

## **FRIWO streamlines production structures in Vietnam – operating targets confirmed for 2023 with the aim to return to profitability in 2024**

- Group Intellect Power Technology from Hong Kong takes over two component production sites in Vietnam and will act as a contract manufacturer for FRIWO in the future
  - Noticeable improvement in balance sheet quality and cash flow expected
  - Implications for annual financial statement 2023: Postponement of publication of the audited key figures to April 25, 2024
- Operating targets for 2023 achieved
- For 2024, the aim is to return to profitability

**Ostbevern, March 21, 2024** – FRIWO - an international manufacturer of technically leading chargers and e-drive solutions - is continuing to focus on its core activities. After announcing the separation of its production activities remaining at the Ostbevern site at the end of 2023, the company is now streamlining its production structures in Vietnam. To this end, an asset deal was signed with Group Intellect Power Technology (GIPT), under which the Hong Kong-based company will acquire assets and materials for component production near Saigon. GIPT will act as a supplier of subcomponents for FRIWO's products and system solutions manufactured in Vietnam. The parties have agreed not to disclose the purchase price. FRIWO will retain two Vietnamese production sites, where the production and configuration of e-mobility power systems and power supply solutions will take place. This step will significantly improve FRIWO's balance sheet quality, working capital and cash flow by transferring significant assets and inventories as well as substantial goodwill as early as 2024. Cost efficiency will also increase after deducting the costs for the contract manufacturing of components, as the number of employees working at FRIWO Vietnam will be reduced by around 500 to around 1,100.

As the transaction has extensive implications for the annual financial statements for 2023 in accordance with IFRS, it is necessary to postpone the publication of the audited key figures and the annual report to April 25, 2024 (previously March 28, 2024).

"We are consistently focusing FRIWO on its core activities and streamlining our cost and asset structures worldwide. This will allow us to react more leanly and flexibly to future market changes and noticeably improve our balance sheet quality and cash flows. Following confirmation of the operating targets for 2023, we see positive momentum for a return to

profitability in 2024 and, in view of our great growth potential in Asia, expect sustainable profitable growth in the mid-term," commented Rolf Schwirz, CEO of FRIWO AG, on the development.

**Confirmation of 2023 forecast – Aiming for a return to profitability in 2024**

According to preliminary, unaudited key figures, FRIWO has achieved its operating targets for 2023. In October 2023, the forecast for Group sales was adjusted to around 110 million euros and for the operating result (EBIT - earnings before interest and taxes) to a loss in the mid-single-digit million euro range. In this light and in view of the earnings contributions expected from the e-mobility joint venture in India from the second quarter onwards, the FRIWO Management Board expects the company to return to a profitable growth path in the 2024 financial year. With regard to sales development, visibility is still difficult due to the only gradual stabilization of demand in the core business in Europe at the beginning of the year, particularly from the two-wheeler sector. FRIWO is therefore only planning to publish a more concrete sales forecast with the release of the annual financial statements.

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

**Contact investor relations and media**

FRIWO AG  
Ina Klassen  
+49 (0) 2532 81 869  
ir@friwo.com

Peter Dietz  
+49 (0) 69 97 12 47 33  
dietz@gfd-finanzkommunikation.de

**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>