



Press Release

10th August, 2022, Mumbai, India

Endurance Technologies Ltd results for quarter ended 30th June, 2022

The Board of Directors of Endurance Technologies Limited today approved the unaudited financial results for the quarter ended 30th June, 2022. The financial highlights are as follows:

Consolidated Financial Highlights

(INR Million)			
Particulars	Q1 FY 22-23	Q1 FY 21-22	% Change
Consolidated Total Income Incl Other Income	21,185	17,064	24.2%
EBITDA	2,444	2,570	-4.9%
EBITDA %	11.5%	15.1%	
PBT (before exceptional items)	1,434	1,573	-8.8%
Exceptional Items	103	315	
PBT (after exceptional items)	1,331	1,258	5.8%
PAT (before Minority Interest)	1,034	966	7.1%
PAT %	4.9%	5.7%	

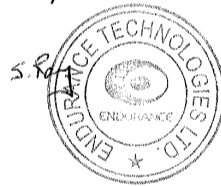
Standalone Financial Highlights

(INR Million)			
Particulars	Q1 FY 22-23	Q1 FY 21-22	% Change
Standalone Total Income Incl Other Income	16,201	11,578	39.9%
EBITDA	1,782	1,596	11.6%
EBITDA %	11.0%	13.8%	
PBT (before exceptional items)	1,203	1,091	10.3%
Exceptional Items	103	315	
PBT (after exceptional items)	1,101	777	41.7%
PAT	809	568	42.5%
PAT %	5.0%	4.9%	

Performance Highlights:

Q1 of the last year saw low offtake by OEMs in India, as distribution networks were impacted due to the second wave of Covid-19 infections. Though industry volumes in Q1FY23 were higher than last year, they are still below expected levels. Both in India and Europe, we have faced high commodity and energy prices that had an adverse effect on the profit margins of the Company.

- Consolidated Total Income including Other Income for the year rose by 24.2%, supported by a weak base and higher metal prices.
- In this year, 76.5% of Consolidated Total Income including Other Income came from Indian operations and the balance came from European operations.
- Standalone Total Income including Other Income for the year grew by 39.9%, again supported by a weak Q1 of last year and increased metal prices.
- Consolidated EBITDA Margin was 11.5% vs. 15.1% last year.
- Consolidated PAT at INR 1,034 million was 7.1% higher than last year.
- Aftermarket sales from Indian operations rose 53.8% to INR 963 million vs. INR 626 million in the corresponding quarter of last year.
- Consolidated Basic and Diluted EPS for the quarter stood at INR 7.35 per share (not annualised) compared to INR 6.86 per share (not annualised) in the corresponding quarter of last year.



Commenting on the Company's performance and recent developments, Mr. Anurag Jain, Managing Director of the Company said:



"Compared to Q1 of last year, two-wheeler sales volumes have grown 37.2% in Q1FY23. While growth in number of CVs and PVs sold was also very strong at 100% and 38% respectively, the growth in three-wheeler sales numbers was tepid at 7%. Sale of higher-cc two-wheelers was impacted by semiconductor shortages. Endurance standalone revenues for Q1FY23 rose 39.9% compared to the last year. Our topline benefited from higher volumes and elevated metal prices, while mix had an adverse effect.

The geo-political situation and Russia's stance vis-à-vis energy supply to Western Europe has severely affected the economy there. While inflation has affected demand, the supply side has also faced challenges for OEMs in terms of procuring critical parts. During Q1FY23, only 2.74 million new cars were registered in the EU and UK. This reflects a 16.4% YOY drop and a sharp 33.8% drop compared to Q1FY20 which was the pre-pandemic sales level. Our European business turnover in Euro terms fell 1.9% YOY. Normalised for the impact of higher aluminium prices, our topline saw a YOY fall of 6.9%. In Europe, electricity tariffs increased to 3 times and gas prices to 4.5 times over last year's level, severely impacting our margins.

Unanticipated and impactful changes in the macro-environment is now a way of life for most businesses. Our focus, therefore, is to derisk through customer acquisition, product portfolio expansion, being present in multiple vehicle segments including higher cc motorcycles and strengthening our presence in the Aftermarket.

During Q1 of FY23, our factories in India and Europe did not face any government mandated lockdowns. Employee well-being is a key focus area for us, and several initiatives have been undertaken to ensure their health and safety.

The Company has a very positive outlook based on its recent acquisitions and new business wins including for electric vehicles, both in India and Europe."

About Endurance Technologies Limited:

Endurance is one of the leading automotive component manufacturers, having a diverse range of technology intensified products with operations in India and Europe (Italy and Germany). In India, we predominantly cater to two and three wheeler OEMs and our products include aluminium castings, suspensions, transmission and braking systems. In Europe, we predominantly cater to four wheeler OEMs and mainly supply aluminium casting products.

Endurance is a complete solutions provider, providing end to end services by engaging its customers from conception to end user delivery and also catering to the replacement market. Out of our 29 plants, 19 are in India, 3 are in Germany and 7 plants are in Italy. We also have an in-house tool room, a 29 acre proving ground, 5 DSIR approved R&D facilities in India, and 2 technical centres in Italy.

Endurance (CIN: L34102MH1999PLC123296) is listed on the NSE (ENDURANCE) and the BSE (540153). For more details and information, please refer to company's website www.endurancegroup.com.

