

KCE 002/2025

January 21, 2025

Re: The Investment (Shares Purchase) in KCE Printed Circuit Boards GmbH

To: President

The Stock Exchange of Thailand

KCE Electronics Public Company Limited (the “Company”), hereby informs that the Company’s Board of Directors’ meeting No.2/2025 on January 21, 2025 had passed a resolution to approve Circuit Holding Co.,Ltd. (“Circuit Holding”), a subsidiary of the Company, to enter into the agreement to purchase all of the shares in KCE Printed Circuit Boards GmbH (“KCED”), located in Germany, representing 100 percent of shares in KCED from the existing shareholders (“Share Purchase Agreement”). The total investment value is EUR 10,650,000 approximately equivalent to THB 380,631,000 (based on the BOT exchange rate of January 20, 2025 at THB35.74). Circuit Holding will make the payment entirely in cash (the “Investment in KCED”) whereby the investment value includes current assets of approximately EUR 2 million.

KCED is a distributor of printed circuit boards (“PCB”) in Germany and Europe which has contributed to the total revenue of the Company of more than 23%. KCED’s profit was EUR 488,133 in 2023 and EUR 1,322,060 in 2022. The reduction in KCED’s profit in 2023 was the result of a slowdown of PCB industry in Europe and high fixed administrative expenses. The objective of this investment in KCED is to support the sales of the group company and align with the overall company goals and strategy by establishing control over and managing the selling prices, as well as facilitating direct communication with customers. This approach will enable the Company to swiftly adapt to the disruption in the high competition within the industry. In addition, the Company aims to achieve strong synergy with the other subsidiaries in the group to better manage logistics costs, as well as selling and administrative expenses across the group. This is expected to enhance an effective operation and cause a positive impact on the overall financial position of the group. The Company anticipates that after the improvement of administrative expenses and the synergy of the consolidation, KCED’s profit should at least return to or exceed the profit in 2022.

Nevertheless, the completion of the Investment in KCED is subject to condition precedents under the Share Purchase Agreement and the Investment in KCED will be complete on the date on which all parties have fully and completely complied with their completion obligations required under the said Share Purchase Agreement (Closing Date). The Company expects that the Investment in KCED will be completed by March 2025. The Company will further report the progress of the Investment in KCED and relevant details to the Stock Exchange of Thailand.

The Investment in KCED is considered as an acquisition of assets of the Company according to the Notification of the Capital Market Supervisory Board No. TorChor.20/2551 regarding Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets (as amended) and the Notification of the Board of Governors of the Stock Exchange of Thailand regarding Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposition of Assets B.E.2547 (A.D. 2004) (as amended) (collectively, the “**Notifications on Acquisition and Disposition**”). The maximum transaction size, calculated based on the basis of the total value of consideration, is equivalent to 2.31 percent according to the latest consolidated financial statements for the 9-month period of the Company, ended 30 September 2024, which is reviewed by the certified public accountant. Moreover, when combining the transaction size of the other transactions during the past 6 months prior to the date of the entry into this Investment in KCED, the total maximum transaction size is equivalent to 9.87 percent based on the basis of the total value of consideration which is less than 15 percent; therefore, no obligation to disclose the information in pursuant to the Notification of the Stock Exchange of Thailand, Re: Disclosure of Information Concerning the Acquisition and Disposition of Assets of Listed Companies B.E. 2547 (as amended)

In addition, the Investment in KCED is not considered as a connected transaction according to the Notification of the Capital Market Supervisory Board No. TorChor.21/2551 regarding Rules on Connected Transactions (as amended) and the Notification of the Board of Governors of the Stock Exchange of Thailand regarding Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions B.E.2546 (A.D. 2003) (as amended), as the existing shareholders of KCED, the sellers, are not connected persons of the Company.

In this regard, the Company is obliged to report on the Investment in KCED according to the Regulation of the Stock Exchange of Thailand regarding Rules, Conditions and Procedures Governing the Disclosure of Information and Other Acts of a Listed Company B.E.2560 (A.D. 2017) (as amended), as this is the case



where a subsidiary of the listed company acquires an investment in another company, resulting in such another company becoming a subsidiary of the said subsidiary.

Please be informed accordingly.

Sincerely yours,

(Mrs. Voraluksana Ongkosit)

Executive Vice Chairperson

