



Investor Presentation

November 2021





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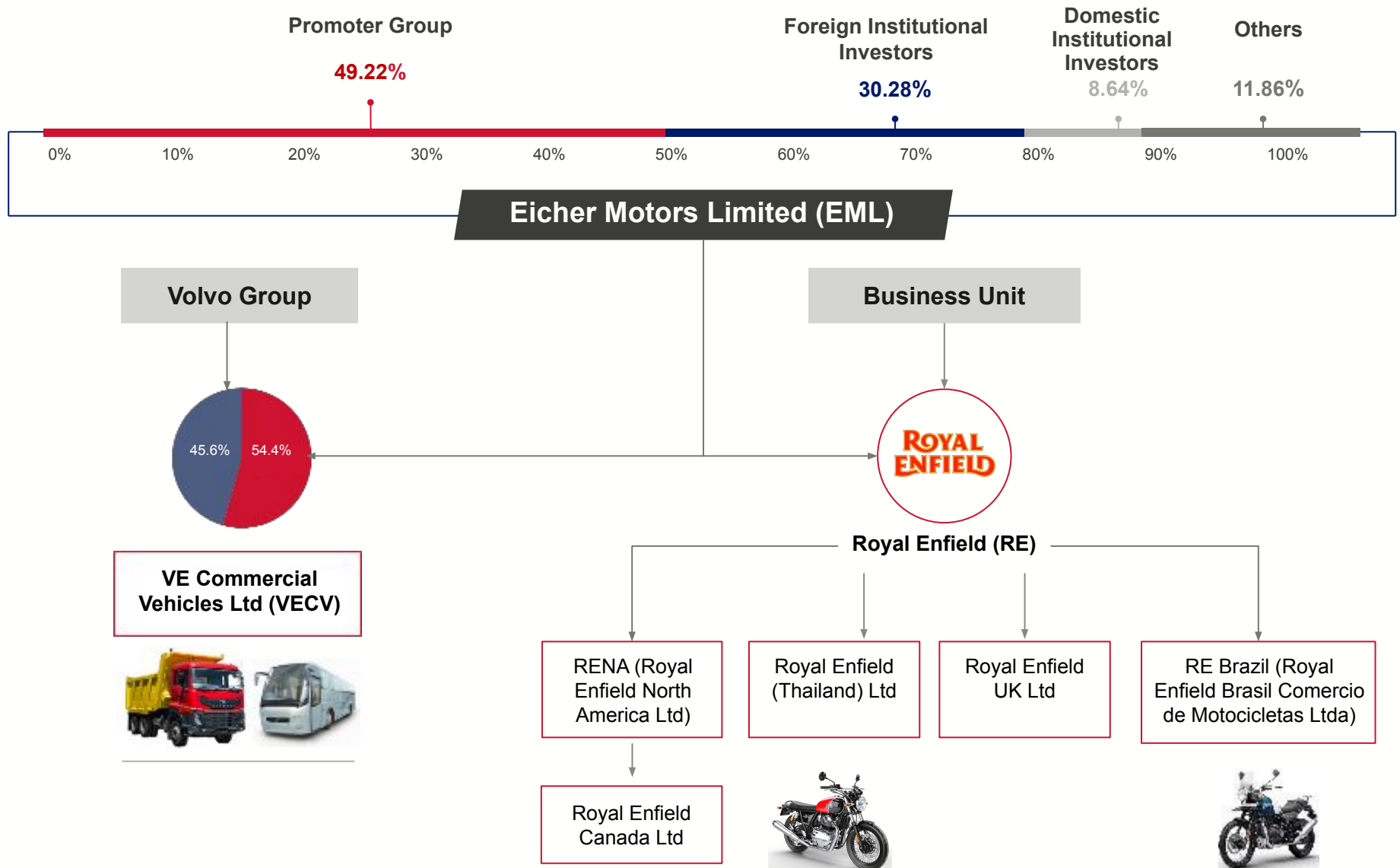
Note: The Company followed “January-December” as its reporting year till December 2014. The Board of Directors in its meeting held on February 13, 2015 decided to align the reporting year of the Company with the requirements of Companies Act, 2013. Therefore, the reporting year for 2015-16 commenced on January 1, 2015 and ended on March 31, 2016, being a period of 15 months. However, to have comparability in the numbers from previous reported years, the presentation captures un-audited financials for FY15-16 (April 1st 2015 to March 31st 2016).

Maps are not to scale. Representation of maps is for reference purposes only.

Eicher Motors Limited



Eicher Motors Ltd. (EML) - Group Structure



ROYAL ENFIELD

Global leader in the middleweight motorcycle segment; Poised to become the first premium global consumer brand from India



Royal Enfield is the global leader in the 250cc – 750cc, mid-segment motorcycles. With ~90% market share in the Indian mid-size segment, we have rapidly grown our presence across the world with more than 790 retail touchpoints across 60+ countries. Our world-class motorcycles are segment leading across the world, in all key markets across Europe* and the Asia-Pacific.**

With a vision to grow the middleweight segment, we are focused on bringing a complete ecosystem of pure motorcycling to riding enthusiasts across the world. We have an exciting repertoire of rides and events that have fuelled the leisure riding culture globally. Our wide range of riding apparel, gear, and motorcycle accessories are the means of self-expression, on or off the saddle.

With our line-up of evocative, world-class motorcycles along with several initiatives to grow the pure motorcycling ecosystem, we are well on our way to becoming the first premium global consumer brand from India.

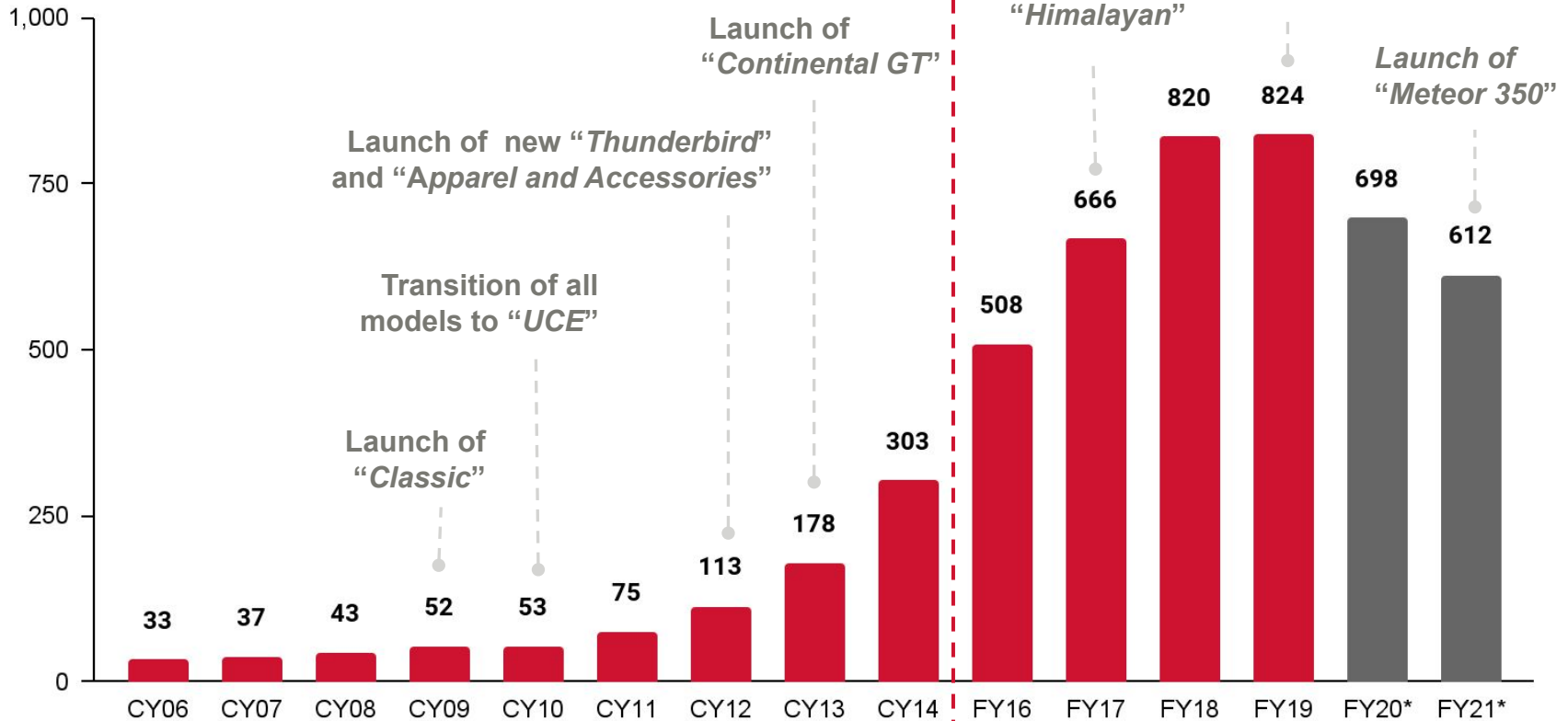
*No.1 selling brand in the middleweight segment in Europe - Interceptor 650 has the top position for year now

**Top selling motorcycle brand in the middleweight segment in New Zealand | Among top 3 motorcycle brand in the segment in Thailand | No.1 in the middleweight segment in India

Launch of the Classic in 2009 was an inflection point

Volumes grew by ~40% CAGR between CY-2010 to FY-2018, prior to significant external headwinds

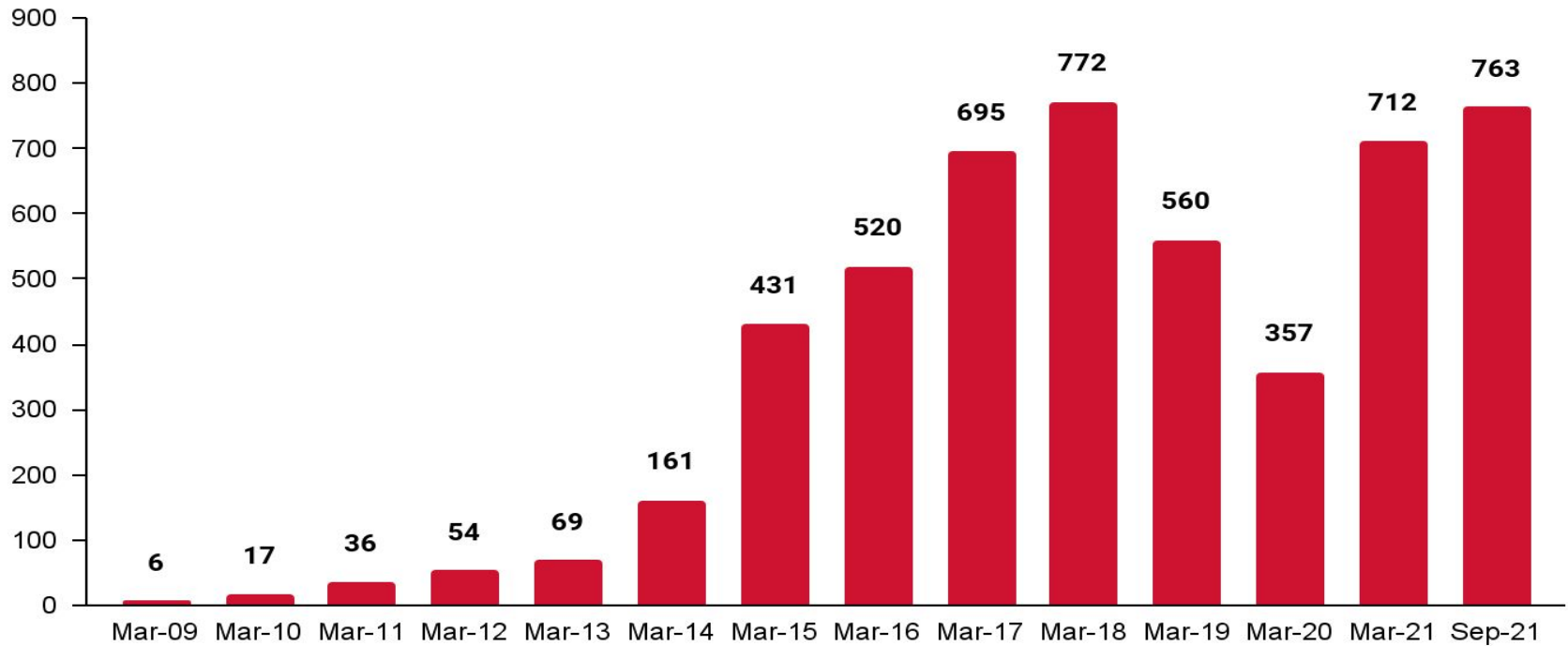
While FY2020-21 volumes were impacted due to COVID-19, our new models including Meteor 350 received phenomenal response from customers as well as critics and reviewers



Significant Value Creation for all stakeholders

Market Capitalisation (INR Billions)

123x returns over last 13 years



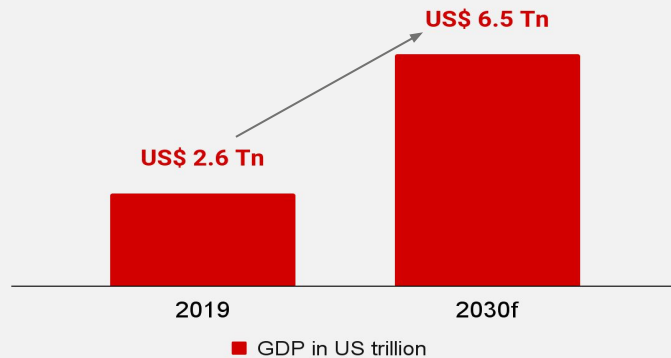


Opportunity – Domestic Market



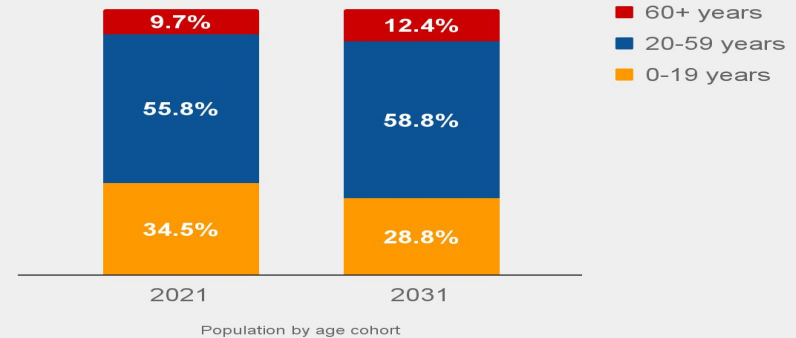
India to become a **US\$6.5 trillion** economy by 2030

Indian Economy: A shift to a high growth path



India's favorable demographics

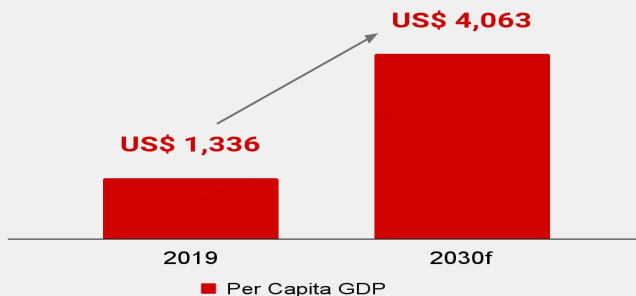
By 2031, the working age population i.e. **20-59 years** is poised to increase by **300bps**



Source: Economic Survey 2019-20

Rising income

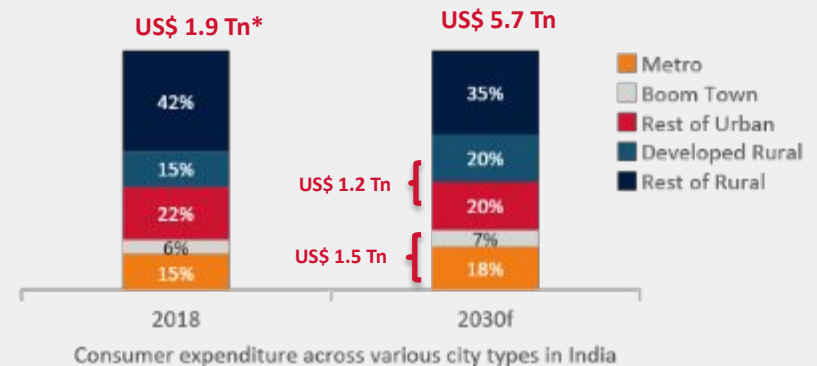
The expansion of the **middle class and high-income** segments will reshape future consumption and drive incremental consumption of **US\$ 4 trillion** by 2030



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

Many India's will drive consumption growth

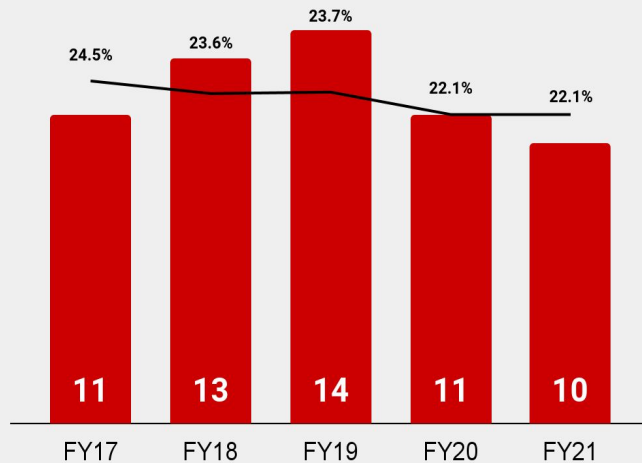
The **incremental spend** will be led by consumers upgrading to packaged, branded or higher priced offerings



Source: *Worldbank

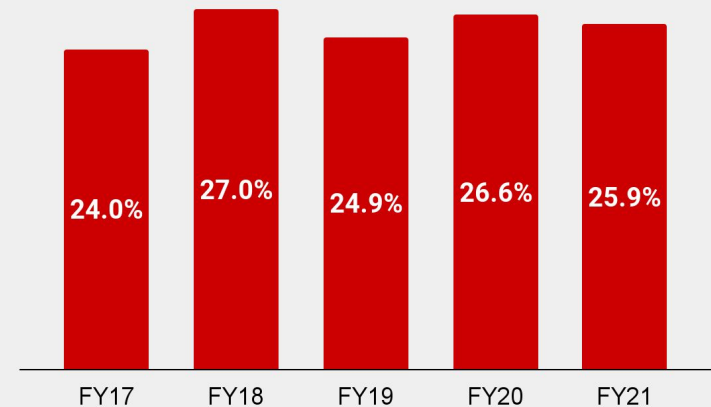


Motorcycle Volumes (India) in mn and Share of 125cc+ segment in %



*India - largest motorcycle
market in the world*

Royal Enfield Market Share* (India)

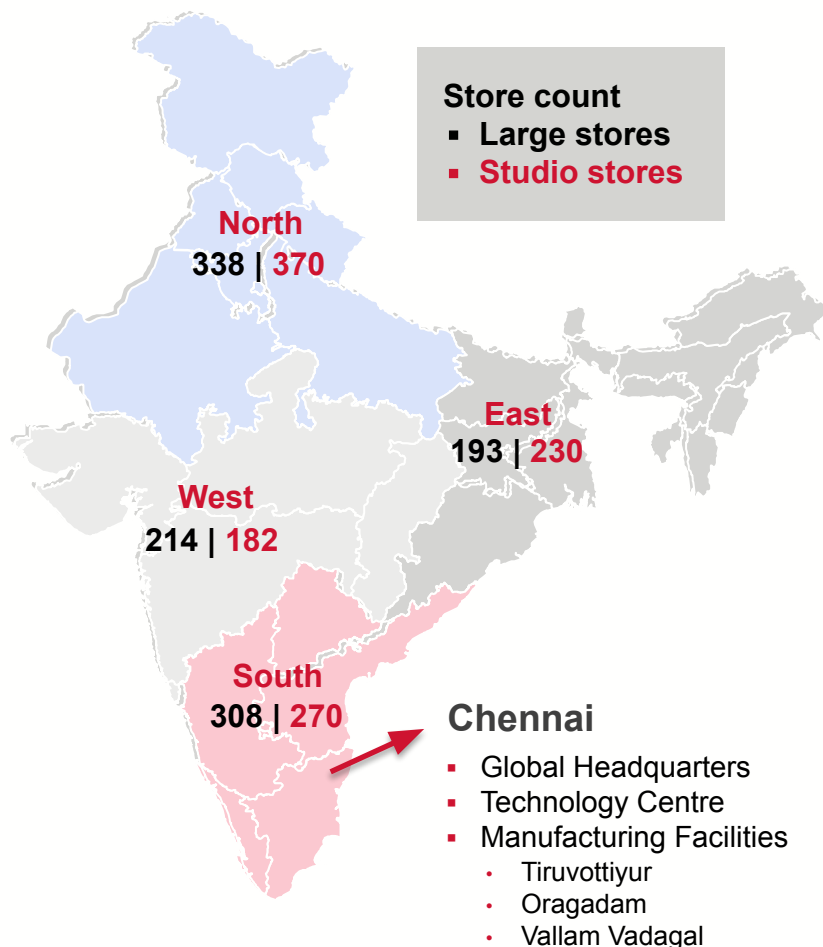


*Premiumisation theme in motorcycle
market to continue*

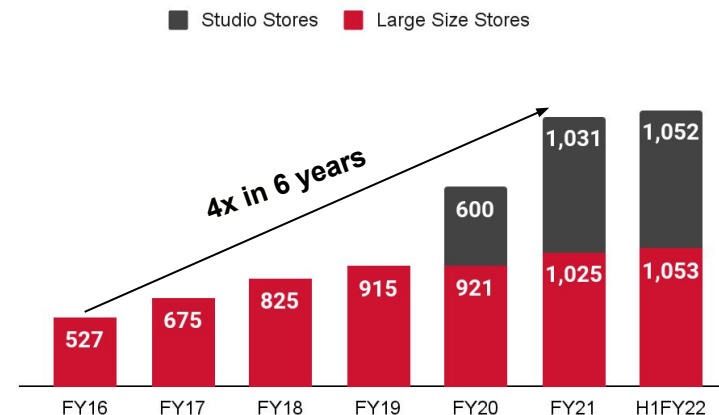
Strongly established Premium Brand in India with an expansive premium distribution network



1,053 stores and 1,052 studio stores across ~1,750 cities



Dealer Network



City Category wise Distribution

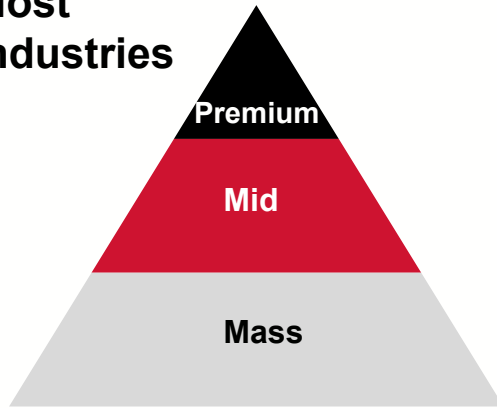
Category*	Store Count
Metro	64
A+, A	169
B, C	349
D, E, R	471
Large Stores	1,053
Studio Stores	1,052
Total	2,105

Global mid-size motorcycle market is underserved and is a huge opportunity

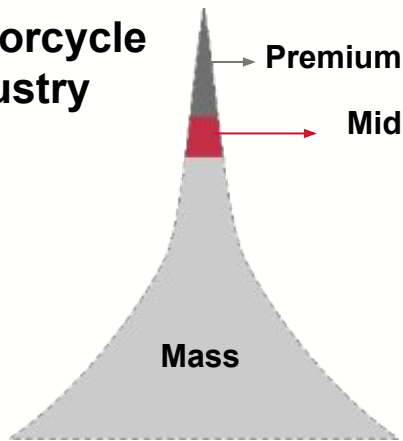


The Oddity of the Motorcycle Industry Globally... is an opportunity

Most Industries



Motorcycle Industry



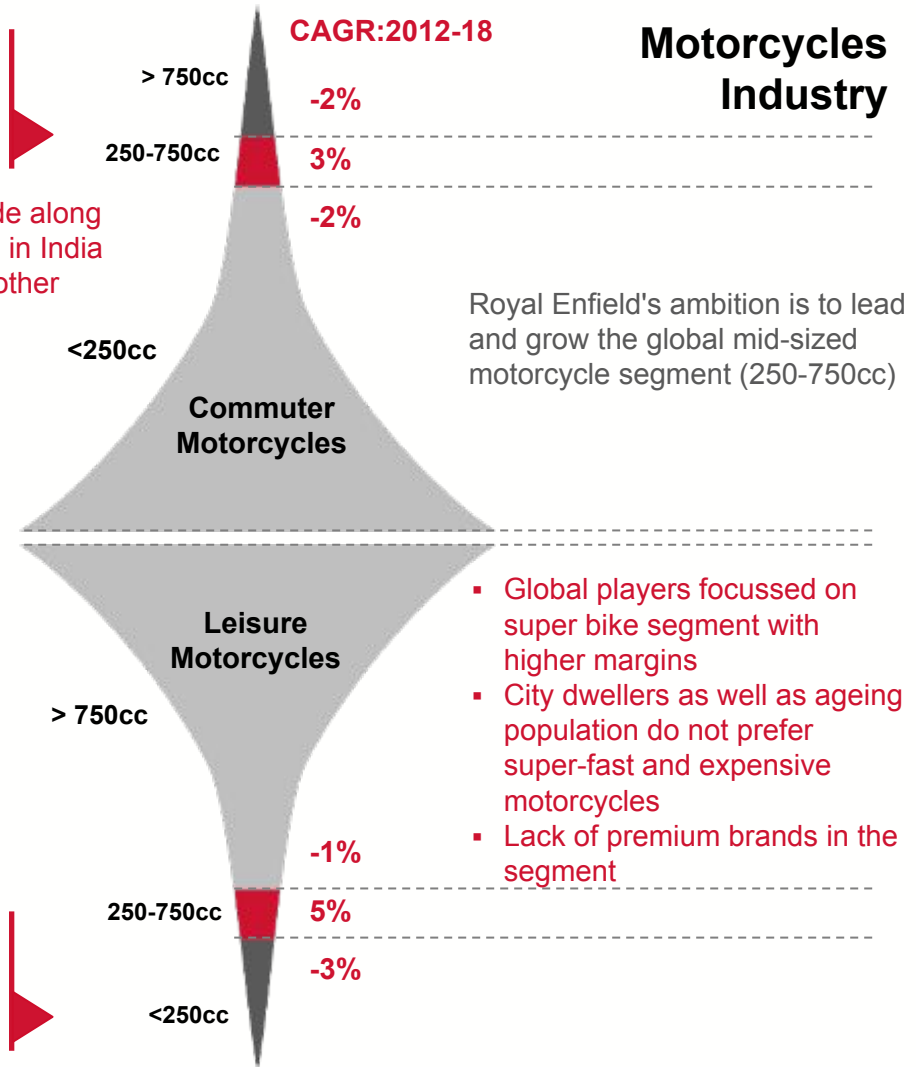
Developing Markets

RE is driving upgrade along with premiumisation in India and increasingly in other developing markets

Huge opportunity both in developed and developing markets

CAGR:2012-18

Motorcycles Industry



Note: Numbers are as per Royal Enfield's research for its priority international markets

Established brand with profitable business model backed by premium quality product



BRAND

- Strong brand salience coupled with equity as a premium and desirable brand
- Organised motorcycling events and created ecosystem that connects physically and amplifies digitally



PRODUCT

- Strong pipeline of new products for next 5-years and beyond for the global consumer
- Critically acclaimed products that are highly differentiated; 'Modern, Retro' - premium, yet accessible



NETWORK

- Focused approach for international markets expansion
- Investment in CKD facilities in strategically important markets
- Creating and nurturing strong communities

Building capabilities to cater to global audience



Bruntingthorpe, UK

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

160 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

Chennai, India

World-class facilities

361 employees



Product Strategy

Identify opportunities, define products

Industrial Design

Visual design of the product

Product Development

Engineering analysis, design and validation of powertrain

Genuine Motorcycle Accessories

Define, design and develop

Current Engineering

Continuous improvement of products post launch

Programme Management

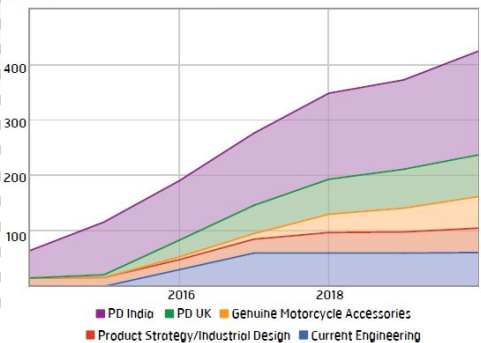
Coordinate development from concept to production

- Multiple Teams working from concept stage to production & post launch support
- Advanced Engineering and EV teams working on future requirements
- Product development teams between India and UK have grown over the years
- R&D investments

FY 20-21 Rs. 2.46 Bn

FY 19-20 Rs. 2.27 Bn

Development Global Growth



Rapidly growing international network



149 Exclusive stores opened in less than 6 years; 650+ MBO

Developed Markets

	Exclusive Store	Multi Brand Outlet
North America	1	139

Countries with exclusive stores

- USA – 1
- Marketing Company - USA

	Exclusive Store	Multi Brand Outlet
UK, Europe, UAE	40	387

Countries with exclusive stores

- Austria – 1
- Belgium – 1
- France – 16
- Italy – 3
- Netherland – 1
- Portugal – 3
- Spain – 6
- UAE – 1
- UK – 8

Technology Centers – UK
Marketing Company – UK

Developing Markets

	Exclusive Store	Multi Brand Outlet
APAC	48	87

Countries with exclusive stores

- Australia* – 1
- Cambodia – 1
- Indonesia – 4
- Japan – 1
- Malaysia – 1
- New Zealand* – 1
- Philippines – 2
- Singapore – 1
- South Korea* – 1
- Thailand – 33
- Vietnam – 2

Marketing Company – Thailand

*Developed Markets

	Exclusive Store	Multi Brand Outlet
LATAM	60	43

Countries with exclusive stores

- Argentina – 10
- Brazil – 20
- Colombia – 15
- Costa Rica – 1
- Dominican Republic – 1
- Ecuador – 3
- Mexico – 9
- Peru – 1

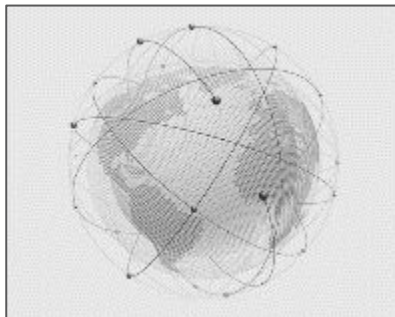
Marketing Company - Brazil

Assembly Unit – Argentina and Colombia

Share of revenue from international markets has grown 3x over the last 5 years



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

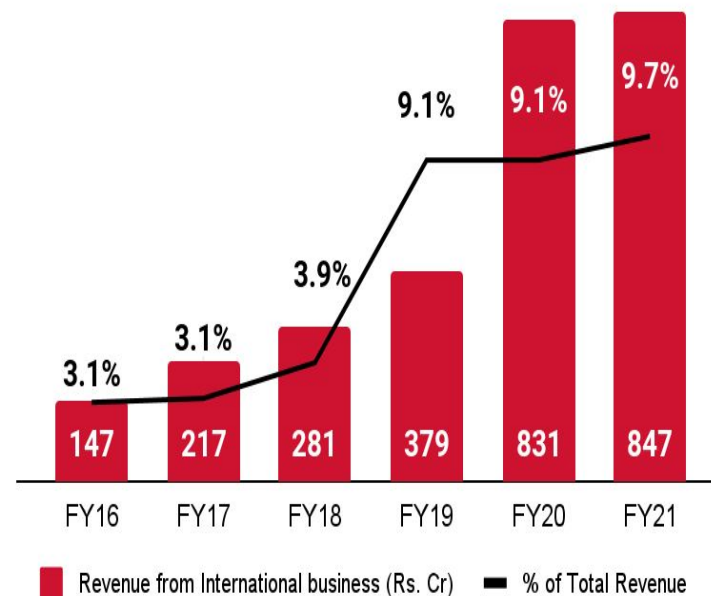
Evaluating opportunities to set up CKD facility in priority markets in APAC and LATAM region. Recently set-up a CKD facility in Argentina and Colombia



Product Portfolio Expansion

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

International Business – Stellar Financial Performance over last 5 years



Motorcycling



Product Portfolio – Continue to focus on mid-weight segment



Royal Enfield range of motorcycles is able to address a unique mix of appeals – from its traditional customer base to urban, aspiration-driven youth

Bullet 350

- Oldest brand still in continuous production
- Resolute, unchanged form
- Pride of the armed forces
- Iconic cues – thump, pinstripes, road presence



Classic 350

- Sense of distinctiveness
- Post-war styling
- Timeless design
- An icon reborn - All-new Classic 350 timeless at heart with modern underpinnings



Meteor 350

- Easy cruiser with British aesthetic and timeless charm
- Comfortable riding position with easy handling ability
- High torque and smooth power delivery



Himalayan

- Purpose-built adventure tourer
- Versatile for riding on- and off-road
- Fully ground-up with all-new engine
- Touring capabilities



Continental GT 650

- Authentic café racer
- Powered by modern Twin cylinder engine
- Perfect for high speed blasts on twisty backroads or as a stylish motorcycle for the city



Interceptor 650

- The quintessential roadster with commanding and comfortable riding position
- Powered by modern twin cylinder engine
- Fun and practical to ride in almost all terrains



Traditional and Iconic

Urban, Lifestyle and now Adventure

All-new Classic 350: Built Ground-Up



Amazing reviews for the all new Classic 350

"The new Classic 350 is just like the current Classic 350 but fresher, stronger, livelier and vastly more responsive- which is a job well done!" **POWERDRIFT**

"The Classic 350 will spearhead appeal for the modern classic, single cylinder Royal Enfield not just in India but around the world."



"The new Classic 350 is a whole new chapter in Royal Enfield's iconic history." **TopGear**
india

"Creating new benchmarks with this particular motorcycle will be a walk in the park for the brand." **OVERDRIVE**

The Legend

- Launched in 2009 - Timeless retro styled motorcycle with iconic design and dependable engine
- Global appeal and popularity
- Symbolizes simplicity, elegance and simple pleasures of riding

The Story

- Captivated imagination of Indian and global audiences
- More than 3 million motorcycles in 12 years
- Defines the middleweight segment
- Immense consumer love
- Has inspired travels, journeys and expeditions

Legend Reborn

- Reimagining an icon
- Quintessential, timeless and retro-styled with all the underpinnings of a contemporary motorcycle
- Amplifies all the great aspects of the motorcycle with an absolutely refined, smooth and refreshing ride experience
- Improved riding performance, comfort, handling
- Class-leading motorcycle set to redefine the middleweight segment once again

All-new Classic 350: What's New?



What sets the All New Classic 350 apart?



Central to the All-New Classic 350 is an All-New heart that beats to a uniquely Royal Enfield rhythm - The J Series Engine.



The instrument cluster combines the gracefulness of a 'dancing needle' analogue speedometer with the functionality of an LCD display.



Endowed with comfort; comes fitted with a wide seat that cossets its rider.



The larger diameter brakes beef up the stopping power.



The All-New Classic sports a new twin downtube chassis that rides Strong and True.



Equipped with wider bars and tyres for effortless and secure manoeuvrability.



The hallmark teardrop Fuel Tank, true to the Timeless Classic design.



Powerful multi-reflector headlights that light up the night ride.



Strengthened grab rail for a more relaxed ride for those riding pillion.

DUAL CHANNEL



CHROME RED

CHROME BRONZE

DARK STEALTH BLACK

DARK GUNMETAL GREY



SIGNALS MARSH GREY

SIGNALS DESERT SAND

HALCYON GREEN

HALCYON BLACK

HALCYON GREY

SINGLE CHANNEL



REDDITCH SAGE GREEN

REDDITCH GREY

Five stunning variants with eleven colourways

BE
REBORN
WITH THE ALL
NEW CLASSIC
CLASSIC
350

A wide array of 35 bespoke Genuine Motorcycle Accessories designed to complement the versatility as well as to enhance comfort, utility and style of the motorcycle available via the MiY platform



Setting New Benchmarks with the Digital Launch of the All New Classic 350



Total Conversations*
139,424

Net Sentiment
80%

Post Launch
56,706
Mentions

Launch Day
14,296
Mentions

Pre Launch
68,422
Mentions

- Social Media Highlights of #TimelessClassic and #BeReborn campaigns - 1,687 Posts, 3,361 Stories, 5.6M Engagement 30.9M Views.
- Customer appreciation on Retro look, availability of color options and variants, refined engine with less vibrations, comfortable seats, good riding posture and ride quality, inclusion of fuel gauge and alloy wheels in select variants.
- Most of the media houses that reviewed the New Classic echoed similar positive sentiments with respect to the refinement and comfort level compared to the previous version owing to the engine improvements, modified gearbox, well-balanced chassis and other upgrades improving the over ride quality and rider experience..

Best-in-Class Technology Delivering Superior Quality



VEHICLE ASSEMBLY



- SRK methodology for new products
- Flexibility - Over 500 SKUs in 5 lines
- One bike every 50 seconds

ENGINE ASSEMBLY



- Automated critical sub-assemblies
- First-time right with 400 Poka Yokes
- 100% Engine - tested and certified

SURFACE FINISHING



- Best-in-class European technology
- 46 painting robots
- Handles over 50 different shades

MACHINING



- 300 high-precision machining centers
- World class process capability index
- Robotic washing for superior cleanliness

FABRICATION



- 100% Robotic welding for Frames
- Better control in every process parameters
- Improved ride & handling experience

AUTO BUFFING



- Automated buffing for better aesthetics
- Achieving uniform and consistent finish
- Engineered dust extraction - clean environment



SALES



Store Layout

- Process excellence
- Brand retail identity
- Digitization of buying experience, interactive catalogue
- Quality of manpower

SERVICE

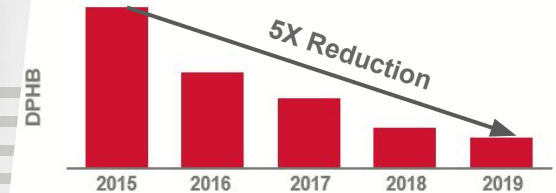


Service on Wheels

- First time right
- Extended warranty and AMC for better upkeep of motorcycles
- Roadside assistance support in case of a vehicle breakdown
- Doorstep servicing through launch of “Service on Wheels” initiative
- A significant reduction in maintenance cost by change of oil

PRODUCT

Field Failure – Defects per Hundred Bike



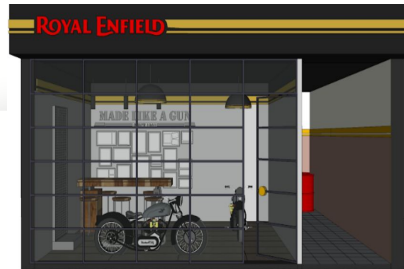
Reduction in Defects

- Adoption of “Shoki Ryudo Kanri (SRK)” process
- Refinement of “**New** Product Introduction (**NPI**)” process
- Vallam Vadagal facility received the Frost & Sullivan Gold Award for Manufacturing Excellence
- Continuous improvements on the basis of inputs from customer, field team and benchmarking

Variety of initiatives to enhance customer 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



Royal Enfield Custom Programme

Curated to build aspiration & nurture the spirit of customisation



Royal Enfield Astral Ride | Changthang & Zaskar



- The third and fourth edition of Astral Ride 2021, a one-of-its-kind ride that combines the passion for photography with the spirit of motorcycling, in Changthang and Zaskar
- It provided an opportunity to the occasional hobbyist to ride a Royal Enfield motorcycle and learn nuances of astro- photography.

One Ride



- The 10th edition of One Ride was organised across 35 countries on 26th September 2021, with strict adherence to all COVID protocols.
- With an aim to celebrate riders and their passion towards motorcycling, this year Royal Enfield rooted for the adoption of *Responsible Travel* practices, in a bid to #LeaveEveryPlaceBetter.

Building the Pure Motorcycling Ecosystem



Provide frictionless experience for RE Riders

In Store Opportunity



Accessories



Apparel

Explore new revenue / profit pool from adjacencies

In Use Opportunity



Spares



Road Side Assistance

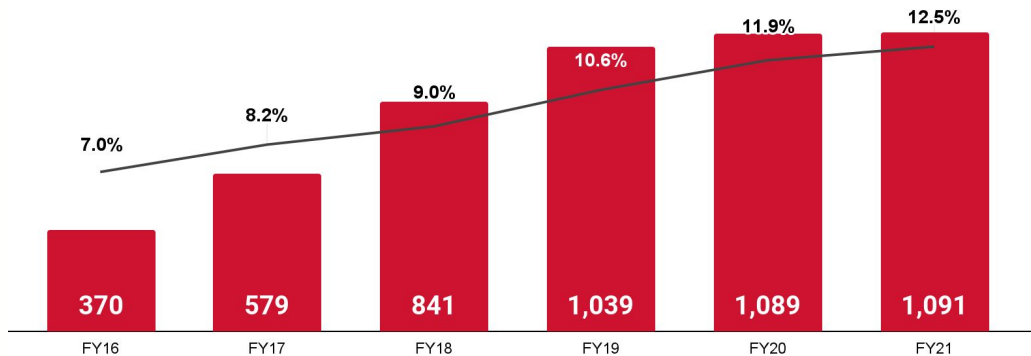


Annual Maintenance Contract



Extended Warranty

Solutions Business - Financial Performance over past 6 years



3X Revenue growth over the last five years in non motorcycle segment

Product Portfolio – Apparel



ROYAL ENFIELD 12 DECADES 12 HELMETS

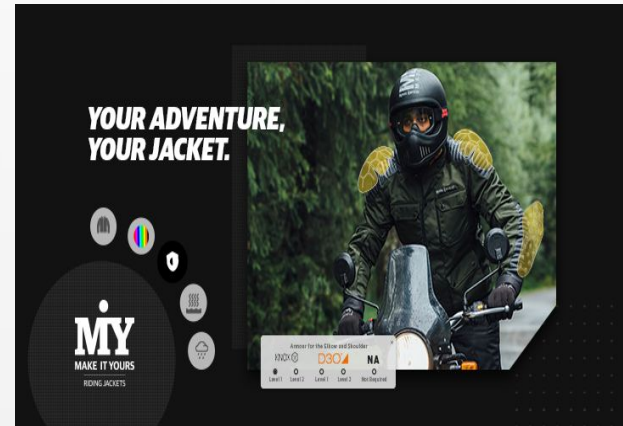
Everything that has defined the brand over the past 120 years of our existence, now expressed in 12 limited edition hand crafted helmets.



TCX x RE



Introduced a range of purpose built CE certified Royal Enfield Riding Shoes, powered by TCX.



MiY RIDING JACKETS



Riding jackets with customisation options from a range of outer shells, armours, thermal and rain liners with added creatives.



Oldest Motorcycle Brand in Continuous Production



1901

The first Royal Enfield motorcycle is produced. Designed by R. W. Smith and Frenchman Jules Gotiet, it has a 1 1/2 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.



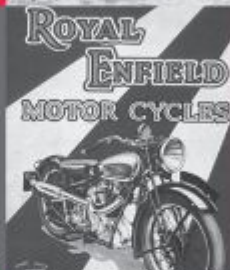
1926

A major fire breaks out at the Redditch factory. The company's own fire brigade manages to fight flames that threaten to engulf the entire 18-acre plant.



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 Groat's 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.



1967

With only two models left in production at the start of the year, the 250cc Continental GT and the 736cc Interceptor, Royal Enfield's Redditch facility closes down. Production of the Interceptor continues at Enfield's underground facility in Bradford on Avon.



2008

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



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.



2017

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



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'.

1994

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



2013

The first Royal Enfield motorcycle rolls out of the new Oragadam plant near Chennai. In the same year, Royal Enfield rolls out the all new Continental GT, a motorcycle built on a new cradle frame chassis that is, through and through, a café racer.



2017

A purpose-built technical centre opens at the Bruntingthorpe Proving Grounds in the UK and a team of over 100 experts begin work on research & development and long-term product strategy.



2020

Royal Enfield launches the all-new easy cruiser, the Meteor 350, across India, Europe, Australia, New Zealand, Thailand and Philippines.



Engage Physically... Propagate Digitally



Rider Mania



**Himalayan
Odyssey**



**Riders Club
Of Europe**



Slideschool



One Ride

The largest, fastest growing and the most engaged online motorcycle brand community in the world

'Digital First' approach

Strong global digital community with very high involvement and engagement

On-ground and on-line communities together make a vibrant and eager audience

Building a strong digital community



#OneRide

#MIYRidingJackets

GT Cup

#TimelessClassic

Total Reach*
618M

Total Engagement
30M

Average Engagement per Brand post
52,000+

Total Views
225M

Engagement Rate^
13%
(Significantly above industry average)

Royal Enfield Podcasts

Women who Build Train Race

Royal Enfield Classic Launch

Himalayan Odyssey

Himalayan Adventure Zanskar x GoPro



INVESTOR PRESENTATION
November 2021

* Reach - Total reach captures number of unique users reached in a digital campaign
View - A view is counted when a video is watched for at least 3 seconds across platforms
Engagement metric is calculated by adding all actions (likes, comments, shares etc) taken by a user on a particular digital asset
^Engagement rate is equal to total engagement divided by total reach
Note: Date as of September 2021



#1 ROYAL ENFIELD
87% Consideration

2,200 bps ahead of
our closest competitor



#1 ROYAL ENFIELD
42% Top of Mind
Awareness

1,100 bps ahead of
our closest competitor



*Internal Millward Brown Brand Health
Report with sample size of ~3200)

- 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 spontaneously recalled brand) is the highest in the category at 42% while the closest competitor is at 31%.
- Our Top Two Box Consideration (purchase intent) is the highest in the category at 87% while the closest competitor is at 65%.

Business Performance



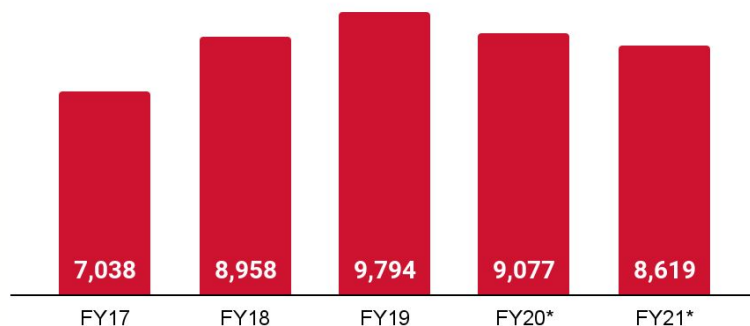
Consistent Delivery leading to strong cash accruals



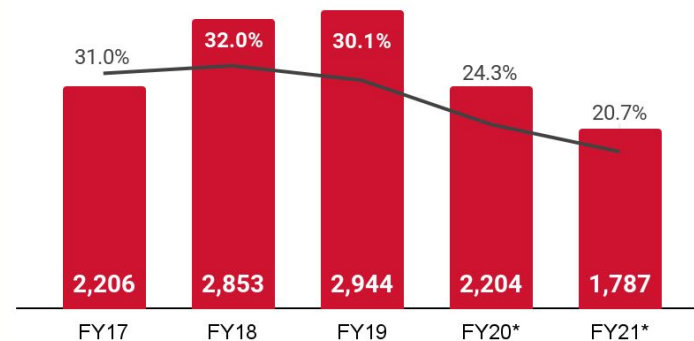
All figures are in Rs. Crs unless specified

Total Revenue

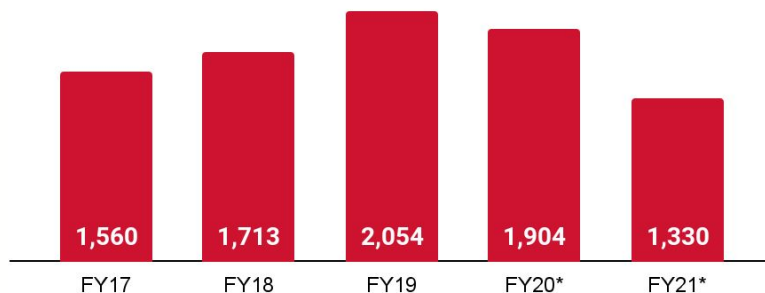
Total revenue from operations (net of excise duty)



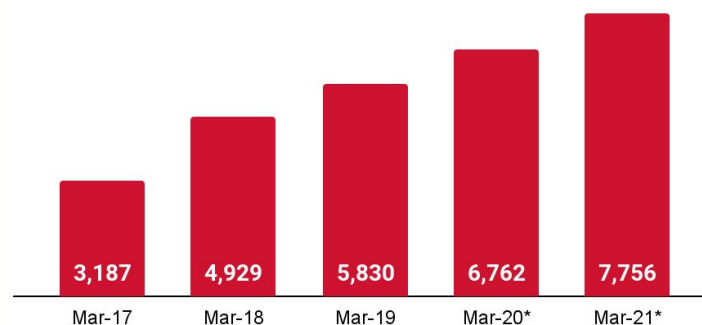
EBITDA and Margin



Profit After Tax



Net Cash



Net Cash = Cash and cash equivalent – Total debt

Note: PAT for FY18 and FY19 includes an impairment loss of Rs. 311.98 crores and Rs. 17.52 crores respectively on the company's investment in its joint venture, EPPL subsequent to winding down of operations of EPPL.

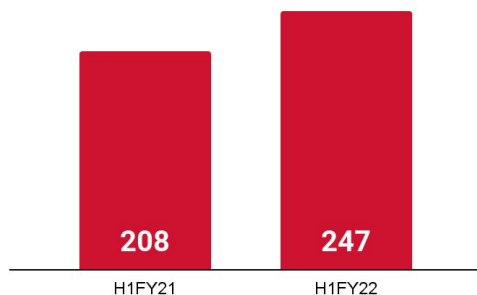
YTD FY22 Highlights - Eicher Motors Ltd. (Standalone)



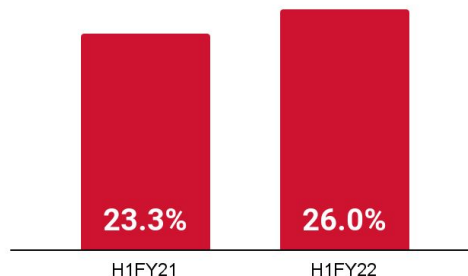
All figures are in Rs. Crs unless specified

Sales Volume

(in Thousands)

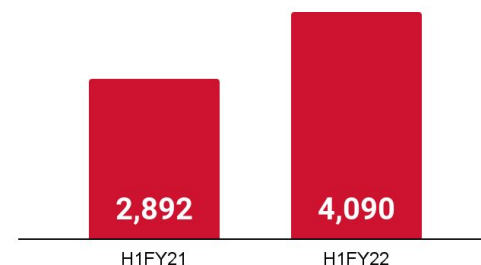


Market Share* (India)

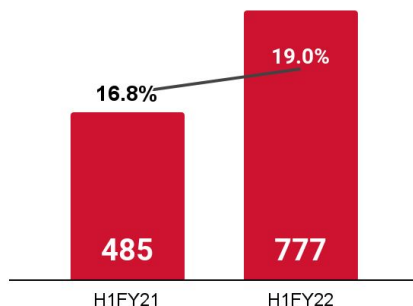


Total Revenue

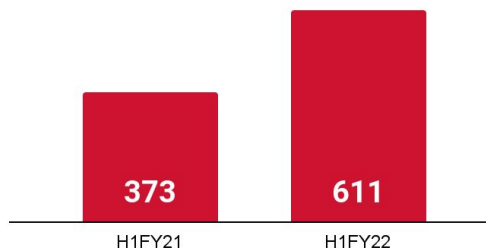
Total revenue from operations (net of excise duty)



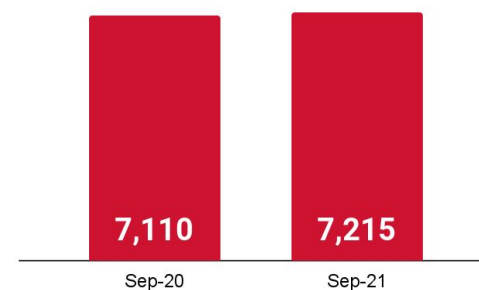
EBITDA and Margin



Profit After Tax



Net Cash



INVESTOR PRESENTATION
November 2021

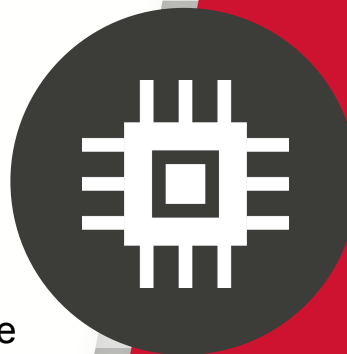
* Market Share in above 125cc segment
Source - SIAM



Challenge

Semiconductor Component Shortage -

Acute shortages of electronic components (ICs, microprocessors, etc.) globally impacting components like ABS (Anti-Lock Brake System), Engine Management System, Instrument Cluster, etc.



Mitigation

Working closely with parts and electronic component suppliers to ensure accurate forecast of component deliveries alongside working on multiple parallel sourcing strategy and initiatives.

The situation of the ongoing global shortage of semiconductor chips has started to improve from end of September / beginning of October 21.

Multiple Management Actions Taken to Optimize Cost Base



Business Top Line

Selling Price reset actions:

- Initiated quarterly selling price reset framework with an objective to review selling prices to protect gross contribution.
- Price hikes initiated in India and International markets



Material Cost

Material Cost control initiatives:

- Initiated CAT* cost reduction projects by optimising PGM^ loading in CAT across platforms.
- PGM Cost saving thru Negotiation
- Alternate sourcing helped to reduce Material costs further



Employee Cost

People Cost Initiatives:

- Review of organisation structure
- Merging Roles/Functions
- Outsource/Automate wherever possible
- Optimized contractual headcount



Fixed Overheads

- Restricted travel & training resulted in savings
- Professional consultancy optimized
- Factory overhead rationalised led to savings (Spares/ Consumables / Repairs etc)
- IT Spend Optimized
- Wherever possible, exp negotiated/deferred to offset non budgeted spend



Marketing Spend

- Sharper Digital marketing
- Expense Optimization thru Lead Negotiation
- Leaflets & Folders: moved to digital

Awards and Achievements



Meteor 350 won MCN's 'Best Retro Bike of the Year' Award 2021(UK) and 'Best modern classic over 250cc' Award at the Thailand Bike of the Year Awards 2021 in addition to awards in India



Royal Enfield's Vallam Vadagal facility receives the 'Frost and Sullivan Gold' Award for Manufacturing Excellence



**INDIAN MOTORCYCLE
OF THE YEAR**



**ENTRY MODERN CLASSIC
MOTORCYCLE OF THE YEAR**



**MOTORCYCLE OF THE YEAR,
PEOPLE'S CHOICE**



CRUISER OF THE YEAR



MOTORCYCLE OF THE YEAR



*Source: As per MCIA data from January 2020 to December 2020



Poised to become the first premium global consumer brand from India



Strong Brand



Best-in-Class
Products



Extensive
Network



Non
Motorcycle
Solution

Processes and systems

People

Sustainability: ESG

VE COMMERCIAL VEHICLES

A VOLVO GROUP AND EICHER MOTORS JOINT VENTURE

What drives us....Vision & Values

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



Businesses...Eicher Trucks and Buses, Volvo Trucks & Buses in India, Drivelines and Components



Eicher Trucks



Eicher Buses



Volvo Buses



Engines & Drivetrain



Engineering Components



Volvo Trucks

Joint Venture since 2008... Merging the best of both worlds

VOLVO

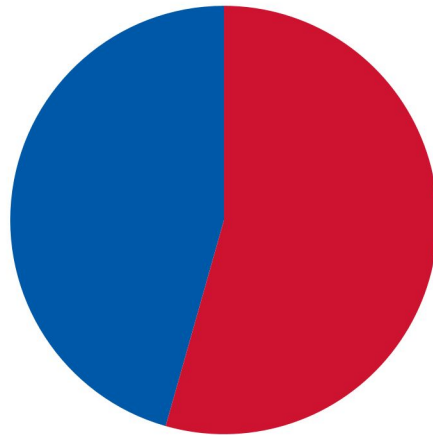
- Global expertise
- Leadership in product technology
- Well defined processes and controls
- Brand image

EICHER

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

VECV Shareholding

AB Volvo
45.6%



**Eicher
Motors
Limited
(EML),
54.4%**

**VECV Governance
based on
consensus
approach and 50:50
shared control**

VECV JV Capability and Market Position strengthened over past 13 years...

Successful synergies based on trust, mutual respect and win-win for both partners

2008-2013 JV formation and initial Synergy projects

- Product development initiatives
 - Condor cab, EMS 3.0, new Gen Engines
- VE Powertrain established as global hub for Volvo Group Medium Duty Engines
- Volvo Trucks India –Sales and Service responsibility
- Modernization of industrial infrastructure
 - CED paint shop, Truck plant, new Gear plant
- Adoption of world class processes
 - GDP, sales, aftersales, quality and manufacturing processes

2013-2020 Wave 2 Synergy -Commercial focus

- Eicher Pro series with Volvo Group technology
 - UD Quester indigenization as Eicher Pro 8000
- UD Kuzer light duty truck produced and delivered from India to stringent standards in South Asia
- Increasing transformation into commercially focused organization with new initiatives and upgrades
 - Parts Distribution Center, Uptime Center
 - Analytics and Digital
 - Focus on brand and dealer infrastructure
 - Company owned & operated dealerships
- Transition to BS VI
- Bus Division set-up /integration of Volvo Bus India

2021 > Aspiration & Focus areas

- Joint development of next-gen trucks and buses for specific International & India markets
- Coordinated approach to new technology with VECV leading Value EV development
- Increase Engine, Powertrain & Component supply from VECV
- Jointly grow select International Markets and Defense business
- Closer engagement on Digitization
- Leverage VECV Satellite Office for Efficiency & Cost

Strengthened market share in all segments with modernisation

Light & Medium Duty Trucks



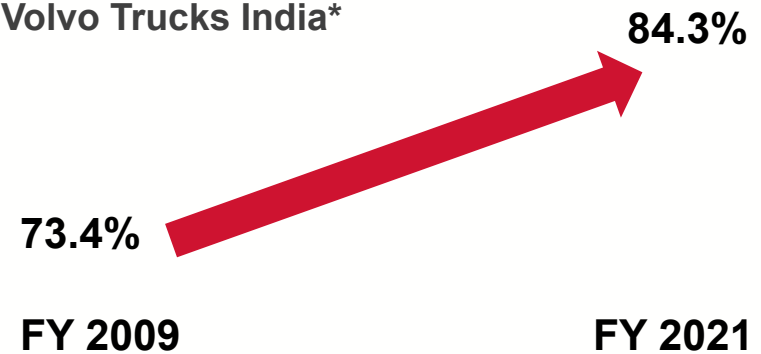
Heavy Duty Trucks



Buses



Volvo Trucks India*

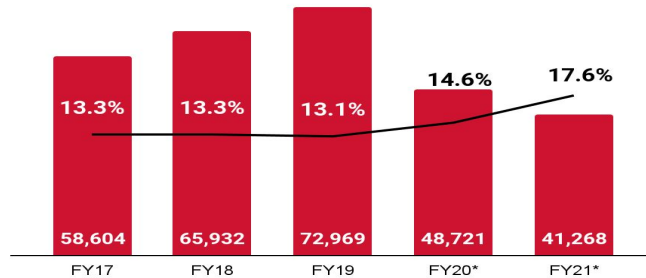


*Market share in high end premium segment

Consistent financial performance despite headwinds

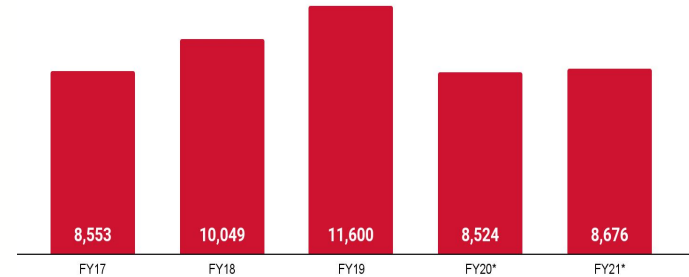
All figures are in Rs. Crs unless specified

Total CV# Volumes and Market Share (in nos and %)

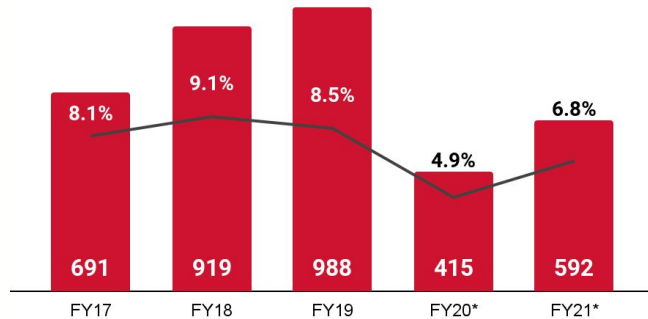


Total Revenue

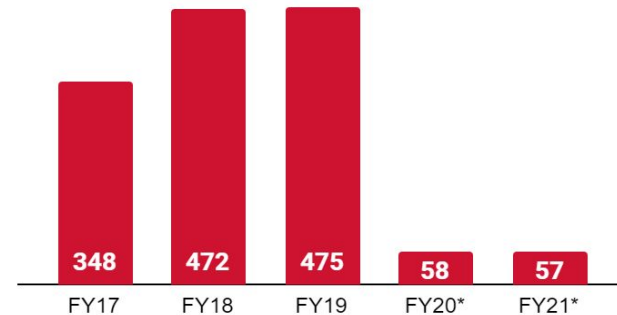
Total revenue from operations (net of excise duty)



EBITDA^ and Margins



Profit After Tax



CV# - Commercial Vehicles

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

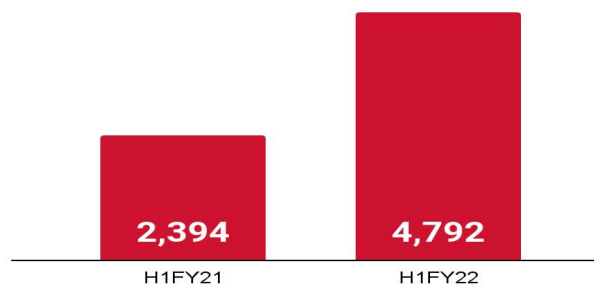
EBITDA Margin = EBITDA/Total revenue from operations (net of excise duty)

*FY20 and FY21 volumes were impacted due to COVID 19 pandemic

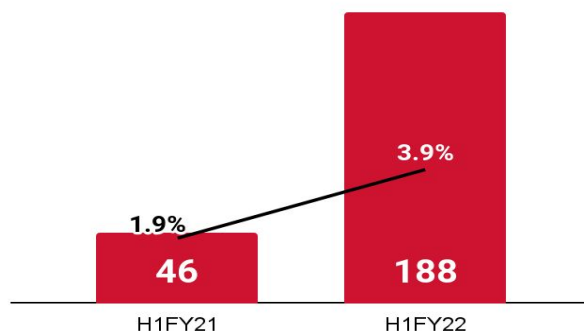
YTD Financial Highlights - VE Commercial Highlights

Total Revenue

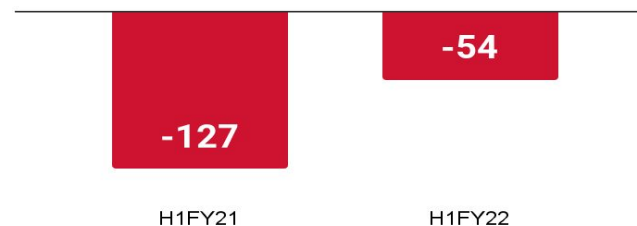
Total revenue from operations (net of excise duty)



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/Total revenue from operations (net of excise duty)

Eicher BSVI Product Portfolio...Renewed range. Broad application segment coverage

LMD RANGE



Pro 2000

Pro 2049, Pro 2059XP,
Pro 2080XP, Pro 2095XP



Pro 2000 MD Range

Pro 2110, Pro 2110XP,
Pro 2114XP



Pro 2000 CNG Range

Pro 2049, Pro 2059XP,
Pro 2095XP, Pro 2114XP



Pro 3000 MD Range

Pro 3012, Pro 3014,
Pro 3015, Pro 3019

Sub 5T – 16T

4.9T to 16T Haulage
2.8CuM to 6.5CuM
Tippers

HD RANGE



Pro 6000 Rigid

Pro 6048/42H
Pro 6019/28/35H



Pro 6000 Tippers

Pro 6019T
Pro 6028T/TM
Pro 6035T



Pro 6000 Tractors

Pro 6040/46TT
Pro 6055TT



Pro 8000 Tippers

Pro 8035 XM
Pro 8028 XC/XM



Pro 8000 TT

Pro 8055TT

18.5T to 55T

18.5T to 47.5T Haulage
7 CuM to 32 CuM
Tippers/ Tip Trailers
39.5T to 55T Tractor
Trailers

BUSES



BS VI Diesel

Starline : 2050, 2070 2075, 2090



BS VI Diesel

Skyline : 2075, 2090, 2112



BS VI Diesel

Skyline Pro : 3009, 3010, 3011



BS VI Diesel

HD Skyline : 6016

12 – 62 Seater

Starline (School, Staff, RP)
Skyline (School, Staff)
Skyline Pro (School, Staff, Intercity
RP, Tourist)

VECV Bus Division...Shaping the future of Indian Bus Industry



Volvo Buses
+
Eicher Buses



Comprehensive Offer

**Distinct
Eicher & Volvo Brands**

New Markets & E-Mobility

**Transferred Volvo Buses India operations and people into VECV in 2020 to
create an industry leader**

Electric range... 9 m bus for city application ready for commercialization



Volvo Trucks India Introduced Next Generation Trucks

New Range of Volvo FM and FMX trucks introduced catering to the mining, construction & infrastructure and on-road transportation segments



Manufacturing... enhanced with Volvo buses and Industry 4.0 Bhopal plant

Truck Plant-Pithampur



Eicher Engineering Components – Unit I & II – Dewas Plant



Truck Plant-Bhopal



Industrial Gear Box for Export (SEZ) – Pithampur



Vehicle Assembly plant - Bhopal



Chassis Assembly Line - Bhopal



VE Powertrain – Pithampur



Eicher Engineering Components- Thane Plant



Volvo Bus Plant, Bangalore



Bus plant-Baggad



VECV Corporate Office
Gurgaon

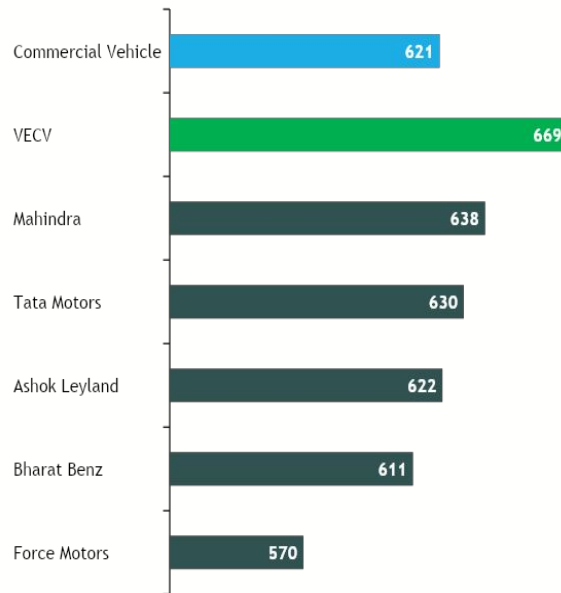
Madhya Pradesh

Thane

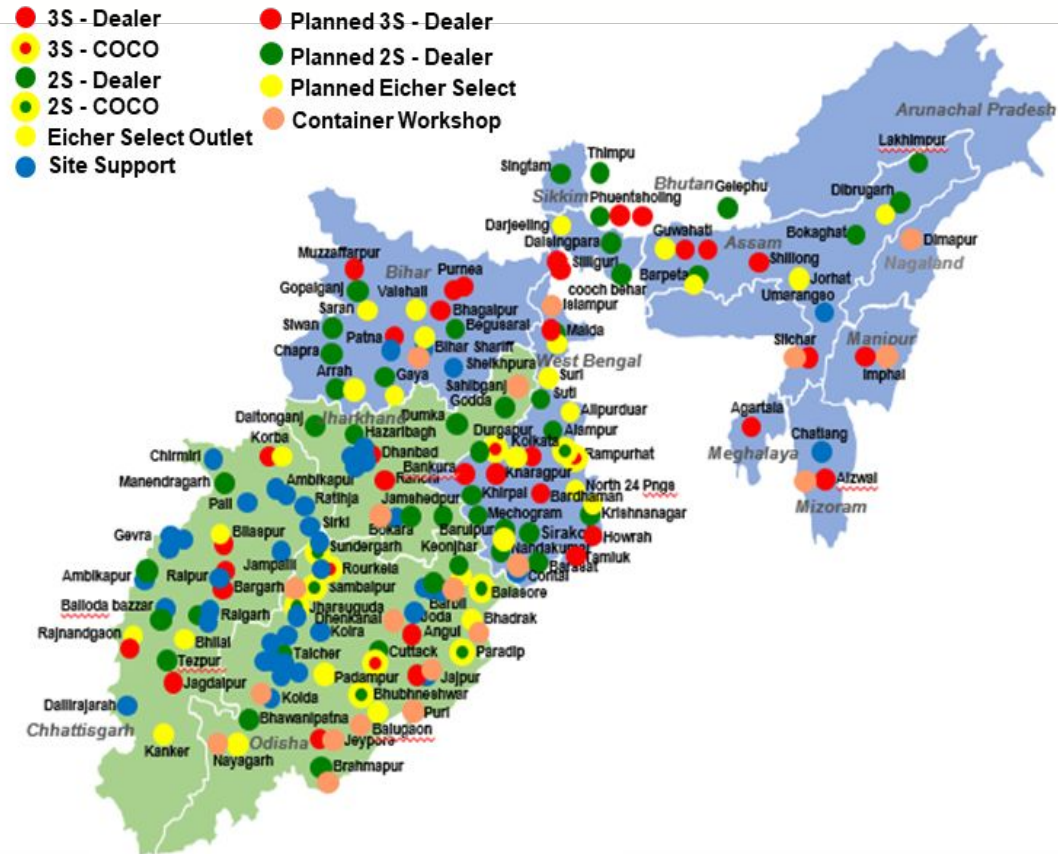
Bangalore

Strengthening distribution and service reach....#1 in Dealer Satisfaction

#1 in Dealer Satisfaction*



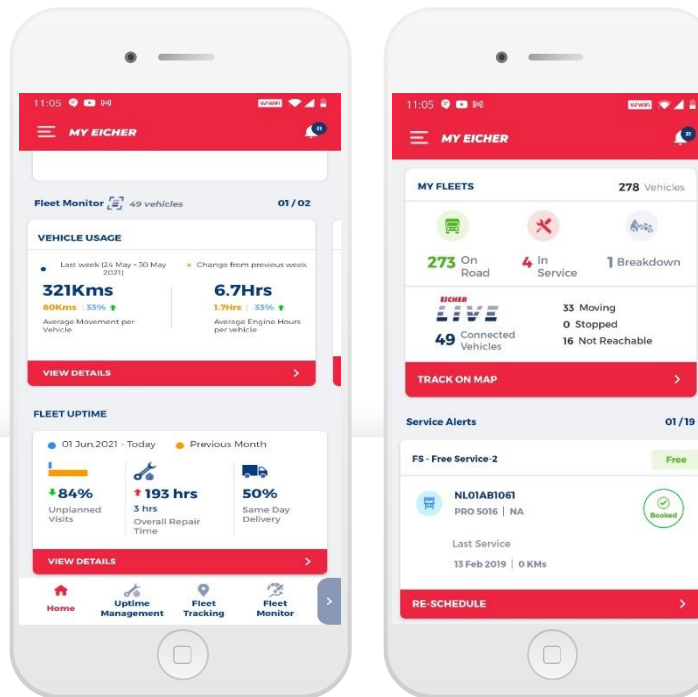
Focus on East



567 network count



Leading in Digitization...driven by 100% connected vehicle fleet



**Digital
Customer**



**Digital
Business**



**Digital
Enterprise**



Themes for 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

Greener Business Operations



Energy and Emissions

Conservation, efficiency, renewable energy, reduced emissions

Material

Recycled material and Recyclable material (289 MT of recyclable product utilised)

Environmental Compliance

Consent to establish and operate, Air, Water & Effluent, Quality (3,143 MWh of energy saved accounting to prevention of 1,824 tCO2e of emissions)

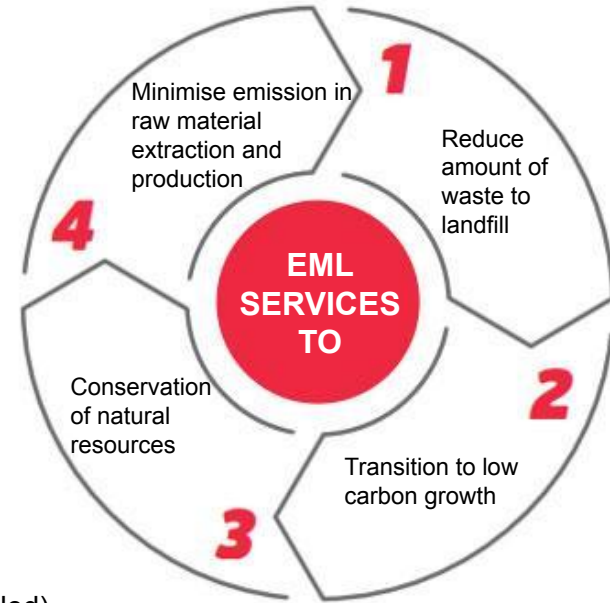
EML FOCUS AREAS

Water and Effluent

Rainwater Harvesting ZLD, Water Efficiency, WASH Pledge (3 Zero Liquid Discharge units; 2 certified water positive)

Waste

Integrated management of Waste, safe disposal of waste (289 MT hazardous waste recycled)



Alignment to sustainable development goals (SDGs)





India



USA



Europe

Committed to drive an active agenda towards the sustainability and the environment at large

- Village development program, rural electrification and livelihood promotion in remote villages
- Working on conserving and harvesting water at the manufacturing facilities to turn them 'Water Positive'.
- Organised several 'Cause Rides' across the country to try and leave every place better.
- Conducted One Ride across 35 countries including India where all the riders rode together spreading social message of responsible travel by leaving every place better

Committed to support the affected communities during the pandemic

- **India:** Rs. 60 Crs were spent during COVID to support community.
- **Thailand and Indonesia:** COVID support was offered to high-need-gap, underprivileged communities.
- **Europe:** A holistic partnership with CALM (Campaign Against Living Miserably) to invite riders to "OPEN IT UP" about Mental Health - helping motorcycle enthusiasts tackle mental health issues.
- **US:** Distributed over 60K masks across the United States. Also delivered 150 Nurse Care package to hospital in Milwaukee.
- **France:** Building on existing partnership with RARE (Breast Cancer Charity) in France.

EML Board: Leaders with proven track record



S Sandilya
Chairman- Non-Executive
and Independent Director



Siddhartha Lal
Managing Director and
CEO, EML



B. Govindarajan
Executive Director - Royal
Enfield, Whole Time
Director



Vinod K. Aggarwal
Non-Executive Director



Inder Mohan Singh
Independent Director



Manvi Sinha
Independent Director

Royal Enfield managed by seasoned professionals



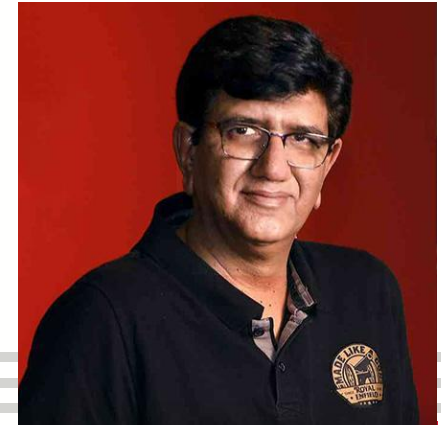
Siddhartha Lal
Managing Director and
CEO, EML



B. Govindarajan
Executive Director - Royal
Enfield, Whole Time
Director



**Kaleeswaran
Arunachalam**
Chief Financial Officer



Lalit Malik
Chief Commercial Officer



Mark Wells
Product Strategy & ID



Sudhakar Bhagavatula
Chief Information Officer



Rajeev Sharma
Chief Human Resource
Officer



Manhar Kapoor
General Counsel &
Company Secretary

VECV Board...Proven track record of value delivery



Siddhartha Lal
Chairman of the Board
MD Eicher Motors Ltd



Jan Gurander
Deputy CEO Volvo Group



Joachim Rosenberg
EVP Volvo Group
President Volvo Energy



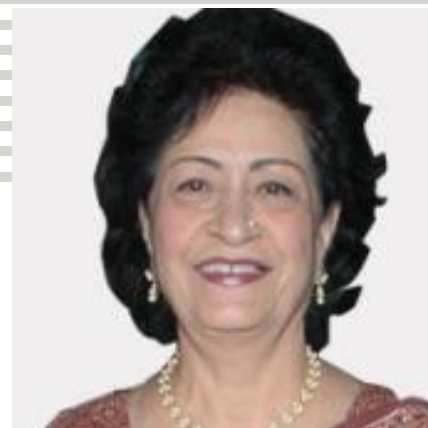
Vinod Aggarwal
Managing Director &
CEO VECV



Philippe Divry
SVP Group Trucks
Strategy, Volvo Group



Raul Rai
Director



Lila Poonawalla
Non-executive Director



Inder Mohan Singh
Independent Director

VECV Management ... Deep experience in Indian and Global CV industries



B K Bindiganavile
SVP



Strategy, Brand & Communication

Human Resources



Vinod Aggarwal
MD & CEO

Finance, Legal & Audit

Businesses Processes and IT



Anders Hager
CFO



Rajesh Mishra
CDO

Volvo Trucks India

Eicher Trucks and Buses, VEPT

Bus Division

EEC

Technology and Operations

India, International Business & Customer Service



Boddapati Dinakar
SVP



R S Sachdeva
COO



Vishal Mathur
SVP
LMD S&M



B Srinivas
SVP
Product Strategy & IS



Gagandeep S Gandhok
SVP
HD



Ramesh Rajagopalan
SVP
Aftermarket & Network Development



SS Gill
SVP
International Business, NA Engines, COCO



Akash Passey
President
Bus Division



Gyanendra Das
SVP



Sachin Agarwal
SVP
Powertrain



Vimal Mulchandani
SVP
Vehicle Engineering



Pradeep Mishra
SVP
Purchasing



Aditya Shrivastava
SVP
Manufacturing

*AM: After-Market; IB: Int'l Business; NAEB: Non-Automotive Engine Business
COCO: Company Owned Company Operated dealerships IS: Institutional Sales*



B Srinivas
SVP
Bus S&M (Eicher)



Suresh Chettiar
SVP
Volvo Buses India

Strong Governance Principles



EML and VECV are fully compliant with applicable regulations

Board Sub-committees at EML with majority representation by independent directors and at VECV with Non-Executives

Professional management at CXO level

Separation of roles of Chairman and Managing Director

Internal Audit directly reporting to Audit Committee

Long term cordial relations with JV partners founded on mutual trust

No related party suppliers

No delinquencies towards banks/ institutions

No aggressive structures > no material tax disputes

Cordial labour relations

CSR through separate independent company, Rs. 60 Crs committed towards Covid-19 relief

Financials



Profit and Loss Statement (Consolidated)

(In Rs. Cr.)

Profit and Loss Account	FY17	FY18	FY19	FY20	FY21	H1FY22
Sales Volume: Two Wheelers (Nos.)	666,135	820,121	822,724	697,582	609,403	245,685
Total revenue from operations (net of excise)	7,033	8,965	9,797	9,154	8,720	4,224
Manufacturing and other expenses	4,859	6,157	6,894	6,973	6,939	3,391
Earnings before interest, depreciation and tax (EBIDTA)	2,174	2,808	2,903	2,180	1,781	833
EBIDTA to Net Revenue (%)	30.9%	31.3%	29.6%	23.8%	20.4%	19.7%
Depreciation	154	223	300	382	451	221
Earnings before interest and tax (EBIT)	2,020	2,584	2,603	1,799	1,331	612
EBIT to Net Revenue (%)	28.7%	28.8%	26.6%	19.7%	15.3%	14.5%
Finance Cost	4	5	7	19	16	10
Other Income	227	280	443	543	453	231
Share of profit / (loss) of joint venture	189	257	258	32	31	(30)
Profit before tax	2,433	3,116	3,297	2,355	1,798	803
Provision for taxation	720	936	1,077	527	452	193
Profit after tax and share of profit of Joint Venture from continuing operations	1,713	2,180	2,220	1,827	1,347	610
Discontinued Operations: Share of loss of Joint Venture*	(46)	(220)	(18)	-	-	-
Profit After Tax	1,667	1,960	2,203	1,827	1,347	610
PAT to Net Revenue (%)	23.7%	21.9%	22.5%	20.0%	15.4%	14.4%

*Note: On March 9, 2018, the Board of Directors of Eicher Polaris Private Ltd. (EPPL), Eicher Motors' 50:50 joint venture with Polaris Inc., US, decided to wind down the operations of the EPPL

Balance Sheet (Consolidated)

(In Rs. Cr.)

Particulars	FY17	FY18	FY19	FY20	FY21	H1FY22
Net Fixed Assets (including CWIP and Pre-operative Expenditure)	1,247	1,835	2,324	2,690	2,748	2,803
Investments	4,987	5,581	4,923	5,749	3,902	5,691
Other Non Current Assets	260	186	180	102	125	238
Current Assets						
Inventories	336	395	633	572	875	1,113
Debtors	50	68	90	87	158	191
Cash and Bank Balances	25	1,212	2,965	2,951	5,830	3,465
Other Current Assets	86	227	271	299	921	912
Current Liabilities and Provisions	1,501	2,265	2,098	2,025	2,629	2,263
Net Current Assets	(1,004)	(345)	1,862	1,884	5,155	3,418
Total	5,489	7,257	9,289	10,425	11,930	12,150
Share Capital	27	27	27	27	27	27
Reserves and Surplus	5,318	7,003	7,003	9,954	11,411	11,509
Net Worth	5,345	7,030	7,030	9,981	11,438	11,536
Minority Interest	-	-	-	-	-	-
Deferred Tax Liability (net)	78	142	274	252	222	212
Other Non Current Liabilities and Provisions	66	85	96	192	270	332
Borrowings - Current	-	-	-	-	-	70
Total	5,489	7,257	9,289	10,425	11,930	12,150

Glossary

- **CAGR** – Compounded Annual Growth Rate
- **Consolidated** – Consolidated includes financials of Royal Enfield, VE Commercial Vehicles and 50% of Eicher Polaris Pvt. Ltd.
- **CV** – Commercial Vehicles
- **CY** – Calendar Year
- **BS IV** – Bharat Stage IV
- **BS VI** – Bharat Stage VI
- **DIIs** – Domestic Institutional Investors
- **E** – Estimated
- **EBIT** – Earnings Before Interest and Tax
- **EBITDA** – Earnings before interest Tax Depreciation and Amortization
- **EML** – Eicher Motors Limited
- **EPPL** – Eicher Polaris Private Limited
- **FIIs** – Foreign Institutional Investors
- **GVW** – Gross Vehicle Weight
- **HD** – Heavy Duty
- **IGAAP** – Indian Generally Accepted Accounting Principles
- **IND AS** – Indian Accounting Standards
- **JV** – Joint Venture
- **LCV** – Light Commercial Vehicles
- **LMD** – Light and Medium Duty
- **MHCV** – Medium and Heavy Commercial Vehicles
- **Market Share** – Market share in India calculated ex-exports volumes
- **MD** – Medium Duty
- **MDE** – Medium Duty Engine
- **Mid Size segment** – 250cc-750cc
- **PUV** – Personal Utility Vehicles
- **RE** – Royal Enfield
- **SKU** – Stock Keeping Units
- **Standalone** – 100% Business of Royal Enfield
- **SIAM** – Society of Indian Automobile Manufactures
- **Stores** – Exclusive Royal Enfield Stores
- **Total Revenue** – Revenue from Operations net of excise duty (excluding other income)
- **UCE** – Unit Construction Engine
- **VECV** – VE Commercial Vehicles

—
Thank You
—

Get Social



Royal Enfield



Royal Enfield



VE Commercial Vehicles

