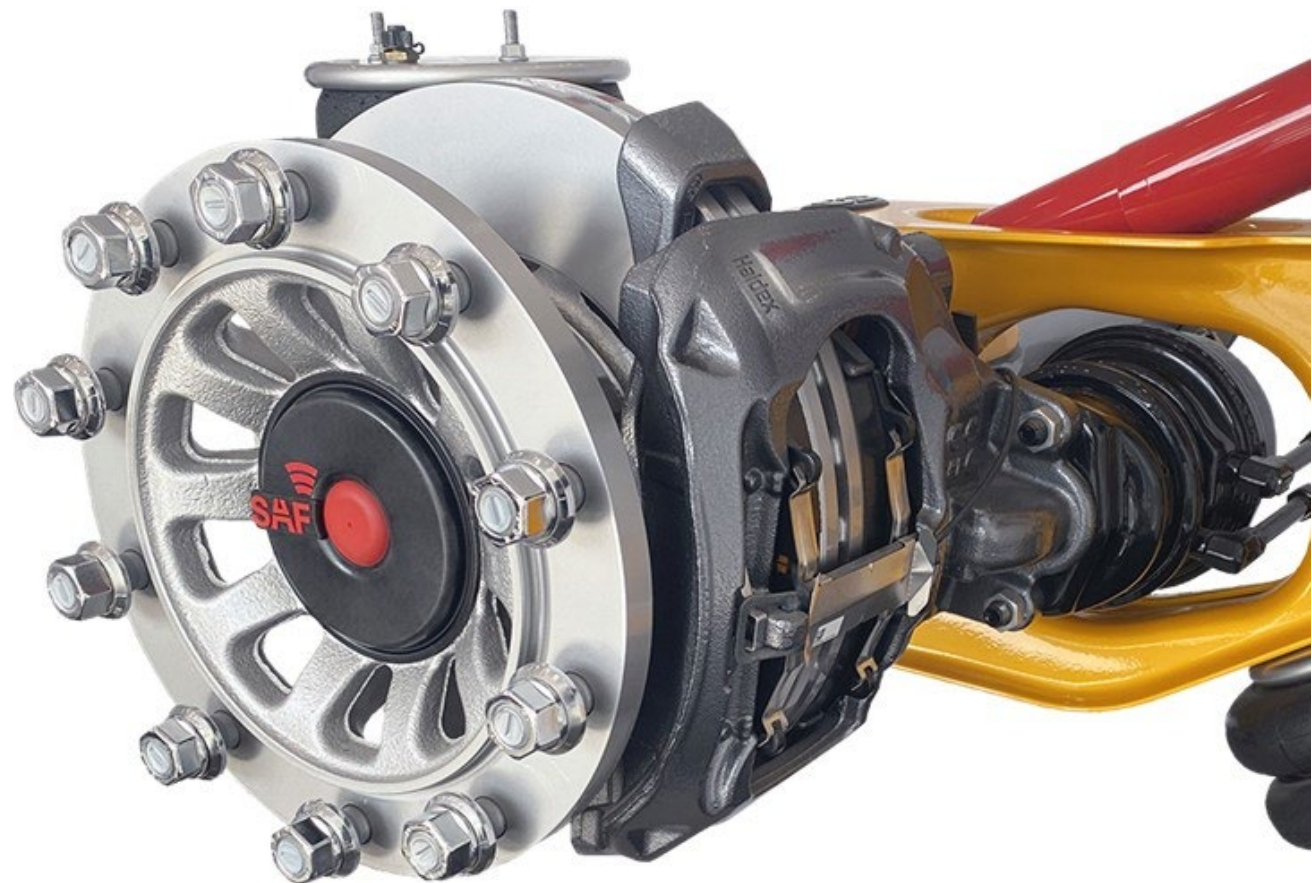


SAF-HOLLAND SE

Investor Presentation

NOVEMBER 2023



SAF-HOLLAND at a glance

Company Profile

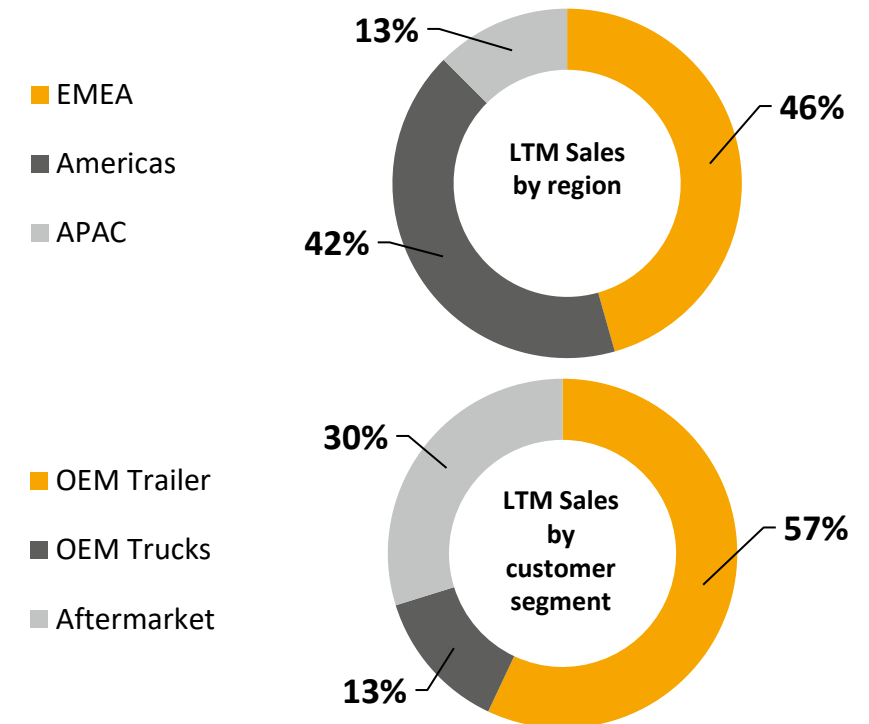
- SAF-HOLLAND is **one of the world leaders**, manufacturing **chassis-related assemblies and components**, primarily for **trailers, semi-trailers** as well as for **trucks and buses**
- Offering includes **axle and suspension systems** for trailers, **fifth wheels and coupling systems** for trucks, trailers and semi-trailers as well as **breaking and electronic braking systems** plus **solutions for “Smart Trailers”**
- SAF-HOLLAND has a **global production footprint** with a **local-for-local approach** and c. **12,000 spare parts & service stations**

Brands



Numbers

- SAF-HOLLAND employs **~6,000 people** on **six continents**
- LTM*** sales were **~ 2 bn EUR** and **LTM adj. EBIT margin 9.4%** or **~ 185 mn EUR**



* LTM figures calculated incl. Haldex consolidation as of February 22, 2023

Business model and financial overview



OUR VISION

To be the most trusted and reliable systems partner in the commercial vehicle industry

A compelling case: SAF-HOLLAND investment highlights

1 SAF-HOLLAND strongly positioned to benefit from **global road freight volume to almost triple** until FY 2050, creating **further need for transportation equipment**

2 Industry megatrends such as digitalization, electrification, autonomous driving and safety **all addressed by SAF-HOLLAND's comprehensive product and solution portfolio**

3 SAF-HOLLAND with **strong market position** based on **one-stop-shop offering**, incl. **local-for-local approach** and **direct access to fleet customers**

4 **Resilient and highly profitable aftermarket** sales streams of around one third of Group sales, **supporting Group adj. EBIT significantly**

Attractive financial framework of SAF-HOLLAND

Resilient aftermarket share

Around **30% of Group sales** are based on resilient and highly profitable aftermarket business

Robust sales and margin targets for FY 2027

Targeting **organic sales CAGR of 4.5%*** to around **EUR 2.5 bn** and an **adj. EBIT margin of 9 to 9.5%**, implying an **adj. EBIT of > EUR 200 mn**

Asset and fixed cost light business model

Planning with stable **CAPEX ratio of up to 3%** of sales until FY 2027. **Low fixed cost structure with high double digit % share material cost of cost of sales** supports margin resilience

Sustainable cash generation

Despite strong sales growth and Haldex acquisition rolling 8-quarter average** **NWC ratio of 15.2% in line with FY 2027 target** of 15 to 16%

Strong ROCE achievements

Rolling 8-quarter average*** **ROCE of 15.3%, above WACC**, creating constant shareholder value generation and **matching FY 2027 target** of at least 15%

Attractive dividend policy

Dividend policy calls for a **pay-out ratio of 40 to 50%** of available net income to shareholders

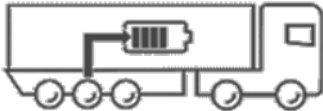
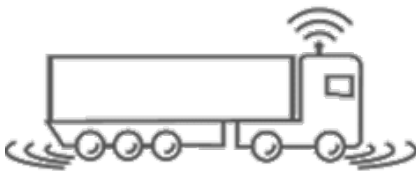
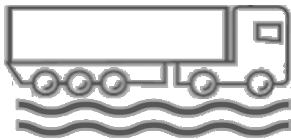
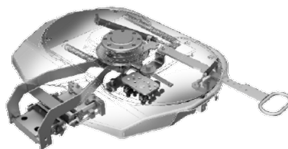
* 2023 to 2027 CAGR calculated with FY 2027 sales target at mid-point against FY 2023 sales of slightly above EUR 2,000 mn of slightly below 12%, based on FY 2022 Annual Report

** Rolling past eight quarter average

*** Rolling past eight quarter average ROCE against FY 2022 Group WACC

SAF-HOLLAND very well positioned to benefit from increasing transportation demand

Overarching demand driver: Global road freight demand set to almost triple to 844 bn kilometres until 2050*

Commercial Vehicle Industry Megatrends	Electrification 	Digitalization 	Automated Driving 	Traffic Safety 
Drivers	• CO₂ reduction • Noise reduction • Legislation	• Predictive maintenance • Optimisation of uptime • Increased efficiency • Security increase	• CO₂ reduction • Increased efficiency • Driver shortage	• Brake regulation and reduced stopping distances • Driver shortage
Offering	Electrified axle solutions 	Digital trailer management 	Automated coupling 	Tire pressure monitoring 

* Source: OECD non-urban freight model in billion kilometers, Aug 2023

Strong market access and product offering of SAF-HOLLAND plus Haldex

Advantages from the Haldex acquisition

			
MARKET ACCESS			
Fleets	+	0	+
Small/Mid OEs	+	0	+
Big OEs	+	0	+
PRODUCT CAPABILITIES			
Brake & Chassis Control	-	+	+
E/E-Vehicle-Architect.	0	0	+
Axle & Suspension	+	-	+
Telematics solutions	+	0	+
Wheel Brake	0	+	+
Wheel Hub	+	-	+
Tire Pressure Monitoring	0	-	0

Development to + progressing

+ Competitive Advantage 0 Neutral competitive position - Competitive Disadvantage

Note: Indicative competitive advantages

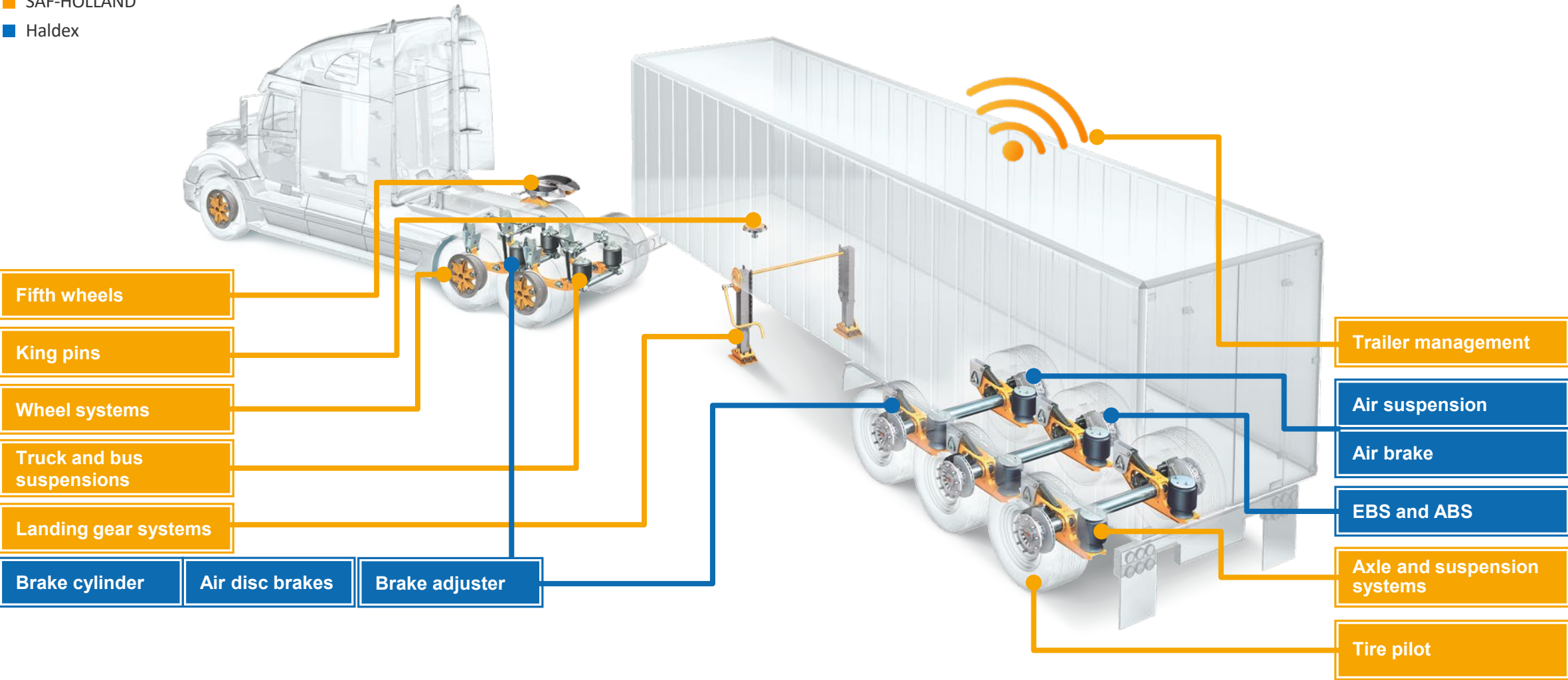
* Haldex stand-alone sales include sales to SAF-HOLLAND of c. 10% i.e. are eliminated once consolidated into SAF-HOLLAND

Deeper insight into the combined Group

- **SAF-HOLLAND acquired HALDEX** recording **stand-alone sales of c. 500mn Euro*** and included it in the scope of consolidation as of February 22, 2023
- The combined Group has a **strong position as a one-stop-shop product and solution provider**
- **Comprehensive product portfolio** consisting of axles & suspension systems, brake & chassis control and telematics
- The combined product portfolio allows for additional solutions such as predictive maintenance or smart functions (e.g., burglary protection, trailer temperature measurement etc.)
- **Strong advantage specially from air disc brake solutions by Haldex**, offering significant sales growth opportunities in both trailer and truck markets
- **Synergies from the acquisition** are expected to be EUR 10 to 12 mn in FY 2023 and EUR 20 to 35 mn in FY 2027
- **SAF-HOLLAND should benefit from cross-selling synergies** of c. EUR 40 mn in FY 2023 and up to EUR 200 mn in FY 2027 driven by access to an extended customer base

Comprehensive high-quality product portfolio of SAF-HOLLAND plus Haldex

- SAF-HOLLAND
- Haldex



* EBS: Electronic Brake System; ABS: Anti-Lock Braking System

Significant customer benefits from increasingly integrated mechatronic offering



One-stop shopping

- 1** One contact for all chassis-related products / systems
- 2** Solutions throughout the **entire product life cycle**: From initial consultation and configuration to delivery and Maintenance
- 3** **Single source provider** to help customers reduce the scope of supply chain and the dependence on external suppliers

Market Share Driver



System integration

- 1** Harmonisation and integration of mechatronics and axles / suspensions
- 2** Development of predictive Maintenance functions
- 3** Combination of Telematics and Trailer EBS*

Structural Growth Driver

▶ Sole system supplier worldwide for all chassis-related products

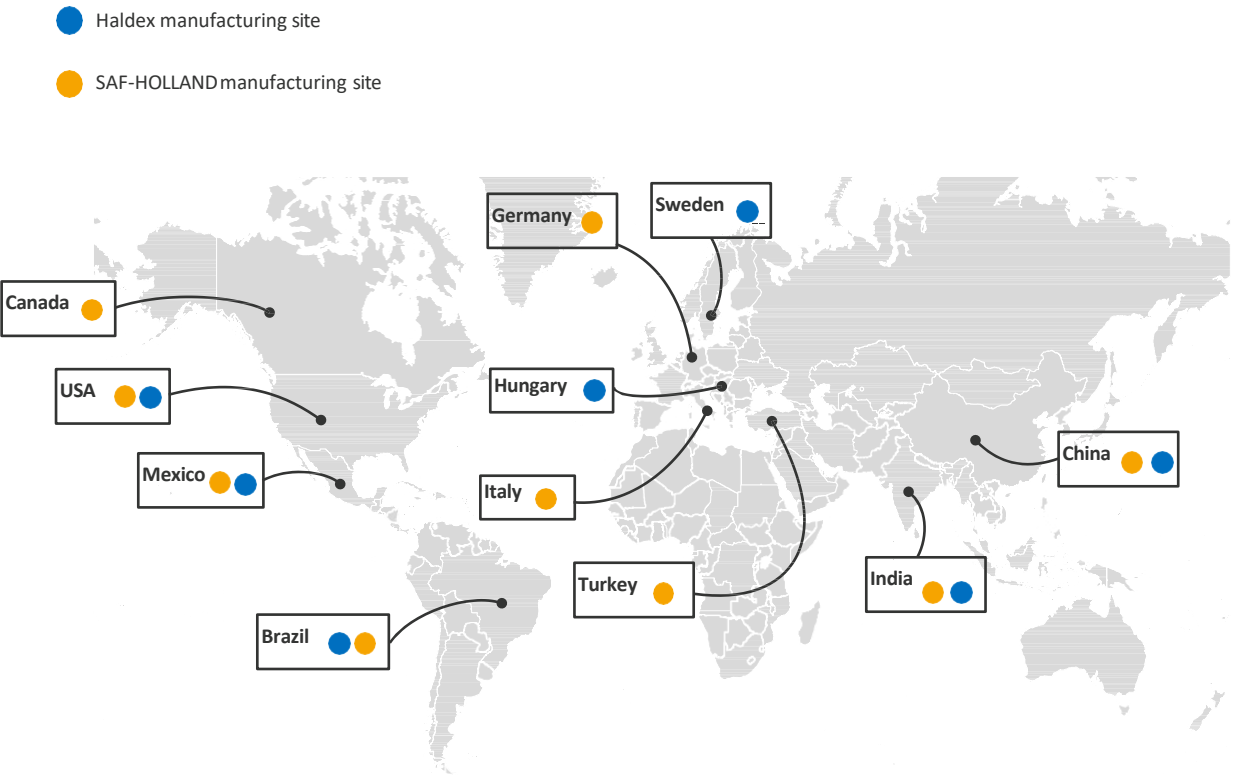
* EBS: Electronic Brake System

Leading positions in oligopolistic markets further enhanced by Haldex acquisition

	SAF-HOLLAND			Haldex	
	Trailer Axles	Fifth Wheels	Landing Gear	Suspension / Air Controls	Foundation Brake
					
Global positioning	#1-2	#2	#2	#1-3	
Regional positioning	#1 EMEA #1 India #3 NA*	#1 NA* #2 EMEA	#1 NA* #2 EMEA	#2 Europe: Air Disc Brakes, Trailer #1 Europe: Air Suspension, Trailer #3 Europe: Trailer EBS* #1 Europe / NA*: Brake Adjusters	
▶ Top 3 positions across key products					

* NA: North America; EBS: Electronic Brake System

Local-for-local set-up covering developed and growth markets globally



1

Significant Benefits from Global Footprint...



Optimisation of distribution, sales and aftermarket network



Resilience: Differing regional market trends and replacement cycles



Superior product offering as a system supplier

2

... Plus Potential From Additional Growth Avenues



Rolling out EBS^(*) technology in North America and China



Pushing Air Disc Brake technology North America and China

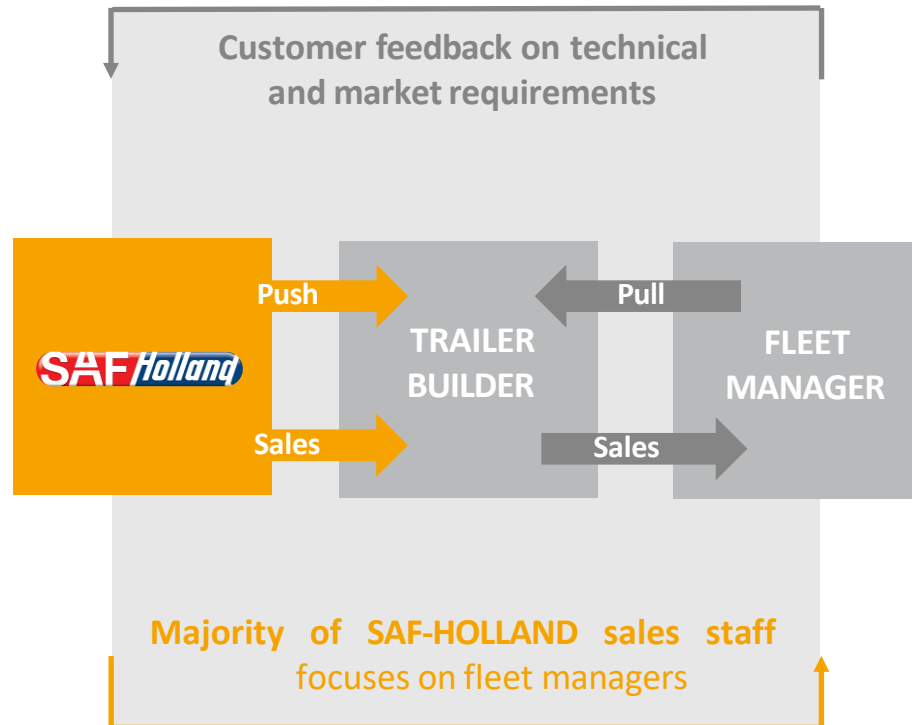


Air suspension regulation in various regions

* EBS: Electronic Brake System

Direct access to broad and diversified end customer base: Fleet operators

- SAF-HOLLAND has long established relationships with fleet owners and trailer builders
- High brand recognition and superior product performance combined with unique aftermarket network
- Fleet managers specify SAF-HOLLAND products with trailer builders
- No dependency on single group of customers. ~70% of Group sales comes from diverse customer portfolio



Selected SAF-HOLLAND end customers



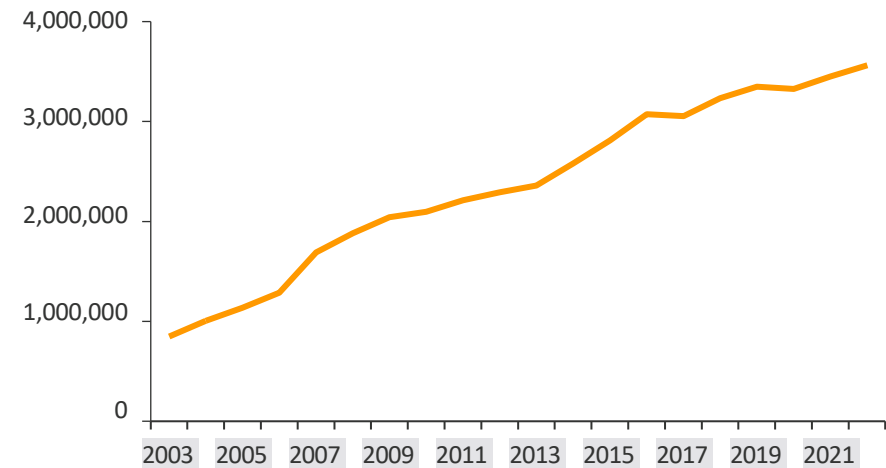
End customers choose SAF-HOLLAND because of
lower total costs of ownership and higher efficiency over the life cycle

Comprehensive aftermarket spare parts and service network worldwide

~12,000 spare parts dealers and service stations in more than 80 countries guarantee spare parts availability



Axle population in EMEA has more than tripled



▶ Leading service network in Europe and North America:
key asset for fleet customers and significant barrier to market entry

▶ Aftermarket business counter-balances potential volatility in OEM business and generates growth based on increasing product population in the field ("razor and blade business model")

Digital aftermarket solutions ensure swift replacement of required Parts

Ordering spare parts via QR-Code

- As of 2013, all axles delivered have a QR code on the type plate
- Since 2014, this has also applied to fifth wheels and landing gear
- The serial number is the key information required to identify replacement parts
- Via the QR code customers are directed to an online platform where they can directly order required spare parts

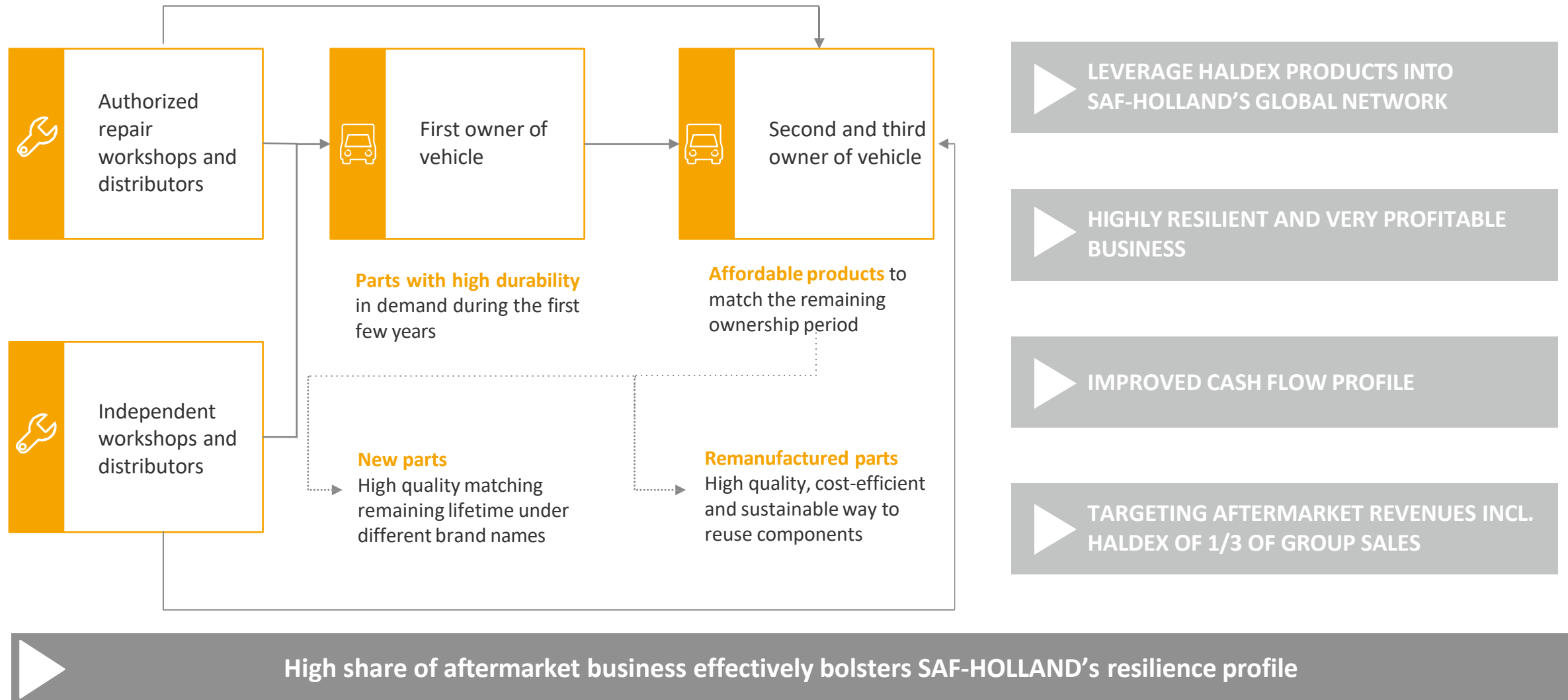
SAF-HOLLAND GMBH D-63856 BESSENBACH · GERMANY		SAF Holland
Version	B9-22S	ID1 – SBS2243 – 10°
Serial No.	13 12 125 0328	ID2 – SBS2220 H0
Ident No.	347 91 68 7 49 01	ID3 – 10006
Stat. 9000 kg Vmax. 105 km/h		ID4 – TDB0843
Made in Germany	E	SN 13121250328

Ordering spare parts via NFC

- From May 2023, all axles with compact bearings are fitted with an NFC chip in the hub cap
- With an NFC-enabled smartphone and the SAF-HOLLAND "SH-Connect" app product-specific spare parts and technical documentation is available and needed spare parts can be order online

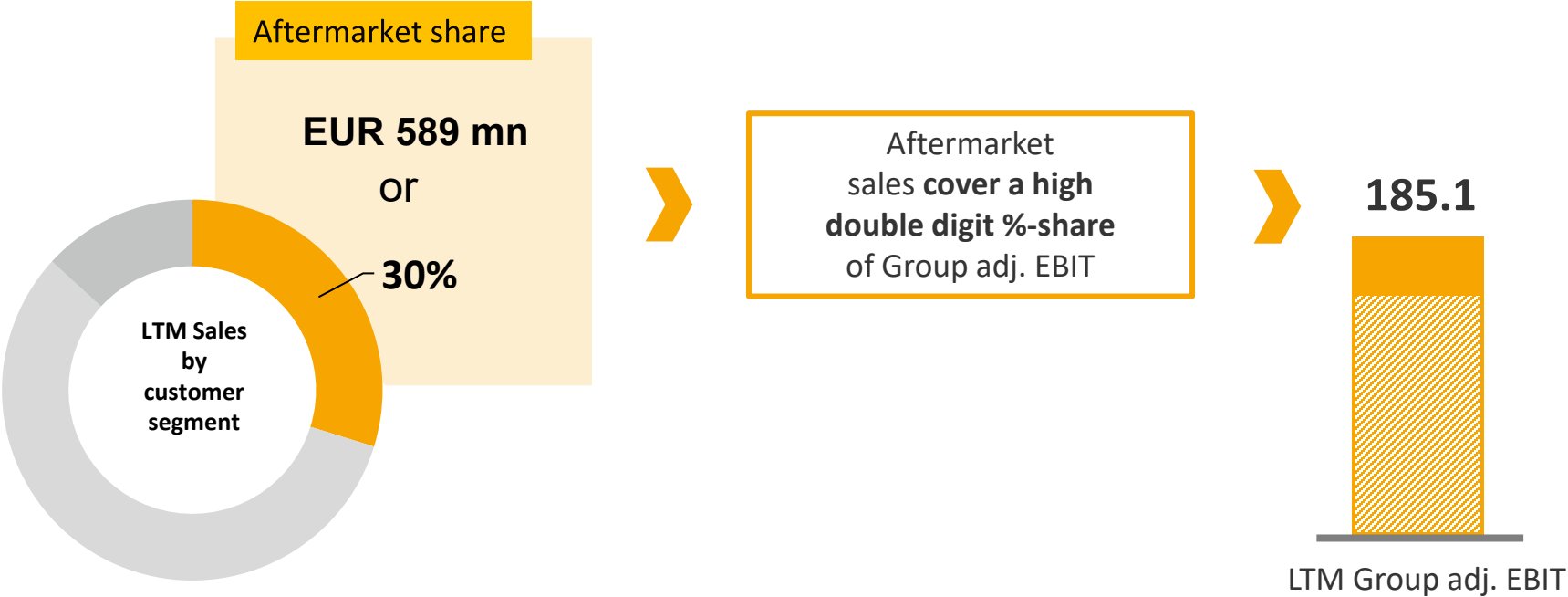


Aftermarket needs addressed from first to third owner of a vehicle



Strong aftermarket exposure ensures resilient profitability

(EUR mn and %)

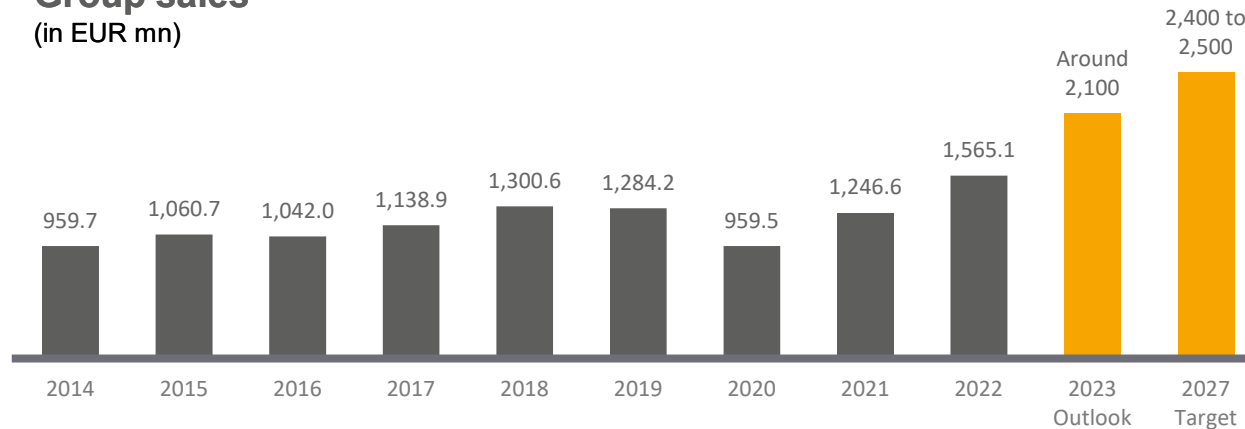


- Aftermarket sales streams are **resilient and highly profitable**
- **Strong aftermarket position** due to 12,000 spare parts & service stations, previous strong OEM-business growth and consolidation of Haldex creates increased aftermarket opportunities
- Including Haldex, **aftermarket sales are targeted to be ~ 30 %** of Group sales

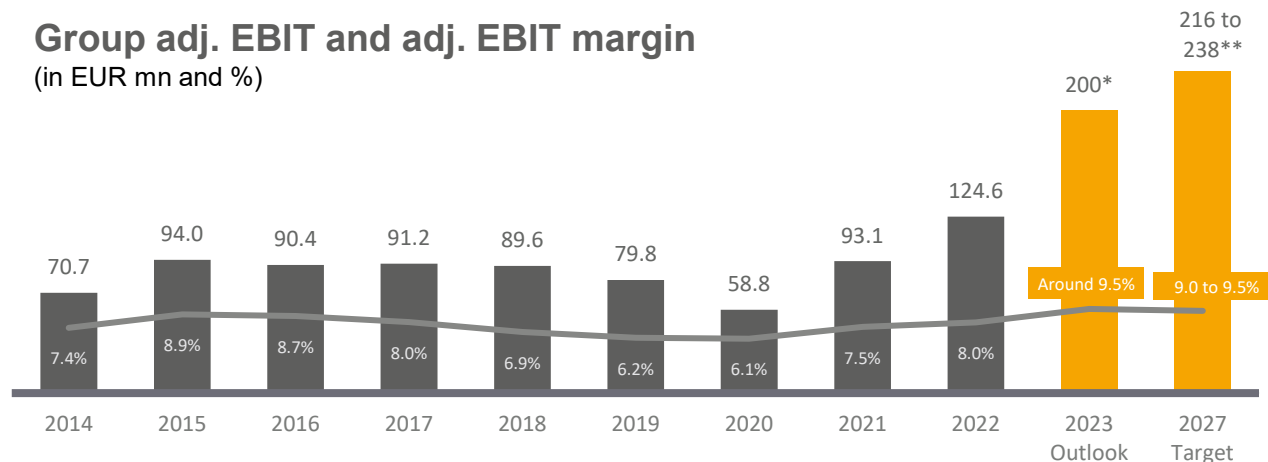
* LTM figures calculated incl. Haldex consolidation as of February 22, 2023

FY 2023 profitability of around 9.5% targeted, adj. EBIT to double against prior periods

Group sales (in EUR mn)



Group adj. EBIT and adj. EBIT margin (in EUR mn and %)



* Implied value, calculated as 9.5% of EUR 2,100 mn

** Implied value, calculated as 9% against EUR 2,400 mn and 9.5% against EUR 2,500 mn

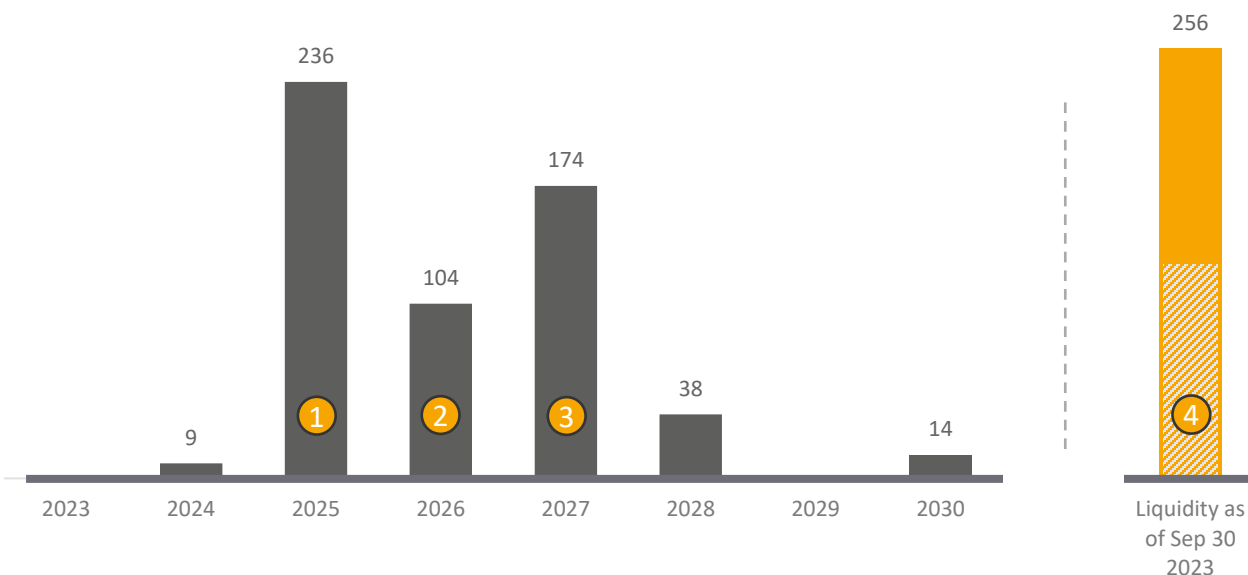
*** Calculated with FY 2027 sales target at mid-point against FY 2023 sales of slightly above EUR 2,000 mn

- **FY 2018 to FY 2020 adj. EBIT impacted** by reorganization of US factory footprint and supply chain disruptions, Chinese factory consolidation as well as COVID-19
- Despite a substantial sales-decline of -25% in **FY 2020, adj. EBIT margin was resilient** and only slightly changed against FY 2019
- **Significant margin improvement** in FY 2021 and FY 2022 despite supply chain disruptions as well as increased cost for material, energy and logistic
- **FY 2023 outlook** targets an adj. EBIT margin of around 9.5%, implying a nominal adj. EBIT of around EUR 200 mn and therewith more than doubling against the values achieved in FY 2015 to FY 2018
- **FY 2027 target** calls for an organic sales CAGR FY 2023 to FY 2027 of c. 4.5%*** and a **through-the-cycle adj. EBIT margin of 9 to 9.5%**
- **Additional FY 2027 targets include:**
 - 15 to 16% NWC ratio
 - ROCE of $\geq 15\%$
 - Capex ratio of $\leq 3\%$

No maturities outstanding before 2025, SAF-HOLLAND hedged against rising interests

Maturity profile

(EUR mn)

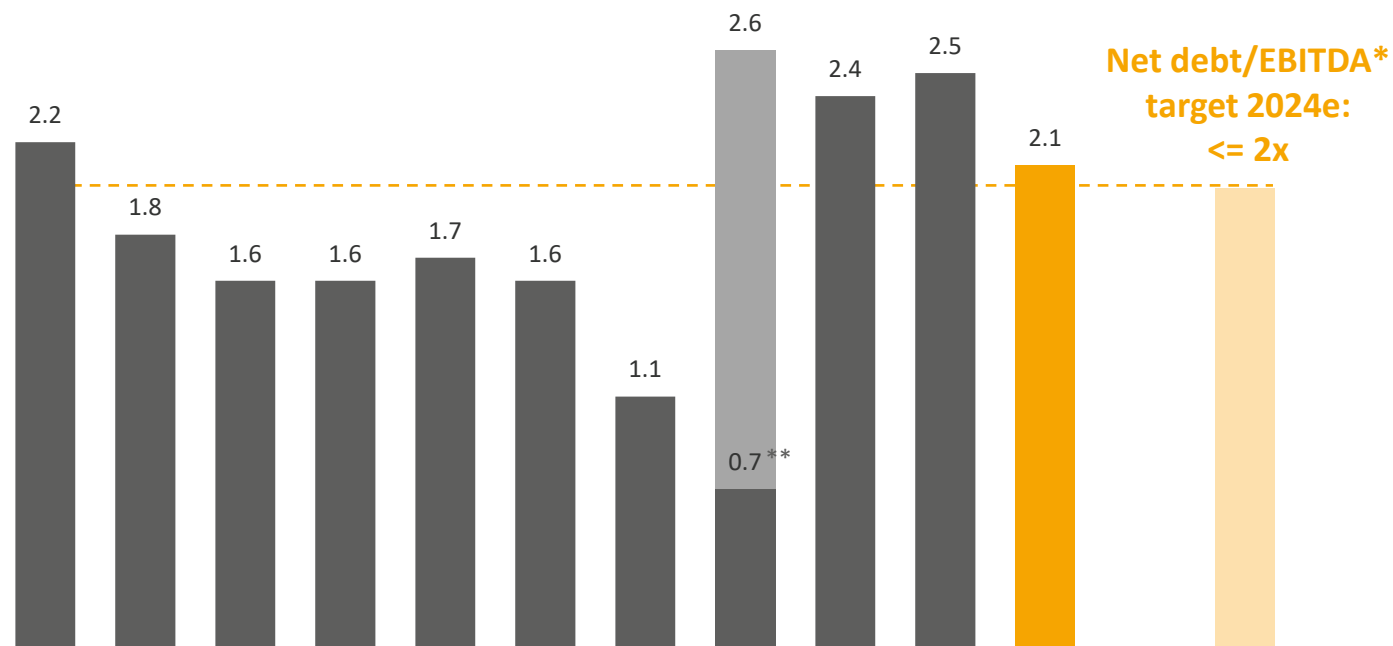


- ① Includes, amongst others, promissory notes of c. EUR 120mn and EUR 69mn each
- ② Includes various instruments from EUR 10 to 60 mn
- ③ Includes a term loan of EUR 145 mn

- **No substantial maturities** outstanding before FY 2025
- Slightly more than half of outstanding debt includes variable interest rates, **around 75% of these debt instruments are hedged against rising interest rates**
- Most of outstanding debt is related to the Haldex acquisition, was taken on balance end of FY 2022 and therefore already includes the elevated interest rate environment
- **Liquidity on balance** is EUR 256 mn as of Sep 30 2023
 - ④ Targeting to make a substantial amount of liquidity available for either deleveraging, M&A activities or a share buy back via improved liquidity management
- A **revolving credit facility, most of which is undrawn**, of EUR 250 mn is also available to SAF-HOLLAND

Strong cash generation led to a decrease in leverage already close to FY 2024 target

Net debt/EBITDA



- Dec 2022 net debt/EBITDA ratio of 0.7x did not include additional debt to finance the acquisition of Haldex
- Including pro-forma EBITDA contribution of Haldex and related debt, net debt/EBITDA ratio amounted to 2.1x per Sep 2023, down from Dec. 2022 value of 2.6x
- Significant deleveraging in Q3 2023 was due to ongoing strict working capital management as well as strong operating performance
- The target for 2024 is a net debt to EBITDA ratio of 2.0x or lower

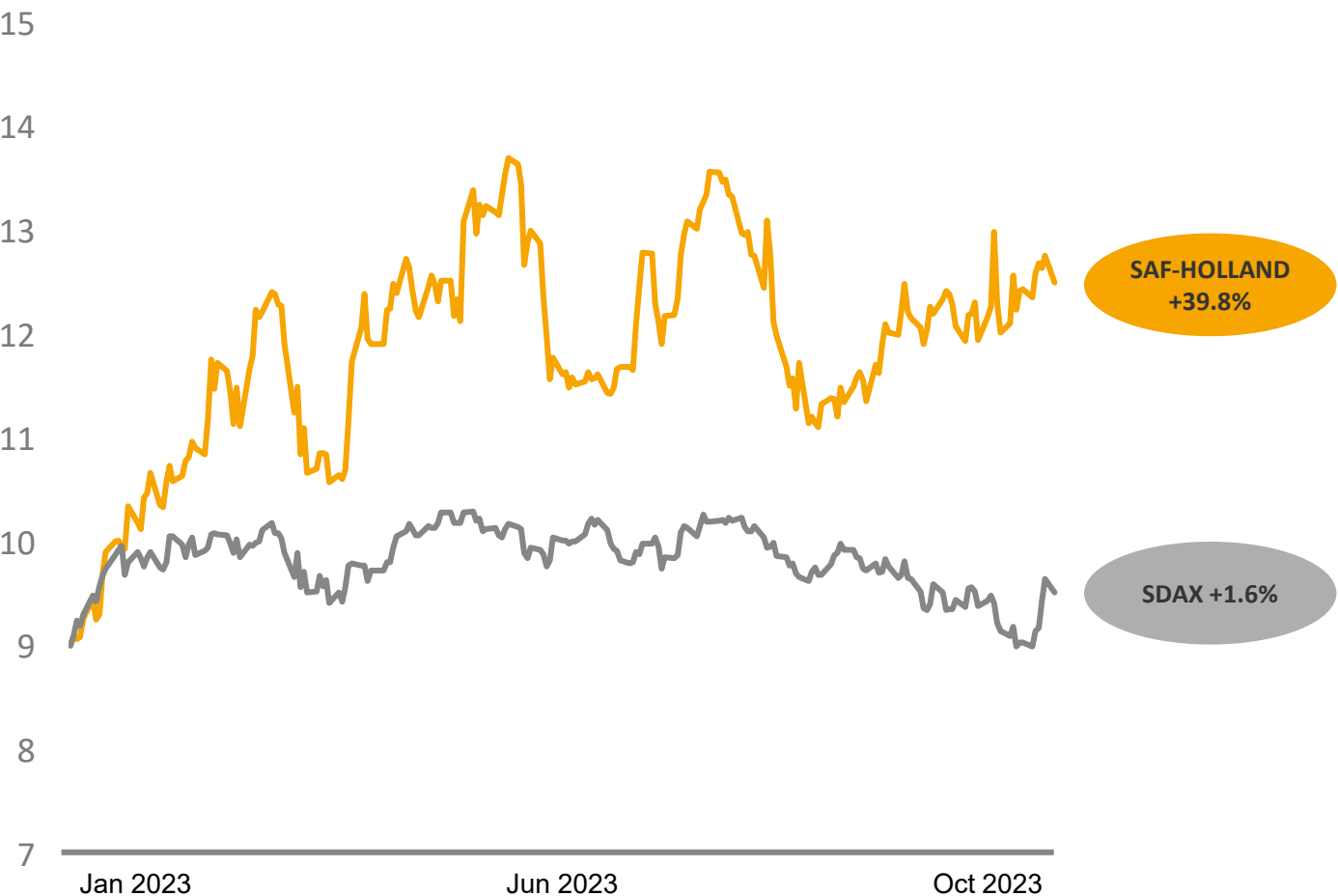
EUR mn	Mar 2021	Jun 2021	Sep 2021	Dec 2021	Mar 2022	Jun 2022	Sep 2022	Dec 2022	Mar 2023	Jun 2023	Sep 2023
Net debt	195.6	200.4	200.7	198.0	210.3	206.4	158.8	108.4	508.1	536.5	475.4
EBITDA*	87.0	114.3	125.9	125.0	126.4	131.6	140.0	151.5	214.1	212.0	223.6

* Reported EBITDA (LTM) ** Excl. Haldex related debt Note: Net debt / EBITDA calculation from Dec 2022 onwards incl. Haldex related debt and pro-forma EBITDA (LTM) contribution

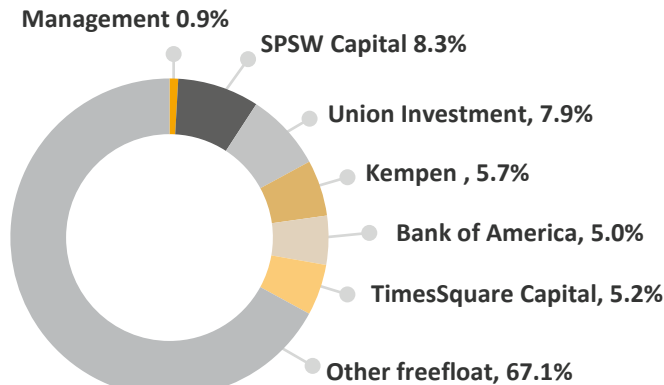
Key information about SAF-HOLLAND shares

SAF-HOLLAND share price against SDAX

(January to Oct 31st 2023, in EUR)



Shareholder structure*



According to the definition of Deutsche Börse AG, 100% of the shares of SAF-HOLLAND SE are in free float

Active analyst coverage

Deutsche Bank	Nicolai Kempf
Hauck Aufhaeuser Lampe	Jorge Gonzalez Sadornil
Kepler Cheuvreux	Dr. Hans-Joachim Heimbuerger
Oddo BHF	Klaus Ringel
Warburg Research	Fabio Hoelscher

A summary of **continuously updated consensus estimates**, target prices and ratings provided **by an external source** can be found on the Investor Relations website, under "share" and "consensus"

* Shareholder structure based on voting rights notifications and internal shareholder analysis

Q3 2023 Highlights and regional performance

Q3 2023 Highlights

Trading Review	Sales up strongly by 37.4% , driven by Americas and APAC, robust aftermarket and Haldex consolidation. Organic sales +13.2%
Development by Region	Strong double-digit organic sales growth in Americas and APAC, EMEA organically slightly down y-o-y due to demand normalization in Q3
Aftermarket	Significant aftermarket growth of 68.3% to EUR 187.7 mn, driven by the consolidation of Haldex as well as prior OEM-business growth, increasing addressable aftermarket
Adj. EBIT margin	Increased adj. EBIT margin of 10.6% due to improvements in Americas and APAC, stable margin in EMEA. Avg. LTM margin of 9.3% in line with long-term target of 9 to 9.5%
Cash flow & leverage	Strong cash generation with operating free cash flow of EUR 71.1 mn led to a substantial decrease in leverage from 2.6x (Dec'22) to 2.1x , close to FY 2024 target
FY 2023 Outlook	Increased FY 2023 outlook is targeting sales of around EUR 2.1 bn and an adj. EBIT margin of around 9.5%

Robust aftermarket and continuous OEM demand especially in APAC led to strong Q3 2023 results with significant improvements on all metrics

Q3 2023 y-o-y sales growth

EMEA	+15.2%
Americas	+51.3%
APAC	+91.9%

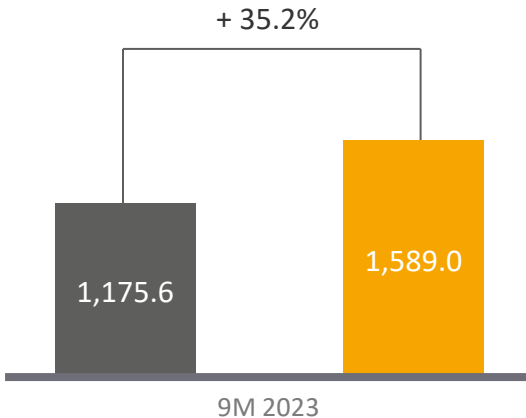


Sales € 552.9 mn (Q3 2022: € 402.4 mn)	Adjusted EPS € 0.78 (Q3 2022: € 0.54)
Adj. EBIT Margin 10.6%	
NWC ratio 14.5% (30 Sep. 2022: 15.9%)	Operating FCF € 71.1 mn (Q3 2022: € 48.8 mn)

Group sales strongly up due to Haldex consolidation. Robust OEM and aftermarket demand led to double digit organic growth

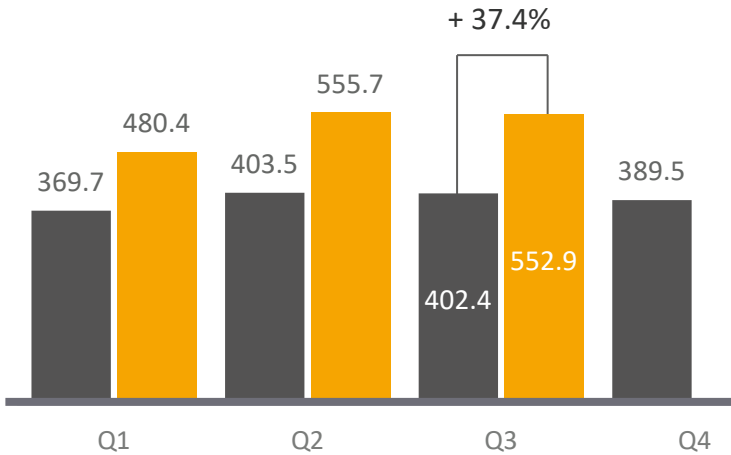
Group sales
(in EUR mn)

■ 2022
■ 2023



Group sales by quarter
(in EUR mn)

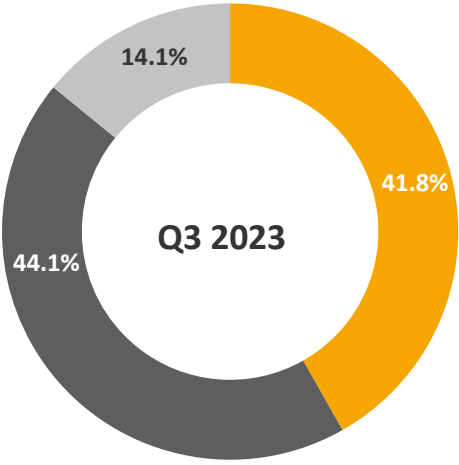
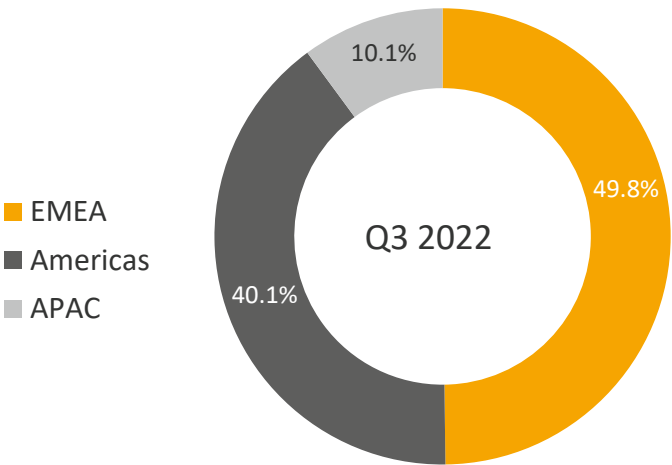
■ 2022
■ 2023



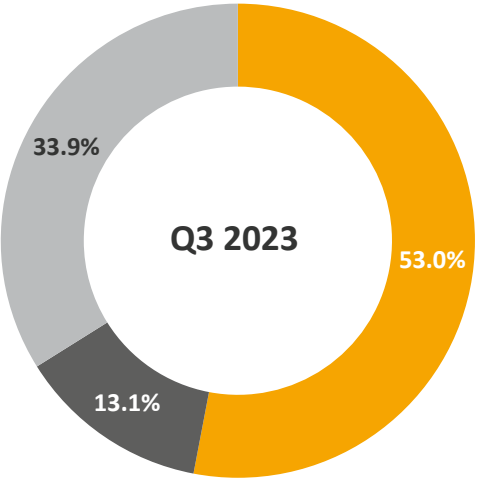
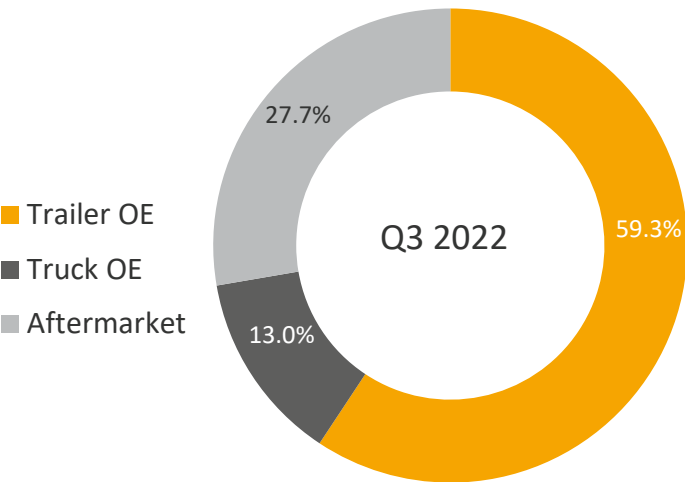
- Robust demand from customers for trailer and truck components in Americas and EMEA, very strong demand in APAC
- Both, higher volumes and prior price increases supported sales growth
- 9M 2023 sales increased 35.2%, adjusted for FX and M&A effects +11.8%
- Q3 2023 sales up 37.4%; adjusted for FX and M&A effects +13.2%
- Haldex contributed EUR 120.6 mn to Group sales in Q3 2023

Strong growth increases Americas and APAC-share, aftermarket share around 34% for the Group

Group sales split (by region, by customer category)



- Sales split change against Q3 2022 due to strong y-o-y sales growth of 91.1% in APAC, Americas +51.3% and EMEA +15.2%, driven by Haldex consolidation as well as organic growth in Americas and APAC



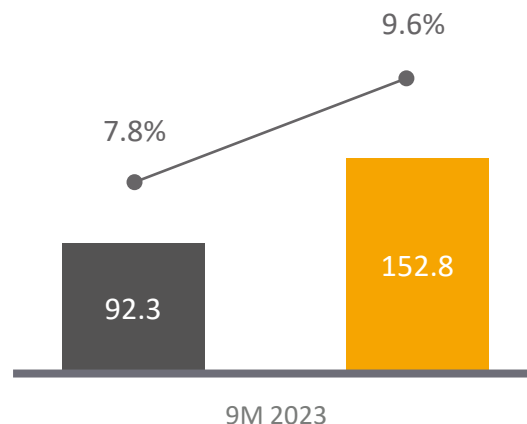
- Q3 2023 total OEM sales of EUR 365.2 mn significantly up y-o-y due to Haldex consolidation. Against Q2 2023 OEM sales are mildly down 3.8%
- Strong increase in aftermarket sales of 68.3% y-o-y or 6.5% against Q2 2023 to EUR 187.7 mn equal to a share of 33.9% of Group sales

Robust OEM business and increased after market share supportive for Group adj. EBIT

Group adj. EBIT

(in EUR mn and % of sales)

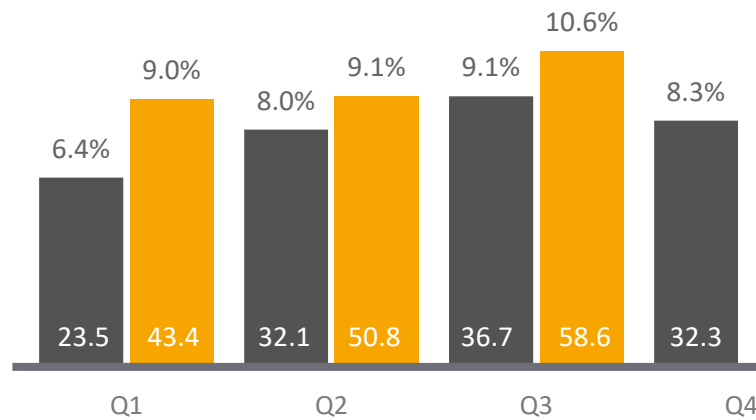
■ 2022
■ 2023



Group adj. EBIT by quarter

(in EUR mn and % of sales)

■ 2022
■ 2023



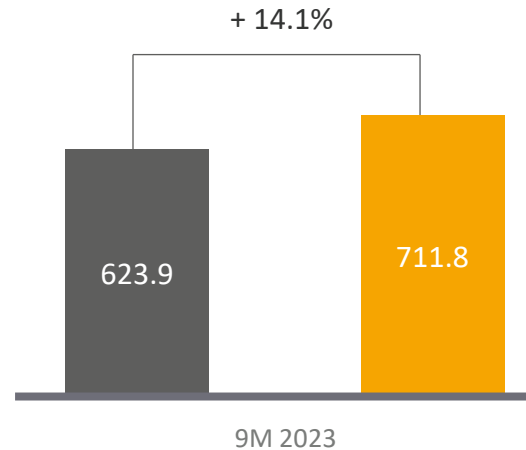
- In the first nine months of 2023 adj. EBIT improved strongly by 65.6% to EUR 152.8 mn, leading to a significant margin improvement from 7.8% to 9.6%
- Q3 2023 adj. EBIT was EUR 58.6 mn, up by 59.8%, equal to a margin of 10.6%
- Improvement in adjusted EBIT resulted mainly from resilient OEM volumes in Americas, higher volumes in APAC as well as an increased aftermarket share
- Process optimizations, cost efficiencies and economies of scale especially in SG&A supportive
- Synergies from the Haldex acquisition beneficial to adj. EBIT increase
- FX tailwind y-o-y also with a slightly positive impact on margin
- Average LTM margin of 9.3% in line with FY 2027 adj. EBIT margin target of 9 to 9.5%

Organic sales development above market in EMEA, mild sales decline in Q3 vs. Q2 2023 due to demand normalization for trailers

EMEA sales

(in EUR mn)

■ 2022
■ 2023

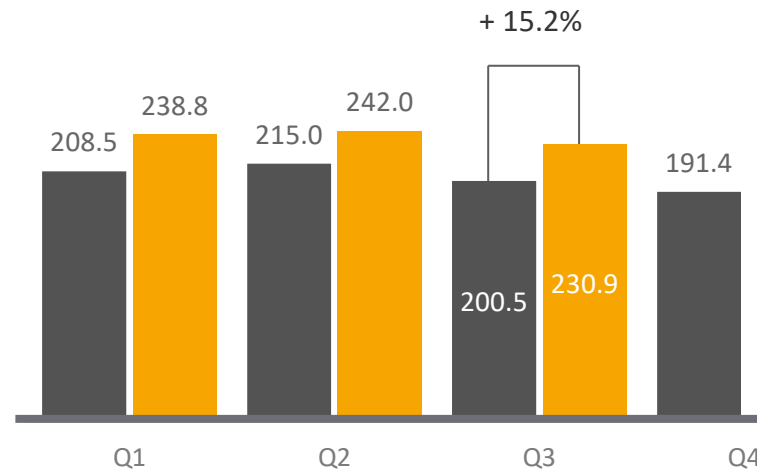


- 9M 2023 sales increased 14.1%, adjusted for FX and M&A effects -0.7%
- Q3 2023 sales up 15.2%; adjusted for FX and M&A effects -1.1%
- Organic sales development above market
- Mild sales decline in Q3 vs. Q2 2023 reflects demand normalization for trailers
- The EMEA region recorded solid aftermarket sales growth in Q3 2023, due to Haldex consolidation, as well as an increased addressable aftermarket due to prior strong OEM-business growth

EMEA sales by quarter

(in EUR mn)

■ 2022
■ 2023

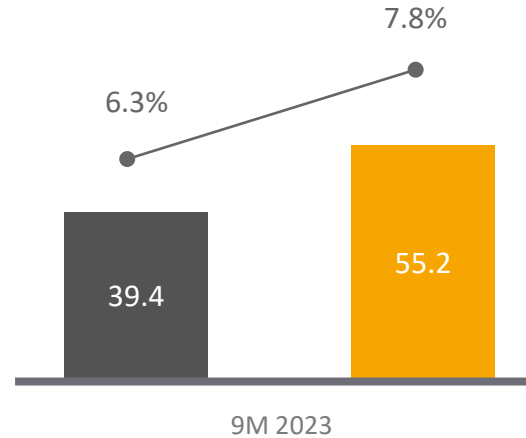


Improved Haldex profitability, PMI synergies and robust aftermarket led to sequential margin increase in EMEA

EMEA adj. EBIT

(in EUR mn and % of sales)

■ 2022
■ 2023

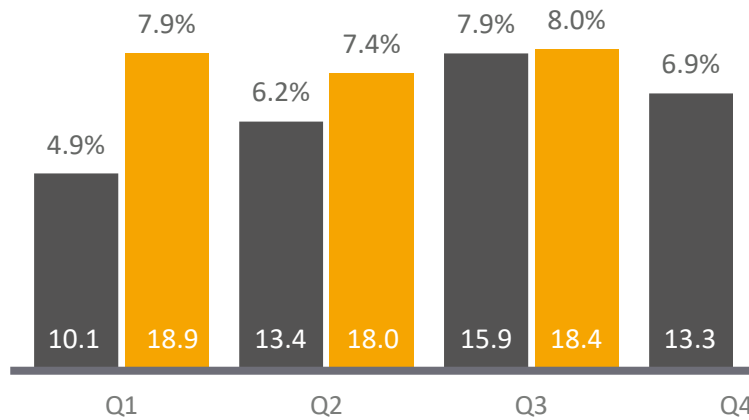


- Double-digit increase in adj. EBIT in both the first nine months and Q3 2023
- Higher aftermarket share, internal efficiency improvements, as well as synergies from the Haldex acquisitions had a positive impact on adj. EBIT and margin
- Q3 2023 vs. Q2 2023 adj. EBIT improved due to improvement in Haldex stand-alone profitability
- Average LTM adj. EBIT margin of 7.5%

EMEA adj. EBIT by quarter

(in EUR mn and % of sales)

■ 2022
■ 2023

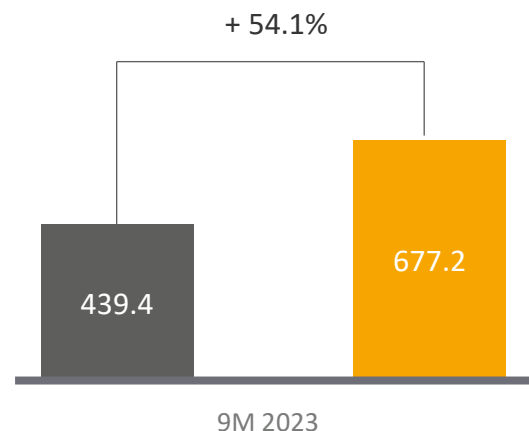


Americas with strong growth due to robust customer demand and Haldex consolidation

Americas sales

(in EUR mn)

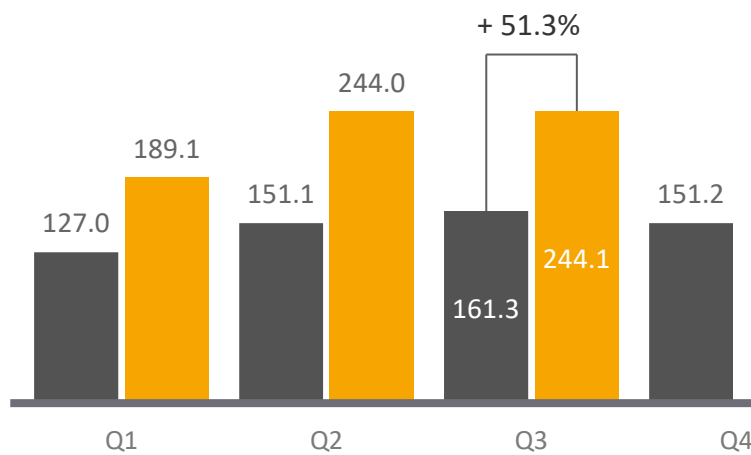
■ 2022
■ 2023



Americas sales by quarter

(in EUR mn)

■ 2022
■ 2023



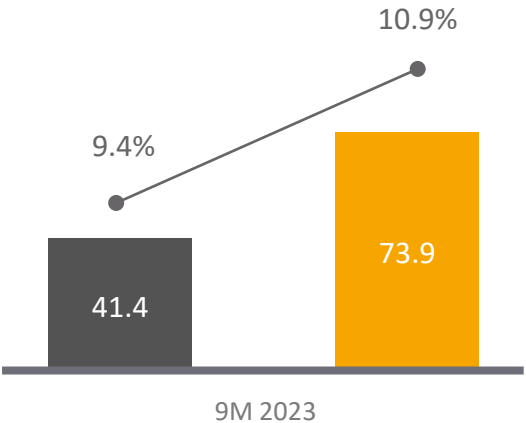
- Overall, demand for trailer and truck components remained robust in the region due to solid OEM-backlogs
- Due to its strong position, SAF-HOLLAND also benefitted from the trend towards disc brake axle systems
- 9M 2023 sales increased 54.1%, as Haldex generates c. 50% of sales in the Americas region
- Adjusted for FX and M&A effects Americas sales grew 15.1% in the first nine months
- Q3 2023 sales up 51.3%; adjusted for FX and M&A effects strong increase of 13.4%

Operating leverage, efficiency improvements and aftermarket business support strong margin step-up

Americas adj. EBIT

(in EUR mn and % of sales)

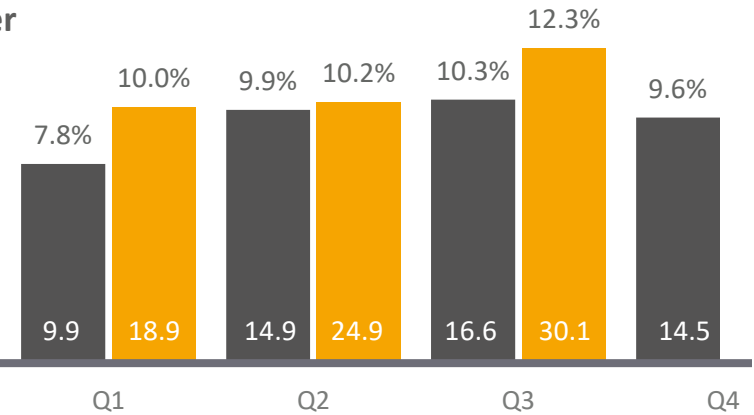
■ 2022
■ 2023



Americas adj. EBIT by quarter

(in EUR mn and % of sales)

■ 2022
■ 2023



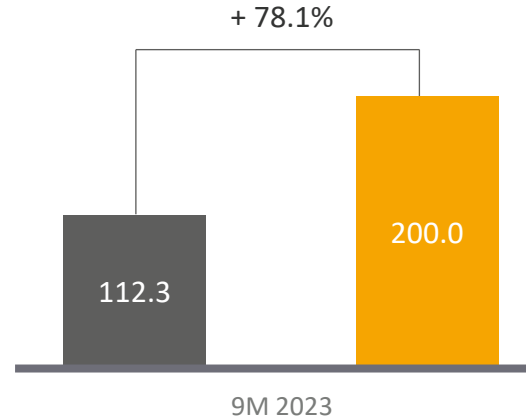
- The Americas region saw very strong double-digit adjusted EBIT improvement both in the first nine months (+78.7%) and Q3 2023 (+81.5%)
- Strong increase in profitability was primarily the result of the operating leverage due to strong sales growth
- Successfully implemented efficiency enhancements and savings in the overhead area are showing the expected benefits
- Increase in adj. EBIT margin in Q3 2023 supported by a reduction in aftermarket backlog
- Average LTM adj. EBIT margin of 10.5% and incl. Q3 2023 the sixth consecutive quarter around the double-digit margin territory

Further growth in APAC driven by strong demand in India, Southeast Asia and Australia

APAC sales

(in EUR mn)

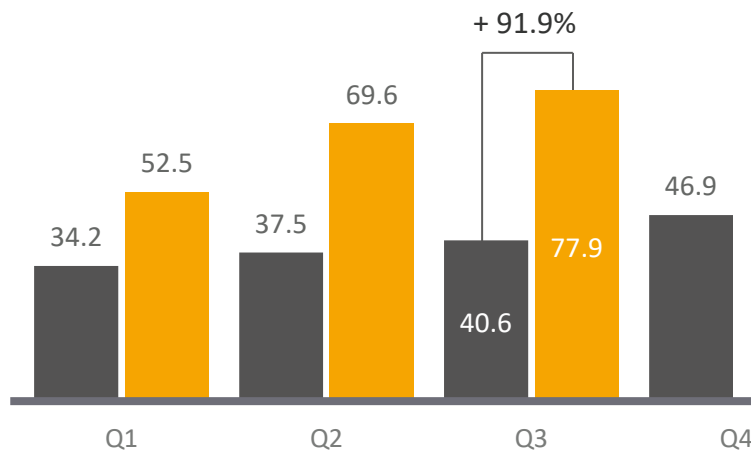
■ 2022
■ 2023



APAC sales by quarter

(in EUR mn)

■ 2022
■ 2023



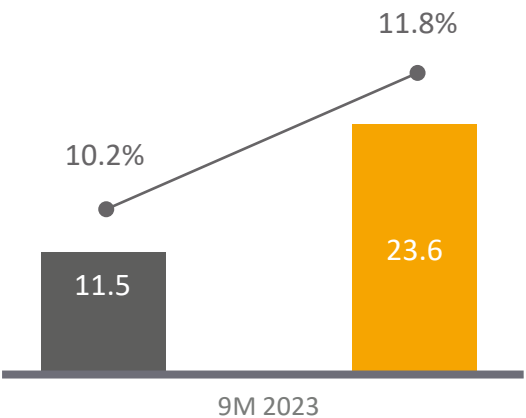
- 9M 2023 sales increased 78.1%, adjusted for FX and M&A effects +68.6%
- Q3 2023 sales up significantly with 91.9%; adjusted for FX and M&A effects +83.3%
- Substantial growth in the APAC region driven by ongoing strong development in India due to government infrastructure measures causing an expansion of the transport sector. Increasing population and positive economic development also supportive for transportation demand
- Customer demand also remained solid in the specialty market of Southeast Asia and Australia

Strong profitability driven by scale and mix effects as well as Chinese business being close to break-even per Q3 2023

APAC adj. EBIT

(in EUR mn and % of sales)

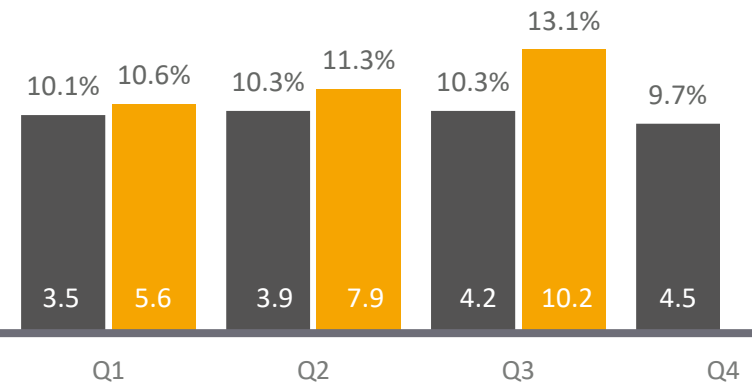
■ 2022
■ 2023



APAC adj. EBIT by quarter

(in EUR mn and % of sales)

■ 2022
■ 2023



- Overall economies of scale from the higher business volume in India and a favorable product mix were supportive both all quarters of 2023
- Highly profitable business in the mining sector in Southeast Asia contributed to the adj. EBIT increase
- China being close to break-even in Q3 2023 beneficial to the earnings improvement
- In sum adj. EBIT more than doubled both in Q3 and in the first nine months of 2023
- Q3 2023 was the seventh consecutive quarter with an adj. EBIT margin around the double-digit territory

Financials 9M and Q3 2023

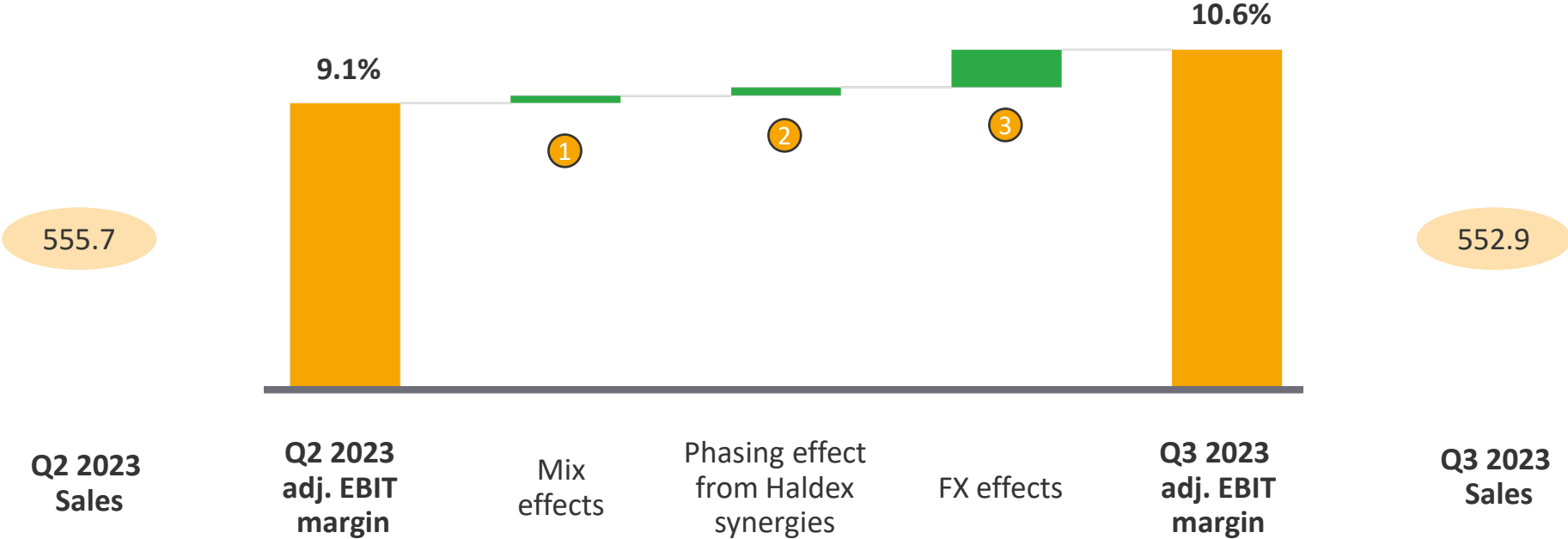
EBIT to adjusted EBIT reconciliation for the Group

in EUR mn	9M 2023	9M 2022	Change in %	Q3 2023	Q3 2022	Change in %
EBIT	124.9	75.7	65.1	① 52.6	27.0	95.3
EBIT margin in %	7.9	6.4	-	9.5	6.7	—
Additional depreciation and amortization from PPA	14.1	7.1	99.9	② 5.9	2.4	>100
Valuation effects from call and put options	1.3	1.3	-2.8	0.0	0.1	-62.9
Restructuring and transactions costs	7.2	6.3	14.4	③ 0.1	5.3	-98.6
Other adjustments	5.3	2.0	>100	-	2.0	-100
Adjusted EBIT	152.8	92.3	65.6	58.6	36.7	59.8
Adjusted EBIT margin in %	9.6	7.8	-	10.6	9.1	—

- ① Significantly lower one-off items as well as efficiency improvements led to significantly improved EBIT
- ② Includes PPA from prior acquisitions and Haldex. Slightly above run-rate of ~ EUR 5 mn, due to FX-rate developments
- ③ Restructuring and transaction costs significantly reduced as initial post-merger integration for Haldex has been mostly completed. Upcoming topics will be legal entity consolidation as well as supply chain improvements at Haldex

Strong sequential increase in adj. EBIT margin due to positive mix, Haldex synergies and FX-effects

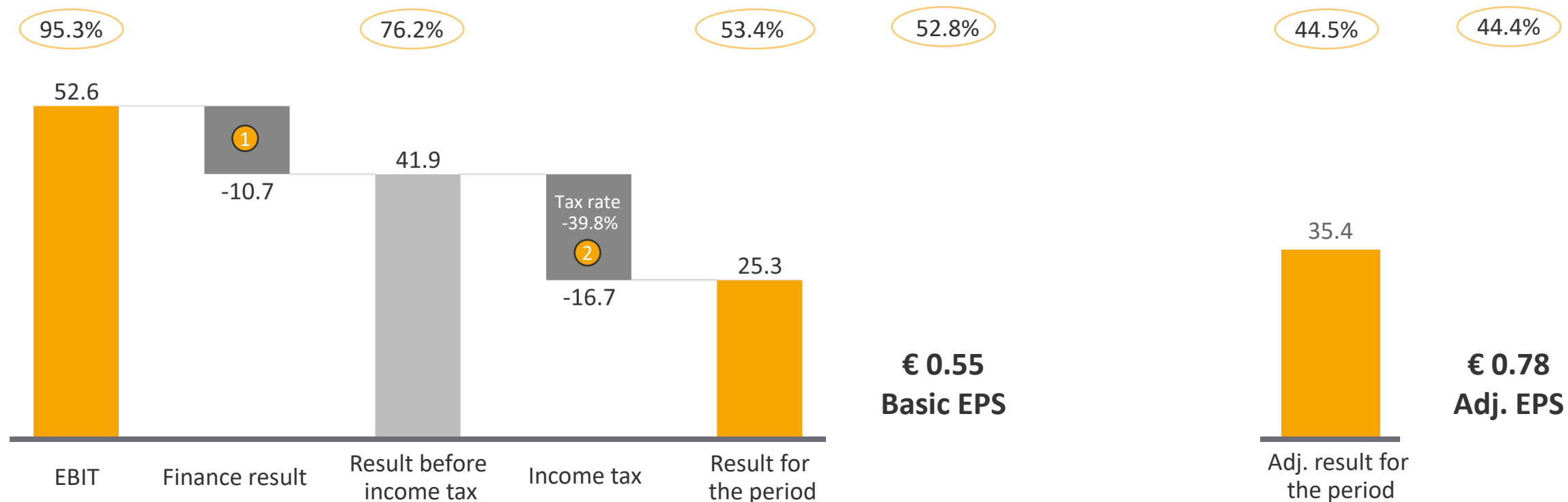
Adj. EBIT margin bridge
(in EUR mn and %)



- ① Positive mix effect due to aftermarket share increase from 31.7% in the past quarter to 33.9% in Q3 2023, overcompensating slightly negative volume and price effects from sequentially lower OEM sales (-3.8% q-o-q)
- ② Some Haldex synergies were reached faster than expected in Q3 2023
- ③ One-off FX-effects impacted adj. EBIT margin positively

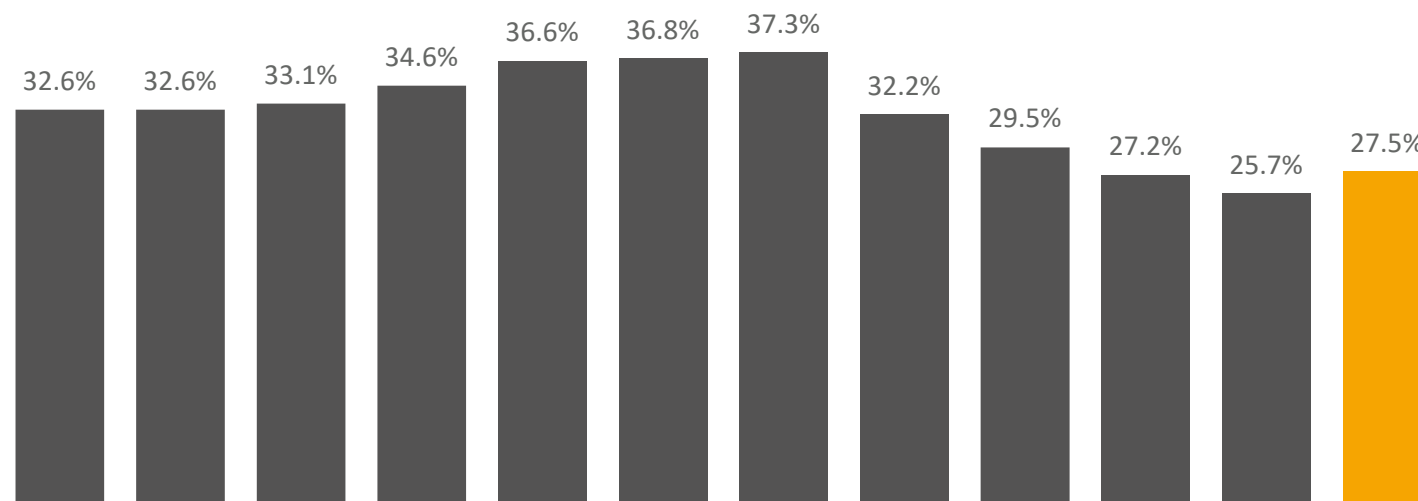
Both basic and adjusted EPS significantly up

(EUR mn and y-o-y change in %)



- ① Finance result includes FX-effects: Q3 2023 FX-effect was slightly negative against prior quarter, when a positive FX-effect was recorded. Run-rate for finance expenses expected to be ~ EUR -9 mn
- ② Above usual tax rate of around 30% due to non-capitalized deferred tax assets on loss carryforwards and foreign tax rate differences at some subsidiaries. FY 2023 tax rate is expected to be around 35%

Equity ratio significantly improved against June 2023 levels

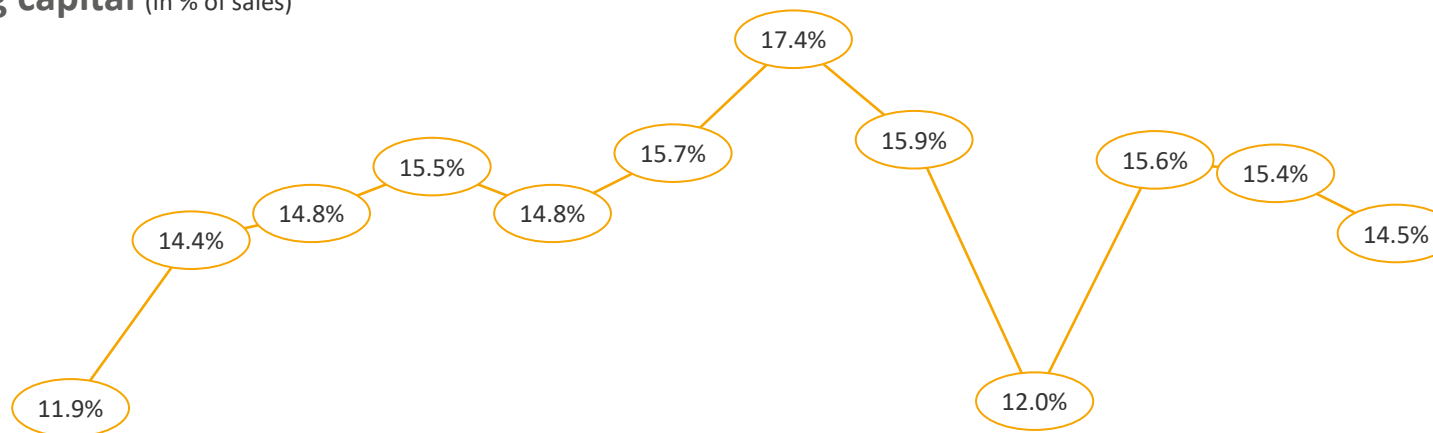


- Strong operating performance in the first nine months lead to equity having increased 6.2% and close to EUR 470 mn
- Balance sheet total is up 13.9% against 31 December 2022 primarily due to the acquisition of Haldex

EUR mn	Dec 2020	Mar 2021	Jun 2021	Sep 2021	Dec 2021	Mar 2022	Jun 2022	Sep 2022	Dec 2022	Mar 2023	Jun 2023	Sep 2023
Equity	300.5	325.2	334.8	353.7	371.1	390.5	431.1	468.5	441.4	449.8	433.4	468.8
Balance sheet total	920.5	998.6	1,010.4	1,022.9	1,014.3	1,060.4	1,156.4	1,456.9	1,498.4	1,650.7	1,686.9	1,706.5

Strict NWC-management leads to another improvement in net working capital ratio

Net working capital (in % of sales)

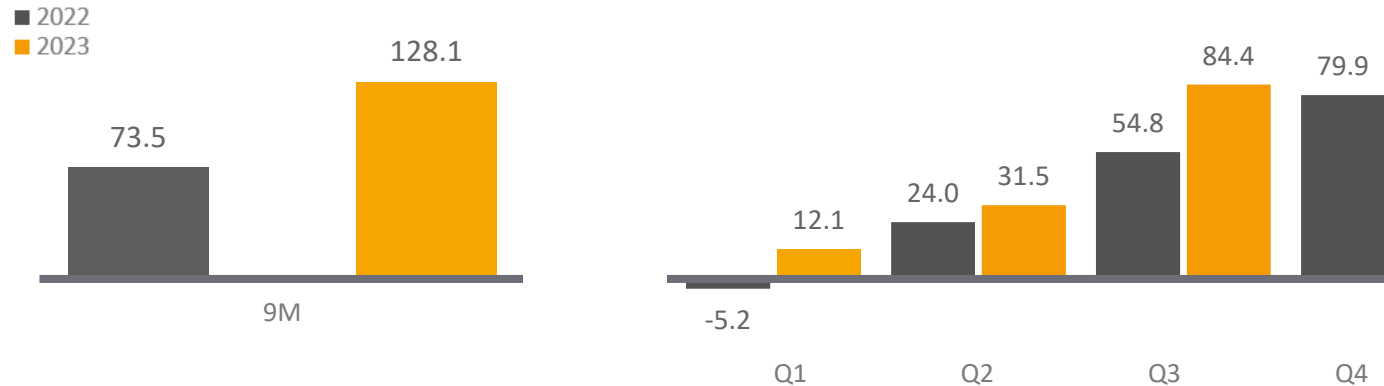


- NWC ratio of SAF-HOLLAND was 14.5%, showing another sequential improvement due to ongoing strict NWC-management
- Against Dec 2022 NWC increased due to the consolidation of Haldex, which had a significantly higher NWC-ratio at around the 20%-mark
- For better comparability, NWC of sales calculation, considers Haldex's contribution to sales on a pro forma basis for the last twelve months, as Haldex's contribution to NWC is also fully included since Q1 2023

EUR mn	Dec 2020	Mar 2021	Jun 2021	Sep 2021	Dec 2021	Mar 2022	Jun 2022	Sep 2022	Dec 2022	Mar 2023	Jun 2023	Sep 2023
Inventories	126.4	155.8	176.0	195.3	194.0	211.9	237.0	237.9	202.2	308.4	305.7	308.3
Trade receivables	95.3	130.0	148.9	147.2	136.3	176.1	184.6	187.0	144.7	283.0	286.4	253.2
Trade payables	-107.2	-147.4	-163.4	-160.6	-145.8	-179.3	-176.2	-187.3	-159.0	-262.2	-261.4	-248.5
NWC	114.6	138.4	161.5	181.9	184.4	208.7	245.5	237.6	188.0	329.2	330.7	313.0
Sales (LTM)	959.5	961.7	1,091.4	1,175.6	1,246.6	1,330.7	1,411.7	1,497.5	1,565.1	2,112.8	2,143.2	2,165.1

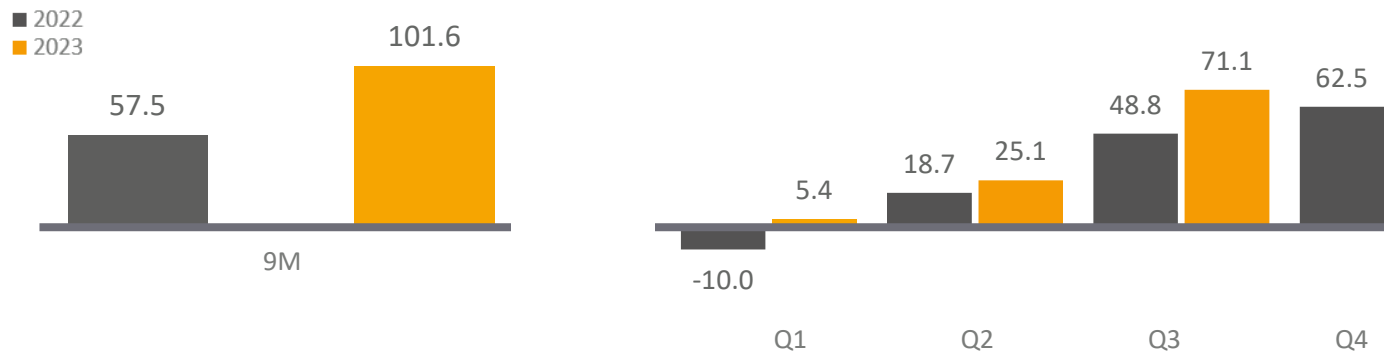
Operating and free cash flow significantly up due to SAF-HOLLAND's strong cash generation capabilities with cash flow conversion of > 50% in the first nine months

Net cash flow from operating activities (EUR mn)



- The increase in operating cash flow was mainly due to higher earnings before taxes as well as strict NWC-management
- Cash taxes were EUR 38.5 mn in 9M 2023, up from around EUR 19.3 mn due to increased earnings before taxes in prior periods

Operating free cash flow* (EUR mn)

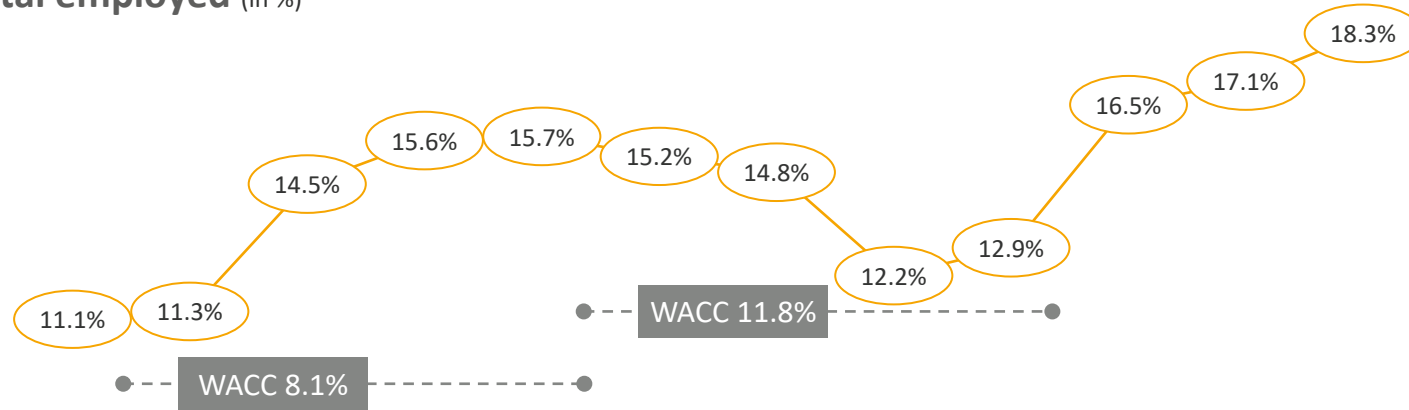


- Payments for investments in property, plant and equipment and intangible assets were EUR 27.8 mn or 1.7% of sales in the first nine months or EUR 13.8 mn (2.5% of sales) in Q3 2023
- Strong adj. EBITDA to operating free cash flow conversion of 52.2% in the first nine months and even 97.1% in Q3 2023

* Pre acquisitions / acquisition of Haldex shares

Further increased ROCE of 18.3% in Q3 2023. ROCE constantly above WACC, creating considerable shareholder value

Return on capital employed (in %)



- Strong shareholder value creation with ROCE constantly above WACC*
- Q3 2023 ROCE at 18.3%, up vs. Q2 2023 due to reduced capital employed while EBIT (LTM) further improved
- As of Q1 2023 the calculation includes Haldex's contribution to adjusted EBIT on a pro forma basis for the last twelve months, as Haldex's contribution to capital employed is also fully included

EUR mn	Dec 2020	Mar 2021	Jun 2021	Sep 2021	Dec 2021	Mar 2022	Jun 2022	Sep 2022	Dec 2022	Mar 2023	Jun 2023	Sep 2023
Equity	300.5	325.2	334.8	353.7	371.1	390.5	431.1	468.5	441.4	449.8	433.4	468.8
Financial liabilities	324.1	332.4	323.7	318.5	322.2	318.9	369.9	614.5	715.7	663.3	683.8	663.6
Lease liabilities	43.6	42.7	41.6	41.7	41.1	40.4	40.9	39.9	38.4	62.7	68.0	67.4
Pension provisions	31.4	32.2	32.2	32.7	22.3	22.5	16.8	16.9	15.3	43.1	41.6	42.3
Cash/cash equivalents	-171.0	-179.5	-164.9	-159.5	-165.2	-148.9	-173.0	-206.2	-243.5	-218.0	-215.3	-255.7
Capital employed	528.6	553.0	567.4	587.1	591.4	623.4	685.7	933.7	967.3	1,000.9	1,011.5	986.5
Adjusted EBIT (LTM)	58.8	62.3	82.1	91.5	93.1	94.7	101.8	114.1	124.6	165.0	172.6	180.3

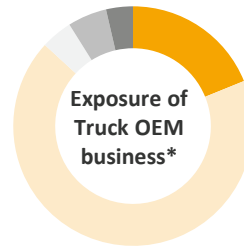
* WACC calculation based on SAF-HOLLAND annual report FY 2021 and FY 2022

Outlook 2023 and key takeaways

FY 2023 market outlook - European trailer market normalizes while other important market are set to keep on growing, especially N. America and Indian trailer market

	FY 2023e Trailer Market	FY 2023e Trucks Market
EMEA	~ -5%	~ +10%
North America	~ +8%	~ +10%
Brazil	~ -3%	~ -20%
China	~ +35%	~ +20%
India	~ +70%	~ +14%

■ EMEA
■ North America
■ Brazil
■ China
■ India



* Indicative view showing the market exposure of the original equipment manufacturing (OEM) business of SAF-HOLLAND, based on the Groups Q3 2023 OEM sales

Note: Market forecasts are internal management assumptions based on truck-OEM communication, CLEAR int. (WEU and EEU, June and April 2023), ACT Research (North America, Sep 2023), ANFAVEA (Brazil, July 2022)

• EMEA

- Due to the adverse economic environment and persistent uncertainties surrounding the Ukraine conflict, the European trailer market, measured in terms of production in 2023, is expected to decline slightly
- Truck market expected to increase, due to strong OEM order backlog and ongoing customer demand

• North America

- Trailer and truck markets higher than previous year, due to strong OEM order backlog and continued market demand

• Brazil

- For South America's most important commercial vehicle market, both trailer and truck markets are expected to decline in 2023

• China

- Following previous year's sharp downturn in the truck and trailer markets, both trailer and truck markets are expected to grow in the high double-digits

• India

- Supported by the continued strong investment of India's government in infrastructure expansion, trailer production is expected to increase substantially by around 70% and truck production by around 14%

Updated FY 2023 outlook targets sales of around EUR 2.1 bn and a margin around 9.5%

	Group FY 2023 Outlook as of 30 March 2023*	Group FY 2023 Outlook as of 08 August 2023*	Group FY 2023 Outlook as of 18 October 2023*
Sales	EUR 1,800 - 1,950 mn	Slightly above EUR 2,000 mn	Around EUR 2,100 mn
Adj. EBIT margin	7.5% to 8.5%	Up to 9%	Around 9.5%
Capex ratio**	Up to 3%	Up to 3%	Up to 3%

- Based on the strong performance in the financial year to date, continued solid demand for trailer and truck components, especially in the APAC and Americas regions, and a robust order backlog, **group sales are expected to reach around EUR 2,100 mn**, assuming stable exchange rates and the sales contribution of Haldex as of February 21, 2023
- SAF-HOLLAND expects to reach an **adjusted EBIT margin**, including Haldex, of around **9.5%** based on ongoing strong market demand from higher-margin regions Americas and APAC, greater share of aftermarket sales and good progress in achieving targeted synergies from the Haldex acquisition
- For FY 2023, including Haldex, the Group plans expenditures for **investments of up to 3%** of Group sales, with a focus on expanding production capacities in Mexico, India and Brazil as well as the Group-wide implementation of SAP S4 HANA

* Incl. Haldex contribution, consolidated as of February 21, 2023

** Incl. payments for investments in property, plant and equipment and intangible assets as well as capitalized R&D

Key takeaways

1 **Strong performance** across all metrics in Q3 and 9M 2023, despite OEM demand normalization in EMEA

2 Increased profitability combined with strict NWC-management led to **strong operating free cash flow and deleveraging to 2.1x, close to FY 2024 target**

3 **Double-digit ROCE constantly above WACC**, creating notable shareholder value

4 SAF-HOLLAND is targeting an **adj. EBIT margin of around 9.5% in FY 2023**, significantly up from the 8.0% adj. EBIT margin achieved in FY 2022

Contact and appendix

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Financial calendar and road show activities

November 23, 2023	Hauck Aufhäuser Lampe Roadshow Lugano / Milan, virtual & IR-only
December 04, 2023	Kepler Cheuvreux Nordics Roadshow, virtual
December 06, 2023	DZ Bank Roadshow, Frankfurt
December 20, 2023	Berenberg Roadshow, Spain
January 11, 2024	ODDO BHF Forum, Lyon
January 17, 2024	UniCredit / Kepler Cheuvreux German Corporate Conference, Frankfurt
March 14, 2024	Publication of the FY 2023 Annual Report
May 08, 2024	Publication of the Quarterly Statement Q1 2024
June 11, 2024	Annual General Meeting
August 08, 2024	Publication of Half-Year Financial Report 2024
November 07, 2024	Publication of the Quarterly Statement Q3 2024

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