Samvardhana Motherson International Limited

(incorporated with limited liability in the Republic of India under the Companies Act, 1956)

(the "**Company**")

CIN: L35106MH1986PLC284510

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INVESTOR UPDATE

June 26, 2024

BUSINESS

Overview

We are a diversified global manufacturing specialist and one of the world's largest suppliers to automotive OEMs as well as to customers in a range of non-automotive industries, including aerospace, logistics, health and medical and information technology. As at the date of this document, we have over 400 facilities (including all Operational Units, Tech Centers and Representative Offices) across 44 countries and six continents. Our global footprint allows us to support the evolving needs of our customers and upcoming industrial trends across the world. We have built a strong foundation based on three pillars of growth: (i) organic growth; (ii) M&A; and (iii) strategic partnerships and collaboration with global technology leaders. We endeavor to be a sustainable solutions provider to our customers. We have strong visibility on our future business with an automotive booked business of approximately U.S.$83.9 billion (excluding Yachiyo) as at March 31, 2024, a large part of which is to be realized over the next five to six years. Our diversified business model, powertrain agnostic (i.e. irrespective of internal combustion, electric or hybrid powertrains) product portfolio coupled with strong management teams and prudent financial policies ensures resilient performance through the cycles.

We are listed on the BSE and the NSE and we had a market capitalization of approximately U.S.$15.04 billion as at June 20, 2024.

We completed a Group reorganization in January 2022, which resulted in the simplification and unification of our Group structure by bringing in all the auto components and allied business under a single umbrella to align the interests of our stakeholders and to create a strong platform for future growth with a well-diversified product portfolio, customers and countries. Following the reorganization, our reporting structure is now focused towards business segments instead of individual legal entities, wherein our top four businesses contribute more than 90% of our business. This also enables our business segments to charter their own growth paths individually and further develop capabilities and realize Group synergies.

We operate our business through the following five business segments:

- WHD Segment: Our WHD Segment is a full system service provider with complete in-house design, development and manufacturing capability with a high level of vertical integration servicing customers across the automotive and non-automotive sectors. The WHD Segment has a product portfolio that includes a wide array of essential components, low and high voltage cables, connectors, terminals, electrical distribution systems ("**EDS**"), junction boxes, special cable assemblies, charging connectors and power modules electronics for electric vehicles. The products we supply through our WHD Segment facilitate power supply and data transfer in various modes of transport.

These products play a key role in ensuring vehicle safety and reliability. With a global footprint, the segment is a leading supplier to passenger vehicles and commercial vehicles and rolling stock (trains, locomotives, etc.) in India and also a leading supplier to commercial vehicles globally. The segment also provides solutions to a wide range of other industry segments such as two-wheelers, farm equipment, construction and material handling machines, recreational vehicles and powertrain applications. Our WHD Segment operated 107 facilities across 21 countries as at May 31, 2024. For the fiscal year ended March 31, 2024, our WHD Segment generated ₹315,137 million of Revenue from Operations (Gross) and ₹33,621 million of EBITDA representing a 10.7% EBITDA Margin.

- *Vision Systems Segment*: Our Vision Systems Segment produces a wide range of products which include a range of exterior and interior rear-view systems and camera-based detection systems to all major automotive OEMs worldwide. Our rear-view systems are engineered to optimize aerodynamic properties and integrate technologically advanced features that enhance safety, comfort and aesthetics. The segment's product portfolio covers a wide spectrum of vehicle and price segments, from low-cost mirrors to highly complex premium rear-view systems incorporating a variety of electronic features. Our Vision Systems Segment is a leading supplier of exterior rear-view systems and operated 39 facilities across 18 countries as at May 31, 2024. For the fiscal year ended March 31, 2024, our Vision Systems Segment generated ₹191,489 million of Revenue from Operations (Gross) and ₹19,783 million of EBITDA representing a 10.3% EBITDA Margin.

- *MPP Segment*: Our MPP Segment is one of the prominent manufacturers of modules and polymer products and is our largest business line in terms of revenue. It produces a highly diversified product range from simple plastic parts and mechanical assemblies to highly integrated systems and modules for all types of vehicles, including small cars, luxury cars, commercial vehicles and two-wheelers. The segment has a strong foothold in automotive regions across North America, South America, Europe and Asia. With its extensive and multi-market expertise, it offers competitive full-system solutions to our customers, supporting them from concept design and product development to testing and fully integrated mass production. This segment offers highly-specialized technology and manufacturing expertise in polymer processing, precision molding, aesthetic surfaces, fully-automated painting, mold tooling and assembly. Its interior product range includes cockpits, instrument panels, door panels, air vents, center consoles, fuel tanks and decorative trims. Its exterior product portfolio includes bumpers, front-end modules and grilles, sunroofs, spoilers, rocker panels and roof ditch molding, among others. Our MPP Segment operated 129 facilities across 26 countries as at May 31, 2024. For the fiscal year ended March 31, 2024, our MPP Segment generated ₹499,118 million of Revenue from Operations (Gross) and ₹43,055 million of EBITDA representing an EBITDA Margin of 8.6%.

- *Integrated Assemblies Segment*: The segment specializes in advanced integrated premium module assembly and delivery solutions for the automotive industry. As a prominent global provider of assembly and logistics services for the automotive industry, we work closely with customers and hold a leading position as a cockpit module integrator. With advanced technical expertise, the segment upholds high-quality standards and aligns with the evolving needs and requirements of the automotive industry. Our Integrated Assemblies Segment operated 26 facilities across 12 countries as at May 31, 2024. For the fiscal year ended March 31, 2024, our Integrated Assemblies Segment generated ₹68,238 million of Revenue from Operations (Gross) and ₹7,932 million of EBITDA representing an EBITDA Margin of 11.6%.

- *Emerging Businesses Segment*: Under our Emerging Businesses Segment, we have eight divisions: three business divisions related to the automotive industry, four which are non-automotive and one which is industry agnostic. The three automotive business divisions consist of: (i) Elastomers; (ii) Lighting & Electronics; and (iii) Precision Metals & Modules. The four non-automotive business divisions consist of: (i) Aerospace; (ii) Logistics Solutions; (iii) Health & Medical; and (iv)

Technology & Industrial Solutions. In addition, an eighth division, Services, is also mapped under our Emerging Businesses Segment.

- *Elastomers division:* Our Elastomers division provides a wide range of solutions in elastomer processing ranging from rubber compounding to injection molded rubber parts, rubber to metal bonded and assembly parts and extruded rubber components. The division has a strong foundation in engineering and technical competencies in the formulation and development of over 1,600 active formulas for use in a wide range of applications and across a spectrum of industries including automotive, medical and general industrial applications. The product portfolio includes grommets, boots, bellows, dampers, gaskets and seals, suspension bushes, engine gaskets and molded rubber brake components. Our Elastomers division operated five facilities across two countries as at May 31, 2024. For the fiscal year ended March 31, 2024, our Elastomers division generated ₹7,110 million of Revenue from Operations (Gross).

- *Lighting & Electronics division:* Our Lighting & Electronics division incorporates a wide range of businesses which focus on supply to automotive OEMs and industrial requirements. The division is a leading supplier of automotive lighting for the Indian automotive industry. The division has a comprehensive product portfolio consisting of front lighting solutions (headlamps, daytime running lamps, etc.), rear lighting solutions (rear combination lamps, center high mount stop lamp, etc.), LED modules, body control modules, electronic components, HVAC for passenger vehicles along with products for backward integration like aluminum die-casted components and clutch assembly for HVAC compressors to support the evolving needs of our customers. The division can provide end-to-end solutions for our customers with localization and insourcing opportunities. Our Lighting & Electronics division operated 19 facilities in one country as at May 31, 2024. For the fiscal year ended March 31, 2024, the division generated ₹34,265 million of Revenue from Operations (Gross).

- *Precision Metals & Modules division:* Our Precision Metals & Modules division provides complete solutions in metal processing and integration of higher-level assemblies. The division specializes in manufacturing and marketing a wide range of standard and customized tools, gear-cutting tools and machining of high-precision metal components together with thin-film coating services. The portfolio includes cold and hot stamped parts, sintered components and aluminum die cast products. The division also undertakes the manufacturing, assembly, marketing and selling of complete HVAC systems and components for off-highway and commercial vehicles and buses, roof hatches and cabins for off-highway vehicles. The division also has specialized capabilities for framed assemblies of commercial vehicles. The strong in-house design and engineering capabilities enable the division to be a preferred supplier for the industry. The Precision Metals & Modules division operated 21 facilities across three countries as at May 31, 2024. For the fiscal year ended March 31, 2024, the division generated ₹19,229 million of Revenue from Operations (Gross).

- *Technology & Industrial Solutions division:* Our Technology & Industrial Solutions division is the digital backbone of our Group, providing support to our global operations, while also providing cutting-edge digital services to external clients in various industries. The division ensures delivery of a well-connected, robust and secure IT Infrastructure to manage information flow across enterprises. A diverse pool of global enterprise resource planning ("**ERP**") systems and smart business applications manage complex processes and data, digitalizes and integrates workflows, improves collaboration on programs and adds agility to decisions and actions. The division was certified by the Carnegie Mellon Software Engineering Institute in August 2023 with Capability Maturity Model Integration Maturity Level 5 ("**CMMI Level 5**"). CMMI Level 5 is the highest level of maturity and indicates that the organization focuses on continuous process improvement using quantitative feedback and new tools and techniques. The digital and information technology suite of services includes the following: (i) cloud managed services; (ii) a proprietary manufacturing enterprise system (MES) called the intelligent data acquisition and control system (iDACS); (iii) digital and analytics for business transformation and insights; (iv) infrastructure and security for hardware and backend management services; and (v) enterprise resource planning implementation and up-gradation. Our Technology & Industrial Solutions division operated 12 facilities across eight countries as at May 31, 2024. For the fiscal year ended March 31, 2024, the division generated ₹9,530 million of Revenue from Operations (Gross).

- *Aerospace:* Our Aerospace division offers manufacturing and support services to aerospace OEMs globally. Our diverse solutions include machining, surface treatment and parts and sub-assemblies for aircraft doors, wings, tail, fuselage and landing gear. The division specializes in manufacturing aero-engine components, structural components and sub-assemblies. The division also supplies plastic components for aircraft interiors and cabin parts. The division's key certifications are certified to the highest quality management standards in the aerospace industry, which include AS9100D, AS9100Rev D and NACAP-certified unique processes and treatment facilities. It also occupies a unique position in the marketplace as the only company with zinc-nickel plating in India. On May 13, 2024, we completed the acquisition of SSCP Aero Topco that holds indirectly 100% of AD Industries SAS (the "**ADI Group**") headquartered in France, resulting in significant additions to the set of capabilities for the division, including hard metal forming, long-bed machining, complex mechanical assemblies and composites for aircraft engine components. Our Aerospace division operated 17 facilities across four countries as at May 31, 2024. For the fiscal year ended March 31, 2024, the division generated ₹3,384 million of Revenue from Operations (Gross).

- *Logistics Solutions:* Our Logistics Solutions division attends to finished vehicle ("**FV**") logistics in India by developing modern, technological and socially conscious solutions for our OEM customers. The division has a strategic partnership with Hamakyorex for FV storage and spare part management services, including operating a fleet of 140 trucks and trailers for customers across India (including automotive OEMs). The division also acts as a single window integrator managing all resources, capabilities and technologies of both Motherson Group companies and external customers to manage their supply chain requirements. This enables the provision of fourth-party logistics (4PL) solutions, consolidating logistics costs and creating synergies through the optimization of freight and network. The division is also developing various integrated packaging solutions that are reusable and recyclable in nature to form a circular economy. Our Logistics Solutions division operated five facilities in two countries as at May 31, 2024. For the fiscal year ended March 31, 2024, the division generated ₹2,057 million of Revenue from Operations (Gross).

- *Health & Medical:* Our Health & Medical division provides innovative solutions and services to medical device OEMs globally. It focuses on four divisions: (i) patient aid equipment; (ii) diagnostic equipment; (iii) medical consumables; and (iv) healthcare IT solutions. These divisions encompass home medical equipment, imaging, in-vitro diagnostic devices, reusable and single-use products, and software platforms and services for healthcare providers and manufacturers. The division is consolidating its position through collaboration with universities, start-ups, hospitals and research centers worldwide. The division is also offering health-tech and pharma-tech solutions through connected health IT. On April 27, 2024, we completed the acquisition of Irillic, an Indian company that designs, develops and manufactures real-time fluorescence imaging and 4k laparoscopy imaging systems for a wide variety of minimally invasive surgeries. Further, the division also benefits from the acquisition of AD Industries with new composite capabilities used in the development and manufacturing of diagnostic equipment. Our Health & Medical division operated six facilities across two countries as at May 31, 2024. For the fiscal year ended March 31, 2024, the division generated ₹372 million of Revenue from Operations (Gross).

- *Services division:* Our Services division focuses on delivering direct sales and services to end customers, which is crucial in supporting their manufacturing operations. The comprehensive service offerings include engineering consultation, project management and turnkey supply and solutions to various industries such as the automotive, construction, agricultural equipment and locomotive industries. On April 8, 2024, we completed the acquisition of the Lumen Group which specializes in designing, manufacturing and providing OEM-certified automotive parts, accessories and dealer-fit products. Our Services division operated 14 facilities across nine countries as at May 31, 2024. For the fiscal year ended March 31, 2024, the division generated ₹4,952 million of Revenue from Operations (Gross).

In aggregate, our Emerging Businesses Segment operated 99 facilities across 18 countries as at May 31, 2024. For the fiscal year ended March 31, 2024, our Emerging Businesses Segment generated ₹80,899 million of Revenue from Operations (Gross) and ₹10,962 million of EBITDA representing an EBITDA Margin of 13.6%.

The table below shows the revenue contribution of the various segments for the fiscal year ended March 31, 2024.

Segments	**Segmental Revenue**	**% of Revenue**	**No. of Facilities**	**No. of Countries**
	(₹ million)			
Wiring Harness	315,137	27%	107	21
Modules & Polymer Products	499,118	43%	129	26
Vision Systems	191,489	17%	39	18
Integrated Assemblies	68,238	6%	26	12
Emerging Businesses	80,899	7%	99	18
Total	**1,154,881**	**100%**	**400**	

Our EBITDA from continuing operations increased from ₹48,393 million for the fiscal year ended March 31, 2022 to ₹63,944 million in the fiscal year ended March 31, 2023 and to ₹93,246 million in the fiscal year ended March 31, 2024. The following table sets out our EBITDA for each of our business segments for the fiscal years specified.

	Fiscal year ended March 31,		
	2022	**2023**	**2024**
		(₹ million)	
Wiring Harness	19,130	22,785	33,621
Modules & Polymer Products	24,482	27,239	43,055
Vision Systems	12,889	17,110	19,783
Integrated Assemblies[(1)]	—	—	7,932
Emerging Businesses	2,306	7,728	10,962
Total	**58,807**	**74,862**	**115,353**
Add/Less: Intersegment	117	(101)	(780)
Add: Other unallocable income/(expense)	(1,010)	(1,373)	(4,774)
Total	**57,680**	**73,590**	**111,359**

	Fiscal year ended March 31,		
	2022	2023	2024
		(₹ million)	
Less: EBITDA from operation of entities consolidated as per equity method, included above[(2)]	4,284	9,646	18,113
Total EBITDA	53,396	63,944	93,246
Less: EBITDA from discontinued operations[(4)]	**(5,003)**	—	—
Total EBITDA from continuing operations[(3)]	**48,393**	**63,944**	**93,246**

Notes:

(1) This segment is newly introduced by the Group post-acquisition of SAS. It also includes operations of subsidiaries engaged in rendering of support service function exclusively to integrated assemblies.

(2) EBITDA relating to joint venture and associate entities are fully consolidated for the purpose of review by chief operating decision maker and hence are presented accordingly in the segment reporting disclosure above. Consequently, above disclosure also includes reconciliation items with the amounts presented in the Group Consolidated Financial Statements.

(3) EBITDA is a non-GAAP measure and represents total profit/(loss) before tax less share of profit/(loss) of associates and joint ventures, exceptional income/(expense), interest income and dividend income, plus depreciation and amortization and finance cost. EBITDA may not be comparable to similarly titled measures reported by other companies due to potential inconsistencies in the method of calculation. We have included EBITDA because we believe it is an indicative measure of our operating performance and is used by investors and analysts to evaluate companies in the same industry. EBITDA should be considered in addition to, and not as a substitute for, other measures of financial performance and liquidity reported in accordance with GAAP. We believe that the inclusion of supplementary adjustments applied in our presentation of EBITDA are appropriate because it is a more indicative measure of our base line performance as it excludes certain charges that our management considers to be outside of our core operating results. In addition, EBITDA is among the primary indicators that our management uses as a basis for planning and forecasting of future periods. For a reconciliation of EBITDA to our profit before tax, see "*Management's Discussion and Analysis of Financial Condition and Results of Operations — Certain Reconciliation and Computation of Non-GAAP Measures — Computation Table 9*".

(4) For calculation of EBITDA from discontinued operations, see "*Management's Discussion and Analysis of Financial Condition and Results of Operations— Certain Reconciliation and Computation of Non-GAAP Measures — Computation Table 2*".

Our History and Milestones

We have been a publicly-listed Indian company since 1993 (formerly known as Motherson Sumi Systems Limited ("**MSSL**")), established in 1975 by the Sehgal family, who remain the majority shareholders of SAMIL.

In January 2022, MSSL completed a reorganization through a merger with SAMIL, with the latter emerging as the surviving entity. The reorganization aimed to streamline the corporate structure, align shareholder interests, and facilitate operational and financial efficiency. Specifically, the reorganization included a demerger of the domestic wiring harness business from MSSL into MSWIL, a newly listed entity. Additionally, the reorganization consolidated the entire shareholding of SMRP B.V. into SAMIL, enhancing the integration of automotive components and allied business within SAMIL. The consolidation of 100% shareholding in SMRP B.V. was a significant outcome of the reorganization.

The creation of MSWIL as a publicly listed company to focus on the Indian automotive industry and cater to a broad spectrum of the mobility market, including two-wheelers, passenger vehicles, commercial vehicles and off-highway/agricultural equipment.

The reorganization further diversified our operations, laying a robust foundation for future growth and improving our strategic positioning for organic expansion and potential acquisitions.

In 2023, as a part of simplification of structure, we further amalgamated four wholly owned subsidiaries of Samvardhana Motherson International Limited into SAMIL which enabled further consolidation of the corporate structure and business enabling optimal utilization of resources and pooling of management.

Furthermore, in March 2024, SAMIL advanced its global reorganization efforts by integrating a majority of its international operations into SMRP B.V., thereby establishing a unified legal structure and diversifying the business portfolio within SMRP B.V. This integration has resulted in stronger, more diverse business entities, each well-capitalized and strategically positioned to leverage industry trends. The three principal entities, SAMIL (listed parent), MSWIL (listed) and SMRP B.V., now possess enhanced scale and improved financial metrics.

Set out below are the key milestones since our incorporation:

Year	Milestone
1975	Motherson founded in Delhi, India
1977	First cable factory launches a new direction for the family firm
1983	First automotive component (wiring harness) produced in India | Maruti Suzuki
1986	Motherson Sumi Systems Ltd. established in joint venture with Sumitomo Wiring Systems, Japan
1993	MSSL is listed on the Indian stock exchanges
1995	First five-year plan was prepared and launched internally
1995	First partnership with a luxury automotive brand | Mercedes
1997	First collaboration with a US automaker | Ford
1999	First overseas office in Graz, Austria
2000	Five-year plan announced publicly for the first time
2002	First acquisition by Motherson Group I Wexford Electronics
2002	First overseas plant in Sharjah, United Arab Emirates
2004	European headquarters opened in Germany
2009	Acquisition of Visiocorp (rearview mirror business) and establishment of Samvardhana Motherson Reflectec
2011	Acquisition of Peguform and establishment of Samvardhana Motherson Peguform
2014	Acquisition of wiring harness division of Stoneridge Inc, entering commercial vehicle ("**CV**") wiring harness segment in USA
2017	Acquisition of PKC and attained a prominent supplier position in American, European and Chinese CV market for wiring harnesses
2018	Acquisition of Reydel, building closer relations with French OEMs

2020	Motherson Group reorganization plan launched
2021	Announced first acquisition for aerospace business made through the acquisition of CIM Tools Private Limited for machining and sub-assembly of components for the aerospace industry
2022	Motherson 2.0: Completion of Motherson Group reorganization with two publicly listed companies i.e. SAMIL and MSWIL
2022	Acquisition of the frame manufacturing and assembly business of Daimler India Commercial Vehicles India, changing SAMIL's status from contract manufacturer to principal manufacturer of long members (i.e. chassis for trucks) for the frame assembly business
2023	Announced acquisitions of 14 entities in different parts of the world. Some of the key strategic acquisitions are: • SAS Autosystemtechnik GmbH, Germany – making SAMIL a Tier-0.5 supplier to automotive OEMs; • Yachiyo 4W, Japan – start of global partnership with Honda Motors; • Dr. Schneider Group, Germany – acquisition of a strong research and development facility with over 300 patents and marquee customer base for premium interior polymer parts; • Irillic Private Limited, India – first acquisition for our Health & Medical segment; and • AD Industries, France – first overseas acquisition for our Aerospace segment, bringing us closer to one of the two major aerospace OEMs.

Recent Developments

Various initiatives undertaken to simplify the organization structure

The business reorganization was announced in 2020 and completed in January 2022 with the strategic rationale of simplifying the group structure and aligning the interests of all stakeholders. The reorganization was also aimed at creating greater operational and financial flexibility to provide a strong platform for growth and to pursue organic and inorganic opportunities. Business simplification and unification is one of our management's key priorities to be able to deliver enhanced value to our stakeholders. The business reorganization resulted in, among others:

- a further diversified business model of SAMIL with all auto-component and allied business under one umbrella, thereby creating a strong platform for growth;
- the creation of MSWIL with the demerger of domestic wiring harness into a new listed entity catering to all mobility requirements for two-wheelers, passenger vehicles, commercial vehicles and off-highway/agricultural equipment in India; and
- the consolidation of our 100% shareholding in SMRP B.V. under SAMIL.

We further simplified the structure of our international businesses in March 2024 by bringing a majority of our international businesses under SMRP B.V. thereby creating a more harmonized legal structure and greater diversification of business under SMRP B.V. This has led to a much-improved and diversified business profile with higher scale and credit matrices. The outcome of the business reorganization and simplification has ultimately led to the creation of three strong entities i.e. SAMIL (listed entity), MSWIL (listed entity) and SMRP B.V. which are all well capitalized and well positioned to gain from industry trends.

Increased proximity to customers by becoming a Tier-0.5 supplier

We have very strong relationships with our customers as a Tier 1 automotive supplier and we have taken this to the next level as a Tier-0.5 supplier through our recent acquisitions of SAS in 2023 and the frame assembly operations from Daimler in India in 2023. The automotive industry is evolving with (i) customers outsourcing more of their supply chain to their trusted suppliers to enable them to focus on their core strengths; (ii) an increasing number of new age car makers relying heavily on product technology rather than manufacturing and assembly; and (iii) increasing complexity in managing supply chains due to quicker model launches. Our ability as a Tier-0.5 supplier to be present inside the premises of our customers and manage a very complex supply chain while delivering assembled modules "just in time" and "just in sequence" to our customers' assembly lines has further strengthened our relationships with our customers and presents a great opportunity to grow content and cross-sell our existing set of products.

Diversified business into non-automotive segments

To achieve our goal of deriving 25.0% of our Gross Amount of Consideration (as defined below), meaning total reported revenue plus 100% revenue from joint ventures and associates accounted as per the equity method and throughput revenue (the "**Gross Amount of Consideration**") converted at the exchange rate of U.S.$1:₹70.89 as defined in Vision 2025, from non-automotive businesses by 2025. We have made significant strides in diversifying into non-automotive sectors. This diversification includes establishing new greenfield sites, expanding our current operations, and acquiring AD Industries (specializing in aerospace, and health and medical sectors) in 2024 and Irillic (focused on health and medical) in 2024, as well as forming a strategic partnership with BIEL Crystal in the consumer electronics space in 2024.

Subsequent to the year-end, the acquisition of AD Industries has bolstered our Aerospace segment, providing a broader array of components and sub-assemblies and enhancing our capabilities in sheet metal, hydraulics, mechanical assemblies and composites. We have established a significant presence with eight facilities in France, positioned at the core of the European aerospace market. Our additional nine facilities in cost-effective regions in India and Africa enable us to offer comprehensive, high-quality solutions to the aerospace industry's supply chain.

Furthermore, AD Industries brings expertise in reinforced carbon composites, a critical component for radiological devices such as patient tables and X-ray detector housings. This expertise is not only scalable but also applicable to a variety of uses, including prosthetics and orthopedic tools, as well as other radiological applications.

Irillic has robust R&D and engineering capabilities, having obtained patents in both India and the USA. Irillic's innovations include imaging systems—Fluorescence Imaging and 4K Laparoscopy—that facilitate real-time visualization for medical procedures. We have also set up an approximately 100,000 square foot facility in Chennai, placing us among the few in India with a specialized plant for medical device manufacturing. This facility is designed for vertical integration, capable of producing components, assembling high-level systems and manufacturing complete medical devices.

Our strategic partnership with BIEL Crystal signifies our entry into the dynamic consumer electronics sector and aligns with the Government of India's initiatives to encourage domestic manufacturing.

Gained meaningful access to Japanese customers

Japanese OEMs accounted for 26.7% and 26.0% of the total light vehicle production volumes[1] for the fiscal years ended March 31, 2023 and 2024, respectively. Correspondingly, the percentage of our Revenue from Operations (Gross) derived from Japanese customers[2] was 2.3% and 2.8% for the fiscal years ending March 31, 2023, and 2024, respectively. Our recent acquisitions of the Ichikoh mirror business in 2022 and Yachiyo

1 Source: Light Vehicles: S&P Global Mobility; Light Vehicle Production Forecast May 2024

2 100% owned brands of following Japanese OEMs : Honda, Toyota , Suzuki, Isuzu, Mazda, Nissan, Mitsubishi, Subaru

in 2023, which specializes in fuel tanks and sunroof modules, have further solidified our ties with Japanese OEMs and augmented our revenue from these customers.

This enhanced relationship and increased exposure to Japanese OEMs provide us with organic growth opportunities, including the potential to cross-sell our existing products to such customers in their upcoming programs.

Our Key Strengths

We believe that our key competitive strengths are as follows:

Key supplier in the global auto supply chain

We believe we hold a strong position within the global automotive supply chain, offering a diverse array of products to serve customers worldwide and managed Gross Amount of Consideration of U.S.$17.2 billion in the fiscal year ended March 31, 2024. Our profit for the year increased by ₹13,500 million, or 80.9%, to ₹30,196 million for the fiscal year ended March 31, 2024, from ₹16,696 million for the fiscal year ended March 31, 2023. Our four established segments—Wiring Harness, Vision Systems, Modules & Polymer and Integrated Assemblies—are among the key suppliers in their specific product categories. The complex and critical nature of the products, systems integration expertise and supply chain requirements create a significant entry barrier. The well established strategic and long-standing relationships we have with global OEMs ensure a high level of business visibility by means of new and repeat program orders. We also believe our strong engineering and manufacturing capabilities will continue to drive new product innovation and expand our product portfolio, enable us to capitalize on opportunities and increase the total value content in individual vehicle model programs.

Globally well diversified, powertrain agnostic portfolio with technological leadership

Following the successful integration of our various strategic acquisitions, we have built a robust and diversified revenue streams. Our product portfolio exhibits a powertrain-agnostic nature, with more than 95% of our products unaffected by powertrain types, ensuring resilience against industry shifts. Our top five components—wiring harness, vision systems, bumpers, engineering and door panels—account for 25%, 17%, 13%, 10% and 9% of our Revenue from Operations (Gross), respectively, for the fiscal year ended March 31, 2024. Our diversification is further evidenced in our customer base, many of whom are marquee customers with whom we have longstanding relationships. Our top five customers—Mercedes Benz, Audi, Volkswagen, Maruti Suzuki and BMW—contributed 11%, 9%, 9%, 6% and 5% of our Revenue from Operations (Gross) for the same fiscal period, respectively.

Our global presence as a supplier is fortified by substantial investments in our engineering and manufacturing capabilities worldwide, allowing us to respond dynamically to market shifts and capitalize on international growth opportunities. With 358 Operational Units, 33 Tech Centers and nine Representative Offices (each as defined below) spread across 44 countries as at May 31, 2024, we are primed to support our customers' evolving production landscapes.

"**Operational Units**" include (i) manufacturing units (i.e. entities engaging in manufacturing activities that add "value" to the product), (ii) assembly units (i.e. where no part manufacturing is done but all parts of a product are brought together to assemble a new product), (iii) tooling units (i.e. entities that develop molds for a wide range of commercial applications) and (iv) service companies (i.e. entities that provide services as their primary business on a commercial level).

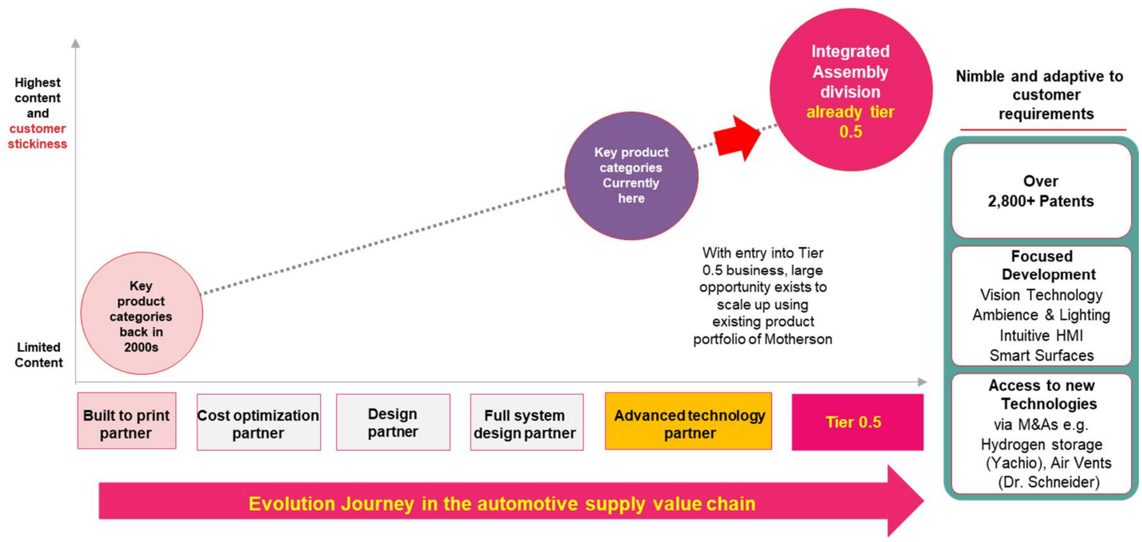
"**Tech Centers**" include entities involved in designing, researching and developing new or existing products or procedures (research and development centers with exclusive premises are included but are not considered operational units).

"**Representative Offices**" include representative offices in countries where we do not have Operational Units.

Notably, Revenue from Operations (Gross)s from our five leading geographies for the fiscal year ended March 31, 2024 namely, India, USA, Germany, China, and Hungary, comprised 21%, 18%, 18%, 11% and 6% of our total Revenue from Operations (Gross), respectively. In addition, our businesses have a balanced exposure to developed and emerging markets and hence well-positioned to capitalize on future growth.

Our evolution from a "build-to-print" partner (i.e. the building of components or other products to exact specifications provided by our customers) to our customers into an advanced technology partner across the automotive supply chain demonstrates our capacity to elevate our role to meet customer demands. Our Integrated Assemblies Segment has advanced into a Tier-0.5 business and with this, large opportunities exist to scale up using our existing product portfolio and further develop our vertical integration capabilities. Each of the business segments has a high level of vertical integration which enables them to retain a significant portion of value and added services in-house along with creating cost benefits to remain competitive in the market. For example, the WHD Segment manufactures wires and various connectors in-house, additionally sourcing various elastomer and metal components from our other business segments thereby realizing scale and synergy benefits at the same time streamlining operations. This level of integration also enables us to (i) maintain quality standards throughout the production process while simultaneously having more control over the supply chain; and (ii) realize better synergies in different stages of production and efficiency. Holding over 2,800 granted patents as at March 31, 2024 and continuously developing in areas such as vision technology and smart surfaces, we have incorporated cutting-edge technologies like hydrogen storage and air vent systems through the respective strategic acquisitions of Yachiyo in 2024 and the Dr. Schneider Group in 2023, positioning us at the forefront of technological innovation in our industry.

The following chart demonstrates our capabilities and evolution as a technology partner.



Prudent financial policy with disciplined acquisition strategy

Our disciplined approach to non-linear growth is exemplified by our strategic emphasis on inorganic growth through mergers and acquisitions. Since 2002, our 43 strategic acquisitions have expanded our capabilities while upholding a stable net leverage ratio, reflecting our disciplined capital expenditure and financial governance throughout the business cycle which give effect to prudent financial policies with controlled net leverage. Our leverage metrics have remained within the bounds of our conservative financial policy, with a ceiling of 2.5 times Net Leverage Ratio and management comfort at 1.5 times Net Leverage Ratio.

As at March 31, 2024, our non-current borrowings was ₹99,806 million and current borrowings was ₹73,707 million aggregating to ₹173,513 million as compared to non-current borrowings of ₹66,183 million and current borrowings of ₹55,474 million aggregating to ₹121,657 million as at March 31, 2023.

The table below shows our net leverage since the fiscal year ended March 31, 2015 to the fiscal year ended March 31, 2024:

	For the fiscal year ended March 31,									
	2015	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**
	(times)									
Net Leverage Ratio	1.01	1.21	1.28	1.47	1.48	1.53	1.21	1.71	1.42	1.39

Notes:

(1) Net leverage for periods up to the fiscal year ended March 31, 2019 = (gross debt (excluding lease liabilities) – cash & cash equivalents) / EBITDA.

(2) Net leverage for periods from the fiscal year ended March 31, 2020 = (gross debt (including lease liabilities) – cash & cash equivalents) / EBITDA.

With a dedicated and proficient team working in tandem with business segments, we meticulously select opportunities that align with the interests of customers, the company itself, and the employees of the organizations being acquired. The framework guiding our acquisition strategy is stringent, prioritizing customer-driven growth, strategic alignment with our core business and a clear trajectory towards desirable returns on capital employed of 40%. Our financial prudence is evident in our commitment to maintaining a healthy liquidity profile by having cash and committed undrawn revolving credit facilities at or more than 15 days of sales and diverse funding sources, thereby securing our long-term financial sustainability and capacity for continued growth.

Strategic long-standing customer relationships with leading global OEMs

As a strategic supplier, we have evolved from a Tier 1 to a Tier-0.5 status, reinforcing our role as a trusted partner with deep-rooted, longstanding strategic relationships with leading global OEMs, including our top 20 customers for light vehicle production: Mercedes Benz, Audi, Volkswagen, Maruti Suzuki, BMW, Porsche, Stellantis, Hyundai, Ford, American EV OEM, Renault, Tata Motors, Seat, Mahindra, General Motors, Kia Motors, Toyota, Volvo, Jaguar and Land Rover. These top marquee customers nearly span the entirety of major global OEMs, covering over 60% of the worldwide light vehicle production[3], many of whom we have had long lasting relationships with to date. The addition of Tier 0.5 capabilities is reflective of industry trends where automakers are entrusting a larger portion of the supply chain to reliable suppliers to focus on their core competencies, new entrants in the automotive market prioritizing product technology, and the complexities of supply chain management amid frequent vehicle model introductions.

Our advancement to a Tier-0.5 supplier, owing to our recent acquisitions including SAS in 2023 and the frame assembly operations from Daimler in India in 2022, has enabled us to assist OEMs throughout all stages of product development, setting us apart from competitors and further solidifying our reputation as a preferred partner in the automotive sector. Our ability to engage with customers early in the development

[3] Source: Light Vehicles: S&P Global Mobility; Light Vehicle Production Forecast May 2024

cycle allows us to recommend and integrate our products into designs before formal contracts are issued, leading to a consistent pattern of repeat business.

Our well-diversified global footprint, with strategic placement of facilities near OEM customer plants or operating within our customers' facilities, is a crucial factor in responding to the evolving automotive industry. This proximity is essential for delivering complex and customizable interior and exterior modules such as door panels, instrument panels, and bumpers, in a timely and cost-efficient manner. We are adept at managing the production and assembly of these modules to meet the increasing consumer demand for personalized vehicles, especially in the premium segment. Delivering these modules on a "just-in-time" and "just-in-sequence" basis, we minimize lead times and optimize our customers' supply chains, reinforcing our position as a preferred supplier and effectively addressing the logistical challenges heightened by the trend of more frequent vehicle model introductions. This strategic positioning not only solidifies our existing customer relationships but also opens avenues for increasing the range of products we supply and enhancing cross-selling opportunities.

High revenue visibility, underpinned by a strong track record of diversified booked business.

We benefit from strong revenue visibility, with an estimated automotive booked business of approximately U.S.$83.9 billion (excluding Yachiyo) as at March 31, 2024, which represents the estimated sum of lifetime sale value of orders yet to start production and orders currently under production. Our automotive booked business is computed as sum of the lifetime sales of business under production and business yet to start production. The volume assumptions for sales planning activities are based on internal assessments which consider various sources (including OEM production forecasts, views of external market consultants, internal knowledge and insights). This reflects our focus on diversification across geographies and customers.

In respect of our automotive business, our contracts typically extend over the life of the relevant vehicle program (generally an average of five years) and this is in line with our total automotive booked business expected to be executed over the next five to six years which are well spread out across various product segments and vehicle categories. In addition, visibility over our revenue is enhanced by our strong track record of winning repeat orders and being awarded contracts for subsequent generations of a particular vehicle model, as well as given the prohibitive operational, technical and logistical costs of switching, the likelihood that one of our customers switches suppliers once a project has been nominated to a preferred supplier may be reduced. As a result, while the actual revenue which we derive from a project ultimately depend on our OEM customers' production volumes achieved for the respective car models, we believe we have good visibility of mid-term revenue within a relatively small range of sensitivity. In addition, we believe that our focus on research and development helps us generate cross-selling opportunities and increase content per vehicle that we supply without compromising our pricing, which we believe helps differentiate ourselves from our competitors and contribute to the high barriers to entry to the automotive industry.

Resilient financial performance throughout the business cycle with a favorable position across emerging and developed markets.

Our financial performance has been resilient notwithstanding recent challenges including the COVID-19 pandemic, semiconductor shortages, supply chain disruptions, rising inflation, geopolitical issues and economic volatility. We recorded revenue from operations[4] of ₹607,289 million, ₹573,699 million, ₹637,740 million, ₹787,881 million and ₹986,917 million for the fiscal years ended March 31, 2020, 2021, 2022, 2023 and 2024, respectively, representing a compounded annual growth rate of 12.9%. For the same periods, the industry recorded 83.8 million, 77.4 million, 76.4 million, 83.8 million and 90.4 million in light vehicle production, respectively, representing a compounded annual growth rate of 1.9%. In the same period we

[4] Consolidated revenue refers to revenue from operations as per our consolidated statement of profit and loss. For the fiscal years ended March 31, 2022, 2021 and 2020, only revenue from continuing operations was considered.

achieved EBITDA from continuing operations of ₹48,422 million, ₹45,226 million, ₹48,393 million, ₹63,944 million and ₹93,246 million, respectively, which represents a compounded annual growth rate of 17.8%.

Our business in "**Emerging Markets**", defined by the MCSI Index to include Brazil, Chile ,Colombia, Peru, Greece, Kuwait, Qatar, Saudi Arabia China, India, Mexico, Thailand, South Korea, South Africa, Czech Republic, Hungary, UAE, Turkey, Egypt, Malaysia, Taiwan, Philippines, Indonesia and Poland, have experienced strong growth with light vehicle production growing at more than double the rate of the overall global market over the past five years, due to increasing consumer demand. We are becoming pivotal engineering and manufacturing centers in these Emerging Markets, and they contribute over half of our revenue for the fiscal year ended March 31, 2024. We are investing in new capital projects to enhance growth, initiating 18 new greenfield sites in both automotive and non-automotive sectors.

In our "**developed markets**," defined by the MCSI Index to include Canada, USA, Austria, Belgium, Denmark, Finland, France, Germany, Ireland, Israel, Italy, Netherlands, Norway, Portugal, Spain, Sweden, Switzerland, UK, Australia, Hong Kong, Japan, New Zealand, Singapore, there is a continued increase in SUV production and vehicle premiumization, which we expect to continue to drive our content growth. In the fiscal years ended March 31, 2021, March 31, 2022, March 31, 2023 and March 31, 2024, SUV[5] production accounted for approximately 42.9%, 46.1%, 46.9% and 49.1% of total global production, with premiumization[6] rates at 22.9%, 24.0%, 24.2% and 24.9% for the respective periods according to S&P Global Mobility. We have sufficient capacity in place to support and take advantage of this impending content growth, especially in the premium vehicles sector.

Professional and highly experienced management team with excellent track record

We benefit from a strong professional management team, with average automotive industry experience among our senior management of over 20 years and a clear distinction between shareholders and management. The majority of our team has been with our Group for several years, demonstrating a high degree of continuity and commitment in our leadership. Our management team has a demonstrated track record of achieving improved financial results and has solidified our customer relationships as well as enhanced their respective local management teams. In addition, we have experienced senior managers at the regional levels with significant experience and understanding of their respective markets and regions. Each business segment is independently managed by their respective chief operating and financial officers in line with our strategy to empower local management, ensuring they have ownership of day-to-day operational decisions while being guided by central principles aligned to the Group's vision and strategy. We believe that the strength of our management team, combined with our decentralized business model, enables us to take advantage of strategic market opportunities, to make decisions at the local level quickly and to better serve our customers.

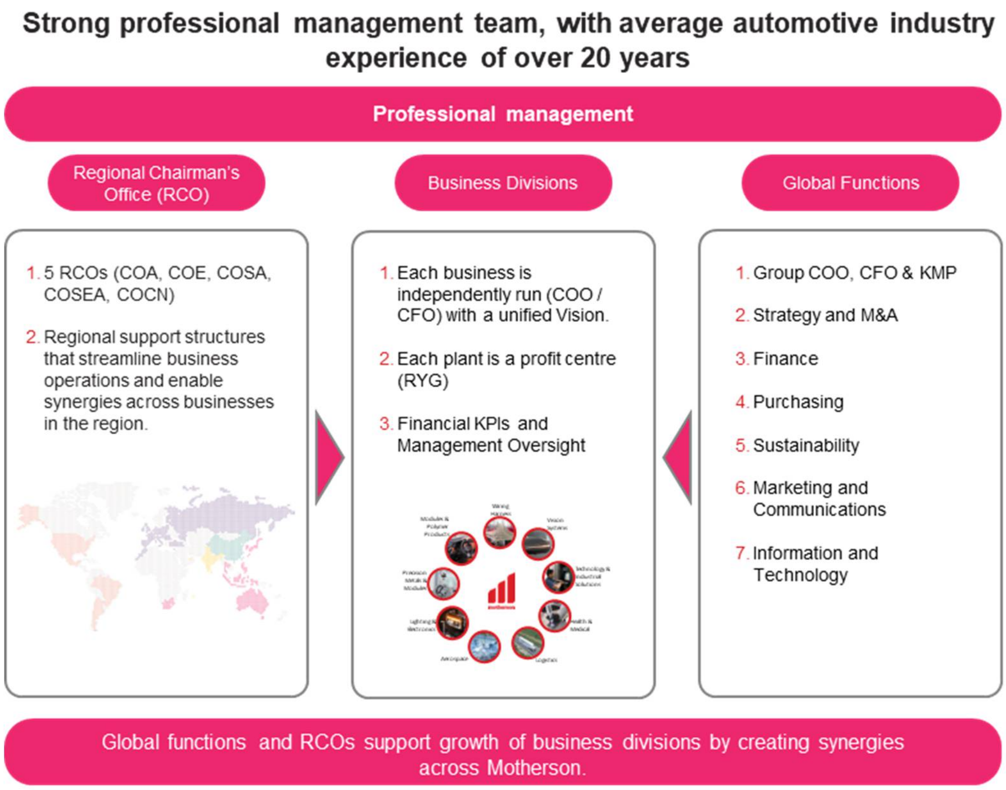
As a result of the foregoing, we have been able to successfully achieve operational improvements, increase operating margins and leverage our long-standing relationships with OEMs to drive revenue growth and win new and repeat business despite macroeconomic headwinds, inflationary pressures and supply chain issues.

We are organized into five business segments wherein each business segment has its own independent management (e.g. chief operating officer and chief financial officer) and is responsible for its own growth trajectory and profitability. As a result of this simplified and unified structure, our strategic objectives are well aligned and also facilitate extensive synergies such as insourcing and vertical integration where possible. The divisional construct also results in better visibility of each segment being able to demonstrate capabilities and charter its own path whilst removing complexities and streamlining communications across

[5] SUV, sedan and hatchback classification is based on S&P Mobility Definitions based on global size category to group vehicles. Sizes vary by segment (A to F & HVAN).

[6] The definition of "premiumization" is as per S&P Global classification which is based on price class equivalent for premium vehicles.

all stakeholders. To support the business segments, we have set up five regional chairman offices for oversight and streamlining of operations in the particular region. In addition to this, global functions such as Strategy and M&A, Global Sourcing and Purchasing, Finance and Accounts, Global Treasury, Global Tax, Sustainability, Marketing and Communications are in place. This decentralized and unique structure creates sufficient management bandwidth to pursue new opportunities.



Strong engineering and development capabilities and a track record of innovation

We are committed to technological leadership and the development of innovative and high quality products in order to meet both the growing demands of our customers with regard to product complexity and feature content as well as increasingly stringent environmental goals and regulatory requirements. Many of our products utilize environmentally friendly and lightweight materials and are manufactured using state-of-the-art technologies that provide high levels of safety, comfort and design. As of March 31, 2024, we maintained a portfolio of over 2,800 granted patents and over 565 filed patent applications. In addition, we have 33 Tech Centers. Our technological centers are interconnected and share innovations and technological advancements across our global network, which enables us to efficiently improve our products and deliver value-added solutions on a global scale and in a cost-efficient manner. Our dedication to technological leadership has enabled us to maintain a long track record of introducing market-first products, including EcoMirror, LogoLamp Camera monitoring systems, etc. EcoMirror is an innovative, award-winning, next-generation exterior rearview mirror with significant advancements. It is 30% smaller and 33% lighter than traditional rearview mirrors and integrates the glass and casing into a sealed unit, thereby reducing energy consumption and carbon emissions. Our strong research and development capabilities have historically enabled us to develop a diversified and comprehensive product portfolio across rear view mirrors, door panels, instrument panels, bumpers and other interior and exterior components. When combined with our ability to offer a full range of system solutions resulting from the vertical integration of our operations, including our strong in-house sourcing capabilities, we have historically been able to utilize our automotive product portfolio to increase the content per vehicle that we supply across each of our customers' vehicle platforms.

Balanced exposure to developed and emerging markets

We are well-positioned to gain from automotive trends with equal exposure between developed markets and Emerging Markets. We follow a globally local strategy with the ability to manufacture and supply to customers in the same region. Further, our business segments are able to innovate technologies, products and features in developed markets, whilst Emerging Markets provide the upside of best cost countries and talent pool with young demographics to provide unique solutions to customers. For the fiscal year ended March 31, 2024, over 50% of our Revenue from Operations (Gross) was generated from Emerging Markets. This revenue distribution reflects our commitment to these regions and underscores the strategic importance we place on their growth potential.

A significant portion of our growth capital expenditure is allocated to projects in Emerging Markets. Currently, we are in the process of completing more than 18 new facilities in these regions, which are at various stages of development.

Our operational presence in Emerging Markets is extensive, with over 280 of our facilities, including manufacturing plants, module centers, assembly centers, service units, technology centers and representative offices located in these areas.

Given our established infrastructure and human capital investment in these regions, we intend to continue to capitalize on the anticipated growth in Emerging Markets and harness this potential for further expansion while maintaining a strong presence in developed markets and ensuring a balanced and diversified global footprint.

Our Strategy

Continue to pursue Vision 2025 which sets out our clearly defined long-term goals

We conduct our operations with a focus on well-established long-term objectives and we have publicly shared our five-year strategic plans, starting with the first one unveiled in 2000. Our vision has evolved from "To be a globally preferred solutions provider" in 2000 to "To be a globally preferred sustainable solutions provider" presently, reflecting our commitment to sustainability and adaptation to industry and regulatory changes. We aim for long-term sustainable growth.

Currently, we are following our sixth five-year plan, Vision 2025, which includes the following objectives:

- generating U.S.$36 billion in Gross Amount of Consideration by the fiscal year ending March 31, 2025, with a 40% return on capital employed on a consolidated basis. Our revenue target is based on gross revenue and uses a constant currency exchange rate of U.S.$1 to INR 70.89, the rate at the time when Vision 2025 was announced;
- implementing our "3CX10" strategy to ensure no single country, customer or component accounts for more than 10% of our revenue, promoting a balanced and resilient business model;
- diversifying our revenue sources so that 75% comes from the automotive industry and 25% from new segments; and
- distributing up to 40% of consolidated profits as dividends to shareholders.

All the targets are inter-linked to ensure sustainable long term growth and consistently create value for all stakeholders.

For the fiscal year ended March 31, 2024, we achieved Gross Amount of Consideration of U.S.$20.3 billion (at a constant currency exchange rate of U.S.$1 to INR 70.89) which includes: (i) approximately U.S.$13.9 billion of reported revenue; (ii) 100% revenue from joint ventures and associates which are accounted as per equity method of approximately U.S.$1.9 billion; and (iii) throughput of approximately U.S.$4.5 billion.

This however does not factor in the full impact of M&As that were closed in a different period of fiscal year 2024 such as SAS and Dr. Schneider Group.

For the fourth quarter of the fiscal year ended March 31, 2024, the Gross Amount of Consideration was approximately U.S.$5.86 billion (at a constant currency exchange rate of U.S.$1 to INR 70.89) which includes: (i) approximately U.S.$3.8 billion of reported quarterly revenue; (ii) 100% revenue from joint ventures and associates which are accounted as per equity method of approximately U.S.$0.5 billion; and (iii) throughput of approximately U.S.$1.6 billion. The fourth quarter of the fiscal year ended March 31, 2024 factors in the full impact of all the M&As closed during the same fiscal year (except Yachiyo, which completed on March 26, 2024 and whose revenue contribution will be accounted for in the fiscal year ended March 31, 2025). As an update on our journey towards Vision 2025, we are on track for a quarterly run rate of U.S.$5.86 billion which does not take into consideration the impact of Yachiyo and M&As which were closed subsequently i.e. AD Industries, Lumen and Irillic. This demonstrates SAMIL as a key player in the automotive supply chain ecosystem.

Our 3CX10 strategy is crucial to our Vision 2025. It has successfully been implemented with our customer base, and we are making concerted efforts to diversify our component offerings and geographic footprint. This strategy mitigates risk and ensures stability through economic cycles, as it lessens dependence on any one market, customer or component. This strategic approach allows us to offset regional market fluctuations – when one market experiences a downturn, others may be thriving – ensuring stability and strength across varying economic cycles. We believe that such diversification not only fortifies our business but also solidifies our position as a reliable partner to our customers over the long term. Moreover, increasing our content and value per OEM aligns us more closely with our goal to become the globally preferred provider of sustainable solutions. In line with our 3CX10 strategy, we have introduced new business segments, including Aerospace, Health & Medical, Technology & Industrial Solutions and Logistics Solutions. These segments expand our service offerings, reduce reliance on the automotive sector and open up further avenues for growth.

Our 3CX10 as at March 31, 2024 was as follows:

Component wise	**%**
Wiring Harness	28%
Vision Systems	17%
Bumpers*	13%
Engineering*	10%
Door Panels*	9%
Integrated Assembly	6%
Instrument Panel*	6%
Other Polymer Products*	7%
Others	4%

Customer wise	**%**
Mercedes Benz	11%
Audi	9%
Volkswagen	9%
Maruti Suzuki	6%
BMW	5%
Porsche	4%
Stellantis	4%
Hyundai	3%
Ford	3%
Daimler Trucks	3%
American EV OEM	3%
Paccar	2%
Renault	2%
Tata Motors	2%
Scania	1%
Seat	1%
Mahindra	1%
General Motors	1%
John Deere	1%

Country wise[2]	**%**
India	21%
USA	18%
Germany	18%
China	11%
Hungary	6%
Spain	5%
Poland	4%
Mexico	4%
France	4%
South Korea	3%
Others	6%

Kia Motors	1%

Notes:

(1) Total revenue considered includes 100% of joint venture and associate companies consolidated under equity method (i.e. Revenue from Operations (Gross)).

(2) Revenue by country is based on manufacturing locations except in certain cases of job works locations like Mexico and India and after eliminating intercompany revenue within the respective country. Others is net of inter-country revenue.

** Under MPP Segment*

The table below shows our Return on Capital Employed (adjusted) for the fiscal years ended March 31, 2022 to 2024:

Particulars	**Fiscal year ended March 31,**		
	2022	**2023**	**2024**
Return on Capital Employed (adjusted)	7%	11%	17%

Continue our global expansion through our multi-pronged growth strategy

Our growth strategy is founded on three primary pillars: organic growth, inorganic growth through acquisitions and collaborations through joint ventures.

Organic growth is fostered by nurturing long-standing customer relationships, which form the cornerstone of our strategy and underpin the trust we have earned. We support our global automotive OEM customers by maintaining a presence in locations close to them, facilitating volume growth and increased product content. Our approach to vertical integration allows us to offer comprehensive solutions, enhance cross-selling opportunities and leverage our diverse capabilities. The unified structure of our Group promotes the efficient use of internal synergies and the ongoing optimization of our operational performance. Additionally, we leverage our manufacturing expertise to foster growth in emerging sectors such as aerospace, logistics, and health and medical, reinforcing our role as a trusted and valued partner. Our commitment to customer relationships is reflected in the robust automotive booked business of approximately U.S.$83.9 billion (excluding Yachiyo) as at March 31, 2024, for our automotive segment. This represents the estimated sum of lifetime sale value of orders yet to start production and orders currently under production. Our automotive booked business is calculated based on Revenue from Operations (Gross).

Inorganic growth is achieved through strategic acquisitions, which have been integral to our growth strategy, allowing for rapid market entry and product line enhancement. The current high interest rate environment and challenging business conditions have presented opportunities for acquisitions, as customers seek dependable and robust partners for their supply chains. Many of our acquisitions have been undertaken with customer encouragement and support. Since September 2022, we have announced 16 acquisitions. These strategic acquisitions have provided us with access to new customers for e.g. base expansion in our aerospace, health and medical divisions and with Japanese OEMs, capabilities in new segments such as structural and engine components for our aerospace division and imaging solutions and composites for medical devices for our health and medical division. These acquisitions also unlock cross-selling opportunities of our existing products to such new customers and enhances our vertical integration. Since acquisitions were completed at different periods during the fiscal year and some were completed after the end of the fiscal year ended March 31, 2024, the reported revenue contributed by acquired assets was

₹102,572 million for the fiscal year ended March 31, 2024. We expect the full contribution from all closed acquisitions to be realized in the fiscal year ending March 31, 2025.

Collaboration through strategic partnerships and alliances is another key component of our growth strategy. As part of our aim to serve as a comprehensive provider to our customers, we bring new technologies and products to market. Our efforts to broaden our product portfolio and enhance the content per vehicle involve exploring collaborative opportunities and forming new strategic partnerships. To date, we have 27 strategic partnerships worldwide, partnering with technology and product leaders across various segments.

Maintaining a clear focus on sustainability

We are committed to advancing and will continue to focus on sustainability as a core component of our long-term business strategy. In accordance with the Paris Climate Agreement and the UN Sustainable Development Goals, we are working with a clear vision to be "a globally preferred sustainable solution provider" for our stakeholders and to actively play our part in the overall industry and global climate transition challenge. We recognize that a sustainable solutions provider needs to have sustainable operations and sustainable products and we believe the utilization of innovation and technology is an intrinsic part of achieving both.

Sustainability is a foundational element of our overall business strategy and having recently completed a stakeholder engagement and materiality assessment process in January 2024, we understand and are committed to addressing the material issues that are important both internally and to our stakeholders across the full spectrum of topics under Environment, Social and Governance (ESG). Aligned with this, the pillars of sustainability to which we are committed and are intensifying our efforts towards are:

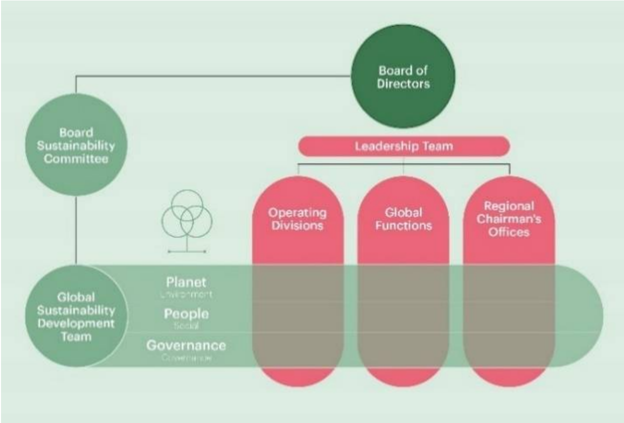
- Governance: Fostering long-term growth in an ethical way, evolving from compliance to transformational governance.
- Planet: We are committed to helping preserve the planet through environmental stewardship, conserving resources, and reducing our ecological impact.
- People: We are dedicated to ensuring well-being and equitable opportunities for all, protecting human rights and providing a just transition for the people of Motherson.

We are dedicated to integrating sustainable practices within our business model and are continuously seeking to elevate our performance. We acknowledge that current geopolitical developments, economic pressures and the uncertainty about the future presents significant challenges, yet we maintain a focus on our sustainability initiatives, ensuring that they remain integral to our long-term ambitions and our purpose.

Governance as the foundation for progress

At Motherson, governance is the foundation on which all our sustainability actions are built. We seek to continuously evolve our governance structure and practices to meet the changing needs of the industries in which we work and society in general.

We have evolved from conventional governance to sustainable governance, maintaining compliance with a changing regulatory landscape while maintaining an understanding of our stakeholder requirements and a consolidated view all material issues at a group level. However, a rapidly changing world requires a focus on transformational governance, where we can adapt to the needs and be a part of the solution to the challenges facing us all. Our governance structure is set up to facilitate Motherson group level leadership from our chief sustainability officer and a development team that has a mandate and works with collaboration across the operating divisions, global functions and regional offices combined with accountability to the board of director.



In 2021, we joined the UNGC and have underpinned our commitment to this initiative by integrating its principles within our sustainability frameworks and policies. Our last Communication on Progress submitted in 2023 to the UNGC achieved 'advanced level' status, underscoring our progress in sustainable development and our commitment to transparency.

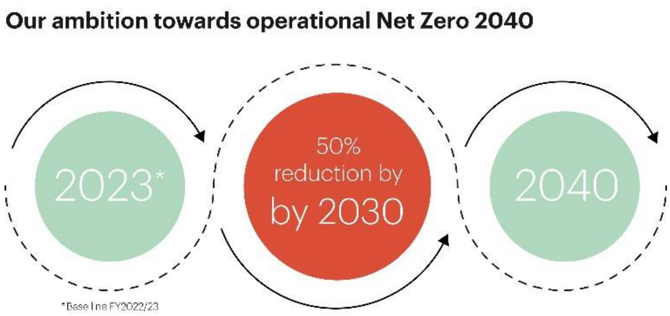
Global citizenship activities are an intrinsic part of sustainability and are coordinated on a regional basis across the globe. We engage with programs and initiatives within the communities in which we operate under the scope of our policy focused in the areas of livelihood and community development, education, health and well-being and environmental sustainability.

Transparency in our reporting for the increasing regulatory landscape around sustainability is essential with business responsibility and sustainability reporting applying to our Indian entities and the Corporate Sustainability Reporting Directive coming into effect in Europe this year. Furthermore, we actively engage with sustainability assessment frameworks and ratings providers such as CDP and S&P Global in support of our stakeholders. Our consistent efforts in sustainability have been recognized through our continued presence in the Dow Jones Sustainability Index.

In 2023, we hosted our inaugural Global Sustainability Summit in Morocco, which was a testament to our commitment to sustainability. The event brought together experts and sustainability leaders from our various business units and operating divisions around the world, signifying our integrated and collaborative approach to these critical issues. In April 2024, we completed our first Sustainability Summit annual progress review where agreed actions and objectives from the inaugural summit were followed up, adjusted where necessary to the latest circumstances and re-affirmed as the way forward, maintaining alignment to our material issues under Governance, Planet and People.

Planet

We have set a climate transition ambition to achieve Carbon Net Zero across all of our global operations (scope 1 and 2 emissions) by 2040. We fully recognize 2030 as a major progress review milestone and therefore with a baseline of 2022/23 reporting, we believe that a 50% reduction towards our net zero ambition will be achievable by 2030 assuming economically viable access to sufficient clean and renewable energy in the countries in which we operate.



Energy efficiency is also a key focus area as part of our overall climate transition and therefore in alignment with this we are in the process to gain accreditation to ISO50001 in all our operating units.

Furthermore, we are utilizing methodologies such as Life Cycle Analysis and Product Carbon Footprint to better understand scope 3 emissions across our entire value chain and, in combination with supplier risk assessment processes, develop strategies to address this. As the majority of our overall environmental footprint is scope 3 emissions, collaboration with all stakeholders such as our customers and suppliers across the full value chain is essential to address this challenge.

We also recognize water management as an area where we are playing our part in addressing the increasing challenge this represents to our planet despite not being a heavy consumer of this natural resource. In 2023, we set ourselves the ambition to implement water preservation initiatives across all our sites by 2030 and we are making good progress with innovative solutions being developed, implemented and shared across our Group.

People

At Motherson, we view our people as an important pillar of our sustainable future and as such we are committed to creating a workplace where every individual feels valued, respected, and empowered.

Our stakeholder engagement process has clearly identified focus areas within this pillar as material to Motherson and therefore key to our future success.

Our focus on Diversity, Equity, and Inclusion (DEI) is demonstrated through initiatives such as the launch of our female mentoring program, aimed at creating improved gender balance in leadership. This complements our established leadership development program which is designed to empower our future leaders, promoting individual growth and advancement within the company. Additionally, we are implementing DEI training for all employees, fostering an inclusive culture and raising awareness throughout the organization.

Actively engaging with the people of Motherson is very important and therefore we have been working to improve and standardize the way in which this is achieved. Going forwards utilizing our internal employee engagement platform, MothersonOne will enhance the way we gather feedback, create actionable insights and continually improve engagement and inclusivity, while benefiting from our existing diversity across the 44 countries in which we are present.

In recognition of the importance of protecting Human rights in our value chain, the Occupational Health and safety, and the wellness and well-being of our people, new global policies and overarching principles statements have been released and deployed throughout the group.

To ensure sustained progress, dedicated working groups have been established for each material topic, consisting of representatives from across the entire business who drive the initiatives aligned to our groups ‘Purpose statement, Vision, Mission and Values’.

We are dedicated to ensuring well-being and equitable opportunities for all, protecting human rights and providing a just transition for the people of Motherson.

Our Products and Services

We offer a comprehensive portfolio of high-quality products and integrated solutions developed to meet the needs of our customers. Our diversified product offering consists of vehicles' electronic nerve system product offering from our WHD Segment, interior and exterior rear view vision system product offering from our Vision Systems Segment, vehicles' interior and exterior components from our MPP Segment, and other product offerings from our Emerging Businesses Segment.

The following table sets out our revenue by business segment and their divisions for the fiscal years presented.

	Fiscal year ended March 31,		
	2022	**2023**	**2024**
		(₹ million)	
Wiring Harness	219,698	265,567	315,137
Modules & Polymer Products	354,200	422,624	499,118
Vision Systems	134,976	165,688	191,489
Integrated Assemblies(1)(2)	—	—	68,238
Emerging Businesses	25,668	68,444	80,899
Elastomers	4,835	6,833	7,110
Lighting & Electronics	10,316	29,531	34,265
Precision Metals & Modules	5,621	17,319	19,229
Services(4)	3,074,	3,036	4,952
Aerospace	—	2,451	3,384
Logistics Solutions	237	1,250	2,057
Health & Medical	—	133	372
Technology & Industrial Solutions	1,585	7,891	9,530
Total	**734,542**	**922,323**	**1,154,881**
Less: Intersegment	15,062	24,018	35,001
Revenue from operations (gross)(5)	**719,480**	**898,305**	**1,119,880**

	Fiscal year ended March 31,		
	2022	2023	2024
		(₹ million)	
Less: Revenue from operation of entities consolidated as per equity method, included above[3]	55,579	110,424	132,963
Add: Revenue between continuing and discontinued operations (please see "— *Certain Reconciliation and Computation of Non-GAAP Measures — Computation Table 6*")	13,573	—	—
Less: Revenue from discontinued operations	39,735	—	—
Total revenue from continuing operations	**637,740**	**787,881**	**986,917**

Notes:

(1) This segment is newly introduced by the Group post-acquisition of SAS. It also includes operations of subsidiaries engaged in rendering of support service function exclusively to integrated assemblies.

(2) The Group performs assembly of highly customized components by procuring various parts from suppliers identified by the customers. The Group acts as an agent as per Ind AS 115 under these contracts and as required under the standard, the Group recognizes revenue only for the net amount it retains for the assembly services.

(3) Results relating to joint venture and associate entities are fully consolidated for the purpose of review by the chief operating decision maker and hence are presented accordingly in the above. Consequently, the disclosure above also includes reconciliation items with the amounts presented in the Group Consolidated Financial Statements.

(4) Intra-segment elimination between Emerging Businesses segment for the fiscal years ended March 31, 2022, March 31, 2023 and March 31, 2024 amounting to ₹162 million, ₹1,406 million and ₹2,080 million, respectively, have been netted off in "Services".

(5) Also referred to as "Revenue from Operations (Gross)" elsewhere in this document.

WHD Segment

Through our WHD Segment, we undertake the business of designing and producing the wiring harnesses which acts as the electronic nerve system for vehicles. Apart from wiring harnesses, the product range includes components for wiring harnesses such as wires, connectors, terminals, EDS, power modules, power packs and junction boxes, etc. The segment also has the capabilities to develop ERP solutions specifically targeted at the wiring harness business.

Our WHD Segment remains a full-service system supplier with complete in-house design, development and manufacturing capability.

Being a full system solutions provider to our customers, our WHD Segment brings skills and vast experience in manufacturing, assembly and in-sequence delivery of integrated, cutting-edge electrical and electronic distribution systems for power supply on combustion engines and electrically powered vehicles, and data transfer across vehicle types. These systems range from simple, single-wire to complex wire harnesses, containing hundreds of wires and connectors with a variety of protective coverings as per customer requirements. The segment also provides integrated electrification solutions for vehicles with "alternative" powertrains, including high-voltage wire harnesses. We are equipped to support current and future trends in the WHD Segment. As demand for premium features in vehicles increases, wiring harnesses become more complex. The segment works to reduce weight and space while enhancing productivity. The segment is also focusing on specialty cables like RF, antenna, display, sensor and multimedia cables, miniature and hybrid connectors, advanced power distribution modules and complex channels, thereby adding more content per vehicle. The segment continues to embrace the latest market innovations by combining forces with global technology leaders in major business areas. As part of its focus on the future, the segment is making its low-voltage harnesses lighter, more efficient and environmentally friendly. Strong vertical integration and the capacity to develop semiconductor-based solutions have added value to the divisional product line.

Our WHD Segment has developed competencies and established facilities for product design, validation and development to support our customers. The segment is collaborating with many OEMs as co-designers of their solutions. Our fully-equipped test facilities are capable of conducting necessary development stage design validation thereby supporting our customers in significantly reducing their time-to-market.

The manufacturing process of wiring harnesses is mainly driven by people, but the segment is now focusing on automation and digitalization. The segment is focused on making the processes simple, easy and exact through the implementation of digital solutions like electronic assembly boards, color detection systems, component presence sensors and online work instructions, end-to-end traceability systems, etc., which has helped us to deliver even better quality to our customers. The process innovation also enhances the efficiency and effectiveness of the manufacturing process and is the focal point for the production engineering team. Comprehensive in-house production engineering capabilities include process design, crimp tooling, assembly tooling, test tooling and special-purpose machine designing and development capabilities. Process design remains focused on eliminating raw material waste and optimal power, air and water consumption. The segment also has the ability to perform tests as per various national and international standards (e.g. IS, ISO, ASTM, JIS, JASO, etc.), including OEM-specific standards. The divisional calibration facility is ISO/IEC 17025:2017 NABL certified, which ensures all measuring and test equipment used in the laboratory and manufacturing plants always meet the established calibration standards to ensure the integrity of the test results.

Our WHD Segment's revenue represents 27.3% of our Revenue from Operations (Gross) before intersegment elimination for the fiscal year ended March 31, 2024.

Vision Systems Segment

Our Vision Systems Segment is a pioneer and a specialist in the field of exterior and interior mirror business for automotive applications. The segment has the global expertise to design, develop, validate and produce a wide range of exterior and interior vision systems and camera-based detection systems for the global automotive industry.

The segment's product line supplies to all passenger vehicle segments including the luxury, performance, premium, medium and low-cost segment, as well as light commercial vehicles. Although they vary in complexity, exterior mirrors generally consist of a plastic housing or a combination of plastic housings, a support structure that joins the mirror to the vehicle, a reflective mirror glass supported by an electric actuator on frame, a wire harness and a plastic skin on exterior called a scalp which could body color painted. Interior mirrors generally consist of a plastic housing, a support structure that joins the mirror to the vehicle and a reflective mirror glass.

Our Vision Systems Segment's main business is the design, engineering and assembly of exterior mirrors. The exterior mirror product line ranges from basic, manually-adjusted mirrors to high-value mirror systems with multiple integrated features, including automatic dimming electrochromic glass ("**EC glass**"), electric power-folds, heated glass, light modules and integrated turn signals. In addition to the development and production of traditional exterior mirrors, our Vision Systems Segment also develops, produces and integrates complex units with integrated driver assistance features such as blind spot detection systems, side turn indicator lamps, assist system signal lights and ground illumination logo lamps integrated in the exterior mirror. The segment is also actively engaged in the development, design and production of award-winning camera-monitoring systems which have been subject to increasing interest from our OEM customers in recent years.

Our Vision Systems Segment also designs, engineers and assembles interior mirrors for all light vehicle segments as well as for commercial vehicles. The interior mirrors are fitted with several features depending on our customer's specific requirements, including prismatic mirror glass, toll collection system integration, integrated displays, reading lamps, integrated lighting, microphones, garage door openers, rain sensors, air and humidity sensors and auto-dimming glass.

As a specialist in glass processing, electric actuators, power fold and electronic systems, our Vision Systems Segment has a very high vertical integration capability globally for glass actuators, power fold motors, printed circuit boards and blind spot detection systems. In addition, the segment also sources some components from our sister companies within the Group.

The segment has a long-standing pedigree to launch first-to-market products like the first camera-based detection system in 2002, the first ground illuminated logo lamp in 2007 and most recently, the award-winning exterior mirror called "EcoMirror" in 2018.

For the fiscal year ended March 31, 2024, (i) exterior mirrors and (ii) interior mirrors and other offerings accounted for approximately 96% and 4% of our Vision Systems Segment's revenue, respectively. Furthermore, our Vision Systems Segment's revenue represents 16.6% of our Revenue from Operations (Gross) before intersegment elimination for the fiscal year ended March 31, 2024.

MPP Segment

Through our MPP Segment, we produce and supply interior and exterior components, from simple plastic parts and assemblies to highly integrated modules for all types of vehicles, including small cars, luxury cars, commercial vehicles and two-wheelers to our customers worldwide. This segment offers highly specialized technology and manufacturing expertise in polymer processing, precision molding, aesthetic surfaces, fully automated painting, mold tooling, assembly and logistics. Our MPP Segment offers comprehensive system solutions, encompassing concept development, design, product development, simulation, testing and fully integrated mass production. The segment also offers tooling capabilities with a complete range of services from tool design to tool manufacturing and injection molding under one roof, making it a total tooling solutions provider.

These largely polymer-based components are delivered to our automotive OEM customers as separate components or pre-assembled as modules. The segment focuses on lightweight constructions, the use of renewable raw materials and the enhancement of occupant and pedestrian protection.

Interiors

Our MPP Segment's interior product portfolio encompasses individual components as well as assembled interior modules and fully completed cockpits. It is a technology leader in air vents and decorative interior components with integrated illumination and has a strong presence within premium vehicles. Key products include dashboard and cockpit products (instrument panels, dashboards, fully completed cockpits, glove boxes, airbag boxes), center consoles, door panels (fully completed systems, textile and slush surfaces, light weight solutions, natural fiber solutions), air ventilation systems, components for climate systems and decorative interior panels, etc. The segment also manufactures high-end, innovative and interior polymer-based components, modules and systems with integrated electronics, such as ventilation systems, smart surfaces and lighting modules. The addition of sophisticated surface materials (polymer, fabric and leather), and the increasing "premiumization" of interior components have contributed to higher average unit value. It is also engaged in the manufacturing of premium upholstery for passenger vehicle applications.

Exteriors

Our MPP Segment's exterior product portfolio comprises a variety of polymer car body and outer skin components and systems. Key products include bumpers (painted bumper covers, front-end modules, grilles and rear bumpers), sunroofs, painted rocker panel covers and innovative plastic solutions (convertible roof covers, plastic-based hybrid tailgates, plastic roof panels and hoods).

Our MPP Segment's revenue represents 43.2% of our Revenue from Operations (Gross) before intersegment elimination for the fiscal year ended March 31, 2024.

Integrated Assemblies Segment

Our Integrated Assemblies Segment specializes in the assembly of high-quality integrated modules and providing "just in time" and "just in sequence" logistic solutions to leading automotive OEMs globally. The segment works as a single source for logistics and assembly solutions in the automotive industry and is a leading cockpit module integrator with a strong alignment to the industry electrification transition, advanced technical knowledge and strict quality standards.

Apart from cockpit modules, the segment is also a competent partner for further innovative interior modules such as center consoles, headliners, door panels, exterior front-end modules, etc. The segment's primary strengths include technical expertise and enduring customer relationships with leading European and American OEMs. Our expertise extends to product and process engineering, empowering us to meet diverse customer needs.

Our Integrated Assemblies Segment provides full module service, ensuring seamless system integration for optimal efficiency. Our value-added module assembly services encompass meticulous electrical checks to guarantee functionality. Quality assurance is at the heart of our assembly process, ensuring that each product meets the highest standards of excellence.

The segment provides efficient integrated logistics services with optimized material handling and transportation. Our "just in time" and "just in sequence" delivery system to OEMs is in close proximity to their facilities, which ensures timely and synchronized supply. In addition, expertise in packaging management ensures product safety and cost-effective shipping thereby making it a reliable partner for OEMs worldwide.

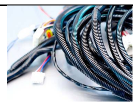
Our core focus lies in safety-critical, complex and highly diversified modules. We have a strong presence in Europe and favorable footprints in the Americas and China. Our strategic proximity to key hubs and modern facilities further enhances our position to fulfil OEM requirements. The segment is also delivering performance, quality and offers our OEM customers material flow simplification and can set up new assembly facilities in record time, in close proximity and within the customer premises as per project requirements.

Our Integrated Assemblies Segment's revenue represents 5.9% of our Revenue from Operations (Gross) before intersegment elimination for the fiscal year ended March 31, 2024.

Emerging Businesses Segment

Segment	**% to Total Emerging Businesses Revenue from Operations (Gross)** (before Intrasegment Elimination)	**Key Products Name**	**Representative Images**
Elastomer	8.6%	• Door Grommets • Pads & Bushes • Gaskets & O-Rings • NVH Components • Vibration Mounts • Suspension Bushes	

		• Rubber To Metal Bonded Parts • Large Engine Gaskets • Rubber To Plastic Bonded Parts • Reinforced Hoses • Drain Tubes • Fuel Hoses • Engine Cooling Hoses • Extruded rubber profiles • Weather strips • Glass run • Boot and hood seals • Calendared Sheets	 
Lighting & Electronics	41.3%	• Front Lighting including Headlamps, Day Time Running Lights and Fog Lamps • Rear Lighting including Rear combination lamps and CHMSL • Air Intake Manifold Assembly • Paint coating solutions • Body Control Module • HVAC system for passenger vehicles • Clutch for car AC compressor • Air compressors	  
Precision Metal & Modules	23.2%	• Sheet metal parts • Gear Cutting Tools • Sintered metal parts • HVAC for off-highway vehicles, commercial vehicles, buses • Auxiliary equipment for injection moulding machines	 
Technology and Industrial Solutions	11.5%	• IoT & Automation • Advanced Analytics • Cloud and Cyber Security • ERP Consulting and Implementation	
Aerospace	4.1%	• Electrical Wiring Interconnect System (EWIS) • Machining & Sub Assembly • Tubes & Ducts • Surface Treatment • Sheet Metals	 

		• Structural Components • Hydraulics • Composite • Mechanical assemblies	
Logistic Solutions	2.5%	• End-to-end logistics services for finished vehicles in India for external customers • Fourth-party logistics solutions primarily for internal group companies • Packaging solutions	
Health & Medical	0.4%	• Surgical imaging • Metal and plastic components for medical devices • Re-timer • Healthcare IT solutions	
Services	8.6%	• OEM-certified automotive parts, accessories and dealer-fit products • Industrial Park	 

Overall, our Emerging Businesses Segment's revenue represents 7.0% of our Revenue from Operations (Gross) before intersegment elimination for the fiscal year ended March 31, 2024.

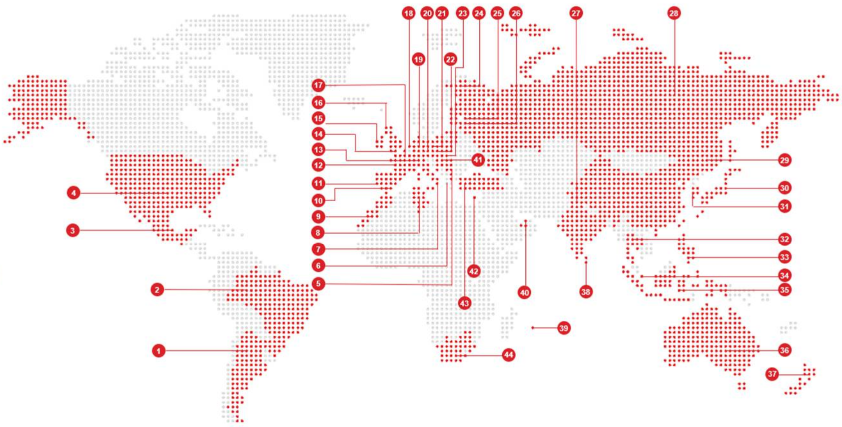
Global Manufacturing, Sequencing Centers and Sales Presence

We operate over 400 facilities across 44 countries and have a network of manufacturing plants, module centers, assembly centers, design/technical centers and representative offices. Approximately 57% of our production facilities are located in countries we have identified as low-cost countries such as China, India, Brazil, Mexico, Thailand and Hungary. The remaining 43% are distributed across other countries, demonstrating our Group's strategic global presence across multiple geographies and near customer hubs.

Serving customers globally.

A global network of manufacturing facilities, engineering and design centres, marketing offices, logistic centres and sourcing hubs across the world to serve our customers globally in geographies of their presence.

Motherson has over **400** facilities in **44** countries.



1 Argentina	**8** Tunisia	**15** Ireland	**22** Slovakia	**29** China	**36** Australia	**43** Turkey
2 Brazil	**9** Morocco	**16** UK	**23** Hungary	**30** Japan	**37** New Zealand	**44** South Africa
3 Mexico	**10** Spain	**17** Luxembourg	**24** Finland	**31** South Korea	**38** Sri Lanka	
4 USA	**11** Portugal	**18** Netherlands	**25** Estonia	**32** Thailand	**39** Mauritius	
5 North Macedonia	**12** France	**19** Germany	**26** Lithuania	**33** Philippines	**40** UAE	
6 Serbia	**13** Switzerland	**20** Czech Republic	**27** India	**34** Singapore	**41** Croatia	
7 Italy	**14** Jersey	**21** Poland	**28** Russia	**35** Indonesia	**42** Cyprus	

Our extensive geographic footprint places us in close proximity to many of the plants of our OEM customers, facilitating inter-dependencies and allowing us to effectively manage inventories while minimizing transport time and costs. Our facilities are often located or utilize a logistics sequencing center within one hour of our customers' plants, allowing us to supply our customers on a "just-in-time" or "just-in-sequence" basis. "Just-in-time" refers to a method of parts procurement, increasingly common in the automotive industry, whereby OEMs reduce parts inventories and their associated carrying costs by working with suppliers to procure parts only as they are needed in the production process. This allows OEMs to maintain greater flexibility and facilitates increased efficiency of their production lines. "Just-in-sequence" is an evolution of the "just-in-time" method, whereby parts are not only delivered at the appropriate time and in the required quantities, but at precisely the stage in the production process in which they are needed, allowing for delivery at the point of installation and further minimizing the time and cost associated with transporting and storing parts. These procurement methods are of particular importance in the premium segment. Consumer demand for vehicle personalization in this segment has increased the complexity of our interior and exterior modules, some of which could have hundreds of potential permutations and combinations, making it cumbersome for OEMs to carry substantial inventory. Our ability to provide "just-in-time" and "just-in-sequence" deliveries is a key feature we offer our customers as it minimizes our OEM customers' carrying costs and allows them to adapt swiftly to changing consumer demand.

Manufacturing and Production

Historically, we have been able to provide full system solutions through vertical integration, leveraging our in-house component production capabilities as well as benefiting from existing synergies with other companies within our Group. For example, in our Vision Systems Segment, we currently source several key inputs in-house, including conventional mirror glass, lighting assemblies, actuators and power-folds, which results in an increased proportion of our in-house value-added content in the modules and systems we assemble and deliver to our customers. We intend to continue to focus on the vertical integration of our operations within our own Group as well as achieve further synergies with other companies within our Group.

Wiring Harness

The production of wiring harnesses involves a sophisticated multi-step manufacturing process. Our segment adheres to a rigorous New Product Introduction ("**NPI**") process to ensure the safe and efficient commencement of mass production. This process includes periodic gate reviews conducted by our leadership team, which not only guarantee the timely achievement of milestones but also maintain stringent control over development costs. We support our NPI process with custom-built digital solutions that proactively identify and mitigate risks, incorporating lessons learned from previous projects.

Our Advanced Product Quality Planning (APQP) process begins with detailed planning and includes stages such as sample construction, validations, prototype development and fitment trials in collaboration with customers. This process continues through multiple milestones and validation steps until Production Part Approval Process (PPAP) approval is secured.

We receive demand data from customers via Electronic Data Interchange (EDI) and other digital methods. Production scheduling, resource planning and material planning are executed through tailored ERP applications. Our focus during production planning and scheduling is to optimize resource utilization, work-in-progress and machine changeovers, thereby enhancing material, spatial, equipment and labor efficiency.

The production of wiring harnesses is broadly divided into several stages:

1. **Initial Preparation:** Each harness comprises various wires, cables, terminals, connectors and other components. Initially, wires are cut to the specified length, stripped and crimped with terminals using advanced fully-automatic or semi-automatic machines, to form what is known as a circuit.

2. **Assembly:** Circuits undergo additional processes such as ultrasonic welding, resistance welding and mechanical clipping to join them based on the product design. Per customer specifications, these circuits are then fitted into connectors to form small modules. These modules and circuits are assembled in sequence along an assembly line, adhering to a specified layout to achieve the required form.

3. **Finalization:** In the final stages, either on the assembly lines or at adjacent workstations, the form is stabilized using tapes, tubes, channels or cable ties to bundle branches. Necessary fixation parts are added to enable customer installation and to prevent rattling and damage during product use.

4. **Testing and Additional Assembly:** The electrical functionality is verified using an electric tester, ensuring all connections are correct and free of shorts or other defects that could impact functionality or safety. Additional components such as boxes, fuses, relays and power supply cables are then incorporated by connecting them to fuse boxes and the harness.

5. **Packaging and Delivery:** Finally, the harness is packaged as specified by the customer, either in bulk or in sequenced single harness packaging and delivered accordingly.

Vision Systems

The production of exterior and interior rear view mirror systems requires a professional and structured development process. Initially, during a pre-production phase, the product and tools are designed, processes are defined, suppliers are selected and, where necessary, employees are trained in specialized skills or equipment. Before the start of production, there is a standard process to ensure the proper setup of tools, machines, manufacturing processes and all test-related devices. The tools required are engineered molds and dies used to construct the various parts comprising the rear view vision system. This is followed by the injection molding of plastic parts, in which plastic granulate is heated and pressed into a tool to give the component the required shape based on both our internal and customer's requirements. Components are painted at our Vision Systems Segment's paint shops in accordance with stringent customer specifications, using mainly three layers to ensure a high scratch resistance. Once painting is completed, the molded and painted components, parts or sub-assemblies which are produced internally or by group companies, together with parts sourced from suppliers, are assembled through a combination of automated assembly processes and skilled line workers. The process chain is subjected to in-process controls, post-process checks, regular product and process audits and a 100% end-of-line functionality test after assembly and prior to shipping.

A portion of the components that our Vision Systems Segment uses to manufacture the exterior and interior mirrors are molded and constructed by our Vision Systems Segment using a combination of raw materials and other components that it purchases from various suppliers, while the remainder of the components used are purchased directly from suppliers. For instance, conventional mirror glass is produced in-house through our Vision Systems Segment's glass cutting, grinding and bending, printing and chroming/metallization capabilities, while certain specialized types of glass such as EC glass are sourced via third-party providers. Furthermore, our Vision Systems Segment has the ability and experience to produce several other components and sub-assemblies relevant for mirrors like actuators, powerfolds, turn signals and any other lamps linked to mirrors such as the logo lamp.

Modules & Polymer Products

Our MPP Segment's manufacturing and production process is structured to provide maximum control over the end products during each stage of their creation, and allows us flexibility while providing for short processing times. The stages of our MPP Segment's production process can be undertaken entirely in-house or in collaboration with our MPP Segment's automotive OEM customers. These stages include concept development, design and simulation, testing and validation, tooling, production and assembly and materials management.

During an initial pre-production phase, as with the manufacture of rear-view vision systems, the product and related tools are designed, processes are defined, suppliers are selected and, where necessary, employees are trained in specialized skills or equipment. The processes principally involved at the start of production are the manufacture and customization of tooling. The tools required are engineered molds and dies used to manufacture parts. This is followed by the injection molding of plastic parts. During the injection molding process, plastic granulate is heated and pressed into a tool to give the component the required shape. If requested, the system is then painted and assembled. Components are painted at our paint shops in accordance with stringent customer specifications, using water-based paint systems. Once painting is completed, the components, together with parts sourced from suppliers, are assembled through a combination of automated assembly processes and skilled line workers. The production chain is subjected to in-process controls, post-process checks, regular product and process audits and a functionality test after assembly and prior to shipping.

A portion of the components used to manufacture the exterior and interior systems is designed and molded in-house using a combination of raw materials and other components that are purchased from various suppliers. The remainder of the components used are purchased directly from suppliers.

The key manufacturing technologies utilized in our MPP Segment include, among others:

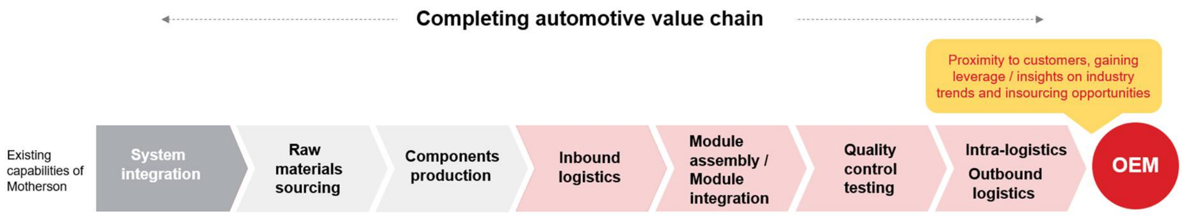
- advanced injection molding for the production of medium and large high precision plastic parts;
- compression molding and slush-molding, foaming and expanded polypropylene foams for the production of quality thermoplastic molded skins;
- thermoforming and natural fiber processing for the production of lightweight door panels, inserts, armrests, storage walls and trunk trims;

- painting (in matte, high-gloss, primed and soft-touch finishes) for the coating of car bodies or interior trim parts;
- laminating, welding, gluing, imprinting and laser-trimming for surface-finishing with high-quality foils, textiles, bolster foams, 3D-woven fabrics or other cover stocks;
- polyurethane foaming for back-foaming of molded skins; and assembly processes for integrated front-end, cockpits and door panel modules; and
- stretch bending and roll bending, extrusion and metal reinforcement of extruded parts.

Integrated Assemblies

Our Integrated Assemblies Segment is primarily engaged in providing supply chain management and logistic solutions to automotive OEMs for interior and cockpit modules. Positioned as a Tier-0.5 supplier, the segment occupies a unique position in the automotive supply chain due to which it is often involved in close collaboration with OEMs on the development and complete assembly of modules such as cockpit that are critical to the final assembly of the vehicle. The segment has to manage a large inventory of various parts and components in order to assemble and deliver a complete module as a result of which it integrates the function and characteristics of both Tier-1 and Tier-2 suppliers by efficiently managing the flow of individual components, the integration of various components and the complete assembly of modules with the requisite quality and safety requirements. The assembly phase leverages automation of production lines, lean manufacturing processes and industry 4.0 technologies such as innovative concepts like "digital twin" to optimize efficiency and reduce time for product delivery. The assembly process further uses specialized jigs, fixtures to integrate components into complete modules with comprehensive end-of-line testing to ensure module functionality and performance.

The assembly process is closely linked to production programs of customers and therefore the segment provides a high level of flexibility and solutions to customers: including (a) setting up assembly operations in customer facilities (onside-plant) resulting in shorter lead time and low "just-in-sequence" costs; (b) seeing up facilities in a supplier park with an optimized "just-in-sequence" setup, high level of integration with OEM schedules; and (c) setting up a new greenfield in close proximity. The logistics flow varies as according to project and customer requirements.



In order to meet the production requirements of our customers, the segment has to synchronize inventory levels with production schedules and implement "just-in-time" and "just-in-sequence" systems. The segment's core competency is its ability to efficiently manage the entire supply chain and value-added assemblies which includes the entire logistics flow:

- System integration: Analysis of customer components design to develop assembly process, prototype and product life cycle management.
- Inbound logistics: Seamless flow of materials with precise demand and supply balancing, robust supplier management and best practices for inventory management. The segment develops innovative and sustainable packaging solutions to ensure delivery.
- Module assembly: Complete assembly of cockpit modules and center console modules, and other modules with high quality standards.

- Quality control and testing: Quality control and testing to ensure module functionality which includes 100% testing of wiring harness for connectivity, hardware and software integration and testing of electrical component functionality to reduce defects and remain with specified parts per million (“**PPM**”).
- Intra/outbound logistics
    - Intra-logistics: The segment has the capability to optimize, integrate and automate the internal logistics flow at customer facility with reduced space requirements, material handling and product kitting and packaging process integrated and streamlined.
    - Outbound logistics: Systematically managing outbound logistics and delivery of modules to customers whilst handling reverse logistics to maximize operational efficiency and optimal utilization of reusable packaging and empties handling.

Research and Development

We are focused on driving innovation and being the technological leader throughout the segments our segments operate in. As at March 31, 2024, we had a portfolio of over 2,800 granted patents with more than 565 pending applications.

OEMs typically decide on the technological components they wish to include in their vehicles three years prior to the start of production of such vehicle. Following receipt of a request from OEMs with respect to their desired components, we work closely with our customers on the development of innovative products. Through such collaboration, we aim to satisfy the requirements of our customers as well as integrate ourselves with them, including by positioning our own engineers on-site at customer locations with in-house engineering and design teams. In addition to developing products to respond to the requests of our customers, we develop other innovative products, which we then offer to customers to enhance our overall value proposition. Our focus on innovation has enabled us to be the first to market with several technologies, including the introduction of the first video-based blind spot detection system.

Creating capabilities and fostering innovation

We have fostered a philosophy of continuous innovation and improvement by having developed a collaborative and cross functional ecosystem to leverage synergies across our organization.

In 2015, we formed “Motherson Innovations”, a dedicated group of experts from various departments, which aims to develop groundbreaking technologies. Motherson Innovations’ objective is to enter new and attractive market segments with innovative products, and to provide our Group with a range of cutting edge solutions and high value product offerings. The team consolidates skilled engineers, researchers and business developers of our Group’s subsidiaries into one tightly cooperating organization, thereby creating synergies. We believe our team members are well-connected to many of the world’s leading technology specialists and to the global network of our Group.

Our internal innovation segment plays a pivotal role in fostering product and technology innovation, from the initial concept through to development, prototyping and commercialization. This segment acts as a conduit, connecting with the global ecosystem, including startups and suppliers. We engage with a range of collaborative partners, such as universities, technical institutions and startups, to drive innovation. As at March 31, 2024, our robust intellectual property management has resulted in a portfolio of over 2,800 granted patents.

We also have our own in-house robotics segment, “Robis”, which supports the manufacturing process across our business segments with automation and various process improvements. Robis designs and assembles various automated guided vehicles and autonomous mobile robots for shopfloor applications and other production process automation. Process improvements span across quality and traceability aids such as poke-yoke systems, end of line testing, traceability and blind audit systems. Robis is further able to provide machine maintenance, upgrade and retrofit components to enhance the usable life of our machines.

We have complete tooling solutions and capabilities with nine dedicated tool rooms in various geographical locations. Our tools are essentially made of specialized grades of steel, aluminum or other metals which are essential in the manufacturing process to shape raw materials into finished products. As a result, the tools are required to have a high level of precision and consistency with low tolerance levels to ensure the production of consistent and defect free products. We have core competency in manufacturing single to multi-cavity tools from five tons to 3,500 tons for a wide range of automotive and allied industry applications.

Strategic partnerships with technology leaders

We are able to innovate on new products and processes by collaborating with various global technology leaders, having 27 strategic partnerships for various products and technologies to better serve our customers. Some notable partnerships are as follows:

(1) With Sumitomo Wiring Systems (Japan) which was formed in 1986 to supply wiring harness systems for the Indian automotive market. With strong parentage and access to world class technology, it is one of the leading suppliers in the Indian automotive industry. SAMIL is the single largest shareholder, holding 33.43% in MSWIL which is worth approximately U.S.$1.34 billion[7];

(2) Established partnership in 2007 for automotive front and rear exterior lighting solutions with Marelli (Japan): Today we benefit from a high level of vertical integration and localization of design, tooling and manufacturing solutions under one roof. This has grown significantly on the back of premiumization and SUV demand in India whilst remaining competitive with complete end-to-end localization of Bi-LED headlamp modules and is today a leading player in the Indian automotive industry. We have also separately partnered with Marelli for HVAC systems and body control modules to cater to the Indian automotive market;

(3) Partnership with individual entrepreneurs for aerospace component manufacturing in 2022 (CIM Tools, India): CIM Tools is engaged in manufacturing structural components for commercial aircrafts with capabilities including soft metal machining, high level assemblies and surface treatment. This partnership provided access to world class facilities and coveted certification in best cost countries; and

(4) With BIEL Crystal, Singapore, in 2024, a leading consumer electronics player: The partnership to further strengthen our electronics portfolio and aid our diversification.

Enhancement of capabilities via mergers and acquisitions

Our capability in research and development has been significantly enhanced through strategic acquisitions. For instance, Yachiyo brings three Tech Centers and over 150 engineers with comprehensive technology and engineering expertise in manufacturing a variety of sunroofs, from basic models to panoramic ones, as well as motorized roll shades, lightweight plastic tailgate modules and advanced hydrogen storage tanks (Type-IV) for zero-emission vehicles.

With the acquisition of the Dr. Schneider Group, we have gained access to an additional 306 patents and an R&D center based in Germany which is part of one of its operational units that is actively developing future-oriented interior and aesthetic products. Most of its products originate from its in-house R&D department, which works closely with customers to bring new products to the premium market segment. These products include innovative products like concealed air vents and climate control features. For example, PureVent,

[7] The market capitalization of MSWIL as of June 20, 2024 was approximately U.S.$4 billion.

which utilizes a combination of particle and active charcoal filters along with photocatalytic surfaces to purify the air and eliminate odors.

Further, with the acquisition of SAS, we have obtained competencies in complex supply chain management which includes setting up assembly and logistic solutions in a very short time frame within our customer's premises or in close-proximity thereto. In order to meet critical delivery timelines, we have made many innovations on the shopfloor processes such as adopting the concept of "digital twin" which creates a virtual representation of the physical manufacturing and assembly process, equipment and systems. This digital replica creates a real time view thereby allowing the business to monitor, identify and optimize any processes for better resource utilization and product quality.

Strategic Partnerships

As at the date of this document, we conduct a portion of our operations through 27 strategic partnerships as follows:

No	Segment	Partner	Country	Company	Group's Shareholding in Company	Country	Description
1	Wiring Harness	Sumitomo Wiring Systems Limited	Japan	Motherson Sumi Wiring India Limited	33.43%	India	Sumitomo Wiring Systems, Ltd., Japan (SWS), a global leader in the manufacture of wiring harnesses, harness components, and other electric wires. They have been one of the companies that have helmed the development and introduction of new components and technologies into the market. With their strong research orientation and technology base, they have the capability to innovate regularly in the field of vehicle electronics. The association with Motherson goes back to 1983. As our principal partner, SWS has played a crucial role in our growth by helping us enhance our product quality at competitive costs. Their support for the development of state-of-the-art technologies helps us consistently deliver lasting value to our customers.
2	Wiring Harness	Kyungshin Corporation	South Korea	Kyungshin Industrial Motherson Pvt. Ltd.	50.00%	India	Kyungshin Corporation is a leading manufacturer of integrated wiring harnesses in Korea. KIML is an integrated wiring harness manufacturing company catering exclusively to the entire wiring harness requirements of Hyundai Motor India Ltd., for its complete range of cars manufactured in India.
3	Modules & Polymer Products	Eissmann Automotive Slovensko s.r.o	Slovakia	Eissmann SMP Automotive Interieur Slovensko s.r.o.	49.00%	Slovakia	The company provides leather stitching surfaces to the interior of passenger vehicles.
4	Vision Systems	Ningbo Huaxiang Electronic Co., Ltd.	China	Ningbo SMR Huaxiang Automotive Mirrors Co. Ltd.	50.00%	China	The company provide vision system solutions for the commercial vehicle manufacturer in China
5	Emerging Businesses	Sojitz Corporation	Japan	Motherson Auto	66.00%	India	The company has developed Sojitz Motherson Industrial Park (SMIP), Chennai in JV with

				Solutions Limited			Sojitz Corporation of Japan, which is the first Japanese-affiliated general industrial park in India to accommodate auto ancillary manufacturing units, light engineering units, warehouses and factories for rent.
6	Emerging Businesses	Matsui Manufacturing Co. Ltd	Japan	Matsui Technologies India Limited	50.00%	India	The company is a supplier of industrial auxiliary equipment for complete Plastic Processing Solutions
7	Emerging Businesses	Marelli Europe SPA	Italy	Marelli Motherson Automotive Lighting India Private Limited	50.00%	India	The company is one of the key supplier of the automotive lighting systems in India, manufacturing exterior automotive lighting systems including Front Lighting (Headlamps, Day Time Running Lights and Fog Lamps) and Rear Lighting (Rear combination lamps and CHMSL) to carmakers in India.
8	Emerging Businesses	Bergstrom Inc	USA	Motherson Bergstrom HVAC Solutions Private Limited	50.00%	India	The company provides services including manufacturing, assembling, marketing and selling of complete HVAC Systems and components for off highway and commercial vehicles.
9	Emerging Businesses	Youngshin Components Co. Ltd	South Korea	Youngshin Motherson Auto Tech Limited	80.00%	India	The company manufactures electro-magnetic clutch for car air-conditioner compressor.
10	Emerging Businesses	Anest Iwata Corporation	Japan	Anest Iwata Motherson Private Limited	49.00%	India	The company is a specialist in heavy duty industrial Air Compressors, with a pan India installation base and exports all over the world, including Japan, USA & South East Asia.
11	Emerging Businesses	Valeo Thermal Commercial Vehicles GmbH	Germa ny	Valeo Motherson Thermal Commercial Vehicles India Limited	49.00%	India	The company provides complete solutions for bus air-conditioning for commercial vehicles and has a vast service network.
12	Emerging Businesses	Marelli	Japan	Calsonic Kansei Motherson Auto Products Private Limited	49.00%	India	The company provides HVAC systems, Body Control Module (BCM) as a part of a distributed control mechanism of a vehicle controlling various functions and compressor for air-conditioning system.
13	Emerging Businesses	Nissin Electric Co. Ltd	Japan	Nissin Advanced Coating Indo Co. Private Limited	49.00%	India	The company provides Advanced Thin Film Coating Services to its customers.
14	Emerging Businesses	Frigel Firenze SPA	Italy	Frigel Intelligent Cooling Systems India Private limited	25.00%	India	The company provides manufacturing, marketing, installation and servicing of Frigel products in India and SAARC region.

15	Emerging Businesses	Marelli		Marelli Motherson Auto Suspension Parts Pvt Ltd	50.00%	India	The company manufactures a wide range of products including struts, gas springs, electronic shock absorbers etc.
16	Wiring Harness	Hubei Zhengao Auto Accessories Group Co. Ltd.	China	Hubei Zhengao PKC Automotive Wiring Company Ltd.	40.00%	China	The company is a specialized manufacturer of wiring harness solutions in China.
17	Emerging Businesses	T-Net Japan Company Limited	Japan	AES (India) Engineering Limited	26.00%	India	The company provides engineering, consultation, project management and turnkey supply and services for automotive, construction equipment, agriculture equipment, locomotives and general industries.
18	Wiring Harness	Jiangsu Huakai Wire Harness Co. Ltd.	China	Shangdong Huakai-PKC Wire Harness Co., Ltd.	50.00%	China	The company is a specialized manufacturer of wiring harness solutions in China.
19	Wiring Harness	Hefei Jianghuai Automobile Co. Ltd.	China	PKC Vechicle Technology (Hefei) Co. Ltd.	50.00%	China	The company is a specialized manufacturer of wiring harness solutions in China.
20	Modules & Polymer Products	Sonny Sunghee Yun	South Korea	Yujin SMRC Automotive Techno Corp.	50.90%	South Korea	The company provides interior polymer solutions to passenger vehicle customers in South Korea.
21	Modules & Polymer Products	Blanos Participaciones SL	Spain	Celulosa Fabril (Cefa) S.A.	50.00%	Spain	The company provides development and production of components for the automotive industry based on plastic materials injection technology
22	Modules & Polymer Products	Jiangsu Changshu Automotive Trim Group Co., Ltd	China	Changchun Peguform Automotive Plastics Technology Co., Ltd.	50.00%	China	The company provides exterior and interior modules and polymer products to the passenger vehicle manufactureres in China region.
23	Emerging Businesses	Sumitomo Electric Industries	Japan	Motherson Techno Tools Limited	60.00%	India	The company is manufacturing performance cutting tools like coated carbide inserts & drills; coated CBN inserts; PCD inserts, tools & reamers.
24	Emerging Businesses	Hamakyorex Co. Ltd.	Japan	Samvardhana Motherson Hamakyorex Engineered Logistics Limited	50.00%	India	The company takes care of the transportation requirements of finished vehicle logistics in India. This collaboration brings Japan's technologically advanced, modern and ultra-safe transportation solutions to India.
25	Emerging Businesses	Individual Promoters	India	CIM Tools Pvt Ltd	55.00%	India	The company is engaged in machining and sub-assembly of components for aerospace industry

26	MPP	Individual Promoter	India	Saddles Pvt. Ltd	51.00%	India	The company is primarily engaged in manufacturing of automotive seat covers etc.
27	Emerging Businesses	BIEL Crystal (Singapore) Private Limited	Singapore	Motherson Electronics Components Private Limited	100.00% (BIEL shall subscribe to compulsorily convertible preference shares to get upto 10% of equity on a fully diluted basis post pending approvals)	India	The company to carry on the business of manufacturing, design, development, assembly, marketing, sale of components, materials, etc.

Sales and Marketing

We have developed a sales and marketing strategy centered on establishing trust and delivering long-term value to our customers while ensuring high levels of engagement. We have organized our sales and marketing efforts by region, each supported by advanced customer relationship management systems, facilitating effective relationship management and customer support. Our global sales and marketing teams work in coordination across various segments to meet customer needs and sustain a strong sales pipeline. Regular interactions and collaborations with our customers keep us informed about their plans and strategies, ensuring our objectives are aligned with theirs. Additionally, we are dedicated to promoting and gaining acceptance for new technologies and systems among our customers, thereby continuously creating value and enhancing our brand image.

We have embraced digitalization to enhance and maintain customer relationships. Through the use of customer relationship management systems, we are able to effectively manage and track interactions with customers, ensuring that their needs are met in a timely and efficient manner. By leveraging digitalization, we have been able to strengthen our customer relationships and provide a more seamless and responsive experience for our customers worldwide.

Our sales and marketing structure is strategically organized to ensure proximity to our customers. Each key account manager serves as the principal point of contact for customer purchasing and engineering departments. These managers possess a comprehensive understanding of the customer's business, including current operations and future plans, and they collaborate closely with our internal engineering and planning teams to meet customer expectations. For global accounts, the key account manager reports to a Global Account Manager or Global Account Director, depending on the account's complexity and size. This senior position oversees the strategic alignment with global customer objectives and supports discussions on global matters such as RFQs, price negotiations, new technology introductions and high-level relationship management across different geographies.

Key account managers and operational teams also play a crucial role in maintaining and expanding customer relationships. The support provided by other functions such as engineering and planning also play a crucial role to our sales and marketing teams. The engineering team plays a pivotal role in ensuring that the products being marketed meet the technical specifications and requirements of our customers. Their input is essential in tailoring the product to customer needs and ensuring its functionality. Additionally, the planning department collaborates with the marketing team to strategize and execute marketing activities. By working closely with the purchasing, engineering and product planning departments, the sales and marketing team is able to align its efforts with the overall business objectives and effectively promote our products. This cross-functional support ensures that the marketing initiatives are well-informed, targeted and yield positive results.

Our sales process typically initiates with a proactive strategy known as “front loading”, where we identify potential business opportunities early and engage with our customers to begin collaborative efforts. This early involvement often includes working alongside our in-house product development teams to align closely with our customers’ needs during the predevelopment or early engagement phases. This approach frequently positions us as the preferred supplier when contracts are awarded.

We prioritize strategic alignment with our key customers and focus on cultivating long-term relationships following the initial sale. Our customers expect us to collaborate in developing products that integrate seamlessly with their own development efforts. Consequently, our technical sales staff and engineers sometimes work directly at customer sites, collaborating closely with their engineering and design teams to tailor solutions and optimize sales potential. Such early and integrated engagements allow us to align our products closely with our customers’ expansion and development initiatives. In certain instances, our products are integrated into the design of the final product, securing a strong position for the duration of the platform.

Customer Contracts

We are typically engaged by our customers to provide components and systems for specified products that they are producing. For example, our contracts with OEMs are for one or more models, and typically extend over the life of the vehicle program (generally an average of five years), often contemplating updates or mid-cycle model refresh actions. Most of our customers have a standard set of terms and conditions which govern the framework of their business relationships, including intellectual property rights, termination and other general provisions. These general terms and conditions are typically agreed as a pre-condition of engaging in business with a particular customer which is reviewed upfront with legal teams. However, there is generally no order contract in relation to a particular program until a specific purchase order is issued by the customer.

Purchase orders issued by our customers are generally open orders with short-term durations, and do not require the purchase of minimum volumes of our products. While a price is agreed upon at the time the purchase order is issued, based on specified volume assumptions, these volume assumptions specified by the customer are not binding and there is no commitment to purchase any particular product volumes. Our customers commit to firm orders to purchase specific product volumes for periods generally ranging from one to three months, and typically extend no other purchase commitments. The actual number of products supplied under purchase orders in a given year is dependent upon the number of our customers’ products of the specific model in which our products are incorporated. Accordingly, volatility in our customers’ production volumes and the individual success of the models in which our products are incorporated remain industry-wide risks, with overall mitigation achieved through the diversification of customers and product segments. In circumstances where the production volumes differ significantly from the original projected volumes in our contracts with our customers, such customers generally provide limited compensatory relief in the form of the acceptance of price adjustments or other similar compensation designed to offset the potential financial loss resulting from lower than forecasted volumes. Contracts are not typically renegotiated; however, our agreements with customers typically contemplate price adjustments related to fluctuations in the cost of our input materials or changes to the underlying product in cases where there is significant changes to costs due to global economic considerations, in such cases we work closely with customers to address the increases in a mutually collaborative way to offset the impact on a case-by-case basis (for example, a mid-cycle refresh action).

Historically, once awarded a contract for a particular vehicle model or program or derivative thereof, we will continue to supply those products until the end of that model or program or derivative thereof, and have in many cases been awarded a contract for the replacement program at the end of the vehicle model production lifecycle.

Customers

For the fiscal year ended March 31, 2024, our largest single-brand customer, Mercedes-Benz, represented 11% of our Revenue from Operations (Gross), while our 15 largest brand-customers (Mercedes Benz, Audi, Volkswagen, Maruti Suzuki, BMW, Porsche, Stellantis, Hyundai, Ford, Daimler Trucks, American EV OEM, Paccar, Renault, Tata Motors and Scania) in aggregate represented 67% of our Revenue from Operations (Gross) for the fiscal year ended March 31, 2024. We have a strong track record of retaining and growing these key accounts which is reflected in the strong automotive booked business.

We believe that we have stable relationships with our key customer accounts, and we expect to continue to depend on sales to our largest customers, many of which are major automotive OEMs.

Our OEM customers maintain lists of approved suppliers to source their automotive components on a global, regional and sometimes country-specific basis. Suppliers must satisfy stringent assessment criteria established by OEMs and must possess various global accreditations. Whereas historically OEMs prioritized price competitiveness and quality assurance in assessing prospective suppliers, the increasing outsourcing of design and engineering functions as well as the localization of vehicle production have placed greater demands on suppliers which have necessitated the application of a more holistic set of criteria. OEMs now assess potential suppliers using criteria that include supplier reliability, research and development capabilities, cost-competitiveness, financial stability and the supplier's ability to match the OEM's production footprint. We seek to achieve strong alignment in these areas in an effort to foster strategic relationships with OEMs, which can create barriers to entry for new entrants and long-term order book stability for suppliers that do develop strategic relationships. We have established such "strategic supplier partner" relationships with all of our main global OEM customers. We believe that these strategic relationships have enabled us to maintain a strong track record of repeat orders, which track record is further supported by the high supplier switching costs for OEMs. As a result of strong growth both within and beyond our established customer relationships, the total automotive booked business (excluding Yachiyo) has increased significantly from U.S.$69.1 billion in the fiscal year ended March 31, 2023 and U.S.$77.3 billion in September 2023 to U.S.$83.9 billion in the fiscal year ended March 31, 2024 out of which approximately 23% is expected to come from pure electric vehicle platforms and balance from ICE and hybrid platforms.

Supply and Sourcing of Materials

We have a well-structured purchasing organization, Global Sourcing and Procurement ("**GSP**"), that provides strategic and operational benefits by centralizing and consolidating procurement activities. This organization also creates new supply chain partners and establishes new benchmarks for better savings. The benefits of which result in cost efficiency with bulk buying, better negotiation strength and terms with suppliers. Further, the GSP supports fostering relationships with key suppliers, standardizing the supplier park and procurement process thereby minimizing the risk of having any disruptions in the supply chain. The centralized team also ensures compliance with internal policies and regulatory requirements. Certain strategic initiatives undertaken by GSP to sharpen our supply chain include the following:

- Strategic sourcing: Consolidating spending across various commodities, geographies and material types to negotiate better deals with suppliers and reduce procurement costs.

- Acquisition integration: A well-defined plan to ensure seamless integration of new acquisitions into our supply chain network.

- E-sourcing: Leveraging E-bidding platforms to streamline the sourcing process, aiding efficiency and cost-effectiveness.
- Global sourcing network: Our widespread presence facilitates the establishment of low-cost sourcing hubs around the globe to tap into regions offering the most favorable production and material acquisition costs. This includes low-cost sourcing to Europe and the U.S. from cost-competitive countries like China, Mexico, India, Eastern Europe and North Africa.
- Sustainable supply chain: Recognizing the growing importance of sustainability, the centralized team is developing and executing a comprehensive strategy to promote environmentally and socially responsible practices for supply chain partners.
- Data driven decision making: Utilizing advanced analytics and business intelligence to gain deeper insights, optimize processes and achieve greater productivity and cost savings across our procurements.
- Contract Management: Centralized management of global contracts along with a streamlined legal framework to safeguard our interests and ensure smooth operations.

Purchases of raw materials and pre-constructed components for the manufacture of our products, along with associated manufacturing costs, account for a significant portion of our overall expenditure. For the fiscal years ended March 31, 2022, March 31, 2023 and March 31, 2024, our total cost of goods sold for continuing operations was ₹367,363 million, ₹453,174 million and ₹544,147 million, respectively, and as a percentage of revenue from continuing operations represented 57.6%, 57.5% and 55.1%, respectively. To the extent possible, we seek to source our raw materials and pre-constructed components from in-house sourcing options as well as through other companies within our Group. For instance, our Vision Systems Segment sources wire harnesses from WHD Segment.

Certain of our raw materials, such as resins (acrylonitrile butadiene styrene and polypropylene), copper and die-cast metal parts (mainly aluminum and zinc) are subject to fluctuations in commodity prices. Commodity prices are influenced by, among other factors, changes in global economic conditions, industry cycles, demand-supply dynamics, attempts by individual producers to capture market share and speculation in the market. Although we generally agree on the prices of our automotive components with our customers in advance, we seek to negotiate adjustments to the prices of our products to account for changes, whether positive or negative, in our own cost structure, so far as they relate to raw material costs. Our customer contracts typically contain provisions relating to raw materials and pricing, and in the case of some specialized components our customers may specify materials and agree the pricing with a specified supplier. As a result, we are exposed to a low level of price risk on raw materials, as we are typically able to pass through the cost of any price changes to our customers.

Intellectual Property

Our proprietary know-how and other intellectual property acquired through our many years of experience is a key asset. We do not believe we hold any single intellectual property that is material to our operations as a whole, but, instead, believe that it is the combination of our patents, trademarks, trade secrets and know-how (i.e., our intellectual property as a whole) that creates an advantage for the business. We seek to protect our intellectual property through various means.

As at March 31, 2024, we held over 2,800 granted patents and have more than 565 filed patent applications pending in relation to all our business across all segments. The patent portfolio includes patents mainly related to automotive products such as exterior mirrors, interior mirrors, lighting units (such as signal lights in exterior mirrors), camera monitoring systems, camera modules, screen display modules, instrument panels, air vents/louvers, center- and floor consoles, door panels, decorative interior panels, front and rear bumper facias, exterior spoilers and trim, glass roofs, and various additional products as well as patents for its processes, including slush-molding, foaming, PVD surface coating and assembly/fastening solutions.

Our know-how, other information and intellectual property is also protected by trade secrets and through non-disclosure agreements with employees. We therefore rely on these confidentiality obligations not being breached for the continued protection of such information. In addition, we have a number of proprietary products with registered designs and trademarks.

Principal Establishments

We operate our facilities in a manner which we believe allow us to better serve our customers in a timely and cost-effective manner. Each facility that we have built has been built with the strategic aim of optimizing capital investment, manufacturing and freight costs, the procurement of raw materials and the availability of local staff to meet customer needs. The table below sets out selected information on our principal establishments as at May 31, 2024:

	Wiring Harness	**Vision Systems**	**Module & Polymer Products**	**Integrated Assemblies**	**Emerging Businesses**	**Total**
Operational Units(1)	94	32	118	26	88	358
Tech Centers(2)	10	4	10	—	9	33
Representative Offices(3)	3	3	1	—	2	9
Total	107	39	129	26	99	400

Notes:

(1) "Operational Units" include (i) manufacturing units (i.e. entities engaging in manufacturing activities that add "value" to the product), (ii) assembly units (i.e. where no part manufacturing is done but all parts of a product are brought together to assemble a new product), (iii) tooling units (i.e. entities that develop molds for a wide range of commercial applications) and (iv) service companies (i.e. entities that provide services as their primary business on a commercial level).

(2) "Tech Centers" include entities involved in designing, researching and developing new or existing products or procedures (research and development centers with exclusive premises are included but are not considered operational units).

(3) "Representative Offices" include representative offices in countries where we do not have Operational Units.

Quality Control

The quality of our products is of critical importance to our business. All of our products undergo rigorous internal qualification processes to ensure that high quality products are being provided to customers. Our assembly processes are subjected to in-process controls, post-process checks, regular product and process audits and functionality tests after assembly and prior to shipping. We assess the quality of our products by tracking defects in PPM, a standard metric in the automotive parts industry, and continuously seek means of improving quality while maintaining our operating efficiencies.

We also require our suppliers to undergo a qualification or certification process to ensure the quality of materials supplied to us. We measure individual and departmental quality metrics. We collaborate with key customers to evaluate and improve existing arrangements, secure key partnerships and confirm the compliance of our manufacturing processes with the customer's quality standards. In addition, we regularly monitor and analyze customer satisfaction feedback.

Employees

As on May 31, 2024, the Group had approximately over 190,000 employees including temporary and contract workers worldwide. From time to time, we employ contract staff to meet the demand for our products, which accounted for approximately 25% of the total workforce. There have been no material labor disputes in the past five years between us and our employees although we are affected by such collective bargaining and pay discussions between national unions and governments.

Corporate social responsibility

Our corporate social responsibility initiatives aim to set new standards in corporate citizenship focusing on prosperity and well-being for inclusive and long-term development. We have undertaken several programs in broader thrust areas of skill development and vocation based education, livelihood enhancement, waste management and sanitation, women and youth empowerment, promoting healthcare including preventive healthcare, etc. Such programs are executed in collaboration with local stakeholders, non-governmental organizations and institutions and government bodies. We have been able to positively impact the community by aiding skill development programs for youth, creating safe and positive learning environment for underprivileged children by undertaking structural intervention of government schools coupled with digital education, and educating all stakeholders on efficient waste management.

Information Technology

We have a strong and reliable IT infrastructure that serves as a digital foundation for our global operations and industry requirements. The infrastructure typically includes a comprehensive network of enterprise grade servers, secure and scalable cloud solutions and reliable data storage systems to handle large volumes of data related to engineering, production, supply chain and related business information. We use a wide spectrum of Enterprise Resource Planning ("**ERP**") systems such as Oracle, SAP, QAD, etc. across our business segments to ensure seamless coordination within operational units and functional departments from finance, marketing to production. Additionally specialized software such as computer aided design (CAD), product lifecycle management (PLM), and manufacturing execution systems ("**MES**") are also utilized for product development and management.

The complete IT landscape is quite complex and designed to support operating units in our ecosystem, At its core, ERP systems unify various business processes, from procurement to production to distribution, ensuring seamless workflow and real-time data visibility. MES are critical for monitoring and controlling the production floor, providing detailed insights into manufacturing processes and facilitating quality control. Advanced analytics and machine learning algorithms are employed to predict maintenance needs, optimize supply chains, and enhance product designs based on data-driven insights.

We have a stringent IT policy and cybersecurity to safeguard our IT infrastructure including firewalls, intrusion detection and regular security audits. Overall, this standard set of IT systems is used widely in the industry.

Our digital footprint is supported by our Technology & Industrial Solutions business segment which provides a complete suite of hardware and software applications. To streamline operations, we have a suite of software and unified intranet. The centralized platform enables productivity and efficiency in the dissemination of information, standardization of administrative tasks and efficiency across various departments and segments.

The unified intranet connects employees, enabling secure communication, document sharing and collaboration across global teams.

Having an in-house IT function further enhances the operational and competitive capabilities by providing greater control over IT resources, enabling us to tailor solutions specifically to our needs and quickly adapt to changes in the industry or business environment at the same time further enhancing data security, reducing the risk of data breaches and compliance with industry regulations.

This robust IT infrastructure not only streamlines operations and enhances productivity but also fosters innovation and continuous improvement, maintaining our competitive edge in the automotive industry.

Insurance

We maintain industrial insurance policies to normalize costs of risks. This includes property damage and business interruption insurance, which insures our physical assets against perils such as fire and natural hazards, and also covers additional expenses to safeguard and/or maintain our delivery chain in case of such property damage. This also includes a liability insurance program which extends to bodily injury, property damage and consequential damages thereof, with regard to general and/or public and product liability as well as, where available, extended product liability and automobile recall insurance. We additionally maintain other insurances including directors' and officers' insurance and marine insurance.

We believe that our insurance coverage is in accordance with industry custom with regard to the type of insurance programs, as well as their coverage conditions and coverage limits. However, our policies are subject to standard limitations, for example the length of business interruption covered, the maximum amounts that can be claimed from insurers, certain extreme natural hazard exposures and coverage exclusions such as terrorist acts. Therefore, insurance might not necessarily cover all losses incurred by us, and we cannot provide any assurance that we will not incur losses or suffer claims beyond the limits of, or outside the coverage of, our insurance policies. Risk transfer to insurance is only available for standard risks as per the insurance market.

Litigation

From time to time, we are involved in legal and administrative proceedings which may or may not be incidental to our business, including various proceedings instituted by governmental authorities arising under the provisions of applicable laws or regulations, customer litigations, intellectual property claims, land title disputes with third parties, etc. We believe that the number of proceedings and disputes in which we are involved is not unusual for a company of its size in the context of doing business in India and/or globally, the current Indian regulatory and legal environment and in the international market. In addition, we are currently subject to tax audits, tax reviews, financial and non-financial audits and reviews in the various jurisdictions in which we operate.

However, we may in future be party to other litigation, tax and regulatory proceedings and the outcome of such proceedings can be extremely difficult to assess or predict at this stage and we can offer no assurances that any such proceedings will not have a material adverse effect on our business, financial condition or results of operations.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion includes forward-looking statements which are subject to risks and uncertainties which could cause actual events or conditions to differ materially from those expressed or implied by the forward-looking statements.

Overview

We are a diversified global manufacturing specialist and one of the world's largest suppliers to automotive OEMs as well as to customers in a range of non-automotive industries, including aerospace, logistics, health and medical and information technology. As at the date of this document, we have over 400 facilities (including all Operational Units, Tech Centers and Representative Offices) across 44 countries and six continents. Our global footprint allows us to support the evolving needs of our customers and upcoming industrial trends across the world. We have built a strong foundation based on three pillars of growth: (i) organic growth; (ii) M&A; and (iii) strategic partnerships and collaboration with global technology leaders. We endeavor to be a sustainable solutions provider to our customers. We have strong visibility on our future business with an automotive booked business of approximately U.S.$83.9 billion (excluding Yachiyo) as at March 31, 2024, a large part of which is to be realized over the next five to six years. Our diversified business model, powertrain agnostic (i.e. irrespective of internal combustion, electric or hybrid powertrains) product portfolio coupled with strong management teams and prudent financial policies ensures resilient performance through the cycles.

We are listed on the BSE and the NSE and we had a market capitalization of approximately U.S.$15.04 billion as at June 20, 2024.

We completed a Group reorganization in January 2022, which resulted in the simplification and unification of our Group structure by bringing in all the auto components and allied business under a single umbrella to align the interests of our stakeholders and to create a strong platform for future growth with a well-diversified product portfolio, customers and countries. Following the reorganization, our reporting structure is now focused towards business segments instead of individual legal entities, wherein our top four businesses contribute more than 90% of our business. This also enables our business segments to charter their own growth paths individually and further develop capabilities and realize Group synergies.

We operate our business through five business segments, i.e. "Wiring Harness" (WHD), "Modules and Polymer Products" (MPP) , "Vision Systems" (Vision Systems), "Integrated Assemblies" (IA) and "Emerging Businesses" which consists of eight business divisions (Elastomers, Lighting & Electronics, Precision Metals and Modules, Services, Aerospace, Logistics Solutions, Health & Medical, Technologies and Industrial Solutions) as further described below under "*Performance Overview on a Segmental Basis*".

Significant factors affecting results of operations

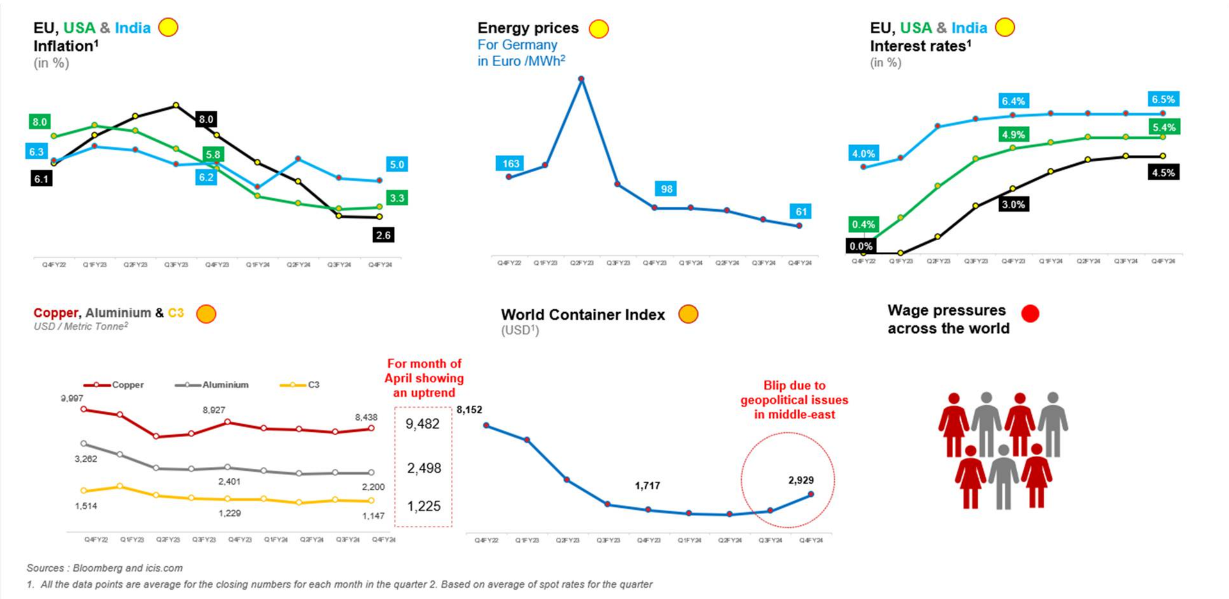
We believe that the following factors have significantly affected our results of operations and financial condition for the fiscal years ended March 31, 2022, March 31, 2023 and March 31, 2024, and may continue to affect our results of operations and financial condition in the future.

The diversification across products, markets, geographies and customers provides some level of cushion against economic fluctuations, we are sensitive to developments affecting the light vehicle industry in Europe, the Asia-Pacific region and the Americas. A prolonged downturn in economic conditions across any of these key markets, such as those prompted by the pandemic, the current high-interest rate environment, chip shortages and escalating geopolitical tensions, could significantly impact our operational performance and financial health.

Macroeconomic factors and industry indicators

Our financial performance is largely reliant on revenue generated from sales of automotive components to our global OEM customers. These customers span various sectors including light vehicles, commercial vehicles, rolling stock, off-highway, agricultural equipment and other allied industries. Our production levels are directly linked to vehicle production levels as we supply parts to OEMs. Furthermore, our results of operations and financial performance are influenced by several general economic and industry-specific factors. Key among these are fluctuations in interest rates, commodity prices, and general and manpower, inflation rates, which significantly impact our operations. Additionally, some of these factors affect the purchasing capacity of end consumers who buy vehicles. As such, changes in these economic indicators may adversely affect our results of operations and financial performance.

Key Macro Indicators



Inflationary pressures

The global economic landscape has been adapting to a series of episodic shocks, resulting in a new normal characterized by high inflation and interest rates, with elevated costs for inputs such as raw materials, energy, freight, labor and capital. Despite some relief from these pressures, a higher cost structure is now a fundamental aspect of our business that extends to our supply chain. Prioritizing customer support, repricing orders, and improving products and processes for better operational efficiency are key strategies to address these challenges.

Semiconductor shortage

The semiconductor shortage, a key factor affecting our operations, stems from a combination of supply chain disruptions during the COVID-19 pandemic and subsequent intermittent production halts that created an imbalance between supply and demand for automotive chips. Although the situation has improved significantly with better supply chain recovery. Sometimes a lag exists between demand and supply persists and is anticipated to stabilize in the short to medium term. Additionally, a shift in consumer preferences towards high-end/premium vehicles has influenced the allocation of chips among OEMs based on production schedules.

Energy prices in Europe

The geopolitical conflict between Russia and Ukraine led to an energy crisis in Europe in Fiscal 2022, with a dramatic rise in energy prices affecting global trade. Although the fiscal year ended March 31, 2024 saw significant reduction from the peak prices, energy costs have stabilized at elevated levels. We are managing these challenges by continually monitoring the situation, engaging in power purchase agreements, maintaining flexible contracts, and implementing energy efficiency measures in our plants, such as optimized heating systems and monitoring to reduce energy consumption.

Customer demand

The demand for our products from OEMs has a significant impact on our results of operations and new orders have been a significant driver of our growth. Metrics employed by OEMs when selecting suppliers include supplier reliability, research and development capabilities, cost-competitiveness, financial stability and geographic footprint. See "*Business—Customers*". Once we are awarded a contract, we typically enter into master agreements with the OEM for the supply of our products. However, consistent with the practices of the automotive component industry, the terms and conditions of our agreements with customers do not typically include a commitment by the OEMs to make minimum volumes of purchases. As a result, even after we are awarded contracts, our sales continue to be affected by the demand for our products from our customers. Given our ongoing high level of dependence on our 15 largest customers—Mercedes Benz, Audi, Volkswagen, Maruti Suzuki, BMW, Porsche, Stellantis, Hyundai, Ford, Daimler Trucks, American EV OEM, Paccar, Renault, Tata Motors and Scania—which accounted for 67% of our Revenue from Operations (Gross) (as defined herein) for the fiscal year ended March 31, 2024, our results of operations are particularly affected by the demand for our products from such customers. Such demand is driven by the inventory and production levels of our customers, which are affected by consumer demand for their vehicles. We are typically unable to predict when our customers will decide to either build or reduce inventory levels or whether new inventory levels will approximate historical levels. Although most of our existing customers provide us with forecasts of business volumes which enables us to plan our production and predict our income for a portion of our business, the long lead times for new automobile models and related programs for the development and manufacture of our products make it difficult to predict the timing of income that we will earn in respect of new programs.

Given these factors, while the actual revenue which we derive from a project ultimately depend on our OEM customers' production volumes achieved for the respective vehicle models, we have a degree of visibility on mid-term revenue within a relatively small range of sensitivity. As at March 31, 2024, we had an automotive booked business of approximately U.S.$83.9 billion (excluding Yachiyo). Our automotive booked business is computed as sum of the sales of business under production and business yet to start production. The volume assumptions for sales planning activities are based on internal assessments which consider various sources (including OEM production forecasts, views of external market consultants, internal knowledge and insights). Our automotive booked business is diversified across geographies and customers and we believe the potential revenue realization from these contracts positions us well for growth in the mid-term. However, the contracts comprising our automotive booked business contain no minimum volume purchase requirements and there can be no assurance that the assumptions we have used in calculating our expected revenue from these contracts, such as projected OEM production volumes, will be correct. In situations where contracts are terminated by customers, our ability to obtain compensation from our customers for such termination is generally limited to the direct out-of-pocket costs that we incurred for materials and work-in-progress and in certain instances undepreciated capital expenditures and tooling.

Product pricing

Our revenue from operations is significantly affected by our product pricing and our OEM customers, being in competitive industries, face constant pressure to create efficiencies and accordingly cut their selling prices and production costs. Accordingly, component pricing is one of the key metrics by which OEMs choose suppliers for their vehicle programs. As a result, we have and will likely continue to experience pressure to reduce our prices which will affect our revenue from operations. Many automotive OEMs, for example, have annual price reduction policies and objectives with their suppliers. Price reductions are typically agreed on an annual basis as part of our long-term customer contracts and can vary by market or region, taking into account the OEM's specific economic objectives. Consistent with industry standards, OEM customers expect ongoing cost reductions, leading to anticipated price reductions for products supplied throughout the life of the program. These price adjustments may be stipulated in contracts or determined on a case-by-case basis depending on the customer. When price reductions are negotiated, we account for such amounts as a reduction of revenue as products are shipped. During the life cycle of a contract, we are typically able to achieve certain production efficiencies with value addition and value engineering, which enables us to offset a portion of the effect of price reductions on our margins during the term of the contract. Certain of such pricing reductions are conditional upon achieving certain joint cost-saving targets with our OEM customers. To the extent we are not able to achieve the efficiencies necessary to offset the price reductions, such price reductions negatively impact our revenue and margins.

We expect such pricing pressure to continue in the future. Accordingly, we endeavor to continue to innovate and introduce new products and applications as well as to continue to manage and reduce our operating costs in order to maintain our current margins and competitive position. For example, our purchasing teams work in close coordination with suppliers to extract discounts to reduce our purchasing cost. In addition, our engineering and manufacturing teams work on various product cost-optimization projects to reduce manufacturing costs, improve supply chain logistics and optimize the packaging of our products to reduce the cost per unit. Taken together these actions help to enable us to offer price reductions to our customers without affecting our margins, however there can be no assurances that we will continue to achieve sufficient cost savings in the future, which could affect our ability to offer reduced prices to our customers.

Cost of goods sold

Cost of goods sold comprises raw materials which includes bought out and pre-constructed components required for manufacturing our products. Further, this includes purchase of goods and tools for resale, discounts for prompt payment, purchase returns and similar transactions, volume discounts, change of inventories, consumption of other supplies and purchase of traded goods. These are primarily variable in nature based on the product mix sold during the period. During the fiscal years under review, our largest purchases of raw materials by value included resin (the base material for which is C3), aluminum and copper among others.

The prices of the raw materials we use are subject to fluctuations due to various factors including global economic conditions, industry cycles, demand-supply dynamics, efforts by producers to capture market share and market speculation. Moreover, most of our contracts contain a pass-through mechanism that allows us to mitigate the impact of increases in raw material costs by passing these costs onto our OEM customers. We also periodically renegotiate price adjustments with our customers. For the fiscal years ended March 31, 2022, March 31, 2023 and March 31, 2024, our total cost of goods sold from continuing operations was ₹367,363 million, ₹453,174 million and ₹544,147 million, respectively, and as a percentage of revenue from continuing operations represented 57.6%, 57.5% and 55.1%, respectively. For reconciliation of cost of goods sold from continuing operations, please see "*— Certain Reconciliation and Computation of Non-GAAP Measures — Computation Table 1*". This variation in total cost of goods sold as a percentage of revenue is driven primarily by changes in the prices of the materials and change in product mix. We have a broad and diversified supplier base for each of the major raw materials we purchase, and believe that we will be able to procure sufficient substitute supply in the event of a loss of one or more of our major suppliers. See "*Business—Supply and Sourcing of Materials*".

Our contracts with suppliers are typically of a specified duration and subject to renegotiation upon renewal. We attempt to align our supplier requirements with the projected demand from our customers, and provisions relating to volume estimates may impact our ability to effectively increase or decrease our raw material purchases in accordance with our actual production requirements under our contracts. Consistent with the practices of the automotive component industry, the terms and conditions of our customer contracts do not typically include a commitment by our customers to make minimum purchase volumes, and in our supplier contracts we have significant flexibility to increase or decrease purchases from our third-party suppliers in response to customer demand.

We are typically successful in negotiating adjustments to the prices of our products to account for changes in materials costs. Such price adjustments based on cost changes occur at periodic intervals, either annually as part of our assessment of the overall economics of a particular contract, or semi-annually in the event that a specific contractual mechanism is applied to address changes in our cost structure. Accordingly, there is generally a time lag between changes in our costs and any adjustments to our prices. In addition, due to the specialized nature of the pre-constructed components we integrate in our manufacturing process, some of our suppliers and sources of such pre-constructed components are nominated by our customers. In most cases, the contracts governing our relationships with such suppliers typically allow us to pass on any raw materials price increases/decreases to the customer. Such cost pass-throughs and agreed price adjustments in our contracts with our customers, largely mitigate the effect of commodity price fluctuations.

Employee cost

Our employee benefit expense is our second largest cost and has a significant effect on our results of operations. Our employee benefit expenses generally comprise personnel costs in respect of manufacturing operations, sales and distribution and general and administrative. Personnel costs also include the cost of temporary workers who support our various manufacturing processes. Since our workforce requirements are ultimately dependent upon our production volumes, the use of temporary workers allows us the flexibility to expand or reduce our workforce depending on business volume. We employ a portion of our workforce based on contracts to maintain operational flexibility.

Capital expenditure and mergers and acquisitions

In respect of our automotive and non-automotive businesses, our strategy is to provide sustainable solutions to our customers based on our core competency in manufacturing and operational excellence which includes aligning our operations with our customers' growth in developed and emerging markets, and we continuously assess the need for new plants or the expansion of existing capacities to match increasing customer orders. The establishment period for new manufacturing facilities typically ranges between 12 and 24 months, and our capital expenditure is used primarily for investments in property, plant and equipment associated with the construction and equipment of new manufacturing facilities. Once the construction of a manufacturing facility is completed, its output generally increases over time, with the aim of keeping pace with customer's production ramp-up schedules.

As a result, we have incurred significant capital expenditures in relation to such expansion. Such capital expenditures primarily relate to the building of new manufacturing plants or the increasing of capacity in existing plants in response to new orders from our customers. Cash outflow on account of capital expenditure (net sale of proceeds) incurred for the fiscal years ended March 31, 2022, March 31, 2023 and March 31, 2024 were ₹24,363 million, ₹21,828 million and ₹40,100 million, respectively.

Inorganic growth is a key pillar of our growth strategy and thus we have a robust mergers and acquisitions policy against which opportunities are evaluated to meet the internal investment thresholds. We have expanded our global footprint significantly over the last few years in both automotive and non-automotive sectors having announced and closed multiple strategic acquisitions. A few noteworthy ones are SAS, Dr. Schneider Group and Yachiyo which have enhanced our technological capabilities in, among others, cockpit module assemblies, sunroof systems, fuel tanks and air vent systems.

For the fiscal year ended March 31, 2024, we completed 11 acquisitions for which the consideration paid on acquisition of subsidiaries net of cash and cash equivalent acquired was ₹27,232 million. Notable acquisitions include SAS, Dr. Schneider Group, Yachiyo, Saddles and Misato Industries Co. Ltd. ("**Misato Industries**").

For the fiscal year ended March 31, 2023, we completed the acquisition of CIM Tools and Fritzmeier Motherson Cabin Engineering Private Limited for which the consideration paid on acquisition of subsidiaries net of cash and cash equivalent acquired was ₹2,592 million.

For the fiscal year ended March 31, 2022, we completed the acquisitions of Plast Met Group and assets and activities of Electrical Wiring Interconnection Systems (EWIS) by Fortitude Industries for which the consideration paid on acquisition of subsidiaries net of cash and cash equivalent acquired was ₹1,081 million.

Foreign currency exchange rate fluctuations

Our Group Consolidated Financial Statements are presented in Indian Rupees, and our functional currency is Indian Rupees. Our global footprint exposes us to certain currency exchange risks, arising primarily from the import of raw materials for our operations and our non-rupee-denominated borrowings, which could have a significant impact on our results of operations. While we engage in selective hedging by entering into forward exchange contracts and/or cross currency swaps in order to hedge these currency risks and although our business has historically not been materially impacted by currency exchange rate fluctuations, our operations in Argentina have recently been affected by the hyperinflationary environment occurring therein. There can be no guarantee that such fluctuations will not affect our financial performance in the future as we continue to expand our operations globally, particularly in emerging markets where the risk of currency volatility is higher.

Key performance indicators

The table below sets out our key performance indicators for the fiscal years indicated:

	Fiscal year ended March 31,		
	2022	**2023**	**2024**
	(₹ million, unless otherwise stated)		
Key performance indicators from continuing operations[(1)]			
Revenue from operations	637,740	787,881	986,917
Total income	640,317	789,577	988,793
EBITDA[(2)]	48,393	63,944	93,246
EBITDA Margin (%)[(3)]	7.6	8.1	9.4
Profit after tax attributable to owners	5,096	14,956	27,162
Earnings per share	0.97	2.21	4.01
Net Working Capital Cycle (number of days)[(4)]	10	8	3
Return on Capital Employed (adjusted) (%)[(5)]	6.9	11.3	16.9
Other key performance indicators from operations[(1)]			
Total EBITDA[(6)]	53,396	63,944	93,246
Total assets	562,701	618,517	850,217
Total equity	223,646	243,769	282,155
Cash Outflow on Account of Capital Expenditure (net sale of proceeds)[(7)]	24,363	21,828	40,100
Gross Debt[(8)]	141,297	137,923	199,219

	Fiscal year ended March 31,		
	2022	2023	2024
	(₹ million, unless otherwise stated)		
Net Debt[9]	91,372	91,004	129,425
Net Leverage Ratio (times) [10]	1.71x	1.42x	1.39x
Profit after tax attributable to owners	8,738	14,956	27,162
Earnings per share (₹)	1.67	2.21	4.01

Notes:

(1) EBITDA and other Non-GAAP measures should be considered in addition to, and not as a substitute for, other measures of financial performance and liquidity reported in accordance with GAAP.

(2) EBITDA is a non-GAAP measure and represents total profit/(loss) before tax reduced by share of profit/(loss) of associates and joint ventures, exceptional income/(expense), interest income and dividend income, plus depreciation and amortization and finance cost. EBITDA may not be comparable to similarly titled measures reported by other companies due to potential inconsistencies in the method of calculation. We have included EBITDA because we believe it is an indicative measure of our operating performance and is used by investors and analysts to evaluate companies in the same industry. We believe that the inclusion of supplementary adjustments applied in our presentation of EBITDA are appropriate because it is a more indicative measure of our base line performance as it excludes certain charges that our management considers to be outside of our core operating results. In addition, EBITDA is among the primary indicators that our management uses as a basis for planning and forecasting of future periods. For a reconciliation of EBITDA to profit for the year, see "— *Certain Reconciliation and Computation of Non-GAAP Measures — Computation Table 9*". Please also refer to "— *Certain Reconciliation and Computation of Non-GAAP Measures — Computation Table 2*" for computation of EBITDA from discontinued operations.

(3) EBITDA Margin is calculated as EBITDA divided by revenue from operations. For computation of EBITDA Margin, see "— *Certain Reconciliation and Computation of Non-GAAP Measures — Computation Table 12*".

(4) Net Working Capital Cycle is net working capital divided by revenue from continuing operations multiplied by 365 days. Net working capital are computed as current assets as reduced by current liabilities. Current assets comprise inventories, trade receivables (both current and non-current), other financial assets (both current and non-current), other current and non-current assets and other non-current tax assets (net) and non-current tax liabilities (net). Current liabilities comprise other financial liability, provisions (both current and non-current), employee benefits and obligations (both current and non-current), trade payables and government grants (both current and non-current). For computation of Net Working Capital Cycle, see "— *Certain Reconciliation and Computation of Non-GAAP Measures — Computation Table 5*".

(5) Return on Capital Employed (adjusted) is earnings before interest and tax (EBIT) from continuing operations divided by average capital employed. Capital employed adjusted for impact of fair valuation and intangible assets created due to group wide reorganization completed in March 31, 2022 and also capital work in progress. For computation of Return on Capital Employed (adjusted), see "— *Certain Reconciliation and Computation of Non-GAAP Measures — Computation Table 7*".

(6) Total EBITDA comprises of EBITDA from continuing operations and EBITDA from discontinued operations.

(7) Cash Outflow on Account of Capital Expenditure (net sale of proceeds) includes payments for purchase of property, plant and equipment and other intangible assets (including capital work-in-progress and intangible assets under development) as reduced by proceeds from sale of property, plant and equipment and other intangible assets. For computation of Cash Outflow on Account of Capital Expenditure (net sale of proceeds), please refer to "— *Certain Reconciliation and Computation of Non-GAAP Measures — Computation Table 3*".

(8) Gross Debt is outstanding current and non-current borrowings and lease liabilities. For computation of Gross Debt, please refer to "— *Certain Reconciliation and Computation of Non-GAAP Measures — Computation Table 4*".

(9) Net Debt is Gross Debt as reduced by cash and cash equivalents and other bank balances increased by unpaid dividend account. For computation of Net Debt, please refer to "— *Certain Reconciliation and Computation of Non-GAAP Measures — Computation Table 4*".

(10) Net Leverage Ratio is Net Debt, by reported EBITDA which is total EBITDA of continuing and discontinued operations. The Group reorganization was completed in the fourth quarter of fiscal year ended March 31, 2022 in which the domestic wiring harness business which was earlier classified as discontinued operations was demerged from the erstwhile Samvardhana Motherson International Limited. If Net Leverage Ratio is calculated on EBITDA of continuing operations, the leverage ratio for the fiscal year ended March 31, 2022 is 1.89 times. For reconciliation of EBITDA to profit for the year, see "— *Certain Reconciliation and Computation of Non-GAAP Measures — Computation Table 9*". For computation of Net Leverage Ratio, see "— *Certain Reconciliation and Computation of Non-GAAP Measures — Computation Table 11*".

Performance overview for the fiscal years ended March 31, 2022, March 31, 2023 and March 31, 2024

The Group is a well-diversified global manufacturing specialist with the ability to provide sustainable solutions to global automotive OEMs and other industries like aerospace, logistics, health and medical and other allied industries. The Group's foundation is built on three pillars; organic growth, merger and acquisitions and collaboration with global technology leaders to enhance the value proposition to customers and increase content.

Revenue from operations

The Group reported revenue from continuing operations for the fiscal years ended March 31, 2022, March 31, 2023 and March 31, 2024 of ₹637,740 million, ₹787,881 million and ₹986,917 million, respectively.

The growth in revenue from continuing operations from fiscal year 2022 to fiscal year 2023 was 23.5% on the back of recovery in light vehicle production to 83.8 million units up by 9.7%[8], albeit on a lower base. The normalization of production schedules with new launches, ramp-up of new programs further supported by content increase with trends of premiumization and electrification playing out. This was partially offset with reduction in base raw material prices. The automotive production started to stabilize and on path to recovery whilst still 10-15% below pre-covid levels in developed markets.

The growth in revenue from continuing operations from fiscal year 2023 to fiscal year 2024 was 25.3% with light vehicle production increased by 7.9%, indicating steady growth in volumes. The organic business continued to grow with tailwinds of automotive megatrends of premiumization, SUVs, EVs and hybrids. The transition in the auto industry for low and zero emission vehicles is happening at varied pace across key geographies, the Group's power-train agnostic portfolio supported increased content. Revenue from operations includes revenue generated by businesses acquired during fiscal year 2024 of ₹102,572 million, which primarily factors in eight months of revenue attributable to SAS and six months of revenue attributable to Dr. Schneider Group, both post-acquisition.

Furthermore, the full impact on revenue of other key acquisitions such as Yachiyo (closed on March 26, 2024), and those closed subsequently, AD Industries, Lumen and Irillic, will be realized in fiscal year ended March 31, 2025.

EBITDA

Our EBITDA from continuing operations for the fiscal years ended March 31, 2022, March 31, 2023 and March 31, 2024 was ₹48,393 million (refer to "— *Certain Reconciliation and Computation of Non-GAAP Measures — Computation Table 9*"), ₹63,944 million and ₹93,246 million, respectively. We diligently focus

[8] Source: Light Vehicles: S&P Global Mobility; Light Vehicle Production Forecast May 2024

on absolute profitability as a key metric to monitor our return on average capital employed (as stated as part of our Vision 2025 plan).

The improvement in EBITDA from continuing operations from the fiscal year ended March 31, 2022 to the fiscal year ended March 31, 2023 of ₹15,551 million was delivered against a backdrop of elevated cost structures due to sharp increases in energy prices during the fiscal year, elevated interest costs and wage pressure across key geographies. Our Group further benefited from operating leverage, with efficiency programs across operating units and support from customers on inflationary adjustments.

Our EBITDA for the fiscal year ended March 31, 2024 increased by ₹29,302 million from the fiscal year ended March 31, 2023 due to our significantly improved scale and size as well as our well diversified business. Acquisitions during fiscal year 2024 also contributed positively to the EBITDA by ₹9,152 million. Our unique 3CX10 strategy has enabled our business to mitigate regional risks and capitalize on various opportunities thereby ensuring stability and resilience. During this period, macro-environmental factors had stabilized, although elevated levels of geo-political tensions had created pressure on logistic costs, and wage inflation continued to mount pressure across geographies driven by factors such as labor shortages, increased demand for skilled workers and regulatory changes resulting in higher minimum wages.

Strong balance sheet with controlled leverage

Net debt as at March 31, 2022, March 31, 2023 and March 31, 2024 was ₹91,372 million, ₹91,004 million and ₹129,425 million, respectively, with a Net Leverage Ratio of 1.71 times, 1.42 times and 1.39 times, respectively. Our Group has deleveraged significantly from March 31, 2022 to March 31, 2024, despite cash outflow on several acquisitions and operating in a challenging business environment with various measures such as inventory optimization, which had increased significantly on account of carrying safety stock for customers due to supply chain related issues and volatility in production schedules. Our Net Leverage Ratio was maintained at 1.39 times as at March 31, 2024 despite the payout for acquired entities (i.e. consideration paid on acquisition of subsidiaries net of cash and cash equivalent acquired of ₹27,232 million) and capital expenditure (i.e. cash outflow on account of capital expenditure net of sale proceeds) primarily for future growth aggregating to ₹40,100 million.

Our Group has a stated financial policy of maintaining our Net Leverage Ratio under 2.5 times and has adhered to it in the past many years. For our leverage profile over past years, please refer to “*Business*”. This disciplined approach has also led to positive evaluations from various rating agencies as set out below.

Domestic Ratings – SAMIL

Category	India Ratings and Research	CRISIL	ICRA
Short Term Rating	IND AAA/Stable/IND A1+	CRISIL A1+ (Reaffirmed)	—
Long Term Rating	IND AAA/Stable	CRISIL AA+/Positive (Reaffirmed)	—
Non-Convertible Debentures	IND AAA/Stable	CRISIL AA+/Positive	—
Issuer Rating	IND AAA/Stable	CRISIL AA+/Positive	—
Commercial Papers	IND A1+	-	A1+ (Reaffirmed)

International Ratings – SAMIL

Category	Moody's	Fitch
Long Term Rating	Baa3 with Stable Outlook	BB+ Positive Outlook (Expected)

Return on Capital Employed (adjusted) from Continuing Operations

Our Group consistently prioritizes a focus on optimizing return on capital employed thereby ensuring efficient allocation and utilization of capital employed and adhering to operational excellence across all business segments. Return on Capital Employed (adjusted) for the fiscal years ended March 31, 2022, March 31, 2023 and March 31, 2024 were 6.9%, 11.3% and 16.9%, respectively. The continuous improvement strategy is anchored on several key initiatives: (i) monitoring and turning around underperforming units with negative EBITDA and EBIT; (ii) optimizing working capital through a focused approach; (iii) enhancing operating efficiencies and leverage via economies of scale; and (iv) achieving synergies across businesses.

Performance Overview on a Segmental Basis

We operate our business through five business segments, i.e. "Wiring Harness" (WHD), "Modules and Polymer Products" (MPP), "Vision Systems" (Vision Systems), "Integrated Assemblies" (IA) and "Emerging Businesses" which consists of eight business divisions (Elastomers, Lighting & Electronics, Precision Metals and Modules, Services, Aerospace, Logistics Solutions, Health & Medical, Technologies and Industrial Solutions). These segments have been determined on the basis of guidance available under Ind AS 108 on "Segment Reporting".

The CODM reviews the operations of all entities including joint ventures and associates on an aggregate basis considering revenue and profitability on a line by line basis whereas, as per the Indian accounting standards, joint venture and associate are accounted as per equity method and not on a line by line basis. Accordingly, segmental disclosures are as considered by the CODM and are materially different from the amounts disclosed in the Group consolidated financial statements.

Please refer to "*Business*" for details of our various segments. The following table sets out our revenue from operations for each of our business segments and their divisions for the fiscal years specified.

	Fiscal year ended March 31,		
	2022*	**2023**	**2024**
		(₹ million)	
Wiring Harness	219,698	265,567	315,137
Modules & Polymer Products	354,200	422,624	499,118
Vision Systems	134,976	165,688	191,489
Integrated Assemblies(1)(2)	—	—	68,238
Emerging Businesses	25,668	68,444	80,899
Elastomers	4,835	6,833	7,110
Lighting & Electronics	10,316	29,531	34,265
Precision Metals & Modules	5,621	17,319	19,229
Services(4)	3,074,	3,036	4,952
Aerospace	—	2,451	3,384

	Fiscal year ended March 31,		
	2022*	2023	2024
		(₹ million)	
Logistics Solutions	237	1,250	2,057
Health & Medical	—	133	372
Technology & Industrial Solutions	1,585	7,891	9,530
Total	**734,542**	**922,323**	**1,154,881**
Less: Intersegment	15,062	24,018	35,001
Revenue from operations (gross)(5)	**719,480**	**898,305**	**1,119,880**
Less: Revenue from operation of entities consolidated as per equity method, included above(3)	55,579	110,424	132,963
Add: Revenue between continuing and discontinued operations (please see "— *Certain Reconciliation and Computation of Non-GAAP Measures — Computation Table 6*")	13,573	—	—
Less: Revenue from discontinued operations	39,735	—	—
Total revenue from continuing operations	**637,740**	**787,881**	**986,917**

* Subsequent to the completion of group re-organization as per the Composite Scheme of Amalgamation and Arrangement in the fiscal year ended March 31, 2022, the CODM, from the fiscal year ended March 31, 2023, commenced reviewing the operations of the Group in the following operating segments: "Wiring Harness", "Modules and Polymer Products", "Vision Systems", "Emerging Businesses". Accordingly, corresponding numbers have been rearranged.

Notes:

(1) This segment is newly introduced by the Group post-acquisition of SAS. It also includes operations of subsidiaries engaged in rendering of support service function exclusively to integrated assemblies.

(2) The Group performs assembly of highly customized components by procuring various parts from suppliers identified by the customers. The Group acts as an agent as per Ind AS 115 under these contracts and as required under the standard, the Group recognizes revenue only for the net amount it retains for the assembly services.

(3) Results relating to joint venture and associate entities are fully consolidated for the purpose of review by the chief operating decision maker and hence are presented accordingly in the above. Consequently, the disclosure above also includes reconciliation items with the amounts presented in the Group Consolidated Financial Statements.

(4) Intra-segment elimination between Emerging Businesses segment for the fiscal years ended March 31, 2022, March 31, 2023 and March 31, 2024 amounting ₹162 million, ₹1,406 million and ₹2,080 million, respectively, have been netted off in "Services".

(5) Also referred to as "Revenue from Operations (Gross)" elsewhere in this document.

Our EBITDA from continuing operations increased from ₹48,393 million for the fiscal year ended March 31, 2022 to ₹63,944 million in the fiscal year ended March 31, 2023 and to ₹93,246 million in the fiscal year ended March 31, 2024. The following table sets out our EBITDA for each of our business segments for the fiscal years specified.

	Fiscal year ended March 31,		
	2022	2023	2024
		(₹ million)	
Wiring Harness	19,130	22,785	33,621
Modules & Polymer Products	24,482	27,239	43,055
Vision Systems	12,889	17,110	19,783
Integrated Assemblies(1)	—	—	7,932
Emerging Businesses	2,306	7,728	10,962
Total	**58,807**	**74,862**	**115,353**
Add/Less: Intersegment	117	(101)	(780)
Add: Other unallocable income/(expense)	(1,010)	(1,373)	(4,774)
Total	**57,680**	**73,590**	**111,359**
Less: EBITDA from operation of entities consolidated as per equity method, included above(2)	4,284	9,646	18,113
Total EBITDA	53,396	63,944	93,246
Less: EBITDA from discontinued operations(3)	**(5,003)**	—	—
Total EBITDA from continuing operations(4)	**48,393**	**63,944**	**93,246**

Notes:

(1) This segment is newly introduced by the Group post-acquisition of SAS. It also includes operations of subsidiaries engaged in rendering of support service function exclusively to integrated assemblies.

(2) EBITDA relating to joint venture and associate entities are fully consolidated for the purpose of review by chief operating decision maker and hence are presented accordingly in the segment reporting disclosure above. Consequently, the above disclosure also includes reconciliation items with the amounts presented in the Group Consolidated Financial Statements.

(3) For calculation of EBITDA from discontinued operations, see "— *Certain Reconciliation and Computation of Non-GAAP Measures — Computation Table 2*".

(4) EBITDA is a non-GAAP measure and represents total profit/(loss) before tax less share of profit/(loss) of associates and joint ventures, exceptional income/(expense), interest income and dividend income, plus depreciation and amortization and finance cost. EBITDA may not be comparable to similarly titled measures reported by other companies due to potential inconsistencies in the method of calculation. We have included EBITDA because we believe it is an indicative measure of our operating performance and is used by investors and analysts to evaluate companies in the same industry. EBITDA should be considered in addition to, and not as a substitute for, other measures of financial performance and liquidity reported in accordance with GAAP. We believe that the inclusion of supplementary adjustments applied in our presentation of EBITDA are appropriate because it is a more indicative measure of our base line performance as it excludes certain charges that our management considers to be outside of our core operating results. In addition, EBITDA is among the primary indicators that our management uses as a basis for planning and forecasting of future periods. For a reconciliation of EBITDA to our profit before tax, see "— *Certain Reconciliation and Computation of Non-GAAP Measures — Computation Table 9*".

The below is a description of each of our business segments as well as the key drivers and performance overview for each segment.

Wiring Harness

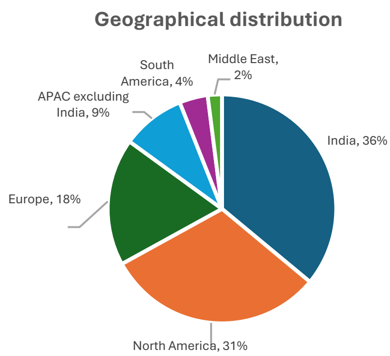
The table below sets out certain performance indicators in respect of our WHD Segment for the fiscal years indicated:

	Fiscal year ended March 31,		
	2022	**2023**	**2024**
	(₹ million, except percentages)		
Revenue from operations	**219,698**	**265,567**	**315,137**
Revenue growth	—	20.9%	18.7%
Cost of goods sold	129,723	156,505	177,397
Employee benefit	52,899	65,786	78,955
Other costs (net of other income)	17,946	20,491	25,165
EBITDA	**19,130**	**22,785**	**33,621**
EBITDA Margin	8.7%	8.6%	10.7%

Business overview

Our WHD Segment is organized across the globe. In India, our WHD Segment supplies wiring harnesses to a wide range of OEM customers for passenger vehicles, commercial vehicles, off highway vehicles, two wheelers, etc. Outside of India, our WHD Segment supplies wiring harnesses mainly to OEM customers for commercial vehicles, off highway vehicles, agricultural equipment, two wheelers, recreational vehicles and rolling stock.

The charts below show the revenue split of our WHD Segment for the fiscal year ended March 31, 2024 by geography.



The segment is highly diversified with customers across different types of automotive applications. As an example, sales to commercial vehicle OEMs account for approximately half of the segment revenue.

The segment is highly vertically integrated with competency in developing and manufacturing wires, junction and fuse boxes and other components including connectors, terminals, rubber grommets, etc. It also has in-house wire harness design and development capabilities supported by internal tooling design and manufacturing to reduce the time to market. The diverse geographic spread, end customer mix and high level of vertical integration places the segment in a unique position of being well-balanced and insulated from global automotive cycles.

Business drivers

Our WHD Segment is strongly positioned to gain from:

- increased content per vehicle due to automotive trends of premiumization and SUV-ization (please refer to "*Industry Overview*" for details);
- shift from low voltage harness to high voltage harness thereby increasing content for vehicles with electric powertrain (please refer to "*Industry Overview*" for details);
- inhouse capabilities to develop product and process technologies to meet requirements of emerging market trends; and
- increased level of vertical integration and localization of components to drive cost efficiencies.

Performance overview

For the fiscal year ended March 31, 2023, our WHD Segment registered growth of 20.9% as compared to the fiscal year ended March 31, 2022 in revenue from operations. This was driven primarily by (i) strong demand of passenger vehicles in India and commercial vehicles across Europe and North America; (ii) the start of multiple new programs in Europe and India; and (iii) robust demand of agri-equipment and off-highway equipment in North America. EBITDA also increased by 19.1% for the fiscal year ended March 31, 2023 compared to the fiscal year ended March 31, 2022 in line with growth in revenue notwithstanding the inflationary environment and demand fluctuations due to semiconductor shortages. However, the EBITDA Margin slightly reduced from 8.7% for the fiscal year ended March 31, 2022 to 8.6% for the fiscal year ended March 31, 2023. The key elements of the same as a percentage of revenue are as follows:

- Cost of goods sold increased marginally by 0.1%.
- Employee benefit expenses increased by 0.8% primarily due to rise in minimum wages across multiple geographies.

For the fiscal year ended March 31, 2024, our WHD Segment registered revenue growth of 18.7% as compared to the fiscal year ended March 31, 2023. This was driven primarily by (i) increased heavy-duty truck volumes across Europe, China and North America; and (ii) significant volume uptick across vehicle segments in India. While the inflationary pressures on manpower costs across the globe remained a challenge during this period, EBITDA growth of 48% was primarily driven by operational efficiencies, normalization of OEM production schedules and continued traction with OEMs' new models in India and Europe. As a result, the EBITDA Margin increased from 8.6% for the fiscal year ended March 31, 2023 to 10.7% for the fiscal year ended March 31, 2024. The key elements of the same as a percentage of revenue are as follows:

- Cost of goods sold decreased by 2.6% primarily due to value engineering, improved efficiencies and better negotiation with customers and suppliers.
- Employee benefit expenses and other costs increased by 0.3%.

Modules and Polymer Products

The table below sets out certain performance indicators in respect of our MPP Segment for the fiscal years indicated:

	Fiscal year ended March 31,		
	2022	**2023**	**2024**
	(₹ million, except percentages)		
Revenue from operations	**354,200**	**422,624**	**499,118**

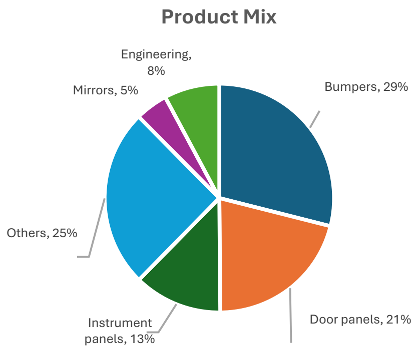
Revenue growth...	—	19.3%	18.1%
Cost of goods sold	198,437	241,189	271,263
Employee benefit...	87,208	95,661	119,739
Other costs (net of other income)	44,073	58,535	65,061
EBITDA..	**24,482**	**27,239**	**43,055**
EBITDA Margin	6.9%	6.4%	8.6%

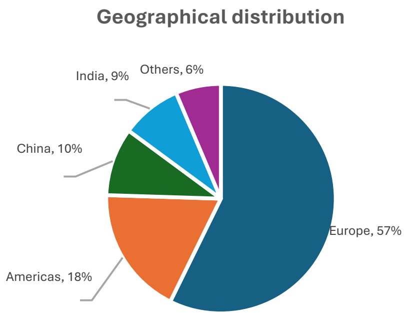
Business overview

Our MPP Segment is our largest business segment constituting 43.2% of our total Revenue from Operations (Gross) before inter segment eliminations for the fiscal year ended March 31, 2024. The business is primarily organized across Europe, North America, South America and Asia.

Our MPP Segment supplies a wide range of products such as bumpers, instrument panels, door panels, air ventilation systems, sunroofs, etc. (for more details on the products, please refer to "***Business***") catering to interior and exterior components of a vehicle. The segment's business is strongly positioned with premium car makers thereby providing a cushion from global events as the premium car markets are relatively less impacted by such events.

The charts below show the revenue split of our MPP Segment for the fiscal year ended March 31, 2024 by product and geography.





For the fiscal year ended March 31, 2024, acquisitions completed by the segment contributed ₹31,153 million to our revenue from operations for the period. It enabled diversification into newer products such as air vent systems, sun-roofs, fuel tanks, seat upholstery, decorative parts and also vertical integration for certain chrome parts and also higher penetration to newer customers such as Honda, Kia, etc.

Business drivers

Our MPP Segment is strongly positioned to gain from:

- increased content due to automotive trends of premiumization, SUV-ization and electrification (please refer to "*Industry Overview*" for details);
- the full effects of the acquisitions closed during the fiscal year ended March 31, 2024; and
- synergies of cross selling newly acquired products to existing customers and higher penetration with such newly acquired customers.

Performance overview

For the fiscal year ended March 31, 2023, our MPP Segment registered revenue growth of 19.3% as compared to the fiscal year ended March 31, 2022. This was driven primarily by recovery in production volumes in Europe and North America as the COVID-19 pandemic induced supply chain constraints started to ease out. For the same period, EBITDA increased by 11.3% despite elevated energy costs, volatility in commodity prices coupled with high inflation. However, the EBITDA Margin declined from 6.9% for the fiscal year ended March 31, 2022 to 6.4% for the fiscal year ended March 31, 2023. The key elements of the same as a percentage of revenue are as follows:

- Cost of goods sold increased by 1.1% due to fluctuating commodity prices like resin, etc.
- Employee benefit expenses reduced by 2.0% due to operating leverage.
- Other costs increased by 1.3% primarily due to increases in power and fuel and freight costs.

For the fiscal year ended March 31, 2024, our MPP Segment registered revenue growth of 18.1% as compared to the fiscal year ended March 31, 2023. This was driven primarily by (i) growth in volume across all geographies especially with the production volumes surpassing the pre-pandemic level in emerging markets; (ii) increases in share of premium vehicles enabled higher content growth; and (iii) successful integration of key acquisitions such as Dr. Schneider group and Saddles International Pvt Ltd. While ramp-up of certain programs at key facilities in Europe and Americas continue to impact profitability, there was EBITDA growth of 58.1% for the same period. This was primarily driven by stringent cost control, operating leverage and softening of energy costs. As a result, the EBITDA Margin increased from 6.4% for the fiscal year ended March 31, 2023 to 8.6% for the fiscal year ended March 31, 2024. The key elements of the same as a percentage of revenue are as follows:

- Cost of goods sold decreased by 2.7% due to stringent cost control and better efficiency and value engineering.
- Employee benefit expenses increased by 1.4% due to sticky wage inflation.
- Other costs decreased by 0.8% primarily due to changes in power and fuel costs.

Vision Systems

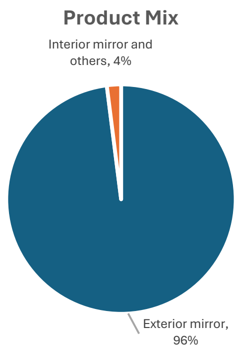
The table below sets out certain performance indicators in respect of our Vision Systems Segment for the fiscal years indicated:

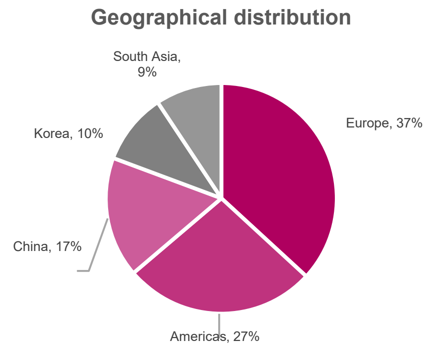
	Fiscal year ended March 31,		
	2022	**2023**	**2024**
	(₹ million, except percentages)		
Revenue from operations	**134,976**	**165,688**	**191,489**
Revenue growth	—	22.8%	15.6%
Cost of goods sold	82,765	104,123	119,453
Employee benefit	24,596	26,828	31,607
Other costs (net of other income)	14,727	17,627	20,646
EBITDA	**12,889**	**17,110**	**19,783**
EBITDA Margin	9.5%	10.3%	10.3%

Business overview

Our Vision Systems Segment is a leading specialist in manufacturing and integrating vision-based products which includes exterior mirrors, interior mirrors, camera monitoring systems and other aesthetic and innovative products. The segment has a strong customer base having long standing relationships with global OEMs and brands with product solutions for all segments, regions and geographies.

The charts below highlight the revenue split for the fiscal year ended March 31, 2024 by product and geography.





Business drivers

Our Vision Systems Segment is strongly positioned to gain from:

- organic growth driven by increased EV adoption. Strong customer relationships have led to significant automotive bookings, enhancing traction with both ICE and EV models across existing and future lineups;
- increased content per vehicle and being capable to cater to all vehicle segments—from entry-level to mid, premium and pickup trucks—our segment offers a diverse range of products. These vary from basic functionalities like electric glass and power fold adjustments to advanced features including logo lamps, electrochromic glass and heating. Moreover, ADAS-related systems such as blind spot warnings, integrated surround view cameras and power folds with telescopic features significantly differentiate our offerings. Positioned to capitalize on our capabilities, we are set to benefit from the increasing demand for premiumization and feature-rich content in vehicles;
- enhanced vertical integration and cost efficiency exemplified by our in-house development of actuator modules and the integration of printed circuit board assemblies, bolstering our continuous efforts to optimize component integration;
- expanded presence in underpenetrated OEMs. For example, the acquisition of Misato Industries in August 2023 has solidified our foothold in the Japanese market and enhanced our growth potential with Japanese OEMs globally, where we were previously underrepresented; and
- significant growth in light vehicles in China where our Vision System Segment has a substantial presence.

Performance Overview

For the fiscal year ended March 31, 2023, our Vision Systems Segment registered revenue growth of 22.8% as compared to the fiscal year ended March 31, 2022. This was driven primarily by (i) recovery in global light vehicle production volumes from 76.4 million for the fiscal year ended March 31, 2022 to 83.8 million for the fiscal year ended March 31, 2023 thereby representing growth in key regions of Europe, North America, India and China[9]; and (ii) favorable product and content mix with premiumization. For the fiscal

[9] Source: Light Vehicles: S&P Global Mobility; Light Vehicle Production Forecast May 2024

year ended March 31, 2023, there was EBITDA growth of 32.8% from the fiscal year ended March 31, 2022 and EBITDA Margin also increased to 10.3% as compared to 9.5% for the fiscal year ended March 31, 2022 in line with growth in revenue notwithstanding the inflationary environment. The key elements of the same as a percentage of revenue are as follows:

- Cost of goods sold marginally increased by 1.5% due to fluctuating commodity prices like resin, aluminum, etc.
- Employee benefit expenses reduced by 2.0% due to operating leverage.
- Other costs reduced by 0.4%.

For the fiscal year ended March 31, 2024, our Vision Systems Segment registered revenue growth of 15.6% as compared to the fiscal year ended March 31, 2023. This was driven primarily by (i) recovery in global light vehicle production volumes from 83.8 million for the fiscal year ended March 31, 2023 to 90.4 million for the fiscal year ended March 31, 2024, thereby representing growth in key regions of Europe, North America, India and China[10]; and (ii) successful integration of key acquisitions, such as Misato Industries. EBITDA also increased by 15.6% for the fiscal year ended March 31, 2024 in line with growth in revenue. However, the EBITDA Margin was flat with 10.3% for the fiscal year ended March 31, 2023 as well as for the fiscal year ended March 31, 2024. The key elements of the same as a percentage of revenue are as follows:

- Cost of goods sold reduced by 0.5% amidst stable commodities mainly due to product mix.
- Employee benefit expenses increased by 0.3% due to increasing business volumes, product mix and inflationary pressure across various geographies.
- Other costs increased marginally by 0.1%.

Integrated Assemblies

The table below sets out certain performance indicators in respect of our Integrated Assemblies Segment for the fiscal years indicated:

	Fiscal year ended March 31,		
	2022	**2023**	**2024**
	(₹ million, except percentages)		
Revenue from operations	—	—	**68,238**
Cost of goods sold	—	—	37,555
Employee benefit	—	—	15,103
Other costs (net of other income)	—	—	7,648
EBITDA	—	—	**7,932**
EBITDA Margin	—	—	11.6%

Note:

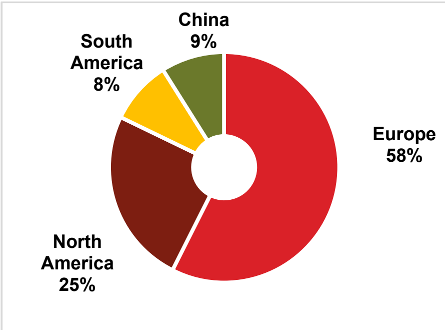
(1) This segment is newly introduced by the Group post-acquisition of SAS. It also includes operations of subsidiaries engaged in rendering of support service function exclusively to integrated assemblies.

Business overview

[10] Source: Light Vehicles: S&P Global Mobility; Light Vehicle Production Forecast May 2024.

Our Integrated Assemblies Segment is our latest segment which was established post-acquisition of SAS in 2023 and specializes in advanced integrated premium module assembly and delivery solutions for the automotive industry. As a prominent global provider of assembly and logistics services for the automotive industry, we work closely with customers and hold a leading position as a cockpit module integrator. With advanced technical expertise, the segment upholds high-quality standards and aligns with the evolving needs and requirements of the automotive industry.

The chart below highlight the revenue split for the fiscal year ended March 31, 2024 by geography.



Business drivers

Our Integrated Assemblies Segment is a uniquely positioned business in the entire portfolio of the Group and is strongly positioned to gain from:

- The proximity to the customers as the assembly units of Integrated Assembly business segment are housed inside the premises of customers and are connected to their assembly lines, thereby giving more access with customers.
- The Gross Amount of Consideration managed by the Integrated Assemblies Segment during the fiscal year ended March 31, 2024 (eight months operations) was ₹325,737 million. See "— *Certain Reconciliation and Computation of Non-GAAP Measures — Computation Table 10*". This presents a high potential for vertical integration on the cockpit modules as currently most of the parts sourced and/or assembled by the segment are sourced from third parties.
- Potential to cross sell modules other than cockpit modules by utilizing the existing product portfolio of the Company's other segments.

Performance overview

As our Integrated Assemblies Segment was established upon completion of the acquisition of SAS, financial performance data is for eight months only, since the period of acquisition (i.e. August 2023 to March 2024) of the fiscal year ended March 31, 2024.

Emerging Businesses

The table below sets out certain performance indicators in respect of our Emerging Businesses Segment for the fiscal years indicated. Cost of goods sold, employee benefit and other cost have not been discussed separately below, since this segment comprises of eight different divisions which are in various type of industries as well as services. As a result, combined evaluation would not be possible and individual segments have not been considered as separate segment because of their size in reference to combined financial numbers:

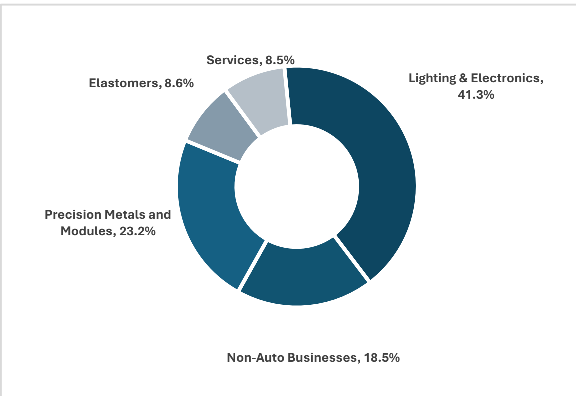
	Fiscal year ended March 31,		
	2022	**2023**	**2024**
	(₹ million, except percentages)		
Revenue from operations	**25,668**	**68,444**	**80,899**
Revenue growth	—	166.7%	18.2%
EBITDA	**2,306**	**7,728**	**10,962**
EBITDA Margin	9.0%	11.3%	13.6%

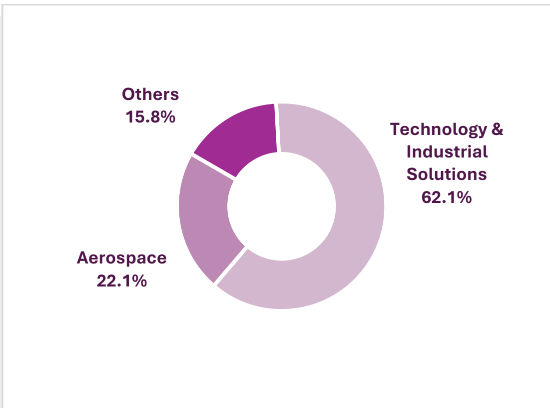
Business overview

Our Emerging Businesses Segment consists of various businesses, primarily Lighting and Electronics, Precision Metals & Modules, Elastomer, Technology & IT Solutions and certain relatively new inducted businesses like Aerospace, Logistic Solutions, Health & Medicals, Services. These are further classified as Auto and Non-Auto business segments as depicted in below charts.

Emerging business is our fastest growing business, constituting 7.0% of our Revenue from Operations (Gross) before inter segment elimination for the fiscal year ended March 31, 2024. The segment comprises a variety of businesses spanning across automotive and non-automotive sectors. Please refer to "*Business*" for more details on the various divisions. These businesses are primarily organized within India as at March 31, 2024.

The chart below shows the revenue split of our Emerging Businesses Segment into its various divisions for the fiscal year ended March 31, 2024.





Business drivers

The following are the growth drivers of our Emerging Businesses Segment:

- multiple new greenfield sites which are currently under development in India, some of which will become available in the fiscal years ending March 31, 2025 and 2026. These are spread across automotive and non-automotive businesses and hence will drive growth for both sectors;
- non-automotive businesses to gain from the full impact of acquisitions and joint venture concluded during and after the fiscal year ended March 31, 2024. For example, the acquisition of AD Industries by our Aerospace segment was closed on May 13, 2024 and full financial consolidation of this acquisition will occur in the fiscal year ended March 31, 2025. Further, acquisition of Lumen Group in services segment was closed on April 8, 2024 and full financial consolidation of this acquisition will occur in the fiscal year ended March 31, 2025; and
- Various businesses in this segment have a leading market position in India such as automotive lighting business and will continue to benefit from content and volume growth.

Performance overview

Group reorganization was completed in the fourth quarter of fiscal year ended March 31, 2022, where the erstwhile Samvardhana Motherson International Limited's businesses were merged in Samvardhana Motherson International Limited (formerly Motherson Sumi Systems Limited). The numbers for the fiscal year ended March 31, 2022 and fiscal year ended March 31, 2023 are hence not comparable for Emerging Businesses segment during this period.

For the fiscal year ended March 31, 2024, our Emerging Businesses Segment registered revenue growth of 18.2% as compared to March 31, 2023. The business serving automative industry recorded revenue growth of 12.9% in the fiscal year ended March 31, 2024 on the back of recovery in automotive production volumes and content growth on changed vehicle mix (refer to industry section – India premiumization and SUV trends). Further the non-automotive business registered growth of 30.9% in the fiscal year ended March 31, 2024 albeit on a lower base. The various segments such as aerospace, health and medical, logistic solutions and Technology are well positioned to grow significantly with integration of acquisitions recently closed and Greenfields being setup to cater to customer demand.

EBITDA increased by 41.8% for the fiscal year ended March 31, 2024 and EBITDA Margin also increased to 13.6% as compared to 11.3% for the fiscal year ended March 31, 2023. The improvements were largely on account of economies of scale and operating leverage. The businesses are in the growth phase and have capitalized on various efficiency measures and backward integration.

Other financial information

Reportable segments

	For the fiscal year ended March 31,		
Employee benefits expense	**2022**	**2023**	**2024**
	(₹ million)		
Wiring Harness	52,899	65,786	78,955
Modules & Polymer Products	87,208	95,661	119,739
Vision Systems	24,596	26,828	31,607
Integrated Assemblies	—	—	15,103
Emerging Businesses	4,480	11,489	13,342
Total	**169,183**	**199,764**	**258,746**

Less: Inter segment, operations of entities consolidated as per equity method and discontinued operation included above	15,437	20,450	23,361
Total amount from continuing operations	**153,746**	**179,314**	**235,385**

Other expenses (net of other income)	**For the fiscal year ended March 31,**		
	2022	**2023**	**2024**
	(₹ million)		
Wiring Harness	17,946	20,491	25,165
Modules & Polymer Products	44,073	58,535	65,061
Vision Systems	14,727	17,627	20,646
Integrated Assemblies	—	—	7,648
Emerging Businesses	5,117	11,946	15,796
Total	**81,863**	**108,599**	**134,316**
Less: Inter segment, operations of entities consolidated as per equity method and discontinued operation included above	13,625	17,150	20,177
Total amount from continuing operations	**68,238**	**91,449**	**114,139**

Revenue from operations	**For the fiscal year ended March 31,**		
Particulars	**2022**	**2023**	**2024**
	(₹ million)		
Wiring Harness	219,698	265,567	315,137
Modules & Polymer Products	354,200	422,624	499,118
Vision Systems	134,976	165,688	191,489
Integrated Assemblies	—	—	68,238
Lighting & Electronics	10,316	29,531	34,265
Precision Metals & Modules	5,621	17,319	19,229
Technology & Industrial Solutions	1,585	7,891	9,530
Logistic Solutions	237	1,250	2,057
Health & Medical	—	133	372
Aerospace	—	2,451	3,384
Elastomer	4,835	6,833	7,110
Services (net of inter segment within emerging business divisions)	3,074	3,036	4,952
	734,542	**922,323**	**1,154,881**
Less: inter segment, operations of entities consolidated as per equity method and discontinued operation included above	(96,802)	(134,442)	(167,964)
Revenue from operations	**637,740**	**787,881**	**986,917**

Certain Reconciliation and Computation of Non-GAAP Measures

The tables below set out the reconciliation of Non-GAAP Measures derived from GAAP measures or accounting records.

Computation Table 1

Computation of cost of goods sold from continuing operations	**For the fiscal year ended March 31,**		
	2022	**2023**	**2024**
		(₹ million)	
Cost of materials consumed	368,049	451,755	538,997
Purchase of stock-in-trade..	1,828	4,654	4,682
Change in inventories of finished goods, work-in-progress and stock in trade	(2,514)	(3,235)	468
Cost of goods sold from continuing operations......	**367,363**	**453,174**	**544,147**

Computation Table 2

Computation of EBITDA from discontinued operations	**For the fiscal year ended March 31, 2022**	
	(₹ million)	
Total EBITDA (refer Computation Table 9 below)		53,396
Adjustment to EBITDA for continuing operations		
1. Profit before exceptional items, share of net profit of investments accounted for using equity method and tax	14,563	
2. Depreciation, amortization & impairment expense	29,582	
3. Finance costs	5,426	49,571
4. Interest income	(1,172)	
5. Dividend income from equity investments designated at fair value through OCI	(6)	(1,178)
EBITDA of discontinued operations		**5,003**
EBITDA of continued operations		**48,393**

Computation Table 3

Computation of Cash Outflow on Account of Capital Expenditure (net sale of proceeds)	For the fiscal year ended March 31,		
	2022	2023	2024
	(₹ million)		
Payments for purchase of property, plant & equipment and other intangible assets (including capital work-in-progress and intangible assets under development)	25,081	22,211	41,254
Proceeds from sale of property, plant & equipment and other intangible assets	(718)	(383)	(1,154)
Cash Outflow on Account of Capital Expenditure (net sale of proceeds)	**24,363**	**21,828**	**40,100**

Computation Table 4

Computation of Gross Debt and Net Debt	Fiscal year ended March 31,		
	2022	2023	2024
	(₹ million)		
Non-current			
Borrowings	85,007	66,183	99,806
Lease liabilities	10,070	12,056	19,247
	95,077	**78,239**	**119,053**
Current			
Borrowings	42,602	55,474	73,707
Lease liabilities	3,618	4,210	6,459
	46,220	**59,684**	**80,166**
Gross Debt (A)	**141,297**	**137,923**	**199,219**
Cash and cash equivalents	48,775	45,381	67,432
Other Bank balances	1,219	1,606	2,425
Less: Unpaid dividend account	(69)	(68)	(63)
Unrestricted cash and cash equivalents (B)	**49,925**	**46,919**	**69,794**
Net Debt (C)= (A)-(B)	**91,372**	**91,004**	**129,425**

Computation Table 5

Computation of Net Working Capital Cycle	As at and for the fiscal year ended March 31,		
	2022	2023	2024
	(₹ million)		
Non-current assets			
Trade receivables	14,516	13,244	15,572
Other financial assets	2,413	1,155	1,550
Other non-current assets	13,767	12,265	15,668
Non-current tax assets (net)	2,507	1,209	3,416
Total (A)	**33,203**	**27,873**	**36,206**

Current assets			
Inventories	64,417	78,228	91,386
Trade receivables	65,731	85,135	156,371
Other financial assets	31,278	40,213	51,423
Other current assets	14,441	16,911	32,423
Total (B)	**175,867**	**220,487**	**331,603**
Non-current liabilities			
Other financial liabilities	4,811	5,921	10,599
Provisions	1,348	766	1,260
Employee benefit obligations	5,466	5,156	7,469
Government grants	2,392	2,275	2,007
Other non-current liabilities	1,663	2,020	2,031
Total (C)	**15,680**	**16,138**	**23,366**
Current liabilities			
Trade payables	113,603	141,363	226,172
Other financial liabilities	33,179	42,580	53,331
Provisions	4,815	4,704	10,430
Employee benefit obligations	2,280	2,573	4,142
Government grants	475	511	315
Current tax liabilities (net)	3,901	3,463	5,512
Other current liabilities	18,380	20,276	37,136
Total (D)	**176,633**	**215,470**	**337,038**
Net working capital E=(A+B-C-D)	**16,757**	**16,751**	**7,405**
Revenue from continuing operations (F)	637,740	787,881	986,917
Per day revenue from continuing operations (G=F/365)	1,747	2,159	2,704
Net Working Capital Cycle Days (number of days) (H=E/G)	10	8	3

Computation Table 6

Computation of revenue from contract with customers on account of transaction between continuing operations and discontinued operations	**From April 1, 2021 to December 31, 2021**
	(₹ million)
Amount included in continuing operations	13,315
Amount included in discontinued operations	258
Revenue from contract with customers on account of transaction between continuing operations and discontinued operations	**13,573**

Computation Table 7

Computation of Return on Capital Employed (adjusted)	**As at and for the fiscal year ended March 31,**			
	2021	**2022**	**2023**	**2024**
	(₹ million, except percentages)			
Total Equity	**165,839**	**223,646**	**243,769**	**282,155**
Amalgamation reserve	(1,663)	(1,663)	(1,663)	(1,663)
Non-current borrowings	74,687	85,007	66,183	99,806
Non-current lease liabilities	9,422	10,070	12,056	19,247
Current borrowings	31,945	42,602	55,474	73,707
Current lease liabilities	3,242	3,618	4,210	6,459
Less: Impact of fair valuation of property, plant and equipment and recognition of intangible assets on account of Composite Scheme of Amalgamation and Arrangement in the fiscal year ended March 31, 2022		(55,234)	(53,985)	(52,759)
Less: Capital work-in-progress	(8,383)	(12,488)	(14,222)	(24,306)
Less: Intangible assets under development	(386)	(609)	(557)	(672)
Total capital employed	**274,702**	**294,949**	**311,265**	**401,974**
Average capital employed		**284,825**	**303,107**	**356,620**
EBIT:				
Profit before exceptional items, share of net profit of investments accounted for using equity method and tax	11,507	14,563	25,480	38,525
Add: Finance cost	5,115	5,426	7,809	18,112
Add: Share of net profit / (loss) of associates and joint ventures accounted for using the equity method	849	160	(437)	2,376
Add: Tax and finance cost of associates and joint ventures accounted for using the equity method		445	935	1,353
Less: Dividend income	(0)	(6)	(0)	(13)
Less: Interest income	(656)	(1,172)	(703)	(1,483)
Add: Impact of fair valuation of property, plant and equipment and recognition of intangible assets on account of Composite Scheme of Amalgamation and Arrangement in the fiscal year ended March 31, 2022		366	1,250	1,226
Total EBIT		**19,782**	**34,333**	**60,095**
Return on capital employed (adjusted)		***6.9%***	***11.3%***	***16.9%***

Computation Table 8

Computation of trade receivable and unbilled revenue	March 31, 2022	March 31, 2023	March 31, 2024
	Fiscal year ended March 31,		
	(₹ million)		
Current			
Trade Receivable	65,731	85,135	156,371
Unbilled Revenue	27,808	34,711	43,838
	93,539	**119,846**	**200,209**
Non-Current			
Trade Receivable	14,516	13,244	15,572
Unbilled Revenue	112	109	101
	14,628	**13,353**	**15,673**
Trade receivable and unbilled revenue	**108,167**	**133,199**	**215,882**

Computation Table 9

Computation of EBITDA from profit	2022	2023	2024
	Fiscal year ended March 31,		
	(₹ million)		
Profit for the year	**11,816**	**16,696**	**30,196**
Add: Total tax expenses	7,273	7,352	8,206
Add: Depreciation, amortization & impairment expense	29,964	31,358	38,105
Add: Finance cost	5,619	7,809	18,112
Less: Interest income	(1,173)	(703)	(1,483)
Less: Other income[(1)]	(422)	(0)	(13)
Add: Exceptional expenses	481	995	2,499
Add/Less: Share of net (profit)/loss of associates and joint ventures accounted for using the equity method	(160)	438	(2,376)
Total EBITDA	**53,396**	**63,944**	**93,245**
Less: EBITDA from discontinued operations[(2)]	(5,003)	—	—
Total EBITDA from continuing operations[(3)]	**48,393**	**63,944**	**93,245**

Notes:

(1) Other income considered in computation in Segmental EBITDA.

(2) For calculation of EBITDA from discontinued operation, see "— *Certain Reconciliation and Computation of Non-GAAP Measures — Computation Table 2*".

(3) EBITDA is a non-GAAP measure and represents total profit/(loss) before tax less share of profit/(loss) of associates and joint ventures, exceptional income/(expense), interest income and dividend income, plus depreciation and amortization and finance cost. EBITDA may not be comparable to similarly titled measures reported by other companies due to potential inconsistencies in the method of calculation. We have included EBITDA because we believe it is an indicative measure of our operating performance and is used by investors

and analysts to evaluate companies in the same industry. EBITDA should be considered in addition to, and not as a substitute for, other measures of financial performance and liquidity reported in accordance with GAAP. We believe that the inclusion of supplementary adjustments applied in our presentation of EBITDA are appropriate because it is a more indicative measure of our base line performance as it excludes certain charges that our management considers to be outside of our core operating results. In addition, EBITDA is among the primary indicators that our management uses as a basis for planning and forecasting of future periods.

Computation Table 10

Computation of Gross Amount of Consideration as per Ind AS 115 (Principal vs Agent Consideration)

	For the fiscal year ended March 31, 2024 *(₹ million)*		
Segment	**Revenue from Operations (Gross)**	**Throughput revenue**	**Gross Amount of Consideration**
Wiring Harness	315,137	1,768	316,905
Modules & Polymer Products	499,118	55,157	554,275
Vision System	191,489	—	191,489
Integrated Assemblies	68,238	257,499	325,737
Emerging Businesses	80,899	3,366	84,265
Total	**1,154,881**	**317,790**	**1,472,671**
Less: Intersegment	35,001	—	35,001
Total (net of intersegment)	**1,119,880**	**317,790**	**1,437,670**

Computation Table 11

Computation of Net Leverage Ratio	**For the fiscal year ended March 31,** 2022	2023	2024
	(₹ million, unless otherwise stated)		
Net debt (A)	91,372	91,004	129,425
EBITDA from continuing operations (B)	48,393	63,944	93,246
Total EBITDA (C)	53,396	63,944	93,246
Net Leverage Ratio (times) D=(A)/(C)	1.71	1.42	1.39
Net Leverage Ratio (Continuing operations) (times) D=(A)/(B)	1.89	1.42	1.39

Computation Table 12

EBITDA Margin	**For the fiscal year ended March 31,** 2022	2023	2024
	(₹ million, unless otherwise stated)		
EBITDA from continuing operations	48,393	63,944	93,246
Revenue from continuing operations	637,740	787,881	986,917
EBITDA Margin	**7.6%**	**8.1%**	**9.4%**

Computation Table 13

Cost of goods sold (Table A = B + C + D)	For the fiscal year ended March 31,		
	2022	2023	2024
	(₹ million)		
Wiring Harness	129,723	156,505	177,397
Modules & Polymer Products	198,437	241,189	271,263
Vision Systems	82,765	104,123	119,453
Integrated Assemblies	—	—	37,555
Emerging Businesses	13,765	37,282	40,800
Total	**424,690**	**539,099**	**646,468**
Less: Inter segment, operations of entities consolidated as per equity method and discontinued operation included above	57,327	85,925	102,321
Total amount from continuing operations	**367,363**	**453,174**	**544,147**

Cost of materials consumed (Table B)	For the fiscal year ended March 31,		
	2022	2023	2024
	(₹ million)		
Wiring Harness	131,323	157,804	177,496
Modules & Polymer Products	200,993	239,896	272,078
Vision Systems	83,333	105,154	118,171
Integrated Assemblies	—	—	36,710
Emerging Businesses	13,888	34,838	38,744
Total	**429,537**	**537,692**	**643,199**
Less: Inter segment, operations of entities consolidated as per equity method and discontinued operation included above	61,488	85,937	104,202
Total amount from continuing operations	**368,049**	**451,755**	**538,997**

Purchase of stock-in-trade (Table C)	For the fiscal year ended March 31,		
	2022	2023	2024
	(₹ million)		
Wiring Harness	299	393	399
Modules & Polymer Products	(1,494)	2,231	1,182
Vision Systems	—	—	3
Integrated Assemblies	—	—	394
Emerging Businesses	753	1,962	3,404
Total	**(442)**	**4,586**	**5,382**
Less: Inter segment, operations of entities consolidated as per equity method and discontinued operation included above	(2,270)	(68)	700
Total amount from continuing operations	**1,828**	**4,654**	**4,682**

Change in inventory of finished goods, work in progress and stock-in-trade (Table D)	For the fiscal year ended March 31,		
	2022	2023	2024
	(₹ million)		
Wiring Harness	(1,899)	(1,692)	(498)
Modules & Polymer Products	(1,062)	(938)	(1,997)
Vision Systems	(568)	(1,030)	1,279
Integrated Assemblies	—	—	451
Emerging Businesses	(876)	482	(1,348)
Total	**(4,405)**	**(3,178)**	**(2,113)**
Less: Inter segment, operations of entities consolidated as per equity method and discontinued operation included above	(1,891)	57	(2,581)
Total amount from continuing operations	**(2,514)**	**(3,235)**	**468**

Computation Table 14

Reconciliation of Segment's EBITDA

	Fiscal year ended March 31,		
	2022	2023	2024
	(₹ million, except percentages)		
Wiring Harness			
Revenue from operations (A)	**219,698**	**265,567**	**315,137**
Less: Cost of goods sold	129,723	156,505	177,397
Less: Employee benefits expense	52,899	65,786	78,955
Less: Other costs (net of other income)	17,946	20,491	25,165
EBITDA (B)	**19,130**	**22,785**	**33,621**
EBITDA Margin C=(B)/(A)	***8.7%***	***8.6%***	***10.7%***
Modules and Polymer Products			
Revenue from operations (A)	**354,200**	**422,624**	**499,118**
Less: Cost of goods sold	198,437	241,189	271,263
Less: Employee benefits expense	87,208	95,661	119,739
Less: Other costs (net of other income)	44,073	58,535	65,061
EBITDA (B)	**24,482**	**27,239**	**43,055**
EBITDA Margin C=(B)/(A)	***6.9%***	***6.4%***	***8.6%***
Vision Systems			
Revenue from operations (A)	**134,976**	**165,688**	**191,489**
Less: Cost of goods sold	82,765	104,123	119,453
Less: Employee benefits expense	24,596	26,828	31,607
Less: Other costs (net of other income)	14,727	17,627	20,646
EBITDA (B)	**12,889**	**17,110**	**19,783**
EBITDA Margin C=(B)/(A)	***9.5%***	***10.3%***	***10.3%***
Integrated Assemblies			
Revenue from operations (A)	—	—	**68,238**
Less: Cost of goods sold	—	—	37,555
Less: Employee benefits expense	—	—	15,103
Less: Other costs (net of other income)	—	—	7,648
EBITDA (B)	—	—	**7,932**
EBITDA Margin C=(B)/(A)	**—**	**—**	***11.6%***

	Fiscal year ended March 31,		
	2022	2023	2024
	(₹ million, except percentages)		
Emerging Businesses			
Revenue from operations (A)	**25,668**	**68,444**	**80,899**
Less: Cost of goods sold	13,765	37,282	40,800
Less: Employee benefits expense	4,480	11,489	13,342
Less: Other costs (net of other income)	5,117	11,946	15,796
EBITDA (B)	**2,306**	**7,728**	**10,962**
EBITDA Margin C=(B)/(A)	***9.0%***	***11.3%***	***13.5%***

Explanation of consolidated statement of profit and loss items

Revenue from contracts with customers

Revenue from contracts with customers primarily consists of sales of products and sales of services.

Other operating income

Other operating income primarily consists of scrap sales, export incentives, liabilities written back to the extent no longer required, rent income, foreign exchange gain (net), government grants and subsidies and others.

Other income

Other income primarily consists of interest income, dividend income from equity investments designated at fair value through OCI, profit on sales of fixed assets, gain on account of sale/dilution in shareholding, profit on sale of investments, reversal of provision and miscellaneous income.

Cost of goods sold*

Our total cost of goods sold includes purchases of raw materials, purchases of goods and tools for resale, discounts for prompt payment, purchase returns and similar transactions, volume discounts, changes in inventories, consumption of other supplies and purchase of pre-constructed components.

* This is a Non-GAAP Measure as defined in the section entitled "*Presentation of Financial and Other Information*".

Employee benefits expense

Our employee benefits expenses include salary, wages and bonus, contribution to provident, superannuation and other fund, gratuity and pension, staff welfare expenses and restructuring/severance costs.

Depreciation, amortization and impairment expense

Refers to the amount recognized in our consolidated statement of profit and loss under this concept reflecting the amortized value of the tangible and intangible assets on a straight-line basis over the estimated useful life of the asset.

Finance costs

Finance costs primarily consists of interest on long term borrowings, interest on lease liabilities and other finance costs which includes foreign exchange loss/(gain) on long term loan facilities.

Other expenses

Other expenses primarily consist of electricity, water and fuel, repairs and maintenance in respect of machinery and buildings, consumption of stores and spare parts, conversion charges, lease rent, rates and taxes, insurance, donation, travelling, freight and forwarding, bad debts/advances written off, provision for doubtful debts/advances, legal and professional expenses, design and development charges, software and miscellaneous expenses.

Results of operations

The following table sets forth certain of our historical revenue and expense items for the fiscal years indicated below.

	Fiscal year ended March 31,		
	2022	**2023**	**2024**
		(₹ million)	
Continuing Operations:			
Revenue			
Revenue from contract with customers	629,367	778,707	977,794
Other operating revenue	8,373	9,174	9,123
Total revenue from operations	**637,740**	**787,881**	**986,917**
Other income	2,577	1,696	1,876
Total income	**640,317**	**789,577**	**988,793**
Expenses			
Cost of goods sold	367,363	453,174	544,147
Employee benefits expense	153,746	179,314	235,385
Depreciation, amortization & impairment expense	29,582	31,358	38,105
Finance costs	5,426	7,809	18,112
Other expenses	69,637	92,442	114,519
Total expenses	**625,754**	**764,097**	**950,268**
Profit before exceptional items, share of net profit of investments accounted for using equity method and tax	**14,563**	**25,480**	**38,525**
Exceptional income/(expenses)	(481)	(995)	(2,499)
Share of net profit/(loss) of associates and joint ventures accounted for using the equity method	160	(437)	2,376
Profit before tax from continuing operations	**14,243**	**24,048**	**38,402**
Tax expenses			
Current tax	7,315	9,402	12,627
Deferred tax expense/(credit)	(1,246)	(2,050)	(4,421)
Total tax expense	**6,069**	**7,352**	**8,206**
Profit for the year from continuing operations	**8,174**	**16,696**	**30,196**
Discontinued operations:			
Revenue from operations	39,735	—	—

	Fiscal year ended March 31,		
	2022	**2023**	**2024**
		(₹ million)	
Other income	207	—	—
Total expenses	35,096	—	—
Profit before tax from discontinued operations	**4,846**	**—**	**—**
Tax expense/(credit) of discontinued operations	1,204	—	—
Profit for the year from discontinued operations	**3,642**	**—**	**—**
Profit for the year from continuing and discontinued operations	**11,816**	**16,696**	**30,196**
Other comprehensive income from continuing operations			
Items not to be reclassified to profit or loss			
Changes in fair value of equity instruments	14	(377)	5
Remeasurements of post-employment benefit obligations	300	427	(307)
Share of other comprehensive income of associates and joint ventures accounted for using the equity method	0	(17)	(24)
	314	**33**	**(326)**
Deferred tax expense/(credit) on fair valuation of equity investment	40	(1)	(1)
Deferred tax expense/(credit) on remeasurements of post-employee benefit obligations	(66)	(68)	79
	288	**(36)**	**(248)**
Items to be reclassified to profit or loss			
Exchange gain/(losses) on translation of foreign operations	1,407	6,185	(4,653)
Deferred gain/(losses) on cash flow hedges	703	334	(1,102)
	2,110	**6,519**	**(5,755)**
Income tax on deferred gain/(losses) on cash flow hedges	(180)	(195)	345
	1,930	**6,324**	**(5,410)**
Other comprehensive income from discontinued operations			
Items not to be reclassified to profit or loss			
Remeasurements of post-employment benefit obligations	(29)	—	—
Income tax relating to items that will not be reclassified to profit or loss	7	—	—
	(22)	**—**	—

	Fiscal year ended March 31,		
	2022	2023	2024
		(₹ million)	
Total other comprehensive income/(loss) from continuing and discontinued operations for the year, net of tax	**2,196**	**6,288**	**(5,658)**
Total comprehensive income from continuing and discontinued operations for the year, net of tax	**14,012**	**22,984**	**24,538**
Profit attributable to:			
Owners	8,738	14,956	27,162
Non-controlling interest	3,077	1,740	3,034
	11,816	**16,696**	**30,196**
Other comprehensive income/(loss) attributable to:			
Owners	349	5,583	(5,286)
Non-controlling interest	1,847	705	(372)
	2,196	**6,288**	**(5,658)**
Total comprehensive income attributable to:			
Owners	9,087	20,539	21,876
Non-controlling interest	4,924	2,445	2,662
	14,011	**22,984**	**24,538**
Earnings per share			
Nominal value per equity share: ₹1/-			
Earnings per share for continuing operations			
Basic and Diluted	0.97	2.21	4.01
Earnings per share for discontinued operations			
Basic and Diluted	0.70	—	—
Earnings per share for continuing and discontinued operations			
Basic and Diluted	1.67	2.21	4.01

Comparison of results of operations for the fiscal years ended March 31, 2023 and March 31, 2024

Revenue from contract with customers

Revenue from contract with customers increased by ₹199,087 million, or 25.6%, to ₹977,794 million for the fiscal year ended March 31, 2024, from ₹778,707 million for the fiscal year ended March 31, 2023, primarily due to increases in the sale of our products on account of an increase in global light vehicle production volume by 7.9% across all geographies and an expansion of our product portfolio and revenue supported by strategic acquisitions completed during the fiscal year.

Other operating revenue

Other operating revenue decreased by ₹51 million, or 0.6%, to ₹9,123 million for the fiscal year ended March 31, 2024, from ₹9,174 million for the fiscal year ended March 31, 2023, primarily due to decrease in foreign exchange gain from ₹874 million to ₹217 million, which was primarily offset by an increase in scrap sales and income from government grants.

Total revenue from operations

As a result of the above, our total revenue from operations increased by ₹199,036 million, or 25.3%, to ₹986,917 million for the fiscal year ended March 31, 2024, from ₹787,881 million for the fiscal year ended March 31, 2023.

Other income

Other income increased by ₹180 million, or 10.6%, to ₹1,876 million for the fiscal year ended March 31, 2024, from ₹1,696 million for the fiscal year ended March 31, 2023, primarily due to an increase in interest income which is primarily offset with reversal of provision related to indirect tax recorded in earlier periods on a favorable judgement received during year ended March 31, 2023.

Total income

As a result of the foregoing, our total income increased by ₹199,216 million, or 25.2%, to ₹988,793 million for the fiscal year ended March 31, 2024, from ₹789,577 million for the fiscal year ended March 31, 2023.

Cost of goods sold

Cost of materials consumed, purchases of stock-in-trade and change in inventories of finished goods, work-in-progress and stock in trade increased by ₹90,974 million, or 20.1%, to ₹544,147 million for the fiscal year ended March 31, 2024 from ₹453,174 million for the fiscal year ended March 31, 2023, primarily due to higher sales on account of increases in product portfolio and volume supported by various acquisitions completed during the fiscal year and material and associated costs as well as volatility in commodities and production inputs at elevated levels. As a percentage of revenue from operations, the total cost of goods sold decreased from 57.6% for the fiscal year ended March 31, 2023 to 55.1% for the fiscal year March 31, 2024, primarily due to an increase in value added products which has contributed to a reduction of raw material cost as percentage of revenue from operations.

Employee benefits expense

Employee benefits expense increased by ₹56,071 million, or 31.3%, to ₹235,385 million for the fiscal year ended March 31, 2024 from ₹179,314 million for the fiscal year ended March 31, 2023, primarily due to increases in salaries, wages and bonuses paid, contributions to provident, superannuation and other funds, and expenses in connection with staff welfare. Such increases were due to (i) increased production levels due to volume increase which necessitated more direct manpower and manpower cost of entities acquired during the fiscal year, (ii) general salary inflation and (iii) a rise in the minimum wage levels in certain countries. As a percentage of revenue from operations, employee benefits expense increased from 22.8% for the fiscal year ended March 31, 2023 to 23.9% for the fiscal year ended March 31, 2024.

Depreciation, amortization and impairment expense

Depreciation, amortization and impairment expense increased by ₹6,747 million, or 21.5%, to ₹38,105 million for the fiscal year ended March 31, 2024 from ₹31,358 million for the fiscal year ended March 31, 2023, primarily due to new acquisitions which resulted in increased depreciation on acquired plant, machinery and equipment as well as right to use assets.

Finance costs

Finance costs increased by ₹10,303 million, or 131.9%, to ₹18,112 million for the fiscal year ended March 31, 2024 from ₹7,809 million for the fiscal year ended March 31, 2023, on account of factors such as (i) interest on borrowings taken to finance the acquisitions closed during the fiscal year, (ii) an increase in interest on long-term borrowings owing to increases in benchmark rates such as EURIBOR which impacted our existing debt and the incurrence of new borrowings at higher interest rates; and (iii) an increase in factoring cost due to increased business volume as well as exchange fluctuation loss on long-term loan facilities.

Other expenses

Other expenses increased by ₹22,077 million, or 23.9%, to ₹114,519 million for the fiscal year ended March 31, 2024 from ₹92,442 million for the fiscal year ended March 31, 2023, primarily due to increases in (i) repairs and maintenance cost on machinery; (ii) legal and professional expenses primarily on account of several acquisition-related cost on due diligence, legal advice, etc.; (iii) lease rent; and (iv) consumptions of stores and spares. This was partially offset by decreases in electricity, water and fuel expenses. Notwithstanding the above, other expenses remain within our expected range as a percentage of revenue from operations at 11.7% for the fiscal year ended March 31, 2023 and 11.6% for the fiscal year ended March 31, 2024.

Total expenses

As a result of the above, our total expenses increased by ₹186,171 million, or 24.4%, to ₹950,268 million for the fiscal year ended March 31, 2024, from ₹764,097 million for the fiscal year ended March 31, 2023.

Profit before exceptional items, share of net profit of investments accounted for using equity method and tax

As a result of the foregoing, our profit before exceptional items, share of net profit of investments accounted for using equity method and tax increased by ₹13,045 million, or 51.2%, to ₹38,525 million for the fiscal year ended March 31, 2024, from ₹25,480 million for the fiscal year ended March 31, 2023.

Exceptional expenses

Exceptional expenses increased by ₹1,504 million, or 151.2%, to ₹2,499 million for the fiscal year ended March 31, 2024 from ₹995 million for the fiscal year ended March 31, 2023, primarily due to provision for reorganization cost in a few units located in Europe.

Share of net profit/(loss) of associates and joint ventures accounted for using the equity method

Share of net profit/(loss) of associates and joint ventures accounted for using the equity method increased by ₹2,813 million, or 643.0%, to ₹2,376 million for the fiscal year ended March 31, 2024 from ₹(437) million for the fiscal year ended March 31, 2023, primarily due to a significant increase in profitability from joint venture companies.

Profit before tax

As a result of the foregoing, our profit before tax increased by ₹14,354 million, or 59.7%, to ₹38,402 million for the fiscal year ended March 31, 2024, from ₹24,048 million for the fiscal year ended March 31, 2023.

Total tax expense

Our total tax expense, consisting of current tax and deferred tax expense/(credit), increased by ₹854 million, or 11.6%, to ₹8,206 million for the fiscal year ended March 31, 2024, from ₹7,352 million for the fiscal year ended March 31, 2023. Our total tax expense as a percentage of profit before tax for the year is 21.4% for the fiscal year ended March 31, 2024 as compared to 30.6% for the fiscal year ended March 31, 2023, primarily due to utilization of unabsorbed losses and recognition of deferred tax assets in certain subsidiaries due to their improved profitability and business projections.

Profit for the year

As a result of the foregoing, our profit for the year increased by ₹13,500 million, or 80.9%, to ₹30,196 million for the fiscal year ended March 31, 2024, from ₹16,696 million for the fiscal year ended March 31, 2023. Profit attributable to owners increased to ₹27,162 million for the fiscal year ended March 31, 2024 as compared to ₹14,956 million in fiscal year ended March 31, 2023.

Comparison of results of operations for the fiscal years ended March 31, 2022 and 2023

Continuing Operations

Revenue from contract with customers

Revenue from contract with customers increased by ₹149,340 million, or 23.7%, to ₹778,707 million for the fiscal year ended March 31, 2023, from ₹629,367 million for the fiscal year ended March 31, 2022, primarily due to increases in the sale of our products. The increase was on account of a recovery of 9.0% in global automotive production volumes of passenger vehicle, ramp up of new programs and also supported by content increase per vehicle due to premiumization trends. This was partially offset by a reduction in base raw material prices in the fiscal year ended March 31, 2023, since it is also reflected in our sale price to customers.

Other operating revenue

Other operating revenue increased by ₹801 million, or 9.6%, to ₹9,174 million for the fiscal year ended March 31, 2023, from ₹8,373 million for the fiscal year ended March 31, 2022, primarily due to increase in scrap sales and liabilities written back to the extent no longer required offset by decrease in government grants & subsidies.

Total revenue from continuing operations

As a result of the above, our total revenue from continuing operations increased by ₹150,141 million, or 23.5%, to ₹787,881 million for the fiscal year ended March 31, 2023, from ₹637,740 million for the fiscal year ended March 31, 2022.

Other income

Other income decreased by ₹881 million, or 34.2%, to ₹1,696 million for the fiscal year ended March 31, 2023, from ₹2,577 million for the fiscal year ended March 31, 2022, primarily due to decreases in interest income and gains from foreign exchange. This was partially offset by a reversal of provision and profit on sales of fixed assets.

Total income

As a result of the foregoing, our total income increased by ₹149,260 million, or 23.3%, to ₹789,577 million for the fiscal year ended March 31, 2023, from ₹640,317 million for the fiscal year ended March 31, 2022.

Cost of goods sold

Cost of materials consumed, purchases of stock-in-trade and change in inventories of finished goods, work-in-progress and stock in trade sold increased by ₹85,811 million, or 23.4%, to ₹453,174 million for the fiscal year ended March 31, 2023 from ₹367,363 million for the fiscal year ended March 31, 2022, primarily due to higher sales, material and associated costs as well as volatility in commodities and production inputs at elevated levels. As percentage of revenue from operations, the total cost of goods sold for the fiscal year ended March 31, 2023 remained similar as that for the fiscal year ended March 31, 2022 at 57.6% for the fiscal year ended March 31, 2022 and 57.5% for the fiscal year March 31, 2023. Variation was mainly on account of an increase in general inflation during the fiscal year ended March 31, 2023 which impacted costs related to the conversion etc. of base raw materials into components, despite some decrease in commodity prices which we use in our production.

Employee benefits expense

Employee benefits expense increased by ₹25,568 million, or 16.6%, to ₹179,314 million for the fiscal year ended March 31, 2023 from ₹153,746 million for the fiscal year ended March 31, 2022, primarily due to increases in salaries, wages and bonuses paid, contributions to provident, superannuation and other funds, and expenses in connection with staff welfare. Such increases were due to (i) increased production levels which necessitated more direct manpower, (ii) general wage/salary inflation and (iii) a rise in the minimum wage levels in certain countries in which we operate such as Brazil, Mexico, Poland, Serbia and Lithuania, among others. However, as a percentage of revenue from operations, employee benefits expense decreased from 24.1% for the fiscal year ended March 31, 2022 to 22.8% for the fiscal year ended March 31, 2023.

Depreciation, amortization and impairment expense

Depreciation, amortization and impairment expense increased by ₹1,776 million, or 6.0%, to ₹31,358 million for the fiscal year ended March 31, 2023 from ₹29,582 million for the fiscal year ended March 31, 2022, primarily due to an increase in (i) capital expenditure for new plants to support launch of new programs, (ii) depreciation, amortization and impairment expense of the erstwhile Samvardhana Motherson International Limited and its subsidiaries consolidated for three months in the fiscal year ended March 31, 2022 and the full year for the fiscal year ended March 31, 2023.

Finance costs

Finance costs increased by ₹2,383 million, or 43.9%, to ₹7,809 million for the fiscal year ended March 31, 2023 from ₹5,426 million for the fiscal year ended March 31, 2022 despite marginal reduction in gross debt, primarily due to (i) overall increase in benchmark rates such as EURIBOR and LIBOR which impacted our existing debt, (ii) partly due to higher interest rates on the new borrowings done during the fiscal year, and (iii) increase in factoring cost due to increased business volume as well as exchange fluctuation loss on long-term loan facilities.

Other expenses

Other expenses increased by ₹22,805 million, or 32.8%, to ₹92,442 million for the fiscal year ended March 31, 2023 from ₹69,637 million for the fiscal year ended March 31, 2022, primarily due to (i) full year impact of the erstwhile Samvardhana Motherson International Limited and its subsidiaries compared to the three months consolidated for the fiscal year ended March 31, 2022; (ii) increases in electricity, water and fuel costs, and (iii) increased legal and professional fee on account of the evaluation of multiple merger and acquisition opportunities.

Total expenses

As a result of the above, our total expenses increased by ₹138,343 million, or 22.1%, to ₹764,097 million for the fiscal year ended March 31, 2023, from ₹625,754 million for the fiscal year ended March 31, 2022.

Profit before exceptional items, share of net profit of investments accounted for using equity method and tax

As a result of the foregoing, our profit before exceptional items, share of net profit of investments accounted for using equity method and tax increased by ₹10,917 million, or 75.0%, to ₹25,480 million for the fiscal year ended March 31, 2023, from ₹14,563 million for the fiscal year ended March 31, 2022.

Exceptional expenses

Exceptional expenses increased by ₹514 million, or 107.0%, to ₹995 million for the fiscal year ended March 31, 2023 from ₹481 million for the fiscal year ended March 31, 2022. In the fiscal year ended March 31, 2023, geopolitical conflict in Russia and related sanctions have resulted in certain OEMs limiting, halting or fully exiting certain business activities which affects our operations. This has resulted in impairment provision amounting to ₹431 million and other costs related to production suspension of ₹564 million which have been classified as exceptional expenses.

Share of net profit/(loss) of associates and joint ventures accounted for using the equity method

Share of net profit of associates and joint ventures accounted for using the equity method decreased by ₹597 million, or 373.7%, to a net loss of ₹437 million for the fiscal year ended March 31, 2023 from a net profit of ₹160 million for the fiscal year ended March 31, 2022, primarily on account of loss of ₹5,849 million in one of our Indian joint ventures and impairment loss amounting to ₹359 million recognized for goodwill included in the carrying value of investments in our other joint ventures.

Profit before tax from continuing operations

As a result of the foregoing, our profit before tax from continuing operations increased by ₹9,805 million, or 68.8%, to ₹24,048 million for the fiscal year ended March 31, 2023, from ₹14,243 million for the fiscal year ended March 31, 2022.

Total tax expense

Our total tax expense, consisting of current tax and deferred tax expense/(credit), increased by ₹1,283 million, or 21.1%, to ₹7,352 million for the fiscal year ended March 31, 2023, from ₹6,069 million for the fiscal year ended March 31, 2022. Our total tax expense as a percentage of profit before tax for the year was 30.6% for the fiscal year ended March 31, 2023 as compared to 42.6% for the fiscal year ended March 31, 2022, primarily due to recognition of deferred tax assets in certain green field and other locations which was not recognized in fiscal year ended March 31, 2022 due to absence of reasonable certainty.

Profit for the year from continuing operations

As a result of the foregoing, our profit for the year from continuing operations increased by ₹8,522 million, or 104.3%, to ₹16,696 million for the fiscal year ended March 31, 2023, from ₹8,174 million for the fiscal year ended March 31, 2022. Profit attributable to owners increased to ₹14,956 million for the fiscal year ended March 31, 2023 as compared to ₹5,096 million in fiscal year ended March 31, 2022.

Discontinued Operations

The Hon'ble National Company Law Tribunal, Mumbai Bench *vide* its order dated December 22, 2021 approved the Composite Scheme of Amalgamation and Arrangement (the "**Scheme**") between SAMIL, MSWIL, the erstwhile Samvardhana Motherson International Limited and their respective shareholders. The Scheme, among other things, included demerger of the Domestic Wiring Harness ("**DWH**") business from SAMIL into a new company, *viz*., MSWIL and subsequent merger of the erstwhile Samvardhana Motherson International Limited into SAMIL.

Considering that all necessary and substantive approvals were received, SAMIL had given effect to the merger and demerger accounting from December 31, 2021 in accordance with the accounting treatment prescribed in the Scheme and relevant accounting principles.

A Demerger of Domestic Wiring Harness (DWH) Business

As per the Scheme, 3,157,934,237 equity shares having face value of ₹1 each, were allotted by MSWIL, in the ratio of 1 equity share of MSWIL of face value ₹1 each for every 1 equity share of SAMIL of face value ₹1 each, to the shareholders of SAMIL as on January 19, 2022, being the record date fixed by SAMIL. The carrying amount of net assets amounting to ₹10,721 million, as on December 31, 2021, pertaining to DWH business transferred to MSWIL was adjusted against retained earnings of SAMIL. Till the date of transfer, results of the DWH business were reflected as discontinued operations and accordingly presented in the Group Consolidated Financial Statements.

The results of the DWH business are presented below:

	From April 1, 2021 to December 31, 2021
	(₹ million)
Revenue from contract with customers	39,309
Other operating revenue	426
Revenue from operations	**39,735**
Other income	207
Total expenses	35,096
Profit/(loss) before tax for the period	**4,846**
Tax expense/(credit)	1,204
Profit/(loss) for the period	**3,642**

The income and expenses of continuing operations includes transactions with discontinued operations, which does not have impact on "Profit/(loss) for the year from continuing and discontinued operations" as disclosed in the consolidated statement of profit and loss. Revenue from contract with customers on account of transaction between continuing operations and discontinued operations is as follows:

	From April 1, 2021 to December 31, 2021
	(₹ million)
Amount included in continuing operations	13,315
Amount included in discontinued operations	258

Liquidity

Our liquidity requirements arise principally from our operating activities, capital expenditures for maintenance and expansion activities, new facilities, short-term investments in engineering projects for customers' new product launches, the repayment of borrowings and debt service obligations. Our expansion plans include focusing on emerging markets for both automotive and non-automotive businesses. As at March 31, 2024, we have visibility to add 18 greenfield facilities to meet the business requirements for the Group. These facilities are currently at different stages of progress across all our business segments.

Historically, our principal sources of funding have included cash from operations, short-and long-term committed and uncommitted loan facilities, overdraft facilities that are repayable on demand, cash and cash equivalents. See "*—Existing Financing Arrangements*".

Our treasury function reviews the liquidity of our various manufacturing plants. Cash generated by our operating subsidiaries is utilized to finance growth within the operations of such subsidiary or is transferred to holding companies through the payment of dividends or repayment of intercompany loans.

We held cash and cash equivalents and other non-restricted bank balance of ₹49,925 million, ₹46,919 million and ₹69,794 million as at March 31, 2022, March 31, 2023 and March 31, 2024 (please refer to "— *Certain Reconciliation and Computation of Non-GAAP Measures — Computation Table 4*"), respectively.

We believe that our operating cash flows, local facilities and receivables financing will be sufficient to meet our requirements and commitments for at least the next 12 months. Our actual financing requirements will depend on a number of factors, many of which are beyond our control.

The following table sets forth our consolidated cash flow information for the fiscal years ended March 31, 2022, March 31, 2023 and March 31, 2024.

	For the fiscal year ended March 31,		
	2022	**2023**	**2024**
		(₹ million)	
Net cash generated from operating activities....................	24,627	46,430	75,689
Net cash (used) in investing activities	(23,119)	(22,448)	(66,617)
Net cash generated from/(used) in financing activities.....	(12,174)	(27,342)	12,807
Net increase/(decrease) in cash and cash equivalents ..	**(10,666)**	**(3,360)**	**21,879**
Net foreign exchange difference on balance with banks in foreign currency..	75	(34)	172
Net cash and cash equivalents at the beginning of the year	59,366	48,775	45,381
Cash and cash equivalents at the year end	**48,775**	**45,381**	**67,432**

Net cash generated from operating activities

Net cash generated from operating activities was ₹75,689 million for the fiscal year ended March 31, 2024 compared to ₹46,430 million for the fiscal year ended March 31, 2023. This increase was primarily due to better working management of trade receivables and inventory management, as compared to an increase in business volumes. Net cash generated from operating activities before change in working capital was ₹90,716 million for the fiscal year ended March 31, 2024 compared to ₹61,811 million for the fiscal year ended March 31, 2023. This increase is primarily due to an increase in profit for the fiscal year ended March 31, 2024 and higher non-cash items as compared to the fiscal year ended March 31, 2023.

Net cash generated from operating activities was ₹46,430 million for the fiscal year ended March 31, 2023 compared to ₹24,627 million for the fiscal year ended March 31, 2022. This increase was primarily due to better trade payables management as compared to increase in business volumes. Net cash generated from operating activities before change in working capital was ₹61,810 million for the fiscal year ended March 31, 2023 compared to ₹53,736 million for the fiscal year ended March 31, 2022. This increase is primarily due to an increase in profit for the fiscal year ended March 31, 2023 and higher non-cash items as compared to the fiscal year ended March 31, 2022.

Net cash used in investing activities

Net cash used in investing activities was ₹66,617 million for the fiscal year ended March 31, 2024 compared to ₹22,448 million for the fiscal year ended March 31, 2023. The net cash outflow from investing activities for the fiscal year ended March 31, 2024 was primarily due to significant expenditure in relation to property, plant and equipment and various acquisitions for the fiscal year ended March 31, 2024 compared to the fiscal year ended March 31, 2023. This was slightly offset by an increase in interest income.

Net cash used in investing activities was ₹22,448 million for the fiscal year ended March 31, 2023 compared to ₹23,119 million for the fiscal year ended March 31, 2022. The net cash outflow from investing activities for the fiscal year ended March 31, 2023 was primarily due to capital expenditure and consideration paid for the acquisition of subsidiaries. This was partly offset by dividends received from joint ventures.

Net cash generated from/used in financing activities

Net cash generated from financing activities was ₹12,807 million for the fiscal year ended March 31, 2024, compared to net cash used in financing activities of ₹27,342 million for the fiscal year ended March 31, 2023. The increase in net cash from financing activities was primarily due to an increase in borrowings as compared to March 31, 2023.

Net cash used in financing activities was ₹27,342 million for the fiscal year ended March 31, 2023, compared to ₹12,174 million for the fiscal year ended March 31, 2022. The increase in net cash used in financing activities was primarily due to net repayment of borrowings (including lease liabilities) of a higher amount for the fiscal year ended March 31, 2023 compared to the fiscal year ended March 31, 2022 as well as dividend payment and interest paid.

For a more detailed description of our recent financing activities, see "*—Existing Financing Arrangements*".

Existing Financing Arrangements

We have financed our working capital, acquisition and capital expenditure requirements through committed or uncommitted loan facilities that include working capital facilities at local subsidiaries, which we use primarily to finance our local inventories. As at March 31, 2024, we had ₹106,128 million outstanding under credit facilities.

For a brief description of our existing financing arrangements, see "*Description of Material Indebtedness*".

Capital Expenditure

For the fiscal years ended March 31, 2022, March 31, 2023 and March 31, 2024, we made cash outflow on account of capital expenditures (net of sale proceeds) of ₹24,363 million, ₹21,828 million and ₹40,100 million, respectively. The numbers are exclusive of amount spent by joint venture and associate companies of the Group consolidated as per equity method.

Capital expenditure primarily comprises of leasehold improvement, buildings, plant and machinery, furniture and fixtures, office equipment, computers, and also capital work-in-progress and expenditure on intangible assets such as technical knowhow, customer relationship and contracts, business and commercial rights, intellectual property rights and software.

Contractual Obligations and Contingent Liabilities

Contractual Obligations

The following table sets out the total borrowing and lease liabilities as at March 31, 2024 as adjusted to give effect to the Offering.

Particulars	Current(1)	Non-Current(1)	Total
		(₹ million)	
Borrowings	73,707	99,806	173,513
Finance lease liabilities	6,459	19,247	25,706
	80,166	**119,053**	**199,219**
Interest and finance charges payable in future (yet to be accrued)	7,995	16,981	24,936
Total	**88,121**	**136,034**	**224,155**

Notes:

(1) Current represents amounts payable within one year and non-current represents amounts payable beyond one year.

(2) The table does not reflect any non-recourse financing arrangements. See "*Description of Material Indebtedness*".

The table below reflects the undiscounted cash flows of financial liabilities payable beyond a year mentioned in the table above

Particulars	1-2 years	2-3 years	3-4 years	4-5 years	Beyond 5 years	Payable beyond one year
			(₹ million)			
Borrowings	28,957	15,857	7,112	47,725	155	99,806
Finance lease liabilities	5,017	4,814	3,403	1,829	4,184	19,247
	33,974	**20,671**	**10,515**	**49,554**	**4,339**	**119,053**
Interest and finance charges payable in future (yet to be accrued)	6,950	4,492	2,666	2,554	319	16,981
Total	**40,924**	**25,163**	**13,181**	**52,108**	**4,658**	**136,034**

Our ability to make scheduled payments of principal of, or to pay the interest on, or to refinance, our indebtedness, or to fund planned capital expenditure and working capital, will depend on our future performance and our ability to generate cash in the future, which, to a certain extent, is subject to general economic, financial, competitive, legislative, legal, regulatory and other factors that are beyond our control, as well as to other risk factors.

Contingent Liabilities

In the ordinary course of business, our Group faces claims and assertions by various parties. Our Group assesses such claims and assertions and monitors the legal environment on an on-going basis, with the assistance of external legal counsel, wherever necessary. Our Group records a liability for any claims where a potential loss is probable and capable of being estimated and we disclose such matters in the Group Consolidated Financial Statements, if material. For potential losses that are considered possible, but not probable, our Group provides disclosure in the Group Consolidated Financial Statements but we do not record a liability in our accounts unless the loss becomes probable.

The following is a description of claims and assertions where a potential loss is possible, but not probable. Our Group believes that none of the contingencies described below would have a material adverse effect on our financial condition, results of operations or cash flows.

Claims against our Group not acknowledged as debts

Claims against the Group not acknowledged as debts (evaluated as per Ind AS 37)[(1) (2) (4)]	As at March 31,		
	2022	**2023**	**2024**
		(₹ million)	
Excise, sales tax and service tax matters	147	88	54
Other tax matters	94	—	0
Claims made by workmen	229	231	272
Income tax matters..	326	297	334
Unfulfilled export commitment under EPCG scheme	9	229	22
Others[(3)]	3,380	2,619	3,075
Total	**4,185**	**3,464**	**3,757**

Notes:

(1) Our Group does not expect any reimbursements in respect of the above contingent liabilities.

(2) It is not practicable for our Group to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings.

(3) Our Group has acted as surety in respect of subsidy received by one of our subsidiaries, which limits the total liability of our Group to 1.2x of the amount of subsidy granted. As per the conditions of the subsidy received from the local government, the subsidiary is required to incur certain level of capital expenditure along with maintaining the headcount at certain level for a period of five years. As at March 31, 2024, both the conditions have been fulfilled, however, the headcount level needs to be sustained for the five years ending on March 31, 2026, our Group may be contingently liable for ₹2,906 million (March 31, 2023: ₹2,615 million; March 31, 2022: ₹2,463 million) in the event of non-compliance of the subsidy conditions by the subsidiary in the future.

(4) The contingent liabilities above include our Group's share of contingent liability of the associates and joint ventures entities consolidated as per equity method.

Off-Balance Sheet Arrangements

We do not have any off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenue or expenses, operating results, liquidity, capital expenditure or capital resources.

Quantitative and Qualitative Disclosures about Financial Risks

Market risk

Market risk is the risk that the fair value of future cashflows of a financial instruments will fluctuate because of changes in market price/rate. Market risk comprises three types of risk: interest rate risk, foreign currency risk and other price risks. Financial instruments affected by market risk include loans and borrowings, deposits and payables/receivables in foreign currencies.

Interest rate risk

Interest rate risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of change in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long term debt obligation at floating interest rates.

Foreign exchange risk

Foreign currency risk arises from monetary receivables and obligations expressed in a currency other than functional currency of each entity in the Group. The Group has operations in 44 countries, largely catering to domestic customers in the country of its operation. Primarily, the Group is catering to customers in their local currency resulting in natural hedge. However, in certain geographies wherein there are certain foreign currency expenditure, the Group companies obtain hedges against those material foreign currency risk exposures which aligns to Group's risk management policies. The Group's major exposure in foreign currency is in respect of borrowings which is availed based on consideration of optimization of overall cost of borrowing. The Group has entered into fixed cross currency interest rate swap to hedge the said foreign currency exposure.

Price risk

Fluctuation in commodity prices in the global market affects directly and indirectly the price of raw material and components used by the Group in its various product segments. Pricing pressure from major OEMs to give price cuts and inability to pass on the increased cost to customers may also affect the profitability of the Group. The Group has set up Global Sourcing Procurement (GSP) at Sharjah which gives leverage of bulk buying and helps in controlling prices to a certain extent.

The key raw material for the Group's wiring harness business is copper. There is substantial fluctuation in prices of copper. The Group has arrangements with its major customers for passing on the price impact. The Group has also entered into forward contracts to hedge copper prices at the behest of customers.

The major raw materials used by the MPP Segment of the Group are polypropylenes, polycarbonates and various grades of nylons and resins. The Group has an arrangement with its major customers for actualization of raw material price variations periodically.

The main inputs for the Group's Vision Systems Segment are glass actuators, powerfolds, glass, electrochromatic glass, wiring harnesses, electronics, electrical parts, die casting, plastic parts and resins. The Group has arrangements with its major customers for passing on the price impact.

The Group is regularly taking initiatives like VA-VE (Value Addition, Value Engineering) to reduce its raw material costs to meet targets set up by the customers for cost downs. In respect of customer nominated parts, the Group has back-to-back arrangements for cost savings with its suppliers.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations towards the Group and arises principally from the Group's receivables from customers and deposits with banking institutions.

Trade receivables

The Group has developed guidelines for the management of credit risk from trade receivables. The Group's primary customers are major automobile manufacturers (OEMs) with good credit ratings. Non-OEM clients are subjected to credit assessments as a precautionary measure, and the adherence of all clients to payment due dates is monitored on an on-going basis, thereby practically eliminating the risk of default and impairment. The Group also enters into non-recourse factoring arrangements for its trade receivables with various banks/financial institutions. As at March 31, 2024 the Group had factoring facilities in place for trade receivables amounting to INR 78,179 million which were de-recognized in the Group Consolidated Financial Statements. The Group derecognize the receivables from its books of accounts if it transfer substantially all the risk and rewards of ownership of the trade receivables.

Financial instruments and cash deposits

The Group has deposited liquid funds at various banking institutions. Primary banking institutions are major international banks. In long term credit ratings these banking institutions are considered to be investment grade. Also, no impairment loss has been recorded in respect of fixed deposits that are with recognized commercial banks and are not past due over past years.

Liquidity risk

The liquidity risk encompasses any risk that the Group cannot fully meet its financial obligations. To manage the liquidity risk, cash flow forecasting is performed in the operating entities of the Group and aggregated by Group finance. Group finance monitors rolling forecasts of the Group's liquidity requirements on the basis of future cashflow projections to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities/overdraft facilities at all times so that the Group does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities.

Basis of preparation

The Group Consolidated Financial Statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the Group Consolidated Financial Statements.

Critical Accounting Policies

In order to prepare our consolidated financial statements, estimates and judgments are used based on, among other things, industry trends, our experience and the terms of existing contracts, all of which are subject to an inherent degree of uncertainty. For information on our significant accounting policies, disclosure as per applicable accounting standards and for the financial periods presented in this document, please refer to the respective consolidated financial statements set forth in this document.

While we believe our estimates and judgments to be reasonable under the circumstances, there can be no assurance that our judgments will prove correct or that actual results reported in future periods will not differ from expectations reflected in our accounting treatment of certain items. In addition, other companies may utilize different accounting policies, which may impact the comparability of our results of operations to those of companies in similar businesses.

DESCRIPTION OF MATERIAL INDEBTEDNESS

The following is a summary of the material terms of the principal financing arrangements of our indebtedness does not purport to be complete and is subject to, and qualified in its entirety by reference to, the underlying loan agreements and other documentation.

Details of our non-current borrowings and current borrowings and amounts outstanding with regards to our indebtedness as at March 31, 2024 are described in the Group's consolidated financial statements.

Intercreditor Agreement

The description of the terms of the Intercreditor Agreement (as defined below) herein includes references to facilities described therein which have been repaid as at the date hereof (and are no longer outstanding). As mentioned below, this description should be read in conjunction with the Intercreditor Agreement and other relevant documents.

General

On June 13, 2023, amongst others, Samvardhana Motherson Automotive Systems Group B.V. ("**SMRP B.V.**"), SMRC Automotive Holdings Netherlands B.V. and the Debtors (as defined in the Intercreditor Agreement) entered into an amended and restated intercreditor agreement with and to govern the relationships and relative priorities among, inter alia: (i) Axis Trustee Services Limited, Gift City Branch acting as revolving facility agent (the "**Revolving Facility Agent**") in respect of the 2023 SAHN Revolving Credit Facility Agreement; (ii) the lenders (the "**Revolving Facility Lenders**") under the 2023 SAHN Revolving Credit Facility; (iii) Citicorp International Limited as trustee of the 2015 Notes (the "**Senior Secured 2015 Notes Trustee**"), on its behalf and on behalf of the holders of the 2015 Notes (the "**Senior Secured 2015 Noteholders**"); (iv) Deutsche Trustee Company Limited as trustee of the 2017 Notes (the "**Senior Secured 2017 Notes Trustee**", together with the Senior Secured 2015 Notes Trustee, the "**Senior Secured Notes Trustees**"), on its behalf and on behalf of the holders of the 2017 Notes (together with the 2015 Notes, the "**Senior Secured Notes**") (the "**Senior Secured 2017 Noteholders**", together with the Senior Secured 2015 Noteholders, the "**Senior Secured Noteholders**"); (v) The Hongkong and Shanghai Banking Corporation Limited as agent for the facility made available under the U.S.$60 million term facilities agreement dated September 14, 2018, as amended and restated on 23 July 2020, between, among others, SMRP B.V. and the 2018 Term Facility Creditors (as defined in the Intercreditor Agreement) ("**2018 Term Facility**"); (vi) Wilmington Trust (London) Limited, acting as security agent for the secured parties (the "**Security Agent**"); (vii) any persons that accede to the Intercreditor Agreement as counterparties to certain hedging arrangements (the "**Hedging Agreements**", such persons being referred to in such capacity as the "**Hedge Counterparties**"); (vii) intra-group creditors and debtors; and (viii) the direct or indirect shareholders of SMRP B.V. in respect of certain structural debt that SMRP B.V. may incur in the future (including the holders of shareholder funding instruments) (the "**Intercreditor Agreement**"). In addition, the Intercreditor Agreement regulates the relationship between SMRP B.V. and its subsidiaries, on the one hand, and shareholders of SMRP B.V. and related parties, on the other hand.

The liabilities in respect of the 2023 SAHN Revolving Credit Facility, the 2018 Term Facility, the 2015 Notes and the 2017 Notes each constitute Additional Senior Financing Liabilities under the Intercreditor Agreement by reason of accession thereto. The 2018 Term Facility has since been repaid on August 29, 2023.

SMRP B.V. and certain of its subsidiaries that incurs liabilities above a prescribed limit or provides any guarantee under, amongst others, the Senior Secured 2015 Notes Documents (as defined in the Intercreditor Agreement), which includes the 2015 Notes and the 2015 Indenture, the Senior Secured 2017 Notes Documents (as defined in the Intercreditor Agreement), which includes the 2017 Notes and the 2017 Indenture, the 2023 SAHN Revolving Credit Facility Agreement or any other present or future Additional Senior Financing Liabilities in relation to any Additional Senior Financing Documents (as defined below).

Each Debtor is considered a Guarantor if it is a party to any Senior Finance Document (as defined below) in the capacity of a guarantor (in relation to the Revolving Facility Agreement and the Senior Secured Notes Indentures) and has acceded to the Intercreditor Agreement.

The Intercreditor Agreement sets out:

- the relative ranking of certain indebtedness of the Debtors;
- the relative ranking of certain security granted by the Debtors;
- when payments can be made in respect of certain indebtedness of the Debtors;
- when enforcement actions can be taken in respect of that indebtedness;
- provisions in respect of control of the enforcement process (if undertaken);
- the terms pursuant to which that indebtedness will be subordinated upon the occurrence of certain insolvency events;
- turnover provisions; and
- when security and guarantees will be released to permit a sale of any assets subject to transaction security.

The Intercreditor Agreement contains provisions relating to future indebtedness that may be incurred by SMRP B.V. and the Guarantors that is permitted by the Intercreditor Agreement and any of the documents which then constitute Senior Finance Documents, including any document or instrument entered into between any SMRP B.V. and any of its subsidiaries (each a "**Group Company**") and an Additional Senior Financing Creditor which creates or evidences Additional Senior Financing Liabilities (an "**Additional Senior Financing Document**") to rank pari passu with the liabilities under the Senior Finance Documents and be secured by the Common Transaction Security pursuant to the Security Documents, subject to the terms of the Intercreditor Agreement.

The Intercreditor Agreement contains provisions relating to future indebtedness that may be incurred by SMRP B.V. and the Guarantors that is permitted by the Debt Documents (as defined in the Intercreditor Agreement) to rank pari passu with the Senior Liabilities (as defined below) under the Senior Finance Documents, including the liabilities under the Senior Secured Notes Documents (as defined below) (the "**Senior Secured Notes Liabilities**") and be secured by the Common Transaction Security, subject to the terms of the Intercreditor Agreement.

The Intercreditor Agreement also includes provisions relating to future indebtedness that may be incurred by SMRP B.V. that is permitted under the Debt Documents, to rank pari passu with any existing Second Lien Debt (as defined below) and be secured by the Common Transaction Security, subject to the terms of the Intercreditor Agreement (the creditors in respect of such indebtedness being the "**Second Lien Creditors**", the liabilities of SMRP B.V. in respect of such indebtedness being the "**Second Lien Debt**" and the documents creating or evidencing the Second Lien Debt, the "**Second Lien Debt Documents**").

Unless expressly stated otherwise in the Intercreditor Agreement, the Intercreditor Agreement overrides anything in the Debt Documents, including the Revolving Facility Finance Documents (as defined in the Intercreditor Agreement), the documentation required to implement the issuance of the Senior Secured Notes (the "**Senior Secured Notes Documents**"), any Additional Senior Financing Documents, the Hedging Agreements, the Second Lien Debt Documents, the Security Documents (as defined in the Intercreditor Agreement), any Equity Investor Document (as defined in the Intercreditor Agreement) and any agreement evidencing the terms of any Intra-Group Liabilities (as defined below) and any other document designated as such by the Security Agent and SMRP B.V. to the contrary.

Noteholders shall be deemed to have agreed to, and accepted the terms and conditions of, the Intercreditor Agreement and to have authorized the Trustee to enter into the Intercreditor Agreement on their behalf.

The following description is a summary of certain provisions, among others, contained in the Intercreditor Agreement. It does not restate the Intercreditor Agreement in its entirety.

Ranking and Priority

The Intercreditor Agreement provides, subject to the provisions in respect of permitted payments described below, that the Liabilities (as defined below) owed by the Debtors to the Hedge Counterparties, the Security Agent, or any other the Revolving Facility Creditors (as defined in the Intercreditor Agreement), the Senior Secured Notes Trustees, the Senior Secured Noteholders and the Additional Senior Financing Creditors (together, the "**Senior Creditors**"), the Second Lien Creditors, each Group Company which has made a loan available to, granted credit to or made any other financial arrangement having similar effect with another Group Company and is party to the Intercreditor Agreement as an intra-group lender (the "**Intra-Group Lenders**") and Samvardhana Motherson Global Holding Ltd and Samvardhana Motherson Polymers Limited (now merged with SAMIL) (together, the "**Equity Investors**") and affiliates of an Equity Investor (an "**Equity Investor Affiliate**") shall rank in right and priority of payment in the following order and are postponed and subordinated to any prior ranking Liabilities as follows:

(a) first, the Liabilities owed by the Debtors under the Senior Finance Documents including to (i) the Revolving Facility Creditors under the Revolving Facility Finance Documents ("**Revolving Facility Liabilities**"); (ii) the Senior Secured 2015 Noteholders and the Senior Secured 2017 Noteholders ("**Senior Secured Notes Liabilities**"); (iii) the Senior Secured 2015 Notes Trustee Amounts and the Senior Secured 2017 Notes Trustee Amounts (each as defined in the Intercreditor Agreement) ("**Senior Secured Notes Trustee Amounts**"); and (iv) any Additional Senior Financing Creditor under the relevant Additional Senior Financing Liabilities (all such Liabilities together being the "**Senior Liabilities**") and all present or future liabilities owed by an obligor to any Hedge Counterparty under a Hedging Agreement (the "**Hedging Liabilities**") pari passu and without any preference between them;

(b) second, the liabilities constituting Second Lien Debt pari passu and without any preference between them; and

(c) third, the Liabilities owed by any Group Company to any Intra-Group Lenders and the Equity Investors (the "**Intra-Group Liabilities**" and the "**Equity Investor Liabilities**", respectively).

The parties to the Intercreditor Agreement have agreed that the Transaction Security (as defined below) other than the Superior Secured Transaction Security (as defined in the Intercreditor Agreement) ("**Common Transaction Security**") shall rank and secure the following Liabilities (but only to the extent that such Common Transaction Security is expressed to secure those Liabilities) in the following order:

(a) first, the Senior Liabilities and the Hedging Liabilities pari passu and without any preference between them; and

(b) second, the liabilities constituting Second Lien Debt pari passu and without any preference between them,

in each case irrespective the date of execution or order in which the relevant Transaction Security Documents (as defined in the Intercreditor Agreement) are entered into, or the ranking of such Transaction Security Documents under applicable law.

"**Liabilities**" means all present and future liabilities and obligations at any time of any Group Company under the Debt Documents, both actual and contingent and whether incurred solely or jointly or as principal or surety or in any other capacity together with any of the following matters relating to or arising in respect of those liabilities and obligations: (a) any refinancing, novation, deferral or extension; (b) any claim for breach of representation, warranty or undertaking or on an event of default or under any indemnity given under or in connection with any document or agreement evidencing or constituting any other liability or obligation falling within this definition; (c) any claim for damages or restitution; and (d) any claim as a result of any recovery by any Debtor of a payment on the grounds of preference or otherwise, and any amounts which would be included in any of the above but for any discharge, non-provability, unenforceability or non-allowance of those amounts in any insolvency or other proceedings.

Under the Intercreditor Agreement, all proceeds from enforcement of the security created and evidenced by the Security Documents (the "**Transaction Security**") will be applied as provided below under "—*Application of Proceeds*".

Permitted Payments

Permitted Payments: Senior Liabilities

The Intercreditor Agreement permits payments to be made by the Debtors in respect of the Senior Liabilities at any time in accordance with the terms of the Revolving Facility Finance Documents, the Hedging Agreements, the Additional Senior Financing Documents and the Senior Secured Notes Documents (each a "**Senior Finance Document**") as applicable provided that, following the occurrence of a Senior Acceleration Event (as defined below) or enforcement of any Transaction Security, no Debtor may make payments except for Recoveries (as defined in the Intercreditor Agreement) distributed as provided below under "—*Application of Proceeds*".

Permitted Payments: Second Lien Debt

The Intercreditor Agreement permits payments to be made (a) prior to the first date on which all of the Revolving Facility Liabilities, the Additional Senior Financing Liabilities (if any), the Hedging Liabilities and the Senior Secured Notes Liabilities have been fully and finally discharged in accordance with the terms of the relevant Senior Finance Documents whether or not as a result of an enforcement, and the Senior Creditors are under no further obligation to provide financial accommodation to any of the Debtors under the Senior Finance Documents (the "**Senior Discharge Date**") by the Debtors to the Second Lien Creditors in respect of the Second Lien Debt (i)(A) if the payment is of (I) any of the principal amount or capitalized interest of the Second Lien Debt which is not prohibited from being paid by the Revolving Facility Finance Documents, the Senior Secured Notes Documents or any Additional Senior Financing Documents or (II) any other amount which is not an amount of principal or capitalized interest; (B) no Second Lien Payment Stop Notice (as defined below) is outstanding; and (C) no Senior Payment Default (as defined below) has occurred and is continuing; or (ii) the Senior Creditors whose Senior Credit Participations (as defined below) at that time aggregate more than 50% of the total Senior Credit Participations at that time (the "**Majority Senior Creditors**") give prior consent to that payment being made; or (iii) the payment is of fees, costs and expenses owed by the Debtors to each creditor representative for Second Lien Creditors (a "**Second Lien Debt Representative**") under or in connection with the Second Lien Debt Documents (the "**Second Lien Debt Representative Amounts**"); or (iv) the payment is of costs, commissions, taxes, consent fees and expenses incurred in respect of (or reasonably incidental to) the Second Lien Debt Documents (including in relation to any reporting or listing requirements under the Second Lien Debt Documents); or (iv) if the payment is of costs, commissions, taxes, premiums and any expenses incurred in respect of (or reasonably incidental to) any refinancing of the Second Lien Debt in compliance with the Intercreditor Agreement, the Revolving Facility Finance Documents, the Senior Secured Notes Documents and any Additional Senior Financing Documents; and (b) on or after the Senior Discharge Date, make payments in respect of the Second Lien Debt in accordance with the Second Lien Debt Documents.

"**Senior Credit Participations**" means prior to the Senior Discharge Date: (a) in relation to a Revolving Facility Lender, the aggregate of its commitments under the 2023 SAHN Revolving Credit Facility Agreement or (for the purposes of calculating the Instructing Group (as defined in the Intercreditor

Agreement)) its aggregate Revolving Facility Liabilities; (b) in relation to a Senior Secured 2015 Noteholder, the aggregate amount of Senior Secured 2015 Notes Liabilities owed to that Senior Secured 2015 Noteholder; (c) in relation to a Senior Secured 2017 Noteholder, the aggregate amount of Senior Secured 2017 Notes Liabilities owed to that Senior Secured 2017 Noteholder; (d) in relation to an Additional Senior Financing Creditor, if applicable, its aggregate commitments under any Additional Senior Financing Agreement (as defined in the Intercreditor Agreement), and in all other cases and for the purposes of calculating the Instructing Group, the aggregate amount of Additional Senior Financing Liabilities owed to that Additional Senior Financing Creditor; and (e) in respect of any hedging transaction of that Hedge Counterparty under any Hedging Agreement that has, as of the date the calculation is made, been terminated or closed out in accordance with the terms of the Intercreditor Agreement, the amount, if any, payable to it under any Hedging Agreement in respect of that termination or close-out as of the date of termination or close-out (and before taking into account any interest accrued on that amount since the date of termination or close-out) to the extent that amount is unpaid (that amount to be certified by the relevant Hedge Counterparty and as calculated in accordance with the relevant Hedging Agreement).

Permitted Payments: Hedging Liabilities

The Intercreditor Agreement permits payments to be made to any Hedging Counterparty in respect of the Hedging Liabilities then due in accordance with the terms of the relevant hedging agreement (i) if the payment is a scheduled payment arising under the relevant hedging agreement; (ii) to the extent that the relevant Debtor's obligation to make the payment arises as a result of the operation of (A) any of sections 2(d) (Deduction or Withholding for Tax), 2(e) (Default Interest; Other Amounts), 8(a) (Payment in the Contractual Currency), 8(b) (Judgments) and 11 (Expenses) of the 1992 ISDA Master Agreement (if the Hedging Agreement is based on a 1992 ISDA Master Agreement); (B) any of sections 2(d) (Deduction or Withholding for Tax), 8(a) (Payment in the Contractual Currency), 8(b) (Judgments), 9(h)(i) (Prior to Early Termination) and 11 (Expenses) of the 2002 ISDA Master Agreement (if the Hedging Agreement is based on a 2002 ISDA Master Agreement); or (C) any provision of a Hedging Agreement which is similar in meaning and effect to any provision listed in paragraphs (A) or (B) above (if the Hedging Agreement is not based on an ISDA Master Agreement); (iii) to the extent that the relevant Debtor's obligation to make the payment arises from Non-Credit Related Close-Out (as defined below); (iv) to the extent that (A) the relevant Debtor's obligation to make the payment arises from (I) a close-out that is permitted as described below under "*—Permitted Enforcement: Hedge Counterparties*") that is not a Non-Credit Related Close-Out in relation to that Hedging Agreement; or (II) a termination or close-out of any hedging transaction prior to the maturity of that hedging transaction which is brought about automatically by the terms of the relevant Hedging Agreement and without any party to the relevant Hedging Agreement taking any action to terminate that hedging transaction, the provision of which is permitted under the terms of the Intercreditor Agreement under that Hedging Agreement which arises as a result of an event relating to a Debtor; and (B) no acceleration event under the Additional Senior Financing Documents, Revolving Facility Finance Documents or the Senior Secured Notes Documents ("**Senior Acceleration Event**") is continuing at the time of that payment or would result from that payment; (v) to the extent that no Senior Acceleration Event is continuing or would result from that payment and the relevant Debtor's obligation to make the payment arises as a result of a close-out or termination arising as a result of (A) section 5(a)(vii) (Bankruptcy) of the 1992 ISDA Master Agreement (if the relevant Hedging Agreement is based on a 1992 ISDA Master Agreement) and the Event of Default (as defined in the relevant Hedging Agreement) has occurred with respect to the relevant Hedge Counterparty; (B) section 5(a)(vii) (Bankruptcy) of the 2002 ISDA Master Agreement (if the relevant Hedging Agreement is based on a 2002 ISDA Master Agreement) and the Event of Default (as defined in the relevant Hedging Agreement) has occurred with respect to the relevant Hedge Counterparty; (C) any provision of a Hedging Agreement which is similar in meaning and effect to any provision listed in paragraphs (A) or (B) above (if the Hedging Agreement is not based on an ISDA Master Agreement) and the equivalent event of default has occurred with respect to the relevant Hedge Counterparty; or (D) the relevant Debtor terminating or closing-out the relevant Hedging Agreement as a result of a hedging force majeure and the Termination Event (as defined in the relevant Hedging Agreement in the case of a Hedging Agreement based on an ISDA Master Agreement) or the equivalent termination event (in the case of a Hedging Agreement not based on an ISDA Master Agreement) has occurred with respect to the relevant Hedge Counterparty; or (vi) if the Majority Senior Creditors give prior consent to the payment being made.

No payment may be made to a Hedge Counterparty under paragraph (a) above if any scheduled payment due from that Hedge Counterparty to a Debtor under a Hedging Agreement to which they are both party is due and unpaid unless the prior consent of the Majority Senior Creditors is obtained.

Permitted Payments: Intra-Group Liabilities

The Intercreditor Agreement permits Debtors to make payments in respect of Intra-Group Liabilities (whether of principal, interest or otherwise) from time to time unless, at the time of payment, an acceleration event has occurred. The Intercreditor Agreement will permit payments to be made at such time in respect of any Intra-Group Liabilities if (i) prior to the Senior Discharge Date, the Instructing Group consent to that payment being made; (ii) after the Senior Discharge Date but prior to the date on which all Second Lien Debt is discharged in full (the "**Second Lien Debt Discharge Date**"), the Second Lien creditors of the principal amount of the relevant tranche of Second Lien Debt required to vote in favor of any direction, approval, consent or waiver to be granted in respect of that tranche but excluding any Second Lien Debt held by any Debtor (the "**Second Lien Debt Required Holders**") consent to that payment being made; (iii) that payment is made to facilitate payment of the Senior Liabilities; (iv) after the Senior Discharge Date, that payment is made to facilitate payment of the Second Lien Debt that is permitted to be paid under the terms of the Intercreditor Agreement; or (v) the payment is required for any Intra-Group Lender established in Germany to comply with its obligations under German law.

Permitted Payments: Equity Investor Liabilities

The Intercreditor Agreement permits payments at any time in respect of the Equity Investor Liabilities provided such payments are not prohibited under any of the Debt Documents.

Restriction on Enforcement: Revolving Facility Creditors, Additional Senior Financing Creditors and Senior Secured Notes Creditors

The Intercreditor Agreement provides that no Revolving Facility Creditor, Additional Senior Financing Creditor or Senior Secured Notes Creditor may take any Enforcement Action (as defined in the Intercreditor Agreement), other than a Permitted Enforcement Action (as defined below), without the prior written consent of the Majority Senior Creditors other than in accordance with terms of the Intercreditor Agreement. A "**Permitted Enforcement Action**" means: (a) the cancelation of any commitments by a Senior Creditor following the occurrence of an event of default and/or the giving of any notice by a Senior Creditor to any Group Company of a failure to pay any amount due and payable at final maturity date and/or acceleration of any liabilities owed to that Senior Creditor by a Debtor or any declaration by that Senior Creditor that any such liabilities are prematurely due and payable or payable on demand; and (b) the suing for, commencing or joining any legal or arbitration proceedings by a Senior Creditor against any Debtor to recover any liabilities owed to that Senior Creditor, in each case in accordance with the terms of the relevant Debt Document.

Issue of Second Lien Payment Stop Notice

The Intercreditor Agreement provides that until the Senior Discharge Date, except with the prior consent of the Revolving Facility Agent, the Senior Secured Notes Trustee, each Hedge Counterparty and any Creditor Representative (as defined below) in respect of any Additional Senior Financing Liabilities, and subject to the terms of the Intercreditor Agreement, SMRP B.V. shall procure that no Group Company shall make, and no Second Lien Creditor may receive from any Group Company, any Permitted Second Lien Debt Payment (as defined in the Intercreditor Agreement) (other than Second Lien Debt Representative Amounts) if:

(a) an event of default arising by reason of non-payment under the 2023 SAHN Revolving Credit Facility Agreement, under a Senior Secured Notes Document (other than in respect of an amount not constituting principal, interest or fees and not exceeding EUR 75,000 or its equivalent in other currencies) or under an Additional Senior Financing Document (a "**Senior Payment Default**") has occurred and is continuing; or

(b) an Event of Default (as defined below), other than a Senior Payment Default, has occurred and is continuing, from the date on which the Revolving Facility Agent, the Senior Secured Notes Trustees, any Hedge Counterparty or any Creditor Representative in respect of Additional Senior Financing Liabilities (as the case may be) (the "**Relevant Representative**") delivers a notice (a "**Second Lien Payment Stop Notice**") specifying the event or circumstance in relation to that Event of Default to SMRP B.V., the Security Agent and any Second Lien Debt Representative until the earliest of:

   (i) the date falling 179 days after delivery of that Second Lien Payment Stop Notice;

   (ii) the date on which a Second Lien Debt Default occurs for failure to pay principal at the original scheduled maturity of the Second Lien Debt;

   (iii) in relation to payments of Second Lien Debt, if a Second Lien Standstill Period is in effect at any time after delivery of that Second Lien Payment Stop Notice, the date on which that Second Lien Standstill Period expires;

   (iv) the date on which the relevant Event of Default is no longer continuing and, if the relevant Secured Liabilities have been accelerated, such acceleration has been rescinded;

   (v) the date on which the Relevant Representative delivers a notice to the Second Lien Issuer, the Security Agent and any Second Lien Debt Representative canceling the Second Lien Payment Stop Notice;

   (vi) the Senior Discharge Date; and

   (vii) the date on which the Second Lien Debt Representative takes any Enforcement Action that it is permitted to take under the Intercreditor Agreement.

Unless the Second Lien Debt Representative waives this requirement:

(a) a new Second Lien Payment Stop Notice may not be delivered unless and until 360 days have elapsed since the delivery of the immediately prior Second Lien Payment Stop Notice; and

(b) no Second Lien Payment Stop Notice may be delivered in reliance on an Event of Default more than 60 days after the date the Revolving Facility Agent, each Hedge Counterparty, the Senior Secured Notes Trustee or any Creditor Representative in respect of Additional Senior Financing Liabilities (as applicable) received notice of that Event of Default.

"**Event of Default**" means any event or circumstance specified as such in any of the Revolving Facility Agreement, the Hedging Agreements, the Senior Secured Notes Indentures, any Second Lien Debt Document or any Additional Senior Financing Agreement, as the context requires.

The Revolving Facility Agent, the Senior Secured Notes Trustee and any Creditor Representative in respect of Additional Senior Financing Liabilities may serve only one Second Lien Payment Stop Notice with respect to the same event or set of circumstances.

No Second Lien Payment Stop Notice may be served by the Revolving Facility Agent, the Senior Secured Notes Trustee or any Creditor Representative in respect of Additional Senior Financing Liabilities in respect of an Event of Default which had been notified to each of them at the time at which an earlier Second Lien Payment Stop Notice was issued.

Any failure to make a payment due under the Second Lien Debt Documents as a result of the issue of a Second Lien Payment Stop Notice or the occurrence of a Senior Payment Default shall not prevent the occurrence of an Event of Default as a consequence of that failure to make a payment in relation to the Second Lien Debt Documents, as the case may be; or (b) the issue of a Second Lien Enforcement Notice (as defined in "*—Permitted Second Lien Enforcement*") below on behalf of the Second Lien Creditors.

Under the Intercreditor Agreement, a "**Creditor Representative**" means: (a) in relation to the Revolving Facility Lenders, the Revolving Facility Agent; (b) in relation to the Senior Secured 2015 Noteholders, the Senior Secured 2015 Notes Trustee; (c) in relation to the Senior Secured 2017 Noteholders, the Senior Secured 2017 Notes Trustee; (d) in relation to any Hedge Counterparty, each Hedge Counterparty shall be its own Creditor Representative; (e) in relation to any Second Lien Creditor of any Second Lien Debt, the Second Lien Debt Representative in respect of those Second Lien Creditors; (f) in relation to any Additional Senior Financing Creditors, the agent, trustee or other relevant representative under that Additional Senior Financing (as defined in the Intercreditor Agreement) or where such Additional Senior Financing is a bilateral facility, the lender that makes such Additional Senior Financing available; and (g) to the extent any of the foregoing Creditors also constitute the Superior Secured Creditors, the Superior Secured Debt Creditor Representative (each as defined in the Intercreditor Agreement).

Cure of Payment Stop: Second Lien Creditors

The Intercreditor Agreement provides that if:

(a) at any time following the issue of a Second Lien Payment Stop Notice or the occurrence of a Senior Payment Default, that Second Lien Payment Stop Notice ceases to be outstanding and/or (as the case may be) the Senior Payment Default ceases to be continuing; and

(b) the relevant Debtor then promptly pays to the Second Lien Creditors an amount equal to any payments which had accrued under the Second Lien Debt Documents and which would have been Permitted Second Lien Debt Payments (as defined in the Intercreditor Agreement), as the case may be, but for that Second Lien Payment Stop Notice or Senior Payment Default,

then any Event of Default which may have occurred as a result of that suspension of payments shall be waived and any Second Lien Enforcement Notice which may have been issued as a result of that Event of Default shall be waived, in each case without any further action being required on the part of the Second Lien Creditors.

Restrictions on Enforcement by Second Lien Creditors

The Intercreditor Agreement provides that until the Senior Discharge Date, except with the prior consent of or as required by the Instructing Group, (a) no Second Lien Creditor shall take or require the taking of any Enforcement Action in relation to the Second Lien Debt; and no Second Lien Creditor shall direct the Security Agent to enforce or otherwise (to the extent applicable) require the enforcement of, any Transaction Security except as permitted under the Intercreditor Agreement.

Permitted Second Lien Enforcement

The restrictions on enforcement set out in "*—Restrictions on Enforcement by Second Lien Creditors*" above will not apply in respect of the Second Lien Debt, if:

(i) an Event of Default under the Second Lien Debt Documents (a "**Second Lien Debt Default**") (the "**Relevant Second Lien Debt Default**") is continuing;

(ii) the Revolving Facility Agent, each Hedge Counterparty, the Senior Secured Notes Trustees and any Creditor Representative in respect of Additional Senior Financing Liabilities have received a notice of the Relevant Second Lien Debt Default specifying the event or circumstance in relation to the Relevant Second Lien Debt Default from the Second Lien Debt Representative;

(iii) a Second Lien Standstill Period (as defined below) has elapsed; and

(iv) the Relevant Second Lien Debt Default is continuing at the end of the relevant Second Lien Standstill Period.

Promptly upon becoming aware of a Second Lien Debt Default, the Second Lien Debt Representative may, by notice (a "**Second Lien Enforcement Notice**") in writing notify the Revolving Facility Agent, each Hedge Counterparty, the Senior Secured Notes Trustees and any Creditor Representative in respect of Additional Senior Financing Liabilities of the existence of such Second Lien Debt Default.

Second Lien Standstill Period

In relation to a Relevant Second Lien Debt Default, a Second Lien Standstill Period shall mean the period beginning on the date (the "**Second Lien Standstill Start Date**") the Second Lien Debt Representative serves a Second Lien Enforcement Notice on the Revolving Facility Agent, each Hedge Counterparty, the Senior Secured Notes Trustees and any Creditor Representative in respect of Additional Senior Financing Liabilities in respect of such Relevant Second Lien Debt Default and ending on the earlier to occur of:

(a) the date falling 179 days after the Second Lien Standstill Start Date (the "**Second Lien Standstill Period**");

(b) the date the Secured Parties (as defined in the Intercreditor Agreement) take any Enforcement Action in relation to a Guarantor, provided however, that:

 (i) if a Second Lien Standstill Period ends pursuant to this paragraph (b), the Second Lien Creditors may only take the same Enforcement Action in relation to the Guarantor as the Enforcement Action taken by the Secured Parties against such Guarantor and not against any other Group Company; and

 (ii) Enforcement Action for the purpose of this paragraph (b) shall not include action taken to preserve or protect any Common Transaction Security as opposed to realize it;

(c) the date of an insolvency event in relation to a Guarantor against whom Enforcement Action is to be taken;

(d) the date on which a Second Lien Debt Default occurs for failure to pay principal at the original scheduled maturity of the Second Lien Debt; and

(e) the expiry of any other Second Lien Standstill Period outstanding at the date such first mentioned Second Lien Standstill Period commenced (unless that expiry occurs as a result of a cure, waiver or other permitted remedy).

The Second Lien Creditors may take Enforcement Action as described above in relation to a Relevant Second Lien Debt Default even if, at the end of any relevant Second Lien Standstill Period or at any later time, a further Second Lien Standstill Period has begun as a result of any other Relevant Second Lien Debt Default.

If the Security Agent has notified the Second Lien Debt Representative that it is enforcing a mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect ("**Security**") created pursuant to any Transaction Security Document over shares of a Guarantor, no Second Lien Creditor may take any action referred to in "*—Permitted Second Lien Enforcement*" above against that Guarantor while the Security Agent is taking steps to enforce that

Security in accordance with the instructions of the Instructing Group where such action might be reasonably likely to adversely affect such enforcement or the amount of proceeds to be derived therefrom.

Second Lien Creditors' Option to Purchase

The Intercreditor Agreement provides that the Second Lien Creditors may, following an acceleration of any of the Senior Liabilities or Second Lien Debt pursuant to the terms of the relevant Debt Documents or the enforcement of any Transaction Security (a "**Distress Event**"), by giving not less than ten days' notice to the Revolving Facility Agent, the Hedge Counterparties, the Senior Secured Notes Trustees and any Creditor Representative in respect of Additional Senior Financing Liabilities, acquire or procure the acquisition of all (but not part only) of the rights and obligations of the Senior Creditors, including any Superior Secured Debt (as defined in the Intercreditor Agreement), in connection with the Revolving Facility Liabilities under the Revolving Facility Finance Documents, the Hedging Liabilities under the Hedging Agreements, the Senior Secured Notes Liabilities under the Senior Secured Notes Documents and the Additional Senior Financing Liabilities under the Additional Senior Financing Documents.

Restriction on Enforcement: Hedge Counterparties

Save as set out below in "*—Permitted Enforcement: Hedge Counterparties*" and in "*—Required Enforcement: Hedge Counterparties*" and without prejudice to each Hedge Counterparty's rights under the Intercreditor Agreement, the Hedge Counterparties shall not take any Enforcement Action in respect of any of the Hedging Liabilities or any of the hedging transactions under any of the Hedging Agreements at any time.

Permitted Enforcement: Hedge Counterparties

The Intercreditor Agreement provides that to the extent it is able to do so under the relevant Hedging Agreement, a Hedge Counterparty may terminate or close-out in whole or in part any hedging transaction under that Hedging Agreement prior to its stated maturity (i) if a hedging force majeure has occurred; (ii) to the extent necessary to compensate a Hedge Counterparty for any interest rate or exchange rate hedge excess (each of (i) and (ii) being a "**Non-Credit Related Close-Out**"); (iii) if a Distress Event has occurred; (iv) if an insolvency related Event of Default has occurred under the 2023 SAHN Revolving Credit Facility Agreement or any similar clauses in any Additional Senor Financing Agreement (as defined in the Intercreditor Agreement) or Senior Secured Notes Documents, in relation to a Debtor which is party to that Hedging Agreement; (v) if the Majority Senior Creditors give prior consent to that termination or close-out being made; and (vi) on or immediately following a refinancing (or repayment) and cancelation in full of the Senior Secured Notes Liabilities.

If a Debtor has defaulted on any payment due under a Hedging Agreement (after allowing any applicable notice or grace periods) and the default has continued unwaived for more than five days after notice of that default has been given to the Security Agent, the relevant Hedge Counterparty may, to the extent it is able to do so under the relevant Hedging Agreement, terminate or close-out in whole or in part any hedging transaction under that Hedging Agreement and until such time as the Security Agent has given notice to that Hedge Counterparty that the Transaction Security is being enforced (or that any formal steps are being taken to enforce the Transaction Security), shall be entitled to exercise any right it might otherwise have to sue for, commence or join legal or arbitration proceedings against any Debtor to recover any Hedging Liabilities due under that Hedging Agreement.

After the occurrence of an insolvency event in relation to any Group Company, each Hedge Counterparty shall be entitled to exercise any right it may otherwise have in respect of that Group Company to:

(a) prematurely close-out or terminate any Hedging Liabilities of that Group Company;

(b) make a demand under any guarantee, indemnity or other assurance against loss given by that Group Company in respect of any Hedging Liabilities;

(c) exercise any right of set-off or take or receive any payment in respect of any Hedging Liabilities of that Group Company; or

(d) claim and prove in the liquidation of that Group Company for the Hedging Liabilities owing to it.

Required Enforcement: Hedge Counterparties

The Intercreditor Agreement provides that save in circumstances where a Senior Acceleration Event has occurred as a result of an arrangement between any Debtor and any Senior Creditor with the purpose to bring it about, a Hedge Counterparty shall promptly terminate or close-out in full any hedging transaction under all or any of the Hedging Agreements to which it is party prior to their stated maturity, following (i) the occurrence of a Senior Acceleration Event and delivery to it of a notice from the Security Agent that that Senior Acceleration Event has occurred; and (ii) delivery to it of a subsequent notice from the Security Agent (acting on the instructions of the Instructing Group) instructing it to do so.

The Intercreditor Agreement provides that if a Hedge Counterparty is entitled to terminate or close-out any hedging transaction as described in "*—Permitted Enforcement: Hedge Counterparties*" above (or would have been able to if that Hedge Counterparty had given the notice referred to in that section) but has not terminated or closed out each such hedging transaction, that Hedge Counterparty shall promptly terminate or close-out in full each such hedging transaction following a request to do so by the Security Agent (acting on the instructions of the Instructing Group).

Amendments to Equity Investor Documents

The Intercreditor Agreement provides that on or prior to the Second Lien Debt Discharge Date, no Debtor, Equity Investor or an Equity Investor Affiliate will amend any term of any Equity Investor Document in a manner or to an extent which would: (i) be prejudicial to the interests of the Senior Creditors; (ii) result in any Debtor being subject to obligations which would conflict with any provisions of the Intercreditor Agreement; or (iii) result in the ranking or subordination provided for in the Intercreditor Agreement being affected in any way that is adverse to the interests of the Senior Creditors or the Second Lien Creditors, in each case without the prior consent of the Instructing Group and/or the Second Lien Debt Required Holders, as the case may be.

Nothing in the Intercreditor Agreement prevents the roll-up or capitalization or payment by way of the issue of shares of any Equity Investor Liabilities or the forgiveness, waiver or write-off of any Equity Investor Liabilities.

Enforcement Instructions

The Intercreditor Agreement provides that the Security Agent may refrain from enforcing the Common Transaction Security unless instructed by (i) the Instructing Group; or (ii) the Second Lien Debt Representative (acting on the instructions of the Second Lien Debt Required Holders), if required as set out below.

Subject to the Common Transaction Security having become enforceable in accordance with its terms: (i) the Instructing Group; or (ii) to the extent permitted to enforce or to require the enforcement of the Transaction Security prior to the Senior Discharge Date as set out in "*—Permitted Second Lien Enforcement*", the Second Lien Debt Representative (acting on the instructions of the Second Lien Debt Required Holders) may give or refrain from giving instructions to the Security Agent to enforce or refrain from enforcing the Common Transaction Security as they see fit.

Prior to the Senior Discharge Date: (i) if the Instructing Group or the Majority Superior Secured Creditors (as defined in the Intercreditor Agreement), as the case may be, has instructed the Security Agent not to enforce or to cease enforcing the Common Transaction Security or the Superior Secured Transaction Security (to the extent that they are entitled to give instructions in relation thereto); or (ii) in the absence of instructions from Instructing Group or the Majority Superior Secured Creditors, as the case may be, and, in each case, the Instructing Group or the Majority Superior Secured Creditors, as the case may be, has not required any Debtor to make a Distressed Disposal (as defined below), the Security Agent shall give effect to any instructions to enforce the Transaction Security which the Second Lien Debt Representative (acting on the instructions of the Second Lien Debt Required Holders) is then entitled to give to the Security Agent as set out in "*—Permitted Second Lien Enforcement*" above.

Notwithstanding the above, if at any time the Revolving Facility Agent, the Revolving Facility Lenders, a Hedge Counterparty, the Senior Secured Notes Trustees or any Creditor Representative in respect of Additional Senior Financing are then entitled to give the Security Agent instructions to enforce the Common Transaction Security and the Second Lien Debt Representative either fails to give such instruction or fails to indicate any intention to give such instruction, then any of these parties may give instructions to the Security Agent to enforce the Common Transaction Security as they see fit in lieu of any instructions to enforce given by the Second Lien Debt Representative as set out in "*—Permitted Second Lien Enforcement*" and the Security Agent shall act on the first such instructions received from each.

Manner of Enforcement

The Intercreditor Agreement provides that if the Common Transaction Security is being enforced as set out in "*—Enforcement Instructions*" above, the Security Agent shall enforce the Common Transaction Security in such manner (including, without limitation, the selection of any administrator (or any analogous officer in any jurisdiction) of any Debtor to be appointed by the Security Agent) as (a) prior to the Senior Discharge Date, the Instructing Group; or (b) prior to the Senior Discharge Date, if: (i) the Security Agent has received instructions given by the Second Lien Debt Representative (acting on the instructions of the Second Lien Debt Required Holders) to enforce the Common Transaction Security; and (ii) the Instructing Group (or other Senior Creditors as set out in "*—Enforcement Instructions*" above) has not given instructions as to the manner of enforcement of the Common Transaction Security, the Second Lien Debt Required Holders, shall instruct or, in the absence of any such instructions, as the Security Agent considers in its discretion to be appropriate.

The Intercreditor Agreement provides that if the Superior Secured Transaction Security is being enforced as set out in "*—Enforcement Instructions*" above, the Security Agent shall enforce the Superior Secured Transaction Security in such manner (including, without limitation, the selection of any administrator (or any analogous officer in any jurisdiction) of any Debtor to be appointed by the Security Agent) as the Majority Superior Secured Creditors or the Instructing Group, as the case may be, shall instruct or, in the absence of any such instructions, as the Security Agent considers in its discretion to be appropriate.

Consultation Period

The Intercreditor Agreement provides that save as set out below, before giving any instructions to the Security Agent to enforce the Transaction Security or to take any other Enforcement Action, the Creditor Representatives shall consult with each other and the Security Agent in good faith about the instructions to be given by the Majority Superior Secured Creditors or, as the case may be, the Instructing Group for not less than 15 business days (or such shorter period as each Creditor Representative and the Security Agent shall agree) (the "**Consultation Period**"), and only following the expiry of the Consultation Period shall the Majority Superior Secured Creditors or, as the case may be, the Instructing Group be entitled to give any instructions to the Security Agent to enforce the Superior Secured Transaction Security or, as the case may be, the Common Transaction Security or take any other Enforcement Action.

No Creditor Representative shall be obliged to consult in accordance with the paragraph above and the Majority Superior Secured Creditors or, as the case may be, the Instructing Group shall be entitled to give any instructions to the Security Agent to enforce Superior Secured Transaction Security or, as the case may be, the Common Transaction Security or take any other Enforcement Action prior to the end of a Consultation

Period if: (i) the Superior Secured Transaction Security or, as the case may be, the Common Transaction Security has become enforceable as a result of an insolvency event; or (ii) the Majority Superior Secured Creditors or, as the case may be, the Instructing Group or any Creditor Representative determines in good faith (and notifies each Creditor Representative and the Security Agent) that to enter into such consultations and thereby delay the commencement of enforcement of Superior Secured Transaction Security or, as the case may be, the Common Transaction Security could reasonably be expected to have a material adverse effect on (A) the Security Agent's ability to enforce any of the Superior Secured Transaction Security or, as the case may be, the Common Transaction Security; or (B) the realization proceeds of any enforcement of the Superior Secured Transaction Security or, as the case may be, the Common Transaction Security.

No Creditor Representative shall be obliged to consult with any Second Lien Creditors.

Release of the Guarantees and Security Non-Distressed Disposals

The Intercreditor Agreement provides that in respect of a Non-Distressed Disposal (as defined below) of an asset the Security Agent is irrevocably authorized: (i) to release the Transaction Security or any other claim (relating to a Debt Document) over that asset; (ii) where that asset consists of shares in the capital of a Group Company, to release the Transaction Security or any other claim (relating to a Debt Document) over that Group Company's property; and (iii) to execute and deliver or enter into any release of the Transaction Security or any claim described in (i) and (ii) above and issue any certificates of non-crystallization of any floating charge or any consent to dealing that may, in the discretion of the Security Agent, be considered necessary or desirable.

A "**Non-Distressed Disposal**" means a disposal of an asset of a Group Company; or an asset which is subject to the Transaction Security, to a person or persons outside the Group where (i) (prior to the Senior Discharge Date) each of the Revolving Facility Agent, the Senior Secured Notes Trustees and any Creditor Representative in respect of Additional Senior Financing Liabilities notifies the Security Agent that that disposal is permitted under the Senior Finance Documents; (ii) (prior to the Second Lien Debt Discharge Date) each Second Lien Debt Representative notifies the Security Agent that that disposal is permitted under the Second Lien Debt Documents; and (iii) that disposal is not a Distressed Disposal.

Distressed Disposal

The Intercreditor Agreement provides that in circumstances where a disposal of an asset subject to Transaction Security of a Group Company is being effected (i) at the request of the Instructing Group in circumstances where the Common Transaction Security has become enforceable; or (ii) at the request of the Majority Superior Secured Creditors in circumstances where the Superior Secured Transaction Security has become enforceable; (iii) by enforcement of the Common Transaction Security (including, without limitation, the disposal of any property of a Group Company, the shares in which have been subject to an Appropriation (as defined in the Intercreditor Agreement) by the Security Agent which is permitted by the relevant security documents); (iv) by enforcement of the Superior Secured Transaction Security; or (v) being effected, after the occurrence of a Distress Event, by a Debtor to a person or persons which is, or are, not a Group Company (a "**Distressed Disposal**"), the Security Agent is authorized:

(a) to release the Transaction Security or any other claim over the asset subject to the Distressed Disposal or Appropriation and execute and deliver or enter into any release of that Transaction Security or claim or any consent to dealing that may, in the discretion of the Security Agent, be considered necessary or desirable;

(b) if the asset subject to the Distressed Disposal or Appropriation consists of shares in the capital of a Debtor, to release (i) that Debtor and any subsidiary of that Debtor from all or any part of its Borrowing Liabilities, Guarantee Liabilities and Other Liabilities (each as defined in the Intercreditor Agreement); (ii) any Transaction Security (including the Superior Secured Transaction Security) granted by that Debtor or any subsidiary of that Debtor over any of its assets; and (iii) any other claim of an Intra-Group

Lender, Equity Investor, Equity Investor Affiliate or another Debtor over that Debtor's assets or over the assets of any subsidiary of that Debtor, on behalf of the relevant creditors and debtors;

(c) if the asset subject to the Distressed Disposal or Appropriation consists of shares in the capital of any person in respect of which a Debtor is a Subsidiary (a "**Holding Company**"), to release: (i) that Holding Company and any subsidiary of that Holding Company from all or any part of its Borrowing Liabilities, Guarantee Liabilities and Other Liabilities; (ii) any Transaction Security (including the Superior Secured Transaction Security) granted by any subsidiary of that Holding Company over any of its assets; and (iii) any other claim of an Intra-Group Lender, Equity Investor, Equity Investor Affiliate or another Debtor over the assets of any subsidiary of that Holding Company, on behalf of the relevant creditors and debtors;

(d) if the asset subject to the Distressed Disposal or Appropriation consists of shares in the capital of a Debtor or the Holding Company of a Debtor and the Security Agent decides to dispose of all or any part of: (i) the Liabilities (other than Liabilities due to any Creditor Representative (but excluding for this purpose an Additional Senior Financing Creditor that is a bilateral lender) or any Revolving Facility Arranger); or (ii) the Debtors' Intra-Group Receivables (as defined in the Intercreditor Agreement), owed by that Debtor or Holding Company or any subsidiary of that Debtor or Holding Company (on the basis that any transferee of those Liabilities or Debtors' Intra-Group Receivables (the "**Transferee**") will not be treated as a Secured Party for the purposes of the Intercreditor Agreement), to execute and deliver or enter into any agreement to dispose of all or part of those Liabilities or Debtors' Intra-Group Receivables on behalf of the relevant Creditors and Debtors provided that notwithstanding any other provision of any Debt Document the Transferee shall not be treated as a Secured Party for the purposes of the Intercreditor Agreement;

(e) if the asset subject to the Distressed Disposal or Appropriation consists of shares in the capital of a Debtor or the Holding Company of a Debtor and the Security Agent decides to dispose of all or any part of: (i) the Liabilities (other than Liabilities due to any Creditor Representative (but excluding for this purpose an Additional Senior Financing Creditor that is a bilateral lender) or any Revolving Facility Arranger); or (ii) the Debtors' Intra-Group Receivables, owed by that Debtor or Holding Company or any subsidiary of that Debtor or Holding Company on the basis that any transferee of those Liabilities or Debtors' Intra-Group Receivables will be treated as a Secured Party for the purposes of the Intercreditor Agreement, to execute and deliver or enter into any agreement to dispose of: (A) all (and not part only) of the Liabilities owed to the Secured Parties (other than Liabilities due to any Creditor Representative (but excluding for this purpose an Additional Senior Financing Creditor that is a bilateral lender) or any Revolving Facility Arranger); and (B) all or part of any other Liabilities (other than Liabilities due to any Creditor Representative (but excluding for this purpose an Additional Senior Financing Creditor that is a bilateral lender or any Revolving Facility Arranger) and the Debtors' Intra-Group Receivables, on behalf of, in each case, the relevant creditors and debtors; and

(f) If the asset subject to the Distressed Disposal or Appropriation consists of shares in the capital of a Debtor or the Holding Company of a Debtor (the "**Disposed Entity**") and the Security Agent decides to transfer to another Debtor (the "**Receiving Entity**") all or any part of the Disposed Entity's obligations or any obligations of any subsidiary of that Disposed Entity in respect of: (i) the Intra-Group Liabilities; or (ii) the Debtors' Intra-Group Receivables, to execute and deliver or enter into any agreement to: (A) agree to the transfer of all or part of the obligations in respect of those Intra-Group Liabilities or Debtors' Intra-Group Receivables on behalf of the relevant Intra-Group Lenders and Debtors to which those obligations are owed and on behalf of the Debtors which owe those obligations; and (B) to accept the transfer of all or part of the obligations in respect of those Intra-Group Liabilities or Debtors' Intra-Group Receivables on behalf of the Receiving Entity or Receiving Entities to which the obligations in respect of those Intra-Group Liabilities or Debtors' Intra-Group Receivables are to be transferred.

Turnover of Receipts

The Intercreditor Agreement provides that, if at any time prior to the later of the Senior Discharge Date and the Second Lien Debt Discharge Date, any Creditor receives or recovers:

(a) any payment or distribution of, or on account of or in relation to, any of the Liabilities which is not either: permitted under the Intercreditor Agreement; or made in accordance with the payment waterfall described in "—*Application of Proceeds*" below;

(b) other than by way of set-off permitted under the Intercreditor Agreement, any amount by way of set-off in respect of any of the Liabilities owed to it which does not give effect to a payment permitted under the Intercreditor Agreement;

(c) other than by way of set-off permitted under the Intercreditor Agreement, any amount (i) on account of, or in relation to, any of the Liabilities: (A) after the occurrence of a Distress Event; or (B) as a result of any other litigation or proceedings against a Group Company (other than after the occurrence of an insolvency event in respect of that Group Company); or (ii) by way of set-off in respect of any of the Liabilities owed to it after the occurrence of a Distress Event, other than, in each case, any amount received or recovered in accordance with the payment waterfall described in "—*Application of Proceeds*" below;

(d) the proceeds of any enforcement of any Transaction Security except in accordance with the payment waterfall described in "—*Application of Proceeds*" below; or

(e) other than by way of set-off permitted under the Intercreditor Agreement, any distribution or payment of, or on account of or in relation to, any of the Liabilities owed by any Group Company which is not in accordance the payment waterfall described in "—*Application of Proceeds*" below and which is made as a result of, or after, the occurrence of an insolvency event in respect of that Group Company,

that Creditor will:

(i) in relation to receipts and recoveries not received or recovered by way of set-off:

(A) hold an amount of that receipt or recovery equal to the relevant liabilities (or if less, the amount received or recovered) on trust for the Security Agent and promptly pay or distribute that amount to the Security Agent for application in accordance with the terms of the Intercreditor Agreement; and

(B) promptly pay or distribute an amount equal to the amount (if any) by which the receipt or recovery exceeds the relevant liabilities to the Security Agent for application in accordance with the terms of the Intercreditor Agreement; and

(ii) in relation to receipts and recoveries received or recovered by way of set-off, promptly pay an amount equal to that recovery to the Security Agent for application in accordance with the terms of the Intercreditor Agreement.

Application of Proceeds

Subject to the terms of the Intercreditor Agreement, all amounts from time to time received or recovered by the Security Agent pursuant to the terms of any Debt Document or in connection with the realization or enforcement of all or any part of the Common Transaction Security (other than in respect of the Superior Secured Transaction Security Fair Value (as defined below)) shall be held by the Security Agent on trust to apply them at any time as the Security Agent (in its discretion) sees fit, to the extent permitted by applicable law in the following order of priority:

(a) first, on a pro rata basis and pari passu, in discharging:

(i) any sums (including but not limited to any fees, remuneration, costs, charges, liabilities and expenses (and including any taxes and VAT required to be paid)) owing to the Security Agent, any Receiver or any Delegate (each as defined in the Intercreditor Agreement); and

(ii) any sums (including but not limited to any fees, remuneration, costs, charges, liabilities and expenses (and including any taxes and VAT required to be paid)) owing to any Senior Secured Notes Trustee (including any Senior Secured Notes Trustee Amounts);

(iii) any sums (including but not limited to any fees, remuneration, costs, charges, liabilities and expenses (and including any taxes and VAT required to be paid)) owing to the Revolving Facility Agent or to any Creditor Representative (in its capacity as such) in respect of any Additional Senior Financing (but excluding for this purpose any bilateral lender under any Additional Senior Financing); and

(iv) any sums (including but not limited to any fees, remuneration, costs, charges, liabilities and expenses (and including any taxes and VAT required to be paid)) owing to any Second Lien Debt Representative;

(b) second, on a pro rata and pari passu basis to:

(i) the Revolving Facility Agent on its own behalf and on behalf of the other Revolving Facility Creditors;

(ii) each Senior Secured Notes Trustee on its own behalf and on behalf of the Senior Secured Noteholders;

(iii) each Hedge Counterparty; and

(iv) any Creditor Representative in respect of an Additional Senior Financing on its own behalf and on behalf of any relevant Additional Senior Financing Creditors,

for application towards the discharge of:

(A) the Revolving Facility Liabilities (in accordance with the terms of the Revolving Facility Finance Documents);

(B) the Senior Secured Notes Liabilities (in accordance with the terms of the Senior Secured Notes Documents);

(C) the Hedging Liabilities; and

(D) the Additional Senior Financing Liabilities (on a pro rata basis) between the Additional Senior Financing Liabilities under the Additional Senior Financing Documents, on a pro rata basis between paragraphs (A) to (E) inclusive above;

(c) third, on a pro rata and pari passu basis to any Second Lien Debt Representative for application towards the discharge of Second Lien Debt (in accordance with the terms of the Second Lien Debt Documents);

(d) fourth, if none of the Debtors is under any further actual or contingent liability under any Senior Finance Document or Second Lien Debt Document, in payment or distribution to any person to whom the Security Agent is obliged to pay or distribute in priority to any Debtor; and

(e) fifth, in payment or distribution to the relevant Debtors.

Subject to the terms of the Intercreditor Agreement, all amounts from time to time received or recovered by the Security Agent pursuant to (b) the Superior Secured Charged Property (as defined in the Intercreditor Agreement) that has been released in connection with the realization or enforcement of all or any part of the Transaction Security on a Distressed Disposal or an Appropriation in accordance with the Intercreditor

Agreement (the "**Superior Secured Transaction Security Fair Value**"), shall be held by the Security Agent on trust to apply them at any time as the Security Agent (in its discretion) sees fit, to the extent permitted by applicable law, in the following order of priority:

(a) first, on a pro rata basis and pari passu, in discharging:

(i) any sums (including but not limited to any fees, remuneration, costs, charges, liabilities and expenses (and including any taxes and VAT required to be paid)) owing to the Security Agent, any Receiver or any Delegate; and

(ii) any sums (including but not limited to any fees, remuneration, costs, charges, liabilities and expenses (and including any taxes and VAT required to be paid)) owing to any Superior Secured Debt Creditor Representative (including any Senior Secured 2015 Notes Trustee Amounts);

(b) secondly, on a pro rata and pari passu basis to any Superior Secured Debt Creditor Representative for application towards the discharge of Superior Secured Debt (in accordance with the terms of the Superior Secured Debt Documents (as defined in the Intercreditor Agreement));

(c) thirdly, if none of the Debtors is under any further actual or contingent liability under any Superior Secured Debt Documents, in payment or distribution to any person to whom the Security Agent is obliged to pay or distribute in priority to any Debtor; and

(d) fourthly, in payment or distribution to the relevant Debtors.

Equalisation

The Intercreditor Agreement provides that if, for any reason, any Senior Liabilities remain unpaid after the first date on which a Senior Creditor takes any Enforcement Action and the resulting losses are not borne by the Senior Creditors in the proportions which their respective Exposures (as defined in the Intercreditor Agreement) at the first date (if any) on which a Senior Creditor takes enforcement action of the type described in the Intercreditor Agreement (the "**Enforcement Date**") bore to the aggregate Exposures of all the Senior Creditors at the Enforcement Date, the Senior Creditors will make such payments amongst themselves as the Security Agent shall require to put the Senior Creditors in such a position that (after taking into account such payments) those losses are borne in those proportions.

In determining for the purpose of the paragraph above whether losses borne by the Senior Creditors are, or are not, in the proportions which their respective Exposures at the Enforcement Date bore to the aggregate Exposures of all the Senior Creditors at the Enforcement Date, the amount of any Senior Liabilities constituting Superior Secured Debt repaid to any Superior Secured Creditor by reason of any payment after the Enforcement Date from any Superior Secured Guarantor (as defined in the Intercreditor Agreement) and the amount of any Senior Liabilities constituting Superior Secured Debt repaid to any Superior Secured Creditor by reason of enforcement of any Superior Secured Transaction Security after the Enforcement Date shall not be included for the purpose of any such determination as of such enforcement date.

If, for any reason, any Superior Secured Debt remains unpaid after the Enforcement Date and the resulting losses are not borne by the Superior Secured Creditors in the proportions which their respective Exposures at the Enforcement Date bore to the aggregate Exposures of all the Superior Secured Creditors at the Enforcement Date, the Superior Secured Creditors will make such payments amongst themselves as the Security Agent shall require to put the Superior Secured Creditors in such a position that (after taking into account such payments) those losses are borne in those proportions.

New Money and Refinancing

Incurrence of Additional Indebtedness

The Intercreditor Agreement provides that any Additional Senior Financing Liabilities may benefit from the Common Transaction Security provided that on the date on which such Additional Senior Financing Liabilities are to be incurred or, if later, the date the relevant Security is granted, the aggregate principal amount of indebtedness secured by the Common Transaction Security is not prohibited under any Senior Finance Document. SMRP B.V. is required to serve notice on the Security Agent notifying it of the incurrence of any Additional Senior Financing Liabilities in a form agreed between SMRP B.V. and the Security Agent, each acting reasonably.

Additional Senior Liabilities

The Intercreditor Agreement provides that if: (i) any Revolving Facility Lenders increase, add, supplement, amend, novate, extend or restate a facility under the 2023 SAHN Revolving Credit Facility Agreement or make further advances to the extent permitted under the 2023 SAHN Revolving Credit Facility Agreement ("**Additional Revolving Facility Liabilities**"), such Additional Revolving Facility Liabilities will be deemed to be made under the terms of the 2023 SAHN Revolving Credit Facility Agreement and (to the extent permitted by applicable law) secured by the Transaction Security Documents; or (ii) any additional Senior Secured Notes are issued ("**Additional Senior Secured Notes Liabilities**"), such additional Senior Secured Notes will (to the extent permitted by applicable law) be secured by the Transaction Security Documents.

To the extent Additional Revolving Facility Liabilities or Additional Senior Secured Notes Liabilities (together "**Additional Senior Liabilities**") incurred as contemplated above cannot be secured pari passu with the then existing Revolving Facility Liabilities and Senior Secured Notes Liabilities under the Transaction Security Documents, such Additional Senior Liabilities may (to the extent permitted by applicable law), and shall in the case of any Additional Senior Secured Notes Liabilities, be secured pursuant to the execution of additional Transaction Security Documents granting Security over Common Transaction Security on a lesser ranking basis, but will nevertheless continue, for the purpose of the Intercreditor Agreement, to be considered as having being secured pari passu but will nevertheless continue, for the purpose of the Intercreditor Agreement, to be considered as having being secured pari passu with the then existing Revolving Facility Liabilities and Senior Secured Notes Liabilities.

For the avoidance of doubt, any Additional Senior Liabilities incurred as contemplated above shall not be deemed to create any separate class of Creditors (as defined in the Intercreditor Agreement) for the purposes of the Intercreditor Agreement and the Creditors of such Additional Senior Liabilities shall be treated for voting and all other purposes under the Intercreditor Agreement as Senior Creditors.

Nothing in the Intercreditor Agreement shall restrict the Senior Creditors and the providers of Additional Senior Liabilities from agreeing the ranking of their respective claims among themselves provided that unless otherwise agreed such Additional Senior Liabilities shall rank pari passu with the other Senior Liabilities.

No Additional Senior Liabilities shall benefit from any Security other than Common Transaction Security or from any guarantee, indemnity or other assurance against loss from any Group Company other than, to the extent legally possible, any Common Assurance (as defined in the Intercreditor Agreement).

Refinancing of the Senior Liabilities

The Intercreditor Agreement provides that any of the Revolving Facility Liabilities, the Senior Secured Notes Liabilities and the Additional Senior Financing Liabilities may be refinanced or replaced in whole or (if expressly permitted or not prohibited under the Senior Finance Documents) in part and any pari passu ranking indebtedness incurred by Debtors in respect thereof (a "**Senior Refinancing**") will be subject to, and have the benefit of, the Intercreditor Agreement.

No Senior Refinancing shall benefit from any Security other than Common Transaction Security or from any guarantee, indemnity or other assurance against loss from any Group Company other than, to the extent legally possible, any Common Assurance.

The parties to the Intercreditor Agreement acknowledge that the terms and conditions (including increased pricing and amount of principal) applicable to any such Senior Refinancing may be different to those applicable to the Senior Liabilities being refinanced, but, unless otherwise consented to by the relevant Senior Creditors, shall be required not to breach the terms of the other Senior Finance Documents.

Nothing in the Intercreditor Agreement shall restrict the Senior Creditors and the creditors in respect of any Senior Refinancing after consultation with SMRP B.V. from agreeing the ranking of their respective claims among themselves provided that unless otherwise agreed the claims of the creditors against the Debtors in respect of any Senior Refinancing shall rank pari passu with the claims of the other Senior Creditors against the Debtors.

Each Senior Creditor and SMRP B.V. undertakes at the prior written request of the Security Agent to promptly give such instructions to the Security Agent as may be reasonably necessary and promptly enter into any amendment to the Intercreditor Agreement and to enter into further Security over the Common Transaction Security to provide substantially the same rights and remedies to the providers of such Senior Refinancing as those provided to the Senior Creditors in the Intercreditor Agreement, in each case, at the cost of SMRP B.V. A Creditor Representative or the Security Agent will only be required to execute any amendment to the Intercreditor Agreement if it has received such legal opinions (as to capacity and authority of the Debtors and the legal, valid, binding and enforceable nature of the amendment to the Intercreditor Agreement as against the Debtors and non-conflict) as the Creditor Representative or Security Agent may reasonably request and in a form satisfactory to them (acting reasonably) in connection with the execution of such amendment to the Intercreditor Agreement and shall be under no obligation to execute such amendment to the Intercreditor Agreement if it would impose personal liabilities or obligations in addition to those contemplated by the Intercreditor Agreement on, or adversely affect the rights, duties or immunities of, that Creditor Representative or Security Agent beyond what is contemplated by the Intercreditor Agreement.

Governing Law

The Intercreditor Agreement and any non-contractual obligations arising out of or in connection with it are governed by English law.

Jurisdiction

The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with the Intercreditor Agreement (including a dispute relating to the existence, validity or termination of the Intercreditor Agreement or any non-contractual obligation arising out of or in connection with the Intercreditor Agreement) (a "**Dispute**").

The parties to the Intercreditor Agreement have agreed that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly each party to the Intercreditor Agreement has agreed that it will not argue to the contrary.

Subject to the paragraph below, the jurisdiction clause in the Intercreditor Agreement is for the benefit of the secured parties only. As a result, no secured party shall be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, a secured party may take concurrent proceedings in any number of jurisdictions.

The paragraph above does not confer any rights on a secured party against any debtor incorporated or established in France.

Non-Rupee Revolving Credit Facilities

2023 MSSL (GB) Revolving Credit Facility

On August 11, 2023, MSSL (GB) Limited, entered into a revolving facility agreement (the "**2023 MSSL (GB) Revolving Credit Facility Agreement**") with Axis Bank Limited, Ibu Gift City Branch, BNP Paribas, London Branch, Citibank, N.A., London Branch, DBS Bank Ltd., HSBC Bank (Mauritius) Limited and J.P. Morgan Securities plc (as arrangers and original lenders) and Axis Trustee Services Limited, Gift City Branch (as agent) that established a multi-currency revolving credit facility for an aggregate principal amount of €125.0 million (the "**2023 MSSL (GB) Revolving Credit Facility**"). SAMIL is a guarantor under the 2023 MSSL (GB) Revolving Credit Facility Agreement.

The purpose of the 2023 MSSL (GB) Revolving Credit Facility was for the repayment and payment of amounts outstanding under the revolving facility agreement dated September 10, 2018 between, among others, MSSL (GB) Limited and The Hongkong and Shanghai Banking Corporation limited and for general corporate purposes of the Group including the repayment of any existing financial indebtedness of the Group.

Repayments and Prepayments

The 2023 MSSL (GB) Revolving Credit Facility will mature on the date falling three years from August 11, 2023. Subject to certain conditions, the borrower under the 2023 MSSL (GB) Revolving Credit Facility Agreement may voluntarily prepay any loans and/or permanently cancel all or part of the available commitments under the 2023 MSSL (GB) Revolving Credit Facility in a minimum amount of €1.0 million by giving not less than three business days' (or such shorter period as the required majority of lenders may agree) prior notice to the agent.

In addition to voluntary prepayments and cancelation, the 2023 MSSL (GB) Revolving Credit Facility Agreement requires mandatory prepayment in full in certain circumstances, including upon the occurrence of:

(a) a Change of Control (as defined in the 2023 MSSL (GB) Revolving Credit Facility Agreement); or

(b) a sale of all or substantially all of the assets of the Group (whether in a single transaction or a series of related transactions).

Interest

The 2023 MSSL (GB) Revolving Credit Facility bears interest at a percentage rate per annum equal to the Term Reference Rate (as defined in the 2023 MSSL (GB) Revolving Credit Facility Agreement) plus a margin of between 1.25% per annum and 0.80% per annum by reference to a Total Net Leverage Ratio (as defined in the 2023 MSSL (GB) Revolving Credit Facility Agreement).

Fees

The borrower is required to pay a commitment fee, quarterly in arrear, on available but unused commitments under the 2023 MSSL (GB) Revolving Credit Facility at a rate of 30% of the applicable margin for the period commencing on the date of the 2023 MSSL (GB) Revolving Credit Facility Agreement and ending on the last day of the availability period. The borrower is also required to pay certain customary fees to the agent in connection with the 2023 MSSL (GB) Revolving Credit Facility Agreement.

The borrower shall pay to the agent (for the account of each lender) a utilization fee determined for each calendar month by reference to the currency/ies of the Utilisations (as defined in the 2023 MSSL (GB) Revolving Credit Facility Agreement) and the aggregate Base Currency Amounts (as defined in the 2023 MSSL (GB) Revolving Credit Facility Agreement) of Utilisations outstanding as at the last business day of the preceding calendar month as a percentage of Total Commitments (as defined in the 2023 MSSL (GB)

Revolving Credit Facility Agreement). The maximum rate for a utilization fee shall be 0.40% per annum of the Utilisations.

Guarantee

The 2023 MSSL (GB) Revolving Credit Facility Agreement is guaranteed by SAMIL.

Covenants

The 2023 MSSL (GB) Revolving Credit Facility Agreement contains customary operating and negative covenants, subject to certain agreed exceptions. The 2023 MSSL (GB) Revolving Credit Facility Agreement also requires MSSL (GB) Limited and SAMIL (as guarantor) to observe certain customary affirmative covenants. In this respect, the Group's financial and operating performance will be monitored by financial covenants which require MSSL (GB) Limited to ensure that while certain amounts under the 2023 MSSL (GB) Revolving Credit Facility remain outstanding, the Total Net Leverage Ratio and Consolidated Interest Cover Ratio (each as defined in the 2023 MSSL (GB) Revolving Credit Facility Agreement) shall not be less than (3.5x and 3.0x, respectively). These financial covenants will be tested semi-annually on a rolling 12-month basis.

Events of Default

The 2023 MSSL (GB) Revolving Credit Facility Agreement contains customary events of default (subject in certain cases to agreed grace periods, thresholds and other qualifications), including a cross default with respect to an Event of Default under, and as defined in, the Conditions, the occurrence of which would allow the lenders to accelerate all or part of the outstanding utilizations and/or terminate their commitments and/or declare that all or any part of the amounts (or cash cover in relation to those amounts) outstanding under any ancillary is immediately due and payable or is payable on demand.

Governing Law

The 2023 MSSL (GB) Revolving Credit Facility Agreement is governed by English law.

2023 SAHN Revolving Credit Facility

On May 16, 2023, SMRP B.V. (as the original holding company), SMRC Automotives Techno Minority Holdings B.V. ("**SATMH B.V.**") (as the permanent holding company), the Issuer (as the original borrower), Axis Bank Limited, Ibu Gift City Branch, BNP Paribas S.A. Niederlassung Deutschland, Citibank N.A., London Branch, DBS Bank Limited, Deutsche Bank Luxembourg S.A., First Abu Dhabi Bank PJSC, HDFC Bank Limited, Bahrain Branch, The Hongkong and Shanghai Banking Corporation Limited, ICICI Bank UK plc, ICICI Bank UK plc (Germany Branch), ING Bank N.V., Singapore Branch, Société Générale S.A., Standard Chartered Bank, State Bank of India, Frankfurt Branch, Unicredit Bank Hungary ZRT. (as arrangers and original lenders), J.P. Morgan Securities plc (as arranger), JPMorgan Chase Bank, N.A., London Branch (as original lender), MUFG Bank, Ltd. (as arranger), MUFG Bank, Ltd., Singapore Branch (as original lender), Axis Trustee Services Limited, Gift City Branch (as agent) and Wilmington Trust (London) Limited (as security agent) entered into a revolving facility agreement (the "**2023 SAHN Revolving Credit Facility Agreement**") that established a multi-currency revolving credit facility for an aggregate principal amount of €375.0 million (the "**2023 SAHN Revolving Credit Facility**").

Pursuant to an incremental facility notice dated April 3, 2024, the 2023 SAHN Revolving Credit Facility was increased to €545,000,000 with the addition of Australia and New Zealand Banking Group Limited, Singapore Branch, Citibank N.A., London Branch, DBS Bank Limited, The Hongkong and Shanghai Banking Corporation Limited, Kotak Mahindra Bank Limited, acting through its IFSC Banking Unit (IBU), Gift City Branch, The Federal Bank Limited, IFSC Banking Unit, Gift City and Raiffeisen Bank International AG as incremental facility lenders.

Repayments and Prepayments

The 2023 SAHN Revolving Credit Facility will mature on the date falling three years from May 16, 2023. Subject to certain conditions, the borrower under the 2023 SAHN Revolving Credit Facility Agreement may voluntarily prepay any loans and/or permanently cancel all or part of the available commitments under the 2023 SAHN Revolving Credit Facility in a minimum amount of €1.0 million by giving not less than three business days' (or such shorter period as the required majority of lenders may agree) prior notice to the agent.

In addition to voluntary prepayments and cancelation, the 2023 SAHN Revolving Credit Facility Agreement requires mandatory prepayment in full in certain circumstances, including upon the occurrence of:

(a) a Change of Control (as defined in the 2023 SAHN Revolving Credit Facility Agreement);

(b) at any time after the completion of the Permitted 2023 Group Reorganisation Required Steps (as defined in the 2023 SAHN Revolving Credit Facility Agreement), SATMH B.V. (as the permanent holding company) ceasing to own all of the shares in the capital of the Issuer; or

(c) the sale of all or substantially all of the assets of the Group (whether in a single transaction or a series of related transactions).

Interest

The 2023 SAHN Revolving Credit Facility bears interest at a percentage rate per annum equal to the Term Reference Rate (as defined in the 2023 SAHN Revolving Credit Facility Agreement) plus a margin of between 1.25% per annum and 0.80% per annum by reference to a Total Net Leverage Ratio (as defined in the 2023 SAHN Revolving Credit Facility Agreement).

Fees

The borrower is required to pay a commitment fee, quarterly in arrear, on available but unused commitments under the 2023 SAHN Revolving Credit Facility at a rate of 30% of the applicable margin for the period commencing on the date of the 2023 SAHN Revolving Credit Facility Agreement and ending on the last day of the availability period. The borrower is also required to pay certain customary fees to the agent in connection with the 2023 SAHN Revolving Credit Facility Agreement.

The borrower shall pay to the agent (for the account of each lender) a utilization fee determined for each calendar month by reference to the currency/ies of the Utilisations (as defined in the 2023 SAHN Revolving Credit Facility Agreement) and the aggregate Base Currency Amounts (as defined in the 2023 SAHN Revolving Credit Facility Agreement) of Utilisations outstanding as at the last business day of the preceding calendar month as a percentage of Total Commitments (as defined in the 2023 SAHN Revolving Credit Facility Agreement). The maximum rate for a utilization fee shall be 0.40% per annum of the Utilisations.

Guarantee

The 2023 SAHN Revolving Credit Facility Agreement is guaranteed by SMRP B.V. and the Issuer.

Covenants

The 2023 SAHN Revolving Credit Facility Agreement contains customary operating and negative covenants, subject to certain agreed exceptions. The 2023 SAHN Revolving Credit Facility Agreement also requires the borrower and guarantors to observe certain customary affirmative covenants. In this respect, the Group's (as defined in the 2023 SAHN Revolving Credit Facility Agreement) financial and operating performance will be monitored by financial covenants which require the borrower to ensure that while certain amounts under the 2023 SAHN Revolving Credit Facility remain outstanding, the Total Net Leverage Ratio (as defined in the 2023 SAHN Revolving Credit Facility Agreement) shall not be more than 3.5x and the Consolidated Interest Cover Ratio (as defined in the 2023 SAHN Revolving Credit Facility Agreement) shall be at least 3.0x. These financial covenants will be tested quarterly on a rolling 12-month basis.

Events of Default

The 2023 SAHN Revolving Credit Facility Agreement contains customary events of default (subject in certain cases to agreed grace periods, thresholds and other qualifications), including a cross default with respect to an event of default under, and as defined in, the Conditions, the occurrence of which would allow the lenders to accelerate all or part of the outstanding utilizations and/or terminate their commitments and/or declare that all or part of their utilizations are payable on demand and/or declare that all or any part of the amounts (or cash cover in relation to those amounts) outstanding under any ancillary is immediately due and payable or is payable on demand.

Governing Law

The 2023 SAHN Revolving Credit Facility Agreement is governed by English law.

Non-Rupee Term Loan Facilities

SMRHA A$93.0 million Term Loan Facility

On May 8, 2024, SMR Holdings Australia Pty Limited ("**SMRHA**") (as borrower) entered into a term loan facility agreement ("**SMRHA A$93.0 Term Loan Facility Agreement**") with SMRP B.V. (as the original holding company), SATMH B.V. (as the permanent holding company), the Issuer, the entities listed in Part 3 of Schedule 1 thereto (as original guarantors), Australia and New Zealand Banking Group Limited (as mandated lead arranger and bookrunner for Facility A (as defined in SMRHA A$93.0 Term Loan Facility Agreement)), Citibank N.A. (as mandated lead arranger for Facility B (as defined in SMRHA A$93.0 Term Loan Facility Agreement)), the financial institutions listed in Part 1 of Schedule 1 thereto (as original Facility A lender), the financial institutions listed in Part 2 of Schedule 1 thereto (as original Facility B lender), Axis Trustee Services Limited, Gift City Branch (as agent) and Wilmington Trust (London) Limited (as security agent). Pursuant to the SMRHA A$93.0 million Term Loan Facility Agreement, SMRHA has made available to it financial assistance by way of a term loan for an amount not exceeding A$46.5 million in respect of Facility A and A$46.5 million in respect of Facility B ("**SMRHA A$93.0 Term Loan Facility Agreement**").

Amounts borrowed under (i) Facility A may be applied towards refinancing of financial indebtedness incurred by SMRHA relating to certain acquisitions of 100% of issued share capital of certain targets by SMRHA (the "**Target Acquisitions**") and funding any fees, costs and expenses (and VAT) in relation to the Target Acquisition and the SMRHA A$93.0 Term Loan Facility Agreement; and (ii) Facility B may be applied towards refinancing of financial indebtedness incurred by SMRHA relating to the Target Acquisitions.

Interest and Repayment

Loans under Facility A bear an interest rate which is the aggregate of (i) 1.80% per annum, and (ii) the applicable BBSY Bid (as defined in SMRHA A$93.0 Term Loan Facility Agreement). Loans under Facility B Facility bear an interest rate which is a fixed rate per cent. per annum specified in the utilization request.

Repayment of the Facility A loans shall be made in instalments by repaying on each Facility A repayment date an amount which reduces the amount of the outstanding aggregate Facility A loans by an amount as set out in the below table under the heading "Repayment Instalment (AUD)"

Facility A Repayment Date	**Repayment Instalment (AUD)**
The date falling 18 months after the first utilisation date under Facility A	12,500,000
The date falling 30 months after the first utilisation date under Facility A	20,500,000

The date falling 42 months from and including the first utilisation date under Facility A	13,500,000 (or, if different, the balance of the Facility A loans then outstanding)

Repayment of the Facility B loans in instalments by repaying on each Facility B repayment date an amount which reduces the amount of the outstanding aggregate Facility B loans by an amount as set out in the below table under the heading "Repayment Instalment (AUD)"

Facility B Repayment Date	**Repayment Instalment (AUD)**
The date falling 18 months after the first utilisation date under Facility B	12,500,000
The date falling 30 months after the first utilisation date under Facility B	20,500,000
The date falling 42 months from and including the first utilisation date under Facility B	13,500,000 (or, if different, the balance of the Facility B loans then outstanding)

In addition to voluntary prepayments and cancelation, the SMRHA A$93.0 Term Loan Facility Agreement requires mandatory prepayment in full in certain circumstances, including upon the occurrence of:

(a) a Change of Control (as defined in the SMRHA A$93.0 Term Loan Facility Agreement);

(b) SMRHA creasing to be a wholly owned Subsidiary of the Company (as defined in the SMRHA A$93.0 Term Loan Facility Agreement);

(c) at any time after the completion of the Permitted 2023 Group Reorganisation Required Steps (as defined in the SMRHA A$93.0 Term Loan Facility Agreement), SATMH B.V. ceasing to own all of the shares in the capital of the Issuer; or

(d) the sale of all or substantially all of the assets of the Group (as defined in SMRHA A$93.0 Term Loan Facility Agreement) whether in a single transaction or a series of related transactions.

SAHN €300.0 million Term Loan Facility

On September 4, 2023, the Issuer (as borrower) entered into a term loan facility agreement ("**SAHN €300.0 million Term Loan Facility Agreement**") with SMRP B.V. (as the original holding company), SATMH B.V. (as the permanent holding company), ICICI Bank Ltd., Ibu Gift City Branch, Axis Bank Limited, Ibu Gift City Branch, The Hongkong and Shanghai Banking Corporation Limited, Axis Trustee Services Limited, Gift City Branch (as agent) and Wilmington Trust (London) Limited (as security agent). Pursuant to the SAHN €300.0 million Term Loan Facility Agreement, the Issuer has made available to it financial assistance by way of a term loan for an amount not exceeding €50.0 million in respect of Facility A and €250.0 million in respect of Facility B (both as defined in the SAHN €300.0 million Term Loan Facility Agreement) ("**SAHN €300.0 million Term Loan Facility**").

Amounts borrowed under (i) Facility A (as defined in SAHN €300.0 million Term Loan Facility Agreement) may be applied towards effecting payment or repayment of financial indebtedness owing by SMRP B.V. or the Issuer; and (ii) Facility B (as defined in SAHN €300.0 million Term Loan Facility Agreement) may be applied towards effecting payment or repayment of financial indebtedness owing by members of the Group (as defined in SAHN €300.0 million Term Loan Facility Agreement) and general corporate purposes.

Interest and Repayment

The SAHN €300.0 million Term Loan Facility bears an interest rate which is the aggregate of (i) the applicable margin of 0.95% per annum in respect of any loan under Facility A and 1.10% per annum in respect of any loan under Facility B and (ii) EURIBOR.

Repayment of the loans shall be made in full on a date falling (i) 12 months from and including the date of the SAHN €300.0 million Term Loan Facility Agreement in respect of Facility A and (ii) 18 months from and including the date of the SAHN €300.0 million Term Loan Facility Agreement in respect of Facility B.

In addition to voluntary prepayments and cancelation, the SAHN €300.0 million Term Loan Facility Agreement requires mandatory prepayment in full in certain circumstances, including upon the occurrence of:

(a) a Change of Control (as defined in the SAHN €300.0 million Term Loan Facility Agreement);

(b) at any time after the completion of the Permitted 2023 Group Reorganisation Required Steps (as defined in the SAHN €300.0 million Term Loan Facility Agreement), SATMH B.V. ceasing to own all of the shares in the capital of the Issuer; or

(c) the sale of all or substantially all of the assets of the Group (as defined in SAHN €300.0 million Term Loan Facility Agreement) (whether in a single transaction or a series of related transactions).

SAHN €325.0 million Term Loan Facility

On March 13, 2024, the Issuer (as borrower) entered into a term loan facility agreement ("**SAHN €325.0 million Term Loan Facility Agreement**") with SMRP B.V. (as the original holding company), SATMH B.V. (as the permanent holding company), DBS Bank Ltd. (acting through its IFSC Banking Unit at International Financial Services Centre (IFSC), Gift City, Gandhinagar, Gujarat, India) (as an original lender), HDFC Bank Limited, Bahrain Branch, ING Bank N.V., Singapore Branch (as the arrangers and original lenders), Axis Trustee Services Limited, Gift City Branch (as agent) and Wilmington Trust (London) Limited (as security agent). Pursuant to the SAHN €325.0 million Term Loan Facility Agreement, the Issuer has made available to it financial assistance by way of a term loan for an amount not exceeding €325.0 million ("**SAHN €325.0 million Term Loan Facility**").

Amounts borrowed under the SAHN €325.0 million Term Loan Facility may be applied towards (i) the completion of the acquisitions of SSCP Aero Topco SAS and Yachiyo Industry Co. Ltd. (the "**Announced Acquisitions**"), (ii) funding any fees, costs and expenses (and VAT) in relation to the Announced Acquisitions and the SAHN €325.0 million Term Loan Facility Agreement and (iii) repayment of any existing financial indebtedness.

Interest and Repayment

The SAHN €325.0 million Term Loan Facility bears an interest rate which is the aggregate of (i) the applicable margin of 1.55% per annum and (ii) EURIBOR.

Repayment of the loan shall be made by way of instalments by paying on each repayment date set out in the table below an amount which reduces the outstanding loan by an amount equal to the relevant percentage set out in the table below:

Repayment Date	**Repayment Instalment**
Date falling 24 months after the first utilization date	30.0%
Date falling 36 months after the first utilization date	30.0%
Date falling 48 months after the first utilization date	40.0%

	(or, if different, the balance of the loans then outstanding)

In addition to voluntary prepayments and cancelation, the SAHN €325.0 million Term Loan Facility Agreement requires mandatory prepayment in full in certain circumstances, including upon the occurrence of:

(a) a Change of Control (as defined in the SAHN €325.0 million Term Loan Facility Agreement);

(b) at any time after the completion of the Permitted 2023 Group Reorganisation Required Steps (as defined in the SAHN €325.0 million Term Loan Facility Agreement), SATMH B.V. ceasing to own all of the shares in the capital of the Issuer; or

(c) the sale of all or substantially all of the assets of the Group (as defined in the SAHN €325.0 million Term Loan Facility Agreement) (whether in a single transaction or a series of related transactions).

SAHN €363.0 million Term Loan Facility

On July 21, 2023, the Issuer (as borrower) entered into a term loan facility agreement ("**SAHN €363.0 million Term Loan Facility Agreement**") with SMRP B.V. (as the original holding company), SATMH B.V. (as the permanent holding company), DBS Bank Ltd. (acting through its IFSC Banking Unit at International Financial Services Centre (IFSC), Gift City, Gandhinagar, Gujarat, India) (as an original lender), First Abu Dhabi Bank PJSC (as arranger and original lender), MUFG Bank, Ltd. (as arranger), MUFG Bank, Ltd., Singapore Branch (as original lender), Axis Trustee Services Limited, Gift City Branch (as agent) and Wilmington Trust (London) Limited (as security agent). Pursuant to the SAHN €363.0 million Term Loan Facility Agreement, the Issuer has made available to it financial assistance by way of a term loan for an amount not exceeding €363.0 million ("**SAHN €363.0 million Term Loan Facility**").

Amounts borrowed under the SAHN €363.0 million Term Loan Facility may be applied towards (i) the completion of the acquisition of SAS Autosystemtechnik GmbH (the "**SAS Acquisition**") and (ii) funding any fees, costs and expenses (and VAT) in relation to the SAS Acquisition and the SAHN €363.0 million Term Loan Facility Agreement.

Interest and Repayment

The SAHN €363.0 million Term Loan Facility bears an interest rate which is the aggregate of (i) the applicable margin of 1.50% per annum on, in relation to any interest period commencing on a day 11 months or more after the date of the SAHN €363.0 million Term Loan Facility Agreement, 1.75% per annum and (ii) EURIBOR.

Repayment of the loans shall be made in full on a date falling five years from and including the date of the SAHN €363.0 million Term Loan Facility Agreement.

In addition to voluntary prepayments and cancelation, the SAHN €363.0 million Term Loan Facility Agreement requires mandatory prepayment in full in certain circumstances, including upon the occurrence of:

(a) a Change of Control (as defined in the SAHN €363.0 million Term Loan Facility Agreement);

(b) at any time after the completion of the Permitted 2023 Group Reorganisation Required Steps (as defined in the SAHN €363.0 million Term Loan Facility Agreement), SATMH B.V. ceasing to own all of the shares in the capital of the Issuer; or

(c) the sale of all or substantially all of the assets of the Group (as defined in the SAHN €363.0 million Term Loan Facility Agreement) (whether in a single transaction or a series of related transactions).

SMPAS Alabama U.S.$45.0 million Term Loan Facility

On August 21, 2023, SMP Automotive Systems Alabama Inc. ("**SMPAS Alabama**") (as borrower) entered into a fixed rate bilateral term loan facility agreement ("**SMPAS Alabama U.S.$45.0 million Term Loan Facility Agreement**") with SMRP B.V. (as the original holding company), SATMH B.V. (as the permanent holding company), the Issuer (as an original guarantor), Citibank, N.A., Hong Kong Branch (as lender) and Wilmington Trust (London) Limited (as security agent). Pursuant to the SMPAS Alabama U.S.$45.0 million Term Loan Facility Agreement, SMPAS Alabama has made available to it financial assistance by way of a fixed rate term loan for an amount not exceeding U.S.$45.0 million ("**SMPAS Alabama U.S.$45.0 million Term Loan Facility**").

Amounts borrowed under the SMPAS Alabama U.S.$45.0 million Term Loan Facility may be applied towards (i) repaying financial indebtedness owing by SMPAS Alabama to SMRP B.V. and (ii) funding any fees, costs and expenses (and VAT).

Interest and Repayment

The rate of interest on the loan is a fixed rate per cent. per annum specified in the utilization request. SMPAS Alabama shall repay the loan in full on the termination date.

In addition to voluntary prepayments and cancelation, the SMPAS Alabama U.S.$45.0 million Term Loan Facility Agreement requires mandatory prepayment in full in certain circumstances, including upon the occurrence of:

(a) SMPAS Alabama ceasing to be a wholly-owned subsidiary of SMRP B.V. or the Issuer in accordance with the SMPAS Alabama U.S.$45.0 million Term Loan Facility Agreement;

(b) a Change of Control (as defined in the SMPAS Alabama U.S.$45.0 million Term Loan Facility Agreement);

(c) at any time after the completion of the Permitted 2023 Group Reorganisation Required Steps (as defined in the SMPAS Alabama U.S.$45.0 million Term Loan Facility Agreement), SATMH B.V. ceasing to own all of the shares in the capital of the Issuer; or

(d) the sale of all or substantially all of the assets of the Group (as defined in the SMPAS Alabama U.S.$45.0 million Term Loan Facility Agreement) (whether in a single transaction or a series of related transactions).

SMPAS Alabama U.S.$50.0 million Term Loan Facility

On July 25, 2023, SMPAS Alabama (as borrower) entered into a term loan facility agreement ("**SMPAS Alabama U.S.$50.0 million Term Loan Facility Agreement**") with SMRP B.V. (as the original holding company), SATMH B.V. (as the permanent holding company), the Issuer (as an original guarantor), DBS Bank Ltd. (as lender) and Wilmington Trust (London) Limited (as security agent). Pursuant to the SMPAS Alabama U.S.$50.0 million Term Loan Facility Agreement, SMPAS Alabama has made available to it financial assistance by way of a term loan for an amount not exceeding U.S.$50.0 million ("**SMPAS Alabama U.S.$50.0 million Term Loan Facility**").

Amounts borrowed under the SMPAS Alabama U.S.$50.0 million Term Loan Facility may be applied towards (i) capital expenditure and general corporate purposes, (ii) repaying financial indebtedness owing by SMPAS Alabama to SMRP B.V. and (iii) funding any fees, costs and expenses (and VAT).

Interest and Repayment

The SMPAS Alabama U.S.$50.0 million Term Loan Facility bears an interest rate which is the aggregate of (i) the applicable margin of 1.70% or 1.80% (for any interest period commencing 11 months or more after the date of the SMPAS Alabama U.S.$50.0 million Term Loan Facility Agreement) and (ii) the applicable compounded reference rate.

Repayment of the loan shall be made by way of instalments by paying on each repayment date set out in the table below an amount which reduces the outstanding loan by an amount equal to the relevant percentage set out in the table below:

Repayment Date	**Repayment Instalment**
Date falling 3 months after the utilization date	8.33%
Date falling 6 months after the utilization date	8.33%
Date falling 9 months after the utilization date	8.33%
Date falling 12 months after the utilization date	8.33%
Date falling 15 months after the utilization date	8.33%
Date falling 18 months after the utilization date	8.33%
Date falling 21 months after the utilization date	8.33%
Date falling 24 months after the utilization date	8.33%
Date falling 27 months after the utilization date	8.33%
Date falling 30 months after the utilization date	8.33%
Date falling 33 months after the utilization date	8.33%
Termination date	Outstanding loan

In addition to voluntary prepayments and cancelation, the SMPAS Alabama U.S.$50.0 million Term Loan Facility Agreement requires mandatory prepayment in full in certain circumstances, including upon the occurrence of:

(a) SMPAS Alabama ceasing to be a wholly-owned subsidiary of SMRP B.V. or the Issuer in accordance with the SMPAS Alabama U.S.$50.0 million Term Loan Facility Agreement;

(b) a Change of Control (as defined in the SMPAS Alabama U.S.$50.0 million Term Loan Facility Agreement);

(c) at any time after the completion of the Permitted 2023 Group Reorganisation Required Steps (as defined in the SMPAS Alabama U.S.$50.0 million Term Loan Facility Agreement), SATMH B.V. ceasing to own all of the shares in the capital of the Issuer; or

(d) the sale of all or substantially all of the assets of the Group (as defined in the SMPAS Alabama U.S.$50.0 million Term Loan Facility Agreement) (whether in a single transaction or a series of related transactions).

SMRAS USA U.S.$100.0 million Term Loan Facility

On July 25, 2023, SMR Automotive Systems USA Inc. ("**SMRAS USA**") (as borrower) entered into a term loan facility agreement ("**SMRAS USA U.S.$100.0 million Term Loan Facility Agreement**") with SMRP B.V. (as the original holding company), SATMH B.V. (as the permanent holding company), the Issuer (as an original guarantor), DBS Bank Ltd. (as lender) and Wilmington Trust (London) Limited (as security agent). Pursuant to the SMRAS USA U.S.$100.0 million Term Loan Facility Agreement, SMRAS USA has made available to it financial assistance by way of a term loan for an amount not exceeding U.S.$100.0 million ("**SMRAS USA U.S.$100.0 million Term Loan Facility**").

Amounts borrowed under the SMRAS USA U.S.$100.0 million Term Loan Facility may be applied towards (i) capital expenditure and general corporate purposes, (ii) repaying financial indebtedness owing by SMRAS USA to SMRP B.V. and (iii) funding any fees, costs and expenses (and VAT).

Interest and Repayment

The SMRAS USA U.S.$100.0 million Term Loan Facility bears an interest rate which is the aggregate of (i) the applicable margin of 1.70% or 1.80% (for any interest period commencing 11 months or more after the date of the SMRAS USA U.S.$100.0 million Term Loan Facility Agreement) and (ii) the applicable compounded reference rate.

Repayment of the loan shall be made by way of instalments by paying on each repayment date set out in the table below an amount which reduces the outstanding loan by an amount equal to the relevant percentage set out in the table below:

Repayment Date	Repayment Instalment
Date falling 3 months after the utilization date	8.33%
Date falling 6 months after the utilization date	8.33%
Date falling 9 months after the utilization date	8.33%
Date falling 12 months after the utilization date	8.33%
Date falling 15 months after the utilization date	8.33%
Date falling 18 months after the utilization date	8.33%
Date falling 21 months after the utilization date	8.33%
Date falling 24 months after the utilization date	8.33%
Date falling 27 months after the utilization date	8.33%
Date falling 30 months after the utilization date	8.33%
Date falling 33 months after the utilization date	8.33%
Termination date	Outstanding loan

In addition to voluntary prepayments and cancelation, the SMRAS USA U.S.$100.0 million Term Loan Facility Agreement requires mandatory prepayment in full in certain circumstances, including upon the occurrence of:

(a) SMPAS USA ceasing to be a wholly-owned subsidiary of SMRP B.V. or the Issuer in accordance with the SMRAS USA U.S.$100.0 million Term Loan Facility Agreement;

(b) a Change of Control (as defined in the SMRAS USA U.S.$100.0 million Term Loan Facility Agreement);

(c) at any time after the completion of the Permitted 2023 Group Reorganisation Required Steps (as defined in the SMRAS USA U.S.$100.0 million Term Loan Facility Agreement), SATMH B.V. ceasing to own all of the shares in the capital of the Issuer; or

(d) the sale of all or substantially all of the assets of the Group (as defined in the SMRAS USA U.S.$100.0 million Term Loan Facility Agreement) (whether in a single transaction or a series of related transactions).

Other key terms of the SMRHA A$93.0 million Term Loan Facility, SAHN €300.0 million Term Loan Facility, SAHN €325.0 million Term Loan Facility, SAHN €363.0 million Term Loan Facility, SMPAS Alabama U.S.$45.0 million Term Loan Facility, SMPAS Alabama U.S.$50.0 million Term Loan Facility and SMRAS USA U.S.$100.0 million Term Loan Facility

The other key terms applicable to the SMRHA A$93.0 million Term Loan Facility, SAHN €300.0 million Term Loan Facility, SAHN €325.0 million Term Loan Facility, SAHN €363.0 million Term Loan Facility, SMPAS Alabama U.S.$45.0 million Term Loan Facility, SMPAS Alabama U.S.$50.0 million Term Loan Facility and SMRAS USA U.S.$100.0 million Term Loan Facility (collectively, the "**Existing Non-Rupee Term Loan Facilities**") as per the terms of the SMRHA A$93.0 million Term Loan Facility Agreement, SAHN €300.0 million Term Loan Facility Agreement, SAHN €325.0 million Term Loan Facility Agreement, SAHN €363.0 million Term Loan Facility Agreement, SMPAS Alabama U.S.$45.0 million Term Loan Facility Agreement, SMPAS Alabama U.S.$50.0 million Term Loan Facility Agreement and SMRAS USA U.S.$100.0 million Term Loan Facility Agreement (collectively, the "**Existing Non-Rupee Term Loan Facility Agreements**") are as follows:

Covenants

The Existing Non-Rupee Term Loan Facility Agreements contain covenants customary for facilities of this nature, including covenants that limit the ability of a borrower, among others, without prior written consent of the lenders, subject to certain carve outs, to:

- enter into any amalgamation, demerger, merger, consolidation or corporate reconstruction;
- substantially change the general nature of the business of the group taken as a whole;
- acquire a company or any shares or securities equivalent to shares or a business or undertaking (or, in each case, any interest in any of them) or incorporate a company;
- enter into, invest in or acquire (or agree to acquire) any shares, stocks, securities or other interest in any joint venture or transfer any assets or lend to or guarantee or give an indemnity for or give security for the obligations of a joint venture or maintain the solvency of or provide working capital to any joint venture (or agree to do any of the foregoing);
- create or permit to subsist any security over any of its assets;
- sell, transfer or otherwise dispose of any of its assets on terms whereby they are or may be leased to or re-acquired by an obligor or any other member of the group;
- sell, transfer or otherwise dispose of any of its receivables on recourse terms;
- enter into any arrangement under which money or the benefit of a bank or other account may be applied, set-off or made subject to a combination of accounts;
- enter into a single transaction or a series of transactions (whether related or not) and whether voluntary or involuntary to sell, lease, transfer or otherwise dispose of any asset;
- enter into any material transaction except on arm's length terms or better;
- be a creditor in respect of any financial indebtedness;
- incur or allow to remain outstanding any guarantee in respect of any obligation of any person;

- declare, make or pay any dividend, charge, fee or other distribution (or interest on any unpaid dividend, charge, fee or other distribution) (whether in cash or in kind) on or in respect of its share capital (or any class of its share capital);
- make any payment of subordinated indebtedness;
- incur or allow to remain outstanding any financial indebtedness; and
- issue any shares.

Prepayment

The borrowers have the option to prepay the whole or any part of the loans of each of the Existing Non-Rupee Term Loan Facilities (but if in part, being an amount that reduces the loan by a minimum amount of A$1.0 million, U.S.$1.0 million or €1.0 million, as applicable) together with accrued interest on the amount prepaid and, subject to any break costs, without premium or penalty.

Events of Default

The Existing Non-Rupee Term Loan Facility Agreements contain customary events of default including, among other things: (i) non-payment of interest and/or scheduled repayment; (ii) non-compliance with financial covenants of the financing documents executed in connection with the Existing Non-Rupee Term Loan Facilities; (iii) any material misrepresentation or misleading statements; (iv) cross default in any payment obligations exceeding EUR 15.0 million (or its equivalent in any other currency or currencies); and (v) insolvency proceedings. Cure periods as agreed under the terms of the Existing Non-Rupee Term Loan Facility Agreements may apply in respect of one or more events.

An event of default would, among other things, entitle the lenders to: (i) declare the undrawn commitments to be canceled; (ii) declare that the loan or any part of the loan, together with accrued interest, and all other amounts accrued or outstanding under the finance documents to be immediately due and payable; (iii) declare that the loan or any part of the loan be payable on demand; and (iv) exercise or direct the security agent to exercise any or all of its rights, remedies, powers or discretions under the finance documents.

Governing Law

Each of the Existing Non-Rupee Term Loan Facility Agreements are governed by English law.

Existing Notes

3.700% Senior Secured Notes Due 2025

General

SMRP B.V. issued €100.0 million 3.700% senior secured notes due 2025 (the "**2015 Notes**") under an indenture dated June 18, 2015 between Citicorp International Limited (as trustee), Citibank, N.A., London Branch (as paying agent and transfer agent), Citigroup Global Markets Deutschland AG (as registrar) and Wilmington Trust (London) Limited (as security agent) (the "**2015 Indenture**").

Interest Rates, Payment Dates and Maturity

The 2015 Notes bear interest at the rate of 3.700% per annum, payable annually on June 18 of each year. The 2015 Notes will mature on June 18, 2025.

Security and Guarantees

The 2015 Notes are jointly and severally guaranteed by the Guarantors (as defined in the 2015 Indenture), and secured by the Collateral (as defined in the 2015 Indenture).

Optional Redemption

At any time prior to June 18, 2025, upon not less than 10 nor more than 60 days' notice, SMRP B.V. may on any one or more occasions redeem up to 35% of the aggregate principal amount of 2015 Notes at a redemption price of 103.700% of their principal amount, plus accrued and unpaid interest and additional amounts, if any, to the redemption date, with the proceeds from one or more equity offerings. SMRP B.V. may only do this, however, if (i) at least 65% of the aggregate principal amount of the 2015 Notes that were initially issued would remain outstanding immediately after the proposed redemption; and (ii) the redemption occurs within 120 days after the closing of such equity offering.

At any time prior to June 18, 2025, upon not less than 10 nor more than 60 days' notice, SMRP B.V. may on any one or more occasions redeem all or part of the 2015 Notes at a redemption price equal to 100% of the principal amount thereof plus the applicable redemption premium as of, and accrued and unpaid interest and additional amounts, if any, to, the date of redemption, subject to the rights of holders of the 2015 Notes on the relevant record date to receive interest due on the relevant interest payment date.

Covenants

The 2015 Indenture governing the 2015 Notes, among other things, restricts the ability of SMRP B.V. and its restricted subsidiaries to:

- incur or guarantee additional indebtedness and issue certain preferred shares;
- pay dividends on or repurchase shares;
- redeem or repurchase indebtedness junior to the 2015 Notes;
- make certain investments;
- create certain liens;
- merge or consolidate with other entities;
- create encumbrances or restrictions on the payment of dividends or other amounts to SMRP B.V. or any other restricted subsidiary;
- enter into certain transactions with affiliates;
- impair the Collateral (as defined in the 2015 Indenture);
- sell, lease or transfer certain assets, including shares of any restricted subsidiary of SMRP B.V.; and
- guarantee certain types of other indebtedness of SMRP B.V. and its restricted subsidiaries without also guaranteeing the 2015 Notes.

Each of the covenants is subject to significant exceptions and qualifications.

Events of Default

If any event of default under the 2015 Indenture occurs and is continuing, the trustee of the 2015 Notes or holders of at least 25% in aggregate principal amount of the 2015 Notes then outstanding may declare the principal of, premium, if any, any additional amounts and accrued interest on all of the outstanding 2015 Notes immediately due and payable by written notice to the Issuer. Upon the occurrence of certain events of default relating to insolvency, the principal of, premium, if any, additional amounts and accrued and unpaid interest on all of the outstanding 2015 Notes shall become and be immediately due and payable without any declaration or other act on the part of the trustee of the 2015 Notes or any holder of the 2015 Notes.

Governing Law

The 2015 Indenture, the 2015 Notes and the guarantees in respect thereof are governed by the laws of the State of New York.

1.80% Senior Secured Notes Due 2024

General

SMRP B.V. issued €300.0 million 1.80% senior secured notes due 2024 (the "**2017 Notes**") under an indenture dated July 6, 2017 between Deutsche Trustee Company Limited (as trustee), Deutsche Bank AG, London Branch (as paying agent), Deutsche Bank Luxembourg S.A. (as registrar and transfer agent) and Wilmington Trust (London) Limited (as security agent) (the "**2017 Indenture**").

Interest Rates, Payment Dates and Maturity

The 2017 Notes bear interest at the rate of 1.80% per annum, payable annually on July 6 of each year. The 2017 Notes will mature on July 6, 2024.

Security and Guarantees

The 2017 Notes are jointly and severally guaranteed by the Guarantors (as defined in the 2017 Indenture), and secured by the Collateral (as defined in the 2017 Indenture).

Optional Redemption

At any time prior to July 6, 2024, upon not less than 10 nor more than 60 days' notice, SMRP B.V. may on any one or more occasions redeem all or part of the 2017 Notes at a redemption price equal to 100% of the principal amount thereof plus the applicable redemption premium as of, and accrued and unpaid interest and additional amounts, if any, to, the date of redemption, subject to the rights of holders of the 2017 Notes on the relevant record date to receive interest due on the relevant interest payment date.

At any time prior to July 6, 2024, upon not less than 10 nor more than 60 days' notice, SMRP B.V. may also redeem up to 40% of the aggregate principal amount of the 2017 Notes at a redemption price of 101.80% of their principal amount, plus accrued and unpaid interest and additional amounts, if any, to the redemption date, with the proceeds from one or more equity offerings. SMRP B.V. may only do this, however, if (i) at least 60% of the aggregate principal amount of the 2017 Notes that were initially issued would remain outstanding immediately after the proposed redemption; and (ii) the redemption occurs within 120 days after the closing of such equity offering.

Covenants

The 2017 Indenture governing the 2017 Notes, among other things, restricts the ability of SMRP B.V. and its restricted subsidiaries to:

- incur or guarantee additional indebtedness and issue certain preferred shares;
- pay dividends on or repurchase shares;
- redeem or repurchase indebtedness junior to the 2017 Notes;
- make certain investments;
- create certain liens;
- merge or consolidate with other entities;
- create encumbrances or restrictions on the payment of dividends or other amounts to SMRP B.V. or any other restricted subsidiary;
- enter into certain transactions with affiliates;

- impair the Collateral (as defined in the 2017 Indenture);
- sell, lease or transfer certain assets, including shares of any restricted subsidiary of SMRP B.V.; and
- guarantee certain types of other indebtedness of SMRP B.V. and its restricted subsidiaries without also guaranteeing the 2017 Notes.

Each of the covenants is subject to significant exceptions and qualifications.

Events of Default

If any event of default under the 2017 Indenture occurs and is continuing, the trustee of the 2017 Notes or holders of at least 25% in aggregate principal amount of the 2017 Notes then outstanding may declare the principal of, premium, if any, any additional amounts and accrued interest on all of the outstanding 2017 Notes immediately due and payable by written notice to the Issuer. Upon the occurrence of certain events of default relating to insolvency, the principal of, premium, if any, additional amounts and accrued and unpaid interest on all of the outstanding 2017 Notes shall become and be immediately due and payable without any declaration or other act on the part of the trustee of the 2017 Notes or any holder of the 2017 Notes.

Governing Law

The 2017 Indenture, the 2017 Notes and the guarantees in respect thereof are governed by the laws of the State of New York.

Rupee Non-Convertible Debentures

September 2023 DTD for 8.10% INR 15,000 Million NCDs

General

The Company issued 150,000 rated, listed, unsecured, redeemable non-convertible debentures of a face value of INR 100,000 each, of an aggregate nominal value of up to INR 15,000,000,000 in dematerialized form on a private placement basis ("**8.10% NCDs**") under a debenture trust deed dated September 26, 2023 ("**September 2023 DTD**"), among the Company and Axis Trustee Services Limited as debenture trustee ("**Debenture Trustee**"). The 8.10% NCDs are listed on the BSE.

Interest Rates

The coupon rate is 8.10% per annum subject to any change in the credit ratings of the 8.10% NCDs. The Company shall pay default interest at the rate of 2% per annum over and above the coupon rate to the Debenture Holders in case of: (i) failure of the Company to pay any amount on its due date; (ii) failure of the Company to repay within five working days the outstanding debt after receipt of acceleration notice of debt or within 15 working days from the receipt of acceleration notice in case of early redemption; (iii) any other default under the financing documents in relation to the 8.10% NCDs.

Redemption

The Company is required to redeem the 8.10% NCDs on October 3, 2028 or on any other date (with a Greater Majority Resolution (as defined in the September 2023 DTD).

Mandatory Redemption

The Company will mandatorily redeem the 8.10% NCDs within five days from the receipt of notice for occurrence of: (a) delisting of 8.10% NCDs on the BSE; or (b) withdrawal / suspension of the credit rating of the 8.10% NCDs by the rating agency.

Financial Covenant Redemption

The Debenture Trustee can redeem the 8.10% NCDs (in full or part i.e. any Debenture Holder can opt for redemption of the Debentures held by it) in the event any breach occurs in relation to non-compliance with the financial covenant pertaining to maintenance of (a) interest service coverage ratio and (b) net debt to EBITDA ratio, for any existing long term financial indebtedness of the Company or its Included Subsidiaries (as defined in the September 2023 DTD).

Redemption in case of a downgrade in the credit rating

The coupon rate shall remain unchanged in case of downgrade of credit rating of the 8.10% NCDs from AAA to AA+. The coupon rate shall automatically increase by a rate of 0.25% per annum for each notch downgrade in the credit rating from AA+ to AA-. For each upgrade by a notch in the credit rating from AA- to AA+, the then applicable coupon rate shall automatically stand reduced by 0.25% per annum.

In the event of downgrade in the credit rating of the 8.10% NCDs from AA- to A+ and each notch downgrade thereafter, following options shall be exercisable:

(a) Each Debenture Holder shall have the option to require the Company to redeem all of their respective outstanding 8.10% NCDs in full (and not in part) within 15 days of downgrade of credit rating of the 8.10% NCDs;

(b) The Company shall have the option to redeem all of the outstanding 8.10% NCDs in full by issuing a redemption notice to the Debenture Trustee; or

(c) In the event, the option to redeem the 8.10% NCDs is not exercised by the Debenture Holders or the Company, the coupon rate for all such outstanding Debentures shall stand increased by a rate of 0.50% over and above the then applicable coupon rate for each notch of downgrade below AA- accruing on and from the date of such downgrade in the credit rating of the 8.10% NCDs on the outstanding principal amount of each relevant 8.10% NCD.

For each subsequent upgrade in credit rating by a notch up to AA-, the applicable coupon rate shall automatically stand reduced by 0.50% per annum.

Ranking

The 8.10% NCDs shall rank inter se *pari passu* in relation to their rights and benefits, without any preference or priority whatsoever on account of date of issue or allotment. The Company's payment obligations with respect to the 8.10% NCDs will rank at least *pari passu* with all other unsecured and unsubordinated financial debt of the Company. The obligations of the Company to redeem the 8.10% NCDs between the Debenture Holders inter se rank *pari passu* without any preference or priority whatsoever.

Restricted payments

If (i) the Company fails to pay, when due, any amount payable under the Financing Documents (as defined in the September 2023 DTD); or (ii) an Event of Default (as defined in the September 2023 DTD) has occurred and is continuing; or (iii) if such restricted payments are not permitted under applicable laws; or (iv) if the credit rating of the 8.10% NCDs has been suspended or withdrawn by the rating agency; then the Company shall not, without the prior written consent of the Debenture Trustee: (i) declare or pay any dividends; (ii) make payment of any payments, interest / repayments in connection with any financial indebtedness or investments or unpaid dues other liabilities or debt availed by the Company from the promoter or associate or any group company of the promoter; (iii) grant or make available monies by way of inter-corporate deposits, loans or advances to any person.

Covenants

The September 2023 DTD contains customary covenants given by the Company to the Debenture Trustee, including but not limited to,

(a) promoter group is required to remain the largest shareholder of the Company and exercise Control (as defined in the September 2023 DTD) and continue to have Management Control (as defined in the September 2023 DTD) of the Company; and

(b) the Company requires no consent from the Debenture Trustee for availing any additional financial indebtedness, provided that no Event of Default (as defined in the September 2023 DTD) is subsisting and availing such financial indebtedness does not result in the occurrence of an Event of Default (as defined in the September 2023 DTD).

The Company will ensure that its financial and operating performances will be monitored by financial covenants which require the Company to ensure that until the Final Settlement Date (as defined in the September 2023 DTD), the ISCR (as defined in the September 2023 DTD) shall not be less than 3x; and the ratio of Net Debt to EBITDA (as defined in the September 2023 DTD) shall not exceed 3.5x.

Event of Default

The September 2023 DTD contains customary events of default, *inter alia* (a) failure by the Company to comply with payment and other obligations under the September 2023 DTD, (b) occurrence of a cross default and (c) cessation of the business of the Company.

Upon occurrence of any Event of Default, the Debenture Trustee:

(a) has a right to appoint a nominee director on the board of directors of the Company;

(b) enter into the Inter Creditor Agreement (as defined in the September 2023 DTD) on behalf of the Debenture Holders, subject to the approval of the Debenture Holder(s) by special majority and the conditions as may be specified by SEBI from time to time;

(c) accelerate the outstanding debt with respect to the 8.10% NCDs; and

(d) exercise such other rights and remedies as may be available to the Debenture Trustee or such Debenture Holder under the Financing Documents (as defined in the September 2023 DTD) or under applicable law.

Governing Law

The September 2023 DTD and all non-contractual obligations arising from or in connection with it, are governed by Indian law.

January 2023 DTD for 8.15% INR 6,000 Million NCDs

General

The Company issued 60,000 rated, listed, unsecured, redeemable non-convertible debentures of a face value of INR 100,000 each, of an aggregate nominal value of up to INR 6,000,000,000 ("**8.15% NCDs**"), in dematerialized form on a private placement basis under a debenture trust deed dated January 18, 2023 ("**January 2023 DTD**"), among the Company and Axis Trustee Services Limited as debenture trustee ("**Debenture Trustee**"). The 8.15% NCDs are listed on the BSE and NSE.

Interest Rates

The coupon rate is 8.15% per annum subject to any change in the credit ratings of the 8.15% NCDs. The Company shall pay default interest at the rate of 2% per annum over and above the coupon rate to the Debenture Holders in case of: (i) failure of the Company to pay any amount on its due date; (ii) failure of the Company to repay the outstanding debt after receipt of acceleration notice of debt or within 15 working days from the receipt of acceleration notice in case of early redemption; (iii) any other default under the financing documents in relation to the 8.15% NCDs.

Redemption

The Company is required to redeem the 8.15% NCDs on January 23, 2026 or on any other date (with a Greater Majority Resolution (as defined in the January 2023 DTD) when the 8.15% NCDs are redeemed or required to be redeemed, whether voluntarily by the Company or mandatorily.

Mandatory Redemption

The Company will mandatorily redeem the 8.15% NCDs within five days from the receipt of notice for occurrence of: (a) delisting of 8.15% NCDs on the BSE; or (b) withdrawal / suspension of the credit rating of the 8.15% NCDs by the rating agency.

Financial Covenant Redemption

The Debenture Trustee can redeem the 8.15% NCDs (in full or part i.e. any Debenture Holder can opt for redemption of the Debentures held by it) in the event any breach occurs in relation to non-compliance with the financial covenant pertaining to maintenance of (a) interest service coverage ratio and (b) net debt to EBITDA ratio, any existing long term financial indebtedness of the Company or its Included Subsidiaries (as defined in the January 2023 DTD).

Redemption in case of a downgrade in the credit rating

The coupon rate shall remain unchanged in case of downgrade of credit rating of the 8.15% NCDs from AAA to AA+. The coupon rate shall automatically increase by a rate of 0.25% per annum for each notch downgrade in the credit rating from AA+ to AA-. For each upgrade by a notch in the credit rating from AA- to AA+, the then applicable coupon rate shall automatically stand reduced by 0.25% per annum.

In the event of downgrade in the credit rating of the 8.15% NCDs from AA- to A+ or below and each notch downgrade thereafter, following options shall be exercisable:

(a) Each Debenture Holder shall have the option to require the Company to redeem all of their respective outstanding 8.15% NCDs in full (and not in part) within 15 days of downgrade of credit rating of the 8.15% NCDs;

(b) The Company shall have the option to redeem all of the outstanding 8.15% NCDs in full by issuing a redemption notice to the Debenture Trustee; or

(c) In the event, the option to redeem the 8.15% NCDs is not exercised by the Debenture Holders or the Company, the Coupon Rate for all such outstanding 8.15% NCDs shall stand increased by a rate of 0.50% over and above then applicable coupon rate for each notch of downgrade below AA- to A+ or below accruing on and from the date of such downgrade in the credit rating of the 8.15% NCDs on the outstanding principal amount of each relevant 8.15% NCD.

For each subsequent upgrade in credit rating by a notch up to AA, the applicable coupon rate shall automatically stand reduced by 0.50% per annum.

Ranking

The 8.15% NCDs shall rank inter se *pari passu* in relation to their rights and benefits, without any preference or priority whatsoever on account of date of issue or allotment. The Company's payment obligations with respect to the 8.15% NCDs will rank at least *pari passu* with all other unsecured and unsubordinated financial debt of the Company. The obligations of the Company to redeem the 8.15% NCDs between the Debenture Holders inter se rank *pari passu* without any preference or priority whatsoever.

Restricted payments

If (i) the Company fails to pay, when due, any amount payable under the Financing Documents (as defined in the January 2023 DTD); or (ii) an Event of Default (as defined in the January 2023 DTD) has occurred and is continuing; or (iii) if such restricted payments are not permitted under applicable laws; or (iv) if the credit rating of the 8.15% NCDs has been suspended or withdrawn by the rating agency, then the Company shall not, without the prior written consent of the Debenture Trustee: (i) declare or pay any dividends; (ii) make payment of any payments, interest / repayments in connection with any financial indebtedness or investments or unpaid dues other liabilities or debt availed by the Company from the promoter or associate or any group company of the promoter; (iii) grant or make available monies by way of inter-corporate deposits, loans or advances to any person.

Covenants

The January 2023 DTD contains customary covenants given by the Company to the Debenture Trustee, including but not limited to:

(a) promoter group is required to remain the largest shareholder of the Company and exercise Control (as defined in the January 2023 DTD) and continue to have Management Control (as defined in the January 2023 DTD) of the Company; and

(b) the Company requires no consent from the Debenture Trustee for availing any additional financial indebtedness, provided that no Event of Default is subsisting and availing such financial indebtedness does not result in the occurrence of an Event of Default.

The Company will ensure that its financial and operating performances will be monitored by financial covenants which require the Company to ensure that until the Final Settlement Date (as defined in the January 2023 DTD), the ISCR (as defined in the January 2023 DTD) shall not be less than 3x; and the ratio of Net Debt to EBITDA (as defined in the January 2023 DTD) shall not exceed 3.5x.

Event of Default

The January 2023 DTD contains customary event of default, *inter alia* (a) failure by the Company to comply with payment and other obligations under the January 2023 DTD, (b) occurrence of a cross default.

Upon occurrence of any Event of Default, the Debenture Trustee:

(a) has a right to appoint a nominee director on the board of directors of the Company;

(b) enter into the Inter Creditor Agreement (as defined in the January 2023 DTD) on behalf of the Debenture Holders, subject to the approval of the Debenture Holder(s) by special majority and the conditions as may be specified by SEBI from time to time;

(c) accelerate the outstanding debt with respect to the 8.15% NCDs; and

(d) exercise such other rights and remedies as may be available to the Debenture Trustee or such Debenture Holder under the Financing Documents (as defined in the January 2023 DTD) or under applicable law.

Governing Law

The January 2023 DTD and all non-contractual obligations arising from or in connection with it, are governed by Indian law.

INR 10,000 Million NCDs

A. December 2021 DTD for 5.68% INR 2,350 Million NCDs

General

The Company issued 2,350 rated, listed, unsecured, redeemable non-convertible debentures ("**5.86% NCDs**") of a face value of INR 1,000,000 each, of an aggregate nominal value of up to INR 2,350,000,000 in dematerialized form on a private placement basis under a debenture trust deed dated December 6, 2021 ("**December 2021 DTD**"), among the Company and Axis Trustee Services Limited as debenture trustee ("**Debenture Trustee**"). The 5.68% NCDs are listed on the BSE.

Interest Rates

The coupon rate is 5.68% per annum subject to any change in the credit ratings of the 5.68% NCDs. The Company shall pay default interest at the rate of 2% per annum over and above the coupon rate to the Debenture Holders in case of: (i) failure of the Company to pay any amount on its due date; (ii) failure of the Company to repay the outstanding debt within five days after receipt of acceleration notice of debt; or (iii) any other default under the financing documents in relation to the 5.68% NCDs.

Redemption

The Company is required to redeem the 5.68% NCDs on December 8, 2024 or on any other date (with a Greater Majority Resolution (as defined in the December 2021 DTD).

Mandatory Redemption

The Company will mandatorily redeem the 5.68% NCDs within five days from the receipt of notice for occurrence of: (a) delisting of 5.68% NCDs on the BSE; or (b) withdrawal / suspension of the credit rating of the 5.68% NCDs by the rating agency.

Redemption in case of a downgrade in the credit rating

The coupon rate shall remain unchanged in case of downgrade of credit rating of the 5.68% NCDs from AAA to AA+. The coupon rate shall automatically increase by a rate of 0.25% per annum for each notch downgrade in the credit rating from AA+ to AA-. For each upgrade by a notch in the credit rating from AA- to AA+, the then applicable coupon rate shall automatically stand reduced by 0.25% per annum.

In the event of downgrade in the credit rating of the 5.68% NCDs from AA- to A+ and each notch downgrade thereafter, following options shall be exercisable:

(a) Each Debenture Holder shall have the option to require the Company to redeem all of their respective outstanding 5.68% NCDs in full (and not in part) within 15 days of downgrade of credit rating of the 5.68% NCDs;

(b) The Company shall have the option to redeem all of the outstanding 5.68% NCDs in full by issuing a redemption notice to the Debenture Trustee; or

(c) In the event, the option to redeem the 5.68% NCDs are not exercised by the Debenture Holders or the Company, the Coupon Rate for all such outstanding 5.68% NCDs shall stand increased by a rate of 0.50% over and above the then applicable coupon rate for each notch of downgrade below AA- accruing on and from the date of such downgrade in the credit rating of the 5.68% NCDs on the outstanding principal amount of each relevant 5.68% NCD.

For each subsequent upgrade in credit rating by a notch up to AA-, the applicable coupon rate shall automatically stand reduced by 0.50% per annum.

Ranking

The 5.68% NCDs shall rank inter se *pari passu* in relation to their rights and benefits, without any preference or priority whatsoever on account of date of issue or allotment or otherwise. The Company's payment obligations with respect to the 5.68% NCDs will rank at least *pari passu* with all other unsecured and unsubordinated financial debt of the Company. The obligations of the Company to redeem the 5.68% NCDs between the Debenture Holders inter se rank *pari passu* without any preference or priority whatsoever.

Restricted payments

If (i) the Company fails to pay, when due, any amount payable under the Financing Documents (as defined in the December 2021 DTD); or (ii) an Event of Default (as defined in the December 2021 DTD) has occurred and is continuing; or (iii) if such restricted payments are not permitted under applicable laws; or (iv) if the credit rating of the 5.68% NCDs has been suspended or withdrawn by the rating agency; then the Company shall not, without the prior written consent of the Debenture Trustee: (a) declare or pay any dividends or distributions or return of equity / quasi-equity or undertake any buy back; (b) make payment of any payments, interest / repayments in connection with any financial indebtedness or investments or unpaid dues other liabilities or debt availed by the Company from the promoter or associate or any group company of the promoter; or (c) grant or make available monies by way of inter-corporate deposits, loans or advances to any person.

Covenants

The December 2021 DTD contains customary covenants given by the Company to the Debenture Trustee, including but not limited to:

(a) promoter group is required to remain the largest shareholder of the Company and exercise Control (as defined in the December 2021 DTD) and continue to have Management Control (as defined in the December 2021 DTD) of the Company; and

(b) the Company requires no consent from the Debenture Trustee for availing any additional financial indebtedness, provided that no Event of Default (as defined in the December 2021 DTD) is subsisting and availing such financial indebtedness does not result in the occurrence of an Event of Default (as defined in the December 2021 DTD).

The Company will ensure that its financial and operating performances will be monitored by financial covenants which require the Company to ensure that until the Final Settlement Date (as defined in the December 2021 DTD), the ISCR (as defined in the December 2021 DTD) shall not be less than 3x; and the ratio of Net Debt to EBITDA (as defined in the December 2021 DTD) shall not exceed 3.5x.

Event of Default

The December 2021 DTD contains customary event of default, *inter alia* (a) failure by the Company to comply with payment and other obligations under the December 2021 DTD, (b) occurrence of a cross default' and (c) cessation of the business of the Company.

Upon occurrence of any Event of Default (as defined in the December 2021 DTD), the Debenture Trustee:

(a) has a right to appoint a nominee director on the board of directors of the Company;

(b) enter into the Inter Creditor Agreement (as defined in the December 2021 DTD) on behalf of the Debenture Holders, subject to the approval of the Debenture Holder(s) by special majority and the conditions as may be specified by SEBI from time to time;

(c) accelerate the outstanding debt with respect to the 5.68% NCDs; and

(d) exercise such other rights and remedies as may be available to the Debenture Trustee or such Debenture Holder under the Financing Documents or under applicable law.

Governing Law

The December 2021 DTD, and all non-contractual obligations arising from or in connection with it, are governed by Indian law.

November 2021 DTD for INR 7,650 Million NCDs

General

The Company issued 7,650 rated, listed, unsecured, redeemable non-convertible debentures of a face value of INR 1,000,000 each, of an aggregate nominal value of up to INR 7,650,000,000 in dematerialized form on a private placement basis under a debenture trust deed dated November 25, 2021 ("**November 2021 DTD**"), among the Company and Axis Trustee Services Limited as debenture trustee ("**Debenture Trustee**"). The NCDs are issued in two series wherein **Series I NCDs** is 2,500 NCDs of an aggregate nominal amount of up to INR 2,500,000,000 ("**Series I NCD**") and **Series II NCDs** is 5,150 NCDs of an aggregate nominal amount of up to INR 5,150,000,000 ("**Series II NCD**") (Series I NCD and Series II NCD collectively as "**2021 NCD**"). The 2021 NCDs are listed on the BSE.

Interest Rates

The coupon rate on Series I NCDs is 5.69% per annum; and in respect of Series II NCDs is 6.09% per annum, which is subject to change in credit rating of the 2021 NCDs. The Company shall pay default interest at the rate of 2% per annum over and above the coupon rate to the Debenture Holders in case of: (i) failure of the Company to pay any amount on its due date; (ii) failure of the Company to repay the outstanding debt within five days after receipt of acceleration notice of debt; (iii) any other default under the financing documents in relation to the 2021 NCDs.

Redemption

The Company is required to redeem the Series I NCDs on November 25, 2024 and Series II NCDs on November 25, 2026, or on any other date (with a Greater Majority Resolution (as defined in the November 2021 DTD)).

Mandatory Redemption

The Company will mandatorily redeem the 2021 NCDs within five days from the receipt of notice for occurrence of: (a) delisting of 2021 NCDs on the BSE; or (b) withdrawal / suspension of the credit rating of the 2021 NCDs.

Redemption in case of a downgrade in the credit rating

The coupon rate shall remain unchanged in case of downgrade of credit rating of the 2021 NCDs from AAA to AA+. The coupon rate shall automatically increase by a rate of 0.25% per annum for each notch downgrade in the credit rating from AA+ to AA-. For each upgrade by a notch in the credit rating from AA- to AA+, the then applicable coupon rate shall automatically stand reduced by 0.25% per annum.

In the event of downgrade in the credit rating of the 2021 NCDs from AA- to A+ and each notch downgrade thereafter, following options shall be exercisable:

(a) Each Debenture Holder shall have the option to require the Company to redeem all of their respective outstanding 2021 NCDs in full (and not in part) within 15 days of downgrade of credit rating of the 2021 NCDs;

(b) The Company shall have the option to redeem all the outstanding 2021 NCDs in full by issuing a redemption notice to the Debenture Trustee; or

(c) In the event, the option to redeem the 2021 NCDs are not exercised by the Debenture Holders or the Company, the coupon rate for all such outstanding 2021 NCDs shall stand increased by a rate of 0.50% over and above the then applicable coupon rate for each notch of downgrade below AA- accruing on and from the date of such downgrade in the credit rating of the 2021 NCDs on the outstanding principal amount of each relevant 2021 NCD.

For each subsequent upgrade in credit rating by a notch up to AA-, the applicable coupon rate shall automatically stand reduced by 0.50% per annum.

Ranking

The 2021 NCDs shall rank inter se *pari passu* in relation to their rights and benefits, without any preference or priority whatsoever on account of date of issue or allotment or otherwise. The Company's payment obligations with respect to the 2021 NCDs will rank at least *pari passu* with all other unsecured and unsubordinated financial debt of the Company. The obligations of the Company to redeem the 2021 NCDs between the Debenture Holders inter se rank *pari passu* without any preference or priority whatsoever.

Restricted payments

If (i) the Company fails to pay, when due, any amount payable under the Financing Documents (as defined in the November 2021 DTD); or (ii) an Event of Default (as defined in the November 2021 DTD) has occurred and is continuing; or (iii) if such restricted payments are not permitted under applicable laws; or (iv) if the credit rating of the 2021 NCDs has been suspended or withdrawn by the rating agency, then the Company shall not, without the prior written consent of the Debenture Trustee: (i) declare or pay any dividends; (ii) make payment of any payments, interest / repayments in connection with any financial indebtedness or investments or unpaid dues other liabilities or debt availed by the Company from the promoter or associate or any group company of the promoter; (c) grant or make available monies by way of inter- corporate deposits, loans or advances to any person.

Covenants

The November 2021 DTD contains customary covenants given by the Company to the Debenture Trustee, but not limited to,

(a) promoter group will remain the largest shareholder of the Company and exercise Control (as defined in the November 2021 DTD) and continue to have Management Control (as defined in the November 2021 DTD) of the Company;

(b) the Company requires no consent from the Debenture Trustee for availing any additional financial indebtedness, provided that no Event of Default and exercise Control (as defined in the November 2021 DTD) is subsisting and availing such financial indebtedness does not result in the occurrence of an Event of Default (as defined in the November 2021 DTD);

(c) the Company cannot enter into any transaction of merger, de-merger, divestment, sale of substantial assets, spin-off, consolidation, amalgamation, restructuring, reorganization or implement any scheme of amalgamation or reconstruction; and

(d) the Company cannot claim any immunity or limitation of liability against any payment obligations arising towards the Debenture Holders.

The Company will ensure that its financial and operating performances will be monitored by financial covenants which require the Company to ensure that until the Final Settlement Date (as defined in the November 2021 DTD), the ISCR (as defined in the November 2021 DTD) shall not be less than 3x; and the ratio of Net Debt to EBITDA (as defined in the November 2021 DTD) shall not exceed 3.5x.

Event of Default

The November 2021 DTD contains customary event of default, *inter alia* (a) failure by the Company to comply with payment and other obligations under the November 2021 DTD, (b) occurrence of a cross default and (c) cessation of the business of the Company.

Upon occurrence of any Event of Default (as defined in the November 2021 DTD), the Debenture Trustee:

(a) has a right to appoint a nominee director on the board of directors of the Company;

(b) enter into the Inter Creditor Agreement (as defined in the November 2021 DTD) on behalf of the Debenture Holders, subject to the approval of the Debenture Holder(s) by special majority and the conditions as may be specified by SEBI from time to time;

(c) accelerate the outstanding debt with respect to the 2021 NCDs; and

(d) exercise such other rights and remedies as may be available to the Debenture Trustee or such Debenture Holder under the Financing Documents (as defined in the November 2021 DTD) or under applicable law.

Governing Law

The November 2021 DTD, and all non-contractual obligations arising from or in connection with it, are governed by Indian law.

Rupee Term Loan Facilities

2021 HDFC Bank Term Loan Facility Agreement for INR 1,000 Million Term Loan Facility

General

On February 3, 2021, the Company as borrower and HDFC Bank Limited as lender ("**HDFC**") entered into a secured Term Loan Agreement ("**2021 HDFC Bank Term Loan Facility Agreement**") that established a rupee term loan facility for an aggregate principal amount of INR 10,000,000,000 ("**2021 HDFC Bank Term Loan Facility**").

In order to utilize the 2021 HDFC Bank Term Loan Facility Agreement, the Company must comply with certain conditions contained in the sanction letter dated September 30, 2020 bearing reference no. HDFC/IB/CF/MSSL/09/07.

Repayments

The 2021 HDFC Bank Term Loan Facility will mature after five years from the date of first disbursement and the Company shall make the repayments to the HDFC on an annual basis within a period of five years as per the following schedule:

(a) End of 1 year from disbursement-5%;

(b) End of 2 years from disbursement-5%;

(c) End of 3 years from disbursement-10%;

(d) End of 4 years from disbursement-25%;

(e) End of 5 years from disbursement-55%.

The first repayment is to be made at the end of one year from disbursement and thereafter, the payment shall be made at the end of each from last repayment date.

The Company may make prepayments to HDFC (either in part or in full) at any time, by paying 1% of the prepaid amount as prepayment penalty. No prepayment penalty is payable to HDFC under the 2021 HDFC Bank Term Loan Agreement if the prepayment was made at the instance of HDFC.

Further, the Company is to mandatorily prepay the outstanding 2021 HDFC Bank Term Loan Facility if the security is not created within 180 days of first disbursement.

Interest

The 2021 HDFC Bank Term Loan Facility Agreement bears an interest rate of 6.5% per annum which is an aggregate of a benchmark rate of 4% per annum on the date of this agreement and the spread which is equal to 2.05% per annum on the date of this agreement excluding interest tax.

The interest rate for the Company shall be reset as and when (a) benchmark rates are reset at the end of every three months, and (b) the spread is reset upon the change in credit ratings of Parent Guarantor.

The Company shall pay a default interest of an additional 2% per annum payable monthly over the interest rate under the 2021 HDFC Bank Term Loan Facility Agreement upon (i) failure of Parent Guarantor to pay the loan amount within five working days upon receipt of notice from HDFC; (ii) any default of payment of interest and/or principal repayment; and (iii) breach of any other covenant.

Security

The 2021 HDFC Bank Term Loan Facility Agreement creates a secured rupee term facility in favor of the Company. The Company shall create a security in favor of HDFC by way of a pledge on a first *pari passu* basis over the shares of MSSL (GB) held by Parent Guarantor. A security trustee is to be appointed for the pledge and Security Trustee Agreement to be executed for the same. The creation and perfection of security is to be done within 120 days of first disbursement which can be extended to 180 days from the date of first disbursement.

Restricted payments

If (i) the Company fails to meet its obligations to pay interest and/or instalments and/or other monies due to HDFC and as long as it is in such default; or (ii) an Event of Default (as defined in the 2021 HDFC Bank Term Loan Facility Agreement) has occurred and is continuing; and (iii) such restricted payments are not permitted under applicable laws, then the Company shall not, without the prior written consent of HDFC: (i) declare or pay any dividends; (ii) payment or repayment in relation to investments, unpaid dues and financial indebtedness availed by the Company from promoter or associate or group companies of the promoter; (iii) pay by way of inter- corporate deposits, loans or advances to any person, including associates of group companies of the Company unless approved by HDFC.

Covenants

The 2021 HDFC Bank Term Loan Facility Agreement contains customary affirmative and information covenants. The 2021 HDFC Bank Term Loan Facility Agreement also requires the Company to observe certain customary negative covenants such as (a) to not enter any scheme of merger, amalgamation, compromise or reconstruction without the consent of HDFC, unless an express approval was specified in the sanction letter dated September 30, 2020, and (b) to not declare the dividend if any principal or interest remains unpaid, (c) promoter group shall be the largest shareholder in the Company and shall exercise management control at all times during the tenor of the 2021 HDFC Bank Term Loan Facility.

The Company's financial and operating performance will be monitored by financial covenants which require the Company to ensure that the Interest Service Coverage Ratio shall not be less than 3x and net debt to EBITDA shall not exceed 3.5x. These financial covenants will be tested on a semi-annual basis based on unaudited results of the Company within 60 days from the half year period, and audited financial as provided within 90 days from the end of financial year.

Events of Default

The 2021 HDFC Bank Term Loan Facility Agreement contains customary events of default *inter alia* (a) failure by the Company to make payments to the HDFC on any due date, (b) breach of terms or covenants and (c) occurrence of cross default of more than U.S.$20 million by the Company and/or U.S.$10 million by Parent Guarantor at standalone MSSL level.

Upon occurrence of an event of default, HDFC may take any action including, but not limited to, the following:

(a) accelerating the principal repayment of 2021 HDFC Bank Term Loan Facility;

(b) enforce the security;

(c) appointment of a Nominee Director on the Board of Director of the Company along with all the lenders having a similar rights under their respective transaction;

(d) declare the said dues and all the obligations of the Company to Bank, as immediately due and payable, irrespective of their agreed maturity; or

(e) exercise such rights as maybe available to the HDFC under the applicable law.

Governing Law

The 2021 HDFC Bank Term Loan Facility Agreement is governed by Indian law. The courts/tribunal in Delhi have exclusive jurisdiction to settle any disputes, suit, action or proceedings that may arise in relation to the 2021 HDFC Bank Term Loan Facility Agreement.

2023 HDFC Bank Term Loan Facility Agreement for INR 5,000 Million Unsecured Term Loan Facility

General

On June 20, 2023, the Company as borrower and HDFC Bank Limited as lender entered into an unsecured Term Loan Agreement ("**2023 HDFC Bank Term Loan Facility Agreement**") that established a rupee term loan facility for an aggregate principal amount of INR 5,000,000,000 ("**2023 HDFC Bank Term Loan Facility**").

In order to utilize the 2023 HDFC Bank Term Loan Facility Agreement, the Company must comply with certain conditions contained in the Offer Letter dated September 25, 2022 bearing reference number CAM012802220028/noting#126319.

Repayments

The 2023 HDFC Bank Term Loan Facility will mature after five years from the date of first disbursement and the Company shall make the repayments to HDFC on an annual basis within a period of five years as per the following schedule:

(a) End of 1 year from disbursement-5%;

(b) End of 2 years from disbursement-5%;

(c) End of 3 years from disbursement-10%;

(d) End of 4 years from disbursement-25%; and

(e) End of 5 years from disbursement-55%

The first repayment is to be made at the end of one year from disbursement and thereafter, the payment shall be made at the end of each from last repayment date.

The Company may make prepayments to HDFC (either in part or in full) at any time, without incurring any prepayment penalty. No prepayment penalty is payable to HDFC under the 2023 HDFC Bank Term Loan Agreement if the prepayment was made at the instance of HDFC.

Interest

The 2023 HDFC Bank Term Loan Facility Agreement bears an interest rate at a benchmark rate (i.e., the three-month T-bill rate as published by FBIL/FMMDA) and Spread at 1.41% per annum.

The interest rate for the Company shall be reset as and when (a) benchmark rates are reset quarterly, and (b) the spread is reset upon the change in credit ratings of Parent Guarantor, as per terms of the credit rating Revision. Which would have requisite effect on the Spread.

The Company shall pay a default interest of an additional 2% per annum payable monthly over the interest rate under the 2023 HDFC Bank Term Loan Facility Agreement upon (i) failure of Parent Guarantor to pay the loan amount within five working days upon receipt of notice from HDFC; (ii) any default of payment of interest and/or principal repayment; and (iii) breach of any other covenant.

Security

The 2023 HDFC Bank Term Loan Facility is unsecured.

Restricted payments

If (i) the Company fails to meet its obligations to pay interest and/or installments and/or other monies due to HDFC and as long as it is in such default; (ii) an Event of Default (as defined in the 2021 HDFC Bank Term Loan Facility Agreement) has occurred and is continuing; (iii) such restricted payments are not permitted under applicable laws; and (iv) the credit rating of the 2023 HDFC Bank Term Loan Facility has been suspended or withdrawn by the credit rating agency, then the Company shall not, without the prior written consent of HDFC: (i) declare or pay any dividends; (ii) payment or repayment in relation to investments, unpaid dues and financial indebtedness availed by the Company from promoter or associate or group companies of the promoter; and (iii) pay by way of inter-corporate deposits, loans or advances to any person, including associates of group companies of the Company unless approved by HDFC.

Covenants

The 2023 HDFC Bank Term Loan Facility Agreement contains customary promoter and information covenants. The 2023 HDFC Bank Term Loan Facility Agreement also requires the Company to observe certain customary negative covenants such as (a) to not induct a person into its Board of Directors, if he is a promoter or director on the Board of a company which has been identified or such a person has been declared to be a willful defaulter, (b) to not file winding-up or insolvency proceedings under the Insolvency and Bankruptcy Code 2016 against itself and (c) promoter group shall be the largest shareholder in the Company and shall exercise management control at all times during the tenor of the 2023 HDFC Bank Term Loan Facility. In this respect, the Company's financial and operating performance will be monitored by financial covenants which require the Company to ensure that the Interest Service Coverage Ratio shall not be less than 3x and net debt to EBITDA shall not exceed 3.5x. These financial covenants will be tested on a semi-annual basis based on unaudited results of the Company within 60 days from the half year period, and audited financials provided within 90 days from the end of the financial year.

Events of Default

The 2023 HDFC Bank Term Loan Facility Agreement contains customary events of default *inter alia* (a) failure by the Company to make payments to HDFC on any due date, (b) breach of terms or covenants and (c) occurrence of cross default of more than U.S.$25 million by the Company and/or U.S.$15 million by the Company at standalone level.

Upon occurrence of an event of default, HDFC may take any action including, but not limited to, the following:

(a) accelerating the principal repayment of 2023 HDFC Bank Term Loan Facility;

(b) appointment of a Nominee Director on the Board of Directors of the Company along with all the lenders having similar rights under their respective transactions;

(c) declare the said dues and all the obligations of the Company to HDFC, as immediately due and payable, irrespective of their agreed maturity; or

(d) exercise such rights as may be available to the HDFC under the applicable law.

Governing Law

The 2023 HDFC Bank Term Loan Facility Agreement is governed by Indian law. The courts/tribunal in Noida have exclusive jurisdiction to settle any disputes, suit, action or proceedings that may arise in relation to the 2023 HDFC Bank Term Loan Facility Agreement

2023 Axis Bank Term Loan Facility Agreement for INR 1,500 Million Unsecured Term Loan Facility

General

On March 27, 2023, the Company as borrower and Axis Bank Limited as lender (the "**Axis**") entered into an unsecured term loan agreement ("**2023 Axis Bank Term Loan Agreement**") that established a rupee term loan facility for an aggregate principal amount of INR 1,500,000,000 ("**2023 Axis Bank Term Loan Facility**").

Axis is entitled to reduce or altogether withdraw the facility subject to certain conditions.

Repayments and Prepayments

2023 Axis Bank Term Loan Facility Agreement will mature on the date falling five years from March 27, 2023 and the Company shall repay the loan on each of the following dates set out in the following quarterly repayment schedule:

(a) First 8 quarters-Repayment of 1.25% each quarter;

(b) 9 to 12th quarter- Repayment of 2.50% each quarter;

(c) 13th to 16th quarter- Repayment of 6.25% each quarter; and

(d) 17th to 20th quarter- Repayment of 13.75% each quarter

Such repayment of the loans shall be made on the realization of the amount or the relative due date, whichever is later.

The Company under the 2023 Axis Bank Term Loan Facility Agreement may prepay the loan without any prepayment penalty on the following conditions; (a) prepayment within 30 days from the interest reset date (if the interest reset is not acceptable); (b) prepayment after giving 3 days prior notice to Axis.

Interest

The 2023 Axis Bank Term Loan Facility Agreement carries the interest rate to be decided by Axis at the time of disbursement.

Negative Lien

The 2023 Axis Bank Term Loan Facility Agreement is unsecured. However, as per the terms of the sanction letter dated March 13, 2023 bearing the reference no. CAM592311220037/C&LC/North/2022-23, the Company shall create negative lien on its assets and shall not create/offer security on its assets any other lender. In the event the Company offers any security on its assets is offered, the same would be made available to Axis as well.

Restricted payments

The Company shall not, without the prior written consent of Axis: (i) declare dividend for any year except out of profits of the current year and/or of the previous year in accordance with provisions of the Companies Act, 2013 and subject to no default in payment/repayment obligation to Axis; (ii) repay any principal or interest on any loans availed from the shareholders/directors/partners/proprietor/ co-parceners, relatives, friends or any other affiliates (as the case may be), in case of an event of default.

Covenants

The 2023 Axis Bank Term Loan Facility Agreement contains customary informative, and negative covenants, given by the Company to Axis like (i) prior intimation to Axis before (a) making any material amendments to its constitutional documents; (b) details of any event, of nay litigation, arbitration or administrative proceedings which is likely to result in the occurrence of material adverse effect and ; and (ii) prior written approval of Axis for (a) any change in the general nature of business; (b) any change in its promoter ownership/ control/management control; (c) enter into any merger/amalgamation etc. or do a buyback of a material nature except as mentioned in the 2023 Axis Bank Term Loan Facility Agreement (except any merger, amalgamation, buyback or reconstruction between business and entities within SAMIL Consolidated Group such that the effective shareholding of SAMIL prior and post such action remains either the same or higher, which shall always be permitted).

The 2023 Axis Bank Term Loan Facility Agreement also requires the Company to observe certain customary affirmative covenants. In this respect, the Company's financial and operating performance will be monitored by financial covenants which require the Company to ensure that the Interest Service Coverage Ratio shall not be less than 3x and net debt to EBITDA shall not exceed 3.5x. These financial covenants will be tested on an annual basis based on audited results of the Company within 90 days from the date of year end.

Events of Default

The 2023 Axis Bank Term Loan Facility Agreement contains customary events of default *inter alia* (a) failure by the Company to comply with payment and other obligations under the agreement, and (b) occurrence of a cross default as defined in the agreement.

Occurrence of an event of default results in the following consequences:

(a) an immediate declaration that such loan obligations have become due and payable, and to recover the same;

(b) cancellation of the undrawn commitments and suspension of withdrawals made under the facility;

(c) to exercise such other rights as may be available to Axis under the Financing Documents and under applicable law;

(d) review the management structure and board and the conditions for the appointment or re-appointment of the managing director or any other person holding substantial powers of management;

(e) appointment of a nominee and/or observer on the Board as may be required by Axis;

(f) appointment of an observer on the Company's Board; and

(g) appointment of any person engaged in technical, management or any other consultancy business to inspect and examine the working of the Company and/or the assets, including its premises, factories, plants and units, and to report to Axis.

Governing Law

The 2023 Axis Bank Term Loan Facility Agreement is governed by Indian law. The courts/tribunal in Delhi have exclusive jurisdiction to settle any disputes, suit, action or proceedings that may arise in relation to the 2023 Axis Bank Term Loan Facility Agreement.

SMAC Corporate Guarantees

General

As per the terms of Master Facility Agreement dated January 21, 2019, supplemented by supplemental agreement to the master facility agreement dated October 14, 2021, further supplemented by supplemental agreement to the master facility agreement dated December 23, 2022 and further supplemented by supplemental agreement to the master facility agreement dated August 31, 2023 (collectively the "**2019 SMAC Master Facility Agreement**") read with the terms of the sanction letter date August 1, 2023 bearing reference no. CCG/17072023/81417, Kotak has sanction and disbursed an amount of 120,000,000 working capital cash credit facility ("**SMAC Working Capital Facility**").

Pursuant to the deeds of guarantee dated January 22, 2019 and October 25, 2021 and January 9, 2023 read with letter dated September 4, 2023 issued by the Company to Kotak (collectively, the "**SMAC Corporate Guarantees**"), the Company has agreed to operate as a security for the performance of the obligations and liabilities of SMAC towards the SMAC Working Capital Facility.

Guarantee

The Company irrevocably and unconditionally guarantees to Kotak that in the event of the SMAC failing to perform any of its obligations under the credit facilities or failing to repay the amount on the due dates for their payment under the credit facilities or failing to pay any instalment of interest, default interest, or other dues on the die dated for their payment under the credit facilities or failing to pay the amounts due under the credit facilities on happening of an event of default or any other charges.

Additional Interest

On failure of the Company to settle the claim of Kotak within a maximum period of seven business days from the date of the claim of Kotak, the Company shall be bound to pay interest at the rate of 24% per annum on the amounts claims by Kotak till the date of payment.

Tenor

The SMAC Corporate Guarantees shall be a continuing one and shall remail in full force and effect till such time as SMAC repays in full the credit facilities together with all interest default interest, liquidated damages, costs, charges and all other monies as may be payable by to Kotak.

2020 SMAS Corporate Guarantee

General

On June 25, 2020, Samvardhana Motherson Auto System Private Limited ("**SMAS**") as borrower and Axis as lender entered into a working capital loan agreement ("**SMAS Facility Agreement**") that established a cash credit facility of INR 50,000,000 with sub-limits of letter of credit and bank guarantee for Rs. 10,000,000 (collectively as "**SMAS INR Cash Credit Facility**").

In the SMAS Facility Agreement and pursuant to the deed of guarantee dated July 14, 2020 ("**SMAS Corporate Guarantee**"), the Company agreed to operate as a security for the performance of the obligations and liabilities of SMAS towards the SMAS INR Cash Credit Facility.

Guarantee

On failure of SMAS to repay the loan obligations or any part thereof in accordance with SMAS Facility Agreement or upon the occurrence of an event of default, the Company shall forthwith on demand pay to Axis, the amount of the guaranteed obligations as may be claimed by Axis.

Default Interest

The Company shall make the payment forthwith to Axis of the amount as may be claimed by Axis in the demand notice. In the event of default in payment of the guaranteed obligations or any part thereof, the Company shall pay the default interest at the rate of 2% per annum on the outstanding amounts computed from and including the date of demand notice till the date of actual payment.

Negative Covenant

The Company shall not without the prior written consent of Axis, *inter alia*: (a) permit any change in the general nature of business of the Company, ownership or control of the Company (both management and shareholding); (b) make any amendments in the Company's constitutional documents.

Information covenant

As per sanction letters dated June 24, 2020 and May 15, 2024, the Company shall not without the prior written intimation to Axis, avail any loan and/or stand as surety or guarantor for any third party liability or obligations and /or provide any loan or advance to any third party.

Jurisdiction

The courts/tribunal in Delhi have exclusive jurisdiction to settle any disputes, suit, action or proceedings that may arise in relation to the SMAS Corporate Guarantee.

SMISL Corporate Guarantees

A. SMISL YBL Corporate Guarantees

General

On August 16, 2014, Samvardhana Motherson Innovative Solutions Limited ("**SMISL**") (Motherson Advanced Tooling Solutions Limited and Motherson Sintermetal Technology Limited Amalgamated with SMISL) availed working capital facilities of INR 80,000,000 from Yes Bank Limited ("**YBL**") on the terms and conditions of the sanction letter dated August 16, 2014 bearing reference no. YBL/DEL/FL/578/2014-15. Further, YBL and SMISL entered into supplemental agreement to the master facility agreement dated on and around December 2020 for granting additional credit facility (capex letter of credit) of INR 60,000,000 (collectively as "**SMISL YBL Cash Credit Facility**") and subsequently on September 21, 2022, YBL and SMISL entered into an amended and restated master facility agreement ("**2022 SMISL YBL Master Facility Agreement**") for the SMISL YBL Cash Credit Facility.

The SMISL Cash Credit Facility was guaranteed by the Company pursuant to the following guarantees:

(a) 2014 SMISL YBL Corporate Guarantee

In terms of sanction letter dated August 16, 2014 bearing reference no. YBL/DEL/FL/578/2014-15, the Company *vide* the deed of guarantee dated September 19, 2014 ("**2014 SMISL YBL Corporate**

Guarantee"), has agreed to operate as a security for the performance of the obligations and liabilities of SMISL under the working capital facilities of INR 80,000,000.

Guarantee Obligation

In the event SMISL is unable to meet its financial obligations or SMISL is in breach of any other terms of the sanction letter mentioned above, the Company shall forthwith on demand made by YBL, deposit with YBL such sum for the fulfilment of the obligation of the Company under the 2014 SMISL YBL Corporate Guarantee.

(b) 2021 SMISL YBL Corporate Guarantee

In the 2022 SMISL YBL Master Facility Agreement and pursuant to the deed of guarantee dated April 12, 2021, the Company agreed to operate as a security for the performance of the obligations and liabilities of the SMISL under the credit facilities (capex letter of credit) of INR 60,000,000 ("**2021 SMISL YBL Corporate Guarantee**").

Guarantee

In the event of any default on the part of SMISL in payment/repayment of any of the monies in respect of the obligations, or in event of any default on the part of SMISL to comply with or perform any of the terms, conditions and covenants contained in the 2021 SMISL YBL Corporate Guarantee, the Company shall forthwith on demand pay to the YBL all the amounts payable by SMISL to the YBL.

Default Interest

In the event of failure of the Company in making any payment, the Company shall be liable to pay interest at the rate stipulated by YBL on the defaulted amount till the receipt of said amount by YBL.

B. SMISL HDFC Corporate Guarantee

General

In terms of sanction letter dated August 16, 2017, HDFC has granted a working capital demand loan of INR 100,000,000. ("**SMISL HDFC Working Capital Facility**").

As per the terms of the deed of guarantee dated September 28, 2017 ("**SMISL HDFC Corporate Guarantee**"), the Company has provided a corporate guarantee for the performance of the obligations and liabilities of SMISL towards the SMISL HDFC Working Capital Facility including all interest, commission, costs, charges and expenses and all other monies payable by SMISL to HDFC (collectively, the "**Guaranteed Amount**").

Guarantee

On failure of SMISL in repaying the Guaranteed Amount or discharging its liability, the Company shall pay to the HDFC forthwith on first demand, the said dues as claimed by HDFC.

Tenor

The SMISL HDFC Corporate Guarantee shall remain in force till the time the said Guaranteed Amount is outstanding or for a period of 9 years 3 months, whichever is later.

Additional Interest

On failure of the Company to pay the dues forthwith on demand by HDFC, the aforesaid amount shall bear and carry an additional interest at the rate of 2% per annum or such other rate as the HDFC may in its discretion stipulates till the payment made by the Company.

Bank's right against the Guarantor's property

Upon any default of payment by the Borrower, HDFC may proceed against any of the Company's property including any credit balance or security held/to be held in future, by HDFC on the Guarantor's account by sale and or otherwise and allocate and apply the net proceeds of the sale and realisation and money standing to the Company's credit in the hands of HDFC.

Jurisdiction

The courts/tribunal in New Delhi have exclusive jurisdiction to settle any disputes, suit, action or proceedings that may arise in relation to the 2017 SMISL HDFC Corporate Guarantee.