

MAHLE Investor Update Call – Annual Results 2022

MAHLE Group | April 27, 2023

WE SHAPE FUTURE MOBILITY



MAHLE

Disclaimer

THIS PRESENTATION AND THE INFORMATION CONTAINED HEREIN MAY NOT BE REPRODUCED IN ANY FORM OR FURTHER DISTRIBUTED TO ANY OTHER PERSON OR PUBLISHED. IN PARTICULAR, IT MAY NOT BE RELEASED, PUBLISHED OR DISTRIBUTED, DIRECTLY OR INDIRECTLY, IN OR INTO THE UNITED STATES OF AMERICA OR TO U.S. PERSONS, OR IN OR INTO CANADA, JAPAN OR AUSTRALIA OR ANY OTHER JURISDICTION WHERE SUCH RELEASE, PUBLICATION OR DISTRIBUTION WOULD BE UNLAWFUL.

The following applies to this presentation, which has been prepared by MAHLE GmbH (together with its subsidiaries, "MAHLE") for information purposes only.

The information and opinions contained in this presentation are provided as at the date hereof, have not been independently verified and are subject to change without notice. This presentation was prepared with reasonable care. However, no responsibility can be assumed for the correctness and completeness of the provided information. MAHLE GmbH does not undertake any obligation to update or otherwise revise the presentation. Consistent with its purpose, this presentation contains summary information only and does not purport to be comprehensive and is not intended to be (and should not be construed as) the sole basis of any analysis or other evaluation. No representation or warranty (express or implied) is made as to, and no reliance should be placed on, any information, including projections, targets, estimates and opinions contained herein. To the extent permitted by law, MAHLE GmbH and each of its directors, officers, employees, affiliates, advisors and representatives disclaims all liability whatsoever for any loss however arising, directly or indirectly, from any use of this presentation or its contents or otherwise arising in connection with this presentation. By accepting this presentation, you acknowledge that you will be solely responsible for your own assessment of the market and the market position of MAHLE and that you will conduct your own analysis and be solely responsible for forming your own view of the potential future performance of MAHLE's business.

This presentation does not constitute or form part of, and should not be construed as, an offer or invitation, or the solicitation of an offer or invitation, to subscribe for or purchase any securities of MAHLE in any jurisdiction and neither this presentation nor anything in it shall form the basis of, or be relied upon in connection with, any contract or commitment or investment decision whatsoever.

This presentation contains forward-looking statements and information on the business development of MAHLE. These statements are based on assessments and assumptions relating to the development of the economies of individual countries, and in particular of the automotive industry, which we have made on the basis of the information available to us and which we consider to be realistic at the time of publication. The estimates given involve a degree of risk and uncertainty, and the actual developments of e.g. MAHLE's sales, results and financial situation may differ materially from the expectations expressly or implicitly assumed in the forward-looking statements.

To the extent available, the industry and market data contained in this presentation come from official or third party sources. Third party industry publications, studies and surveys generally state that the data contained therein have been obtained from sources believed to be reliable, but that there is no guarantee of the accuracy or completeness of such data. While MAHLE GmbH believes that each of these publications, studies and surveys has been prepared by a reputable source, the data contained therein has not been independently verified by MAHLE GmbH or its representatives. In addition, certain of the industry and market data contained in this presentation come from MAHLE GmbH's own internal research and estimates based on the knowledge and experience of the MAHLE GmbH's management in the markets in which MAHLE operates. While MAHLE GmbH believes that such research and estimates are reasonable, they, and their underlying methodology and assumptions, have not been verified by any independent source for accuracy or completeness and are subject to change and correction without notice.

Certain financial data included in this presentation consists of non-HGB financial measures ("Alternative Performance Measures"). These Alternative Performance Measures may not be comparable to similarly titled measures presented by other companies and should be considered only in addition to, but not in isolation or as a substitute for, the financial information prepared by MAHLE GmbH in accordance with the German Commercial Code (Handelsgesetzbuch – HGB).

Due to rounding, numbers presented in this presentation may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.

Agenda

1. Welcome and Introduction | Mr. Kapaun
2. Market Development 2022 – Challenges and Achievements | Mr. Kapaun
3. Annual Closing MAHLE Group 2022 | Mr. Thiele
4. Group Strategy at a Glance | Mr. Wellhöffer
5. Outlook 2023 | Mr. Kapaun
6. Financing MAHLE Group | Mr. Josephs

Welcome and Introduction

01

Highly experienced MAHLE Management Board



Arnd Franz
Chairman of the Management Board
and CEO of the MAHLE Group



Jumana Al-Sibai
Corporate Executive Vice President
and General Manager Thermal
Management
Profit Centers | Control Units and
Industrial Thermal Management



Dr. Beate Bungartz
Corporate Executive Vice President
Human Resources



Georg Dietz
Corporate Executive Vice
President and General Manager
Engine Systems and Components
Profit Center | Large and Small Engine
Components



Martin Wellhöffer
Corporate Executive Vice President
and General Manager
Electronics and Mechatronics



Markus Kapaun
CFO of the MAHLE Group



Martin Weidlich
Corporate Executive Vice President
and General Manager
Filtration and
Engine Peripherals

Market Development 2022 – Challenges and Achievements

02

Auto supply industry: Challenging environment 2022

Price
Increases



Threat of Market
Slowdown

Transformation to
Carbon Neutrality



Geopolitical
Tensions



Energy Crisis



Disturbed
Supply Chains



MAHLE proactively counteracts via a holistic performance program

DELIVER23

Profitability

Projects focusing on improving MAHLE's profitability. This entails

- **Price increases / claims** to customers
- **Purchasing cost** reductions
- **Production performance** improvements
- Efficiency optimization of **indirect functions**

Cash

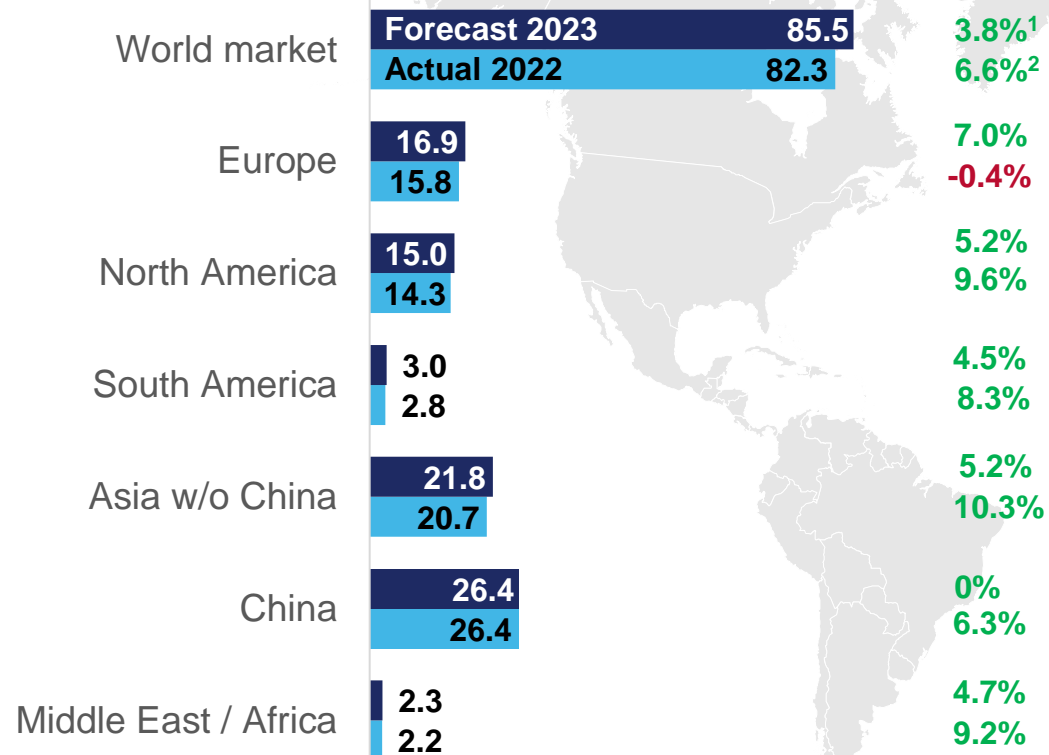
Projects focusing on improving MAHLE's cash flow. This entails

- **Working capital** improvements
- **Capital expenditure** reductions
- **Asset sales**, e.g., unused land and buildings
- **Portfolio** rationalization

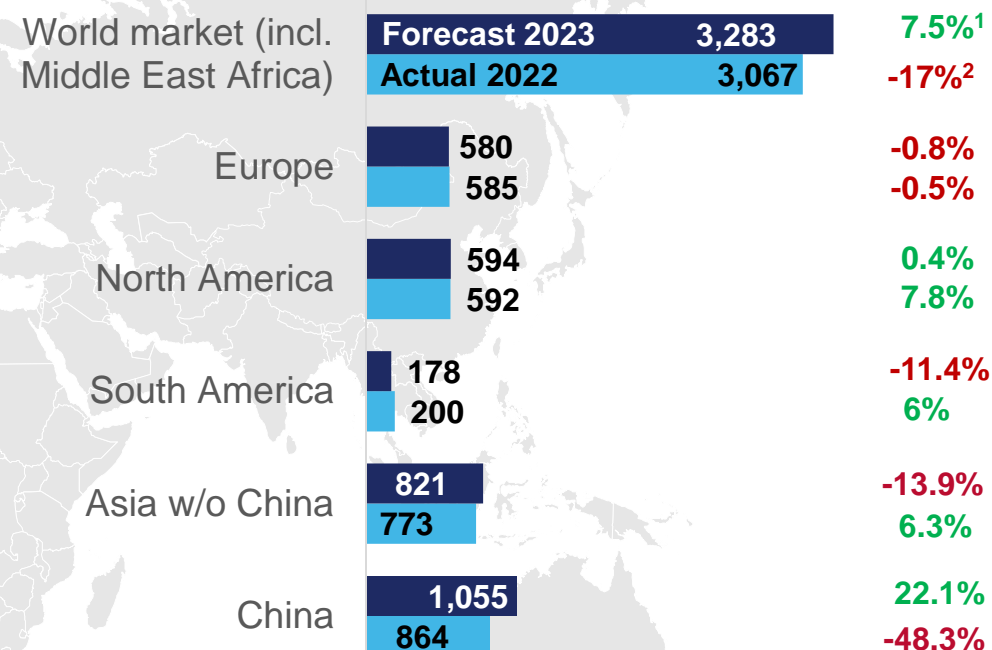
Market development in 2022

Light vehicles and medium and heavy duty vehicles production 2022 and forecast 2023

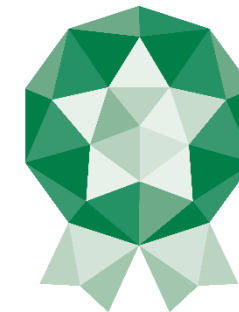
Production of passenger cars and light commercial vehicles
[in mn pcs.]



Production of medium and heavy duty vehicles and buses
(>6t) [in tsd pcs.]



2022: Outstanding acquisition year in the company's history



Selected MAHLE global acquisitions highlights 2022

ICE solutions



Cooling Module with Fan/Shroud CUST. A
Lifetime sales: 420 mEUR



EGR Cooler Assembly CUST. B
Lifetime sales: 340 mEUR



Piston Assembly + Valves + Bearings CUST. C
Lifetime sales: 160 mEUR



Carbon Canister CUST. D
Lifetime sales: 70 mEUR

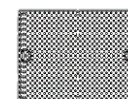
NON-ICE solutions



Thermal Management System* CUST. E
Lifetime sales: 400 mEUR



HVAC* CUST. F
Lifetime sales: 320 mEUR



Battery Cooling Plate CUST. G
Lifetime sales: 315 mEUR



On-Board-Charger CUST. H
Lifetime sales: 300 mEUR



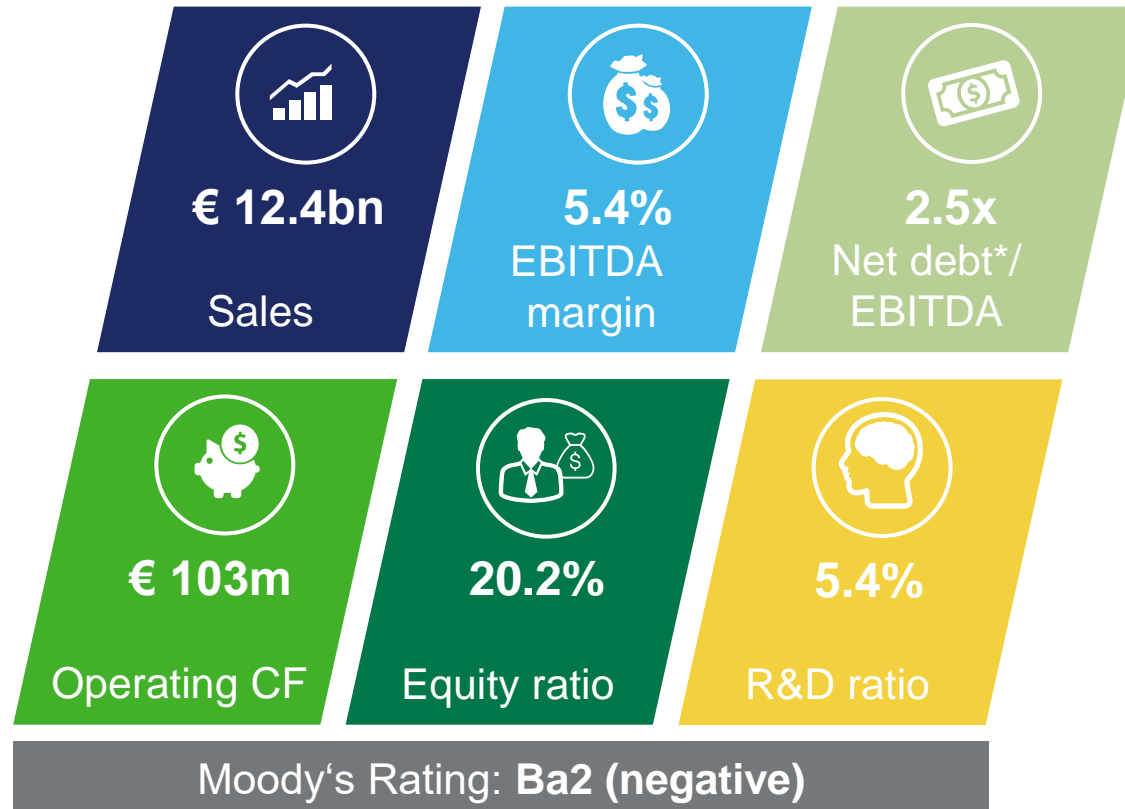
2022 marks the second most successful year in acquisitions in MAHLE history with **acquired LT sales of above 11 bn EUR**

Annual Closing MAHLE Group 2022

03

Sales increased strongly

MAHLE Group – key financials 2022

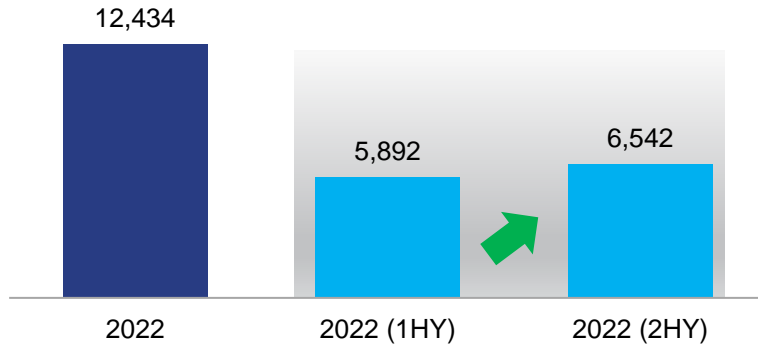


*Net debt = liabilities to banks + bonds – cash in hand, bank balances and checks

Recovery effects in the second half 2022

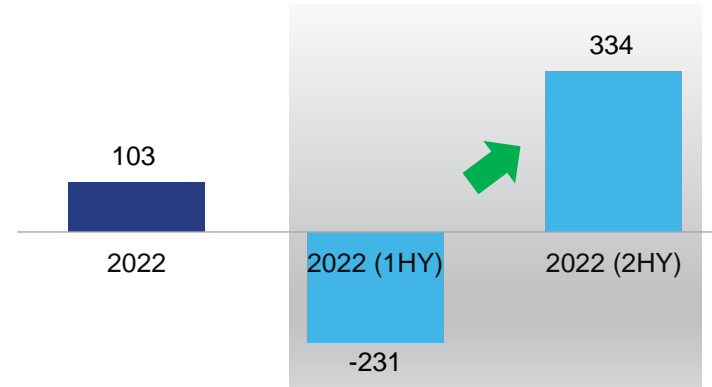
Sales

In EURm



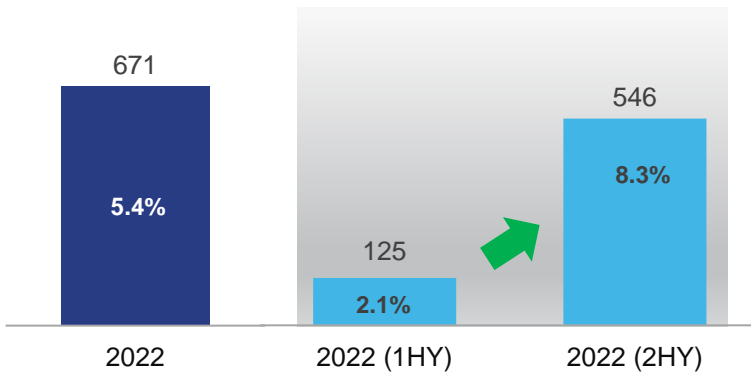
Operating CF

In EURm

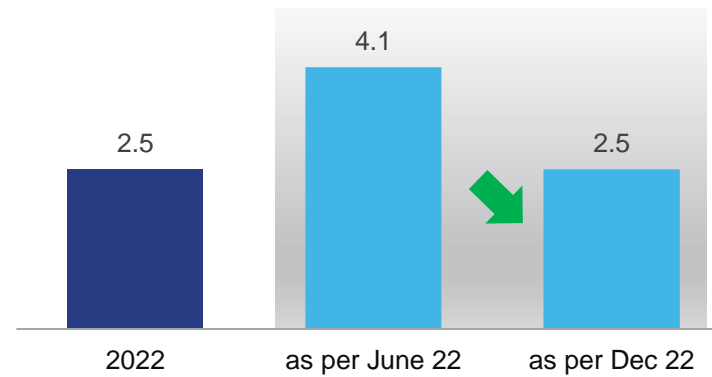


EBITDA margin

In EURm and percent (%)



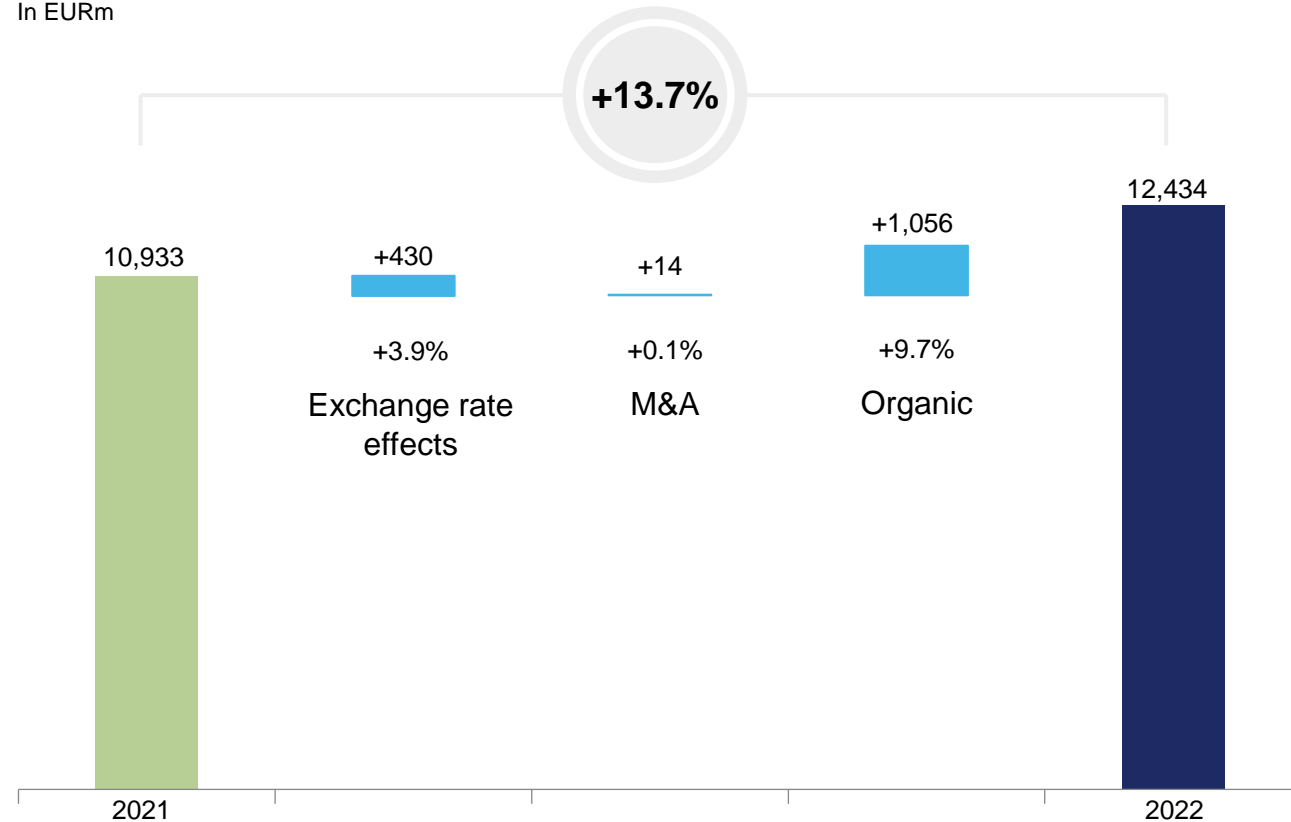
Net debt* / EBITDA



Strong sales growth

MAHLE Group sales

In EURm

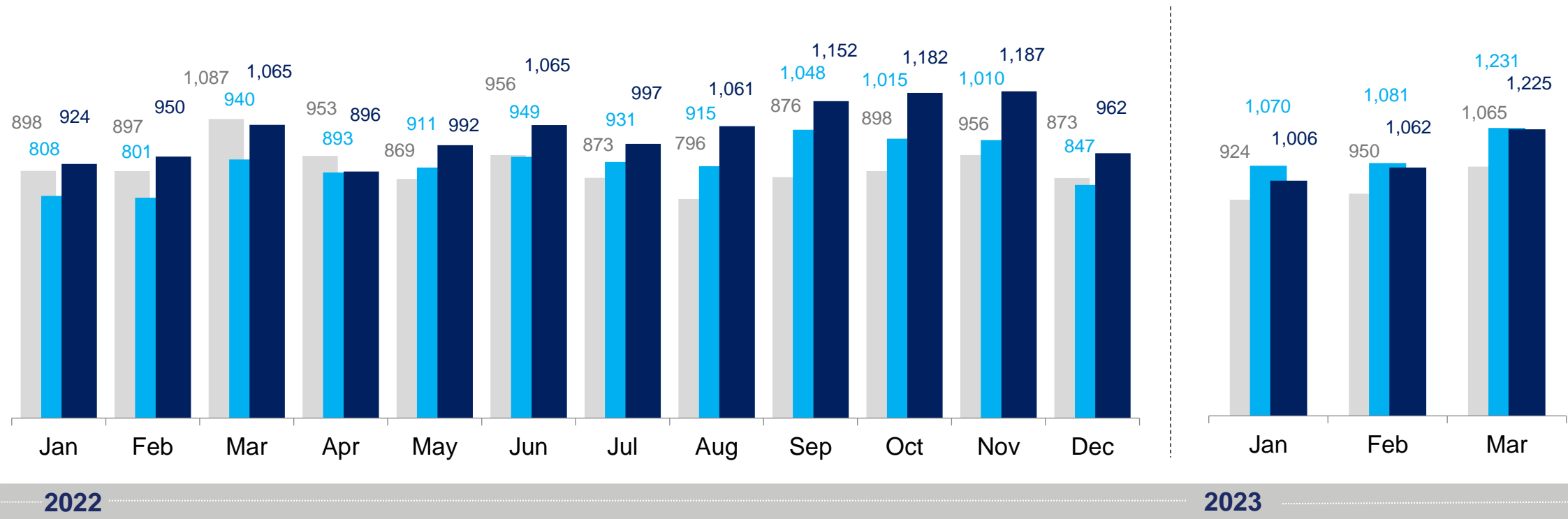


- Substantial organic growth of 9.7%
- Highest proportional organic sales growth in Aftermarket as well as in Electronics & Mechatronics
- Favorable currency translation effects, mainly from the appreciation of the USD

MAHLE Group sales January 2022 to March 2023 MTD*

In EURm

■ Prev. Year ■ Budget ■ Actual

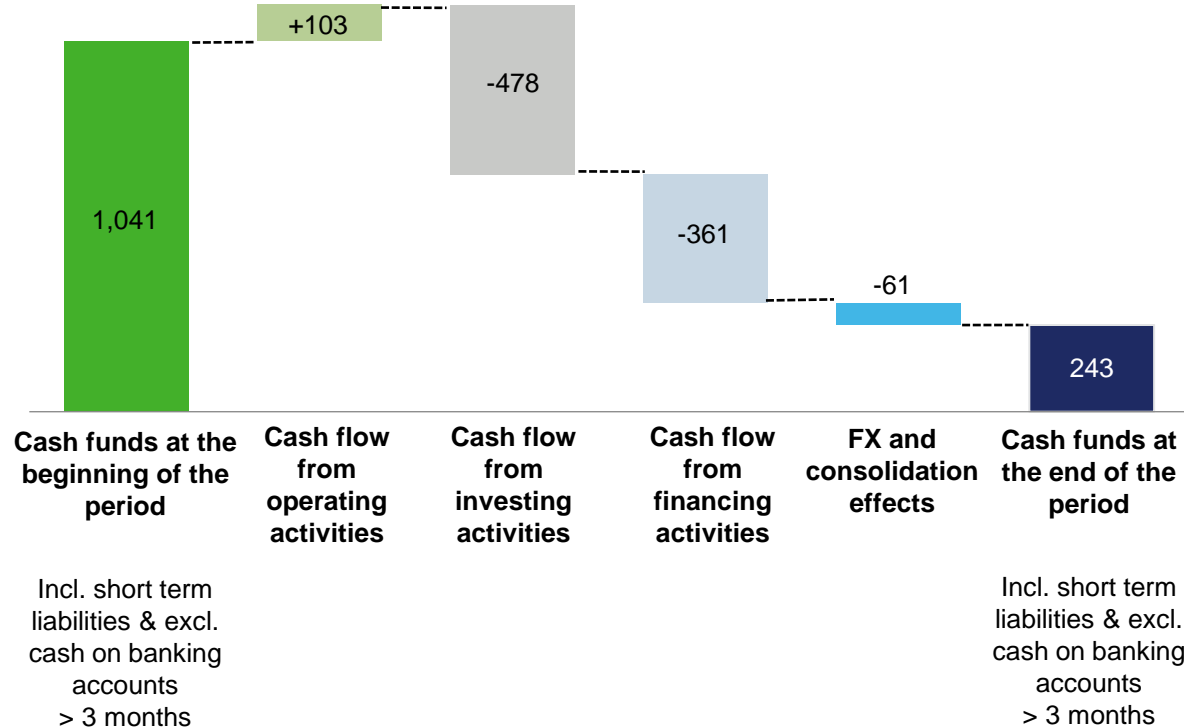


*Month-to-date

Lower cash mainly driven by corporate bond repayment

Cash flow development 2022

In EURm



- Operating cash flow suffered from increased working capital, mainly due to increased inventories and receivables
- Cash outs for restructuring amounted to EUR 121m
- Cash flow from financing activities mainly driven by corporate bond repayment of EUR 500m, Schuldscheindarlehen payback of EUR 75m and loan issuance with European Investment Bank loan of EUR 300m

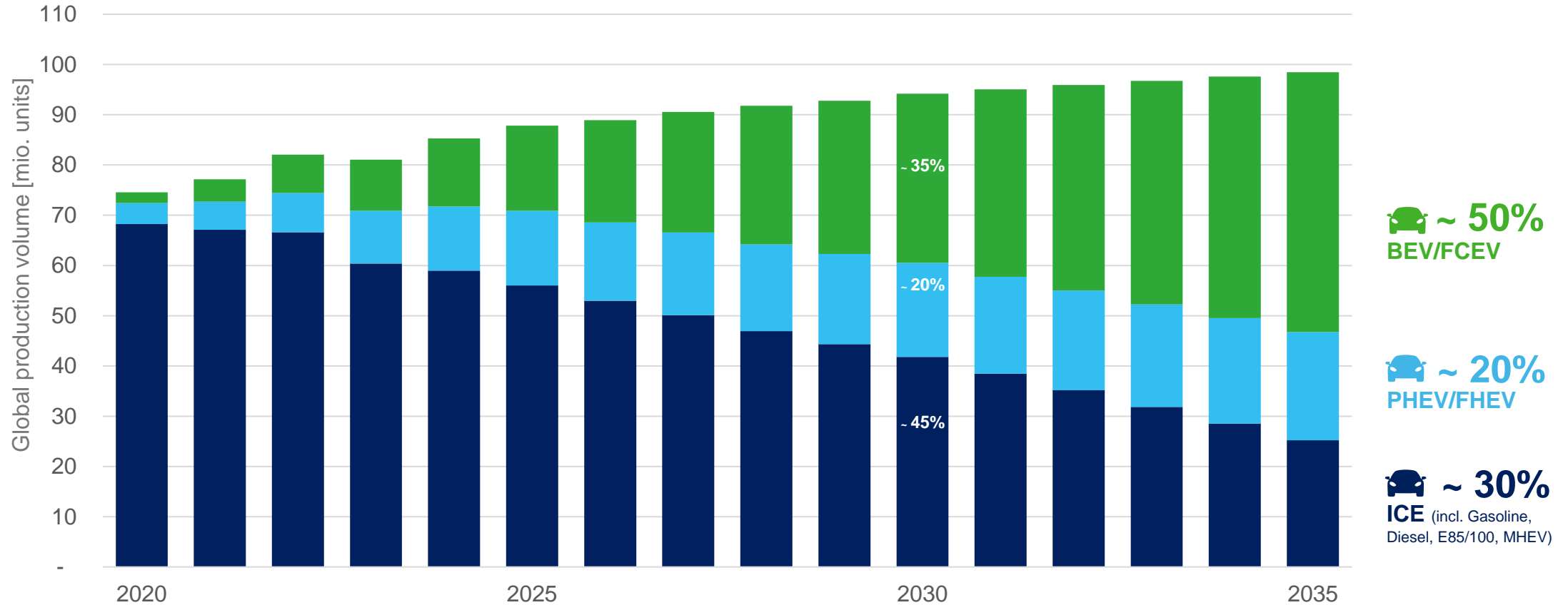
Group Strategy at a Glance

04



MAHLE LV Powertrain Scenario expects significant ICE drop until 2035

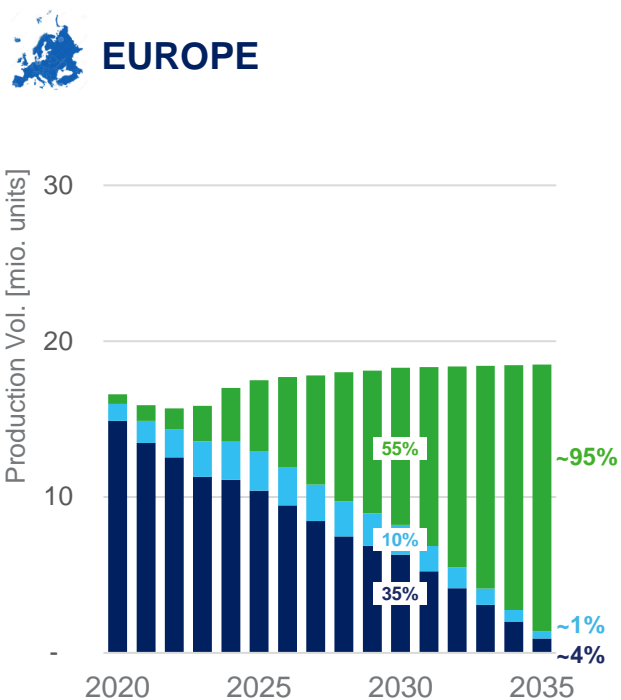
Base Scenario



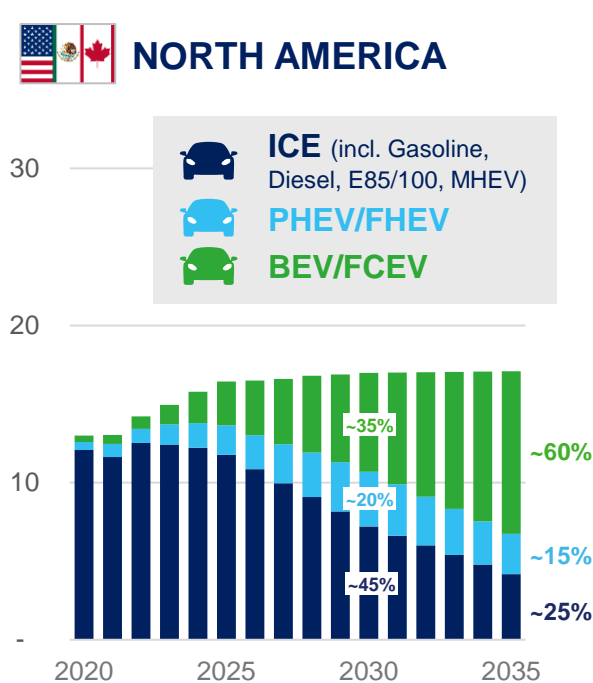
- Current legislation and OEM announcements lead to further increasing electrification globally.
- In particular strong BEV growth in Europe, North America and China.



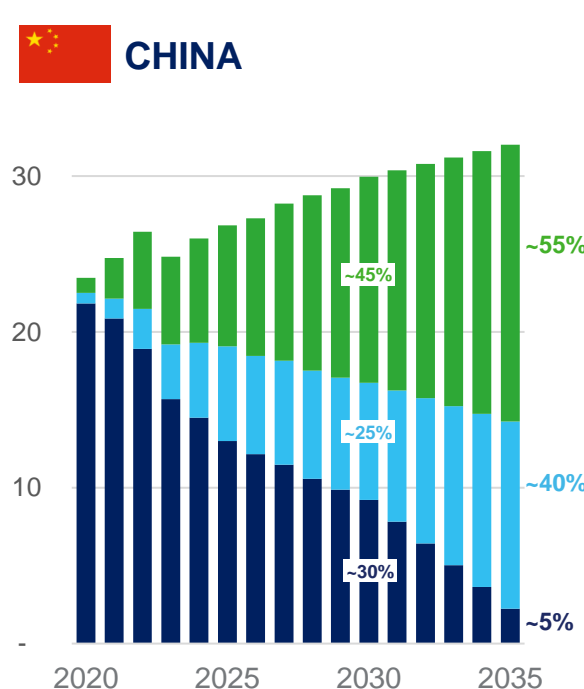
Electrification ramp-up driven by legislative push in major regions



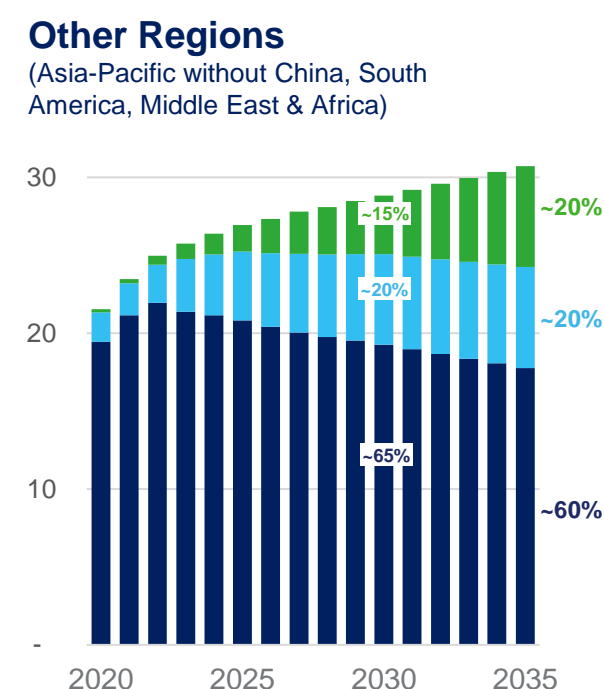
EU27 “Fit-for-55” leads to almost 100% electrification in Europe



Strong legislative pull (Inflation Reduction Act & xEV Sales target)



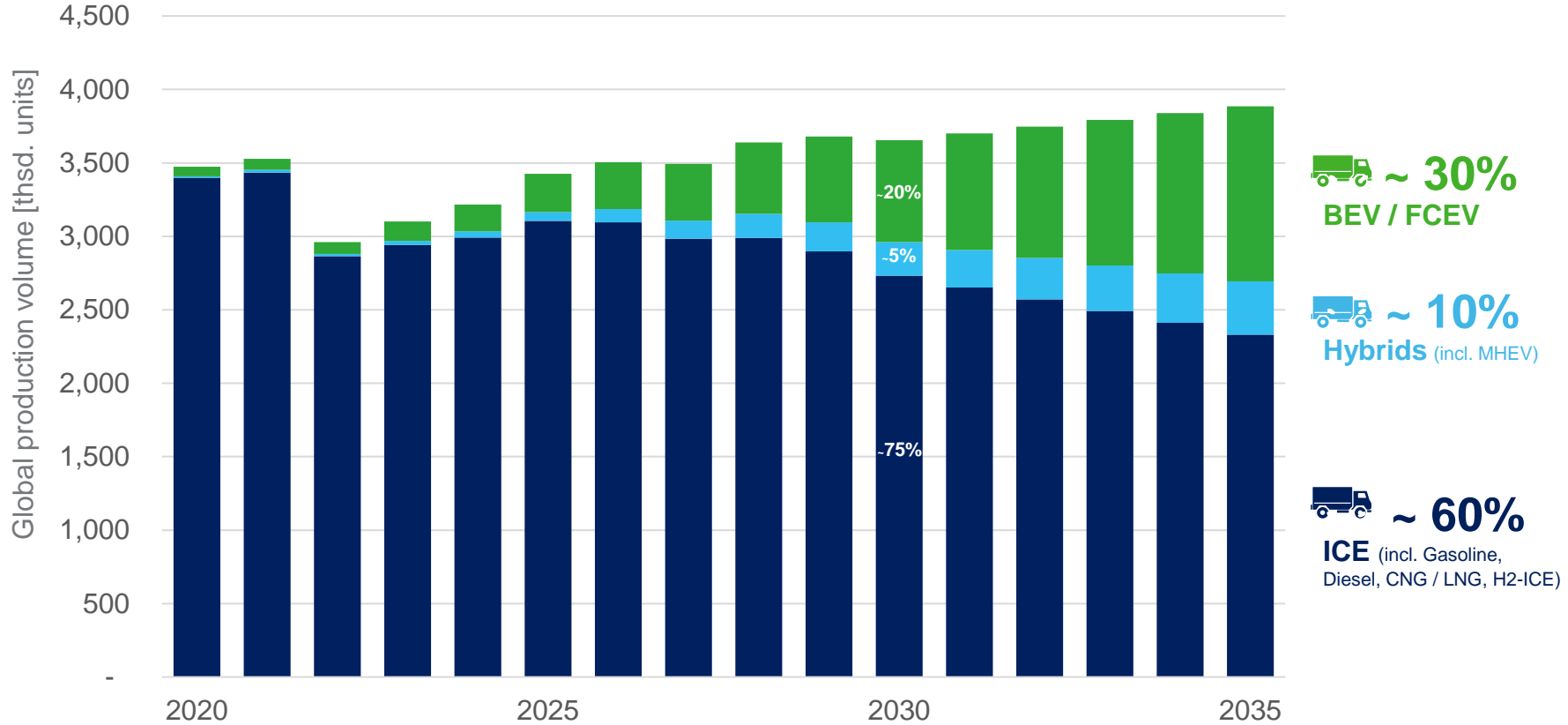
Technology Roadmap 2.0 foresees 50% NEV & 50% hybrids by 2035



High share of Hybrids in Japan, BEV ramp up in emerging countries expected later than in EU, NA and CN

- Most significant electrification expected in Europe with vanishing ICE in EU27 & UK.
- Despite strong EV push in CN & USA still some ICE volumes expected until 2035.
- Other regions expected to see later BEV ramp up, especially South America and Middle East & Africa, where BEVs are not foreseeable yet.

MAHLE MHD Powertrain Scenario shows slower but continuous ramp-up of BEV and FCEV trucks until 2035



Main Global Market Characteristics

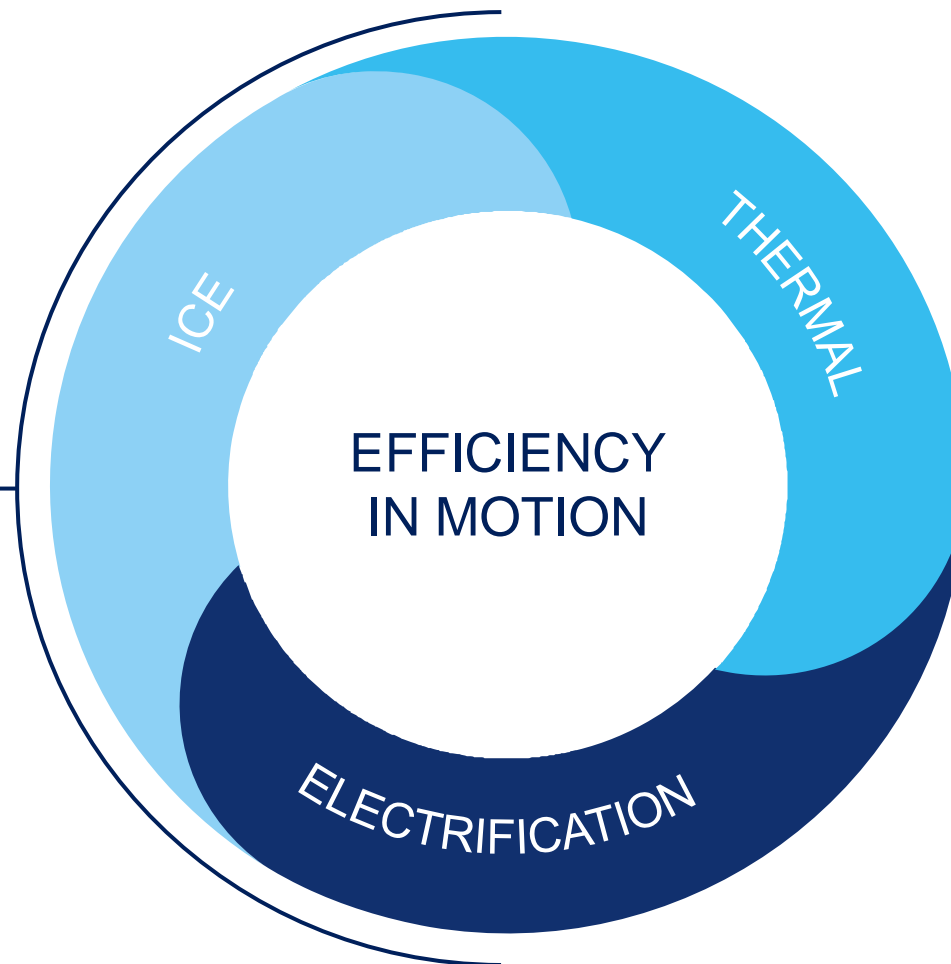
- **MD Trucks:** High BEV share for urban / regional delivery & municipal trucks on short routes, FCEV are pushed in CN / JP / KOR.
- HD Trucks:** CO₂ legislation & TCO is main driver for increased electrification. BEV for short routes, Hydrogen for long haul.
- Buses:** Strong global increase of Hybrid and BEV city buses, FCEV future option for longer routes, e.g. Coaches.

The new corporate strategy MAHLE 2030+ with clear strategic KPIs

Cost Leadership Strategy

ICE champion with superior products, lean cost structures and long trustful customer relationships.

WE SHAPE
FUTURE MOBILITY



System Solution Strategy

Leader in Thermal Solutions driving energy efficiency and superior cabin comfort for sustainable mobility.

Focus Strategy

Creator of ePowertrain innovations enabling profitable e-mobility through leading technology with highest efficiency.

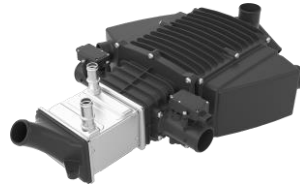
Innovations 2022 shaping Future Mobility

Hydrogen engine components



Battery Cooling Plate

Fuel Cell Humidifier



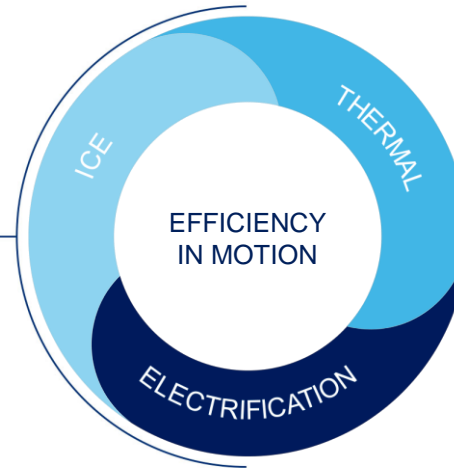
E-Compressor



SCT E-Motor



WE SHAPE
FUTURE MOBILITY



E-Bike drive systems



MCT E-Motor



Wireless Charging



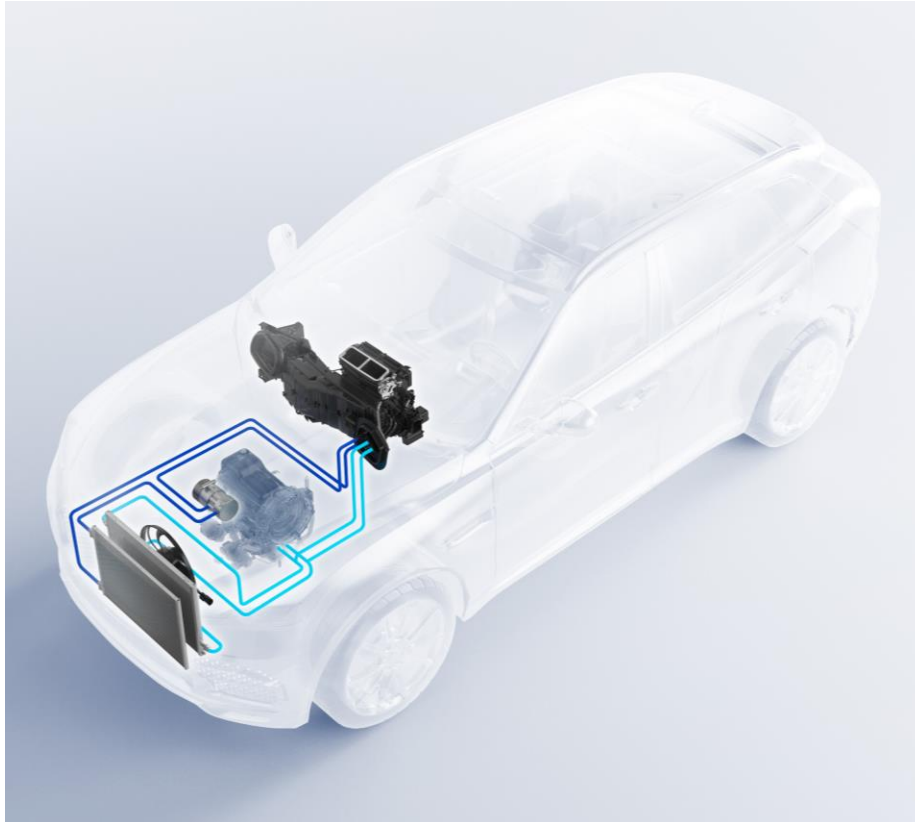
chargeBIG



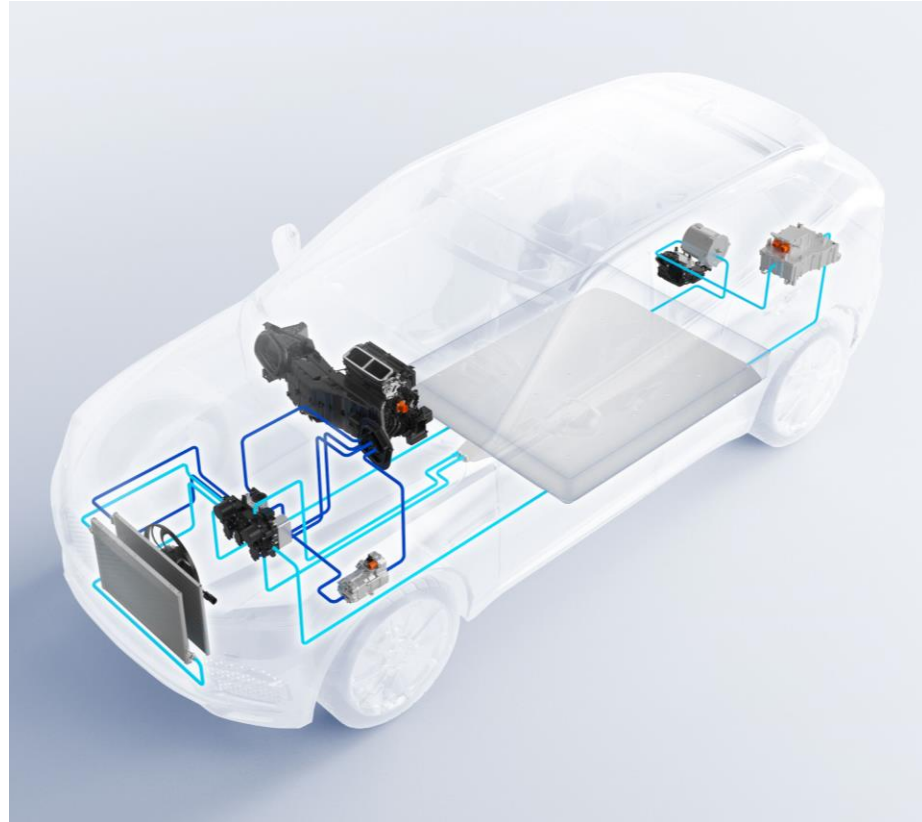
Thermal management gains great importance thanks to high demands in e-mobility



ICE



NON-ICE

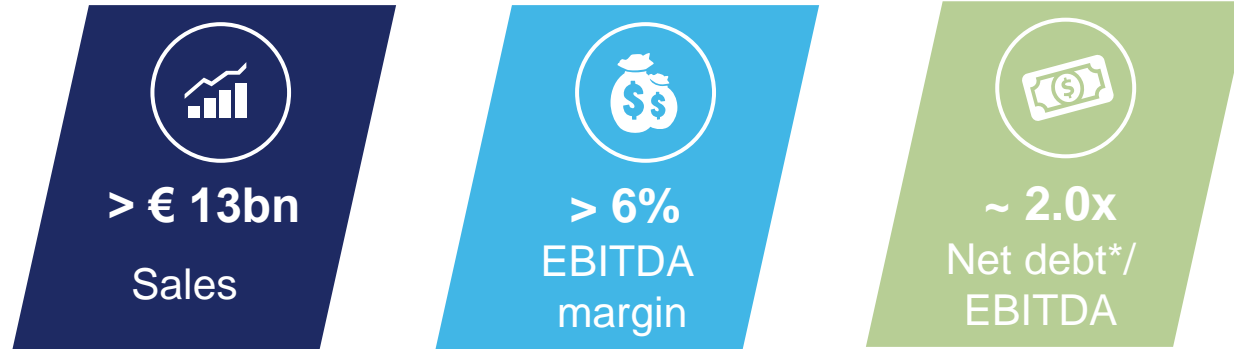


Outlook 2023

05

Outlook 2023

Key KPIs

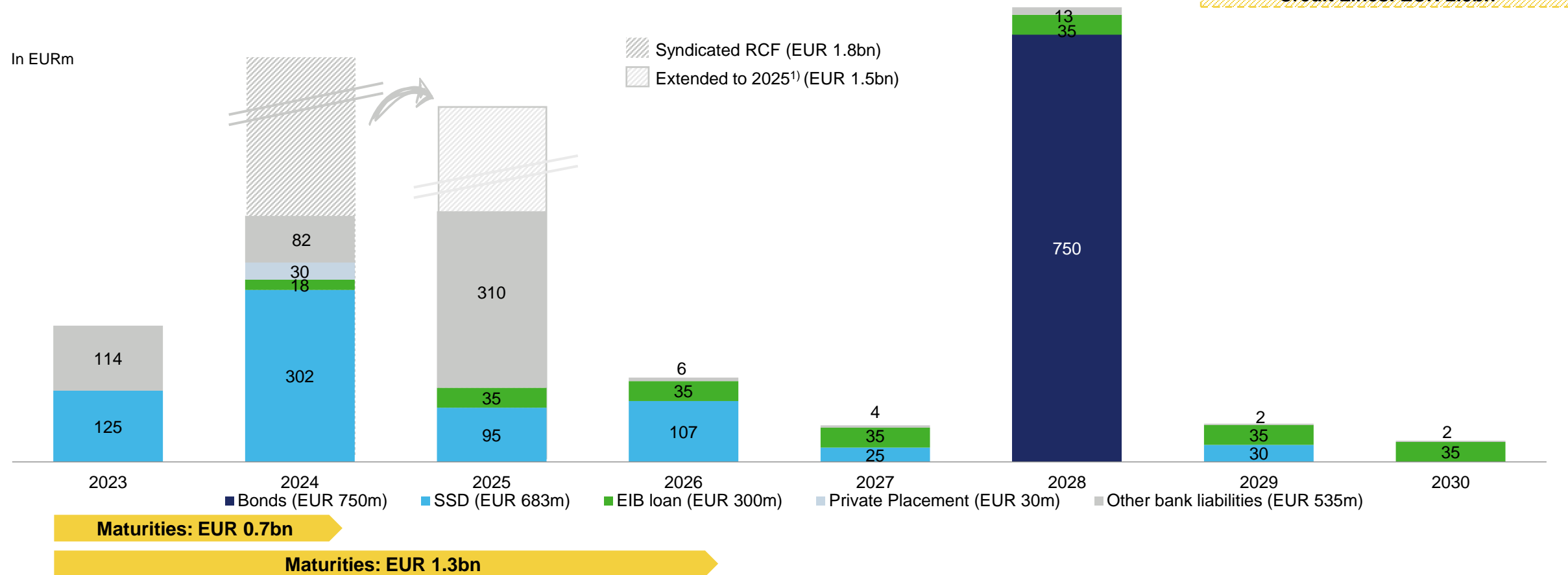


Financing MAHLE Group

06

Upcoming maturities are well covered by sufficient liquidity

Maturities until 2030 (December 31, 2022)



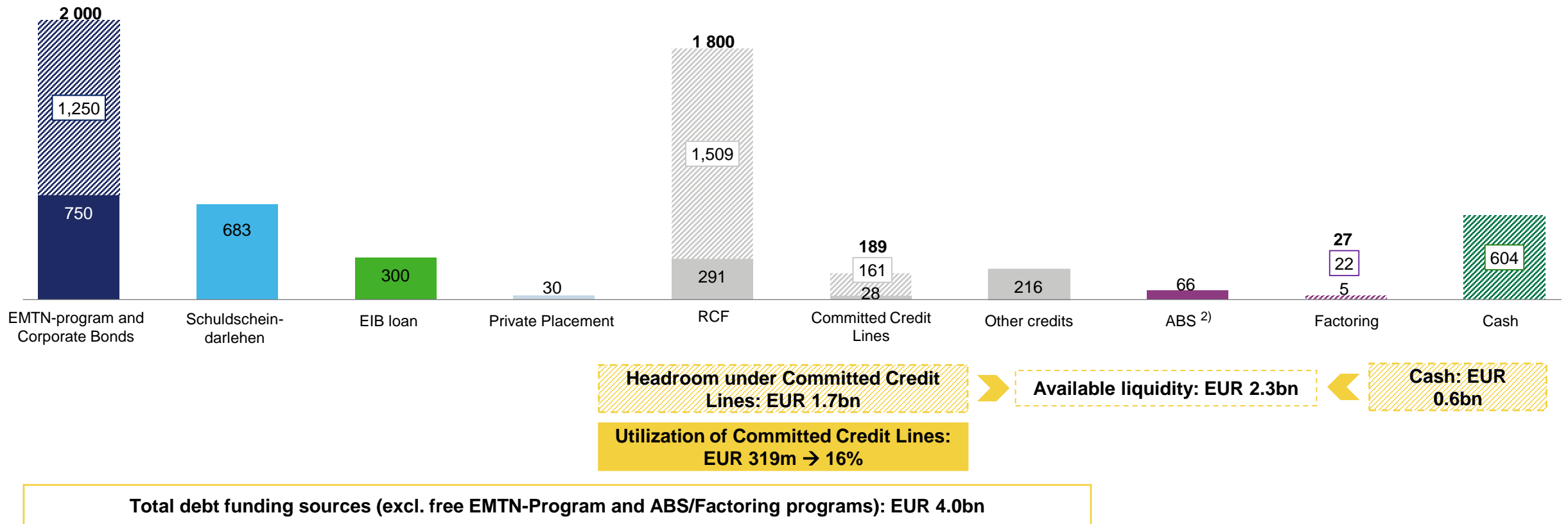
Note: 1) Extension to 2025 was made on 1st February 2022. EUR 1.467m will be due in 2025 and EUR 333m remain due in 2024

SSD = Schuldscheindarlehen
RCF = Revolving Credit Facility

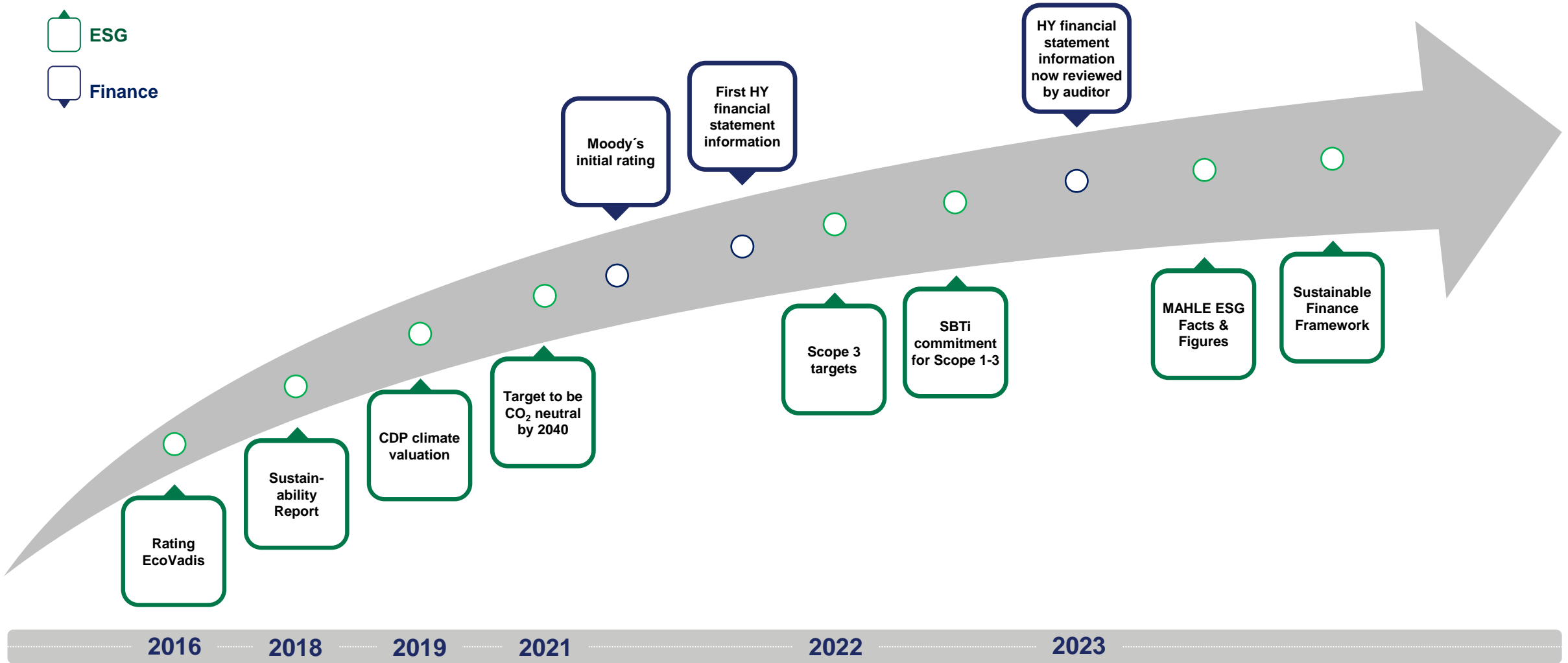
Broad variety of debt funding sources¹⁾

Funding status (December 31, 2022)

In EURm

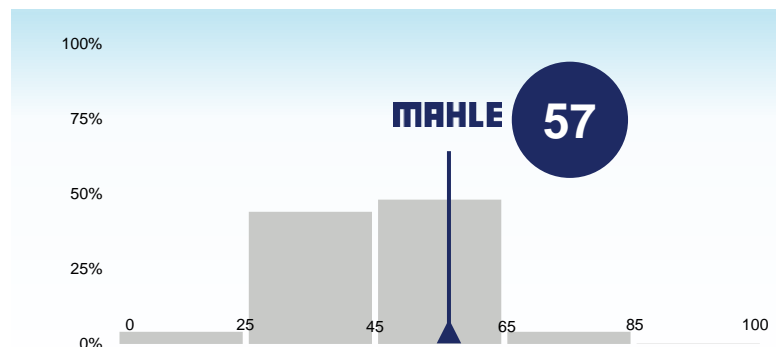


Enhancing transparency to serve investors' expectations



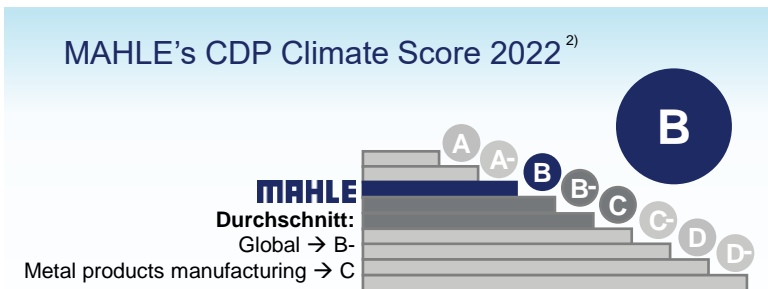
MAHLE's ESG performance is rated by EcoVadis and CDP

MAHLE is clearly above industry average results in the assessment of sustainability activities



Among the best 25% of the automobile suppliers

Improved rating to 57¹⁾



Above average

Development 2021 - 2022:
Improved rating in 7 of 11 categories, overall rating constant

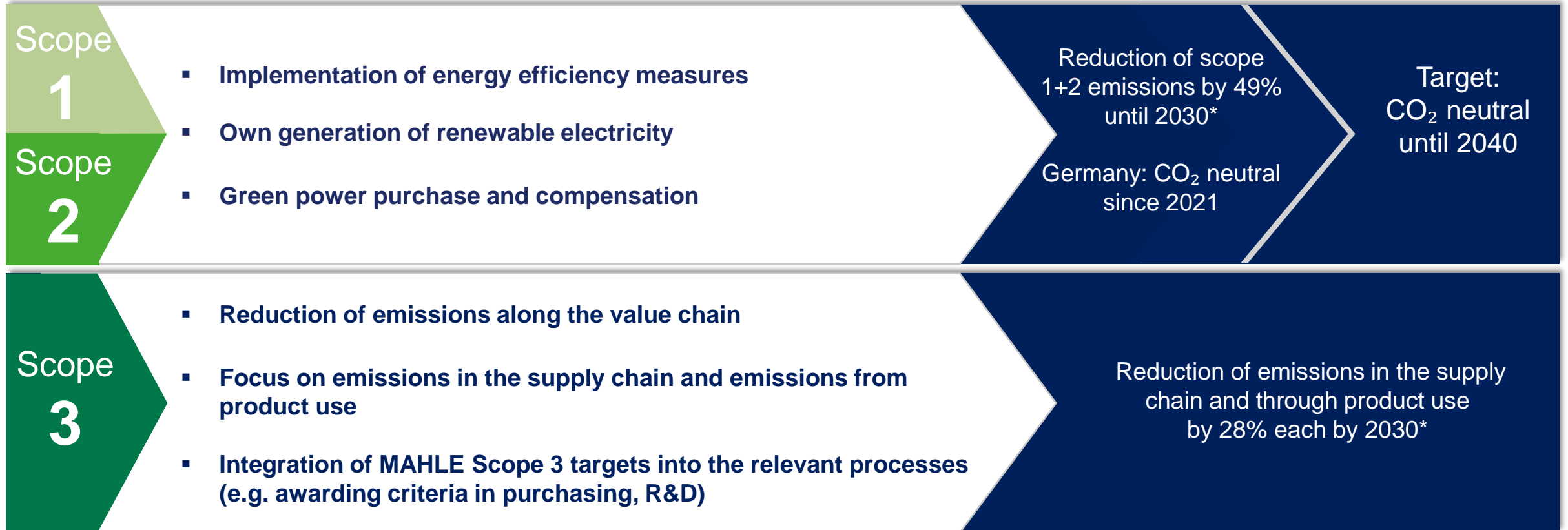


2022 Sustainability Report incl. SDGs

Yearly available

Sustainability Report 2022 externally assured (limited assurance)

MAHLE's path to CO₂ neutrality



* 2019 as baseline year

The MAHLE climate targets are to be externally validated by the **Science Based Targets initiative (SBTi)**. The commitment letter has been submitted in 2022.

Key credit highlights

Summary



Global Top Tier 1 supplier

- MAHLE Group is among the 25¹⁾ largest automobile suppliers worldwide
- MAHLE's sales are geographically well-balanced covering all relevant OEMs across all main automotive markets



Strong market position

- MAHLE occupies top 3²⁾ rankings in 25 out of 31 main product categories underlying a strong market position in key product areas, backed by its strong reputation, proven quality and technology leadership



Clear strategy in line with financial policy

- Focus on strategic fields of electromobility and thermal management as well as other efficient technologies such as efficient combustion engines
- MAHLE's continuous active portfolio management constantly complying with conservative financial policies
- Very limited dividend requirements due to foundation ownership



Future-oriented products

- Business segments that are independent of the OEM business for passenger car combustion engines today already account for about 60 percent of our Group sales
- Current transformation process of the automotive industry enables further boost of MAHLE's sales through increasing content per vehicle

Contacts



Ralph Josephs
Vice President
Corporate Finance



Florian Ulrich
Head of Group Financing &
Investor Relations
investor.relations@mahle.com

A nighttime cityscape featuring several illuminated skyscrapers. A large, semi-transparent blue geometric overlay, composed of interconnected triangles and lines, is positioned in the foreground, partially obscuring the buildings. The sky is dark, and the city lights create a vibrant blue and white color palette.

**WE SHAPE
FUTURE
MOBILITY**

A solid dark blue horizontal banner with white text.

Thank you for your attention!

A long-exposure photograph of a road at night, showing light trails from vehicles. The road is flanked by trees and streetlights, and the overall scene is illuminated by the city lights from the background.

MAHLE