

Driving automotive innovation forward

Hanhwa, an established player in global automotive technology, has signed an agreement with GEM Global Yield LLC SCS, a Luxembourg-based investment group, to access a share subscription facility of up to AUS 140 million ahead of its planned listing in the public markets through the renowned Australian Securities Exchange (ASX). With access to the commitment of capital from GEM, the company will continue to advance on its multiyear plan to become a leading automotive manufacturer in Australia with a global presence, and accelerate the company's rich research and development pipeline, according to Mr. Korosh Farazad of Farazad Advisory, a London based Advisory firm acting on behalf of Mr. Ryan Lee, CEO Hanhwa Aus Pty Ltd, in a company announcement.



Founded in 2016 in Victoria, Australia, Hanhwa Aus Pty Ltd. is a leading designer and manufacturer of state of the art automotive and consumer electronics solutions aimed at suppliers and developers. The company operates on a primary direct distribution model, and leverages flexibility on special request by top global automotive companies. In its short lifespan,

Hanhwa's technology has allowed it to partner alongside the top names in automotive technology, such as Isuzu, Toyota, Mercedes-Benz, Fuso and Volvo.

Hanhwa is a subsidiary of Hanhwa Hightech Co. Ltd, based in Korea and established in 1998. The parent company got its start in the industry as a key supplier of car audio components and

accessories for Japanese manufacturers as well developing and supplying audio wiring harnesses. Hanhwa Hightech is a key player in automotive manufacturing, which has allowed Hanhwa become a leading automotive parts supplier in terms of sales volume and will also support its plans for global expansion.

Through its solutions design services, Hanhwa has been able to execute over 100 projects, supplying nearly 700,000 parts to more than 1,700 clients. This has been possible thanks to the work of a highly qualified and innovative workforce, who partner closely with clients to develop and create cutting edge solutions. The company is able to bring its know-how to many different stages of production, from design and prototyping, and from testing to manufacturing.

The company's verticals cover all automotive electronics technology related to infotainment, telematics and electronic parts. Over the last two years, Hanhwa has also worked in the eco-friendly electric vehicle segment, developing electric vehicle control solutions and displays for the in-demand electric truck market, which has greatly expanded as global consumers demand more sustainability



from their products of choice — and as companies seek for fuel-efficient ways to accelerate their supply chains.

Recently, Hanhwa made a significant stride toward its plans for global expansion with the announcement of a new partnership with GEM Global Yield LLC SCS. GEM, an alternative investment group based out of Luxembourg, will provide Hanhwa with access to a share subscription facility of up to AUS 140 million in a 36-month term following its public listing. Hanhwa plans to gain access to public capital in 2023 through its listing in the Australian Securities Exchange (ASX).

GEM is a \$3.4 billion alternative investment group with operations in Paris, New York, as well as the Bahamas. The group manages a diverse set of investment vehicles, with a focus on emerging markets. Thus far, the firm has completed over 520 transactions in 80 countries.

Through this share subscription facility, Hanhwa will draw down funds by issuing shares of common stock to GEM. The automotive equipment provider will control the timing and the maximum size of such drawdowns, and has no minimum drawdown obligation, as part of the deal.

"The AUD \$140 million Capital commitment from our partners GEM significantly strengthens and accelerates our five year growth plan in becoming one of the leading Australian automotive manufacturers and distributors to further expand into the global stage," said Mr. Ryan Lee, CEO Hanhwa Aus Pty Ltd, in an official company release announcing the deal. "Our technology and platform will be powered further with this financial arrangement and GEM will closely aid on the business strategy to meet the long-term vision and objectives of the company."

The financing deal with GEM, alongside the plans for public listing through

ASX, will enhance the company's infrastructure and product development pipeline, Mr. Ryan said. Bolstered by the financing, Hanhwa will unlock value and expedite its plans for global expansion, improving on the successful operating model which saw the company year-on-year revenue growth of 174% in 2021.

"The Hanhwa executive team are excited to leverage our prospects upon listing on the ASX to allow our existing and future customers to have the best equipment and value in this sector." Mr. Lee said.

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Hanhwa Aus Pty Ltd.

Backed by the know-how and resources of its Korean parent company Hanhwa Hitech, Hanhwa Aus is a well-regarded manufacturer, producer and designer of automotive technology, bringing innovation and quality to the burgeoning industry. The company has a multiyear plan for global expansion, and plans to join the public markets through a listing in the Australian Securities Exchange in 2023.

