



Mahindra & Mahindra Limited

# Delivering Scale Investor Presentation

May 2024

**mahindra**<sup>Rise</sup>

# Governance Guidelines

- **No** UPSI will be shared during the meeting including sensitive financial data, future business strategies, or any information that could potentially impact the price of our company's securities.
- We shall not be discussing any specific financial figures or divulging future business strategies which have not been discussed before
- Information shared during the meeting shall be consistent and available to all participants and we will avoid selective disclosure to any investors or analysts
- We shall refrain from discussing any details or updates regarding ongoing investigations, audits, or legal matters. This includes information that could affect our financial performance or regulatory standing.

# Our DNA

## Women empowerment



Educate **1Mn+** girls annually by 2026



Economic empowerment for **1Mn+** women annually by 2026

## Environment



100% improvement in energy productivity<sup>1</sup> by 2030



Bold targets for **Net Zero** (annual tracking by businesses)

## Governance



M&M recognized in “**Leadership**” category for 3<sup>rd</sup> straight year

Mindset, People, Processes

# Our Philosophy

Drive positive change in the lives of our communities.

**Only when we enable others to rise will we rise.**

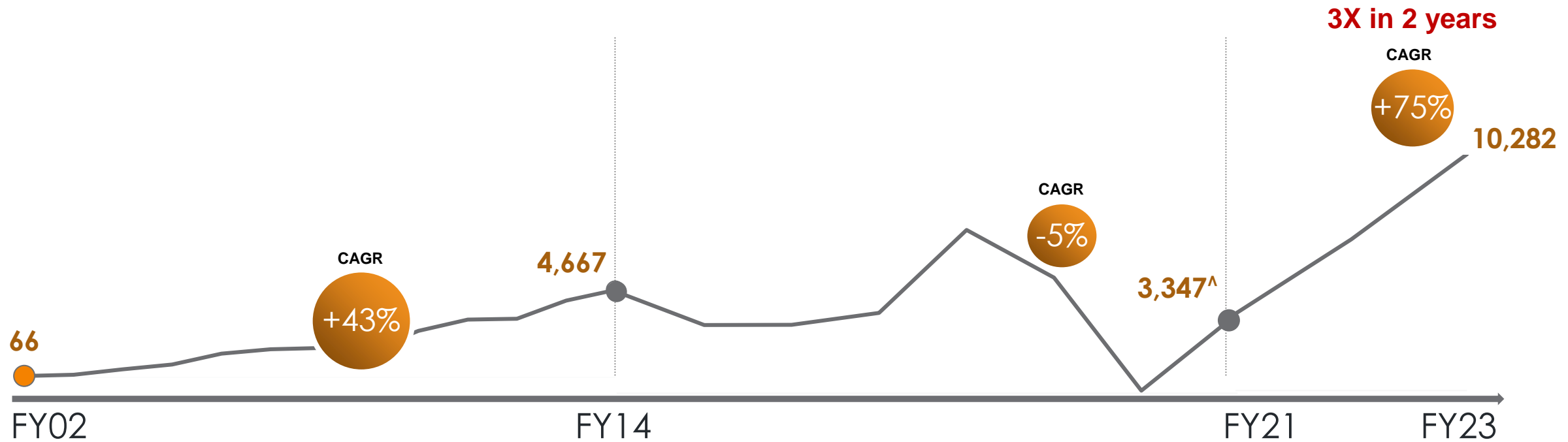
A black and white photograph of two hikers on a rocky mountain peak. One hiker is standing on a higher rock, reaching down to help another hiker who is climbing up. The background shows a vast, hazy mountain range under a clear sky.

**#Together we rise**

# HISTORY OF VALUE CREATION

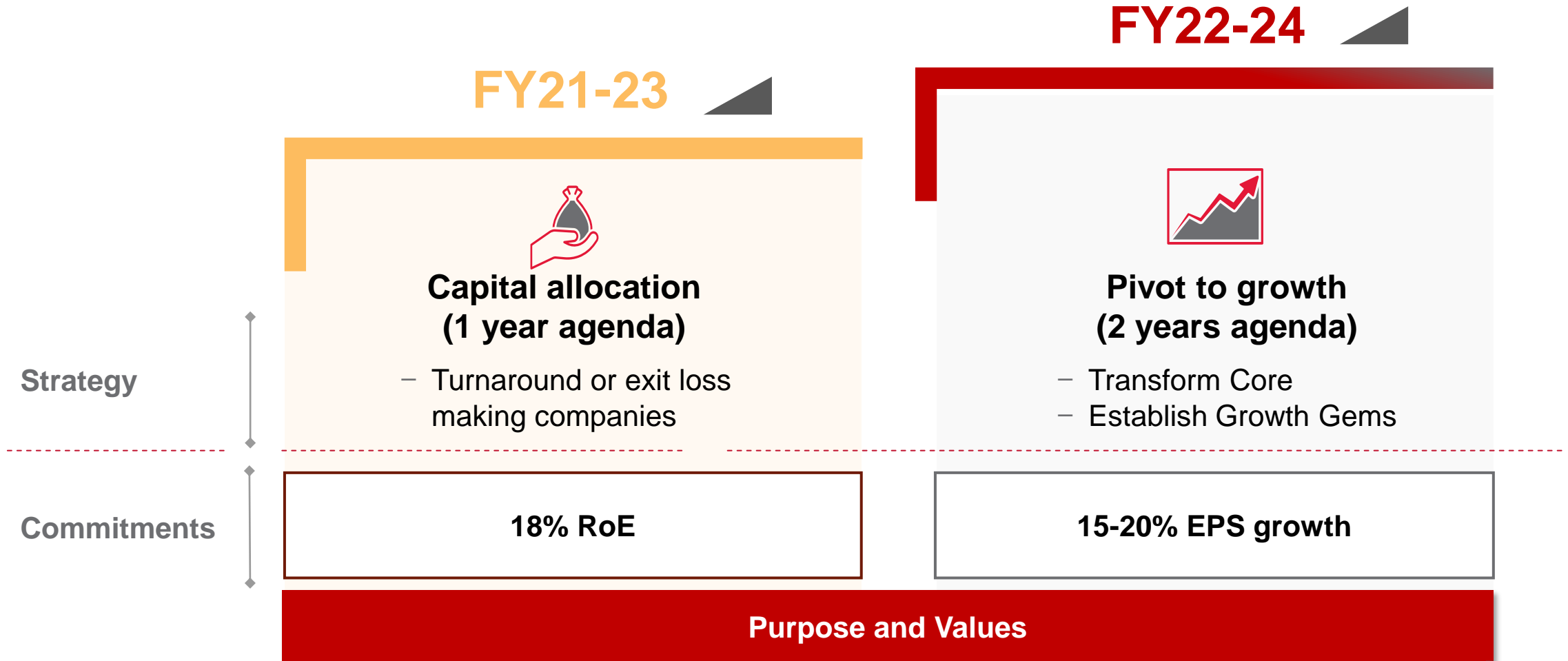
## PAT Lens: History of value creation with accelerating trajectory

PAT\* (Rs. Cr.) FY2002-2023



\* After Exceptional Items after Non-Controlling Interest  
<sup>^</sup> PAT after EI for continuing operations

# OUR PATH TO VALUE CREATION



# CAPITAL ALLOCATION

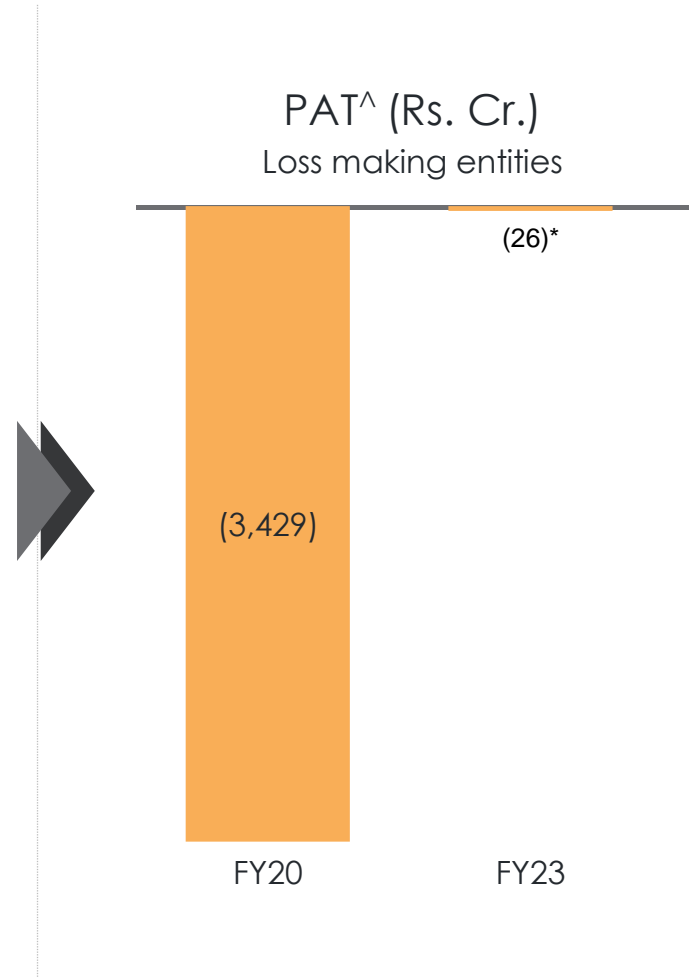
**1**

## Turnaround

**In process**

**2**

## Exit



\* FY23 PAT is for continuing operations and does not include any losses of exited entities. It excludes hyperinflation accounting impact of Rs 120 Cr for Turkish operations  
 ^ International Auto & Farm operations; PAT After NCI, before EI

# PIVOT TO GROWTH ... TRANSFORMING the CORE












\* Refers to gross stage 3 delinquent contracts



# PIVOT TO GROWTH ... GEMS

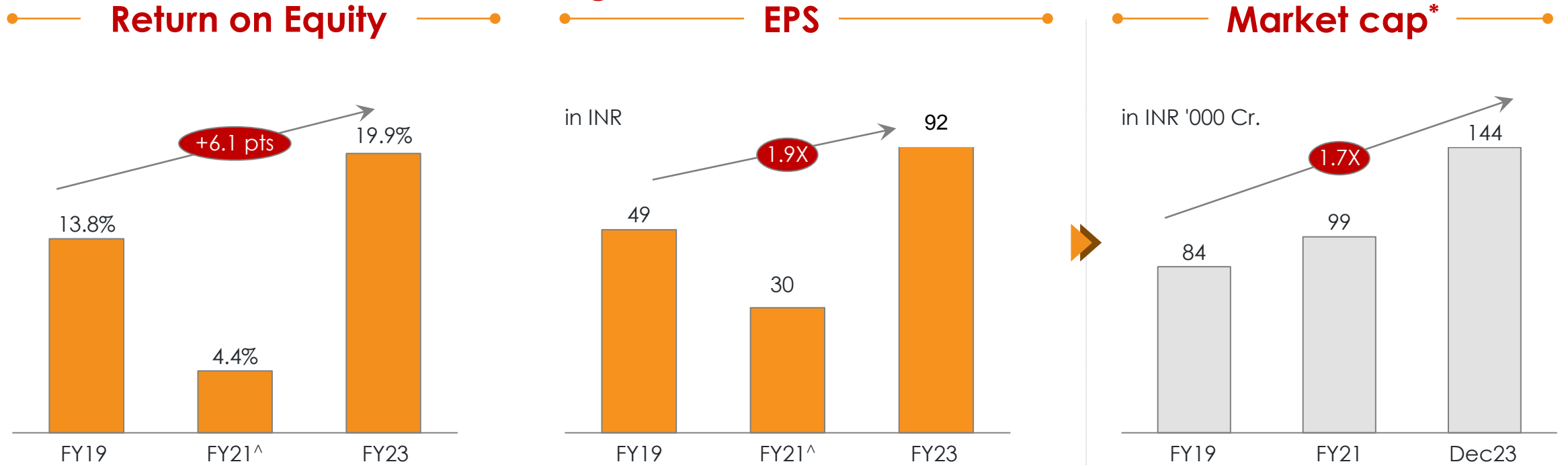
## FY22 & FY23 – ...and establishing growth gems

Growth Gems	Progress made so far	Valuation <sup>1</sup> (\$ Mn)	
		FY20	FY23
Unlock	 <ul style="list-style-type: none"> <li>✓ 67% market share in 3W EV; IFC investment</li> </ul>	<100 <sup>2</sup>	734
	 <ul style="list-style-type: none"> <li>✓ OTPP investment to accelerate scale-up</li> </ul>	<200	290
Growth Mindset	 <ul style="list-style-type: none"> <li>✓ Robust launch pipeline with 9 launches; 4000+ Crs GDV acquired</li> </ul>	120	670
	 <ul style="list-style-type: none"> <li>✓ Customer &amp; inventory adds, curated customer experience</li> </ul>	230	660
	 <ul style="list-style-type: none"> <li>✓ Integrated logistics play with multiple acquisitions</li> </ul>	200	320
Emerging	 <ul style="list-style-type: none"> <li>✓ Pivot to decarbonizing of Mobility and Energy</li> </ul>	182	514
	 <ul style="list-style-type: none"> <li>✓ Retail scale-up across multiple formats</li> </ul>	50	141
	 <ul style="list-style-type: none"> <li>✓ New launches, distribution scale up and exports</li> </ul>	56	84
	 <ul style="list-style-type: none"> <li>✓ Preferred component supplier for Aerospace OEMs</li> </ul>	75	125

1. Closing value as of 31-March for corresponding years; 2. F20 Valuation based on rough estimate of Jeeto and 3 Wheelers ICE portfolio  
 Note: For FY20: \$1 = INR 74.1; For FY23: \$1 = INR 81.7

# REIGNITED VALUE CREATION

We delivered, and built foundation for growth



## Enablers



\*M&M Limited market cap; Closing value as of 31 March for corresponding year for market cap

<sup>^</sup>Considering continuing operations

# VALUE CREATION PATH FORWARD

## Opportunity today?



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India is well positioned  
across global  
macrotrends



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Mahindra portfolio is  
aligned with India growth

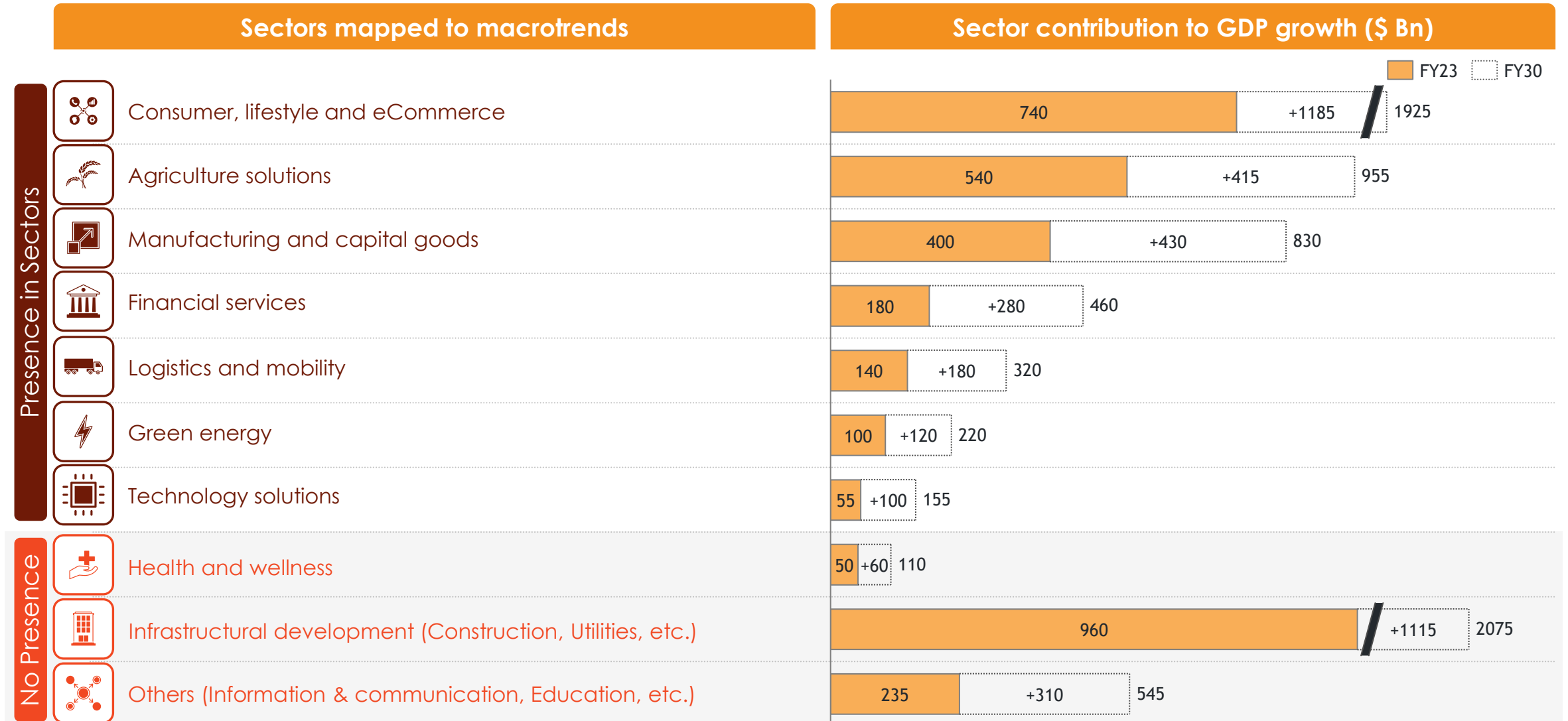


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We are poised to make  
world class products  
at scale ... Global play

# INDIA GROWTH OPPORTUNITIES

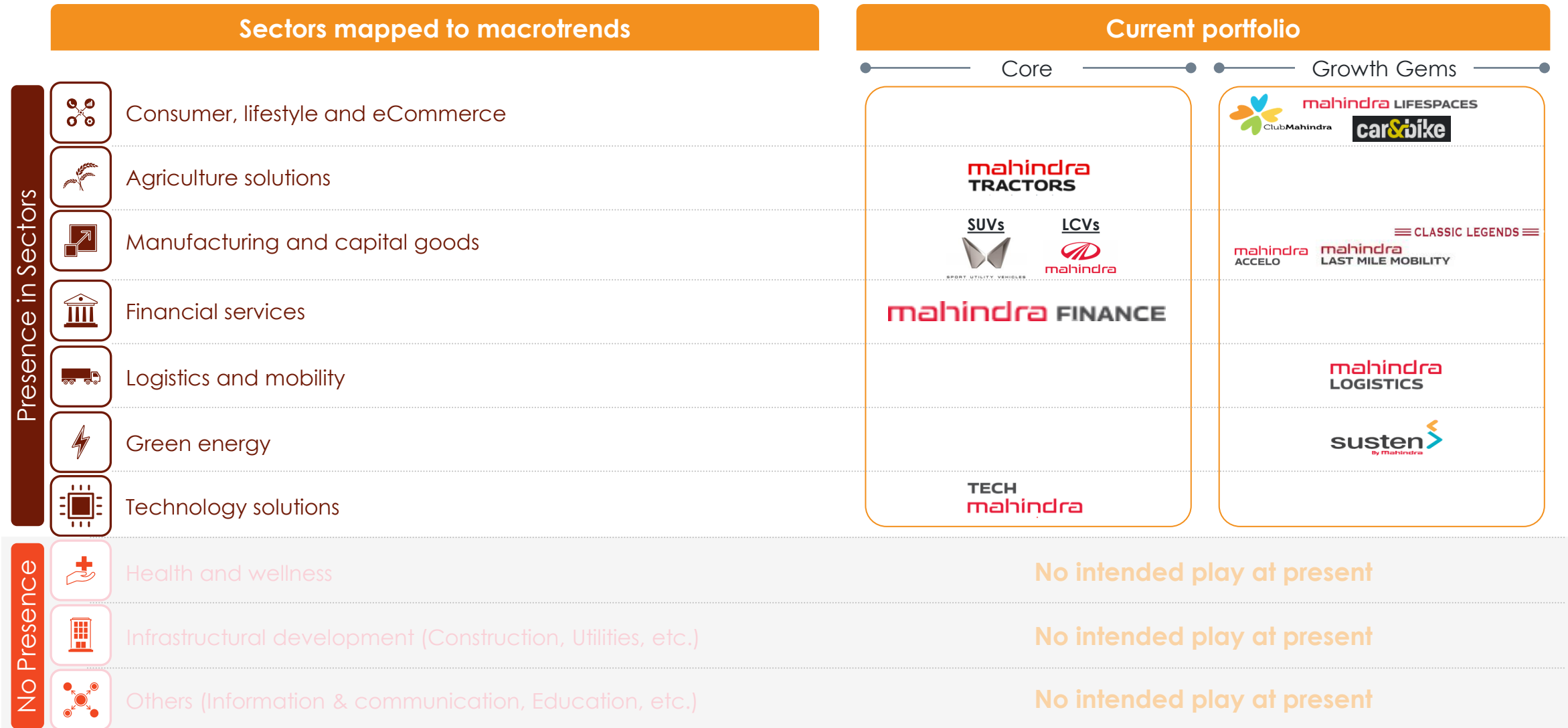
India will add \$4.2 Trillion to its GDP by 2030



Note: Others includes Information and communication (\$132 Bn), Education (\$115 Bn), Extraction (\$33 Bn), Telecommunications (\$26 Bn), Publishing and broadcasting activities (\$7 Bn)

Source: Oxford Economics

# MAHINDRA PORTFOLIO ALIGNED WITH INDIA GROWTH



Note: Others includes Extraction, Publishing and broadcasting activities, Education, Telecommunications, Information and communication

# OUR PORTFOLIO ... TODAY

## AUTO



SUVs AND LIGHT  
COMMERCIAL VEHICLES



LAST MILE MOBILITY



ICONIC MOTORCYCLES



TRUCKS & BUSES

## FARM



TRACTORS AND AGRI  
SERVICES

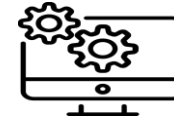


FARM MACHINERY

## SERVICES



FINANCIAL



TECHNOLOGY



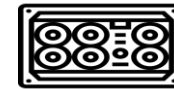
HOSPITALITY



REAL ESTATE



LOGISTICS



AUTO COMPONENTS  
AUTO RECYCLING






RENEWABLE  
ENERGY



ADVANCE PLATFORMS  
AND AEROSPACE

# SERVICES SIGNIFICANCE

	PAT'02* (Rs. Cr.)	PAT'23* (Rs. Cr.)	CAGR
 <b>Auto</b>	41	1,290 (Core Auto 2,620 Cr**)	18%
 <b>Farm</b>	30	3,950	26%
 <b>Services</b> (IT, Financial, Logistics, Holidays, Real Estate, Etc.)	(5)	5,042	++

## Why Services?

- Brand, Governance premium, Synergies with Core, Market reach and Talent
- Significant value creation<sup>^</sup> of ~ Rs 47K Cr over last 20 years
- Positioned to capitalize on macro trends driving growth in India (& globally)

\* After Exceptional Items after Non-Controlling Interest

<sup>^</sup> PAT after EI for continuing operations

\*\* Core Auto here refers to consolidated Auto PAT before EI. EI items such as write-off in trucks and buses division, exit in PMTC result in 1,330 Cr reduction in Auto PAT for F23.

# STRATEGIC IMPERATIVES

FY21

Capital  
Allocation

FY22 - 24

Pivot  
to growth

FY25 - 27

## Deliver Scale



Capitalize on Market  
Leadership



Unlock full potential



5X growth challenge



Disciplined capital  
allocation



# DELIVER SCALE

## Capitalize on Market Leadership

### Auto



**mahindra**  
LAST MILE MOBILITY

≡ CLASSIC LEGENDS ≡

## Capitalize on Market Leadership

### Farm

**mahindra**  
TRACTORS

**mahindra**  
AGRI BUSINESS

**mahindra**  
Farm Machinery

Growth Gems: 5X Challenge

## Unlock full potential

### Services

**mahindra**  
FINANCE

TECH  
**mahindra**

**mahindra**  
LOGISTICS

**mahindra** LIFESPACES



**mahindra**  
ACCELO

**car&bike**

susten  
By Mahindra

**mahindra**  
AEROSPACE

# CAPITALIZE ON MARKET LEADERSHIP ... AUTO & FARM

## AUTO



Customer obsessed brands



Propel ICE SUVs with cutting edge products



Pioneer category creative E SUVs



Build a CV Moat



Go global

## FARM



Build a domestic fortress



Significantly grow international business



Pioneering technology leadership



Scale Farm Machinery India exponentially



Leverage partnerships

1. At consolidated level
2. SUV Revenue market share
3. Does not include M&A

# UNLOCK FULL POTENTIAL ... MAHINDRA FINANCE & TECH M

## MAHINDRA FINANCE



Improve asset quality



Digital transformation



Growth through diversification



High-impact Ecosystem partnerships

## Tech Mahindra



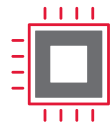
Drive 300 bps margin expansion



Lead the market and drive 5G proliferation



Grow new age offerings















Augment Deep-Tech



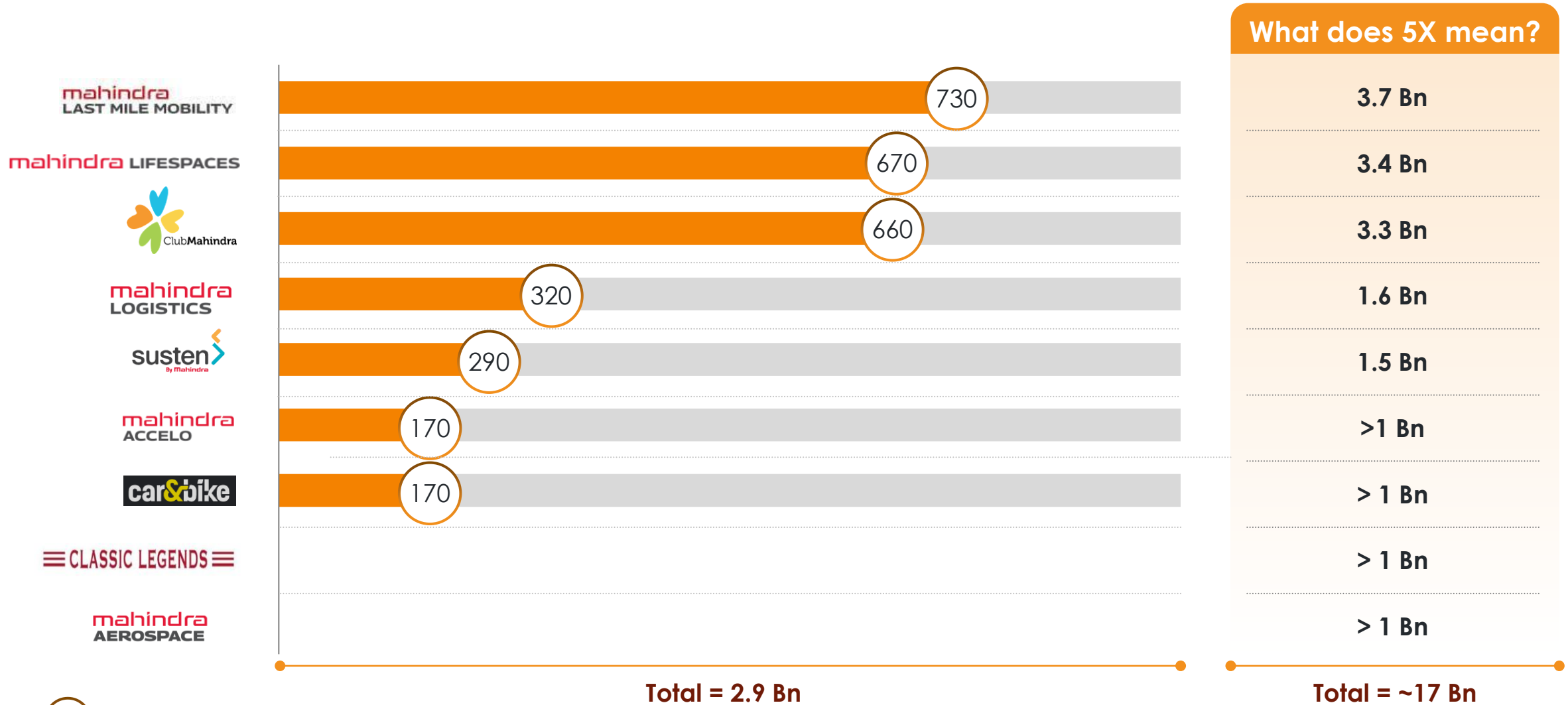
Drive synergy from portfolio companies

1. At consolidated level
2. SUV Revenue market share
3. Does not include M&A

# 5X CHALLENGE FOR GROWTH GEMS

		Strategic Imperatives
Growth Gems	 <b>Unlock</b>	 <ul style="list-style-type: none"> <li>✓ Launch 10+ products/upgrades with best-in-class powertrain efficiency and design</li> </ul>
		<ul style="list-style-type: none"> <li>✓ Scale-up from 1.5 GW to 7.0 GW by F27 with value unlock through InvIT structure</li> </ul>
		<ul style="list-style-type: none"> <li>✓ Focus on key markets (MMR, Pune and BLR) through bock-bluster launches (15+ annually)</li> </ul>
	 <b>Growth Mindset</b>	 <ul style="list-style-type: none"> <li>✓ Double the cumulative room inventory from 5,000 in FY23 to 10,000 by FY30</li> </ul>
		<ul style="list-style-type: none"> <li>✓ Launch integrated Tech stack (LogiOne) to create transformative and differentiated tech capabilities</li> </ul>
	 <b>Emerging</b>	 <ul style="list-style-type: none"> <li>✓ Become largest player in organized vehicle recycling with target market share of ~25% by FY28</li> </ul>
		 <ul style="list-style-type: none"> <li>✓ Position Car&amp;Bike as India's leading 'content to commerce' brand for cars and bikes</li> </ul>
		 <ul style="list-style-type: none"> <li>✓ New launches, distribution scale up and exports</li> </ul>
		 <ul style="list-style-type: none"> <li>✓ Preferred component supplier for Aerospace OEMs</li> </ul>

# 5X CHALLENGE = SIGNIFICANT VALUE CREATION



x Valuations in \$Mn as on 31-Mar-2023

# DISCIPLINED CAPITAL ALLOCATION



**Annual and Quarterly  
Capital Allocation  
Process**



**Scrutiny by business  
leadership, Strategy,  
CFO & CEO office**



**Prioritized based on  
alignment with group  
focus areas, value  
creation potential, ROE**

# SUMMARY ... OUR ASPIRATION

## Deliver Scale

### 1 Leverage market leadership



: Differentiated offering in SUVs



: Leading product innovation

### 2 Unlock full potential



: Diversified portfolio & stable asset quality



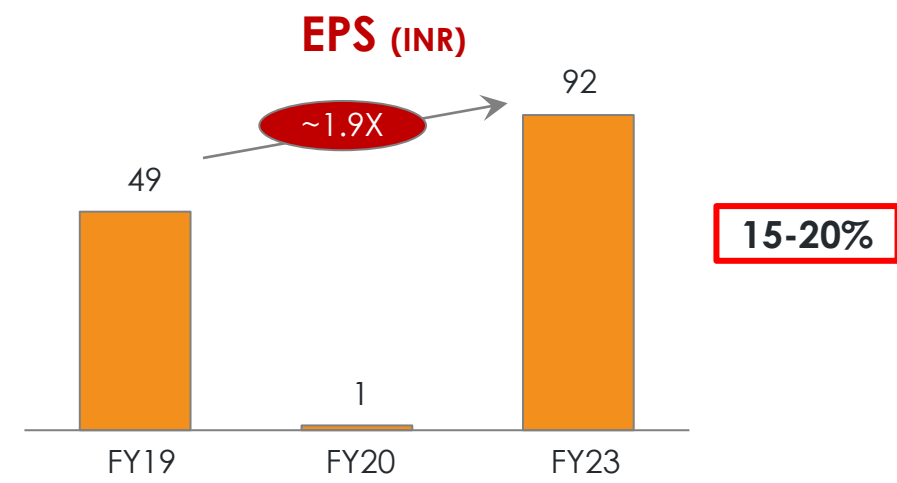
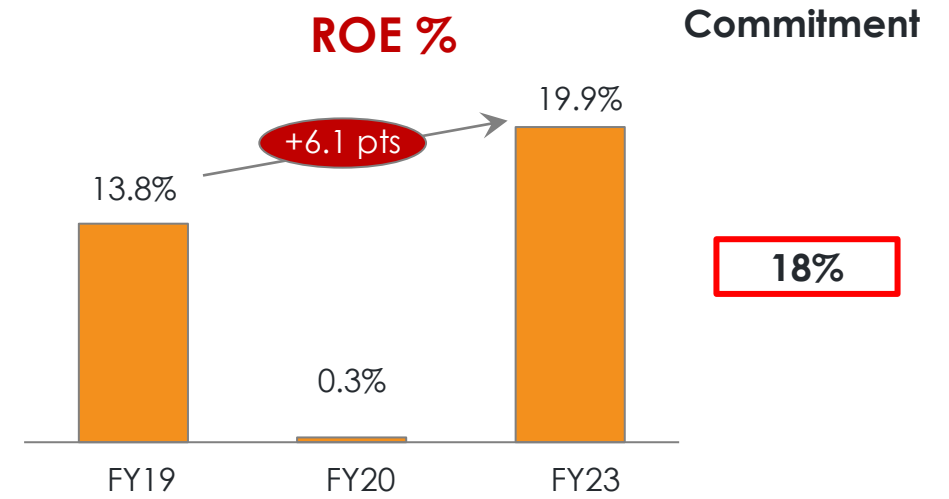
: Grow new age offerings while executing well

### 3 Growth Gems 5X



### 4 Disciplined Capital Allocation

## Consistent delivery on commitments





**THANK YOU**