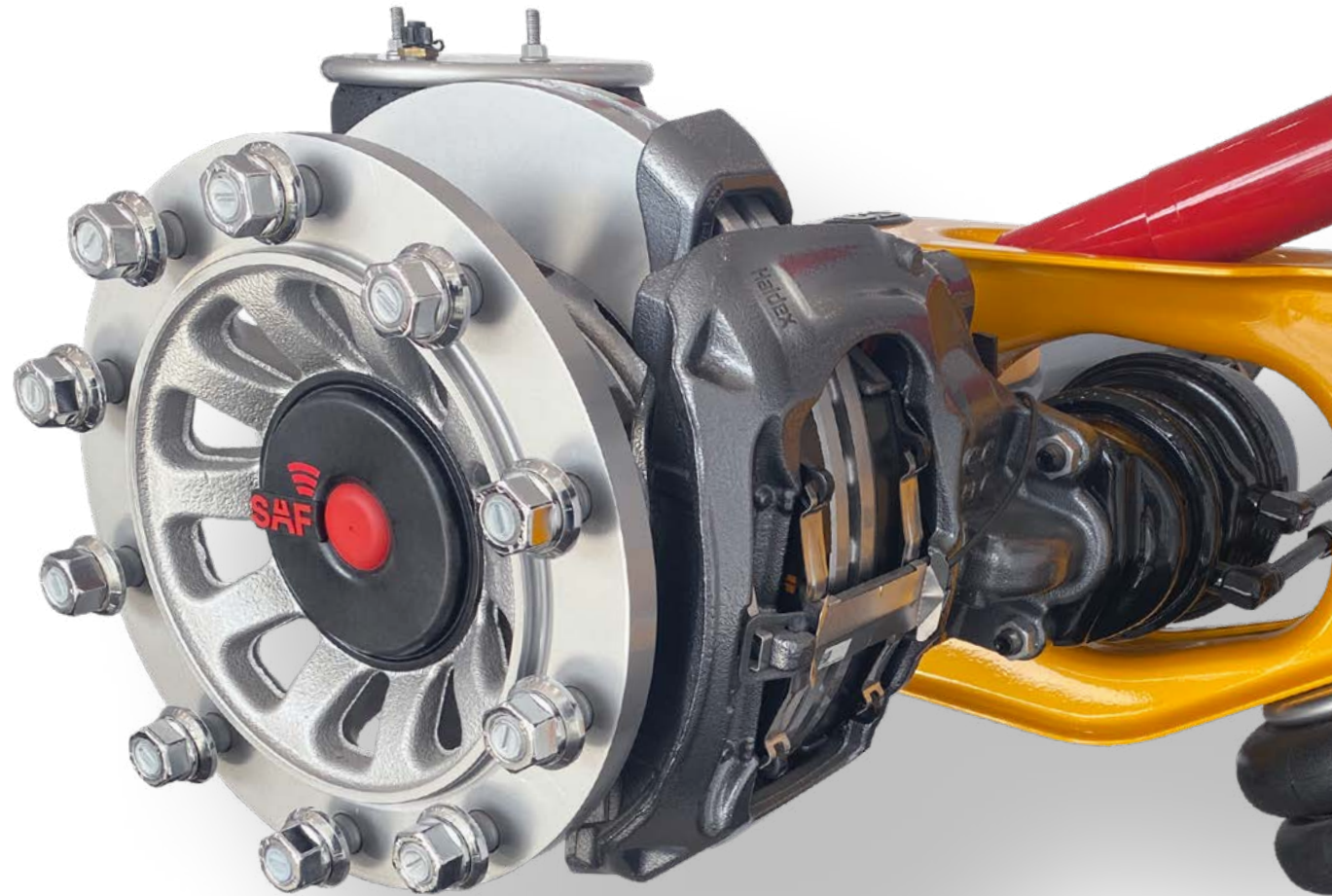


Building the future – stronger together



KEY FIGURES

Results of Operations

in kEUR				
	Q1/2023	Q1/2022	Change absolute	Change in %
Sales	480,423	369,707	110,716	29.9 %
Gross profit	86,278	57,981	28,297	48.8 %
Gross profit margin	18.0 %	15.7 %		
Adjusted gross profit	87,097	58,514	28,583	48.8 %
Adjusted gross profit margin	18.1 %	15.8 %		
EBITDA	53,504	32,210	21,294	66.1 %
EBITDA margin	11.1 %	8.7 %		
Adjusted EBITDA	55,704	32,368	23,336	72.1 %
Adjusted EBITDA margin	11.6 %	8.8 %		
EBIT	38,832	21,039	17,793	84.6 %
EBIT margin	8.1 %	5.7 %		
Adjusted EBIT	43,360	23,485	19,875	84.6 %
Adjusted EBIT margin	9.0 %	6.4 %		
Result for the period without non-controlling interests	19,562	12,995	6,567	50.5 %
Adjusted result for the period without non-controlling interests	24,594	15,052	9,542	63.4 %
Basic earnings per share in EUR	0.43	0.29	0.14	48.3 %
Adjusted earnings per share in EUR	0.54	0.33	0.21	63.6 %

Net Assets (Equity + Liabilities)

in kEUR				
	03/31/2023	12/31/2022	Change absolute	Change in %
Balance sheet total	1,650,727	1,498,423	152,304	10.2 %
Equity	449,787	441,354	8,433	1.9 %
Equity ratio	27.2 %	29.5 %		
Non-current and current liabilities	1,200,940	1,057,069	143,871	13.6 %

Financial position

in kEUR				
	Q1/2023	Q1/2022	Change absolute	Change in %
Net cash flow from operating activities	12,087	-5,198	17,285	-
Net cash flow from investing activities (property, plant and equipment/ intangible assets)	-6,713	-4,818	-1,895	39.3 %
Operating free cash flow	5,374	-10,016	15,390	-
Net cash flow from investing activities (acquisition of subsidiaries)	-	-	-	-
Total free cash flow	5,374	-10,016	15,390	-

Yield

in %		
	Q1/2023	Q1/2022
Return on capital employed (ROCE)	16.5 %	15.2 %

Employees

	03/31/2023	12/31/2022	Change absolute	Change in %
Employees	6,063	3,768	2,295	60.9 %

All figures shown are rounded. Minor discrepancies may arise from additions of these amounts.

Operating free cash flow = Net cash flow from operating activities less net cash flow from investing activities (purchase of PP&E and intangible assets less proceeds from sales of PP&E).

ROCE = Adjusted EBIT / (total equity + financial liabilities (excl. refinancing costs, incl. lease liabilities) + pension and other similar benefits – cash and cash equivalents).

Employees at the reporting date = Active employees and temporary workers.

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INDUSTRY ENVIRONMENT

BETTER-THAN-EXPECTED MARKET ENVIRONMENT

In the first quarter of 2023, most of SAF-HOLLAND's key markets continued to develop favorably, exceeding the Group's expectations presented in its recent Annual Report 2022. In North America, in particular, production of trucks and trailers increased again significantly compared to the same prior-year quarter. In Europe, the trend was mixed, with strong growth in the truck segment offset by declines in trailers. In Asia, the markets relevant for SAF-HOLLAND continued to see strong demand, particularly in India. Initial signs of recovery were also evident in China, whereas the Brazilian market weakened as expected.

EUROPEAN TRUCK MARKETS MIXED

The European truck and trailer markets showed varying developments in the first three months of the year. According to SAF-HOLLAND estimates, production of heavy trucks increased by approximately 10% in the period. The increase was mainly attributable to easing supply bottlenecks for important components and low year-on-year comparisons. Important to note here however is that for SAF-HOLLAND the European truck market is only of secondary importance.

According to SAF-HOLLAND estimates, production in the European trailer market in the first quarter is expected to come in slightly below the previous year's level.

STRONG START TO THE YEAR IN THE NORTH AMERICAN TRUCK AND TRAILER MARKET

According to ACT Research, production of heavy trucks (Class 8 trucks) in North America in the first quarter of 2023 rose by 17.0% year-on-year to around 86,000 units. Manufacturers benefited from the continued solid order backlog following very high order volume in 2022. In a sequential quarterly comparison with the fourth quarter of 2022, however, the growth rates were more moderate.

A similar development was observed in the North American trailer market, with production increasing 12.3% in the first quarter of 2023, according to data from ACT Research.

SOUTH AMERICA – DIVERGING DEVELOPMENT OF TRUCK AND TRAILER MARKETS

Brazil, South America's most important commercial vehicle market, recorded mixed performance at the start of 2023. While, according to industry association ANFAVEA, heavy truck production fell by 29%, trailer production increased by 7% according to data from ANFIR, Brazil's National Association of Road Implement Manufacturers.

ECONOMIC RECOVERY DRIVES PRODUCTION EXPANSION IN CHINA

Following the previous year's sharp slump in the Chinese commercial vehicle market, which saw production drop over 50%, a production recovery set in during the first quarter of 2023. According to the China Association of Automobile Manufacturers, production of heavy trucks and trailers grew by 7% and 22% in the quarter. Growth was mainly driven by increasing macroeconomic momentum following the end of the country's zero-COVID strategy.

INDIA RECORDS ANOTHER SHARP INCREASE IN PRODUCTION

Supported by extensive government infrastructure programs, the Indian commercial vehicle market maintained its strong growth in the first quarter of 2023. According to SAF-HOLLAND estimates, approximately 11% more trucks and 94% more trailers rolled off the production lines in this period than in same prior-year period.

SIGNIFICANT EVENTS IN THE FIRST QUARTER OF 2023

APPROVAL OF HALDEX ACQUISITION BY POLISH ANTITRUST AUTHORITY

On February 21, 2023, the Polish antitrust authorities unconditionally approved SAF-HOLLAND SE's acquisition of Swedish braking systems and EBS specialist Haldex AB. Prior to this, the European and US antitrust authorities had already declared their approval. The approval of the Polish antitrust authorities marked the completion of the merger control clearance procedure. Following the approval, the transaction was closed, and Haldex was included in the scope of consolidation of the SAF-HOLLAND Group as of February 21, 2023.

SQUEEZE-OUT PROCEEDINGS COMPLETED

After completing the cash offer to Haldex AB shareholders, SAF-HOLLAND announced in September 2022 that it controlled a total of approximately 96.14% of the outstanding Haldex shares. Subsequently, SAF-HOLLAND initiated squeeze-out proceedings under the Swedish Companies Act to acquire all shares not tendered in the offer. The squeeze-out was terminated on February 28, 2023. The transfer of the remaining minority shares in the Swedish company Haldex AB to SAF-HOLLAND SE took place on March 1, 2023. Following the completion of the acquisition process, SAF-HOLLAND now holds 100% of Haldex AB.

MANAGEMENT OF THE CYBERATTACK NEARLY COMPLETE

On March 27, 2023, SAF-HOLLAND announced in an ad hoc statement that the Company's IT systems had become the target of a cyberattack. The Company's

security systems responded immediately to the attack. In accordance with emergency protocol, the systems were disconnected from the Internet, shut down, checked by a specialist, and restarted. As a result, production was interrupted at several of the Group's manufacturing sites. In the second week of April, the Company began restarting production at its main European plant in Bessenbach, Germany. Production has also been fully up and running again since mid-April at the manufacturing sites in the North America region, which were also affected but still able to continue parts of production. Work is currently underway to optimize processes and cycle times and increase output volumes.

By maintaining close communication with its customers and suppliers, SAF-HOLLAND was able to limit the impact of the cyberattack on its operating business. The Company estimates that the production downtime resulted in a temporary loss of sales totaling around EUR 40 million. Approximately EUR 15 million of this was attributable to the first quarter of 2023, which incurred one week of downtime, with a greater effect anticipated in the second quarter. SAF-HOLLAND expects to compensate for most of the production shortfall and recover the related earnings contribution through the use of flexible planning tools and additional shifts in the course of the second and third quarters. To cover IT security consulting and special services as well as related other costs, SAF-HOLLAND also anticipates one-time expenses in the low single-digit million euro range, most of which will be incurred in the second quarter of 2023.

REPORT ON ECONOMIC POSITION

RESULTS OF OPERATIONS, NET ASSETS AND FINANCIAL POSITION

RESULTS OF OPERATIONS

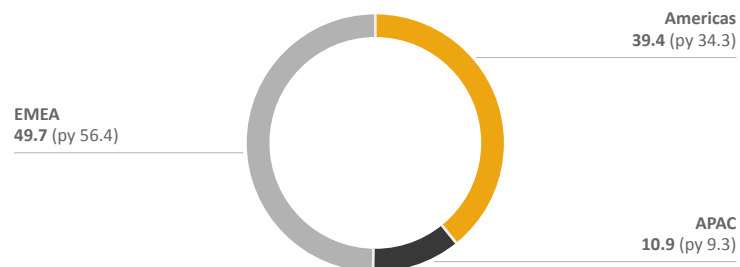
Group sales grow organically by 10.8%

SAF-HOLLAND increased Group sales in the first quarter of 2023 by 29.9% to EUR 480.4 million (previous year: EUR 369.7 million). Driving growth was the continued strong demand from customers for truck and trailer components and price adjustments made in the course of 2022 due to higher steel, freight and energy costs, as well as to the acquisition of Haldex.

Haldex AB, which has been included in the scope of consolidation since February 21, 2023, contributed EUR 59.1 million to Group sales. Further acquisitions completed in the previous year resulted in an additional sales contribution of EUR 6.0 million. There were also positive currency translation effects of EUR 5.8 million. Adjusted for exchange rate and acquisition effects, sales in the first quarter of 2023 increased by 10.8%, or EUR 39.8 million.

Group sales by segment Q1/2023

in %



Group sales by region

in kEUR

	Q1/2023	Q1/2022	Change absolute	Change in %
EMEA	238,846	208,500	30,346	14.6 %
in % of Group sales	49.7 %	56.4 %		
Americas	189,051	126,969	62,082	48.9 %
in % of Group sales	39.4 %	34.3 %		
APAC	52,526	34,238	18,288	53.4 %
in % of Group sales	10.9 %	9.3 %		
Group sales	480,423	369,707	110,716	29.9 %

Significant growth in both original equipment and aftermarket business

Group sales by customer segment

in kEUR

	Q1/2023	Q1/2022	Change absolute	Change in %
OEM trailer	293,739	226,489	67,250	29.7 %
in % of Group sales	61.1 %	61.2 %		
OEM trucks	61,329	46,821	14,508	31.0 %
in % of Group sales	12.8 %	12.7 %		
Aftermarket business	125,355	96,397	28,958	30.0 %
in % of Group sales	26.1 %	26.1 %		
Group sales	480,423	369,707	110,716	29.9 %

The distribution of sales by customer segment remained virtually unchanged in the first quarter of 2023. The first-time consolidation of Haldex revenues contributed accounted for a significant share of the increase of around 12% compared to the previous year. Sales in the original equipment (OE) business rose by a total of 29.9% to EUR 355.1 million (previous year: EUR 273.3 million). The OE truck business grew slightly faster than the OE trailer business,

benefiting particularly from strong demand in the US market. In the after-market business, sales in the first quarter of 2023 increased by 30.0% to EUR 125.4 million (previous year: EUR 96.4 million). Here, the first-time sales contribution from Haldex had a particularly positive effect.

Gross margin improves by 2.3 percentage points

The cost of sales increased by 26.4% to EUR 394.1 million in the first quarter of 2023 (previous year: EUR 311.7 million). The increase was driven primarily by higher purchasing volumes resulting from an increase in sales and the first-time inclusion of Haldex. In percentage terms, sales growth outmatched the rise in the cost of sales, allowing for an improvement in the gross margin of 2.3 percentage points to 18.0% in the first quarter (previous year: 15.7%). In the same prior-year period, the sharp increase in steel, logistics and energy costs had weighed on the gross margin. In the course of 2022, SAF-HOLLAND was able to gradually pass on the corresponding higher costs to customers in the form of price increases. In addition, costs were brought down in the first quarter of 2023 as a result of successfully implemented efficiency improvements in production-related and administrative areas. As a result, the gross margin also improved sequentially, increasing 1.8 percentage points compared with the fourth quarter of 2022.

Earnings development

in kEUR

	Q1/2023	Q1/2022	Change absolute	Change in %
Sales	480,423	369,707	110,716	29.9 %
Cost of sales	-394,145	-311,726	-82,419	26.4 %
Gross profit	86,278	57,981	28,297	48.8 %
Gross margin	18.0 %	15.7 %		
Adjusted gross profit	87,097	58,514	28,583	48.8 %
Adjusted gross margin	18.1 %	15.8 %		
Other income	777	343	434	126.5 %
Selling expenses	-19,791	-17,129	-2,662	15.5 %
Administrative expenses	-22,261	-16,271	-5,990	36.8 %
Research and development expenses	-6,566	-4,263	-2,303	54.0 %
Operating result	38,437	20,661	17,776	86.0 %

EBIT benefits from economies of scale and process optimizations

Due to the first-time consolidation of Haldex, each of the expense line items increased year-on-year, although economies of scale and process optimizations were able to limit these increases. As a result, earnings before interest and taxes (EBIT) rose by 84.6% in the first quarter of 2023, outpacing gross profit in percentage terms and reaching EUR 38.8 million (previous year: EUR 21.0 million). The EBIT margin improved accordingly to 8.1% (previous year: 5.7%).

The economies of scale resulting from the integration of Haldex were mainly achieved in the distribution area. At 15.5%, the rise in selling expenses to EUR 19.8 million (previous year: EUR 17.1 million) was significantly lower than the rise in sales. Administrative expenses increased by 36.8% to EUR 22.3 million (previous year: EUR 16.3 million). This line item included restructuring and transaction costs of EUR 1.9 million (previous year: EUR 0.1 million). The 54.0% increase in research and development costs to EUR 6.6 million (previous year: EUR 4.3 million) resulted mainly from the acquisition of Haldex, as the ratio of R&D costs to sales is higher at Haldex than at SAF-HOLLAND.

Earnings before interest, taxes, depreciation and amortization (EBITDA) increased by 66.1% to EUR 53.5 million (previous year: EUR 32.2 million).

Adjusted EBIT margin increased to 9.0%

Adjusted EBIT rose 84.6% in the first quarter, reaching EUR 43.4 million (previous year: EUR 23.5 million). This corresponds to an adjusted EBIT margin of 9.0% (previous year: 6.4%). In line with the development in earnings before interest and taxes, the improvement in adjusted EBIT resulted from the gradual successful passing-on of steel, logistics and energy costs described above and the economies of scale and process optimizations achieved.

Reconciliation of operating result to adjusted EBIT

in kEUR

	Q1/2023	Q1/2022	Change absolute	Change in %
Operating result	38,437	20,661	17,776	86.0 %
Share of net profit of investments accounted for using the equity method	395	378	17	4.5 %
EBIT	38,832	21,039	17,793	84.6 %
EBIT margin	8.1 %	5.7 %		
Additional depreciation and amortization from PPAs	2,328	2,289	39	1.7 %
Restructuring and transaction costs	2,200	157	2,043	1,301.3 %
Adjusted EBIT	43,360	23,485	19,875	84.6 %
Adjusted EBIT margin	9.0 %	6.4 %		
Depreciation and amortization of intangible assets and property, plant and equipment	12,344	8,883	3,461	39.0 %
Adjusted EBITDA	55,704	32,368	23,336	72.1 %
Adjusted EBITDA margin	11.6 %	8.8 %		
EBITDA	53,504	32,210	21,294	66.1 %
EBITDA margin	11.1 %	8.7 %		

Amortization from purchase price allocations and restructuring and transaction costs adjusted

To manage and present the Group's underlying operating earnings situation, SAF-HOLLAND adjusts for non-recurring and acquisition-related income and expenses. From the management's perspective, adjusted EBIT and adjusted EBIT margin represent the most important performance indicators for assessing and evaluating the Group's results of operations.

In the first quarter of 2023, non-recurring and acquisition-related expenses and income totaling EUR 4.5 million (previous year: EUR 2.4 million) were incurred at the level of earnings before interest and taxes (EBIT). Depreciation and amortization from purchase price allocations was on par with the previous year at EUR 2.3 million (previous year: EUR 2.3 million). As the purchase price allocation for Haldex had not yet been completed as of

March 31, 2023, no additional depreciation and amortization resulted from the Haldex acquisition in the first quarter of 2023. SAF-HOLLAND expects additional multi-year depreciation and amortization totaling around EUR 10 million annually and one-time depreciation in the high single-digit million range from the Haldex acquisition, which will be recognized as of the second quarter of 2023. Restructuring and transaction costs of EUR 2.2 million (previous year: EUR 0.2 million) primarily comprised expenses in connection with the Haldex acquisition (EUR 1.4 million). This line item also contains expenses of EUR 0.4 million in connection with the cyberattack.

Finance result declines due to Haldex financing costs and increased interest rates

The financing costs for the Haldex acquisition and the increased interest on variable financing lines led to a lower net interest result (interest expenses on interest-bearing loans and bonds and leases less interest income) of EUR -9.7 million compared to EUR -2.1 million in the prior-year period. Interest expenses in the first quarter of 2023 include an interest expense of EUR 1.0 million for the promissory note redeemed with cash in March 2023. The finance result, including other finance income and expenses, amounted to a total of EUR -10.2 million (previous year: EUR -2.8 million).

Finance result

in kEUR

	Q1/2023	Q1/2022	Change absolute	Change in %
Finance income	1,642	900	742	82.4 %
Finance expenses	-11,882	-3,698	-8,184	221.3 %
Finance result	-10,240	-2,798	-7,442	266.0 %

Result for the period up 48.9%

The result before income tax in the first quarter of 2023 amounted to EUR 28.6 million (previous year: EUR 18.2 million). Based on a Group tax rate of 31.8% (previous year: 28.3%), the Group achieved a result for the period of EUR 19.5 million (previous year: EUR 13.1 million), corresponding to an increase of 48.9%. Based on an unchanged number of ordinary shares outstanding of approximately 45.4 million, basic earnings per share increased significantly to EUR 0.43 (previous year: EUR 0.29).

The adjusted result for the period for the first quarter of 2023 increased by 61.9% to EUR 24.5 million (previous year: EUR 15.1 million) and adjusted earnings per share reached EUR 0.54 (previous year: EUR 0.33).

Reconciliation of EBT to basic earnings per share

in kEUR				
	Q1/2023	Q1/2022	Change absolute	Change in %
Result before taxes	28,592	18,241	10,351	56.7 %
Income taxes	-9,101	-5,155	-3,946	76.5 %
Income tax rate	-31.8 %	-28.3 %		
Result for the period	19,491	13,086	6,405	48.9 %
Result for the period without non-controlling interests	19,562	12,995	6,567	50.5 %
Basic earnings per share	0.43	0.29	0.14	48.3 %
Adjusted result for the period	24,523	15,143	9,380	61.9 %
Adjusted result for the period without non-controlling interests	24,594	15,052	9,542	63.4 %
Adjusted basic earnings per share	0.54	0.33	0.21	63.6 %

SEGMENT REPORTING

EMEA region: Adjusted EBIT margin improves but below Group average

The EMEA region increased sales in the first quarter of 2023 by 14.6% to EUR 238.8 million (previous year: EUR 208.5 million). Adjusted for exchange rate effects and changes in the scope of consolidation, sales were 0.7% higher year-on-year.

The region recorded a solid growth in the aftermarket business in the first quarter. This was partly the result of the first-time inclusion of Haldex, which has a significantly higher share of aftermarket sales. In addition, numerous customers had reduced their inventories to comparatively low levels by the end of the 2022 financial year. The sales from Haldex made a significant contribution to the growth in the region's OE business. No further stimulus came from the market environment, given the less dynamic European economic environment overall.

EMEA segment

in kEUR				
	Q1/2023	Q1/2022	Change absolute	Change in %
Sales	238,846	208,500	30,346	14.6 %
EBIT	15,873	8,884	6,989	78.7 %
EBIT margin	6.6 %	4.3 %		
Additional depreciation and amortization from PPAs	1,099	1,110	-11	-1.0 %
Restructuring and transaction expenses	1,900	138	1,762	1.276.8 %
Adjusted EBIT	18,872	10,132	8,740	86.3 %
Adjusted EBIT margin	7.9 %	4.9 %		
Depreciation and amortization of intangible assets and property, plant and equipment	5,769	4,399	1,370	31.1 %
Adjusted EBITDA	24,641	14,531	10,110	69.6 %
Adjusted EBITDA margin	10.3 %	7.0 %		

The EMEA region increased adjusted EBIT to EUR 18.9 million (previous year: EUR 10.1 million). This was aided by the fact that steel, logistics and energy costs, which had been a heavy burden in the prior-year period, were offset in the course of 2022 by internal efficiency improvements or passed on to the market with a time lag. The product mix also had a positive impact due to a greater share of sales coming from the specialty business and the higher share of the more profitable aftermarket business. Adjusted EBIT margin improved to 7.9% (previous year: 4.9%), but was still noticeably lower than in the other two reporting regions.

Americas region: Double-digit organic growth and further margin improvement

The Americas region achieved sales growth of 48.9% to EUR 189.1 million in the first quarter (previous year: EUR 127.0 million), with the acquisition of Haldex contributing sales of EUR 34.4 million. Important to mention is that Haldex generated more than half of its sales in the Americas region. Positive exchange rate effects gave sales an added boost, contributing

EUR 5.6 million. On an organic basis, SAF-HOLLAND still increased sales in the region by a double-digit rate of 17.4%.

Growth in the OE business was driven by continued solid demand from truck and trailer customers in North America and strong production figures for Class 8 trucks and trailers. Order backlogs remained at high levels. The trend among major fleet operators towards the increased use of technologically more sophisticated and effective disk-braked axle systems for trailers also continued. SAF-HOLLAND is a strong beneficiary of this trend due to its strong market position in this segment. The inclusion of Haldex strengthened growth in the aftermarket business.

Americas segment

in kEUR

	Q1/2023	Q1/2022	Change absolute	Change in %
Sales	189,051	126,969	62,082	48.9 %
EBIT	18,353	9,325	9,028	96.8 %
EBIT margin	9.7 %	7.3 %		
Additional depreciation and amortization from PPAs	571	550	21	3.8 %
Restructuring and transaction expenses	–	24	–24	–100.0 %
Adjusted EBIT	18,924	9,899	9,025	91.2 %
Adjusted EBIT margin	10.0 %	7.8 %		
Depreciation and amortization of intangible assets and property, plant and equipment	4,317	3,642	675	18.5 %
Adjusted EBITDA	23,241	13,541	9,702	71.6 %
Adjusted EBITDA margin	12.3 %	10.7 %		

The Americas region nearly doubled its adjusted EBIT in the first quarter to EUR 18.9 million (previous year: EUR 9.9 million). The adjusted EBIT margin widened year-on-year to 10.0% (previous year: 7.8%). The strong improvement in earnings was primarily the result of the operating leverage effect and the successfully implemented efficiency enhancements and savings in the overhead area.

APAC region: Adjusted EBIT margin remains above 10 %

The APAC region generated sales of EUR 52.5 million (previous year: EUR 34.2 million), equaling an increase of 53.4%. Adjusted for currency translation effects and changes in the scope of consolidation, sales were still 47.1% higher year-on-year.

APAC segment

in kEUR

	Q1/2023	Q1/2022	Change absolute	Change in %
Sales	52,526	34,238	18,288	53.4 %
EBIT	4,606	2,830	1,776	62.8 %
EBIT margin	8.8 %	8.3 %		
Additional depreciation and amortization from PPAs	658	629	29	4.6 %
Restructuring and transaction expenses	300	–5	305	–
Adjusted EBIT	5,564	3,454	2,110	61.1 %
Adjusted EBIT margin	10.6 %	10.1 %		
Depreciation and amortization of intangible assets and property, plant and equipment	2,258	842	1,416	168.2 %
Adjusted EBITDA	7,822	4,296	3,526	82.1 %
Adjusted EBITDA margin	14.9 %	12.5 %		

The strong growth in the APAC region was again driven by the development in India. SAF-HOLLAND, as a leading manufacturer of axle and suspension systems, benefited from India's ongoing government infrastructure measures and the expansion of its transport sector. In order to keep pace with the expected future growth, SAF-HOLLAND significantly expanded its manufacturing capacities at its site at the Indian subsidiary York in Pune and moved into a new, significantly larger production hall. Customer demand also remained solid in the specialty market of Australia. In China, SAF-HOLLAND expanded its business in line with the improving market situation from a comparatively low level. Supported by SAF-HOLLAND's growing axle

population in the market, the APAC region also increased its aftermarket business. Still, the aftermarket share of sales declined due to the strong momentum in business with original equipment manufacturers.

Adjusted EBIT in the region increased from EUR 3.5 million to EUR 5.6 million in the first quarter of 2023. The adjusted EBIT margin improved to 10.6% (previous year: 10.1%). In addition to economies of scale from the higher business volume in India, the favorable product mix and the planned improvement in the continued negative earnings situation in China also contributed to the earnings improvement.

NET ASSETS

First-time consolidation of Haldex leads to shifts on the assets side

The inclusion of Haldex in the scope of consolidation of SAF-HOLLAND resulted in significant shifts on the assets side of the consolidated balance sheet. As of March 31, 2023, SAF-HOLLAND has recognized assets from Haldex totaling EUR 562.0 million. This consisted primarily of goodwill in the amount of EUR 184.2 million, other intangible assets in the amount of EUR 15.3 million, property, plant and equipment of EUR 93.6 million, inventories in the order of EUR 94.1 million, and trade receivables of EUR 90.1 million.

The purchase price allocation of the recognized and unrecognized assets was not yet completed as of March 31, 2023. The increase in goodwill of EUR 184.2 million is expected to be reflected in an increase in goodwill remaining in the balance sheet after the purchase price allocation (PPA). SAF-HOLLAND continues to assume that goodwill will increase by up to EUR 70 million in the course of the purchase price allocation. The difference will be allocated largely to intangible assets such as brands, customer base, technology as well as fixed assets.

In contrast, the non-current financial assets of EUR 402.2 million recognized as of December 31, 2022, which included the acquired Haldex shares and a loan taken over from SAF-HOLLAND originally extended to Haldex,

were eliminated as part of the Haldex consolidation. As a result, total assets grew by 10.2% to EUR 1,650.7 million as of March 31, 2023 (December 31, 2022: EUR 1,498.4 million).

Net assets: Assets

in kEUR				
	03/31/2023	12/31/2022	Change absolute	Change in %
Non-current assets	763,893	872,183	-108,290	-12.4 %
Intangible assets	422,701	227,918	194,783	85.5 %
Property, plant and equipment	298,215	205,729	92,486	45.0 %
Other (financial) assets	42,977	438,536	-395,559	-90.2 %
Current assets	886,834	626,240	260,594	41.6 %
Inventories	308,414	202,249	106,165	52.5 %
Trade receivables	283,012	144,744	138,268	95.5 %
Cash and cash equivalents	217,910	243,460	-25,550	-10.5 %
Other (financial) assets	77,498	35,787	41,711	116.6 %
Total assets	1,650,727	1,498,423	152,304	10.2 %

First-time consolidation of Haldex leads to decrease in non-current assets

As previously mentioned, the development of non-current assets was predominately influenced by the first-time inclusion of Haldex. The consolidation-related elimination of non-current financial assets recognized as of December 31, 2022, which consisted mainly of acquired Haldex shares and the loan to Haldex, outweighed the addition of property, plant and equipment and intangible assets. This resulted in an overall reduction in non-current assets to EUR 763.9 million as of the March 31, 2023 reporting date (December 31, 2022: EUR 872.2 million).

Build-up of current assets at the beginning of the year

In contrast to non-current assets, current assets increased to EUR 886.8 million as of the March 31, 2023 reporting date (December 31, 2022: EUR 626.2 million). In addition to the previously described consolidation effect, the increase in inventories to EUR 308.4 million (December 31, 2022: EUR 202.2 million) and in trade receivables to EUR 238.0 million (December 31, 2022: EUR 144.7 million) was the result of the customary seasonal build-up at the beginning of the year. It should be taken into account that inventories and receivables tend to be lower at the end of the year due to plant vacation shutdowns at many customers. The levels tend to build up again when vacation shutdowns are over.

Furthermore, in the last week of March, production at SAF-HOLLAND was shut down at numerous plants as a result of the cyberattack. This caused an additional build-up in inventories. In addition, the current factoring program was around EUR 15 million lower than originally planned due to systemic reasons. Cash and cash equivalents as of March 31, 2023 amounted to EUR 217.9 million (December 31, 2022: EUR 243.5 million).

Equity ratio declines slightly due to Haldex consolidation

Equity increased by a total of EUR 8.4 million compared with December 31, 2022 to EUR 449.8 million. The significantly higher result for the period in the first quarter of 2023 of EUR 19.5 million led to an increase in equity. This however was offset by negative currency differences of EUR 11.2 million from the translation of foreign operations.

The expansion in total assets resulting from the first-time inclusion of Haldex however caused the equity ratio to decline to 27.2% as of March 31, 2023 (December 31, 2022: 29.5%).

Net assets: Equity and liabilities

in kEUR				
	03/31/2023	12/31/2022	Change absolute	Change in %
Total equity	449,787	441,354	8,433	1.9 %
Non-current liabilities	813,468	718,175	95,293	13.3 %
Interest-bearing loans and bonds	657,756	614,118	43,638	7.1 %
Lease liabilities	52,908	30,698	22,210	72.3 %
Other non-current liabilities	102,804	73,359	29,445	40.1 %
Current liabilities	387,472	338,894	48,578	14.3 %
Interest-bearing loans and bonds	5,521	101,541	-96,020	-94.6 %
Lease liabilities	9,794	7,695	2,099	27.3 %
Trade payables	262,194	159,029	103,165	64.9 %
Other current liabilities	109,963	70,629	39,334	55.7 %
Total equity and liabilities	1,650,727	1,498,423	152,304	10.2 %

Expanded long-term financing

In comparison to year-end 2022, non-current liabilities increased by EUR 95.3 million to EUR 813.5 million. The cause of this increase was an increase in interest-bearing loans and bonds to EUR 657.8 million (December 31, 2022: EUR 614.1 million). Additionally, at the end of March 2023, a tranche of an expiring promissory note of EUR 97.5 million was refinanced. Accordingly, non-current liabilities as a percentage of total assets increased to 49.3% as of March 31, 2023 (December 31, 2022: 47.9%).

Increase in trade payables

Current liabilities increased to EUR 387.5 million as of March 31, 2023 (December 31, 2022: EUR 338.9 million). The main reason was the increase in trade payables to EUR 262.2 million (December 31, 2022: EUR 159.0 million). The consolidation of Haldex also resulted in an increase of EUR 52.4 million. A further driver of the increase in trade payables was the impact of the

cyberattack. Due to systems being shut down for security reasons, the settlement of some outstanding invoices was postponed in the last week of March. With the aforementioned repayment of the promissory note, current interest-bearing loans and bonds declined to EUR 5.5 million (December 31, 2022: EUR 101.5 million). Overall, current liabilities accounted for 23.5% of the Group's total assets at the end of the quarter (December 31, 2022: 22.6%).

Net financial debt declines by EUR 2.5 million

Net financial debt including lease liabilities decreased to EUR 508.1 million as of March 31, 2023 (December 31, 2022: EUR 510.6 million). The leverage ratio (ratio of net financial debt to EBITDA) had a notable decrease to 2.9 (December 31, 2022: 3.4). The primary reason for this was the increase in EBITDA for the last twelve months, which is used in calculating the leverage ratio, by 14.1% to EUR 172.8 million (December 31, 2022: EUR 151.5 million). The consolidation of Haldex as of February 21, 2023 also contributed to the increase in EBITDA. On a pro forma basis, taking into account the EBITDA contribution of Haldex for the last twelve months, the leverage ratio equaled 2.4. SAF-HOLLAND's target continues to be to bring the leverage ratio, which temporarily increased in the course of the Haldex acquisition, back down to a maximum of 2.0 by the end of 2024.

Change in net debt

in kEUR				
	03/31/2023	12/31/2022	Change absolute	Change in %
Non-current interest-bearing loans and bonds	657,756	614,118	43,638	7.1 %
Current interest-bearing loans and bonds	5,521	101,541	-96,020	-94.6 %
Non-current lease liabilities	52,908	30,698	22,210	72.3 %
Current lease liabilities	9,794	7,695	2,099	27.3 %
Total financial liabilities	725,979	754,052	-28,073	-3.7 %
Cash and cash equivalents	-217,910	-243,460	25,550	-10.5 %
Net debt	508,069	510,592	-2,523	-0.5 %

Net working capital ratio at 15.6 %

Net working capital development

in kEUR				
	03/31/2023	12/31/2022	Change absolute	Change in %
Inventories	308,414	202,249	106,165	52.5 %
Trade receivables	283,012	144,744	138,268	95.5 %
Trade payables	-262,194	-159,029	-103,165	64.9 %
Net working capital	329,232	187,964	141,268	75.2 %
Group sales (last 12 months) ¹	2,112,825	1,565,089	471,707	30.1 %
Net working capital ratio	15.6 %	12.0 %	-	-

¹ pro-forma basis, including Haldex

Net working capital is defined as the sum of inventories and trade receivables less trade payables. The increases described in these positions in the

first quarter of 2023 that, in addition to the customary build-up at the beginning of the year, were also due to the consolidation of Haldex and the effects of the cyberattack, led to an expansion in net working capital to EUR 329.2 million as of the March 31, 2023 reporting date (December 31, 2022: EUR 188.0 million). In order to optimize liquidity, SAF-HOLLAND used factoring in the amount of EUR 23.4 million as of the quarterly reporting date. As a result of the system-related restrictions caused by the cyberattack, the use of factoring in the first quarter of 2023 fell significantly short of the value of EUR 52.7 million as of December 31, 2022. The original plan was to expand the volume.

The net working capital ratio, measured as the ratio of net working capital to Group sales for the trailing twelve months, rose accordingly to 15.6% (December 31, 2022: 12.0%). For better comparability, the calculation takes into account Haldex's contribution to sales on a pro forma basis for the last twelve months, as Haldex's contribution to net working capital as of March 31, 2023 is also fully included. At the end of the first quarter of the previous year, the net working capital ratio was at 15.7%.

FINANCIAL POSITION

Free cash flow

in kEUR

	Q1/2023	Q1/2022	Change absolute	Change in %
Net cash flow from operating activities	12,087	-5,198	17,285	-
Net cash flow from investments in fixed and intangible assets	-6,713	-4,818	-1,895	39.3 %
Operating free cash flow	5,374	-10,016	15,390	-
Net cash flow from the acquisition of other financial assets and investments in equity instruments	-	-	-	-
Total free cash flow	5,374	-10,016	15,390	-

Net cash flow from operating activities increases by EUR 17.3 million

Net cash flow from operating activities improved to EUR 12.1 million in the first quarter of 2023 (previous year: EUR -5.2 million). The sharp increase was driven above all by the development of cash flow before changes in net working capital, which rose to EUR 42.2 million (previous year: EUR 26.1 million) or by EUR 16.1 million. The increase was mainly due to higher earnings before taxes, while the higher finance expenses resulting from the Haldex financing and higher depreciation and amortization did not affect the calculation of operating cash flow. The change in net working capital resulted in a lower cash outflow of only EUR 22.6 million in the first quarter of 2023 compared with EUR 24.3 million in the first quarter of 2022.

Net cash flow from investing activities amounted to EUR 24.4 million (previous year: EUR -4.8 million). The strong increase was predominately due to the cash acquired from Haldex, less the payment for the acquisition of the outstanding shares, in the net amount of EUR 30.8 million. Payments for investments in property, plant and equipment and intangible assets increased to EUR 7.3 million (previous year: EUR 5.3 million) in preparation for the planned future growth. The sale of property, plant and equipment generated a cash inflow to SAF-HOLLAND of EUR 0.6 million (previous year: EUR 0.5 million).

Operating free cash flow at EUR 5.4 million

Operating free cash flow (net cash flow from operating activities after deducting net investments in property, plant and equipment and intangible assets) increased from EUR -10.0 million in the prior-year period to EUR 5.4 million.

The development of cash flow from financing activities of EUR -64.5 million (previous year: EUR -7.8 million) was primarily affected by the repayment of the promissory note and the partial refinancing through the use of credit lines, as described above.

ROCE improves

A key function of the Group's capital management is to optimize the cost of capital and generate an appropriate return on capital employed. In the medium term, SAF-HOLLAND's target is to achieve a return on capital employed (ROCE) of at least 15%. In the first quarter of 2023, ROCE was above this target at 16.5%. For better comparability, the calculation includes Haldex's

contribution to adjusted EBIT on a pro forma basis for the last twelve months, as Haldex's contribution to capital employed was also fully included as of March 31, 2023.

Financial return: ROCE

in kEUR

	03/31/2023	12/31/2022	Change absolute	Change in %
Equity	449,787	441,354	8,433	1.9 %
Interest-bearing loans and bonds, current and non-current	663,277	715,659	-52,382	-7.3 %
Lease liabilities, current and non-current	62,702	38,393	24,309	63.3 %
Pensions and other similar benefits	43,080	15,322	27,758	181.2 %
Cash and cash equivalents	-217,910	-243,460	25,550	-10.5 %
Capital employed	1,000,936	967,268	33,668	3.5 %
Adjusted EBIT (last 12 months)	164,981	124,601	40,380	32.4 %
ROCE¹	16.5 %	12.9 %	-	-

¹ Value as of March 31, 2023 on pro forma basis, which includes the adjusted EBIT contribution from Haldex for the last twelve months

OUTLOOK

MACROECONOMIC CONDITIONS AND SECTOR ENVIRONMENT

GLOBAL ECONOMY EXPECTED TO GROW SLIGHTLY

In its World Economic Outlook dated April 2023, the International Monetary Fund (IMF) is forecasting an increase in global GDP of 2.8% for 2023 (previous year: 3.4%). This essentially confirms the IMF's forecast of +2.9% issued in January 2023, in which it expects global economic growth to lag behind its long-term trend for the second consecutive year (average from 2000 – 2019: 3.8%). The IMF attributes the relatively low growth to sharp interest rate hikes implemented by the majority of central banks to combat inflation. It also sees the recent turbulence in the banking sector as a further negative factor. This is expected to be offset by positive effects from the gradual stabilization of energy and food prices and the easing of bottlenecks in supply chains.

Economic development in key markets

in %

	2023	2022
Eurozone	0.8	3.5
Germany	-0.1	1.8
United States	1.6	2.1
Brazil	0.9	2.9
Russia	0.7	-2.1
China	5.2	3.0
India	5.9	6.8
World	2.8	3.4

Source: International Monetary Fund, World Economic Outlook Update, April 2023

The IMF expects the slowest momentum to occur in the advanced economies. Economic growth in the eurozone is expected to decline to 0.8% in 2023 (previous year: 3.5%). Growth in the US is expected to reach 1.6%, down from 2.1% in the previous year. The IMF is more optimistic, however, regarding the prospects for emerging markets. It expects growth in China, for example, to accelerate to 5.2% (previous year: 3.0%) as the measures to contain the COVID pandemic come to an end. The IMF expects the Indian subcontinent to continue to record high growth (5.9% after 6.8% in the previous year). In Brazil, the most important economy in South America, the IMF anticipates a slowdown in momentum and growth of only 0.9% (previous year: 2.9%). This is indirectly impacted by the ongoing economic and financial crisis in Argentina.

SECTOR ENVIRONMENT: EUROPE AND NORTH AMERICA FACING CONSOLIDATION, STRONG GROWTH IN INDIA AND CHINA

In most commercial vehicle markets in which SAF-HOLLAND operates, moderate declines in production are emerging for the year 2023. Important to take into account is that the consolidation occurs at a solid level. In Brazil, market volume is also expected to decline. In India and China, on the other hand, market research institutes expect production to increase, in some cases significantly.

MARKET EXPECTATION FOR HEAVY TRUCKS IN EUROPE STABLE TO SLIGHTLY DECLINING

Analysts at S&P Global expect a slight increase in the production of tractor units in Europe in 2023 in a low single-digit percentage range. Other market research institutes are assuming a potential weakening in truck markets in Europe also in a low single-digit percentage range. The European truck market's comparatively low share of Group sales, however, makes it only of secondary importance for SAF-HOLLAND.

MODERATE DEVELOPMENT IN THE EUROPEAN TRAILER MARKET

Due to the difficult overall economic environment and persistent uncertainties surrounding the Ukraine conflict, the European trailer market, measured in terms of production in 2023, is expected by the market research company CLEAR International to decline slightly. At the same time, the age of fleets is tending below average, so that despite the conflict-related slump in demand in Eastern Europe, stronger market declines are not anticipated.

DEMAND FOR TRUCKS IN NORTH AMERICA REMAINS AT A HIGH LEVEL

After a strong start to the year, ACT Research expects demand in the US truck market to gradually weaken over the remainder of 2023. Production of Class 8 trucks is expected to reach 312,000 units in full-year 2023. This represents a decrease of 1.0% compared with the strong prior-year figure. For 2024, industry experts expect sales figures to pick up again more strongly in the second half-year as a result of early purchases by fleet operators prompted by stricter emissions regulations.

NORTH AMERICAN TRAILER MARKET EXPECTED TO DECLINE SLIGHTLY

ACT Research expects the North American trailer market to develop similarly to the Class 8 truck market in 2023. A total of 389,000 trailers are expected to roll off the assembly lines in 2023 as a whole (-2.7%). SAF-HOLLAND is expected to be supported by the trend towards equipping more new trailers with disc brake technology.

WEAKER COMMERCIAL VEHICLE MARKET IN BRAZIL

For South America's most important commercial vehicle market, Brazil, industry association ANFAVEA expects market volumes to decline in 2023. This is due in particular to the economic crisis in Argentina, which is feeding back to the transport sector. Production of heavy trucks is expected to fall by around 15% from a high level. In contrast, the industry association ANFIR expects a stronger development for trailers and anticipates a decline in production figures of 10% for 2023.

CHINESE TRAILER MARKET ON PATH TO A NOTICEABLE RECOVERY

Following the previous year's sharp downturn in the truck and trailer markets in China, there are signs of a recovery in 2023. The China Association of Automobile Manufacturers expects the production of heavy trucks to increase by 15.0% and trailers by 14.9% in 2023.

BOOM IN INDIA CONTINUES

After two years of exceptional growth, SAF-HOLLAND expects the growth trend in the Indian commercial vehicles market to continue in 2023. Supported by the continued strong investment of India's government in infrastructure expansion, trailer production is expected to increase again by 17% in 2023, with an increase in truck production of 14%.

OUTLOOK FOR BUSINESS DEVELOPMENT**GUIDANCE FOR 2023 SPECIFIED – SALES NOW EXPECTED TO TEND AROUND THE UPPER END OF THE RANGE**

The cyberattack on SAF-HOLLAND's IT systems at the end of March 2023 led to production interruptions at several of the Group's production sites (see ad hoc release dated March 27, 2023) and a temporary sales shortfall totaling around EUR 40 million, with approximately EUR 15 million attributable to the first quarter and the larger effect to the second quarter. SAF-HOLLAND expects to be able to make up the majority of the resulting production shortfall and the corresponding contribution to earnings through the use of flexible planning tools and additional shifts in the course of the second and third quarters of 2023. As a result of the cyberattack, one-time extraordinary expenses for IT security and consulting services in the low single-digit million range are expected, most of which will be incurred in the second quarter of 2023.

In view of the positive business development in the first quarter of 2023 and based on the expected development of the global truck and trailer markets in the further course of the year already described, SAF-HOLLAND substantiated its forecast as follows in an ad hoc release dated May 4, 2023: Based on current estimates, the Company is assuming Group sales for full-year 2023 tending around the upper end of the previously planned sales range of EUR 1,800 million to EUR 1,950 million (previous year: EUR 1,565.1 million). This forecast assumes stable exchange rates and takes into account the sales contribution of Haldex following its inclusion in the Group's scope of consolidation as of February 21, 2023.

On a pro forma basis, which already takes into account the sales contribution of Haldex as of January 1, 2023, SAF-HOLLAND is now assuming Group sales 2023 tending around the upper end of the range of EUR 1,850 million to EUR 2,000 million.

The SAF-HOLLAND Group continues to expect an adjusted EBIT margin, including Haldex, both for the period from initial consolidation of Haldex AB (from February 21, 2023 to the end of the financial year 2023) and on a pro forma basis (for the period of the entire financial year from January 1, 2023 to December 31, 2023) in the range of 7.5% to 8.5% (previous year: 8.0%). On the cost side, steel, freight and energy prices have eased somewhat from previous year highs. It remains difficult, however, to foresee the developments going forward. The continuing high rate of inflation and the noticeable rise in labor costs in many markets are having a negative impact. From realizing synergies from the integration and transformation of the acquired Haldex Group, SAF-HOLLAND expects a positive effect of EUR 10 million to EUR 12 million based on the adjusted EBIT for the 2023 financial year.

For the 2023 financial year, including Haldex, the Group plans a somewhat higher percentage of expenditures for investments of up to 3% of Group sales. Investments will focus on building and expanding production capacities in Mexico, Brazil and India. In the EMEA region, the Group is significantly expanding capacity for the production of disc brake systems. Production of the new generation of EBS systems is also being increased. In addition, further investments are planned in automation projects and process efficiency improvements in production, particularly in the core markets in Germany and North America.

2023 outlook for the Group including Haldex

in EUR million

Sales period Feb. 21 to Dec. 31, 2023	1,800–1,950
Sales (pro forma) period Jan. 1 to Dec. 31, 2023	1,850–2,000
Adjusted EBIT margin	7.5–8.5%
Capex ratio	≤ 3%

RISK AND OPPORTUNITY REPORT

There were no significant changes in the reporting period compared with the risks and opportunities and their assessment presented in the Annual Report 2022.

At the end of March, SAF-HOLLAND announced that the Company's IT systems had become the target of a cyberattack (see also the explanations in the chapter "Significant Events in the first quarter of 2023" on page 5). In the view of SAF-HOLLAND, the Company's existing security systems have proven themselves overall. The risk has been reassessed, but it continues to be reported within B risks.

SUBSEQUENT EVENTS

JURATE KEBLYTE NEW MEMBER OF THE SUPERVISORY BOARD OF SAF-HOLLAND SE

The District Court of Aschaffenburg appointed Jurate Keblyte as a new member of the Supervisory Board, effective April 3, 2023. The court appointment was necessary following the resignation of Martina Merz from the Company's Supervisory Board, effective December 12, 2022, leaving the Supervisory Board short-staffed for a period of over three months. The ordinary Annual General Meeting of SAF-HOLLAND SE elected Jurate Keblyte as a member of the Supervisory Board on May 23, 2023. Jurate Keblyte is a member of the Management Board and CFO of the listed company GRAMMER AG, Ursensollen, Germany.

SCOPE RATING AGENCY ASSIGNS INVESTMENT GRADE RATING BBB –

On April 19, 2023, SAF-HOLLAND SE received the rating report from Scope Ratings GmbH ("Scope"). In it, the rating agency awarded SAF-HOLLAND SE a rating of BBB– with a stable outlook. The newly assigned rating BBB–/stable is at the same level as the rating previously assigned by Scope Hamburg GmbH in April 2022.

In determining its rating, Scope addressed the impact of the recent acquisition of the Swedish braking systems specialist Haldex AB on SAF-HOLLAND's financial profile. The advantages resulting from the combination of the two companies, including a further improvement in their strong market positions, a broader customer base and international footprint, the complementary product portfolios and the increasing share of the high-margin aftermarket business in Group sales, were all assessed as positive. A better rating was precluded, according to Scope, by the comparatively high free cash flow volatility in recent years, cyclical business risks, and the existing room to improve operating profitability versus the industry as a whole.

According to Scope, the stable outlook is based on the expectation that SAF-HOLLAND could withstand a moderate cyclical downturn in the global commercial vehicle markets. The rating could improve in the future through a gradual reduction in financial liabilities and a further rise in free cash flow.

SPECIFICATION OF THE OUTLOOK FOR 2023

On May 4, 2023, SAF-HOLLAND published preliminary figures for the first quarter of 2023 as part of an ad hoc announcement. In this context, the company also specified its forecast for full-year 2023. SAF-HOLLAND now expects Group sales tending around the upper end of the previously planned sales range of EUR 1,800 million to EUR 1,950 million. For further details, please refer to the chapter entitled "Outlook", on page 16.

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

in kEUR	Q1/2023	Q1/2022
Sales	480,423	369,707
Cost of sales	-394,145	-311,726
Gross profit	86,278	57,981
Other income	777	343
Selling expenses	-19,791	-17,129
Administrative expenses	-22,261	-16,271
Research and development expenses	-6,566	-4,263
Operating result	38,437	20,661
Share of net profit of investments accounted for using the equity method	395	378
Earnings before interest and taxes	38,832	21,039
Finance income	1,642	900
Finance expenses	-11,882	-3,698
Finance result	-10,240	-2,798
Result before income tax	28,592	18,241
Income tax	-9,101	-5,155
Result for the period	19,491	13,086
Attributable to:		
Equity holders of the parent	19,562	12,995
Shares of non-controlling interests	-71	91

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

in kEUR	Q1/2023	Q1/2022
Result for the period	19,491	13,086
Attributable to:		
Equity holders of the parent	19,562	12,995
Shares of non-controlling interests	-71	91
Other comprehensive income		
Items that will not be reclassified subsequently to profit or loss		
Remeasurements of defined benefit plans	176	-
Items that may be reclassified subsequently to profit or loss		
Exchange differences on translation of foreign operations	-11,234	6,384
Changes in fair value of derivatives held for hedging purposes recognized in equity	-	-234
Income tax effects on items recognized in other comprehensive income	-	22
Other comprehensive income	-11,058	6,384
Comprehensive income for the period	8,433	19,470
Attributable to:		
Equity holders of the parent	8,420	19,366
Shares of non-controlling interests	13	104
Basic earnings per share in EUR	0.43	0.29

CONSOLIDATED BALANCE SHEET

in kEUR		
	03/31/2023	12/31/2022
Assets		
Non-current assets	763,893	872,183
Goodwill	264,099	80,413
Other intangible assets	158,602	147,505
Property, plant and equipment	298,215	205,729
Investments accounted for using the equity method	12,740	13,827
Financial assets	54	402,214
Other non-current assets	10,313	7,334
Deferred tax assets	19,870	15,161
Current assets	886,834	626,240
Inventories	308,414	202,249
Trade receivables	283,012	144,744
Income tax receivables	4,246	1,663
Other current assets	65,986	28,984
Financial assets	7,266	5,140
Cash and cash equivalents	217,910	243,460
Total assets	1,650,727	1,498,423

in kEUR		
	03/31/2023	12/31/2022
Equity and liabilities		
Total equity	449,787	441,354
Equity attributable to equity holders of the parent	448,955	440,535
Subscribed share capital	45,394	45,394
Share premium	224,104	224,104
Retained earnings	189,210	169,648
Accumulated other comprehensive income	-9,753	1,389
Shares of non-controlling interests	832	819
Non-current liabilities	813,468	718,175
Pensions and other similar benefits	43,080	15,322
Other provisions	14,648	12,946
Interest bearing loans and bonds	657,756	614,118
Lease liabilities	52,908	30,698
Other liabilities	330	382
Deferred tax liabilities	44,746	44,709
Current liabilities	387,472	338,894
Other provisions	23,203	10,911
Interest bearing loans and bonds	5,521	101,541
Lease liabilities	9,794	7,695
Trade payables	262,194	159,029
Income tax liabilities	8,805	4,900
Other financial liabilities	2,923	2,731
Other liabilities	75,032	52,087
Total equity and liabilities	1,650,727	1,498,423

CONSOLIDATED STATEMENT OF CASH FLOWS

in kEUR	Q1/2023	Q1/2022
Cash flow from operating activities		
Result before income tax	28,592	18,241
- Finance income	-1,642	-900
+ Finance expenses	11,882	3,698
Share of net profit of investments accounted		
+/- for using the equity method	-395	-378
+/- Other non-cash transactions	508	-
Amortization and depreciation of intangible assets		
+ and property, plant and equipment	14,672	11,171
Impairment of other intangible assets and property,		
+ plant and equipment	-	1,492
+ Allowance of current assets	5,760	-22
+/- Change in other provisions and pensions	976	-243
+/- Change in other assets	-5,361	-4,304
+/- Change in other liabilities	-17,114	-2,676
+/- Loss/gain on disposal of property, plant and equipment	-34	-
Dividends from investments accounted for		
+ using the equity method	4,390	19
Cash flow before change of net working capital	42,234	26,103
+/- Change in inventories	-24,077	-16,654
+/- Change in trade receivables	-58,529	-39,700
+/- Change in trade payables	59,967	32,090
Change of net working capital	-22,639	-24,264
Cash flow from operating activities before income tax paid	19,595	1,839
- Income tax paid	-7,508	-7,037
Net cash flow from operating activities	12,087	-5,198

in kEUR	Q1/2023	Q1/2022
Cash flow from investing activities		
- Purchase of property, plant and equipment	-6,508	-4,430
- Purchase of intangible assets	-833	-896
+ Proceeds from sales of property, plant and equipment	628	508
+ Proceeds from sale of financial assets	-	-81
Cash received less payment for acquisition		
- of outstanding shares in Haldex AB	30,785	-
+ Interest received	312	139
Net cash flow from investing activities	24,384	-4,760
Cash flow from financing activities		
Repayments of current and non-current		
- financial liabilities	-97,500	-
- Paid transaction costs relating to financing agreements	-18	-5
+/- Proceeds and payments from hedging instruments	-64	71
- Payments for lease liabilities	-2,255	-2,383
- Interest paid	-8,583	-3,152
Change in drawings on the credit line		
+/- and other financing activities	43,900	-2,302
Net cash flow from financing activities	-64,520	-7,771
Net increase/decrease in cash and cash equivalents	-28,049	-17,729
Effect of changes in exchange rates on cash		
+/- and cash equivalents	2,499	1,428
Cash and cash equivalents at the beginning of the period	243,460	165,221
Cash and cash equivalents at the end of the period	217,910	148,920

As of March 31, 2023, trade receivables amounting to EUR 23.4 million (previous year: EUR 46.6 million) were sold under a factoring agreement. Assuming the legal validity of the receivable, there are no further rights of recourse against SAF-HOLLAND from the sold receivables.

SEGMENT INFORMATION

in kEUR	EMEA ¹		Americas ²		APAC ³		Total	
	Q1/2023	Q1/2022	Q1/2023	Q1/2022	Q1/2023	Q1/2022	Q1/2023	Q1/2022
Sales	238,846	208,500	189,051	126,969	52,526	34,238	480,423	369,707
Adjusted EBIT	18,872	10,132	18,924	9,899	5,564	3,454	43,360	23,485
Adjusted EBIT margin	7.9 %	4.9 %	10.0 %	7.8 %	10.6 %	10.1 %	9.0 %	6.4 %
Amortization and depreciation of intangible assets and property, plant and equipment (without PPA)	5,769	4,399	4,317	3,642	2,258	842	12,344	8,883
in % of sales	2.4 %	2.1 %	2.3 %	2.9 %	4.3 %	2.5 %	2.6 %	2.4 %
Adjusted EBITDA	24,641	14,531	23,241	13,541	7,822	4,296	55,704	32,368
Adjusted EBITDA margin	10.3 %	7.0 %	12.3 %	10.7 %	14.9 %	12.5 %	11.6 %	8.8 %
Purchase of property, plant and equipment and intangible assets	3,473	3,669	2,408	1,524	1,461	133	7,341	5,326
in % of sales	1.5 %	1.8 %	1.3 %	1.2 %	2.8 %	0.4 %	1.5 %	1.4 %
No. of employees as of reporting date	2,350	1,638	2,646	1,523	1,067	506	6,063	3,667

¹ Includes Europe, Middle East and Africa.

² Includes Canada, the USA, and Central and South America.

³ Includes Asia-Pacific, India and China.

FINANCIAL CALENDAR AND CONTACT

FINANCIAL CALENDAR

May 26, 2023

Publication of Quarterly Statement Q1 2023

August 10, 2023

Publication of Half-year Report 2023

November 9, 2023

Publication of Quarterly Statement Q3 2023

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DISCLAIMER

The quarterly statement is also available in German. In cases of doubt, the German version shall prevail. The figures in this report have been rounded using commercial principles. In isolated instances, this can lead to rounding differences in the sum totals and percentages.

This report contains certain statements that are neither reported financial results nor other historical information. This report contains forward-looking statements. Such forward-looking statements are based on certain assumptions, expectations and forecasts made at the time of publication of this report. Consequently, they are inherently subject to risks and uncertainties. Moreover, the actual events could diverge significantly from the events described in the forward-looking statements. Many of these risks and uncertainties relate to factors that are beyond the ability of SAF-HOLLAND SE to control or estimate precisely, such as future market and economic conditions, the behavior of other market participants, the achievement of anticipated synergies, and the actions of government regulators. Readers are cautioned not to place undue reliance on these forward-looking statements, which apply only as of the date of this publication. Likewise, SAF-HOLLAND SE does not undertake any obligation to publicly release any revisions to these forward-looking statements to reflect events or circumstances after the date of publication of these materials.

