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Equipmake Holdings PLC
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This announcement contains inside information for the purposes of Article 7 of Regulation (EU) No 596/2014 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 ("MAR").

16 May 2023

Equipmake Holdings plc
("Equipmake" or the "Company")

Licensing Agreement with Sona Comstar:
Provides Equipmake with exposure to the one of the largest automotive markets globally.

Equipmake, the UK-based engineering specialist pioneering the development and production of electrification products across the automotive, aerospace, bus, coach and fire truck industries, is pleased to announce it has signed a licensing agreement with Sona BLW Precision Forging Limited (Sona Comstar) (the "Licensing Agreement"). Sona Comstar is a global automotive systems and components manufacturer, headquartered in India, with annual revenue in excess of US$325 million and a market cap in excess of US$3.5Bn.

Overview

- The Licensing Agreement will see Equipmake license certain products from its range of drive motors, inverter, and electric powertrain technology to Sona Comstar for applications in electric cars, buses, commercial vehicles and off-road vehicles in India, Thailand and other select South Asian countries.
- India is a high growth market, with share for electric passenger vehicles forecast to increase to 25% by 2032, up from less than 1% in 2022, and electric buses to increase to 21% by 2032, up from 5% in 2022.[1]
- Both parties to jointly address other markets and territories for certain Equipmake products, utilising Sona Comstar's manufacturing and distribution networks.
- Under the Licensing Agreement, Sona Comstar will pay Equipmake a fixed one-time licence fee together with running royalties on the licensed products manufactured and sold by Sona Comstar. The manufacturing of the licensed products is expected to commence in 2025.

Commenting on the Licensing Agreement, Ian Foley, CEO of Equipmake said: "*Sona Comstar is a global automotive systems and components manufacturer and one of India's leading automotive technology companies. The Licensing Agreement provides a material gear change for our business and opens new and strategic markets for Equipmake which would otherwise be inaccessible.*

"Sona Comstar approaching and selecting Equipmake as its partner is a demonstration of a UK engineering success story which will enable us to export our considerable expertise and product offering to significant and fast-growing automotive markets in Asia, whilst continuing to grow our engineering and manufacturing operations in the UK to satisfy our increasingly international and varied customer base.

"I am delighted with this development and believe that this has the potential to create substantial value for our shareholders as we continue to build our reputation for electric powertrain innovation and product excellence with

customers around the world."

Commenting on the partnership Mr Sat Mohan Gupta, CEO of Motor Business at Sona Comstar, said: *"Equipmake's patented next generation spoke motors and inverters offer one of the highest power and torque density in its segments globally and we are delighted to partner with Equipmake to bring their cutting-edge motors and inverters technologies to India.*

"With Equipmake's advanced technology and Sona Comstar's manufacturing and sales capabilities, we aim to offer our customers high-performance, efficient, cost-effective electrified drivetrain solutions. This is yet another step towards our commitment to offering innovative solutions to drive faster adoption of electric mobility in India and globally."

Further Information

Sona BLW Precision Forgings Ltd (Sona Comstar) and Equipmake have signed a technology licensing agreement whereby Equipmake will license elements of its patented spoke motor and inverter technology to Sona Comstar to manufacture and sell EV powertrains, sub-systems, and components for electric cars, buses, commercial vehicles and off-road vehicles in defined markets.

Sona Comstar will lead the business development and customer sales in India, Thailand and select South Asian countries. Sona Comstar will exclusively manufacture EV powertrains, sub-systems, and components, based on Equipmake's patented technology, for the target applications exclusively in India and other select markets. Under the Licensing Agreement, Sona Comstar will pay Equipmake a fixed one-time licence fee of £300,000 together with running royalties on the licensed products manufactured and sold by Sona Comstar. The companies expect the serial production of these systems to commence in 2025.

CRISIL, an S&P Global company, and India's foremost provider of ratings, data, research, analytics, and solutions, expects the demand for electric passenger vehicles in India to increase to 25% in 2032, up from less than 1% in 2022, led by the commercial segment (fleet) due to favourable economics. In absolute numbers, CRISIL expects the electric car market in India to grow from 30,000 units in 2022 to 1.6 million in 2032. CRISIL expects the penetration of electric buses in India to increase to 11% in 2027 and 21% in 2032, up from 5% in 2022, driven by improving unit economics, government push at state transport undertakings (STU) and ESG concerns. STU will initially drive electric bus penetration, followed by school and staff bus segments. In absolute numbers, CRISIL expects the electric buses market in India to grow from ~1,600 units in 2022 to over 27,000 in 2032.

Sona Comstar is an innovation-led automotive technology company delivering mission-critical systems and components to customers worldwide. It offers a wide range of traction motors and controllers for India's electric two- and three-wheeler segments. Sona Comstar is one of the largest manufacturers of EV traction motors in India and has sold more than 180,000 EV traction motors since starting production of these indigenous traction motors at its Chennai plant in November 2020. The company's strategic objective is to develop traction motors and inverters for all mobility segments and offer the right motor, made using the right technology, to each vehicle application. With this partnership with Equipmake, Sona Comstar will expand its offerings to include high-voltage motors and inverters for electric buses, commercial vehicles and passenger cars.

[1] CRISIL analytics

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About Equipmake

Equipmake is the UK-based engineering specialist pioneering the development and production of electrification products to meet the needs of the automotive, aerospace and other sectors in support of the transition from fossil-fuelled to zero-emission powertrains.

Equipmake is a leader in ultra-high performance electric motors and complete EV drivetrains and ultra-fast power electronic systems. As well as developing proprietary technology - such as an ultra-compact, lightweight high performance spoke motor - it also offers industry-leading EV consultancy.

Equipmake has developed a vertically integrated solution providing fully bespoke solutions. The Company has built a significant pipeline of opportunities, as demand for electric vehicles increases as part of the global decarbonisation movement.

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