

Indian UNO MINDA Group has acquired a stake in FRIWO – Measures to launch e-mobility joint venture have begun

- Capital increase of 448,162 shares completed – UNO MINDA Group holds 5.24 % of the equity of FRIWO AG
- Equity ratio of FRIWO rises to around 22 %
- FRIWO will invest the received 15 million euros in future growth
- Measures to develop the Indian two- and three-wheeler market started

Ostbevern, July 4, 2022 – As communicated at the beginning of May 2022, the Indian UNO MINDA Group has acquired a 5.24 % stake in FRIWO AG – an international manufacturer of innovative power supply and e-mobility solutions – via a capital increase. The cash capital increase required for this and the issue of 448,162 new FRIWO shares were entered in the commercial register on June 28, 2022. This is an important milestone for the e-mobility joint venture between the two companies, agreed at the end of last year, to jointly develop the Indian two- and three-wheeler market. FRIWO received around 15 million euros for its investment from UNO MINDA – a globally active technology leader in the automotive and vehicle supply industry. This increases the equity ratio to around 22 %. With the inflow of liquidity, the Westphalian company has extensive funds to drive forward the planned expansion of the Group with a focus on e-mobility solutions.

Market potential of 4.5 million two- and three-wheelers with electric drive in India in 2027

The joint venture between UNO MINDA and FRIWO – in which FRIWO will hold a 49.9 % stake – aims to become a market leader in establishing e-mobility drive solutions for two- and three-wheeled vehicles in India. The respective markets promise high growth rates, also due to initiatives by the Indian government to increase the use of e-mobility. In view of the high environmental impact, a ban on combustion engines (<250 cm³) is also being discussed. Industry experts see a market potential of up to 30 million two- and three-wheelers by 2027. The share of vehicles with electric drives could increase to around 15 %.

Measures to launch the joint venture have begun

In view of the enormous potential and strong demand, both companies are working at full speed to start production as quickly as possible. Currently, the focus is on the formal and legal requirements and the necessary expansion of UNO MINDA's existing production

network. As part of the joint venture, FRIWO and UNO MINDA will combine their technologies and production capacities. This will allow complete system solutions to be offered in the e-drive sector, comprising the necessary hardware and the appropriate software architecture. FRIWO expects the first substantial profit and cash flow contributions from licensing income from fiscal year 2023 onwards. Against the backdrop of discussions already underway, there are major additional sales opportunities also with well-known globally active two-wheeler manufacturers from neighboring countries in India as well as Japan. Production for this would also be done in India.

"The participation of UNO MINDA is a milestone in the history of FRIWO. Together with our new partner, we want to become a leading supplier in the Indian two- and three-wheeler market with electric drive. The potential is huge. Thanks to the successful start of preparations for the joint venture, we are confident of generating substantial earnings and cash flow contributions from the cooperation from 2023 onwards," comments Rolf Schwirz, CEO of FRIWO AG.

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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/>