



Mahindra & Mahindra Limited
INVESTOR PRESENTATION
August 2022

OUR DNA

MAHINDRA & MOHAMMED

A significant combination, which represents what might well be termed a co-operative effort to secure for India that industrial development so indispensable to the full realisation of her future dreams.

You have heard of plans, many plans, in this connection. Now comes a positive, concrete and co-ordinated scheme to develop India's resources and raise the standard of living of the masses.

Devised by an Indian business man after a careful three-year study of American wartime achievements, it has secured the support and ready assistance of a group of business men with long experience and a firm faith in their country's destiny.



In their anxiety to further the industrial and agricultural development of this country, the founders of this co-operative organisation believe that they must have the support of those who will benefit most—the general public—and to secure that support it is essential that their aims and objects should be generally acceptable.

Here, then, are the principles which will guide their future activities —

FIRSTLY, encouragement of private enterprise and the initiative of the individual. SECONDLY, belief in the ability of corporate institutions to oppose anti-social trends, such as monopolies and cartels.

THIRDLY, recognition of the fact that the labourer is worthy of his hire and that in co-operative working lies the dignity of human toil.

FOURTHLY, confidence in the ultimate success of their ventures and in the capacity and aptitude of the people to give effect to them.

FIFTHLY, acceptance of the fact that ability is the sole test of merit and advancement and that neither colour, creed nor caste should stand in the way of harmonious working.



What, you will have asked yourself, do I represent, and what has all this business moralising got to do with me?

Well, MAHINDRA & MOHAMMED are concerned with what might be termed basic engineering—providing the tools with which to finish the job of India's industrial and agricultural rehabilitation.

That rehabilitation, of course, has a great deal to do with you—for it holds out the promise of a better land for you to live in and a healthier and happier life for you to enjoy.

As to the moralising, it is intended to place on record that MAHINDRA & MOHAMMED, though a business firm, are imbued with a national purpose and a new spirit.

Whom do they represent? As the name implies, this is a joint venture of Hindus and Muslims. The Chairman is Mr. K. C. Mahindra, who has just returned after three years abroad as Head of the Government of India Supply Mission in America.

INITIATIVE

initiative of the individual.

ETHICS

oppose anti-social trends,

MERITOCRACY


ability is the sole test of merit

DIGNITY

dignity of human toil.

DIVERSITY

colour, creed nor caste should stand in the way

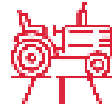
A black and white photograph of a person standing on a mountain peak, looking out over a vast valley filled with fog. The sun is bright in the sky, creating a hazy atmosphere. The person is silhouetted against the landscape.

Our purpose is to drive **positive change** in lives of our stakeholders & communities across the world - to enable them to

Rise



AUTO



FARM



FINANCE



TECH M

CORE BUSINESSES

Mahindra Group



\$19 B
TURNOVER



260,000+
EMPLOYEES



100+
COUNTRIES

GROWTH GEMS

LOGISTICS



HOLIDAYS



LIFESPACES



SUSTEN



ACCELO



RURAL HOUSING FINANCE

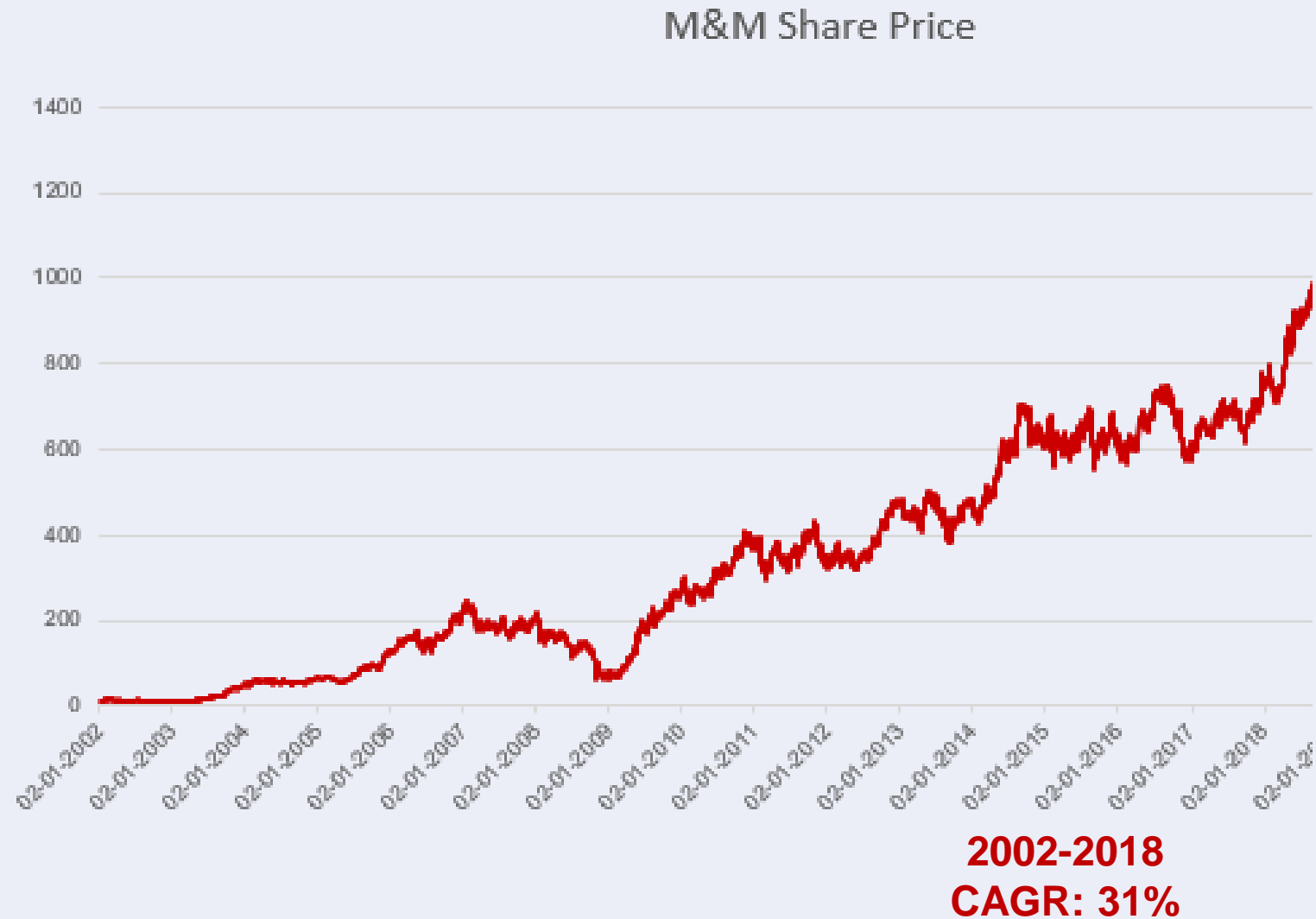


BRISTLECONE



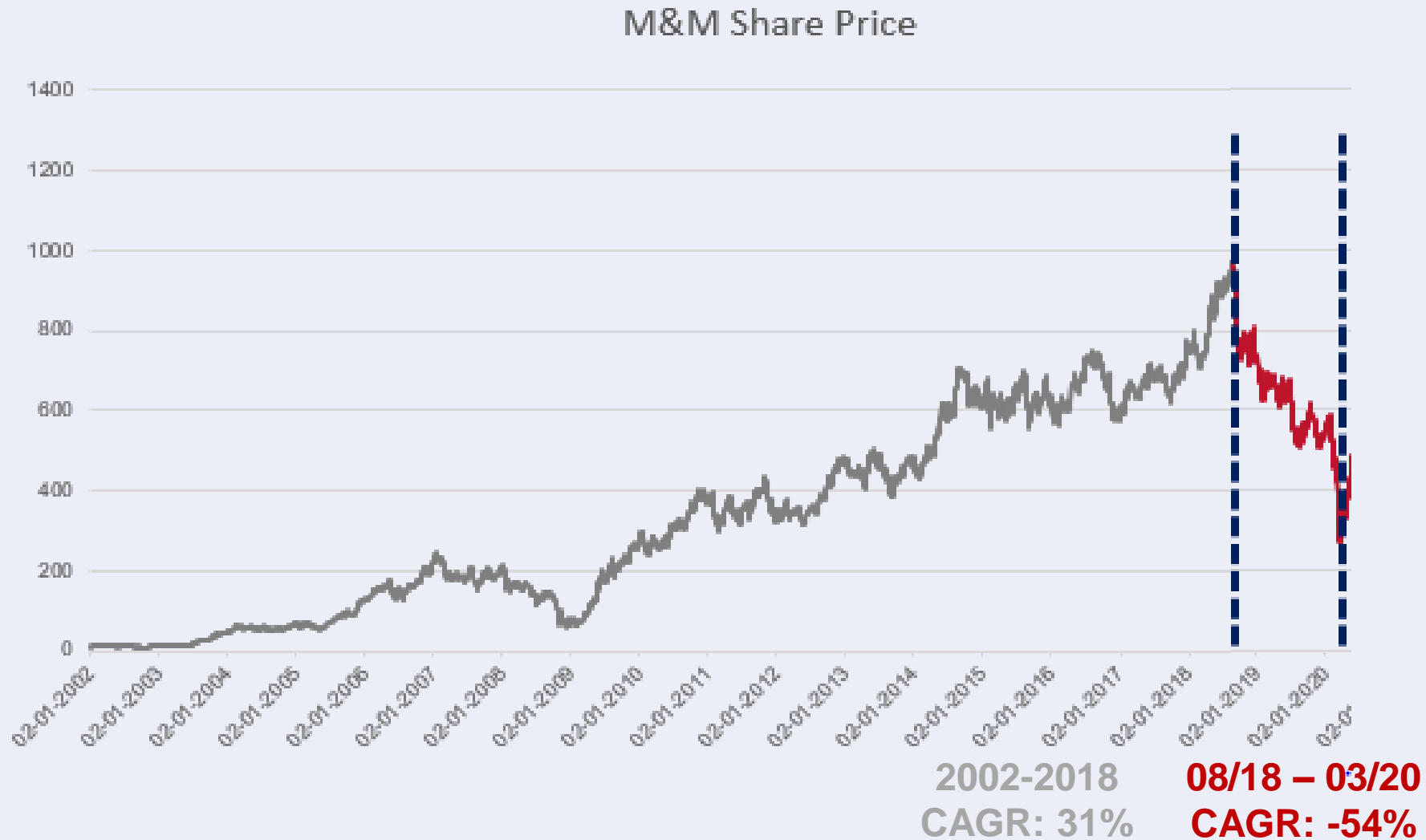
HISTORY OF VALUE CREATION

Best performing stock in NIFTY from 2002-18



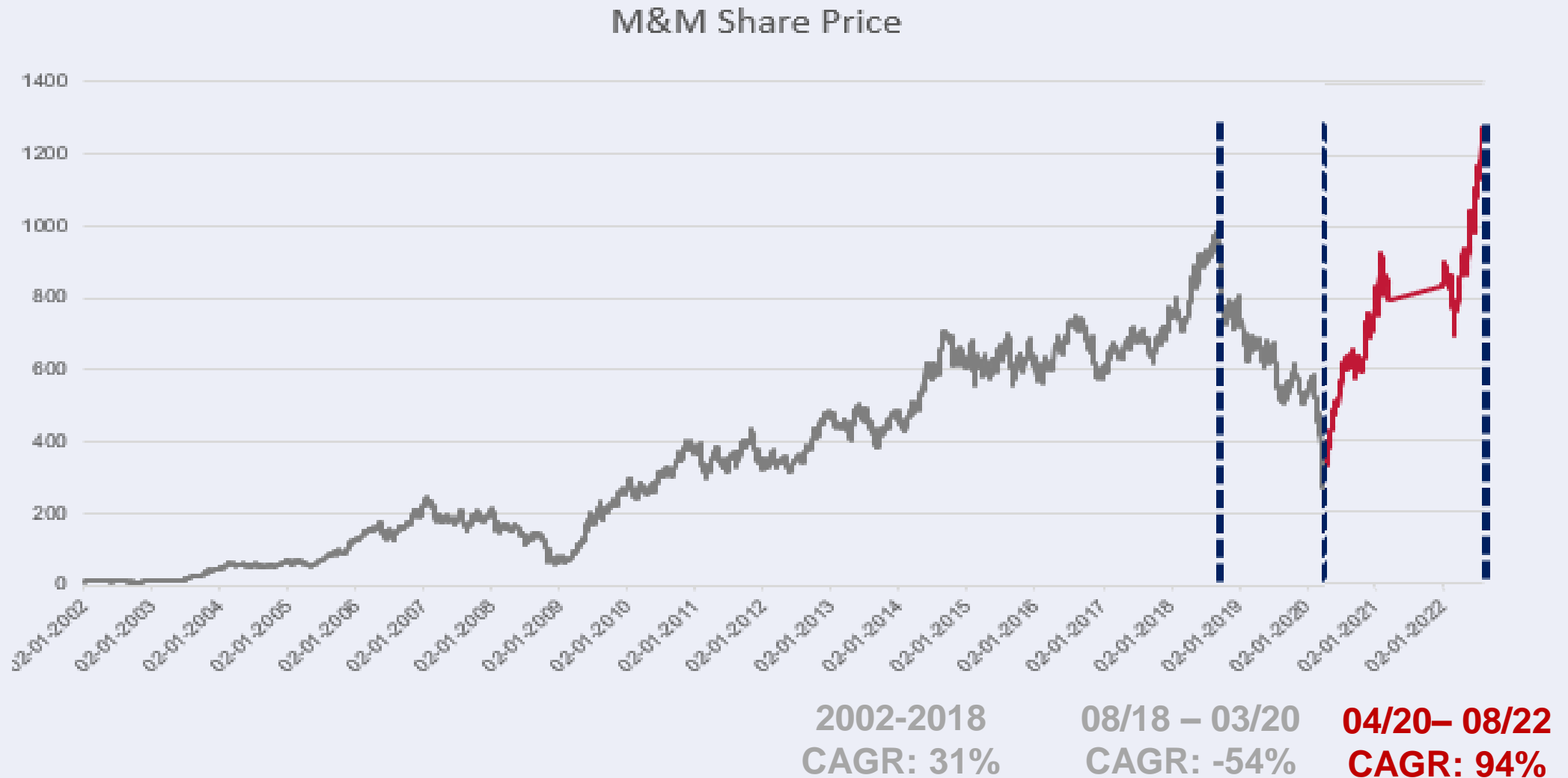
HISTORY OF VALUE CREATION

Concerns around Capital Allocation



HISTORY OF VALUE CREATION

Capital Allocation actions ... maintaining strong fiscal discipline & blockbuster product launches in Auto business



F21



Capital allocation



Control costs



Pivot to Growth

F22



Roadmap for ESG



Maintain financial discipline



Accelerate Core Growth

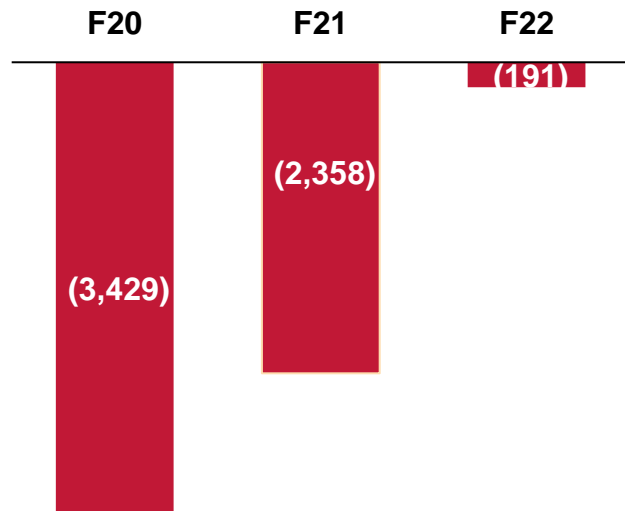
- *Leadership in Auto & Farm*
- *Turnaround Mahindra Finance*
- *New trajectory at TechM*
- *Scale Growth Gems*
- *Seed Digital platforms*



Enhance customer experience

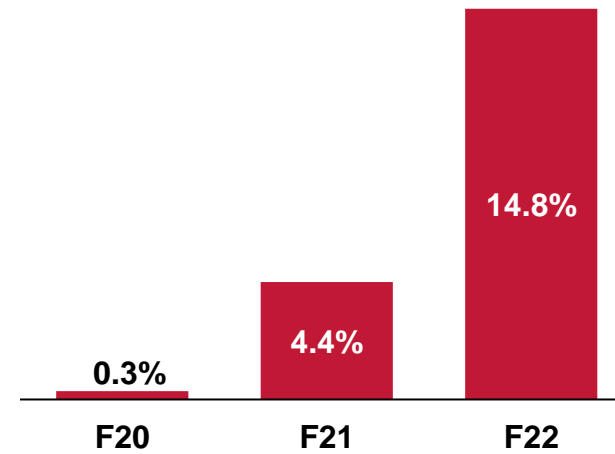
PAT: LOSS MAKING ENTITIES*

Intl Auto and Farm operations



* Consolidated M&M PAT before EI after NCI

RETURN ON EQUITY

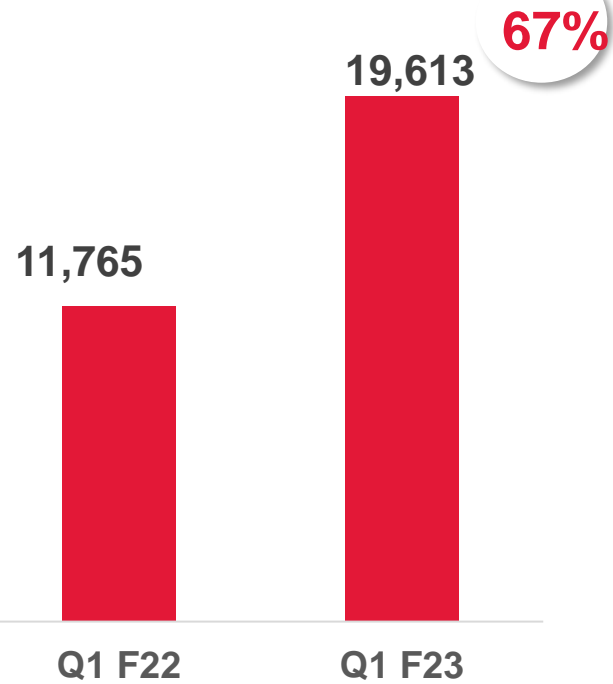


18%+ ROE in last 3 quarters

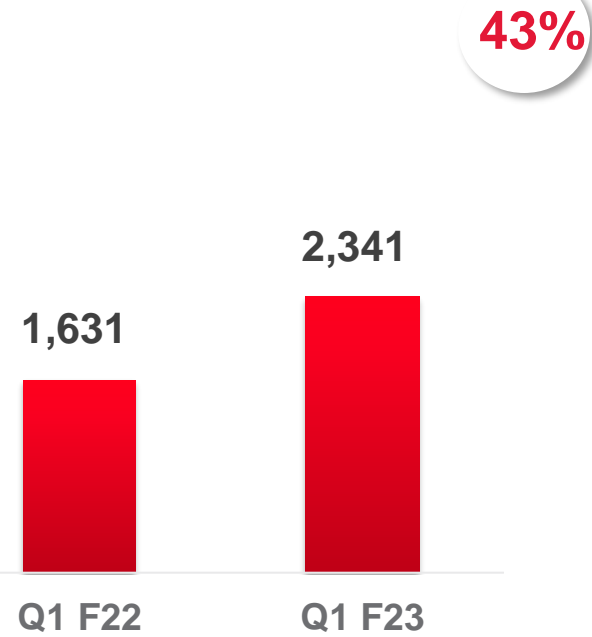
Q1F23 STANDALONE

Rs Cr

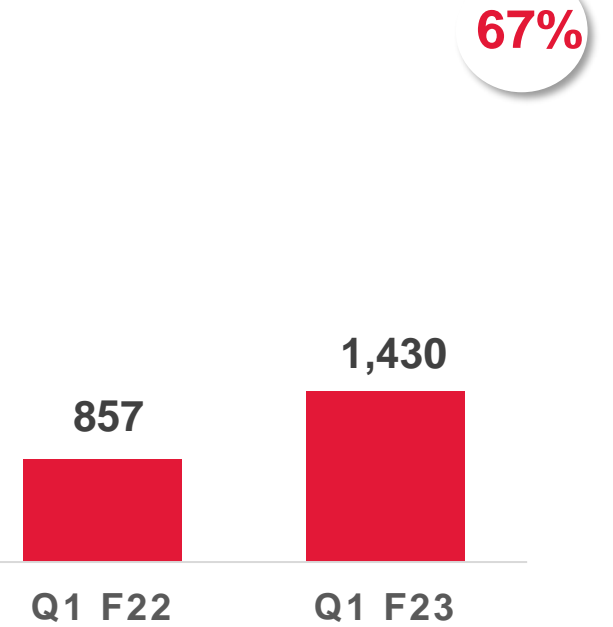
REVENUE



EBIDTA



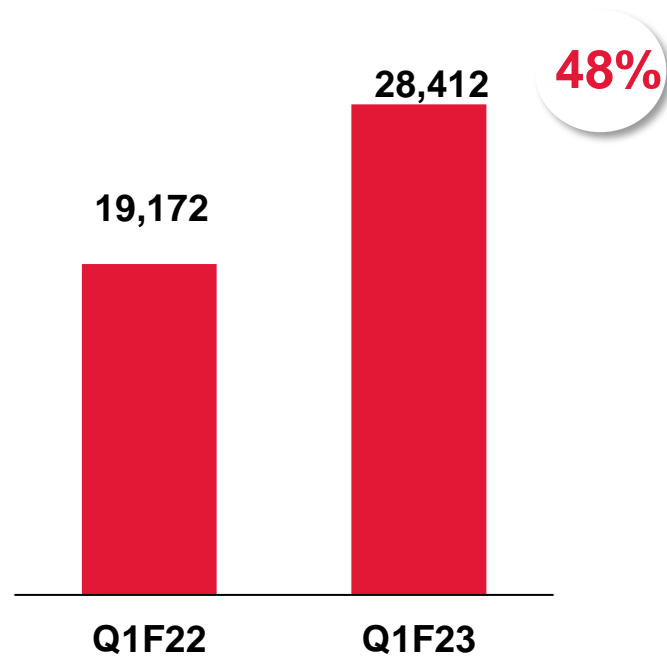
PAT AFTER EI



Q1F23 CONSOLIDATED

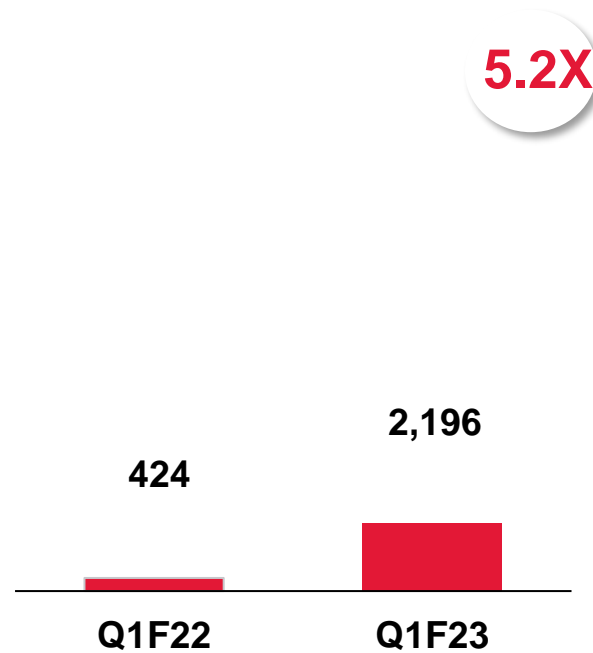
Rs Cr

REVENUE ⁻¹⁾

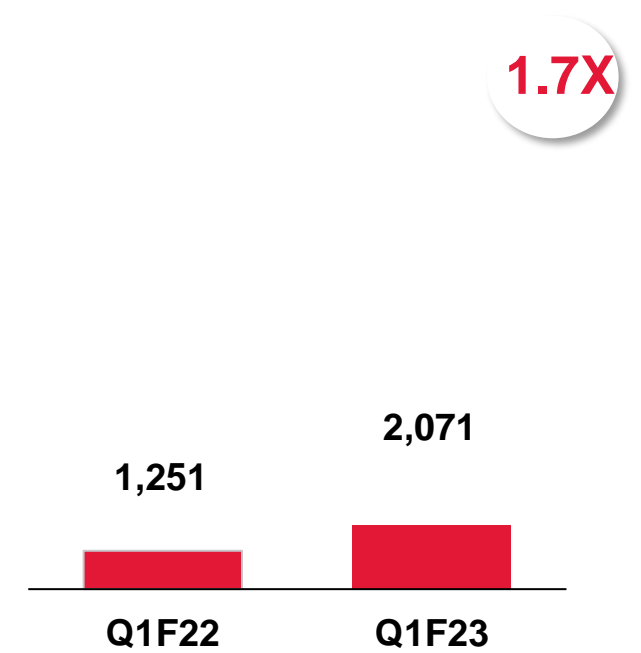


(1-Tech Mahindra (Associate) revenue not included above)

PAT AFTER EI (Incl. MMFSL)



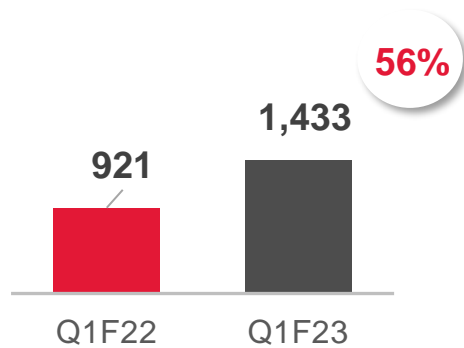
PAT AFTER EI (excl. MMFSL)



Q1F23 : IN A SNAPSHOT

CORE

Auto and Farm

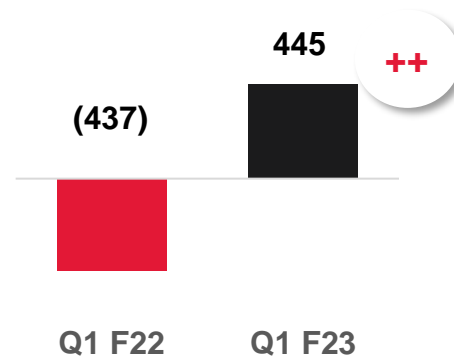


Auto: Volumes, new model mix driving profit growth

Farm: Demand recovery, lag impact of commodity price

CORE

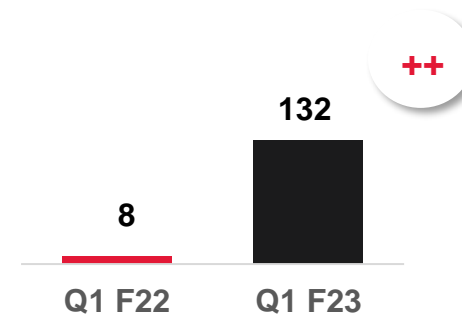
TechM and MMFSL



TechM: Continued deal wins, pressure on margins

MMFSL: Asset quality stable, Operating costs under focus

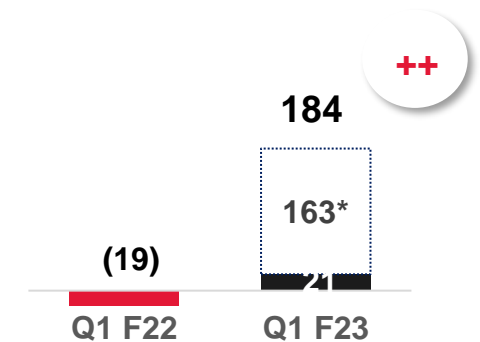
GROWTH GEMS



Hospitality, Real Estate show robust demand

Commodity prices support Accelo profits

INVESTMENTS



GMV growth in digital platforms

Profit growth in investment companies

*Forex MTM gain

LEADERSHIP IN AUTO & FARM



AUTO

- Market leader in SUV revenue @ **17.1% in Q1F23**
- 5 SUV blockbuster launches – **240K+ open bookings***
- Market leader in Electric 3W @ **74.4% in Q1F23**
- Highest ever quarterly Pick-up volumes @ **46.4K**

* Includes 100,000 of Scorpio-N



FARM

- World's largest Tractor brand by Volume
- Q1F23 market share @ **42.7%, +90 bps gain**
- Launch of **Yuvo Tech+** Ph 2 well accepted in market
- Farm Machinery: Focus growth segment

STRATEGIC IMPERATIVES

**Lead ESG
Globally**

**Outperform
Financially**

FutuRise

SUSTAINABILITY ACTIONS

PLANET POSITIVE BY 2040



GREENING OURSELVES

- EP - **74% Improvement**
- RE - **achieved 45%**
- Scope 1&2- **↓ 20% F19-21**

DECARBONISING OUR INDUSTRIES

- Auto recycling
- Auto path to Net Zero Scope 3
- Residential **“Net Zero Carbon”** community

REJUVENATING NATURE

- Afforestation - **20Mn trees planted**
- Watershed management
- Regenerative Agriculture

PATH TO VALUE CREATION

PATH TO ROE

Ahead of committed schedule

Turnaround of Intl farm subsidiaries

Capital allocation discipline

Cost controls

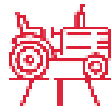
Target: 18% ROE



CORE GROWTH



Leverage successes
EV leadership: 3W, 4W



Global scale
Farm machinery



Margins



Transformation



VALUE CREATION

Growth Gems
\$1 Bn valuation

Digital platforms

Monetize investments

Partnerships

Target: 15- 20% EPS Growth

FUTURISE



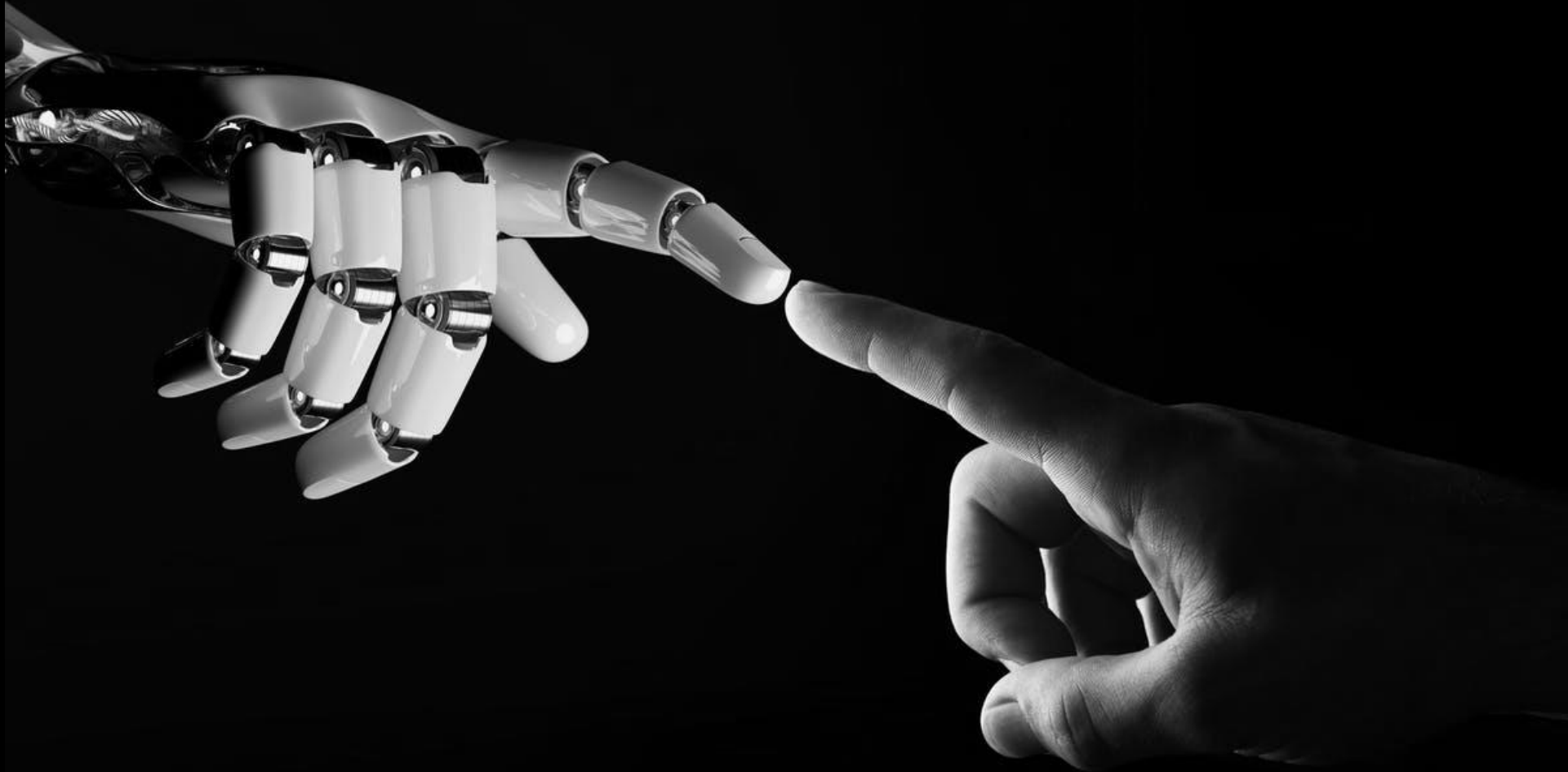
Technology



Customer Experience



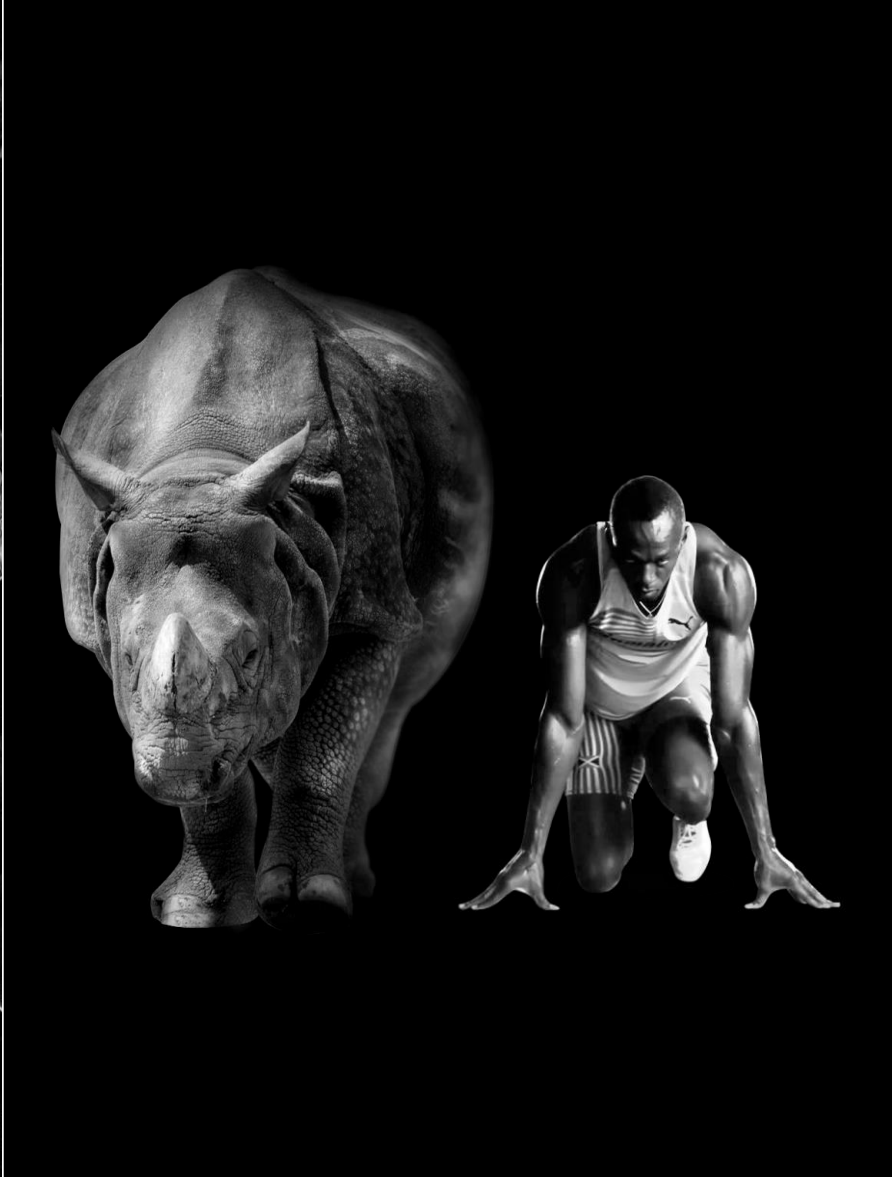
Digital Platforms



COLLABORATIVE



AGILE



BOLD



SUMMARY



Re-igniting
**Value
Creation**



**Strong Financial
Performance** in
a tough
environment



Sharp focus on
**Accelerating
Growth...** with
financial discipline



Global
Leadership in
**Sustainable
Development**

THANK YOU

CASH DEPLOYMENT (F22-F24)

Rs Cr

F22 - F24	Base Invt	Change	Total
Auto capex (incl LMM)	6,000	+1,900	
EV Co.	3,000	+1,000	11,900 9,975
BII Investment		(1,925)	
Farm capex	3,000	+400	3,400
Auto & Farm Investments*	1,500	-	1,500
Group Cos. Investments	3,500	(800)	2,700
Monetization & Partnerships	-	(2,500)	(2,500)
Total	17,000	(1,925)	15,075

EV 4W breakup	Invt	
F22 - F23	~2,000	} 4,000
F24	~2,000	
F25 - F27	~6,000	} 8,000
Total	10,000	

SAFE HARBOR STATEMENT: "Certain statements with regard to our future growth prospects are forward-looking statements, which involve a number of risks and uncertainties that could cause actual results to differ materially from those in such forward-looking statements."

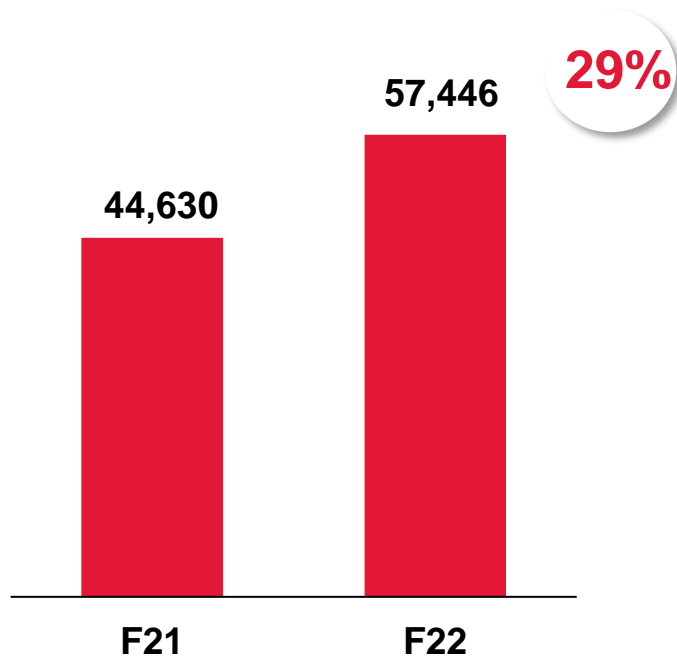
Does not include any investments for inorganic growth

* International operations of Auto and Farm excluding Ssangyong

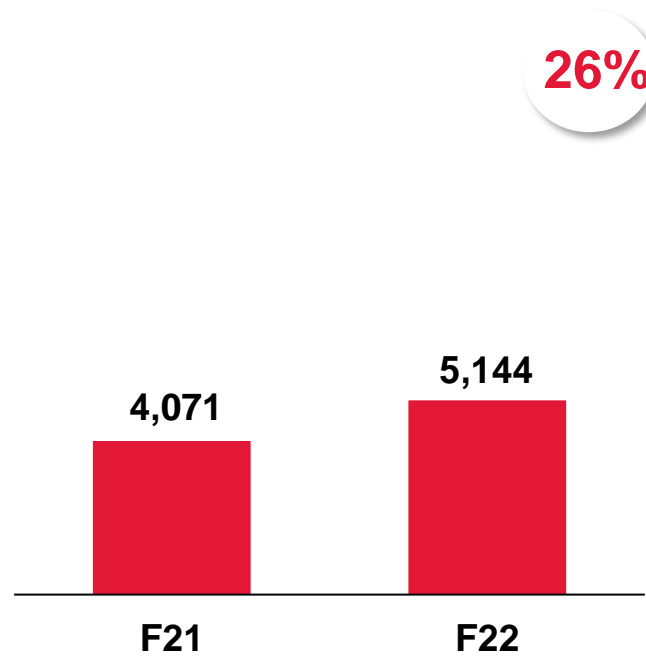
F22 STANDALONE

Rs Cr

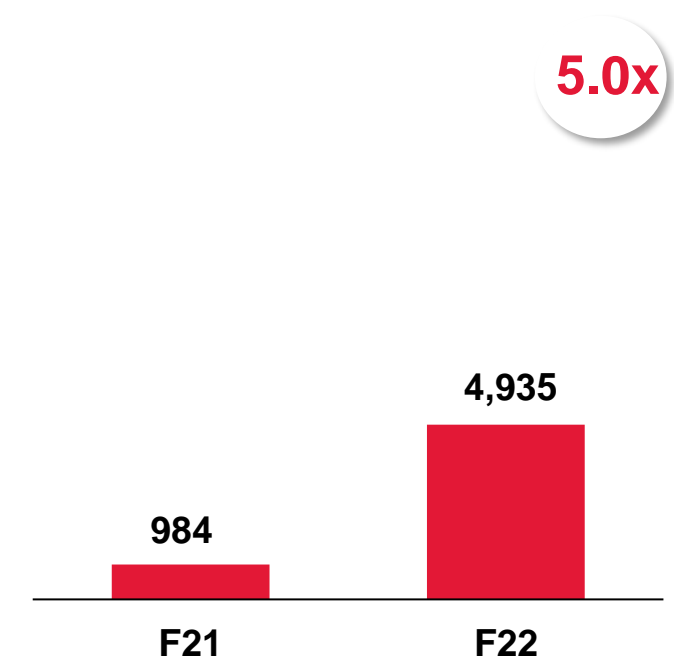
REVENUE



PAT BEFORE EI



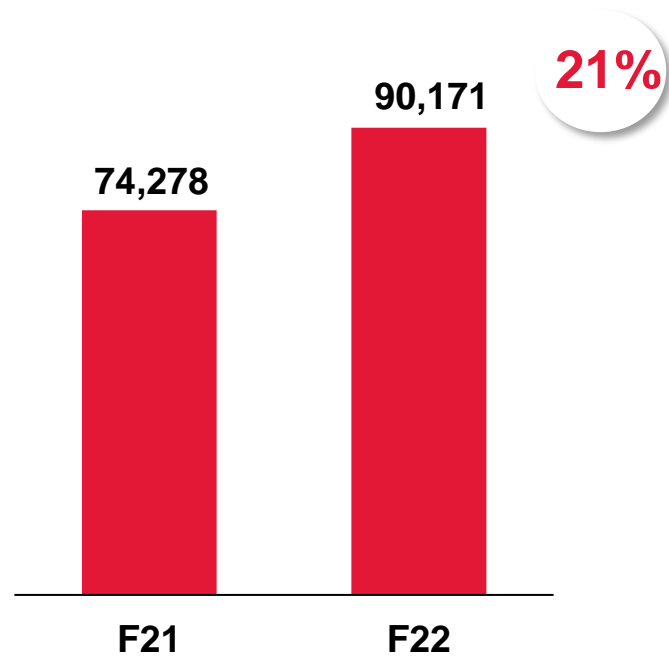
PAT AFTER EI



F22 CONSOLIDATED

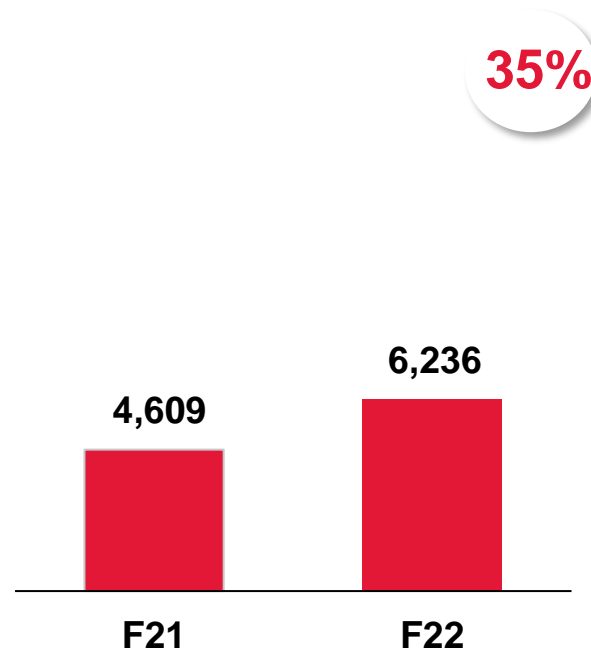
Rs Cr

REVENUE ⁻¹⁾

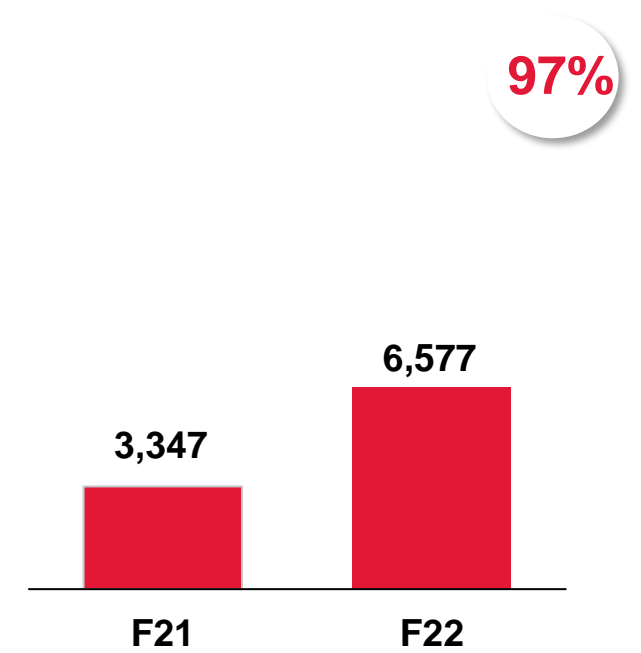


(1-Tech Mahindra (Associate) revenue not included above
Excludes Ssangyong due to discontinued operations

PAT BEFORE EI



PAT AFTER EI



Reboot 2020-21: Capital allocation

Tighter Capital Allocation Norms

Loss-making businesses/entities to be closely scrutinized & put under 3 categories, viz. A, B and C

Category	A	B	C
Criteria	Entities with clear path to 18% RoE	Delayed or unclear path to profitability but quantifiable strategic impact	Unclear path to profitability
Action	Continue	Continue	Exit (Explore partnership, alliance or shut-down)

SsangYong, GenZe, GippsAero, MFCs, Saboro Dairy