



Lancer Container Lines Ltd.

Date: May 23, 2022

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

Subject: Submission of Press Release on Audited Results for Year ended March 31, 2022.

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

Dear Sir/ Madam,

In continuation of our letter dated May 20, 2022 conveying Outcome of Board Meeting, kindly find attached Press Release on Audited Results for Year ended March 31, 2022.

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

Archana Chandrakant Indulkar
Company Secretary and Compliance Officer



Place: - Navi Mumbai

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

Tel. : +91 22 2756 6940/41/42 | **Email :** info@lancermarine.in | **Web.:** www.lancermarine.in

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• Hyderabad • Jalandhar • Jodhpur



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, Maharashtra, 400614

Q4 & FY22 – Earning Updates

Revenue from Operations reported at **Rs. 2,345.43 MN in Q4 FY22** and **Rs. 6,415.03 MN in FY22**

EBITDA stands at **Rs. 188.17 MN for Q4 FY22** and **Rs. 500.12 MN for FY22**

PAT stands at **Rs. 116.32 MN in Q4 FY22** and **Rs. 289.53 MN for FY22**

CBD Belapur, 20th May 2022: Lancer Container Lines Ltd, one of the leading players in shipping and logistics industry, in its board meeting held on 20th May 2022 has approved the Audited Financial Results of the Company for the Fourth Quarter and Full Year ended 31st March 2022 as one of its agenda.

Consolidated Financial Statement Highlights for Q4 FY22 v/s Q4 FY21

Particulars (INR MN)	Q4 FY22	Q4 FY21	YoY %
Revenue from Operations	2,345.43	1,213.00	93.36%
Other Income	9.28	7.98	
Total Revenue	2,354.72	1,220.98	92.85%
Total Expenses excluding Depreciation, Amortization & Finance Costs	2,157.27	1,147.48	
EBITDA	188.17	65.52	187.19%
EBITDA Margin (%)	8.02%	5.40%	
Depreciation & Amortization	28.22	29.97	
Finance Cost	6.16	8.43	
PBT before Exceptional Item	163.08	35.09	364.68%
Exceptional Items	0.00	0.00	
PBT	163.08	35.09	364.68%
Current Tax	45.94	9.15	
Earlier Years	0.00	0.00	
Deferred Tax	0.82	(0.38)	
Tax	46.76	8.76	
PAT	116.32	26.33	341.79%
Other comprehensive profit / (loss)	(1.71)	(0.43)	
Net PAT	114.61	25.90	342.44%
PAT Margin %	4.96%	2.16%	
EPS	3.86	0.87	343.68%

Note: 20,094,080 equity shares were allotted as Bonus shares in the ratio 2:1 on 18th Oct,2021 as per resolution approved in the AGM held on 29th Sep,2021.

Financial Performance Comparison – Q4 FY22 v/s Q4 FY21

- Revenue from Operations **increased by 93.36% from Rs. 1,213.00 MN in Q4 FY21 to Rs. 2,345.43 MN in Q4 FY22** mainly on account of improved performance in our business segments owing to addition of new customers and moving into new markets that generates higher earning. Further, the addition of new TEUs have enhanced realisation for the Company.
- The EBITDA **increased by 187.19% from Rs. 65.52 MN in Q4 FY 21 to Rs. 188.17 MN in Q4 FY22** on account of higher realisation in overall service spectrum and business strategy.
- Net profit increased by **341.79% from Rs. 26.33 MN in Q4 FY21 to Rs. 116.32 MN in Q4 FY22.**

Consolidated Financial Statement Highlights for FY22 v/s FY21

Particulars (INR MN)	FY 22	FY 21
Revenue from Operations	6,415.03	3,126.05
Other Income	18.00	14.31
Total Revenue	6,433.03	3,140.36
Total Expenses excluding Depreciation, Amortization & Finance Costs	5,914.91	2,882.28
EBITDA	500.12	243.77
EBITDA Margin (%)	7.80%	7.80%
Depreciation & Amortization	95.45	95.41
Finance Cost	23.97	31.53
PBT before Exceptional Item	398.70	131.14
Exceptional Items	0.00	0.00
PBT	398.70	131.14
Current Tax	107.30	32.60
Earlier Years	0.00	0.00
Deferred Tax	1.87	1.45
Tax	109.17	34.05
PAT	289.53	97.09
Other comprehensive profit / (loss)	(1.71)	(0.31)
Net PAT	287.82	96.78
PAT Margin %	4.51%	3.11%
EPS	9.61	3.22

Particulars (INR MN)	FY 22	FY 21
Net Cash Flow from operating activities	468.03	319.72
Net Cash Generated/ (Used) from investing activity	(149.25)	(57.30)
Net Cash Generated/ (Used) from Financing activity	(23.85)	(128.06)
Net Increase in Cash and Cash Equivalents	294.93	134.37

Particulars (INR MN)	FY 22	FY 21	Particulars (INR MN)	FY 22	FY 21
Assets			Liabilities		
Non-Current Assets	874.46	661.99	Shareholders Fund	732.44	445.90
Property, Plant and Equipment	862.90	649.86	Equity Share Capital	301.41	100.47
Investments	0.00	0.00	Other Equity	431.03	345.43
Other Financials assets	11.36	10.84	Non-Current Liabilities	312.16	245.99
Other Non-Current Assets	0.20	1.29	Borrowings	159.69	170.69
Current Assets	1,141.34	593.79	Other Non-Current Liabilities	152.47	75.30
Inventories	44.26	11.17			
Investments	20.52	57.63	Current Liabilities	971.20	563.89
Trade Receivables	553.16	307.07	Borrowings	88.99	51.00
Cash, Bank and Cash Equivalents	483.37	188.43	Trade Payables	800.03	455.07
Other Current Assets	40.03	29.49	Other Current liabilities	82.18	57.82
TOTAL ASSETS	2,015.80	1,255.78	TOTAL EQUITY & LIABILITIES	2,015.80	1,255.78

Financial Performance Comparison – FY22 v/s FY21

- Revenue from Operations increased by **105.21% from Rs. 3,126.05 MN in FY21 to Rs. 6,415.03 MN in FY22** mainly on account of increased scale of operations owing to servicing new geographies and customers.
- The EBITDA **increased by 105.15% from Rs. 243.77 MN in FY21 to Rs. 500.12 MN in FY22** due to increased scale of operations. We maintained the economies of scale by achieving better realisation through increased containers, addition of new geographies and high skilled markets like Africa region, Misrata, Egypt- Suez Canal route, Turkey & Mediterranean region. With our dedicated and aggressive strategy, we are penetrating into Saudi & Mediterranean regions through wholly owned subsidiary.
- Net profit stood at **Rs. 289.53 MN in FY22, compared to Rs. 97.09 MN in FY21 recorded a growth of 198.19%**
- Total Fixed Assets grew by **32.78% from Rs. 649.86 MN in FY21 to Rs. 862.90 MN in FY22**
- Current Assets stood at **Rs. 1,141.34 MN in FY22, compared to Rs. 593.79 MN in FY21.**
- Long term borrowings stood at **Rs. 159.69 MN in FY22, compared to Rs. 170.69 MN in FY21** mainly on account of repayment of term loan and Short-term borrowing at **Rs. 88.99 MN in FY22, compared to Rs. 51.00 MN in FY21** due to increase scale of operations.
- Debt Equity ratio has improved to **0.34x in FY22 compared to 0.50x in FY21**
- Cash flow from operations stood at **Rs. 468.03 MN for FY22.**
- ROCE has improved to **40.46% in FY 22 compared to 23.51% in FY21**
- ROE has improved to **39.53% in FY 22 compared to 21.77% in FY21**

Management Comments

Commenting on the performance of Q4 & FY22, Mr. Khalik Chataiwala (Chairman) said:

*"In tune with this outlook, we have reported a stellar performance for the fourth quarter ended 31st March, 2022, our **PAT margins have shown remarkable increase from 2.16% Q4 FY21 to 4.96% in Q4 FY22, our revenue from operations stands at Rs. 6,415.03 MN for year ended March, 2022 reporting a growth of 105.21% vis-à-vis FY21**, mainly driven by our NVOCC business that has witnessed strong growth due to growing demand for FCL and LCL shipment in the current pandemic situation along with increase in the container freight rate hike which we expect to remain at elevated levels over the next 12-18 months. Our expectation on freight rate is in line with the outlook of global industry leaders like Maersk, which expect strong rise in freight rates to continue in 2022 amid ongoing pressure on supply chain thereby leading to congestions at port. Further, our EBITDA margins have shown a significant expansion attributed to our strategy of booking slots in advance with various vessel operators.*

*We have already **added 1,362 TEUs in this quarter taking our tally to 11,000 + TEUs containers for the FY22. We further expect to add 3,000 TEU's through ownership or on long term lease basis in FY23.***

Lancer has penetrated into new geographies, mainly covering the European and Mediterranean region and in the same endeavour the company has set up a branch in the UK and Incorporated a Wholly Owned Subsidiary named LANCIA SHIPPING L.L.C in Dubai as it also seeks to explore these markets more aggressively and reducing dependence on local agents to garner the business.

To fuel our growth strategy, the Board of Directors have approved the board resolution dated 30th August 2021 for issue of FCCB upto 100 million USD in one or more tranches from time to time and same has been approved by the shareholders in Company's Annual general meeting held on 29 Sept 2021. Company is presently in process of issuing unsecured FCCB upto USD 50 million. Also following intermediary's parties have been appointed to process the same: Pillsbury Winthrop Shaw Pittman LLP (Legal Counsel), Shard Capital Partners LLP (Lead Manager), Wilmington Trust SP Services Limited (Trustee), Lex Favious (Indian Legal Counsel), BNY Mellon (Principal paying agent/ Registrar & Common depository). Bonds are proposed to be listed on Luxembourg stock exchange. The Company intends to use all or substantial portion of the proceeds from the issue of the FCCB (net of expenses) for investment in 100% overseas subsidiary Lancia UAE for expansion of overseas business and any other use, as may be permitted under applicable law or regulations. The Company has obtained the in-principle approval from BSE and other regulatory authorities for the proposed issue of Bonds.

We assure you to keep our focus on growth with margins and commitment to maximising shareholder wealth. I would like to take this opportunity, on behalf of the Board of Directors, to thank each and every one of you for your constant support in this progressive journey together"

Management Guidance for FY23

- The management expects the revenue to **grow by 30% - 40%** for FY23, mainly on the account of increase in geographic footprint, sustained high freight rates, new TEUs addition, addition of new customers and aggressive sales strategy.
- EBITDA margin will **improve further by 50 to 60 bps** due to large operational efficiency and volume commitment with vessel operators to negotiate on slot charges which is the major component of operational cost.

- In order to cater the increasing demand of shipping containers in global logistics market, the company **plans to add 3,000 TEU's** (a mix of leased and owned) to the existing portfolio of 11,000+ containers in FY22.

About Lancer Container Lines Ltd.

Lancer Container Lines Ltd. was incorporated in 2011 by **entrepreneur Mr. A. Khalik Chataiwala**, headquartered in CBD Belapur. Lancer is into providing **'TOTAL LOGISTICS SOLUTION WITHOUT LIMITS'** and operates an **asset-light business with a mix of 10,000+ owned and leased containers, offering services to 74 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. The company has taken on a lease **container yard which is 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. **Chairman and Managing Director, Mr. Abdul Khalik Chataiwala** possesses over 31 years' experience in the logistics, transport and shipping spaces. **Executive Director Mr. Praful Jain** is experienced in the areas of trade, finance and investments, while **Executive Director Mr. Amol Mohan Shirke**, with experience in shipping, logistics and international trade, leads business operations.

For further information on the Company, please visit www.lancerline.com

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