SUNDARAM FINANCE HOLDINGS

SEC:095:19-20/PNS
December 20, 2019

The Manager - Listing
National Stock Exchange of India Limited
Capital Market – Listing
Exchange Plaza, 5th Floor
Plot No. C/1, G Block
Bandra-Kurla Complex
Bandra (E), Mumbai 400 051

Sub: Investment in SFC Compositi S.r.l., Italy (SFC) – Disclosure under Reg. 30 read with Sch. III. Part A. Para A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Ref: Our letter bearing ref. no. SEC:073:19-20/GN dated October 5, 2019

This has reference to our above letter on the captioned subject. We wish to inform you that pursuant to the conclusion of discussions/negotiations with SFC Compositi S.r.l., Italy (SFC), the Board of Directors of Sundaram Finance Holdings Limited (SFHL), at the meeting held today at 9:30 A.M., has approved the investment not exceeding Euro 4 Million (in the form of cash consideration) in SFC, representing a revised stake of upto 49.9%.

Upon execution of definitive agreements, the proposed transaction is likely to be completed by end February 2020, subject to all necessary approvals.

All other facts stated vide our letter dated October 5, 2019 remain unchanged. A copy of the said letter is enclosed for your ready reference.

The meeting of the Board concluded at 10.10 A.M.

Thanking you,

Yours truly,
For Sundaram Finance Holdings Limited

P.N. Srikant
Secretary & Compliance Officer
Encl:

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October 5, 2019

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Sub: Disclosure under Reg. 30 read with Sch. III. Part A. Para A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Re: Investment in SFC Compositi S.r.l., Italy

We wish to inform you that the Board of Directors of Sundaram Finance Holdings Limited (SFHL), at the meeting held today at 12.45 P.M., approved an investment not exceeding Euro 4 Million (in the form of cash consideration), representing upto 40% stake, in SFC Compositi S.r.l., Italy (SFC), an entity engaged in the manufacturing of composite materials like carbon fibre, fibre glass and kevlar.

SFHL is in discussions with SFC in connection with the proposed transaction and definitive agreements are yet to be executed. Upon completion of the negotiations and execution of definitive agreements, the proposed transaction is likely to be completed by end December 2019, subject to all necessary approvals.

The proposed investment would enable SFHL to enter the rapidly growing composite part manufacturing space and facilitate the sharing of technical know-how/expertise in the said space.

We hereby confirm that the promoter/promoter group/group companies of SFHL do not have any interest in SFC. Further, we hereby confirm that the said transaction is not a related party transaction.

A brief background about SFC is set out vide Annexure 1.

The meeting of the Board concluded at 1.45 P.M.

Thanking you,

Yours truly,
For Sundaram Finance Holdings Limited

P.N. Srikant
Secretary & Compliance Officer
Encl:

**Annexure 1**

## Brief Background about SFC Compositi S.r.l., Italy

SFC Compositi S.r.l. ('SFC'), based in Turin, Italy, was founded in the year 2003 and is engaged in the manufacturing of composite materials like Carbon Fibre, Fibreglass and Kevlar for series production and prototypes using Autoclave technology. Promoted by its two founders, Alberto Festa and Paolo Codrino, SFC has over the years made inroads into some marquee customers in automotive domain along with a small presence in the aeronautical segment. SFC manufactures products like Carbon Shell (for external mirror), Rear Bumper Lower Part, Drag Covers, Trim and Drill for Helmets etc. The turnover of SFC for last three years is as follows:

(in Euro mn)

| Particulars | 2018 | 2017 | 2016 |
|---|---|---|---|
| Revenue | 3.7 | 3.6 | 12.1 |

