

Q2 2024 Financial Results Video Conference Call
MAHLE Metal Leve S.A.

B3: LEVE3 | Segment: Novo Mercado

Investor Relations | 15.08.2024

➤ **LEVE**
B3 LISTED NM



Agenda

- 01 Q2 2024 Videoconference
- 02 Highlights
- 03 Market Overview
- 04 Net Revenues Performance by Market
- 05 Summary P&L
- 06 Financial Management
- 07 Questions & Answers

Speakers

Q2 2024 Videoconference

Claudio Braga

Chief Financial Officer



Fábio Peres

Executive Finance Manager



Daniel Brasil Alves

Marketing and Corporate
Communications



Everton Lopes da Silva

Technology Center Director



Q2 2024 Videoconference

~2.1bi (H1 2024)

Net sales revenue
Operating profit (18.6%)



~29.4mio (H1 2024)

R&D expenses
Americas Center for Filtration Components
Global Center for Biomobility
~150 R&D employees

~7,1mil (H1 2024)

Employees

~136mio/year

2024 investments
R&D, machinery and equipment, IT, among others

Arco – Air conditioning system for bus

Announcement to the Market of August 13th, 2024

- As [Announcement to the Market](#), MAHLE Metal Leve S.A. at August 13th 2024, entered into a Share Purchase and Sale Agreement and Other Covenants ("Agreement") with Arco Climatização Ltda. for the acquisition, by the Company, of 33.3% of the total capital stock of Arco Climatização Ltda.
- Through this minority interest, the partnership between the Company and Arco aims to boost the development of cutting-edge technologies and strengthen relationships with major clients, while preserving the agility and flexibility that have been crucial to Arco's market success.
- This strategic move aims to expand the Company's presence in the thermal management segment, with air-conditioning solutions for buses (including electric ones) through Arco.

Arco – Air conditioning system for bus

- Manufacturer air conditioning systems for buses (including electric bus) - Established in 2016 in Caxias do Sul (RS)
- Consolidated position in a growing market – Bus production ytd Jul 24 +47%*
- Trend of increase in the application of air conditioning in buses
- Complete portfolio available to ICE & BEV
- Trusted partner focused in quality and reliable technical support
- Serves major bus bodyworks & manufacturers in Brazil & Latam
- Development engineering in house
- The operation is subject to approval by regulatory bodies, including CADE



MOVER Program - Overview



Objectives

Evolution of the ROTA2030 program for the local automotive industry, with a focus on technological development, innovation, global competitiveness, sustainability and decarbonization of mobility.



Benefits

- › Incentives for sustainable vehicles
- › Incentives for research and development activities
- › Support for local production



Who

- › Manufacturers of automotive products, raw materials and inputs



Requirements

- › Minimum investment in R&D

Technological development through the benefits of the program

History of MAHLE Metal Leve (MML) at MOVER

MML was active through technical associations in proposals that supported the construction of public policy.

2021 - 2023

Support in building the policy



Opening the qualification at the program

Mar/2024

Opening the request for the Brazilian government's authorization

MML was one of the first companies to submit a request for qualification

Apr/2024

Enabling MAHLE at MOVER



Product and technology development

2024 - 2028


Support from the MOVER program to develop technologies for sustainable mobility

Support for the implementation of MML's research and technology development investment plan

Opportunities with MOVER program


Mandatory requirements:


 Vehicle efficiency (well to wheel)

 Vehicle safety and driver assistance


 Recyclability


 Vehicle labeling

 Energy source and propulsion technology

 Vehicle power

 Mandatory carbon footprint

 Ethanol or hybrid flex-fuel vehicles

 Nationalization rate

Auto parts will be demanded for technologies for automakers to meet the new requirements

How prepared we are to capture opportunities



2nd largest engine development center in South America



MAHLE Global Center for Biomobility



Americas engineering center for filtration systems



50 customers developing technology (OEMs and suppliers)



~250.000 hours of testing and validation



~150 employees

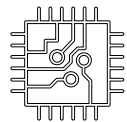
Capacities and areas for development



Development labs



Additive manufacturing



Digitization



Engine components



Filters and peripherals



Thermal management



Biomaterials






Renewable fuels




Conclusions

- The MOVER program is an evolution of the ROTA2030 program, with greater scope, focusing on the decarbonization of mobility.
- MML actively participated in the construction of the program that will benefit Brazilian industry.
- Due to its R&D activities in Brazil at its research center and its product portfolio, MML met all the requirements to qualify for the program, which guarantees the full implementation of the company's technology development strategy.
- MOVER asks automakers for mandatory requirements, demanding technologies to comply with the program, opening up new opportunities for the market.
- MML's research and development structure is prepared to develop the technologies that will be required by the program.

Sales and Production: Brazil and Argentina

Production: North America and Europe

H1 2024 x H1 2023		 Vehicles (thousands) Brazil		 Argentina		 Total	
Sales ¹	Light	1,078.3	15.4%	162.0	-21.7%	1,240.3	8.7%
	Heavy-duty	65.6	2.8%	5.6	-22.9%	71.3	0.1%
Production ¹	Light	1,058.8	-1.5%	216.7	-26.7%	1,275.6	-7.0%
	Heavy-duty	79.1	39.4%	3.0	-26.4%	82.1	35.0%

H1 2024 x H1 2023		 Vehicles (thousands) Europe		 North America		 Total	
Production ²	Light	9,087.5	-3.0%	8,097.8	1.5%	17,185.2	-0.9%
	Heavy-duty	351.3	0.6%	330.8	-3.7%	682.1	-1.6%

¹ Source: Anfavea, Fenabrave, Adefa, IHS, Acara & Indec.

² Source: IHS

Net Revenues Performance by Market

Net sales by market (in BRL million, except percentages)	Q2 2024 (a)	Q2 2023 (b)	(a/b)	H1 2024 (c)	H1 2023 (d)	(c/d)
Original Equipment – Domestic	296.6	295.4	0.4%	573.2	585.4	-2.1%
Original Equipment – Export	312.9	357.2	-12.4%	615.8	674.1	-8.6%
Subtotal	609.5	652.6	-6.6%	1,189.0	1,259.5	-5.6%
Aftermarket – Domestic	387.6	405.8	-4.5%	750.1	758.0	-1.0%
Aftermarket – Export	71.8	62.3	15.2%	150.5	125.4	20.0%
Subtotal	459.4	468.1	-1.9%	900.6	883.4	1.9%
Total	1,068.9	1,120.7	-4.6%	2,089.6	2,142.9	-2.5%

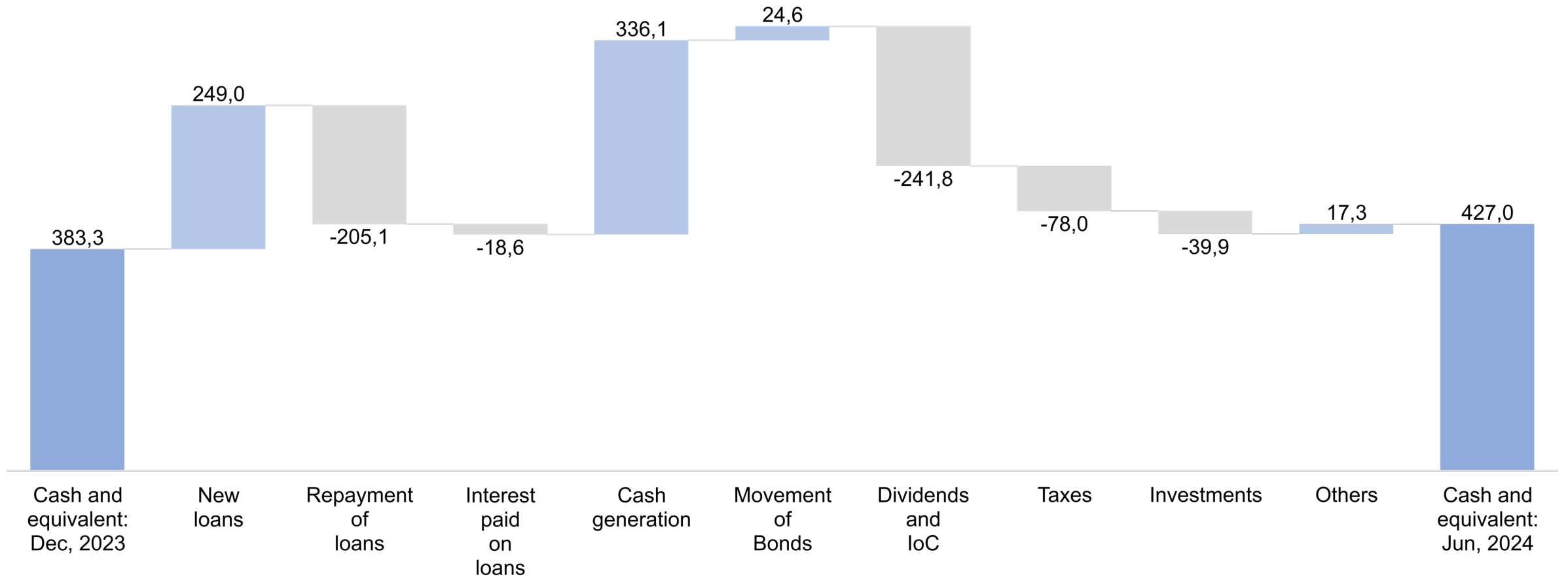
Summary P&L

Gross margin and expenses

Summary of income statement (in BRL million, except percentages)	Q2 2024		Q2 2023		(a/b)	H1 2024		H1 2023		(c/d)
	(a)	(b)	(a)	(b)		(c)	(d)			
Net operating revenue	1,068.9	100.0%	1,120.7	100.0%	-4.6%	2,089.6	100.0%	2,142.9	100.0%	-2.5%
Cost of sales and services	(742.5)	-69.5%	(781.5)	-69.7%	-5.0%	(1,445.5)	-69.2%	(1,485.7)	-69.3%	-2.7%
Gross profit	326.4	30.5%	339.2	30.3%	-3.8%	644.1	30.8%	657.2	30.7%	-2.0%
Selling and distribution, general and administrative expenses	116.3	10.9%	119.5	10.7%	-2.7%	222.6	10.7%	224.3	10.5%	-0.8%
Research and development expenses	(15.9)	-1.5%	(14.4)	-1.3%	10.4%	(29.4)	-1.4%	(27.3)	-1.3%	7.7%
Other operating income (expenses), net	(1.5)	-0.1%	(3.6)	-0.3%	-58.3%	(2.5)	-0.1%	(0.4)	0.0%	525.0%
Operating profit	192.7	18.0%	201.7	18.0%	-4.5%	389.6	18.6%	405.2	18.9%	-3.8%
Gain on net monetary position in foreign subsidiary	5.8	0.5%	26.7	2.4%	-78.3%	71.7	3.4%	58.0	2.7%	23.6%
Profit before finance income and costs and taxes	198.5	18.6%	228.4	20.4%	-13.1%	461.3	22.1%	463.2	21.6%	-0.4%
Net finance income (costs)	(50.4)	-4.7%	29.4	2.6%	-271.4%	(38.6)	-1.8%	44.2	2.1%	-187.3%
Profit before taxes	148.1	13.9%	257.8	23.0%	-42.6%	422.7	20.2%	507.4	23.7%	-16.7%
Income tax and social contribution	(59.6)	-5.6%	(64.8)	-5.8%	-8.0%	(134.0)	-6.4%	(128.5)	-6.0%	4.3%
Profit for the period	88.5	8.3%	193.0	17.2%	-54.1%	288.7	13.8%	378.9	17.7%	-23.8%
EBITDA	224.0	21.0%	254.2	22.7%	-11.9%	512.1	24.5%	514.3	24.0%	-0.4%
Adjusted EBITDA	216.1	20.2%	254.2	22.7%	-15.0%	504.2	24.1%	514.3	24.0%	-2.0%

Cash and equivalents

(R\$ millions)



Net financial result

Finance income and costs (in BRL million)	Q2 2024 (a)	Q2 2023 (b)	Change (a-b)	H1 2024 (c)	H1 2023 (d)	Change (c-d)
Net interest income (expense) (i)	3.2	26.2	(23.0)	3.0	49.7	(46.7)
Net foreign exchange gains (losses) and gain (loss) on derivatives (ii)	(77.1)	8.7	(85.8)	(57.4)	5.5	(62.8)
Net monetary variation + Others (iii)	23.5	(5.5)	28.9	15.8	(11.0)	26.7
Net finance income (costs) (i + ii + iii)	(50.4)	29.4	(79.8)	(38.6)	44.2	(82.8)

Net financial position (in BRL million)	Mar 31, 2024 (a)	Debt % (a)	Dec 31, 2023 (b)	Debt % (b)	Change (a-b)
Cash / bank balances / financial investments / loans (i):	427.0		383.3		43.7
Borrowings (ii):	(1,000.5)	100.0%	(851.2)	100.0%	(149.3)
<i>Short-term</i>	(161.1)	16.1%	(314.7)	37.0%	(153.6)
<i>Long-term</i>	(839.4)	83.9%	(536.5)	63.0%	(302.9)
Net financial position (i - ii):	(573.5)		(467.9)		(105.6)
Net debt / EBITDA	0.63x		0.51x		

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IGCT B3

ICON B3

INDX B3

ITAG B3

IBRA B3

Perguntas e respostas

MAHLE

Thanks for your attention

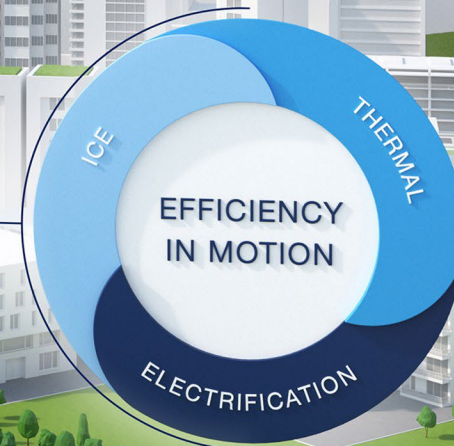
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