

QUARTERLY REPORT
MARCH 31, 2024



VITESCO TECHNOLOGIES STARTS 2024 FISCAL YEAR WITH SOLID QUARTERLY EARNINGS

- > Decline in Group sales to €1,991.9 million in the first quarter of 2024 (previous year: €2,314.2 million)
- > Adjusted EBIT of €33.0 million in the first quarter of 2024 (previous year: €30.8 million) with an adjusted EBIT margin of 1.7% (previous year: 1.4%)
- > Negative free cash flow due to planned settlements of advance payment by the Continental Group and the mutual decline in contract manufacturing combined with the contractually agreed adjustment of payment terms
- > Order intake of €708 million in the first quarter of 2024, of which €282 million associated to electrification business
- > Unchanged expectations for global vehicle production in the current fiscal year; Vitesco Technologies' guidance for the fiscal year is confirmed

BUSINESS DEVELOPMENT IN THE FIRST QUARTER OF 2024

Vitesco Technologies achieved solid results in a persistently challenging market environment during the first quarter of 2024. Overall revenues were €1,991.9 million (previous year: €2,314.2 million), which corresponds to a decline of 13.9% on the same period of the previous year. In particular, the expected decline in contract manufacturing as well as the lack of sales from divested businesses reduced the sales development at the start of the year. The Group's EBIT, adjusted for effects from changes in the scope of consolidation, amortization from purchase price allocations as well as special topics, amounted to €33.0 million (previous year: €30.8 million), or an adjusted EBIT margin of 1.7% (previous year: 1.4%). Vitesco Technologies' EBIT on a reported basis improved to €15.4 million (previous year: -€25.3 million). Consolidated net income during the reporting period amounted to €22.7 million (previous year: -€50.7 million), which corresponds to €0.57 earnings per share (previous year: -€1.27 per share). In particular, due to the planned settlements of advance payment by the Continental Group and the mutual decline in contract manufacturing combined with the contractually agreed adjustment of payment terms, free cash flow amounted to -€90.6 million (previous year: -€41.1 million). The number of employees as at March 31, 2024, was 35,370 (previous year: 38,215).

Obligations in connection with emission related topics under the Group separation agreement continue to be recognized at €82.0 million, even when current developments are factored in.

The Group's equity as at the reporting date of March 31, 2024, was €2,904.7 million (December 31, 2023: €2,851.3 million), which corresponds to an equity ratio of 37.8% (December 31, 2023: 37.6%). As at the end of March 2024, Vitesco Technologies had cash and cash equivalents of €1,038.8 million (December 31, 2023: €1,063.6 million). The reduction resulted in particular from the negative free cash flow in the first quarter of 2024. Net liquidity, defined as cash and cash equivalents less financial indebtedness, was at €228.3 million (December 31, 2023: €337.0 million).

As part of the planned merger, Vitesco Technologies USA, LLC has signed a loan agreement with Schaeffler Group USA, Inc. for a total amount of USD 220 million. USD 87 million of that had been drawn in March 2024.

Vitesco Technologies was able to acquire new orders of €708 million in the first quarter of 2024, of which €282 million or about 40% was attributable to electrification business.

EXPECTATIONS FOR THE FIRST QUARTER OF 2024

Vitesco Technologies is expecting the market environment to remain challenging in the second quarter of 2024. Even though a slight improvement should be expected for e-mobility, geopolitical uncertainties continue to result in shifted demand as well as supply chain interruptions. A slight recovery of global vehicle production should be expected in the second quarter of 2024 when compared with the previous year's quarter.

MARKET OUTLOOK AND FORECAST FOR THE FISCAL YEAR 2024

Given the business performance in the first quarter of 2024 and expectations for the second quarter of 2024, the market outlook and forecast for Vitesco Technologies' business development for the full 2024 fiscal year remain unchanged from the details provided in the annual report. As with the assumptions for global vehicle production, all expectations remain highly uncertain.

DEVELOPMENT IN INDIVIDUAL DIVISIONS

The electrification of the mobility market is an automotive megatrend and is being driven by ongoing climate change. The sales of electrified vehicles have seen enormous growth globally. Vitesco Technologies recognized this trend in its early stages and has consistently adapted to this transition.

In the first quarter of 2024, the Powertrain Solutions division generated sales of €1,273.0 million (previous year: €1,607.7 million). The adjusted EBIT amounted to €113.8 million (previous year: €109.2 million) and thus corresponds to an improved adjusted EBIT margin of 8.9% (previous year: 7.3%). The planned decline in sales from contract manufacturing for Continental as well as discontinued activities contributed to the overall declining sales within the division.

The Electrification Solutions division achieved revenue of €732.2 million during the first quarter of 2024 (previous year: €716.8 million). Given that the delivery of battery-electric vehicles in the European market stagnated in comparison to the previous year and a postponement for some project ramp-ups in all regions in the first quarter of 2024, electrification sales were below the previous year's level. The target of reaching the break-even point for electrification during the current fiscal year remains intact thanks to the sustained trend for battery-electric vehicles globally.

Due to the high start-up costs for electrification products, the adjusted EBIT remained at the previous year's level at -€71.7 million (previous year: -€71.6 million). The adjusted EBIT margin was -9.8% (previous year: -10.0%), also at the previous year's level.



CONSOLIDATED INTERIM FINANCIAL STATEMENTS

KEY FIGURES

The accounting in the interim consolidated financial statements was carried out in accordance with International Financial Reporting Standards (IFRS). The interim consolidated financial statements have been prepared in euros (€). Unless otherwise stated, all amounts are shown in millions of euros (€ million). Please note that differences may arise as a result of the use of rounded amounts and percentages.

CONSOLIDATED INTERIM STATEMENT OF INCOME

| € million | January 1 to March 31 | |
|--|-----------------------|----------------|
| | 2024 | 2023 |
| Sales | 1,991.9 | 2,314.2 |
| Cost of sales | -1,707.7 | -1,997.7 |
| Gross margin | 284.2 | 316.5 |
| Research and development costs | -222.5 | -236.5 |
| Distribution and logistics costs | -29.1 | -32.7 |
| General administrative costs | -72.6 | -62.7 |
| Other income | 102.6 | 82.3 |
| Other expenses | -47.6 | -92.4 |
| Income from equity-accounted investees | 0.4 | 0.2 |
| EBIT | 15.4 | -25.3 |
| Interest income | 11.3 | 7.8 |
| Interest expense | -17.1 | -12.4 |
| Effects from currency translation | 1.2 | 9.0 |
| Effects from changes in the fair value of derivative instruments and other valuation effects | 2.3 | -8.4 |
| Financial result | -2.3 | -4.0 |
| Result before income tax | 13.1 | -29.3 |
| Income tax expense | 9.6 | -21.4 |
| Net income | 22.7 | -50.7 |
| Basic earnings per share in € | 0.57 | -1.27 |
| Diluted earnings per share in € | 0.57 | -1.27 |

CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME

| € million | January 1 to March 31 | |
|--|-----------------------|--------------|
| | 2024 | 2023 |
| Net income | 22.7 | -50.7 |
| Items that will not be reclassified to profit or loss | | |
| Remeasurement of defined benefit plans | 20.4 | 1.3 |
| Fair value adjustments | 20.4 | 1.3 |
| Tax on other comprehensive income | -6.2 | 0.6 |
| Items that may be reclassified subsequently to profit or loss | | |
| Currency translation | 16.4 | 18.6 |
| Cash flow hedges | 0.2 | -0.7 |
| Tax on other comprehensive income | -0.1 | – |
| Other comprehensive income | 30.7 | 19.8 |
| Group comprehensive income | 53.4 | -30.9 |

CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION

ASSETS

| € million | March 31, 2024 | December 31, 2023 |
|---|-------------------|----------------------|
| Goodwill | 786.1 | 786.3 |
| Other intangible assets | 394.1 | 335.7 |
| Property, plant and equipment | 2,259.6 | 2,279.7 |
| Investments in equity-accounted investees | 20.6 | 20.2 |
| Other investments | 15.2 | 15.2 |
| Deferred tax assets | 275.0 | 265.8 |
| Defined benefit assets | 11.0 | 11.6 |
| Non-current contract assets | 2.2 | 1.3 |
| Non-current derivative instruments and interest-bearing investments | 21.2 | 19.5 |
| Other non-current financial assets | 25.4 | 27.3 |
| Other non-current assets | 6.7 | 5.3 |
| Non-current assets | 3,817.1 | 3,767.9 |
| Inventories | 874.6 | 825.1 |
| Trade accounts receivable | 1,525.0 | 1,546.0 |
| Current contract assets | 4.3 | 2.0 |
| Other current financial assets | 83.7 | 82.8 |
| Other current assets | 262.4 | 252.2 |
| Income tax receivables | 73.7 | 33.0 |
| Current derivative instruments and interest-bearing investments | 13.6 | 10.4 |
| Cash and cash equivalents | 1,038.8 | 1,063.6 |
| Assets held for sale | 0.1 | 0.1 |
| Current assets | 3,876.2 | 3,815.2 |
| Total assets | 7,693.3 | 7,583.1 |

LIABILITES

| € million | March 31, 2024 | December 31, 2023 |
|--|-------------------|----------------------|
| Subscribed capital | 100.1 | 100.1 |
| Capital reserves | 3,487.8 | 3,487.8 |
| Retained earnings | -820.3 | -843.0 |
| Other comprehensive income | 137.1 | 106.4 |
| Total Equity | 2,904.7 | 2,851.3 |
| Long-term employee benefits | 601.4 | 624.2 |
| Deferred tax liabilities | 148.3 | 140.5 |
| Non-current provisions for other risks and obligations | 139.9 | 137.8 |
| Long-term indebtedness | 665.1 | 672.4 |
| Non-current contract liabilities | 16.5 | 2.1 |
| Other non-current liabilities | 11.3 | 11.0 |
| Non-current liabilities | 1,582.5 | 1,588.0 |
| Short-term employee benefits | 396.5 | 316.6 |
| Trade accounts payable | 1,842.3 | 1,838.6 |
| Current contract liabilities | 88.3 | 132.0 |
| Income tax payables | 77.5 | 94.2 |
| Current provisions for other risks and obligations | 398.7 | 424.5 |
| Short-term indebtedness | 145.4 | 54.2 |
| Other current financial liabilities | 182.5 | 208.3 |
| Other current liabilities | 74.9 | 75.4 |
| Current liabilities | 3,206.1 | 3,143.8 |
| Total Equity and liabilities | 7,693.3 | 7,583.1 |

CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS

January 1 to March 31

| € million | 2024 | 2023 |
|--|----------------|---------------|
| Net income | 22.7 | -50.7 |
| Income tax expense | -9.6 | 21.4 |
| Financial result | 2.3 | 4.0 |
| EBIT | 15.4 | -25.3 |
| Interest paid | -12.2 | -6.6 |
| Interest received | 9.6 | 5.3 |
| Income tax paid | -50.3 | -28.3 |
| Depreciation, amortization, impairment and reversal of impairment losses | 116.9 | 147.7 |
| Income from equity-accounted investees and other investments, incl. impairment and reversal of impairment losses | -0.4 | -0.2 |
| Gains/losses from the disposal of assets, companies and business operations | -7.3 | 36.6 |
| Changes in | | |
| Inventories | -45.9 | -142.4 |
| Trade accounts receivable | 34.4 | -45.8 |
| Trade accounts payable | 4.7 | 121.2 |
| Employee benefits and other provisions | 48.5 | 63.1 |
| Other assets and liabilities | -70.5 | -48.4 |
| Cash flow arising from operating activities | 42.9 | 76.9 |
| Cash flow from the disposal of assets | 13.4 | 10.0 |
| Capital expenditure on property, plant and equipment and software | -84.4 | -98.0 |
| Capital expenditure on intangible assets from development projects and miscellaneous | -65.4 | -33.1 |
| Cash flow from the disposal of companies and business operations | 2.9 | -0.3 |
| Other investments | - | 3.4 |
| Cash flow arising from investing activities | -133.5 | -118.0 |
| Cash flow before financing activities (free cash flow) | -90.6 | -41.1 |
| Change in indebtedness | 66.1 | -9.5 |
| Cash flow arising from financing activities | 66.1 | -9.5 |
| Change in cash and cash equivalents | -24.5 | -50.6 |
| Cash and cash equivalents as at January 1 | 1,063.6 | 781.1 |
| Effect of exchange-rate changes on cash and cash equivalents | -0.3 | -4.8 |
| Classification assets held for sale | - | 2.4 |
| Cash and cash equivalents as at March 31 | 1,038.8 | 728.1 |

CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY

| € million | Subscribed capital ¹ | Capital reserves | Retained earnings | Difference from | | | Total |
|-----------------------------------|---------------------------------|------------------|-------------------|--|----------------------|-----------------------|----------------|
| | | | | Remeasurement of defined benefit plans | Currency translation | Financial instruments | |
| As at January 1, 2023 | 100.1 | 3,487.8 | -761.6 | 42.5 | 180.0 | 12.9 | 3,061.7 |
| Net income | – | – | -50.7 | – | – | – | -50.7 |
| Other comprehensive income | – | – | – | 1.9 | 18.6 | -0.7 | 19.8 |
| Group comprehensive income | – | – | -50.7 | 1.9 | 18.6 | -0.7 | -30.9 |
| As at March 31, 2023 | 100.1 | 3,487.8 | -812.3 | 44.4 | 198.6 | 12.2 | 3,030.8 |
| As at January 1, 2024 | 100.1 | 3,487.8 | -843.0 | -1.7 | 104.3 | 3.8 | 2,851.3 |
| Net income | – | – | 22.7 | – | – | – | 22.7 |
| Other comprehensive income | – | – | – | 14.2 | 16.4 | 0.1 | 30.7 |
| Group comprehensive income | – | – | 22.7 | 14.2 | 16.4 | 0.1 | 53.4 |
| As at March 31, 2024 | 100.1 | 3,487.8 | -820.3 | 12.5 | 120.7 | 3.9 | 2,904.7 |

1) Divided into 40,021,196 shares outstanding.

SEGMENT REPORTING JANUARY 1 TO MARCH 31, 2024

| € million | Powertrain Solutions | Electrification Solutions | Other/ Holding/ Consolidation | Vitesco Technologies Group |
|--|----------------------|---------------------------|-------------------------------------|----------------------------|
| External sales | 1,260.5 | 731.4 | – | 1,991.9 |
| Intercompany sales | 12.5 | 0.8 | -13.3 | – |
| Sales (total) | 1,273.0 | 732.2 | -13.3 | 1,991.9 |
| EBIT | 108.8 | -78.0 | -15.4 | 15.4 |
| As % of sales | 8.5 | -10.7 | – | 0.8 |
| Capital expenditure ¹ | 23.6 | 67.8 | 0.1 | 91.5 |
| As % of sales | 1.9 | 9.3 | – | 4.6 |
| Depreciation, amortization and impairment ² | 65.9 | 50.9 | 0.1 | 116.9 |
| Of which impairment ³ | – | – | – | – |
| Operating assets as at March 31 | 1,602.1 | 1,410.7 | -113.4 | 2,899.4 |
| Number of employees ⁴ as at March 31 | 19,460 | 15,845 | 65 | 35,370 |
| Adjusted sales ⁵ | 1,273.0 | 732.2 | -13.3 | 1,991.9 |
| Adjusted operating result (adjusted EBIT) ⁶ | 113.8 | -71.7 | -9.1 | 33.0 |
| As % of adjusted sales | 8.9 | -9.8 | – | 1.7 |

1) Capital expenditure on property, plant and equipment and software, including IFRS 16, Leases

2) Excluding impairment on financial investments.

3) Impairment also includes any required reversal of impairment losses.

4) Excluding apprentices/trainees.

5) Adjusted for changes in the scope of consolidation.

6) Adjusted for amortization of intangible assets from purchase price allocation, changes in the scope of consolidation and special topics.

SEGMENT REPORTING JANUARY 1 TO MARCH 31, 2023

| € million | Powertrain Solutions | Electrification Solutions | Other/ Holding/ Consolidation | Vitesco Technologies Group |
|--|----------------------|---------------------------|-------------------------------------|----------------------------|
| External sales | 1,598.4 | 715.8 | – | 2,314.2 |
| Intercompany sales | 9.3 | 1.0 | -10.3 | – |
| Sales (total) | 1,607.7 | 716.8 | -10.3 | 2,314.2 |
| EBIT | 56.6 | -73.7 | -8.2 | -25.3 |
| As % of sales | 3.5 | -10.3 | – | -1.1 |
| Capital expenditure ¹ | 36.0 | 69.8 | – | 105.8 |
| As % of sales | 2.2 | 9.7 | – | 4.6 |
| Depreciation, amortization and impairment ² | 100.9 | 46.7 | 0.1 | 147.7 |
| Of which impairment ³ | 16.9 | -0.2 | – | 16.7 |
| Operating assets as at March 31 | 1,783.4 | 1,120.7 | -90.5 | 2,813.6 |
| Number of employees ⁴ as at March 31 | 23,462 | 14,691 | 62 | 38,215 |
| Adjusted sales ⁵ | 1,499.6 | 716.8 | -10.3 | 2,206.1 |
| Adjusted operating result (adjusted EBIT) ⁶ | 109.2 | -71.6 | -6.8 | 30.8 |
| As % of adjusted sales | 7.3 | -10.0 | – | 1.4 |

1) Capital expenditure on property, plant and equipment and software, including IFRS 16, Leases

2) Excluding impairment on financial investments.

3) Impairment also includes any required reversal of impairment losses.

4) Excluding apprentices/trainees.

5) Adjusted for changes in the scope of consolidation.

6) Adjusted for amortization of intangible assets from purchase price allocation, changes in the scope of consolidation and special topics.

INTERIM RECONCILIATION OF SALES WITH ADJUSTED SALES AND OF EBITDA WITH ADJUSTED OPERATING RESULT (ADJUSTED EBIT) JANUARY 1 TO MARCH 31, 2024

| € million | Powertrain Solutions | Electrification Solutions | Other/ Holding/ Consolidation | Vitesco Technologies Group |
|--|----------------------|---------------------------|-------------------------------------|----------------------------|
| Sales | 1,273.0 | 732.2 | -13.3 | 1,991.9 |
| Changes in the scope of consolidation ¹ | – | – | – | – |
| Adjusted sales | 1,273.0 | 732.2 | -13.3 | 1,991.9 |
| EBITDA | 174.7 | -27.1 | -15.3 | 132.3 |
| Depreciation, amortization and impairment ² | -65.9 | -50.9 | -0.1 | -116.9 |
| EBIT | 108.8 | -78.0 | -15.4 | 15.4 |
| Amortization of intangible assets from purchase price allocation (PPA) | – | – | – | – |
| Changes in the scope of consolidation ¹ | – | – | – | – |
| Special topics | | | | |
| Impairment on goodwill | – | – | – | – |
| Impairment ³ | – | – | – | – |
| Restructuring | -2.7 | – | – | -2.7 |
| Restructuring-related expenses | 0.5 | – | – | 0.5 |
| Severance payments | 1.7 | 1.6 | – | 3.3 |
| Gains and losses from disposals of companies and business operations | 0.4 | -0.1 | – | 0.3 |
| Spin-off costs | 1.3 | 2.1 | – | 3.4 |
| Expenses out of obligations in connection with emissions issues | – | – | 1.0 | 1.0 |
| Transaction costs for disposal of business operations | -0.0 | 0.0 | – | – |
| Expenses connected to the integration into Schaeffler | 3.8 | 2.7 | 5.3 | 11.8 |
| Adjusted operating result (adjusted EBIT) | 113.8 | -71.7 | -9.1 | 33.0 |

1) Changes in the scope of consolidation include additions and disposals as part of share and asset deals. Adjustments were made for additions during the fiscal year and for disposals in the year-over-year comparison period.

2) Excluding impairment on financial investments.

3) Impairment also includes necessary reversal of impairment losses. This item does not include impairment with regards to restructuring and impairment on financial investments.

INTERIM RECONCILIATION OF SALES WITH ADJUSTED SALES AND OF EBITDA WITH ADJUSTED OPERATING RESULT (ADJUSTED EBIT) JANUARY 1 TO MARCH 31, 2023

| € million | Powertrain Solutions | Electrification Solutions | Other/ Holding/ Consolidation | Vitesco Technologies Group |
|--|----------------------|---------------------------|-------------------------------------|----------------------------|
| Sales | 1,607.7 | 716.8 | -10.3 | 2,314.2 |
| Changes in the scope of consolidation ¹ | -108.1 | – | – | -108.1 |
| Adjusted sales | 1,499.6 | 716.8 | -10.3 | 2,206.1 |
| EBITDA | 157.5 | -27.0 | -8.1 | 122.4 |
| Depreciation, amortization and impairment ² | -100.9 | -46.7 | -0.1 | -147.7 |
| EBIT | 56.6 | -73.7 | -8.2 | -25.3 |
| Amortization of intangible assets from purchase price allocation (PPA) | – | 0.1 | – | 0.1 |
| Changes in the scope of consolidation ¹ | -8.1 | 0.4 | 1.4 | -6.3 |
| Special topics | | | | |
| Impairment on goodwill | 16.7 | – | – | 16.7 |
| Impairment ³ | 0.3 | -0.2 | – | 0.1 |
| Restructuring | – | – | – | – |
| Restructuring-related expenses | 0.6 | – | – | 0.6 |
| Severance payments | 0.6 | 1.7 | – | 2.3 |
| Gains and losses from disposals of companies and business operations | 40.2 | – | – | 40.2 |
| Spin-off costs | 0.9 | 0.1 | – | 1.0 |
| Expenses out of obligations in connection with emissions issues | – | – | – | – |
| Transaction costs for disposal of business operations | 1.4 | – | – | 1.4 |
| Expenses connected to the integration into Schaeffler | – | – | – | – |
| Adjusted operating result (adjusted EBIT) | 109.2 | -71.6 | -6.8 | 30.8 |

1) Changes in the scope of consolidation include additions and disposals as part of share and asset deals. Adjustments were made for additions during the fiscal year and for disposals in the year-over-year comparison period.

2) Excluding impairment on financial investments.

3) Impairment also includes necessary reversal of impairment losses. This item does not include impairment with regards to restructuring and impairment on financial investments.

FINANCIAL CALENDER

2024

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|--|-------------|
| Quarterly Report as at March 31, 2024 | May 8 |
| Half-Year Financial Report as at June 30, 2024 | August 13 |
| Quarterly Report as at September 30, 2024 | November 14 |

PUBLICATION DETAILS

The annual report, the annual financial statements, the half-year financial report and the quarterly reports are available online in the Investors section of our website at ir.vitesco-technologies.com.

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