

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): June 29, 2023

STRATTEC SECURITY CORPORATION

(Exact name of registrant as specified in charter)

Wisconsin

(State or other jurisdiction of incorporation)

0-25150

(Commission File Number)

39-1804239

(I.R.S. Employer I.D. Number)

3333 West Good Hope Road
Milwaukee, WI

(Address of Principal Executive Offices)

53209

(Zip Code)

(414) 247-3333

(Registrant's telephone number; including area code)

Securities registered or to be registered pursuant to Section 12(b) of the Act:

Title of each class	Trading symbol(s)	Name of exchange on which registered
Common stock, \$.01 par value	STRT	The Nasdaq Global Stock Market

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging Growth Company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Section 1 - Registrant's Business and Operations

Item 1.01. Entry into a Material Definitive Agreement

On June 29, 2023, STRATTEC SECURITY CORPORATION (the "Company") entered into an Equity Restructuring Agreement (the "Restructuring Agreement") with WITTE Automotive GmbH ("WITTE") providing for the restructuring of the Company's Vehicle Access Systems Technologies LLC ("VAST LLC") and its STRATTEC Power Access LLC, a Delaware limited liability company ("SPA"), joint ventures. The Company and WITTE closed on the transactions contemplated by the Restructuring Agreement effective as of June 30, 2023. Prior to the closing of the transactions contemplated by the Restructuring Agreement, the Company was a one-third owner of the VAST LLC joint venture with WITTE and ADAC Plastics, Inc. Under the terms of the Restructuring Agreement, the Company agreed to sell its one-third equity interest in VAST LLC to WITTE for a net purchase price of \$18,500,000, which amount is subject to adjustment for any required tax obligations arising in connection with the transactions under the Restructuring Agreement and for payment of transaction expenses and fees incurred by the Company under the Restructuring Agreement. As part of the Restructuring Agreement, and included in the net purchase price described above, the Company also received ownership of: (1) WITTE's 20% minority interest in SPA which was formed in the Company's fiscal year 2009 to supply the North American portion of the power sliding doors, liftgates, tailgates, deck lids and other access control system products which were acquired from Delphi Corporation in 2009; and (2) the net assets of VAST LLC's Korea branch office, which business will be operated by a newly registered Korea branch of the Company following the closing.

Additionally, on June 30, 2023, the Company issued a press release (the "Press Release") announcing its entry into the Restructuring Agreement and the closing the transactions contemplated thereby. A copy of the Press Release is attached as Exhibit 99.1 to this report.

Section 9 - Financial Statements and Exhibits

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

[Exhibit 99.1](#) -- Press Release of STRATTEC SECURITY CORPORATION, issued June 30, 2023.

Exhibit 104 – Cover Page Interactive Data File (embedded within the Inline XBRL document).

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Date: June 30, 2023

STRATTEC SECURITY CORPORATION

By: /s/ Dennis Bowe
Dennis Bowe, Vice President and CFO



FOR RELEASE AT 9:00 AM CDT

Contact: Dennis Bowe
Vice President and
Chief Financial Officer
414-247-3399
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STRATTEC SECURITY CORPORATION
Vehicle Access Systems Technology LLC (VAST) and STRATTEC Power Access LLC (SPA)
Equity Restructuring Agreement

Milwaukee, Wisconsin – June 30th, 2023 -- STRATTEC SECURITY CORPORATION (“STRATTEC” or the “Company”) (NASDAQ:STRT) today announced that it has entered into and subsequently completed the transactions contemplated by an Equity Restructuring Agreement (Restructuring Agreement) between the Company and WITTE Automotive GmbH (WITTE) related to both the Company's Vehicle Access Systems Technologies LLC (VAST LLC) joint venture and its STRATTEC Power Access LLC (SPA) joint venture. STRATTEC and WITTE closed on the transactions in the Restructuring Agreement effective as of June 30, 2023. Prior to the closing of the Restructuring Agreement, STRATTEC was a one-third owner of the VAST LLC joint venture with WITTE and ADAC Plastics, Inc. Under the terms of the Restructuring Agreement, STRATTEC agreed to sell to WITTE its one-third interest in VAST LLC for a net purchase price of \$18,500,000 (subject to adjustments for any required tax obligations, transaction expenses and fees incurred by the Company under the Restructuring Agreement) plus STRATTEC received ownership of: (1) WITTE's 20% minority interest in STRATTEC Power Access LLC (SPA), a Delaware limited liability company formed in the Company's 2009 fiscal year to supply the North American portion of the Power Sliding Doors, Liftgates, Tailgates, Deck Lids and other Access Control System products which were acquired from Delphi Corporation in 2009; and (2) the net assets of VAST LLC's Korea branch office, which business will be operated by a newly registered Korea branch of the Company, following the closing of the Restructuring Agreement.

Frank Krejci, President and CEO commented: “After over 2 decades of a business Alliance and JV partnership with WITTE, we jointly came to the conclusion that the changing technology in the auto industry, changes in our respective product lines and shifts in global commerce necessitated a rethink of our business relationship. The primary result of this rethinking is the sale of our equity stake in VAST LLC and securing 100% ownership of SPA.

While the equity ownerships will change, we expect to continue to leverage the VAST brand and to collaborate on product development and manufacturing capabilities in winning new business and serving global customers. This Equity Restructuring Agreement will position STRATTEC to redeploy assets, both financial and technical, to create greater focus on STRATTEC-specific strategic growth opportunities in North America and around the world. We believe this transaction is a very positive step to allow us to be more focused and competitive in this exciting and once-in-a-lifetime restructuring of a major industry where we are well-positioned to take advantage of new opportunities. This includes more of our product applications on Electric Vehicles, growing consumer demand for Power Access products, expansion of electronics capabilities and other new automotive products. It will also give us greater resources to further explore diversification of markets, complimentary technology and regions outside of North America.”

STRATTEC designs, develops, manufactures and markets automotive Access Control Products, including mechanical locks and keys, electronically enhanced locks and keys, steering column and instrument panel ignition lock housings, latches, power sliding side door systems, power liftgate systems, power tailgate systems, power deck lid systems, door handles and related products.

Certain statements contained in this release contain “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. These statements may be identified by the use of forward-looking words or phrases such as “anticipate,” “believe,” “could,” “expect,” “intend,” “may,” “planned,” “potential,” “should,” “will,” and “would.” Such forward-looking statements in this release are inherently subject to many uncertainties in the Company’s operations and business environment. These uncertainties include general economic conditions, in particular, relating to the automotive industry, consumer demand for the Company’s and its customers’ products, competitive and technological developments, customer purchasing actions, changes in warranty provisions and customers’ product recall policies, work stoppages at the Company or at the location of its key customers as a result of labor disputes, foreign currency fluctuations, uncertainties stemming from U.S. trade policies, tariffs and reaction to same from foreign countries, the volume and scope of product returns or customer cost reimbursement actions, adverse business and operational issues resulting from semiconductor chip supply shortages and the coronavirus (COVID-19) pandemic and costs of operations (including fluctuations in the cost, and factors impacting the availability, of necessary raw materials). Shareholders, potential investors and other readers are urged to consider these factors carefully in evaluating the forward-looking statements and are cautioned not to place undue reliance on such forward-looking statements. The forward-looking statements made herein are only made as of the date of this press release and the Company undertakes no obligation to publicly update such forward-looking statements to reflect subsequent events or circumstances occurring after the date of this release. In addition, such uncertainties and other operational matters are discussed further in the Company’s quarterly and annual filings with the Securities and Exchange Commission.
