



Investor's Presentation – November 2023



Company Overview



One of the leading tyre manufacturing company in India with a wide range of products

- ❖ One of the pioneers of radials in India, JK Tyre is also one of the leading players in truck and bus radial tyres in India.
- ❖ JK Tyre has grown to be one of the largest manufacturers of PCT in India as of fiscal 2023
- ❖ One of the few Indian companies to have developed PCR tyre with high sustainable, recycled and renewable material

FY23 Consolidated Financials

INR 14,681 Cr. <i>YoY Growth 22%</i> Total Revenue	INR 1,334 Cr. <i>YoY Growth 20%</i> EBITDA*	INR 263 Cr. <i>YoY Growth 31%</i> Profit for the period
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H1FY24 Consolidated Financials

INR 7,632 Cr. <i>YoY Growth 3%</i> Total Revenue	INR 1,062 Cr. <i>YoY Growth 78%</i> EBITDA*	INR 407 Cr. <i>YoY Growth 4.8x</i> Profit for the period
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40+

Years of experience in tyre manufacturing



6,000+

Extensive Dealer & Distribution Network



100+

Countries – Global presence



12

Manufacturing Facilities

34mn tyres capacity



700+

Exclusive Brand shops



19th

Ranked top tyre company Globally

*Based on 2022 results



Dr. Raghupati Singhania
Chairman & Managing Director



Anshuman Singhania
Managing Director



Arun K. Bajoria
Director & President
– Int.



Anuj Kathuria
President - India



A. K. Kinra
Financial Advisor



Sanjeev Aggarwal
CFO



V. K. Misra
Technical Director



Dr. R. Mukhopadhyay
Director (R&D)



A. K. Makkar
Manufacturing Director



Srinivasu Allaphan
Marketing Director



Ashish Pandey
Sr. VP–Materials



Bharat Aggarwal
Head - International Trade



P.K. Rustagi
VP (Legal) & CS



Pravin Chaudhari
ED – JK TORNEL



LEVITAS ULTRA (UHP TYRE)

- Better ride quality & experience
- Lower cabin noise & high cornering stability
- Shorter braking distance in dry & wet conditions
- Speed Rating – W and Y with 5 star fuel savings

Launch of “The Levitas Ultra (Ultra High Performance) – Made for Dream Machines”



Recognised for "ET ICONIC BRANDS OF INDIA 2022"

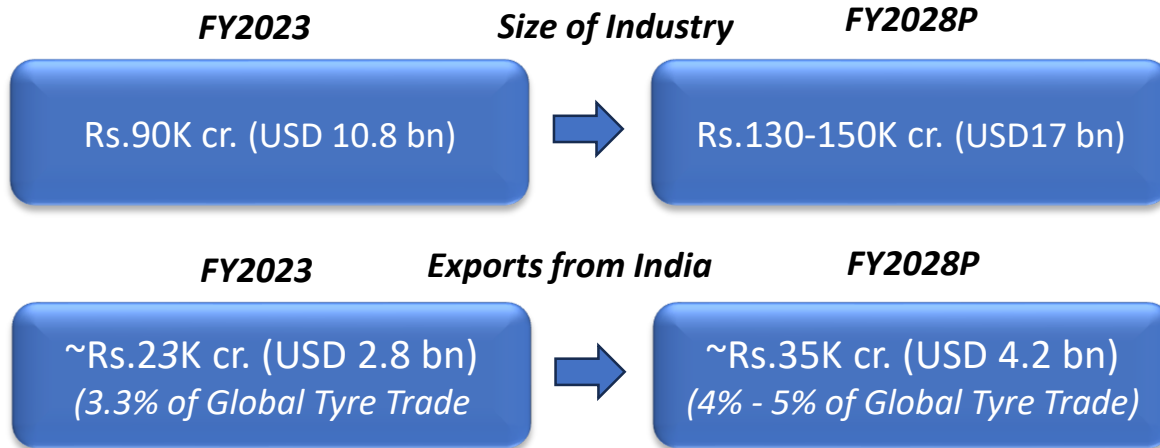


Conferred "SUPER BRANDS 2023"



1) Robust outlook for tyre Industry in India

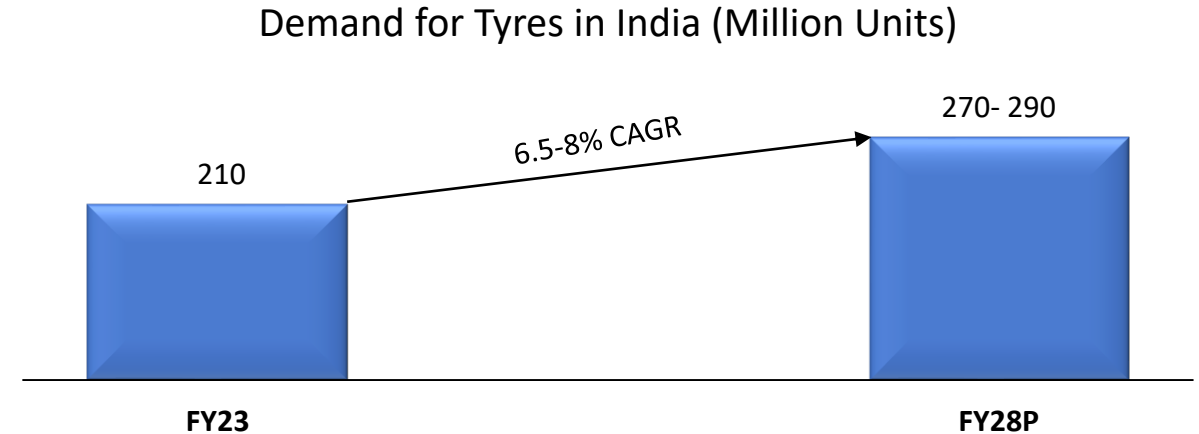
Indian Tyre Industry is on growth path



7 domestic players are catering to majority of the tyre demand

- ✓ **JK Tyre**
- ✓ **Apollo Tyres**
- ✓ **Balkrishna Tyres**
- ✓ **Bridgestone**
- ✓ **CEAT**
- ✓ **MRF**
- ✓ **TVS Srichakra**

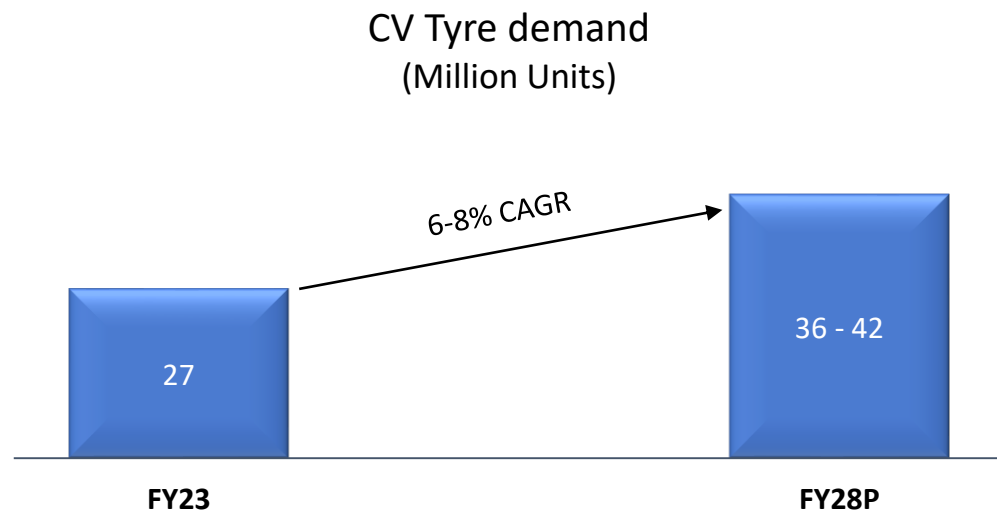
..with overall demand growing at 7-8% during FY23-FY28P



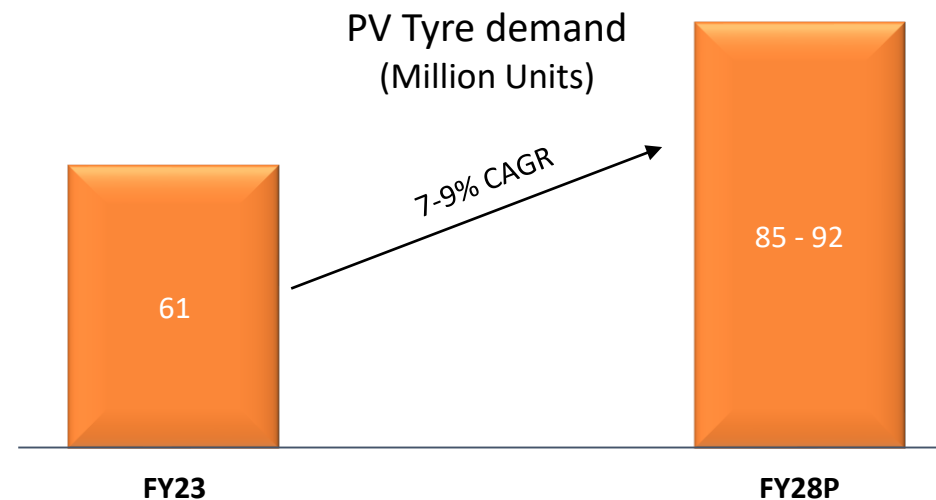
Factors benefiting Indian tyre Industry

- ✓ *Increasing demand for Vehicles*
- ✓ *Higher vehicle utilisation*
- ✓ *Rising disposable Incomes*
- ✓ *Increasing premiumization of vehicles and tyres*
- ✓ *Industry venturing into value added products*
- ✓ *Growth in exports*
- ✓ *Reduction in import of tyres*

Higher demand in CV and PV tyre segments expected to drive the volume growth during FY23-FY28P



- ✓ Driven by robust economic activities and higher infrastructural spends
- ✓ Consistent increase in freight movement in terms of “Billion Tonne Kilometres” (BTKM)
- ✓ Rise in mining activities and revival in bus segment.



- ✓ Higher urbanisation levels
- ✓ Increased disposable incomes
- ✓ Driven by strong shift towards UVs segment
- ✓ Preference for personal mobility and shared mobility



2) Diverse Product portfolio and premiumization supported by robust sales channel: Key growth drivers

Portfolio of Products catering across vehicle segments

One of the leading players in truck and bus radial tyres in India.



- Truck/Bus Radial
- Truck/Bus Bias
- LCV/SCV Radial
- LCV/SCV Bias
- Farm Radial & Bias
- Passenger Car Radial & Bias



- 2/3-Wheeler
- OTR & Industrial
- Speciality
- Retreads
- Racing
- Military/ Defence

Truck/Bus

- ✓ Premiumization in both Radial & Bias categories
- ✓ Has vast range of fuel-efficient next generation premium SKUs like ***“Jetsteel JDC-XD, Jetsteel JDH-XM, Jetsteel JDE-XF and Jetway JUC-XM”***



Passenger

- ✓ Ultra-high-performance tyres ***“Levitas Ultra”***
- ✓ Low resistance and noise level ***“Ranger HPe”*** for Electric Vehicles
- ✓ Focus on increasing share of higher inch (>16 inch) tyres which have better margins ***“UX Royale” and “Ranger”*** series
- ✓ Extreme all terrain SUV tyres ***“RANGER X-A/T”***

2/3 Wheelers

- ✓ Premium high-performance tyres ***“BLAZE RYDR”***
- ✓ Low Resistance, high load tyres for 2-Wheeler EVs



Farm/Agricultural

- ✓ Focus on high load and superior treaded tyres ***“Shresth”***

Light and Small Commercial Vehicles

- ✓ Premium and application-based SKUs for superior load and mileage ***“STEEL KING”***



Off the Road Industrial

- ✓ Presence in Niche segment vehicles in mining, infra and manufacturing sectors

Innovative tyres in line with market requirements



TBR - JUH XF & JDE XF

- ✓ Fuel Saver Technology Design
- ✓ Low RRC & Low Noise
- ✓ High Mileage



Puncture Guard Tyre

- ✓ Self-repair multiple punctures
- ✓ Hassle-free ride throughout life
- ✓ Better Traction & Ride Comforts



Levitas Ultra (UHP)

- ✓ Utmost Comfort
- ✓ Low Cabin Noise & high durability
- ✓ Shortest braking distance



PCR – UX Royale

- ✓ 5 Rib Asymmetric Design
- ✓ Stable Shoulder Tread Blocks
- ✓ Variable Draft Groove Technology



2-Wheeler - Blaze

- ✓ High Speed Stability
- ✓ Ride Comfort & Smooth Cornering
- ✓ High Mileage & Better traction



Farm - Shresth

- ✓ Step Lug Design & Superior Tread
- ✓ Superior Dimensions & aesthetics
- ✓ High Load Carrying Capacity & Control

..complemented by new generation products

Smart Tyres

Acquired smart tyre technology company in 2019 – One of the leading players to launch **Tyre Pressure Monitoring System (TPMS)** based on sensor technology.

Reduces fuel bills by increasing fuel efficiency

Enhances tyre life

Real time asset tracking to avoid tyre theft

Reduces breakdowns

Enables real time mobile application based alerts for inflation & temperature breaches



Green Tyre – “UX Green”

One of the few players to **develop PCR Tyre with high sustainable, recycled and renewable material”**

Reinforces our serious commitment to advancing sustainable growth and moving towards carbon neutrality by 2050



Puncture Guard Tyres

PUNCTURE GUARD
GOODBYE FLAT TYRES!
Ab #HawaNahinNiklegi



Anti - Puncture Technology

Hassle Free/Safe Driving

Enhanced Tyre Life

Lowered Maintenance Cost

EV Tyres

Developed a complete range of electric vehicle (EV)-specific Smart radial tyres for all categories of trucks, buses, LCVs and passenger cars in India.

Ensures ultra-low rolling resistance

High Durability & low noise



Improved wet and dry traction

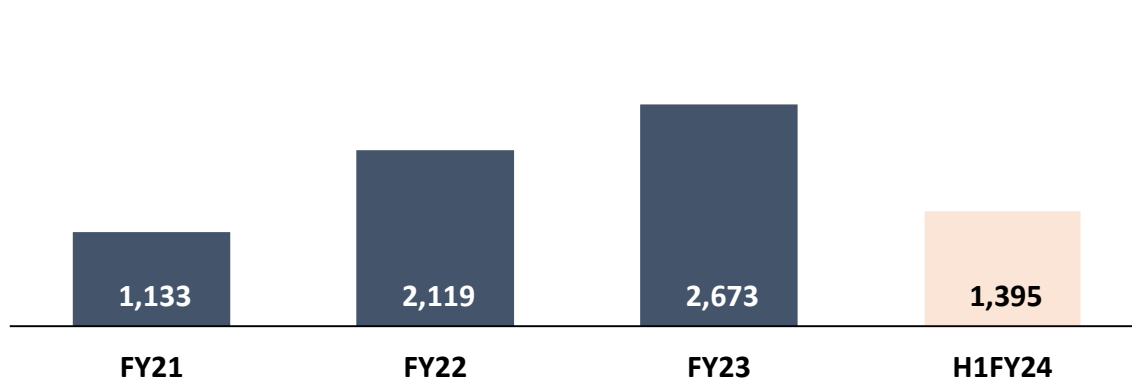
Low energy consumption



3) International markets: Offering huge potential

JK Tornel: Gateway to Americas

JK Tornel – Revenue from Operations (INR Cr)



- ✓ The company's Mexican operations are carried out through JK Tornel
- ✓ One of the leading players in Mexico for Passenger car radial
- ✓ One of the highest seller of tyres on "Online Platform"
- ✓ "Best Supplier Award" from both Walmart & Soriana
- ✓ Value-added services to farm OEM clients in the US

Growing exports presence....

- ✓ Exports to diversified international markets
- ✓ Targeting the US, Mexico, Middle-East and South-East Asian countries where the brand "JK Tyre" enjoys high level of acceptance
- ✓ Focussed geographies through distributors through the company's sales offices
- ✓ Exporting products to LATAM and the US through Mexican Subsidiary, JK Tornel



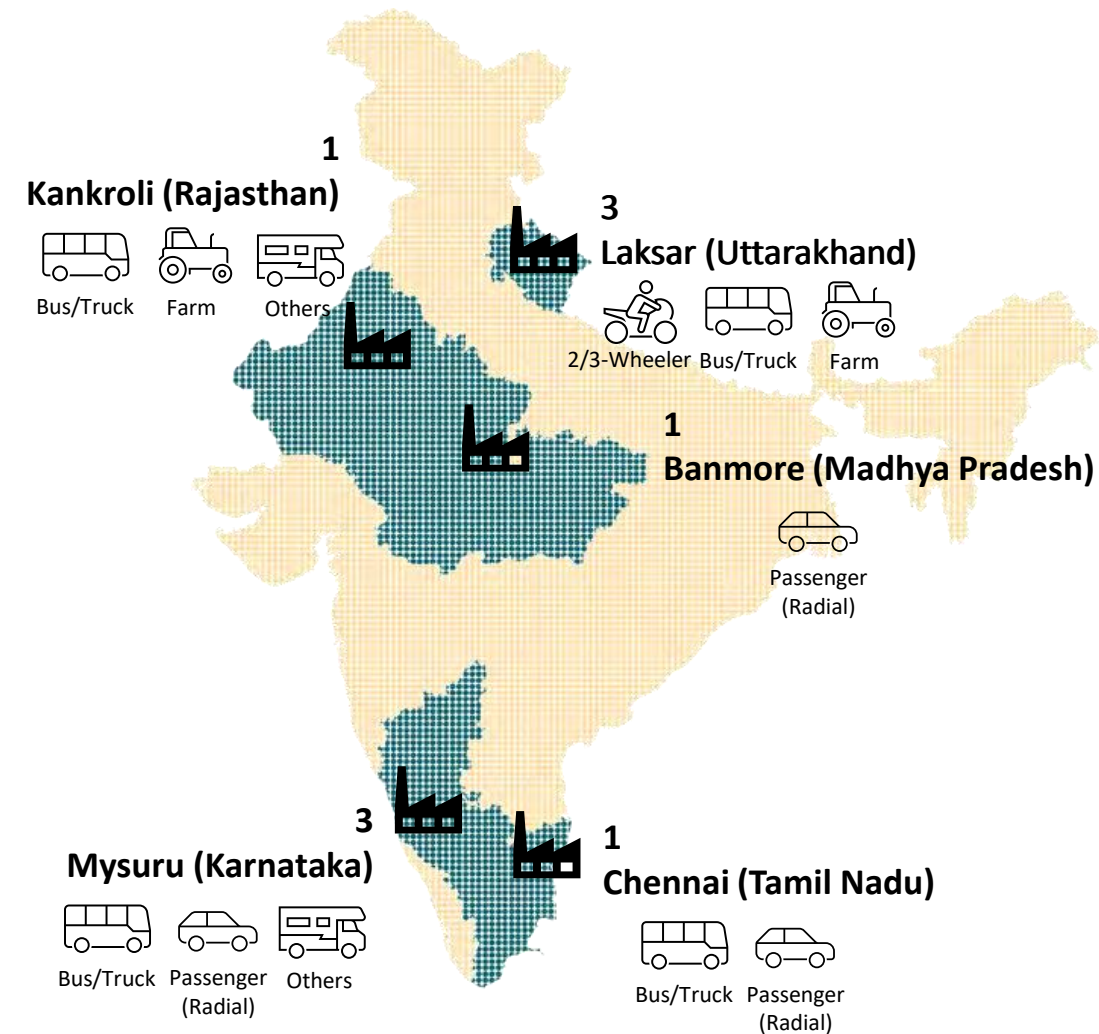
4) Strong R&D and Manufacturing capabilities
in place to maintain the growth momentum

“Raghupati Singhania Centre of Excellence (RPSCOE), Mysore, Karnataka



- ✓ Highly versatile and State-of-the-art Tyre / Elastomer Institute having Anechoic Chamber for Noise and Vibration analysis
- ✓ Over 200 R&D Technology scientists and engineers working in JK Tyre and HASETRI.
- ✓ Research in the field of advanced materials, alternate materials, nanotechnology, process and product simulations, predictive technology, advanced tyre mechanics, etc. - 7 Patents granted
- ✓ Green Technology – Developing sustainable range of tyres and tyres with low RRCs and noise
- ✓ New product developments in high margin segments

Continuous investment in R&D activities aimed at offering technologically advanced products to gain higher market presence and enhanced profitability



India (JK Tyre and Cavendish)

Presence in Mexico (JK Tornel)



**Strategy ahead: Robust
outlook with ongoing
expansions**



Management remains fully committed to implement its strategy to further expand its market presence

Strengthen Market Position across Segments

1. Focus on increasing volumes across all product segment in replacement and export segment
2. Expanding distribution channel through exclusive brand shops across PAN India to gain market share.
3. Extensive use of digital & AI tools

Increase Global Presence

1. Enhancing sales of e-vehicle tyres for cars and buses with ultra low RRCs in domestic and export markets.
2. Enhancing geographical reach in Europe, Australia and South Africa with wide product range

Deleverage Balance Sheet

1. Accelerated reduction in borrowings through improved profitability

Maximizing Benefits of Acquisitions

1. Acquired entities contributing significantly to top & bottom line and creating value.
2. Substantially enhanced capacity across all product segments.

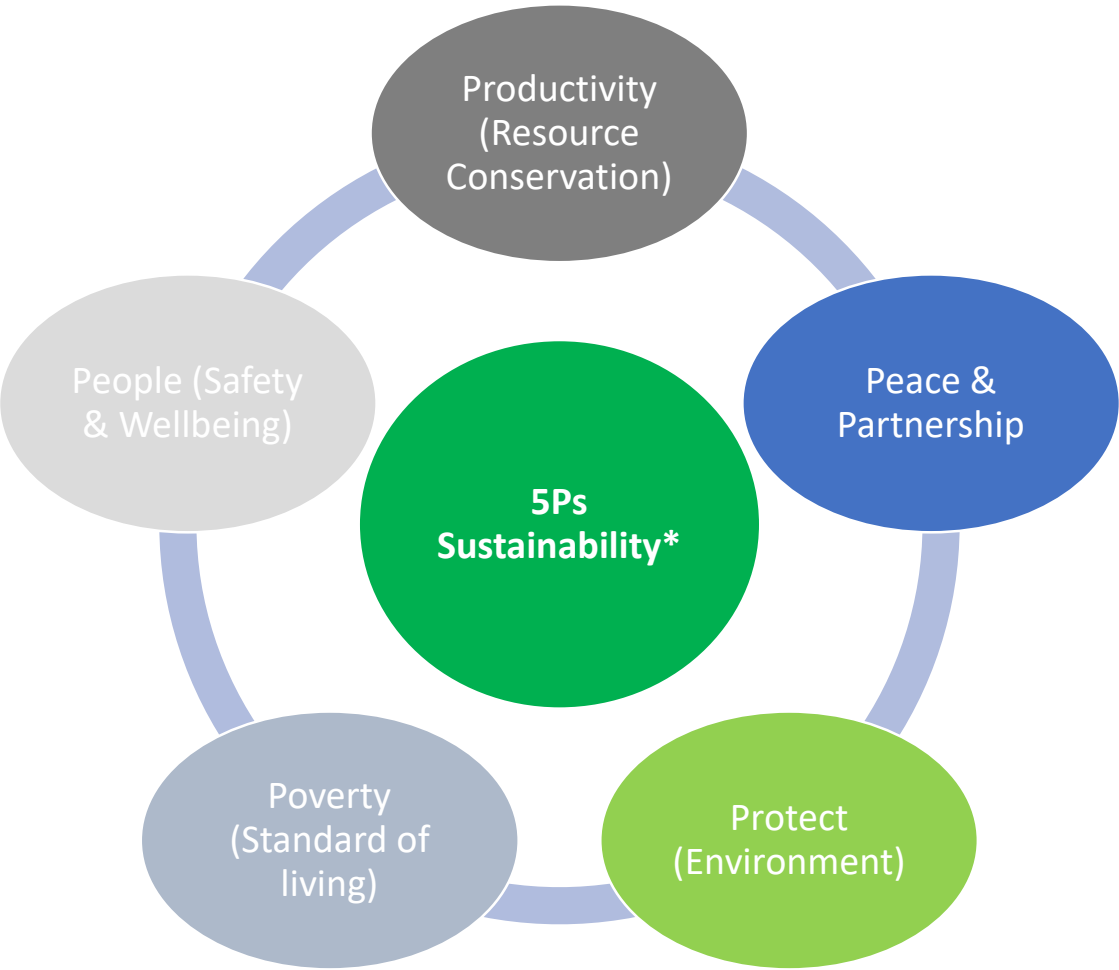
Product Portfolio Premiumization

1. Technologically advanced and eco-friendly tyres in line with market requirements
2. Focus on increasing sales of higher inch sizes tyres in passenger segment and Extra Mileage & Fuel efficient range in commercial segment.

**ESG initiatives ensure
sustainable growth
trajectory**

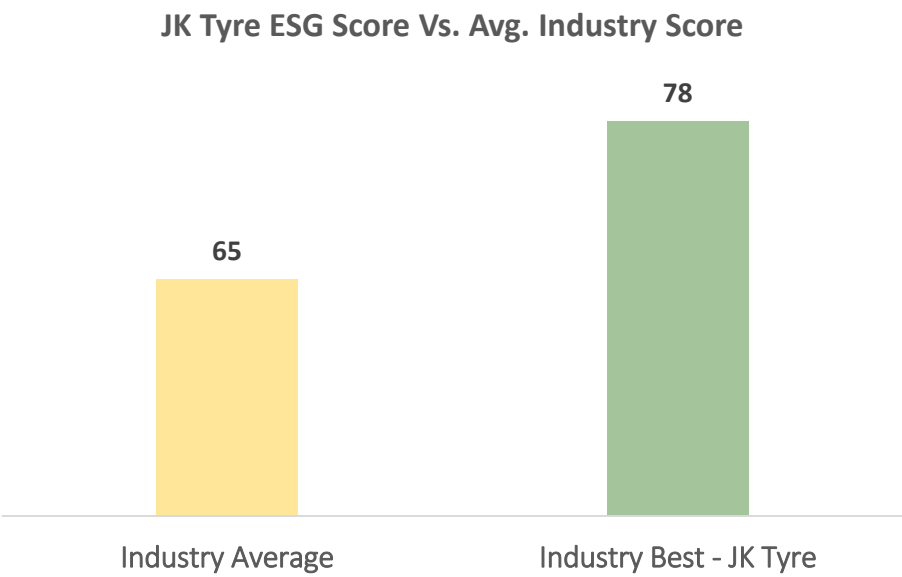


The Company strengthened its ESG initiatives around 5P’s sustainability platform



* Conceptualized by JK Tyre

JK Tyre’s ESG performance is driven by strong commitment and performance on majority themes to ensure ESG integration.



Environment (89) – Long term vision on reduction in GHG emissions and water management.



Social (78) – Robust policies and practices to mitigate social risks.



Governance (71) – Well designed policies, disclosures and compliance adherence.

Sustainability initiatives & practices leading to resource conservation and manufacturing excellence

Research & Development Led

- Usage of Bio sourced materials
- Higher usage of recycled material

Product Development Led

- Continuous improvement in RRC (Rolling Resistance Coefficient)
- Continuous improvement in tyre dynamics, life and performance

Manufacturing Led

- All plants in India awarded with “Sword of Honour” by British Safety of Council, UK and 3 locations awarded with “Globe of Honour” for highest safety standards
- GHG Emission – Reduction in Carbon footprints
- Energy Conservation – Global benchmark
- Material Conservation – Process waste reduction
- Raw water usage – Global benchmark
- Plantation and Alternate Fuel – eCO2 sequestration & Green Coal (Bamboo & Biomass)
- Manpower Productivity – Improved MDPT
- Zero Waste to landfill
- Single Use Plastic free

FINANCIAL PERFORMANCE



(INR Cr)	FY21	FY22	FY23	H1FY24
Net Sales and Other Income	9,145	12,020	14,681	7,632
Raw Material Consumed	5,247	8,170	9,600	4,371
Purchase of Stock In Trade	118	221	472	83
(Inc.) / Dec. Inventories of FG, WIP and SIT	104	-351	-61	213
Employee Benefit Expenses	923	1,065	1,218	709
Other Expenses	1,404	1,805	2,118	1,194
EBITDA	1,349	1,110	1,334	1,062
EBITDA Margin %	14.8%	9.2%	9.1%	13.9%
Depreciation and amortisation	386	385	407	214
EBIT	963	725	927	848
Finance Cost	466	420	454	231
PBT (before exceptional Items)	497	305	473	617
Exceptional Items	37	4	-61	2
PBT (including exceptional Items)	534	309	411	619
Tax Expenses	201	109	147	209
Profit after tax	333	200	265	410
Profit for the Period	331	201	263	407
PAT Margin %	3.6%	1.7%	1.8%	5.3%

(INR Cr)	FY21	FY22	FY23	H1FY24
Equity Share Capital	49	49	49	49
Other Equity	2,624	2,799	3,347	3,715
Equity Attributable to owners of Parent	2,673	2,848	3,396	3,764
Minority Interest	106	100	100	111
Total Equity (A)	2,779	2,947	3,496	3,875
Borrowings	2,861	2,476	2,360	2,243
Lease Liabilities	94	65	55	63
Deferred Tax Liabilities (Net)	368	405	431	514
Provisions	104	120	100	115
Other Financial Liabilities	612	636	746	838
Total Non-Current Liabilities (B)	4,039	3,702	3,692	3,773
Trade Payables	1,574	2,189	1,820	2,054
Short Term Borrowings	1,796	2,639	2,423	2,098
Lease Liabilities	50	40	44	38
Current Tax Liabilities (Net)	2	37	61	9
Other Current Liabilities	231	279	401	428
Provisions	8	17	53	32
Other Financial Liabilities	508	397	459	580
Total Current Liabilities (C)	4,169	5,598	5,261	5,239
Total Equity and Liabilities (A+B+C)	10,987	12,248	12,449	12,887

(INR Cr)	FY21	FY22	FY23	H1FY24
Property, Plant and Equipment	6,019	6,198	6,209	6,186
Capital Work in Progress	286	101	191	447
Investments Accounted Using Equity Method	60	62	65	64
Other Investments	87	71	68	61
Deferred Tax Asset (Net)	46	87	109	95
Other Intangible Assets	218	225	253	253
Intangible Assets Under Development	13	6	4	5
Other Non-current Assets	19	21	63	71
Other Financial Assets	141	137	69	68
Investment Property	6	6	6	6
Total Non-Current Assets (A)	6,895	6,914	7,037	7,256
Cash and Cash Equivalents	89	94	173	151
Other Bank Balances	85	81	93	103
Investments	-	-	11	11
Trade Receivables	1,576	1,980	2,283	2,596
Current Tax Assets (Net)	83	80	110	74
Inventories	1,789	2,433	2,171	2,082
Other Current Assets	334	457	399	459
Other Financial Assets	136	209	172	155
Total Current Assets (B)	4,092	5,334	5,412	5,631
Total Assets (A+B)	10,987	12,248	12,449	12,887



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