

# Brose aims to increase China business to 25 percent of group sales by 2025

**Shanghai (12. April 2021)** In 2021, automotive supplier Brose is celebrating 25 years of its solid presence in China. With great confidence in the development of the Chinese automotive market, the Brose Group will continue to enhance local competitiveness and aims to increase its China business to 25 percent of global revenue by 2025.

Since entering China in 1996, Brose has made substantial progress in the localization of the entire product portfolio along with its development capabilities and manufacturing competence. Currently the company has twelve locations in the country with approximately 3,600 employees. "Looking back over the past 25 years, Brose has witnessed the boom of the Chinese automotive market, which boosted the rapid growth of our China business. Our profound mechatronics expertise and rich experience in global platform development and management is the key to our success," Jenny Xiang, President Brose China, emphasizes. During the past five years, Brose has invested over three billion rmb (400 million euros) in China. This includes, for example, setting up the China drives business hub in Taicang and localizing electric climate compressor business in 2020.

While performance of the global automotive market in 2020 has been weak under the epidemic impact, the Chinese market has been gradually picking up since March of last year. Consequently, China has become the fastest recovering region within the Brose Group. Brose generated approximately 8.6 billion rmb (1.1 billion euros) sales locally, a level similar to the previous year.

Meanwhile, the company is accelerating the pace of new product development and business expansion in the Chinese market. One example is the launch of Brose's first side door drive project in China. The new car model of a top Chinese car manufacturer will be equipped with Brose's intelligent system solution to open and close the side door automatically.

Another example is the locally developed multi-functional power rear seat structure enabling flexible interior space adjustment. Such local product developments further strengthen Brose's competitiveness in the rear seat business segment in China. Moreover, Brose has won the customized front seat structures project for the new SUV model of a leading Chinese electric car manufacturer.

By establishing state-of-the-art engineering, testing and production competence for electric climate compressors, the automotive supplier delivers solutions with different voltage and displacement for hybrid and electric passenger cars and light commercial vehicles – and by doing so contributes to the new energy vehicle industry development in China. So far, Brose has received multiple first-time series production orders from top Chinese car makers.

With Brose Asia's first eco-friendly electrophoretic coating line launched last year in the Taicang plant, the company has set an industrial benchmark in green manufacturing while comprehensively strengthening the local capability in vertically integrated production.

“With the continuous development of the domestic automotive industry, China is the region with highest growth potential for Brose in the future,” Xiang says, adding, “25 years of business success marks a milestone for Brose in China. We will continue to diversify our customer base, proactively optimize our product portfolio and advance the overall local competitiveness to reach the strong growth target in 2025.”

### **About Brose**

Brose is the world’s fourth-largest family-owned automotive supplier. The company develops and produces mechatronic systems for vehicle doors and seats as well as electric motors, drives and electronics, among others for steering, brakes, transmissions, and engine cooling. Around 25,000 employees at 65 locations in 24 countries generated around 40 billion rmb (5.1 billion euros) sales in 2020. Every second new vehicle worldwide is equipped with at least one Brose product.

### **About Brose China**

Brose started its activities in the Chinese market in 1996 and has been growing ever since. Today, the company has twelve sites in six of China’s most important automotive hubs (Shanghai, Beijing, Changchun, Chongqing, Wuhan and Guangzhou) and has localized its entire product portfolio as well as its research and development expertise in the country. The company employs around 3,600 people in China and generated sales of approximately 8.6 billion rmb (1.1 billion euros) in 2020.



Brose has ambitious goals in China and wants to generate 25 percent of group sales there by 2025.