

Schaeffler India Limited · Pune · Maharashtra

BSE Limited

Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai-400001
Company Code: 505790

National Stock Exchange of India Limited

Exchange Plaza, C – 1, Block G,
Bandra-Kurla Complex, Bandra (E),
Mumbai-400051
Company Code: SCHAEFFLER

Sub: Investor Presentation

24/07/2024

Dear Sirs,

Pursuant to provisions of Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith Investor Presentation of the Company.

Phone: +912068198464

Kindly take the same on your record.

Thanking you,

Yours faithfully,

For **Schaeffler India Limited**

Ashish Tiwari,

VP - Legal & Company Secretary

Encl.: As above



Quality is our passion. The more time and expertise, the better the result.

Schaeffler India Limited

Investor Presentation

July 24, 2024

We pioneer motion

Q2 2024 Awards and Accolades



Best Quality Award



Special Appreciation Award on extraordinary support



Vendor Managed Inventory Award



Certificate for part design & development

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Economy and Industry

2

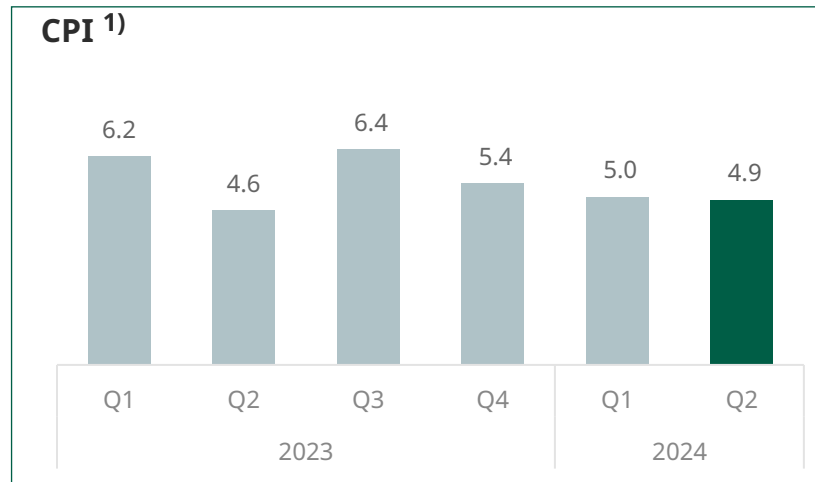
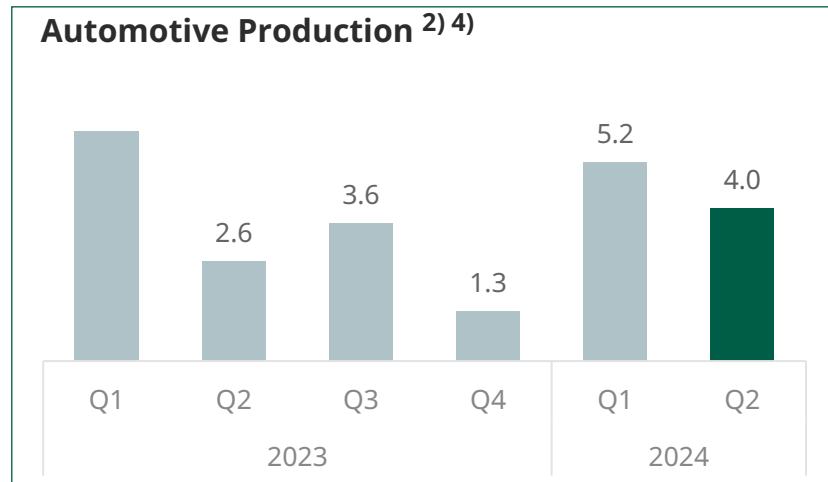
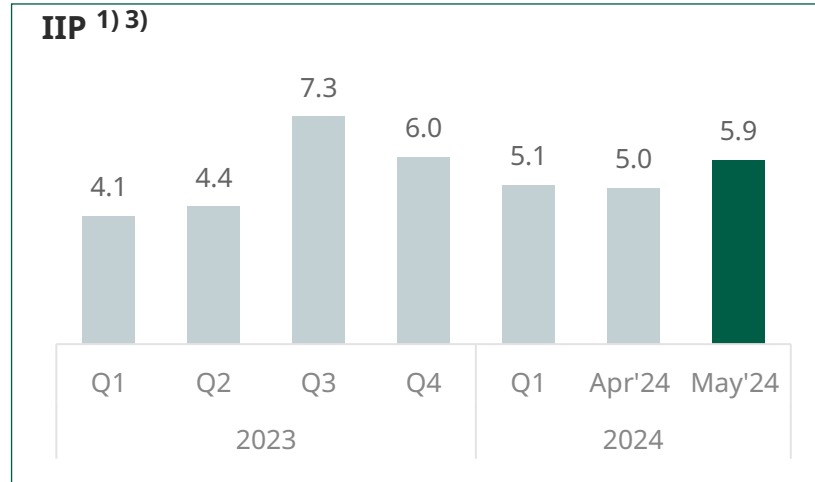
Business Highlights - Q2 and 6M 2024

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Financial Highlights - Q2 and 6M 2024

AGENDA

Economy



Key Aspects

- Q2 GDP growth estimated at 7.3%, on growth path supported by moderating inflation domestic demand and above average monsoon estimates
- IIP growth in 2024 due to healthy run of the metal products, Pharma, furniture, transport & motor vehicle manufacturing
- YoY growth in Q2 for PVs at 6.8%, de-growth in CVs at 5.1% and growth in tractors of 1%
- CPI inflation moderated; food inflation remains a concern.

Note :

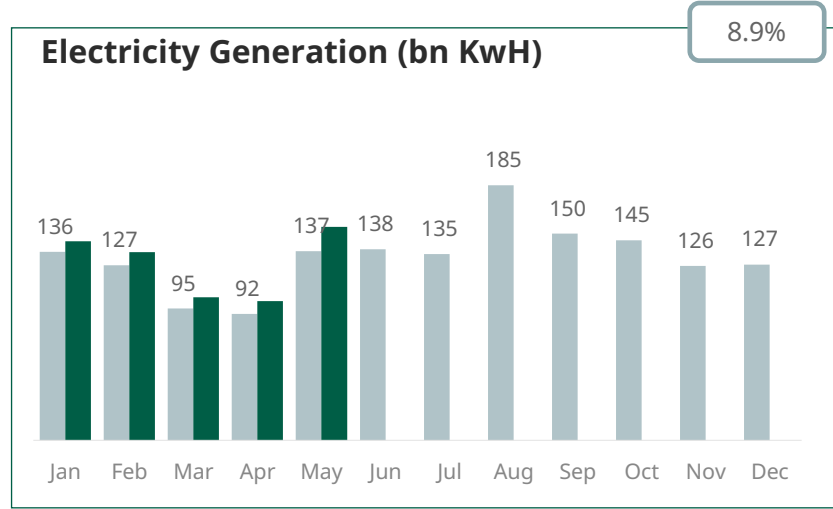
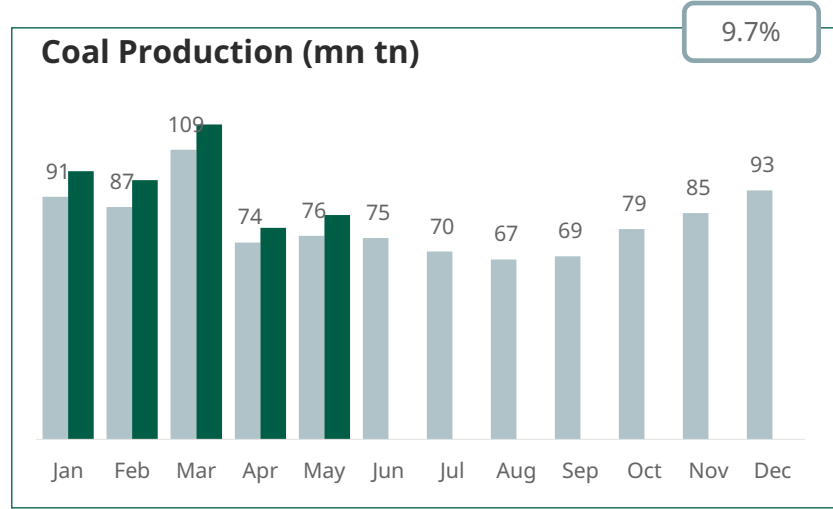
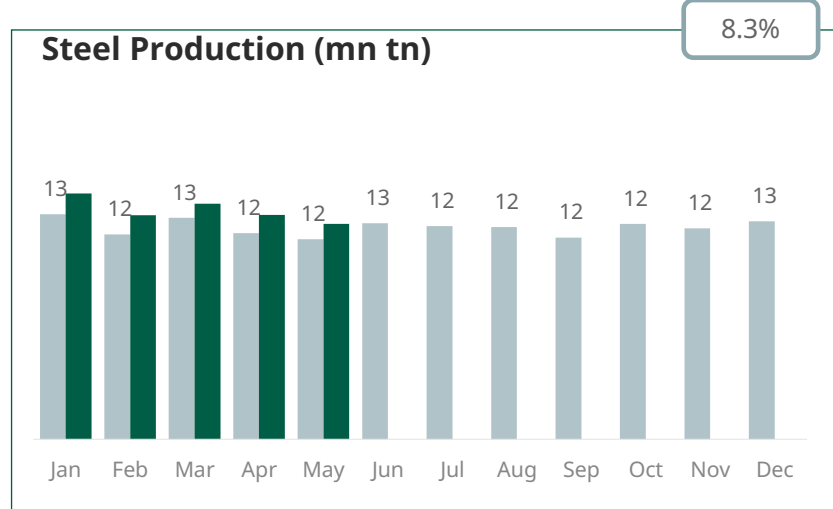
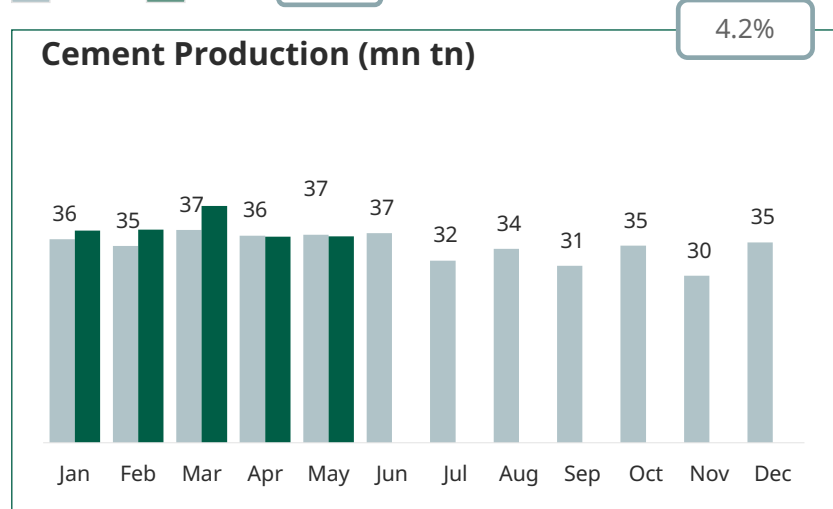
- Data is reinstated every quarter as per final reports released by authorities
- GDP, IIP, and Automotive Production are YoY growth rates, whereas CPI is quarterly inflation rate.
- Automotive Production includes PVs, CVs, & Tractors with production share of 71%, 15%, & 13% respectively

Source of data :

- 1) Ministry of Statistics & Programme Implementation
- 2) SIAM : Society of Indian Automobile Manufacturers
- 3) GDP - Gross Domestic Production, IIP - Index of Industrial Production, CPI - Consumer Price Index
- 4) Automotive Production includes PVs, CVs, & Tractors

Core Sector Performance

■ 2023 ■ 2024 □ YTD CY2024 Growth



Key Aspects

Core industry growth for YTD'24 registered at 6.5% compared to 4.9% for the same period last year

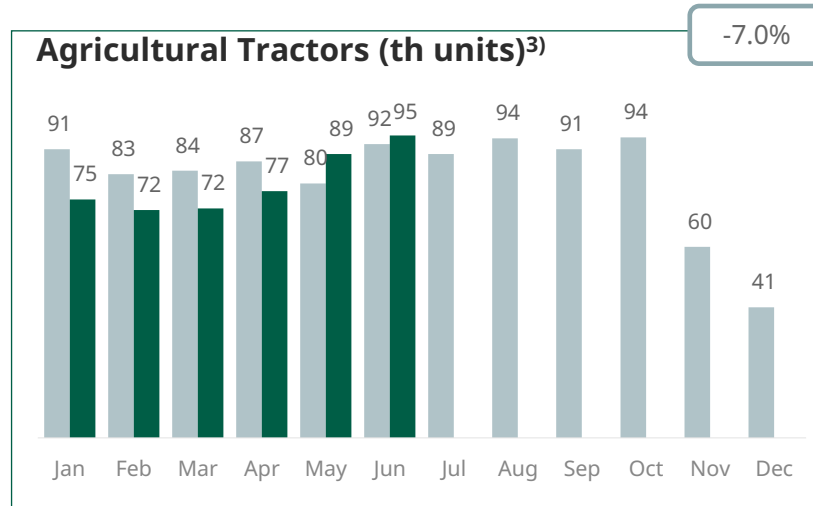
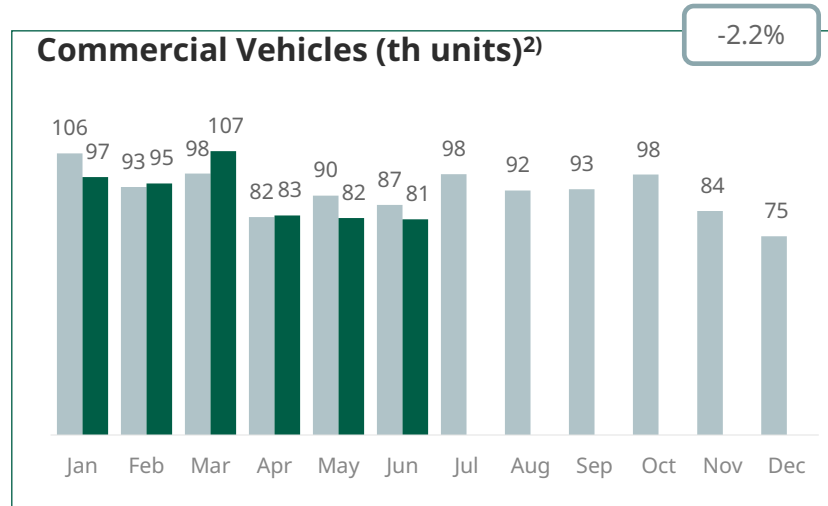
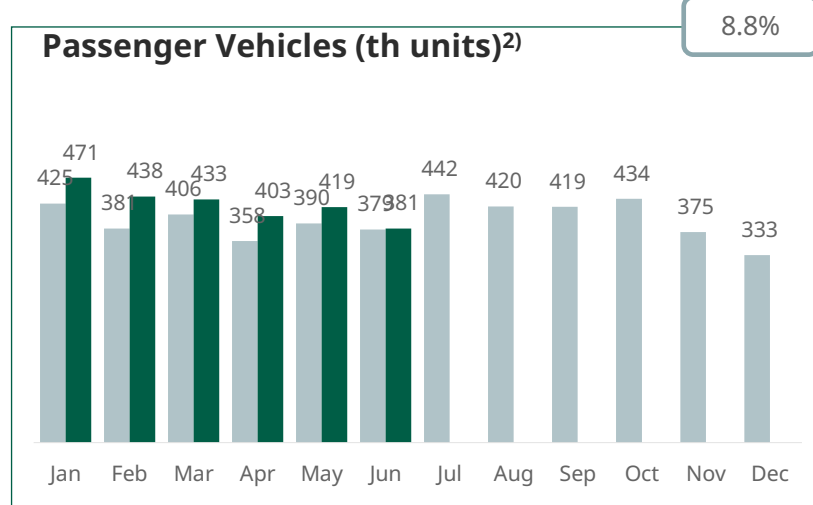
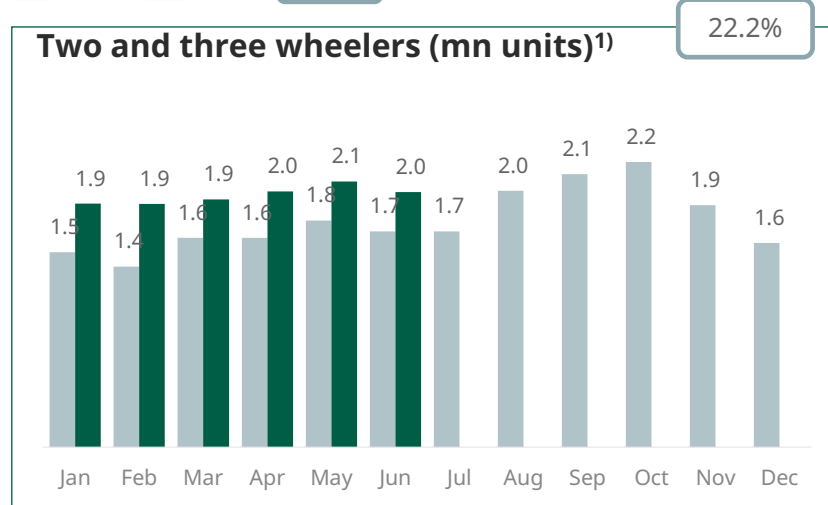
Sector weightage within eight core sectors

Sector	% weight
Cement	5.4%
Steel	17.9%
Coal	10.3%
Electricity	19.9%

Source of core sectors data: Office of Economic Advisor

Automotive Sector Performance

2023 2024 YTD CY2024 Growth



Key Aspects

- 2W sector demand from both domestic and exports markets, coupled with higher EV sales
- PV segment growth from SUVs, rural penetration and stable fuel prices
- CV sector moderated by sluggishness in FMCG and Retail sectors
- Irregular monsoons, lower kharif yields and reduced subsidiaries led to the continued degrowth. Above normal rainfall may cushion growth

Source of data :
¹⁾ SIAM : Society of Indian Automobile Manufacturers
²⁾ TMA : Tractor Manufacturers Association
³⁾ TW – Two wheelers, CV – Commercial Vehicles, PV – Passenger Vehicles,

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Economy and Industry

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Q2 2024 Performance

Key messages

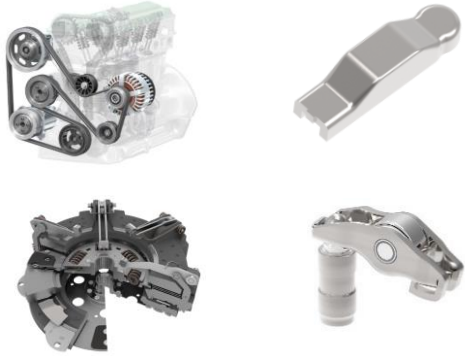
- 1** Double-digit growth for the quarter, robust performance continued across domestic and intercompany sales
- 2** Margins improved due to volume gains and continued focus on cost management
- 3** Working Capital and FCF reflecting timing difference due to quarterly trends
- 4** Committed to investments as per our capex framework



EBITDA : Earning Before Interest, Tax and Depreciation (before exceptional item), FCF : Free Cashflow
Note : Q2 2024 performance comments on Standalone Financials

Business Developments

Automotive Technologies



Reliability and emission reduction

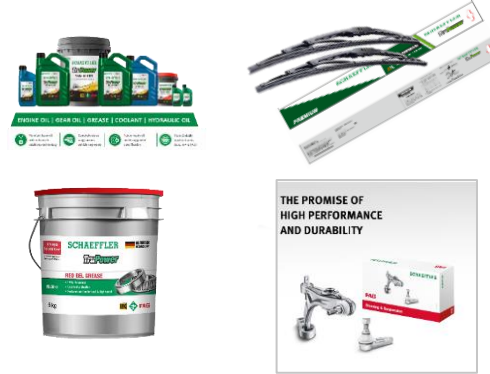
Continued business wins in CVs¹⁾ for double clutch systems

Business win for Hydraulic Lash Adjuster for PV¹⁾ segment

Business wins in CVs¹⁾ for FEAD drive systems and HD valve bridge

¹⁾ TW - Two-wheelers, CV - Commercial Vehicles, PV - Passenger Vehicles

Vehicle Lifetime Solutions



Increased market coverage

Volume wins for newly launched steering and suspension product

Business wins for FEAD/ Timing Kit, wipers and lubrications

Continued focus on portfolio expansion and penetration through range extension

Bearings and Industrial Solutions



Precision and Efficiency

Business wins for deep groove ball bearings, taper, cylindrical and needle roller bearings in the Off-Road segment

New business win for TW¹⁾ segment for bearing applications in EV

Business wins for cylindrical roller bearings for the Raw Material sector

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Economy and Industry

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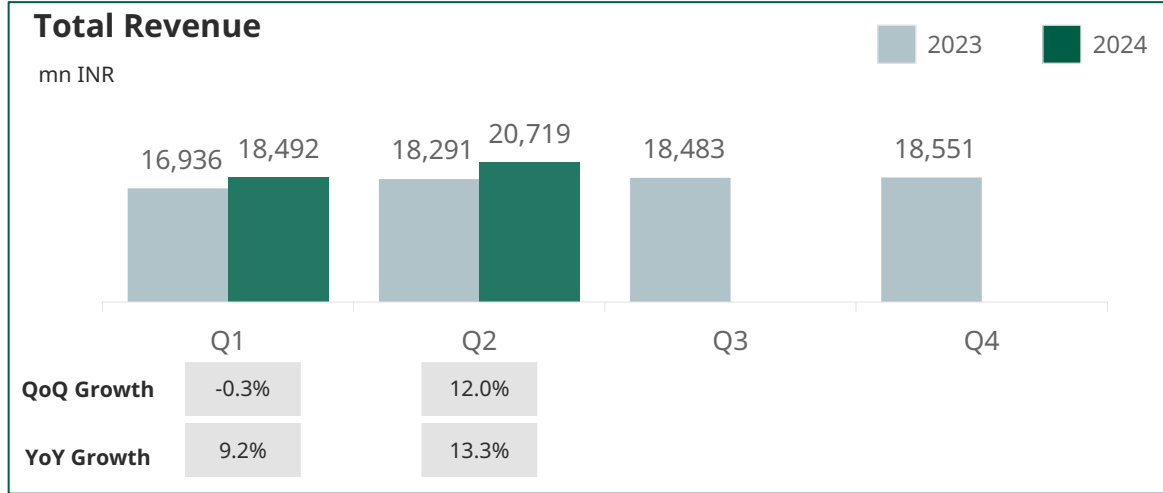
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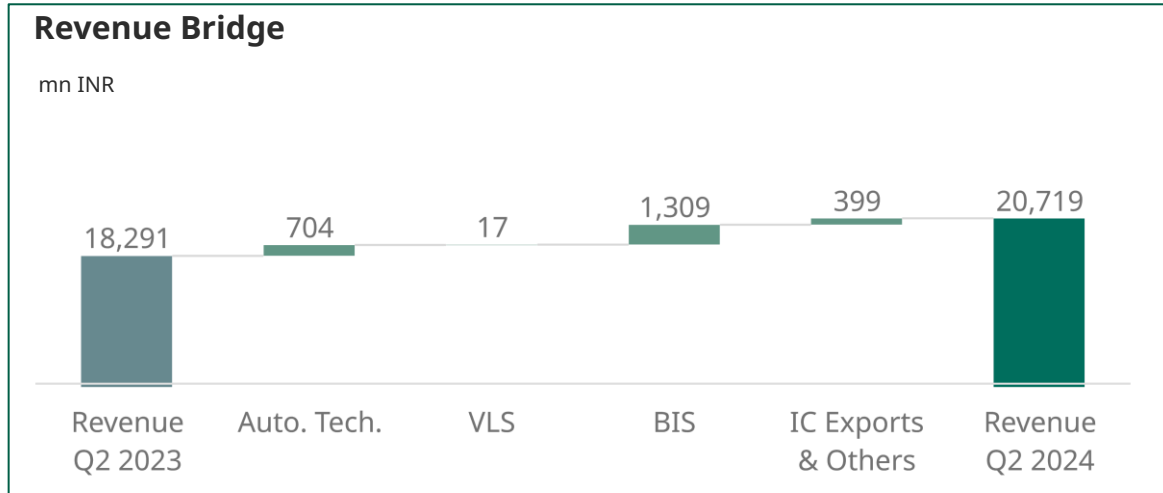
Revenue from operations



Key Aspects

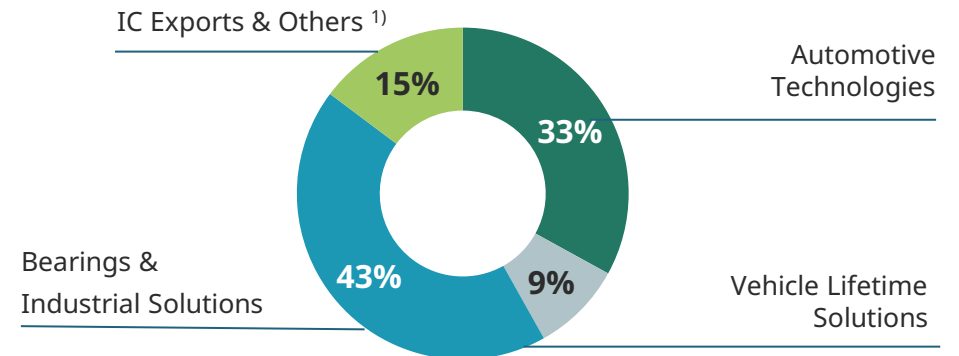
- YoY growth continued for domestic businesses, up 12.7%
- QoQ growth momentum remains across domestic and intercompany exports

Growth	Q2'24 vs Q1'24	Q2'24 vs Q2'23	6M'24 vs 6M'23
Automotive Technologies	4.8%	11.5%	10.3%
Vehicle Lifetime Solutions	14.4%	0.9%	4.8%
Bearings and Industrial Solutions	14.7%	17.0%	16.5%
Intercompany Exports & others	20.9%	15.0%	3.6%



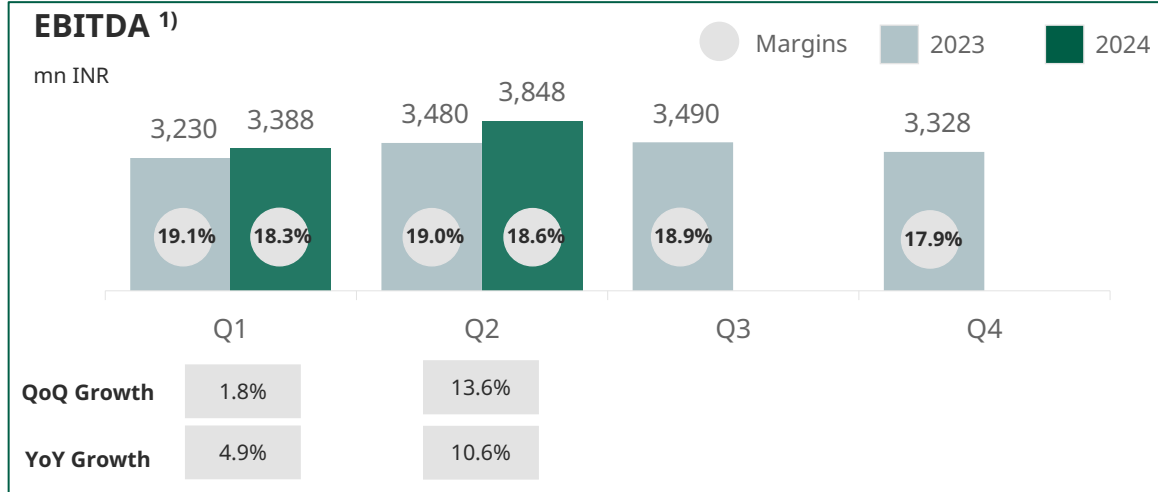
Sales Mix

Q2 2024



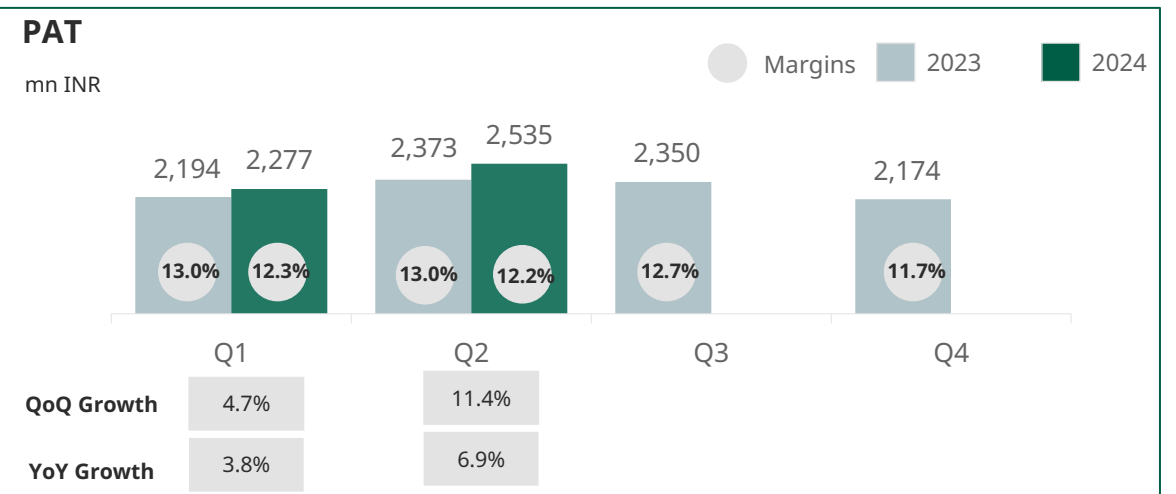
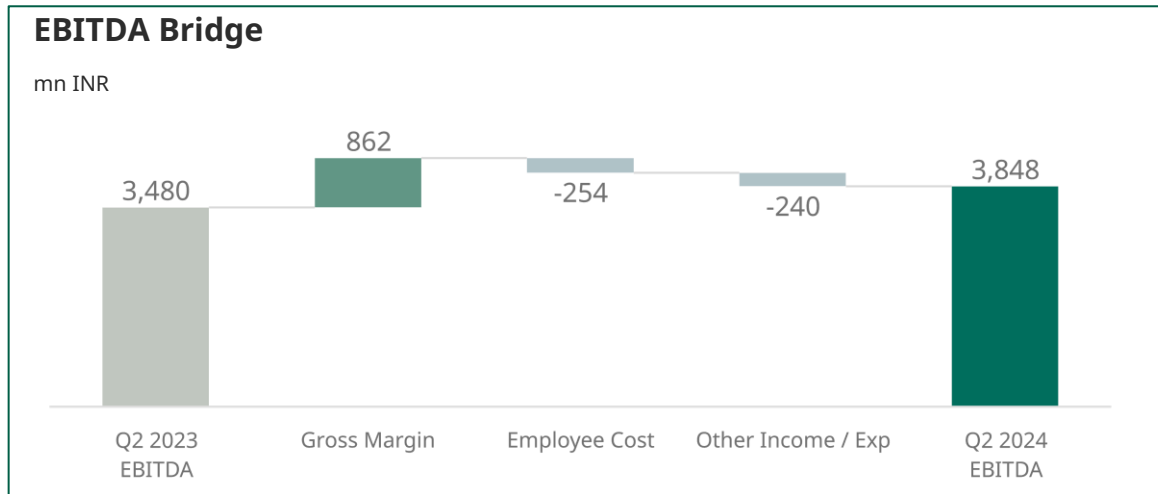
IC Exports – Intercompany Exports; 1) Exports mainly includes exports to group companies, scrap sale and other operating income
 Note : Business highlights on Standalone Financials

Earnings Quality



Key Aspects

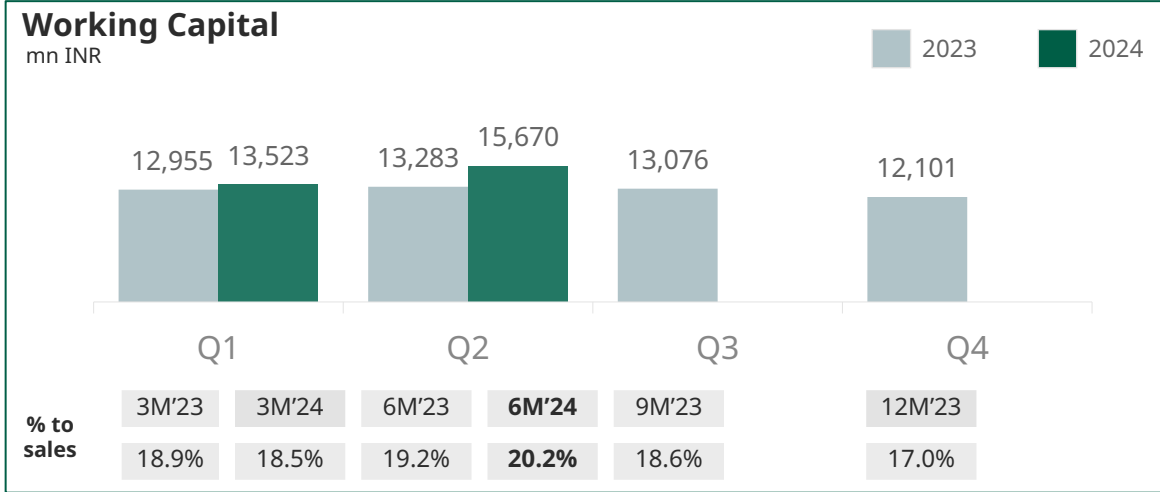
- YoY margins moderated marginally due to business mix
- QoQ margins sustained due to volume gains and continued focus on cost management



¹⁾ EBITDA (before exceptional items) - interest income (net) at 191 mn INR in Q2'24 (240 mn INR Q2'23)

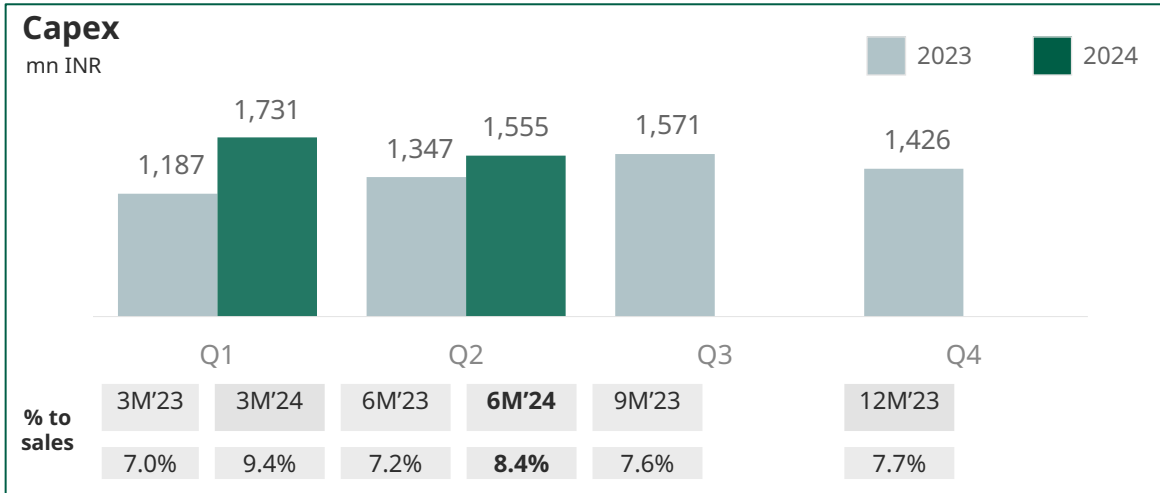
Note : Business highlights on Standalone Financials

Working Capital, Capex

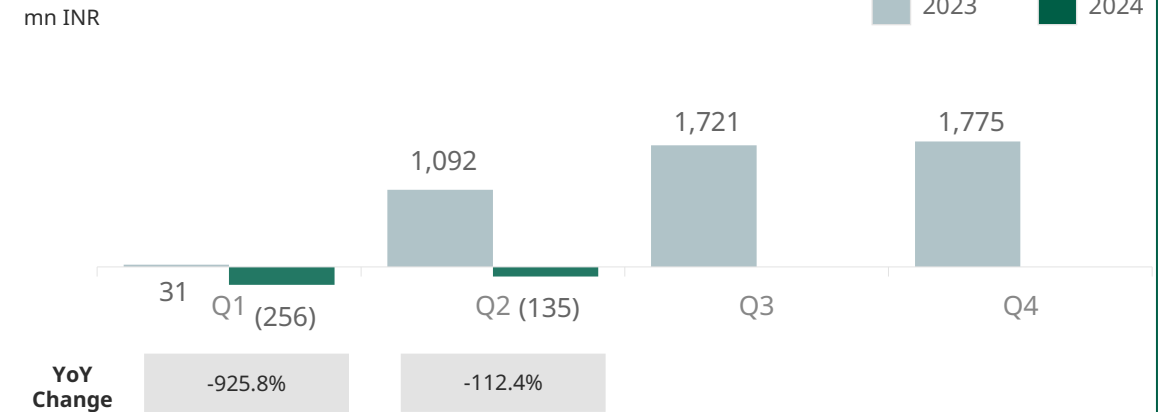


Key Aspects

- Working Capital and free cash flow generation for the quarter reflecting timing difference and business activity
- Capex framework – on track



Free Cash Flow



Note : Business highlights on Standalone Financials

Performance Indicators

	Unit	Q2 2024	Q1 2024	Q2 2023	6M 2024	6M 2023
Revenue	mn INR	20,719	18,492	18,291	39,212	35,228
Revenue growth (YoY)	%	13.3%	9.2%	4.6%	11.3%	6.2%
Revenue growth (QoQ)	%	12.0%	-0.3%	8.0%	-	-
EBITDA ¹⁾	mn INR	3,848	3,388	3,480	7,236	6,710
EBITDA Margin	%	18.6%	18.3%	19.0%	18.5%	19.0%
EBIT	mn INR	3,208	2,789	2,941	5,997	5,646
EBIT Margin	%	15.5%	15.1%	16.1%	15.3%	16.0%
EBT	mn INR	3,399	3,056	3,180	6,456	6,122
EBT Margin	%	16.4%	16.5%	17.4%	16.5%	17.4%
PAT	mn INR	2,535	2,277	2,373	4,812	4,567
PAT Margin	%	12.2%	12.3%	13.0%	12.3%	13.0%
Capex ²⁾	mn INR	1,555	1,731	1,347	3,286	2,534
FCF	mn INR	(135)	(256)	1,092	(391)	1,123

EBITDA (before exceptional items) - interest income (net) at 191 mn INR in Q2'24 (240 mn INR Q2'23); ²⁾ Capex includes CWIP
 Note : Performance indicators on Standalone Financials

Q2 2024 - Consolidated Financial Results

Particulars (mn INR)	Schaeffler India Limited Standalone		KRSV Innovative Auto Solutions Private Limited		Schaeffler India Limited Consolidated ¹⁾	
	Q2 2024	6M 2024	Q2 2024	6M 2024	Q2 2024	6M 2024
Revenue	20,719	39,211	353	599	21,068	39,800
EBITDA (before exceptional)	18.6%	18.5%	-9.2%	-13.2%	18.1%	17.9%
EBIT (before exceptional)	15.5%	15.3%	-12.9%	-15.8%	14.9%	14.7%
EBT (before exceptional)	16.4%	16.5%	-16.2%	-18.6%	15.7%	15.8%

¹⁾ Consolidated results are net off consolidation impact

In Summary

-
- 1 Double-digit growth for the quarter, revenue momentum across domestic business

 - 2 Intercompany sales continued to perform during the first half of 2024

 - 3 Quality of earnings driven by positive volume effects and continued focus on cost management

 - 4 Continued focus on new business wins to ensure sustained top line growth



Committed to create long-term value with focus on our environment, social and governance framework

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