

REF:NS:SEC:
10th November, 2023

National Stock Exchange of India Limited
"Exchange Plaza", 5th Floor,
Plot No.C/1, G Block
Bandra-Kurla Complex
Bandra (East), Mumbai 400051.

BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai 400001.

Bourse de Luxembourg
Societe de la Bourse de Luxembourg
Societe Anonyme/R.C.B. 6222,
B.P. 165, L-2011 Luxembourg.

London Stock Exchange Plc
10 Paternoster Square
London EC4M 7LS.

Sub: Presentation at the Press /Analyst Meet

We are enclosing a presentation being made at the Press/ Analyst Meet today.

Kindly take the same on record.

Yours faithfully,
For MAHINDRA & MAHINDRA LIMITED

NARAYAN SHANKAR
COMPANY SECRETARY

Encl.: as above

Delivering Scale



Press Meet

Dr Anish Shah | 10 November 2023

Key Messages

- **Robust operating performance, except TechM**

Auto delivers rapid growth ... *PAT* ↑ 2x

Farm resilient despite tough market ... *share* ↑ 150 bps

MMFSL GS3 lowest ever at 4.3% ... *PAT* ↓ 48% due to *PY* writeback

Growth Gems on track ... *PAT* ↑ 2.5x

TechM weak demand and reduction in non core ... *EBIT* ↓ 670 bps

- **Resulting in standalone PAT up 67%**

PAT 3,452 cr. ... Q2 ↑ 67%, YTD ↑ 79%

- **Consolidated PAT growth lower due to PY gains**

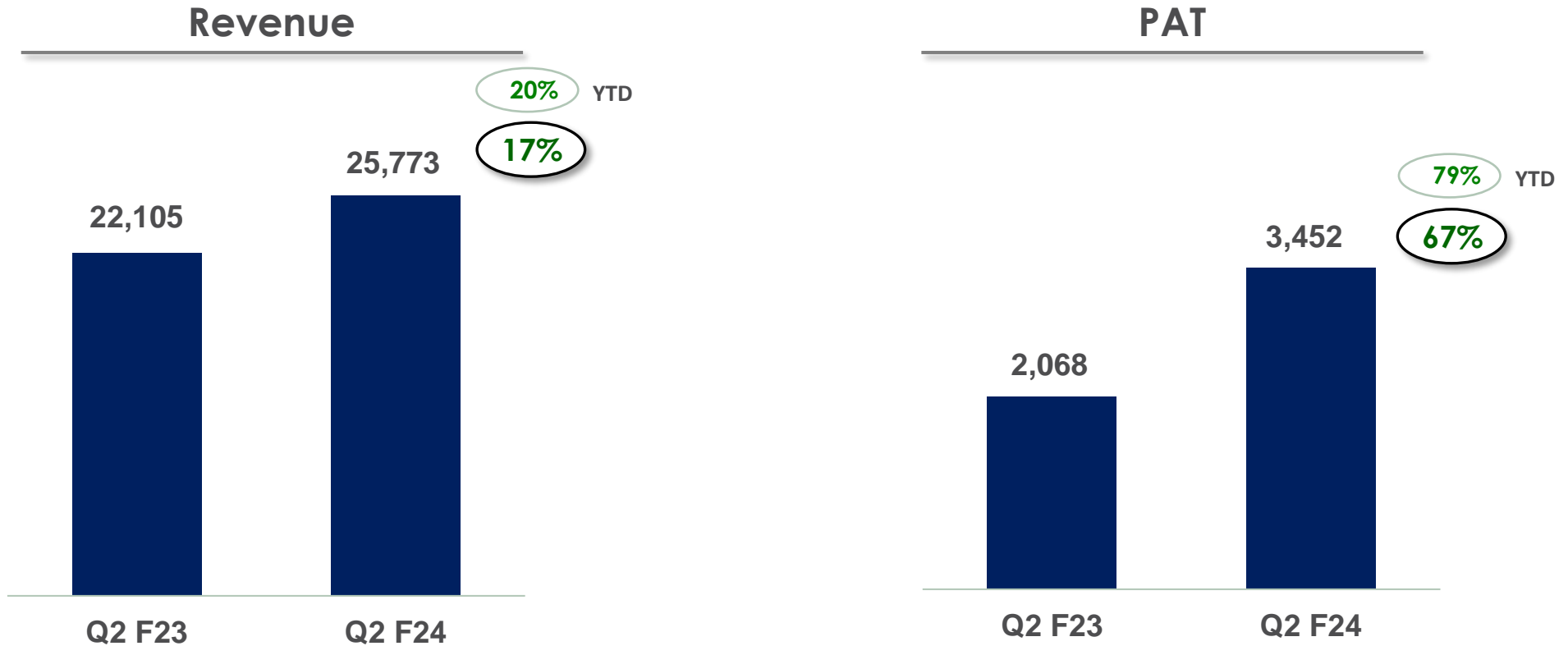
PAT 2,348 cr. ... Q2 ↑ 6%, YTD ↑ 33% (*excl. SEL PY reval gain*)

- **Meeting RoE and EPS commitments**

RoE 20.0%; EPS at Rs 52.4 ↑ 18% (for H1 F24)

Standalone M&M results: Q2 F24

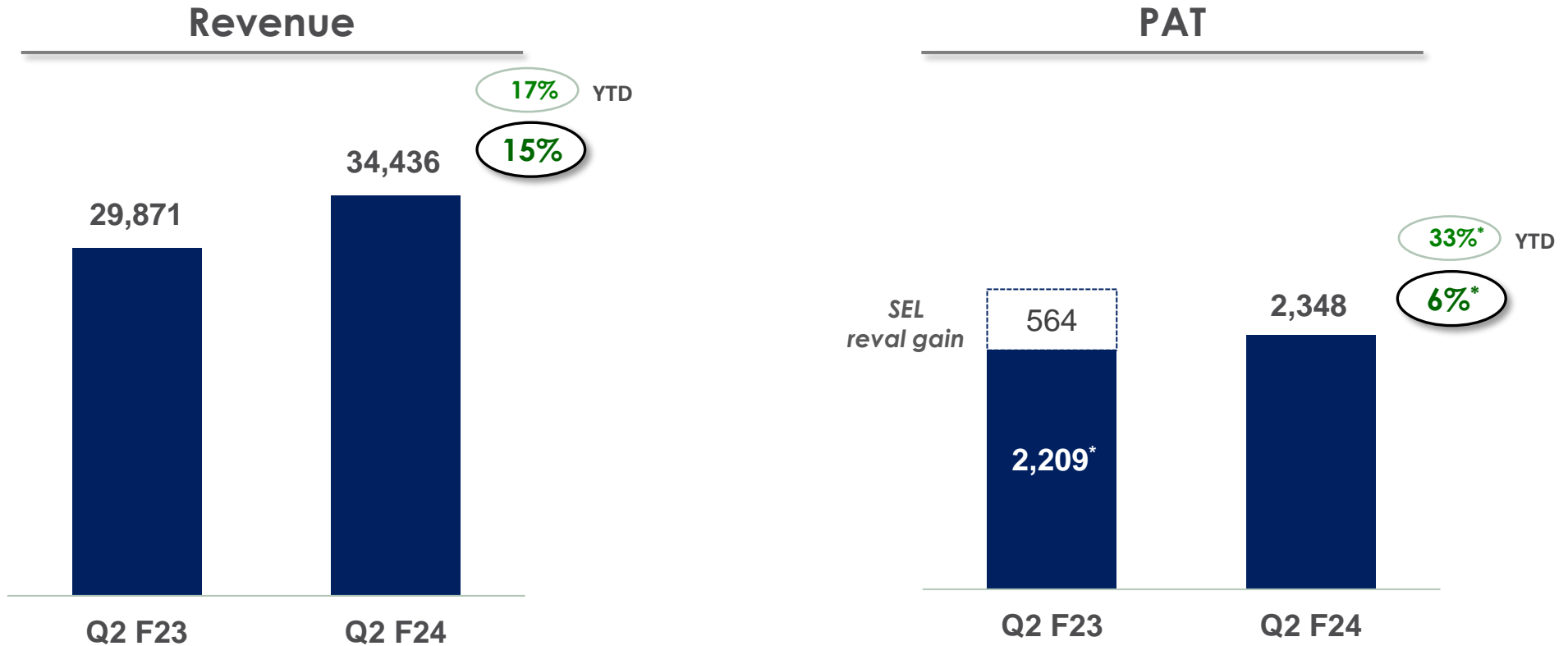
Rs cr.



PAT vs PY Q2 ↑ 67%, YTD ↑ 79%

Consolidated M&M results: Q2 F24

Rs cr.



PAT vs PY (excl. SEL) Q2 ↑ 6%, YTD ↑ 33%

* Excluding Swaraj Engines Ltd revaluation gain on stake increase with status change in Q2 F23 of Rs 564 cr.

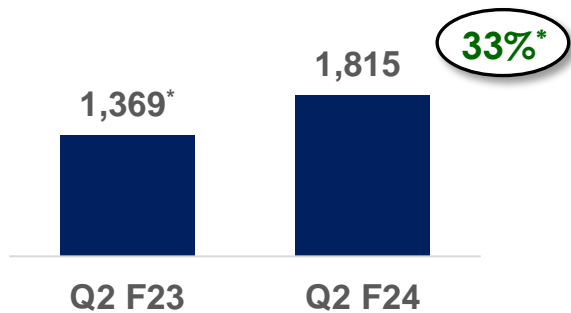
Strategy Recap: Delivering Scale

Rs cr.



Auto and Farm

Capitalize on market leadership

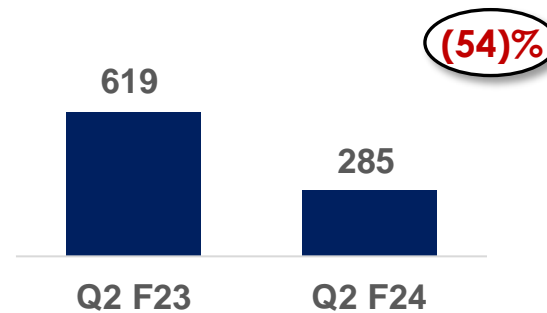


- Market share gains
- Steady margin expansions
- Robust cash generation



TechM and MMFSL

Unlock full potential

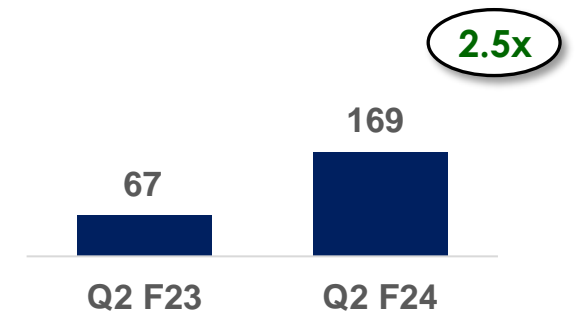


- MMFSL ... turnaround on track
PY writeback = ↓ var
- TechM ... transformation initiated



Growth Gems

5X challenge



- e3W scale up ... ↑ 74%
- Real estate ... strong launch pipeline
- Monetization ... Teqo-OTPP

* Excluding Swaraj Engines Ltd revaluation gain on stake increase with status change in Q2 F23 of Rs 564 cr.

Capitalize on market leadership

Auto

- SUV revenue ↑ 28%
- LCV market share ↑ 280 bps
- Operating leverage ... margin ↑ 200 bps^{\$}

	Q2 F24	VPY
SUV rev. market share	19.9%	90 bps
LCV (<3.5T) market share	49.6%	280 bps

PAT (Rs cr.) 1,015 **2x**

Farm

- Resilient performance despite industry decline
- Mega launch of Oja and Naya Swaraj
- International markets remain muted

	Q2 F24	VPY
Market share	41.6%	150 bps
FM Revenue (Rs cr.)	223	35%

PAT (Rs cr.) 800 **(7)%***

^{\$} Margin denotes Auto standalone PBIT

* Excluding Swaraj Engines Ltd revaluation gain on stake increase with status change in Q2 F23 of Rs 564 cr.

MMFSL ... Turnaround on track

Rs cr.

Commitment

Update

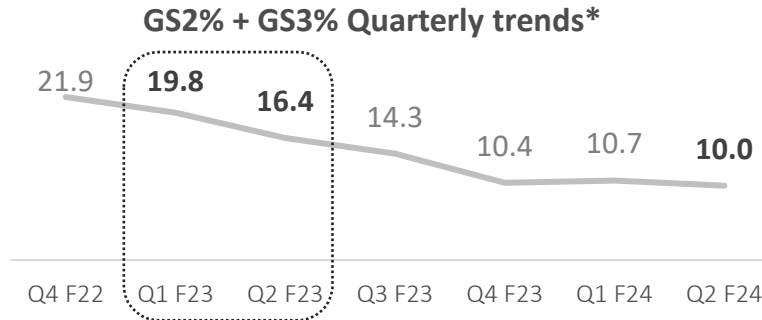
Current Quarter

✓ Improve asset quality

✓ Digital Transformation

✓ Growth through diversification

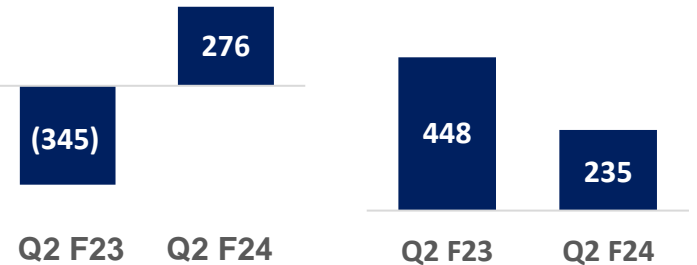
✓ High potential partnerships



- Increasing share of non-cash collections (70%)
- Commenced digital lending in pre-owned vehicles
- Enhancing share of digitally sourced FD
- SMEs ... ~ Rs. 46 Bn AUM
- Leasing... ~ Rs. 11.5 Bn portfolio
- Growth in vehicle prime segment

Provisions

PAT

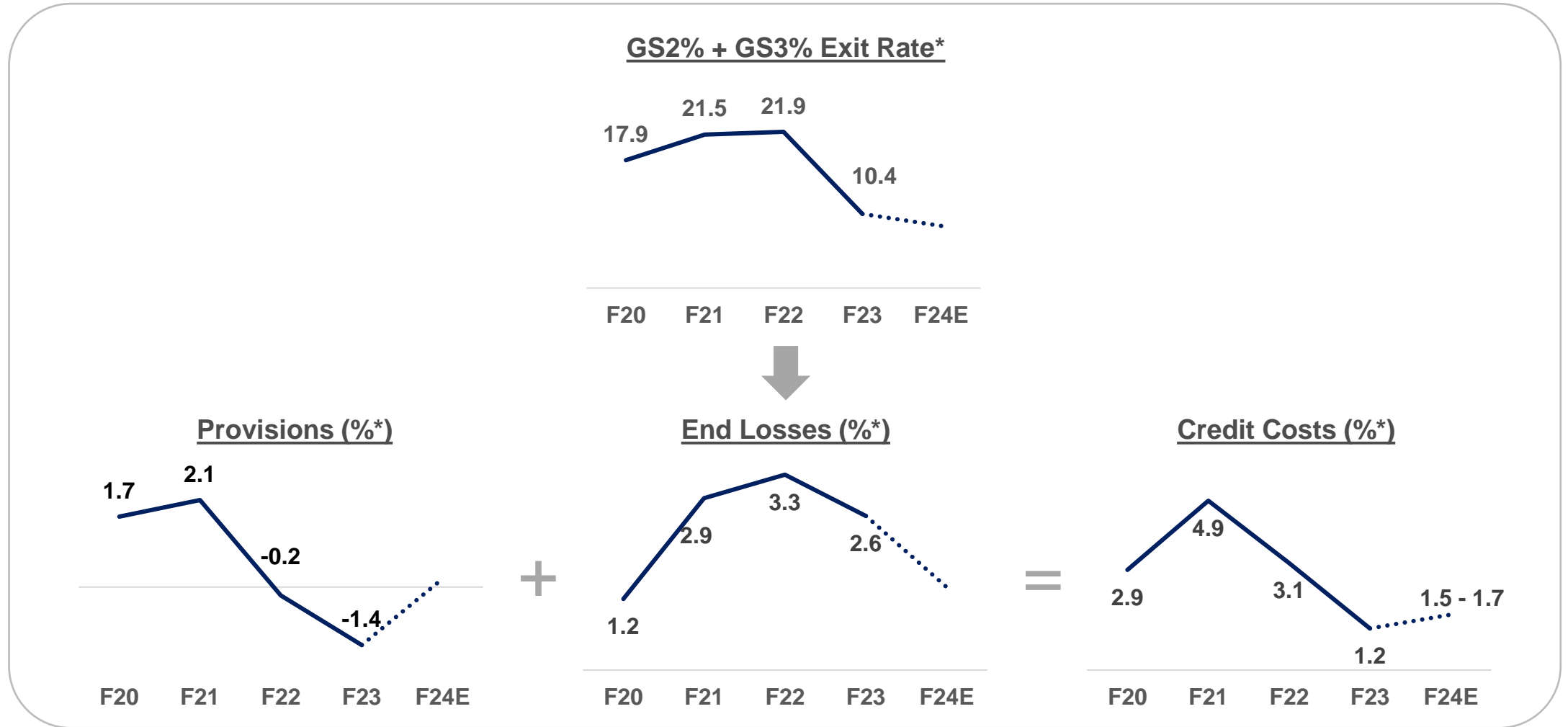


- 345 cr. provision writeback last year due to significant reduction in GS2% + GS3%
- Resulting 621 cr. swing in provisions ... a key driver of PAT reduction
- NIM 30 bps lower than budgeted due to higher borrowing cost and customer mix
- Credit costs in H2 significantly lower than H1



* % of Total Assets

Deep dive: Credit costs



Structural improvement in asset quality ... will result in lower credit costs over time

* % of Total Assets

Tech Mahindra ... Transformation initiated

Strengths

- ⊕ Deep client relationships
- ⊕ End to End offerings across multiple domains
- ⊕ Market Leadership in Telecom
- ⊕ Deep expertise in Manufacturing

Challenges

- ⊖ Revenue mix (Geography, vertical)
- ⊖ Margins & variability
- ⊖ Integration & synergy from acquisitions

Actions

- ✓ Complete leadership transition in 3Q
- ✓ Announced new customer & delivery organization
- ✓ Industry veteran COO put in place
- ✓ Continued investments in tech innovation
- ✓ M&M synergy driven by M&M & TechM CEO
- ✓ Identified non-core geos, products ... continue in 3Q
- ✓ Managing cease / divest / run-off of non core portfolio
- ✓ In process ... exit / terminate challenging contracts

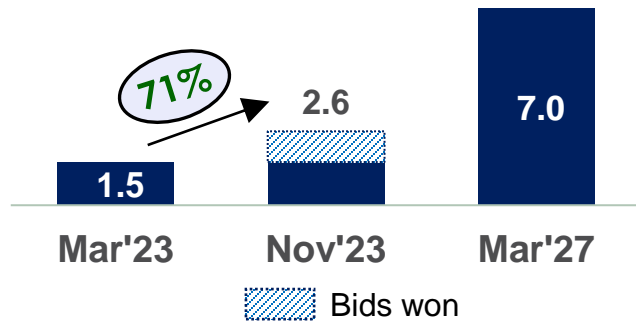
Next: Detailed turnaround plan *(after new CEO takes over)*

Growth Gems 5X challenge



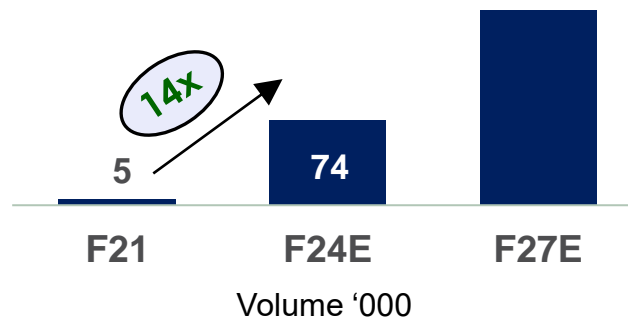
Susten

GWp



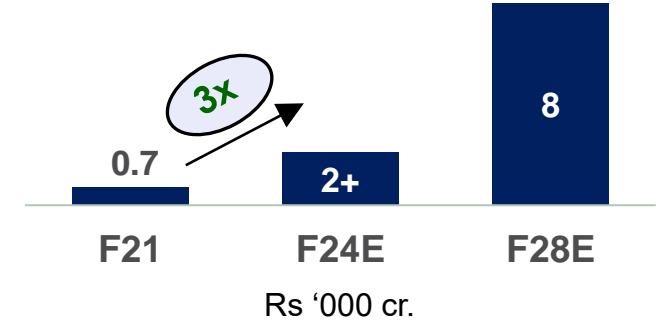
LMM

Electric 3-wheelers



Real estate

Residential presales



Hospitality

- Plan to outline 5x revenue by F30 being developed



Logistics

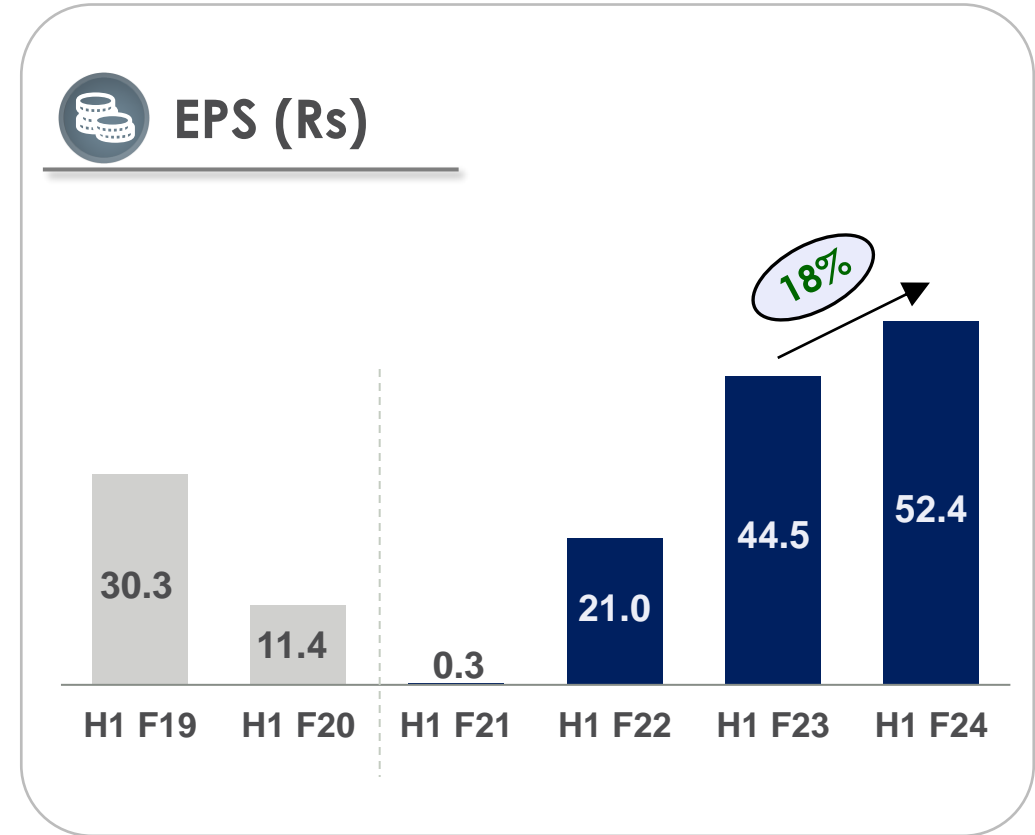
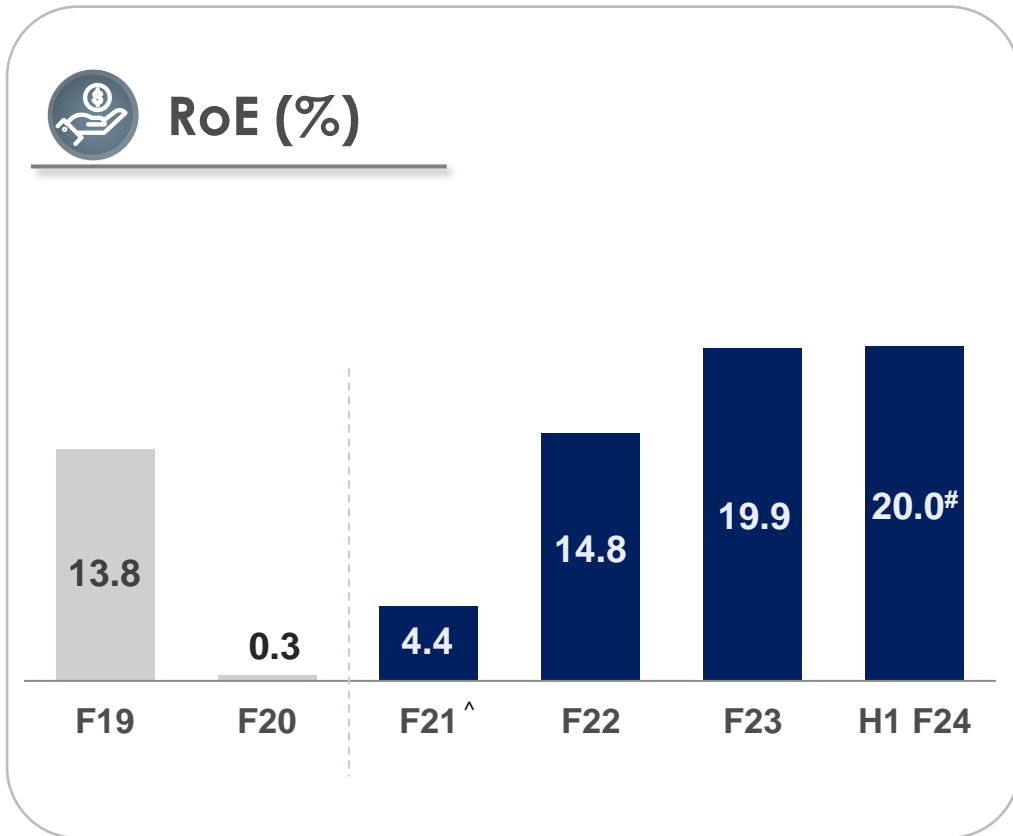
- Targeting 10k cr. revenue by F26 ... 2x F23



CLPL

- Plan to enhance revenue to 5x by F27

Consistent delivery on commitments



Annualised basis the YTD RoE

[^] Considering continuing & discontinued operations

Q2 F24 PRESS MEET

AUTOMOTIVE & FARM SECTORS

RAJESH JEJURIKAR

EXECUTIVE DIRECTOR & CEO, AUTO & FARM SECTORS

10th November 2023

mahindra^{Rise}

AUTOMOTIVE BUSINESS



Q2: AUTO

TOTAL VOLUMES*

212K ↑ 18% YoY

REVENUE MS

19.9% ↑ 90 bps YoY

#2 IN SUV REVENUE MS

LCV <3.5T MS

49.6% ↑ 280 bps YoY

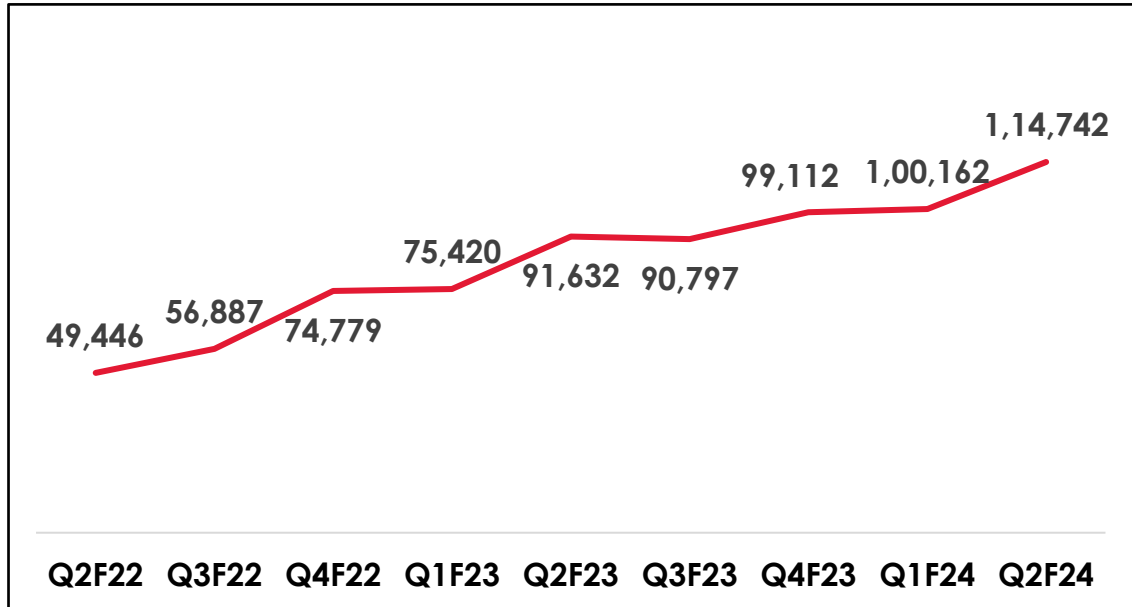
HIGHEST QUARTERLY MS IN LAST 5 YRS



MARKET LEADERSHIP IN SUV

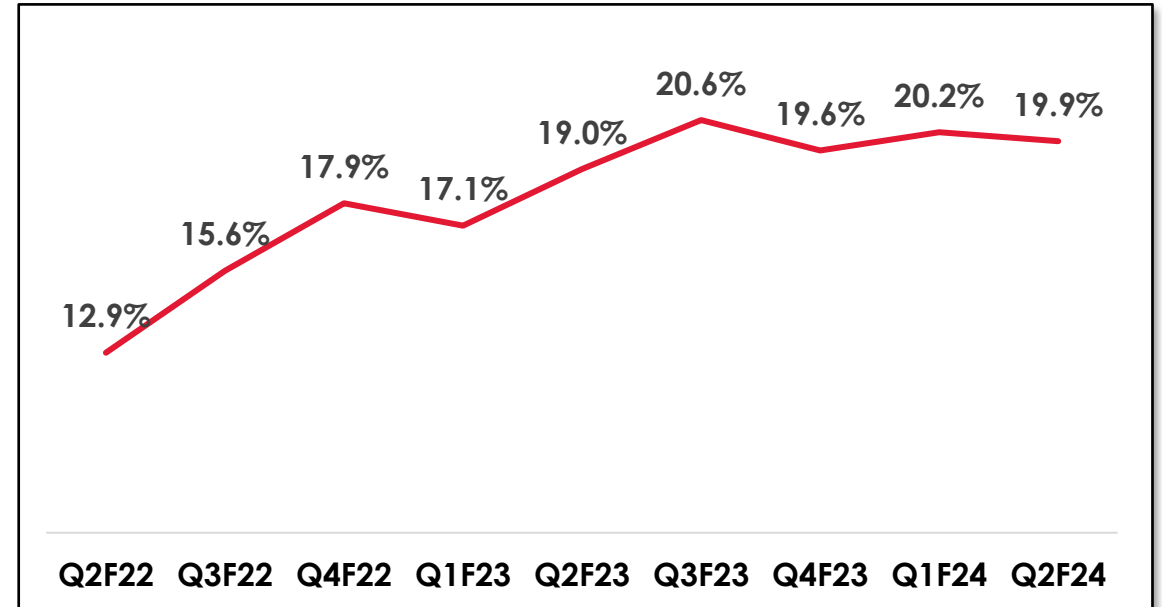
VOLUMES

#2 in MS for 5 consecutive quarters



REVENUE MARKET SHARE

RMS >19% for 5 consecutive quarters



Sept'23 RMS at 20.8%

STRONG UV PERFORMANCE & PIPELINE

Open Bookings: ~286k

<p>10k open bookings ~6k per month</p>  <p>XUV300 & XUV400</p>	<p>70k open bookings ~9k per month</p>  <p>XUV700</p>	<p>76k open bookings ~10k per month</p>  <p>THAR (Incl RWD)</p>	<p>11k open bookings ~9k per month</p>  <p>BOLERO (incl NEO)</p>	<p>119k open bookings ~17k per month</p>  <p>SCORPIO-N (incl Classic)</p>
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~51k new bookings p.m.

~38k billings p.m.

Cancellations < 8% p.m.

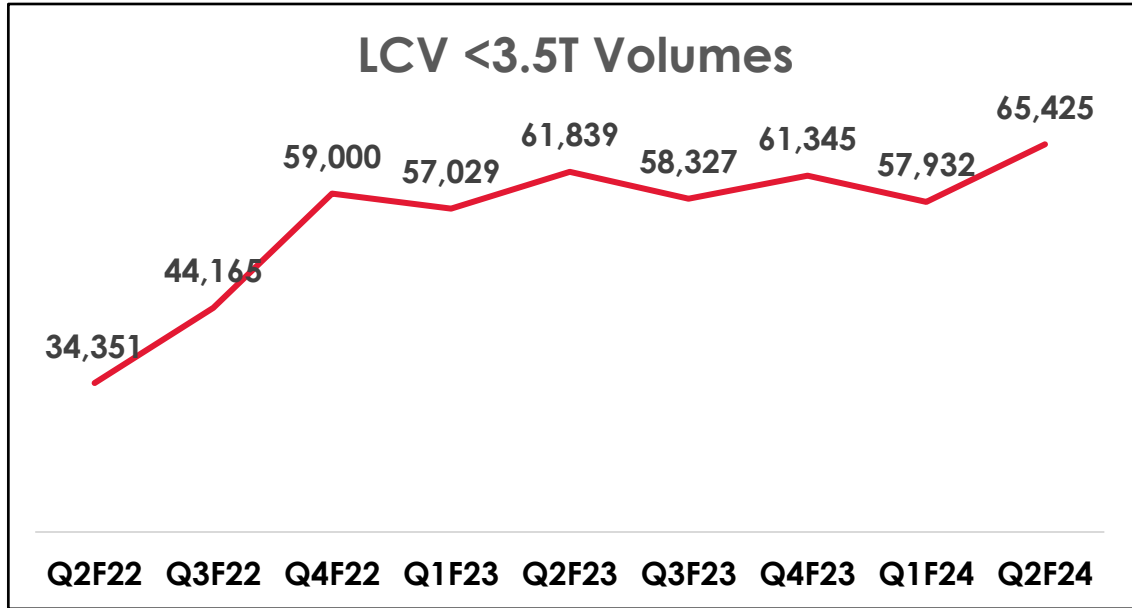


ROBUST OFFTAKE TO SUPPORT BOOKINGS & BILLINGS

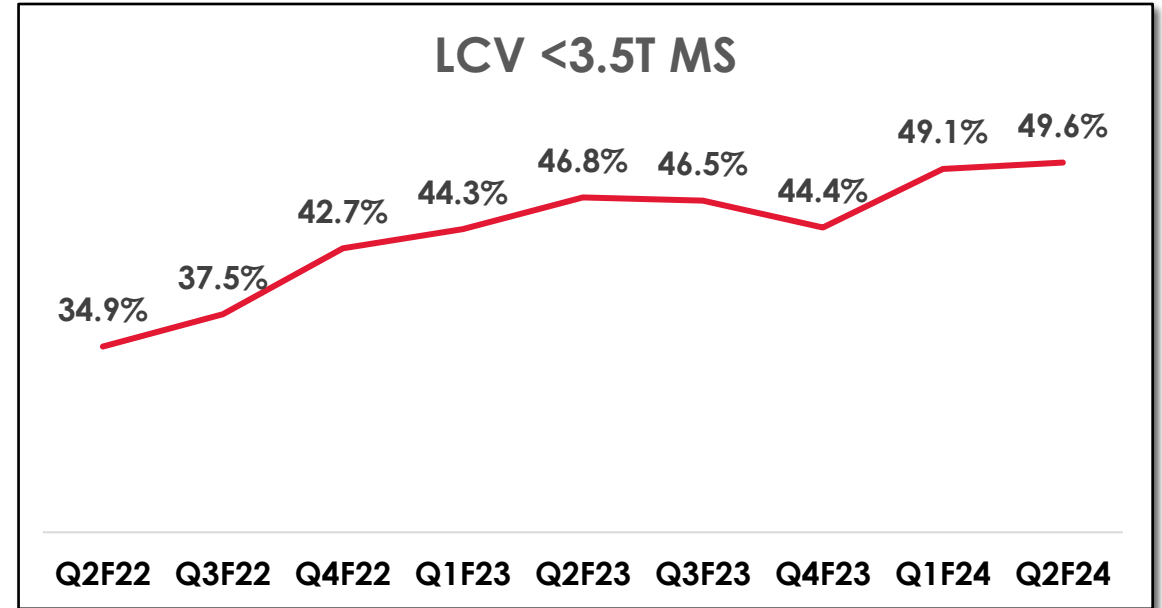
- M&M average dealer stock for Q2 F24 is ~ 30 days
- Priority to meet customer delivery sequence
- Month-end skew in ramp up due to steel shortage

#1 IN LCV <3.5T

Q2 F24 MS 49.6%, gain of 2.8% YoY



Highest ever quarterly volumes



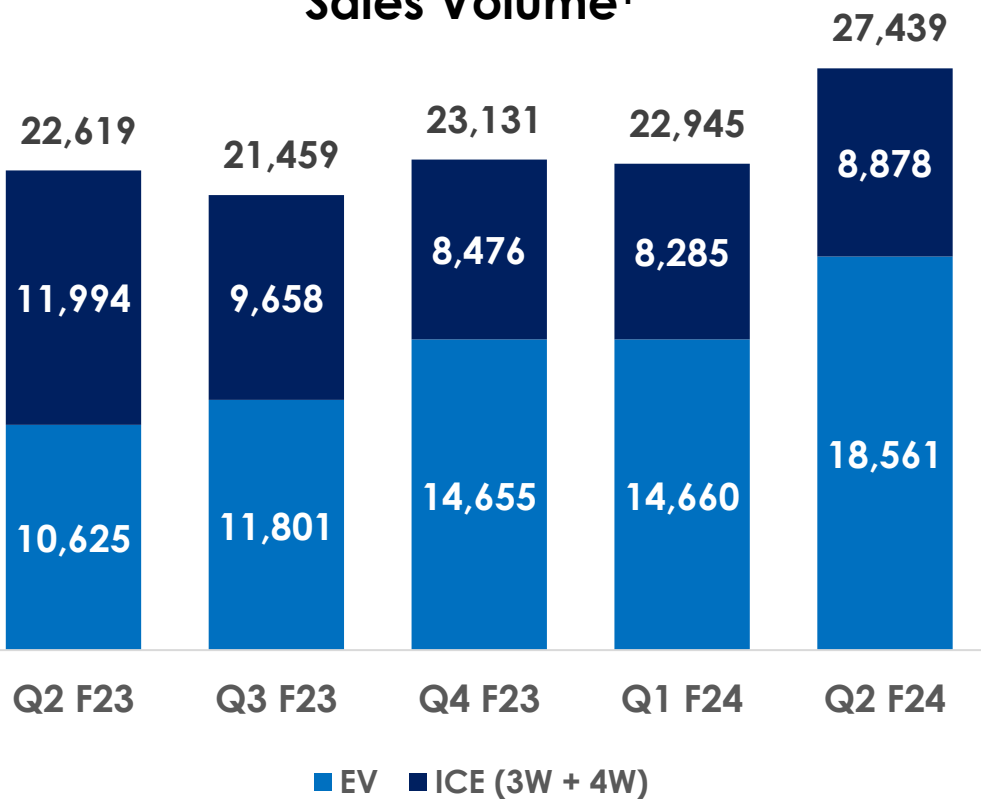
Highest quarterly MS in last 5 years

Rolled out 1 lakh units of All-new Bolero Maxx Pik-Up in a span of 16 months, setting a record in the commercial load segment

LAST MILE MOBILITY

Highest ever E-3Ws volumes¹ at 18.6k in Q2 F24
 Market Leadership in E-3W with 63.0% MS in H1 F24

Sales Volume¹



Big Opportunity for electrification in 3W segment

- EV penetration in L5 category² is ~10.5% in Q2 F24 (~7.2%, Q2F23)
 - Passenger: ~10.1%
 - Cargo: ~12.5%
- High TCO³ benefit: ~3 lacs over CNG and ~5 lacs over Diesel

¹ Domestic Sales volume

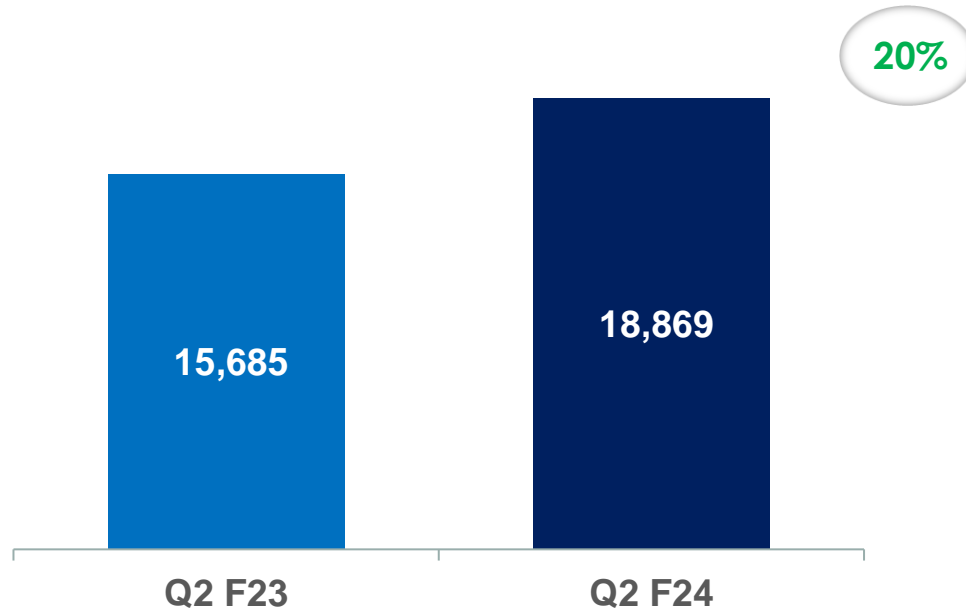
² L5 Category: As per CMVR

³ Total cost of ownership over 5 years

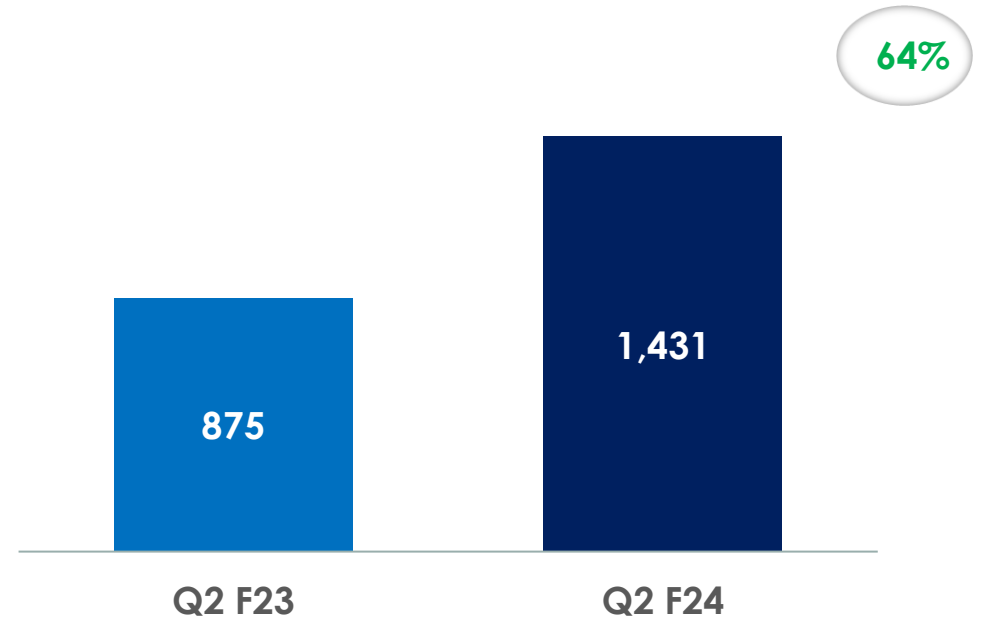
AUTO CONSO FINANCIALS Q2 F24

Rs cr.

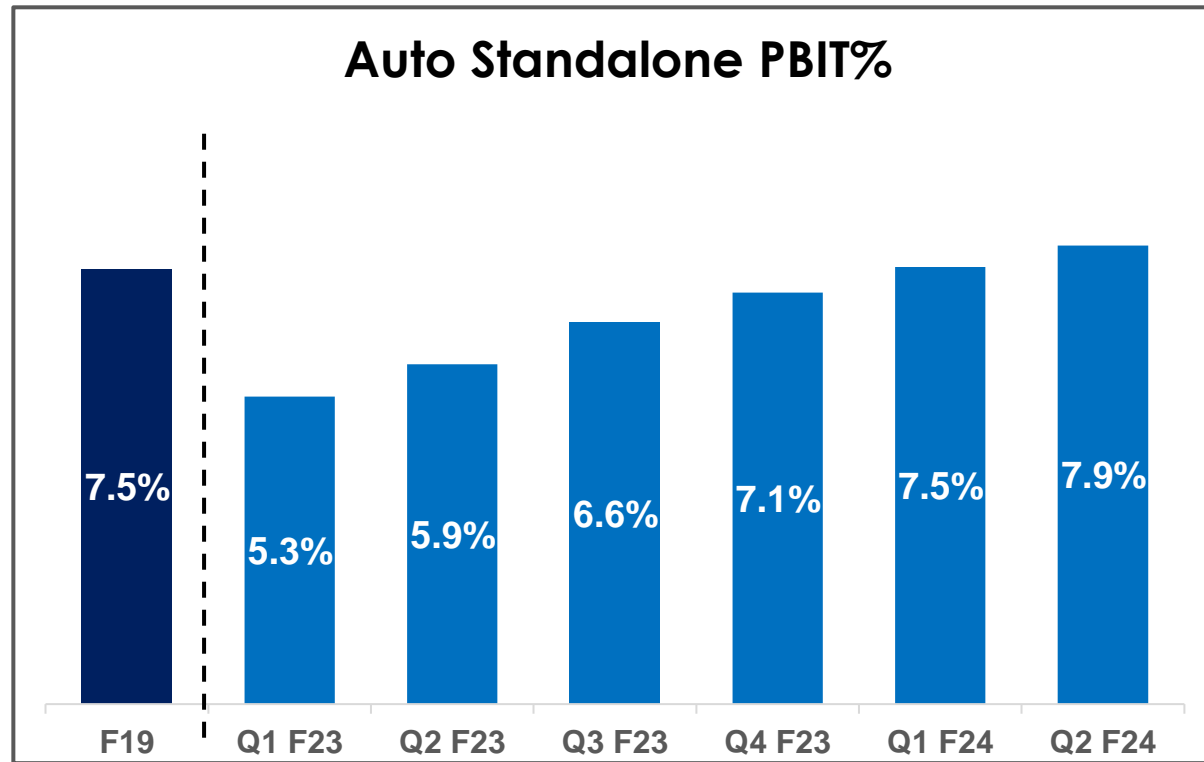
Revenue



PBIT



AUTO MARGIN IMPROVEMENT CONTINUES



Q2 F24 PBIT excludes Rs 210 cr. on account of sale of business / assets to MLMML
Auto Standalone Segment includes Spares business and manufacturing of Two-Wheelers

FARM EQUIPMENT

TRANSFORM FARMING
ENRICH LIVES

mahindra^{Rise}

Q2: FARM

M&M VOLUMES

89K ↓ 3.8% YoY

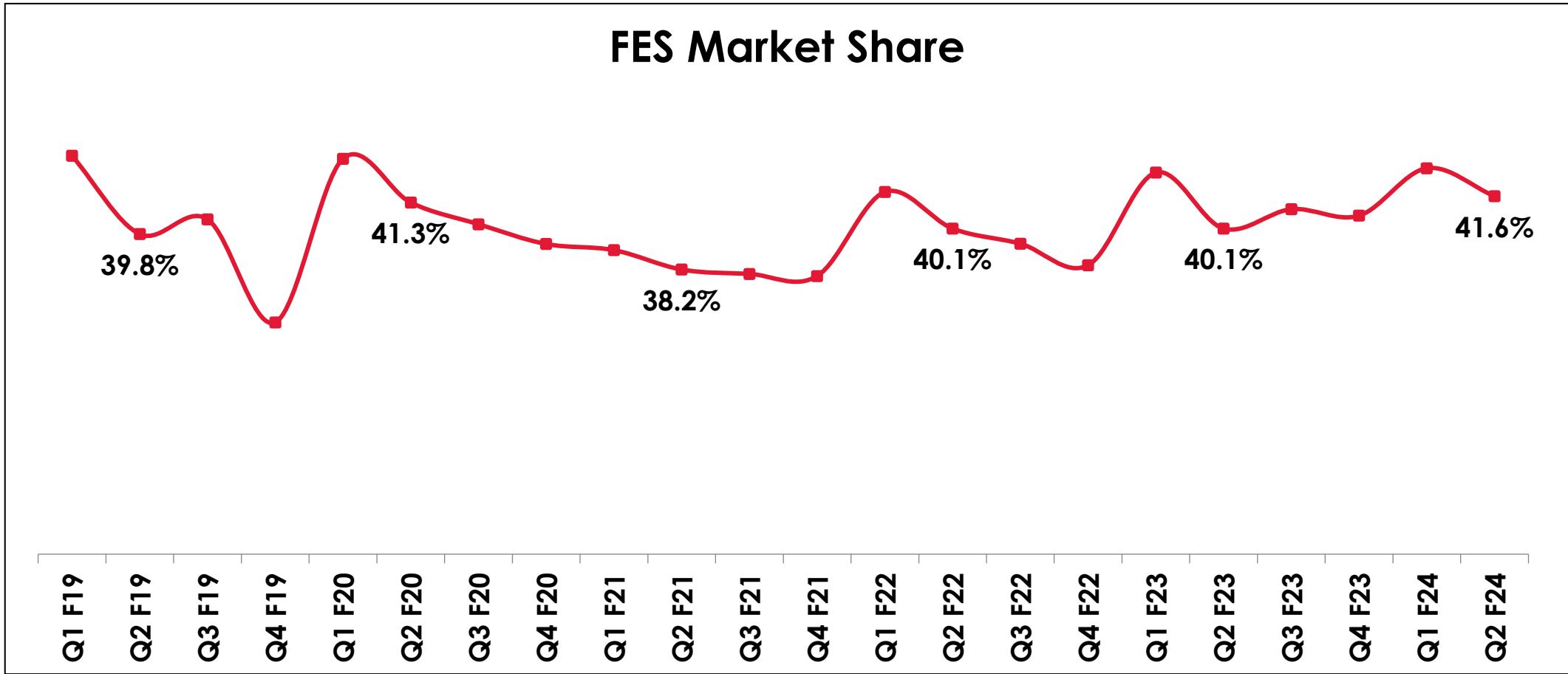
Industry down by 5.6% YoY

MARKET LEADERSHIP

41.6% ↑ 150 bps YoY



MARKET LEADERSHIP



MARKET STRATEGY

Q2 F24 MS 41.6% (1.5% YoY gain)

Strengthening Product Portfolio

OJA Global Launch



Swaraj Target - LWT



National Launch – Naya Swaraj

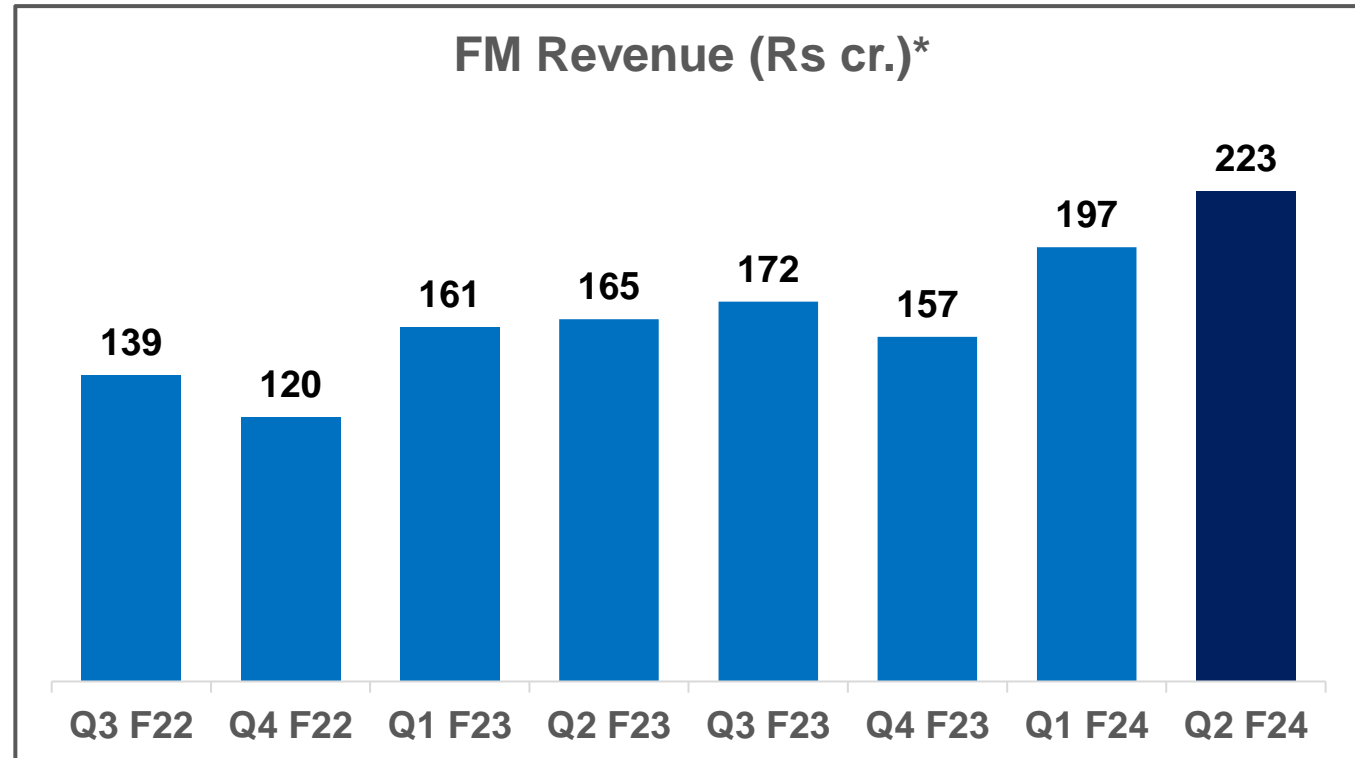


H1 F24 MS 42.3% (0.8% YoY gain)

Signage Change



FARM MACHINERY – SCALING UP FOR QUANTUM GROWTH



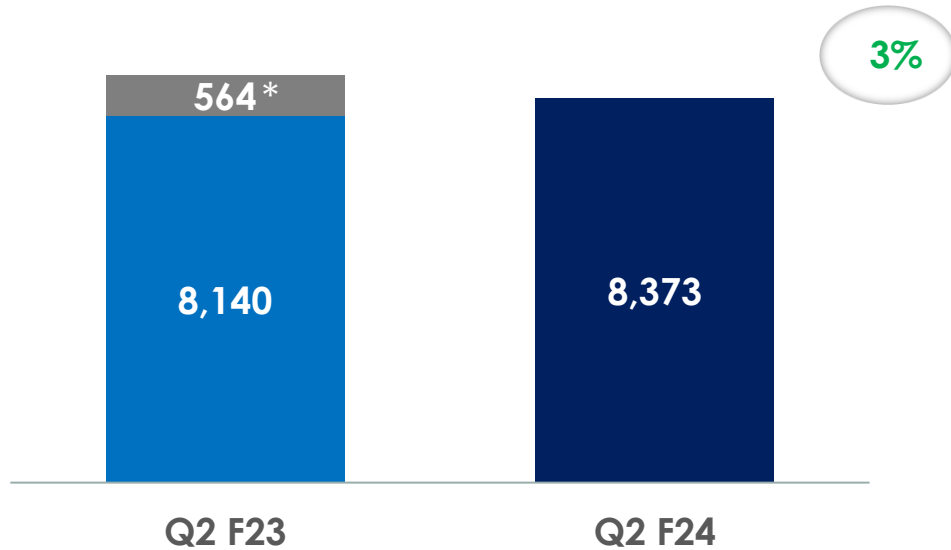
- **Revenue:** Q2 F24 Rs 223 cr. (**35%** YoY Growth); H1 F24 Rs 420 cr. (**29%** YoY Growth)
- **Market Share:** No. 2 in Rotavators; **21.5%** MS in H1 F24 (17.9% in H1 F23)
- **Product Portfolio:** launch of Swaraj 8200 Wheel Harvester

* Including MITRA

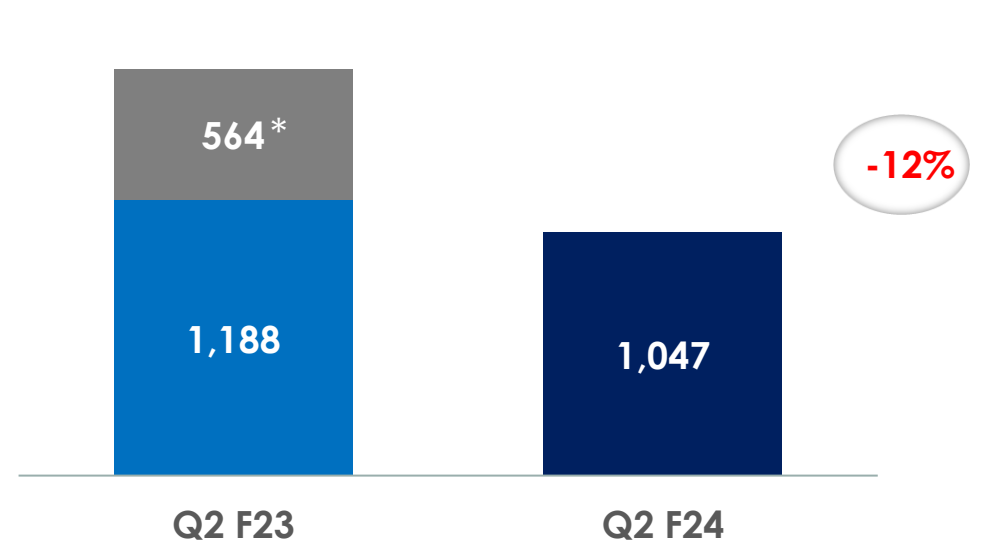
FARM CONSO FINANCIALS Q2 F24

Rs cr.

Revenue



PBIT



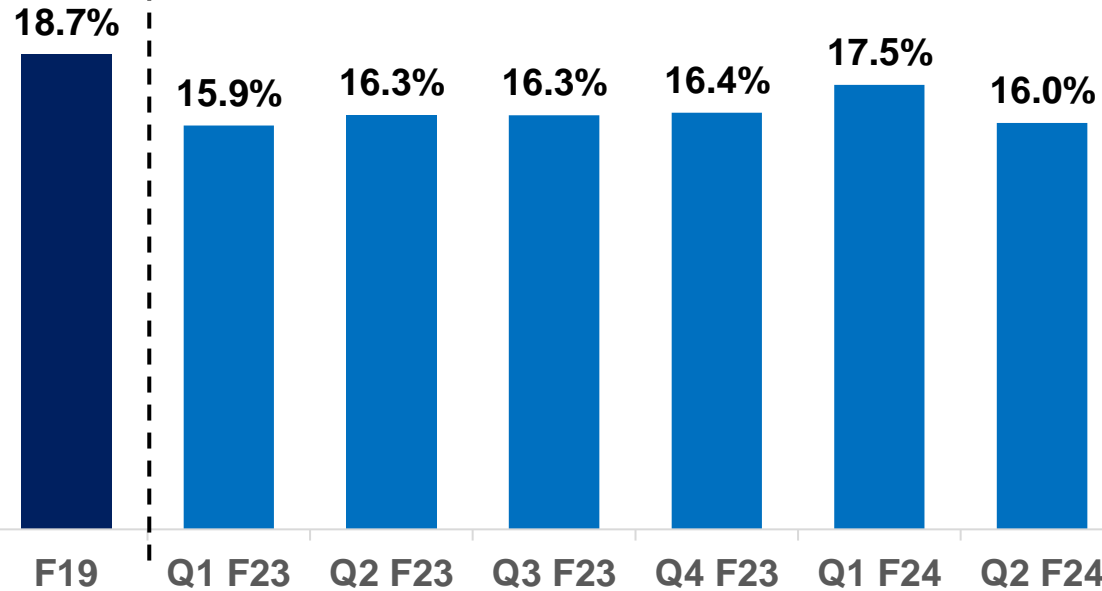
Q2 F24 nos are after hyper inflation accounting for Turkey companies

*SEL investment reval. gains of Rs 564 cr. in Q2 F23

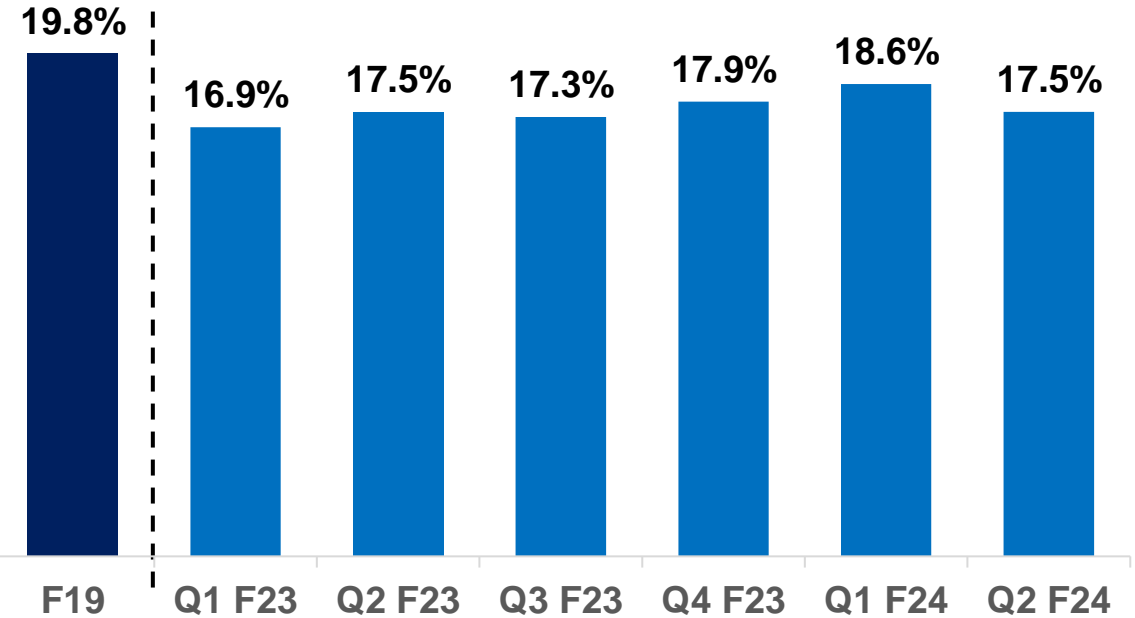
PBIT is net of intercompany eliminations, stock reserve and after share of profit from JV/ Associates

FARM MARGINS

Farm Standalone PBIT %



Core Tractor* PBIT%

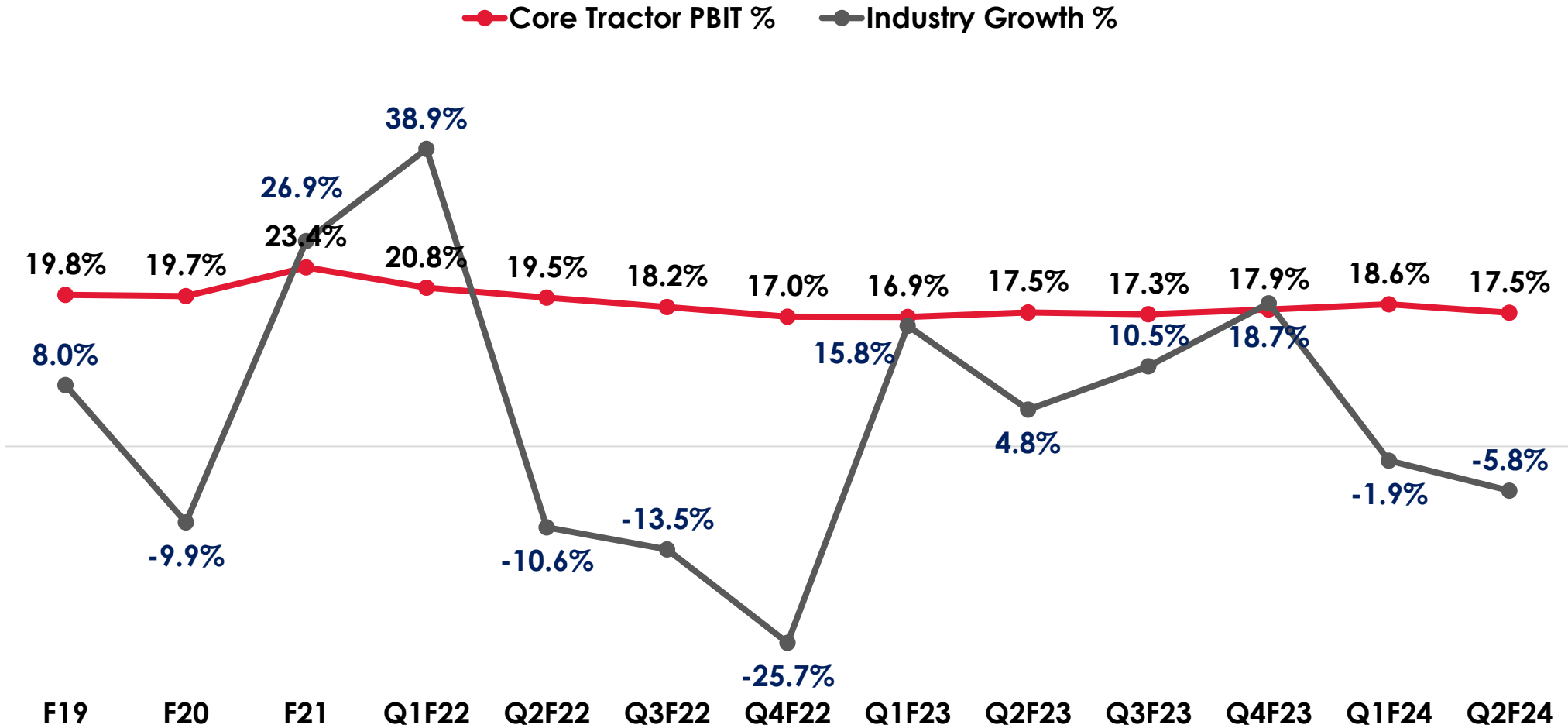


- 0.9% of one-time impact of OJA, Naya Swaraj & Target launches
- 0.2% impact on account of mix factor due to Oja
- In Q3 F24, one time impact expected due to World Cup sponsorship

Farm Standalone segment includes Powerol Business

*Core Tractor comprises of Tractor business (incl exports) and excludes Powerol & Farm Machinery business

STABILITY IN VOLATILITY



Core Tractor comprises of Tractor business (incl exports) and excludes Powerol & Farm Machinery business

Financials

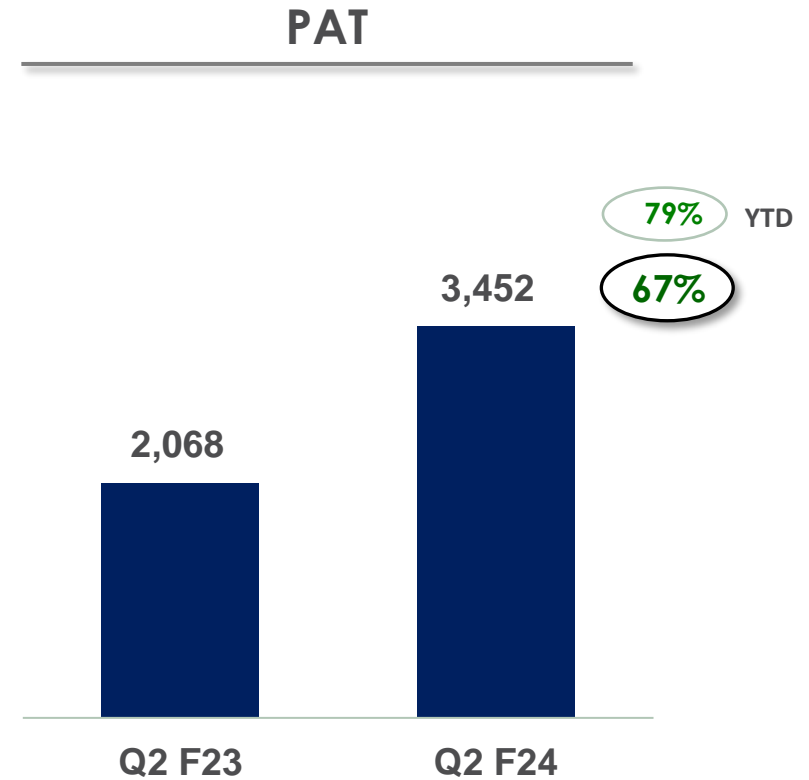
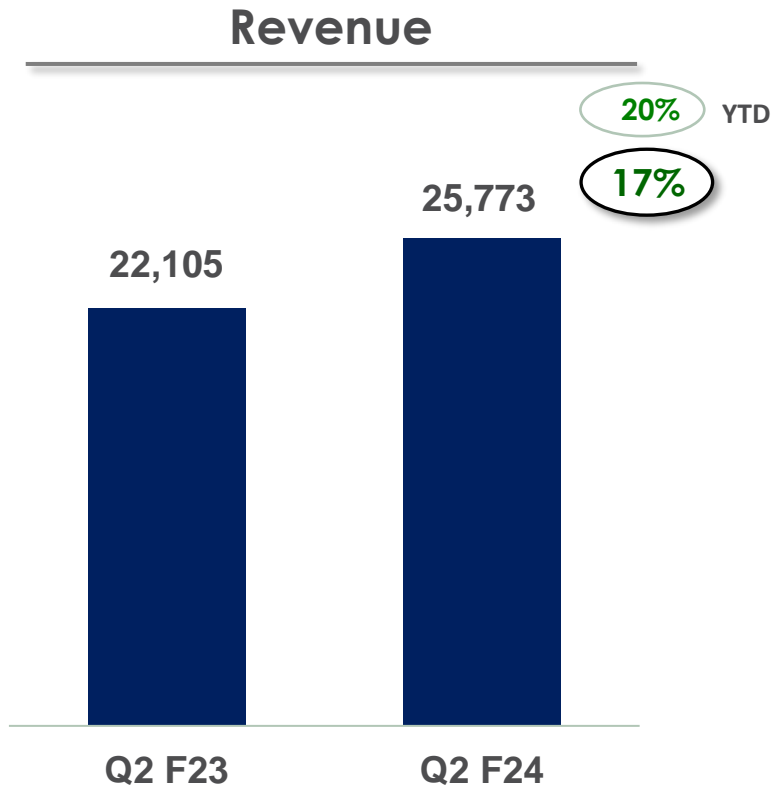
Press Meet

Manoj Bhat | 10 November 2023

Financial results: Q2 F24

STANDALONE M&M

Rs cr.

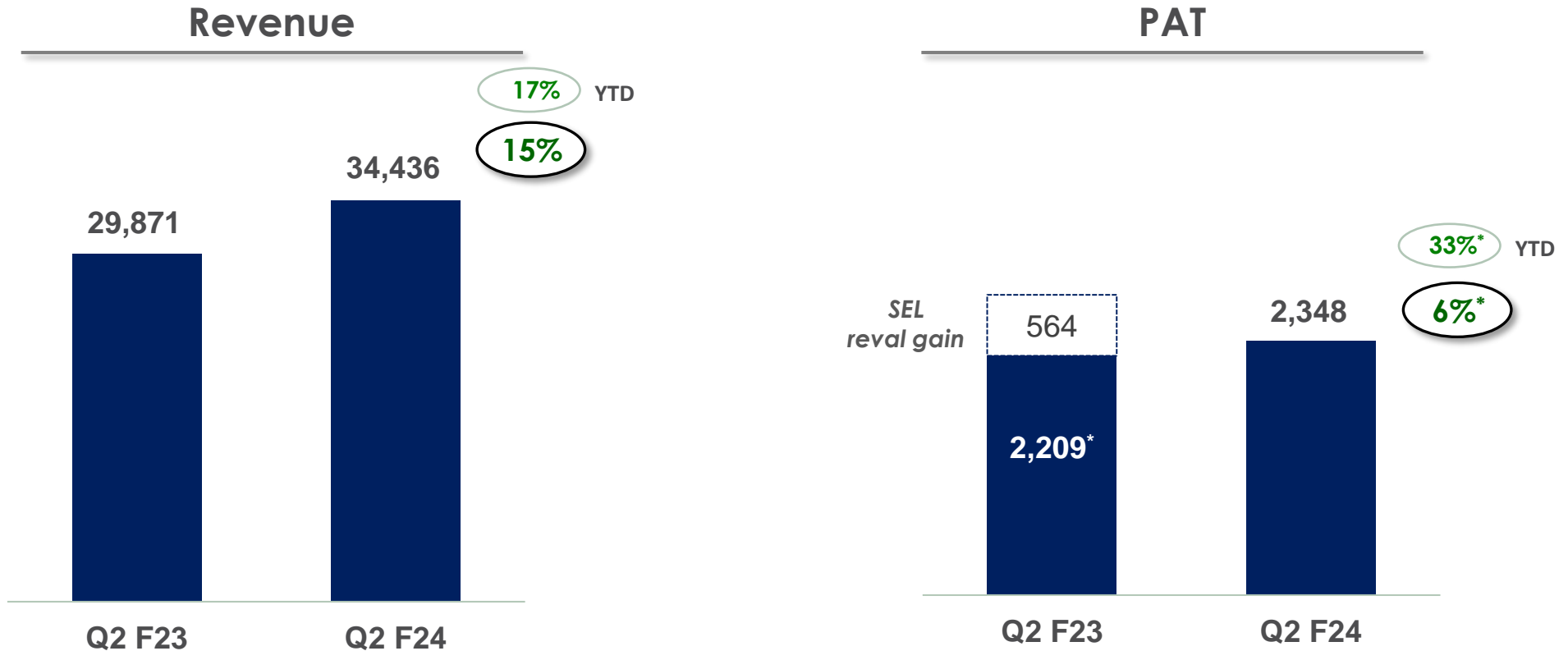


PAT vs PY Q2 ↑ 67%, YTD ↑ 79%

Financial results: Q2 F24

CONSOLIDATED M&M

Rs cr.



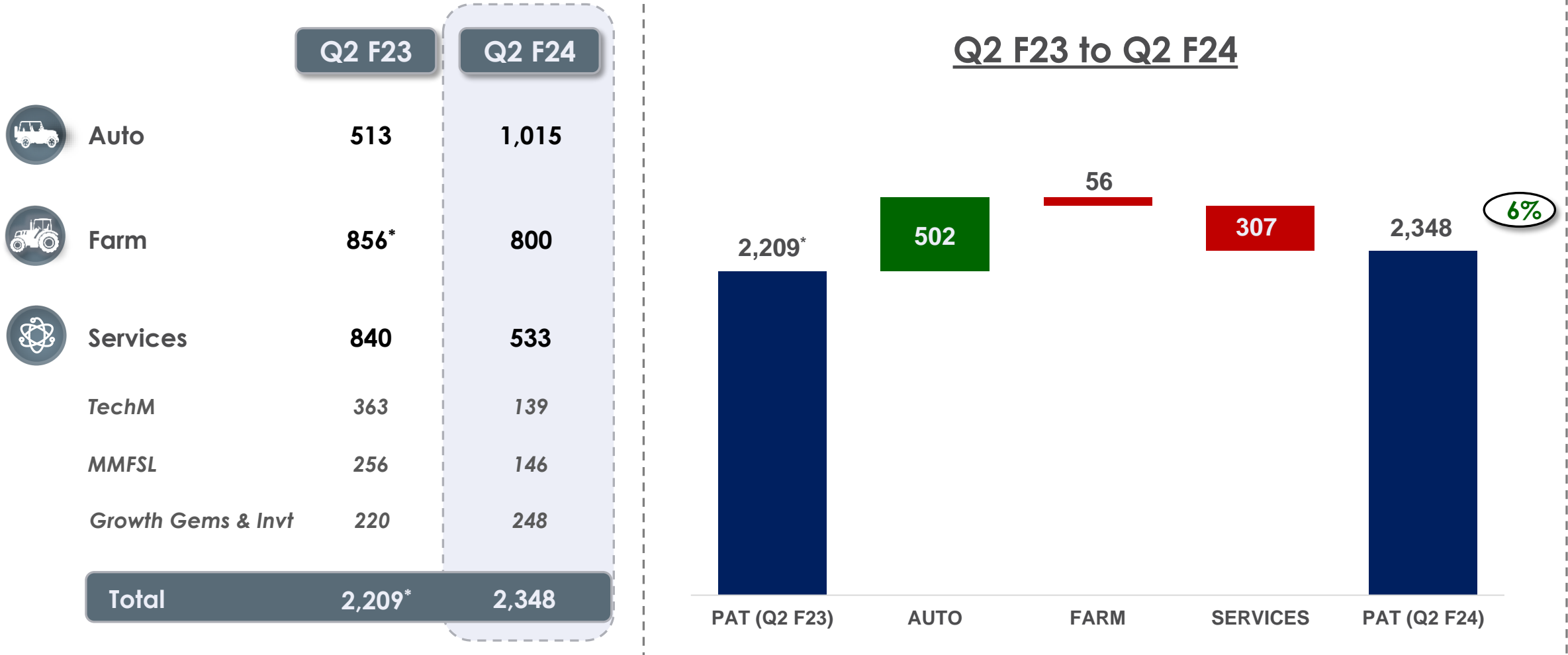
PAT vs PY (excl. SEL) Q2 ↑ 6%, YTD ↑ 33%

* Excluding Swaraj Engines Ltd revaluation gain on stake increase with status change in Q2 F23 of Rs 564 cr.

PAT excl. SEL reval gain*: Q2 F24

CONSOLIDATED M&M

Rs cr.



* Excluding Swaraj Engines Ltd revaluation gain on stake increase with status change in Q2 F23 of Rs 564 cr.

Cash flow: H1 F24

STANDALONE M&M + MEAL + LMM Co

Rs cr.

	Auto	Farm	Services	Total
Opening Balance[@]				15,238
+ Inflow	4,516	1,095	2,034	7,645
- Capex	(1,944)	(527)		(2,471)
- EV: MEAL + LMM Co net [#]	(967)			(967)
: PE funds raised	900			900
- Investments	(204)	(20)	4	(220)
Net cash generated	2,301	548	2,038	4,887
- ICDs / funding for group cos ^{\$}				1,516
- M&M net Debt repayment				(3,409)
- Dividend payout				(2,023)
Closing Balance				16,208

[@] Opening and closing balance includes cash, cash equivalents and treasury investments (current and non-current) held by M&M, MEAL and LMM Co

[#] EV MEAL + LMM Co net denotes inflow and capex at MEAL and LMM Co. PE funds raised denotes investments by external investors into MEAL and LMM Co.

^{\$} denotes temporary ICDs / funding / repayments e.g. MOICML debt repayment



Thank You