Lancer Container Lines Ltd.

Date: June 26, 2021

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

Subject: Submission of Press Release on Audited Results for Year ended March 31, 2021.

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

Dear Sir/ Madam,

In continuation of our letter dated June 24, 2021 conveying Outcome of Board Meeting, kindly find attached Press Release on Audited Results for Year ended March 31, 2021.

Thanking You.
Yours faithfully

For Lancer Container Lines Limited

Lancer Container Lines Ltd. Navi Mumbai

Praful Jain
Whole-Time Director (Finance)
DIN: 08000808

CIN : L74990MH2011PLC214448
Registered Office : Mayuresh Chambers Premises Co-Op.Society Ltd, Unit No.H02-2, H02-3 & H02-4, Plot No.60, Sector-11, CBD Belapur, Navi Mumbai - 400614
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H.O. : Mumbai **Branch** :• Delhi • Ludhiana • Jaipur • Ahmedabad • Mundra • Visakhapatnam • Tuticorin • Chennai • Kolkata • Hyderabad • Jalandhar • Jodhpur

Lancer Container Lines Ltd.

Press Release- 26th June 2021

LANCER CONTAINER LINES LIMITED
Belapur, Navi Mumbai.
Listed on BSE; BSE Code: 539841

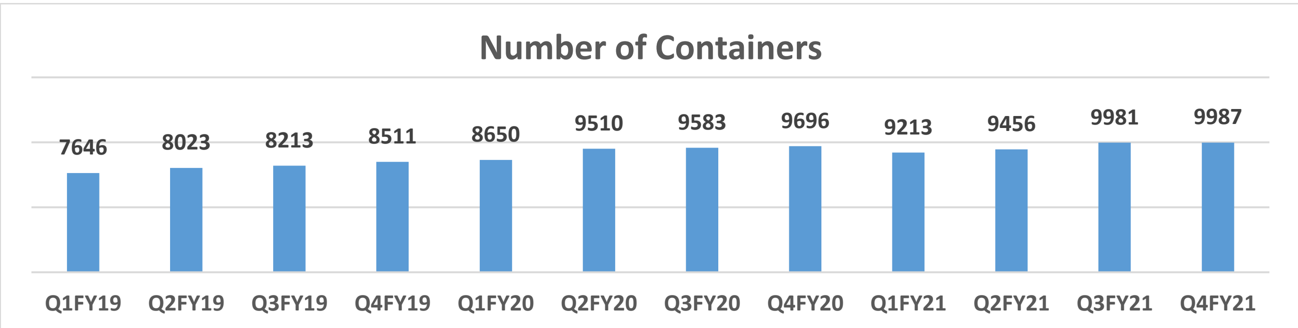
Lancer Container Lines Ltd (CMP 25/6/2021:Rs.97; MCAP: Rs.975 Mn) provides logistic services including shipping, freight forwarding, provision of yards for storage of empty containers, inland transport services. As on 31st March 2021, the company has 9,987 containers for deployment, of which 88% are owned. Please find below a brief discussion and highlights of Q4 & Fiscal FY202020-21 financial results.

Fiscal FY21 (12 months): Highest Revenue in Company History

- **Revenues at Rs.3,126 Mn, up 17.8% YoY, despite COVID impact on logistics**
- **EBIDTA at Rs.243.8 Mn, higher 9.2% YoY, EBIDTA Margins at 7.8%**
- **Containers for deployment as on 31st March.2021 was 9987, with leased containers accounting for 12% of total**
- **PAT at Rs.97.1 Mn, up 21% YoY and PAT Margin improved to 3.1%**
- **Total Debt as on 31st March 2021 was Rs.222 Mn. Net Debt (Total Debt minus Cash on hand of Rs.188 Mn) has come down sharply to Rs.34 Mn.**
- **No Moratorium availed; Balance-sheet ratio's improve. Debt/Equity Ratio declines to 0.5x; RONW (Ex-Cash) improved to 38% from 27% in FY20**
- **Dividend proposed of 5% per share for Non-Promoter shareholders.**

Q4FY21 Result Highlights: Robust Business Growth

- **Revenues at Rs.1,213 Mn, up 54% YoY, supported by higher realisations**
- **EBIDTA at Rs. 65.5 Mn, higher 20% YoY and flat QoQ**
- **Sharp jump in shipping and operating costs impacted EBIDTA Margins**
- **PAT at Rs.26.4 Mn, up 4.5% YoY and 1.4% up QoQ.**



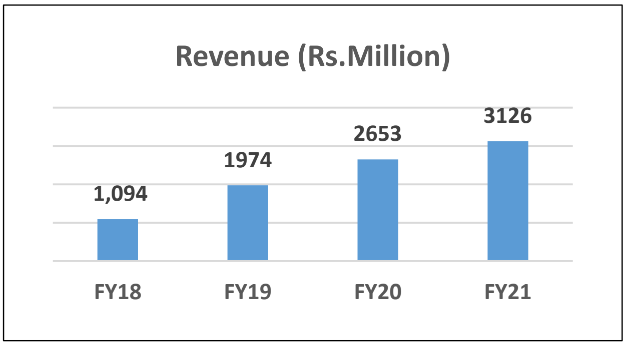
Lancer Container Lines Ltd.

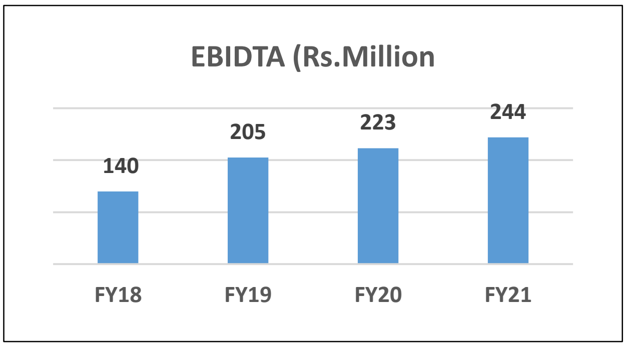
Result Highlights:

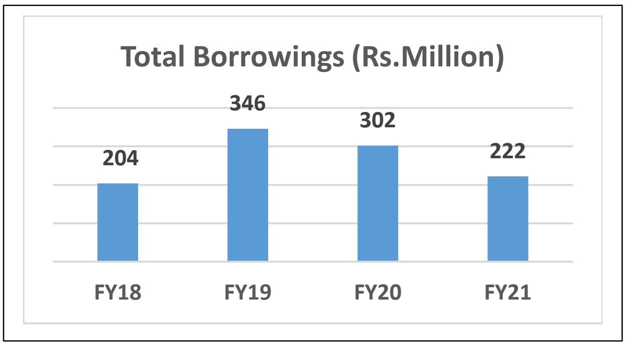
- **Revenue:** In Q4FY21 NVOCC, volumes remained steady with the opening up of container movement. Revenue growth of 53.6% YoY and 81.1% QoQ was largely driven by higher realisations, with price increases taken to pass on increase in operating costs. There was a sharp increase in Q4 on liner charges, which account for a major portion of the operating costs. With China coming back into global trade, the demand for shipping slots led to tight market conditions during the quarter. For fiscal FY21 Revenue growth was 17.8% YoY, also on back of higher average realisations. Containers boxes for deployment in FY21 at 9,987 was almost at the same level as FY20, with leased containers now 12% of total vs. 5% in FY20.

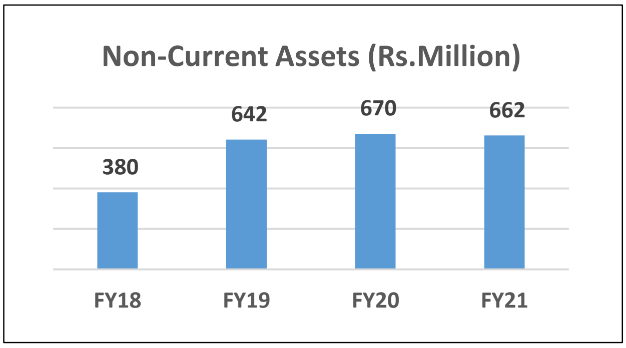
- **EBIDTA** was flat on a sequential basis. Operating expenses largely comprise of liner slot booking and compensation/payments to international agents. The spurt in these costs lead to Q4 Operating costs as a percentage of Revenues jumping by 300 bsp YoY and over 600 bsp QoQ. This could not be fully passed on to customers and was partly absorbed. Despite this, with stringent cost control measures the impact on profitability was controlled. Q4 EBIDTA margin at 5.4% was lower compared to 6.9% in Q4FY20 and 9.7% in Q3FY21. For Fiscal FY21 EBIDTA was Rs.243.8 Mn, up 9.2% YoY.

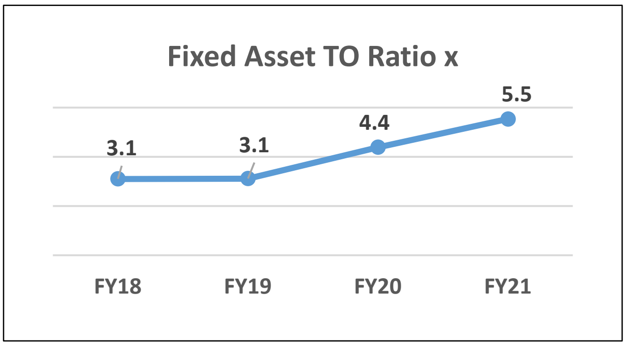
- **PAT** in Q4 FY21 was Rs.26.4 Mn, up 4.5% YoY and 1.4% QoQ. For Fiscal FY21 PAT was Rs.97.1 Mn, up 21% YoY.

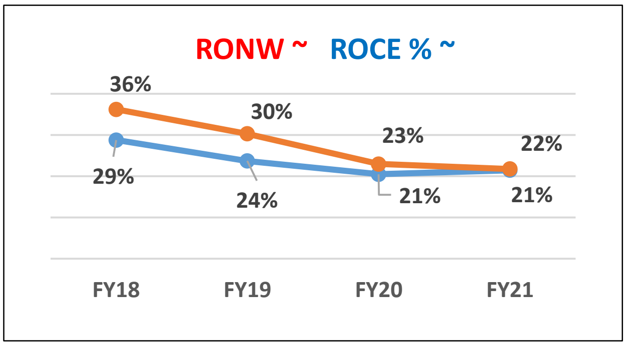












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Financial Highlights (Rs. in Millions)

Particulars	Q4 FY21	Q4 FY20	YoY%	Q3 FY21	QoQ %	12 Mths FY 21	12 Mths FY 20	YoY%
PROFIT AND LOSS HIGHLIGHTS								
Revenue (Operations)	**1,213.0**	**790.0**	**53.6%**	**669.9**	**81.1%**	**3,126.1**	**2,652.6**	**17.8%**
Cost of Operations	1,112.4	706.1	57.5%	573.0	94.1%	2,758.8	2,273.1	21.4%
Employee expenses	22.6	23.7	-4.3%	21.9	3.3%	85.3	98.5	-13.4%
Other expenses	12.4	5.6	123.1%	9.9	25.4%	38.2	57.8	-33.9%
TOTAL EXPENSES	1,147.4	735.3	56.0%	604.8	89.7%	2,882.3	2,429.3	18.6%
EBITDA	**65.6**	**54.6**	**20.0%**	**65.1**	**0.7%**	**243.8**	**223.3**	**9.2%**
EBITDA Margin	**5.4%**	**6.9%**		**9.7%**		**7.8%**	**8.4%**	
Depreciation	30.0	32.1		23.4		95.4	92.4	
EBIT	**35.6**	**22.6**	**57.6%**	**41.7**	**-14.7%**	**148.4**	**130.9**	**13.3%**
Other income	8.0	3.7		1.9		14.3	8.0	
Interest	8.4	6.8		8.4		31.5	30.4	
Profit Before Tax	**35.1**	**19.5**	**80.2%**	**35.2**	**-0.2%**	**131.1**	**108.5**	**20.8%**
Total Tax expense:	8.8	(5.7)		9.2		34.1	28.3	
PAT	**26.4**	**25.2**	**4.5%**	**26.0**	**1.4%**	**97.1**	**80.2**	**21.0%**
PAT Margin	**2.2%**	**3.2%**		**3.9%**		**3.1%**	**3.0%**	
Number of Shares						**10.0**	**10.0**	
EPS per share (Rs.)						**9.7**	**8.0**	
BALANCE SHEET HIGHIGHTS								
Total equity						**445.9**	**348.4**	
Total Borrowings						**221.7**	**302.1**	
Cash On Hand						**188.4**	**54.1**	
Non-Current Assets						**662.0**	**670.3**	

Lancer Container Lines Ltd.

Management Comments

Commenting on the developments, Mr. Abdul Khalik Chataiwala, Chairman & Managing Director said, "We have been able to maneuver one of the most challenging times in our company's history, with global logistics sector being severely impacted by COVID-19 shutdowns. We were able to increase our Profit after Tax for fiscal FY2020-21 to Rs.97.1 Mn, 21% higher compared to Rs.80 Mn in FY20. Volumes remained subdued, as we faced difficulty and slowdown in round trips and bringing back our containers into India. However, we see this as a temporary issue and gearing up to bounce back with the economy picking up.

During the year, we had taken a conscious decision to keep the burden on balance sheet at bare minimum, bringing down net debt to just Rs.34 Mn (cash on hand now stands at Rs.188 Mn). We were able to optimise revenue growth with a mix of lease and self-owned boxes, a strategy we adopted over the last two years. We added 1,194 leased boxes during the year, now accounting for 12% of our boxes vs NIL in FY2018. This enabled us to improve revenues while efficiently managing cash flow.

Our strong balance sheet now gives us sufficient flexibility to optimise growth going forward. With the global economies opening up and demand for containers strong, we are now putting in place aggressive growth plans, to add owned and leased containers.

Excluding cash on hand, our Return on Net Worth (RONW) percentage has improved, at 38% in FY21 vs 27% in FY20. We assure you to keep our focus on growth with margins and commitment to maximising shareholder wealth. I am pleased to share that our Board of Directors has proposed a dividend of 5% per share to Non-promoter shareholders, another first for company. I would like to take this opportunity, on behalf of the Board of Directors, to thank each and every one of you for your continuing support in this exciting journey together".

For more details, please visit: www.lancermarine.in

For any Investor Relations query, please contact:

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