

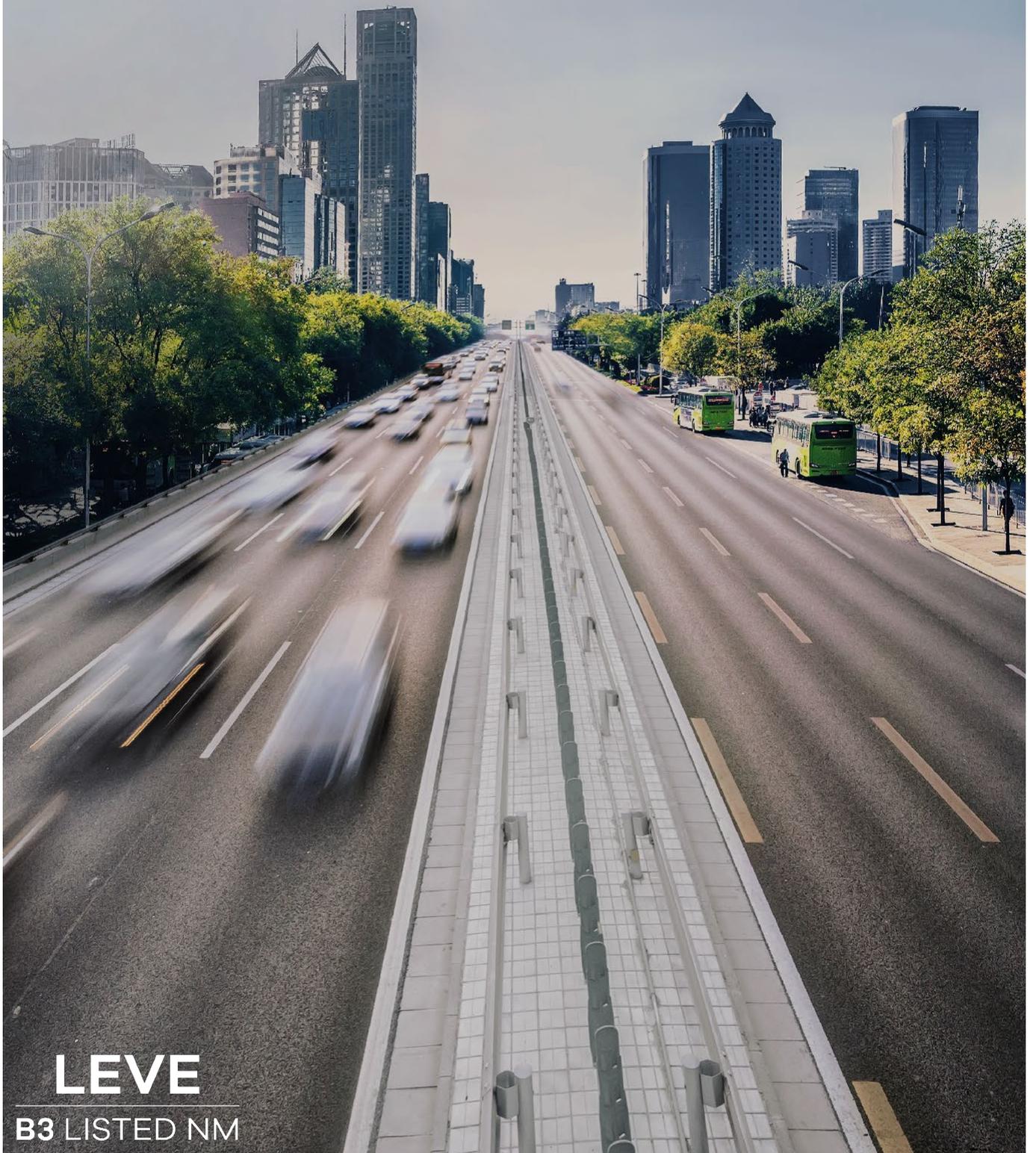
(A free translation of the original in Portuguese)

MAHLE Metal Leve S.A.

**Individual and Consolidated
Financial statements at
December 31, 2025**

MAHLE

Q4 and Full Year 2025 Results Release



LEVE

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Mogi Guaçu, São Paulo, March 16, 2026

MAHLE Metal Leve S.A. (B3: LEVE3)

a Brazilian leading manufacturer of internal combustion engine components and filters, as well as components for thermal management systems, today announced its financial results for the fourth quarter and full year 2025. The financial and operational information contained in this press release is consolidated and expressed in Brazilian real (BRL) unless otherwise indicated, and is prepared in accordance with the Brazilian Corporation Law.

HIGHLIGHTS



Net sales revenue (2025)
~5.4 billion
up 18.6% from 2024



Gold Seal
Brazilian GHG Protocol Program
The highest certification awarded by the Program ([item 6.1](#))



Payout to shareholders
110.4 million
Interest on capital for 2025 ([item 5.13](#))



Sustainability Report
Published on August 29, 2025 ([link](#))



ANEFAC Transparency Award 2025
MAHLE Metal Leve has won this award ([link](#))

Key figures 2025



Gross Margin
27.2%



EBIT Margin
16.9%



EBITDA Margin
19.3%



Net Margin
11.3%

Q4 and Full Year 2025
Earnings Conference
Call

Date
March 17,
2026

Time
10:00 a.m. – Brasília
1:00 p.m. – London
9:00 a.m. – New York

Conference Call
(Portuguese/English)

[Event link](#)

<https://ri.mahle.com.br/>

DEAR SHAREHOLDERS,

In compliance with applicable laws and regulations, the Management Board of MAHLE Metal Leve S.A. hereby submits to you the Management Report and the Financial Statements with the Independent Auditor's Report and the Report of the Supervisory Board for the fiscal year ended December 31, 2025.

1. Management Commentary

The year 2025 was marked by a complex global and domestic economic environment, demanding great flexibility from market participants. In the global context, trade tensions persisted with U.S. tariffs hike, leading to heightened uncertainty and placing pressure on supply chains across various sectors. This environment of rising trade barriers is acting as a primary driver of instability in international trade and investment flows.

Economic activity in Brazil grew at a moderate pace, despite facing tighter financial conditions. Brazil's benchmark interest rate Selic remained elevated throughout the year, restricting credit growth and dampening domestic demand. In this context, the Brazilian automotive industry experienced adverse conditions: although total production grew compared to the prior year, some segments faced additional pressures.

The heavy vehicle market was the most affected, registering a significant contraction driven by its higher sensitivity to financing conditions and a more cautious stance from consumers and companies due to high-cost credit. Even so, both the Brazilian economy and the automotive industry showed resilience.

Despite the headwinds of external pressures and restrictive domestic financial conditions, the Company delivered a robust operational performance. Resilient margins and rigorous operational discipline enabled the Company to sustain performance levels, offsetting the downturn in credit-dependent segments like heavy vehicles. This result was bolstered by the successful integration of the business acquired in the fourth quarter of 2024, whose synergies and strategic expansion strengthened our structure and competitiveness. The transaction marked a key milestone in the Company's growth, driving the advancements made during 2025.

The Company stands out for its broad portfolio of integrated solutions and products, often custom-developed in partnership with its key customers. Being part of the MAHLE Group boosts this customization capability by providing access to cutting-edge technology and encouraging collaborative product development, which increases our market share and strengthens customer retention.

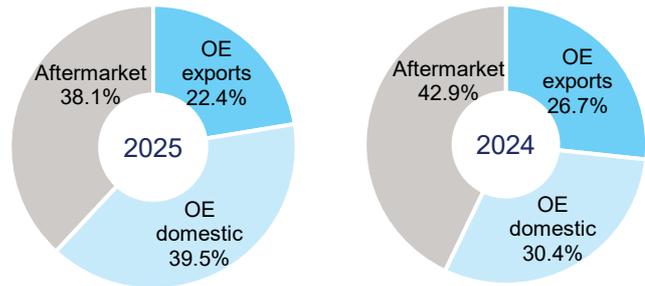
Another key competitive advantage is the Company's technological excellence and continuous innovation, supported by its Tech Center in Jundiaí, São Paulo State, one of the largest and most advanced technology centers in Latin America. This structure allows the Company to develop components aligned with global trends and offer specialized services like engineering, testing and validation. The ability to deliver end-to-end solutions — from single parts to integrated systems — makes the Company a strategic partner from design to production, strengthening business relationships and driving gains in productivity and innovation.



Sergio Pancini de Sá
Chief Executive Officer

Claudio Braga
Chief Financial Officer and
Investor Relations Officer

For the full year 2025, the Company's net revenue grew 18.6% compared to the prior year, reflecting the performance of the Aftermarket (+5.5%), OE domestic sales (+54.0%) and OE exports (-0.7%). See item 5.1 of this report for additional information about the business segments.



Please note that the changes in percentages is in part due to the consolidation of the businesses that have been acquired with approval of the Extraordinary General Meeting on October 3, 2024 and incorporated into the Company's net operating revenue starting from the fourth quarter of 2024 — therefore, only Q4 2025 offers a comparable base.

The Company seeks to maintain a balance between the Original Equipment and Aftermarket segments, across both domestic and export markets, in order to mitigate sector-specific fluctuations and sustain long-term profitability. With a brand recognized for quality and technology, a robust financial structure, and a highly skilled team, the Company is well positioned to drive further investment in R&D and sustainable solutions, anticipating trends and creating value for both customers and shareholders.

In the aftermarket, the Company intensified initiatives to strengthen customer relationships, increase technical qualification for mechanics, and consolidate the brand within the automotive and off-highway segments. By participating in major events such as the Mechanics Congress, attended by more than 4,000 professionals, we strengthened our brand and launched new products, alongside our technical presentations about Service Solutions, further driving our expansion into the off-highway market.

Maintaining a close relationship with repair shops and mechanics stayed central to our strategy. Integrated field actions and special initiatives – such as those held during 'Mechanic's Day', an event independent of the Mechanics Congress – helped broaden engagement and technical support within the repair ecosystem. In the last quarter, MAHLE Lifecycle and Mobility (the business unit focused on the aftermarket) received an award in the Engine Components category from the Brazilian association representing auto repair shops (Sindirepa) in Rio de Janeiro. This award underscores market confidence in the quality of our portfolio.

The Company sustained intense technical development initiatives. In partnership with SENAI Ipiranga and SENAI Fortaleza, hands-on engine training sessions were conducted throughout the year, expanding access to specialized technical knowledge. In addition, the "Circuito MAHLE Luva Azul" initiative reached 18 Brazilian cities, disseminating knowledge and strengthening our brand's national presence in the aftermarket.

Such initiatives demonstrate our commitment to innovation, technical qualification, and proximity with repair professionals. These are pivotal drivers for sustaining aftermarket growth and expanding market share in a strategic, high-potential segment.

Lastly, the Company reiterates its commitment to a diverse, inclusive, and respectful workplace. We believe that diverse backgrounds and experiences fuel innovation, collaboration, and performance. Therefore, we strive to foster an environment that supports employee growth, encourages new ideas, and strengthens engagement. Guided by respect, trust, and cooperation, we will keep building a solid and sustainable future, where every achievement reflects the collective effort of our entire team.

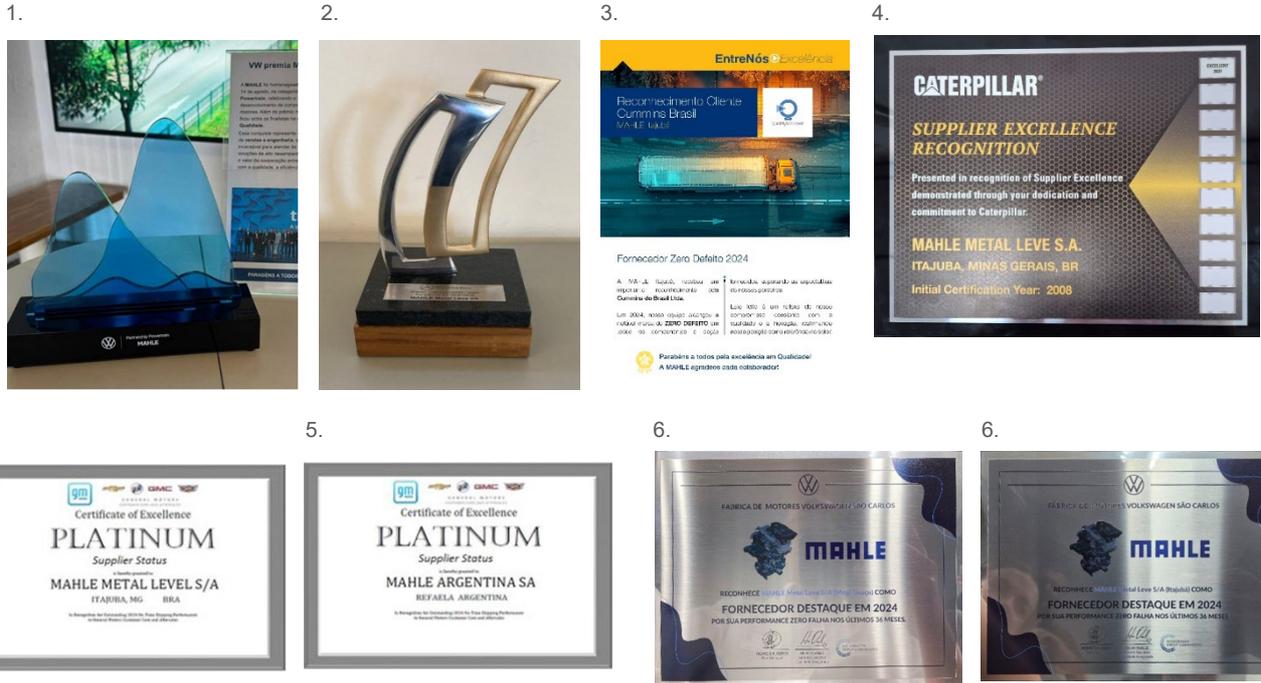
MAHLE Metal Leve, Recognized for its high- quality products



Being part of a global Group enables the Company to exchange knowledge as well as have constant access to cutting-edge technologies while co-developing new products with customers, a key factor in achieving high levels of customer loyalty and market penetration. Delivering products with quality excellence has been a core principle of the MAHLE Group since its inception. This commitment permeates every stage of our processes and translates directly into customer satisfaction – our customers being the ultimate validators of our work.

We are proud to announce the recent awards received by the Company from our business partners. These awards reinforce our dedication to “doing things right every day” and motivate us to continue improving our standards, always in pursuit of excellence. These achievements are the result of our employees’ hard work, the partnership with our customers, and a culture of continuous improvement that drives our entire Company. We are committed to our mission of delivering value with a focus on quality, innovation, and accountability.

Shown below are some awards earned recently by the Company. These awards are the result of years of dedicated work by the Company, representing not only institutional achievements but also the trust placed in our brand and our products:



1. VW The One – Powertrain Category 2025
2. Mercedes-Benz Brazil Quality Excellence 2024/2025
3. Cummins Zero Defect 2025
4. Caterpillar as Excellent Level in 2025
5. Platinum Award in recognition of outstanding 2024 On-Time Shipping Performance to General Motors Customer Care and Aftersales
6. VW Journey to ZERO Award 2025

2. Macroeconomic Landscape and Outlook

The Brazilian economy showed signs of resilience in 2025 despite a still-restrictive monetary policy and a global scenario characterized by uncertainty. Even with a loss of momentum in certain sectors after the first half of the year, recent data indicate that the combination of a dynamic labor market, progressive improvement in credit conditions, and steady economic activity helped stabilize domestic demand during 2025.



According to data from the Brazilian Institute of Geography and Statistics (IBGE) and economic projections by the Secretariat of Economic Policy, GDP growth remained close to early-year projections. The first half of 2025 saw robust expansion led by the agricultural sector, while the rest of the period was characterized by stability.

The [SELIC](#) rate (Brazil's benchmark interest rate), which closed 2024 at 12.25% per annum, maintained an upward trajectory during 2025, reflecting a cautious stance by monetary authorities and ending 2025 at 15.00% per annum. This rate was considered necessary to control inflation, which remains above target and is constantly impacted by the domestic fiscal environment and external external factors. The Central Bank of Brazil's Monetary Policy Committee (Copom)'s stance aligns with the global environment, where high financial volatility and moderate growth revisions demand caution from emerging economies.



Inflation eased during part of the year but remains above the center of the target, driven by constant pressure from services and components sensitive to the economic cycle. Even though some sectors and core components have seen a reduction, analysts point to the need for a gradual disinflationary process as it is likely to face volatility, given its sensitivity to exchange rates and domestic market prices.

In the medium term, international markets and institutions forecast sustained yet slower growth, driven by global uncertainties and specific monetary policy conditions. Given this context, there is a perspective of greater prudence, planning and strategic adjustments by economic agents over the coming periods.



In a global context, major economies continue to pursue inflation convergence toward their targets, within a landscape of less synchronized adjustments and heterogeneous pressures across labor markets. The [International Monetary Fund](#) (IMF) projects global growth to remain steady at 3.3% in 2026, below the historical average. The IMF also projects global disinflation to continue, however, risks are tilted to the downside, primarily with the potential for interruptions in the easing of inflation and threats to the global financial stability.

In short, 2025 saw a complex macroeconomic backdrop with clear improvements: gradual disinflation, resilient economic activity, and strong fundamentals that sustain growth, even at a slower pace.



Jaguariúna, São Paulo,
manufacturing plant

3. About MAHLE Metal Leve

MAHLE Metal Leve (“MML”) is a Brazilian automotive parts company that manufactures and sells components for internal combustion engines, automotive filters and components for thermal management systems. It manufactures high-quality, state-of-the-art products thanks to the continuous investments in the research and development of new products and production processes.

MAHLE Metal Leve has been operating in Brazil since the 1950’s and has a large portfolio of products and integrated solutions, including customized products developed in partnership with its principal customers. MML operates in the OE segment where it supplies vehicle manufacturers and in the Aftermarket segment where it supplies partners in trade, workshops and engine repair shops.

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

MAHLE Metal Leve operates five production locations in Brazil (in the cities of Mogi Guaçu (two units), São Bernardo do Campo, Jaguariúna, and Itajubá) and one in Argentina, in the city of Rafaela. It has two distribution centers - one in the city of Limeira, State of São Paulo, and one in Buenos Aires, Argentina, along with one sales office in the city of Panama.

MML has a Tech Center in the city of Jundiaí, State of São Paulo, which is one of the largest and most well-equipped engine research and development centers in South America and which has been appointed by the MAHLE Group to lead the development and application of biofuels and biomaterial technologies to support large-scale decarbonization worldwide, as part of the internal combustion engine strategy.



Production Locations:

- 1 Mogi Guaçu, São Paulo State
- 2 São Bernardo do Campo, São Paulo State
- 3 Jaguariúna, São Paulo State
- 4 Itajubá, Minas Gerais State
- 5 Rafaela, Argentina

Tech Center

- 6 Jundiaí, São Paulo State

Distribution Centers

- 7 Limeira, São Paulo State
- 8 Buenos Aires, Argentina

Sales Office

- 9 City of Panama

4. Development of the Automotive Industry

4.1 Brazilian and Argentine markets and vehicle production in the Company's major export markets

2025 x 2024	Vehicles (thousands)	Brazil 		Argentina 		Total 	
Sales ¹	Light	2,552.2	2.6%	586.6	42.6%	3,38.8	8.3%
	Heavy-duty	137.4	-6.7%	21.1	43.4%	158.6	-2.2%
Production ¹	Light	2,491.7	4.5%	490.9	-3.1%	2,982.6	3.2%
	Heavy-duty	152.3	-9.9%	9.1	2.4%	161.4	-9.3%

2025 x 2024	Vehicles (thousands)	Europe 		North America 		Total 	
Production ²	Light	16,920.1	-1.5%	15,242.6	-1.3%	32,162.7	-1.4%
	Heavy-duty	547.2	-5.9%	486.4	-25.9%	1,033.6	-16.5%

¹ Source: Anfavea, Fenabrave, Adefa, IHS, Acara & Indec.
² Source: IHS

Total vehicle production of light and heavy-duty vehicles in Brazil and Argentina increased 2.4% in 2025.

Brazilian market

Despite signs of an economic slowdown in the second half of the year, the industry closed the year with growth in light vehicle sales. Vehicle registrations rose by 2.1% (weighted average of light and heavy-duty vehicles) to around 2.690 million vehicles compared to 2024, highlighting market resilience – a trend led by light vehicles which grew 2.6% even in a prolonged high-interest-rate environment. The strong registration figures in December, driven by aggressive stock clearance campaigns, were key to the positive year-end result.

Hit hardest by high interest rates, the truck segment experienced a 6.7% downturn. The downturn was even sharper for the long-haul heavy-duty models, with a drop of 20.5% compared to 2024. The elevated Selic rate and ongoing geopolitical tensions, which hindered a more consistent recovery of the sector during 2025, continue to persist into the beginning of this year. The industry is tracking the rollout of the 2026 “Move Brasil” program, designed to lower lending rates through a 10-billion-real investment earmarked for fleet renewal.

Production totaled 2.644 million vehicles, a 3.5% increase compared to 2024. Light vehicles rose by 4.5%, while heavy-duty vehicles dropped by 9.9%. The results were fueled mainly by increased external demand for domestically manufactured vehicles: exports grew 32.1%.

The agricultural machinery and equipment segment recorded sales of 61,064 units, representing an increase of 14.1% compared to 2024.

Argentine market

The Argentine market experienced a strong recovery in 2025, with sales up 42.8% year-over-year to 607,725 units, driven by increased supply, improved credit conditions, and a reduction in import taxes and tariffs. On the other hand, production fell by 3.0% in the year to 499,970 units, and exports dropped by 10.8%, highlighting that growth was sustained principally by imported vehicles, particularly from Brazil.

5. Company's Financial and Economic Performance

Summary of income statement (in BRL million, except %)	2025 (a)		2024 (b)		(a/b)	Q4 2025 (c)		Q4 2024 (d)		(c/d)
Net operating revenue	5,406.7	100.0%	4,558.0	100.0%	18.6%	1,325.6	100.0%	1,317.8	100.0%	0.6%
Cost of sales and services	(3,933.5)	(72.8%)	(3,258.9)	(71.5%)	20.7%	(991.6)	(74.8%)	(1,017.8)	(77.2%)	(2.6%)
Gross profit	1,473.2	27.2%	1,299.1	28.5%	13.4%	334.0	25.2%	300.0	22.8%	11.3%
Selling and distribution expenses	(377.0)	(7.0%)	(343.2)	(7.5%)	9.8%	(88.6)	(6.7%)	(112.3)	(8.5%)	(21.1%)
General and administrative expenses	(180.6)	(3.3%)	(140.6)	(3.1%)	28.4%	(47.5)	(3.6%)	(28.4)	(2.2%)	67.3%
Research and development expenses	(75.6)	(1.4%)	(59.0)	(1.3%)	28.1%	(23.6)	(1.8%)	(16.9)	(1.3%)	39.6%
Other operating income (expenses), net	4.7	0.1%	(5.0)	(0.1%)	(194.0%)	8.0	(0.6%)	(3.0)	(0.2%)	(366.7%)
Share of profit of equity-accounted investees	10.1	0.2%	2.3	0.1%	339.1%	3.5	0.3%	2.3	0.2%	52.2%
Gain on net monetary position in foreign subsidiary (operating profit)	61.4	1.1%	116.7	2.6%	(47.4%)	18.5	1.4%	26.3	2.0%	(29.7%)
Profit before finance income and costs and taxes (EBIT)	916.2	16.9%	870.3	19.1%	5.3%	204.3	15.4%	168.0	12.7%	21.6%
Net finance costs	(124.5)	(2.3%)	(171.1)	(3.8%)	(27.2%)	(88.2)	(6.7%)	(113.2)	(8.6%)	(22.1%)
Profit before taxes	791.7	14.6%	699.2	15.3%	13.2%	116.1	8.8%	54.8	4.2%	111.9%
Income tax and social contribution	(183.0)	(3.4%)	(157.9)	(3.5%)	15.9%	19.8	1.5%	56.0	4.2%	(64.6%)
Profit for the period	608.7	11.3%	541.3	11.9%	12.5%	135.9	10.3%	110.8	8.4%	22.6%
¹ Adjusted profit	599.6	11.1%	541.3	11.9%	10.9%	126.8	9.6%	126.2	9.6%	0.5%
EBITDA	1,043.6	19.3%	975.0	21.4%	7.0%	235.6	17.8%	196.6	14.9%	19.8%
¹ Adjusted EBITDA	1,029.8	19.0%	990.2	21.7%	4.0%	221.8	16.7%	219.7	16.7%	0.9%

¹ Additional information is available in item [5.7](#) of this report.

5.1 Net sales by market

For reporting purposes, the Company defines its 'domestic market' as revenue from its operations in Brazil and Argentina. The foreign currency differences arising from the translation of the financial statements from Argentine peso (ARS) to Brazilian real (BRL) should be considered in the consolidation of the financial statements.

Net sales by market (in BRL million, except percentages)	2025 (a)	2024 (b)	(a/b)	Q4 2025 (a)	Q4 2024 (b)	(a/b)
Original Equipment - domestic	2,138.3	1,388.8	54.0%	500.9	478.8	4.6%
Original Equipment - exports	1,209.1	1,218.0	-0.7%	308.5	311.1	-0.8%
Subtotal	3,347.4	2,606.8	28.4%	809.4	789.9	2.5%
Aftermarket – domestic	1,736.6	1,643.2	5.7%	451.2	453.4	-0.5%
Aftermarket – exports	322.7	308.0	4.8%	65.0	74.5	-12.8%
Subtotal	2,059.3	1,951.2	5.5%	516.2	527.9	-2.2%
Total	5,506.7	4,558.0	18.6%	5,406.7	1,317.8	0.6%

These amounts include revenue from the businesses that been acquired by the Company with the approval of the Extraordinary Shareholders' Meeting on October 3, 2024, and which began to be consolidated in the Company's net operating revenue from the fourth quarter of 2024:

- MAHLE Compressores do Brasil Ltda. (R\$ 802.6 million - Original Equipment – domestic and exports) in 2025.
- MAHLE *Aftermarket* Thermal Brasil Ltda. (R\$ 84.1 million - Aftermarket – domestic and exports) in 2025.

5.2 Original Equipment sales

In the OE segment, MAHLE Metal Leve supplies components and systems directly to vehicle manufacturers and works closely with them to develop tailored, technologically advanced solutions that meet rigorous technical standards and quality requirements.

The Company has a diverse customer base and manufactures high-quality, state-of-the-art products, backed by continuous investments in research and development of new products and production processes. In addition, the Company prioritizes strengthening customer relationships through the development of tailored, integrated solutions, ensuring high levels of technological excellence and project confidentiality. These strengths provide us with a significant competitive edge in our industry.

No single customer accounts for more than 10% of the Company's net sales revenue. The Company reaches out to various markets, geographic locations and a broad customer portfolio, mitigating risks and seizing growth opportunities in multiple markets.

The Company's revenue from the OE segment for the full year 2025 exceeded the reference market (vehicle production in Brazil and Argentina) due to the revenue from the businesses acquired by the Company (item 5.1) and market share growth, while the Company's exports stayed in line with the market.



5.3 Aftermarket sales

In the fourth quarter of 2025, the Brazilian automotive aftermarket registered stable performance, with a minor growth deceleration compared to the same period of the prior year, supported by structural factors such as an aging fleet and increased demand for corrective maintenance. During 2025, the Company maintained its growth trajectory in strategic segments, showing resilience amidst a challenging macroeconomic landscape marked by high inflation, tighter credit conditions, and rising delinquency rates, all of which pressured consumer purchasing power.

The market saw an increased supply of imported products and heightened price sensitivity among consumers and repair shops, with a partial demand shift toward budget-friendly solutions. This trend reinforced the need for a diversified portfolio capable of catering to everything from low-cost applications to highly specialized parts.

The export market faced challenges stemming from macroeconomic factors and regional instability, leading to lower demand in key markets. Despite these challenges, there was an improvement in parts availability and a sales increase in key South American countries, reflecting measures taken to optimize supply chains and the strengthening of local partnerships, which helped mitigate the impacts and regain market share in priority markets.

The expansion and renewal of the portfolio yielded positive results: the product lines launched by MAHLE Metal Leve in the last two years accounted for an increasing share of sales, while the launches in the first half of the year – including engine gaskets (heavy-duty), camshafts (light-duty) and off-road filters – strengthened the Company's position as a comprehensive solution provider for various applications. These initiatives, coupled with demand-generation investments and commercial partnerships, bolstered the attractiveness of our offering and sustained commercial performance.

Digitalization has become a key driver of operational efficiency and competitiveness, with advancements in e-commerce platforms, inventory management, and logistics, which helped minimize disruptions and enhance service quality. The Company achieved record social media engagement, reaching over 40,000 followers, strengthening the brand and disseminating relevant technical and commercial content across the aftermarket chain. The “MAHLE Pra valer” relationship program deepened ties with distributors, mechanics and repair shops, supported by a strong field team presence, stimulating demand for MAHLE products and reinforcing our presence at strategic points of sale.

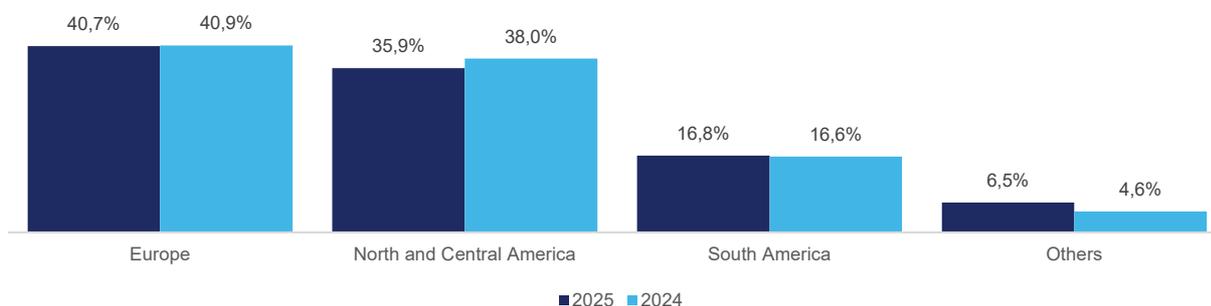
In terms of technical training, the “*Mecânico Luva Azul*” program, launched in April 2025, stood out for its scope and impact, with over 7,000 mechanics trained in Brazil and Argentina. Specialized content on diesel engines, air conditioning systems, and three-cylinder vehicles, among other topics, resulted in recognized certification. This raised the technical expertise of the repairer network, driving a stronger preference for MAHLE products and enhancing the service quality for end users.



Ultimately, the fourth quarter and the full year 2025 established the Company as a resilient and adaptable player in the Aftermarket. Our performance was sustained by an expanding portfolio, digital advancements, commercial initiatives, and training programs, which strengthened the business despite prevailing macroeconomic headwinds.

5.4 Consolidated export by geographical market

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

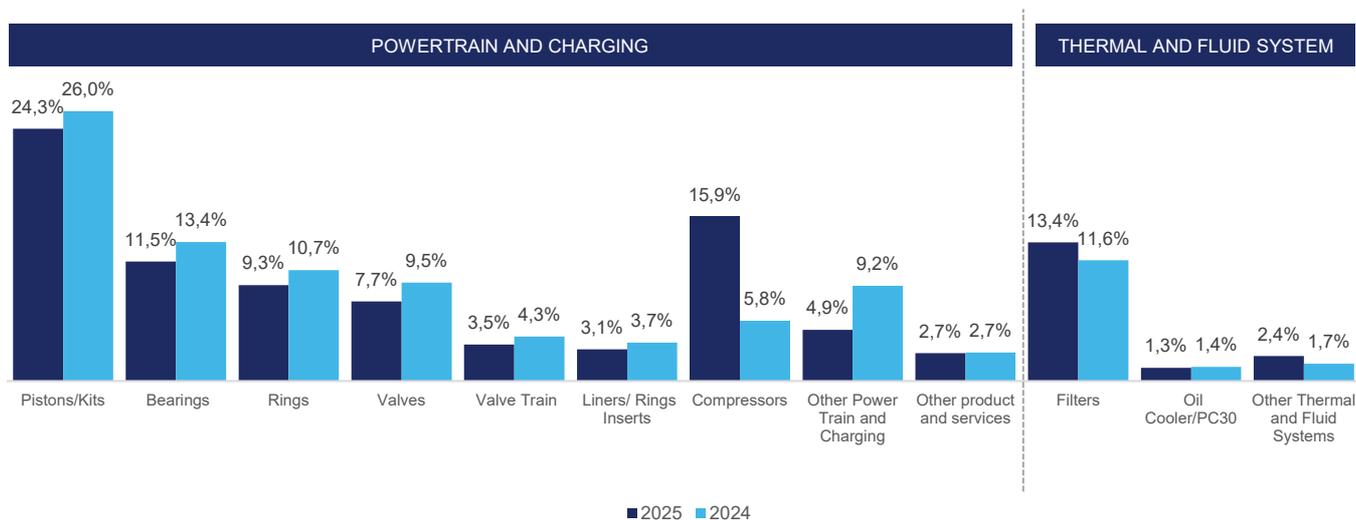


5.5 Net revenue by segment and by product

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

Net revenue by segment (in BRL million)	2025 (a)	2024 (b)	(a)	(b)	(a/b)	Q4 2025 (c)	Q4 2024 (d)	(c)	(d)	(c/d)
Powertrain and Charging (formerly Engine Components)	4,482.6	3,889.4	82.9%	85.3%	15.3%	1,101.1	1,111.5	83.1%	84.3%	-0.9%
Thermal and Fluid Systems (formerly Filters)	924.1	668.6	17.1%	14.7%	38.2%	224.1	206.3	16.9%	16.9%	8.6%
Total	5,406.7	4,558.0	100.0%	100.0%	18.6%	1,325.5	1,317.8	100.0%	100.0%	0.6%

The graph below shows total sales by product category in 2025 and 2024, with Powertrain and Charging accounting for 82.9% and Thermal and Fluid Systems accounting for 17.1% of total sales in 2025:



It is important to note that, in the fourth quarter of 2024, the Company concluded the M&A (extensively discussed in previous quarters), which added a new product to its portfolio – compressors. While charts might suggest a decline in sales of existing products, the Company actually began recording the new compressor line in the fourth quarter of 2024 (three months of sale of this new product in 2024 versus twelve months in 2025). Therefore, the 2025 figures reflect a proportional redistribution due to portfolio expansion and the full-year impact of the new product line.

5.6 Operating performance

Gross Margin: The Company concentrates on initiatives aimed at increasing productivity and operating synergies, which helps mitigate inflationary pressures on its cost structure and improve operational efficiency. These initiatives become even more essential given the challenging landscape observed in recent years and notably in 2025, marked by increased demand and cost volatility.

Furthermore, maintaining a transparent pricing policy, combined with close and collaborative relationships with suppliers and customers, contributes to strengthening the resilience of our operating results. This set of actions reinforces the Company's commitment to operational discipline, continuous improvement, and the sustainable delivery of value.

The average margins of the two acquisitions completed in the fourth quarter of 2024 (Mahle Compressores and Mahle Aftermarket Thermal) were better than those considered in the valuation but lower than the Company's historical averages – with impact in the first nine months of 2025, while the fourth quarter of 2025 has the same comparison basis relative to the same period last year.

Selling expenses: were impacted mainly by freight expenses, variable selling expenses, and employee benefit expenses.

General and administrative expenses: were impacted mainly by employee benefit expenses, services, and utilities.

Research and development expenses: were impacted mainly by employee benefit expenses. MAHLE Metal Leve has a Tech Center in the city of Jundiaí, State of São Paulo, dedicated to the development and improvement of internal combustion engines, filters, peripherals and thermal management systems. With a global footprint, the Jundiaí Tech Center leads filter development for the Americas and houses the MAHLE Global Biomobility Center, focused on the development of biofuels and biomaterials.

5.7 Operating result measured by EBITDA

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

EBTIDA: Changes in the period (in BRL million, except %)	Amount	Margin	EBTIDA: Changes in the period (in BRL million, except %)	Amount	Margin
2024	975.0	21.4%	Q4 2024	196.6	14.9%
Gross profit	174.1		Gross profit	34.0	
Selling and distribution expenses	(33.8)		Selling and distribution expenses	23.7	
General and administrative expenses	(40.0)		General and administrative expenses	(19.0)	
Research and development expenses	(16.6)		Research and development expenses	(6.7)	
Other operating income (expenses), net	9.7		Other operating income (expenses), net	11.0	
Share of profit of equity-accounted investees	7.8		Share of profit of equity-accounted investees	1.2	
Gain on net monetary position in foreign subsidiary (operating profit)	(55.3)		Gain on net monetary position in foreign subsidiary (operating profit)	(7.8)	
Amortization - PPA of ARCO	2.7		Amortization - PPA of ARCO	0.5	
Depreciation	20.0		Depreciation	2.1	
2025	1,043.6	19.3%	Q4 2025	235.6	17.8%
Reversal of warranty provision	(9.2)		Reversal of warranty provision	(9.2)	
"Mover" Program	(4.6)		"Mover" Program	(4.6)	
Adjusted 2025	1,029.8	19.0	Adjusted Q4 2025	221.8	16.7%

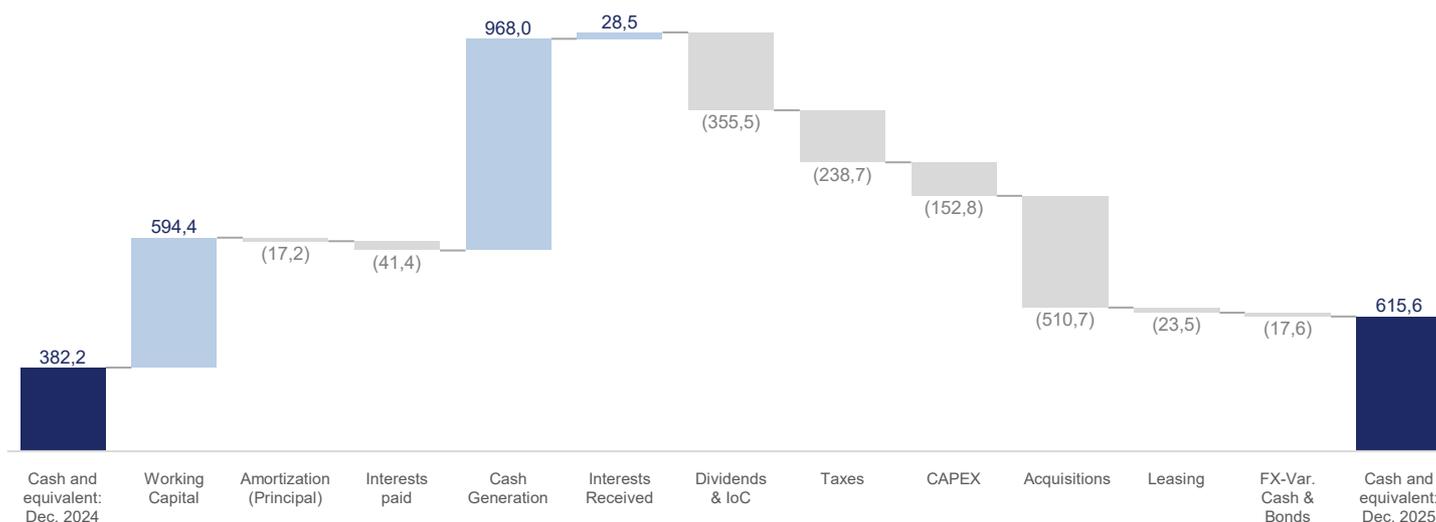
5.8 Finance income and costs

The Company reported net finance costs of R\$ 124.5 million for the full year 2025, down from net finance costs of R\$ 171.1 million for 2024, a reduction of R\$ 46.6 million year-over-year.

The Company's net finance costs for the fourth quarter of 2025 were R\$ 88.2 million, down from net finance costs of R\$ 113.2 million in the fourth quarter of 2024, a reduction of R\$ 25.1 million.

Finance income and costs (in BRL million)	2025 (a)	2024 (b)	Change (a-b)	Q4 2025 (c)	Q4 2024 (d)	Change (c-d)
Interest income (expenses) – net	(78.4)	(22.8)	(55.6)	(11.5)	(16.9)	5.4
Foreign exchange gains (losses) and gain (loss) on derivatives	(7.7)	(139.3)	131.7	(65.8)	(82.7)	16.9
Net monetary variation + Others	(38.4)	(8.9)	(29.5)	(10.9)	(13.6)	2.7
Net finance costs	(124.5)	(171.1)	46.6	(88.2)	(113.2)	25.1

It is also important to note that some loans taken in 2023, 2024 and 2025 were based on the volume of future exports, and mature in 2026, 2027 and 2028, as shown in the item "Net financial position" in this report. Therefore, the exchange rate depreciation on loans did not affect our cash balance, as shown below:



5.9 Income tax and social contribution

The Company recorded an income tax and social contribution expense of R\$ 183.0 million at December 31, 2025 in the consolidated financial statements (expense of R\$ 157.9 million at December 31, 2024), as follows:

- Current tax: R\$ 213.7 million expense incurred principally by the parent company (expense of R\$ 157.3 million at December 31, 2024);
- Deferred tax: R\$ 30.7 million non-cash revenue, comprising principally changes in provisions, tax credits and tax loss carryforward of subsidiaries (expense of R\$ 0.6 million at December 31, 2024).

Further information on income tax and social contribution is disclosed in Note 20 to the Financial Statements as of December 31, 2025.

5.10 Capital expenditures

The table below shows capital expenditures and total accumulated depreciation for the financial years 2025 and 2024:

Capital expenditure & Depreciation (in BRL million)	2025	2024
Capital expenditure	153.7	126.4
Total depreciation	108.3	92.9
% of net sales revenue	2.8%	2.8%
Net sales revenue	5,406.7	4,558.0

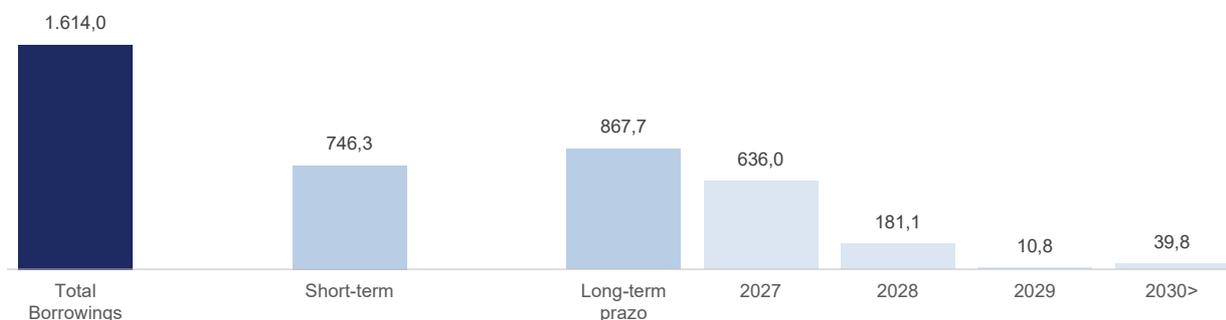
In 2025, the Company made investments in R&D equipment, upgrading and renewal of machinery and equipment aimed at increasing productivity and quality, new products, facilities improvements, information technology, among others.

5.11 Net financial position

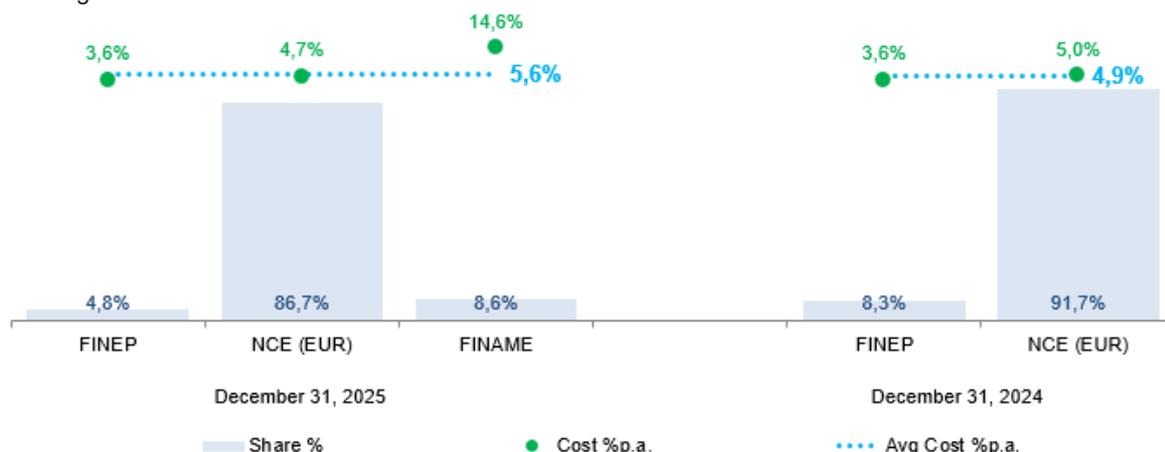
The Company's year-end 2025 net debt is as follows:

Net financial position (in BRL million)	December 31, 2025 (a)		December 31, 2024 (b)		Change (a-b)
Cash and cash equivalents / loans (i):	658.7		382.2		276.6
Borrowings (ii):	(1,614.0)	100.0%	(1,035.1)	100%	(578.9)
Short-term	(746.3)	46.2%	(87.4)	8.4%	(658.9)
Long-term	(867.7)	53.8%	(947.7)	91.6%	80.0
Loans payable (iii):	(43.1)		0.0		(43.1)
Net debt (i – ii – iii):	(998.4)		(652.9)		(345.4)
Net debt / Adjusted EBITDA	0.96x		0.66x		

At the end of 2025, the borrowings classified into short-term and long-term represent 46.2% and 53.8%, respectively, of total borrowings:



Shown below is the detailed breakdown of borrowings at December 31, 2025 and 2024 by facility with respective costs and weighted average cost:



5.12 Subsidiary MAHLE Argentina S.A.

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

	2025	2024
Net effect of IAS 29 on the individual financial statements of MAHLE Argentina	(65.5)	(157.1)
Effect of IAS 29 on calculation of share of profit of subsidiary	81.8	214.1
Net effect of IAS 29 on investment in subsidiary	0.7	1.7
Net effect of IAS 29 on subsidiary's non-monetary assets	16.9	58.8
Effect of IAS 29 on consolidated financial statements, which represents inflation restatement on subsidiary's non-monetary assets	44.5	57.9
Gain on net monetary position in foreign subsidiary	61.4	116.7

For the purposes of translation of the financial statements of the subsidiary in Argentina from the functional currency of the subsidiary (ARS) to the presentation currency of the Parent company MAHLE Metal Leve (BRL), the effects of the translation of the financial statements are recognized as “cumulative translation adjustments” within equity. Transactions in foreign currency are translated to the functional currency of the subsidiary (ARS) at the exchange rate at the end of each quarter as published by the Central Bank of Argentina.

To facilitate the understanding of the impacts of IAS 29/CPC 42 on the financial statements, the "IAS 29 Argentina Hyperinflation" column in the tables below presents, on a segregated basis, all effects of the application of the accounting standard, including the inflation restatement of non-monetary assets and liabilities recognized in the income statement:

Summary of income statement (in BRL million)	As per financial statements published					
	For comparison purposes only					
	2025	IAS 29 Argentina Hyperinflation	2025 without IAS 29	2024 without IAS 29	IAS 29 Argentina Hyperinflation	2024
Net operating revenue	5,406.7	(72.6)	5,334.1	4,388.2	(169.8)	4,558.0
Gross profit	1,473.2	33.4	1,506.6	1,353.1	54.0	1,299.1
SG&A expenses, other operating income (expenses) and share of profit of equity-accounted investees	(618.4)	9.3	(609.4)	(536.7)	8.8	(545.5)
Gain on net monetary position in foreign subsidiary (operating profit)	61.4	(61.4)	-	-	(116.7)	116.7
Profit before finance income and costs and taxes (EBIT)	916.2	(19.0)	897.2	816.4	(54.1)	870.3
Net finance costs	(124.5)	1.9	(122.6)	(181.6)	(10.5)	(171.1)
Income tax and social contribution	(183.0)	-	(183.0)	(152.3)	5.6	(157.9)
Profit for the year	608.7	(17.0)	591.6	482.4	(58.9)	541.3
EBITDA	1,043.6	(19.0)	1,024.6	921.0	(54.1)	975.0
Gross margin	27.2%		28.2%	30.8%		28.5%
EBITDA margin	19.3%		19.2%	21.0%		21.4%

Summary of income statement (in BRL million)	As per financial statements published					
	For comparison purposes only					
	Q4 2025	IAS 29 Argentina Hyperinflation	Q4 2025 without IAS 29	Q4 2024 without IAS 29	IAS 29 Argentina Hyperinflation	Q4 2024
Net operating revenue	1,325.6	(38.0)	1,287.6	1,254.6	(63.2)	1,317.8
Gross profit	334.0	4.7	338.7	297.5	(2.5)	300.0
SG&A expenses, other operating income (expenses) and share of profit of equity-accounted investees	(148.2)	5.2	(143.0)	(146.1)	12.2	(158.3)
Gain on net monetary position in foreign subsidiary (operating profit)	18.5	(18.5)	-	-	(26.3)	23.3
Profit before finance income and costs and taxes (EBIT)	204.3	(8.6)	195.7	151.3	(16.7)	168.0
Net finance costs	(88.2)	2.4	(85.8)	(118.1)	(4.9)	(113.2)
Income tax and social contribution	19.8	-	19.8	61.6	5.6	56.0
Profit for the period	135.9	(6.2)	129.7	94.8	(16.0)	110.8
EBITDA	235.6	(8.6)	227.0	179.9	(16.7)	196.6
Gross margin	25.2%		26.3%	23.7%		22.8%
EBITDA margin	17.8%		17.6%	14.3%		14.9%

5.13 Distribution of interest on capital to shareholders

On [November 11, 2025](#) and [December 11, 2025](#), the Company's Board of Directors approved the distribution of interest on capital (gross) totaling R\$ 110.5 million as set out in the table below. This distribution is subject to the approval of shareholders at the Ordinary General Meeting that is scheduled for April 29, 2026:

Date of approval	Accounting entry	Base date	Ex-payout date	Date of payment	Type of payout	Period	Financial year	Total gross amount (in BRL million)	Gross value per share (BRL)	Net value per share (BRL)
November 11, 2025	November 14, 2025	November 14, 2025	November 17, 2025	December 17, 2025	Interest on capital	January 1, 2025 to September 30, 2025	2025	82.5	0.6089350224	0.5175947690
December 11, 2025	December 16, 2025	December 16, 2025	December 17, 2025	May 27, 2026	Interest on capital	October 1, 2025 to December 31, 2025	2025	27.9	0.2061587712	0.1752349555

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

6. Sustainability

6.1 Environmental Pillar



Throughout 2025, MAHLE Metal Leve consolidated strategic advancements in its Sustainability and HSE (Health, Safety and Environment) agendas, reinforcing its position as a benchmark for environmental governance and responsible operational performance in the Brazilian automotive industry. 2025 was an especially challenging year, marked by intensified customer demands regarding sustainability reporting, climate traceability, and solid evidence of emissions management. This new context raised the maturity level of internal practices and strengthened the culture of social and environmental responsibility across the organization.

Given the market dynamics, the Company refined the technical and methodological approach to preparing its Sustainability Report 2025 and updating its GHG inventory in order to secure the Gold Seal from the Brazilian GHG Protocol Program (certified by Fundação Getúlio Vargas) for the 2026 cycle and to continue to be a 'gold standard' for transparency and social and environmental responsibility. These efforts reflect our commitment to climate alignment, regulatory integrity, and global best practices.



Governance and Strategic Committees

Environmental governance was a central pillar in 2025. The Sustainability Committee maintained its strategic role, expanding the monitoring of climate risks, anticipating new regulatory demands, and coordinating medium- and long-term structural initiatives. Furthermore, the Company intensified its eco-efficiency agenda, strengthening synergies among engineering, maintenance, operations and corporate management, and ensuring alignment with the impact reduction and resource optimization priorities.



Eco-efficiency and Circular Economy

In the environmental pillar, 2025 was marked by consistent progress in circular economy, expansion of internal eco-efficiency practices, responsible use of resources, and improvement of waste, energy and water management systems. These initiatives guide the expansion of the Brazilian plants toward an increasingly efficient and resilient model.



Safety Culture

In Occupational Health and Safety, the Company strengthened its preventive culture focused on safe behavior, through enhanced training, improved risk assessments, and strengthening of leadership as the main protagonist in people care. The maturity of the management system reflects the commitment to protecting lives and ensuring employee well-being.

The Company thus reinforces its commitment to transparency, governance, operational excellence, and generation of sustainable value for shareholders, customers, and society at large, highlighting its strategic advancements in Sustainability and HSE:



Strengthening Environmental Governance through the Sustainability Committee and Energy Efficiency initiatives



Intensifying eco-efficiency, circular economy, and responsible management initiatives



Improving the preparation of the Sustainability Report 2025 and the Corporate GHG Inventory



Strengthening preventive culture and safe behavior throughout the organization

6.2 Social Pillar



At MAHLE Metal Leve, we reaffirm our commitment to people management based on technical rigor, corporate responsibility, and strategic alignment with the MAHLE Group’s global guidelines. We ensure compliance with international standards of ethics, governance and organizational integrity through structured policies for talent attraction, development and retention. Our Talent Management department conducts continuously reviewed and improved processes.

These processes ensure an inclusive corporate environment from the first point of contact with the potential talent, reinforcing consistent practices aligned with applicable internal guidelines.

We integrated the principles of equity, mutual respect, and the rejection of any form of discrimination in our organizational culture, fostering a work environment centered on dignity and people. This human-oriented workplace fosters cross-departmental cooperation, expands execution capacity, and contributes directly to a solid, transparent and sustainable management model.

At December 31, 2025, MAHLE Metal Leve S.A. and its subsidiaries had 8,075 registered employees, apprentices, interns, and third-party service providers in the production and administrative areas.

To support its workforce, the Company has structured programs and ongoing initiatives dedicated to attracting, developing and retaining talent, as follows:



Internship Program: To Inspire, Develop and Retain Talent



Talent Attraction and Retention



Employee Survey



Women's Leadership Forum

Community Engagement

At the Company, social responsibility is integral to its identity and guides the way it conducts its activities. This perspective translates into actions aimed at empowering people, supporting the regions where it operates, and promoting local community development near its manufacturing locations. In this context, the Community Relationship area works to expand the reach of social initiatives, supporting projects that contribute to the human development and collective well-being.

“People come first!” This guiding principle has inspired the Company since its inception to provide opportunities that encourage autonomy, broaden horizons, and strengthen ties with the communities where it operates. The programs supported by the Company reflect this commitment and are organized into pillars considered essential for social progress:

- Culture as a form of expression and identity preservation;
- Diversity and Inclusion, ensuring respect and equitable access;
- Health, promoting quality of life;
- Sports driving integration and development;
- Education, expanding opportunities and preparing new generations.

Each action reinforces the conviction that daily contributions – both individual and collective – can general meaningful transformation. It is in this way — through dialogue, proximity and commitment — that MAHLE reaffirms its social engagement and its purpose of evolving alongside the people and communities with which it relates. As a result, we receive recognition from society, as illustrated by the following accolades:



Recognition for MAHLE Metal Leve’s support
Hospital do Amor Seal



Recognition for MAHLE Metal Leve’s support
Instituição de Incentivo à Criança e ao Adolescente Seal

Achievers Culture, behaviors that move the Company forward

Launched in 2025, MAHLE’s Achievers Culture is a global initiative designed to reinforce and align cultural behaviors considered essential for the future of the Company. It defines a set of attitudes and behaviors to guide employees in their day-to-day work, and represents the spirit of people who build the Company: dedicated, competent, engaged, entrepreneurial employees who are passionate about what they do. In addition, Achievers Culture is designed to support the “MAHLE 2030+” strategy by strengthening the mindset and behaviors required to execute it.

MAHLE Metal Leve has made strides in consolidating the Achievers Culture as one of the strategic enablers of the MAHLE 2030+ agenda. The theme has gained global relevance by engaging leaderships and teams in discussions about essential behaviors required for executing the strategy in a transforming business environment. Across all regions, the Company has observed significant interest and active participation, reflecting the understanding that the culture that guaranteed past success is no longer sufficient to overcome the challenges of the coming years.



Entrepreneurship:	Accountability:	Collaboration:
<ul style="list-style-type: none"> Vision of the future Focus on profitability Progress-oriented Adaptable 	<ul style="list-style-type: none"> Committed Engaged Decisive Resilient 	<ul style="list-style-type: none"> Cooperative Supportive Receptive Inclusive

The implementation process is supported by clear communication, spaces for dialogue, and specific tools to guide leaders and teams. The approach aligns directly with the results of the employee survey, which identify areas for attention and opportunities for improvement, reinforcing the synergy between engagement, organizational behavior, and performance. By treating culture as an execution lever, MAHLE strengthens its internal alignment capacity, increases management maturity, and creates the conditions for teams globally to contribute consistently to its strategic objectives. Therefore, the MAHLE Achievers Culture is designed to be more than a set of guidelines; it is a central element of competitiveness and resilience of the Company in the long run, based on the following pillars:

Support for projects

In 2025, MAHLE Metal Leve S.A. supported more than 30 projects through tax incentive laws, reinforcing its commitment to social development and improving the quality of life in the communities where it operates. Initiatives included health-focused actions, such as purchase of hospital equipment, eye exams, and donation of eyeglasses to children and adolescents. They also included expanding access to sports, promoting physical activities in public spaces, and free classes in judo, handball, soccer, and circus arts. Additionally, the Company strengthened its diversity and inclusion agenda through professional training projects for minority groups and cultural initiatives to raise awareness of the topic. Through these initiatives, the Company reaffirms its role as a socially responsible organization, aligned with ESG best practices and committed to generating continuous positive impact.

Diverse and inclusive workplace

The Company has a Diversity, Equity and Inclusion Policy aimed at promoting a plural and isonomic environment, with structured actions to increase female and salary equity. In this context, in 2025, women represented 17% of the total workforce, holding 9% of leadership positions. As of the issue date of this report, the Company had no women on the Board of Directors or the Statutory Executive Board. The Transparency and Salary Equity Reports indicate that the median female contractual salary ranged between 67.8% and 90.6% of the male salary, with average monthly compensation between 59.7% and 92.7%, showing parity or female superiority in several technical and leadership roles. Between 2024 and 2025, total female representation evolved from 16% to 17%, with progress especially at the executive and senior management levels, while remaining stable across other hierarchical groups. These variations stem principally from differentiated distribution between roles and departments, rather than salary differences for equivalent positions. Indicators are monitored by the relevant departments, which evaluate and implement measures to mitigate any potential asymmetries.

6.3 Corporate Governance Pillar



MAHLE Metal Leve S.A. (Ticker: LEVE3) has its shares traded on B3 (Brazil's Stock Exchange) since 1977, and has been part of the Novo Mercado listing segment since 2011, the highest corporate governance segment of the Brazilian Stock Exchange. This reinforces the Company's commitment to practices that ensure transparency, equity, accountability, and corporate responsibility, strengthening the long-term relationship with its stakeholders. It operates in compliance with the main recommendations of the Brazilian Institute of Corporate Governance (IBGC), the Brazilian Securities Commission (CVM) and B3, aligned with the market best practices.

For MAHLE Metal Leve, a solid corporate governance structure is fundamental to Sustainability, underpinning the Social, Environmental, and Economic pillars. The Company integrates themes such as Risk Management, Compliance, Corruption Prevention, Antitrust Law, Information Security and Data Protection into its management model, reinforcing its corporate responsibility. Its processes are supported by codes, policies and charters, as well as periodic audits that contribute to continuous improvement, risk mitigation, and fraud prevention.

The Company has a Risk Management Policy to identify, assess and mitigate risks that could compromise the achievement of its strategic objectives. The system continuously monitors internal and external economic, social and environmental factors, providing a comprehensive view of the Company's main risk exposures. A work group composed of senior management and risk specialists is responsible for prioritizing key risks, assigning owners for mitigation actions, and ensuring responses aligned with the risk appetite. The Company also has various insurance coverages as an additional layer of financial protection. The Risk Management Policy is approved by the Board of Directors, to whom the process is submitted annually, reinforcing the transparency and consistency of the Company's corporate governance.

Compliance is also an essential pillar of governance. The Code of Conduct establishes guidelines that direct ethical practices, respect for legislation, and integrity in business relationships. The Company adopts a decentralized approach, in which each department is responsible for its compliance risks, prioritizing themes such as corruption prevention, antitrust rules, and data protection. The Compliance Committee, led by the Compliance Officer and composed of representatives from Operations, Finance, Human Resources, Sales, Procurement, Internal Audit and Legal, ensures integrated and comprehensive management. The Compliance Program is continuously improved based on identified risks, regulatory changes, and market best practices. All reports on misconduct received through official channels are strictly investigated, ensuring confidentiality and protection for whistleblowers. In the last financial years, the Company did not have any confirmed cases of misconduct, fraud or unlawful acts against the Public Administration.

The Company recognizes that continuous training is fundamental to a robust corporate governance framework. Therefore, it maintains permanent training programs focused on essential Compliance topics.

These initiatives strengthen the culture of integrity, increase employee awareness, and ensure adherence to internal policies, applicable laws, and the governance standards of MAHLE Metal Leve S.A., contributing to an effective control environment aligned with market best practices.

Pillars of Corporate Governance:



Responsible business conduct means complying with laws and internal rules, as well as ensuring fair competition.

6.4 Sustainable Innovations



Committed to sustainability, MAHLE Metal Leve continues to develop solutions that promote the decarbonization of mobility, from the manufacturing of components to the final application in vehicles. Guided by the MAHLE 2030+ strategy, our developments are based on three core pillars: sustainable combustion engine, electrification and thermal management.

To accelerate idea generation and implementation of new concepts, MAHLE maintains an innovation management model that connects universities, research institutes, customers and suppliers, creating a collaborative ecosystem for the development of cutting-edge technologies. In addition, we make strategic use of public funding mechanisms — such as Embrapii (Brazilian Agency for Research and Industrial Innovation), MOVER (Green Mobility and Innovation Program) and FINEP (Innovation Projects Financing)— which expand our investment capacity and boost the reach of our projects.

The MAHLE Tech Center In Jundiaí plays a central role in promoting innovation, featuring state-of-the-art laboratories dedicated to the development and validation of advanced solutions. The center meets the technological demands of the South American market and acts as a Filtration hub for the Americas, also contributing to projects destined for the North America. It plays a fundamental role as the MAHLE Global Biomobility Center (GBC).

Developments for light vehicles powered with biofuels

The MAHLE Power Cell Unit (PCU), comprising the piston, ring and pin, was developed by the GBC to optimize the efficiency of flex-fuel engines using ethanol without compromising performance on gasoline. This innovation offers up to 4% efficiency gain with biofuels, which increases the attractiveness of ethanol for end-users by reducing CO2 emissions by 70% compared to gasoline.



Developments for heavy-duty vehicles powered with biofuels

Still in the area of biofuels, the development of a demonstrator vehicle equipped with the new F1C Multifuel engine was the result of a technological partnership between MAHLE Metal Leve and FPT. The vehicle stands out by combining flexibility with sustainability, featuring a dual-fuel tank system which allows vehicle to run on biomethane and ethanol.



Developments for electrified vehicles

Electrification continues to be a high priority in Brazil, with special attention to hybrid vehicles. In this scenario, the MAHLE Tech Center in Jundiaí has expanded its test capacity with significant investments in the engine laboratory, allowing for the development of components for hybrid vehicles, especially 48V light hybrid vehicles.

In 2025, new products were developed to address the additional hybridization challenges. In the filtration system, there is an important impact on the canister due to the extended period the vehicle remains in electric-only mode. To mitigate this, optimized canisters for hybrid vehicles were developed. These canisters manage high-concentration fuel vapors without saturation. Studies were carried out to determine the impact of hybridization on engine components and PCU developments to meet the needs for increased mechanical loads.

These are examples of the Company's contribution to the advancement of innovative and sustainable technologies, always in line with the energetic and socioeconomic characteristics of the regions where we operate. Further information on sustainable innovations is provided in the Company's Sustainability Report.



7. Investor Relations and Capital Market

In 2025, our Investor Relations department maintained frequent interactions with investors and the market at large.

We participated in both in-person and virtual meetings and events to strengthen the relationship with a wide range of capital market participants and strategic audiences, seeking to provide the market with a clear and consistent understanding of the Company's fundamentals.

Over the time, the IR department broadened its range of activities to include:

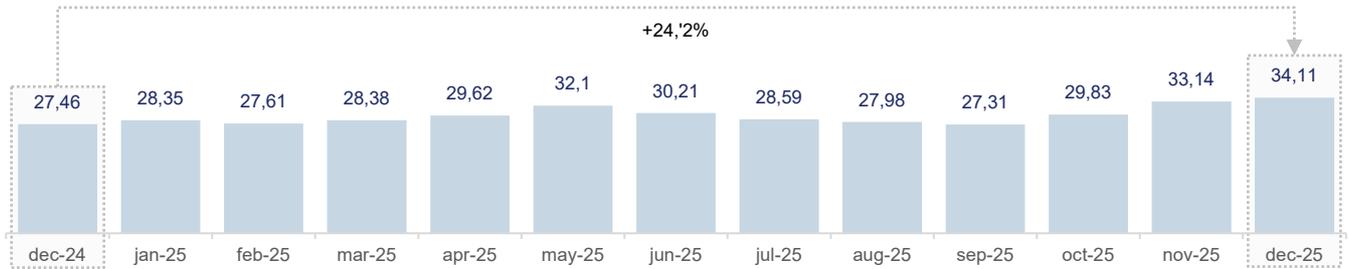
- Active participation in sector and capital market conferences, with a presentation of the Company's strategy.
- Strengthening communication with sell-side and buy-side analysts through periodic calls.
- Continuous update and improvement of institutional materials, such as corporate presentations, material facts, earnings releases, and other reports.
- Improvement of internal governance and disclosure processes to ensure compliance with market best practices and an agile response to regulatory demands.
- Proactive monitoring of the market and investor perception through analysis of analysts' reports, tracking stock prices, flows and recommendations.
- Conducting individual and group sessions, including one-on-one meetings, conference calls, site visits, and institutional presentations.
- Increasing integration with various internal areas of the Company in order to enhance the quality of the information provided to the market.
- Use of technologies and digital platforms to improve relationship.

With these initiatives, the IR department reinforced its mission to promote transparency, foster an open dialogue with the market, and contribute to the correct valuation of the Company by the capital market participants.

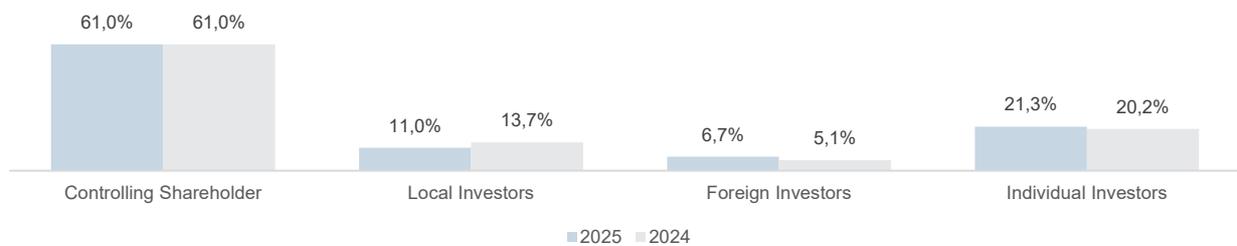
Set out below is the participation of LEVE3 in the theoretical portfolios for B3 index:

Governance index				Broad index	Segment index			
IGC-NM B3	IGC B3	IGCT B3	ITAG B3	IBRA B3	SMLL B3	IDIV B3	ICON B3	INDX B3

The following graph shows the market performance of LEVE3 stock during 2025:



The Company's ownership structure in 2025 and 2024 is as follows:



7.1 Corporate Governance Recognition: ANEFAC Transparency Award 2025



MAHLE Metal Leve S.A. (B3: LEVE3 | Listing segment: *Novo Mercado*) was honored as one of the winners of the 29th ANEFAC Transparency Award in the category of companies with net revenue of up to R\$ 5 billion. This is one of the most important corporate governance awards that recognize organizations for exceptional financial reporting quality; it reaffirms the Company's commitment to ethical, responsible and transformative conduct.

Known as the "Oscar of Accounting" in Brazil, this award recognizes the transparency of financial information that companies make available to the market by means of their financial statements.

The selection is made by an independent technical committee based on rigorous criteria to assess the consistency, clarity and integrity of the financial information published. This achievement reflects the core pillars of our Company's strategy: transparency as a foundation of trust, purpose-driven innovation, and governance that inspires and mobilizes.

MAHLE Metal Leve: Pillars of Transparency



This recognition reinforces the Company's commitment to transparency, technical rigor, and clarity in its financial disclosures, building a long-lasting relationship of trust with all stakeholders.

8. Independent Auditors

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

In 2025, the Company did not engage Ernst & Young Auditores Independentes S/S Ltda to perform non-audit services and there is, therefore, no situation that could give rise to a conflict of interest under the above-mentioned CVM Resolution.

9. Executive Board's Declaration

In compliance with CVM Resolution 80/22, the Executive Board hereby declares that it has discussed, reviewed and agrees with the financial statements for the year ended December 31, 2025 and with the conclusions expressed in the independent auditor's report.

10. Acknowledgements

We would like to thank our employees, shareholders, customers and suppliers for their unwavering support and trust during the financial year 2025.

The Management Board

11. Appendices

The consolidated financial statements, including notes to the consolidated financial statements, and the independent auditor's report issued by Ernst & Young Auditores Independentes S/S Ltda are available on the CVM's website (<https://www.gov.br/cvm/pt-br>) and on B3's website (https://www.b3.com.br/pt_br/). You also may access this information on MAHLE Investor Relations website at <https://ri.mahle.com.br/informacoes-financeiras/central-de-resultados/> or using this QR Code.



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A free translation from Portuguese into English of Independent auditor's report on individual and consolidated financial statements prepared in Brazilian currency in accordance with accounting practices adopted in Brazil and with the International Accounting Standards (IFRS Accounting Standards) issued by the International Accounting Standards Board (IASB)

Independent auditor's report on individual and consolidated financial statements

To Shareholders, Board of Directors and Officers

MAHLE Metal Leve S.A.

Mogi Guaçu - SP

Opinion

We have audited the accompanying individual and consolidated financial statements of Mahle Metal Leve S.A. (the "Company"), identified as Parent Company and Consolidated, respectively, which comprise the balance sheet as at December 31, 2025, and the statements of income, of comprehensive income, of changes in equity and of cash flows for the year then ended, and notes to the financial statements, including material accounting policies and other explanatory information.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the individual and consolidated financial position of Mahle Metal Leve S.A. as at December 31, 2025, and its individual and consolidated financial performance and its individual and consolidated cash flows for the year then ended, in accordance with accounting practices adopted in Brazil and with the International Accounting Standards (IFRS Accounting Standards) issued by the International Accounting Standards Board (IASB).

Basis for opinion

We conducted our audit in accordance with Brazilian and International Standards on Auditing. Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the individual and consolidated financial statements" section of our report. We are independent of the Company and its subsidiaries in accordance with the relevant ethical principles set forth in the Code of Professional Ethics for Accountants, the professional standards issued by the Brazil's National Association of State Boards of Accountancy (CFC), as applicable to audits of financial statements in Brazil, and we have fulfilled our other ethical 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 opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the individual and consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For the matter below, our description of how our audit addressed the matter, including any commentary on the findings or outcome of our procedures, is provided in that context.



We have fulfilled the responsibilities described in the “Auditor’s responsibilities for the audit of the individual and consolidated financial statements” section of our report, including in relation to this matter. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matter below, provide the basis for our audit opinion on the accompanying financial statements.

Goodwill based on future profitability (Note 15)

As of December 31, 2025, the goodwill balance based on future profitability expectations, due to business combinations, in the individual and consolidated financial statements, amounts to R\$379,958 thousand, net of the impairment recognized, in the amount of R\$ 283,958 thousand and R\$ 292,480 thousand, in the individual and consolidated financial statements, respectively. The assessment of its recoverable amount (*impairment test*) involves critical judgments by the Company's management.

As disclosed in the explanatory note 15, such recoverable value is sensitive to the discount rate used in the discounted cash flow method, as well as other assumptions adopted according to management's judgment, and adverse economic conditions may cause these assumptions to change significantly.

Due to the aspects aforementioned, this matter was considered as an area of focus in our audit.

How our audit conducted this matter

Our audit procedures included, among others:

- (i) Understanding of the Company’s internal controls and its processes that support in determining the recoverable value of the goodwill based on future profitability, including an assessment by the Company’s management of any indicators of impairment on assets;
- (ii) Comparing the information used in the impairment test prepared by the Company’s management with the Economic Plan approved by the Company's Board of Directors;
- (iii) Evaluating the reasonableness of the calculation model and the relevant financial and economic assumptions used, including identification of the operational assets and liabilities of the cash generating unit (CGU); and
- (iv) Conducting a stress test on the key assumptions used by the Company's management, as well as assessing the existence of any information that could contradict the growth assumptions defined by the Company.

As a result of the procedures described above, which are consistent with the Company's assessment, we consider that the measurement model and the assumptions adopted by the Company's management are reasonable, and the disclosures are appropriate in the context of the individual and consolidated financial statements taken as a whole.



Other matters

Statements of value added

The individual and consolidated statements of value added (SVA) for the year ended December 31, 2025, prepared under the responsibility of the Company's management, and presented as supplementary information for IFRS purposes, were submitted to audit procedures conducted together with the audit of the Company's individual and consolidated financial statements. To form our opinion, we evaluated if these statements are reconciled to the financial statements and accounting records, as applicable, and if their form and content comply with the criteria defined by NBC TG 09 – Statement of Value Added. In our opinion, these statements of value added, individual and consolidated, were prepared fairly, in all material respects, in accordance with the criteria set forth in this Accounting Pronouncement and are consistent in relation to the individual and consolidated financial statements as a whole.

Other information accompanying the individual and consolidated financial statements and the auditor's report

Management is responsible for such other information, which comprise the Management Report.

Our opinion on the individual and consolidated financial statements does not cover the Management Report and we do not express any form of assurance conclusion thereon.

In connection with our audit of the individual and consolidated financial statements, our responsibility is to read the Management Report and, in doing so, consider whether this report is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of the Management Report, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the individual and consolidated financial statements

Management is responsible for the preparation and fair presentation of the individual and consolidated financial statements in accordance with the accounting practices adopted in Brazil and with the International Accounting Standards (IFRS Accounting Standards) issued by the International Accounting Standards Board (IASB), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free of material misstatement, whether due to fraud or error.

In preparing the individual and consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's and its subsidiaries' financial reporting process.

Auditor's responsibilities for the audit of the individual and consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the individual and consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Brazilian and International Standards on Auditing will always detect a material misstatement when it exists. 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 financial statements.

As part of an audit in accordance with Brazilian and International Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identified and assessed the risks of material misstatement of the individual and consolidated financial statements, whether due to fraud or error, designed and performed audit procedures responsive to those risks, and obtained audit evidence that is sufficient and appropriate to provide a basis for our opinion. 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 control.
- Obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and its subsidiaries' internal controls.
- Evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Concluded on the appropriateness of management's 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the individual and consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. 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 Company to cease to continue as a going concern.
- Evaluated the overall presentation, structure and content of the financial statements, including the disclosures, and whether the individual and consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- 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 an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit and, consequently, for the audit opinion.



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.

We also provided those charged with governance with a statement that we have complied with relevant ethical requirements, including applicable independence requirements, and communicate all potential relationships or matters that could materially affect our independence, including, where applicable, the respective safeguards.

From the matters communicated with those charged with governance, we determined those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Campinas, March 10, 2026

ERNST & YOUNG
Auditores Independentes S/S Ltda.
CRC-SP027623/F

A handwritten signature in blue ink, appearing to read 'Alexandre Fermino Alvares', is written over a circular stamp.

Alexandre Fermino Alvares
Contador CRC SP211793/O

(A free translation of the original in Portuguese)

MAHLE Metal Leve S.A.

**Individual and Consolidated
Financial statements at
December 31, 2025**

(A free translation of the original in Portuguese)

MAHLE Metal Leve S.A.

Individual and Consolidated Financial statements

At December 31, 2025

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MAHLE Metal Leve S.A.

Balance sheet

At December 31, 2025 and December 31, 2024

All amounts in thousands of reais

(A free translation of the original in Portuguese)

Assets	Note	Parent Company		Consolidated	
		2025	2024	2025	2024
Cash and cash equivalents	7.a	494,420	179,108	635,305	291,793
Marketable securities	7.b	-	-	23,411	66,429
Trade and related-party receivables	8	557,490	642,294	691,640	760,583
Inventories	9	493,811	539,497	754,748	815,753
Taxes recoverable	10	59,156	87,165	90,909	135,880
Income tax and social contribution recoverable	10	73,472	45,841	77,340	65,612
Dividends and interest on capital receivable	11	11,114	9,216	307	627
Derivative financial instruments	30	1,430	4,397	2,197	5,313
Other assets		19,252	15,335	26,068	25,888
Total current assets		1,710,145	1,522,853	2,301,925	2,167,878
Taxes recoverable	10	12,039	11,177	29,519	14,749
Income tax and social contribution recoverable	10	-	-	14,252	-
Loans to related parties	11	29,563	31,918	-	24,009
Judicial deposits linked to judicial proceedings	22	26,035	24,458	26,201	25,004
Deferred tax assets	12	25,110	13,349	129,486	114,233
Other assets		77,999	79,142	79,287	81,810
Total long-term assets		170,746	160,044	278,745	259,805
Investments in subsidiaries and associate	13	603,722	683,164	60,865	41,097
Property, plant and equipment	14	574,705	545,674	724,092	704,665
Right-of-use assets	14	32,458	26,862	38,951	30,019
Intangible assets	15	388,883	389,527	388,986	389,833
		1,599,768	1,645,227	1,212,894	1,165,614
Total non-current assets		1,770,514	1,805,271	1,491,639	1,425,419
Total assets		3,480,659	3,328,124	3,793,564	3,593,297

The accompanying notes are an integral part of these individual and consolidated financial statements.

MAHLE Metal Leve S.A.

Balance sheet (continuing)

At December 31, 2025 and December 31, 2024

All amounts in thousands of reais

(A free translation of the original in Portuguese)

Liabilities	Note	Parent Company		Consolidated	
		2025	2024	2025	2024
Dividends and interest on capital payable	11	60,509	54,446	60,509	54,446
Trade and related-party payables	16	358,517	826,836	542,413	983,713
Borrowings	17.a	746,279	82,976	746,308	87,427
Lease liabilities	17.b	15,641	10,960	18,374	12,255
Salaries, vacation pay and social charges	18	118,898	125,001	147,768	152,444
Taxes and contributions payable	19	54,211	46,067	65,926	57,607
Income tax and social contribution payable	19	-	-	124	7,138
Sundry provision	20	65,411	70,794	71,784	81,876
Provisions for warranties	21	28,633	41,853	35,124	48,718
Derivative financial instruments	30	26,500	9,733	26,500	9,758
Advance from customers		4,918	4,775	6,439	6,027
Loans to related parties	11	-	-	43,119	-
Other liabilities		42,689	49,280	54,529	69,656
Total current liabilities		1,522,206	1,322,721	1,818,917	1,571,065
Borrowings	17.a	867,682	947,696	867,682	947,696
Lease liabilities	17.b	20,593	19,139	25,208	21,152
Provisions for legal and administrative proceedings	22	201,995	259,775	211,136	271,918
Other liabilities		6,652	10,349	6,830	10,869
Total non-current liabilities		1,096,922	1,236,959	1,110,856	1,251,635
Total liabilities		2,619,128	2,559,680	2,929,773	2,822,700
Equity	23				
Share capital		1,392,837	1,392,837	1,392,837	1,392,837
Profit reserves		57,502	27,070	57,502	27,070
Reserve for expansion		350,455	157,655	350,455	157,655
Carrying value adjustments		(1,180,916)	(1,037,735)	(1,180,916)	(1,037,735)
Retained earnings		241,653	228,617	241,653	228,617
Equity attributable to the owners of the parent		861,531	768,444	861,531	768,444
Non-controlling interests		-	-	2,260	2,153
Total equity		861,531	768,444	863,791	770,597
Total liabilities and equity		3,480,659	3,328,124	3,793,564	3,593,297

The accompanying notes are an integral part of these individual and consolidated financial statements.

MAHLE Metal Leve S.A.

Statement of income

Years ended December 31, 2025 and 2024

All amounts in thousands of reais, unless otherwise indicated

(A free translation of the original in Portuguese)

	Note	Parent Company		Consolidated	
		2025	2024	2025	2024
Net revenue	24	4,069,041	3,601,441	5,406,682	4,557,980
Cost of sales and services	25	(2,929,809)	(2,530,064)	(3,933,531)	(3,258,867)
Gross profit		1,139,232	1,071,377	1,473,151	1,299,113
Selling and distribution expenses	26.1	(288,563)	(246,474)	(376,977)	(343,228)
General and administrative expenses	26.2	(134,301)	(126,409)	(180,573)	(140,635)
Technology and product development expenses	26.3	(58,043)	(49,902)	(75,586)	(59,045)
Other operational income (expenses), net	28	7,935	7,414	4,725	(4,954)
Gain on net monetary position of foreign subsidiary	33	81,794	214,106	61,423	116,673
Equity in the results of subsidiaries and associate	13	105,039	9,911	10,074	2,326
Profit before finance income (expenses) and taxes		853,093	880,023	916,237	870,250
Finance income	27	225,594	248,559	349,240	458,718
Financial expenses	27	(313,526)	(454,094)	(473,692)	(629,805)
Finance income (expenses), net		(87,932)	(205,535)	(124,452)	(171,087)
Income before income tax and social contribution		765,161	674,488	791,785	699,163
Current	12	(174,060)	(135,253)	(213,680)	(157,398)
Deferred	12	17,548	2,155	30,651	(561)
Income tax and social contribution		(156,512)	(133,098)	(183,029)	(157,959)
Profit for the year		608,649	541,390	608,756	541,204
Profit attributable to					
Owners of the Parent Company				608,649	541,390
Non-controlling interests				107	(186)
Profit for the year				608,756	541,204
Basic and diluted earnings per share (in reais)	29	4.4906	3.9943	4.4906	3.9943

The accompanying notes are an integral part of these individual and consolidated financial statements.

MAHLE Metal Leve S.A.
Statement of comprehensive income
Years ended December 31, 2025 and 2024

All amounts in thousands of reais

(A free translation of the original in Portuguese)

	Parent Company		Consolidated		
	Note	2025	2024	2025	2024
Profit for the year		608,649	541,390	608,756	541,204
Comprehensive income					
Items that may be reclassified subsequently to profit or loss					
Change in cash flow hedge, net		2,443	(10,634)	2,443	(10,634)
Income tax and social contribution on cash flow hedge	12.b ii	(831)	3,615	(831)	3,615
Cumulative translation adjustments		(144,204)	19,091	(144,204)	19,091
Other comprehensive income, net of income tax and social contribution		(142,592)	12,072	(142,592)	12,072
Total comprehensive income for the year, net of income tax and social contribution		466,057	553,462	466,164	553,276
Comprehensive income attributable to:					
Owners of the parent				466,057	553,462
Non-controlling interests				107	(186)
Total comprehensive income				466,164	553,276

The accompanying notes are an integral part of these individual and consolidated financial statements.

MAHLE Metal Leve S.A.
Statement of changes in shareholders' equity
For the years ended December 31, 2025 and 2024

All amounts in thousands of reais (A free translation of the original in Portuguese)

Note	Attributable to owners of the parent														Retained earnings	Equity attributable to owners of the parent	Non-controlling interests	Total equity
	Profit reserves						Carrying value adjustments											
	Share capital	Share issue costs	Legal reserve	Reserve for expansion and modernization	Proposed additional dividends	Total	Financial instrument adjustments	Deemed cost	Cumulative translation adjustments	Transaction between shareholders	Total							
At January 1st, 2024	1,168,709	(6,535)	230,663	-	221,265	451,928	3,325	32,035	(739,083)	-	(703,723)	-	910,379	2,339	912,718			
Accounting adjustments for transactions between shareholders																		
Intermediary interest on capital credited	23.c	-	-	-	-	-	-	-	-	-	-	(98,922)	(98,922)	-	(98,922)			
Prescribed dividends and interest on capital	23.c	-	-	-	-	-	-	-	-	-	-	103	103	-	103			
Transaction between shareholders - Acquisition of MAHLE Compressores and MAHLE Thermal	13	-	-	-	-	-	-	-	(345,479)	(345,479)	-	-	(345,479)	-	(345,479)			
Profit for the year		-	-	-	-	-	-	-	-	-	-	541,390	541,390	(186)	541,204			
Other comprehensive income																		
Cumulative translation adjustments	23.e	-	-	-	-	-	-	-	19,091	19,091	-	-	19,091	-	19,091			
Financial instrument adjustments	23.e	-	-	-	-	-	(10,634)	-	-	(10,634)	-	-	(10,634)	-	(10,634)			
Taxes on financial instrument adjustments	23.e	-	-	-	-	-	3,615	-	-	3,615	-	-	3,615	-	3,615			
Realization of deemed cost, net	23.e	-	-	-	-	-	-	(605)	-	(605)	605	-	-	-	-			
Transactions with shareholders and creation of reserves																		
Constitution of legal reserve		-	-	27,070	-	27,070	-	-	-	-	-	(27,070)	-	-	-			
Constitution of legal reserve for expansion		-	-	-	157,655	157,655	-	-	-	-	-	(157,655)	-	-	-			
Increase of share capital with reserve		230,663	-	(230,663)	-	(230,663)	-	-	-	-	-	-	-	-	-			
Payment of proposed additional dividends	23.c	-	-	-	(221,265)	(221,265)	-	-	-	-	-	-	(221,265)	-	(221,265)			
Proposed additional dividends	23.c	-	-	-	-	228,617	-	-	-	228,617	-	-	(228,617)	-	-			
Remaining mandatory minimum dividends	23.c	-	-	-	-	-	-	-	-	-	-	-	(29,834)	-	(29,834)			
At December 31, 2024		1,399,372	(6,535)	27,070	157,655	228,617	(3,694)	31,430	(719,992)	(345,479)	(1,037,735)	-	788,444	2,153	770,597			
Accounting adjustments for transactions between shareholders																		
Intermediary interest on capital credited	23.c	-	-	-	-	-	-	-	-	-	-	(110,477)	(110,477)	-	(110,477)			
Prescribed dividends and interest on capital	23.c	-	-	-	-	-	-	-	-	-	-	465	465	-	465			
Profit for the year		-	-	-	-	-	-	-	-	-	-	608,649	608,649	107	608,756			
Other comprehensive income																		
Cumulative translation adjustments	23.e	-	-	-	-	-	-	-	(144,204)	(144,204)	-	-	(144,204)	-	(144,204)			
Financial instrument adjustments	23.e	-	-	-	-	-	2,443	-	-	2,443	-	-	2,443	-	2,443			
Taxes on financial instrument adjustments	23.e	-	-	-	-	-	(831)	-	-	(831)	-	-	(831)	-	(831)			
Realization of deemed cost, net	23.e	-	-	-	-	-	-	(589)	-	(589)	589	-	-	-	-			
Transactions with shareholders and creation of reserves																		
Constitution of legal reserve	23.d	-	-	30,432	-	30,432	-	-	-	-	-	(30,432)	-	-	-			
Constitution of legal reserve for expansion	23.d	-	-	-	192,800	192,800	-	-	-	-	-	(192,800)	-	-	-			
Payment of dividends	23.c	-	-	-	(228,617)	(228,617)	-	-	-	-	-	-	(228,617)	-	(228,617)			
Proposed additional dividends	23.c	-	-	-	-	241,653	-	-	-	241,653	-	-	(241,653)	-	-			
Remaining mandatory minimum dividends	23.c	-	-	-	-	-	-	-	-	-	-	-	(34,341)	-	(34,341)			
At December 31, 2025		1,399,372	(6,535)	57,502	350,455	241,653	(2,082)	30,841	(864,196)	(345,479)	(1,180,916)	-	861,531	2,260	863,791			

The accompanying notes are an integral part of these individual and consolidated financial statements.

MAHLE Metal Leve S.A.

Statement of cash flows

Years ended December 31, 2025 and 2024

All amounts in thousands of reais

(A free translation of the original in Portuguese)

	Note	Parent Company		Consolidated	
		2025	2024	2025	2024
Cash flows from operating activities					
Profit before income tax and social contribution		765,161	674,488	791,785	699,163
Adjustments for:					
Depreciation and amortization		106,414	100,002	127,500	104,725
Equity in the results of subsidiaries and associate	13	(105,039)	(9,911)	(10,074)	(2,326)
Interest and foreign exchange and monetary variations, net		88,105	256,207	75,111	251,982
Unrealized (losses) gains on derivative financial instruments		22,177	1,638	22,301	2,561
Results on disposal of property, plant and equipment		103	276	(192)	191
Reversal of provision for impairment of trade receivables		(553)	(239)	(2,186)	(6,596)
(Reversal) Recognition of provision for legal and administrative proceedings	22	(25,341)	32,185	(24,986)	33,413
(Reversal) Recognition of provision for warranties	21	(5,264)	42,730	4,216	43,831
Recognition of sundry provision	20	70,918	61,112	73,734	65,803
Reversal of provision for impairment of property, plant and equipment and intangible assets		(1,156)	(1,444)	(1,222)	(1,215)
(Reversal) Recognition of provision for inventory loss	9	1,147	(1,346)	5,511	7,720
Interest expense on lease liability	17.b	4,953	4,527	5,431	4,637
Gains on net monetary position	33	(81,794)	(214,106)	(16,915)	(58,776)
Cash flow from operating activities before working capital		839,831	946,119	1,050,014	1,145,113
(Increase) decrease in assets					
Trade and related-party receivables		86,825	(67,879)	40,124	(34,744)
Inventories		45,837	(110,728)	(889)	(213,842)
Taxes recoverable		39,322	21,543	17,009	(34,471)
Other assets		(5,453)	(53,531)	(3,678)	(52,813)
Increase (decrease) in liabilities					
Trade and related-party payables		(8,986)	81,018	66,584	53,996
Salaries, vacation pay and social charges		(6,103)	21,196	1,128	28,505
Taxes and contributions payable		8,144	(13,361)	(1,912)	(12,372)
Other liabilities		(147,098)	(128,083)	(171,934)	(137,119)
Cash provided by operating activities		852,319	696,294	996,446	742,253
Income tax and social contribution paid		(201,146)	(164,544)	(238,664)	(174,235)
Net cash provided by operating activities		651,173	531,750	757,782	568,018
Cash flows from investing activities					
Payments for acquisition of subsidiaries MAHLE Compressores and MAHLE Thermal	13	(492,175)	(222,666)	(492,175)	(222,666)
Cash from acquired subsidiaries	13	-	-	-	147,053
Payments for acquisition of associate Arco Climatização S.A.	13	(18,524)	(27,030)	(18,524)	(27,030)
Dividends and interest on capital received from subsidiaries and associate	11	134,144	174,401	11,361	71
Loans granted to related parties		-	-	(188,099)	(504,075)
Loan repayment from related parties		-	-	212,603	517,898
Additions to property, plant and equipment	14	(115,656)	(96,086)	(152,556)	(117,267)
Additions to intangible assets	15	(559)	(559)	(559)	(559)
Acquisition of marketable securities		-	-	(71,058)	(77,507)
Settlement of marketable securities		-	-	103,393	197,754
Proceeds from sale of property, plant and equipment		81	-	334	129
Net cash (used in) provided by used in investing activities		(492,689)	(171,940)	(595,280)	(86,199)
Cash flows from financing activities					
Proceeds from borrowings	17.a	589,612	312,429	594,369	389,210
Repayment of principal of borrowings	17.a	(8,658)	(301,032)	(17,212)	(405,130)
Repayment of interest on borrowings	17.a	(41,158)	(45,291)	(41,382)	(47,769)
Repayment of the principal and interest on the lease liability	17.b	(19,995)	(15,791)	(23,523)	(18,154)
Dividends and interest on capital paid	11	(366,906)	(318,290)	(366,906)	(318,290)
Loans from related parties		-	-	348,676	-
Loan repayments to related parties		-	-	(306,720)	-
Net cash (used in) provided by financing activities		152,895	(367,975)	187,302	(400,133)
Effect of foreign exchange variation on cash and cash equivalents		3,933	10,137	(6,292)	9,779
Increase in cash and cash equivalents, net		315,312	1,972	343,512	91,465
Represented by:					
Cash and cash equivalents at the beginning of the year		179,108	177,136	291,793	200,328
Cash and cash equivalents at the end of the year	7.a	494,420	179,108	635,305	291,793
Increase in cash and cash equivalents, net		315,312	1,972	343,512	91,465

The accompanying notes are an integral part of these individual and consolidated financial statements.

MAHLE Metal Leve S.A.
Statement of value added
Years ended December 31, 2025 and 2024

All amounts in thousands of reais

(A free translation of the original in Portuguese)

	Parent Company		Consolidated	
	2025	2024	2025	2024
Gross revenue	5,153,498	4,717,684	6,709,149	5,628,851
Sales of goods, products and services	5,075,404	4,517,583	6,625,183	5,520,724
Other operating income	77,542	199,862	82,247	101,416
Provision for impairment of trade receivables	552	239	1,719	6,711
Inputs acquired from third parties	(2,881,569)	(2,355,133)	(4,033,136)	(3,156,278)
(Includes amounts of taxes: ICMS, IPI, PIS and COFINS)				
Cost of sales and services	(1,642,884)	(1,260,378)	(2,641,026)	(1,901,125)
Materials, energy, outsourced services and other	(1,238,723)	(1,099,135)	(1,372,875)	(1,243,272)
Impairment/recovery of assets	38	4,380	(19,235)	(11,881)
Gross value added	2,271,929	2,362,551	2,676,013	2,472,573
Depreciation and amortization	(106,414)	(100,002)	(127,500)	(104,725)
Net value added generated by the company	2,165,515	2,262,549	2,548,513	2,367,848
Value added received through transfer	330,633	258,470	359,314	461,044
Equity in the results of investees	105,039	9,911	10,074	2,326
Finance income	225,594	248,559	349,240	458,718
Total value added to distribute	2,496,148	2,521,019	2,907,827	2,828,892
Distribution of value added	2,496,148	2,521,019	2,907,827	2,828,892
Personnel and charges	760,975	728,182	896,475	824,323
Taxes and contributions	797,992	782,549	910,695	822,476
Capital providers	328,532	468,898	491,901	640,889
Interest	111,887	65,340	115,663	69,582
Rentals	20,580	16,014	24,403	17,928
Foreign exchange, monetary and other variations	196,065	387,544	351,835	553,379
Shareholders	608,649	541,390	608,756	541,204
Dividends and interest on capital	110,477	98,922	110,477	98,922
Retained earnings	498,172	442,468	498,172	442,468
Share of non-controlling interests of retained earnings	-	-	107	(186)

The accompanying notes are an integral part of these individual and consolidated financial statements.

(A free translation of the original in Portuguese)

MAHLE Metal Leve S.A.

Explanatory notes to the individual and consolidated financial statements for the years ended December 31, 2025 and 2024

In thousands of reais, unless otherwise indicated

1. Operations

General information

MAHLE Metal Leve S.A. (the “Company” or “Group”) is an entity domiciled in Brazil. The registered address of the Company's head office is Ernst Mahle Avenue, number 2000, Zip Code 13.846.146, Mogi Guaçu, São Paulo. The Company's Consolidated (Consolidated) and Individual (Parent Company) financial statements for the years ended December 31, 2025 and 2024 includes the Company and its subsidiaries (referred to collectively as the Group).

The Group is principally engaged in the manufacture, development, sale and resale, distribution, import and export of parts and accessories for use in the manufacture and assembly of spark-ignition engines, motor vehicles, electric motors and alternators and their components for application in motor vehicles; cooling and air conditioning systems for stationary engines and energy generating systems; application programs for development of metallurgical processes; resale of paper for manufacture of filters, industrial processing, and provision of services, including courses and training sessions, related to its activities, among others. The sale is made to automobile manufacturers, the automotive aftermarket, stationary applications and others.

The Group manufactures the following products: pistons, piston rings, gudgeon pins, camshafts, bearings, bushes, valve tappets, thrust washers, fire ring, cylinder liners, radiators, condensers, mechanical compressors, air conditioning and filters. It also manufactures valves for combustion engines, and sell products and provides technical support services in the foreign market.

The Company shares are listed on the *Novo Mercado* listing segment of B3 – *Brasil, Bolsa, Balcão*, which is the listing segment with the highest standards of corporate governance.

Acquisition of interest in subsidiaries

On December 12, 2025, the Company acquired an additional stake of 16.66% in Arco Climatização S.A. for R\$ 18,524, which was paid in December 2025. The Company now holds an interest of 49.99% in this associate.

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MAHLE Metal Leve S.A.

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After the terms and conditions of the transaction were negotiated and based on the valuation reports issued by the independent specialist firms and on the legal advice engaged by the Independent Committee, the Board of Directors of the Company approved on September 3, 2024 the share purchase and sale agreement for the acquisition of 100% of the share capital of MAHLE Compressores do Brasil Ltda. (“MAHLE Compressores”) and 100% of the share capital of MAHLE Aftermarket Thermal Brasil Ltda. (“MAHLE Thermal”), both owned by MAHLE Indústria e Comércio Ltda., the controlling shareholder of the Company. At the Extraordinary General Meeting held on October 3, 2024, the shareholders of the Company approved the acquisition of MAHLE Compressores and MAHLE Thermal and the merger of MAHLE Thermal into the Company for the purposes of segregation of the Aftermarket Thermal business segment.

On October 1st, 2024, the Company completed the acquisition of a 33.33% interest in the associate Arco Climatização S.A. (CNPJ No. 17.551.610/0001-86) for R\$ 31,800 to be paid in three installments, after the conditions precedent have been satisfied, including, but not limited to, the approval of the Brazilian Competition Authority (CADE).

The acquisitions fit into the Company’s sustainable growth strategy to look for assets that complement the Company’s existing products, diversify the Company’s markets and create value for shareholders. More details on the acquisition and merger are given in Note 13.

2. Subsidiaries and associate entities of the Company

Subsidiaries	Country	Ownership percentage (%)			
		2025		2024	
		Direct	Indirect	Direct	Indirect
MAHLE Argentina S.A.	Argentina	99.2	0.8	99.2	0.8
MAHLE Metal Leve GmbH	Austria	100	-	100	-
MAHLE Compressores do Brasil Ltda.	Brazil	100	-	100	-
MAHLE Filtroil Ind. e Com. de Filtros Ltda.	Brazil	100	-	100	-
MAHLE Hirschvogel Forjas S.A.	Brazil	51	-	51	-
Associate	Country	Direct	Indirect	Direct	Indirect
Arco Climatização S.A.	Brazil	49.99	-	33.33	-

(A free translation of the original in Portuguese)

MAHLE Metal Leve S.A.

Explanatory notes to the individual and consolidated financial statements for the years ended December 31, 2025 and 2024

In thousands of reais, unless otherwise indicated

3. Basis of preparation and presentation of the individual and consolidated financial statements

3.1 Statement of compliance (with IFRS, Brazilian accounting standards issued by the Federal Accounting Council (CFC) and pronouncements issued by the Brazilian Accounting Pronouncements Committee (CPC))

The individual and consolidated financial statements have been prepared and are presented in accordance with the accounting principles adopted in Brazil, including the standards issued by the Brazilian Securities Commission (CVM) and the pronouncements of the Brazilian Accounting Pronouncements Committee (CPC), as well as according to International Financial Reporting Standards (IFRS Accounting Standards) as issued by the International Accounting Standards Board (IASB).

The Group has prepared these financial statements on the basis that it will continue to operate as a going concern.

In addition, the Company considered Technical Guidance OCPC 07 issued by the CPC in November 2014 in preparing its financial statements. Accordingly, the financial statements present information that is relevant to the users of the financial statements and which is used by management to make business decisions.

The issuance of the individual and consolidated financial statements was authorized by the Board of Directors on March 10, 2026. Only the Company's shareholders have the power to amend the financial statements after issuance.

3.2 Basis of measurement

The financial statements have been prepared on a historical cost basis except for the following material items recognized in the balance sheet:

- Cost attributed to property, plant and equipment upon initial application of NBC TG 27 (CPC 27) / ICPC 10 Property, Plant and Equipment in Brazil;
- Derivative financial instruments are measured at fair value and comprehensive income;
- Non-derivative financial instruments designated as at fair value through profit or loss are measured at fair value.

(A free translation of the original in Portuguese)

MAHLE Metal Leve S.A.

Explanatory notes to the individual and consolidated financial statements for the years ended December 31, 2025 and 2024

In thousands of reais, unless otherwise indicated

3.3 Functional and presentation currency

These individual and consolidated financial statements are presented in Brazilian reais, which is the Company's functional currency. All amounts have been rounded to the nearest thousand, unless otherwise indicated.

The functional currencies of foreign subsidiaries, MAHLE Metal Leve GmbH and MAHLE Argentina S.A., are the euro (EUR) and Argentine peso (ARS), respectively. For those subsidiaries whose functional currency is different from the Brazilian Real, the asset and liability accounts are translated into the Company's functional currency.

For subsidiary MAHLE Metal Leve GmbH, the translation is made using the exchange rates prevailing at the balance sheet date, and the income and expense items are translated using the monthly average exchange rate. For subsidiary MAHLE Argentina S.A., the translation is made using the exchange rates prevailing at the balance sheet date, and the income and expense items are translated at quarterly balance sheet rates, in conformity with NBC TG 42 (CPC 42) / IAS 29 *Financial Reporting in Hyperinflationary Economies* (Note 33).

The resulting translation adjustments are recognized in a specific account in the statement of comprehensive income and equity called "Cumulative translation adjustments".

(A free translation of the original in Portuguese)

MAHLE Metal Leve S.A.

Explanatory notes to the individual and consolidated financial statements for the years ended December 31, 2025 and 2024

In thousands of reais, unless otherwise indicated

4. Material accounting policies

The material accounting policies applied in the preparation of these financial statements are included in the related notes to the financial statements to ensure a better understanding of the basis of recognition and measurement. These policies have been consistently applied to all the years presented.

4.1 New and amended pronouncements applied for the first time in 2025 and standards issued but not yet effective

4.1.1 New and amended pronouncements applied for the first time in 2025

The Group applied for the first time certain standards and amendments that are effective for annual reporting periods beginning on or after January 1, 2025 (unless otherwise stated). The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

- Amendments to CPC 02 (R2) *The Effects of Changes in Foreign Exchange Rates and Translation of Financial Statements* and CPC 37 (R1) *First-time Adoption of International Financial Reporting Standards* – The amendments are effective for reporting periods beginning on or after January 1, 2025. The amendments did not have a material impact on the Group's financial statements.
- Amendments to CPC 18 (R3) *Investments in Associates, Subsidiaries and Joint Ventures* and ICPC 09 *Individual Financial Statements, Separate Financial Statements, Consolidated Financial Statements, and Application of Equity Method of Accounting* - The amendments are effective for reporting periods beginning on or after January 1, 2025. The amendments did not have a material impact on the Group's financial statements.

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Explanatory notes to the individual and consolidated financial statements for the years ended December 31, 2025 and 2024

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4.1.2 Standards issued but not yet effective

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's financial statements are disclosed below. The Group intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

- **IFRS 18 *Presentation and Disclosure in Financial Statements***

In April 2024, the IASB issued IFRS 18 (CPC 51), which supersedes IAS 1 (CPC 26 (R1)) *Presentation of Financial Statements*. IFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotal. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, with the first three of them being new.

It also requires disclosure of management-defined performance measures, subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements (PFS) and the notes.

In addition, consequential amendments have been made to IAS 7 (CPC 3 (R2)) *Statement of Cash Flows*, which include changing the starting point for determining cash flows from operations under the indirect method, from 'profit or loss' to 'operating profit or loss' and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards.

IFRS 18 and related consequential amendments are effective for annual reporting periods beginning on or after January 1, 2027. Early application is permitted, but it must be disclosed in the notes. In Brazil, early adoption is not permitted. IFRS 18 must be applied retrospectively for comparative periods.

The Group is currently working to identify all impacts the amendments will have on the primary financial statements and notes to the financial statements.

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IFRS 19 Subsidiaries without Public Accountability: Disclosures

In May 2024, the IASB issued IFRS 19, which allows eligible entities to elect to apply its reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other IFRS accounting standards. To be eligible, at the end of the reporting period, an entity must be a subsidiary as defined in IFRS 10 (CPC 36 (R3)) *Consolidated Financial Statements*, cannot have public accountability and must have a parent (ultimate or intermediate) that prepares consolidated financial statements, available for public use, which comply with IFRS accounting standards.

IFRS 19 will become effective for reporting periods beginning on or after 1 January 2027, with early application permitted.

As the Group's equity instruments are publicly traded, it is not eligible to elect to apply IFRS 19.

Amendments to IFRS 9 and IFRS 7 – Amendments to the Classification and Measurement of Financial Instruments

In May 2024, the IASB issued Amendments to IFRS 9 and IFRS 7, *Amendments to the Classification and Measurement of Financial Instruments* (the Amendments), which introduce additional requirements for the classification, measurement and disclosure of financial statements. The Brazilian Accounting Pronouncements Committee (CPC) shall reflect these amendments in future revisions to the Brazilian accounting pronouncements CPC 48 *Financial Instruments* and CPC 40 (R1) *Financial Instruments: Disclosure*.

The Amendments include:

- A clarification that a financial liability is derecognized on the 'settlement date' and the introduction of an accounting policy choice (if specific conditions are met) to derecognize financial liabilities settled using an electronic payment system before the settlement date.
- Additional guidance on how the contractual cash flows for financial assets with environmental, social and corporate governance (ESG) and similar features should be assessed.
- Clarifications on what constitute 'non-recourse features' and what are the characteristics of contractually linked instruments.

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- The introduction of disclosures for financial instruments with contingent features and additional disclosure requirements for equity instruments classified at fair value through other comprehensive income (OCI).

The Amendments are effective for annual periods starting on or after 1 January 2026 with early adoption permitted for classification of financial assets and related disclosures only.

The Group does not anticipate that the amendments will have a material effect on the Group's consolidated financial statements. However, the Group will continue to monitor the convergence of CPC 48 and CPC 40 (R1) with the amendments and will evaluate the need to update its accounting policies when revisions are formally issued by the CPC.

- **Annual Improvements to IFRS Accounting Standards – Volume 11:**

In July 2024, the IASB issued nine narrow scope amendments as part of its periodic maintenance of IFRS accounting standards. The amendments include clarifications, simplifications, corrections or changes to improve consistency in IFRS 1 (CPC 37 (R1)) *First-time Adoption of International Financial Reporting Standards*, IFRS 7 (CPC 40 (R1)) *Financial instruments: Disclosure and its accompanying Guidance on implementing IFRS 7*, IFRS 9 (CPC 48) *Financial Instruments*, IFRS 10 (CPC 36 (R3)) *Consolidated Financial Statements* and IAS 7 (CPC 03 (R2)) *Statements of Cash Flows*. The Brazilian Accounting Pronouncements Committee (CPC) shall reflect these amendments in future revisions to its corresponding accounting pronouncements.

The amendments will be effective for reporting periods beginning on or after 1 January 2026. Earlier application is permitted and must be disclosed. The amendments are not expected to have a material impact on the Group's financial statements.

4.2 Consolidated financial statements

4.2.1 Subsidiaries

The financial statements of subsidiaries are included in the consolidated financial statements from the date when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

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Explanatory notes to the individual and consolidated financial statements for the years ended December 31, 2025 and 2024

In thousands of reais, unless otherwise indicated

4.2.2 Eliminations

Transactions, intercompany balances and unrealized gains on transactions, from intercompany transactions, are eliminated on the preparation of the consolidated financial statements.

4.2.3 Associate

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

The Group holds a 49.99% interest (without control) in Arco Climatização S.A.

4.2.4 Non-controlling interests

The Group elected to measure any non-controlling interests initially at their proportionate share of the acquiree's identifiable net assets at the date of acquisition.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

4.2.5 Business combination involving entities under common control

IFRS or CPC does not provide specific guidance on business combinations between entities under common control. IFRS 3/ NBC TG 15(R4) or CPC 15(R1) Business Combination is a standard that applies to business combination but its scope does not include business combination between entities under common control so that, in evaluating transactions of such nature, management judgement is necessary to reflect adequately the economic substance and reality of each transaction. Based on guidance in NBC TG 23(R1) / CPC 23 / IAS 8 and ICPC 09 (R3), the Company's management applied the pooling of interests method to account for a business combination involving entities under common control.

Under the pooling of interests method, the entities involved in the combination are treated as if they were combining their assets and liabilities without recognizing goodwill, and the excess of the purchase price paid over the net value of the assets and liabilities of the entity under common control is recorded directly within equity as carrying value adjustment under equity transaction.

(A free translation of the original in Portuguese)

MAHLE Metal Leve S.A.

Explanatory notes to the individual and consolidated financial statements for the years ended December 31, 2025 and 2024

In thousands of reais, unless otherwise indicated

4.3 Individual financial statements

In the Parent company financial statements, the Parent's investments in its subsidiaries and associates are accounted for using the equity method. Consolidation involves adding together the assets, liabilities, income, and expenses of the parent and its subsidiaries. Non-controlling interests are presented separately within equity in the consolidated balance sheet and allocated a portion of profit/loss on the consolidated statement of income.

4.4 Financial reporting in hyperinflationary economies (Argentina)

The non-monetary assets and liabilities, equity, and items in the statement of income of subsidiaries in hyperinflationary economies are restated for the changes in the general purchasing power of the functional currency by applying a general price index in accordance with NBC TG 42 (CPC 42) / IAS 29 Financial Reporting in Hyperinflationary Economies.

4.5 Discount of assets and liabilities to present value

Non-current monetary assets and liabilities are monetarily restated and, hence, discounted to present value. The discount to present value of current monetary assets and liabilities is calculated, and only recorded, if considered to be relevant to the financial statements as a whole. For purposes of recording and determination of the relevance for the financial statements, the discount to present value is calculated taking into consideration contractual cash flows and the explicit interest rate and, in certain, implicit interest rate, of the respective assets and liabilities in accordance with IFRS 13/NBC TG 46 (CPC 46) Fair Value Measurement and NBC TG 12 (CPC 12) Discount to Present Value.

4.6 Statements of added value

The Company prepared the Statements of Added Value (DVA), individual and consolidated, in accordance with Technical Pronouncement NBC TG 09 (CPC 09) - Statement of Added Value, which are presented as an integral part of the individual and consolidated financial statements in accordance with accounting practices adopted in Brazil applicable to publicly-held companies, while for IFRS it represents additional financial information.

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In thousands of reais, unless otherwise indicated

4.7 Indirect taxes

The purchases, revenue from sales and services are subject to the following taxes at the specified tax rates:

	São Paulo State	Minas Gerais State	Rio de Janeiro State	Other States
ICMS	4% and 18%	4% and 18%	4% and 20%	4% and 7% and 12%
IPI	3,25% to 20%	3,25% to 20%	3,25% to 20%	3,25% to 20%
PIS	1,65% to 2,30%	1,65% to 2,30%	1,65% to 2,30%	1,65% to 2,30%
COFINS	7,60% to 10,80%	7,60% to 10,80%	7,60% to 10,80%	7,60% to 10,80%
ISS	2% to 5%	2% to 5%	2% to 5%	2% to 5%

4.8 Use of estimates and judgments

The preparation of Parent Company and Consolidated financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively.

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties in December 31, 2025 that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year is included in the following notes:

- Notes 8 and 30 – financial instruments – credit risk: At the balance sheet date the Company assesses whether there is any evidence that financial assets measured at amortized cost may be impaired;
- Note 9 – inventories – provision for inventory losses: losses on products with negative margin, tooling, slow moving, quality problems recognized in inventories refer to estimated losses on obsolete inventories classified as a reduction of inventories;

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In thousands of reais, unless otherwise indicated

- Note 12 – deferred income tax and social contribution – recognition of deferred tax assets: availability of future taxable profit against which deductible temporary differences and tax losses carried forward can be used;
- Note 15 – provision for impairment of intangible assets: The Company and its subsidiaries test their intangible assets for impairment annually. If there is any indication of impairment of goodwill, this loss is recorded in profit or loss. The Group uses the discounted cash flow approach that depends on several estimates, which are influenced by changes in economic and marketing conditions;
- Notes 20 and 21 – other provisions – provision for losses on contract and provisions for warranties: key assumptions about the likelihood and magnitude of an outflow of resources;
- Note 22 – provision for contingencies and judicial deposits for legal proceedings: The Group recognizes a provision for civil, environmental liability and labor lawsuits. The assessment of the likelihood of loss includes the evaluation of existing evidence, the hierarchy of laws, previous court decisions, most recent court decisions and their relevance in the judicial context, as well as the opinion of outside legal advisors. Provisions are reviewed and adjusted to reflect changes in circumstances, such as applicable statute of limitations, outcomes of tax audits or additional exposures identified based on new matters or court decisions;
- Note 30 – Fair values of derivative financial instruments: All derivative instruments must be recorded on the balance sheet at fair value as financial assets when they represent contractual rights to receive cash or as financial liabilities when they represent contractual obligations to deliver cash. Derivatives that are formally designated as hedging instruments may be accounted for applying the hedge accounting rules;

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In thousands of reais, unless otherwise indicated

5. Segment reporting

i. Operating segments

Operating segments are components of an entity that engage in business activities from which they may earn revenues and incur expenses. The Group defined its operating segments based on the reports regularly used by the Group's Chief Operating Decision Maker to make strategic operating decisions. Segment information presented is measured consistently with the statement of income.

The Group's operating segments are:

- a) "Powertrain and Charging": pistons, piston rings, valves, rods, camshafts, bearings, thrust washers, cylinder liners, fire rings, gudgeon pins, ring carriers, mechanical compressors, among others. These products are generally used in light and heavy-duty motor vehicles.
- b) "Thermal and Fluid Systems": fuel filters, air filters, oil filters, air conditioning filters, activated carbon filters, oil separators, valve cover gaskets, air intake system, diesel fuel pre-filters and dust collectors, air conditioning, radiators and condensers. These products are generally used in light and heavy-duty automotive vehicles with combustion engines, hybrid and electric vehicles.

	Consolidated					
	2025			2024		
	"Powertrain and Charging"	"Thermal and Fluid Systems"	Total	"Powertrain and Charging"	"Thermal and Fluid Systems"	Total
Revenue of the reportable segment	4,482,574	924,108	5,406,682	3,889,434	668,546	4,557,980
Cost of sales and services (*)	(3,209,431)	(724,100)	(3,933,531)	(2,715,741)	(543,126)	(3,258,867)
Gross profit	1,273,143	200,008	1,473,151	1,173,693	125,420	1,299,113
SG&A (*)	(534,937)	(98,199)	(633,136)	(471,630)	(71,278)	(542,908)
Other operating income and expenses, net	9,302	(4,577)	4,725	(8,580)	3,626	(4,954)
Gain on net monetary position of foreign subsidiary	56,957	4,466	61,423	112,790	3,883	116,673
Equity in the results of subsidiaries and associate	-	10,074	10,074	-	2,326	2,326
Profit before finance income (expenses) and income tax and social contribution	804,465	111,772	916,237	806,273	63,977	870,250
Depreciation/amortization values are included in the functional lines above (*)						
Depreciation and amortization	(115,160)	(12,340)	(127,500)	(92,723)	(12,002)	(104,725)

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	Consolidated					
	2025			2024		
	"Powertrain and Charging"	"Thermal and Fluid Systems"	Total	"Powertrain and Charging"	"Thermal and Fluid Systems"	Total
Assets of reportable segments	3,466,341	327,223	3,793,564	3,354,204	239,093	3,593,297

	Consolidated					
	2025			2024		
	"Powertrain and Charging"	"Thermal and Fluid Systems"	Total	"Powertrain and Charging"	"Thermal and Fluid Systems"	Total
Capital expenditures	130,869	22,867	153,736	108,681	18,238	126,919

The Company's acquisitions on October 3, 2024 are within the following operating segments: MAHLE Compressores do Brasil Ltda. in the Powertrain and Charging segment, MAHLE Aftermarket Thermal in the Thermal and Fluid Systems segment.

Net operating revenue comprises revenue from the sale of products and services, where most of the service revenue related substantially to Powertrain and Charging segment.

Material accounting policies

An operating segment is a component of the Group that engages in business activities from which it may earn revenue and incur expenses, including revenue and expenses relating to transactions with other components of the Group, and for which discrete financial information is available.

The reported segment results include items that are directly attributable to the segment and can be allocated to the segment on a reasonable basis.

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6. Capital management

The Executive Board's policy is to retain a solid capital base to maintain the confidence of investors, creditors and the market and ensure future growth of the business, monitoring capital return and also the level of dividends to shareholders.

The Group monitors its capital based on the financial leverage index as follows:

	Note	Parent Company		Consolidated	
		2025	2024	2025	2024
Borrowings	17.a	1,613,961	1,030,672	1,613,990	1,035,123
Cash and cash equivalents	7.a	(494,420)	(179,108)	(635,305)	(291,793)
Marketable securities	7.b	-	-	(23,411)	(66,429)
Loans to related parties, net	11	(29,563)	(31,918)	43,119	(24,009)
Net indebtedness		1,089,978	819,646	998,393	652,892
Total equity		861,531	768,444	863,791	770,597
Total equity + net indebtedness		1,951,509	1,588,090	1,862,184	1,423,489
Financial leverage index - %		56%	52%	54%	46%

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7. Cash and cash equivalents and marketable securities

a) Cash and cash equivalents

	Parent Company		Consolidated	
	2025	2024	2025	2024
BRL	1,825	1,103	5,141	14,888
ARS (expressed in BRL)	-	-	7,438	11,167
USD (expressed in BRL)	12,668	19,024	12,668	19,024
EUR (expressed in BRL)	1,627	12,676	1,817	1,127
Cash and demand deposits	16,120	32,803	27,064	46,206
BRL	237,783	143,806	367,159	209,765
ARS (expressed in BRL)	-	-	475	18,603
USD (expressed in BRL)	240,502	2,477	170,285	2,477
EUR (expressed in BRL)	-	-	70,217	-
Financial investments	478,285	146,283	608,136	230,845
BRL	15	22	15	22
ARS (expressed in BRL)	-	-	90	14,714
USD (expressed in BRL)	-	-	-	6
Cash in transit	15	22	105	14,742
Total	494,420	179,108	635,305	291,793

The Group holds checking accounts at major banks in Brazil and abroad and the amounts are recorded under the caption cash and demand deposits.

Financial investments primarily include:

- BRL – Certificates of bank deposit (CDBs) and resale agreements- these investments accrue interest, on average, at 100.4% p.a. (100.1% p.a. on December 31, 2024 of the CDI and are held only with Brazilian top-tier banks.
- ARS – Certificates of bank deposit (CDBs), which are fixed-income investments with a term of 30 (thirty) days. The average yield is 25% per year (32% per year as of December 31, 2024) (BADLAR – Interest Rate for Fixed-Term Deposits).
- USD - Certificate of deposits and Time deposits – These investments accrue interest, on average, at 3.41% p.a. (4.52% p.a. on December 31, 2024), are short-term and have original maturities of less than three months.

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- EUR - Certificate of deposits and Time deposits – These investments accrue interest, on average, at 3.41% p.a., these investments are short-term and have original maturities of up to three months.

Cash in transit refers to cash receipts from customers with the respective write-off of the customer's invoice from accounts receivable, and money transfers in foreign currency are from customers abroad for foreign currency exchange by the banks with which the Company works. Money transfers in Brazilian real (BRL) are from domestic customers with cash inflow within one day after transfer.

b) Marketable securities

	Consolidated	
	2025	2024
USD (expressed em BRL)	23,411	66,429
Marketable securities	23,411	66,429

- USD – investments in debentures with average interest rate of 3.90% per annum + foreign exchange rate changes (0.36 % p.a. + foreign exchange rate on December 31, 2024). These securities are traded in the Argentine market from low-risk companies with a rating equal to or higher than AA by Fitch Ratings. These securities are used as collateral since they are indexed to the U.S. dollar for future payment abroad, given that certain restrictions imposed by the Argentine Central Bank remain in effect.

Material accounting policies

Cash and cash equivalents

Cash and cash equivalents comprise cash at banks and short-term highly liquid deposits with a maturity of three months or less, which are held for the purpose of meeting short-term cash commitments and are subject to an insignificant risk of changes in value.

The Group manages cash and cash equivalents based on amortized cost, which approximates fair value, so that cash and cash equivalents are measured and carried at amortized cost.

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Marketable securities

They are recorded at the amortized cost, which approximates its fair value by the end of the reporting period. Their value reflects the redemption value if they were redeemed at that date. However, these investments do not meet all criteria to be classified as cash equivalents in accordance with CPC 03 (R2) Statement of Cash Flows (equivalent to IAS 7 Statement of Cash Flows).

Interest earned on these transactions is included in finance income.

8. Trade and related parties receivables

	Parent Company		Consolidated	
	2025	2024	2025	2024
Market				
Domestic	370,010	427,669	417,932	492,932
Foreign	65,206	68,519	186,518	190,279
	<u>435,216</u>	<u>496,188</u>	<u>604,450</u>	<u>683,211</u>
Other accounts receivable	4,651	5,897	4,961	6,494
Provision for impairment of trade receivables	(4,053)	(6,074)	(7,713)	(11,998)
	<u>435,814</u>	<u>496,011</u>	<u>601,698</u>	<u>677,707</u>
Related parties (Note 11)	121,676	146,283	89,942	82,876
Total	<u>557,490</u>	<u>642,294</u>	<u>691,640</u>	<u>760,583</u>

The Group's exposure to credit and currency risks relating to trade receivables is disclosed in Note 30.

Other receivables derive from the sale of property, plant and equipment, tooling, scraps and other.

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The amounts and aging analysis of trade and other account receivables are as follows:

	Parent Company		Consolidated	
	2025	2024	2025	2024
Not yet due	421,908	476,087	577,970	649,534
Past due:				
Up to 7 days	743	5,848	3,819	9,475
From 8 to 30 days	7,963	8,413	12,588	12,195
From 31 to 60 days	3,614	3,369	6,293	5,629
From 61 to 90 days	1,067	1,863	1,945	2,517
From 91 to 120 days	735	771	1,767	1,534
From 121 to 180 days	613	633	1,249	1,195
From 181 to 360 days	424	1,246	638	1,733
Over 360 days	2,800	3,855	3,142	5,893
(-) Provision for impairment of trade receivables	(4,053)	(6,074)	(7,713)	(11,998)
Total past due deducted provision	13,906	19,924	23,728	28,173
Total of trade receivables	435,814	496,011	601,698	677,707

In the previous table, which shows the amount of expected losses at the recoverable value of accounts receivable, the amounts related to merchandise returns and customer advances are excluded in order to reflect the economic substance of the potential loss.

On December 31, 2025, trade receivables of the Parent Company in the amount of R\$ 13,906 (December 31, 2024 - R\$ 19,924) and Consolidated trade receivables at December 31, 2025 of R\$ 23,728 (December 31, 2024 - R\$ 28,173) were past due but not impaired. These relate to certain original equipment and aftermarket customers for whom there is no recent history of default, nor is expected any losses on the realization of such credits.

No provision for expected credit losses has been recognized for related parties, as management understands there is no credit risk.

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Changes in the provision for expected credit losses are as follows:

	Parent Company	Consolidated
At January 1st, 2024	(6,667)	(17,238)
Receivables provided for in the period	(7,953)	(15,228)
Receivables reversed in the period	8,192	21,823
Receivables written off definitively	892	898
Foreign exchange variation / Effect of the currency translation	(391)	(2,119)
Discount to present value	-	14
Merger	(147)	(147)
Balance arising from acquisition of subsidiary	-	(1)
At December 31, 2024	(6,074)	(11,998)
Receivables provided for in the period	(6,286)	(8,222)
Receivables reversed in the period	6,838	10,408
Receivables written off definitively	1,350	2,024
Foreign exchange variation / Effect of the currency translation	117	75
At December 31, 2025	(4,053)	(7,713)

Material accounting policies

Trade receivables

Trade receivables are amounts owed to the Company for products or services delivered. Trade receivables are recognized at fair value and subsequently measured at amortized cost using the effective interest method, less loss allowance. If collection is expected in one year or less, they are classified as current assets. If not, they are presented as non-current assets.

Impairment allowance

The Group presumes that the credit risk on a financial asset has increased significantly if contractual payments are more than 30 days past due. The Group considers a financial asset to be in default when the Group is unlikely to receive the outstanding contractual amounts in full without recourse to actions such as realizing security (if any is held).

Expected credit losses are a probability-weighted estimate of credit losses. At each reporting date, the Group assesses whether financial assets measured at amortized cost are credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred.

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For trade receivables and contract assets, loss allowance is equal to lifetime expected credit losses. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

For individual customers, the Group writes off the gross carrying amount when all negotiations with customers have failed to reach an agreement, and when there is any discrepancy in favor of the customer. For corporate customers, the Group performs an individual assessment regarding the timing and amount of the write-off based on whether there is a reasonable expectation of recovery.

The Group does not expect any significant recovery of the amount written off. However, the financial assets written off are still subject to enforcement activity.

9. Inventories

	Parent Company		Consolidated	
	2025	2024	2025	2024
Finished products	206,257	208,315	357,187	350,371
Work in progress	126,498	147,917	136,890	165,811
Raw materials	100,871	93,085	141,598	147,685
Auxiliary materials	8,251	10,176	26,194	25,417
Imports in transit	51,934	80,004	92,879	126,469
Total	493,811	539,497	754,748	815,753

On December 31, 2025, inventory was measured at the lower of cost and net realizable value. These losses relate to products with a negative margin, tooling, quality issues, out-of-specification materials, obsolescence and slow-moving items in the amount of R\$ 50, 271 (R\$ 49,152 on December 31, 2024) in the Parent Company and R\$ 84,021 (R\$ 84,960 on December 31, 2024) in the Consolidated financial statements.

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Changes in the provision for inventory loss are as follows:

	Parent Company	Consolidated
At January 1st, 2024	(50,633)	(62,653)
Reversal of provision	15,789	37,226
Recognition of provision	(14,443)	(44,946)
Inventory written off definitively as loss	1,588	1,588
Balance arising from acquisition of subsidiary	-	(13,933)
Merger (Note 13)	(1,453)	(1,453)
Effect of the currency translation	-	(789)
At December 31, 2024	(49,152)	(84,960)
Reversal of provision	20,962	55,258
Recognition of provision	(22,109)	(60,769)
Inventory written off definitively as loss	28	28
Effect of the currency translation	-	6,422
At December 31, 2025	(50,271)	(84,021)

Material accounting policies

Inventories are valued at the lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

They are valued at average cost of acquisition or production, which does not exceed replacement value or realization value. Unallocated fixed costs or idle capacity costs are recognized as an expense directly in profit or loss, rather than being included in the cost of inventory.

At the reporting date, net realizable value of inventories is determined, and a loss provision may be recognized. Movements are included in "Cost of sales and services".

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10. Income tax and social contribution and other taxes recoverable

	Parent Company		Consolidated	
	2025	2024	2025	2024
Income tax and social contribution recoverable	73,472	45,841	77,340	65,612
ICMS and Excise Tax (IPI)	16,018	20,683	16,106	24,993
Federal taxes - MOVER ⁽¹⁾	11,809	17,143	11,809	17,143
Federal taxes - ordinary action concerning INSS on cooperative ⁽²⁾	10,877	13,363	10,877	13,363
Value-added Tax on Sales and Services (ICMS) on purchases of fixed assets	7,607	6,466	8,753	6,974
COFINS (i)	5,977	8,423	5,977	13,458
Import Tax	4,914	18,660	6,161	18,729
PIS (i)	1,828	2,300	1,828	3,345
I.V.A. (Argentina)	-	-	12,162	23,466
Export incentive - Argentina	-	-	9,361	6,898
Tax credit from import tax in Argentina	-	-	636	5,390
Imposto saldo Livre Disponivel - IVA or Income tax (Argentina)	-	-	3,442	-
Others	126	127	3,797	2,121
Taxes recoverable	59,156	87,165	90,909	135,880
Current	132,628	133,006	168,249	201,492
Income tax and social contribution recoverable ⁽³⁾	-	-	14,252	-
Value-added Tax on Sales and Services (ICMS) on purchases of fixed assets ⁽⁴⁾	12,039	11,177	17,068	14,705
Imposto saldo Livre Disponivel - IVA or Income tax (Argentina)	-	-	8,486	-
I.V.A. (Argentina)	-	-	2,072	-
Others	-	-	1,893	44
Taxes recoverable	12,039	11,177	29,519	14,749
Non-current	12,039	11,177	43,771	14,749

⁽¹⁾ Mobilidade Verde e Inovação ("Mover"): through tax incentives granted to companies that invest in research, development and innovation. These incentives are in the form of financial credits that can be used to offset federal taxes administered by the Brazilian Revenue Service for the period from 2024 to 2029. There is expectation of recovering the tax credit within the next 12 months.

⁽²⁾ Ordinary action concerning INSS on cooperative: The Company filed a refund request with the Brazilian Revenue Service for amounts of social security contribution unduly paid (held unconstitutional by the law court on November 18, 2024) on payments made to cooperatives from September 1, 2010 to March 31, 2016 (date of publication of Federal Senate Resolution No. 10/2016 which suspended execution of [item IV, article 22 of Law No. 8212/91](#), declared unconstitutional by the Supreme Court in the records of Extraordinary Appeal No. 595.838). Management expects the credit to be substantially utilized by 12/31/2026

⁽³⁾ Deferred income tax assets measured at present value can be utilized for up to five years against future taxable profits, or the Company may request a cash refund. For the subsidiary MAHLE Argentina, recovery is expected for the end of 2027.

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(⁴) Taxes recoverable in non-current assets refer mainly to ICMS on purchase of fixed assets, which are utilized in the proportion of 1/48, in accordance with prevailing tax legislation.

Material accounting policies

Internal guideline – Recognition of out-of-period tax assets and liabilities

This guideline specifies the Group's procedure for the measurement and recognition of tax effects identified outside the relevant accounting period, in accordance with instructions in CPC 25 (IAS 37), aiming to maintain the integrity of the financial statements and the technical consistency required by the market.

Indirect taxes

The recognition of credit or debit related to indirect taxes is governed by the aforementioned standards, which set out the criteria for provisions, contingent liabilities and contingent assets.

Assets

The out-of-period tax assets are recognized on the balance sheet when the inflow of economic benefits is virtually certain. Contingent assets are only disclosed in the notes to the financial statements if the inflow of benefits is probable.

Ongoing lawsuits and lawsuits that reached final judgment – We consider the final, non-appealable ruling on the lawsuit as a condition for recognition of the asset.

Liabilities and provisions

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The recognition of a liability requires a reliable estimate and evidence that an obligating event has occurred, creating the present obligation. If the expectation of reimbursement for a liability is only possible or the liability cannot be measured reliably, it is treated as contingent liability and disclosed in the notes.

We perform periodic reviews of contingent assets and contingent liabilities in order to reflect changes in the likelihood of occurrence or measurement. The effects are recorded in 'other operating income (expenses), net', to ensure that the financial statements comply with accounting standards and regulations and the results are presented accurately.

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11. Related parties

(a) Transactions with Related parties

The aggregate amount of transactions and outstanding balances with related parties is presented below:

	Balances at 12.31.2025						Parent Company									
	Current assets			Non-current assets			Current liabilities			Transactions from 01.01.2025 to 12.31.2025						
	Receivables (Note 8)	Payment term in days (***)	Dividends and interest on capital receivable	Loan	Suppliers (Note 16)	Payment term in days (***)	Dividends and interest on capital payable	Products	Services	Rent, Transport, Food and Energy	Products	Services	Property, plant and equipment	Commissions	Trademark license	Rent
Companies																
Subsidiaries																
Direct subsidiaries																
MAHLE Metal Leve GmbH	46,596	60	-	-	-	-	-	537,310	431	-	-	-	-	-	-	-
MAHLE Argentina S.A.	35,056	60	-	29,563	84	60	-	136,287	2,555	-	1,577	-	-	-	-	-
MAHLE Compressores do Brasil Ltda.	4,991	60	10,807	-	11,405	60	-	3,720	10,734	-	53,630	-	-	-	-	-
Sub-total Direct subsidiaries	86,643	-	10,807	29,563	11,489	-	-	677,317	13,720	-	55,207	-	-	-	-	-
Associate																
Arco Climatização S.A.	-	-	307	-	-	-	-	-	-	-	-	-	-	-	-	-
Related Companies																
MAHLE International GmbH	5,092	60	-	-	12,588	60	-	-	15,431	-	-	58,889	-	-	-	-
MAHLE Behr Gerenciamento Térmico Brasil Ltda.	4,716	60	-	-	12,183	60	-	6,092	13,358	1,500	82,415	1,644	-	-	-	-
MAHLE Filter Systems North America, Inc.	4,663	60	-	-	-	-	-	-	22,597	-	-	-	-	-	-	-
MAHLE Filtersysteme Austria GmbH	4,259	60	-	-	1,296	60	-	16,395	146	-	2,112	996	270	-	-	-
MAHLE Aftermarket GmbH	2,802	60	-	-	16,056	60	-	33,395	4,112	-	10,654	14,969	-	92	-	-
MAHLE Engine Components USA, Inc.	2,535	60	-	-	5,504	60	-	28,435	192	-	27,864	1,985	-	-	-	-
MAHLE Engine Components Slovakia s.r.o.	2,126	60	-	-	31	60	-	7,966	-	-	18	90	-	-	-	-
MAHLE Manufacturing Management, Inc.	1,243	60	-	-	-	-	-	-	2,873	-	-	-	-	-	-	-
MAHLE Aftermarket Inc.	1,176	60	-	-	49	60	-	1,002	2,482	-	28	-	-	76	-	-
MAHLE Aftermarket S. de R.L. de C.V.	1,151	60	-	-	-	-	-	8,040	-	-	22	-	-	-	-	-
MAHLE Electronics & Mechatronics Technology (Suzhou) Co., Ltd.	1,017	60	-	-	-	-	-	-	2,350	-	-	-	-	-	-	-
MAHLE Engine Components (Yingkou) Co., Ltd.	542	60	-	-	-	-	-	4,177	-	-	-	-	-	-	-	-
MAHLE Componentes de Motores S.A.	542	60	-	-	294	60	-	1,707	129	-	310	966	-	-	-	-
MAHLE Compressors Hungary Kft.	456	60	-	-	-	-	-	-	1,045	-	-	-	-	-	-	-
MAHLE Aftermarket Pte. Ltd.	392	60	-	-	1,066	60	-	409	-	-	9,608	-	-	-	-	-
MAHLE Componenti Motori Italia Srl	358	60	-	-	20	60	-	7,059	390	-	-	20	-	-	-	-
MAHLE Filtersysteme GmbH	301	60	-	-	2,264	60	-	-	560	-	6	5,083	-	-	-	-
MAHLE Trading Japan Co., Ltd.	280	60	-	-	-	-	-	-	268	-	375	-	-	-	-	-
MAHLE Engine Components (Chongqing) Co., Ltd.	226	60	-	-	-	-	-	2,266	-	-	-	-	-	-	-	-
MAHLE Aftermarket South Africa (PTY) Ltd	215	60	-	-	-	-	-	1,035	-	-	-	-	-	-	-	-
MAHLE France SAS	209	60	-	-	-	-	-	637	-	-	-	-	-	-	-	-
MAHLE Industriemotoren-Komponenten GmbH	202	60	-	-	-	-	-	1,065	-	-	-	-	-	-	-	-
MAHLE Engine Components (Nanjing) Co., Ltd.	159	60	-	-	-	-	-	1,133	-	-	-	-	-	-	-	-
MAHLE GmbH	143	60	-	-	16,816	60	-	893	536	-	1,335	31,984	4,093	-	16,094	(*)
MAHLE Engine Components India Private Limited	75	60	-	-	-	-	-	3,243	-	-	-	-	-	-	-	-
MAHLE Indústria e Comércio Ltda.	72	60	-	-	2,391	60	32,996	53	-	-	-	-	-	-	-	13,874 (**)
MAHLE Kleinmotoren-Komponenten GmbH & Co. KG	31	60	-	-	-	-	-	523	-	-	3	-	-	-	-	-
MAHLE Anand Filter Systems Private Limited	21	60	-	-	-	-	-	146	-	-	1	-	-	-	-	-
MAHLE Componentes de Motor de México, S. de R.L. de C.V.	15	60	-	-	459	60	-	107	124	-	640	-	-	-	-	-
MAHLE Polska Spółka z o.o.	14	60	-	-	200	60	-	12	-	-	2,259	30	495	-	-	-
MAHLE Engine Systems UK Ltd.	-	-	-	-	6,417	60	-	498	-	-	10,889	2,496	-	-	-	-
MAHLE Industries, Incorporated	-	-	-	-	3,942	60	-	113	-	-	-	1,759	-	-	-	-
MAHLE Japan Ltd.	-	-	-	-	2,445	60	-	-	-	-	-	2,445	-	-	-	-
MAHLE Donghyun Filter Systems Co., Ltd.	-	-	-	-	1,221	60	-	-	-	-	4,650	230	-	-	-	-
MAHLE New Mobility Solutions GmbH	-	-	-	-	740	60	-	-	-	-	-	740	-	-	-	-
MAHLE Trading (Shanghai) Co., Ltd.	-	-	-	-	471	60	-	-	-	-	1,900	666	-	-	-	-
MAHLE Engine Components Japan Corporation	-	-	-	-	407	60	-	47	-	-	-	94	-	-	-	-
MAHLE Electric Drives (Taicang) Co., Ltd.	-	-	-	-	340	60	-	-	-	-	4,034	-	-	-	-	-
MAHLE Componente de Motor SRL	-	-	-	-	149	60	-	-	-	-	211	-	-	-	-	-
MAHLE Japan Ltd.	-	-	-	-	62	60	-	2,317	-	-	291	865	-	-	-	-
MAHLE Automotive Technologies (China) Co., Ltd.	-	-	-	-	45	60	-	-	-	-	-	90	-	-	-	-
MAHLE Aftermarket Italy S.r.l.	-	-	-	-	26	60	-	-	-	-	3,288	21	-	-	-	-
MAHLE Motor Parçaları San. ve Tic. A.Ş.	-	-	-	-	6	60	-	4,355	-	-	1,238	6	-	-	-	-
MAHLE Aftermarket Ltd.	-	-	-	-	4	60	-	-	-	-	-	-	-	-	-	-
MAHLE Services (Thailand) Ltd.	-	-	-	-	3	60	-	-	-	-	-	22	-	-	-	-
MAHLE S.A.U.	-	-	-	-	3	60	-	-	-	-	-	-	-	-	-	-
MAHLE Holding (India) Private Limited	-	-	-	-	2	60	-	-	-	-	-	3	-	-	-	-
MAHLE Electric Drives Slovenia d.o.o.	-	-	-	-	-	-	-	-	15	-	5,762	-	-	-	-	-
MAHLE Aftermarket Otomotiv Ticaret Anonim Sirketi	-	-	-	-	-	-	-	89	-	-	-	-	-	-	-	-
MAHLE Engine Components (Thailand) Co., Ltd.	-	-	-	-	-	-	-	-	74	-	-	-	-	-	-	-
MAHLE Engineering Services India Private Limited	-	-	-	-	-	-	-	-	-	-	-	(5)	-	-	-	-
MAHLE ChargeBIG GmbH	-	-	-	-	-	-	-	-	-	-	163	-	-	-	-	-
MAHLE Filter Systems Philippines Corporation	-	-	-	-	-	-	-	-	-	-	18	-	-	-	-	-
MAHLE Industriebeteiligungen GmbH	-	-	-	-	-	-	2,438	-	-	-	-	-	-	-	-	-
Mahle de Mexico S. de R.L. de C.V.	-	-	-	-	-	-	-	-	-	-	-	-	64	-	-	-
MAHLE Filter Systems Canada, ULC	-	-	-	-	-	-	-	-	-	-	7	-	-	-	-	-
Others																
Total related companies	35,033	-	-	-	87,500	-	35,434	133,209	66,682	1,500	170,081	126,078	4,922	173	16,094	13,874
Total related parties	121,676	-	11,114	29,563	98,989	-	35,434	810,526	80,402	1,500	225,288	126,078	4,922	173	16,094	13,874

* Brand license of R\$ 16,094

** Rent of R\$ 13,874

*** Realization of term days refers to current assets and current liabilities

(A free translation of the original in Portuguese)

MAHLE Metal Leve S.A.

Explanatory notes to the individual and consolidated financial statements for the years ended December 31, 2025 and 2024

In thousands of reais, unless otherwise indicated

Companies	Parent Company																			
	Balances at 12.31.2024								Transactions from 01.01.2024 to 12.31.2024											
	Current assets				Non-current				Current liabilities				Sales/revenue			Purchases				
	Receivables (Note 8)	Payment term in days (****)	Dividends and interest on capital receivable	Loan	Suppliers (Note 16)	Other Accounts Payable (***)	Payment term in days (****)	Dividends and interest on capital payable	Products	Services	Rent, Transport, Food and Energy	Products	Services	Property, plant and equipment	Commissions	Trademark license	Rent			
Subsidiaries																				
Direct subsidiaries																				
MAHLE Argentina S.A.	62,236	60	-	31,918	90	-	60	-	113,674	2,520	-	707	-	-	-	-	-			
MAHLE Metal Leve GmbH	46,264	60	-	-	-	-	-	-	501,570	288	-	-	-	-	-	-	-			
MAHLE Compressores do Brasil Ltda.	2,726	60	8,589	-	9,927	-	60	-	3,306	11,248	-	47,082	-	-	-	-	-			
Sub-total Direct subsidiaries	111,226	-	8,589	31,918	10,017	-	-	-	618,550	14,056	-	47,789	-	-	-	-	-			
Arco Climatização S.A.	-	-	627	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
Associate	-	-	627	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
Related Companies																				
MAHLE International GmbH	5,126	60	-	-	10,212	-	60	-	-	13,257	-	-	53,765	-	-	-	-			
MAHLE Aftermarket GmbH	5,056	60	-	-	8,239	-	60	-	22,725	4,274	-	7,030	11,745	-	40	-	-			
MAHLE Filter Systems USA	4,583	60	-	-	9	-	60	-	-	19,583	-	9	-	-	-	-	-			
MAHLE Behr Gerenciamento Térmico Brasil Ltda.	4,413	60	-	-	8,803	-	60	-	3,522	19,580	1,451	56,045	1,805	-	-	-	-			
MAHLE Engine Components USA, Inc.	2,902	60	-	-	7,996	-	60	-	28,274	-	-	28,767	1,788	-	-	-	-			
MAHLE Componentes de Motores S.A.	2,788	60	-	-	116	-	60	-	4,024	607	-	62	108	-	-	-	-			
MAHLE Filtersysteme Austria GmbH	1,558	60	-	-	2,979	-	60	-	6,823	-	-	1,214	5	-	-	-	-			
MAHLE Motor Parcalari San. Izmir A.S.	1,446	60	-	-	1,755	-	60	-	6,778	-	-	2,906	-	-	-	-	-			
MAHLE Aftermarket S. de R.L. de C.V.	1,414	60	-	-	-	-	-	-	15,482	-	-	-	-	-	-	-	-			
MAHLE Componenti Motori Italia S.p.A.	1,273	60	-	-	-	-	-	-	7,933	-	-	-	-	-	-	-	-			
MAHLE Engine Components (Yingkou) Co., Ltd.	876	60	-	-	-	-	-	-	2,833	461	-	-	-	-	-	-	-			
MAHLE Engine Components (Chongqing) Co., Ltd.	718	60	-	-	-	-	-	-	2,477	-	-	-	-	-	-	-	-			
MAHLE Filtersysteme GmbH	533	60	-	-	2,129	-	60	-	18	507	-	-	4,507	-	-	-	-			
MAHLE Componentes de Motor de Mexico, S. de R.L. de C.V.	482	60	-	-	517	-	60	-	1,816	123	-	5,172	-	-	-	-	-			
MAHLE GmbH	373	60	-	-	16,693	-	60	-	857	394	-	2,163	26,454	2,134	-	13,251	-			
MAHLE Aftermarket Inc.	370	60	-	-	71	-	60	-	4,125	1,944	-	33	-	-	273	-	-			
MAHLE Engine Components Slovakia s.r.o.	344	60	-	-	2	-	60	-	7,763	-	-	1	2	-	-	-	-			
MAHLE Trading Japan Co., Ltd.	162	60	-	-	188	-	60	-	-	272	-	422	-	-	-	-	-			
MAHLE Industriemotoren-Komponenten GmbH	139	60	-	-	-	-	-	-	580	-	-	-	-	-	-	-	-			
MAHLE Engine Components Japan Corporation	135	60	-	-	352	-	60	-	305	-	-	-	105	-	-	-	-			
MAHLE Manufacturing Management Inc	117	60	-	-	-	-	-	-	-	70	-	-	-	-	-	-	-			
MAHLE Electronics & Mechatronics Technol	96	60	-	-	-	-	-	-	-	57	-	-	-	-	-	-	-			
MAHLE Aftermarket South Africa (PTY)	62	60	-	-	-	-	-	-	534	-	-	-	-	-	-	-	-			
MAHLE Compressors Hungary Kft.	42	60	-	-	-	-	-	-	-	25	-	-	-	-	-	-	-			
MAHLE France SAS	14	60	-	-	-	-	-	-	333	-	-	-	-	-	-	-	-			
MAHLE Filter Systems Japan Corporation	11	60	-	-	-	-	-	-	30	-	-	172	-	-	-	-	-			
MAHLE Filter Systems Canada, ULC	11	60	-	-	-	-	-	-	10	-	-	-	-	-	-	-	-			
MAHLE Motorsports Inc	6	60	-	-	-	-	-	-	4	-	-	-	-	-	-	-	-			
MAHLE Sistemas de Filtración de Mexico S.A. de C.V.	6	60	-	-	-	-	-	-	4	-	-	-	-	-	-	-	-			
MAHLE Electric Drives Slovenija d.o.o.	1	60	-	-	979	-	60	-	-	20	-	2,325	-	-	-	-	-			
MAHLE Engine Systems UK Ltd.	-	-	-	-	7,271	-	60	-	237	-	-	11,088	2,301	-	-	-	-			
MAHLE Industries, Inc.	-	-	-	-	2,694	-	60	-	10	-	-	-	1,759	-	-	-	-			
MAHLE Donghyun Filter Systems Co., Ltd.	-	-	-	-	2,530	-	60	-	-	-	-	679	761	-	-	-	-			
MAHLE Aftermarket Pte. Ltd.	-	-	-	-	2,010	-	60	-	23	-	-	8,684	-	-	-	-	-			
MAHLE Indústria e Comércio Ltda.	-	-	-	-	1,709	459,899	60	29,421	1	3,239	-	2,519	-	-	-	-	10,315			
MAHLE Trading (Shanghai) Co., Ltd.	-	-	-	-	1,276	-	60	-	-	-	-	1,438	-	-	-	-	-			
MAHLE Polska Sp. z o.o.	-	-	-	-	993	-	60	-	-	-	-	938	-	69	-	-	-			
MAHLE Electric Drives (Taicang) Co., Ltd.	-	-	-	-	962	-	60	-	-	-	-	1,484	-	-	-	-	-			
Mahle Automotive Technologies (China) Co., Ltd	-	-	-	-	662	-	60	-	-	-	-	-	662	-	-	-	-			
MAHLE Aftermarket Italy S.p.A.	-	-	-	-	511	-	60	-	-	-	-	2,266	5	-	-	-	-			
MAHLE Japan Ltd.	-	-	-	-	403	-	60	-	-	-	-	-	333	-	-	-	-			
Mahle Services Thailand Ltd.	-	-	-	-	360	-	60	-	-	-	-	-	360	-	-	-	-			
MAHLE Componente de Motor SRL	-	-	-	-	196	-	60	-	-	-	-	97	-	-	-	-	-			
MAHLE Holding (China) Co., Ltd.	-	-	-	-	126	-	60	-	-	-	-	-	682	-	-	-	-			
MAHLE Anéis Participações Ltda.	-	-	-	-	32	-	60	-	-	-	-	-	-	-	-	-	-			
MAHLE Blechtechnologie GmbH	-	-	-	-	7	-	60	-	-	-	-	2	-	-	-	-	-			
MAHLE Holding (India) Private Limited	-	-	-	-	5	-	60	-	-	-	-	-	6	-	-	-	-			
MAHLE S.A.U.	-	-	-	-	3	-	60	-	-	-	-	-	-	-	-	-	-			
MAHLE Engine Components India Priv. Ltd.	-	-	-	-	-	-	-	-	1,583	-	-	-	-	-	-	-	-			
MAHLE Engine Components (Nanning) Co., Ltd.	-	-	-	-	-	-	-	-	1,505	-	-	-	-	-	-	-	-			
Mahle Engine Comp. Australia Pty Ltd.	-	-	-	-	-	-	-	-	297	-	-	-	-	-	-	-	-			
MAHLE Kleinmotoren-Komponenten GmbH & Co. KG	-	-	-	-	-	-	-	-	176	-	-	-	-	-	-	-	-			
MAHLE Anand Filter Systems Private Limited	-	-	-	-	-	-	-	-	60	-	-	-	-	-	-	-	-			
MAHLE Aftermarket Ltd.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2	-			
MAHLE Industriebeteiligungen GmbH	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
Other	-	-	-	-	-	-	-	-	-	-	-	18	1	-	-	-	-			
Total related companies	35,057	-	-	-	82,790	459,899	-	31,596	121,152	64,413	1,451	135,534	107,154	2,203	315	13,251	10,315			
Total related parties	146,283	-	9,216	31,918	92,807	459,899	-	31,596	739,702	78,469	1,451	183,323	107,154	2,203	315	13,251	10,315			

* Brand license of R\$ 13,251

** Rent of R\$ 10,315

*** Accounts payable for acquisition of subsidiary (note 13), to be paid over a period of 300 days.

**** Realization of term days refers to current assets and current liabilities

(A free translation of the original in Portuguese)

MAHLE Metal Leve S.A.

Explanatory notes to the individual and consolidated financial statements for the years ended December 31, 2025 and 2024

In thousands of reais, unless otherwise indicated

	Consolidated															
	Balances at 12.31.2025						Transactions from 01.01.2025 to 12.31.2025									
	Current assets			Current liabilities			Sales/revenue				Purchases					
Receivables (Note 8)	Payment term in days (***)	Dividends and interest on capital receivable	Suppliers (Note 16)	Payment term in days (***)	Dividends and interest on capital payable	Loan	Products	Services	Rent Food and Energy Allocations	Transport	Products	Services	Property, plant and equipment	Commissions	Trademark license/Royalties	Rent
Companies																
Arco Climatização S.A.	-	-	307	-	-	-	-	-	-	-	-	-	-	-	-	-
Associate	-	-	307	-	-	-	-	-	-	-	-	-	-	-	-	-
Related companies																
MAHLE Aftermarket GmbH	14,648	60	-	17,007	60	-	106,071	4,112	-	-	24,154	14,969	-	92	-	-
MAHLE Engine Components USA, Inc.	13,845	60	-	7,046	60	-	115,922	192	-	-	27,864	2,710	-	-	-	-
MAHLE Componenti Motori Italia Srl	9,833	60	-	20	60	-	75,501	390	-	-	-	20	-	-	-	-
MAHLE France SAS	8,613	60	-	-	-	-	34,659	-	-	-	-	-	-	-	-	-
MAHLE International GmbH	5,454	60	-	27,417	60	-	-	15,872	-	-	-	66,027	-	-	-	-
MAHLE Behr Gerenciamento Térmico Brasil Ltda.	5,223	60	-	13,632	60	-	6,557	13,358	7,797	-	87,855	1,644	-	-	-	-
MAHLE Filter Systems North America, Inc.	4,663	60	-	-	-	-	-	22,597	-	-	-	-	-	-	-	-
MAHLE Filtersysteme Austria GmbH	4,259	60	-	1,378	60	-	16,395	146	-	-	2,112	1,462	270	-	-	-
MAHLE Componentes de Motores S.A.	3,053	60	-	293	60	-	27,254	129	-	-	310	956	-	-	-	-
MAHLE Industriemotoren-Komponenten GmbH	2,645	60	-	-	-	-	15,648	-	-	-	-	-	-	-	-	-
MAHLE Polska Spółka z o.o.	2,466	60	-	200	60	-	10,328	-	-	-	4,430	30	495	-	-	-
MAHLE Engine Components Slovakia s.r.o.	2,125	60	-	31	60	-	8,041	-	-	-	18	91	-	-	-	-
MAHLE Aftermarket S. de R.L. de C.V.	2,093	60	-	-	-	-	22,774	-	-	-	22	-	-	-	-	-
MAHLE Engine Components (Thailand) Co., Ltd.	1,402	60	-	-	-	-	5,260	74	-	-	-	-	-	-	-	-
MAHLE Kleinmotoren-Komponenten GmbH & Co. KG	1,274	60	-	18	60	-	5,007	-	-	-	3	180	-	-	-	-
MAHLE Manufacturing Management, Inc.	1,243	60	-	31	60	-	-	2,873	-	-	154	-	-	-	-	-
MAHLE Aftermarket Inc.	1,176	60	-	49	60	-	1,002	2,482	-	-	28	-	-	76	-	-
MAHLE Motor Parçaları San. ve Tic. A.Ş.	1,141	60	-	6	60	-	14,664	-	-	-	1,238	6	-	-	-	-
MAHLE Electronics & Mechatronics Technology (Suzhou) Co., Ltd.	1,017	60	-	2,309	60	-	3	2,350	-	-	-	-	-	-	-	-
MAHLE GmbH	610	60	-	20,672	60	-	3,191	536	-	-	1,335	33,303	4,093	-	18,300	(*)
MAHLE Engine Components (Yingkou) Co., Ltd.	542	60	-	-	-	-	4,177	-	-	-	-	-	-	-	-	-
MAHLE Compressors Hungary Kft.	515	60	-	-	-	-	59	1,045	-	-	1,009	-	9,569	-	-	-
MAHLE Aftermarket Pte. Ltd.	392	60	-	1,066	60	-	409	-	-	-	9,608	-	-	-	-	-
MAHLE Filtersysteme GmbH	301	60	-	2,264	60	-	-	560	-	-	6	5,083	-	-	-	-
MAHLE Trading Japan Co., Ltd.	280	60	-	-	-	-	-	268	-	-	375	-	-	-	-	-
MAHLE Engine Components India Private Limited	262	60	-	-	-	-	5,344	-	-	-	-	-	-	-	-	-
MAHLE Engine Components (Chongqing) Co., Ltd.	226	60	-	-	-	-	2,266	-	-	-	-	-	-	-	-	-
MAHLE Aftermarket South Africa (Pty) Ltd	215	60	-	-	-	-	1,035	-	-	-	-	-	-	-	-	-
MAHLE Engine Components (Nanjing) Co., Ltd.	158	60	-	-	-	-	1,133	-	-	-	-	-	-	-	-	-
MAHLE Componentes de Motor de México, S. de R.L. de C.V.	130	60	-	459	60	-	822	124	-	-	640	-	-	-	-	-
MAHLE Indústria e Comércio Ltda.	97	60	-	2,391	30	32,996	75	-	-	-	-	-	-	-	-	13,874
MAHLE Anand Filter Systems Private Limited	21	60	-	-	-	-	146	-	-	-	1	-	-	-	-	-
Shanghai MAHLE Thermal Systems Co. Ltd.	20	60	-	-	-	-	-	-	-	-	-	-	-	-	-	-
MAHLE New Mobility Solutions GmbH	-	-	-	17,705	60	-	-	-	-	-	-	740	-	-	-	-
MAHLE Engine Systems UK Ltd.	-	-	-	6,417	60	-	-	498	-	-	10,889	2,496	-	-	-	-
MAHLE Industries, Incorporated	-	-	-	4,740	60	-	-	113	-	-	-	5,467	-	-	-	-
MAHLE Japan Ltd.	-	-	-	2,445	60	-	-	-	-	-	-	2,445	-	-	-	-
MAHLE Donghyun Filter Systems Co., Ltd.	-	-	-	1,221	60	-	-	-	-	-	4,650	230	-	-	-	-
MAHLE Aftermarket Italy S.r.l.	-	-	-	712	60	-	-	-	-	-	4,398	21	-	-	-	-
MAHLE Trading (Shanghai) Co., Ltd.	-	-	-	471	60	-	-	-	-	-	1,900	666	-	-	-	-
MAHLE Engine Components Japan Corporation	-	-	-	407	60	-	-	47	-	-	-	94	-	-	-	-
MAHLE Electric Drives (Taicang) Co., Ltd.	-	-	-	395	60	-	-	-	-	-	4,034	-	-	-	-	-
MAHLE Engineering Services India Private Limited	-	-	-	264	60	-	-	-	-	-	-	1	-	-	-	-
MAHLE Componente de Motor SRL	-	-	-	149	60	-	-	-	-	-	211	-	-	-	-	-
MAHLE Japan Ltd.	-	-	-	62	60	-	-	2,317	-	-	291	865	-	-	-	-
MAHLE Automotive Technologies (China) Co., Ltd.	-	-	-	45	60	-	-	-	-	-	-	90	-	-	-	-
MAHLE Holding Austria GmbH	-	-	-	43	60	-	43,119	-	-	-	-	-	-	-	-	-
MAHLE Electric Drives Slovenija d.o.o.	-	-	-	18	60	-	-	15	-	-	5,881	-	-	-	-	-
MAHLE Aftermarket Ltd.	-	-	-	4	60	-	-	-	-	-	-	-	-	5	-	-
MAHLE Services (Thailand) Ltd.	-	-	-	3	60	-	-	-	-	-	-	22	-	-	-	-
MAHLE S.A.U.	-	-	-	3	60	-	-	-	-	-	-	-	-	-	-	-
MAHLE Holding (India) Private Limited	-	-	-	2	60	-	-	-	-	-	-	3	-	-	-	-
MAHLE Aftermarket Otomotiv Ticaret Anonim Sirketi	-	-	-	-	-	-	-	89	-	-	-	-	-	-	-	-
MAHLE Behr USA Inc.	-	-	-	-	-	-	-	78	-	-	-	-	-	-	-	-
MAHLE Behr Service Asia Co., Ltd.	-	-	-	-	-	-	-	-	-	-	1,040	-	-	-	-	-
MAHLE Compressores, S. de R.L. de C.V.	-	-	-	-	-	-	-	-	-	-	85	-	-	-	-	-
MAHLE chargeBIG GmbH	-	-	-	-	-	-	-	-	-	-	163	-	-	-	-	-
MAHLE Filter Systems Philippines Corporation	-	-	-	-	-	-	-	-	-	-	18	-	-	-	-	-
MAHLE Filter Systems Canada, ULC	-	-	-	-	-	-	-	-	-	-	7	-	-	-	-	-
MAHLE Industriebeteiligungen GmbH	-	-	-	-	-	2,438	-	-	-	-	-	-	-	-	-	-
Mahle de Mexico S. de R.L. de C.V.	-	-	-	-	-	-	-	-	-	-	-	-	64	-	-	-
Total related companies	89,942			131,395		35,434	43,119	486,885	67,123	7,797	194,729	139,621	14,491	173	18,300	13,874
Total related parties	89,942		307	131,395		35,434	43,119	486,885	67,123	7,797	194,729	139,621	14,491	173	18,300	13,874

* Brand license of R\$ 18,300

** Rent of R\$ 13,874

*** Realization of term days refers to current assets and current liabilities

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MAHLE Metal Leve S.A.

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In thousands of reais, unless otherwise indicated

Companies	Consolidated																
	Balances at 12.31.2024							Transactions from 01.01.2024 to 12.31.2024									
	Current assets			Non-current	Current liabilities			Sales/revenue			Purchases						
	Receivables (Note 8)	Payment term in days (****)	Dividends and interest on capital receivable	Loan	Suppliers (Note 16)	Other Accounts Payable (***)	Payment term in days (****)	Dividends and interest on capital payable	Products	Services	Rent Transport Food Energy	Products	Services	Property, plant and equipment	Commissions	Trademark license/Royalties	Rent
Arco Climatização S.A. Associate	-	-	627	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Related companies																	
MAHLE Aftermarket GmbH	16,838	60	-	-	16,925	-	60	-	95,098	4,274	-	22,512	11,745	-	40	-	-
MAHLE Engine Components USA, Inc.	16,454	60	-	-	11,143	-	60	-	126,347	-	-	28,767	2,796	-	-	-	-
MAHLE Componentes de Motores S.A.	6,020	60	-	-	116	-	60	-	34,314	607	-	62	109	-	-	-	-
MAHLE International GmbH	5,249	60	-	-	30,755	-	60	-	-	13,674	-	-	61,457	-	-	-	-
MAHLE Behr Gerenciamento Térmico Brasil Ltda.	4,766	60	-	-	12,958	-	60	-	3,884	19,595	1,451	58,636	1,805	-	-	-	-
MAHLE France SAS	4,590	60	-	-	-	-	-	-	31,560	-	-	-	-	-	-	-	-
MAHLE Filter Systems USA	4,583	60	-	-	9	-	60	-	-	19,583	-	9	-	-	-	-	-
MAHLE Componenti Motori Italia S.p.A.	3,646	60	-	-	-	-	-	-	94,140	-	-	-	-	-	-	-	-
MAHLE Aftermarket S. de R.L. de C.V.	3,140	60	-	-	-	-	-	-	36,111	-	-	-	-	-	-	-	-
MAHLE Motor Parcalari San. Izmir A.S.	3,015	60	-	-	1,755	-	60	-	18,812	-	-	2,905	-	-	-	-	-
MAHLE Componentes de Motor de Mexico, S. de R.L. de C.V.	1,783	60	-	-	517	-	60	-	11,656	124	-	5,172	-	-	-	-	-
MAHLE Anand Filter Systems Private Limited	1,737	60	-	-	-	-	-	-	60	-	-	-	-	-	-	-	-
MAHLE Filtersysteme Austria GmbH	1,585	60	-	-	3,070	-	60	-	6,823	-	-	1,214	532	-	-	-	-
MAHLE Industriemotoren-Komponenten GmbH	1,453	60	-	-	-	-	-	-	10,180	-	-	-	-	-	-	-	-
MAHLE Polska Sp. z o.o.	1,129	60	-	-	993	-	60	-	7,810	-	-	2,418	-	69	-	-	-
MAHLE GmbH	1,044	60	-	-	20,279	-	60	-	3,719	394	-	2,163	27,540	2,134	-	14,937	-
MAHLE Engine Components (Yingkou) Co., Ltd.	876	60	-	-	-	-	-	-	2,833	461	-	-	-	-	-	-	-
MAHLE Engine Components (Chongqing) Co., Ltd.	718	60	-	-	-	-	-	-	2,477	-	-	-	-	-	-	-	-
MAHLE Powertrain, LLC	696	60	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mahle Engine Comp. Australia Pty Ltd.	615	60	-	-	-	-	-	-	297	-	-	-	-	-	-	-	-
MAHLE Filtersysteme GmbH	533	60	-	-	2,129	-	60	-	18	507	-	-	4,507	-	-	-	-
MAHLE Engine Components Slovakia s.r.o.	519	60	-	-	2	-	60	-	9,371	-	-	1	2	-	-	-	-
MAHLE Manufacturing Management Inc	493	60	-	-	66	-	60	-	79	282	-	949	-	-	-	-	-
MAHLE Aftermarket Inc.	487	60	-	-	71	-	60	-	4,905	1,944	-	34	-	-	273	-	-
MAHLE Kleinmotoren-Komponenten GmbH & Co. KG	330	60	-	-	48	-	60	-	3,068	-	-	-	166	-	-	-	-
MAHLE Trading Japan Co., Ltd.	162	60	-	-	188	-	60	-	-	272	-	422	-	-	-	-	-
MAHLE Engine Components Japan Corporation	134	60	-	-	352	-	60	-	305	-	-	-	106	-	-	-	-
MAHLE Electronics & Mechatronics Technol	96	60	-	-	-	-	-	-	-	57	-	25	-	-	-	-	-
MAHLE Aftermarket South Africa (PTY)	62	60	-	-	-	-	-	-	534	-	-	-	-	-	-	-	-
MAHLE Compressors Hungary Kft.	42	60	-	-	2,105	-	60	-	-	25	-	5,308	937	-	-	-	-
MAHLE Behr Manufacturing Management Inc	22	60	-	-	-	-	-	-	-	15	-	-	-	-	-	-	-
MAHLE Behr Dayton	21	60	-	-	-	-	-	-	-	16	-	-	-	-	-	-	-
MAHLE Filter Systems Japan Corporation	11	60	-	-	-	-	-	-	30	-	-	173	-	-	-	-	-
MAHLE Filter Systems Canada, ULC	11	60	-	-	-	-	-	-	10	-	-	-	-	-	-	-	-
MAHLE Motorsports Inc.	6	60	-	-	-	-	-	-	5	-	-	-	-	-	-	-	-
MAHLE Sistemas de Filtración de Mexico S.A. de C.V.	6	60	-	-	-	-	-	-	4	-	-	-	-	-	-	-	-
MAHLE Engine Components India Priv. Ltd.	3	60	-	-	-	-	-	-	3,696	-	-	-	-	-	-	-	-
MAHLE Electric Drives Slovenia d.o.o.	1	60	-	-	1,448	-	60	-	-	20	-	3,264	894	-	-	-	-
MAHLE Engine Systems UK Ltd.	-	-	-	-	7,271	-	60	-	237	-	-	11,088	2,301	-	-	-	-
MAHLE Industries, Inc.	-	-	-	-	3,416	-	60	-	10	32	-	-	5,755	-	-	-	-
MAHLE Donghyun Filter Systems Co., Ltd.	-	-	-	-	2,530	-	60	-	-	-	-	679	761	-	-	-	-
MAHLE Engine Components USA, Inc.	-	-	-	-	2,054	-	60	-	-	-	-	-	-	-	-	-	-
MAHLE Aftermarket Pte. Ltd.	-	-	-	-	2,010	-	60	-	24	-	-	8,684	-	-	-	-	-
MAHLE Indústria e Comércio Ltda.	-	-	-	-	1,709	459,899	60	29,421	1	3,239	-	2,519	-	-	-	-	10,315
MAHLE Shared Services Poland Spółka z o.o.	-	-	-	-	1,662	-	60	-	-	-	-	-	-	-	-	-	-
MAHLE Trading (Shanghai) Co., Ltd.	-	-	-	-	1,276	-	60	-	-	-	-	1,438	-	-	-	-	-
MAHLE Electric Drives (Taicang) Co., Ltd.	-	-	-	-	962	-	60	-	-	-	-	1,484	-	-	-	-	-
Mahle Automotive Technologies (China) Co., Ltd	-	-	-	-	663	-	60	-	-	-	-	-	661	-	-	-	-
MAHLE Aftermarket Italy S.p.A.	-	-	-	-	516	-	60	-	-	-	-	3,034	5	-	-	-	-
MAHLE Japan Ltd.	-	-	-	-	401	-	60	-	-	-	-	-	333	-	-	-	-
MAHLE Services (Thailand) Ltd.	-	-	-	-	360	-	60	-	-	-	-	-	360	-	-	-	-
MAHLE Componente de Motor SRL	-	-	-	-	196	-	60	-	-	-	-	97	-	-	-	-	-
MAHLE Holding (China) Co., Ltd.	-	-	-	-	126	-	60	-	-	-	-	-	681	-	-	-	-
MAHLE Holding Austria GmbH	-	-	-	-	39	-	60	-	-	-	-	-	-	-	-	-	-
MAHLE Anéis Participações Ltda.	-	-	-	-	32	-	60	-	-	-	-	-	-	-	-	-	-
MAHLE Ventiltrieb GmbH	-	-	-	-	19	-	60	-	5	-	-	19	-	-	-	-	-
Mahle Blechtechnologie GmbH	-	-	-	-	7	-	60	-	-	-	-	2	-	-	-	-	-
MAHLE Holding (India) Private Limited	-	-	-	-	5	-	60	-	-	-	-	-	6	-	-	-	-
MAHLE S.A.U.	-	-	-	-	3	-	60	-	-	-	-	-	-	-	-	-	-
MAHLE Engine Components (Thailand) Co., Ltd.	-	-	-	-	-	-	-	-	4,276	-	-	-	-	-	-	-	-
MAHLE Engine Components (Nanjing) Co., Ltd.	-	-	-	-	-	-	-	-	1,505	-	-	-	-	-	-	-	-
Mahle Compressores do Brasil Ltda.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
MAHLE Industriebeteiligungen GmbH	-	-	-	-	-	-	-	2,175	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	18	1	-	2	-	-
Total related companies	82,876	-	-	24,009	130,186	459,899	-	31,596	514,204	65,121	1,451	163,096	123,460	2,203	315	14,937	10,315
Total related parties	82,876	627	24,009	130,186	459,899	-	31,596	514,204	65,121	1,451	163,096	123,460	2,203	315	14,937	10,315	-

* Brand license of R\$ 14,937

** Rent of R\$ 10,315

*** Accounts payable for acquisition of subsidiary (note 13), to be paid over a period of 300 days.

**** Realization of term days refers to current assets and current liabilities

It is the Group practice to classify dividends and interest on capital received as cash flows from investing activities.

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On December 31, 2025, the subsidiary MAHLE Argentina S.A. has a loan agreement with the Parent Company in the amount of USD 5,373, equivalent to R\$ 29,563 (December 31, 2024: R\$ 31,918), with interest rate of 5.38% per annum (interest rate of 2.88% of Brazil's sovereign bonds + plus spread of 2.50% per annum). Although the amortization term began in June 2021, MAHLE Argentina S.A. has not yet received authorization to remit the USD because of current foreign exchange restrictions in Argentina. The authorization process is being monitored by the teams of MAHLE Brazil and MAHLE Argentina, without expectation of recovery in the short term due to payment restrictions imposed by the Argentine government as published through notices A7466, A7532, A7542, A7553, A7595, A7917, A8118, A8074 and A8226. We identified no material risk of loss related to the amount receivable by the Parent Company since the risk is hedged with NDF. Regarding the Parent company's receivable, we did not identify any material risk of foreign exchange losses since the foreign currency exposure is hedged by financial instruments (NDF – Note 30).

The subsidiary MAHLE Metal Leve GmbH has a daily cash management contract with MAHLE Holding Austria GmbH, subject to interest based on ESTER (Euro Short-Term Rate) + 1.235% p.a., with no definite maturity date. On December 31, 2025, the subsidiary has R\$ 43,119 (R\$ 24,009 at December 31, 2024) payable balance in current liabilities from these transactions.

The Company has a brand licensing agreement with its Parent Company MAHLE GmbH, which is registered with the National Institute of Industrial Property, in which the licensor establishes the payment of royalties of up to 1% of net sales revenue and the Company is authorized to manufacture and distribute products using the brand "MAHLE". On December 31, 2025, the royalty expenses were recorded within "selling and distribution expenses", in the Parent Company in the amount of R\$ 16,094 (R\$ 13,251 at December 31, 2024) and in the Consolidated accounts in the amount of R\$ 18,300 (R\$ 14,937 at December 31, 2024).

Material accounting policies

Transactions with related parties refer substantially to the purchase and sale of goods and services directly related to their operating activities and are made on terms and conditions agreed upon between the parties.

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Parent Company and ultimate Parent Company

The direct controlling shareholder of the Company is MAHLE Indústria e Comércio Ltda., a limited liability company with its headquarters situated in the city of Mogi Guaçu, State of São Paulo, Brazil.

MAHLE GmbH is the Group's ultimate Parent Company, established as a limited liability company with its head office in the city of Stuttgart, in the Federal Republic of Germany.

Dividends and interest on capital receivable

The breakdown of dividends and interest on capital receivable is presented below:

	Parent Company			
	Balance 12.31.2024	Addition	Receipt	Balance 12.31.2025
Subsidiaries				
MAHLE Metal Leve GmbH	-	38,297	(38,297)	-
MAHLE Compressores do Brasil Ltda.	8,589	86,705	(84,487)	10,807
Associate				
Arco Climatização S.A.	627	11,040	(11,360)	307
Total	9,216	136,042	(134,144)	11,114
	Parent Company			
	Balance 01.01.2024	Addition	Receipt	Balance 12.31.2024
Subsidiaries				
MAHLE Metal Leve GmbH	-	72,815	(72,815)	-
MAHLE Compressores do Brasil Ltda.	-	110,104	(101,515)	8,589
Associate				
Arco Climatização S.A.	-	698	(71)	627
Total	-	183,617	(174,401)	9,216

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	Consolidated			
	Balance 12.31.2024	Addition	Receipt	Balance 12.31.2025
Associate				
Arco Climatização S.A.	627	11,041	(11,361)	307
Total	627	11,041	(11,361)	307

	Consolidated			
	Balance 01.31.2024	Addition	Receipt	Balance 12.31.2024
Associate				
Arco Climatização S.A.	-	698	(71)	627
Total	-	698	(71)	627

It is the Group practice to classify dividends and interest on capital received as cash flows from investing activities.

Dividends and interest on capital payable

The breakdown of dividends and interest on capital payable is presented below:

	Parent Company and Consolidated				
	Balance at 12.31.2024	Addition	Payment	Prescribed dividends and interest on capital	Balance at 12.31.2025
MAHLE Indústria e Comércio Ltda.	29,421	212,108	(208,533)	-	32,996
MAHLE Industriebeteiligungen GmbH.	2,175	15,671	(15,408)	-	2,438
Non-controlling interest	22,850	145,654	(142,964)	(465)	25,075
Total	54,446	373,433	(366,905)	(465)	60,509

	Parent Company and Consolidated				
	Balance 01.01.2024	Addition	Payment	Prescribed dividends and interest on capital	Balance at 12.31.2024
MAHLE Indústria e Comércio Ltda.	11,002	198,810	(180,391)	-	29,421
MAHLE Industriebeteiligungen GmbH.	814	14,689	(13,328)	-	2,175
Non-controlling interest	11,001	136,523	(124,571)	(103)	22,850
Total	22,817	350,022	(318,290)	(103)	54,446

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(b) Management compensation

According to the Bylaws, the Company's management bodies are the Board of Directors and the Executive Board.

The compensation of the key management personnel, which comprises the executive officers and the Board of Directors, includes salaries, fees, variable benefits and and termination pay.

	Parent Company and Consolidated	
	2025	2024
Statutory officers	12,725	12,188
Non-statutory officers	4,095	4,334
Total	16,820	16,522

The officers receive no share-based compensation.

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MAHLE Metal Leve S.A.

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12. Income tax and social contribution

Income tax and social contribution are calculated at the statutory rates.

a. Reconciliation of income tax and social contribution expense

The reconciliation of the amount that results from applying the statutory tax rates with the income tax and social contribution expense recorded in the statement of income is as follows:

	Parent Company		Consolidated	
	2025	2024	2025	2024
Profit before income tax and social contribution	765,161	674,488	791,785	699,163
Income tax and social contribution at the statutory rate in Brazil (34%)	(260,155)	(229,326)	(269,207)	(237,715)
Effects of permanent differences:				
Equity in the results of subsidiaries	35,713	3,370	3,425	791
Change in estimate related to the filing of the Corporate Income Tax	11,651	(9,299)	11,651	(8,275)
Permanent differences	(608)	1,681	7,636	1,647
Income on Interest (paid/ received)	32,978	30,174	37,301	33,610
Inflationary effect generated by subsidiary	27,810	72,796	5,751	19,984
Others, net	(3,901)	(2,494)	20,414	31,999
Total income tax and social contribution	(156,512)	(133,098)	(183,029)	(157,959)
Current income tax and social contribution	(174,060)	(135,253)	(213,680)	(157,398)
Deferred income tax and social contribution	17,548	2,155	30,651	(561)
Total income tax and social contribution	(156,512)	(133,098)	(183,029)	(157,959)
Effective rate	20.5%	19.7%	23.1%	22.6%

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b. Recognized deferred tax assets and liabilities

Deferred income tax and social contribution are as follows:

i. Breakdown of deferred tax assets and liabilities:

	Parent Company			
	Assets		Liabilities	
	Balance in 2025	Balance in 2024	Balance in 2025	Balance in 2024
Property, plant and equipment	-	-	(25,214)	(24,878)
Intangible assets Goodwill	-	-	(97,025)	(97,025)
Tax credit ⁽¹⁾	-	-	-	(34,773)
Financial incentives - Limeira ⁽²⁾	-	-	(19,651)	(19,649)
Derivatives	8,717	1,813	-	-
Inventory	17,092	16,712	-	-
Labor risk provision	36,918	50,508	-	-
Tax risk provision	13,362	14,675	-	-
Warranties risk provision	9,735	14,230	-	-
Environmental risk provision	13,346	18,078	-	-
Other temporarily non-deductible provisions	67,830	73,658	-	-
Tax assets (liabilities)	167,000	189,674	(141,890)	(176,325)
Amount eligible for offsetting	(141,890)	(176,325)	141,890	176,325
Net tax assets (liabilities)	25,110	13,349	-	-

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	Consolidated			
	Assets		Liabilities	
	Balance in 2025	Balance in 2024	Balance in 2025	Balance in 2024
Property, plant and equipment	-	-	(45,321)	(52,032)
Intangible assets Goodwill	-	-	(95,959)	(89,562)
Tax credit ⁽¹⁾	-	-	-	(43,842)
Financial incentives - Limeira ⁽²⁾	-	-	(19,651)	(19,649)
Derivatives	8,717	1,823	-	-
Inventory	25,714	23,926	-	-
Tax loss carryforwards MAHLE Compressores	33,234	49,594	-	-
Tax loss carryforwards MAHLE Argentina	39,729	57,623	-	-
Labor risk provision	39,114	51,616	-	-
Tax risk provision	13,362	15,051	-	-
Warranties risk provision	11,942	14,230	-	-
Environmental risk provision	13,837	18,078	-	-
Other temporarily non-deductible provisions	104,768	87,377	-	-
Tax assets (liabilities)	290,417	319,318	(160,931)	(205,085)
Amount eligible for offsetting	(160,931)	(205,085)	160,931	205,085
Net tax assets (liabilities)	129,486	114,233	-	-

⁽¹⁾ In May 2025, the Brazilian Supreme Court (STF) denied a motion for a preliminary injunction that requested the payment of income tax and social contribution at the time when the credits from the lawsuit that reached final judgment (exclusion of ICMS from the tax base of PIS and COFINS) are homologated. These credits belong to the parent company MAHLE Metal Leve S.A. and its subsidiary MAHLE Compressores do Brasil Ltda. Based on the court decision, the deferred income tax on the credits was transferred to current tax, without any impact on profit for the period.

⁽²⁾ The income tax and social contribution is payable on the court-ordered payments (Note 22.ii) when payment is received.

Based on projections of future taxable profits approved by management, the Group recognized deferred tax assets for tax losses and deductible temporary differences. The carrying amount of deferred tax assets is reviewed periodically by the Group.

The subsidiaries Mahle Compressores and Mahle Argentina have tax losses of R\$ 33,234 and R\$ 39,729, respectively, that are available for offsetting against future taxable profits. In the case of Mahle Compressores, tax losses do not expire but are limited to offsetting 30% of taxable profit in each year, according to prevailing legislation. Regarding MAHLE Argentina, the applicable statute of limitations is five years, and the tax losses may also be offset against future taxable income.

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ii. Changes in temporary differences and tax loss carry-forwards:

Parent Company									
	Balance in 01.01.2024	Recognized in profit or loss	Recognized against goodwill in the acquisition of associate	Recognized in other comprehensive income	Balance in 12.31.2024	Recognized in profit or loss	Recognized against goodwill in the acquisition of associate	Recognized in other comprehensive income	Balance in 12.31.2025
Property, plant and equipment	(25,847)	969	-	-	(24,878)	(336)	-	-	(25,214)
Intangible assets - Goodwill	(97,025)	-	-	-	(97,025)	-	-	-	(97,025)
Tax credit	(34,773)	-	-	-	(34,773)	34,773	-	-	-
Financial incentives - Limeira	(3,327)	(16,322)	-	-	(19,649)	(2)	-	-	(19,651)
Derivatives	(4,041)	2,239	-	3,615	1,813	7,735	-	(831)	8,717
Inventory	17,215	(503)	-	-	16,712	380	-	-	17,092
Labor risk provision	50,970	(462)	-	-	50,508	(13,590)	-	-	36,918
Tax risk provision	18,565	(3,890)	-	-	14,675	(1,313)	-	-	13,362
Warranties risk provision	2,479	11,751	-	-	14,230	(4,495)	-	-	9,735
Environmental risk provision	8,880	9,198	-	-	18,078	(4,732)	-	-	13,346
Other temporarily non-deductible provisions	82,151	(825)	(7,668)	-	73,658	(872)	(4,956)	-	67,830
	15,247	2,155	(7,668)	3,615	13,349	17,548	(4,956)	(831)	25,110

Consolidated										
	Balance in 01.01.2024	Recognized in profit or loss	Recognized against goodwill in the acquisition of associate	Balance arising from acquisition of subsidiary	Recognized in other comprehensive income	Balance in 12.31.2024	Recognized in profit or loss	Recognized against goodwill in the acquisition of associate	Recognized in other comprehensive income	Balance in 12.31.2025
Property, plant and equipment	(38,590)	(13,097)	-	(345)	-	(52,032)	6,711	-	-	(45,321)
Intangible assets - Goodwill	(97,025)	(5,865)	-	13,328	-	(89,562)	(6,397)	-	-	(95,959)
Tax credit	(34,773)	3,886	-	(12,955)	-	(43,842)	43,842	-	-	-
Financial incentives - Limeira	(3,327)	(16,322)	-	-	-	(19,649)	(2)	-	-	(19,651)
Derivatives	(4,041)	2,249	-	-	3,615	1,823	7,725	-	(831)	8,717
Inventory	29,341	(5,415)	-	-	-	23,926	1,788	-	-	25,714
Labor risk provision	50,970	(766)	-	1,412	-	51,616	(12,502)	-	-	39,114
Tax risk provision	18,565	(3,514)	-	-	-	15,051	(1,689)	-	-	13,362
Warranties risk provision	2,479	11,751	-	-	-	14,230	(2,288)	-	-	11,942
Environmental risk provision	8,880	9,198	-	-	-	18,078	(4,241)	-	-	13,837
Tax loss to be offset - MAHLE Compressores	-	(13,207)	-	62,801	-	49,594	(16,360)	-	-	33,234
Tax loss to be offset - MAHLE Argentina	-	57,623	-	-	-	57,623	(17,894)	-	-	39,729
Other temporarily non-deductible provisions	96,097	(27,082)	(7,668)	12,276	13,754	87,377	31,958	(4,956)	(9,611)	104,768
	28,576	(561)	(7,668)	76,517	17,369	114,233	30,651	(4,956)	(10,442)	129,486

c. Unrecognized deferred tax assets

On December 31, 2025, deferred tax assets of R\$ 31,260 (R\$ 31,294 in 2024) arising from tax losses and temporary differences generated by the subsidiary MAHLE Filtroil Indústria e Com. de Filtros Ltda. and the subsidiary MAHLE Hirschvogel Forjas S.A were not recognized in the consolidated financial statements.

The non-recognition of these deferred tax assets is due to the lack of expectation of taxable income for the coming years in the respective companies. Under Brazilian tax legislation, tax losses are not subject to a statute of limitations.

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Material accounting policies

The income tax and social contribution expenses comprise current and deferred taxes. Income taxes are recognized in profit or loss, except to the extent that they relate to items recognized directly in equity or in other comprehensive income.

In accordance with IAS 1 / CPC 26 (R1) and IAS 12 /CPC 32, deferred income tax and social contribution are computed based on the tax rates in effect at the reporting date in the countries where the Group entities operate and generate taxable income.

Deferred tax assets are recognized for deductible temporary differences, the carry forward of unused tax credits and unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized. Deferred tax and deferred tax liabilities are offset if and only if there is a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

Pillar Two rules

In December 2021, the Organization for Economic Co-operation and Development (OECD), under the Inclusive Framework on Base Erosion and Profit Shifting (BEPS Project), released the Global Anti-Base Erosion (GloBE) Model Rules (Pillar Two), designed to ensure large multinational enterprises (MNEs) pay a minimum 15% effective tax rate on income arising in every jurisdiction. In order to implement Pillar Two, each country must enact the rules into its local legislation. Many countries have already implemented the rules in local legislation or are in the process of discussion and approval.

In May 2023, the IASB® issued Amendments to IAS 12/CPC 32 to provide a temporary exception to the accounting for deferred income taxes arising from tax law enacted or substantively enacted to implement the Pillar Two model rules published by the OECD. The Group has adopted this exception.

Brazil has formally incorporated the OECD Pillar Two rules into its local legislation initially through Provisional Measure No. 1.262 of October 3, 2024 and later through Law No. 15.079 of December 27, 2024, which introduces an additional Social Contribution on Net Income (CSLL) as from 2025.

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The Company's management, together with the MAHLE Group, has already carried out studies of the application of this new legislation/rule and did not identify any material impact on the individual and consolidated financial statements.

13. Investments in subsidiaries and associate

	Parent Company						Total - 2025
	Investments accounted for using the equity method	Goodwill	Impairment	Fair value of intangible assets	Amortization - Fair value of intangible assets	Elimination of profit on inventory (Balance at 12.31.2025)	
MAHLE Argentina S.A.	282,154	59,549	(59,549)	-	-	(5,104)	277,050
MAHLE Metal Leve GmbH	44,761	-	-	-	-	(1,851)	42,910
MAHLE Filtroil Ind. e Com. de Filtros Ltda.	459	-	-	-	-	-	459
MAHLE Hirschvogel Forjas S.A.	2,352	35,755	(35,755)	-	-	-	2,352
MAHLE Compressores do Brasil Ltda.	220,750	-	-	-	-	(664)	220,086
Sub-Total	550,476	95,304	(95,304)	-	-	(7,619)	542,857
Associate							
Arco Climatização S.A.	6,323	20,085	-	37,204	(2,747)	-	60,865
Sub-Total	6,323	20,085	-	37,204	(2,747)	-	60,865
Total	556,799	115,389	(95,304)	37,204	(2,747)	(7,619)	603,722

	Parent Company						Total - 2024
	Investments accounted for using the equity method	Goodwill	Impairment	Fair value of intangible assets	Amortization - Fair value of intangible assets	Elimination of profit on inventory (Balance at 12.31.2024)	
MAHLE Argentina S.A.	356,269	59,549	(59,549)	-	-	(3,505)	352,764
MAHLE Metal Leve GmbH	76,661	-	-	-	-	(2,757)	73,904
MAHLE Filtroil Ind. e Com. de Filtros Ltda.	433	-	-	-	-	-	433
MAHLE Hirschvogel Forjas S.A.	2,241	35,755	(35,755)	-	-	-	2,241
MAHLE Compressores do Brasil Ltda.	212,908	-	-	-	-	(183)	212,725
Sub-Total	648,512	95,304	(95,304)	-	-	(6,445)	642,067
Associate							
Arco Climatização S.A.	5,404	13,064	-	22,629	-	-	41,097
Sub-Total	5,404	13,064	-	22,629	-	-	41,097
Total	653,916	108,368	(95,304)	22,629	-	(6,445)	683,164

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	Interest (%)	Current assets	Non current assets	Total assets	Current Liabilities	Non current liabilities	Total liabilities	Equity	Net revenue	Profit (loss) for the period	Interest in equity		
											Investments	Equity in the results of subsidiaries	Elimination of profit on inventory /other assets (equity)
December 31, 2025													
Subsidiaries													
MAHLE Argentina S.A.	99.20	270,700	155,942	426,642	105,583	36,629	142,212	284,430	679,349	(13,246)	282,154	(13,139)	(1,599)
MAHLE Metal Leve GmbH	100.00	154,854	3,112	157,966	113,205	43,119	113,205	44,761	601,940	14,595	44,761	14,595	906
MAHLE Filtrol Ind. e Com. de Filtros Ltda.	100.00	418	48	466	4	3	7	459	-	26	459	26	-
MAHLE Hirschvogel Forjas S.A.	51.00	4,082	1,288	5,370	748	10	758	4,612	-	218	2,352	111	-
MAHLE Compressores do Brasil Ltda.	100.00	278,285	135,430	413,715	186,110	6,855	192,965	220,750	802,597	94,546	220,750	94,546	(481)
Subtotal		708,339	295,820	1,004,159	405,650	86,616	449,147	555,012	2,083,886	96,139	550,476	96,139	(1,174)
Associate													
Arco Climatização S.A.	49.99	65,292	8,027	73,319	60,497	176	60,673	12,646	220,048	29,180	6,323	10,074	-
Subtotal		65,292	8,027	73,319	60,497	176	60,673	12,646	220,048	29,180	6,323	10,074	-
Total		773,631	303,847	1,077,478	466,147	86,792	509,820	567,658	2,303,934	125,319	556,799	106,213	(1,174)
December 31, 2024													
Subsidiaries													
MAHLE Argentina S.A.	99.20	421,822	136,366	558,188	161,654	37,392	199,046	359,142	824,706	(46,859)	356,269	(46,484)	(2,294)
MAHLE Metal Leve GmbH	100.00	115,455	27,158	142,613	65,952	-	65,952	76,661	588,613	37,644	76,661	37,644	(417)
MAHLE Filtrol Ind. e Com. de Filtros Ltda.	100.00	407	32	439	4	2	6	433	2	(44)	433	(44)	-
MAHLE Hirschvogel Forjas S.A.	51.00	4,217	1,515	5,732	750	588	1,338	4,394	-	(376)	2,241	(192)	-
MAHLE Compressores do Brasil Ltda. (*)	100.00	239,400	131,935	371,335	149,815	8,612	158,427	212,908	183,606	19,555	212,908	19,555	(183)
Subtotal		781,301	297,006	1,078,307	378,175	46,594	424,769	653,538	1,596,927	9,920	648,512	10,479	(2,894)
Associate													
Arco Climatização S.A. (*)	33.33	65,660	1,103	66,763	50,190	357	50,547	16,216	116,250	6,981	5,404	2,326	-
Subtotal		65,660	1,103	66,763	50,190	357	50,547	16,216	116,250	6,981	5,404	2,326	-
Total		846,961	298,109	1,145,070	428,365	46,951	475,316	669,754	1,713,177	16,901	653,916	12,805	(2,894)

(*) Refers to result for the period from October 1, 2024 to December 31, 2024.

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The subsidiaries belong to the *"Powertrain and Charging"* segment, except the subsidiary MAHLE Filtroil Indústria e Comércio de Filtros Ltda.

MAHLE Argentina S.A.

As mentioned in Note 15, the Group has an impairment of goodwill arising from acquisition of the subsidiary, amounting to R\$ 59,549 (Parent Company) and R\$ 68,071 (Consolidated).

MAHLE Filtroil Indústria e Comércio de Filtros Ltda.

The balance sheet and income statement information of the subsidiary MAHLE Filtroil Indústria e Comércio de Filtros Ltda. was considered for consolidation of the Group assuming that the subsidiary will not continue as a going concern. Due to the balances of this subsidiary are immaterial for the Group, NBC TG 31 (CPC 31) – Discontinued Operations / IFRS 5 – Presentation and disclosure of discontinued operations does not apply.

MAHLE Hirschvogel Forjas S.A.

The balance sheet and income statement information of the subsidiary MAHLE Hirschvogel Forjas S.A. was considered for consolidation of the Group assuming that the subsidiary will not continue as a going concern. Due to the balances of this subsidiary are immaterial for the Group, NBC TG 31 (CPC 31) – Discontinued Operations / IFRS 5 – Presentation and disclosure of discontinued operations does not apply.

As mentioned in Note 15, the Group has an impairment of goodwill arising from acquisition of the subsidiary, amounting to R\$ 35,755 Parent Company and Consolidated.

MAHLE Compressores and MAHLE Aftermarket Thermal

After the terms and conditions of the transaction were negotiated and based on the valuation reports issued by the independent specialist firms and on the legal advice engaged by the Independent Committee, the Board of Directors of the Company approved on September 3, 2024 the share purchase and sale agreement for the acquisition of 100% of the share capital of MAHLE Compressores do Brasil Ltda. ("MAHLE Compressores") and 100% of the share capital of MAHLE Aftermarket Thermal Brasil Ltda. ("MAHLE Thermal"), both owned by MAHLE Indústria e Comércio Ltda., the controlling shareholder of the Company. At the Extraordinary General Meeting held on October 3, 2024, the shareholders of the Company approved the acquisition of MAHLE Compressores and MAHLE Thermal and the merger of

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MAHLE Metal Leve S.A.

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MAHLE Thermal into the Company for the purposes of segregation of the Aftermarket Thermal business segment.

In order to mitigate potential conflicts of interest arising out of the terms and conditions of the acquisition, including the purchase price, the Company, through an Independent Committee, hired specialist firms to prepare two valuation reports and legal advisors to define the purchase price for the two companies in accordance with the arm's length principle.

All conditions precedent to the purchase and sale agreement have been satisfied, and prior approval of the transaction by the Brazilian Competition Authority (CADE) was not applicable.

The purchase price for the acquisition of MAHLE Compressores and MAHLE Thermal was R\$ 668,000, to be paid in three installments: the first installment of R\$ 222,667 upon closing of the Intended Transaction; the second installment of R\$ 222,667 in six months from the closing of the Intended Transaction with an interest rate of 13.84% per annum; the third installment of R\$ 222,667 in twelve months from the closing of the Intended Transaction with an interest rate of 14.36% per annum. In April 2025, the second installment in the amount of R\$ 237,534 was paid, and the final installment, in the amount of R\$ 254,642, was paid in October 2025.

On October 3, 2024, the difference between the consideration transferred and the net assets at carrying value resulted in goodwill, in the amounts of R\$ 336,627 for MAHLE Compressores and R\$ 8,851 for MAHLE Thermal, respectively, which was recognized in the Parent Company's equity, as these transactions represent acquisitions of entities under common control, and such goodwill will only be realized upon sale or write-off of the investment.

MAHLE Compressores is primarily engaged in the (a) purchase and sale, import, export and manufacture of auto parts and accessories, and may also import and export all materials and products related to its business, including import of finished lubricant oil and provision of services, and any and all operation and business necessary for its business purpose; (b) provision of services for third parties, including provision of technical support services for the assets within in its main business activities, as well consulting services and engineering projects; and (c) owning an equity interest in other companies.

MAHLE Thermal's corporate purpose is the wholesale trade of new parts and accessories for motor vehicles.

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The main products are liquid coolant coolers, charge air coolers, low temperature coolers, fan drives and fan clutches, coolant cooler/condenser fans, expansion tanks, cabin heat exchangers, exhaust gas recirculation coolers, oil coolers.

Arco Climatização S.A. (Associate)

On December 12, 2025, the Company acquired an additional stake of 16.66% in Arco Climatização S.A. for R\$ 18,524, which was paid in December 2025. The Company now holds an interest of 49.99% in this associate.

On October 1, 2024, the Company completed the acquisition of a 33.33% interest in the associate Arco Climatização S.A. (CNPJ No. 17.551.610/0001-86) for R\$ 31,800 (of which R\$ 27,030 was paid in 2024), after the conditions precedent have been satisfied, including, but not limited to, the approval of the Brazilian Competition Authority (CADE).

Arco Climatization is engaged in the following business: (a) wholesale and import of air conditioning parts and components and (b) manufacture and sale of air conditioning systems for buses, trains, vans, trucks and industrial vehicles.

This acquisition aims to expand the Company's presence in the thermal management market, with air conditioning solutions for buses (including electric buses), reinforcing the Company's strategy of sustainable growth by seeking assets that complement the Company's existing product offerings, diversifying its business operations and creating value to shareholders.

The Company does not control this associate because it does not have power over relevant activities nor the ability to use its power to affect returns, and is exposed to variable returns solely through its interest in the associate. Therefore, under IFRS 10 / CPC 36, the Company does not consolidate this entity.

The fair value of intangible assets identified on acquisition is R\$ 37,204, which comprises: (i) R\$ 8,347 of brands with a useful life of 17 years; and (ii) R\$ 28,857 of customer portfolio with a useful life of 9 years. Management has reviewed the assumptions used in the initial measurement and determined additional goodwill of R\$ 2,065 based on future earnings expected from the acquired business. Therefore, the acquisition gave rise to goodwill of R\$ 15,129 (2024 – R\$ 13,064) (including tax impacts), based on expected future earnings of the acquired business. After such review, management concluded that the measurements reflect fairly all available information at the acquisition date and that the procedures and measurements are adequate.

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Fair value measurement of intangible assets

The valuation techniques used to measure the fair value of the intangible assets identified on the acquisition of the subsidiary were as follows:

Intangible asset – Customer list

The customer list was valued using the Multi-period Excess Earnings Method (MPEEM), a form of the income approach. This method uses cash flows to determine the excess cash flows of an asset after deducting contributory assets. The main valuation input is the historical customer churn rate. In addition, future cash flows are discounted to present value using an appropriate discount rate. The useful life of the asset was estimated at around 9 years. The limit of 90% of the estimate of discounted cash flows was used to determine the economic life of the intangible asset, according to the paper of The Appraisal Foundation - The Valuation of Customer-Related Asset.

Brand and trade name

The acquired brand was valued using the Relief-from-Royalty Method, an income-based valuation method. This method estimates the value of an intangible asset based on the hypothetical royalties (calculated as a percentage of estimated revenue) a company would incur if it lacked ownership and needed to license the asset from an external party. The hypothetical royalty rate was calculated based on market comparable royalty rates. In addition, future cash flows are discounted to present value using an appropriate discount rate. The useful life of the asset was estimated at around 17 years. The limit of 90% of the estimate of discounted cash flows was used to determine the economic life of the intangible asset, according to the paper of The Appraisal Foundation - The Valuation of Customer-Related Asset.

Material accounting policies

In the individual financial statements, investments in entities where the Parent Company has control or significant influence are accounted for using the equity method.

The financial statements of subsidiaries located abroad are translated into reais using the following criteria: (i) Assets and liabilities accounts at the closing exchange rate; (ii) Specific equity accounts at the historical rate of the transactions or account activities; (iii) Items of the income statement at the average exchange rate for the month for non-inflationary economy and at the exchange rate at the end of the respective quarter for hyperinflationary economy.

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The exchange differences of foreign subsidiaries are recognized in a specific account "cumulative translation adjustments", within equity.

The realization of such exchange variation adjustments occurs with the realization (i.e. sale) of the investment.

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14. Property, plant and equipment and Right-of-use assets

Parent Company										
Property, plant and equipment	Balance at 12.31.2024	Additions	Write-offs	Transfer	Depreciation	Depreciation/write-off (deemed cost)	Balance at 12.31.2025	Total cost	Accumulated depreciation	Net book value
Land	52,454	-	-	-	-	-	52,454	52,454	-	52,454
Buildings and construction	61,167	2,518	-	-	(4,598)	(2,568)	56,519	241,275	(184,756)	56,519
Machinery, equipment and facilities	421,356	105,258	(176)	7,800	(78,674)	(242)	455,322	2,405,727	(1,950,405)	455,322
Furniture and fittings	6,547	1,564	(4)	(18)	(983)	-	7,106	28,760	(21,654)	7,106
Vehicles	2,996	1,019	(4)	85	(1,088)	-	3,008	24,036	(21,028)	3,008
Construction in progress	1,713	1,908	-	(2,707)	-	-	914	914	-	914
Advances to suppliers	3,534	3,945	-	(5,160)	-	-	2,319	2,319	-	2,319
Impairment	(4,093)	-	1,156	-	-	-	(2,937)	(2,937)	-	(2,937)
Sub-total	545,674	116,212	972	-	(85,343)	(2,810)	574,705	2,752,548	(2,177,843)	574,705
Right-of-use assets	Balance at 12.31.2024	Additions	Write-offs	Transfer	Depreciation	Depreciation/write-off (deemed cost)	Balance at 12.31.2025	Total cost	Accumulated depreciation	Net book value
Buildings	22,469	7,965	-	-	(10,142)	-	20,292	74,981	(54,689)	20,292
Vehicles	3,109	5,639	-	-	(3,513)	-	5,235	21,469	(16,234)	5,235
Transportation goods	1,284	3,755	-	-	(1,768)	-	3,272	7,856	(4,584)	3,272
Machinery and equipment	-	3,818	-	-	(159)	-	3,659	4,409	(750)	3,659
Sub-total	26,862	21,177	-	-	(15,582)	-	32,458	108,715	(76,257)	32,458
Total	572,536	137,389	972	-	(100,925)	(2,810)	607,163	2,861,263	(2,254,100)	607,163

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Parent Company										
Property, plant and equipment	Balance at 1st, 2024	Additions	Write-offs	Transfer	Depreciation	Depreciation/write-off (deemed cost)	Balance at 12.31.2024	Total cost	Accumulated depreciation	Net book value
Land	52,454	-	-	-	-	-	52,454	52,454	-	52,454
Buildings and construction	65,138	3,543	-	(86)	(4,862)	(2,566)	61,167	238,758	(177,591)	61,167
Machinery, equipment and facilities	400,050	86,357	(256)	13,162	(77,691)	(266)	421,356	2,305,067	(1,883,711)	421,356
Furniture and fittings	4,652	1,491	(20)	1,241	(815)	(2)	6,547	27,633	(21,086)	6,547
Vehicles	3,841	1,302	-	(1,083)	(1,064)	-	2,996	23,070	(20,074)	2,996
Construction in progress	839	5,377	-	(4,503)	-	-	1,713	1,713	-	1,713
Advances to suppliers	5,155	7,110	-	(8,731)	-	-	3,534	3,534	-	3,534
Impairment	(5,537)	-	1,444	-	-	-	(4,093)	(4,093)	-	(4,093)
Sub-total	526,592	105,180	1,168	-	(84,432)	(2,834)	545,674	2,648,136	(2,102,462)	545,674
Right-of-use assets	Balance at January 1st, 2024	Additions	Write-offs	Transfer	Depreciation	Depreciation/write-off (deemed cost)	Balance at 12.31.2024	Total cost	Accumulated depreciation	Net book value
Buildings	30,945	-	(1,229)	-	(7,247)	-	22,469	67,016	(44,547)	22,469
Vehicles	6,372	303	(198)	-	(3,368)	-	3,109	15,831	(12,722)	3,109
Transportation goods	1,004	1,818	-	-	(1,538)	-	1,284	4,100	(2,816)	1,284
Machinery and equipment	153	-	-	-	(153)	-	-	591	(591)	-
Sub-total	38,474	2,121	(1,427)	-	(12,306)	-	26,862	87,538	(60,676)	26,862
Total	565,066	107,301	(259)	-	(96,738)	(2,834)	572,536	2,735,674	(2,163,138)	572,536

(A free translation of the original in Portuguese)

MAHLE Metal Leve S.A.

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In thousands of reais, unless otherwise indicated

Consolidated												
	Balance at 12.31.2024	Additions	Write-offs	Transfer	Depreciation	Depreciation/write- off (deemed cost)	Gain on monetary items, net	Effect of the currency translation	Balance at 12.31.2025	Total cost	Accumulated depreciation	Net book value
Property, plant and equipment												
Land	58,535	-	-	-	-	-	-	-	58,535	58,535	-	58,535
Buildings and construction	92,864	9,692	-	5,180	(7,079)	(4,313)	4,900	(9,344)	91,900	310,029	(218,129)	91,900
Machinery, equipment and facilities	522,628	124,026	(131)	23,406	(89,885)	(3,264)	5,005	(26,484)	555,301	3,012,636	(2,457,335)	555,301
Furniture and fittings	7,614	2,083	(6)	(266)	(1,139)	-	-	(114)	8,172	33,524	(25,352)	8,172
Vehicles	4,959	1,476	(4)	85	(1,230)	-	(140)	(778)	4,368	38,863	(34,495)	4,368
Construction in progress	16,338	7,185	-	(17,334)	-	-	-	2	6,191	6,191	-	6,191
Advances to suppliers	6,068	8,649	-	(11,071)	-	-	(164)	(822)	2,660	2,660	-	2,660
Impairment	(4,341)	66	1,156	-	-	-	-	84	(3,035)	(3,035)	-	(3,035)
Sub-total	704,665	153,177	1,015	-	(99,333)	(7,577)	9,601	(37,456)	724,092	3,459,403	(2,735,311)	724,092
Right-of-use assets												
Buildings	23,023	13,557	-	-	(11,231)	-	35	(879)	24,505	80,251	(55,746)	24,505
Vehicles	3,568	5,766	-	-	(3,854)	-	-	-	5,480	23,038	(17,558)	5,480
Transportation goods	2,774	3,755	-	-	(2,112)	-	-	-	4,417	10,600	(6,183)	4,417
Machinery and equipment	654	4,288	-	-	(393)	-	-	-	4,549	5,679	(1,130)	4,549
Sub-total	30,019	27,366	-	-	(17,590)	-	35	(879)	38,951	119,568	(80,617)	38,951
Total	734,684	180,543	1,015	-	(116,923)	(7,577)	9,636	(38,335)	763,043	3,578,971	(2,815,928)	763,043

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Consolidated													
	Balance at January 1st, 2024	Balance arising from acquisition of subsidiary	Additions	Write-offs	Transfer	Depreciation	Depreciation/write-off (deemed cost)	Gain on monetary items, net	Effect of the currency translation	Balance at 12.31.2024	Total cost	Accumulated depreciation	Net book value
Property, plant and equipment													
Land	52,464	6,071	-	-	-	-	-	-	-	58,535	58,535	-	58,535
Buildings and construction	76,104	8,512	3,668	-	584	(5,169)	(2,600)	11,465	300	92,864	300,830	(207,966)	92,864
Machinery, equipment and facilities	433,889	35,026	87,403	(282)	22,051	(81,206)	(684)	25,685	746	522,628	2,945,098	(2,422,470)	522,628
Furniture and fittings	4,773	886	3,411	(20)	(572)	(865)	(2)	-	3	7,614	32,267	(24,653)	7,614
Vehicles	4,676	-	1,708	(16)	(1,083)	(1,098)	-	760	12	4,959	40,954	(35,995)	4,959
Construction in progress	1,974	5,106	14,898	-	(5,612)	-	-	-	(28)	16,338	16,338	-	16,338
Advances to suppliers	5,839	-	15,273	-	(15,368)	-	-	294	30	6,068	6,068	-	6,068
Impairment	(5,556)	-	-	1,215	-	-	-	-	-	(4,341)	(4,341)	-	(4,341)
Sub-total	574,163	55,601	126,361	897	-	(88,338)	(3,286)	38,204	1,063	704,665	3,395,749	(2,691,084)	704,665
Right-of-use assets													
Buildings	32,213	-	-	(1,229)	-	(7,499)	-	(504)	42	23,023	67,891	(44,868)	23,023
Vehicles	6,374	356	469	(198)	-	(3,433)	-	-	-	3,568	17,273	(13,705)	3,568
Transportation goods	1,004	1,576	1,818	-	-	(1,624)	-	-	-	2,774	6,844	(4,070)	2,774
Machinery and equipment	153	457	237	-	-	(193)	-	-	-	654	1,392	(738)	654
Sub-total	39,744	2,389	2,524	(1,427)	-	(12,749)	-	(504)	42	30,019	93,400	(63,381)	30,019
Total	613,907	57,990	128,885	(530)	-	(101,087)	(3,286)	37,700	1,105	734,684	3,489,149	(2,754,465)	734,684

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Deemed cost

Changes in deemed cost

	Parent Company					
	Balance at January 1st, 2024	Balance arising from acquisition of subsidiary	Depreciation / write-off (deemed cost)	Balance at 12.31.2024	Depreciation / write-off (deemed cost)	Balance at 12.31.2025
Land	46,905	-	-	46,905	-	46,905
Buildings and construction	26,971	-	(2,566)	24,405	(2,568)	21,837
Machinery, equipment and facilities	1,342	-	(266)	1,076	(242)	834
Furniture and fittings	11	-	(2)	9	-	9
Vehicles	1	-	-	1	-	1
	75,230	-	(2,834)	72,396	(2,810)	69,586

	Consolidated					
	Balance at January 1st, 2024	Balance arising from acquisition of subsidiary	Depreciation / write-off (deemed cost)	Balance at 12.31.2024	Depreciation / write-off (deemed cost)	Balance at 12.31.2025
Land	46,905	3,834	-	50,739	-	50,739
Buildings and construction	26,971	1,858	(2,599)	26,230	(4,313)	21,917
Machinery, equipment and facilities	1,342	3,439	(684)	4,097	(3,264)	833
Furniture and fittings	11	-	(3)	8	-	8
Vehicles	1	-	-	1	-	1
	75,230	9,131	(3,286)	81,075	(7,577)	73,498

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Depreciation method 2025 and 2024

The Group uses the straight-line depreciation method, which takes into account:

Depreciation method of the cost of acquisition of assets	Weighted useful life (in years)
Buildings and construction	25 years
Machinery, equipment and facilities	10 years
Furniture and fittings	10 years
Casting and Machining Tools	3 and 5 years
Vehicles	5 years

Depreciation method of deemed cost	Weighted useful life (in years)
Buildings and construction	26 years
Machinery, equipment and facilities	7 years
Furniture and fittings	5 years
Casting and Machining Tools	4 years
Vehicles	4 years

The depreciation rate used for the costs of acquisition and construction of assets is defined according to the useful life valuation report based on NBC TG 27 (CPC 27) – Property, Plant and Equipment / IAS 16 - Property, Plant and Equipment, while the depreciation rate for the deemed cost was determined according to Technical Interpretation ICPC 10 – Interpretation on first-time adoption for property, plant and equipment and investment property of Technical Pronouncements CPC 27, 28, 37 and 43, which deals with revaluation of property, plant and equipment, with the weighted depreciation rates being maintained in the year of valuation.

Provision for impairment

The Group has recorded provisions at an amount sufficient to cover any impairment losses on property, plant and equipment, which relates substantially to a specific group of machinery and equipment and is recorded in the Parent Company and Consolidated accounts of property, plant and equipment in accordance with the requirements set out in NBC TG 01 (CPC 01) - (R1)/IAS 36 “Impairment of assets”. The Parent Company and Consolidated balance of the provision for impairment losses at December 31, 2025 is R\$ 2,937 (R\$ 4,093 at December 31, 2024) and R\$ 3,035 (R\$ 4,341 at December 31, 2024), respectively.

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Material accounting policies

Recognition and measurement

Items of property, plant and equipment are measured at historical cost of acquisition or construction, less accumulated depreciation and any accumulated impairment losses. The cost of certain items of property, plant and equipment at January 1, 2009, the Group's date of transition to CPC/IFRS, was determined with reference to its fair value at that date.

Cost includes expenditure that is directly attributable to the acquisition of an asset.

Gains and losses on the sale of a property, plant and equipment item are determined by comparing the proceeds from the sale with the item's carrying amount and are recognized within "other income (expenses), net" in the statement of income.

Depreciation

The depreciation of property, plant and equipment items is calculated using the straight-line method over their estimated useful lives. Land is not depreciated. The assets' useful lives are reviewed annually.

Property, plant and equipment items are depreciated from the date they are installed and ready for use.

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In thousands of reais, unless otherwise indicated

15. Intangible assets

	Annual amortization rates (%)	Parent Company		Consolidated	
		2025	2024	2025	2024
Goodwill on merger with subsidiary:					
MAHLE Participações Ltda. (a) (Rings business)	-	568,611	568,611	568,611	568,611
Goodwill on acquisition of subsidiaries:					
MAHLE Argentina S.A. (a)	-	59,549	59,549	68,071	68,071
MAHLE Hirschvogel Forjas S.A. (a)	-	35,755	35,755	35,755	35,755
Cost of acquisition and installation of software (b)					
Other (a and b)	-	-	-	47	75
Usage right and concessions (a)	-	5,666	5,666	5,666	5,666
Usage right and concessions (b)	20	9,325	9,325	9,325	9,325
Provision for impairment of intangible assets (Rings business)	-	(188,654)	(188,654)	(188,654)	(188,654)
Provision for impairment of intangible assets (MAHLE Argentina S.A.)	-	(59,549)	(59,549)	(68,071)	(68,071)
Provision for impairment of intangible assets (MAHLE Hirschvogel Forjas S.A.)	-	(35,755)	(35,755)	(35,755)	(35,755)
		449,556	449,026	455,310	455,643
Accumulated amortization					
		(60,673)	(59,499)	(66,324)	(65,810)
		388,883	389,527	388,986	389,833

(a) Indefinite useful life

(b) finite useful life

Changes in intangible assets

Parent Company	Balance at 12.31.2024	Additions	Amortization	Balance at 12.31.2025	Total cost	Accumulated amortization	Net book value
Goodwill on acquisition of subsidiaries (merged or not)	379,958	-	-	379,958	379,958	-	379,958
Cost of acquisition and installation of software	757	559	(1,179)	137	54,608	(54,471)	137
Usage right and concessions	8,812	-	(24)	8,788	14,990	(6,202)	8,788
Total	389,527	559	(1,203)	388,883	449,556	(60,673)	388,883

Parent Company	Balance at January 1st, 2024	Additions	Amortization	Balance at 12.31.2024	Total cost	Accumulated amortization	Net book value
Goodwill on acquisition of subsidiaries (merged or not)	379,958	-	-	379,958	379,958	-	379,958
Cost of acquisition and installation of software	1,432	559	(1,234)	757	54,078	(53,321)	757
Usage right and concessions	8,836	-	(24)	8,812	14,990	(6,178)	8,812
Total	390,226	559	(1,258)	389,527	449,026	(59,499)	389,527

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Consolidated	Balance at 12.31.2024	Balance arising from acquisition of subsidiary	Additions	Amortization	Gain on monetary items, net	Effect of the currency translation	Balance at 12.31.2025	Total cost	Accumulated amortization	Net book value
Goodwill on acquisition of subsidiaries (merged or not)	379,958	-	-	-	-	-	379,958	379,958	-	379,958
Cost of acquisition and installation of software	1,057	-	559	(1,373)	-	(8)	235	60,314	(60,079)	235
Usage right and concessions	8,812	-	-	(24)	-	-	8,788	14,990	(6,202)	8,788
Other	6	-	-	-	1	(2)	5	48	(43)	5
Total	389,833	-	559	(1,397)	1	(10)	388,986	455,310	(66,324)	388,986

Consolidated	Balance at January 1st, 2024	Balance arising from acquisition of subsidiary	Additions	Amortization	Gain on monetary items, net	Effect of the currency translation	Balance at 12.31.2024	Total cost	Accumulated amortization	Net book value
Goodwill on acquisition of subsidiaries (merged or not)	379,958	-	-	-	-	-	379,958	379,958	-	379,958
Cost of acquisition and installation of software	1,454	326	558	(1,286)	2	3	1,057	60,620	(59,563)	1,057
Usage right and concessions	8,836	-	-	(24)	-	-	8,812	14,990	(6,178)	8,812
Other	6	-	-	-	-	-	6	75	(69)	6
Total	390,254	326	558	(1,310)	2	3	389,833	455,643	(65,810)	389,833

Impairment

Management is continually monitoring the operations and did not identify as at December 31, 2025 any significant changes in the operational performance of the Company's rings business CGU that would justify an adjustment to the amount of the provision for impairment of intangible assets previously recognized.

Key assumptions – Impairment Test for Rings business

The Company uses the Discounted Cash Flow model for the period from 2025 to 2030 to estimate the fair value of the UGC's value-in-use, which were supported by the following assumptions that represent management's best estimate:

	December/2025 Nominal model MAHLE Metal Leve S.A (Rings)	December/2024 Nominal model MAHLE Metal Leve S.A (Rings)
a. Risk free rate	3.25%	2.50%
b. Country risk premium	4.50%	4.85%
c. Market premium	6.25%	7.00%
d. Unleveraged beta	0.90	0.90
e. Cost of equity (b + c) x d	9.68%	10.67%
f. Discount rate	14.88%	14.52%
h. Inflation rate	4.20%	3.55%
i. Growth	2.30%	2.60%

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Discount rate

The discount rate applied to cash flow projections for CGU of MAHLE Metal Leve S.A. (Rings business CGU) was estimated based on management's experience of the assets of the CGUs and the weighted average cost of capital of the companies.

Growth rate in perpetuity

The projected period is five years and considers as residual value perpetuity calculated based on the normalized cash flow of the last year of the projected period. For the CGU MAHLE Metal Leve S.A. (Rings business CGU), the projections were made in nominal terms and included, in addition to the growth rates of the sales volume, price restatements for inflation.

For of the CGU MAHLE Metal Leve S.A. (Rings business), the annual growth rate into perpetuity was 2.30% based on management's expectations.

Exchange rate

The exchange rates used in the 2025-2030 periods for CGU's of MAHLE Metal Leve S.A. – (rings business) were based on foreign exchange market forecasts (Central Bank survey "Focus", Bloomberg and inquiries made of financial institutions in Brazil).

Sensitivity analysis

The Company performed sensitivity analyses to determine the impacts from changes in its main variables that affect the value-in-use calculation. The main variables are: gross margin and discount rate.

Both scenarios – a reduction of 17.6 pp in the margin for the projected years and an increase in the discount rate from 14.88% to 28.10% - would result in a recoverable amount similar to the carrying amount.

Material accounting policies

The Group's intangible assets include goodwill, software licenses, patents, among others.

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Goodwill

Goodwill on acquisitions of investments recorded by the Company is determined based on the investments' expected future profitability. Goodwill represents the excess of the cost of an acquisition over the net fair value of the assets acquired and liabilities assumed, as determined on the acquisition date, and is grounded on the future profitability, based on the profit projections of individual investees that were determined using the discounted cash flow method for a five-year projection period, for its CGU of Rings Business.

Goodwill is measured at cost, less any accumulated impairment losses. This goodwill is not amortized on the grounds that it has an indefinite life, though, each year, the Company assesses the recoverability of the goodwill on investments, using for this purpose practices considered to be market practices, especially the discounted cash flow of its units that have goodwill allocated to them (the Group's 'rings business' cash-generating unit).

Other intangible assets

Other intangible assets that are acquired by the Group and that have finite useful lives are stated at cost less accumulated amortization and accumulated impairment losses.

Costs associated with purchasing and installing computer software licenses are capitalized on the basis of the future economic benefits that will flow to the Group and are amortized in conformity. Costs associated with maintaining computer software programs are recognized as an expense as incurred.

Purchased software is capitalized individually in a specific software account, while computer software that is integral to the functionality of the related equipment is capitalized as part of that equipment, provided that it is exclusive to such equipment.

Rights of use are capitalized through the investments incurred in the year. The Group's rights of use comprise exclusive rights of production; right-of-way easement for the Technology Center in the city of Jundiaí.

The rights of use related to the cost of the development of products are amortized at the rates mentioned in note, while other rights will be valued through impairment provision.

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Technology and products development costs and investments

Costs associated with research and development or other knowledge in a project with the intention of developing new or improving existing materials, devices, products, processes, systems or services prior to the start of their commercial production or their use by the technological research center of the Group are recorded as expenses (research) or investments (development) according to the nature of the expense and projections that result in future economic benefits for the Group.

Amortization

When applicable, the amortization of intangible assets with a finite life is recognized in profit or loss on a straight-line basis over that estimated useful life, from the date they are available for use.

Amortization methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

16. Trade and related party payables

	Parent Company		Consolidated	
	2025	2024	2025	2024
Suppliers - Third Party				
Raw material	179,434	197,046	330,924	316,542
Services	80,094	77,084	80,094	77,086
	<u>259,528</u>	<u>274,130</u>	<u>411,018</u>	<u>393,628</u>
Related parties (Note 11)	98,989	552,706 ⁽¹⁾	131,395	590,085 ⁽¹⁾
	<u>358,517</u>	<u>826,836</u>	<u>542,413</u>	<u>983,713</u>

⁽¹⁾ The balance at December 31, 2024 includes R\$ 459,899 of accounts payable for the acquisition of subsidiaries. Refer to Note 13 for further details.

The Group's exposure to currency and liquidity risks in connection with accounts payable to suppliers is disclosed in Note 30.

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Commitments assumed

As of December 31, 2025 and 2024, the Company and its subsidiaries had letters of guarantee issued by banks to assure payment for supply of electric power and lawsuits. Some guarantees are valid for an indefinite period. For those with a defined period, the last maturity date is November 3, 2027 (note 17), as shown in the table below:

	Parent Company and Consolidated	
	2025	2024
Legal process	2,861	2,860
Electric power	77,000	-
	79,861	2,860

Material accounting policies

Financial liabilities are measured at amortized cost using the effective interest method. Interest expense, foreign exchange gains and losses are recognized in profit or loss. Financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. Any difference between the carrying amount of the liability extinguished and the consideration paid is recognized in profit or loss.

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17. Borrowings and lease liabilities

a) Borrowings

Description	Parent Company		Consolidated	
	2025	2024	2025	2024
Borrowings in local currency (BRL) FINEP and FINAME	215,442	84,524	215,442	84,524
	<u>215,442</u>	<u>84,524</u>	<u>215,442</u>	<u>84,524</u>
Borrowings in foreign currency				
PFI Patagonia	-	-	29	4,451
NCE	1,398,519	946,148	1,398,519	946,148
	<u>1,398,519</u>	<u>946,148</u>	<u>1,398,548</u>	<u>950,599</u>
	<u>1,613,961</u>	<u>1,030,672</u>	<u>1,613,990</u>	<u>1,035,123</u>
Current - borrowings in local currency	147,333	9,600	147,333	9,600
Current - borrowings in foreign currency	598,946	73,376	598,975	77,827
Total current	746,279	82,976	746,308	87,427
Non-current - borrowings in local currency	68,109	74,924	68,109	74,924
Non-current - borrowings in foreign currency	799,573	872,772	799,573	872,772
Total non-current	867,682	947,696	867,682	947,696

In 2025, the Company took bank loans on the order of R\$ 589,612 and R\$ 594,370 (Consolidated), with the following loans in the fourth quarter of 2025:

- BRL 133,900 (USD 24,861,6 ≡ EUR 21,189,3) – FINAME, with maturity until September 2026.
- EUR 30,000 (USD 35,309 ≡ BRL 185,979) – NCE, with maturity until October 2027.
- EUR 25,000 (USD 29,424,9 ≡ BRL 158,933) – FINEX, with maturity until May 2028.
- USD 20,000 (BRL 110,800 ≡ EUR 17,127,3) – NCE, with maturity until December 2028.

NCE: Export Credit Note
FINEP: Funding Authority for Studies and Projects
FINEX: Financial Instrument Exchange
ARS, EUR and USD in thousands

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Loans and borrowings had the following changes during the years 2025 and 2024:

Parent Company							
01.01.2025	Cash Flow			Monetary Variation	Appropriation of interest	Exchange Variation	12.31.2025
	Addition	Principal Amortization	Amortization Interest				
1,030,671	589,612	(8,658)	(41,158)	1,256	65,089	(22,851)	1,613,961

Consolidated							
01.01.2025	Cash Flow			Monetary Variation	Appropriation of interest	Exchange Variation	12.31.2025
	Addition	Principal Amortization	Amortization Interest				
1,035,122	594,370	(17,212)	(41,382)	1,256	65,182	(23,346)	1,613,990

Parent Company							
12.31.2023	Cash Flow			Monetary Variation	Appropriation of interest	Exchange Variation	12.31.2024
	Addition	Principal Amortization	Amortization Interest				
824,324	312,429	(301,032)	(45,291)	467	45,512	194,263	1,030,672

Consolidated							
12.31.2023	Cash Flow			Monetary Variation	Appropriation of interest	Exchange Variation	12.31.2024
	Addition	Principal Amortization	Amortization Interest				
851,156	389,210	(405,130)	(47,769)	467	45,621	201,568	1,035,123

On December 31, 2025 long-term borrowings mature as follows:

Parent Company and Consolidated	
2025	
2027 - 01/2027 to 12/2027	636,014
2028 - 01/2028 to 12/2028	181,114
2029 - 01/2029 to 12/2029	10,757
2030 > Greater than 30 years	39,797
	<u>867,682</u>

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Restrictive covenants

FINEP II: This financing was obtained from the Financing Agency for Studies and Projects (FINEP) to partially fund (at an average of 90%) the expenses incurred in several projects of the program "Strategic plan for innovation" and is collateralized by a bank guarantee with maturity on November 03, 2027. This financing is based on the TJLP interest rate (9.07 % p.a. as of December 31, 2025) plus a bank spread of 5% p.a. less an equalization rate of 4.5% p.a. and an additional interest equalization reduction of 0.5% p.a. for provision of bank guarantee. There are various accelerated maturity clauses (respecting ample defense for the Company) with loss of the equalization value: use of funds for a purpose other than that established in the contract; change in effective control of the Company; existence of FINEP amounts in arrears; inaccurate information provided to FINEP by the Company; and suspension of the projects.

FINEP III: This financing was obtained from the Financing Agency for Studies and Projects (FINEP) to partially fund (at an average of 90%) the expenses incurred in several projects of the program "Strategic plan for innovation" and is collateralized by a bank guarantee with maturity on September 23, 2027. This financing is based on the TR interest rate (1.9208 % p.a. as of December 31, 2025) plus a bank spread of 3% p.a. less an equalization rate of 0.7% p.a. for provision of bank guarantee. There are various accelerated maturity clauses (respecting ample defense for the Company) with loss of the equalization value: use of funds for a purpose other than that established in the contract; change in effective control of the Company; existence of FINEP amounts in arrears; inaccurate information provided to FINEP by the Company; and suspension of the projects.

On December 31, 2025, the Company did not have delinquent principal and interest payments and had not breached any provisions of the agreements with FINEP, as well as under its other loan agreements.

Material accounting policies

Loans and borrowings are financial liabilities that are initially recognized at fair value, net of transaction costs, and are subsequently measured at amortized cost using the effective interest method.

Gains and losses are recognized in profit or loss when the liability is derecognized as well as through the effective interest rate amortization process.

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b) Lease liabilities

The Group leases buildings, vehicles, and machinery and equipment. The leases typically run for a period from 1 to 5 years, with an option to renew the lease after that date. Lease payments are renegotiated every year.

The Group leases IT equipment for a period of 1 to 3 years. These leases are short-term or low-value leases. The Group elected not to recognize right-of-use assets and lease liabilities for these leases.

Some property leases contain extension options exercisable by the Group up to one year before the end of the non-cancellable contract period. Where practicable, the Group seeks to include extension options in new leases to provide operational flexibility. The extension options held are exercisable only by the Group and not by the lessors. The Group assesses at lease commencement whether it is reasonably certain to exercise the extension options. The Group reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant changes in circumstances within its control.

The incremental borrowing rates determined by the Group for lease liabilities are as follows:

Contracts by term and discount rate	Terms of the lease	Discount rate
Lease of buildings (Argentina) -Subsidiary	3 years	13.41%
Lease of buildings (Brazil)- Parent Company	5 years	14.24%
Lease of vehicles (Brazil)- Parent Company	3 years	14.24% -15.49%
Lease of vehicles (Brazil)-Subsidiary	2 years	12.42%- 12,74%
Lease of buildings (Brazil) - Parent Company	1 year and 5 years	15.02% - 15.49%
Lease of machinery and equipment (Brazil) - Parent Company	10 years	15.39%
Lease of machinery and equipment (Argentina) -Subsidiary	3 years	16.32%
Lease of machinery and equipment (Brazil) -Subsidiary	3 years / 5 years	12.42%- 12,74%

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The movement in lease liabilities is shown below:

	Parent Company	Consolidated
Balance at January 1st, 2024	40,682	42,842
Addition	2,121	2,524
Write-off due to use	(1,440)	(1,438)
Lease payments	(15,791)	(18,154)
Interest	4,527	4,637
Exchange rate variation	-	526
Balance arising from the acquisition of a subsidiary	-	2,470
Balance at December 31, 2024	30,099	33,407
Addition	21,177	27,366
Lease payments	(19,995)	(23,523)
Interest	4,953	5,431
Exchange rate variation	-	901
Balance at December 31, 2025	36,234	43,582

As required by NBC TG 06 (CPC 06) (R2)/IFRS 16- Leases, the Company presents in the table below an aging analysis of its contracts, reconciled to the balance appearing in the balance sheet:

	Parent Company	Consolidated
	12.31.2025	12.31.2025
Up to 12 months	15,640	18,372
13 to 24 months	15,872	18,770
25 to 36 months	1,600	2,943
37 to 48 months	361	705
49 to 60 months	347	378
Over 60 months	2,414	2,414
Total	36,234	43,582
Current	15,641	18,374
Non current	20,593	25,208
Total	36,234	43,582

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Material accounting policies

Definition

At inception of a contract, the Group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a lessee

The Group recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site in which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease contract transfers ownership of the underlying asset to the lessee by the end of the lease term or if the cost of the right-of-use asset reflects that the lessee will exercise a purchase option. In this case, the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and

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- the exercise price under a purchase option that the lessee is reasonably certain to exercise, and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option, or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment' and lease liabilities in 'loans and borrowings' in the balance sheet.

Leases of low-value assets

The Group has elected not to recognize right-of-use assets and lease liabilities for short-term (less than twelve months) leases and leases of low-value assets, including IT equipment. The Group recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

18. Salaries, vacation pay and social charges

	Parent Company		Consolidated	
	2025	2024	2025	2024
Accrued vacation pay	49,598	54,778	62,629	66,149
INSS/FGTS	41,161	38,048	50,005	47,062
Employee profit sharing	22,127	28,887	23,600	30,236
Other social security obligations	6,012	3,288	11,534	8,997
Total	118,898	125,001	147,768	152,444

Material accounting policy described in Note 22.

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19. Taxes and contributions payable

	Parent Company		Consolidated	
	2025	2024	2025	2024
State taxes	14,692	13,237	15,428	14,199
ICMS payable	14,692	13,237	14,892	13,239
Other	-	-	536	960
Federal taxes	39,519	32,830	49,909	42,861
Import tax	16,633	11,389	17,439	12,044
COFINS payable	9,469	8,328	11,295	8,328
IRRF	7,363	6,946	10,483	13,678
IPI payable	4,063	4,416	4,062	4,895
PIS payable	1,991	1,751	2,388	1,751
Other	-	-	4,242	2,165
Municipal taxes	-	-	589	547
Taxes and contributions payable	54,211	46,067	65,926	57,607
Income tax and social contribution	-	-	124	7,138
Income tax and social contribution payable	-	-	124	7,138
Current liabilities	54,211	46,067	66,050	64,745

20. Sundry provision

	Parent Company					
	Losses on contracts	Commercial bonuses	Electric power	Employee benefits	Other	Total
At January 1st, 2024	15,150	39,766	9,418	1,000	3,843	69,177
Reversal	(2,055)	(3,924)	-	(747)	-	(6,726)
Payment	-	(48,431)	(9,418)	(2,853)	(952)	(61,654)
Increase in provision	517	53,356	10,413	2,600	952	67,838
Merger (Note 13)	-	2,159	-	-	-	2,159
At December 31, 2024	13,612	42,926	10,413	-	3,843	70,794
Reversal	(2,264)	(3,944)	-	-	-	(6,208)
Payment	-	(61,068)	(10,413)	(2,960)	(1,860)	(76,301)
Increase in provision	1,949	60,953	6,674	5,690	1,860	77,126
At December 31, 2025	13,297	38,867	6,674	2,730	3,843	65,411

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	Consolidated						Total
	Losses on contracts	Commercial bonuses	Restructuring	Electric power	Employee benefits	Other	
At January 1st, 2024	15,316	39,766	684	9,715	1,000	4,771	71,252
Reversal	(2,055)	(3,924)	-	-	(1,174)	(5,029)	(12,182)
Payment	(30)	(48,431)	-	(9,715)	(3,448)	(2,943)	(64,567)
Increase in provision	2,237	53,356	-	11,949	3,985	6,458	77,985
Effect of the currency translation	(11)	-	-	46	-	99	134
Discount to present value	-	-	-	(29)	-	(70)	(99)
Merger (Note 13)	-	2,159	-	-	-	-	2,159
Balance arising from acquisition of subsidiary	30	-	-	-	1,052	6,112	7,194
At December 31, 2024	15,487	42,926	684	11,966	1,415	9,398	81,876
Reversal	(2,890)	(3,944)	-	-	(1,415)	(3,344)	(11,593)
Payment	-	(61,068)	-	(11,890)	(3,213)	(5,877)	(82,048)
Increase in provision	2,048	60,953	-	7,306	5,943	9,078	85,328
Effect of the currency translation	(474)	-	-	(100)	-	(1,293)	(1,867)
Discount to present value	-	-	-	25	-	63	88
At December 31, 2025	14,171	38,867	684	7,307	2,730	8,025	71,784

Provision for losses on contracts

Provision for losses on contracts is recognized in an amount sufficient to cover losses on sales contracts already entered into and for estimates of losses, on which management expects to incur negative margins.

Provision for commercial bonus

- **Billing bonus program**

This a customer benefit that is granted on meeting billing targets, according to the planning developed by the Group.

- **Marketing campaigns**

The goal is to increase sales to the distributors of MAHLE products, promote growth, raise competitiveness and further strengthen the brand in the market.

Such incentives are exclusively applied in commercial strategies to expand market share and increase customers share of wallet.

Material accounting policy described in Note 22.

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21. Provision for warranties

The Group guarantees the quality of its products, assuming responsibility for providing replacements and repairs for customers for defective products.

The Group recognizes provision for warranties calculated on the sale of products, based on historical percentages of expenditure and cases already identified on which the Company and its subsidiaries estimate they will incur expenditure in order to replace and repair products, including recalls:

	Parent Company	Consolidated
At January 1st, 2024	7,292	7,780
Reversal	(324)	(517)
Payment	(8,169)	(8,680)
Increase in provision	43,054	44,348
Effect of the currency translation	-	106
Discount to present value	-	(19)
Balance arising from acquisition of subsidiary	-	5,700
At December 31, 2024	41,853	48,718
Reversal	(10,726)	(10,981)
Payment	(7,956)	(17,437)
Increase in provision	5,462	15,200
Effect of the currency translation	-	(393)
Discount to present value	-	17
At December 31, 2025	28,633	35,124

In the fourth quarter of 2024, the addition to the warranty provision refers to the potential expenditures for repairs of oil filters in the amount of R\$ 32,181. At December 31, 2025, the warranty-related costs were revised to R\$ 16,503 after the Company reaching an agreement with the counterparty.

Material accounting policy described in Note 22.

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22. Provision for contingencies and judicial deposits linked to judicial proceedings

The Group is a party to civil, labor and tax proceedings in progress both at the administrative and judicial level, which, when applicable, are supported by judicial deposits. The provision for these proceedings were recorded considering the estimates made by management assisted by their legal advisors, for proceedings in which the likelihood of loss was assessed as probable and other unrelated legal obligations.

According to management's assessment, contingencies are as follows:

	Parent Company					
	Civil and labor	Tax	Environmental liability	Subtotal	Judicial deposits	Total
At January 1st, 2024	141,504	76,791	26,117	244,412	(24,360)	220,052
Increase in provision	38,589	11,486	29,388	79,463	(3,875)	75,588
Monetary restatements	14,653	5,009	-	19,662	(90)	19,572
Used	(26,447)	(7,702)	(2,335)	(36,484)	2,752	(33,732)
Reversal	(28,153)	(19,125)	-	(47,278)	336	(46,942)
Transfer	-	-	-	-	779	779
At December 31, 2024	140,146	66,459	53,170	259,775	(24,458)	235,317
Increase in provision	29,773	2,623	1,273	33,669	(7,693)	25,976
Monetary restatements	14,931	4,183	-	19,114	(275)	18,839
Used	(37,095)	(523)	(13,935)	(51,553)	5,091	(46,462)
Reversal	(39,175)	(18,581)	(1,254)	(59,010)	190	(58,820)
Transfer	-	-	-	-	1,110	1,110
At December 31, 2025	108,580	54,161	39,254	201,995	(26,035)	175,960

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	Consolidated					
	Civil and labor	Tax	Environmental liability	Subtotal	Judicial deposits	Total
At January 1st, 2024	143,448	77,902	26,738	248,088	(24,557)	223,531
Increase in provision	39,958	11,486	29,542	80,986	(3,875)	77,111
Monetary restatements	16,598	5,990	-	22,588	(100)	22,488
Used	(27,698)	(7,702)	(2,335)	(37,735)	2,753	(34,982)
Reversal	(28,390)	(19,183)	-	(47,573)	343	(47,230)
Transfer	-	-	-	-	778	778
Effect of the currency translation	45	5	3	53	-	53
Discount to present value	-	(55)	(51)	(106)	-	(106)
Balance arising from acquisition of subsidiary	4,752	865	-	5,617	(346)	5,271
At December 31, 2024	148,713	69,308	53,897	271,918	(25,004)	246,914
Increase in provision	31,712	2,623	2,249	36,584	(7,713)	28,871
Monetary restatements	15,594	4,649	-	20,243	(231)	20,012
Used	(38,156)	(1,993)	(13,935)	(54,084)	5,334	(48,750)
Reversal	(41,735)	(18,581)	(1,254)	(61,570)	196	(61,375)
Transfer	-	-	-	-	1,218	1,218
Effect of the currency translation	(1,087)	(657)	(305)	(2,049)	-	(2,049)
Discount to present value	-	49	45	94	-	94
At December 31, 2025	115,041	55,398	40,697	211,136	(26,201)	184,935

The civil provision is related to consumer relations, compensation claims for commercial representation and distribution, service providers, work accidents and professional fees.

The labor provision relates mainly of claims filed by former employees for sums of money resulting from employment relationships and various suits for damages. The reversals are due to settlement agreements made with claimants.

Transfers refer to judicial deposits not linked to the provision for contingencies and hence the amounts are reclassified to 'other assets' in non-current assets in the amount of R\$ 11,963 (Parent company) and R\$ 13,251 (Consolidated).

The tax provision with respect to PIS, COFINS, FINSOCIAL, ICMS, IPI, IRPJ and CSSL, social security, royalties and drawbacks relates mainly to state and federal procedural assessments that are already being heard in court or not. They refer mainly to litigation with respect to the appropriate interpretation of the tax legislation.

The environmental liability provisions relate to estimated costs necessary for protecting and restoring environmental sites according to the timetable of the works in each site, which will occur gradually over time.

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With respect to the areas that may have been contaminated by its activities, the Company recorded at the date of these financial statements the existence of sites in which the presence of organochlorines was identified due to the use of solvents in the Company's past operations and/or operations of entities acquired by the Company, which requires the adoption of contaminated site remediation measures. The sites are under a dedicated environmental management of the Company.

The Company has an estimate of costs of environmental management for the "Santo Amaro" site in the city of São Paulo, State of São Paulo (former location of Metal Leve S.A.), the sites in Itajubá, State of Minas Gerais, and in Mauá, State of São Paulo (former location of Cofap).

The main indexes for updating contingencies are the SELIC rate (Brazilian Base Interest Rate) and the monetary update indices provided by the Superior Labor Court and Justice Courts, when applicable.

i. Proceedings involving the risk of possible loss

On December 31, 2025, the Group had labor, civil, environmental and tax proceedings brought before the proper authorities in the amount of R\$ 373,831 (December 31, 2024 - R\$ 332,731), which were assessed by the Group's management as having a risk of possible loss, and, therefore, were not provided for in the financial statements.

The following is the breakdown of contingent liabilities for which the likelihood of occurrence is possible:

Judicial sphere	2025	2024
(i) Tax proceedings	356,094	326,882
Civil proceedings	37	3,543
Environmental proceedings	96	1,130
Consumer proceedings	1,442	712
Labor proceedings	16,162	464
Total	373,831	332,731

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ICPC 22/IFRIC 23 – Uncertainty over Income Tax Treatments

The Company was contesting the tax assessments issued in prior years related to taxation of profits earned by its subsidiaries domiciled abroad. On October 16, 2024, the Company received a new tax assessment concerning the same issue relating to 2021 and 2022 fiscal years. The Company argues that the assessments are illegal and is contesting them at the administrative level. The Company's legal advisors continue to maintain the position regarding the uncertain tax treatment with a possible loss probability, as per ICPC 22/IFRIC 23 - Uncertainty over Income Tax Treatments. The amount under dispute based on the best estimate of management in conjunction with its legal advisors, is approximately R\$ 278,114 (R\$ 260,917 on December 31, 2024).

ii. Active lawsuit

Tax incentive granted by Municipality

The Company had a contingent asset related to the municipal financial incentive proceeding which was judged in favor of it in September 2019.

The asset was considered contingent due to significant uncertainty relating to the length of time it would take to enforce a judgment as to the method and amount of payment. In July 2022, the Company obtained a certificate of final, unappealable decision, then it became virtually certain that the gain will occur and that the Company has control over the asset, even though the asset is a receivable, and some uncertainty exists about the length of time it will take to have a definitive solution as to the method of payment.

In June 2024, the Company's asset was recognized by the Limeira city government and included in the municipal budget, thus the gain became more certain to be realized.

The asset was recognized to the extent it is realizable, based on management's best estimate of cash flows to be generated from the asset.

At December 31, 2025, the balance discounted to present value is recorded at the gross amount of R\$ 57,798 (December 31, 2024: R\$ 57,872) within 'other assets' in non-current assets.

This asset is restated based on the consumer price index IPCA +2% per annum (which supersedes Selic) in conformity with Constitutional Amendment No. 136/2025 enacted in September 2025.

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iii. Contingent assets

Compulsory loan - Eletrobras

The Eletrobras compulsory loan was created by Law 4156/62, with the aim of increasing the funds from the federal government for investments in the expansion of the national electricity sector. Said Law was regulated by Decree Law 1512/76, charging companies with a monthly consumption equal to or above 2,000 kw/h according to the electricity bills issued by the electricity distribution companies. The annual amount of the contributions between 1977 and 1993 constitutes credit in favor of the contribution payers.

The legislation set a maximum term of 20 years for returning the compulsory loan to the contribution payers, giving Eletrobras the option to advance this return through the conversion of the credits into shares of its stock. Before converting the credits into shares, the credits were adjusted based on an index and quantifier called Standard Unit (UP).

The compulsory loan was charged to companies monthly through their electricity bills and consolidated during the year but only adjusted by UP in January of the following year, causing lack of monthly monetary adjustment during the years of payment as well as interest. This procedure resulted in significant financial loss to the contribution payers, especially during periods in which the monthly inflation rates were very high. In order to recover the adequate monetary adjustment and interest lost by applying the methodology of Eletrobras, the Company filed a lawsuit seeking credits arising from the monetary adjustment of the principal, interest, interest in arrears and other amounts owed by Eletrobras on compulsory loans.

There was a judgment on the merits and Eletrobras filed an appeal, which was denied, and the judgment became final and unappealable in 2019 in favor of the Company, however there is yet the phase where the judgment will be enforced and the actual amounts to be settled will be determined. The final favorable court decision obtained allows us to conclude that future economic benefits may flow to the Company. Receiving an unappealable, final favorable court decision allows us to believe that an inflow of economic benefits may occur in the future.

On September 30, 2025, Eletrobras filed an appeal against the decision issued on September 7, 2025 that ratified the calculations.

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However, on December 31, 2024 there are significant uncertainties about the amount and timing of those inflows. Therefore, it is not practicable to determine that it is virtually certain that an inflow of economic benefits will arise and that the Company controls the assets, implying that the potential gain is not recognized in the financial statements until it turns virtually certain.

Material accounting policies

Contingent liability is a present obligation arising from past events that is not recognized in the financial statements because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or the amount of the obligation cannot be measured reliably.

Provision for contingencies

Provisions are recognized when the Group has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are recorded based on the best estimates of the risk involved.

In accordance with CPC 25/IAS 37 *Provisions, Contingent Liabilities and Contingent Assets*, a contingent liability is not disclosed when the possibility of an outflow of resources is remote.

Contingent assets are not recognized, but they are disclosed when it is more likely than not that an inflow of benefits will occur. However, when the inflow of benefits is virtually certain, an asset is recognized in the balance sheet because the asset is no longer considered to be contingent.

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23. Equity

a. Share capital

Subscribed and paid-up capital in 2025 and 2024 comprises:

	Number of shares	
	2025 and 2024	
Mahle Indústria e Comércio Ltda.	76,985,132	56.8%
Mahle Industriebeteiligungen GmbH	5,687,992	4.2%
Non-controlling shareholders	52,865,876	39.0%
Total	135,539,000	100.0%

The Company is authorized to increase its capital up to the limit of R\$ 50,000,000 (fifty million of reais) common shares, regardless of statutory reform, by resolution of the Board of Directors, which will determine the number of shares issued, the period of issuance and payment conditions.

b. Policies for distribution of dividends and interest on capital

Every fiscal year the shareholders have the right to receive mandatory minimum dividends of 25% of the profit, considering mainly the following adjustments:

- subtraction of the sums earmarked for the legal reserve and provision for contingencies.
- addition of the effects of the adoption of fair value with deemed cost.

Under the bylaws, the Company has the right to prepare half-yearly or interim balance sheets and, based on these balance sheets, the Board of Directors may approve the distribution of interim dividends.

Dividends not claimed by shareholders within three years from the date they were made available for payment to shareholders, according to the Company's bylaws, will revert in favor of the Company, and will be transferred from 'dividends and interest on capital payable' to retained earnings in equity.

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According to the Brazilian legislation, the entities can elect to distribute interest on capital calculated based on the long-term interest rate (TJLP), which is deductible for income tax purposes. When distributed, interest on capital can be considered part of the mandatory minimum dividends.

c. Appropriation of profit for the year

Profit for the year was appropriated as follows:

	2025	2024
Profit for the year	608,649	541,390
Legal reserve	(30,432)	(27,070)
Realization/write-off of deemed cost of property, plant and equipment, net of taxes	589	605
Prescribed dividends and interest on capital	465	103
Basis for calculation of dividends	579,271	515,028
Minimum mandatory dividends - 25%	144,818	128,756
Minimum mandatory dividends:		
Remaining mandatory minimum dividends	34,341	29,834
Interest on capital paid during the year	82,534	73,082
Interest on capital payable	27,943	25,840
	144,818	128,756
Remaining distribution :		
Proposed additional dividends	241,653	228,617
Constitution of expansion reserve	192,800	157,655
	434,453	386,272
Interest on capital and dividends on profit for the year	579,271	515,028
Percentage in relation to the calculation base	100%	100%
Interest on capital/dividends paid per common share in reais:		
Gross	R\$ 0.815094	R\$ 0.729845
Net	R\$ 0.692830	R\$ 0.620368
Proposed additional dividends per common share in reais	R\$ 1.782901	R\$ 1.686725
Remaining mandatory minimum dividends per common share in reais	R\$ 0.253365	R\$ 0.220110

On November 11, 2025, the Board of Directors approved the distribution of interest on capital in the gross amount of R\$ 27,943, relating to the period between October 1, 2025 and December 31, 2025. This interest on capital will pay on May 27, 2026 at R\$ 0.2061587712 per common share with 15% withholding income tax, resulting in net interest on capital at R\$ 0.1752349555 per common share.

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On November 11, 2025, the Board of Directors approved the distribution of interest on capital in the gross amount of R\$ 82,534, relating to the period between January 1, 2025 and September 30, 2025. This interest on capital was paid on December 17, 2025 at R\$ 0.6089350224 per common share with 15% withholding income tax, resulting in net interest on capital at R\$ 0.5175947690 per common share.

At the General Meeting held on April 29, 2025, the shareholders approved the payment of additional dividends for the fiscal year ended December 31, 2024, in the amount of R\$ 228,617, which was paid on May 28, 2025, corresponding to R\$ 1.6867223517 per common share, without withholding income tax, pursuant to Law 9,249/95, Article 10.b.

d. Profit reserves

Legal reserve

In accordance with the Corporation Law, the Company credits 5% of the profit for the year to the legal reserve, up to the limit of 20% of the paid-up capital or of 30% of the capital considering the sum of this reserve and the amount of capital reserves. Once these limits are reached, allocations to the legal reserve are not mandatory. The legal reserve can only be used to increase capital or offset losses.

Reserve for expansion and modernization

The reserve for expansion and modernization is intended for use in investments established in the capital budget in conformity with Article 196 of the Brazilian Corporation Law, to fund future investments to be implemented in the next three years according to the budget prepared by Management.

At December 31, 2025, a reserve of R\$ 192,800 was recorded for future investments in 2026, according to the capital budget approved by the Company's management on November 11, 2025. The capital budget will be approved by the Board of Directors on March 10, 2026 and then submitted to the Ordinary General Meeting for approval.

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e. Equity valuation adjustment

Carrying value adjustments

	Parent Company		Consolidated	
	2025	2024	2025	2024
Adjustments to financial instruments and deemed cost				
Balance at the beginning of the year	27,736	35,360	27,736	35,360
Cash flow hedge, net	1,612	(7,019)	1,612	(7,019)
Deemed cost, net	(589)	(605)	(589)	(605)
Balance at the end of the year	28,759	27,736	28,759	27,736
	Parent Company		Consolidated	
	2025	2024	2025	2024
Cumulative translation adjustments				
Balance at the beginning of the year	(719,992)	(739,083)	(719,992)	(739,083)
Subsidiary MAHLE Argentina S.A.	(142,765)	3,987	(142,765)	3,987
Subsidiary MAHLE Metal Leve GmbH	(262)	15,528	(262)	15,528
Subsidiary MAHLE Metal Leve GmbH- reflex effect	(1,177)	(424)	(1,177)	(424)
Balance at the end of the year	(864,196)	(719,992)	(864,196)	(719,992)
	Parent Company		Consolidated	
	2025	2024	2025	2024
Accounting adjustments for transactions between shareholders				
Balance at the beginning of the year	(345,479)	-	(345,479)	-
Goodwill for the acquisition of a subsidiary	-	(345,479)	-	(345,479)
Balance at the end of the year	(345,479)	(345,479)	(345,479)	(345,479)

(i) In 2024, the amount of R\$ 345,479 refers to the difference between the purchase price and the assets acquired from MAHLE Compressores and MAHLE Thermal (Note 13).

Material accounting policies

Carrying value adjustments

They are recorded in accordance with article 182 of the Brazilian Corporate Law, to modify the reported value of an asset or liability to align it with its fair value.

The Group recognizes in this line item the effect of gains (+) or losses (-) on cash flow hedges and adjustments for adoption of the deemed cost.

The deemed cost is accrued to property, plant and equipment recorded in carrying value adjustments, according to the depreciation, disposal or write-off of the respective item of property, plant and equipment, against retained earnings.

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Cumulative translation adjustments

The Company recognizes under this heading the cumulative effect of the currency translation of the financial statements of its subsidiaries that keep accounting records in a functional currency different from the Parent Company's functional currency as disclosed in Note 3.3. This cumulative effect will be reversed in the statement of income as a gain or loss only in the event of the sale or write-off of the investment.

Accounting adjustments for transactions between shareholders

The transactions with or between entities under common control, even when the transactions are between individuals that are totally independent of each other, which have valid economic reasons and reflect usual market conditions, will be consolidated in accordance with applicable accounting standards as into the same accounting entity.

In accordance with IFRS 10/CPC 36 (R3) Consolidated Financial Statements, any difference between the amount at which non-controlling interests are recorded and the fair value of the amount received or paid must be recognized directly in equity attributable to controlling shareholders.

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24. Net operating revenue

Revenue is derived from two markets: Original equipment (OEM), where customers are car makers, and Aftermarket, where customers are large auto parts distributors and engine overhaul companies.

The following table shows sales by geography and by market:

	Parent Company		Consolidated	
	2025	2024	2025	2024
Gross revenue				
Products	5,073,163	4,504,685	6,855,588	5,780,499
Services	112,463	103,782	98,742	89,727
Total revenue with products + services	<u>5,185,626</u>	<u>4,608,467</u>	<u>6,954,330</u>	<u>5,870,226</u>
Deductions from sales:				
Taxes on sales	(1,006,363)	(916,142)	(1,218,500)	(962,744)
Discounts , returns and sales incentives	(110,222)	(90,884)	(329,148)	(349,502)
Net revenue	<u>4,069,041</u>	<u>3,601,441</u>	<u>5,406,682</u>	<u>4,557,980</u>
Revenue by market				
Original equipment	2,215,466	1,978,902	3,347,408	2,606,768
Aftermarket	1,853,575	1,622,539	2,059,274	1,951,212
Net revenue	<u>4,069,041</u>	<u>3,601,441</u>	<u>5,406,682</u>	<u>4,557,980</u>

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iii. Distribution by geographic area

The Group has no customer that individually represents more than 10% of the consolidated net revenue.

	Consolidated			
	2025	%	2024	%
Domestic market (Brazil and Argentina)	3,874,892	71.7%	3,032,018	66.5%
Brazil	3,545,170	65.6%	2,595,176	56.9%
Argentina	329,722	6.1%	436,841	9.6%
Foreign market	1,531,790	28.3%	1,525,962	33.5%
USA	432,727	8.0%	436,228	9.6%
Germany	223,961	4.1%	192,855	4.2%
Spain	79,168	1.5%	82,491	1.8%
Italy	76,517	1.4%	83,174	1.8%
Mexico	73,414	1.4%	105,938	2.3%
Sweden	72,500	1.3%	73,377	1.6%
France	43,263	0.8%	34,085	0.7%
Paraguay	30,282	0.6%	28,847	0.6%
Austria	29,454	0.5%	35,482	0.8%
Canada	28,566	0.5%	26,097	0.6%
Portugal	26,708	0.5%	31,820	0.7%
Chile	25,074	0.5%	21,168	0.5%
India	21,289	0.4%	12,991	0.3%
Colombia	20,462	0.4%	21,056	0.5%
Peru	19,458	0.4%	13,329	0.3%
China	16,992	0.3%	10,570	0.2%
Turkey	14,459	0.3%	17,529	0.4%
Belgium	14,299	0.3%	12,990	0.3%
Bolivia	10,665	0.2%	12,689	0.3%
Thailand	8,375	0.2%	4,098	0.1%
United Kingdom	7,706	0.1%	6,798	0.1%
Switzerland	7,081	0.1%	8,642	0.2%
Finland	5,726	0.1%	5,587	0.1%
Others	199,690	3.7%	214,318	4.7%
Total	5,406,682	100.0%	4,557,980	100.0%

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Material accounting policies

Revenue is measured based on the consideration promised in the contract with the customer. The Group recognizes revenue when the control of the products or services is transferred to the customer. Revenue is presented net of taxes, returns, rebates, bonus and discounts, and after elimination of intercompany sales.

The Company has controls to determine the nature and timing of the satisfaction of performance obligations in contracts with customers, including: (i) when the control of a product or service is transferred to the customer, which is normally when delivery takes place; (ii) the amount of consideration to which the entity expects to be entitled in exchange for transferring promised goods or services and (iii) the reliable estimation of associated costs and possible return of goods. If it is probable that discounts will be given and the amount can be measured reliably, then the amount of discount is deducted from revenues.

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25. Cost of sales

Cost of sales includes cost of raw materials and other materials used in the manufacture of our products.

This account also includes direct labor (e.g. factory work) and indirect labor (e.g. maintenance, engineering and tooling) and the depreciation of machinery and equipment used in the production process.

The main raw materials used in the “Powertrain and Charging” segment are metal commodities such as aluminum, iron, nickel iron, cast iron, steel, copper, nickel, tin, silicon, magnesium, bronze and iron alloy, among others.

The main raw materials used in the “Thermal and Fluid Systems” segment are resins, filter papers and activated carbon, among others. Other inputs for production are electric power, fuels, natural gas, liquefied petroleum gas (LPG) and plastic, wood, paper and cardboard packaging.

Cost of sales by nature are as follows:

	Parent Company		Consolidated	
	2025	2024	2025	2024
Raw material and others materials	(1,642,778)	(1,283,501)	(2,366,796)	(1,695,939)
Personnel and benefits	(738,369)	(684,581)	(845,832)	(749,173)
Utilities and services	(251,017)	(243,324)	(290,662)	(260,412)
Depreciation and amortization	(95,617)	(91,661)	(113,388)	(96,351)
Other	(202,028)	(226,997)	(316,853)	(456,992)
Total	(2,929,809)	(2,530,064)	(3,933,531)	(3,258,867)

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26. Expenses by nature

26.1 Selling and distribution expenses

Selling and distribution expenses comprise mainly sales personnel expenses as well as commission on sales, freight, customs fees, advertising and brand license costs.

Selling and distribution expenses by nature are as follows:

	Parent Company		Consolidated	
	2025	2024	2025	2024
Freight	(97,198)	(82,673)	(109,576)	(96,275)
Personnel and benefits	(74,467)	(68,433)	(94,954)	(89,380)
Professional services/service orders	(27,604)	(26,456)	(36,435)	(34,842)
Variable selling expenses	(19,189)	(14,110)	(29,595)	(24,323)
General expenses	(17,859)	(13,184)	(28,227)	(25,417)
Brand license	(16,094)	(13,251)	(18,300)	(14,937)
Advertising	(11,556)	(8,887)	(14,928)	(10,980)
Travel and entertainment allowance	(5,410)	(4,891)	(5,890)	(6,385)
Depreciation	(923)	(1,311)	(1,122)	(1,388)
Provision/Reversal of provision for impairment of trade receivables	552	239	1,718	6,710
Other expenses	(18,815)	(13,517)	(39,668)	(46,011)
Total	(288,563)	(246,474)	(376,977)	(343,228)

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26.2 General and administrative expenses

General and administrative expenses comprise mainly salaries, charges and benefits for administrative personnel and outsourced professional services.

General and administrative expenses by nature are as follows:

	Parent Company		Consolidated	
	2025	2024	2025	2024
Personnel and benefits	(48,528)	(42,031)	(64,910)	(53,491)
Professional services/service orders	(30,440)	(31,998)	(47,847)	(33,963)
Management	(16,820)	(16,522)	(16,820)	(16,522)
Taxes	(8,727)	(8,328)	(10,600)	(8,379)
Depreciation	(4,752)	(4,488)	(7,836)	(4,432)
Maintenance	(4,258)	(5,066)	(7,443)	(5,343)
Materials and utilities	(3,768)	(3,776)	(5,180)	(4,789)
Travel and entertainment allowance	(1,253)	(1,199)	(1,367)	(1,400)
Other expenses	(15,755)	(13,001)	(18,570)	(12,316)
Total	(134,301)	(126,409)	(180,573)	(140,635)

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26.3 Technology and product research and development expenses

Research and development expenses include: (i) expenses for development of pistons, rings, bearings, fuel filters, air filters, oil filters, canister, valve cover, for the light and heavy-duty vehicle market, in compliance with emissions regulation (PROCONVE) and the energy efficiency legislation for light vehicles (Rota2030); (ii) expenses for improvement of existing products; (iii) expenses for improvement of production processes; (iv) expenses for projects for decarbonization of mobility and use of biofuels and biomaterials; (v) development of digitalization, numerical simulation and industry 4.0 to assist and improve the development of components and processes.

The technology and product research and development expenses by nature are as follows:

	Parent Company		Consolidated	
	2025	2024	2025	2024
Personnel and benefits	(33,902)	(29,459)	(38,499)	(32,302)
General expenses	(9,435)	(7,221)	(12,174)	(12,295)
Maintenance	(3,246)	(2,593)	(3,305)	(2,602)
Materials/utilities	(3,071)	(2,773)	(3,360)	(2,959)
Professional services/service orders	(2,590)	(2,576)	(11,059)	(3,190)
Depreciation	(2,375)	(2,541)	(2,406)	(2,553)
Other (expenses) income	(3,424)	(2,739)	(4,783)	(3,144)
Total	(58,043)	(49,902)	(75,586)	(59,045)

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27. Finance income and expenses, net

	Parent Company		Consolidated	
	2025	2024	2025	2024
Finance income				
Exchange variation	136,431	171,543	236,795	309,353
Derivative financial instruments	39,161	10,449	41,299	11,565
Interest	26,813	29,772	37,563	46,497
Monetary variation gains	11,934	29,477	22,326	83,985
Other	11,255	7,318	11,257	7,318
	<u>225,594</u>	<u>248,559</u>	<u>349,240</u>	<u>458,718</u>
Finance expenses				
Exchange variations	(150,502)	(298,382)	(269,905)	(411,826)
Interest	(112,168)	(65,062)	(115,944)	(69,304)
Monetary variation losses	(31,688)	(39,460)	(58,564)	(88,594)
Derivative financial instruments	(12,804)	(48,101)	(15,869)	(48,426)
Other	(6,364)	(3,089)	(13,410)	(11,655)
	<u>(313,526)</u>	<u>(454,094)</u>	<u>(473,693)</u>	<u>(629,805)</u>
Finance income (expenses), net	<u>(87,932)</u>	<u>(205,535)</u>	<u>(124,453)</u>	<u>(171,087)</u>

Material accounting policies

Finance income includes changes in financial assets at fair value through profit or loss and gains on hedge instruments recorded in the statement of income. Interest income is recognized in the statement of income using the effective interest rate method.

Finance expenses comprise interest on borrowings, changes in financial assets and liabilities at fair value through profit and loss, and losses on hedge instruments recorded in the statement of income.

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28. Other operational income (expenses), net

	Parent Company		Consolidated	
	2025	2024	2025	2024
Other income				
Reversal of provision for labor, civil and tax contingencies	57,756	47,278	60,316	47,573
Reversal of provision for product losses	2,264	2,055	2,890	2,055
Taxes recovered	1,967	9,977	1,967	9,977
Reversal of provision for Environmental	1,254	-	1,254	-
Reversal of provision for obsolescence (Property, plant and equipment)	1,156	1,445	1,156	1,445
Gains on disposal of assets /other	75	-	359	105
Gain on monetary items	-	-	228	(605)
Reversal of Loss provision of credit right- Limeira city incentive ⁽¹⁾	-	37,336	-	37,336
Other income	18,428	24,211	22,186	25,515
	<u>82,900</u>	<u>122,302</u>	<u>90,356</u>	<u>123,401</u>
Other expenses				
Provision for labor, civil, and tax contingencies and other procedural expenses.	(46,863)	(59,535)	(48,888)	(60,959)
PIS and COFINS on other income	(7,447)	(5,403)	(7,863)	(5,672)
Amortization of Intangible Assets	(2,747)	-	(2,747)	-
Provision for product losses	(1,949)	(517)	(2,048)	(1,674)
Provision for Environmental	(1,273)	(29,388)	(2,246)	(29,544)
Losses on disposal of assets /other	(67)	(276)	(70)	(277)
Losses on monetary items	-	-	(260)	(2,555)
Other expenses	(14,619)	(19,769)	(21,509)	(27,674)
	<u>(74,965)</u>	<u>(114,888)</u>	<u>(85,631)</u>	<u>(128,355)</u>
Other operational income (expenses), net	<u>7,935</u>	<u>7,414</u>	<u>4,725</u>	<u>(4,954)</u>

⁽¹⁾ Further details in Note 22.ii.

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29. Earnings per share (EPS)

In compliance with CVM Resolution 636/2010 which approved Technical Pronouncement NBC TG 41/ IAS 33 (CPC 41) - Earnings per share, the Company presents the following information on earnings per share.

The following table reflects the income and share data used in the basic and diluted EPS calculations:

	2025	2024
Profit attributable to owners of the parent	608,649	541,390
Weighted average number of common shares held by shareholders	135,539,000	135,539,000
Basic earnings per share (R\$ per share)	4.4906	3.9943

There are no diluted earnings per share for the Company.

Material accounting policies

Basic earnings per share is calculated by dividing the profit attributable to shareholders of the Company by the weighted average number of common shares outstanding during the year.

Diluted earnings per share were calculated by adjusting the weighted average number of common shares outstanding to assume the conversion of all potential common shares with dilutive effects, in accordance with NBC TG 41 (CPC 41) – “Earnings per share” and IAS 33 “Earnings per share”.

As at December 31, 2025 and 2024, there were no instruments with dilutive effects.

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30. Financial instruments and risk management

Financial instruments

Financial instruments held by the Company are managed through operational strategies and internal controls to ensure liquidity, profitability and security. Financial instruments for hedging purposes are used based on a periodic assessment of the risk exposure that management intends to hedge (foreign currency risk, commodity price risk, among others).

The tables below show all financial instruments by category that were recognized in the individual and consolidated financial statements:

Assets	Note	Level	Parent Company					
			2025			2024		
			Amortized Cost	Designated Derivatives for Cash Flow Hedge	Total	Amortized Cost	Designated Derivatives for Cash Flow Hedge	Total
Cash, demand deposits and cash in transit	7.a	2	16,135	-	16,135	32,825	-	32,825
Financial investments	7.a	2	478,285	-	478,285	146,283	-	146,283
Trade receivables	8	2	557,490	-	557,490	648,368	-	648,368
Receivables from and loans to related parties	11	2	29,563	-	29,563	31,918	-	31,918
Unrealized gains on derivatives	30	2	-	1,430	1,430	-	4,397	4,397
Total			1,081,473	1,430	1,082,903	859,394	4,397	863,791

Liabilities	Note	Level	Parent Company					
			2025			2024		
			Amortized Cost	Designated Derivatives for Cash Flow Hedge	Total	Amortized Cost	Designated Derivatives for Cash Flow Hedge	Total
Payables to related parties	16	2	(98,989)	-	(98,989)	(552,706)	-	(552,706)
Trade payables	16	2	(259,528)	-	(259,528)	(274,130)	-	(274,130)
Lease liabilities	17.b	2	(36,234)	-	(36,234)	(30,099)	-	(30,099)
Borrowings	17.a	2	(1,613,961)	-	(1,613,961)	(1,030,672)	-	(1,030,672)
Unrealized losses on derivatives	30	2	-	(26,500)	(26,500)	-	(9,733)	(9,733)
Total			(2,008,712)	(26,500)	(2,035,212)	(1,887,607)	(9,733)	(1,897,340)

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Assets	Note	Level	Consolidated					
			2025			2024		
			Amortized Cost	Designated Derivatives for Cash Flow Hedge	Total	Amortized Cost	Designated Derivatives for Cash Flow Hedge	Total
Cash, demand deposits and cash in transit	7.a	2	27,169	-	27,169	60,948	-	60,948
Financial investments	7.a	2	608,136	-	608,136	230,845	-	230,845
Marketable securities	7.b	2	23,411	-	23,411	66,429	-	66,429
Trade receivables	8	2	691,640	-	691,640	772,581	-	772,581
Receivables from and loans to related parties	11	2	-	-	-	24,009	-	24,009
Unrealized gains on derivatives	30	2	-	2,197	2,197	-	5,313	5,313
Total			1,350,356	2,197	1,352,553	1,154,812	5,313	1,160,125

Liabilities	Note	Level	Consolidated					
			2025			2024		
			Amortized Cost	Designated Derivatives for Cash Flow Hedge	Total	Amortized Cost	Designated Derivatives for Cash Flow Hedge	Total
Payables to related parties	16	2	(131,395)	-	(131,395)	(590,085)	-	(590,085)
Trade payables	16	2	(411,018)	-	(411,018)	(393,628)	-	(393,628)
Lease liabilities	17.b	2	(43,582)	-	(43,582)	(33,407)	-	(33,407)
Borrowings	17.a	2	(1,613,990)	-	(1,613,990)	(1,035,123)	-	(1,035,123)
Unrealized losses on derivatives	30	2	-	(26,500)	(26,500)	-	(9,758)	(9,758)
Total			(2,199,985)	(26,500)	(2,226,485)	(2,052,243)	(9,758)	(2,062,001)

- Hedge accounting

Consolidated	Note	Classification	Risk	2025			
				Provision	Total	2026	2027
				Financial instruments			
NDF	30	Discounted cash flow	Exchange	(79)	(79)	(79)	-
Commodities	30	Fair value	Exchange	930	930	930	-
SWAP	30	Fair value	Exchange	(25,921)	(25,921)	(12,961)	12,960
Total				(25,070)	(25,070)	(12,110)	12,960

Consolidated	Note	Classification	Risk	2024			
				Provision	Total	2025	2026
				Financial instruments			
NDF	30	Fair value	Exchange	(4,016)	(4,016)	(4,016)	-
Commodities	30	Fair value	Exchange	(1,320)	(1,320)	(1,320)	-
Total				(5,336)	(5,336)	(5,336)	-

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Material accounting policies

Financial Instruments

Financial instruments are not used for speculative purposes and are presented in the financial statements in accordance with the guidance of NBC TG 40/48 (CPC 40/48) – Financial Instruments (IFRS 7/9), allowing users of the financial information to assess the Group's financial position and performance.

The measurement basis is described in the respective notes to the financial statements.

Fair Value Hierarchy and Measurement

The Group's financial instruments are measured at fair value after initial recognition and have been classified as Level 2 (inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices)).

Derecognition

The Company derecognizes a financial asset when the contractual rights to the asset's cash flows expire, or when the Company transfers the contractual rights to receive the contractual cash flows of a financial asset in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred, or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership of the financial asset and does not retain control over the financial asset.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

Derivatives

The amounts of the derivative financial instruments (NDFs – Non-Deliverable Forwards) were measured using the discounted cash flow method, while the commodity and swap derivatives are measured using the "fair market value" method.

Hedge Accounting

The Group applies hedge accounting to mitigate its exposure to foreign currency volatility and commodity price fluctuations, which could adversely affect the Group's profitability.

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The hedge accounting policy is formally documented and defines the eligible hedged items, the authorized hedging instruments, and the methodology adopted to assess the effectiveness of the hedge relationship.

Risk management

Overview

The Company's risk management objectives are to preserve the value of the financial assets; preserve the liquidity of the financial assets; ensure that the Company has financial resources to conduct its business, including expansion.

Basically, risks are classified into two categories - strategic/operational and economic/financial

a) Strategic/operational risks (including, but not limited to, demand behavior, competition and significant changes in industry structure) are addressed by the Group's management model. These are classified as operational risk and business risk.

a.1) Operational risk

Operational risks arise from all the Group's operations. Operational risk is the risk of direct or indirect losses arising from a variety of causes related to the Group's processes, personnel, technology and infrastructure and external factors, other than credit, market and liquidity risks, such as those arising from legal and regulatory requirements and generally accepted standards of corporate behavior.

The Group has a Technological Center for the purpose of prospecting the need for process restructuring and the adaptation of production engineering, minimizing the operational risks and consequently reducing the potential impacts on the financial flow and damage to its reputation, and seeking cost effectiveness in order to avoid any operating restrictions. Also, the Group's processes are reviewed by administrative areas on an ongoing basis.

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a.2) Business risk

Potential political restrictions, the emergence of new competitors and significant changes in the macroeconomic environment are the main components of this risk. To minimize any impacts from this risk, the Group seeks to manage its expectations for billing and results in the most conservative manner possible in relation to the global scenarios.

The Group's management has a policy of preparing a budget for the following year, as well as a strategic plan for another four years after the budget. These are coordinated and consolidated worldwide by the Parent Company jointly with local senior management. In the course of the year, the budget is reassessed on two different occasions.

- b) Economic/financial risks mainly reflect the behavior of macroeconomic variables, such as the prices of metals used by the Group (aluminum, copper and nickel), exchange and interest rates, which have direct impacts on operations, as well as the characteristics of the financial instruments used by the Group. These risks are monitored by senior management, which is actively involved in the Group's operational management, by reference to the Group's global policies. At December 31, 2025, the Company did not enter into hedge transactions for tin and nickel because the level of risk was acceptable according to global policies.

The main economic/financial risks considered by the Group include:

- Liquidity risk;
- Credit risk;
- Risk of fluctuation in interest rates;
- Risk of fluctuation in exchange rates;
- Market risk - fluctuations in the prices of inputs (commodities).

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b.1) Liquidity risk

The Group's approach to managing liquidity risk is to ensure that it will always have sufficient liquidity to pay its obligations as they fall due under all market conditions, to avoid incurring significant losses or adversely affecting the Group's reputation.

The table below shows the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of currency negotiation agreements at the net position, as well as financial assets that are used to manage this risk.

Consolidated		2025					
		Note	Carrying amount	Cash Flow	Up to 1 year	1 - 2 years	2 - 5 years
Liabilities							
Payables to related parties	16	(131,395)	(131,395)	(131,395)	-	-	-
Trade payables	16	(411,018)	(411,018)	(411,018)	-	-	-
Lease liabilities	17.b	(43,582)	(43,582)	(18,372)	(18,771)	(4,025)	(2,414)
Borrowings (*)	17.a	(1,613,990)	(1,724,743)	(797,930)	(674,713)	(227,155)	(24,945)
Unrealized losses on derivatives	30	(26,500)	(26,500)	(26,500)	-	-	-
Total		(2,226,485)	(2,337,238)	(1,385,215)	(693,484)	(231,180)	(27,359)

Consolidated		2024					
		Note	Carrying amount	Cash Flow	Up to 1 year	1 - 2 years	2 - 5 years
Liabilities							
Payables to related parties	16	(590,085)	(590,085)	(590,085)	-	-	-
Trade payables	16	(393,628)	(393,628)	(393,628)	-	-	-
Lease liabilities	17.b	(33,407)	(33,407)	(12,255)	(21,152)	-	-
Borrowings (*)	17.a	(1,035,123)	(1,094,738)	(82,434)	(431,426)	(538,225)	(42,653)
Unrealized losses on derivatives	30	(9,758)	(9,758)	(9,758)	-	-	-
Total		(2,062,001)	(2,121,616)	(1,088,160)	(452,578)	(538,225)	(42,653)

(*) Cash flows are presented at the nominal amount, not at amortized cost as in the accounting books.

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b.2) Credit risk

Credit risk is the risk of the Group incurring financial loss if a customer or counterparty to a financial instrument fails to meet its contractual obligations. This risk arises mainly from receivables, mostly from recurring customers, demand deposits, cash in transit and financial investments.

The carrying amount of financial assets that represent the maximum exposure to credit risk on the date of these financial statements was as follows:

Assets	Note	Parent Company		Consolidated	
		2025	2024	2025	2024
Cash, demand deposits and cash in transit	7.a	16,135	32,825	27,169	60,948
Financial investments	7.a	478,285	146,283	608,136	230,845
Marketable securities	7.b	-	-	23,411	66,429
Trade receivables	8	561,543	648,368	699,353	772,581
Receivables from and loans to related parties	11	29,563	31,918	-	24,009
Unrealized gains on derivatives	30	1,430	4,397	2,197	5,313
Total		1,086,956	863,791	1,360,266	1,160,125

The Group also has policies for granting credit to its customers, where credit limits and monitoring criteria are pre-established and consist of systematic checking and pre-billing to verify items such as late payments and the available balance of the invoicing limit. Market information on customers is also important in the context of the granting and management of credit.

The Group considers that there is no significant risk of concentration of credit in relation to customers:

Counterparties unrated external de crédito	Parent Company		Consolidated	
	2025	2024	2025	2024
<i>Top 20 largest client receivable balances</i>	140,247	181,686	267,840	312,365
<i>Other third parties (without external credit rating)</i>	299,620	320,399	341,571	377,340
<i>Related parties</i>	121,676	146,283	89,942	82,876
Total trade receivables and others	561,543	648,368	699,353	772,581

The table above of accounts receivable from customers does not consider losses to the recoverable value of impairment of trade receivables.

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With respect to financial institutions, the Group operates only with banks with a minimum risk rating of AA (Fitch National Long-Term or equivalent from Moody's or Standard & Poor's).

b.3) Risk of fluctuation in interest rates

This risk arises from the possibility of the Group incurring losses as a result of fluctuations in interest rates on its financial assets and liabilities.

To mitigate this risk, the Group seeks to diversify its funding sources between fixed-rate and floating-rate instruments so that any results arising from the volatility of these indexes do not result in any material impact.

The carrying value of financial instruments that represent the maximum exposure to the interest rate risk on the balance sheet date was:

Assets	Note	Parent Company		Consolidated	
		2025	2024	2025	2024
Cash, demand deposits and cash in transit	7.a	16,135	32,825	27,169	60,948
Financial investments	7.a	478,285	146,283	608,136	230,845
Marketable securities	7.b	-	-	23,411	66,429
Borrowings	17.a	(1,613,961)	(1,030,672)	(1,613,990)	(1,035,123)
Total		(1,119,541)	(851,564)	(955,274)	(676,901)

In view of these interest rates and given that 86.7% of the Group's debts are linked to fixed interest rates (plus changes in foreign exchange rates), the Group believes that the fluctuation in interest rates does not have any material impact on its results, and so it maintains the financial assets or financial liabilities with fixed interest rate at amortized cost.

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b.4) Risk of fluctuation in exchange rates and Sensitivity analysis

This arises from the possibility of fluctuations in the exchange rates of the foreign currencies used by the Group for the sale of products and the contracting of financial instruments.

The Group follows the Group's global policy for managing the risk of fluctuation in exchange rates. The main instrument to mitigate this risk is to use derivatives. The Group contracts hedge instruments both for the exchange exposure originating from the operations incurred and already reflected in the balance sheet (effective cash flow) and exposure arising from the expectations outlined in the budget (budgeted cash flow).

For the purposes of carrying out sensitivity analysis of market risks, the Group analyzes together asset and liability positions indexed to a foreign currency.

Under NBC TG 40 (CPC-40) Sensitivity Analysis, management performed an exchange rate volatility study and identified the percentage change between the lowest and highest rate, so management believes that the percentages of 25% and 50% applied to sensitivity analyses reflect and cover the most likely scenarios.

The selling rates published on December 31, 2025, by the Brazilian Central Bank for USD, EUR and JPY were used in this sensitivity analysis.

On December 31, 2025, the Group's exposure in USD (EUR and JPY equivalents in USD) was USD (218,871) thousand, as shown below:

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Foreign currency exposure of the balance sheet as of December 31, 2025 – Parent Company										
Item	Amounts USD Thousands	Weighted Average Forward Rate Amount for Settlement	Fair Market Value BRL	Amounts EUR Thousands (*)	Weighted Average Forward Rate Amount for Settlement	Fair Market Value BRL	Amounts JPY Thousands (**)	Weighted Average Forward Rate Amount for Settlement	Fair Market Value BRL	Net balance of foreign exchange exposure equivalent in USD
(+) Accounts receivable	31,221			7,908			-			40,518
(+) Demand deposits	33,041			11,261			-			46,281
(-) Advance on Foreign Exchange Contract / NCE (Export Credit Note)	(20,015)			(205,035)			-			(261,076)
(-) Imports	(5,576)			(9,372)			(171,467)			(17,690)
(-) Currency Forward (Hedging)	(26,904)	5.53300	(282)	-		-	-		-	(26,904)
(=) Net foreign exchange exposure	11,767			(195,238)			(171,467)			(218,871)
Average Foreign Exchange Rates	5.4226			6.4540			0.0351			

(*) EUR/USD parity 1.1751 / () JPY/USD parity 156.58509

Sensitivity Analysis of Foreign Exchange Exposure of the Balance Sheet Denominated in Foreign Currency as of December 31, 2025 – Parent Company										
% Change in Exchange Rates	Net foreign exchange exposure	USD/BRL	Potential Impact BRL	Net foreign exchange exposure	EUR/BRL	Potential Impact BRL	Net foreign exchange exposure	JPY/BRL	Potential Impact BRL	Total Potential Impact BRL
50% better		8.2536	32,372		9.7038	(631,517)		0.0527	(3,011)	(602,155)
25% better		6.8780	16,186		8.0865	(315,758)		0.0439	(1,502)	(301,074)
Probable scenario	11,767	5.5024	938	(195,238)	6.4692	(2,977)	(171,467)	0.0351	-	(2,038)
25% worse		4.1268	(16,186)		4.8519	315,758		0.0264	1,499	301,071
50% worse		2.7512	(32,372)		3.2346	631,517		0.0176	3,008	602,152

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b.5) Market risk, fluctuations in prices of inputs and Sensitivity analysis (commodities).

This risk arises from possible fluctuations in prices of the main raw materials used in the Group's production process, which are: aluminum and copper.

To minimize and manage this risk, the Group contracts derivative transactions to hedge against fluctuations in the prices of these raw materials, in compliance with the Group's hedging policy.

For the purposes of carrying out the sensitivity analysis of market risks, the Group analyzes together long and short positions of the prices of commodities (copper and aluminum).

For the sensitivity analysis of commodity transactions, management adopted as a probable scenario the amounts recognized in its books, determined by projected prices disclosed by the LME and exchange rates published by the Brazilian Central Bank at December 31, 2025. As a reference, the depreciation and appreciation of the prices used for accounting records were considered for the other scenarios. The scenarios were estimated with appreciation and depreciation of 25% and 50%, respectively, of prices in the probable scenario.

The methodology adopted for calculating the balances presented in the table below consisted of replacing the closing exchange rate and commodity prices at December 31, 2025 used for the purposes of accounting records with the stressed rates and prices calculated in accordance with the following scenarios.

Asset position	Parent Company								
	2025								
	Price as of 12/31/2025	Net Exposure (Tonnes)	Hedge Operations			Sensitivity Analysis			
Notional (Tonnes)			% Hedge Coverage	Average Contracted Price	Fair Market Value (BRL)	Price Variations	Settlement Price (USD/ton) – Maturity	Total Adjustment BRL	
Commodities									
Copper	12,504	135	94	69.6%	11,781	762	+50%	18,756	3,234
							+25%	15,630	1,617
							Probable scenario	12,504	-
							-25%	9,378	(1,617)
							-50%	6,252	(3,234)
Aluminum	2,968	420	240	57.1%	2,868	168	+50%	4,452	1,960
							+25%	3,710	980
							Probable scenario	2,968	-
							-25%	2,226	(980)
							-50%	1,484	(1,960)
Total		555	334			930			

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Asset position	Parent Company								
	2024								
	Price as of 12/31/2024	Net Exposure (Tonnes)	Hedge Operations			Sensitivity Analysis			
Notional (Tonnes)			% Hedge Coverage	Average Contracted Price	Fair Market Value (BRL)	Price Variations	Settlement Price (USD/ton) – Maturity	Total Adjustment BRL	
<u>Commodities</u>									
Copper	8,920	458	96	21.0%	-	(931)	+50%	13,379	2,651
							+25%	11,149	1,326
							Probable scenario	8,920	-
							-25%	6,690	(1,326)
							-50%	4,460	(2,651)
Aluminum	2,513	524	234	44.7%	-	(353)	+50%	3,770	1,821
							+25%	3,141	910
							Probable scenario	2,513	-
							-25%	1,885	(910)
							-50%	1,257	(1,821)
Total		982	330			(1,284)			

The selling rates of the USD published on December 31, 2025, by the Brazilian Central Bank and the metal prices published on the same date by the LME were used.

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The results from foreign exchange and commodity derivative financial instruments affected the Company's and its subsidiaries' information as presented below:

	Parent Company		Consolidated		Parent Company		Consolidated	
	2025		2024		2025		2024	
Results of derivatives (exports/imports/loan)								
Provisions								
- Operations on accounts receivable and payable	(BS)	23,019	25,140		(1,245)	(1,571)		
Cash effect								
- Operations on accounts receivable and payable		3,338	290		(36,407)	(35,290)		
	Note 27	<u>26,357</u>	<u>25,430</u>		<u>(37,652)</u>	<u>(36,861)</u>		
Total Derivative Operations- Net Finance Result		<u>26,357</u>	<u>25,430</u>		<u>(37,652)</u>	<u>(36,861)</u>		
Exchange variations (gains and losses)		(14,070)	(33,110)		(126,839)	(102,473)		
Results of derivatives (exports/imports/loan)		26,357	25,430		(37,652)	(36,861)		
Gross sales		1,332	1,332		(4,251)	(4,251)		
Cost of sales		333	333		3,375	3,375		
Effects of Foreign Exchange Variatons and Financial Instruments on Profit and Loss		<u>13,952</u>	<u>(6,015)</u>		<u>(165,367)</u>	<u>(140,210)</u>		
Gross result								
Gross sales		1,332	1,332		(4,251)	(4,251)		
- Settlements with cash effect		1,332	1,332		(4,251)	(4,251)		
Cost of sales		333	333		3,375	3,375		
- Settlements with cash effect		333	333		3,375	3,375		
Total Derivative Operations - Gross Result		<u>1,665</u>	<u>1,665</u>		<u>(876)</u>	<u>(876)</u>		
Equity								
Provisions								
- Operations on sales to be made	(BS)	4,082	4,082		4,275	4,275		
- Operations on commodities	(BS)	(930)	(930)		1,320	1,320		
Deferred income tax and social contribution		(1,072)	(1,072)		(1,901)	(1,901)		
Total Derivative Operations - Equity		<u>2,080</u>	<u>2,080</u>		<u>3,694</u>	<u>3,694</u>		
Provision for unrealized losses and gains on derivatives								
(BS) - Sum of the net balance sheet								
Balance sheet assets		1,430	2,197		4,397	5,313		
Balance sheet liabilities		(26,500)	(26,500)		(9,733)	(9,758)		
Balance sheet, net		<u>(25,070)</u>	<u>(24,303)</u>		<u>(5,336)</u>	<u>(4,445)</u>		

Guarantees

The Group had no guarantee deposits relating to these derivative instruments for the periods presented above (December 31, 2025 and 2024).

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31. Employee benefits

The employee benefits offered by the Group are mainly granted on a monthly basis and recognized in the accounting records accordingly. There are no post-employment benefits, pension funds or other benefits that require specific accounting treatment.

As of December 31, 2025, the Group recognized a provision for profit sharing in the amount of R\$ 57,801 (R\$ 49,296 in 2024) – Parent Company and R\$ 62,590 (R\$ 57,728 in 2024) – Consolidated. The employee profit sharing payment follows the rules set forth in the collective labor agreement. That agreement establishes conditions to be met, as summarized herein: i) production goals for a predetermined number of workers; ii) maintenance of the absenteeism level up to previously defined annual average absence rate in relation to standard hours worked; and iii) maintenance of the scrap level up to the previously defined annual average scrap rate in relation to the number of parts produced.

Material accounting policies

Short-term employee benefits are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognized for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

Supplementary pension plan - defined contribution

The Group has a Supplementary Open Pension Plan that is structured according to the capitalization financial system, in the form of variable contribution, as described in specific regulations, duly approved by the Superintendency of Private Insurance, through Process 15414.004168/2005/12.

In September 2006, the Group joined a free benefit-generating private pension plan, managed by Bradesco Vida e Previdência S.A. (the Manager), offering all its employees the option to participate. The contributions are defined according to salary bracket.

The Group contributed to the private pension plan an amount of R\$ 2,776 in 2025 (R\$ 2,493 in 2024).

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Material accounting policies

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity (a pension fund) and has no legal or constructive obligation to pay further contributions. Obligations for contributions to defined contribution pension plans are recognized as employee benefit expenses in the statement of income in the periods during which related services are rendered by employees.

32. Insurance

The Group has a policy of taking out insurance coverage for assets subject to risks at amounts considered sufficient to cover losses, considering the nature of its activity. The risk assumptions adopted, given their nature, have not been made part of the scope of an audit and, accordingly, were not examined by our independent auditors. The insurance is contracted with leading insurance companies with the advice of specialist insurance brokers.

For 2025 the insurance coverage for operational risks (combined property damages and lost profits) is R\$ 2,176,000 (2024 - R\$ 2,360,000).

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33. Application of NBC TG 42 (CPC 42) / IAS 29 - Financial Reporting in Hyperinflationary Economies

Since July 2018 Argentina is considered a hyperinflationary economy and the Group applies NBC TG 42 (CPC 42)/IAS 29 - Financial Reporting in Hyperinflationary Economies to its subsidiary MAHLE Argentina S.A., whose functional currency is the Argentine peso.

As a result, NBC TG 42 (CPC 42)/IAS 29 Financial Reporting in Hyperinflationary Economies require that the results of the operations of the subsidiary MAHLE Argentina S.A. are restated by applying the the Consumer Price Index (CPI) determined by the Central Bank of Argentina. The impacts on the financial statements in the Parent Company and Consolidated are as follows:

	2025	2024
Net effect of IAS 29 on the individual financial statements of MAHLE Argentina	(65.538)	(157.050)
Effect of IAS 29 on the application of equity method on the subsidiary results (Note 13)	81.794	214.106
Net effect of IAS 29 on the reflex impact on the application of the equity method on the subsidiary results	659	1.720
Net effect of IAS 29 on non-monetary assets of subsidiary	16.915	58.776
Effect of IAS 29 on Consolidated amounts, representing effects of inflation on subsidiary's result	44.508	57.897
Gains on net monetary position in foreign subsidiary	61.423	116.673

The main requirements of the accounting standards to determine the above-mentioned restatement are:

- i) Monetary assets and liabilities that are carried at amounts current at the balance sheet date (Argentine peso) are not restated because they are already expressed in terms of the monetary unit current at the end of the reporting period;
- ii) Non-monetary assets and liabilities not carried at amounts current at the balance sheet date and components of equity are restated by applying a general price index (IPC);
- iii) All items of the income statement are restated by applying the applicable conversion factors (CPI), with a corresponding entry in the line item "Gains on net monetary position of foreign subsidiary". Therefore, the net effect of IAS 29 on consolidated financial statements refers only to the inflation adjustment to non-monetary assets as shown in the line item "Net effect of IAS 29 on non-monetary assets of subsidiary".
- iv) The effect of inflation on the net monetary position (Parent Company and Consolidated) is presented in the statement of income within "Gain on net monetary position of foreign subsidiary".

(A free translation of the original in Portuguese)

MAHLE Metal Leve S.A.

Explanatory notes to the individual and consolidated financial statements for the years ended December 31, 2025 and 2024

In thousands of reais, unless otherwise indicated

The statement of income was restated by applying the Consumer Price Index which reached at 31.5% on December 31, 2025 (inflation of 118.2% on December 31, 2024). The restated statement of income is translated at the official exchange rate at the end of each quarter.

Material accounting policies

The financial statements of the subsidiary MAHLE Argentina S.A. have been prepared in accordance with NBC TG 42 (CPC 42)/ IAS 29 Financial Reporting in Hyperinflationary Economies and so restated for the effects of inflation.

An economy is considered hyperinflationary when it has certain qualitative and quantitative characteristics, which include, among others, the general population prefers to keep its wealth in non-monetary assets or in a relatively stable foreign currency, prices are linked to a price index and the cumulative inflation rate for the last three years is approaching, or exceeds, 100%.

(A free translation of the original in Portuguese)

Board of Directors

Principal members

Peter Paul Wilhelm Grunow
Heinz Konrad Junker
Wolfgang Werner Ernst Fritz Fritzemeyer
Eduardo Augusto Rocha Pocetti
Reginaldo Ferreira Alexandre

Executive Board

Sergio Pancini de Sá - Chief Executive
Claudio Cesar Braga – Chief Financial Officer and Investor Relations Officer

Fiscal Council

Principal members

Valdir Augusto de Assunção
Rosana Cristina Avolio
Michael Lehmann

Alternate members

Esmir de Oliveira
Guilherme Salem
Maria Elvira Lopes Gimenez

Audit Committee

Eduardo Augusto Rocha Pocetti
Peter Paul Wilhelm Grunow
Orlando Octavio de Freitas Junior

Technical specialist

Daniel de Oliveira Camargo
Accounting manager
Accountant - CRC 1SP 248941/O-2

* * *

(A free translation of the original in Portuguese)

MAHLE Metal Leve S.A.
CNPJ nº 60.476.884/0001-87
Publicly traded company

Proposal for Capital Budget

The investments included in the 2026 capital budget of MAHLE Metal Leve S.A. will require approximately R\$ 164.4 million (Parent Company) and R\$ 192.8 million (Consolidated), destined for: a) occupational health and safety, b) new products, c) maintenance and repairs, d) replacements, e) tools, f) rationalization, g) expansion of capacity, h) quality, i) information technology, j) environment, and k) others. These investments will be submitted to shareholders for approval at the next Ordinary General Meeting.

The Management Board.

(A free translation of the original in Portuguese)

MAHLE Metal Leve S.A.

Report of the Supervisory Board

The Supervisory Board of MAHLE Metal Leve S.A. (the “Company”), elected at the Ordinary General Meeting on April 29, 2025, in accordance with article 163 of Law 6.404/76 and the bylaws of the Company, has examined (i) the Management Report, (ii) the Financial Statements for the financial year ended December 31, 2025 and notes to the financial statements, (iii) the Management’s Proposal for allocation of profit for the year, and (iv) the Capital Budget for the financial year 2026.

As part of its activities, the Board held ordinary and extraordinary meetings during 2025 and in the first quarter of 2026, both in-person and virtually, to review the quarterly financial reports for the reporting periods 2025 and to discuss general issues with the members of the Board of Directors, the Audit Committee, the Executive Board and their respective teams, as well as with the Independent Auditors.

The Supervisory Board has analyzed, discussed and followed up on the following key topics:

- reviewing the quarterly and annual financial statements and notes to the financial statements, and management reports;
- monitoring the work of independent auditors and the implementation of recommendations made by independent auditors, especially those related to internal controls;
- assessing internal controls, risk management, and internal audit processes;
- reviewing impairment tests for the Company’s assets;
- addressing company-relevant issues concerning corporate governance, compliance, whistleblower channels, personal data protection, and integration into the MAHLE Group; and
- reviewing the capital budget and other relevant financial and operational issues.

(A free translation of the original in Portuguese)

Conclusion:

Based on the documents examined, reviews performed, information provided by the management board relating to the financial year as well as on the unmodified audit opinion issued by **EY Auditores Independentes**, dated March 10, 2026, the Supervisory Board is of the opinion that the documents referred to in the first paragraph present fairly the financial position of the Company and are ready for submission to the Ordinary General Meeting for final approval.

Jundiaí, March 10, 2026.

Valdir Augusto de Assunção

Chairman of the Supervisory Board

Rosana Cristina Avolio

Member of the Supervisory Board

Michael Lehmann

Member of the Supervisory Board

(A free translation of the original in Portuguese)

Report of the MAHLE Non-Statutory audit committee for financial year 2025

1. GENERAL INFORMATIONS

The non-statutory Audit Committee (the “Committee”) of MAHLE Metal Leve S.A. (the “Company”) is a committee of the Company’s Board of Directors that operates with autonomy and its own dedicated budget approved by the Board of Directors. The Committee’s mission is to assist the Board of Directors in overseeing financial reporting, internal controls, risk management, and compliance.

The Committee started its activities on March 31, 2022. The Audit Committee Charter currently in effect was approved by the Board of Directors on the meeting held on March 8, 2022. At the Board of Directors’ meeting held on April 29, 2024, the Board elected three effective members of the Audit Committee for a term ending at the date of the Ordinary General Meeting that approves the Company’s financial reports for the financial year ended December 31, 2025.

2. ROLES AND RESPONSIBILITIES

The roles and responsibilities of the Committee are laid out in the Audit Committee Charter. The Committee makes judgments and forms its opinions based on the results of the work performed and the information provided by the Executive Board, the Company’s employees, the Internal Auditors and the External Auditors (Ernst & Young Auditores Independentes S/S Ltda).

From March 2025 to March 2026, the Committee held eight meetings to discuss the performance of the areas under its responsibility, oversee the internal audit function and internal controls, assess any deficiencies in their working processes and control systems, monitor action plans, and oversee the Company’s risk exposures. Key topics discussed and activities performed during the year include:

- i. Discussion and evaluation of independence policies for the external auditors, knowledge and evaluation of the audit plan for financial year 2025, materiality thresholds, identified risks, and level of satisfaction with the evidence and information obtained from the Company;
- ii. Review of the Quarterly Financial Statements of the Company for the reporting periods of 2025, including review of the notes to the financial statements and management reports, with recommendations to the Board of Directors;
- iii. Review of the Financial Statements of the Company for the financial year ended December 31, 2025 along with management report and independent auditor’s report, with recommendations to the Board for approval;
- iv. Oversight of the Annual Internal Audit Plan, its execution, reports issued, knowledge of findings and recommendations, and actions taken by the Company’s management;
- v. Evaluation of the procedures adopted by the Compliance (whistleblowing channel), Accounting, Tax, Internal Control, Internal Audit and Information Technology departments, to ensure that they are adequate;
- vi. Discussion and assessment of the Company’s risks, and the effectiveness of internal controls and risk management frameworks; and
- vii. Oversight of issues regarding information technology, information security, corporate governance, and reporting structure of the areas under the Committee’s responsibility.

(A free translation of the original in Portuguese)

4. CONCLUSION AND OPINION

In fulfilling their responsibilities under the law and the Audit Committee Charter, and based on the activities carried out during the year as well as on the information provided by the Company and Ernst & Young Auditores Independentes S/S Ltda., the members of the Committee **unanimously** recommend to the Board of Directors the approval of the financial statements and notes to the financial statements of MAHLE Metal Leve S.A. for the financial year ended December 31, 2025 and for it to put to shareholders for approval at the Ordinary General Meeting.

São Paulo, March 10, 2026.

Eduardo Augusto Rocha Pocetti
Coordinator and Member of the Audit Committee

Peter Paul Wilhelm Grunow
Member of the Audit Committee

Orlando Octávio de Freitas Junior
Member of the Audit Committee

(A free translation of the original in Portuguese)

MAHLE Metal Leve S.A.

Representation by officers on the parent company and consolidated financial statements

MAHLE Metal Leve S.A.
CNPJ No. 60.476.884/0001-87
Publicly-held company

REPRESENTATION

Messrs. Sergio Pancini de Sá and Claudio Cesar Braga, executive officers of MAHLE Metal Leve S.A., with its head office at Avenida Ernst MAHLE, 2000, Mombaça, in the city of Mogi Guaçu, State of São Paulo, in conformity with item VI of Article 25 of CVM Instruction 586, of June 08, 2017, do hereby declare that:

They have reviewed and discussed, and agree with, the parent company and consolidated financial statements of MAHLE Metal Leve S.A. for the year ended December 31, 2025, and thus authorize their completion.

Mogi Guaçu, March 10, 2026.

Sergio Pancini de Sá
CEO

Claudio Cesar Braga
Chief Financial and Investor Relations Officer

(A free translation of the original in Portuguese)

MAHLE Metal Leve S.A.

Representation by officers on the independent auditor's report on the financial statements

MAHLE Metal Leve S.A.
CNPJ No. 60.476.884/0001-87
Publicly-held company

REPRESENTATION

Messrs. Sergio Pancini de Sá and Claudio Cesar Braga, executive officers of MAHLE Metal Leve S.A., with its head office at Avenida Ernst MAHLE, 2000, Mombaça, in the city of Mogi Guaçu, State of São Paulo, in conformity with item V of Article 25 of CVM Instruction 586, of June 8, 2017, do hereby declare that:

They have reviewed and discussed, and agree with, the opinion expressed by Ernst & Young Auditores Independentes S.S., on the Parent Company and Consolidated financial statements of MAHLE Metal Leve S.A. for the year ended December 31, 2025.

Mogi Guaçu, March 10, 2026.

Sergio Pancini de Sá
CEO

Claudio Cesar Braga
Chief Financial and Investor Relations Officer