

STRATEGIC PLANNING 2025

Communication of results

July 2025

FORVIA



AGENDA





01 MARKET & TRENDS

CURRENT GLOBAL MARKET ENVIRONMENT

HELLA's key challenges and strategic priorities



Key challenges

- 1 Competitors and customers innovate faster at lower cost
- 2 High momentum of change and transformation requires high efforts to maintain top 1-3 positioning
- 3 Geopolitical tensions, trade restrictions and local content rules continue to rise
- 4 Center of gravity (esp. in R&D) with key know-how and high-cost base in Central Europe
- 5 Strong dependency on European OEMs in a stagnating market

Top 5 strategic priorities

- 1 Simplify structures and processes and thereby focus efforts on core customer needs
- 2 Be selective and chose the most promising bets to ensure differentiation, strong market position and competitiveness
- 3 Continue to form resilient and autonomous regional teams
- 4 Drive local-for-local developments to improve efficiency, speed and customer proximity
- 5 Diversify and deepen relationships with Asian and American OEMs

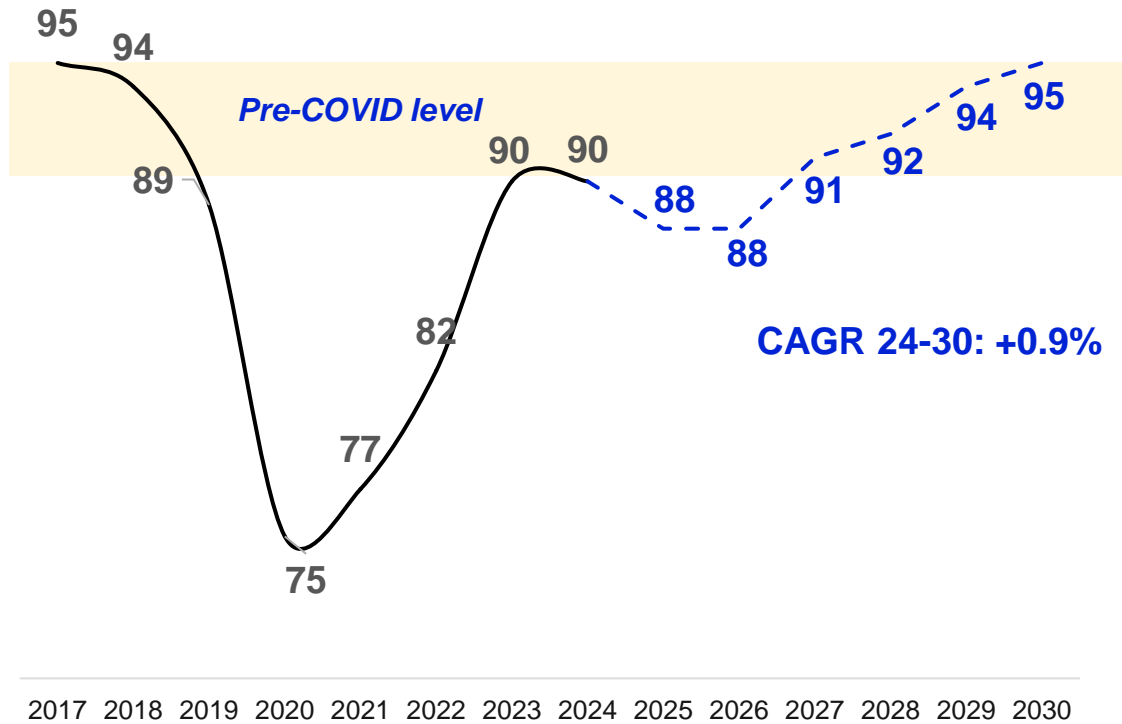


STAGNATING GROWTH IN NORTH AMERICA AND EUROPE

Market development

Worldwide automotive production (in million vehicles)

Peak volume: 95 million vehicles (2017)

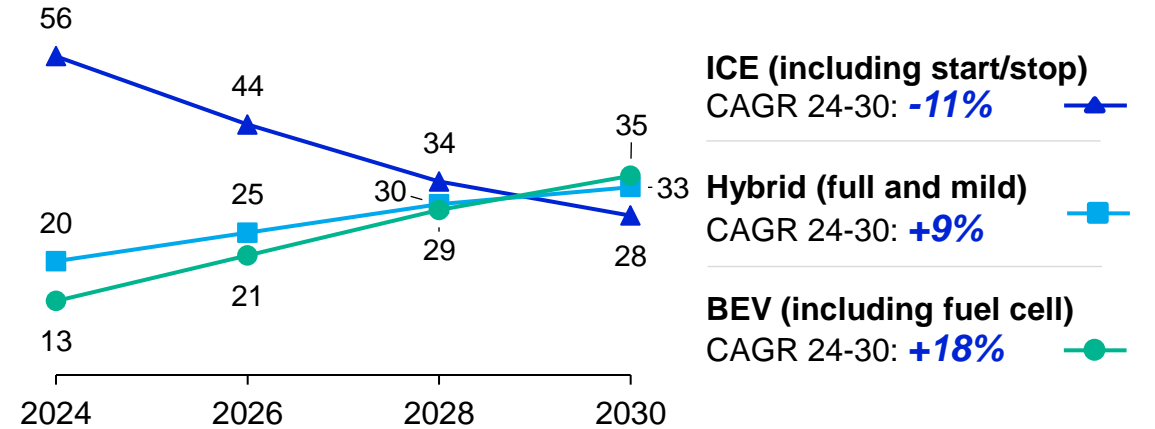


— Historical production
- - Assumption SP2025

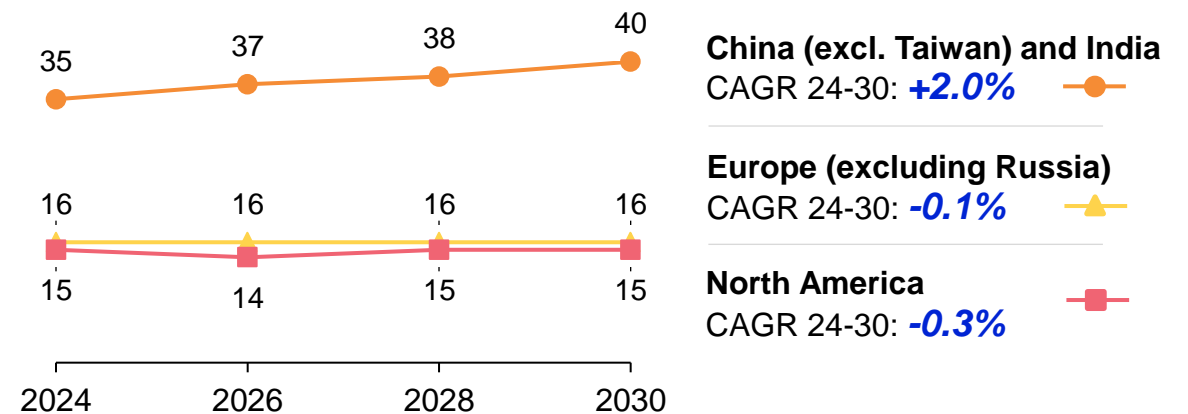
Source: Global S&P as of April 2025

P.5 | SP 2025 Global Communication – July 2025

Global powertrain development (in million vehicles)



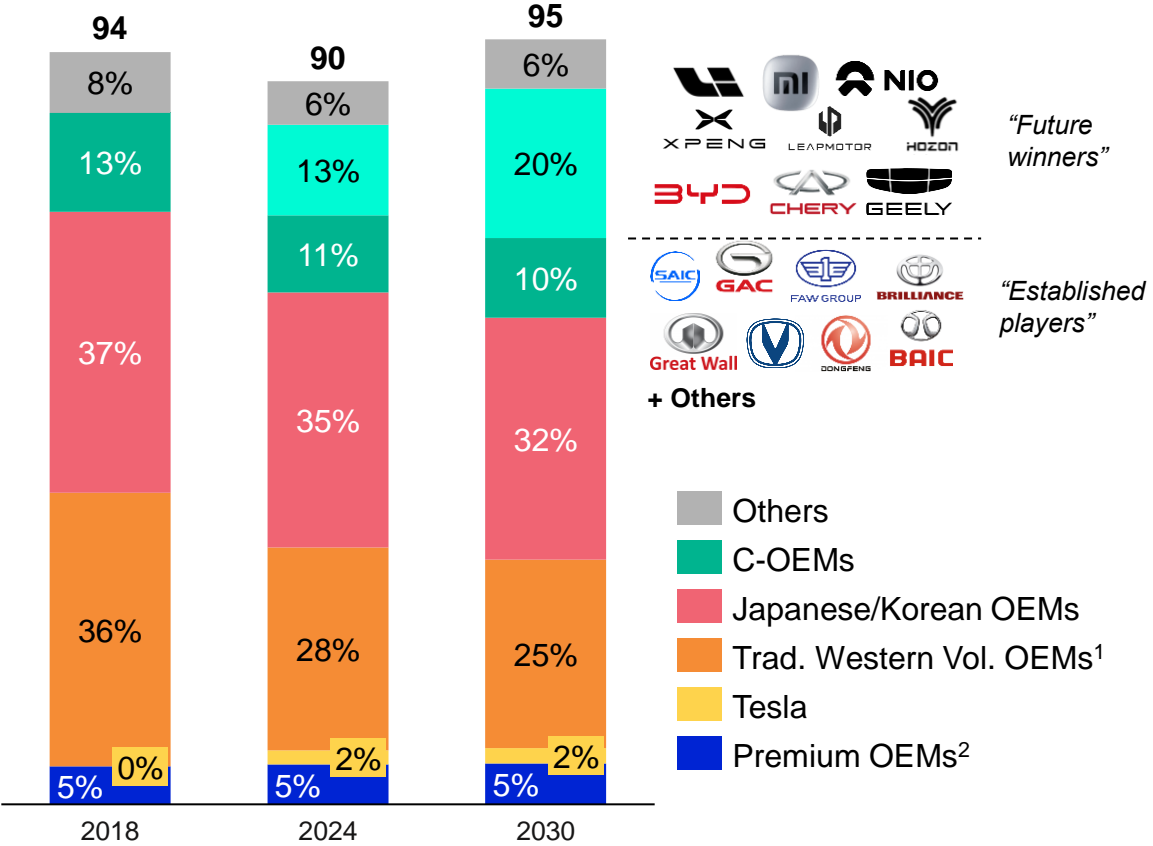
Automotive production by region (in million vehicles)



SHIFTING SHARES ACROSS GLOBAL AND REGIONAL OEMS

OEM market share development

Market share development 2018 until 2030



Comment:

- > **Chinese OEMs with significant volume gains in 2030** due to increasing market shares in domestic market
- > **Japanese / Korean OEMs with decrease** in market share but still accounting to significant portion of total market
- > **Traditional volume OEMs** (incl. VW, Renault, Stellantis, Ford, GM) with declining volume due to lost market shares to Chinese OEMs
- > **Premium OEMs** (incl. Mercedes-Benz, BMW) expected with stable market share
- > Contrary to last year’s outlook **Tesla** with stagnating market share

¹VW, Renault, Stellantis, Ford, General Motors; ²Mercedes-Benz, BMW, Lucid, Ferrari, McLaren, Aston Martin

Source: Global S&P as of April 2025



CHALLENGING AND VOLATILE MARKET ENVIRONMENT









Market trends

 Opportunity  Neutral  Risk

Market trends

Strategic implications

Impact on FORVIA HELLA

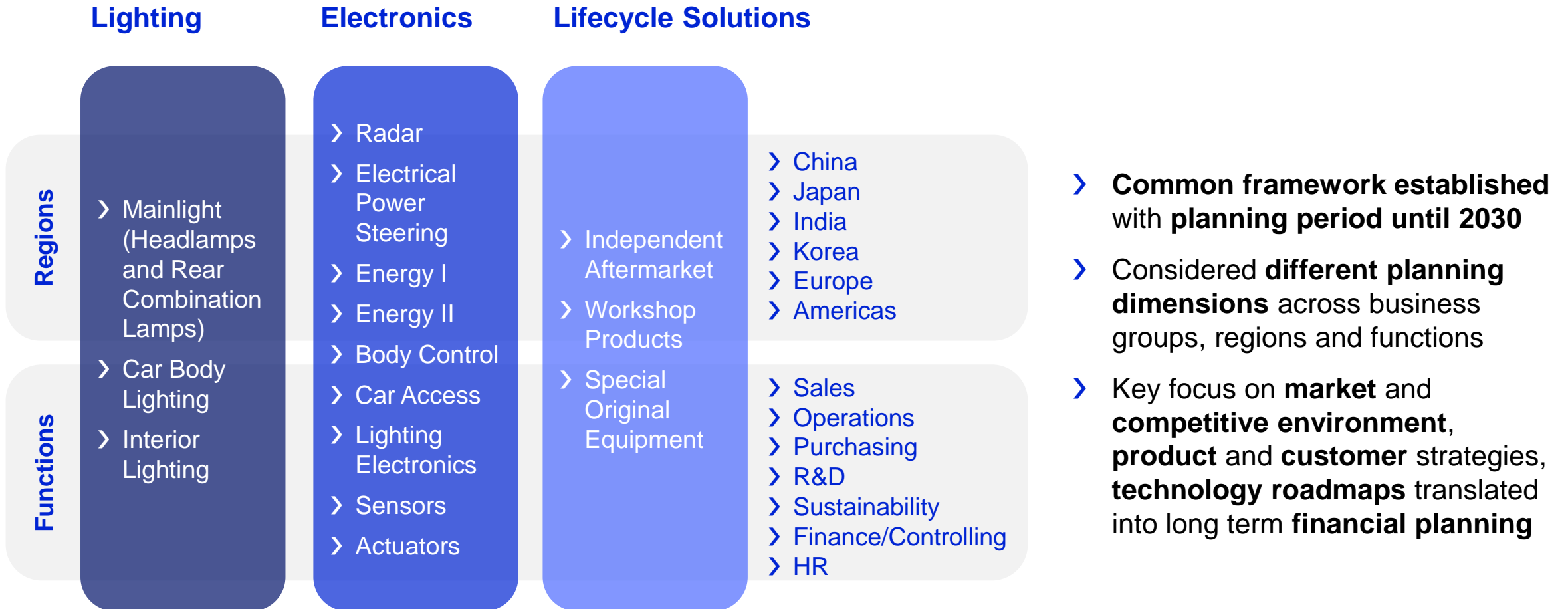
Electrification		Growing demand for high-voltage components	Innovation and growth opportunities for energy management and thermal management
Automated Driving		Regulatory push, ongoing chip shortages, trend towards OEM insourcing	Growth opportunities due to increased market demands, robust supply chains required
Digitalization & Connectivity		Shift towards software-defined vehicles, centralized E/E architectures	Opportunities for growth and new revenue models (e.g. iPDM, smart lighting)
Software & Gen AI		Automation of (software) development activities, faster development cycles	Potential for significant efficiency gains
Cybersecurity		Increased regulation and OEM requirements	Opportunities for new offerings in secure ECU and encryption technologies
New OEMs		Growing C-OEM market shares, increased price pressure	Opportunities with C-OEMs, requirement for cost competitive offerings
Regionalization		Increased geopolitical tensions, trade restrictions and local content rules with impact on supply chains	Local-for-local sourcing and supply chains
Sustainability		Fulfillment of CO2 neutrality requirements, demand for sustainable products and supply chains	Holistic consideration of CO2 implications in product and supply chain design



02 GROUP

STRATEGIC PLANNING SYNCHRONIZED ACROSS FORVIA

FORVIA HELLA strategic planning framework



SECURE OI AND GENERATE CASH DESPITE SLOW GROWTH


FORVIA HELLA Group – financial outlook

Total sales

(in € billion)

Actual 2024: **8.0**

Guidance 2025: **~7.6-8.0**

Strategic plan trend 2030: 

Key growth levers:


- > Expand customer base in **Asia** and **Americas** to reduce dependency on Europe
- > Drive growth through **innovative, high-value technologies** like radar, flatlight and SSL|HD
- > Strengthen position with **Chinese** and **Japanese OEMs** for long-term diversification

Operating income margin

(in % of sales)

Actual 2024: **5.6%**

Guidance 2025: **~5.3-6.0%**

Strategic plan trend 2030: 

Key profitability levers:


- > **Reshape European footprint** to improve cost efficiency and competitiveness
- > Simplify processes to **boost efficiency** of operations, R&D and admin (incl. leveraging AI)
- > **Leverage synergies within FORVIA** (e.g. shared services, joint ventures, ..)

Net cash flow

(in € million)

Actual 2024: **189**

Guidance 2025: **≥200**

Strategic plan trend 2030: 

Key cash levers:

- > **Reduce inventories** and **improve working capital** through lean processes
- > **Limit CAPEX** by reusing equipment and leveraging customer reimbursements
- > **Lower spending** and **monetize commercial opportunities** with customers and suppliers



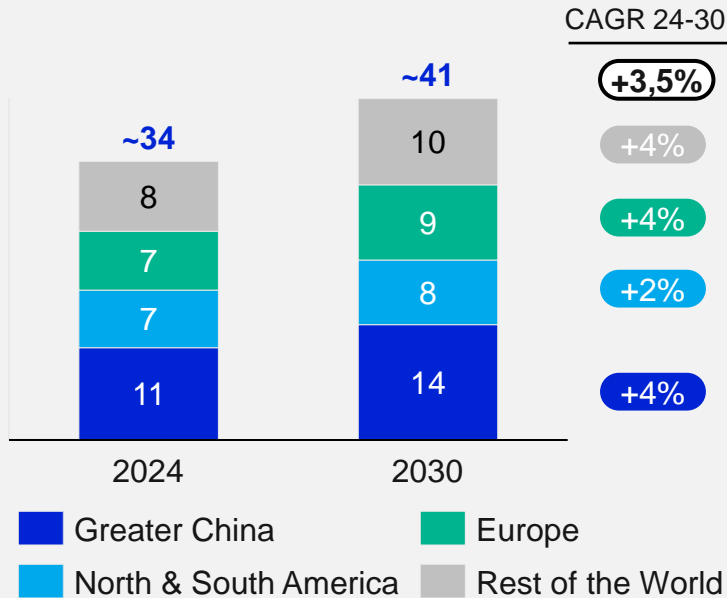
03
LIGHTING

GROWTH DRIVEN BY INCREASE OF CONTENT PER VEHICLE

Lighting – market and competition

Lighting market per region

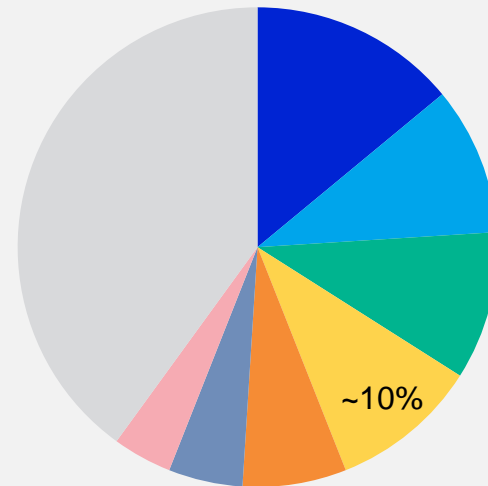
in € billion, Global



- › **Chinese market** (~33% of the global market) is growing due to **increasing vehicle volumes** and a **rise in content per vehicle (CpV)**
- › The global lighting market is expanding due to the **penetration of new technologies** (e.g. ADB, FPS)

Competitive landscape

Global, 2024



- Koito
- Valeo
- Marelli
- FORVIA HELLA
- Stanley
- HASCO
- Xingyu
- Other

- › FORVIA HELLA with **~10% market share 2024**
- › **GL assumes** it will slightly lose market share short term but expects to **grow faster than the market by end of the decade** and has the **clear ambition** to become at least **part of Top 3**

Key market trends

Cross-products

- › **Growth of the lighting market** is driven by **increasing content per vehicle (CpV)** and further technology penetration
- › There is **strong price pressure**, especially from the Chinese market and suppliers

Headlamps

- › Slowed market penetration of high-tech products and **accelerated growth of LED share**

Rear Combination Lamps

- › **Trend toward exterior displays** for Chinese OEMs and premium vehicles

Car Body Lighting

- › Trend toward **illuminated grilles and panels**, both at the front (FPS) and the rear (RPS)

Interior Lamps

- › **Surface lighting** as the next **evolutionary** step in ambient lighting

Remark: The vehicle production volumes for 2024 and 2030 are based on the IHS database as of October 2024, with vehicle volumes for Europe including Russia; CpV = Content per Vehicle; ADB = Adaptive Driving Beam (adaptive front lighting); FPS = Front Phygital Shield; RPS = Rear Phygital Shield


CONFIRMED POSITIONING AS TECHNOLOGY LEADER

Lighting – achievements and key strategic initiatives

Key achievements since SP2024

- > Maintained **technology leadership** position with **regional focus** and **differentiation**
- > **Successful launch** and **progress** in implementation of **EU competitive program**
- > On track with **rebalancing the mix** for profitable growth, increasing the share of **Chinese OEMs with** and **US OEMs** in our portfolio
- > **Go-East strategy** for tooling and equipment sourcing established and first **CAPEX reductions realized**

SP 2025 and key strategic initiatives

Customers 	One-Face to the customer with new GL customer teams	Stronger focus on gaining market share in the volume segment	Leverage growth of Chinese OEMs by focusing on new business with them along “move from West to East” strategy
Portfolio & Sustainability 	Initiated target costing approach to align with customer price pressure	Focus cost innovation as major lever to drive high tech solutions into broader market and customer base	Development of market specific solutions for exterior displays and road projections
Functions 	Foster local innovation needs early on with the regional innovation team in China and North America	Drive the operations transformation with focus on lean manufacturing	Further drive R&D optimization and operations standardization with AI tools and universal equipment

Adapting to changing global market environment and heavy price pressure – focus on volume segments and new opportunities

LOCAL-FOR-LOCAL APPROACH APPLIED

Lighting – regional strategies

North and South America

- > Foster local-for-local business set-up along the supply chain and **strengthen partnership** with **Detroit 3** and local **supplier base**
- > Optimize manufacturing cost by **universal assembly** line introduction and efficiency increase by **FES** implementation
- > Increase **vertical integration** of lighting modules & PCBAs and launch of internal tool shop HMT

Europe

- > **Leverage technology** leadership to drive affordable innovations and expand into volume segments
- > **Operations transformation** of European plants
- > Roll-out **massify production** technologies
- > Diversify **customer portfolio** and **product mix**

Asia Pacific

- > Growth potential with **Go East** initiative, evaluating new market entries/business opportunities with **Japanese/Korean OEMs globally**
- > **Develop** projects in **<12 months**
- > Innovation focus on shifting gears with more **concentration on cost-down innovations** ('functional sidestep') and innovations in and from China
- > Continue to **enlarge the local customer portfolio**; being a partner for export of C-OEMs

REGION CENTRIC APPROACH ON PRODUCT INNOVATIONS

Lighting – selected innovations

North and South America



- › Promotion and support of **ADB introduction** based on the digital main lighting module family
- › Focus on **market-ready technologies** with simple and fast implementation

Penetration with ADB and transfer of technologies from the EU and China

Europe



- › Introduction of **FlatLight, exterior display technology, and sustainable technology modules**
- › **Micro- and nano-optical applications**
- › Integration of **surface and film technologies**

Technological sidestep with a focus on affordable innovations and efficiency

Asia Pacific



- › Development of market-specific solutions for **exterior displays and road projections and essential EdgeLight**
- › Focus on Interior Lighting **Smart Lights** as a pioneering local trend
- › Identification of **cooperation** opportunities in **high-tech niche applications**

Trendsetter for customization and accelerated development cycles

Remark: ADB = Adaptive Driving Beam

PROFITABLE GROWTH TRAJECTORY CONFIRMED

Lighting – financial outlook

Total sales

(in € billion)

Actual 2024: **4.0**

Strategic plan trend 2030: 


Key growth levers:

- > Leverage **technology leadership position** to drive affordable innovations
- > **Local-for-local** approach with regional scaling of our products
- > Expand into **volume segment**
- > Increasing **customer intimacy** via dedicated teams with one-face to the customer approach

Operating income margin

(in % of sales)

Actual 2024: **3.2%**

Strategic plan trend 2030: 


Key profitability levers:

- > **Lean & streamlined organization** in **local-for-local** set-up
- > **Standardization** and **efficiency** improvements in R&D as well as **shortening of development times**
- > Redesign **product architectures** to meet **best-cost first**
- > **Operations transformation** focusing on material, manufacturing costs and utilization
- > **Improve project OI** by smart acquisitions and **target costing**

Operating cash

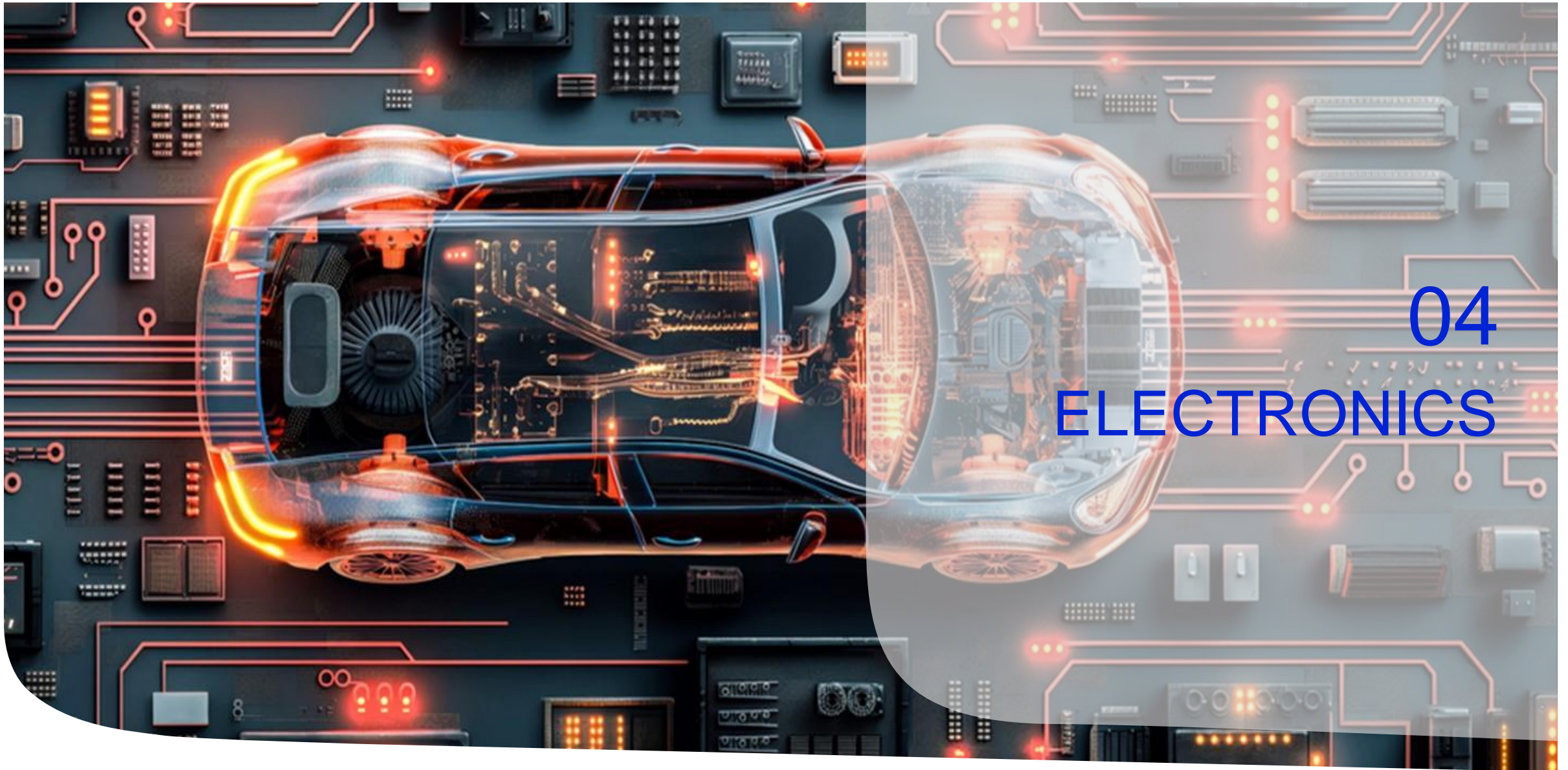
(in % of sales)

Actual 2024: **0.5%**

Strategic plan trend 2030: 

Key cash levers:

- > Improvement of **working capital** and **inventory optimization** by FES and increasing **supplier consignment**
- > Reduction of **CAPEX spending** by increased **standard equipment** and **higher re-use share**



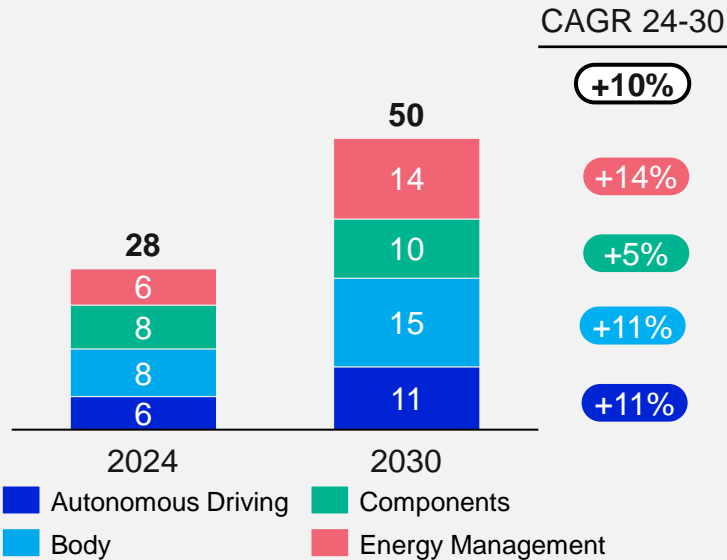
04 ELECTRONICS

INCREASING ELECTRONICS CONTENT PER VEHICLE

Electronics – market and competition

Market value by segment

in € billion, Global



- › Addressed market provides **significant growth potentials** driven by increase in electronics **content per vehicle and regulatory requirements**
- › Radar, Energy Management and Body as **strongest growth fields**

Competitive landscape

Automated Driving

APTIV Continental Valeo
 BOSCH DENSO

Body Electronics

APTIV Continental DENSO MARQUARDT
 Desay Valeo BOSCH KEBODA

Sensors and Actuators

BOSCH KOSTAL Valeo Sensata
 Sanhua Continental MAHLE Pierburg

Energy Management

BOSCH Continental Visteon VMAX
 EVTech Vitesco Delta Hitachi Shinry

- › **FORVIA HELLA** Electronics on market **position 1-3** in key market segments
- › **Significant change in competitive landscape** (e.g. struggling traditional peers, new competitors from China) require continuous **prioritization of most promising portfolio options**

Key market trends

Automated Driving

- › Increasing **demand on sensors and actuators** driven by regulation (e.g. NCAP) and higher autonomous driving level functionality
- › **Commoditization of sensors** leads to increasing price pressure and less differentiation

Electrification

- › Despite temporary slowdown, **long-term growth of the EV market, led by Chinese OEMs**
- › **Declining market for products related to internal combustion engines (e.g. vacuum pumps)**

Changes in electronics architecture

- › Changing E/E architecture towards **software defined vehicle**
- › New E/E architecture enabler for **additional functionalities** (e.g. eFuses for predictive maintenance, add-on features for Smart Car Access)



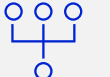
GROW IN ATTRACTIVE MARKETS WITH STRONG PORTFOLIO

Electronics – achievements and key strategic initiatives

Key achievements since SP2024

- > **Portfolio management:** Further shaped future product portfolio based on HELLA's technology edge (e.g. eFuse/zonal control, smart car access add-on features, HV power electronics x-in-1)
- > **Customer diversification:** Increased resilience by reduced regional dependency and broadening of customer base (e.g. C-OEMs)
- > **Footprint optimization and local-for-local approach:** Strengthening regional R&D and sales teams and independence of regions (e.g. independent entities in India and China)
- > **Efficiency increase and cost reduction:** Simplification of processes and optimization of footprint to improve cost base

SP 2025 and key strategic initiatives

Customers 	European OEMs Build on strong relation and expand technology leadership	American OEMs Execute won business and roll-out new products	Chinese OEMs Entering China market with scale	Japanese OEMs Utilize Keiretsu opening to grow with J-OEMs
Portfolio & Sustainability 	New business Enter new markets in automotive and non-automotive	Innovation pipeline New products, e.g. high-resolution radar, x-in-1 HV power electronics	Path to CO2 neutrality 9-step approach to derive concrete reduction measures	
Functions 	Regional expertise Strengthen local sales and R&D to gain market access and increase customer intimacy	R&D efficiency Increase R&D efficiency, e.g. enabled by AI	Organizational structure Further increase simplicity along procedures and processes to increase efficiency and gain speed	

Strengthen **resilience** of product and customer portfolio, focus on **execution** of business, drive **simplicity** throughout processes

LOCAL MARKET APPROACHES TO WIN IN ALL REGIONS

Electronics – regional strategies

North and South America

- > Realize **further growth opportunities** and roll-out **new products**, e.g. iPDM/eFuse
- > **Foster further growth**, especially with JOEMs
- > Focus on **execution** of acquired projects (e.g. ramp-up operations)
- > **Strengthen regional team** (local R&D expertise and customer front-end)

Europe

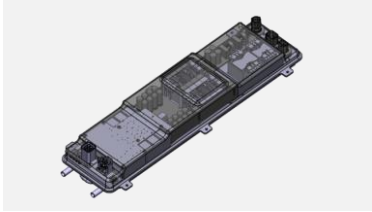
- > Realize growth opportunities in stagnating market driven by **content per vehicle increase**
- > Further **invest in innovation** and leverage available cutting-edge electronics expertise
- > **Increase R&D efficiency** through leveraging AI efficiency gains and further expansion of low-cost setup

Asia Pacific

- > **Adapt organization** to strengthen local footprint and **increase empowerment**
- > **China:** Grow with C-OEMs (e.g. based on local products)
- > **Japan:** Utilize Keiretsu opening to enter J-OEMs
- > **India:** Leverage strong current setup to further grow
- > **Korea:** Foster HKMC business

INNOVATIONS REMAIN KEY SUCCESS FACTOR

Electronics – selected innovations



High Voltage PowerBox and further integrated x-in-1 solutions

- › Emerging trend of higher integration of power electronics with high potential for innovation and differentiation
- › Discrete design of a high voltage PowerBox combining high voltage DC/DC and on-board charger into one unit providing cost and package/weight advantage vs. stand alone devices
- › Product roadmap with integration of further building blocks, e.g. battery mgmt. system, to scale to x-in-1 solution



Smart Car Access with Add-on Features

- › UWB-based car access systems (e.g. via smart phone) take convenience and security to a new level
- › They also offer the possibility of additional functions without additional hardware via software, such as child presence detection, intrusion detection and kick sensor (e.g. for contactless opening of the tailgate)



eFuse/ Intelligent Power Distribution Module and Zonal Control Modules

- › Zonal control modules and intelligent power distribution are essential key technologies for upcoming E/E architectures to support autonomous driving, digitalization and electrification of vehicles
- › With the highly integrated iConF product solution, HELLA is the first supplier to combine an electronic fuse with its own ASIC and intelligent control software

ATTRACTIVE FUTURE VALUE CREATION BY ELECTRONICS

Electronics – financial outlook

Total sales

(in € billion)

Actual 2024: **3.3**

Strategic plan trend 2030: 


Key growth levers:

- > **Moderate growth** in the **short term**, market **recovery** expected **after '26**
- > **Key drivers** are Radar, Body Control and Energy Management
- > Foster growth markets and business with new players to **increase resilience**
- > Explore **new business** opportunities in **automotive and non-automotive**

Operating income margin

(in % of sales)

Actual 2024: **6.9%**

Strategic plan trend 2030: 

Key profitability levers:

- > Continued pressure due to **shrinking business of profitable legacy products**
- > **Improvement** mainly due to **higher scale** and **lower fixed costs**
- > Secure profitability due to strong focus on **execution** of business
- > Efficiency increase due to **simplification of processes**

Operating cash

(in % of sales)

Actual 2024: **5.0%**

Strategic plan trend 2030: 

Key cash levers:

- > **Conscientious** spending of **capital expenditures** ensured by all employees
- > Continued focus on improvement of **working capital** situation
- > Consequent realization of **commercial opportunities and customer negotiations**



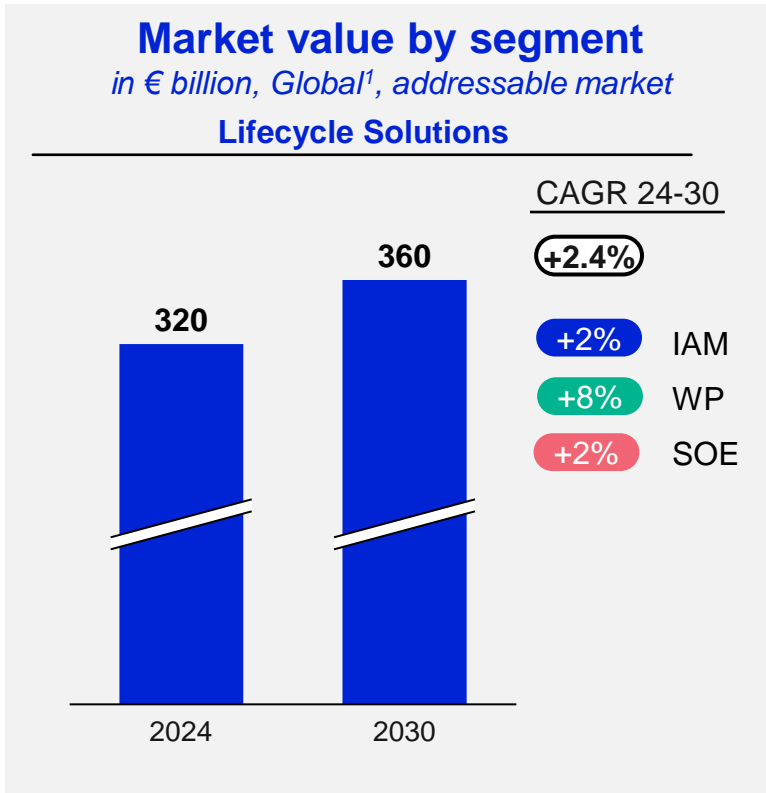
HELLA GUTMANN

05

LIFECYCLE SOLUTIONS

MARKET GROWTH & COMPETITION

Lifecycle Solutions – market and competition



- › FORVIA HELLA operates mainly in the **European market**, which grows at ~2.6%
- › Lifecycle Solutions plans to outperform the market with an **annual revenue growth of ~5%**

¹Global figures based on vehicle volume estimates



- › **Copy suppliers** (e.g. TYC, DEPO) set the entry-level price in the aftermarket and represent a large share of the vehicle-specific replacement parts market
- › **SOE** is well positioned as a **premium supplier** in the lighting market and as a component supplier in the electronics market

Key market trends

Independent Aftermarket (IAM)

- › **Additional market players** are entering the highly fragmented aftermarket, including repackers and copy product suppliers
- › **Increasing customer consolidation** results in stronger purchasing power and a rise in private label activities
- › **Geopolitical tensions** are affecting demand and disrupting supply chains

Workshop Products (WP)

- › **Asian suppliers** of diagnostics and workshop equipment are increasingly entering the European market (especially Autel & Launch)
- › The **growing complexity** of vehicles presents increasing challenges for customers and drives demand for repair support
- › The **calibration of vehicles** (ADAS) is driving growth

Special Original Equipment (SOE)

- › Following a sharp decline in 2024, the market has bottomed out – **growth** is expected to resume from **2026 onwards**
- › **Asian suppliers** are increasingly moving from the low-price into the **mid-price segment**, offering cost-effective alternatives



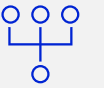
FULL FOCUS ON GROWTH AND COMPETITIVENESS

Independent Aftermarket – achievements and key strategic initiatives

Key achievements since SP2024

- › **Brakes program** fully shifted to HELLA; new price competitive suppliers established
- › Market entry strategy into **thermo-management** defined with first 1,200 articles launched
- › **HELLA Australia** with AM dedicated setup after successful STAIRS implementation
- › **Flexibilization of cost structure** started
- › Logistics & quality setup strengthened in **China**
- › Global sourcing process redefined – significant **material cost reduction** achieved
- › Global functions in **India empowered**
- › Product **launch process optimization** started to speed up time to market
- › **Digitalization:** Long list of ideas identified, implementation show first impactful results

SP 2025 and key strategic initiatives

Customers 	Increase focus on expanding Truck business	Continue existing product growth initiatives and regional growth strategies		
Portfolio & Sustainability 	Pursuing a green procurement policy that favors suppliers with lower carbon emissions	Establish HELLA-branded Filter range	Widen coverage of Asian OEM applications	Determine remanufacturing possibilities for headlamps
Functions 	Streamlining of supplier base	Establish future ready PIM system	Implement digitalization initiative topics	

Full focus on execution of growth initiatives while implementing defined cost competitiveness measures

SECURE SUSTAINABLE GROWTH

Workshop Solutions – achievements and key strategic initiatives

Key achievements since SP2024

- › **Internationalization:** Improved market access through the introduction of entry-level products and country-specific pricing and sales
- › **Entry-professional segment:** Strengthened position with Mega Macs S20
- › **ADAS growth:** Launched new ADAS product to drive market penetration + establish strong, sustainable position in a still fragmented market
- › **Data monetization:** Building on past investments in data products by refining go-to-market strategies, implementing customer-specific solutions, and introducing White Label as a Tier 2 channel
- › **Remote services:** Remote established as a sustainable growth driver

SP 2025 and key strategic initiatives

Customers 	Increase international share of sales with Entry Professional Products	Open new sales channel with White Label and E-Commerce	
Portfolio & Sustainability 	Improve overall resilience of product portfolio	Increase competitiveness and grow ADAS with market and technological developments	Drive Remote Services growth and Connectivity/ Data monetarization
Functions 	Project FRESH to generate an accountable, high-performing organization that drives a resilient, market-leading product portfolio	Streamlined tech landscape through continuous delivery, reduced tech debt, and modern data architecture	

Unlocking new growth potential through resilient product portfolio and reduced regional dependencies


EXECUTING GROWTH AND STRUCTURAL OPTIMIZATION

Special Original Equipment – achievements and key strategic initiatives

Key achievements since SP2024

- › **Supplier base consolidation** to reduce material costs
- › Strengthened focus on **ReDtC** to drive profitability
- › Improved efficiency and **lower fixed cost** ratio through European footprint adjustments
- › Increased modularity in **lighting modules** (HW/SW)
- › Gained traction in **truck and electronics segments** (e.g. IBS for Navistar/Caterpillar, interior lighting for Daimler/Volvo)
- › Diversified regional sales with key wins like **marker lamps for Rivian R2**
- › Streamlined **organizational structures** to accelerate time-to-market

SP 2025 and key strategic initiatives

Customers 	Strengthen our position in the truck market by expanding business with global key players	One FORVIA – offer the SOE sales channels as a new growth opportunity to the FORVIA Group
Portfolio & Sustainability 	Enrich the portfolio with standard products through licensed manufacturing partnerships	Expand the E/E portfolio to move toward the long-term ambition of sales volume parity with the lighting segment
Functions 	Further adjusted organizational structures to enhance customer centricity and reduce time-to-market through fewer interfaces	Enhance competitiveness through modularization, ReDtC and digitalization

Executing growth initiatives, reducing fixed costs and investing to maintain innovation leadership

LS FOLLOWS TAYLORED STRATEGIES PER REGION

Local market approaches to win in all regions

North and South America

- > Keep on **accelerating sales growth in IAM** by leveraging products that best fit local requirements
- > Setup of **SOE manufacturing footprint in NSA** region with product and customer portfolio allowing for fast ramp-up with lowest possible invest

Europe

- > **Enhancing competitiveness** through standardization, modularization, ReDTC, and digitalization
- > **Adaptation of the footprint** in Europe under the current and forecasted economical conditions
- > Workshop Solutions will **boost sales beyond DACH** with Entry Professional & White Label products and Remote Service

Asia Pacific

- > **Maximize revenue out of India** to leverage current geopolitical situation and projected growth of Indian market
- > Putting a focus on “**Asian applications**” for the **Independent Aftermarket** that will support broader car parc coverage and enable access to new sales channels

STRONG INNOVATION CAPABILITY CONFIRMED BY A COMPREHENSIVE TECHNOLOGY PIPELINE

Lifecycle Solutions— selected examples

Special Original Equipment: Smart Connect



- › The innovative Smart Link concept connects all lighting and electronic components of a construction machine cabin – from work lights to interior lighting
- › Through digital networking, electronic components communicate with each other via the data bus. This simplifies the system architecture and enables the integration of new technologies and functions

Independent Aftermarket: Back to Cool – The leading thermal management supplier is back



- › HELLA Aftermarket is re-entering the business of thermal management components
- › The initial product range includes 1,200 spare parts, with an expansion to 6,000 parts planned until 2027
- › Forward-looking OE technologies from thermal management will be introduced into the IAM in the medium term

Workshop Products: Digital calibration of vehicles



- › With the CSC-Tool PRO, HELLA Gutmann introduces a new solution for calibrating modern vehicle systems
- › Unlike previous calibration solutions, it is not the diagnostic device but the CSC-Tool PRO itself that performs the calibration process
- › Every step of the process is fully documented and compiled into a comprehensive final report


LIFECYCLE SOLUTIONS IS AIMING CONTINUED PROFITABLE GROWTH

Lifecycle Solutions – financial outlook

Total sales

(in € billion)

Actual 2024: **1.0**

Strategic plan trend 2030: 


Key growth levers:

- › Independent Aftermarket: **Adding product groups** for continuous market outperformance
- › Workshop Products: **Internationalization** by leveraging our Sales companies, digital products and services
- › Special Original Equipment: **Increase share-of-wallet** and add new truck customers

Operating income margin

(in % of sales)

Actual 2024: **9.6%**

Strategic plan trend 2030: 

Key profitability levers:

- › Continue to adapt our footprint to meet **competitiveness** target while increasing global **customer proximity**
- › **Increase digitalization** in all business divisions leveraging our digital champions
- › **Simplify program** to increase competitiveness in administration

Operating cash

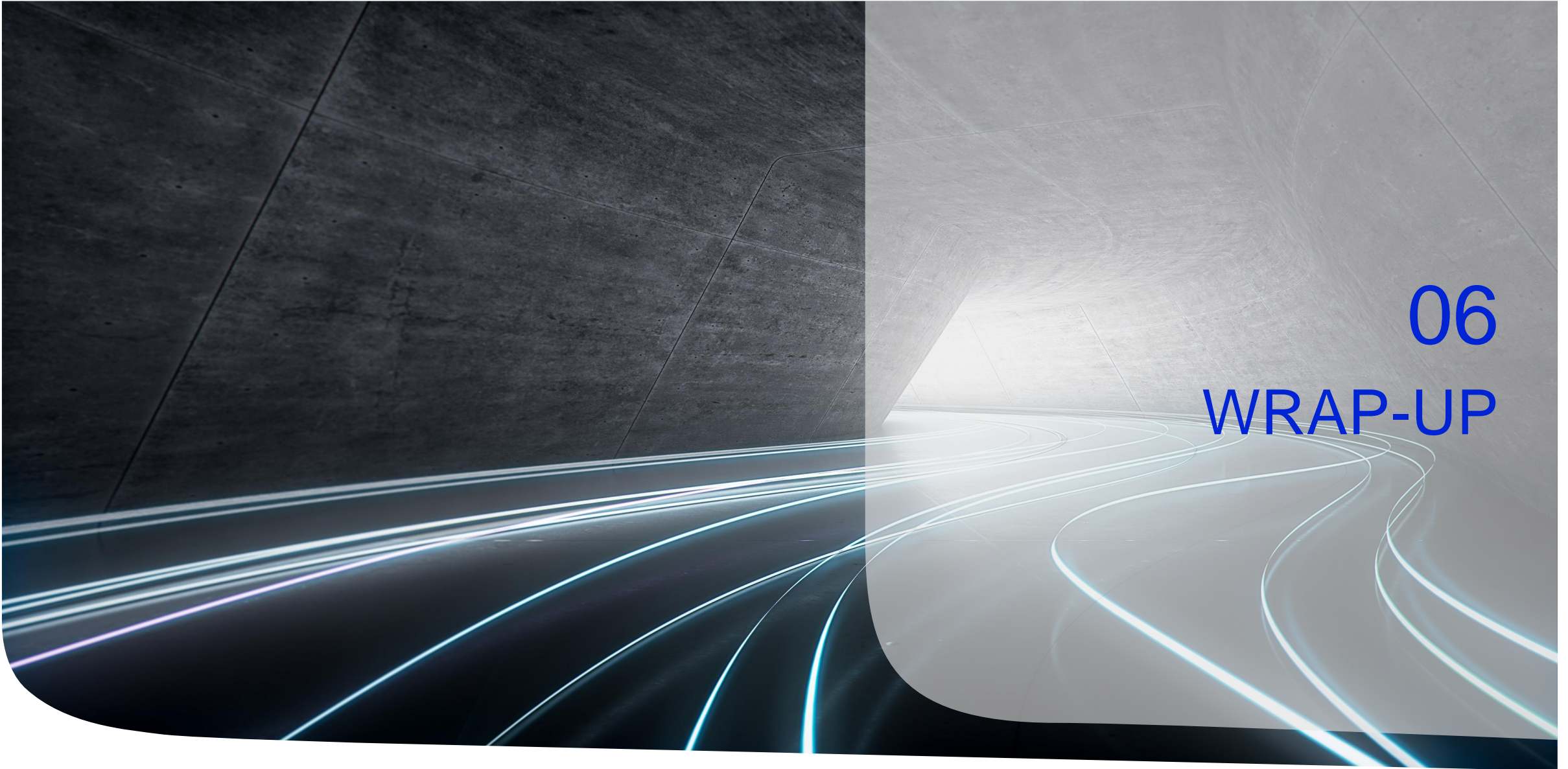
(in % of sales)

Actual 2024: **8.3%**

Strategic plan trend 2030: 

Key cash levers:

- › Increase of **operating margin**
- › Further **optimize inventory structure** while balancing availability
- › Continue **rigorous cash conversion focus** with customers and suppliers



06

WRAP-UP



STAYING STRONG AMID INDUSTRY TRANSFORMATION

Accelerate long-term strategy execution through a Group-wide OKR System

- › **Resilient in a volatile environment:** FORVIA HELLA counters geopolitical and market challenges with regional setups, simplified structures, and operational efficiency
- › **Focused strategic direction:** Portfolio aligned to high-growth technologies (e.g. radar, eFuse, ADB), expansion with Asian and American OEMs, and consistent local-for-local execution
- › **Innovation as growth engine:** Investment in smart car access, HV power box, zonal control, and AI-supported R&D strengthens technology leadership
- › **Profitable growth despite headwinds:** Financial targets through 2030 include stronger margins and cash flow via capital efficiency, cost focus, and reduced CAPEX
- › **Organizational empowerment:** Stronger regional ownership and faster decisions — supported by a **Group-wide OKR system to drive transparency and implementation**

Long-term strategy translates into

focused 2025 FY Group OKRs



IMPROVE CASH

(e.g. achieve €330mn OCF)



DIVERSIFY CUSTOMER BASE

(e.g. 40 strategic acquisitions, order intake outside EU)



STRENGTHEN COMPETITIVENESS

(e.g. savings through AI, optimized processes)



FOSTER EMPOWERMENT

(e.g. enable decision making, access to OKR & PIP)

Remark: ADB = Adaptive Driving Beam

FORVIA

