

Date: 17th September 2024

National Stock Exchange of India Limited, Exchange Plaza 5 th Floor, Plot No. C-1, G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400051, Maharashtra, India NSE Scrip Code – SKFINDIA	BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001, Maharashtra, India BSE Scrip Code -500472
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Subject : Disclosure under Regulation 30 of SEBI (LODR)

Dear Sir/Ma'am,

We wish to place on record the Press Release issued by M/s AB SKF (the Promoter Shareholder of the company) expressing the decision of its Board to initiate the separation of its automotive business globally. A copy of the Press Release is enclosed (Annexure – 1).

The Board of Directors of the company, in its meeting dated 17th September 2024 has taken note of the same and has constituted a committee to review & place appropriate proposal(s) to the Board for necessary decision/way forward.

The trading window for dealing in shares of the Company by Directors, Promoters, Designated Persons, and other insiders (including relatives thereof) is closed from the conclusion of this Board Meeting till 48 hours after the decision of the Board on this proposal.

We request you to take the above information on record and disseminate the same on your respective websites.

Yours faithfully,
For SKF India Limited

Ranjan Kumar
Company Secretary & Compliance Officer

SKF India Limited

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CIN: L29130PN1961PLC213113

SKF initiates a separation of its Automotive business

Gothenburg, 17 September 2024: The Board of Directors of SKF has decided to initiate a separation of its Automotive business with the objective of a separate listing on Nasdaq Stockholm through a Lex Asea distribution to its shareholders. The intention is to list the Automotive business on Nasdaq Stockholm during first half of 2026.

Given different business dynamics, end markets and success drivers for the Industrial and Automotive business segments, a separation will facilitate a clearer focus on distinct opportunities to enhance customer value, accelerate growth as well as improve efficiency and competitiveness.

“Both businesses are global leaders in their respective fields and will through a clearer focus increase customer value and leverage on their strategies as standalone companies. The Board of Directors and Management therefore believe that long-term value can be created by splitting the Group into two separate companies, benefiting customers, employees and shareholders”, says Hans Stråberg, Chair of SKF Board of Directors.

A separation would increase Automotive’s ability to adapt faster to transforming global automotive markets, by allowing it to make independent business decisions and investments. A more tailored, leaner Automotive business model will further strengthen its competitive advantage and capture additional profitable growth opportunities, while at the same time accelerating its profitability transformation.

“When we launched our new business strategy in February 2022, we articulated a desire to create a more autonomous Automotive business to provide strategic flexibility. I also said that we need to take bold decisions to unlock additional long-term profitable growth opportunities. Initiating a separation of the Automotive business is one of those decisions,” says Rickard Gustafson, President and CEO.

A more focused Industrial company will be even better equipped to develop and execute its strategy and allocation of resources. By connecting operations more towards its industrial customers’ needs, it will cater for accelerated growth, improved efficiency, increased responsiveness and enhanced end-user experiences. The SKF Group will strengthen its long-term position as a global industrial focused technology leader delivering customer value through high quality and sustainable solutions.

It is the intention to separate SKF’s current Automotive business. As a reference for the full-year 2023, net sales for the Automotive segment amounted to SEK 30 billion with an adjusted operating margin of 5.6%. The corresponding figures for the Industrial segment were SEK 73 billion and 15.4%, respectively.

The Board of Directors intends to present a proposal for the distribution and listing of the Automotive business at a shareholders meeting in 2026. If the shareholders and other stakeholders approve of such a proposal, AB SKF shareholders will receive shares in the

Automotive business in proportion to their existing shareholding in AB SKF. The intention is then to list the Automotive business on Nasdaq Stockholm during the first half of 2026.

The distribution of the Automotive business is foreseen to meet the requirements of Lex Asea, meaning that the receipt of the shares distributed should be exempt from Swedish tax.

Further details will be provided in due course.

A webcast for media and investors will be held on 17 September at 15:30 (CET). Access the webcast via the link or call in using the dial in details below:

Link to webcast: <https://www.investis-live.com/skf/66e2a1bc26e9bc1200f9b061/paret>

Sweden: +46 (0)8 5051 0031

UK / International: +44 (0)207 107 0613

Aktiebolaget SKF
(publ)

Information in this press release contains information that AB SKF is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out below, on 17 September 2024 at 12.00 CET.

For further information, please contact:

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SKF is a world-leading provider of innovative solutions that help industries become more competitive and sustainable. By making products lighter, more efficient, longer lasting, and repairable, we help our customers improve their rotating equipment performance and reduce their environmental impact. Our offering around the rotating shaft includes bearings, seals, lubrication management, condition monitoring, and services. Founded in 1907, SKF is represented in approximately 130 countries and has around 17,000 distributor locations worldwide. Annual sales in 2023 were SEK 103,881 million and the number of employees was 40,396. www.skf.com

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