



4Q20 Results

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Agenda



- 4Q20 Highlights
- Financial Overview
- 2021 Guidance



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FORWARD-LOOKING STATEMENT

This presentation contains forward-looking information based on numerous variables and assumptions that are inherently uncertain. They involve judgments with respect to, among other things, future economic, competitive and financial market conditions and future business decisions, all of which are difficult or impossible to predict accurately. Accordingly, actual results are likely to vary from those set forth in this presentation.

Successfully managing the COVID-19 pandemic



Best practices across operations

Focus on Health and Safety



Efforts to support business continuity



- Operational efficiencies to optimize costs and expenses
- Use of credit lines to reinforce liquidity position



Record-breaking results in the second half of the year

Steady industry recovery since June 2020



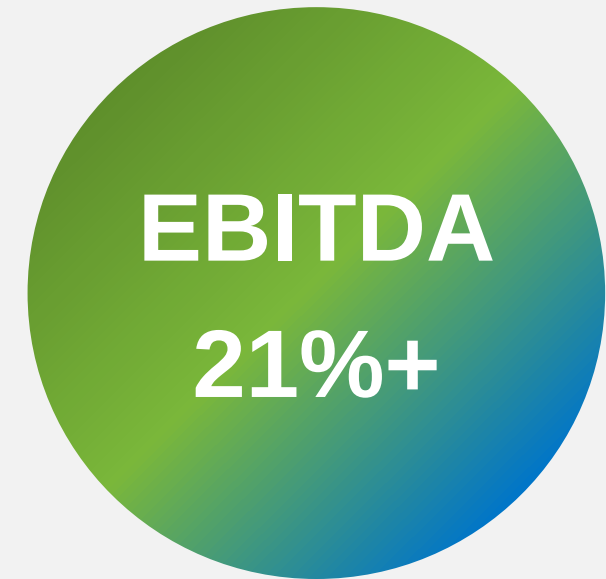
- North America and Europe volume close to pre-COVID levels
- Positive industry trends in China



Solid recovery in second half of 2020



- First half impacted by pandemic
- Second half:
 - Stronger customer demand
 - Cost reduction efforts



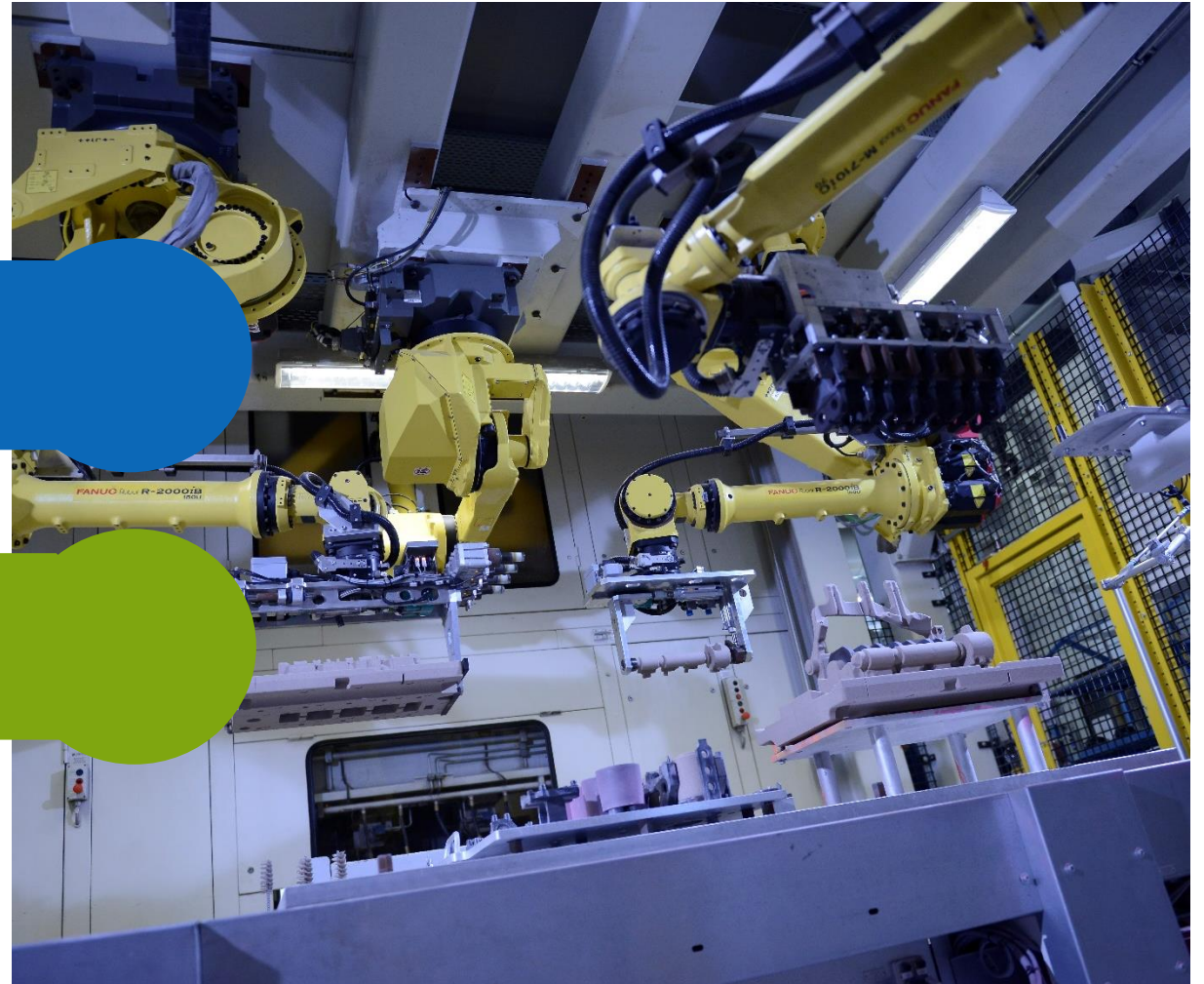
Best-ever EBITDA per eq. unit

Deleveraging efforts in the fourth quarter



Repaid most credit lines drawn during pandemic

Similar Net Debt level vs 2019



Supporting our customers' lightweighting and electrification strategies



Secured new contract to develop and produce battery housings for iconic, full-electric premium vehicle

2020 order book in e-mobility and structural applications



- ~US\$850 million in annual revenue

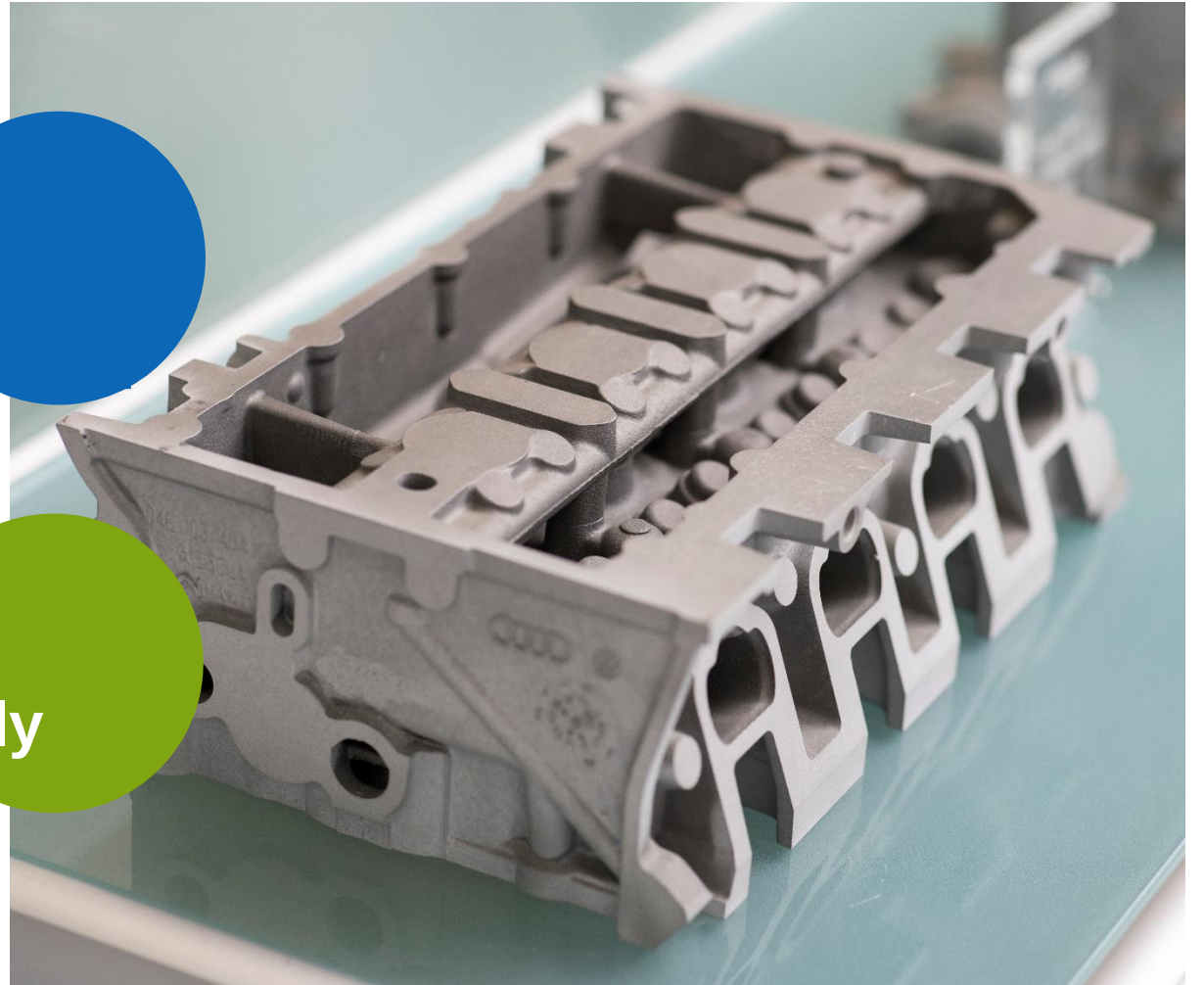


Positive developments on the powertrain side



New contracts for blocks and cylinder heads in all regions

Incremental business with Asian OEM worth ~US\$80 million annually



A male worker in a blue long-sleeved uniform shirt and safety glasses is focused on his work. He is wearing white work gloves and using a pneumatic tool to work on a large, white, multi-compartment metal casting. The setting is a modern industrial factory with various equipment, including a blue coiled air hose in the foreground and a machine with safety labels in the background. The lighting is bright and industrial.

New contracts across our product lines in 2020

~US\$700 million
annually

Important industry recognitions



GENERAL MOTORS

“Supplier of the Year”



VOLKSWAGEN
GROUP

“Launch of the Year”

Increased activity in e-mobility and structural applications across our regions



Mustang Mach-E in North America

New all-electric sedan in Asia

Battery housings for plug-in hybrid EVs in Europe



New sales prospects in e-mobility and structural applications



New business
opportunities worth
+US\$1B annually

We made continued progress on our sustainability journey in 2020



Member of
**Dow Jones
Sustainability Indices**
Powered by the S&P Global CSA

WE SUPPORT



**S&P Dow Jones
Indices**

A Division of **S&P Global**



FTSE4Good

We continue driving value creation, now as a fully independent company



Better positioned to
capitalize on demand
for sustainable mobility
solutions

Financial Results

North America and Europe showed overall recovery trend in second half

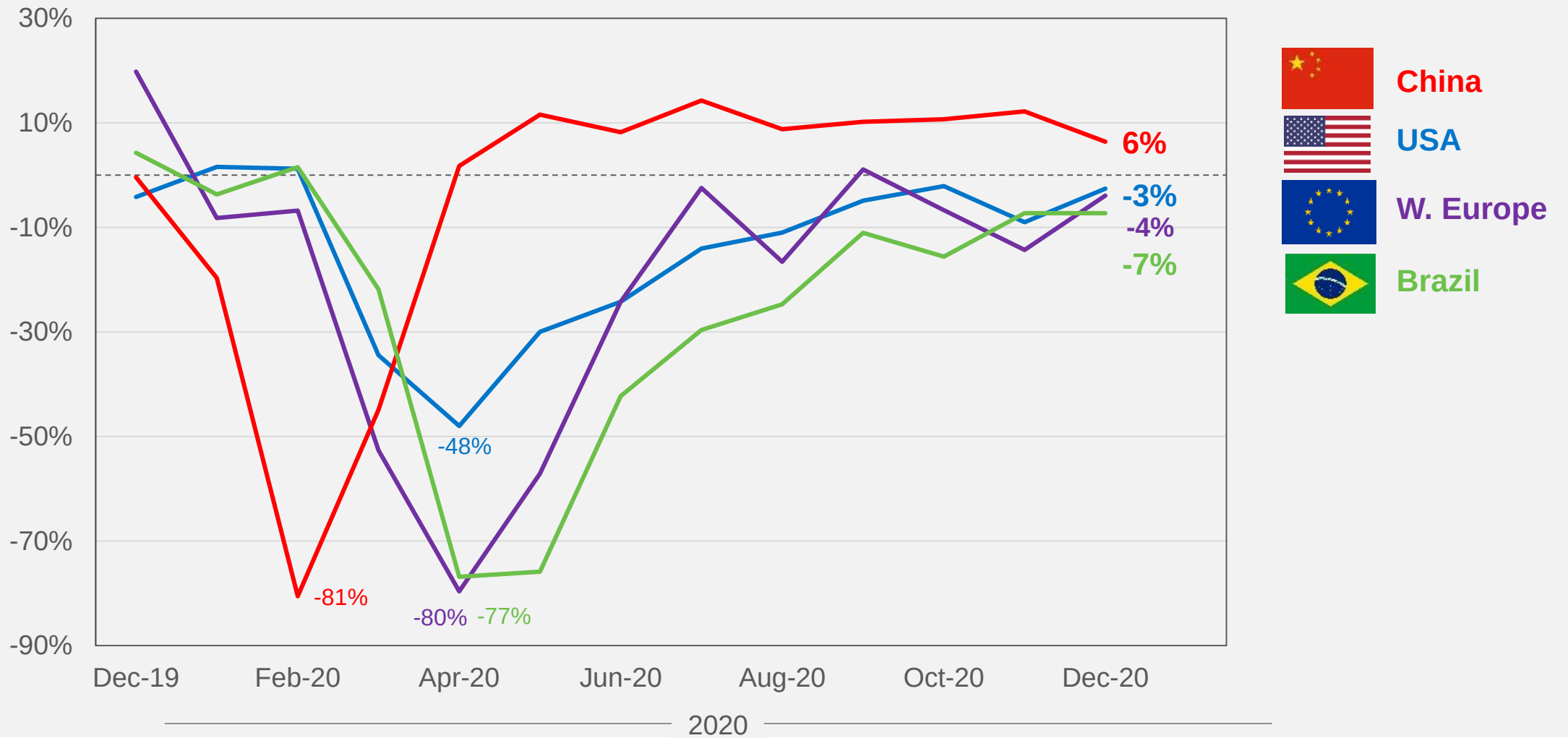


- Improvement in light-vehicle sales and production
- Better economic conditions



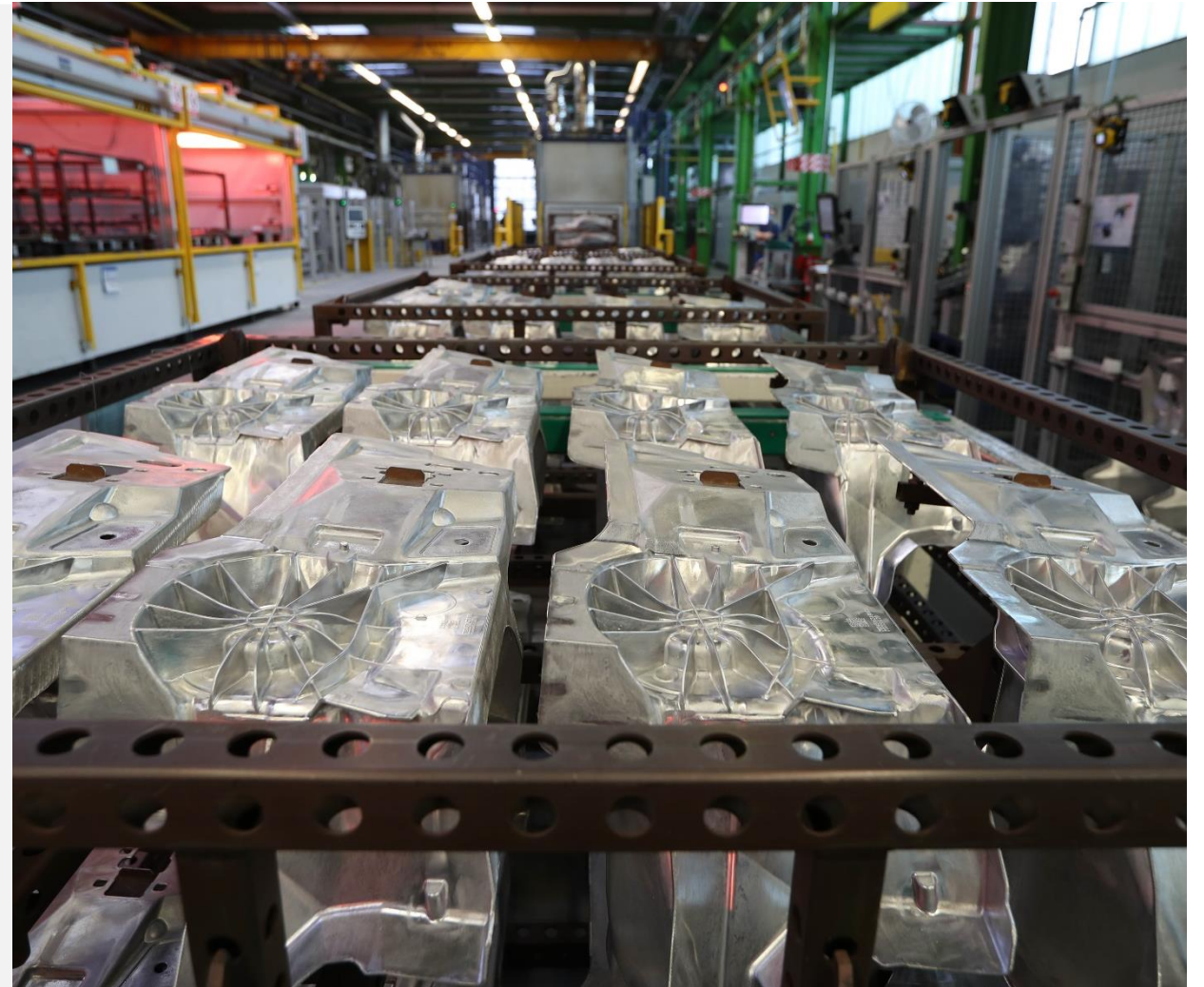
Overall recovery trend in our main markets

Vehicle SAAR (Y-o-y Change)



Nemak's volume performance similar to industry

- Volume close to pre-pandemic levels in 2H
- Increased customer demand in China



Improved financial performance in quarter



Restructuring initiatives
implemented in the first
half of the year

Sustainable cost structure improvements



- COGS and SG&A reductions for the second half
- ~US\$250 million in cost savings for the year

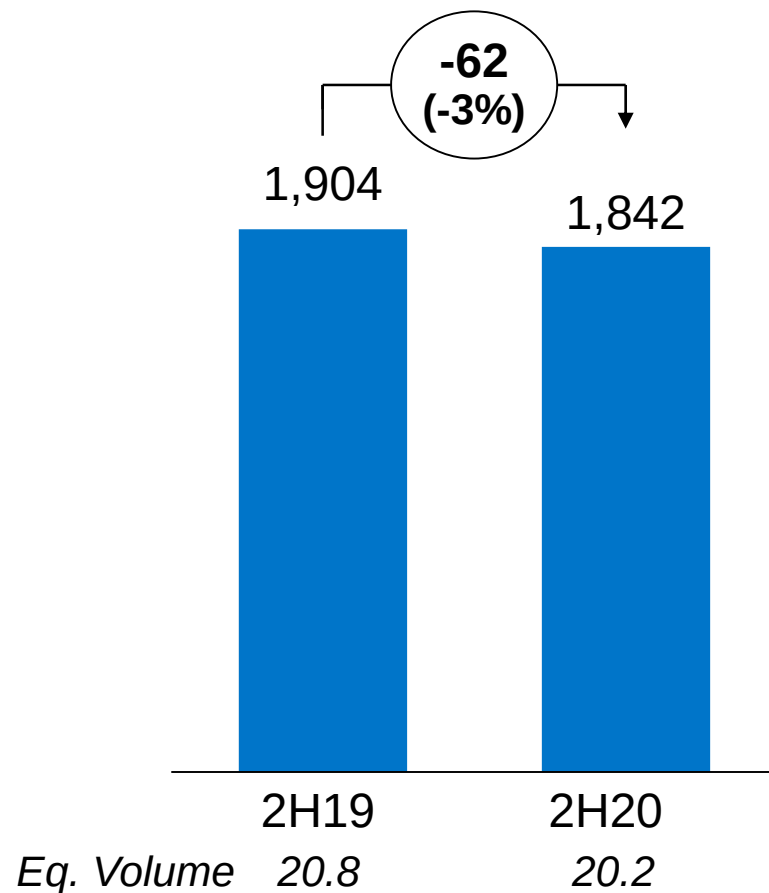


A large portion of recent efficiencies are sustainable over mid-to-long term

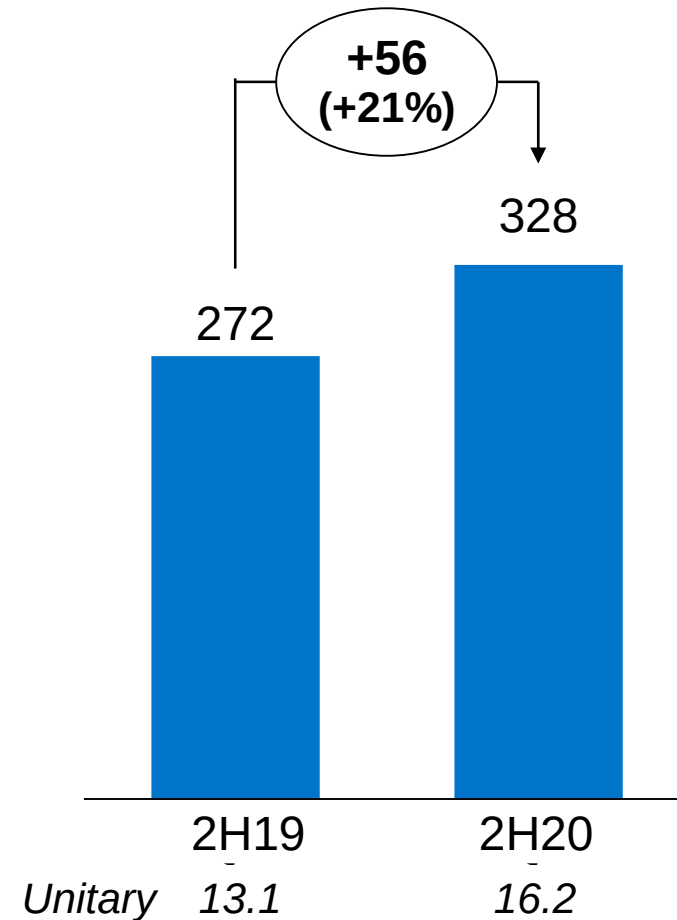
2H20 Global Results



Revenue (M USD)



EBITDA (M USD)

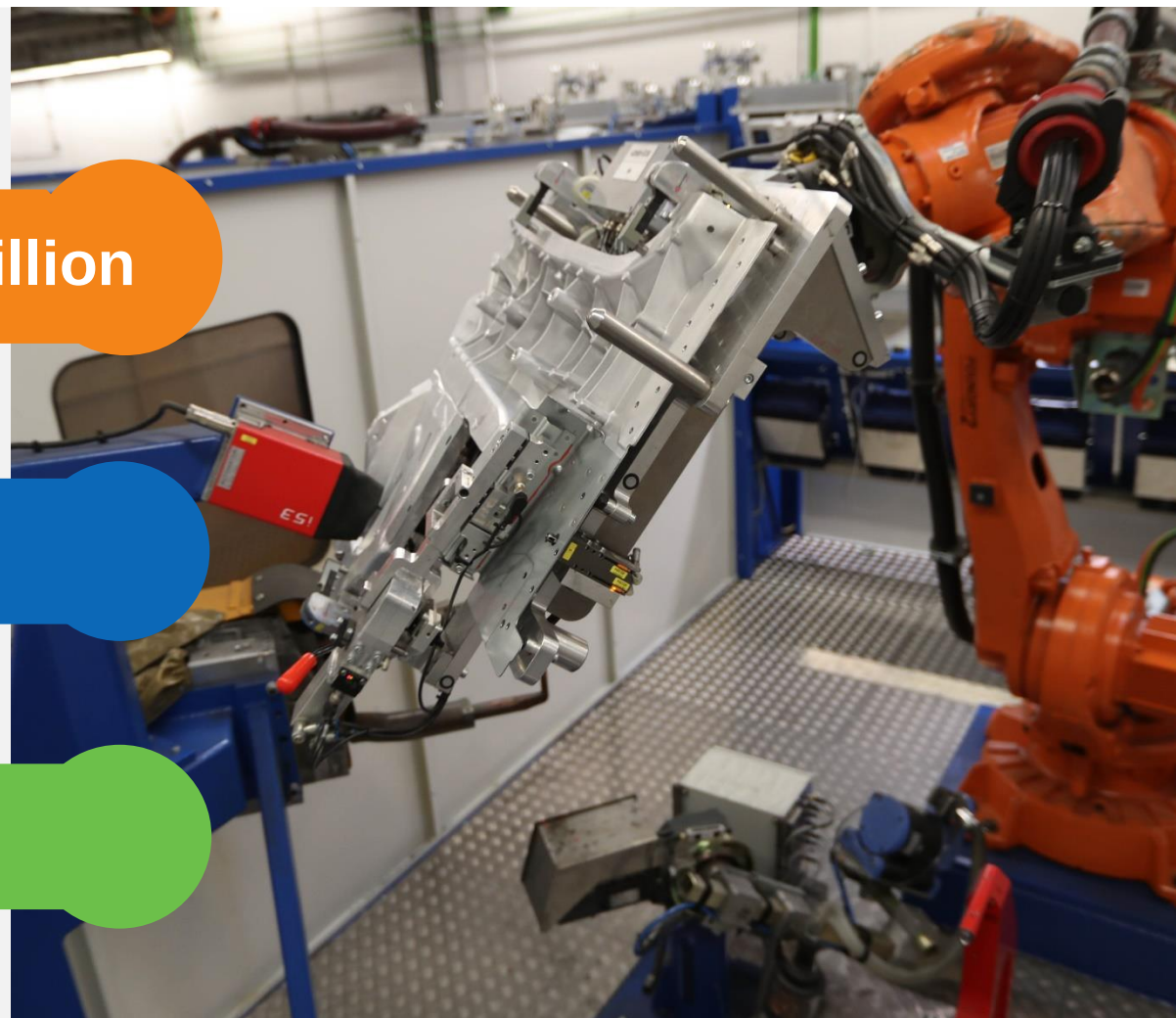


Positive free cash flow generation in second half

Operating Cash Flow: ~US\$280 million

Net debt: US\$1.2 billion

CAPEX: US\$130 million



Repaid most credit lines drawn during the pandemic

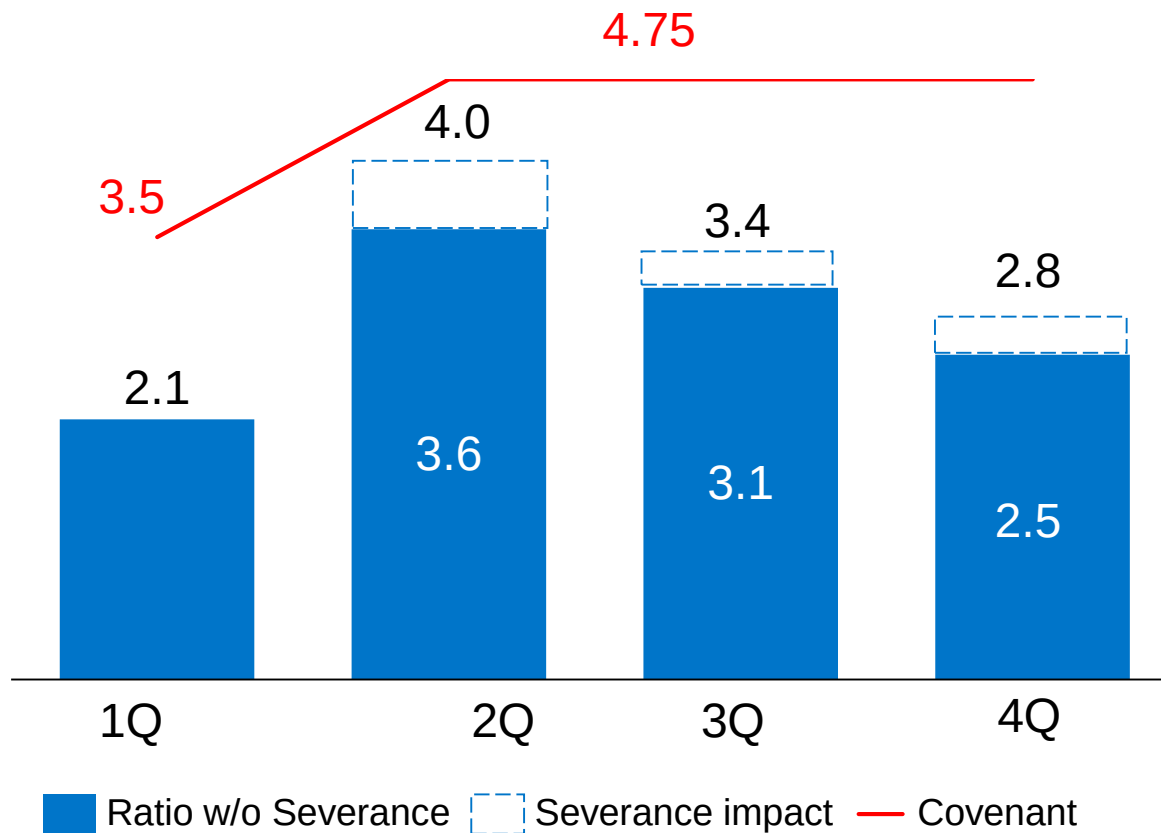


- Repaid ~US\$530 million



Focus on reducing leverage

Net Debt / EBITDA (LTM base, times)



- Net Leverage at 2.8x
 - 2.5x excluding severance

Working to bring our leverage ratio back down to pre-pandemic levels



By 4Q, we had more than US\$800 million in committed and uncommitted credit lines available

Summary of regional results 4Q20



Revenues	4Q20	4Q19	% Var.
North America	464	490	(5.3)
Europe	360	339	6.2
Rest of World	123	112	9.8
Total	946	941	0.5

EBITDA	4Q20	4Q19	% Var.
North America	77	68	13.2
Europe	64	56	14.3
Rest of World	8	9	(11.1)
Total	150	133	12.8

2021 Outlook

Capturing new opportunities in e-mobility and structural applications



Best in class performance

Lean and agile organization

Flexible approach to investing



2021 Guidance

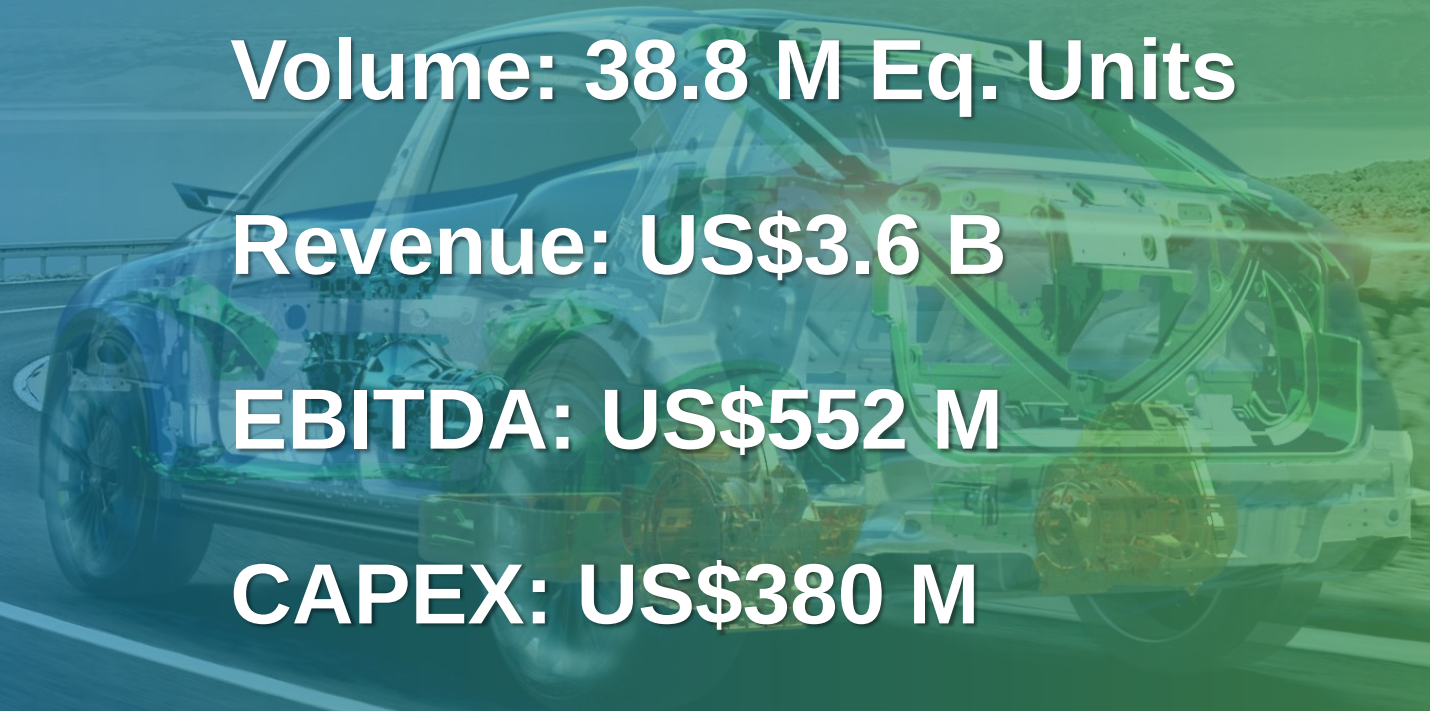


Volume: 38.8 M Eq. Units

Revenue: US\$3.6 B

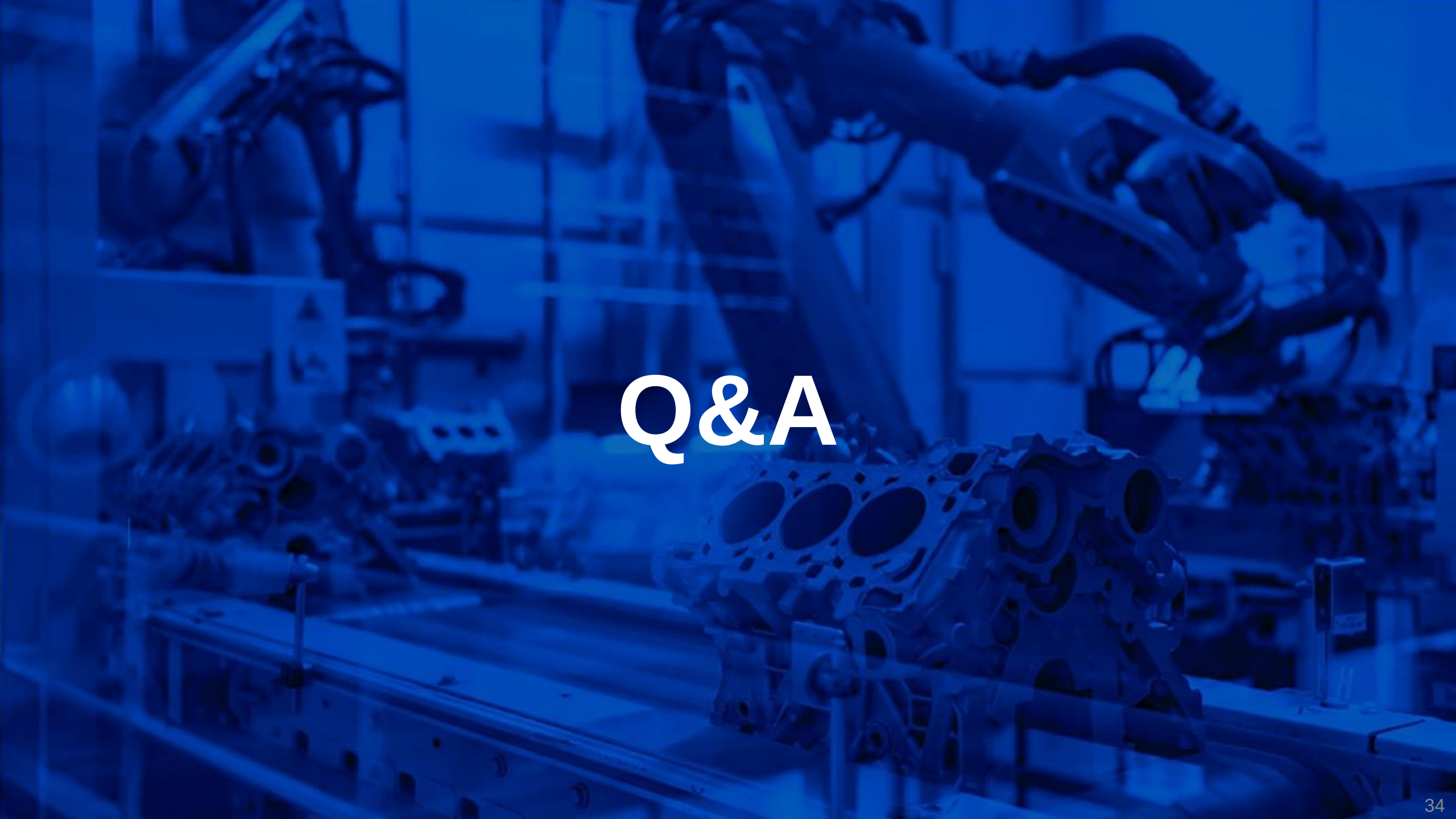
EBITDA: US\$552 M

CAPEX: US\$380 M

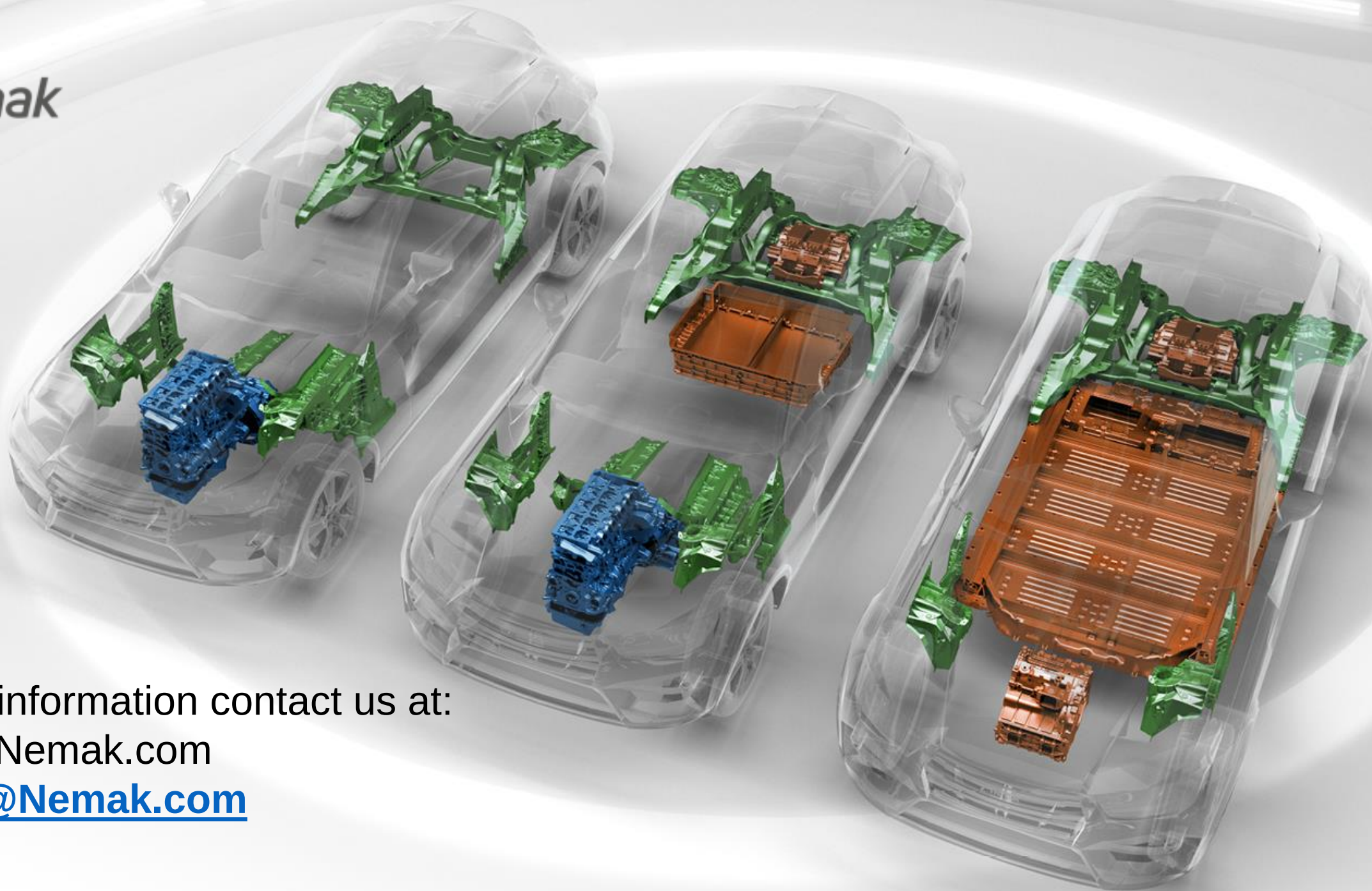




Stronger groundwork to capture lightweighting and electrification opportunities

A blue-tinted photograph of an industrial manufacturing environment. In the foreground, a large, complex metal engine block is mounted on a workbench. In the background, a robotic arm is visible, positioned to work on another engine component. The scene is filled with industrial machinery and structural elements.

Q&A



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