

PRESS RELEASE

Amara Raja Batteries announces a bold ‘Energy & Mobility’ strategy; to accelerate growth in core sectors and diversify into New Energy to capitalize on emerging opportunities.

- To invest in new green technologies, including lithium-ion batteries, to capitalize on fast-evolving trends in the Energy and Mobility sectors.
- To Focus on Value maximization in the Lead Acid Batteries business through geographical and product portfolio Expansion, establishing a global footprint.
- Founder Chairman Dr. Ramachandra Galla decides not to seek reappointment after 36 years at the helm
- Vice Chairman Mr. Jayadev Galla to assume the mantle of Chairman of the Board
- Board inducts Gen-next leaders Harshavardhana Gourineni and Vikramadithya Gourineni as Executive Directors, to actively drive the transition to ‘Energy & Mobility’

Hyderabad, June 14, 2021: The Board of Amara Raja Batteries Ltd. (ARBL) has launched several strategic initiatives to take advantage of fast emerging new opportunities to accelerate growth and enhance stakeholder value. Driven by the transformative changes in its key markets and in keeping with its motto of ‘Gotta be a Better Way’, ARBL has announced ‘Energy and Mobility’ as the strategic focus for the Company going forward.

It has announced expansion of the Lead Acid Batteries business and the establishment of a New Energy SBU encompassing Lithium cell and battery pack, EV chargers, Energy Storage Systems, Advanced Home Energy Solutions and related products and services.

While the Board unanimously believes New Energy will provide substantial thrust over the coming decade, there remains a strong conviction on the long-term potential of the Lead Acid Batteries business. The vital role played by lead acid technology across a variety of applications provide significant growth opportunity in both the domestic and international markets. On the other hand, the emergence of lithium as an alternative energy storage technology opens up new and exciting growth opportunities.

Speaking on the evolving ‘Energy & Mobility’ strategy, Vice Chairman, Mr. Jayadev Galla said: “After a careful review of the global business opportunities, the ARBL Board has decided to future-proof our business by repositioning ARBL as an Energy and Mobility player. The Board believes that ARBL has to invest in a portfolio of businesses to maintain its technological and business leadership. Over the years, we have built an active distribution network, customer

trust and relationship with clear emphasis on maximizing value within lead acid technology. The Company is now well poised to build on these strengths and create multiple new growth engines in the New Energy space.”

The Board has agreed that the Company should continue to invest and expand the Lead Acid Batteries business in which the Company is a significant player in many customer segments. The new strategy, aimed at tapping opportunities in home inverter, motive power and unorganized segments, is expected to further consolidate the Company’s existing strengths and market share. The Company believes that the Lead Acid Batteries business will continue to grow in India owing to the buoyant demand from automotive, industrial, telecom and new emerging segments like data centres.

ARBL will further invest in advanced process technologies to maintain its technological edge as well as recycling to enhance critical raw material security and expand its commitment to environmental responsibility. The Company also hopes to pursue inorganic opportunities available in the market to bolster its leadership position. ARBL is confident that these initiatives will result in higher growth rates, increased market share and enhanced stakeholder value.

The New Energy business will build on technological innovations such as Lithium and other new age chemistries that are enabling accelerated transformation in renewable energy, electric mobility, microgrids, etc. The technology in this space is emerging rapidly and often in a discontinuous way. The ACC PLI scheme announced recently by Government of India for Rs 18000 Cr provides a significant impetus for building a domestic supply chain for lithium and other advanced cell chemistries to serve the fast-growing EV and renewable energy sectors. ARBL plans to invest in a bouquet of products and services to accelerate its transformation to an Energy and Mobility solutions provider.

To help drive this change, the Board of ARBL has also approved a series of leadership and organizational changes to relentlessly drive the execution of this bold new strategy.

Founder Chairman Dr. Ramachandra Galla, who steered the Company for 36 years and who was largely responsible for its leadership position and stature in the market, expressed his decision not to seek reappointment in the board meeting. The Board accepted his decision and thanked him for his stellar, selfless contribution to the Company for 36 years. His values, outlook, and ideals, as documented in ‘The Amara Raja Way®’, will continue to serve future generations of the Company. He will continue as Director and Chairman till the conclusion of the Annual General Meeting (AGM) in August. Vice Chairman Mr. Jayadev Galla will assume the role of Chairman of the Board after the AGM.

The Board also accepted the resignation of Dr. Ramadevi Gourineni as Non-Executive Director of the Company and thanked her for service. A physician by profession, she expressed that the current pandemic situation demands more intensive time and she desires to focus in serving the community in this hour of need.

The Board has decided to induct Mr. Harshavardhana Gourineni (Harsha) and Mr. Vikramadithya Gourineni (Vikram) as Executive Directors. The promoter family had adopted a robust and transparent process of succession planning in 2013 when both Harsha and Vikram were identified as gen-next leaders. Both of them have played transformative roles in building

businesses and taking them to new heights. They have proved their leadership capabilities and excelled at all the roles they have been leading over the past 7-8 years.

Given the strategic importance and orbit-shifting potential of the New Energy business to ARBL, the Company has decided that Mr. S. Vijayanand, with his proven track record of performance, will take charge as President – New Energy.

The Board also inducted Mr. Annush Ramasamy as Independent Director of ARBL. An engineering graduate and an MBA in Strategy and Manufacturing Management from RIT, Rochester, New York, Mr. Ramasamy has been with Sri KumaraGuru Mill Limited (SKG) as President and Managing Director. He is an active member of the Entrepreneurs Organization, Young Indians, TiE and The Chennai Angels.

About Amara Raja Batteries Limited

Amara Raja Batteries Limited is the technology leader and one of the largest manufacturers of lead-acid batteries for both industrial and automotive applications in the Indian storage battery industry.

In India, Amara Raja is the preferred supplier to major telecom service providers, Telecom equipment manufacturers, the UPS sector (OEM & Replacement), Indian Railways and to the Power, Oil & Gas, among other industry segments. Amara Raja's industrial battery brands comprise PowerStack[®], AmaronVolt[®] and Quanta[®]. The Company is a leading manufacturer of automotive batteries under the brands Amaron[®] and Powerzone[™], which are distributed through a large Pan-India sales & service retail network.

The Company supplies automotive batteries under OE relationships to Ashok Leyland, Ford India, Honda, Hyundai, Mahindra & Mahindra, Maruti Suzuki, and Tata Motors. The Company's Industrial and Automotive Batteries are exported to countries in the Indian Ocean Rim.