EICHER

Investor Presentation

February 2022

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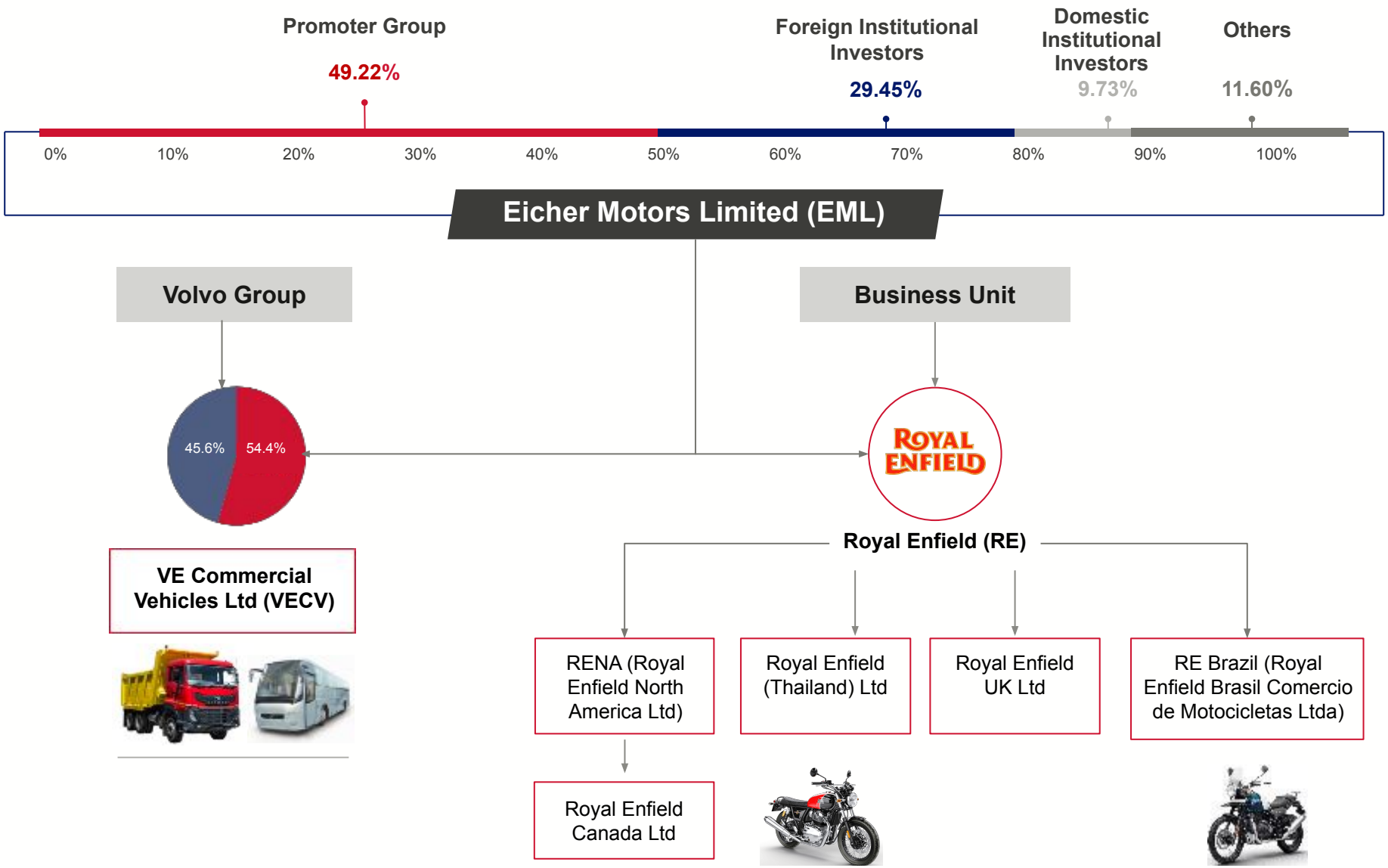
Note: The Company followed "January-December" as its reporting year till December 2014. The Board of Directors in its meeting held on February 13, 2015 decided to align the reporting year of the Company with the requirements of Companies Act, 2013. Therefore, the reporting year for 2015-16 commenced 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



Shareholding pattern as of 31st December 2021

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.

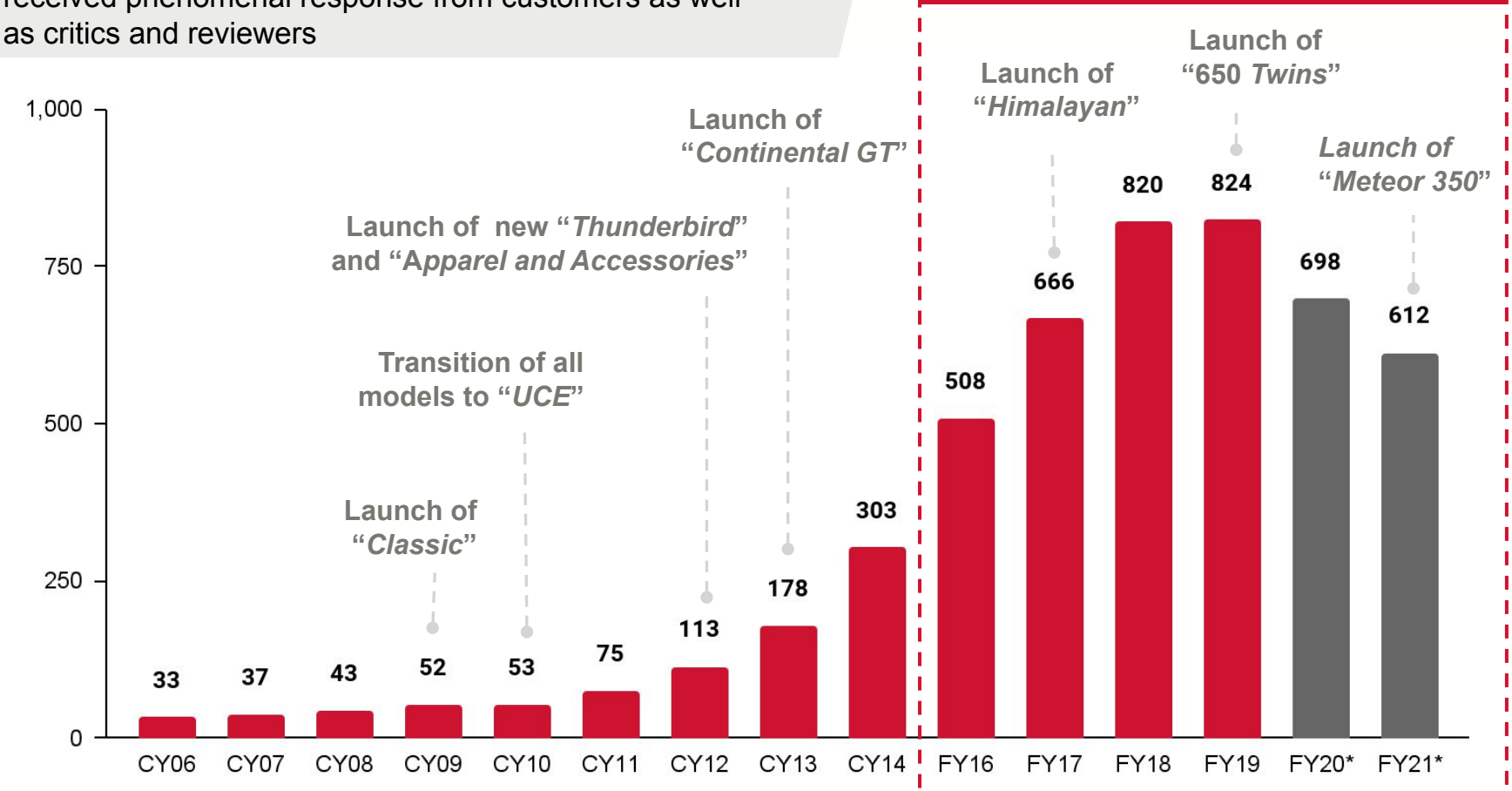
*No.1 selling brand in the middleweight segment in Europe - Interceptor 650 has the top position for year now
**Top selling motorcycle brand in the middleweight segment in New Zealand | Among top 3 motorcycle brand in the segment in Thailand | No.1 in the middleweight segment in India

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

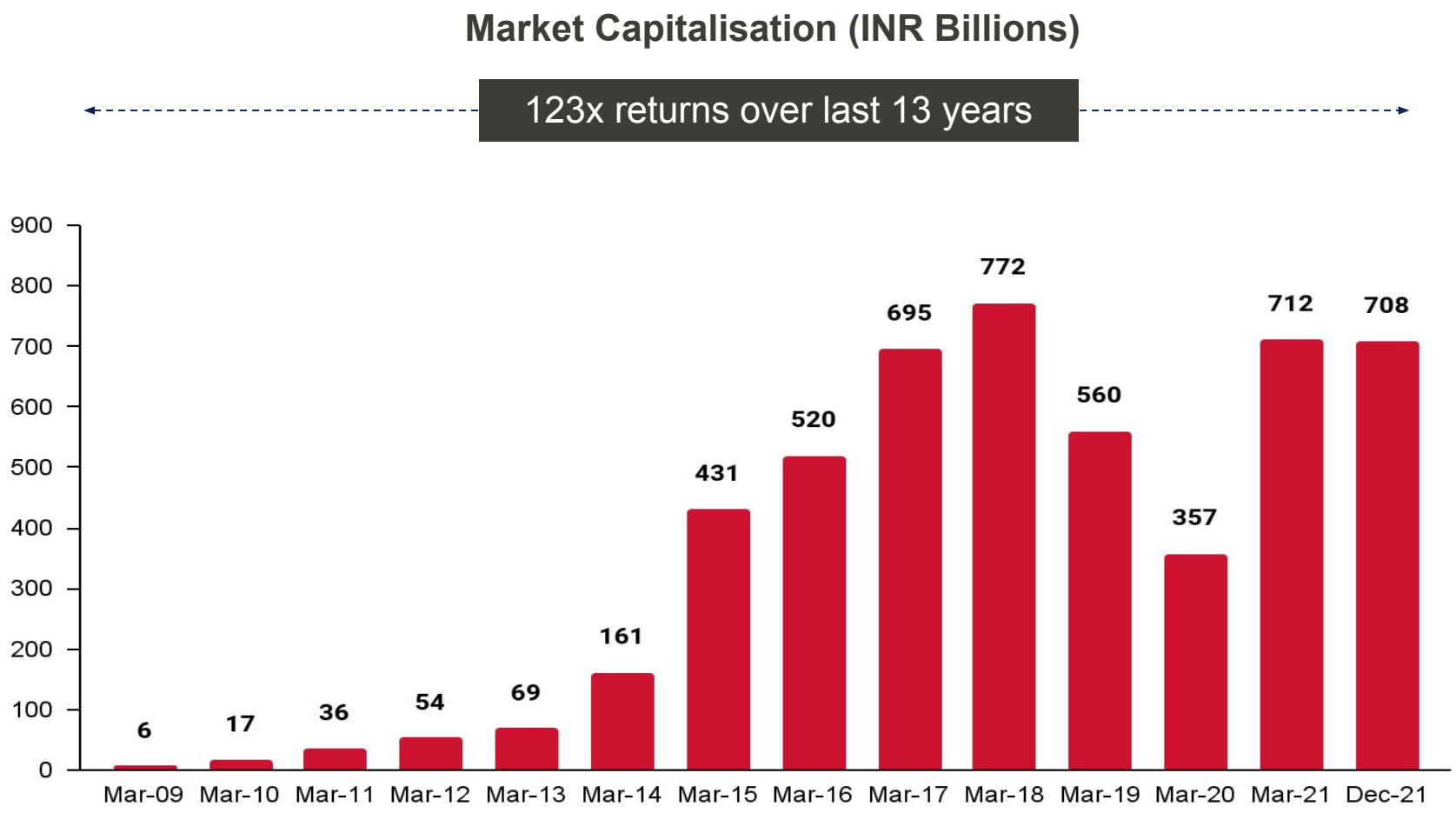
While FY2020-21 volumes were impacted due to COVID-19, our new models including Meteor 350 received phenomenal response from customers as well as critics and reviewers

Replacement opportunity awaits as most of the sales happened in the past 6 years



Note: Standalone volumes for Eicher Motors Limited
*FY20 and FY21 volumes were impacted due to COVID 19 pandemic

Significant Value Creation for all stakeholders



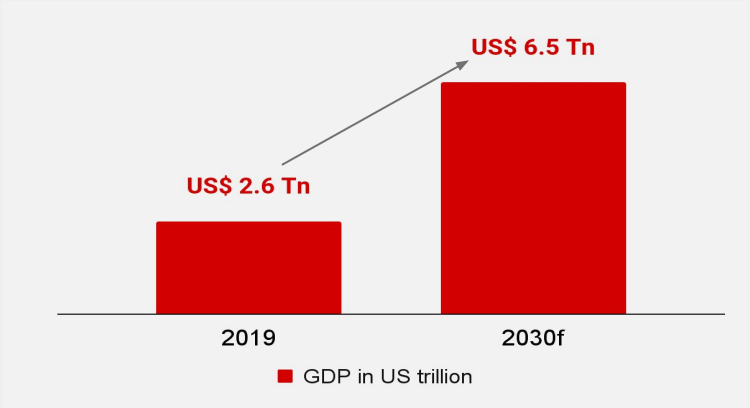
Source: Capital IQ
Excluding dividends

Global

Opportunity – Domestic Market

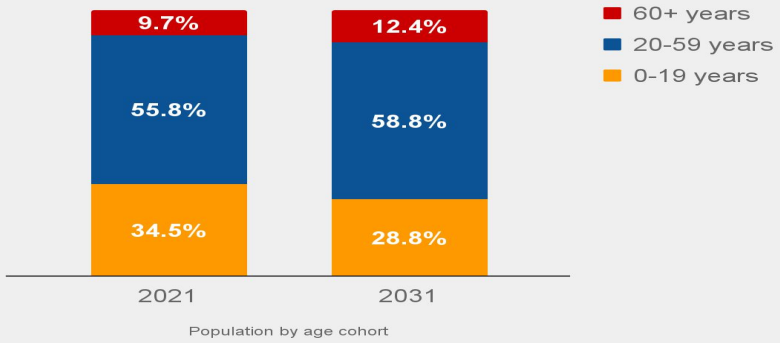
India to become a US$6.5 trillion economy by 2030

Indian Economy: A shift to a high growth path



India's favorable demographics

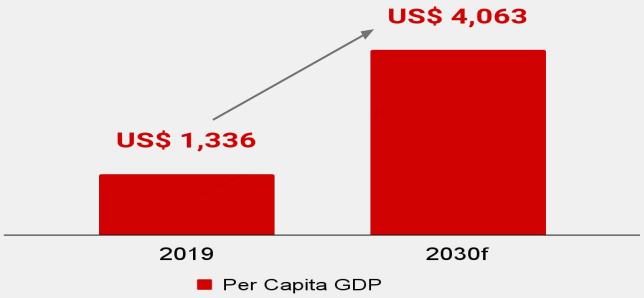
By 2031, the working age population i.e. 20-59 years is poised to increase by 300bps



Source: Economic Survey 2019-20

Rising income

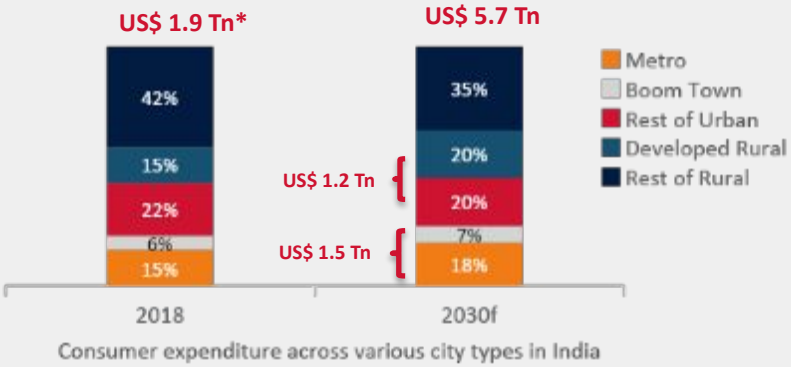
The expansion of the middle class and high-income segments will reshape future consumption and drive incremental consumption of US$ 4 trillion by 2030



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

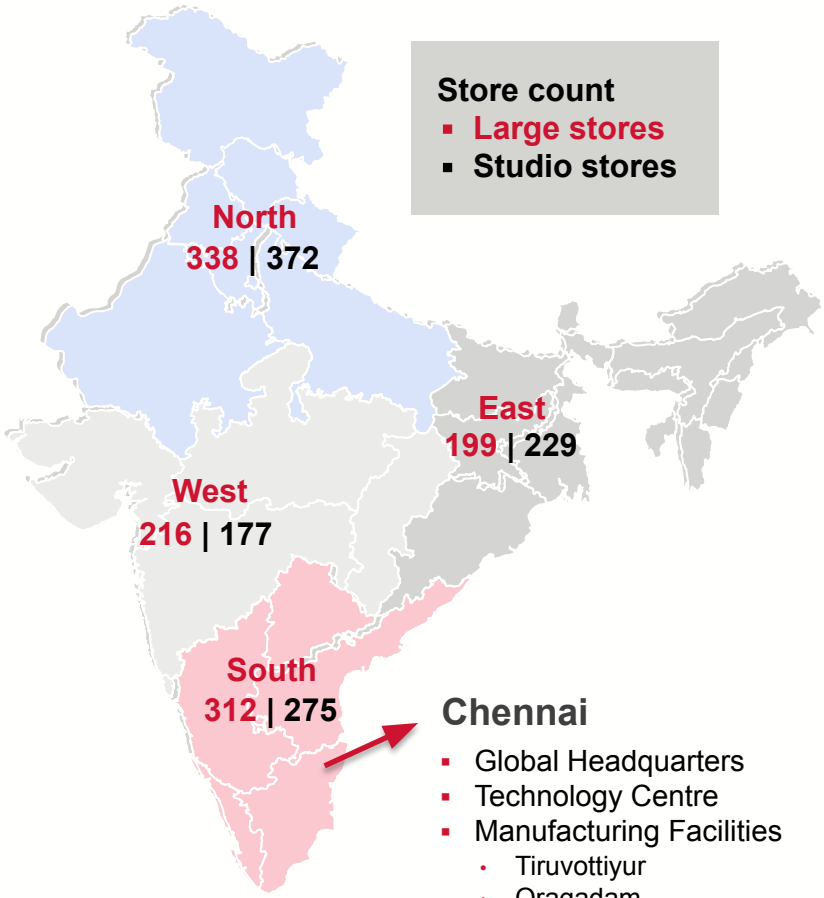
The incremental spend will be led by consumers upgrading to packaged, branded or higher priced offerings



Source: *Worldbank

Established Premium Brand in India with an expansive premium distribution network

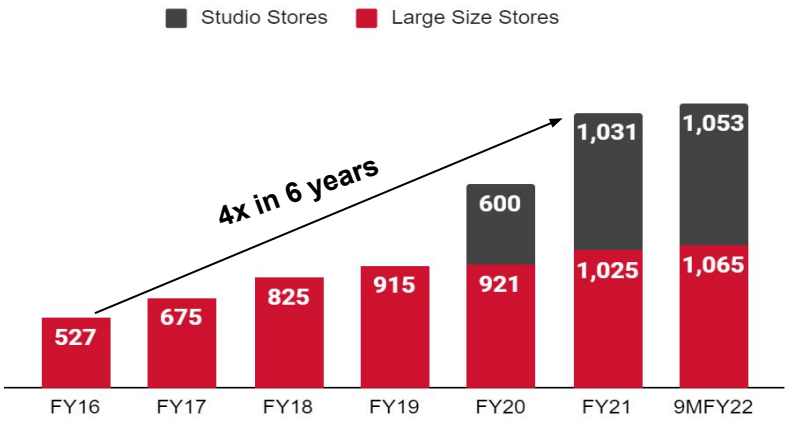
1,065 stores and 1,053 studio stores across ~1,750 cities



Chennai

- Global Headquarters
- Technology Centre
- Manufacturing Facilities
  - Tiruvottiyur
  - Oragadam
  - Vallam Vadagal

Dealer Network



City Category wise Distribution

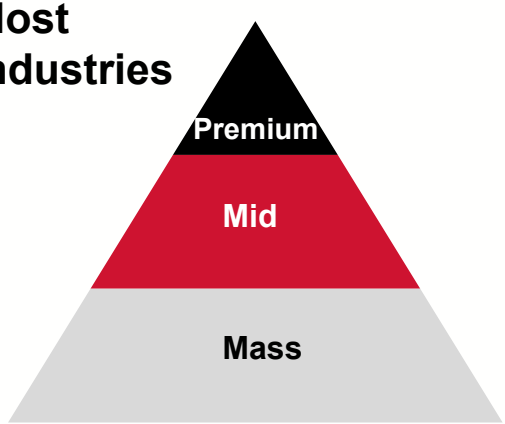
Category*	Store Count
Metro	62
A+, A	174
B, C	350
D, E, R	479
Large Stores	1,065
Studio Stores	1,053
Total	2,118

*Market segmentation basis Opportunity size for premium motorcycle

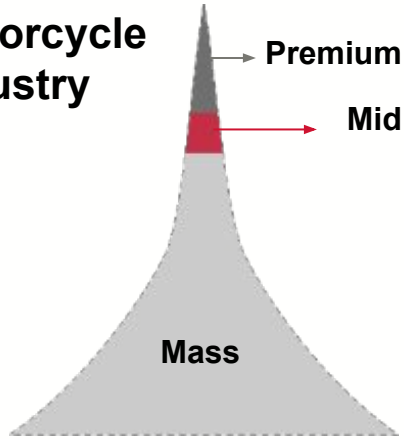
Global mid-size motorcycle market is underserved and is a huge opportunity

The Oddity of the Motorcycle Industry Globally… is an opportunity

Most Industries



Motorcycle Industry



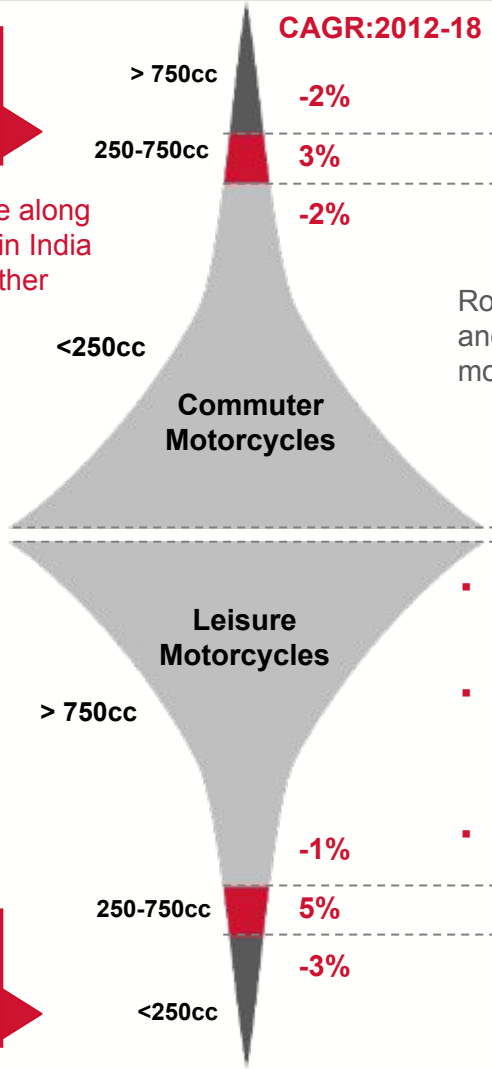
Motorcycles Industry

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

Mature Markets



Royal Enfield's ambition is to lead and grow the global mid-sized motorcycle segment (250-750cc)

- Global players focussed on super bike segment with higher margins
- City dwellers as well as ageing population do not prefer super-fast and expensive motorcycles
- Lack of premium brands in the segment

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

152 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

341 employees

Product Strategy
Identify opportunities, define products

Industrial Design
Visual design of the product

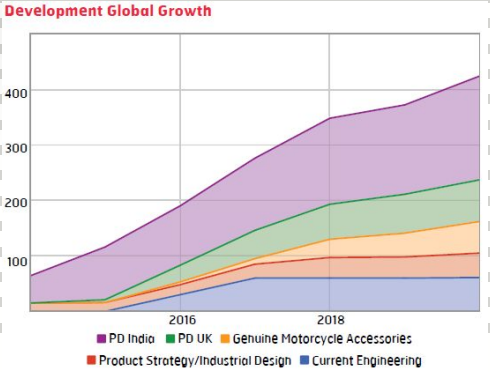
Product Development
Engineering analysis, design and validation of powertrain

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



Rapidly growing international network

156 Exclusive stores opened in less than 6 years; 660+ MBO

Developed Markets

	Exclusive Store	Multi Brand Outlet
North America	1	138

Countries with exclusive stores

- **USA – 1**

Marketing Company - **USA**

	Exclusive Store	Multi Brand Outlet
UK, Europe, UAE	44	391

Countries with exclusive stores

- **Austria – 1**
- **Belgium – 1**
- **France – 17**
- **Germany – 3**
- **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	49	95

Countries with exclusive stores

- **Australia* – 1**
- **Cambodia – 1**
- **Indonesia – 4**
- **Japan – 1**
- **Malaysia – 1**
- **New Zealand* – 1**
- **Philippines – 3**
- **Singapore – 1**
- **South Korea* – 1**
- **Thailand – 33**
- **Vietnam – 2**

Assembly Unit – **Thailand**
*Developed Markets

	Exclusive Store	Multi Brand Outlet
LATAM	62	43

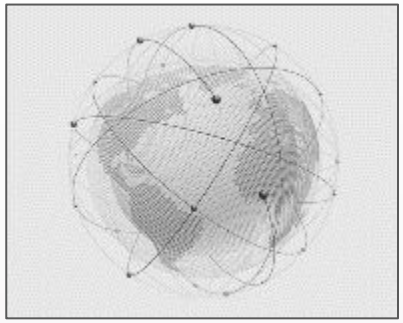
Countries with exclusive stores

- **Argentina – 12**
- **Brazil – 20**
- **Colombia – 15**
- **Costa Rica – 1**
- **Dominican Republic – 1**
- **Ecuador – 3**
- **Mexico – 9**
- **Peru – 1**

Marketing Company - **Brazil**
Assembly Unit – **Argentina, 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

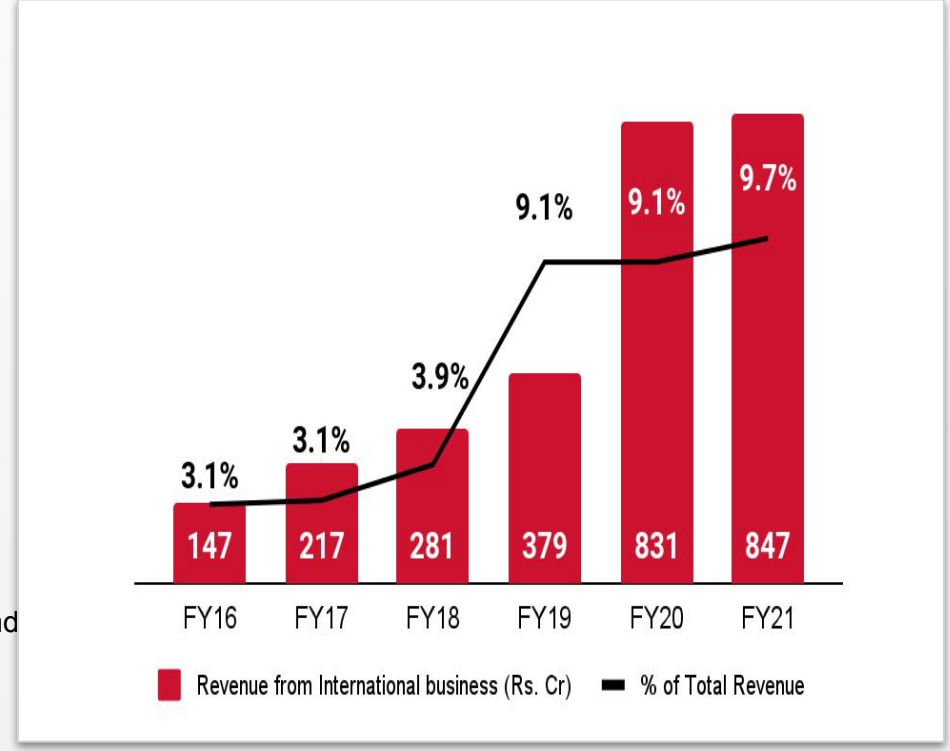
CKD Setup

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

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 ⟷ **Adventure, Urban and Lifestyle**

All-new Classic 350: Setting New Benchmarks

Positive Adoption and Engagement by Customers

- Gained customer appreciation on Retro look, availability of colour options and variants, refinement levels, comfortable seats, good riding posture and ride quality, inclusion of fuel gauge and alloy wheels in select variants.
- Officially recognised by Guinness World Records for most number of concurrent views during a live launch.

100,000th unit rolled out

- The all-new Classic 350, since its debut in India, has been launched in APAC as well as made its debut in Europe at EICMA 2021
- We have rolled out more than 1,00,000 units of the new Classic 350. This reiterates consumers' continuing love for the timeless style and design of the Classic.

Extended with a host of Accessories Range

- A wide array of 35 bespoke Genuine Motorcycle Accessories designed to complement the versatility along with enhancing comfort levels, utility and style of the motorcycle, available via the MiY platform.

Click Here to View More

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

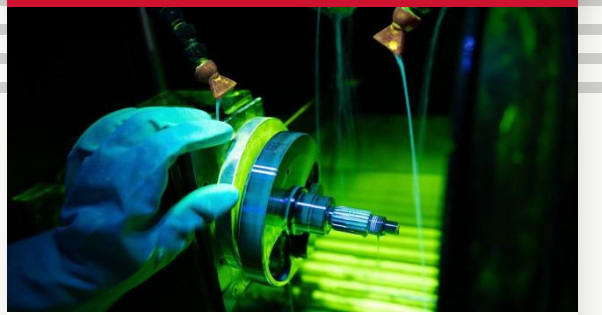
ENGINE ASSEMBLY

- 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

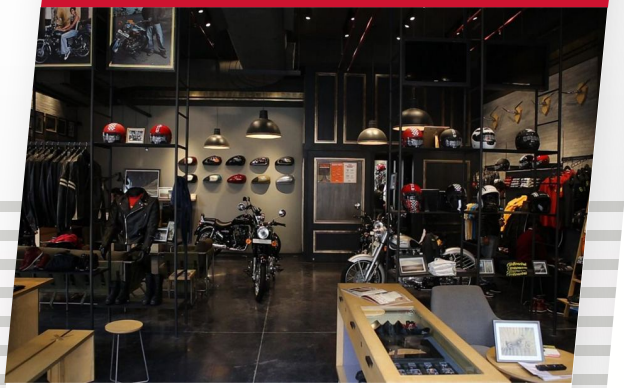
- 100% Robotic welding for Frames
- Better control in every process parameters
- Improved ride & handling experience

AUTO BUFFING

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

The Customer at the centre

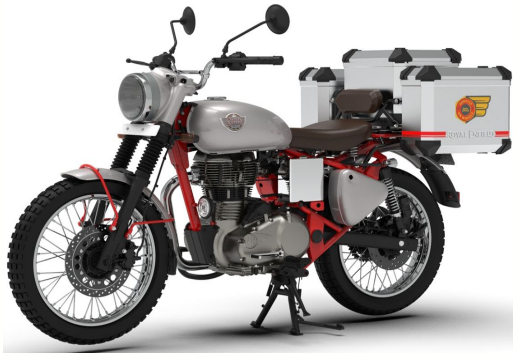
SALES



Store and Online experience

- Sales Process excellence
- Brand retail identity
- Digitization of buying experience, interactive catalogue
- Personnel with technical knowledge and understanding of product line-up

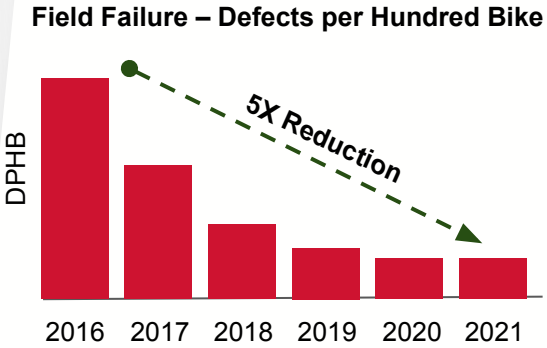
SERVICE



Service on Wheels

- First time right
- Extended warranty and AMC for better upkeeping 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



Product Quality Excellence

- Vallam Vadagal facility received "Challengers Award 1st Runner up" in the Sustainability 4.0 awards 2021 jointly conducted by Frost & Sullivan
- Certified for Integrated management system by DNV “Det Norske Veritas”
- Effective execution of SRK “Shoki Ryudo Kanri” across product portfolio
- Successful and seamless establishment of Quality systems in CKD facilities
- Recognised with Quality Excellence Award from National Convention on Quality Concepts

Variety of initiatives to enhance customer experience

MY
MAKE IT YOURS

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

Rides and Community

Continental GT Cup

- Debut of the Royal Enfield Continental GT Cup 2021 - a unique retro track-racing initiative, aspiring to further nurture niche riding cultures and open new avenues to real-world track racing
- Acquired an overwhelming response across the country, Round 1 was held on 23rd and 24th October 2021, where 18 shortlisted racers along with two Media wild card participants competed against each other.

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.

90° South: Our Quest for the South Pole

Successfully completed 90° South - A first-of-its-kind motorcycle expedition to reach the Geographic South Pole

A 28-day journey traversing Antarctica on a 400 km ride from 87° South to the South Pole, on expedition-ready Royal Enfield Himalayans

A tribute to the brand's commitment to pure motorcycling, and to the courage and resilience of enthusiasts who have scripted history with their motorcycling journeys

Building the Pure Motorcycling Ecosystem

Provide frictionless experience for RE Riders

In Store Opportunity

Accessories

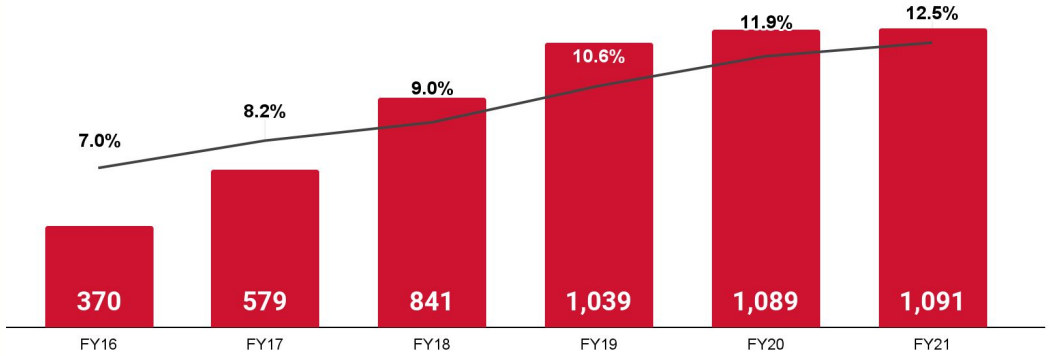
Apparel

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

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

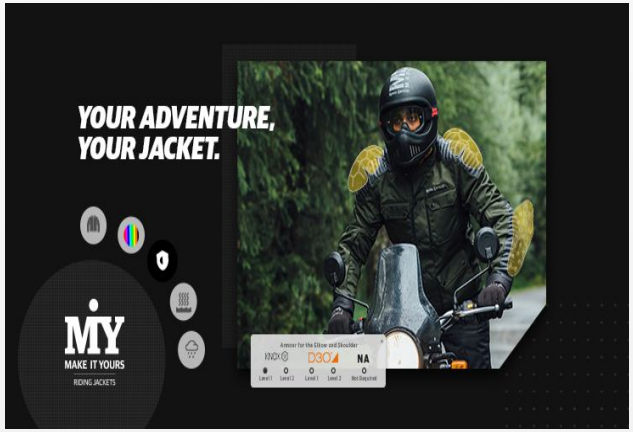
ART OF MOTORCYCLING SEASON 2

Conceptualized a platform catering artists, designers, illustrators and motorcycle enthusiasts to exhibit their love for motorcycling

BELSTAFF x RE

BELSTAFF X ROYAL ENFIELD

Introduced a range of heritage-inspired riding jackets, t-shirts, zip-up sweatshirts, caps, enamel mugs and the hero pieces of the collection.



MiY RIDING JACKETS

MY MAKE IT YOURS RIDING JACKET

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

Brand

EICMA 2021

Opened at EICMA 2021 with an unveiling of the Royal Enfield SG650 Concept motorcycle, marking another chapter in the brand's 120 year old journey

Debuted the 120th Year Anniversary Edition with the flagship models; the 650 Twin, the Interceptor 650 and the Continental GT 650 and received an overwhelming response from the Indian customers as 120 units of these models were sold under 120 seconds record time

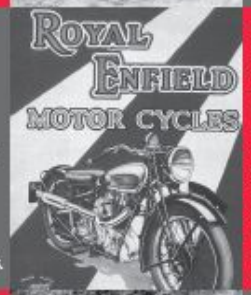
Showcased a major centre-piece of our 120 anniversary celebration projects with the unveiling of 'Project Origin'

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.

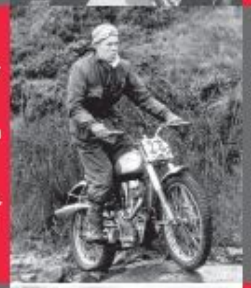
1926
A major fire breaks out at the Redditch factory. The company's own fire brigade manages to fight flames that threaten to engulf the entire 18-acre plant.

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.

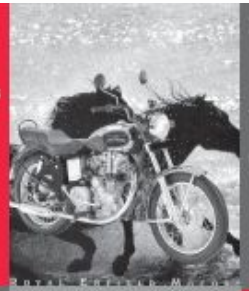


1952
Madras Motors receives an order from the Indian Army for 800 350cc Bullets. The motorcycles arrive from Redditch in early 1953 and prove to be a great success, being both hardy and easy to maintain. Johnny Brittain wins the prestigious 'Scottish Six Day Trial' on his 350cc Bullet, 'HNP 331'.

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 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.

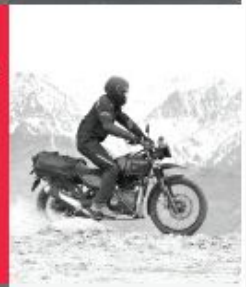
1994
Eicher acquires Enfield India Limited. The company is renamed Royal Enfield Motors Limited.



2008
The 500cc Unit Construction Engine (UCE) is launched in India. The retro-styled Classic version achieves cult status immediately and sales grow rapidly.

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.

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.'

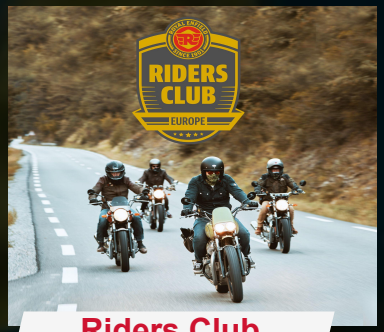
2020
Royal Enfield debuts the all-new Meteor 350, a class-leading, thoroughbred cruiser. With an all new ground-up engine and chassis, the motorcycle delivers a supreme riding experience on open highways and is sublime for city rides.

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.

Engage Physically... Propagate Digitally

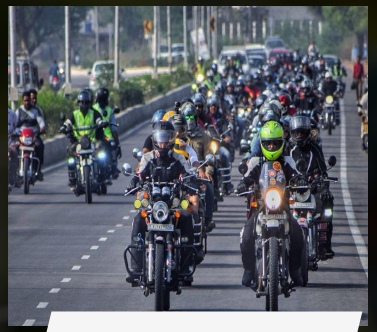
Rider Mania

Himalayan Odyssey



Riders Club Of Europe

Slideschool



One Ride

Continental GT Cup

90° South

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

Note: Royal Enfield's Marquee Rides - Rider Mania and Himalayan Odyssey were not conducted in FY 2020 due to COVID-19 pandemic

Building a strong digital community

#90South

#120YearsOfRoyalEnfield

Meteor Turned 1

All New Classic 350

Total Reach*
2,005 M

Total Engagement
127 M

Average Engagement per Brand post
8,993

Total Views
952 M

Engagement Rate^
6.27%

Royal Enfield Podcasts

Royal Enfield x Belstaff

Classic Guinness World Record Book

120 Years Helmets

120 Year Twins Edition Launch

*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 December 2021

Hybrid Engagement Leading to Strong Consumer Equity

#1 ROYAL ENFIELD
84% Consideration

2,000 bps ahead of
our closest competitor

#1 ROYAL ENFIELD
50% Top of Mind
Awareness

2,400 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 50% while the closest competitor is at 26%.
- Our Top Two Box Consideration (purchase intent) is the highest in the category at 84% while the closest competitor is at 64%.

Source: 200cc+ brand health track 2021-22 (for India)

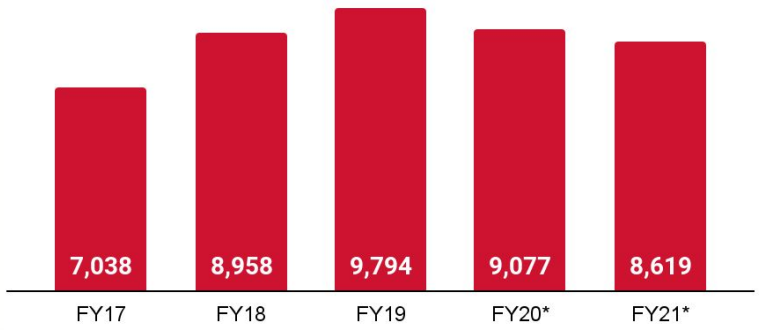
Business Performance

Consistent Delivery leading to strong cash accruals

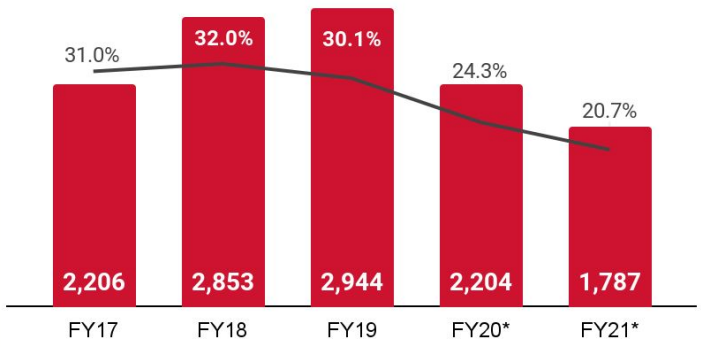
All figures are in Rs. Crs unless specified

Total Revenue

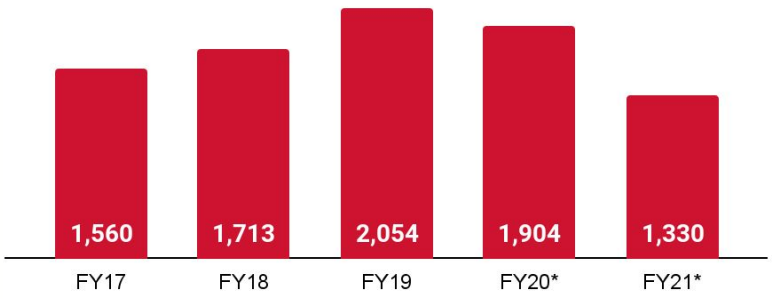
Total revenue from operations (net of excise duty)



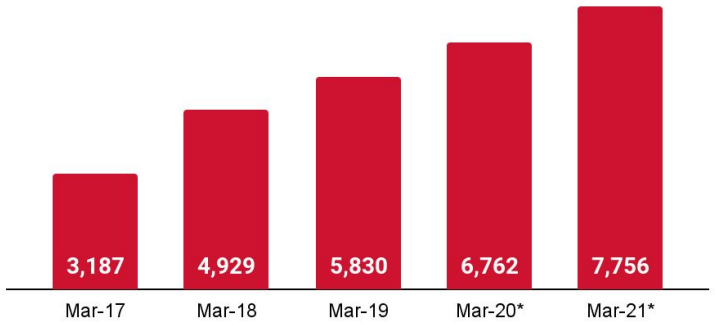
EBITDA and Margin



Profit After Tax



Net Cash



Net Cash = Cash and cash equivalent – Total debt

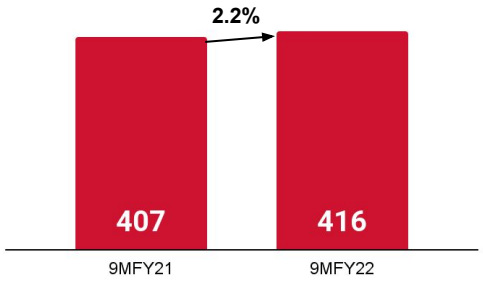
Note: PAT for FY18 and FY19 includes an impairment loss of Rs. 311.98 crores and Rs. 17.52 crores respectively on the company's investment in its joint venture, EPPL subsequent to winding down of operations of EPPL.

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

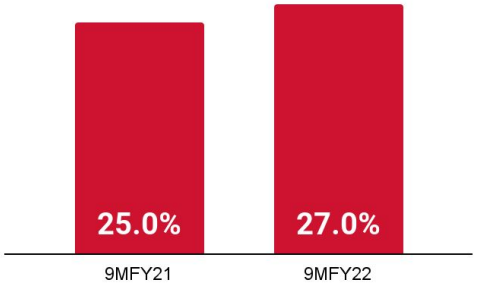
YTD FY22 Highlights - Eicher Motors Ltd. (Standalone)

All figures are in Rs. Crs unless specified

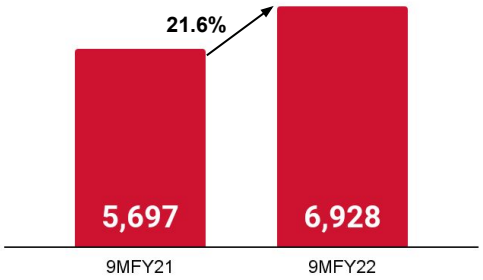
Sales Volume
(in Thousands)



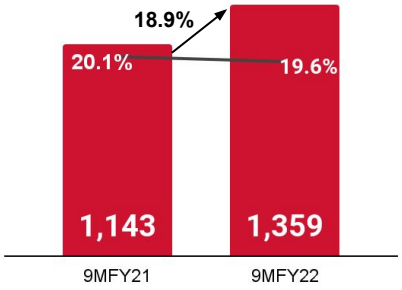
Market Share* (India)



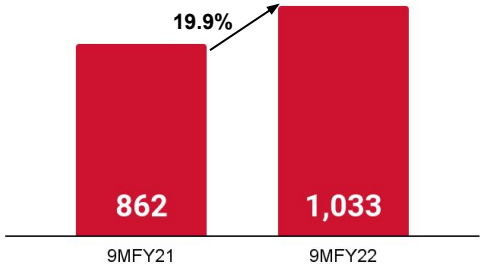
Total Revenue
Total revenue from operations (net of excise duty)



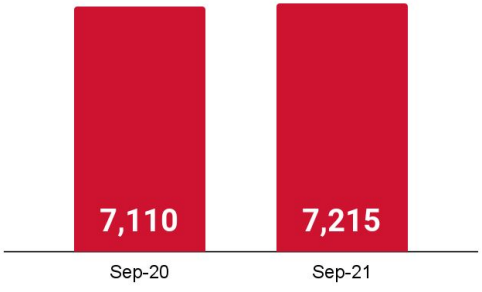
EBITDA and Margin



Profit After Tax



Net Cash



* Market Share in above 125cc segment
Source - SIAM

Strong steps taken to mitigate short term supply chain challenges

Challenge

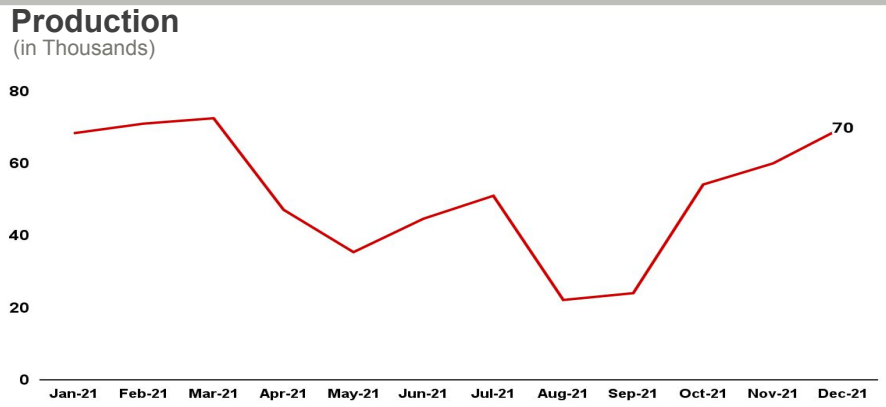
Semiconductor Component Shortage -

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 alongisde working on multiple parallel sourcing strategy and initiatives.

Production Performance over past 12 months



Despite the supply headwinds, recorded QoQ improvement in production in Q3 FY22, facilitated by active engagement and dialogue with alternate suppliers.

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

* CAT- Catalytic Convertor
^ PGM- Precious Group of Metals

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

COOLEST MOTORCYCLES OF THE YEAR

BEST OF 2021

RETRO BIKE OF THE YEAR

*Source: As per MCIA data from January 2021 to December 2021

RE in Summary

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

VECV Bus Division

Engines & Drivetrain

Engineering Components

Volvo Trucks

Joint Venture since 2008… Merging the best of both worlds

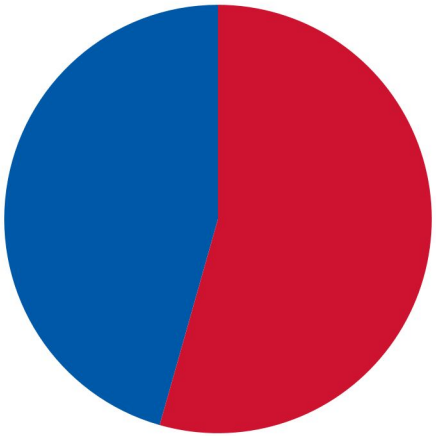
VOLVO

- 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



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 & win-win

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

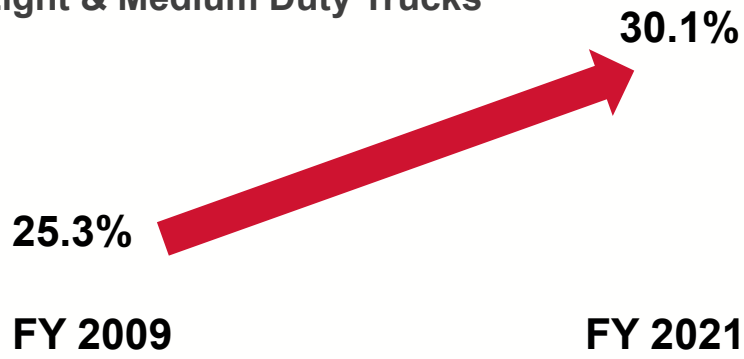
2013-2020 Wave 2 Synergy -Commercial focus

- Launched Eicher Pro series with Volvo Group technology
- Light duty product upgraded for delivery from India to select exports market
- Increasing transformation into commercially focused organization with new initiatives and upgrades
  - Enhanced Parts Availability, Uptime Center
  - Analytics and Digital for predictive diagnostics and maintanence
  - Focus on brand and dealer infrastructure
  - Company owned and operated dealerships
- Seamless transition to BS VI
- Bus Division set-up /integration of Volvo Bus India

2021 > Next step synergies

Strengthened market share in all segments with modernisation

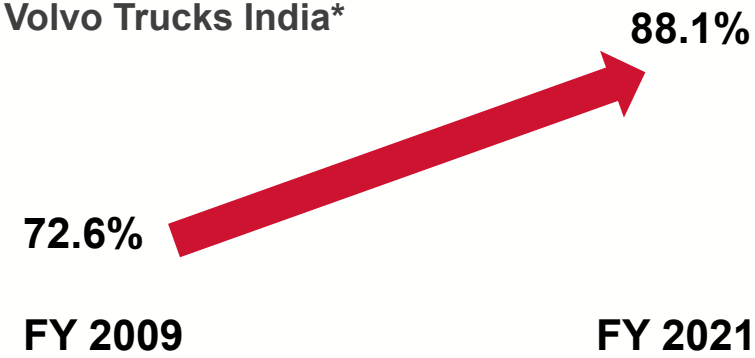
Light & Medium Duty Trucks



Heavy Duty Trucks

Buses

Volvo Trucks India*

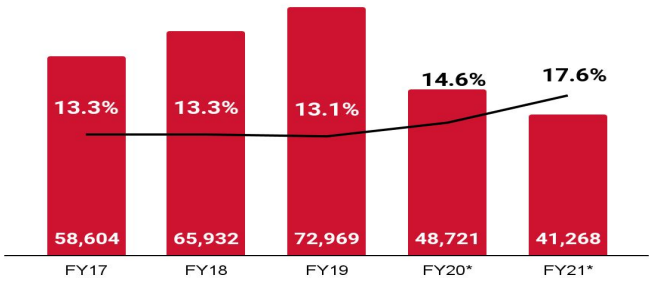


*Market share in high end premium segment

Consistent financial performance despite headwinds

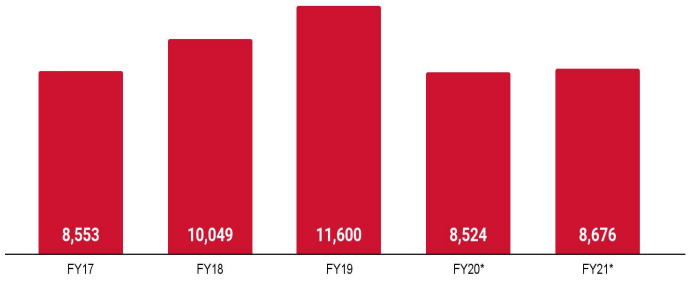
All figures are in Rs. Crs unless specified

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

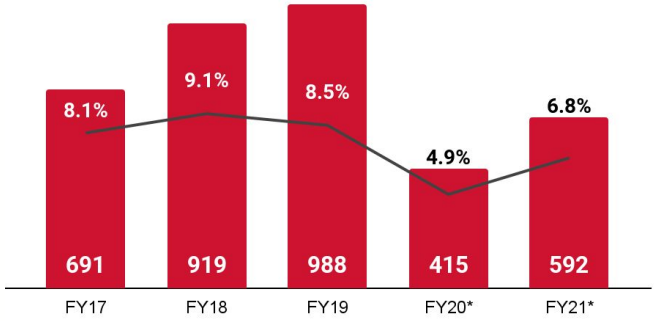


Total Revenue

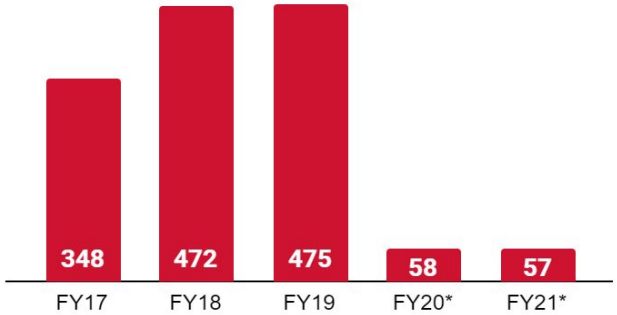
Total revenue from operations (net of excise duty)



EBITDA^ and Margins



Profit After Tax



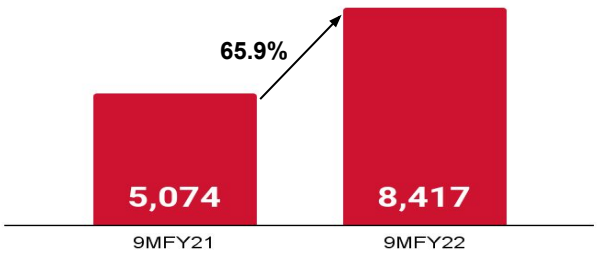
CV# - Commercial Vehicles
EBITDA – Earning Before Interest ,Tax, Depreciation and Amortisation
^For the purpose of EBITDA computation, only interest income (part of other income) has been excluded from Total Income
The figures in % indicate EBITDA Margins
EBITDA Margin = EBITDA/Total revenue from operations (net of excise duty)
*FY20 and FY21 volumes were impacted due to COVID 19 pandemic

YTD Financial Highlights - VE Commercial Highlights

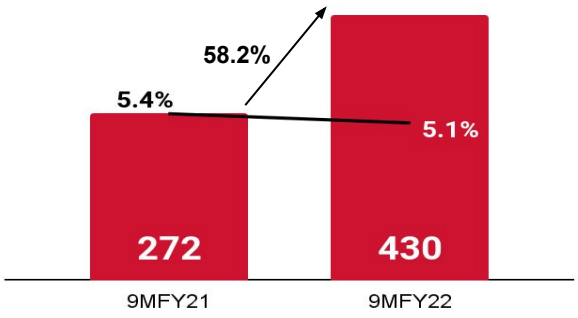
All figures are in Rs. Crs unless specified

Total Revenue

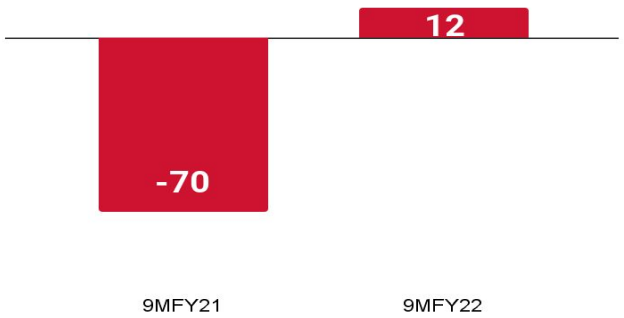
Total revenue from operations



EBITDA^ and Margins



Profit After Tax



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The figures in % indicate EBITDA Margins
EBITDA Margin = EBITDA/Total revenue from operations

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

BS VI Diesel

New Intercity Sleeper & Coach

12 – 62 Seater

Starline (School, Staff, RP)
Skyline (School, Staff)
Skyline Pro (School, Staff, Intercity RP, Tourist)
New Intercity Sleeper & Coach

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

Eicher Establishes New Standard In Inter-city Luxury Bus Travel With New Coach & Sleeper Platform

EICHER

INVESTOR PRESENTATION
February 2022

Electric range… 9m 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

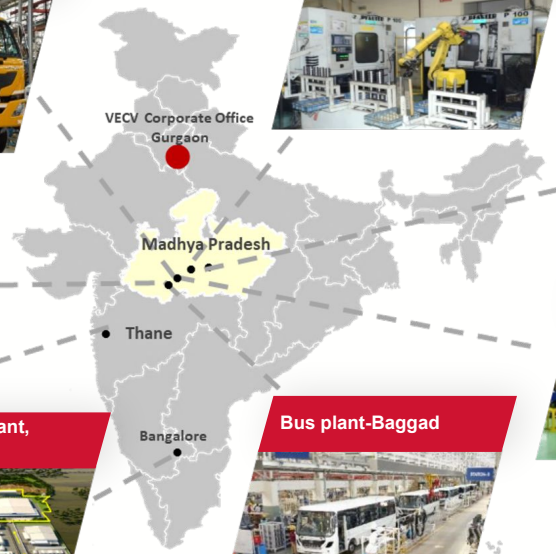
Manufacturing… enhanced with Volvo buses and Industry 4.0 Bhopal plant

Truck Plant-Pithampur

Eicher Engineering Components – Unit I & II – Dewas Plant

Truck Plant-Bhopal

VE Powertrain – Pithampur



Industrial Gear Box for Export (SEZ) – Pithampur

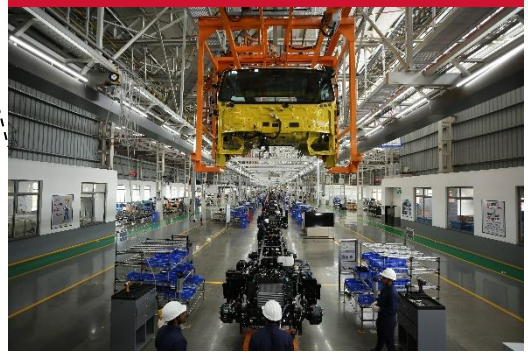
Eicher Engineering Components- Thane Plant

Volvo Bus Plant, Bangalore

Bus plant-Baggad

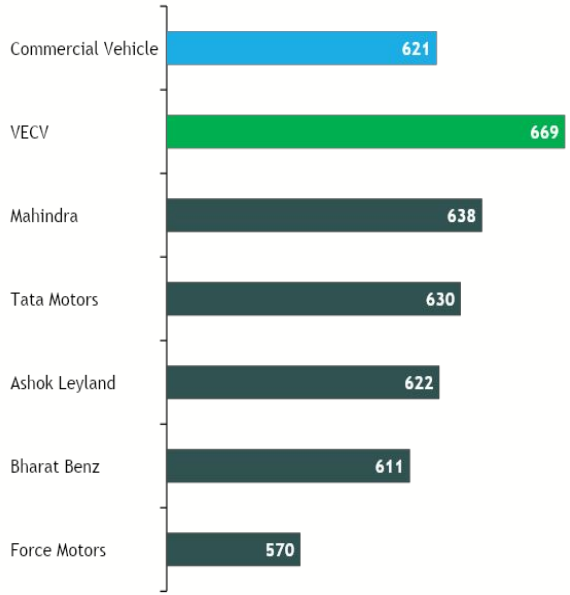
Vehicle Assembly plant - Bhopal

Chassis Assembly Line - Bhopal

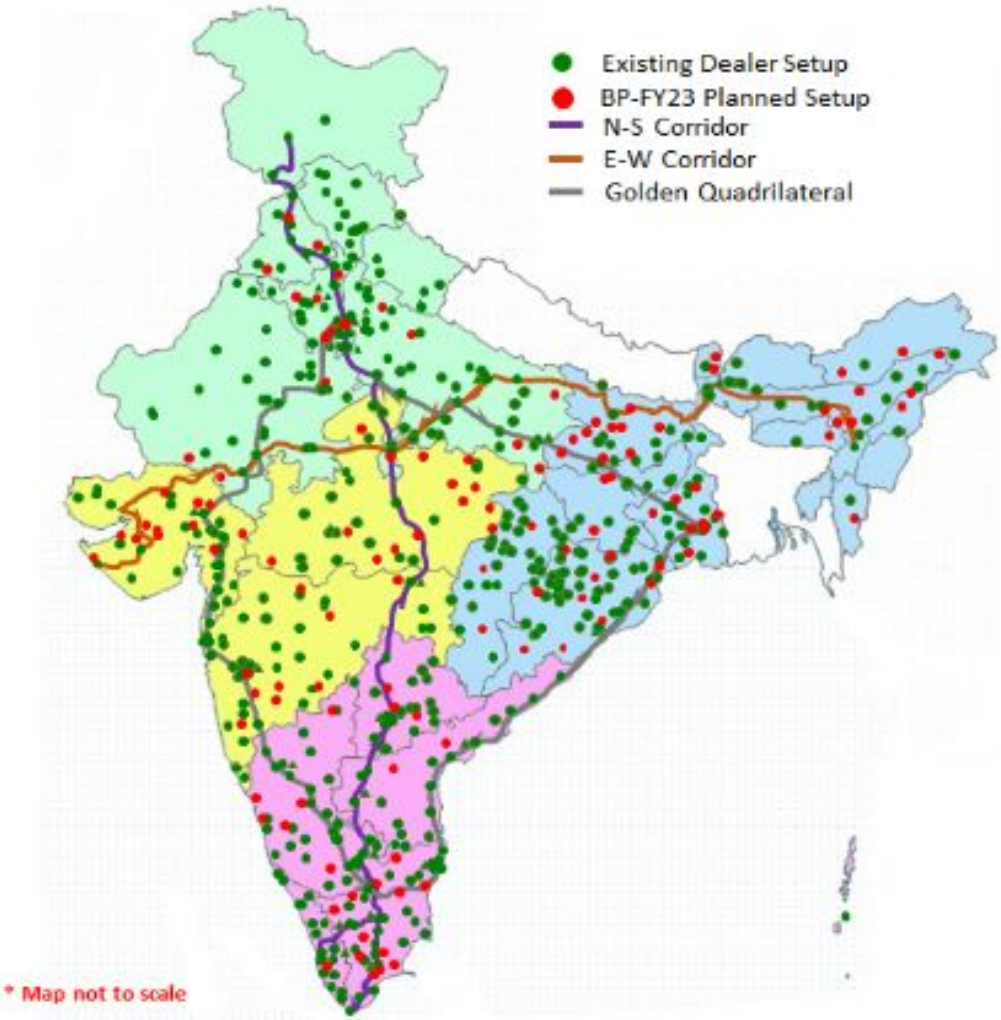


Strengthening distribution and service reach….#1 in Dealer Satisfaction

#1 in Dealer Satisfaction*

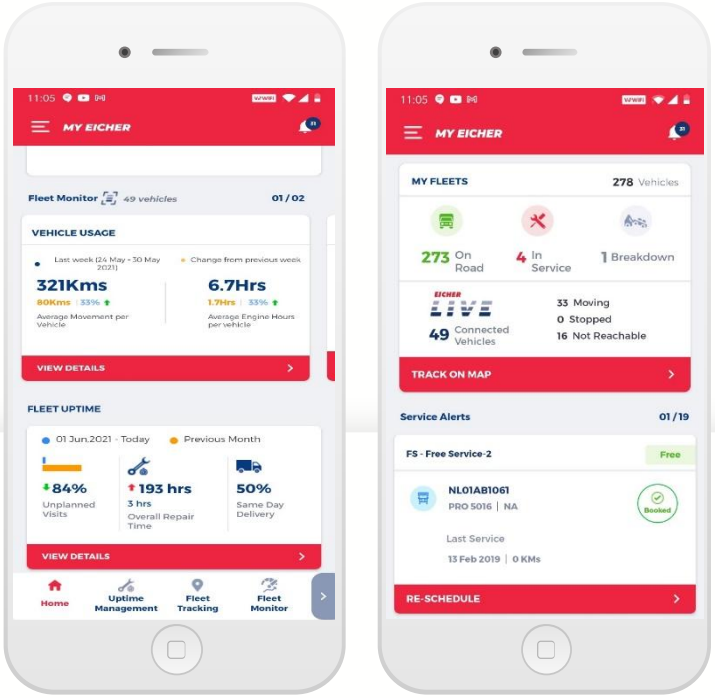


600+ network count



*Federation of Automobile Dealers Associations (FADA) Survey 2021

Leading in Digitization…driven by 100% connected vehicle fleet



- Digital Customer
- Digital Business
- Digital Enterprise

ESG

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

Sustainability Efforts Gather Steam

DJSI Inclusion

In November 2021, Eicher Motors Limited made its debut on Dow Jones Sustainability Index (DJSI) 2021 - Emerging Markets Category. EML has been ranked 8th among global automotive companies for ESG practices.

A total of 108 global companies feature on the DJSI Emerging Markets Index in 2021; and EML is one among only 15 Indian companies on the list.

The DJSI comprises emerging-market sustainability leaders as identified by S&P Global through the Corporate Sustainability Assessment (CSA). It aims to represent the top 10% of the largest 800 companies in 20 emerging markets based on long-term economic, environmental and social criteria.

Sustainability 4.0 Award 2021

In December 2021, Royal Enfield (A Unit of Eicher Motors Limited) was recognized with the "Challengers Award 1st Runner up, Mega Large Business, Automotive Sector" at the Frost & Sullivan and TERI Sustainability 4.0 Awards 2021.

In its thirteenth edition, Frost & Sullivan and TERI present the Sustainability 4.0 Awards 2022 that aims to highlight the need for linkages between an organization's strategy, governance & financial performance and the social, environmental & economic context within which it operates.

This program enables businesses to take more logical & sustainable decisions that ensure long-term stakeholder value.

Greener Business Operations

EML FOCUS AREAS

Energy and Emissions
Conservation, efficiency, renewable energy, reduced emissions

Material
Recycled material and Recyclable material (289 MT of recyclable product utised)

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

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)

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

EML SERVICES TO

1. Reduce amount of waste to landfill
2. Transition to low carbon growth
3. Conservation of natural resources
4. Minimise emission in raw material extraction and production

Alignment to sustainable development goals (SDGs)

Passion with Responsibility

India

USA

Europe

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

- Debut on the Dow Jones Sustainability Indices (DJSI)- Emerging Markets category, as one among only ten global automotive companies to feature on the elite list for 2021.
- Working on conserving and harvesting water at the manufacturing facilities to turn them 'Water Positive'.
- Responsible Travel project introduced across multiple states
- Ladakh Empower Project: Created an alternative learning space for students of Ladakh
- 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

Kaleeswaran Arunachalam
Chief Financial Officer

Mark Wells
Chief of Design

Mohit Dhar Jayal
Chief Brand Officer

Simon Warburton
Chief Program Manager

Sudhakar Bhagavatula
Chief Information Officer

Manhar Kapoor
Chief Legal Counsel & Company Secretary

Rajeev Sharma
Chief Human Resource Officer

Paolo Brovedani
Chief of Product Development

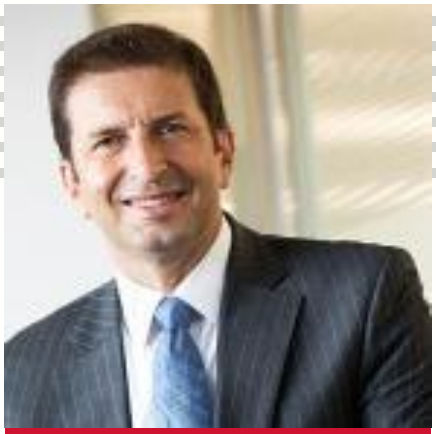
VECV Board…Proven track record of value delivery

Siddhartha Lal
Chairman of the Board
MD Eicher Motors Ltd

Jan Gurander
Deputy CEO Volvo Group

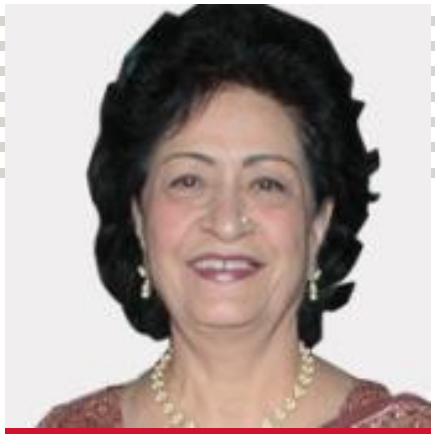
Joachim Rosenberg
EVP Volvo Group
President Volvo Energy

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 & Global CV industry

Vinod Aggarwal
MD & CEO

B K Bindiganavile
SVP

Strategy, Brand & Communication

Sudeep Dev
SVP & CHRO

Human Resources

Finance, Legal & Audit

Businesses Processes and IT

Rajesh Mishra
CDO

Volvo Trucks India

Boddapati Dinakar
SVP

Eicher Trucks and Buses, VEPT

Technology and Operations

R S Sachdeva
COO

Sachin Agarwal
SVP
Powertrain

Vimal Mulchandani
SVP
Vehicle Engineering

Pradeep Mishra
SVP
Purchasing

Aditya Shrivastava
SVP
Manufacturing

India, International Business & Customer Service

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

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

Bus Division

Akash Passey
President
Bus Division

B Srinivas
SVP
Bus S&M (Eicher)

Suresh Chettiar
SVP
Volvo Buses India

EEC

Gyanendra Das
SVP

As of 31st December'21

Strong Governance Principles

- EML and VECV are 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	9MFY22
Sales Volume: Two Wheelers (Nos.)	666,135	820,121	822,724	697,582	609,403	413,349
Total revenue from operations (net of excise)	7,033	8,965	9,797	9,154	8,720	7,105
Manufacturing and other expenses	4,859	6,157	6,894	6,973	6,939	6,037
Earnings before interest, depreciation and tax (EBIDTA)	**2,174**	**2,808**	**2,903**	**2,180**	**1,781**	**1,415**
EBIDTA to Net Revenue (%)	**30.9%**	**31.3%**	**29.6%**	**23.8%**	**20.4%**	**19.9%**
Depreciation	154	223	300	382	451	332
Earnings before interest and tax (EBIT)	**2,020**	**2,584**	**2,603**	**1,799**	**1,331**	**1,083**
EBIT to Net Revenue (%)	**28.7%**	**28.8%**	**26.6%**	**19.7%**	**15.3%**	**15.2%**
Finance Cost	4	5	7	19	16	16
Other Income	227	280	443	543	453	323
Share of profit / (loss) of joint venture	**189**	**257**	**258**	**32**	**31**	**6**
Profit before tax	**2,433**	**3,116**	**3,297**	**2,355**	**1,798**	**1,396**
Provision for taxation	720	936	1,077	527	452	330
Profit after tax and share of profit of Joint Venture from continuing operations	**1,713**	**2,180**	**2,220**	**1,827**	**1,347**	**1,066**
Discontinued Operations: Share of loss of Joint Venture*	**(46)**	**(220)**	**(18)**	**-**	**-**	**-**
Profit After Tax	**1,667**	**1,960**	**2,203**	**1,827**	**1,347**	**1,066**
PAT to Net Revenue (%)	**23.7%**	**21.9%**	**22.5%**	**20.0%**	**15.4%**	**15.0%**

*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