

Third Quarter 2023
Financial Results Video Conference Call
MAHLE Metal Leve S.A.

Investor Relations | November 14, 2023



Agenda

- 01 Highlights
- 02 Market Overview
- 03 Net Revenues Performance by Market
- 04 Summary P&L
- 05 Financial Management
- 06 Questions & Answers

Follow-on

▪ **On October 24 and 31, 2023, the Company disclosed the following material facts:**

- (i) Approval of a dividend distribution of R\$710,829,104.37, at R\$5.540000112 per share of Company's common stock, contingent on the approval of the Offering price per share (as defined below) at the meeting of the Board of Directors of the Company and on the completion of the Primary Offering ("Primary Offering" and "Dividends" respectively).
- ✓ The shareholders who were on the Company's record as a shareholder on November 1, 2023 inclusive received the Dividends, and the common shares of the Company began trading ex-dividend on November 3, 2023 inclusive.
 - ✓ Once the suspensive conditions for the distribution of Dividends were fulfilled, the Company paid out the Dividends in local currency on November 10, 2023, without accrued interest or adjusting for inflation; and
- (ii) Registration with the Brazilian Securities Commission (CVM) of a primary and secondary offering of 21,603,858 registered, book-entry shares of common stock of the Company without par value, all of which free and clear of any encumbrances ("Shares"), consisting of (a) a primary distribution of 7,230,500 common shares to be issued by the Company ("Shares of the Primary Offering" and "Primary Offering" respectively); and (b) a secondary distribution of 7,142,858 common shares issued by the Company and held by MAHLE Industriebeteiligungen GmbH ("MAHLE GmbH") ("Shares of the Secondary Offering" and "Secondary Offering" respectively), to take place in the Federative Republic of Brazil ("Brazil"), with placement efforts abroad, through the automatic distribution registration procedure under article 26, item II.a. of CVM Resolution No. 160 of July 13, 2022 ("CVM Resolution 160") ("Offering"). The Offering price per share was set at R\$28.00, and the total amount of the Primary Offering was R\$202,454,000.00 and of the Secondary Offering was R\$200,000,024.00, totaling R\$402,454,024.00.

Q3 2023 Videoconference

- **Net Sales Revenue:** R\$ 1,179.4 million in Q3 2023, an decrease of 1.6% compared to Q3 2022. In 9M 2023 was R\$ 3,322.3 million, which represents an increase of 6.9% compared to 9M 2022.

Company's performance by market:	Q3 2023 x Q3 2022	9M 2023 x 9M 2022
Original Equipment – Domestic	↓ 12.6%	↓ 3.1%
Original Equipment – Export	0.0%	↑ 9.4%
Aftermarket – Domestic	↑ 12.6%	↑ 22.0%
Aftermarket – Export	↓ 26.5%	↓ 24.4%
Total change in revenue:	↓ 1.6%	↑ 6.9%

▪ Key indicators:

(in BRL million, except percentages)	Q3 2023 (a)	Q2 2023 (b)	Q3 2022 (c)	(a/b)	(a/c)	9M 2023 (d)	9M 2022 (e)	(a/b)
Net sales revenue	1,179.4	1,120.7	1,198.8	5.2%	-1.6%	3,322.3	3,108.2	6.9%
EBITDA	246.5	254.2	285.0	-3.0%	-13.5%	760.8	645.0	18.0%
EBITDA margin	20.9%	22.7%	23.8%	-1.8 p.p.	-2.9 p.p.	22.9%	20.8%	2.1 p.p.
Net profit	215.1	193.1	204.3	11.4%	5.3%	594.2	442.2	34.4%
Net margin	18.2%	17.2%	17.0%	1.0 p.p.	1.2 p.p.	17.9%	14.2%	3.7 p.p.

▪ Distributions to shareholders:

- Between January and May 2023, **R\$ 559.0 million** were paid relating to Dividends and Interest on Equity;
- On October 31, 2023, **R\$ 710.8 million** was approved relating to dividends (follow-on) - paid on November 10, 2023;
- At the Board of Directors Meeting (RCA) on November 7, 2023, the distribution of **R\$ 88.2 million** in Interest on Equity (gross) was approved for the period between January 1, 2023 and September 30 2023 - payment will occur on December 18, 2023.

Brazil & Argentina Registration and Production

Vehicle production in North America and Europe

9M 2023 x 9M 2022		Vehicle (ths)	 Brazil	 Argentina	 Total			
Sales	Light		1,534.8	9.8%	311.4	13.5%	1,846.2	10.4%
	Medium and heavy		94.8	-9.8%	11.1	-5.2%	105.9	-9.3%
Production	Light		1,663.7	3.0%	465.2	18.1%	2,128.9	5.9%
	Medium and heavy		87.1	-38.0%	5.4	-5.5%	92.5	-36.7%

9M 2023 x 9M 2022		Vehicle (ths)	 Europe	 North America	 Total			
Production	Light		13,200.8	14.7%	11,789.9	9.7%	24,990.6	12.3%
	Medium and heavy		492.9	12.8%	508.2	14.7%	1,001.1	13.7%

Net Revenues Performance by Market

Net sales by market (in BRL million, except percentages)	Q3 2023 (a)	Q3 2022 (b)	(a/b)	9 Months 2023 (c)	9 Months 2022 (d)	(c/d)
Original Equipment – Domestic market	310.6	355.5	-12.6%	896.0	924.8	-3.1%
Original Equipment – Export market	357.4	357.3	0.0%	1,031.5	942.8	9.4%
Subtotal	668.0	712.8	-6.3%	1,927.5	1,867.6	3.2%
Aftermarket – Domestic market	443.6	393.8	12.6%	1,201.6	984.9	22.0%
Aftermarket – Export market	67.8	92.2	-26.5%	193.2	255.7	-24.4%
Subtotal	511.4	486.0	5.2%	1,394.8	1,240.6	12.4%
Total	1,179.4	1,198.8	-1.6%	3,322.3	3,108.2	6.9%

Summary P&L

Gross margin and expenses

Summary of the income statement (in BRL million, except %)	Q3 2023 (a)		Q3 2022 (b)		(a/b)	9M 2023 (c)		9M 2022 (d)		(c/d)
	Net sales	1,179.4	100.0%	1,198.8	100.0%	-1.6%	3,322.3	100.0%	3,108.2	100.0%
Cost of sales	(831.3)	-70.5%	(837.5)	-69.9%	-0.7%	(2,317.0)	-69.7%	(2,251.7)	-72.4%	2.9%
Gross profit	348.1	29.5%	361.3	30.1%	-3.7%	1,005.3	30.3%	856.5	27.6%	17.4%
Selling and distribution expenses	(87.0)	-7.4%	(85.6)	-7.1%	1.6%	(250.1)	-7.5%	(220.1)	-7.1%	13.6%
General and administrative expenses	(33.9)	-2.9%	(26.2)	-2.2%	29.4%	(95.1)	-2.9%	(79.6)	-2.6%	19.5%
Research and development expenses	(15.5)	-1.3%	(12.5)	-1.0%	24.0%	(42.8)	-1.3%	(35.2)	-1.1%	21.6%
Other operating income (expenses), net	(7.9)	-0.7%	2.1	0.2%	-476.2%	(8.3)	-0.2%	(10.2)	-0.3%	-18.6%

Net financial result

Finance income and costs (in BRL million)	Q3 2023 (a)	Q3 2022 (b)	Change (a-b)	9M 2023 (c)	9M 2022 (d)	Change (c-d)
Interest income on financial investments	46,8	10,4	36,4	97.8	31.1	66.7
Interest expense on loans and borrowings	(5,3)	(5,2)	(0,1)	(14.0)	(10.5)	(3.5)
Other interest income	3,9	5,0	(1,1)	11.3	13.7	(2.4)
Net interest income (i)	45,5	10,2	35,3	95.2	34.3	60.9
1. Exchange rate effects on accounts receivable/accounts payable (1.1. + 1.2.)	(16,8)	(11,2)	(5,6)	(47.7)	(24.3)	(23.4)
1.1. Exchange rate effects	(18,3)	(12,7)	(5,6)	(69.2)	(44.4)	(24.8)
1.2. FX-hedge	1,5	1,5	0,0	21.5	20.1	1.4
2. Exchange rate effects on foreign exchange contracts (ACC) / export credit notes (NCE)	14,8	23,6	(8,8)	54.3	46.5	7.8
3. Other transactions	2,6	(1,5)	4,1	(0.6)	(26.9)	26.3
Net foreign exchange gains (losses) and gain (loss) on derivatives (ii) - (1+2+3)	0,6	10,9	(10,3)	6.0	(4.7)	10.7
Net effects from inflation adjustments	5,3	(4,1)	9,4	(2.0)	(18.2)	16.2
Other	(1,8)	(0,8)	(1,1)	(5.4)	(4.1)	(1.4)
Net effects from inflation adjustments + Other (iii)	3,5	(4,9)	8,3	(7.4)	(22.3)	14.8
Net finance income (costs) (i + ii + iii)	49,6	16,3	33,4	93.8	7.4	86.5

Indebtedness

- The **Net cash** is shown below:

Net assets and liabilities position (in BRL million)	September 30, 2023 (a)	December 31, 2022 (b)	Change (a-b)	Debt % (a)	Debt % (b)
Cash and cash equivalents / bank balances / loans / marketable securities (i):	512.6	505.4	7.2		
Borrowings (ii):	(443.8)	(414.1)	(29.7)	100%	100%
Short-term	(249.1)	(209.9)	(39.2)	56.1%	50.7%
Long-term	(194.7)	(204.2)	9.5	43.9%	49.3%
Net cash (i - ii):	68.8	91.3	(22.5)		

Questions & Answers