



**Suprajit
Engineering
Limited**

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Corporate Identity Number (CIN) : L29199KA1985PLC006934



October 28, 2021

**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 – Suprajit to acquire Light Duty Cable (LDC) business unit from Kongsberg Automotive, Norway

Enclosed please find Press Release dated October 28, 2021 regarding “**Suprajit to acquire Light Duty Cable (LDC) business unit from Kongsberg Automotive, Norway**” along with an “Investor presentation”.

This is for your Information and records.

Please consider this as compliance under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Thanking you,

Yours faithfully,

For Suprajit Engineering Limited

**Medappa Gowda J
CFO & Company Secretary**



Encl: as above

PRESS RELEASE

Suprajit Engineering Ltd. (Suprajit) set to acquire Light Duty Cable (LDC) business unit of Kongsberg Automotive ASA.

Suprajit is pleased to announce that it has signed a Definitive Share and Asset Purchase Agreement to acquire Light Duty Cable (LDC) business unit on October 28, 2021 with Kongsberg Automotive ASA, listed on the Oslo Stock Exchange, Norway. The LDC business unit of Kongsberg Automotive Group consists of cable business, supplying to automotive, non-automotive and 2-wheeler segments along with Electro-Mechanical Actuators (EMA). This transaction also involves the transfer of global sales and engineering expertise related to this business to Suprajit. The transaction is expected to close by end of January 2022.

LDC consists of 3 manufacturing plants located in Matamoros - Mexico, Siofok - Hungary, and Shanghai - China, and a warehouse in Brownsville - USA. LDC's global business development and engineering teams are at plants and other key geographies including the US, Germany, France, Norway, Sweden and the UK, and will come under the fold of Suprajit.

The total employee strength of LDC is approximately 1300 employees at the end of Q2. The current year sale is expected to be in the range of US\$ 90 million. Enterprise value of the transaction is pegged at US\$ 42.00 million.

LDC has marquee global customers in automotive, non-automotive and 2-wheeler businesses and is a segment leader in its own right. With this, Suprajit will emerge a global leader in control cables in all these segments with strong global presence. LDC will be a very complimentary fit in its manufacturing footprint, customer base, product and technology. Through this transaction, Suprajit will also add key actuation technologies that can be brought to other customers of Suprajit. EMA will emerge as a new product segment in the future, for the group.

Kongsberg Automotive is a global automotive supplier, headquartered in Zurich. Through this divestment, Kongsberg Automotive will realign its product portfolio and this transaction will provide a strong focus to the cables business as part of Suprajit. Suprajit is confident to grow the LDC business unit profitably, giving necessary focus to enhance the scale and optimize synergies for maximum customer comfort.

Ajith Rai, Founder and Chairman of Suprajit, said – *“The LDC business unit of Kongsberg Automotive is a perfect fit for Suprajit. With LDC’s manufacturing footprint in 3 continents with sales, business development and engineering support across the world, and, with the annual cable capacity of 400+ million, would make Suprajit a truly global major in the cables business”*

Joerg Buchheim, President & CEO of Kongsberg Automotive, said – *“We strongly believe that this transaction is in the best interest of all involved parties as it offers a great opportunity for the LDC employees and the new owner Suprajit to achieve economies of scale and realize growth potential.”*

N.S.Mohan, Managing Director and Group CEO, said – *“As Control Cable is our core product, this acquisition adds to our strength as a global player with scale, reach and technology”.*

Akhilesh Rai, Director and Chief Strategy Officer, said – *“LDC is a renowned supplier in cable and actuation technology and apart from improved customer centricity, it brings new markets for Suprajit and new technology for our customers.”*

Jim Ryan, President, Suprajit USA, said – *“This natural combination of Suprajit and Kongsberg Automotive cables benefits all stakeholders, but especially customers who will realize a stronger and uniquely expert supply partner.”*

Grant Thornton Bharat LLP, India are the sole financial advisors and **Oppenhoff & Partner**, Germany, are the lead legal advisors to Suprajit for this transaction.

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 customer list includes most Indian automotive majors. It also exports to many marquee global customers. For further information, visit www.suprajit.com or please contact:*

<i>Mr. Medappa Gowda J Chief Financial Officer & Company Secretary Suprajit Engineering Limited Email: medappagowdaj@suprajit.com</i>	<i>Mrs. Bhargavi Aithal AGM - Corporate Communications Suprajit Engineering Limited Email: bhargavi@suprajit.com</i>
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KONGSBERG
AUTOMOTIVE



Suprajit

Suprajit to acquire Light Duty Cable (LDC)
business unit from Kongsberg Automotive

Investor Call

Date: October 29, 2021

- Suprajit Engineering Ltd has signed a definitive agreement to acquire all the legal entities and assets of Kongsberg Automotive's Light Duty Cables (LDC) Business Unit.
- Kongsberg Automotive is a 1.1 Billion US\$ (FY20), publicly listed (Oslo Stock Exchange), Company.
- LDC is a part of the Interior Comfort Systems business unit Group of Kongsberg Automotive.
- LDC is expected to have close to US\$ 100 Mil + in revenue with double digit EBITDA next year.
- All Legal entities of LDC in Mexico, USA, Hungary and China, will be part of this acquisition.
- LDC adds to Suprajit automotive footprint in Americas and China and expands the footprint in Europe.
- Product portfolio of LDC will strengthen both automotive and non-automotive cables.
- Electro-mechanical Actuators will become new product segment to Suprajit with significant new opportunities.
- The Closure is expected to be by the end of January 2022.
- Jim Ryan, President Global Operations will lead the acquired entities in addition to his current responsibilities at Wescon Controls LLC (USA) and Suprajit Europe Ltd.
- The current installed capacity of LDC division is 106 Million cables per annum. With this acquisition the group's cable installed capacity will increase to 400+ Million cables per year.
- The Enterprise value is pegged at 42.00 Million USD.

LDC is a successful and leading Tier 1 and OEM supplier providing one stop shop for cost effective and efficient Cable and Cable-based Actuation Systems for Automotive and Off-Highway applications

Business Overview

- Leading provider of Light Duty Cable systems for Automotive and Off-Highway (“OFH”) applications.
- Broad product portfolio covering mechanical cables and electromechanical actuation (“EMA”) systems
- Various uses in Automotive seats, body and other interior products, as well as in Outdoor Power Equipment (“OPE”), Motorcycles and other industrial, agriculture and construction machinery
- Global footprint supported by approx. 1,300 employees across 3 production facilities, 1 R&D center and 9 sales offices
- Strong forecasted growth after recovery from the Corona effects from 2021-22 onwards.

Select Products

Mechanical systems



Fuel filler cable



Throttle control



Hood cable

EMA systems







EMA systems for various applications

Select Customers








Global Leader in Cable Systems

Key Highlights

1	One stop shop for cost effective and efficient cabling solutions for remote applications and a full range of electromechanical actuation products	    <p>Seat removal cable Seat fold/ Head rest Cables Seat cable EMA Trunk/ Tailgate cable, door cables</p>
2	Deep product know-how and engineering capability based on long-standing industry experience and understanding of customer needs	<p>26 Global Design Engineers 20+ Patents</p>
3	Optimized global footprint ensuring high proximity to customers and efficient supply chain	<p>3 Production Facilities in Competitive Cost Countries Mexico, China and Hungary 1 Global R&D Centre in USA</p>
4	Well placed to benefit from favourable industry trend combined with expected market share gains in seat cables and EMA	<p>Significant growth in Seat Cable and EMA market 2020-2025</p>
5	Strong relationships with global customer base and diversification across end markets	<p>72% of revenue from Automotive applications 28% from off-highway applications</p>
6	Strong revenue visibility supported by solid New Business Wins (“NBW”) performance combined with attractive cash generation	<p>10-15% Sales CAGR 2021-2025F ~10%+ Historical and Forecasted EBITDA margin</p>

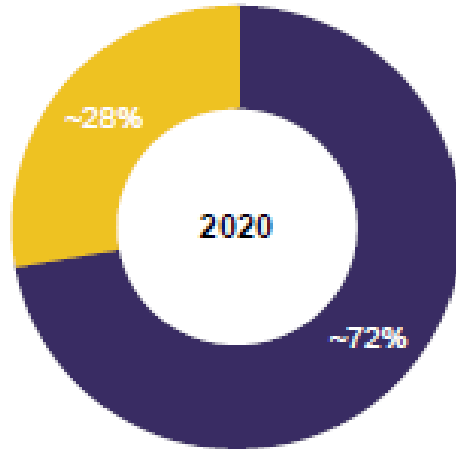
Broad and modular product portfolio addressing specific customer needs enables one stop shop solution

Product	Description	Application
<p>Mechanical Systems</p>	 <ul style="list-style-type: none"> • Mechanical driven actuation and cable systems, used e.g. to release the latch/lock to fold the seat or to open car doors by hand • Systems typically consist of control cables and other mechanical parts, e.g. handles for door release • LDC products are used in a wide range of applications e.g. car seats, car body parts, outdoor power equipment, motorcycles, etc 	 <p><i>Cables (Seat, Hood/Bonnet, Window, Sunroof, Trunk, Fuel filler, door)</i></p>
<p>EMA Systems</p>	 <ul style="list-style-type: none"> • For automatic control or actuation e.g. to adjust car seat position by pushing buttons (electric impulse) • Systems usually consist of an electric actuator, control cables, and other parts • LDC product offering focuses on medium to high force actuators for car seat applications • Further innovations under development 	 <p><i>Controls (Throttle)</i></p>  <p><i>Controls (Throttle, drive, choke, brake)</i></p>

Only player covering electro-mechanical and mechanical seat and body solutions globally

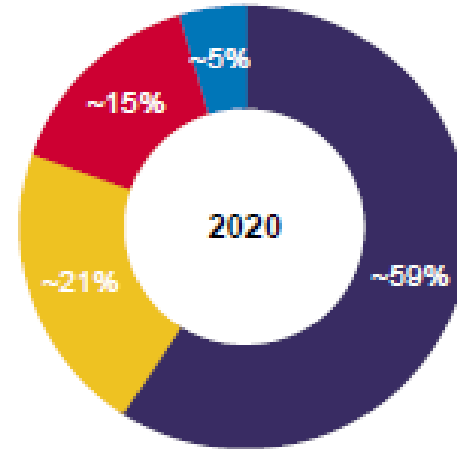
Strong customer relationships with global customer base provides diversification across end markets

Revenue split by application (20A)



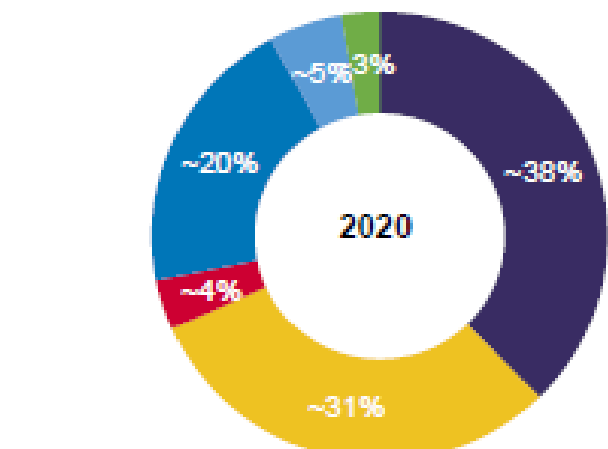
■ Automotive ■ Off-highway

Revenue split by region (20A)



■ Americas ■ Europe ■ APAC ■ Other

Revenue split by product group (20A)



■ Automotive - Seat ■ Automotive - Body
 ■ Other automotive ■ Outdoor power equipment
 ■ Motorcycle ■ Other¹

Customised Design and Solutions



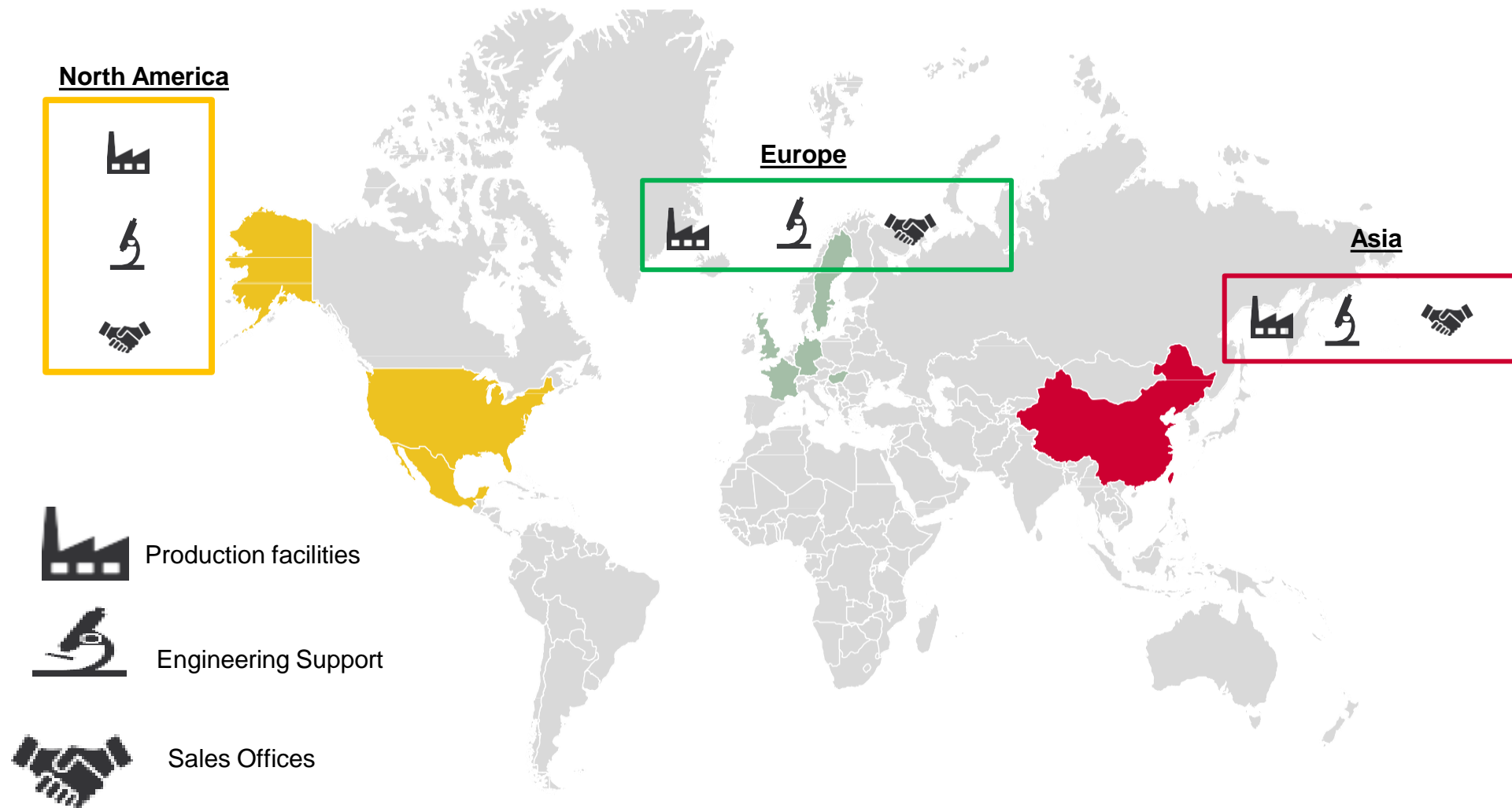
- Cables are customized for each application.
- High modularity.
- Full-cycle from design to manufacturing in-house

Standard components

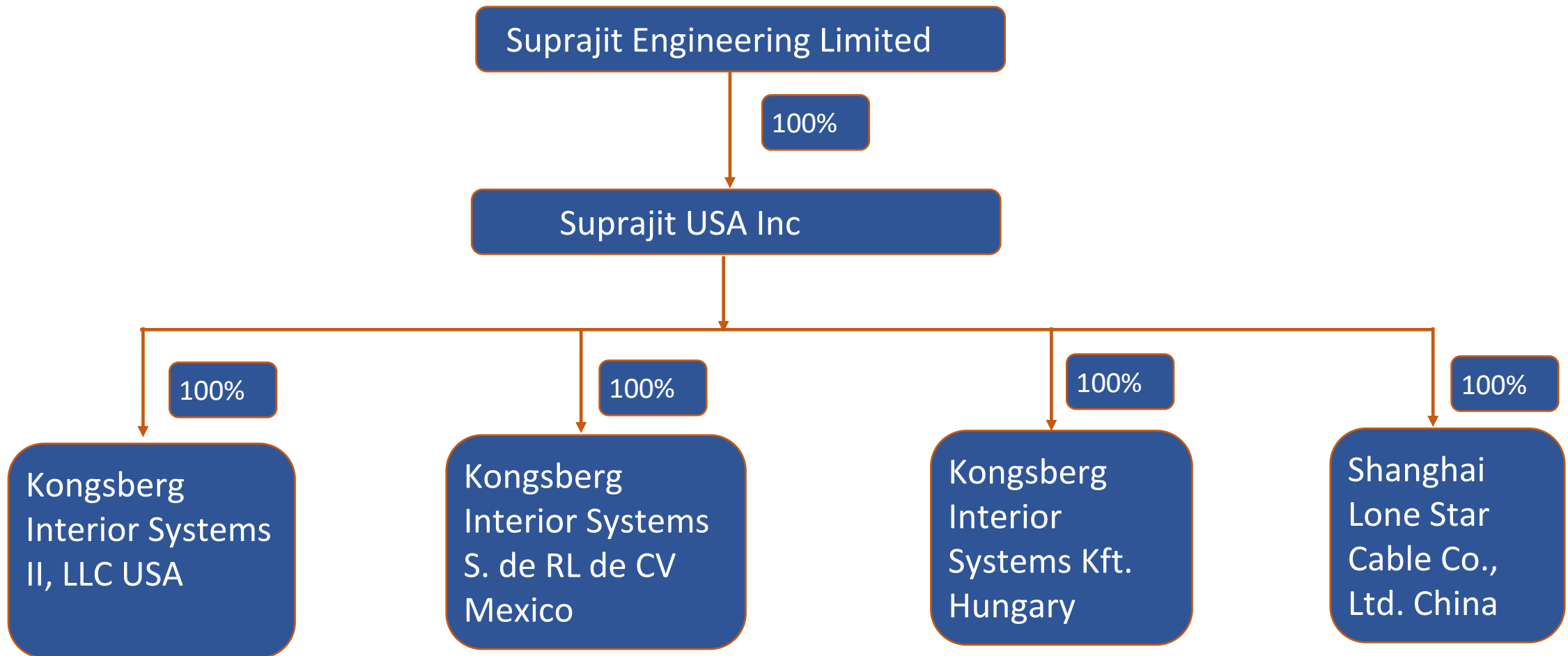
Customised assembled systems



Optimized global footprint ensure closeness to customers and efficient supply chain



- Enhances Suprajit's Core products (Cables) global presence significantly.
- Enhances Engineering capabilities, Manufacturing footprint and manufacturing Capacities.
- Deeper penetration into the Automotive market worldwide.
- Deeper penetration into the Non-automotive market in North America.
- Stronger relationships with existing customers and on-boarding of new customers.
- LDC will have clear focus on Cables and Electromechanical Actuators, under Suprajit Management.
- Combined entity with manufacturing footprints in India, Mexico, USA, Hungary and China will become a strong global leader in cable business, with complimentary capabilities worldwide enhancing customer comfort in terms of Quality, Cost, Development and Delivery.



A decorative horizontal arrow pointing to the right, filled with a dark blue color. The left side of the arrow features a pattern of overlapping, semi-transparent hexagons in various shades of blue. The right tip of the arrow is outlined with a thin red border.

Thank You