

Condensed interim consolidated financial statements

→ Basics	2
→ Condensed interim consolidated financial statements as of March 31, 2025	3
Consolidated balance sheet	3
Consolidated income statement	4
Consolidated cash flow statement	5
Consolidated statement of changes in equity	6
Condensed notes to the interim consolidated financial statements	7

Basics

MAHLE GmbH, Stuttgart

Condensed interim consolidated financial statements as of March 31, 2025

Business activities and corporate structure

MAHLE is one of the world’s leading development partners and suppliers to the automotive sector. As a technological pioneer of the mobility of tomorrow, our goal is to make mobility more efficient, more environmentally friendly, and more comfortable. MAHLE products are installed in millions of passenger cars and commercial vehicles.

However, our components and systems are not limited to automotive applications. For decades they have been found in stationary and mobile machinery, as well as in marine and rail transport applications.

The MAHLE Group is divided into three business units: Powertrain and Charging, Thermal and Fluid Systems, and Lifecycle and Mobility. In addition, there are Services which include Engineering Services as well as Central Service Businesses.

The non-profit MAHLE Foundation holds 99.9 percent of the company shares. The remaining 0.1 percent is held by the Verein zur Förderung und Beratung der MAHLE

Gruppe e.V. (MABEG), which also holds all voting rights and thus exercises shareholder rights. This structure enables us to safeguard our corporate independence and thereby form the basis for long-term planning and investment decisions.

Additional information on our business activities and corporate structure can be found in the Group management report for the 2024 business year.

OWNERSHIP STRUCTURE OF THE MAHLE GROUP

MABEG Verein zur Förderung und Beratung der MAHLE Gruppe e.V.	MAHLE-STIFTUNG GMBH
Company shares 0.1 %	Company shares 99.9 %
Voting rights 100 %	Voting rights 0 %
No profit-participation rights	Receives dividends to finance MAHLE Foundation projects

MAHLE GROUP

BUSINESS UNITS
Powertrain and Charging
Thermal and Fluid Systems
Lifecycle and Mobility
Services

Consolidated balance sheet

as of March 31, 2025, in € thousand

	March 31, 2025 unaudited	Dec. 31, 2024		March 31, 2025 unaudited	Dec. 31, 2024
ASSETS			EQUITY AND LIABILITIES		
A. Fixed assets			A. Equity		
I. Intangible assets			I. Subscribed capital	150,000	150,000
1. Purchased concessions, industrial and similar rights and assets, as well as licences in such rights and assets	191,347	58,988	II. Capital reserves	166,430	166,430
2. Goodwill	212,784	54,055	III. Retained earnings	1,453,123	1,454,630
3. Prepayments	526	515	IV. Equity impact from currency translation	-159,748	-190,064
	404,657	113,558	V. Consolidated unappropriated retained earnings	0	8,161
II. Property, plant, and equipment			VI. Consolidated retained profit brought forward	8,161	0
1. Land, leasehold rights, and buildings including buildings on third-party land	961,235	957,910	VII. Consolidated net income/net loss attributable to the parent company	-45,529	0
2. Technical equipment and machinery	1,307,170	1,346,553	VIII. Non-controlling interests	104,354	-41,032
3. Other equipment, fixtures, and furniture	115,348	117,902		1,676,791	1,548,125
4. Prepayments and assets under construction	335,597	362,067	B. Badwill	0	3,400
	2,719,350	2,784,432	C. Provisions		
III. Financial assets			1. Provisions for pensions and similar obligations	826,887	837,258
1. Shares in affiliated companies	500	664	2. Provisions for taxes	166,793	151,634
2. Shares in associated companies	23,318	22,820	3. Other provisions	1,575,884	1,524,118
3. Equity investments	1,658	1,632		2,569,564	2,513,010
4. Loans to companies in which participations are held	90	90	D. Liabilities		
5. Long-term securities	14,508	14,438	1. Bonds	1,250,000	1,250,000
6. Other loans	8,565	8,731	2. Liabilities to banks	691,585	760,507
	48,639	48,375	3. Payments received on account of orders	6,397	6,533
	3,172,646	2,946,365	4. Trade payables	1,163,665	1,141,668
B. Current assets			5. Liabilities on bills accepted and drawn	87,477	93,232
I. Inventories			6. Liabilities to affiliated companies	8,712	7,342
1. Raw materials, consumables, and supplies	686,449	667,629	7. Liabilities to companies in which investments are held	1,630	1,395
2. Work in process	215,614	183,005	8. Other liabilities	332,392	337,046
3. Finished goods and merchandise	607,466	626,159			
4. Prepayments	10,952	6,939	thereof from taxes: 76,382 (prev. yr.: 84,305)		
5. Prepayments received	-86,520	-89,902	thereof relating to social security and similar obligations: 39,769 (prev. yr.: 43,264)		
	1,433,961	1,393,830		3,541,858	3,597,723
II. Receivables and other assets			E. Deferred income	61,064	26,880
1. Trade receivables	1,825,456	1,658,867		7,849,277	7,689,138
2. Receivables from affiliated companies	13,182	12,452			
3. Receivables from companies in which investments are held	1,348	1,199			
4. Other assets	412,082	457,390			
	2,252,068	2,129,908			
III. Other securities	8,564	10,401			
IV. Cash in hand, bank balances, and checks	636,004	849,362			
	4,330,597	4,383,501			
C. Prepaid expenses	44,226	26,455			
D. Deferred tax assets	278,718	308,844			
E. Excess of plan assets over post-employment benefit liability	23,090	23,973			
	7,849,277	7,689,138			

Consolidated income statement

from January 1 to March 31, 2025, in € thousand

	2025 unaudited	2024 unaudited
1. Sales	2,850,217	3,016,145
2. Cost of sales	-2,352,153	-2,498,866
3. Gross profit on sales	498,064	517,279
4. Selling expenses	-147,931	-148,490
5. General administrative expenses	-155,028	-163,259
6. Research and development expenses	-152,677	-174,028
7. Other operating income	158,766	202,465
<i>thereof from currency translation: 98,904 (prev. yr.: 160,306)</i>		
8. Other operating expenses	-159,791	-181,694
<i>thereof from currency translation: -95,102 (prev. yr.: -123,918)</i>		
9. Investment income	0	0
10. Income from other securities and long-term loans	1	1
11. Result from associated companies	209	-3
12. Other interest and similar income	6,279	7,175
<i>thereof from affiliated companies: 316 (prev. yr.: 190)</i>		
<i>thereof income from discounting: 108 (prev. yr.: 6)</i>		
13. Impairment of financial assets and of securities	0	-637
14. Expenses from the transfer of losses	-1,591	-1,067
15. Interest and similar expenses	-39,563	-43,312
<i>thereof expenses from discounting: -2,313 (prev. yr.: -3,214)</i>		
Result from business activities	6,738	14,430
16. Taxes on income	-32,788	-45,528
<i>thereof income from deferred income taxes: 10,627 (prev. yr.: 9,806 income)</i>		
17. Result after taxes	-26,050	-31,098
18. Other taxes	-8,572	-7,858
19. Consolidated net income/net loss	-34,622	-38,956
20. Profit applicable to non-controlling interests	-11,560	-17,311
21. Loss applicable to non-controlling interests	653	24,579
22. Consolidated net income/net loss attributable to the parent company	-45,529	-31,688

Consolidated cash flow statement

from January 1 to March 31, 2025, in € thousand

	2025
1. Cash flows from operating activities	
Profit for the period (consolidated net income/ net loss including profit and loss applicable to non-controlling interests)	-34,622
+/- Depreciation, amortization, and write-downs of fixed assets/ reversals of write-downs of fixed assets	138,457
+/- Increase/decrease in provisions	52,100
+/- Other non-cash expenses/income	-5,069
-/+ Increase/decrease in inventories, trade receivables, and other assets not related to investing or financing activities	-279,342
+/- Increase/decrease in trade payables and other liabilities not related to investing or financing activities	24,977
-/+ Gain/loss on disposal of fixed assets	2,164
+/- Interest expense/interest income	33,283
- Other investment income	-209
+/- Expenses/income from the transfer of losses/gains	1,591
+/- Interest payments/receipts related to interest other than for the provision of capital	-212
+/- Income tax expense/income	32,788
+ Cash receipts relating to income of exceptional size and incidence	48,000
-/+ Income taxes paid	-31,763
	-17,857
2. Cash flows from investing activities	
- Payments to acquire intangible fixed assets	-188
+ Proceeds from disposal of tangible fixed assets	788
- Payments to acquire tangible fixed assets	-48,940
+ Proceeds from disposal of long-term financial assets	34
- Payments to acquire long-term financial assets	-261
+ Proceeds from disposals of entities included in the basis of consolidation	2,976
- Payments to acquire entities included in the basis of consolidation	-116,000
+ Cash receipts from the investment of cash funds for short-term cash management	48,186
- Cash payments for the investment of cash funds for short-term cash management	-46,092
+ Cash receipts from grants/subsidies received	3,469
+ Interest received	4,949
+/- Cash received/cash payment due to transfer of gains/losses	-1,591
	-152,670

	2025
3. Cash flows from financing activities	
+ Proceeds from the issuance of bonds and from borrowings	29,582
- Cash repayments of bonds and borrowings	-104,558
- Interest payment due to leasing agreements	-32
- Interest paid	-22,774
- Dividends paid to minority shareholders	-845
	-98,627
4. Cash funds at end of period	
Net change in cash funds (subtotals 1-3)	-269,154
+/- Effect on cash funds of exchange rate movements and remeasurements	50,729
+ Cash funds at beginning of period	807,259
	588,834
Cash-in-hand, bank balances, and checks	849,362
- Bank balances with an initial term of more than 3 months	-7,420
+ Liabilities to banks with an initial term of less than 3 months	-34,683
Cash funds at beginning of period	807,259
<i>thereof from proportionately consolidated entities</i>	50,715
Cash-in-hand, bank balances, and checks	636,004
- Bank balances with an initial term of more than 3 months	-9,054
+ Liabilities to banks with an initial term of less than 3 months	-38,116
Cash funds at end of period	588,834
<i>thereof from proportionately consolidated entities</i>	31,372

The short-term liabilities which were netted against cash balances contained €3,082 thousand (previous year: €432 thousand) that were related to short-term liabilities based on a committed credit line with a remaining tenor of more than one year.

Cash funds amounting to €16,028 thousand that are restricted on disposal are included.

Consolidated statement of changes in equity

from January 1 to March 31, 2025, in € thousand

PARENT COMPANY										
	Subscribed capital	Capital reserves	Retained earnings	Equity impact from currency translation ¹	Consolidated unappropriated retained earnings	Consolidated retained profit brought forward	Consolidated net income/net loss attributable to the parent company	Total	Non-controlling interests ¹	Consolidated equity
As of December 31, 2023	150,000	166,430	1,450,975	-187,330	8,128	0	0	1,588,203	22,584	1,610,787
Currency translation	0	0	0	13,406	0	0	0	13,406	-172	13,234
Other items	0	0	0	0	-8,128	8,128	0	0	0	0
Changes in the consolidation group	0	0	-35	35	0	0	0	0	-117	-117
Consolidated net income/net loss	0	0	0	0	0	0	-31,688	-31,688	-7,268	-38,956
As of March 31, 2024	150,000	166,430	1,450,940	-173,889	0	8,128	-31,688	1,569,921	15,027	1,584,948
As of December 31, 2024	150,000	166,430	1,454,630	-190,064	8,161	0	0	1,589,157	-41,032	1,548,125
Dividend distribution	0	0	0	0	0	0	0	0	-890	-890
Currency translation	0	0	0	28,809	0	0	0	28,809	-2,853	25,956
Other items	0	0	-115	115	-8,161	8,161	0	0	138,222	138,222
Changes in the consolidation group	0	0	-1,392	1,392	0	0	0	0	0	0
Consolidated net income/net loss	0	0	0	0	0	0	-45,529	-45,529	10,907	-34,622
As of March 31, 2025	150,000	166,430	1,453,123	-159,748	0	8,161	-45,529	1,572,437	104,354	1,676,791

¹Including effects from hyperinflation adjustments for Argentina and Türkiye in accordance with GAS 25

Condensed notes to the interim consolidated financial statements as of March 31, 2025

General information

The present interim consolidated financial statements of MAHLE GmbH are prepared in accordance with Sec. 290 et seq. of the German Commercial Code (HGB) and include the following information:

- Consolidated balance sheet as of March 31, 2025
- Consolidated income statement from January 1 to March 31, 2025
- Consolidated cash flow statement from January 1 to March 31, 2025
- Consolidated statement of changes in equity from January 1 to March 31, 2025

The interim consolidated financial statements as of March 31, 2025 should be read in conjunction with the consolidated financial statements as of December 31, 2024 as they do not include all the pieces of information and disclosures that are required for the consolidated financial statements at the end of a fiscal year.

The interim consolidated financial statements as of March 31, 2025 were not subject to any audit or review.

The Group's currency is the euro.

Consolidation group

The interim consolidated financial statements include MAHLE GmbH (parent company), headquartered in Stuttgart/Germany and registered with the district court in Stuttgart (commercial register number 638), as well as 22 domestic and 124 foreign subsidiaries. Furthermore, five companies were consolidated proportionately according to the percentage of shares, and six companies were valued according to the equity method.

In the business year, the following fully consolidated company was removed from the scope of consolidation as part of a sale:

- MAHLE Powertrain, LLC, Plymouth, Michigan, USA, as of February 28

One company was merged in the reporting period.

Method of consolidation and currency conversion

The method of consolidation and currency conversion have not changed compared to the consolidated financial statements as of December 31, 2024.

Accounting and valuation principles

The accounting and valuation principles have not changed compared to the consolidated financial statements as of December 31, 2024. Income taxes are determined by the companies included in the consolidated financial statements based on estimated taxable income using the underlying income tax rates.

Explanation of significant changes in the balance sheet

As of March 31, 2025, the MAHLE Group's balance sheet total increased by €160 million to €7,849 million, compared to the end of 2024.

At €3,173 million, fixed assets were €226 million above the previous year's level. Property, plant, and equipment decreased by €65 million to €2,719 million. This was mainly due to depreciations exceeding capital expenditure. Intangible assets increased by €291 million to €405 million due to the purchase price allocations from the acquisition of the remaining shares of MAHLE Behr GmbH & Co. KG as of January 1, 2025. Amounting to €49 million, financial assets remained at the level of the end of 2024.

Current assets decreased by €53 million to €4,331 million: Inventories increased by €40 million to €1,434 million and receivables and other assets increased by €122 million to €2,252 million due to usual seasonal fluctuations. Other securities, cash in hand, bank balances, and checks decreased to €645 million, compared to €860 million at the end of 2024, mainly due to the higher level of capital tied up in net working capital, the purchase of shares of MAHLE Behr GmbH & Co. KG and repayments of financial liabilities.

Equity amounted to €1,677 million. The increase by €129 million compared to the end of the previous year was mainly due to the acquisition of the remaining shares of MAHLE Behr GmbH & Co. KG. Despite the increase of the balance sheet total, the equity ratio improved to 21.4 percent, compared to 20.1 percent at the end of 2024.

Provisions increased by €57 million to €2,570 million in comparison with the end of the previous year. This is primarily due to the seasonal increase in provisions for outstanding purchase invoices and provisions in the personnel area. The slight decrease in provisions for pensions and similar obligations had a counteracting effect.

Compared to the end of 2024, liabilities decreased by €56 million to €3,542 million. On the one hand, liabilities to banks were reduced by €69 million reaching €692 million. On the other hand, trade payables increased by €22 million to €1,164 million. Deferred income increased to €61 million, compared to €27 million at the end of 2024, due to the purchase price allocation from the acquisition of the remaining shares of MAHLE Behr GmbH & Co. KG.

Net debt on the balance sheet, which consists of cash in hand, bank balances, and checks minus bonds and liabilities to banks, amounted to €1,306 million, which was €144 million above the level at the end of the previous year. This development is mainly due to the seasonally higher level of capital tied up in net working capital and the purchase of shares of MAHLE Behr GmbH & Co. KG.

Explanation of significant changes in the income statement

In the first quarter of 2025, the MAHLE Group generated sales of €2.9 billion, representing a 5.5 percent decline compared to the same period in the previous year. Adjusted for the effect of €92 million from deconsolidation, following the sale of our shares in the Behr-Hella Thermocontrol (BHTC) joint venture on April 2, 2024, and the sale of the thermostat product group on May 2, 2024, as well as for the effect from exchange rate developments (minus €5 million), the organic change in sales was minus 2.3 percent compared to the first quarter of 2024. This decrease was mainly driven by lower sales volumes. Declining markets, especially in Europe and North America and continued delay of the e-mobility ramp-up outside of China, resulted in lower customer demand.

EBITDA decreased from €195 million in the first quarter of 2024 to €165 million in the first quarter of 2025. From an operational view, significant volume declines, inflation-related labor cost increases as well as the increase in material prices affected the earnings situation adversely. These effects could largely be offset by further achievements in productivity together with adjustments in sales prices. Next to operational effects, the development of exchange rates affected the earnings situation negatively. The EBITDA margin was 5.8 percent after 6.5 percent in the same period in 2024. The EBIT amounted to €27 million, compared to €64 million in the first quarter of 2024. The EBIT margin decreased from 2.1 percent to 0.9 percent, respectively.

The main items of the income statement developed as follows: The gross margin further increased from 17.2 percent to 17.5 percent, mainly driven by the previously mentioned operational effects. Selling expenses of €148 million were at the same level as in the first quarter in 2024. General administrative expenses decreased from €163 million to €155 million, as the cost improvement programs could compensate negative effects from labor cost inflation. Despite the challenging economic environment, we spent €153 million on research and development in the first quarter of 2025. The ratio of research and development expenses to sales was 5.4 percent, compared to 5.8 percent in the same period of the previous year. In comparison to the first quarter of 2024 the balance of other operating income and expenses decreased by €22 million to minus €1 million. This is primarily due to a lower net income from currency translation.

The financial result improved to minus €35 million in the first quarter of 2025, compared to minus €38 million in the same period in the previous year. The result from business activities was €7 million, compared to €14 million in the first quarter of 2024. The taxes on income decreased from €46 million to €33 million. In total, net loss amounted to minus €35 million in the first quarter of 2025, compared to minus €39 million in the first quarter of 2024.

Explanation of significant changes in the financial position

MAHLE has a broadly diversified Group financing structure, which has been established and expanded in recent years. The financing portfolio mainly consists of euro-denominated corporate bonds, a syndicated revolving credit facility, German private placement loans, bilateral loans as well as factoring- and asset-backed securities programs. MAHLE pursues the long-term target of an investment-grade rating. After having assigned an initial BB rating on April 19, 2024, the rating agency S&P Global changed MAHLE's rating on March 27, 2025, to BB- with a stable outlook. The rating agency Moody's currently rates MAHLE Ba2 with a negative outlook.

MAHLE's syndicated revolving credit facility, amounting to €1.2 billion and originally signed in February 2024 with a tenor of three years, was extended in January 2025 for one year to February 2028. On March 31, 2025, this facility was virtually undrawn.

Cash in hand, bank balances, and checks on March 31, 2025, totaled €0.6 billion. Considering the committed credit facilities, available liquidity at the end of the first quarter 2025 was €2.0 billion.

In the first quarter of 2025, the cash flow from operating activities amounted to minus €18 million, compared to minus €13 million in the previous year. The decrease of the operating cash flow compared to the first quarter of 2024 is due to a higher level of capital tied up in net working capital especially due to the increased trade receivables. Cash outflow from investing activities amounted to €153 million which was higher than the cash outflow of €92 million in the first quarter of 2024. The higher cash outflow from investing activities is mainly due to the paid purchase price for the acquisition of the shares of MAHLE Behr GmbH & Co. KG as of January 1, 2025. Lower expenditures on tangible fixed assets had a positive effect on the cash flow from investing activities, compared to the previous year. Cash flow from financing activities showed a net outflow of €99 million, compared to the net outflow of €16 million in the previous year. This is mainly attributable to repayments of financial liabilities in the first quarter of 2025.

Report on post-balance sheet date events

No events with a retroactive effect on the interim consolidated financial statements occurred after the end of the reporting period as of March 31, 2025.

Insurance of the legal representatives

To the best of our knowledge, and in accordance with the applicable reporting principles, the interim consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the group.

Stuttgart/Germany, May 23, 2025

The Management Board of MAHLE GmbH



Arnd Franz



Jumana Al-Sibai



Georg Dietz



Markus Kapaun

MAHLE GmbH

Pragstraße 26 – 46

70376 Stuttgart, Germany

Phone + 49 (0)711-501-0

www.mahle.com

info@mahle.com