

Ad-hoc Notification

Disclosure of inside information pursuant to Article 17 of Regulation (EU) No. 596/2014

IHO Verwaltungs GmbH launches offering of new notes to refinance existing notes due 2026 and 2027

ISIN: XS1490159735 (144A) and XS1490159495 (Reg S)

ISIN: US80627DAC02 (144A) and USD6710TAC48 (Reg S)

ISIN: XS2004458720 (144A) and XS2004451121 (Reg S)

ISIN: US44963BAE83 (144A) and USD4000PAL60 (Reg S), LEI 529900JLOHDVGMUJF32

HERZOGENAURACH, September 30, 2024. IHO Verwaltungs GmbH, a subsidiary of IHO Holding, announces that it is launching a refinancing of existing debt in a total principal amount of EUR 2.2 billion (equivalent). The refinancing comprises the issue of new senior secured notes in the aggregate amount of EUR 2.2 billion (equivalent), in euros in minimum denominations of €100,000 with maturities of 5 and 7 years and in US dollars in minimum denominations of \$200,000 with maturities of 6 and 8 years (the “New Notes”). The sizes of the tranches and the pricing will be determined in the next few days. The net proceeds from the notes issuance are intended to be used for the redemption of IHO Verwaltungs GmbH’s existing euro notes due 2026 (ISIN: XS1490159735 (144A) and XS1490159495 (Reg S)), dollar notes due 2026 (ISIN: US80627DAC02 (144A) and USD6710TAC48 (Reg S)), euro notes due 2027 (ISIN: XS2004458720 (144A) and XS2004451121 (Reg S)) and dollar notes due 2027 (ISIN: US44963BAE83 (144A) and USD4000PAL60 (Reg S)).

IHO Holding is a strategic management holding company in which the holding and management activities of the IHO group are combined and which is owned by the Schaeffler family. The refinancing takes place at the level of IHO Verwaltungs GmbH, which directly holds 75.1% of the shares of Schaeffler AG (100% of the voting rights), 36.0% of the shares of Continental AG and 39.9% of the shares of Vitesco Technologies Group AG. IHO Verwaltungs GmbH expects that, after the merger of Vitesco Technologies Group AG into Schaeffler AG, which is expected to be completed on or about October 1, 2024, it will hold 72.2% of the share capital and voting rights in Schaeffler AG.

The interest rates of the New Notes will be linked to the achievement of specific sustainability targets based on IHO Verwaltungs GmbH’s Sustainability-Linked Financing Framework. Failure to achieve a relevant sustainability target would result in a 20 basis points increase in the interest rate for the relevant series of the New Notes for their remaining term.

IHO Holding’s gross financial liabilities are expected to remain largely unchanged as part of the transaction. The placement of the New Notes starts today and pricing is expected to be determined in the coming days. There can be no assurance that the New Notes issuance or the redemption of the existing notes described above will be completed.

Important notice

This announcement is for information purposes only and does not constitute a prospectus or any offer to sell or the solicitation of an offer to buy any security in the United States of America or in any other jurisdiction. The New Notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “Securities Act”), and may not be offered or sold in the United States of America absent registration or an exemption from registration under the Securities Act. The New Notes will be offered in a private offering exempt from the registration requirements of the Securities Act and will accordingly be offered only to: (i) qualified institutional buyers pursuant to Rule 144A under the Securities Act and (ii) certain persons outside the United States who are not U.S. persons (as defined in the Securities Act) in compliance with Regulation S under the Securities Act.

Statements of intent in this announcement shall not constitute a notice of redemption under the indentures governing the existing notes. Any such notice, if made, will only be made in accordance with the provisions of the relevant indenture.

This communication is not being distributed by, nor has it been approved for the purposes of section 21 of the Financial Services and Markets Act 2000 (as amended) (the "FSMA") by, a person authorized under the FSMA. Accordingly, this communication is only directed at persons who (i) have professional experience in matters relating to investments and who qualify as investment professionals within the meaning of Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "Financial Promotion Order"), (ii) are persons falling within Article 49(2)(a) to (d) (high net worth companies, unincorporated associations etc.) of the Financial Promotion Order, (iii) are outside the United Kingdom ("UK"), or (iv) are persons to whom an invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) in connection with the issue or sale of any securities may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as "relevant persons"). Accordingly, by accepting this communication, the recipient warrants and acknowledges that it is such a relevant person. The communication is directed only at relevant persons and must not be acted or relied upon by persons who are not relevant persons. Any investment or investment activity to which this communication relates is available only to relevant persons and will be engaged in only with relevant persons.

The New Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("EEA"). For these purposes, a retail investor means a person who is one (or more) of the following: (i) a "retail client" as defined in point (11) of Article 4(1) of Directive (EU) 2014/65 (as amended, "MiFID II") or (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the "Insurance Distribution Directive"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the "PRIIPs Regulation") for offering or selling the New Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the New Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

The New Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the UK. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("EUWA") or (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA. Consequently, no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the "UK PRIIPs Regulation") for offering or selling the New Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the New Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

Neither IHO Verwaltungs GmbH as the issuer, the initial purchasers nor their respective affiliates nor their respective employees or agents make any representations as to the suitability of the New Notes with respect to meeting environmental or sustainability criteria. Investors should make their own assessment of the New Notes from a sustainability perspective.

Forward-looking statements and projections

Certain statements in this announcement are forward-looking statements. By their nature, forward-looking statements involve a number of risks, uncertainties and assumptions that could cause actual results or events to differ materially from those expressed or implied by the forward-looking statements. These risks, uncertainties and assumptions could adversely affect the outcome and financial consequences of the plans and events described herein. No one undertakes any obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise. You should not place any undue reliance on forward-looking statements which speak only as of the date of this announcement. Statements contained in this announcement regarding past trends or events should not be taken as representation that such trends or events will continue in the future. The cautionary statements set out above should be considered in connection with any subsequent written or oral forward-looking statements that Schaeffler, or persons acting on its behalf, may issue.

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