

February 11, 2022

**BSE Limited
Department of Corporate Services
P. J. Towers, 25th Floor, Dalal Street,
Mumbai- 400 001
Ref: 532509**

**National Stock Exchange of India Ltd
Exchange Plaza, C-1, Block-G,
Bandra Kurla Complex, Bandra (E)
Mumbai- 400 051
Ref: SUPRAJIT**

Dear Sirs,

Sub: Press Release.

Please find enclosed Press Release dated February 11, 2022.

This is for your Information and records.

Thanking you,

Yours faithfully,

For Suprajit Engineering Limited



**Medappa Gowda J
CFO & Company Secretary**



Encl: as above

PRESS RELEASE
February 11, 2022.
**RESULTS AND BUSINESS UPDATE FOR THE QUARTER AND
NINE MONTHS ENDED DECEMBER 31, 2021.**
RESULTS UPDATE:

(Rs. In million)

Consolidated unaudited results for the nine months ended:

| PARTICULARS | DECEMBER 2021 | | DECEMBER 2020 | | Growth |
|----------------------------------|---------------|-------|---------------|-------|--------|
| | Amount | % | Amount | % | |
| OPERATING REVENUE (Net of taxes) | 13,345.6 | | 11,278.8 | | 18.3% |
| EBIDTA (Operational) | 1,898.7 | 14.2% | 1,550.2 | 13.7% | 22.5% |

Standalone unaudited results for the nine months ended:

| PARTICULARS | DECEMBER 2021 | | DECEMBER 2020 | | Growth |
|----------------------------------|---------------|-------|---------------|-------|--------|
| | Amount | % | Amount | % | |
| OPERATING REVENUE (Net of taxes) | 9,150.6 | | 7,655.2 | | 19.5% |
| EBIDTA (Operational) | 1,573.6 | 17.2% | 1,223.3 | 16.0% | 28.6% |

Phoenix Lamps Division (Including Trifa & Luxlite) for the nine months ended:

| PARTICULARS | DECEMBER 2021 | | DECEMBER 2020 | | Growth |
|----------------------------------|---------------|------|---------------|------|--------|
| | Amount | % | Amount | % | |
| OPERATING REVENUE (Net of taxes) | 2,456.5 | | 2,264.9 | | 8.5% |
| EBIDTA (Operational) | 177.0 | 7.2% | 195.9 | 8.6% | (9.6%) |

Suprajit Engineering Limited Non-automotive (SENA) Division (including India and Wescon US) for the nine months ended:

| PARTICULARS | DECEMBER 2021 | | DECEMBER 2020 | | Growth |
|----------------------------------|---------------|-------|---------------|-------|--------|
| | Amount | % | Amount | % | |
| OPERATING REVENUE (Net of taxes) | 3,067.5 | | 2,330.8 | | 31.6% |
| EBIDTA (Operational) | 372.6 | 12.1% | 267.6 | 11.5% | 39.2% |

Suprajit Engineering Limited - Automotive Cable division (including Suprajit Automotive and Suprajit Europe) for the nine months ended:

| PARTICULARS | DECEMBER 2021 | | DECEMBER 2020 | | Growth |
|----------------------------------|---------------|-------|---------------|-------|--------|
| | Amount | % | Amount | % | |
| OPERATING REVENUE (Net of taxes) | 7,821.6 | | 6,683.1 | | 17.0% |
| EBIDTA (Operational) | 1,349.1 | 17.2% | 1,086.7 | 16.3% | 24.1% |

Above Operational EBITDA is without considering all non-operational income, forex gain / loss & acquisition expenses.

: 1 :

For Suprajit Engineering Limited

 Rajith Kumar Rai
Chairman

(Rs. in Million)

Consolidated unaudited results for the quarter ended:

| PARTICULARS | Q3 DEC 2021 | | Q3 DEC 2020 | | Growth |
|----------------------------------|-------------|-------|-------------|-------|----------|
| | Amount | % | Amount | % | |
| OPERATING REVENUE (Net of taxes) | 4,792.7 | | 5,072.7 | | (5.5%) |
| EBIDTA (Operational) | 605.8 | 12.6% | 863.6 | 17.0% | (29.85%) |

Standalone unaudited results for the quarter ended:

| PARTICULARS | Q3 DEC 2021 | | Q3 DEC 2020 | | Growth |
|----------------------------------|-------------|-------|-------------|-------|---------|
| | Amount | % | Amount | % | |
| OPERATING REVENUE (Net of taxes) | 3,512.1 | | 3,663.2 | | (4.1%) |
| EBIDTA (Operational) | 531.0 | 15.1% | 720.9 | 19.7% | (26.3%) |

Phoenix Lamps Division (Including Trifa & Luxlite) for the quarter ended:

| PARTICULARS | Q3 DEC 2021 | | Q3 DEC 2020 | | Growth |
|----------------------------------|-------------|------|-------------|-------|---------|
| | Amount | % | Amount | % | |
| OPERATING REVENUE (Net of taxes) | 921.2 | | 1,006.0 | | (8.4%) |
| EBIDTA (Operational) | 49.1 | 5.3% | 115.8 | 11.5% | (57.6%) |

Suprajit Engineering Limited Non-automotive (SENA) Division (including India and Wescon US) for the quarter ended:

| PARTICULARS | Q3 DEC 2021 | | Q3 DEC 2020 | | Growth |
|----------------------------------|-------------|------|-------------|-------|---------|
| | Amount | % | Amount | % | |
| OPERATING REVENUE (Net of taxes) | 1,019.3 | | 911.7 | | 11.8% |
| EBIDTA (Operational) | 95.9 | 9.4% | 108.5 | 11.9% | (11.6%) |

Suprajit Engineering Limited - Automotive Cable division (including Suprajit Automotive and Suprajit Europe) for the quarter ended:

| PARTICULARS | Q3 DEC 2021 | | Q3 DEC 2020 | | Growth |
|----------------------------------|-------------|-------|-------------|-------|---------|
| | Amount | % | Amount | % | |
| OPERATING REVENUE (Net of taxes) | 2,852.3 | | 3,155.0 | | (9.6%) |
| EBIDTA (Operational) | 460.9 | 16.2% | 639.3 | 20.3% | (27.9%) |

Above Operational EBITDA is without considering all non-operational income, forex gain / loss & acquisition expenses.

Group debt level (Rs. in Million):

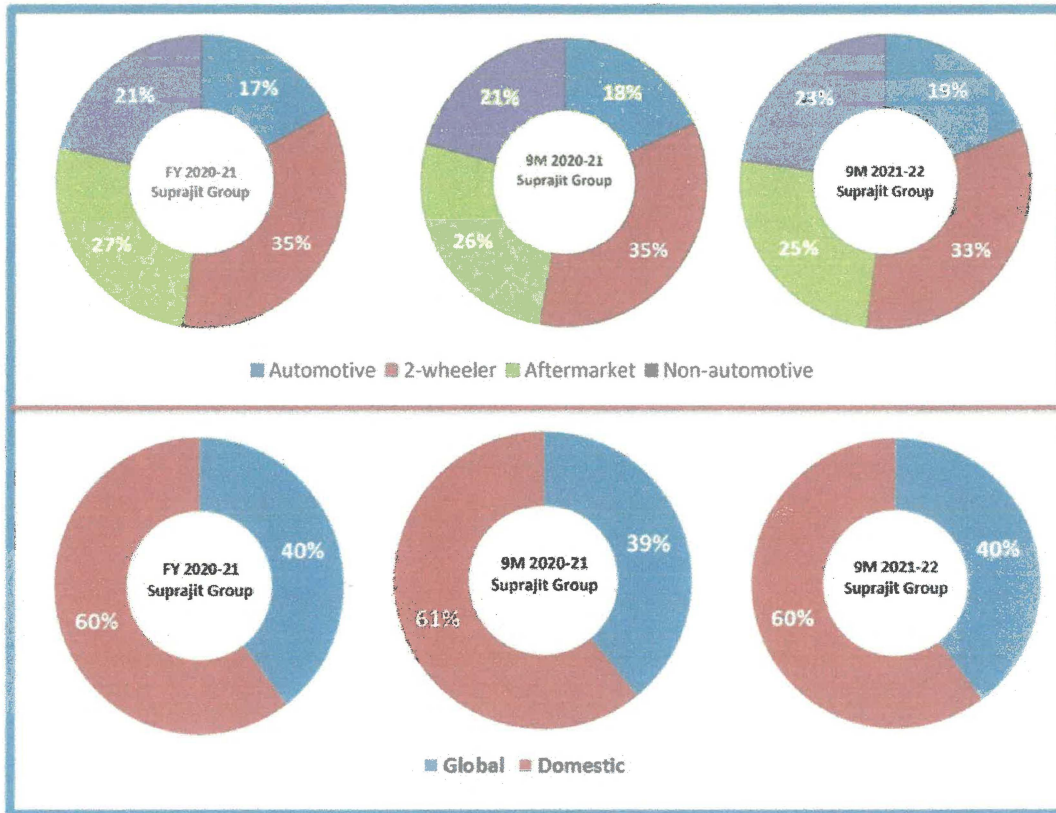
| DEBT LEVEL (Group) | Dec-21 | Mar-21 |
|--------------------|--------------|--------------|
| Long Term | 350 | 923 |
| Short Term | 2,564 | 2,354 |
| TOTAL | 2,914 | 3,277 |

: 2 :

For Suprajit Engineering Limited


K Ajith Kumar Rai
Chairman

SECTOR AND GEOGRAPHIC REVENUE SPLITS:



OPERATIONS:

Demand - Supply Constraints and Covid-19:

- The chip shortage, both in India and globally, continued in Q3FY22, disrupting volumes across all the segments with continued production disruptions, both planned and unplanned. This scenario is expected to continue thorough out this calendar year.
- The third wave of Covid-19 in India had minimal impact. Due to increased absenteeism, there were minor disruptions in production in some units.
- Covid vaccination coverage continues to be very high across the Suprajit Group of companies, providing a protective shield against Covid.
- The port congestion, container shortages, shipment delays and related costs continue to add to the operational cost.
- It may be noted, the overall automotive volumes are expected to be at a decade low this year coupled with poor demand in the 2-wheeler segment.

: 3 :

For Suprajit Engineering Limited

K Ajith Kumar Rai
Chairman

- The commodity prices continue to increase in most of the commodities globally. This has forced the Company to give price increases at the suppliers end during the quarter. Price increases from customers to offset the same is having a lag effect, resulting in material impact on the 3rd quarter's results. We anticipate to receive price increases from the customers during the current and coming quarters.
- However, 9 months results provide a stable outlook with growth and profitability.

FINANCIAL & BUSINESS UPDATE:

Highlights of the Results:

(Rs. In million)

| Standalone: | YTD Dec 21-22 | YTD Dec 20-21 | Growth | Q3 Dec 21-22 | Q3 Dec 20-21 | Growth |
|----------------------|------------------|------------------|--------|-----------------|-----------------|----------|
| Operating Revenue | 9,150.6 | 7,655.2 | 19.5% | 3,512.1 | 3,663.2 | (4.1%) |
| Operating EBIDTA | 1,573.6 | 1,223.3 | 28.6% | 531.0 | 720.9 | (26.3%) |
| EBIDTA | 17.2% | 16.0% | | 15.1% | 19.7% | |
| Consolidated: | | | | | | |
| Operating Revenue | 13,345.6 | 11,278.8 | 18.3% | 4,792.7 | 5,072.7 | (5.5%) |
| Operating EBIDTA | 1,898.7 | 1,550.2 | 22.5% | 605.8 | 863.6 | (29.85%) |
| EBIDTA | 14.2% | 13.7% | | 12.6% | 17.0% | |

- The Board has declared an interim dividend of 90% (Re. 0.90 per equity share of Re. 1/-) as against 75% (Re.0.75 per equity share of Re.1/-) last year.
- Suprajit Group's overall year to date performance is in line with the guidance, although Q3 results have been muted across the divisions except Domestic Cable Division (DCD) due to timing differences of price impacts and higher costs across the segments.
- The planned expansion at Narasapura, near Bangalore, as well as at Phoenix Lamps Division (PLD) will be completed in the coming months.
- The new plant for a comprehensive aftermarket facility at Bommasandra Industrial area, Bangalore, is progressing as per the plan.

The Group Companies:

- The DCD continued to perform well despite the challenges.
- Suprajit Automotive (SAL) and Suprajit Europe (SEU) had certain challenges in terms of the volume growth, largely due to chip shortages.
- The SENA division's sales performance has been generally in line with the plan.
- PLD, including Trifa and Luxlite, had a challenging quarter due to steep increase in gas and other commodity prices. High Covid infections across Europe continues to pose challenges on the business developments.

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For Suprajit Engineering Limited


K Ajith Kumar Rai
Chairman

COMMENTARY ON THE CURRENT QUARTER AND BALANCE YEAR:

- The chip shortage is expected to continue throughout this quarter and the coming year. This has reduced global automotive volumes by more than 10% during the last calendar year.
- Most of the commodity prices continue to rule high. Added to this, the container costs, shipment delays, etc., added to the overall cost burden of the Company during the quarter.
- The Company is expecting to get price increases from various customers in the Group companies during the current and next quarters, which is expected to normalize the overall business margins on an annualized basis.

ACQUISITION OF LIGHT DUTY CABLE (LDC) UNIT OF KONGSBERG AUTOMOTIVE :

- As notified earlier, the Company has signed a Definitive Share and Asset Purchase Agreement and Technical Support Agreement (TSA) with Kongsberg, to acquire LDC business unit. The Management believes that this is a transformational transaction in the coming years, in line with its overall strategy of 'Derisk and grow profitably' and to emerge as a global leader in the control cables business.
- Final diligence and closing formalities are ongoing. Our transaction team is closely working with seller's team and this transaction is expected to complete soon, subject to meeting pre-completion obligations.
- The Company has secured the necessary debt to complete this transaction from a global bank. This transaction will be funded by a combination of debt and the cash available with the Company.

UPDATE ON SUPRAJIT TECHNOLOGY CENTRE (STC) :

- STC, which was launched at the new location, continues to work on new products,
- Commercial launches of certain products developed are ongoing and in line with the long-term plans of the Company.
- STC has applied for 15 patents for products and processes.
- As informed earlier, STC has developed a range of new products which would make significant impact on the future growth and derisk plans of the Company.

About Suprajit Engineering Limited:

Suprajit is India's largest automotive cable and halogen bulb maker with an annual global capacity of 300 million cables and 110 million halogen bulbs. Suprajit's customers' list includes most Indian automotive majors. It also exports to many marquee global customers.

For further information, please contact:

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| https://www.suprajit.com/financials/ | |

For Suprajit Engineering Limited


K Ajith Kumar Rai
Chairman