



# Investor Presentation

April 2024

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01

# Motherson Structure Simplification.

# Significant steps taken to simplify the structure and international business.

## Phase-wise simplification to create Value

### 1. Business Reorganization

- Creation of strong platforms for growth
- **Consolidation of 100% shareholding** in SMRP B.V
- Aligns the interest of all stakeholders

### 2. Simplification of structure for international business

- **Consolidation of majority of international businesses under SMRP B.V**
- Helps in **easier movement of cash within** the group

### 3. Simplification of structure at country level

- **Tax optimization** by creating country level tax groups and utilizing tax credits and losses as feasible
- **Reducing administrative costs** by reduction of legal entities
- Further simplifying the complexities and making the **structure leaner**

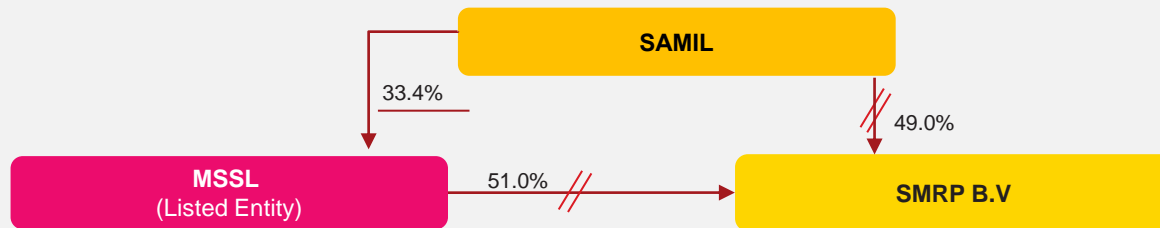
Q4 FY22

Q4 FY25<sup>1</sup>

Ongoing Process

# Completed structure simplification thereby creating strong platform for growth.

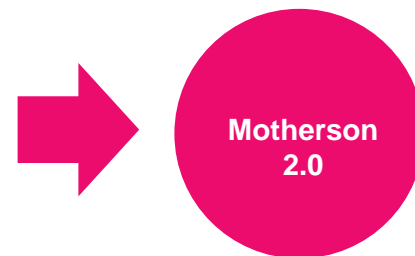
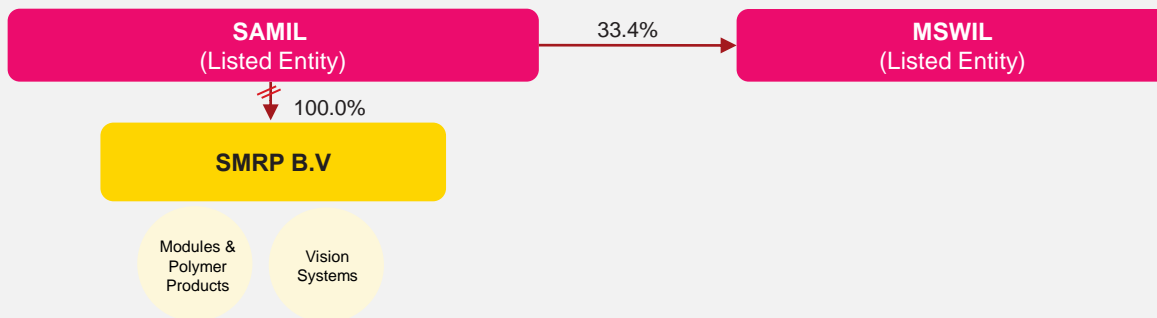
## Pre-Business Reorganization



## Key objectives

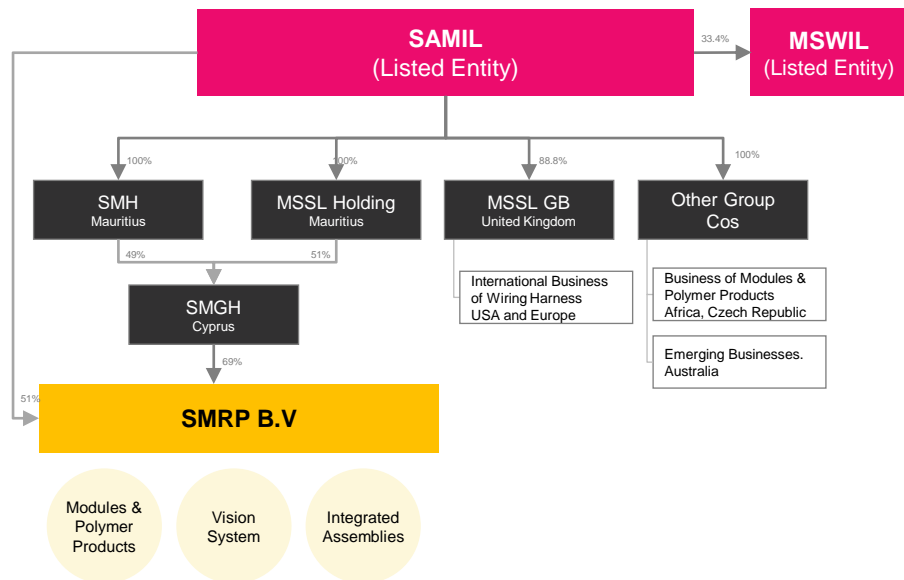
- Simplification of the Group structure
- Alignment of the interests of all stakeholders
- Creation of strong platforms for growth
- Two listed entities – **SAMIL** and **MSWIL**

## Post-Business Reorganization

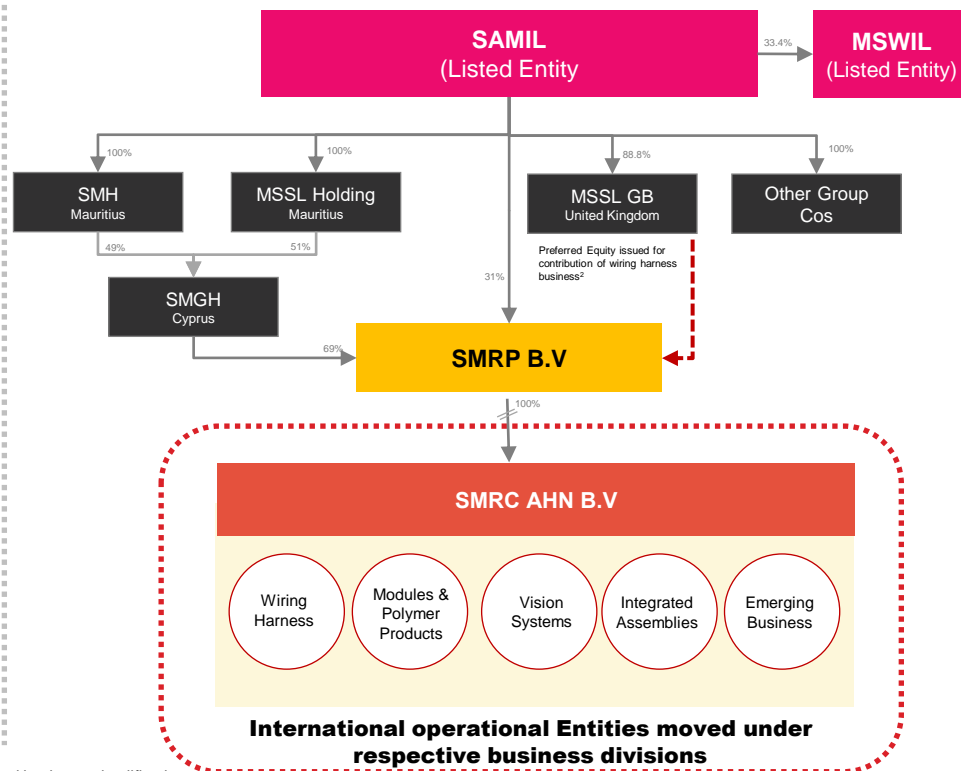


# Further simplification underway with majority of international businesses coming under SMRP B.V.

## Pre-Simplification



## Post-Simplification

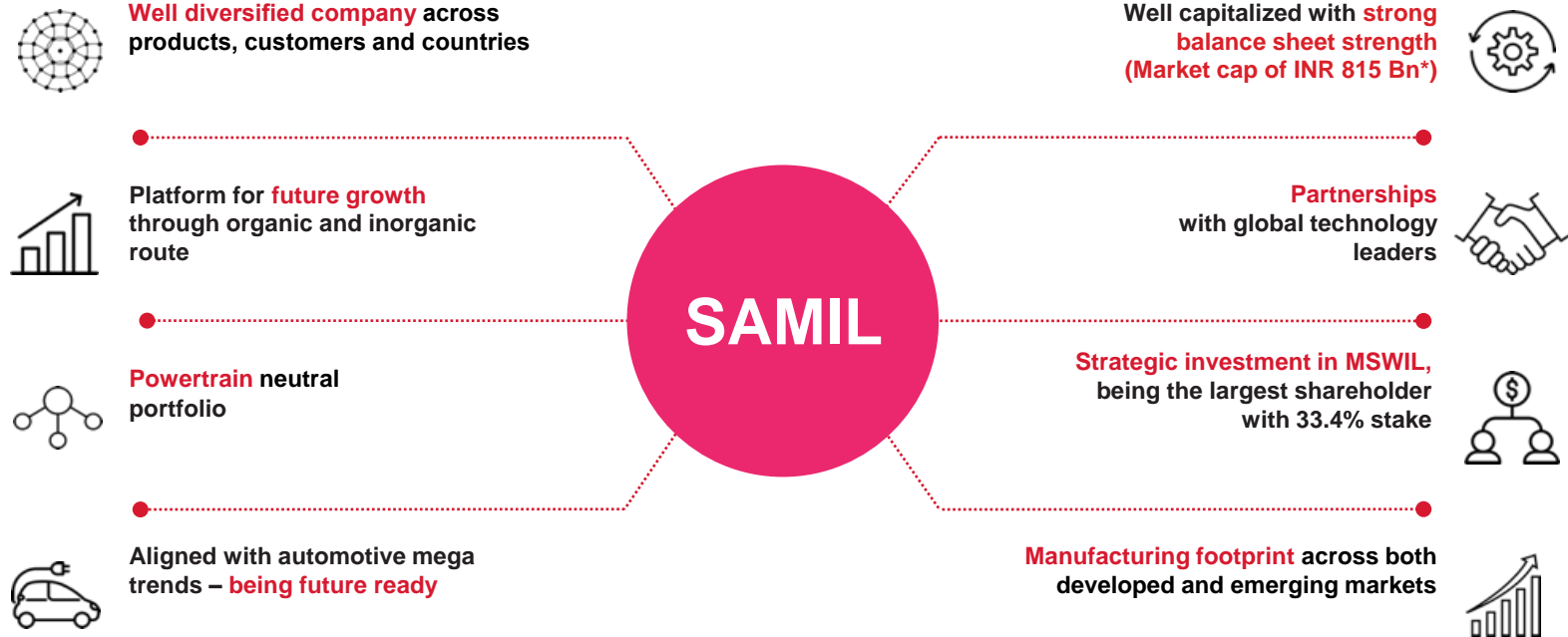


### Note:

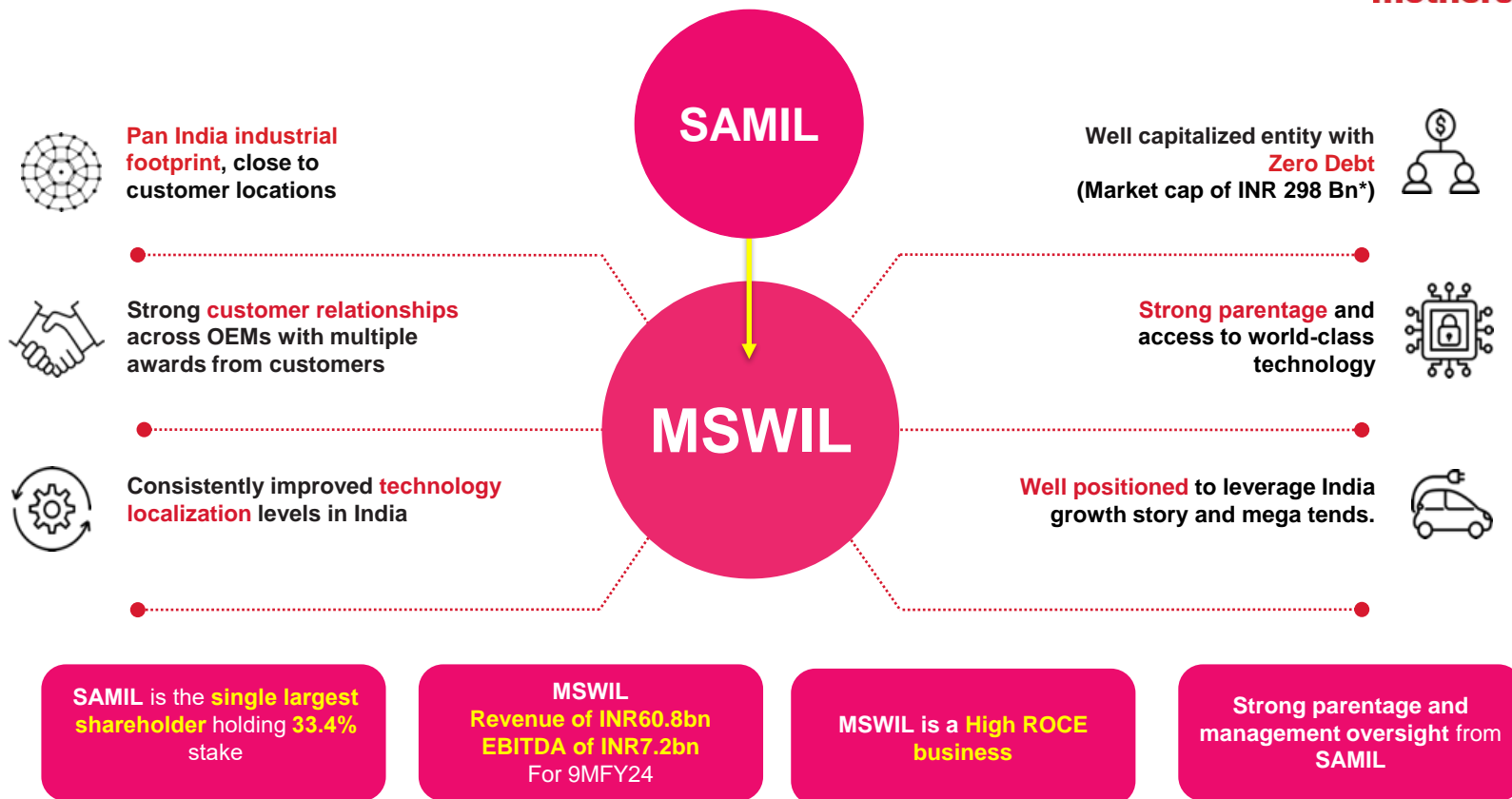
Highlighted businesses constitute multiple companies in various geographies which are forming part of international business simplification  
 Key terms of preferred equity are; (a) Issue of Class-B shares treated as equity, (b) No mandatory redemption/dividend obligation for SMRP BV, (c) No put option with MSSL GB  
 For detailed disclosure on international Business simplification please refer - <https://www.smrpbv.com/investor-relations.html>



# Leading to creation of SAMIL - A strong platform for growth....

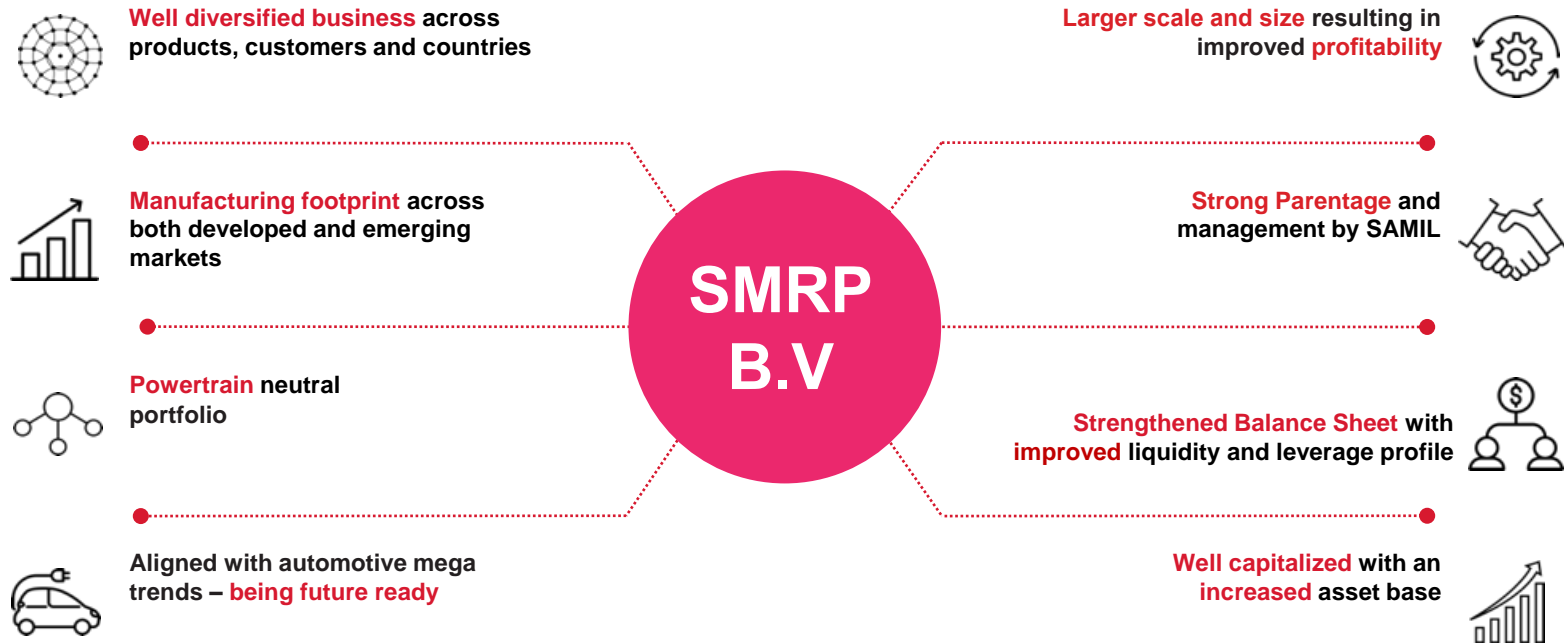


# MSWL: Strategic investment of SAMIL...





And SMRP B.V well positioned as an international platform for future growth.





**02**

# Evolution of Strong Credit Profile - SMRP B.V.

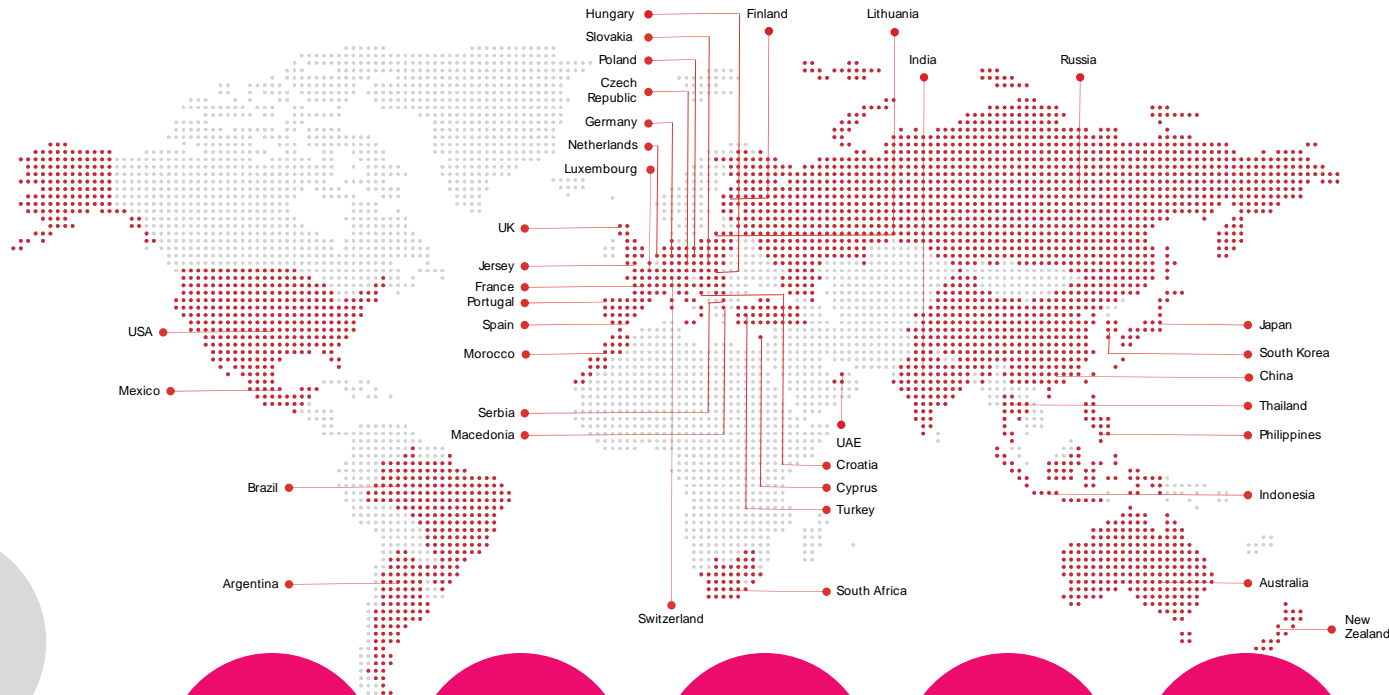
# An expanded manufacturing footprint.



**SMRP B.V Group**  
185 facilities\*\*  
across  
35 countries

**Yachiyo Y4W**  
15 facilities\*\*  
across  
8 countries.

**Lumen**  
7 facilities\*\*  
across  
3 countries.



**Wiring Harness**  
44 facilities\*\*  
across  
13 countries.

**Modules and  
Polymer Products**  
76 facilities\*\*  
across  
23 countries.

**Vision Systems**  
33 facilities\*\*  
across  
18 countries.

**Integrated  
Assemblies**  
26 facilities\*\*  
across  
12 countries.

**Emerging  
Business**  
6 facilities\*\*  
across  
4 countries

## Note:

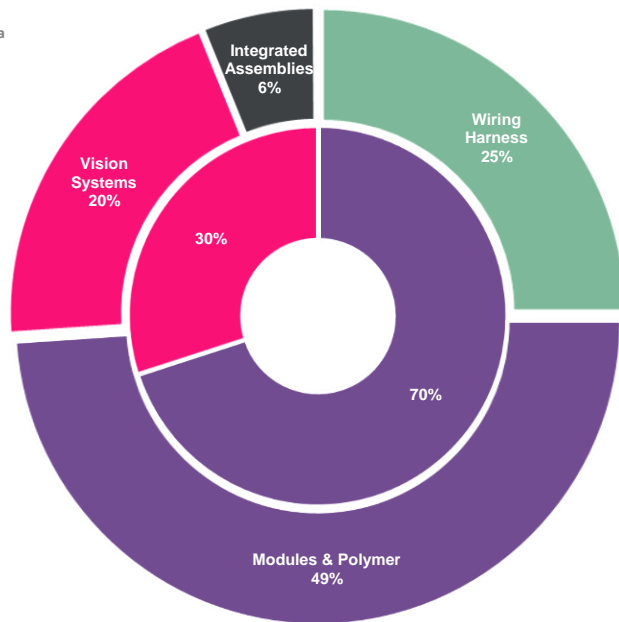
\*\*Facilities include all operational units (manufacturing plants, module centers, assembly centers, units for service business), tech centers and representative offices. Data represented as on 31st March 24 excluding recently concluded transactions (Yachiyo and Lumen International)



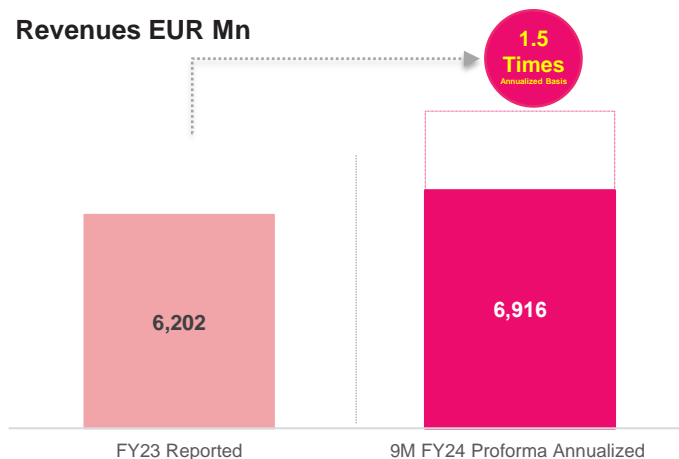
..With larger size and much more diversified business.

## Diversification with business segments

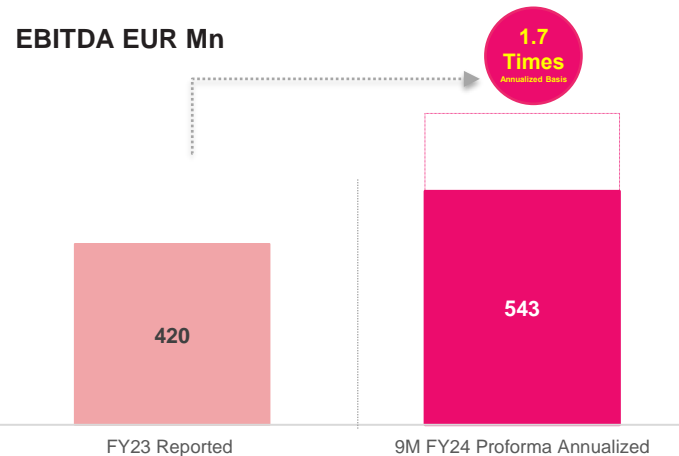
Inner circle: FY23 Reported  
Outer circle: 9M FY24 Proforma



### Revenues EUR Mn



### EBITDA EUR Mn



#### Note:

9MFY24 proforma numbers include the reported numbers for the period + impact of all internal business movements as summarized on slide #6

## To further strengthen with full integration of recent M&As...

9 M&As integrated into SMRP B.V out of the 16 announced acquisitions by SAMIL since 2022.

Combined Proforma Revenue

- EUR ~2.5 bn (Net)
- EUR ~6 bn (Gross)

Cumulatively these transactions are expected to be cash EPS accretive.

2022



01 Ichikoh Japan (Rear view mirror) business



02 SAS Autosystemtechnik\* GmbH Germany (Module Assembly)



04 Yachiyo 4W Japan (Sunroof and plastic fuel tanks)



03 Bolta USA (Chrome plated polymer parts)



05 Prysm Systems USA (Large format touch-enabled display screens)

2023



06 Dr Schneider Group Germany (Smart surfaces and lighting modules)



08 Deltacarb SA Switzerland (Tugsten carbide-based products)



07 AD Industries France (Aerospace and Medical - Metallic & composite products)

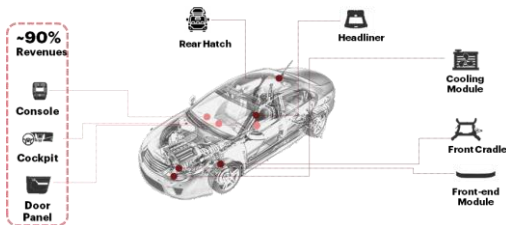


09 Lumen Group Australia (OEM certified automotive parts, accessories and dealer fitted products)

# M&As adding to business profile and product diversification

## SAS

### Key Products



### Synergies

- Enhanced integration in the automotive supply chain strengthening position as tier-0.5 supplier
- Multiplier effect, Business on principal basis creates the potential for more content per vehicle for other product lines of Motherson

### Diversification

- Addition of new product line of cockpit and other module assembly operations and managing complex logistics
- Increased traction with leading American EV OEM

## Dr. Schneider

### Key Products



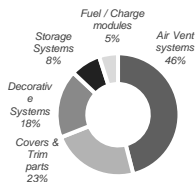
### Synergies

- Insourcing and cross-selling opportunity for auto interior components leveraging Motherson strong footprints and customer relationships
- ~200+ patents, Innovations and technology can be trickled down to other emerging countries
- Strategic asset required by customers for supply chain continuity

### Diversification

- Increasing content by adding product range for Air Vents, Decorative systems and other cover & trim parts for premium segment

#### Product Mix



## Yachiyo Y4W

### Key Products



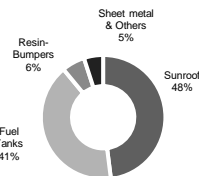
### Synergies

- Facilities aligned with automotive footprint globally enabling cross-selling opportunity with Honda Motors and other Japanese OEMs
- Significant insourcing opportunity with Wiring Harness, Elastomer, Tooling, Polymer etc
- Economies of Scale

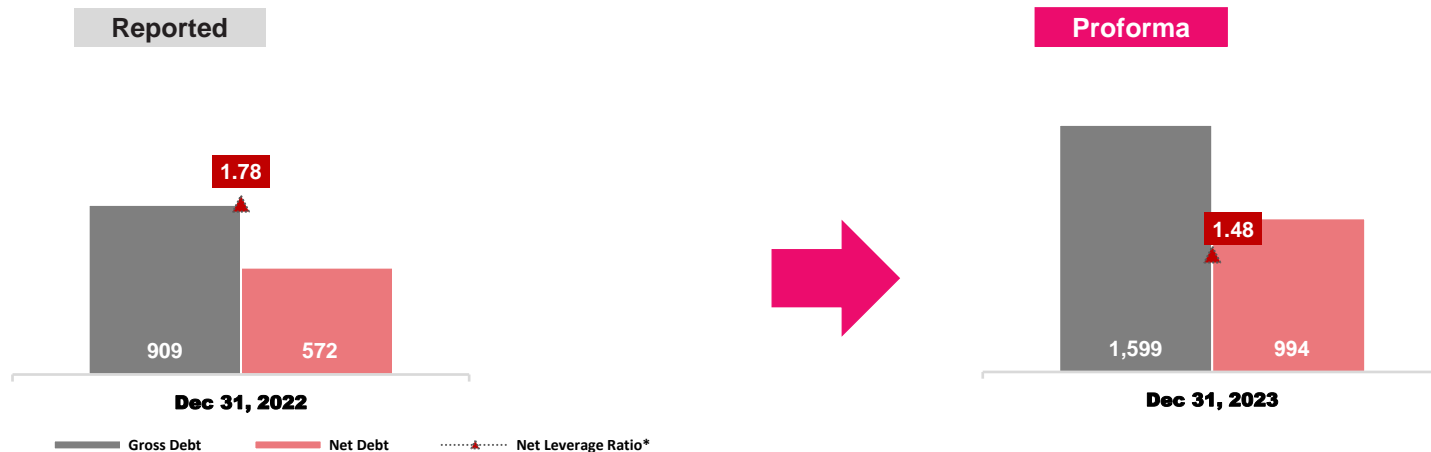
### Diversification

- Geographic presence in North America and China to better serve OEMs
- Increased penetration with Honda Motors and Japanese OEMs
- Content increase with Sunroofs and PFTs

#### Product Mix



# The Business has a much improved liquidity and leverage profile.



**Strengthened  
Balance Sheet  
resulting in  
Improved  
Leverage and  
Liquidity  
Profile**

Particulars In EUR Mn	Sanctioned Limit	Utilized as on Dec 31, 2022	Liquidity Available*
RCF (Including ancillary facilities)	350	79	271
Other working capital facilities	157	111	45
<b>Total Facilities</b>	<b>507</b>	<b>190</b>	<b>316</b>
Cash & Cash Equivalents			338
<b>Total Liquidity Available</b>			<b>653</b>

Sanctioned Limit	Utilized as on Dec 31, 2023	Liquidity Available*
500	151	349
254	132	122
<b>754</b>	<b>284</b>	<b>470</b>
		605
		<b>1,076</b>

**RCF  
Enhancement  
~EUR 170 Mn  
over and above  
1,076 Mn**

**Note:**

1. 9MFY24 Proforma numbers include the impact of all internal business movements as summarized on slide #6

2. Net Debt = Gross Debt - Cash & Cash equivalents

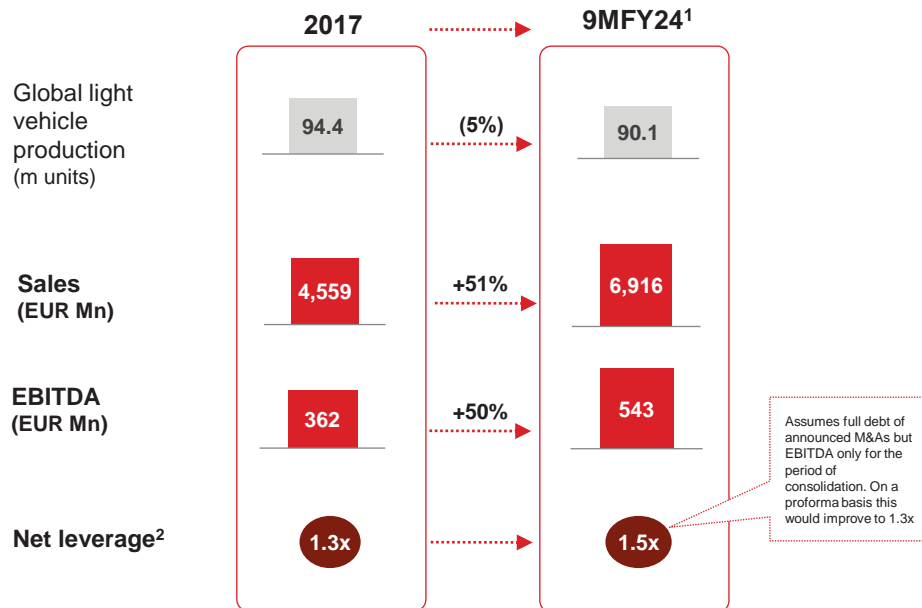
3. Leverage ratio = Net Debt / LTM EBITDA excluding IFRS 16 impact

\* Available Liquidity subject to headroom under leverage ratios



# SMRP BV Strengthened Business profile.

## SMRP B.V performance



**Majority of International business under the same structure.**

**Improved leverage and liquidity, and strong balance sheet.**

**Backed by well capitalized & committed Parent.**

**Note:**

1. 9MFY24 Proforma numbers include reported numbers plus the impact of all internal business movements as summarized on slide #6

2. Net Leverage = (Gross debt (including lease liabilities) – cash & cash equivalents) / Reported LTM EBITDA

3. Global light vehicle production volumes are basis calendar year



02

# Strong Parentage - SAMIL.



# Samvardhana Motherson Intranational Limited.

One of the world's leading  
specialised manufacturing  
companies for OEMs.

Vision to be a  
globally preferred  
sustainable  
solutions provider  
for all industries  
we operate in.

**USD 24 Bn<sup>1</sup>**  
Annual gross  
revenues

Operating  
over **380**  
facilities in  
**43** countries.


Approx.  
**190,000**  
people as  
a group.

**26 Joint  
ventures.**

Note:

1. Gross Revenue numbers (Reported + Unconsolidated JVs + Throughput) based on Q3 FY24 annualized revenues, converted at the exchange rate of 70.89 as defined in Vision 2025, including Yachiyo (closed in Q4 FY24)





# Chairman Vivek Chaand Sehgal inducted to the Automotive Hall of Fame as a testament of customer trust in Motherison.

By earning trust with its customers, Motherison evolved from one country, one facility, and one product to a global, diversified Tier 1 supplier. Supporting the world's major OEMs.

# Operate with Clearly defined, long-term goals.

We work on publicly stated 5-year plans.

**01**

## **Growing in India**

Listed in 1993 and growth in wiring harness.

**1975-1999**

**02**

## **Focus on Europe**

Expanded into new segments and first acquisition.

**2000-2009**

First and second 5-year plans launched and achieved.

**03**

## **Global expansion**

Large acquisitions and exposure to all major global OEMs.

**2010 -2015**

**04**

## **Consolidate to lead**

Added new customers, grew organically and inorganically.

**2015-2020**

**05**

## **Motherson 2.0**

Group reorganisation with two listed high-growth companies, creating platform for future.

**2020 onwards**

# Our current 5-year plan.

## Vision

# 2025

**No. 1**  
USD 36 billion  
revenues in 2024-25  
with 40% ROCE  
(consolidated)

**No. 2**  
3CX10  
No country, customer or  
component should  
contribute more than 10%  
to our revenues

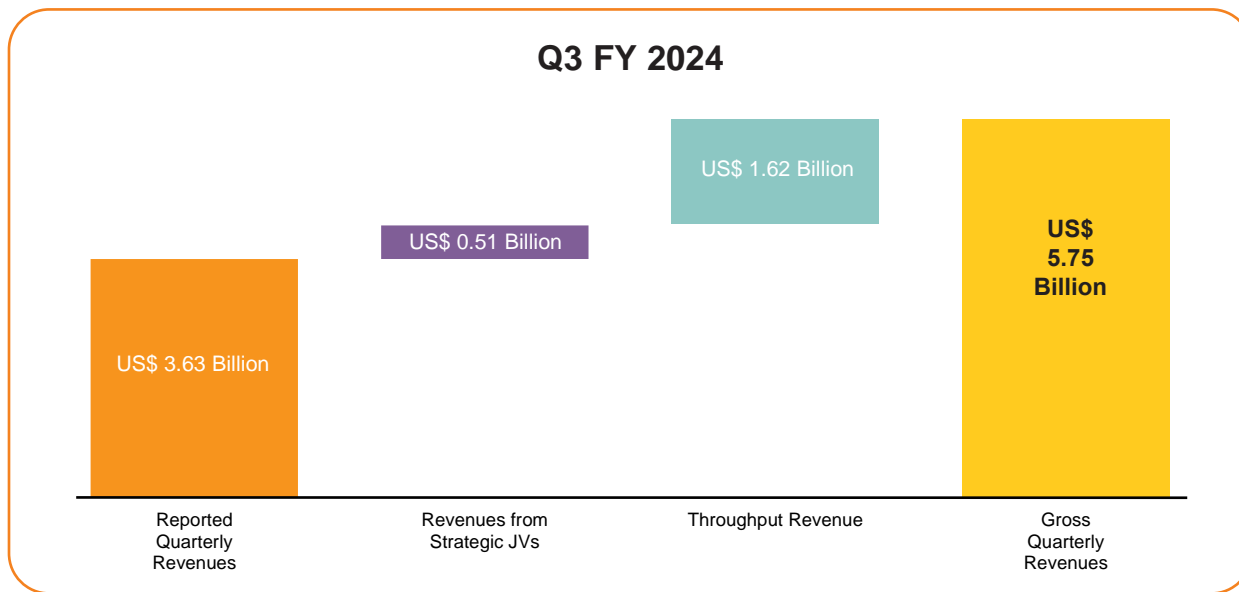
**No. 3**  
75% of revenues from  
automotive industry,  
25% from new  
divisions

**No. 4**  
40% of consolidated  
profit as dividend



# Route 36: Our journey towards USD 36 Billion in 2025.

Our current gross quarterly revenues are tracking at a run rate of USD 5.75 Bn.



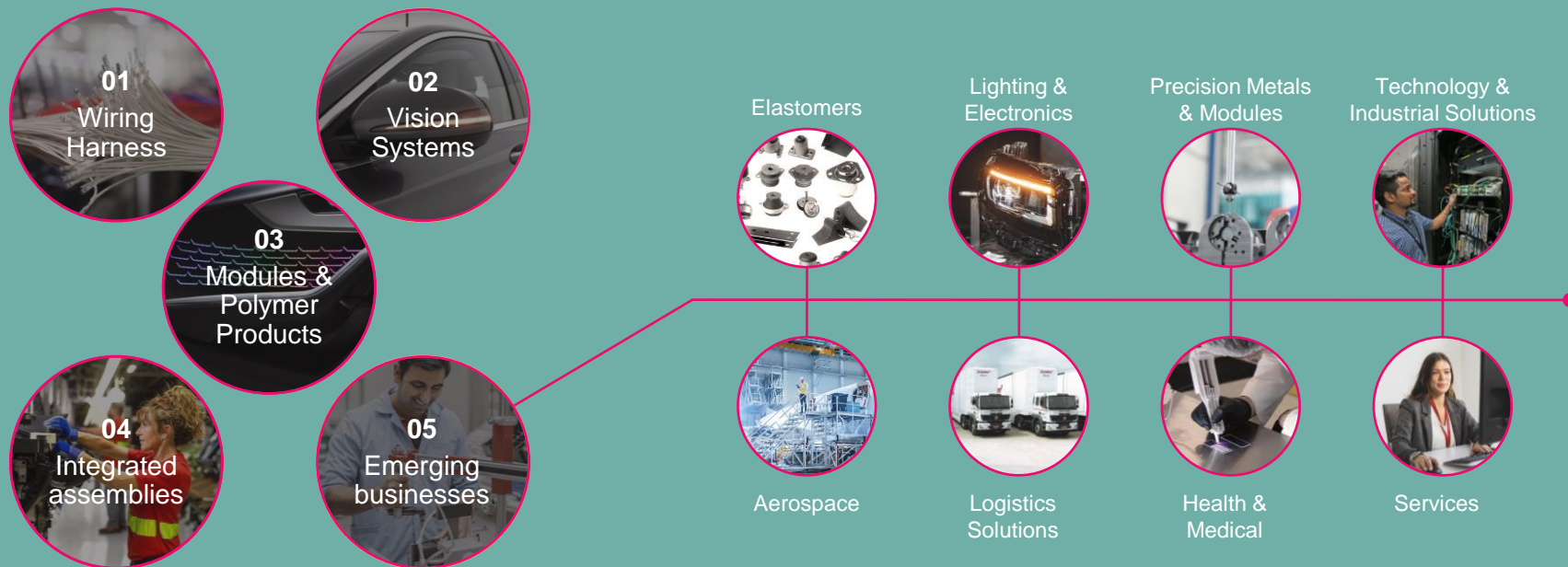
**US \$  
24 Billion**

Annualised Gross Revenues  
(including impact of Yachiyo  
which got closed in March  
2024)

**Large and  
Critical player  
managing a  
complex supply  
chain.**



# Strong business divisions delivering customer solutions.



# SAMIL is a partner of choice with Strong Engineering & Manufacturing Capabilities.



Supporting a wide range of industries.

**Component  
Design**

**Prototyping**

**Tooling, Jigs  
& Fixtures**

**Manufacturing**

**Manufacturing  
DNA**

**Assembly &  
Integration**

**Project Lifecycle  
Management**

**Logistics &  
Warehousing**

**Sales & Marketing  
Support**

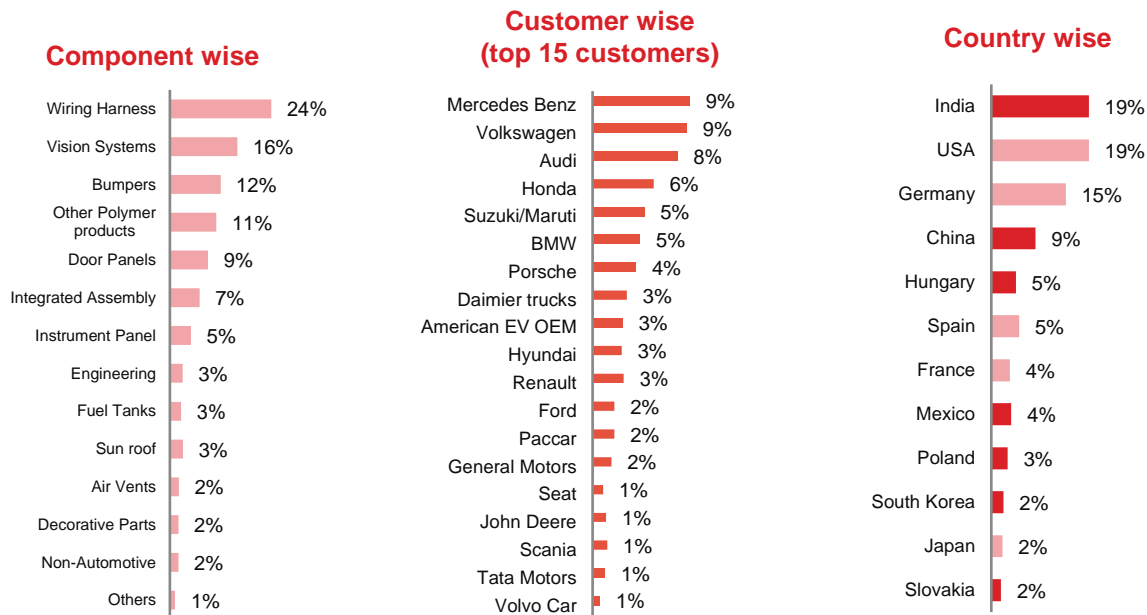


## Key Credit Highlights.



## 1.1 Global, well diversified and powertrain agnostic solutions provider.

### Revenue diversification estimation post full impact of all closed M&As<sup>1,2</sup>



Approx. 95%+ product portfolio is powertrain agnostic

Marquee customer base with long standing relationships

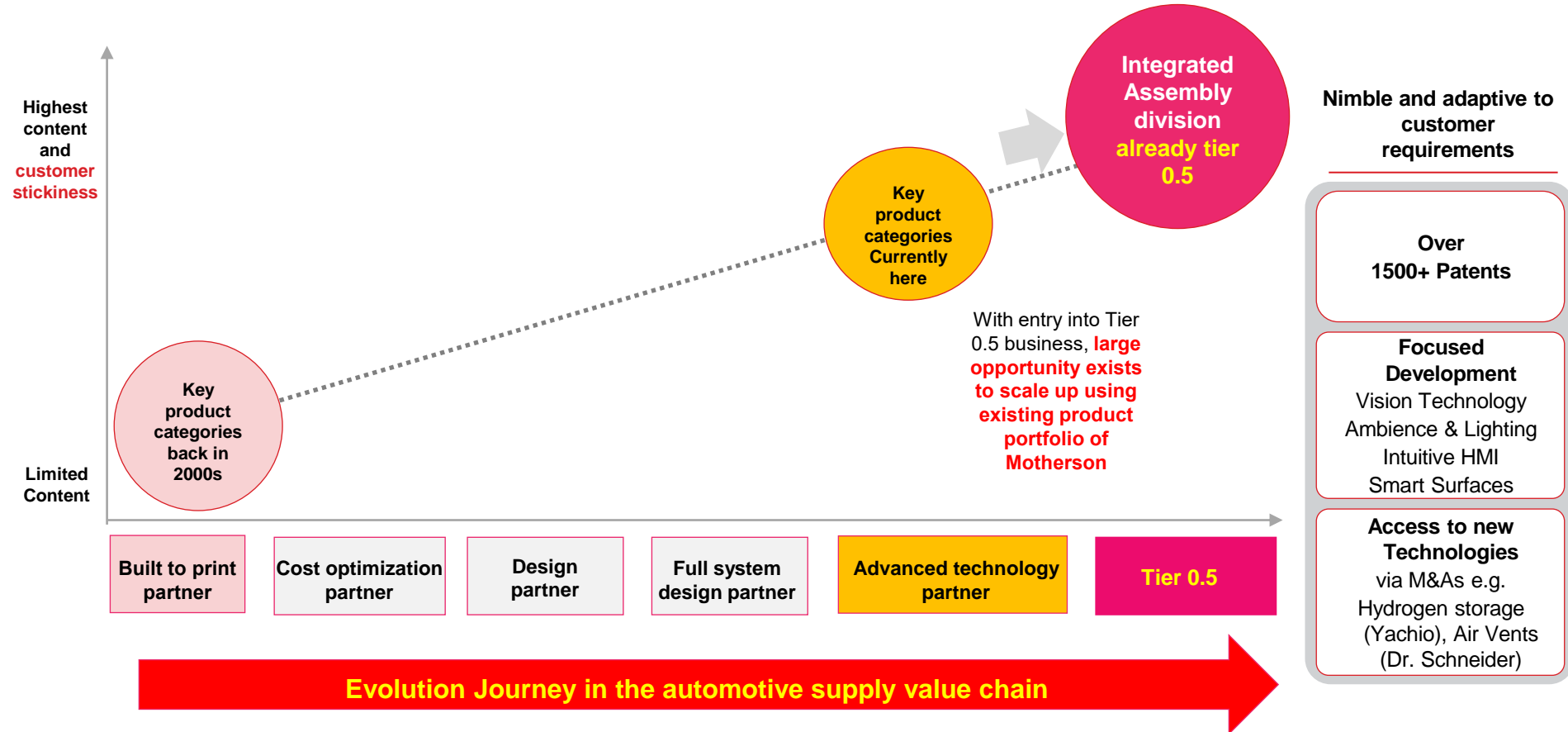
Equal exposure to high growth economies

Notes:

1. Total revenue considered is including 100% of joint venture and associate companies consolidated under equity method
2. Proforma estimates are based on FY2023 3CX10 and full impact of closed acquisitions

<sup>1</sup>Emerging markets defined as Brazil, China, India, Mexico, Sri Lanka, Thailand, South Korea, South Africa, Czech Republic, Hungary, UAE, Slovakia, Serbia, Turkey, Argentina, Philippines, Morocco, Indonesia, Poland as per MSCI Emerging Markets Index

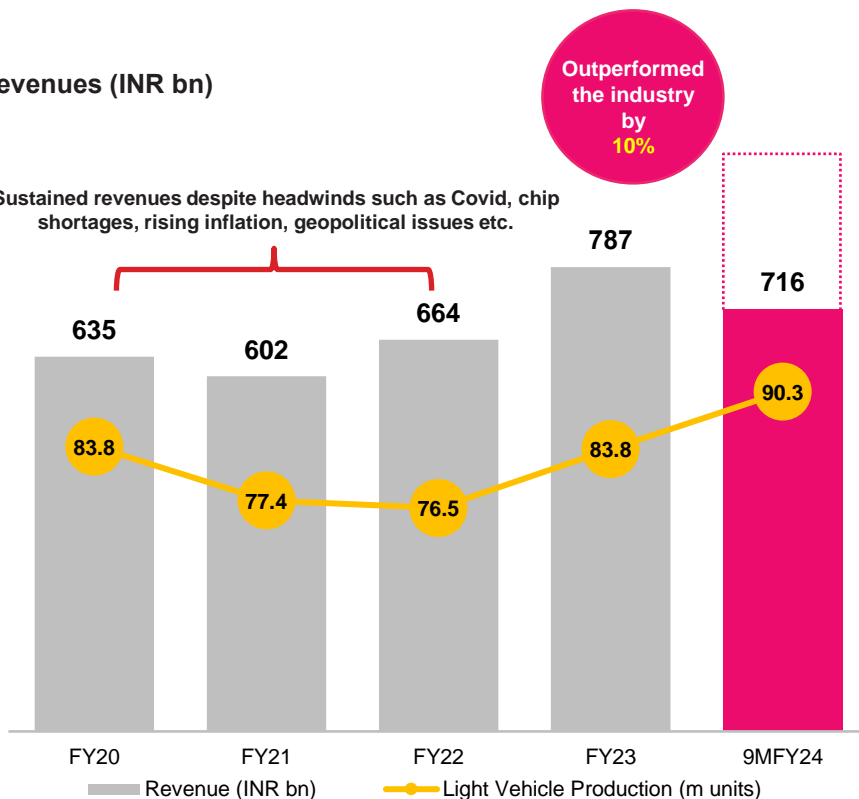
## 1.2 Evolved as a Technology partner across product segments.



## 2.1 Resilient financial performance through the cycle.

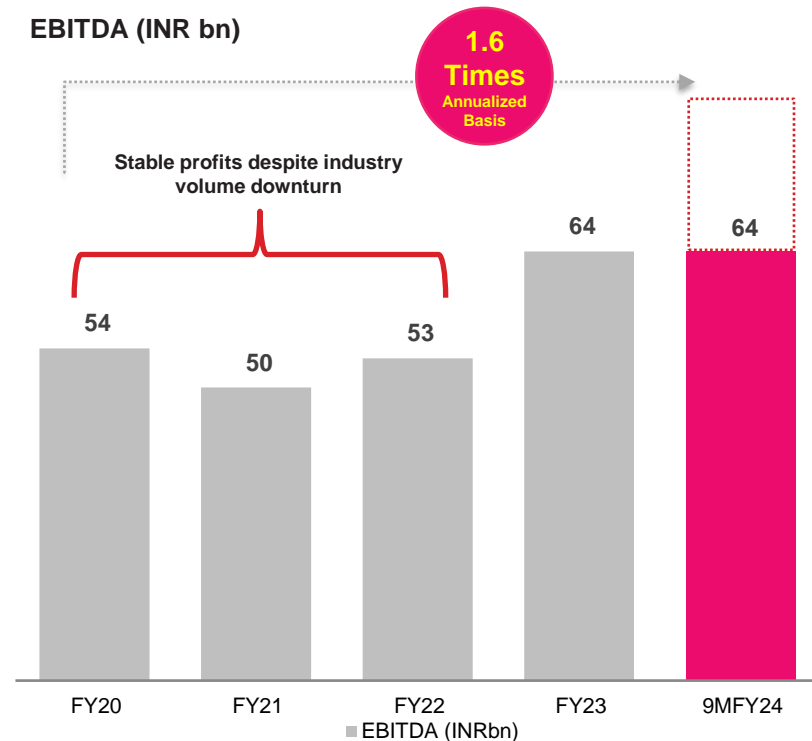
### Revenues (INR bn)

Sustained revenues despite headwinds such as Covid, chip shortages, rising inflation, geopolitical issues etc.



### EBITDA (INR bn)

Stable profits despite industry volume downturn



#### Notes:

1. LV Production data S&P Global Mobility Automotive LV Production Forecast, 16<sup>th</sup> February 2024
2. All numbers for period upto FY 23 are based on reported financials (Continuing + Discontinuing operations)

## 2.2 Favourably positioned globally for overall growth.

### Emerging Markets

Emerging Markets growth at 2.5x of Global LV Production growth in last 5 years

High Growth Economies with increasing consumer demand

Becoming pivotal Engineering & Manufacturing Centers



- Emerging Markets account for ~>50 % of Revenues
- Growth capex to support customers by setting up ~12 New Greenfields in Auto & Non-Auto Space
- Globally local strategy with the ability to manufacture and supply in the same region, worldwide.

#### Notes:

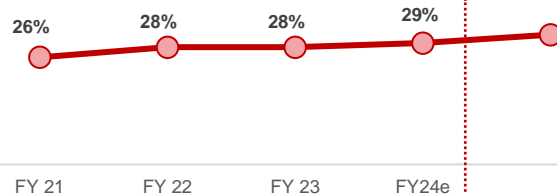
1. Source S&P Global Mobility Automotive LV Production Forecast, 16<sup>th</sup> February 2024

2. SUV: SUV, Sedan, Hatchback classification is based on S&P Mobility Definitions based on Global size category to group vehicles. Sizes vary by segment (A to F & HVAN) and subsequent combinations with A being the smallest and E being the largest.

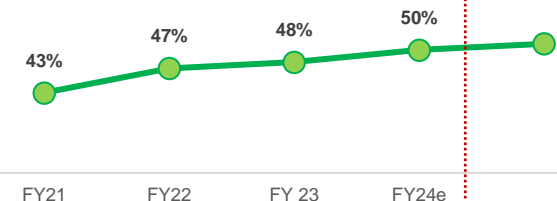
3. Premium definition is as per S&P Global classification which is based on price class equivalent for premium vehicles.

### Developed Markets

#### SUV<sup>1,2</sup>



#### Premiumization<sup>1,3</sup>



Trend of SUVs and Premiumization will continue to drive content growth

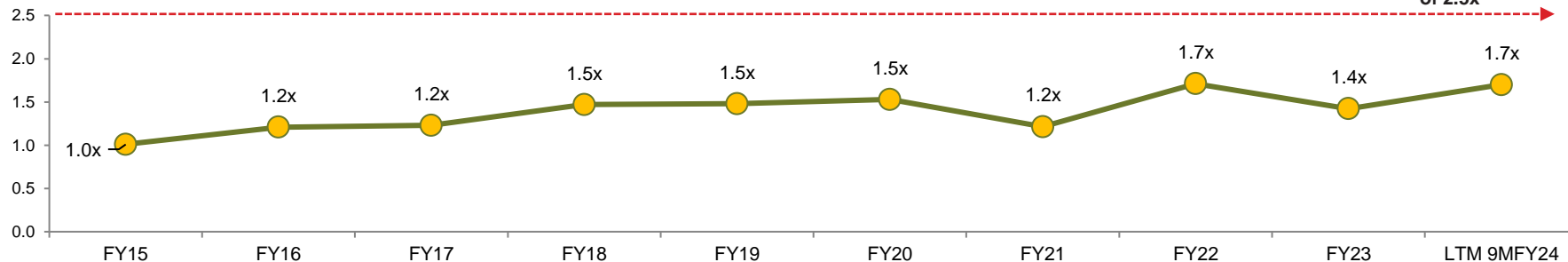
- Increase in content driven by Premiumization and SUVs across vehicle segments
- Sufficient capacities in place to support impending content growth
- Disproportionate share on premium vehicles augurs well for SAMIL.



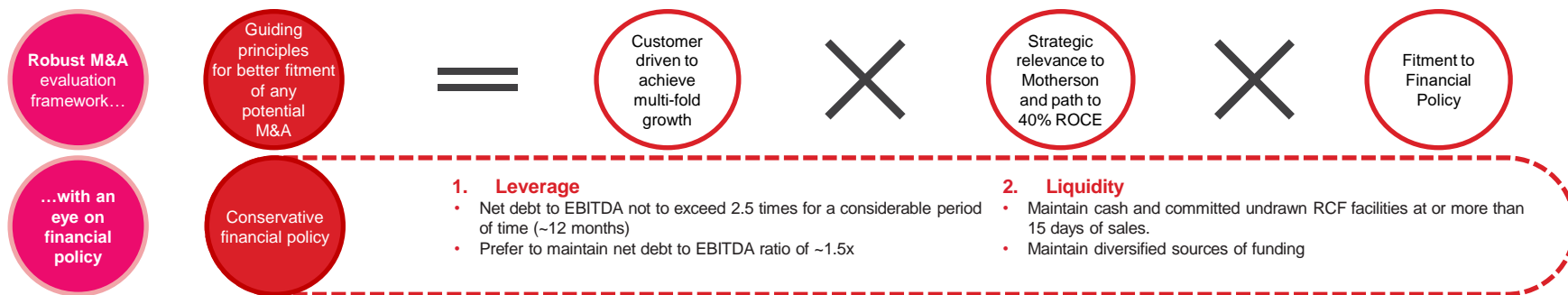
### 3.1 Prudent financial policy - Disciplined acquisition strategy.

43 acquisitions since 2002 while maintaining a stable net leverage ratio over last many years

Net leverage<sup>1</sup>



#### Conservative financial and robust M&A evaluation framework



Note:

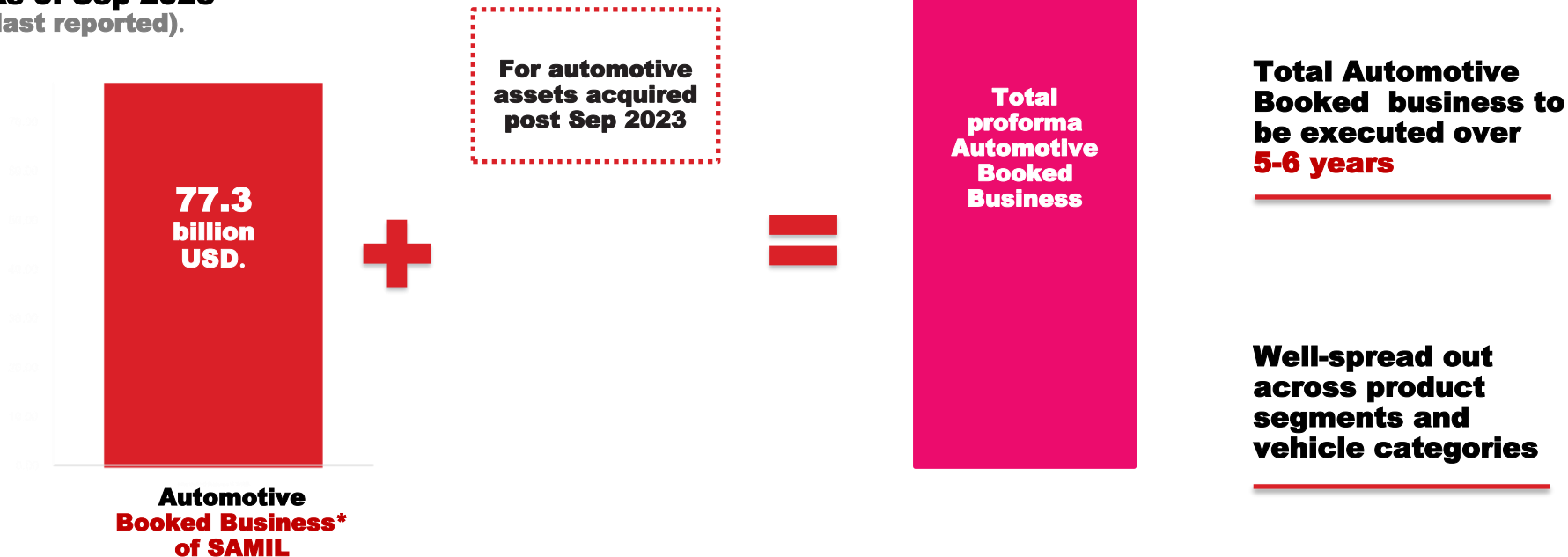
1. Net Leverage = (Gross debt (including lease liabilities) – cash & cash equivalents) / Reported EBITDA

2. All numbers for period upto FY 23 are based on reported financials (Continuing + Discontinuing operations)

3. Since for the assets acquired during the year full net debt has come on the books but EBITDA only for acquired period, to have a like for like comparison while computing the leverage ratio for Dec-23, LTM EBITDA of the acquired assets have been considered

## 4.0 Organic business with a high future revenue visibility.

**As of Sep 2023**  
(last reported).



Note:

1. Booked business for automotive businesses i.e. excluding Technology and Industrial Solutions, Aerospace, Logistics Solutions and Health and Medical business divisions
2. Volume assumptions for sales planning activities are based on internal assessment which considers various sources (including OEM production forecasts, views of external market consultants, internal knowledge and insights).
3. Booked business is computed as sum of the lifetime sales of business Under production and business Yet to start production

## 5.1 Professional and highly experienced management team which has delivered.

### Professional management

Regional Management  
Structure

1. 5 Regional Chairman Offices (Americas, Europe, South Asia, South East Asia, China)
2. Regional support structures that streamline business operations and enable synergies across businesses in the region.



Business Division  
Structure

1. Each business is independently run (COO / CFO) with a unified Vision.
2. Each plant is a profit centre (RYG)
3. Financial KPIs and Management Oversight

#### 4. BY/BY, Do33



Group Management  
Structure

1. Group COO, CFO & KMP
2. Strategy and M&A
3. Finance
4. Purchasing
5. Sustainability
6. Marketing and Communications
7. Information and Technology

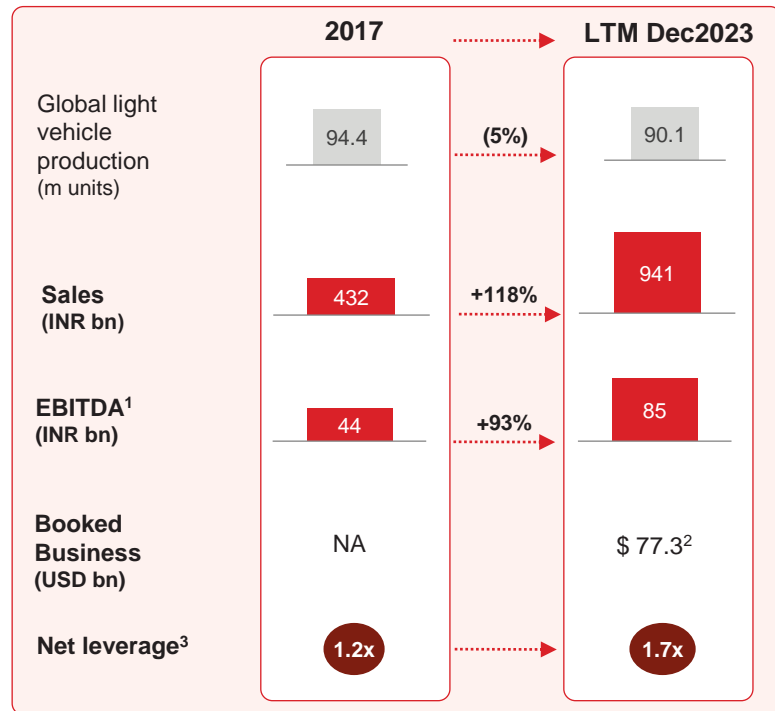
**Professionally managed group with clear distinction between shareholders and management**

**Unique structure supported by management bandwidth across regions**

Global functions and RCOs support growth of business divisions by creating synergies across Mother's.

## 5.2 Professional and highly experienced management team which has delivered.

### SAMIL performance



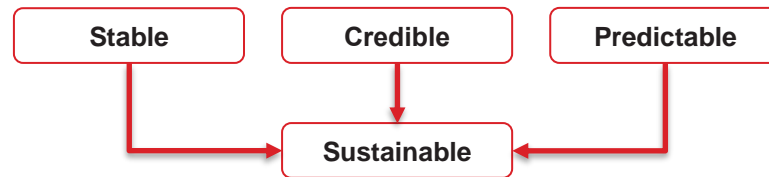
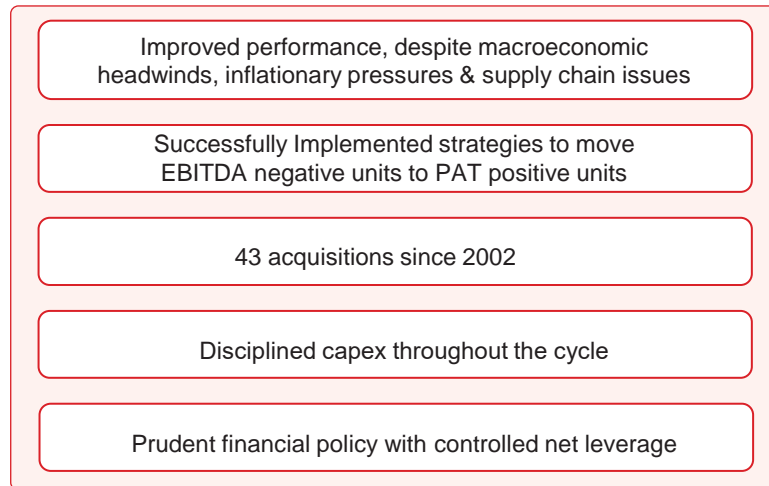
#### Notes:

1. Reported EBITDA

2. Automotive booked business as reported in Q2FY24

3. Net Leverage = (Gross debt (including lease liabilities) – cash & cash equivalents) / Reported EBITDA. Since for the assets acquired during the year full net debt has come on the books but EBITDA only for acquired period, to have a like for like comparison while computing the leverage ratio for Dec-23, LTM EBITDA of the acquired assets have been considered

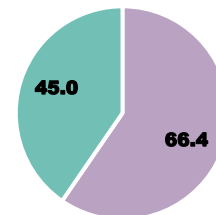
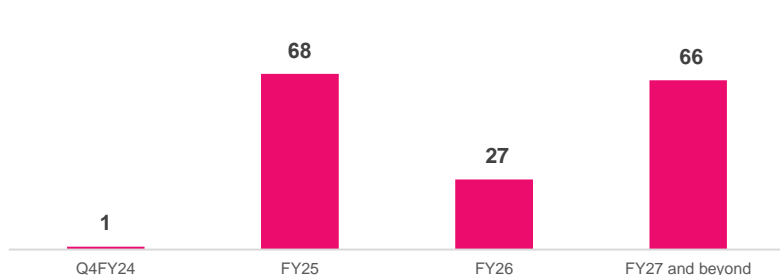
### Accomplishments by the management



# SAMIL Debt maturity profile and robust liquidity position.

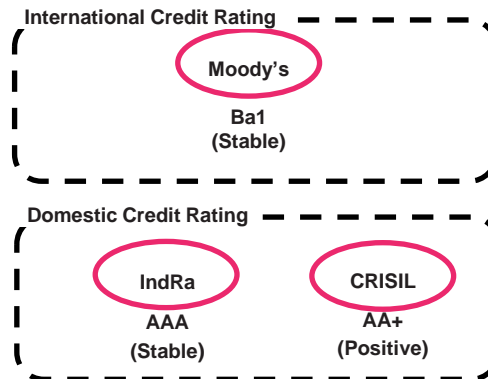
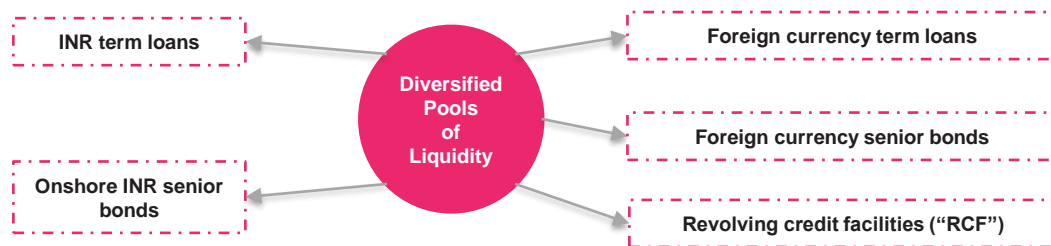
Debt maturity profile (INR bn) as on 31<sup>st</sup> Dec 2023

Available Liquidity (INR bn) as of 31<sup>st</sup> December 2023



■ Cash and Bank Balance  
■ Undrawn Facilities

## Demonstrated access to diversified pools of liquidity backed by strong credit rating profile





# Thank you.

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