HELLA Investor Update

Preliminary Results FY 2022 (Jun 1, 2022 - Dec 31, 2022)

February 16th, 2023

Summary

01

Preliminary Results FY 2022
(Jun 1, 2022 - Dec 31, 2022)

Solid performance in FY 2022 driven by further ramp-ups and high demand for core products

HELLA Group

- **Group Sales** at **€4.4bn,** high demand for core products and technologies
- **Accelerating outperformance due to growth in NSA and China**
- **Adjusted EBIT** at **€222m, adj. EBIT margin** at **5.0% (vs. 4.4% in FY 2021/2022)**
  - improved inflation management with increased cost reimbursements from customers
  - continuous cost management and increased efficiency
- **Superior cash generation year-end, adj. FCF** from operating activities FY 2022 at **€83m**
- **Strong order intake** of around **€7bn** in FY 2022 driven by core products and innovations
- Significant success on **synergy** achievements with increased **cost synergy targets of > €300m at the end of 2025**

FY 2022 from Jun 1, 2022 - Dec 31, 2022

Successful business development in all business groups; numerous high-tech, large-volume customer projects won

LIGHTING

	FY 21/22	FY 2022
Total sales (€bn)	**3.0**	**2.1**
EBIT (€m)	**12**	**44**
% of total sales	*0.4%*	*2.1%*

- **Capitalizing on market leadership position and strong customer portfolio**
  - continuous ramp-up of volumes after productions starts in last fiscal year
  - further strong performance in China and NSA
- **EBIT margin improvement to 2.1%:**
  - positive leverage from additional volumes and operational improvements
  - negative net inflation impact
- **Important order wins for digitalized lighting solutions**
  - e.g. order wins for SSL|HD-headlamps and Front Phygital Shields

ELECTRONICS

	FY 21/22	FY 2022
Total sales (€bn)	**2.7**	**1.9**
EBIT (€m)	**149**	**124**
% of total sales	*5.5%*	*6.5%*

- **Leveraging product portfolio in fast growing markets**
  - strategic growth areas like energy management and radar with strong business
  - backbone business with body electronics, sensors & actuators with good performance
- **EBIT margin improvement to 6.5%:**
  - positive leverage from additional volumes
  - under-proportional rise of R&D expenses
- **Order intake feeds into strategic growth areas electrification & automated driving**
  - e.g. order wins for BMS, converters, and radar solutions

LIFE CYCLE SOLUTIONS

	FY 21/22	FY 2022
Total sales (€bn)	**1.0**	**0.6**
EBIT (€m)	**119**	**58**
% of total sales	*12.4%*	*10.1%*

- **Demand from core regions and customer groups**
  - spare parts business particularly successful in the USA, Mexico and the Turkey
  - commercial vehicle business with growth especially in agricultural machinery, trucks, trailers and buses
- **EBIT margin at 10.1%:**
  - shifts in the product mix with lower Gross Profit Margin
  - higher logistics costs and investments in global distribution network

FY 21/22 from Jun 1, 2021 - May 31, 2022
FY 2022 from Jun 1, 2022 - Dec 31, 2022

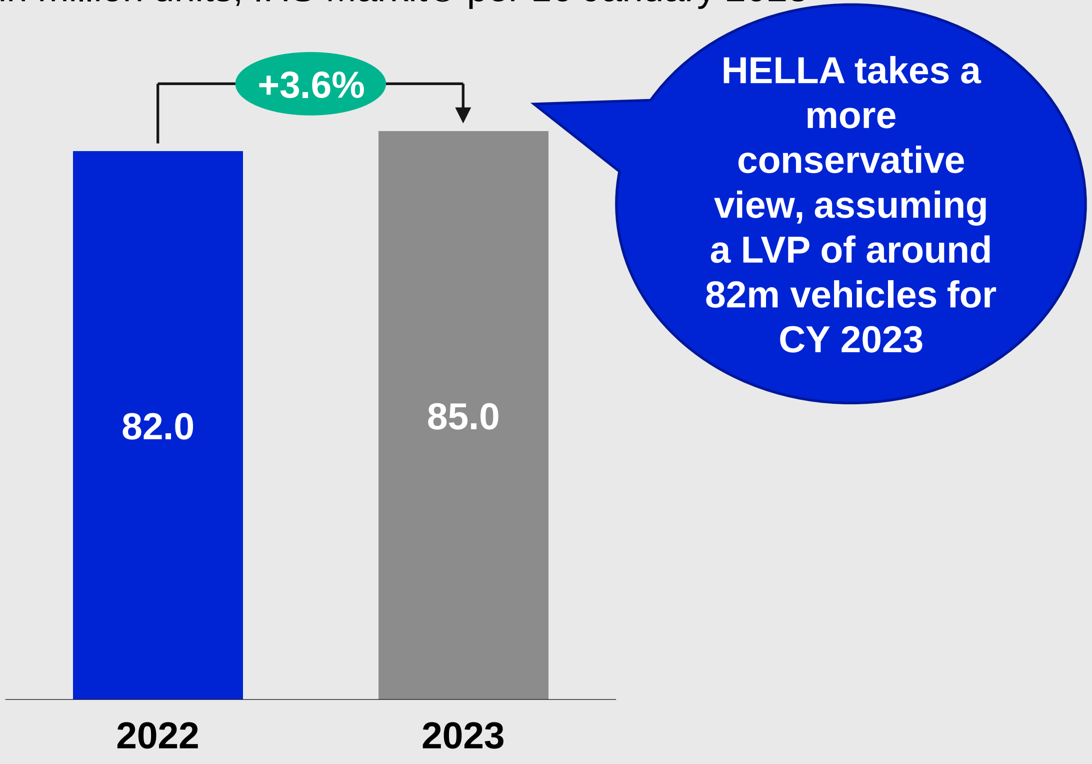
FORVIA
HELLA

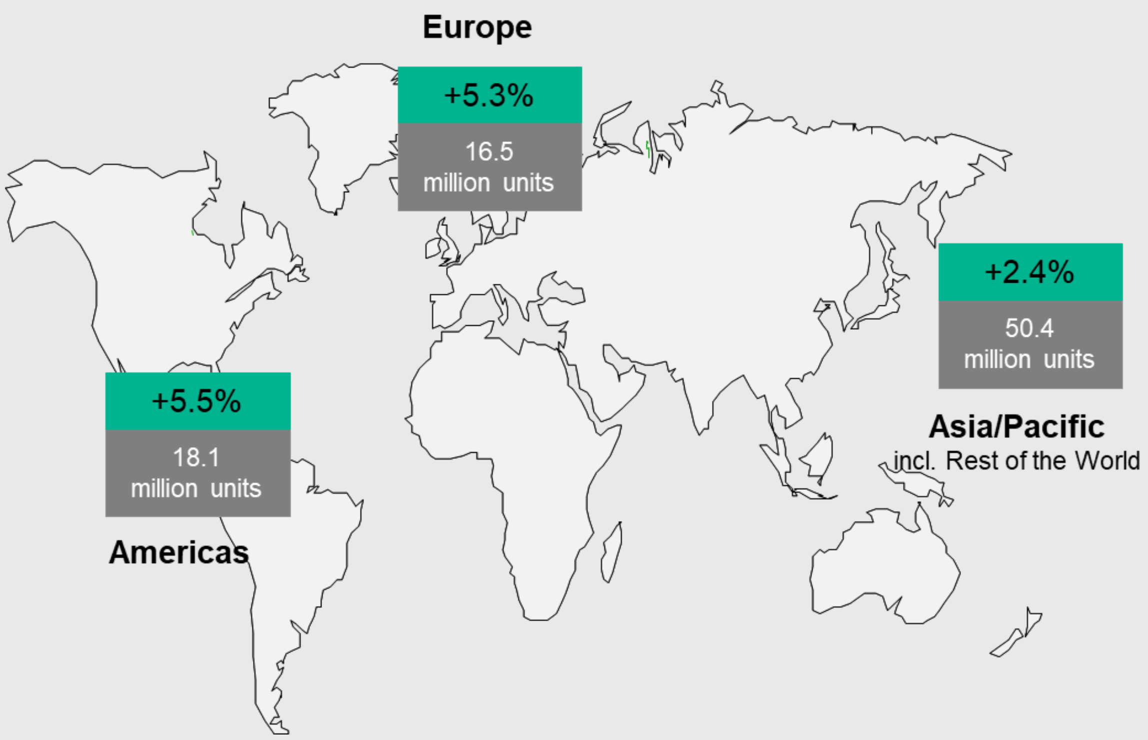
02

Outlook FY 2023
(Jan 1, 2023 - Dec 31, 2023)

HELLA is expecting flattish market development with 82m vehicles in 2023 due to volatility in China and Europa

Expected Global Light Vehicle production
in million units, IHS Markit® per 16 January 2023





Source: IHS Markit® (part of S&P Global)

HELLA FY 2023 outlook assumes record sales and improved cash flow generation

Outlook for the period January 1, 2023, to December 31, 2023

Based on an assumed LVP of around 82 million vehicles for the period

Consolidated sales Currency and portfolio adjusted	**In a range of around € 8.0 to 8.5 billion**
Operating Income Margin	**In a range of around 5.5% to 7.0%**
Net Cash Flow	**Approximately 2% of reported sales**

Operating Income Margin and Net Cash Flow/Sales expected to be initially lower in the first half of FY 2023

Profitability in the Lighting and Electronics Business Groups assumed to further develop based on the level of FY 2022

This guidance assumes no significant market deviation due to political, economical or social crises

FY 2023 from Jan 1, 2023 - Dec 31, 2023

03

Key Takeaways

Key Takeaways

- **Solid performance in FY 2022**
  - strong sales momentum and profitability improvements with efficient cost management
  - FY 2022 order intake of around €7bn underlines business success
- **Sales and profitability growth in FY 2023**
  - record sales in FY 2023 expected, high market outperformance based on strong position along market trends such as electrification and high takes rates
  - further margin improvement driven by top line growth and improved cost base
  - current trading as expected with slower start into FY 2023
  - inclusion of Net Cash Flow into outlook reflects crucial importance and management focus on cash conversion
- **Cooperation with Faurecia progressed further; expected cost synergy targets raised to > €300m**

FY 2022 from Jun 1, 2022 - Dec 31, 2022
FY 2023 from Jan 1, 2023 - Dec 31, 2023

APPENDICES

Upcoming events

March 21, 2023	FY 2022, Full Release
April 27, 2023	Q1 FY 2023
April 28, 2023	AGM FY 2022
July 25, 2023	H1 FY 2023

P&L Reconciliation

€m	SIMULATION 2021 (BASIS FOR CMD) H2 2020/2021 Dec 20 to May 21		H1 2021/2022 Jun 21 to Nov 21		2021 Dec 20 to Nov 21		H1 2022 Jun 22 to Nov 22
Sales	**3279.4**	+	**3037.1**	=	**6316.5**	~€6.3bn shown at CMD Nov 2021	**3817.5**
Adj. COGS	-2497.8	+	-2292.6	=	-4790.4		-2934.2
Adj. Gross profit	**781.6**	+	**744.5**	=	**1526.1**		**883.3**
Adj. R&D	-306.7	+	-337.9	=	-644.6		-391.2
Adj. SG&A	-249.2	+	-264.8	=	-514.0		-316.3
JV income	16.7	+	13.6	=	30.3		25.5
Other income from investments	-1.0	+	0.4	=	-0.7		0.4
Adj. EBIT	**241.4**	+	**155.8**	=	**397.1**		**201.7**
Adj EBIT Margin	***7.4%***		***5.1%***		***6.3%***	*~6% shown at CMD*	***5.3%***
Deduct JV income	-16.7	+	-13.6	=	-30.3		-25.5
Deduct other income from investments	1.0	+	-0.4	=	0.7		-0.4
Operating Income	**225.7**	+	**141.8**	=	**367.5**		**175.8**
Operating Income Margin	***6.9%***		***4.7%***		***5.8%***	*~6% shown at CMD*	***4.6%***

Latest reporting

Operating Income Margin

- **Corresponds to the Adjusted EBIT Margin** excluding the earnings contribution of associates and joint ventures and other income from investments
- **Reason for change to Operating Income Margin:**
  - scope for intervention in active management of associated companies and JVs is limited
  - earnings contribution decreased significantly, particularly due to the sale of HBPO as largest JV
  - Adjusted EBIT Margin is becoming less important for the management of HELLA

Cash Flow Reconciliation

€m	SIMULATION 2021 (BASIS FOR CMD) H2 2020/2021 Dec 20 to May 21		H1 2021/2022 Jun 21 to Nov 21		2021 Dec 20 to Nov 21		H1 2022 Jun 22 to Nov 22
Adj. Operating Free cash flow (adj. OCFC)	**233.7**	+	**-203.2**	=	**30.4**		**-8.6**
Deduct adjustments incl. in adj. OCFC	**126.2**	+	**22.3**	=	**97.9**		**-85.4**
t/o restructuring	*63.1*	+	*22.3*	=	*85.4*		*23.2*
t/o BHS dividend					*0.0*		
t/o sale part Aglaia Berlin (1)	*43.6*						
t/o legal case	*12.5*				*12.5*		
t/o MHE tax payments (1)	*7.0*						
t/o factoring							*-112.6*
t/o venture capital							*3.9*
Reported Operating Free cash flow	**107.4**	+	**-225.5**	=	**-67.5**		**76.8**
Deduct Net interest	**-11.0**	+	**-5.9**	=	**-16.8**		**-7.1**
t/o Interests received	4.2		4.1		8.3		6.0
t/o Interests paid	-15.2		-9.9		-25.1	~-1% shown at CMD 2021	-13.1
Net Cash Flow	**96.4**	+	**-231.4**	=	**-84.3**		**69.7**
Sales	3279.4		3037.1		6316.5		3817.5
NCF/Sales	***2.9%***		***-7.6%***		***-1.3%***		***1.8%***

Latest reporting

Net Cash Flow

- Corresponds to the **Reported Operating Free Cash Flow** excluding interest payments
- **Reason to include Net Cash Flow into outlook:**
  - cash and cash equivalents continue to be of great importance for HELLA
  - decision to prioritize a figure that is unadjusted and includes interests received and paid

(1) €46.1m includes tax payments of €37.5m and transaction costs of €5.4m in context of the sold front camera software activities and are not considered in the reconciliation. Same holds for tax payments of €7.0m in connection for the sell of shares in Mando HELLA Electronics (MHE)

FORVIA HELLA

Disclaimer

- This document was prepared with reasonable care. However, no responsibility can be assumed for the correctness of the provided information. In addition, this document contains summary information only and does not purport to be comprehensive and is not intended to be (and should not be construed as) a basis of any analysis or other evaluation. No representation or warranty (express or implied) is made as to, and no reliance should be placed on, any information, including projections, targets, estimates and opinions contained herein.

- This document may contain forward-looking statements and information on the markets in which the HELLA Group is active as well as on the business development of the HELLA Group. These statements are based on various assumptions relating, for example, to the development of the economies of individual countries, and in particular of the automotive industry. Various known and unknown risks, uncertainties and other factors (including those discussed in HELLA's public reports) could lead to material differences between the actual future results, financial situation, development or performance of the HELLA Group and/or relevant markets and the statements and estimates given here. We do not update forward-looking statements and estimates retrospectively. Such statements and estimates are valid on the date of publication and can be superseded.

- This document contains an English translation of the accounts of the Company and its subsidiaries. In the event of a discrepancy between the English translation herein and the official German version of such accounts, the official German version is the legal valid and binding version of the accounts and shall prevail.

FORVIA

HELLA