

# Gaining Traction

**“Our strategy is bearing fruit. MAHLE kept its course and did its homework. We have stabilized MAHLE in the profit zone, significantly reduced our fixed costs, and made our work more flexible. Our transformation continues to gather momentum.”**

**Arnd Franz**

Chairman of the Management Board and CEO of the MAHLE Group

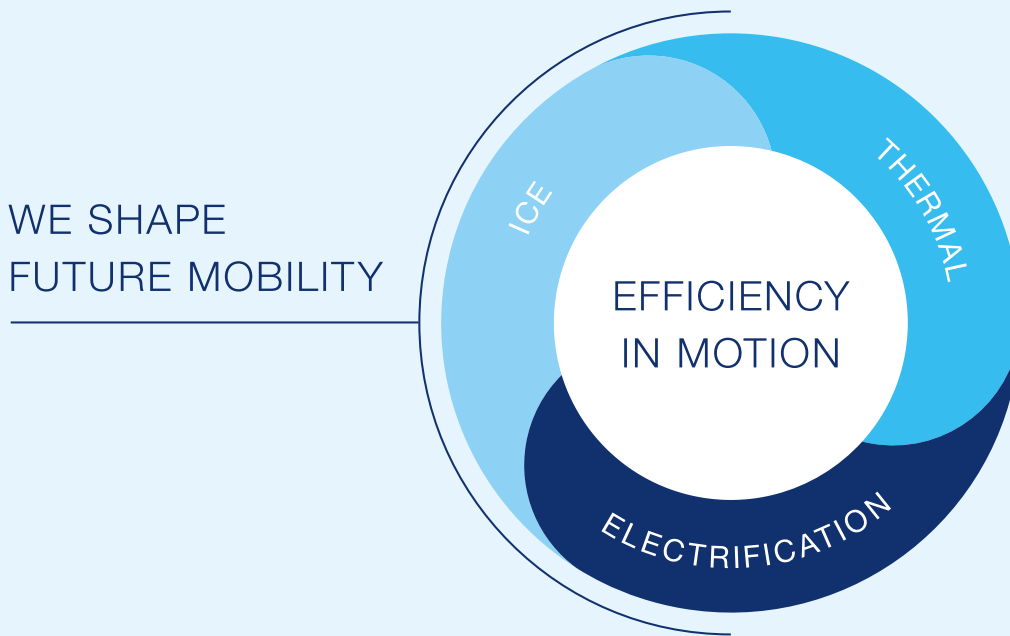
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# At a glance

**MAHLE is a leading international development partner and supplier to the automotive industry as well as a pioneer and technology driver for the mobility of the future.**

**All MAHLE activities have one thing in common: we create optimum efficiency for everything that moves. So that's our vision: "Efficiency in Motion." That is why we follow our compass, the MAHLE vision: "We shape future mobility."**





## Sales

In 2024, MAHLE achieved sales of € 11.7 billions.



## Employees

MAHLE employed 67,708 people worldwide (reference date: December 31, 2024).



## Research & development

Despite the difficult environment, we invested € 630 millions in research and development in the year under review and registered 427 new patents.



## Result from business activities

The result from business activities increased from € 165 millions in the previous year to € 238 millions.

in € millions	2024	2023	2022
Sales	11,681	12,818	12,434
EBITDA	964	917	671
EBIT	423	304	60
Result from business activities	238	165	-165
Consolidated net income/net loss	22	26	-332
Tangible fixed assets	2,784	2,914	2,998
Capital expenditure on tangible fixed assets (without first consolidation)	425	491	461
Equity	1,548	1,611	1,677
Dividend paid by MAHLE GmbH *	8.0	8.0	5.1
Employees (as at Dec. 31)	67,708	72,373	71,947

\* Proposal for the specified business year

# The company

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# With systems expertise and a new structure

The roadmap for the past business year entailed: staying on track with the implementation of our strategy MAHLE 2030+, further strengthening the group's profitability and resilience, and shaping the mobility of the future with our approach to diversity in technology. MAHLE has made further progress in an extremely difficult environment.

## GROUP

### Strategy update— leaner group structure

MAHLE made an important strategic decision in the 2024 business year. In order to transform more efficiently and quickly, the group structure was streamlined. The number of business units was reduced from five to three with effect from January 1, 2025. Four of the previous business units were merged into two new units. The Management Board of the group was reduced accordingly from seven to four members. More on this on pages 18–19.

## THERMAL MANAGEMENT

### MAHLE Behr— fully integrated

MAHLE wants to continue growing in the strategic field of thermal management. This is demonstrated by the full takeover of MAHLE Behr GmbH & Co. KG on January 1, 2025. MAHLE acquired its first shares in the thermal management company in 2010 and has since gradually increased its share to just over 75 percent. "After several major acquisitions in thermal management, MAHLE is now successfully completing the integration of this business unit into the group with this step," says CEO Arnd Franz.



## SUSTAINABILITY

### Ratings and rankings— further progress made

MAHLE made further progress in terms of sustainability in 2024. EcoVadis is the leading independent provider of sustainability ratings for companies and currently ranks MAHLE among the top five percent of automotive suppliers assessed by EcoVadis. Compared to the previous year's rating, MAHLE improved in the areas of labor, human rights, and ethics. The technology group remained stable at a high level in the categories of environment and sustainable procurement. EcoVadis independently assesses the environmentally-friendly, social and ethical performance of more than 130,000 companies of all sizes in 220 industry categories and 180 countries.

The CDP climate change rating also recognizes our efforts with a place on the CDP "A List". The Carbon Disclosure Project (CDP) is a reporting platform focused on climate protection. MAHLE uses CDP to report on its climate change and water stewardship efforts. In 2024, MAHLE received an A rating for climate change and an A- rating for water stewardship, the leadership levels in disclosure and performance. This places MAHLE on the CDP's "A List", which recognizes companies with the highest scores for transparency and climate action.

## World first— bionic fan for electric vehicles

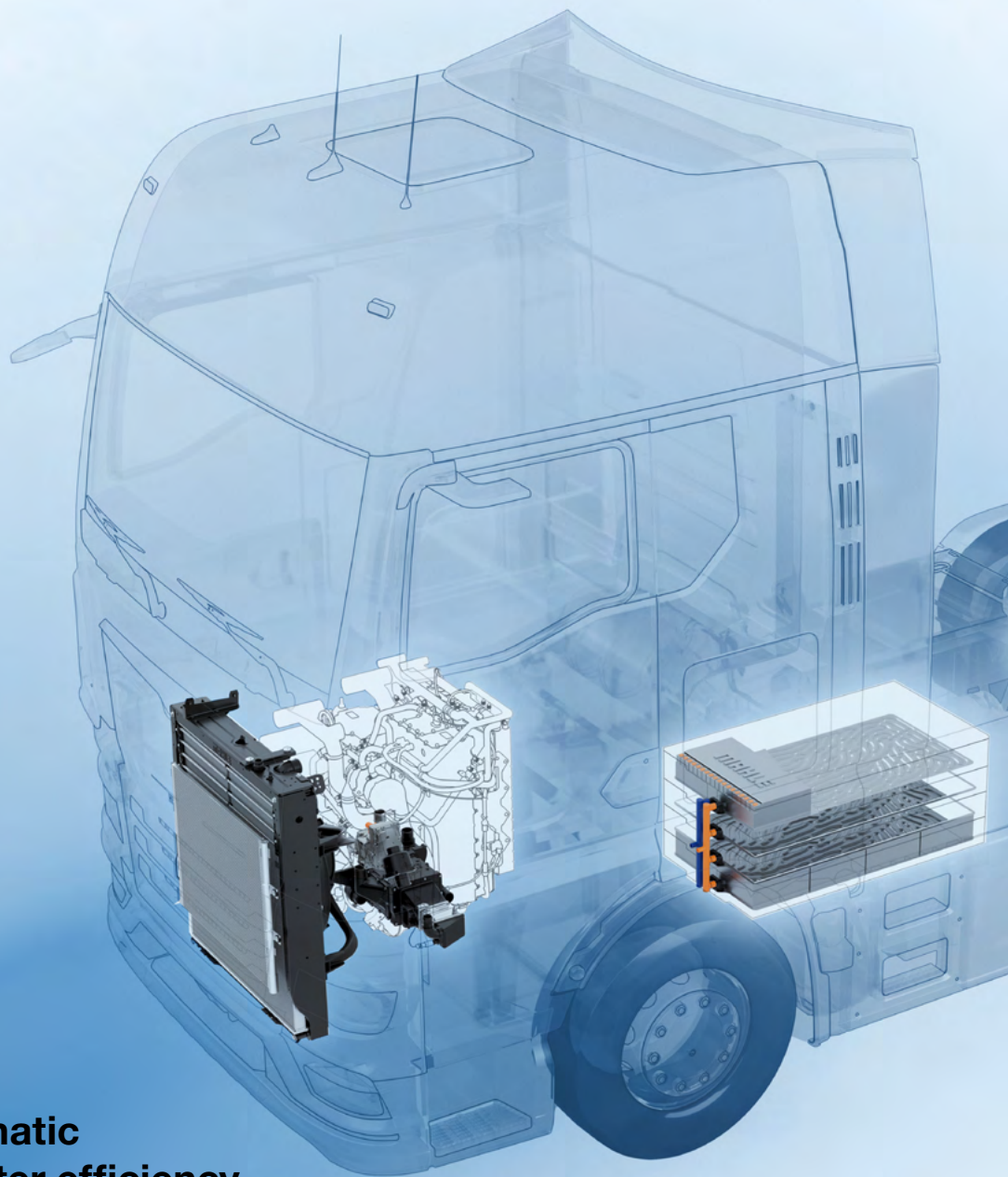
Extremely quiet and bionically optimized. In 2024, MAHLE presented a world first in the field of thermal management with its new high-performance bionic fan. It was developed for particularly demanding fuel cell and battery-electric commercial vehicles. The MAHLE engineers were inspired by the wings of an owl, one of the quietest birds, when optimizing the ventilation blades with

assistance from AI. The MAHLE bionic fan is up to 4 dB(A) quieter than comparable fans, which is equivalent to more than halving the sound output. At the same time, the developers managed to increase the device's efficiency by 10 percent and reduce its weight by 10 percent.



# 50 %

The bionic fan is only half as loud as comparable devices.



#### ELECTRIFICATION

## Hydrogen—systematic approach for greater efficiency

At the IAA Transportation 2024, MAHLE presented its systematic approach to a fuel cell truck with fuel cell peripherals, thermal management, and a fully functional heavy-duty electric axle to visualize the interaction between the assemblies.

MAHLE has fully integrated two superior continuous torque (SCT) electric motors including liquid management (without external lines

and hoses) into the heavy-duty E-axis. These technology demonstrators highlight the systems expertise of MAHLE and the series production maturity of its innovations for the electrification of heavy-duty commercial vehicles. MAHLE has a significant number of components in all currently available electrified trucks and is involved in all major hydrogen engine and development projects for fuel cell vehicles currently in progress.

## World first—evaporative cooling

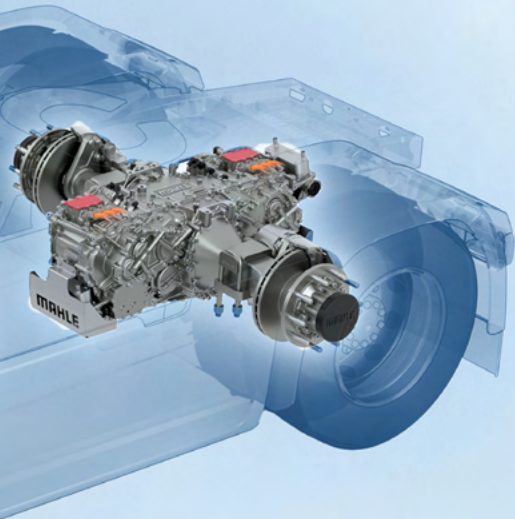
MAHLE presented a new innovation in thermal management: its new evaporative cooling system for fuel cell trucks. It uses the cooling effect of evaporating water by spraying water onto the coolant cooler via a grille, thus ensuring optimum temperature control for the fuel cell. The new design enables more cooling capacity in the given installation space and a reduction in fan performance.



### CLEAN COMBUSTION ENGINE

## Order—hydrogen technology for MAN truck

The commercial vehicle manufacturer MAN Truck & Bus has commissioned MAHLE to supply components for the hydrogen engine of its “MAN hTGX” truck. The direct-injection engine with 6 cylinders has 16.8 liter displacement, and produces 383 kW power output. MAHLE is equipping the innovative truck with its hydrogen power cell unit, which includes pistons, piston rings, piston pins, and cylinder liners. Other components from MAHLE are also used in the valve train. In total, MAN plans to build around 200 units of its zero-emission truck for selected markets from 2025.



**ELECTRIFICATION**

## E-Bikes—new drive systems set standards

MAHLE presented two highlights in 2024. The X30 system is suitable for road bikes and gravel bikes, cycling in city traffic and on trails, and even children’s e-bikes. Its hub motor sets a new standard with a torque of 45 Nm and a total weight of just 1.9 kilograms. MAHLE also creates even more freedom in bicycle design with its new XS system. The XS system dispenses with an internal battery and instead uses the compact eX1 external battery as the energy source. It can be combined with the MAHLE X20 or X30 motors and is compatible with the entire MAHLE Ecosystem.



**ELECTRIFICATION**

## Electric drives—cooperation with Valeo

As part of a development agreement, MAHLE and Valeo are jointly expanding their product portfolios for magnet-free electric motors in order to tap into the upper segments of electric vehicles. The cooperation focuses on the development of a magnet-free e-axle for electric vehicles with maximum outputs of 220 to 350 kW. Valeo is contributing its expertise in electric motors and highly efficient inverters, and MAHLE is pitching in with its magnet-free rotor technology (MAHLE Contactless Transmitter).



## Workshop service—everything to do with the electric battery

MAHLE is ready for e-mobility. Last year, the group expanded its product and service portfolio for the diagnosis and maintenance of electric vehicles. The BatteryPRO product line and its five product groups of E-SAFETY, E-SCAN, E-HEALTH, E-CARE and E-CHARGE offer workshops a complete range of electric vehicle solutions. The newly developed BatteryPRO products cover the entire life cycle of a battery—from diagnostics to maintenance. Overall, the new offer with the electrification, digitalization, and sustainability fields of action makes a significant contribution to extending life cycles and, therefore, ensuring clean mobility. In short: MAHLE “Life cycle and mobility”.



# Gaining Traction

**While the automotive industry is in the midst of historical change, the global economic and political situation remains tense. In 2024, MAHLE established a more resilient position for ourselves in terms of technology and strategy.**



Ladies and Gentlemen,

Two years ago, we realigned our company with our MAHLE 2030+ group strategy. The clear goal of this strategy was to get MAHLE back on the road to success. Our three-step plan to achieve this is: Cash Flow—Business Excellence—MAHLE 2030+. Since then, we have stabilized MAHLE in the profit zone, significantly reduced our fixed costs, and made our work more flexible. Our strategy is bearing fruit. As such, “Gaining traction” is a fitting title for our 2024 Annual Report. MAHLE kept its course and did its homework. Our transformation continues to gather momentum. And we managed to do this despite declining markets, customer demand that is difficult to plan, and adverse geopolitical and macroeconomic conditions that made last year’s environment even more difficult than initially expected. We had to cope with severe cuts in sales and remained below our economic targets for 2024. Nevertheless, we performed well in terms of operations. This success is down to the dedicated and intensive work in all areas of the company. I would like to thank all MAHLE employees for this achievement.

In 2024, our development teams once again presented innovations that make our mobility more sustainable and efficient. These included the new bionic fan, evaporative cooling and an all-electric drive axle for fuel cell trucks, highly efficient bionic battery cooling plates for electric vehicles and state-of-the-art components for clean hydrogen engines, new products for battery diagnostics in automotive workshops, and new drive systems for e-bikes. At the same time, we were pleased with important acquisition successes: the largest order in the company’s history for our thermal management module, battery cooling plates, two-wheeled electric motors, and components for engines that run on biofuels and hydrogen. Our technology-open strategy is consolidating our position as a reliable partner for our customers and a pioneer in intelligent mobility solutions. I would like to take this opportunity to thank our customers and partners for their forward-looking cooperation in 2024.

The sale of our OEM business with thermostats, our share in the Behr-Hella Thermocontrol (BHTC) joint venture, and the US business segment of MAHLE Powertrain, as well as the complete integration of MAHLE Behr into our group further honed our portfolio as part of the long-term strategic orientation of MAHLE.

In 2024, we made far-reaching decisions for the future setup of MAHLE. As of January 1, 2025, the five business units were reduced to three and the Management Board of the group was reduced from seven to four members. This streamlining bundles proven and new expertise, makes us faster and more efficient, and creates synergies. I would like to take this opportunity to thank our Supervisory Board and MABEG for their support of all these important measures.

The MAHLE team knows what is important in 2025: staying focused, further optimizing our processes, staying innovative, and making smart decisions for the future. This is because conditions remain at least as challenging as before. It will be a groundbreaking year for MAHLE.

Sincerely,



**Arnd Franz**

Chairman of the Management Board and CEO of the MAHLE Group

# Report of the Supervisory Board

*Vadler and Jenken*



The MAHLE Foundation celebrated its anniversary in 2024. As a company owner, it has guaranteed the entrepreneurial independence of the MAHLE Group for 60 years. This setup enables long-term planning, far-sighted investment decisions, and an unrestricted focus on innovation. This is an invaluable advantage at a time of global economic uncertainty, global geopolitical challenges, and social tensions in many places, as the world experienced in 2024. At present, the general conditions are not expected to ease in the near future.

That is why the strategy MAHLE 2030+ consistently pursued by MAHLE in 2024 remains groundbreaking in three aspects. First is the group's focus on its strategic fields of electrification, thermal management, and components for efficient and sustainable combustion engines. Second is the further improvement of our efficiency and resilience. And third is the streamlining of the group structure by reorganizing business units and strengthening the regions. The Supervisory Board is convinced that this reorganization will make MAHLE faster and more efficient. In combination with competitive products, we ensure long-term success, which, in turn, secures the future of the company.

The MAHLE innovations in a wide variety of technology fields are already showing how the transportation sector can be effectively and promptly decarbonized. The company is ready to take on its responsibilities and work on this important task intensively. The prerequisite for this, however, is the European Union's clear commitment to technological diversity. This would provide clarity and more predictability for all actors within the sector.

In 2024, the MAHLE Supervisory Board discussed and deliberated in detail on all decisions relating to the group's business development. It held a total of five meetings during the business year. In addition, the Personnel Committee met several times to discuss topical HR matters.

In the 2024 business year, the Supervisory Board discharged all its duties in line with statutory provisions, the Articles of Association, and the Rules of Procedure. There was also regular verbal and written interaction between the Chair of the Supervisory Board and the Chair and members of the Management Board on strategic and operational issues.

During the year, the Supervisory Board was kept up to date regularly, frequently, and extensively about business development at the company, the Group, its business divisions and its equity holdings through verbal and written reports from the Management Board as well as through meetings.

Besides operational and strategic matters, the meetings also addressed the implementation of the legislation on equal representation of women and men in managerial positions. The Supervisory and Management Boards are striving to increase the number of women at all executive levels even more. The Supervisory Board also welcomes the adoption of a policy statement on social responsibility in the group.

For the 2024 business year, there were no personnel changes on the Supervisory Board. On April 9, 2025, Rolf Berkemann will resign from the Supervisory Board. The Supervisory Board thanks Rolf Berkemann for their many years of constructive and trusting cooperation. They will be succeeded by Markus Bentele as an elected substitute member on April 10, 2025.

In the course of the reorganization, there were personnel and structural changes in the Management Board of the MAHLE Group. Jumana Al-Sibai took over the management of the new Thermal and Fluid Systems business unit (merger of the former Filtration and Engine Peripherals, and Thermal Management business units) on January 1, 2025, and Georg Dietz took over the management of the new Powertrain and Charging business unit (merger of the former Engine Systems and Components, and Electronics and Mechatronics business units) on the same date. The previous managing director of the Electronics and Mechatronics business unit, Martin Wellhöffer, resigned from his position with effect from December 31, 2024, and assumed the role of Chief Operating Officer for the Thermal and Fluid Systems business unit on January 1, 2025. Martin Weidlich resigned from his position as managing director of the Filtration and Engine Peripherals business unit with effect from November 29, 2024, and left the company on December 31, 2024. Likewise, Dr. Beate Bungartz resigned from her position as managing director for Human Resources and Director of Human Resources with effect from November 29, 2024, and left the company on December 31, 2024. The Supervisory Board thanks Dr. Beate Bungartz, Martin Weidlich, and Martin Wellhöffer for

their contributions and trusting cooperation and wishes them all the best for their future activities. Arnd Franz was appointed Director of Human Resources of MAHLE GmbH by the Supervisory Board with effect from November 29, 2024.

PricewaterhouseCoopers GmbH, the appointed auditors, audited the annual financial statements and management reports for the MAHLE Group and MAHLE GmbH for the 2024 business year, which were prepared in accordance with the German Commercial Code (HGB), and issued an unqualified audit opinion. The Supervisory Board accepted the audit findings after thorough consideration of the annual results and auditors' report at their meeting.

The Supervisory Board approves the annual financial statements and management reports for the MAHLE Group and MAHLE GmbH.

The Supervisory Board thanks all MAHLE Group employees for their extraordinary commitment in an exceptional year. Let's all look forward to the 2025 business year with confidence.

Stuttgart, Germany, April 9, 2025

On behalf of the Supervisory Board



**Prof. Dr. Heinz K. Junker**

Chairman of the Supervisory Board of the MAHLE Group

# Members of the Supervisory Board

## **Prof. Dr.-Ing. Heinz K. Junker**

### **Chairman**

Former Chairman of the Management Board and CEO  
MAHLE GmbH, Stuttgart/Germany

## **Boris Schwürz**

### **Deputy Chairman**

Chairman of the General Works Council of MAHLE,  
Stuttgart/Germany

## **Markus Bentele**

(from April 10, 2025)

Vice President Information Technology MAHLE Group,  
Stuttgart/Germany

## **Rolf Berkemann**

(until April 9, 2025)

Vice President Project Performance, MAHLE Group,  
Stuttgart/Germany

## **Dietmar Bichler**

Chairman of the Supervisory Board Bertrandt AG,  
Ehningen/Germany

## **Nektaria Christidou**

Chairwoman of the Works Council MAHLE Behr GmbH &  
Co. KG, Mühlacker and Vaihingen an der Enz/Germany

## **Ljiljana Culjak**

Chairwoman of the Works Council MAHLE Behr GmbH &  
Co. KG, Stuttgart/Germany

## **Claudia Diem**

Attorney-at-law, former Member of the Executive Board  
BW-Bank, Corporate customers Baden-Württemberg West and  
North, Stuttgart/Germany

## **Prof. Dr. jur. Wolfgang Fritzemeyer, LL.M.**

Lawyer, Munich/Germany,  
Attorney-at-Law (New York/USA),  
Solicitor (New South Wales/Australia)

## **Klaus Güntert**

Chairman of the Works Council MAHLE GmbH,  
Rottweil/Germany

## **Sabine Jaskula**

Former Member of the Management Board ZF Group,  
Friedrichshafen/Germany

## **Prof. Dr.-Ing. Achim Kampker**

Chair of Production Engineering of E-Mobility Components (PEM)  
at RWTH Aachen University

## **Michael Kocken**

1st authorized representative and managing director IG Metall,  
Göppingen-Geislingen/Germany

## **Dr. Michael Macht**

Former Chairman of the Management Board Porsche AG and  
former Member of the Management Board Volkswagen AG

## **Liane Papaioannou**

1st authorized representative and managing director IG Metall,  
Stuttgart/Germany

## **Thomas Raupach**

Deputy Chairman of the Works Council MAHLE Ventiltrieb GmbH,  
Wölfersheim/Germany

## **David Schmidt**

Chairman of the Works Council MAHLE Pumpensysteme GmbH,  
Wustermark/Germany

## **Uwe-Karsten Städter**

Former Member of the Management Board Porsche AG,  
Stuttgart/Germany

## **Annette Szegfü**

Trade Union Secretary to the Executive Committee of IG Metall,  
Frankfurt/Germany

## **Dr. Bernhard Volkmann**

Former Member of the Management Board and CFO  
MAHLE GmbH, Stuttgart/Germany

## **Prof. Dr.-Ing. Jörg Zürn**

Former Head of Development Mercedes-Benz Vans  
Daimler AG, Stuttgart/Germany

# Members of the Management Board

## **Arnd Franz**

### **Chairman of the Management Board**

Sales (incl. Research)

Lifecycle and Mobility Business Unit (incl. Logistics)

Corporate Executive Vice President Human Resources,  
Human Resources, Purchasing, Communications,  
External Affairs, Planning

## **Jumana Al-Sibai**

Thermal and Fluid Systems Business Unit

## **Georg Dietz**

Powertrain and Charging Business Unit

Global Operational Excellence,  
Environmental Management/Safety at Work,  
Quality Management, Real Estate Management

## **Markus Kapaun**

Finance, Controlling, Taxes, IT Services, Legal and Insurances,  
Revision and Risk Management, Mergers & Acquisitions

## **MEMBERS WHO HAVE STEPPED DOWN**

## **Dr. Beate Bungartz**

(until November 28, 2024)

Human Resources, Corporate Executive Vice President  
Human Resources, Personnel Development,  
Real Estate Management

## **Martin Weidlich**

(until November 28, 2024)

Filtration and Engine Peripherals Business Unit

Operational Excellence, Production System & Consulting,  
Purchasing

## **Martin Wellhöffer**

(until December 31, 2024)

Electronics and Mechatronics Business Unit

# Five become three

**The strategy MAHLE 2030+ ensures that we continue to grow in our strategic areas of electrification, thermal management, and components for efficient and sustainable combustion engines, further consolidating our position as an innovative and reliable partner to our customers. Last year, MAHLE made important decisions in order to advance its transformation and, therefore, contribute even more efficiently to the decarbonization of the mobility sector.**

A decisive step in this was the streamlining of the group structure. Since January 1, 2025, there have been three business units instead of five. To achieve this, four of the previous units were merged into two new ones. The measure follows industrial logic by bundling areas with related production engineering. At the same time, it makes it easier to form a high-performance production network and therefore further reduce costs.

## Strengthening interaction

The former business units “Engine Systems and Components” and “Electronics and Mechatronics” are now jointly managed under the name “Powertrain and Charging.” MAHLE is therefore strengthening its future field of electrification by focusing on efficient electric motors and intelligent charging, benefiting from the group’s more than one hundred years of expertise in motor systems and components.

The activities of the former business units “Filtration and Engine Peripherals” and “Thermal Management” have merged into the new business unit “Thermal and Fluid Systems.” The merger will enable the new business unit to realize synergies from joint production technologies and place competitive future technologies on the market.

The established product range and additional expertise in electrification and digitalization means the “Aftermarket” business unit will continue to be managed independently, but under the new name of “Lifecycle and mobility”.

At the same time, the group’s Management Board was reduced from seven to four members.

## More speed

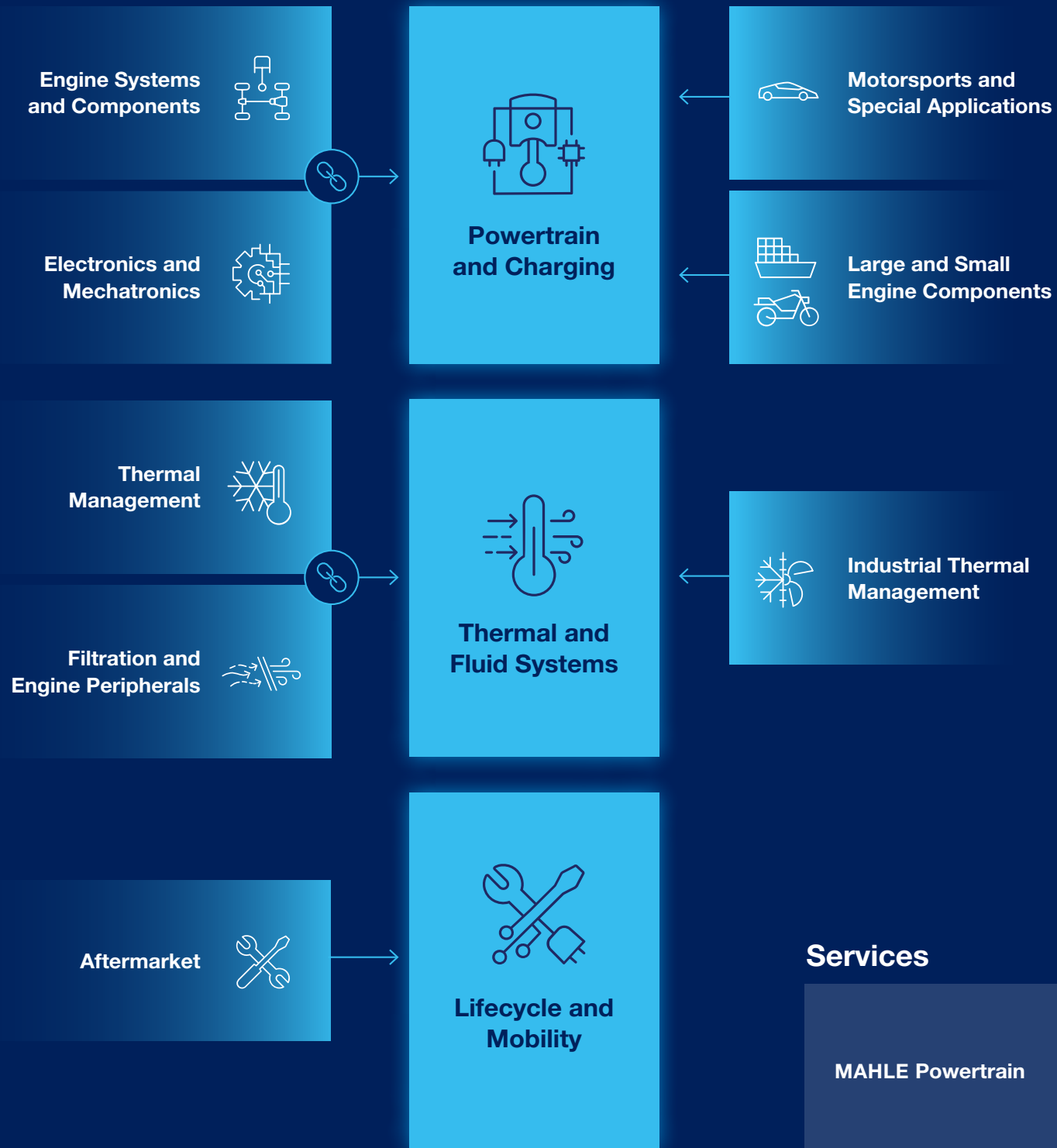
All measures serve to accelerate the company’s transformation within the framework of the strategy MAHLE 2030+. The combination of the three strategic fields of electrification, thermal management, and components for efficient and sustainable combustion engines makes MAHLE unique in the automotive supplier industry. MAHLE will concentrate on those products with which the company already occupies a leading market position today or with which it can assume one tomorrow. All MAHLE activities have one thing in common: maximizing output while reducing emissions. Efficiency for everything that moves. So that’s our vision: “Efficiency in Motion.” With this in mind, we are designing ever more efficient drive systems and contributing to the energy efficiency of the entire vehicle with our innovations, in line with our vision of “We shape future mobility.”

**NEW**

### Former Business Units

### Business Units

### Former Profit Centers



# Members of the Management Board

from January 1, 2025

F. l. t. r.:

Georg Dietz  
Jumana Al-Sibai  
Arnd Franz  
Markus Kapaun



“These profound changes are setting our group up for the future. We are accelerating the implementation of our group strategy, which is positioning us as an innovative and sustainably profitable shaper of the mobility of tomorrow.”

**Arnd Franz**

Chairman of the Management Board and CEO of the MAHLE Group

# A worldwide network – our locations

**135 production locations**  
**11 MAHLE Tech Centers**  
**67,708 employees\***

## MAHLE Tech Centers

### EUROPE

Stuttgart/Germany  
Valencia/Spain  
Šempeter pri Gorici/Slovenia  
Northampton/Great Britain

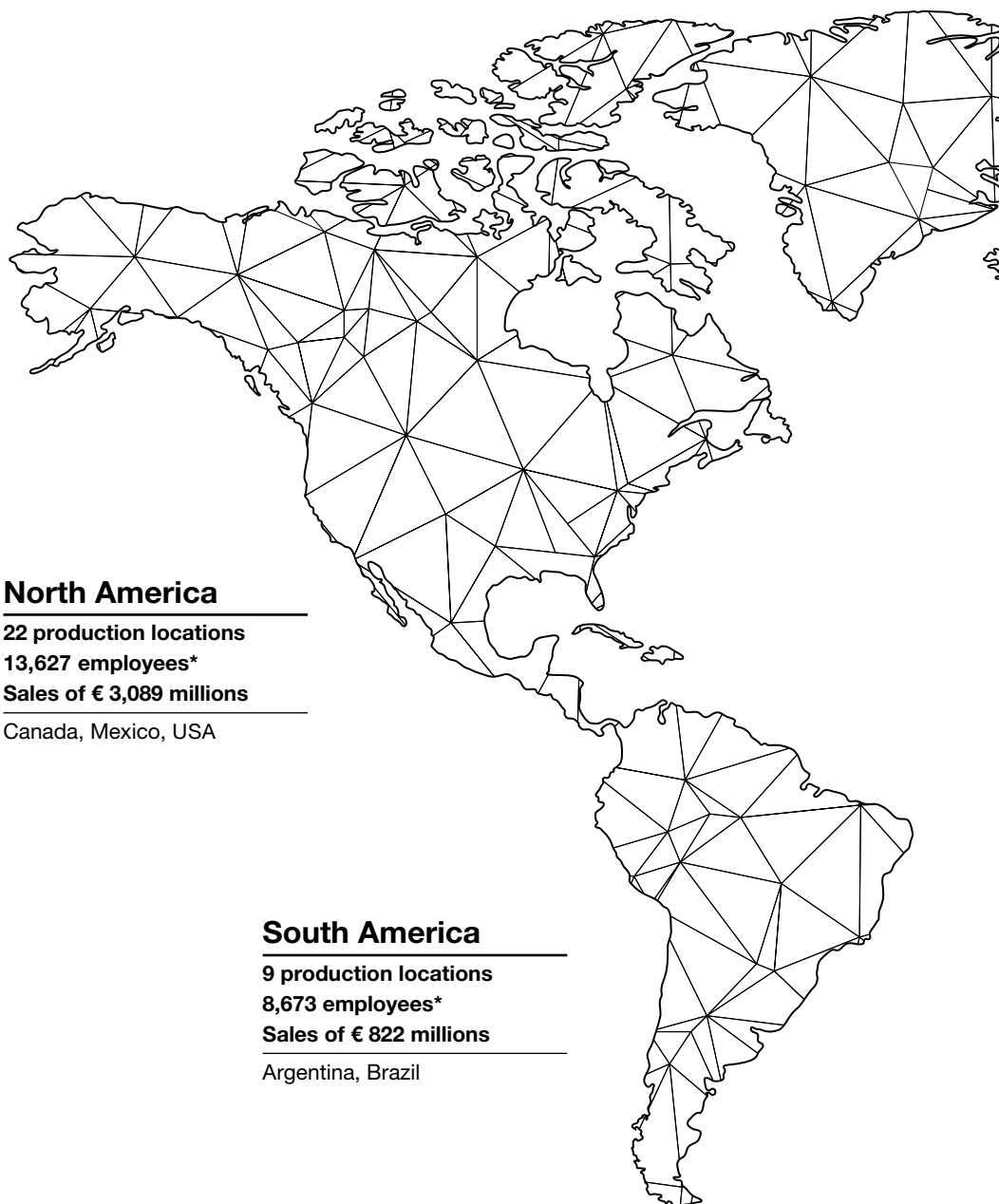
### NORTH/SOUTH AMERICA

Detroit/USA  
Lockport/USA  
Jundiaí/Brazil

### ASIA/PACIFIC

Pune/India  
Shanghai/China  
Tokio/Japan  
Changshu/China

\* As at December 31, 2024



## Europe

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**51 production locations**

**29,298 employees\***

**Sales of € 5,374 millions**

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Austria, Bosnia and Herzegovina,  
Czech Republic, France, Germany,  
Great Britain, Hungary, Italy, Poland,  
Portugal, Romania, Slovakia,  
Slovenia, Spain, Türkiye

## Asia / Pacific

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**51 production locations**

**15,394 employees\***

**Sales of € 2,340 millions**

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China, India, Indonesia,  
Japan, Philippines,  
South Korea, Thailand

## Africa

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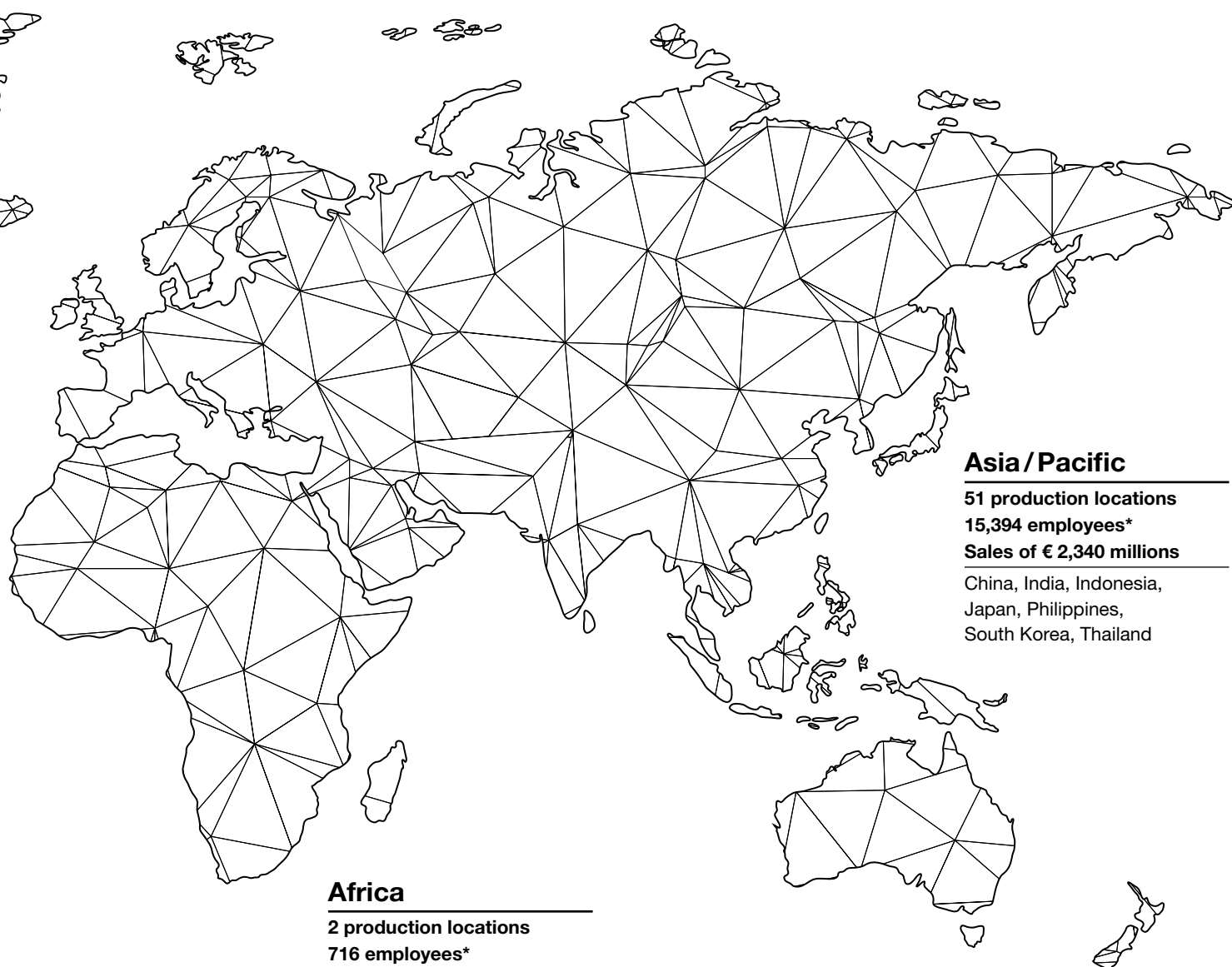
**2 production locations**

**716 employees\***

**Sales of € 56 millions**

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South Africa



# Group management report

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# Fundamentals of the MAHLE Group

As an innovative technology group, our vision of “We Shape Future Mobility” shows that we want to be an important development partner and supplier in shaping the mobility of tomorrow.

Guided by our MAHLE 2030+ Group strategy, we are supporting the mobility transition in our strategic fields of action of electrification, thermal management, as well as efficient and sustainable combustion engines.

We are represented on five continents through around 135 production locations and 11 MAHLE Tech Centers.

## 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. We are committed to playing an active role in the transition to sustainable mobility through advances in electrification, thermal management and components for efficient and sustainable combustion engines. This includes the use of hydrogen and other non-fossil renewable fuels. Our product portfolio encompasses all aspects of the relevant powertrain and climate control technology, both individually and in combination.

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.

At the end of 2024, the MAHLE Group was divided into five business units: Engine Systems and Components, Filtration and Engine Peripherals, Thermal Management, Electronics and Mechatronics and Aftermarket. There were also three profit centers that served specific market and customer segments, as well as central service businesses. The shares in the Behr-Hella Thermocontrol (BHTC) joint venture were sold on April 2, 2024.

In November 2024, MAHLE decided to streamline the group structure and merge business units. With effect from January 1, 2025, MAHLE reduced the number of business units from five to three. The previous business units of Engine Systems and Components,

and Electronics and Mechatronics will in future be jointly managed under the name Powertrain and Charging. The activities of the previous Filtration and Engine Peripherals, and Thermal Management business units will be merged into the new Thermal and Fluid Systems business unit. The Aftermarket business unit will continue to be managed as a separate business unit under the new name of Lifecycle and Mobility. In addition, the profit centers will be fully integrated into the new business units. The new Group structure is explained in detail in the outlook report.

### OWNERSHIP STRUCTURE OF THE MAHLE GROUP

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

Sales: € 11,681 million | Headcount: 67,708

**BUSINESS UNITS**

**PROFIT CENTERS & SERVICES**

Engine Systems and Components	Filtration and Engine Peripherals	Thermal Management	Electronics and Mechatronics	Aftermarket	Motorsports and Special Applications	Large and Small Engine Components	Industrial Thermal Management	Central Service Businesses
€ 2,402 million	€ 2,025 million	€ 4,076 million	€ 1,261 million	€ 1,295 million	€ 622 million			
22,385	9,252	18,433	8,272	2,060				
								<b>Sales</b>
								<b>Headcount</b>

We are globally positioned and have supplemented our product portfolio through strategic start-ups and acquisitions. We are represented on five continents through around 135 production locations and 11 MAHLE Tech Centers. At the end of 2024, around 67,708 employees worked at our company.

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.

The key performance indicators used by the Group are sales and EBIT as well as operating result. While sales and EBIT serve dual purposes for both internal management and external communication, the operating result serves as a key figure similar to EBIT that is used purely for the internal management of our units. The main differences between operating result and EBIT lie in the amortization of goodwill and the depreciation and amortization of hidden reserves revealed by purchase price allocations, as well as in the treatment of income from the sale of business activities.

## Business segments

The chapter “Business activities and corporate structure” describes the change in business units as of January 1, 2025. The following chapter explains how the business units fit into the structure in force until December 31, 2024.

### Engine Systems and Components business unit

The Engine Systems and Components business unit is a mainstay of the company and represents one of our core competencies. We have decades of development and systems expertise and are among the global market leaders in terms of volume in most product categories. Our range of products, which we manufacture at various sites worldwide, includes steel and aluminum pistons, piston rings, cylinder liners, sliding bearings and valve train systems. These products are used globally in passenger cars, commercial vehicles, large engines and two-wheeled vehicles. We are continuously developing our existing portfolio, focusing in particular on lowering energy consumption, CO<sub>2</sub> emissions, other combustion engine emissions and the use of sustainable and renewable fuels.

## Filtration and Engine Peripherals business unit

For many product categories within this business unit, we rank as one of the biggest global suppliers by market share. In this business unit, we manufacture filter systems and components for engine peripherals. With our products, we improve air purity and at the same time prevent contaminants in oil and fuel from harming the powertrain and the environment. This in turn increases efficiency and service life. Furthermore, with our products for alternative drive systems, we are actively contributing to the technological development of engine systems of the future. In recent years, we have cooperated closely with our customers in developing modular systems for all major product categories—after all, the product configuration can vary widely even though the basic engine unit may be the same. By developing special high-strength plastics made partly from recycled materials, we have been able in some cases to replace metals and thus ensure further weight savings. For example, we are developing all-plastic oil filter modules with a fully integrated oil pump and cooling system for use in electric vehicle powertrains.

## Thermal Management business unit

Our developments in the area of thermal management for batteries, fuel cells, power electronics and electric powertrains provide solutions for key elements of e-mobility. They enable greater cruising ranges, higher efficiencies and a longer service life. In this way, we are contributing in particular to the development of zero-emissions powertrains. However, thermal management also remains important for the continued development of the combustion engine: Our increasingly powerful and efficient cooling systems help to reduce fuel consumption and thus CO<sub>2</sub> emissions. Our groundbreaking advances in air conditioning systems open up new possibilities for cabin design as well as providing exceptional thermal comfort for vehicle occupants. In conjunction with powerful mechanical and electrical compressors, electric auxiliary heaters, and complete thermal management modules, these bring about crucial advantages for the vehicle's overall air conditioning system in terms of fuel consumption and range. In the area of thermal management, we are one of the suppliers with the strongest sales figures on the market worldwide.

## Electronics and Mechatronics business unit

The Electronics and Mechatronics business unit is an important area for the future of the MAHLE Group, particularly with the expected progress of e-mobility. Our development and manufacturing expertise when it comes to electric motors as well as electronic and mechatronic systems form the foundation of this business unit. This business unit covers products for the automotive industry, as well as other solutions for mobile applications. Our portfolio includes electric drives, actuators and auxiliary components, as well as control and power electronics. We fully assist our custom-

ers in their transition toward e-mobility. Our focus is on electric traction powertrains, on-board charging systems, and electric pumps and compressors, for example, where we are helping to shape future mobility with innovative solutions. Besides our activity in the automotive sector, we also supply e-drives for forklift trucks, golf carts and electric scooters, for example, as well as compact lightweight powertrains for a large number of e-bike manufacturers. We remain a trusted partner for products for internal combustion engines, such as starter motors and alternators for agricultural and construction machinery or mechanical air conditioning compressors.

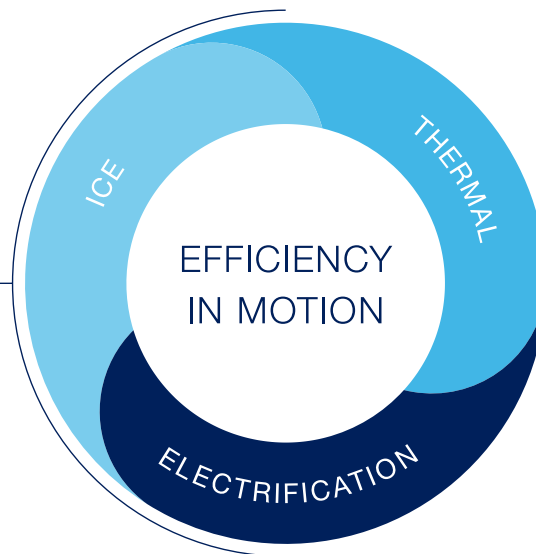
## Aftermarket business unit

Our Aftermarket business unit supplies partners in trade, workshops and engine repair, as well as e-commerce worldwide with original equipment quality, service equipment and a full range of services. The expertise based on original equipment finds its way into the product range in the automotive aftermarket. The Aftermarket business unit supplies spare parts for the entire MAHLE product range. These include efficient combustion engine products such as filtration and engine components as well as electronic components and parts for thermal management. MAHLE Service Solutions also supplies a wide range of solutions for workshop equipment such as vehicle diagnostics, battery diagnostics and service, emissions testers and equipment for the maintenance of air conditioning systems and automatic transmissions. Comprehensive services are also part of the Aftermarket portfolio, such as technical support through our worldwide network, customized training and service information. Given the diversity of today's vehicle technologies, our innovative solutions are an important building block for the success of our commercial partners. Our goal is to improve our skills, services and product groups even further and to position MAHLE as a full-service provider for workshops. With demand-oriented product management, fast and reliable logistics processes and market-driven pricing, we can also offer our customers individual repair solutions, making workshops even more efficient.

## Profit Centers and Services

Three business areas serving specific market and customer segments are organized into profit centers: Motorsports and Special Applications, Large and Small Engine Components, and Industrial Thermal Management. This structure means we can offer our customers maximum flexibility, as well as customized applications and components, so we can provide them with targeted support in the development of specific new products. Besides the profit centers, our central service businesses also contribute significantly to our success. They include, among others, Purchasing, Sales, Advanced Engineering, Human Resources, IT as well as Finance and Accounting. In addition, MAHLE Powertrain offers engineering services for both internal and external customers.

WE SHAPE  
FUTURE MOBILITY



## Group strategy

The automotive industry is rapidly developing into a mobility industry with new products and services. As a result, it is important to meet the demands arising from global megatrends such as the need to meet the rising challenges of urbanization and the need to move toward zero-emissions and sustainable industry. It is beyond question that the mobility industry has to make a contribution to climate protection. At MAHLE, we see this not only as an opportunity for further growth, but also as an obligation to design our technologies in such a way that mobility on our planet becomes as environmentally friendly and climate-neutral as possible.

With our long-standing tradition as a supplier of powertrain components, the continuing evolution in powertrain scenarios is by far the most important development for our company. In terms of the market's future development, we are expecting to see a significant increase in the global share of battery electric vehicles as well as fuel cell and hybrid engine solutions. In the case of newly produced passenger cars, our MAHLE market scenarios expect the market share of purely electrified vehicles to increase worldwide from 13 percent in 2024 to around 50 percent in 2035, despite the fact that the market share of vehicles with internal combustion engines in emerging countries remains high. By then, we also expect around 30 percent of all commercial vehicles globally to be built as purely electric with batteries or fuel cells. This scenario results in the following market implications for the MAHLE Group strategy.

We assume that the future of mobility will be electric or hybrid. New vehicles will largely be powered by electric powertrains, regardless of the energy source. Systems expertise and the intelligent combination of the electric powertrain and thermal management are essential keys to success here. Automotive suppliers are striving for end-to-end systems expertise with integrated solutions, which can reduce both complexity and cost. Automotive manufacturers are designing large cross-model vehicle platforms and, in addition to their own production, need robust powertrain suppliers who can take on a higher share of the value chain. In the emerging markets, the market share of vehicles with combustion engines is expected to remain high. Hydrogen and alternative fuels are an important addition when it comes to decarbonizing.

Based on commercial implications and our vision “We Shape Future Mobility”, as well as our mission “Efficiency in Motion”, MAHLE is working as part of its MAHLE 2030+ corporate strategy on the climate-neutral mobility of tomorrow with the aim of further expanding its position as a systems provider in three strategy areas.

1. In the area of electrification, MAHLE focuses on innovations that enable e-mobility with maximum efficiency. The focus is on leading-edge technologies in efficient electric drives, components for batteries and fuel cells, as well as intelligent charging solutions for vehicles and infrastructure. In this regard, MAHLE is addressing precisely those matters that are currently still posing challenges for our customers: range, performance, and fast-charging capacity. Applications include vehicles of all kinds: from e-bikes and e-scooters, passenger cars and vans to heavy-duty commercial vehicles, off-road and industrial applications.
2. The second strategic core area is thermal management—the heating and cooling in the vehicle. The aim here is to continue to improve energy efficiency and cabin comfort for sustainable mobility. MAHLE uses its in-depth expertise in the areas of powertrain, electronics and batteries as well as in the passenger cabin to supply highly efficient and at the same time cost-optimized systems architectures for all powertrain types and vehicle classes through a modular system approach. Efficient heat pump systems are an important consideration toward improving customer acceptance of battery-powered electric vehicles.
3. MAHLE will also continue to be an important competitive market player in combustion engine powertrains with superior products, lean cost structures and long-standing relationships built on customer trust. As long as there is demand for internal combustion engines on the international markets, we can supply components for highly efficient engines that can also run on bio-fuels, e-fuels, hydrogen or other sustainable fuels. We fully advocate competition for innovations and technologies that make the transport of people and goods globally climate-neutral.

Diversity in technology brings us opportunities for growth. As an innovative technology group, we seek to maintain our role as an important supplier and partner in shaping mobility through our three strategic core areas. The following strategic objectives flow from this. With a clear focus on efficiency and profitability, we aim to achieve a leading market position in all core product categories. We also want to further increase the share of business that is independent of internal combustion engines and further reduce Scope 1–3 CO<sub>2</sub> emissions significantly when compared against the 2019 baseline. To achieve these goals, the motivation, commitment and expertise of our employees are of paramount importance.

By continuously and actively managing our product portfolio, we can ensure that our strategic direction is implemented in a manner that is both consistent and financially successful. Today in fact, our sales are distributed evenly across our customer groups and core markets of Europe, North and South America and Asia/Pacific. This equilibrium needs to be reinforced in the future, especially through strong participation in growth markets.

# Economic report

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**Due to the global decline in vehicle markets, MAHLE recorded an organic sales decrease of 5.6 percent.**

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**As part of our Group-wide “Back on Track 2025” program, in 2024 we continued to expand measures to strengthen our profitability and liquidity in the long term.**

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**In a difficult market environment, we were able to significantly improve EBIT from € 304 million in the previous year to € 423 million and reduce net debt.**

## Economic conditions

### Overall economic development

Global economic development was stable in 2024. According to the January report published by the International Monetary Fund (IMF), the global economy grew by 3 percent in 2024, meaning it had almost the same growth rate as in 2023. Economic growth in advanced economies amounted to less than 2 percent, meaning it remained stable compared to the previous year. The emerging and developing markets also achieved economic growth at the previous year's level of over 4 percent. The decline in the global inflation rate is indicative of 2024. This was due to tight monetary policy measures and the easing of economic shocks caused by supply chain problems as a result of the pandemic or the rise in commodity prices due to the Russian invasion of Ukraine, for example. Growth was inhibited by several factors in 2024. These include the economic consequences of ongoing regional political conflicts, restrictive interest rate policy, and more intense protectionist trade policies.

In the euro zone, the economy grew by almost 1 percent—a slight increase in the growth rate compared with the previous year. The increase in exports, especially in the goods sector, had a positive effect on growth. The recession of the German economy continued in 2024.

At around 3 percent, economic growth in the USA was at the same level as in the previous year. Robust demand and high investments had a positive effect. In Brazil, economic growth accelerated to just under 4 percent, following around 3 percent in the previous year.

In the Asia/Pacific region, China recorded growth of just under 5 percent, having recorded over 5 percent in the previous year. The slight slowdown in growth is mainly due to a persistently weak real estate sector and a lack of consumer confidence. This was counteracted by high net exports. The Japanese economy contracted slightly in 2024, having grown by almost 2 percent in 2023.

### Exchange rate development

As a group which operates internationally, MAHLE also conducts business in foreign currencies. Exchange rate fluctuation plays a pivotal role here. For MAHLE, exchange rate fluctuations are associated with financial and economic risks in particular. In order to minimize these risks, we strive for “natural hedging”. By operating production locations in all major sales regions, we make the Group less vulnerable to currency volatility and exchange rate fluctuations.

Most trading currencies that are relevant to our company depreciated against the euro in the 2024 business year, as measured by the average market price. Compared with the previous year, the Argentine peso (–17 percent), the Turkish lira (–11 percent), the Brazilian real (–7 percent), and the Japanese yen (–7 percent) depreciated against the euro. The Chinese renminbi (–1 percent) recorded a slight depreciation against the euro. There was almost no change for the US dollar compared to the previous year. The Polish zloty (+5 percent) appreciated against the euro.

**North America**

Overall economy*	↑
Passenger cars and light commercial vehicles	↘
Medium-sized and heavy-duty commercial vehicles	↘
<b>Exchange rate</b>	
USA (USD)	→

**South America**

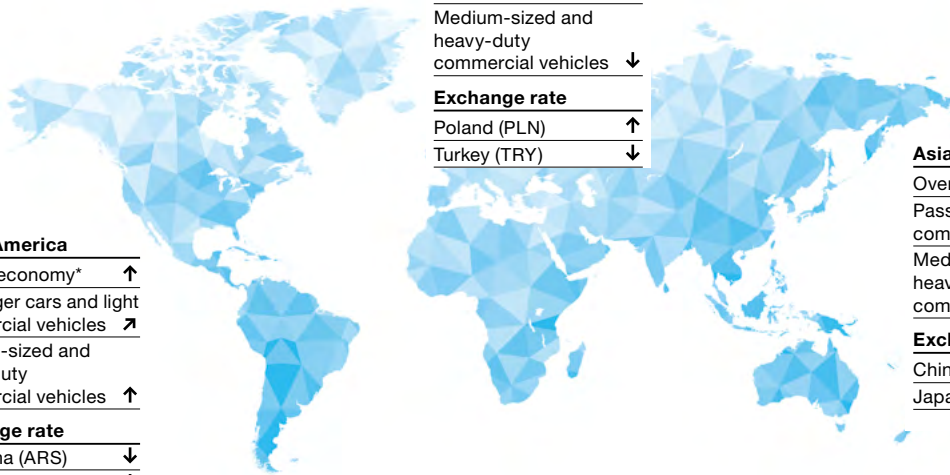
Overall economy*	↑
Passenger cars and light commercial vehicles	↗
Medium-sized and heavy-duty commercial vehicles	↑
<b>Exchange rate</b>	
Argentina (ARS)	↓
Brazil (BRL)	↓

**Europe**

Overall economy*	↗
Passenger cars and light commercial vehicles	↓
Medium-sized and heavy-duty commercial vehicles	↓
<b>Exchange rate</b>	
Poland (PLN)	↑
Turkey (TRY)	↓

**Asia/Pacific**

Overall economy*	↑
Passenger cars and light commercial vehicles	→
Medium-sized and heavy-duty commercial vehicles	↓
<b>Exchange rate</b>	
China (CNY)	↘
Japan (JPY)	↓



Exchange rate development of various foreign currencies against the euro (EUR) as measured by the average market price (direct quotation) compared with the previous year: Argentine peso (ARS), Brazilian real (BRL), Chinese renminbi (CNY), Japanese yen (JPY), Polish zloty (PLN), Turkish lira (TRY), US dollar (USD)

The directional arrows show the change compared with the previous year:

↑ >2%, ↗ 0.5% to 2%, → -0.5% to 0.5%, ↘ -0.5% to -2%, ↓ <-2%

\* IMF Report, January 2025

## Development of the vehicle markets

### Development of the markets for passenger cars and light commercial vehicles

Global production of passenger cars and light commercial vehicles fell by 1 percent to around 90 million vehicles in 2024. This is, among others, due to geopolitical tensions, such as more intense protectionist trade policies. In addition, the high order backlog from 2023 has already been largely reduced.

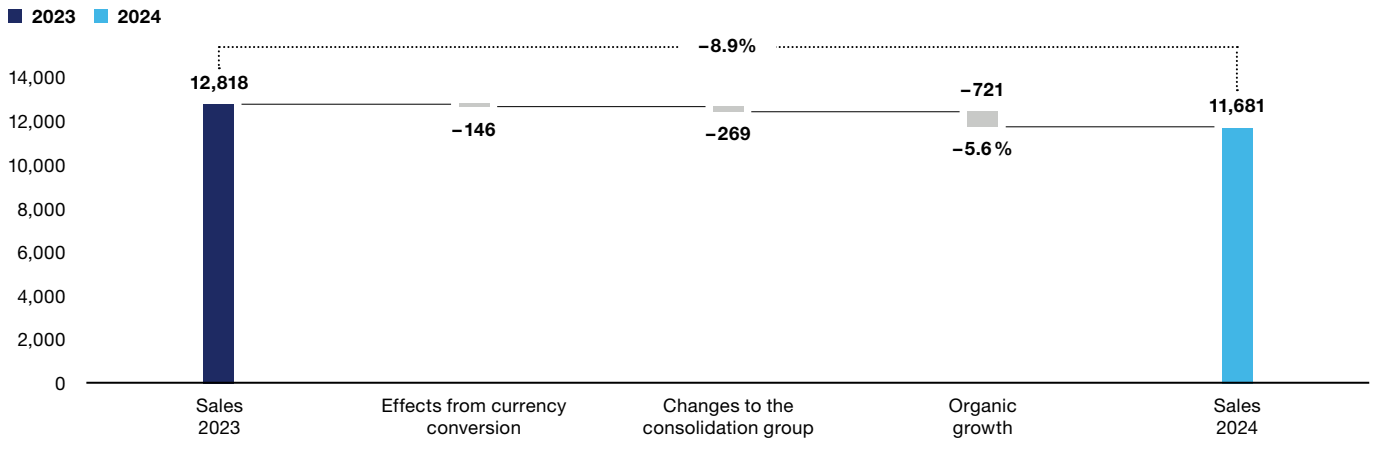
In Europe, the production volume fell by 4 percent. Political and economic uncertainty regarding future technology promotion and development in this region led to customer reluctance to make investment decisions. North America saw a 1 percent decrease owing to declining vehicle demand and full stock at dealerships. The South American market grew by a good 1 percent. The losses from the flood disaster in Brazil at the beginning of the year were offset by a recovery in the second half of the year. China recorded strong growth, especially in the last quarter, due to a scrapping premium for vehicles with older emission standards as well as for older battery vehicles. There was also an increase in vehicle exports, which meant that the number of vehicles produced in the

year amounted to more than 30 million. In India, vehicle production increased by almost 4 percent, in line with continued high economic growth. The situation was different in the other Asian countries, where production fell by 7 percent compared with the previous year.

### Development of the markets for medium-sized and heavy-duty commercial vehicles

Global production of medium-sized and heavy-duty commercial vehicles in 2024 was significantly below the previous year's level, with a decrease of 4 percent. In particular, the weak production figures in Europe at minus 18 percent and in Asia without China at minus 7 percent contributed to this. After strong catch-up effects in 2023, high vehicle prices, weak demand, and subdued overall economic development in these regions led to a sharp decline in production. There was a slight decline in North America. China remained at the previous year's level. The South American market, on the other hand, recovered in 2024 and grew by 35 percent. In the previous year, the figures had collapsed due to the introduction of the Euro VI emission standards.

**SALES BRIDGE**  
in € millions



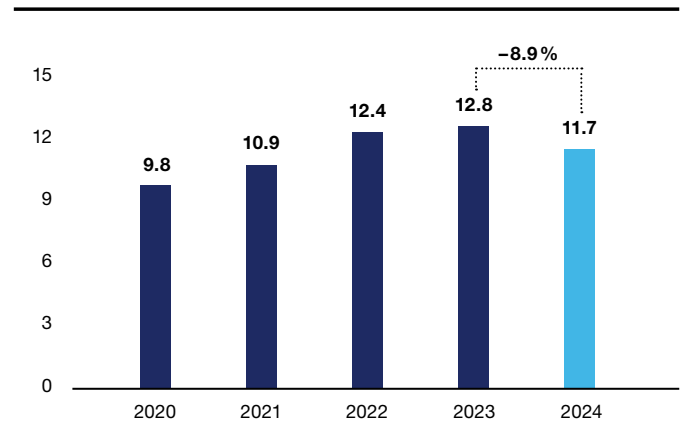
## Business development

### Development of the MAHLE Group

In the 2024 business year, the MAHLE Group recorded a drop in sales of 8.9 percent, from € 12.8 billion to € 11.7 billion. This was mainly due to volume reductions caused by the declining market development, especially in North America and Europe. In addition, the continued delay of the e-mobility ramp-up affected the development of sales. The development of sales was also impacted by the devaluation of various trading currencies against the euro by € 146 million. This includes, in particular, the Brazilian real, the Japanese yen, and the Argentine peso. The appreciation of the Polish zloty against the euro had a counteracting effect. In addition, sales in the 2024 business year were influenced by changes to the consolidation group. For example, the sale of our shares in the Behr-Hella Thermocontrol (BHTC) joint venture on April 2, 2024, and the sale of the thermostats product group on May 2, 2024, had a reducing effect on annual sales of € 269 million. Adjusted for the aforementioned effects from exchange rate developments and deconsolidation, the organic decline in sales was 5.6 percent compared to the previous year.

The international positioning of the MAHLE Group is reflected in the operation of production and development locations in 28 countries. Through our global business activities, we are close to our customers, can work intensively with them and develop targeted innovations based on the requirements of the respective markets. At the same time, this allows us to react flexibly to regional market fluctuations. In addition to the regional distribution, the distribution of sales at MAHLE is also diversified according to customer. Our ten largest customers account for less than 50 percent of total sales.

### DEVELOPMENT OF SALES 2020 – 2024 in € billions



The transformation of the automotive industry and industry-specific market uncertainties posed major challenges to the Group in 2024. For example, the performance of the MAHLE Group was hampered by a decline in market demand and a significant reduction in customer demand as a result. In addition, inflation-related personnel cost increases continued to reduce the Group's profitability.

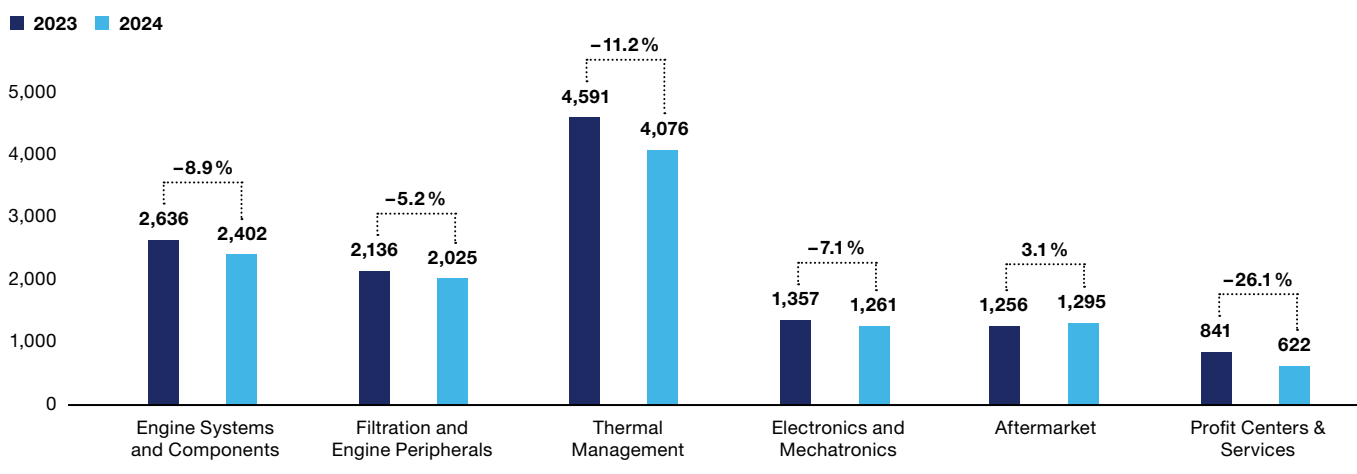
In order to strengthen our profitability and safeguard our liquidity, we continued to drive forward the measures introduced with the "Back on Track 2025" program in the 2024 business year —following on from our Group-wide "DELIVER23" program—and doubled down on them with additional focal points. As such, we were able to increase our productivity through active countermeasures and thereby partially offset negative effects from market conditions. By continuously exchanging with key customers and suppliers, we were able to distribute additional costs along the value chain. The program also focused on process and efficiency issues in order to strengthen cost discipline and optimize sales and administrative structures. We have also reviewed the production network in order to make the organization more efficient overall by adapting site infrastructures. At the same time, we focused on securing and expanding our competitiveness in terms of product portfolio. To this end, we continued to focus on the structural reorganization of the Group and continued to drive forward the measures to adjust our product portfolio.

In order to sustainably increase our profitability and secure our competitiveness, we have continued our global restructuring activities. In response to the transformation in mobility and the resulting shift away from the internal combustion engine, as well as to increasing competitive pressure, we have relocated selected product groups from the Sempeter/Slovenia location to other European locations. Adjustments were made to capacities at the Hambach/France and Zell/Germany locations. Production in Gaildorf/Germany, Mattighofen/Austria, and Naucalpan/Mexico has been discontinued. In the course of focusing our product portfolio on our strategic core areas, we concluded the sale of the thermostats product group on May 2, 2024. Various locations in Europe, Asia, and North America are affected by the sale. We also completed the sale of our shares in the Behr-Hella Thermocontrol (BHTC) joint venture on April 2, 2024.

## Development of the business segments

The 2024 business year was characterized by a challenging market environment, declining volumes, and negative effects from currency conversion, especially in South America and Asia/Pacific. This had an impact on sales in all business segments and profit centers. We experienced a decline in sales in most of our business units. Only the Aftermarket business unit continued to grow in the year under review. The following describes the development of sales for the business segments in 2024, according to their structure as of December 31, 2024.

### SALES BY BUSINESS SEGMENT in € millions



### **Engine Systems and Components business unit**

Our Engine Systems and Components business unit recorded sales of € 2,402 million. That means it was 8.9 percent below the previous year's value. Adjusted for significant negative effects from currency conversion, especially in South America and Asia/Pacific, the organic decline in sales amounted to 8.0 percent. Significant declines in sales were mainly achieved in the product groups of aluminum pistons for diesel passenger cars, heavy-duty aluminum pistons, and power cell units. From a regional perspective, there was a lower demand for diesel commercial vehicle truck applications, especially in China. By contrast, sales increases were recorded in pistons for passenger car gasoline engines in South America, steel pistons for passenger car diesel engines in North America, and camshafts and pistons for passenger car gasoline engines in Europe. In the course of the transformation process, selected production activities were relocated and capacity adjustments were implemented in our plants.

### **Filtration and Engine Peripherals business unit**

Sales in our Filtration and Engine Peripherals business unit amounted to € 2,025 million and were therefore around 5.2 percent or, adjusted for exchange rate effects, around 3.4 percent below the previous year's value. Almost all product groups were affected by the decline in sales—especially intake modules and cylinder head covers. However, the carbon canister product group was able to increase its sales. From a regional perspective, the development of sales was mixed. The North America and Asia/Pacific regions saw a reduction in sales. In the Europe region, we were able to keep sales stable at the previous year's level, adjusted for negative effects from currency conversion. The South America region, on the other hand, increased its sales significantly despite negative effects from currency conversion.

### **Thermal Management business unit**

In the Thermal Management business unit, we generated sales of € 4,076 million, which is a decrease of around 11 percent compared with the previous year. Adjusted for negative effects from currency conversion and the effects from the sale of our thermostats product group, the business unit recorded an organic decline in sales of 9.9 percent compared with the previous year. The product groups of air conditioning systems, cooling modules, and Visco fans were particularly affected by lower market-related demand. In contrast, the oil cooler and exhaust gas heat exchanger product groups recorded an increase in sales. From a regional perspective, Europe and North America are significantly below the previous year's sales level. Sales to both passenger car customers and commercial vehicle customers could not reach the previous year's level. Adjusted for effects from currency conversion, the Asia/Pacific region also experienced a reduction in sales of 5.9 percent. The positive development of sales in India could not compensate for the decline in China—especially in the passenger car segment. In the South America region, we were able to increase our sales with a growth rate in the low double-digit range. This is mainly due to a positive development among commercial vehicle customers.

### **Electronics and Mechatronics business unit**

Sales in the Electronics and Mechatronics business unit in 2024 amounted to € 1,261 million and were therefore around 7.1 percent below the previous year's value. Adjusted for negative effects from currency conversion, sales decreased by 5.7 percent. This decrease is mainly due to the Mechatronics segment. The development of sales was hampered by the significant deterioration in the area of e-mobility and weak market development in the e-bike sector. In the Electronics segment, we were able to slightly increase our sales despite lower than expected customer demand. From a regional point of view, Europe and North America recorded an organic decline in sales in the low double-digit percentage range. In the Asia/Pacific region, sales remained 2.6 percent below the previous year. On the other hand, the South America region performed very positively. The business unit was able to significantly increase its organic sales in the region.

### **Aftermarket business unit**

The Aftermarket business unit generated sales of € 1,295 million—3.1 percent above the previous year's level. Significantly negative effects from exchange rate conversion, mainly in South America, had an effect on the development of sales. Nevertheless, we were able to significantly increase our sales level in absolute terms in South America. In the Europe region, we achieved organic sales growth of 0.4 percent—sales with thermal products performed particularly positively. We were able to significantly increase our sales in the Asia/Pacific region with organic growth of over 10 percent. Almost all product groups contributed to this growth. Despite the positive development of gaskets and filter products, sales in North America remained at the previous year's level.

### **Profit Centers and Services**

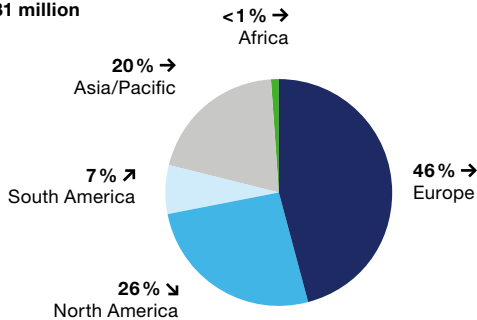
In our profit centers and services, we achieved sales of € 622 million, which is a significant decrease compared with the previous year. The decrease in sales is due in particular to the sale of our shares in the Behr-Hella Thermocontrol (BHTC) joint venture, which were bundled in one of our profit centers until the time of the sale. The sales of the profit centers and services increased organically by 1.7 percent. In particular, the profit center Industrial Thermal Management as well as Engineering Services bundled in the central service businesses contributed to this development with positive growth rates. In these areas, sales increased significantly compared to the previous year.

## Development of the regions

In the year under review, our sales decreased in all regions except South America. The development of sales was impacted by negative effects from currency conversion in all regions, especially in South America and Asia/Pacific. Below is a summary of how the regions performed in detail, based on sales by country of production.

### SALES BY REGION

Total:  
€ 11,681 million



The directional arrows show the change in the proportion of sales compared with the previous year:

↑ >2%P, ↗ 0.5%P to 2%P, → -0.5%P to 0.5%P, ↘ -0.5%P to -2%P, ↓ <-2%P

### Europe

In Europe, we achieved sales of € 5,374 million in the year under review, a decrease of 8.8 percent compared with the previous year. The decrease in sales is partly due to deconsolidation effects resulting from the sale of our shares in the Behr-Hella Thermocontrol (BHTC) joint venture and the sale of the thermostats product group. Adjusted for deconsolidation effects and effects from currency conversion, the decrease in sales was 5.8 percent compared with the previous year. In absolute terms, our strongest business units in terms of volume—Engine Systems and Components, Thermal Management, as well as Electronics and Mechatronics—were significantly affected by the decrease in sales. Our Filtration and Engine Peripherals and Aftermarket business units recorded sales in Europe at the previous year's level.

### North America

Our sales in North America amounted to € 3,089 million, which is a 13.3 percent decrease compared to the previous year. Adjusted for the overall slightly negative effects from currency conversion and deconsolidation effects from the sale of our shares in the Behr-Hella Thermocontrol (BHTC) joint venture, organic sales declined by 12.0 percent. The development of sales in this region was signifi-

cantly impacted by a decline in volumes in Mexico, in particular in the Engine Systems and Components and Filtration and Engine Peripherals business units. The positive development in our top-selling country, the USA, could only partially compensate for this. In particular, the Engine Systems and Components and Filtration and Engine Peripherals business units recorded an upturn in the USA.

### South America

In South America, we were able to increase our sales by 8.3 percent to € 822 million despite significant negative effects from currency conversion. Our development of sales was heavily impacted by the devaluation of the Argentine peso and the Brazilian real against the euro. Adjusted for the effects of currency conversion, we achieved growth in the low double-digit percentage range—all of our business units contributed to this. In Argentina, we were able to significantly increase our sales in absolute terms. We also achieved a significant increase in sales in Brazil, which is primarily due to volume increases.

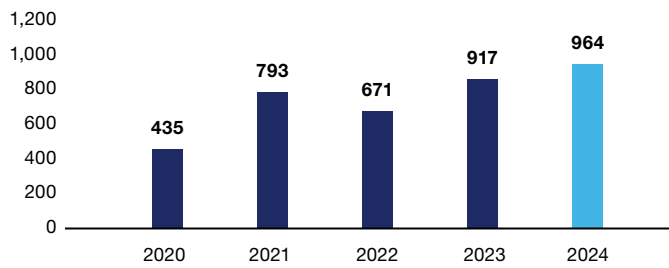
### Asia/Pacific

In the Asia/Pacific region, sales fell by 8.1 percent to € 2,340 million. The devaluation of important trading currencies, in particular the Japanese yen and the Chinese renminbi against the euro, has had a significant impact on sales in this region. In addition, the sale of our shares in the Behr-Hella Thermocontrol (BHTC) joint venture influenced our development of sales in the region. The decrease in organic sales amounted to 3.6 percent. While we recorded a decline in sales in our top-selling markets of China and Japan due to volume declines, we were able to increase our sales in India. Our Aftermarket business unit performed very positively and achieved organic sales growth of over 10 percent in the Asia/Pacific region.

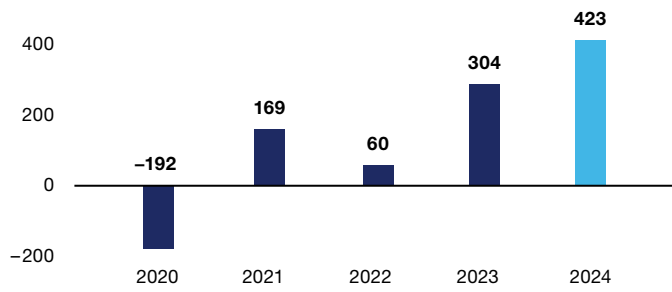
### Africa

Sales in Africa amounted to at € 56 million, which is 2.3 percent below the previous year's level. In the smallest region of our Group, revenue was generated primarily by the Thermal Management business unit in South Africa.

**DEVELOPMENT OF EBITDA 2020–2024**  
in € millions



**DEVELOPMENT OF EBIT 2020–2024**  
in € millions



## Net assets, financial position, and results of operations

### Result of operations

In the 2024 business year, the MAHLE Group generated sales of € 11.7 billion, compared with € 12.8 billion in the previous year. Adjusted for deconsolidation effects and negative effects from currency conversion, sales were 5.6 percent below the level of the previous year. Significantly lower call-off figures from our customers, especially in Europe and North America, were the main cause for the decline in sales. The delayed ramp-up of e-mobility also affected our development of sales. This meant our sales forecast, which assumed a slight organic increase in sales, was not achieved.

Results of operations were severely affected by the significant decline in sales in the 2024 business year. Tariff- and inflation-related personnel cost increases also had a negative effect on the result. In order to counter the challenging market environment, we have successfully continued measures to increase profitability as part of our “Back on Track 2025” program to improve earnings and liquidity. This means we were able to significantly increase productivity in almost all areas, especially in production. We also continued the ongoing exchange with important customers and suppliers in order to distribute additional burdens along the value chain. As a result, we were able to keep the operating result stable at the previous year’s level in a difficult market environment. The planned increase in operating result for 2024 could not be achieved due to the difficult market situation. We were able to increase EBIT significantly compared to the previous year, among others due to income from the sale of shareholdings. EBIT rose from € 304 million to € 423 million. We were therefore able to achieve our forecast for EBIT, which assumed a significant improvement. The EBIT margin increased to 3.6 percent (previous year: 2.4 percent).

The main items of the income statement performed as follows: The gross margin increased from 15.1 percent in the previous year to 16.5 percent. Negative effects from tariff- and inflation-related cost increases could be compensated by achieved productivity increases and sales price adjustments. Our selling expenses decreased by € 31 million to € 586 million, in particular due to cost reductions for special freight. Despite optimization measures, general administrative costs increased from € 592 million in the previous year to € 604 million due to the significant increase in wage costs. MAHLE invested 5.4 percent of sales in research and development despite the difficult economic environment; this is the same percentage as in the previous year. The absolute amount decreased from € 673 million to € 630 million.

The balance of other operating expenses and income decreased by € 3 million to € 276 million. Significant income from the sale of our shares in the Behr-Hella Thermocontrol (BHTC) joint venture in the amount of € 164 million, the release of badwill (€ 30 million) and the correction of goodwill/badwill from subsequent purchase price adjustments (€ 41 million) had a positive effect. Other operating expenses include expenses from the sale of the thermostats product group (€ 24 million) and for financing costs and consulting costs in connection with the new financing (€ 33 million). The balance also includes losses from currency conversion.

## CONSOLIDATED INCOME STATEMENT

in € millions

	2024	in %	2023	in %
Sales	11,681	100.0	12,818	100.0
Cost of sales	-9,751	-83.5	-10,884	-84.9
<b>Gross profit on sales</b>	<b>1,931</b>	<b>16.5</b>	<b>1,933</b>	<b>15.1</b>
Selling expenses and general administrative expenses	-1,190	-10.2	-1,210	-9.4
Research and development expenses	-630	-5.4	-673	-5.3
Other operating income and expenses	276	2.4	279	2.2
Financial result	-148	-1.3	-164	-1.3
<b>Result from business activities</b>	<b>238</b>	<b>2.0</b>	<b>165</b>	<b>1.3</b>
Taxes on income	-187	-1.6	-109	-0.8
<b>Result after taxes</b>	<b>51</b>	<b>0.4</b>	<b>57</b>	<b>0.4</b>
Other taxes	-29	-0.2	-31	-0.2
<b>Consolidated net income</b>	<b>22</b>	<b>0.2</b>	<b>26</b>	<b>0.2</b>

## RECONCILIATION OF CONSOLIDATED NET INCOME TO EBIT AND EBITDA

in € millions

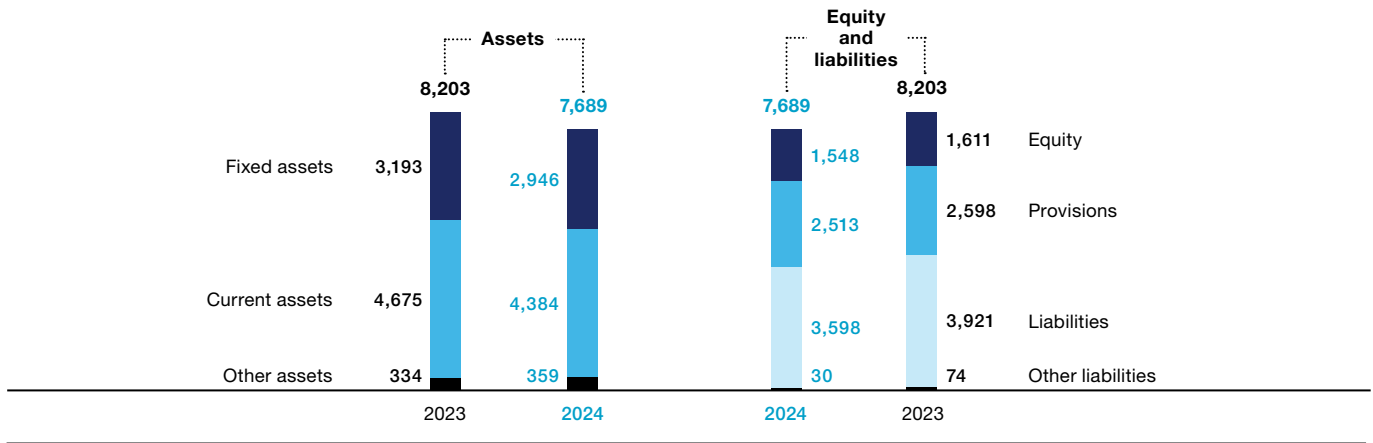
	2024	in %	2023	in %
<b>Consolidated net income</b>	<b>22</b>	<b>0.2</b>	<b>26</b>	<b>0.2</b>
Taxes on income	187	1.6	109	0.8
Interest and similar expenses	178	1.5	199	1.6
Other interest and similar income	-43	-0.4	-40	-0.3
Net income and expenses from financing from currency translation and financial instruments	78	0.7	10	0.1
<b>EBIT</b>	<b>423</b>	<b>3.6</b>	<b>304</b>	<b>2.4</b>
Depreciation, amortization, and impairments of intangible and tangible fixed assets	541	4.6	613	4.8
<b>EBITDA</b>	<b>964</b>	<b>8.3</b>	<b>917</b>	<b>7.2</b>

As in previous years, all cost items—except for research and development expenses and administrative expenses—were adversely impacted by effects from purchase price allocations under the German Commercial Code (Handelsgesetzbuch, HGB), totaling € 36 million before taxes in 2024 (previous year: € 74 million).

In 2024, the financial result improved by € 16 million compared to the previous year to € 148 million. This is mainly due to a reduction in financial liabilities. The result from business activities increased from € 165 million to € 238 million. Compared to the

same period in the previous year, the taxes on income rose by € 79 million to € 187 million. The disproportionately high income tax rate in relation to the pre-tax result is due to the fact that deferred taxes on loss carryforwards and interest carryforwards could not be fully recognized and deferred taxes on temporary differences were subject to valuation allowances. In addition, withholding taxes independent of profits increased the Group tax rate. In total, this resulted in net income for the year of € 22 million (previous year: € 26 million).

**BALANCE SHEET STRUCTURE OF THE MAHLE GROUP**  
in € millions



### Net assets position

As at the balance sheet date of December 31, 2024, the balance sheet total had fallen by € 514 million in comparison with 2023 to € 7,689 million. At € 2,946 million, fixed assets were € 247 million below the previous year's level. Tangible fixed assets decreased by € 129 million. This is mainly due to the one-time effect from the sale of our shares in the Behr-Hella Thermocontrol (BHTC) joint venture. In addition, depreciations exceeded the investments made in the year under review. Intangible assets decreased by € 88 million to € 114 million owing to regular amortization and depreciation on goodwill and hidden reserves, which were disclosed in the course of purchase price allocations. Financial assets decreased by € 30 million to € 48 million due to the cash inflow from a long-term loan.

At € 4,384 million, current assets were below the level at the end of the previous year. Inventories decreased by € 83 million and receivables and other assets decreased by € 226 million to € 2,130 million. The latter is largely due to the settlement of sales tax receivables from previous years. Other securities and cash in hand, bank balances, and checks amounted to € 860 million, which is above the previous year's level.

Equity amounted to € 1,548 million as of the balance sheet date. This was € 63 million below the previous year's value. The decrease is primarily due to dividend payments and currency translation differences. In connection with the reduced balance sheet total, the equity ratio improved to 20.1 percent.

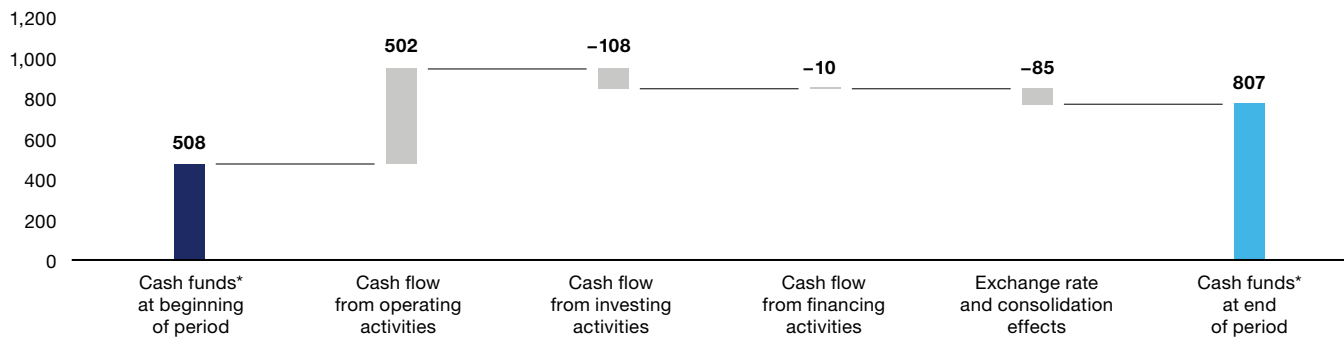
Provisions decreased by € 85 million to € 2,513 million compared to the previous year, primarily due to changes to the consolidation group. In detail, provisions in particular in the personnel area decreased by € 58 million and provisions for guarantee and risk by € 44 million. In contrast, provisions for taxes increased by € 35 million.

Compared to the end of 2023, liabilities decreased by € 323 million to € 3,598 million. On the one hand, the decrease is due to financial liabilities: While the issuance of € 500 million senior notes in May 2024 initially increased financial liabilities, liabilities to banks were repaid by € 625 million during the year. On the other hand, trade payables also decreased by € 160 million to € 1,142 million, € 51 million of which are attributable to changes to the consolidation group.

Net debt on the balance sheet, which consists of cash in hand, bank balances, and checks minus bonds and liabilities to banks, amounted to € 1,161 million, which was € 190 million below the previous year's level. This was mainly due to the cash inflows from the sale of our shares in the Behr-Hella Thermocontrol (BHTC) joint venture.

## CASH FLOWS

in € millions



\* Cash in hand, bank balances with an initial term of less than 3 months, and checks less liabilities to banks with an initial term of less than 3 months. The short-term liabilities which were netted against cash balances contained € 0.4 million that were related to short-term liabilities based on a committed credit line with a remaining tenor of more than one year.

## 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 loan, 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. Taking into account the stronger financial figures for 2023, Moody's changed the outlook for the Ba2 rating of MAHLE from negative to stable on April 17, 2024. On April 19, 2024, MAHLE was rated for the first time by S&P Global and received a BB rating (outlook stable). In the context of the deteriorating situation in the global automotive market in the second half of 2024, S&P (on September 18, 2024) and Moody's (on December 20, 2024) changed their outlook for the MAHLE rating to negative.

In February 2024, MAHLE signed a syndicated loan agreement for € 1.6 billion, which replaces the existing syndicated loan that would have matured in 2025. The new syndicated loan contains a revolving credit line in the amount of € 1.2 billion with a term to 2027, which gives MAHLE further financing and planning security. In addition, the new syndicated loan included a € 400 million loan facility with a term of up to one year to refinance financing maturities in 2024. This loan facility was terminated in May 2024 as part of the issuance of € 500 million senior notes maturing in 2031 at an interest rate of 6.5 percent per annum. The long-term financing

structure of the MAHLE Group is further optimized with the issuance of the € 500 million senior notes. The cash inflow from the corporate bond was used to repay maturing financial liabilities and for general corporate purposes. The bond is guaranteed by certain subsidiaries of the MAHLE Group, which also guarantee the new MAHLE syndicated loan concluded in February 2024. In December 2024, MAHLE applied for a one-year extension of the syndicated loan agreement for € 1.2 billion until 2028, which took effect in January 2025 with the consent of all lenders.

In the 2024 business year, cash flow from operating activities amounted to € 502 million in comparison with € 808 million in the previous year. The decrease is due, among other things, to the elimination of the positive one-time effect from the asset-backed securities program newly established in 2023 and higher income taxes paid. Cash outflow from the cash flow from investing activities amounted to € 108 million, which is lower than in 2023. The decrease is mainly due to the cash receipts from the sale of our shares in the Behr-Hella Thermocontrol (BHTC) joint venture on April 2, 2024. Cash flow from financing activities had a net outflow of € 10 million (previous year: net outflow of € 242 million). Proceeds from the issuance of € 500 million senior notes in May 2024 were almost offset by the cash outflow from repayment of financial liabilities as well as interest. In addition, one-off costs in connection with financial instruments led to cash outflows.

## Investments

Despite difficult conditions due to the declining market development in our strongest regions in terms of sales and the delayed ramp-up of e-mobility, we continued to focus on the technological transformation of the MAHLE Group. In the 2024 business year, we invested around € 425 million (previous year: € 491 million) in our tangible fixed assets. The investment ratio, which reflects the relationship between investments and sales, was at the previous year's level of 3.6 percent. The focus of our investments was on our future areas of thermal management and electrification. We deliberately continued the investment focusing on products dependent on combustion engines. The investments made in these product groups were lower than the depreciations of tangible fixed assets. Overall, the Group's ratio of investments to depreciations was 93 percent (previous year: 101 percent).

As in previous years, the largest share of our investments in tangible fixed assets was in our Thermal Management business unit. Following on from the previous year, we invested in the optimization of our location structures in North America. Our investments in this area also focused on the production of products for battery electric vehicles. In our Electronics and Mechatronics business unit, the focus was on expanding capacities for electric compressors at locations in Europe and Asia. In addition, we continued to invest in the expansion of infrastructure for the production of on-board chargers. In the business units of Engine Systems and Components and Filtration and Engine Peripherals, we focused on investments in customer projects. One focus of the investments was on the production of steel pistons at individual locations in Europe and North America.

# Additional performance indicators

In 2024, we invested € 630 million in research and development—the majority of which was in our strategic core areas of electrification and thermal management.

The expertise and dedication of our employees are essential for sustainable development. In the year under review, over 84,000 qualification activities were carried out worldwide.

Cross-process and cross-unit programs enable us to constantly improve the quality of our products. As a result, the number of complaints from customers decreased again in the year under review.

## Employees

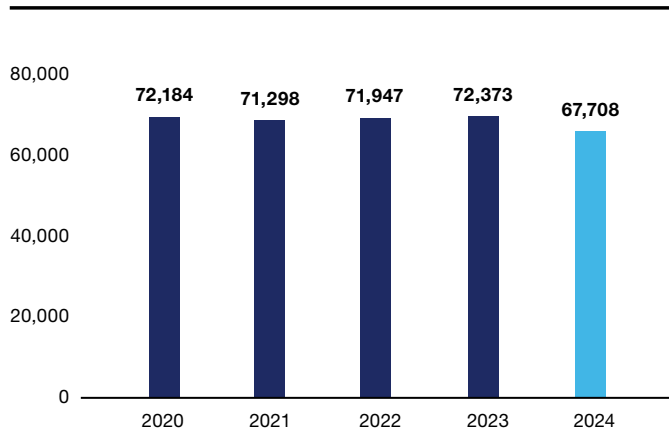
Our employees are a key element for the long-term success of the MAHLE Group. Their expertise, motivation and commitment are the basis for our sustainable development. Accordingly, in the year under review, we also consistently invested in talent development as well as the training and continuous education of our employees while also expanding the global range of digital and in-person training courses on offer even further. Our employees participated in a total of 84,274 qualification activities worldwide (2023: 76,464).

6.4 percent, compared with the previous year. The main reasons for this were the sale of our shares in the Behr-Hella Thermocontrol (BHTC) joint venture with around 1,300 employees and the sale of the thermostats product group with almost 500 employees. Both sales led to a significant decline in the number of employees, especially in Europe, North America, and Asia/Pacific. In addition, the headcount level decreased due to a decline in sales in almost all business units, but mainly in the Engine Systems and Components and Thermal Management units.

At the end of 2024, 67,708 employees were employed by MAHLE worldwide. This corresponds to a decrease of 4,665 people, or

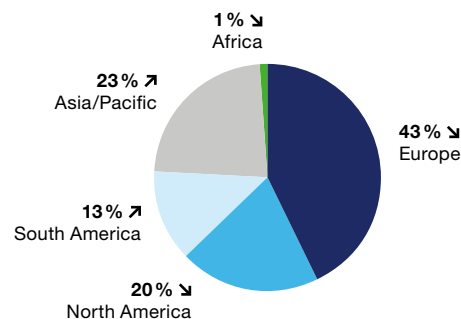
The Group-wide absence rate (excluding joint ventures) fell to 3.8 percent in the year under review (previous year: 3.9 percent).

### HEADCOUNT DEVELOPMENT 2020–2024



### HEADCOUNT BY REGION

Total:  
67,708



The directional arrows show the change in the proportion of employees compared with the previous year:

↑ >2%P, ↗ 0.5%P to 2%P, → -0.5%P to 0.5%P, ↘ -0.5%P to -2%P, ↓ <-2%P

## Employees by region

As at the reporting date of December 31, 2024, the number of employees at our European locations was 29,298. That is 2,392 people or 7.5 percent fewer than in 2023. In addition to the sale of the shareholding and the thermostats product group mentioned, the decrease was mainly due to a reduction in sales caused by the tense economic situation and the challenges of the changing automotive industry, which led to corresponding adjustments to headcount levels.

In North America, we counted a total of 13,627 employees as of the end of 2024, which is 1,687 people or around 11 percent fewer than in 2023. The headcount cutbacks there were mainly in the units of Engine Systems and Components and Thermal Management in Mexico and the USA.

After a sharp decrease in the number of employees in South America in the previous year, the number rose again by 2.8 percent at the end of the year under review. This meant that 238 more people were employed by MAHLE in this region, amounting to a total of 8,673.

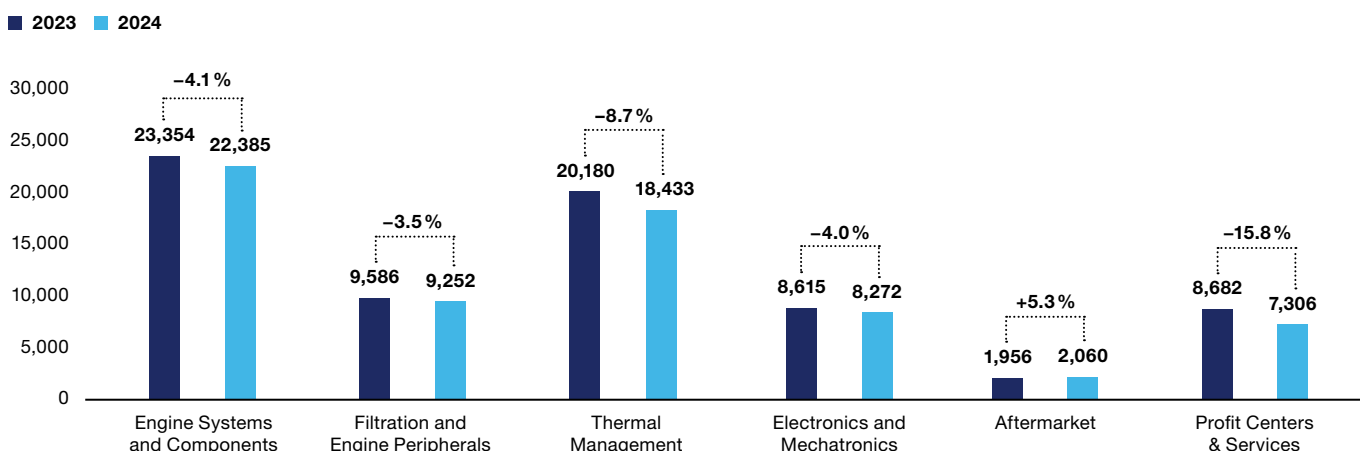
In the Asia/Pacific region, we had 15,394 employees at the end of 2024. This is 747 people or 4.6 percent fewer than in 2023 and was mainly due to the two company sales.

As in previous years, the decline in the number of employees in Africa continued in 2024. At the end of the year under review, there were 716 employees working at our locations, which is a total of 77 people or 9.7 percent fewer than in the previous year.

## Employees by business units

In our Engine Systems and Components business unit, the number of employees decreased by 969 compared with the previous year. Nevertheless, with a share of around 33 percent of the Group workforce, the business unit remained the one with the most employees. The Filtration and Engine Peripherals business unit employed around 14 percent of the Group workforce, which is 334 fewer people than in 2023. The Thermal Management business unit employed around 27 percent of the Group workforce, which is 1,747 fewer people than in the previous year. The Electronics and Mechatronics business unit had 8,272 employees at the end of the business year. This corresponds to a year-on-year decline of 343 employees and a Group share of around 12 percent. At the end of 2024, our Aftermarket business unit, which is the smallest in terms of personnel, employed 2,060 employees, 104 more than last year. In the profit centers and in the central service businesses, the number of personnel decreased by 1,376 to a total of 7,306 employees. This is primarily due to the Control Units profit center, which was dissolved by the sale of our shares in the Behr-Hella Thermocontrol (BHTC) joint venture.

### HEADCOUNT BY BUSINESS SEGMENT



# Technology and innovation

Despite the difficult environment, in the year under review, we invested € 630 million in research and development, reducing the expenses compared to the previous year. The majority of our expenses were in our strategic core areas of electrification and thermal management. In relation to sales, this resulted in a ratio of 5.4 percent in 2024, which was slightly above the previous year's level. As at December 31, 2024, we employed 5,177 employees in this area. In the year under review, MAHLE registered 427 new patents, in addition to 536 further records of invention.

## NUMBER OF NEWLY REGISTERED PATENTS IN 2024:

# 427

BY 5,177 R&D EMPLOYEES

As part of the Group-wide "Back on Track 2025" program, initiatives were carried out in research and development worldwide to further increase efficiency. For example, by merging the advance product development and advanced engineering teams of two business units, the development times for new products have been optimized. In addition, efficiency was improved by creating a transparent measurement of the utilization of testing facilities and by consolidating low-utilization facilities.

As a global partner to automobile manufacturers, MAHLE stands for technological diversity in order to actively contribute to the decarbonization of the mobility sector. Electrification and thermal management as well as efficient, sustainable internal combustion engines are the strategic focus here.

## Selected innovations in the 2024 business year

Two MAHLE innovations in the year under review came from the strategic field of thermal management: evaporative cooling for fuel cell vehicles and a bionic high-performance fan that significantly reduces fan noise from electric vehicles.

Evaporative cooling ensures that temperature-sensitive fuel cells are kept within the optimum temperature window. It uses the cooling effect of evaporating water by spraying water onto the coolant cooler via a grating. This achieves up to 50 kW more cooling capacity.

The bionic fan significantly reduces fan noise from commercial vehicles and even small electric passenger cars. It was modelled on the feathers of owls, which have a sound-reducing effect when flying. The fan reduces the fan noise of a truck by up to 4 dB(A),

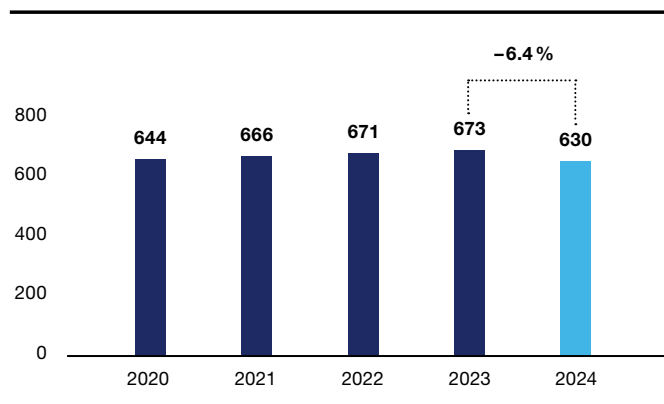
which corresponds to halving the sound level. The bionic design also improves efficiency by 10 percent, while the weight also decreases by 10 percent.

MAHLE also demonstrated its system understanding in the year under review. At IAA Transportation, one of the things the Group demonstrated was its systemic approach to a fuel cell truck with fuel cell peripherals, thermal management, and a fully functional heavy-duty e-axle. As a technology demonstrator, the e-axle illustrated the complete integration of two SCT electric motors as well as the complete liquid management system. With this overall set-up, MAHLE demonstrated the suitability of its innovations for series production and its ability to develop and optimize its technologies for a wide range of electric vehicle applications.

Later in the year, we reached an agreement with Valeo to expand our product portfolios for magnet-free electric motors (Electrically Excited Synchronous Machines, EESM) for the upper segments of electric vehicles in a partnership. One of the aims here is to develop an innovative magnet-free e-axle. MAHLE contributes to this project with its expertise in magnet-free rotors—MAHLE Contactless Transmitter (MCT). In addition, the partners are developing an innovative cooling concept to achieve the best possible ratio of continuous to peak performance.

The non-profit, internationally recognized association for the advancement of mobility technologies, SAE International, published the inductive positioning system (DIPS—Differential Inductive Positioning System) from MAHLE under the designation SAE J2954 as a global standard solution for wireless charging. As the e-vehicle approaches, DIPS automatically establishes a connection with the controlled charging point in the ground using a magnetic field. A special navigation system in the vehicle display helps to put the vehicle in the ideal position. The charging process begins automatically.

**R&D EXPENDITURE 2020–2024**  
in € millions



MAHLE Smartbike Systems introduced two new drives for e-bikes: the robust and functional X30 motor complements the X-Series system platform. The XS system can be used to convert standard bike frames to e-bikes as the drive dispenses with a large internal battery and instead uses the compact external battery eX1 as an exclusive energy source. MAHLE Smartbike Systems also presented the Energy Hub, which is a minimalist charger that allows cyclists to charge the battery and other electronic devices at any time.

In the spare parts and service business for automotive workshops, MAHLE further expanded its position as a global full-service provider and supplemented its portfolio primarily with products for diagnosing and maintaining electric vehicles. E-CARE Fluid is a new part of the BatteryPRO product line. Workshops can use this solution to automatically drain and refill the battery cooling circuit of an electric vehicle as well as identify potential leaks. The TechPRO® 2 diagnostic tool has an improved user interface. It is ready for immediate use thanks to the automatic vehicle detection. It provides access to MAHLE remote diagnostics and electric and hybrid vehicles can be read out using the E-SCAN function.

## Purchasing

As part of “Back on Track 2025”, initiatives in Purchasing to reduce material costs from the previous year were continued and new activities introduced. For example, measures to reduce material costs through technical or procedural adjustments were identified, evaluated, and implemented with selected suppliers.

MAHLE has made a voluntary commitment to a Scope 3 emissions reduction of 28 percent by 2030 compared to the base year of 2019. This will be implemented gradually on the purchasing side. In addition, numerous ESG criteria, such as compliance with human rights, fair working conditions and protection of the environment, have featured heavily in the various contracts we awarded. We ensure compliance with the code of conduct and check the sustainability self-disclosures requested by conducting global human rights audits in accordance with the German Association of the Automotive Industry (VDA) RSCI standard. This package of measures enables us to maintain process reliability as well as the quality of goods and services purchased.

## Production

Initiatives for process optimization and cost improvement were carried out in production as part of the “Back on Track 2025” program. For example, cost improvement potential was identified and realized in the plants by implementing sprints. Six “CapEx Conventions” also took place in the year under review. Optimization potential for internal customer projects was identified and then implemented in global and cross-functional teams.

Digitalization initiatives also played a major role. The “Industrial Internet of Things” (IIoT) platform was successfully implemented in additional plants in 2024. To protect against cyber attacks intended to disrupt the control and monitoring of industrial processes, our focus in the year under review was also on the topic of “Operational Technology (OT) Security”. We have significantly increased our capacities in this area through a centralized organizational structure in order to provide our plants with targeted support.

## Quality management

In the area of quality management, MAHLE is committed to ensuring the highest quality standards for all products and services. This is ensured by our uniform, Group-wide management system, which complies with the requirements of IATF 16949.

IN 2024, MAHLE RECEIVED

83

QUALITY AWARDS

Ambitious quality targets are also a core component of annual corporate planning. Group-wide reporting on quality data ensures that precise information on the quality performance of all units is available at all times. Furthermore, cross-unit and cross-process improvement programs mean the quality of MAHLE products and services can constantly be improved, waste costs can be reduced, and quality awareness within the company can be further promoted.

We recorded positive figures for customer complaints again. In the 2024 business year, the automotive area managed to significantly reduce the number of complaints. Comprehensive improvement programs further reduced the number of faulty parts delivered. In recognition of our quality work, we received 83 customer awards in the 2024 business year.

# Occupational safety, the environment and climate protection

Sustainability is practiced across the MAHLE Group. Our focus is in particular on occupational safety, the environment and climate protection. Regular risk assessments form the basis for continuous improvement in these areas. We check compliance with the objectives and implementation of protective measures by conducting audits and visits.

# 121

## MAHLE SITES ARE ALREADY ISO 45001 CERTIFIED

A central component is the occupational health and safety management system in accordance with ISO 45001. By the end of 2024, we certified seven more plants, making a total of 121 locations in accordance with the ISO 45001 occupational health and safety management system.

In order to harmonize safety levels and reduce accidents, occupational safety standards are continuously being developed. For example, the accident rate, which indicates the number of accidents resulting in loss of work based on one million hours worked, was able to be reduced to 2.1 worldwide in 2024. The Gurgaon/India plant received the MAHLE Safety Excellence Award for its outstanding performance in the field of occupational safety in 2024. At the time of the award in June 2024, the plant had not recorded a single accident with loss of work for over 2,600 days.

Our approach to the environment and climate protection covers the entire value chain, from the supplier side through to the recycling of the products. Existing products, raw materials, and processes are regularly reviewed and optimized to minimize the environmental impact. We strive to establish environmental management systems in accordance with ISO 14001 or EMAS at our locations. In 2024, two further plants have been certified according to the ISO 14001, making a total of 132 locations certified in accordance with ISO 14001 at the end of the year.

MAHLE is increasingly integrating climate-relevant aspects into its core processes. The largest proportion of our carbon footprint is caused by emissions in the supply chain and the use of our products (Scope 3). We have accordingly also set targets for reducing emissions in the supply chain and in product use, in addition to the targets for reducing emissions and energy consumption in MAHLE production (Scope 1 and 2). In 2023, the Science Based Targets initiative (SBTi) confirmed the 2030 climate targets of the MAHLE Group to be science-based and ambitious. This means they are in line with the goals of the Paris Climate Agreement.

The Carbon Disclosure Project (CDP) rated our measures to reduce greenhouse gas emissions in February 2025 as "A" (on a scale of A to D). This puts MAHLE on CDP's A-list, which distinguishes leading companies in the field of climate protection and transparency. EcoVadis awarded us 66 points out of 100 for all our sustainability activities, placing MAHLE in the top 5 percent of automotive suppliers.

Detailed results of our sustainability activities can be found in the 2024 Sustainability Report.

# Opportunity and risk report

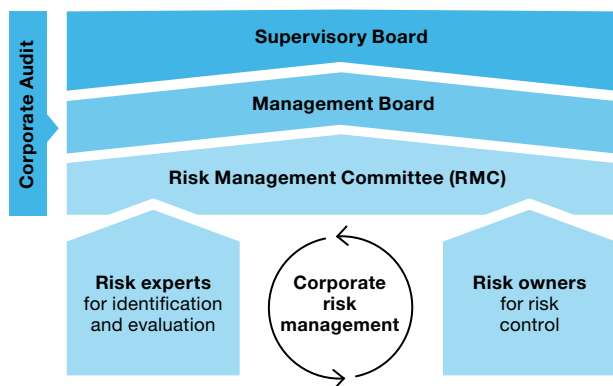
**Our business activities are consistently based on the opportunities and risks identified using our management system.**

**Both our global presence and our diversified customer and product portfolio are stabilizing factors. This means that declines in demand from individual customers or markets can be partially absorbed.**

**Regular training and awareness measures on the topic of cybersecurity support technical and procedural security measures.**

We assess opportunities and risks from our business operations with the help of a management system. We use the insights gained from this to adjust our actions accordingly. Our Group-wide Internal Audit department regularly checks the compliance and efficiency of our processes and control systems using annually revised audit plans.

## SCHEMATIC DIAGRAM OF RISK MANAGEMENT AT MAHLE



The transformation of the automotive industry, geopolitical developments, cost increases, and the uncertainty of end customers are shifting our risk focus. We currently see cyber attacks, cyber sabotage, trade barriers, for example in the form of tariffs, and a potential slump in sales as the most significant risks. In order to manage the risks, we have established a systematic risk management process.

## Market and technology trends

We identify long-term market and technology trends in a systematic scenario-based approach. The starting point is a base scenario that includes the development of our business areas, regions, products, and markets up to 2035. Based on this, we subject our company to a stress test in various dimensions with the “Extreme Scenarios 2035”, for example for markets, regions, drive types, output numbers and technologies. Through this systematic approach, we ensure that we identify opportunities and risks at an early stage. Findings from these analyses are incorporated into decisions about future business segments and new production processes. We map the measures derived from this in corporate strategic and budget planning. In the course of management reporting, we monitor whether and how the steps adopted are implemented.

Opportunities and risks arise, for example, from increasing awareness in the markets for environmental and sustainable aspects, as well as from new standards for the reduction of emissions. That is why we incorporate all relevant topics into our international research and development activities at an early stage and rely on a wide range of technologies to improve the efficiency of all powertrain solutions, as well as a comprehensive, intelligent thermal management system. This enables us to offer our customers competitive and innovative products at all times. Due to our steadily growing portfolio of electric traction drives, power electronics and auxiliary units, as well as other products in electric powertrains, we are benefiting from the expanding market for electric motor vehicles.

We have strengthened these activities in a targeted manner through several acquisitions, which have since been integrated into our Group. With the help of acquisitions, we have also significantly expanded our thermal management business in recent years and added air conditioning compressors to our product portfolio, as well as strengthened our regional presence in Asia. MAHLE thus has the necessary resources and expertise to develop components for the growing market for hybrid and electric vehicles.

## EXTREME SCENARIOS FOR THE YEAR

# 2035

## STRESS TEST FOR LONG-TERM MARKET AND TECHNOLOGY TRENDS

Numerous factors can have a strong impact on market developments and therefore also on the business development of our company. These include, for example, geopolitical tensions or wars, such as the Russian invasion of Ukraine or the Israel-Palestine conflict, interruptions in the supply chain, economic fluctuations or even economic slumps, changes in the political framework conditions in individual regions, trade difficulties, and the increasing number of competitors, especially from Asia. We continuously monitor these developments. Our diversified positioning and global presence serve as important stabilizing factors and help us to deal with market and customer risks. Our highly diversified customer and product portfolio also contributes to this. This ensures at least partial compensation for declines in demand in individual markets or from individual customers. We consider a global market slump, like the one in 2009, to be one of the greatest risks for our Group. Unforeseeable events such as the Covid-19 pandemic and its consequences, which included a global shortage of semiconductors, or major geopolitical events such as the Ukraine war lead to price increases, energy shortages, and cuts in the availability of raw materials. Global trade is also changing. For example, import and export tariffs or import and export restrictions on vehicles, parts or raw materials are increasingly influencing the regional distribution of automobile production. Through early warning systems and action plans in place, we are limiting the consequences of such circumstances to the best of our ability.

The plans and discussions about an end to the internal combustion engine and driving bans in Europe are major sources of uncertainty for the entire automotive industry. We are taking measures in an effort to mitigate any economic effects of a technology shift at an early stage. These might also result from possible changes to the legal framework, such as certain countries imposing a ban on internal combustion engines in passenger cars from a certain future date. To prepare for such future scenarios, we look to our strategy of actively supporting the transition to sustainable mobility in the areas of electrification and thermal management, as well as components for sustainable internal combustion engines. We are seeking to continuously increase the share of sales that is not dependent on the internal combustion engine, even if there are currently delays and associated risks in the ramp-up of e-mobility.

## Procurement and production

The focus of our risk management is to maintain the global supply of purchased parts and minimize negative impacts from procurement markets. Regular supplier assessments to identify risks are the basic prerequisite for this. We have stepped up these activities in recent years and are continuously making them more professional. We ensure the independence of our suppliers as well as compliance with the Supply Chain Act and all compliance requirements. A global monitoring system provides a quick overview of (natural) disasters, strikes, and insolvencies. This increases transparency and reduces risk in the supply chain. Inflation and volatile requirements at a low level in the supply chain currently represent a significant risk. These are risks that could lead to bottlenecks in the supply of purchased parts and therefore to production interruptions or a failure of the supplier and are reported to the Supply Risk Committee. This committee is led by the Central Purchasing management and consists of members from a number of different departments across the company, including Sales, Logistics, Production, Development, Controlling and Quality in order to achieve the best possible limitation of risk.

In the year under review, the main focus in the area of production was on the topic of “Operational Technology (OT) Security”. The central organizational structure in this area ensures that the plants can be supported even better in all matters and questions relating to OT Security in the future. The systematic upgrade is intended to ensure unrestricted production, including digital elements, and strengthens the operational areas. Another important topic in 2024 was process optimization in the plants. Improvements in efficiency were driven by further training programs, such as lean qualifications. In addition, cross-functional cooperation between Logistics, Purchasing and Production was intensified in order to create Group-wide transparency, quickly assess unplanned events, and secure the production processes as well as the value chain of the plants in the best possible way.

Our Group is audited and certified according to recognized ISO standards and similar requirements in our sector, for example with regard to quality, environmental protection and occupational safety. This means our company is subject to important external controls to limit risk. We have obtained cover for business interruption resulting from damages as well as liability risks to an economically reasonable extent through insurance policies.

In order to avoid complaints and warranty claims as well as to reduce the economic risks of rejects, rework, and inadequate field quality, we have defined cross-functional offset measures. Our development processes are constantly put to the test and optimized in order to minimize risks that could arise from further increasing demands from our customers with regard to the assumption of warranties, increasing product safety requirements, or additional costs due to delayed series launches. To the extent required by law, liabilities for quality and warranty cases that have been caused and become known by the balance sheet date and that will be paid out after the balance sheet date are covered by provisions as part of risk provisioning.

## Financial management

Through our systematic Group-wide financial management, we ensure that we make optimum use of the financing options available on the banking and capital markets. The liquidity risk is covered by diversified financing facilities with staged maturity profiles, which, according to current knowledge, significantly exceed the foreseeable medium-term financing requirements of our Group. When designing our financing mix, we take into account security, flexibility and cost aspects. The aim is to secure the financial independence of our Group, limit financing risks and ensure that we can take advantage of business opportunities at any time. Our financing is based on several stable pillars.

For reasons of financing and planning security, we aim to renew maturing financing with sufficient lead time. This was reflected in the 2024 business year by the conclusion of a new syndicated loan and the issuing of a bond.

We identify currency exposure using our Group-wide planning and reporting system. In accordance with uniform Group-wide principles, we counteract these risks to a large extent and use non-predictive hedging transactions over a horizon of up to one year for this purpose. As a rule, hedging transactions relate to over-the-counter (OTC) FX forwards or swaps in the form of portfolio hedges. The use of derivative financial instruments is necessarily bound up with the existence of an underlying operational transaction. Expected and not yet invoiced currency exposure is covered with continuously declining hedging grades. The resulting hedging relationship generates evaluation units under the critical term match method.

The interest rate risk is subject to scenario analyses. Rising market interest rates lead to higher interest expenses for MAHLE, which gradually affect the income statement over the time frame of the existing fixed interest rates. OTC hedging transactions and other financial transactions give rise to counter-party risks with financial institutions, which we identify and assess using the uniform Group-wide reporting system. If defined limits are exceeded, the counter-party risk is reduced through targeted risk diversification.

# Human resources, IT, and accounting

Today and looking forward, employee commitment is a cornerstone of our success. Highly talented and motivated employees are of central importance to us. That is why it is important for MAHLE to recruit suitable personnel, to continuously support and develop employees and to retain them in our company in the long term. In the year under review, a global employee survey was carried out for the second time in order to specifically improve employee retention, motivation, and empowerment. The first survey took place in the previous year.

In addition, systematic talent development offers our employees attractive development opportunities, while a comprehensive personnel marketing and recruiting concept allows us to make direct contact with potential applicants at an early stage. This helps us ensure that vacancies can be filled promptly with qualified staff. In order to secure the future of our Group in the long term and to be able to take advantage of opportunities arising from changes in the market and technology, we align our personnel requirement planning with developments in relevant markets as well as strategically important technologies and business segments. Performance-based remuneration and modern pension schemes as well as training and development measures aim to motivate and retain employees in strategically important positions.

In IT, specifications, processes, and security technologies protect against unauthorized data access or misuse by internal and external perpetrators, and ensure compliance with regulations. Defined security standards according to ISO 27001 and BSI include not only technical specifications for hardware and software, but also functional security structures, organizational precautions, and specific policies and directives.

The IT systems classified as critical for operations under existing supply agreements (SLAs) are operated largely redundantly and are also secured through a back-up data center. Detailed back-up and recovery procedures reduce the risk of serious disruptions, in particular by safeguarding access procedures and mirroring and archiving data on a daily basis. Continuous awareness measures and training as well as upskilling of user groups support the technical and procedural security measures. These holistic measures are intended to protect against cyber attacks, which are now seen as one of the greatest risks due to known incidents in the sector.

In the accounting process, the internal control and risk management system aims to ensure the compliance and effectiveness of accounting and financial reporting. In addition to guidelines and principles, the system includes measures designed to prevent or detect accounting and reporting errors. The consolidated financial statements are prepared centrally on the basis of the data reported by the subsidiaries. We ensure compliance with MAHLE policies through systemic controls, specialist advice, audit routines and plausibility checks of data performed by Group Accounting and by management reviews.

## Regulations and legislation

Policies as well as organizational and work instructions guarantee compliance with statutory requirements. By involving internal and external experts in the processes at an early stage, we minimize risks that could arise, for example, from tax, labor, competition, patent, antitrust, data protection and environmental regulations and legislation. Key elements of our compliance structure are the MAHLE Business Code, our global compliance organization, the whistleblowing system for internal and external compliance-related communications and the training concept for the relevant risk areas and measures for prevention.

## Overall assessment

Overall, no risks are currently observable that could endanger the continued existence of our Group, provided that development-impairing risks or extreme global crises, such as the Covid-19 pandemic, do not occur multiple times in quick succession.

# Outlook

**In view of the many market uncertainties, we anticipate restrained development for the vehicle markets.**

**In order to strengthen our strategic future fields of electrification and thermal management structurally and industrially, our business units were merged from five into three as of January 1, 2025.**

**We expect a slight improvement in sales in 2025.**

## Overall economic development

According to the January 2025 report, the IMF forecasts that global economic growth will be around 3 percent in 2025. This means that economic output is stable compared to the previous year. The expectations are shaped by uncertainties. These result in particular from the persistence of geopolitical tensions and the associated price fluctuations, especially for commodities, which could hinder a further decline in the global inflation rate. Furthermore, an increasingly protectionist trade policy and sudden fluctuations on the financial markets can hamper growth. The IMF predicts that growth in emerging markets and developing economies will be significantly higher at around 4 percent in 2025 than in the advanced economies at around 2 percent.

### IMF FORECAST AROUND

# 3%

### GLOBAL ECONOMIC GROWTH IN 2025

The forecast for the euro zone is 1 percent, slightly above the previous year's level. Germany's economic growth is predicted to be below 1 percent, which represents a slight recovery. In North America, growth is expected to be around 3 percent in the USA, which is the same as the previous year's level. The IMF expects stable labor markets and accelerated investment in the USA. In Brazil, which is the largest economy in South America, economic growth of around 2 percent is anticipated. This is below the previous year's level. Due to the continued weakness of the real estate

sector and low consumer confidence, the IMF forecasts growth of around 5 percent for the Chinese economy, which is slightly below the previous year's level. The Japanese economy is expected to grow by 1 percent, which represents a clear recovery.

## Development of the vehicle markets

### Development of the markets for passenger cars and light commercial vehicles

We expect global production of passenger cars and light commercial vehicles to record no growth in 2025. The market continues to be afflicted by several elements of uncertainty. Geopolitical tensions in the form of armed conflicts and increasing protectionism in the major automotive markets, which has been reinforced by the new US administration, could also have an impact on vehicle production. Vehicle prices have also risen sharply, which, combined with weaker purchasing power due to inflation, could lead to dampened demand in the important sales markets.

We expect the decline in vehicle production to continue in Europe. The Russian war in Ukraine, the potential imposition of punitive tariffs in the USA and China, and the expected weak economic development, including in connection with short-time work, are clouding the outlook considerably. Demand is likely to remain subdued. At the same time, manufacturers must significantly increase their sales of electric vehicles in order not to miss the CO<sub>2</sub> targets and thus avoid imminent fines. In Asia/Pacific, development is also

**North America**

Overall economy*	↑
Passenger cars and light commercial vehicles	↘
Medium-sized and heavy-duty commercial vehicles	↓

**South America**

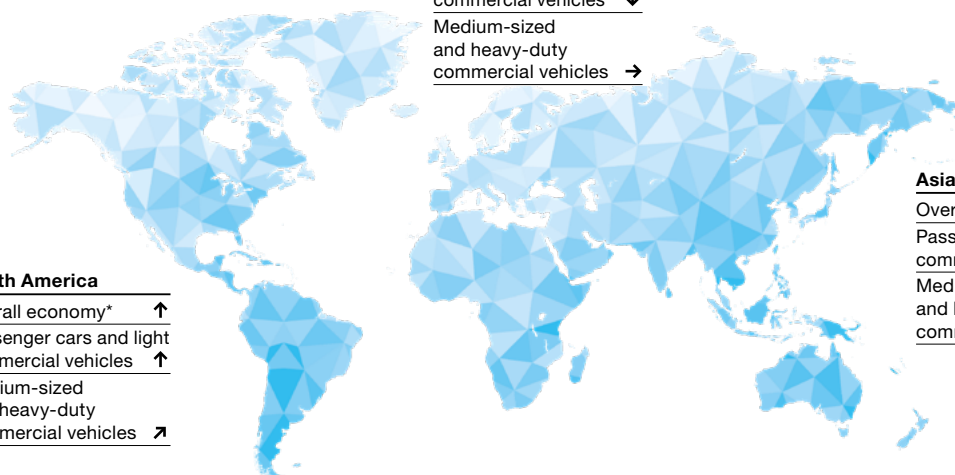
Overall economy*	↑
Passenger cars and light commercial vehicles	↑
Medium-sized and heavy-duty commercial vehicles	↗

**Europe**

Overall economy*	↗
Passenger cars and light commercial vehicles	↓
Medium-sized and heavy-duty commercial vehicles	→

**Asia/Pacific**

Overall economy*	↑
Passenger cars and light commercial vehicles	↗
Medium-sized and heavy-duty commercial vehicles	→



The directional arrows show the change compared with the previous year:  
 ↑ >2%, ↗ 0.5% to 2%, → -0.5% to 0.5%, ↘ -0.5% to -2%, ↓ <-2%

\* IMF Report, January 2025

expected to be subdued in most Asian submarkets. In particular, the export-rich markets of Japan and South Korea would suffer from possible punitive tariffs. In North America, we expect production figures to continue to decline and a very highly volatile US administration to lead to uncertainty. In South America, on the other hand, the trend toward a recovery should continue.

**Development of the markets for medium-sized and heavy-duty commercial vehicles**

In the medium-sized and heavy-duty commercial vehicle segment, we expect slight growth in 2025. In Europe, we expect a slight increase in production figures after the slump in 2024. On the other hand, a further cyclical decline is expected in North America as the current emissions legislation is expected to lead to an increase in 2026 in particular. We expect an increase in production in China. In the Asia/Pacific region, a recovery is forecast for the coming year after the slump in 2024. We expect vehicle production to continue to increase in the South America region.

**Development of the MAHLE Group**

We expect the market environment to remain volatile and challenging in 2025. Geopolitical tensions, loss of purchasing power caused by inflation, and increasing protectionism—in the form of trade tariffs, for example—lead to uncertainty. It is also difficult to estimate how the regulations on climate protection targets in the automotive sector will develop. For example, the stringent EU fleet-wide CO<sub>2</sub> emissions targets in 2025 could have a negative impact on combustion vehicles in the event of weak demand for electric vehicles. Assuming that the economic and political situation does not worsen, we are nevertheless forecasting a slight organic increase in sales for the MAHLE Group for the 2025 business year. We expect the operating result, which is used purely for internal management purposes, to improve significantly compared to the previous year, partly due to measures to increase profitability as part of the Group-wide “Back on Track 2025” program. Due to the absence of extraordinary income from the sale of shareholdings, we expect EBIT to fall slightly.

Despite the economic burden, we continue to focus on the technological transformation and our strategic goals. We will press ahead with our future topics with great intensity and focus our attention in the short and medium term on positioning our company sustainably and successfully for the future. Accordingly, the focus in the 2025 business year will be on a Group-wide transformation in order to make the pursuit of our strategy MAHLE 2030+ more efficient and faster.

In order to strengthen our strategic future fields of electrification and thermal management structurally and industrially, our business units were reduced from five to three as of January 1, 2025. The previous business units of Engine Systems and Components, and Electronics and Mechatronics were merged into the new Powertrain and Charging business unit. In this business unit, the future fields of efficient electric motors and intelligent charging will benefit from the Group's many years of expertise in motor systems and components. The Filtration and Engine Peripherals and Thermal Management business units have merged into the new Thermal and Fluid Systems business unit. Through the merger, the new business unit can realize synergies from joint manufacturing technologies and place competitive technologies of the future on the market. With its established product range and additional expertise in electrification and digitalization the Aftermarket business unit continues to operate as a separate business unit under the new name of Lifecycle and Mobility. The three profit centers of Motorsports and Special Applications, Large and Small Engine Components, and Industrial Thermal Management were integrated into the business units. As part of the streamlining of the Group structure, the Management Board was reduced from seven to four members.

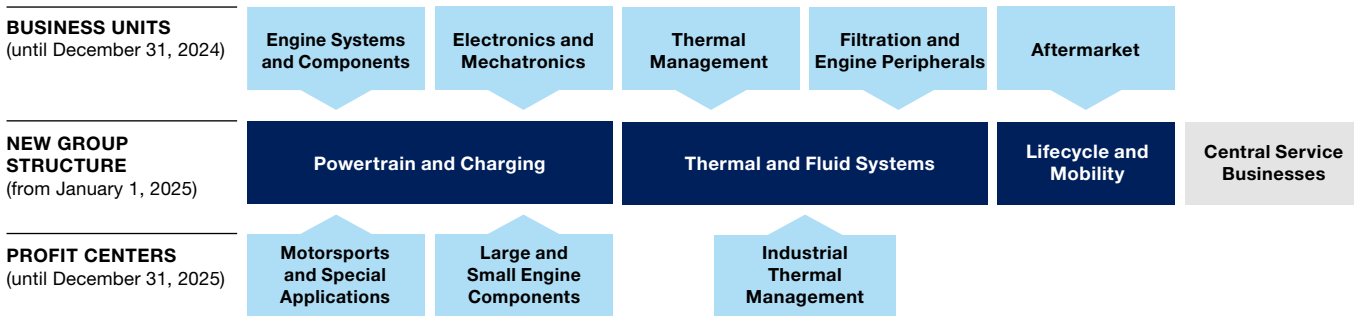
The MAHLE Group also acquired the remaining minority shares of just under 25 percent in the Group subsidiary MAHLE Behr GmbH & Co. KG as of January 1, 2025. This enables further growth potential in the area of thermal management and the full integration of the company into the Group.

We will systematically continue the "Back on Track 2025" program to strengthen our profitability and safeguard our liquidity. The measures introduced in Purchasing, Production, Administration, Sales, and Development will lay the foundation for the long-term strengthening of our competitiveness. We are also continuing to systematically review our locations worldwide. Our structural reviews have revealed that we will be taking further capacity measures at our location in Hambach/France, and closing our location in Charleston/USA, at the beginning of 2025. In the Asia/Pacific region, our location in Busan/South Korea, will be closed in 2025.

We see economic success as the foundation for the implementation of our future strategies. It allows us to invest in research and development, establish new business areas and make acquisitions to complement our portfolio. In order to maintain and expand a strong base, we strive for sales growth with a clear priority on sustainable profitability. Our financial independence and resilience to potential crises are always a priority for us. Accordingly, we pay attention to a healthy balance sheet structure and a moderate net debt ratio. The supporting pillars of our financial policy are, therefore, a solid equity base and long-term secured liquidity based on a stable operating cash flow and diversified financing sources and instruments.

This report contains forward-looking statements that are based on current estimates of future developments and are accordingly subject to risks and uncertainties that are beyond our control and cannot be assessed precisely. This may cause actual results to differ from the statements made here.

## MAHLE GROUP



# Consolidated financial statements

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# Consolidated balance sheet

As at December 31, 2024, in € thousand

	Dec. 31, 2024	Dec. 31, 2023
<b>ASSETS</b>		
<b>A. Fixed assets</b>		
<b>I. Intangible assets</b>		
1. Purchased concessions, industrial and similar rights and assets, as well as licences in such rights and assets	58,988	100,903
2. Goodwill	54,055	100,479
3. Prepayments	515	480
	<b>113,558</b>	<b>201,862</b>
<b>II. Property, plant, and equipment</b>		
1. Land, leasehold rights, and buildings including buildings on third-party land	957,910	922,224
2. Technical equipment and machinery	1,346,553	1,337,551
3. Other equipment, fixtures, and furniture	117,902	125,505
4. Prepayments and assets under construction	362,067	528,320
	<b>2,784,432</b>	<b>2,913,600</b>
<b>III. Financial assets</b>		
1. Shares in affiliated companies	664	1,131
2. Shares in associated companies	22,820	22,986
3. Equity investments	1,632	1,835
4. Loans to companies in which participations are held	90	90
5. Long-term securities	14,438	13,881
6. Other loans	8,731	37,963
	<b>48,375</b>	<b>77,886</b>
	<b>2,946,365</b>	<b>3,193,348</b>
<b>B. Current assets</b>		
<b>I. Inventories</b>		
1. Raw materials, consumables, and supplies	667,629	686,850
2. Work in process	183,005	210,021
3. Finished goods and merchandise	626,159	663,206
4. Prepayments	6,939	13,091
5. Prepayments received	-89,902	-96,329
	<b>1,393,830</b>	<b>1,476,839</b>
<b>II. Receivables and other assets</b>		
1. Trade receivables	1,658,867	1,730,863
2. Receivables from affiliated companies	12,452	9,451
3. Receivables from companies in which investments are held	1,199	1,431
4. Other assets	457,390	614,572
	<b>2,129,908</b>	<b>2,356,317</b>
<b>III. Other securities</b>	<b>10,401</b>	<b>28,706</b>
<b>IV. Cash in hand, bank balances, and checks</b>	<b>849,362</b>	<b>813,399</b>
	<b>4,383,501</b>	<b>4,675,261</b>
<b>C. Prepaid expenses</b>	<b>26,455</b>	<b>30,431</b>
<b>D. Deferred tax assets</b>	<b>308,844</b>	<b>284,074</b>
<b>E. Excess of plan assets over post-employment benefit liability</b>	<b>23,973</b>	<b>19,814</b>
	<b>7,689,138</b>	<b>8,202,928</b>

	Dec. 31, 2024	Dec. 31, 2023
<b>EQUITY AND LIABILITIES</b>		
<b>A. Equity</b>		
I. Subscribed capital	150,000	150,000
II. Capital reserves	166,430	166,430
III. Retained earnings	1,454,630	1,450,975
IV. Equity impact from currency translation	-190,064	-187,330
V. Consolidated unappropriated retained earnings	8,161	8,128
VI. Non-controlling interests	-41,032	22,584
	1,548,125	1,610,787
<b>B. Badwill</b>	3,400	33,895
<b>C. Provisions</b>		
1. Provisions for pensions and similar obligations	837,258	841,420
2. Provisions for taxes	151,634	116,559
3. Other provisions	1,524,118	1,640,035
	2,513,010	2,598,014
<b>D. Liabilities</b>		
1. Bonds	1,250,000	780,000
2. Liabilities to banks	760,507	1,385,035
3. Payments received on account of orders	6,533	9,595
4. Trade payables	1,141,668	1,302,146
5. Liabilities on bills accepted and drawn	93,232	69,562
6. Liabilities to affiliated companies	7,342	5,184
7. Liabilities to companies in which investments are held	1,395	2,532
8. Other liabilities	337,046	366,483
<i>thereof from taxes: 84.305 (prev. yr.: 136.010)</i>		
<i>thereof relating to social security and similar obligations: 43.264 (prev. yr.: 41.398)</i>		
	3,597,723	3,920,537
<b>E. Deferred income</b>	26,880	39,695
	7,689,138	8,202,928



# Consolidated income statement

From January 1 to December 31, 2024, in € thousand

	2024	2023
<b>1. Sales</b>	<b>11,681,241</b>	<b>12,817,826</b>
2. Cost of sales	-9,750,551	-10,884,496
<b>3. Gross profit on sales</b>	<b>1,930,690</b>	<b>1,933,330</b>
4. Selling expenses	-586,431	-617,694
5. General administrative expenses	-603,710	-591,967
6. Research and development expenses	-629,650	-673,332
7. Other operating income	946,111	867,102
<i>thereof from currency translation: 365.218 (prev. yr.: 392.612)</i>		
8. Other operating expenses	-670,476	-588,030
<i>thereof from currency translation: -375.131 (prev. yr.: -353.311)</i>		
9. Investment income	24	496
10. Income from other securities and long-term loans	274	11
11. Result from associated companies	876	1,668
12. Other interest and similar income	42,690	39,865
<i>thereof from affiliated companies: 758 (prev. yr.: 494)</i>		
<i>thereof income from discounting: 428 (prev. yr.: 822)</i>		
13. Impairment of financial assets and of securities	-8,004	0
<i>thereof on shares in affiliated companies: -42 (prev. yr.: 0)</i>		
<i>thereof on shares in associated companies: -6.721 (prev. yr.: 0)</i>		
14. Expenses from the transfer of losses	-5,909	-6,562
15. Interest and similar expenses	-178,178	-199,432
<i>thereof to affiliated companies: -40 (prev. yr.: -34)</i>		
<i>thereof expenses from discounting: -19.012 (prev. yr.: -22.453)</i>		
<b>Result from business activities</b>	<b>238,307</b>	<b>165,455</b>
16. Taxes on income	-187,076	-108,570
<i>thereof income from deferred income taxes: 35.667 (prev. yr.: 74.375 income)</i>		
<b>17. Result after taxes</b>	<b>51,231</b>	<b>56,885</b>
18. Other taxes	-28,848	-30,915
<b>19. Consolidated net income/net loss</b>	<b>22,383</b>	<b>25,970</b>
20. Consolidated unappropriated retained earnings prior year	8,128	5,177
21. Dividend distribution	-8,000	-5,100
22. Transfer to (-)/Withdrawal from retained earnings (+)	-14,045	42,774
23. Profit applicable to non-controlling interests	-88,879	-151,265
24. Loss applicable to non-controlling interests	88,574	90,572
<b>25. Consolidated unappropriated retained earnings</b>	<b>8,161</b>	<b>8,128</b>

# Consolidated cash flow statement

From January 1 to December 31, 2024, in € thousand

	2024
<b>1. Cash flows from operating activities</b>	
Profit for the period (consolidated net income/net loss including profit and loss applicable to non-controlling interests)	22,383
+/- Depreciation, amortization, and write-downs of fixed assets/reversals of write-downs of fixed assets	548,029
+/- Increase/decrease in provisions	-105,792
+/- Other non-cash expenses/income	-6,525
-/+ Increase/decrease in inventories, trade receivables, and other assets not related to investing or financing activities	247,762
+/- Increase/decrease in trade payables and other liabilities not related to investing or financing activities	-114,817
-/+ Gain/loss on disposal of fixed assets	-33,099
+/- Interest expense/interest income	135,215
- Other investment income	-900
+/- Expenses/income from the transfer of losses/gains	5,909
+/- Expenditure/income of exceptional size and incidence	-134,238
+/- Interest payments/receipts related to interest other than for the provision of capital	3,520
+/- Income tax expense/income	187,076
- Cash payments relating to expenditure of exceptional size and incidence	-65,417
-/+ Income taxes paid	-187,002
	<b>502,104</b>
<b>2. Cash flows from investing activities</b>	
+ Proceeds from disposal of intangible fixed assets	137
- Payments to acquire intangible fixed assets	-2,453
+ Proceeds from disposal of tangible fixed assets	30,041
- Payments to acquire tangible fixed assets	-423,863
+ Proceeds from disposal of long-term financial assets	29,884
- Payments to acquire long-term financial assets	-6,639
+ Proceeds from disposals of entities included in the basis of consolidation	4,913
- Payments to acquire entities included in the basis of consolidation	-7,416
+ Cash receipts from the investment of cash funds for short-term cash management	126,897
- Cash payments for the investment of cash funds for short-term cash management	-103,380
+ Cash receipts from grants/subsidies received	2,775
+ Cash receipts relating to income of exceptional size and incidence	225,026
- Cash payments relating to expenditure of exceptional size and incidence	-2,220
+ Interest received	23,339
+ Dividends received	648
+/- Cash received/cash payment due to transfer of gains/losses	-5,909
	<b>-108,220</b>

	2024
<b>3. Cash flows from financing activities</b>	
+ Proceeds from the issuance of bonds and from borrowings	702,069
– Cash repayments of bonds and borrowings	–520,954
– Interest payment due to leasing agreements	–84
– Cash payments relating to expenditure of exceptional size and incidence	–27,231
– Interest paid	–122,345
– Dividends paid to shareholders of the parent entity	–8,000
– Dividends paid to minority shareholders	–33,339
	<b>–9,884</b>
<b>4. Cash funds at end of period</b>	
Net change in cash funds (subtotals 1 - 3)	384,000
+/- Effect on cash funds of exchange rate movements and remeasurements	–84,703
+/- Effect on cash funds of changes in the basis of consolidation	351
+ Cash funds at beginning of period	507,611
	<b>807,259</b>
Cash-in-hand, bank balances, and checks	813,399
– Bank balances with an initial term of more than 3 months	–8,619
+ Liabilities to banks with an initial term of less than 3 months	–297,169
<b>Cash funds at beginning of period</b>	<b>507,611</b>
<i>thereof from proportionately consolidated entities</i>	<i>20,141</i>
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
<b>Cash funds at end of period</b>	<b>807,259</b>
<i>thereof from proportionately consolidated entities</i>	<i>50,715</i>

The short-term liabilities which were netted against cash balances contained € 432 thousand (previous year: € 220,825 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 € 13,775 thousand that are restricted on disposal are included.

# Consolidated statement of changes in equity

From January 1 to December 31, 2024, in € thousand

	PARENT COMPANY		
	Subscribed capital	Capital reserves	Retained earnings
<b>As of December 31, 2022</b>	<b>150,000</b>	<b>166,430</b>	<b>1,493,586</b>
Capital increase	0	0	0
Withdrawal from retained earnings	0	0	-42,774
Dividend distribution	0	0	0
Currency translation	0	0	0
Other items	0	0	163
Changes in the consolidation group	0	0	0
Consolidated net income/net loss	0	0	0
<b>As of December 31, 2023</b>	<b>150,000</b>	<b>166,430</b>	<b>1,450,975</b>
Capital increase	0	0	0
Transfer to retained earnings	0	0	14,045
Dividend distribution	0	0	-3,363
Currency translation	0	0	0
Other items	0	0	-7,462
Changes in the consolidation group	0	0	435
Consolidated net income/net loss	0	0	0
<b>As of December 31, 2024</b>	<b>150,000</b>	<b>166,430</b>	<b>1,454,630</b>

<sup>1</sup> Including effects from hyperinflation adjustments for Argentina and Türkiye in accordance with GAS 25

	Equity impact from currency translation <sup>1</sup>	Consolidated unappropriated retained earnings	Total	Non-controlling interests <sup>1</sup>	Consolidated equity
	- 161,164	5,177	1,654,029	23,395	1,677,424
	0	0	0	37,495	37,495
	0	42,774	0	0	0
	0	- 5,100	- 5,100	- 79,995	- 85,095
	- 26,094	0	- 26,094	- 5,420	- 31,514
	- 72	0	91	- 13,584	- 13,493
	0	0	0	0	0
	0	- 34,723	- 34,723	60,693	25,970
	- 187,330	8,128	1,588,203	22,584	1,610,787
	0	0	0	116	116
	0	- 14,045	0	0	0
	0	- 8,000	- 11,363	- 31,004	- 42,367
	- 9,359	0	- 9,359	- 1,885	- 11,244
	7,060	0	- 402	- 31,027	- 31,429
	- 435	0	0	- 121	- 121
	0	22,078	22,078	305	22,383
	- 190,064	8,161	1,589,157	- 41,032	1,548,125

# Notes to the consolidated financial statements 2024

## General information

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

The Group's currency is the euro. Unless otherwise stated, the figures in the notes are presented in thousands of euros (€ thousand).

## Consolidation group

The 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 126 foreign subsidiaries. Furthermore, five companies were consolidated proportionately according to the percentage of shares, and six companies were valued according to the equity method. The consolidated companies are included in the list of shareholdings.

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

- MAHLE Behr Ostrov s.r.o., Mnichovo Hradiště, Czech Republic, as of January 26, 2024

As of April 02, 2024, the following proportionately consolidated companies were no longer consolidated due to the divestiture of the Behr-Hella Thermocontrol (BHTC) subgroup:

- Behr-Hella Thermocontrol GmbH, Stuttgart, Germany
- Behr-Hella Thermocontrol (Shanghai) Co., Ltd., Shanghai, China
- Behr-Hella Thermocontrol EOOD, Sofia, Bulgaria
- Behr-Hella Thermocontrol Inc., Novi, Michigan, USA
- Behr-Hella Thermocontrol India Private Limited, Pune, India
- Behr-Hella Thermocontrol Japan K.K., Yokohama, Japan
- BHTC Finland Oy, Tampere, Finland
- BHTC Mexico S.A. de C.V., San Miguel de Allende, Mexico

As of May 02, 2024, the following fully consolidated subsidiaries of MAHLE Behr GmbH & Co. KG were no longer consolidated due to the sale of the thermostat business:

- MAHLE Behr Queretaro S. de R.L. de C.V., Querétaro, Mexico
- MAHLE Behr Busan Inc., Seoul, South Korea
- MAHLE Behr Thermal Systems (Qingdao) Co., Ltd., Qingdao, China
- Mahle Behr Italy s.r.l., Grugliasco, Italy
- MAHLE Behr Berga GmbH, Stuttgart, Germany
- MAHLE Behr Holýšov s.r.o., Holýšov, Czech Republic

One company was merged with another Group company in the reporting year.

## Key changes to the consolidation group

During the first half year of 2024, the subgroup BHTC as well as the thermostat business were divested. Due to the divestiture the assets, liabilities, and deferred income were excluded from the MAHLE Group balance sheet at the time of the sale in the following amounts:

in € thousand	
Fixed assets	83,794
Current assets	155,977
Prepaid expenses	1,475
Deferred tax assets	11,181
Accruals	66,470
Liabilities	126,229
Deferred income	7,072

Sales decreased due to the divestiture by approximately € 269,192 thousand. The earnings situation is not significantly affected by the disposal.

## Exemption provisions for domestic companies

The following subsidiaries are applying the exemption in accordance with Sec. 264 (3) HGB respectively Sec. 264b HGB, with regard to the disclosure of their annual financial statements and/or the preparation of the notes to the financial statements and the management reports:

MAHLE Aftermarket GmbH, Stuttgart; MAHLE Aftermarket Deutschland GmbH, Schorndorf; MAHLE Behr GmbH & Co. KG, Stuttgart; MAHLE Beteiligungen GmbH, Stuttgart; MAHLE Blechtechnologie GmbH, Stuttgart; MAHLE Filtersysteme GmbH, Stuttgart; MAHLE Immobilien GmbH, Stuttgart; MAHLE Industrial Thermal Systems GmbH & Co. KG, Kornwestheim; MAHLE Industriebeteiligungen GmbH, Stuttgart; MAHLE Industriemotoren-Komponenten GmbH, Stuttgart; MAHLE International GmbH, Stuttgart; MAHLE Kleinmotoren-Komponenten GmbH & Co. KG, Stuttgart; MAHLE New Mobility Solutions GmbH, Kornwestheim; MAHLE Powertrain GmbH, Stuttgart; MAHLE Pumpensysteme GmbH, Stuttgart; MAHLE Ventiltrieb GmbH, Stuttgart; MAHLE Versicherungsvermittlung GmbH, Stuttgart.

## Method of consolidation

Consolidated subsidiaries, using the book value method prior to December 31, 2009, will continue to be consolidated under the same method as in prior years. Thereby, the value of the investment held by the parent company, at the time of acquisition and first consolidation, is to be offset against the attributable share of the subsidiary's equity book value. In the case of companies that were consolidated for the first time from 2010 onward, the assets, liabilities, prepaid expenses, and deferred income acquired were revalued at fair value as part of the purchase price allocation at the time that the company became a subsidiary.

As of the balance sheet date, total goodwill of € 54,055 thousand is disclosed, which contains goodwill of € 3,179 thousand that occurred in the financial statements of the entities included in the consolidation group. In 2024, no goodwill impairments were recognized. With a contract dated November 20, 2024, MAHLE Beteiligungen GmbH reached an agreement with the minority shareholders on the acquisition of the remaining shares in MAHLE Behr Verwaltung GmbH and MAHLE Behr GmbH & Co. KG in January 2025. The purchase price will be settled with an offsetting

compensation claim in the amount of € 48,000 thousand. At Group level, this led to subsequent adjustments of the goodwills/badwills from the successive acquisitions of shares for the years 2011 to 2022 in MAHLE Behr GmbH & Co. KG. Out of this amount, € 41,470 thousand were attributable to amortizations already recognized in profit or loss under other operating income. The remaining € 6,530 thousand reduced the remaining goodwill and will be amortized in subsequent years through lower depreciation over the remaining useful life. As of the balance sheet date, a carrying amount of badwill of € 3,400 thousand is disclosed for the air conditioning business from former Keihin Corporation (now Hitachi Astemo, Ltd.) acquired in 2021. On the one hand, this badwill arose from losses expected to be incurred in subsequent business years. The badwill will be released to income in line with the losses incurred in subsequent business years. Another portion of badwill was attributable to a favorable bargain purchase and will be released to income over the weighted average remaining useful life of the identified fixed assets. In 2024, an amount of € 30,495 thousand was released.

As part of the regional strategy, the shares in MAHLE Compressores do Brasil Ltda. and the Aftermarket business of MAHLE Indústria e Comércio Ltda. were sold to MAHLE Metal Leve S.A. with effect from October 03, 2024. The associated decrease of shares in subsidiaries without a change in control of 39 percent was recognized as disposal.

The result from the change in the equity value was disclosed in the consolidated income statement after deduction of income taxes.

In the business year, seven companies are not included in the consolidation group due to their minor materiality for the consolidated financial statements, as sales and balance sheet total of these companies individually and in total do not exceed 1 percent of the respective Group values. Two companies are not accounted for using the equity method due to their minor materiality, as the pro rata annual results of these companies individually and in total amount to less than 1 percent of the Group's net income.

The intra-Group supply of goods and services as well as mutual receivables and liabilities were offset, and intercompany profits and losses were eliminated.

Due to minor materiality and simplification, deferred taxes resulting from consolidation measures with effect on income were recorded using a uniform tax rate of 25.00 percent.

# Accounting and valuation principles

The existing accounting and valuation methods were retained.

Acquired intangible assets and property, plant, and equipment are valued at acquisition costs or manufacturing costs minus depreciation or amortization. Depreciation was performed on a straight-line basis using standard useful lives. If lower valuations were provided, impairments were recorded. Internally developed trademarks and similar rights and assets were not capitalized. Furthermore, the intangible assets contain hidden reserves disclosed as part of the purchase price allocation of the acquisitions. These comprise trademark rights, customer relationships, technological licenses, and development services. Depending on the categories, the useful lives for intangible assets were based on five to ten years. Based on the item-by-item approach, goodwill is regularly amortized over ten years due to the MAHLE relevant markets that are dominated by a small number of suppliers and have high barriers to market entry. Additionally, the recoverability of goodwill is tested (impairment test) at least once a year to determine if an impairment exists in accordance with GAS 23.129, sentence 1. Thereby, the impairment is calculated by comparing the fair value of the investment in the subsidiary with the total of the carrying amount of the net assets held by the subsidiary in the consolidated financial statements and the net carrying amount of goodwill. Within property, plant and equipment, buildings are depreciated over a maximum of 40 years, technical equipment and machinery over a maximum of 15 years and other equipment, fixtures and furniture over a maximum of 20 years.

Financial assets were stated at the lower of acquisition cost or fair value if the impairment is expected to be permanent.

Inventories are capitalized at acquisition cost or manufacturing cost. Unfinished and finished goods are valued by considering the appropriate share of material, production overhead, and depreciation of fixed assets. If the market prices or fair values were lower than the book values, or marketability was limited, devaluations were performed as necessary.

Receivables and other assets are recorded at nominal values. Appropriate write-downs are recorded to account for receivables with recognizable risks of nonpayment. A general valuation allowance is set up to cover the general credit risk. Prepaid expenses were recorded for payments made before the balance sheet date for expenditures related to a specific time period after this date.

Provisions for taxes and other provisions adequately cover uncertain liabilities and anticipated losses from pending transactions. The valuation is based on the settlement amount taking into account necessary cost increases. Provisions with a remaining term of more than one year were discounted by using the average market interest rate of the past seven fiscal years provided by the German Central Bank. If appropriate, an average local market interest rate of the past seven years was determined for the remaining term in order to depict the actual economic situation for the discounting of obligations in foreign currency.

Provisions for pensions and similar obligations are calculated Group-wide in accordance with actuarial principles (using the projected unit credit method) and discounted with the average rate of ten years in accordance with Sec. 253 HGB to present value. In 2024, the calculation was based on the following discount rates: domestic 1.27 to 1.95 percent, foreign 0.55 to 3.96 percent. The option to assume a standardized remaining term of 15 years was not utilized. Expected salary increases of 1.79 to 5.30 percent, anticipated labor turnover rates of 3.00 to 6.96 percent and for domestic companies a pension trend of 1.50 percent were taken into consideration. For key countries, the following mortality tables were used as of December 31, 2024:

Germany	Heubeck 2018G mortality tables
USA	Pri-2012 base table with MP-2019 improvement scale Pri-2012 generational table with MP-2019 improvement scale
UK	120% of S3PA „Normal“ year of birth tables, CMI 2023 improvement tables (long-term trend of 1% p.a., smoothing factor 7, w parameter of 25%)
Japan	2020 Ministry of Health, Labour and Welfare

Assets that serve exclusively to settle pension-related obligations and cannot be utilized to settle claims of any other creditors (plan assets in the form of long-term securities) were offset against the provisions at their fair value. Excess amounts are recorded within the item “Excess of plan assets over post-employment benefit liability.”

Liabilities are stated at their settlement amount.

Receivables, bank balances, and liabilities in foreign currency with a remaining term of less than one year were valued using the mid-market spot rate applicable at the balance sheet date. If the remaining term was more than one year, the valuation was based on the exchange rate applicable at the acquisition date or the lower or higher exchange rate at the balance sheet date.

Changes in exchange rates, commodity price variations, and interest rates represent a risk to operational business that is very difficult to estimate. To minimize this risk, appropriate hedging transactions such as derivatives are used. These transactions are only established with banks that have a prime credit rating. Their use is based on standard guidelines, subject to strict internal controls, and restricted to the hedging of operational business as well as that of related investments and financing activities.

If effective hedging relationships existed between the underlying operating transactions and/or highly probable transactions (basically future deliveries of goods and services) and the currency or interest hedging transaction, they were combined into a hedge accounting evaluation unit and valued together under the so-called “net hedge presentation method” (Einfrierungsmethode).

Deferred income has been recorded for payments received prior to the balance sheet date for income related to a specific time period after this date.

The option provided by Sec. 274 (1) Sentence 2 HGB to capitalize net assets of deferred taxes is used. Deferred tax assets and liabilities are set up to account for all temporary and quasi-permanent differences between financial reporting balance sheets according to German Commercial Code (HGB) and tax values. Furthermore, deferred taxes for tax loss and interest carryforwards and tax credits are capitalized, provided the tax benefit was reasonably recoverable within the next five years. Deferred taxes are determined using tax rates that are expected to apply at the time of recovery and are based on the regulations adopted at the balance sheet date. Deferred tax assets and liabilities are presented as a net value. The tax rates fall within a range of 5.00 to 35.00 percent.

The Pillar Two model rules published by the OECD for the implementation of a minimum taxation of multinationals were enacted in several jurisdictions in which the MAHLE Group operates, with effect from January 01, 2024. Therefore, minimum tax calculations, which were subject to certain assumptions and simplifications, had to be carried out for the reporting year 2024. They did not result in any and/or no material top-up tax.

## Currency conversion

The financial statements of foreign companies were, if not prepared in euro, converted as follows:

### Equity:

In accordance with the regulations of GAS 25

### Other balance sheet items:

Mid-market spot rate (average between bid and ask) at the balance sheet date

### Income statement items:

Average exchange rate for the year

Exchange rate differences in connection with the use of the closing rate method were shown as “Currency translation Jan. 01” within the consolidated statement of fixed assets. Differences arising from the conversion of movements during the current year were shown in a separate column.

Any difference arising from the translation of the balance sheet items into euro was included under “Equity impact from currency translation” in the consolidated shareholders’ equity.

The “thereof” information on currency conversion in the income statement includes both unrealized and realized exchange rate differences.

For the company in the hyperinflation country Argentina and for two companies in the hyperinflation country Türkiye, the financial statements were prepared based on a general price index in accordance with GAS 25.

Currency translation differences resulting from the consolidation of intercompany balances are recognized in profit or loss except for material loans that are classified as equivalent to an investment or as equity-equivalent and for currency hedges for intercompany loan arrangements. Currency translation differences resulting from the elimination of intercompany profits or losses are recognized as profit or loss.

# Notes to the consolidated balance sheet

## Receivables and other assets

in € thousand	Dec. 31, 2024	
	Carrying amount	Thereof with a remaining term of more than 1 year
Accounts receivables		
Trade receivables	1,658,867	164
Receivables from affiliated companies	12,452	802
Receivables from companies in which investments are held	1,199	0
Other assets	457,390	67,470
<b>Total</b>	<b>2,129,908</b>	<b>68,436</b>

In the previous year, trade receivables (€ 166 thousand) as well as other assets (€ 165,169 thousand) had a remaining term of more than one year.

Trade receivables are included in the amount of € 228 thousand (previous year: € 906 thousand) from affiliated companies and € 300 thousand (previous year: € 643 thousand) from companies in which investments are held.

As in the previous year, other assets do not include any receivables against shareholders.

## Prepaid expenses

As in the previous year, prepaid expenses do not include differences between net loan proceeds and liabilities to banks (debt discounts).

## Equity

The consolidated unappropriated retained earnings equal those of the parent company and contain the amount carried forward from the previous year of € 128 thousand.

## Provisions for pensions and similar obligations as well as other provisions

Notes for offsetting in accordance with Sec. 246 (2) Sentence 2 HGB:

in € thousand	Dec. 31, 2024	
	Carrying amount	
Settlement amount of offset liabilities	468,909	
Acquisition costs of assets	101,796	
Fair value of assets	257,739	
Offset income	11,275	
Offset expenses	8,791	

Offset income and expenses are related to other interest and similar income as well as other interest and similar expenses.

In accordance with Sec. 253 (6) Sentence 1 HGB, the value of the pension provision discounted with the seven-year average interest rate is € 10,968 thousand lower than the value of the pension provisions discounted with the ten-year average interest rate.

Other provisions primarily relate to outstanding credit notes and rebates, outstanding purchase invoices, guarantee and warranty risks, as well as obligations arising from restructuring and employment contracts.

## Liabilities

in € thousand	Dec. 31, 2024			
	Carrying amount	With a remaining term of up to 1 year	With a remaining term of more than 1 year	Thereof with a remaining term of more than 5 years
Bonds	1,250,000	0	1,250,000	500,000
Liabilities to banks	760,507	193,218	567,289	112,340
Payments received on account of orders	6,533	6,533	0	0
Trade payables	1,141,668	1,141,113	555	0
Liabilities on bills accepted and drawn	93,232	93,232	0	0
Liabilities				
<i>to affiliated companies</i>	7,342	7,342	0	0
<i>to companies in which investments are held</i>	1,395	1,395	0	0
Other liabilities	337,046	320,564	16,482	11,046
<b>Total</b>	<b>3,597,723</b>	<b>1,763,397</b>	<b>1,834,326</b>	<b>623,386</b>

In the previous year, bonds (€ 30,000 thousand), liabilities to banks (€ 502,600 thousand), payments received on account of order (€ 9,595 thousand), trade payables (€ 1,301,371 thousand), liabilities on bills accepted and drawn (€ 69,562 thousand), liabilities to affiliated companies (€ 5,184 thousand), liabilities to companies in which investments are held (€ 2,532 thousand), and other liabilities (€ 347,022 thousand) had a remaining term of up to one year.

The liabilities to affiliated companies contain trade payables of € 179 thousand (previous year: € 51 thousand). The liabilities to companies in which investments are held contain trade payables of € 189 thousand (previous year: € 101 thousand).

The liabilities contain payables to shareholders amounting to € 263 thousand (previous year: € 242 thousand).

As in the previous year, no liabilities are secured by property liens or similar rights.

## Deferred taxes

Deferred tax assets arise predominantly from differing accounting treatment of intangible assets, property, plant, and equipment, and provisions. The temporary differences in provisions essentially include different carrying amounts between the tax balance sheet and the consolidated balance sheet related to provisions for pensions and similar obligations and provisions that are not tax-deductible, such as provisions for anticipated losses.

The deferred tax liabilities result predominantly from temporary differences relating to property, plant and equipment and plan assets due to different depreciation methods and carrying amounts in the tax and consolidated balance sheet. In addition, the identified fair values disclosed as part of the purchase price allocations of the acquisitions lead to deferred tax liabilities, in particular in intangible fixed assets.

Deferred tax assets are set up for tax loss carryforwards that are recoverable within five years. As of December 31, 2024 an allowance for deferred tax assets on temporary differences is included, as their realization is not deemed sufficiently likely.

For the following positions no deferred tax assets were capitalized:

in € thousand	Dec. 31, 2024	non-capitalized deferred tax assets
Tax loss carryforwards	3,037,840	456,374
Tax credits/interest carryforwards	1,064,354	170,081
Temporary differences	1,350,439	301,114

## Off-balance-sheet transactions

As of the balance sheet date, there are off-balance-sheet transactions for rental and leasing agreements in the amount of € 362,613 thousand, in particular for land and buildings, IT and vehicles. Moreover, off-balance-sheet transactions are in place in connection with factoring and an asset-backed securities program amounting to € 271,888 thousand. These off-balance-sheet transactions lead to a diversification of financing sources as of the balance sheet date. As a result of these transactions, the outflow or inflow of funds is usually postponed or brought forward respectively.

As part of the ABS program, purchase price discounts are accounted for as reserve accounts. The purchase price discounts in the amount of contractually agreed percentages of the nominal value of the receivables sold serve the buyer of the receivables primarily to offset defaulted receivables and as deposit for transaction costs. Remaining amounts are returned to MAHLE when the conditions for payment are met and are disclosed as income. As of December 31, 2024, the reserve accounts amounted to € 8,621 thousand.

## Contingent liabilities

in € thousand	Dec. 31, 2024
Contingents from notes	28,168
Guarantees	146
<i>thereof to affiliated companies</i>	146
<b>Total</b>	<b>28,314</b>

To our knowledge, the underlying obligations can be fulfilled in all cases by the companies concerned. We do not expect the contingent liabilities to be claimed.

The contingent liabilities do not include any obligations concerning retirement benefits.

## Other financial obligations

in € thousand	Dec. 31, 2024
Purchase commitments from investments	233,686
Others	82,709
<i>thereof to affiliated companies</i>	150
<b>Total</b>	<b>316,395</b>

The other financial obligations do not include any obligations concerning retirement benefits.

# Notes to the consolidated income statement

The income statement of the MAHLE Group has been prepared in accordance with the cost of sales method. Sales are therefore matched with the expenses incurred in their realization, which are allocated in principle to the Production, Sales, General Administration, and Research and Development functions.

The cost of sales comprises the material and production costs incurred in the realization of sales, the landed costs of the trade business, and the costs of the allocation to provisions for warranties. Furthermore, this item also contains depreciation and amortization on the hidden reserves disclosed as part of the purchase price allocations of the acquisitions. These include technologies, technical equipment and machinery, as well as land and buildings.

The selling expenses include, in particular, personnel and non-personnel expenses, depreciation allocated to the Sales function, as well as logistics, market research, sales promotion, shipping and handling, and advertising costs. Furthermore, they contain amortization on the hidden reserves disclosed as part of the purchase price allocations of the acquisitions. These include trademark rights, and customer relationships.

The general administration expenses include personnel and non-personnel expenses as well as depreciation allocated to the General Administration function.

The personnel and non-personnel expenses and depreciation allocated to the Research and Development function are of substantial significance to the MAHLE Group. In order to present the economic situation of the Group more clearly, they have been included as a separate item in the breakdown.

Other operating income contains € 199,824 thousand income related to other periods. This income is mainly related to the reversal of provisions and the disposal of depreciable fixed assets. Income related to other periods also includes income of exceptional size and incidence from the correction of goodwill/badwill from subsequent purchase price adjustments in the amount of € 41,470 thousand. In addition, other operating income contains income of exceptional size and incidence from the release of badwill of € 30,495 thousand as well as income from the sale of shares in the

joint-venture Behr-Hella Thermocontrol (BHTC) and the related consulting costs in the amount of € 163,842 thousand. Income from financing includes gains of € 120,001 thousand (previous year: € 88,792 thousand) from currency translation and gains of € 626 thousand (previous year: € 598 thousand) from financial instruments.

Other operating expenses contain € 19,750 thousand expenses relating to other periods. These expenses are mainly related to disposals of depreciable fixed assets. Expenses from financing include losses of € 159,161 thousand (previous year: € 85,625 thousand) from currency translation and expenses of € 39,947 thousand (previous year: € 13,969 thousand) from financial instruments. The expenses from financial instruments include expenses of exceptional size and incidence for financing costs in the amount of € 27,231 thousand. This was mainly due to the issue of € 500 million in senior notes on May 02, 2024. Other operating expenses include expenses of exceptional size and incidence from the sale of the thermostat business in the amount of € 24,230 thousand as well as consulting costs associated with the financing in the amount of € 6,245 thousand.

## Sales by area of operation

in € thousand	2024
Engine Systems and Components business unit	2,402,051
Filtration and Engine Peripherals business unit	2,025,223
Thermal Management business unit	4,075,733
Electronics and Mechatronics business unit	1,261,155
Aftermarket business unit	1,294,964
Profit centers and services	622,115
<b>Total</b>	<b>11,681,241</b>

## Sales by geographical market (target area)

in € thousand	2024
Europe	5,060,954
North America	3,247,685
South America	822,605
Asia/Pacific	2,452,088
Africa	97,909
<b>Total</b>	<b>11,681,241</b>

## Personnel expenses

in € thousand	2024
Wages and salaries	2,470,636
Social security expenses	570,048
Old age pension expenses	50,527
<b>Total</b>	<b>3,091,211</b>

## Depreciation, amortization, and impairments of intangible and tangible fixed assets

in € thousand	2024
<b>Total</b>	<b>540,570</b>
<i>thereof impairments</i>	<i>21,168</i>

## Subsequent valuation of the purchase price allocation for the acquisitions\*

in € thousand	2024
Depreciation and amortization within cost of sales	30,111
Amortization within selling expenses	696
Release of subsidies within other operating income	7,739
Amortization of goodwill	43,213
Correction of goodwill/badwill from subsequent purchase price adjustments	41,470
Release of badwill	30,495

\* Mainly concerns MAHLE Behr, former Delphi Thermal entities, former Keihin Thermal entities, and MAHLE Electronics

## Other notes

### Average annual number of employees\*

	2024
Direct employees	37,449
Indirect employees	31,622
<b>Total</b>	<b>69,071</b>

\* Excluding apprentices

Direct employees are those who are directly involved in the production process and whose activities generate added value to the products. All others are considered as indirect employees.

The total average annual number of employees includes a pro rata figure of 1,455 employees from proportionately consolidated companies.

### Derivatives

Derivative financial instruments are used to hedge against foreign currency and raw material price risks. The derivatives used are FX swaps, FX forwards and commodity swaps.

For the derivative financial instruments that are not recognized at fair value and that are not included in evaluation units, the following nominal values, fair values, and book values arise as of the balance sheet date:

in € thousand	Dec. 31, 2024	Dec. 31, 2024	Dec. 31, 2024
	Nominal value*	Fair value**	Carrying amount
Transactions relating to currency	4,231	-54	-103
Transactions relating to commodities	12,144	939	-519

\* The nominal values of the derivative financial instruments are based on absolute values, i.e., long and short positions are added with their nominal values.

\*\* The fair value of currency- and commodity- related transactions corresponds to the market value of the derivatives as of the balance sheet date and is calculated using the net present value method.

The derivative contracts are placed in relation to third parties exclusively with banks as of December 31, 2024.

Derivatives that are not recognized at fair value and are not included in evaluation units are recognized at acquisition cost. If the derivatives have a positive market value as of the balance sheet date that exceeds the acquisition costs, this difference is not recognized. For derivatives with a negative market value that are not part of an evaluation unit, a provision for anticipated losses in the amount of € 622 thousand is recognized as of the balance sheet date.

## Evaluation units

For one intercompany loan in transaction currency USD, an evaluation unit with German private placement loans in USD (Schuldscheindarlehen) with identical amounts and matching maturities (natural hedge) was recognized. The effectiveness of the hedging

relationship is ensured as the positions are countervailing. The volume in transaction currency is \$ 38,000 thousand.

For currency-related hedging transactions that have an effective relationship to the underlying transaction, evaluation units were recognized and are presented with their net value:

in € thousand	Type of evaluation unit	Dec. 31, 2024	Balance sheet item
		Amount of hedged transaction	
<b>Currency exposure</b>			
Recorded values	Portfolio hedge	66,107	Trade receivables
	Portfolio hedge	14,791	Bank balances
	Portfolio hedge	-67,561	Liabilities to banks
	Portfolio hedge	-62,074	Trade payables
Remaining currency exposure from eliminated transactions with affiliated companies	Portfolio hedge	1,583,803	
Future transactions	Portfolio hedge	-97,727	
<i>Firm commitment contracts</i>		-92,840	
<i>Highly probable planned positions</i>		-4,886	

The amount of risks hedged with evaluation units totals € 57,779 thousand.

The changes in value in the underlying and hedging transactions are offset during the hedging period since risk positions (underlying transactions recognized on the balance sheet) are immediately hedged by means of forward exchange transactions of the same amount, in the same currency, and with the same maturity period in accordance with the guidelines of the Group risk management.

The risks of potential future changes in cash flows from future transactions, basically future deliveries of goods and services, are offset by hedges. Considering the general planning uncertainty, this is mainly achieved by not entirely hedging future transactions the further they are in the future. The hedging period for currency-related hedges that are included in evaluation units is generally one year. Experience has shown that this strategy for evaluation units for future transactions has led to an effective hedge of cash flows.

The hedge ratio for future transactions increases over their lifetime. By the time these transactions turn into recognized underlying transactions they are fully hedged. At this stage they are hedged via a portfolio of individual hedges that have been added

gradually over time. Therefore, the recognized underlying transactions that become due can consist of various individually booked transactions. The hedging relationship is referred to as portfolio hedge.

The critical term match method is used to measure the effectiveness of the hedging relationship.

## Report on post-balance sheet date events

No events with a retroactive effect on the consolidated financial statements occurred after the end of the reporting period.

In January 2025, MAHLE Beteiligungen GmbH increased its shares in MAHLE Behr GmbH & Co. KG and MAHLE Behr Verwaltung GmbH to 100 percent each by acquiring the shares of co-shareholders. The purchase price payment has no significant impact on the Group's net debt.

Effective January 01, 2025, MAHLE will reduce the number of its business units from five to three. Four existing business units will be merged to form two new business units. The former business units Engine Systems and Components, and Electronics and Mechatronics were merged under the name of Powertrain and

Charging. The activities of the former business units Filtration and Engine Peripherals and Thermal Management were transferred in the new business unit Thermal and Fluid Systems. The After-market business unit will be continued as a separate business unit under the new name of Lifecycle and Mobility.

In December 2024, MAHLE applied for a one-year extension of the € 1.2 billion syndicated loan agreement until 2028, which became effective with the approval of all lenders in January 2025.

## Appropriation of earnings

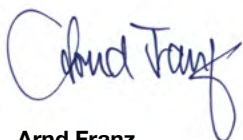
in € thousand	2024
Net loss MAHLE GmbH	-114,367
Withdrawal from retained earnings	122,400
Amount carried forward from prior year	128
<b>Unappropriated retained earnings MAHLE GmbH</b>	<b>8,161</b>

## Proposed utilization of retained earnings of MAHLE GmbH

in € thousand	2024
Unappropriated retained earnings	8,161
Dividend distribution to MAHLE-Stiftung GmbH	8,000
<b>Carry forward to new account</b>	<b>161</b>

Stuttgart/Germany, March 19, 2025

The Management Board of MAHLE GmbH



Arnd Franz



Jumana Al-Sibai



Markus Kapaun



Georg Dietz

## Remuneration of the members of the Management Board of MAHLE GmbH (parent company)

in € thousand	2024
Supervisory Board	1,142
Management Board	15,837

Remunerations paid to former members of the Management Board and their descendants totaled € 1,885 thousand.

An amount of € 38,682 thousand is set aside for this group of persons in the pension provision as of December 31, 2024.

## Auditor's fee

The total auditor's fee recorded as expense for 2024 for the Group auditor PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, in accordance with Sec. 314 (1) No. 9 HGB, consists of the following:

in € thousand	2024
Services for audit of financial statements	1,322
Other assurance services	796
Tax advisory services	206
Other services	1,092
<b>Total</b>	<b>3,416</b>

# Consolidated statement of fixed assets

From January 1 to December 31, 2024, in € thousand

	Acquisition/manufacturing costs							
	BUSINESS YEAR 2024							
	Jan. 1, 2024	Jan. 1, 2024						Dec. 31, 2024
	Accumulated acquisition/manufacturing costs	Currency translation	Changes at the Group	Additions	Disposals	Reclassifications	Currency translation of current year <sup>2</sup>	Accumulated acquisition/manufacturing costs
<b>I. Intangible assets</b>								
1. Purchased concessions, industrial and similar rights and assets, as well as licences in such rights and assets	508,234	-1,714	-9,403	2,387	52,635	664	476	448,009
2. Goodwill	501,857	0	0	3,319	89,018	0	0	416,158
3. Prepayments	480	0	-31	66	0	0	0	515
	<b>1,010,571</b>	<b>-1,714</b>	<b>-9,434</b>	<b>5,772</b>	<b>141,653</b>	<b>664</b>	<b>476</b>	<b>864,682</b>
<b>II. Property, plant, and equipment</b>								
1. Land, leasehold rights, and buildings including buildings on third-party land	1,824,090	10,593	-41,821	31,182	28,826	89,287	-652	1,883,853
2. Technical equipment and machinery	6,263,735	17,736	-110,310	98,728	145,955	292,639	37,578	6,454,151
3. Other equipment, fixtures, and furniture	562,003	-1,785	-31,472	22,244	18,757	9,171	2,201	543,605
4. Prepayments and assets under construction	541,621	7,078	-34,884	273,325	15,663	-391,761	1,197	380,913
	<b>9,191,449</b>	<b>33,622</b>	<b>-218,487</b>	<b>425,479</b>	<b>209,201</b>	<b>-664</b>	<b>40,324</b>	<b>9,262,522</b>
<b>III. Financial assets</b>								
1. Shares in affiliated companies	12,088	-1,833	0	20	704	0	4	9,575
2. Shares in associated companies	22,986	0	0	5,267	-501 <sup>1</sup>	0	787	29,541
3. Equity investments	1,835	-142	-129	67	0	0	1	1,632
4. Loans to companies in which participations are held	90	0	0	0	0	0	0	90
5. Long-term securities	14,174	286	0	317	10	0	1	14,768
6. Other loans	72,159	-108	0	1,859	63,889	0	8	10,029
	<b>123,332</b>	<b>-1,797</b>	<b>-129</b>	<b>7,530</b>	<b>64,102</b>	<b>0</b>	<b>801</b>	<b>65,635</b>
	<b>10,325,352</b>	<b>30,111</b>	<b>-228,050</b>	<b>438,781</b>	<b>414,956</b>	<b>0</b>	<b>41,601</b>	<b>10,192,839</b>

<sup>1</sup> includes results from continuation of equity approach as well as disposal due to dividend payments

<sup>2</sup> Including effects from hyperinflation adjustments for Argentina and Türkiye in accordance with GAS 25

Depreciation/amortization								Carrying amounts		
BUSINESS YEAR 2024								Dec. 31, 2024	Dec. 31, 2024	Dec. 31, 2023
Jan. 1, 2024	Jan. 1, 2024							Dec. 31, 2024	Dec. 31, 2024	Dec. 31, 2023
Accumulated depreciation/amortization	Currency translation	Changes at the Group	Depreciation/amortization of the business year	Write-ups of the business year	Disposals	Reclassifications	Currency translation of current year <sup>2</sup>	Accumulated depreciation/amortization	Carrying amounts	Carrying amounts
407,331	-1,319	-6,946	41,738	0	52,348	106	459	389,021	58,988	100,903
401,378	0	0	43,213	0	82,488	0	0	362,103	54,055	100,479
0	0	0	0	0	0	0	0	0	515	480
<b>808,709</b>	<b>-1,319</b>	<b>-6,946</b>	<b>84,951</b>	<b>0</b>	<b>134,836</b>	<b>106</b>	<b>459</b>	<b>751,124</b>	<b>113,558</b>	<b>201,862</b>
901,866	5,190	-18,784	48,185	47	11,134	-257	924	925,943	957,910	922,224
4,926,184	8,929	-92,088	363,073	319	136,526	5,798	32,547	5,107,598	1,346,553	1,337,551
436,498	-740	-24,108	34,707	171	16,677	-5,647	1,841	425,703	117,902	125,505
13,301	185	-2,105	9,654	0	2,171	0	-18	18,846	362,067	528,320
<b>6,277,849</b>	<b>13,564</b>	<b>-137,085</b>	<b>455,619</b>	<b>537</b>	<b>166,508</b>	<b>-106</b>	<b>35,294</b>	<b>6,478,090</b>	<b>2,784,432</b>	<b>2,913,600</b>
10,957	-1,813	0	42	0	277	0	2	8,911	664	1,131
0	0	0	6,721	0	0	0	0	6,721	22,820	22,986
0	0	0	0	0	0	0	0	0	1,632	1,835
0	0	0	0	0	0	0	0	0	90	90
293	5	0	38	8	0	0	2	330	14,438	13,881
34,196	-160	0	1,203	0	33,984	0	43	1,298	8,731	37,963
<b>45,446</b>	<b>-1,968</b>	<b>0</b>	<b>8,004</b>	<b>8</b>	<b>34,261</b>	<b>0</b>	<b>47</b>	<b>17,260</b>	<b>48,375</b>	<b>77,886</b>
<b>7,132,004</b>	<b>10,277</b>	<b>-144,031</b>	<b>548,574</b>	<b>545</b>	<b>335,605</b>	<b>0</b>	<b>35,800</b>	<b>7,246,474</b>	<b>2,946,365</b>	<b>3,193,348</b>

# Shareholdings

Shareholdings in companies included in consolidation, associated companies, proportionately consolidated companies, and other companies which serve the permanent business operations.

As of December 31, 2024

Name and location	Share in equity in %
PARENT COMPANY	
MAHLE GmbH, Stuttgart/Germany	
<b>1. Fully consolidated subsidiaries</b>	
<b>a) Fully consolidated subsidiaries of MAHLE GmbH with direct shareholding quota</b>	
MAHLE Aftermarket Deutschland GmbH, Schorndorf/Germany	100.00
MAHLE Aftermarket France SAS, Décines/France	100.00
MAHLE Aftermarket GmbH, Stuttgart/Germany	100.00
MAHLE Aftermarket Inc., Farmington Hills, Michigan/USA	100.00
MAHLE Aftermarket Italy S.p.A., Parma/Italy	100.00
MAHLE Aftermarket Ltd., Northampton/United Kingdom	100.00
MAHLE Aftermarket Otomotiv Ticaret Anonim Şirketi, İzmir/Türkiye	100.00
MAHLE Aftermarket Pte. Ltd., Singapore/Singapore	100.00
MAHLE Aftermarket S. de R.L. de C.V., Lerma/Mexico	100.00
MAHLE Aftermarket S.L.U., Torrejón de Ardoz/Spain	100.00
MAHLE Aftermarket South Africa (Pty) Ltd., Johannesburg/South Africa	100.00
MAHLE ANAND Filter Systems Private Limited, New Delhi/India	50.00 <sup>1</sup>
MAHLE Anéis Participações Ltda., Mogi Guaçu/Brazil	100.00
MAHLE Australia Pty Ltd., Melbourne/Australia	100.00
MAHLE Automotive Technologies (China) Co., Ltd., Shanghai/China	100.00
MAHLE Automotive Technologies (Suzhou) Co., Ltd., Changshu/China	100.00
MAHLE Behr GmbH & Co. KG, Stuttgart/Germany	77.46
MAHLE Behr Verwaltung GmbH, Stuttgart/Germany	75.71
MAHLE Beteiligungen GmbH, Stuttgart/Germany	100.00
MAHLE Blechtechnologie GmbH, Stuttgart/Germany	100.00
MAHLE Componente de Motor SRL, Timisoara/Romania	100.00
MAHLE Componentes de Motor de México, S. de R.L. de C.V., Ramos Arizpe/Mexico	100.00
MAHLE Componentes de Motores S.A., Murte de Portugal	100.00
MAHLE Componenti Motori Italia Srl, Grugliasco/Italy	100.00
MAHLE Composants Moteur France SAS, Chavanod/France	100.00
MAHLE Compresores, S. de R.L. de C.V., Ramos Arizpe/Mexico	100.00
MAHLE Compressores do Brasil Ltda., Jaguariúna/Brazil	100.00
MAHLE Compressors Hungary Kft., Balassagyarmat/Hungary	100.00
MAHLE de México S. de R.L. de C.V., Ramos Arizpe/Mexico	100.00
MAHLE Donghyun Filter Systems Co., Ltd., Hwasung/South Korea	100.00
MAHLE Smartbike Systems S.L.U., Palencia/Spain	100.00

As of December 31, 2024

Name and location	Share in equity in %
MAHLE Electric Drives (Taicang) Co., Ltd., Taicang City/China	100.00
MAHLE Electric Drives Bosnia d.o.o., Laktaši/Bosnia and Herzegovina	100.00
MAHLE Electric Drives Bovec d.o.o., Bovec/Slovenia	100.00
MAHLE Electric Drives India Private Limited, Coimbatore/India	100.00
MAHLE Electric Drives Italy S.r.l., Reggio Emilia/Italy	100.00
MAHLE Electric Drives Japan Corporation, Numazu-shi, Shizuoka/Japan	100.00
MAHLE Electric Drives Komen d.o.o., Komen/Slovenia	100.00
MAHLE Electric Drives Slovenija d.o.o., Šempeter pri Gorici/Slovenia	100.00
MAHLE Electronics & Mechatronics Technology (Suzhou) Co., Ltd., Changshu/China	100.00
MAHLE Electronics S.L.U., Motilla del Palancar/Spain	100.00
MAHLE Engine Components (Chongqing) Co., Ltd., Chongqing/China	100.00
MAHLE Engine Components (Nanjing) Co., Ltd., Nanjing/China	100.00
MAHLE Engine Components (Thailand) Co., Ltd., Bangkok/Thailand	99.75
MAHLE Engine Components (Yingkou) Co., Ltd., Yingkou/China	100.00
MAHLE Engine Components India Private Limited, Pithampur/India	100.00
MAHLE Engine Components Japan Corporation, Okegawa-shi/Japan	100.00
MAHLE Engine Components Slovakia s.r.o., Dolný Kubín/Slovakia	100.00
MAHLE Engine Components USA, Inc., Morristown, Tennessee/USA	100.00
MAHLE Engine Systems UK Ltd., Northampton/United Kingdom	100.00
MAHLE Engineering Services India Private Limited, Pune/India	40.00 <sup>2</sup>
MAHLE Filter Systems (Tianjin) Co., Ltd., Tianjin/China	100.00
MAHLE Filter Systems Canada, ULC, Tilbury/Canada	100.00
MAHLE Japan Ltd., Tokyo/Japan	100.00
MAHLE Filter Systems North America, Inc., Troy, Michigan/USA	100.00
MAHLE Filter Systems Philippines Corporation, Cavite/Philippines	100.00
MAHLE Filter Systems UK Ltd., Northampton/United Kingdom	100.00
MAHLE Filtersysteme Austria GmbH, St. Michael ob Bleiburg/Austria	100.00
MAHLE Filtersysteme France SAS, Seboncourt/France	100.00
MAHLE Filtersysteme GmbH, Stuttgart/Germany	100.00
MAHLE Filtration Systems (Hubei) Co., Ltd., Wuhan/China	100.00
MAHLE Filtre Sistemleri A.S., Gebze/Türkiye	100.00
MAHLE Finance LLC, Wilmington, Delaware/USA	100.00
MAHLE France SAS, Rouffach/France	100.00
MAHLE Guangzhou Filter Systems Co., Ltd., Guangzhou/China	100.00
MAHLE Holding (China) Co., Ltd., Shanghai/China	100.00
MAHLE Holding (India) Private Limited, Pune/India	100.00

As of December 31, 2024

Name and location	Share in equity in %
MAHLE Holding Austria GmbH, St. Michael ob Bleiburg/Austria	100.00
MAHLE Holding España S.L.U., Montblanc/Spain	100.00
MAHLE Immobilien GmbH, Stuttgart/Germany	100.00
MAHLE Immobilien Schweiz AG, Grenchen/Switzerland	100.00
MAHLE Indústria e Comércio Ltda., Mogi Guaçu/Brazil	100.00
MAHLE Industrial Thermal Systems GmbH & Co. KG, Kornwestheim/Germany	60.00 <sup>2</sup>
MAHLE Industriebeteiligungen GmbH, Stuttgart/Germany	100.00
MAHLE Industriemotoren-Komponenten GmbH, Stuttgart/Germany	100.00
MAHLE Industries UK Ltd., Northampton/United Kingdom	100.00
MAHLE Industries, Incorporated, Farmington Hills, Michigan/USA	100.00
MAHLE International GmbH, Stuttgart/Germany	100.00
MAHLE Kleinmotoren-Komponenten GmbH & Co. KG, Stuttgart/Germany	100.00
MAHLE Manufacturing Management, Inc., Farmington Hills, Michigan/USA	100.00
MAHLE Manufacturing Service Japan Corporation, Tokyo/Japan	100.00
MAHLE Metal Leve S.A., Mogi Guaçu/Brazil	61.00
MAHLE Motor Parçaları San. ve Tic. A.Ş., Izmir/Türkiye	100.00
MAHLE Polska Spółka z o.o., Krotoszyn/Poland	100.00
MAHLE Powertrain, LLC, Plymouth, Michigan/USA	100.00
MAHLE Powertrain GmbH, Stuttgart/Germany	100.00
MAHLE Powertrain Ltd., Northampton/United Kingdom	100.00
MAHLE Pumpensysteme GmbH, Stuttgart/Germany	100.00
AM Point LLC, Dobrino/Russia	100.00
MAHLE S.A.U., Vilanova i la Geltrú/Spain	100.00
MAHLE Services (Thailand) Ltd., Samut Prakan/Thailand	100.00
MAHLE Shanghai Filter Systems Co., Ltd., Shanghai/China	95.00
MAHLE Shared Services México, S. de R.L. de C.V., Monterrey/Mexico	100.00
MAHLE Shared Services Poland Spółka z o.o., Wrocław/Poland	100.00
MAHLE Shared Services d.o.o. Beograd, Belgrade/Serbia	100.00
MAHLE Siam Electric Drives Co. Ltd., Samut Prakan/Thailand	100.00
MAHLE Siam Filter Systems Co., Ltd., Samut Prakan/Thailand	74.90
MAHLE Sistemas de Filtración de México S.A. de C.V., Monterrey/Mexico	100.00
MAHLE Trading (Shanghai) Co., Ltd., Shanghai/China	100.00
MAHLE Trading Japan Co., Ltd., Tokyo/Japan	100.00
MAHLE Tri-Ring Valve Train (Hubei) Co., Ltd., Macheng/China	65.00
MAHLE Ventiltrieb GmbH, Stuttgart/Germany	100.00

As of December 31, 2024

Name and location	Share in equity in %
MAHLE Versicherungsvermittlung GmbH, Stuttgart/Germany	100.00
MAHLE Vöcklabruck GmbH, Vöcklabruck/Austria	100.00
MAHLE ZG Transmissions GmbH, Eching/Germany	100.00
MG Immobilienentwicklungs- und Ansiedlungsgesellschaft mbH, St. Michael ob Bleiburg/Austria	100.00
MAHLE New Mobility Solutions GmbH, Kornwestheim/Germany	100.00
OSCON, LLC, Wilmington, Delaware/USA	100.00
PT. MAHLE Indonesia, Pasirranji/Indonesia	99.92
<b>b) Fully consolidated subsidiaries of MAHLE Behr GmbH &amp; Co. KG with direct shareholding quota</b>	
MAHLE ANAND Thermal Systems Private Limited, Chakan/India	60.00
MAHLE Behr Charleston Inc., Charleston, South Carolina/USA	100.00
MAHLE Behr Components Spain S.L.U., L'Espluga de Francolí/Spain	100.00
MAHLE Behr Dayton L.L.C., Dayton, Ohio/USA	100.00
MAHLE Behr Finance L.L.C., Wilmington, Delaware/USA	100.00
MAHLE Behr France Hambach S.A.S., Hambach/France	100.00
MAHLE Behr France Rouffach S.A.S., Rouffach/France	100.00
MAHLE Behr Gerenciamento Térmico Brasil Ltda., Arujá/Brazil	100.00
MAHLE Behr Holding GmbH, Stuttgart/Germany	100.00
MAHLE Behr Japan K.K., Tokyo/Japan	100.00
MAHLE Behr Kirchberg GmbH, Kirchberg/Germany	100.00
MAHLE Behr Korea Inc., Busan/South Korea	100.00
MAHLE Behr Manufacturing Management, Inc., Troy, Michigan/USA	100.00
MAHLE Behr Mexico, S. de R.L. de C.V., Ramos Arizpe/Mexico	100.00
MAHLE Behr Mnichovo Hradiště s.r.o., Mnichovo Hradiště/Czech Republic	100.00
MAHLE Behr Mt Sterling Inc., Mount Sterling, Ohio/USA	100.00
MAHLE Behr Námestovo s.r.o., Námestovo/Slovakia	100.00
MAHLE Behr Ostrava s.r.o., Mošnov/Czech Republic	100.00
MAHLE Behr Ostrów Wielkopolski Sp. z o.o., Ostrów Wielkopolski/Poland	100.00
MAHLE Behr Rio Bravo, S. de R.L. de C.V., Ramos Arizpe/Mexico	100.00
MAHLE BEHR RUS LLC, St. Petersburg/Russia	100.00
MAHLE Behr Senica s.r.o., Senica/Slovakia	100.00
MAHLE Behr Service America L.L.C., Troy, Michigan/USA	100.00
MAHLE Behr Service Asia Co., Ltd., Shanghai/China	100.00
MAHLE Behr Service GmbH, Stuttgart/Germany	100.00
MAHLE Behr Service Mexico, S. de R.L. de C.V., Ramos Arizpe/Mexico	100.00

As of December 31, 2024

Name and location	Share in equity in %
MAHLE Behr South Africa (Pty) Ltd., Durban/South Africa	100.00
MAHLE Behr Spain S.A.U., Montblanc/Spain	100.00
MAHLE Behr Thermal Italy s.r.l., Turin/Italy	100.00
MAHLE Behr Thermal Systems (Jinan) Co., Ltd., Jinan/China	100.00
MAHLE Behr Thermal Systems (Thailand) Company Limited, Thanu/Thailand	100.00
MAHLE Behr USA Inc., Troy, Michigan/USA	100.00
MAHLE Engineering Services India Private Limited, Pune/India	60.00 <sup>2</sup>
MAHLE Industrial Thermal Systems GmbH & Co. KG, Kornwestheim/Germany	40.00 <sup>2</sup>
<b>c) Fully consolidated subsidiaries of MAHLE Metal Leve S.A. with direct shareholding quota</b>	
MAHLE Argentina S.A., Rafaela/Argentina	100.00
MAHLE Filtroil Indústria e Comércio de Filtros Ltda., Mogi Guaçu/Brazil	100.00
MAHLE Hirschvogel Forjas S.A., Queimados/Brazil	51.00
MAHLE Metal Leve GmbH, St. Michael ob Bleiburg/Austria	100.00
<b>d) Fully consolidated subsidiaries of MAHLE Industrial Thermal Systems GmbH &amp; Co. KG with direct shareholding quota</b>	
MAHLE Industrial Thermal Systems (Tianjin) Co., Ltd., Tianjin/China	100.00
MAHLE Industrial Thermal Systems America, L.P., Belmont, Michigan/USA	99.00
MAHLE Industrial Thermal Systems Námestovo s.r.o., Námestovo/Slovakia	100.00
<b>2. Affiliated companies, not consolidated on account of their immateriality for the presentation of the net assets, financial position, and results of operations</b>	
<b>a) Affiliated companies of MAHLE Behr GmbH &amp; Co. KG with direct shareholding quota</b>	
MAHLE Behr Sweden AB, Gothenburg/Sweden	100.00
<b>b) Other affiliated companies with direct shareholding quota</b>	
Compañía Rosarina S.A., Rosario/Argentina	99.99
MAHLE chargeBIG GmbH, Stuttgart/Germany	100.00
MAHLE Industrial Thermal Systems America, Inc., Belmont, Michigan/USA	100.00
MAHLE Industrial Thermal Systems Verwaltung GmbH, Kornwestheim/Germany	100.00
MAHLE Kleinmotoren-Komponenten Verwaltungs GmbH, Stuttgart/Germany	100.00
MAHLE New Ventures GmbH, Stuttgart/Germany	100.00

As of December 31, 2024

Name and location	Share in equity in %
<b>3. Proportionately consolidated companies</b>	
<b>a) Proportionately consolidated group of companies that is managed by MAHLE Behr GmbH &amp; Co. KG and another company</b>	
PARENT COMPANY	
Shanghai MAHLE Thermal Systems Co., Ltd., Shanghai/China	50.00
<b>Subsidiaries with direct shareholding quota</b>	
Chengdu MAHLE Automotive Thermal Systems Co., Ltd., Chengdu/China	100.00
Ningde MAHLE Automotive Thermal Systems Co. Ltd., Ningde/China	100.00
Shenyang MAHLE Automotive Thermal Systems Co., Ltd., Shenyang/China	100.00
<b>b) Other proportionately consolidated companies with direct shareholding quota that are managed by MAHLE Behr GmbH &amp; Co. KG and another company</b>	
Dongfeng MAHLE Thermal Systems Co., Ltd., Wuhan/China	50.00
<b>4. Associated companies, consolidated using the equity method</b>	
<b>a) Associated companies of MAHLE Behr GmbH &amp; Co. KG with direct shareholding quota</b>	
Dongfeng-Paninco Automobile Aluminum Heat Exchanger Co.Ltd., Shiyang/China	50.00 <sup>4</sup>
<b>b) Other associated companies with direct shareholding quota</b>	
ARCO Climatizacao Ltda., Caxias do Sul/Brazil	33.33 <sup>4</sup>
Cofap Companhia Fabricadora de Peças Ltda., Mauá/Brazil	31.65 <sup>4</sup>
LangFang Kokusan Electric Co., Ltd., Langfang/China	40.00 <sup>4</sup>
MAHLE Filter Systems Land Corporation, Cavite/Philippines	39.99 <sup>3</sup>
Pt Federal Izumi Manufacturing, Bogor/Indonesia	41.94 <sup>4</sup>
asellerate GmbH, Stuttgart/Germany	32.50 <sup>4</sup>
SiEVA d.o.o., Brnik/Slovenia	20.00 <sup>3</sup>

<sup>1</sup> Shareholding 50% + 1 share

<sup>2</sup> From the Group's perspective, company is included at 100%

<sup>3</sup> The company was not measured using the equity method on account of its immateriality for the presentation of the net assets, financial position, and results of operations

<sup>4</sup> Financial statements according to local GAAP

# Independent auditor's report

To MAHLE GmbH, Stuttgart

## Audit Opinions

We have audited the consolidated financial statements of MAHLE GmbH, Stuttgart, and its subsidiaries (the Group), which comprise the consolidated balance sheet as at 31 December 2024, and the consolidated income statement, consolidated statement of changes in equity and consolidated cash flow statement for the financial year from 1 January to 31 December 2024, and notes to the consolidated financial statements, including the presentation of the recognition and measurement policies. In addition, we have audited the group management report of MAHLE GmbH for the financial year from 1 January to 31 December 2024.

In our opinion, on the basis of the knowledge obtained in the audit,

- the accompanying consolidated financial statements comply, in all material respects, with the requirements of German commercial law and give a true and fair view of the assets, liabilities and financial position of the Group as at 31 December 2024 and of its financial performance for the financial year from 1 January to 31 December 2024 in compliance with German Legally Required Accounting Principles, and
- the accompanying group management report as a whole provides an appropriate view of the Group's position. In all material respects, this group management report is consistent with the consolidated financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development.

Pursuant to § [Article] 322 Abs. [paragraph] 3 Satz [sentence] 1 HGB [Handelsgesetzbuch: German Commercial Code], we declare that our audit has not led to any reservations relating to the legal compliance of the consolidated financial statements and of the group management report.

## Basis for the Audit Opinions

We conducted our audit of the consolidated financial statements and of the group management report in accordance with § 317 HGB in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Group Management Report" section of our auditor's report. We are independent of the group entities in accordance with the requirements of German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions on the consolidated financial statements and on the group management report.

## Other Information

The executive directors are responsible for the other information.

The other information comprises the annual report – excluding cross-references to external information – with the exception of the audited consolidated financial statements, the audited group management report and our auditor's report.

Our audit opinions on the consolidated financial statements and on the group management report do not cover the other information, and consequently we do not express an audit opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information mentioned above and, in so doing, to consider whether the other information

- is materially inconsistent with the consolidated financial statements, with the group management report disclosures audited in terms of content or with our knowledge obtained in the audit, or
- otherwise appears to be materially misstated.

## **Responsibilities of the Executive Directors and the Advisory Board for the Consolidated Financial Statements and the Group Management Report**

The executive directors are responsible for the preparation of the consolidated financial statements that comply, in all material respects, with the requirements of German commercial law, and that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Group in compliance with German Legally Required Accounting Principles. In addition, the executive directors are responsible for such internal control as they, in accordance with German Legally Required Accounting Principles, have determined necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud (i.e., fraudulent financial reporting and misappropriation of assets) or error.

In preparing the consolidated financial statements, the executive directors are responsible for assessing the Group's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting, provided no actual or legal circumstances conflict therewith.

Furthermore, the executive directors are responsible for the preparation of the group management report that, as a whole, provides an appropriate view of the Group's position and is, in all material respects, consistent with the consolidated financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, the executive directors are responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a group management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the group management report.

The advisory board is responsible for overseeing the Group's financial reporting process for the preparation of the consolidated financial statements and of the group management report.

## **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Group Management Report**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the group management report as a whole provides an appropriate view of the Group's position and, in all material respects, is consistent with the consolidated financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our audit opinions on the consolidated financial statements and on the group management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with § 317 HGB and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and this group management report.

We exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements and of the group management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

- Obtain an understanding of internal control relevant to the audit of the consolidated financial statements and of arrangements and measures (systems) relevant to the audit of the group management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of the internal control and these arrangements and measures (systems), respectively.
  - Evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of estimates made by the executive directors and related disclosures.
  - Conclude on the appropriateness of the executive directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the consolidated financial statements and in the group management report or, if such disclosures are inadequate, to modify our respective audit opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to be able to continue as a going concern.
  - Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements present the underlying transactions and events in a manner that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Group in compliance with German Legally Required Accounting Principles.
  - Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming audit opinions on the consolidated financial statements and on the group management report. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinions.
  - Evaluate the consistency of the group management report with the consolidated financial statements, its conformity with German law, and the view of the Group's position it provides.
  - Perform audit procedures on the prospective information presented by the executive directors in the group management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the executive directors as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate audit opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.
- We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Stuttgart, March 19, 2025

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