EICHER

Investor Presentation

May 2022





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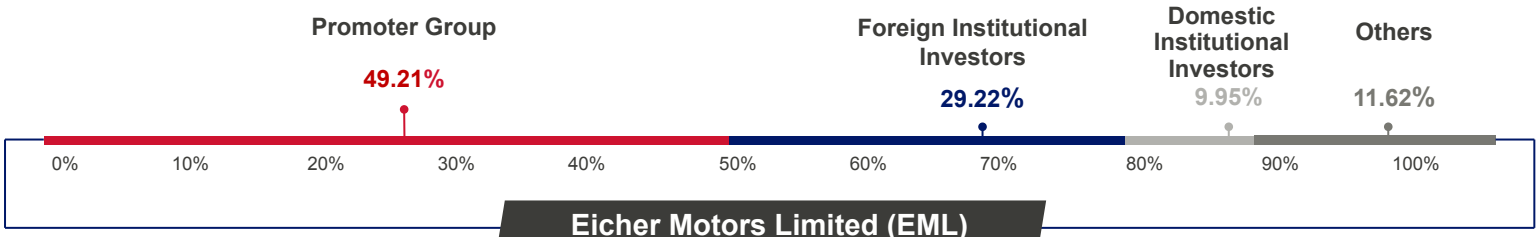
5 FINANCIALS

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

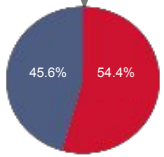


Eicher Motors Ltd. (EML) - Group Structure



Eicher Motors Limited (EML)

Joint Venture with Volvo Group



VE Commercial Vehicles Ltd (VECV)



Business Unit

Royal Enfield (RE)

- RENA (Royal Enfield North America Ltd)
  - Royal Enfield Canada Ltd
- Royal Enfield (Thailand) Ltd
- Royal Enfield UK Ltd
- RE Brazil (Royal Enfield Brasil Comercio de Motocicletas Ltda)






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 840 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.

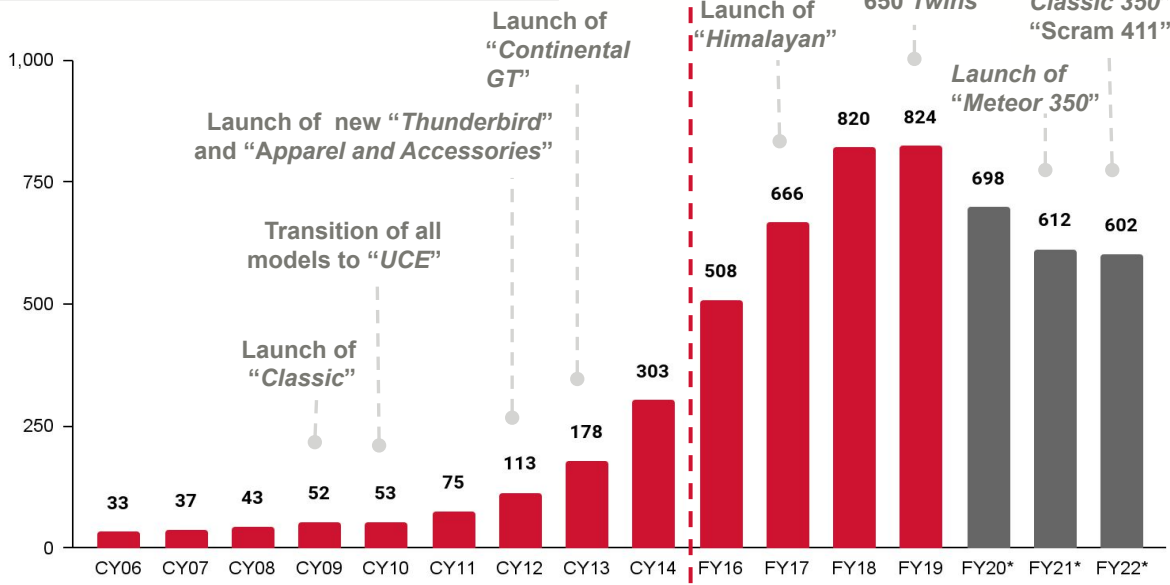
*No.1 selling brand in the middleweight segment in Europe - Interceptor 650 has the top position for year now
**Top selling motorcycle brand in the middleweight segment in New Zealand | Among top 3 motorcycle brand in the segment in Thailand | No.1 in the middleweight segment in India

Launch of the Classic in 2009 was an inflection point

Volumes grew by ~22% CAGR between CY-2010 to FY-2018, prior to significant external headwinds

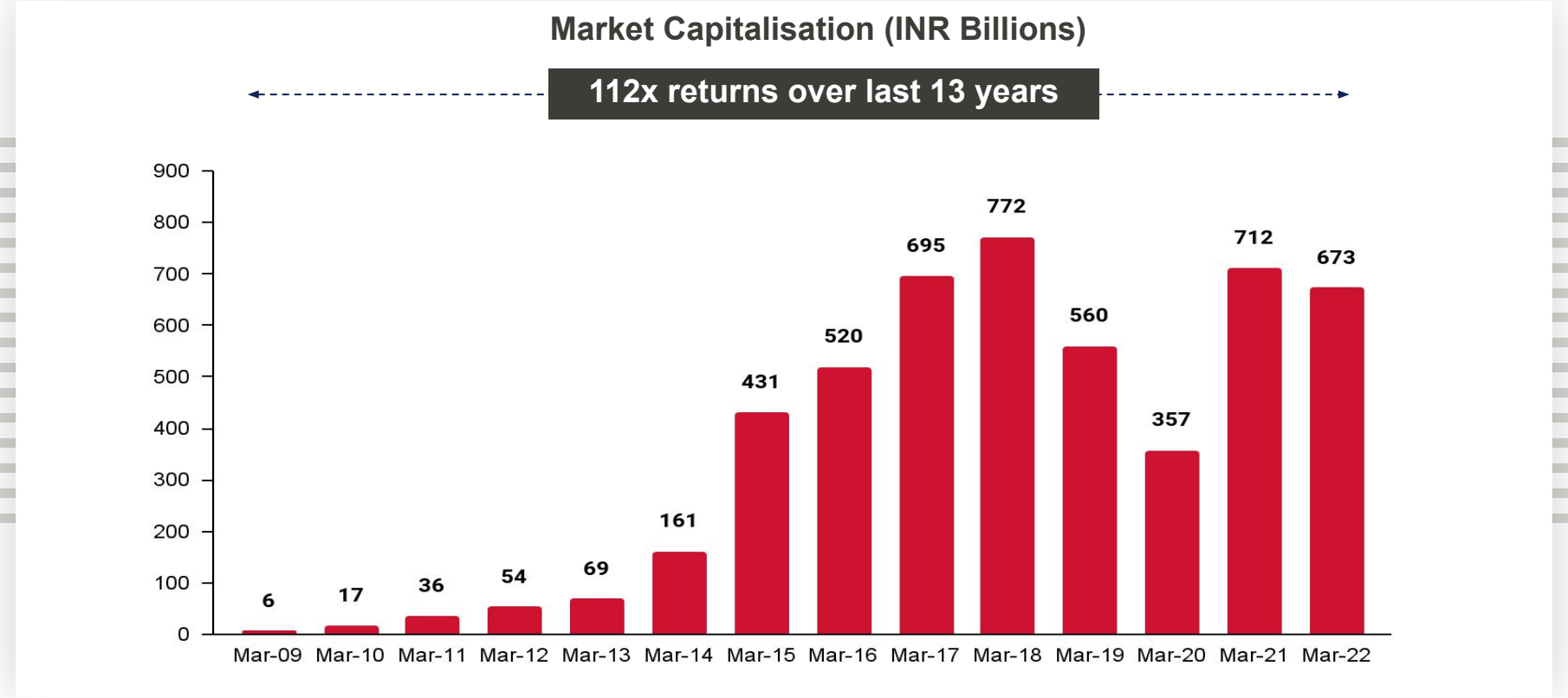
While FY2021-22 volumes were impacted due to COVID-19 and production constraints, our new models including the New Classic 350 received phenomenal response from customers as well as critics and reviewers

Replacement opportunity awaits as most of the sales happened in the past 7 years



Note: Standalone volumes for Eicher Motors Limited
*FY20, FY21 and FY22 volumes were impacted due to COVID 19 pandemic and supply chain constraints

Significant Value Creation for all stakeholders



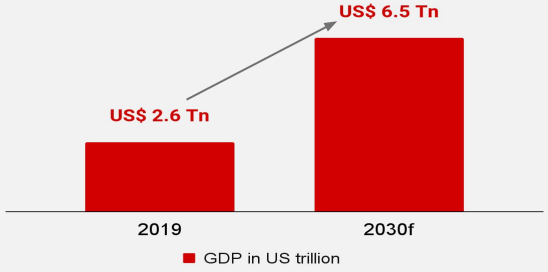
Source: Capital IQ
Excluding dividends


Global

Opportunity – Domestic Market

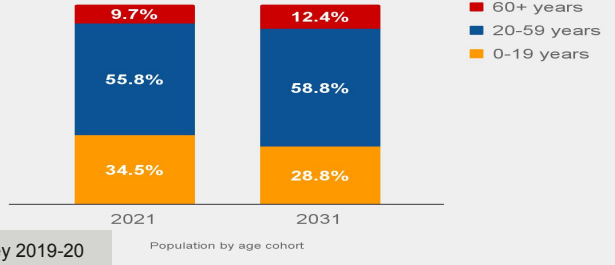
India to become a US$6.5 trillion economy by 2030

Indian Economy: A shift to a high growth path



India's favorable demographics

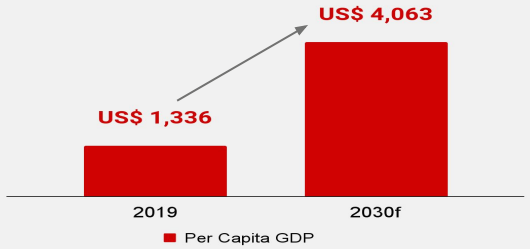
By 2031, the working age population i.e. 20-59 years is poised to increase by 300bps



Source: Economic Survey 2019-20

Rising income

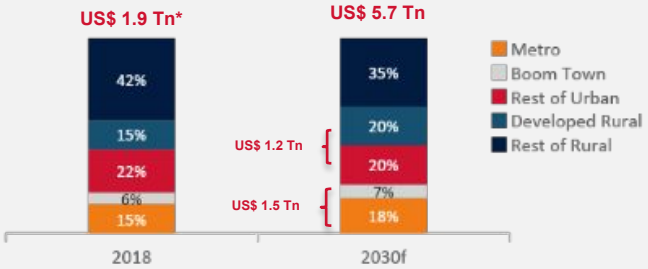
The expansion of the middle class and high-income segments will reshape future consumption and drive incremental consumption of US$ 4 trillion by 2030



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

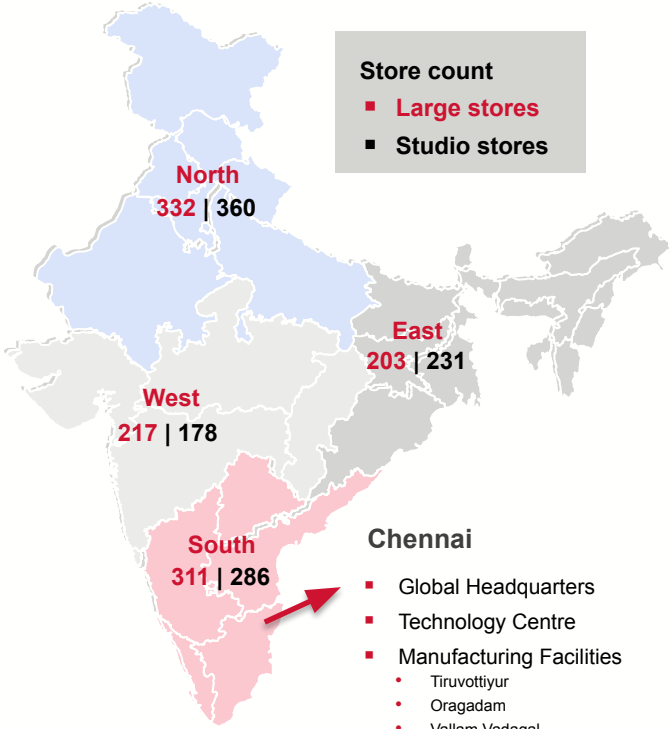
The incremental spend will be led by consumers upgrading to packaged, branded or higher priced offerings



Source: *Worldbank

Established Premium Brand in India with an expansive premium distribution network

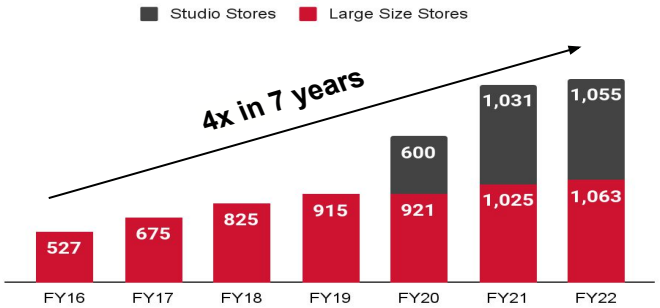
1,063 stores and 1,055 studio stores across ~1,750 cities



Chennai

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

Dealer Network



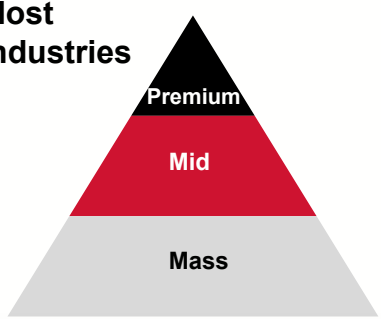
City Category wise Distribution

Category*	Store Count
Metro	54
A+, A	173
B, C	350
D, E, R	486
Large Stores	1,063
Studio Stores	1,055
Total	2,118

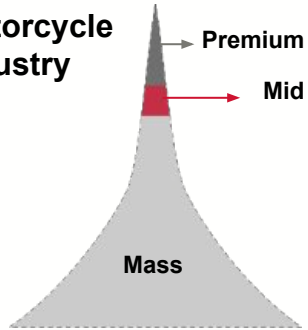
Global mid-size motorcycle market is underserved and is a huge opportunity

The Oddity of the Motorcycle Industry Globally… is an opportunity

Most Industries



Motorcycle Industry



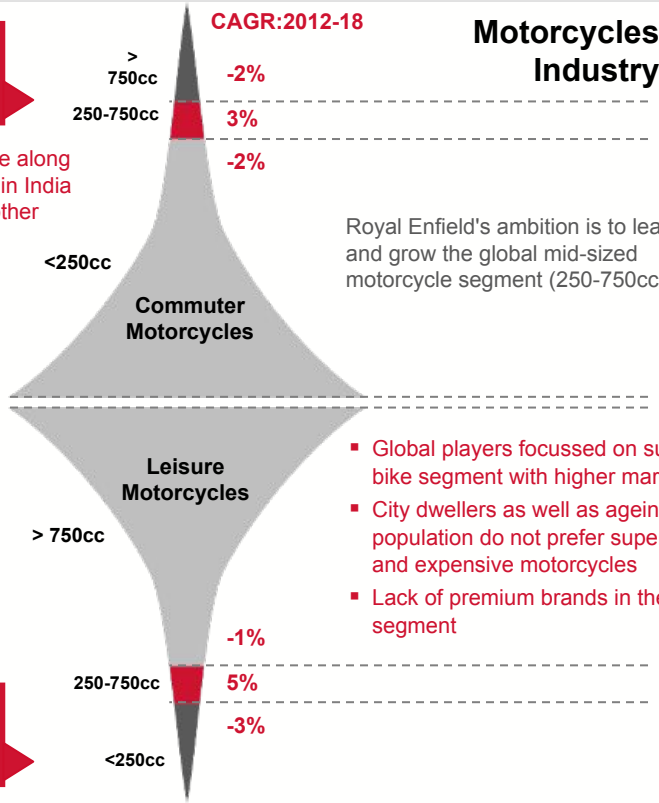
Motorcycles Industry

CAGR:2012-18

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

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

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 market expansion
- Investment in CKD facilities in strategically important markets; currently set-up in Argentina, Colombia and Thailand
- 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

154 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



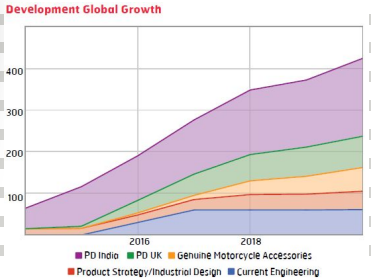
World-class facilities

338 employees

Product Strategy	Industrial Design	Product Development	Genuine Motorcycle Accessories	Current Engineering
Identify opportunities, define products	Visual design of the product	Engineering analysis, design and validation of powertrain	Define, design and develop	Continuous improvement of products post launch

Programme Management
Coordinate development from concept to production

- Multiple Teams working from concept stage to production and 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

840+ global touchpoints with 165 Exclusive stores & 670+ MBOs

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, MEA	46	396

Countries with exclusive stores

- **Austria – 1**
- **Belgium – 1**
- **France – 17**
- **Germany – 3**
- **Israel – 1**
- **Italy – 3**
- **Netherland – 1**
- **Portugal – 3**
- **Quater – 1**
- **Spain – 6**
- **UAE – 1**
- **UK – 8**

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

Developing Markets



	Exclusive Store	Multi Brand Outlet
APAC	48	100

Countries with exclusive stores

- **Australia* – 1**
- **Cambodia – 1**
- **Indonesia – 6**
- **Japan – 1**
- **Malaysia – 1**
- **New Zealand* – 1**
- **Philippines – 2**
- **Singapore – 1**
- **South Korea* – 1**
- **Thailand – 33**

Assembly Unit – **Thailand**
*Developed Markets



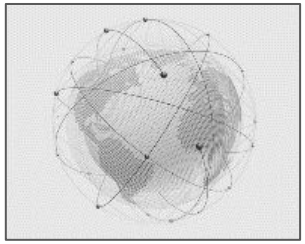
	Exclusive Store	Multi Brand Outlet
LATAM	70	43

Countries with exclusive stores

- **Argentina – 13**
- **Bolivia – 2**
- **Brazil – 20**
- **Colombia – 18**
- **Costa Rica – 1**
- **Dominican Republic – 1**
- **Ecuador – 3**
- **El Salvador – 1**
- **Mexico – 10**
- **Peru – 1**

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

Share of revenue from international markets has grown over 5x over the last 7 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 regions. Recently set-up a CKD facility in Argentina, Colombia and Thailand; **and crossed the milestone of assembling over 5k units in Argentina**

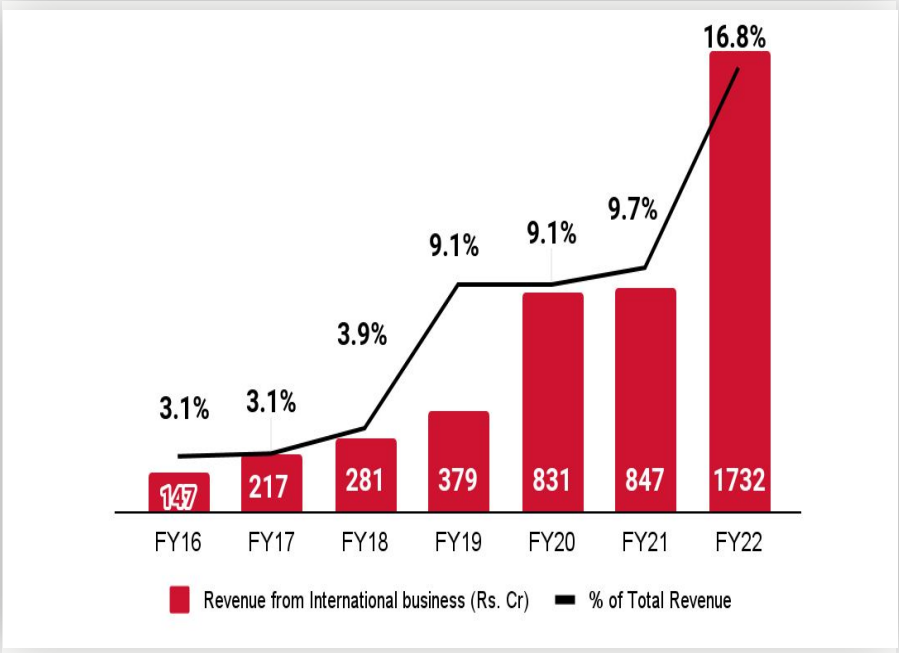




Product Portfolio Expansion

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

International Business – Stellar Financial Performance over last 7 years



Motorcycling



Product Portfolio – Expanding presence in mid-weight segment

Royal Enfield motorcycles are 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



Scram 411

- Brand's first ADV Crossover – Adventurer DNA with authentic rambler vibes
- Ideal for in-city agility, as well as challenging trails off the urban grid



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

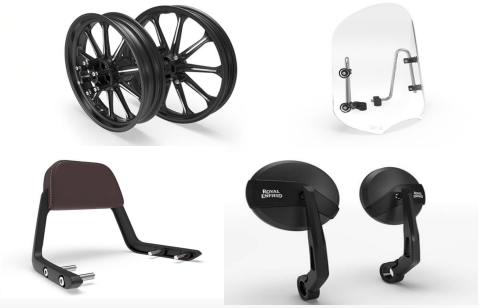
- The quintessential roadster with commanding and comfortable riding position
- Powered by modern twin cylinder engine
- Fun and practical to ride in almost all terrains



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.

Leader in premium segment

- Since its launch in India in Sep 2021, All-New Classic has landed in APAC and EMEA markets, with resounding consumer reception.
- Continues to lead the premium segment sales in India for second half of FY2021-22. Rolled out over 200k units, reaffirming the consumer's love for the timeless design and enhanced performance.

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

All New Scram 411: The versatile ADV Crossover

Unveiled for global audiences with retail availability in India, and to debut in Europe and APAC by mid of 2022



Expanding Royal Enfield Adventure portfolio, complementing Himalayan ADV

"The SCRAM is a motorcycle that has all the qualities to appeal to a diverse range of customers - vibrant colors, compact size and an attractive price"

carandbike

"A proper Scrambler and a good one at that. Royal Enfield has done a fabulous job of balancing the city and off-road capabilities."

TOI AUTO

"Scram 411 is definitely more youthful, and it meets Royal Enfield's objective of being easier and more accessible."

INDIA

"The Scram 411 is perfect for someone who wants a motorcycle to be used every day and also take it out on weekend adventures."

BIKEwale

Scram 411: Vibrant colorways and wide range of accessories

What sets the All New Scram 411 apart?





The all new Scram 411 is available in 7 different colour combinations



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

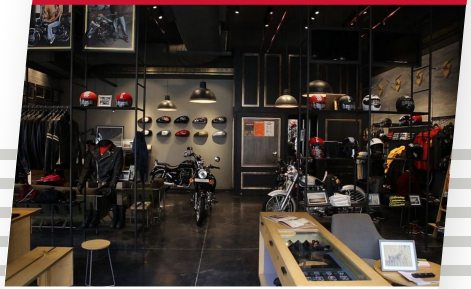
AUTO BUFFING



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

The quest for enhancing consumer experience

SALES



Store and Online experience

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

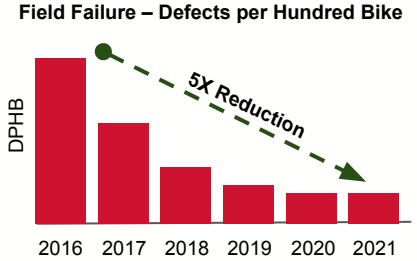
SERVICE



Service on Wheels & Ride Sure

- The Ride Sure programme with a wide range of packages including - extended warranty, annual maintenance options and extended roadside assistance
- Ensuring anxiety-free ownership experiences.
- Doorstep servicing through launch of “Service on Wheels” initiative
- Focus on overall Turnaround time

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

Enhancing the pure motorcycling 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

Make It Yours - A Royal Enfield. Made by you, for you

Personalise your motorcycle from Day 1. Make it the way you want from style, safety to comfort



Personalise your motorcycle your way



Give it a unique look



Cover endless miles with added comfort



Cruise your own way. From Day 1.



Get the joy of a personalized ride

MY
MAKE IT YOURS

Make It Yours - Apparels

Royal Enfield Introduces Make-it-yours Initiative On Apparel





First-of-its-kind personalization tool, the Royal Enfield Make It Yours, now available across the brand's range of gear and apparel

Close to 7,000 unique options to choose from for customizing helmets and over 15,000 unique options for t-shirts based on individual styles and preferences

Rides and Community

Continental GT Cup



- In October 2021, Royal Enfield marked its maiden foray into modern motorsports, with the first edition of the Continental GT Cup 2021 - racing at its purest - at the Kari Motor Speedway in Coimbatore
- The GT Cup is an endeavour to encourage and grow motorcycling sub-cultures and is aimed at building easy and accessible entry into track racing for new entrants as well as experienced racers.

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**

BSF x RE: Seema Bhawani Shaurya Expedition







Celebrating our long association with BSF, for a one of its kind, all women riding expedition- the Seema Bhawani Shaurya Expedition, in honor of our long-standing commitment to the armed forces to enable them in their endeavors

Flagged of on the occasion of International Women's Day in March 2022, the expedition saw 36 members of BSF Seema Bhawani All-Women Daredevil Motorcycle Team embark on a grueling 5,280 km ride traversing through major cities all the way to Kanyakumari and onward to Chennai spreading the message of Women Empowerment across the nation

90° South: Our successful expedition to 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

Expanding the Pure Motorcycling Ecosystem

Provide frictionless experience for RE Riders

In Store Opportunity



Accessories



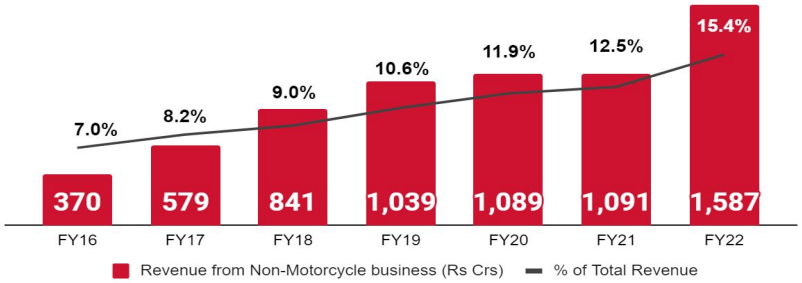
Apparel

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 7 years



4X Revenue growth over the last seven years in non motorcycle segment

Product Portfolio – Apparel



ALPINESTARS x RE

A riding apparel collection created for those who live to chase adventures. The range brings you the motorcycling legacy, expertise and credibility of the two brands in the form of riding jackets, touring pants and riding gloves



ART OF MOTORCYCLING - SEASON 2

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



BETTER COTTON x RE

Better Cotton's commitment towards a better cotton industry echoes with our vision of sustainability, responsibility, and philosophy of 'Leave every place better'. We are committed to sourcing 100% of our cotton requirements by 2023, also enabling us to source cotton more ethically for our apparel range


Brand

EICMA 2021

SG 650



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

LIMITED EDITION 120 YEAR TWINS



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

PROJECT ORIGIN



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

Oldest Motorcycle Brand in Continuous Production

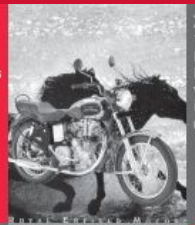
1901
The first Royal Enfield motorcycle is produced. Designed by R. W. Smith and Frenchman Jules Gotiet, it has a 1 1/2 hp Minerva engine mounted in front of the steering head. The final drive is at the rear wheel by means of a long rawhide belt.



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.



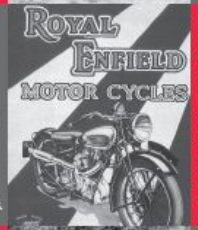
1994
Eicher acquires Enfield India Limited. The company is renamed Royal Enfield Motors Limited.



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



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.



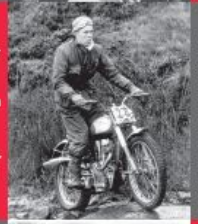
2013
The first Royal Enfield motorcycle rolls out of the new Oragadam plant near Chennai. In the same year, Royal Enfield rolls out the all new Continental GT, a motorcycle built on a new cradle frame chassis that is, through and through, a café racer.



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.



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.



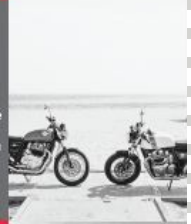
1952
Madras Motors receives an order from the Indian Army for 800 350cc Bullets. The motorcycles arrive from Redditch in early 1953 and prove to be a great success, being both hardy and easy to maintain. Johnny Brittain wins the prestigious 'Scottish Six Day Trial' on his 350cc Bullet, 'HNP 331'.



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.'



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.



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.



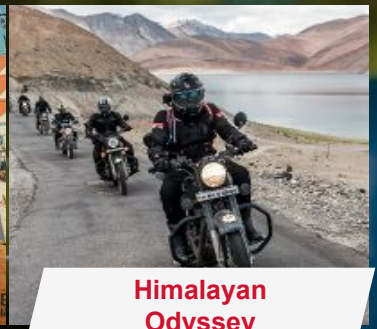
2021
In its 120th year, Royal Enfield re-envisioned its iconic motorcycle, the Classic, with the launch of the All-New Royal Enfield Classic 350. The motorcycle adds a new chapter to Royal Enfield's legacy of building authentic post-war era British motorcycles that are loved by enthusiasts around the world.



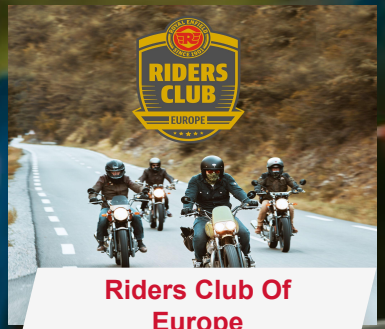
Engage Physically... Propagate Digitally



Rider Mania



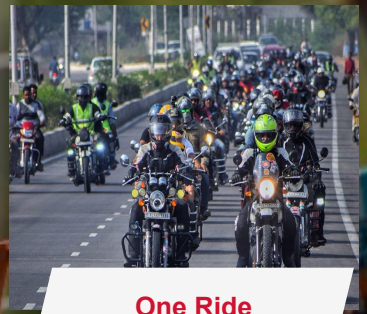
Himalayan Odyssey



Riders Club Of Europe



Slideschool



One Ride



Continental GT Cup



90° South



Seema Bhawani Shaurya Expedition

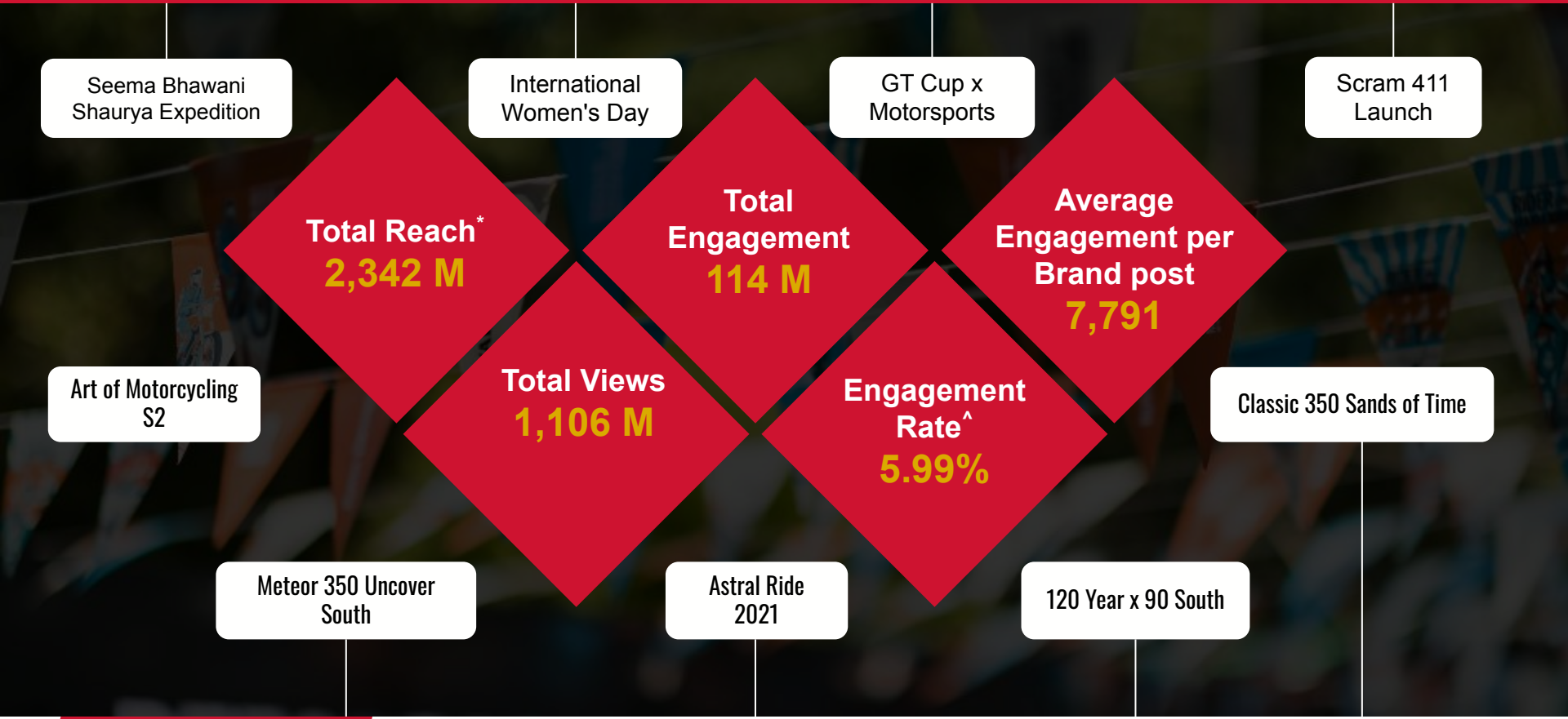
The largest, fastest growing and the most engaged online motorcycle brand community in the world

'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



* 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: Data as of March 2022

Hybrid Engagement Leading to Strong Consumer Equity

#1 ROYAL ENFIELD
85% Consideration

2,200 bps ahead of our closest competitor



#1 ROYAL ENFIELD
48% Top of Mind Awareness

2,100 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 brand that comes to mind) is the highest in the category at 48% while the closest competitor is at 27%.
- Our Top Two Box Consideration (purchase intent) is the highest in the category at 85% while the closest competitor is at 63%.

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

Business Performance

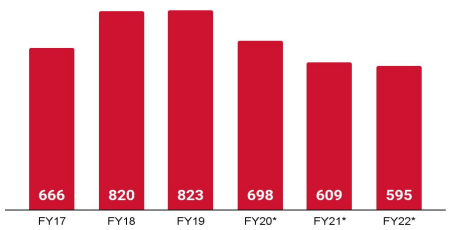


Consistent Delivery leading to strong cash accruals

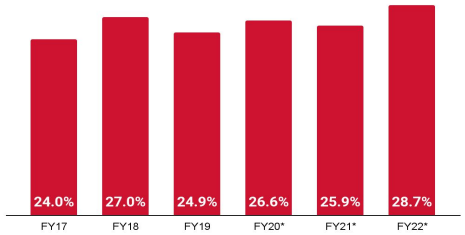
All figures are in Rs. Crs unless specified

Sales Volume

(in Thousands)

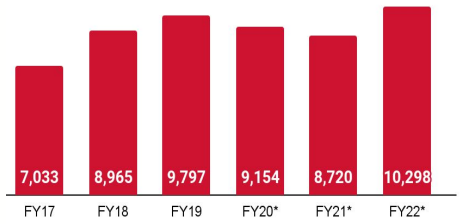


Market Share* (India)

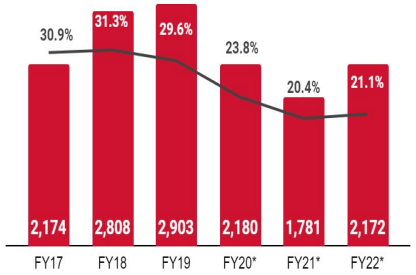


Total Revenue

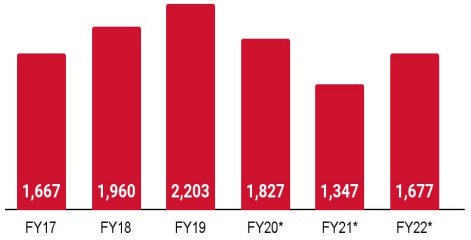
Total revenue from operations (net of excise duty)



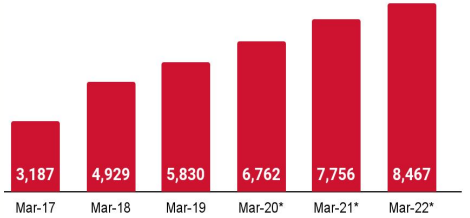
EBITDA and Margins



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, FY21 and FY22 volumes were impacted due to COVID 19 pandemic and supply chain constraints
* Market share in above 125cc segment
Source - SIAM

Strong steps taken to mitigate short term supply chain challenges

Challenge

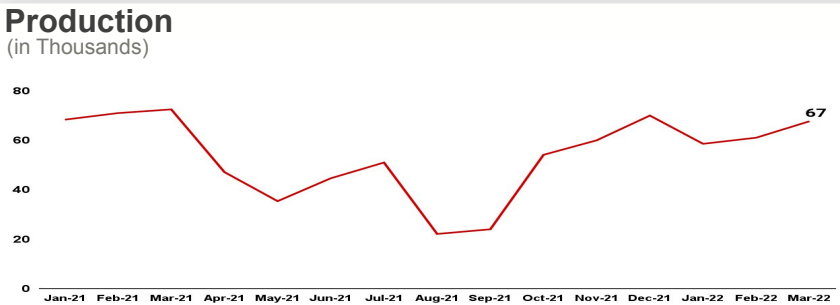
Semiconductor Component Shortage -

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 forecasting of component deliveries alongisde working on multiple parallel sourcing strategies and initiatives.

Production Performance over past 14 months



Steady improvement in production for Q4FY22 driven by vendor base diversification

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 Overhead

- 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

All-New CLASSIC 350



BEST OF 2021

autoX

VIEWER'S CHOICE BIKE OF THE YEAR

AUTOCAR INDIA

MOTORCYCLE OF THE YEAR

BBC TopGear India

RETRO BIKE OF THE YEAR

MOTOR VIKATAN

The Pulsating Tamil Automobile Monthly

MODERN CLASSIC BIKE OF THE YEAR

carandbike

BEST MODERN CLASSIC (LIGHTWEIGHT)

GPI grand prix group magazines

METEOR 350



RETRO BIKE OF THE YEAR

MCN

BEST BEGINNER MOTORCYCLE

MOTOR CYCLIST

COOLEST MOTORCYCLE OF THE YEAR

GEAR PATROL

BEST MODERN CLASSIC (OVER 250CC)

GPI grand prix group magazines

BEST ENTRY LEVEL CRUISER

CI 17TH ANNUAL AWARDS

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

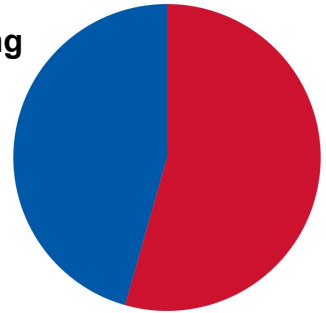
VOLVO

- 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



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 & 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 driven by modernisation

Light & Medium Duty Trucks



Heavy Duty Trucks



Buses



Volvo Trucks India*



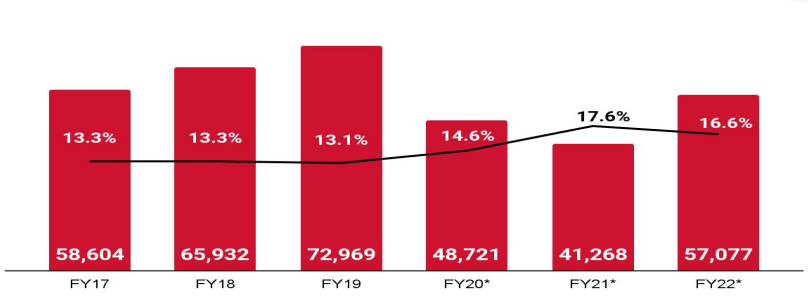
*Market share in high end premium segment

Consistent financial performance despite headwinds

All figures are in Rs. Crs unless specified

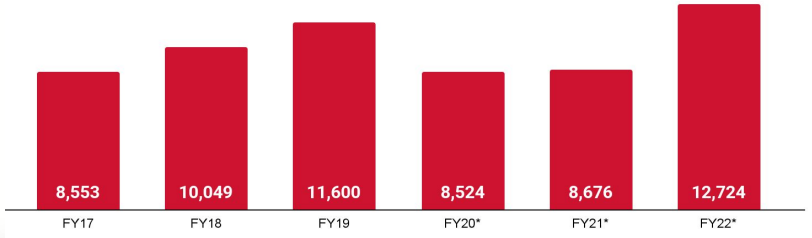
Total CV# Volumes and Market Share

(in nos and %)

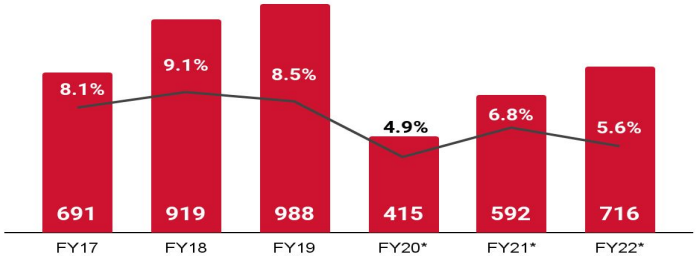


Total Revenue

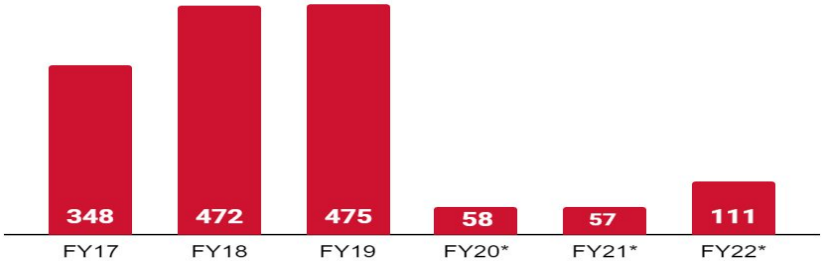
Total revenue from operations (net of excise duty)



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, FY21 and FY22 volumes were impacted due to COVID 19 pandemic and supply chain constraints

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

LMD RANGE






Pro 2000	Pro 2000 MD Range	Pro 2000 CNG Range	Pro 3000 MD Range
Pro 2049, Pro 2059XP, Pro 2080XP, Pro 2095XP	Pro 2110, Pro 2110XP, Pro 2114XP	Pro 2049 , Pro 2059XP, Pro 2095XP, Pro 2114XP	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 6000 Tippers	Pro 6000 Tractors	Pro 8000 Tippers	Pro 8000 TT
Pro 6048/42H Pro 6019/28/35H	Pro 6028T Pro 6019T	Pro 6040/46TT Pro 6055TT	Pro 8035 XM Pro 8028 XC/XM	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	BS VI Diesel	BS VI Diesel	BS VI Diesel	BS VI Diesel
Starline : 2050, 2070 2075, 2090	Skyline : 2075, 2090, 2112	Skyline Pro : 3009, 3010, 3011	HD Skyline : 6016	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



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

Volvo FY22 market share ~84%



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

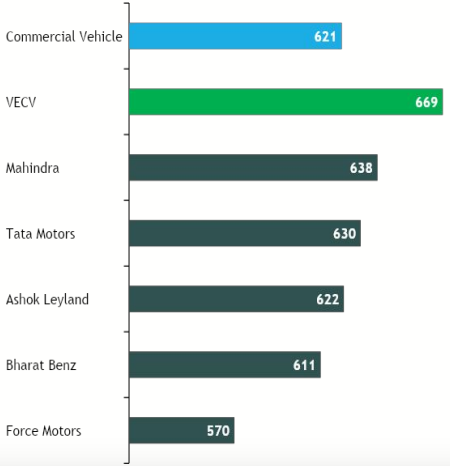


Chassis Assembly Line - Bhopal



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

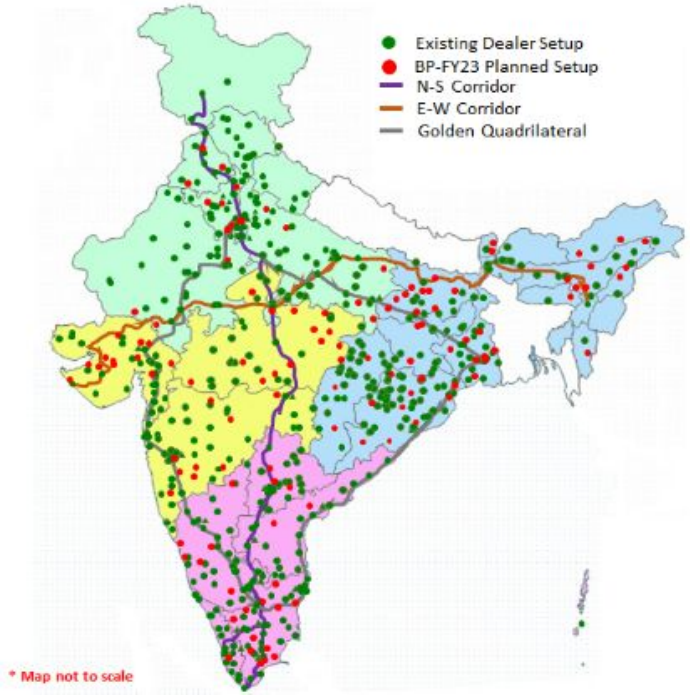
#1 in Dealer Satisfaction*



660+ network count

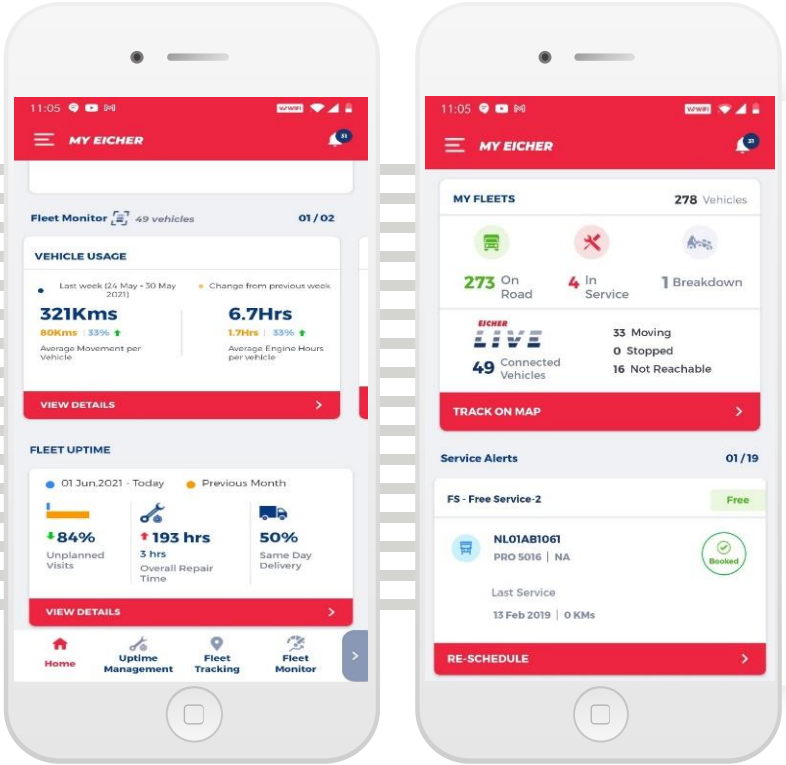






*Federation of Automobile Dealers Associations (FADA) Survey 2021

Leading in Digitization…driven by 100% connected vehicle fleet



- **Digital Customer**
- **Digital Business**
- **Digital Enterprise**

Awards and Accolades





CV of the Year ICV Cargo Carrier Of The Year awarded to Eicher Pro 2114 XP CNG





Received Apollo CV Award for LCV- ICV People Mover of the Year for Skyline Pro 3010 L CNG staff bus





Volvo 9400 B8R 13.5m Coach won the Coach Of The Year at Apollo CV Awards


ESG
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

Dow Jones Sustainability Indexes

SUSTAINABILITY 4.0 AWARDS
PURPOSE | PARTNERSHIP | PLANET | PEOPLE

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.

Green Business Operations

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)

EML FOCUS AREAS

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)



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

- Royal Enfield announced its partnership with Helmets For India; aimed at bringing about a positive change in the mass perception of wearing a helmet and improving road safety in India.
- 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

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
CEO - 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
CEO – 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



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



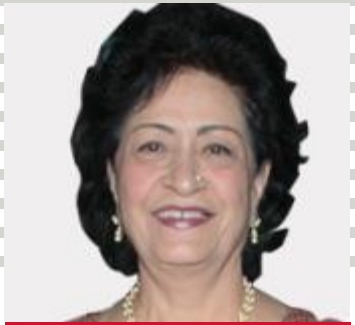
Vinod Aggarwal
Managing Director & CEO
VECV



Philippe Divry
SVP Group Trucks Strategy,
Volvo Group



Raul Rai
Director



Lila Poonawalla
Non-executive Director



Inder Mohan Singh
Independent Director

Updated as of 31st December 2021

VECV Management … Deep experience in Indian & Global CV industry



B K Bindiganavile
SVP

Strategy, Brand & Communication



Vinod Aggarwal
MD & CEO

Finance, Legal & Audit



Sudeep Dev
SVP & CHRO

Human Resources

Businesses Processes and IT



Rajesh Mishra
CDO

Volvo Trucks India	Eicher Trucks and Buses, VEPT	Bus Division	EEC



Boddapati Dinakar
SVP

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



Akash Passey
President
Bus Division



B Srinivas
SVP
Bus S&M (Eicher)



Suresh Chettiar
SVP
Volvo Buses India



Gyanendra Das
SVP

Updated as of 31st December 2021

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	FY22
Sales Volume: Two Wheelers (Nos.)	666,135	820,121	822,724	697,582	609,403	595,474
Total revenue from operations (net of excise)	7,033	8,965	9,797	9,154	8,720	10,298
Manufacturing and other expenses	4,859	6,157	6,894	6,973	6,939	8,126
Earnings before interest, depreciation and tax (EBIDTA)	**2,174**	**2,808**	**2,903**	**2,180**	**1,781**	**2,172**
EBIDTA to Net Revenue (%)	**30.9%**	**31.3%**	**29.6%**	**23.8%**	**20.4%**	**21.1%**
Depreciation	154	223	300	382	451	452
Earnings before interest and tax (EBIT)	**2,020**	**2,584**	**2,603**	**1,799**	**1,331**	**1,720**
EBIT to Net Revenue (%)	**28.7%**	**28.8%**	**26.6%**	**19.7%**	**15.3%**	**16.7%**
Finance Cost	4	5	7	19	16	19
Other Income	227	280	443	543	453	441
Share of profit / (loss) of joint venture	**189**	**257**	**258**	**32**	**31**	**60**
Profit before tax	**2,433**	**3,116**	**3,297**	**2,355**	**1,798**	**2,203**
Provision for taxation	720	936	1,077	527	452	526
Profit after tax and share of profit of Joint Venture from continuing operations	**1,713**	**2,180**	**2,220**	**1,827**	**1,347**	**1,677**
Discontinued Operations: Share of loss of Joint Venture*	**(46)**	**(220)**	**(18)**	**-**	**-**	-
Profit After Tax	**1,667**	**1,960**	**2,203**	**1,827**	**1,347**	**1,677**
PAT to Net Revenue (%)	**23.7%**	**21.9%**	**22.5%**	**20.0%**	**15.4%**	**16.3%**

*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	FY22
Net Fixed Assets (including CWIP and Pre-operative Expenditure)	1,247	1,835	2, 324	2,690	2,748	2,929
Investments	4,987	5,581	4,923	5,749	3,902	7,721
Other Non Current Assets	260	186	180	102	125	165
Current Assets						
Inventories	336	395	633	572	875	1,132
Debtors	50	68	90	87	158	302
Cash and Bank Balances	25	1,212	2,965	2,951	5,830	2,770
Other Current Assets	86	227	271	299	921	1,182
Current Liabilities and Provisions	1,501	2,265	2,098	2,025	2,629	2,957
Net Current Assets	**(1,004)**	**(345)**	**1,862**	1,884	5,155	2,429
Total	**5,489**	**7,257**	**9,289**	**10,425**	**11,930**	**13,244**
Share Capital	27	27	27	27	27	27
Reserves and Surplus	5,318	7,003	7,003	9,954	11,411	12,581
Net Worth	**5,345**	**7,030**	**7,030**	**9,981**	**11,438**	**12,608**
Minority Interest	-	-	-	-	-	
Deferred Tax Liability (net)	78	142	274	252	222	220
Other Non Current Liabilities and Provisions	66	85	96	192	270	415
Borrowings - Current	-	-	-	-	-	
Total	**5,489**	**7,257**	**9,289**	**10,425**	**11,930**	**13,244**

Statement of Cash Flows (Consolidated)

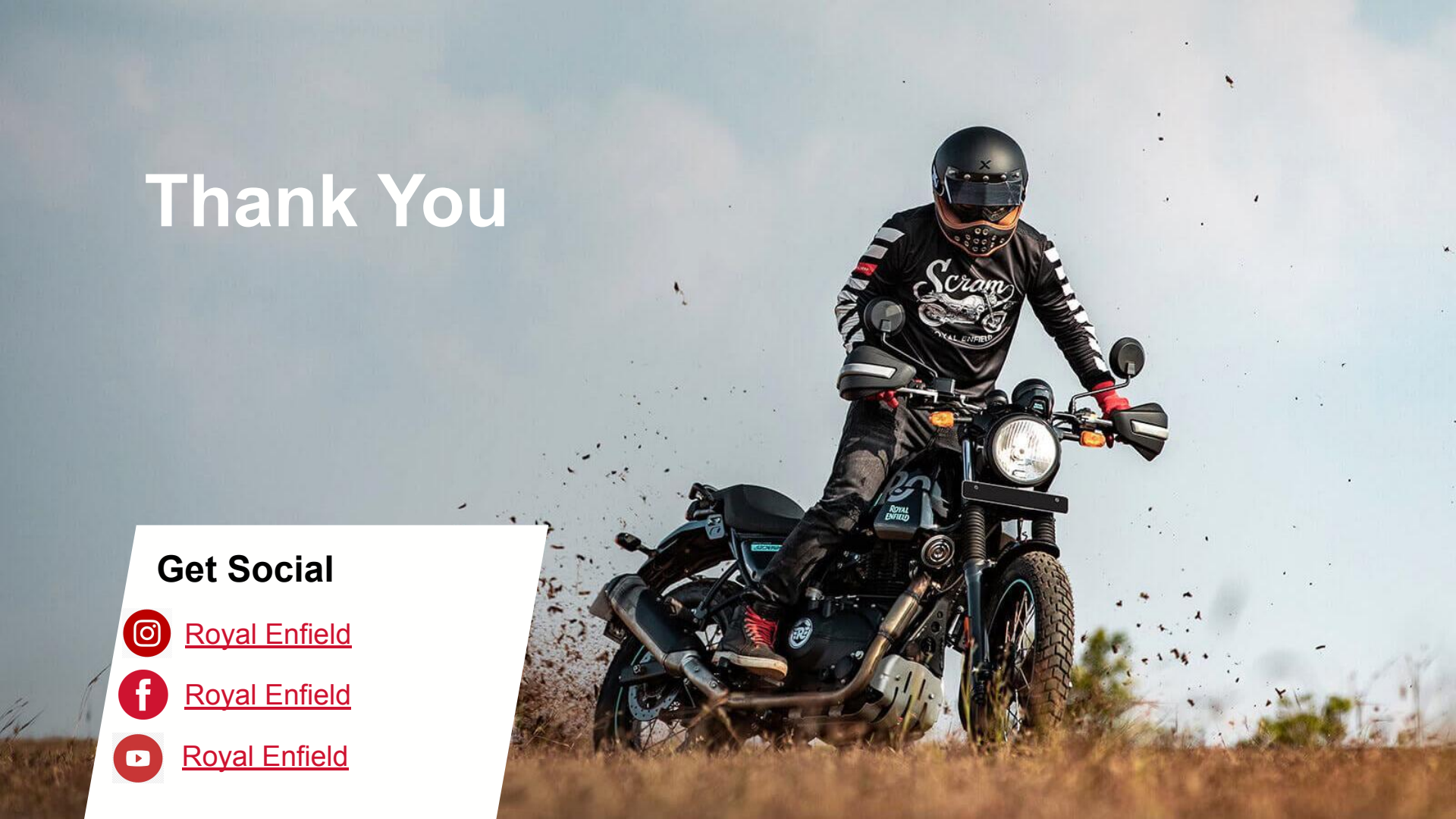
(In Rs. Cr.)

Particulars	FY17	FY18	FY19	FY20	FY21	FY22
Profit before tax and after share of profit of Joint venture	**2,433**	**3,116**	**3,297**	**2,355**	**1,798**	**2,203**
Operating profit before changes in working capital	2,196	2,851	2,941	2,236	1,912	2,172
Net Changes in working capital	164	438	(457)	86	258	(103)
Cash generated from operating activities	2,360	3,289	2,484	2,322	2,170	2,069
Direct taxes paid	(652)	(807)	(909)	(628)	(457)	(514)
Net cash flow from operating activities (A)	**1,708**	**2,482**	**1,576**	**1,694**	**1,714**	**1,556**
Payment for property, plant and equipment	(548)	(749)	(792)	(546)	(555)	(641)
Net cash used in investing activities (B)	**(1,744)**	**(2,145)**	**(660)**	**(1,508)**	**(1,648)**	**(1,012)**
Dividend paid	–	(272)	(300)	(682)	–	(465)
Net cash from / (used) in financing activities (C)	**25**	**(262)**	**(292)**	**(858)**	**(15)**	**(587)**
Net Increase/(decrease) in cash and cash equivalents (A)+(B)+(C)	**(11)**	**75**	**623**	**(673)**	**51**	**(44)**
Cash and cash equivalents at the beginning of the period	28	17	93	716	43	94
Cash and cash equivalents at the end of the period	**17**	**92**	**716**	**43**	**94**	**50**

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

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