
HELLA SELLS RELAY BUSINESS TO HONGFA

Automotive supplier aligns electronics business even more strongly in line with the automotive market trends of electric mobility and autonomous driving

Lippstadt/Xiamen, 12 November 2019. The lighting and electronics specialist HELLA is aligning its electronics business even more closely along the major market trends of electric mobility and autonomous driving. Against such a backdrop, HELLA will now sell its existing relay business to the Chinese relay manufacturer Hongfa. In the last fiscal year, HELLA achieved sales of € 43 million in this business field. The object of the transaction are the corresponding development and production activities of the two HELLA companies located in Xiamen, China. The transaction is expected to close by the end of the year, with the price being around € 10 million. As a result, approximately 280 employees will transfer to Hongfa.

"In the years to come, we want to concentrate even more strongly on the central future topics of the automotive industry," explains HELLA CEO Dr. Rolf Breidenbach. "We see these topics as being primarily those of electric mobility and autonomous driving. So we are delighted to have found in Hongfa an experienced partner who will successfully further develop our relay business."

Guo Manjin, Chairman of the Hongfa Group, explains: "The acquisition of HELLA's relay business will enable us to further expand our market position as one of the world's leading relay manufacturers. The transaction will enable us to secure the established market and product advantages of HELLA in the area of relays and combine these with our distinctive management and technology expertise and more than 35 years of relay expertise."

Hongfa is one of the world's largest suppliers of relays. In 2018, the company achieved total sales of around € 1.2 billion.