

HELLA Q1 2025 RESULTS

January 1, 2025 – March 31, 2025

May 8, 2025

FORVIA



AGENDA

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

01 ACHIEVEMENTS

HELLA Q1 FY 2025 Results

HELLA SALES AND PROFITABILITY LARGELY AT PY LEVEL – COST SAVING MEASURES SUPPORTED MARGIN

ORGANIC SALES SLIGHTLY DOWN BY 0.8%, GROWTH IN ELECTRONICS

- > Group reported sales -0.3% to €1,997m
- > Lighting down by 5.7% to €932m¹ due to discontinuation of series projects esp. in Americas and Asia
- > Electronics sales¹ up by 8.9% to €804m with different projects in ramp-up, radar & energy management business particularly successful in Americas and Europe
- > Lifecycle Solutions impacted by low investments in the commercial vehicle sector, sales¹ down by 8.7% to €251m

OPERATING INCOME MARGIN WITH 5.5% AROUND PY LEVEL

- > Lower Gross Profit margin due to Electronics, Lighting and LCS with positive margin development
- > Impact of cost reduction measures partially offset lower GPM
- > Improved R&D ratio

NET CASH FLOW EXCLUDING FACTORING IMPROVED YOY

- > NCF at -€61m, ratio to sales at -3.0%, (PY -€51m, -2.6% to sales)
- > Increased funds from operations
- > Modest increase of Working Capital
- > Smaller contribution from factoring increase (€14m in Q1 FY 2025 vs. €48m in Q1 FY 2024)

1) *External sales*

STRONG ORDER INTAKE ESPECIALLY IN ELECTRONICS – CONTINUOUS DEMAND FOR CORE TECHNOLOGIES

Lighting with further nominations from Chinese manufacturers

HIGHLIGHTS

- CBL package for Chinese OEM for premium car models, SOP 2026
- Different headlamp packages for premium Chinese OEM for several car models, SOP 2025
- Headlamp and rear lamp for European OEM, SOP 2025



Electronics with major awards for core technologies

HIGHLIGHTS

- Three-digit million order intake for European premium OEM for Advanced Control Module, SOP 2028
- Three-digit million order intake for radar applications for European OEM, SOP 2027
- DC/DC Converter & Battery Management System for European premium OEM, SOP 2027



Lifecycle Solutions continues to increase its customer outreach

HIGHLIGHTS

- LED Headlamp for international manufacturers of agricultural machinery, SOP 2027
- Rear Combination lamps for international bus manufacturer, SOP 2028
- Headlamps for international truck manufacturer, SOP 2027



ANNOUNCEMENTS OF STRUCTURAL MEASURES IN THE FIRST MONTHS OF FY 2025

CLOSURE IN THE GERMAN R&D NETWORK OF ELECTRONICS

- › Announcement on January 16th, to close HELLA Aglaia, based in Berlin, by mid-2026
- › Approximately 175 positions to be reduced as socially acceptable as possible
- › Aglaia, a wholly-owned subsidiary of HELLA since 2006, primarily serves as an internal development service provider, focusing on development activities in the areas of energy management, lighting electronics, and software development

STRUCTURAL ADJUSTMENTS IN LIFECYCLE SOLUTIONS

- › Announcement on April 10th, to close the assembly activities of the commercial vehicle business located in Großpetersdorf
- › Activities are planned to be relocated within the international production network
- › Around 225 positions in the production area planned to be reduced
- › The relocation is expected to be completed by the second half of 2027

START OF VOLUNTARY SEVERANCE PROGRAM IN LIPPSTADT

- › Announcement on February 27th, to further reduce around 200 positions in Lippstadt
 - around 150 positions within the Electronics Business Group
 - up to 50 positions within the Lifecycle Solutions business and in corporate functions
- › Headcount reduction will be executed in a socially acceptable way through a voluntary severance program

REINFORCED COST SAVING MEASURES AND TARIFF MITIGATION ACTIONS TO IMPROVE PERFORMANCE AND REDUCE RISKS

ACCELERATION OF MEASURES

- › Competitiveness program in Europe accelerated
- › Structural and performance-related measures pulled forward
- › Additional short-term fixed costs reduction measures implemented

TARIFF MITIGATION ACTIONS

- › Establishment of cross-functional task forces directly after US elections
- › Optimization of the supply chain – suppliers changed depending on country of origin
- › Conduction of pass-through agreements regarding customs costs with customers

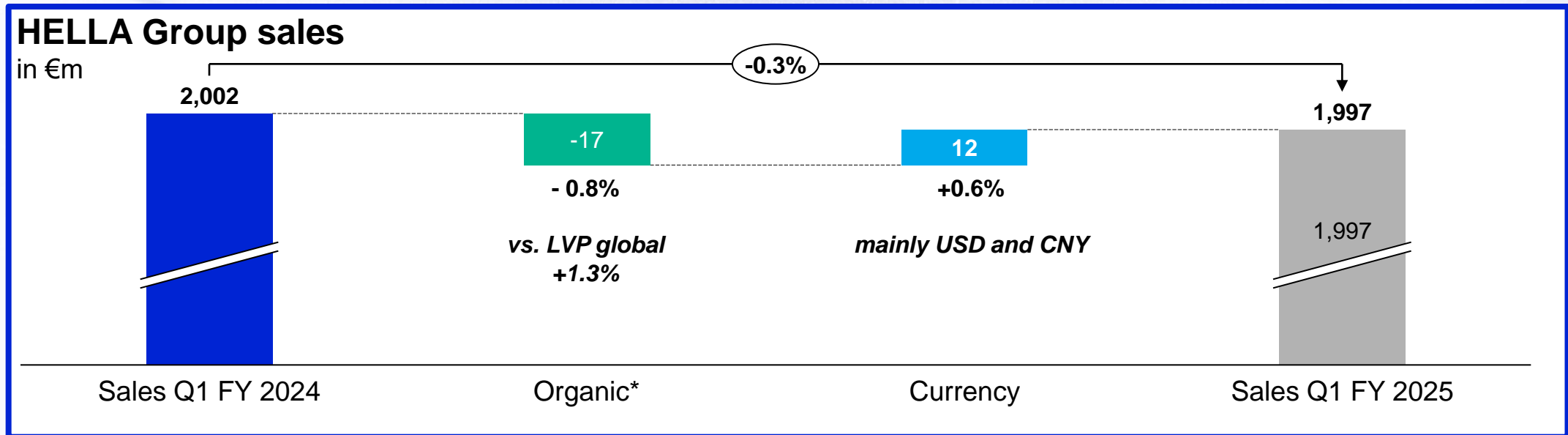
GUIDANCE
FY 2025
CONFIRMED

02 FINANCIAL RESULTS

HELLA Q1 FY 2025

HELLA SALES BROADLY STABLE – HIGH GROWTH IN THE ELECTRONICS BUSINESS

- > Organic sales Q1 FY 2025 down 0.8%*, FX positive at 0.6% (€12m) in the first 3 months
- > Reported sales Q1 FY 2025 -0.3%YoY
 - Global LVP up by 1.3% driven by very strong Chinese market (+11.5%)
 - Successful business development in Europe
 - Strong sales development in Electronics driven by radar business especially in the Americas
 - Lighting suffers from the discontinuation of various projects
 - LCS with stable development of the independent spare parts business



LIGHTING WITH DECLINING SALES – PROFITABILITY SUPPORTED BY FIXED COST REDUCTION

LIGHTING

In €m	Q1 FY 2024	Q1 FY 2025	
External Sales (€m)	988	932	
YoY organic		-6.4%	vs. LVP growth of +1.3%
YoY FX*		+0.7%	
Intersegment Sales	14	14	
Total Sales	1,002	946	
Operating Income	30	31	
% of Total Sales	3.0%	3.2%	

*approximation based on internal analyses

Growth impaired by the end of series production

- > Series start-ups and ramp-up of existing series production for headlamps and rear combination lamps in Europa and Americas
- > Significant negative impact from the discontinuation of various projects; particularly in the Chinese and American market

Operating Income +€0.1m (+0.5%) to €31m; OI Margin +20bps to 3.2%

- > Improved GP margin due to material costs savings and ReDtC measures which over-compensated negative volume & mix effects
- > Lower R&D expense due to less external spendings
- > Savings in administration and distribution expenses
- > Overall, 3% reduction of fixed costs achieved

ReDtC = Re-Design to Costs

ELECTRONICS WITH STRONG SALES DEVELOPMENT – PROFITABILITY IMPACTED BY NEGATIVE GPM DEVELOPMENT

ELECTRONICS

In €m	Q1 FY 2024	Q1 FY 2025	
External Sales	738	804	
YoY organic		+7.9%	vs. LVP growth of +1.3%
YoY FX*		+0.9%	
Intersegment Sales	75	62	
Total Sales	813	865	
Operating Income	51	52	
% of Total Sales	6.3%	6.0%	

*approximation based on internal analyses

Positive sales growth with start- and ramp-ups of several series projects

- > Successful radar business drives growth in Americas, growth also supported by ramp-up of EPS project
- > Ramp-ups of existing series programs drove growth in Europe and over-compensated negative impact of slower electrification
- > Growth in APAC with LV-BMS as well as car access systems

Operating Income +€1m (+1.6%) to €52m; OI margin -29bps to 6.0%

- > Gross Profit impacted by write-down of assets for energy management programs due to generally slower electrification
- > Lower R&D expenses with reduced use of external service providers could only partly compensate GPM decline

LIFECYCLE SOLUTIONS IMPACTED BY DECLINE IN COMMERCIAL VEHICLE BUSINESS

LIFECYCLE SOLUTIONS

In €m	Q1 FY 2024	Q1 FY 2025
External Sales	275	251
YoY organic		-7.3%
YoY FX*		-1.3%
Intersegment Sales	3	2
Total Sales	278	254
Operating Income	34	28
% of Total Sales	12.1%	10.8%

*approximation based on internal analyses

Negative sales development with decline in commercial vehicle business

- > Very low demand of customers in the commercial vehicle business esp. Agriculture, Trailer & Construction due to a significantly reduced investment activity
- > Demand for workshop products down with lower willingness to invest
- > Growth of the spare parts business with an expanded range of products in the Asian region

Operating Income -€6m (-18.5%) to €28m; OI margin down by 130bps to 10.8%

- > Increased Gross Profit Margin with positive product mix effects and cost savings
- > Decrease of R&D expenses with improvement of business processes
- > Higher SG&A ratio with expenses at around PY level

SIGNIFICANT MARKET OUTPERFORMANCE IN EUROPE AND AMERICAS – SALES IN APAC DOWN WITH EXPIRING PROJECTS

EUROPE



59 %
of group sales

AMERICAS



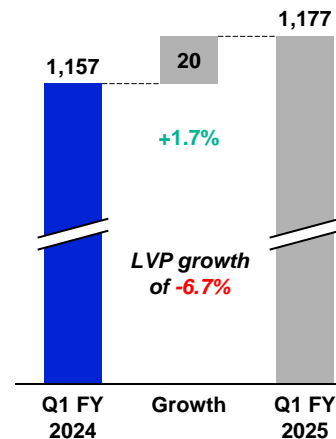
21 %
of group sales

ASIA/ PACIFIC INCL. ROW

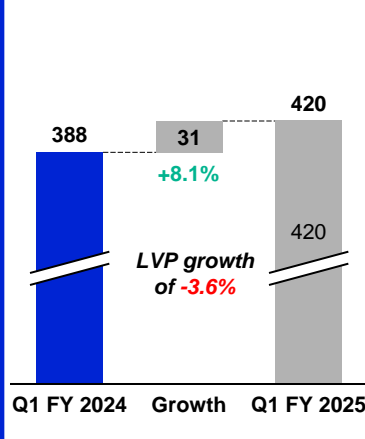


20 %
of group sales

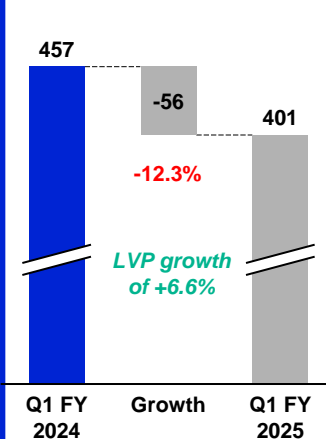
Reported sales
in €m



Reported sales
in €m



Reported sales*
in €m



- > Global LVP up 1.3%, growth driven by China (+11.5%)
- > HELLA Group organic sales growth at -0.8%, underperforming by approx. 160bps
- > Europe outperformance of ~840bps
 - New series launches and ramp-ups of existing series production in Electronics
 - Lighting affected by the discontinuation of series projects, partially counterbalanced by ramp-ups
- > Americas outperformance of ~1,300bps
 - Ramp-up of new projects for headlamps, rear combination lamps and radar, in particular
- > Asia/Pacific underperformance of ~1,800bps
 - Lighting suffers from the end of series productions
 - Electronics growing with LV BMS as well as car access systems

SALES AND PROFITABILITY AT PRIOR YEAR LEVELS – ACCELERATED COST SAVING MEASURES ON TRACK

In €m	Q1 FY 2024	Q1 FY 2025	YoY Change
Sales	2,002	1,997	- 0.3%
COGS	(1,527)	(1532)	+ 0.3%
% of sales	-76.3%	-76.7%	+ 45bps
Gross Profit	475	465	- 2.1%
% of Sales	23.7%	23.3%	- 45bps
R&D	(214)	(208)	- 0.3%
% of sales	-10.7%	-10.4%	-26bps
SG&A	(149)	(148)	- 1.3%
% of sales	-7.5%	-7.4%	- 7bps
(thereof distribution)	(80)	(83)	+ 4.3%
% of sales	-4.0%	-4.2%	+ 18bps
(thereof admin)	(76)	(70)	- 8.2%
% of sales	-3.8%	-3.5%	- 32bps
Operating Income	111.5	109.0	-2.2%
% of sales	5.6%	5.5%	- 11bps
JV & other investment income	(6.6)	(7.0)	-66.3%
% of sales	-0.3%	-0.4%	-12bps
Non-recurring OI& OE	(5.6)	(52.8)	
EBIT	99.3	49.2	-50.5%
% of sales	5.0%	2.5%	-250bps
Cons. Net Income	66.5	23.9	-64.0%
% of sales	3.3%	1.2%	-212bps

Gross Profit Margin down by 45bps

- > Lower GPM in Electronics weighs on group margin, Lighting and Lifecycle Solutions showed improvements

R&D ratio down by 26bps

- > Preparation for upcoming program launches
- > Savings with structural adjustments in the European development network and less use of external services especially in Electronics

SG&A expenses decreased by 1.3%, ratio to sales nearly stable at 7.4%

- > Acceleration of cost reduction measures offset higher distributions expenses

Non-recurring operating income and expenses at €52.8m

- > Mainly restructuring costs for the competitiveness program in Europe*

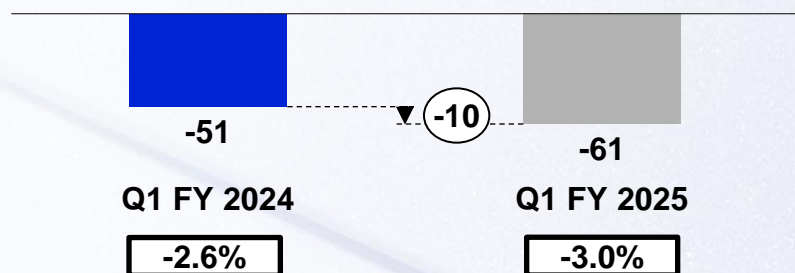
*Please refer to Note 05 in the financial statement for further details



EXCLUDING FACTORING, IMPROVEMENT OF NET CASH FLOW YOY

NET CASH FLOW

in €m and % of sales

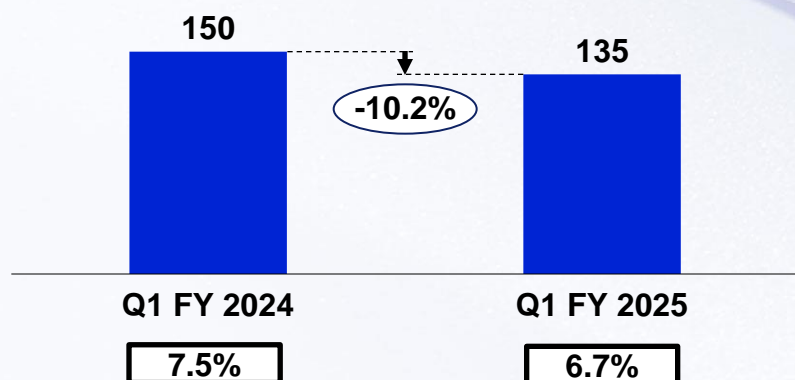


NCF decreased by €10m to €-61m, YoY improvement when factoring is excluded

- > Smaller contribution from factoring increase (€14m in Q1 FY 2025 vs. €48m in Q1 FY 2024)
- > Higher Operating Cash Flow
- > Small increase of working capital

TANGIBLE CAPEX

in €m and % of sales



Tangible CAPEX down by 10% to €135m

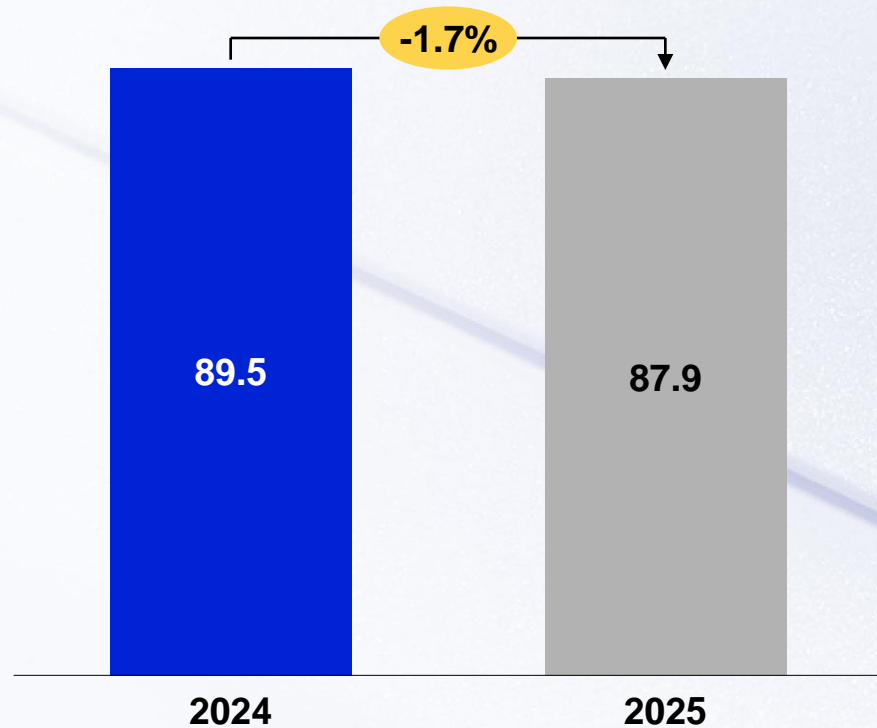
- > Investments in series projects after successful order intake in prior years
- > Thorough capital allocation
- > Savings with standardization & automatization of production processes

03 OUTLOOK

HELLA Q1 FY 2025

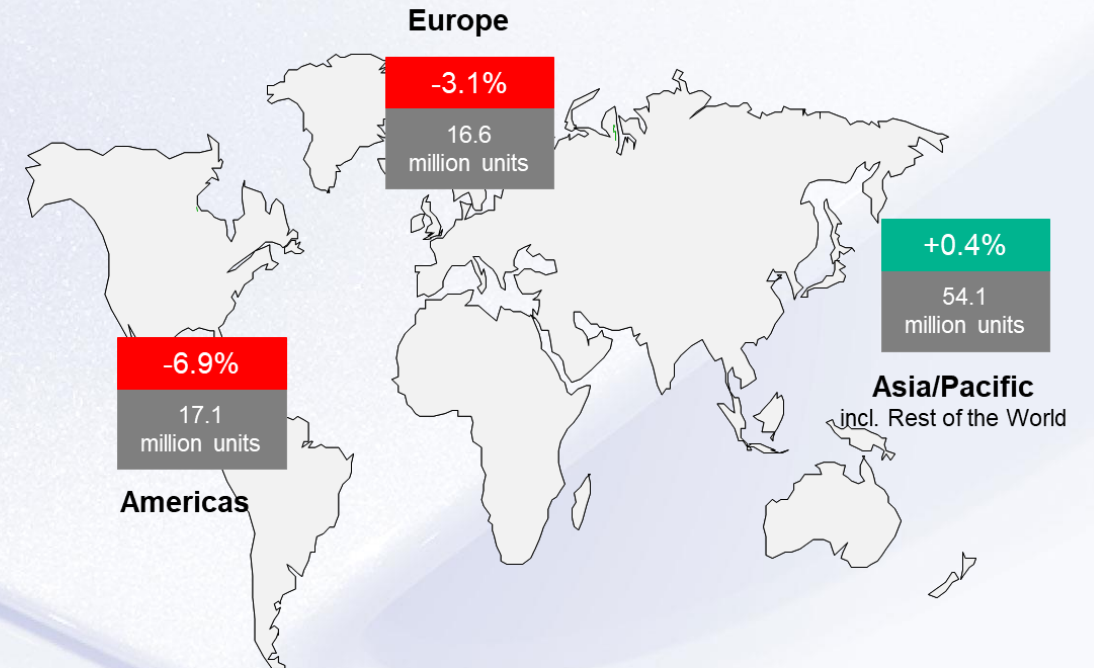
MARKET EXPECTED TO DECLINE BY 1.7% AFTER SHARP CUT OF S&P ESTIMATES, AMERICAS & EUROPE UNDER PRESSURE

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



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

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



HELLA CONFIRMS FY 2025 OUTLOOK

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

The Company outlook takes into account the market volume of 87.9 million units currently expected by S&P Global

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.

Outlook takes into account the initiatives described in the opportunity and risk report to mitigate potential implications of trade restrictions.

04 KEY TAKEAWAYS

HELLA Q1 FY 2025

KEY TAKEAWAYS

Overall solid start into FY 2025

- Sales and profitability largely at PY level
- Cost saving measures support profitability
- Net cash flow excluding factoring improved YoY

Measures to safeguard profitability reinforced

- Tight established cost management reinforced
- Structural measures ongoing – socially acceptable as possible
- Additional short-term fix costs reduction measures implemented

Tariff mitigation initiatives initiated

- Establishment of cross-functional task forces
- Adjustments along the value chain in cooperation with customers & suppliers
- Conduction of pass-through agreements regarding customs costs with customers

Outlook FY 2025 confirmed

- 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
- Based on S&P LVP estimate of 87.9m
- Takes tariff mitigation initiatives as described in the opportunity and risk report into account

APPENDICES

LVP PRODUCTION AND GROUP SALES PER REGION

		Q1 FY 2024	Q1 FY 2025
HELLA Group sales in €m	Worldwide	2,002	1,997
	Europe	1,157	1,177 +1.7%
	Americas	388	420 +8.1%
	Asia/Pacific & Rest of World	457	401 -12.3%
Light vehicle production in 1.000 units	Worldwide	21,433	21,721
	Europe	4,610	4,302 -6.7%
	Americas	4,592	4,428 -3.6%
	Asia/Pacific & Rest of World	12,230	12,991 +6.2%

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

UPCOMING EVENTS

May 16, 2025

- AGM

July 25, 2025

- H1 FY 2025

November 11, 2025

- Q3 FY 2025

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