



SUNDARAM FINANCE HOLDINGS

SEC:083:21-22/GN
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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: Submission of Press Release

We have pleasure in enclosing the press release for your records.

Thanking you,

Yours truly,
For Sundaram Finance Holdings Limited

P.N. Srikant
Secretary & Compliance Officer

Encl:

Sundaram Finance Holdings Limited

Sundaram Finance Holdings consolidates automotive holdings. Posts strong 193% increase in standalone net profit in Q2 2021-22

Chennai, 2 November 2021:

Sundaram Finance Holdings Ltd., ("SF Holdings") has registered a standalone net profit of Rs 11.09 crores for the quarter ended 30th September 2021, an increase of 193% over the Rs. 3.78 crores for the corresponding period of the previous year. Consolidated profit for the 6 months ended 30th September 2021 was Rs. 50.86 crores, as compared to Rs. 9.41 crores for the corresponding period of the last financial year.

Higher dividend receipts

SF Holdings primarily operates as a holding company owning a portfolio of automotive businesses including foundries, wheels, brakes, turbo chargers, axles, and distribution of spare parts. As a result, dividend from portfolio companies forms a substantial part of the financial results.

Driven by a strong recovery in the automobile sector, dividend received from portfolio companies was at Rs. 29.13 crores for the half year ended 30th September 2021, already exceeding the full year's dividend received for the financial year 2020-21 (Rs. 14.13 crores).

Consolidating portfolio holdings

The company's performance is also an extension of its long-term strategy of consolidating its automotive holdings

Harsha Viji, Director, Sundaram Finance Holdings Ltd., commented on the strategy saying **"We continue to use the automotive industry down-turn to consolidate our portfolio, investing further into our companies and undertaking business restructuring to unlock synergies in our foundry business"**



Creating amongst the largest ferrous casting businesses in the country

SF Holdings has taken steps to consolidate its investment in foundry business. It has increased its shareholding in the foundry business Flometallic India Private Ltd. Flometallic has in turn filed a scheme of arrangement with the NCLT to merge its operations with those of Brakes India Private Ltd. Along with Dunes Oman (a subsidiary of Brakes India), this merger will create a combined foundry capacity of 1,75,000 tons operating out of four locations – Sholingur, Naidupeta, Jagadia and the Sultanate of Oman. This will create one of the largest ferrous casting businesses in the country and will increase the competitiveness of the foundry business as a whole

Further investment in Carbon Fiber business

SF Holdings has planned for a further investment of up to Euro 2 million into its portfolio company Mind S.r.l., Italy, which focuses on carbon fibre components for the automotive industry in Europe. This investment is to augment working capital needs and invest in further growth.

SF Holdings invests 450 crores to buy out foreign partners in Wheels India and Brakes India

In keeping with its philosophy of consolidation, SFHL has invested Rs. 450 crores over the last year to buy out the foreign partners in two portfolio companies which it had co-promoted: Brakes India and Wheels India.

About SFHL

Sundaram Finance Holdings Ltd., originated as the demerged investment arm of Sundaram Finance Ltd and is listed on the National Stock Exchange of India Ltd. SFHL is an exempted Core Investment Company. SFHL is engaged in the business of making investments, and its investments consist primarily of companies in the automotive space, many of them co-promoted with the TVS group. Significant investments include Sundaram Clayton, Wheels India, IMPAL (all listed) and Brakes India, Turbo Energy (both unlisted) – most of them leaders in their respective markets.

Through its 100% subsidiary, Sundaram Business Services Ltd., and its own operations, SFHL is in the business of outsourced business processing & support services.

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