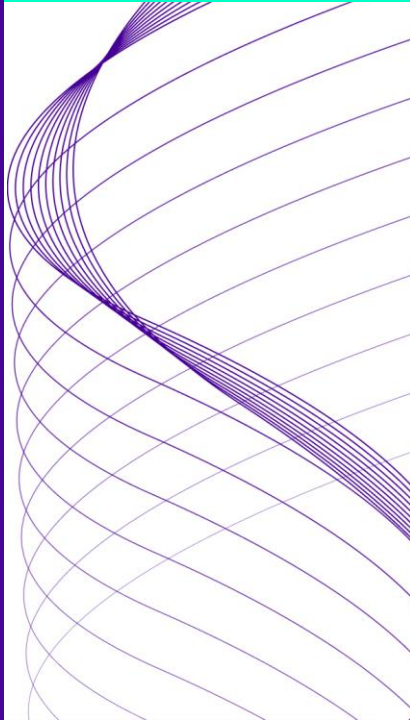




# 2022 Fourth Quarter & Full Year Results

FEBRUARY 22, 2023





# Forward-Looking Statement

Except for historical information contained herein, statements in this presentation are forward-looking statements that are made by Gentherm Incorporated (the “Company”) pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. All statements that address future operating, financial or business performance or strategies or expectations are forward-looking statements. The forward-looking statements included in this presentation are made as of the date specified herein and are based on management's reasonable expectations and beliefs. In making these statements we rely on assumptions and analysis based on our experience and perception of historical trends, current conditions and expected future developments, as well as other factors we consider appropriate under the circumstances. Except as required by law, the Company expressly disclaims any obligation or undertaking to update any forward-looking statements to reflect any change in its strategies or expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based. The forward-looking statements are subject to a number of important assumptions, risks, uncertainties and other factors that may cause actual results or performance to differ materially from that expressed or implied by such statements. For a discussion of these risks and uncertainties and other factors, please see the Company's most recent Annual Report on Form 10-K and subsequent filings with the Securities and Exchange Commission (the “SEC”), including “Risk Factors.” In addition, the business outlook discussed in this presentation does not include the potential impact of any business combinations, acquisitions, divestitures, strategic investments and other significant transactions that may be completed after the date hereof, each of which may present material risks to the Company's future business and financial results.



# Use of Non-GAAP Financial Measures\*

In addition to the results reported herein in accordance with GAAP, the Company has provided here or may discuss on the related conference call Adjusted Operating Expense, Adjusted EBITDA, Adjusted EBITDA margin, Adjusted EBITDA excluding non-cash stock-based compensation, Adjusted EBITDA margin excluding non-cash stock-based compensation, Adjusted EPS, Free Cash Flow, Net Debt, organic revenue, revenue excluding acquired businesses and foreign currency translation, revenue excluding foreign currency translation, and gross margin rate excluding acquired businesses and pro forma product revenues, each a non-GAAP financial measure. Starting with 2023, the Company will exclude the impact of non-cash stock-based compensation from its definition of Adjusted EBITDA and Adjusted EBITDA margin. Forward-looking references to Adjusted EBITDA and Adjusted EBITDA margin herein exclude the impact of stock-based compensation as newly defined. References to Adjusted EBITDA and Adjusted EBITDA margin for prior periods have not been recast and include the impact of non-cash stock-based compensation. See the Company's earnings release dated February 22, 2023, for the definitions of each non-GAAP financial measure, information regarding why the Company utilizes such non-GAAP measures as supplemental measures of performance or liquidity, and their limitations, and for certain reconciliations of GAAP to non-GAAP historical financial measures.

\* See Appendix for certain reconciliations of GAAP to non-GAAP historical financial measures.

# 2022 Highlights



Completed acquisitions of Alfmeier and Dacheng Medical; integration and synergy ahead of plan



Record company revenue



Significantly outperformed the automotive market



\$1.8B in Automotive new business awards including 3 full quarters of Alfmeier



Grew content per vehicle with innovative proprietary ClimateSense® and thin foil cell connecting solution



Disciplined cost management led to lowest adjusted operating expense\* as a percent of revenue

*\* Operating Expense excluding the impairment of intangible assets and property and equipment, acquisition & restructuring costs*

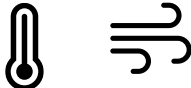
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Strong execution despite challenging environment; outpacing market

# Fourth Quarter 2022 Highlights

20

Vehicle launches with 11 OEMs



Showcased thermal and pneumatic solutions at multiple OEM technology events



Significant expansion of pneumatic lumbar and massage with VW

\$560M

in Automotive new business awards



Expanded business with Stellantis with intelligent closed cabin neck conditioner and thermal electronics module



Won Blanketrol award at University of Colorado

12

Steering Wheel Heater awards across 7 OEMs



Multiple CCS® awards from: Ford | GM | Great Wall | Honda | Hyundai | Li Auto | Tata | VW



Implemented Astopad patient warming system at Meijer Heart Hospital

STELLANTIS



HYUNDAI



Great Wall



Record revenue driven by accelerating adoption of thermal and pneumatic solutions with global OEMs

# Select Income Statement Data

Three Months Ended December 31,

Twelve Months Ended December 31,

(Dollars in thousands, except per share data)

	2022	2021	2022	2021
Product Revenues	\$343,322	\$248,226	\$1,204,656	\$1,046,150
Automotive	332,046	237,130	1,161,616	1,004,633
Medical	11,276	11,096	43,040	41,517
Gross Margin	69,808	67,362	273,650	303,631
Gross Margin %	20.3%	27.1%	22.7%	29.0%
Operating Expenses	66,248	45,481	225,343	188,625
Operating Income	3,560	21,881	48,307	115,006
Adjusted EBITDA	38,178	30,932	129,769	156,952
Adjusted EBITDA Margin	11.1%	12.5%	10.8%	15.0%
Diluted EPS - As Adjusted	\$0.47	\$0.61	\$1.82	\$3.01

# Select Balance Sheet Data

(Dollars in thousands)

	December 31, 2022	December 31, 2021
Cash and Cash Equivalents	\$153,891	\$190,606
Total Assets	1,239,300	935,343
Debt	235,096	38,750
Current	2,443	2,500
Non-Current	232,653	36,250
Revolving LOC Availability	264,904	440,000
Total Liquidity	418,795	630,606

# 2023 Guidance

	2022 A	2022 Proforma	2023 E
Product Revenue <sup>(1)(2)</sup>	\$1.2B	\$1.3B	\$1.45B - \$1.55B
Adjusted EBITDA Margin excluding non-cash stock-based compensation expenses <sup>(1)(2)(3)(4)</sup>	11.4%	10.4%	11.5% – 13.5%
Adjusting EBITDA Margin as reported	10.8%	9.8%	
Effective Tax Rate	36%		28% - 32%
Capital Expenditures	\$40M	\$46M	\$60M - \$70M

(1) Based on the current forecast of customer orders, inflation and pricing recovery, and light vehicle production in the Company's key markets growing at a low single-digit rate in 2023 versus 2022.

(2) The 2023 guidance is based on a full year average exchange rate of \$1.05/Euro.

(3) Starting in 2023, the company will exclude the impact of non-cash stock-based compensation in its calculation of Adjusted EBITDA Margin.

(4) Unaudited proforma information is provided for illustrative purposes only and should be read in conjunction with the consolidated financial statements to better facilitate the assessment and measurement of the Company's operating performance. Such information is not, and should not be assumed to be, an indication of the actual results of the combined company that would have been achieved or may be achieved in the future.

❖ Due to the inherent difficulty of forecasting the timing and amount of certain items that would impact net income margin, such as foreign currency gains and losses, we are unable to reasonably estimate net income margin, the GAAP financial measure most directly comparable to Adjusted EBITDA margin. Accordingly, we are unable to provide a reconciliation of Adjusted EBITDA margin to net income margin with respect to the guidance provided.





# Appendix



# Reconciliation of Adjusted EBITDA and Adjusted EBITDA Margin

(Dollars in thousands)	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2022	2021	2022	2021
Net (Loss) Income	\$(4,205)	\$20,048	\$24,441	\$93,434
Add Back:				
Income Tax (Benefit) Expense	(57)	2,459	13,941	20,418
Interest Expense	3,009	574	4,294	2,758
Depreciation and Amortization	13,779	9,261	44,038	38,443
Adjustments:				
Restructuring Expenses	76	226	637	3,857
Unrealized Currency Loss (Gain)	5,678	(1,791)	4,646	(3,136)
Acquisition Expenses	4,261	155	22,618	1,178
Impairment of Intangible Assets and Property and Equipment	15,669	—	15,669	—
Other	(32)	—	(515)	—
Adjusted EBITDA	\$38,178	\$30,932	\$129,769	\$156,952
Product Revenues	\$343,322	\$248,226	\$1,204,656	\$1,046,150
Net Income Margin	(1.2)%	8.1%	2.0%	8.9%
Adjusted EBITDA Margin	11.1%	12.5%	10.8%	15.0%

# Reconciliation of Adjusted EPS

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2022	2021	2022	2021
Diluted EPS - As Reported	\$(0.13)	\$0.60	\$0.73	\$2.79
Acquisition Expenses	0.13	—	0.68	0.04
Non-Cash Purchase Accounting Impacts	0.10	0.06	0.29	0.25
Unrealized Currency Loss (Gain)	0.17	(0.05)	0.14	(0.09)
Restructuring Expenses	—	0.01	0.02	0.12
Impairment of Intangible Assets and Property and Equipment	0.47	—	0.47	—
Other	—	—	(0.02)	—
Tax Effect of Above	(0.28)	(0.01)	(0.48)	(0.09)
Rounding	0.01	—	(0.01)	(0.01)
Diluted EPS - As Adjusted	\$0.47	\$0.61	\$1.82	\$3.01