

FY23/24

Business Update

For the June 2023 Quarter

Investor Briefing

July 2023



Disclaimer

This presentation contains certain forward-looking statements with respect to the financial condition, results of operations and business of Johnson Electric and certain plans and objectives of the management of Johnson Electric.

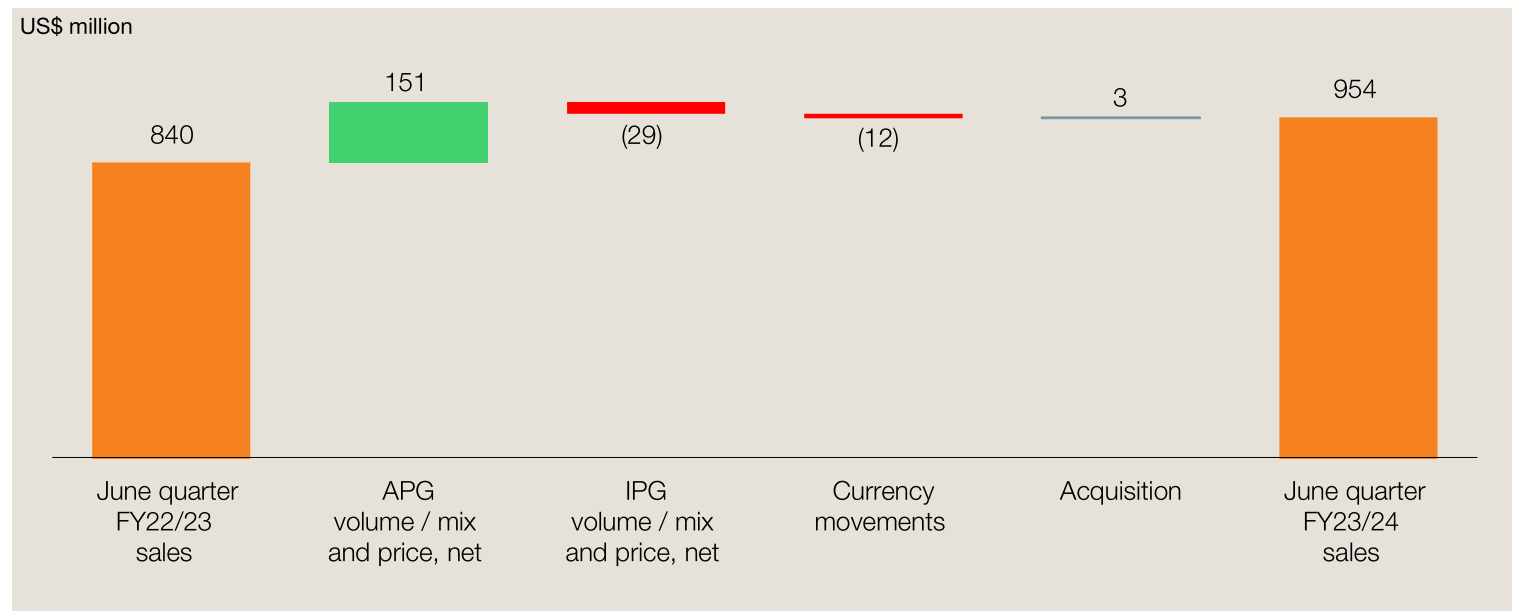
Words such as “outlook”, “expects”, “anticipates”, “intends”, “plans”, “believes”, “estimates”, “projects”, variations of such words and similar expressions are intended to identify such forward-looking statements. Such forward looking statements involve known and unknown risk, uncertainties and other factors which may cause the actual results or performance of Johnson Electric to be materially different from any future results or performance expressed or implied by such forward looking statements. Such forward looking statements are based on numerous assumptions regarding Johnson Electric’s present and future business strategies and the political and economic environment in which Johnson Electric will operate in the future.

Due to rounding, numbers presented throughout this document may not add up precisely to the totals provided and percentages may deviate accordingly.

Group Sales Changes

Quarter Ended 30 June 2023

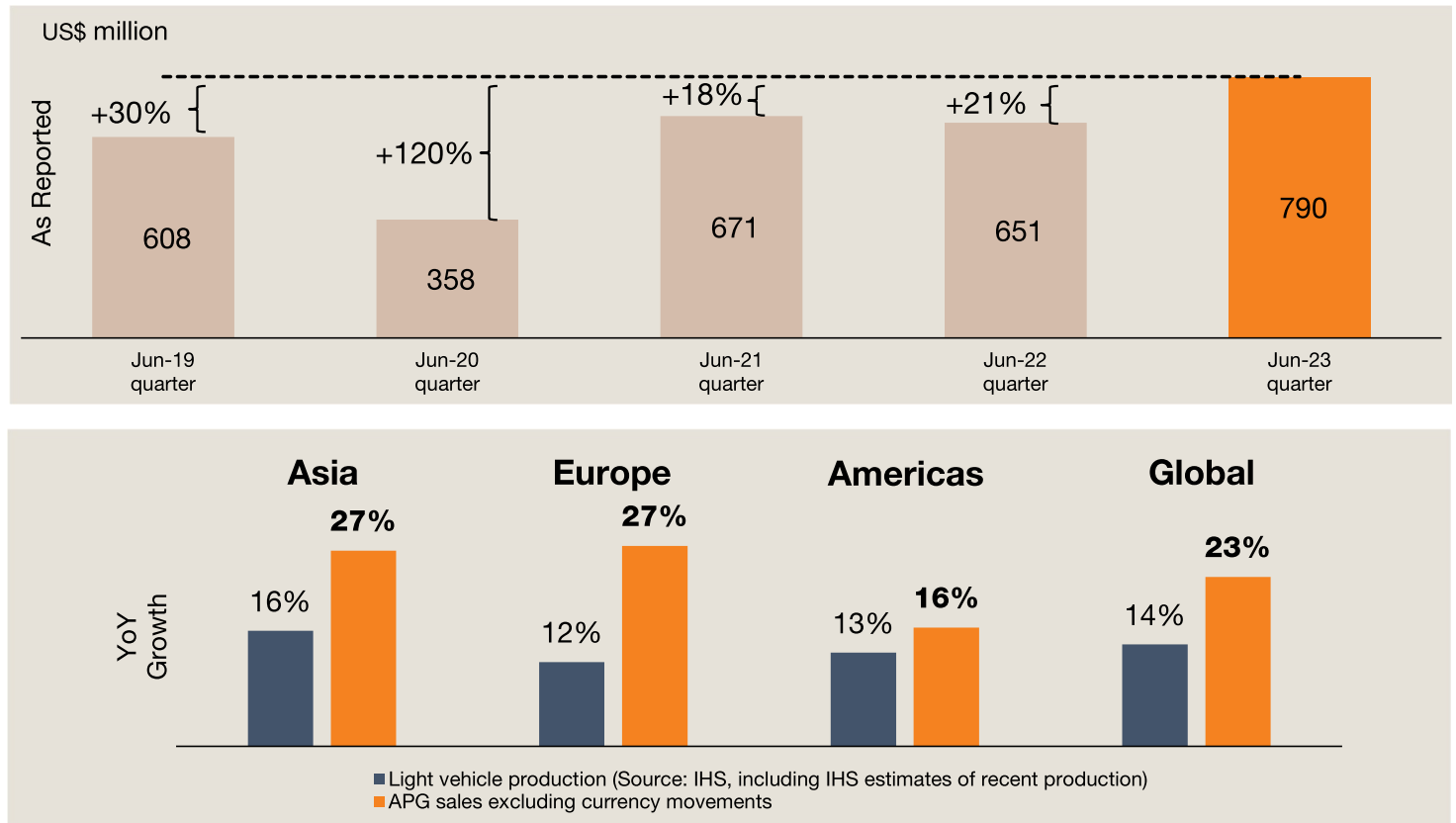
- Reported sales increased 14%
- 15% underlying sales growth*



* Excluding currency movements and the Oct 2022 acquisition of Pendix

APG Sales June Quarter

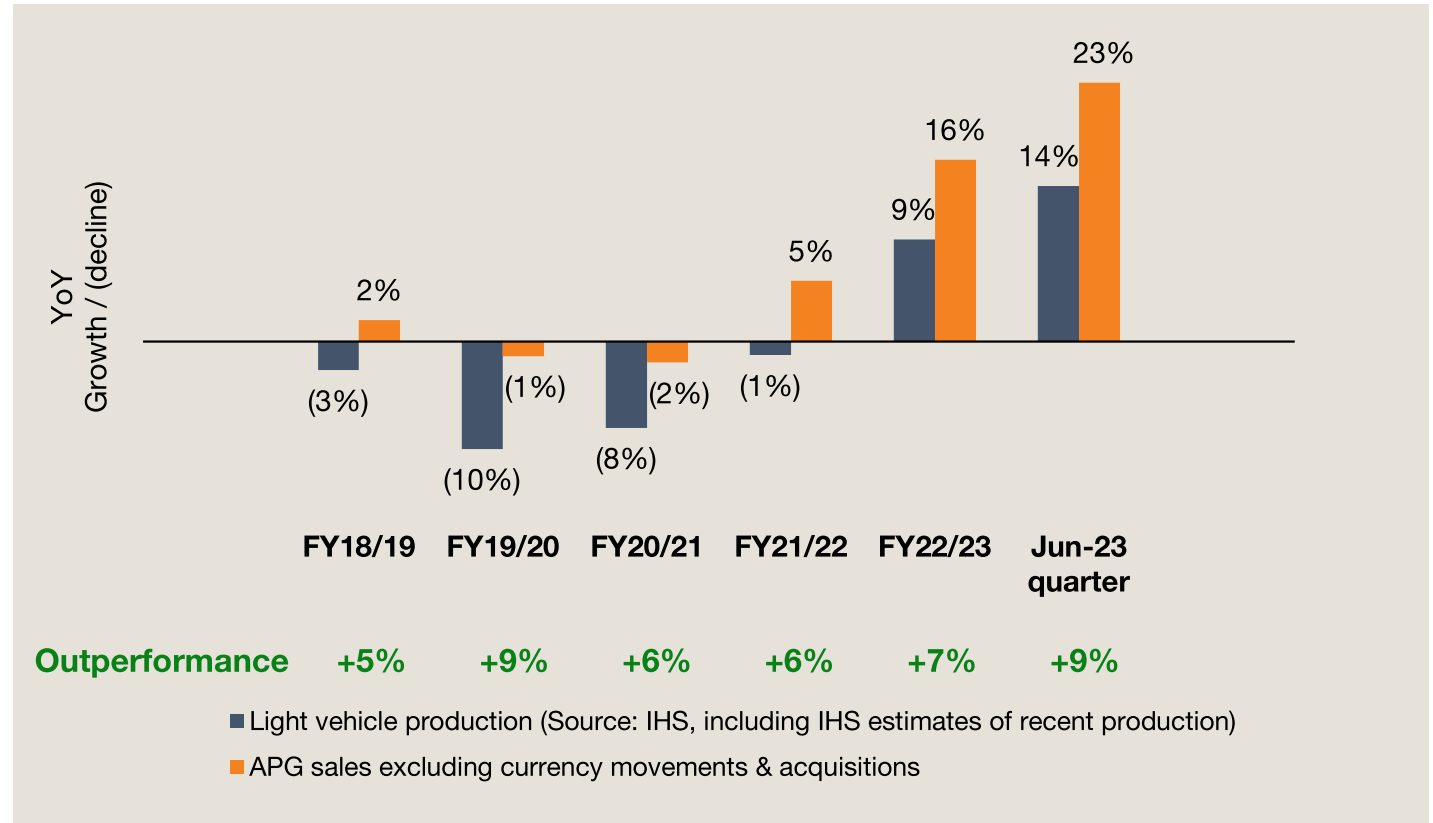
- Reported sales increased 21%
- Underlying sales* grew by 23%, outpacing light vehicle production



* Excluding currency movements

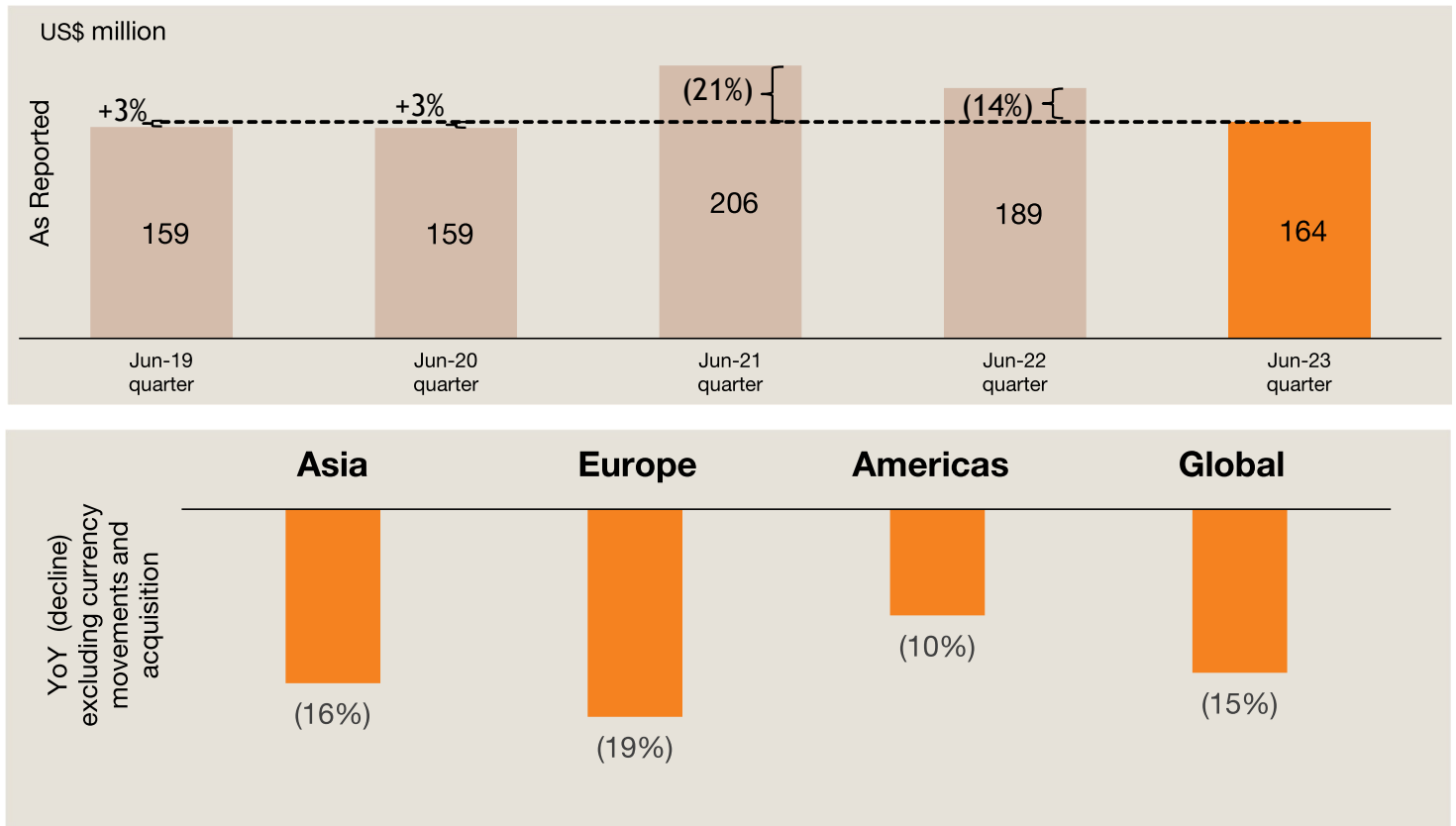
APG Multiple-Period Sales Changes vs. Light Vehicle Production

- Solid track record of surpassing light vehicle production



IPG Sales June Quarter

- Lower demand for home-centric products and high inventory in retail and manufacturing channels, but sales still exceed pre-COVID levels



Chairman's comments of Sales Performance and Outlook

- **Encouraging start** to the first quarter of FY23/24
 - **APG performing soundly**
 - **Strong** end market **demand** in all major regions
 - **Growth driven by pent up consumer demand** for new replacement vehicles as semiconductor availability has gradually recovered
 - **Rapid growth in the new energy vehicle sector**
 - **IPG** continued to experience a **weakening in sales**
 - **Inflation and rising interest rates** depressed demand for discretionary products and reduced activity in the housing sector which caused **customers** and contract manufacturers to **delay orders** and **reduce** existing **inventory** levels
 - In response, IPG is exercising stringent **cost control** measures and focusing on **optimising cash flow**
 - IPG is also **broadening market reach** through e-bikes, robotics and warehouse automation, for **long-term growth**
- Sales **outlook** for the full year remains **difficult to predict**
 - Considerable **uncertainty** on the prospects for the **global economy**
 - Automotive industry production volumes expected to gradually return to longer-term low single-digit percentage rates of growth
 - **Sales growth rate expected to moderate accordingly**
- The Group plans to **update** its **guidance** on sales growth for the full year when it reports its half-year results in **November 2023**



Supplemental Information

Average Exchange Rates

June 2023 Quarter vs. June 2022 Quarter

	FY23/24	FY22/23		Change
	APR-JUN	APR-JUN		
CAD per USD	1.343	1.276	CAD weakened	5.2%
CNY per USD	7.007	6.611	CNY weakened	6.0%
USD per EUR	1.089	1.065	EUR strengthened	2.2%