



**5 FOR 5  
IN 2025**

Financial Results FY 2022  
Ursensollen, March 30, 2023



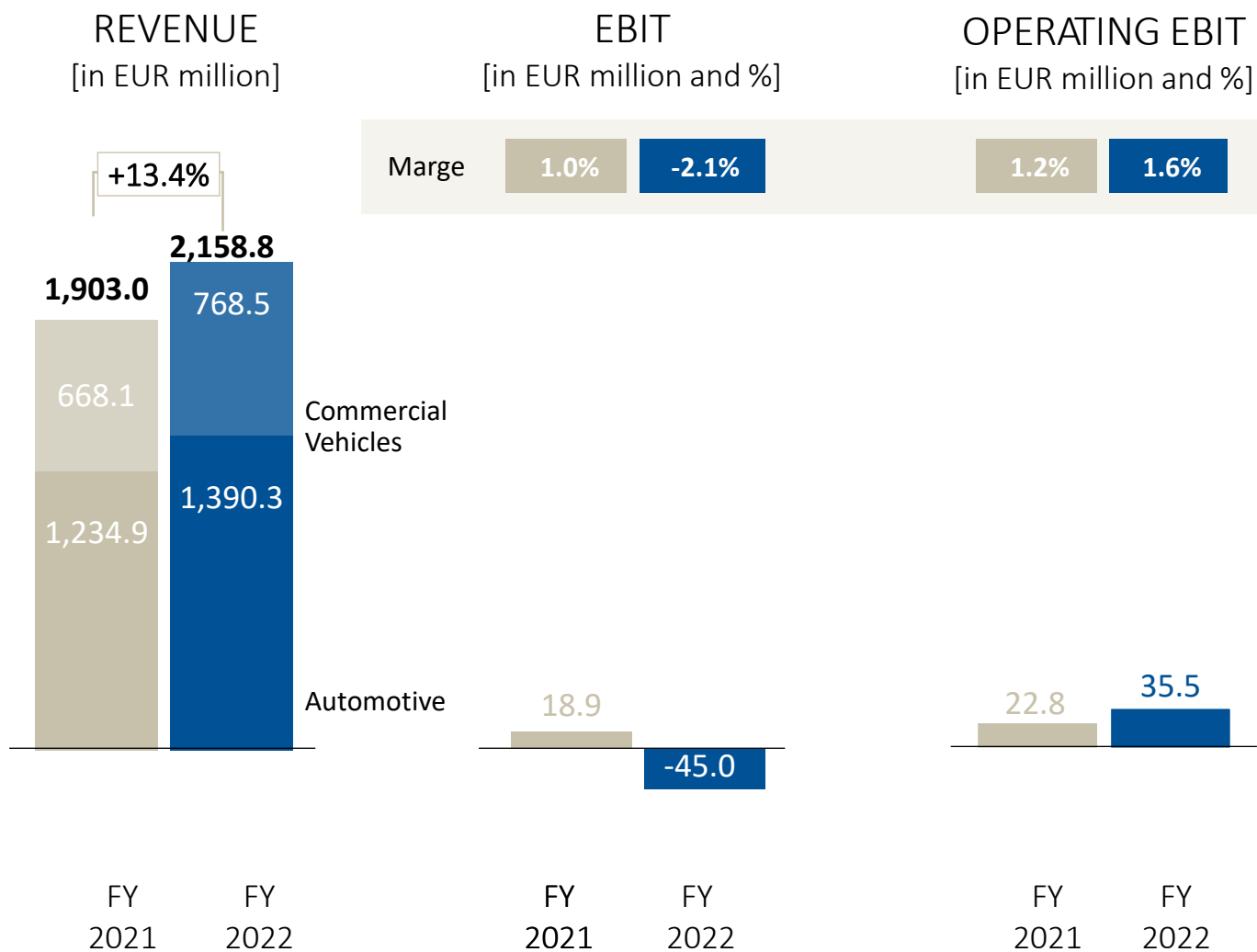
# GRAMMER Group's financial year 2022 at a glance

- Group revenue grew by 13.4% to EUR 2,158.8 million in the year 2022 thanks to a positive development in alle three regions (EMEA: +6.6%, AMERICAS: +29.9%; APAC: +5.0%) as well as in both divisions (Commercial Vehicles: +15.0%; Automotive: +12.6%)
- FX-adjusted revenue also above the previous year's figure (+8.9% to EUR 2,072.3 million)
- The negative EBIT of EUR -45.0 million includes an impairment of EUR -73.6 million in the AMERICAS, resulting from increased interest rates
- After significant losses in the first half of the year, turnaround in the third quarter and an impressive final spurt in the last quarter of the year were achieved
- Operating EBIT amounted to EUR 35.5 million, representing an improvement of 56% over the previous year in line with the Guidance for 2022.

KPIs	2022	2021
Group revenue [in EUR million]	2,158.8	1,903.0
EBIT [in EUR million]	-45.0	18.9
Operating EBIT [in EUR million]	35.5	22.8
Operating EBIT margin	1.6%	1.2%
Free Cash flow [in EUR million]	31.3	-5.6



# Group Revenue / EBIT / operating EBIT GRAMMER (FY 2022)

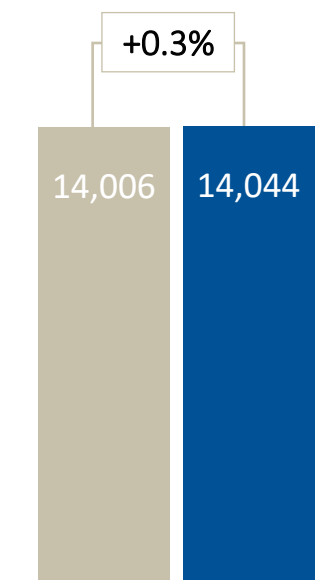


- FX adjusted revenue at EUR 2,072.3 million, (+8.9%)
- Automotive EUR 1,304.9 million (+5.7%)
- Commercial Vehicles EUR 767.4 million (+14.9%)
- Operating EBIT adjusted for:
  - EUR 73.6 million impairment in AMERICAS
  - EUR 4.6 million restructuring cost
  - EUR 2.1 million COVID-19 protection and action measures
  - EUR 0.2 million negative currency effects
- EBIT still burdened by increasing material, logistics, energy, and personnel expenses
- Considerable impact from partnership-based inflation sharing with customers
- Demanding course of the year with losses in 1st half-year and turnaround in 3rd and 4th quarter

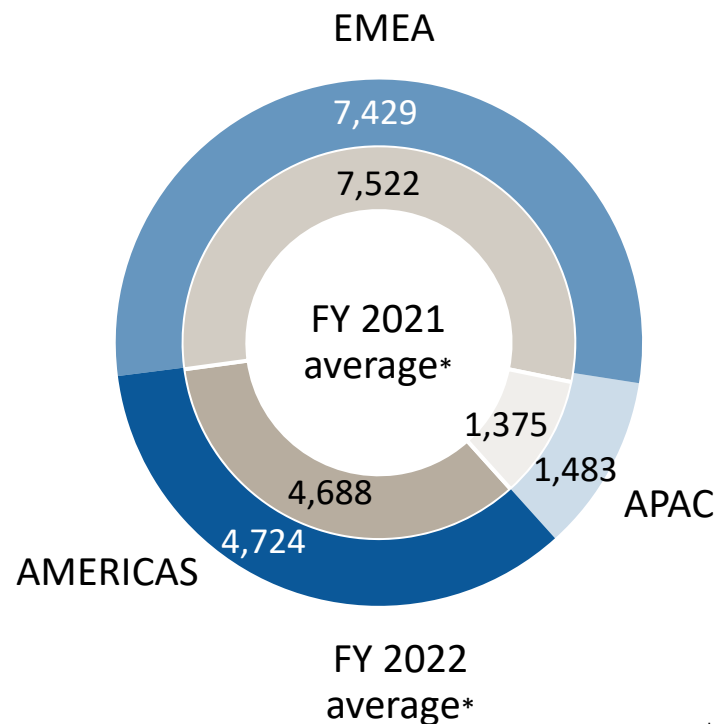
# Employee development by region (FY 2022)

## EMPLOYEES

[Average; without temporary workers]



FY 2021      FY 2022



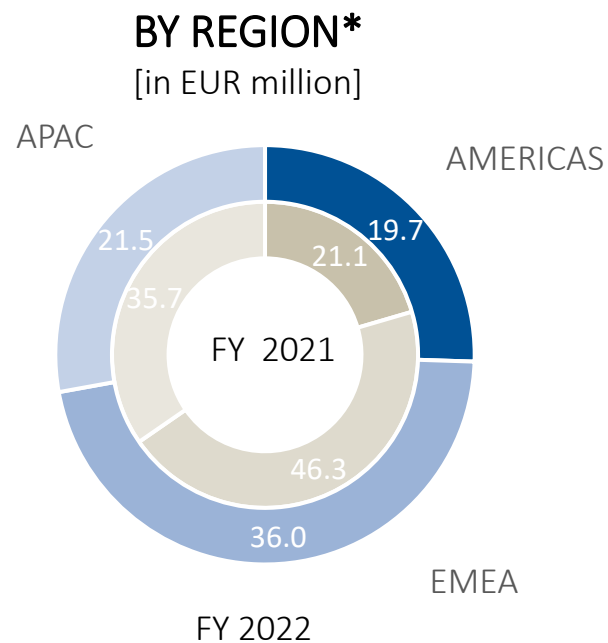
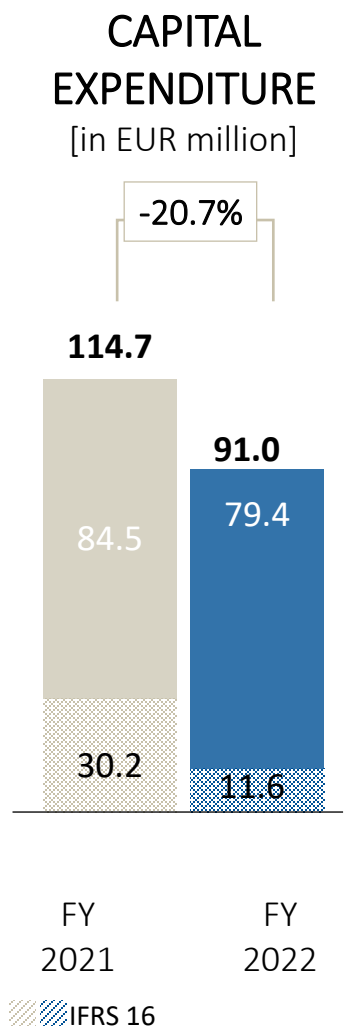
\*CS 2021: 421

\*CS 2022: 408

### Different developments in FY 2022:

- **AMERICAS +0.8%**  
Increase mainly due to high fluctuation
- **EMEA -1.2%**  
Solid management of volume increase in CV and stagnation in Automotive
- **APAC +7.9%**  
Ramp up of new plants and production lines in China

# Capital expenditure (FY 2022)



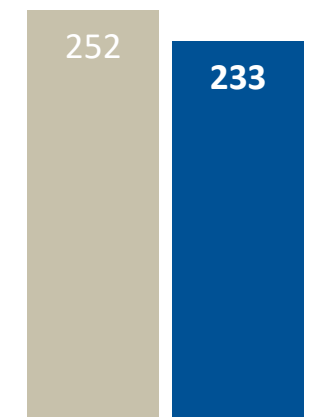
\*CS FY 2021: EUR 11.7 million  
\*CS FY 2022: EUR 13.8 million

- Investments in new launches and replacements of machinery in the regions.
- Highest portion still in EMEA with EUR 36.0 million, followed by APAC with EUR 21.5 million and AMERICAS with EUR 19.7 million
- Strategic projects: digitalization of PLM and new seat generation in the CV Division.

# Working capital, Free cashflow, Net debt FY

## WORKING CAPITAL

[in EUR million]



31 Dec 2021    31 Dec 2022

## FREE CASHFLOW

[in EUR million]

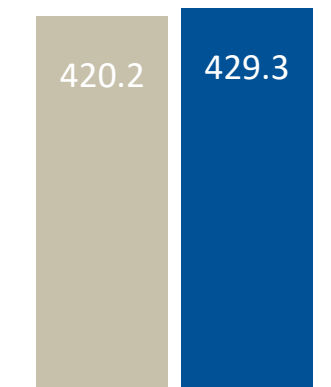


-5.6

FY 2021    FY 2022

## NET DEBT

[in EUR million]



31 Dec 2021    31 Dec 2022

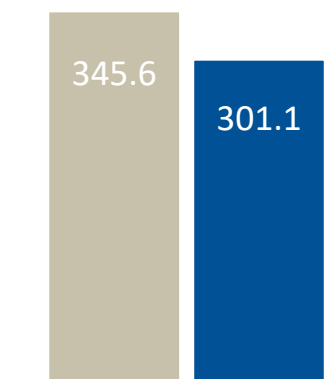
- Reduction in working capital to EUR 233 million due to improved inventory management and lower POC
- EUR 72,1 million FCF in last quarter leads to overall catch up to EUR 31,3 million for the year
- Net debt additionally impacted by increased interest rates

# Equity, leverage and gearing FY

## EQUITY

[in EUR million]

Ratio	23.3%	20.8%



31 Dec 2021    31 Dec 2022

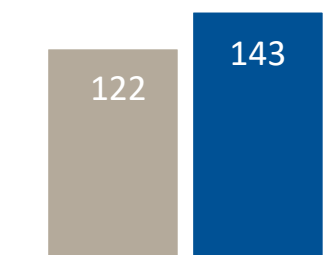
## LEVERAGE



31 Dec 2021    31 Dec 2022

## GEARING

[in %]

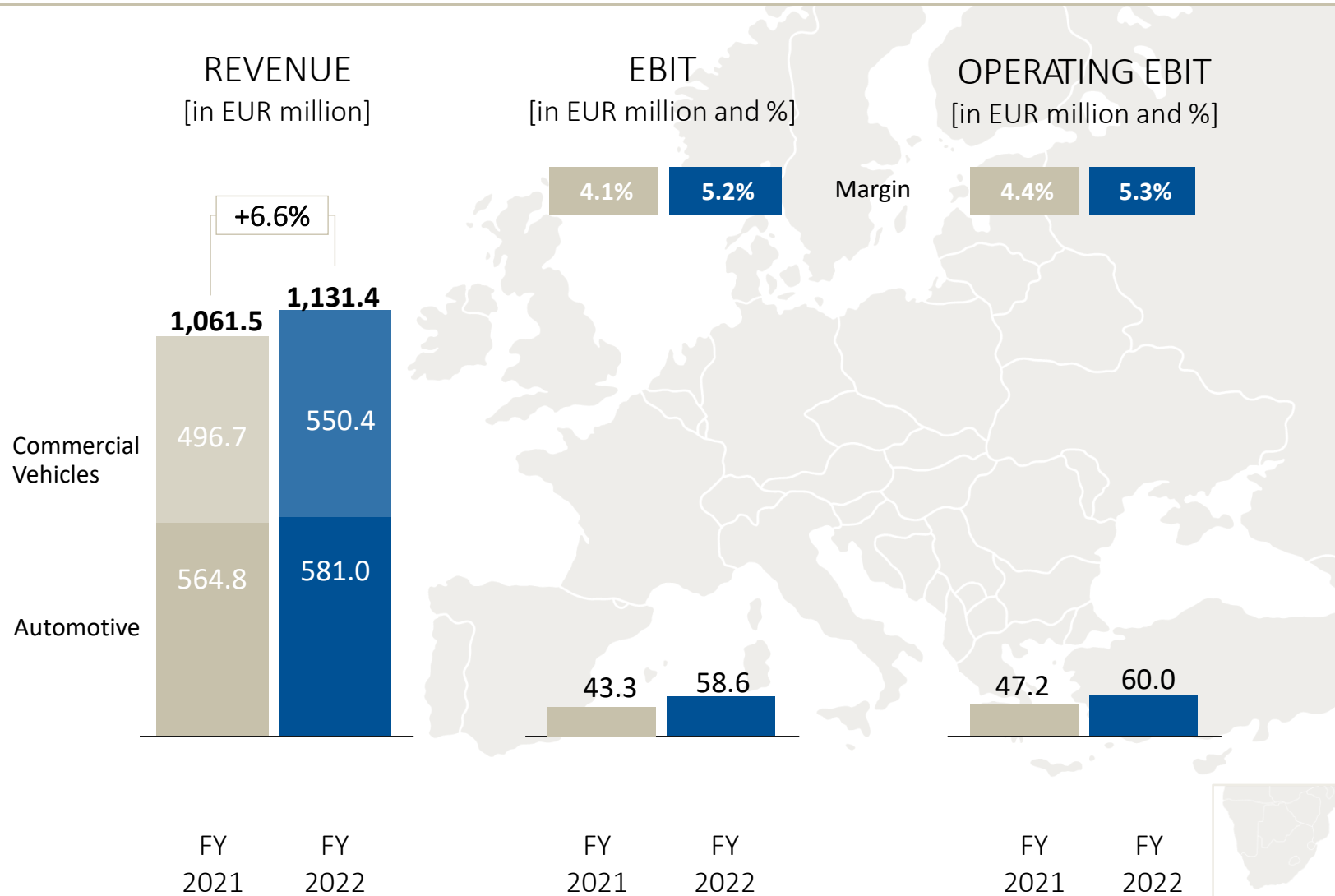


31 Dec 2021    31 Dec 2022

- Decrease in equity by 12.9% to EUR 301.1 million (equity ratio at 20.8%)
  - Impairment in AMERICAS of EUR -73.6 million
  - Foreign currency translation of EUR 4.0 million
  - Actuarial effects of EUR 22.7 million
  - Effects from currency translation of net investments in foreign operations of EUR 6.2 million
- Leverage improves due to increased EBITDA LTM from EUR 103.1 million to EUR 117.4 million
- Gearing deteriorates as a result of equity decrease

# FY 2022: Revenue / EBIT / operating EBIT in EMEA

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



- FX adjusted revenue at EUR 1,145.4 million, +7.9%
- Revenue in divisions:
  - Automotive: +2.9%, fx adj. 1.9%
  - CV: +10.8%; fx adj. +14.8%
- Sharp increases in material, logistics and energy costs only partially passed on to customers
- Operating EBIT adjusted by:
  - EUR -1.8 million restructuring costs
  - EUR +0.9 million positive currency effects
  - EUR -0.5 million COVID-19 protection and action measures



# FY 2022: Revenue / EBIT / operating EBIT in APAC

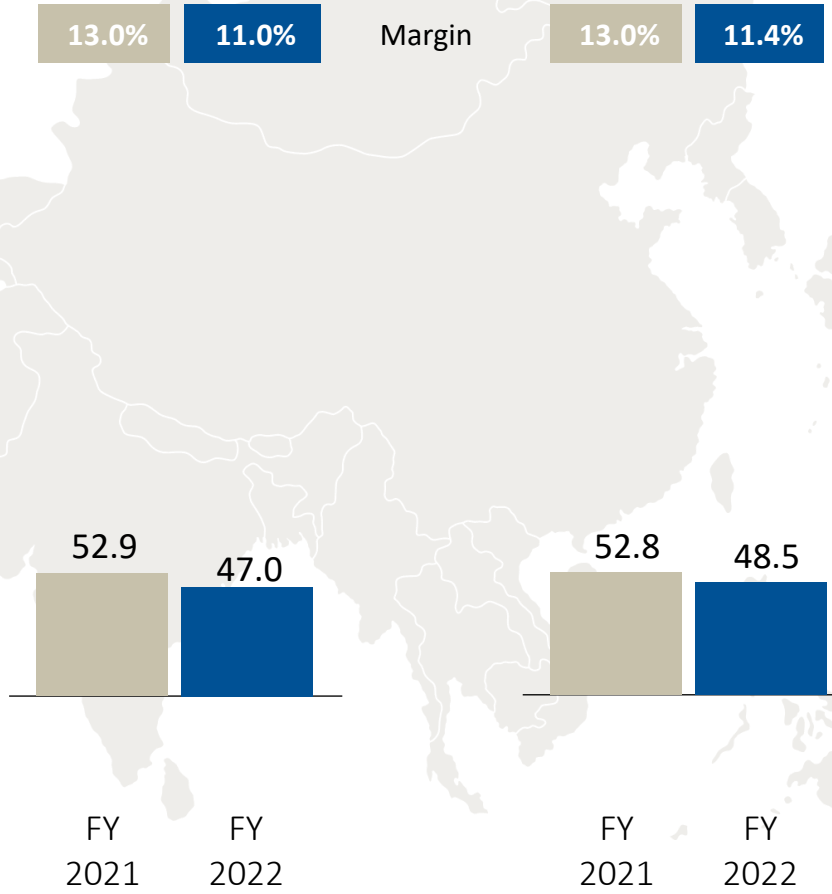
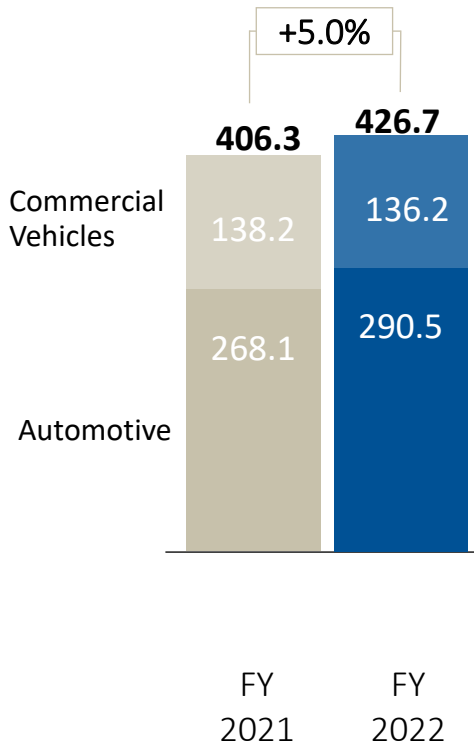
Stabilization of revenue in 2<sup>nd</sup> half-year



REVENUE  
[in EUR million]

EBIT  
[in EUR million and %]

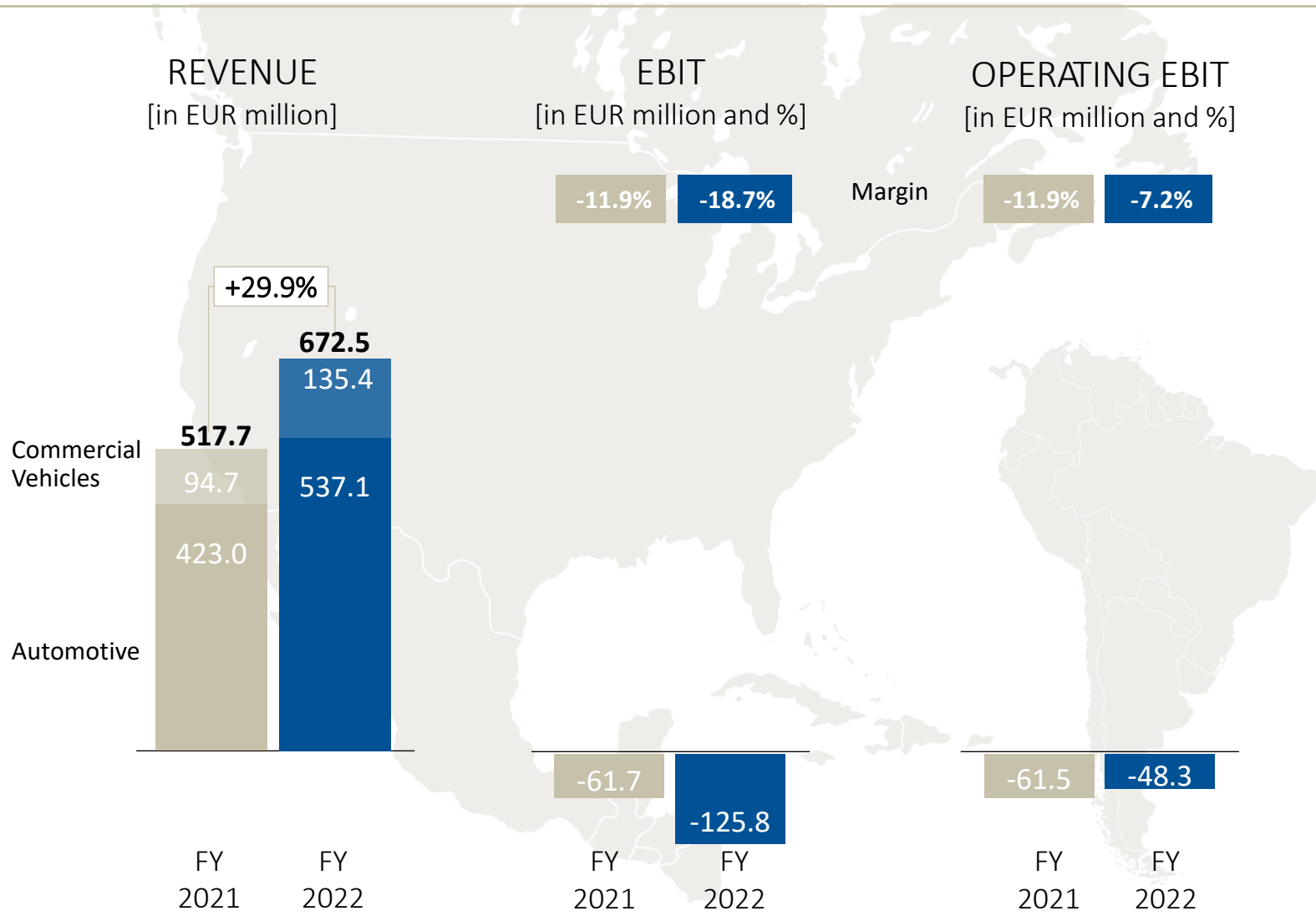
OPERATING EBIT  
[in EUR million and %]



- FX-adjusted revenue at EUR 401.2 million (-1.3%)
- Revenue in divisions:
  - Automotive: +8.4%; fx adj. 0.5%
  - CV: -1.4%; fx adj. -4.7%
- Reduced volumes due to COVID-19 restrictions and chip shortages in China, increased freight costs in Japan and ramp up costs for new locations
- Op. EBIT adjusted by:
  - EUR -1.5 million COVID-19 protection and action measures

# FY 2022: Revenue / EBIT / operating EBIT in AMERICAS

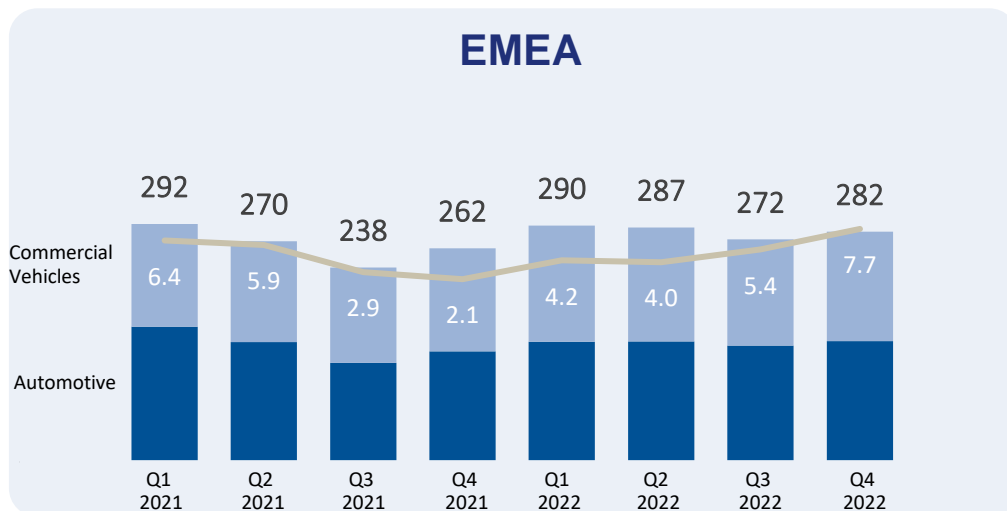
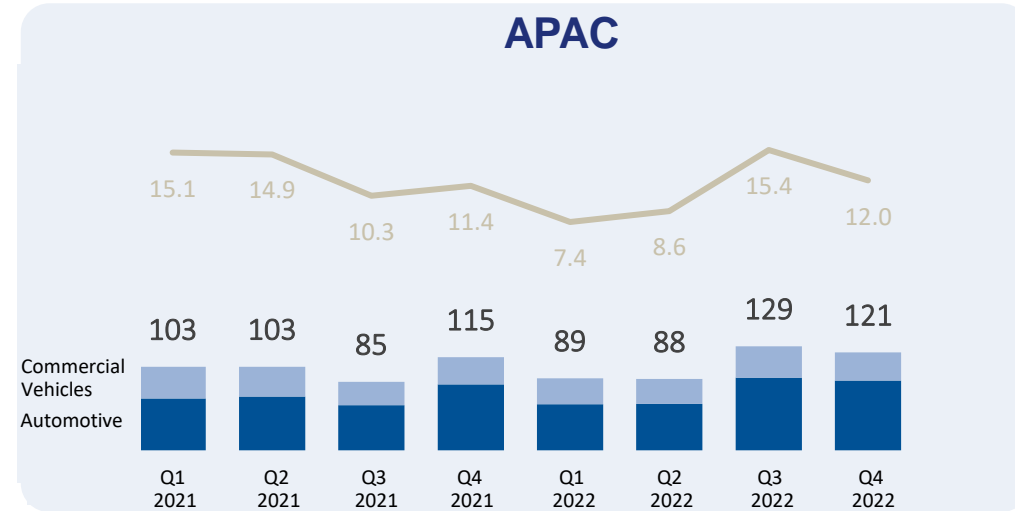
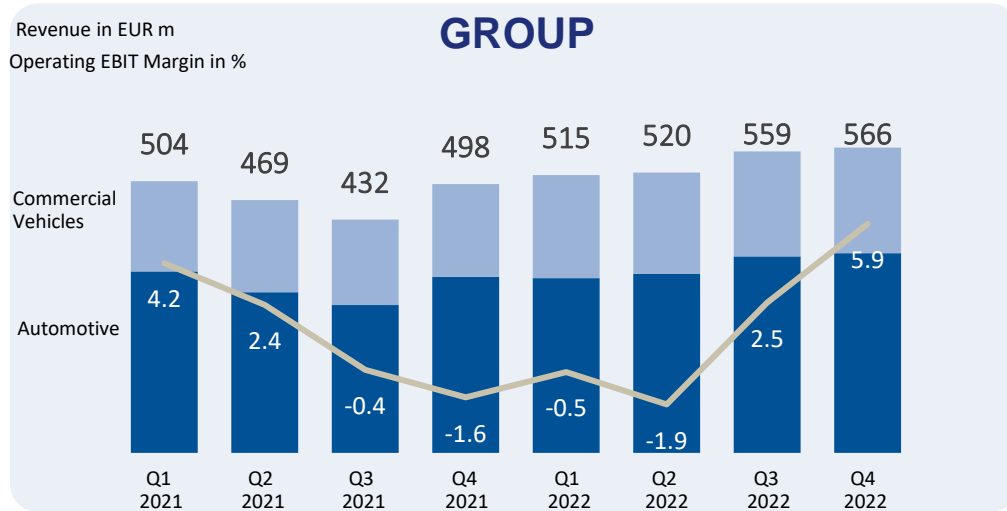
Focus on success-critical phase of the turn-around activities



- FX adjusted revenue at EUR 598.9 million (+15.7%)
- Revenue in divisions:
  - Automotive: +27.0%; FX adj. +13.0%
  - CV: +43.0%; FX adj. +27.9%
- EBIT negatively affected by:
  - EUR 73.6 million impairment due to the sharp rise in interest rates, leading to an increase in the after-tax cost of capital
  - High inflation in material, logistics and personnel expenses
  - Non-recurring expenses in Q1 and Q3 of around EUR 10 million
  - First positive operational effects of P2P project
- Turnaround targeted for 2024

# Quarterly overview

Return to profitability in the third and fourth quarter of 2022



OUTLOOK

# 2023

March 30, 2023



# Outlook 2023: Stable revenue and strong earnings growth

## Revenue

Stable **revenue** to around EUR 2.2 billion  
(2022: EUR 2.2 billion)

## Operating EBIT

**Operating EBIT** doubles to around  
EUR 70 million  
(2022: EUR 35.5 million)



Key lever for increasing EBIT  
from P2P AMERICAS project

*Burdens may arise in connection with the persistently difficult **macroeconomic conditions**. In particular, it is expected that the sharp **increase in material, energy and labor costs, lower economic growth** - specifically - as well as the further development with regard to the **supply bottlenecks with semiconductors** could also be required to influence the economic development of the company in 2023.*



# Secure financial stability and return to profitability in 2024

New regional management in AMERICAS with restructuring experience

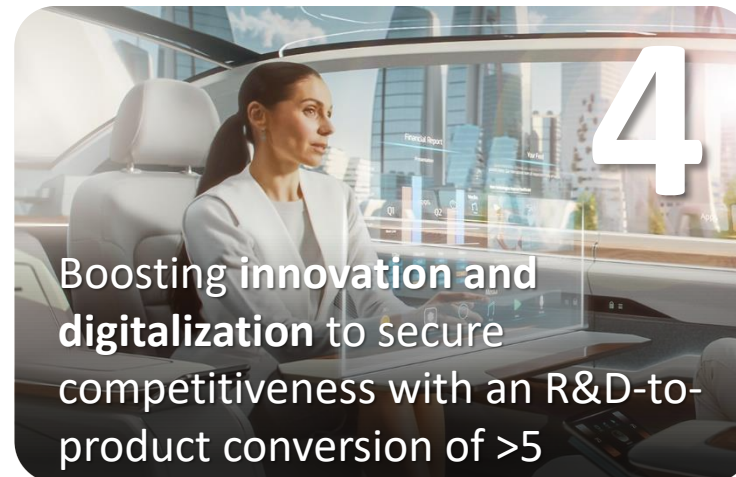
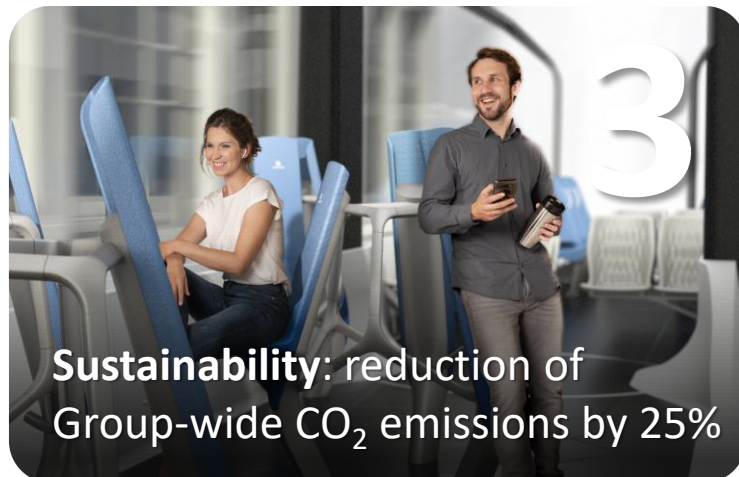


# P2P

## Path2Profitability AMERICAS

# 5 for 5 in 2025

Concentration on **5 focus areas** to meet our target of **>5% operating EBIT margin by 2025**





# Project MAYFLOWER

New 800-tonne large press at the Haselmühl site: milestone on the way to seat production 4.0





# Sustainability for our future

Grammer becomes a sustainable company



We aim to achieve the 1.5 degree target of the Paris climate agreement and become **CO2 neutral (Scope 1 & Scope 2) by 2040**

## Reduction of CO<sub>2</sub>-Emissions

- **25% by 2025**
- **50% by 2030**

## Green Company Focus Areas

1. Lower energy and resource consumption
2. Efficient material usage
3. Waste avoidance and recycling
4. Reducing emissions
5. Development of sustainable products



# Employer of choice

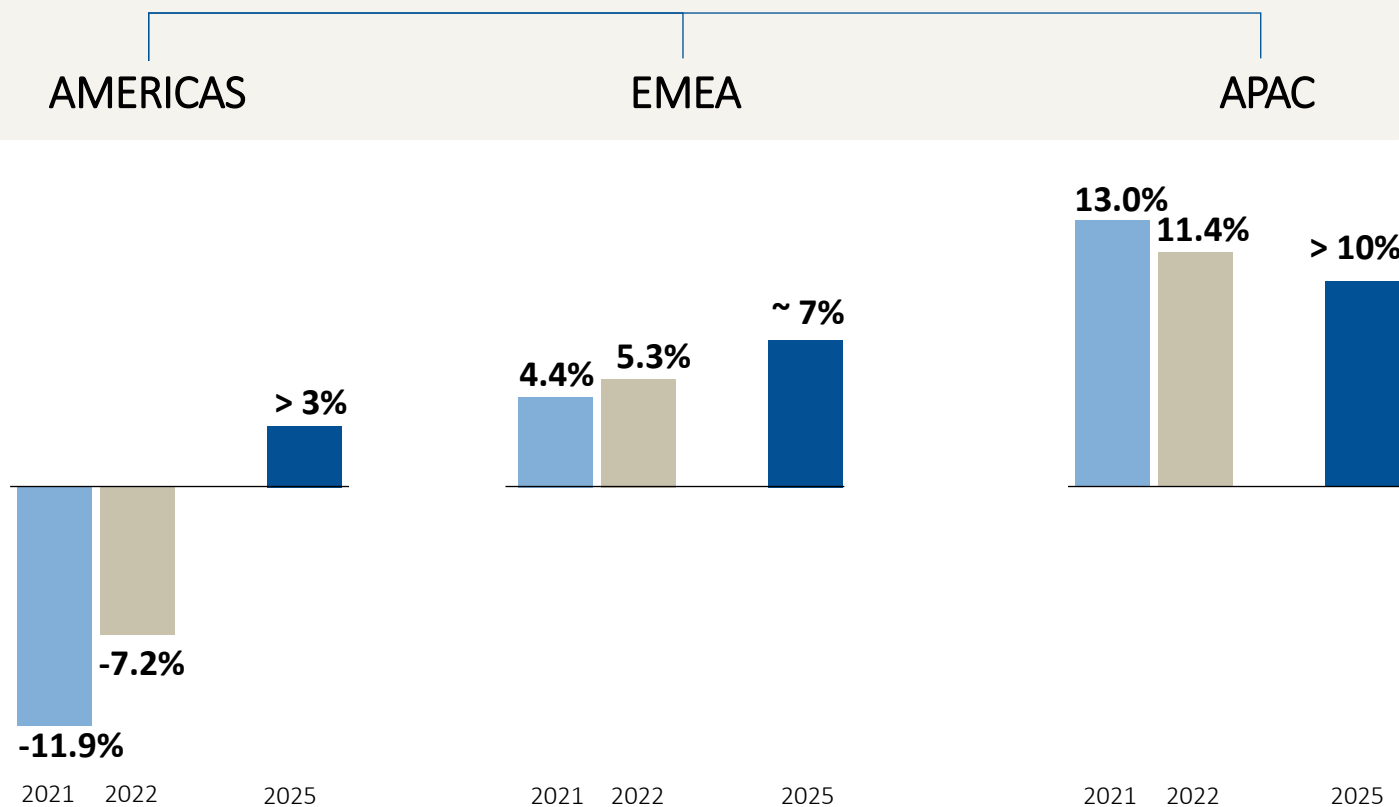
TOP Employer 2023: GRAMMER is one of the best rated employers in Germany





# ... profitability in all regions

Operating EBIT Margin: **> 5%**



- Profitable growth secures the Group's future
- EMEA: Further growth in Commercial Vehicles business is the key to success; Footprint optimization measures show effect
- APAC: Stable double-digit profitability, revenue growth
- AMERICAS: Turnaround accomplished and back on track



# Q&A



March 30,  
2023



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# Annexes





## Key figures 2022

March 30, 2023



Revenue  
**2,158.8** EUR million

EBIT margin  
**-2.1%**

Operating EBIT margin  
**1.6%**

Net profit  
**-78.6** EUR million

Free Cashflow  
**31.3** EUR million

Equity ratio  
**20.8%**

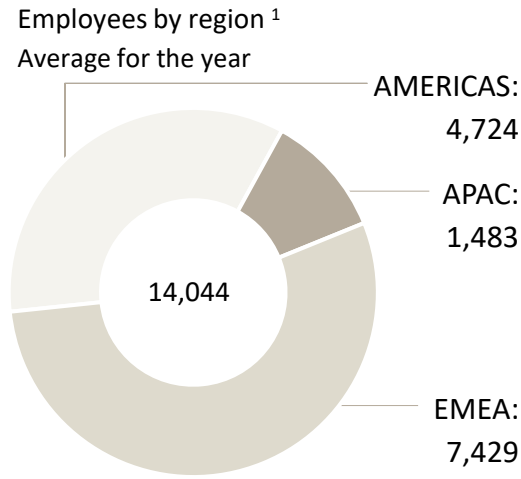
Group operating EBIT  
**35.5** EUR million

Capital expenditure  
**91.0** EUR million

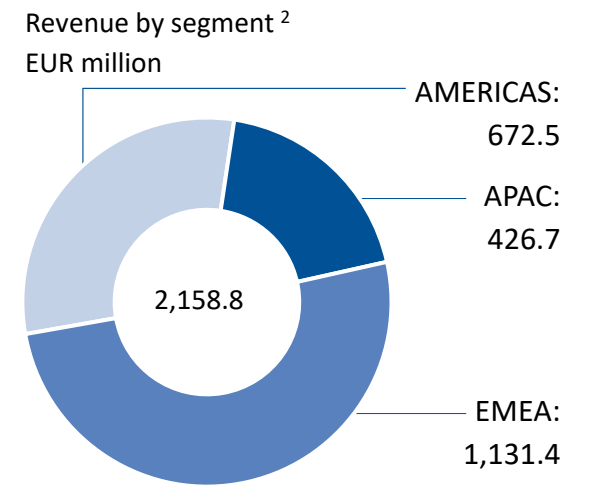
Operating EBIT (Region)  
 AMERICAS  
**-48.3** EUR million

Operating EBIT (Region)  
 EMEA  
**60.0** EUR million

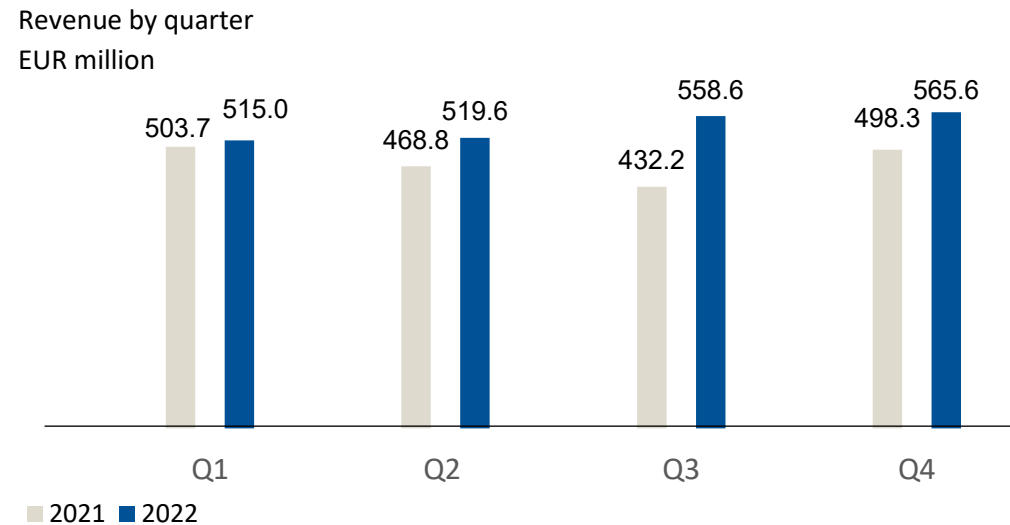
Operating EBIT (Region)  
 APAC  
**48.5** EUR million



<sup>1</sup> An average of 408 employees were employed in Central Services



<sup>2</sup> The consolidation effect of revenue between the regions amounts to EUR 71.8 million



# Key figures

<i>[IFRS, in € million]</i>	<b>FY 2022</b>	<b>FY 2021</b>	<b>Q4 2022</b>	<b>Q4 2021</b>	<b>Q3 2022</b>	<b>Q3 2021</b>	<b>Q2 2022</b>	<b>Q2 2021</b>	<b>Q1 2022</b>	<b>Q1 2021</b>
Group Revenue	2,158.8	1,903.0	565.6	498.3	558.6	432.2	519.6	468.8	515.0	503.7
EBIT	-45.0	18.9	-47.5	-7.5	15.0	-1.4	-11.3	5.2	-1.2	22.6
EBIT Margin in %	-2.1	1.0	-8.4	-1.5	2.7	-0.3	-2.2	1.1	-0.2	4.5
Operating EBIT	35.5	22.8	33.6	-7.9	14.2	-1.7	-9.8	11.4	-2.5	21.0
Operating EBIT Margin in %	1.6	1.2	5.9	-1.6	2.5	-0.4	-1.9	2.4	-0.5	4.2
Net Profit	-78.6	0.6	-62.9	-12.5	9.8	-5.0	-17.5	4.8	-8.0	13.3
EPS in €	-5.26	0.08	-4.23	-0.78	0.64	-0.35	-1.14	0.33	-0.53	0.88
Total Assets	1,444.6	1,483.4	1,444.6	1,483.4	1,565.3	1,487.3	1,511.4	1,446.0	1,518.9	1,427.0
Equity	301.1	345.6	301.1	345.6	395.5	345.1	374.9	332.0	355.8	328.2
Equity-Ratio in %	20.8	23.3	20.8	23.3	25.3	23.2	24.8	23.0	23.4	23.0
Net Debt	429.3	420.2	429.3	420.2	490.4	437.0	481.6	430.5	436.8	381.0
Gearing Ratio in %	142.6	121.6	142.6	121.6	124.0	126.6	128.5	129.7	122.8	116.1
Capex (w/o financial assets)	91.0	114.7	30.6	53.9	27.0	30.1	19.1	21.7	14.3	9.0
Depreciation	162.4	84.2	96.1	21.9	22.9	21.1	21.9	20.6	21.5	20.6
Employees (average)	14,044	14,006	14,044	14,006	14,008	14,031	14,003	14,143	14,009	14,204