

**Information Memorandum of Stark Corporation Public Company Limited Re: Acquisition of Assets Relating to
Investment in LEONI Kabel GmbH (in Germany) and LEONische Holding Inc
(in the United States)**

The Board of Directors' Meeting of Stark Corporation Public Company Limited (the "Company") No. 4/2022, which was held on May 23, 2022 at 12.00 hours, resolved to grant approval to propose the Shareholders' Meeting to consider approving the acquisition of shares in LEONI Kabel GmbH ("LEONI Kabel"), a limited liability company registered under the laws of Germany and LEONische Holding Inc ("LEONische"), a Delaware corporation registered under the laws of Delaware (collectively, the "Target Companies"), in the proportion of 100 percent of all ordinary shares of the Target Companies, and certain intercompany financing receivables for the accrued payment receivable owed by certain Target Companies and/or their subsidiaries, Intercompany Financing Receivable, by the Company, its subsidiary, and/or a new subsidiary of the Company to be established, with the total purchase price of not higher than EUR 560 million (or approximately not higher than THB 20,572.89 million¹), including the execution of the Sale and Purchase Agreement, other arrangements, contracts and documents relating to such investment including the establishment of the Company's subsidiary to enter into this transaction (if any) (the "Proposed Transaction").

Besides, as stated above, the total purchase price is in accordance with the Company's Final Offer to acquire the Target Companies, which calculated on a debt-and-cash free basis. Currently, the Company is in the negotiation regarding the consideration of liabilities, cash and related expense for calculating the price which the Company has to pay for entering into the Proposed Transaction in order to obtain the best price and the greatest benefit to the shareholders of the Company, whereby such price shall be calculated based on the accounts and financial information of the Target Companies as of October 31, 2022, prior to the Proposed Transaction's completion by November 30, 2022.

LEONI Kabel is a subsidiary of LEONI AG ("LEONI"), the company listed on the Frankfurt Stock Exchange, Germany, and LEONische is a subsidiary of LEONI Bordnetz-Systeme GmbH, which is also a subsidiary of the LEONI (together with LEONI, the "Sellers"). The Sellers are engaged through their various business groups including the automotive cable solutions in the supply of a comprehensive product range across standard and high voltage cables, data and sensor applications as well as e-mobility charging solutions for automotive applications (the "Automotive Cable Business"). The Automotive Cable Business is conducted by certain subsidiaries of LEONI which are or will be directly and indirectly held by the Sellers under an ongoing restructuring process, pursuant to the Proposed Transaction. Such restructuring process will be completed prior to the closing of the Proposed Transaction. In 2021, the Automotive Cable Business contributed for EUR 1.3 Billion which is approximately 25.5 percent of LEONI's overall revenues which is approximately EUR 5.1 Billion.

¹ At the exchange rate publicized by the Bank of Thailand as of August 11, 2022 at THB 36.7373 per EUR

Currently, the Seller is in the process of restructuring the business to allow the Target Companies to dispose the non-automotive cable business (Carve Out), which the process shall be completed prior to the completion of the Proposed Transaction, without any risk of a delayed overall timeline expected.

The intercompany financing receivables owed by certain Target Companies and/or their subsidiaries, which is around EUR 72.3 Million (or approximately THB 2,656.11 Million), include the right to financing for the accrued payment receivables between the Sellers and their subsidiaries before the Proposed Transaction is completed. The Sellers must transfer such right to make financial claims to the Company once the Proposed Transaction is completed (the “**Sale and Purchase Agreement**”).

The Proposed Transaction is regarded as a transaction on acquisition of assets under the Notification of the Capital Market Supervisory Board No. TorJor. 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets, and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition or Disposal of Assets B.E. 2547 (2004) (the “**Notifications on Acquisition or Disposal of Assets**”). The maximum calculated size of such transaction is equal to 951.97 percent. Upon consideration of the size of the transaction based on the Net Tangible Asset Operation per the Company’s financial statements for the six-month period ended June 30, 2022 reviewed by the Company’s auditor, this is regarded as type 4 transaction or a backdoor listing transaction on the SET, as specified in the Notifications on Acquisition or Disposal of Assets. In this regard, the Company has acquired certain assets over the past six months whereby the calculated size of such transaction(s) is equal to 0.22 percent, thus causing the maximum value of the transaction calculated based on the Net Tangible Asset to be equal to 952.19 percent. Therefore, the Company is required:

- (1) To prepare and submit a disclosure of information memorandum on the Company’s transaction to the SET immediately, which must at least contain the information as required in List (1) attached to the Notifications on Acquisition or Disposal of Assets;
- (2) To appoint an independent financial advisor to carry out the relevant functions, including provide its opinions as required by the Notifications on Acquisition or Disposal of Assets and submit the independent financial advisor’s report to the shareholders for consideration, together with the invitation letter for the Shareholders’ Meeting. In this regard, the Company shall appoint a financial advisor approved by the Office of the Securities and Exchange Commission (the “**SEC Office**”), as its independent financial advisor to provide its opinions to the shareholders on the Proposed Transaction and shall disclose the appointment to the SET accordingly;
- (3) To convene a Shareholders’ Meeting of the Company to approve the execution of the Proposed Transaction, by delivering the invitation letter for the Shareholders’ Meeting to the shareholders at least fourteen days prior to the date of the Shareholders’ Meeting, with not less than three-fourths of all votes

of the shareholders present at the Meeting and having the right to vote, excluding such votes of the interested shareholders, where the names and number of shares of the shareholders ineligible to vote must also be specified in the invitation letter for the Meeting; and

- (4) To apply for an approval for the execution of the Proposed Transaction with the SET by filing the application for relisting with the SET under the Regulations of the Stock Exchange of Thailand Re: Listing of Ordinary Shares or Preferred Shares as Listed Securities B.E. 2558 (2015), dated May 11, 2015 (as amended).

However, the Proposed Transaction falls under all four exemptions for relisting under Clause 24 of the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition or Disposal of Assets B.E. 2547 (2004), namely:

- (1) The Target Companies' businesses are similar to the Company's business;
- (2) The Company has no policy to make any major change in the main businesses of the Company;
- (3) The company group is duly qualified for listing with the SET, whereby Deloitte GmbH Wirtschaftsprüfungsgesellschaft, which is the Target Companies' auditor, is able to prepare and facilitate the preparation of the consolidated financial statements; and
- (4) There will be no material change in the composition of the Board of Directors of the Company and the power to control the Company or in the controlling shareholders of the Company.

The Sale and Purchase Agreement has common provisions which are customarily included in transactions, such as provisions regarding terms of payment, representations and warranties of the parties, termination. In addition, the Sale and Purchase Agreement specifies certain conditions precedent, which the Proposed Transaction shall proceed only after the Closing Conditions have been fulfilled. The significant Closing Conditions may be summarized as follows:

- (1) The Company shall have been granted the clearance by the Federal Ministry for Economic Affairs and Climate Action, Germany (which the Company has already been granted the clearance under the foreign investment control law) and shall have been granted the merger clearances by the relevant authorities in Mexico, United States, Poland, Turkiye, Bulgaria, Slovakia, Serbia and Vietnam. As of September 6, 2022, the Company has already been granted the merger clearances in United States, Poland, Slovakia and Serbia. The merger clearances in Mexico, Turkiye, Bulgaria and Vietnam are in the process of approving;

- (2) The Sellers shall dispose the non-automotive cable business from the business operation of the Target Companies (Carve Out), which the Seller is in the process of completing the Carve-out;
- (3) The Seller shall prepare the financial statement to amend the details of the profits and loss allocation between the Target Companies and/or their subsidiaries (PLTA Termination Accounts), which must be reviewed and approved by the Seller. The Seller is currently in the process of preparing such financial information;
- (4) The Seller shall have obtained the consent from the relevant lenders, which the Seller is in the process of negotiation to obtain the consent from the relevant lenders; and
- (5) The Sellers and the Target Companies shall have executed the guarantor release and borrower resignation agreement with the relevant persons. That is, before the Proposed Transaction is completed, the Sellers will have to arrange for the Target Companies to repay the debt to the creditor(s) under the existing loan agreement(s) and enter into a guarantor release and borrower resignation agreement to release the Sellers from being a guarantor and release the Target Companies from being a borrower under such existing loan agreement(s). After the completion of Proposed Transaction, the Company has no obligation to be a borrower or a guarantor under the loan agreement(s). In the event that the Company needs to enter into loan agreement(s) in the future, the Company will perform its action in accordance with the relevant rules, which the Seller, the Target Companies and the Purchaser are in the process of negotiation with the relevant lenders.

Moreover, the Company has obligations under the Sale and Purchase Agreement which must be approved by the shareholders of the Company prior to the Proposed Transaction is complete. Including in the case that the Company becomes in default or fails to perform any obligations under the Sale and Purchase Agreement within November 30, 2022, the Company have to the termination fee (break fee) in the amount of 3 percent of the purchase value (approximately not over EUR 16.8 million or not over THB 617.19 million), including the actual damage costs and expenses incurred according to the agreement. In the event that there is a payment default, the default interest rate payment shall be 9 percent per annum.

Following to the acquisition, the Purchaser and/or the Target Companies shall enter into the Transitional Service Agreements for Information Technology service and other general services in order to allow the Purchaser to operate the ongoing business of the Target Companies. The Transitional Service Agreements contain contractual clauses which are in accordance with the normal commercial transaction, such as the provisions of the service payment terms, testimonials of the contractual parties and termination of the contract, etc.

The Company hereby informs the details of the acquisition of assets relating the execution of such Proposed Transaction, as follows:

1. Transaction Date

The Company anticipates to complete the Proposed Transaction by November 30, 2022.

2. Concerned Parties**Purchaser**

The Company, its subsidiary, and/or a new subsidiary of the Company to be established.

The Sellers

No.	List of Shareholders	LEONI Kabel		LEONIsche	
		Shares	%	Shares	%
1	LEONI AG	1	100	-	-
2	LEONI Bordnetz-Systeme GmbH	-	-	2,000	100
Total		1	100.00	2,000	100.00

The Sellers have no relationship with the directors, management or the major shareholder of the Company and they are not connected persons of the Company.

3. General Description, Type and Size of the Transaction

3.1 General Description of the Transaction

The acquisition of shares in LEONI Kabel GmbH, a limited liability company registered under the laws of Germany and a Delaware corporation registered under the laws of Delaware in the proportion of 100 percent of all ordinary shares of both LEONI Kabel and LEONIsche, and certain intercompany financing receivables owed by certain Target Companies and/or their subsidiaries, by the Company, its subsidiary, and/or a new subsidiary of the Company to be established, with the total share purchase price of not higher than EUR 560 million (or approximately not higher than THB 20,572.89 million²).

The Automotive Cable business of the Company is the world's leading business in the diverse automotive cable solutions industry, with the ability to grow, marketing knowledge, customer relationships, and research and product development experience. Entering into the Proposed Transaction will benefit the Company by increasing the variety of the company's product offerings, which is consistent with the Company's business expansion plan in wire and cable business, and open up business opportunities for the Company to expand its business into the automotive and electric

² At the exchange rate publicized by the Bank of Thailand as of August 11, 2022 at THB 36.7373 per EUR

vehicle markets. In addition, entering into the Proposed Transactions positions the Company as a market leader and grants it access to new markets. The Target Companies have customers in the Americas, Europe, the Middle East, Africa, and China, while the Company is the market leader in South East Asia. It also improves the Company's negotiating position with suppliers in order to acquire better terms and pricing for future raw material purchases.

3.2 Calculation of the Size of the Transaction on Acquisition of Assets

Such Proposed Transaction is regarded as a transaction on acquisition of assets under the Notification of the Capital Market Supervisory Board No. TorJor. 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets, and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition or Disposal of Assets B.E. 2547 (2004) (the "Notifications on Acquisition or Disposal of Assets"). The maximum calculated size of such transaction is equal to 951.97percent. Upon consideration of the size of the transaction based on the Net Tangible Assets per the Company's financial statements for the six-month period ended June 30, 2022 reviewed by the Company's auditor, this is regarded as type 4 transaction or a backdoor listing transaction on the SET, as specified in the Notifications on Acquisition or Disposal of Assets. In this regard, the Company has acquired certain assets over the past six months whereby the calculated size of such transaction(s) is equal to 0.22 percent, thus causing the maximum value of the transaction calculated based on the Net Tangible Assets to be equal to 952.19 percent.

Table of Calculation of the Size of the Transaction on Acquisition of Assets

Basis of Calculation	Calculation	Value (THB million)	Transaction Size (Percent)
1.) Value of the net tangible assets (NTA)	$\frac{\text{NTA of Target Companies} \times \text{Shareholding}}{\text{NTA of the Company}}$	$\frac{13,225.43 \times 100}{1,389.27}$	951.97
2.) Net operating profits	$\frac{\text{Net operating profits of Target Companies} \times \text{Shareholding}}{\text{Net operating profits of the Company}}$	$\frac{2,084.92 \times 100}{3,081.02}$	67.67
3.) Total value of consideration	$\frac{\text{Value of transaction paid or received} \times 100}{\text{Total assets of the Company}}$	$\frac{20,572.89 \times 100}{45,473.20}$	45.24
4.) Value of shares issued for the payment of assets	$\frac{\text{Securities issued by the Company for the payment of assets} \times 100}{\text{Paid-up shares of the Company}}$	No shares were issued for the payment of assets	

Note: The Total Value of consideration is excluded from the Transitional Service Agreement fee for Information Technology service and other general services in order to allow the Purchaser to operate the ongoing business of the Target Companies.

The Target Companies and Company's non-tangible assets (NTA) are as follows:

NTA of the Target Companies	EURO million
Total assets	836.70
(-) Intangible assets	(9.70)
(-) Total liabilities	(467.00)
(-) NCI	-
NTA of the Target Companies (EURO million)	360.00
NTA of the Target Companies (Baht million)	13,225.43

NTA of the Company	BAHT million
Total assets	45,473.20
(-) Intangible assets	(6,231.65)
(-) Total liabilities	(37,755.61)
(-) NCI	(96.66)
NTA of the Company	1,389.27

However, the Proposed Transaction falls under all four exemptions for relisting under Clause 24 of the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition or Disposal of Assets B.E. 2547 (2004):

- (1) The acquired business is in a similar line of business or complements each other with the business of the Company

The Company and the Target Companies operates similar businesses in relation to manufacturing and distributing of electric wires and cables, in which Company and the Target Companies are in a similar line of business and complement each other, whereby the Company is a holding company in which the core subsidiary is Phelps Dodge International (Thailand) Company Limited ("PDITL"). PDITL operates manufacturing and distributing of electric wires and cables for both domestic and international customers. The Target Companies position themselves as a leading provider for automotive standard cables and charging technology for both domestic and international customers, and generate revenue from manufacturing electric wires and cable in the same way as the Company, but with a focus on cables for cars (automotive cable) and car charging. The Target Companies also use similar raw materials,

technology and manufacturing processes to those of the Company. The overall business of the Company and the Target Companies is highly complementary with no overlapping business but similar technology and production know-how. Furthermore, as the Company and the Target Companies are producing electric wires and cables with similar technology and processes, the Company would be able to negotiate with suppliers of raw materials for better conditions and prices. This will give the Company significant advantages in product costs, sales price and profitability, thus, strengthening PDITL international market position, core business and competitive advantages to penetrate new end-markets while capturing automotive and electric vehicle (“EV”) market growth trends by expanding the target market to automakers and assemblers. Furthermore, the Company will be able to expand the product market among its current customers in the Target Companies' respective countries more efficiently as they will have local teams in such countries, and certain products may be co-produced so that they may be delivered to customers in markets closer to the production site.

(2) The Company has no policy to make significant changes in its core business

The Company has no policy to significantly change its core business, which is manufacturing and distributing electric wires and cables. After the Proposed Transaction, the Company is mainly focused on the business operation in customer base enhancement, additional distribution channels, and domestic and international market expansion to ensure sustainable growth of the Company.

(3) The Company and its subsidiary resulting from the acquisition of assets have suitable qualifications for listing on the SET

The SET requires a listed company to maintain its listing status throughout the period of its listing, with the following details:

Key Qualifications	The Company (after the Proposed Transaction)
1. Directors, management and controlling parties must have the following qualifications: <ul style="list-style-type: none"> - Having required qualifications and not having any prohibited characteristics or any characteristic indicating the lack of suitability to be trusted to manage a public company limited, in line with the SEC Act or the SEC regulations. 	Directors, management and controlling parties of the Company have the qualifications according to both qualification criteria.

Key Qualifications	The Company (after the Proposed Transaction)
<p>- Not being a person who violates any regulations, rules, notifications, orders, Board's resolutions, or listing agreement made with SET as well as circulars to which the adherence is required by SET, where such violation may materially adversely affect the rights and benefits or the decision of shareholders and investors, or the change in price of securities.</p>	
<p>2. One-third of directors of a listed company shall be independent directors and having independent directors and audit committee with at least 3 persons in total.</p>	<p>As of August 11, 2022, the Board of Directors of the Company consists of 9 directors in total and 3 of which are independent directors and audit committee of the Company.</p>
<p>3. Having an auditor which is approved by the SEC.</p>	<p>The resolution of the 2022 Shareholder Meeting appointed the auditor as Pricewaterhousecoopers ABAS Ltd. which is approved by the SEC. After the Proposed Transaction, the consolidated financial statement of the Company will include the performance of the Target Companies as a subsidiary. Now, the auditor of the Target Companies is Deloitte GmbH Wirtschaftsprüfungsgesellschaft. Therefore, the Company is confident in accounting system and accounting preparation per the SET regulation Re: financial statement timeline and after the completion of the Proposed Transaction, Deloitte GmbH Wirtschaftsprüfungsgesellschaft shall continue to act as the Target Companies' auditor due to its familiarity with the business and continued service as the Target Companies' auditor.</p>

Key Qualifications	The Company (after the Proposed Transaction)
<p>4. Having an internal control system in place as required by the relevant Notification of Capital Market Advisory Board.</p>	<p>The internal control system of the Company complies with the relevant Notifications of Capital Market Advisory Board. In this regard, the Company has appointed external advisors to conduct due diligence and review the status of the Target Company in various sectors, including relevant internal control systems in each segment of work. The Target Companies and its subsidiaries are subsidiaries of LEONI, a German-listed company, which already has internal control in place, in accordance with the standards set by relevant legal requirements in the country.</p> <p>After the completion of the Proposed Transaction, the Target Companies will operate the business in accordance with the Internal Control which has been certified by such standards and the Company will take any additional necessary action to ensure that the internal control system of the Target Companies also complies with the requirements of the relevant Notification of Capital Market Advisory Board.</p>
<p>5. A listed company and its subsidiary shall have no conflict of interests (including conflict of interest with director, management and controlling parties) as specified in the Notification of Capital Market Advisory Board.</p>	<p>Currently, the Company and its related persons has no conflict of interests with the Target Companies and its related persons.</p> <p>However, if there will be transaction which is considered as a related party transaction and/or connected transaction in the future, the Company will strictly comply with the policy re: related party transaction and/or connected transaction based on arm-length basis and relevant regulations of the SEC and the SET.</p>

Key Qualifications	The Company (after the Proposed Transaction)
6. The number of Minority Ordinary Shareholders shall be not less than 150 and such shareholders shall hold shares in aggregate not less than 15 percent of the paid-up capital of the Listed Company.	As of April 4, 2022, which is the latest record date, the Company has 9,613 minority shareholders and has the proportion of minority shareholders of around 28.84 percent of the total paid-up capital.
7. Shall have a providing provident fund in line with the law governing provident funds.	The Company already established the provident fund for its employees, as well as its subsidiaries' employees, in accordance with the Provident Fund Act B.E. 2530 (as amended), which is mainly under the management of Tisco Asset Management Company Limited.

In addition, the Company still has other qualifications which comply with the rules for applying to become a listing company on the SET such as the Company still being a public limited company which incorporated under Thai laws, has the net profits from operations of not less than aggregate THB 50 million over the past two or three years and the net profits of the latest year from operations of not less than THB 30 million. Additionally, the Company has cumulative net profits in the most recent accounting period; is in a stable and healthy financial condition and have sufficient working capital in relevant industries; and has the total shareholder equity of not less than THB 300 million, etc. According to the provided information above, it appears that the Company still has the suitable qualifications for listing on the SET.

- (4) There will be no material change in the composition of the board of directors of the Company or in the power to control the Company or in the controlling shareholders of the Company.

After the Proposed Transaction, apart from the change of directors due to their rotation, there will be no material change in the composition of the Board of Directors of the Company. The shareholders and the managements of the Target Companies will not be appointed as directors and/or managements of the Company. In addition, the Company will consider changing the legal representatives and the managements of the Target Companies after the Proposed Transaction in which the Company will appoint, in majority, personnel from the Company, to be legal representatives and management team of the Target Companies.

However, the Company will also consider appointing some existing managements to ensure the smooth transition and to enhance business operation based on the maximum benefits of the shareholders.

In addition, the Company has considered the waiver of relisting application process with following details

Waiver Criteria	Rationales
1. Similar and supportive businesses to the Company's business	The Target Companies operates manufacturing and distributing of electric wire and cable which is similar and complementary to the Company's business.
2. The Company has no policy to significantly change the core business of the Company	The Company continuously operates the core business (manufacturing and distributing of electric wire and cable).
3. The Target Companies is qualified to be a publicly-listed company	The Target Companies has appointed Deloitte GmbH Wirtschaftsprüfungsgesellschaft as auditor. Therefore, the Company is confident in accounting system and financial statement preparation per the timeline of a publicly-listed company of the Target Companies.
4. No significant changes in Directors and Controlling persons of the Company	The Company has no significant changes in Directors and Controlling persons of the Company.

4. Details of the Acquired Assets

4.1. General Information of the Target Companies

LEONI Kabel

Company Name	LEONI Kabel GmbH
Type of Business	Operating as the center of LEONI's Automotive Cable business as a Central Functions service provider to companies in the LEONI group, providing a central service provider for quality and environmental management, controlling, purchasing, logistics, process engineering, marketing, process organization and product management and distribution of the

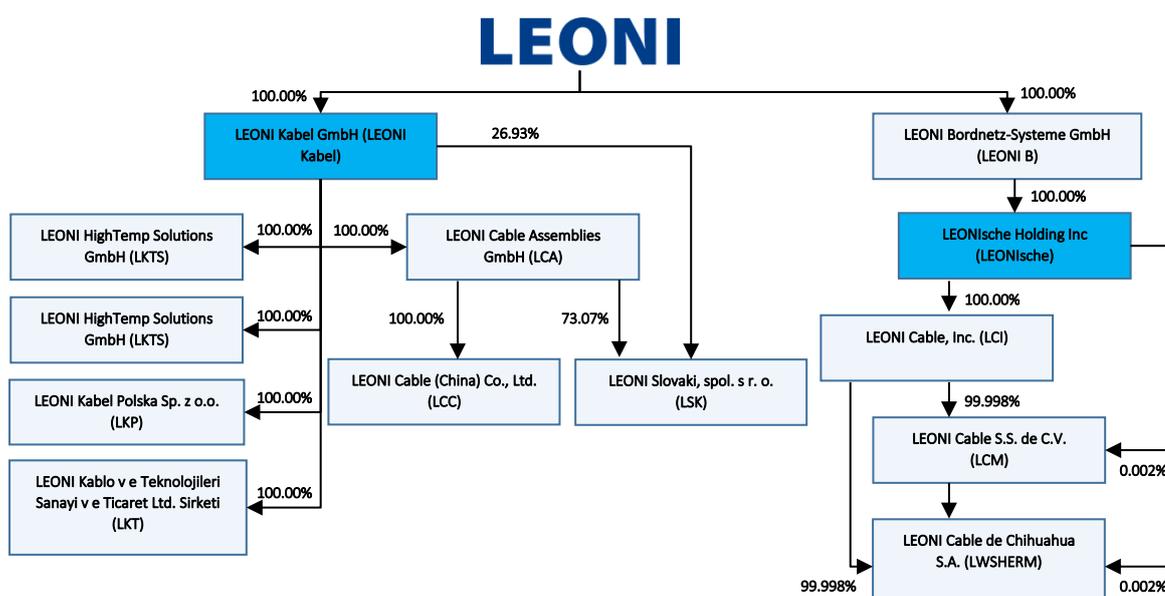
	business units, including being a holding company for LEONI Group companies that are not based in the Americas that operates business related to Automotive Cable
Address	An der Lände 3, 91154 Roth, Germany
Company Registration No.	HRB 24181
Date of Incorporation	April 29, 1999
Registered Capital	EUR 5,200,000

LEONIsche

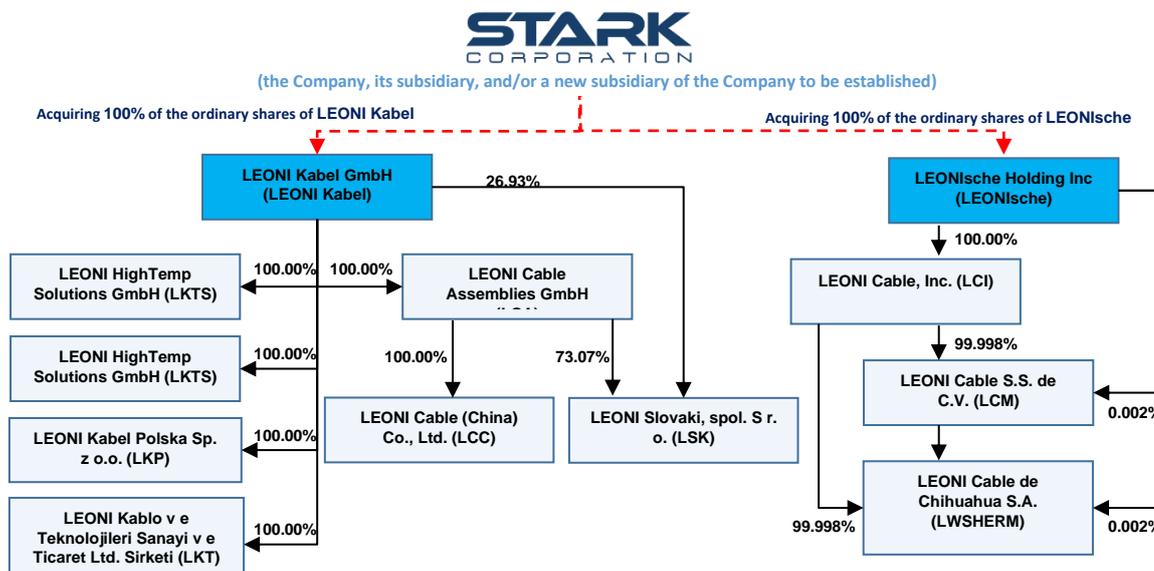
Company Name	LEONISCHE HOLDING INC
Type of Business	A holding company for LEONI’s Automotive Cable Business in the Americas, which operates the Automotive Cable business, including providing technical assistance and service to customers. as well as being the main supplier to many major Tier 1 wiring system manufacturers
Address	251 Little Falls Drive, Wilmington, Delaware
Company Registration No.	no. 2579883
Date of Incorporation	January 10, 1996
Registered Capital	USD 20

4.2. Shareholding Structure of the Target Companies and their subsidiaries

Before entering into the Proposed Transaction



After completion of the Proposed Transaction



4.3. List of Shareholders

No.	List of Shareholders	LEONI Kabel		LEONIsche	
		Shares	%	Shares	%
1.	LEONI AG	1	100	-	-
2.	LEONI Bordnetz-Systeme GmbH	-	-	2,000	100
Total		1.00	100.00	2,000.00	100.00

LEONI AG currently has Pierer Industrie AG as a major shareholder, which holds 20 percent of its total voting rights. Pierer Industrie AG is Europe's leading automotive business group, which is solely owned by Pierer Konzerngesellschaft mbH, which in turn has only one shareholder, Mr. Stefan Pierer.

4.4. List of Authorized Directors

LEONI Kabel: Managing directors (*Geschäftsführer*): (1) Markus Thoma; (2) Jürgen Kniffki; (3) Jerry Cummins; (4) Andreas Pirner; registered representatives (*Prokuristen*): (1) Rainer Hertzke; (2) Björn Nedved; (3) Richard Paglia

LEONIsche: Jeremy Tibbett, William Livengood

However, the Company will consider changing the managements of the Target Companies after the Proposed Transaction in which the Company will appoint, in majority, personnel from the Company to be legal representatives and management team of the Target Companies. However, the Company will also consider appointing some existing directors and

managements to ensure the smooth transition and to enhance business operation based on the maximum benefits of the shareholders.

4.5. Business Operations

LEONI Kabel was established in 1996 in Nuremburg, Germany. Provide in the business of manufacturing and selling electrical cables and electrical cables for automotive and EV solutions which are distributed both in Germany and various countries abroad. LEONIsche was established in 1996 as a holding company for LEONI's Automotive Cable Business in the Americas.

Products

LEONI Kabel is a manufacturer and distributor of electrical cables and cables, with the main products such as standard & HV cables, data & sensor applications and e-mobility charging solutions for automotive applications, etc. LEONIsche is a holding company of LEONI's Automotive Cable Business in the Americas region.

Target Customers

The target customers of LEONI Kabel are global automotive suppliers such as component makers, technology suppliers, and data communication solution providers who supply most global OEMs, including EV manufacturers in Germany and other countries. LEONIsche is a holding company; therefore, there is no products for sale while LEONIsche's subsidiaries have the same target customers as those of LEONI Kabel, which are customers in the United States.

Production Procurement

Source of Key Materials

Important raw materials for the production of electrical wires and cables are copper and metal semi-finished goods, and plastic beads, etc., which LEONI Kabel procures such raw materials through various suppliers which the names cannot be disclosed. However, LEONI Kabel does not procure raw materials through any other company in the LEONI group and sources raw materials from unrelated companies. In general, the supplier of such raw materials are often

big companies in the market such as Sark Wire Corporation Filowire Inc and Grupo Mexico, whereby, the raw material purchase agreements between LEONI Kabel and the supplier have a contractual term of between one to four years.

- 4.6. Key Proforma Consolidated Financial Information of the Target Companies (LEONI Kabel and LEONIsche) which was prepared by the management of the Target Companies under Accounting Standard re: consolidated financial statements preparation:³

	2019A		2020A		2021A		Q1 2022 (LTM)	
	EUR million	THB million	EUR million	THB million	EUR million	THB million	EUR million	THB million
Total assets	692	25,456	658	24,182	737	27,110	837	30,737
Tangible assets	330	12,137	315	11,594	330	12,117	335	12,311
Total liabilities	497	18,282	461	16,949	451	16,582	467	17,162
Total equities	195	7,173	197	7,232	286	10,528	370	13,576
Total revenues	1,099	40,415	933	34,320	1,311	48,203	1,355	49,792
Gross profit	136	5,009	101	3,716	174	6,380	166	6,095
Net profit	38	1,389	12	445	63	2,327	57	2,088

5. Total Value of Consideration and Basis of Calculation of the Value of Consideration

The company adheres to the principle of careful consideration on a conservative basis in which upon completion of the conditions for execution of the Proposed Transaction, the Company shall make cash payment in consideration to the Sellers in the amount of not higher than EUR 560 million (or approximately not higher than THB 20,572.89 million³). Such price is based on the analysis in comparison to comparable companies in multiples such as EV/EBITDA, analysis in comparison to comparable precedent transactions and analysis of projected cash flows from the business of the Target Companies' group to be acquired (discounted cash flows: DCF), as well as analysis and from ongoing negotiations between the Sellers and the Company.

In addition, the total consideration is based on the negotiation based on financial status, overall performance, key financial figures of the Target Companies, and its growth opportunities in the future.

³ At the exchange rate publicized by the Bank of Thailand as of August 11, 2022 at THB 36.7373 per EUR

6. Value of the Acquired Assets

The Company shall pay the Proposed Transaction with cash in total of not higher than EUR 560 million (or approximately not higher than THB 20,572.89 million⁴) subject to the conditions precedent specified in the relevant agreement being fulfilled or waived in accordance with the terms and conditions of such agreement. The Company expects to complete the Proposed Transaction by November 30, 2022. The total consideration is based on the negotiation based on financial status, overall performance, key financial figures of the Target Companies, and its growth opportunities in the future.

7. Expected Benefits to the Company from the Proposed Transaction

The Company foresees the opportunities for the growth of the wire and cable businesses both domestically and internationally. Driven by the automotive and EV market growth trends, electrical wires and cable are considered one of the crucial materials that are significantly needed now and in the future.

The Company expects that the Proposed Transaction will benefit the Company as follows:

- (1) Highly complementary product portfolio of the Target provides business opportunities to expand into related automotive and EV wire and cable businesses which are highly demanded globally, and to become a leading wire and cable manufacturer in the region and globally.
- (2) Market knowledge, customer relationships and R&D capabilities sharing of the Target enhances the Company's product performance, market penetration and customer reach.
- (3) Financial benefits from the Target Companies to improve the Company's financial status, which have strong historical performance, including improvement in performance and an increase in earnings per share (EPS accretive) which will be driven by EV market growth trends.

8. Source of Funds and Method of Payment of the Consideration

The source of fund regarding this Transaction is mainly from loan of financial institutions, with the total price of not higher than USD 500 million (or approximately not higher than THB 17,297.85 million, based on exchange rates as of August 11, 2022). The Company will take the necessary actions to maintain significant financial proportions of the Company, such as D/E ratio, as well as other related actions to enable the Company to comply with the requirements of financial institutions, loan agreements, as well as other financial instruments issued by the Company, whereby the Company has determined that borrowing money from financial institutions for this transaction will not impair its ability to maintain important financial proportions. Most of the financial institutions group that provide loan to

the Company for entering into this transaction are the financial institutions group which currently provide loan to the Company, while the other financial institutions group are those who provide services, other than loan, to the Company. The company has already consulted with all financial institutions regarding the transaction as well as conditions and various requirements. For this particular transaction, there is no additional requirement related to the dividend payment of the Company and the Company is in progress of discussing loans conditions with financial institutions for the incoming loans. Whereby the Target Companies shall be able to pay dividends to the Company, as a shareholder, with a consent from the financial institutions for the Company to receive such dividend as the loan agreement requires that the Target Companies must first pay dividends to the financial institution in order to satisfy the loan obligation. The source of fund may derive from the capital increase. The Board of Directors' Meeting No. 5/2022 held on July 29, 2022 has determined that it is necessary for the Company to gain additional funds for the Company to have sufficient funds to enter the transaction. In this regard, the Board of the Company has resolved to propose this Extraordinary General Meeting of Shareholders to consider approving the increase of the registered capital of the Company by THB 1,500,000,000 from the existing registered capital of THB 15,875,206,607 to THB 17,375,206,607 by issuing 1,500,000,000 newly issued ordinary shares with a par value of THB 1.00 per share to be offered to the specific investors (Private Placement) by assigning the Board of Directors to set the offering price according to the market price.

9. Conditions for Execution of the Transaction

The Company shall seek an approval from the Shareholders' meeting to execute the Proposed Transaction by delivering the invitation letter for the Shareholders' Meeting to the shareholders at least fourteen days prior to the date of the Shareholders' Meeting, with not less than three-fourths of all votes of the shareholders present at the Meeting and entitled to vote, excluding such votes of the interested shareholders.

In addition, the Company has considered that the Proposed Transaction is exempted from filing the application for relisting under the under the Regulations of the SET Re: Listing of Ordinary Shares or Preferred Shares as Listed Securities, as detailed in paragraph 3.2 above.

10. Opinion of the Board of Directors on the Execution of the Transaction

The Board of Directors had resolved to approve the Proposed Transaction. In addition, the transaction is rational which also positively create benefits to the Company and the shareholders of the Company due mainly from the business enhancement of wire and cable business of the Company in terms of product diversification, capacity, market expansion, opportunities to capture automotive and EV

market growth trends and becoming a leading wire and cable player in the region and globally. In addition, the Transaction will also create additional value to the Company and shareholders, including additional revenues and returns which will enhance financial status and operating cashflow of the Company in long term, including improvement in performance and an increase in earnings per share (EPS accretive) which will be driven by EV market growth trends.

Moreover, the Board of Directors has considered the total consideration of not higher than EUR 560 million (or approximately not higher than THB 20,588.90 million) based on conservative basis with consideration of historical performance, and financial status of the Target Companies.

In addition, the Proposed Transaction will enhance and support the existing business in which the existing business is necessary for the growth of the country and region.

11. Opinion of the Audit Committee and/or Directors Different from the Opinion of the Board of Directors

-None-