

Pursuing strategic focus: Leoni AG sells majority of its industrial business to strategic investor BizLink Holding Inc.

- New business perspectives for significant parts of the industrial business
- Important milestone on the path to long-term stabilisation of the company
- Consistent implementation of Leoni's strategic focus on the Wiring Systems Division

Nuremberg, 01 October 2021 – Leoni consequently follows its strategic objectives and sells the Business Group Industrial Solutions, which belongs to the WCS division (Wire & Cable Solutions) and represents significant parts of its industrial business, to BizLink. This marks another important milestone on Leoni's path towards the long-term stabilisation of the company.

“With this step, we are once again proving that we are consistently continuing to implement our announced and already advanced focus on the Wiring System Division,” Aldo Kamper, CEO of Leoni AG, explained. As is well known, the company intends to strategically focus on consolidating its leading position as a supplier of wiring systems for the automotive industry. Against this backdrop, Leoni has already sold two units of the WCS division (Leoni Schweiz AG and the data communication and compound divisions of Leoni Kerpen GmbH) in recent months.

BizLink is an international provider of high-quality solutions for cable connections and connectivity services. BizLink's acquisition of LEONI's Industrial Solutions will expand its market presence, especially in Europe, and there is a clear perspective for future development and growth. The sale includes around 20 international locations of the Leoni Industrial Solutions business in ten countries with around 3,000 employees. The activities of these locations among others include the areas of healthcare, robotics and automation.

Aldo Kamper: “The Industrial Solutions business today operates globally successfully in the market and I am convinced that it continues to have a very

promising future. For the WCS units put up for sale due to our strategic focus on the automotive industry it has always been our goal to find investors, who want to strategically develop the products and services. I am confident that we have succeeded in doing so with BizLink.”


Roger Liang, Chairman of BizLink, expressed: “BizLink’s acquisition of LEONI Industrial Solutions will boost our technical and service capabilities, solidify our global scale, bring us closer to customers, and gain access to new industrial customers. The acquisition brings forward our long-term diversification plans, and will provide BizLink with immediate gains within multiple secular growth industries.”

Important contribution to the financial stabilisation of Leoni AG

The sold activities generated sales of approximately € 430 million in fiscal year 2020 and are valued with an enterprise value of around € 450 million. The expected cash inflow of more than € 300 million after deduction of, among other things, financial liabilities and pension charges is to be used to improve liquidity. The transaction will thus contribute to significantly improving Leoni’s financial position. Upon completion of the sale, a profit of around € 200 million is expected to be accounted for in the Group’s reported EBIT.

With the transaction, Leoni is implementing another important step of the VALUE 21 performance and strategy programme, which has already had a positive effect on the figures in the past quarters. At the same time, the company will continue to face the challenges of the upcoming quarters with respect and full commitment, said Aldo Kamper. “Clearly, we will not rest on our recent progress, but will continue to make every effort to stabilise Leoni in the long term.”

The closing of the transaction is still subject to approval of Leoni AG’s financing banks and customary closing conditions, including merger control and investment review, and is expected in early 2022.

 *Related illustration material can be downloaded next to this release at <https://www.leoni.com/en/press/releases/details/solutions-industrial/>*

About the Leoni Group

Leoni is a global provider of products, solutions and services for energy and data management in the automotive sector and other industries. The value chain encompasses wires, optical fibers, standardised cables, special cables and assembled systems as well as intelligent products and smart services. As an innovation partner and solutions provider, Leoni supports its customers with pronounced development and systems expertise. The market-listed group of companies employs about 100,000 people in 30 countries and generated sales of EUR 4.1 billion in 2020.



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