

FRIWO with expected moderate start in 2024 – outlook and return to operating profit in 2024 confirmed

- Group revenue falls to 20.7 million euros in the first quarter of 2024 – EBIT loss of -1.8 million euros
- E-mobility joint venture in India continues to see dynamic growth in demand
- Outlook: Group revenue of 100 to 120 million euros and balanced EBIT confirmed for 2024 – upward trend expected for subsequent years

Ostbevern, May 8, 2024 – As expected, FRIWO – an international manufacturer of technologically leading chargers and e-drive solutions – made a weaker start to the 2024 financial year. Group revenue fell to 20.7 million euros in the first quarter, compared to 30.8 million euros in the same period of the previous year, which had been positively impacted by the high order backlog from 2022. The reason for the decline in 2024 was the persistently weak demand in the European core markets in the e-mobility, industrial and tools segments. The drop in sales, expected start-up costs for the Indian joint venture and one-off expenses for the adjustment of production structures were partially offset by improved cost efficiency, particularly in terms of personnel costs. While gross profit was roughly on a par with the previous year, earnings before interest and taxes (EBIT) fell year-on-year from -1.4 million euros to -1.8 million euros. After taxes, a loss of -2.7 million euros was reported (Q1-2023: -2.2 million euros).

“As expected, FRIWO has made a moderate start to the 2024 financial year. As we expect the market to recover in the second half of the year and the cost efficiency measures to have an increasingly positive impact, we continue to anticipate a break-even result for the year as a whole. The first license income from our India joint venture will also contribute to this, from which we expect increasing profit contributions from 2025 onwards in view of the continuing dynamic development,” commented Rolf Schwirz, CEO of FRIWO AG, on the development.

Demand for electric bicycles in Europe remains subdued. As a result, neither incoming orders of 16.3 million euros (Q1 2023: 26.4 million euros) nor the order backlog of 42.5 million euros (Q1 2023: 77.6 million euros) reached the previous year’s figures. FRIWO has responded to this and further adjusted the number of employees compared to the end of 2023 from 1,701 to 1,491 as at March 31, 2024. As communicated, this was due to the

sale of the production activities remaining at the Ostbevern site to an associated company and the acquisition of assets and materials for component production near Saigon by a Hong Kong company, which will lead to a further reduction in the number of employees in the second quarter. Both acquirers will in future act as suppliers for the products and system solutions manufactured by FRIWO.

The FRIWO Group's total assets decreased to 70.7 million euros as at March 31, 2024, compared to 74.3 million euros as at December 31, 2023. The equity ratio fell from 17.1% to 14.1%. FRIWO is solidly financed until the end of 2025 thanks to the extension of the existing syndicated loan and shareholder loans at the end of 2023.

Outlook for 2024 confirmed

The Management Board of FRIWO AG confirms the annual forecast of achieving Group revenue of 100 to 120 million euros and a balanced Group EBIT in the 2024 financial year, as well as returning to the operating break-even point over the course of the year. Demand is still expected to pick up in the second half of 2024. In addition, the cost efficiency measures and the easing of material and energy costs should have a positive impact. The result includes further up-front costs for the establishment of the joint venture in India (FRIWO share 49.9%) operated together with the Indian UNO MINDA Group, but also initial license income from India, which will have a positive impact on the result. Demand for FRIWO's e-mobility system solutions continues to develop dynamically, meaning that increasing profit contributions are expected in the years from 2025 onwards.

Further information on the company can be found on FRIWO's investor relations pages at: <https://www.friwo.com/en/about/investor-relations/>

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FRIWO Group at a Glance

in million euros	1-3/2024	1-3/2023
Revenue	20.7	30.8
Earnings before interest and taxes (EBIT)	-1.8	-1.4
EBIT margin in percent	-8.9	-4.7
Profit before tax (PBT)	-2.7	-2.2
Earnings after taxes	-2.7	-2.2
Earnings per share in euros	-0.32	-0.26
Capital expenditure	0.2	1.4

	03/31/2024	12/31/2023
Balance sheet total	70.7	74.3
Equity	10.0	12.7
Equity ratio in percent	14.1	17.1
Employees (as at reporting date)	1,491	1,701

About FRIWO:

FRIWO AG, listed in the General Standard of the Frankfurt Stock Exchange and headquartered in Ostbevern/Westphalia, is an international manufacturer of technically leading chargers and e-drive solutions. FRIWO offers a whole range of applications with customized systems from a single source. Founded in 1971, the company has evolved from a supplier of power supply products to a full-range provider of sophisticated and customized solutions for electromobility. Today, the product portfolio includes not only high-quality power supply solutions, but also battery charging solutions for a wide range of applications. In addition, all components of a modern electric drive solution are also available: 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. FRIWO's most important customers are leading brands in their respective markets and rely on FRIWO products to provide their customers with the highest quality. The main shareholder of FRIWO AG is a subsidiary of VTC GmbH & Co. KG, Munich. For more information, please visit our website at <https://www.friwo.com>