HELLA Investor Update
H1 FY 2021/22

Lippstadt, January 13, 2022

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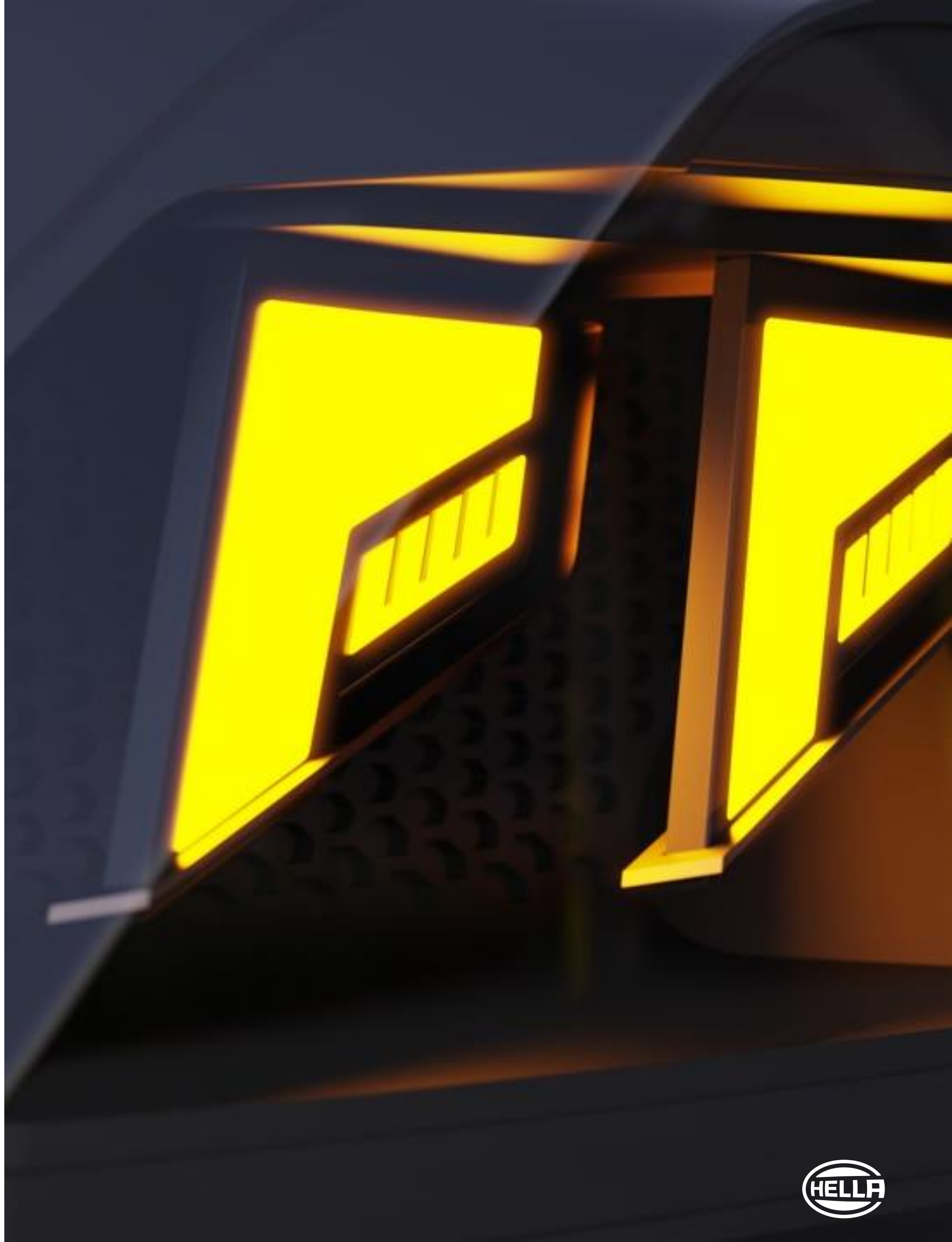
HELLA Investor Update H1 FY 2021/22

1. Executive Summary
2. Financial Results
3. Outlook
4. Q&A

Sales decreased by 2.6%, adjusted EBIT margin down to 5.1% in H1 FY 2021/22

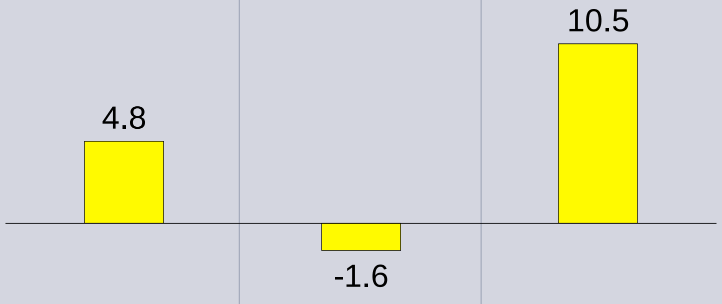
Sales	▪ Currency and portfolio adjusted **sales decreased by 2.6% YoY to 3.0 bill. EUR**
Profitability	▪ **Adj. Gross Profit margin** at **24.5%** (-0.7%-points YoY) ▪ **Adj. EBIT** at **156 mill. EUR** (-42.1% YoY) ▪ **Adjusted EBIT margin** -3.5%-points to **5.1%** ▪ **Reported EBIT margin** at **4.9%** including restructuring costs of 9 mill. EUR mainly for the improvement program in Germany
Liquidity	▪ **Adjusted Free Cash Flow from operating activities decreased** by **187 mill. EUR** to **-203 mill. EUR**

Note. Adjustments of profitability figures for all years include restructuring expenses. For details see financial report. Please note that where sums and percentages in the presentation have been rounded, differences may arise as a result of commercial rounding.



Automotive outperforms the global automotive market which is characterized by massive downgrades, especially China supported by ramp-ups

	H1 FY 19/20	H1 FY 20/21	H1 FY 21/22
HELLA Automotive external sales growth	-5.9%	-2.9%	-15.3%
Light Vehicle Production growth	-1.1%	-4.5%	-4.8%
Outperformance HELLA Automotive vs. market in percentage points	4.8	-1.6	10.5
Outperformance (percentage points) **Europe**	-2.1	+2.4	+15.4
Outperformance (percentage points **North & South America**	+16.3	+2.1	+4.1
Outperformance (percentage points) **Asia/Pacific & Rest of World**	+7.8	-3.5	+38.0



			H1 FY18/19	H1 FY19/20	H1 FY20/21	H1 FY21/22
HELLA Automotive external sales in € million	Worldwide		2,841	2,809	2,682	2,522
	Europe		1,758	1,654	1,575	1,399
		Growth		-6.0%	-4.8%	-11.1%
	North & South America		602	672	637	550
		Growth		+11.7%	-5.2%	-13.7%
	Asia/Pacific & Rest of World		481	484	471	603
		Growth		+0.5%	-2.7%	+28.2%
Light vehicle production in 1.000 units	Worldwide		46,717	43,959	42,683	36,150
	Europe		10,682	10,272	9,535	7,003
		Growth		-3.8%	-7.2%	-26.6%
	North & South America		10,358	9,880	9,155	7,525
		Growth		-4.6%	-7.3%	-17.8%
	Asia/Pacific & Rest of World		25,679	23,808	23,993	21,623
		Growth		-7.3%	+0.8%	-9.9%

Note: Light Vehicle Production (LVP) based on IHS data as of December 13, 2021; Growth figures always compared with the same period of the previous year

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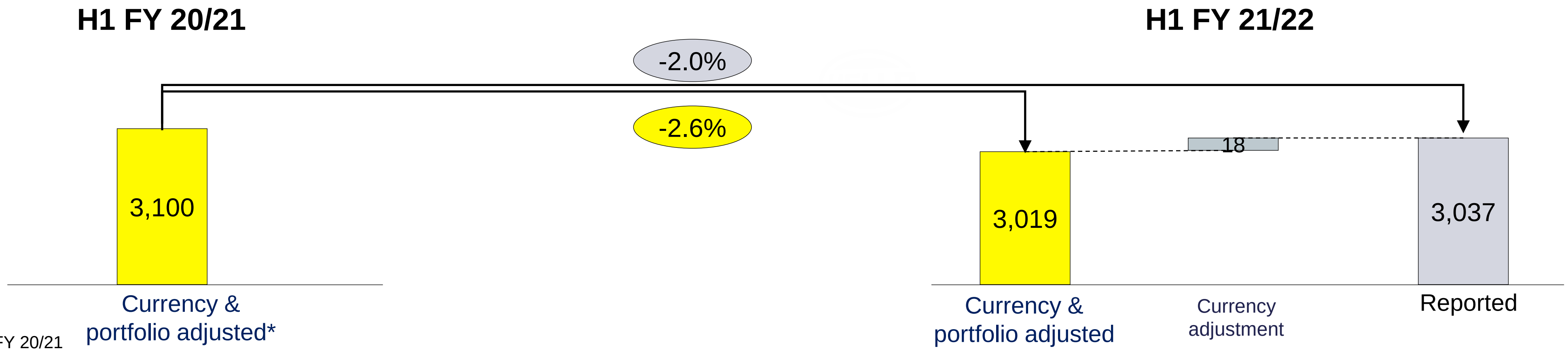
Sales decline due to Automotive; segment suffered from negative market environment that deteriorated significantly driven by bottlenecks

Group Sales
in € million



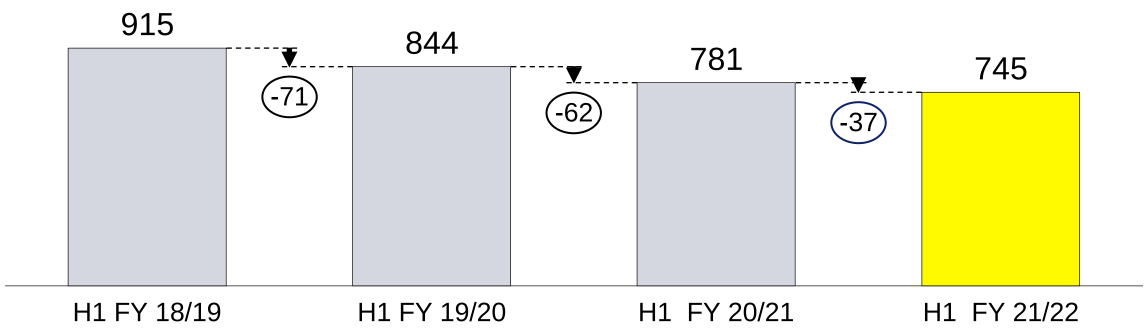
* No portfolio adjustment in H1 FY 20/21

Highlights

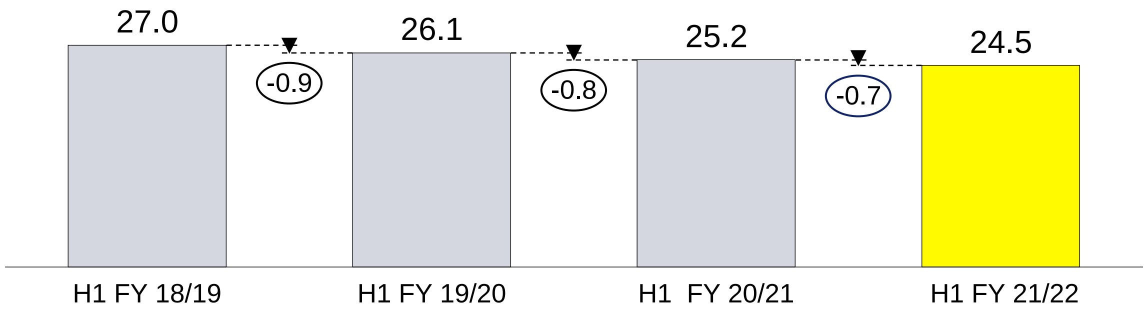
- Currency and portfolio adjusted sales decreased 2.6% to 3,019 mill. EUR, adjusting for positive FX effects in H1 FY 21/22 (18 mill. EUR), no portfolio adjustment in H1 FY 20/21
- Reported sales of HELLA Group decreased by 2.0% (decreased by 63 mill. EUR to 3,037 mill. EUR)
  - Automotive -4.9% to 2,578 mill. EUR: sales impacted by persistent bottlenecks especially for electronic components such as semiconductors and microchips which worsened considerably, especially in the second half of CY 2021
  - Aftermarket +17.1% to 283 mill. EUR: positive development in IAM supported by strong business in Germany, Poland and the Americas region. Growth in workshop business driven by demand for recently introduced diagnostic tool mega macs X. Overall Aftermarket only slightly affected by the supply bottlenecks
  - Special Applications +13.2% to 189 mill. EUR: continuously positive demand in agriculture and construction machinery. Recovery in other key customer segments partly in connection with a low comparable basis due to the pandemic

Adjusted GPM decreased with sales decline in Automotive and strong cost inflation especially for material and logistics

Adjusted Gross Profit
in € million



Adjusted Gross Profit Margin
% sales

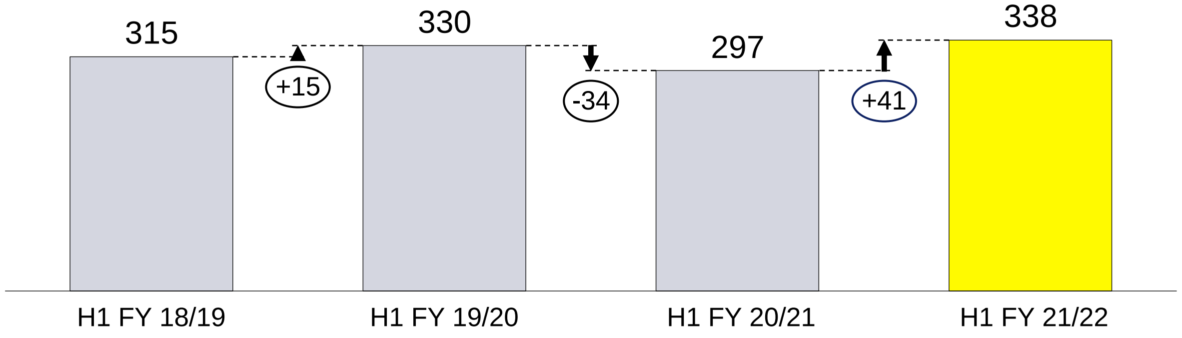


Highlights

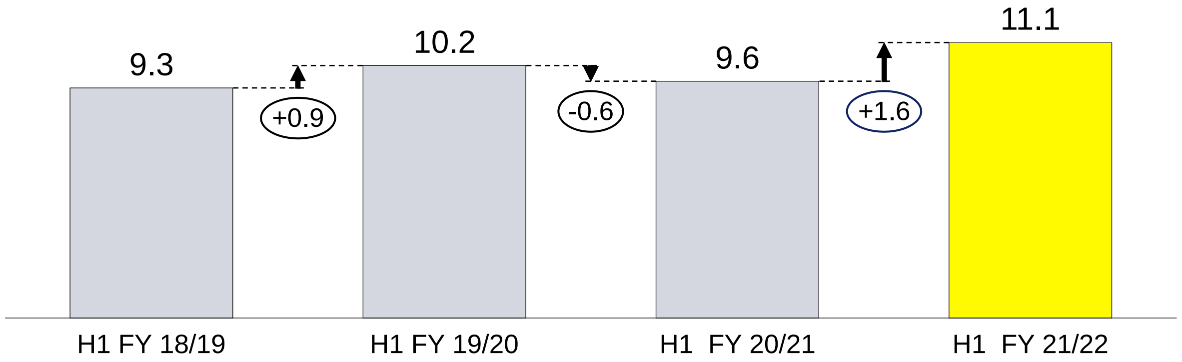
- Adj. Gross Profit decreased by 37 mill. EUR (-4.7%) to 745 mill. EUR
  - Automotive -11.0% to 540 mill. EUR
  - Aftermarket +12.7% to 122 mill. EUR
  - Special Applications +24.1% to 79 mill. EUR
- Adj. Gross Profit margin decreased by 0.7%-points to 24.5%
  - GPM Automotive -1.4%-points: lower production volumes and rising costs for material, logistics and freight. In addition, production inefficiencies due to increasing shortages weight down margin
  - GPM Aftermarket -1.7%-points: higher material expenses as well as negative product mix effects
  - GPM Special Applications +3.7%-points: sales growth and positive mix effects

Increased R&D expenses with the expansion of activities after concentrating activities in the previous year on series developments and production ramp-ups

Adjusted R&D expenses
in € million



Adjusted R&D expenses ratio
% sales

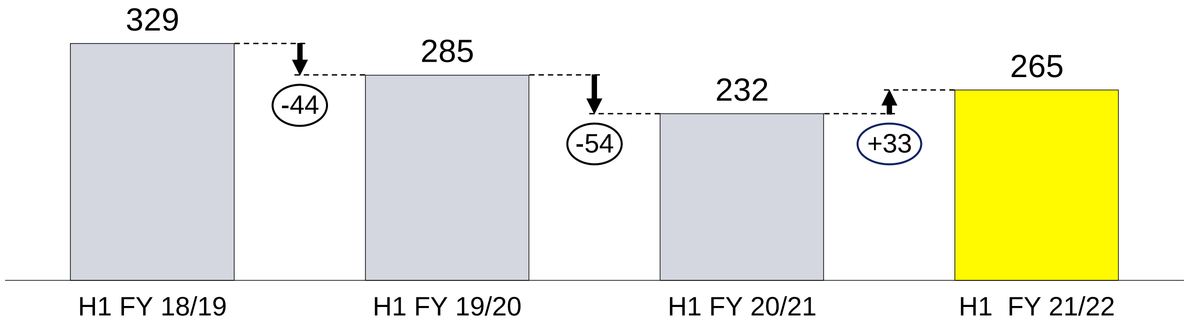


Highlights

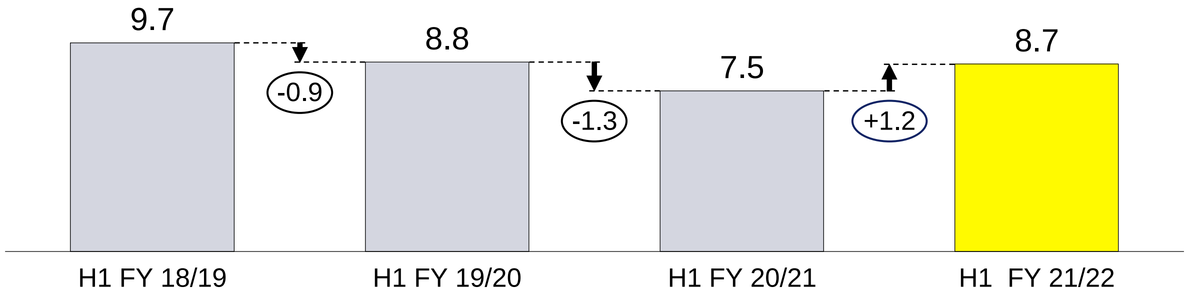
- Adj. absolute R&D expenses increased by 41 mill. EUR (+13.9% YoY) to 338 mill. EUR
  - Gradual expansion of research and development activities after focus of activities in the previous year on necessary series development and production ramp-ups
  - Furthermore, increase of development expenses as a result of significantly higher volume of acquired customer projects compared to the previous year
- H1 FY21/22 ratio increased by 1.6%-points to 11.1%
- Over-proportional growth of absolute R&D expenses

SG&A costs increased with normalization of costs; prior year basis comparably low due to continuous use of short-time work and positive one-of effect

Adjusted SG&A expenses
in € million



Adjusted SG&A expenses ratio
% sales

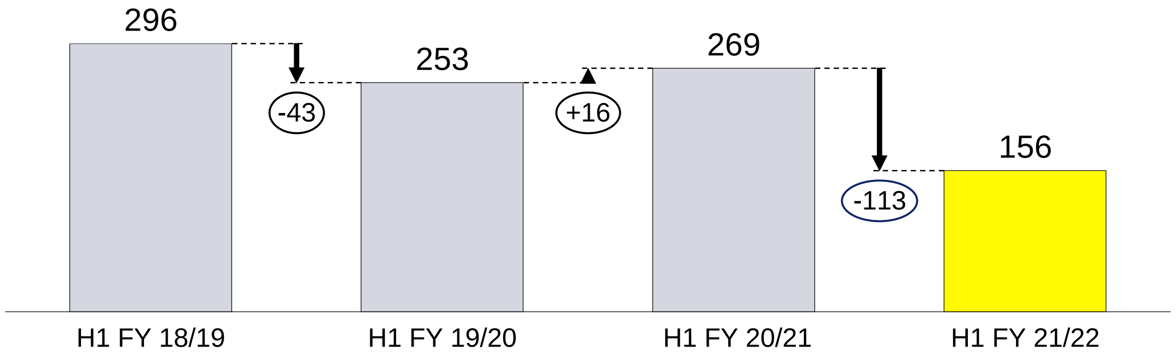


Highlights

- Adj. SG&A costs increased by 33 mill. EUR (+14.3%) to 265 mill. EUR
  - small increase in marketing and logistic costs (+7 mill. EUR) with normalized employment
  - nearly flat admin expenses (-1 mill. EUR) with continuous savings
  - decrease of other adjusted operating result (-27 mill. EUR) due to positive one-of effect (reversal of impairment of JV of 19 mill. EUR) in prior year
- Adj. SG&A ratio increased by 1.2%-points to 8.7%
  - higher logistic cost ratio (+0.3%-points to 5.4%)
  - higher admin expense ratio (+0.1%-points to 3.7%)
  - lower OOI ratio (-0.9%-points to 0.3%)

Adjusted EBIT below prior-year's level with weak top line development and higher costs associated with the bottlenecks

Adjusted EBIT
in € million



Adjusted EBIT margin
% sales

Highlights

- Adjusted EBIT decreased by 113 mill. EUR (-42.1%) to 156 mill. EUR
  - decrease in adj. Gross Profit by 37 mill. EUR (-4.7%)
  - higher adj. R&D (+41 mill. EUR, +13.9%)
  - increase in adj. SG&A by 33 mill. EUR (+14.3%)
  - lower JV income (- 5 mill. EUR, -25.1%) due to negative market environment, income supported by a reversal of an impairment loss for a Chinese JV due to improved business outlook
- Adjusted EBIT margin decreased by 3.5%-points to 5.1%, mainly
  - decrease of adj. GPM by 0.7%-points
  - higher R&D ratio (increase of 1.6%-points)
  - higher SG&A ratio (increase of 1.2%-points)
  - lower JV contribution (decrease of 0.1%-points)

P&L including reconciliation; main adjustment H1 FY2020/21 for improvement program

HELLA Group		**H1 FY 20/21**		**H1 FY 21/22**	
Revenues reported		**3,100.4**		**3,037.1**	
	Adjustments		0.0		0.0
Revenues adjusted		**3,100.4**		**3,037.1**	
Gross Profit reported		**773.7**		**735.1**	
	Adjustments		7.7		9.5
Gross Profit adjusted		**781.4**		**744.5**	
R & D expenses reported		-438.4		-333.7	
	Adjustments		141.8		-4.1
R&D expenses adjusted		-296.6		-337.9	
Distribution expenses reported		-156.3		-164.7	
	Adjustments		0.3		1.7
Distribution expenses adjusted		-156.0		-163.0	
Admin expenses reported		-137.4		-117.4	
	Adjustments		25.5		6.2
Admin expenses adjusted		-111.9		-111.1	
Other income reported		36.2		30.1	
	Adjustments		0.0		-17.3
Other income adjusted		36.2		12.8	
Other expenses reported		-2.3		-11.8	
	Adjustments		0.0		8.4
Other expenses adjusted		-2.3		-3.5	
Earnings from investments* reported		18.2		11.5	
	Adjustments		0.0		2.4
Earnings from investments* adjusted		18.2		14.0	
EBIT reported		93.7		149.1	
	Adjustments		175.3		6.7
EBIT adjusted		**269.1**		**155.8**	
Net financial result		-6.0		-7.4	
Taxes		-21.2		-38.1	
Earnings for the period		**66.5**		**103.6**	
Earnings per share (EUR)		**0.6**		**0.9**	

Note: For details on adjustments see financial report. *including other income from investments

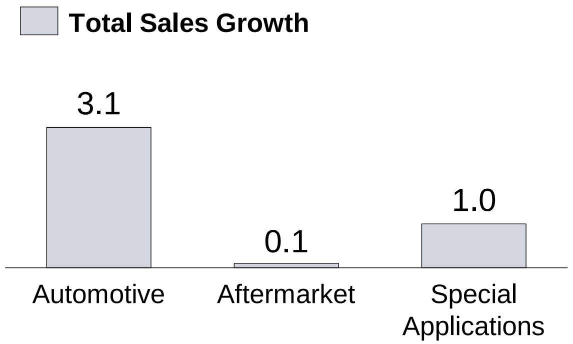
Comments

- Increase of reported EBIT H1 FY 21/22 due to high restructuring expenses mainly in Germany in prior year
- Tax ratio at a level of 26.9%
- Earnings for the period increased driven by higher operating result
- EPS increased by 0.3 EUR to 0.9 EUR

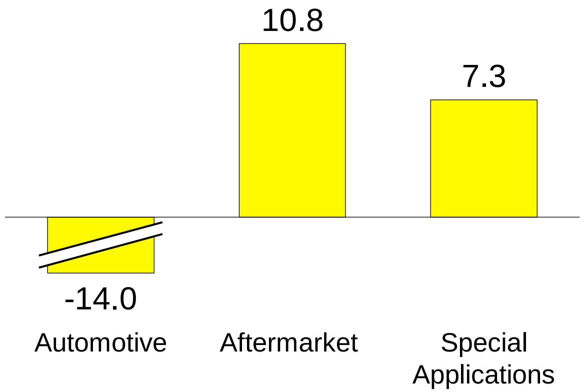
Q2 FY 2021/22 business with negative dynamics in Automotive, other two segments with strong contributions

Quarterly Comparison

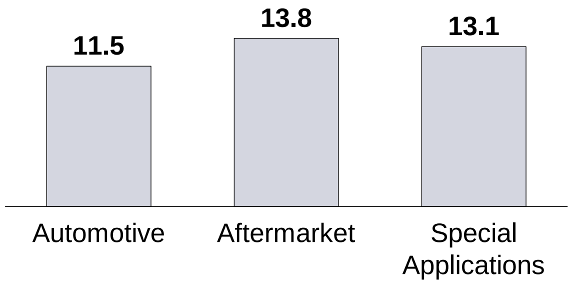
Q2 FY 20/21 Total Sales Growth in %



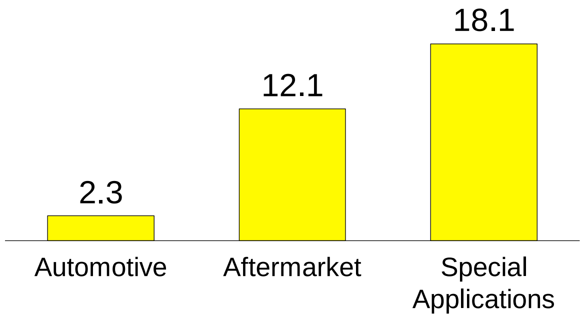
Q2 FY 21/22 Total Sales Growth in %



Q2 FY 20/21 Adj. EBIT margin in %



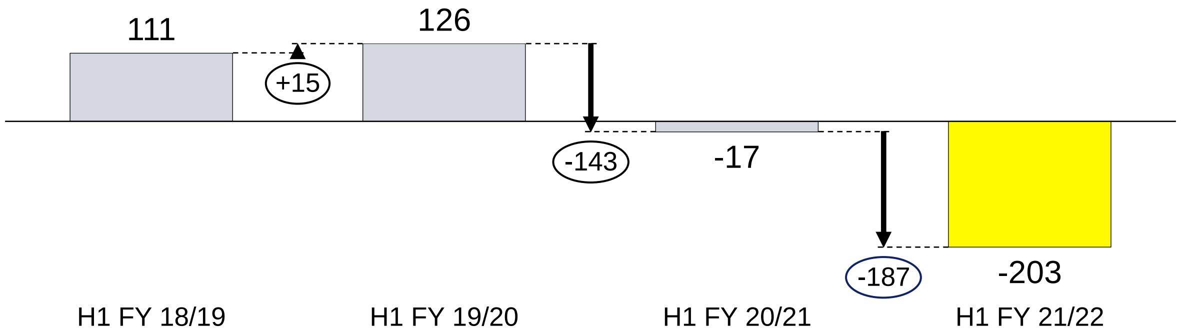
Q2 FY 21/22 Adj. EBIT margin %



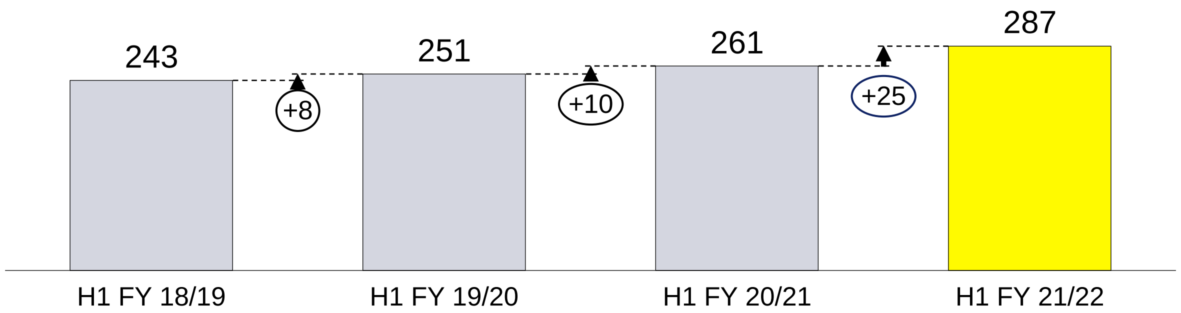
- Sales in Automotive strongly negatively impacted by bottlenecks and worsening market environment
- Strong spare parts business due to healthy markets in Germany, Poland and Americas. Demand for diagnostic tools from independent workshops
- Special Applications with continuously positive development in agricultural & construction and other main customer groups
- Automotive profitability reduced due to deterioration of market environment and additional cost burdens; increased R&D expenditure to prepare series productions
- Aftermarket profitability slightly below prior-year level due to further increases in material prices, rising logistics costs and ongoing negative product mix effects
- Special Application profitability strongly increased mainly due to higher gross profit margin in connection with the improved business development, as well as continued strict cost management

Adjusted Free Cash Flow negatively impacted by lower sales, working capital changes and investments needs

Adj. FCF from operating activities*
in € million



Adj. Net CAPEX
in € million



* Adjustments of FCF include restructuring expenses and payments received/made in connection with the sale of the camera software business and the thermal business.

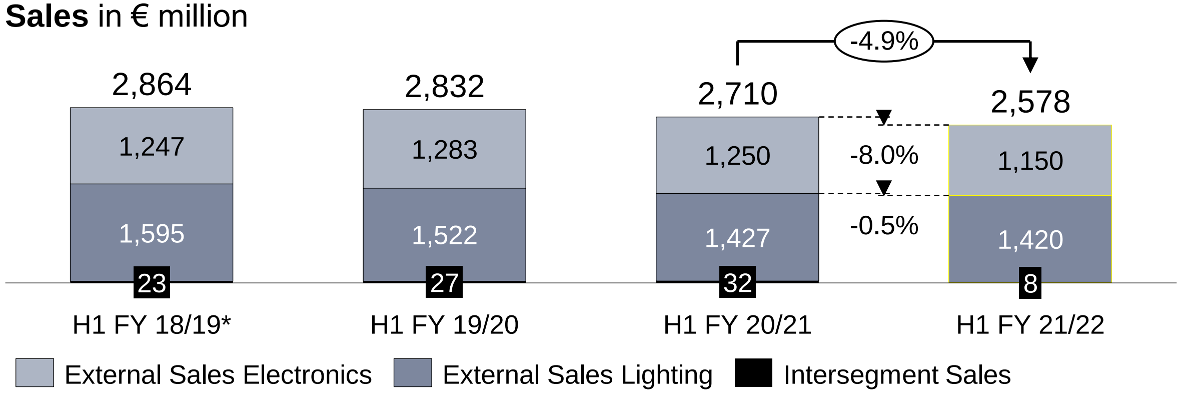
Highlights

- Adj. Free Cash Flow from operating activities decreased by 187 mill. EUR to -203 mill. EUR
- Lower operating profit, negative impact from bottlenecks in global supply and logistics chains
- Change in WC negatively influenced by increased inventories (due to global raw material crisis and supply chain disruptions), negative WC development expected to continue
- CAPEX investments in worldwide development, administration and production network including CAPEX in connection with the restructuring program in Germany as well as automation initiatives especially in lighting
- Considerable investments into product-specific equipment and projects for the preparation of serial production

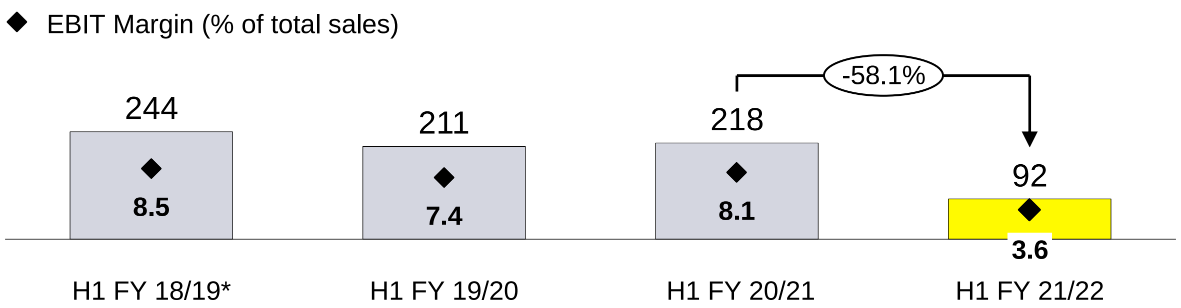
Automotive sales decline due to weak Q2, margin slump with decrease in Gross Profit margin and further R&D expenses

Automotive

Sales in € million



EBIT in € million



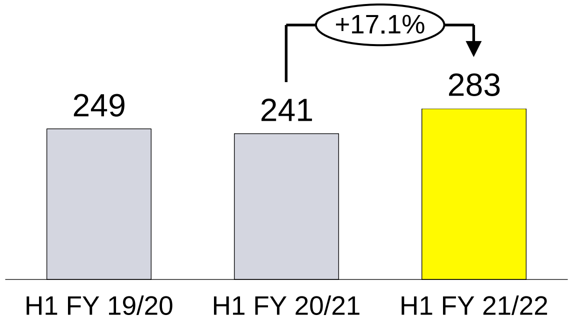
Note: At the beginning of FY 2020/21 the Spanish production company MAESA has been allocated to the Automotive segment. Previously, MAESA has been reported as part of the segment Special Applications. The P&L of the segments Automotive and Special Applications are adjusted accordingly only for FY 2019/20.
* Including MAESA (previously reported as part of the segment Special Applications)

- Sales decline of 4.9% due to deterioration of market environment
  - worsening resource bottlenecks for electronic components especially in Q2 and continuing negative effects of the Corona pandemic
  - demand for lighting and electronic products, several SOPs especially in China led to outperformance of the automotive market
- Decrease of EBIT by 58.1% to 92 mill. EUR, margin -4.5%-points, mainly
  - decrease of Gross Profit margin by 1.4%-points due lower volumes, higher material prices as well as special freight costs and production inefficiencies in course of shortages and pandemic
  - increased R&D activities in connection with acquired customer projects, expenses increased 14.1%, ratio increased 2.1%-points to 12.4%
  - Savings in distribution and admin, ratio increase due to missing sales, OOI down due to positive one-of effect in prior year. Overall SG&A ratio +0.9%-points
  - decrease in JV income (-25.1%), contribution decreased 0.1%-points to 0.5%

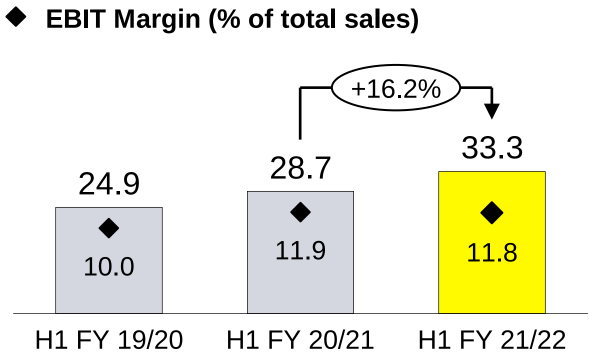
Aftermarket and Special Applications with strong customer demands, profitability supported by growth and cost management

Aftermarket

Total sales in € million



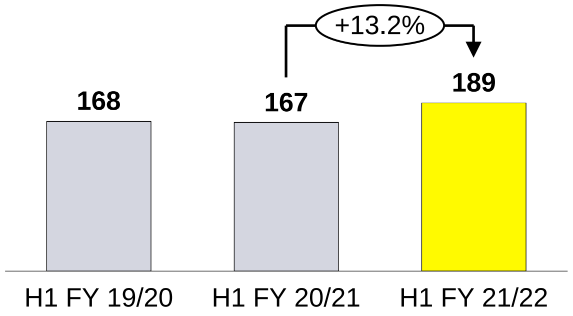
EBIT in € million



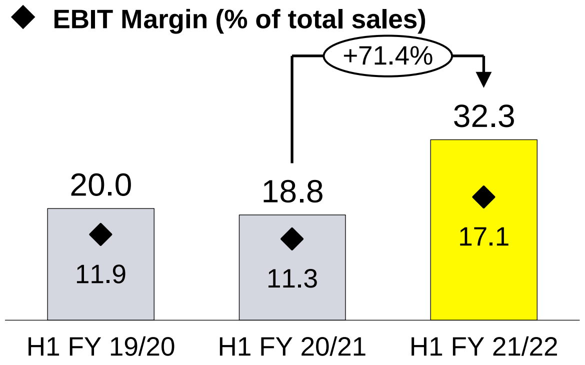
- Positive development in IAM supported by strong business in Germany, Poland and the Americas region
- Growth in workshop business driven by demand for mega macs X, a new diagnostic tool which was introduced to the market
- Nearly constant EBIT margin 11.8%:
  - lower GPM: down 1.7%-points with higher material expenses as well as negative product mix effects
  - strict cost management and distribution efficiencies: distribution ratio -0.9%-points to 25.0%, admin ratio -1.3%-points to 3.4%

Special Applications

Total sales in € million



EBIT in € million



- Positive top-line development (+13.2%):
  - continuously positive demand in agriculture and constriction machinery. Recovery in other key customer segments partly in connection with a low comparative base due to the pandemic
- EBIT up by 71.4%, margin +5.8%-points to 17.1%:
  - GPM increased strongly by 3.7%-points with sales growth and positive mix effects
  - Further savings in SG&A, distribution efficiencies: ratio -0.4%-points to 15.2%, admin ratio -1.9%-points to 5.8%

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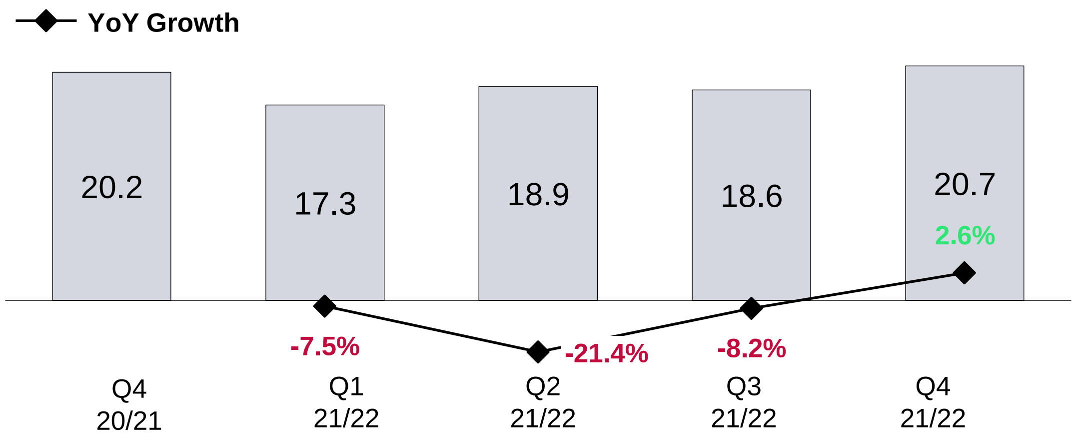
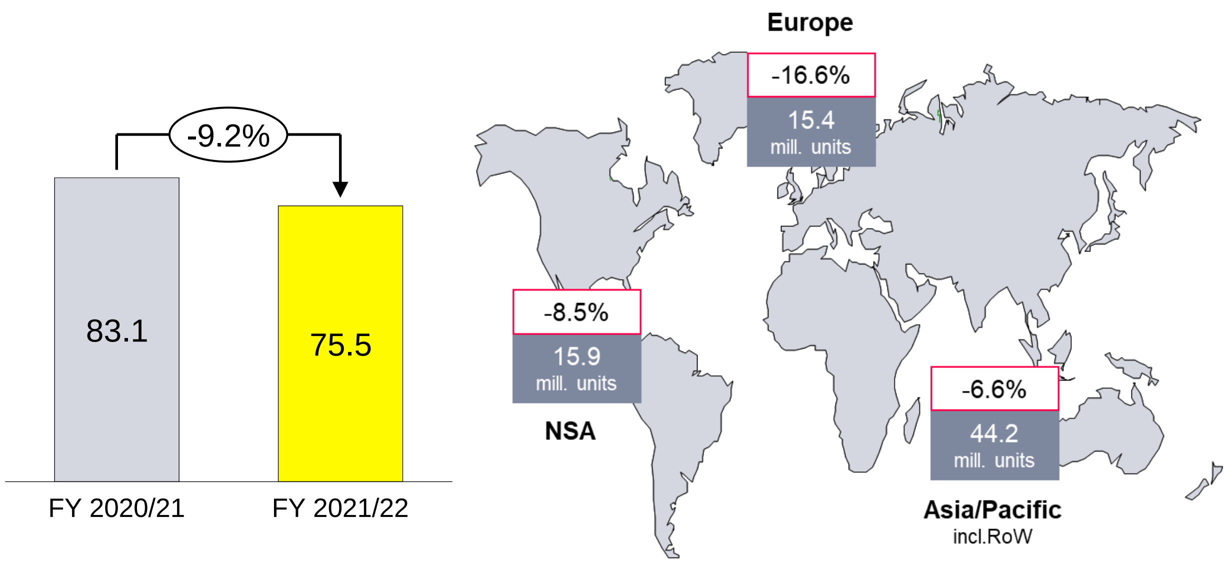
Automotive market stabilized slightly except for Europe; impact from bottlenecks persistent, further COVID 19 restrictions expected

Global Light Vehicle Production
in million units, IHS per 13 December 2021





- IHS December estimates stabilized after negative revisions in September and November
- Second and third quarter of HELLA fiscal year little better but still negative especially in Q2
- Q4 outlook still slightly revised upwards (now +2.6% vs. +2.0%) again in line with September forecast
- Still high risks for further volume reductions in upcoming forecasts

- With its December figures IHS is estimating a decline of 9.2% for the global light vehicle production, slightly stabilizing compared to its November estimate which showed a decline of 10.1%.
- Estimated units are around 75.5 millions
- Small upside revisions especially for Asia/RoW (also China) and NSA. Europe still -16.6%, still 1.4 million vehicles missing compared to September estimates

Company outlook lowered in November to reflect the lack of market recovery in the second half of FY 2021/22 and rising cost burdens

Guidance Fiscal Year 2021/2022

June 1, 2021, to May 31, 2022

Currency and portfolio adjusted **Group sales**	In the range of around **5.9 billion to 6.2 billion EUR** (previously: around 6.0 billion to 6.5 billion EUR)
Adjusted EBIT margin excluding restructuring and portfolio effects	In the range of around **3.5% to 5.0%** (previously: in the range of around 5.0% to 7.0%)

- Resource bottlenecks are persisting. Consequently, further production losses in the global automotive industry are expected in the current fiscal year
- A recovery in the second half of the fiscal year 2021/2022 is not expected, production schedules remain very volatile, particularly major challenges in the third quarter of FY 2021/22 expected
- Strongly rising cost base driven by bottlenecks and overall input price increases with ongoing production inefficiencies
- In view of the lack of market recovery and rising cost burdens HELLA lowered its forecast for the full fiscal year (June 1, 2021 to May 31, 2022) on November 29, 2021

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