

# HELLA 12M 2024 RESULTS

January 1, 2024 – December 30, 2024

March 13, 2025

**FORVIA**



# AGENDA

- 01 Achievements
- 02 Financial Results
- 03 Outlook
- 04 Key Takeaway

# 01 ACHIEVEMENTS

HELLA 12M FY 2024 Results

# HELLA SALES ABOVE €8 BILLION – RESILIENT CASH AND PROFITABILITY PERFORMANCE

## ORGANIC SALES GREW BY 1.3% TO €8.1BN, OUTPERFORMING GLOBAL LVP BY 240BPS

- > Group reported sales +0.9% to €8.0bn
- > Lighting grows with full consolidation of HBBL<sup>1</sup> (+€271m), sales<sup>2</sup> up by 3.0% to €3,944m
- > Electronics negatively impacted by customer mix and slowdown of electrification in Europe; sales<sup>2</sup> down by 1.6% to €3,001m
- > Lifecycle Solutions impacted by declining market volumes of key customer groups, sales<sup>2</sup> down by 4.4% to €1,012m

## POSITIVE NET INCOME OF €371M – CONTINUATION OF DIVIDEND POLICY

- > Net Income +40% to €371m<sup>3</sup>
- > Continuation of established dividend policy:
  - Dividend of €0.95 per share proposed to AGM on May 16, 2025
  - Around €106 million, meaning 30% of consolidated net income of FY 2024 would be distributed

## OPERATING INCOME MARGIN DOWN TO 5.6% WITH MISSING VOLUMES AND NEGATIVE MIX

- > Lower Gross Profit with under-utilization of production sites especially in Europe and customer mix effects
- > Acceleration of cost reduction measures partially offset this impact
- > Positive effect from improved R&D ratio

## NET CASH FLOW EXCLUDING FACTORING IN LINE WITH PY FIGURE

- > NCF at €189m, ratio to sales at 2.4%, (PY €205m, 2.6% of sales)
- > Factoring increase of €36m 12M FY 2024 vs. €53m 12M FY2023)
- > Increased funds from operations and improved Working Capital

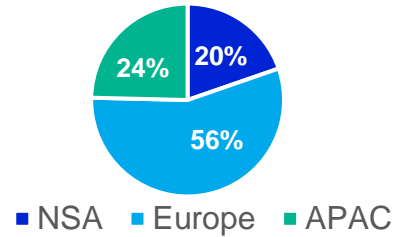
1) *Beijing Hella BHAP Automotive Lighting*

2) *External Sales*

3) Includes €116m book gain from sale of BHTC

# REGIONALLY BALANCED ORDER INTAKE – STRONG TECHNOLOGY AND PRODUCT PORTFOLIO

## Lighting with successful nominations for high content technologies from US and Chinese manufacturers

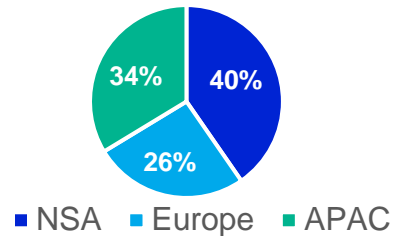


### HIGHLIGHTS

- CBL packages (illuminated grills, logos & panels) for local Chinese US and European premium OEMs , SOP 2025, 2026, 2027
- LED headlamp orders (incl. SSL HD technology) for local Chinese OEM, US and European premium OEMs, SOP 2025, 2027 & 2028
- Interior lighting order wins from European premium OEMs, SOP 2025 & 2027

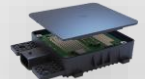


## Electronics with major awards for core technologies outside Europe

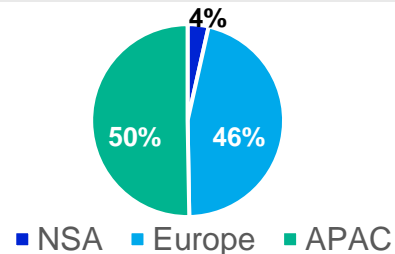


### HIGHLIGHTS

- >three-digit million order for Gen5 radar from European customers, SOPs 2025, Gen5 radar for US OEM, SOP 2024 & 2026
- Large-scale series order for digital Smart car access system from international OEM, SOP 2027
- > three-digit-million order for energy management & sensors from Japanese OEMs in India, SOP 2027 & China, SOP 2026

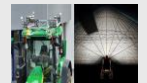


## Lifecycle Solutions further increased its customer outreach with cutting-edge lighting & electronic products



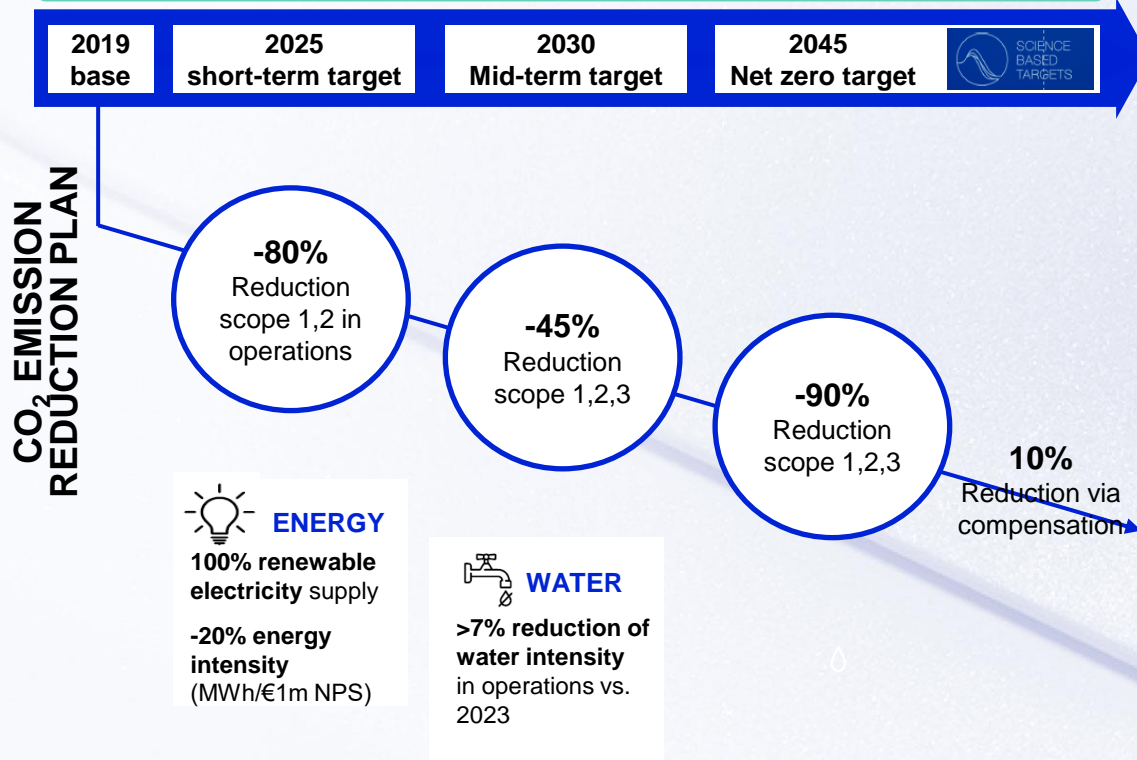
### HIGHLIGHTS

- LED lighting systems for full vehicle range for German manufacturers of agricultural machinery SOP 2025 & 2026
- LED headlamps for US manufacturer of agricultural machinery and for 2/3-wheeler manufacturer in India, SOP 2025 & 2026
- IBS for international truck manufacturer, SOP 2027



# ENVIRONMENTAL PROTECTION IS A KEY GOAL – HELLA WITH STRONG COMMITMENT TO SUSTAINABILITY

FORVIA 1<sup>st</sup> automotive company with net zero target approved by SBTi



**SELECTED RATINGS**

CDP  
FORVIA Inspiring mobility  
Score A

ecovadis  
FORVIA Inspiring mobility  
Silver Medal  
75/100

SUSTAINALYTICS  
ESG Risk Rating  
11.7 Low Risk

## HELLA ACHIEVEMENTS 2024

### Achievement of climate targets ahead of roadmap

- > 56% reduction scope 1,2 in operations (163k tCO<sub>2</sub>e\*)
- > 14% reduction scope 1,2, 3 (15.7m tCO<sub>2</sub>e\*)
- > 55% renewable electricity (364k MWh\*)
- > 26% reduction energy intensity (106MWh/€1m NPS\*)
- > 9% reduction water intensity (114m<sup>3</sup>/€1m NPS\*)

### Alignment to EU-Taxonomy

- > 21.1% of sales and 15.1% of opex-related business activities are EU Taxonomy-eligible, thereof 100% meet the substantial contribution criteria and DNSH criteria
- > 30.2% of capex-related business activities are EU Taxonomy-eligible, 27.2% taxonomy-aligned

### Product innovations noted for sustainability and support of e-mobility

- > Portfolio expansion with high-performance product for e-mobility
  - Coolant Control Hub Max (combination of HV DC/DC Converter and OBC for safe & stable power supply)
  - High Voltage PowerBox (highly integrated thermal management subsystem, enabler for natural refrigerants, connecting all circuits)
- > Introduction of sustainable headlamp at CES, the CO<sub>2</sub> oriented design, repairable and recyclable alternative materials leading to a significant reduction of the CO<sub>2</sub> footprint by up to 70%



\*figure for 2024

# FURTHER HIGHLIGHTS IN 12M FY 2024 – RECOGNITION OF HELLA'S INNOVATIVE POWER

## LAUNCHES FOR GEELY & AUDI

- › **Aero-dynamic „Rear Wing Lighting“** – small, fully integrated 2.4m long light covering full vehicle rear
- › **RGB LED rear combination lamp** with full-color light animations
- › **New digital Matrix LED headlamp** including day light with up to 8 individual light signatures for Q6-etrón

## CES 2024 AWARD

- › **FlatLight |  $\mu$ MX based on an LED light guide concept** with micro-optics – smaller than a grain of salt
  - Multicolored combinations of indicator, brake and tail-light possible
  - Up to 80% lower energy requirements vs. conventional LED rear-lamps

## PACEpilot AND CLEPA INNOVATION AWARD

- › **Intelligent Power Distribution Module (iPDM)** receives two highly recognized awards:
  - May 2024: **PACEpilot Innovation to Watch Award** by the US trade magazine Automotive News
  - Dec 2024: **CLEPA Innovation Award** from the European Association of Automotive Suppliers

## HELLA BECOMING FULL- RANGE BRAKE SUPPLIER

- › **Sale of full range of brake products under the HELLA brand** from October 2024
- › **Take-over of HELLA PAGID** adds a range of brake-related wear parts and hydraulics to HELLA's branded portfolio

## SUCCESSFUL TRADE FAIR PRESENTATION OF LCS

- › **Automechanika:** HELLA and Hella Gutmann presenting numerous product innovation at, including a completely newly developed calibration tool
- › **IAA Transportation:** HELLA together with FORVIA pioneers sustainable technologies for commercial vehicles presented

## JOINT AGREEMENT WITH VARTA

- › **Cooperation between HELLA Gutmann and VARTA** to create new possibilities for battery diagnostics in European workshops
  - Aims to provide workshops with meaningful and reliable diagnosis of low-voltage batteries.
  - Complements HELLA's expertise in battery diagnostics

# FOCUS ON SUSTAINABLE PROFIT AND CASH GENERATION GOING FORWARD

Push key strategic initiatives to reduce cost base and increase NCF in 2025

## BUSINESS DEVELOPMENT – RISK AND CHANCES

- No growth environment with strong regional disparities
- Political uncertainties and high volatility
- Overcapacities in Europe, possibly no growth of electrified cars
- Risk of delays and significant volume reductions on some programs esp. in Lighting
- Negative mix, several launches of new products and technologies
- + High demand for core Electronics products like radar and EPS
- + Strong order book with regional balance
- + Increased agility and flexibility of organization

## PUSH KEY STRATEGIC INITIATIVES

- > Expand business in Asia and America
- > Invest in future automotive technologies
- > Pull forward structural and performance-related measures
- > Increase operational efficiency - increase flexibilization rates
- > Increase collaboration and synergy realization with FORVIA
- > Reduce bureaucracy
- > Leverage AI potential
- > Reduce CAPEX and improve WC

## IMPACT 2025

### PROFITABILITY

- > Reduction of fixed cost at least 3% vs. 2024, realized mainly through structural measures<sup>1</sup> and improvements in terms of quality costs & expenses
- > Reduction of overall material costs of ~4% vs. 2024 realized mainly through purchase synergies, structural measures<sup>1</sup>, and ReDtC
- > R&D ratio at 10% or less

### NET CASH FLOW

- > Significant improvement in Operational Cash flow
- > Significant CAPEX savings vs. 2024
- > CAPEX/Depreciation ratio less than 1
- > Improvements in Working Capital with ~€50m reduction of inventory compared to Dec 2024 and increase in payment terms

1) Overall net savings from structural measures between €60m to €70m expected in 2025  
ReDtC = Re-Design to Cost

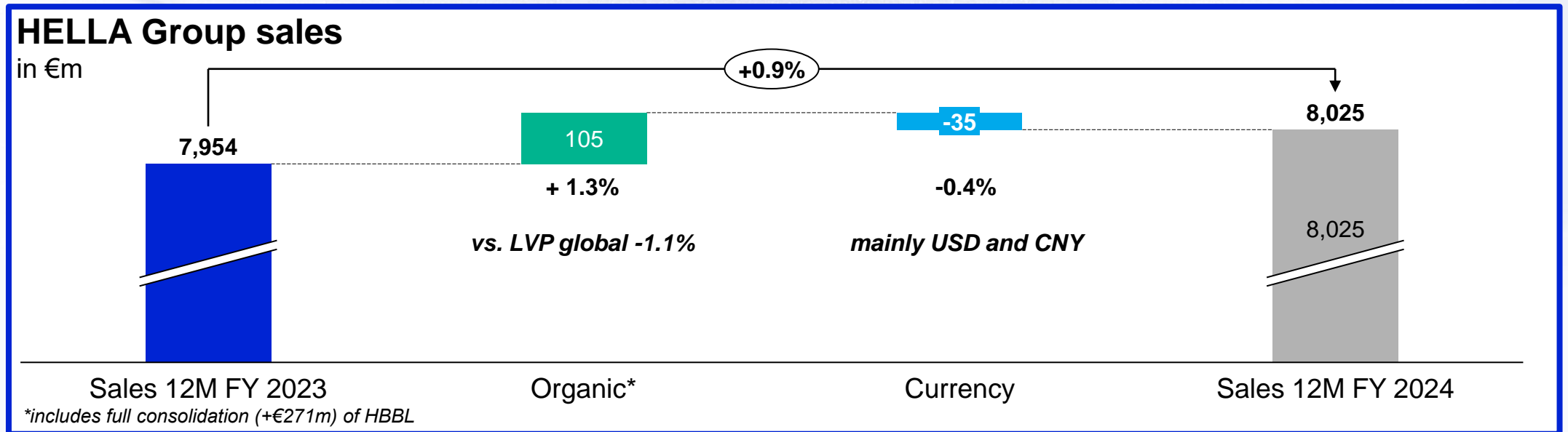


# 02 FINANCIAL RESULTS

HELLA 12M FY 2024 Results

# HELLA SALES GROWING – OUTPERFORMANCE IN A CHALLENGING MARKET ENVIRONMENT

- > Organic sales 12M FY 2024 up 1.3%\*, FX negative at -0.4% (-€35m) in the first 12 months
- > Reported sales 12M FY 2024 +0.9%YoY
  - Global LVP down especially in H2 driven by Europe
  - HELLA growing in Americas with ramp-up of programs in Lighting and Electronics, growth in Europe with spare parts business
  - Customer-related postponements and negative customer mix particularly in China
  - Slower ramp-up of electromobility especially in Europe



# LIGHTING WITH GROWING SALES – ADAPTIVE MEASURES TO IMPROVE PROFITABILITY UNDERWAY

## LIGHTING

In €m	12M FY 2023	12M FY 2024	
<b>External Sales (€m)</b>	<b>3,831</b>	<b>3,944</b>	
YoY organic*		+3.3%	<b>vs. LVP growth of -1.1%</b>
YoY FX**		-0.4%	
Intersegment Sales	57	51	
<b>Total Sales</b>	<b>3,887</b>	<b>3,995</b>	
<b>Operating Income</b>	<b>132</b>	<b>126</b>	
% of Total Sales	3.4%	3.2%	

\* includes full consolidation (+€271m) of HBBL

\*\*approximation based on internal analyses

### Growth supported by HBBL and ramp-ups

- > Ramp-up of new programs for headlamps and rear combination lamps lead to growth in the Americas
- > Sales in Europe down with expiring projects at the year-end
- > China sales supported by full consolidation of HBBL, negative impact from end of high-volume series production

### Operating Income -€5.7m (-4.3%) to €126m; OI Margin -24bps to 3.2%

- > Improved GPM margin due to product mix effects and accretive impact of HBBL full consolidation
- > Underutilization of capacities negatively impacted profitability
- > Implementation of adaptive measures underway – SG&A ratio down YoY

# ELECTRONICS WITH STABLE OPERATING INCOME MARGIN DESPITE LOWER SALES

## ELECTRONICS

In €m	12M FY 2023	12M FY 2024
<b>External Sales</b>	<b>3,049</b>	<b>3,001</b>
YoY organic		-1.2%
YoY FX*		-0.3%
Intersegment Sales	324	295
<b>Total Sales</b>	<b>3,372</b>	<b>3,296</b>
<b>Operating Income</b>	<b>232</b>	<b>226</b>
% of Total Sales	6.9%	6.9%

\*approximation based on internal analyses

### Negative sales growth due to slowdown in electrification and SOP delays

- > Successful radar business drives growth in Americas
- > Slowdown in electrification in Europe negatively impacted sales of HV BMS
- > Negative customer & product mix effects especially in China
- > Program postponements

### Operating Income -€6m (-2.7%) to €226m; OI margin constant at 6.9%

- > Decline in Gross Profit margin due to lower sales volumes
- > Lower R&D expenses with reduced use of external service providers and further cost savings

# LCS WITH DECLINE OF COMMERCIAL VEHICLE BUSINESS – NEGATIVE IMPACT ON SALES & MARGIN DEVELOPMENT

## LIFECYCLE SOLUTIONS

In €m	12M FY 2023	12M FY 2024
<b>External Sales</b>	<b>1,059</b>	<b>1,012</b>
YoY organic		-3.6%
YoY FX*		-0.9%
Intersegment Sales	10	18
<b>Total Sales</b>	<b>1,069</b>	<b>1,030</b>
<b>Operating Income</b>	<b>128</b>	<b>99</b>
% of Total Sales	11.9%	9.6%

\*approximation based on internal analyses

### Low demand from commercial vehicle business negatively impacted sales

- > Growth of the spare parts business in Europe with increased product offering
- > Low demand in several customer segments of the commercial vehicle business esp. in Agriculture, Trailer & Construction due to a weaker economic environment

### Operating Income -€29m (-22.4%) to €99m; OI margin down by 233bps to 9.6%

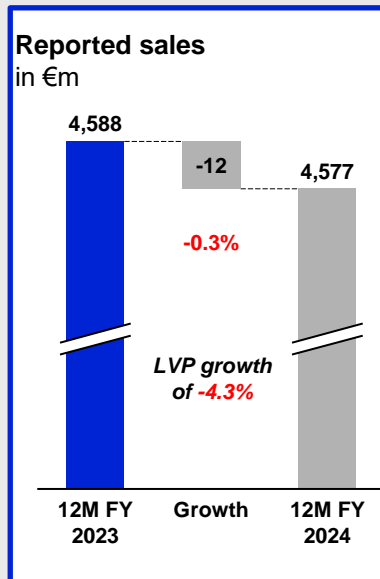
- > Lower Gross Profit Margin due to volume decline, partially offset by positive effects from the integration of the brake business of HELLA Pagid
- > Increase of R&D expenses in preparation for upcoming programs after successful order intake in prior years
- > Increased SG&A expenses with additional logistic and integration costs

# HELLA IS OUTGROWING THE MARKET IN ALL REGIONS

## EUROPE



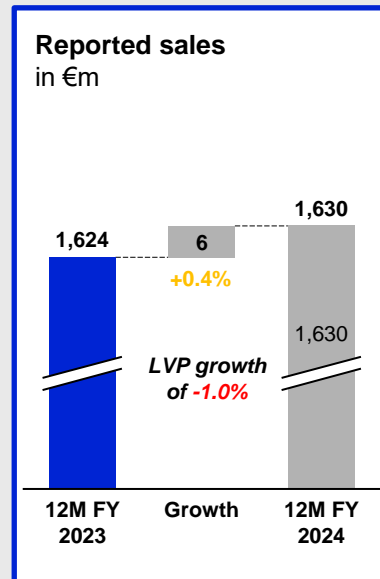
57 %  
of group sales



## AMERICAS



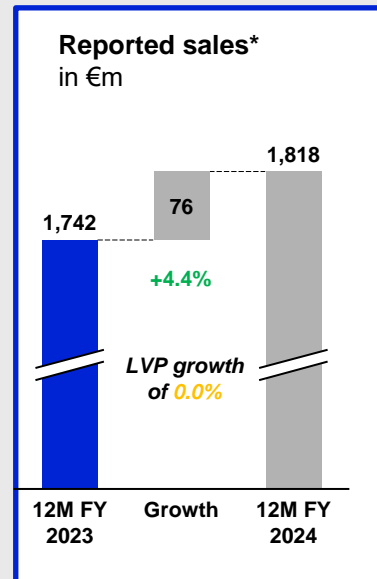
20 %  
of group sales



## ASIA/PACIFIC INCL. ROW



23 %  
of group sales



- > Global LVP down 1.1%, Europe at -4.3%
- > HELLA Group organic\* sales growth at 1.3%, outperforming approx. 240bps
- > Europe outperformance of ~400bps
  - New launches and in some cases higher volumes of ongoing series projects
  - Less sales in Lighting due to expiring projects at the year-end
  - Electronics suffering from a slowdown in electrification
- > Americas outperformance of ~140bps
  - Ramp-up of new projects for headlamps, RCL and radar projects
- > Asia/Pacific outperformance of 440bps
  - Consolidation of HBBL

# SOLID PROFITABILITY AND POSTIVE NET INCOME DEVELOPMENT

In €m	12M FY 2023	12M FY 2024	YoY Change
<b>Sales</b>	<b>7,954</b>	<b>8,025</b>	<b>+ 0.9%</b>
COGS	(6,072)	(6,180)	- 1.8%
% of sales	-76.3%	-77.0%	- 67bps
<b>Gross Profit</b>	<b>1,882</b>	<b>1,845</b>	<b>- 2.0%</b>
<b>% of Sales</b>	<b>23.7%</b>	<b>23.0%</b>	<b>- 67bps</b>
R&D	(809)	(803)	+ 0.7%
% of sales	-10.2%	-10.0%	+16bps
SG&A	(587)	(596)	- 1.5%
% of sales	-7.4%	-7.4%	- 5bps
(thereof distribution)	(304)	(323)	- 6.2%
% of sales	-3.8%	-4.0%	- 20bps
(thereof admin)	(302)	(286)	+ 5.3%
% of sales	-3.8%	-3.6%	+ 23bps
<b>Operating Income</b>	<b>486.3</b>	<b>446.1</b>	<b>-8.3%</b>
<b>% of sales</b>	<b>6.1%</b>	<b>5.6%</b>	<b>- 56bps</b>
JV and other income from investments	14.0	4.7	-66.3%
% of sales	0.2%	0.1%	-12bps
Non-recurring OI& OE	(-36.3)	18.7	
<b>EBIT</b>	<b>464.0</b>	<b>469.5</b>	<b>+1.2%</b>
<b>% of sales</b>	<b>5.8%</b>	<b>5.9%</b>	<b>+2bps</b>
<b>Cons. Net Income</b>	<b>266.3</b>	<b>370.9</b>	<b>+39.3%</b>
<b>% of sales</b>	<b>3.3%</b>	<b>4.6%</b>	<b>+127bps</b>

## Gross Profit Margin down by 67bps

- > Lower GPM in Electronics and LCS because of lower sales volumes and mix effects

## R&D ratio down by 16bps

- > Preparation for upcoming program launches, savings with less use of external services

## SG&A expenses increased by 1.5%, ratio to sales stable at 7.4%

- > Higher distribution expenses with the integration of the brake business and higher logistics expenses
- > Acceleration of cost reduction measures offset higher expenses

## Non-recurring operating income and expenses at €18.7m

- > Including €119m capital gain from the BHTC sale and €110m restructuring costs, mainly for the competitiveness program in Europe\*

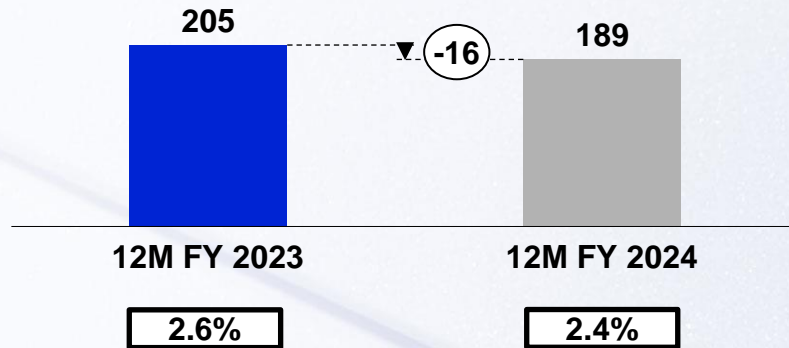
\*Please refer to Note 22 in the financial report for further details



# EXCLUDING FACTORING, NET CASH FLOW NEARLY STABLE

## NET CASH FLOW

in €m and % of sales

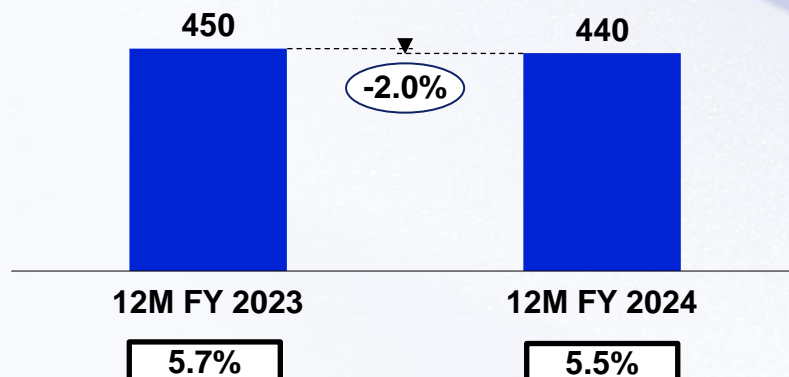


**Net Cash Flow down, decrease of €16m to €189m**

- > Reduction of factoring increase (€36m vs. €53m in 12M FY 2023)
- > Higher Operating Cash Flow
- > Decrease of working capital with lower receivables

## TANGIBLE CAPEX

in €m and % of sales



**Tangible CAPEX slightly down by 2% to €440m**

- > Investments in series projects after successful order intake in prior years
- > Increased standardization & automatization of production processes

*Cash inflow of €202m from the sale of the 50% share in BHTC is included in CF from Investing activities*



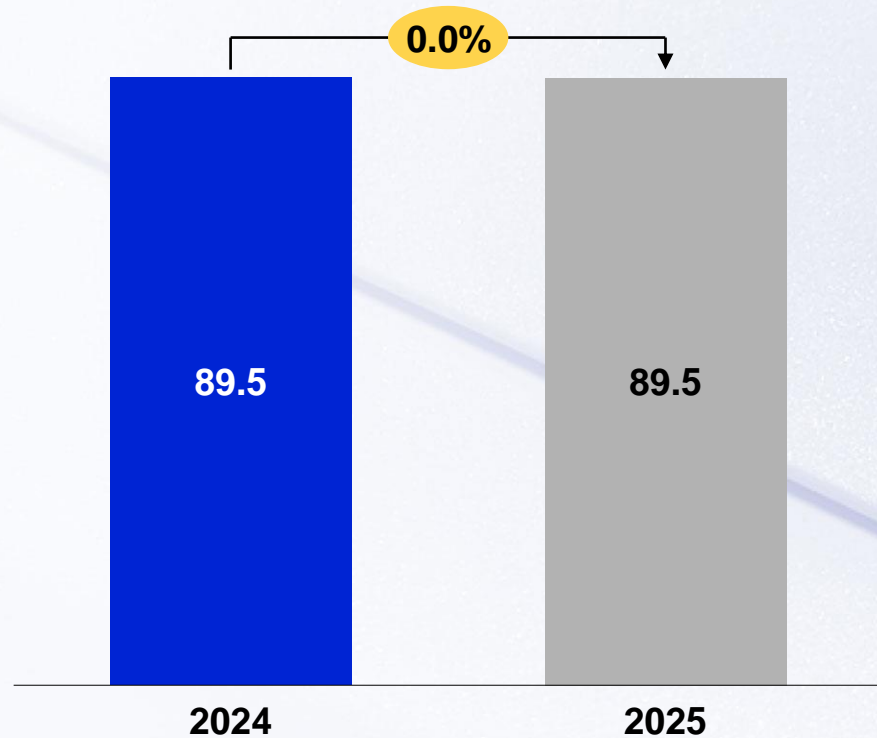


# 03 OUTLOOK

HELLA 12M FY 2024 Results

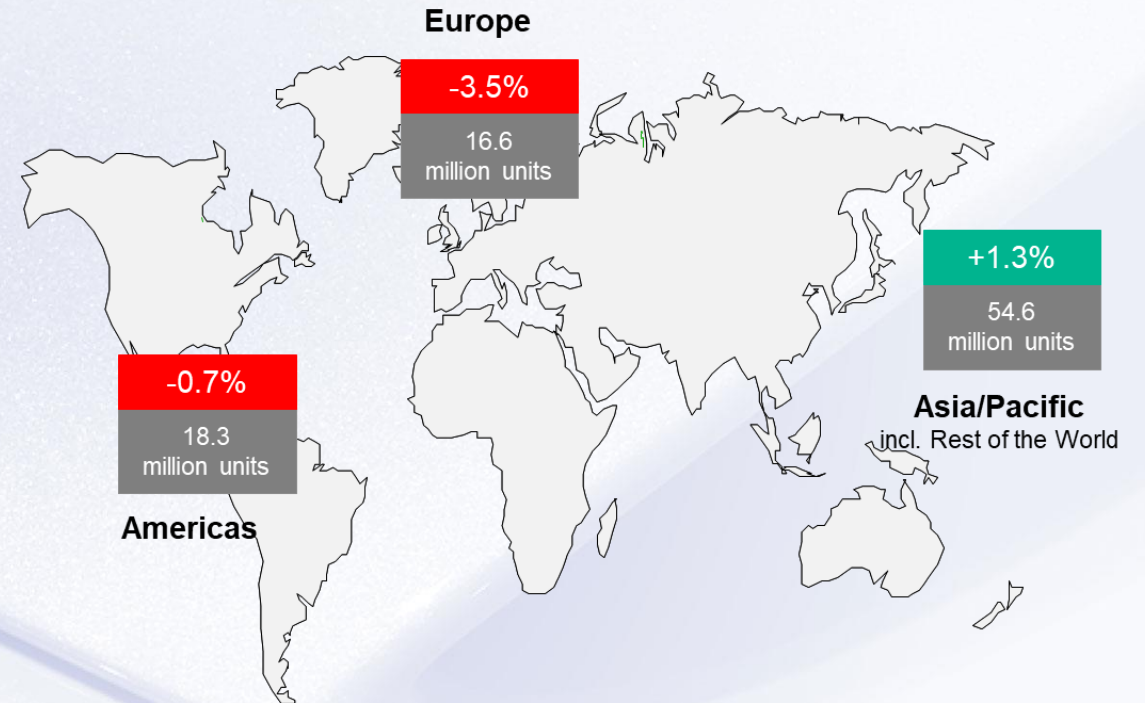
# STAGNATING MARKET IN 2025, AMERICAS AND EUROPE EXPECTED TO DECLINE FURTHER

Expected global light vehicle production  
in million units, S&P Global Mobility per February 2025



Source: S&P Global Mobility (formerly IHS Markit | Automotive)

Expected light vehicle production per region,  
S&P Global Mobility per February 2025



# HELLA FY 2025 OUTLOOK

## Company Outlook Jan 1, 2025, to Dec 31, 2025

Taking into consideration the latest S&P forecast of around 89.5 million light vehicles to be produced in 2025

### Sales

Currency and portfolio adjusted

**Between around €7.6 to 8.0 billion**

### Operating Income Margin

**Between around 5.3% to 6.0% of sales**

### Net Cash Flow

**At least €200m**

*For the OI margin and the Net Cash Flow initially lower figures in the first half of the fiscal year are expected.*

*For Lighting, a decline in sales is expected. For Electronics and Lifecycle Solutions sales at the PY's level are expected.*

*The OI Margins in Lighting and Electronics are expected at around the PY's level; a slightly higher OI Margin is expected for Lifecycle Solutions.*

*Outlook does not take any significant deviations as a result of political, economic or social crises into account.*

# 04 KEY TAKEAWAYS

HELLA 12M FY 2024 Results

# KEY TAKEAWAYS

## Overall solid performance during 12M FY 2024

- Sales up to >€8bn despite declining LVP and negative mix effects
- Global market outperformance of 240bps
- Solid profitability and cash flow
- Outlook that was adjusted in September has been met

## Positive Net Income – Continuation of dividend policy

- Consolidated Net Income of €371m
- Continuation of established dividend policy:
- Dividend of €0.95 per share proposed
- Around €106m, meaning 30% of Consolidated Net Income of FY 2024 would be distributed

## Outlook FY 2025 – no market tailwinds

- HELLA outlook FY 2025
  - Sales between around €7.6bn and €8.0bn
  - OI margin of between around 5.3% and 6.0%
  - NCF at least €200m
- Outlook is based on around 89.5m LV produced
- Volatile industry ahead with declining LVP in Americas and Europe

## Push Key Initiatives for sustainable profit & cash development

- Transformation of business consistently driven forward
- Further diversification of regional business activities
- Sustainable investments in technology leadership
- Continuous improvement of cost structures worldwide

# APPENDICES

# LVP PRODUCTION AND GROUP SALES PER REGION

		12M FY 2023	12M FY 2024
<b>HELLA Group sales</b> in €m	Worldwide	7,954	8,025
	Europe	4,588	4,577 <b>-0.3%</b>
	Americas	1,624	1,630 <b>+0.4%</b>
	Asia/Pacific & Rest of World	1,742	1,818 <b>+4.4%</b>
<b>Light vehicle production</b> in 1.000 units	Worldwide	90,469	89,489
	Europe	17,966	17,189 <b>-4.3%</b>
	Americas	18,595	18,403 <b>-1.0%</b>
	Asia/Pacific & Rest of World	53,907	53,896 <b>+0.0%</b>

Note: Light Vehicle Production (LVP) based on &P Global Mobility per Feb 18, 2025; Growth figures always compared with the same period of the previous year

# UPCOMING EVENTS

April 16, 2025

- Prelim Q1 FY 2025

May 8, 2025

- Q1 FY 2025

May 16, 2025

- AGM

July 25, 2025

- H1 FY 2025



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