

Action Construction Equipment Limited

Corporate & Registered Office

Dudhola Link Road, Dudhola, Distt. Palwal-121102, Haryana, India



Date: July 31, 2024

To,
The Manager Listing
BSE Limited
5th Floor, P.J. Towers,
Dalal Street,
Mumbai-400001

Scrip Code: 532762

The Manager Listing
National Stock Exchange of India Ltd.
Exchange Plaza, Bandra Kurla Complex,
Bandra (E),
Mumbai-400051

CM Quote: ACE

Subject: Intimation of Press Release.

Dear Sir/Madam,

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Press Release on the unaudited financial results (Standalone and Consolidated) for the quarter ended June 30, 2024.

Kindly take the same on record.

Thanking you

For Action Construction Equipment Limited

Anil Kumar
Company Secretary



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Mktg. H.Q.: 4th Floor, Pinnacle, Surajkund, Faridabad, NCR-121009, Phone: +91-129-4550000 (100 Lines), Fax: +91-129-4550022, Email: marketing@ace-cranes.com **Customer Care No.:** 1800 1800 004 (Toll Free), **CIN:** L74899HR1995PLC053860, **Website:** www.ace-cranes.com



ACE posts robust Q1 FY25- Revenue up by 12.82% YoY with expanded Margins

Q1/FY'25 Results – 31st July, 2024

➤ Consolidated Financial Highlights

- ACE registered its best ever Q1 i.e. (Apr-Jun quarter) in terms of revenue and margins.
- Strong growth momentum continued with operational revenue growing by 12.82% on a YoY basis
- EBIDTA Margins expanded by 212 BPS YoY to 17.11%
- Margin expansion continued, driven by operating leverage, better product mix with improved price realizations and efficient cost control measures
- Cranes, Construction equipment & Material Handling Volumes grew by 20% YoY

➤ Management comments

On ACE's performance, Executive Director, Sorab Agarwal shared that the company has maintained its growth momentum in the first quarter of the current fiscal year. Despite the significant event of General Elections, the company has been able to deliver its best ever Q1 i.e. Apr-Jun quarterly performance in Q1 FY25. In the last few years, ACE has delivered high growth across its business segments and has improved on key operating metrics that are now best in the industry.

➤ Financial Performance

The operational revenues grew by 12.82% to Rs. 733.63 crores with an expansion of 212 BPS in EBIDTA margins to 17.11% from 15%. The EBIDTA during the quarter increased by 28.73% to Rs. 125.50 crores. As against Rs 97.49 crores, the PBT grew by 24.87% to Rs 111.42 crores and the PAT grew by 24.46% to Rs. 83.71 crores as compared to Rs 67.26 crores in last year's corresponding quarter. The PBT and PAT margins now stand at 15.19% and 11.41% expanding by 147 BPS and 107 BPS respectively for the quarter on a standalone basis. Margin expansion continued, driven by operating leverage, better product mix with improved price realizations, efficient cost control measures and favorable commodity prices.

Further, ACE is in discussions with KATO WORKS CO LTD., a Japanese global construction equipment manufacturer of Mobile Cranes & Excavators to establish a joint venture in India. The Joint Venture intends to produce medium and large sized cranes, mainly Truck Cranes, Crawler Cranes and Rough Terrain Cranes for the growing Indian market and in the future, JV also plans to utilize the technology which will be cultivated by the expertise of ACE and KATO to introduce wide range of value added products for the export market. This joint venture will help the company to establish a business foundation for the larger crane segment which will steadily grow as a pillar of our medium- to long term growth strategy.

➤ **Segmental Performance**

The Company has sustained its growth momentum across all operating segments. In the Cranes, Construction Equipment & Material Handling segment during the quarter gone by, ACE registered consolidated revenue of Rs. 690.67 crores as compared to Rs 575.02 crores in Q1FY24. Both the revenue and volumes are up by 20% YoY. The margins also expanded to Rs 103.76 Crores vis-à-vis Rs 83.66 crores; thereby registering a growth of 24.03% YoY.

The Agri equipment Division has registered revenue of Rs.42.96 crores with 3 % margin. Going forward, with further advancement of monsoon across the country, adequate water reservoir levels, better liquidity, and consumer credit availability, the company expects the demand momentum to improve in the Agri space.

Looking ahead, India remains as one of the fastest growing economy and its prospects remain very strong for the period ahead. The company is poised well for further growth with government's thrust and focus on faster execution of infrastructure projects. The demand for cranes, construction equipment & material handling equipment is buoyant and post monsoon, the company expects the momentum to accelerate. Further, with capacity built up, the company remains optimistic about the medium to long term prospects and remains focused to deliver on its sustainable growth agenda.

Cautionary Statement: "Statements made in this release may contain certain forward-looking statements based on various assumptions on the Company's present and future business strategies and the environment in which it operates. Actual results may differ substantially or materially from those expressed or implied due to risks and uncertainties. These risks and uncertainties include the effect of economic and political conditions in India and abroad, volatility in the market, new regulations and Government policies that may impact the Company's businesses as well as the ability to implement its strategies. The information contained herein is as of the date referenced and the Company does not undertake any obligation to update these statements. The Company has obtained all market data and other information from sources believed to be reliable or its internal estimates, although its accuracy or completeness cannot be guaranteed."