

# Baird Global Industrial Conference

**Phil Eyler, President & CEO  
Gentherm Incorporated  
November 12, 2020**

# Forward-Looking Statement



Except for historical information contained herein, statements in this presentation are forward-looking statements that are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking statements represent Gentherm Incorporated's goals, beliefs, plans and expectations about its prospects for the future and other future events. The forward-looking statements included in this presentation are made as of the date hereof or as of the date specified herein and are based on management's reasonable expectations and beliefs. Such 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 described in or indicated by the forward-looking statements. Those risks include, but are not limited to, risks that: the COVID-19 pandemic and its direct and indirect adverse impacts on the automobile and medical industries and the global economy has, and will continue to have, an adverse effect on, among other things, the Company's results of operations, financial condition, cash flows, liquidity, business operations and stock price; future borrowing availability under the revolving credit facility is subject to compliance with covenants, and the deterioration of the Company's financial performance (including consolidated EBITDA) due to COVID-19 has caused the Company's borrowing availability to be, and may continue to be substantially less than the full amount of the facility; the Company's failure to be in compliance with covenants under its debt agreements due to COVID-19 or otherwise could result in an event of default thereunder, and if the lenders do not agree to amend or waive, the amounts outstanding may be accelerated and become immediately due and payable; additional financing by accessing the capital markets may not be available on acceptable terms, if at all, and additional indebtedness may harm the Company's financial position and impact the Company's ability to comply with covenants under its debt agreements; the Company may not realize the expected benefits from any restructuring initiatives it may pursue as a result of the effects of COVID-19; declines in automobile production may have an adverse impact; sales may not increase and the projected future sales volumes on which the Company manages its business may be inaccurate; new business awards may be limited due to COVID-19 and related uncertainties, may not be converted into product revenues and our projections thereof are not updated after the date initially communicated to us by customers, including for the impact of COVID-19 on future business; new or improved competing products may be developed by competitors with greater resources; customer preferences may shift, including due to the evolving use of automobiles and technology; the Company may lose suppliers or customers; market acceptance of the Company's existing or new products may decrease; currency exchange rates may change unfavorably; pricing pressures from customers may increase; the macroeconomic environment may present adverse conditions; new products may not be feasible; work stoppages impacting the Company, its suppliers or customers, due to labor matters, civil or political unrest, infectious diseases and epidemics or other reasons, could harm the Company's operations; free trade agreements have recently been, and may in the future be altered or additional tariffs may be implemented; customers may not accept pass-through of tariff costs; the Company may be unable to protect its intellectual property in certain jurisdictions; there may be manufacturing or design defects or other quality issues with the Company's products; the Company may be unable to effectively implement ongoing restructuring and other cost-savings measures or realize the full amount of estimated savings; the Company's business may be harmed by security breaches and other disruptions to its IT systems; the Company may be unable to comply with or may incur increased costs associated with complying with domestic and international regulations, which could change in an unfavorable manner; and other adverse conditions in the industries in which the Company operates may negatively affect its results. The foregoing risks should be read in conjunction with the Company's filings with the Securities and Exchange Commission (the "SEC"), including "Risk Factors," in its most recent Annual Report on Form 10-K and subsequent SEC filings, for a discussion of these and other risks and uncertainties. In addition, the business outlook discussed in this release 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 business and financial results. 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 expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

# Use of Non-GAAP Financial Measures\*



In addition to the results reported in accordance with GAAP throughout this presentation, the Company has provided information regarding Adjusted EBITDA, a non-GAAP financial measure. The Company defines Adjusted EBITDA as earnings (loss) before interest, taxes, depreciation and amortization, deferred financing cost amortization, and other gains and losses that the Company believes are not reflective of its ongoing operations and related tax effects including transaction expenses, CEO / CFO transition expenses, impairment of assets held for sale, gain or loss on sale of business, gain on sale of patents, restructuring expenses and unrealized currency gain or loss. In evaluating its business, the Company considers and uses Adjusted EBITDA as a supplemental measure of its operating performance. Management provides non-GAAP measures so that investors will have the same financial information that management uses with the belief that it will assist investors in properly assessing the Company's performance and liquidity, respectively, on a period-over-period basis. Other companies in our industry may calculate these non-GAAP financial measures differently than we do and those calculations may not be comparable to our metrics. These non-GAAP measures have limitations as analytical tools, and when assessing the Company's operating performance and liquidity, respectively, investors should not consider these non-GAAP measures in isolation, or as a substitute for net income (loss), earnings (loss) per share or other consolidated income statement data prepared in accordance with GAAP.

Creating and delivering extraordinary thermal solutions that make meaningful differences in everyday life, by improving health, wellness, comfort and energy efficiency.



**Positively impacting people's lives around the world**

# Key Industry Trends

## Global Megatrends



Energy / Sustainability



Comfort



Machine Learning



Mobility



Health & Wellness



Intelligent Solutions

## Industry Trends



Comfort Redefined



Connected / Autonomous



Fleet Electrification



Smart Devices / Features



Value Chain Transformation



Popularity of SUVs/ Light Trucks

## Gentherm Opportunities

- > Increasing thermal solution adoption rates
- > Feature integration and systems approach
- > Human thermal comfort and health
- > Energy optimization
- > Sensor, software and algorithm based thermal solutions

Trends pointing to strong growth opportunities

Accelerate Core  
Automotive  
Climate and  
Comfort Growth

Introduce  
Innovative  
Microclimate  
Solution -  
ClimateSense™

Drive Battery  
Thermal  
Management

Expand Patient  
Thermal  
Solutions



**Enabled by Electronics and Software Systems**

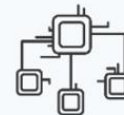
# Why Gentherm?



- Pure play leader in thermal management
- Unique, innovative solutions key to cars of the future
- Global reach and industry-leading manufacturing capabilities
- Consistent execution against strategic plan
  - Focused growth
  - Realigned cost structure
  - Bringing innovative solutions to market
- Strong balance sheet and financial resources



Focused  
Growth



Extend  
Technology  
Leadership



Expand Margins  
and ROIC



Optimize Capital  
Allocation

**Well positioned to deliver long-term shareholder returns**



**GENTHERM**

Technology to the next degree™