



FAURECIA

European company with share capital of €1,061,250,302

Registered office: 23-27, avenue des Champs-Pierreux, 92000 Nanterre, France
Registered with the Nanterre Trade and Companies Register under number 542 005 376

FIRST AMENDMENT TO THE 2021 UNIVERSAL REGISTRATION DOCUMENT



The first amendment to the 2021 Universal Registration Document was filed on June 2, 2022 under number D.22-0246-A01 with the French *Autorité des Marchés Financiers* (AMF), in its capacity as the competent authority under Regulation (EU) 2017-1129, without prior approval in accordance with Article 9 of said regulation.

The Universal Registration Document may be used for the purposes of a public offering of financial securities or the admission of financial securities to trading on a regulated market if it is supplemented by a securities note and, if applicable, a summary and any amendments to the Universal Registration Document. The resulting set of documents is approved by the AMF in accordance with Regulation (EU) 2017-1129.

This amendment (the "**Amendment**") complements and must be read in conjunction with the 2021 Universal Registration Document filed with the AMF on April 6, 2022 under number D.22-0246 (the "**2021 Universal Registration Document**").

A cross-reference table is provided in this Amendment to facilitate the retrieval of information incorporated by reference, as well as updated or modified information.

In the Amendment, "**Faurecia**" and the "**Company**" mean Faurecia SE and the "**Group**" refers to the Company and all of its consolidated subsidiaries.

The 2021 Universal Registration Document and the related Amendment are available on Faurecia's website (www.faurecia.com) in the tab "*Investors - Regulated information*", as well as on the AMF website (www.amf-france.org).

GENERAL COMMENTS

In this Amendment:

- "**Envisaged Capital Increase**" means the Faurecia capital increase with preferential subscription rights for an amount, including the issue premium, of approximately €705 million.
- "**Acquisition**" means the acquisition of Hella GmbH & Co. KgaA ("**HELLA**") carried out by the Company on January 31, 2022, through (i) the acquisition of 60% of HELLA's share capital from family shareholders of HELLA who have entered into a pooling agreement for their shares (the "**Family Pool**") and (ii) the acquisition of approximately 19.5% of the share capital of HELLA following the takeover bid filed by Faurecia on September 27, 2021 and completed on November 11, 2021 pursuant to Article 29 (1) of the German Public Offerings Act (*Übernahmean-gebot*). Faurecia then acquired HELLA shares on the market and, as of the date of the Prospectus, holds 81.59% of HELLA's capital stock.
- "**Forvia**" means the group including the consolidation of Hella.

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1. UNAUDITED PRO FORMA CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2021 AND THE RELATED STATUTORY AUDITORS' REPORT

The unaudited pro forma consolidated financial statements as of December 31, 2021 ("**Pro Forma Financial Statements**") and the related Statutory Auditors' report are attached to this Amendment in Appendix 1.

2. COMPANY FINANCIAL INFORMATION FOR THE FIRST QUARTER OF FISCAL YEAR 2022 PUBLISHED ON APRIL 26, 2022

This information comes from the press release relating to the first quarter 2022 results published on April 26, 2022 on the Company's website and supplements Chapter 1 "Financial and accounting information" of the 2021 Universal Registration Document.

FIRST QUARTER 2022 SALES

- **Q1 2022 SALES OF €5.3bn, UP 33% ON A REPORTED BASIS (including first two months of consolidation of HELLA)**
- **ORGANIC SALES GROWTH OF +1.1% (Faurecia stand-alone), OUTPERFORMING AUTOMOTIVE PRODUCTION BY 530bps**
- **FIRST RELEASE OF FORVIA'S FY 2022 GUIDANCE (including 11 months of consolidation of HELLA)**
- **INCREASED FINANCIAL FLEXIBILITY GET THROUGH THE CURRENT UNCERTAIN ENVIRONMENT, thanks to covenant renegotiation, suspended dividend payment in 2022 and upgraded asset divestment program by end 2023**

in €m	Q1 2021	Currency effect	Organic growth	Scope effect (HELLA 2 months)	Q1 2022	Reported change
Group sales	4,005	129	46	1,143	5,322	+32.9%
<i>% last year's sales</i>		+3.2%	+1.1%	+28.5%		
Ww auto. prod.* (m units)	19,721		-4.2%		18,885	
<i>Outperformance (bps)</i>			530			

*Source: S&P Global Mobility (ex-IHS Markit) dated April 2022 (vehicles segment in line with CAAM for China)

Q1 SALES OF €5.3bn, UP 33% ON A REPORTED BASIS AND UP 1.1% ON AN ORGANIC BASIS

- Sales include first two months (February and March) of consolidation of HELLA for €1.1 bn.
- On an organic basis (Faurecia stand-alone and excl. currency effect), sales were up 1.1%, outperforming the market by 530 bps.
- In March, sales were up 35% on a reported basis but down 6% on an organic basis, mainly reflecting a 20% organic drop in Europe due to the war in Ukraine, not fully offset by organic growth in all other regions (sales in China grew by 6%, despite first Covid restrictions in some areas).

FIRST RELEASE OF FY 2022 GUIDANCE FOR FORVIA (Faurecia including 11 months of consolidation of HELLA)

Based on an updated and cautious assumption for worldwide automotive production of 74.2 million light vehicles in 2022 (vs. an assumption of 78.7m in February), the FY 2022 guidance for FORVIA is:

- **Sales between €23 billion and €24 billion** (including c. €1.5 billion from the combined effect of currencies and raw materials),
- **Operating margin between 4% and 5%,**
- **Net cash flow at breakeven.**

This guidance assumes an automotive production of 15.1 million LVs in Europe and 20.1 million LVs in China (vehicles segment in line with CAAM, i.e. excluding vehicles > 3.5t), is based on full-year average currency rates of 1.13 for USD/€ and of 7.20 for CNY/€ and takes into account the Group's latest update of net impact from cost inflation.

INCREASED FINANCIAL FLEXIBILITY

In order to increase the Group's financial flexibility to get through the current uncertain environment:

- Faurecia has proactively renegotiated its debt covenant with banks: covenant level will not be tested at June 30, 2022 and will be of 3.75x at December 31, 2022 (instead of 3.0x) before returning to 3.0x as from June 30, 2023,
- The Board of Directors has decided, at its latest meeting held yesterday, to propose at the next Shareholders' meeting convened on June 1 to exceptionally suspend dividend payment in 2022,
- Faurecia has decided to upgrade its asset divestment program from a target of €500 million of proceeds to be closed by end 2023 to a target of €1 billion of proceeds to be closed by end 2023.

Patrick Koller, Chief Executive Officer (CEO) of Faurecia, said:

“Since the announcement of our full-year 2021 results, the environment has significantly changed with the start of the war in Ukraine and Covid-related restrictions in China.

Our industry has again to adapt to a challenging environment generating new uncertainty, after two difficult years due to the pandemic and the shortage of semiconductors, whose effects are continuing to impact the automotive industry.

Even if the war in Ukraine should mainly impact activity in Europe, we have to adapt to this new disruption, whose duration and magnitude of impacts, as of today, remain uncertain.

The recent acquisition of HELLA, closed at the end of January, makes us stronger and more resilient than ever but it has also *de facto* increased our debt leverage. As part of our agile management of the crisis, we have decided to proactively negotiate with banks a temporary waiver on our debt covenant in order to increase our financial flexibility. In addition, we have also revised upward our planned asset divestment program to be achieved by the end of 2023.

Further to these measures, the Board of Directors has also decided to propose to our next Shareholders' meeting to exceptionally suspend dividend payment in 2022.

Our full-year 2022 guidance for FORVIA (Faurecia + 11 months of consolidation of HELLA), that we release today for the first time, is based on a cautious assumption for worldwide automotive production of 74.2 million vehicles, reflecting the current low visibility, and nevertheless demonstrates the strong resilience of FORVIA.

We are more than ever convinced about the huge potential of profitable growth and value creation of FORVIA, accelerated by the acquisition of HELLA that enhances our advanced technology portfolio and generates significant synergies. We also strongly reaffirm our commitment to reduce indebtedness post-HELLA acquisition, taking all necessary measures to accelerate return to the planned deleveraging trajectory, even if the current context imposes some delay in 2022.”

- ***The Board of Directors, under the chairmanship of Michel de ROSEN, met on April 25 and, on this occasion, reviewed the present press release.***
- ***"Operating income" presented as Faurecia's main performance indicator is Operating income before amortization of intangible assets acquired in business combinations.***

- *“Adjusted EBITDA” is Operating income as defined above + depreciation and amortization of assets; to be fully compliant with the ESMA (European Securities and Markets Authority) regulation, this term of “Adjusted EBITDA” will be used by the Group as of January 1, 2022 instead of the term “EBITDA” that was previously used (this means that “EBITDA” aggregates until 2021 are comparable with ‘Adjusted EBITDA” aggregates as from 2022).*
- *“Debt covenant” is the ratio “Net financial debt at the end of the period” vs. “Adjusted EBITDA over the last 12 months”; it is tested twice every year, at June 30 and at December 31.*
- *All other definitions are explained at the end of this Press Release, under the section “Definitions of terms used in this document”.*
- *All figures related to worldwide or regional automotive production refer to the S&P Global Mobility (ex-IHS Markit) forecast dated April 2022 (vehicles segment in line with CAAM for China, i.e. excluding vehicles > 3.5t).*

GROUP SALES

in € millions	Q1 2021	Currency effect	Organic growth	Scope effect (HELLA 2 months)	Q1 2022	Reported change
Group sales	4,005	129	46	1,143	5,322	+32.9%
<i>% of last year sales</i>		+3.2%	+1.1%	+28.5%		
Worldwide auto. prod.* (m units)	19,721		-4.2%		18,885	
<i>Outperformance (bps)</i>			530			

*Source: S&P Global Mobility (formerly IHS Markit) dated April 2022 (vehicle segment in line with CAAM for China)

Sales in the quarter amounted to €5,322 million, up 32.9% on a reported basis.

They include:

- A positive currency effect of €129 million representing 3.2% of last year's sales, mainly due to the USD and CNY vs. the euro
- A scope effect of €1,143 million representing 28.5% of last year's sales, due to the first two months of consolidation of HELLA (starting February 1, 2022)

On an organic basis, sales grew by 1.1% in the quarter. While January and February posted solid organic growth, March mainly reflected the disruptions in supply chain for European automakers, due to the war in Ukraine, but also initial effects from Covid-19 restrictions in some Chinese areas.

On an organic basis, sales in March were down 6% at Group level: this included a drop of c. 20% in European sales, not fully offset by growth in all other regions (in China, organic growth in March remained in positive territory at +6%, well below that recorded in January and February).

The 1.1% organic sales growth in the quarter is to be compared with a 4.2% drop in worldwide automotive production, i.e. an outperformance of 530bps.

SALES BY BUSINESS GROUP

in €m	Seating	Interiors	Clean Mobility	Clarion Electr.	HELLA (2 months)	Group
Q1 2021	1,544	1,225	1,038	199		4,005
Currency effect	62	17	40	9		129
<i>% last year's sales</i>	<i>+4.0%</i>	<i>+1.4%</i>	<i>+3.9%</i>	<i>+4.6%</i>		<i>+3.2%</i>
Organic growth	69	-55	16	15		46
<i>% last year's sales</i>	<i>+4.5%</i>	<i>-4.5%</i>	<i>+1.6%</i>	<i>+7.4%</i>		<i>+1.1%</i>
Scope effect (HELLA 2 months)					1,143	1,143
<i>% last year's sales</i>					<i>n/m</i>	<i>+28.5%</i>
Q1 2022	1,675	1,187	1,094	223	1,143	5,322
<i>reported growth</i>	<i>+8.5%</i>	<i>-3.1%</i>	<i>+5.4%</i>	<i>+12.1%</i>	<i>n/m</i>	<i>+32.9%</i>

Seating (31% of Group consolidated sales in the period)

Strong sales outperformance of 870 bps, driven by:

- Strong organic growth of +43.9% in China, vs. Chinese automotive production of +8.9%; this reflected increase in sales with Chinese OEMs, new entrants, and a major American EV carmaker,
- Solid organic growth of +4.6% in North America, vs. American automotive production of -1.8%; this reflected contribution from the new programs that started in H2 2021.

In Europe, sales were down 10.8%, vs. European automotive production of -18.3%, reflecting the impact in March of supply chain disruptions due to the war in Ukraine.

Situation for the greenfield program in Michigan (USA) is under control and the estimation of over-costs in H1 2022 is confirmed at €(30)m.

Interiors (22% of the Group's consolidated sales in the period)

Organic sales were broadly in line with automotive production, down by 4.5%, impacted by:

- Lower sales from SAS (15% of Q1 2021 sales) that dropped by 9.4% year-on-year, more impacted by shortage of semiconductors and the war in Ukraine in March,
- Organic sales drop of 8.5% in Europe, nevertheless strongly outperforming the 18.3% drop in European automotive production.

Clean Mobility (21% of the Group's consolidated sales in the period)

Strong sales outperformance of 580 bps, driven by:

- Strong organic growth of +7.4% in North America, vs. North American automotive production of -1.8%; this reflected sales with Stellantis and Ford,
- Resilient organic growth in Europe (broadly stable), another strong outperformance vs. European automotive production of -18.3%, mainly reflecting sales for commercial vehicles.

Clarion Electronics (4% of the Group's consolidated sales in the period)

Strong sales outperformance of 1,160bps with +7.4% organic growth, reflecting the positive effect of the strategic refocus; it was driven by:

- Strong organic growth of +20.8% in China, vs. Chinese automotive production of +8.9%; impact on the activity in Q1 from Covid variant and semiconductor shortage was limited,
- Strong organic growth of +33.8% in North America, vs. North American automotive production of -1.8%; sales to RNM were the main contributor.

Scope effect from the consolidation of HELLA for €1.1bn in Q1 2022 (two months)

Faurecia has been consolidated HELLA since February 1, 2022.

As HELLA is a listed company with its own public communication and a different fiscal year from that of Faurecia (HELLA's fiscal year is ending May 31, 2022), Faurecia will be reporting the quarterly sales contribution from HELLA as "Scope effect" all along 2022, as a combined figure for all HELLA's activities and geographies.

SALES BY GEOGRAPHICAL AREA

in €m	Europe	North Am.	Asia	O/w China	RoW	HELLA (2 months)	Group
Q1 2021	1,970	952	928	670	154		4,005
Currency effect	(34)	75	76	76	12		129
<i>% last year's sales</i>	<i>-1.7%</i>	<i>+7.9%</i>	<i>+8.2%</i>	<i>+11.3%</i>	<i>+7.5%</i>		<i>+3.2%</i>
Organic growth	171	61	135	121	20		46
<i>% last year's sales</i>	<i>-8.7%</i>	<i>+6.4%</i>	<i>+14.6%</i>	<i>+18.0%</i>	<i>+12.9%</i>		<i>+1.1%</i>
Scope effect (HELLA 2 months)						1,143	1,143
<i>% last year's sales</i>						<i>n/m</i>	<i>+28.5%</i>
Q1 2022	1,765	1,088	1,140	867	186	1,143	5,322
<i>reported growth</i>	<i>-10.4%</i>	<i>+14.3%</i>	<i>+22.8%</i>	<i>+29.4%</i>	<i>+20.4%</i>	<i>n/m</i>	<i>+32.9%</i>

Europe (45% of Group consolidated sales in the period; comments below are related to **Faurecia's standalone perimeter sales in the region, excluding sales contribution from HELLA**)

Sales in Europe were down 8.7% in Q1, reflecting the 20% drop in sales in March due to supply chain disruptions related to the war in Ukraine.

Nevertheless, sales showed a solid outperformance of 960bps, vs. European automotive production of -18.3%:

- All Business Groups posted an outperformance of at least 750bps in the region,
- Commercial vehicles and sales to Ford (mainly for Interiors) posted organic growth in the quarter.

North America (25% of Group consolidated sales in the period; comments below are related to **Faurecia's standalone perimeter sales in the region, excluding sales contribution from HELLA**)

Strong organic growth of +6.4%, reflecting a solid sales outperformance of 820bps:

- All Business groups posted strong outperformance of at least 600bps in the region,
- Positive effect from the contribution of the new Seating programs that started in H2 2021,
- Strong increase in sales with a major American EV carmaker and RNM.

Asia (26% of Group consolidated sales in the period; comments below are related to Faurecia's standalone perimeter sales in the region, excluding sales contribution from HELLA)

Double-digit organic growth of +14.6%%, reflecting a solid sales outperformance of 1,350bps, driven by:

- Strong organic growth of +18.0% in China, vs. Chinese automotive production of +8.9%; this reflected strong sales in Seating with Chinese OEMs, a major American EV maker and new entrants,
- Sales in China continued to grow in March but at a lower pace (+6%) than in the first two months, as a consequence of the first impacts of Covid-19 restrictions in some areas.

Rest of the world (4% of Group consolidated sales in the period; comments below are related to Faurecia's standalone perimeter sales in the region, excluding sales contribution from HELLA)

In South America, which represented c. 3/4 of the total, organic sales were up 17.5%, a very strong outperformance of 3,020bps mainly driven by sales to the Stellantis group.

FORVIA FY 2022 GUIDANCE (Faurecia including 11 months of consolidation of HELLA)

On April 19, 2022 S&P Global Mobility (ex-IHS Markit) released its latest forecast for worldwide automotive production in 2022: S&P Global Mobility now forecasts 77.3 million light vehicles (LVs), vs. 80.7 million forecasted in February 2022, before the start of the war in Ukraine, and vs. 73.4 million produced in 2021.

Most of the 3.4 million drop in S&P Global Mobility's forecast between February 2022 and April 2022 is related to:

- **Europe for 2.2 million LVs:** Europe is now forecasted at 16.5 million LVs vs. 18.7 million forecasted in February 2022 and 15.9 million produced in 2021,
- **North America for 0.5 million LVs:** North America is now forecasted at 14.7 million vs. 15.2 million forecasted in February 2022 and 13.0 million produced in 2021,
- **China for only 0.4 million LVs:** China is now forecasted at 21.3 million LVs vs. 21.7 million forecasted in February 2022 and 21.0 million produced in 2021.

Faurecia's updated assumption for worldwide automotive production in 2022 is more cautious than that of S&P Global Mobility, at 74.2 million LVs vs. the previous assumption of 78.7 million estimated in February 2022, before the start of the war in Ukraine and Covid restrictions in China.

By region, Faurecia's updated assumption is more cautious than S&P Global Mobility's latest forecast mainly as regards Europe (1.4 million LVs less than S&P Global Mobility's latest forecast) and China (1.2 million LVs less than S&P Global Mobility's latest forecast).

Based on this updated assumption of worldwide automotive production of 74.2 million LVs in 2022 (vs. previous assumption of 78.7 million in February 2022), the FY 2022 guidance for FORVIA (Faurecia including 11 months of consolidation of HELLA) is:

- **Sales between €23 billion and €24 billion** (including c. €1.5 billion from the combined effect of currencies and raw materials),
- **Operating margin between 4% and 5%,**

- **Net cash-flow at breakeven.**

This guidance assumes an automotive production of 15.1 million LVs in Europe and 20.1 million LVs in China (vehicles segment in line with CAAM, i.e. excluding vehicles > 3.5t), is based on full-year average currency rates of 1.13 for USD/€ and of 7.20 for CNY/€ and takes into account the Group's latest update of net impact from cost inflation. The guidance released on February 21, 2022 was a guidance for Faurecia standalone and didn't include any effect from the consolidation of HELLA and any impact from the war in Ukraine or Covid-related restrictions in China that had not started yet at that time.

INCREASED FINANCIAL FLEXIBILITY TO GET THROUGH THE CURRENT UNCERTAIN ENVIRONMENT THANKS TO COVENANT RENEGOTIATION, EXCEPTIONAL SUSPENSION OF DIVIDEND PAYMENT IN 2022 AND UPGRADE OF ASSET DIVESTMENT PROGRAM

On January 31, 2022, in line with the expected timeline, Faurecia closed the strategic and transformative acquisition of HELLA, creating the 7th largest automotive supplier in the world.

Faurecia now holds 81.5% of HELLA, for which it paid a total price of €5.4 billion: €0.5 billion was paid in shares through a Faurecia's capital increase reserved to the Hueck/Roepke Family pool (now holding 8.95% of Faurecia's share capital) and €4.9 billion was paid in cash to other HELLA shareholders and to the Family pool for the part not paid in Faurecia shares.

Unexpectedly, on February 24, 2022, the war in Ukraine started, creating significant uncertainty on market conditions, mainly for the European automotive industry. Visibility on the duration and magnitude of this war's impacts is currently low, both in terms of volumes and cost inflation.

On top of this low visibility, the pandemic in China represents an additional risk on volumes in 2022.

In this uncertain environment and to increase its financial flexibility, Faurecia has proactively renegotiated its debt covenant with banks. Banks were fully supportive of Faurecia's strategy and deleveraging strategy and agreed that debt covenant will not be tested at June 30, 2022 and will be of 3.75x at December 31, 2022 (instead of 3.0x) before returning to 3.0x as from June 30, 2023. This new temporary covenant limit of 3.75x at year-end has been tailored to offer enough headroom, even in the current uncertain environment.

Further increasing financial flexibility is the decision taken by Faurecia to increase its asset divestment program from a target of €500 million of proceeds to be closed by end 2023 (as indicated in August 2021 when the HELLA acquisition was announced) to a target of €1 billion of proceeds to be closed by end 2023.

Lastly, the Board of Directors, at its meeting held yesterday (April 25, 2022), decided to propose to the next Shareholders' meeting to exceptionally suspend dividend payment in 2022 to further contribute to the increase in financial flexibility (instead of €1 per share as previously announced on February 21, 2022).

NEXT STEPS REGARDING THE REFINANCING OF THE ACQUISITION OF HELLA AND CONFIRMED DELEVERAGING STRATEGY

As regards the refinancing of the HELLA acquisition, given recent market conditions, Faurecia has decided not to launch a capital increase yet, waiting for more favorable conditions.

As a reminder, the bridge-to-equity offers time headroom until mid-February 2023, while the bridge-to-bond offers even more headroom until mid-August 2023.

This time headroom and the increase in financial flexibility gained through covenant renegotiation, suspended dividend and upgraded asset divestment program give comfort to Faurecia in order to wait for adequate market conditions and launch the next steps in the refinancing process of the acquisition of HELLA.

Faurecia is strongly committed to deleverage its financial structure, post the acquisition of HELLA. Even if the unexpected current market conditions impose some delay on the short term vs. the initial plan, Faurecia confirms that it will take all necessary actions to return as soon as possible to its deleveraging trajectory.

SAVE THE DATES

- The annual Shareholders' meeting will be held at Faurecia's headquarters, in Nanterre, on June 1, 2022 (instead of June 8, 2022, as previously announced on February 21, 2022). A press release will be issued shortly to give all relevant details about this meeting.
- Medium-term 2025 perspectives for FORVIA will be presented at a Capital Markets Day to be held early November 2022.

APPENDICES

DEFINITIONS OF TERMS USED IN THIS DOCUMENT

1. Sales growth

Faurecia's year-on-year **sales evolution** is made of three components:

- a "**Currency effect**", calculated by applying average currency rates for the period to the sales of the prior year;
- a "**Scope effect**" (acquisitions/divestment);
- and "**Growth at constant currencies**".

As "Scope effect", Faurecia presents all acquisitions/divestments, whose sales on an annual basis amount to more than €250 million.

Other acquisitions below this threshold are considered as "bolt-on acquisitions" and are included in "Growth at constant currencies".

In 2021, there was no effect from "bolt-on acquisitions"; as a result, "Growth at constant currencies" is equivalent to sales growth at constant scope and currencies also presented as organic growth".

2. Operating income

Operating income is the Faurecia group's principal performance indicator. It corresponds to net income of fully consolidated companies before:

- Amortization of intangible assets acquired in business combinations;
- Other non-recurring operating income and expense, corresponding to material, unusual and non-recurring items including reorganization expenses and early retirement costs, the impact of exceptional events such as the discontinuation of a business, the closure or sale of an industrial site, disposals of non-operating buildings, impairment losses recorded for property, plant and equipment or intangible assets, as well as other material and unusual losses;
- Income on loans, cash investments and marketable securities; Finance costs;
- Other financial income and expense, which include the impact of discounting the pension benefit obligation and the return on related plan assets, the ineffective portion of interest rate and currency hedges, changes in value of interest rate and currency instruments for which the hedging relationship does not satisfy the criteria set forth in relationship cannot be demonstrated under IFRS 9, and gains and losses on sales of shares in subsidiaries;
- Taxes.

3. Adjusted EBITDA

Adjusted EBITDA is Operating income as defined above + depreciation and amortization of assets; to be fully compliant with the ESMA (European Securities and Markets Authority) regulation, this term of "Adjusted EBITDA" will be used by the Group as of January 1, 2022 instead of the term "EBITDA" that was previously used (this means that "EBITDA" aggregates until 2021 are comparable with 'Adjusted EBITDA' aggregates as from 2022).

4. Net cash flow

Net cash-flow is defined as follow: Net cash from (used in) operating and investing activities less (acquisitions)/disposal of equity interests and businesses (net of cash and cash equivalents), other changes and proceeds from disposal of financial assets. Repayment of IFRS 16 debt is not included.

5. Net financial debt

Net financial debt is defined as follow: Gross financial debt less cash and cash equivalents and derivatives classified under non-current and current assets. It includes the lease liabilities (IFRS 16 debt).

BREAKDOWN BY QUARTER OF FORVIA 2021 PRO FORMA SALES as presented in chapter 6 of Faurecia's 2021 Universal Registration Document

Sales in €m (unaudited)	Q1 2021	Q2 2021	Q3 2021	Q4 2021	FY 2021
Faurecia 2021 as released	4,005	3,778	3,426	4,409	15,618
HELLA 12/2020 - 11/2021	1,679	1,622	1,444	1,572	6,317
Reciprocal operations	-9	-9	-9	-9	-36
FORVIA 2021 pro forma	5,675	5,391	4,861	5,972	21,898

3. HELLA'S FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED FEBRUARY 28, 2022

HELLA's financial statements for the nine-month period ended February 28, 2022 are attached to this Amendment in Appendix 2.

4. NOTES TO HELLA'S CONSOLIDATED FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED MAY 31, 2021

The notes to the consolidated financial statements of HELLA for the fiscal year ended May 31, 2021 are attached to this Amendment in Appendix 3.

5. OUTLOOK

Under Section 1.2 "Outlook and Trends" of Chapter 1 "Financial and accounting information" of the 2021 Universal Registration Document, the subsection 1.2.1 "2022 Faurecia standalone guidance" is replaced by subsection 1.2.1 "2022 FORVIA guidance (Faurecia including 11 months of HELLA consolidation)", as follows:

1.2.1 2022 FORVIA Guidance (Faurecia including 11 months of HELLA consolidation)

The forecasts for the fiscal year ending December 31, 2022 presented below are based on data, assumptions and estimates considered reasonable by the Group as of the date of this Amendment to the Universal Registration Document. They have been established based on the scope of consolidation and activity existing as of February 1, 2022. These data and assumptions may change or be modified due to uncertainties, especially related to the economic, financial, accounting, competitive, regulatory and tax environment or due to other factors of which the Group is not aware as of the date of this Amendment to the Universal Registration Document. In addition, the materialization of certain risks described in Chapter 2 "Risk factors and risk management" of the 2021 Universal Registration Document could have an impact on the activities, financial position, results or outlook of the Group and therefore call into question these forecasts. The Group therefore does not make any commitment or give any guarantee as to the achievement of the forecasts appearing in this section. The forecasts for the fiscal year ending December 31, 2022 presented below, and the underlying assumptions, have also been established in accordance with the provisions of Delegated Regulation (EU) 2019/980 supplementing Regulation (EU) 2017/1129 and ESMA recommendations relating to forecasts.

Underlying assumptions

The forecasts for the fiscal year ending December 31, 2022 presented below have been prepared in accordance with the accounting policies applied in the consolidated financial statements of the Company for the fiscal year ended December 31, 2021. This outlook is based on Faurecia's scope of consolidation as of February 1, 2022, and therefore includes changes in the scope of consolidation related to the acquisition of HELLA on January 31, 2022. They are mainly based on the following assumptions:

Faurecia internal assumptions:

- The increase in annual revenue in 2022, compared to the 2021 financial year, will come mainly from the consolidation of HELLA over 11 months (from February 1, 2022).
- The decrease in operating income as a percentage of sales in 2022, compared to fiscal year 2021, was mainly due to lower volumes in China and Europe as well as increased inflationary pressure on costs.
- The lower cash generation in 2022, compared to 2021, is mainly due to the decrease in operating margin, but also to business-related impacts on working capital requirements or those related to the acquisition of HELLA and its financing.

Macro-economic assumptions include the following:

- Global automotive production of 74.2 million light vehicles in 2022¹ (including 15.1 million light vehicles produced in Europe and 20.1 million light vehicles produced in China (vehicle segment in line with CAAM figures for China, excluding vehicles of more than 3.5 t).
- Full year average currency rates of 1.13 for EUR/USD and 7.20 for EUR/CNY.

¹ This assumption is more conservative than the forecast of S&P Global Mobility (formerly IHS Markit) (as of April 2022) of 77.3 million light vehicles, compared to the 80.7 million forecast in February before the start of the war in Ukraine, and compared to 73.4 million actually produced in 2021.

- An inflationary impact on raw materials and other costs such as wages, transport, logistics and energy.
- A stable political environment in the countries in which Faurecia produces or delivers its products, with the exception of Russia.
- No major blockages will affect production or sales to end consumers in regions where the automotive industry is present during the year, with the exception of China.

Forecasts for the fiscal year ending December 31, 2022

The semiconductor crisis negatively affected the financial performance of the Group in the fiscal year ended December 31, 2021. However, Faurecia has the following forecasts for the fiscal year ending December 31, 2022:

- Sales between €23 billion and €24 billion (of which around €1.5 billion is related to the combined effect of currencies and raw materials),
- Operating margin (before amortization of acquired intangible assets) between 4% and 5%,
- Net cash flow at breakeven.

Section 1.2 “*Outlook and Trends*” of Chapter 1 “*Financial and accounting information*” of the 2021 Universal Registration Document is supplemented with the new subsection 1.2.4 “*Statutory Auditors’ report on Faurecia’s operating income forecasts for the fiscal year ending December 31, 2022*”, as follows:

1.2.4 **Statutory Auditors’ report on Faurecia’s operating income forecasts for the fiscal year ending December 31, 2022**

MAZARS

ERNST & YOUNG et Autres

This is a free translation into English of the statutory auditors’ report issued in the French language and is provided solely for the convenience of English speaking readers.

This report should be read in conjunction with, and is construed in accordance with, French law and professional standards applicable in France.

Faurecia

Statutory auditors' report on the operating margin forecasts of Faurecia for the year ending December 31, 2022

MAZARS	ERNST & YOUNG Audit
Tour Exaltis	1/2, place des Saisons
61, rue Henri Regnault	
92400 Courbevoie	92400 Courbevoie - Paris-La Défense 1
S.A. à directoire et conseil de surveillance au capital de 8.320.000	S.A.S. à capital variable
Commissaire aux Comptes	Commissaire aux Comptes
Membre de la compagnie régionale de Versailles	Membre de la compagnie régionale de Versailles

Faurecia

Statutory auditors' report on the operating margin forecasts of Faurecia for the year ending December 31, 2022

To the Chief Executive Officer of Faurecia,

In our capacity as statutory auditors of your company and in response to your request we hereby report to you on the operating margin forecasts of Faurecia (the “Company”) for the year ending December 31, 2022 set out in section 5. “Outlook” of the first amendment to the 2021 universal registration document.

It is your responsibility to compile the operating margin forecasts, together with the material assumptions upon which they are based, in accordance with the requirements of Commission Regulation (EU) n°2017/1129 supplemented by Commission Delegated Regulation (EU) n°2019/980 and ESMA’s recommendations on profit forecasts.

It is our responsibility to express a conclusion, based on our work, as to the proper compilation of these forecasts on the basis stated.

We performed the work that we deemed necessary according to the professional guidance of the French Institute of Statutory Auditors (“CNCC”) applicable to such engagement. Our work included an assessment of the procedures undertaken by management to compile the operating margin forecasts as well as the implementation of procedures to ensure that the accounting policies used are consistent with the policies applied by the Company for the preparation of the historical financial information. Our work also included gathering information and explanations that we deemed necessary in order to obtain reasonable assurance that the operating margin forecasts have been properly compiled on the basis stated.

Since operating margin forecasts, by nature, are uncertain and may differ significantly from actual results, we do not express an opinion as to whether the actual results reported will correspond to those shown in the operating margin forecasts.

In our opinion:

- the operating margin forecasts (before amortization of intangible assets acquired) have been properly compiled on the basis stated; and
- the basis of accounting used for the operating margin forecasts is consistent with the accounting policies of the Company

This report has been issued solely for the purpose of:

- the filing of the first amendment to the 2021 universal registration document with the French financial markets authority (*Autorité des marchés financiers* or “AMF”),
- and, a public offer and the admission to trading on a regulated market of securities of Faurecia in France and in other EU member states in which the prospectus, including the 2021 universal registration document, the first amendment to the 2021 registration document and a securities note (*note d’opération*), approved by the AMF is notified;

and cannot be used for any other purpose.

Courbevoie and Paris-La Défense, June 2, 2022

The Statutory auditors
French original signed by

MAZARS

ERNST & YOUNG Audit

Anne-Laure Rousselou

Grégory Derouet

Jean-Roch Varon

Guillaume Brunet-Moret

6. SHAREHOLDING AND GOVERNANCE

6.1 Crossing of legal thresholds

Section 5.1.2 "Crossing of legal thresholds" of Chapter 5 "Capital stock and shareholding structure" of the 2021 Universal Registration Document is amended and supplemented as follows:

The following legal threshold crossings have been declared since the publication of the 2021 Universal Registration Document and up to the date of filing of this Amendment. In accordance with applicable regulations on the crossing of thresholds, the investment thresholds related to voting rights are calculated on the basis of theoretical voting rights. The information provided below is based on threshold crossing notices published by the AMF.

Shareholder's name	No. and date of AMF publication	Date of the crossing	Threshold crossed	Upwards/downwards	Number of shares/voting rights (depending on thresholds crossed) afterwards	% capital stock afterwards	% theoretical voting rights afterwards
Bank of America Corporation	222C0793/ April 7, 2022	April 4, 2022	5% of capital stock and voting rights	Upward	8,019,393 shares	5.29%	5.23%
BlackRock, Inc.	222C0900/ April 22, 2022	April 21, 2022	5% of capital stock and voting rights	Upward	7,792,717 shares	5.14%	5.08%
BlackRock, Inc.	222C0912/ April 25, 2022	April 22, 2022	5% of capital stock and voting rights	Downward	7,575,788 shares	4.99%	4.94%
Bank of America Corporation	222C0955/ April 28, 2022	April 26, 2022	5% of capital stock and voting rights	Downward	353,210 shares	0.23%	0.23%
BlackRock, Inc.	222C1120 May 13, 2022	May 12, 2022	5% of capital stock and voting rights	Upward	7,901,840 shares	5.21%	5.15%
BlackRock, Inc.	222C1139 May 16, 2022	May 13, 2022	5% of capital stock and voting rights	Downward	7,251,108 shares	4.78%	4.72%
BlackRock, Inc.	222C1251	May 24, 2022	5% of capital	Upward	8,085,451 shares	5.33%	5.27%

	May 25, 2022		stock and voting rights				
BlackRock, Inc.	222C1336	May 31, 2022	5% of capital stock and voting rights	Downward	5,361,824 shares	3.54%	3.49%
	June 1, 2022						

6.2 Shareholdings of shareholders representing more than 5% of the capital stock or voting rights

To the best of the Company's knowledge, on the basis of the threshold crossing notices published by the AMF, no shareholder directly or indirectly holds, alone or in concert, more than 5% of capital stock or voting rights of the Company on the date of the Amendment, with the exception of the HELLA Family Pool and Exor.

To the Company's knowledge, no shareholder has pledged the Faurecia shares it holds, with the exception of Peugeot 1810 for 536,825 shares.

To the Company's knowledge, there are no agreements referred to in Article L. 233-11 of the French Commercial Code.

6.3 Governance

Chapter 3.1 "*Board of Directors*" of the 2021 Universal Registration Document is updated and supplemented as follows:

The Faurecia Combined General Meeting of June 1, 2022 (the "**General Meeting**") was held in person and was broadcast online. The broadcast of the General Meeting is available on Faurecia's website. The General Meeting approved all the proposed resolutions.

In particular, the General Meeting approved the appointment of Jürgen Behrend and the ratification of the co-option of Judith Curran as directors.

As of the date of this Amendment, the members of Faurecia's Board of Directors are as follows:

- Michel de Rosen, independent director, Chairman of the Board of Directors and member of the Governance, Nominations and Sustainability Committee;
- Patrick Koller, Chief Executive Officer (CEO) and Director;
- Odile Desforges, independent director and Chairwoman of the Audit Committee;
- Penelope Herscher, independent director and member of the Governance, Nominations and Sustainability Committee;
- Valérie Landon, independent director and member of the Audit Committee;
- Jean-Bernard Lévy, independent director and Chairman of the Governance, Nominations and Sustainability Committee;
- Yan Mei, independent director;
- Denis Mercier, independent director and Chairman of the Compensation Committee;
- Peter Mertens, independent director and member of the Compensation Committee;
- Peugeot 1810, director represented by Robert Peugeot (permanent representative);
- Daniel Bernardino, Director representing employees and member of the Compensation Committee;
- Emmanuel Pioche, Director representing employees and member of the Audit Committee;




- Judith Curran, independent director; and
- Jürgen Behrend, director representing the HELLA Family Pool.

The Board of Directors has 14 members, including 2 members representing employees, 5 women (42%² of directors) and 75%³ independent directors.

Section 3.6 "*Declarations of the members of the Board of Directors and Executive Management*" of Chapter 3 "*Corporate governance*" of the 2021 Universal Registration Document is, as of the date of this Amendment, updated as follows:

To the Company's knowledge and as of the date of this Amendment to the Universal Registration Document, no potential conflicts of interest have been identified between the duties of each of the members of the Board of Directors and the Executive Management with regard to the Company and their private interests and/or other duties. It is specified that one Board member, Peter Mertens, has a minority interest in a start-up in which the Group has made a very small investment (less than 0.03% of sales of the period during which the investment was made (2019)) and was appointed in November 2019 as a Board member of this Company. It is noted that this investment was made before Peter Mertens was appointed as a Board member of the Company, the investment conditions are similar for all minority investors (including the Company), the Company does not have a voting right on the Board of Directors of this start-up and decisions on this investment are not taken at the level of the Company's Board of Directors.

Subsection 3.1.2.2. "*Board members' expertise, positions and corporate offices as of the date of this Universal Registration Document*" of Chapter 3 "*Corporate governance*" of the 2021 Universal Registration Document is, as of the date of this Amendment, amended and supplemented as follows:





Jürgen BEHREND					
	Date of birth: August 3, 1949	Board member			
	Nationality: 	Date of first appointment:		GM in 2022	
	Number of Faurecia shares: 137 823	Date of expiry of term of office:		GM in 2026	
	Skills:				





<p>Dr. Jürgen Behrend began his career in 1980 as member of the management board of Eduard Hueck GmbH & Co. KG in Lüdenscheid, a company active in the production and manufacturing of aluminum products.</p> <p>In 1987, he was appointed as managing general partner of HELLA and remained in this position until 2017. He then served on the shareholders' committee of HELLA until 2021.</p> <p>Dr. Behrend is still active as the managing general partner of Hueck Industrie Holding KG, a holding company that invests in small and medium-sized enterprises.</p>	Main position held outside of Faurecia
	▪ Managing general partner of Hueck Industrie Holding KG
	Other positions and corporate offices in 2020 outside of Faurecia
	French listed companies
	No such corporate office.
	French unlisted companies
	No such corporate office.
Foreign listed companies	
No such corporate office.	





² Calculation made without taking into account the two directors representing employees in accordance with the applicable legal provisions.

³ In accordance with the AFEP-MEDEF Code, Board members representing employees are not included in the calculation of the percentage of independent Board members.

He studied law and economics at the Universities of Freiburg, Munich and Münster and he received a doctorate degree in law in 1077/1978.	Foreign unlisted companies
	▪ Member of the Advisory Board of Eduard Hueck GmbH & Co. KG ;
	▪ Member of the Supervisory Board of Stiftung Deutsche Anästhesiologie ;
	▪ Managing Director of HELLA Stiftung GmbH ;
	▪ Managing Director of Eduard Hueck Verwaltungsgesellschaft mbH.
	Positions and corporate offices held within the last five years and which have expired
▪ Managing General Partner of HELLA KGaA Hueck & Co (from 1987 to 2017) ;	
▪ Member of the Shareholders' Committee of HELLA GmbH & Co. KGaA (from 2017 to 2019);	
▪ Deputy Chairman of the Shareholders' Committee of HELLA GmbH 1 Co. KgaA (from 2019 to 2021).	

 Experience in Faurecia's core businesses	 Experience in an industrial company	 International experience	 Automotive technologies
--	---	--	---

 Governance/management of large companies	 Leadership and crisis management	 Risk management	 CSR
--	--	---	---

 Specific knowledge of a geographic market	 Data based technologies/ digital	 Energy/electrification	 Banking/finance
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7. UPDATING OF INFORMATION CONCERNING THE ISSUER

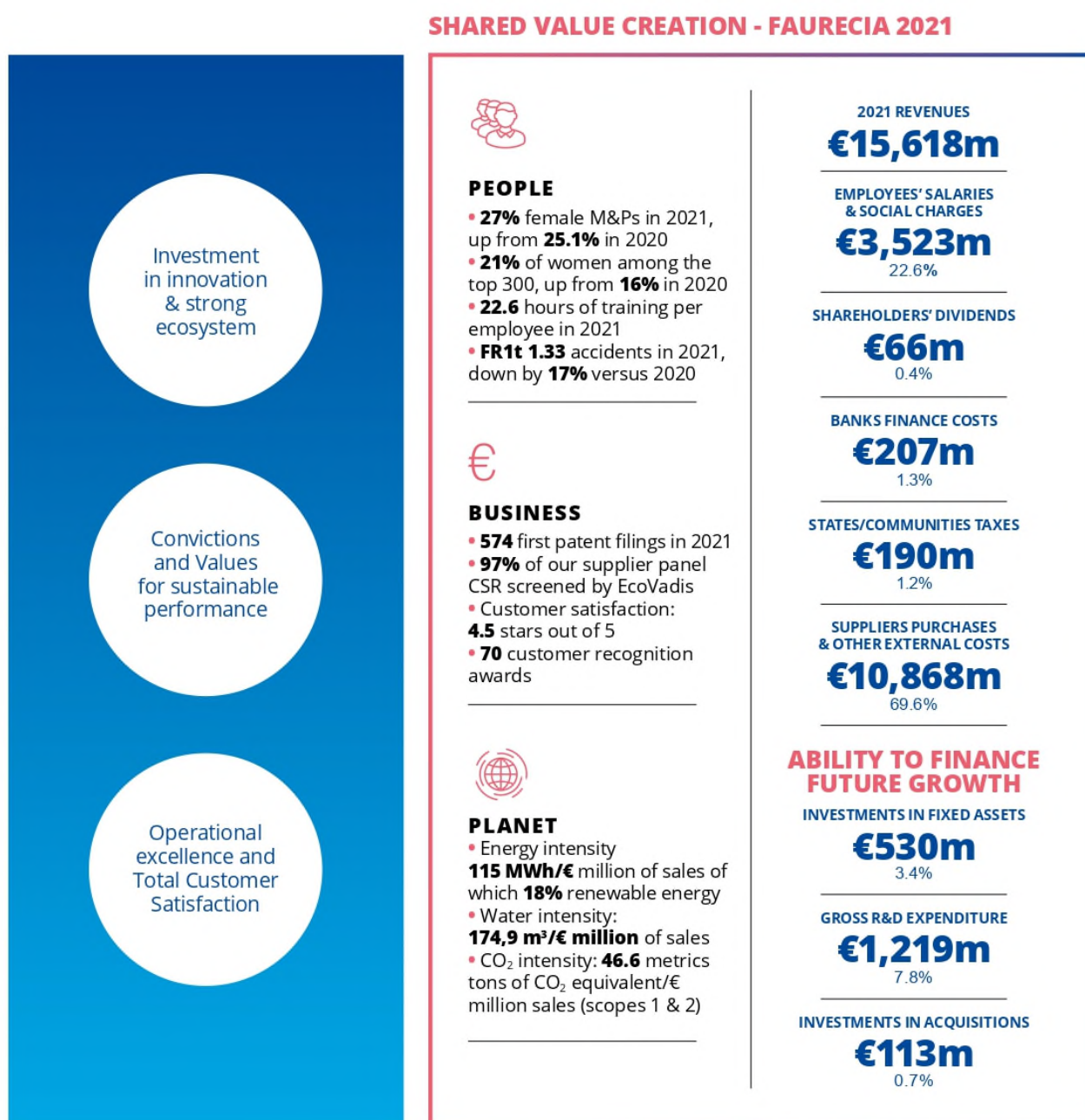
7.1 Dividends

Section 5.4.3 "Dividends" of Chapter 5 "Capital stock and shareholding structure" of the 2021 Universal Registration Document is supplemented and amended as follows:

The Combined General Meeting of June 1, 2022 approved the absence of dividend payments for the fiscal year ended December 31, 2021 and the appropriation of all the profit for the fiscal year ended December 31, 2021 to retained earnings.

7.2 Shared value creation for Faurecia's stakeholders in 2021

The chart on page 29 of the 2021 Universal Registration Document is amended and replaced as follows:



8. FINANCIAL AUTHORIZATIONS

The table in Section 5.2.1 "*Authorized capital stock*" of Chapter 5 "*Capital*" of the 2021 Universal Registration Document, summarizing the financial authorizations for capital increases and share cancellations valid on April 6, 2022 and their use during the 2021 fiscal year and since the beginning of 2022, is supplemented as follows, as of the date of this Amendment, following the close of Faurecia's General Meeting on June 1, 2022:

Type of authorization/delegation	Maximum amount/nominal value	Term	Utilization in 2022
<p>Delegation of authority to be granted to the Board of Directors to issue shares and/or securities giving access, immediately or in the future, to the share capital of the Company and/or a Subsidiary, with preferential subscription rights (suspension during public offers)</p> <p>(AGM of June 1, 2022, Resolution 14)</p>	<p><u>Capital</u>: 40% of the amount of share capital (approximately €424 million at the date of the AGM) (total capital ceiling)</p> <p><u>Debt securities</u>: €1 billion (total debt ceiling)</p>	26 months	This delegation will be used in whole or in part by the Board of Directors in connection with the Envisaged Capital Increase.
<p>Delegation of authority to be granted to the Board of Directors to issue shares and/or securities giving access, immediately or in the future, to shares in the Company and/or a Subsidiary, with removal of preferential subscription rights through a public offering (excluding offers referred to in 1° of Article L. 411-2 of the French Monetary and Financial Code) and/or as compensation for shares as part of a public exchange offer (suspension during public offers)</p> <p>(AGM of June 1, 2022, Resolution 15)</p>	<p><u>Capital</u>: 10% of the amount of share capital (approximately €106 million at the date of the AGM) (common ceiling with the 14th, 16th and 18th resolutions; deducted from the total capital ceiling)</p> <p><u>Debt securities</u>: €1 billion (deducted from the total debt ceiling)</p>	26 months	No
<p>Delegation of authority to be granted to the Board of Directors to issue shares and/or securities giving access, immediately or in the future, to shares in the Company and/or a Subsidiary, with removal of preferential subscription rights through an offer exclusively targeting a restricted circle of investors acting for their own account or qualified investors (suspension during public offers)</p> <p>(AGM of June 1, 2022, Resolution 16)</p>	<p><u>Capital</u>: 10% of the amount of share capital (approximately €106 million at the date of the AGM) (common ceiling with the 14th, 15th and 18th resolutions; deducted from the total capital ceiling)</p> <p><u>Debt securities</u>: €1 billion (deducted from the total debt ceiling)</p>	26 months	No
<p>Authorization to increase the amount of the issues provided for in the 14th, 15th and 16th resolutions (suspension during public offers)</p>	<p>Up to a limit of 15% of the initial issue and deducted from the maximum amounts authorized by the delegations under which the</p>	26 months	No

(AGM of June 1, 2022, Resolution 17)	initial issue is made (Resolutions 14 to 16)		
Delegation to be granted to the Board of Directors to issue shares and/or securities giving access, immediately or in the future, to shares in the Company, without preferential subscription rights, for the purpose of compensating contributions in kind to the Company (suspension during public offers) (AGM of June 1, 2022, Resolution 18)	<u>Capital</u> : 10% of the amount of share capital (approximately €106 million at the date of the AGM) (common ceiling with the 14 th , 15 th and 16 th resolutions; deducted from the total capital ceiling) <u>Debt securities</u> : €1 billion (deducted from the total debt ceiling)	26 months	No
Delegation of authority to be granted to the Board of Directors to increase the Company's share capital by incorporation of reserves, profits, premiums or other amounts that may be capitalized (suspension during public offers) (AGM of June 1, 2022, Resolution 19)	<u>Number of shares</u> : €175 million (ceiling independent of other resolutions)	26 months	No
Authorization to be granted to the Board of Directors to grant, for free, existing shares and/or shares to be issued to employees and/or certain corporate officers of the Company or of affiliated companies or economic groups, with waiver by the shareholders of their preferential subscription rights (AGM of June 1, 2022, Resolution 20)	<u>Number of shares</u> : 3,000,000 (ceiling independent of other resolutions) <u>Sub-ceiling for executive and non-executive corporate officers</u> : 10% of the above-mentioned ceiling	26 months	No
Delegation of authority to be granted to the Board of Directors for the purpose of increasing the capital stock through the issue of shares and/or securities giving access to shares, with removal of preferential subscription rights for the benefit of members of a company savings plan or of a group (AGM of June 1, 2022, Resolution 21)	<u>Capital</u> : 2% (assessed on the day of the General Meeting) <u>Debt securities</u> : €1 billion	26 months	No
Delegation of authority to be granted to the Board of Directors in view of carrying out share capital increases, with removal of preferential subscription rights, in favor of one category of beneficiaries	<u>Capital</u> : 0.6% (assessed on the day of the General Meeting; ceiling of Resolution 21 of the GM of June 1, 2022 or any resolution of <u>the</u> same nature that may replace it)	18 months	No

(AGM of June 1, 2022, Resolution 22)	<u>Debt securities</u> : €1 billion (deducted from the total debt ceiling)		
Authorization to be given to the Board of Directors to reduce the share capital by canceling shares (AGM of June 1, 2022, Resolution 23)	10% of the shares comprising the Company's capital stock per period of 24 months	26 months	No

9. HIGHLIGHTS

The information below is taken from the press releases published after the 2021 Universal Registration Document and supplements subsection 1.1.1.2 "*Main events*" of Chapter 1 "*Financial and accounting information*" of the 2021 Universal Registration Document.

On April 12, 2022, the California Energy Commission (CEC) selected Symbio, Faurecia and Michelin, as well as GTI and other industrial partners, for the development and demonstration of a Class 8 hydrogen truck for regional transport, as the main contributors to the state-supported zero-emission hydrogen mobility initiative. The "Symbio H2 Central Valley Express" project, supported with \$2 million by the CEC, aims to develop a hydrogen fuel cell truck whose performance will be equivalent to that of a 15-liter diesel truck, thus offering a zero-emission solution for intensive regional transport uses. Before the end of 2023, the truck will travel for 12 months on a 650-kilometer route between the Inland Empire and the north of the San Joaquin valley. Crossing the territory of California's natural gas services, the truck will use the hydrogen infrastructure provided by Air Liquide, Shell and Trillium. This hydrogen truck project aims to support the state of California in its goal of achieving a carbon neutral economy by 2045.

On April 28, 2022, Faurecia announced a long-term global partnership with Mercedes-Benz Group AG to integrate its App Store solution, developed in collaboration with Aptoide, into the MBUX multimedia system of one of the global suppliers of high-end and luxury vehicles and vans. Starting in 2023, the company will offer a portfolio of customized applications, which will be updated several times a year to improve the user experience.

On May 3, 2022, Faurecia announced that it had signed a cooperation and research agreement with Veolia to jointly develop innovative compounds for car interior modules, with the aim of achieving an average of 30% recycled content by 2025. Thanks to this partnership, the two companies will be able to accelerate the deployment in Europe of cutting-edge sustainable solutions for vehicle interiors: dashboards, door panels and center consoles. Veolia will start producing secondary raw materials at its recycling sites in France in 2023.

On May 12, 2022, Faurecia announced that it had signed Power Purchase Agreements (PPA) with ENGIE and EDP to equip more than 150 sites across 22 countries with solar panels. This partnership marks a major milestone in Faurecia's roadmap to become carbon neutral for its industrial activities by 2025 (Scopes 1 and 2). Faurecia will purchase on-site solar electricity for 7% of its total electricity needs. This action will support the goal of becoming CO2 neutral in industrial operations by 2025. Combined with an energy intensity savings target of at least 20% by 2023 compared to 2019, it will also contribute to reducing Faurecia's exposure to future energy prices and meet the equivalent of more than 27% of its past energy needs.

**10. STATEMENTS BY THE PERSONS RESPONSIBLE FOR THE AMENDMENT TO
THE 2021 UNIVERSAL REGISTRATION DOCUMENT**

"I hereby certify that the information contained in this Amendment to the 2021 Universal Registration Document is, to the best of my knowledge, in accordance with the facts and contains no omission likely to affect its import."

Nanterre, June 2, 2022

Patrick Koller, Chief Executive Officer
(CEO)

11. CROSS-REFERENCE TABLE

The cross-reference table below includes the headings provided for in Appendices 1 and 2 of the Commission Delegated Regulation (EU) 2019/980 of March 14, 2019 and refers to the pages of the 2021 Universal Registration Document and this Amendment in which is stated the information relating to each of these headings.

		2021 Universal Registration Document	Amendment
Appendices 1 and 2 of Delegated Regulation 2019/980 of March 14, 2019		Section	Section
1.	Persons responsible, information from third parties, expert reports and approval of the competent authority		
1.1	Persons responsible for the information	7.5	10
1.2	Statement by the persons responsible for the document	7.5	10
1.3	Expert statement	N/A	N/A
1.4	Other statements in the case of information from third parties	N/A	N/A
1.5	Statement regarding the approval of the document	N/A	p.1
2.	Statutory Auditors	7.4	N/A
3.	Risk factors	2.2	N/A
4.	Information about the issuer		
4.1	Legal and commercial name	7.1	p.1
4.2	Registration with the Trade and Companies Register and identifier (LEI)	7.1	N/A
4.3	Date of incorporation and term	7.1	N/A
4.4	Registered office - legal form - applicable legislation - website - others	7.1	N/A
5.	Business overview		
5.1	Main activities	Introductory chapter; 1.1.1; 1.5	N/A
5.2	Main markets	Introductory chapter	N/A
5.3.	Main events	Introductory chapter; 1.1.1 to 1.1.6; 1.2; 1.5	5; 9
5.4	Financial and non-financial strategy and objectives	Introductory chapter; 1.1.2; 1.1.3; 1.2; 1.6.3, Note 2; 4.1.1; 4.1.2 (introductory paragraph); 4.2.1; 4.3; 4.4 (introductory paragraph)	5
5.5	Degree of dependency	7.1	N/A
5.6	Competitive position	Introductory chapter	N/A
5.7	Investments		
5.7.1	Significant investments made	Introductory chapter; 1.1.6.2; 1.3.5, Notes 4, 11, 12 A and 26.3; 1.5; 1.6.3, Note 17; 7.3	N/A
5.7.2	Significant investments in progress or firm commitments	1.1.6.2; 1.3.3; 1.3.5, Notes 4, 11 and 12 A	N/A
5.7.3	Joint ventures and significant investments	1.3.6; 1.6.5; 7.2	N/A
5.7.4	Environmental impact of the use of property, plant and equipment	4.2	N/A

		2021 Universal Registration Document	Amendment
Appendices 1 and 2 of Delegated Regulation 2019/980 of March 14, 2019		Section	Section
6.	Organizational structure		
6.1	Brief description of the Group/Organization chart	1.3.6; 1.6.5; 7.2	N/A
6.2	List of significant subsidiaries	1.3.6; 1.6.5	N/A
7.	Review of the financial position and results		
7.1	Financial position	Introductory chapter, Chapter 1	
7.1.1	Statement of changes and results of operations	Introductory chapter, 1.1.3 to 1.1.5; 1.3.5, Note 4	2
7.1.2	Future trends and activities in research and development	1.1.1.2; 1.2; introductory chapter; 1.3.5, Note 5.4	N/A
7.2	Net operating income	Introductory chapter; 1.1.4	
7.2.1	Significant factors	1.1.1; 1.3.5, Note 2; 1.5	2; 5
7.2.2	Significant changes in net sales or net income	1.3.5, Note 2	2; 5
8.	Cash and capital		
8.1	Issuer's capital	1.3.4; 1.3.5, Note 22; 1.6.3, Note 15	N/A
8.2	Cash flow	Introductory chapter (figures); 1.1.6.2; 1.3.3; 1.3.5, Note 21	N/A
8.3	Financing requirements and financing structure	1.1.6; 1.3.5, Note 26; 1.5 (financial structure and debt); 1.6.3, Note 17	N/A
8.4	Restriction on the use of capital	1.5; 1.3.5, Note 26; 1.6.3, Note 17	N/A
8.5	Expected sources of funding	1.1.1.2; 1.3.5, Note 26; 1.6.3, Note 17	N/A
9.	Regulatory environment	2.2.1.2; 2.2.1.11; 2.2.3.2	N/A
9.1	Description of the regulatory environment and material external factors		
10.	Trend information		
10.1	a) Main recent trends b) Significant change in the Group's financial performance since the reporting date or negative statement	Introductory chapter 1.1.1.2; 1.2	5 2; 5
10.2	Factors likely to have a material impact on the outlook	Introductory chapter; 1.1.1.2; 1.2	5
11.	Profit forecasts or estimates	1.2.1	5
12.	Administrative, management and supervisory bodies and Executive Management		
12.1	Information concerning the members of the Company's administrative and management bodies	3.1.2.2	6.3
12.2	Conflicts of interest or negative statement	3.6	6.3
13.	Compensation and benefits		
13.1	Remuneration and benefits paid or granted	3.3	N/A

		2021 Universal Registration Document	Amendment
Appendices 1 and 2 of Delegated Regulation 2019/980 of March 14, 2019		Section	Section
13.2	Provisions for retirement and other provisions	1.3.5, Note 25	N/A
14.	Functioning of the administrative and management bodies		
14.1	Term of office	3.1.2.1; 3.1.2.2	N/A
14.2	Service contracts or appropriate statement	3.8.3	N/A
14.3	Committees	3.1.3.1; 3.1.4	N/A
14.4	Compliance with corporate governance rules	3.4	N/A
14.5	Potential significant impacts and future changes in governance	3.1.2.5	N/A
15.	Employees		
15.1	Breakdown of employees	Introductory chapter; 4.4.1; 4.4.8	N/A
15.2	Equity investments and stock options	3.1.2.1; 3.1.2.2; 3.3.1.2.2.3; 3.3.1.2.3; 3.3.1.4.2	N/A
15.3	Employee profit-sharing agreements	3.3.3; 4.4.6	N/A
16.	Major shareholders		
16.1	Distribution of share capital or appropriate statement	5.1	6.1; 6.2
16.2	Different voting rights or appropriate statement	5.1.1; 7.1	6.1; 6.2
16.3	Control of the issuer	5.1; 7.1	N/A
16.4	Shareholder agreement	7.1	N/A
17.	Related-party transactions		
17.1	Details of transactions	1.3.5, Note 32	N/A
18.	Financial information concerning the issuer's assets and liabilities, financial position and results		
18.1	Historical financial information		
18.1.1	Audited historical financial information	1.3; 1.4; 1.6; 1.7; 7.1	N/A
18.1.2	Change of accounting reference date	N/A	N/A
18.1.3	Accounting standards	1.3.5, Note 1; 1.6.3, Note 1	N/A
18.1.4	Change in accounting standards	1.3.5, Note 1	N/A
18.1.5	Minimum content of audited financial information	1.3; 1.6; 7.1	N/A
18.1.6	Consolidated financial statements	1.3	N/A
18.1.7	Date of most recent financial information	1.3	April 26, 2022
18.2	Interim and other financial information		2
18.2.1	Quarterly or half-yearly financial information	1.1.1.2	2
18.3	Audit of historical annual financial information		N/A
18.3.1	Audit report	1.4; 1.7; 7.1	N/A
18.3.2	Other audited information	N/A	N/A
18.3.3	Unaudited financial information	N/A	N/A

		2021 Universal Registration Document	Amendment
Appendices 1 and 2 of Delegated Regulation 2019/980 of March 14, 2019		Section	Section
	18.4 Pro forma financial information		1, Appendix 1
	18.4.1 Significant change in gross values	N/A	N/A
	18.5 Dividend policy		
	18.5.1 Negative description or statement	5.4.4. ; 7.1	7.1
	18.5.2 Amount of dividend per share	5.4.3	N/A
	18.6 Legal and arbitration proceedings	1.3.5, Note 24.2; 2.2.3.2	N/A
	18.7 Significant changes in the issuer's financial position	1.1.1.2; 1.2; 1.6.3, Note 2	2
19.	Additional information		
	19.1.1 Amount of issued capital	5.1.1	
	19.1.2 Shares not representing capital	N/A	N/A
	19.1.3 Treasury shares	5.1.1; 5.3	N/A
	19.1.4 Securities	NA	N/A
	19.1.5 Conditions of acquisition rights and/or any obligation	N/A	N/A
	19.1.6 Option or agreement	N/A	N/A
	19.1.7 History of share capital	5.2.4	N/A
	19.2 Articles of incorporation and bylaws		
	19.2.1 Registration and corporate purpose	7.1	N/A
	19.2.2 Existing share classes	5.1.1	N/A
	19.2.3 Provision affecting a change of control	7.1	N/A
20.	Significant contracts		
	20.1 Summary of each contract	7.1	N/A
21.	Documents available		
	21.1 Statement on searchable documents	7.1	p.1

APPENDICES

This Amendment includes the following Appendices:

- Appendix 1: Unaudited pro forma consolidated financial statements as of December 31, 2021 and the related Statutory Auditors' report
- Appendix 2: HELLA's financial statements for the nine months ended February 28, 2022
- Appendix 3: Notes to HELLA's consolidated financial statements for the fiscal year ended May 31, 2021

APPENDIX 1.

UNAUDITED PRO FORMA CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2021 AND THE RELATED STATUTORY AUDITORS' REPORT

The following unaudited pro forma consolidated financial statements were prepared to illustrate the effects of the acquisition of Hella GmbH & Co KGaA ("Hella"), which was completed on January 31, 2022, as if it had taken place on January 1, 2021 (for the pro forma income statement for the fiscal year ended December 31, 2021) or December 31, 2021 (for the pro forma balance sheet as of December 31, 2021).

The unaudited pro forma consolidated financial statements of Faurecia for the year ended December 31, 2021 presented below are for illustrative purposes only. These unaudited pro forma consolidated financial statements should not be considered as indicative of the Group's results that would have been achieved if the acquisition of Hella had actually been completed on the date indicated above, nor of future results. Actual results may differ significantly from those reflected in the unaudited pro forma consolidated financial statements for several reasons, including, but not limited to, differences in the assumptions used to prepare these unaudited pro forma consolidated financial statements.

The unaudited pro forma consolidated financial statements are based on available information and certain assumptions that we consider to be reasonable in connection with the events directly related to the Hella acquisition as described in this document, and which are supported by facts. Neither the assumptions underlying the pro forma adjustments nor the resulting financial information have been audited or reviewed on the basis of auditing standards.

The financial information relating to Hella included in this document has been extracted or derived from publicly available information about Hella, including Hella's audited consolidated financial statements and Hella's interim financial statements.

Introduction

Information about the transaction:

- The unaudited pro forma financial statements of Faurecia (including Hella and its subsidiaries, hereinafter the "Combined Group") consist of a balance sheet, an income statement and notes (the "Unaudited Pro Forma Financial Statements").
- The Unaudited Pro Forma Financial Statements of Faurecia have been prepared considering the acquisition by Faurecia of 81.6% of the share capital of Hella and to illustrate the effect of this acquisition, as if it had been carried out on January 1, 2021 for the unaudited pro forma income statement and on December 31, 2021 for the unaudited pro forma balance sheet. Faurecia's Unaudited Pro Forma Financial Statements have been prepared on the basis of several assumptions as indicated in Note 1 below.
- Faurecia's Unaudited Pro Forma Financial Statements do not reflect the operating income or balance sheet that Faurecia would have had if Faurecia had actually acquired 81.6% of Hella's share capital on those dates. The Unaudited Pro Forma Financial Statements presented below do not reflect the impacts of synergies that could result from the acquisition nor the costs related to severance payments, integration or restructuring that could occur following the acquisition.
- The Unaudited Pro Forma Financial Statements are not necessarily indicative of the results of operations in future periods or of the combined balance sheet of the Group and there is no assurance that the trends presented by the Unaudited Pro Forma Financial Statements are representative of the future results or performance of the combined Group. As a result, Faurecia's results and balance sheet may differ significantly from those presented in the Unaudited Pro Forma Financial Statements.

Context of the publication of the Unaudited Pro Forma Financial Statements:

- On August 14, 2021, Faurecia announced the signing of agreements to acquire a controlling block of 60% of the Hella shares held by the controlling family pool and a public tender offer for the remaining 40% of Hella shares, which are listed on the Frankfurt Stock Exchange, for a price of €60 per Hella share, corresponding to a total value of €6.7 billion for 100% of Hella shares. 19.5% of the Hella shares were contributed to the tender offer by the shareholders of Hella, which was launched on September 27, 2021 and completed on November 11, 2021.
- Following the approval by the competent authorities on January 31, 2022, Faurecia completed the acquisition of 79.5% of the capital stock of Hella, including the 60% acquired from the family pool, of which 8.6% was paid by newly issued Faurecia shares and 19.5% resulted from the aforementioned tender offer.
- Faurecia acquired additional shares in the market and directly from the family, representing 2.09% of Hella shares as of March 18, 2022. As a result of the above, Faurecia held 81.6% of Hella shares at that date.

Accounting treatment:

- Based on IFRS 3 "Business Combinations" and the Acquisition Agreement, Faurecia's management has determined that Hella GmbH & Co KGaA is the acquired company and Faurecia the acquirer.
- Following the completion of the acquisition on January 31, 2022, the identifiable assets acquired and liabilities assumed of Hella are recognized at the carrying amount of Hella's financial statements as at November 30, 2021. The fair value at the acquisition date will be recognized at the end of the measurement period in accordance with IFRS 3.

Basis of preparation:

- The Unaudited Pro Forma Financial Statements have been prepared in accordance with the (EU) Prospectus Delegated Regulation 2019/980, the ESMA directives on prospectuses of March 2021 and the AMF recommendations of April 2021.
- The amounts are in millions of euros.
- The pro forma adjustments of the Unaudited Pro Forma Financial Statements are limited to impacts:
 - directly related to the transaction; and
 - that can be reasonably documented in view of the available information.
- In view of the assumptions and preliminary judgments made for the preparation of the Unaudited Pro Forma Financial Statements, the financial position and results of the combined Group may differ in the future from the amounts indicated in the Unaudited Pro Forma Financial Statements where additional information is available and additional analyses are carried out.

Note 1 - Periods used as the basis for the preparation of the Unaudited Pro Forma Financial Statements

The Unaudited Pro Forma Financial Statements have been prepared and should be read in conjunction with the financial statements described below.

Faurecia:

- Audited consolidated financial statements for the 2021 financial year

Hella:

- Hella closes its financial year on May 31; in order to use periods comparable to those of Faurecia's financial statements, an income statement from December 1, 2020 to November 30, 2021 has been reconstituted based on:
 - Hella's audited consolidated financial statements as at May 31, 2021 for the year ended May 31, 2021; and
 - Hella's unaudited half-yearly financial statements for the six-month period ended November 30, 2021, adding to the consolidated financial statements of Hella for the year ended May 31, 2021 the results of the half-yearly consolidated financial statements of Hella for the six-month period ended November 30, 2021 (i.e., from June 1, to November 30, 2021) and subtracting the results of Hella's half-year consolidated financial statements for the six-month period ended November 30, 2020 (i.e. from June 1, to November 30, 2020).
 - The gap of one month resulting from this reconstruction has no significant impact on the pro forma financial information, as no significant event for the Group occurred in each of the months concerned (December 2020 and December 2021).

For additional information, please refer to paragraph "*Introduction*" above.

Combined Group pro forma - 2021 income statement

<i>(In € millions)</i>	Faurecia 2021 fiscal year	Hella 12/20- 11/21 (Note 2.2)	reciprocal transactions (Note 2.8)	financing of the acquisition (Note 2.6)	costs of the transaction (Note 2.10)	Minority interests (Note 2.11)	Faurecia pro forma 2021
SALES	15,617.8	6,316.5	(36.4)				21,897.9
Cost of sales	(13,734.4)	(5,097.1)	36.4				(18,795.1)
Research and development costs	(330.9)	(644.6)					(975.5)
Selling and administrative expenses	(690.8)	(207.2)					(898.0)
OPERATING INCOME (BEFORE AMORTIZATION OF ACQUIRED INTANGIBLE ASSETS)	861.7	367.7	0.0	0.0	0.0		1,229.4
Amortization of intangible assets acquired in business combinations	(92.6)	(15.6)					(108.2)
OPERATING INCOME (AFTER AMORTIZATION OF ACQUIRED INTANGIBLE ASSETS)	769.1	352.1	0.0	0.0	0.0		1,121.2
Other non-recurring operating income	6.0	22.2					28.2
Other non-recurring operating expenses	(244.5)	(21.3)			(6.0)		(271.8)
Net financing costs	(254.5)	125.8		(150.6)			(279.2)
INCOME BEFORE TAX OF FULLY CONSOLIDATED COMPANIES	276.1	478.8	0.0	(150.6)	(6.0)		598.4
Taxes	(138.8)	(104.5)		39.2	1.6		(202.6)
<i>of which deferred taxes</i>	<i>95.0</i>	<i>(1.0)</i>					<i>94.0</i>
NET INCOME (LOSS) OF FULLY CONSOLIDATED COMPANIES	137.3	374.3	0.0	(111.4)	(4.4)		395.8
Share of net income of associates	(24.6)	22.7					(1.9)
NET INCOME FROM CONTINUED OPERATIONS	112.7	397.0	0.0	(111.4)	(4.4)		393.9
NET INCOME FROM DISCONTINUED OPERATIONS	(96.5)	0.0					(96.5)
CONSOLIDATED NET INCOME (LOSS)	16.2	397.0	0.0	(111.4)	(4.4)		297.4
Attributable to owners of the parent	(78.8)	395.3	0.0	(111.4)	(4.4)	(72.8)	127.9
Attributable to minority interests from continued operations	95.0	1.7	0.0	0.0	0.0	72.8	169.5
Attributable to minority interests from discontinued operations	0.0						0.0

Hella income statement items have been allocated to the equivalent Faurecia income statement lines on the basis of information published by Hella.

Combined Group pro forma - Balance sheet

ASSETS

<i>(in € millions)</i>	Faurecia 31/12/2021	Hella 30/11/2021 (Note 2.2)	reciprocal transactions (Note 2.4)	adjustment related to the business combination (Note 2.9)	financing of the acquisition (Note 2.6)	costs of the transaction (Note 2.10)	identified impact of the change of control clauses (Note 2.3)	Faurecia pro forma 31/12/2021
Goodwill	2,236.2	5.2		4,155.7				6,397.0
Intangible assets	2,800.4	338.7						3,139.1
Property, plant and equipment	2,802.4	1,639.7						4,442.1
Right-of-use assets	950.9	126.2						1,077.1
Investments in associates	150.8	209.5						360.3
Other equity interests	88.0	66.6		(17.9)				136.7
Other non-current financial assets	98.0	27.0						125.0
Other non-current assets	122.3	83.7						206.0
Deferred tax assets	540.6	129.0						669.6
TOTAL NON- CURRENT ASSETS	9,789.6	2,625.7	0.0	4,137.8	0.0	0.0	0.0	16,553.0
Inventories, net	1,657.6	1,060.1						2,717.7
Contract assets	273.5	89.8						363.3
Trade accounts receivables	3,468.1	1,018.3	(5)					4,481.4
Other operating receivables	473.6	0.0						473.6
Other receivables	1,094.9	177.1						1,272.0
Other current financial assets	11.9	440.3						452.2
Cash and cash equivalents	4,905.7	636.1			(2,021.7)			3,520.1
TOTAL CURRENT ASSETS	11,885.3	3,421.7	(5.0)	0.0	(2,021.7)	0.0	0.0	13,280.3
TOTAL ASSETS	21,674.9	6,047.3	(5.0)	4,137.8	(2,021.7)	0.0	0.0	29,833.3

LIABILITIES

	Faurecia 31/12/2021	Hella 30/11/2021 (Note 2.2)	reciprocal transactions (Note 2.4)	adjustment related to the business combination (Note 2.9)	financing of the acquisition (Note 2.6)	costs of the transacti on (Note 2.10)	identified impact of the change of control clauses (Note 2.3)	Faurecia pro forma 31/12/2021
<i>(in € millions)</i>								
EQUITY								
Capital	966.3	222.2		(222.2)	328.3			1,294.6
Additional paid-in capital	605.2	0.0		0.0	880.7			1,485.9
Treasury Stock	(4.0)	0.0		0.0				(4.0)
Retained earnings	1,974.7	2,164.8		(2,164.8)				1,974.7
Currency translation adjustments	(34.3)	(34.9)		34.9				(34.3)
Net income (loss)	(78.8)	162.3		(162.3)				(78.8)
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENTS	3,429.1	2,614.5	0.0	(2,514.5)	1,209.0	0.0	0.0	4,638.1
Minority interests	386.3	1.8		1,227.0				1,615.2
TOTAL SHAREHOLDERS' EQUITY	3,815.4	2,516.3	0.0	(1,287.4)	1,209.0	0.0	0.0	6,253.3
Non-current provisions	447.3	475.8						923.1
Non-current financial liabilities	6,333.6	1,260.9			2,194.5		0	9,789.0
Non-current lease liabilities	833.1	126.5						959.6
Other non-current liabilities	5.6	0.0						5.6
Deferred tax liabilities	44.1	5.8						49.9
TOTAL NON- CURRENT LIABILITIES	7,663.7	1,869.1	0.0	0.0	2,194.5	0.0	0.0	11,727.3
Current provisions	288.4	165.5						453.9
Current financial liabilities	1,018.8	60.4					0.0	1,079.2
Current portion of lease liabilities	198.8	27.2						226.0
Prepayments on customers contracts	740.2	97.9						838.1
<i>(in € thousands)</i> Trade and related payables	6,693.2	839.4	(5.0)					7,527.6
Accrued taxes and payroll costs	779.1	471.5						1,250.6
Sundry payables	477.3	0.0						477.3
TOTAL CURRENT LIABILITIES	10,195.8	1,662.0	(5.0)	0.0	0.0	0.0	0.0	11,852.8
TOTAL EQUITY AND LIABILITIES	21,674.9	6,047.3	(5.0)	(1,287.4)	3,403.5	0.0	0.0	29,833.3

Hella balance sheet items have been allocated to the equivalent lines of Faurecia's balance sheet, on the basis of information published by Hella.

Note 2 - Available Hella information and main adjustments made

2.1 Available information:

- Due to the nature and date of completion of the transaction, i.e. the acquisition of a listed company involving several anti-trust review processes - Faurecia only had access to the published financial information until the closing date of the transaction on January 31, 2022. This date did not allow for a detailed review of the potential changes in accounting procedures and the potential impacts on Hella's financial statements, in particular the amortization period for property, plant and equipment and intangible assets, as well as the treatment of certain research costs related to customer programs.
- The notes to Hella's interim financial statements do not systematically provide the same level of detail as its annual financial statements, including for certain items that were used in the preparation of the pro forma consolidated financial statements such as the breakdown of restructuring costs by line in the income statement. In this case, we used certain default assumptions.

2.2 Structure of Hella's financial statements:

- The income statement and balance sheet items of Hella have been allocated to the equivalent lines of the income statement and balance sheet of Faurecia, respectively, on the basis of information published by Hella and our ongoing analysis of the accounting policies of Hella, including the financial items of other non-current liabilities being reclassified as financial liabilities.

2.3 Impacts of change of control clauses:

- The following assumptions were made for the change of control clauses described in Hella's financial statements:
 - *Borrowings*: following the most recent updates of Hella's ratings by the rating agencies, no impact of the change of control clauses in the loan agreements was taken into account, with the aforementioned clauses only providing for their activation in case of downgrades due to a change in control.
 - *Joint ventures*: no impact of change of control clauses was taken into account, as no information on the intentions of the joint venture partners was available at this stage.

2.4 Reciprocal transactions:

- The amounts eliminated were determined on the basis of the information recorded in Faurecia's accounting systems.
 - Sales of €36.4 million in 2021;
 - Trade receivables offset by trade payables for €5 million at December 31, 2021.

2.5 Other components:

- The Unaudited Pro Forma Financial Statements are presented in accordance with the accounting policies and methods used to prepare Faurecia's annual consolidated financial statements.
- The detailed analysis of the differences in accounting principles between Faurecia and Hella was initiated following the acquisition. Work to harmonize these principles is underway and could lead to other adjustments and reclassifications if necessary.

- In view of the above points (see in particular Note 2.1), the following potential adjustments could not be determined and may be subject to subsequent adjustments or modifications:
 - harmonization of accounting rules and policies;
 - historical book value used for assets acquired and liabilities assumed instead of fair value; and
 - impacts on income taxes from change of control clauses (loss of previous deferred tax assets, etc.).

2.6 **Financing:**

- In line with Faurecia's communication of August 14, 2021, the financing of the transaction consists of:
 - A fully subscribed bridge loan of €5.5 billion which was signed in August 2021. As of December 31, 2021, this bridge loan was reduced to an amount of €3.4 billion following the pre-financing transactions (€1,835 million), including the bond issue of €1.2 billion, the issue of a German private loan ("*Schuldscheindarlehen*"), and a voluntary cancellation of part of the bridge loan for €265 million.
 - On January 31, 2022, €2.9 billion was drawn down on the bridge loan to pay for the acquisition of 79.5% of the Hella shares.
 - The planned refinancing of this partially drawn €2.9 billion bridge loan will be done mainly by:
 - A capital increase with preferential subscription rights for Faurecia shareholders for an amount of up to €700 million. Peugeot 1810 and Bpifrance, current shareholders of Faurecia holding 3.1% and 2.4% of its capital stock respectively, have expressed their intention to participate in this capital increase, up to their current stake, subject to the final terms of the transaction;
 - Long-term financial debt (bonds and bank loans) for €1.7 billion;
 - €500 million of long-term debt provided for in the bridge loan agreement.
 - Faurecia used the funds received from the pre-financing of the transaction in 2021 (€1,835 million), as well as €171.7 million of its cash to pay for the transaction, i.e. a total cash outflow of €2,021.7 million. This amount includes €15 million as the cost of issuing capital, for the capital increase of €700 million.
 - A reserved capital increase in the amount of €524 million (corresponding to approximately 8.95% of Faurecia's existing shares as of February 1, 2022) in consideration for a portion of the shares of the Hella family pool through a contribution in kind.

The capital increase of €524 million is presented in shareholders' equity. Including the capital increase with preferential subscription rights of €700 million, the capital impact of the financing of the acquisition will be €1,209 million, after deduction of the related costs of €15 million.

The balance of financing is presented in the line "Non-current financial liabilities" for €2,194.5 million.

In order to reflect these financial items, the previous adjustments have been taken into account in the pro forma financial statements.

2.7 *Balance sheet:*

- The capital increase for €524 million, included in shareholders' equity in the pro forma balance sheet as of December 31, 2021, as follows:
 - capital for €95 million; and
 - additional paid-in capital for €429 million.
- The capital increase up to €700 million with preferential subscription rights of shareholders, as mentioned in Note 2.6 "Financing", is considered in shareholders' equity in the pro forma balance sheet as of December 31, 2021 as follows:
 - capital for €233.3 million; and
 - additional paid-in capital for €466.7 million.
- Adjustments related to the business combination have been added:
 - Hella's shareholders' equity is eliminated for €2,514.5 million (attributable to owners of the parent), as well as the shares already acquired by Faurecia at December 31, 2021 for €17.9 million ("Other equity investments" line item);
 - In return, the full goodwill is added to the asset for €4,155.7 million and the share of Hella corresponding to the interests not yet acquired by Faurecia (18.41% of Hella shares) is added to the liabilities - non-controlling interests for €1,227.0 million (valued at €60/share).

2.8 *Income statement:*

- Negative impact of €167.2 million in the 2021 pro forma financial expenses, of which €16.6 million has already been taken into account in Faurecia's 2021 income statement, broken down as follows:
 - costs associated with setting up the bridge loan of €5.5 billion for €36.8 million;
 - financial expenses related to the debt of €4,029.5 million (€1,835 million in pre-financing, as well as €2,194.5 million in additional financing) for an amount of €125.6 million; and
 - amortization of debt issuance costs for €4.7 million.
- The corresponding tax effects were taken into account for €39.2 million in 2021 using a normative rate for Faurecia of 26%.

2.9 *Goodwill:*

- The unaudited pro forma consolidated financial statements are based on a full goodwill assumption.
- The Hella shares already acquired on the market by Faurecia as of December 31, 2021 for €17.9 million and presented in Faurecia's balance sheet as other equity securities are eliminated in this transaction.
- The transaction is recognized in the pro forma consolidated balance sheet as having been completed at the closing date of the pro forma financial statements, i.e. December 31, 2021. Preliminary goodwill was calculated on this basis as follows:

in € millions	pro forma 31/12/2021
identifiable assets acquired	6,047.3
identifiable liabilities assumed	(3,532.9)
net assets acquired	2,514.5
preliminary contractual acquisition price for 100%	(6,670.1)
preliminary estimate of goodwill	(4,155.7)

2.10 Transaction costs:

- Transaction costs related to the transaction (excluding the related financing) borne by Faurecia were taken into account in the amount of €30.3 million in the 2021 pro forma income statement, along with the corresponding tax effects. They mainly correspond to the costs of legal, financial and advisory services.
- The transaction costs borne by Faurecia are already reflected in the 2021 income statement for €24.3 million. The remaining costs to be borne by Faurecia until the acquisition date are estimated at €6 million.

2.11 Minority interests:

Non-controlling interests represented 18.41% of Hella shares as of January 31, 2022 (see "*Introduction - Context of the publication of the Unaudited Pro Forma Financial Statements*", above); Hella's net income for the period under review in the 2021 income statement has been allocated accordingly between the owners of the parent and minority interests.

STATUTORY AUDITORS' REPORT ON THE PRO FORMA FINANCIAL INFORMATION FOR THE FISCAL YEAR ENDED DECEMBER 31, 2021

MAZARS

ERNST & YOUNG Audit

Faurecia

(This is a free translation into English of the auditors' report issued in the French language and is provided solely for the convenience of English-speaking readers. This report should be read in conjunction with, and is construed in accordance with, French law and professional standards applicable in France)

Statutory auditors' report on the Pro Forma Financial Information for the year ended 31 December 2021

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Membre de la compagnie
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Commissaire aux Comptes
Membre de la compagnie
régionale de Versailles et du Centre

Faurecia

Statutory auditors' report on the Pro Forma Financial Information for the year ended 31 December 2021

To the Chief Executive Officer of Faurecia,

In our capacity as Statutory Auditors of your company and in accordance with Regulation (EU) n°2017/1129 supplemented by the Delegated regulation (EU) n°2019/980, we hereby report to you on the pro forma financial information of Faurecia for the year ended 31 December 2021 set out in section "1. Unaudited pro forma consolidated financial information" of the first amendment to the 2021 universal registration document (the "Pro Forma Financial Information").

The Pro Forma Financial Information has been prepared for the sole purpose of illustrating the impact that the acquisition of a majority stake in Hella GmbH & Co. KGaA might have had on the consolidated balance sheet of Faurecia at 31 December 2021, had it taken place with effect from 31 December 2021, and on the consolidated income statement of Faurecia for the year ended 31 December 2021, had it taken place with effect from January 1st 2021. By its very nature, this information is based on a hypothetical situation and does not represent the financial position or performance that would have been reported, had the acquisition taken place at an earlier date than the actual or contemplated date.

It is your responsibility to prepare the pro forma financial information in accordance with the provisions of Regulation (EU) n°2017/1129 and ESMA's recommendations on pro forma financial information.

It is our responsibility to express an opinion, based on our work, in accordance with Annex 20, item 3 of Regulation (EU) n°2019/980, as to the proper compilation of the Pro Forma Financial Information on the basis stated.

We performed those procedures that we deemed necessary in accordance with the professional auditing standards applicable in France to such engagements. These procedures, which did not include audit or a review of the financial information used as a basis to prepare the Pro Forma Financial Information, mainly consisted in ensuring that the information used to prepare the Pro Forma Financial Information was consistent with the underlying financial information, as described in the notes to the Pro Forma Financial Information, reviewing the evidence supporting the pro forma adjustments and conducting interviews with the management of Faurecia to obtain the information and explanations that we deemed necessary.

In our opinion:

the Pro Forma Financial Information has been properly compiled on the basis stated; and

that basis is consistent with the accounting policies of the issuer.

This report has been issued solely for the purposes of:

the filing the first amendment to the 2021 universal registration document with the French financial markets authority (Autorité des marchés financiers – AMF) and

a public offer and the admission to trading on a regulated market of securities of Faurecia in France and in other EU member states in which the prospectus, including the universal registration document, the first amendment to the 2021 universal registration document and a securities note (note d'opération), approved by the AMF is notified;

and cannot be used for any other purpose.

Courbevoie and Paris-La Défense, June 2, 2022

The Statutory auditors
French original signed by

MAZARS

ERNST & YOUNG Audit

Anne-Laure Rousselou

Grégory Derouet

Jean-Roch Varon

Guillaume Brunet-Moret

APPENDIX 2.
HELLA'S FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED
FEBRUARY 28, 2022

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Key performance indicators

	1st to 3rd quarter 1 June to 28 February			3rd quarter 1 December to 28 February		
	2021/2022	2020/2021	Change	2021/2022	2020/2021	Change
Currency and portfolio-adjusted sales (in € million)	4,602	4,646	-0.9%	1,583	1,545	+2.4%
Adjusted EBIT margin	5.1%	8.0%	-2.9 pp	5.1%	6.7%	-1.7pp

In € million	1st to 3rd quarter 1 June to 28 February			3rd quarter 1 December to 28 February		
	2021/2022	2020/2021	Change	2021/2022	2020/2021	Change
Sales	4,653	4,646	+0.2%	1,616	1,545	+4.6%
Adjusted earnings before interest and taxes (adjusted EBIT)	238	373	-36.2%	82	104	-21.0%
Earnings before interest and taxes (EBIT)	225	312	-28.0%	76	219	-65.3%
Adjusted earnings before interest, taxes, depreciation and amortisation (adjusted EBITDA)	541	655	-17.3%	188	203	-7.5%
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	529	594	-10.9%	181	317	-42.9%
Earnings for the period	154	236	-35.0%	50	170	-70.6%
Earnings per share (in €)	1.37	2.12	-35.5%	0.44	1.52	-71.1%
Adjusted free cash flow from operating activities	-228	97	--	-25	113	--
Free cash flow from operating activities	-269	69	--	-43	102	--
Capital expenditures	401	371	+8.0%	114	110	+3.8%
Research and development (R&D) expenses	507	445	+13.9%	169	149	+14.0%

	1st to 3rd quarter 1 June to 28 February			3rd quarter 1 December to 28 February		
	2021/2022	2020/2021	Change	2021/2022	2020/2021	Change
EBIT margin	4.8%	6.7%	-1.9pp	4.7%	14.1%	-9.5pp
Adjusted EBITDA margin	11.6%	14.1%	-2.5pp	11.6%	13.1%	-1.5pp
EBITDA margin	11.4%	12.8%	-1.4pp	11.2%	20.5%	-9.3pp
Capital expenditure in relation to sales	8.6%	8.0%	+0.6pp	7.1%	7.2%	-0.1pp
R&D expenses in relation to sales	10.9%	9.6%	+1.3pp	10.5%	9.6%	+0.9pp

	28 February 2022	31 May 2021	Change
Net financial debt / net financial liquidity (in € million)	-352	103	--
Equity ratio	42.2%	40.6%	+1.6 pp
Return on equity (last 12 months)	10.6%	14.6%	-4.1pp
Employees	36,092	36,500	-1.1%

To ensure improved comparability of the results of operations between the current fiscal year 2021/2022 and the prior year, the presentation of operating variables of both periods has been adjusted or restated. Further information can be found in the selected financial information and in the further notes.

- **Resource bottlenecks strain the industry environment:** Global light vehicle production posts a significant decline of 10.1% in the first nine months
- **Currency and portfolio-adjusted consolidated sales** dip slightly by 0.9% to € 4,602 million, reported sales are largely on par with the prior year's level
- **Adjusted EBIT falls to € 238 million;** adjusted EBIT margin drops to 5.1%
- **Adjusted free cash flow from operating activities** is at € -228 million
- **Sales in the Automotive segment** drop by 1.6% to € 3,980 million
- **Aftermarket segment sees sales increase** by 17.0% to € 431 million
- **Special Applications post sales growth** of 10.1% to reach € 284 million
- **In the third quarter of the fiscal year,** currency and portfolio-adjusted sales increase by 2.4%; adjusted EBIT decreases to € 82 million; adjusted EBIT margin falls to 5.1%
- **The company outlook adjusted on 29 November 2021 is confirmed;** significant risks and uncertainties can be attributed to the war in Ukraine, resource bottlenecks as well as the Covid-19 pandemic particularly in China

Industry development

- According to IHS data, global light vehicle production drops by 10.1% over the nine-month period (as at: March 2022); in particular, bottlenecks in electronic components continue to strongly hamper industry development
- Across all regions, industry development is negative; in particular, the European market is disproportionately affected (-20.6%)
- In the third quarter, global production volumes fall to a lesser extent (-2.3%); the decline is thus not as severe as originally expected

In the first nine months of the HELLA fiscal year 2021/2022 (1 June 2021 to 28 February 2022), industry development was decidedly negative. According to data of the IHS market research institute (as at: 15 March 2022), global production of passenger cars and light commercial vehicles declined by 10.1% to 56.6 million units over the given period (prior year: 63.0 million units). The market decline stems, in particular, from resource bottlenecks in certain electronic components such as semiconductors and microchips. Although these have been an issue since the beginning of the calendar year 2021, they grew more intense, particularly in the second half of the year. As a result, light vehicle production fell significantly, above all in the second quarter (-18.7%). In the third quarter, the market situation showed signs of slight improvement, in a relative sense: During this period,

production volumes fell to a lesser extent only (-2.3%); in December 2021 IHS had forecast a decline in global light vehicle production of 8.2% for this period.

In the nine-month period, the European automotive market in particular was affected to a greater degree than the other regions. Accordingly, light vehicle production posted a decline of 20.6% to 11.1 million units (prior year: 13.9 million units); in the German individual market, the trend was more pronounced with a 24.4% drop to 2.3 million units (prior year: 3.0 million units) (other European countries: -19.5%). In North, Central and South America, the production figures decreased by 13.8% to 11.4 million units (prior year: 13.2 million units), of which the US market accounted for a decline of 13.4% to 6.5 million units (prior year: 7.5 million units). Light vehicle production decreased by 4.6% to 34.1 million units (prior year: 35.8 million units) in Asia/Pacific/Rest of the world, and in the Chinese automotive market, the number of newly produced light vehicles fell by 5.9% to 18.6 million units (prior year: 19.8 million units).

In the third quarter, the market in Europe decreased by 9.4% (of which Germany: -3.0%), as did the market in North, Central and South America by 6.9% (of which USA: -7.5%). In contrast, Asia/Pacific/Rest of the world saw light vehicle production increase by 1.9% (of which China: 6.1%).

Production of passenger cars and light commercial vehicles during the first nine months of fiscal year 2021/2022 and 2020/2021

in thousands	Fiscal year 2021/2022	+/-	Fiscal year 2020/2021
Europe	11,077	-20.6%	13,944
of which Germany	2,286	-24.4%	3,026
North, Central and South America	11,411	-13.8%	13,242
of which USA	6,498	-13.4%	7,506
Asia / Pacific / RoW	34,146	-4.6%	35,781
of which China	18,612	-5.9%	19,787
Worldwide	56,633	-10.1%	62,968

Source: IHS Light Vehicle Production Forecast, March 2022

Business development of the HELLA Group

Results of operations

- In the first nine months of fiscal year 2021/2022, currency and portfolio-adjusted consolidated sales dips by 0.9% to € 4,602 million and as reported are slightly above the prior year's level (+0.2%)
- The Automotive segment in particular is affected by the declining industry environment, but is developing significantly better than the market; Aftermarket and Special Applications post very positive business development
- Adjusted earnings before interest and taxes fall to € 238 million; adjusted EBIT margin slips to 5.1%
- Lower profitability is largely attributable to reduced production volumes, higher R&D expenses, process inefficiencies and higher costs for materials and logistics
- Adjusted free cash flow from operating activities is at € -228 million due to lower earnings and higher inventories
- In the third quarter of the fiscal year, currency and portfolio-adjusted sales increase by 2.4%; adjusted EBIT decrease to € 82 million; adjusted EBIT margin falls to 5.1%

At the beginning of the prior fiscal year 2020/2021, HELLA introduced a long-term programme for the sustained improvement of competitiveness. To a large extent, the expenses required for the overall measures – in the amount of € 240 million – were already incurred in the previous fiscal year 2020/2021 (€ 172 million). To ensure comparability in this context, the following operating variables are presented in an adjusted form. The reported values and additional information are provided in the selected financial information and further notes.

In the first nine months of fiscal year 2021/2022, the currency and portfolio-adjusted sales for the HELLA Group fell by 0.9% to € 4,602 million (prior year: € 4,646 million). Taking into account exchange rate effects (€ 52 million; 1.1 percentage points), reported consolidated sales of € 4,653 million slightly exceed the level of the prior year (prior year: € 4,646 million). In the reporting period, there were not any portfolio effects that required adjustment.

The first nine months saw the business development burdened primarily by the negative industry environment with a significant decline in global light vehicle production. This was primarily caused by massive bottlenecks in the global supply and logistics chains which occur in certain electronic components such as semiconductors and microchips and which have deteriorated significantly in the second half of the previous calendar year. This had a particular effect on

Reported sales of the HELLA Group

for the first nine months (in € million) and currency and portfolio-adjusted change compared to prior year (in %)

2019/2020	4,848 (-5.5%)
2020/2021	4,646 (-0.3%)
2021/2022	4,653 (-0.9%)

Consolidated income statement

In € million	1st to 3rd quarter 1 June to 28 February			3rd quarter 1 December to 28 February		
	2021/2022	+/-	2020/2021	2021/2022	+/-	2020/2021
Sales	4,653	+0.2%	4,646	1,616	+4.6%	1,545
Cost of sales	-3,528		-3,479	-1,236		-1,160
Gross profit	1,125	-3.6%	1,167	381	-1.3%	386
Ratio of gross profit to sales	24.2%		25.1%	23.5%		25.0%
Research and development expenses	-507		-445	-169		-149
Distribution expenses	-245		-237	-82		-81
Administrative expenses	-170		-167	-59		-56
Other income and expenses	14		34	5		0
Earnings from investments accounted for using the equity method	20		21	7		3
Other income from investments	0		0	0		0
Adjusted earnings before interest and taxes (adjusted EBIT)	238	-36.2%	373	82	-21.0%	104
Ratio of adjusted EBIT to sales	5.1%		8.0%	5.1%		6.7%

To ensure comparability of the results of operations between the fiscal year 2020/2021 and the prior year, the presentation of operating variables has been adjusted or restated. The reported figures are shown under "Selected financial information"; for additional information, please also refer to the further notes of this financial report.

the Automotive segment, although in terms of sales, this segment posted significantly better development than did the automotive market in the reporting period. This is attributable, among other things, to strong business in China. At the same time, the supply bottlenecks are leading to higher burdens on the cost side: firstly, due to inefficiencies in the production process and secondly due to rising costs for materials and logistics. The impact of rising energy prices could primarily be seen in the reduced earnings, especially in the third quarter. The Aftermarket and Special Applications segments, however, developed very positively in the reporting period.

In the third quarter of the fiscal year, global light vehicle production posted only a minor decline. As a result, the HELLA Group's currency and portfolio-adjusted sales improved by 2.4% to € 1,583 million (prior year: € 1,545 million) and, as reported, by 4.6% to € 1,616 million (prior year: € 1,545 million) in this period.

In the overall European market, sales fell in the nine-month period by 6.2% to € 2,639 million (prior year: € 2,813 million). In this, the German individual market accounted for a decline in sales of 10.1%, while the other European countries posted a better development with a more measured decline in sales of 2.0%. In North, Central and South America, sales dropped

by 8.3% to € 915 million (prior year: € 998 million). In contrast, Asia/Pacific/Rest of the world posted significant growth of 31.6%, reaching € 1,100 million (prior year: € 836 million) as a result of new high-volume production launches and high customer demand. In the third quarter, sales fell in the overall European market by 4.0% (Germany: -5.8%, other European countries: -2.3%) and in North, Central and South America by 4.6%, whereas in Asia/Pacific/Rest of the world sales rose by 42.1%.

In the nine-month period, the adjusted earnings before interest and taxes (adjusted EBIT) fell to € 238 million (prior year: € 373 million); the adjusted EBIT margin thus drops to 5.1% (prior year: 8.0%). The lower profitability was primarily due to a lower gross profit margin related to the component shortages in electronic components as well as higher research and development expenses. In the third quarter, adjusted EBIT decreased to € 82 million (prior year: € 104 million); the adjusted EBIT margin amounted to 5.1% (prior year: 6.7%), as rising costs for energy and raw materials in particular had a negative impact on earnings during this period.

In the nine-month period, the earnings before interest and taxes were adjusted in the amount of € 13 million (prior year: € 61 million). Taking into account these effects, the earnings reported before

Adjusted earnings before interest and taxes

(adjusted EBIT; in € millions and as a % of sales) for the first nine months

2019/2020	339 (7.1%)
2020/2021	373 (8.0%)
2021/2022	238 (5.1%)

interest and taxes (EBIT) decreased to € 225 million (prior year: € 312 million); the reported EBIT margin is at 4.8% (prior year: 6.7%). On the one hand, large portions of the expenses required for the programme for the sustained improvement of competitiveness were recorded in the first quarter of the prior year. On the other hand, additional income of € 121 million – after transaction costs and before taxes – was realised in the third quarter of the prior year as a result of the sale of the business activities with front camera software and testing & validation. In the third quarter, EBIT thus fell to € 76 million (prior year: € 219 million), bringing the reported EBIT margin down to 4.7% (prior year: 14.1%).

In the first nine months of the current fiscal year, gross profit dropped to € 1,125 million (prior year: € 1,167 million), with the gross profit margin at 24.2% (prior year: 25.1%). This deterioration can primarily be attributed to global bottlenecks in electronic components such as semiconductors and microchips. This led to a reduced capacity utilisation as a result of the significant decline in global light vehicle production. In addition, the component shortages also gave rise to inefficiencies in the production process and higher costs for logistics and materials. Furthermore, additional burdens due to higher costs for energy and raw materials had a negative impact on gross profit in the third quarter. Thus, this figure fell to € 381 million (prior year: € 386 million), and the EBIT margin dropped to 23.5% (prior year: 25.0%).

Research and development expenses increased to € 507 million in the reporting period (prior year: € 445 million). Accordingly, the R&D ratio rose to 10.9% (prior year: 9.6%). Firstly, the increase in R&D expenses can be attributed to the volume of acquired customer projects, which significantly exceeded that of the prior year. Secondly, in the prior year, the R&D activities underwent extensive cost control and were gradually extended to pre-development, fundamental research and other fields in the reporting period. In the third quarter, research and development expenses rose to € 169 million (prior year: € 149 million), thus resulting in an R&D ratio of 10.5% (prior year: 9.6%).

Expenses for distribution and administration and the balance of other income and expenses increased to € 401 million (prior year: € 370 million). Accordingly, the ratio of these items rose to 8.6% (prior year: 8.0%). In the prior year, the primary contributing factor to the balance for other income and expenses came from a reversal of impairment in the value of a joint venture (€ 19 million). In addition, in the prior year, considerable measures were implemented to cut costs and temporary regulations on reduced working hours were extended. In the third quarter, expenses for distribution and administration as well as the balance of other income and expenses amounted to € 136 million (prior year: € 136 million), in the course of the improved sales development, the ratio thus sank to 8.4% (prior year: 8.8%).

The contribution of the associates and joint ventures to the group-wide adjusted EBIT amounted to € 20 million (prior year: € 21 million), which corresponds to a relative share of 8.6% (prior year: 5.7%). The higher ratio is primarily due to the reversal of impairment for a Chinese joint venture, which was carried out in the first half of the year due to an improved business outlook (€ 6.5 million). In the third quarter, the contribution to earnings amounted to € 7 million (prior year: € 3 million), with the share in the adjusted EBIT for the HELLA Group coming to 8.3% (prior year: 2.9%).

The net financial result for the reporting period stands at € -15 million (prior year: € -10 million) and at € -7 million for the third quarter (prior year: € -4 million). Tax expenses amount to € 57 million (prior year: € 66 million), and to € 18 million in the third quarter (prior year: € 45 million).

After the close of the first nine months of fiscal year 2021/2022, the earnings for the period are thus € 154 million (prior year: € 236 million), with the third quarter accounting for € 50 million of this figure (prior year: € 170 million). The high figure from the prior year includes additional income from the completed sale of the front camera software business. The earnings per share amount to € 1.37 in the reporting period (prior year: € 2.12) and € 0.44 in the third quarter (prior year: € 1.52).

Financial status

In the first nine months of fiscal year 2021/2022, net cash flow from operating activities decreased by € 308 million in comparison to the same period of the prior year to € 132 million (prior year: € 440 million). On the one hand, the reduced earnings are due to the significant build-up of inventories in the course of supply shortages of electronic components such as semiconductors and microchips (change in inventories: € -182 million). In the third quarter, net cash flow from operating activities fell by € 142 million to € 71 million (prior year: € 212 million), with a significant influence from an increase in working capital.

Reported cash investing activities excluding payments or cash receipts for the acquisition or sale of company shares or capital increases/repayments and securities amounted to € 401 million (prior year: € 371 million) in the nine-month period and € 114 million (prior year: € 110 million) in the third quarter. These mainly included capital expenditures towards the long-term expansion of the worldwide development, administration and production network. HELLA also invested considerable sums in product-specific capital equipment and in booked series launch preparation projects. In relation to sales, investments rose to 8.6% (prior year: 8.0%) in the first nine months and fell to 7.1% (prior year: 7.2%) in the third quarter.

As part of the active management of the liquidity available to the Group, there was € 98 million in outflows from securities in the reporting period (prior year: inflow of € 10 million) and € 114 million in outflows from securities in the third quarter (prior year: € 15 million). For liquidity management purposes, capital is usually invested in short-term securities or securities with a liquid market so the funds can be made available for potential operating requirements at short notice.

The adjusted free cash flow from operating activities fell to € -228 million in the first nine months of fiscal year 2021/2022 (prior year: € 97 million). This is largely due to the reduced earnings as well as the

build-up of inventories in connection with the global resource bottlenecks. In the third quarter, adjusted free cash flow from operating activities stood at € -25 million (prior year: € 113 million).

In the reporting period, the free cash flow from operating activities was adjusted for payments in connection with restructuring measures amounting to € 41 million. In the prior year, the free cash flow from operating activities was adjusted for payments for restructuring measures, portfolio adjustments for a dividend attributable to the period as part of the sale of the Behr Hella Service joint venture and for cash inflows for the sale of the front camera business (overall: € 28 million).

Correspondingly, the reported free cash flow from operating activities decreased to € -269 million in the nine-month period (prior year: € 69 million) after taking account of these special effects and fell in the third quarter to € -43 million (prior year: € 102 million).

The liquidity portfolio consisting of cash and cash equivalents decreased in comparison to the end of the prior fiscal year 2020/2021 by € 509 million to € 470 million (31 May 2021: € 979 million). Including current financial assets, essentially comprising securities of € 545 million (31 May 2021: € 442 million), the available funds fell to € 1,015 million (31 May 2021: € 1,422 million).

In August 2021, HELLA signed an additional agreement to extend the term of a syndicated credit facility amounting to € 450 million by one year. The term of the credit facility will now run until June 2023. The facility was originally agreed in June 2015 with a consortium of international banks and a five-year term (including the possibility for two one-year extensions). In December 2021, the agreement was reached with the consortium of banks to waive the existing change of control clause. In return, banks have the right to cancel their pledged line in the event of loss of investment grade rating. In addition, another syndicated credit line of € 500 million expiring in

Adjusted free cash flow from operating activities for the first six months (in € million)

2019/2020

185

2020/2021

97

2021/2022

-228

June 2022 was established as a precaution in May 2020 in view of the economically challenging environment. This was terminated prematurely and by mutual agreement with the banks in January 2022 (at closing).

On this basis, the Management Board is of the opinion that HELLA is able to satisfy its payment obligations.

Financial position

Compared to the balance sheet date in the prior fiscal year 2020/2021, total assets increased by € 154 million to € 6,212 million (31 May 2021: € 6,058 million). The equity ratio stood at 42.2% and was thus above the level on the balance sheet date of 31 May 2021 (40.6%). The equity ratio relative to total assets adjusted for liquidity comes to 50.4% (31 May 2021: 53.1%).

Current and non-current financial liabilities increased by € 48 million to € 1,367 million (31 May 2021: € 1,319 million). Net financial debt as the balance of cash and current financial assets as well as current and non-current financial liabilities increased by a total of € 455 million to € 352 million (31 May 2021 net financial liquidity: € 103 million).

On 1 February 2022, the rating agency Moody's announced that it was downgrading HELLA's rating to Baa3 with a negative outlook. Nonetheless, on the whole, this confirms the Company's investment grade rating, thus securing the long-term, independent financing of HELLA. Moody's had previously announced that it would review the HELLA rating for a possible downgrade after it was announced that the automotive supplier Faurecia would be acquiring HELLA.

Further events in the third quarter

Factual group: FORVIA

- Faurecia successfully completes its acquisition of HELLA after receiving all necessary regulatory approvals. This was announced by both companies on 31 January 2022. As a factual group, with a total of around 150,000 employees, they are the world's seventh largest automotive supplier and a global market leader in high-growth technology fields. On the basis of Faurecia's stake – currently just over 80 percent – in HELLA, both companies will continue to operate as independent, listed entities with their own supervisory bodies and management teams and will operate together under the new, overarching umbrella brand FORVIA.

Changes in the HELLA Management Board

- At its meeting on 25 February 2022, the HELLA Shareholder Committee resolved on the appointment of Michel Favre and Yves Andres as new members to the Management Board of HELLA GmbH & Co. KGaA. Michel Favre, currently Executive Vice President, Group Chief Financial Officer at Faurecia, will take over for Dr. Rolf Breidenbach as HELLA Chief Executive Officer on 1 July 2022. As already announced on 4 February 2022, Dr. Breidenbach will amicably terminate his management board contract as of 30 June 2022, whilst still continuing to provide advisory services to the factual group of Faurecia and HELLA. Yves Andres, currently Executive Vice President, Clean Mobility at Faurecia, will join the HELLA Management Board on 15 April 2022. After a transition period, he will take over the Business Group Lighting from Dr. Frank Huber, who will leave the Company by mutual agreement by 30 June 2022.

New appointments to the Shareholder Committee

- Following Faurecia's takeover of HELLA and the representatives of the family pool thus stepping down, the Company's Shareholder Committee reconstituted itself at its meeting on 4 February. Following this constituting meeting, the Shareholder Committee is currently composed as follows: Carl-Peter Forster (Chairman), Horst Binnig and Klaus Kühn as external members; Nolwenn Delaunay (EVP, Group General Counsel & Board Secretary, Faurecia), Michel Favre (EVP, Group Chief Financial Officer, Faurecia), Patrick Koller (CEO Faurecia), Christophe Schmitt (EVP, Group Operations, Faurecia) and Jean-Pierre Sounillac (EVP, Group Human Resources, Faurecia) as representatives of the majority shareholder Faurecia.

Cooperation in the Aftermarket

- HELLA and Faurecia will collaborate in the Aftermarket. Faurecia products can then also be purchased through the HELLA Aftermarket organisation. With the activities thus combined, the customers will benefit not only from a comprehensive range of services, but above all from a significantly expanded product range. Whereas HELLA is known in particular for its high-level expertise with original equipment in the fields of lighting and electronics, Faurecia is characterised, inter alia, by a high level of expertise in the field of exhaust systems. One out of four cars worldwide has an exhaust system from Faurecia. The joint Aftermarket activities will initially be launched in this area; in the future, the offering will be gradually expanded.

Thermal management in electric vehicles

- With its Coolant Control Hub, HELLA has introduced an innovative subsystem which is revolutionising the thermal management of electric vehicles. It is based on a modular principle and connects three circuits in the vehicle with one another: the battery circuit, the interior circuit as well as the power electronics and electric motor circuit. On the one hand, this reduces the number of components required in the overall system by up to 50 percent, whilst also reducing logistics costs and overall costs for the vehicle's installation. On the other hand, the centralisation leads to the distribution of thermal energy in the vehicle being optimised and thus to an improved range of the e-vehicle. HELLA's coolant control hub is expected to first go into serial production in 2024 on the basis of an initial customer nomination.

Digital FlatLight

- Minimising assembly space, enhancing efficiency and increasing both the freedom in design as well as the degree of individualisation – what is important in headlamps development also applies to rear lighting. For quite some time, it has fulfilled not only key security functions, but above all has also offered a wide range of possibilities for creating individual light signatures. In order to have the capacity to display more complex animations, graphics and – at some point – also fonts for communication between the vehicle and the environment, it is above all necessary to further increase the segmentation of the rear lights. To this end, HELLA has presented the rear light technology Digital FlatLight: By integrating a SmartGlass display, a large number of customisable signatures can be implemented and the range of functions significantly expanded.

Business development of the segments

Automotive

- Sales in the Automotive segment fall by 1.6% to € 3,980 million as a result of the significant decline in light vehicle production, but is significantly higher than the general industry development
- Earnings before interest and taxes decrease to € 148 million; EBIT margin drops to 3.7%
- Lower profitability results primarily from reduced production volumes, increased R&D capital expenditure and other additional costs
- Segment sales increased by 5.2% in the third quarter; however, the EBIT margin falls to 4.0% due to further rising cost burdens

In the first nine months of fiscal year 2021/2022, sales in the Automotive segment decreased by 1.6% to € 3,980 million (prior year: € 4,043 million). In this context, business development was negatively impacted by significant resource bottlenecks in electronic components such as semiconductors and microchips, which continued to intensify, especially in the first half of the fiscal year, also as a result of pandemic-related production stoppages at some chip suppliers in Asia and resulted in a decline in global light vehicle production. However, the Automotive segment nevertheless posted significantly stronger development than the global automotive market, which is attributable in particular to high-volume serial launches in China and a relatively high overall demand for lighting and electronics products. In the third quarter, sales in the Automotive segment improved by 5.2% to € 1,402 million (prior year: € 1,333 million), also because the decline in global automotive production in this period was lower than in the previous quarters.

In the nine-month period, the earnings before interest and taxes (EBIT) of the Automotive segment fell to € 148 million (prior year: € 295 million); the EBIT margin decreased to 3.7% (prior year: 7.3%). On the one hand, this is due to the lower gross profit margin. This decline is largely the result of lower production volumes, increasing cost burdens due to higher material and logistics costs as well as production inefficiencies. On the other hand, increased expenses for research and development in connection with acquired customer projects had a negative impact on the profitability of the Automotive segment. In the third quarter, cost burdens continued to increase, in part due to higher prices for energy and raw materials. The EBIT of the segment thus decreased to € 56 million (prior year: € 77 million), with the EBIT margin falling to 4.0% (prior year: 5.7%).

Income statement for the Automotive segment

In € million	1st to 3rd quarter 1 June to 28 February			3rd quarter 1 December to 28 February		
	2021/2022	+/-	2020/2021	2021/2022	+/-	2020/2021
Sales with third-party entities	3,928		4,000	1,376		1,318
Intersegment sales	52		43	26		15
Segment sales	3,980	-1.6%	4,043	1,402	+5.2%	1,333
Cost of sales	-3,155		-3,143	-1,117		-1,039
Gross profit	825	-8.4%	900	285	-3.0%	293
Ratio of gross profit to sales	20.7%		22.3%	20.3%		22.0%
Research and development expenses	-479		-418	-160		-139
Distribution expenses	-95		-102	-32		-35
Administrative expenses	-133		-134	-47		-45
Other income and expenses	10		29	3		0
Earnings from investments accounted for using the equity method	20		20	7		2
Other income from investments	0		0	0		0
Earnings before interest and taxes (EBIT)	148	-49.8%	295	56	-26.3%	77
Earnings before interest and taxes in relation to segment sales (EBIT margin)	3.7%		7.3%	4.0%		5.7%

Aftermarket

- Sales in the Aftermarket segment increase by 17.0% to € 431 million
- Above all, the independent spare parts business is developing well; workshop business has also posted an increase in sales
- Earnings before interest and taxes are at € 49 million and the EBIT margin is 11.3%; earnings are impacted by product mix effects as well as material and logistics costs
- In the third quarter, segment sales increase by 16.7%; EBIT margin slips to 10.4%

third quarter, segment sales rose by 16.7% to € 148 million (prior year: € 127 million).

Earnings before interest and taxes were at € 49 million (prior year: € 48 million); the EBIT margin thus amounted to 11.3% (prior year: 13.0%). The deterioration of the margin is largely the result of a lower gross profit margin, which has decreased due to product mix effects, higher purchase prices and increased logistics costs. The impact of these effects was particularly evident in the third quarter. In this period, EBIT fell to € 15 million (prior year: € 19 million); the EBIT margin drops to 10.4% (prior year: 15.2%).

In the Aftermarket segment, sales in the reporting period rose by 17.0% to € 431 million (prior year: € 369 million). This growth was mainly driven by a successful aftermarket business, which recorded a positive business development in various national markets worldwide. The business with sophisticated workshop equipment also contributed to sales growth, owing largely to high demand for the recently launched mega macs X diagnostic device. In the

Income statement for the Aftermarket segment

In € million	1st to 3rd quarter 1 June to 28 February			3rd quarter 1 December to 28 February		
	2021/2022	+/-	2020/2021	2021/2022	+/-	2020/2021
Sales with third-party entities	418		367	137		127
Intersegment sales	13		2	11		1
Segment sales	431	+17.0%	369	148	+16.7%	127
Cost of sales	-249		-203	-88		-69
Gross profit	182	+9.5%	166	60	+3.6%	58
Ratio of gross profit to sales	42.1%		45.0%	40.4%		45.5%
Research and development expenses	-15		-14	-5		-5
Distribution expenses	-107		-95	-36		-32
Administrative expenses	-14		-17	-5		-6
Other income and expenses	3		6	1		2
Earnings from investments accounted for using the equity method	0		2	0		1
Other income from investments	0		0	0		0
Earnings before interest and taxes (EBIT)	49	+1.4%	48	15	-20.4%	19
Earnings before interest and taxes in relation to segment sales (EBIT margin)	11.3%		13.0%	10.4%		15.2%

Special Applications

- Sales in the Special Applications segment increase by 10.1% to € 284 million
- Above all, successful sales development is driven by strong business for agricultural and construction machinery
- EBIT increases to € 44 million; EBIT margin improves to 15.4%
- Higher earnings can be attributed, above all, to volume and mix effects as well as ongoing cost management
- In the third quarter, sales improve by 4.4%, with the EBIT margin up to 12.2%

Sales in the Special Applications segment rose significantly in the reporting period by 10.1% to € 284 million (prior year: € 258 million). This growth was achieved largely as a result of the continued positive business for the manufacturers of agricultural and construction machinery, also due to good

general economic conditions within these market segments. In the third quarter, business with other customer groups also recovered – e.g. the example for buses and trucks, which had been particularly affected by the pandemic-related market slump. On the whole, in the third quarter, segment sales increased by 4.4% to € 95 million (prior year: € 91 million).

In the course of the improved business development, the segment's earnings before interest and taxes also rose to € 44 million (prior year: € 28 million). The EBIT margin improves to 15.4% (prior year: 10.8%). This is due, on the one hand, to a higher gross profit margin which has improved due to volume and mix effects and which has managed to overcompensate – among other things – for higher costs. On the other hand, the distribution and administrative cost ratios also decreased as part of continuous cost management. In the third quarter, EBIT rose to € 12 million (prior year: € 9 million), with the EBIT margin thus improving to 12.2% (prior year: 10.1%).

Income statement for the Special Applications segment

In € million	1st to 3rd quarter 1 June to 28 February			3rd quarter 1 December to 28 February		
	2021/2022	+/-	2020/2021	2021/2022	+/-	2020/2021
Sales with third-party entities	280		253	94		89
Intersegment sales	4		5	1		2
Segment sales	284	+10.1%	258	95	+4.4%	91
Cost of sales	-170		-162	-60		-58
Gross profit	113	+17.7%	96	34	+5.1%	33
Ratio of gross profit to sales	39.9%		37.4%	36.2%		36.0%
Research and development expenses	-12		-12	-4		-4
Distribution expenses	-43		-40	-14		-14
Administrative expenses	-16		-19	-5		-6
Other income and expenses	1		3	0		1
Earnings from investments accounted for using the equity method	0		0	0		0
Other income from investments	0		0	0		0
Earnings before interest and taxes (EBIT)	44	+56.8%	28	12	+26.7%	9
Earnings before interest and taxes in relation to segment sales (EBIT margin)	15.4%		10.8%	12.2%		10.1%

Opportunity and risk report

In the first nine months of fiscal year 2021/2022, the general economic and market environment is still characterised by very high risks and uncertainties. Above all, the Russian attack on Ukraine, which began towards the end of the third quarter, gives rise to a significantly increased short-term risk position for the Company. HELLA does not have production or development sites of its own in Russia or Ukraine. However, the acts of war are likely to result in further reduced production volumes beyond the current fiscal year, in particular due to interruptions in the supply chains associated with production stoppages at various automobile manufacturers. This may affect the European market in particular. As a result of the war in Ukraine, further rising costs for energy and for certain raw materials are also to be expected.

At the same time, there are still bottlenecks in certain electronic components such as semiconductors and microchips. On the one hand, these factors lead to a decline in production volumes; on the other hand, they result in considerable additional costs for materials and logistics as well as inefficiencies in the production process. Since the Company's projections indicate that the current shortages of components may continue into 2023, there could be increased risks to the Company's further business development in the medium term. Furthermore, due to heightened activity among cybercriminals, the risks of a corresponding attack on HELLA's IT systems remain high, despite comprehensive security measures.

In addition, there are risks associated with the further development of the Covid-19 pandemic. In the Chinese market in particular, the restrictive measures being implemented to curb the Omicron variant could, on the one hand, result in production shut-downs which impacts both HELLA's plants and its customers' production facilities. On the other hand, the containment measures could also potentially entail additional burdens on the global supply and logistics chains – e.g. due to bottlenecks at important ports.

In the Company's projections, Faurecia's takeover of HELLA, which took place on 31 January 2022, involves both opportunities and risks. On the one hand, this gives rise to a large, globally operating automotive supplier, thus creating significant potential for further profitable growth. This can be achieved through joint purchasing activities, the distribution of original equipment products from Faurecia via HELLA's Aftermarket activities and other projects that draw on each party's individual strengths. On the other hand, the takeover also entails certain strategic and operational risks, which were explained in the annual report 2020/2021. Therefore, for further details of the significant opportunities and risks, please refer to these explanations.

Forecast report

- Global light vehicle production expected to decline by 7.6%; war in Ukraine dampens market recovery in the fourth quarter
- The company outlook adjusted on 29 November 2021 is being confirmed; significant risks and uncertainties can be attributed to the war in Ukraine, resource bottlenecks as well as the Covid-19 pandemic particularly in China

and the associated production shutdowns at automobile manufacturers in Europe. According to current IHS estimates, global light vehicle production is only expected to grow slightly (+0.3%) in the fourth quarter; before the start of the war in Ukraine, IHS had expected an increase of 5.7% in its February forecast. This corresponds to a downward revision of 1.0 million vehicles in the forecast within one month, especially for the European market.

Industry outlook

For the period of the HELLA fiscal year 2021/2022 (1 June 2021 to 31 May 2022), the market research institute IHS assumes, on the basis of its forecast published on 15 March 2022, that the global production of passenger cars and light commercial vehicles will decline by 7.6% to 76.9 million units (prior year: 83.1 million units). This is mainly due to supply bottlenecks in certain electronic components, in particular semiconductors and microchips, which have given rise to a significant decline in global light vehicle production, especially in the first half of the current fiscal year.

However, the slight market recovery, which started in the third quarter, will be brought essentially to a halt in the current fourth quarter by the war in Ukraine

The declining market environment is impacting all regions worldwide. For example, production volumes in the European market are expected to decline by 18.2% to 15.1 million units (prior year: 18.5 million units); the German individual market in this region will be disproportionately affected, with a decline of 21.6% to 3.1 million units (prior year: 4.0 million units). In the North, Central and South America region as a whole, the light vehicle production figures is currently expected to decrease by 8.7% to 15.8 million units (prior year: 17.3 million units), and in the US market seen separately, this figure is anticipated to fall by 8.5% to 9.0 million units (prior year: 9.8 million units). For the Asia/Pacific/Rest of the world region, a decline of 3.0% to 45.9 million units (prior year: 47.3 million units) is forecast, with light vehicle production in China currently being projected to drop by 4.4% to 24.8 million units (prior year: 26.0 million units).

Expected production of passenger cars and light commercial vehicles during fiscal year 2021/2022 and 2020/2021

in thousands	2021/2022	+/-	2020/2021
Europe	15,115	-18.2%	18,485
<i>of which Germany</i>	3,127	-21.6%	3,988
North, Central and South America	15,828	-8.7%	17,333
<i>of which USA</i>	9,004	-8.5%	9,837
Asia / Pacific / RoW	45,914	-3.0%	47,317
<i>of which China</i>	24,819	-4.4%	25,962
Worldwide	76,856	-7.6%	83,135

Source: IHS Light Vehicle Production Forecast, March 2022

Company outlook

The Company's outlook for fiscal year 2021/2022 (1 June 2021 to 31 May 2022) continues to be in line with the forecast, which HELLA already lowered further on 29 November 2021 due to the previous course of business, the expected lack of market recovery in the second half of the fiscal year and increasing cost burdens. In light of such, for the current fiscal year, HELLA is continuing to project currency and portfolio-adjusted sales of between around € 5.9 and 6.2 billion (adjusted on 29 November from previously: around € 6.0 to 6.5 billion) and an EBIT margin adjusted for structural measures and portfolio effects of around 3.5 to 5.0% (adjusted on 29 November from previously: around 5.0 to 7.0%).

However, the general industry environment continues to be beset by high risks and uncertainties. In particular, these are connected with the war in Ukraine and its economic consequences. In addition, there are still significant bottlenecks in the global supply and logistics chains as well as other risks associated with the future development of the Covid-19 pandemic, especially in China.

The current company outlook is therefore based in on the assumption that there will be no further significant market slumps as a result of the war in Ukraine in the fourth quarter of the current fiscal year – e.g. due to production shutdowns, interruptions within the global supply and logistics chains or deteriorations in the macroeconomic environment. It is also based on the assumption that neither the Covid-19 pandemic nor supply bottlenecks will give rise to significant interruptions to production in the fourth quarter.

Selected financial information

Consolidated income statement of HELLA GmbH & Co. KGaA

€ thousand	1st to 3rd quarter 1 June to 28 February		3rd quarter 1 December to 28 February	
	2021/2022	2020/2021	2021/2022	2020/2021
Sales	4,653,409	4,645,574	1,616,272	1,545,216
Cost of sales	-3,541,909	-3,488,050	-1,239,825	-1,161,422
Gross profit	1,111,500	1,157,523	376,447	383,794
Research and development expenses	-503,638	-588,529	-169,919	-150,137
Distribution expenses	-246,262	-237,272	-81,536	-80,992
Administrative expenses	-177,592	-196,208	-60,235	-58,792
Other income	43,632	168,274	13,499	132,085
Other expenses	-21,023	-7,863	-9,202	-5,578
Earnings from investments accounted for using the equity method	17,888	16,013	6,727	-2,169
Other income from investments	352	294	0	292
Earnings before interest and taxes (EBIT)	224,857	312,232	75,781	218,502
Financial income	9,398	16,419	2,233	-1,534
Financial expenses	-24,161	-26,470	-9,642	-2,546
Net financial result	-14,763	-10,051	-7,408	-4,080
Earnings before income taxes (EBT)	210,095	302,182	68,373	214,422
Income taxes	-56,516	-65,876	-18,392	-44,638
Earnings for the period	153,579	236,306	49,981	169,784
of which attributable:				
to the owners of the parent company	151,677	235,051	48,997	169,417
to non-controlling interests	1,902	1,255	983	367
Basic earnings per share in €	1.37	2.12	0.44	1.52
Diluted earnings per share in €	1.37	2.12	0.44	1.52

Segment reporting

The segment information for the first nine months (1 June to 28 February) of the fiscal years 2021/2022 and 2020/2021 is as follows:

€ thousand	Automotive		Aftermarket		Special Applications	
	2021/2022	2020/2021	2021/2022	2020/2021	2021/2022	2020/2021
Sales with third-party entities	3,927,805	4,000,302	418,361	366,832	279,684	252,759
Intersegment sales	51,952	42,713	12,682	1,732	4,063	5,050
Segment sales	3,979,757	4,043,015	431,044	368,565	283,747	257,809
Cost of sales	-3,154,911	-3,142,800	-249,491	-202,809	-170,429	-161,501
Gross profit	824,845	900,215	181,553	165,755	113,317	96,307
Research and development expenses	-479,106	-418,100	-14,827	-13,524	-11,771	-12,427
Distribution expenses	-95,092	-101,951	-106,590	-94,716	-42,875	-39,798
Administrative expenses	-133,210	-133,741	-14,468	-17,019	-16,110	-19,047
Other income	15,504	34,460	3,572	5,947	1,516	6,801
Other expenses	-5,239	-5,477	-875	-239	-256	-3,886
Earnings from investments accounted for using the equity method	20,375	19,585	48	1,576	0	0
Other income from investments	0	0	352	294	0	0
Earnings before interest and taxes (EBIT)	148,078	294,991	48,765	48,075	43,821	27,950
Additions to intangible assets and property, plant and equipment	328,418	294,902	16,518	9,897	8,201	4,204

Sales with third-party entities in the fiscal years 2021/2022 and 2020/2021 are as follows:

€ thousand	Automotive		Aftermarket		Special Applications	
	1st to 3rd quarter 1 June to 28 February	2020/2021	1st to 3rd quarter 1 June to 28 February	2020/2021	1st to 3rd quarter 1 June to 28 February	2020/2021
Sales from the sale of goods	3,756,657	3,862,916	384,833	334,080	274,114	249,467
Sales from the rendering of services	171,148	137,386	33,529	32,752	5,570	3,291
Sales with third-party entities	3,927,805	4,000,302	418,361	366,832	279,684	252,759

Sales reconciliation:

€ thousand	1st to 3rd quarter 1 June to 28 February	
	2021/2022	2020/2021
Total sales of the reporting segments	4,694,547	4,669,388
Sales in other divisions	69,712	56,002
Elimination of intersegment sales	-110,851	-79,817
Consolidated sales	4,653,409	4,645,574

Reconciliation of the segment results with consolidated net profit:

€ thousand	1st to 3rd quarter 1 June to 28 February	
	2021/2022	2020/2021
EBIT of the reporting segments	240,664	371,016
EBIT of other divisions	-2,703	2,136
EBIT adjustments*	-13,103	-60,920
Consolidated EBIT	224,857	312,232
Net financial result	-14,763	-10,051
Consolidated EBT	210,095	302,182

* For further information on the adjustments, please refer to chapter 05.

Consolidated statement of financial position of HELLA GmbH & Co. KGaA

€ thousand	28 February 2022	31 May 2021	28 February 2021
Cash and cash equivalents	470,060	979,495	887,833
Financial assets	544,616	442,404	446,060
Trade receivables	1,124,871	958,507	1,015,994
Other receivables and non-financial assets	207,264	196,279	173,179
Inventories	1,111,439	900,416	942,424
Current tax assets	22,264	36,148	33,852
Contract assets	34,317	39,307	29,769
Assets held for sale	0	0	41,611
Current assets	3,514,831	3,552,555	3,570,721
Intangible assets	363,842	311,157	260,735
Property, plant and equipment	1,791,455	1,711,474	1,553,992
Financial assets	89,667	63,862	68,864
Investments accounted for using the equity method	219,638	199,170	179,817
Deferred tax assets	102,183	92,670	111,557
Contract assets	50,344	32,848	34,716
Other non-current assets	80,425	94,453	110,155
Non-current assets	2,697,553	2,505,634	2,319,837
Assets	6,212,384	6,058,190	5,890,558
Financial liabilities	79,068	77,934	77,762
Trade payables	950,261	939,836	752,818
Current tax liabilities	64,771	27,879	84,153
Other liabilities	414,003	433,439	448,441
Provisions	154,204	197,514	181,959
Contract obligations	94,652	94,899	110,544
Current liabilities	1,756,958	1,771,501	1,655,677
Financial liabilities	1,287,701	1,240,584	1,246,174
Deferred tax liabilities	14,186	9,429	13,393
Other liabilities	88,444	119,337	109,650
Provisions	443,740	456,762	558,444
Non-current liabilities	1,834,072	1,826,112	1,927,662
Subscribed capital	222,222	222,222	222,222
Reserves and unappropriated surplus	2,396,461	2,236,574	2,083,338
Equity before non-controlling interests	2,618,683	2,458,797	2,305,561
Non-controlling interests	2,670	1,781	1,659
Equity	2,621,353	2,460,578	2,307,219
Equity and liabilities	6,212,384	6,058,190	5,890,558

Consolidated cash flow statement of HELLA GmbH & Co. KGaA;

for the period from 1 June to 28 February

€ thousand	2021/2022	2020/2021
Earnings before income taxes (EBT)	210,095	302,182
Depreciation and amortisation	304,502	281,582
Change in provisions	-30,755	162,430
Other non-cash income and cash flows not attributable to operating activities	-34,364	-146,246
Losses/profits from the sale of intangible assets and property, plant and equipment	4,051	694
Net financial result	14,763	10,051
Change in trade receivables and other assets not attributable to investing or financing activities	-164,815	-431,250
Change in inventories	-182,301	-77,504
Change in trade payables and other liabilities not attributable to investing or financing activities	10,112	352,498
Net tax payments	-9,513	-15,479
Dividends received	9,864	636
Net cash flow from operating activities	131,638	439,593
Cash receipts from the sale of intangible assets and property, plant and equipment	17,974	14,452
Payments for the purchase of intangible assets and property, plant and equipment	-418,508	-385,335
Change in financing receivables and liabilities from investments	-6,433	-5,344
Payments for capital increases in investments	0	-24,163
Acquisition of investments and companies	-26,705	-8,150
Cash receipts from the loss of control of subsidiaries or other business units	13,415	133,316
Net payments for the purchase and sale of securities	-98,366	9,846
Interest received	5,703	5,807
Net cash flow from investing activities	-512,921	-259,571
Net payments from the repayment of financial liabilities	-18,567	-475,087
Interest paid	-17,255	-18,011
Dividends paid	-106,667	-140
Net cash flow from financing activities	-142,488	-493,237
Net change in cash and cash equivalents	-523,771	-313,215
Cash and cash equivalents as at 1 June	979,495	1,202,794
Effect of exchange rate changes on cash and cash equivalents	14,336	-1,746
Cash and cash equivalents as at 28 February	470,060	887,833

Further notes

01 Basic information

HELLA GmbH & Co. KGaA and its subsidiaries (collectively referred to as the "Group") develop and manufacture lighting technology and electronics components and systems for the automotive industry. In addition to the development and manufacture of components, joint venture companies produce complete vehicle modules and air-conditioning systems. The Group's production and manufacturing sites are located across the globe; its most significant markets are in Europe, the USA and Asia, particularly China. In addition, HELLA has its own international sales network for all kinds of vehicle accessories.

The Company is a listed stock corporation, which was founded and is based in Lippstadt, Germany. The address of the Company's registered office is Rixbecker Str. 75, 59552 Lippstadt. HELLA GmbH & Co. KGaA is registered in Commercial Register B of Paderborn district court under number HRB 6857 and prepares the consolidated financial statements for the smallest and largest group of companies.

The information in the financial report as at 28 February 2022 is stated in thousands of euros (€ thousand). The financial report is prepared using accounting and measurement methods that are applied consistently within the Group on the basis of amortised historical cost. This does not apply to assets that are available for sale and derivative financial instruments, which are measured at fair value. The consolidated income statement is prepared using the cost-of-sales method. The current/non-current distinction is observed in the consolidated statement of financial position. The amounts stated under current assets and liabilities are for the most part due for settlement within twelve months. Accordingly, non-current items are mainly due for settlement in more than twelve months. In order to enhance the clarity of the presentation, items of the consolidated statement of financial position and consolidated income statement have been grouped together where this is appropriate and possible. Please note that where sums and percentages in the report have been rounded, differences may arise as a result of commercial rounding.

02 Currency translation

Currency translation differences arising from the translation of earnings and balance sheet items of all Group companies which have a functional currency deviating from the euro are reported within the currency translation differences reserves.

The exchange rates used to translate the main currencies for HELLA were as follows:

	Average 1st to 3rd quarter		Reporting date		
	2021/2022	2020/2021	28 February 2022	31 May 2021	28 February 2021
€ 1 = US dollar	1.1600	1.1820	1.1199	1.2201	1.2121
€ 1 = Czech koruna	25.2293	26.4649	24.9970	25.4540	26.1950
€ 1 = Japanese yen	130.2841	124.5156	129.3100	133.7900	128.8300
€ 1 = Mexican peso	23.6067	25.0019	22.9011	24.3131	25.2879
€ 1 = Chinese renminbi	7.4401	7.9603	7.0670	7.7722	7.8385
€ 1 = South Korean won	1,358.5992	1,356.7228	1,347.6200	1,352.0400	1,367.1000
€ 1 = Romanian leu	4.9397	4.8597	4.9484	4.9195	4.8750
€ 1 = Indian rupee	86.3336	87.4668	84.5540	88.5414	89.5766

03 Notable events

At the beginning of fiscal year 2020/2021, HELLA announced its intention to enhance the Company's competitive standing through a new strategy programme. This was developed against the backdrop of lowered market expectations, resulting in growing pressure from competitors and costs. In terms of its projections for the period following resolution of the Covid-19 pandemic and the significant global resource bottlenecks within global supply and logistics chains, arising in particular for electronic components such as microchips and semiconductors, the Company still only anticipates moderate market growth rates in the medium to long term. The programme for the sustained improvement of competitiveness will entail structural changes within the global HELLA network. In the reporting period, structural expenses relating hereto in the amount of € 11,885 thousand (prior year: € 168,952 thousand) were accounted for within the Group, without reference to segment, of which € 8,357 thousand (prior year: € 168,952 thousand) in restructuring expenses were considered personnel expenses.

The Covid-19 pandemic that broke out at the beginning of the 2020 calendar year is continuing to impact the general economic conditions. The pandemic itself and the resulting countermeasures put in place across the globe are having a negative impact on trade, affecting supply chains and reducing consumer demand. The further development of the Covid-19 pandemic increases the prevailing risks, specifically pertaining to any plant closures that may become necessary and bottlenecks along the entire supply chain. This applies in particular to risks relating to electronic components. HELLA continues to assume a permanent impairment of the recoverable amounts for the assets, as was most recently the case in the annual report for the period ending in May 2021. An assessment of the recoverable amounts takes into account material findings specifically on individual markets.

Since the end of 2021, the Chinese real estate developer Evergrande has been experiencing a prolonged liquidity crisis. The HELLA Group also carries out

business in China. In this context, impairments were recognised on receivables from the joint venture Hella Evergrande Electronics due to anticipated payment defaults of € 9,072 thousand as well as the investment in the amount of € 2,449 thousand with the existing joint venture Hella Evergrande Electronics.

In the current reporting period, income was generated from the disposal of venture capital activities in the amount of € 6,213 thousand as well as other income in the amount of € 7,629 thousand from the remeasurement of investments in venture capital activities.

HELLA signed an exclusive licence and development agreement with Gapwaves, a technology company listed on the Nasdaq First North Growth Market Stockholm, and acquired 10 percent of the company's shares on 18 June 2021 for a purchase price of just over € 18,084 thousand. Gapwaves is one of the world's leading providers of waveguide-based antennas. HELLA will deploy this technology in the next generation of 77 GHz-based corner radar sensors, thus further increasing the performance of HELLA's own sensors.

In the prior year's reporting period, HELLA entered into agreements under which the business with front camera software and the associated activities in the field of testing and validation were transferred to the Car.Software organisation, a wholly owned subsidiary of Volkswagen AG. Following approval by the responsible antitrust authorities and the fulfilment of other contractual conditions, the business was transferred to the Car.Software organisation effective as of 1 February 2021. This transaction resulted in HELLA achieving income of € 120,902 thousand after transaction costs and before taxes. The decision to sell the business with front camera software was made on the basis of stringent portfolio management.

The assets classified as held for sale as at 28 February 2021 contain the proportionate carrying amount of the Mando HELLA subgroup totalling € 41,611 thousand. In February 2021, a contract for transferring company shares between HELLA and the Mando Corporation was signed. The transaction closed at a price of € 60,808 thousand in March 2021.

04 Notes to the cash flow statement

As at 31 May 2021, the cash funds comprise exclusively cash and cash equivalents.

In the current reporting period, payments of € 18,084 thousand were made to acquire 10 percent of the corporate shares in the tech company Gapwaves, additional payments of € 8,621 thousand were made to acquire business shares as part of venture capital activities. Furthermore, disposals of shares as part of venture capital activities resulted in revenues of € 13,415 thousand. In addition, CO2 certificates were acquired in the amount of € 100,000 thousand.

After the Annual General Meeting on 30 September 2021, dividends totalling € 106,667 thousand (€ 0.96 per no-par value share) were distributed to owners of the parent company.

In the reporting period, depreciation in the amount of € 304,502 thousand (prior year: € 281,582 thousand) was recorded, including € 248,916 thousand (prior year: € 224,889 thousand) for property, plant and equipment and amortisation of € 55,586 thousand (prior year: € 56,692 thousand) for intangible assets.

In the same period of the prior year, company shares in FWB Kunststofftechnik GmbH, based in Pirmasens, were acquired for a purchase price of € 8,150 thousand.

In addition, there were cash receipts of € 128,361 thousand from the sale of the front camera software business, as well as cash receipts of € 4,955 thousand for a dividend attributable to the period in the form of a subsequent purchase price adjustment (see Chapter 06).

In addition, the loan facility of € 450 million drawn on in April 2020 was repaid in full in the prior year's reporting period and reported in payments in connection with the repayment of financial liabilities.

05 Adjustment of special effects in earnings before interest and taxes

The HELLA Group is managed by the Management Board through financial key performance indicators. The key performance indicators of adjusted sales growth and adjusted operative operating result margin (adjusted EBIT margin) take on prominent importance compared to the other financial key performance indicators in the management of the HELLA Group. A major guideline in assessing the suitability of management indicators is that they have to provide a transparent picture of operational performance. In this process, effects of a non-recurring or exceptional nature in type or size, referred to as special effects, can lead to distortions with regard to the EBIT margin, for example, and thus adversely affect the ability to assess the Company's performance.

Special effects essentially comprise income and expenses in connection with changes in the legal structure of the Group, site closures or restructuring measures. For this reason, the adjusted EBIT margin has been defined as one of the most important key performance indicators for management of the Group. The adjusted EBIT margin as a key performance indicator is not defined in the International Financial Reporting Standards. Rather, it is reported

by the HELLA Group as additional information in its financial reporting because it is also used for internal management and because, from the Company's perspective, it presents the results of operations – adjusted for special effects – in a more transparent form and facilitates a comparison over time.

Costs of € 15,197 thousand (prior year: € 181,822 thousand) for structural measures have been adjusted out of reported earnings before interest and taxes in the reporting period. This includes, in particular, performance-related or unexpected expenses for the strategy programme initiated in August 2020 (see Chapter 03). This amount also includes the reversal of provisions in the amount of € 10,332 thousand, as expenses required for severance payments were lower than originally assumed. Moreover, expenses in the amount of € 11,748 thousand are adjusted out due to expected bad debts of a Chinese customer and the devaluation of the shares in the joint venture Hel-la Evergrande Electronics. Adjustments with the opposite effect were performed for income relating to the sale of shares in the context of venture capital activities in the amount of € 6,213 thousand and from the remeasurement of investments in the amount of € 7,629 thousand (also venture capital).

In the prior year's reporting period, an adjustment was also made to income for the sale of the business with front camera software in the amount of € 120,902 thousand.

The corresponding reconciliation statement for the first nine months of fiscal year 2021/2022 is as follows:

€ thousand	2021/2022 as reported	Adjustment	2021/2022 adjusted
Sales	4,653,409	0	4,653,409
Cost of sales	-3,541,909	13,544	-3,528,365
Gross profit	1,111,500	13,544	1,125,043
Research and development expenses	-503,638	-3,579	-507,217
Distribution expenses	-246,262	1,628	-244,634
Administrative expenses	-177,592	7,556	-170,035
Other income	43,632	-25,396	18,236
Other expenses	-21,023	16,815	-4,209
Earnings from investments accounted for using the equity method	17,888	2,536	20,424
Other income from investments	352	0	352
Earnings before interest and taxes (EBIT)	224,857	13,103	237,961

The corresponding reconciliation statement for the first nine months of fiscal year 2020/2021 is as follows:

€ thousand	2020/2021 as reported	Adjustment	2020/2021 adjusted
Sales	4,645,574	0	4,645,574
Cost of sales	-3,488,050	9,449	-3,478,601
Gross profit	1,157,523	9,449	1,166,972
Research and development expenses	-588,529	143,400	-445,129
Distribution expenses	-237,272	571	-236,701
Administrative expenses	-196,208	28,720	-167,488
Other income	168,274	-128,868	39,406
Other expenses	-7,863	2,500	-5,363
Earnings from investments accounted for using the equity method	16,013	5,148	21,161
Other income from investments	294	0	294
Earnings before interest and taxes (EBIT)	312,232	60,920	373,152

06 Adjustment of special effects in cash flow

Adjusted free cash flow from operating activities was used as a performance indicator for internal HELLA Group management. Adjusted free cash flow from operating activities is a key performance indicator that is not defined in the International Financial Reporting Standards. Rather, it is reported by the HELLA Group as additional information in its financial reporting because it is also used for internal management and because, from the Company's perspective, it presents the cash flows from the operating activities – adjusted for special effects – in a more transparent form and facilitates a better comparison over time.

Cash flow from operating activities after capital expenditure and cash inflows from the sale or liquidation of investments is used for this purpose and adjusted for non-recurring cash flows.

In the reporting period, the free cash flow from operating activities was adjusted for payments and receipts of payments totalling € 40,750 thousand (prior year: € 27,866 thousand). These are outlined in detail below.

In this reporting period, free cash flow from operating activities was adjusted for payments made for restructuring measures amounting to € 40,750 thousand (prior year: € 28,861 thousand). In the prior year, an adjustment was also performed on an increase in plan assets (present values of the statutory insolvency protection for partial retirement obligations) in the amount of € 14,725 thousand related to the restructuring measures.

Shares in the joint venture Behr Hella Service were sold in fiscal year 2019/2020. The free cash flow from operating activities was increased in the last fiscal year 2020/2021 by a dividend attributable to the period in the amount of € 4,955 thousand, which was collected in the form of a subsequent purchase price adjustment.

In the past fiscal year, HELLA sold its business with front camera software and associated activities in the field of testing and validation from HELLA Aglaia Mobile Vision GmbH to Volkswagen car.SW Org Wolfsburg AG. To ensure the ability to draw consistent comparisons with other periods, the free cash flow from operating activities was adjusted for prior year cash inflows of € 20,675 thousand.

The performance of the adjusted free cash flow from operating activities for the first nine months of fiscal years 2021/2022 and 2020/2021 is shown in the following tables:

€ thousand	2021/2022 as reported	Adjustment	2021/2022 adjusted
Earnings before income taxes (EBT)	210,095	13,103	223,198
Depreciation and amortisation	304,502	-984	303,518
Change in provisions	-30,755	28,913	-1,842
Other non-cash income and cash flows not attributable to operating activities	-34,364	3,078	-31,286
Losses/profits from the sale of intangible assets and property, plant and equipment	4,051	0	4,051
Net financial result	14,763	0	14,763
Change in trade receivables and other assets not attributable to investing or financing activities	-164,815	0	-164,815
Change in inventories	-182,301	0	-182,301
Change in trade payables and other liabilities not attributable to investing or financing activities	10,112	-3,006	7,105
Net tax payments	-9,513	0	-9,513
Dividends received	9,864	0	9,864
Net cash flow from operating activities	131,638	41,104	172,741
Cash receipts from the sale of intangible assets and property, plant and equipment	17,974	-354	17,621
Payments for the purchase of intangible assets and property, plant and equipment	-418,508	0	-418,508
Free cash flow from operating activities	-268,896	40,750	-228,146

€ thousand	2020/2021 as reported	Adjustment	2020/2021 adjusted
Earnings before income taxes (EBT)	302,182	60,920	363,101
Depreciation and amortisation	281,582	0	281,582
Change in provisions	162,430	-145,072	17,358
Other non-cash income and cash flows not attributable to operating activities	-146,246	123,213	-23,033
Losses/profits from the sale of intangible assets and property, plant and equipment	694	0	694
Net financial result	10,051	0	10,051
Change in trade receivables and other assets not attributable to investing or financing activities	-431,250	14,725	-416,524
Change in inventories	-77,504	0	-77,504
Change in trade payables and other liabilities not attributable to investing or financing activities	352,498	-28,881	323,618
Net tax payments	-15,479		-15,479
Dividends received	636	4,955	5,591
Net cash flow from operating activities	439,593	29,860	469,453
Cash receipts from the sale of intangible assets and property, plant and equipment	14,452	-1,993	12,459
Payments for the purchase of intangible assets and property, plant and equipment	-385,335	0	-385,335
Free cash flow from operating activities	68,711	27,866	96,577

07 Events after the balance sheet date

There were no reportable events after the balance sheet date.

Lippstadt, 23 March 2022

The Managing General Partner of HELLA GmbH &
Co. KGaA

Hella Geschäftsführungsgesellschaft mbH



Dr. Rolf Breidenbach
(President and CEO of
Hella Geschäftsführungsgesellschaft mbH)



Dr. Lea Corzilius
(Managing Director of
Hella Geschäftsführungsgesellschaft mbH)



Dr. Frank Huber
(Managing Director of
Hella Geschäftsführungsgesellschaft mbH)



Bernard Schäferbarthold
(Managing Director of
Hella Geschäftsführungsgesellschaft mbH)



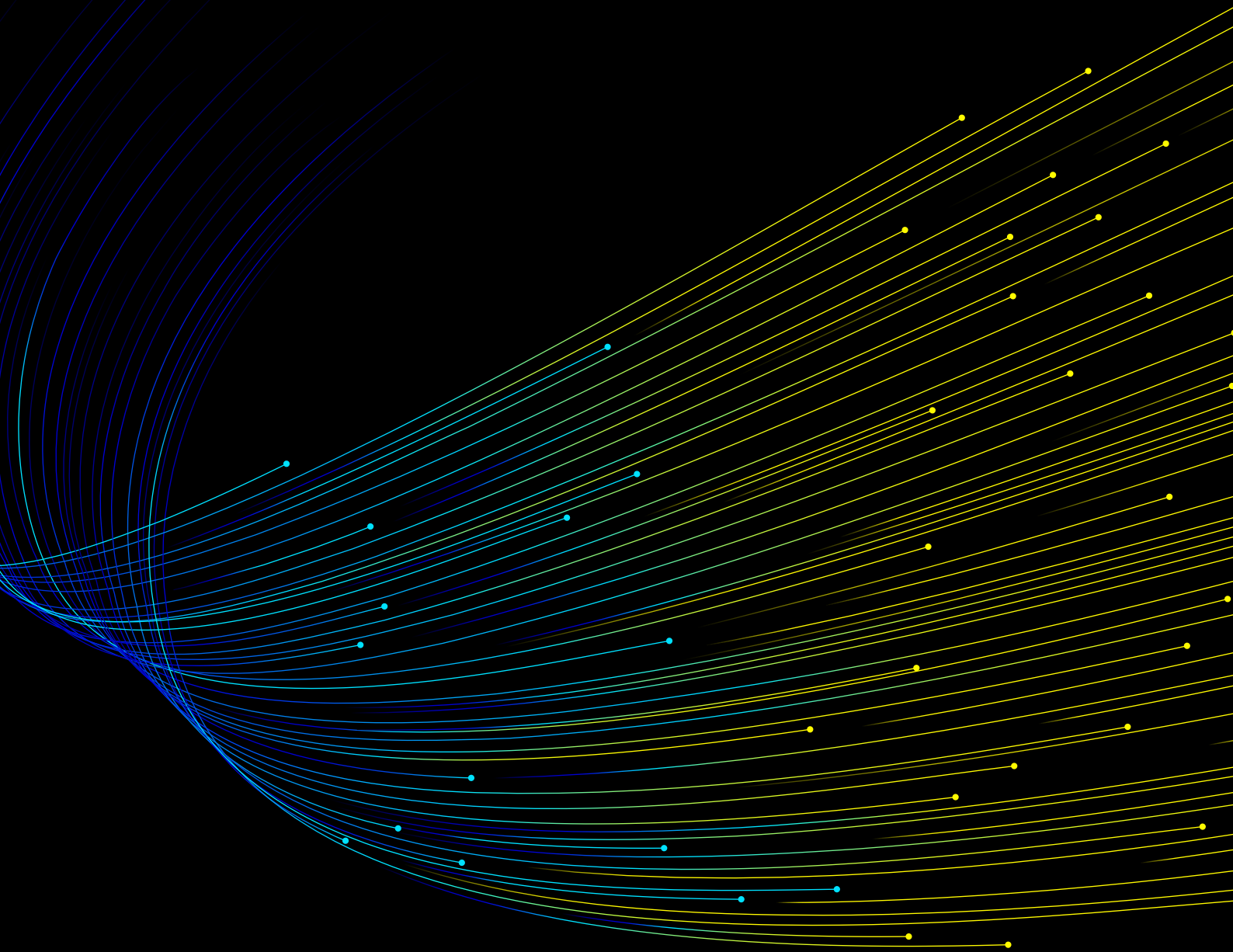
Björn Twiehaus
(Managing Director of
Hella Geschäftsführungsgesellschaft mbH)

APPENDIX 3.
NOTES TO HELLA'S CONSOLIDATED FINANCIAL STATEMENTS FOR THE
FISCAL YEAR ENDED MAY 31, 2021



Extract of the remuneration report for the Fiscal Year June 1, 2020 to May 31, 2021

Appendix to the Financial Statements



I. Remuneration of the Management Board

Remuneration components

Annual fixed salary, remuneration in kind as well as other ancillary benefits

The non-performance-related remuneration component consists of an annual fixed salary and remuneration in kind as well as other ancillary benefits.

The annual fixed salary is paid in 12 equal monthly instalments. The amount of the fixed salary reflects the role of the Managing Director within the Management Board as well as the experience, area of responsibility and market conditions. The Shareholder Committee reviews the suitability of the fixed salary on an annual basis.

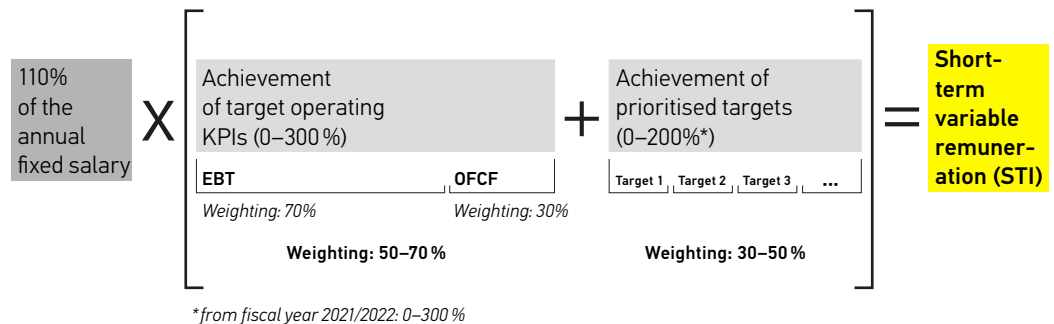
The remuneration in kind and other ancillary benefits primarily consist of the private use of a company car. Furthermore, all the Managing Directors in their ca-

capacity as members of the Company's governing bodies are covered by the Group's D&O insurance. In the event of any claim, they are responsible for a deductible of at least 10% of the loss capped at one-and-a-half times their fixed salary.

Short-term variable remuneration ("STI")

Short-term variable compensation (STI) is calculated depending on the degree to which certain objectives are achieved, which are divided into the categories of "operating key performance indicators" and "special (prioritised) objectives". The target remuneration of the STI is 1.1 times the annual fixed salary. This is determined by the fixed salary at the beginning of the respective fiscal year. Said remuneration is paid out on one occasion in the fiscal year. In the case of new hires or resignations during the year, the STI is granted pro rata temporis.

Composition of short-term variable remuneration (STI)



Operating key performance indicators

The operating KPIs incorporate (i) the HELLA Group's operating earnings before taxes (EBT) and effects on earnings from the restructuring for the fiscal year in question adjusted for special effects (extraordinary expenses and income reportable in the consolidated financial statements under Section 277(4) HGB (old version)) with a weighting of 70% and (ii) the operating free cash flow (OFCF) prior to effects of the restructuring on earnings with a weighting of 30%. The OFCF is calculated after investments and divestments (procurement and disposal of property, plant and equipment and intangible assets) and does not include company acquisitions.

The degree of achieving the operating KPIs to be ascertained by the Shareholder Committee can be between 0 and 300%. For this purpose, prior to the start

of each fiscal year, the Shareholder Committee for EBT and OFCF sets ambitious minimum, target and maximum values, which it regularly reviews on the basis of the corporate planning and on performance of HELLA GmbH & Co. KGaA. At its reasonable discretion, the Shareholder Committee is entitled to change or redefine the operating KPIs applied (EBT and OFCF) with effect for following fiscal years.

The respective target achievement level is derived from the minimum, target and maximum values which have been established. Intermediate values are determined by linear interpolation and the degree of target achievement thus determined is rounded to full percentage points, in accordance with standard commercial practice.

Special (“prioritised”) objectives

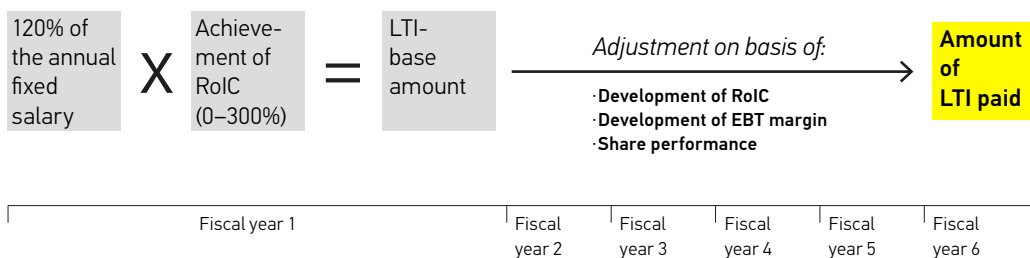
In addition, the Shareholder Committee can also define special (“prioritised”) targets for the Management Board which, on the basis of a target agreement with the management, also encompass qualitative parameters and are composed of collective/team targets – which apply to the Management Board in equal measure – and individual targets. These prioritised targets may be incorporated – as the Shareholder Committee sees fit – into the STI calculation with a total weighting of between 30 and 50%, in which case, the weighting of the EBT and OFCF is reduced accordingly. For the fiscal year 2020/2021, the Shareholder Committee has set the weighting of the prioritised targets at 50% and for the fiscal year 2021/2022 at 30%.

In the context of an overall assessment performed by the Shareholder Committee on the degree of achievement of the prioritised targets, the determined value can currently be between 0 and 200% and between 0 and 300% as of the fiscal year 2021/2022.

Long-term variable remuneration (long-term incentive, “LTI”)

The long-term variable remuneration (long-term incentive, LTI) is also paid in cash. It is measured by the performance of the return on invested capital (RoIC) and the EBT margin as well as by the performance of the HELLA share (total shareholder return). The long-term variable remuneration is based on a calculation period of five fiscal years in total, thus ensuring a long-term, sustainable incentivising effect.

Composition of long-term variable remuneration (LTI)



Return on invested capital (RoIC)

The return on invested capital (RoIC) is used by the Company as a strategic management parameter. It is defined as the ratio of operating income before interest and after taxes (return) to invested capital. Return is calculated on the basis of earnings before interest and taxes (EBIT) for the past twelve months at the level of the Group units, less the standard income tax rate applicable in the country in question. Invested capital is the average of the opening and closing value of the assets shown on the face of the balance sheet excluding cash and cash equivalents and current financial assets less liabilities carried on the face of the balance sheet excluding current and non-current financial liabilities for the reporting period.

EBT margin

The EBT margin is calculated from the HELLA Group's earnings before taxes (EBT) divided by the HELLA Group's sales.

Total shareholder return

Total shareholder return is defined as the performance of the HELLA share plus dividends paid. To this end, the volume-weighted average price of the last 20 trading days of the fiscal year in which the calculation period of an LTI instalment begins is compared with those of the last 20 trading days of the subsequent fiscal years in the calculation period. The dividends paid in the interim are added. Technical price effects (e.g. in the case of share splits) are, on the other hand, deducted.

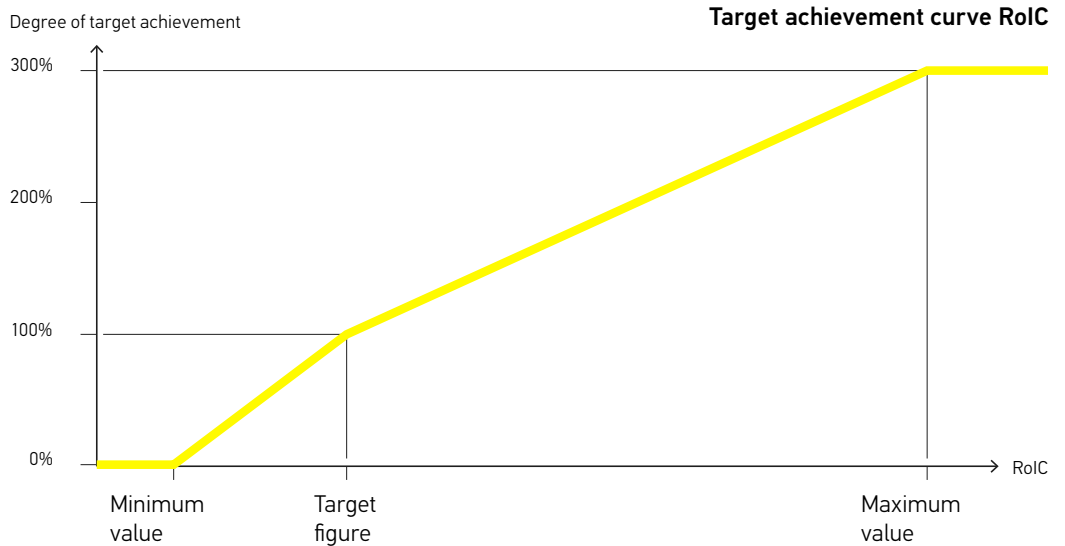
Calculation methods

The payment amount for an LTI instalment is calculated as follows:

Firstly, an LTI base amount is determined for the first fiscal year in the calculation period. This amount is calculated as a fixed percentage of the annual fixed salary depending on the RoIC. For the RoIC, the

Shareholder Committee defines minimum (= 0% target achievement), target (= 100% target achievement) and maximum values (= 300% target achievement). The minimum value defines the floor for cal-

culating an LTI base amount. This results in the following schematic target achievement curve for the RoIC:



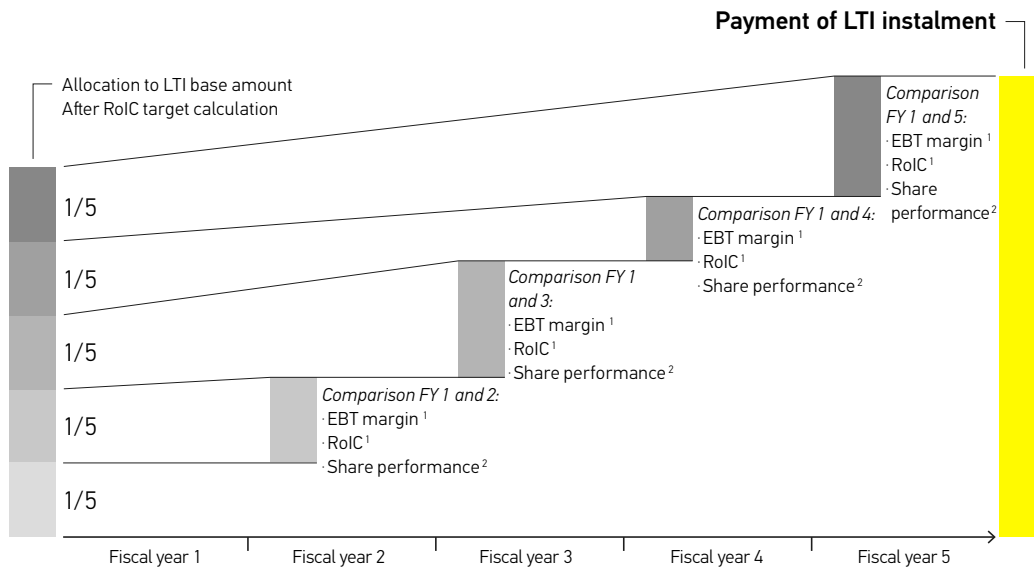
If the target value is reached, the LTI base amount is equal to 1.2 times the annual fixed salary; if the maximum value is reached, the LTI base amount is equal to 3.6 times the annual fixed salary. If a Managing Director joins or leaves the Management Board during the year, the LTI base amount for the relevant fiscal year will be granted pro rata temporis.

Payment of an LTI instalment is made to the Managing Directors once the calculation period comprising a total of five fiscal years has come to an end. For example, the LTI instalment allocated for the fiscal year 2020/2021 will be paid out at the end of the fiscal year 2024/2025. The payment amount derived from the LTI base amount is determined equally on the basis of economic success over the entire five-year term of the respective LTI instalment. In mathematical terms, this takes place as follows: First, 1/5 of the LTI base amount is defined. This amount is notionally assigned to the first fiscal year of the calculation period. The remaining 4/5 of the LTI base amount will change in accordance with the performance of (i) the RoIC, (ii) the EBT margin of the HELLA Group and (iii)

the share performance in the four subsequent fiscal years of the calculation period. For this purpose, the figures for the fiscal year for which the LTI base amount was calculated are compared with all subsequent fiscal years of the calculation period. If, in a subsequent fiscal year of the calculation period, the figures have improved (worsened) compared to the first fiscal year, 1/5 of the LTI base amount will be increased (reduced) and frozen to the benefit of the Managing Director (see schematic next side).

Schematic presentation of the LTI calculation for instalments as of the fiscal year 2020/2021 onwards

(five-year calculation period and alignment to share performance)



¹ per percentage point increase/decrease in EBT margin/RoIC: +/- 7.5%

² per percentage point increase/decrease in share performance: +/- 1.0%

An increase in the EBT margin and/or the RoIC by one percentage point will result in an increase of 7.5% in the pro rata LTI base amount, while every decrease by the same amount will lead to a corresponding decrease. Total shareholder return has a direct proportional effect – i.e. a positive (negative) total shareholder return of 30%, for example, increases (decreases) the pro rata LTI base amount by 30%. Once these comparisons have been carried out for all fiscal years of the calculation period, the total of the frozen amounts will be paid to the Managing Directors at the end of the calculation period.

This does not give rise to any entitlement on the part of the Company to recover any compensation from a Managing Director in the event of a negative overall LTI settlement amount. In addition, it is not netted against a future positive LTI settlement amount.

Reductions upon termination of service agreement

If a member of the Management Board leaves the Company, the LTI base amounts already allocated expire in full upon departure for periods after the date of termination of the service agreement if (i) the relevant agreement is terminated for an important reason for which the Management Board member is responsible within the meaning of Section 626 of the

German Civil Code (Bürgerliches Gesetzbuch – BGB), or (ii) the member of the Management Board terminates the service agreement or requests an early termination agreement or refuses to conclude a new service agreement offered by the Company on equal or improved terms without an important reason for which the Company is responsible within the meaning of Section 626 BGB being given. In addition, the LTI payment amount will be reduced proportionately if at the time of departure more than 12 months of the calculation period are missing for a certain LTI instalment. In this case, the LTI payment amount is reduced by 1/60 for each additional missing month of the relevant calculation period beyond the 12 months.

Rules governing LTIs until the fiscal year 2019/2020

Up to and including the fiscal year 2019/2020 (with the exception of Björn Twiehaus, for whom the rules described above were already applied in the fiscal year 2019/2020), the LTI was determined without taking into account the total shareholder return and over a four-year calculation period. If the RoIC target was reached, the LTI base amount was 80% of the annual fixed salary; once the maximum RoIC value was reached, the LTI base amount was 240% of the annual fixed salary. Moreover, the regulations were largely in line with the current ones concerning the

LTI. The old LTI rules continue to govern LTI instalments which were granted while said rules were in effect, but are not yet due for payment.

The remuneration resulting from these LTI instalments is accounted for under Section I. 11. in the table below.

Pension commitments and comparable long-term obligations

In addition to the fixed remuneration and the variable remuneration components, the Company provides the Managing Directors with pension benefits. With respect to the Managing Directors of Hella Geschäftsführungsgesellschaft mbH, the Company uses a defined contribution pension plan to which it allocates a certain amount each year for the respective Managing Director. This amounts to 50% of the annual fixed salary for the Chairman of the Management Board and 40% of the annual fixed salary for the board members, whereby the fixed salary applicable on 1 June of the year is decisive. The financing year begins on 1 June of each year and ends on 31 May of the following year. If the service agreement begins or ends in the course of the financing year, the Managing Director receives a financing contribution on a pro rata temporis basis. Upon pension eligibility arising, the accrued capital is paid either in a single lump sum or – subject to the Company's approval – in instalments over a maximum period of eight years. The contributions to the capital account system may be invested externally in one or more investment funds. The return here is based on the performance of the investment assets in question. A minimum interest rate, which is currently 4.5% per annum, is granted in all cases. As a general rule, the capital account is dissolved on 31 May of the year following the Managing Director's 58th birthday. Eligibility for payment only arises once the Managing Director has left the Company. This period may be extended at a Managing Director's request and subject to the Company's approval. At present, such an extension has only been granted in the case of Dr. Rolf Breidenbach .

Pension eligibility also arises in the event of full or partial loss of earning capacity, protracted disability due to illness or upon death predating the Managing Director's contractual date of eligibility. In this case, the capital is paid either in a single lump sum or – subject to the Company's approval – in instalments over a maximum period of eight years to the beneficiaries nominated by the Managing Director.

In addition to the pension plan funded by the Company, the Managing Directors of Hella Geschäftsführungsgesellschaft mbH are free to participate in a further asset-linked pension plan. In this case, capital

is accumulated in the form of an individually defined deferred compensation component on the part of the Managing Director and largely follows the rules applicable to the asset-linked pension plan funded by the Company. The minimum interest rate in this model is currently 2.25% per annum.

Individual corrections

In light of the ongoing economic impact of the Covid-19 pandemic, for all LTI instalments running in the fiscal year 2020/2021, the Managing Directors of Hella Geschäftsführungsgesellschaft mbH opted to forfeit 20% of the LTI partial amounts for payment to be calculated in said year. This voluntary decision will result in lower LTI amounts for payment in the coming years when the respective LTI instalments come to an end. This is accounted for in the values shown below under Sections I. 9. and I. 11.

The Shareholder Committee also adjusted the LTI (with the exception of the partial amount for payment of the 2017/2018 LTI instalment to be allocated for the fiscal year 2020/2021) in order to eliminate the special items from (i) the sale of the 50% stake in the South Korean joint venture Mando HELLA Electronics (MHE) and (ii) the impairment tests in the fiscal year 2019/2020. This adjustment has also already been accounted for in the values shown below under Sections I. 9. and I. 11.

Term of contract and termination benefits for Managing Directors

The employment relationship ends automatically at the end of the month in which the statutory retirement age is reached, but no earlier than the end of the month in which the Managing Director reaches the age of 65. Furthermore, the employment relationship automatically ends three months after the end of the month in which the permanent disability of the Managing Director is determined.

Loss of earning capacity or death

In the event of illness-related disability, the fixed salary or the difference over sickness benefits will be paid for up to 18 months. In the case of death, the eligible beneficiaries receive the deceased Managing Director's fixed salary for a period of three months commencing with the month of death.

Settlement

If the Company revokes the appointment prior to the date of expiry of the service agreement, the service agreement can be terminated prematurely under exceptional circumstances. In cases in which the service agreement is terminated for material reasons for which the Managing Director is not responsible, a settlement of two times his/her annual remunera-

tion or, if the residual term of the service agreement is less than two years, a time-proportionate amount of the settlement is paid. For this purpose, the annual remuneration equals the sum total of the fixed annual salary plus short-term variable annual remuneration less remuneration in kind and other ancillary benefits for the last full fiscal year prior to the termination of the appointment. This remuneration is to be offset against any non-compete compensation. In addition, a subsequent payment of apportioned LTI base amounts will be made, although they will be reduced pro rata based on the remaining part of the calculation period. In certain cases, the LTI base amounts not yet due for payment lapse completely upon exit ("bad leaver"). See Section I. 3. C) above under "Reductions upon termination of service agreement".

Change of control

The same settlement rules also apply in the event of a change of control. In this case, a Managing Director may resign from his/her post and give notice on the service agreement for good cause by the end of the sixth calendar month after a change of control, with effect from the end of the ninth calendar month. In this case, there is no termination of the long-term variable remuneration as described above in Section I. 3. C) under "Reductions upon termination of the service agreement". Until the resignation has taken effect, the Managing Director must support the Company in all matters relating to the change of control, acting to the best of his/her ability and working in the interests of the Company. A change of control within the meaning of the service agreement for managing directors is given if a third party or several jointly acting third parties who do not belong to the family shareholders of HELLA GmbH & Co. KGaA

- acquire more than 50% of the Company's voting share capital,
- bring the Company under its control by entering into a controlling agreement or
- appoint and dismiss, in any other way, the majority of the members of the Company's executive bodies and/or their personally liable partners without the consent of family shareholders.

Post-contractual non-competition clause

Furthermore, the Managing Director is subject to a post-contractual non-compete clause, the term of which varies between 12 and 24 months, to be agreed on an individual basis. During the period of the prohibition of competition, the Managing Director receives non-compete compensation in the amount of 50% of

the last annual fixed salary, with any compensation for early termination of the contract and other income from work to be credited during the non-competition period. The compensation is paid monthly. The total amount of the non-compete compensation is credited to a pension commitment owed by the Company (see Section I. 3. D) above). Prior to the end of the service agreement, in individual cases, the Company may waive the post-contractual non-compete clause. As a result, the compensation is only payable for a period of six months from the date of said clause being waived. If the service agreement ends on reaching the statutory retirement age or by a termination declared by the Company for good cause, the Company will immediately be released from the obligation to pay compensation if it has waived the stipulation of complying with the non-compete clause before or at the same time as the end of the employment contract.

In the fiscal year 2020/2021, in accordance with said rules, compensation payments amounting to € 75 thousand were made to Dr. Werner Benade for the months from June to September 2020.

Transaction bonus

In addition, the members of the family shareholder pool have promised the Management Board members a one-off transaction bonus – to be borne by the family shareholders and not by HELLA GmbH & Co. KGaA – in the event that an investor is obliged either individually or together with other investors or family shareholders to submit a takeover or mandatory bid to all Company shareholders before 31 December 2021. This bonus is not part of the remuneration system for Management Board. The amount of said bonus is determined the family shareholders at their reasonable discretion. In particular, the additional workload of the members of the Management Board incurred as a result of the transaction as well as the protection of the Company's interests and the value realisation associated with the transaction for all the Company's shareholders are taken into account.

Total remuneration for the fiscal year 2020/2021

The total remuneration paid to the Managing Directors of Hella Geschäftsführungsgesellschaft mbH came to € 23,764 thousand in the fiscal year 2020/2021 (prior year: € 7,717 thousand). The values shown already take into account the part of the fixed remuneration that the Management Board voluntarily waived in the months of June to August of the fiscal year 2020/2021 in solidarity with the workforce due to the Covid-19 lockdown, as well as the individual corrections described above under Section I. 3. E).

Remuneration in kind and other ancillary benefits came to a total of € 116 thousand in the fiscal year 2020/2021 (prior year: € 130 thousand). Remuneration in kind was measured on the basis of actual cost. The defined benefit obligation for liabilities from the defined contributions capital account system for the active Managing Directors was € 17,986 thousand (prior year: € 15,222 thousand) on 31 May 2021 – under HGB: € 17,587 thousand (prior year: € 14,681 thousand). The financing contributions structured in the form of investment fund units and pledged to the active beneficiaries were valued at € 15,511 thousand as of the balance sheet date (prior year: € 12,677 thousand).

The recognised expenses for the LTI base amount allocated for the fiscal year 2020/2021 amount to € 809 thousand for Dr. Rolf Breidenbach (prior year: € 0), for Dr. Lea Corzilius € 106 thousand (prior year: € 0), for Dr. Frank Huber € 314 thousand (prior year: € 0), for Ulric Bernard Schäferbarthold € 335 thousand (prior year: € 0) and for Björn Twiehaus € 230 thousand (for the LTI 2019/20: € 22 thousand, prior year: € 0 thousand). As a result of the amended LTI regulations for the fiscal year 2020/2021, expenses are to be reported for the first time as share-based compensation in accordance with DRS 17.

Pension liabilities towards former members of the Management Board and their surviving dependants came to € 15,266 thousand (prior year: € 16,047 thousand) – under HGB: € 13,203 thousand (prior year: € 12,978 thousand). In addition, there are liabilities that have been transferred to Allianz Pensionsfonds AG in the amount of € 3,658 thousand (prior year: € 3,904 thousand). The net obligation of the share transferred to Allianz Pensionsfonds AG comes to € 477 thousand (prior year: € 662 thousand). The defined benefit obligation for comparable, long-term obligations from the defined contributions capital account system towards former members of the Management Board and their surviving dependants is € 7,031 thousand (prior year: € 7,047 thousand) – under HGB: € 9,049 thousand (prior year: € 6,658 thousand). The financing contributions structured in the form of investment fund units and pledged to the beneficiaries in this group were valued at € 9,005 thousand as of the balance sheet date (prior year: € 6,174 thousand). Payments under pension liabilities towards former members of the Management Board and their surviving dependants came to € 741 thou-

sand (prior year: € 729 thousand). The total remuneration paid to former members of the Management Board came to € 2,709 thousand in the fiscal year 2020/2021 (prior year: € 3,986 thousand), comprised mainly of LTI instalments payable for the previous years, settlement payments and payments under pension liabilities.

Liability remuneration for Hella Geschäftsführungsgesellschaft mbH

Under Article 8 of the Articles of Association, Hella Geschäftsführungsgesellschaft mbH as the General Partner receives liability remuneration of 5% of its paid-in share capital payable on the balance sheet date. The Company paid an amount of € 1 thousand (prior year: € 1 thousand) in this connection.

The pension entitlements accrued by the Management Board members in fiscal year 2020/2021 result

in the following individual service costs and defined benefit obligations in accordance with IFRS:

€ thousand	Service costs			Present value of pension liabilities		
	Paid in by Company	Paid in by Managing Director	Total	Paid in by Company	Paid in by Managing Director	Total
Dr. Rolf Breidenbach	646	1,000	1,646	5,591	7,001	12,592
Dr. Frank Huber	473	100	573	1,243	127	1,370
Ulric Bernard Schäferbarthold	355	570	925	1,470	1,897	3,367
Björn Twiehaus (as of 01.04.2020)	312	0	312	360	0	360
Dr. Lea Corzilius (since 01.10.2020)	0	0	0	296	0	296

In the prior year, the following individual service costs and benefit obligations arose in accordance with IFRS:

€ thousand	Service costs			Present value of pension liabilities		
	Paid in by Company	Paid in by Managing Director	Total	Paid in by Company	Paid in by Managing Director	Total
Dr. Rolf Breidenbach	647	0	647	4,197	5,682	9,879
Dr. Frank Huber	329	0	329	781	0	781
Ulric Bernard Schäferbarthold	293	1,100	1,393	1,115	1,256	2,371
Björn Twiehaus (as of 01.04.2020)	0	0	0	52	0	52

II. Remuneration of the Supervisory Board

Under Article 16 of the Articles of Association, the Annual General Meeting determines the remuneration payable to the Supervisory Board. According to the currently valid resolution of the Annual General Meeting of 27 September 2019, the remuneration system for the members of the Supervisory Board provides for the following components. From the Company's point of view, this is a purely fixed remuneration which best corresponds to the duties set before the Supervisory Board, which is to advise and monitor the Management Board in a manner which is neutral and free from financial incentives. In the Company's estimation, this is the best way to promote the Company's business strategy and long-term performance.

The following remuneration, as broken down, is granted to the members of the Supervisory Board:

- All members of the Supervisory Board receive annual remuneration of € 50 thousand.

- The Chairman of the Supervisory Board receives annual remuneration of € 100 thousand and each Deputy Chairman € 75 thousand.
- Each member of the Audit Committee receives additional annual remuneration of € 25 thousand. The Chairman of the Audit Committee receives additional annual remuneration of € 50 thousand.

Members serving on the Supervisory Board for only part of the fiscal year receive a corresponding time-proportionate amount.

The members of the Nomination Committee do not receive any additional remuneration. All members of the Supervisory Board are reimbursed for all expenses which they incur in the performance of their duties plus value added tax. No attendance fees are paid

The total remuneration paid to the members of the

Supervisory Board (fixed remuneration and remuneration for committee work) came to € 1,000 thousand in the fiscal year 2020/2021 (prior year: € 795 thousand). Of this, fixed remuneration accounted for € 875 thousand (prior year: € 705 thousand) and committee remuneration for € 125 thousand (prior year: € 90 thousand).

As members of the Company's governing bodies, the members of the Supervisory Board are covered by the Group's D&O insurance. This cover is subject to a deductible of at least 10% per claim, which however is capped at one-and-a-half times the fixed annual remuneration.

III. Remuneration of the Shareholder Committee

Under Article 28 of the Articles of Association, the Annual General Meeting determines the remuneration payable to the Shareholder Committee. According to the currently valid resolution of the Annual General Meeting of 27 September 2019, the remuneration system for the members of the Shareholder Committee provides for the following components. As with the Supervisory Board, this is purely a fixed remuneration. The Shareholder Committee should also advise and monitor the Management Board in a neutral manner and without being influenced by financial incentives because in the Company's estimation this is the best way to promote its business strategy and long-term performance.

The Chairman of the Shareholder Committee receives an annual remuneration of € 360 thousand. All other members receive an annual remuneration of € 120 thousand. Members serving on the Shareholder Committee for only part of the fiscal year receive a corresponding time-proportionate amount.

All members of the Shareholder Committee are reimbursed for all expenses which they incur in the performance of their duties plus value added tax. No attendance fees are paid. No additional remuneration is paid to members of the Personnel Committee.

As members of the Company's governing bodies, the members of the Shareholder Committee are covered by the Group's D&O insurance. This cover is subject to a deductible of at least 10% per claim, which however is capped at one-and-a-half times the fixed annual remuneration.

The total remuneration paid to the members of the Shareholder Committee came to € 1,200 thousand plus value added tax in the fiscal year 2020/2021 (prior year: € 1,104 thousand plus value added tax). Of this, fixed remuneration accounted for € 1,200 thousand (prior year: € 1,104 thousand) and remuneration for committee work for € 0 thousand (prior year: € 0 thousand).