



ENDURANCE



Endurance Technologies Limited

January-2021

Cautionary Statement

The presentation may contain, without limitation, certain statements that could be considered forward-looking. Such forward-looking statements do not guarantee future performance; and may involve risks and uncertainties that could cause actual performance or results to be materially different from those anticipated in these forward-looking statements. The Company is under no obligation to update any forward-looking statements contained herein, should material facts change due to new information, future events or otherwise.

For historical financial numbers, readers are advised to refer to the financial statements approved by the Board of Directors of the Company, as appearing in the Annual Reports and quarterly Stock Exchange filings. The financial numbers in this presentation are from financial statements prepared and reported under Indian GAAP (I GAAP till 2015-16 and Ind AS thereafter). Financial ratios have been calculated based on customary definitions.

Company Snapshot



Experience in the two-wheeler, three-wheeler and four-wheeler Automotive Components Industry

1. **1985** - Commenced high-pressure die-casting operations in Aurangabad ⁽¹⁾
2. **Largest Aluminium die-casting** company in India ⁽²⁾



Multi-solution Provider with a Diverse Product Portfolio

1. **Four Product categories** - Aluminum Casting and Machining, Suspension, Transmission, Braking Systems. Tier I supplier to 2W, 3W and 4W OEMs.



Strategically Located Facilities with Close Proximity to Original Equipment Manufacturers (OEMs)

- 26** facilities in **multiple** Locations across India & Europe
1 upcoming facility in India at Chennai (Tamil Nadu)



End-to-end Service Provider to Customers

Capabilities across Design, Development, Testing, Validation,, Manufacturing, Delivery, and aftermarket sale for a wide range of technology-intensive auto component products



Strong R&D Capabilities

1. **16** Patents and **8** design registrations received, **66** Patent applications and **5** design applications, **4** DSIR⁽³⁾ approved R&D facilities **2** Tech Centers in Italy 29 acre proving ground in Aurangabad
2. **232** R&D personnel globally



Profitability with Scale, Improved Return on Capital Employed and Deleveraged Balance Sheet

1. **Track record of consistent outperformance to broader industry growth with standalone revenue growing at a CAGR of 7.52% as against India two wheeler production growing at a CAGR of 3.95% over FY 2012-20**
2. Financial highlights: **FY20** – Revenue **INR 69,653mn** ; FY20 Average ROCE :**21.7%**;FY20 Average Return on Equity: **20.3%**; Net Debt/Equity:-**0.01X**



Stock performance (amount per equity share of Rs. 10 each)

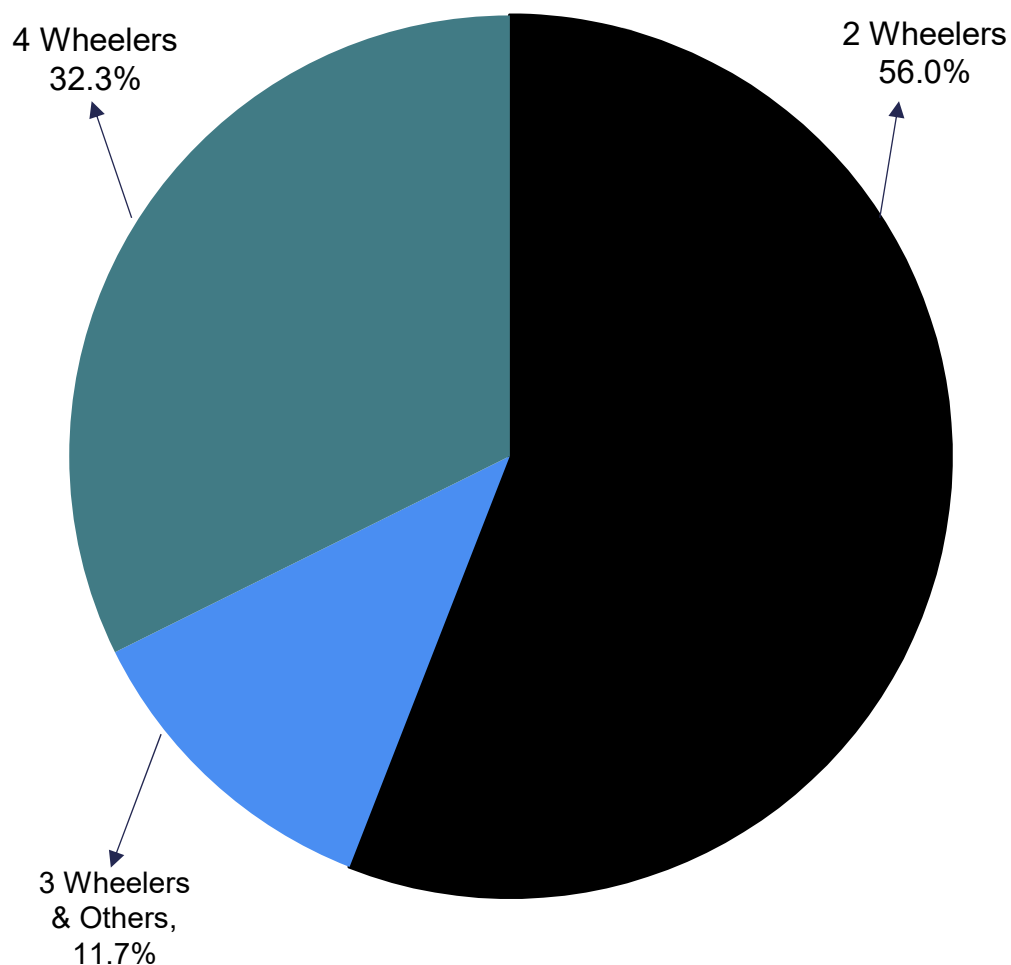
IPO Offer price: Rs. 472; Listing day closing price: Rs. 648;
OFS in Mar-19 :Floor Price Rs. 1100. OFS subscribed 2.7 Times
Closing price on 6th January 2021 : Rs. 1440 (205% over IPO Offer price)

Notes: 1. Refers to Anurag Engineering, which merged with Endurance Technologies in August 2006. 2. In terms of actual output and installed capacity in FY2017 (Source: Aluminium Casters' Association of India). 3. DSIR: Government of India - Department of Scientific and Industrial Research. 4. ROACE = Return on Average Capital Employed = EBIT/Average Capital Employed. Average Capital Employed calculated as Average of Shareholders Equity and Total Debt; Return on Equity = PAT/Average Shareholders Equity; Net Debt to Equity = Net Debt / Total Shareholder's Funds..

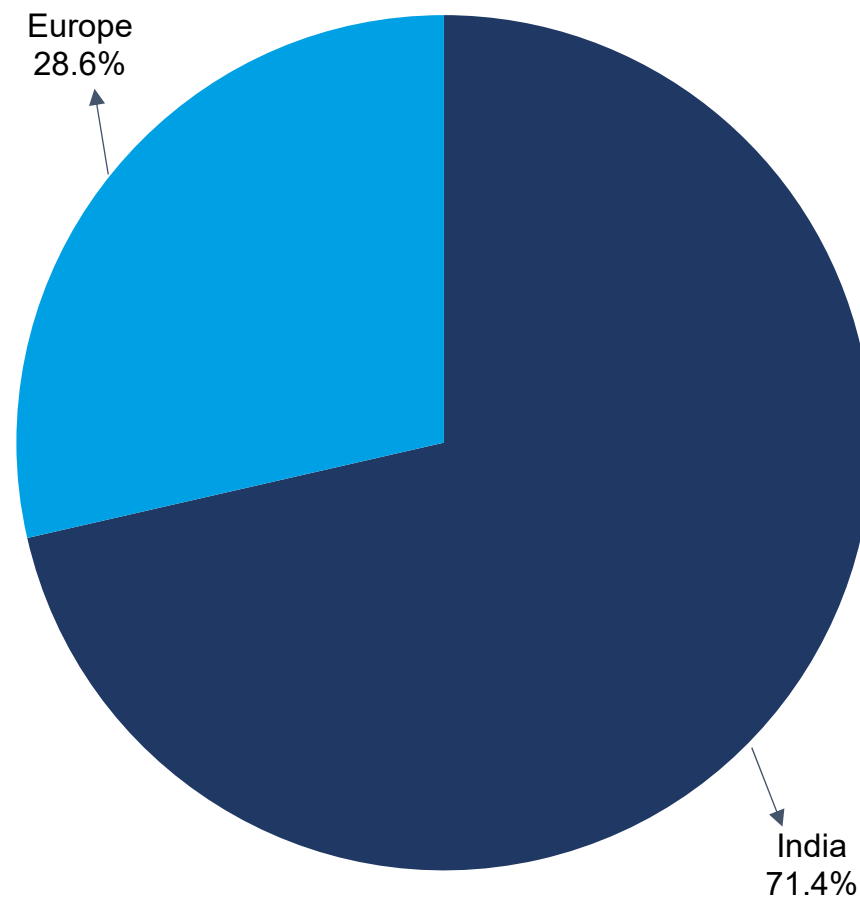
Revenues Profile⁽¹⁾ across Vehicle Type, Product Type and Entity

FY 2020

Revenue by Vehicle Type

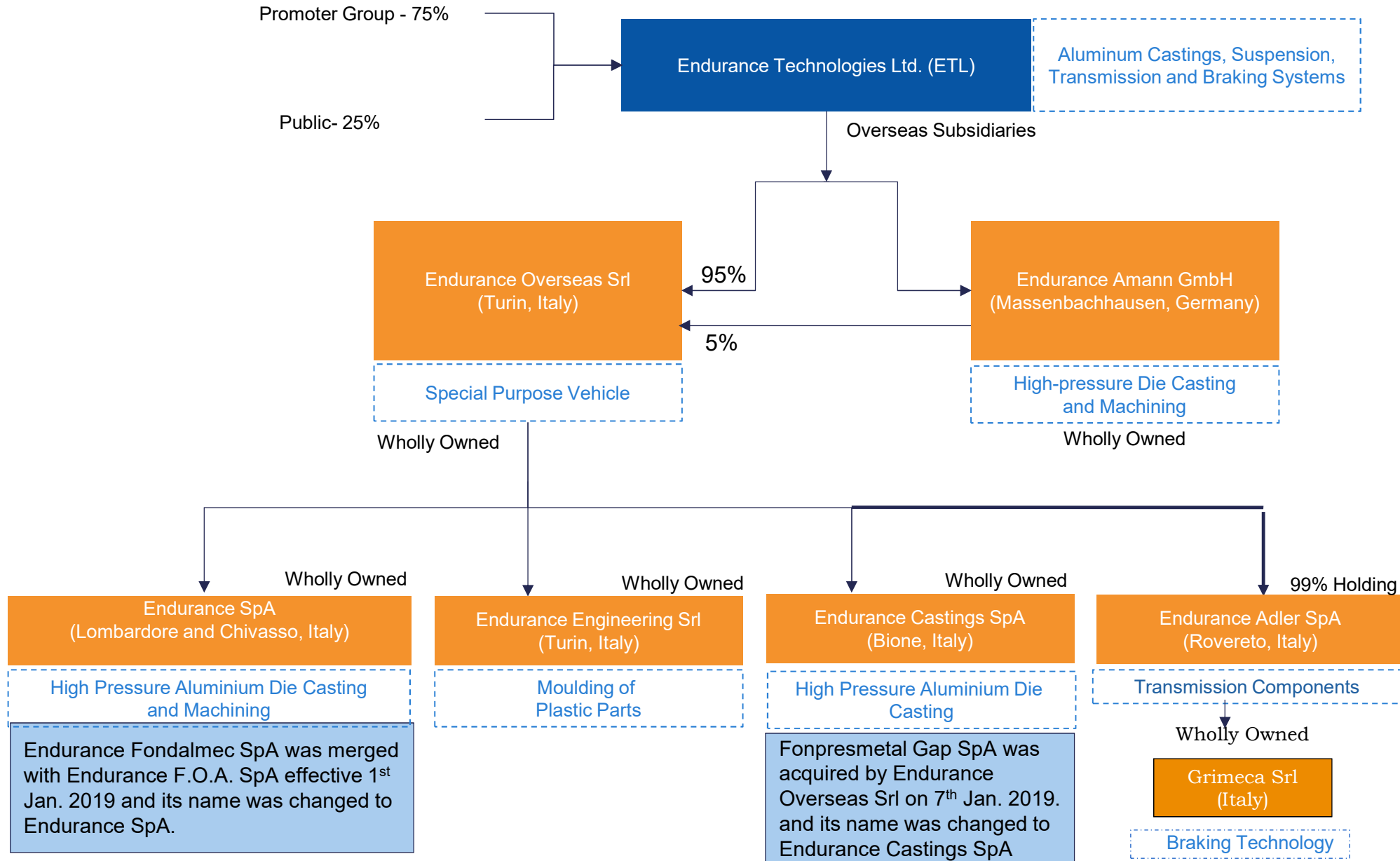


Revenue by Entity



Note: 1. Based on consolidated financials.

Corporate Structure

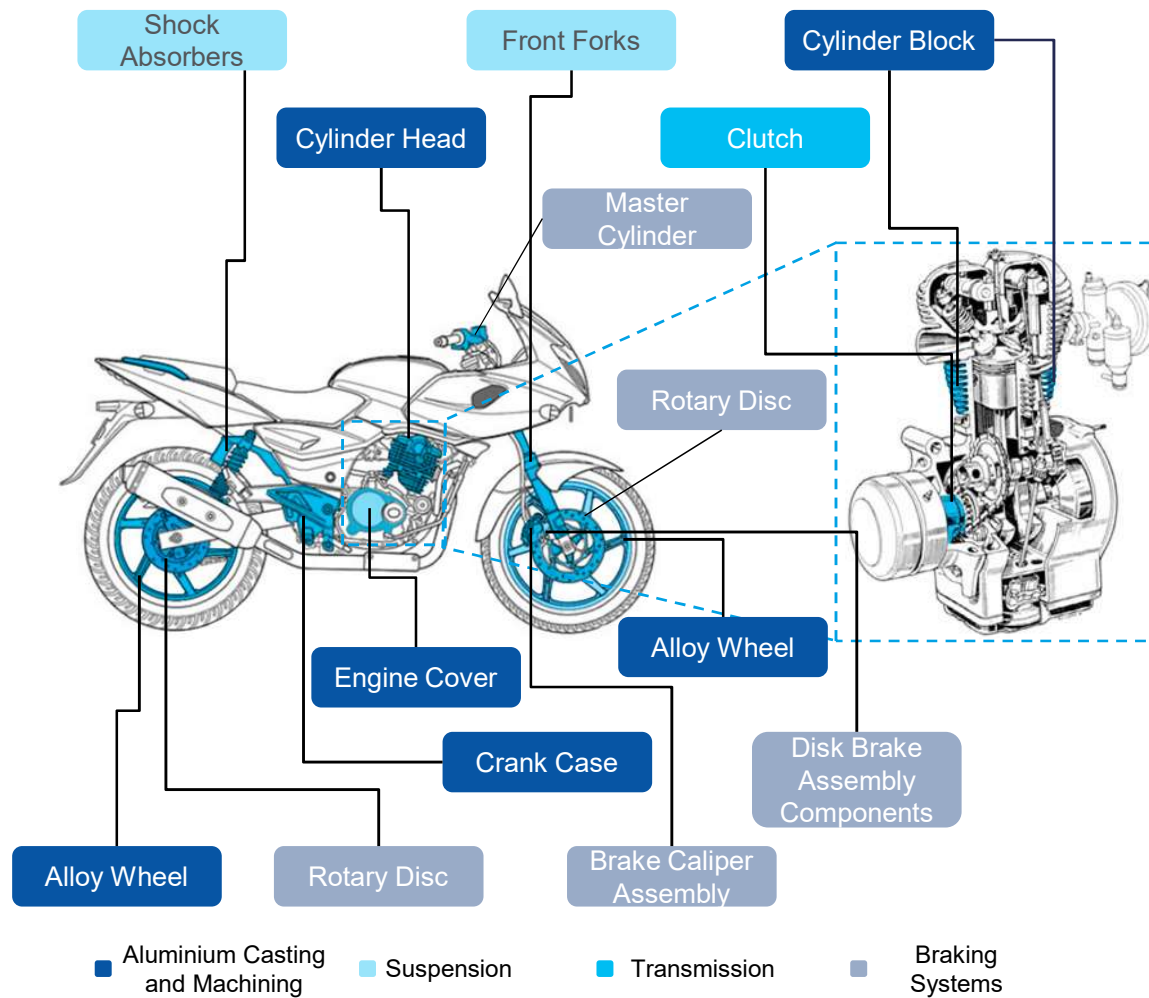


1. Effective 15th April, 2020, Endurance Overseas Srl, Italy acquired 99% stake in Adler SpA and name of the acquired entity is changed to **Endurance Adler SpA**.
2. Effective 21st May, 2020, Endurance Adler SpA acquired 100% stake in Grimeca Srl, Italy.
3. Adler RE Srl and VS San Marino Srl are additional subsidiaries of Endurance Adler SpA.

India: Tier 1 Supplier of Diverse Product Offerings to OEMs

Endurance supplies a diverse range of technology-intensive products to 2W / 3W / 4W OEMs

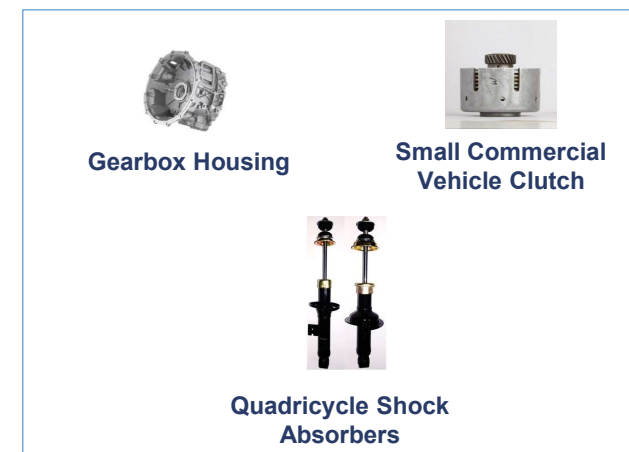
Two Wheelers



Three Wheelers

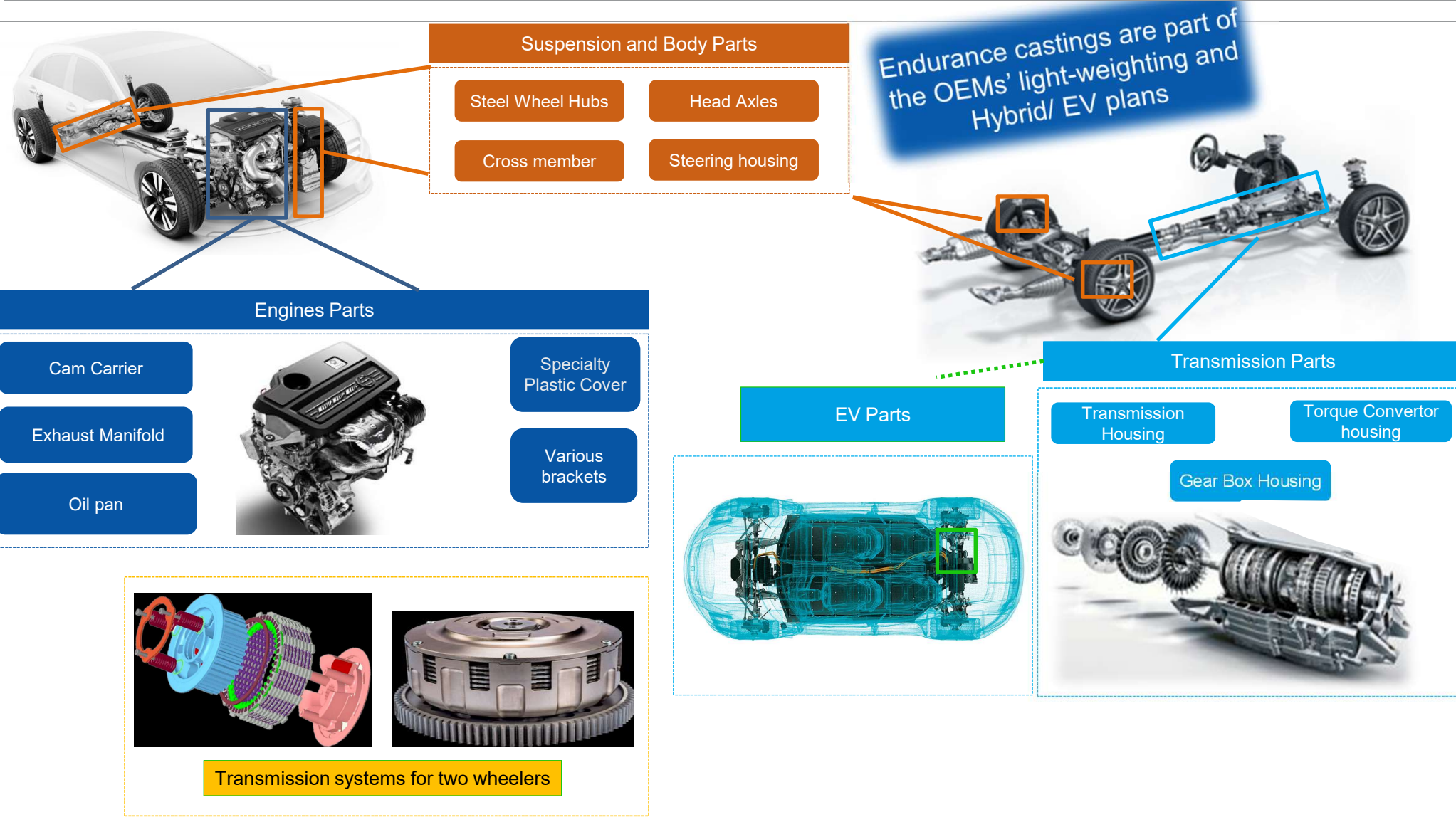


Four Wheelers



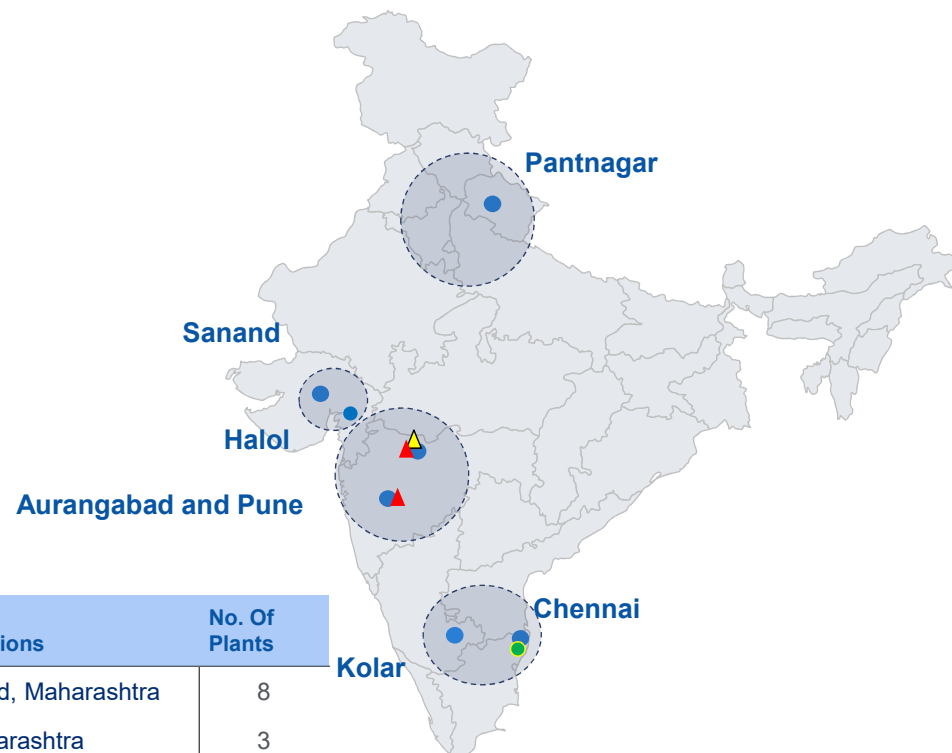
Europe: Diverse Product Offerings to OEMs

Endurance is a Tier 1 Supplier for multiple technology intensive products to 4W OEMs



Strategically Located Facilities with Close Proximity to OEMs

26 plants in multiple Locations across India & Europe

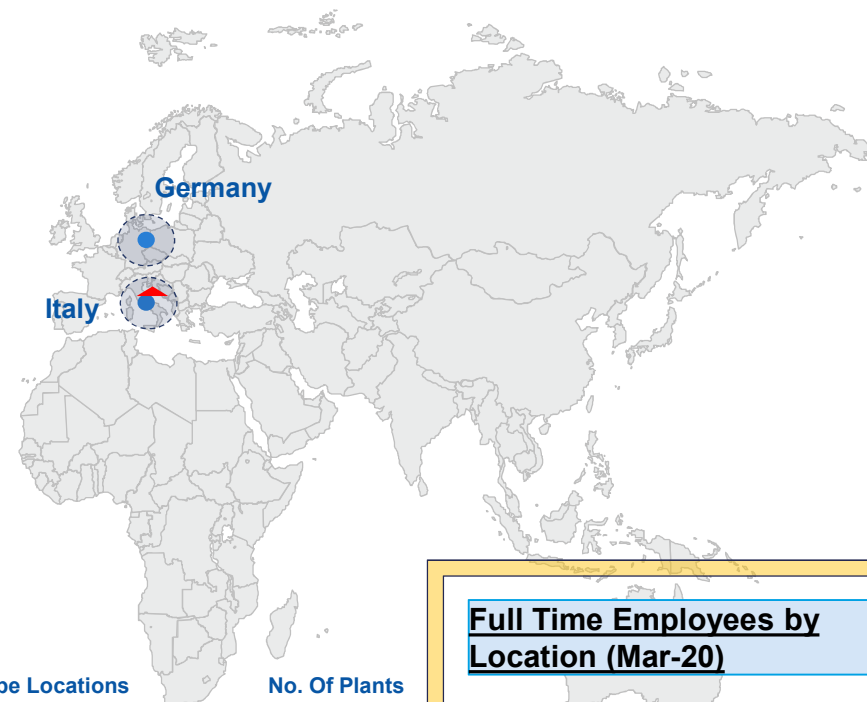


India Locations	No. Of Plants
Aurangabad, Maharashtra	8
Pune, Maharashtra	3
Pantnagar, Uttarakhand	2
Chennai, Tamil Nadu	1
Sanand and Halol, Gujarat	2
Kolar, Karnataka	1
Total	17

R&D Facilities

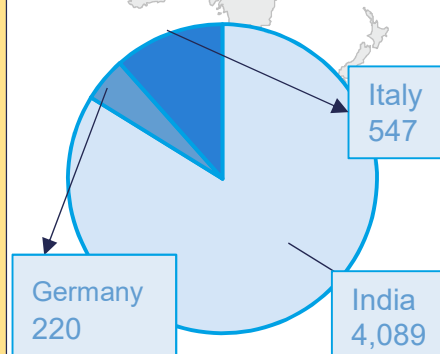
Aurangabad, Maharashtra	3
Pune, Maharashtra	1
Total	4

● Upcoming plant
 ▲ Test Track
 ● Manufacturing Facilities
 ▲ R&D Facilities / Tech. center

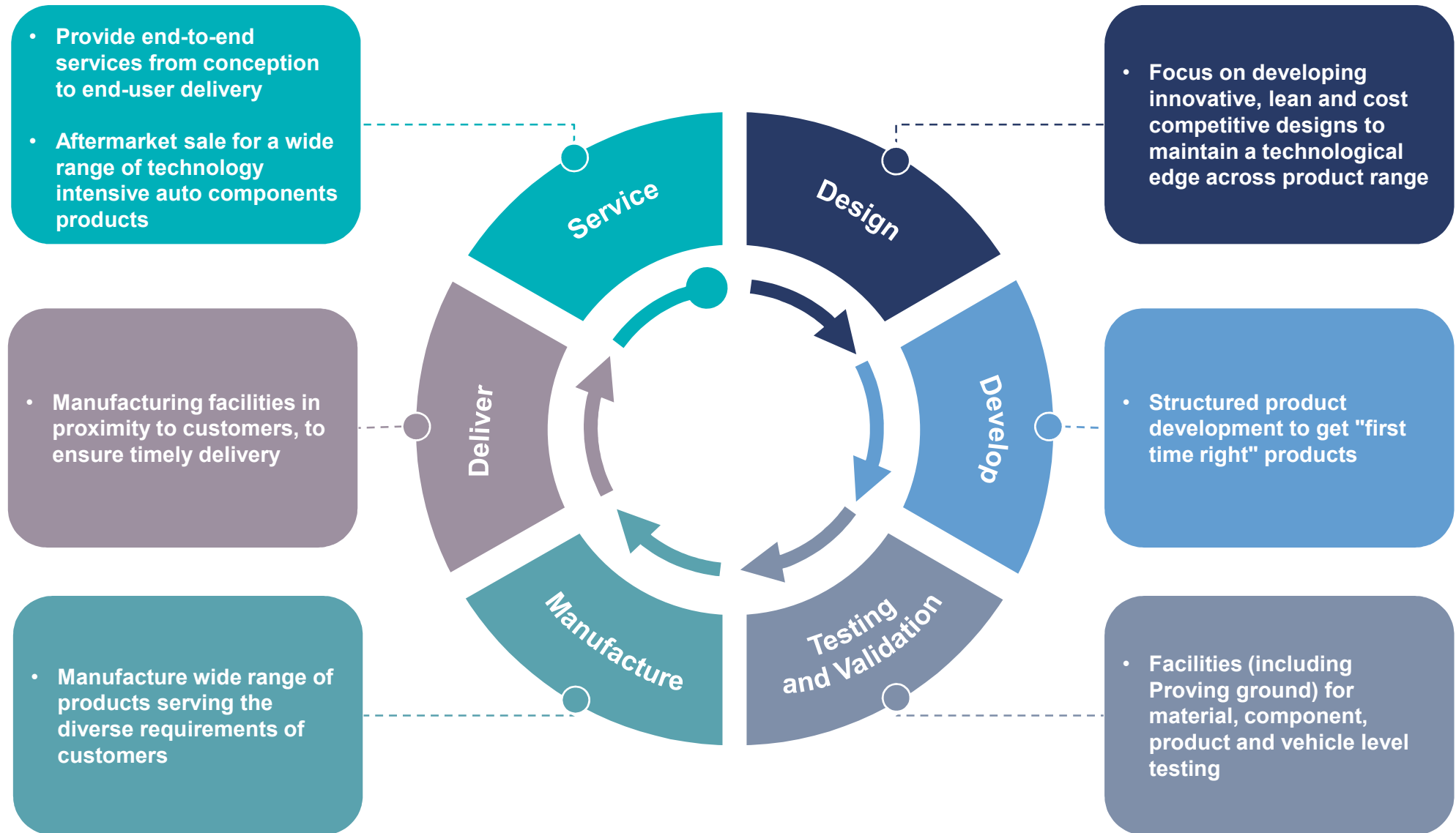


Europe Locations	No. Of Plants
Massenbachhausen, Germany	3
Torino, Italy	1
Chivasso, Italy	2
Lombardore, Italy	1
Bione, Italy	1
Rovereto, Italy	1
Total	9

Full Time Employees by Location (Mar-20)



End-to-end Solution Provider to Customers



QCDDM focus leading to customer satisfaction

Consistent Outperformance over Industry Growth

Endurance has consistently outperformed growth in the broader industry by successfully expanding its customer base, focus on R&D, ability to manage costs and reducing new product development time.

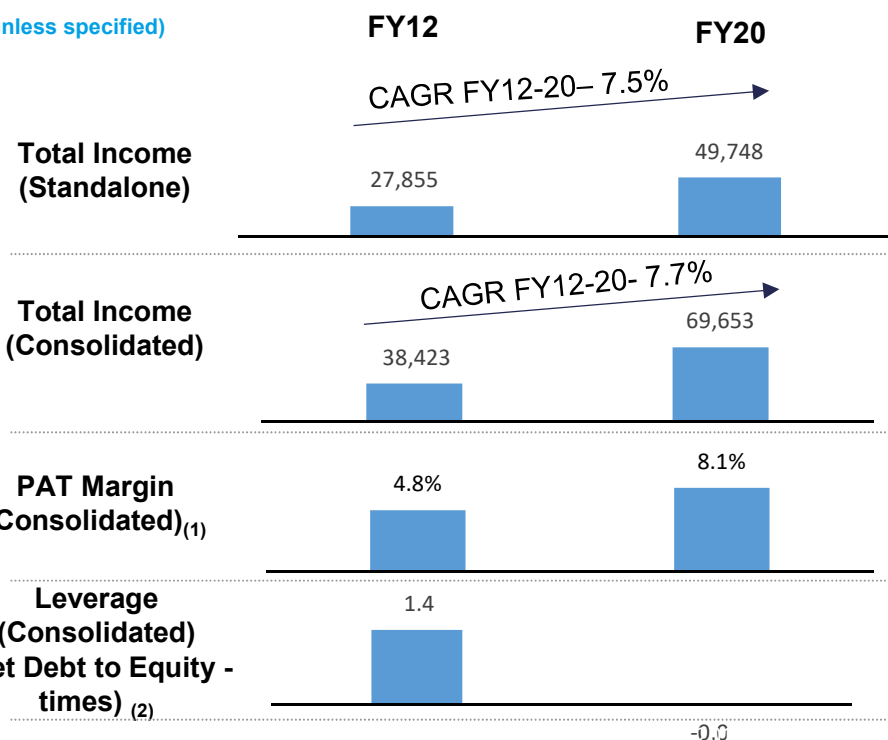
While Industry has shown reasonable growth...

India Production - FY12 vs. FY20 ('000s)

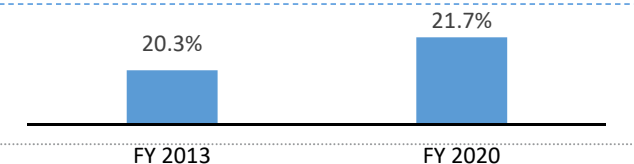
	FY12	FY20	CAGR FY12-20
Motorcycles	11,983	14,359	2.3% ↑
Scooter	2,659	6,027	10.8% ↑
Moped	786	650	2.3% ↓
2W Industry	15,428	21,036	4.0% ↑
3W Industry	879	1,134	3.2% ↑

...Endurance has Transformed its business between 2012 – 2020

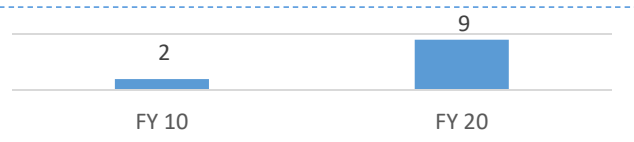
(INR Mn, unless specified)



Return on Avg. Capital Employed (Consolidated) (FY2013 – 2020)⁽³⁾



Customers with >INR1bn Sales (FY 2010 – 2020)



Notes: Source: Industry data sourced from SIAM. Financials are under INDAS from FY 15-16 onwards & under IGAAP till FY 14-15.

1. Calculated as profit before minority interest divided by total revenue.

2. Net Debt to Equity = (Long Term Borrowings + Short Term Borrowings + Current maturities of long term borrowings – Cash and bank balances – Current investments) / Total Shareholder's Funds.

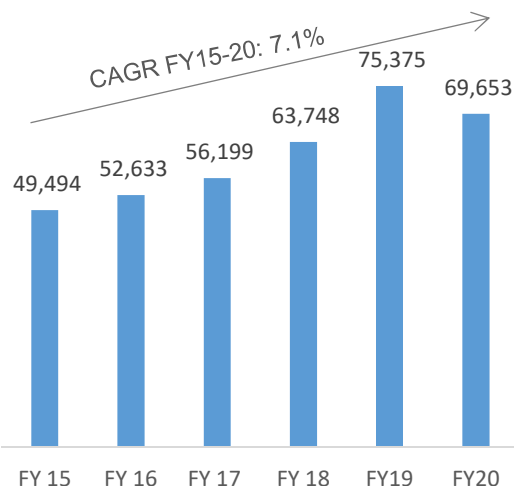
3. ROACE = EBIT/(Average Capital Employed). Average Capital Employed calculated as Average of Shareholders Equity and Total Debt

Profitable Growth, Strong ROCE, and Deleveraged Balance Sheet ⁽¹⁾

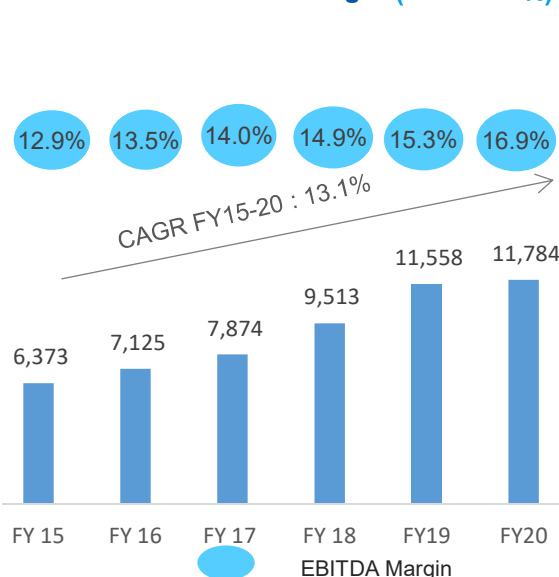


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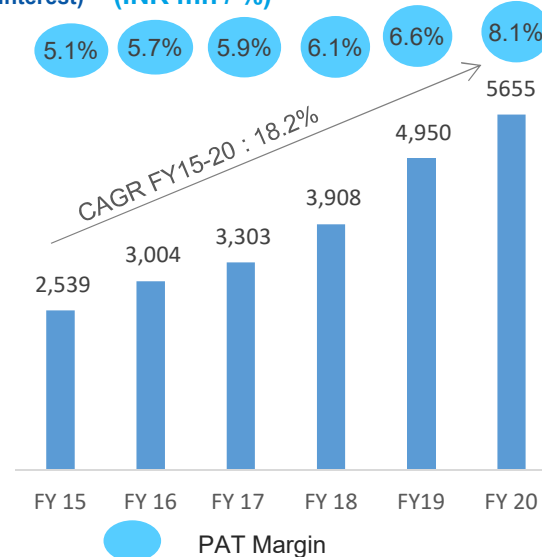
Total Revenue
(INR mn)



EBITDA and EBITDA Margin (INR mn / %)



PAT and PAT Margin ⁽²⁾ (Before Minority Interest) – (INR mn / %)



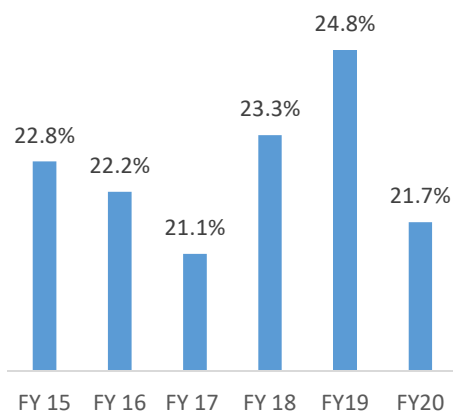
Track record of ahead of industry growth. EBITDA and PAT growth have outpaced revenue growth.

Strong return on average capital employed

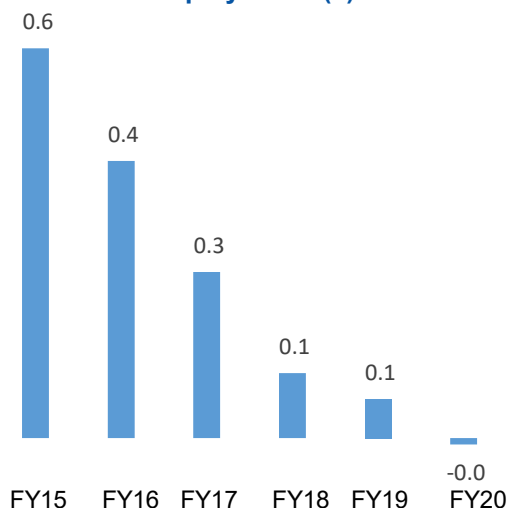
Deleveraged balance sheet, consistent financial performance and risk mitigation led to improved ratings – Long term: ICRA AA+ (Stable) and Crisil AA (Positive). Short term: A1+ from both agencies.

Focus on employee productivity.

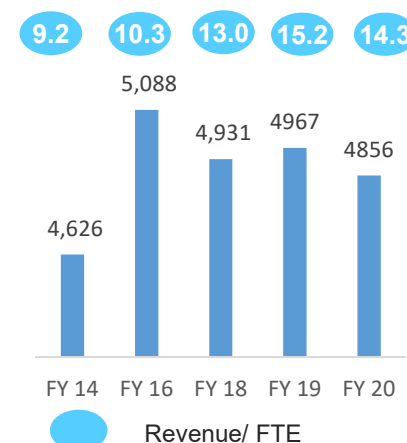
Return on Average Capital Employed ⁽³⁾ (%)



Net Debt / Equity Ratio (x)



Headcount (numbers) and Revenue per Full Time Employee (Rs M / FTE)



Notes: 1. Consolidated financials: From FY 15-16 onwards under INDAS & till FY 14-15 under IGAAP (FY18 & FY19 numbers are after incorporating IND As 115)

2. Calculated as restated profit before minority interest divided by total revenue

3. ROACE = EBIT/(Average Capital Employed). Average Capital Employed calculated as Average of Shareholders Equity and Total Debt

Key Investment Highlights



- 1 ▪ Leading 2W and 3W Auto Component Manufacturer in India
- 2 ▪ Multi-solution Provider of a Diverse Product Portfolio to a Wide Variety of OEMs
- 3 ▪ Focus on R&D with Emphasis on Lean Design and Continuous Improvement in Product Performance, Cost & Reliability and Quality. Technology inputs from overseas collaborations and recent acquisitions.
- 4 ▪ Focus on Operational Efficiencies to Improve Returns
- 5 ▪ Growing and Profitable European Business
- 6 ▪ Expansion of Presence in Aftermarket Sales Services
- 7 ▪ Strategy for profitable growth

Leading 2W and 3W Auto Component Manufacturer in India



Largest

2W and 3W auto component manufacturer in India⁽¹⁾

Largest

Aluminium die-casting company in India⁽²⁾

Top 2

in each product segment offered

Tier 1

supplier to OEMs

17

Manufacturing plants in India

Strong In-house R&D supported by technology inputs from overseas

Technology Tie – Ups

**Leading European
Suspension company**

- Technology tie-up since 2008 for development and manufacturing of suspension components.
- Current agreement was executed in 2015; it is valid for a period of 10 years and is renewable.
- Scope of existing agreement - Technology for the manufacture of new series of motorcycle suspension components.

Endurance Adler Spa

- Technology tie-up since 2002 for development and manufacturing of Transmission components.
- Current agreement was executed in 2013;
- Acquired 99% stake in Adler in April, 2020 and name is changed to Endurance Adler SpA. Gained access to range of clutch and CVT related IP, licenses, trademarks and customers.

**Leading global brake
and suspension
company**

- Entered into an agreement in 2017.
- For manufacture of Anti-lock Braking System (“ABS”) for application in two & three wheelers.
- Agreement is valid for a period of 20 years.

Grimeca Srl

- Entered into an agreement in 2015.
- Endurance Adler has acquired 100% stake in the technology provider in May 2020. Gained access to a range of brakes related IP, licenses and trademarks.

**European technology
provider in Aluminium
Forgings**

- Entered into an agreement in 2019.
- Technical support related to Aluminium Forging Technology

Endurance Proving Ground (EPG) at Aurangabad

- EPG enables us to test our products on vehicle and further strengthens our position as a Complete Solution Provider.
- EPG is meant for Handling & Manoeuvrability, Ride Comfort, Driveability, Brake/ABS performance and Reliability evaluation.
- Consists test surfaces required for evaluation of Suspension, Transmission & Brake assemblies of 2W, 3W & Quadricycle.
- ABS test surfaces have provision of testing the brake system under wet and dry condition on different friction surfaces (Basalt tile, Ceramic tiles, High μ (0.9) asphalt, Polished concrete and loose Gravel).
- Ride & Evaluation track comprises of Belgian pave, Pot holes, Cobble stone, Speed breakers, Long/Short wave pitching, Kerbs.....



Growing and Profitable European Business



ENDURANCE

Growth in Europe

<ul style="list-style-type: none">Acquisition of 100% stake in Amann Druckguss, Germany	<ul style="list-style-type: none">Incorporated Endurance Overseas Italy, a SPV to make strategic overseas investments		<ul style="list-style-type: none">Acquisition of 15% stake in FOA S.p.A., Italy	<ul style="list-style-type: none">Acquisition of remaining 85% stake in FOA S.p.A., Italy	<ul style="list-style-type: none">Merger of Endurance Fondalmec with Endurance F.O.A. and name changed to Endurance S.p.A.	<ul style="list-style-type: none">Acquisition of 99% stake in Endurance Adler S.p.A.,	
FY07	FY08	FY10	FY13	FY14	FY15	FY19	FY21
	<ul style="list-style-type: none">Acquisition of 51% stake in Fondalmec Italy	<ul style="list-style-type: none">Increased equity stake to 100% in Fondalmec S.p.A., Italy		<ul style="list-style-type: none">Forayed into moulding of plastic components through acquisition of assets by Endurance Engineering Srl		<ul style="list-style-type: none">Acquisition of 100% stake in Fonpresmetal Gap S.p.A. by EOSRL; name changed to Endurance Castings S.p.A.	<ul style="list-style-type: none">Acquisition of 100% stake in Grimeca Srl.

Focus on High-end Casting Products



Engine Cover / cam carrier



Suspension and Body Hub



Transmission Clutch Housing



Engine Exhaust Manifold



Transmission Gearbox housing



Engine Oil pan

Long-standing relationships with world-renowned OEMs in the Passenger and Commercial Vehicles space.

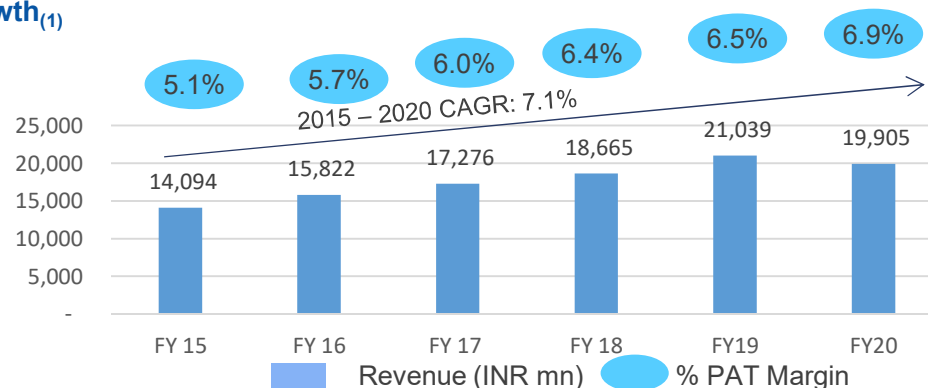
Expansion Strategy

- ✓ Focus on profitable growth
- ✓ High margin products
- ✓ Marquee customers
- ✓ Inorganic growth

Capital Efficiency Improvement

- ✓ Diversification of product technology and material solutions
- ✓ Increasing machining automation for high-value products
- ✓ Introduction of higher-tonnage PDC machines for large and complex castings.

Profitable Revenue Growth⁽¹⁾ (INR mn)

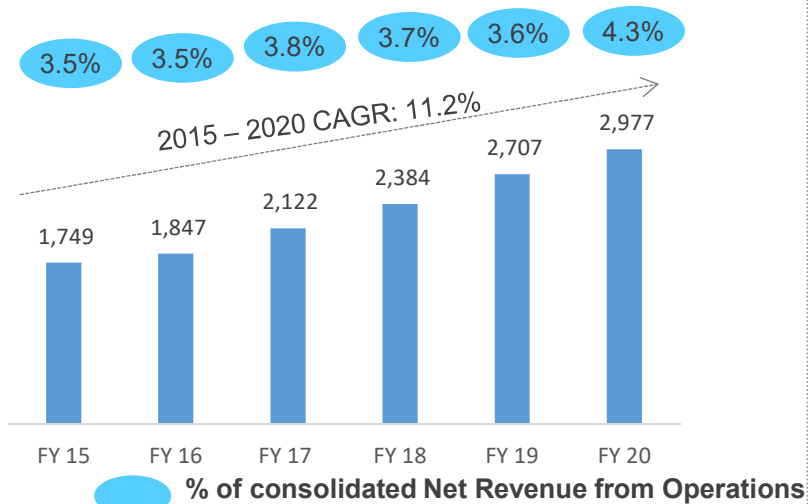


Notes:

1. Net Revenue from Operations: From FY 15-16 onwards under INDAS & till FY 14-15 under IGAAP (FY18 & FY19 numbers are after incorporating IND As 115); PAT margin calculated as restated profit before minority interest divided by total revenue

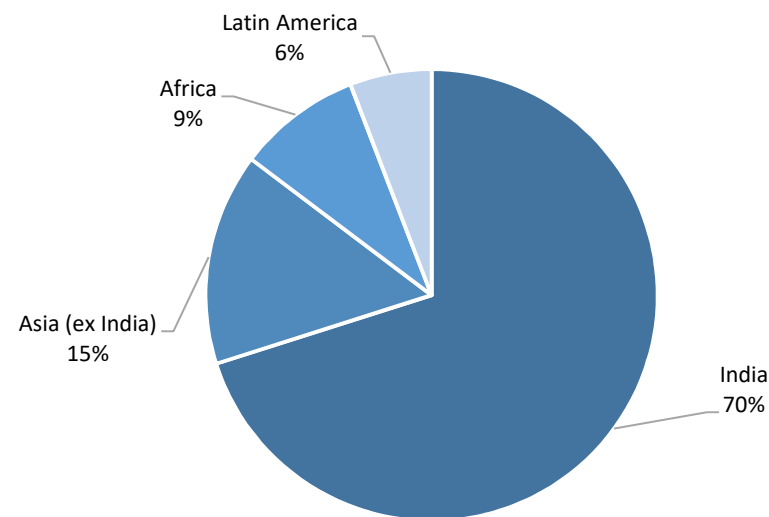
Expansion of Presence in Aftermarket Sales

Aftermarket Sales (Net Revenue from Operations INR mn)



Geographical Distribution

FY 2020



2001
Established Aftermarket
Business

29
Export countries

2
Company run
Distribution Centers

335
Distributors/ dealers in
India

40
Distributors Overseas

65
Full time Professional
team

Key Highlights



Higher Margin

- B2C Business Model



Branding

1. Program for increasing retailers / mechanics contact & loyalty towards the brand
2. Improve brand image and visibility

Growth Strategy



Product Growth Drivers

1. Product penetration by introducing products for new models.
2. Trading of 2W & 3W auto parts not manufactured by Endurance



Expand Distribution/ dealer Network



Domestic Growth

- Focus on, Uttar Pradesh, Gujarat, Telangana, Andhra, Tamil Nadu and Rajasthan



Exports

- Entering new countries every year in line with OEMs

Strategy for Profitable Growth



Focus on critical markets such as two-wheelers, three-wheelers and passenger cars in India; also passenger cars in Europe



Growth for India and Europe by pursuing Organic and Inorganic Expansion



Continually improve R&D capabilities in order to focus on advanced technology, high value-add products, including higher cc bikes



Harness R&D for new products, higher OEM penetration for Existing products – for Consistent Profitable Growth



Expand presence in the aftermarket sales



Increase exports from India, enter new countries in line with OEMs



Continue to pursue strategic alliances and inorganic growth opportunities



Combine low-cost base and manufacturing capabilities with technology from acquisitions / alliances



Focus on operational efficiencies to improve returns



Deploy multi-pronged cost reduction strategies in manufacturing and sourcing

Focus On Sustaining A Strong And Diverse Culture With Empowered Leaders

A CULTURE



- We, Endurians, are **proactive, hardworking, result-oriented**, and committed **team players** who **lead by example, walk the talk** and believe in **continuous improvement**
- We are **passionate** about what we do and what we create. We believe in challenging ourselves and **inspiring passion for excellence**
- We have **built a safety first culture** with a focus on contractor safety management
- We **celebrate wins** even the small ones

B DIVERSITY



- At Endurance, we don't just accept diversity (be it gender, race, ethnicity, region) – we **celebrate it**.
- We believe that this diversity is key to challenging ourselves and **fostering creativity**. It is through diversity of our employees that we are able to continue to innovate and grow together.
- Diversity is a **strategic priority** for Endurance

C PEOPLE DEVELOPMENT



- We empower our employees to become **capable leaders** and enable them to achieve their **true potential** by **capitalizing on their strengths** and challenging them to overcome their weaknesses via objective assessments, mentoring, consistent constructive feedback & detailed development plans
- We have **focused initiatives for our high potential employees** for them to continue excelling in larger roles.

Our Core Values



Building A Safety First Culture

A

MANAGEMENT OF CHANGE



- At Endurance, we prioritize human life and environment in our business decisions
- All material changes, design changes, layout changes, expansions, greenfield/ brown field projects require certification from our EHS team
- We measure impact of our decisions on EHS parameters, incorporate EHS in our decision making and align our actions accordingly

B

DAILY SAFETY CHAMPIONS, VSL, & CONSEQUENCE MANAGEMENT



- Daily safety champions nominated across all locations are motivated to transparently share gaps, and recommend improvements
- As part of Visual Safety Leadership, senior mgmt. visit plants to evaluate safety practices, conduct mock drills, share learnings & horizontally deploy best practices
- We have built a EHS first culture ensuring zero tolerance for EHS violations

C

CONTRACTOR SAFETY MANAGEMENT



- Driving contractor safety management is essential to build an a safety first culture
- We have classified contractors into different risk categories based on the nature of their work and set mandatory criteria for each group
- We develop their capabilities by providing trainings on best practices, EPRP, hazard identification & management, risk assessment, competency mapping for employees

A DRIVING CARBON NEUTRALITY



- Endurance consistently strives towards achieving carbon neutrality in all our operations via effective utilization of natural resources
- By developing dense forests and driving plantation, we have created carbon sinks
- We are transitioning to renewable energy with wind energy and solar power plants across locations

B OPTIMISING ENERGY CONSUMPTION



- Based on the emission factor of different sources of energy, we are driving use of natural gas and LPG in the place of furnace oil and electricity
- Energy efficient furnaces and LED lights have been fitted & sensors have been installed in common spaces to avoid wasting energy
- We proactively arrest air leakages from compressors and optimize use of energy

C RECYCLING WATER & DRIVING ACTIONS TO SAVE WATER



- Sensor based overhead tanks, water guns instead of water hoses, and water saving push type taps are used to reduce water consumption
- We have switched from painting to powder coating in several plants, leading to water savings
- We reuse water from treated effluent for gardening, cooling towers, toilets
- We drive rain water harvesting and proactive arresting of leakages

D REDUCING HAZARDOUS WASTE GENERATION



- Sustainability is a key corporate objective for Endurance and reducing hazardous waste generation supports us to achieve this objective
- By switching from painting to powder coating in several plants, we have reduced hazardous waste generation
- We use oil skimmer in tanks to recover & reuse oil and we continue to drive actions to proactively arrest leakages of oils and coolants

E CO-PROCESSING HAZARDOUS WASTE



- Hazardous waste generated from our manufacturing facilities is used as raw material for other industries
- The paint sludge from our operations is used as raw material in cement industries and our grinding dust is converted to iron oxide for paint industries

F DRIVING ZERO WASTE TO LANDFILL



- In our endeavor to achieve zero waste to landfill, we have been driving several actions including using returnable packaging and composting waste
- We recycle metal waste wherever possible inside our plants
- We recycle non-hazardous waste with the help of authorized recyclers

Delivering Lasting Impact With Every Community We Transform, Every Individual We Empower And Every Child We Inspire

A EDUCATION	B HEALTHCARE & SANITATION	C ENVIRONMENT	D LIVELIHOODS
			
 Renovated 29 schools with libraries, computer labs, and toilets	 Organized health camps for 5236 villagers with 91 cataract surgeries	 Deepened 20kms of natural canals, creating water capacity of 20 Cr.litres	 Trained 1000+ individuals at ECOVE (collectively earn Rs.12Cr.+ annually)
 Distributed 178 bicycles to girls to safely commute to school	 Implemented cleanliness drives in 7 villages benefiting 3600 villagers	 De-silted ponds in 5 villages benefiting 200+ farmer families	 Empowered & supported 1667 women to start their own businesses
 Trained 75 teachers in life skills	 Constructed 1991 toilets and trained 18,000 villagers in 25 villages	 Laid pipeline of 1.5km for drinking water provision to villagers	 Trained 93 farmers in drip irrigation, 26 farmers in hydro-phonics
 Inspired 1500+ children for 100% attendance	 Renovated health centres benefiting 38,000 people in 51 villages	 Constructed 4000+ mangers saving 40% fodder	 Employed 47 women for cleanliness drives, sanitary napkin manufacturing,
 Empowered 1050 individuals via "World on Wheels" computer training	 164 men de-addicted from Alcohol; conducted yoga camps for 600+	 Developed 4 dense forests (7 acres), Planted 40k+ plants (>95% survival)	 Trained & supported 23 farmers for a livelihood in poultry business

Awards and accreditations



The Company has been recognised by customers and industry forums with many awards and recognitions. Some of the key awards received during the calendar years 2017, 2018 and 2019 are:

1. Award for New Product Development 2018-19 by Honda Motorcycles & Scooter India Pvt. Ltd. in March 2019
2. Grand Award for QCDDM performance in 2016-17 by Honda Motorcycles & Scooter India Pvt. Ltd. for excellence in Quality, Cost, Delivery, Development and Management.
3. Global TVP Award for the Alloy Wheel Plant at Chakan (Pune) by India Yamaha Motor Pvt. Ltd. for developing Theoretical Value of Production.
4. National Energy Conservation Award by the Bureau of Energy Efficiency.
5. Gold Award to the plant at K228/229, Waluj by International Convention on Quality Control Circle, at Japan in Sep-19. Par Excellence Award to the plant in TPM category by National Convention on Quality Concepts in 2020.
6. Gold medal in the “National Awards For Manufacturing Competitiveness” for the FY 2017-18, by the International Institute for Research & Manufacturing (IRIM), Mumbai to the plant at E-92 & 93, Waluj.
7. Gold category Award in the India Manufacturing Excellence Awards 2019 by ‘Frost & Sullivan’ at E-92 & 93, Waluj.
8. Silver Certificate of Merit to the plant at K-120, Waluj by the Executive Committee of ‘Frost & Sullivan’ in the FICCI India Manufacturing Excellence Awards 2017, for enhancing Manufacturing and Supply Chain Excellence.
9. Bronze Award under Excellence in Manufacturing ‘Very Large Category’ for the year 2016-17 by Automotive Component Manufacturers Association of India (ACMA) to the plant at E-92 & 93, Waluj.
10. Supplier Quality Excellence Award 2019 to Endurance SpA from General Motors.

Thank You