HALF-YEAR FINANCIAL REPORT JUNE 30, 2022

KEY FIGURES

	January 1 through June 30		Second Quarter	
€ million	**2022**	2021	**2022**	2021
Sales	4,423.6	4,396.9	2,165.0	2,094.9
EBITDA	342.7	344.0	170.2	173.0
As % of sales	7.7	7.8	7.9	8.3
EBIT	66.3	39.8	28.7	25.6
As % of sales	1.5	0.9	1.3	1.2
Adjusted sales[1]	4,423.6	4,374.0	2,165.0	2,079.5
Adjusted EBIT[2]	78.1	81.8	32.9	64.7
As % of adjusted sales	1.8	1.9	1.5	3.1
Free cash flow	49.8	304.8		
Net debt	340.3	580.4		
Gearing ratio as a %[3]	-10.8	-21.9		
Equity	3,153.8	2,656.6		
Equity ratio as a %	40.4	32.0		
Number of employees (as at Jun. 30)[4]	37,664	39,611		

1) Adjusted for changes in the scope of consolidation.
2) Adjusted for amortization of intangible assets from purchase-price allocation, changes in the scope of consolidation, and extraordinary items.
3) Defined as the ratio of net debt to equity.
4) Excluding apprentices/trainees.

VITESCO TECHNOLOGIES SHARE PRICE

Developments in Vitesco Technologies’ development

Shares in Vitesco Technologies Group AG’s shares got off to a good start to the 2022 market year after the release of positive order intake news about the number of orders being received. However, the mood in the markets grew dimmer after that due to expectations of inflation and Russia’s invasion of Ukraine. Vitesco Technologies’ shares were unable to escape this downward momentum and fell significantly, particularly in early March. While the Group’s share price has recovered step by step, it only crossed the €40 threshold again and stayed there upon publication of the results for the first quarter and the further order intake success with order intake. A number of trading days in late June were weak for geopolitical and macroeconomic reasons, which led to shares closing at €36.90 at the end of the first six months of the year. Nevertheless, Vitesco Technologies’ shares developed significantly better than the comparable SDAX and STOXX Europe 600 Automobiles & Parts indices during the same period.

Having closed at a price of €43.20 at year end 2021, their change was -14.6%. Vitesco Technologies’ market capitalization was €1,476.8 million as at June 30, 2022. Market capitalization based on free float averaged €825.6 million over the last 20 trading days of the reporting period. The trading volume on XETRA totaled €603.6 million in the first half of 2022. An average of roughly 122,600 shares were traded on XETRA per trading day of trading in the first six months of 2022, equivalent to about 0.3% of the shares outstanding. Among the 70 SDAX stocks, Vitesco Technologies’ was ranked 22nd by free-float market cap as at June 30, 2022.

Vitesco Technologies’ free float remains unchanged when compared to the free float described in the annual report and is still at 49.0%.

Developments of the German stock market

The expectations of rising inflation resulted in a tense environment in German stock markets right from the beginning of 2022. Russia’s invasion of Ukraine and the publication of economic data led to the mood dampening even further.

The SDAX, for instance, continued to lose value in the first three months of the year and was only able to stabilize in mid-March at about 15% below its 2021 closing price. Despite that, the pressure on the markets increased even further in early May due to economic and market data, resulting in the value of the SDAX shrinking by about one-fourth since year end 2021. The recovery that began after this was offset by a weak second half of June.

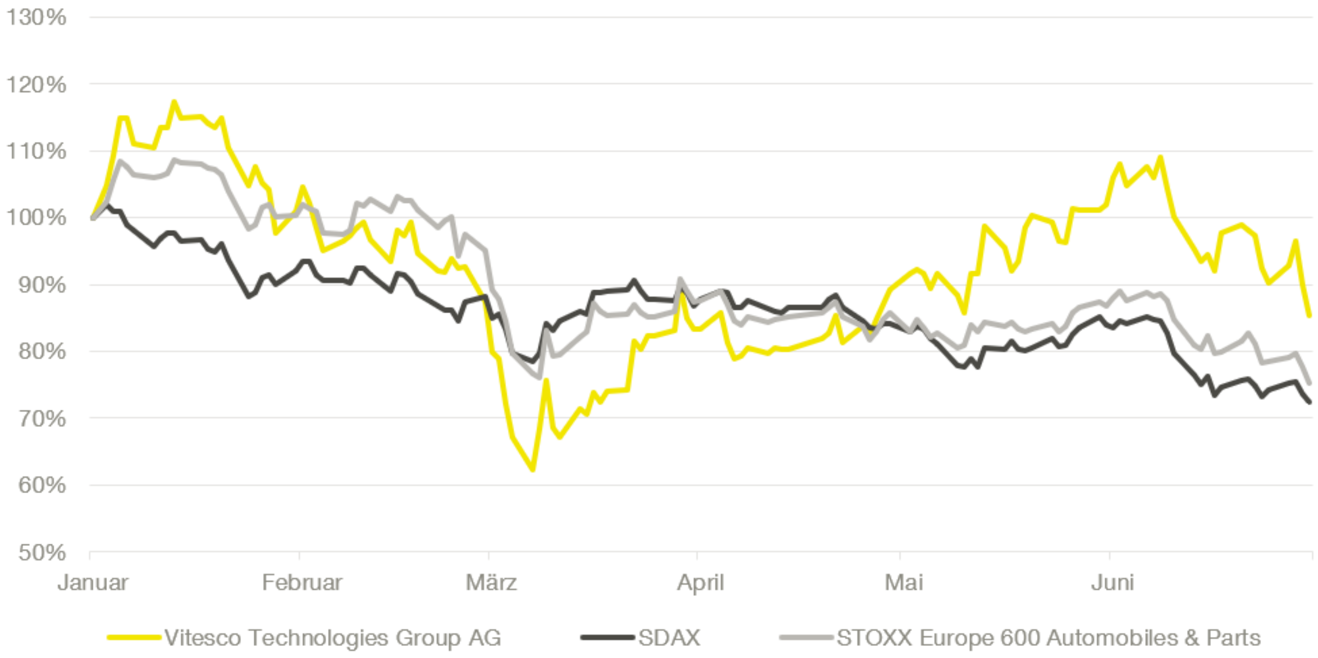
The SDAX was quoted at 11,881.19 points as at the end of June, down 27.6% from its closing price of 16,414.67 points at year end 2021.

Developments of the automotive sector

Unlike the SDAX, the STOXX Europe 600 Automobiles & Parts started positively into the year. The reasons for this included hopes of better semiconductor availability and global supply-chain recovery. However, rising inflation and Russia’s invasion resulted in the STOXX Europe 600 Automobiles & Parts also experiencing losses during the first six months of the year passed. The weak second half of June then reversed the recovery that was being seen in May and the first half of June.

The STOXX Europe 600 Automobiles & Parts was quoted at 496.36 points as at the end of June, down 24.8% from its closing price of 659.72 points at the end of 2021.

Vitesco Technologies share price during the first half of 2022 relative to selected indices, with January 1, 2022, as start date

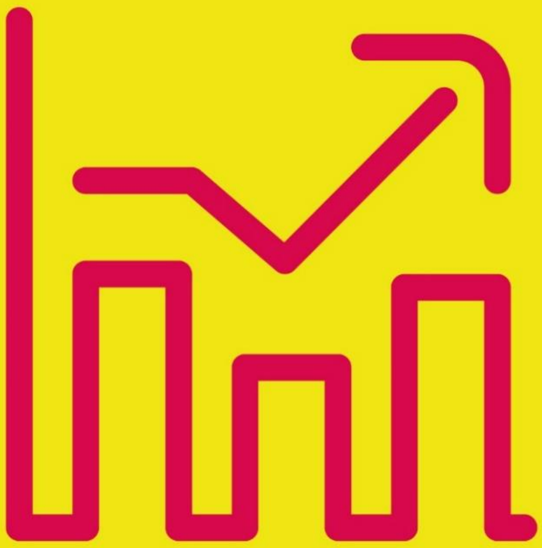


Credit rating

Vitesco Technologies Group AG has not held a credit rating and continues not to hold one.

Investor relations online

Further information about Vitesco Technologies' shares is available on the Internet at ir.vitesco-technologies.com.



INTERIM GROUP MANAGEMENT REPORT

ECONOMIC REPORT

GENERAL CONDITIONS

Macroeconomic development

Russia's invasion of Ukraine has led to a significant slowdown of global economic growth. Its impacts can be felt far beyond Europe. Simultaneously, COVID-19 lockdowns have dampened expectations of growth in the Chinese economy and a variety of issues in global supply chains continue to exist. The International Monetary Fund (IMF) is consequently only forecasting 3.2% growth (previously 4.4%) according to its World Economic Outlook Update from July 2022. At the same time, inflation rose considerably during the first half of the year – especially in the US and Europe.

The most visible fall in the IMF's expectations was for growth in the eurozone, which is now expected to be 2.6% (previously 3.9%). Germany is particularly affected by this. The IMF has revised its growth forecasts downward for most other regions of the world. Events such as the course of the war in Ukraine, potential impacts from sanctions, Russia potentially cutting off gas exports, and China's zero-COVID strategy have also led to reinforced uncertainty in the IMF's forecast. If one or more of these risks materialize, the economic growth that eventuates in 2022 could even be significantly smaller.

Expected Economic Growth in 2022 (as a %)

	WEO Update July 2022	WEO Update January 2022
Europe		
Germany	1.2	3.8
Eurozone	2.6	3.9
United Kingdom	3.2	4.7
Americas		
United States	2.3	4.0
Brazil	1.7	0.3
Asia		
China	3.3	4.8
India	7.4	9.0
Japan	1.7	3.3
World	**3.2**	**4.4**

Source: IMF, World Economic Outlook Update, July 2022.

Developments in the production of passenger cars and light commercial vehicles

The issues set out in the description of macroeconomic development resulted in Vitesco Technologies having to revise its expectations for the developments in the production of passenger cars and light commercial vehicles in its quarterly report for the first quarter of 2022.

During the first half of 2022, the effects of Russia's invasion could be felt in Europe in particular, where roughly one million fewer vehicles were being produced than during the year before, a drop of 11.8%. In North America, on the other hand, vehicle production increased by 4.4% year over year. China was also able to produce more vehicles despite the lockdown-related production shutdowns, while vehicle production in the rest of the world declined slightly. Global vehicle production fell by 1.8% in the first six months of 2022 as a result of the stark decline in Europe.

Year-over-Year Developments in the Production of Passenger Cars and Light Commercial Vehicles (as a %)

	1st Half 2022	2022
Europe	-11.8	3 to 5
North America	4.4	11 to 13
China	1.1	-2 to 0
World	**-1.8**	**3 to 5**

Sources: S&P Global Mobility, Light Vehicle Production Forecast, July 2022, and internal estimates.

EARNINGS, FINANCIAL, AND NET ASSETS POSITION

	January 1 through June 30		Second Quarter	
€ million	**2022**	2021	**2022**	2021
Sales	4,423.6	4,396.9	2,165.0	2,094.9
EBITDA	342.7	344.0	170.2	173.0
As % of sales	7.7	7.8	7.9	8.3
EBIT	66.3	39.8	28.7	25.6
As % of sales	1.5	0.9	1.3	1.2
Adjusted sales[1]	4,423.6	4,374.0	2,165.0	2,079.5
Adjusted EBIT[2]	78.1	81.8	32.9	64.7
As % of adjusted sales	1.8	1.9	1.5	3.1
Research and development expenses (net)	367.9	384.8	188.5	187.4
As % of sales	8.3	8.8	8.7	8.9
Depreciation, amortization, and impairment[3]	276.4	304.2	141.5	147.4
Of which impairment[4]	6.0	49.2	5.5	21.4
Capital expenditure[5]	198.4	212.7	126.1	116.3
As % of sales	4.5	4.8	5.8	5.6
Number of employees (as at Jun. 30)[6]	37,664	39,611		

1) Adjusted for changes in the scope of consolidation.
2) Adjusted for amortization of intangible assets from purchase-price allocation, changes in the scope of consolidation, and extraordinary items.
3) Excluding impairment of investments.
4) Impairment also includes any required reversal of impairment losses.
5) Capital expenditure on property, plant, and equipment and software, including IFRS 16 Leases.
6) Excluding apprentices/trainees.

EARNINGS

Sales

In comparison with the first six months of the previous year, the consolidated sales increased by 0.6% to €4,423.6 million (previous year: €4,396.9 million). When adjusted for changes in the scope of consolidation and exchange-rate effects, sales declined by 3.6%. Global political and economic crises, including for example semiconductor supplies, Russia's invasion of Ukraine, raw-material shortages, and COVID-19 impacts such as regional lockdowns in China, resulted in volume-based drops in the number of units sold in almost all areas.

EBIT

The Group's EBIT increased by €26.5 million to €66.3 million (previous year: €39.8 million). The return on sales was therefore 1.5% (previous year: 0.9%). EBIT improved because of greater reimbursements for development contracts from customers, smaller additions to provisions for specific warranty cases, and reduced impairment losses on property, plant, and equipment compared to the previous year. The cost of sales rose due to higher costs for material.

Adjusted EBIT

Vitesco Technologies' adjusted EBIT decreased by 4.5% on the first six months of the previous year amounted to €78.1 million (previous year: €81.8 million). This EBIT corresponds to an adjusted EBIT margin of 1.8% (previous year: 1.9%), calculated based on adjusted sales.

Special effects in the first half of 2022

Vitesco Technologies recorded expenses totaling €11.6 million in the first half of 2022. Of these items, €5.5 million were in the Electrification Technology business unit, €6.5 million in Electronic Controls, -€2.1 million in Sensing & Actuation, and €1.7 million at the holding.

Impairment of property, plant, and equipment led to expenses of €5.3 million (Electrification Technology €4.0 million, Electronic Controls €1.0 million, and Sensing & Actuation €0.3 million).

Severance payments led to a negative special effect of €2.9 million in total (Electrification Technology €0.6 million, Electronic Controls €1.6 million, and Sensing & Actuation €0.7 million).

The reversal of restructuring provisions that were no longer necessary produced gains of €7.7 million in total (Electrification Technology €0.2 million, Electronic Controls €1.0 million, and Sensing & Actuation €6.5 million).

Restructuring-related expenses totaled €4.3 million in the Electronic Controls business unit and €0.7 million at Sensing & Actuation.

The sale of a business unit in the United States generated income of €3.8 million (Electronic Controls €2.5 million, holding €1.3 million).

The relocation of production lines from the Continental Group to Vitesco Technologies resulted in further negative effects of €6.9 million in the first six months of 2022 (Electrification Technology €1.1 million, Electronic Controls €3.1 million, and Sensing & Actuation €2.7 million).

Further expenses of €3.0 million were incurred at the holding for obligations for an investigation in connection with emissions issues.

Special effects in the first half of 2021

Vitesco Technologies recorded expenses of €41.9 million in the first half of 2021. They included €38.2 million for the Electrification Technology business unit, €15.6 million for Electronic Controls, €20.3 million for Sensing & Actuation, -€61.5 million for Contract Manufacturing, and €29.3 million for the holding.

Impairment of property, plant, and equipment led to total expenses of €49.0 million (Electrification Technology €35.2 million, Electronic Controls €4.0 million, and Sensing & Actuation €9.8 million).

Severance payments led to a negative special effect of €5.1 million in total (Electrification Technology €0.8 million, Electronic Controls €2.5 million, and Sensing & Actuation €1.8 million).

The reversal of restructuring provisions that were no longer necessary produced gains of €10.9 million in total (Electronic Controls €9.0 million and Sensing & Actuation €1.9 million).

Restructuring-related expenses came in at €5.4 million in the Electronic Controls business unit and €0.1 million in the Sensing & Actuation business unit.

The relocation of the Continental Group’s production lines to Vitesco Technologies led to negative effects of €25.4 million in the first six months of 2021 (Electrification Technology €2.2 million, Electronic Controls €12.7 million, and Sensing & Actuation €10.5 million).

Expenses of €29.3 million incurred at the holding for the carve-out from the Continental Group and the IPO.

In the Contract Manufacturing business unit, parts of Vitesco Technologies Korea, based in Icheon-si, Korea, were disposed of. This resulted in income totaling €61.5 million.

Finance income

Finance income in the first half of 2022 fell by €29.0 million year over year to -€19.6 million (previous year: €9.4 million). Interest income deteriorated mainly as a result of the cost of financing the promissory notes, falling by €3.2 million to -€7.0 million (previous year: -€3.8 million). The income from changes in the fair value of derivative instruments and other measurement effects decreased by €25.8 million to -€12.6 million (previous year: income of €13.2 million).

FINANCES

Cashflow development

The Group’s free cash flow fell by €255.0 million year over year to €49.8 million (previous year: €304.8 million).

The cash inflow arising from operating activities grew smaller, mainly as a result of the change in working capital, dropping by €132.4 million to €213.4 million (previous year: €345.8 million).

The cash outflow for investing activities amounted to €163.6 million (previous year: €41.0 million). Capital expenditure on property, plant, and equipment; software, and intangible assets increased by €34.9 million from €162.7 million to €197.6 million. The disposal of companies, business operations, and property, plant, and equipment resulted in a total cash inflow of €34.0 million in the first six months of 2022 (previous year: €121.7 million). This cash inflow is mainly attributable to the sale of production lines as part of the planned reduction of contract-manufacturing activities for the Continental Group.

The cash flow arising from financing activities decreased by €276.8 million to €125.2 million (previous year: €402.0 million). The first half of 2021 was influenced by the financing from the Continental Group coming to an end; the cash inflow for the first half of 2022 stemmed from the borrowing of loans against promissory notes at an amount of €200.0 million.

Financing and debt

Gross debt as at June 30, 2022, was €469.8 million and therefore €200.9 million more than the amount of €268.9 million that it was on December 31, 2021.

Vitesco Technologies procured loans against promissory notes for €200.0 million with varying maturities and interest rates on March 17, 2022. The existing revolving credit lines were in turn reduced from €1,000.0 million to €800.0 million.

Vitesco Technologies had net debt of -€340.3 million as at June 30, 2022, which was slightly higher than the figure of -€345.1 million on December 31, 2021. The gearing ratio (net debt to equity) is at -10.8% (previous year: -12.8%).

As at June 30, 2022, Vitesco Technologies had liquidity reserves totaling €1,610.1 million (previous year: €1,614.0 million), of which €810.1 million (previous year: €614.0 million) consisted of cash and cash equivalents and committed, unutilized credit lines of €800.0 million (previous year: €1,000.0 million).

NET ASSETS POSITION

Statement of financial position

The Group’s total assets are up €394.5 million since December 31, 2021, at €7,802.6 million (previous year: €7,408.1 million).

Noncurrent assets increased by €24.0 million since December 31, 2021, to €3,903.1 million (previous year: €3,879.1 million). Foreign-exchange rates caused goodwill to increase by €14.5 million to €817.5 million (previous year: €803.0 million). Other noncurrent assets climbed by €9.5 million. This rise is mainly due to the €19.6 million increase in other intangible assets to €193.1 million (previous year: €173.5 million), and the €30.2 million increase in deferred tax assets to €299.5 million (previous year: €269.3 million), while property, plant, and equipment shrank by €42.2 million to €2,502.7 million (previous year: €2,544.9 million).

Current assets increased by €370.5 million from December 31, 2021, to €3,899.5 million (previous year: €3,529.0 million). This change is primarily attributable to the €196.1 million increase in cash and cash equivalents through the procurement of the loans against promissory notes, bringing cash and cash equivalents to €810.1 million (previous year: €614.0 million). Inventories were also up by €84.4 million at €890.1 million (previous year: €805.7 million), while trade receivables declined by €58.9 million to €1,577.8 million (previous year: €1,518.9 million).

Driven by foreign-exchange fluctuation and the remeasurement of defined-benefit plans in other comprehensive income, equity increased by €465.5 million to €3,153.8 million (previous year: €2,688.3 million). The equity ratio rose by 36.3% to 40.4%, while the negative gearing ratio changed from 12.8% on December 31, 2021, to 10.8%.

Noncurrent liabilities, including provisions, declined by €112.6 million to €1,389.8 million (previous year: €1,502.4 million). While long-term employee benefits reduced by €329.1 million to €537.3 million (previous year: €866.4 million) due to increased interest rates, long-term debt rose mainly as a result of taking out the bond-like loans against promissory notes, growing by €207.8 million to €406.9 million (previous year: €199.1 million).

Current liabilities, including provisions, increased by €41.6 million to €3,259.0 million (previous year: €3,217.4 million). This change is mainly due to the €94.3 million increase in trade payables to €2,052.5 million (previous year: €1,958.2 million) and the €54.5 million reduction of the current provisions for other risks and obligations to €450.0 million due to the utilization of €62.9 million, additions of €82.0 million, reversals of €83.3 million, and other effects of €9.7 million (previous year: €504.5 million).

DEVELOPMENTS IN THE ELECTRIFICATION TECHNOLOGY BUSINESS UNIT

	January 1 through June 30		Second Quarter	
€ million	**2022**	2021	**2022**	2021
Sales	308.7	312.4	147.0	147.2
EBITDA	-111.6	-129.9	-56.1	-61.1
As % of sales	-36.2	-41.6	-38.2	-41.5
EBIT	-143.3	-177.6	-74.4	-78.4
As % of sales	-46.4	-56.9	-50.6	-53.3
Adjusted sales[1]	308.7	312.4	147.0	147.2
Adjusted EBIT[2]	-137.8	-139.4	-69.7	-66.1
As % of adjusted sales	-44.6	-44.6	-47.4	-44.9
Research and development expenses (net)	129.4	118.6	64.9	62.4
As % of sales	41.9	37.9	44.1	42.4
Depreciation, amortization, and impairment[3]	31.7	47.7	18.3	17.3
Of which impairment[4]	4.7	35.2	4.7	11.1
Operating assets (as at Jun. 30)	298.9	-65.3		
Capital expenditure[5]	48.6	54.4	34.1	35.1
As % of sales	15.7	17.4	23.2	23.8
Number of employees (as at Jun. 30)[6]	4,591	3,843		

1) Adjusted for changes in the scope of consolidation.
2) Adjusted for amortization of intangible assets from purchase-price allocation, changes in the scope of consolidation, and extraordinary items.
3) Excluding impairment of investments.
4) Impairment also includes any required reversal of impairment losses.
5) Capital expenditure on property, plant, and equipment and software, including IFRS 16 Leases.
6) Excluding apprentices/trainees.

Sales

Sales in the Electrification Technology business unit fell by 1.2% year over year to €308.7 million (previous year: €312.4 million). Adjusted for exchange-rate fluctuation, sales declined by 2.0%. While high-voltage electronics saw their sales volumes drop, electric drive systems and battery systems saw their sales volumes grow.

EBIT

EBIT increased by €34.3 million year over year to -€143.3 million (previous year: -€177.6 million). The improvement is mainly attributable to smaller negative impacts on earnings as a result of special effects.

Adjusted EBIT

The negative adjusted EBIT improved slightly year over year to -€137.8 million (previous year: -€139.4 million). Calculated based on adjusted sales, the adjusted EBIT margin remained unchanged at -44.6%.

Electrification Technology recorded expenses totaling €5.5 million from special effects in the first half of 2022 (previous year: €38.2 million). Please refer to our comments in the Earnings chapter for further details.

DEVELOPMENTS IN THE ELECTRONIC CONTROLS BUSINESS UNIT

	January 1 through June 30		Second Quarter	
€ million	**2022**	2021	**2022**	2021
Sales	1,868.5	1,873.3	922.2	888.9
EBITDA	166.2	167.2	83.9	104.0
As % of sales	8.9	8.9	9.1	11.7
EBIT	35.0	35.4	17.8	36.5
As % of sales	1.9	1.9	1.9	4.1
Adjusted sales[1]	1,868.5	1,864.8	922.2	880.4
Adjusted EBIT[2]	41.7	52.5	19.7	50.7
As % of adjusted sales	2.2	2.8	2.1	5.8
Research and development expenses (net)	137.2	165.3	71.8	73.3
As % of sales	7.3	8.8	7.8	8.2
Depreciation, amortization, and impairment[3]	131.2	131.8	66.1	67.5
Of which impairment[4]	1.0	4.3	0.8	3.5
Operating assets (as at Jun. 30)	1,352.2	1,131.1		
Capital expenditure[5]	80.2	91.4	46.7	48.2
As % of sales	4.3	4.9	5.1	5.4
Number of employees (as at Jun. 30)[6]	14,996	16,164		

1) Adjusted for changes in the scope of consolidation.
2) Adjusted for amortization of intangible assets from purchase-price allocation, changes in the scope of consolidation, and extraordinary items.
3) Excluding impairment of investments.
4) Impairment also includes any required reversal of impairment losses.
5) Capital expenditure on property, plant, and equipment and software, including IFRS 16 Leases.
6) Excluding apprentices/trainees.

Sales

Sales in the Electronic Controls business unit stagnated in comparison to the prior-year period, reaching €1,868.5 million (previous year: €1,873.3 million). When adjusted for changes in the scope of consolidation and in exchange-rate effects, sales reduced by 4.6%. While electronic control units and turbochargers showed a slight increase in sales volumes,injectors, pumps, and nonautomotive products fall insales volumes year over year.

EBIT

EBIT shows a slight decrease year over year at €35.0 million (previous year: €35.4 million). The earnings were particularly influenced by the rising costs of material procurement and logistics, however these costs were offset by taking actions such as saving in other areas and passing on costs to customers.

Adjusted EBIT

Adjusted EBIT went down by 20.6% year over year, falling by €10.8 million to €41.7 million (previous year: €52.5 million). The adjusted EBIT margin declined from 2.8% to 2.2%, calculated based on adjusted sales.

Electronic Controls recorded expenses of €6.5 million from special effects in the first half of 2022 (previous year: €15.6 million). Please refer to our comments in the Earnings chapter for further details.

DEVELOPMENTS IN THE SENSING & ACTUATION BUSINESS UNIT

	January 1 through June 30		Second Quarter	
€ million	**2022**	2021	**2022**	2021
Sales	1,730.3	1,684.4	844.4	807.9
EBITDA	260.6	215.4	133.8	110.6
As % of sales	15.1	12.8	15.8	13.8
EBIT	170.5	119.4	88.2	62.2
As % of sales	9.9	7.1	10.4	7.7
Adjusted sales[1]	1,730.3	1,670.0	844.4	801.0
Adjusted EBIT[2]	168.4	138.3	84.1	71.2
As % of adjusted sales	9.7	8.3	10.0	8.9
Research and development expenses (net)	101.4	101.2	51.8	51.5
As % of sales	5.9	6.0	6.1	6.4
Depreciation, amortization, and impairment[3]	90.1	96.0	45.6	48.4
Of which impairment[4]	0.3	9.6	0.0	6.8
Operating assets (as at Jun. 30)	1,032.7	1,080.3		
Capital expenditure[5]	67.3	59.8	43.5	27.6
As % of sales	3.9	3.6	5.2	3.4
Number of employees (as at Jun. 30)[6]	15,547	16,175		

1) Adjusted for changes in the scope of consolidation.
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3) Excluding impairment of investments.
4) Impairment also includes any required reversal of impairment losses.
5) Capital expenditure on property, plant, and equipment and software, including IFRS 16 Leases.
6) Excluding apprentices/trainees.

Sales

Sales in the Sensing & Actuation business unit went up by 2.7% year over year, rising by €45.9 million to €1,730.3 million (previous year: €1,684.4 million). Adjusted for effects from changes in the scope of consolidation and in exchange rates, sales reduced by 1.3%. While actuator and aftermarket sales volumes increased, the sales volumes of sensors, tank systems, and catalysts declined year over year.

EBIT

EBIT rose by €51.1 million to €170.5 million (previous year: €119.4 million). Reduced charges for the purchase of broker parts, compensation for cost increases from previous years, and positive foreign-exchange effects are the main drivers of the increased earnings.

Adjusted EBIT

Adjusted EBIT improved by €30.1 million to €168.4 million (previous year: €138.3 million), reaching a margin of 9.7% when calculated based on adjusted sales (previous year: 8.3%).

Sensing & Actuation recorded income of €2.1 million from extraordinary items in the first half of 2022 (previous year: expenses of €20.3 million). Please refer to our comments in the Earnings chapter for further details.

DEVELOPMENTS IN THE CONTRACT MANUFACTURING BUSINESS UNIT

	January 1 through June 30		Second Quarter	
€ million	**2022**	2021	**2022**	2021
Sales	548.9	546.1	270.0	260.4
EBITDA	40.7	123.1	19.6	26.3
As % of sales	7.4	22.5	7.3	10.1
EBIT	17.4	94.4	8.2	12.1
As % of sales	3.2	17.3	3.0	4.6
Adjusted sales[1]	548.9	546.1	270.0	260.4
Adjusted EBIT[2]	17.4	32.9	8.2	12.1
As % of adjusted sales	3.2	6.0	3.0	4.6
Research and development expenses (net)	–	-0.2	–	-0.0
As % of sales	–	-0.0	–	-0.0
Depreciation, amortization, and impairment[3]	23.3	28.7	11.4	14.2
Of which impairment[4]	–	–	–	-
Operating assets (as at Jun. 30)	110.9	247.4		
Capital expenditure[5]	2.3	7.1	1.8	5.4
As % of sales	0.4	1.3	0.7	2.1
Number of employees (as at Jun. 30)[6]	2,480	3,429		

1) Adjusted for changes in the scope of consolidation.
2) Adjusted for amortization of intangible assets from purchase-price allocation, changes in the scope of consolidation, and extraordinary items.
3) Excluding impairment of investments.
4) Impairment also includes any required reversal of impairment losses.
5) Capital expenditure on property, plant, and equipment and software, including IFRS 16 Leases.
6) Excluding apprentices/trainees.

Sales

Sales in the Contract Manufacturing business unit stagnated, reaching €548.9 million (previous year: €546.1 million). Adjusted for changes in exchange rates, sales fell by 5.9%. As expected, there was a decline in the adjusted sales volumes that was driven by the agreed relocation of production lines to the Continental Group.

EBIT

EBIT fell by €77.0 million to €17.4 million (previous year: €94.4 million). The key reasons for this are the positive one-time effect from selling a part of a business unitt during the previous year and the price productivity agreed mutually with the Continental Group.

Adjusted EBIT

Adjusted EBIT was down €15.5 million at €17.4 million (previous year: €32.9 million), with an adjusted EBIT margin of 3.2% (previous year: 6.0%).

Contract Manufacturing did not have any special effects in the first six months of 2022. In the previous year, they produced income of €61.5 million. Please refer to our comments in the Earnings chapter for further details.

RISK AND OPPORTUNITY REPORT

We described our risk-management system in detail in our 2021 annual report and presented the material risk categories and individual risks that could have significant negative impacts on our business, earnings, finances, and assets along with our material opportunities.

We did not identify any further material risks or opportunities during the reporting period that would go beyond those presented in the annual report. While the changes explained below did occur during the reporting period in relation to the statements and assessments of individual risks and opportunities made in the annual report, the overall risk situation faced by the Vitesco Technologies Group has not changed in a material way.

Russia's invasion of Ukraine heightens the risks arising from geopolitical volatility and from political upheaval. The direct impacts of the war and the sanctions imposed on Russia will not have any lasting effect on Vitesco Technologies' business activities due to the limited relations with the countries involved. However, a significant negative impact on Vitesco Technologies' earnings and finances may arise from indirect impacts that are more difficult to assess. They include a global economic downturn, additional shortages of parts, further rises in the inflation rate, and price rises for energy, raw materials, and components. Due to the highly volatile situation and uncertainty, it is currently not yet possible to gauge the full extent of these potential impacts and effects.

Further production stoppages at Vitesco Technologies or disruptions within the supply chain – among customers or suppliers – for example as a result of regional COVID-19 lockdowns in China might have further negative impacts of a material nature on sales and procurement markets and on Vitesco Technologies' earnings.

Goods shortages or price increases, especially for semiconductors as well as other materials needed for production, will continue to result in higher costs for logistics and materials. However, we deem the potential negative effects on the earnings, finances, and assets of Vitesco Technologies to be not worse than we did in the 2021 annual report due to the developments in the external environment and the effects of the countermeasures we took to offset rising costs or pass them on to customers.

We generally cannot rule out that other risks and opportunities unknown to us or deemed as immaterial presently might also influence our business activities. Nonetheless, we have not identified any risks currently that would pose a threat to our Company as a going concern either individually or in combination with other risks.

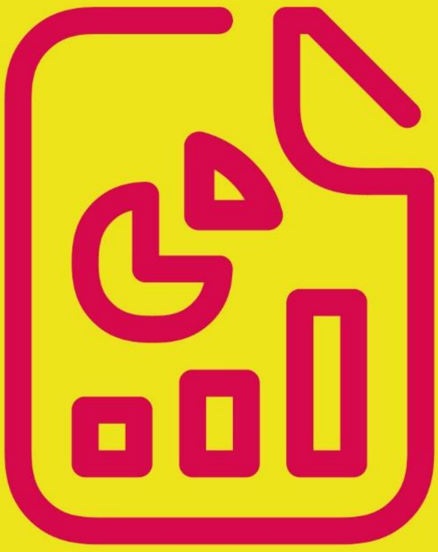
FORECAST REPORT AND GUIDANCE

In its quarterly report for the first quarter of 2022, Vitesco Technologies revised down its forecast for global vehicle production from the guidance provided in its 2021 annual report. The current estimate takes into account, among other things, the influences that, based on current understanding, are arising from events such as Russia's invasion of Ukraine, COVID-19-related adjustments in production, and global goods shortages, especially of semiconductors.

Vitesco Technologies expects that the number of vehicles produced will increase by about 3% to 5% year over year. The North American market is seen as the main driver of this increase, with estimated growth of approximately 11% to 13%. Europe, on the other hand, is only expected to have growth of approximately 3% to 5% while China is expected to see a change between -2% and 0%.

The guidance for Vitesco Technologies' business development during the 2022 fiscal year remains the same as presented in the 2021 annual report. The reasons for not making any adjustments to the guidance for business development, despite the reduced numbers of vehicles produced, include, in particular, beneficial foreign-exchange developments, agreed price adjustments, and the continued improvement of semiconductor availability expected for the second half of the year.

The guidance is still subject to with strong uncertainty due to the ongoing, volatile developments globally, such as the Russian invasion of Ukraine, COVID-19-related changes in production, and developments in energy supply.



INTERIM CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF INCOME

	January 1 through June 30		Second Quarter	
€ million	**2022**	2021	**2022**	2021
Revenue	**4,423.6**	**4,396.9**	**2,165.0**	**2,094.9**
Cost of sales	-3,842.6	-3,744.3	-1,899.8	-1,760.7
Gross profit	**581.0**	**652.6**	**265.2**	**334.2**
Research and development costs	-498.1	-503.2	-257.0	-253.8
Distribution and logistics costs	-71.6	-67.8	-36.1	-35.4
General administrative costs	-92.8	-114.8	-48.3	-60.4
Other income	232.3	314.5	137.2	132.5
Other expenses	-85.3	-241.7	-32.6	-91.7
Income from equity-accounted investees	0.8	0.2	0.3	0.2
EBIT	**66.3**	**39.8**	**28.7**	**25.6**
Interest income	15.6	9.7	11.1	6.3
Interest expense	-22.6	-13.5	-9.7	-7.1
Effects from currency translation	-30.9	15.5	-33.9	11.0
Effects from changes in the fair value of derivatives, and other measurement effects	18.3	-2.3	28.7	3.6
Finance income	**-19.6**	**9.4**	**-3.8**	**13.8**
Earnings before tax	**46.7**	**49.2**	**24.9**	**39.4**
Income tax	-21.3	-80.7	11.8	-39.2
Net income	**25.4**	**-31.5**	**36.7**	**0.2**
Net income attributable to noncontrolling interests	–	–	–	–
Net income attributable to the shareholders of the parent	25.4	-31.5	36.7	0.2
Basic earnings per share in €	**0.63**	**n. a.**	**0.92**	**n. a.**
Diluted earnings per share in €	**0.63**	**n. a.**	**0.92**	**n. a.**

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	January 1 through June 30		Second Quarter	
€ million	**2022**	2021	**2022**	2021
Net income	**25.4**	**-31.5**	**36.7**	**0.2**
Items that will not be reclassified to profit or loss				
Remeasurement of defined-benefit plans	359.5	95.0	237.4	-1.3
Fair-value adjustments	359.8	95.7	237.6	-1.2
Currency translation	-0.3	-0.7	-0.2	-0.1
Tax on other comprehensive income	-20.5	0.1	-18.1	0.7
Items that may be reclassified subsequently to profit or loss				
Currency translation	107.4	65.3	57.3	-10.2
Cash-flow hedges	4.5	–	2.9	–
Fair-value adjustments	4.5	–	2.9	–
Other comprehensive income	**450.9**	**160.4**	**279.5**	**-10.8**
Comprehensive income	**476.3**	**128.9**	**316.2**	**-10.6**
Attributable to noncontrolling interests	–	–	–	–
Attributable to the shareholders of the parent	476.3	128.9	316.2	-10.6

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

ASSETS

€ million	**Jun. 30, 2022**	Dec. 31, 2021
Goodwill	817.5	803.0
Other intangible assets	193.1	173.5
Property, plant, and equipment	2,502.7	2,544.9
Investments in equity-accounted investees	17.7	16.9
Other investments	23.8	23.8
Deferred tax assets	299.5	269.3
Defined-benefit assets	6.5	6.3
Noncurrent derivative instruments and interest-bearing investments	21.7	14.4
Other noncurrent financial assets	11.4	18.7
Other noncurrent assets	9.2	8.3
Noncurrent assets	**3,903.1**	**3,879.1**
Inventories	890.1	805.7
Trade receivables	1,577.8	1,518.9
Current contract assets	1.4	1.2
Other current financial assets	72.9	63.6
Other current assets	494.5	470.0
Income-tax receivables	26.1	29.1
Current derivative instruments and interest-bearing investments	26.6	26.5
Cash and cash equivalents	810.1	614.0
Current assets	**3,899.5**	**3,529.0**
Total assets	**7,802.6**	**7,408.1**

EQUITY AND LIABILITIES

€ million	Jun. 30, 2022	Dec. 31, 2021
Subscribed capital	100.1	100.1
Capital reserves	3,504.7	3,504.7
Retained earnings	-776.7	-791.2
Accumulated other comprehensive income	325.7	-125.3
Equity attributable to the shareholders of the parent	**3,153.8**	**2,688.3**
Noncontrolling interests	–	–
Equity	**3,153.8**	**2,688.3**
Long-term employee benefits	537.3	866.4
Deferred tax liabilities	57.0	57.0
Noncurrent provisions for other risks and obligations	280.3	273.1
Long-term debt	406.9	199.1
Other noncurrent financial liabilities	7.3	7.3
Noncurrent contract liabilities	97.5	5.9
Other noncurrent liabilities	3.5	93.6
Noncurrent liabilities	**1,389.8**	**1,502.4**
Short-term employee benefits	257.6	244.1
Trade payables	2,052.5	1,958.2
Current contract liabilities	48.6	54.5
Income-tax payables	89.5	83.2
Current provisions for other risks and obligations	450.0	504.5
Short-term debt	62.9	69.8
Other current financial liabilities	202.3	205.1
Other current liabilities	95.6	98.0
Current liabilities	**3,259.0**	**3,217.4**
Total equity and liabilities	**7,802.6**	**7,408.1**

CONSOLIDATED STATEMENT OF CASH FLOWS

	January 1 through June 30	
€ million	**2022**	2021
Net income	**25.4**	**-31.5**
Income tax	21.3	80.7
Finance income	19.6	-9.4
EBIT	**66.3**	**39.8**
Interest paid	-6.6	-29.0
Interest received	12.8	8.8
Income tax paid	-55.2	-73.3
Depreciation, amortization, impairment, and reversal of impairment losses	276.4	304.7
Income from equity-accounted investees and other investments, incl. impairment and reversal of impairment losses	-0.8	-0.2
Gains/losses from the disposal of assets, companies, and business operations	-7.3	-4.6
Changes in		
Inventories	-59.3	-159.5
Trade receivables	-57.8	389.4
Trade payables	57.2	-207.2
Employee benefits and other provisions	-42.3	76.8
Other assets and liabilities	30.0	0.1
Cash flow arising from operating activities	**213.4**	**345.8**
Cash flow from the disposal of assets	25.5	30.7
Capital expenditure on property, plant, and equipment and software	-164.6	-146.0
Capital expenditure on intangible assets from development projects and miscellaneous	-33.0	-16.7
Cash flow from the disposal of companies and business operations	8.5	91.0
Acquisition of companies and business operations	–	–
Cash flow arising from investing activities	**-163.6**	**-41.0**
Cash flow before financing activities (free cash flow)	**49.8**	**304.8**
Changes in debt; derivatives, and interest-bearing financial instruments	125.2	-41.9
Financial transactions with the Continental Group	–	443.9
Cash flow arising from financing activities	**125.2**	**402.0**
Change in cash and cash equivalents	**175.0**	**706.8**
Cash and cash equivalents at the start of the reporting period	614.0	255.0
Effect of exchange-rate changes on cash and cash equivalents	21.1	10.0
Cash and cash equivalents at the end of the reporting period	**810.1**	**971.8**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

€ million	Subscribed capital[1]	Capital reserves	Retained earnings	Invested equity attrib-utable to Continental	Difference on: Remeasure-ment of defined-benefit re-tirement plans	Difference on: Cur-rency trans-lation	Difference on: Financial instru-ments	Equity attrib-utable to share-holders	Non-controlling interests	Total
As at Jan. 1, 2021	**n. a.**	**n. a.**	**n. a.**	**3,056.6**	**-410.8**	**-3.7**	**6.5**	**2,648.6**	**–**	**2,648.6**
Net income	n. a.	n. a.	n. a.	-31.5	–	–	–	-31.5	–	**-31.5**
Other comprehensive income	n. a.	n. a.	n. a.	–	95.1	65.3	–	160.4	–	**160.4**
Comprehensive income	**n. a.**	**n. a.**	**n. a.**	**-31.5**	**95.1**	**65.3**	**–**	**128.9**	**–**	**128.9**
Successive purchases	n. a.	n. a.	n. a.	–	–	–	–	–	–	–
Other changes[2]	n. a.	n. a.	n. a.	-120.9	–	–	–	-120.9	–	**-120.9**
As at Jun. 30, 2021	**n. a.**	**n. a.**	**n. a.**	**2,904.2**	**-315.7**	**61.6**	**6.5**	**2,656.6**	**–**	**2,656.6**
As at Dec. 31, 2021	**100.1**	**3,504.7**	**-791.2**	**n. a.**	**-301.3**	**169.5**	**6.5**	**2,688.3**	**–**	**2,688.3**
Amendment to IAS 37 Provisions[3]	–	–	-10.8	n. a.	–	–	–	-10.8	–	**-10.8**
As at Jan. 1, 2022	**100.1**	**3,504.7**	**-802.1**	**n. a.**	**-301.3**	**169.5**	**6.5**	**2,677.5**	**–**	**2,677.5**
Net income	–	–	25.4	n. a.	–	–	–	25.4	–	**25.4**
Other comprehensive income	–	–	–	n. a.	339.0	107.4	4.5	450.9	–	**450.9**
Comprehensive income	**–**	**–**	**25.4**	**n. a.**	**339.0**	**107.4**	**4.5**	**476.3**	**–**	**476.3**
As at Jun. 30, 2022	**100.1**	**3,504.7**	**-776.7**	**n. a.**	**37.7**	**277.0**	**11.0**	**3,153.8**	**–**	**3,153.8**

1) Divided into 40,021,196 shares outstanding.
2) Other changes are the result of contributions and withdrawals for the carve-out financial statements.
3) Effects from amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets (Onerous Contracts - Cost of Fulfilling a Contract) with effect from January 1, 2022.

EXPLANATORY DISCLOSURES FOR THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Segment Reporting

SEGMENT REPORTING FROM JANUARY 1 THROUGH JUNE 30, 2022

€ million	Electrification Technology	Electronic Controls	Sensing & Actuation	Contract Manufacturing	Other/ holding company/ consolidation	Vitesco Technologies Group
External sales	308.7	1,862.0	1,704.3	548.6	–	4,423.6
Intercompany sales	0.0	6.5	26.0	0.3	-32.8	–
Sales (total)	**308.7**	**1,868.5**	**1,730.3**	**548.9**	**-32.8**	**4,423.6**
EBIT (segment result)	-143.3	35.0	170.5	17.4	-13.3	66.3
As % of sales	-46.4	1.9	9.9	3.2	–	1.5
Capital expenditure[1]	48.6	80.2	67.3	2.3	–	198.4
As % of sales	15.7	4.3	3.9	0.4	–	4.5
Depreciation, amortization, and impairment[2]	31.7	131.2	90.1	23.3	0.1	276.4
Of which impairment[3]	4.7	1.0	0.3	–	–	6.0
Operating assets (as at Jun. 30)	298.9	1,352.2	1,032.7	110.9	-74.9	2,719.8
Number of employees (as at Jun. 30)[4]	4,591	14,996	15,547	2,480	50	37,664
Adjusted sales[5]	308.7	1,868.5	1,730.3	548.9	-32.8	4,423.6
Adjusted EBIT[6]	-137.8	41.7	168.4	17.4	-11.6	78.1
As % of adjusted sales	-44.6	2.2	9.7	3.2	–	1.8

1) Capital expenditure on property, plant, and equipment and software, including IFRS 16 Leases.
2) Excluding impairment of investments.
3) Impairment also includes any required reversal of impairment losses.
4) Excluding apprentices/trainees.
5) Adjusted for changes in the scope of consolidation.
6) Adjusted for amortization of intangible assets from purchase-price allocation, changes in the scope of consolidation, and special effects.

SEGMENT REPORTING JANUARY 1 THROUGH JUNE 30, 2021

€ million	Electrification Technology	Electronic Controls	Sensing & Actuation	Contract Manufacturing	Other/ holding company/ consolidation	Vitesco Technologies Group
External sales	312.2	1,870.9	1,668.2	545.6	–	4,396.9
Intercompany sales	0.2	2.4	16.2	0.5	-19.3	–
Sales (total)	**312.4**	**1,873.3**	**1,684.4**	**546.1**	**-19.3**	**4,396.9**
EBIT (segment result)	-177.6	35.4	119.4	94.4	-31.8	39.8
As % of sales	-56.9	1.9	7.1	17.3	–	0.9
Capital expenditure[1]	54.4	91.4	59.8	7.1	–	212.7
As % of sales	17.4	4.9	3.6	1.3	–	4.8
Depreciation, amortization, and impairment[2]	47.7	131.8	96.0	28.7	–	304.2
Of which impairment[3]	35.2	4.3	9.6	–	0.1	49.2
Operating assets (as at Jun. 30)	-65.3	1,131.1	1,080.3	247.4	-43.8	2,349.7
Number of employees (as at Jun. 30)[4]	3,843	16,164	16,175	3,429	–	39,611
Adjusted sales[5]	312.4	1,864.8	1,670.0	546.1	-19.3	4,374.0
Adjusted EBIT[6]	-139.4	52.5	138.3	32.9	-2.5	81.8
As % of adjusted sales	-44.6	2.8	8.3	6.0	–	1.9

1) Capital expenditure on property, plant, and equipment and software, including IFRS 16 Leases.
2) Excluding impairment of investments.
3) Impairment also includes any required reversal of impairment losses.
4) Excluding apprentices/trainees.
5) Adjusted for changes in the scope of consolidation.
6) Adjusted for amortization of intangible assets from purchase-price allocation, changes in the scope of consolidation, and special effects.

RECONCILIATION OF SALES WITH ADJUSTED SALES AND OF EBITDA WITH ADJUSTED EBIT FROM JANUARY 1 THROUGH JUNE 30, 2022

€ million	Electrification Technology	Electronic Controls	Sensing & Actuation	Contract Manufacturing	Other/ holding company/ consolidation	Vitesco Technologies Group
Sales	**308.7**	**1,868.5**	**1,730.3**	**548.9**	**-32.8**	**4,423.6**
Changes in the scope of consolidation[1]	–	–	–	–	–	–
Adjusted sales	**308.7**	**1,868.5**	**1,730.3**	**548.9**	**-32.8**	**4,423.6**
EBITDA	**-111.6**	**166.2**	**260.6**	**40.7**	**-13.2**	**342.7**
Depreciation, amortization, and impairment[2]	-31.7	-131.2	-90.1	-23.3	-0.1	-276.4
EBIT	**-143.3**	**35.0**	**170.5**	**17.4**	**-13.3**	**66.3**
Amortization of intangible assets from purchase-price allocation (PPA)	–	0.2	–	–	–	0.2
Changes in the scope of consolidation[1]	–	–	–	–	–	–
Special effects						
Impairment on goodwill	–	–	–	–	–	–
Impairment[3]	4.0	1.0	0.3	–	–	5.3
Restructuring[4]	-0.2	-1.0	-6.5	–	–	-7.7
Restructuring-related expenses	–	4.3	0.7	–	–	5.0
Severance payments	0.6	1.6	0.7	–	–	2.9
Gains and losses from disposals of companies and business operations	–	-2.5	–	–	-1.3	-3.8
Spin-off costs	1.1	3.1	2.7	–	–	6.9
Expenses out of obligations for an investigation in connection with emissions issues	–	–	–	–	3.0	3.0
Adjusted EBIT	**-137.8**	**41.7**	**168.4**	**17.4**	**-11.6**	**78.1**

1) Changes in the scope of consolidation include additions and disposals as part of share and asset deals. Adjustments were made for additions during the reporting period and for disposals in the year-over-year comparison period.
2) Excluding impairment of investments.
3) Impairment also includes any required reversal of impairment losses. This item does not include impairment that arose in connection with restructuring and impairment of investments.
4) It includes impairment of €0.7 million on property, plant, and equipment in the Electrification Technology business unit.

RECONCILIATION OF SALES WITH ADJUSTED SALES AND OF EBITDA WITH ADJUSTED EBIT FROM JANUARY 1 THROUGH JUNE 30, 2021

€ million	Electrification Technology	Electronic Controls	Sensing & Actuation	Contract Manufacturing	Other/ holding company/ consolidation	Vitesco Technologies Group
Sales	**312.4**	**1,873.3**	**1,684.4**	**546.1**	**-19.3**	**4,396.9**
Changes in the scope of consolidation[1]	–	-8.5	-14.4	–	–	-22.9
Adjusted sales	**312.4**	**1,864.8**	**1,670.0**	**546.1**	**-19.3**	**4,374.0**
EBITDA	**-129.9**	**167.2**	**215.4**	**123.1**	**-31.8**	**344.0**
Depreciation, amortization, and impairment[2]	-47.7	-131.8	-96.0	-28.7		-304.2
EBIT	**-177.6**	**35.4**	**119.4**	**94.4**	**-31.8**	**39.8**
Amortization of intangible assets from purchase-price allocation (PPA)	–	0.9	1.6	–	–	2.5
Changes in the scope of consolidation[1]	–	0.6	-3.0	–	–	-2.4
Special effects						
Impairment on goodwill	–	–	–	–	–	–
Impairment[3]	35.2	4.0	9.8	–	–	49.0
Restructuring[4]	–	-9.0	-1.9	–	–	-10.9
Restructuring-related expenses	–	5.4	0.1	–	–	5.5
Severance payments	0.8	2.5	1.8	–	–	5.1
Gains and losses from disposals of companies and business operations	–	–	–	-61.5	–	-61.5
Spin-off costs	2.2	12.7	10.5	–	29.3	54.7
Expenses out of obligations for an investigation in connection with emissions issues	–	–	–	–	–	–
Adjusted EBIT	**-139.4**	**52.5**	**138.3**	**32.9**	**-2.5**	**81.8**

1) Changes in the scope of consolidation include additions and disposals as part of share and asset deals. Adjustments were made for additions during the reporting period and for disposals in the year-over-year comparison period.
2) Excluding impairment of investments.
3) Impairment also includes any required reversal of impairment losses. This item does not include impairment that arose in connection with restructuring and impairment of investments.
4) This included impairment and reversal of impairment losses on property, plant, and equipment of an amount of €0.2 million (reversals: Sensing & Actuation €0.2 million, impairment: Electronic Controls €0.4 million).

RECONCILIATION OF EBIT AND NET INCOME

	January 1 through June 30		Second Quarter	
€ million	**2022**	2021	**2022**	2021
Electrification Technology	-143.3	-177.6	-74.4	-78.4
Electronic Controls	35.0	35.4	17.8	36.5
Sensing & Actuation	170.5	119.4	88.2	62.2
Contract Manufacturing	17.4	94.4	8.2	12.1
Other/holding company/consolidation	-13.3	-31.8	-11.1	-6.8
EBIT	**66.3**	**39.8**	**28.7**	**25.6**
Finance income	-19.6	9.4	-3.8	13.8
Earnings before tax	**46.7**	**49.2**	**24.9**	**39.4**
Income tax	-21.3	-80.7	11.8	-39.2
Net Group income	**25.4**	**-31.5**	**36.7**	**0.2**
Net income attributable to noncontrolling interests	–	–	–	–
Net income attributable to the shareholders of the parent	**25.4**	**-31.5**	**36.7**	**0.2**

Accounting principles

Vitesco Technologies Group AG and its subsidiaries (the “Company” or the “Vitesco Technologies Group”) form the subject of these condensed interim consolidated financial statements as at June 30, 2022. These interim consolidated financial statements were compiled in accordance with the International Financial Reporting Standards (IFRS) recognized by the European Union and applicable as at the end of the reporting period. These standards also include the International Accounting Standards (IAS), the interpretations issued by the International Financial Standards Interpretations Committee (IFRS IC) or its predecessor the International Financial Reporting Interpretations Committee (IFRIC), and those of the former Standing Interpretations Committee (SIC). The interim financial statements were created in compliance with IAS 34 Interim Financial Reporting in a condensed format. The interim consolidated financial statements are intended to be read in connection with the Vitesco Technologies Group AG consolidated financial statements as at December 31, 2021. The accounting and measurement methods that were applied in the interim consolidated financial statements correspond to those that were applied for the consolidated financial statements for the 2021 fiscal year. Amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets (Onerous Contracts – Cost of Fulfilling a Contract) were accounted for as an adjustment in equity with effect from January 1, 2022. The attained results that are presented in the interim consolidated financial statements do not necessarily represent a prediction about how business will develop during the rest of the year. The income tax expenses are calculated for the interim reporting periods by applying the effective tax rate currently expected for the Vitesco Technology Group for the 2022 fiscal year as a whole.

Some parts of the Group’s business are seasonal. However, this does not impair the comparability of the interim consolidated financial statements. All material effects from the current interim reporting period are presented in the interim report.

The interim consolidated financial statements have not been audited. They were approved for publication by the Executive Board on August 4, 2022. Additional disclosures about changes in estimates, the impacts of the war in Ukraine, the categorization of revenues, and segment information, including effects from COVID-19, can be found in the interim group management report and interim consolidated financial statements.

The interim consolidated financial statements have been prepared in euros (€). Unless otherwise stated, all amounts are shown in millions of euros (€ million). Please note that differences may arise as a result of the use of rounded amounts and percentages (%).

Effects of the COVID-19 pandemic on accounting in the reporting period

As a result of the COVID-19 pandemic, the 2022 reporting period was subject to many uncertainties with respect to the economic environment. It is not currently possible to predict the long-term economic consequences of the COVID-19 pandemic. A continuous review was carried out during the reporting period based on the information available to identify any need for adjustment in the various areas. The analysis of the effects on the accounting of the Vitesco Technologies Group as at June 30, 2022, resulted in the following findings:

- Financial instruments: An increase in insolvencies and associated credit losses as a result of the COVID-19 pandemic cannot be ruled out. The Vitesco Technologies Group has made allowances in cases where there are reasons in the assessment of credit management that lead to the assumption that it is more probable that the receivables are not collectible. The Vitesco Technologies Group regularly reviews the expected credit-loss model pursuant to IFRS 9 Financial Instruments in order to identify potential effects on the model and make any necessary adjustments. A review based on the information currently available did not reveal any additional need for adjustment as at June 30, 2022.
- Leases: As a result of the COVID-19 pandemic, changes to lease payments may lead to a different accounting treatment of individual leases in the period up to June 30, 2022. All relevant matters have been reviewed and accounted for in accordance with the requirements of IFRS 16 Leases. As at June 30, 2022, there was no material need for adjustment.
- Employee benefits: The review of the defined actuarial assumptions for employee benefits, including the interest rate, did not result in any need for adjustment due to the COVID-19 pandemic as at June 30, 2022.

Companies consolidated

The interim consolidated financial statements of Vitesco Technologies Group AG incorporate all material companies that are controlled by Vitesco Technologies Group AG.

The scope of consolidation changed as follows between December 31, 2021, and June 30, 2022:

	Jun. 30, 2022	Dec. 31, 2021
Number of fully consolidated companies (subsidiaries)	**35**	**40**
Germany	9	11
Other countries	26	29
Number of joint ventures	**1**	**1**
Germany	–	–
Other countries	1	1
Number of associated companies	**1**	**1**
Germany	–	–
Other countries	1	1

As in the previous year, there was one subsidiary that was not fully consolidated. Its assets, liabilities, earnings, and expenses are of minor importance to the earnings, finances, and assets of the Vitesco Technologies Group.

The number of companies consolidated has decreased by a total of two companies in Germany and three companies in other countries. In Germany, the assets of the companies Vitesco Technologies 1. Beteiligungsgesellschaft mbH & Co. KG, Frankfurt am Main, and Vitesco Technologies 2. Beteiligungsgesellschaft mbH & Co. KG, Hanover, were transferred to Vitesco Technologies Group AG as part of the accretion process. In addition, Vitesco Technologies Delavan LLC, Delavan, United States, was sold during the 2022 fiscal year. Vitesco Technologies Holding 1 Canada, Inc., Chatham, Canada, and Vitesco Technologies Holding 2 Canada, Inc., Chatham, Canada, were merged into Vitesco Technologies Canada, ULC, Mississauga, Canada, during the fiscal year.

Acquisition and disposal of companies and business operations

The Electronic Controls segment realized a €3.6 million gain on the sale of a company, which was comprised as follows:

€ million	Jun. 30, 2022
Purchase price	10.9
Carrying amount of the net assets sold	-8.3
Gain on sale before income taxes and reclassification of currency-conversion reserve	**2.6**
Reclassification of currency-conversion reserve	1.2
Attributable income-tax expense	-0.2
Gain on sale after income taxes	**3.6**

The purchase price is subject to potential purchase-price adjustments at a later date.

There were no material impacts on the earnings, finances, or assets of the Vitesco Technologies Group in connection with the sale of the company as at June 30, 2022.

Revenue from Contracts with Customers

Revenue under IFRS 15 Revenue from Contracts with Customers is presented in the following tables according to main geographic markets, segments, and customer categories.

REVENUE FROM CONTRACTS WITH CUSTOMERS FROM JANUARY 1 TO JUNE 30, 2022

€ million	Electrification Technology	Electronic Controls	Sensing & Actuation	Contract Manufacturing	Other/ holding company/ consolidation	Vitesco Technologies Group
Germany	99.3	281.6	402.3	19.7	-1.6	801.3
Europe excluding Germany	178.1	473.5	490.3	114.8	-7.4	1,249.3
North America	17.1	476.5	404.3	265.1	-5.0	1,158.0
Asia	14.2	616.1	402.9	145.5	-13.3	1,165.4
Other countries	–	20.8	30.5	3.8	-5.5	49.6
Sales by region	**308.7**	**1,868.5**	**1,730.3**	**548.9**	**-32.8**	**4,423.6**
Automotive original-equipment business	308.7	1,785.8	1,583.6	548.1	-32.8	4,193.4
Industrial/spare-parts business	–	82.7	146.7	0.8	–	230.2
Sales by customer type	**308.7**	**1,868.5**	**1,730.3**	**548.9**	**-32.8**	**4,423.6**

REVENUE FROM CONTRACTS WITH CUSTOMERS FROM JANUARY 1 TO JUNE 30, 2021

€ million	Electrification Technology	Electronic Controls	Sensing & Actuation	Contract Manufacturing	Other/ holding company/ consolidation	Vitesco Technologies Group
Germany	120.5	305.7	338.9	13.5	-0.8	777.8
Europe excluding Germany	174.4	472.9	486.3	135.7	-3.7	1,265.6
North America	17.1	430.1	371.3	230.6	-4.1	1,045.0
Asia	0.4	635.4	464.7	161.7	-10.6	1,251.6
Other countries	–	29.2	23.2	4.6	-0.1	56.9
Sales by region	**312.4**	**1,873.3**	**1,684.4**	**546.1**	**-19.3**	**4,396.9**
Automotive original-equipment business	312.4	1,782.9	1,578.0	535.9	-19.3	4,189.9
Industrial/spare-parts business	–	90.4	106.4	10.2	–	207.0
Sales by customer type	**312.4**	**1,873.3**	**1,684.4**	**546.1**	**-19.3**	**4,396.9**

Impairment

The Vitesco Technologies Group immediately reviews other intangible assets, property, plant, and equipment; investments, and goodwill as soon as there is an indication of impairment (triggering event). This review did not expose any impairment during the interim reporting period.

Income tax

The income taxes for the interim reporting period, i.e., the first six months of 2022, came to €21.3 million (previous year: €80.7 million). The tax rate during the reporting period was 45.6% (previous year: 164.0%).

Equity

Vitesco Technologies Group AG recognized retained earnings of €0.00 as at December 31, 2021, in its annual accounts prepared under commercial law. A resolution for appropriating profits was therefore not required at the Annual General Meeting on May 5, 2022. A dividend was not paid.

Debt

	Jun. 30, 2022			Dec. 31, 2021		
€ million	**Total**	**Current**	**Noncurrent**	Total	Current	Noncurrent
Loans against promissory note (SSD)	200.0	–	200.0	–	–	–
Derivative instruments	14.0	14.0	–	24.4	24.4	–
Lease liabilities	255.8	48.9	206.9	244.5	45.4	199.1
Debt	**469.8**	**62.9**	**406.9**	**268.9**	**69.8**	**199.1**

The Vitesco Technologies Group issued and obtained bond-like loans against a promissory note (SSD) in the first quarter of 2022, raising a nominal volume totaling €200.0 million (previous year: –) with maturity dates in 2025, 2027, 2029, and 2032. The loans against promissory notes exist at fixed as well as variable interest rates and serve a purpose of general corporate finance.

Financial Instruments

The tables below show the carrying amounts and fair values of financial assets and liabilities, with noncurrent and current items being presented together. In addition, the relevant measurement categories are shown according to IFRS 9 Financial Instruments and the levels of the fair-value hierarchy relevant for calculating fair value according to IFRS 13 Fair Value Measurement.

	Carrying amount as at Jun. 30, 2022					Fair value as at Jun. 30, 2022			
€ million	FVOCIwoR	FVOCIwR	FVPL	At cost	**Total**	Of which level 1	Of which level 2	Of which level 3	**Total**
Financial instruments measured at fair value	**23.8**	**18.9**	**32.9**	–	**79.8**				
Other investments	23.8	–	–	–	**23.8**	–	–	23.8	**23.8**
Derivative instruments not accounted for as effective hedginginstruments	–	–	19.1	–	**19.1**	–	19.1	–	**19.1**
Derivative instruments accounted for as effective hedging instruments[1]	–	–	–	–	**4.2**	–	4.2	–	**4.2**
Debt instruments	–	–	13.8	–	**13.8**	–	13.8	–	**13.8**
Bank drafts	–	18.9	–	–	**18.9**	–	18.9	–	**18.9**
Financial instruments not measured at fair value	–	–	–	**2,464.4**	**2,464.4**				
Debt instruments	–	–	–	11.2	**11.2**	–	–	–	–
Trade receivables	–	–	–	1,558.9	**1,558.9**	–	–	–	–
Other financial assets	–	–	–	84.2	**84.2**	–	–	–	–
Cash and cash equivalents	–	–	–	810.1	**810.1**	–	–	–	–
Financial liabilities measured at fair value	–	–	**14.0**	–	**14.0**				
Derivative instruments not accounted for as effective hedging instruments	–	–	14.0	–	**14.0**	–	14.0	–	**14.0**
Financial liabilities not measured at fair value	–	–	–	**2,462.1**	**2,462.1**				
Trade payables	–	–	–	2,052.5	**2,052.5**	–	–	–	–
Loans against promissory note (SSD)	–	–	–	200.0	**200.0**	–	–	–	–
Other debt	–	–	–	–	–	–	–	–	–
Other financial liabilities	–	–	–	209.6	**209.6**	–	–	71.5	**71.5**
Financial assets	**23.8**	**18.9**	**32.9**	**2,464.4**	**2,544.2**				
Financial liabilities	–	–	**14.0**	**2,462.1**	**2,476.1**				

1) Derivative instruments accounted for as effective hedging instruments are not assigned to a measurement category under IFRS 9.

€ million	Carrying amount as at Dec. 31, 2021 FVOCIwoR	FVOCIwR	FVPL	At cost	Total	Fair value as at Dec. 31, 2021 Of which level 1	Of which level 2	Of which level 3	Total
Financial instruments measured at fair value	**23.8**	**91.4**	**34.3**	–	**149.5**				
Other investments	23.8	–	–	–	**23.8**	–	–	23.8	**23.8**
Derivative instruments not accounted for as effective hedging instruments	–	–	19.9	–	**19.9**	–	19.9	–	**19.8**
Derivative instruments accounted for as effective hedging instruments[1]	–	–	–	–	**–**	–	–	–	**–**
Debt instruments	–	–	14.4	–	**14.4**	–	14.4	–	**14.4**
Bank drafts	–	91.4	–	–	**91.4**	–	91.4	–	**91.4**
Financial instruments not measured at fair value	**–**	**–**	**–**	**2,130.4**	**2,130.4**				
Debt instruments	–	–	–	6.6	**6.6**	–	–	–	**–**
Trade receivables	–	–	–	1,427.5	**1,427.5**	–	–	–	**–**
Other financial assets	–	–	–	82.3	**82.3**	–	–	–	**–**
Cash and cash equivalents	–	–	–	614.0	**614.0**	–	–	–	**–**
Financial liabilities measured at fair value	**–**	**–**	**24.4**	**–**	**24.4**				
Derivatives not accounted for as effective hedging instruments	–	–	24.4	–	**24.4**	–	24.4	–	**24.4**
Financial liabilities not measured at fair value	**–**	**–**	**–**	**2,170.6**	**2,170.6**				
Trade payables	–	–	–	1,958.2	**1,958.2**	–	–	–	**–**
Loans against promissory note (SSD)	–	–	–	–	**–**	–	–	–	**–**
Other debt	–	–	–	–	**–**	–	–	–	**–**
Other financial liabilities	–	–	–	212.4	**212.4**	–	–	71.5	**71.5**
Financial assets	**23.8**	**91.4**	**34.3**	**2,130.4**	**2,279.9**				
Financial liabilities	**–**	**–**	**24.4**	**2,170.6**	**2,195.0**				

1) Derivative instruments accounted for as effective hedging instruments are not assigned to a measurement category under IFRS 9.

Abbreviations

>At cost: measured at amortized cost
>FVOCIwR: fair value through other comprehensive income with reclassification
>FVOCIwoR: fair value through other comprehensive income without reclassification
>FVPL: fair value through profit and loss

Levels of the fair-value hierarchy under IFRS 13:

- Level 1: quoted prices in active markets for identical instruments
- Level 2: quoted prices in active markets for similar instruments or measurement methods for which all major input factors are based on observable market data
- Level 3: measurement methods for which the major input factors are not based on observable market data

Financial instruments allocated to the FVOCIwoR measurement category are classified as such because they are held over a long term for strategic purposes.

For other investments for which there are no quoted prices in active markets for identical instruments (level 1) or for similar instruments, or for which there are no applicable measurement methods in which all major input factors are based on observable market data (level 2), the fair value must be calculated using a measurement method for which the major input factors are not based on observable market data (level 3). If external valuation reports or information from other financing rounds is available, these are used. If such information is not available, the measurement is performed according to the measurement method that is deemed appropriate and realizable in each case, for example, according to the discounted cash-flow method or by valuation according to multiples using ratios based on purchase prices for comparable transactions. Measurement at amortized cost is only considered the best estimate of the fair value of financial assets if the most recent information available for fair-value measurement is insufficient. The other investments are centrally monitored with regard to any changes to the key nonobservable input factors and continuously checked for changes in value.

Other investments are accounted for at fair value. Changes are recognized in other comprehensive income. There have not been any changes. A sensitivity analysis has not been performed for the other investments for materiality reasons.

There were no transfers between the different levels of the fair-value hierarchy during the reporting period.

Litigation and compensation claims

There were no new findings or matters of a material nature during the reporting period in relation to the legal disputes and claims for damages explained in the annual report for the 2021 fiscal year.

Contingent liabilities and other financial obligations

There were no material changes in contingent liabilities or other financial obligations since the 2021 annual report as at June 30, 2022.

Transactions with related parties

The table below shows the transactions with related parties other than subsidiaries:

	Income		Expenses		Assets		Liabilities	
	January 1 through June 30		January 1 through June 30					
€ million	**2022**	2021	**2022**	2021	**Jun. 30, 2022**	Dec. 31, 2021	**Jun. 30, 2022**	Dec. 31, 2021
Continental Group								
Ordinary business activities	676.2	786.1	379.8	624.1	174.5	187.6	713.3	712.4
Leases	–	0.3	0.2	0.5	–	–	29.6	27.0
Financing	–	4.8	–	14.8	–	–	–	–
Others	2.5	–	–	–	3.8	3.7	71.5	71.5
Schaeffler Group								
Ordinary business activities	18.1	17.4	8.6	–	14.4	11.8	4.0	2.6
Other related parties								
Ordinary business activities	0.6	–	0.4	–	0.9	1.6	–	–
Financing	0.0	–	–	–	1.0	0.9	–	–
Total	**697.4**	**808.6**	**389.0**	**639.4**	**194.6**	**205.6**	**818.4**	**813.5**

Transactions with related parties other than subsidiaries were conducted on an arm's-length basis. Ordinary business activities comprise the purchase or sale of goods and other assets as well as rendered or received services. Please also see the comments in the 2021 annual report.

Events After the End of the Reporting Period

There were no significant events after June 30, 2022.

German Corporate Governance Code

The annual statement from the Executive and Supervisory Boards of Vitesco Technologies Group AG regarding the German Corporate Governance Code, required under section 161 of Germany's Stock Corporation Act (AktG), has been made available to shareholders on the Vitesco Technologies Group AG website.

AFFIRMATION BY COMPANY OFFICERS

To the best of our knowledge, and in accordance with the applicable reporting principles, the interim consolidated financia statements give a true and fair view of the earnings, finances, and assets of the Group, and the interim management report, includes a fair presentation of the development and performance of the business and position of the Vitesco Technologies Group, together with a description of the principal opportunities and risks associalted with the expected development for the rest of the fical year of the Vitesco Technologies Group

Regensburg, August 4, 2022

Vitesco Technologies Group AG

Andreas Wolf Werner Volz Ingo Holstein Klaus Hau Thomas Stierle

REVIEW REPORT

To Vitesco Technologies Group Aktiengesellschaft, Regensburg

We have reviewed the condensed interim consolidated financial statements of Vitesco Technologies Group Aktiengesellschaft – comprising the consolidated statement of income, the consolidated statement of comprehensive income, the consolidated statement of financial position, the consolidated statement of cash flows, and the consolidated statement of changes in equity as well as explanatory disclosures for the interim consolidated financial statements – together with the interim group management report of Vitesco Technologies Group Aktiengesellschaft, for the period from January 1, 2022 to June 30, 2022 that are part of the semi annual financial report according to § 115 WpHG ["German Securities Trading Act"]. The preparation of the condensed interim consolidated financial statements in accordance with International Accounting Standard IAS 34 "Interim Financial Reporting" as adopted by the EU, and of the interim group management report in accordance with the requirements of the WpHG applicable to interim group management reports, is the responsibility of the Company's management. Our responsibility is to issue a report on the condensed interim consolidated financial statements and on the interim group management report based on our review.

We performed our review of the condensed interim consolidated financial statements and the interim group management report in accordance with the German generally accepted standards for the review of financial statements promulgated by the Institut der Wirtschaftsprüfer (IDW). Those standards require that we plan and perform the review so that we can preclude through critical evaluation, with a certain level of assurance, that the condensed interim consolidated financial statements have not been prepared, in material respects, in accordance with IAS 34, "Interim Financial Reporting" as adopted by the EU, and that the interim group management report has not been prepared, in material respects, in accordance with the requirements of the WpHG applicable to interim group management reports. A review is limited primarily to inquiries of company employees and analytical assessments and therefore does not provide the assurance attainable in a financial statement audit. Since, in accordance with our engagement, we have not performed a financial statement audit, we cannot issue an auditor's report.

Based on our review, no matters have come to our attention that cause us to presume that the condensed interim consolidated financial statements have not been prepared, in material respects, in accordance with IAS 34, "Interim Financial Reporting" as adopted by the EU, or that the interim group management report has not been prepared, in material respects, in accordance with the requirements of the WpHG applicable to interim group management reports.

Munich, August 04, 2022

KPMG AG

Wirtschaftsprüfungsgesellschaft

Huber-Straßer Wirtschaftsprüferin [German Public Auditor]	Zimmermann Wirtschaftsprüferin [German Public Auditor]

FINANCIAL CALENDAR

2022	**Group**
Quarterly Report as at September 30, 2022	November 14, 2023

2023	**Group**
Financial Press Conference	March 2023
Analyst and Investor Conference Call	March 2023
Annual General Meeting	May 2023
Quarterly Report as at March 31, 2023	May 2023
Half-Year Financial Report as at June 30, 2023	August 2023
Quarterly Report as at September 30, 2023	November 2023

PUBLICATION DETAILS

The annual report, the annual financial statements, the half-year financial report, and the interim reports are available online in the “Investors” section of our website at ir.vitesco-technologies.com.

Published by:
Vitesco Technologies Group AG, Regensburg, Germany

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