

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



## **Johnson Electric Holdings Limited**

*(Incorporated in Bermuda with limited liability)*

(Stock Code: 179)

### **SUPPLEMENTAL ANNOUNCEMENT IN RELATION TO CONNECTED TRANSACTION ACQUISITION OF REMAINING 20% INTEREST IN HALLA STACKPOLE CORPORATION PURSUANT TO THE EXERCISE OF PUT OPTION**

Reference is made to the announcement of Johnson Electric Holdings Limited (the “Company”) dated 9 September 2022 (the “Announcement”) in relation to the Acquisition. Unless the context otherwise requires, capitalized terms herein shall have the same meanings as those defined in the Announcement.

This announcement is made to provide supplemental information on the basis of determining the consideration and the identity of the ultimate beneficial owner of the Seller.

#### **BASIS OF DETERMINING THE CONSIDERATION**

As disclosed in the Announcement, the consideration payable for the Target Shares is KRW70,270,615,036 (approximately US\$50.9 million) and was determined with reference to the EBITDA multiples and net debt of HSC Group for the fiscal year immediately preceding the fiscal year when the Put Option is exercised. In addition, the consideration was calculated based on the following formula:

Consideration = 20% x (EBITDA multiple of 8.5 x EBITDA\* + net cash\* – dividend declared prior to date of sale)

\* EBITDA of KRW32,054,006,205 (approximately US\$23.2 million) and net cash KRW81,918,022,436 (approximately US\$59.3 million) are based on the audited financial statements of HSC Group for the fiscal year ended 31 March 2022.

The EBITDA multiple was determined based on the profitability and the future expected growth of HSC Group, the comparison of global powder metal listed companies as well as the then merger & acquisition transactions in the automotive and manufacturing sectors in Korea ranging from 6 to 10 multiple.

## **IDENTITY OF THE ULTIMATE BENEFICIAL OWNER OF THE SELLER**

As disclosed in the Announcement, the Seller, a holding company, engages in aftermarket auto parts distribution and logistics business as its own business, and operates auto parts manufacturing and construction business through its subsidiaries. In addition, the shares of the Seller are listed and traded on the Korea Exchange. Based on the information available to the Company, as of 30 June 2022, the total issued shares of the Seller was owned as to 24.3% by Mr. Jung Mong Won. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, Mr. Jung Mong Won is independent from the Company and the Company's connected person.

Save as supplemented and disclosed above, the contents in the Announcement remain unchanged.

## **Board of Directors**

As of the date of this announcement, the Board comprises Patrick Shui-Chung WANG, Austin Jesse WANG being the Executive Directors and WANG KOO Yik-Chun, MAK WANG Wing-Yee Winnie, Peter Kin-Chung WANG being the Non-Executive Directors and Patrick Blackwell PAUL, Michael John ENRIGHT, Joseph Chi-Kwong YAM, Christopher Dale PRATT, Catherine Annick Caroline BRADLEY and Michelle Mei-Shuen LOW being the Independent Non-Executive Directors.

By Order of the Board  
**Johnson Electric Holdings Limited**  
**Lai-Chu Cheng**  
*Company Secretary*

Hong Kong, 20 September 2022

*www.johnsonelectric.com*