The background of the slide features a close-up, high-contrast photograph of a grid of spheres. Most spheres are dark and reflective, but one sphere in the center-left foreground is a vibrant green, standing out from the rest. A semi-transparent white box containing text is positioned on the right side of the image.

Some do precision, some do mass
production. We do both.
We pioneer motion

Schaeffler India Limited Investor Presentation

March 2023

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Agenda

- 1 Schaeffler Group**
- 2 Schaeffler India
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- 4 ESG at Schaeffler India
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- 6 Financial Overview

A world-leading technology business

A photograph of a modern multi-story office building at night. The building has a glass facade with many lit windows. On the left side of the building, the word "SCHAEFFLER" is displayed in large, illuminated, green 3D letters. The sky is dark blue.

SCHAEFFLER

As a **leading global supplier to the automotive and industrial sectors**, the Schaeffler Group has been driving forward groundbreaking inventions and developments in the fields of motion and mobility for over 75 years. With **innovative technologies, products, and services** in the fields of electric mobility, CO₂-efficient drives, Industry 4.0, digitalization, and renewable energies, the company is a reliable partner for making **motion and mobility more efficient, intelligent, and sustainable**.

Facts and Figures



~ 83,000
employees
worldwide

~ 200
locations in
50+
countries

6.6%
EBIT margin in
2022¹

76 plants
and **20**
R&D centers

1,250+
patents
registered
in 2022

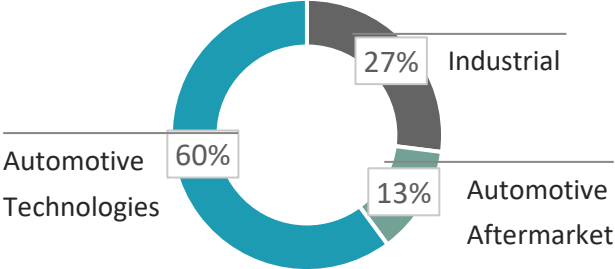
sales of
~ € 15.8
billion in
2022

¹ Before special items

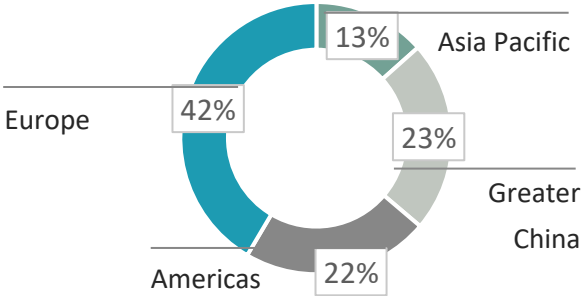
A leading global technology company

Sales by Divisions

In % of CY 2022



Sales by Regions



Schaeffler Group

Leading positions in technology and innovation

10 customer sectors

Market leading offering from components and systems to services

76 plants and 20 R&D centers

~83,000 employees in more than 50 countries



Well-diversified Automotive and Industrial supplier with global reach and synergistic businesses.

What sets us apart | The internal strengths of our Company

As a pioneer in motion, we develop and produce **innovative components**, systems, and services to address important customer needs.

01

Our **extremely high quality** ensures that we are able to meet our customers' demands in terms of reliability, long service life, and efficiency.

02

Close partnerships with our customers mean we have a **comprehensive understanding of their systems** which allows us to develop, produce, and constantly optimize complex, customized solutions.

03

Our **manufacturing expertise** allows us to quickly introduce extremely promising innovations to the market in high volumes.

04



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At a glance

1 | GLOBAL EXPERIENCE

75+ Years of Global Experience and Parent Lineage; 60+ Years of presence in India

2 | QUALITY SERVICE

Serving customers across automotive and industrial segments

3 | TOP MANUFACTURER

4 state-of-the-art manufacturing facilities in India

4 | DEDICATED R&D

Two dedicated DSIR approved R&D facilities in India driving innovation

5 | PRESENCE & REACH

8 Sales Offices, 330 distributors and over 33,000+ retail network

6 | RENOWNED BRANDS

Widely renowned and respected brands – FAG, INA and LuK

7 | TOP EMPLOYER

Employing 3,000+ people across India

8 | SECURE & STABLE

Debt-free

9 | CONSISTENT YIELD

5 Year Revenue CAGR of 8.5%

10 | CONSISTENT RETURN

11 Year Market Cap CAGR of 34%

Our company overview

Schaeffler India



Over six decades of presence in India, ‘**One Schaeffler India**’ entity in 2018, leveraging synergies



Diverse high-precision products, strong network across divisions



Balanced business portfolio between Industrial and Automotive divisions

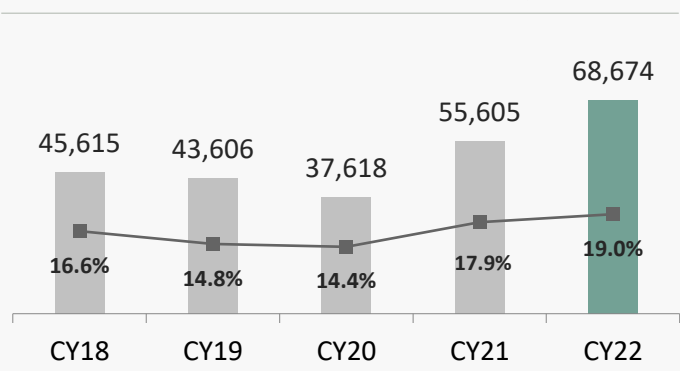


Automotive Aftermarket - replacement and repair solutions best-in-class training services

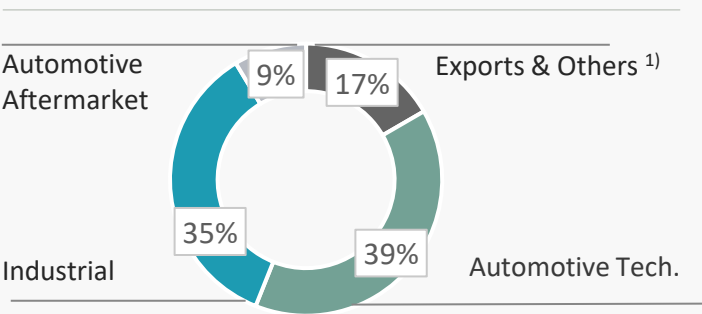


FAG, INA, LUK, REPEXPERT, TruPower - Renowned Brands with prominent positioning

Revenue (in INR Mn) & EBITDA Margin %



Revenue Mix (CY22)



¹⁾ Exports includes sales to group companies, scarp sales and others



Our Journey | Significant milestones in our company history

Establishing the business

Incorporated the Company under the name Precision Bearings India Limited

1962

1969

FAG Germany acquired shares from Norma-Hoffman Bearing Corporation

LuK India established in Hosur Set up export-oriented unit for the FAG business in Maneja, Vadodara

1997

Expanding and growing

Inaugurated INA plant at Talegaon in Pune

2007

FAG becomes a part of Schaeffler

2015

Schaeffler Technology Center

Leading ahead creating 'One Schaeffler India' entity

India Corporate HQ based in Pune

2019

Completed merger to establish one Schaeffler India entity

Inclusion in PLI Scheme

2022

MoU with Tamil Nadu Government & Setting up of the LSB Refurbishment Center

Board of Directors | Emphasis on best-in-class corporate governance



Eranti Sumithasri
*Chairperson
Independent Director*
AC RMC CSR



Renu Challu
Independent Director
AC NRC SRC



Arvind Balaji
Independent Director
AC CSR



Amit Kalyani
Independent Director
AC NRC CSR



Dharmesh Arora
*Non-Executive,
Non-Independent Director*
NRC RMC



Andreas Schick
*Non-Executive
Non-Independent Director*
AC RMC



Corinna Schittenhelm
*Non-Executive
Non-Independent Director*
NRC CSR

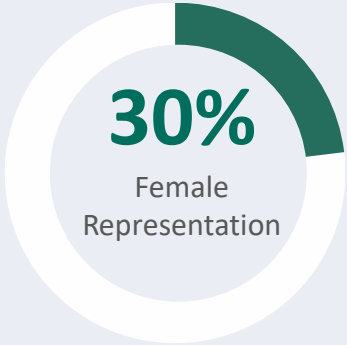


Harsha Kadam
*MD & CEO,
President (Industrial Business)*
SRC CSR RMC



Satish Patel
Director – Finance & CFO
AC SRC RMC

AC Audit Committee RMC Risk Management Committee NRC Nomination and Remuneration Committee CSR Corporate Social Responsibility Committee SRC Stakeholders' Relationship Committee



Executive Leadership Team | Leading with passion and principles



Harsha Kadam
Managing Director & CEO,
President (Industrial)



Satish Patel
Director - Finance,
Chief Financial Officer



Sameer Mathur
Chief Operating Officer



Santanu Ghoshal
Vice President
(Human Resources)



Madhurisha Vippatoori
Vice President
(Research and Development)



Debasish Satpathy
President
(Automotive Aftermarket)

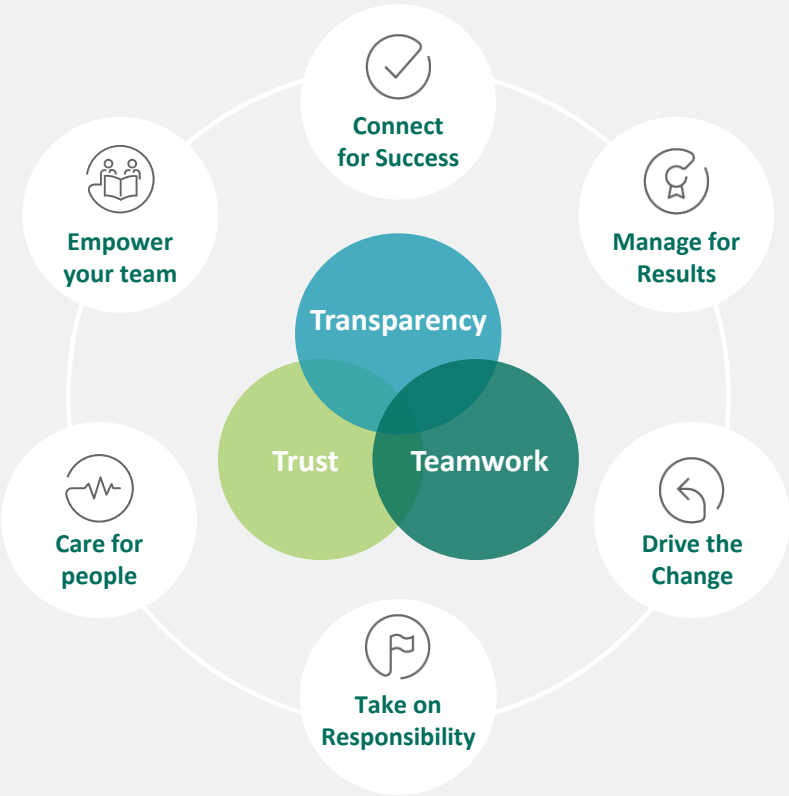


Alok Dave
Vice President
(Purchasing)



Vishwanathan S
Acting President
(Automotive Technologies)

Leadership Principles



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Customer recognitions for excellence



TOYOTA

Best Quality
Performance with
Zero Defect



MARUTI SUZUKI

Awarded for
Design and
Development of
Efficient Products



Best Vendor for
the year
2018-2019



JOHN DEERE

Partner Level
Award



FIAT CHRYSLER AUTOMOBILES

Best Supplier
Award for Zero
Warranty and Zero
PPM



Best Supplier for
Outstanding
Performance in
Quality



Best Supplier
Award for
Consistent Zero
PPM Quality
Performance



Mahindra

Supplier
Excellence Award
for Best Product
Development
Performance



ASHOK LEYLAND

Gold award for
product reliability
from Ashok
Leyland

TOYOTA

First prize in cost
category for Best
Kaizen by Honda
cars India



HYUNDAI

Gold award for
best performance
in logistics
excellence from
Hyundai India



HYUNDAI

Gold award for
excellence in
supply chain 2020
from Hyundai

Manufacturing Footprint | Our state of the art manufacturing plants



◀ **Maneja (Vadodara)**
Industrial
est. 1962



◀ **Savli (Vadodara)**
Industrial
est. 2012



◀ **Hosur**
Automotive
est. 1977



◀ **Talegaon (Pune)**
Automotive
est. 2001

Precision in manufacturing leveraging best-in-class technologies

Our manufacturing technologies



Large forging



Cold forming



Heat treatment



Machining



Grinding



Injection



Coating



Winding

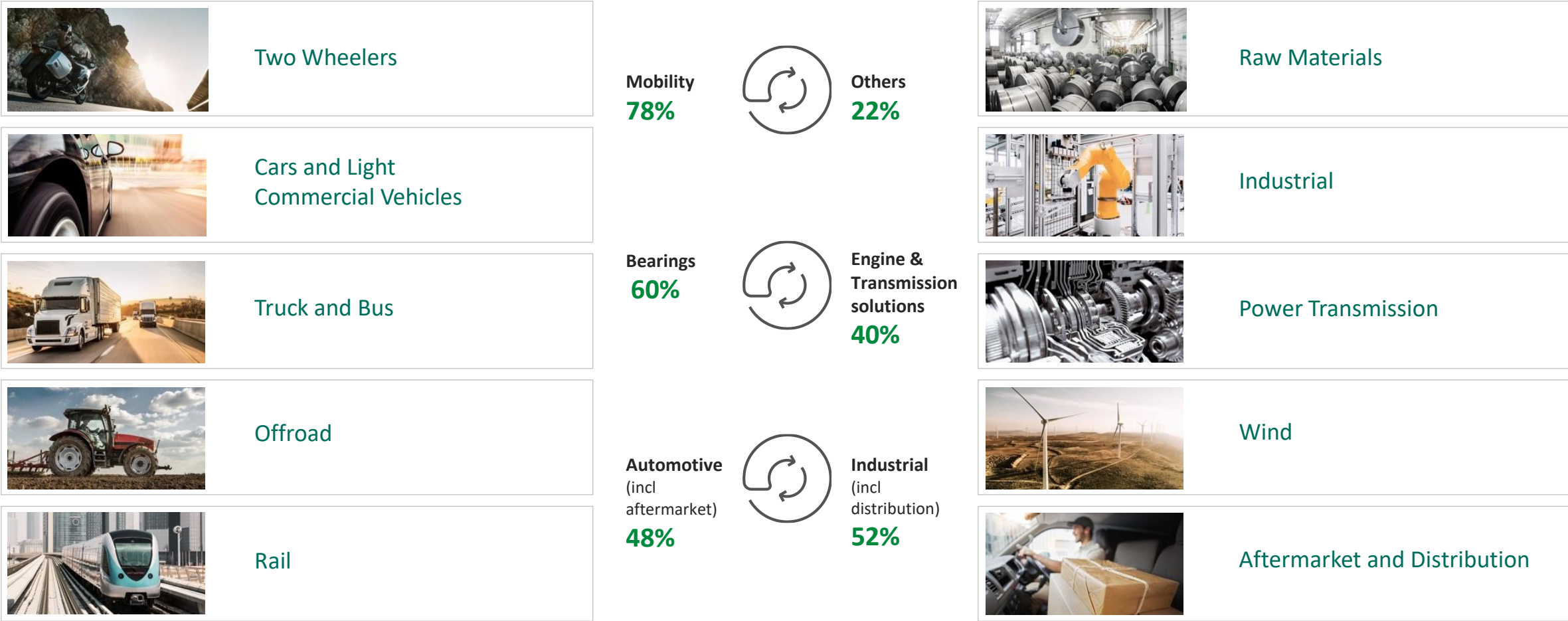


Assembly

Our key strengths



Our sectors | Facilitating motion across



As of 31st December 2021

Automotive Technologies

The Automotive division accounts for 39% share of the total business in CY 2022.

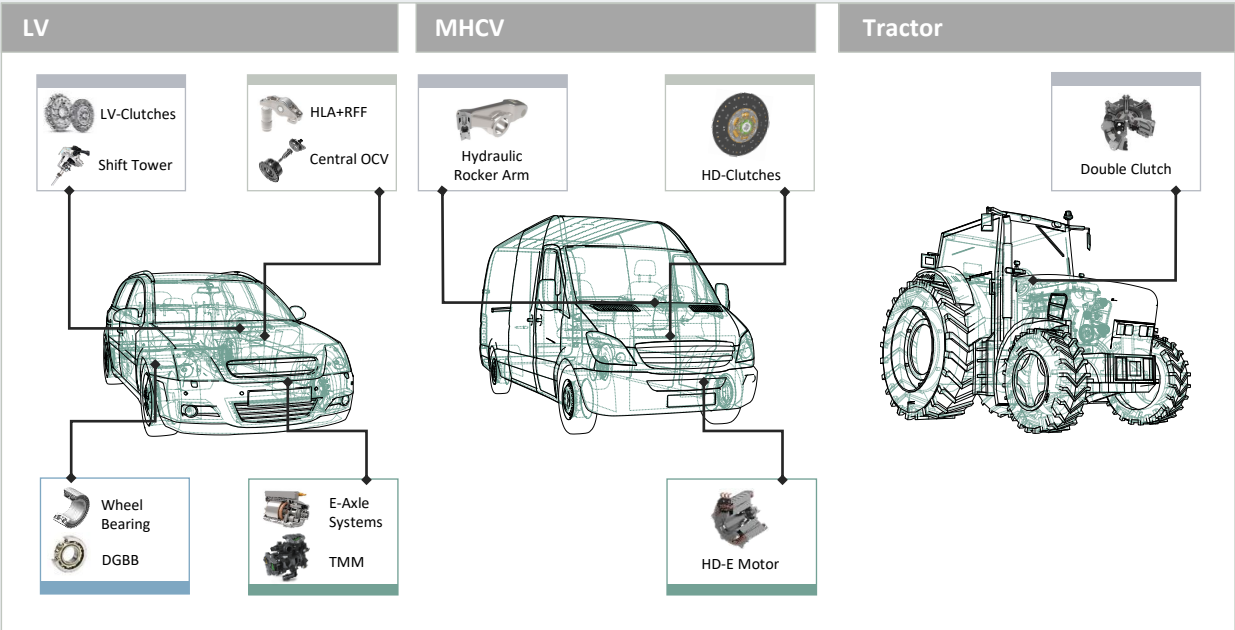
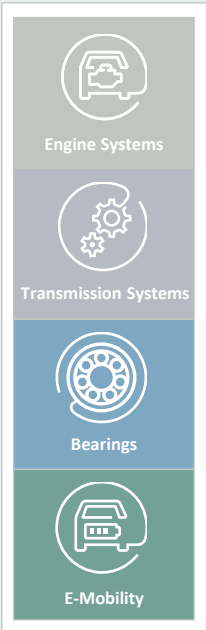
Schaeffler provides innovative solutions on a wide range of technologies for the automotive industry; increasing the content per vehicle.

Enhance Schaeffler’s wallet share with existing relationships and help add new clients across the value chain
























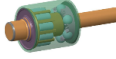












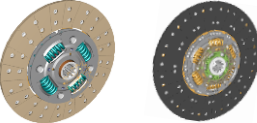








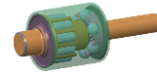

01

02

03



Automotive Technologies Product Portfolio

 LV	<div>Engine Systems</div> <div> HLA+RFF Roller Tappets OAP pulley  Mech tensioner HCP Central OCV</div>	<div>Transmission Systems</div> <div> LV-Clutches DMF Shift Tower CRS +CMC  Input Shaft Linear Bearing CRB Detent Pin Synchro</div>	<div>Bearings</div> <div> Wheel Bearing Strut Bearing DGBB  TRB Needle Bearing Water pump Bearing Cylindrical Roller Bearing</div>	<div>E-Mobility</div> <div> E-Axle Systems E-motor & Components  TMM DCU PEU</div>
 MHCV	<div> Hydraulic Rocker Arm Mechanical Rocker Arm RSEMZ  HD- Clutches</div>	<div> Needle Bearing 1T Unit</div>	<div> HD- EMotor TMM</div>	
 Tractor	<div> Hydraulic Rocker Arm  Double Clutch CRB  Water pump Bearing  HD- EMotor</div>			

Industrial Division

35% of total business in CY2022 with 40000+ applications

01











Product spectrum with bearings support and components, contributing to the quality of industrial applications

02








Enhance Schaeffler’s wallet share with existing relationships and help add new clients across the value chain

03

Products Spectrum

	Angular Contact Ball Bearing		Insulated Coating DGBB2		Tarol2
	CRB WO Outer Ring		SRB Rollers		TRB Full Component
	DGBB OSD		Tapered Roller Bearing		Housing 2.2504
	Insulated Coating DGBB1				





Industrials Product Portfolio

Rolling bearings and Plain bearings



Ball Bearings



Roller Bearings



Other Rolling Bearings



Radial Insert Ball Bearing and Housing Units



Bearing Housing



Plain Bearings

Linear guidance systems



Monorail Guidance System



Track Roller Guidance System



Shaft Guidance System



Miniature Plain Guidance System



Miniature Cage Guidance System



Driven Linear Units



Flat Cage Guidance System



Linear Roller Bearings

Maintenance Products



Mounting and Dismounting



Lubrication



Alignment

Schaeffler Lifetime Solutions



Condition Monitoring



Analytical Systems for Conditional Monitoring



Optime

Automotive Aftermarket Division

9% share
of total business

01

Providing services playing an important role in growing reach and connect with mechanics and other influencer groups

02

Intelligent solutions for all light & heavy commercial vehicles, and tractor clutches

03



Light Commercial Vehicles



Intelligent solution for light commercial vehicles



Passenger Cars



Outstanding competence in systems and services



Tractors



Dependable solutions for tractors.



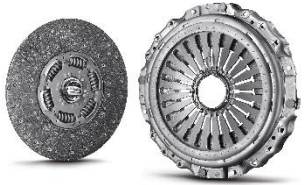
Heavy Commercial Vehicles



Repair solutions for extended service life



Automotive Aftermarket Portfolio



Clutch



FEAD Kit



Bearings



Shock Absorbers



UJ Cross



CJS



Lubricants



Wiper Blades



Oil Immersed Brakes



Powering Puneri Paltan

Continued to maintain our position as 'Power by' sponsor with Puneri Paltan (Pune's team in Pro-Kabaddi League) for the second consecutive year.

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Path to Climate Neutrality

Milestones

Reduce production emissions
by three-quarters **by 2025**

Climate Neutral production
by 2030

Climate Neutral **by 2040**

The base year for all calculations is 2019

Action Fields



Customers
and products



Environment
and energy



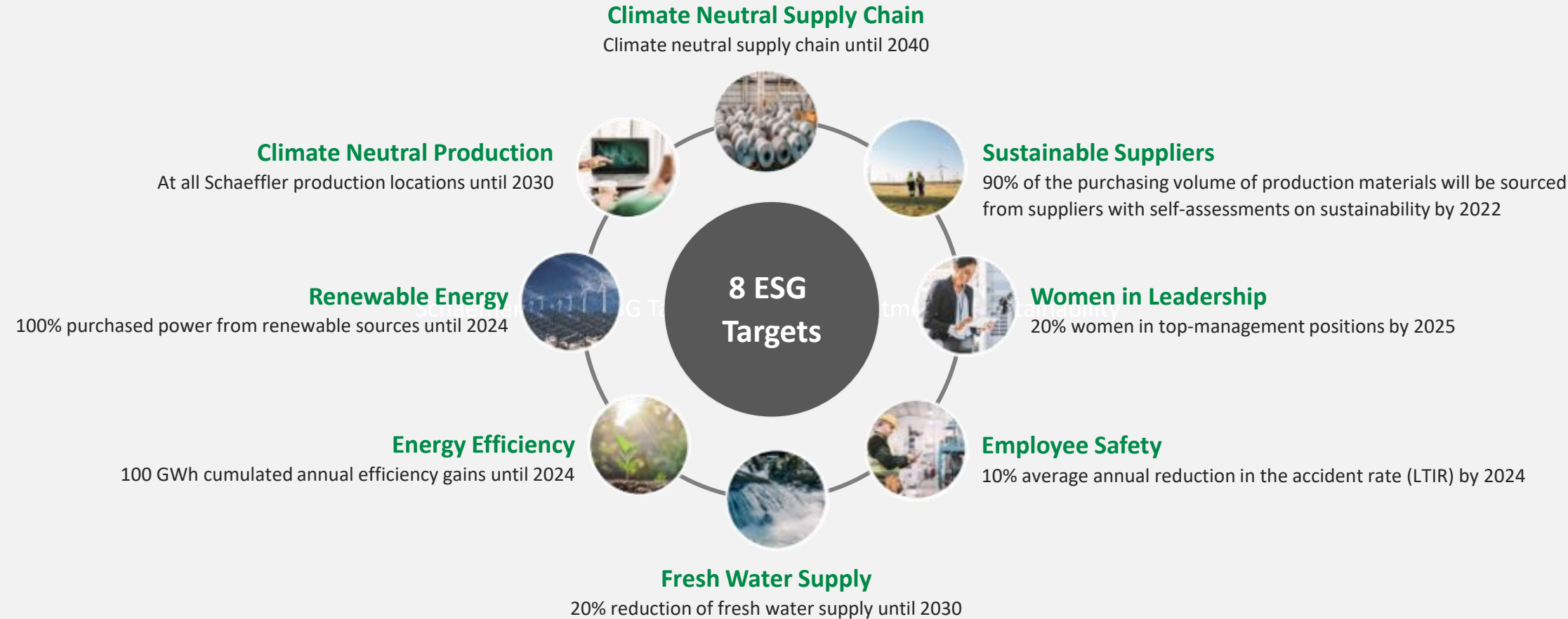
Suppliers
and materials



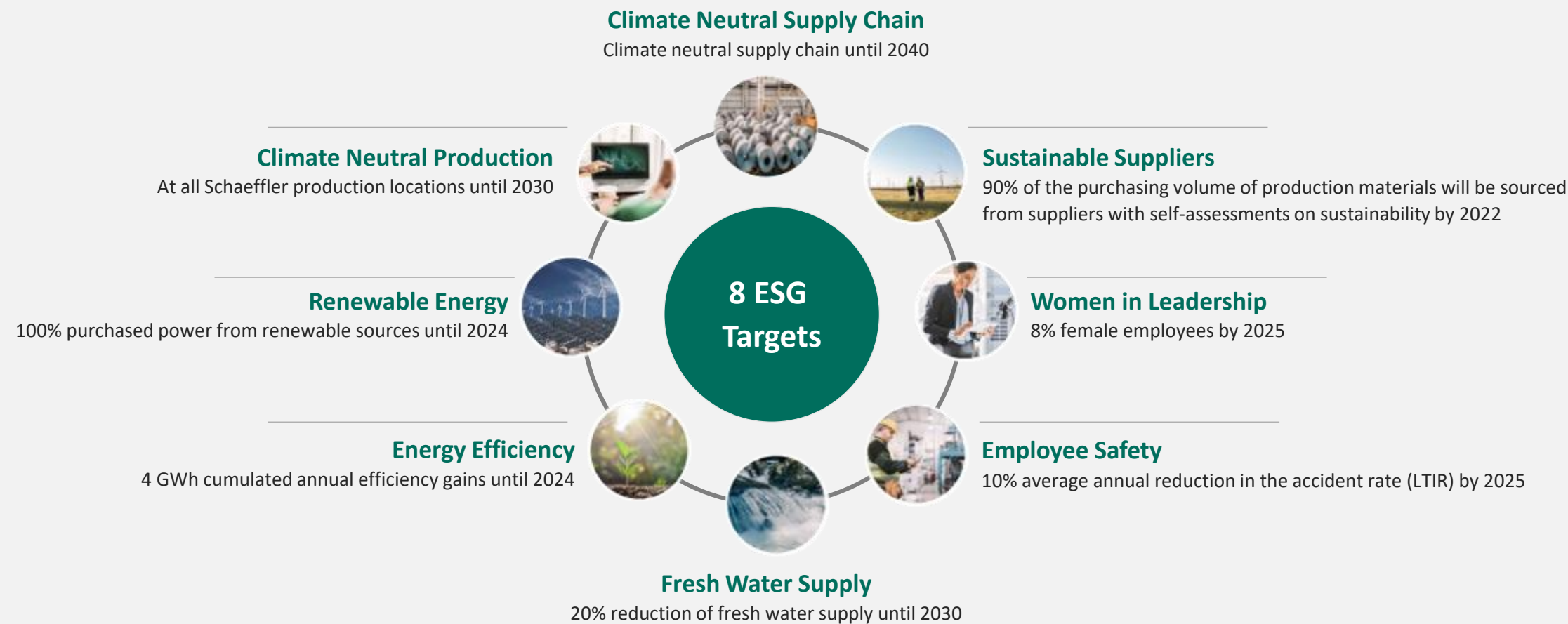
Employees
and society



Schaeffler Group ESG Targets | Clear commitment to sustainability



Schaeffler India ESG Targets | Clear commitment to sustainability



Moving towards environment friendly manufacturing

Environmental Impact

950 tons

of packaging material
optimized or Converted
to Returnable

0.24 MW

Renewable capacity
added during 2021

14%

More RE¹ used
over 2019

13%

More use of RE¹ from
own production/ PPA²
over 2019

3%

Water conserved
over 2019

550 MW

Energy saved through
EEP

1) RE = Renewable Energy. 2) PPA = Power Purchase Agreements

Note : Details for CY 2021



Enabling holistic social development

Social Impact

100%	1.6%	~48%	91,354
Vaccination of Employees	Women in Leadership	Reduction in injury rate	Lives benefitted from CSR



₹ 107.3 Million
CSR Spend

91,354
Lives impacted

1,074
Volunteered by 96 employees across 21 CSR initiatives



H Healthcare	₹ 19.3 Million Spend	80,000 Lives impacted
O Occupational Skill for better employability	₹ 17.7 Million Spend	854 Youth impacted
P Preservation of national heritage, art and culture	₹ 1.3 Million Spend	
E Empowerment of Society	₹ 44.7 Million CSR Spend	10,500 Lives impacted

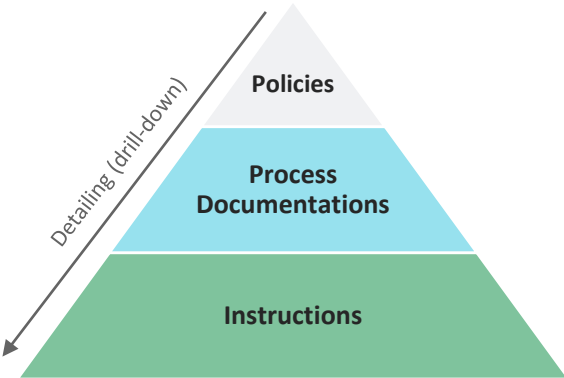
Governance framework driven by integrity and accountability

Governance Framework

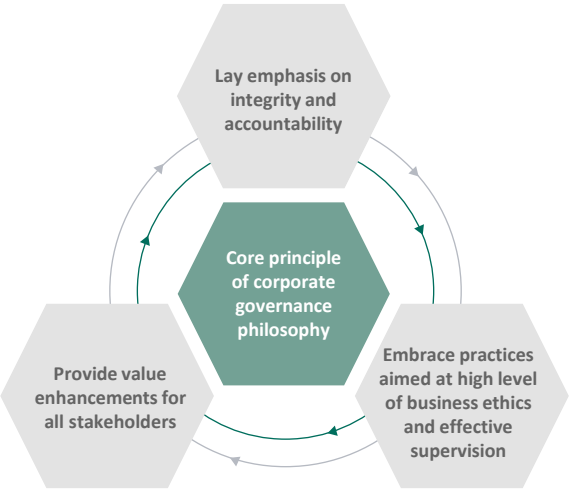
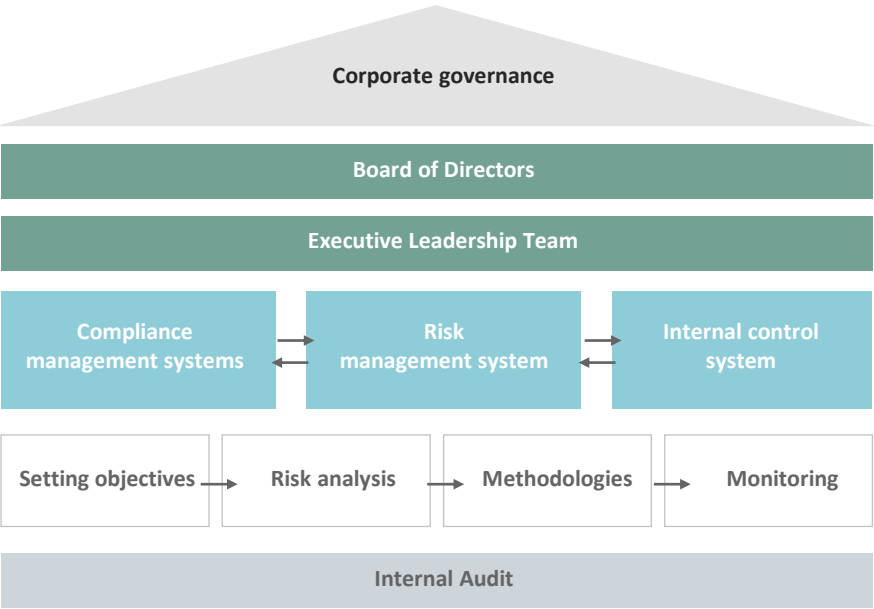
Our Foundation

- Code of Conduct
- Terms of Reference
- Articles of Association
- Strategy and Organization

Management Handbook



Governance Structure



Governance Policies

<https://www.schaeffler.co.in/en/investor-relations/corporate-governance/codes-and-policies/>

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Intact long-term growth story



Plan for alignment to Roadmap 2025



We will continue to stay ahead by demonstrating **agility, innovation and efficiency** in all that we do.

Creating an integrated ecosystem



Best-in-class infrastructure for manufacturing, storing and distributing our products

01

In addition to enhancing utilization and making the requisite capacity expansions from time to time, we also strive to achieve higher efficiencies and become a leaner organization

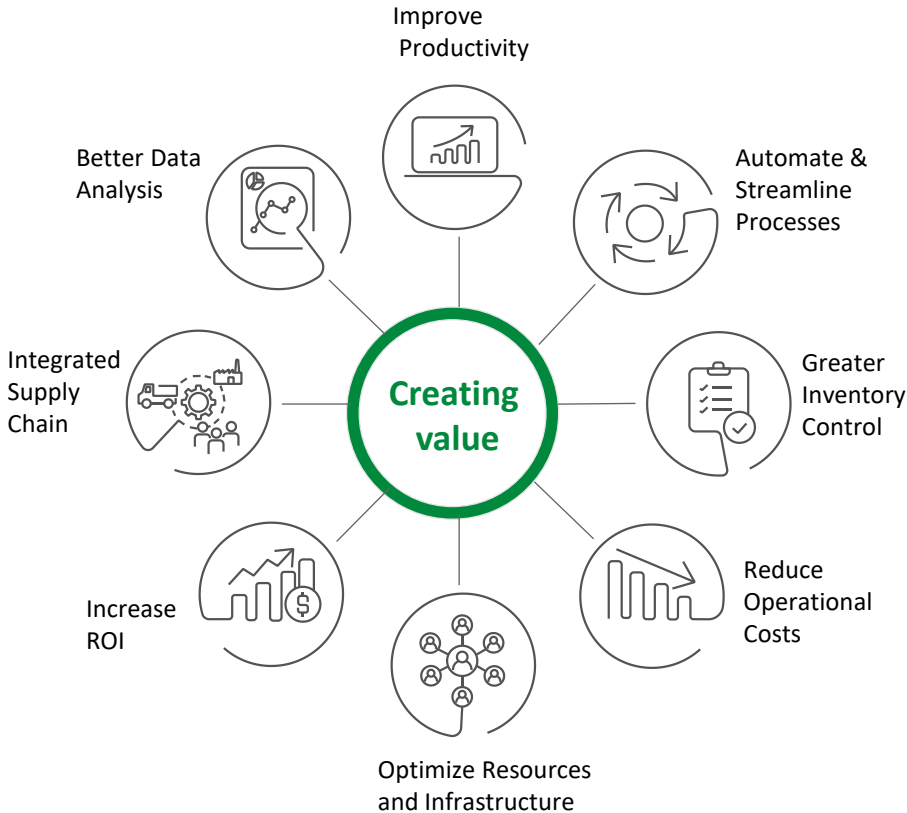
02

Streamlined operations across all our locations to remove duplication and redundancies that came to the fore post the merger

03

Integrated inbound and outbound network via our centralized warehouses

04



Divisional Strategies | Overarching global direction

OUR PURPOSE

We pioneer motion to advance how the world moves



Automotive Technologies

- Engine and Transmission Solutions
- Enhanced bearing technology focus
- E- mobility Solutions R&D focus



Automotive Aftermarket

- Product diversification
- Network expansion and effectiveness
- Core product focus and value add
- Enhanced digital presence



Industrial

- Sectoral Focus
- Network Expansion and Effectiveness
- Product Management & Strategy
- Services Focus & Industry 4.0 solutions

Investing in future

Innovation across all business fields



R&D footprint for conventional as well as new products aimed at “**Closer to customer**”

Exports – Strategic Focus



Capacity expansion and competence development across the value chain aimed at ‘**Enhancing Opportunities**’

Leveraging Global E-Mobility solutions



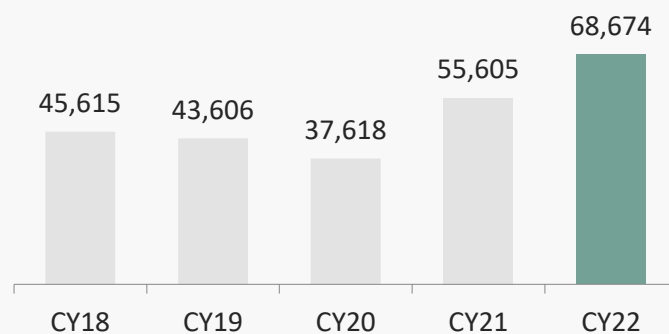
Schaeffler as a “**System Partner**” for sustainable drivetrain solutions

Agenda

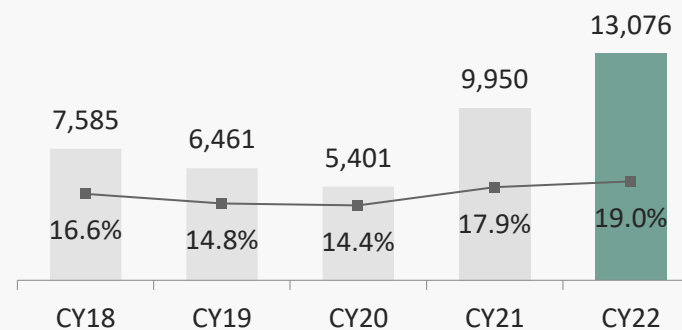
- 1 Schaeffler Group
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Delivering consistent performance

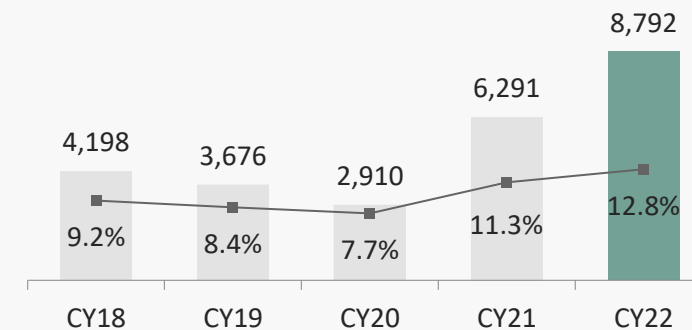
Revenues (INR Mn)



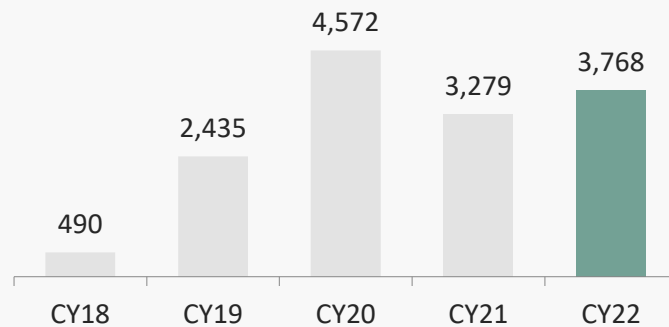
EBITDA & EBITDA Margin (%)



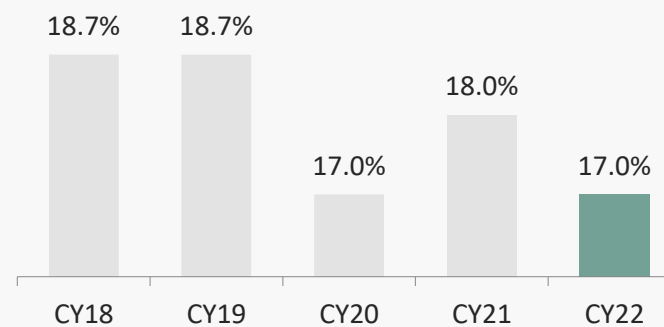
PAT & PAT Margin (%)



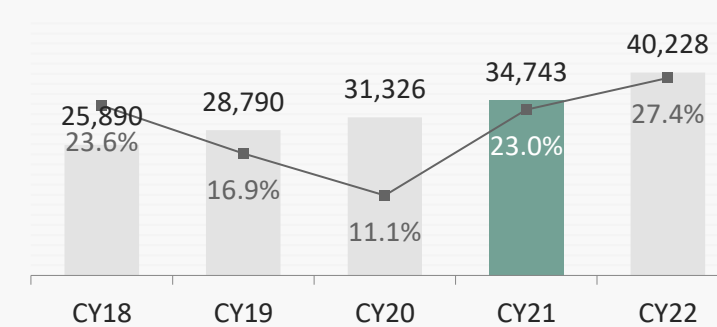
Free Cash Flows (INR Mn)



Working Capital (% to Sales)

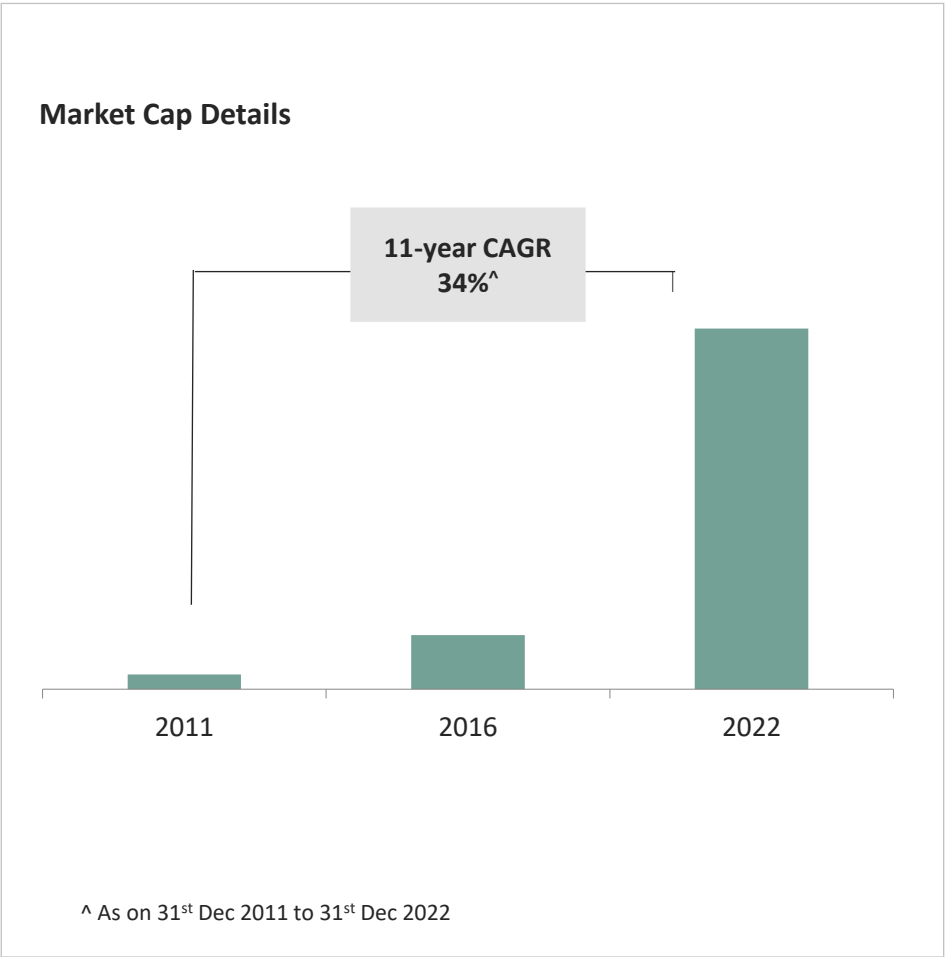


Average Capital Employed & ROCE (%)



*CY17 Numbers are on a proforma basis

Maximizing Shareholder Value



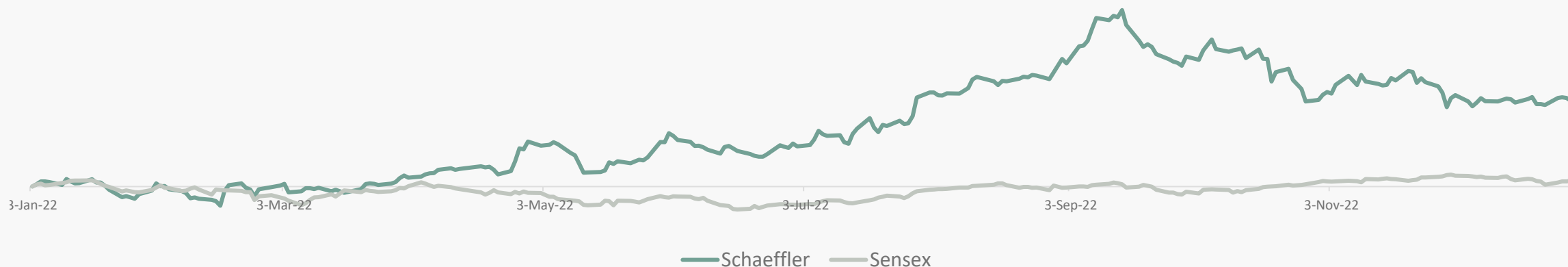
34%
11 yr. CAGR - MCap

3,751 mn
Dividend Payout

43%
Dividend Payout Ratio

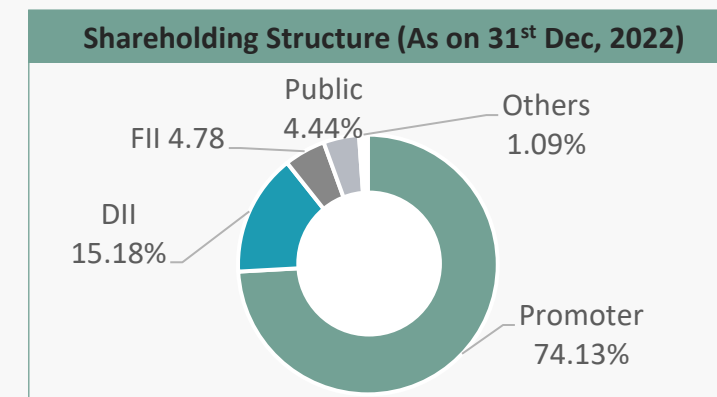
Note: Dividend per share for previous years restated considering face value of INR 2 per equity share for comparable presentation. CY2022 dividend is subject to approval of shareholders

Capital Market Data

1 year stock return (as on 31st Dec, 2022)

Price Data (As on 31 st Dec 2022)	
Face value (INR)	02
Market Price (INR)	2,744.5
52 Week H/L (INR)	3,968.8/ 1,660
Market Cap (INR Mn)	4,28,965.4
Equity Shares Outstanding (Mn)	156.3
1 Year Avg. trading volume ('000)	17.23

Top 5 Shareholders	(% holding)
Kotak Mutual Funds	3.80
SBI Mutual Funds	2.15
UTI Mutual Funds	1.93
Sundaram Mutual Fund	1.01
Vanguard Fund	0.96



Income Statement

Particulars (INR Mn)	CY20	CY21	CY22
Revenue from Operations	37,618	55,605	68,674
Other Income	40	235	133
Expenses	32,257	45,890	55,731
EBITDA	5,401	9,950	13,076
EBITDA Margin (%)	14.4%	17.9%	19.0%
Interest Income	563	489	644
Finance cost	52	37	36
Depreciation and amortization expenses	1,940	1,971	2,065
Exceptional Items	-	-	150
Profit before tax	3,972	8,431	11,770
Tax expense	1,062	2,140	2,978
PAT	2,910	6,291	8,792
PAT Margin (%)	7.7%	11.3%	12.8%
Basic and Diluted EPS (INR)	18.6	40.3	56.3

Note : EPS prior to year 2022 is restated at [Nominal value of share Rs.2 each]

Balance Sheet

Assets (INR Mn)	CY20	CY21	CY22
Non-current Assets			
Property, plant & equipment	9,259	9,960	10,191
Right of use assets	798	725	1,031
Capital work-in-progress	1,604	892	2,493
Other tangible assets	2	12	6
Financial assets		1,252	1,168
Loans	96		
Other financial assets	764		
Deferred tax assets	363	400	384
Non-current tax assets	1,003	913	962
Other non-current assets	481	650	1,124
Total Non-current Assets	14,370	14,805	17,359
Current Assets			
Inventories	7,136	10,865	12,434
Financial assets			
Trade receivables	6,917	8,463	10,324
Cash and cash equivalents	2,108	2,070	1,660
Bank balances other than above	10,351	12,087	13,885
Other financial assets	174	162	309
Other current assets	408	512	948
Total Current Assets	27,144	34,158	39,560
Assets held for sale			349
Total Assets	41,514	48,963	57,267

Equity and Liabilities (INR Mn)	CY20	CY21	CY22
Equity			
Equity share capital	313	313	313
Other equity	31090	36,224	42,546
Total Equity	31,403	36,537	42,859
Liabilities			
Non-current Liabilities			
Financial Liabilities			
Lease liabilities	566	519	474
Other financial liabilities	23	23	20
Provisions	403	12	12
Total Non-current liabilities	992	554	506
Current Liabilities			
Financial Liabilities			
Lease liabilities	85	88	100
Trade Payables			
Total outstanding dues of micro enterprises and small enterprises	50	1,342	1,599
Total outstanding dues of creditors other than micro enterprises and small enterprises	7,636	8,303	9,518
Other financial liabilities	980	956	1,345
Other current liabilities	99	313	632
Provisions	256	666	627
Current tax liabilities	13	204	81
Total Current Liabilities	9,119	11,872	13,903
Total Liabilities	10,111	12,426	14,408
Total Equity and Liabilities	41,514	48,963	57,267

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Completes 60 years of its presence in India¹

¹ Incorporation date 27th April 1962

Thank you!

For more information Contact:

investorsupport@schaeffler.com