

## **FRIWO with successful launch of e-mobility joint venture for the two- and three-wheeler market in India**

- Great demand from Indian manufacturers, first letters of intent signed on
- Promising talks with further prestigious Asian two- and three-wheeler producers
- New manufacturing plant located south of Delhi scheduled to be operational in Q1 2023
- First substantial licensing revenues are expected for the 2023 financial year

**Ostbevern, July 21, 2022** – The joint e-mobility activities with the Indian joint venture partner – the UNO MINDA Group – for the joint expansion into the Indian two- and three-wheeler market with electric engines are meeting with a very high demand on the Indian subcontinent. For instance, letters of intent for the supply of e-mobility drive solutions for prestigious Indian vehicle manufacturers were successfully signed as early as the 2nd quarter of 2022. With these agreements, sales in the mid two-digit million-euro range become possible. In addition, further promising talks are ongoing about orders that could further significantly increase the aforementioned potential sales. In the process, the joint venture partners are also talking to some of the world's leading Japanese two- and three-wheeler manufacturers.

### **Manufacturing plant for e-mobility drive systems to start in Q1 2023**

FRIWO and UNO MINDA are also progressing rapidly in their efforts to build up the production capacities required for this purpose. The construction of a manufacturing plant for the supply of success-critical modules for electrically powered two- and three-wheeled vehicles is already underway. There, it will be possible to produce end-to-end system solutions in the field of e-drives, comprising the necessary hardware and the appropriate software architecture. The plant south of Delhi is to cover an area of around 15,000 square metres and start operations in the 1st quarter of 2023.

### **Joint venture targets leadership in India's huge market for electric two- and three-wheelers**

The joint venture between UNO MINDA, a global technological driver in the automotive and vehicle supply sector, and FRIWO (49.9 % joint venture share) is aiming for a market-leading position in the establishment of e-mobility drive solutions for two- and three-wheeled vehicles in India. Industry experts estimate the market volume to be addressed by the joint venture at approximately 4.5 million vehicles by 2027. This is on the assumption that the share of vehicles with electric drives will then amount to around 15 % of the total market potential of up to 30 million two- and three-wheelers. In the light of massive environmental issues caused by the enormous pollution, the Indian government has recently launched several initiatives to increase the use of e-mobility drive systems. A prohibition of all combustion engines (<250 cm<sup>3</sup>) is being discussed.

“We are delighted that our joint venture in India has got off in such a good way. This applies to the creation of the operational infrastructure together with our partner UNO MINDA, but above all, to the immense demand we are encountering in our electric drive systems for two- and three-wheelers. In view of the great underlying growth potential from the entire region, we are very confident that we will see initial positive earnings contributions from India as early as the 2023 financial year,” comments Rolf Schwirz, Chairman of the Executive Board of FRIWO AG.

### **First contributions to the results from India from the 2023 financial year onwards**

Between the joint venture partners, it was agreed that UNO MINDA would design, construct and finance a new manufacturing building, which will then be available to the joint venture company on a lease basis. The joint venture will then undertake the investments in the manufacturing lines, following the example of the FRIWO factories in Vietnam. Additionally, FRIWO contributes its unmatched technological expertise in electric drive systems to the joint venture. In return, the company is to receive license proceeds. However, this will not be the case until the joint venture generates a positive result. Under the premise of a successfully ramped-up manufacturing, this is anticipated by the middle of 2023 at the latest. Accordingly, FRIWO expects the first contributions to profit and cash flow from licensing income from fiscal year 2023 onwards, which will further strengthen the already anticipated positive annual result.

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**About FRIWO:**

The listed FRIWO AG (General Standard, Frankfurt) with its headquarters in Ostbevern/Northrhine Westphalia is an international manufacturer of technically leading power-supply devices and e-drive solutions. FRIWO provides a whole host of applications with tailored systems from a single source. FRIWO, founded in 1971, has transformed itself from a provider of power-supply products to a full line supplier of sophisticated and tailored e-mobility solutions. Today, the product portfolio does not only include premium power supply solutions, but also battery charging solutions for a wide range of applications. Furthermore, all components of a modern electric drive solution are also available: from the display, motor control unit and drive unit to the control software. With modern development centers, manufacturing facilities and sales locations in Europe, Asia and the US, FRIWO is present in all of the world's key markets. FRIWO's key customers are leading brands in their respective markets and have embedded FRIWO products in order to provide superior quality to their customers. Main shareholder of FRIWO AG is a subsidiary of VTC GmbH & Co. KG, Munich. For further information, please visit our website at <https://www.friwo.com/en/>

**About UNO MINDA Group:**

UNO MINDA, a technological driver in the automotive supply industry with more than 23,000 employees, is a world-leading supplier of propriety automotive solutions to OEMs as Tier 1. Minda Industries Limited (MIL) is a showcase enterprise of the UNO MINDA Group. The company manufactures automotive components for original equipment manufacturers (OEMs) and is rapidly expanding with a growing market share in all its product lines. The company is dedicated to delivering high technology and high quality products to its customers worldwide. The Group is a global player in the automotive industry with manufacturing facilities in Indonesia, Vietnam, Spain and Mexico and engineering offices in Taiwan, Japan and Spain. It has 71 manufacturing facilities worldwide and has joint ventures/technical agreements with world-renowned manufacturers from Japan, Italy and Taiwan. For more information, visit the company website at <https://www.unominda.com>