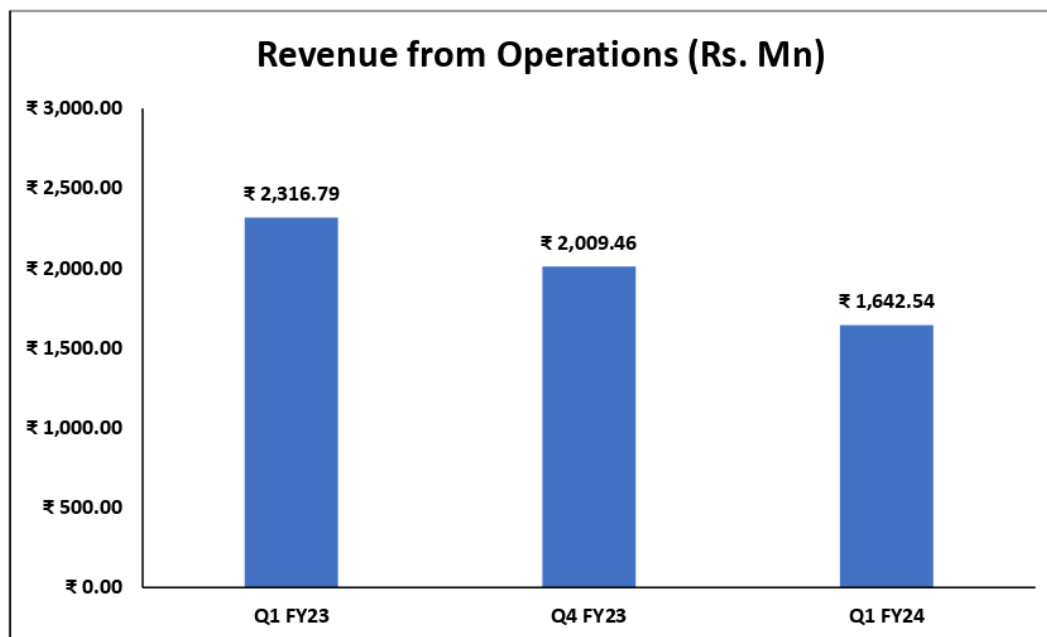
EBITDA stands at **INR 281.29 Mn** in Q1 FY24

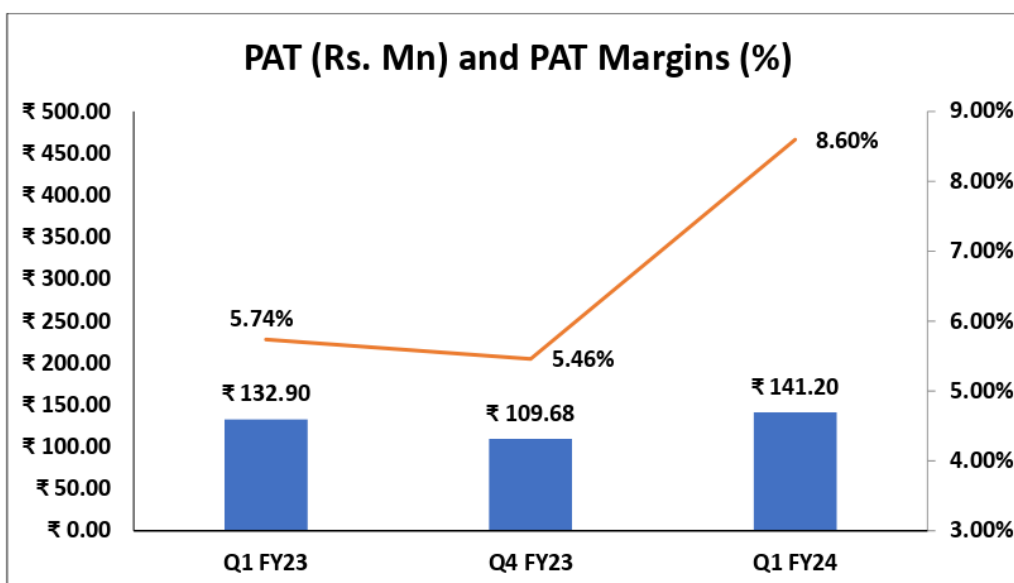
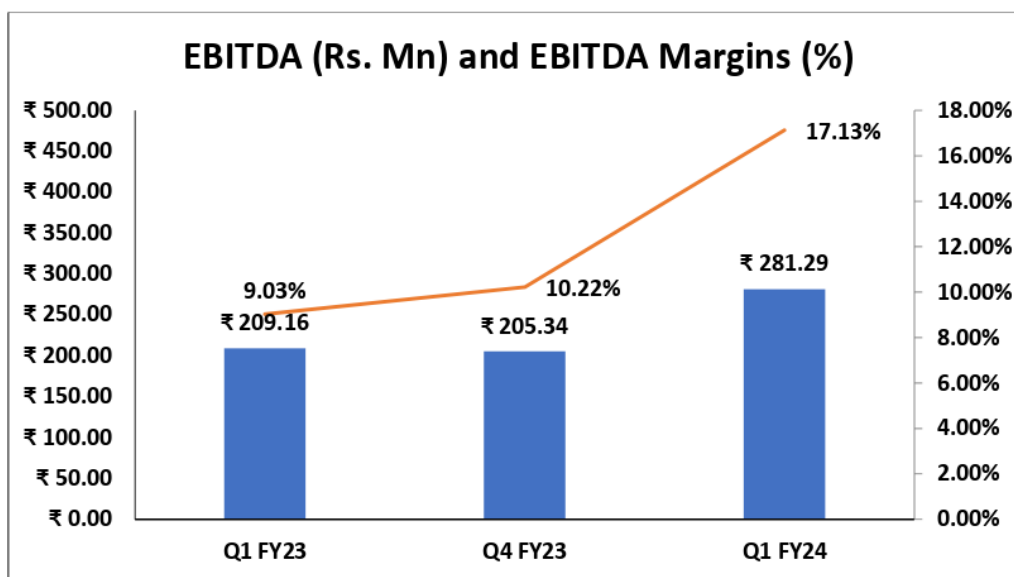
PAT at **INR 141.20 Mn** in Q1 FY24

Navi Mumbai, 11th August 2023

Lancer Container Lines Limited (referred to as “Lancer” or “The Company”) incorporated in 2011, Lancer Container Lines Ltd. is one of the leading integrated Shipping and Logistics solution providers in India and abroad. The Company in its board meeting held on 10th August 2023 has inter-alia considered and approved the Unaudited Financial Results of the Company for the first quarter ended on 30th June 2023 as one of its agenda.

Consolidated Financial Performance Highlight:





Consolidated Financial Statement Highlights:

Particulars (Rs. Mn)	Q1 FY24	Q1 FY23	YoY%	Q4 FY23
Revenue from Operations	1,642.54	2,316.79	-29.10%	2,009.46
Other Income	22.68	12.71		43.21
Total Revenue	1,665.23	2,329.50		2,052.67
Total Expenses excluding Depreciation, Amortization & Finance Cost	1,361.25	2,107.63	-35.41%	1,804.12
EBITDA	281.29	209.16	34.49%	205.34
EBITDA Margin (%)	17.13%	9.03%	810 bps	10.22%
Depreciation & Amortization	96.87	30.90		53.43
Finance Cost	38.00	15.17		40.21
PBT before Exceptional Item	169.10	175.80		154.91
Exceptional Items	-	-		-
PBT	169.10	175.80		154.91
Tax	27.90	42.90		45.23
PAT	141.20	132.90	6.24%	109.68
PAT Margin %	8.60%	5.74%	286 bps	5.46%
Other comprehensive profit / loss	0.06	0.08		5.17
Net PAT	141.14	132.83		114.85
Diluted EPS	2.02	4.41		1.78

Consolidated Financial Performance Comparison – Q1 FY24 v/s Q1 FY23

- Revenue from operations decreased by 29.10% to ₹ 1,642.54 Mn in Q1 FY24 from ₹ 2,316.79 Mn in Q1 FY23. This decline is primarily attributed to decrease in global freight rates.
- EBITDA increased by 34.49% on YoY basis from Rs. 209.16 Mn in Q1 FY23 to Rs. 281.29 Mn in Q1 FY24 and EBITDA margins surged by 810 bps to 17.13% in Q1 FY24 compared to 9.03% in Q1 FY23 period. This positive shift was due to increase in number of TEUs giving the company more negotiation leverage and expansion of operations into value added newer markets like far-eastern countries, African and middle eastern countries.
- PAT stood at ₹141.20 Mn in Q1 FY24, compared to ₹132.90 Mn in Q1 FY23 and margins improved by 286 bps from 5.74% in Q1 FY23 to 8.60% in Q1 FY24.

Business Updates:

- The Company's wholly owned foreign subsidiary Lancia Shipping LLC (based out of Dubai) is entering into a Joint Venture Agreement for vessel operations with entities located in Dubai. Lancia Shipping LLC is also acquiring a business based out of Dubai which is into Freight Forwarding and Liner Operations.

- Lancer's board has considered, approved and recommended a 2:1 bonus issue of fully paid up equity shares with face value Rs. 5/ each and for the same company is increasing its authorised share capital from 50 Cr to 150 cr, subject to requisite approval from shareholders in upcoming AGM scheduled on 11th September 2023. The record date for the Bonus has been decided as, 23rd September 2023.

Management Comments:

Commenting on the performance the management team of Lancer Container Lines Ltd, stated:

We are pleased to present the financial results for the first quarter of FY24. Our revenue from operations decreased by 29.10% from Rs. 2,316.79 Mn in Q1 FY23 to Rs. 1,642.52 Mn in Q1 FY24. Our EBITDA margins increased significantly by 810 bps from 9.03% in Q1 FY23 to 17.13% in Q1 FY24 and PAT margins increased by 286 bps to 8.60% in Q1 FY24 compared to 5.74% in Q1 FY23.

During this period, we continued to expand and excel in the dynamic and growing industry by delivering customized shipping solutions to a diverse range of customers across India and globally.

In line with our expansion strategy, we have increased our container capacity to 14,571 TEUs, a significant growth from the previous capacity of 14,435 TEUs as of 31st March 2023. Further in order to boost our capabilities and service offerings we have given orders for 20 foot & 40 HC brand new containers from Lancia to cater to middle east, middle east, Africa and Mediterranean region. This reflects our commitment to meeting the rising demands of our customers and further solidifying our strong position within the industry. This expanded capacity has not only strengthened our bargaining power but has also paved the way for our entry into new markets, aligning seamlessly with our mission to extend our global footprint. We are embarking on a strategic partnership with Dubai based companies to enhance vessel operations services through Lancia Shipping LLC, a wholly owned subsidiary of Lancer. We are also expanding our presence in Dubai by acquiring companies which is into freight forwarding and liner operations. Furthermore, we are strengthening our operations by introducing ISO Tank container division, providing a convenient solution for transporting wide range of liquid cargo, food grade liquids like oil, Juices, wines and non-hazardous chemicals in safe and secure manner across different countries. This strategic expansion will aid us diversifying our overall product mix, superior margins and provide us better revenue visibility.

Amidst the current economic landscape, the Asia-Pacific region is witnessing a robust growth in trades. Although the Indian market faced a contraction of ~10% in exports during Q1 FY24, we maintain optimism about long-term prospects. This positivity stems from various government initiatives aimed at bolstering shipping logistics as well as "China plus one" trend, which enables Indian manufacturers to explore new opportunities in European and American

markets further positively impacting international trades. As we strategically plan our role, we aspire to be a pivotal player in meeting the upcoming logistics demand.

As we move forward, we are committed to further expanding our reach, enhancing customer experiences, and contributing to the growth and development of the shipping industry both in India and on the global stage. Our team's dedication and the unwavering support of our customers have been the key drivers of our success, and we look forward to continued growth and prosperity in the coming quarters.

Management Guidance:

- The management expects the revenue to grow by **35%-40%** for FY24, mainly on the account of increasing geographic footprint, new TEUs addition, addition of new customers and aggressive sales strategy.
- The Management is confident of deploying 20,000 TEUs by the end of FY24
- EBITDA margin will improve by **100 bps** from FY23 due to large operational efficiency and volume commitment with vessel operators to negotiate on slot charges which is the major component of operational cost.

About the Company:

Lancer Container Lines Ltd. was incorporated in 2011 by entrepreneur Mr. A.K. Chataiwala, headquartered in CBD Belapur. Lancer is into providing 'TOTAL LOGISTICS SOLUTION WITHOUT LIMITS' and operates an asset-light business with a mix of **14,000+** owned and leased containers, offering services to 86 ports as well as inland destinations through 14 offices in India and a subsidiary in Dubai, covering more than **30 countries**, the principal geographies of operations are supported by a network of associates in the Indian subcontinent, Southeast Asia, the Far East, MENA and CIS countries. Lancer provides services like NVOCC, Empty Container Yard, Container trading, Freight forwarding (Sea, Air, and Road), etc. in India as well as on a global basis. Lancer has a container yard on lease spread over **20,000 square metre** in Panvel near JNPT. Lancer also manufactures portable cabins (prefabricated structures) for use in places where permanent construction is not feasible such as construction sites, factories, security cabins, toll booths, and other similar applications. Lancer is led by a team of seasoned professionals with robust experience in the shipping and logistics sector.

For further information on the company, please visit: <https://www.lancerline.com>

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Disclaimer:

Certain statements in this document may be forward looking statements. Such forward-looking statements are subject to certain risks and uncertainties like government actions, local political or economic developments, technological risks, and many other factors that could cause our actual results to differ materially from those contemplated by the relevant forward-looking statements. Lancer Container Lines Limited will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstance.