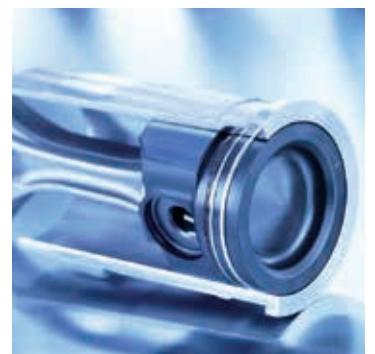
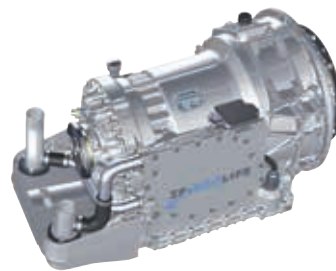
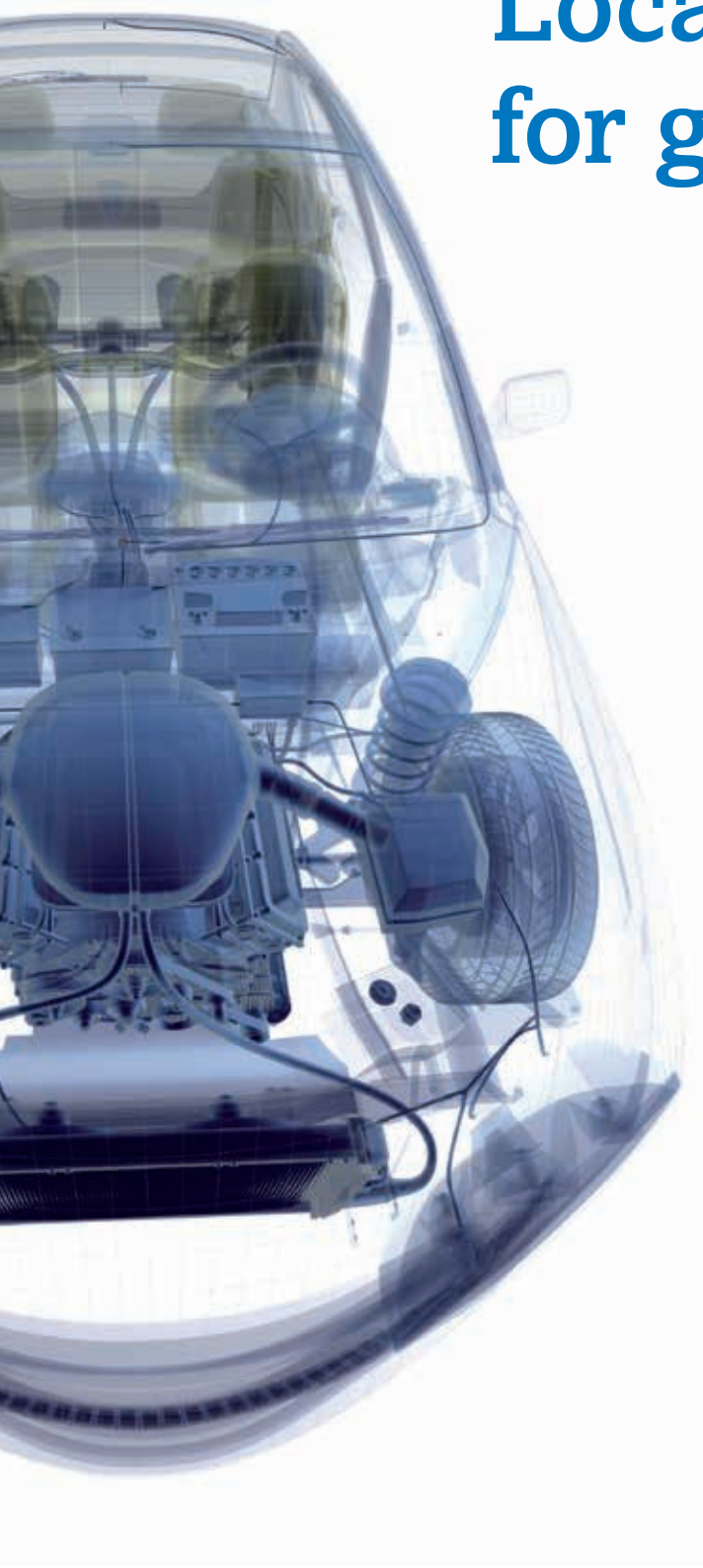


Local partner for global suppliers



KGK



Local market knowledge made available to global partners

Entering a new market or expanding existing business involves not only allocating time and resources, but also high risk. For over 70 years KGK has successfully offered global suppliers solutions through its local presence and knowledge of the Scandinavian market.

Scope

KGK provides a local interface for many major OE suppliers in the global automotive industry, with an emphasis on direct deliveries to major OEMs based in Sweden, such as Volvo Cars, Volvo Trucks, Scania and Nevs. Other focus areas include manufacturers of heavy machinery such as buses and construction equipment, as well as the fields of contract manufacturing and Tier 1 business.

Business Development

By using proven methods, including analyzing all aspects of the market, KGK provides necessary input to ensure a successful development in Scandinavia. Following these results and the partner's requirements, KGK will offer a suitable working model.

Our partners



Core values

KGK follows four basic principles to ensure its partners' success:

- › **Brand identity** – as the partner company's "face" on the local market, KGK promotes the company's brand identity, fully incorporating its core values, brand promise and other key elements.
- › **Integration** – KGK serves as a fully integrated extension of its partners' global organisation, able to take on all responsibilities on the local market.
- › **Integrity** – KGK treats all partner information confidentially; only general information is shared within the KGK network.
- › **Continuity** – KGK's aim is to maintain long-term relationship with its partners, staff and suppliers. This is a general principle in all KGK business and is crucial in the OE business.

These principles have developed through more than 70 years of experience and have been proven time and again by the success of KGK's partners in the market.



Facts and figures about KGK Original Equipment

- › Sales value: EUR 300m (2015)
- › Number of employees: 40
- › Based in Gothenburg and Stockholm, Sweden

Skills and resources close to the customer: The key to successful business

KGK's main task is to market its partners' components locally. As a virtual extension of its partners' organisation, KGK ensures early involvement in the development projects.

Sales & marketing

OE business is by definition a complex sales process in which design, development and sales are closely linked.

By knowing the local market and its partners' philosophies, KGK can ensure that the right products and resources are put to use. Throughout the development, dedicated staff take a proactive role, continuously monitoring the project through all its phases.



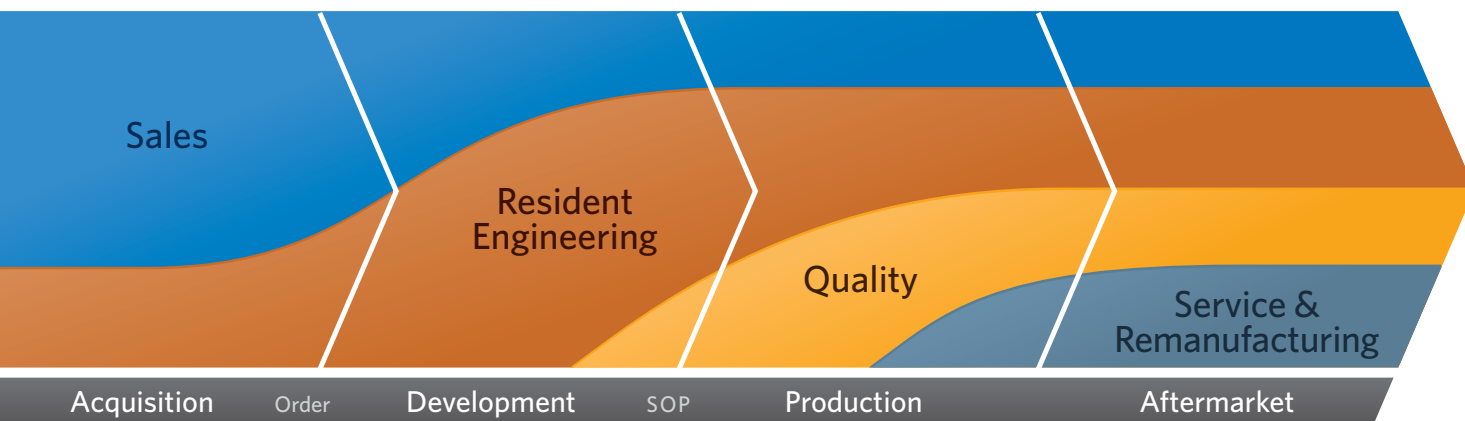
KGK sales engineers are specialists catering to all OE, Tier 1 and contract manufacturing needs. Because they are an extension of the partner company's business development organisation, KGK sales engineers provide access to an excellent network in the market, developed over many decades of experience.

For example, KGK regularly organises presentations and exhibitions for its partners, which is a great way of attracting customer interest.

Being a part of local networks and the marketplace, KGK knows its partners' customers and their needs. Being close to the customers lets KGK's partners get involved in new developments in its earliest stage.

As its partners' face on the local market, KGK takes the commercial responsibility, as agreed individually with each partner organisation. KGK can also set up logistics solutions for its partners, including invoicing and local handling of administration.

KGK's focus is on seeing projects through to complete success. KGK sales engineers stay with each partner's project from start to finish – from the basic design concept through series production and beyond.



Sales tool

To become market leader, KGK's partners need to have every aspect of the Swedish market at their fingertips. That's why KGK has created a tool that gives its partners that edge over the competition.

KGK has developed a software tool that lets our sales engineers continuously monitor ongoing projects, customer contacts, volumes and every other vital aspect for success on the market.

It also offers easy access to in-depth information – from sales projections to specific project details such as documentation – all available at the push of a button.

Market intelligence

KGK's unique offering is derived from its second-to-none overview of the Swedish market, which KGK has been compiling ever since it was founded in 1946.

Market Info Sweden is KGK's monthly newsletter featuring key figures and the latest news of the Swedish market, such as:

- › Business development
- › Volume forecasts
- › Inside news
- › Press releases
- › Organisational changes
- › Market conditions & the Swedish economy

KGK also publishes special editions whenever important developments occur – before the news reaches the trade press and websites.

Networking

KGK is a contributing member of the following networks:

- › CLEPA (the European automotive trade organisation)
- › Fordonskomponentgruppen (the Swedish automotive trade organisation)
- › Local Chambers of Commerce



Quality support

Quality management is vital to maintain a good reputation among present and potential customers as a top-notch supplier.

Everyone knows that the best way to solve a problem is to make sure it doesn't occur in the first place – that's why KGK doesn't just do regular inspections at OEM plants, but also carries out preventive quality work and offers pre-series and SOP support.

KGK ensures that quality is continuously monitored, from the design phase to serial production. Regular training on new products and technologies keeps KGK staff continuously updated. And naturally, all KGK tooling and testing equipment meets the partners' specifications.

Local Engineering

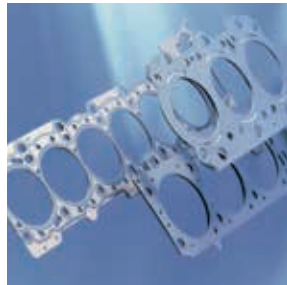
KGK has many years of experience working with project-related engineering support on behalf of its partners. This is a very important field of support for KGK partners' as well as for OE customers alike. Local engineering includes:

- › Application engineering (hardware, software, packaging and specialist engineers)
- › Project co-ordination on site at the OEM
- › Concept and technology transfer between customer and supplier
- › Recruitment & hiring in close co-operation with each partner
- › Product presentations and customer training

Aftermarket & Service

Being a full service supplier, KGK takes total responsibility for the complete sales cycle, including vital activities in the aftermarket. For us this means a proactive support, starting already during the series production, in areas such as:

- › Field service
 - On-site customer support
- › Remanufacturing
 - Transmissions for cars, trucks, busses, marine and rail
 - Steering gears
 - Axles
 - Hydraulic components
 - Control units
- › Customer specific adaptation
 - Engineering support
- › Sales
 - Components
 - Spare parts



Infrastructure

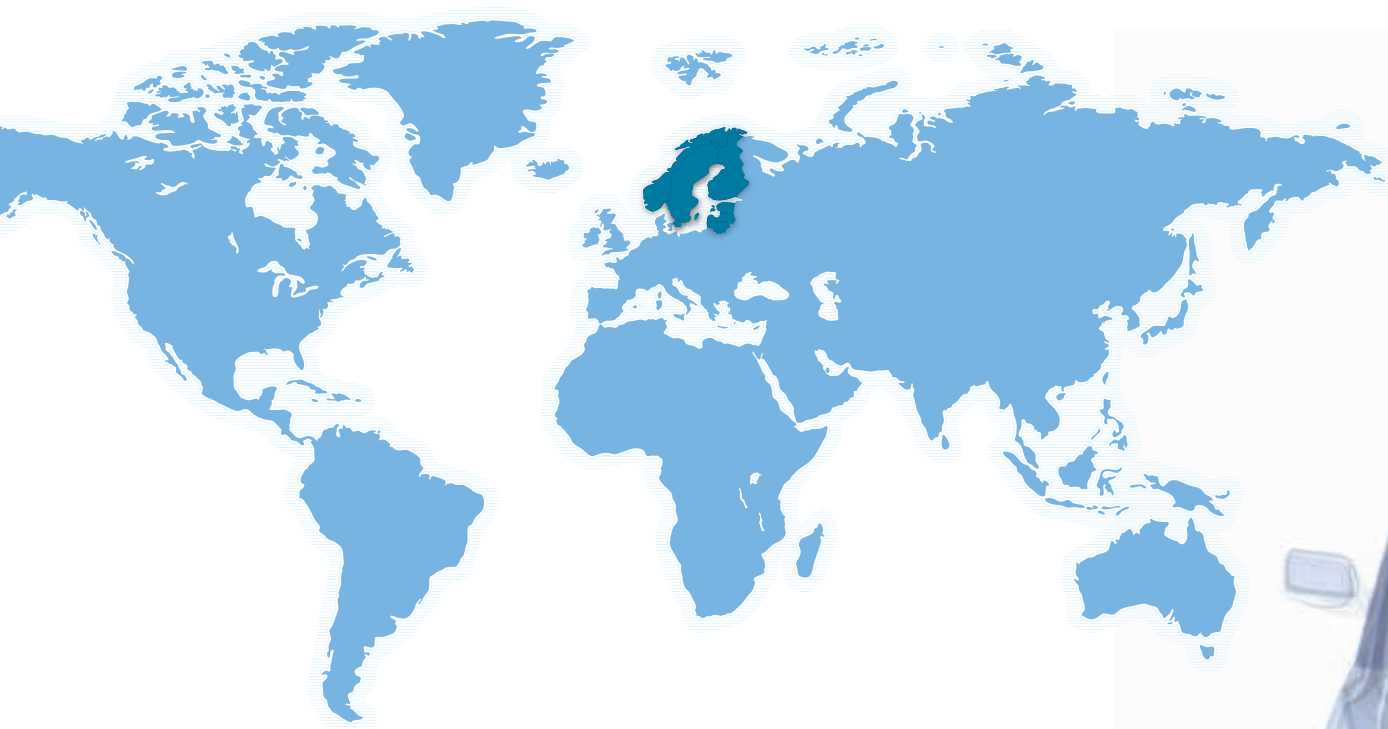
KGK's facilities are located close to major OEMs and have guest offices, conference rooms and exhibition halls available on site, as well as modern IT facilities including video conferencing.

KGK can offer guest accommodation for its partners' staff for shorter and longer periods. The company also has a fully equipped vehicle workshop for use in testing and building prototypes and more.

Logistics

KGK can take responsibility for logistics through a well established and experienced third party logistics provider, which typically handles all aspects of the logistics chain from the manufacturing plant anywhere in the world to the sequencing of material in to the OEM plant.





The KGK Group in brief

Founded in 1946, KGK is a family-run company in the automotive industry. Many of KGK's partners have been a part of its operations since the early 1950s. KGK takes pride in long, solid, fruitful relationships.

The company serves the entire business chain, including sales, wholesaling, logistics and distribution. KGK also has its own chain of stores and workshops. KGK is certified according to ISO 9001 and 14001 standards.

Headquartered in Stockholm, KGK employs 900 and in 2015 generated a turnover of SEK 3 billion.

KGK has its own 32,000 square metre highly automated logistics center.



KGK

KG Knutsson AB

191 81 Sollentuna

Visiting address: Hammarbacken 8, Sollentuna

Tel: 08-92 30 00

Box 48054, 418 22 Göteborg

Visiting address: Ruskvädersgatan 10, Göteborg

Tel: 031-64 88 00