

Mogi Guaçu, São Paulo, March 11, 2024 - MAHLE Metal Leve S.A. (B3: LEVE3), a Brazilian leading manufacturer of internal combustion engine components and filters, today announced financial results for the fiscal year 2023. Financial and operating information contained herein is presented on a consolidated basis and in Brazilian real (BRL) and was prepared in accordance with the Brazilian Corporation Law, unless otherwise stated.

Q4 2023 and Full Year 2023 Financial Results Video Conference Call

Date: March 12, 2024

Time

12 noon – Brasilia
3:00 p.m. – London
11:00 a.m. – New York

Video Conference Call:

[EVENT LINK](#)

Choose the language you wish to hear the call in:

⇒ *original audio in Portuguese, or*

⇒ simultaneous translation into English

MAHLE Investor Relations website:
<https://ri.mahle.com.br>

HIGHLIGHTS

Net Sales Revenue: R\$ 4,338.8 million in 2023, which represents an increase of 2.7% compared to 2022. In Q4 2023, net sales revenue was 8.9% lower than in Q4 2022. See details in items [5.1](#), [5.2](#) and [5.3](#).

Original Equipment – Domestic Market: In 2023, the Company recorded a fall of 6.2% in domestic sales in the OE segment compared to 2022, while in Q4 2023 the fall was 15.9% compared to Q4 2022 (more information is available in items [5.1](#) and [5.2](#)).

Original Equipment – Export Market: In 2023, exports in the OE segment rose by 2.5% compared to 2022. In Q4 2023, the decline was 15.6% compared to Q4 2022 (more information is available in items [5.1](#) and [5.2](#)).

Aftermarket – Domestic Market: In 2023, domestic sales in the Aftermarket segment rose by 16.8% compared to 2022. In Q4 2023, the increase was 3.6% compared to Q4 2022 (more information is available in items [5.1](#) and [5.3](#)).

Aftermarket – Export Market: In 2023, exports in the Aftermarket segment fell by 22.6% compared to 2022. In Q4 2023, the fall was 15.5% compared to Q4 2022. More information is available in items [5.1](#) and [5.3](#).

MAHLE Investor Day 2023 and APIMEC Meeting: On April 3, 2023, the Company hosted an in-person event in the city of São Paulo, where its senior management had an opportunity to talk about the fundamentals of the Company with shareholders, investors and financial analysts. More information is available in [item 7.1](#).

APIMEC Award: The public event held by MAHLE Metal Leve on April 3, 2023 was elected the [Best Meeting of 2023](#) among all meetings held in APIMEC Brazil. More information is available in [item 7.2](#).

Sustainability Report: The Company published on September 26, 2023 its Sustainability Report 2022, which is available on the Investor Relations website. [Click here](#) to access the report.

Distributions to Shareholders: In 2023, the Company paid out R\$ 1,358.0 million in Dividends and Interest on Capital. Information is available in [item 5.17](#).

Follow-on: In 2023, there was a primary and secondary follow-on offering of the Company shares. See [item 1](#) in Management Commentary.

Key figures (in BRL million, except where indicated)	2023 (a)	2022 (b)	(a/b)	Q4 2023 (c)	Q3 2023 (d)	Q4 2022 (e)	(c/d)	(c/e)
Net sales revenue	4,338.8	4,224.0	2.7%	1,016.5	1,179.4	1,115.8	-13.8%	-8.9%
EBITDA	917.7	816.7	12.4%	156.9	246.5	171.7	-36.3%	-8.6%
Adjusted EBITDA ¹	917.7	845.0	8.6%	156.9	246.5	202.0	-36.3%	-22.3%
EBITDA margin	21.2%	19.3%	1.9 p.p.	15.4%	20.9%	15.4%	-5.5 p.p.	0 p.p.
Adjusted EBITDA margin ¹	21.2%	20.0%	1.2 p.p.	15.4%	20.9%	18.1%	-5.5 p.p.	-2.7 p.p.
Net profit	748.3	565.3	32.4%	154.1	215.1	123.1	-28.4%	25.2%
Adjusted net profit ²	748.3	582.6	28.4%	154.1	215.1	142.9	-28.4%	7.8%
Net margin	17.2%	13.4%	3.8 p.p.	15.2%	18.2%	11.0%	-3.0 p.p.	4.2 p.p.
Adjusted net margin ²	17.2%	13.8%	3.4 p.p.	15.2%	18.2%	12.8%	-3.0 p.p.	2.4 p.p.

¹ Adjusted EBITDA: Details of the adjustments are provided in item [5.10](#) of this report.

² Adjusted net profit: Details of the adjustments are provided in item [5.13](#) of this report. Net profit and net margin shown in the above table refers to "Profit attributable to owners of the Company" in item [5](#) of this report.

CONTENTS

1.	Management Commentary.....	3
2.	Macroeconomic Conditions and Outlook.....	4
3.	About MAHLE Metal Leve	5
4.	Development of the Automotive Industry	5
4.1	Development of the Brazilian and Argentine markets and production of vehicles in the major export markets of the Company	5
5.	Company's Financial and Economic Performance.....	6
5.1	Net sales by market	7
5.2	Original equipment sales.....	7
5.3	Aftermarket sales	8
5.4	Consolidated export by geographical market	9
5.5	Net sales by segment and by product.....	9
5.6	Gross margin.....	9
5.7	Selling, general and administrative expenses.....	10
5.8	Research and development expenses	10
5.9	Other operating income and expenses.....	11
5.10	Operating result measured by EBITDA	11
5.11	Finance income and costs	11
5.12	Income tax and social contribution.....	12
5.13	Net profit and adjusted net profit.....	12
5.14	Capital expenditures.....	13
5.15	Net financial position.....	13
5.16	Subsidiary MAHLE Argentina S.A.	14
5.17	Distribution of dividends and interest on capital to shareholders	14
6.	Sustainability (ESG)	15
6.1	Environmental.....	16
6.2	Social.....	16
6.3	Corporate Governance.....	17
6.4	Sustainable innovations	18
7.	Investor Relations and Capital Market.....	19
7.1	MAHLE Investor Day 2023 & APIMEC Meeting.....	19
7.2	Quality Award 2023 - APIMEC Brazil: Best Meeting of the year.....	19
7.3	Participation in online events	19
7.4.	MAHLE METAL LEVE stock performance and free float	20
7.5.	Ownership structure	20
8.	Independent Auditors	21
9.	Executive Board's Declaration	21
10.	Acknowledgements	21
11.	Appendices.....	22
11.1.	Balance sheet.....	22
11.2.	Statement of income.....	23
11.3.	Statement of cash flows	24

DEAR SHAREHOLDERS,

In compliance with applicable laws and regulations, the Management Board of MAHLE Metal Leve S.A. hereby submits to you the Management Report and the Financial Statements with the Independent Auditor's Report and the Report of the Supervisory Board for the fiscal year ended December 31, 2023.

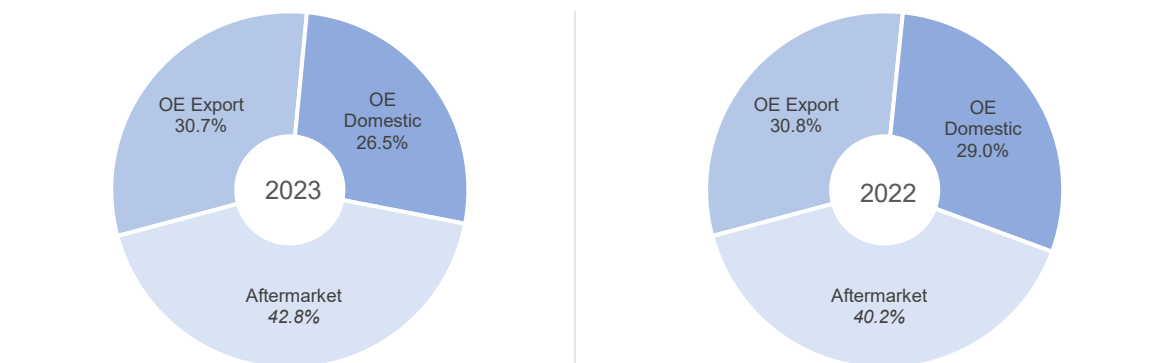
1. Management Commentary

MAHLE Metal Leve (the "Company") offers a broad portfolio of products and integrated solutions, which at many times have been developed in close collaboration with major customers to meet their specific needs. The Company's management believes that efficiency in service delivery and product customization is possible in part due to the fact that being part of the MAHLE Group allows the Company to have access to cutting-edge technologies and work in concert with customers to develop new products, which is essential for building customer loyalty and increasing market penetration.

The Company seeks to maintain a balance between the Original Equipment and Aftermarket business segments in both domestic and export markets to offset fluctuations in the segments and maintain consistent profit margins over time.

The Company reported growth of 2.7% in net revenue in 2023 compared with 2022, due to positive performance of the Aftermarket segment (+9.3%) and OE exports (+2.5%), offset by the domestic OE sales (-6.2%). The Company's net revenue in Q4 2023 declined by 8.9% compared with 4Q 2022 as a result of the performance of the Aftermarket segment (+0.9%), domestic OE sales (-15.9%) and OE exports (-15.6%).

The graph below shows source of revenue in 2023 and 2022:



Adjusted EBITDA margin in 2023 was 21.2% (R\$ 917.7 million) versus 20.0% (R\$ 845.0 million with adjustment) in 2022. In Q4 2023, adjusted EBITDA margin was 15.4% (R\$ 156.9 million), while in Q4 2022 adjusted EBITDA margin reached 18.1% (R\$ 202.0 million with adjustment). For more information about EBITDA and adjusted EBITDA, see item [5.10](#) of this report.

MAHLE Metal Leve is committed to its responsibility towards the environment and takes the expectations of its stakeholders seriously. We know that they are increasingly interested in our environmental, social and corporate governance performance and have therefore integrated global environmental issues into our business strategy. Our [Supplier Code of Conduct](#) and our [Business Code](#) are an example of these principles. Furthermore, we recognize that the link between environmental protection, good corporate governance and the economy has become a success factor. Just as we at MAHLE put a higher focus on the entire value chain of sustainable mobility, our business partners increasingly take an interest in our sustainability management. Please see how we consider environmental and social aspects in our activities in [item 6](#) of this report. The [Sustainability Report](#) is available on the MAHLE Metal Leve Investor Relations website.

We operate in a highly competitive industry that demands a high level of technological innovation. We are recognized in our industry for our focus on the development and application of new technologies. We have a Tech Center in Jundiai, State of São Paulo, which we believe is one of the largest and most well-equipped engine development centers in South America. MAHLE has established a Global Bio-Mobility Center in Jundiai with dedicated resources for development of biofuels and biomaterials. The exchange of technologies between the Jundiai Tech Center and other MAHLE tech centers contributes to the sophistication and improvement of our products and services that will allow us to meet the requirements of our customers worldwide. Following the recent global trend towards smaller, lighter, more economical and less polluting

engines, we have also developed technologies for components of combustion engines, such as components for flex-fuel vehicles.

We believe that these new technologies will enable us to continue to offer our customers components that help them meet recent emission reduction targets. In addition to developing technology for its products, the Company, through its laboratories and team of experts, develops technology and performs engine improvement and testing for customers.

According to the [material fact](#) disclosed by the Company on October 31, 2023 regarding a follow-on share offering:

Page | 4

- (i) The Company filed with the Brazilian Securities Commission (CVM) a follow-on offering of 21,603,858 registered, book-entry shares of the Company's common stock without par value, all of which are free and clear of any encumbrances ("Shares"), comprising (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 was priced at R\$ 28.00 per share and comprises a primary offering of R\$ 202,454,000.00 and a secondary offering of R\$ 200,000,024.00, totaling R\$ 402,454,024.00.

2. Macroeconomic Conditions and Outlook

In 2023, Brazil experienced modest but better-than-expected growth with the expansion of the domestic market giving impetus to the continuous improvement of labor income and social benefits. In particular, household consumption has contributed significantly to GDP, with the services sector leading the growth. Another sector that had a strong performance was agriculture due to a super harvest and oil production exceeded forecasts, thus opening up new opportunities abroad. However, the manufacturing industry saw stagnation due in part to the increase in imports of durable and semi-durable goods, coupled with high interest rates, hindering the resumption of investments.

At the beginning of 2023, Brazil's benchmark interest rate [SELIC](#) was 13.75% per year and closed 2023 at 11.75% per year. At the time of publication of this report, [SELIC](#) rate is expected to close 2024 at 9.00% per year according to the Brazilian Central Bank's Focus report.

According to the [minutes of the 260th Meeting of the Monetary Policy Committee \(Copom\)](#), issued on February 6, 2024, the international environment remains unstable, with discussions about the start of monetary policy easing in many economies and signs of cooling inflation, even though inflation remains high in many countries.

The central banks of major economies are committed to achieving the inflation target despite pressures of the labor markets. In the domestic scenario, recent indicators continue to point to a slowdown in economic activity, as forecasted by Copom. There is moderate economic growth but household consumption remains resilient. In addition, the labor market is heated, with increase in real income.

In the global scenario, the [International Monetary Fund \(IMF\)](#) forecast global growth of 3.1% in 2024 on account of greater-than-expected resilience in the United States and several large emerging market and developing economies, as well as fiscal support in China. Inflation is falling faster than expected in most regions, in the midst of unwinding supply-side issues and restrictive monetary policy. Global headline inflation is expected to fall to 5.8% in 2024. In addition, faster disinflation could lead to further easing of financial conditions. Looser fiscal policy than necessary and than assumed in the projections could imply temporarily higher growth, but at the risk of a more costly adjustment later on. Stronger structural reform momentum could bolster productivity with positive cross-border spillovers.

According to the IMF, policymakers' near-term challenge is to successfully manage the final descent of inflation to target, calibrating monetary policy in response to underlying inflation dynamics. More efficient multilateral coordination is needed to avoid debt distress and create space for investments, as well as to mitigate the effects of climate change.

3. About MAHLE Metal Leve

We are a Brazilian automotive parts company that manufactures and sells components for internal combustion engines and automotive filters. We manufacture reliable, high-quality products with cutting-edge technology, and are continuously investing in the research and development of new products and production processes.

We have been operating in Brazil since the 1950's and have a large portfolio of products and integrated solutions, including customized products developed in close collaboration with our principal customers. We operate in the OE segment where we supply vehicle manufacturers and in the Aftermarket segment where we supply partners in trade, workshops and engine repair shops.

Our products are manufactured and sold in Brazil and Argentina and exported to more than 60 countries, to a diversified customer portfolio, including all car manufacturers in Brazil.

We own six manufacturing plants, five of which are located in Brazil, in the cities of Mogi Guaçu (two units), São Bernardo do Campo and Arujá, in the State of São Paulo, and in Itajubá, State of Minas Gerais. Our sixth plant is located in the city of Rafaela, Argentina. We have two distribution centers: one in the city of Limeira, State of São Paulo, and one in Buenos Aires, Argentina. We also have one third-party logistics provider in the city of Louveira, State of São Paulo. We have one sales office in the city of Panama. We have a technology center in the city of Jundiai, State of São Paulo, which we believe is one of the largest and most well-equipped engine development centers in South America. In September 2023, the MAHLE Group has appointed the Tech Center in Jundiai to lead the development and application of biofuels and biomaterial technologies to support large-scale decarbonization worldwide, as part of the ICE strategy.

As part of a globally active Group, we are able to exchange knowledge, provide and have constant access to the latest technology and develop new products together with our customers, which we believe are key factors to the high level of market penetration and customer loyalty we have achieved.

4. Development of the Automotive Industry

4.1 Development of the Brazilian and Argentine markets and production of vehicles in the major export markets of the Company

2023 x 2022	Vehicles (thousands)	Brazil	Argentina	Total
Sales	Light	2,180.2 11.2%	406.9 8.2%	2,587.1 10.7%
	Heavy-duty	128.5 -10.8%	14.2 -3.4%	142.7 -10.1%
Production	Light	2,203.7 1.3%	610.7 13.7%	2,814.4 3.7%
	Heavy-duty	121.1 -37.5%	6.7 -8.4%	127.8 -36.4%

2023 x 2022	Vehicles (thousands)	Europe	North America	Total
Production	Light	17,766.9 12.3%	15,587.8 9.0%	33,354.7 10.7%
	Heavy-duty	696.2 13.8%	658.9 8.0%	1,355.1 10.9%

5. Company's Financial and Economic Performance

Summary of income statement (in BRL million, except percentages)	2023		2022		(a/b)	Q4 2023		Q4 2022		(c/d)
	(a)		(b)			(c)		(d)		
Net operating revenue	4,338.8	100.0%	4,224.0	100.0%	2.7%	1,016.5	100.0%	1,115.8	100.0%	-8.9%
Cost of sales and services	(3,067.3)	-70.7%	(3,090.9)	-73.2%	-0.8%	(750.3)	-73.8%	(839.2)	-75.2%	-10.6%
Gross profit	1,271.5	29.3%	1,133.1	26.8%	12.2%	266.2	26.2%	276.6	24.8%	-3.8%
Selling and distribution expenses	(332.0)	-7.7%	(312.9)	-7.4%	6.1%	(81.9)	-8.1%	(92.8)	-8.3%	-11.7%
General and administrative expenses	(127.8)	-2.9%	(110.1)	-2.6%	16.1%	(32.7)	-3.2%	(30.5)	-2.7%	7.2%
Research and development expenses	(58.2)	-1.3%	(44.2)	-1.0%	31.7%	(15.4)	-1.5%	(9.0)	-0.8%	71.1%
¹ Other operating income (expenses), net	(8.3)	-0.2%	(39.9)	-0.9%	-79.2%	0.0	0.0%	(29.7)	-2.7%	-100.0%
Gain on net monetary position in foreign subsidiary	70.9	1.6%	95.0	2.2%	-25.4%	(4.4)	-0.4%	33.6	3.0%	-113.1%
Profit before finance income and costs and taxes	816.1	18.8%	721.0	17.1%	13.2%	131.8	13.0%	148.2	13.3%	-11.1%
² Net finance income (costs)	121.8	2.8%	(9.1)	-0.2%	-1438.5%	28.0	2.8%	(16.5)	-1.5%	-269.7%
Income tax and social contribution	(190.1)	-4.4%	(149.5)	-3.5%	27.2%	(5.7)	-0.6%	(9.6)	-0.9%	-40.6%
Profit for the period	747.8	17.2%	562.4	13.3%	33.0%	154.1	15.2%	122.1	10.9%	26.2%
Profit attributable to owners of the Company	748.3	17.2%	565.3	13.4%	32.4%	154.1	15.2%	123.1	11.0%	25.2%
³ Adjusted profit attributable to owners of the Company	748.3	17.2%	582.6	13.8%	28.4%	154.1	15.2%	142.9	12.8%	7.8%
Profit attributable to non-controlling interests	(0.5)	0.0%	(2.9)	-0.1%	-82.8%	(0.0)	0.0%	(1.0)	-0.1%	-100.0%
EBITDA	917.7	21.2%	816.7	19.3%	12.4%	156.9	15.4%	171.7	15.4%	-8.6%
⁴ Adjusted EBITDA	917.7	21.2%	845.0	20.0%	8.6%	156.9	15.4%	202.0	18.1%	-22.3%

¹ Additional information is available in Notes 16 and 35 to the Financial Statements for the year ended December 31, 2023.

² Additional information is available in item [5.11](#) of this report.

³ Additional information is available in item [5.13](#) of this report.

⁴ Additional information is available in item [5.10](#) of this report.

5.1 Net sales by market

For the Company, Domestic Market comprises revenue from its operations in Brazil and Argentina. The exchange rate effects from the translation of the financial statements from Argentine peso (ARS) to Brazilian real (BRL) should be considered in the consolidation of the financial statements (see item [5.16](#) of this report for more information).

Net sales by market (in BRL million, except percentages)	2023 (a)	2022 (b)	(a/b)	Q4 2023 (c)	Q4 2022 (d)	(c/d)
Original Equipment – Domestic	1,148.1	1,224.6	-6.2%	252.1	299.8	-15.9%
Original Equipment – Export	1,332.1	1,299.0	2.5%	300.6	356.3	-15.6%
Subtotal	2,480.2	2,523.6	-1.7%	552.7	656.1	-15.8%
Aftermarket – Domestic	1,609.9	1,378.9	16.7%	408.3	394.0	3.6%
Aftermarket – Export	248.7	321.5	-22.6%	55.5	65.7	-15.5%
Subtotal	1,858.6	1,700.4	9.3%	463.8	459.7	0.9%
Total	4,338.8	4,224.0	2.7%	1,016.5	1,115.8	-8.9%

Page | 7

5.2 Original equipment sales

In the OE segment, MAHLE Metal Leve supplies components and systems directly to vehicle manufacturers and works closely with them to develop innovative, customized solutions that meet their specific needs and quality requirements.

The Company has a diverse customer base including all vehicle manufacturers in Brazil. We manufacture high-quality products with the latest technology and are continuously investing in the research and development of new products and production processes. We are always striving to build the closest and most collaborative relationships with our key customers by developing integrated solutions tailored to their needs, with an unwavering commitment to technology excellence and project confidentiality - this is a key differentiator in our industry.

The Company's customer base is well diversified with no single customer accounting for more than 10% of the Company's net sales revenue. The Company has a diversified geographical market distribution and customer base mix, mitigating potential risks and seizing market growth opportunities.

Domestic market:

Sales in the domestic market in 2023 fell by -6.2% due to a volume/price increase, offset by exchange rate effects. In Q4 2023 sales in the domestic market fell by -15.9% due to volume/price and exchange rate effects.

Export market:

Exports in 2023 grew by +2.5%, driven by the positive volume/price and exchange rate effects. In Q4 2023, exports fell by -15.6% due to volume/price and exchange rate effects.

The table below presents exports in major trading currencies:

Original Equipment						
Exports by currency (in millions)	2023 (a)	2022 (b)	HA % (a/b)	Q4 2023 (c)	Q4 2022 (d)	HA % (c/d)
EUR	66.6	68.6	-3.6%	13.6	16.9	-19.5%
USD	208.1	182.1	14.3%	60.0	53.6	-11.9%
Total equivalent in USD	282.0	262.3	7.5%	77.0	76.8	-0.3%

5.3 Aftermarket sales

The Aftermarket offers a wide range of automotive parts and components to workshops and repair shops. MAHLE Metal Leve continuously invests in innovation to meet ever-changing customer needs and market trends and to ensure that car owners have access to spare parts with original equipment quality. The Aftermarket is a more stable market during challenging times since, with the decline in demand for new vehicles, the use of spare parts is the most viable option for consumers.

The Aftermarket portfolio includes internal combustion engine components, air conditioning systems and air management systems, electric systems, equipment for vehicle diagnostics and service work.

MAHLE Metal Leve works to be the leading supplier of automotive parts and components throughout the life cycle of the vehicle in which they are installed. To be its customers' preferred supplier, MAHLE Metal Leve offers an excellent mix of products and services, maintaining the highest level of quality standards and delivering on time. We are committed to expanding our market presence focusing on sustainable growth and leveraging agility to launch new products to the market.

The Company's key competitive advantage lies in its distribution network that has major auto parts distributors and retail chains as direct customers. This structure guarantees support for repair shops throughout the country.

Another important factor is that the Aftermarket has a dedicated structure with teams of technicians and sales partners in the major cities of the country to ensure technical support, training, sales promotions for trade, workshop and engine repair partners, and fleet operators. These actions are part of the program "*Juntos Pra valer*" ("Together for Real") that was launched by MAHLE Metal Leve to strengthen the brand in the Aftermarket channel and to stay close to users and auto parts shops, offering solutions and tools and generating demand for the Company's products. As part of this program, we launched a distance training portal with technical content and a distance learning course for workshops management in partnership with SEBRAE (Brazilian Support Service for Micro and Small Enterprises) and a technical training center in partnership with SENAI (Brazilian National Service for Industrial Training) in Fortaleza.

We have a dedicated team of engineers for development and launch of products that meet the demands of the Aftermarket, which is a supporting pillar of the Company. In 2023, approximately 900 new part numbers were launched among products and extensions to existing products that are available for sale.

Domestic market:

Sales in the domestic market in 2023 grew by +16.8% due to the increase in volume/price and exchange rate effects. In Q4 2023, sales in the domestic market grew by +3.6% due to the increase in volume/price and exchange rate effects.

Export market:

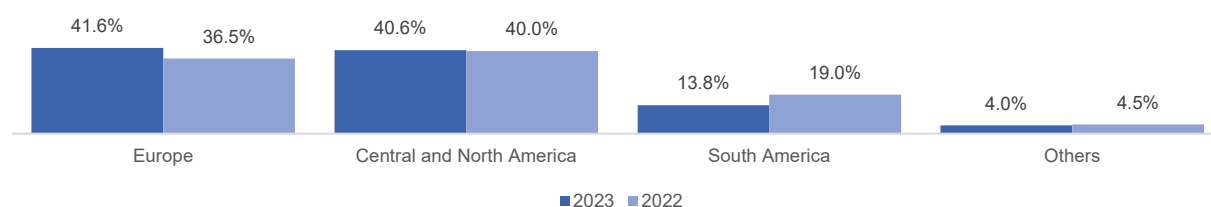
Exports in 2023 fell by -22.6% due to the decrease in volume/price and negative exchange rate effects. In Q4 2023, exports fell by -15.5% due to the decrease in volume/price, offset by exchange rate effects.

The table below shows Aftermarket business segment's exports in major trading currencies:

Aftermarket						
Exports by currency (in millions)	2023 (a)	2022 (b)	HA % (a/b)	Q4 2023 (c)	Q4 2022 (d)	HA % (c/d)
EUR	3.7	3.7	0.0%	1.0	-	-
USD	47.9	59.4	-19.4%	11.8	11.7	0.9%
Total equivalent in USD	52.0	63.7	-18.4%	13.1	11.7	12.0%

5.4 Consolidated export by geographical market

The graph below shows our exports by geographical market for the periods under review:



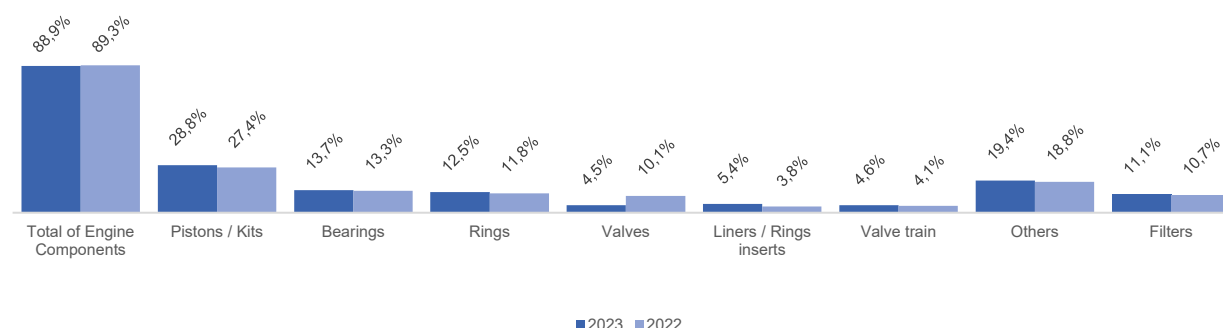
Page | 9

5.5 Net sales by segment and by product

The table below shows net sales by segment for the periods under review:

Net sales by segment (in BRL million)	2023 (a)	2022 (b)	HA % (a/b)	VA % (a)	VA % (b)	Q4 2023 (c)	Q4 2022 (d)	HA % (c/d)	VA % (c)	VA % (d)
Engine components	3,856.0	3,773.7	2.2%	88.9%	89.3%	899.2	999.6	-10.0%	88.5%	89.6%
Filters	482.8	450.3	7.2%	11.1%	10.7%	117.3	116.2	0.9%	11.5%	10.4%
Total	4,338.8	4,224.0	2.7%	100.0%	100.0%	1,016.5	1,115.8	-8.9%	100.0%	100.0%

The graph below shows sales by product category compared to total sales in 2023 and 2022:



5.6 Gross margin

Summary of income statement (in BRL million, except percentages)	2023 (a)		2022 (b)		(a/b)	Q4 2023 (c)		Q4 2022 (d)		(c/d)
Net operating revenue	4,338.8	100.0%	4,224.0	100.0%	2.7%	1,016.5	100.0%	1,115.8	100.0%	-8.9%
Cost of sales and services	(3,067.3)	-70.7%	(3,090.9)	-73.2%	-0.8%	(750.3)	-73.8%	(839.2)	-75.2%	-10.6%
Gross profit	1,271.5	29.3%	1,133.1	26.8%	12.2%	266.2	26.2%	276.6	24.8%	-3.8%

The Company focuses on activities and actions to achieve productivity increases and synergies in the production processes, which may partially offset cost increases. This is particularly vital in the current market environment, where the

prices of raw materials and commodities are highly volatile in the entire supply chain. In addition, maintaining a transparent relationship with suppliers and customers through a well-structured pricing process contributes significantly to cost management.

5.7 Selling, general and administrative expenses

Summary of income statement (in BRL million, except percentages)	2023 (a)		2022 (b)		(a/b)	Q4 2023 (c)		Q4 2022 (d)		(c/d)
Net operating revenue	4,338.8	100.0%	4,224.0	100.0%	2.7%	1,016.5	100.0%	1,115.8	100.0%	-8.9%
Selling and distribution expenses	(332.0)	-7.7%	(312.9)	-7.4%	6.1%	(81.9)	-8.1%	(92.8)	-8.3%	-11.7%
General and administrative expenses	(127.8)	-2.9%	(110.1)	-2.6%	16.1%	(32.7)	-3.2%	(30.5)	-2.7%	7.2%

Selling and distribution expenses were impacted mainly by freight expenses and variable selling expenses, inflation and personnel costs.

The increase in general and administrative expenses is attributable to these expense components: taxes and duties, services, maintenance, materials and utilities, and personnel costs.

Additional information is provided in Notes 31 and 32 to the Financial Statements as of December 31, 2023.

5.8 Research and development expenses

The MAHLE Tech Center in Jundiai, State of São Paulo, gives the Company a significant competitive advantage over its competitors in the industry for the improvement and development of internal combustion engine components, engine peripherals and automotive filters.

We will continue to invest in research and development through our Tech Center in Jundiai to anticipate emerging trends and demands in the market and to create technological solutions to promote sustainable mobility with a focus on demands from society and our customers, which will allow us to accelerate our growth and increase our productivity and profit margins.

In addition, we offer our customers advisory and consulting services in automotive engineering, through integrated solutions with the development of virtual projects, using mathematical simulation programs for engines and components and testing and validation of automotive technologies. We thus deepen our competitive advantage and that of our customers by anticipating technological solutions.

Summary of income statement (in BRL million, except percentages)	2023 (a)		2022 (b)		(a/b)	Q4 2023 (c)		Q4 2022 (d)		(c/d)
Net operating revenue	4,338.8	100.0%	4,224.0	100.0%	2.7%	1,016.5	100.0%	1,115.8	100.0%	-8.9%
Research and development expenses	(58.2)	-1.3%	(44.2)	-1.0%	31.7%	(15.4)	-1.5%	(9.0)	-0.8%	71.1%

5.9 Other operating income and expenses

Other operating income and expenses (in BRL million)	2023 (a)	2022 (b)	Change (a-b)	Q4 2023 (c)	Q4 2022 (d)	Change (c-d)
Agreement with subsidiary's minority shareholder ¹	0.0	(30.2)	30.2	0.0	(30.2)	30.2
Provision for labor, civil and tax proceedings/reversal	(2.7)	(10.8)	8.1	2.0	(1.3)	3.3
Recovered taxes (Reintegra)	7.6	2.4	5.2	1.4	0.2	1.2
Taxes (PIS and COFINS) on other revenue	(4.3)	(8.5)	4.2	(1.3)	(1.2)	(0.1)
Gain/loss on disposal of assets/other	1.6	(0.7)	2.3	0.1	(0.7)	0.8
Export expenses (Argentina)	0.0	0.0	0.0	0.0	5.1	(5.1)
Provision for obsolescence/reversal	0.6	1.2	(0.6)	0.1	0.7	(0.6)
Provision for losses on products/reversal	(3.4)	(1.8)	(1.6)	(2.4)	(1.8)	(0.6)
Provision for environmental liability/reversal	(1.7)	0.0	(1.7)	0.0	0.0	0.0
Gain on net monetary position	(3.0)	0.0	(3.0)	(0.1)	0.0	(0.1)
Receivables from Limeira city government	(0.1)	6.6	(6.7)	0.0	0.0	0.0
Other income/expenses	(2.9)	1.9	(4.8)	0.2	(0.4)	0.6
Total other operating income (expenses), net	(8.3)	(39.9)	31.6	0.0	(29.7)	29.7

¹ Additional information is provided in Note 16 to the Financial Statements as of December 31, 2023.

5.10 Operating result measured by EBITDA

The table below shows changes in the components of EBITDA for the periods under review:

EBTIDA: Changes in the period	Amount	Margin	EBTIDA: Changes in the period	Amount	Margin
2022 adjusted	845.0	20.0%	Q4 2022 adjusted	202.0	18.1%
Receivables from Limeira city government	1.9		Receivables from Limeira city government	(0.1)	
Agreement with subsidiary's minority shareholder ¹	(30.2)		Agreement with subsidiary's minority shareholder ¹	(30.2)	
2022	816.7	19.3%	Q4 2022	171.7	15.4%
Gross profit	138.4		Gross profit	(10.4)	
Selling and distribution expenses	(19.1)		Selling and distribution expenses	10.9	
General and administrative expenses	(17.7)		General and administrative expenses	(2.2)	
Research and development expenses	(14.0)		Research and development expenses	(6.4)	
Other operating income	31.6		Other operating income	29.7	
Gain/loss on net monetary position	(24.1)		Gain/loss on net monetary position	(38.0)	
Depreciation	5.9		Depreciation	1.6	
2023	917.7	21.2%	Q4 2023	156.9	15.4%

¹ Additional information is provided in Notes 16 and 35 to the Financial Statements as of December 31, 2023.

5.11 Finance income and costs

At the end of 2023, the Company recorded a net finance income of R\$ 121.8 million, while in 2022 it recorded net finance costs of R\$ 9.1 million, a positive change of R\$ 130.9 million year-over-year. In Q4 2023, the Company recorded a net finance income of R\$ 28.0 million, and in Q4 2022, net finance costs of R\$ 16.5 million, i.e. a positive change of R\$ 44.5 million.

In 2023, there were two sharp devaluations of the Argentine peso (August and December), which had a direct impact on finance income and costs, coupled with an inflation rate of 211.4%, in addition to impacts from IAS-29:

- Line item "Interest income on financial investments": In 2023, the Company recorded interest income of R\$ 87.3 million, R\$ 54.9 million of which comes from financial investments in Argentina (certificates of bank deposit and bonds);

- Line item “1.1. Exchange rate effects”: From negative exchange rate effects of R\$ 52.0 million, the amount of R\$ 33.0 million relates to exchange rate effects of US dollar-denominated investments in securities (“Debentures”);
- Line item “Net effects from inflation adjustments”: From the net positive amount of R\$ 8.3 million, the negative amount of R\$ 33.2 million related to part of the impacts from the adoption of CPC 42 / IAS 29 *Financial Reporting in Hyperinflationary Economies* was allocated to this line item.

Finance income and costs (in BRL million)	2023 (a)	2022 (b)	Change (a-b)	Q4 2023 (c)	Q4 2022 (d)	Change (c-d)
Interest income on financial investments	87.3	53.8	33.5	(10.5)	22.7	(33.2)
Interest expense on loans and borrowings	(23.3)	(13.7)	(9.6)	(9.3)	(3.2)	(6.1)
Other interest income (expense)	11.0	18.6	(7.7)	(0.4)	4.9	(5.3)
Net interest income (expense) (i)	75.0	58.7	16.2	(20.2)	24.4	(44.6)
1. Exchange rate effects on accounts receivable/accounts payable (1.1. + 1.2.)	(21.5)	(57.0)	35.5	26.2	(32.7)	58.9
1.1. Exchange rate effects	(52.0)	(75.6)	23.6	17.2	(31.2)	48.4
1.2. FX hedge ¹	30.5	18.6	11.9	9.0	(1.5)	10.5
2. Exchange rate effects on foreign exchange contracts (ACC) / export credit notes (NCE)	70.1	44.4	25.7	15.8	(2.1)	17.9
3. Other transactions	(2.3)	(27.4)	25.1	(1.7)	(0.5)	(1.2)
Net foreign exchange gains (losses) and gain (loss) on derivatives (ii) - (1+2+3)	46.3	(40.0)	86.3	40.3	(35.3)	75.6
Net effects from inflation adjustments	8.3	(23.0)	31.3	10.3	(4.9)	15.1
Other	(7.8)	(4.8)	(2.9)	(2.4)	(0.7)	(1.6)
Net effects from inflation adjustments + Other (iii)	0.5	(27.8)	28.3	7.9	(5.6)	13.5
Net finance income (costs) (i + ii + iii)	121.8	(9.1)	130.9	28.0	(16.5)	44.5

Page | 12

¹ Additional information on Financial Instruments is provided in Note 36 to the Financial Statements as of December 31, 2023.

5.12 Income tax and social contribution

The Company recorded an income tax and social contribution expense of R\$ 190.1 million at December 31, 2023 in the consolidated financial statements (expense of R\$ 149.5 million at December 31, 2022), as follows:

- Current tax: R\$ 178.4 million expense incurred principally by the parent company (expense of R\$ 166.3 million at December 31, 2022);
- Deferred tax: R\$ 11.7 million expense with no impact on cash, comprising changes in provisions (income R\$ 16.8 million at December 31, 2022).

Additional information on income tax and social contribution is presented in Note 15 to the Individual and Consolidated Financial Statements as of December 31, 2023.

5.13 Net profit and adjusted net profit

Summary of income statement (in BRL million)	2023 (a)	2022 (b)	HA % (a/b)	Q4 2023 (c)	Q4 2022 (d)	HA % (c/d)
Net operating revenue	4,338.8	4,224.0	2.7%	1,016.5	1,115.8	-8.9%
Net profit attributable to owners of the parent	748.3	565.3	32.4%	154.1	123.1	25.2%
Income tax and social contribution (adjustments)	-	(8.9)		-	(10.2)	
Receivables from Limeira city government	-	(4.0)		-	(0.2)	
Agreement with subsidiary's minority shareholder	-	30.2		-	30.2	
Adjusted net profit attributable to owners of the parent	748.3	582.6	28.4%	154.1	142.9	7.8%
Net margin attributable to owners of the parent	17.2%	13.4%	3.8 p.p.	15.2%	11.0%	4.2 p.p.
Adjusted net margin attributable to owners of the parent	17.2%	13.8%	3.4 p.p.	15.2%	12.8%	2.4 p.p.

Additional information on earnings per share is provided in Note 27 to the Financial Statements as of December 31, 2023.

5.14 Capital expenditures

Page | 13

The table below shows capital expenditures and total accumulated depreciation for 2023 and 2022:

Capital expenditure & Depreciation (in BRL million)	2023	2022
Capital expenditure	88.3	98.8
Total depreciation	89.7	90.1
Capital expenditure	2023	2022
% of net sales revenue	2.0%	2.3%
% of depreciation	98.4%	109.6%
Net sales revenue	4,338.8	4,224.0

In 2023, we invested in equipment for research and development, new machinery and equipment to increase productivity and quality, new products, building improvements, information technology, among others.

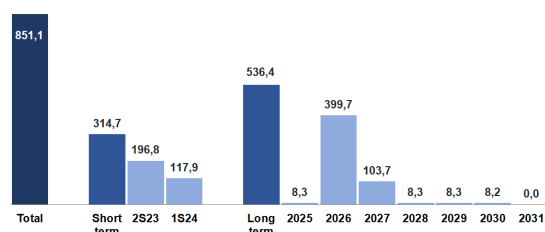
5.15 Net financial position

At the end of 2023, the Company's net debt was R\$ 467.9 million, whereas, at the end of 2022, net cash was R\$ 91.4 million. In 2023, the Company paid out R\$ 1,358.0 million in dividends and interest on capital (further information is presented in item [5.17](#) of this report), which had an impact on its net financial position, as shown below:

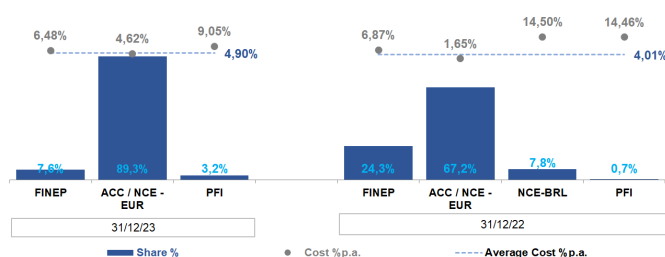
Net financial position (in BRL million)	December 31, 2023 (a)	December 31, 2022 (b)	Change (a-b)	Debt % (a)	Debt % (b)
Cash / bank balances / financial investments / loans (i):	383.3	505.5	(122.2)		
Borrowings (ii) ¹ :	(851.2)	(414.1)	(437.1)	100.0%	100.0%
Short-term	(314.7)	(209.9)	(104.8)	37.0%	50.7%
Long-term	(536.5)	(204.2)	(332.3)	63.0%	49.3%
Net financial position (i - ii):	(467.9)	91.4	(559.3)		

¹ Additional information is presented in Note 20.a. to the Financial Statements as of December 31, 2023.

Below are the maturities of the operations allocated to the short and long term in December 2023, which represent 37.0% and 63.0%, respectively, of the financing shown in the table above:



The graphs below show the composition of financing as at December 31st, 2023 and December 31st 2022, by type of funding with their respective costs, as well as the weighted average cost:



5.16 Subsidiary MAHLE Argentina S.A.

In accordance with international financial reporting standards and with local legislation, the subsidiary MAHLE Argentina S.A. keeps its accounting records in the functional currency, which is the currency of the primary economic environment in which it operates, i.e., Argentine peso (ARS). The financial statements of the subsidiary are expressed in units of the functional currency that is current at the end of the reporting period, and non-monetary assets and liabilities are restated by applying the change in Argentine Consumer General Price Index as required by IAS 29/CPC 42 *Financial Reporting in Hyperinflationary Economies*. The effects of this monetary restatement are recognized in the financial statements of the Parent company within the line item “Gain on net monetary position of foreign subsidiary” (see Note 39 to the Financial Statements as of December 31, 2023).

Page | 14

For the purposes of translation of the financial statements of the subsidiary in Argentina from the functional currency of the subsidiary (ARS) to the presentation currency of the Parent company MAHLE Metal Leve (BRL), the effects of the translation of the financial statements are recognized as “cumulative translation adjustments” in other comprehensive income in equity (see Note 26.e. to the Financial Statements as of December 31, 2023).

Transactions in foreign currency are translated to the functional currency of the subsidiary (ARS) at the exchange rate ruling at the date of the transactions as determined by the Central Bank of Argentina.

5.17 Distribution of dividends and interest on capital to shareholders

At the Ordinary General Meeting held on April 27, 2023, the shareholders approved the distribution of **dividends of R\$ 451.9 million**, as follows:

- R\$ 276.3 million of remaining mandatory minimum dividends and proposed additional dividends relating to the fiscal year 2022; and
- R\$ 175.6 million of proposed additional dividends out of remaining profit for the prior year: In 2020, the Company created a special reserve for dividends in accordance with paragraph 4 of article 202 of the Brazilian Corporation Law due to the COVID-19 pandemic. The amounts kept aside in this reserve were released for distribution.

At the same Ordinary General Meeting, the shareholders approved the distribution of **R\$ 107.1 million of interest on capital (gross)** relating to the fiscal year 2022.

Between January and May 2023, the Company had already paid out **R\$ 559.0 million in dividends and interest on capital**, as follows:

Date of approval and record	Record date	Ex-payout date	Date of payment	Type of payout	Period	Fiscal year	Total gross amount (in BRL million)	Gross value per share (BRL)	Net value per share (BRL)
December 26, 2022	December 26, 2022	January 2, 2023	January 26, 2023	Interest on capital	January 1, 2022 to December 31, 2022	2022	107.1	0.835	0.710
April 27, 2023	April 27, 2023	April 28, 2023	May 26, 2023	Dividends	Remaining mandatory minimum dividends	2022	32.2	0.251	0.251
April 27, 2023	April 27, 2023	April 28, 2023	May 26, 2023	Dividends	Proposed additional dividends	2022	244.1	1.903	1.903
April 27, 2023	April 27, 2023	April 28, 2023	May 26, 2023	Dividends	Proposed additional dividends out of remaining profit for the prior year	2019	175.6	1.368	1.368

On October 31, 2023, the Company disclosed a **material fact** to the market that a **dividend distribution of R\$ 710.8 million**, at R\$ 5.54000112 per common share, was approved at the meeting of the Board of Directors of the Company held on October 23, 2023 (“Dividends”).

The shareholders who were on the Company’s record as a shareholder on November 1, 2023 inclusive received the Dividends, and the Company’s common shares began trading ex-dividend on November 3, 2023 inclusive. The Company paid out the Dividends in local currency on November 10, 2023 without accrued interest or adjusting for inflation.

Date of approval and record	Record date	Ex-dividend date	Date of payment	Type of payout	Period	Fiscal year	Total gross amount (in BRL million)	Gross value per share (BRL)	Net value per share (BRL)
October 23, 2023	November 1, 2023	November 3, 2023	November 10, 2023	Dividends	Dividends	2023	710.8	5.540000112	5.540000112

At the meeting held on November 7, 2023, the Board of Directors approved the distribution of **R\$ 88.2 million in interest on capital (gross)** relating to the period from January 1, 2023 to September 30, 2023, as follows:

Page | 15

Date of approval and record	Record date	Ex-payout date	Date of payment	Type of payout	Period	Fiscal year	Total gross amount (in BRL million)	Gross value per share (BRL)	Net value per share (BRL)
November 7, 2023	November 7, 2023	November 13, 2023	December 18, 2023	Interest on capital	January 1, 2023 to September 30, 2023	2023	88.2	0.650992946	0.553344004

At the meeting held on December 18, 2023, the Board of Directors approved the distribution of **R\$ 22.8 million in interest on capital (gross)** relating to the period from October 1, 2023 to December 31, 2023, as follows:

Date of approval and record	Record date	Ex-payout date	Date of payment	Type of payout	Period	Fiscal year	Total gross amount (in BRL million)	Gross value per share (BRL)	Net value per share (BRL)
December 18, 2023	December 21, 2023	December 22, 2023	May 29, 2024	Interest on capital	October 1, 2023 to December 31, 2023	2023	22.8	0.168138231	0.142917497

For more information about payout, please visit our website <https://ri.mahle.com.br/acoef/historico-de-proventos/>

6. Sustainability (ESG)

From an early stage, the founders of the MAHLE Group, Hermann and Dr. Ernst Mahle, associated corporate success with social responsibility. After more than 100 years, MAHLE is now a company active worldwide and all the more aware of its environmental and social responsibility. We believe that our most important task is to balance sustainable development and technological progress. Our goal is to be an innovate driving force for efficient and environmentally compatible mobility. Through our long-term planning, we strive to reconcile the economic success of our company with the requirements of the environment, society, and our employees.

MAHLE Metal Leve S.A. always keeps an eye on its impact on the environment and people. Ecological and social responsibility forms the guiding principle that connects all corporate activities. As result, we are pursuing an ethically correct and law-abiding behavior, the health and satisfaction of our employees, the safety of their jobs and the protection of the environment and resources along the entire value chain.

Our sustainability strategy has been expanded and includes eight strategic areas that are based on the strategic pillar of end-to-end sustainability. We strive to offer sustainable and innovative products in our strategic future fields - electrification, thermal management and efficient internal combustion engines. We believe that a variety of technology solutions for mobility are needed globally to achieve the climate targets as quickly as possible.

Climate change remains a key driver for our industry, and we are proud that MAHLE is on track with its established CO₂ Roadmap.

With a global shortage of skilled workers, we continue to drive our MAHLE HR - Human Resources Roadmap forward. The introduction of a new competence model, a talent cycle as well as setting new targets for women in leadership positions were important milestones.

Finance regulation around the world is evolving towards more sustainability. Therefore, we have included Sustainable Finance as a strategic topic in our sustainability agenda.

With our [Sustainability Report](#), we aim to inform you about our goals, strategies and measures as well as the progress we have made in different areas. Our report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards. By using these standards, we are strengthening the transparency of our actions and laying the foundation for integrated sustainability communication in the future.

We provide below an overview of important sustainability aspects.

6.1 Environmental

MAHLE Metal Leve is committed to its responsibility towards the promotion of sustainable solutions by reconciling its economic success and business strategy with the requirements of the environment and society.

The principles that guide our actions are ethically correct and lawful conduct, the protection of the environment and resources, and the well-being of our employees and the community in which we operate.

Page | 16

Our focus, therefore, is on continuing to be reliable for our customers while innovating our products to have a reduced impact on the environment and shaping future mobility, with a management system, specific targets and clear strategies.

The Occupational Health, Safety and Environment (HSE) corporate function develops the regional strategy, coordinates and monitors activities, which include:

- Control and monitoring of atmospheric emissions;
- Control and monitoring of liquid effluents;
- Control and monitoring of water resources;
- Control and monitoring of solid waste;
- Monitoring of noise.

Furthermore, the Company strictly follows the environmental licensing processes by adopting monitoring and procedures required by law and obtaining approvals from the relevant agencies.

The Company is compliant with environmental laws and regulations through the Verde Ghaia system (a software that anticipates new laws and specifies which laws must be complied with in several business environments). In addition, internal audits are conducted by the HSE function to ensure our compliance with statutory environmental requirements.

The environmental, health and safety management systems are audited by an independent third-party certification body and the Company is certified to ISO 14001 and ISO 45001.

To make this monitoring possible, each business unit has a HSE team to ensure compliance with the regulations and local and regional requirements of MAHLE. The responsibilities of the local HSE teams include monitoring, technical support, critical analyses, recording and assessing key HSE figures and key performance indicators (KPIs). Local HSE teams discuss monthly their results in management meetings and, where necessary, obtain approval of their action plans and investments.

Therefore, KPIs are reported and analyzed on different levels (local, regional and global) to monitor our progress.

Climate protection:

The MAHLE Group has the goal to be climate neutral by 2040, reducing Scope 1 and 2 emissions until 2030, and Scope 3 emissions by 28% until 2030. We aim to increase energy efficiency by 2% every year.

To achieve these targets, we are acting in the following areas: we use renewable energy sources at two locations - Jundiaí Tech Center and Limeira Distribution Center, and we have programs for 2% reduction of electricity consumption at our plants.

MAHLE has implemented Energy Sprints to enhance energy management. MAHLE trained people of different backgrounds on an energy audit methodology specifically adapted to MAHLE's needs. The main idea is to identify potential energy efficiency potentials and cost savings, but also best practice sharing. The intention is to make the energy sprints an integral part of our continuous improvement and optimization process.

Finally, to discover innovative solutions for raw materials, our engineering team is developing new green products.

6.2 Social

A central element of our corporate strategy is personnel management, evidencing our commitment to attracting, developing and engaging talents with competencies and mindset aligned with our objectives. The excellence in personnel management through personalized and advanced solutions is a key pillar to meet the needs of our diverse business units.

Our highly qualified and innovation-oriented professionals are the driving force behind the transformation that keeps us in a leading position in the automotive industry. We invest heavily in leadership development by offering the tools and training necessary to overcome future challenges with responsibility and efficacy, based on the MAHLE leadership principles – trust each other, inspire for change and lead by example.

MAHLE offers its employees great opportunities to pursue their professional development, preparing them for tomorrow's challenges. By fostering a culture of continuous learning and knowledge sharing, we establish a working environment where the potential of each employee is valued and nurtured. Each employee's unique perspectives and ideas are essential for innovation and performance.

In this context, our commitment to diversity and inclusion is a fundamental pillar of our strategy, reflecting the importance of a diverse workforce that brings different talents, views and experiences. Through inclusive recruiting and development policies, we seek to attract and retain diverse talent, offering specific training to promote equal opportunities and a workplace that celebrates differences as a source of innovation and competitive advantage.

We believe that our corporate success is intrinsically tied to our ability to foster a welcoming and inclusive workplace where everyone can contribute to their full potential. We invest in initiatives that promote dialogue and mutual understanding, strengthening our team cohesion and competitiveness in the market.

We also support local communities in the vicinity of our locations through our Social Responsibility program. Since 2002, we have been promoting the autonomy and independence of people through initiatives in the following areas: education and culture, health and well-being, diversity and inclusion, social and environmental sustainability, based on our Donations and Sponsorship Policy and the MAHLE Business Code.

At December 31, 2023, MAHLE Metal Leve S.A. and its subsidiaries employed 7,196 people.

6.3 Corporate Governance

The Company adopts good corporate governance practices based on the principles of transparency, fairness, accountability and corporate responsibility.

Since July 2011 the Company shares ("LEVE3") are traded on Brazil's stock exchange B3's Novo Mercado (New Market) listing segment that requires adherence to more stringent corporate governance rules.

Therefore, the Company is compliant with the best practices for transparency, equal treatment and long-term relationship with its stakeholders, in addition to using compliance tools, and internal policies and rules based on corporate governance principles. We also conduct periodic audits to continuously improve processes, minimize risks and strengthen protection against fraud. The documents are available on the [MAHLE Investor Relations website](#).

The Company adopts the best practices of corporate governance in line with the recommendations of the Brazilian Institute of Corporate Governance (IBGC), the Brazilian Securities Commission (CVM) and Brazil's Stock Exchange (B3). The adoption of other corporate governance practices can be found in the [Brazilian Code of Corporate Governance Report](#) that is available on the MAHLE Investor Relations website.

Risk management:

Risk factors are identified and monitored through our risk management system that covers economic, environmental and social aspects since we are exposed to external risks associated with the countries in which we operate or to which we are exporting, such as social and political issues, as well as to internal risks.

We have a risk management policy, which was approved by our Board of Directors and which establishes a risk management framework setting roles and responsibilities, risk appetite and integrated risk management approach to protecting against potential threats.

The risk management process is subject to the approval of the Board of Directors annually.

Compliance:

Responsible business behavior means complying with laws and internal rules as well as ensuring fair competition. Therefore, compliance has always been an important element of our corporate governance. We have our [Business Code](#) which defines a clear code of conduct for our dealings with third parties to ensure compliance with ethical standards and laws, as well as preventive measures and training program that supports a strong culture of integrity. Our Compliance function implements preventive measures relating to corruption prevention and antitrust law and establishes sanctions for compliance violations. It also handles other topics. We take various steps to safeguard the effectiveness and sustainability of our compliance structure, including documenting our compliance activities and conducting compliance audits as well as annual review of the compliance risk matrix. In addition, compliance violations can be reported via the web-based whistleblower system [Integrity Plattform](#) on the MAHLE website <https://mahle.integrityplatform.org/>.

Prevention of corruption and antitrust law:

To prevent violations of laws and internal company rules from the outset, we organize regular compliance trainings, covering the topics of antitrust law and prevention of corruption. The trainings are mandatory for all members of the MAHLE Management Board and MAHLE Management Committee as well as for executives and employees in risk-exposed areas. Newly hired employees are given guidance and support with respect to the most important rules relating to corruption prevention and antitrust law, the compliance structure and internal reporting channels.

Data protection:

Like physical security, the logical security and personal data privacy, protection and confidentiality takes high priority at MAHLE Metal Leve. To meet the applicable data protection laws and regulations, we have implemented a data protection program to foster a culture of data protection and educate our employees on how to handle personal data securely during interactions with customers, third-party partners and suppliers, and other continuous awareness initiatives. The data protection program is regularly reviewed and updated.

As part of a globally active Group, the European General Data Protection Regulation (GDPR) and the Brazilian General Personal Data Protection Law (LGDP – Law No. 13709/18) apply to us. In addition, we implement necessary measures for compliance with international data protection laws and regulations and have internal practices in place to ensure compliance with the Group-wide data privacy guidelines.

We adopt the Privacy by Design approach that helps embed privacy into the design of products and other internal actions that directly or indirectly involve the use of personal data. The MAHLE Metal Leve Data Protection function is managed by the data protection coordinator with the support of an external Data Protection Officer.

Any queries may be sent to the MAHLE Data Protection and Privacy channel at dpo.br@mahle.com.

6.4 Sustainable innovations

As a forward-thinking development partner to the automotive industry, we offer our customers technological solutions for a wide range of applications. With our innovative products, we are making our contribution to sustainable mobility developing technologies to improve air quality and reduce greenhouse gas emissions.

We believe that sustainable mobility is based on various technological solutions in strategic fields such as efficient and clean combustion engines powered with e-fuels and hydrogen, thermal management and electrification. There is no one-size-fits-all solution, as each region has unique economic, environmental and social conditions. We know these differences and apply solutions that suit local characteristics to achieve sustainable mobility quickly and efficiently.

That is why we are strengthening existing business segments and assuming a leading role in the ongoing development of the combustion engine – with regard to its operation using climate-neutral or e-fuels. We believe that employing biofuels and other renewable fuels presents an even greater opportunity to cut carbon emissions.


More information about sustainable innovations is available in our [Sustainability Report](#).

7. Investor Relations and Capital Market

In 2023, our Investor Relations department maintained open and frequent communication with investors and the general market. In-person and virtual meetings and events were held to reinforce communication and strengthen the relationship with investors, shareholders and the financial community, as well as to promote a thorough understanding of the fundamentals of the Company.

7.1 MAHLE Investor Day 2023 & APIMEC Meeting

Listed companies hold events to provide investors with information on strategic matters in a more transparent way.




MAHLE Investor Day
2023


On April 3, 2023, MAHLE Metal Leve held in São Paulo its Investor Day 2023 & APIMEC Meeting – a great opportunity to discuss topics such as: the fundamentals of the OE market and Aftermarket, public financial data, culture and diversity, technology, strategies and sustainability.

The material of the event is available on the MAHLE Investor Relations website. Scan the QR code or click on the links below to access the material in Portuguese:



 [Click here for a teaser of the event.](#)

 [Click here for presentation.](#)

 [Watch the event replay video.](#)

7.2 Quality Award 2023 - APIMEC Brazil: Best Meeting of the year



The public meeting of MAHLE Metal Leve held on April 3, 2023 was elected the [Best Meeting of 2023](#), among all meetings held in APIMEC Brazil (Association of Capital Markets Analysts and Investment Professionals).

The choice was made by a qualified jury based on the evaluations of investment professionals at the end of each public meeting, [according to APIMEC's regulation](#). Approximately 25 thousand professionals participated in APIMEC Brazil's meetings last year, reinforcing their knowledge of the companies analyzed or invested in and helping investor relations professionals deepen understanding of market demands.



According to APIMEC Brazil, the event has contributed to the connection and dissemination of information to the entire market on account of the robustness of the information disclosed, including ESG issues. Furthermore, the preparation of the meeting, the presence of the executive board and the dynamism of the meeting contributed to the overall success of the public event.

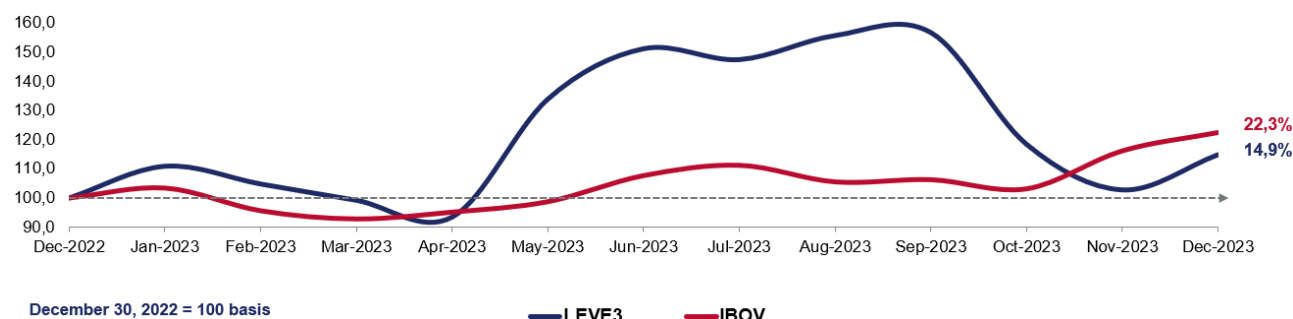
7.3 Participation in online events

According to the announcements to the market, the Company participated in online events in 2023 where it could discuss opportunities in the development of the sustainable Mobility.

- On May 24, 2023: “*Trígono Connection*”. Click [here](#) to watch the event.
- On September 14, 2023: “*Live com Sara Invest*”. Click [here](#) to watch the event.

7.4. MAHLE METAL LEVE stock performance and free float

The graph below (base 100) shows the market performance of LEVE3 stock and Ibovespa¹ in 2023, and Average Daily Trading Volume (ADTV) and free-float market capitalization:



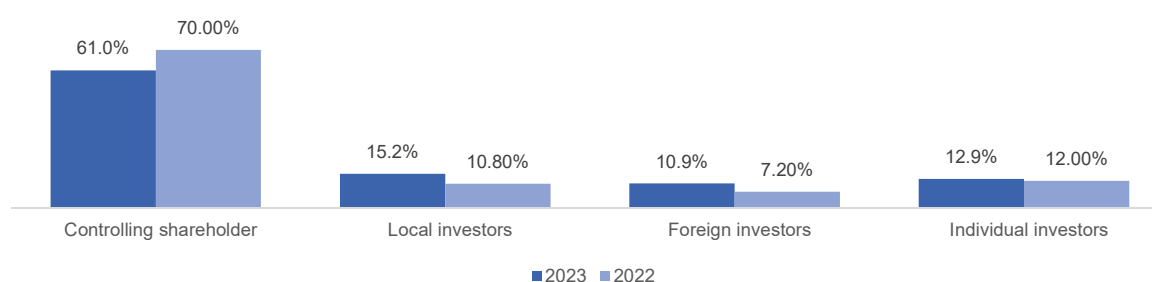
Page | 20

¹ IBOVESPA is a major market index which tracks the performance of the most liquid stocks traded on Brazil's Stock Exchange B3 - Brasil, Bolsa, Balcão.

Average Daily Trading Volume (in BRL million) and Free Float Market Cap				
Period:	Q1 2023	Q2 2023	Q3 2023	Q4 2023
Trading volume:	7.9	13.5	13.7	29.5
Free float market cap:	0.65%	0.94%	0.76%	1.55%

7.5. Ownership structure

At the end of 2023 and 2022, the Company's ownership structure by investor category is as follows:



The following table classifies shareholders by number of shares:

Period	¹ Share price	² Total shareholders	1 share	2-10 shares	11-50 shares	51-500 shares	501-5000 shares	5,001-200,000 shares	More than 200,001 shares
Q4 2022	30.77	54,561	2,626	9,254	13,254	23,982	5,013	406	24
Q1 2023	30.52	54,412	2,913	9,650	13,171	23,599	4,685	363	29
Q2 2023	46.54	54,265	3,230	10,113	13,464	23,119	3,936	372	29
Q3 2023	48.25	50,637	3,497	10,543	12,604	20,190	3,372	403	26
Q4 2023	35.34	66,820	4,634	13,645	15,974	26,195	5,781	554	35

¹ Price of MAHLE Metal Leve share at the end of the period.

² Total shareholders include controlling shareholders MAHLE Indústria e Comércio Ltda. and MAHLE Industriebeteiligungen GmbH.

8. Independent Auditors

In accordance with CVM Resolution 162/22, the Company and its subsidiaries take appropriate steps to ensure that the provision of non-audit services by the external auditors does not create any conflict of interest or impair the independence and objectivity of the external auditors.

During the fiscal year 2023, the Company did not engage Ernst & Young Auditores Independentes S/S Ltda to perform non-audit services and there is, therefore, no situation that could constitute conflict of interest under that CVM Resolution. Page | 21

9. Executive Board's Declaration

In compliance with the provisions of CVM Resolution 80/22, the Executive Board hereby declares that it has discussed, reviewed and agrees with the financial statements for the year ended December 31, 2023 and with the opinions expressed in the independent auditor's report.

10. Acknowledgements

We would like to thank our employees, shareholders, customers and suppliers for their continued support and confidence during the fiscal year 2023.

The Management Board of MAHLE Metal Leve

11. Appendices

11.1. Balance sheet

CONSOLIDATED BALANCE SHEET	2023	2022
ASSETS	2,801.0	3,157.1
Current assets	1,673.0	1,920.0
Cash and cash equivalents	22.8	61.9
Securities	152.9	-
Financial investments	177.5	365.5
Trade and other receivables	627.8	659.3
Inventories	519.3	545.0
Taxes recoverable	84.3	200.7
Income tax and social contribution recoverable	50.4	55.9
Other current assets	38.0	31.7
Non-current assets	1,128.0	1,237.1
Deferred tax assets	28.6	32.3
Loans to related parties	30.1	78.1
Taxes recoverable	11.5	17.0
Property, plant and equipment	574.2	616.1
Intangible assets	390.3	390.1
Right-of-use assets	39.7	48.5
Other non-current assets	53.6	55.0
LIABILITIES AND EQUITY	2,801.0	3,157.1
Current liabilities	1,059.3	1,039.0
Employee benefit liabilities	111.1	109.7
Trade and other payables	353.8	327.0
Taxes payable	62.3	52.7
Interest-bearing loans and borrowings	314.7	209.9
Lease liabilities	13.6	10.9
Provisions	79.0	105.7
Other current liabilities	124.8	223.1
Non-current liabilities	829.0	538.3
Interest-bearing loans and borrowings	536.5	204.2
Lease liabilities	29.3	38.2
Deferred tax liabilities	-	8.5
Provision for contingencies and judicial deposits associated with lawsuits	248.1	262.4
Other non-current liabilities	15.1	25.0
Consolidated equity	912.7	1,579.8
Share capital	1,162.2	966.3
Revenue reserve	230.7	525.1
Special reserve	221.3	419.7
Carrying amount adjustments	35.3	34.2
Cumulative translation adjustments	(739.1)	(358.6)
Non-controlling interests	2.3	(6.9)

11.2. Statement of income

CONSOLIDATED STATEMENT OF INCOME	2023	2022	Change
Net operating revenue	4,338.8	4,224.0	2.7%
Cost of sales and services	(3,067.3)	(3,090.9)	-0.8%
Gross profit	1,271.5	1,133.1	12.2%
Operating income (expenses)	(455.4)	(412.1)	10.5%
Selling and distribution expenses	(332.0)	(312.9)	6.1%
General and administrative expenses	(127.8)	(110.1)	16.1%
Research and development expenses	(58.2)	(44.2)	31.7%
Other operating expenses, net	(8.3)	(39.9)	-79.2%
Gain on net monetary position of foreign subsidiary	70.9	95.0	-25.4%
Profit before finance income and costs	816.1	721.0	13.2%
Finance income	490.0	318.0	54.1%
Finance costs	(368.2)	(327.1)	12.6%
Profit before taxes	937.9	711.9	31.7%
Current income tax and social contribution	(178.5)	(166.3)	7.3%
Deferred income tax and social contribution	(11.6)	16.8	-169.0%
Profit for the period	747.8	562.4	33.0%
Profit attributable to owners of the Company	748.3	565.3	32.4%
Profit attributable to non-controlling interests	(0.5)	(2.9)	-82.8%

11.3. Statement of cash flows

CONSOLIDATED STATEMENT OF CASH FLOWS	2023	2022
Cash flows from operating activities		
Profit before tax	937.9	711.9
Depreciation and amortization	101.6	95.9
Net finance costs	(185.0)	(4.1)
Unrealized gains (losses) on derivative financial instruments	(1.1)	1.6
(Gain) loss on disposal of property, plant and equipment	(1.5)	0.7
Loss allowance for trade receivables	9.1	2.9
(Reversal of) provision for contingencies	(2.6)	(8.5)
Warranty provision	1.4	8.8
Sundry provisions	67.0	68.6
Impairment losses on property, plant and equipment and intangible assets	(0.6)	(1.2)
Impairment losses on inventories	14.3	14.9
Interest expense on lease liabilities	5.8	0.8
PIS and COFINS tax credits	(12.8)	(95.0)
Gain on net monetary position	(70.9)	(40.3)
Changes in assets and liabilities		
Trade and other receivables	23.3	(94.3)
Inventories	31.9	(34.2)
Taxes recoverable	164.6	22.6
Other assets	(5.2)	5.5
Trade and other payables	18.1	44.5
Employee benefit liabilities	1.3	8.2
Taxes payable	(2.9)	12.5
Other liabilities	(130.8)	(28.6)
Cash generated from operating activities	962.9	693.1
Income tax and social contribution paid	(172.5)	(155.2)
Net cash flows from operating activities	790.4	537.9
Net cash flows used in investing activities	(220.0)	(41.4)
Loans to related parties	(451.8)	(1,121.3)
Loan payments received from related parties	495.7	1,176.2
Purchase of property, plant and equipment	(78.1)	(96.3)
Purchase of intangible assets	(1.5)	(0.4)
Purchase of securities	(235.5)	-
Settlement of securities	48.9	-
Proceeds from sale of property, plant and equipment	2.3	0.4
Net cash flows used in financing activities	(750.1)	(411.4)
Proceeds from borrowings	506.6	292.7
Payment of principal of borrowings	(75.5)	(143.0)
Payment of interest on borrowings	(12.2)	(6.6)
Dividends and interest on capital paid	(1,344.6)	(543.7)
Proceeds from capital contributions by shareholders	192.6	-
Loans from related parties	174.3	-
Repayment of loans to related parties	(174.6)	-
Payment of principal and interest portion of lease liabilities	(16.7)	(10.8)
Effect of exchange rate changes on cash and cash equivalents	(47.4)	(18.8)
Net increase (decrease) in cash and cash equivalents	(227.1)	66.3
Cash and cash equivalents at the beginning of the year	427.4	361.1
Cash and cash equivalents at the end of the year	200.3	427.4
Net increase (decrease) in cash and cash equivalents	(227.1)	66.3