

## **E-mobility joint venture of FRIWO and UNO MINDA receives orders worth ~400 million euros for two- and three-wheelers with electric drive in India**

- Major orders from Indian manufacturers
- New production facility located to the south of Delhi will start operations in 2nd quarter 2023
- Substantial joint venture sales expected for 2nd half of 2023
- FRIWO expects significant licensing and investment income from 2024 onwards

**Ostbevern, 20. January 2023** – The very high demand of electric drive solutions for two- and three-wheeled vehicles in India has already led to orders and letters of intent for a total volume of more than 400 million euros at the joint venture of FRIWO and the Indian UNO MINDA Group. The orders are expected to lead to sales in the years 2023 to 2026. The customers are several renowned Indian vehicle manufacturers. In addition, further promising conversations are underway also with well-known Japanese manufacturers about orders which could significantly increase the above-mentioned sales potential in the future. Once all formalities and legal requirements have been fulfilled, the construction of the production capacities required for the project is in full swing, with the result that production at the company's own manufacturing facility is expected to start in the 2nd quarter of 2023.

### **Production start of joint venture in 2nd quarter 2023 - expansion possible**

The manufacturing facility south of New Delhi will be able to produce complete system solutions in the e-drive sector, comprising the necessary hardware and the appropriate software architecture. The facility is initially designed for an area of around 15,000 square meters but can be expanded extensively in the near future if demand remains high. UNO MINDA will be financing and building the production facility and subleasing it to the joint venture. The remaining investments, initially in the single-digit million euro range, for the construction of the production lines will be shared proportionately by the two joint venture partners (UNO MINDA 50.1% and FRIWO 49.9%). Until the beginning of production in this facility, the first orders will be produced in a temporary manufacturing plant.

**Booming orders underline leading role in huge market for two- and three-wheelers with electric drive in India**

Thanks to this boom in orders, the joint venture between UNO MINDA - a globally active technology leader in the automotive and vehicle supply industry - and FRIWO is thus already assuming a market-leading position in e-mobility drive solutions for two- and three-wheeled vehicles in India and is aiming for a substantial share in the market volume, which is estimated at around 4.5 million vehicles by 2027. Driven by support programs and initiatives of the Indian government to combat massive environmental pollution, the percentage of vehicles with electric drives is then expected to be around 15% of the total market potential of up to 30 million two- and three-wheelers.

"We are overwhelmed by the enormous demand for our electrical components and drive systems in India. We would not have thought an order volume of more than 400 million euros would be possible after such a short time. And this does not have to be the end of the success story we are writing with our partner UNO MINDA. Together, we want to shape and help develop the huge Indian market for two- and three-wheelers with electric drives from 2023 onwards with our new production facility. This will have a very positive impact on our results in the coming years," comments Rolf Schwirz, CEO of FRIWO AG.

**FRIWO can expect high license and investment income**

FRIWO will receive royalty income of 4% from the joint venture for the contribution of its unique technological expertise in electric drive systems once the break-even point is reached. This is expected in the second half of 2023, assuming a successful start of production on a smaller scale. In addition, the company will receive positive earnings in proportion to its stake in the joint venture. As anticipated, this is expected to lead to significant profit and cash flow contributions in the next fiscal year to a lesser extent and in subsequent years, which will further improve the positive annual result expected even without the joint venture.

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**About FRIWO:**

Listed in the General Standard of the Frankfurt Stock Exchange, FRIWO AG, headquartered in Ostbevern, Westphalia, is an international manufacturer of technically leading chargers and e-drive solutions. Founded in 1971, FRIWO offers a product portfolio that includes not only high-quality power supply solutions, but also battery charging solutions for a wide range of e-mobility applications. This also includes all components of a modern electric drive solution: from the display to the motor control and drive unit to the control software. With modern development centres, production facilities and sales locations in Europe, Asia and the USA, FRIWO is present in all the world's major markets. Together with UNO MINDA, FRIWO operates a joint venture in India to supply the large Indian two- and three-wheeler market with electric drive systems. In addition, a subsidiary has been established in the USA to meet growing demand, particularly in the e-mobility and medical sectors. FRIWO's most important customers are leading international brands in their respective markets, which benefit from the innovative strength and highest quality standards of FRIWO products and solutions. The 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>.

**About the UNO MINDA Group:**

UNO MINDA, a technology leader in the automotive supply industry with more than 23,000 employees, is a leading global provider of proprietary automotive solutions to OEMs as Tier-1. The company is expanding rapidly with growing market share in all its product lines. The company is committed to providing high-tech 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>.