



CIE Automotive

EARNINGS RELEASE

Managing high value-added processes

December 2023

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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.

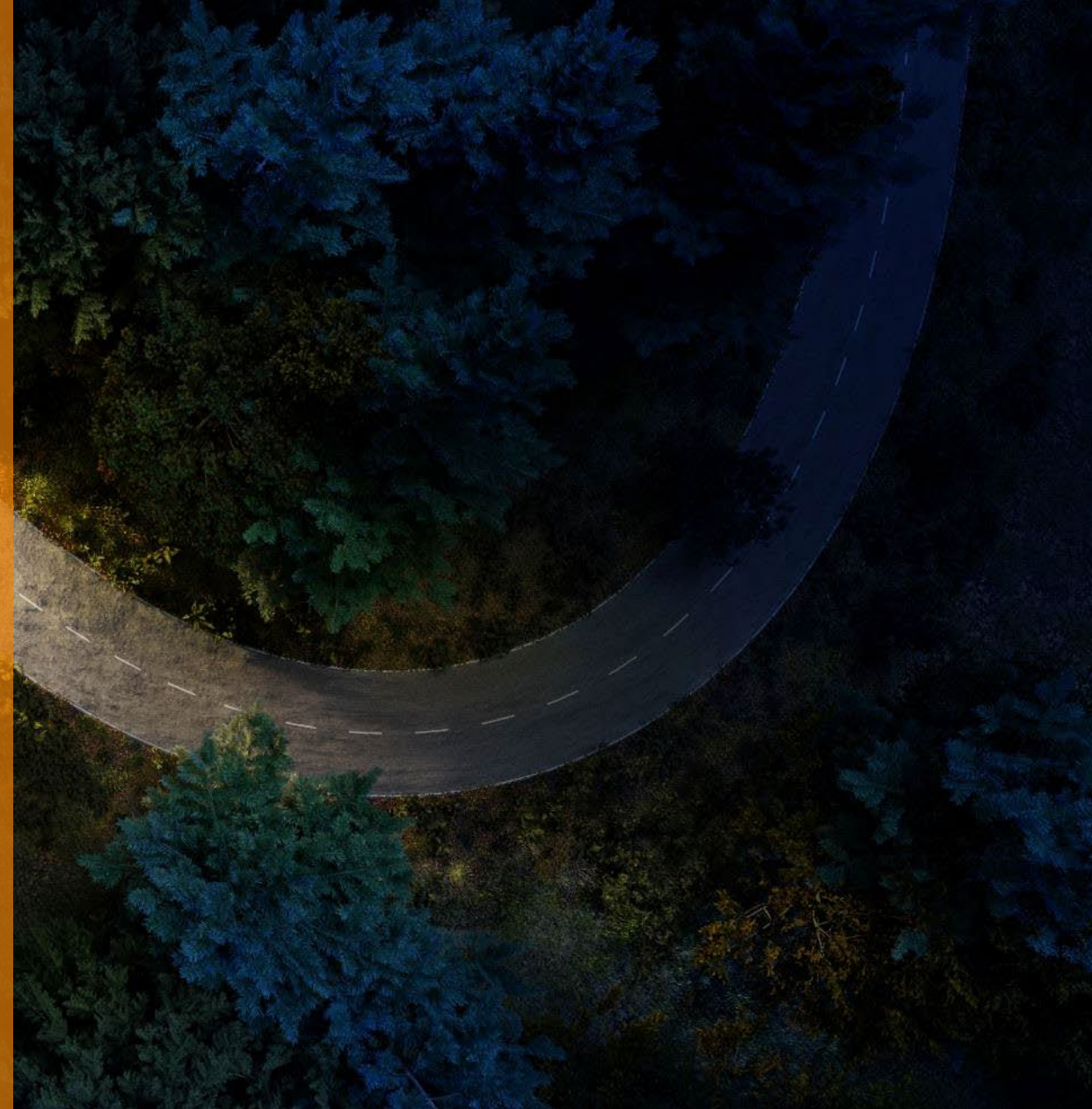
1. DECEMBER 2023 RESULTS

2. BALANCE SHEET

3. 2025 GOALS

4. CIE IN STOCK EXCHANGE

APPENDIX



1. DECEMBER 2023 RESULTS

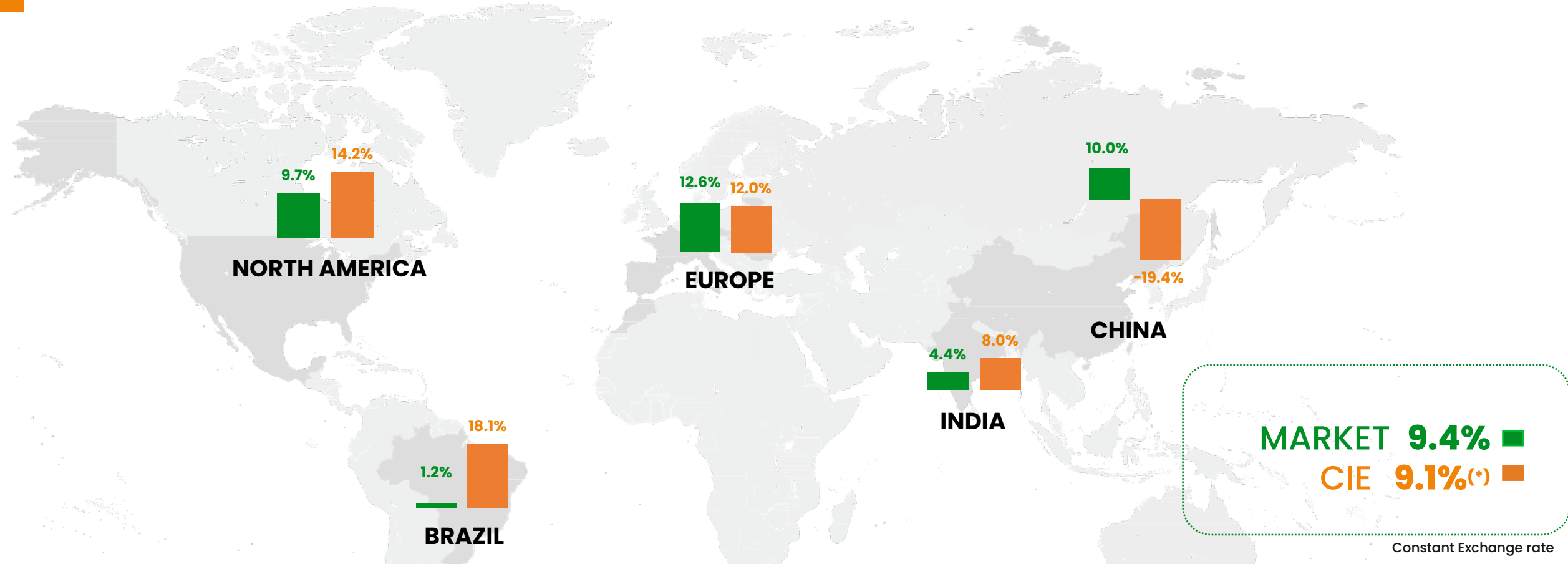
CIE AUTOMOTIVE 2023 - HIGHLIGHTS

1	TURNOVER	3,959.5 €m	+3.1% vs December 2022	CONSOLIDATED GROWTH
2	EBITDA	713.2 €m	18.0% EBITDA MARGIN vs 16.5% December 2022	STRENGTHENING OF OPERATING MARGINS
3	NET INCOME	320.2 €m	+6.7% vs December 2022	CONTINUOUS AND SUSTAINED GROWTH
4	OPERATING CASH	447.4 €m	65.0% OPERATING CASH/EBITDA	HIGH LEVEL OF CASH GENERATION
5	LIQUIDITY RESERVE	1,733 €m		STRONG LIQUIDITY POSITION WITH STRICT CASH MANAGEMENT
6	NFD/EBITDA ^(*)	1.56X	vs 1.98X December 2022	CONTINUOUS DEBT RATIOS IMPROVEMENT
7	SHARE PRICE	25.72 €	+6.9% vs December 2022	TARGET PRICE CONSENSUS 31.64 €

(*) Adjusted NFD and EBITDA data considering 50% of the Chinese JV SAMAP

1. DECEMBER 2023 RESULTS

Sales evolution 2023 vs 2022



- Raw material pass-through has had a negative impact of 3 points
- We are concentrating a higher outperformance in the growing markets

(*) Includes an adjustment of 3 points for the estimated effect that the pass-through of raw materials has had on the Group's sales.

Source: Motor vehicles production IHS February 2024 (12 months 2023) (growth % in units). Global market and Indian market weighted with CIE segment mix in India (PV, 2W, MHCV, tractor).

Note: In 2023 the companies Golde Bengaluru India Pvt Ltd. and Golde Pune Automotive India Private Ltd. have been transferred, as well as Billforge de México S de RL de CV, Somaschini International Inc, Somaschini North America LLC and Somaschini Realty LLC to India and North America respectively. This reclassification has not had significant impacts.

1. DECEMBER 2023 RESULTS

€m	31/12/2022	31/12/2023	
Turnover	3,838.6	3,959.5	+3.1%
EBITDA	633.4	713.2	+12.6%
% EBITDA/turnover	16.5%	18.0%	
EBIT	446.7	527.7	
% EBIT/turnover	11.6%	13.3%	
EBT	421.3	449.6	
Net income	300.1	320.2	+6.7%

Strong growth in all lines of results, despite the negative impact of foreign exchange currency impact and the high increase in interest rates. The solid improvement in operating margins stands out, in a highly inflationary market. EBIT >13%

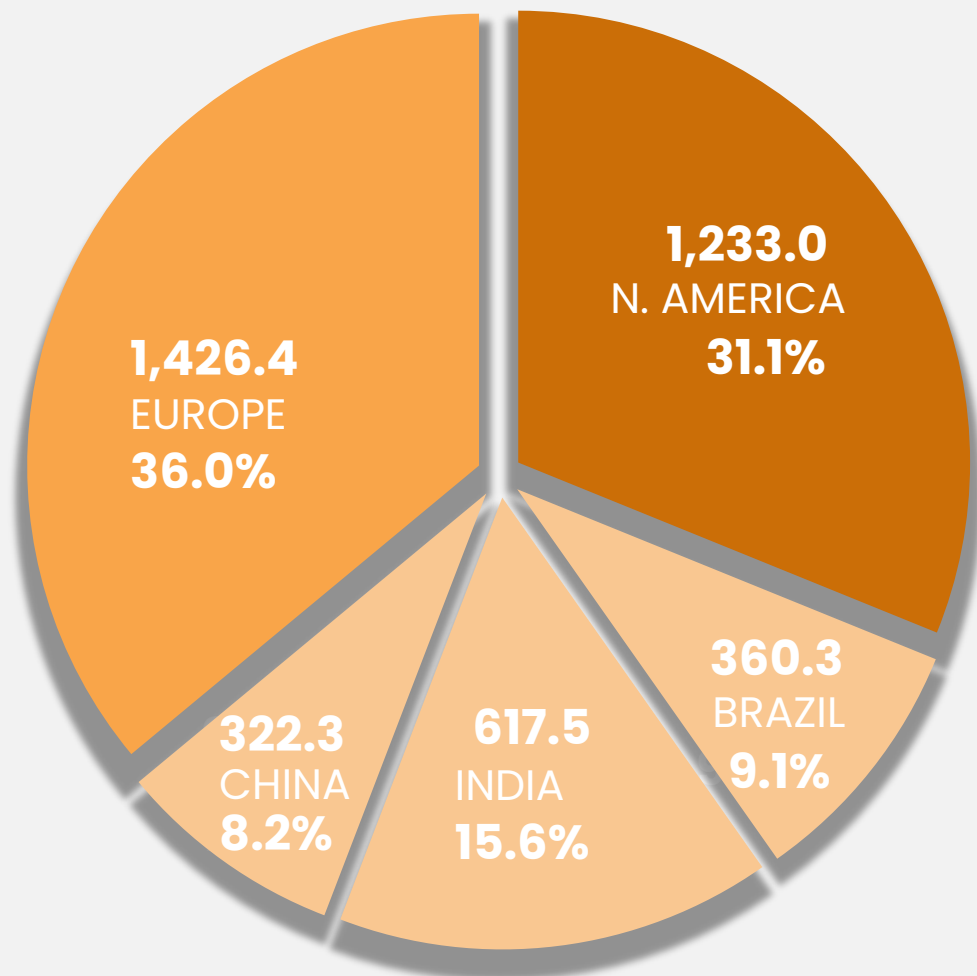
1. Q4 2023 RESULTS

€m	Q4 2022	Q4 2023
Turnover	981.4	985.0
EBITDA	146.0	176.5
% EBITDA/turnover	14.9%	17.9%
EBIT	98.7	130.6
% EBIT/turnover	10.1%	13.3%
EBT	89.7	106.3
Net income	64.6	66.7

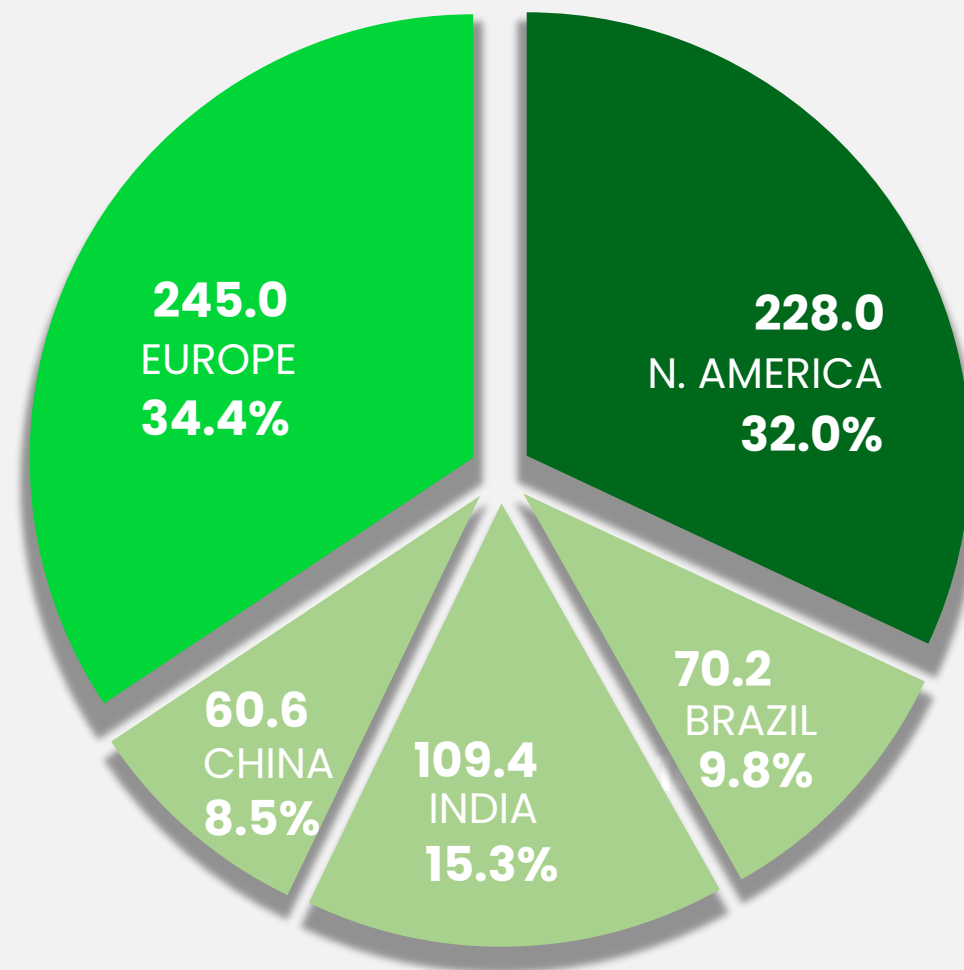
1. DECEMBER 2023 RESULTS

2023 Geographies contribution

TURNOVER



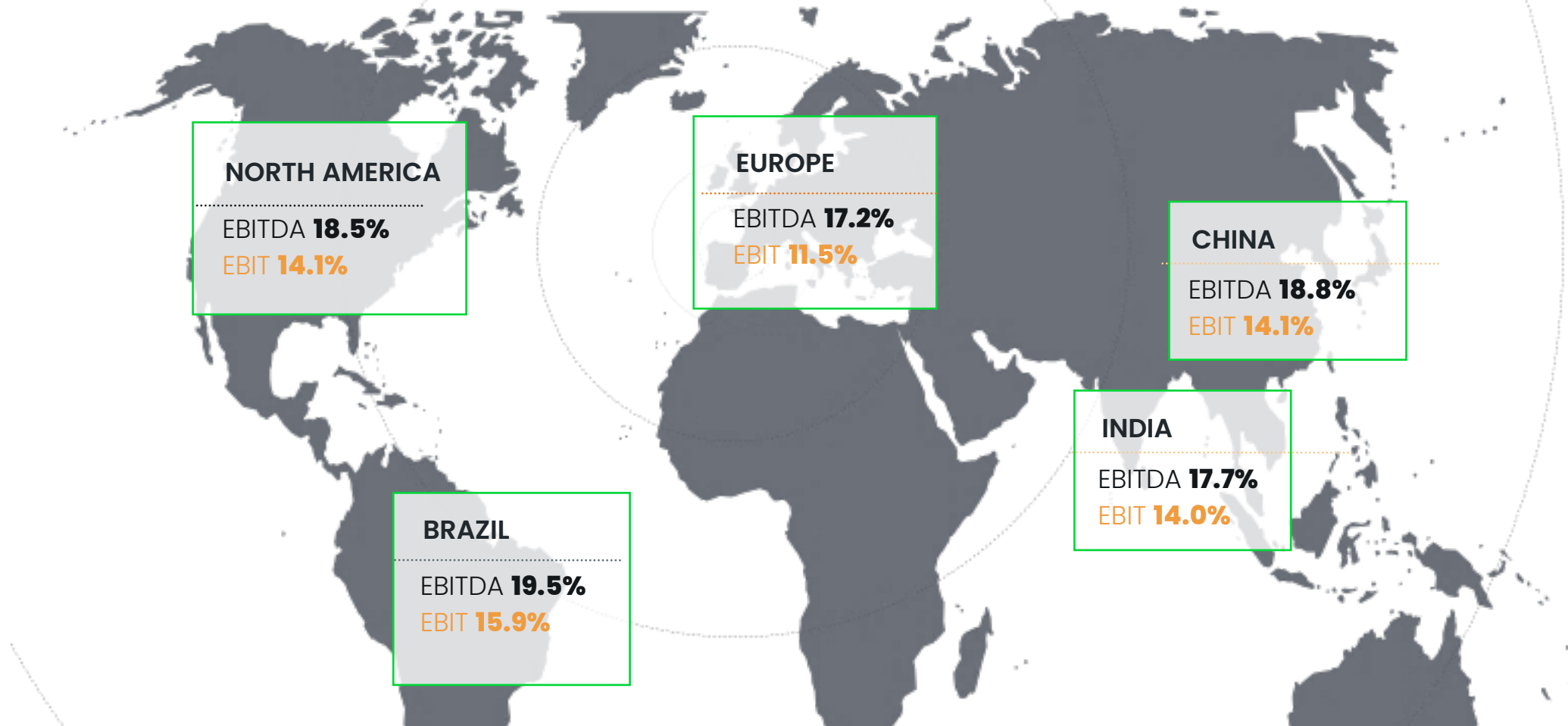
EBITDA



Data in million euro (€m)

1. DECEMBER 2023 RESULTS

2023 Geographies profitability



• All geographies contribute to CIE's success by reaching a minimum double-digit EBIT margin

** The reclassification of the companies Golde Bengaluru India Pvt Ltd. and Golde Pune Automotive India Private Ltd., as well as Billforge de Mexico S de RL de CV, Somaschini International Inc, Somaschini North America LLC and Somaschini Realty LLC to India and North America respectively, has not had significant impact on margins*

2. BALANCE SHEET

Balance sheet evolution

€m	31/12/2022	31/12/2023
Fixed assets	3,560.8	3,541.4
Net Working Capital	(501.0)	(469.7)
TOTAL NET ASSETS	3,059.8	3,071.7
Equity	1,504.6	1,661.2
Net Financial Debt	1,289.8	1,134.7
Others (net)	265.4	275.8
TOTAL NET LIABILITIES	3,059.8	3,071.7
Non-recourse factoring	324.5 €m	342.1 €m

2. BALANCE SHEET

Cash Flow December 2023

€m

EBITDA	713.2
Financial Expenses	(81.9)
Maintenance Capex	(74.4)
Tax Payments	(84.2)
IFRS16 Leases ⁽¹⁾	(25.3)
OPERATING CASH FLOW	447.4

% EBITDA⁽²⁾ **65.0%**

Growing Capex	(140.2)
Net Working Capital Variation	(45.4)
Other movements	14.7
CASH FLOW	276.5
Business combinations ⁽³⁾	(16.1)
Payment of dividends and own shares transactions	(105.3)
NFD VARIATION	155.1

(1) Payment of rental fees registered in EBITDA according to the application of IFRS16 standard.

(2) Operating Cash Flow on the value of EBITDA corrected with the effect of the IFRS16 standard.

(3) Mainly, the acquisition of the Brazilian company Iber-Oleff Brasil Ltda.

(*) Adjusted NFD and EBITDA data considering 50% of the Chinese JV SAMAP.

€m	31/12/2022	31/12/2023
NFD	1,289.8	1,134.7
Adjusted NFD ^(*)	1,270.0	1,126.5

NFD/EBITDA^(*) **1.98X** **1.56X**

Debt ratios improvement and operating financial cash flow generation with very high shareholder remuneration

2. BALANCE SHEET

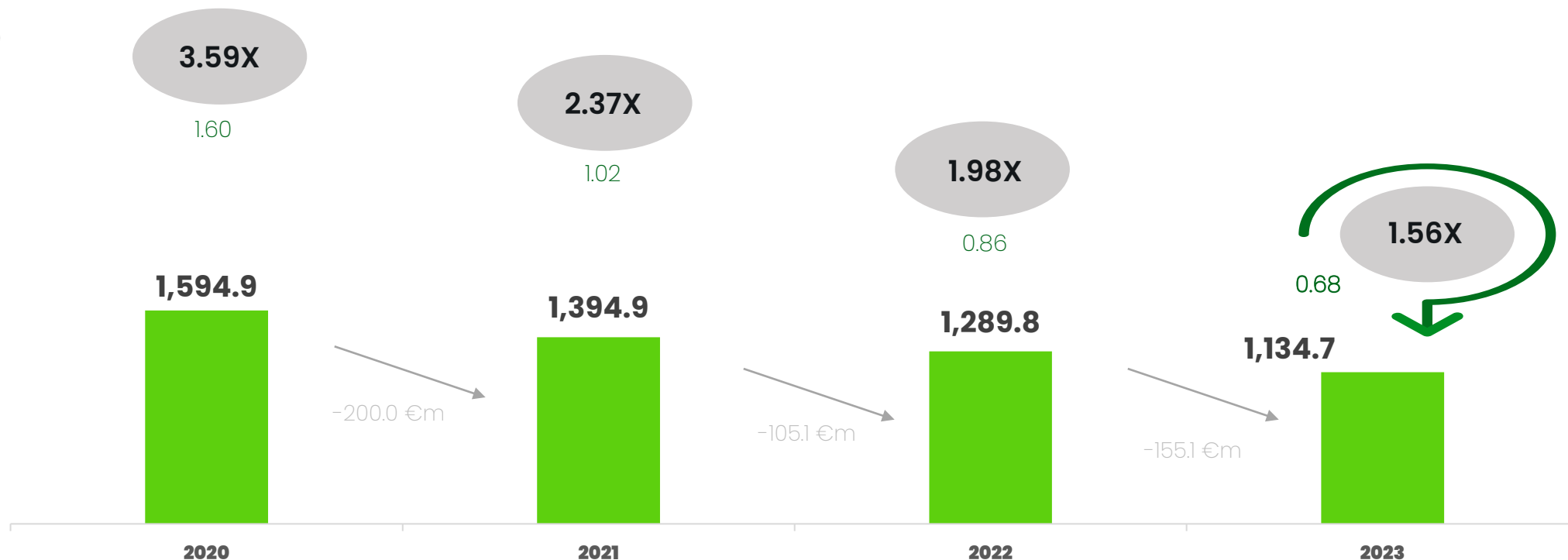
Financial position

STRENGTHENING OUR FINANCIAL POSITION

NFD/EBITDA^(*)

NFD/Equity

NFD



GFD at fixed interest rate^(**)

35%

51%

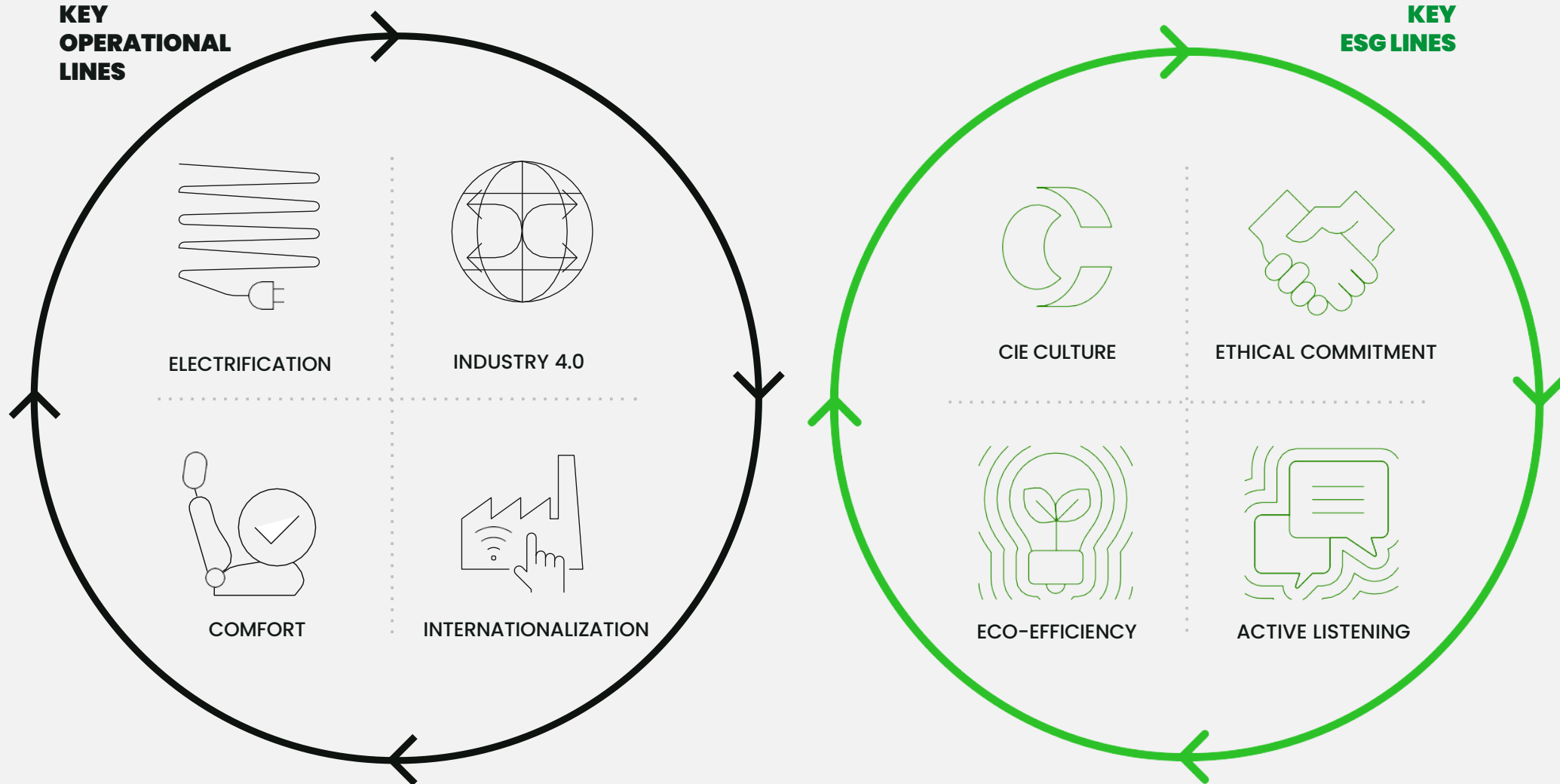
55%

(*) Adjusted NFD and EBITDA data considering 50% of the Chinese JV SAMAP

(**) Gross financial debt (GFD) at fixed interest rate

3. 2025 GOALS

Strategic Lines



3. 2025 GOALS

Progress of 2025 operational commitments

OPERATIONAL COMMITMENTS 2025

- 1 Revenue growth ≈ 20 percentage points** above market growth over the five-year period
- 2 An EBITDA margin exceeding 19% in 2025**
- 3 CAPEX of $\approx \text{€1 billion}$** over the five-year period, $\approx 5\%$ of revenue per year
- 4 Annual income tax payment of $\approx 2\%$ of revenue**
- 5 Sustained generation of cash** from operations equivalent to $\approx 65\%$ of EBITDA. **$\approx \text{€500 million}$** starting in 2025.

PROGRESS IN 2021-2023

$\approx 75\%$ of goal achieved thanks to **strong organic growth** in all geographies

$> 75\%$ of goal achieved despite **the impact of inflation** on our cost base

In line with the goal, having invested an average of **$\approx 5\%$ of sales** in these 3 years

In line with the goal, having paid corporate tax **$\approx 2\%$ of sales** in these 3 years

80% of goal achieved, having already generated **$\approx \text{€450 million}$** of operating cash **in 2023**

**The above guidance was determined considering the previous scope that included CIE Forging Europe. Revenues at constant exchange rates and without pass through effect.*

Operational commitments 2025

✓ Due to the positive evolution of the Plan and to our good perspectives for the coming years, we can confirm the maintenance of all our 2025 commitments.

Furthermore, we confirm that thanks to our cash generation capacity, **we could invest up to 1,500 €m** without exceeding 2X NFD/EBITDA at the end of the Plan. This investment may be used for **any type of corporate operation** (M&A, buy-back, purchase of minority stakes...); whichever maximizes the generation of value at any given time.

3. 2025 GOALS

ESG Commitment

	KPI:	TARGET
COMPLIANCE	• Employees trained on Code of Conduct	≥95%
FINANCE	• Compliance with sustainable financing requirements	100%
	• Published ESG financing agreements	100%
	• Gross debt (%) as sustainable financing	≥50% (68%)
INVESTOR RELATIONS	• Feedback to key ESG analysts	100%

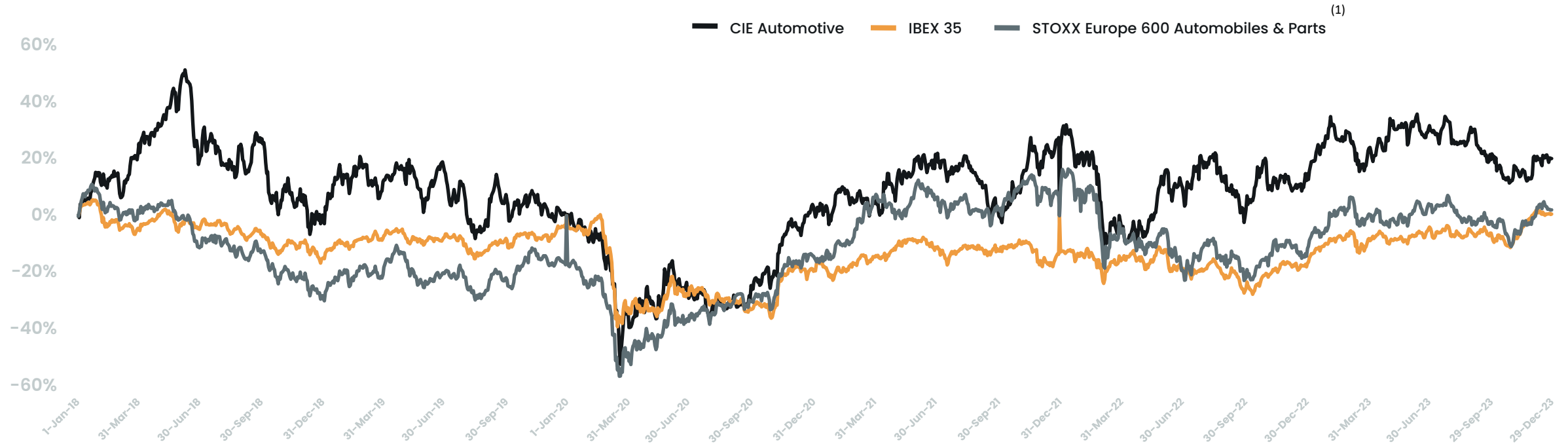
	KPI:	TARGET
SUPPLY CHAIN	• Countries purchasing processes with ESG criteria	100%
	• No. Suppliers (annual purchase volume >1€m) audited with ESG criteria	≥25% (34%)
	• % Local suppliers (by volume)	≥70% (78%)
SALES	• Self-assessed plants in NQC with score >80%	≥75% (85%)
	• Customers platforms for ESG self-assessment	100%
	• Commercial staff trained in ESG	≥80% (100%)
M&A	• Integrations with the ESG Manual application	100%

All 2023 ESG targets have been met
and several of the 2025 targets are expected to be achieved in advance

We remain committed to the 79 ESG KPIs defined in Strategic Plan 2025 for the different business areas, with specific targets and deadlines.

4. CIE IN STOCK EXCHANGE

Share Price Performance CIE Automotive



The sequence of events in recent years (pandemic, bottlenecks, war in Ukraine, etc.) has affected CIE Automotive's share price, despite its excellent quarter after quarter results, which confirm its resilience and reinforce its position as one of the most profitable and promising companies in the industry.

In 2023 CIE Automotive continued its excellent performance, but the 7% increase in the share price was lower than that of the Stoxx Auto (+19%) and the Ibex 35 (+23%).

There is a clear discrepancy between the company's outstanding value generation and its current share price. This stock market value is far away from the fundamental value of the project, a perception unanimously shared by our analysts.

(1) STOXX Europe 600 Automobiles & Parts is composed of: OEMS: BMW ST, Mercedes Benz Group, Ferrari NV, Stellantis, Porsche, Renault and Volkswagen. SUPPLIERS: Forvia, Michelin, Continental, Nokian, Plastic Omnium, Rheinmetall, Schaeffler, Valeo.

Alternative performance measurement (APMS)

PERFORMANCE MEASURES	DEFINITION
EBITDA	Net Operating Income + Depreciation
Adjusted EBITDA	Annualized EBITDA of 12 last months including 50% of the EBITDA of Chinese JV SAMAP which, 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 partner agreements reached.
Gross Financial Debt (GFD)	Debt with banks and other financial institutions.

