

Le Bélier is a specialist in aluminum casting for the global automobile industry

Entry of the main majority shareholders of Le Bélier into exclusive negotiations with Wencan concerning a proposed sale of a majority stake in Le Bélier to Wencan at the price of 38.18 euros per share

The completion of the acquisition would be followed by the filing of a simplified mandatory takeover bid at the same price of 38.18 euros per share

The principal majority shareholders of Le Bélier, including Copernic, the controlling holding company of the Galland family, and Mr. Philippe Dizier, CEO of Le Bélier, announce that they have entered into exclusive negotiations on 8 December 2019 with Guandong Wencan Die Casting Co. Ltd. (“Wencan”), a company listed on the Shanghai Stock Exchange (603348 (SHA)), concerning an offer by Wencan to acquire the entirety of their stakes representing in aggregate approximately 61.96% of the share capital of Le Bélier.

The sale of the majority stake would be made at the price of 38.18 euros per share.

This price per share values Le Bélier’s shareholders’ equity at 251.3 million euros and reflects a premium of 29.0% compared to the last closing price before the announcement of the entry into exclusive negotiations (6 December 2019), of 40.4% compared to the volume-weighted average closing price over the last three months and of 40.5% compared to the volume-weighted average closing price over the last six months.

Through this proposed combination, Le Bélier would benefit from Wencan’s technologies to reinforce its development, in particular in Europe and North America, while also being able to draw on Wencan’s position in China to grow its historical activities in the region. This opportunity to bring together a global leader in gravity die casting and a global leader in pressure casting falls under Le Bélier’s strategy to accelerate its development in a context of increasing requirements to reduce CO₂ and the environmental impact of the automobile market.

The Board of directors of Le Bélier, in a meeting on 8 December 2019, favorably received the offer unanimously.

On this occasion, the CEO of Le Bélier, Mr. Philippe Dizier, stated, « *This strategic operation will allow both Groups to reinforce their development on the brake, intake, chassis, structural parts, and electric vehicle parts markets, thanks to their complementary technologies and geographic positions.* »

The final agreements for the sale of the majority stake would occur once labour law procedures have been carried out. The completion of the sale of the majority block would also be subject to the obtaining of regulatory authorizations in France and abroad, notably in China, and may occur by end of the first semester 2020. These authorizations will be specified at the time of the announcement of the execution of the final agreements.

In the event the proposed acquisition of the controlling stake completes, Wencan will have to file a simplified mandatory takeover bid on the remaining share capital of Le Bélier at the same price of 38.18 euros per share. Wencan will specify at the time of the completion of the proposed acquisition of the controlling stake whether it intends to carry out a squeeze out following the takeover bid.

Wencan will finance the overall transaction using its own funds for up to 60% and bank financing secured with *Société Générale* and the Industrial Bank of China for the balance.

The Board of directors of Le Bélier will meet in due course to appoint an independent expert whose identity will be disclosed at the time of its appointment who, supervised by a committee of independent board members, will establish a report on the financial conditions of the offer, the conclusion of which will be presented in the form of a fairness opinion.

The Board of directors will give their opinion on the interest of the offer and on its consequences for the company, its shareholders, and its employees, notably in light of the conclusions of the independent expert's report.

The filed takeover bid will be subject to review by the French Market Authority (*Autorité des Marchés Financiers*), which will evaluate its conformity with applicable legal and regulatory provisions.

Lazard Frères acted as exclusive financial advisor to the Le Bélier group, while BDGS Associés and Fangda Partners acted as legal advisors.

China Securities acted as exclusive financial advisor to Wencan, while Freshfields Bruckhaus Deringer and Zhong Lun Law Firm acted as legal advisors.

About Le Bélier

Le Bélier is a global foundry group specialized in the manufacture of molded aluminum parts for the automotive and aerospace markets. A global leader in braking, Le Bélier benefits from an internationally renowned know-how and accompanies its clients around the world on three continents: America, Europe, and Asia.

In 2018, Le Bélier had a turnover of 358.8 million euros and net earnings of 27.2 million euros.

Le Bélier is a listed company on NYSE Euronext Compartment B under the ISIN code FR0000072399.

For more information, please visit: www.lebelier.com

Le Bélier : Cécile FRANCOU

Tél : 05 57 55 03 02

cecile.francout@lebelier.com

ASSETCOM : Laurence COSTES

Tél : 06 20 41 46 08

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