



TO THE SPANISH SECURITIES AND EXCHANGE COMMISSION

DISCLOSURE OF OTHER RELEVANT INFORMATION

Following article 17 of Regulation (EU) n° 596/2014 on Market Abuse, articles 227 and 228 of the Royal Legislative Decree Law 4/2015, dated October 23, approving the consolidated text of the Securities Market Law and other applicable legislation, CIE Automotive, S.A. (hereinafter, the "**Company**"), discloses the related-party transactions carried out by CIE Automotive or its subsidiaries (hereinafter, together with CIE Automotive, the "**CIE Automotive Group**") with the shareholder Mahindra & Mahindra (hereinafter, "**M&M**") or its subsidiaries (hereinafter, together with M&M, the "**M&M Group**") as these transactions exceeded, during the year ending 31 December 2022, the threshold of 2.5% of annual turnover and 5% of the consolidated assets.

The M&M Group holds a 7.83% share in the share capital of CIE Automotive and a 9.25% share in Mahindra CIE Automotive Ltd (in which CIE Automotive holds 65.71% of the share capital). The M&M Group has appointed two members to the Board of Directors of CIE Automotive (Shiprakash Shukla and Abanti Sankaranarayanan) and has also appointed one member to the Board of Directors of Mahindra CIE Automotive Ltd (Shiprakash Shukla (Chairman)).

Consequently, it is concluded that the transactions that the subsidiary Mahindra CIE Automotive Ltd has with the M&M Group are considered to be a related party transaction pursuant to article 529 vices of the LSC.

The M&M Group is a conglomerate of companies with presence in various industrial sectors, in particular in the automotive sector insofar as its automotive division manufactures cars of various kinds.

In this context, certain companies of the M&M Group (i.e. Mahindra & Mahindra Ltd, Mahindra Vehicle Manufacturers Limited, Mahindra Electrical Mobility Ltd, Mahindra Defence Systems Ltd, Mahindra Heavy Engines Private Limited, Mahindra Trucks & Buses Limited, Mahindra Two Wheelers Pvt. Ltd.) acquire goods or services (essentially automotive parts of the various technologies manufactured at Mahindra CIE Automotive's plants in India and Europe) at market prices and through negotiation procedures between the various business heads (individually, on a project-by-project basis; order-by-order basis, as is usual in the automotive component manufacturing business).



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The M&M Group also acquires components from Golde Wuhan Co., Ltd. in China in the sector of manufacturing roof assemblies.

On the other hand, the M&M Group sells (i.e. companies such as Mahindra Auto Steel Limited, Mahindra Logistics Limited, Mahindra Intertrade Ltd, or Mahindra Sanyo Special Steels Private Limited) services or goods to companies in the Mahindra CIE Automotive subgroup.

Likewise, during financial year 2022, two transactions with the M&M Group have taken place outside the ordinary course of business: (i) in September 2022, CIE Automotive acquired 8,720,000 shares of Mahindra CIE Automotive Ltd to Mahindra & Mahindra Group; this transaction received the positive approval of the Audit Committee and was expressly approved by the Board of Directors of CIE Automotive S.A., in the understanding the price took as a reference the fact Mahindra CIE Automotive Ltd shares are listed in the stock exchange; and (ii) a piece of land has been sold by the Mahindra CIE Automotive Group to a company which belongs to the M&M Group.

The amounts are as shown in this chart:

Type of service	Aggregate amount for year 2022 (k euros)
Sale of goods to M&M Group from Mahindra CIE Automotive subgroup	196,261
Sale of goods and services to M&M Group from Golde Wuhan	28,423
Sale of goods and services to M&M Group from Golde Pune	5
Purchase of goods and services from Mahindra CIE Automotive subgroup to M&M Group	22,461
Receipt of services from Mahindra CIE Automotive subgroup to M&M Group	2,241
Purchase of shares of Mahindra CIE Automotive Ltd	31,846
Purchase of piece of land by M&M Group to Mahindra CIE Automotive Group	4,739

The Audit Committee and the Board of Directors of CIE Automotive on 28 July 2021 expressly analysed and discussed the transactions between CIE Automotive Group companies and the M&M Group, and such transactions in the ordinary course have been regularly monitored by the Audit Committee and the Board of Directors, being the corresponding report ratified on February 24, 2023.



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These contractual relationships, as also verified by the Audit Committee, are carried out in the ordinary course of business, at market prices and without the intervention or participation of any of the shareholders or directors potentially conflicted by their interest in them. The typology of these services varies according to the vertical in the organisation that actually provides the corresponding services.

The transactions outside the ordinary course of business have also regularly been monitored and approved by the Audit Committee and the Board, when applicable.

As a result, the Board of Directors approved the related-party transactions between the CIE Automotive Group and the Mahindra & Mahindra Group, with Mr. Sriprakash Shukla and Ms. Suman Mishra abstaining in the deliberation and voting (Mrs. Abanti Sankaranarayanan replaced Mrs Suman Mishra on December 15, 2022).

As a result of the closing of the 2021 financial year, it has been verified that all transactions between the CIE Group and the M&M Group exceed the reporting threshold of 2.5% of the annual amount of consolidated turnover in that financial year and 5% of the consolidated assets (specifically, 7.5% of the annual amount of turnover and 5,1% of the consolidated assets, as at 31 December 2022).

Accordingly, CIE Automotive discloses the aggregate information on transactions for the financial year 2022 for the purposes of article 529 unvicies of the LSC.

Attached hereto is the report issued by the Audit Committee on 28 July 2021 and ratified by the Audit Committee on 24 February 2023 in which it issued a favourable report on the transactions between the CIE Automotive Group and the M&M Group.

Bilbao, February 27, 2023.

Jose Ramón Berecibar Mutiozábal.

Secretary to the Board of Directors.



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REPORT SUBMITTED BY THE AUDIT COMMITTEE OF THE BOARD OF DIRECTORS OF CIE AUTOMOTIVE, S.A. FOR THE PURPOSES SET FORTH IN ARTICLE 529.UNVICIES OF THE CAPITAL COMPANIES ACT IN REGARD TO THE APPROVAL BY THE BOARD OF DIRECTORS OF A RELATED-PARTY TRANSACTION.

1.- PURPOSE OF THIS REPORT.

Article 529 DUOVICIES of the current Consolidated Text of the Capital Companies Act approved by Royal Legislative Decree 1/2010, of 2 July ("**Capital Companies Act**") requires, among other requirements, *"the approval by the general meeting or by the board of a related-party transaction shall be subject to a prior report by the audit committee. In its report, the committee shall evaluate whether the transaction is fair and reasonable from the point of view of the company and, where appropriate, of the shareholders other than the related party, and give an account of the assumptions on which the evaluation is based and the methods used. The directors concerned may not participate in the preparation of the report"*.

The purpose of this report is to fulfil the requirements of the aforementioned regulation with regard to the related-party transaction to be considered between the M&M Group companies and the CIE Automotive Group companies.

2.- JUSTIFICATION OF THE PROPOSAL.

The relationship between CIE Automotive or its subsidiaries (hereinafter, together with CIE Automotive, the "**CIE Automotive Group**") and the shareholder Mahindra & Mahindra (hereinafter, "**M&M**") or its subsidiaries (hereinafter, together with M&M, "**M&M Group**") implies the existence of relationships of a commercial nature in the ordinary course of business and arising from the business and industrial logic of the 2013 acquisition of M&M's automotive components manufacturing business by CIE Automotive (and M&M's acquisition of a stake in CIE Automotive).

The M&M Group is a conglomerate of companies with presence in various industrial sectors, in particular in the automotive sector insofar as its automotive division manufactures cars of various kinds.

In this context, certain companies of the M&M Group (i.e. Mahindra & Mahindra Ltd, Mahindra Vehicle Manufacturers Limited, Mahindra Electrical Mobility Ltd, Mahindra Defence Systems Ltd, Mahindra Heavy Engines Private Limited, Mahindra Trucks & Buses Limited, Mahindra Two Wheelers Pvt. Ltd.) acquire goods or services (essentially automotive parts of the various technologies manufactured at Mahindra CIE Automotive's plants in India and Europe) at market prices and through negotiation procedures between the various business heads (on



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a project-by-project basis; order-by-order basis, as is usual in the automotive component manufacturing business).

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The commercial relationship for the supply of goods and services is continuous and is structured through commercial relationships that are materialised on a case-by-case basis in which none of the shareholders or directors potentially in conflict due to their interest in the same do not interfere. The typology of these relationships varies according to the vertical in the organisation that actually provides the corresponding services.

In conclusion, no objective elements have been identified that would suggest that the various transactions with the M&M Group are not fair and reasonable from CIE Automotive's point of view.