

### Ad hoc announcement pursuant to Art. 53 LR

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Winterthur, March 1, 2023

## 2022 financial year: Autoneum achieves positive net result in a challenging environment

**Autoneum increased its revenue in local currencies by 8.5% in 2022. In Swiss francs, revenue increased by 6.1% to CHF 1 804.5 million year-on-year, mainly due to inflation-related compensation. Despite challenges due to inflation and ongoing stop-and-go production, Autoneum succeeded in achieving an EBIT margin of 2.0% and a positive net result of CHF 10.9 million. In view of the low net result, the Board of Directors proposes to waive a dividend for the financial year 2022. Based on a closing of the Borgers acquisition by the end of March, Autoneum expects revenue of CHF 2.4 to 2.5 billion and an EBIT margin of 3.5 to 4.5% as well as free cash flow in the higher double-digit million range for 2023.**

2022 was the third challenging year in a row for the automotive supply industry and at the same time the most demanding. Sharp fluctuations in production volumes as a result of bottlenecks in vehicle manufacturer supply chains continued in 2022. They were worsened in Europe by the war in Ukraine, and in China, Autoneum's most important Asian market, by coronavirus-related lock-downs. In addition, there was an increase in energy and raw material prices with a climbing inflation the likes of which we have not experienced in the last 40 years. Despite these difficult conditions, Autoneum managed to post a positive net result and generate a solid free cash flow of CHF 57.3 million. In view of the challenges, we consider this to be a success.

With the acquisition of the Borgers automotive business announced in January 2023, Autoneum has taken an important strategic step toward further expanding its global market and technology leadership with sustainable and lightweight acoustic and thermal management solutions for vehicles. The Borgers products and technologies will provide an ideal complement to Autoneum's offerings. Autoneum's global presence offers further revenue potential in the medium term for profitable growth with the Borgers product portfolio, which until now has mainly been focused on Europe. Thanks to renegotiated supply agreements with customers, the transaction shall have a positive impact on earnings per share from the start, despite the planned capital increase of approximately CHF 100 million.

### Higher revenue thanks to inflation-related compensation

With 82.4 million vehicles produced (2021: 77.2 million vehicles) and an increase of 6.7%, the global automobile production recorded the first significant growth in two years, driven by the Asia and North America regions; however, production volumes remained below the level in 2019. Autoneum's revenue in local currencies rose considerably by 8.5%, although this was mainly due to inflation-related price adjustments. In the Europe, Asia and North America regions, Autoneum's production volumes developed below market level. Consolidated revenue in Swiss francs rose slightly less compared to the previous year due to the strength of the Swiss franc, increasing by 6.1% to CHF 1 804.5 million (2021: CHF 1 700.4 million).

**High inflation and lower production volumes impact net result**

Autoneum has consistently negotiated with customers throughout the year in order to offset rising costs for raw materials, energy, transport and personnel as much as possible. These negotiations showed adequate results, especially in the second half of the year, but the full offsetting effect in the income statement will not materialize until 2023. There was also an unfavorable model mix effect: Growth in China, Autoneum's main Asian market, and to some extent in Europe as well, was primarily driven by vehicle models that had parts supplied by Autoneum only to a limited degree. The lower production volumes at Autoneum resulted in much lower revenue in Asia and Europe, where margins are generally strong, and this was not offset by the very good results in the SAMEA region (South America, Middle East and Africa).

EBIT fell compared to the previous year by CHF 22.2 million to CHF 35.4 million (2021: CHF 57.5 million) and the EBIT margin declined from 3.4% to 2.0%, due in particular to lower EBIT contributions from Business Groups Europe and Asia. Net result declined by CHF 19.2 million to CHF 10.9 million (2021: CHF 30.1 million).

Free cash flow was CHF 57.3 million for the financial year, which was CHF 13.8 million below the previous year (2021: CHF 71.1 million). The main reasons for this were the lower net result and the higher investments in tangible assets, which rose compared with the previous year by CHF 5.5 million to CHF 39.7 million (2021: CHF 34.1 million).

Net debt (excluding lease liabilities) changed very little compared with the previous year and as of December 31, 2022 amounted to CHF 252.2 million (December 31, 2021: CHF 251.4 million).

The equity ratio also remained nearly unchanged, amounting to 29.4% at the reporting date (December 31, 2021: 30.0%), mainly because of currency losses recorded directly in equity, the reduced net result and dividend payments.

**Business Groups**

In local currencies, Business Group Europe's revenue rose by 2.7%, while vehicle manufacturer production volumes shrank by 0.7%. Revenue in Swiss francs fell as a result of negative exchange rate effects, declining by CHF 20.3 million, or 3.2%, to CHF 616.6 million (2021: CHF 636.9 million). Revenue growth above market was the result of inflation compensation, while Business Group Europe's production volumes were well below those of the previous year. The vehicle models predominantly supplied by Autoneum performed worse than the market average, which is why Autoneum lagged behind the market trend in this region. EBIT dropped by CHF 26.5 million to CHF 5.8 million (2021: CHF 32.2 million), with the EBIT margin decreasing from 5.1% to 0.9%. The main reasons for the decline were reduced production volumes, inflation and higher energy costs, which increased most sharply in Europe, and ongoing stop-and-go production by vehicle manufacturers as a result of supply chain interruptions that continued to make it difficult for Autoneum to manage production capacities. Further, a positive one-off effect in the amount of CHF 4.8 million effective in the previous year no longer applied in 2022.

Business Group North America increased its revenue in local currencies by 11.0%. The number of vehicles produced rose by 9.7% compared with the previous year. Thanks to positive currency effects, revenue in Swiss francs increased by CHF 108.1 million (+15.7%) to CHF 795.1 million (2021: CHF 687.0 million). The change in volume at Autoneum's North American plants improved in comparison with 2021 thanks to the allocation of semiconductors to vehicle models supplied by Autoneum, supported by production volumes at US and German automobile manufacturers that were higher than the previous year. At CHF –35.5 million, EBIT was at about the same level as the previous year (2021: CHF –37.5 million), which represents a slightly improved EBIT margin of –4.5% (2021: –5.5%). Although the performance in the second half of 2022 was better than in the first half, the break-even point has not yet been reached. This was due in part to a one-off negative special effect in the amount of CHF 5.6 million in the first half of the year because of a distressed sub-supplier, which impacted the result. In addition the continued stop-and-go production at customers and a tight labor market with a cyclical shortage of skilled workers also negatively affected implementation of the planned improvement measures and profitability in Business Group North America.

Revenue in Business Group Asia in local currencies declined by 2.7%, developing significantly below market (+8.2%). In Swiss francs, revenue fell by CHF 7.8 million (–2.8%) to CHF 273.2 million (2021: CHF 281.0 million). Market growth in China was driven by Chinese vehicle manufacturers from whom Autoneum generated only little revenue in 2022. In addition, Autoneum's production locations in China, its main market, are in regions that were particularly affected by the coronavirus-related lockdowns. Because of the lower revenue and a positive one-off effect of CHF 4.8 million in the previous year that no longer applied in 2022, EBIT fell by CHF 7.8 million to CHF 31.5 million (2021: CHF 39.3 million), which corresponds to an EBIT margin of 11.5% (2021: 14.0%).

Business Group SAMEA posted hyperinflation-adjusted revenue growth in local currencies of 65.2% compared with the previous year. This growth was mainly due to inflation compensation and was in line with market in terms of volume, which increased by 7.7%. Because several local currencies continued to depreciate sharply, consolidated revenue in Swiss francs only increased by CHF 25.8 million (+27.2%) to CHF 120.5 million (2021: CHF 94.7 million). Thanks to market launches in South America and operational improvements, Business Group SAMEA once again achieved a very good result, with an EBIT of CHF 20.0 million (2021: CHF 15.7 million), which corresponds to an EBIT margin of 16.6% (2021: 16.6%).

### **Innovations for the mobility of the future**

Increasing electrification and a focus on sustainable products and processes continued to be the main trends in the automobile industry for Autoneum. The Company once again brought innovative products to market in 2022 for which there is high demand from customers.

With its new monomaterial needlepunch and tufted carpet systems, Autoneum has set new standards for sustainability. The innovative carpet systems are made entirely of polyester, are completely recyclable and thus enable waste-free production. The carpets are based on existing, particularly environmentally friendly Pure technologies that have a high content of recycled PET. Furthermore, the latex-free production process requires significantly less energy and no water. With its fully recyclable monomaterial carpet systems, Autoneum also allows vehicle manufacturers to exploit previously untapped potential for the end-of-life recycling of electric vehicles.

In the area of vehicle acoustics for electric vehicles, annoying noises like the high-frequency sounds of e-motors and other electric devices pose new challenges for vehicle manufacturers. With the textile and highly sustainable Pure technology Hybrid-Acoustics PET and the two foam alternatives Hybrid-Acoustics FLEX and Fit FLEX, the Company offers three standardized technologies that can be produced waste-free and that reduce noise in the front and rear areas of electric vehicles directly at the source. By offering fiber and foam-based products, Autoneum is able to meet customer requirements and needs in terms of material composition, sustainability, acoustic concepts and costs in a flexible manner.

#### **Acquisition of Borgers automotive business**

Borgers is a specialist in textile sound absorption, insulation and liners for vehicles, and it has a range of products, technologies and customers that is largely complementary to Autoneum's product and customer portfolio. Borgers' wheel arch liner and trunk liner product lines as well as its truck business are an ideal complement to Autoneum's product offerings. In the area of textile wheel arch liners, Borgers is the market leader in Europe. Borgers stands out for its sustainable and completely recyclable products, which are an ideal addition to Autoneum's sustainable Pure products. Both the liner of the wheel arch and the trunk are becoming more important from an acoustic perspective as electromobility advances because of the noise from the e-motor, which is often located in the rear, and the noise from the tires.

Thanks to Autoneum's global presence, there is further potential for synergies and revenue for profitable growth in the medium term with Borgers' product portfolio outside of Europe as well. In addition, Autoneum has agreed to new prices and delivery conditions with Borgers customers, with the aim of ensuring sustained profits and further development of product and process technologies in both the short and long term.

#### **Personnel changes on the Board of Directors and Group Executive Board**

Rainer Schmückle, who has been a member of the Board of Directors, Chairman of the Audit Committee and member of the Strategy and Sustainability Committee since Autoneum became an independent company in 2011, is no longer standing for reelection at the Annual General Meeting of March 23, 2023. With his proven financial and industry expertise, he has made a significant contribution to the positioning and development of Autoneum. The Board of Directors thanks him sincerely for his great commitment and many years of cooperation and wishes him all the best for his future.

The Board of Directors of Autoneum Holding Ltd appointed Eelco Spoelder CEO in December 2022. On March 27, 2023, he will take over leadership of the Group from Matthias Holzammer, who will leave Autoneum for family reasons. Matthias Holzammer led Business Group Europe to higher profitability from 2012 to March 2019, has guided Autoneum through turbulent times as CEO since October 2019. New CEO Eelco Spoelder has demonstrated that he can ensure operational excellence and strategic continuity, even in a difficult market environment, in global management positions in the automotive supply industry at Faurecia and before that at Continental. Eelco Spoelder most recently led the very successful car seat business at Faurecia, with around 40 000 employees and revenue of EUR 6 billion.

#### **Board of Directors proposes that no Dividend be distributed**

In view of the low net result, the Board of Directors will propose to the Annual General Meeting on March 23, 2023 that no dividend be distributed for the 2022 financial year.

### Further progress in the area of Corporate Responsibility

Autoneum looked at the Company's impact on the planet and people once again in 2022 and expanded its focus to include key topics, particularly in the area of supply chains. In addition, the related management and control processes were more firmly rooted throughout the entire organization. In line with Autoneum's strategy of increasing the use of renewable energies, five more plants were converted to renewable sources of energy in 2022. Furthermore, 33 plants worldwide were certified in accordance with ISO 50 001 (energy management) in order to better be able to track and control energy consumption in the future. Autoneum submitted its declaration on joining the Science Based Targets initiative (SBTi) in the first half of the year. In doing so, the Company has set ambitious, science-based targets for the short-term reduction of CO<sub>2</sub> emissions that were validated in accordance with SBTi guidelines. Autoneum views its mission to advance sustainability as a long-term commitment for the future and will continue to implement appropriate measures even in the most challenging circumstances.

### Outlook

Global automotive production is forecast to increase by 3.3%<sup>1</sup> in 2023 compared to 2022. Autoneum anticipates production volumes in the different regions to develop in line with S&P market forecasts<sup>1</sup>. Based on the forecast market development<sup>1</sup> and a successful closing of the Borgers acquisition<sup>2</sup>, Autoneum expects total revenue of CHF 2.4 to 2.5 billion for the financial year 2023. The Company expects an EBIT margin of 3.5 to 4.5%<sup>2</sup> and a free cash flow in the higher double-digit million range for 2023.

Further information on the 2022 results as well as the 2022 Annual Report can be found at <https://autoneum.com/2023/03/01/2022-annual-results/>

At [www.autoneum.com/media/subscription-media](http://www.autoneum.com/media/subscription-media) you can subscribe to the mailing list for media releases.

<sup>1</sup>Source: S&P Global Light Vehicle Production Forecast of February 16, 2023.

<sup>2</sup>This guidance is based on a successful closing of the Borgers acquisition by the end of March 2023, and includes expected Borgers figures from April 1 to December 31, 2023.

### 2022 Annual Results Media Conference

Today, March 1, 2023, 9:30 am CET

**Note:** The Annual Results Media Conference will be held as a hybrid event.

### Important Dates 2023

Annual General Meeting 2023

March 23, 2023

Publication Semi-Annual Report 2023

August 23, 2023

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### **About Autoneum**

Autoneum is globally leading in acoustic and thermal management for vehicles. The Company develops and produces multifunctional, lightweight components and systems for interior floor and engine bay as well as the underbody. Customers include almost all automobile manufacturers in Europe, North & South America, Asia and Africa. Autoneum operates 53 production facilities and employs 11 622 people in 24 countries. The Company with its headquarters in Winterthur, Switzerland, is listed on the SIX Swiss Exchange (ticker symbol AUTN).

[www.autoneum.com](http://www.autoneum.com)

Credit Suisse and UBS have been mandated as Joint Global Coordinators and Joint Bookrunners to prepare the capital increase.

### **Disclaimer**

This document contains forward-looking statements that are not historical facts. By their nature, forward-looking statements and the assumptions underlying them involve potentially inherent risks and uncertainties, both general and specific, and risks exist that predictions, forecasts, outlooks, projections and other outcomes described, assumed or implied therein will not occur. Important factors that could cause such differences include, but are not limited to, the future geopolitical environment, economic conditions, market conditions, currency exchange rates, legislative, tax and regulatory developments, including with respect to the outstanding antitrust clearance of the acquisition of Borgers' automotive business, activities of competitors and other factors within or outside Autoneum's control. Although Autoneum believes that its expectations reflected in such forward-looking statements are based on reasonable assumptions, due to the uncertainties and risks mentioned above, no assurance can be given that these expectations will be realized. Autoneum also assumes no obligation to update forward-looking statements or to conform them to future events or developments.