

Mahindra & Mahindra Ltd.

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REF:NS:SEC:
15th August, 2022

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Bourse de Luxembourg
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London Stock Exchange Plc
10 Paternoster Square
London EC4M 7LS.

Sub: Volkswagen and Mahindra sign Non-Binding Term Sheet for supply of MEB electric components

In furtherance to our letter dated 19th May, 2022, we would like to inform you that the Company and the Volkswagen Group have today signed a Non - Binding Term Sheet for supply of MEB Electric Components for Mahindra's new Electric SUV family.

Please find enclosed a Press Release being issued in this regard.

Kindly take the same on record.

Yours faithfully,
For MAHINDRA & MAHINDRA LIMITED



NARAYAN SHANKAR
COMPANY SECRETARY
Encl: as above

Mahindra and Volkswagen Explore Strategic Alliance to Accelerate Electrification of Indian Automotive Market

- ***Volkswagen Group and Mahindra sign Term Sheet on supply of MEB Electric Components for Mahindra's new Electric SUV family***
- ***Both companies will explore further potential opportunities for collaboration in India in the field of e-mobility, including Vehicle Projects, Charging and Energy Solutions and Cell Manufacturing***
- ***Volkswagen is well on track to unlock the full potential of its platform business as part of the NEW AUTO strategy***

Banbury/Mumbai/Wolfsburg, August 15, 2022 – Mahindra & Mahindra Ltd. (M&M) and The Volkswagen Group and today announced they intend to expand their cooperation. Both companies signed a Term Sheet on the supply of MEB electric components for Mahindra's new, purpose-built electric platform INGLO, deepening the Partnering Agreement from earlier this year. The cooperation intends to have a volume of more than one million units over lifetime and includes the equipment of five all-electric SUVs with MEB components. In addition, the two companies will explore further opportunities for collaboration, opening the perspective towards a broader strategic alliance to accelerate the electrification of the Indian automotive market.

Mahindra today showcased their new electric SUV family at the Mahindra Born EV vision unveil event in Banbury, United Kingdom. The electric SUVs will be launched on the all new INGLO platform architecture and envisaged to be equipped with MEB components including the electric drivetrain, the battery system and battery cells. The Term Sheet covers all major commercial and technical terms along with a path to the potential localization of the battery system. The final supply agreement will be negotiated in a continued constructive and legally compliant way by the end of 2022.

Regarding the next step towards a possible strategic alliance for India, both companies agree to explore further potential areas of collaboration in the field of e-mobility, including vehicle projects, the localization of battery cell manufacturing and charging and energy solutions for the electric ecosystem in India.

Thomas Schmall, Volkswagen Group Board of Management member for Technology and CEO of Volkswagen Group Components, said: *"We are happy that we have identified a larger scope of collaboration between our two companies. Together, Volkswagen and Mahindra can contribute significantly to the electrification of India, a huge automotive market with ambitious climate protection commitments. The MEB Electric Platform and its components are key to affordable sustainable mobility around the globe. The partnership not only demonstrates that our platform business is highly competitive, but also that the MEB is well on track to become one of the leading open platforms for e-mobility. We are thus delivering on the focus of our Volkswagen NEW AUTO strategy to make the platform business a strong pillar of our Group and to unlock future profit pools through economies of scale."*

Commenting on the announcement, **Rajesh Jejurikar, Executive Director, Auto and Farm Sectors, Mahindra & Mahindra Ltd.**, stated: *"The signing of the techno-commercial term sheet is a significant step forward in our partnership with Volkswagen. Our purpose-built INGLO platform offers unmatched potential for growth and further customization for developing new and innovative products, not just for India, but for global markets. Our vision is to lead the electric mobility revolution in India by bringing authentic electric SUVs with cutting-edge technology, as showcased in the UK today. We are very pleased to explore further areas of potential collaboration with Volkswagen and are confident that together, we will be able to shape an exciting electric future."*

At the 2021 climate summit in Glasgow, India committed to only allowing 100 % zero-emission vehicles from 2035 onwards. With around three million new vehicles per year, India is one of the five largest automobile markets in the world and along with China, the only region to record an increase in new registrations in the first half of 2022. The electrification of the passenger car segment is expected to gain significant momentum in the coming years.

About Mahindra

Founded in 1945, the Mahindra Group is one of the largest and most admired multinational federation of companies with 260,000 employees in over 100 countries. It enjoys a leadership position in farm equipment, utility vehicles, information technology and financial services in India and is the world's largest tractor company by volume. It has a strong presence in renewable energy, agriculture, logistics, hospitality and real estate.

The Mahindra Group has a clear focus on leading ESG globally, enabling rural prosperity and enhancing urban living, with a goal to drive positive change in the lives of communities and stakeholders to enable them to Rise.

Learn more about Mahindra on www.mahindra.com / Twitter and Facebook: @MahindraRise/
For updates subscribe to <https://www.mahindra.com/news-room>

About Volkswagen India:

Headquartered in Pune, ŠKODA AUTO Volkswagen India Private Limited (SAVWIPL) is the company that represents the passenger vehicle brands of Volkswagen Group in India. SAVWIPL was formed following the merger of Volkswagen India Private Limited (VWIPL), ŠKODA AUTO India Private Limited (SAIPL), and Volkswagen Group Sales India Private Limited (NSC). Brand ŠKODA was given lead responsibilities for managing the operations of the group brands in India. The combined entity oversees the Indian operations of five brands – ŠKODA AUTO, Volkswagen, Audi, Porsche and Lamborghini.

The Volkswagen Group implemented its INDIA 2.0 project with an investment of one billion Euros in India from 2019 to 2022. Under the project the Group designed and produced four cars – ŠKODA KUSHAQ, Volkswagen Taigun, ŠKODA SLAVIA and Volkswagen Virtus, customized for India at the Group's Pune facility in Chakan. SAVWIPL operates two manufacturing facilities - at Chakan, Pune and Shendra, Aurangabad.

SAVWIPL is committed to India and will continue to serve Indian customers with an array of desirable, high-quality automobiles that reflect the needs of the Indian customer and their aspirations.

Read and know more about SAVWIPL at <https://skoda-vw.co.in/>

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