VITESCO TECHNOLOGIES

FACTBOOK Q2 2023

Regensburg, 10.08.2023

Public

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BUILDING AN ELECTRIFICATION POWERHOUSE

1 | OVERVIEW VITESCO TECHNOLOGIES

2 | MARKET OUTLOOK

3 | STRATEGIC SETUP

4 | FINANCIAL TARGETS

5 | ESG

6 | Q2 2023 FIGURES

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1 OVERVIEW VITESCO TECHNOLOGIES

AN OVERVIEW OF VITESCO TECHNOLOGIES

€9.1 billion

FY2022 sales

>38,000

employees

1,082

€ million total **electrification sales** during FY 2022.

123

€ million **free cash flow** during FY 2022.

2.5%

adjusted EBIT – Large part of gross price increases passed on to customers.

Leading global provider

of propulsion solutions to make driving more **efficient, cleaner and convenient**

Electrification pioneer

with >**10 years of field experience** and a portfolio covering all major **current and future scenarios**

Electronics champion

with strong DNA in **electronics, software and mechatronics**

Strong position

in **electronic control systems, sensing technologies** and **actuators**

Source: Company information

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EXECUTIVE BOARD OF VITESCO TECHNOLOGIES

EXECUTIVE BOARD

Chief Executive Officer (CEO)

Andreas Wolf

Chief Financial Officer (CFO)

Werner Volz

Chief Human Resources Officer (CHRO)

Ingo Holstein

Powertrain Solutions Division

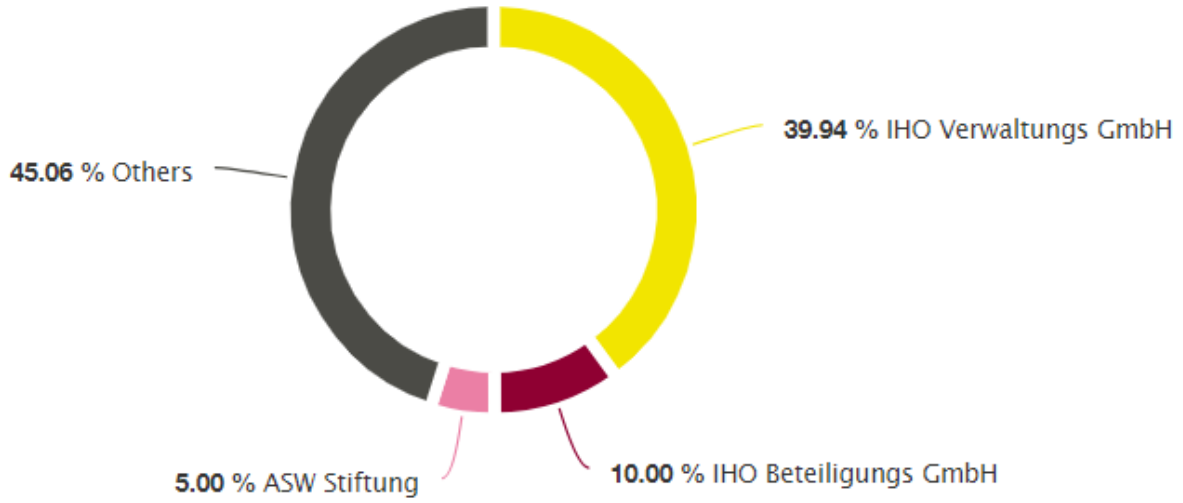
Klaus Hau

Electrification Solutions Division

Thomas Stierle

DETAILS ABOUT THE VITESCO TECHNOLOGIES SHARE

Shareholder structure



Total number of shares outstanding

40,021,196 Shares

Subscribed capital

100,052,990 Euro

Par value per share

2.50 Euro

Market segment

Prime Standard of Frankfurt Stock Exchange – listed in MDAX

Status: 10th of August 2023

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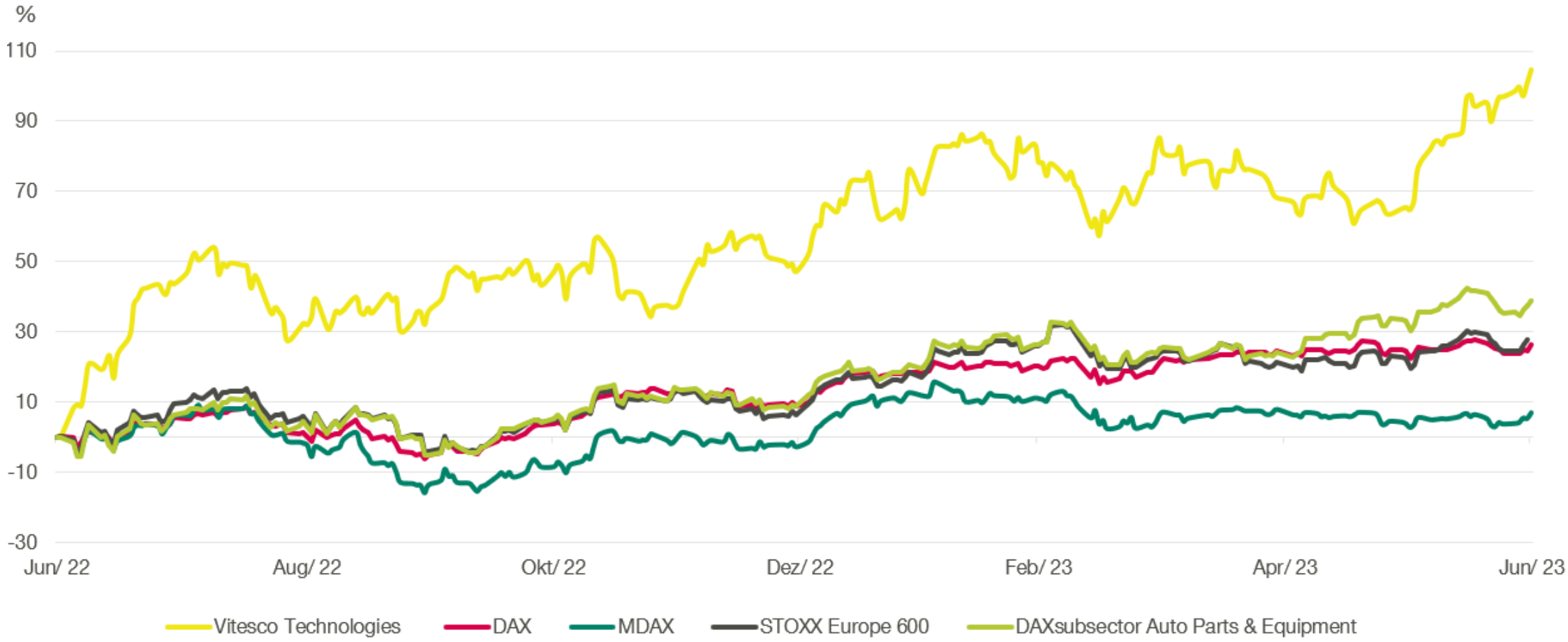
RELATIVE SHARE PRICE DEVELOPMENT



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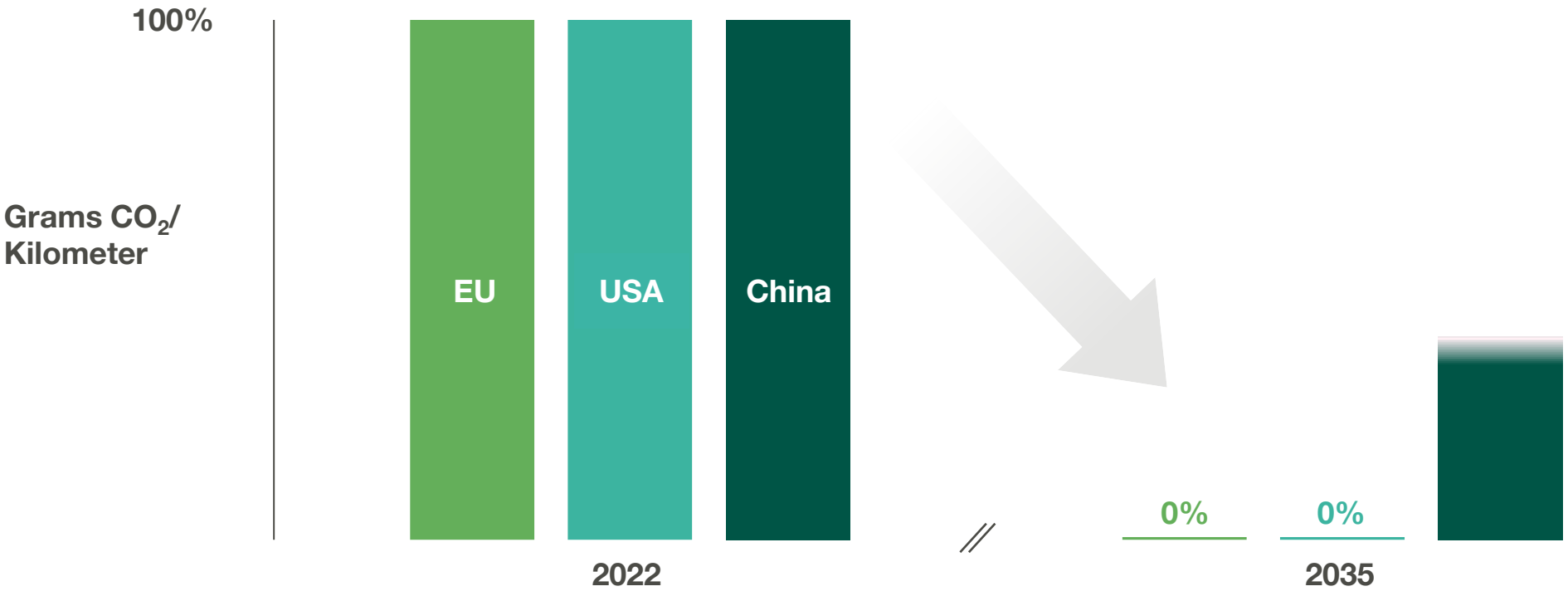
2 MARKET OUTLOOK

LEGISLATION WILL CONTINUOUSLY FOCUS ON ELIMINATING CO2 EMISSIONS AND SHAPING FUTURE VEHICLE MARKETS

Passenger car fleet CO_2 emission regulation



Sources: EU: EU monitoring data, CO_2 emission performance standards Regulation EU 2019/63,1; EU "Fit for 55" Package. USA: US EPA 2021 Automotive Trend Report, EPA Final GHG emission rule 2021. China: Internal information.
Note: Data is not directly comparable as different test procedures apply.

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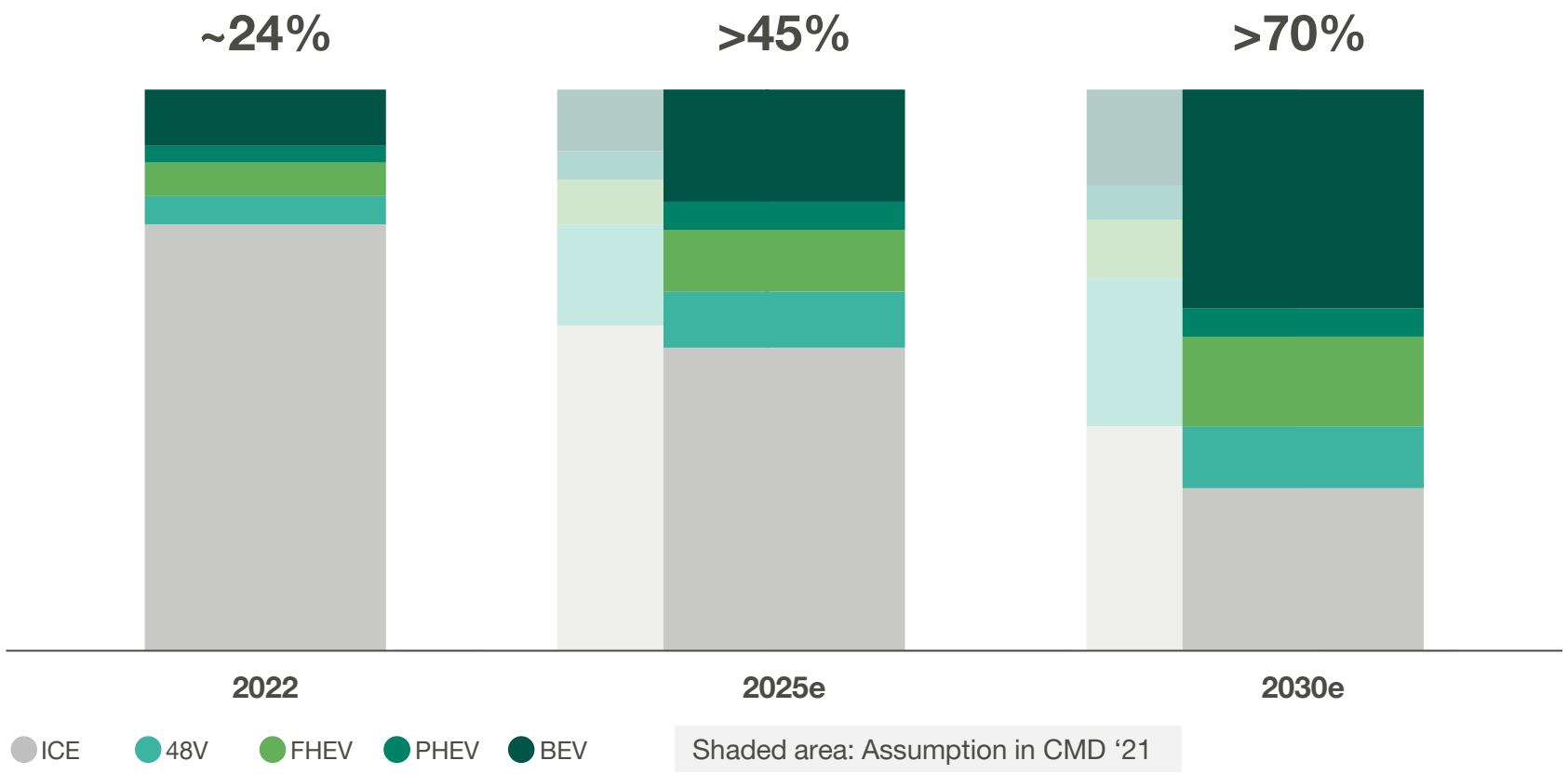
THE TREND TOWARD ELECTRIFICATION HAS ACCELERATED EVEN FURTHER

Electrification share in global light vehicle production



>80%

increase in BEV penetration in 2025[1]

>120%

increase in BEV penetration in 2030[1]

Source: Current assumption based on S&P Global Mobility, Light Vehicle Powertrain Forecast (08/2022 and 03/2023). Previous assumption based on Roland Berger, "Powertrain Market" Study, 12/2020.
BEV: Battery Electric Vehicle. PHEV: Plug-in Hybrid Electric Vehicle. FHEV: Full Hybrid Electric Vehicle. ICE: Internal Combustion Engine.
[1] Increase in BEV penetration refers to current assumption compared to assumption from previous CMD for the same period.

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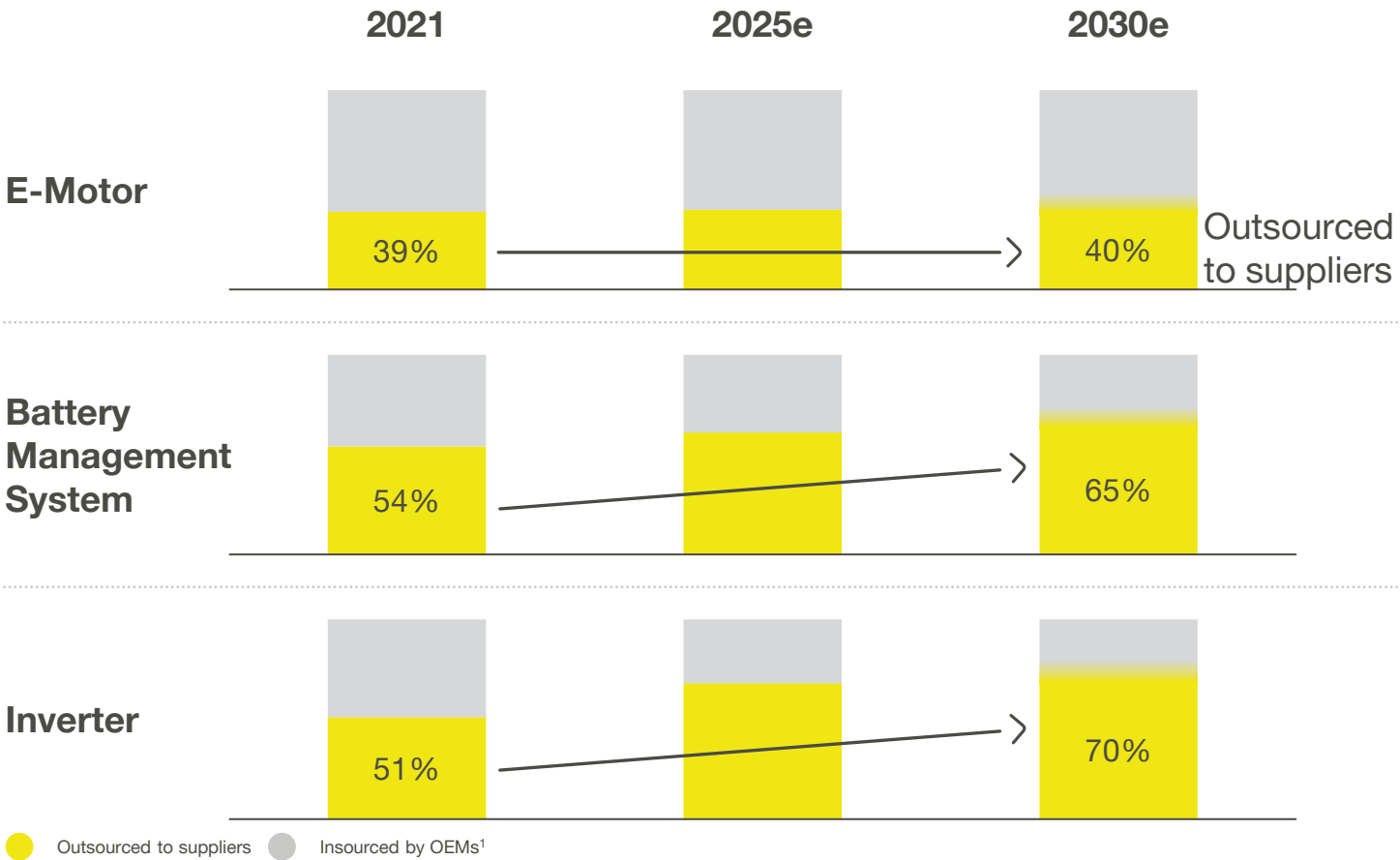
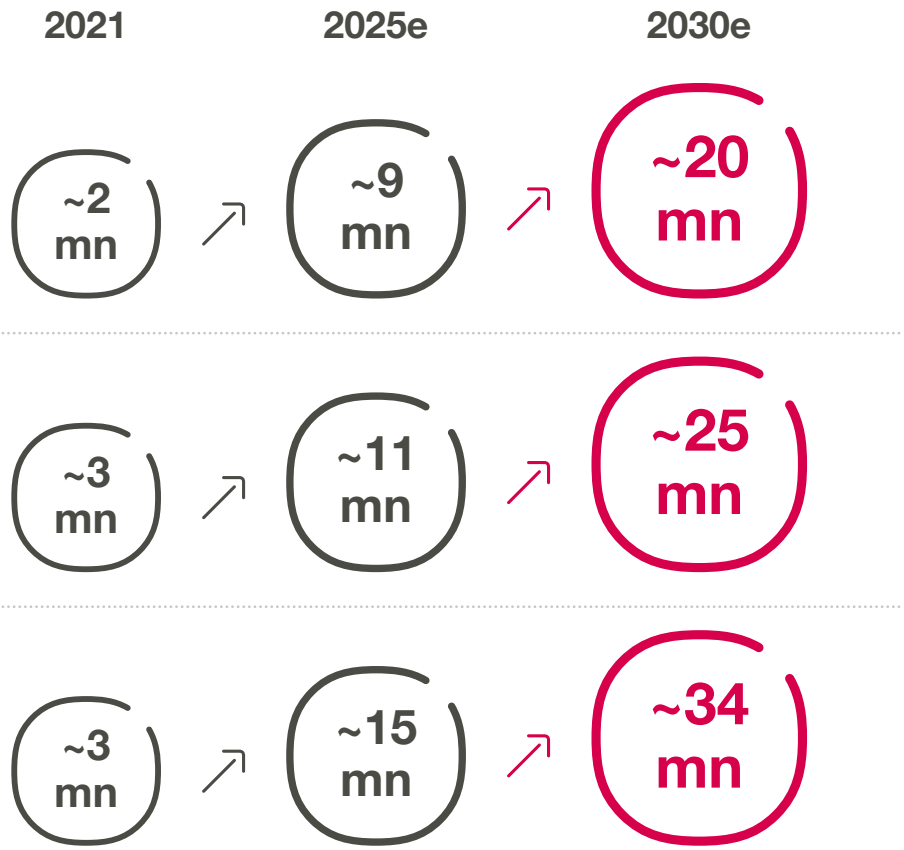
ELECTRIC COMPONENTS WILL LARGELY REMAIN OUTSOURCED TO SUPPLIERS BY 2025 AND BEYOND

Expectation for share of BEV components sourced from suppliers



Outsourced volume will increase between 8x to 11x



Source: Company estimates. 2030 is based on the assumption of a consistent sourcing strategy from OEMs compared to 2025e.
Notes: [1] Suppliers may still deliver components (e.g., power module or stator or rotor) since OEMs production are typically not fully vertically integrated.

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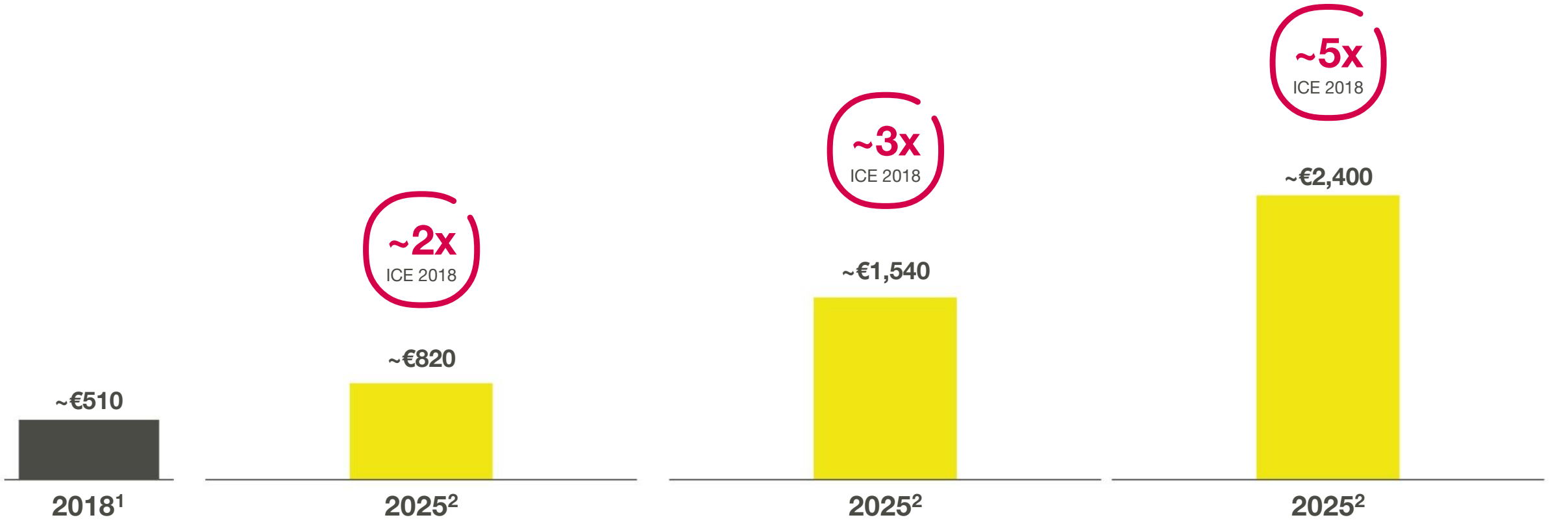
VITESCO TECHNOLOGIES PORTFOLIO OFFERS SUPERIOR CONTENT PER VEHICLE OPPORTUNITIES



Notes: ICE: Internal Combustion Engine. CPV: Content Per Vehicle.
Source: [1] Company estimate based on expert studies prepared in cooperation with Vitesco Technologies. Reflects the CPV opportunity for the portfolio offering in 2018.
[2] Roland Berger, "Powertrain Market" Study, 12/2020. Reflects the CPV opportunity for the current portfolio offering.

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3 STRATEGIC SETUP

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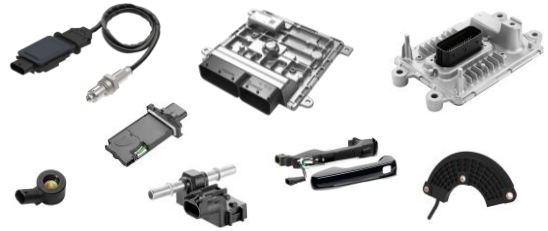
POWERTRAIN SOLUTIONS DELIVERS CASH AND VALUE FOR THE TRANSFORMATION

- Cash generation and high profitability for our self-funded transformation
- Leveraging our products with leading market position
- Re-deploying existing technologies into new product applications
- Growing our aftermarket and 2-wheeler business
- Phasing out non-core technologies and Contract Manufacturing

Actuation

Sensorics & Controls



Hydraulics & Turbocharger[1]

Aftermarket & Non-Automotive

[1] Including Contract Manufacturing.

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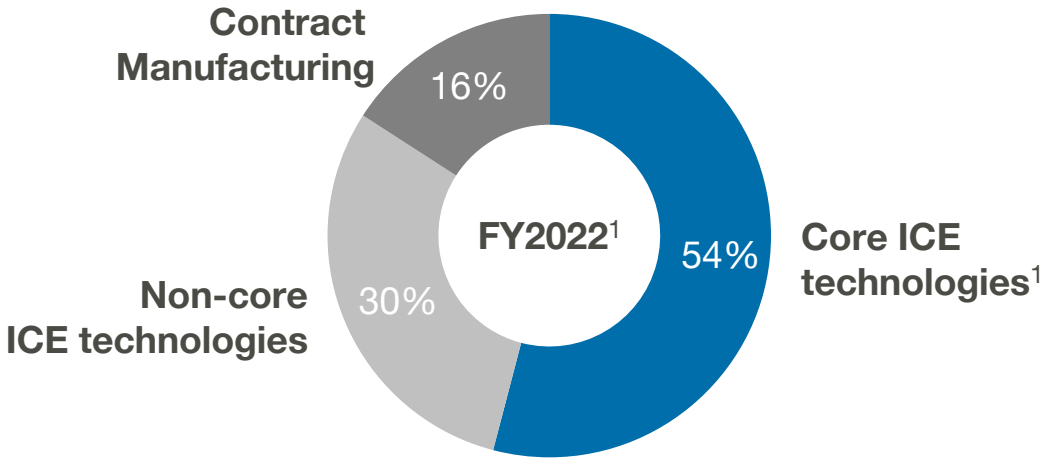
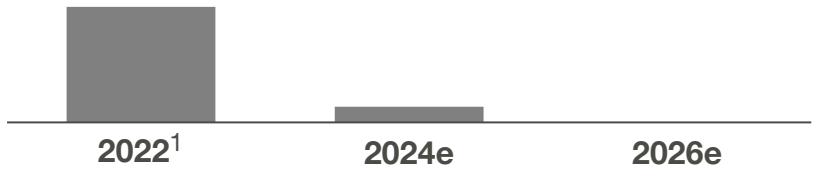
PHASE-OUT OF NON-CORE TECHNOLOGIES AND CONTRACT MANUFACTURING IS WELL ON TRACK

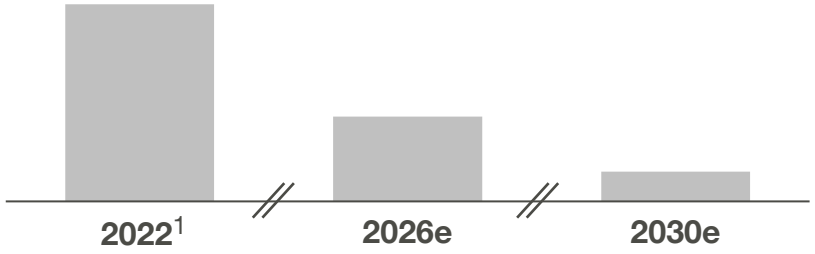
Sales distribution of Powertrain Solutions division



Contract Manufacturing



Non-core ICE technologies



- Contract Manufacturing phase-out to be completed in 2026
- Strong swing from negative to positive cash conversion of non-core technologies
- Phase-out supported by divestiture activities amounting to €500 million yearly sales[2] in total – fully effective from FY2024 onwards

[1] Already considering closing of Catalysts & Filters product line divestment. Calculations on a pro forma basis. [2] Since listing in September 2021.

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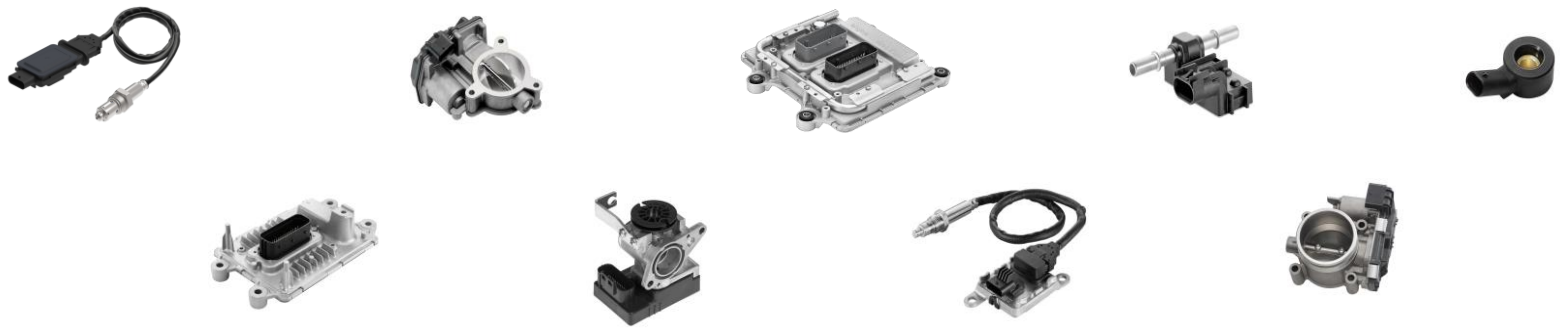
POWERTRAIN PORTFOLIO CONTRIBUTES STRONGLY TO A CLEAN AND EFFICIENT MOBILITY

Leading market position products contributing to clean and efficient mobility



Profitability of Powertrain Solutions Division

>10% Double-digit adj. EBIT[2] margin in 2026e

Vitesco business is resilient and ensures a sustainable cash generation

>65% Cash conversion rate in 2022[3]

- Leveraging products with leading market position
- **>60 mn** New vehicles with combustion engine even in 2030e[1]
- **>15% CAGR** Strong aftermarket sales growth[2] driven by ICE vehicles in operation
- **>€1 bn** Commercial vehicles sales[4]

ICE: Internal Combustion Engine. [1] Source: S&P Global Mobility, Light Vehicle Powertrain Forecast (08/2022). S&P Global Mobility, Medium/Heavy CV Engine Production Forecast (07/2022). Company estimates.
[2] From FY 2021 to FY 2026e. [3] Defined as (Adj. EBITDA – Capex) / Adj. EBITDA. Already considering closing of Catalysts & Filters product line divestment. Calculations on a pro forma basis. [4] In FY 2021

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DIVISIONAL SETUP WILL ENSURE THE FUTURE SUCCESS OF VITESCO TECHNOLOGIES

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Division
Powertrain Solutions

Division
Electrification Solutions

Value & Cash

Growth & Profitability

ELECTRIFICATION SOLUTIONS MAKES MOBILITY CLEAN, SAFE AND AFFORDABLE

- Adapting to the highly dynamic e-market
- Securing order intake for profitable growth
- Transforming our workforce from combustion to electrification
- Executing safe product launches globally
- Leveraging our expertise to power more innovation

Electric Drive Systems

Integrated Axle Drive

48V Mild-Hybrid Drives

Thermal Management Solutions

Controls

Inverter

High Voltage Box

Master/Zone Controllers

Battery Management System

DC/DC Converter

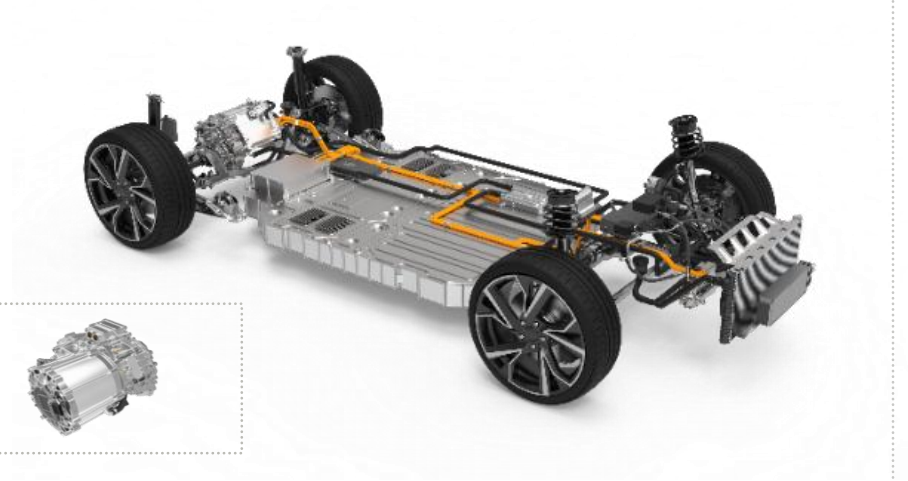
Transmission Control Unit

Gasoline Engine Control Unit

FULL SYSTEM SUPPLIER WITH MORE THAN 15 YEARS OF EXPERIENCE IN ELECTRIFIED PROPULSION

Systems and components for the powertrain of battery electric vehicles

- **Master/Zone Controller** ✓
- **Inverter** ✓
- **Electric Machine** ✓
- **Battery Management System** ✓
- **DC/DC Converter** ✓
- **On-Board Charger** ✓
- **Thermal Management** ✓



✓ Included in Vitesco Technologies' portfolio

› Component is part of integrated system

- Solutions for 400V and 800V architectures
- Propulsion scenario agnostic product design covers also mild, full and plug-in hybrids
- Modular solutions with tailormade interfaces to meet our customers' demand
- Extensive expertise in system and software development across all products

Source: Company information. DC: Direct Current.

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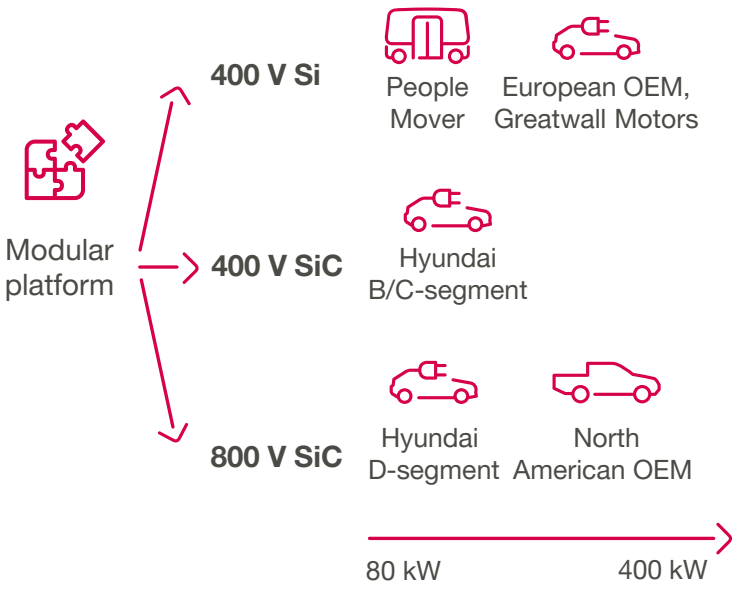
OUR DNA: WE USE OUR ELECTRONICS EXPERTISE TO DRIVE MODULAR AND SCALABLE SYSTEMS AND COMPONENTS

Modular & scalable platforms: our 4th generation inverter

- Stand-alone and axle drive integrated
- Capability to power magnet and magnet-free motors
- Power modules with Si and SiC
- 400V / 800V readiness, in same package



More than 30 years of expertise in electronics, software and systems

- 9 out of 10 top OEMs rely on our control units[1]
- >400 mn electronic units shipped to the market

Re-deployment in manufacturing and HW & SW modules

Transmission Controller

Battery Mgmt. System

re-deploy

Engine Controller

Master/Zone Controller

Flexible business models: from components to systems

- For any customer sourcing strategy: Attractive solutions covering components and complete systems

Systems

Integrated Axle Drive

Components

Rotor and Stator

Power Module

Inverter

HW: Hardware. SW: Software.
[1] Top 10 OEM per volume in 2021 worldwide.

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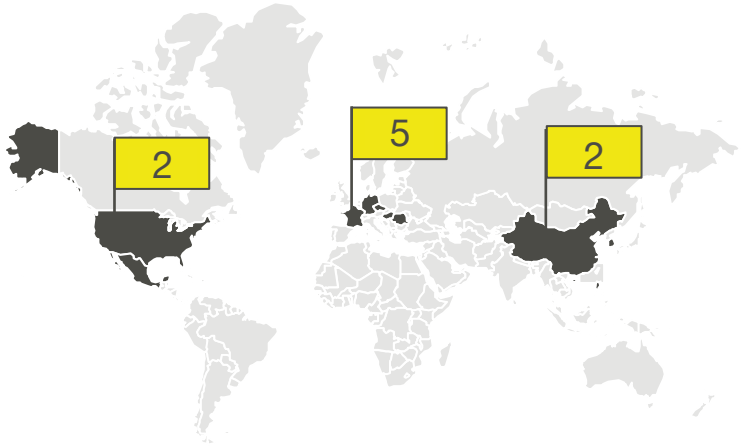
OUR PLAN: WE AIM FOR SUCCESSFUL EXECUTION EXCELLENCE FROM EVERY ANGLE

We produce in the market, for the market

>80% **Local for local** production

29 New **electrification production lines** installed in 2021 and 2022[1]



Our transformation benefits from well-established global supply chains

>90% Electrification supplier need covered by existing supplier base

>4.5 mn Vehicles equipped with our electrification solutions[2]

90% Electronics, electromechanics & metal parts share of total purchasing volume[3]

Electronics

30+ years production experience

Mechanics

10+ years production experience[3]

We continuously improve project execution along the product life cycle

Serial Production

Development

Aquisition

R&D efficiency
Implementation of agile methodology to system and software scope

Project safeguarding
Quote maturity assessment for all main platforms resulting in significantly improved project-first-time-right rate

Project excellence
Leadership team members support as champion for key projects

Note: Flags represent the number of Electrification Solutions division' production locations in the respective regions.
[1] Production of certain products requires more than one production line. [2] As of 12/2022. [3] Mechanics related to electrification products.

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STRATEGIC PARTNERSHIPS WILL ENSURE LEADING TECHNOLOGY AND EFFICIENT E-MOBILITY SOLUTIONS

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Supplier partnerships[1] ⟷ Customer partnerships[1]

Semiconductor & raw material

> Cooperation with **key semiconductor suppliers**
> Securing **technologies access** and **supply** for silicon carbide (SiC) and gallium nitride (GaN)
> Working on **additional partnerships** in the areas of eSteel, magnets, aluminum die cast, among others

GaN Systems · infineon · onsemi · ROHM SEMICONDUCTOR

Integrated power electronics

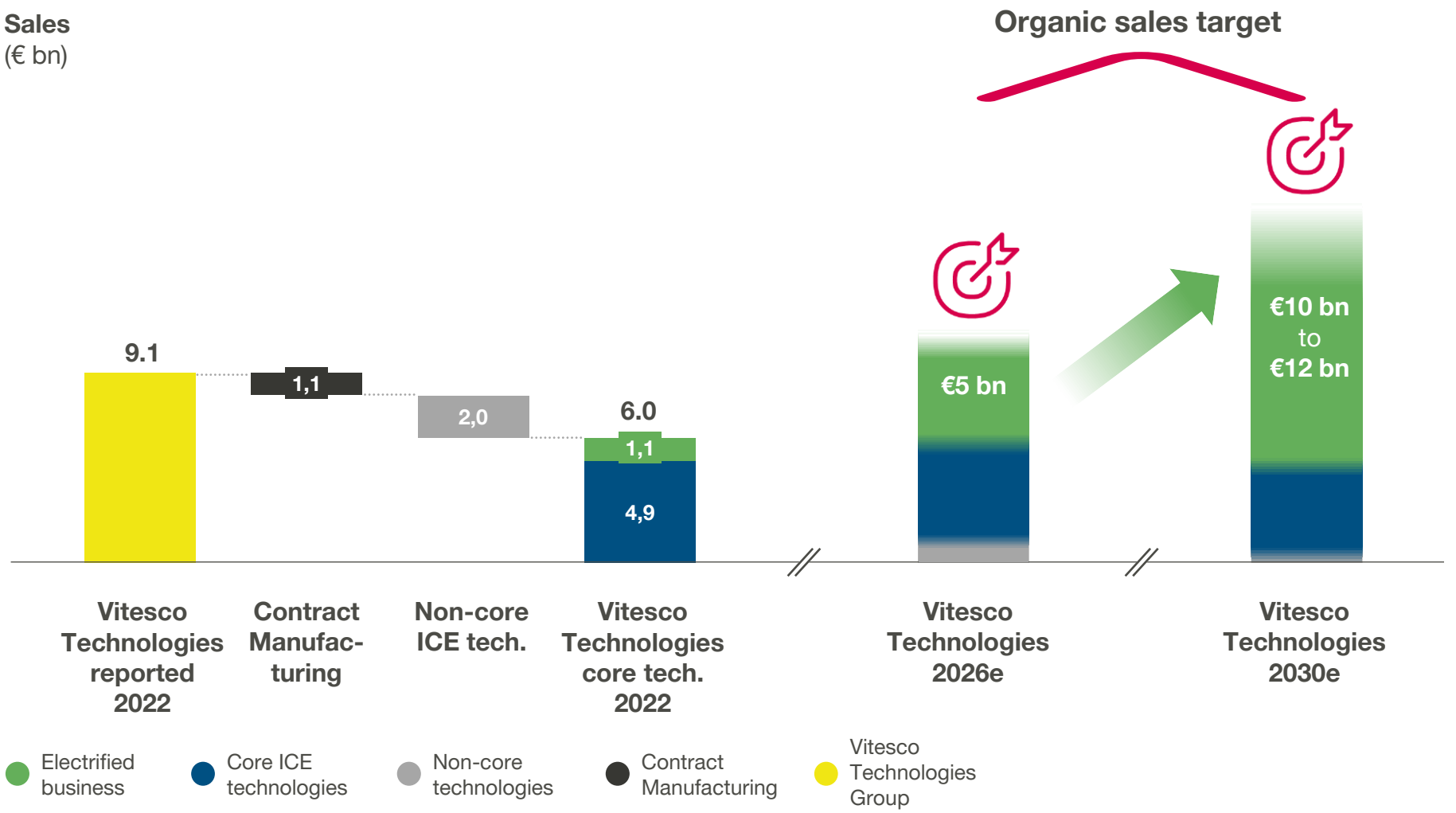
> Strategic partnership with an electrification pioneer and one of the largest BEV manufacturers
> Development and production of **highly integrated & compact power electronics** (45% volume reduction)

Renault Group

[1] Selected partnerships.

4 FINANCIAL TARGETS

THE ELECTRIFIED BUSINESS CAGR OF ~ 40% WILL CONTINUE TO DRIVE OUR OVERALL MID-TERM GROWTH



Sales CAGR
2022–2026e

4.0% to **6.0%** — **Vitesco Technologies Group**

~ 40% — **Electrified Business**

Figures for 2026e and 2030e represent targeted organic sales development of Vitesco Technologies in the respective year. CAGR: Compound annual growth rate.

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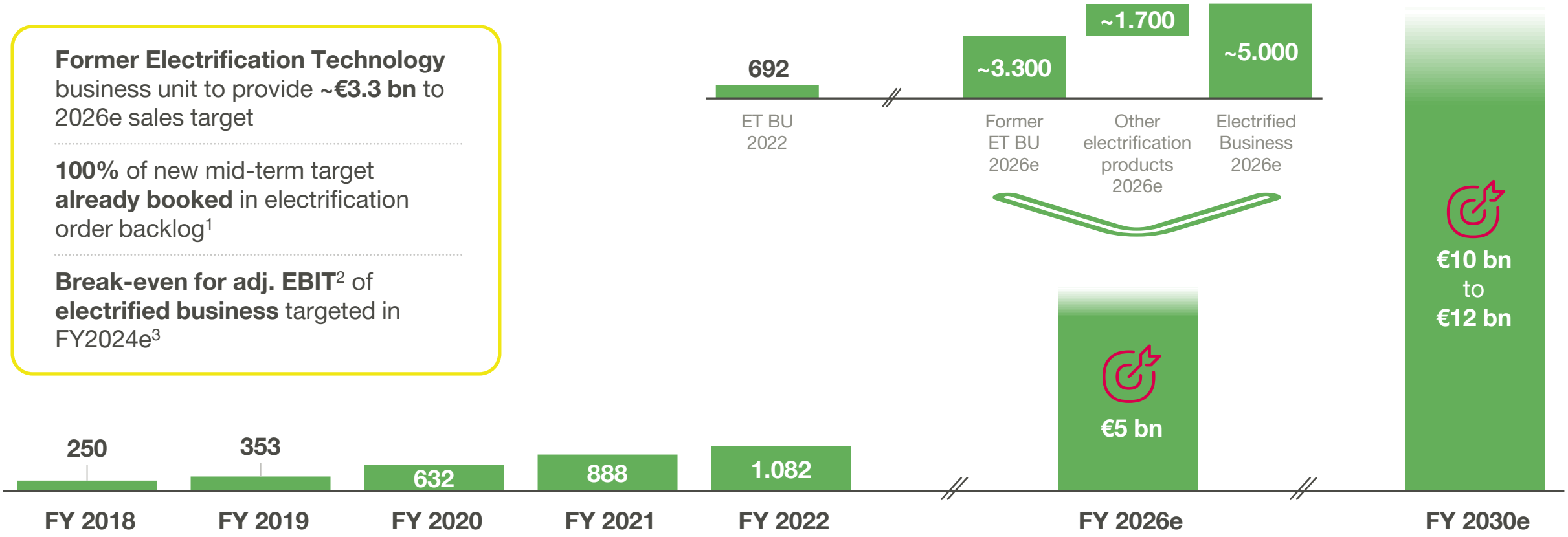
OUR ELECTRIFIED BUSINESS WILL BE THE KEY GROWTH DRIVER IN THE UPCOMING YEARS AND BREAK EVEN BY 2024

Electrified business (sales in € mn)

Former Electrification Technology business unit to provide **~€3.3 bn** to 2026e sales target

100% of new mid-term target **already booked** in electrification order backlog[1]

Break-even for adj. EBIT[2] of **electrified business** targeted in FY2024e[3]



ET BU: Electrification Technology Business Unit. Source: Company information. Notes: [1] Order backlog defined as sum of cumulative order intake not yet booked as sales. As per end of 04/2023. [2] Before consolidation, amortization of intangibles from PPA and special effects.
[3] Break-even is subject to Vitesco Technologies' ability to pass-on inflationary effects, especially regarding input material.

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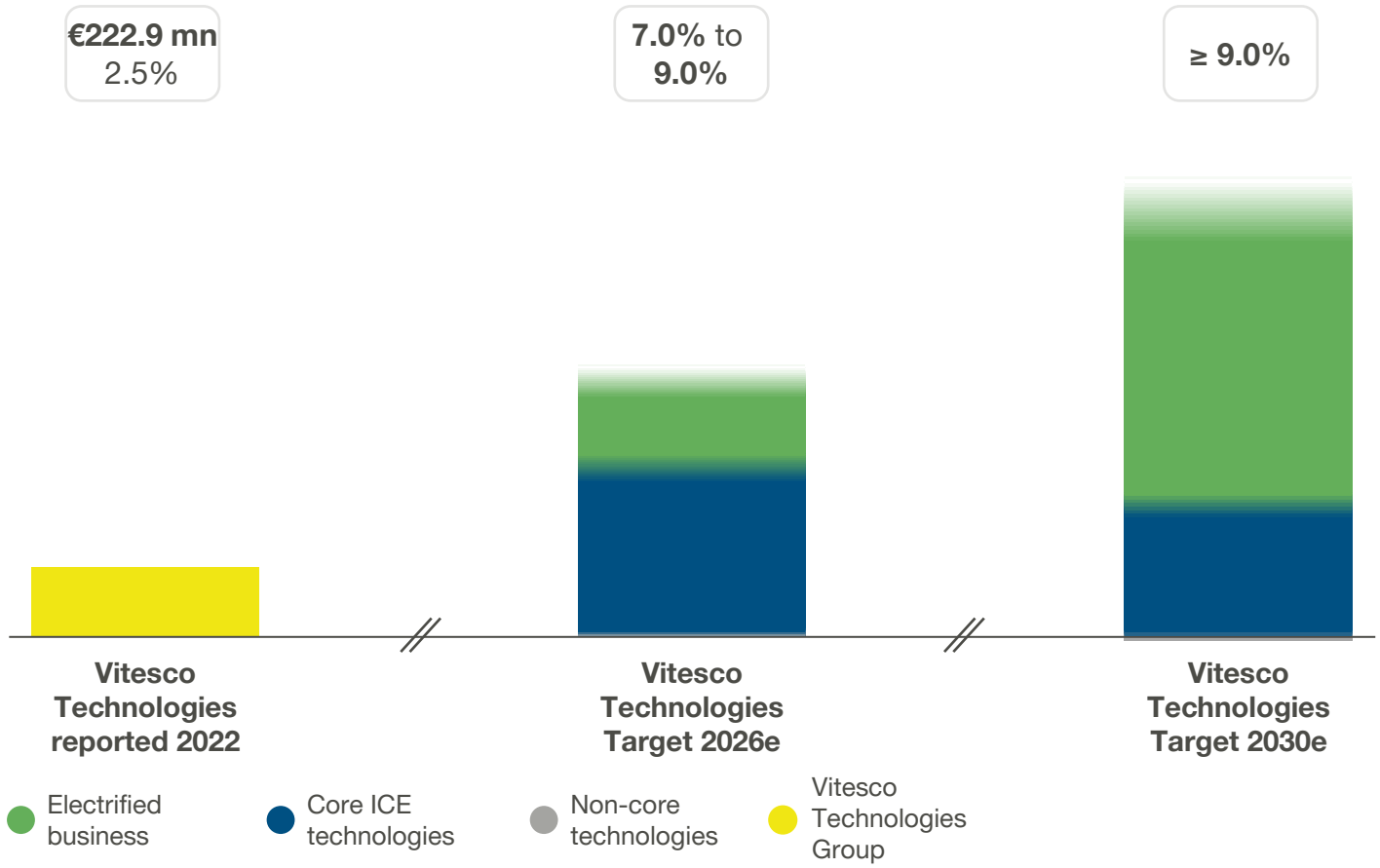
SCALE EFFECTS AND OPERATIONAL IMPROVEMENTS WILL RESULT IN 7 TO 9 PERCENT ADJUSTED EBIT MARGIN IN 2026

Adjusted EBIT (in € mn)



HIGHLIGHTS & COMMENTS

Former target of **7.0% to 9.0% in 2025e** will still be achieved

Increasing profitability of electrified business and **resilient core ICE technologies** will ensure long-term profitability

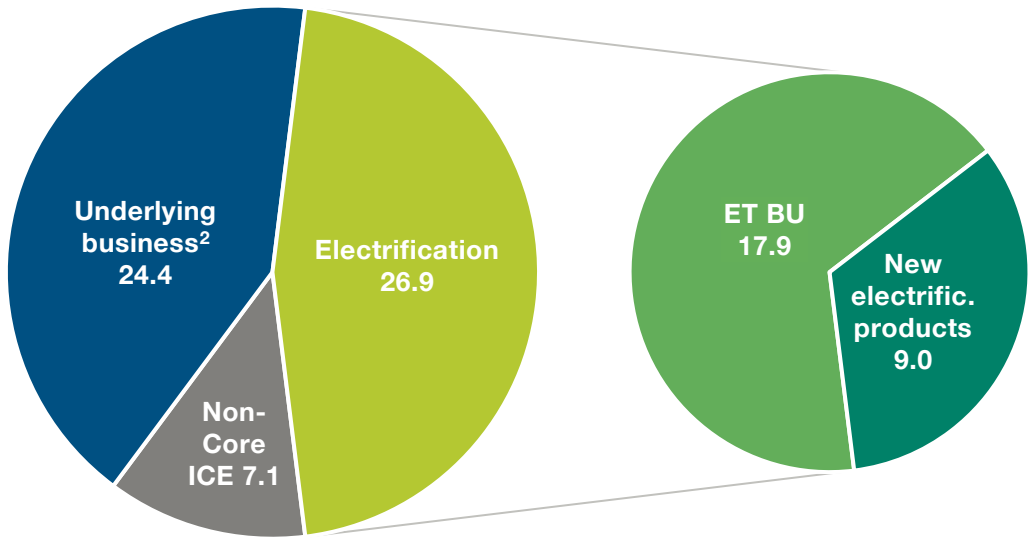
Powertrain Solutions division target to ensure **double-digit profitability** in the mid-term

Electrification Solutions division target to reach **group profitability range** in the **mid-term**

Figures for 2026e and 2030e represent targeted adjusted EBIT development of Vitesco Technologies in the respective year. Adjusted EBIT before consolidation, amortization of intangibles from PPA and special effects.

ELECTRIFICATION ORDERS CONTINUED TO INCREASE SIGNIFICANTLY THROUGHOUT FY 2022

Order Backlog of 58.5 (€ bn)



HIGHLIGHTS & COMMENTS

No order activity in non-core ICE technology. Volume extension possible if requested by OEMs for already existing programs

~46% of total order backlog related to electrification products

Strong momentum in electrification order intake across all business units in FY 2022

Order intake defined as sum of acquired lifetime sales within the respective fiscal year. Order backlog defined as sum of cumulative order intake not yet booked as sales.
[1] Status FY 2022. [2] Underlying business excluding electrified part of underlying business.

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WELL-POSITIONED TO BE A WINNER IN ELECTRIFICATION HAVING THE FINANCIAL BASE TO FUND THE TRANSFORMATION

Summary of our 2026e mid-term targets

Group sales CAGR[1] 4.0 – 6.0%

Powertrain Solutions	Electrification Solutions
CAGR[1] to decrease in mid-single digits due to phase-out	CAGR[1] of above 20% targeted, with €5 bn electrification sales

Group adj. EBIT[2] margin 7.0 – 9.0%

Powertrain Solutions	Electrification Solutions
Double-digit adj. EBIT[2] margin in 2026e	7.0 to 9.0% adj. EBIT[2] margin to be achieved by 2026e

Group

Capex[3] % of sales	~6.0%
Free cash flow[4]	>€400 mn
Net debt / adj.EBITDA[5]	<1.0x
Dividend payout[6]	15–30%

Source: Company information. Notes: Phase-out timeline may vary depending on strategic decisions and customer demand. [1] Mid-term growth target as a CAGR based on FY 2022. [2] Before consolidation, amortization of intangibles from PPA and special effects. [3] Capex excluding right of use assets (IFRS 16). [4] Free cash flow calculated as operating cash flow and investing cash flow. [5] Before consolidation and special effects. [6] Dividend payout defined as dividend payment divided by net income attributable to shareholder.

5 ESG

WE DELIVER ON OUR ESG TARGETS AND DEMONSTRATE A POSITIVE DEVELOPMENT IN OUR KPIS

2021	2022	Goal 2030
10.6%	**11.9%**	€10 – €12 bn sales

Share of business with electric and electrified solutions

2021	2022	Goal 2030
92.6%	**94.6%**	95%

Waste recovery quota[2]

2021	2022	Goal 2023
90.0%	**92.6%**	100%

Share of strategic suppliers covered by Business Partner Code of Conduct[3]

2021	2022	Goal 2030
90.6%	**91.9%**	100%

Climate neutrality rate of total own CO_2e-emissions[1]

2021	2022	Goal 2026
13.6%	**15.4%**	21%

Share of women in management positions (executives and senior executives)

2021	2022	Goal 2026
1.9	**1.7**	1.4

Accident rate (number of accidents per million hours worked)

1 Definition according to GHG Protocol Corporate Standard. Includes the relevant production and research and development sites. Calculated using the market-based calculation method of the GHG Protocol Scope 2 Guidance. Where no contract-specific emission factors were available, the standard emission factors from Defra, IEA and GHG Protocol were used. Includes the purchase of biomethane. | **2** Defined as the proportion of waste (excl. construction waste) that has been recycled or sent for material recycling, waste-to-energy technologies or other use. | **3** Basis: Strategic Supplier List (SSL); suppliers must meet various requirements to be listed as a strategic supplier.

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ESG: COMMITTING TOWARD CLIMATE NEUTRALITY ALONG THE ENTIRE VALUE CHAIN BY 2040 AT THE LATEST

Mitigation hierarchy – decarbonization

Along value chain mitigation

Eliminate | **Reduce** | **Substitute** | **Beyond value chain mitigation**

High value → Low value

Accounting & reporting – corporate carbon footprint

Accounting according to GHG Protocol[1]

Reporting according to leading standards[2]

HIGHLIGHTS & OUTLOOK

Electrification and use of **renewable electricity** in the entire value chain

Carbon neutral production until 2030 (Scope 1 & 2)[3]

Reduction of Scope 3 emissions[3] by **25%** between 2021 and 2030 according to SBTi

Climate Neutrality along the entire value chain **by 2040** at the latest

[1] According to Greenhouse Gas (GHG) Protocol. [2] According to Greenhouse Gas (GHG) Protocol, Science-Based Targets initiative (SBTi), Global Reporting Initiative (GRI), Task Force on Climate-Related Financial Disclosure (TCFD), Carbon Disclosure Project (CDP).
[3] Referring to scope 1, 2 and 3 CO2 emissions as defined by the Greenhouse Gas Protocol, World Resources Institute (WRI), World Business Council for Sustainable Development.

ESG: HUMAN RIGHTS DUE DILIGENCE AND SUPPLY CHAIN DUE DILIGENCE PROCESSES ARE WELL-ESTABLISHED

Currently ongoing

Integrating **Human Rights management system** into existing management systems

Conducting **Human Rights trainings** both for employees and suppliers

Legal readiness check completed by independent external agency in November 2022

Fully compliant with the German Supply Chain Act

ACHIEVED MILESTONES

Established a **Human Rights Due Diligence Working Group** and Human Rights and Corporate Social Responsibility unit

Published **Human Rights Policy** and **Code of Conduct** for employees and business associates

Joined the **Responsible Business Alliance**[1]

Risk assessment of own operations finalized, assessment of supply chain ongoing

[1] Industry coalition dedicated to corporate social responsibility in global supply chains.

ESG: SOLID GOVERNANCE AND COMPLIANCE STRUCTURE IS THE BACKBONE OF BUSINESS ACTIVITIES

Accountability

> **Experienced** and **diverse** supervisory board with proven industry and financial experts
> Implementation of additional **risk mitigating structures** such as **compliance management system**

Transparency

> **Prime standard** listing, the **highest level** of **transparency** in European stock markets
> **Publication of additional information** such as our sustainability report or comprehensive data on governance

Fairness

> Consideration and management of different **stakeholder expectations**
> **Human Rights Policy** and **Code of Conduct** as basis for economic decision making

Responsibility

> **Organizational structures** and **responsibilities** are clearly defined in our **Rules of Cooperation**
> Ensuring **sustainable development** by committing to **climate protection goals** and stakeholder demands

German Corporate Governance Codex provides the foundation of our governance structures

6 Q2 2023 FIGURES

vitesco TECHNOLOGIES

ANTICIPATED GRADUAL IMPROVEMENT UNDERLINES OUR RESILIENCE IN A STILL CHALLENGING ENVIRONMENT

2,442

€ million **sales** in Q2 2023 – driven by strong sales growth in DIV E, especially in Asia

354

€ million total **electrification sales** during Q2 2023

76 € million

3.1 %

adjusted EBIT – back within anticipated full year range

-21 € million

free cash flow due to higher working capital intensity

5,010

€ million **order intake** in Q2 2023, thereof **4.5 € billion in electrification**

Listed in the German mid cap index

MDAX

since 25th of July

PP: Percentage Points. Adj. EBIT before amortization of intangibles from PPA, consolidation and special effects. Order intake defined as sum of acquired lifetime sales within the respective reporting period.

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STRATEGIC INITIATIVES ACCELERATE OUR TRANSFORMATION AND SECURE FURTHER GROWTH POTENTIAL

Supplier Partnerships[1]

Securing silicon carbide (SiC) **supply capacity** of almost **€3 billion** to enable anticipated enormous growth in electrification

- Further **diversification** of **supplier base** regarding future production capacity of important SiC components
- Access to key semiconductor technology from onsemi by **investing in production capacity** and signing a **long-term supply agreement**
- Already existing **development partnership** with Rohm further **intensified** with additional supply agreement

onsemi | ROHM SEMICONDUCTOR

ICE Divestments[2]

Significant progress in **ramping down selected ICE technologies** to further strengthen our **focus on Electrification and Core ICE technologies**

- More than **10 transactions** including divestures in the field of ICE technologies completed[2]
- Divested businesses amounting to **€500 million yearly sales[2]** in total – fully effective from FY 2024 onwards
- About 2,000 employees are affected by these transactions and will thus have a **new home** with a **better strategic fit** outside our company
- The above stated divestments will **further accelerate** our phase out of still existing Non-Core ICE sales

1 Selected partnerships announced during Q2 2023. | **2** Since listing in September 2021.

STRONG RECOVERY DESPITE HEADWINDS IN A CHALLENGING MARKET ENVIRONMENT

Vitesco Technologies Group (€ mn)

	Q2 2022	Q2 2023	Delta
Sales	2,165.0	2,441.6	276.6
% growth	3.3%	12.8%	9.5pp
Adj. EBIT	34.9	76.3	41.4
% margin	1.6%	3.1%	1.5pp
EBIT	28.7	16.4	-12.3
% margin	1.3%	0.7%	-0.6pp
Capex[1]	112.5	92.8	-19.7
% of sales	5.2%	3.8%	-1.4pp
Free Cash Flow	1.6	-20.6	-22.2
% margin	0.1%	-0.8%	-0.9pp
Equity Ratio	40.4%	38.9%	-1.5pp

Highlights and Recent Developments

Sales
- Double digit top line growth despite the planned ramp-down of Non-Core businesses

Adjusted EBIT
- Compensation agreements by customers contribute to overall improved profitability

Capex
- Capex remains at Q1 2023 levels and is anticipated to trend towards the 5% to 6% levels

Free Cash Flow
- Continuously high working capital intensity results in negative free cash flow

Equity Ratio
- Remains at a very solid level

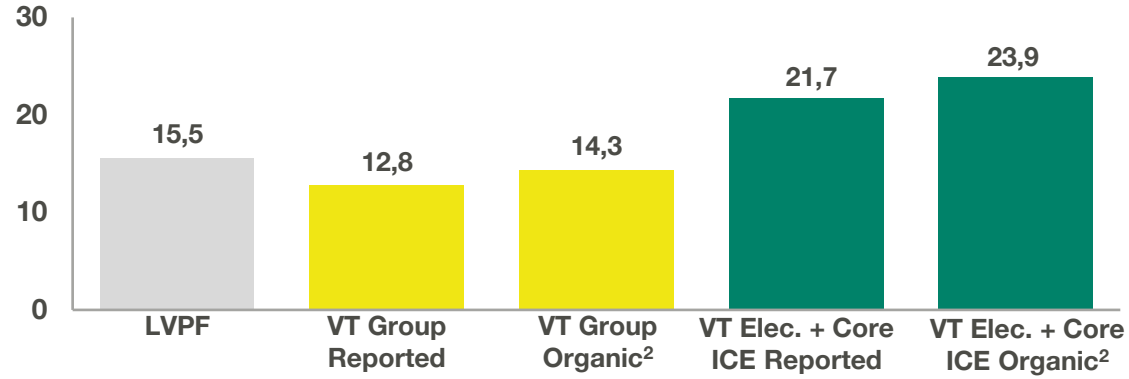
Adj. EBIT before amortization of intangibles from PPA, consolidation and special effects. | **1** Capex excluding right of use assets (IFRS 16).

CORE BUSINESS CONTINUES TO OUTPERFORM LIGHT VEHICLE PRODUCTION

Light Vehicle Production[1] (mn units)

	Q2 2023 Production	Q2 Δ YoY
Europe	4.4	+14.3%
North America	4.1	+14.8%
China	6.7	+20.5%
Rest of World	6.8	+12.2%
Worldwide	**22.0**	**+15.5%**

Year-on-Year Growth Rates (in %)



Highlights and Comments - Market

- Strong light vehicle production recovery worldwide, especially in China followed by North America and Europe
- Acceleration in global inventory restocking driven by higher demand expectations in the future

Highlights and Comments - Vitesco Technologies

- Electrification and Core ICE significantly outperforms the market while Non-Core sales decreased according to plan
- Vitesco Technologies' sales in Asia, especially in China, contributed the most YoY growth

1 Based on S&P Global Mobility, Light Vehicle Production Forecast as of 07/2023. Regions as defined for Vitesco Technologies' sales regions. | **2** Sales without effects from consolidation and FX.

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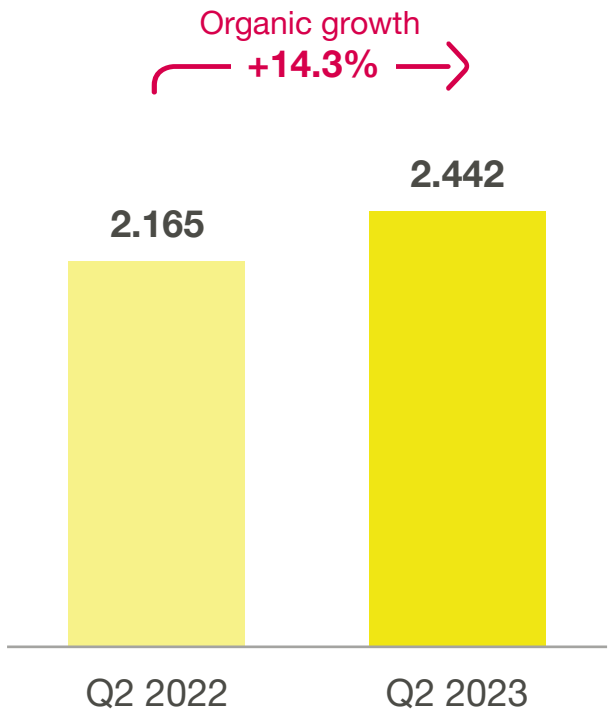
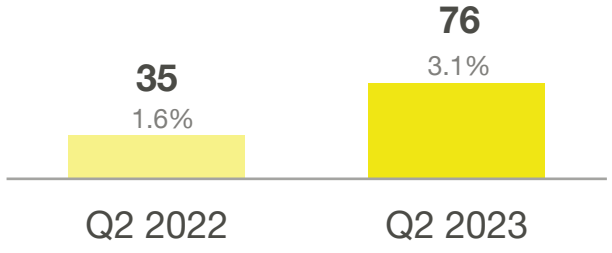
ON TRACK TO DELIVER ON FULL YEAR GUIDANCE

Sales (€ mn)



Adjusted EBIT (€ mn)



Vitesco Technologies

- Organic sales at group level 1.2pp below light vehicle production; Electrification and Core ICE technologies outperformed the market by 8.4pp
- Sales growth burdened from currency related headwinds amounting to 1.4pp
- Further ramp-down of Non-Core activities according to plan
- Compensation agreements by customers contribute to overall improved profitability

Organic Growth: Sales without effects from consolidation and FX. Adj. EBIT before amortization of intangibles from PPA, consolidation and special effects.

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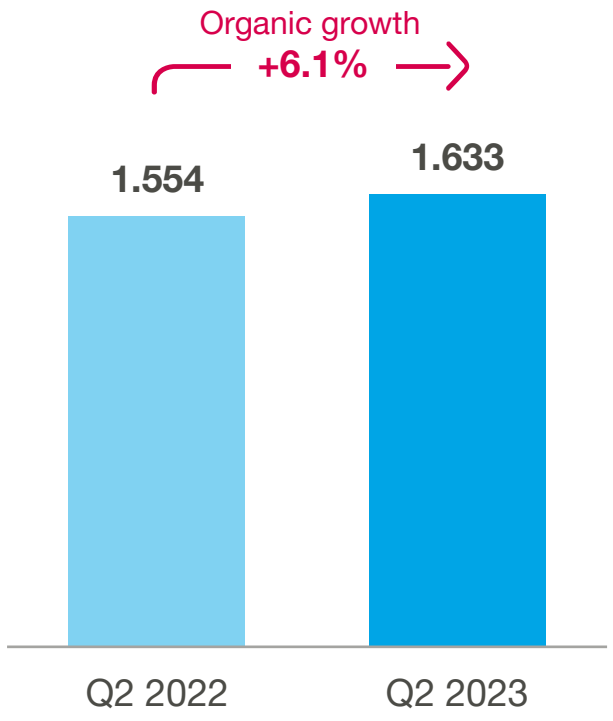
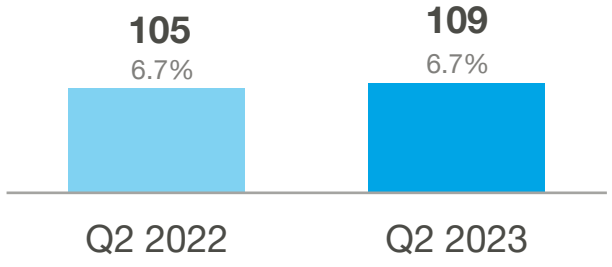
POWERTRAIN SOLUTIONS DIVISION SHOWS FURTHER IMPROVEMENT IN TOP AND BOTTOM LINE DEVELOPMENT

Sales (€ mn)



Adjusted EBIT (€ mn)



Powertrain Solutions Division – DIV P

- Positive development in Core business compensates for planned ramp-down Non-Core activities
- Sales growth burdened from currency related headwinds amounting to 0.9pp
- Strongest regional sales development in Europe
- Incremental margin at divisional level of only roughly 5% due to more than 40% share of margin dilutive Non-Core sales in DIV P
- Resilient Core ICE business contributes with 11.1% adj. EBIT margin in DIV P

Organic Growth: Sales without effects from consolidation and FX. Adj. EBIT before amortization of intangibles from PPA, consolidation and special effects.

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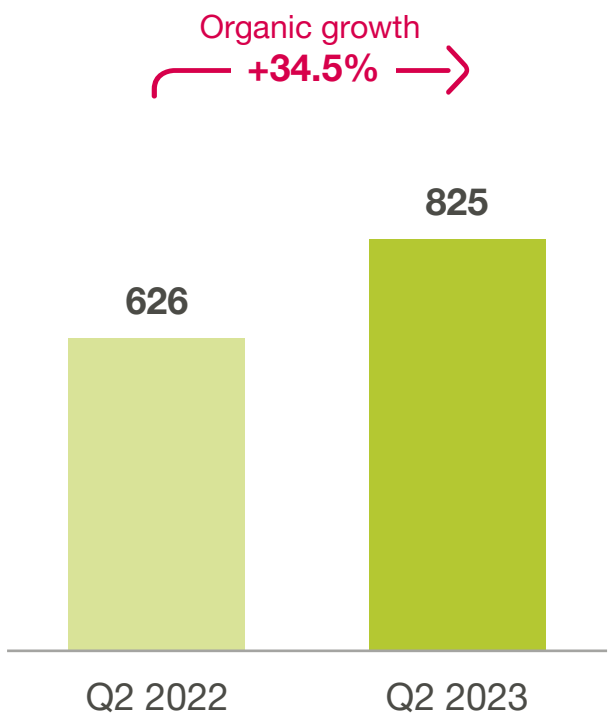
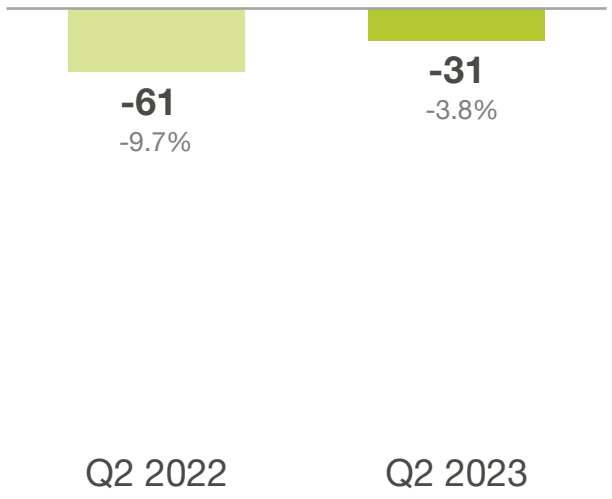
ELECTRIFICATION SOLUTIONS DIVISION ACHIEVES STRONG TOP LINE DEVELOPMENT

Sales (€ mn)



Adjusted EBIT (€ mn)



Electrification Solutions Division – DIV E

- Positive sales development driven by strong performance in China and Germany
- Outperformance of 19.0pp compared to global light vehicle production
- Sales growth includes currency related headwinds of 2.7pp
- Adjusted EBIT improved despite higher input and ramp-up costs for recent order wins
- Core ICE business in DIV E benefits from overall market development and further stabilized supply chains resulting in 4.3% adj. EBIT margin

Organic Growth: Sales without effects from consolidation and FX. Adj. EBIT before amortization of intangibles from PPA, consolidation and special effects.

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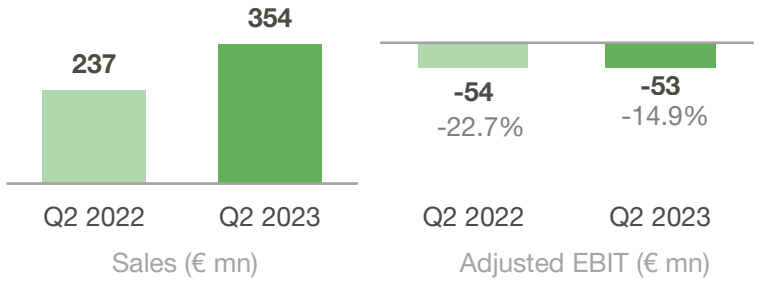
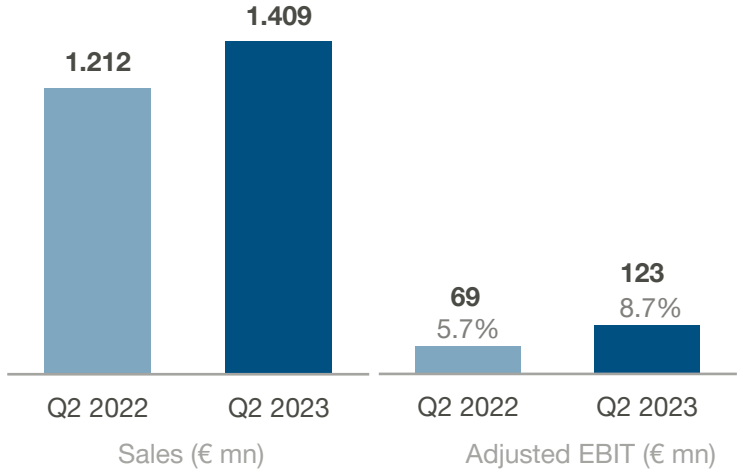
ELECTRIFICATION AND CORE ICE BUSINESS WELL ON TRACK FOR ACHIEVING OUR MID-TERM TARGETS

Electrification



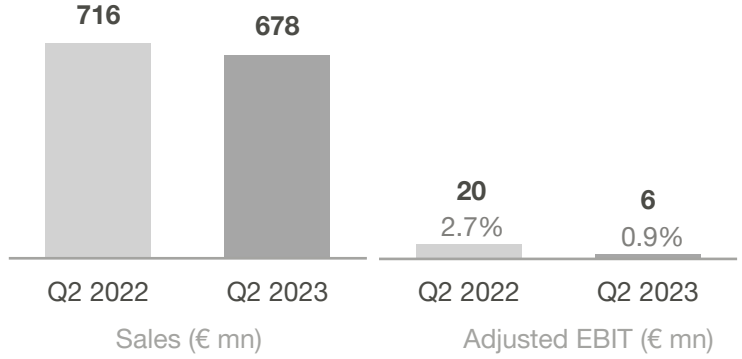
- Sales growth of ~50% due to ramp-ups of new products
- Further increasing volumes support adj. EBIT margin improvement

Core ICE (excl. Electrification)



- Slight outperformance compared to global light vehicle production
- Incremental margin of 27.4% in Core ICE excluding Electrification

Non-Core



- Decrease in Non-Core progressing according to plan
- Prior year Q2 operating result benefitted from release of provisions

Organic Growth: Sales without effects from consolidation and FX. Adj. EBIT before amortization of intangibles from PPA, consolidation and special effects.

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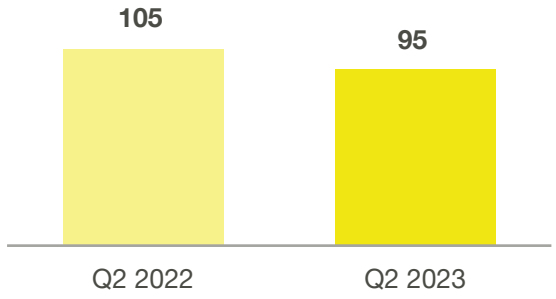
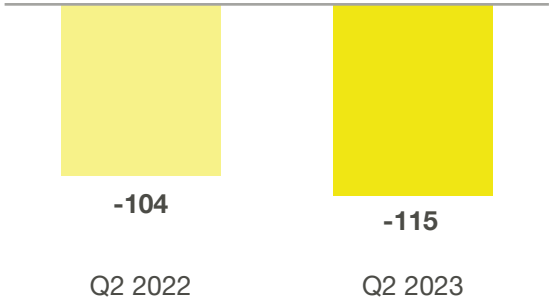
CASH FLOW BURDENED BY WORKING CAPITAL AND CONTINUED HIGH INVESTMENTS

Operating Cash Flow (€ mn)



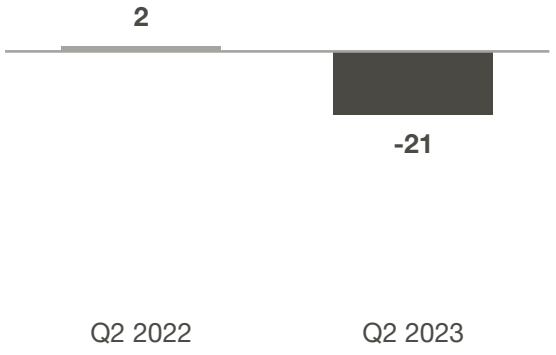
- Decrease in operating cash flow essentially due to higher net working capital intensity (mainly A/R)

Investing Cash Flow (€ mn)



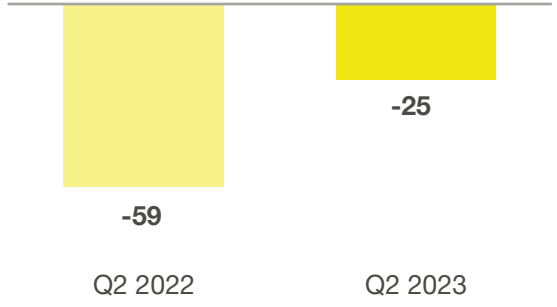
- Higher investing cash flow due to lower cash in from divestment when compared to prior year

Free Cash Flow (€ mn)



- Negative free cash flow resulting from lower operating cash flow and higher investing cash flow

Financing Cash Flow (€ mn)



- Improved financing cash flow due to significant less settlement impacts from financial derivates

Free Cash Flow defined as Operating Cash Flow plus Investing Cash Flow.

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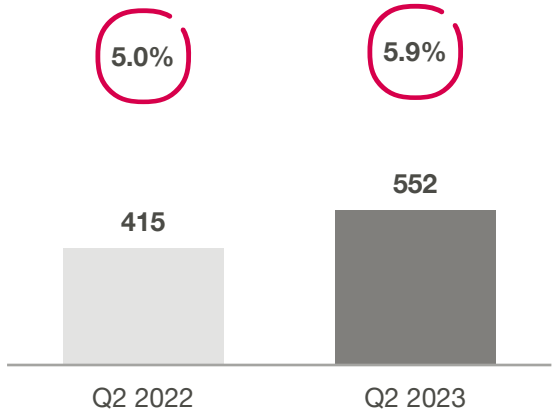
OUR EQUITY RATIO AND NET DEBT CONTINUE TO DEMONSTRATE OUR STRONG AND SOLID BALANCE SHEET

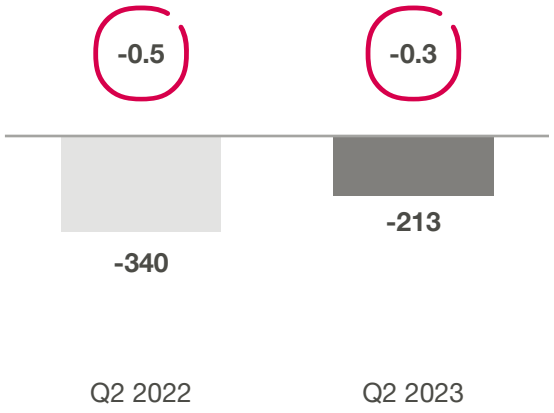
Net Working Capital (€ mn)

Net working capital/LTM sales



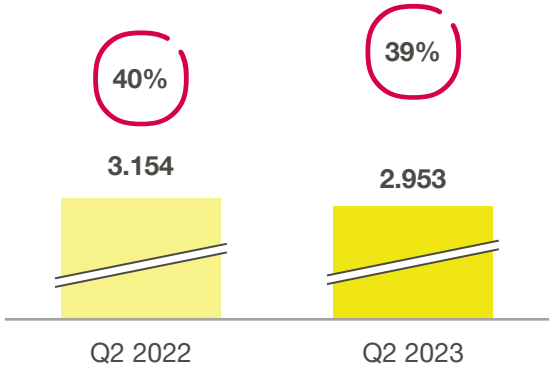
Net Debt (€ mn)

Net debt/LTM adj. EBITDA

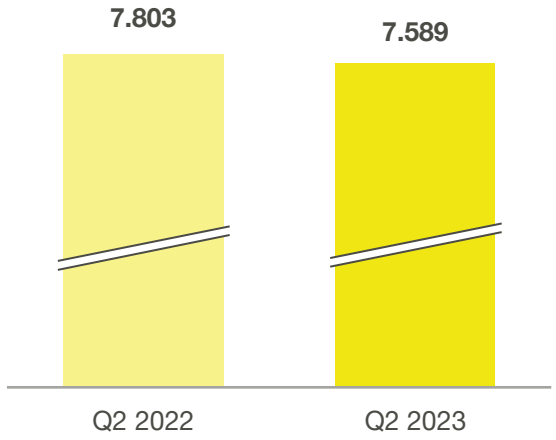


Total Equity (€ mn)

Equity ratio



Balance Sheet Total (€ mn)



- Increase in net working capital mainly driven by higher A/R
- Working capital intensity within anticipated mid-term range of 5% to 6%
- Net debt/LTM adj. EBITDA ratio remains at solid level and demonstrates comfortable liquidity situation
- Equity ratio remains at very solid level at around 39%

LTM: Last twelve months. Adj. EBITDA before consolidation and special effects.

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WE RECONFIRM OUR GUIDANCE AND MARKET OUTLOOK FOR FY 2023

Vitesco Technologies Group (€ mn)

	2022	2023E
Sales	9,070	9,200 to 9,700
Adj. EBIT Margin	2.5%	2.9% to 3.4%
Capex[1] Ratio	4.9%	5% to 6%
Free Cash Flow	123	~50

Market Outlook

China	~0% to 2%	Prev: ~1% to 3%
Europe	~7% to 9%	Prev: ~5% to 7%
NA	~6% to 8%	Prev: ~5% to 7%
RoW	~3% to 5%	Unchanged
World	**~3% to 5%**	Unchanged

Light Vehicle Production Forecast for changes of FY 2023 production compared to FY 2022 based on S&P Global Mobility, Light Vehicle Production Forecast as of 07/2023.
Adj. EBIT before amortization of intangibles from PPA, consolidation and special effects. Free Cash Flow defined as Operating Cash Flow plus Investing Cash Flow. | **1** Capex excluding right of use assets (IFRS 16).

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ANALYST SHEET QUARTERLY FIGURES – Q2 2023

in € mn	Q1 2022*	Q2 2022*	Q3 2022	Q4 2022	FY 2022	Q1 2023	Q2 2023
Sales VT Group	2,258.6	2,165.0	2,300.1	2,346.3	9,070.0	2,314.2	2,441.6
(% growth y/y)	*-1.9%*	*3.3%*	*20.2%*	*15.1%*	*8.6%*	*2.5%*	*12.8%*
For comparison: Global Light Vehicle Production[1] (mn units)	19.93	19.00	21.51	21.90	82.4	21.34	21.96
(% growth y/y)	*-3.5%*	*1.3%*	*29.5%*	*3.4%*	*6.7%*	*7.1%*	*15.5%*
Division Powertrain Solutions	1,638.3	1,553.7	1,632.0	1,548.3	6,372.3	1,607.7	1,632.5
(% growth y/y)	-	-	-	-	-	*-1.9%*	*5.1%*
Electrification**	21.2	20.5	23.0	28.0	92.7	22.2	28.5
(% growth y/y)	-	-	-	-	-	*4.7%*	*39.0%*
Core ICE excl. Electrification**	846.2	817.2	851.1	821.1	3,335.6	872.4	925.7
(% growth y/y)	-	-	-	-	-	*3.1%*	*13.3%*
Non-Core	770.9	716.0	757.9	699.2	2,944.0	713.1	678.3
(% growth y/y)	-	-	-	-	-	*-7.5%*	*-5.3%*
Division Electrification Solutions	634.3	626.1	687.1	818.3	2,765.8	716.8	825.2
(% growth y/y)	-	-	-	-	-	*13.0%*	*31.8%*
Electrification**	230.5	216.3	224.5	309.2	980.5	283.7	325.8
(% growth y/y)	-	-	-	-	-	*23.1%*	*50.6%*
Core ICE excl. Electrification**	403.8	409.8	462.6	509.1	1,785.3	433.1	499.4
(% growth y/y)	-	-	-	-	-	*7.3%*	*21.9%*
Adjusted EBIT VT Group	47.7	34.9	47.6	97.4	223.2	37.1	76.3
(% of sales)	*2.1%*	*1.6%*	*2.1%*	*4.2%*	*2.5%*	*1.6%*	*3.1%*
Adjusted EBIT Division Powertrain Solutions	111.3	104.7	76.8	55.4	344.1	117.3	109.2
(% of sales)	*6.8%*	*6.7%*	*4.7%*	*3.6%*	*5.4%*	*7.3%*	*6.7%*
Adjusted EBIT Electrification**	-2.6	-3.8	-4.3	4.1	-6.6	-0.4	0.0
(% of sales)	*-12.3%*	*-18.5%*	*-18.7%*	*14.6%*	*-7.1%*	*-1.8%*	*0.0%*
Adjusted EBIT Core ICE excl. Electrification**	104.1	88.9	98.6	68.5	356.6	99.4	102.8
(% of sales)	*12.3%*	*10.9%*	*11.6%*	*8.3%*	*10.7%*	*11.4%*	*11.1%*
Adjusted EBIT Non-Core	9.8	19.6	-17.5	-17.2	-5.9	18.3	6.4
(% of sales)	*1.3%*	*2.7%*	*-2.3%*	*-2.5%*	*-0.2%*	*2.6%*	*0.9%*
Adjusted EBIT Division Electrification Solutions	-61.3	-60.5	-23.7	52.3	-93.5	-72.0	-31.2
(% of sales)	*-9.7%*	*-9.7%*	*-3.4%*	*6.4%*	*-3.4%*	*-10.0%*	*-3.8%*
Adjusted EBIT Electrification**	-48.2	-49.9	-43.8	-12.5	-154.4	-51.0	-52.8
(% of sales)	*-20.9%*	*-23.1%*	*-19.5%*	*-4.0%*	*-15.7%*	*-18.0%*	*-16.2%*
Adjusted EBIT Core ICE excl. Electrification**	-13.1	-10.6	20.1	64.8	60.9	-21.0	21.6
(% of sales)	*-3.2%*	*-2.6%*	*4.3%*	*12.7%*	*3.4%*	*-4.8%*	*4.3%*

* Restatement of Q1 2022 and Q2 2022 figures due to consolidation changes

** Reclassification

Important note: Since restatements for Q3 and Q4 are still due, the full year adj. EBIT figures (for FY2022) at group and (sub)divisional levels differ slightly from the accumulated quaterly adj. EBIT figures

[1] Based on S&P Global Mobility, Light Vehicle Production Forecast as of 07/2023

Capex excluding right of use assets (IFRS 16)

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ANALYST SHEET QUARTERLY FIGURES – Q2 2023

in € mn	Q1 2022*	Q2 2022*	Q3 2022	Q4 2022	FY 2022	Q1 2023	Q2 2023
Research & Development Expenses (net)	179.4	188.5	171.7	120.8	660.4	193.4	198.9
(% of sales)	*7.9%*	*8.7%*	*7.5%*	*5.1%*	*7.3%*	*8.4%*	*8.1%*
Depreciation & Amortization	134.9	141.5	143.0	140.6	560.0	147.7	167.1
(% of sales)	*6.0%*	*6.5%*	*6.2%*	*6.0%*	*6.2%*	*6.4%*	*6.8%*
EBT	21.8	24.9	1.3	50.0	98.0	-29.3	12.0
(% of sales)	*1.0%*	*1.2%*	*0.1%*	*2.1%*	*1.1%*	*-1.3%*	*0.5%*
Effective Tax Rate	*151.8%*	*-47.4%*	*1169.2%*	*75.8%*	*75.9%*	*-73.0%*	*215.8%*
Net Result	-11.3	36.7	-13.8	12.0	23.6	-50.7	-13.8
(% of sales)	*-0.5%*	*1.7%*	*-0.6%*	*0.5%*	*0.3%*	*-2.2%*	*-0.6%*
Operating Cash Flow VT Group	108.2	105.2	80.5	298.2	592.1	76.9	94.8
(% of sales)	*4.8%*	*4.9%*	*3.5%*	*12.7%*	*6.5%*	*3.3%*	*3.9%*
Capex VT Group	52.1	112.5	88.9	193.1	446.6	98.0	92.8
(% of sales)	*2.3%*	*5.2%*	*3.9%*	*8.2%*	*4.9%*	*4.2%*	*3.8%*
Free Cash Flow VT Group	48.2	1.6	-16.3	89.7	123.2	-41.1	-20.6
(% of sales)	*2.1%*	*0.1%*	*-0.7%*	*3.8%*	*1.4%*	*-1.8%*	*-0.8%*
Balance Sheet Total	7,901.0	7,802.6	7,895.5	7,603.7	7,603.70	7,745.2	7,588.5
Equity Ratio	35.9%	40.4%	40.7%	40.3%	40.3%	39.1%	38.9%
Working Capital	437.0	415.4	592.8	455.2	455.2	513.6	552.0
Working Capital/LTM Sales	5.3%	5.0%	6.8%	5.0%	5.0%	5.6%	5.9%
Short- and Long-Term Financial Debt	483.3	469.8	480.4	447.7	447.7	451.3	459.3
Cash & Cash Equivalents	857.4	810.1	782.7	781.1	781.1	728.1	672.1
Net Financial Debt	-374.1	-340.3	-302.3	-333.4	-333.4	-276.8	-212.8
Net Financial Debt/LTM adj. EBITDA	-0.5	-0.5	-0.4	-0.5	-0.5	-0.4	-0.3

* Restatement of Q1 2022 and Q2 2022 figures due to consolidation changes

** Reclassification

Important note: Since restatements for Q3 and Q4 are still due, the full year adj. EBIT figures (for FY2022) at group and (sub)divisional levels differ slightly from the accumulated quaterly adj. EBIT figures

[1] Based on S&P Global Mobility, Light Vehicle Production Forecast as of 07/2023

Capex excluding right of use assets (IFRS 16)

Thank you

CONTACT OUR INVESTOR RELATIONS TEAM

Heiko Eber
Head of Investor Relations
Phone: +49 941 2031-72348
Email: heiko.eber@vitesco.com

Jens von Seckendorff
Senior Investor Relations Manager
Phone: +49 941 2031-6381
Email: jens.von.seckendorff@vitesco.com

Gagan Sehgal
Investor Relations Manager
Phone: +49 941 2031-3099
Email: garish.gagan.sehgal@vitesco.com