

Nemak reports EBITDA of US\$149 M in 1Q25

EBITDA growth of 3% year-over-year

Monterrey, Mexico, April 23, 2025. Nemak, S.A.B. de C.V. (BMV: NEMAK) (“Nemak” or the “Company”) announced today its operating and financial results for the first quarter of 2025 (“1Q25”). The following is a summary of the key figures for the period:

	First Quarter		
	2025	2024	Δ%
Volume (M. Equivalent units)	9.8	10.6	(7.3)
Revenues	1,213	1,211	0.2
EBITDA ¹	149	145	2.9
CAPEX	64	104	NA ²

US\$ Millions, except Volume

(1) EBITDA = Operating Income + Depreciation, Amortization & other Non-Cash Charges

(2) NA = Not applicable

Message from the CEO

Nemak had a solid start to the year, demonstrating consistent and resilient execution of its strategy amid evolving dynamics in the automotive industry. In the first quarter, EBITDA increased 3% year-over-year (“y-o-y”) to US\$149 million, reflecting disciplined management focused on margin improvement through operating efficiencies, cost controls, and the sustained benefit of pricing actions implemented last year. Volumes were in line with our 2025 Guidance, contributing to the overall strengthening of our financial position.

Our strong competitive position due to our product and process competence, a strong relationship with our customers, strategic presence across all major automotive markets—including the U.S.—along with our contractual framework, and specialization in aluminum components for e-mobility, structure and chassis applications “EV/SC”, and internal combustion engine “ICE” applications, provide a robust foundation. Combined with our proven contingency playbook on cost adjustments, these strengths enable us to remain agile in a dynamic macroeconomic and trade environment.

We continue to prioritize strategic flexibility underpinned by financial discipline. During the quarter, we maintained a solid liquidity position, with no significant debt maturities until 2028. This strong financial footing enhances our ability to navigate potential fluctuations in volumes and costs, even under challenging conditions.

With these results and our competitive positioning, we are confident in our ability to adapt to ongoing shifts in the industry and deliver sustainable value for all our stakeholders.

Recent Developments

- In 1Q25, Nemak secured new business worth approximately US\$90 million in annual revenue, 90% corresponding to ICE powertrain components and the remainder to the EV/SC applications segment.
- During this quarter the Company successfully launched an e-motor housing for a high-end vehicle of a premium OEM at one of our facilities in Germany, the first component of its class to be produced with Rotacast® technology.
- Nemak achieved an “A-” rating on the CDP (Carbon Disclosure Project) climate change questionnaire, for the second consecutive year.

Automotive Industry

	Millions of Units First Quarter		
	2025	2024	% Var
US Vehicle Sales SAAR ⁽¹⁾⁽²⁾	16.5	15.4	6.9
North America Vehicle Production ⁽²⁾	3.7	4.0	(7.0)
North America Nemak Customer Production ⁽²⁾	2.4	2.6	(10.9)
Europe Vehicles Sales SAAR ⁽¹⁾⁽²⁾	15.6	16.4	(4.6)
Europe Vehicle Production ⁽²⁾	3.8	4.3	(11.7)
Europe Nemak Customer Production ⁽²⁾	3.4	3.9	(11.9)

(1) SAAR = Seasonally Adjusted Annual Rate

(2) Source: Industry Analyst and Nemak estimates

In the U.S, light-vehicle demand remained robust, with SAAR reaching 16.5 million units, representing a 6.9% y-o-y increase. This growth was largely attributable to front-loaded consumer purchases ahead of potential price hikes related to proposed tariffs. In contrast, light-vehicle production in North America declined by 7.0% y-o-y to 3.7 million units, reflecting continued inventory optimization by OEMs.

In Europe, light-vehicle SAAR decreased 4.6% y-o-y to 15.6 million units, as affordability constraints and ongoing geopolitical developments influenced consumer confidence. On the supply side, regional production fell 11.7% y-o-y to 3.8 million units, as OEMs scaled back output in response to softer export demand, particularly to China and the United States, and in anticipation of tighter environmental and regulatory compliance requirements.

Financial Results Summary

	First Quarter		
	2025	2024	Δ%
Volume (M. Equivalent units)	9.8	10.6	(7.3)
Revenues	1,213	1,211	0.2
Operating Income	50	55	(9.1)
EBITDA ¹	149	145	2.9
EBITDA ¹ / Eq. Unit	15.2	13.7	10.9
Net Income	(16)	25	NA ²
CAPEX	64	104	NA ²
Net Debt ³	1,603	1,683	(4.8)

US\$ Millions, except Volume and EBITDA / Eq. Unit

(1) EBITDA = Operating Income + Depreciation, Amortization & other Non-Cash Charges

(2) NA = Not applicable

(3) Net Debt = Total Debt - Total Cash

In 1Q25, Nemak reported a volume of 9.8 million equivalent units, representing a 7.3% y-o-y decline. This decrease was primarily driven by lower vehicle production in Europe and North America, as OEMs maintained cautious inventory strategies, and continued softness in export activities, mainly in Europe.

Revenue for the quarter remained broadly stable y-o-y at US\$1,213 million, as lower volumes were offset by commercial adjustments, and higher aluminum prices.

EBITDA increased 2.9% y-o-y to US\$149 million, supported by sustained operating efficiencies, improved commercial terms, and favorable foreign exchange effects. On a per-unit basis, EBITDA reached US\$15.2 per equivalent unit, a 10.9% increase compared to the US\$13.7 recorded in 1Q24.

Operating Income totaled US\$50 million, down 9.1% y-o-y, due to a non-cash impairment charge related to certain non-operating assets, which more than offset EBITDA growth.

Nemak reported a net loss of US\$16 million for the quarter, compared to net income of US\$25 million in the same period last year. The decline was largely attributable to non-cash effect from foreign exchange balance sheet positions. Excluding the non-cash effects, adjusted net income would have reached US\$18 million.

Capital expenditures amounted to US\$64 million, a 38.5% reduction versus 1Q24, reflecting Nemak's disciplined capital allocation strategy, which emphasizes asset reutilization and higher return thresholds for new investments.

As of March 31, 2025, Nemak's net debt stood at US\$1.603 billion. Financial ratios were as follows: Net Debt to LTM EBITDA at 2.5 times, and Interest Coverage at 5.0 times. These compare to 2.8 and 4.6 times, respectively, as reported at the end of 1Q24.

Regional Results

North America

In 1Q25, revenue in North America totaled US\$641 million, reflecting a 4.1% y-o-y increase. This growth occurred despite lower volumes, supported by higher aluminum prices, improved pricing dynamics, and a more favorable product mix. EBITDA rose to US\$69 million, up 17.4% y-o-y, driven by enhanced operating efficiency and FX gains from the depreciation of the Mexican peso against the U.S. dollar.

Europe

Revenue in Europe reached US\$413 million, down 7.3% y-o-y, due to lower volumes and a less favorable product mix, partially offset by inflation-driven product price increases. EBITDA totaled US\$60 million, a 13.9% decline y-o-y, as the benefit from operating efficiencies was more than offset by reduced volume and a high comparison base stemming from prior commercial negotiations.

Rest of the World

In the Rest of the World segment, revenue rose 5.7% y-o-y to US\$158 million, supported by higher volumes and an improved product mix. EBITDA grew to US\$21 million, up 21.8% y-o-y, reflecting the combined effects of increased volume, a strengthened product offering, and ongoing operational discipline.

Methodology for presentation of results

The report presents unaudited financial information. Figures are in US dollars, and financial ratios are calculated in the same currency. Due to rounding, minor differences may occur when calculating percent changes from one period to another.

Earnings webcast information

Nemak's 1Q25 Earnings Webcast will be held on Thursday, April 24, 2025, 1:00 p.m. Eastern Time (11:00 a.m. Mexico City Time). To participate, please join the [live webcast](#). Conference ID: 965 2548 7039. If you are unable to participate, the transcript and audio recording of the event will be available on Nemak's website. For more information, please visit <https://investors.nemak.com/>

Forward-looking statements

This report may contain certain "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995. These statements are based on management's current expectations and are subject to risks, uncertainty, and changes in circumstances, which may cause actual results, performance, or achievements to differ materially from anticipated results, performance, or achievements. All statements contained herein that are not clearly historical in nature are forward-looking and the words "anticipate," "believe," "expect," "estimate," "plan," and similar expressions are generally intended to identify forward-looking statements. Nemak is under no obligation (and expressly disclaims any such obligation) to update or alter its forward-looking statements whether as a result of new information, future events, or otherwise.

About Nemak

Nemak is a leading provider of innovative lightweighting solutions for the global automotive industry, specializing in the development and manufacturing of aluminum components for e-mobility, structure & chassis, and ICE powertrain applications. In 2024, it generated revenue of US\$4.9 billion. For more information about Nemak, please visit nemak.com/

Nemak
Income Statement
Millions of Dollars

	For the first quarter of:		
	2025	2024	% Var.
Volume (million equivalent units)	9.8	10.6	(7.3)
Total revenues	1,213	1,211	0.2
Gross profit	135	141	(4.3)
Sales & administrative expenses	(81)	(90)	(10.0)
Other income (expenses) net	(5)	4	NA ²
Operating Income	50	55	(9.1)
Interest Expenses	(28)	(30)	(7.4)
Interest Income	1	2	(26.9)
Foreign exchange gain (loss)	(29)	13	NA ²
Financing expenses net	(56)	(15)	NA ²
Participation in associates results	0	1	NA ²
Income Tax	(11)	(15)	(26.7)
Net Income	(16)	25	NA ²

	2025	2024	% Var.
Operating Income	50	55	(9.1)
Depreciation, Amortization & Other Non-Cash items	100	90	11.1
EBITDA ¹	149	145	2.9
CAPEX	64	104	(38.5)

(1) EBITDA = Operating Income + Depreciation, Amortization & other Non-Cash items

(2) Not applicable

Nemak
Balance Sheet
Millions of Dollars

Assets	Mar-25	Dec-24	% Var
Cash and cash equivalents	299	342	(12.6)
Accounts receivable	593	579	2.4
Inventories	842	821	2.6
Other current assets	44	30	46.7
Total current assets	1,778	1,773	0.3
Investments in shares	27	27	0.0
Property, plant and equipment, net	2,818	2,814	0.1
Other assets	658	626	5.1
Total assets	5,282	5,240	0.8

Liabilities & stockholders' equity	Mar-25	Dec-24	% Var
Bank loans	61	69	NA ¹
Current maturities of long-term debt	31	33	(6.1)
Interest payable	18	11	63.6
Operating liabilities	1,512	1,542	(1.9)
Total current liabilities	1,622	1,655	(2.0)
Long-term debt	1,787	1,756	1.8
Labor liabilities	95	91	4.4
Other long term-liabilities	86	83	3.6
Total liabilities	3,590	3,585	0.1
Total stockholders' equity	1,691	1,656	2.1
Total liabilities & stockholders' equity	5,282	5,240	0.8

(1) Not applicable

Nemak Regional Results

Millions of Dollars

For the first quarter of:

Volume (million equivalent units)	2025	2024	% Var.
North America	5.0	5.2	(3.4)
Europe	3.3	3.9	(16.5)
Rest of World	1.5	1.4	3.2
Total	9.8	10.6	(7.3)

Total Revenues*	2025	2024	% Var.
North America	641	616	4.1
Europe	413	446	(7.3)
Rest of World	158	150	5.7
Total	1,213	1,211	0.2

EBITDA ¹	2025	2024	% Var.
North America	69	58	17.4
Europe	60	70	(13.9)
Rest of World	21	17	21.8
Total	149	145	2.9

EBITDA ¹ Margin in %	2025	2024	% Var.
North America	11%	9%	12.8
Europe	15%	16%	(7.2)
Rest of World	13%	11%	15.2
Total	12%	12%	2.7

EBITDA ¹ USD/Equivalent units	2025	2024	% Var.
North America	13.6	11.2	21.6
Europe	18.3	17.8	3.0
Rest of World	13.9	11.8	18.0
Total	15.2	13.7	10.9

(1) EBITDA = Operating Income + Depreciation, Amortization & other Non-Cash items

* To external customers