



GRAMMER

SOLUTIONS FOR A WORLD ON THE MOVE

Financial Results 9M 2022
Ursensollen, October 27th, 2022

October 27, 2022



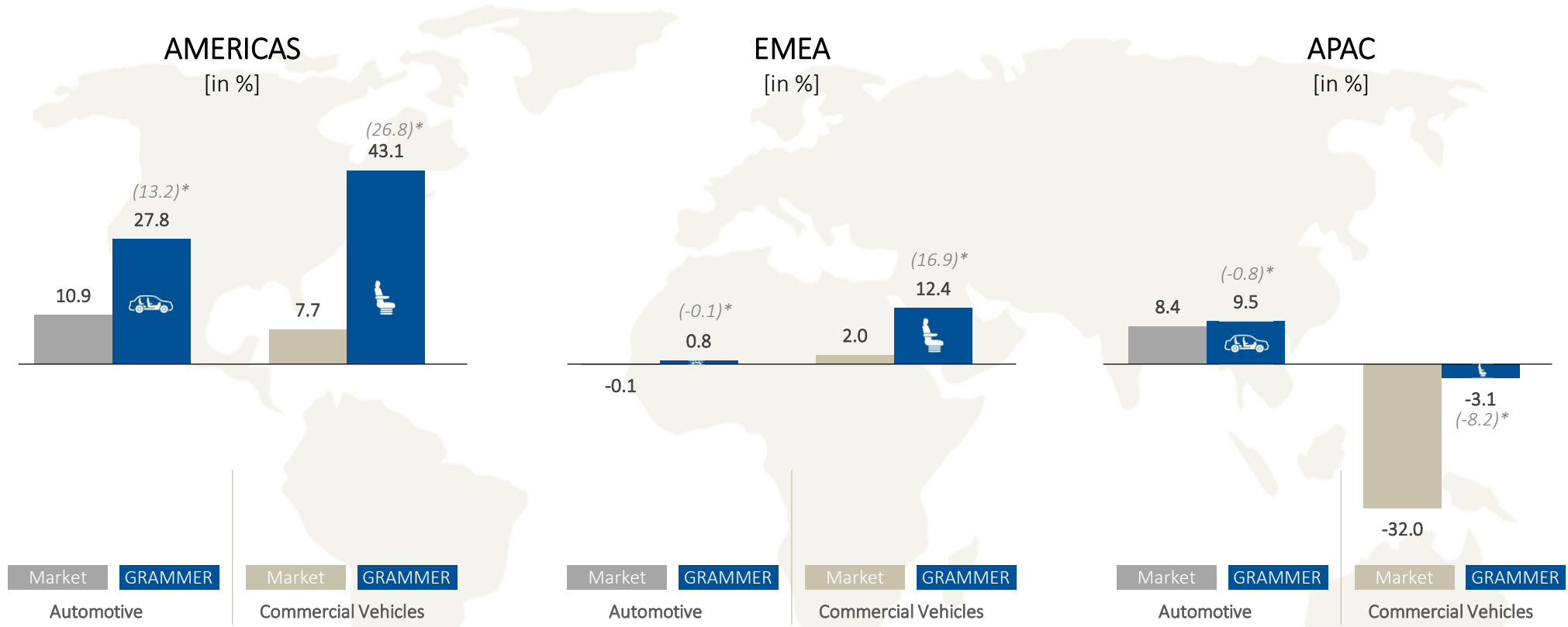
GRAMMER Group's 9M at a glance

- Group revenue grew by 13.4% to EUR 1,593.2 million in the first nine month of the year thanks to a positive development in alle three regions (EMEA: +6.2%, AMERICAS: +30.6%; APAC: +5.0%) as well as in both divisions (Commercial Vehicles: +15.5%; Automotive: +12.3%)
- FX-adjusted revenue also above the previous year's figure (+8.4% to EUR 1,523.3 million)
- Operating EBIT amounted to EUR 1.9 million, corresponding to an operating EBIT margin of 0.1%
- Earnings continue to be impacted by higher material, energy and freight prices. However, favorable Q3 due to easing of the covid situation in APAC, increased inflation compensations and first signs of recovery in AMERICAS
- Forecast for full year 2022 confirmed; however, external risks may negatively impact the forecast

KPIs	9M 2022	9M 2021
Group revenue [in EUR million]	1,593.2	1,404.7
EBIT [in EUR million]	2.5	26.4
Operating EBIT [in EUR million]	1.9	30.7
Operating EBIT margin	0.1%	2.2%
Net profit [in EUR million]	-15.7	13.1

GRAMMER Group

Global market development compared to GRAMMER's performance

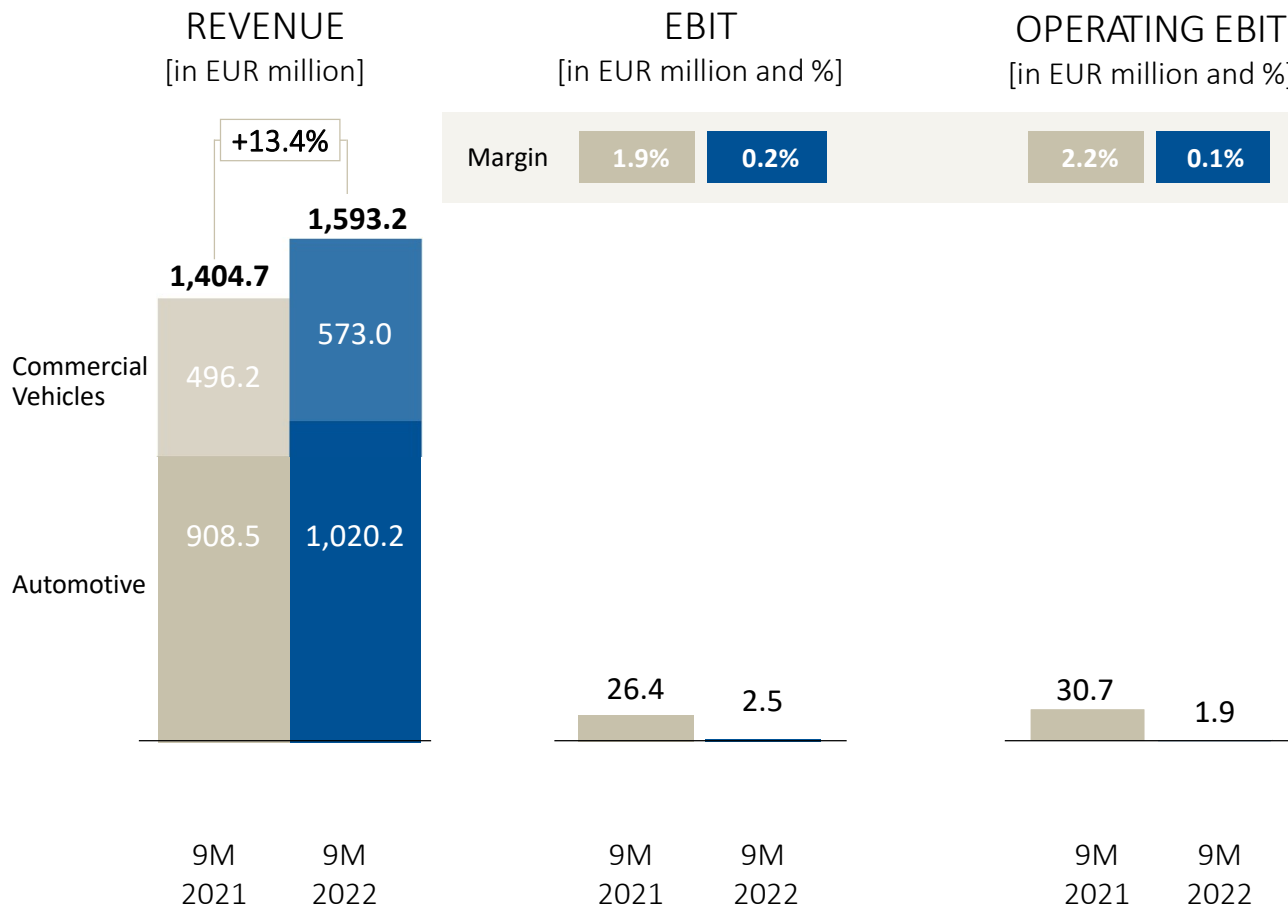


*Revenue development excluding FX effects

Market: September 2022 LMC Production [Truck only] Market: September, 2022 IHS Light Vehicle Production

Commercial Vehicles (CV): LMC forecast refers only to medium and heavy-duty trucks - however, GRAMMERs revenue in Division CV includes Truck, Rail & Bus and Offroad business. The driver for the better performance in the first nine months was GRAMMER's offroad business in all three regions.

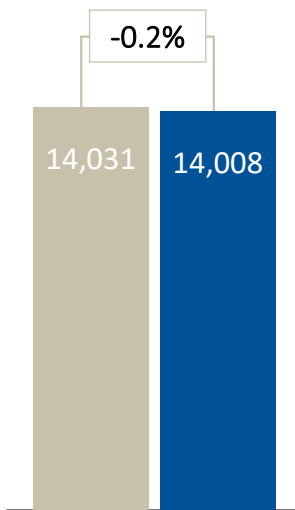
Group Revenue / EBIT / operating EBIT GRAMMER (9M 2022)



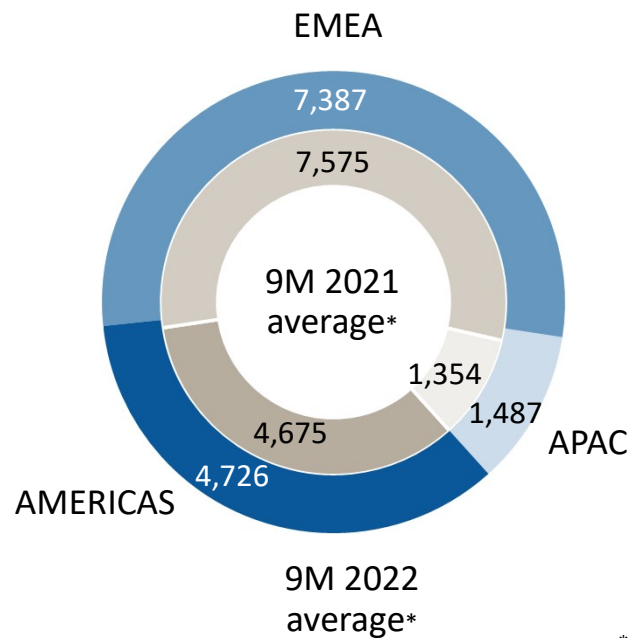
- FX adjusted revenue at EUR 1.523,3 million, +8.4%
- Automotive: EUR 952.4 million (+4.8%)
- Commercial Vehicles EUR 570.9 million (+15.1%)
- Operating EBIT adjusted for
 - EUR -2.1 million COVID-19 protection and action measures
 - EUR 2.7 million positive currency effects
- EBIT still burdened by increasing material, logistics, energy, and personnel expenses, but return to profitability in the third quarter
- Passing inflation effects to customers continues to be main task and challenge

Employee development by region (9M 2022)

EMPLOYEES
[Average; without temporary workers]



9M 2021 9M 2022

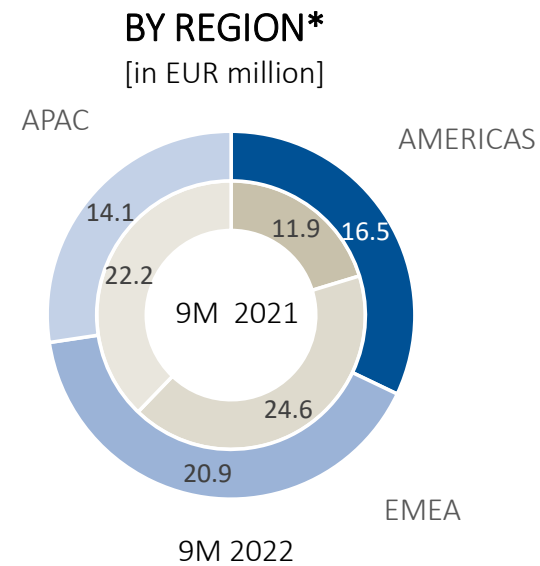
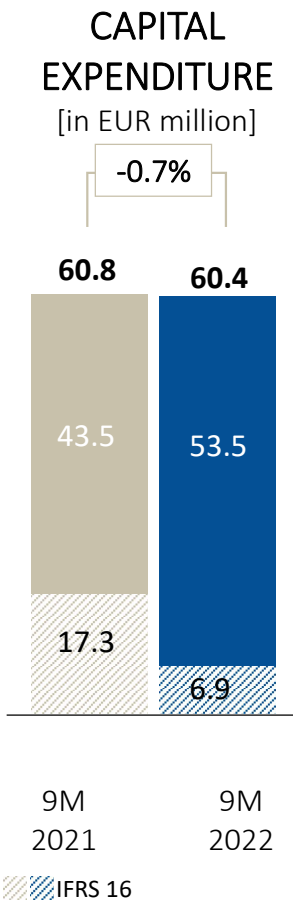


*CS 9M 2021: 427
*CS 9M 2022: 408

Different developments in 9M 2022:

- **AMERICAS +1.1%**
Increase mainly due to high fluctuation
- **EMEA -2.5%**
Solid management of volume increase in CV and stagnation in Automotive
- **APAC +9.8%**
Ramp up of new plants and production lines in China

Capital expenditure (9M 2022)



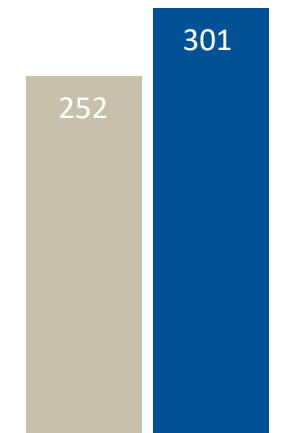
*CS 9M 2021: EUR 2.1 million
*CS 9M 2022: EUR 8.9 million

- Investments in new launches and replacements of machinery in the regions.
- Highest portion still in EMEA with EUR 20.9 million, followed by AMERICAS with EUR 16.5 million and APAC with EUR 14.1 million
- Strategic projects: digitalization of PLM and new seat generation in the CV Division.

Working capital, Free cashflow, Net debt FY on Group level

WORKING CAPITAL

[in EUR million]



31 Dec
2021

30 Sep
2022

FREE CASHFLOW

[in EUR million]

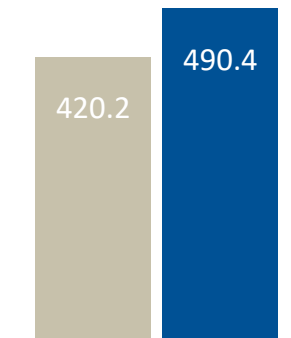


9M
2021

9M
2022

NET DEBT

[in EUR million]



31 Dec
2021

30 Sep
2022

- Increase in working capital mainly due to the rise in trade accounts receivables especially in EMEA and inventories, especially in AMERICAS
- Free cashflow slightly improved to EUR -40.8 million
- Net debt increases to EUR 490.4 million as a result of negative FCF

Equity, leverage and gearing FY on Group level

EQUITY [in EUR million]

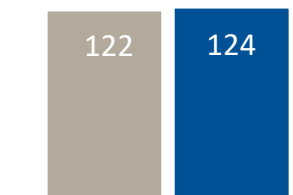
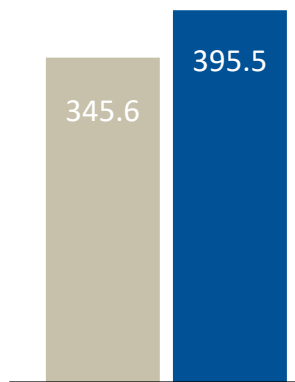
LEVERAGE

GEARING [in %]

Ratio

23.3%

25.3%



31 Dec 2021 30 Sep 2022

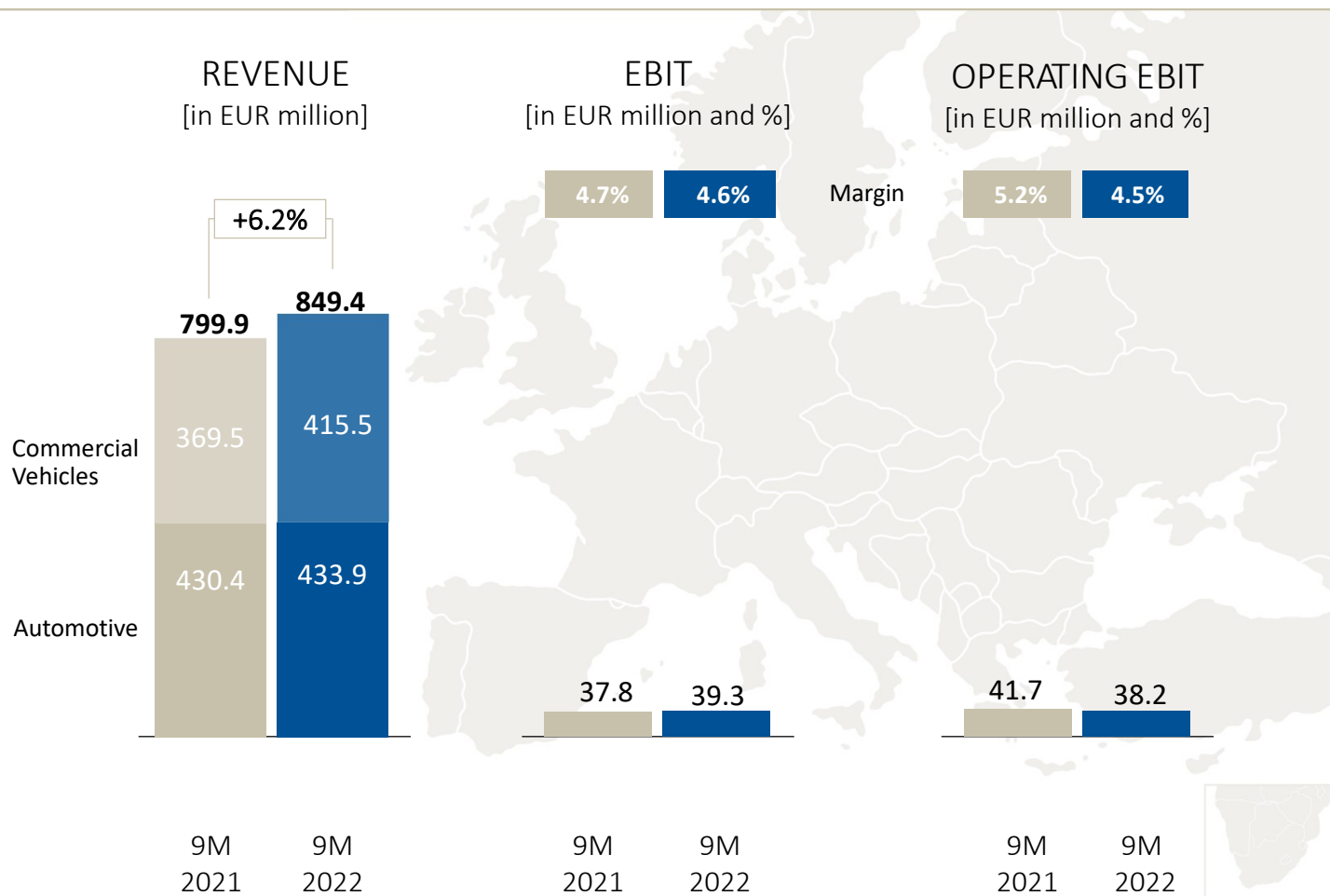
31 Dec 2021 30 Sep 2022

31 Dec 2021 30 Sep 2022

- Increase in equity by 14.4% mainly driven by other comprehensive income
- Equity ratio improved to 25.3%
- Higher leverage due to decrease in EBITDA LTM from EUR 103.1 million to EUR 83.2 million and increase in Net Debt from EUR 420.2 million to EUR 490.4 million
- Gearing just slightly higher than at year-end

9M 2022: Revenue / EBIT / operating EBIT in EMEA

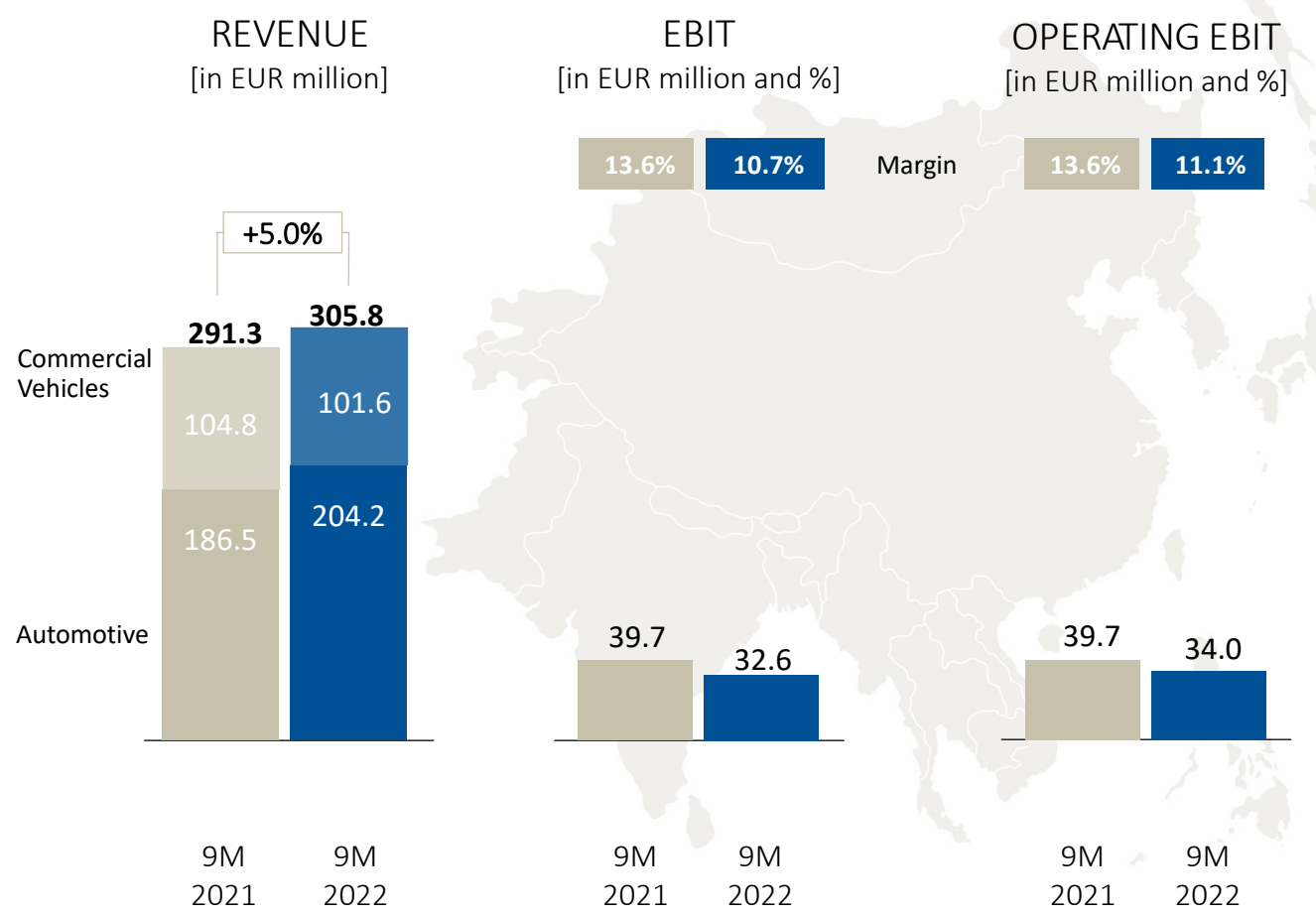
EBIT slightly higher despite sharp and sustained rise in material, logistics and energy costs



- FX adjusted revenue at EUR 861.7 million, +7.7%
- Revenue in divisions:
 - Automotive: +0.8%, fx adj. -0.1%
 - CV: +12.4%; fx adj. +16.9%
- Earnings impacted by sharply increased material, logistics and energy costs as well as persistent, since Ukraine war exacerbated bottlenecks in the supply chain leading to volatile call-offs from our customers.
- Op. EBIT adjusted by:
 - EUR -1.6 million COVID-19 protection and action measures
 - EUR 0.5 million positive currency effects

9M 2022: Revenue / EBIT / operating EBIT in APAC

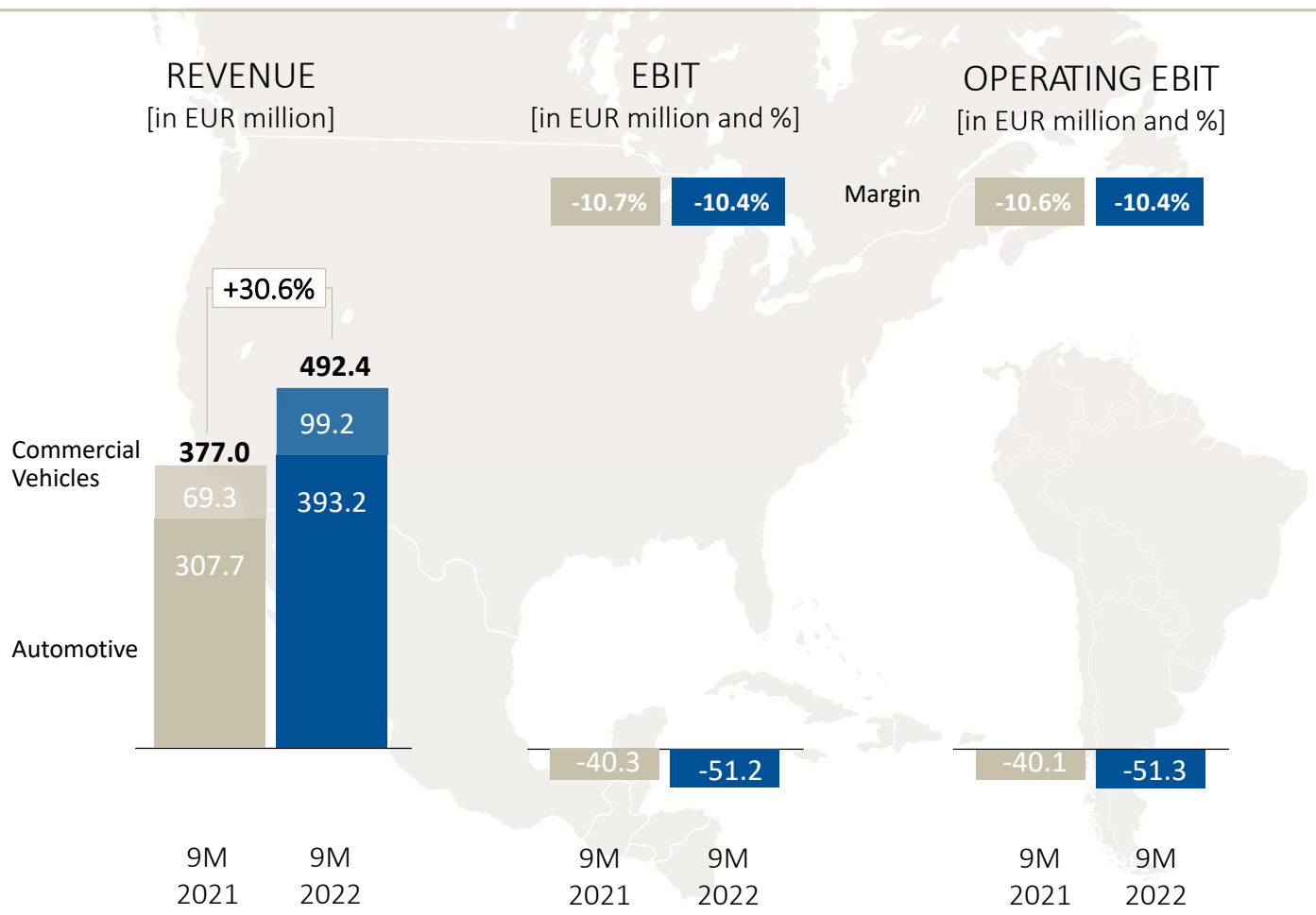
Improvement of covid situation in China



- FX-adjusted revenue at EUR 281.2 million (-3.5%)
- Revenue in divisions:
 - Automotive: +9.5%; fx adj. -0.8%
 - CV: -3.1%; fx adj. -8.2%
- Reduced volumes due to Covid-19 restrictions in China, increased freight costs in Japan and ramp up costs for new locations led to EBIT reduction in the first half, improvement in Q3
- Op. EBIT adjusted by:
 - EUR -1.5 million COVID-19 protection and action measures
 - EUR 0.1 million positive currency effects

9M 2022: Revenue / EBIT / operating EBIT in AMERICAS

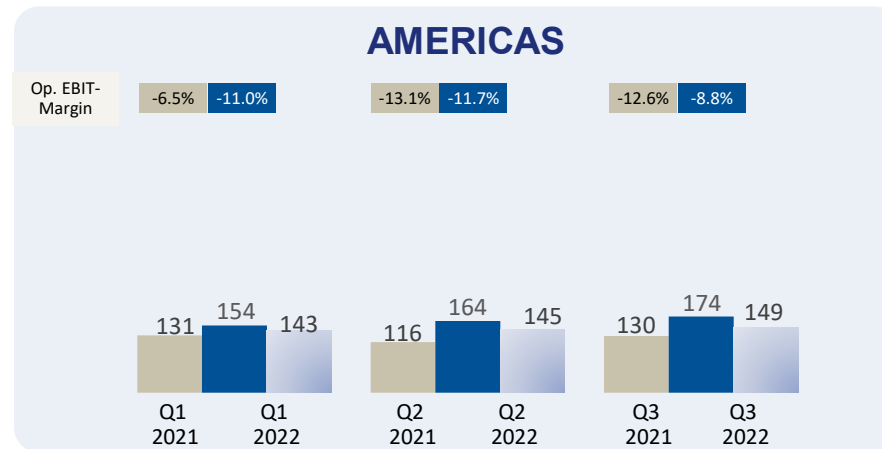
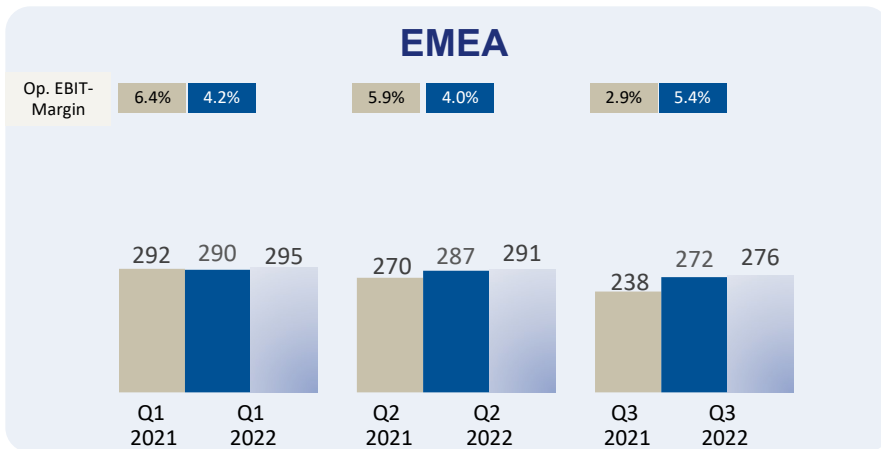
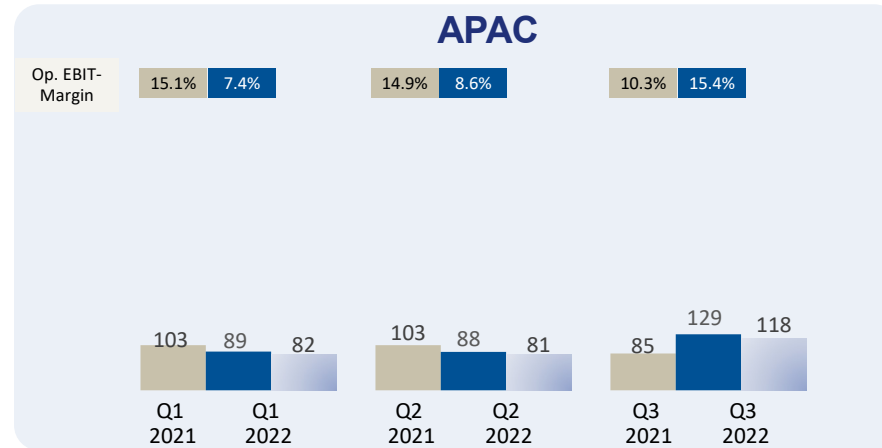
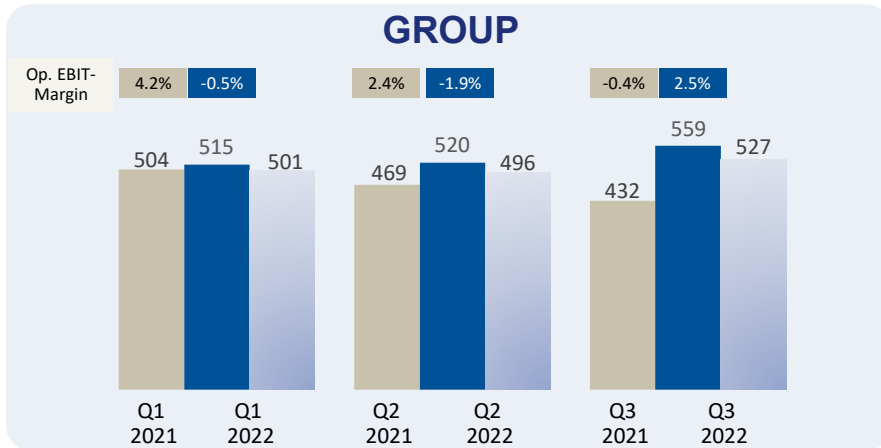
Focus on success-critical phase of the turn-around activities



- FX adjusted revenue at EUR 436.3 million (+15.7%)
- Revenue in divisions:
 - Automotive: +27.8%; FX adj. +13.2%
 - CV: +43.1%; FX adj. +26.8%
- EBIT negatively affected by:
 - High inflation in material, logistics and personnel expenses
 - Non-recurring expenses in Q1 and Q3 of around EUR 11 million
 - Turnaround targeted for 2024
- First positive operational effects of P2P project

Quarterly overview

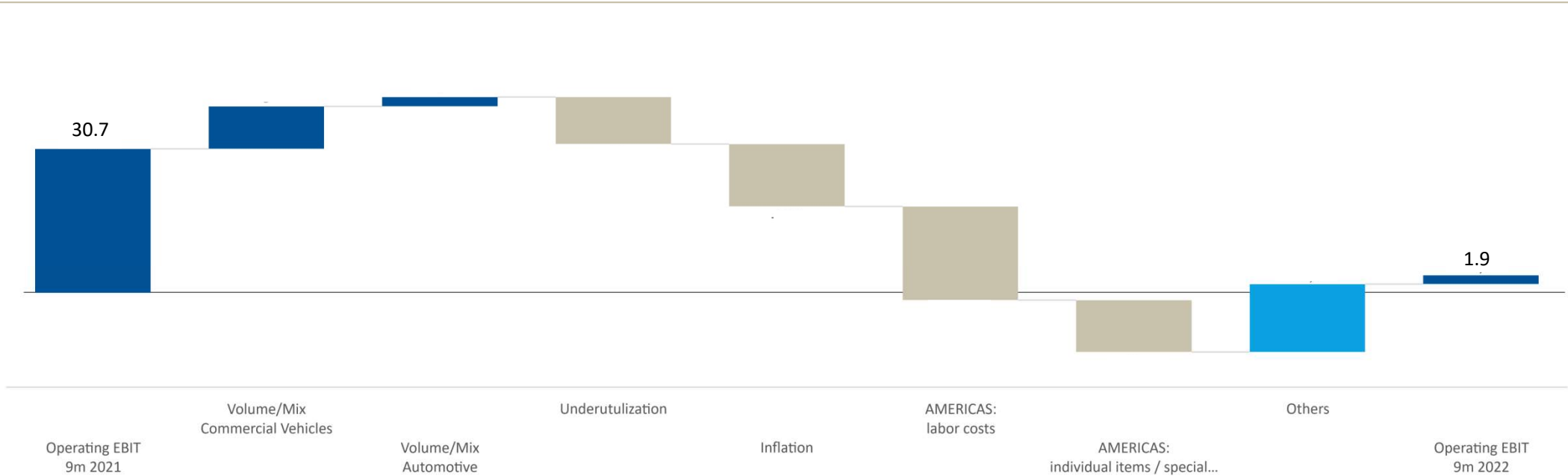
Return to profitability in the third quarter of 2022



■ Revenue in EUR m 2021
■ Revenue in EUR m 2022
■ Fx-adj. revenue in EUR m 2022

Group earnings effects in a nutshell

Profitability is heavily burdened by inflation in AMERICAS and EMEA



Massive inflation and underutilization due to the short-term volume reductions are eroding our margins.

OUTLOOK

2022

October 27, 2022



Outlook 2022 confirmed: Revenue and earnings growth

Guidance 2022

Growth of **revenue** to around EUR 2.0 billion
(2021: EUR 1.9 billion)

Operating EBIT between EUR 35 and 40 million
(2021: EUR 22.8 million)

Risks arising from

- the **war in Ukraine** and ongoing **corona lockdowns in China** as well as
- the **inability of passing on all cost increases to customers**, especially in the EMEA and AMERICAS regions

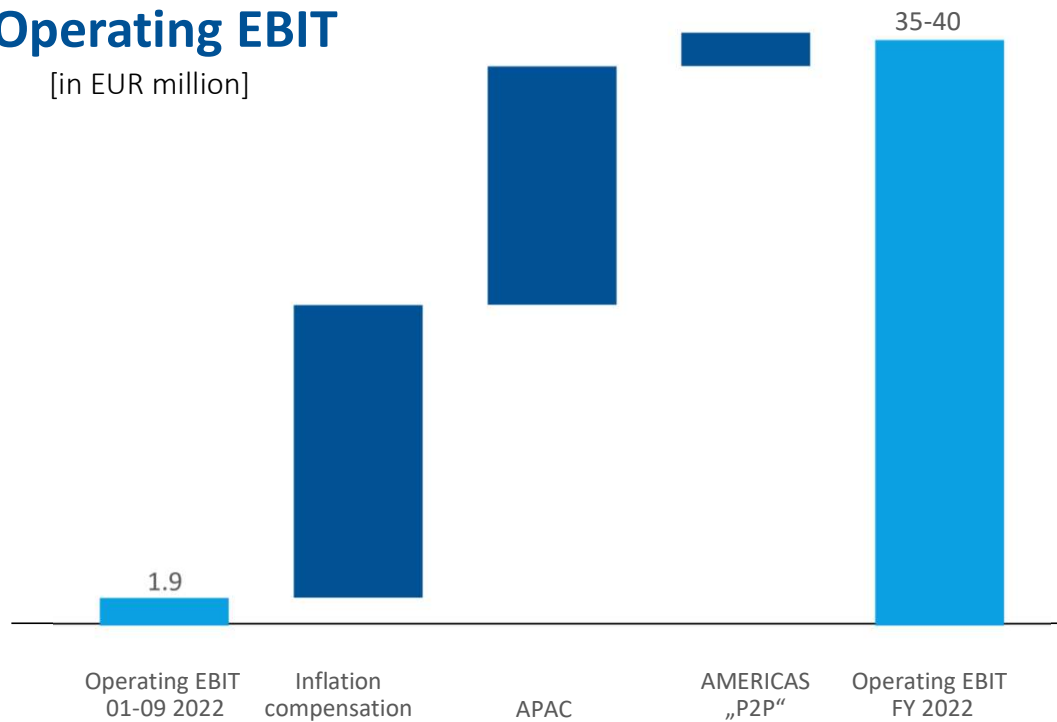
may intensify and could have a negative impact on the guidance

Outlook 2022 confirmed: Bridging the gap in operating EBIT



Operating EBIT

[in EUR million]



Revenue: on track



- 01-09 2022: EUR **1,593.2** million
- Outlook FY 2022: EUR **2** billion

Organisation: New operational management structure established

The Supervisory Board has resolved that the Executive Board shall continue to consist of the two existing Executive Board members:

- Jens Öhlenschläger (CEO)
- Jurate Keblyte (CFO)

The Executive board team is supported by the members of the Executive Committee comprising the five presidents of the divisions and regions:

- Jürgen Gerl (Automotive)
- Dr. Andreas Diehl (CV)
- Guoqiang Li (APAC)
- Peter Büsing (EMEA)
- Nilesh Soni (AMERICAS)

In addition, Guoqiang Li will resume the role of COO and Dr. Andreas Diehl the role of CTO of the GRAMMER Group supporting Jens Öhlenschläger

Exhibition: IAA Transportation, Hannover, 20 – 25 September



Exhibition: InnoTrans, Berlin, 20 – 23 September



Q&A



October
27, 2022

GRAMMER Group

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Annexes



Key figures 2022

October 27, 2022



Revenue
1,593.2 EUR million

EBIT margin
0.2%

Operating EBIT margin
0.1%

Net profit
-15.7 EUR million

Free Cashflow
-40.8 EUR million

Equity ratio
25.3%

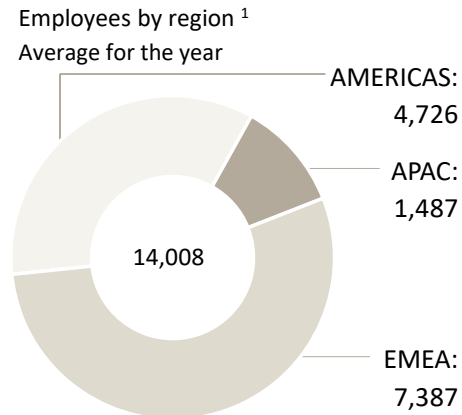
Group operating EBIT
1.9 EUR million

Capital expenditure
60.4 EUR million

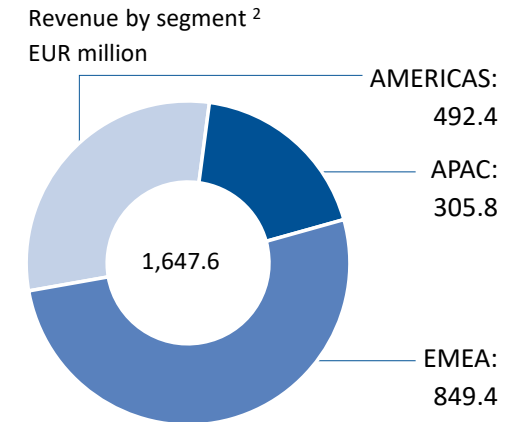
Operating EBIT (Region)
AMERICAS
-51.3 EUR million

Operating EBIT (Region)
EMEA
38.2 EUR million

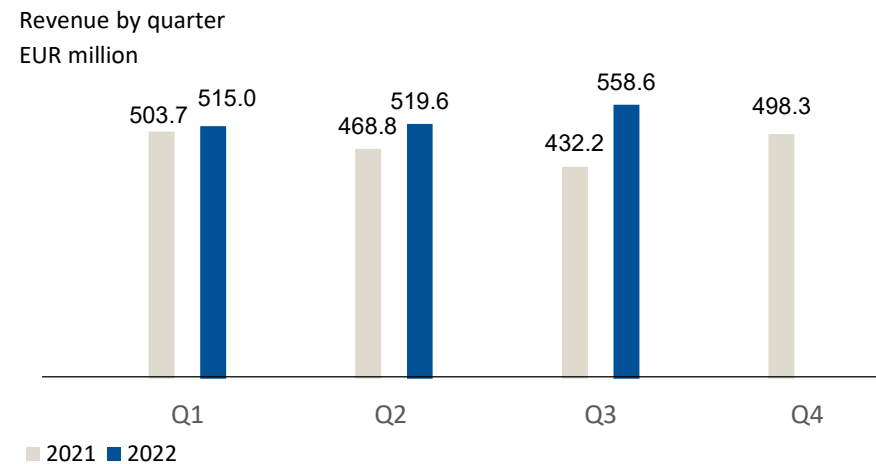
Operating EBIT (Region)
APAC
34.0 EUR million



¹ An average of 408 employees were employed in Central Services



² The consolidation effect of revenue between the regions amounts to EUR 54.4 million



Key figures



<i>[IFRS, in € million]</i>	Q3 2022	Q3 2021	Q2 2022	Q2 2021	Q1 2022	Q1 2021	FY 2021
Group Revenue	558.6	432.2	519.6	468.8	515.0	503.7	1,903.0
EBIT	15.0	-1.4	-11.3	5.2	-1.2	22.6	18.9
EBIT Margin in %	2.7	-0.3	-2.2	1.1	-0.2	4.5	1.0
Operating EBIT	14.2	-1.7	-9.8	11.4	-2.5	21.0	22.8
Operating EBIT Margin in %	2.5	-0.4	-1.9	2.4	-0.5	4.2	1.2
Net Profit	9.8	-5.0	-17.5	4.8	-8.0	13.3	0.6
EPS in €	0.64	-0,35	-1.14	0.33	-0.53	0.88	0.08
Total Assets	1,565.3	1,487.3	1,511.4	1,446.0	1,518.9	1,427.0	1,483.4
Equity	395.5	345.1	374.9	332.0	355.8	328.2	345.6
Equity-Ratio in %	25.3	23.2	24.8	23.0	23.4	23.0	23.3
Net Debt	490.4	437.0	481.6	430.5	436.8	381.0	420.2
Gearing Ratio in %	124.0	126.6	128.5	129.7	122.8	116.1	121.6
Capex (w/o financial assets)	27.0	30.1	19.1	21.7	14.3	9.0	114.7
Depreciation	22.9	21.1	21.9	20.6	21.5	20.6	84.2
Employees (average)	14,008	14,031	14,003	14,143	14,009	14,204	14,006