



October 9, 2018

Subject: Notification of the additional investment in Sakthi Global Auto Holdings Limited ([Amendment with Enclosure](#))

To: The President
The Stock Exchange of Thailand

Enclosure: [Information concerning financial assistance provided to other persons \(Appendix 1\)](#)

AAPICO Hitech Public Company Limited (“**the Company**”) would like to inform that the Company and/or its subsidiary, AAPICO Investments Pte. Limited, had entered into the transaction to invest in Sakthi Global Auto Holdings Limited (“**SGAH**”), which is at present an associate of the Company, at the amount of USD 65 million, or equivalent to approximately Baht 2,138 million, in order to support and strengthen the strategic partnership and enhance the synergies between the Company and SGAH in order to grow their business in the global market. The total investment of USD 65 million consists of (1) newly issued ordinary shares in SGAH in the amount of 4,977 shares at the par value of USD 1, representing 24.89% of all registered and paid-up shares of SGAH, at the total value of USD 25 million or equivalent to approximately Baht 827 million and (2) grant of loan by the Company to SGAH at the total amount of USD 40 million or equivalent to approximately Baht 1,311 million, with the interest rate of 10.00% per annum for a period of 3 years ((1) and (2) collectively referred to as the “**Transaction**”). The loan of USD 40 million is secured by the personal guarantee of the owner of Sakthi Group, Dr. Manickam Mahalingam, and CEO of Sakthi Automotive Group USA, Inc., Mr. Lalit Kumar, and the pledge of shares in SGAH and its subsidiary to the Company.

The Company sees good opportunity to gain stronger footprint in the global market by this investment. Also, the Company will have in general greater management participation in SGAH to give more support and necessary controls in the weak areas with the increase in the Company’s direct and indirect equity holding in SGAH from 25.10% to 49.99% of all registered and paid-up shares of SGAH.

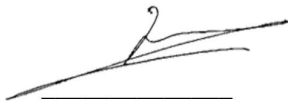
List of shareholders (SGAH)	Pre-Subscription		New share subscription	Post-Subscription	
	Number of shares	% Holding		Number of shares	% Holding
ABT Auto Investments Limited	7,490	74.90	-	7,490	50.01
AAPICO Hitech PLC	2,410	24.10	4,927	7,337	48.99
AAPICO Investment Pte. Ltd. (a 100-percent subsidiary of the Company)	100	1.00	50	150	1.00
Total	10,000	100.00	4,977	14,977	100.00

SGAH is not a connected person of the Company under the Notification of the Capital Market Supervisory Board Tor. Jor. 21/2551 Re: Connected Transaction Rules dated 31 August 2008 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 Connected Transactions dated 19 November 2003 (the "**Notifications on Connected Transaction**") and therefore this transaction is not considered as the connected transaction under the Notifications on Connected Transaction.

The transaction size of the Transaction is calculated to be at the highest of **5.43%** pursuant to the Comparison of Consideration Paid criteria (calculated from the reviewed consolidated financial statements of the Company ending as of June 30, 2018). Within the past 6 months prior to the date of the Transaction, the size of the acquisition transaction is calculated to be 0.33% using Comparison of Consideration Paid criteria. Therefore, the highest transaction size is equivalent to **5.76%**, which is less than 15% and the Company, then, is not required to obtain board or shareholders' approval of the Company or to disclose information pursuant to the Notification of the Capital Market Supervisory Board No. Tor Jor 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets, dated 31 August 2008 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 and Disposal of Assets B.E. 2547 (2004) dated 29 October 2004.

Please be informed accordingly.

Yours sincerely,



Mr. Yeap Swee Chuan
President & CEO
AAPICO Hitech PLC

**Information concerning financial assistance provided to other persons of
AAPICO Hitech Public Company Limited**

AAPICO Hitech Public Company Limited (“**the Company**”) had signed the loan agreement with Sakthi Global Auto Holdings Limited (“**SGAH**”) at the amount of USD 40 million or equivalent to approximately Baht 1,311 million (referred to as the “**Loan**”) with the interest rate of 10.00% per annum for a period of 3 years.

The details of the Loan are summarized below.

1) Date of Transaction

Within October 11, 2018

2) Involved Parties

Lender

Aapico Hitech Public Company Limited (“**AH**”), a listed company in the Stock Exchange of Thailand.

Borrower

Sakthi Global Auto Holdings Limited (“**SGAH**”), which is at present an associate of the Company.

Detail of Sakthi Global Auto Holdings Limited

Name	Sakthi Global Auto Holdings Limited (“ SGAH ”)	
Date of registration	April 10, 2017	
Capital Structure	Paid-up Capital : USD 10,000 (Ten Thousands)(par value at USD 1 each)	
Type of Business	Holding Company	
Directors	1. Mr. Manickam Mahalingam 2. Mr. Lalit Kumar 3. Ms. Radha Akilandeshwari Manickam 4. Mr. Hari Hara Sudhan Manickam 5. Mr. Yeap Swee Chuan 6. Ms. Yeap Xin Rhu	
Shareholders	<u>Name</u>	<u>Number of Shares Held</u>
	ABT Auto Investments Limited	7,490
	Aapico Hitech Public Company Limited	2,410
	Aapico Investment Pte. Limited	100
	Total	10,000

SGAH Group consists of manufacturers of automotive components such as steering knuckles, brake discs, brake drums, brake caliper, axel arms, and brackets for original equipment manufacturers (“**OEM**”) such as General Motors, Continental AG, Maruti Suzuki India Limited, Iljin Automotive Private Limited, and

Ford. The group structure contains key operating units in the Republic of India, Portugal, the United States of America, and the People's Republic of China.

3) General Characteristics of the Transaction

The Company had provided the Loan to SGAH at the total amount of USD 40 million or equivalent to approximately Baht 1,311 million with the interest rate of 10.00% per annum for a period of 3 years. The interest period for the loan is 3 months. The Loan shall be repaid on or before Q3 2021.

The Loan is secured by the personal guarantee of the owner of Sakthi Group, Dr. Manickam Mahalingam, and CEO of Sakthi Automotive Group USA, Inc., Mr. Lalit Kumar, and the pledge of shares in SGAH and its subsidiary to the Company.

4) Reasons for Entering into the Transaction

SGAH had approached the Company for certain funding requirement for certain needs in the business. The Loan will be used for corporate financial restructuring of SGAH and to increase paid-up capital in a subsidiary of SGAH.

5) Procedure for consideration of the financial assistance

The Company sees good opportunity to gain stronger footprint in the global market by this investment. Also, the Company will have in general greater management participation in SGAH to give more support and necessary controls in the weak areas.

The Company expects to use the credit facilities from banks, the corporate debentures, and working capital as the source of fund for the Loan. The Company will receive interest income which is higher than the Company's cost of capital to support its financial liquidity. Also, the Company receives the guarantee and the pledge of shares in SGAH and its subsidiary as a tool to mitigate potential risks that may arise from providing this financial assistance.