

## **Leoni AG has fundamentally agreed on a refinancing plan with its syndicate banks**

**Nuremberg, 6 July 2022** – Leoni AG (ISIN: DE0005408884) has fundamentally agreed with its syndicate banks on a refinancing plan that will secure the further financing of the Leoni Group beyond 2022. The refinancing plan comprises the following principal cornerstones:

- The terms of the Leoni Group's financial instruments currently expiring at the end of 2022 are in principle to be extended until end of December 2025.
- Net proceeds from the sale of Business Group Automotive Cable Solutions (BG AM) are to be used up to a total amount of €442 million to repay financial liabilities of the Leoni Group.
- Financing costs increase moderately and will be adjusted to a uniform level for all financing tranches.
- Four syndicate banks under the Company's revolving credit facility (RCF I) agreed in 2018 will also be given the option of converting a major proportion of their loans that are not settled from the proceeds of the BG AM disposal in an amount probably totalling EUR 132 million ('remaining RCF I receivables') into equity instruments or in this respect to seek early repayment from the income from an equity transaction (as described below). This will lighten Leoni Group's balance sheet in the prospective amount of EUR 132 million.
- Against this backdrop, Leoni AG will, probably at the end of 2022 or the beginning of 2023, carry out a combination of a capital increase from authorised capital and issue of a mandatory convertible bond, which will involve issuing shares or rights and obligations to purchase shares in an amount of up to 50% of its share capital (equity transaction). The new shares and the bonds will be offered to Leoni AG shareholders to purchase for cash, whereby new shares or convertible bonds up to 10 % of the share capital may also be issued without pre-emptive rights in accordance with the capital authorisations. The cash contribution from

these subscription offers will be used to repay the remaining RCF I receivables. If the rights to subscribe to the new shares or the mandatory convertible bond are not fully exercised, the creditors of the remaining RCF I receivables will assume the unsubscribed shares or the unsubscribed parts of the mandatory convertible bond as contribution in kind for all outstanding RCF I receivables that are not repaid from the cash contributions. The price to subscribe to the shares issued as part of the capital increase as well as for the mandatory convertible bond has yet to be set.

- Leoni AG is not to pay out any dividend until the restructured credit lines are repaid.

Overall, the refinancing plan will probably reduce the Leoni Group's financial liabilities by € 574 million, of which € 442 million will stem from repayment of liabilities using the funds from the BG AM sale and € 132 million is likely to come from restructuring the remaining RCF I receivables.

The extension structure agreed with the syndicate banks will be presented to the creditors of the borrower's note loans that the Company has issued, whose inclusion is required for implementation. The refinancing plan is otherwise subject to agreement on the detailed documentation as well as the consent of the boards of the financing partners involved and the approval of Leoni AG's Supervisory Board.

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