



CEAT LIMITED
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CIN: L25100MH1958PLC011041

October 16, 2023

BSE Limited

Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai 400 001

Security Code: 500878

National Stock Exchange of India Limited

Exchange Plaza,
Bandra Kurla Complex, Bandra (East),
Mumbai 400 051

Symbol: CEATLTD

NCD Symbol: CL25, CL26

**CP Listed ISIN: INE482A14BT3, INE482A14BU1
INE482A14BV9, INE482A14BW7**

Dear Sir/Madam,

Sub: Results Earnings Call Q2 FY24 – Investors Presentation

In continuation of our letters dated October 7, 2023, pursuant to Regulation 30 the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith Investors Presentation for the Results Earnings Call for the quarter and half year ended September 30, 2023 scheduled on Tuesday, October 17, 2023 at 4:00 p.m. IST, dial-in details of which are reproduced below for ready reference:

Dial-in Details:

Indian (Universal) and Mumbai	+91 22 62801384, +91 22 71158285
Location	Dial In Number
USA	+1 3233868721
UK	+44 2034785524
Singapore	+65 31575746
Hong Kong	+852 30186877

We request you to kindly take the same on record and disseminate appropriately.

Thanking you,

Yours faithfully,
For **CEAT Limited**

Vallari Gupte
Company Secretary & Compliance Officer

Encl: as above



1st Tyre company to win the Deming Grand Prize

Q2 FY24 | Investor Presentation | 16th October 2023

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Section 1: RPG Group and CEAT Overview

RPG Group: Powered by Passion, Driven by Ethics

UNLEASHTALENT
TOUCLIVES
OUTPERFORM
AND😊

RPG Enterprises was founded in 1979. The group currently operates various businesses in Infrastructure, Technology, Life Sciences, Plantations and Tyre industries . The group has business history dating back to 1820 in banking, textiles, jute and tea. The Group grew in size and strength with several acquisitions in the 1980s and 1990s. CEAT became a part of the RPG Group in 1982, which is now one of India's fastest growing conglomerates with 30,000+ employees, presence in 110+ countries and annual gross revenues of ~USD 4.4 Bn



EPC major in infrastructure segments like T&D, Railways, Civil, Oil & Gas



One of India's leading tyre manufacturers



Global technology consulting and IT services company



Integrated pharma company in formulations and synthetic APIs



Technology solutions company catering to energy and infrastructure



One of India's largest plantation companies producing tea, rubber, etc.

CEAT Overview

55,000+ touchpoints

Highest

brand **connect** with “grip”
and “safety”



1st Deming Grand prize winner
and
1st Lighthouse recognised facility
in **tyre industry globally**

140+

Patent filings

Rs. 11,315 cr

revenue (FY23)

8.7%

EBITDA (FY23)



50+
OEM relationships

0.6x

debt to equity

AA

credit rating

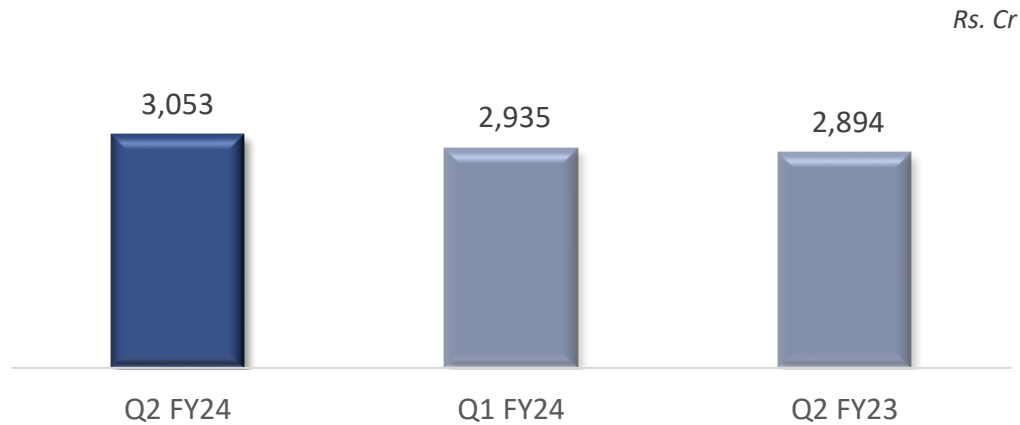
8,000+

Permanent employees

Section 2: Q2 FY24 Performance

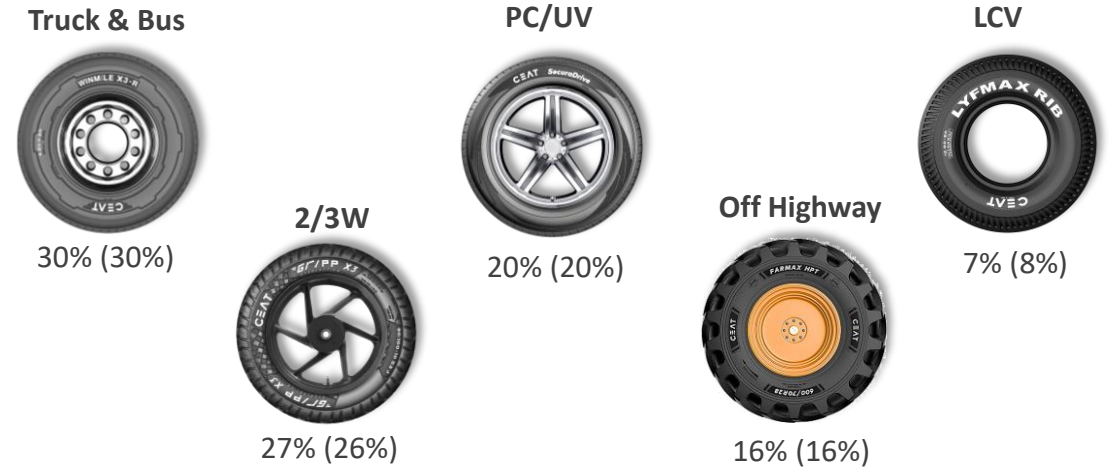
Consolidated Financial Performance (1/2)

Revenue Rs. 3,053 Cr, +4.0% QoQ, +5.5% YoY

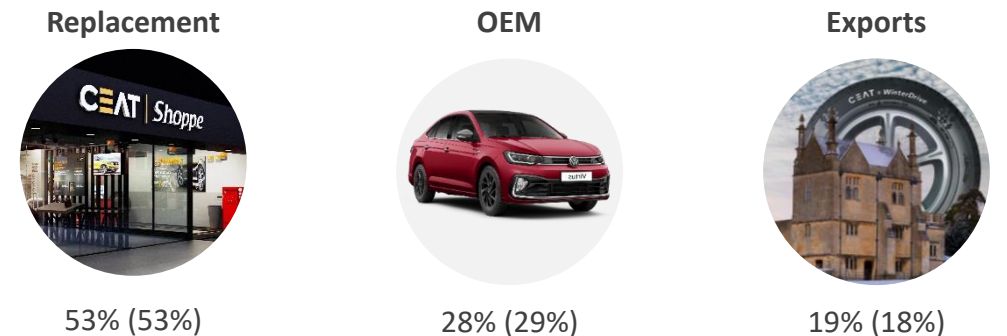


- Healthy QoQ volume growth driven by strong OEM demand for festive inventory
- Replacement and export volumes stable despite adverse seasonality
- On YoY basis, OEM continue healthy run, while exports remain on recovery path. Steady growth in replacement
- Realizations similar QoQ. Price adjustments due to indexation in OEM vis-à-vis last year

Diversified Product Mix ¹

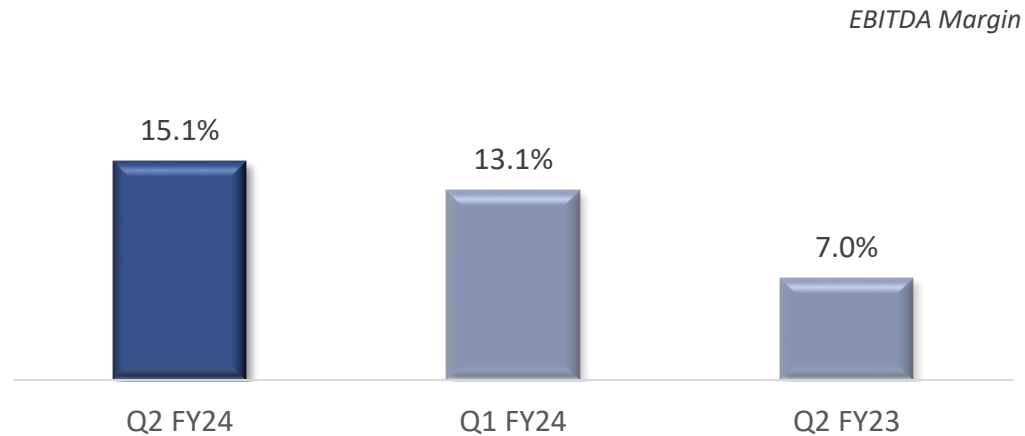


Balanced Market Mix ¹



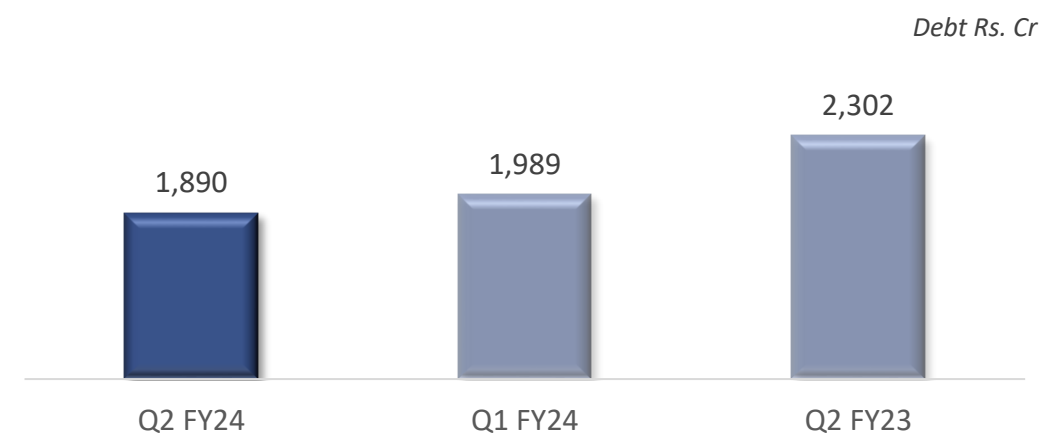
Consolidated Financial Performance (2/2)

EBITDA margin 15.1%, +202 bps QoQ, +808 bps YoY



- Reduction in RM basket cost and favourable product mix resulted in gross margin expansion by 227 bps QoQ
- Increase in employee cost driven by annual increment cycle
- YoY margin improvement led by RM cost reduction and mix

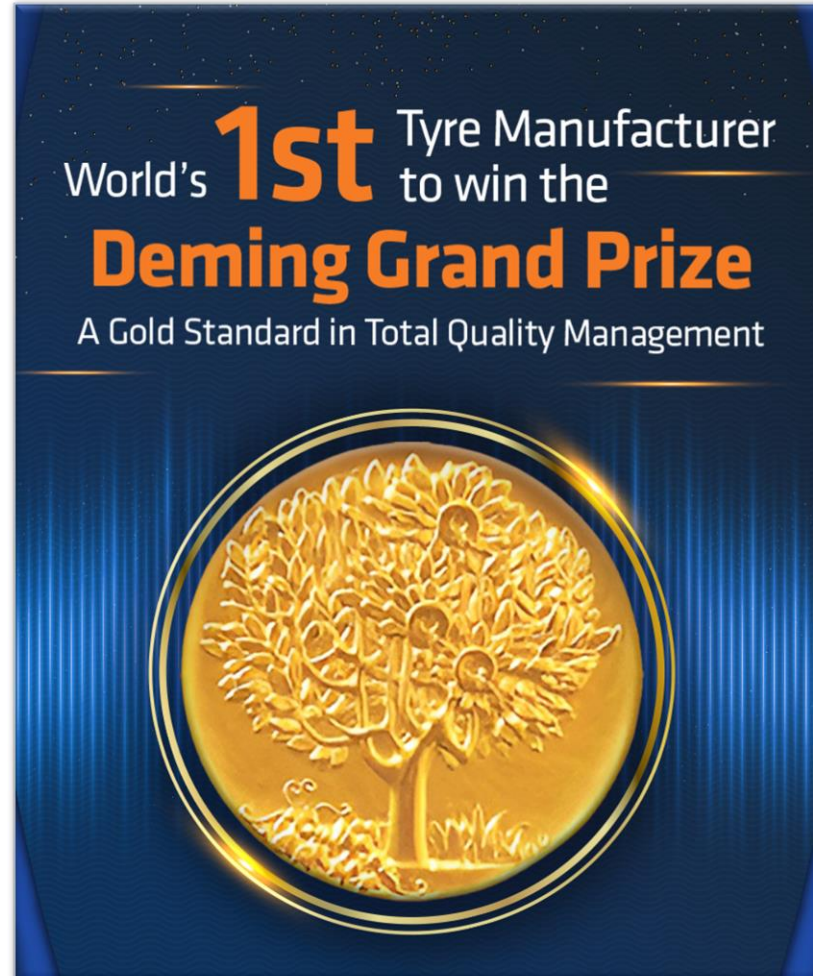
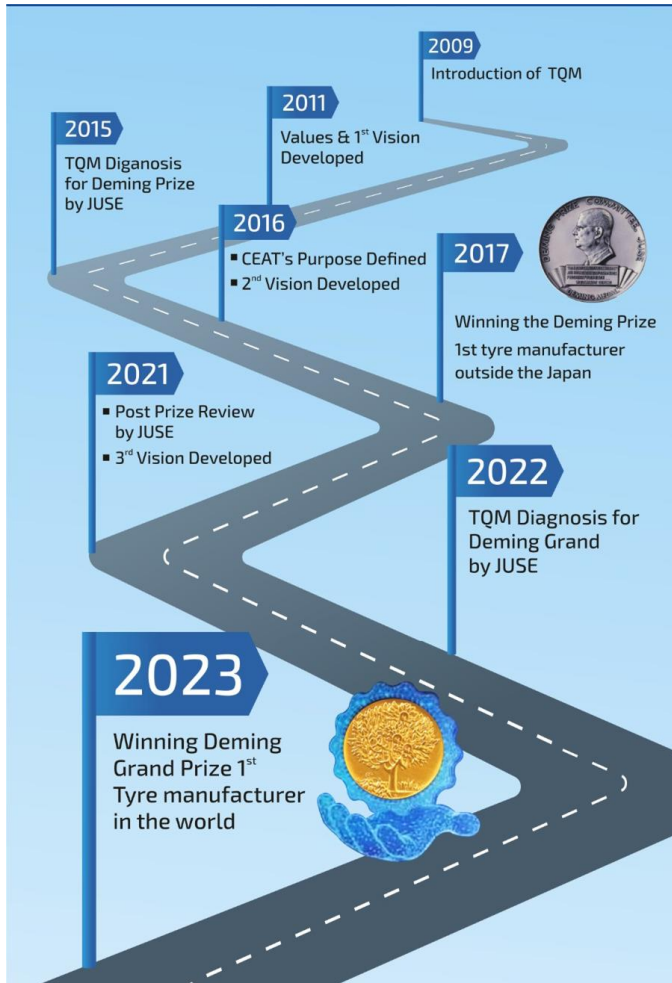
Debt Rs. 1,890 Cr, D/E 0.5x, Debt/EBITDA 1.3x



- Capex for the quarter was Rs. ~170 Cr
- Working capital remained at similar levels as Q1 FY24
- Healthy cash generation led to a further debt reduction of ~Rs. 100 Cr sequentially
- Leverage ratios improved QoQ as well as YoY

Operational Highlights (1/2)

CEAT Wins Deming Grand Prize



Operational Highlights (2/2)

Sponsor and Tyre Partner of Wander Beyond Boundaries, Road to Siberia



Shafali Verma becomes brand ambassador



25th Edition of CEAT Cricket Rating Awards



Consolidated: Summary P&L

All figures in Rs. Cr

Parameter	Q2 FY24	Q1 FY24	Q2 FY23	QoQ	YoY	H1 FY24	H1 FY23	YoY
Net Revenue from operations	3,053.3	2,935.2	2,894.5	4.0%	5.5%	5,988.5	5,712.9	4.8%
Raw Material	1,729.8	1,729.6	1,953.3	0.0%	-11.4%	3,459.3	3,878.3	-10.8%
Gross margin	1,323.6	1,205.6	941.2	9.8%	40.6%	2,529.2	1,834.6	37.9%
Gross margin %	43.3%	41.1%	32.5%	227 bps	1,083 bps	42.2%	32.1%	1,012 bps
Employee Cost	217.7	195.5	166.9	11.3%	30.5%	413.2	339.6	21.7%
Other Expenses	649.8	623.0	571.2	4.3%	13.8%	1,272.7	1,126.6	13.0%
EBITDA	461.8	384.7	203.8	20.0%	126.6%	846.4	375.1	125.6%
EBITDA %	15.1%	13.1%	7.0%	202 bps	808 bps	14.1%	6.6%	757 bps
Finance Cost	71.7	70.1	57.7	2.3%	24.3%	141.9	109.9	29.1%
Depreciation	124.5	120.9	115.1	2.9%	8.1%	245.4	226.5	8.3%
Operating PBT	265.5	193.6	30.9	37.1%	758.2%	459.2	38.7	1085.3%
Exceptional expense	0.0	0.0	23.7	NM	NM	0.0	24.4	NM
Non-Operating income	10.5	3.3	9.8	222.2%	7.2%	13.7	12.5	9.5%
PBT	276.0	196.9	17.0	40.2%	1522.6%	472.9	26.9	1660.6%
PAT	207.7	144.0	6.4	44.2%	3125.5%	351.7	15.1	2226.3%

Notes

Figures are as per IND AS

Company's investment in Sri Lanka JV is accounted using Equity method under IND AS which was earlier consolidated using proportionate consolidation method

Gross margin includes impact of non-material cost movement of inventory (FG + SFG)

EBITDA includes profit from Sri Lanka JV

EBITDA does not include Non-operating income

Standalone: Summary P&L

All figures in Rs. Cr

Parameter	Q2 FY24	Q1 FY24	Q2 FY23	QoQ	YoY	H1 FY24	H1 FY23	YoY
Net Revenue from operations	3,043.2	2,921.2	2,886.4	4.2%	5.4%	5,964.4	5,689.5	4.8%
Raw Material	1,724.8	1,721.6	1,951.1	0.2%	-11.6%	3,446.4	3,867.6	-10.9%
Gross margin	1,318.4	1,199.6	935.3	9.9%	41.0%	2,518.0	1,821.8	38.2%
Gross margin %	43.3%	41.1%	32.4%	226 bps	1,092 bps	42.2%	32.0%	1,020 bps
Employee Cost	215.5	193.4	163.8	11.4%	31.5%	408.8	333.4	22.6%
Other Expenses	645.6	619.7	565.6	4.2%	14.1%	1,265.3	1,118.4	13.1%
EBITDA	457.4	386.5	205.9	18.4%	122.2%	843.8	370.1	128.0%
EBITDA %	15.0%	13.2%	7.1%	180 bps	790 bps	14.1%	6.5%	764 bps
Finance Cost	71.0	69.5	56.8	2.2%	25.1%	140.5	108.2	29.8%
Depreciation	124.5	120.9	115.1	2.9%	8.1%	245.4	226.5	8.3%
Operating PBT	261.9	196.1	34.0	33.6%	671.0%	458.0	35.4	1193.4%
Exceptional expense	0.0	0.0	23.7	NM	NM	0.0	24.4	NM
Non-Operating income	3.7	16.2	30.7	-77.1%	-88.0%	19.9	33.5	-40.7%
PBT	265.6	212.2	41.0	25.2%	547.7%	477.9	44.5	973.8%
PAT	199.1	159.4	29.9	24.9%	565.8%	358.6	32.5	1004.7%

Notes

Financials are as per IND AS

Gross margin includes impact of non-material cost movement of inventory (FG + SFG)

EBITDA does not include Non-operating income

Section 3: ESG Highlights

ESG Highlights

Sustainability Vision: Reduce carbon footprint by 50% by 2030



~16% reduction in overall tCO2e per MT of production ¹



~36% plant power through renewable sources ²



~8% reduction in water consumption per MT of production ³



~25% natural rubber sourced via alternate transport (lower footprint) ⁴



Upto 10% reduction in rolling resistance in select SKUs ³

Key Social Initiatives



500+ farmers trained in organic and regenerative cultivation ²

Prepared and distributed 29,000+ seed balls for tree plantation ²



5,500+ teachers impacted through teachers' training programmes ²



~3.6 lac availed services via rural health clinics ²

1. Scope 1, 2 and select scope 3 reduction H1 FY24 v/s H1 FY23. Also contributed by revision in thermal emission factor
2. As on end of Q2 FY24

3. H1 FY24 v/s H1 FY23
4. For H1FY24

THANK YOU