



EARNINGS RELEASE

December 2021

Managing high value-added processes



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- CIE's management uses recurrently and in a consistent way during business management certain Alternative Performance Measures, APM which include terms about results, balance sheet and cash flow. CIE understands that those APMs are helpful to explain its activity evolution, so they are presented, defined and reconciled with financial statements in this presentation's Appendix.

The background of the slide features a series of flowing, golden light trails that create a sense of motion and energy. These trails are composed of many thin, overlapping lines that form a ribbon-like structure, curving and twisting across the frame. The color transitions from a bright, glowing yellow at the top to a deep, dark orange and finally to a rich, dark brown at the bottom, all set against a solid black background.

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1. December 2021 Results

Highlights 2021

01	Increasing market share	+11.5 p.p. <i>OUTPERFORMANCE</i>	+14.9%* vs DEC 2020
02	Record margin in current perimeter ⁽¹⁾	17.6% <i>EBITDA MARGIN</i> vs 15.0% DECEMBER 2020	PROFORMA STARTING POINT ≈ 16%
03	Net Income December 2021	267.5 €m	CONTINUING WITH OUR GROWTH PATH
04	Operating Cash Generation	367.0 €m <i>67% OPERATING CASH/EBITDA</i>	HIGH LEVEL OF CASH GENERATION
05	NFD/EBITDA	3.59x → 2.37x <i>DECEMBER 2020 DECEMBER 2021</i>	EXCELLENT IMPROVEMENT OF DEBT RATIOS
06	Liquidity Reserve	1,528 €m	STRONG LIQUIDITY POSITION WITH STRICT CASH MANAGEMENT
07	Analyst recommendations	100% <i>DO NOT SELL</i>	TARGET PRICE CONSENSUS 30.80€

(*)

Constant exchange rate.

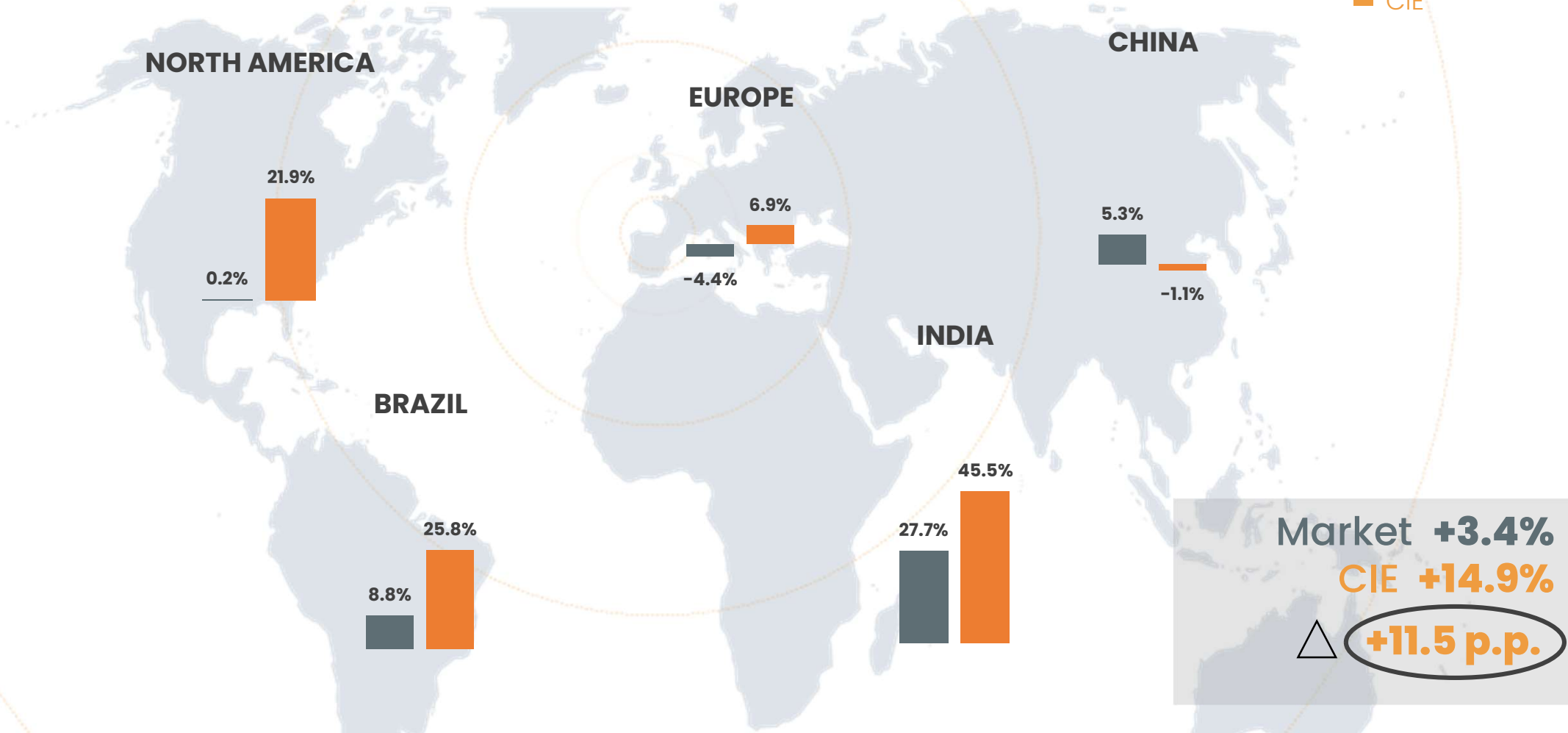
(1)

Better EBITDA margin after the high increase of the 2019 perimeter.

1. December 2021 Results

Sales evolution 2021 vs 2020

■ Market
■ CIE



Constant exchange rate

Source: Motor vehicles production IHS FEBRUARY 2022 (12 months 2021) (growth % in units).

1. December 2021 Results

€m	31/12/2020	31/12/2021	
Turnover	2,882.5	3,269.1	+13%
EBITDA	431.2	574.7	+33%
% EBITDA on turnover	15.0%	17.6%	
EBIT	283.4	403.5	+42%
% EBIT on turnover	9.8%	12.3%	
EBT	252.8	380.3	+50%
Net income	185.2	267.5	+44%

- We are on pre-covid levels even with:
 - **11.8 million** fewer **cars** produced (2021 vs 2019) and
 - the negative impact of currency conversion (**192 €m** in turnover and **18 €m** in Net income 2021 vs 2019)

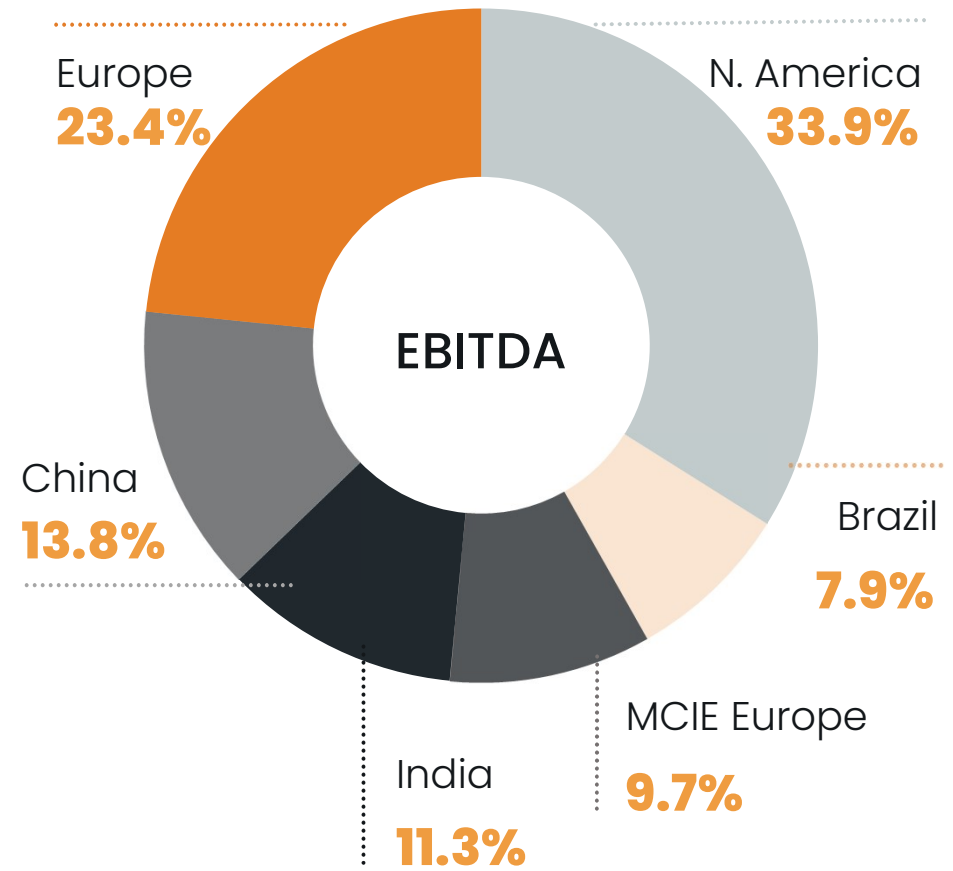
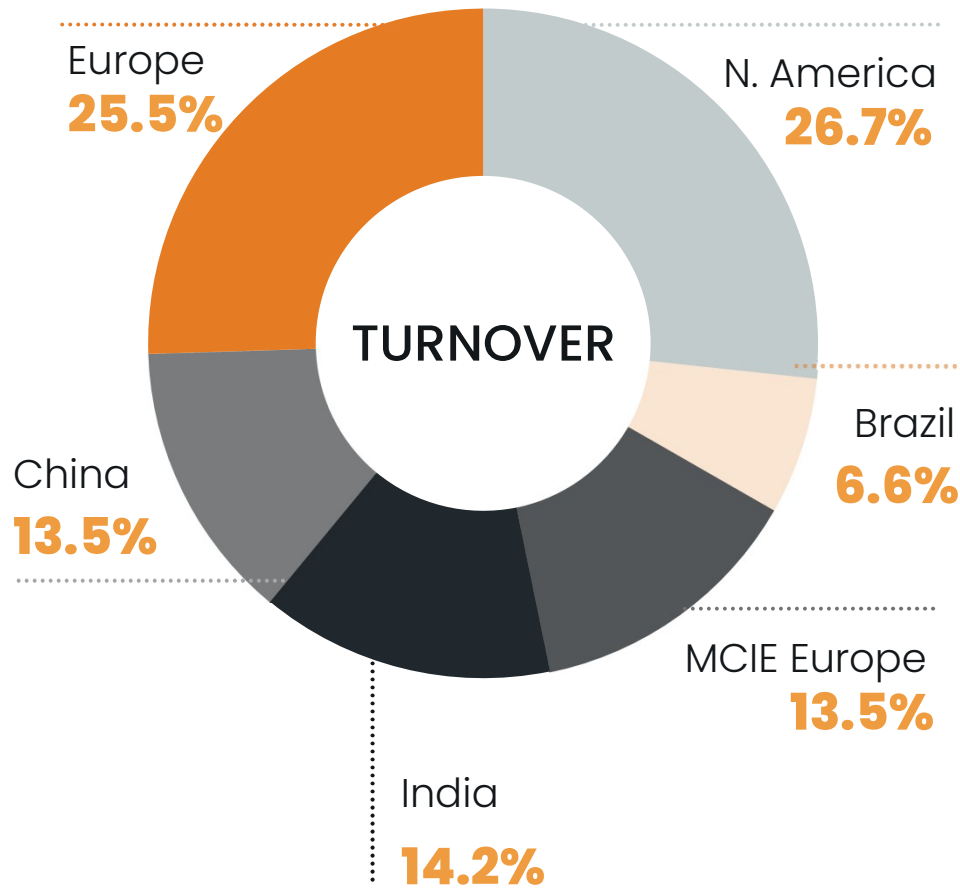
1. Q4 2021 Results

€m	Q4 2020	Q4 2021	
Turnover	882.5	812.4	
EBITDA	147.1	140.4	
% EBITDA on turnover	16.7%	17.3%	+60 b.p.
EBIT	104.3	91.1	
% EBIT on turnover	11.8%	11.2%	
EBT	108.8	99.0	
Net income	67.4	61.4	

- The **operating margins continue to improve**, which were diluted with the last acquisitions pre-covid (EBITDA proforma ≈16%; EBIT Proforma ≈ 11%)

1. December 2021 Results

2021 Divisions Contribution



1. December 2021 Results

2021 Divisions Profitability

● NORTH AMERICA

EBITDA **22.3%**

EBIT **17.6%**

● BRAZIL

EBITDA **21.0%**

EBIT **13.6%**

● MCIE EUROPE

EBITDA **12.7%**

● EUROPE EBIT **8.4%**

EBITDA **16.1%**

EBIT **8.9%**

● CHINA

EBITDA **18.0%**

EBIT **14.7%**

● INDIA

EBITDA **14.0%**

EBIT **9.5%**

- Excelent margins, **in all geographical areas**

2. Balance sheet

Balance sheet evolution

€m	31/12/2020	31/12/2021
Fixed assets	3,293.2	3,490.3
Net Working Capital	(356.4)	(425.2)
TOTAL NET ASSETS	2,936.8	3,065.1

Equity	995.0	1,367.6
Net Financial Debt	1,594.9	1,394.9
Others (net)	346.9	302.6
TOTAL NET LIABILITIES	2,936.8	3,065.1

Non-recourse factoring

242.2 €m

296.8 €m

2. Balance sheet

Cash Flow

	YTD (*)
EBITDA	m€ 574.7
Financial Expenses	(27.9)
Maintenance Capex	(101.0)
Tax Payments	(54.3)
IFRS 16 Leases ⁽¹⁾	(24.5)
OPERATING CASH FLOW	367.0
% EBITDA ⁽²⁾	66.7%
Growing Capex	(91.9)
Net Working Capital Variation	8.4
Payments of Dividends	(63.9)
Business combinations ⁽³⁾	(4.8)
Other movements	(14.8)
FINANCIAL CASH FLOW	200.0

€m	31/12/2020	31/12/2021
NFD	1,594.9	1,394.9
Adjusted NFD ^(*)	1,575.3	1,377.1

NFD/EBITDA (**)

3.59X

2.37X

- (1) Payment of rental fees registered in EBITDA according to the application of IFRS 16 standard.
 (2) Operating Cash Flow on the value of EBITDA corrected with the effect of the IFRS 16 standard.
 (3) Acquisition of additional shares of the listed subsidiary Mahindra Cie Automotive Ltd.
 (*) Cash flow of 12 months of 2021 (YTD).
 (**) Adjusted NFD and EBITDA data considering 50% of the Chinese JV SAMAP

3. 2021 Goals

In 2021, **CIE** has increased its market share and **margins** thanks to the strategic success in:



ELECTRIC
CAR



COMMITTED
TO
COMFORT



GREATER
PRESENCE
IN ASIA



DEEP
COMMITMENT
TO ESG

3. 2021 Goals

We have met 2021 guidance

Set in 02/21

SALES

Growing in line with the market

Updated in 05/21

Growing a medium-high digit above market

2021 Closing

+11.5 p.p ✓

MARGINS

EBITDA Margin >17%

EBITDA Margin >17.5%

17.6% ✓

OPERATING CASH

Operating cash generation >60% EBITDA

Operating cash generation ≈65% EBITDA

66.7% ✓

NET FINANCIAL DEBT

Ratio NFD/EBITDA ≈2.5X

Ratio NFD/EBITDA between 2.3X and 2.4X

2.37X ✓

3. 2021 ESG Commitment

In November 2021, CIE Automotive released its **ESG Strategic Plan 2025**, which was made public for the first time:

- ✓ Benchmarked against the best practices of our peers.
- ✓ Complying with increasing non-financial legislation, especially critical in the context of the Automotive sector.
- ✓ Prioritising the needs of the different stakeholders.
- ✓ Proving CIE Automotive's firm commitment to sustainability.

Strategic Lines:



CIE CULTURE



ETHICAL
COMMITMENT



ECO-EFFICIENCY



ACTIVE
LISTENING

3. 2021 ESG Commitment

We have fulfilled 2021 ESG targets



COMPLIANCE

- >95% trained in Code of Conduct



SUPPLY CHAIN

- 100% countries purchasing following ESG criteria



ENVIRONMENT

- ▽ 2% scope 1 emissions
- ▽ 5% scope 2 emissions
- ▽ 3% emissions intensity



SALES

- 75% plants with NQC > 80%
- 100% plants self-assessment systems
- 80% of the team trained in ESG



FINANCE

- Complying sustainable financing requirements

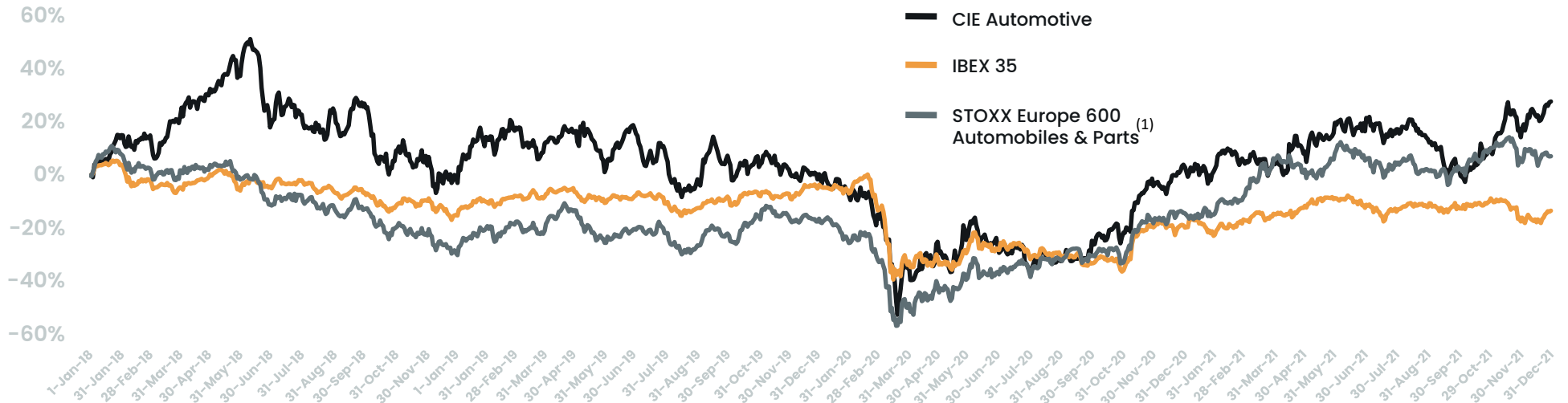


INVESTOR RELATIONS

- Communicating ESG Strategic Plan 2025
- 100% feedback to key ESG analysts

4. CIE in Stock Exchange

Share Price Performance CIE Automotive



During 2020 the pandemic severely impacted CIE Automotive's stock when results, quarter after quarter, demonstrated more than ever the strength and resilience of the company.

2021 has characterized itself by bottlenecks, shortages and inflation in the supply chain: semiconductors, raw materials, freights, energy, labor force... Also COVID has again had a major impact despite the increasing proportion of vaccinated population. This complex environment led to a multitude of profit warnings from many auto suppliers in the last months of the year and a stock market correction indiscriminately for all suppliers.

But CIE Automotive's results in 2021 not only led to the fulfilment of its guidance, but also place CIE on the podium of the companies most profitable and with highest recurrent cash flow generation in the sector, and guarantee a winning future, something that we understand is still far from being reflected in the share price.

(1) STOXX Europe 600 Automobiles & Parts includes: OEMS: BMW ST, Daimler, Ferrari NV, Fiat, Peugeot, Porsche, Renault & Volkswagen. SUPPLIERS: Faurecia, Michelin, Nokian, Plastic Omnium, Rheinmetall, Schaeffler, Valeo.

APPENDIX I

ALTERNATIVE PERFORMANCE MEASUREMENT (APMs)

PERFORMANCE MEASURES	DEFINITION
EBITDA	Net Operating Income + Depreciation
Adjusted EBITDA	Annualized EBITDA of 12 last months in those companies incorporated to the perimeter during the period. It includes 50% of the Ebitda of Chinese JV SAMAP, which is based on the current agreements with the partner, is consolidated by the equity method.
EBIT	Net Operating Income.
EBT	Earnings before taxes.
Net Income	Recurrent profit attributable to the company's shareholders.
Net Financial Debt (NFD)	Debt with banks and other financial institutions – Cash and equivalents – Other Financial Assets.
Adjusted Net Financial Debt	Net Financial Debt including 50% of Chinese JV SAMAP net financial debt, consolidated by the equity method as per the current partnet agreements reached.



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