



# J.P. Morgan Auto Group Investor Meeting Adient China Business Update

May 23, 2025





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In addition, this document includes certain projections provided by Adient with respect to the anticipated future performance of Adient’s businesses. Such projections reflect various assumptions of Adient’s management concerning the future performance of Adient’s businesses, which may or may not prove to be correct. The actual results may vary from the anticipated results and such variations may be material. Adient does not undertake any obligation to update the projections to reflect events or circumstances or changes in expectations after the date of this document or to reflect the occurrence of subsequent events. No representations or warranties are made as to the accuracy or reasonableness of such assumptions, or the projections based thereon.

# Agenda



## > Introduction

## > Adient China Business Overview

**James Huang**

*Executive VP APAC*

## > Q&A



**James Huang**

# Today's attendees from Adient



**James Huang**

**Executive VP APAC**



**Joe Wang**

**VP China Seating**



**Jerry Xin**

**Director China  
Engineering**



**Daniel Chu**

**VP APAC Finance**



**Iris Zhang**

**Executive Director  
APAC Strategy &  
Marketing**



# Adient China Business Overview





Adient is a global supplier in automotive seating, supplying innovative seat solutions to meet the needs of auto manufacturers today and tomorrow

NYSE: ADNT

### FY24 Revenue

~\$14.7B

Consolidated revenue

~\$3.8B

Unconsolidated revenue

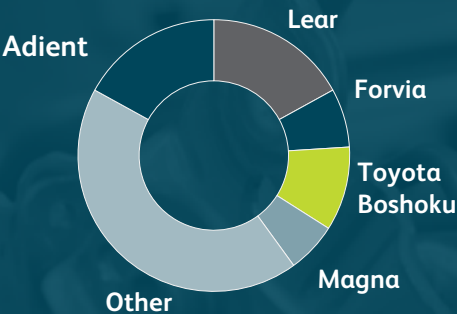
Strong and diversified revenue mix<sup>2</sup>:

Passenger car ~23%

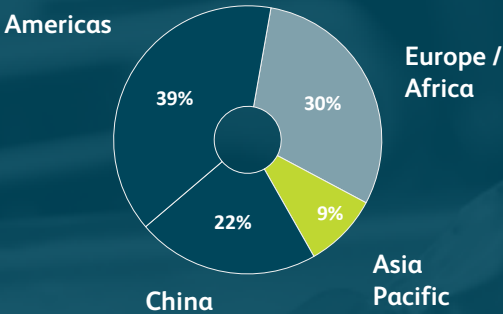
Truck / Van ~23%

CUV / SUV ~53%

### Global market share <sup>1</sup>



### Revenue by<sup>1</sup> geography



1 – Inclusive of consolidated and unconsolidated revenues, based on management estimates

2 – Percentages may not sum to 100 % due to rounding



# Adient APAC overview



## We generated

**\$5.8B**

sales revenue in FY2024 <sup>1</sup>



## We employ

**~25,000**



highly engaged employees including **2,500+** engineers

## We have in China



**37**

Manufacturing locations



**3**

Global tech centers



**2**

Wholly-owned entities

**6**

Joint ventures

## We have in Asia



**25**

Manufacturing locations



**3**

Global tech centers



in **6** countries

**Adient is a top 3 seating supplier in APAC region (for both China and Asia)**

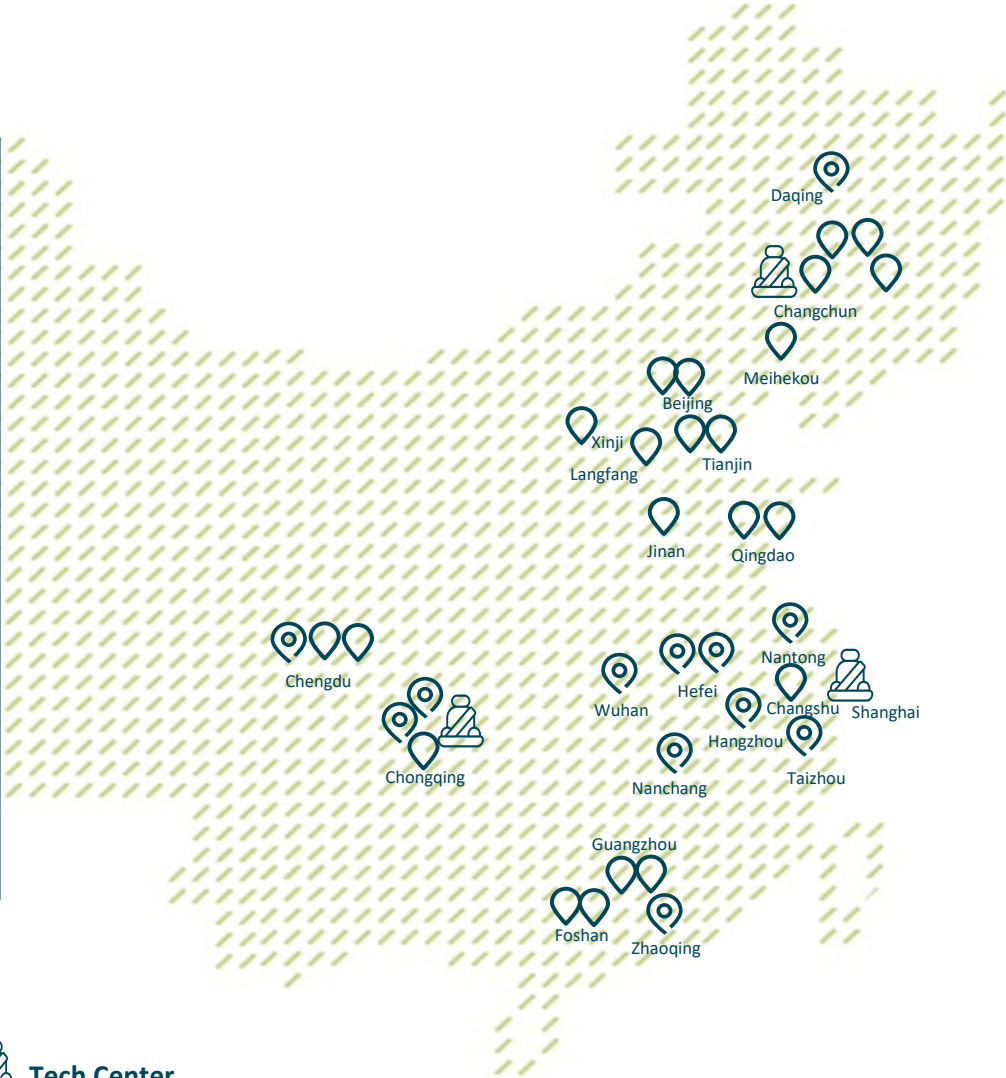
*Note: 1 - Includes consolidated and unconsolidated sales*

# Unmatched footprint, capabilities, and scale in China



## China Footprint - 37 Plants

- **Far-reaching geographic coverage** through **37** wholly-owned and JV plants, serving **40+** customers
- **Expanded footprint** enables us to win new business with local OEMs, e.g., in Wuhan and Xinji
- **Three advanced technical centers**



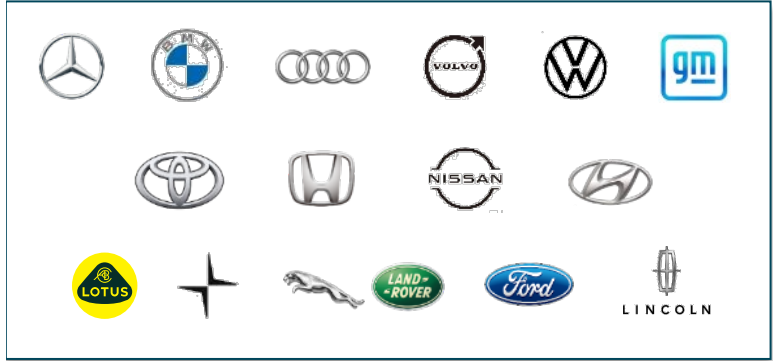
Wholly-owned    Joint Ventures    Tech Center

## Adient China Customer Portfolio

### Chinese OEMs



### International OEMs





# Adient's growth blueprint path in China and strategic initiatives delivered since last year's J.P. Morgan Summit



## Adient China key accomplishments in the past year



### 1 Winning new business and growing with Chinese OEMs

- > Won ~\$1B new annual business in FY24, and captured business from 6 new brands in China
- > Enhanced relationships with key Chinese OEMs and accelerating business growth locally and globally

### 2 Completed upgrading of Adient China Technical Center

- > Equipped with world-class facility / capability / capacity, the expanded and upgraded center in Chongqing will lead innovation in electrification and smartification for auto seating technology

### 3 Driving cost reduction and margin expansion through automation

- > With 50+ projects initiated and 700+ smart equipment already in place, Adient China continues to drive automation with ongoing smart investment, enabling cost savings and continued growth in the region

### 4 Leading in program execution and customer satisfaction

- > Executing at high success rate with 34 programs launched in FY25 and 136 active programs in launch
- > YTD won 25+ industry and customer awards for overall excellence in quality / innovation / partnership

### 5 Generating sound financial returns with strong business performance

- > Focused on profitable growth with strong margin and cash generation through our resilient and agile local operations and disciplined capital allocation

# As a global supplier with highly localized operations, Adient continues to grow with C-OEMs both domestically and globally

## China auto market overview

### Macro environment and challenges

- > **Macro conditions** remain challenging
- > **Heightened external risks** such as tariffs and trade tensions
- > **Industry production softness** will likely continue
  - > **Domestic auto sales** is expected to **remain modest growth** led by stimulus
  - > **Exports slow down** but C-OEMs continue to **localize production** in overseas markets

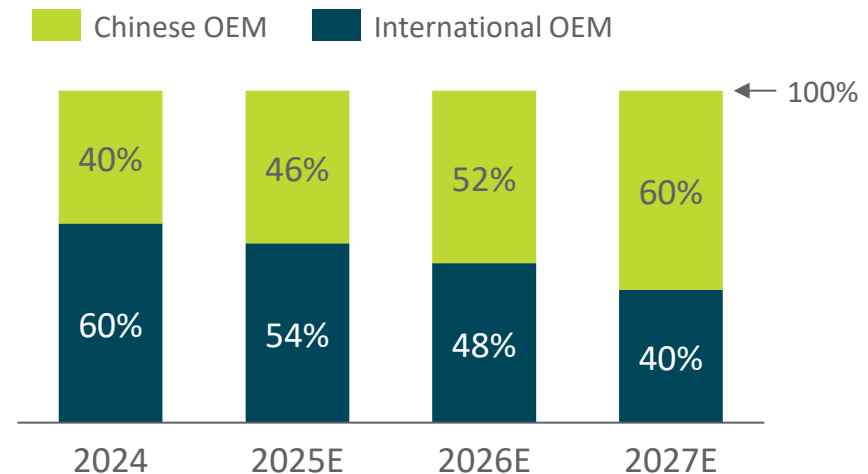
### Hyper competition in China auto market

- > **Continued price war** and hyper competition in products
- > **Market landscape shift** between global and local OEMs
- > Industry-wide **margin compression challenges** for both automakers and their suppliers
- > **Market consolidation** accelerates - small EV startups being **phased out**

## Adient China business growth highlights

- > ~\$1B annual new business (~75% with C-OEMs) sourced in FY24
- > Focus on high-quality growth with C-OEMs
- > Leverage strong customer relationship with C-OEMs and support them to grow in SEA and European markets

## Adient China customer mix<sup>1</sup> shift, FY24A – FY27E



1 - Management estimates, including consolidated revenues

# 1 Adient's recent new business wins in China



**Beijing-Benz  
V530**



*Complete seat*

**Leading China EV maker  
1<sup>st</sup> PHEV SUV**



*Complete seat*



**Leapmotor  
D13 & D21**



*Complete seat*



**DF-Nissan  
PK1B**



*Front-row complete seat*



**Fujian-Benz  
VAN.EA**



*3<sup>rd</sup>-row power bench  
and complete seat*

LYNK & CO

**Geely Lynk & Co.  
E371-A**



*Rear-row complete seat*



**Chang'an  
Deepal C518**



*Rear-row complete seat*



**VW Anhui  
411-2**



*Foam*



*Electric vehicle*

# Adient completed the upgrading and expansion of our world-class China TC in February 2025

- With the **upgraded and expanded facility / capability / capacity**, Adient China TC is now the **best-in-class** engineering center leading **product innovation and development in electrification and smartification** of auto seating industry
- Since FY24, Adient China has developed **150+ complete seat programs** for **40+ customers**, and **30+ innovative products** have been **commercialized**, with more to come in coming years

## World-class facilities of Adient China TC in Chongqing



3

Global Tech Centers



In 6 Cities

1,360  
Engineers~9  
Yrs. Avg. Exp.

China TC grand opening



Show room



Sled test lab



Sled dummy calibration lab



MAST test lab

May 2025





### Comfort

- Prioritize the **end user experience**, strive to provide an exceptional driving experience for consumers, esp. **utmost comfort in posture, sensation, and emotion**

### Reconfiguration

- Cars are now evolving into a third space for users beyond a transportation tool
- Flexible seat adjustments** required based on use cases, e.g., working, cinema, sleeping



### Safety

- As autonomous driving and electrification become more common, consumers are paying more attention to **driving and riding safety**, such as proactive safety features, seat restrained system, etc.



### Connectivity

- As cars become smarter, automakers are also electrifying and upgrading seats to **fully support ADAS and expanded connectivity features**



### Sustainability

- Rising customer demand for **lightweighting and reduced energy consumption**
- Growing consumer focus on health and environmental protection





Comfort



Connectivity



Reconfiguration



Safety



Sustainability

**E-Zone cockpit**

- Cockpit with latest innovations
- Driver seat Zero-G, power swivel/long track, smart recommendation
- Passenger seat one-touch to bed

**Seatformer cockpit**

- Mini cockpit with independent one-touch seat to bed

**Z-Guard**

- Zero-G seat safety solution
- With ABTS, DBT, CLRPT, PRC, SAB and HAB <sup>1</sup>

**ModuGo seat**

- Modular design
- Adaptive support
- Improved JIT efficiency

**Power long track and swivel**

- Smooth, stepless and secured adjustment
- 0-180° rotation

**Integrated seat**

- Zero-G, power long track
- Back/cushion massage
- Adaptive fixed armrest
- 6WP calf rest

**ProForce massage + StepJoy**

- Mechanical massage
- Foot massage with heating

**TruMassage seat**

- Shoulder massage
- Mechanical massage
- Calf rest massage

**3DP foam seat**

- 100% recyclable 3D-printing TPU <sup>2</sup>
- Variable hardness location

**Low block structure**

- Slim/lightweight with natural fiber materials
- Low block height
- Rear lift

Note: 1 - ABTS - All belts to seat, DBT - Dual belt tongues, CLRPT - Compact lap retractor with pre-tensioner, PRC - Pelvis restraint cushion, SAB - Side airbag, HAB - Head airbag  
2 - TPU - Thermoplastic Polyurethane

# Adient China continues to drive AI-enabled plant digitalization and manufacturing automation with 50+ projects initiated

- > A pioneer in smart manufacturing of auto seating industry in China
- > Automation enables us to stay ahead in the highly competitive market with **greater flexibility, enhanced safety, improved quality control and cost savings**
  - > **50+** automation projects initiated in China
  - > **~400 robots** and **~250 AGVs** already in place across all plants in China
  - > Significant investment in automation technologies for program launches and continuous improvement projects last year with quick payback

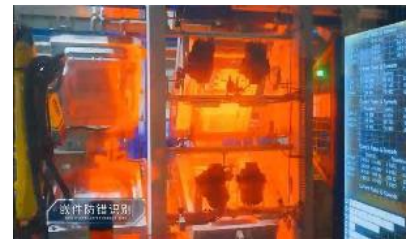
## Smart manufacturing equipment / processes at Adient China facilities



Automated (Co-bots) steaming and screwing



Auto-sewing



Mold temperature automatic detection



Precise visual inspection








Robot with waterjet system



AGVs / AMRs

## Adient's focused areas in manufacturing automation

- |  |  |  |
|--|--|--|
| <p> <b>JIT</b></p> <ul style="list-style-type: none"> <li>&gt; Automated steaming, testing and AI inspection</li> <li>&gt; Robots / Co-Robots to reduce labor</li> <li>&gt; AGVs / AMRs<sup>1</sup> for material movement</li> </ul> | <p> <b>Trim</b></p> <ul style="list-style-type: none"> <li>&gt; Automatic sewing and monitoring systems</li> <li>&gt; Spreading the use of AGVs and AMRs</li> </ul> |  |
| <p> <b>Foam</b></p> <ul style="list-style-type: none"> <li>&gt; Sprays by robots</li> <li>&gt; Camera-based auto inspection</li> <li>&gt; Automated mold detection</li> </ul>  | <p> <b>Metal</b></p> <ul style="list-style-type: none"> <li>&gt; Waterjet cutting</li> <li>&gt; Flexible gauge</li> <li>&gt; AGVs / AGFs<sup>2</sup></li> </ul>   | <p> <b>Mechanism</b></p> <ul style="list-style-type: none"> <li>&gt; Automated long rail track marriage</li> <li>&gt; Adient developed sound evaluation test</li> </ul> |

# Program launch success rate continues to run at a high level in FY2025 along with major launches with C-OEMs

## FY25 program launch

- > Launch success rate continues to execute at a high level in China: YTD 34 programs launched, total active programs in launch is 136
- > Adient's first innovated mechanical massage system was successfully launched with GAC Trumpchi M8 during 2025 SH Auto Show
- > Relentless focus on execution and high agility enable us to launch high content program with short lead time to meet our customers' expectations



### GAC Trumpchi M8

Complete seat/Foam/Trim/Metal/  
Mechanical Massage



### Chang'an Avatr 06

2<sup>nd</sup> row Complete seat/Foam/Trim/Metal



### Chang'an Deepal L07

Complete seat/Foam/Metal



### NIO Onvo L90

Complete seat/Foam/Trim/Metal



### Mercedes-Benz E-Class

Multi-function Luxury Armrest



### FAW-Hongqi Tiangong 06

Complete seat/Foam/Trim/Armrest



Electric vehicle



# Adient China has received 25+ industry and customer recognition so far in FY2025

Adient continues to take the lead of J.D. Power China seat quality ranking in 2024



= **11** awards for **4** WOFE/JVs



VW Sagitar

Volvo XC60

Audi Q3



GAC Trumpchi M8

Volvo S90

Hyundai Elantra Seven



Xpeng G9

VW ID.4 Crozz

VW CC

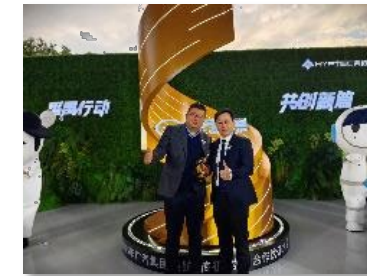
VW Golf

Mercedes A-Class

**Mercedes Benz**  
Star Supply Award



**GAC Trumpchi**  
Excellent Supplier Award



**GAC-Honda**  
Outstanding Delivery Performance & Pioneer in Electrification and Smartification



**Geely**  
Excellent Supplier award



**FAW-VW**  
Excellent Partner Award



**FAW-Toyota**  
Quality Excellence Award



**Xpeng**  
Quality Assurance Award



# Adient China remains focused on sustainable growth with strong margin / cash generation

## Profitable growth

- > Adient remains poised to **outpace the market growth** and deliver **robust EBITDA and cash flow** in the foreseeable future
- > Continue to focus on **improving efficiency and optimizing cost** through **automation** and flexible labor force practices

## Leading innovation and technology

- > **Utilize** off the shelf **technology and practical innovations** catering to local market demand to **drive new customer and new business wins**
- > Focus on **content growth** by leveraging our value chain in China and local engineering expertise

## Optimized capital allocation

- > Adient China will make maximum efforts to **expand market share** with existing footprint, common product platform, **minimized investment** and **disciplined capital allocation**

## Resilience and agility

- > **Trade tensions and tariffs will have limited impact** on our operations in China
- > **95%** of Adient China's **revenue** is generated from the domestic market, and **97%** of **purchases** are incurred locally



# Q&A

