



CEAT LIMITED
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CIN: L25100MH1958PLC011041

December 6, 2024

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: INE482A14CW5, INE482A14CX3,
INE482A14CZ8, INE482A14CY1, INE482A14DA9,
INE482A14DC5, INE482A14DB7, INE482A14DE1,
INE482A14DD3, INE482A14DF8

Dear Sirs/Madam,

Sub: Disclosure pursuant to Regulation 30 and 51 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations")

This is to inform you that the Board of Directors at its meeting held today accorded its consent for *inter-alia* entering into definitive agreement(s) with associate companies in the Michelin Group ('Michelin') for acquisition of Camso brand's Off-Highway construction equipment tyre and tracks business, through one or more subsidiaries to be incorporated by the Company.

Details *inter-alia* pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read along with SEBI Circular No. SEBI/HO/CFD/CFD-PoD-1/P/CIR/ 2023/123 dated July 13, 2023, are annexed.

It is requested to take note of the same.

Thanking you,

Yours faithfully,
For CEAT Limited



(Gaurav Tongia)
Company Secretary

Encl. 1. As above
2. Press Release

Details pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read along with SEBI Circular No. SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated July 13, 2023

Particulars	Details
Name of the target entity, details in brief such as size, turnover etc.	<p>Business assets are being acquired from Michelin. No shares are being purchased in any entity and no entity is being acquired.</p> <p>The Company has entered into definitive agreement(s) to acquire Camso brand's Off-Highway construction equipment bias tyre and tracks business from Michelin. The transaction includes the business with revenues of \$213 Mn in CY23 along with two manufacturing facilities and global ownership of the Camso brand, after an initial 3 year licencing period. ('Business').</p> <p>The transaction is proposed to be made through one or more subsidiaries, to be incorporated by the Company.</p>
Whether the acquisition would fall within related party transaction(s) and whether the promoter/promoter group/group companies have any interest in the entity being acquired? If yes, nature of interest and details thereof and whether the same is done at "arm's length"	<p>No.</p> <p>The Promoter / Promoter Group / Group Companies have no interest in the entity whose assets are being acquired. The proposed transaction is at arms' length basis.</p>
Industry to which the entity being acquired belongs	<p>The Business being acquired pertains to the Tyre industry.</p>
Objects and impact of acquisition (including but not limited to, disclosure of reasons for acquisition of target entity, if its business is outside the main line of business of the listed entity)	<p>Over the last decade, the Company has <i>inter-alia</i>, been focusing on building its Off-Highway Tyres ('OHT') business, which now consists of 900+ product offerings and covers a significant part of the range requirement in the agri-segment. Business is expected to provide the Company with the ability to widen its product base into bias tracks and construction tyres besides immediate access to a global customer base including international OEMs and premium international OHT Distributors. Besides, the acquisition of Camso brand provides Company with a unique opportunity to expand its product offerings. Both CEAT and Camso brands are complementary in their positioning and capabilities.</p>

Brief details of any governmental or regulatory approvals required for the acquisition	The transaction is subject to regulatory approvals, including approvals from local authorities, etc.
Indicative time period for completion of the acquisition	It is expected that the transaction will be completed tentatively within 6-9 months, or such period as may be mutually agreed, subject to satisfaction of closing conditions.
Consideration - whether cash consideration or share swap or any other form and details of the same	Cash consideration
Cost of acquisition and/ or the price at which the shares are acquired	Business assets are being acquired and not shares of any entity. The transaction proposed does not involve acquisition of shares.
Percentage of shareholding / control acquired and / or number of shares acquired	The proposed transaction is for a consideration of about USD 225 Million, subject to customary adjustments and applicable taxes.
Brief background about the entity acquired in terms of products/line of business acquired, date of incorporation, history of last 3 years turnover, country in which the acquired entity has presence and any other significant information (in brief)	<p>Camso is a premium brand in construction equipment tyre and tracks with strong equity in EU and North American aftermarket and OE segments. The Camso brand will be permanently assigned to CEAT across categories after a 3-year licensing period. The transaction is expected to expand Company's product portfolio in the Off-Highway Tyres and tracks segments, which includes agriculture tyres and tracks, harvester tyres and tracks, power sports tracks and material handling tyres. The Business has two manufacturing facilities located in Sri Lanka.</p> <p>Since this transaction pertains to purchase of Business, and not an acquisition of an entity, the disclosure of 3 years turnover, percentage of shareholding and number of shares, would not be applicable.</p>



CEAT acquires Camso brand Off-Highway Tyres and Tracks Business from Michelin

Mumbai, India, 6th December, 2024: CEAT, an RPG company and Michelin, the global leader in tyres, announced today that they have entered into a definitive agreement for CEAT to acquire Camso brand's Off-Highway construction equipment bias tyre and tracks business from Michelin in an all-cash deal valued at about \$225 Mn. The transaction will include the business with revenues of around \$213 Mn for CY 2023 and global ownership of the Camso brand along with two state-of-the-art manufacturing facilities.

Camso is a premium brand in construction equipment tyre and tracks with strong equity and market position in EU and North American aftermarket and OE segments. The Camso brand will be permanently assigned to CEAT across categories after a 3-year licensing period. This will expand CEAT's product portfolio in the high margin Off-Highway Tyres (OHT) and tracks segments, which includes agriculture tyres and tracks, harvester tyres and tracks, power sports tracks and material handling tyres. Michelin will thus exit from the activities related to Compact Line bias tyres and Construction tracks.

The acquisition is a significant milestone for CEAT in its ambition to become a leading global player in the high margin OHT segment. Over the last decade, CEAT has been focusing on building its OHT business, which now consists of 900+ product offerings and covers around 84% of the range requirement in the agricultural segment. Camso will give CEAT the ability to widen its product base into tracks and construction tyres. More importantly, it will give CEAT access to a global customer base including over 40 international OEMs and premium international OHT Distributors. CEAT brings in the ability for Camso to expand to other segments such as agriculture tyres. Both brands are highly complementary in their positioning and capabilities.

Both CEAT and Michelin are committed to a coordinated and smooth transition for customers, suppliers and all employees. The manufacturing facilities being acquired are located in Sri Lanka.

The transaction will be subject to regulatory approvals from relevant authorities.

Anant Goenka, Vice Chairman, RPG Enterprises, said: *“This acquisition has significant strategic consequence for CEAT as it catalyzes the company’s journey towards being a leading tyre maker globally. Camso is an industry leading brand in the Off-Highway Tyre market built through many years of investment in creating product superiority and manufacturing excellence, nurtured through the Michelin parentage. Most importantly, we found a great cultural alignment between Camso and CEAT because of our TQM way of working.”*

Arnab Banerjee, MD & CEO, CEAT, said: *“The Camso brand is an excellent fit with the growth strategy of CEAT’s Off-Highway Tyre business, thereby improving our margin*

profile. Access to the most premium customers, a high-quality brand and a qualified global workforce is what excites us the most about this acquisition. The track segment is a technologically superior segment with a limited number of global players. We also found high synergies between the two brands, CEAT and Camso, and are confident that both will benefit tremendously from their complementary capabilities and positioning.”

Nour Bouhassoun, Senior Vice President, Beyond Road Business Line at Michelin, said: *“Michelin firmly believes that CEAT is the right fit to carry on our bias tyres and tracks for compact construction equipment business. Both our companies are fully committed to ensuring a smooth transition for our employees and business continuity for our customers and suppliers. With this operation, Michelin is continuing to reshape its Beyond Road business, in line with the Group's sustainable growth strategy.”*

About CEAT (www.ceat.com)

CEAT, an RPG Company, is one of India’s leading tyre companies making passenger car, two-wheeler, truck and bus, light commercial and off highway tyres. It caters to leading OEMs as well as domestic and international markets, exporting to 110+ countries. CEAT is the first tyre brand globally and one amongst only 33 companies in the world ever to be awarded the Deming Grand Prize for its contribution to Total Quality Management. CEAT is also the first tyre brand globally to be accorded ‘Lighthouse Designation’ for adoption of Industry 4.0 technologies by the World Economic Forum.

About RPG Enterprises (www.rpggroup.com)

RPG Enterprises is one of India’s fastest-growing business groups with a market capitalization of over USD 8 billion. The group has diverse business interests in Infrastructure, Tyres, Pharma, IT, Specialty, and innovation-led technology businesses. RPG Group companies include KEC International, CEAT, Zensar Technologies, RPG Life Sciences, Harrisons Malayalam, Raychem RPG, and Spencer International Hotels.

Khaitan & Co. are the legal advisors to CEAT Ltd. on this transaction.

Media queries:

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