

EICHER MOTORS

Q2 FY 2023-24 INVESTOR PRESENTATION



November, 2023

SAFE HARBOUR STATEMENT



All statements included or incorporated by reference in this presentation, other than statements or characterizations of historical fact, are forward-looking statements. These forward-looking statements are based on our current expectations, estimates, and projections about our industry, management's beliefs, and certain assumptions made by us. Although Eicher Motors Limited (EML) believes that the expectations reflected in such forward-looking statements are reasonable, there can be no assurance that such expectations will prove to be correct. Any forward-looking statement speaks only as of the date on which such statement was made, and EML undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise. No assurance can be given that actual results, performance, or achievement expressed in, or implied by, forward-looking statements within this disclosure will occur, or if they do, that any benefits may be derived from them.

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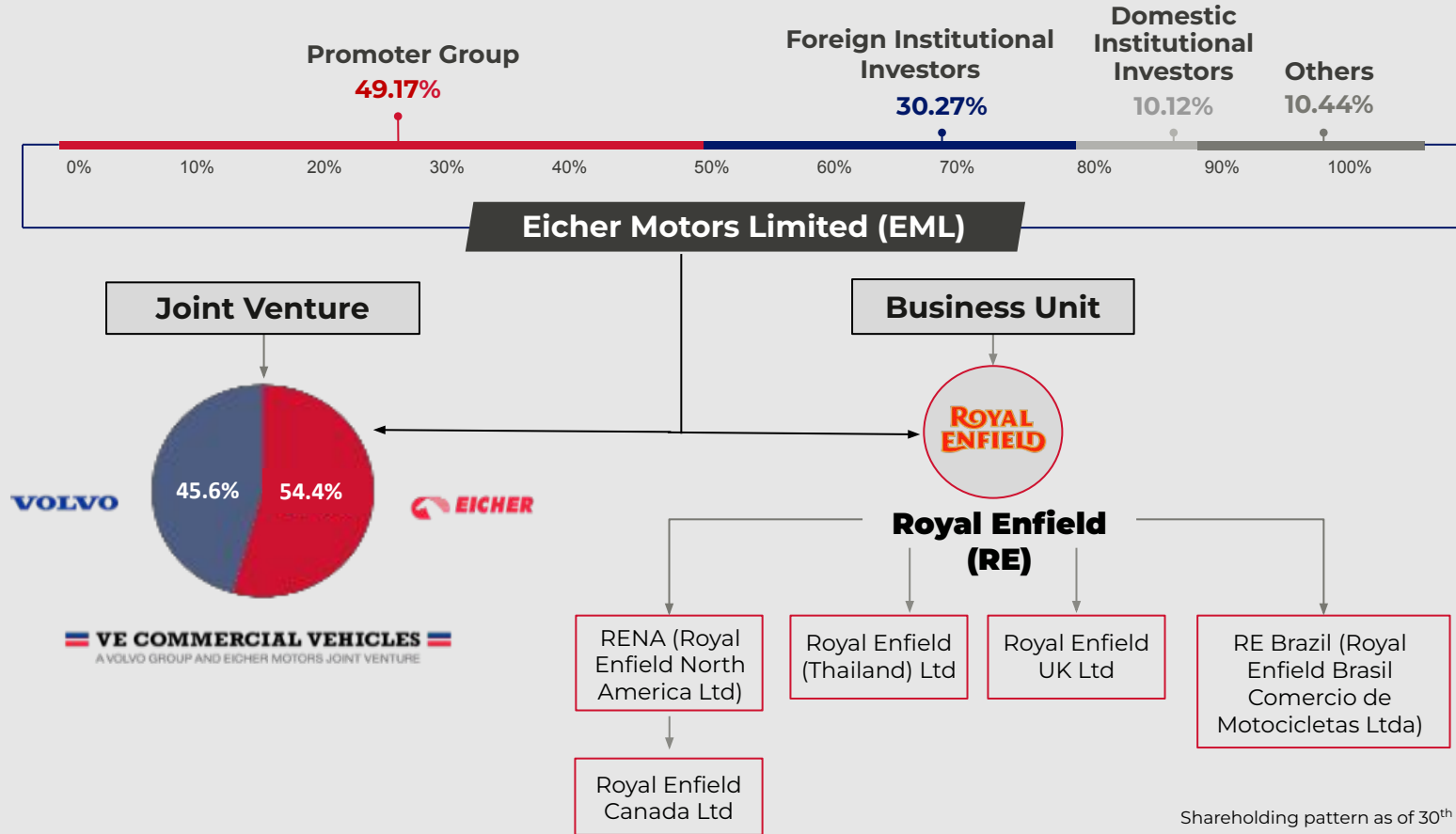
2. Royal Enfield

- Product
- Industry
- Business Performance
- Operations Overview
- Brand
- Sustainability

3. VECV

4. Financial Review

GROUP STRUCTURE - EICHER MOTORS LTD.



Shareholding pattern as of 30th September 2023

EML BOARD

Leaders with proven track record



S Sandilya
Chairman, EML



Siddhartha Lal
Managing Director and CEO, EML



B. Govindarajan
CEO - Royal Enfield, Whole Time Director



Vinod K. Aggarwal
Non-Executive Director



Inder Mohan Singh
Independent Director



Manvi Sinha
Independent Director



Subramanian Madhavan
Independent Director



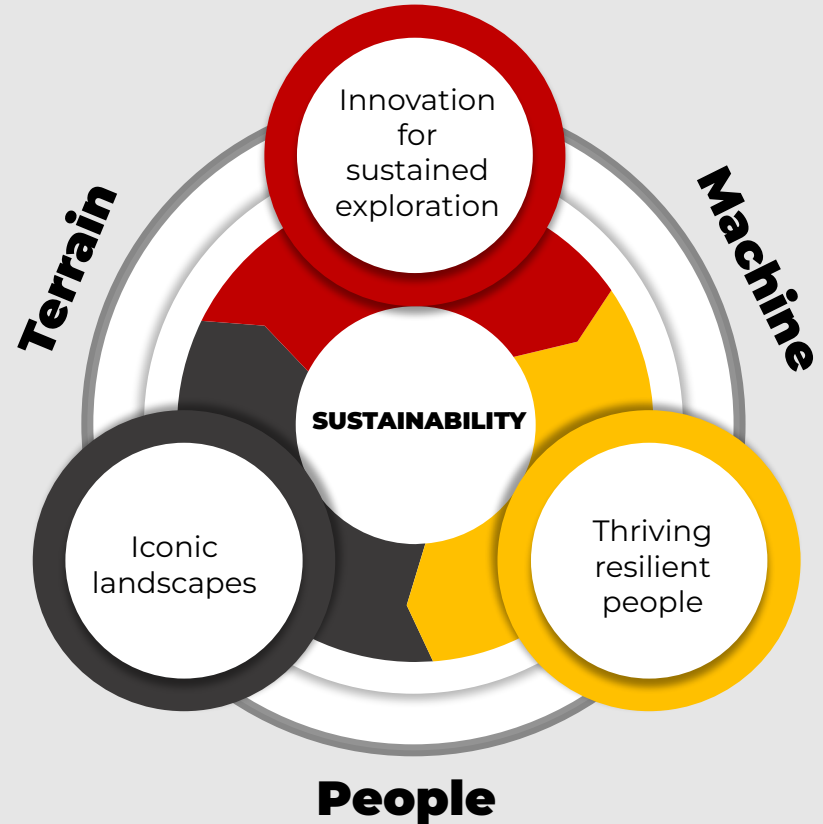
Tejpreet Chopra
Independent Director

ROYAL ENFIELD



OUR PURPOSE

Royal Enfield's philosophy of Pure Motorcycling has always been about a constant search for balance between people, machine and terrain. Today, in a world out of sync with itself, we must extend this quest to our business – so that we can restore equilibrium between commercial objectives, community goals and the collective ecosystem that we all inhabit.

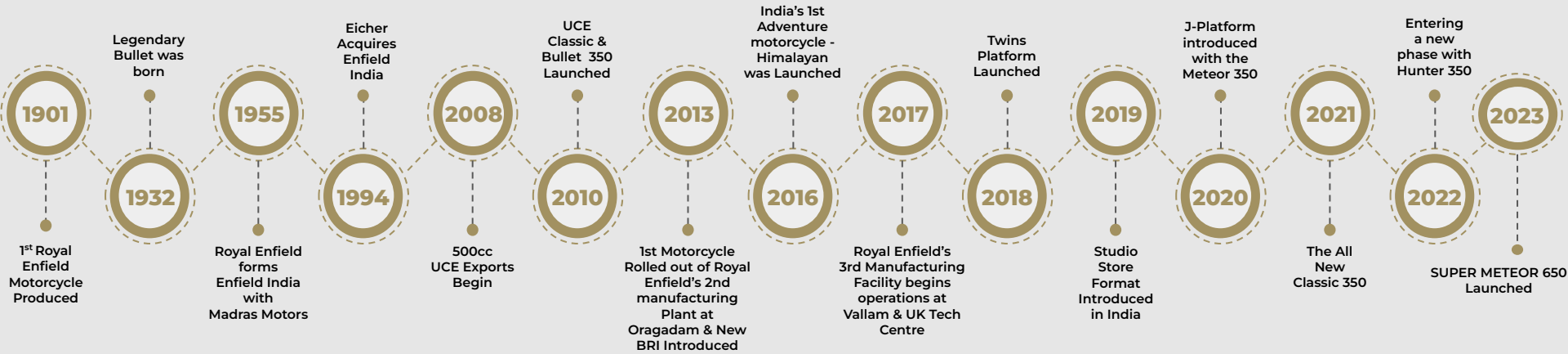


EVOLUTION OF OUR COMPANY

Royal Enfield is the **global leader in the 250cc – 750cc**, mid-weight motorcycles segment with our world-class motorcycles being among segment leaders, in India where we are ~90% of the midweight market, as well as in all key markets across Europe, Americas and the Asia-Pacific where we are rapidly growing our presence with more than 1,050+ retail touchpoints across 60+ countries.

With a vision to grow the mid-weight segment, we are focused on bringing a complete ecosystem of pure motorcycling with our line-up of evocative, world-class motorcycles, wide range of riding apparel, gear, and motorcycle accessories to riding enthusiasts across the world.

We have an exciting repertoire of rides and events that have fuelled the leisure riding culture globally and we are well on our way to becoming a truly premium global consumer brand from India.



GROWTH FOCUS

Balance - Profit & Profitability

ROYAL ENFIELD

REBALANCE

ICE AND EV

Balance - EV as game changer along with ICE

SUSTAINABILITY

Balance - Social & Commercial objectives

BRAND LED CX

Brand led Customer Experience versus transactional focus

CREATE AGILE, RESILIENT & TIMELESS BUSINESS

STRATEGIC APPROACH

ROYAL ENFIELD MANAGEMENT

Team of Global Professionals



Siddhartha Lal

Managing Director & CEO, EML



B. Govindarajan

CEO - Royal Enfield



Mark Wells

Chief of Design



Mohit Dhar Jayal

Chief Brand Officer



Simon Warburton

Chief Program Manager



Paolo Bovedani

Chief of Product Development



Mahesh Tripathi

Chief Operations Officer



Yadvinder S. Guleria

Chief Commercial Officer



Vidhya Srinivasan

Chief Financial Officer



Rajeev Sharma

Chief Human Resource Officer



Sudhakar Bhagavatula

Chief Information Officer



Mario Alvisi

Chief Growth Officer - EV



Umesh Krishnappa

Chief Technology Officer- EV

PRODUCT PORTFOLIO



ICONIC



BULLET 350

TIMELESS



CLASSIC 350

CRUISER



METEOR 350



SUPER METEOR 650

ROADSTER



HUNTER 350



INTERCEPTOR 650

ADVENTURE



HIMALAYAN



SCRAM 411

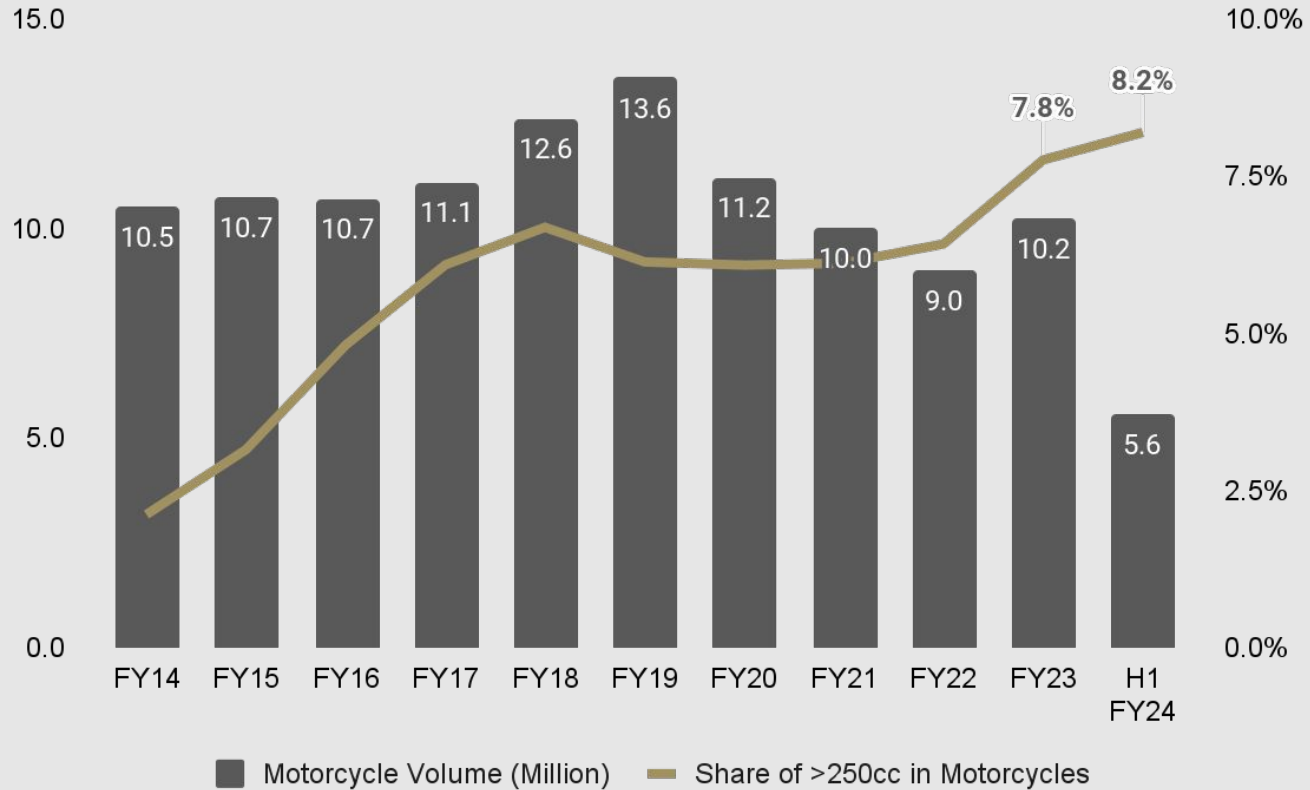
CAFE RACER



CONTINENTAL GT 650

INDUSTRY

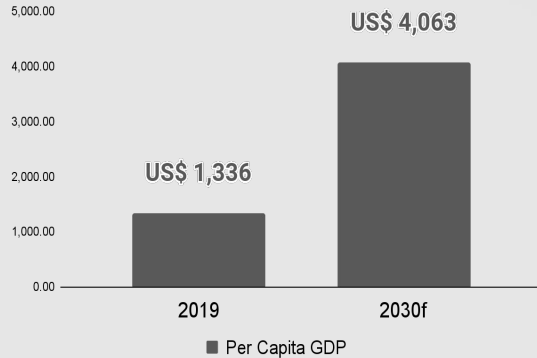
DOMESTIC MOTORCYCLE MARKET



OPPORTUNITY - DOMESTIC MARKET

Rising Income

The expansion of the **middle class and high-income segments** will reshape future consumption and drive incremental consumption of **US\$ 4 trillion** by 2030



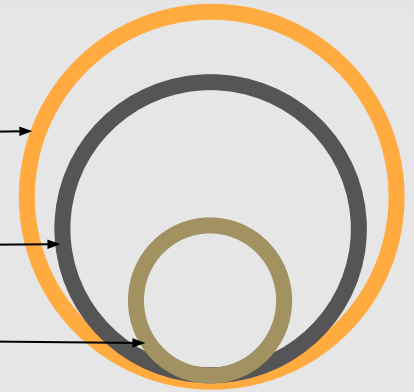
Source: World Economic Forum - Future of Consumption in Fast-Growth Consumer Markets: INDIA, 2019, FICCI; CBRE Research, Q2 2019

India Opportunity

2 Wheeler: 21M Market

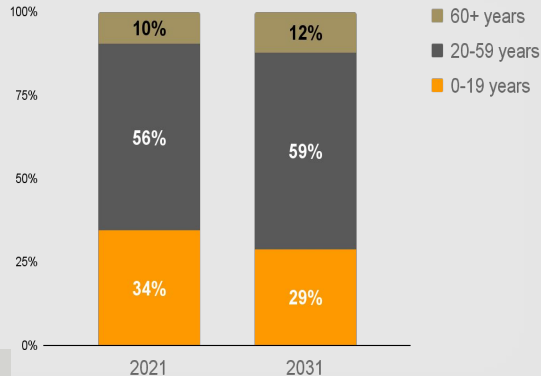
Motorcycles: 13.5 M

>125cc: 3.2M



India's favorable demographics

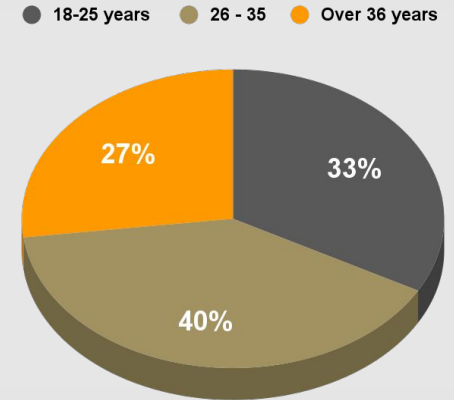
By 2031, the working age population i.e. **20-59 years** is poised to increase by **300 bps**



Source: Economic Survey 2019-20

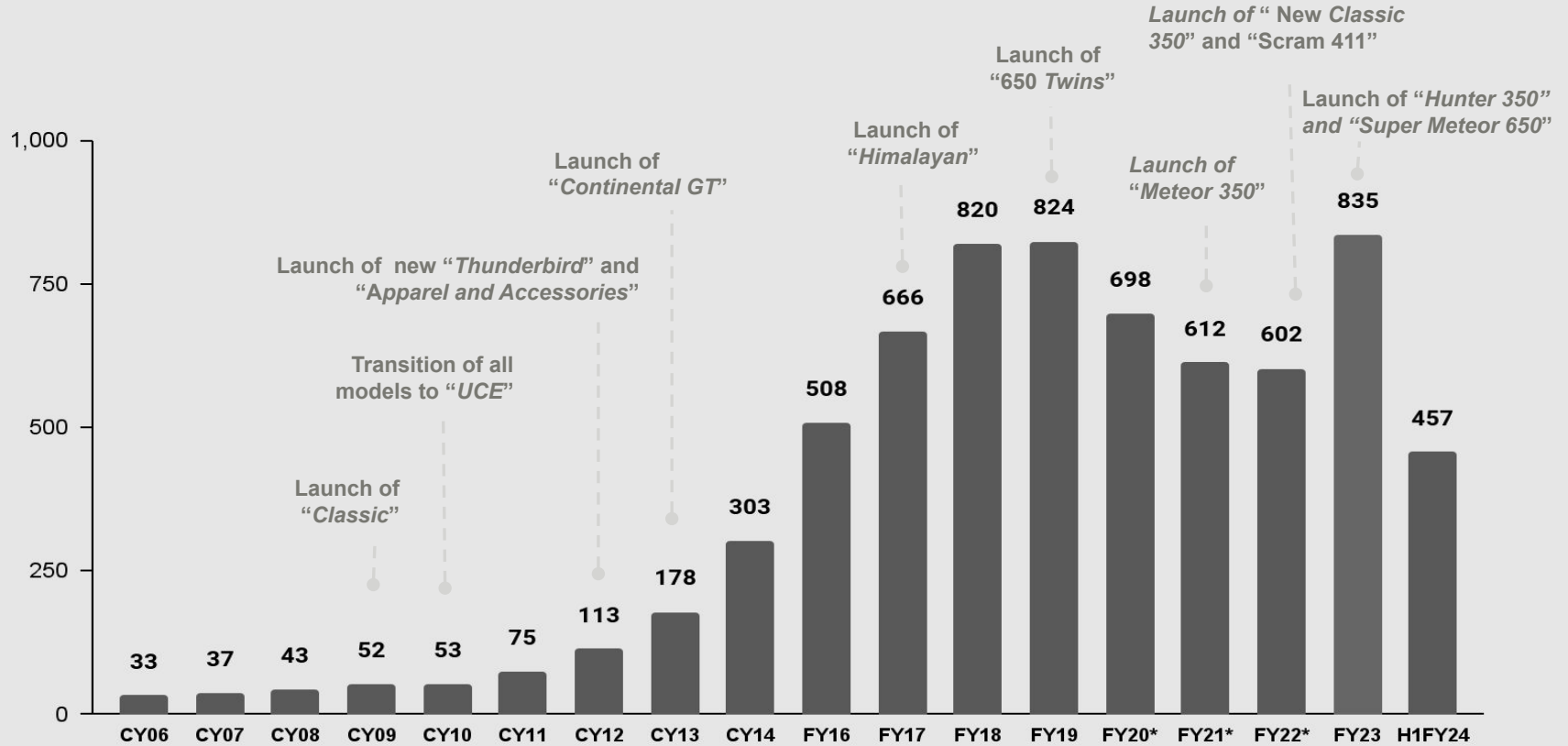
Royal Enfield's Customer Base*

Attracting a younger set of customers with our new launches.



*Data as of 1H FY24

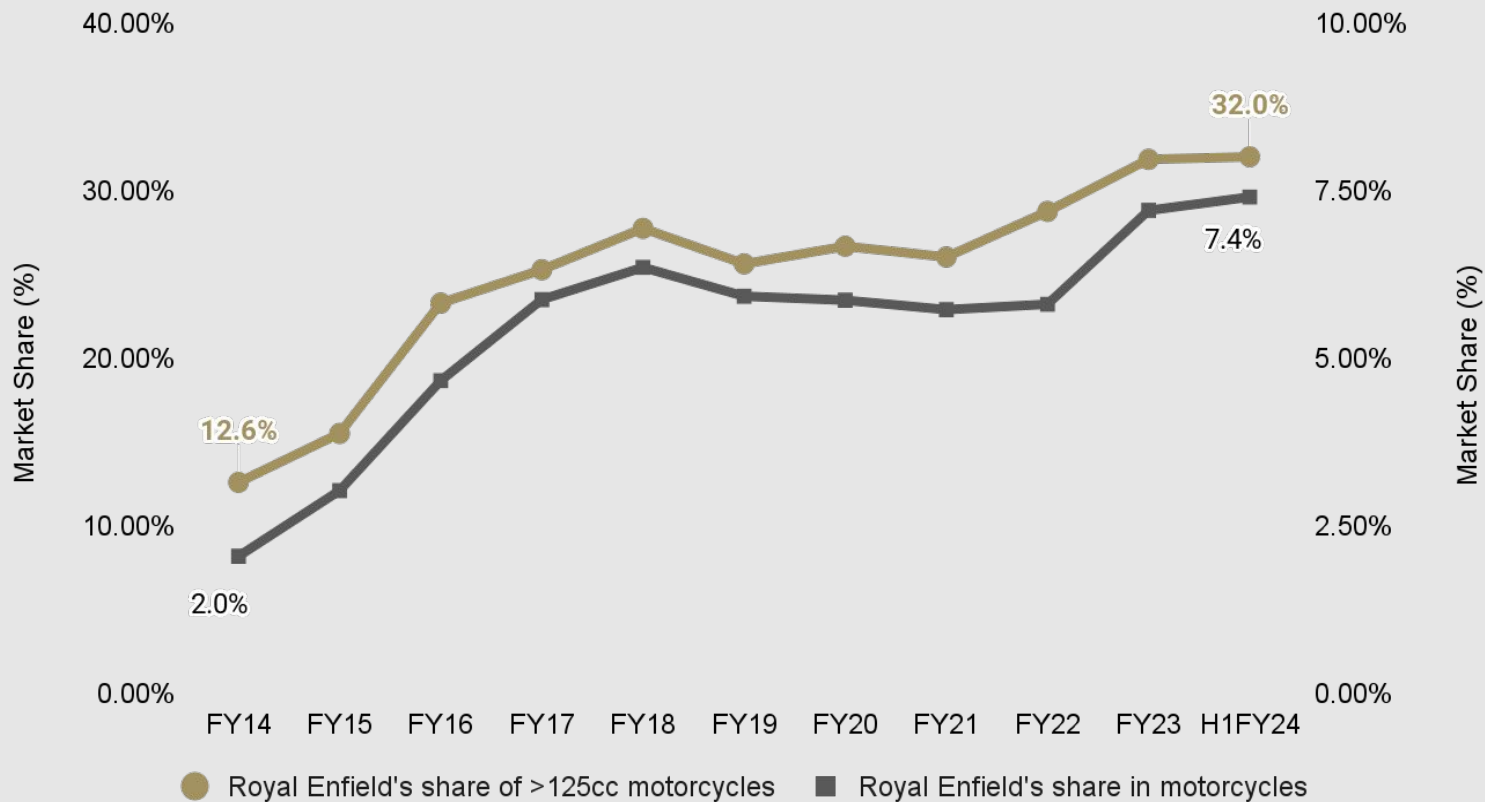
LAUNCH OF CLASSIC IN 2009 WAS AN INFLECTION POINT



Volumes grew by ~41% CAGR between CY-2010 to FY-2018, prior to significant external headwinds
 *FY20, FY21 and FY22 volumes were impacted due to COVID 19 pandemic and supply chain constraints
 Note: Standalone volumes for Eicher Motors Limited



GAINING MARKET SHARE IN THE >125cc SEGMENT



Global Mid-size Market is underserved and is a huge opportunity

Americas Market Share[^]

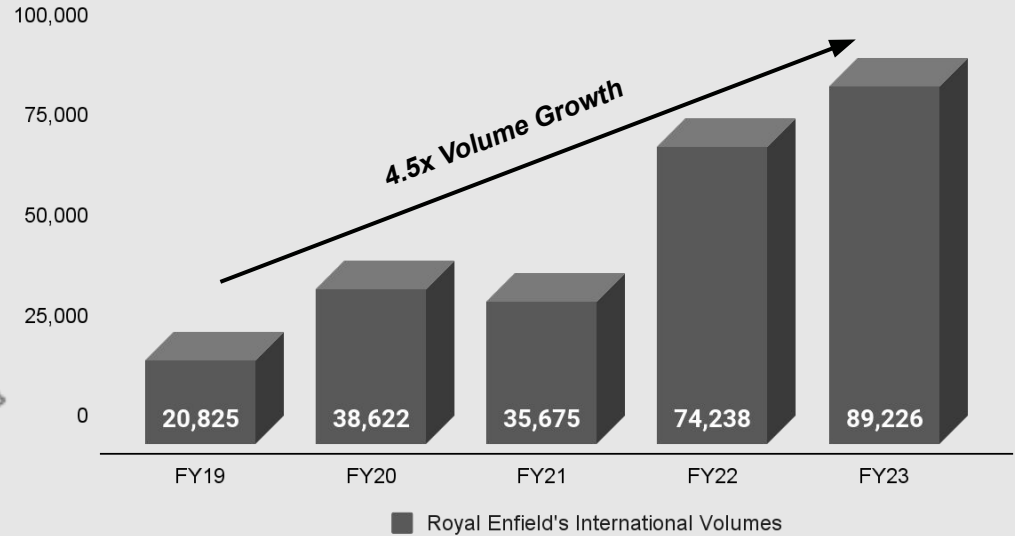
8%

APAC Market Share

9%

EMEA Market Share

9%

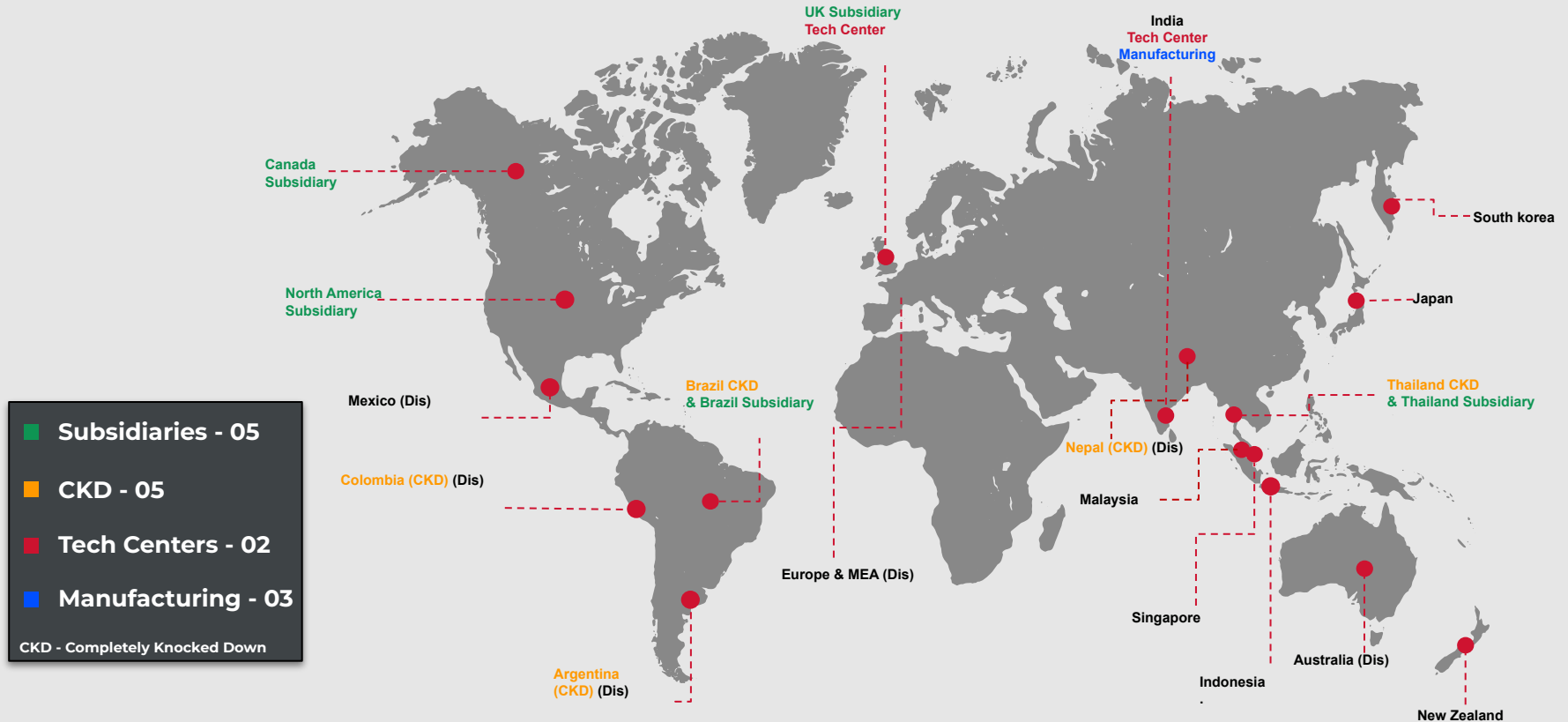


*Management estimate of the total middleweight motorcycle volumes in the priority markets for Royal Enfield.

[^]Reflects Royal Enfield's market share in the middleweight segment in the countries present as of FY23

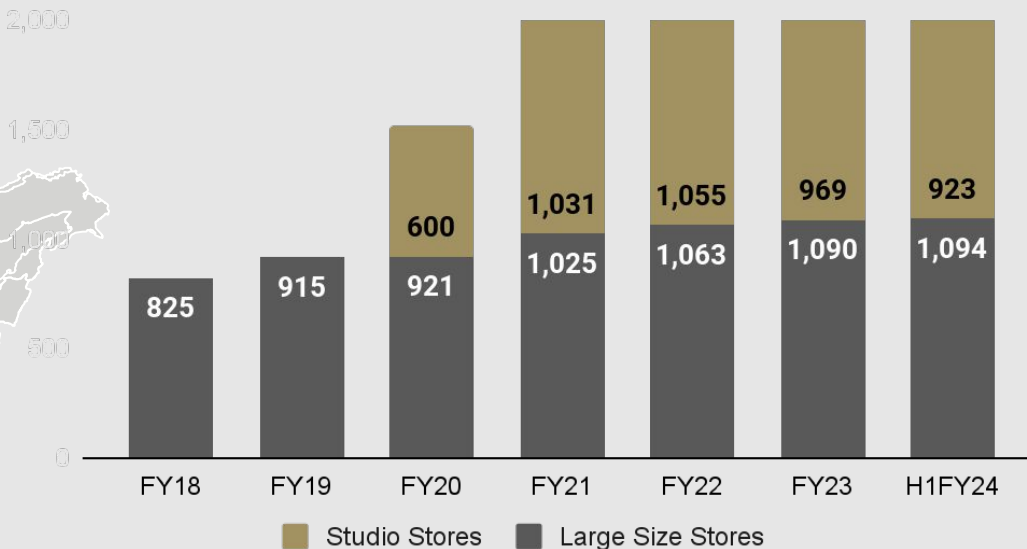
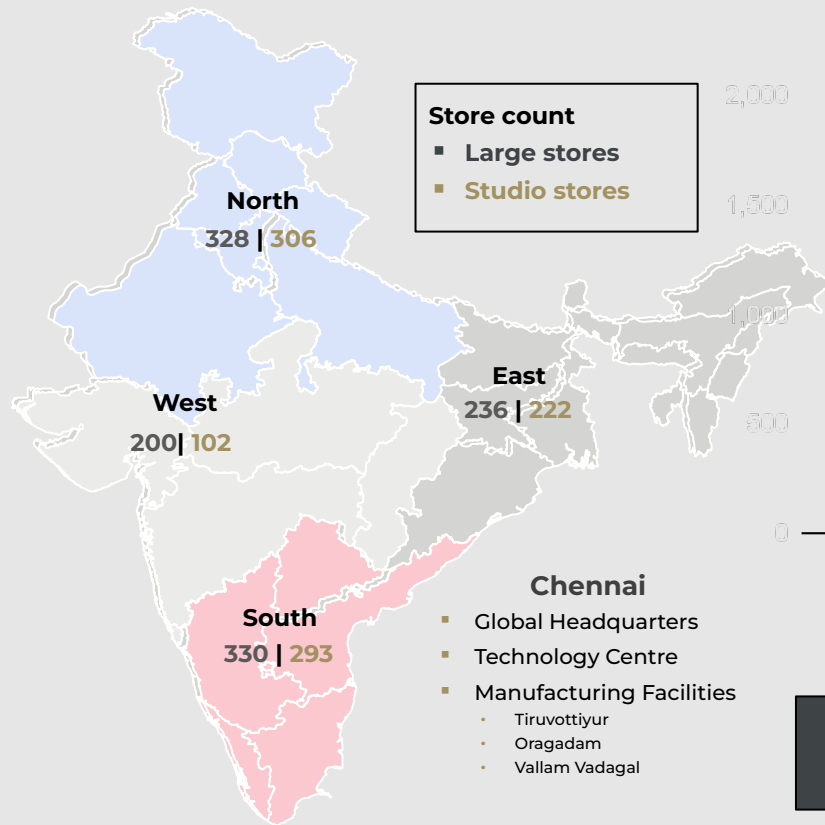
BUSINESS PERFORMANCE

ROYAL ENFIELD'S GLOBAL FOOTPRINT



■ Subsidiaries - 05
■ CKD - 05
■ Tech Centers - 02
■ Manufacturing - 03
 CKD - Completely Knocked Down

EXPANSIVE PREMIUM DISTRIBUTION NETWORK IN INDIA



Royal Enfield currently ranks #2 in the FADA Dealer Satisfaction Survey 2023

RAPIDLY GROWING INTERNATIONAL NETWORK

1,050+ global touchpoints with 217 Exclusive stores & 836 MBOs



	Exclusive Store	Multi Brand Outlet
Americas	98	214

Subsidiary - **USA**
 Marketing Company - **Brazil**
 Assembly Unit – **Argentina, Colombia, Brazil**



	Exclusive Store	Multi Brand Outlet
UK, MEA, Europe,	69	512

Technology Centers – **UK**
 Marketing Company – **UK**



	Exclusive Store	Multi Brand Outlet
APAC	50	110

Assembly Unit – **Thailand**
 Subsidiary : **Thailand**

SHARE OF INTERNATIONAL REVENUE GROWING

Network Expansion and Touch Points

New Retail formats - Studio stores, Shop-in-shop for apparel, and motorcycle displays to increase customer reach. Network expansion in key developing markets to increase the number of touch points for customers

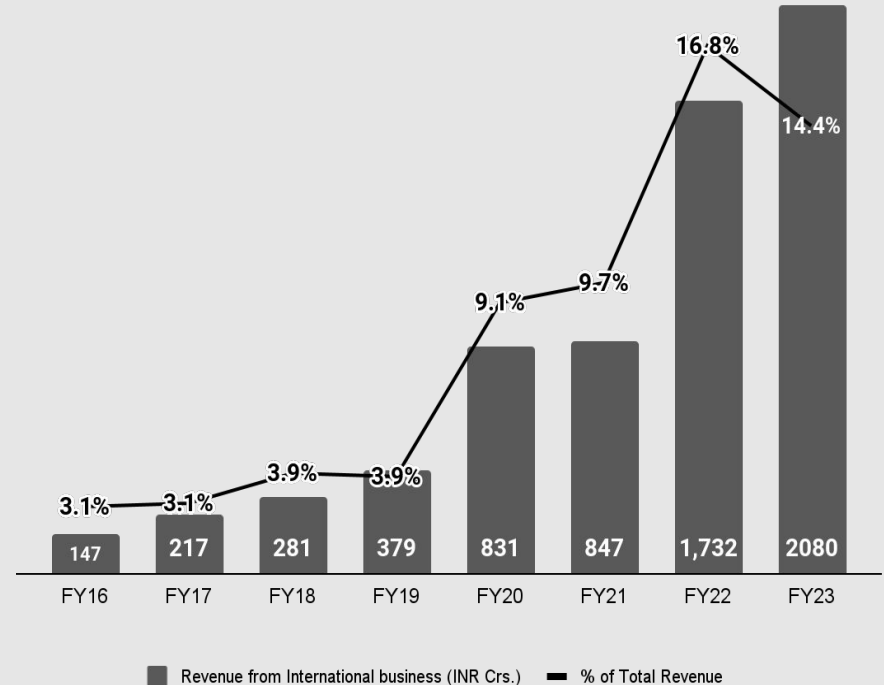
CKD Setup

Evaluating opportunities to set up CKD facility in priority markets in APAC and LATAM regions. Have set-up a CKD facility in Argentina, Colombia, Thailand, Brazil and Nepal.

Product Portfolio Expansion

Launch of new products to expand the global product portfolio and presence in new categories. Launched Super Meteor and Hunter 350 in key markets of APAC and Europe.

International Business – Stellar Financial Performance over last 7 years



NON-MOTORCYCLE BUSINESS

Provide frictionless experience for RE Riders

In Store Opportunity



Accessories

Apparel

Explore new revenue pool from adjacencies

In Use Opportunity



Spares



Roadside Assistance

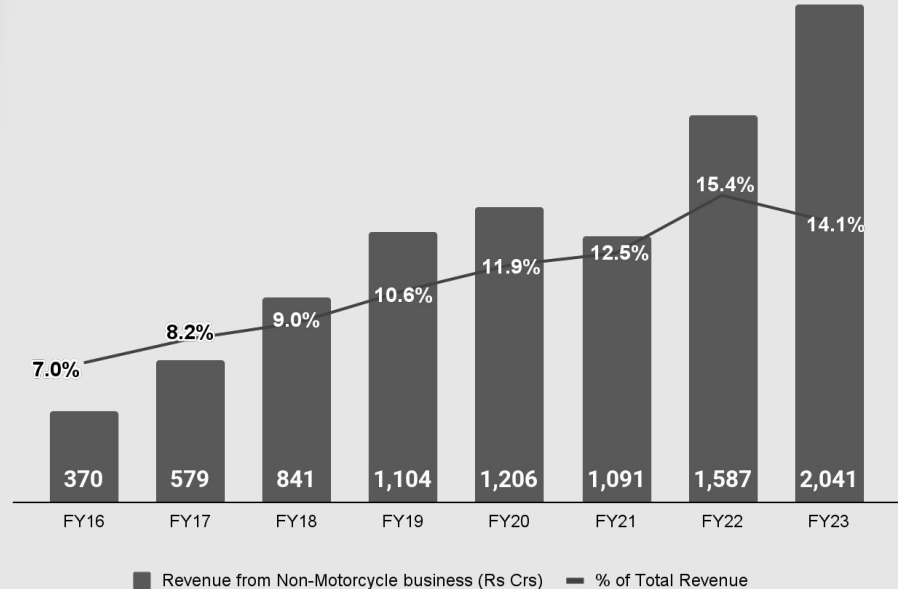


Annual Maintenance Contract



Extended Warranty

Non Motorcycle Business - 4X Revenue growth over the last six years in non motorcycle segment



BUILDING CAPABILITIES TO CATER TO A GLOBAL AUDIENCE

Bruntingthorpe, UK

In English midlands with access to global product development capabilities and ecosystem

Rs 1,462 cumulative R&D spends in the last 5 years

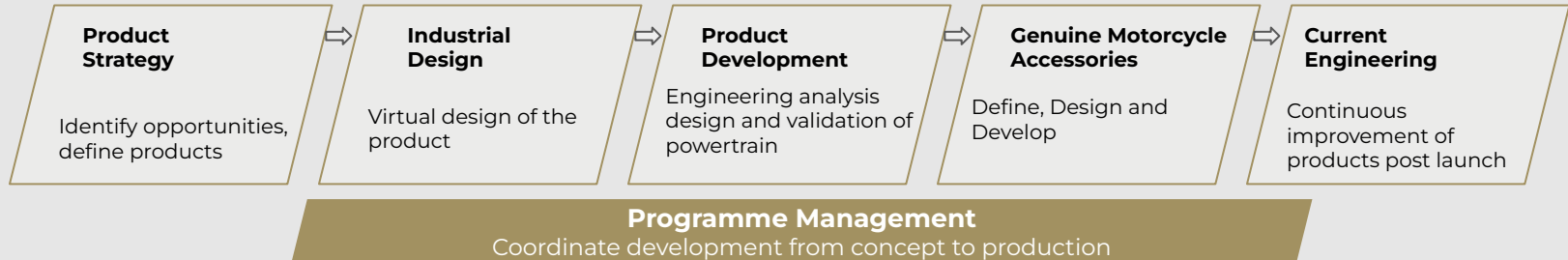


Chennai, India

World-class facilities with multiple Teams working from concept stage to production Advanced Engineering and EV teams working on future requirements

Total of 450+ dedicated R&D employees

New Product Introduction (NPI) framework in place to develop best-in-class products in an optimal timeframe
Next five-year product pipeline in place



EML - STARK FUTURE PARTNERSHIP



- 01 Common tenets of long term vision
- 02 Deep understanding of EVs and connected - tech
- 03 Technical Collaboration Agreement - potential for joint development and sourcing
- 04 World class team - Faster product development
- 05 Sourcing relationships for electronics, EV parts
- 06 EML Invested €50 mn with a seat on board of Stark Future

OPERATIONS OVERVIEW

THIRUVOTTIYUR

ORAGADAM

VALLAM



No Assembly
operations;
Plating &
Auto buffing

600,000
Capacity
motorcycles per
annum

600,000
Capacity
motorcycles per
annum

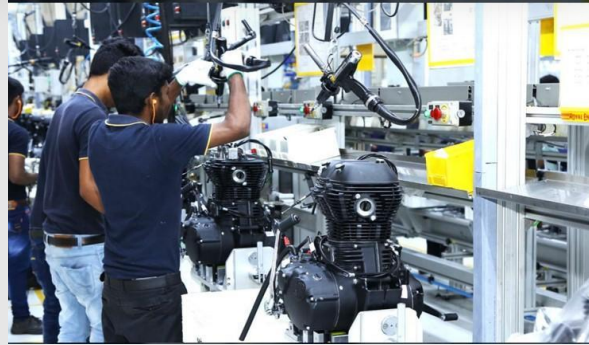
BEST IN CLASS TECHNOLOGY DELIVERING SUPERIOR QUALITY

VEHICLE ASSEMBLY



- Assembly line flexibility - 256 SKUs can be produced (including MiY)
- Number of Poka Yoke (mistake proof) in lines - 49
- Direct Current (DC) nutrunners for safety critical tightening joints
- Road test and dynamometer testing done for 100% of vehicles

ENGINE ASSEMBLY



- Automation of critical sub assembly operations
- 100% of tightening by DC nutrunners with accuracy of $\pm 3\%$
- Number of Poka Yoke (mistake proofing) in the line - 520
- Semi automatic testing of 100% engines to ensure all the critical parameters

SURFACE FINISHING



- 46 robots deployed to achieve superior paint finish and better transfer efficiency
- Corrosion protection - 1000 hours
- Weather resistance (QUV) on painted parts - 500 hours
- Sheen appearance measured by gloss - 90 units @60 deg
- Currently painting 39 colours, capable to add 20 more colour

BEST IN CLASS TECHNOLOGY DELIVERING SUPERIOR QUALITY

MACHINING



- Total no of machining centers across plants - 340
- Process capability index 1.67 minimum for all critical parameters
- Average part cleanliness < 4 mg achieved by deploying 25 robotic washing
- Data capturing of critical parameters by using online SPCs with line interlocking facility

FABRICATION



- Improved ride & handling experience achieved by 100% robotic welding of frames
- 98 robots with intelligent power source for welding results in 99.5% gauge answering
- Latest Laser welding process and robotic washing in fuel tanks fabrication

AUTO BUFFING



- Two stage automated buffing process enhance the aesthetics of plating components
- Provides uniform and consistent finish throughout the component
- Environmental friendly process with engineered dust extraction system

DELIVERING THE PURE MOTORCYCLE EXPERIENCE



Make It Yours - a unique motorcycle personalization initiative



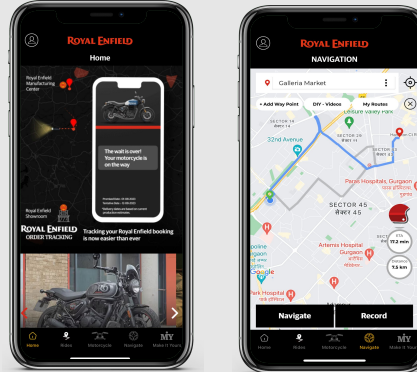
Studio Stores - Unique compact store format with 3S store offerings



Royal Enfield Vintage - Transparent sale and purchase of pre-owned RE motorcycles



Royal Enfield Garage Café, Goa - Catalyst to deepen association with riding enthusiasts & customers



RE App - 3D configurator motorcycle guide for frictionless service experience refreshed with UI/UX improvements



Royal Enfield Custom Programme - Curated to build aspiration & nurture the spirit of customisation

ENHANCING CONSUMER EXPERIENCE

SALES



Store and Online experience

- Sales Process excellence
- Brand retail identity
- Digitization of buying experience, interactive app
- Personnel with technical knowledge and understanding of product line-up
- Auto order implementation for Oil & Royal Enfield essential

SERVICE

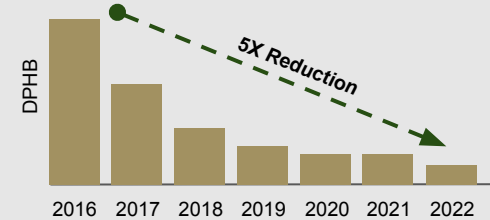


Service on Wheels & Ride Sure

- The Ride Sure programme with a wide range of packages including - extended warranty, annual maintenance options and extended roadside assistance
- Ensuring anxiety-free ownership experiences.
- Doorstep servicing through launch of "Service on Wheels" initiative
- Focus on overall Turnaround time
- Auto replenishment of spare parts in Thailand implemented

PRODUCT

Field Failure – Defects per Hundred Bike



Product Quality Excellence

- Vallam Vadagal facility received "Smart Factory of the Year" in the 18th edition of the India Manufacturing Excellence Awards (IMEA) by Frost & Sullivan
- Certified for Integrated management system by DNV "Det Norske Veritas"
- Effective implementation of SRK methodology result in Fault frequency 50% reduction model by model over the years
- Successful and seamless establishment of Quality systems in CKD facilities

BRAND

1901

The first Royal Enfield motorcycle is produced. Designed by R. W. Smith and Frenchman Jules Gotiet, it has a 11/2 hp Minerva engine mounted in front of the steering head. The final drive is at the rear wheel by means of a long rawhide belt.



1932

The legendary "Bullet" motorcycle is born. It is first displayed in November 1932 at the important Earls Court Motorcycle Show in London. Three versions: 250, 350 and 500cc are available with inclined 'sloper' engines, twin-ported cylinder heads, foot operated gear change and high compression pistons.



1943

Royal Enfield produces large quantities of motorcycles and bicycles during the Second World War. The most iconic military model is the 125cc 'Airborne' motorcycle known as the 'Flying Flea'. This 125cc 2-stroke can be loaded into a specially fabricated parachute cradle and dropped with paratroopers behind enemy lines.



1948

The 350cc Bullet prototype, with radical swinging arm rear suspension, is previewed in the Colmore Cup Trial of March 1948. Two Bullets form part of the victorious British team in the 1948 ISDT (International Six Days' Trials), held in Italy. Both their riders win gold medals.



1952

Madras Motors receives an order from the Indian Army for 800 350cc Bullets. The motorcycles arrive from Redditch in early 1953 and prove to be a great success, being both hardy and easy to maintain. Johnny Brittain wins the prestigious 'Scottish Six Day Trial' on his 350cc Bullet, 'HNP 331'.



1955

The Redditch company partners with Madras Motors in India to form 'Enfield India'. Work commences on the construction of a purpose-built factory at Tiruvottiyur, near Madras.



1964

The iconic Continental GT café racer is launched to great acclaim. To showcase its endurance, a team of photojournalists ride it from John 'o Groats to Lands End in under 24 hours. The GT features a racing petrol tank, clip-on handlebars, rear sets, a humped race seat, rev counter and a swept-back exhaust.



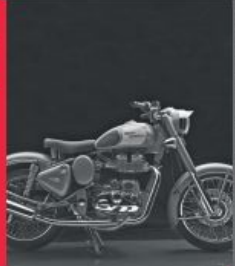
1994

Eicher acquires Enfield India Limited. The company is renamed Royal Enfield Motors Limited.



2008

The 500cc Unit Construction Engine (UCE) is launched in India. The retro-styled Classic version achieves cult status immediately and sales grow rapidly.



2017

Production commences at Royal Enfield's third manufacturing facility - a new state-of-the-art factory at Vallam Vadagal, Chennai.



2020

Royal Enfield debuts the all-new Meteor 350, a class-leading, thoroughbred cruiser. With an all new ground-up engine and chassis, the motorcycle delivers a supreme riding experience on open highways and is sublime for city rides.



2022

Royal Enfield launched the Hunter 350, an incredibly stylish, joyful, and compact motorcycle that exudes retro-metro style. The motorcycle has received raving reviews from experts across the globe and has also won the most coveted Indian Motorcycle Of The Year 2023 award amongst the several other awards and accolades.



2016

Royal Enfield debuts its first purpose-built motorcycle, the Himalayan. With the all-new LS410 engine, a half-duplex split-cradle frame and steadfast suspension, it promises the ride of a lifetime on all roads and no roads.



2018

After premiering at EICMA 2017, Royal Enfield's most anticipated motorcycles, the 650 Twins - Interceptor & Continental GT are launched across all global markets to rave reviews scalping two prestigious awards - 'The Indian Motorcycle of the Year' & 'The Thailand Bike of the Year'.



2021

In its 120th year, Royal Enfield re-envisioned its iconic motorcycle, the Classic, with the launch of the All-New Royal Enfield Classic 350. The motorcycle adds a new chapter to Royal Enfield's legacy of building authentic post-war era British motorcycles that are loved by enthusiasts around the world.



2023

After a stunning debut at EICMA 2022, Royal Enfield launched the most anticipated and thoroughbred cruiser - Super Meteor 650. The motorcycle has received unprecedented love and appreciation across the globe.



LAUNCH OF THE 2023 BULLET 350

“There is little doubt that the Bullet 350 has emerged as a brilliant upgrade. It is smoother to ride still looks retro and yet offers most of the modern amenities.”

AutoToday

“With an extremely refined and tractable motor, comfortable ergonomics, and stable ride quality, Royal Enfield has got the formula right yet again”.

Bike
INDIA



“The sentiment and aura Royal Enfield has cultivated are unlikely to wane anytime soon, as the recently launched Royal Enfield Bullet 350 as a true embodiment of a design philosophy from yesteryear reminding us of the golden age of motorcycling.”

The Indian EXPRESS

Celebrating the legacy of Bullet 350

Total Exposures

1400 +

Reach

1.6 Bn

Reviews

70+

Social Drops

600+

BRAND ANNOUNCEMENTS



Royal Enfield Continental GT Cup 3rd Season dates announced

- Announced the Royal Enfield Continental GT Cup Season '23 dates and registration details, India's uniquely inclusive motorcycle racing championship.
- The Continental GT Cup brings in racers from all over the country, providing them with the opportunity to fully engage in the sport of track racing.



Royal Enfield crosses the 2 lakh sales mark for the hunter 350

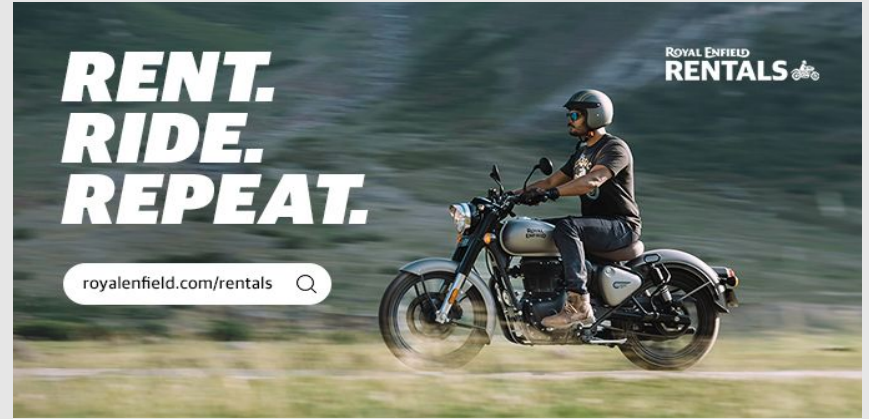
- Royal Enfield completed 2,00,000 sales mark for its compact and stylish roadster, the Hunter 350.
- To announce the same a press release for disseminated to announce the milestone. Followed by a Hunter 350 ride in Chennai to celebrate the 1st year anniversary of the motorcycle and the 2 lakh sales milestone, in August 2023
- Mr. B. Govindarajan, CEO, Royal Enfield also accompanied the customers riding, from Royal Enfield's factory in Oragadam to Mahindra World City.

BRAND ANNOUNCEMENTS



Royal Enfield strengthens Middle East presence with the appointment of AW Rostamani Group as official distributor for the UAE

- Royal Enfield, further strengthened its presence in the Middle East and Africa region with the appointment of AW Rostamani Group as its official distribution partner for the UAE.
- With the newly formed alliance, Royal Enfield will further widen its presence in the UAE, as the AW Rostamani Group today inaugurated its first Royal Enfield store at Umm Suqeim St. Dubai.



Discover A New Path To Pure Motorcycling With Royal Enfield Rentals

- Royal Enfield launched a first-of-its-kind Rentals programme, a unique initiative that partners with the vibrant and thriving ecosystem of motorcycle rental operators across India to allow enthusiastic explorers an easy and super convenient way to rent and ride Royal Enfield Motorcycles.

APPAREL

INTERNATIONAL BUSINESS



ROYAL ENFIELD
APPAREL



Gaining momentum with a footprint of over 70 markets overseas

Build Brand Awareness and credibility with established global apparel brands



A new fit to cater to APAC and US regional nuances

EXTENSION OF ONE'S PERSONALITY



Inspired by the motorcycling way of life, the range is built to help riders explore and express themselves, on and off the motorcycle aiding them to accentuate their lifestyle and self expression

STREETWIND ECO RIDING JACKET



Launched **India's first ever sustainable riding jacket** - Streetwind Eco Riding Jacket. Crafted from **75 plastic pet bottles** per jacket and integrates 100% recycled materials such as recycled polyester shell fabric, recycled polyester mesh fabric and recycled nylon Cordura.

RIDES AND COMMUNITY



Himalayan Odyssey



One Ride



Onam Ride



Himalayan Zanskar

The largest, fastest growing and the most engaged online motorcycle brand community in the world. On-ground and on-line communities come together to make a vibrant and eager audience

MOTOVERSE 2023

Registrations Open



Royal Enfield announced the dates for 13th edition of Motoverse 2023 inviting early bird registrations. The 3 day motorcycling festival will be held in Goa from 24-26 Nov 2023

Motoverse is a step into the Royal Enfield universe, with a vision to create a new-age pop culture calendar event that offers an exciting, kaleidoscopic gateway into the vibrant world of motoculture,

Through the announcement Royal Enfield aims to invite moto enthusiasts to witness the convergence of music, art, fashion, heritage and pop culture with some of the greatest riders, and artists, from all across the country.

LEADING PREMIUM CONSUMER BRAND

SHARE OF VOICE*

45.6%

NET SENTIMENT

92%

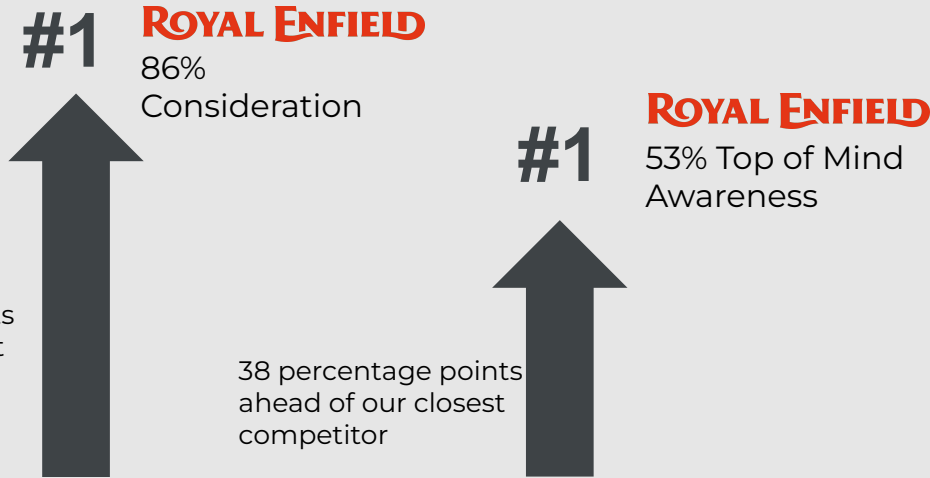
VS

SHARE OF MARKET

7.4%

*Share of Voice in the Global 2W Space
Royal Enfield's Market Share in the Indian Motorcycle Segment

STRONG BRAND EQUITY

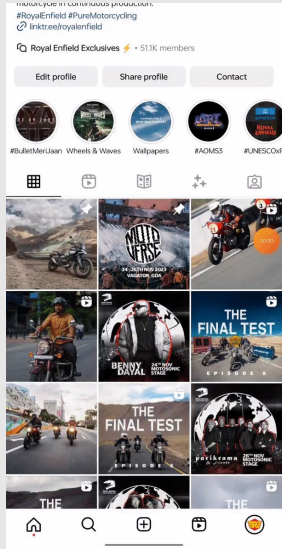


- Among the host of brand health metrics tracked by Royal Enfield, 'Top of Mind Awareness' and 'Top Two Box Consideration' are key metrics.
- Our Top of Mind Awareness (first brand that comes to mind) is the highest in the category of 200cc+ at 53% while the closest competitor is at 15%.
- Our Top Two Box Consideration (purchase intent) is the highest in the category at 86% while the closest competitor is at 55%.

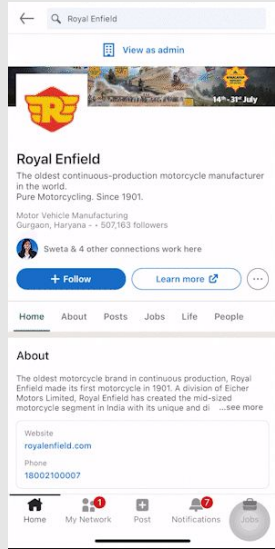


11 MILLION

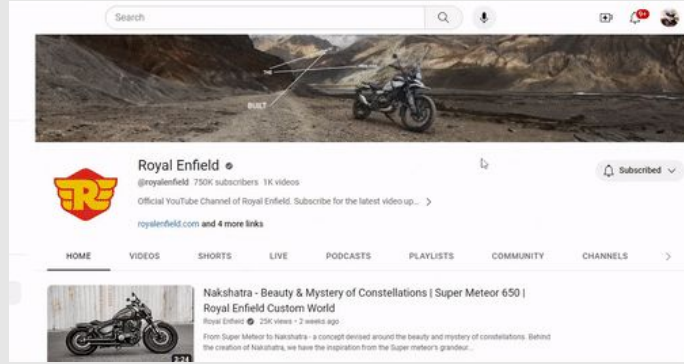
ONE OF THE WORLD'S STRONGEST FULLY ORGANIC SOCIAL MEDIA COMMUNITY



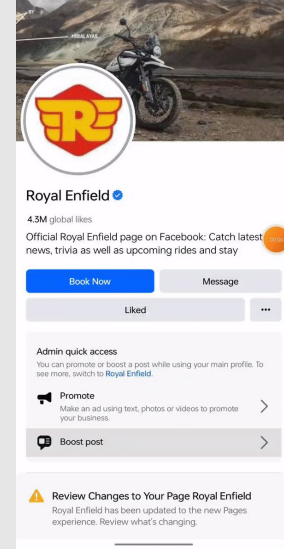
INSTAGRAM



LINKEDIN



YOUTUBE



FACEBOOK



TWITTER

#BikeShedMotoShow

#BuildTrainRace

#BulletMeriJaan

#Chandrayan3

#ScramFest
#ThisIsScramCity
#Scram411

#OneRide2023

#StreetwindEcoRidingJacket
#StreetwindV3

#SuperMeteor650

#RoyalEnfieldXRSD

#Hunter350 #OneYearOfHunting

#WorldTourismDay

#RoyalEnfieldSlideSchool

#ContinentalGTCup2023

#FirstTrackSchool
#RoyalEnfieldTrackSchool

#CruiseCandid

#MalleMile2023
#RoyalEnfieldCustoms

#HimalayanOdyssey2023

#MotoanatomyXRoyalEnfield

#Hunter350 #OneYearOfHunting

#KargilVijayDiwas
#WheelsOfValor
#IndependenceDay2023

#IntoTheMotoVerseE6 #RiderMania
#IntoTheMotoVerse

#FirstTrackSchool
#RoyalEnfieldTrackSchool

#HimalayanAdventureCh
angthang2023

#HimalayanAdventureZans
kar2023

Total
Engagement
168M

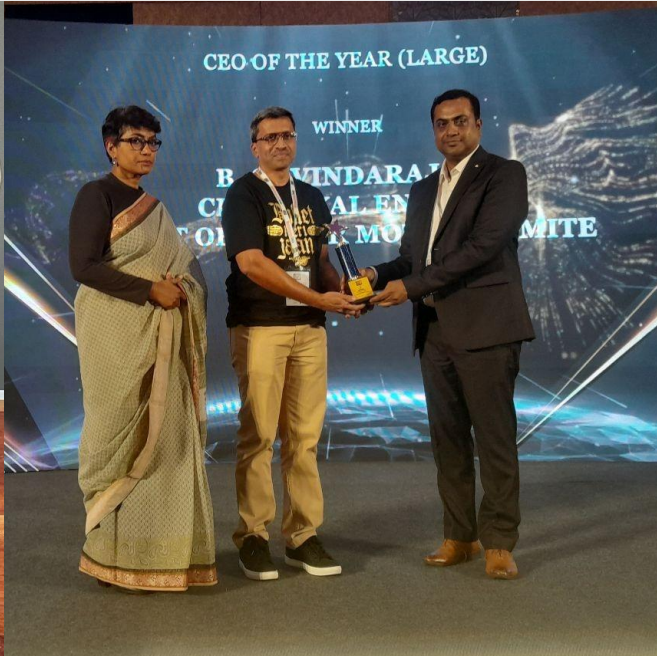
Total
Reach*
224M

Average
Engagement
per Brand
post
76.5K

AWARDS



CEO OF THE YEAR
Mr. B. Govindarajan



EXCELLENCE IN OPERATIONS



SMART FACTORY OF THE YEAR

Royal Enfield won three awards at the 11th Annual Manufacturing Today Awards' 2023.

SUSTAINABILITY

PILLARS OF SUSTAINABILITY JOURNEY



Environmental

- Become water positive
- Attain Carbon neutrality
- Work towards zero liquid discharge
- Eliminate utilisation of single use plastic
- Focus on increasing share of renewable energy (primarily solar)
- Aim for zero wood usage in operations
- Reducing paper usage through digitisation
- Ensure a greater use of recyclable motorcycle parts



Social

- Ride for a cause
- Disaster relief activities
- Village upgradation programmes
- Road safety and community development programmes
- Vocational training programmes
- Achieve automation of labour-intensive processes
- No engagement of child labour throughout the company's value chain



Governance

- Strategy, execution and monitoring
- Risk management
- Transparency
- Board composition
- Whistleblower policies

GREEN BUSINESS OPERATIONS

Optimising Energy Consumption

- Implementation of VFD in EPC AHU, helping reduce frequency (50 hz to 40 hz) and power consumption
- Replacing high energy intensity blowers with coolant tanks in the planetary buffing process



Water Positive Operations

Prioritises efficient use of water across all its operations and with sustained efforts have been water positive for 5 consecutive years. Water positivity index in FY 2022-23 was 2.6

Reducing Emissions

Vallam unit has a 13 MW captive solar plant which generated 1,92,87,036 kWh energy in FY 2022-23, meeting 60% of its energy requirement

Emission Management

- Committed to reducing emissions like PM, SOx, and NOx
- Periodically monitors its ambient air quality to maintain emissions below limits set by Tamil Nadu Pollution Control Board

Effectively Manage Wastes

Strives to achieve zero waste to landfill by implementing the principles of circular economy and 'Reduce, Reuse and Recycle' across all activities

01

80% targeted emission intensity reduction per motorcycle by FY 29-30

02

Ensure zero waste to landfill in FY 23-24

03

Increase renewable energy mix from 26% in FY 22-23 to 49% in FY 23-24

04

22% emission intensity reduction (tCO₂e/motorcycle)

05

36% water intensity reduction (KL/motorcycle)

Alignment to sustainable development goals (SDGs)



PASSION WITH RESPONSIBILITY



Women's Safety and Gender Equality Awareness with the National Commission of Women

- In an attempt to create a safe space and a gender-neutral society, Royal Enfield partnered with **NCW** and State Police Department for a Gender Equality and Women Safety Awareness Ride across four major cities Delhi, Pune, Chandigarh and Bangalore.
- This drive was a huge success in all locations and saw the presence of senior police officials in all regions. **Rekha Sharma, Chairperson of the National Commission for Women** graced the occasion with her presence in Chandigarh.



Helmet and Road Safety Awareness

- To promote the cause of helmet adoption and road safety through a unique initiative where art is used to promote road safety, Royal Enfield came together with MyFM to conduct a ride across various cities in India.
- The ride saw a participation of more than 360+ riders and over 9000 students from different colleges in Chandigarh, Ahmedabad and Jaipur.
- To leverage this event we invited 7 hyper-local creators to be a part of the ride and support the cause as well as issued a local photo release in the respective cities.

AMONG THE INDUSTRY LEADERS IN SUSTAINABILITY PRACTICES

Member of

Dow Jones Sustainability Indices

Powered by the S&P Global CSA

Eicher Motors is listed in the **DJSI Emerging Markets Index** for the second year in a row, and has maintained its position **among the top 3** automotive sector leaders in India and **top 10 globally**.

Morgan Stanley Capital International (MSCI)

A

Among the top 10 auto companies globally in MSCI ratings

MSCI 

Sustainalytics

13.3

 - Low Risk

#8 out of 89 in the Automotive Industry Group

 SUSTAINALYTICS

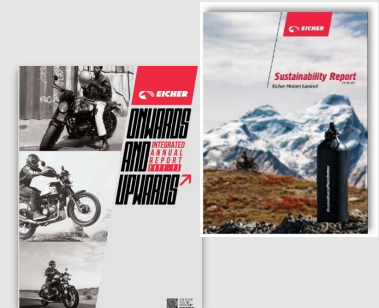
ESG Reporting

Eicher Motors has been reporting on ESG performance and practices since 2018-19

GRI based Sustainability Report 2019, 2020

Integrated Report Since 2021

Business Responsibility and Sustainability Report in 2022



**VOLVO-EICHER
COMMERCIAL
VEHICLES**

Celebrating 15 years: The best of both worlds

VISION AND VALUES

To be recognised as the industry leader driving modernization in commercial transportation in India and the developing world.

VECV's Governance is based on consensus approach and 50:50 shared control.



VOLVO

- Global expertise
- Leadership in product technology
- Well defined processes and controls
- Brand image

EICHER

- Leadership in Light & Medium Duty segments
- Frugal engineering & operations
- After sales infrastructure
- Cost effective operations

VE COMMERCIAL VEHICLES
A VOLVO GROUP AND EICHER MOTORS JOINT VENTURE

Q2 FY 24 - Highest ever quarter deliveries across segments

- **Highest ever second quarter sales of 19,551 units** exceeding previous record of 18,696 units in Q2-FY'19
- HD Trucks (combined Volvo and Eicher) - **Highest ever second quarter sales of 5,291 units** (FY23 Q2 – 4,412 units) and market share of 8.1%
- **LMD Trucks - Highest ever second quarter sales of 9,571 units** (FY19 Q2 – 9,071 units) and market share of 31.5%
- **Bus Division - Highest ever sales of 3,214 units** in second quarter (FY23 Q2 – 2,842 units)
- **Highest ever quarterly parts business** (combined both Eicher and Volvo) of Rs 521 Cr registering more than 29% growth over Q2 FY 23.
- **Highest ever Q2 sales of 14,834 units by VE Powertrain**, registering more than 12% growth over Q2 FY23.



VE COMMERCIAL VEHICLES
A VOLVO GROUP AND EICHER MOTORS JOINT VENTURE

India's economy anchored by robust domestic demand and investments

- IMF (International Monetary Fund) forecasts strong Indian GDP growth in FY24 at **6.3%**.
- **Government expenditure grew** by 22.5% during April-July FY24, with capital expenditure +59.1% growth
- **Tax revenues increasing** -Sept'23 GST collection at INR 1.63 trillion with 10% YOY growth
- CPI inflation for Aug'23 was 6.8%, decrease from 7.4% in Jul'23.
- WPI inflation decelerated for the second consecutive month to (-)0.5% in Aug'23, down from (-)1.4% Jul'23.
- Merchandise exports/imports contracted by 6.8% and 5.2% respectively in Aug'23. Trade deficit US\$24.2 billion.
- In Aug'23, Manufacturing PMI reached 58.6, and Services PMI stood at 60.1, indicating robust sectoral expansion.
- CV sales grew by 18.5% in Sept 23 (46,644) over LYM (39,367). Robust growth of 24.7% over Aug'23 (37,394)

Product range - Seamless transition to new BS VI OBD II emission standards



VE COMMERCIAL VEHICLES

A VOLVO GROUP AND EICHER MOTORS JOINT VENTURE

Creating a Strong & distinct association with our Uptime Centre

VECV's uptime centre emerges as an integral part to deliver dependable trucks

Updated - June 15, 2022 at 09:37 PM | Chennai

The company's Pithampur uptime centre remotely monitors vehicles and provides real-time support to the vehicles being attended by its channel partners and Eicher's certified workshops across the country

By S BALACHANDAR

COMMENTS SHARE

READ LATER



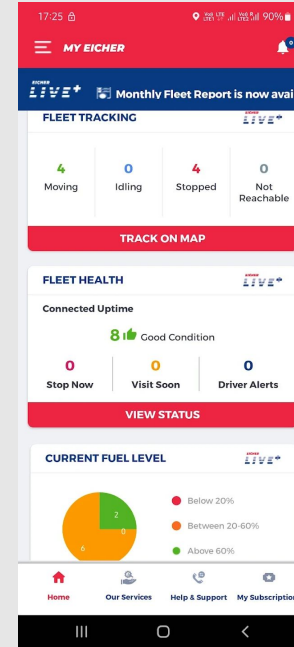
VECV's Uptime Centre, Pithampur, Madhya Pradesh



My Eicher ~200,000 connected vehicles

CV Industry Leading App

- **Single Window to monitor all Business KPI's:**
Sales, Service, Spares, EOS, My Eicher, Soft Products.
- **Actionable Insights to Review Operations:**
Model Wise Reporting, Manpower Productivity etc.
- **On Demand Availability of Insights:**
Comparative Analysis, readymade reports.



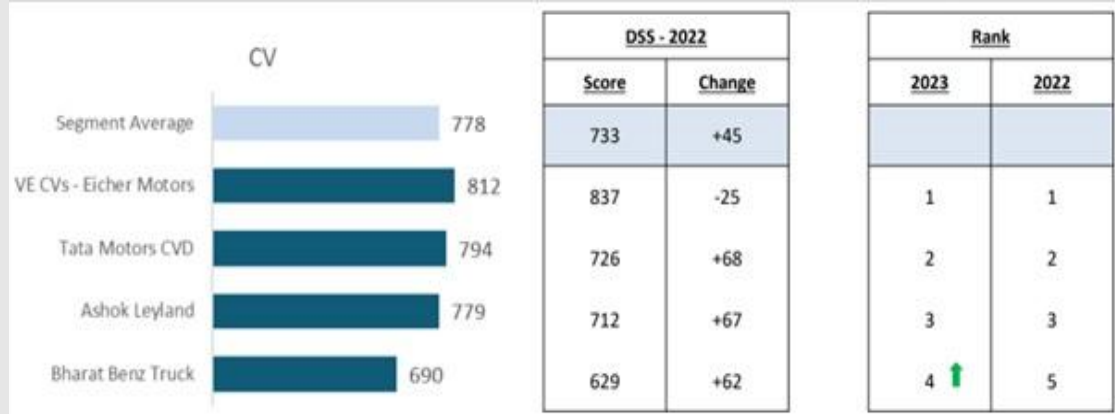
e-mobility: Delivered India's first 5.5 T electric truck



MoUs signed with Amazon India and Greencell Mobility for supply of 1000 electric trucks and buses respectively over next 5 years

Advanced projects for Small Commercial Vehicles, Hydrogen ICE, Fuel Cells, Batteries, LNG and Bio-blends

Dealer Satisfaction - Won Dealer Satisfaction Award from Federation of Automobile Dealers Associations (FADA) for third year in row



Campaign recognition - Three National Awards for Excellence in Branding & Marketing



Eicher Nayi Soch wins Marketing Campaign of the Year



My Eicher wins Best New Brand, Product or Service Launch Award



Eicher Uptime Beat wins Marketing Excellence in CV Industry

VE COMMERCIAL VEHICLES
A VOLVO GROUP AND EICHER MOTORS JOINT VENTURE

Brand Excellence Award - at 7th Business Leadership Awards by Indo-American Chamber of Commerce (IACC)



VE COMMERCIAL VEHICLES
A VOLVO GROUP AND EICHER MOTORS JOINT VENTURE

Strengthened market share in all segments

Light & Medium Duty Trucks



Heavy Duty Trucks



Buses



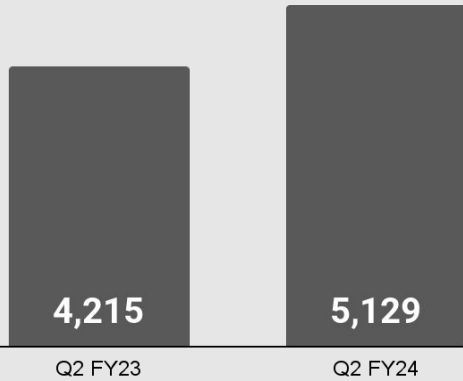
Volvo Trucks India*



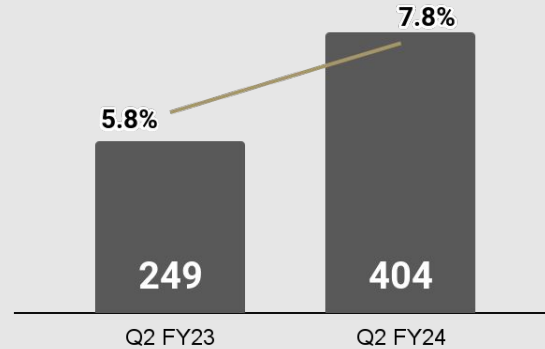
*Market share in high end premium segment

Q2FY24 FINANCIAL HIGHLIGHTS

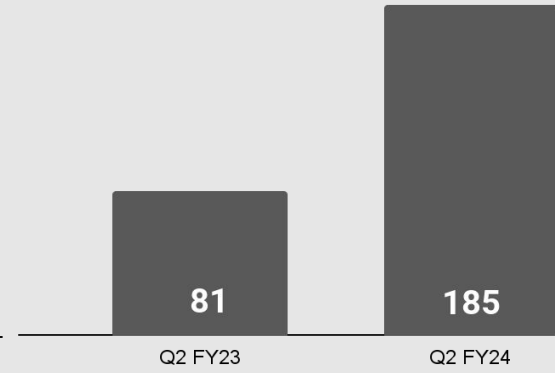
Total Revenue from Operations



EBITDA[^] and Margins



Profit After Tax



EBITDA – Earning Before Interest ,Tax, Depreciation and Amortisation

[^]For the purpose of EBITDA computation, only interest income (part of other income) has been excluded from Total Income

The figures in % indicate EBITDA Margins

EBITDA Margin = EBITDA/ Net Sales

OUR JOURNEY... PERFORMING AND TRANSFORMING

**THINK
BIG
GO PLAY
GRANULAR
THE INFINITE
GAME**



Profitable

**Sustainable Products &
Operations**

Future Ready

VE COMMERCIAL VEHICLES

A VOLVO GROUP AND EICHER MOTORS JOINT VENTURE

FINANCIAL REVIEW

INCLUSIVE STAKEHOLDER MANAGEMENT POLICIES

With global operational and retail footprints and social initiatives that span the length and breadth of India and International markets, EML has a diverse stakeholder base



Gunning for Growth

- Rise in utilization of assets
- High incremental return on investments
- Better throughput for value chain



Improving Returns

- Significant value engineering initiatives
- Operating leverage and cash accruals
- Unlocking the profit growth potential



Improving Value Creation

- Rise in absolute profits
- Improvement in holistic returns
- Higher stakeholder value creation

**Customers | Employees | Supplier Partners | Dealer Partners | Financiers | Shareholders |
Regulatory Authorities | Local Communities**

SIGNIFICANT VALUE CREATION FOR ALL STAKEHOLDERS

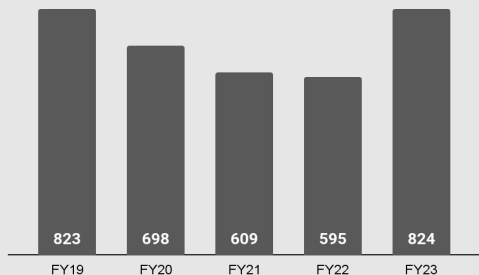
Market Capitalisation (INR Billions)



CONSISTENT DELIVERY LEADING TO STRONG CASH ACCRUALS

Total Sales

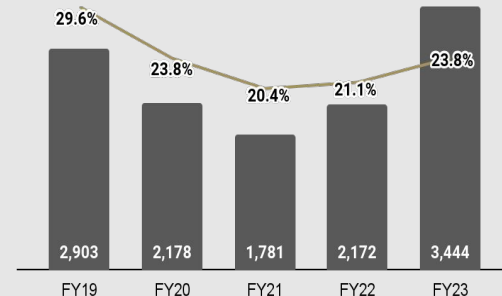
Motorcycle Volumes ('000)



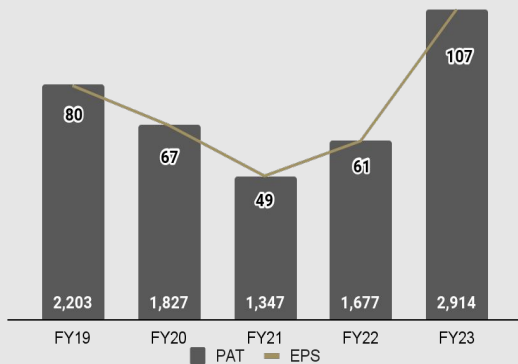
Total Revenue from operations



EBITDA and Margin



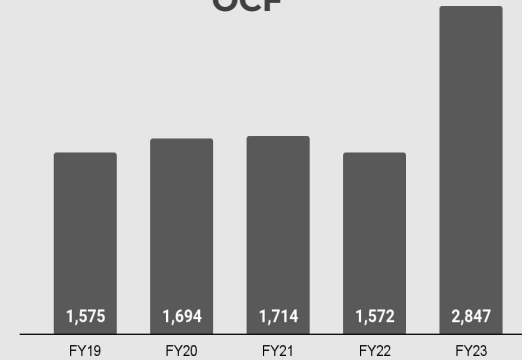
PAT



Net Cash



OCF



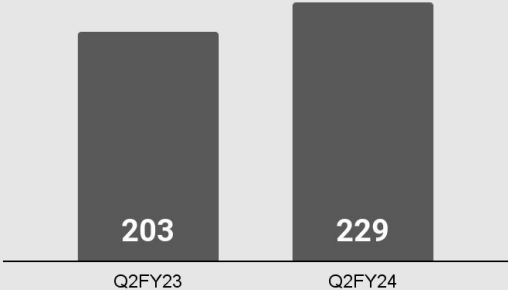
Net Cash = Cash and cash equivalent – Total debt

All figures are in INR Crs unless specified

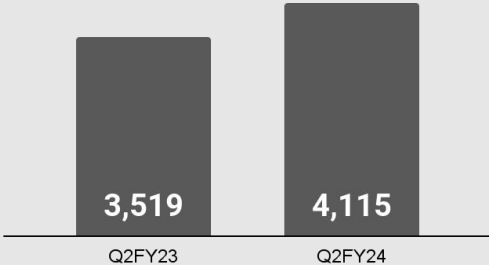
Q2 FY24 FINANCIAL HIGHLIGHTS

Total Sales

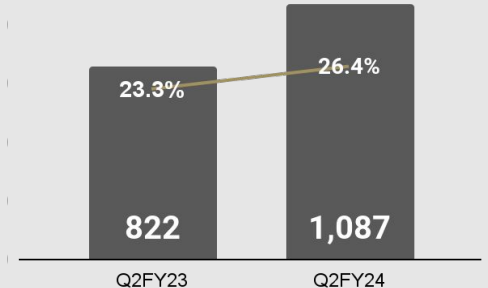
Motorcycle Volumes ('000)



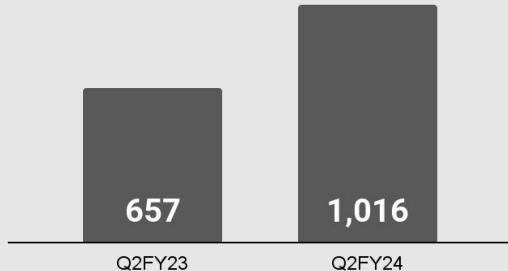
Revenue from operations



EBITDA and Margin



PAT



All figures refer to EML Consolidated numbers and are in INR Crs unless specified

PROFIT & LOSS STATEMENT (Consolidated)

Profit and Loss Account	FY19	FY20	FY21	FY22	FY23	H1FY24
Sales Volume: Two Wheelers (Nos.)	822,724	697,582	609,403	595,474	824,066	454,864
Total revenue from operations (net of excise)	9,797	9,154	8,720	10,298	14,442	8,101
Manufacturing and other expenses	6,894	6,973	6,939	8,126	10,999	5,993
Earnings before interest, depreciation and tax (EBITDA)	2,903	2,180	1,781	2,172	3,444	2,108
EBITDA to Net Revenue (%)	29.6%	23.8%	20.4%	21.1%	23.8%	26.0%
Depreciation	300	382	451	452	526	285
Earnings before interest and tax (EBIT)	2,603	1,799	1,331	1,720	2,917	1,823
EBIT to Net Revenue (%)	26.6%	19.7%	15.3%	16.7%	20.2%	22.5%
Finance Cost	7	19	16	19	28	23
Other Income	443	543	453	441	595	517
Share of profit / (loss) of joint venture	258	32	31	60	315	202
Profit before tax	3,297	2,355	1,798	2,203	3,800	2,519
Provision for taxation	1,077	527	452	526	886	585
Profit after tax and share of profit of Joint Venture from continuing operations	2,220	1,827	1,347	1,677	2,914	1,935
Discontinued Operations: Share of loss of Joint Venture*	(18)	-	-	-	-	-
Profit After Tax	2,203	1,827	1,347	1,677	2,914	1,935
PAT to Net Revenue (%)	22.5%	20.0%	15.4%	16.3%	20.2%	23.9%

All figures are in INR Crs unless specified

BALANCE SHEET (Consolidated)

Particulars	FY19	FY20	FY21	FY22	FY23	HIFY24
Net Fixed Assets (including CWIP and Pre-operative Expenditure)	2,324	2,690	2,748	2,929	3,162	3,324
Investments	4,923	5,749	3,902	7,721	12,101	12,490
Other Non Current Assets	180	102	125	165	252	797
Current Assets						
Inventories	633	572	875	1,132	1,278	1,571
Debtors	90	87	158	302	369	288
Cash and Bank Balances	2,965	2,951	5,830	2,770	857	1,228
Other Current Assets	271	299	921	1,182	1,179	1,364
Current Liabilities and Provisions	2,098	2,025	2,629	2,957	3,235	3,739
Net Current Assets	1,862	1,884	5,155	2,429	449	712
Total	9,289	10,425	11,930	13,244	15,963	17,323
Share Capital	27	27	27	27	27	27
Reserves and Surplus	7,003	9,954	11,411	12,581	14,963	15,904
Net Worth	7,030	9,981	11,438	12,608	14,990	15,931
Minority Interest	-	-	-	-	-	-
Deferred Tax Liability (net)	274	252	222	220	291	373
Other Non Current Liabilities and Provisions	96	192	270	415	681	901
Borrowings - Current	-	-	-	-	-	118
Total	9,289	10,425	11,930	13,244	15,963	17,323

All figures are in INR Crs unless specified

STATEMENT OF CASH FLOWS (Consolidated)

Particulars	FY19	FY20	FY21	FY22	FY23	HIFY24
Profit before tax and after share of profit of Joint venture	3,297	2,355	1,798	2,203	3,800	2,519
Operating profit before changes in working capital	2,941	2,236	1,912	2,172	3,552	2,150
Net Changes in working capital	(457)	86	258	(103)	66	231
Cash generated from operating activities	2,484	2,322	2,170	2,069	3,618	2,381
Direct taxes paid	(909)	(628)	(457)	(514)	(770)	(383)
Net cash flow from operating activities (A)	1,576	1,694	1,714	1,572	2,847	1,998
Payment for property, plant and equipment	(792)	(546)	(555)	(641)	(682)	(387)
Net cash used in investing activities (B)	(660)	(1,508)	(1,648)	(1,012)	(2,422)	(1,114)
Dividend paid	(300)	(682)	-	(465)	(574)	(1,013)
Net cash from / (used) in financing activities (C)	(292)	(858)	(15)	(587)	(417)	(832)
Net Increase/(decrease) in cash and cash equivalents (A)+(B)+(C)	623	(673)	51	(44)	8	52
Cash and cash equivalents at the beginning of the period	93	716	43	94	45	53
Cash and cash equivalents at the end of the period	716	43	94	50	53	105

All figures are in INR Crs unless specified



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