HELLA Investor Update
Q1 FY 2021/22

Lippstadt, September 28, 2021

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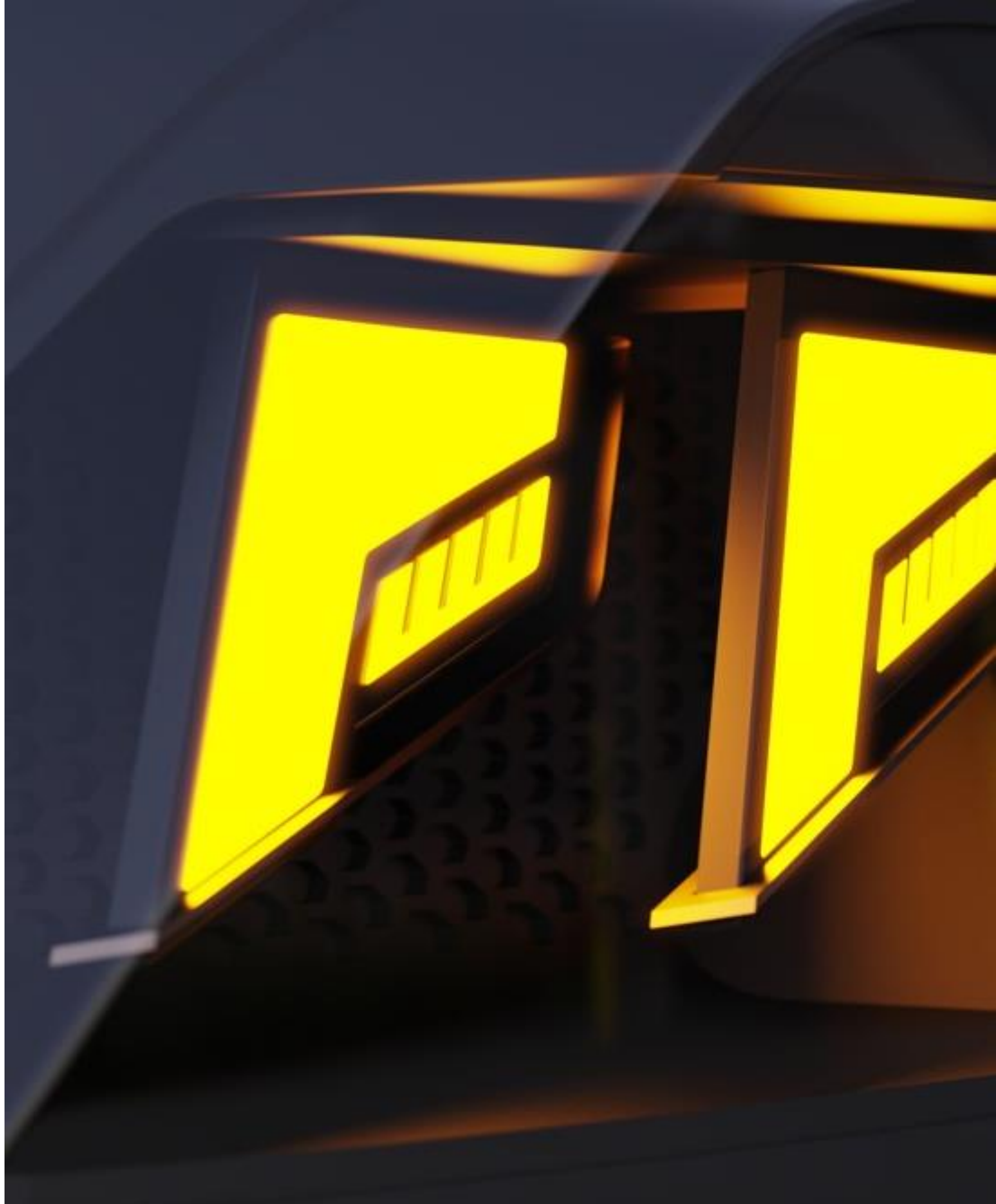
- This document contains an English translation of the accounts of the Company and its subsidiaries. In the event of a discrepancy between the English translation herein and the official German version of such accounts, the official German version is the legal valid and binding version of the accounts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

HELLA Investor Update Q1 FY 2021/22

Sales increased by 9.5%, adjusted EBIT margin improved to 6.2% for Q1 FY 2021/2022

Sales	▪ Currency and portfolio adjusted **sales increased by 9.5% YoY to 1.5 bill. EUR**
Profitability	▪ **Adj. Gross Profit margin** at **25.9%** (+2.2%-points YoY) ▪ **Adj. EBIT** at **91 mill. EUR** (+62.0% YoY) ▪ **Adjusted EBIT margin** +2.0%-points to **6.2%** ▪ **Reported EBIT margin** at **5.4%** including restructuring costs of 12 mill. EUR mainly for the improvement program in Germany
Liquidity	▪ **Adjusted Free Cash Flow from operating activities increased** by **209 mill. EUR** to **-31 mill. EUR**

Note: HELLA sold its shares in Behr Hella Service, a joint venture, on 31 Dec 2019. To ensure comparability with the current fiscal year, the comparative operative values for FY 2019/2020 for the period in question from 1 June 2019 to 28 February 2020 have been adjusted for the income and expenses of BHS. 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

	Q1 FY 19/20	Q1 FY 20/21	Q1 FY 21/22
HELLA Automotive external sales growth	-3.2%	-12.8%	7.2%
Light Vehicle Production growth	-6.7%	-9.9%	-6.0%
Outperformance HELLA Automotive vs. market in percentage points	3.4	-2.9	13.2
Europe	-4.5%	1.3%	19.4%
North & South America	17.2%	2.0%	5.2%
Asia/Pacific & Rest of World	7.5%	-0.8%	31.6%

			Q1 FY18/19	Q1 FY19/20	Q1 FY20/21	Q1 FY21/22
HELLA Automotive external sales in € million	Worldwide		1,372	1,327	1,158	1,241
	Europe		866	783	663	704
		Growth		-9.6%	-15.3%	6.2%
	North & South America		286	328	293	272
		Growth		14.8%	-10.6%	-7.0%
	Asia/Pacific & Rest of World		220	217	202	264
		Growth		-1.5%	-6.7%	30.7%
Light vehicle production in 1.000 units	Worldwide		22,184	20,706	18,663	17,536
	Europe		4,884	4,632	3,863	3,356
		Growth		-5.2%	-16.6%	-13.1%
	North & South America		5,061	4,937	4,316	3,789
		Growth		-2.5	-12.6%	-12.2%
	Asia/Pacific & Rest of World		12,239	11,136	10,484	10,391
		Growth		-9.0%	-5.9%	-0.9%

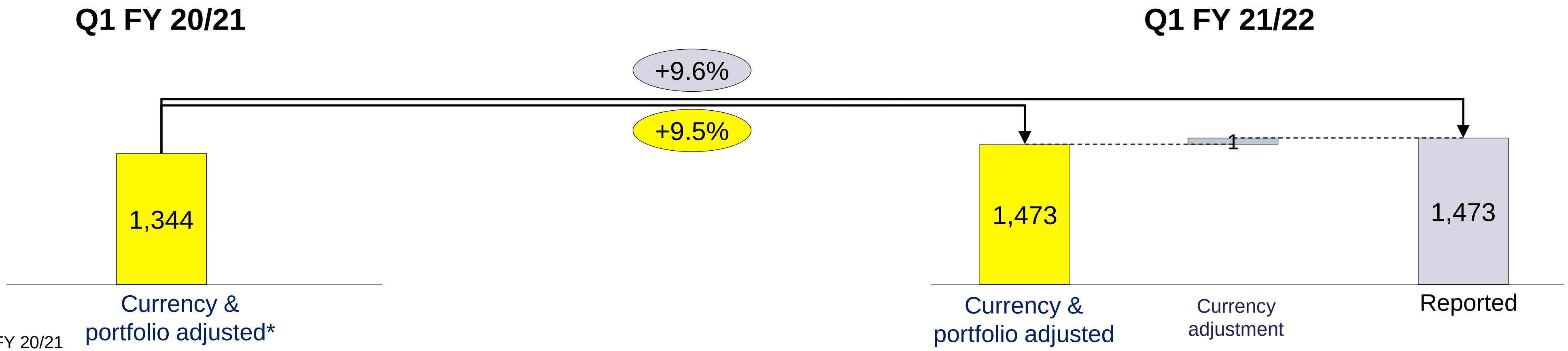
Note: Light Vehicle Production (LVP) based on IHS data as of September 16, 2021; Growth figures always compared with the same period of the previous year

HELLA Investor Update Q1 FY 2021/22

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

Sales recovery with solid customer demand and higher reimbursements – market environment deteriorated significantly driven by bottlenecks

Group Sales
in € million



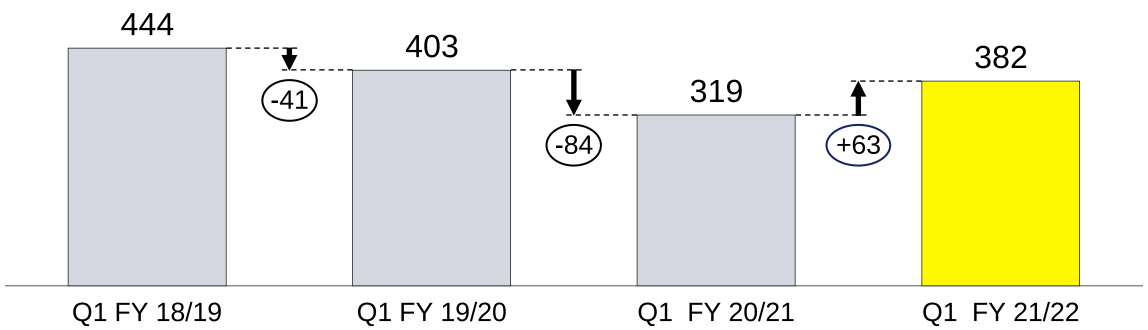
* No portfolio adjustment in Q1 FY 20/21

Highlights

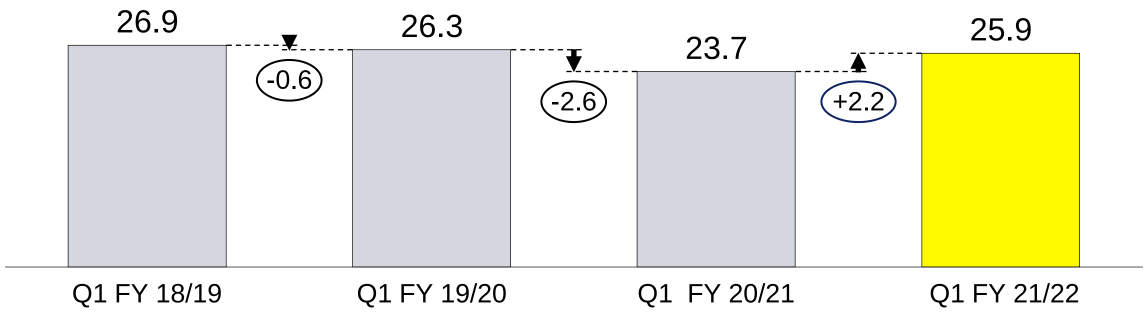
- Currency and portfolio adjusted sales increased 9.5% to 1,473 mill. EUR, adjusting for positive FX effects in Q1 FY 21/22 (1 mill. EUR), no portfolio adjustment in Q1 FY 20/21
- Reported sales of HELLA Group increased by 9.6% (increased by 129 mill. EUR to 1,473 mill. EUR)
  - Automotive +7.2% to 1,254 mill. EUR: high demand for lighting and electronics products, especially for driver assistance systems and energy management; higher customer reimbursements for development services and samples supported sales growth
  - Aftermarket +24.6% to 136 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 +20.2% to 91 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 increased with higher capacity utilization as well as higher customer reimbursements and low level of project-related costs

Adjusted Gross Profit
in € million



Adjusted Gross Profit Margin
% sales



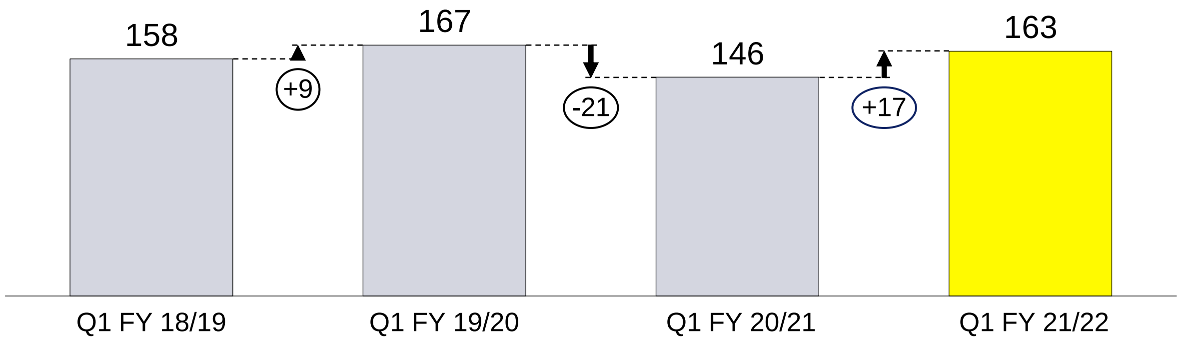
Highlights

- Adj. Gross Profit increased by 63 mill. EUR (+19.8%) to 382 mill. EUR
  - Automotive +16.3% to 282 mill. EUR
  - Aftermarket +21.4% to 59 mill. EUR
  - Special Applications +42.7% to 38 mill. EUR
- Adj. Gross Profit margin increased by 2.2%-points to 25.9%
  - GPM Automotive +1.8%-points: increased capacity utilization with sales growth. Higher level of reimbursements. Project related cost at low level. Additional costs for freight & material and production inefficiencies due to increasing shortages negatively impacted the GPM
  - GPM Aftermarket -1.2%-points: higher material expenses as well as negative product mix effects
  - GPM Special Applications +6.6%-points: sales growth and positive mix effects as well as reimbursements for development expenses

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

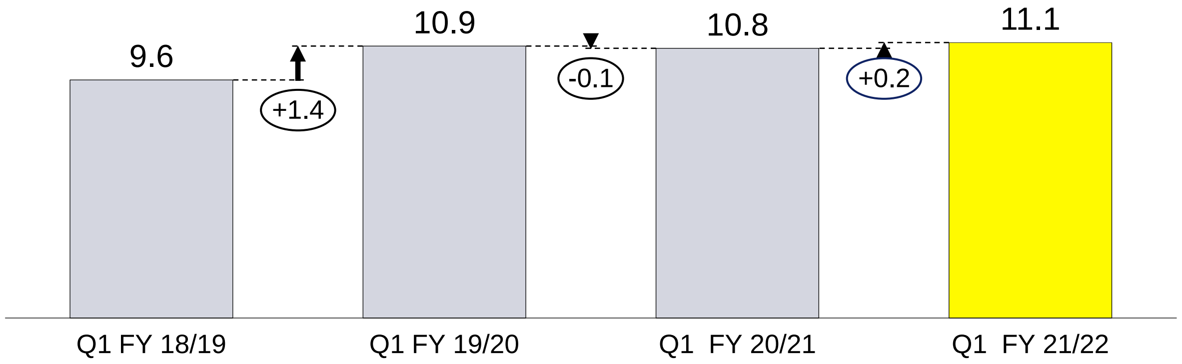
Adjusted R&D expenses

in € million



Adjusted R&D expenses ratio

% sales

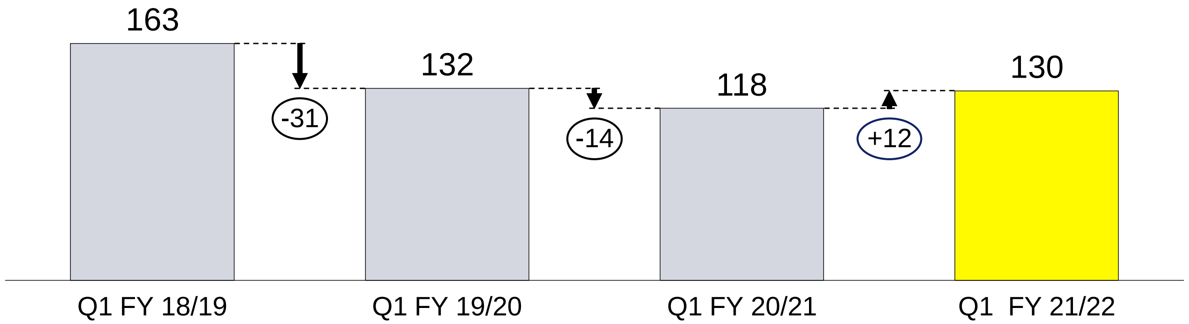


Highlights

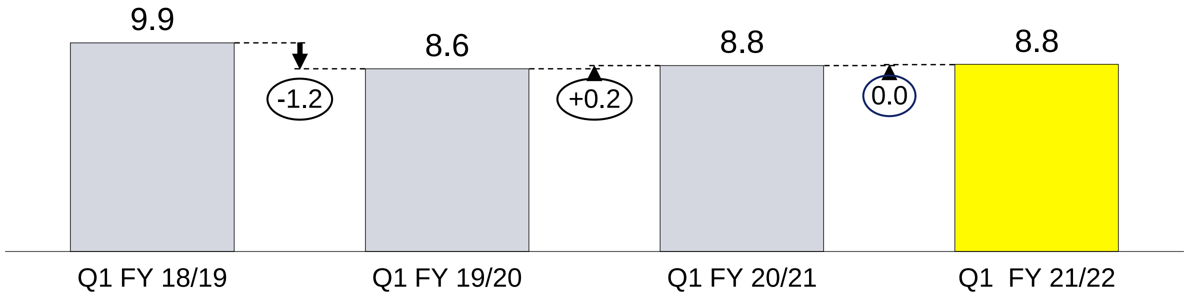
- Adj. absolute R&D expenses increased by 17 mill. EUR (+11.9% YoY) to 163 mill. EUR
- Expansion of research and development activities after focus of activities on serial development and production ramp-ups in the previous year
- Resuming of further development activities
- Q1 FY21/22 ratio increased by 0.2%-points to 11.1%
- Overproportion growth of absolute R&D expenses

SG&A costs increased with normalization of employment situation; prior year basis comparably low due to continuous use of short-time work in first quarter

Adjusted SG&A expenses
in € million



Adjusted SG&A expenses ratio
% sales

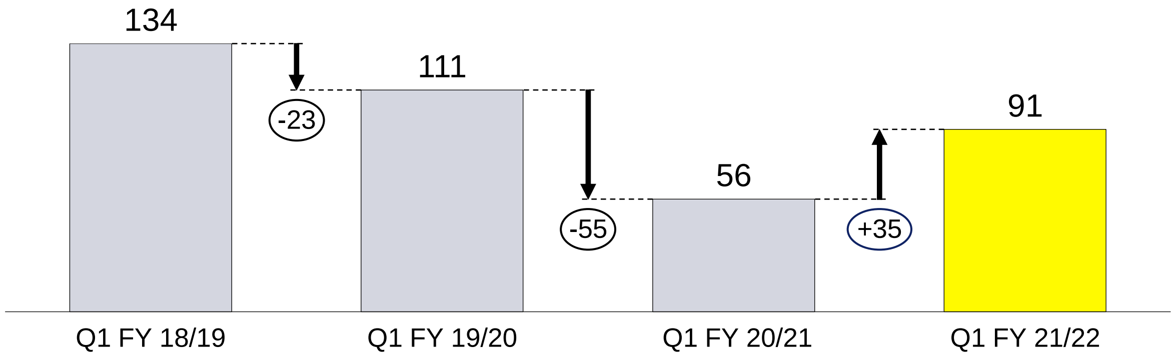


Highlights

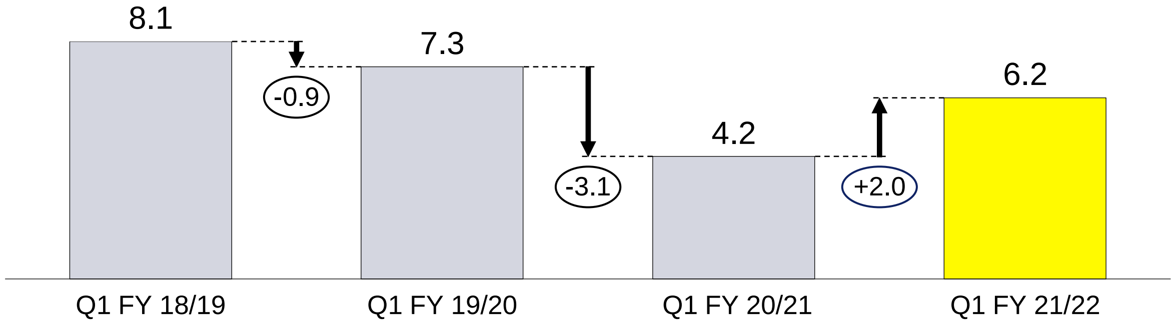
- Adj. SG&A costs increased by 12 mill. EUR (+10.2%) to 130 mill. EUR
  - increase in marketing and logistic costs (7 mill. EUR) with increased sales and normalized employment
  - higher admin expenses (7 mill. EUR) with normalization of employment situation
  - increased other adjusted operating result (2 mill. EUR)
- Adj. SG&A ratio constant at 8.8%
  - constant logistic cost ratio at 5.4%
  - higher admin costs (admin expense ratio +0.2%-points to 3.7%)
  - higher OOI ratio + 0.1%-points to 0.3%

Adjusted EBIT above prior-year's level with strong top line development and positive leverage despite higher costs associated with the bottlenecks

Adjusted EBIT
in € million



Adjusted EBIT margin
% sales



Highlights

- Adjusted EBIT increased by 35 mill. EUR (+62.0%) to 91 mill. EUR
  - increase in adj. Gross Profit by 63 mill. EUR (+19.8%)
  - higher R&D (+17 mill. EUR, 11.9%)
  - increase in adj. SG&A by 12 mill. EUR (+10.2%)
  - higher JV income (+1 mill. EUR, +85.6%) with recovery from pandemic
- Adjusted EBIT margin increased by 2.0%-points to 6.2%, mainly
  - increase of adj. GPM by 2.2%-points
  - higher R&D ratio (increase of 0.2%-points)
  - constant SG&A ratio at 8.8%
  - higher JV contribution (increased by 0.1%-points)

Q1 FY 2021/22 – Financial Results

P&L including reconciliation; main adjustment Q1 FY2020/21 for improvement program

HELLA Group		Q1 FY 20/21	Q1 FY 21/22
Revenues reported		**1,344.4**	**1,473.5**
	Adjustments	0.0	0.0
Revenues adjusted		**1,344.4**	**1,473.5**
Gross Profit reported		**316.7**	**378.0**
	Adjustments	2.0	4.0
Gross Profit adjusted		**318.8**	**382.0**
R & D expenses reported		-285.8	-166.6
	Adjustments	140.2	3.6
R&D expenses adjusted		-145.6	-163.0
Distribution expenses reported		-73.1	-80.3
	Adjustments	0.1	0.3
Distribution expenses adjusted		-73.0	-79.9
Admin expenses reported		-77.0	-59.5
	Adjustments	29.4	4.5
Admin expenses adjusted		-47.6	-55.1
Impairment		0.0	0.0
	Adjustments	0.0	0.0
Impairment adjusted		0.0	0.0
Other income and expenses reported		2.5	4.8
	Adjustments	0.0	0.0
Other income and expenses adjusted		2.5	4.8
Earnings from investments* reported		1.4	2.7
	Adjustments	0.0	0.0
Earnings from investments* adjusted		1.4	2.7
EBIT reported		-115.3	79.1
	Adjustments	171.7	12.3
EBIT adjusted		**56.4**	**91.4**
Net financial result		0.1	-4.6
Taxes		27.9	-18.0
Earnings for the period		**-87.3**	**56.5**
Earnings per share (EUR)		**-0.8**	**0.5**

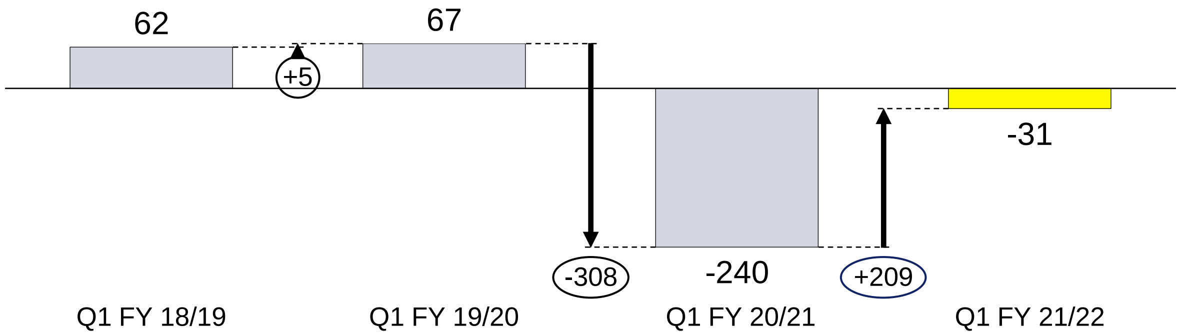
Note: For details on adjustments see financial report. *including other income from investments

Comments

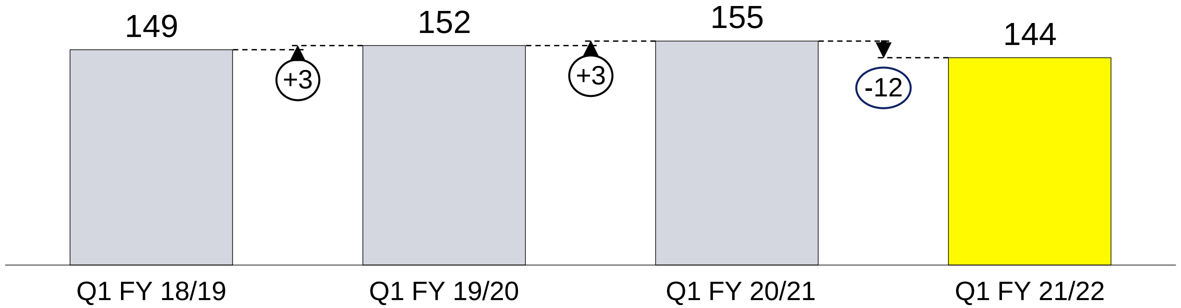
- Increase of reported EBIT Q1 FY 21/22 with strong sales growth, prior year influenced by restructuring expenses mainly in Germany
- Tax ratio at a level of 24.1%
- Earnings for the period increased driven by higher operating result
- EPS increased by 1.3 EUR to 0.5 EUR

Adjusted Free Cash Flow positively driven by higher sales; negative impacts from working capital changes and planned 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.

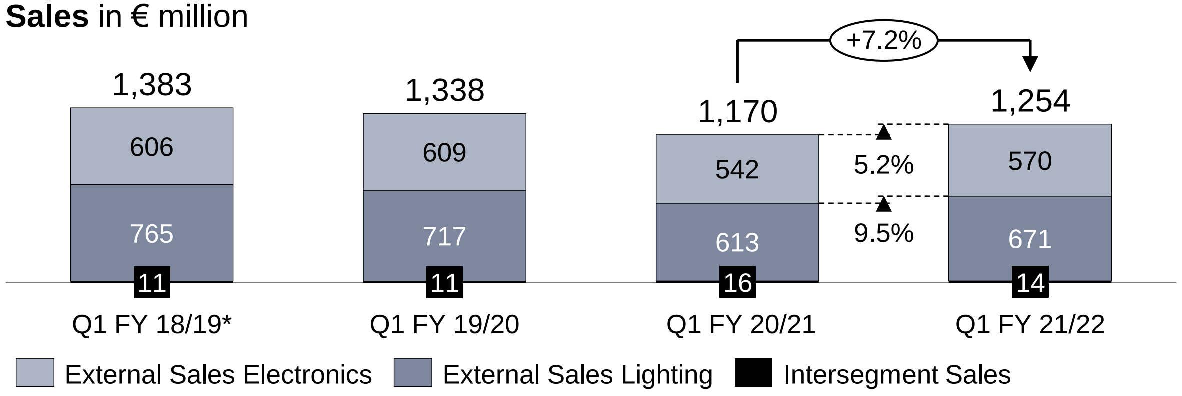
Highlights

- Adj. Free Cash Flow from operating activities increased by 209 mill. EUR to -31 mill. EUR
- Higher operating profit, negative impact from bottlenecks in global supply and logistics chains
- WC improvements compared to PY mainly due to high increase of receivable in Q1 FY 20/21 as a result of the production ramp-up after the end of the pandemic-related shutdowns
- 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 with strong recovery, margin improvement with increase in GPM despite additional burdens

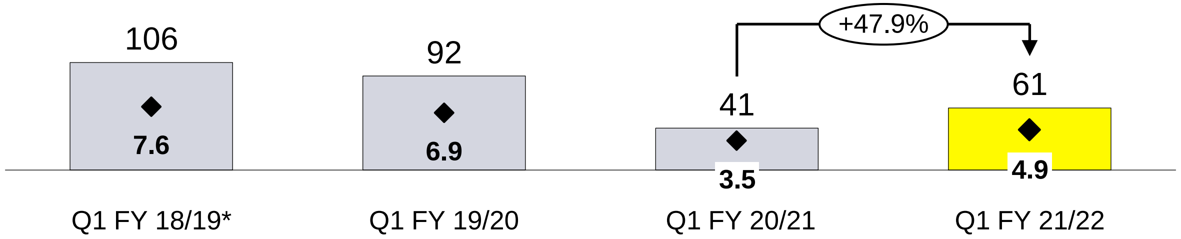
Automotive

Sales in € million



Adusted EBIT in € million

◆ EBIT Margin (% of total sales)



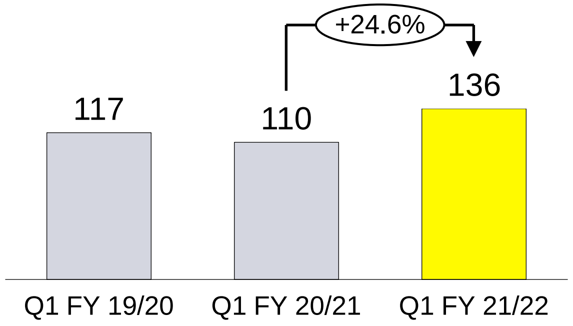
Note: At the beginning of FY 2020/21 the Spanish production company MAESA has been allocated to the Automotive segment. Previously, MAESA has been reported as part of the segment Special Applications. The P&L of the segments Automotive and Special Applications are adjusted accordingly only for FY 2019/20.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

- Increase of 7.2% despite decline in automotive market:
  - high demand for lighting and electronic products especially for driver assistance systems and energy management products, Lighting SOPs in China and Europe
  - higher customer reimbursements for development services and samples
  - sales negatively affected by worsening resource bottlenecks for electronic components and continuing effects of the Corona pandemic.
- Increase of adj. EBIT by 47.9% to 61 mill. EUR, margin +1.4%-points, mainly
  - increase of GPM by 1.8%-points due to higher capacity utilization with increasing production volumes and higher reimbursements as well as low project related cost (negatively impacted by costs due to pandemics and shortages e. g. higher material prices and production inefficiencies)
  - Increased R&D activities, expenses increased 10.1%, ratio increased 0.3%-points to 12.1%
  - normalization of distribution and admin expenses, SG&A ratio +0.2%-points (admin +0.3%-points to 3.5%)
  - increase in JV income (+90.2%), contribution increased 0.1%-points to 0.2%

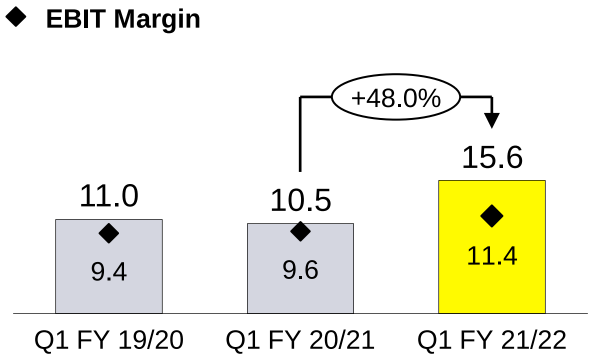
Aftermarket and Special Applications with strong customer demands, profitability improvements supported by cost management

Aftermarket

Total sales in € million



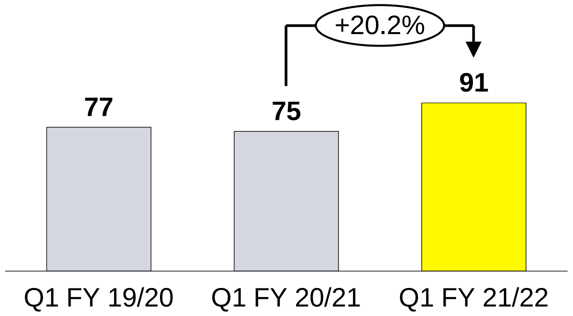
Adjusted Ebit in € million



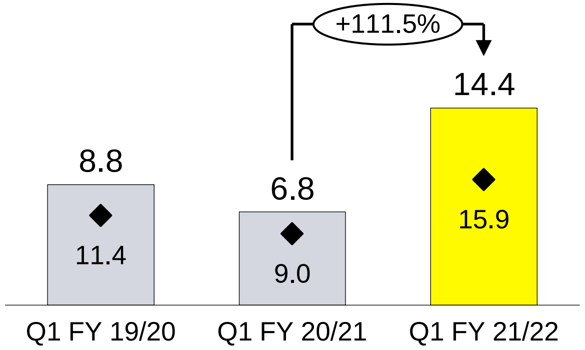
- Positive development in IAM supported by strong business in Germany, Poland and the Americas region
- Growth in workshop business driven by demand for mega macs X, a new diagnostic tool which was introduced to the market
- Increase in adj. EBIT (+1.8%-points); margin at 11.4%:
  - lower GPM: down 1.2%-points with higher material expenses as well as negative product mix effects
  - strict cost management and distribution efficiencies: distribution ratio -2.2%-points to 25.6%, admin ratio -1.4%-points to 3.7%

Special Applications

Total sales in € million



Adjusted Ebit in € million



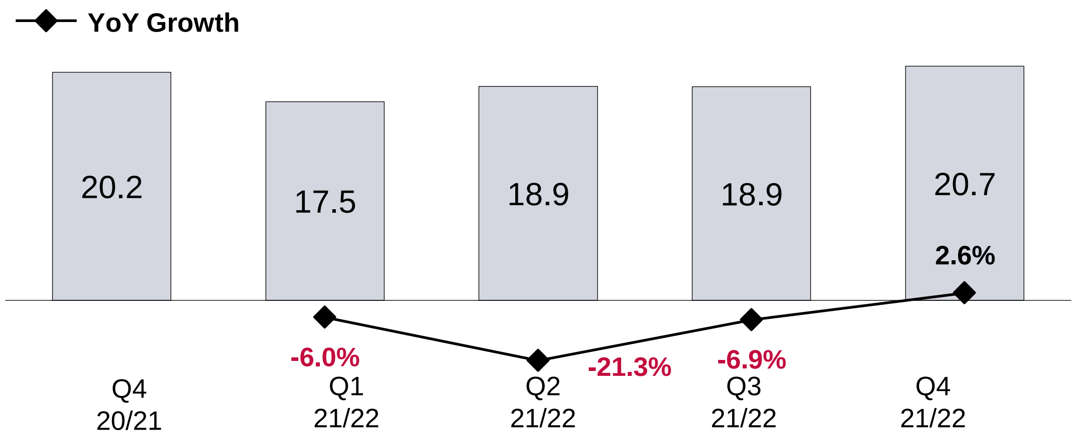
- Positive top-line development (+20.2%):
  - continuously positive demand in agriculture and constriction machinery. Recovery in other key customer segments partly in connection with a low comparative base due to the pandemic
- Adj. EBIT up by 111.5%, margin +6.9%-points to 15.9%:
  - GPM increased strongly by 6.6%-points with sales growth and positive mix effects as well as reimbursements for development expenses
  - Further savings in SG&A, distribution efficiencies: ratio -0.4%-points to 16.0%, admin ratio -2.1%-points to 5.7%

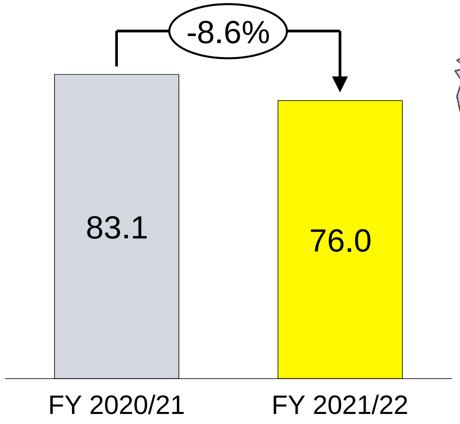
HELLA Investor Update Q1 FY 2021/22

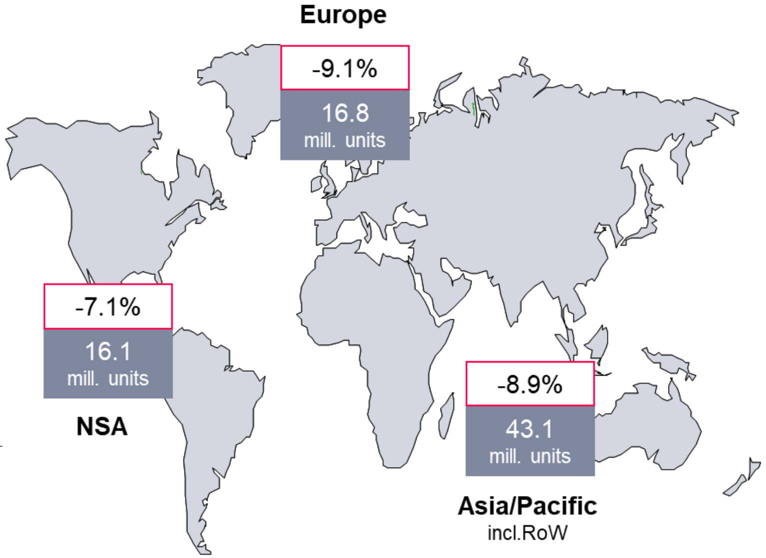
Automotive market collapses drastically as a result of increasing component shortages: expected production volumes FY 2021/22 on level of pandemic

Global Light Vehicle Production

in million units, IHS per 16 September 2021







- IHS estimates significantly came down after peak in May. LVP September data with strong downside revision
- Reasons for the downgrade where additional back-end disruptions that occurred since June 2022 due to Corona pandemic closures in Malaysia (responsible for 13% of global semi supply for automotive)
- Closures impact a wide range of semi applications not just automotive.
- Several extension of measures led to 2.5 months backlog that is anticipated to extend well into 2022
- Demand outside of automotive remains strong, leading to reduced levels of capacity dedicated to automotive

- IHS is now estimating for the automotive market a strong decline of 8.6% compared to prior month estimate which showed a growth of 0.7%
- No relief from bottlenecks or even recovery in the FY 2021/22. Earliest recovery in the second half of CY 2022 assumed.
- Estimated units of around 76 millions on the level of pandemic-driven FY 2019/20 and far below pre crises level (~92 million units)
- China (-11.3%) and Europe (-9.1% driven by Germany -10,5%) with strongest decline

Company outlook lowered to reflect significantly reduced market expectations for the further course of the fiscal year 2021/22

Guidance Fiscal Year 2021/2022

June 1, 2021, to May 31, 2022

Currency and portfolio adjusted **Group sales**	In the range of around **6.0 billion to 6.5 billion EUR** (previously: around 6.6 to 6.9 billion EUR)
Adjusted EBIT margin excluding restructuring and portfolio effects	**In the range of around 5.0%-7.0%** (previously: around 8%)

- Resource bottlenecks within the global supply and logistics chains worsened significantly with production shutdowns at chip suppliers especially in Malaysia in Q1 FY 2021/22
- Consequently, there will be significant production losses in the global automotive industry in the current fiscal year
- A recovery in the second half of the fiscal year 2021/22 due to catch-up effects is currently not to be expected
- The global LVP in FY 2021/22 with estimated units of around 76 millions will be on the level comparable to FY 2019/20 which was particularly affected by the corona pandemic
- In view of this significant decline in global volumes and the lack of market recovery in the second half of the year, HELLA has lowered its forecast for the full fiscal year (June 1, 2021 to May 31, 2022)

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Business combination with Faurecia agreed – voluntary public tender offer commenced

Timing

- 1st acceptance period: September 27 to October 25, 24:00 CET
- Extended acceptance period (if applicable): October 29 to November 11, 24:00 CET
- HELLA Fairness Opinion issued latest October 11

Key aspects

- BCA term overall 4 years, Lippstadt headquarters for 3 out of 6 busines units of the combined group (7 years term)
- Domination agreement according §291 AktG excluded for 3 years, viewed as not necessary
- Squeeze out planned if thresholds are reached
- Delisting: not yet decided on

Recommendation

- The management, the Shareholders' Committee and Supervisory Board welcome the transaction
- Subject to a review of the published offer document, Management and the Supervisory Board of HELLA expect to recommend the acceptance of the Offer to shareholders

Voluntary public tender offer

Offer price € 60 per share, assuming a dividend of € 0.96 per share the gross offer price amounts € 60.96 per share

…corresponds to a premium of 33% on the closing price of HELLA on 26 April 2021 (unaffected share price € 45.8)

…and of 24% based on the weighted average share price of the last three months until 26 April 2021

Offer values all HELLA shares at

€ 6.8 billion

No minimum acceptance threshold

Transaction is subject to regulatory approvals and is expected to be closed in early 2022

HELLA Investor Update Q1 FY 2021/22

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