

Press Release

Brake joint venture Hella Pagid: HELLA and TMD Friction agree on complete takeover by HELLA

- **HELLA to acquire the 50 percent shares currently held by TMD Friction in the joint venture Hella Pagid**
- **From 1st October 2024, HELLA to begin distributing brake products under the HELLA brand**
- **TMD Friction to regain sole control of the Pagid brand and to expand sales of brake products under this brand from 1st October 2024**
- **TMD Friction to continue to supply brake pads to HELLA**

LEVERKUSEN, December 1, 2023: TMD Friction and HELLA have agreed to transfer the 50 percent share currently held by TMD Friction in the brake joint venture Hella Pagid to HELLA. The two companies signed a letter of intent. HELLA would thus become the sole shareholder of Hella Pagid. Founded in 2013, Hella Pagid, a joint venture between automotive supplier HELLA and brake friction manufacturer TMD Friction, sells brake components and accessories on the global automotive aftermarket. The parties have agreed not to disclose details of the purchase price.

“Over the past ten years, Hella Pagid has developed into a leading full-service provider for brake systems,” says Stefan van Dalen, who as Managing Director Lifecycle Solutions at HELLA is responsible for the spare parts business, among others. “Brakes have therefore long since established themselves as key products in our independent aftermarket business. The Hella Pagid team has an exceptionally high level of product expertise, not least thanks to its many years of experience. With the planned complete takeover of Hella Pagid, we want to sell brake products under the strong HELLA brand in the future and continuously expand the brake business moving forward.”

“The opportunity to offer the Pagid OE premium-quality product brand globally fits perfectly with our multi-brand strategy and provides us with utmost flexibility,” says Clement de Valon, Executive Vice President Independent Aftermarket at TMD Friction. “Building on TMD Friction’s 145 years of braking technology expertise, combined with Pagid’s motorsport heritage, opens up countless opportunities for future brand development. This further supports our goal to serve all drivers across the globe better and to offer them the right product – no matter where in the world they live, which car they own, and what their budget constraints are.”

Distribution of brake products under the HELLA brand is already planned starting 1st October 2024. In the medium term, current plans additionally envisage transferring all key functions of Hella Pagid, including product management, to HELLA. The employees would also to be taken over by HELLA. The Hella Pagid portfolio will then be sold under the HELLA brand in the independent aftermarket business while maintaining the same high product quality. TMD Friction will continue to manufacture brake pads for HELLA as part of an ongoing business partner relationship. Brake pads make up one of the main product

groups in Hella Pagid's range, alongside brake discs and brake hydraulics.

Regaining full control over the Pagid brand will open up the opportunity for TMD to sell Pagid products in all regions worldwide and further develop the brand. This allows Pagid to re-join Textar as a global OE premium brand in the TMD Friction portfolio. TMD Friction will resume extended sales under the Pagid brand from 1st October 2024.

Note: Text and images can also be found at: www.hella.com/press or <https://tmdfriction.com/press-releases/>

About TMD Friction

TMD Friction is a leading global supplier of high-quality brake friction solutions to the automotive and brake industries. The company develops and manufactures disc brake pads and drum brake linings for passenger cars and commercial vehicles.

TMD Friction supplies vehicle manufacturers with premium products for original equipment, as well as being a driving force in the international aftermarket with the brands Textar, Mintex, Don, Pagid, Cobreq and Bendix. The product portfolio also includes brake friction products for motor racing under the Pagid Racing and Mintex Racing brands and for industry applications under the Cosid brand.

TMD Friction Group employs more than 4,200 people worldwide with locations across Europe, the USA, Brazil, Mexico, China and Japan.

About Hella Pagid GmbH

The joint venture between the automotive supplier HELLA, which operates under the FORVIA umbrella brand, and the automotive supplier TMD Friction sells brake components and accessories on the global automotive aftermarket. Both partners hold a 50 percent stake in the company. Hella Pagid benefits greatly from the complementary expertise of the two automotive suppliers, as the joint venture combines the strengths of two market-leading companies in original equipment as well as aftermarket and service expertise. TMD Friction is the world's leading manufacturer of brake pads, combining excellent brake technology and constant innovation in its product portfolio. Hella Pagid products are distributed via HELLA's global aftermarket organisation.

About HELLA

HELLA is a listed, international automotive supplier operating under the FORVIA umbrella brand. Within this de facto group, HELLA stands for high-performance lighting technology and vehicle electronics. At the same time, the company's Lifecycle Solutions Business Group covers a broad service and product portfolio for the spare parts and workshop business as well as for manufacturers of special vehicles. HELLA has around 36,000 employees at over 125 locations worldwide and generated sales of € 4.4 billion in the seven-month short fiscal year 2022.

About Forvia

FORVIA combines the technological and industrial strengths of Faurecia and HELLA, which

complement each other perfectly. With over 300 industrial sites and 76 R&D centres, 157,000 employees, including more than 15,000 R&D engineers, in over 40 countries, FORVIA offers a unique and comprehensive approach to the automotive challenges of today and tomorrow. FORVIA consists of six business groups with 24 product lines and a strong portfolio with over 14,000 patents. FORVIA endeavours to become the preferred innovation and integration partner for OEMs worldwide. FORVIA has set itself the goal of recognising the changes in mobility at an early stage and putting them into practice.

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