


# MARTINREA INTERNATIONAL INC.

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## REPORT TO SHAREHOLDERS

## FOR THE THIRD QUARTER ENDING SEPTEMBER 30, 2026

# THIRD QUARTER REPORT

September 30, 2026

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## MESSAGE TO SHAREHOLDERS

The Company had a solid third quarter, including Adjusted Operating Income Margin of 5.6% which was up 10 basis points year over year, as reflected in the attached materials. Our Company continues to improve, driving our One Martinrea culture. Our financial position remains very strong and our future is bright.

We thank you for your ongoing support as we work hard to build our company and your company.

(Signed) *"Rob Wildeboer"*

Rob Wildeboer
Executive Chairman

# PRESS RELEASE

**FOR IMMEDIATE RELEASE**
**November 12, 2026**

## MARTINREA INTERNATIONAL INC. REPORTS THIRD QUARTER RESULTS AND DECLARES DIVIDEND

Toronto, Ontario – Martinrea International Inc. (TSX : MRE), a diversified and global automotive supplier engaged in the design, development and manufacturing of highly engineered, value-added Lightweight Structures and Propulsion Systems, today announced the release of its financial results for the third quarter ended September 30, 2026, and declared a quarterly cash dividend of $0.05 per share.

### THIRD-QUARTER HIGHLIGHTS

- Total sales of $1,181.9 million, production sales of $1,098.8 million.
- Diluted net earnings per share of $0.38 and Adjusted Net Earnings per Share[(1)] of $0.52.
- Adjusted EBITDA[(1)] of $144.9 million, 12.3% of total sales.
- Adjusted Operating Income Margin[(1)] of 5.6%.
- Free Cash Flow[(1)] (excluding principal payments of IFRS 16 lease liabilities) of $58.5 million.
- Net Debt-to-Adjusted EBITDA[(1)] ratio, excluding the impact of IFRS 16, ended the third quarter at 1.56x, down from 1.63x at the end of the second quarter.
- New business awards worth approximately $160 million in annualized sales at mature volumes; new business awards over the last 12 months total approximately $565 million in annualized sales.
- Quarterly cash dividend of $0.05 per share declared.
- 2026 outlook reaffirmed.

### OVERVIEW

Pat D'Eramo, Chief Executive Officer, stated: "We are pleased with our performance in the third quarter, with Adjusted Operating Income[(1)] and Adjusted EBITDA[(1)], improving year over year, both on an absolute and a percentage of sales basis. We continue to drive operating improvements across the organization, which is offsetting current industry dynamics, allowing us to generate solid margins. We are managing what's in our control, and pursuing growth opportunities in a prudent and profitable manner. In automotive, we are seeing opportunities from program extensions and takeover work from financially troubled or underperforming suppliers, as well as from OEMs localizing production to North America. Outside of automotive, we are off to a great start with our TruNorth Kaizen consulting business, having recently expanded the scope of our contract with Raytheon to help accelerate throughput on the Tomahawk cruise missile. We believe that the relationships we forge through TruNorth could eventually lead to opportunities to participate as a tier 1 supplier supporting prime defence contractors in the United States. We are also seeing strong growth in our Industrial business, both with traditional customers and products, and from diversifying into new sectors, including power generation and storage for data centres."

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[1] The Company prepares its financial statements in accordance with IFRS Accounting Standards ("IFRS"). However, the Company considers certain non-IFRS financial measures as useful additional information in measuring the financial performance and condition of the Company. These measures, which the Company believes are widely used by investors, securities analysts and other interested parties in evaluating the Company's performance, do not have a standardized meaning prescribed by IFRS and therefore may not be comparable to similarly titled measures presented by other publicly traded companies, nor should they be construed as an alternative to financial measures determined in accordance with IFRS. Non-IFRS measures, included anywhere in this press release, include "Adjusted Net Income", "Adjusted Net Earnings per Share (on a basic and diluted basis)", "Adjusted Operating Income", "Adjusted EBITDA", "Free Cash Flow", "Free Cash Flow (after IFRS 16 lease payments)" and "Net Debt". The relevant IFRS financial measure, as applicable, and a reconciliation of certain non-IFRS financial measures to measures determined in accordance with IFRS are contained in the Company's Management Discussion and Analysis for the three and nine months ended September 30, 2026 and in this press release.

Fred Di Tosto, President, stated: “I am pleased to announce that we have been awarded new business representing approximately $160 million in annualized sales at mature volumes, consisting of approximately $95 million in various structural components in our Lightweight Structures commercial group with Ford, Mercedes-Benz, and BMW; approximately $10 million in our Propulsion Systems commercial group with Stellantis; and approximately $55 million in our Flexible Manufacturing Group with Caterpillar, John Deere, Volvo Truck, General Dynamics, and General Motors. This includes an award for Caterpillar worth $50 million in annualized sales for energy storage units used in data centres, and a smaller contract with General Dynamics to supply components for armoured vehicles. New business awards during the last twelve months total approximately $565 million in annualized sales, representing our highest level of award activity in several years.”

He continued: “While Adjusted Operating Income in Europe was positive in the third quarter, and expected break even on a full-year basis in 2026 subject to obtaining certain volume-related recoveries from our customers in the fourth quarter, it has become apparent that more structural changes are needed to return the operating segment to historical levels of profitability. We are therefore planning deep restructuring activity for Europe. These actions are expected to include workforce reductions, centralization of certain administrative activities, vertical integration opportunities, and a review of underperforming operations. With these measures, we expect these actions to contribute to improved financial results in Europe beginning in 2027.”

Peter Cirulis, Chief Financial Officer, stated: “Operationally, the third quarter played out largely as expected, with our financial results up year over year, and consistent with our full-year 2026 outlook. Sales (excluding tooling sales of $83.1 million) were $1,098.8 million, Operating Income was $64.2 million, and Adjusted Operating Income[(1)] was $66.7 million. Adjusted Operating Income Margin[(1)] of 5.6% was up 10 basis points year over year, as operating improvements and commercial recoveries offset the flow-through impact of lower vehicle production volumes and higher aluminum costs. Net Debt-to-Adjusted EBITDA[(1)] (excluding IFRS-16 lease liabilities) ended the quarter at 1.56x, down from 1.63x over the prior quarter. We are reaffirming our 2026 outlook, which calls for total sales of $4.5 to $4.9 billion, Adjusted Operating Income Margin[(1)] of 5.5% to 6.0%, and Free Cash Flow[(1)] of $125 to $175 million.”

Rob Wildeboer, Executive Chairman, stated: “Our third quarter results demonstrate that operational improvements and cost discipline are offsetting lower industry volumes and cost pressures. At the same time, we are simplifying the portfolio, strengthening the balance sheet, and directing capital toward higher-return opportunities in North America, including in industrial markets and defence, while returning capital to shareholders through dividends and share repurchases. We completed several notable divestitures in recent months, including: (1) an 85% equity stake in our Fluids plant in China, (2) a 100% equity stake in our Aluminum plant in Brazil, and (3) a 95% equity stake in our Aluminum facility in China. We also sold our facility in Shelbyville, Kentucky, which was idled following the end of production of the Ford Escape program at the end of last year. Collectively, these asset dispositions will generate approximately $107 million of consideration net of transaction costs, with approximately $60 million expected to be collected this calendar year and the remainder paid out over the next three years, strengthening our balance sheet. We repurchased approximately 941,000 shares under our normal course issuer bid during the third quarter for $9.3 million. Year to date, we repurchased 4.1% of our outstanding shares for $31.2 million. On behalf of the executive management team, we would like to thank our people for their hard work and commitment, as well as our shareholders and other stakeholders for their ongoing support.”

## RESULTS OF OPERATIONS

All amounts in this press release are in Canadian dollars, unless otherwise stated; and all tabular amounts are in thousands of Canadian dollars, except earnings per share and number of shares.

Additional information about the Company, including the Company’s Management Discussion and Analysis of Operating Results and Financial Position for the three and nine months ended September 30, 2026 (“MD&A”), the Company’s interim condensed consolidated financial statements for the three and nine months ended September 30, 2026 (the “interim financial statements”) and the Company’s Annual Information Form for the year ended December 31, 2025 can be found on the Company’s profile at www.sedarplus.ca.

## OVERALL RESULTS

Results of operations may include certain items which have been separately disclosed, where appropriate, in order to provide a clear assessment of the underlying Company results. In addition to IFRS Accounting Standards ("IFRS") measures, management uses non-IFRS measures in the Company’s disclosures that it believes provide the most appropriate basis on which to evaluate the Company’s results.

The following tables set out certain highlights of the Company's performance for the three and nine months ended September 30, 2026 and 2025. Refer to the Company's interim financial statements for the three and nine months ended September 30, 2026 for a detailed account of the Company's performance for the periods presented in the tables below.

| | Three months ended September 30, 2026 | Three months ended September 30, 2025 | $ Change | % Change |
|---|---|---|---|---|
| Sales | $ 1,181,949 | $ 1,190,801 | (8,852) | (0.7%) |
| Gross Margin | 156,763 | 169,972 | (13,209) | (7.8%) |
| Operating Income | 64,243 | 62,485 | 1,758 | 2.8% |
| Net Income for the period | 26,827 | 35,762 | (8,935) | (25.0%) |
| Net Earnings per Share - Basic and Diluted | $ 0.38 | $ 0.49 | (0.11) | (22.4%) |
| **Non-IFRS Measures*** | | | | |
| Adjusted Operating Income | $ 66,682 | $ 64,996 | 1,686 | 2.6% |
| *% of Sales* | *5.6 %* | *5.5 %* | | |
| Adjusted EBITDA | 144,921 | 140,400 | 4,521 | 3.2% |
| *% of Sales* | *12.3 %* | *11.8 %* | | |
| Adjusted Net Income | 36,582 | 37,730 | (1,148) | (3.0%) |
| Adjusted Net Earnings per Share - Basic and Diluted | $ 0.52 | $ 0.52 | - | 0.0 % |

| | Nine months ended September 30, 2026 | Nine months ended September 30, 2025 | $ Change | % Change |
|---|---|---|---|---|
| Sales | $ 3,507,927 | $ 3,634,567 | (126,640) | (3.5%) |
| Gross Margin | 474,987 | 506,106 | (31,119) | (6.1%) |
| Operating Income | 185,832 | 179,928 | 5,904 | 3.3% |
| Net Income for the period | 97,807 | 91,327 | 6,480 | 7.1% |
| Net Earnings per Share - Basic and Diluted | $ 1.38 | $ 1.25 | 0.13 | 10.4% |
| **Non-IFRS Measures*** | | | | |
| Adjusted Operating Income | $ 199,039 | $ 213,042 | (14,003) | (6.6%) |
| *% of Sales* | *5.7 %* | *5.9 %* | | |
| Adjusted EBITDA | 429,818 | 446,707 | (16,889) | (3.8%) |
| *% of Sales* | *12.3 %* | *12.3 %* | | |
| Adjusted Net Income | 112,294 | 115,005 | (2,711) | (2.4%) |
| Adjusted Net Earnings per Share - Basic and Diluted | $ 1.59 | $ 1.58 | 0.01 | 0.6% |

***Non-IFRS Measures**

The Company prepares its interim financial statements in accordance with IFRS. However, the Company considers certain non-IFRS financial measures as useful additional information in measuring the financial performance and condition of the Company. These measures, which the Company believes are widely used by investors, securities analysts and other interested parties in evaluating the Company's performance, do not have a standardized meaning prescribed by IFRS and therefore may not be comparable to similarly titled measures presented by other publicly traded companies, nor should they be construed as an alternative to financial measures determined in accordance with IFRS. Non-IFRS measures include "Adjusted Net Income", "Adjusted Net Earnings per Share (on a basic and diluted basis)", "Adjusted Operating Income", "Adjusted EBITDA", "Free Cash Flow", "Free Cash Flow (after IFRS 16 lease payments)", and "Net Debt".

The following tables provide a reconciliation of IFRS "Net Income" to Non-IFRS "Adjusted Net Income", "Adjusted Operating Income" and "Adjusted EBITDA":

| | Three months ended September 30, 2026 | Three months ended September 30, 2025 |
|---|---|---|
| Net Income | $ 26,827 | $ 35,762 |
| Adjustments, after tax* | 9,755 | 1,968 |
| Adjusted Net Income | $ 36,582 | $ 37,730 |

| | Nine months ended September 30, 2026 | Nine months ended September 30, 2025 |
|---|---|---|
| Net Income | $ 97,807 | $ 91,327 |
| Adjustments, after tax* | 14,487 | 23,678 |
| Adjusted Net Income | $ 112,294 | $ 115,005 |

**Adjustments are explained in the "Adjustments to Net Income" section of this Press Release*

| | Three months ended September 30, 2026 | Three months ended September 30, 2025 |
|---|---|---|
| Net Income | $ 26,827 | $ 35,762 |
| Income tax expense | 13,539 | 9,865 |
| Other finance expense | 848 | 245 |
| Share of loss of equity investments | 496 | 662 |
| Finance expense | 13,351 | 15,951 |
| Adjustments, before tax* | 11,621 | 2,511 |
| Adjusted Operating Income | $ 66,682 | $ 64,996 |
| Depreciation of property, plant and equipment and right-of-use assets | 76,250 | 73,049 |
| Amortization of development costs | 2,193 | 2,179 |
| Loss (gain) on disposal of property, plant and equipment | (204) | 176 |
| Adjusted EBITDA | $ 144,921 | $ 140,400 |

| | Nine months ended September 30, 2026 | Nine months ended September 30, 2025 |
|---|---|---|
| Net Income | $ 97,807 | $ 91,327 |
| Income tax expense | 35,935 | 32,984 |
| Other finance expense | 1,153 | 4,221 |
| Share of loss of equity investments | 2,208 | 1,997 |
| Finance expense | 41,445 | 49,399 |
| Adjustments, before tax* | 20,491 | 33,114 |
| Adjusted Operating Income | $ 199,039 | $ 213,042 |
| Depreciation of property, plant and equipment and right-of-use assets | 224,491 | 227,366 |
| Amortization of development costs | 6,550 | 5,988 |
| Loss (gain) on disposal of property, plant and equipment | (262) | 311 |
| Adjusted EBITDA | $ 429,818 | $ 446,707 |

**Adjustments are explained in the "Adjustments to Net Income" section of this Press Release*

**SALES**

***Three months ended September 30, 2026 to three months ended September 30, 2025 comparison***

| | Three months ended September 30, 2026 | Three months ended September 30, 2025 | $ Change | % Change |
|---|---|---|---|---|
| North America | $ 936,385 | $ 912,455 | 23,930 | 2.6% |
| Europe | 232,091 | 247,552 | (15,461) | (6.2%) |
| Rest of the World | 16,871 | 34,866 | (17,995) | (51.6%) |
| Eliminations | (3,398) | (4,072) | 674 | 16.6% |
| Total Sales | $ 1,181,949 | $ 1,190,801 | (8,852) | (0.7%) |

The Company's consolidated sales for the third quarter of 2026 decreased by $8.9 million or 0.7% to $1,181.9 million as compared to $1,190.8 million for the third quarter of 2025. The total decrease in sales was driven by year-over-year decreases in the Europe and Rest of the World operating segments, partially offset by a year-over-year increase in North America.

Sales for the third quarter of 2026 in the Company's North America operating segment increased by $23.9 million or 2.6% to $936.4 million from $912.5 million for the third quarter of 2025. The operations acquired from Lyseon North America Inc. ("Lyseon"), which have been consolidated with the Company's results since October 20, 2025, contributed $15.8 million of year-over-year sales to the North America operating segment. Excluding the acquired operations, third quarter sales in North America increased by $8.1 million or 0.9%. The increase was attributed to an increase in tooling sales of $65.9 million, which

are typically dependent on the timing of tooling construction and final acceptance by the customer; the impact of foreign exchange on the translation of U.S. denominated production sales, which had a positive impact on overall sales for the third quarter of 2026 of $16.4 million; higher year-over-year OEM production volumes on certain platforms, including General Motors' large pick-up truck and SUV platforms, an aluminum engine block for Ford, a transmission for the ZF Group, the Toyota Tacoma, Nissan Pathfinder and Rogue, and General Motors' Equinox/Terrain; and the launch and ramp up of new programs, including General Motors' new electric vehicle platform (Chevrolet Bolt), and Volvo's new electric vehicle platform (EX90). These positive factors were partially offset by lower year-over-year OEM production volumes on certain light vehicle platforms, including the Jeep Grand Cherokee and Wagoneer, General Motors' electric vehicle platforms (BEV3/BET), the Lucid Air, the Ford Mustang Mach E, and Mercedes' electric vehicle platform (EVA2); and programs that ended production during or subsequent to the third quarter of 2025, specifically the Ford Escape, and a program with Mercedes. Overall third quarter industry-wide OEM light vehicle production volumes in North America decreased by approximately 3% year-over-year.

Sales for the third quarter of 2026 in the Company's Europe operating segment decreased by $15.5 million or 6.2% to $232.1 million from $247.6 million for the third quarter of 2025. The decrease was due to lower year-over-year OEM production volumes on certain platforms, including aluminum engine blocks for Ford and Mercedes, the Lucid Air, Mercedes' electric vehicle platform (EVA2), and a transmission for the ZF Group; and a decrease in tooling sales of $12.2 million, which are typically dependent on the timing of tooling construction and final acceptance by the customer. These negative factors were partially offset by higher year-over-year OEM production volumes on certain platforms, including Jaguar Land Rover; and the impact of foreign exchange on the translation of Euro denominated production sales, which had a positive impact on overall sales for the third quarter of 2026 of $3.0 million. Overall third quarter industry-wide OEM light vehicle production volumes remained largely unchanged in Europe year-over-year.

Sales for the third quarter of 2026 in the Company's Rest of the World operating segment decreased by $18.0 million or 51.6% to $16.9 million from $34.9 million in the third quarter of 2025. The decrease was largely driven by lower year-over-year production volumes with BMW, and Jaguar Land Rover; the absence of sales from programs associated with the operations disposed of in China and Brazil; and a decrease in tooling sales of $2.1 million.

Overall tooling sales increased by $51.5 million (including outside segment sales eliminations) to $83.1 million for the third quarter of 2026 from $31.6 million for the third quarter of 2025.

***Nine months ended September 30, 2026 to nine months ended September 30, 2025 comparison***

| | Nine months ended September 30, 2026 | Nine months ended September 30, 2025 | $ Change | % Change |
|---|---|---|---|---|
| North America | $ 2,729,125 | $ 2,777,876 | (48,751) | (1.8%) |
| Europe | 725,885 | 771,557 | (45,672) | (5.9%) |
| Rest of the World | 73,877 | 100,433 | (26,556) | (26.4%) |
| Eliminations | (20,960) | (15,299) | (5,661) | (37.0%) |
| Total Sales | $ 3,507,927 | $ 3,634,567 | (126,640) | (3.5%) |

The Company's consolidated sales for the nine months ended September 30, 2026 decreased by $126.6 million or 3.5% to $3,507.9 million as compared to $3,634.6 million for the nine months ended September 30, 2025. The total decrease in sales was driven by year-over-year decreases across all operating segments.

Sales for the nine months ended September 30, 2026 in the Company's North America operating segment decreased by $48.8 million or 1.8% to $2,729.1 million from $2,777.9 million for the nine months ended September 30, 2025. The operations acquired from Lyseon, which have been consolidated with the Company's results since October 20, 2025, contributed $45.1 million of year-over-year sales to the North America operating segment. Excluding the acquired operations, sales for the nine months ended September 30, 2026 in North America decreased by $93.8 million or 3.4%. The decrease was due to programs that ended production during or subsequent to the corresponding period of 2025, specifically the Ford Escape, and a program with Mercedes; lower year-over-year OEM production volumes on certain light vehicle platforms, including General Motors' electric vehicle platforms (BEV3/BET), the Ford Mustang Mach E, Mercedes' electric vehicle platform (EVA2), and the Lucid Air; and the impact of foreign exchange on the translation of U.S. denominated production sales, which had a negative impact on overall sales for the nine months ended September 30, 2026 of $29.2 million. These negative factors were partially offset by an increase in tooling sales of $50.6 million, which are typically dependent on the timing of tooling construction and final acceptance by the customer; higher year-over-year OEM production volumes on certain platforms, including General Motors' large pick-up truck and SUV platforms, Nissan Pathfinder and Rogue, a transmission for the ZF Group, the Jeep Grand Cherokee and Wagoneer, General Motors' Equinox/Terrain, the Toyota Tacoma, and an aluminum engine block for Ford; and the launch and ramp up of new programs, including Volvo's new electric vehicle platform (EX90), and General Motors' new electric vehicle platform (Chevrolet Bolt). Overall industry-wide OEM light vehicle production volumes during the nine months ended September 30, 2026 decreased in North America by approximately 2% year-over-year.

Sales for the nine months ended September 30, 2026 in the Company's Europe operating segment decreased by $45.7 million or 5.9% to $725.9 million from $771.6 million for the nine months ended September 30, 2025. The decrease was attributed to

lower year-over-year OEM production volumes on certain platforms, including an aluminum engine block for Mercedes, the Lucid Air, Mercedes' electric vehicle platform (EVA2), Volkswagen's new electric vehicle platform (PPE), and a transmission for the ZF Group; and a decrease in tooling sales of $22.6 million, which are typically dependent on the timing of tooling construction and final acceptance by the customer. These negative factors were partially offset by the impact of foreign exchange on the translation of Euro denominated production sales, which had a positive impact on overall sales for the nine months ended September 30, 2026 of $28.4 million; and higher year-over-year OEM production volumes of certain platforms, including Jaguar Land Rover, and an aluminum engine block for Ford. Overall industry-wide OEM light vehicle production volumes during the nine months ended September 30, 2026 increased in Europe by approximately 1% year-over-year.

Sales for the nine months ended September 30, 2026 in the Company's Rest of the World operating segment decreased by $26.6 million or 26.4% to $73.9 million from $100.4 million for the nine months ended September 30, 2025. The decrease was largely driven by lower year-over-year production volumes with BMW, Mercedes, and Jaguar Land Rover; the absence of sales from programs associated with the operations disposed of in China and Brazil; and a decrease in tooling sales of $8.7 million.

Overall tooling sales increased by $9.8 million (including outside segment sales eliminations) to $160.4 million for the nine months ended September 30, 2026 from $150.5 million for the nine months ended September 30, 2025.

## GROSS MARGIN

***Three months ended September 30, 2026 to three months ended September 30, 2025 comparison***

| | Three months ended September 30, 2026 | Three months ended September 30, 2025 | $ Change | % Change |
|---|---|---|---|---|
| Gross margin | $ 156,763 | $ 169,972 | (13,209) | (7.8%) |
| % of Sales | 13.3 % | 14.3 % | | |

The gross margin percentage for the third quarter of 2026 of 13.3% decreased as a percentage of sales by 1.0% as compared to the gross margin percentage for the third quarter of 2025 of 14.3%. The decrease in gross margin as a percentage of sales was generally due to overall lower production sales volume and corresponding contribution; partially offset by productivity and efficiency improvements at certain operating facilities and other improvements, and lower year-over-year indirect costs incurred in production.

***Nine months ended September 30, 2026 to nine months ended September 30, 2025 comparison***

| | Nine months ended September 30, 2026 | Nine months ended September 30, 2025 | $ Change | % Change |
|---|---|---|---|---|
| Gross margin | $ 474,987 | $ 506,106 | (31,119) | (6.1%) |
| % of Sales | 13.5% | 13.9% | | |

The gross margin percentage for the nine months ended September 30, 2026 of 13.5% decreased as a percentage of sales by 0.4% as compared to the gross margin percentage for the nine months ended September 30, 2025 of 13.9%. The decrease in gross margin as a percentage of sales was generally due to overall lower production sales volume and corresponding contribution; partially offset by productivity and efficiency improvements at certain operating facilities and other improvements, and lower year-over-year indirect costs incurred in production.

## ADJUSTMENTS TO NET INCOME

Adjusted Net Income excludes certain items as set out in the following tables and described in the notes thereto. Management uses Adjusted Net Income as a measurement of operating performance of the Company and believes that, in conjunction with IFRS measures, it provides useful information about the financial performance and condition of the Company.

**TABLE A**

***Three months ended September 30, 2026 to three months ended September 30, 2025 comparison***

| | Three months ended September 30, 2026 | Three months ended September 30, 2025 | $ Change |
|---|---|---|---|
| **NET INCOME** | **$ 26,827** | **$ 35,762** | **$ (8,935)** |
| Adjustments: | | | |
| Restructuring costs (1) | 2,439 | 2,511 | (72) |
| Loss on disposal of foreign operations (2) | 9,182 | - | 9,182 |
| **ADJUSTMENTS, BEFORE TAX** | **$ 11,621** | **$ 2,511** | **$ 9,110** |
| Tax impact of adjustments (2) | (1,866) | (543) | (1,323) |
| **ADJUSTMENTS, AFTER TAX** | **$ 9,755** | **$ 1,968** | **$ 7,787** |
| **ADJUSTED NET INCOME** | **$ 36,582** | **$ 37,730** | **$ (1,148)** |
| Number of Shares Outstanding – Basic ('000) | 69,697 | 72,788 | |
| Adjusted Net Earnings Per Share - Basic | $ 0.52 | $ 0.52 | |
| Number of Shares Outstanding – Diluted ('000) | 69,702 | 72,788 | |
| Adjusted Net Earnings Per Share - Diluted | $ 0.52 | $ 0.52 | |

**TABLE B**

***Nine months ended September 30, 2026 to nine months ended September 30, 2025 comparison***

| | Nine months ended September 30, 2026 | Nine months ended September 30, 2025 | $ Change |
|---|---|---|---|
| **NET INCOME** | **$ 97,807** | **$ 91,327** | **$ 6,480** |
| Adjustments: | | | |
| Restructuring costs (1) | 13,207 | 33,114 | (19,907) |
| Loss on disposal of foreign operations (2) | 7,284 | - | 7,284 |
| **ADJUSTMENTS, BEFORE TAX** | **$ 20,491** | **$ 33,114** | **$ (12,623)** |
| Tax impact of adjustments (2) | (6,004) | (9,436) | 3,432 |
| **ADJUSTMENTS, AFTER TAX** | **$ 14,487** | **$ 23,678** | **$ (9,191)** |
| **ADJUSTED NET INCOME** | **$ 112,294** | **$ 115,005** | **$ (2,711)** |
| Number of Shares Outstanding – Basic and Diluted ('000) | 70,640 | 72,788 | |
| Adjusted Net Earnings Per Share - Basic and Diluted | $ 1.59 | $ 1.58 | |

**(1) Restructuring costs**

Additions to the restructuring provision during the three and nine months ended September 30, 2026 totalled $2.4 million and $13.2 million, respectively, and represent employee-related severance resulting from the rightsizing of certain operations in North America ($1.1 million and $10.2 million), and Europe ($1.3 million and $3.0 million).

Additions to the restructuring provision during the three and nine months ended September 30, 2025 totalled $2.5 million and $33.1 million, respectively, and represent employee-related severance resulting from the rightsizing of certain operations in North America ($1.9 million and $8.0 million), and Europe ($0.6 million and $25.1 million).

**(2) Disposal of foreign operations**

On June 1, 2026, the Company disposed 85% of its equity interest in one of its plants in China for CNY ¥5.5 million ($1.1 million). Subsequent to this transaction, the Company derecognized the net assets of the disposed entity and recognized a total gain on disposal of $1.6 million, including a $0.2 million loss that represents the difference between the aggregate fair value of the proceeds to be received and the carrying amount of the net assets disposed of, including costs related to the sale; and $1.8 million reclassification of cumulative foreign currency translation gains

from accumulated other comprehensive income to profit or loss. This disposal of foreign operation resulted in a tax impact of $1.6 million that was recognized during the nine months ended September 30, 2026.

On August 24, 2026, the Company sold 100% of its equity interest in its plant in Brazil for proceeds of BRL $55.0 million ($11.8 million). As a result of the transaction, the Company derecognized the net assets of the entity and recognized a total loss on disposal of $8.9 million, including a $10.9 million gain that represents the difference between the aggregate fair value of total consideration and the carrying amount of the net assets disposed of, including costs related to the sale; and $19.8 million reclassification of cumulative foreign currency translation losses from accumulated other comprehensive income to profit or loss. This disposal of foreign operation resulted in a tax impact of $1.3 million that was recognized during the three and nine months ended September 30, 2026.

**NET INCOME**

***Three months ended September 30, 2026 to three months ended September 30, 2025 comparison***

| | Three months ended September 30, 2026 | Three months ended September 30, 2025 | $ Change | % Change |
|---|---|---|---|---|
| Net Income | $ 26,827 | $ 35,762 | (8,935) | (25.0%) |
| Adjusted Net Income | 36,582 | 37,730 | (1,148) | (3.0%) |
| Net Earnings per Share | | | | |
| Basic and Diluted | $ 0.38 | $ 0.49 | | |
| Adjusted Net Earnings per Share | | | | |
| Basic and Diluted | $ 0.52 | $ 0.52 | | |

Net Income, before adjustments, for the third quarter of 2026 decreased by $8.9 million to $26.8 million or $0.38 per share, on a basic and diluted basis, from Net Income of $35.8 million or $0.49 per share, on a basic and diluted basis, for the third quarter of 2025. Excluding the adjustments explained in Table A under "Adjustments to Net Income", Adjusted Net Income for the third quarter of 2026 decreased by $1.1 million to $36.6 million or $0.52 per share, on a basic and diluted basis, from $37.7 million or $0.52 per share, on a basic and diluted basis, for the third quarter of 2025.

Adjusted Net Income for the third quarter of 2026, as compared to the third quarter of 2025, was negatively impacted by the following:

- a lower gross margin from lower year-over-year sales volume;
- a higher effective tax rate (29.6% for the third quarter of 2026 compared to 21.6% for the third quarter of 2025) primarily reflecting changes in the geographic mix of earnings among jurisdictions with differing tax rates, the impact of valuation allowances in certain jurisdictions, and certain tax benefits derived in foreign jurisdictions; and
- the absence of margins from programs associated with the operations disposed of in China and Brazil.

These factors were partially offset by the following:

- a year-over-year decrease in SG&A expense, as previously explained; and
- a $2.6 million year-over-year decrease in finance expense as a result of lower borrowing rates on the Company's revolving bank debt.

***Nine months ended September 30, 2026 to nine months ended September 30, 2025 comparison***

| | Nine months ended September 30, 2026 | Nine months ended September 30, 2025 | $ Change | % Change |
|---|---|---|---|---|
| Net Income | $ 97,807 | $ 91,327 | 6,480 | 7.1% |
| Adjusted Net Income | 112,294 | 115,005 | (2,711) | (2.4%) |
| Net Earnings per Share | | | | |
| Basic and Diluted | $ 1.38 | $ 1.25 | | |
| Adjusted Net Earnings per Share | | | | |
| Basic and Diluted | $ 1.59 | $ 1.58 | | |

Net Income, before adjustments, for the nine months ended September 30, 2026 increased by $6.5 million to $97.8 million or $1.38 per share, on a basic and diluted basis, from Net Income of $91.3 million or $1.25 per share, on a basic and diluted basis, for the nine months ended September 30, 2025. Excluding the adjustments explained in Table B under “Adjustments to Net Income”, Adjusted Net Income for the nine months ended September 30, 2026 decreased by $2.7 million to $112.3 million or $1.59 per share on a basic and diluted basis, from $115.0 million or $1.58 per share on a basic and diluted basis, for the nine months ended September 30, 2025.

Adjusted Net Income for the nine months ended September 30, 2026, as compared to the nine months ended September 30, 2025, was negatively impacted by the following:

- a lower gross margin from lower year-over-year sales volume;
- a higher effective tax rate (27.2% for the nine months ended September 30, 2026 compared to 26.9% for the nine months ended September 30, 2025) primarily reflecting changes in the geographic mix of earnings among jurisdictions with differing tax rates, the impact of valuation allowances in certain jurisdictions, and certain tax benefits derived in foreign jurisdictions; and
- the absence of margins from programs associated with the operations disposed of in China and Brazil.

These factors were partially offset by the following:

- a year-over-year decrease in SG&A expense, as previously explained;
- an $8.0 million year-over-year decrease in finance expense as a result of lower borrowing rates on the Company's revolving bank debt; and
- a net foreign exchange loss of $0.7 million for the nine months ended September 30, 2026 compared to $3.9 million for the nine months ended September 30, 2025.

## DIVIDEND

A cash dividend of $0.05 per share has been declared by the Board of Directors payable to shareholders of record on December 31, 2026, on or about January 15, 2027.

## ABOUT MARTINREA

Martinrea International Inc. is a leader in the development and production of quality metal parts, assemblies and modules, fluid management systems, and complex aluminum products focused primarily on the automotive sector. Martinrea currently operates in 53 locations in Canada, the United States, Mexico, Germany, Slovakia, Spain, South Africa, and Japan. Martinrea's vision is making lives better by being the best supplier we can be in the products we make and the services we provide. For more information on Martinrea, please visit www.martinrea.com. Follow Martinrea on X and Facebook.

## CONFERENCE CALL DETAILS

A conference call to discuss the financial results will be held on Thursday, November 12, 2026 at 5:30 p.m. Eastern Time. To participate, please dial 416-855-9085 (Toronto area) or 800-990-2777 (toll free Canada and US) and enter participant code 07994#. Please call 10 minutes prior to the start of the conference call.

The conference call will also be webcast live in listen-only mode and archived for twelve months. The webcast and accompanying presentation can be accessed at: https://www.martinrea.com/investor-relations/events-presentations/.

There will also be a rebroadcast of the call available by dialing 289-819-1325 or toll free 888-660-6264 (Conference ID – 07994#). The rebroadcast will be available until February 10, 2027.

If you have any teleconferencing questions, please call Ganesh Iyer at 416-749-0314.

## FORWARD-LOOKING INFORMATION

### *Special Note Regarding Forward-Looking Statements*

This Press Release and the documents incorporated by reference therein contains forward-looking statements within the meaning of applicable Canadian securities laws including those related to the Company's expectations as to, or its views or beliefs in or on, the impact of, or duration of, or factors affecting, or expected response to or growth of, improvements in, expansion of and/or guidance or outlook (including for 2026 and 2027) as to future results, revenue, sales, margin, gross margin, earnings, and earnings per share, adjusted earnings per share, free cash flow, volumes, adjusted net earnings per share, operating income margins, operating margins, adjusted operating income margins, leverage ratios, net debt to adjusted EBITDA[(1)], debt repayment, Adjusted EBITDA[(1)], capex levels, working capital levels, cash tax levels, progress on commercial negotiations, the growth of the Company and pursuit of, and belief in, its strategies, the strength, recovery and growth of the automotive industry and continuing challenges, the use of the NCIB, the impact and uncertainty of tariffs and trade issues in

the Company's business and its industry, the expectations for restructuring in Europe and anticipated improvements in European financial results, the expectations for collection of the proceeds of asset dispositions, the benefit of the TruNorth business as well as other forward-looking statements. The words "continue", "expect", "anticipate", "estimate", "may", "will", "should", "views", "intend", "believe", "plan" and similar expressions are intended to identify forward-looking statements. Forward-looking statements are based on estimates and assumptions made by the Company in light of its experience and its perception of historical trends, current conditions and expected future developments, as well as other factors that the Company believes are appropriate in the circumstances, such as expected sales, customer production schedules and release, industry production estimates, current foreign exchange rates, timing of product launches, awarded business proceeding substantially in accordance with expectations, operational improvement during the period, current and anticipated tariff and trade policy frameworks, general economic and industry conditions, and current Board approved budgets. Although customer supply arrangements generally do not provide minimum volume commitments and may be terminable under certain circumstances, management's planning and forecasting assumptions reflect the Company's historical experience that awarded business generally continues for the life of the applicable vehicle program. These assumptions form an important part of management's assessment of future production volumes, revenues and operating performance. In preparing forward-looking information, management also considers third-party industry production forecasts, expected vehicle production volumes in key markets, current sourcing levels, awarded business and the Company's expected operational performance. Certain industry, market and production data may be contained in this press release and if so has been obtained from third party sources, including Global Data Plc. While management believes such information to be reliable, it has not independently verified the accuracy or completeness of such information. Many factors could cause the Company's actual results, performance or achievements to differ materially from those expressed or implied by the forward-looking statements, including, without limitation, the following factors, some of which are discussed in detail in the Company's AIF and MD&A for the year ended December 31, 2025 and other public filings which can be found on the Company's profile at www.sedarplus.ca:

- North American and Global Economic and Political Conditions (including war) and Consumer Confidence
- Automotive Industry Risks
- Trade Restrictions or Disputes
- Changes in Laws and Governmental Regulations
- Dependence Upon Key Customers
- Pandemics and Epidemics, Force Majeure Events, Natural Disasters, Terrorist Activities, Political and Civil Unrest or War, and Other Outbreaks
- Russia and Ukraine War and Middle East Tensions
- Inflationary Pressures
- Regional Energy Shortages
- Customer Consolidation and Cooperation
- Emergence of Potentially Disruptive EV OEMs
- Outsourcing and Insourcing Trends
- Financial Viability of Suppliers and Key Suppliers and Supply Disruptions (Material Availability or Disruption)
- Semiconductor Chip Shortages and Price Increases
- Competition
- Customer Pricing Pressures, Contractual Arrangements, Cost and Risk Absorption and Purchase Orders
- Potential Volatility of Share Prices
- Fluctuations in Operating Results
- Material and Commodity Prices and Volatility
- Scrap Steel/Aluminum Price Volatility
- Quote/Pricing Assumptions
- Launch Costs, Operational Costs and Issues and Cost Structure
- Potential Rationalization Costs, Turnaround Costs and Impairment Charges
- Product Warranty, Repair/Replacement Costs, Recall, Product Liability and Liability Risk
- Product Development and Technological Change (Including Artificial Intelligence and Electrification)
- A Shift Away from Technologies in Which the Company is Investing
- Dependence Upon Key Personnel
- Limited Financial Resources/Uncertainty of Future Financing/Banking
- Cybersecurity Threats
- Acquisitions
- Joint Ventures
- Private or Public Equity Investments in Technology Companies
- Potential Tax Exposures
- Labour Relations Matters
- Sustainability (ESG) Regulation, Including Environmental Regulation and Climate Change and Human Rights and Supply Chain Issues

- Litigation and Regulatory Compliance and Investigations
- Risks of Conducting Business in Foreign Countries, Including China, Brazil, Mexico and Other Growing Markets
- Currency Risk
- Internal Controls Over Financial Reporting and Disclosure Controls and Procedures
- Loss of Use of Key Manufacturing Facilities
- Intellectual Property
- Availability of Consumer Credit or Cost of Borrowing
- Evolving Business Risk Profile
- Competition with Low-Cost Countries
- The Company's Ability to Shift its Manufacturing Footprint to Take Advantage of Opportunities in Growing Markets
- Change in the Company's Mix of Earnings Between Jurisdictions with Lower Tax Rates and Those with Higher Tax Rates
- Pension Plans and Other Post-Employment Benefits
- Dividends
- Lease Obligations

These factors should be considered carefully, and readers should not place undue reliance on the Company's forward-looking statements. The Company has no intention and undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

The common shares of Martinrea trade on The Toronto Stock Exchange under the symbol "MRE".

For further information, please contact:

Peter Cirulis
Chief Financial Officer
Martinrea International Inc.
3210 Langstaff Road
Vaughan, Ontario  L4K 5B2
Tel:  416-749-0314
Fax: 289-982-3001

# MANAGEMENT DISCUSSION AND ANALYSIS

# OF OPERATING RESULTS AND FINANCIAL POSITION

**For the three and nine months ended September 30, 2026**

The following management discussion and analysis (“MD&A”) was prepared as of November 12, 2026 and should be read in conjunction with the Company’s unaudited interim condensed consolidated financial statements for the three and nine months ended September 30, 2026 ("interim financial statements") as well as the Company's audited consolidated financial statements and MD&A for the year ended December 31, 2025 together with the notes thereto. All amounts in this MD&A are in Canadian dollars, unless otherwise stated; and all tabular amounts are in thousands of Canadian dollars, except earnings per share and number of shares. Additional information about the Company, including the Company’s Annual Information Form ("AIF") dated March 5, 2026 for the year ended December 31, 2025, can be found at www.sedarplus.ca. Certain industry, market and production data contained in this MD&A has been obtained from third-party sources, including Global Data Plc. While management believes such information to be reliable, it has not independently verified the accuracy or completeness of such information.

## OVERVIEW

Martinrea International Inc. (TSX: MRE) (“Martinrea” or the “Company”) is a diversified and global automotive supplier engaged in the design, development and manufacturing of highly engineered, value-added Lightweight Structures and Propulsion Systems. As at November 12, 2026, Martinrea employed approximately 15,000 skilled and motivated people in 53 locations (including sales and engineering centres) in Canada, the United States, Mexico, Germany, Spain, South Africa, Slovakia, and Japan.

Martinrea’s vision is to make people’s lives better by being the best supplier we can be in the products we make and the services we provide. The Company’s mission is to make people’s lives better by: delivering outstanding quality products and services to our customers; providing meaningful opportunity, job satisfaction, and job security for our people; providing superior long-term investment returns to our stakeholders; and being positive contributors to our communities.

## OVERALL RESULTS

Results of operations may include certain items which have been separately disclosed, where appropriate, in order to provide a clear assessment of the underlying Company results. In addition to IFRS Accounting Standards ("IFRS") measures, management uses non-IFRS measures in the Company’s disclosures that it believes provide the most appropriate basis on which to evaluate the Company’s results.

The following tables set out certain highlights of the Company’s performance for the three and nine months ended September 30, 2026 and 2025. Refer to the Company’s interim financial statements for the three and nine months ended September 30, 2026 for a detailed account of the Company’s performance for the periods presented in the tables below.

| | Three months ended September 30, 2026 | Three months ended September 30, 2025 | $ Change | % Change |
|---|---|---|---|---|
| Sales | $ 1,181,949 | $ 1,190,801 | (8,852) | (0.7%) |
| Gross Margin | 156,763 | 169,972 | (13,209) | (7.8%) |
| Operating Income | 64,243 | 62,485 | 1,758 | 2.8% |
| Net Income for the period | 26,827 | 35,762 | (8,935) | (25.0%) |
| Net Earnings per Share - Basic and Diluted | $ 0.38 | $ 0.49 | (0.11) | (22.4%) |
| **Non-IFRS Measures*** | | | | |
| Adjusted Operating Income | $ 66,682 | $ 64,996 | 1,686 | 2.6% |
| *% of Sales* | *5.6 %* | *5.5 %* | | |
| Adjusted EBITDA | 144,921 | 140,400 | 4,521 | 3.2% |
| *% of Sales* | *12.3 %* | *11.8 %* | | |
| Adjusted Net Income | 36,582 | 37,730 | (1,148) | (3.0%) |
| Adjusted Net Earnings per Share - Basic and Diluted | $ 0.52 | $ 0.52 | - | 0.0 % |

| | Nine months ended September 30, 2026 | Nine months ended September 30, 2025 | $ Change | % Change |
|---|---|---|---|---|
| Sales | $ 3,507,927 | $ 3,634,567 | (126,640) | (3.5%) |
| Gross Margin | 474,987 | 506,106 | (31,119) | (6.1%) |
| Operating Income | 185,832 | 179,928 | 5,904 | 3.3% |
| Net Income for the period | 97,807 | 91,327 | 6,480 | 7.1% |
| Net Earnings per Share - Basic and Diluted | $ 1.38 | $ 1.25 | 0.13 | 10.4% |
| **Non-IFRS Measures*** | | | | |
| Adjusted Operating Income | $ 199,039 | $ 213,042 | (14,003) | (6.6%) |
| *% of Sales* | *5.7 %* | *5.9 %* | | |
| Adjusted EBITDA | 429,818 | 446,707 | (16,889) | (3.8%) |
| *% of Sales* | *12.3 %* | *12.3 %* | | |
| Adjusted Net Income | 112,294 | 115,005 | (2,711) | (2.4%) |
| Adjusted Net Earnings per Share - Basic and Diluted | $ 1.59 | $ 1.58 | 0.01 | 0.6% |

***Non-IFRS Measures**

The Company prepares its interim financial statements in accordance with IFRS. However, the Company considers certain non-IFRS financial measures as useful additional information in measuring the financial performance and condition of the Company. These measures, which the Company believes are widely used by investors, securities analysts and other interested parties in evaluating the Company's performance, do not have a standardized meaning prescribed by IFRS and therefore may not be comparable to similarly titled measures presented by other publicly traded companies, nor should they be construed as an alternative to financial measures determined in accordance with IFRS. Non-IFRS measures include "Adjusted Net Income", "Adjusted Net Earnings per Share (on a basic and diluted basis)", "Adjusted Operating Income", "Adjusted EBITDA", "Free Cash Flow", "Free Cash Flow (after IFRS 16 lease payments)", and "Net Debt".

The following tables provide a reconciliation of IFRS "Net Income" to Non-IFRS "Adjusted Net Income", "Adjusted Operating Income" and "Adjusted EBITDA":

| | Three months ended September 30, 2026 | Three months ended September 30, 2025 |
|---|---|---|
| Net Income | $ 26,827 | $ 35,762 |
| Adjustments, after tax* | 9,755 | 1,968 |
| Adjusted Net Income | $ 36,582 | $ 37,730 |

| | Nine months ended September 30, 2026 | Nine months ended September 30, 2025 |
|---|---|---|
| Net Income | $ 97,807 | $ 91,327 |
| Adjustments, after tax* | 14,487 | 23,678 |
| Adjusted Net Income | $ 112,294 | $ 115,005 |

**Adjustments are explained in the "Adjustments to Net Income" section of this MD&A*

| | Three months ended September 30, 2026 | Three months ended September 30, 2025 |
|---|---|---|
| Net Income | $ 26,827 | $ 35,762 |
| Income tax expense | 13,539 | 9,865 |
| Other finance expense | 848 | 245 |
| Share of loss of equity investments | 496 | 662 |
| Finance expense | 13,351 | 15,951 |
| Adjustments, before tax* | 11,621 | 2,511 |
| Adjusted Operating Income | $ 66,682 | $ 64,996 |
| Depreciation of property, plant and equipment and right-of-use assets | 76,250 | 73,049 |
| Amortization of development costs | 2,193 | 2,179 |
| Loss (gain) on disposal of property, plant and equipment | (204) | 176 |
| Adjusted EBITDA | $ 144,921 | $ 140,400 |

| | Nine months ended September 30, 2026 | Nine months ended September 30, 2025 |
|---|---|---|
| Net Income | $ 97,807 | $ 91,327 |
| Income tax expense | 35,935 | 32,984 |
| Other finance expense | 1,153 | 4,221 |
| Share of loss of equity investments | 2,208 | 1,997 |
| Finance expense | 41,445 | 49,399 |
| Adjustments, before tax* | 20,491 | 33,114 |
| Adjusted Operating Income | $ 199,039 | $ 213,042 |
| Depreciation of property, plant and equipment and right-of-use assets | 224,491 | 227,366 |
| Amortization of development costs | 6,550 | 5,988 |
| Loss (gain) on disposal of property, plant and equipment | (262) | 311 |
| Adjusted EBITDA | $ 429,818 | $ 446,707 |

**Adjustments are explained in the "Adjustments to Net Income" section of this MD&A*

**SALES**

***Three months ended September 30, 2026 to three months ended September 30, 2025 comparison***

| | Three months ended September 30, 2026 | Three months ended September 30, 2025 | $ Change | % Change |
|---|---|---|---|---|
| North America | $ 936,385 | $ 912,455 | 23,930 | 2.6% |
| Europe | 232,091 | 247,552 | (15,461) | (6.2%) |
| Rest of the World | 16,871 | 34,866 | (17,995) | (51.6%) |
| Eliminations | (3,398) | (4,072) | 674 | 16.6% |
| Total Sales | $ 1,181,949 | $ 1,190,801 | (8,852) | (0.7%) |

The Company’s consolidated sales for the third quarter of 2026 decreased by $8.9 million or 0.7% to $1,181.9 million as compared to $1,190.8 million for the third quarter of 2025. The total decrease in sales was driven by year-over-year decreases in the Europe and Rest of the World operating segments, partially offset by a year-over-year increase in North America.

Sales for the third quarter of 2026 in the Company’s North America operating segment increased by $23.9 million or 2.6% to $936.4 million from $912.5 million for the third quarter of 2025. The operations acquired from Lyseon North America Inc. ("Lyseon"), which have been consolidated with the Company's results since October 20, 2025, contributed $15.8 million of year-over-year sales to the North America operating segment. Excluding the acquired operations, third quarter sales in North America increased by $8.1 million or 0.9%. The increase was attributed to an increase in tooling sales of $65.9 million, which are typically dependent on the timing of tooling construction and final acceptance by the customer; the impact of foreign exchange on the translation of U.S. denominated production sales, which had a positive impact on overall sales for the third quarter of 2026 of $16.4 million; higher year-over-year OEM production volumes on certain platforms, including General Motors' large pick-up truck and SUV platforms, an aluminum engine block for Ford, a transmission for the ZF Group, the Toyota Tacoma, Nissan Pathfinder and Rogue, and General Motors' Equinox/Terrain; and the launch

and ramp up of new programs, including General Motors' new electric vehicle platform (Chevrolet Bolt), and Volvo's new electric vehicle platform (EX90). These positive factors were partially offset by lower year-over-year OEM production volumes on certain light vehicle platforms, including the Jeep Grand Cherokee and Wagoneer, General Motors' electric vehicle platforms (BEV3/BET), the Lucid Air, the Ford Mustang Mach E, and Mercedes' electric vehicle platform (EVA2); and programs that ended production during or subsequent to the third quarter of 2025, specifically the Ford Escape, and a program with Mercedes. Overall third quarter industry-wide OEM light vehicle production volumes in North America decreased by approximately 3% year-over-year.

Sales for the third quarter of 2026 in the Company's Europe operating segment decreased by $15.5 million or 6.2% to $232.1 million from $247.6 million for the third quarter of 2025. The decrease was due to lower year-over-year OEM production volumes on certain platforms, including aluminum engine blocks for Ford and Mercedes, the Lucid Air, Mercedes' electric vehicle platform (EVA2), and a transmission for the ZF Group; and a decrease in tooling sales of $12.2 million, which are typically dependent on the timing of tooling construction and final acceptance by the customer. These negative factors were partially offset by higher year-over-year OEM production volumes on certain platforms, including Jaguar Land Rover; and the impact of foreign exchange on the translation of Euro denominated production sales, which had a positive impact on overall sales for the third quarter of 2026 of $3.0 million. Overall third quarter industry-wide OEM light vehicle production volumes remained largely unchanged in Europe year-over-year.

Sales for the third quarter of 2026 in the Company's Rest of the World operating segment decreased by $18.0 million or 51.6% to $16.9 million from $34.9 million in the third quarter of 2025. The decrease was largely driven by lower year-over-year production volumes with BMW, and Jaguar Land Rover; the absence of sales from programs associated with the operations disposed of in China and Brazil; and a decrease in tooling sales of $2.1 million.

Overall tooling sales increased by $51.5 million (including outside segment sales eliminations) to $83.1 million for the third quarter of 2026 from $31.6 million for the third quarter of 2025.

***Nine months ended September 30, 2026 to nine months ended September 30, 2025 comparison***

| | Nine months ended September 30, 2026 | Nine months ended September 30, 2025 | $ Change | % Change |
|---|---|---|---|---|
| North America | $ 2,729,125 | $ 2,777,876 | (48,751) | (1.8%) |
| Europe | 725,885 | 771,557 | (45,672) | (5.9%) |
| Rest of the World | 73,877 | 100,433 | (26,556) | (26.4%) |
| Eliminations | (20,960) | (15,299) | (5,661) | (37.0%) |
| Total Sales | $ 3,507,927 | $ 3,634,567 | (126,640) | (3.5%) |

The Company's consolidated sales for the nine months ended September 30, 2026 decreased by $126.6 million or 3.5% to $3,507.9 million as compared to $3,634.6 million for the nine months ended September 30, 2025. The total decrease in sales was driven by year-over-year decreases across all operating segments.

Sales for the nine months ended September 30, 2026 in the Company's North America operating segment decreased by $48.8 million or 1.8% to $2,729.1 million from $2,777.9 million for the nine months ended September 30, 2025. The operations acquired from Lyseon, which have been consolidated with the Company's results since October 20, 2025, contributed $45.1 million of year-over-year sales to the North America operating segment. Excluding the acquired operations, sales for the nine months ended September 30, 2026 in North America decreased by $93.8 million or 3.4%. The decrease was due to programs that ended production during or subsequent to the corresponding period of 2025, specifically the Ford Escape, and a program with Mercedes; lower year-over-year OEM production volumes on certain light vehicle platforms, including General Motors' electric vehicle platforms (BEV3/BET), the Ford Mustang Mach E, Mercedes' electric vehicle platform (EVA2), and the Lucid Air; and the impact of foreign exchange on the translation of U.S. denominated production sales, which had a negative impact on overall sales for the nine months ended September 30, 2026 of $29.2 million. These negative factors were partially offset by an increase in tooling sales of $50.6 million, which are typically dependent on the timing of tooling construction and final acceptance by the customer; higher year-over-year OEM production volumes on certain platforms, including General Motors' large pick-up truck and SUV platforms, Nissan Pathfinder and Rogue, a transmission for the ZF Group, the Jeep Grand Cherokee and Wagoneer, General Motors' Equinox/Terrain, the Toyota Tacoma, and an aluminum engine block for Ford; and the launch and ramp up of new programs, including Volvo's new electric vehicle platform (EX90), and General Motors'

new electric vehicle platform (Chevrolet Bolt). Overall industry-wide OEM light vehicle production volumes during the nine months ended September 30, 2026 decreased in North America by approximately 2% year-over-year.

Sales for the nine months ended September 30, 2026 in the Company's Europe operating segment decreased by $45.7 million or 5.9% to $725.9 million from $771.6 million for the nine months ended September 30, 2025. The decrease was attributed to lower year-over-year OEM production volumes on certain platforms, including an aluminum engine block for Mercedes, the Lucid Air, Mercedes' electric vehicle platform (EVA2), Volkswagen's new electric vehicle platform (PPE), and a transmission for the ZF Group; and a decrease in tooling sales of $22.6 million, which are typically dependent on the timing of tooling construction and final acceptance by the customer. These negative factors were partially offset by the impact of foreign exchange on the translation of Euro denominated production sales, which had a positive impact on overall sales for the nine months ended September 30, 2026 of $28.4 million; and higher year-over-year OEM production volumes of certain platforms, including Jaguar Land Rover, and an aluminum engine block for Ford. Overall industry-wide OEM light vehicle production volumes during the nine months ended September 30, 2026 increased in Europe by approximately 1% year-over-year.

Sales for the nine months ended September 30, 2026 in the Company's Rest of the World operating segment decreased by $26.6 million or 26.4% to $73.9 million from $100.4 million for the nine months ended September 30, 2025. The decrease was largely driven by lower year-over-year production volumes with BMW, Mercedes, and Jaguar Land Rover; the absence of sales from programs associated with the operations disposed of in China and Brazil; and a decrease in tooling sales of $8.7 million.

Overall tooling sales increased by $9.8 million (including outside segment sales eliminations) to $160.4 million for the nine months ended September 30, 2026 from $150.5 million for the nine months ended September 30, 2025.

**GROSS MARGIN**

***Three months ended September 30, 2026 to three months ended September 30, 2025 comparison***

| | Three months ended September 30, 2026 | Three months ended September 30, 2025 | $ Change | % Change |
|---|---|---|---|---|
| Gross margin | $ 156,763 | $ 169,972 | (13,209) | (7.8%) |
| % of Sales | 13.3 % | 14.3 % | | |

The gross margin percentage for the third quarter of 2026 of 13.3% decreased as a percentage of sales by 1.0% as compared to the gross margin percentage for the third quarter of 2025 of 14.3%. The decrease in gross margin as a percentage of sales was generally due to overall lower production sales volume and corresponding contribution; partially offset by productivity and efficiency improvements at certain operating facilities and other improvements, and lower year-over-year indirect costs incurred in production.

***Nine months ended September 30, 2026 to nine months ended September 30, 2025 comparison***

| | Nine months ended September 30, 2026 | Nine months ended September 30, 2025 | $ Change | % Change |
|---|---|---|---|---|
| Gross margin | $ 474,987 | $ 506,106 | (31,119) | (6.1%) |
| % of Sales | 13.5% | 13.9% | | |

The gross margin percentage for the nine months ended September 30, 2026 of 13.5% decreased as a percentage of sales by 0.4% as compared to the gross margin percentage for the nine months ended September 30, 2025 of 13.9%. The decrease in gross margin as a percentage of sales was generally due to overall lower production sales volume and corresponding contribution; partially offset by productivity and efficiency improvements at certain operating facilities and other improvements, and lower year-over-year indirect costs incurred in production.

**SELLING, GENERAL & ADMINISTRATIVE ("SG&A")**

***Three months ended September 30, 2026 to three months ended September 30, 2025 comparison***

| | Three months ended September 30, 2026 | Three months ended September 30, 2025 | $ Change | % Change |
|---|---|---|---|---|
| Selling, general & administrative | $ 75,427 | $ 89,583 | (14,156) | (15.8%) |
| % of Sales | 6.4 % | 7.5 % | | |

SG&A expense for the third quarter of 2026 decreased by $14.2 million to $75.4 million as compared to SG&A expense for the third quarter of 2025 of $89.6 million. The decrease in SG&A expense can largely be attributed to a decrease in equity-based compensation expense related to deferred, restricted, and performance share units, lower year-over-year professional service fees, and overall lower employee levels and related costs as compared to the third quarter of 2025.

SG&A expense as a percentage of sales decreased to 6.4% for the third quarter of 2026 compared to 7.5% for the third quarter of 2025 due mainly to the reasons noted above.

***Nine months ended September 30, 2026 to nine months ended September 30, 2025 comparison***

| | Nine months ended September 30, 2026 | Nine months ended September 30, 2025 | $ Change | % Change |
|---|---|---|---|---|
| Selling, general & administrative | $ 230,332 | $ 247,949 | (17,617) | (7.1%) |
| % of Sales | 6.6% | 6.8% | | |

SG&A expense for the nine months ended September 30, 2026 decreased by $17.6 million to $230.3 million as compared to SG&A expense for the nine months ended September 30, 2025 of $247.9 million. The decrease in SG&A expense can largely be attributed to overall lower employee levels and related costs as compared to the corresponding period of 2025, a decrease in equity-based compensation expense related to deferred, restricted, and performance share units, and lower year-over-year professional service fees.

SG&A expense as a percentage of sales decreased to 6.6% for the nine months ended September 30, 2026 compared to 6.8% for the nine months ended September 30, 2025 due mainly to the reasons noted above.

**DEPRECIATION OF PROPERTY, PLANT AND EQUIPMENT ("PP&E"), RIGHT-OF-USE ASSETS AND AMORTIZATION OF INTANGIBLE ASSETS**

***Three months ended September 30, 2026 to three months ended September 30, 2025 comparison***

| | Three months ended September 30, 2026 | Three months ended September 30, 2025 | $ Change | % Change |
|---|---|---|---|---|
| Depreciation of PP&E and right-of-use assets (production) | $ 72,017 | $ 69,053 | 2,964 | 4.3% |
| Depreciation of PP&E and right-of-use assets (non-production) | 4,233 | 3,996 | 237 | 5.9% |
| Amortization of development costs | 2,193 | 2,179 | 14 | 0.6% |
| Total depreciation and amortization | $ 78,443 | $ 75,228 | 3,215 | 4.3% |

Total depreciation and amortization expense for the third quarter of 2026 increased by $3.2 million to $78.4 million as compared to $75.2 million for the third quarter of 2025. The increase in depreciation and amortization expense was due to additional depreciation on PP&E assets relating to new and replacement business that commenced during or subsequent to the third quarter of 2025, partially offset by impairment charges recorded during the fourth quarter of 2025.

A significant portion of the Company's recent investments relates to various new programs that commenced during or subsequent to the third quarter of 2025 and new and replacement programs scheduled to launch over the next two to three years in all of the Company's various product offerings.

Total depreciation and amortization expense as a percentage of sales increased year-over-year to 6.6% for the third quarter of 2026 from 6.3% for the third quarter of 2025 due mainly to the reasons noted above.

***Nine months ended September 30, 2026 to nine months ended September 30, 2025 comparison***

| | Nine months ended September 30, 2026 | Nine months ended September 30, 2025 | $ Change | % Change |
|---|---|---|---|---|
| Depreciation of PP&E and right-of-use assets (production) | $ 212,128 | $ 215,745 | (3,617) | (1.7%) |
| Depreciation of PP&E and right-of-use assets (non-production) | 12,363 | 11,621 | 742 | 6.4% |
| Amortization of development costs | 6,550 | 5,988 | 562 | 9.4% |
| Total depreciation and amortization | $ 231,041 | $ 233,354 | (2,313) | (1.0%) |

Total depreciation and amortization expense for the nine months ended September 30, 2026 decreased by $2.3 million to $231.0 million as compared to $233.4 million for the nine months ended September 30, 2025. The decrease in depreciation and amortization expense was due to impairment charges recorded during the fourth quarter of 2025, partially offset by additional depreciation on PP&E assets relating to new and replacement business that commenced during or subsequent to the nine months ended September 30, 2025.

Total depreciation and amortization expense as a percentage of sales increased year-over-year to 6.6% for the nine months ended September 30, 2026 from 6.4% for the nine months ended September 30, 2025 due to lower year-over-year sales.

## ADJUSTMENTS TO NET INCOME

Adjusted Net Income excludes certain items as set out in the following tables and described in the notes thereto. Management uses Adjusted Net Income as a measurement of operating performance of the Company and believes that, in conjunction with IFRS measures, it provides useful information about the financial performance and condition of the Company.

## TABLE A

***Three months ended September 30, 2026 to three months ended September 30, 2025 comparison***

| | Three months ended September 30, 2026 | Three months ended September 30, 2025 | $ Change |
|---|---|---|---|
| **NET INCOME** | **$ 26,827** | **$ 35,762** | **$ (8,935)** |
| Adjustments: | | | |
| Restructuring costs (1) | 2,439 | 2,511 | (72) |
| Loss on disposal of foreign operations (2) | 9,182 | - | 9,182 |
| **ADJUSTMENTS, BEFORE TAX** | **$ 11,621** | **$ 2,511** | **$ 9,110** |
| Tax impact of adjustments (2) | (1,866) | (543) | (1,323) |
| **ADJUSTMENTS, AFTER TAX** | **$ 9,755** | **$ 1,968** | **$ 7,787** |
| **ADJUSTED NET INCOME** | **$ 36,582** | **$ 37,730** | **$ (1,148)** |
| | | | |
| Number of Shares Outstanding – Basic (‘000) | 69,697 | 72,788 | |
| Adjusted Net Earnings Per Share - Basic | $ 0.52 | $ 0.52 | |
| Number of Shares Outstanding – Diluted (‘000) | 69,702 | 72,788 | |
| Adjusted Net Earnings Per Share - Diluted | $ 0.52 | $ 0.52 | |

**TABLE B**

***Nine months ended September 30, 2026 to nine months ended September 30, 2025 comparison***

| | Nine months ended September 30, 2026 | Nine months ended September 30, 2025 | $ Change |
|---|---|---|---|
| **NET INCOME** | **$ 97,807** | **$ 91,327** | **$ 6,480** |
| Adjustments: | | | |
| Restructuring costs (1) | 13,207 | 33,114 | (19,907) |
| Loss on disposal of foreign operations (2) | 7,284 | - | 7,284 |
| **ADJUSTMENTS, BEFORE TAX** | **$ 20,491** | **$ 33,114** | **$ (12,623)** |
| Tax impact of adjustments (2) | (6,004) | (9,436) | 3,432 |
| **ADJUSTMENTS, AFTER TAX** | **$ 14,487** | **$ 23,678** | **$ (9,191)** |
| **ADJUSTED NET INCOME** | **$ 112,294** | **$ 115,005** | **$ (2,711)** |
| Number of Shares Outstanding – Basic and Diluted (‘000) | 70,640 | 72,788 | |
| Adjusted Net Earnings Per Share - Basic and Diluted | $ 1.59 | $ 1.58 | |

**(1) Restructuring costs**

Additions to the restructuring provision during the three and nine months ended September 30, 2026 totalled $2.4 million and $13.2 million, respectively, and represent employee-related severance resulting from the rightsizing of certain operations in North America ($1.1 million and $10.2 million), and Europe ($1.3 million and $3.0 million).

Additions to the restructuring provision during the three and nine months ended September 30, 2025 totalled $2.5 million and $33.1 million, respectively, and represent employee-related severance resulting from the rightsizing of certain operations in North America ($1.9 million and $8.0 million), and Europe ($0.6 million and $25.1 million).

**(2) Disposal of foreign operations**

On June 1, 2026, the Company disposed 85% of its equity interest in one of its plants in China for CNY ¥5.5 million ($1.1 million). Subsequent to this transaction, the Company derecognized the net assets of the disposed entity and recognized a total gain on disposal of $1.6 million, including a $0.2 million loss that represents the difference between the aggregate fair value of the proceeds to be received and the carrying amount of the net assets disposed of, including costs related to the sale; and $1.8 million reclassification of cumulative foreign currency translation gains from accumulated other comprehensive income to profit or loss. This disposal of foreign operation resulted in a tax impact of $1.6 million that was recognized during the nine months ended September 30, 2026.

On August 24, 2026, the Company sold 100% of its equity interest in its plant in Brazil for proceeds of BRL $55.0 million ($11.8 million). As a result of the transaction, the Company derecognized the net assets of the entity and recognized a total loss on disposal of $8.9 million, including a $10.9 million gain that represents the difference between the aggregate fair value of total consideration and the carrying amount of the net assets disposed of, including costs related to the sale; and $19.8 million reclassification of cumulative foreign currency translation losses from accumulated other comprehensive income to profit or loss. This disposal of foreign operation resulted in a tax impact of $1.3 million that was recognized during the three and nine months ended September 30, 2026.

**NET INCOME**

***Three months ended September 30, 2026 to three months ended September 30, 2025 comparison***

| | Three months ended September 30, 2026 | Three months ended September 30, 2025 | $ Change | % Change |
|---|---|---|---|---|
| Net Income | $ 26,827 | $ 35,762 | (8,935) | (25.0%) |
| Adjusted Net Income | 36,582 | 37,730 | (1,148) | (3.0%) |
| Net Earnings per Share | | | | |
| Basic and Diluted | $ 0.38 | $ 0.49 | | |
| Adjusted Net Earnings per Share | | | | |
| Basic and Diluted | $ 0.52 | $ 0.52 | | |

Net Income, before adjustments, for the third quarter of 2026 decreased by $8.9 million to $26.8 million or $0.38 per share, on a basic and diluted basis, from Net Income of $35.8 million or $0.49 per share, on a basic and diluted basis, for the third quarter of 2025. Excluding the adjustments explained in Table A under "Adjustments to Net Income", Adjusted Net Income for the third quarter of 2026 decreased by $1.1 million to $36.6 million or $0.52 per share, on a basic and diluted basis, from $37.7 million or $0.52 per share, on a basic and diluted basis, for the third quarter of 2025.

Adjusted Net Income for the third quarter of 2026, as compared to the third quarter of 2025, was negatively impacted by the following:

- a lower gross margin from lower year-over-year sales volume;
- a higher effective tax rate (29.6% for the third quarter of 2026 compared to 21.6% for the third quarter of 2025) primarily reflecting changes in the geographic mix of earnings among jurisdictions with differing tax rates, the impact of valuation allowances in certain jurisdictions, and certain tax benefits derived in foreign jurisdictions; and
- the absence of margins from programs associated with the operations disposed of in China and Brazil.

These factors were partially offset by the following:

- a year-over-year decrease in SG&A expense, as previously explained; and
- a $2.6 million year-over-year decrease in finance expense as a result of lower borrowing rates on the Company's revolving bank debt.

***Nine months ended September 30, 2026 to nine months ended September 30, 2025 comparison***

| | Nine months ended September 30, 2026 | Nine months ended September 30, 2025 | $ Change | % Change |
|---|---|---|---|---|
| Net Income | $ 97,807 | $ 91,327 | 6,480 | 7.1% |
| Adjusted Net Income | 112,294 | 115,005 | (2,711) | (2.4%) |
| Net Earnings per Share | | | | |
| Basic and Diluted | $ 1.38 | $ 1.25 | | |
| Adjusted Net Earnings per Share | | | | |
| Basic and Diluted | $ 1.59 | $ 1.58 | | |

Net Income, before adjustments, for the nine months ended September 30, 2026 increased by $6.5 million to $97.8 million or $1.38 per share, on a basic and diluted basis, from Net Income of $91.3 million or $1.25 per share, on a basic and diluted basis, for the nine months ended September 30, 2025. Excluding the adjustments explained in Table B under “Adjustments to Net Income”, Adjusted Net Income for the nine months ended September 30, 2026 decreased by $2.7 million to $112.3 million or $1.59 per share on a basic and diluted basis, from $115.0 million or $1.58 per share on a basic and diluted basis, for the nine months ended September 30, 2025.

Adjusted Net Income for the nine months ended September 30, 2026, as compared to the nine months ended September 30, 2025, was negatively impacted by the following:

- a lower gross margin from lower year-over-year sales volume;

- a higher effective tax rate (27.2% for the nine months ended September 30, 2026 compared to 26.9% for the nine months ended September 30, 2025) primarily reflecting changes in the geographic mix of earnings among jurisdictions with differing tax rates, the impact of valuation allowances in certain jurisdictions, and certain tax benefits derived in foreign jurisdictions; and
- the absence of margins from programs associated with the operations disposed of in China and Brazil.

These factors were partially offset by the following:

- a year-over-year decrease in SG&A expense, as previously explained;
- an $8.0 million year-over-year decrease in finance expense as a result of lower borrowing rates on the Company's revolving bank debt; and
- a net foreign exchange loss of $0.7 million for the nine months ended September 30, 2026 compared to $3.9 million for the nine months ended September 30, 2025.

## ADDITIONS TO PROPERTY, PLANT AND EQUIPMENT

***Three months ended September 30, 2026 to three months ended September 30, 2025 comparison***

| | Three months ended September 30, 2026 | Three months ended September 30, 2025 | $ Change | % Change |
|---|---|---|---|---|
| Additions to PP&E | $ 76,312 | $ 56,800 | 19,512 | 34.4% |

Additions to PP&E increased by $19.5 million to $76.3 million or 6.5% of sales for the third quarter of 2026 as compared to $56.8 million or 4.8% of sales in the third quarter of 2025.

***Nine months ended September 30, 2026 to nine months ended September 30, 2025 comparison***

| | Nine months ended September 30, 2026 | Nine months ended September 30, 2025 | $ Change | % Change |
|---|---|---|---|---|
| Additions to PP&E | $ 177,930 | $ 139,534 | 38,396 | 27.5% |

Additions to PP&E increased by $38.4 million to $177.9 million or 5.1% of sales for the nine months ended September 30, 2026 compared to $139.5 million or 3.8% of sales for the nine months ended September 30, 2025.

General timing of expenditures makes quarterly additions to PP&E quite volatile by nature. Capital additions for the nine months ended September 30, 2026 and 2025 include new program capital and incremental investments required in equipment related to customer-driven engineering changes on new program launches. The Company continues to make investments in the business including in various sales and margin growth projects and in new and replacement business in all its various product offerings, while continuing to apply a measured and prudent approach to capital investment.

## SEGMENT ANALYSIS

The Company defines its operating segments as components of its business where separate financial information is available and routinely evaluated by the Company’s chief operating decision maker, which is the Chief Executive Officer. Given the differences between the regions in which the Company operates, Martinrea’s operations are segmented and aggregated on a geographic basis among North America, Europe and the Rest of the World. The Company measures segment operating performance based on operating income (loss). The following tables present Operating Income (Loss) and Adjusted Operating Income (Loss), a non-IFRS measure, for the three and nine months ended September 30, 2026 and 2025. The discussion of Adjusted Operating Income (Loss) should be read together with the corresponding IFRS Operating Income (Loss) amounts presented below and the reconciliation of Adjusted Operating Income to Net Income included in the “*Overall Results*” section of this MD&A.

***Three months ended September 30, 2026 to three months ended September 30, 2025 comparison***

| | SALES | | OPERATING INCOME (LOSS)* | |
|---|---|---|---|---|
| | Three months ended September 30, 2026 | Three months ended September 30, 2025 | Three months ended September 30, 2026 | Three months ended September 30, 2025 |
| North America | $ 936,385 | $ 912,455 | $ 66,518 | $ 62,869 |
| Europe | 232,091 | 247,552 | 1,208 | 240 |
| Rest of the World | 16,871 | 34,866 | (1,044) | 1,887 |
| Eliminations | (3,398) | (4,072) | - | - |
| Adjusted Operating Income | | | $ 66,682 | $ 64,996 |
| Adjustments* | - | - | (2,439) | (2,511) |
| Total | $ 1,181,949 | $ 1,190,801 | $ 64,243 | $ 62,485 |

**Operating Income (Loss) for the operating segments has been adjusted for certain items as explained in Table A under "Adjustments to Net Income". Of the $2.4 million adjustment for the third quarter of 2026, $1.1 million was recognized in North America and $1.3 million in Europe. Of the $2.5 million adjustment for the third quarter of 2025, $1.9 million was recognized in North America and $0.6 million in Europe.*

**North America**

Adjusted Operating Income in North America increased by $3.6 million to $66.5 million or 7.1% of sales for the third quarter of 2026 from $62.9 million or 6.9% of sales for the third quarter of 2025. The increase in Adjusted Operating Income as a percentage of sales was generally due to lower SG&A expense as a percentage of sales, and productivity and efficiency improvements at certain operating facilities and other improvements; partially offset by the negative impact of lower year-over-year production sales on margins, lower year-over-year commercial settlements, and operational inefficiencies at certain other operating facilities.

**Europe**

Adjusted Operating Income in Europe increased by $1.0 million to $1.2 million or 0.5% of sales for the third quarter of 2026 from $0.2 million or 0.1% of sales for the third quarter of 2025 due to lower year-over-year indirect costs incurred in production; partially offset by lower year-over-year commercial settlements, and the negative impact of lower year-over-year production sales on margins.

**Rest of the World**

Adjusted Operating Income (Loss) in the Rest of the World decreased by $2.9 million to a loss of $1.0 million or (6.2%) of sales for the third quarter of 2026 from an income of $1.9 million or 5.4% of sales for the third quarter of 2025 due to the negative impact of lower year-over-year production sales on margins, including the absence of sales from programs associated with the operations disposed of in China and Brazil.

***Nine months ended September 30, 2026 to nine months ended September 30, 2025 comparison***

| | SALES | | OPERATING INCOME (LOSS)* | |
|---|---|---|---|---|
| | Nine months ended September 30, 2026 | Nine months ended September 30, 2025 | Nine months ended September 30, 2026 | Nine months ended September 30, 2025 |
| North America | $ 2,729,125 | $ 2,777,876 | $ 208,499 | $ 207,512 |
| Europe | 725,885 | 771,557 | (8,450) | 260 |
| Rest of the World | 73,877 | 100,433 | (1,010) | 5,270 |
| Eliminations | (20,960) | (15,299) | - | - |
| Adjusted Operating Income | | | $ 199,039 | $ 213,042 |
| Adjustments* | - | - | (13,207) | (33,114) |
| Total | $ 3,507,927 | $ 3,634,567 | $ 185,832 | $ 179,928 |

**Operating Income (Loss) for the operating segments has been adjusted for certain items as explained in Table B under "Adjustments to Net Income". Of the $13.2 million adjustment for the nine months ended September 30, 2026, $10.2 million was recognized in North America and $3.0 million in Europe. Of the $33.1 million adjustment for the nine months ended September 30, 2025, $8.0* million was recognized in North America and *$25.1 million in Europe.*

**North America**

Adjusted Operating Income in North America increased by $1.0 million to $208.5 million or 7.6% of sales for the nine months ended September 30, 2026 from $207.5 million or 7.5% of sales for the nine months ended September 30, 2025. The increase in Adjusted Operating Income as a percentage of sales was attributed to lower SG&A expense as a percentage of sales, and operational efficiencies at certain operating facilities; partially offset by the negative impact of lower year-over-year production sales on margins, and operational inefficiencies at certain other operating facilities.

**Europe**

Adjusted Operating Income (Loss) in Europe decreased by $8.7 million to a loss of $8.5 million or (1.2%) for the nine months ended September 30, 2026 from an income of $0.3 million for the nine months ended September 30, 2025, due to the negative impact of lower year-over-year production sales on margins, and lower commercial settlements; partially offset by lower year-over-year indirect costs incurred in production.

**Rest of the World**

Adjusted Operating Income (Loss) in the Rest of the World decreased by $6.3 million to a loss of $1.0 million or (1.4%) for the nine months ended September 30, 2026 from an income of $5.3 million or 5.2% of sales for the nine months ended September 30, 2025, due to the negative impact of lower year-over-year production sales on margins, including the absence of sales from programs associated with the operations disposed of in China and Brazil, and lower commercial settlements.

## SUMMARY OF QUARTERLY RESULTS
## (unaudited)

| | 2026 | | | 2025 | | | | 2024 |
|---|---|---|---|---|---|---|---|---|
| | Q3 | Q2 | Q1 | Q4 | Q3 | Q2 | Q1 | Q4 |
| Sales | $1,181,949 | $1,200,549 | $1,125,429 | $1,187,284 | $1,190,801 | $1,275,535 | $1,168,231 | $1,150,928 |
| Gross Margin | 156,763 | 168,996 | 149,228 | 140,955 | 169,972 | 184,535 | 151,599 | 129,040 |
| Operating Income (Loss) | 64,243 | 66,163 | 55,426 | 12,546 | 62,485 | 72,338 | 45,105 | (90,411) |
| Adjusted Operating Income | 66,682 | 70,735 | 61,622 | 55,066 | 64,996 | 86,104 | 61,942 | 40,069 |
| Net Income (Loss) for the period | 26,827 | 43,126 | 27,854 | 15,658 | 35,762 | 38,091 | 17,474 | (133,332) |
| Adjusted Net Income (Loss) | 36,582 | 43,243 | 32,469 | 48,323 | 37,730 | 47,755 | 29,520 | (15,596) |
| Basic and Diluted Net Earnings (Loss) per Share | 0.38 | 0.61 | 0.39 | 0.22 | 0.49 | 0.52 | 0.24 | (1.82) |
| Adjusted Basic and Diluted Net Earnings (Loss) per Share | 0.52 | 0.61 | 0.45 | 0.67 | 0.52 | 0.66 | 0.41 | (0.21) |

## LIQUIDITY AND CAPITAL RESOURCES

On February 27, 2026, the Company's banking facility was amended to extend its maturity and enhance certain provisions of the facility. The primary terms of the amended banking facility, with now a syndicate of twelve banks (up from ten), include the following:

- unchanged financial covenants, including a maximum net debt to trailing twelve months EBITDA ratio of 3.0x (excluding the impact of IFRS 16, Leases);
- available non-amortizing term loan of $200 million (down from $250 million) at variable interest rates;
- available revolving credit lines of $400 million (up from $350 million) and US $520 million (similar to the previous facility);
- available asset based financing capacity of $300 million, similar to the previous facility;
- accordion feature which provides the Company with the ability to increase the revolving credit facility by up to US $400 million, up from US $300 million;
- pricing terms at market rates, similar to the previous facility;

- a maturity date extended to February 2030 (from February 2027); and
- no mandatory principal repayment provisions for the revolving credit lines, including the new non-amortizing term loan, similar to the previous facility.

On March 27, 2024, Martinrea entered into an accounts receivable program agreement to sell up to $100 million in trade receivables without recourse and on an uncommitted basis, subject to predetermined limits for certain customers. Under the agreement, the receivables are sold on a fully serviced basis, so that the Company continues to administer the collection of such receivables. As at September 30, 2026, $51.9 million (US $36.7 million) (December 31, 2025 - $33.6 million or US $24.5 million) of receivables were sold under the program, of which $10.9 million (US $7.7 million) (December 31, 2025 - $9.4 million or US $6.9 million) was held back from the sale proceeds, to be settled when the funds are received from the customers, in accordance with the provisions of the program, with the net proceeds being used primarily to support the Company's supply base.

As at September 30, 2026, the Company had drawn US $220 million (December 31, 2025 - US $256 million) on the U.S. revolving credit line, $315 million (December 31, 2025 - $210 million) on the Canadian revolving credit line, and $200 million (December 31, 2025 - $250 million) on the Canadian non-amortizing term loan. As at September 30, 2026, the Company had total liquidity of $611 million, including cash and cash equivalents and availability under the Company's banking facility. In addition, the Company's credit facility includes a $300 million allowance for asset based financing that the Company can use for additional financing, of which approximately $244 million was available as at September 30, 2026. At September 30, 2026, the weighted average effective interest rate of the banking facility was 4.9% (December 31, 2025 - 4.9%). The facility requires the maintenance of certain financial ratios with which the Company was in compliance as at September 30, 2026.

On July 31, 2026, the Company finalized a six-year equipment loan in the amount of €4.4 million ($7.0 million), repayable in monthly installments commencing in 2027 at a fixed annual interest rate of 3.60%.

The principal sources of liquidity available for the Company’s future cash requirements are expected to be cash flow from operations, cash and cash equivalents, borrowings from its revolving credit lines, and asset based financing. Management believes that the Company’s overall liquidity and operating cash flow will be sufficient to meet the Company’s anticipated cash requirements for capital expenditures, working capital, debt obligations and other commitments. This expectation is based on current business forecasts, available borrowing capacity under the Company's banking facilities, anticipated capital expenditure requirements, and continued compliance with applicable financial covenants. The Company’s ability to fund its anticipated cash requirements, and to comply with financial covenants under the Company’s banking facility, depend on the Company’s future operating performance and cash flows and many factors outside of its control, including the cost of material, energy and other input costs, the state of the overall automotive industry and financial and economic conditions, including the impact of supply chain disruptions, and other factors.

**Debt leverage ratios:**

| Excluding the impact of IFRS 16: | September 30, 2026 | June 30, 2026 | March 31, 2026 | December 31, 2025 | September 30, 2025 |
|---|---|---|---|---|---|
| Long-term debt | $ 878,009 | $ 910,410 | $ 948,317 | $ 868,809 | $ 911,056 |
| Less: Cash and cash equivalents | (108,451) | (109,586) | (129,626) | (174,144) | (142,987) |
| Net Debt | $ 769,558 | $ 800,824 | $ 818,691 | $ 694,665 | $ 768,069 |
| Trailing 12-month Adjusted EBITDA | $ 493,264 | $ 490,371 | $ 510,493 | $ 515,055 | $ 512,106 |
| Net Debt to Adjusted EBITDA ratio | 1.56x | 1.63x | 1.60x | 1.35x | 1.50x |

| Including the impact of IFRS 16: | September 30, 2026 | June 30, 2026 | March 31, 2026 | December 31, 2025 | September 30, 2025 |
|---|---|---|---|---|---|
| Long-term debt | $ 878,009 | $ 910,410 | $ 948,317 | $ 868,809 | $ 911,056 |
| Lease liabilities | 229,172 | 237,933 | 243,929 | 251,156 | 241,624 |
| | 1,107,181 | 1,148,343 | 1,192,246 | 1,119,965 | 1,152,680 |
| Less: Cash and cash equivalents | (108,451) | (109,586) | (129,626) | (174,144) | (142,987) |
| Net Debt | $ 998,730 | $ 1,038,757 | $ 1,062,620 | $ 945,821 | $ 1,009,693 |
| Trailing 12-month Adjusted EBITDA | $ 565,855 | $ 561,334 | $ 579,553 | $ 582,744 | $ 578,367 |
| Net Debt to Adjusted EBITDA ratio | 1.76x | 1.85x | 1.83x | 1.62x | 1.75x |

The following table provides a reconciliation of Trailing 12-month Adjusted EBITDA including the impact of IFRS 16 to Trailing 12-month Adjusted EBITDA excluding the impact of IFRS 16.

| | September 30, 2026 | June 30, 2026 | March 31, 2026 | December 31, 2025 | September 30, 2025 |
|---|---|---|---|---|---|
| Trailing 12-month Adjusted EBITDA - including the impact of IFRS 16 | $ 565,855 | $ 561,334 | $ 579,553 | $ 582,744 | $ 578,367 |
| Principal payments of lease liabilities | (61,513) | (59,972) | (58,110) | (56,889) | (55,665) |
| Interest on lease liabilities | (11,078) | (10,991) | (10,950) | (10,800) | (10,596) |
| Trailing 12-month Adjusted EBITDA - excluding the impact of IFRS 16 | $ 493,264 | $ 490,371 | $ 510,493 | $ 515,055 | $ 512,106 |

The Company's Net Debt (excluding the impact of IFRS 16) decreased by $31.3 million during the third quarter of 2026 to $769.6 million from $800.8 million at the end of the second quarter of 2026 due largely to positive Free Cash Flow (after IFRS 16 lease payments) generated during the quarter, net proceeds from the disposal of foreign operations, and foreign exchange translation; partially offset by share repurchases of $9.3 million, cash restructuring costs of $5.8 million, and $3.5 million in dividends paid during the quarter. The Company's Net Debt to Adjusted EBITDA ratio (excluding the impact of IFRS 16) decreased to 1.56x from 1.63x at the end of the second quarter of 2026, due largely to the quarter-over-quarter decrease in net debt.

The Company was in compliance with its debt covenants as at September 30, 2026. The Company's debt covenants are based on leverage ratios excluding the impact of IFRS 16.

**Dividends**

In the second quarter of 2013, Martinrea's Board of Directors (the "Board") approved, for the first time, a dividend to be paid to all holders of Martinrea common shares. Annual dividends were $0.12 per share, paid in four quarterly payments of $0.03 per share. The first quarterly dividend payment of $0.03 per share was paid on July 11, 2013; with successive quarterly dividends paid thereafter.

In 2018, in view of the Company's financial performance, and its future outlook and cash needs at the time, the Board decided to increase the annual dividends by 50% to $0.18 per share, to be paid in four quarterly payments of $0.045 per share, commencing with the release of the first quarter results of 2018. The first such increased dividend was paid on July 15, 2018.

On March 5, 2020, in view of the Company's financial performance, and its future outlook and cash needs at that time, the Board decided to increase the annual dividends by another 11% to $0.20 per share, to be paid in four quarterly payments of $0.05 per share commencing at the beginning of 2020. The first such increased quarterly dividend was paid on April 14, 2020, and continues to this date. The Company maintained its dividend throughout the COVID-19 pandemic, semiconductor chip shortage, EV volume shortfalls, rapidly changing trade policies, including tariffs or threatened tariffs between the United States, Canada and Mexico, and other supply chain disruptions. The Board will continue to assess future dividend payment levels from time to time, in light of market conditions, the current supply chain situation, the Company's financial performance and anticipated needs at that time.

**Cash flow**

| | Three months ended September 30, 2026 | Three months ended September 30, 2025 | $ Change | % Change |
|---|---|---|---|---|
| Cash provided by operations before changes in non-cash working capital items | $ 144,758 | $ 148,111 | (3,353) | (2.3%) |
| Change in non-cash working capital items | (2,841) | (14,482) | 11,641 | 80.4% |
| | 141,917 | 133,629 | 8,288 | 6.2% |
| Interest paid | (15,120) | (17,540) | 2,420 | 13.8% |
| Income taxes paid | (518) | (8,561) | 8,043 | 93.9% |
| Cash provided by operating activities | 126,279 | 107,528 | 18,751 | 17.4% |
| Cash used in financing activities | (58,646) | (67,414) | 8,768 | 13.0% |
| Cash used in investing activities | (68,722) | (56,459) | (12,263) | (21.7%) |
| Effect of foreign exchange rate changes on cash and cash equivalents | (46) | (698) | 652 | 93.4% |
| Decrease in cash and cash equivalents | $ (1,135) | $ (17,043) | 15,908 | 93.3% |

Cash provided by operating activities during the third quarter of 2026 was $126.3 million, compared to $107.5 million in the corresponding period of 2025. The components for the third quarter of 2026 primarily include the following:

- cash provided by operations before changes in non-cash working capital items of $144.8 million;
- working capital use of cash $2.8 million comprised of a decrease in trade, other payables and provisions of $22.7 million, an increase in inventories of $5.3 million, and an increase in prepaid expenses and deposits of $0.9 million; partially offset by a decrease in trade and other receivables of $26.0 million;
- interest paid of $15.1 million; and
- income taxes paid of $0.5 million.

Cash used in financing activities during the third quarter of 2026 was $58.6 million, compared to $67.4 million in the corresponding period of 2025. The components for the third quarter of 2026 primarily include the following:

- a $30.3 million net decrease in long-term debt;
- principal payments of lease liabilities of $15.6 million;
- repurchase of common shares under the normal course issuer bid ("NCIB") (as described in note 11 of the interim financial statements) of $9.3 million; and
- $3.5 million in dividends paid.

Cash used in investing activities during the third quarter of 2026 was $68.7 million, compared to $56.5 million in the corresponding period of 2025. The components for the third quarter of 2026 primarily include the following:

- cash additions to PP&E of $68.5 million; and
- capitalized development costs relating to upcoming new program launches of $3.0 million; partially offset by
- net proceeds from the disposal of foreign operations of $2.8 million.

Taking into account the opening cash balance of $109.6 million at the beginning of the third quarter of 2026, and the activities described above, the cash and cash equivalents balance at September 30, 2026 was $108.5 million.

| | Nine months ended September 30, 2026 | Nine months ended September 30, 2025 | $ Change | % Change |
|---|---|---|---|---|
| Cash provided by operations before changes in non-cash working capital items | $ 424,678 | $ 421,697 | 2,981 | 0.7% |
| Change in non-cash working capital items | (102,960) | (36,072) | (66,888) | (185.4%) |
| | 321,718 | 385,625 | (63,907) | (16.6%) |
| Interest paid | (46,126) | (54,168) | 8,042 | 14.8% |
| Income taxes paid | (32,383) | (63,014) | 30,631 | 48.6% |
| Cash provided by operating activities | 243,209 | 268,443 | (25,234) | (9.4%) |
| Cash used in financing activities | (89,033) | (104,045) | 15,012 | 14.4% |
| Cash used in investing activities | (179,942) | (185,259) | 5,317 | 2.9% |
| Effect of foreign exchange rate changes on cash and cash equivalents | 3,754 | (4,103) | 7,857 | 191.5% |
| Decrease in cash and cash equivalents | $ (22,012) | $ (24,964) | 2,952 | 11.8% |

Cash provided by operating activities during the nine months ended September 30, 2026 was $243.2 million, compared to $268.4 million in the corresponding period of 2025. The components for the nine months ended September 30, 2026 primarily include the following:

- cash provided by operations before changes in non-cash working capital items of $424.7 million;
- working capital use of cash of $103.0 million comprised of an increase in trade and other receivables of $123.6 million, an increase in inventories of $36.4 million, and an increase in prepaid expenses and deposits of $2.9 million; partially offset by and an increase in trade, other payables and provisions of $59.9 million;
- interest paid of $46.1 million; and
- income taxes paid of $32.4 million.

Cash used in financing activities during the nine months ended September 30, 2026 was $89.0 million, compared to $104.0 million in the corresponding period of 2025. The components for the nine months ended September 30, 2026 primarily include the following:

- principal payments of lease liabilities of $46.8 million;
- repurchase of common shares under the NCIB (as described in note 11 of the interim financial statements) of $30.1 million;
- $10.6 million in dividends paid; and
- a $1.5 million net decrease in long-term debt.

Cash used in investing activities during the nine months ended September 30, 2026 was $179.9 million, compared to $185.3 million in the corresponding period of 2025. The components for the nine months ended September 30, 2026 primarily include the following:

- cash additions to PP&E of $178.6 million; and
- capitalized development costs relating to upcoming new program launches of $4.8 million; partially offset by
- net proceeds from the disposal of foreign operations of $2.8 million.

Taking into account the opening cash balance of $130.5 million at the beginning of 2026 (as described in note 1d of the interim financial statements), and the activities described above, the cash and cash equivalents balance at September 30, 2026 was $108.5 million.

**Free Cash Flow**

| | Three months ended September 30, 2026 | Three months ended September 30, 2025 | $ Change |
|---|---|---|---|
| Adjusted EBITDA | $ 144,921 | $ 140,400 | 4,521 |
| Add (deduct): | | | |
| Change in non-cash working capital items | (2,841) | (14,482) | 11,641 |
| Remove impact of restructuring provision | 3,342 | 1,145 | 2,197 |
| Purchase of property, plant and equipment (excluding capitalized interest) | (68,549) | (55,872) | (12,677) |
| Cash proceeds on disposal of property, plant and equipment | 224 | 189 | 35 |
| Capitalized development costs | (2,992) | (754) | (2,238) |
| Interest paid | (15,120) | (17,540) | 2,420 |
| Income taxes paid | (518) | (8,561) | 8,043 |
| Free Cash Flow | 58,467 | 44,525 | 13,942 |
| Principal payments of IFRS 16 lease liabilities | (15,596) | (14,055) | (1,541) |
| Free Cash Flow (after IFRS 16 lease payments) | $ 42,871 | $ 30,470 | 12,401 |

Free cash flow for the third quarter of 2026 increased year-over-year due largely to a decrease in non-cash working capital, net of the change in the restructuring provision which is included in working capital, lower income taxes paid, higher Adjusted EBITDA, and lower interest paid on long-term debt; partially offset by an increase in cash purchases of property, plant and equipment, and an increase in capitalized development costs.

Tooling-related working capital accounts, including inventory, trade and other receivables, and trade and other payables on a net basis, amounted to $2.5 million as at September 30, 2026, an increase from ($17.7) million as at June 30, 2026 and from ($7.9) million as at September 30, 2025.

Reconciliation of IFRS “Cash provided by operating activities” to Non-IFRS “Free Cash Flow”, and "Free Cash Flow (after IFRS 16 lease payments)” for the three months ended September 30, 2026 and 2025:

| | Three months ended September 30, 2026 | Three months ended September 30, 2025 |
|---|---|---|
| Cash provided by operating activities | $ 126,279 | $ 107,528 |
| Add (deduct): | | |
| Purchase of property, plant and equipment (excluding capitalized interest) | (68,549) | (55,872) |
| Cash proceeds on disposal of property, plant and equipment | 224 | 189 |
| Capitalized development costs | (2,992) | (754) |
| Restructuring costs | 2,439 | 2,511 |
| Remove impact of restructuring provision | 3,342 | 1,145 |
| Unrealized loss on foreign exchange contracts | (341) | (482) |
| Deferred and restricted share units expense | (2,769) | (9,984) |
| Stock options expense | (99) | (177) |
| Pension and other post-employment benefits expense | (547) | (612) |
| Contributions made to pension and other post-retirement benefits | 632 | 788 |
| Net unrealized foreign exchange loss and other expense | 848 | 245 |
| Free Cash Flow | 58,467 | 44,525 |
| Principal payments of IFRS 16 lease liabilities | (15,596) | (14,055) |
| Free Cash Flow (after IFRS 16 lease payments) | $ 42,871 | $ 30,470 |

| | Nine months ended September 30, 2026 | Nine months ended September 30, 2025 | $ Change |
|---|---|---|---|
| Adjusted EBITDA | $ 429,818 | $ 446,707 | (16,889) |
| Add (deduct): | | | |
| Change in non-cash working capital items | (102,960) | (36,072) | (66,888) |
| Remove impact of restructuring provision | 10,220 | (18,406) | 28,626 |
| Purchase of property, plant and equipment (excluding capitalized interest) | (178,566) | (177,476) | (1,090) |
| Cash proceeds on disposal of property, plant and equipment | 874 | 839 | 35 |
| Capitalized development costs | (4,797) | (7,351) | 2,554 |
| Interest paid | (46,126) | (54,168) | 8,042 |
| Income taxes paid | (32,383) | (63,014) | 30,631 |
| Free Cash Flow | 76,080 | 91,059 | (14,979) |
| Principal payments of IFRS 16 lease liabilities | (46,811) | (42,187) | (4,624) |
| Free Cash Flow (after IFRS 16 lease payments) | $ 29,269 | $ 48,872 | (19,603) |

Free cash flow for the nine months ended September 30, 2026 decreased year-over-year due largely to an increase in non-cash working capital, net of the change in the restructuring provision which is included in working capital, and lower Adjusted EBITDA; partially offset by lower income taxes paid, lower interest paid on long-term debt, and a decrease in capitalized development costs.

Reconciliation of IFRS “Cash provided by operating activities” to Non-IFRS “Free Cash Flow”, and "Free Cash Flow (after IFRS 16 lease payments)” for the nine months ended September 30, 2026 and 2025:

| | Nine months ended September 30, 2026 | Nine months ended September 30, 2025 |
|---|---|---|
| Cash provided by operating activities | $ 243,209 | $ 268,443 |
| Add (deduct): | | |
| Purchase of property, plant and equipment (excluding capitalized interest) | (178,566) | (177,476) |
| Cash proceeds on disposal of property, plant and equipment | 874 | 839 |
| Capitalized development costs | (4,797) | (7,351) |
| Restructuring costs | 13,207 | 33,114 |
| Remove impact of restructuring provision | 10,220 | (18,406) |
| Unrealized gain (loss) on foreign exchange contracts | (275) | 192 |
| Deferred and restricted share units expense | (8,832) | (12,111) |
| Stock options expense | (299) | (531) |
| Pension and other post-employment benefits expense | (1,634) | (1,827) |
| Contributions made to pension and other post-retirement benefits | 1,820 | 1,952 |
| Net unrealized foreign exchange loss and other expense | 1,153 | 4,221 |
| Free Cash Flow | 76,080 | 91,059 |
| Principal payments of IFRS 16 lease liabilities | (46,811) | (42,187) |
| Free Cash Flow (after IFRS 16 lease payments) | $ 29,269 | $ 48,872 |

## RISKS AND UNCERTAINTIES AND TRENDS

The reader is referred to the detailed discussion on "Automotive Industry Highlights and Trends" and "Risk Factors" as outlined in the AIF available through SEDAR+ at www.sedarplus.ca which are incorporated herein by reference. The disclosure in this MD&A and, in particular under “Recent Developments" supplements those risk factors described in the AIF.

## RECENT DEVELOPMENTS

### Trade restrictions or disputes

The global growth of the automotive industry has been aided by the free movement of goods, services, people and capital through bilateral and regional trade agreements, particularly in North America and Europe. The introduction of measures which impede free trade, including new or increased tariffs and other trade barriers, could have a material adverse effect on the Company’s operations and

profitability, and the automotive industry. The imposition of tariffs and countervailing restrictions and/or retaliatory tariffs between the United States and Canada and Mexico, and with other countries, such as China, is a fluid and evolving situation. In 2026, the United States declined to extend the USMCA at its first joint review, and the agreement is now subject to annual review. The U.S. President has also announced that tariffs on Canadian vehicles, automotive parts and steel will increase to 50% effective January 1, 2027, although negotiations are ongoing. Current international trade disputes or trade wars could, among other things, reduce demand for and production of vehicles including impeding our ability to sell products to customers located in the United States, disrupt global supply chains including the Company's ability to procure inputs and equipment for its operations, distort commodity pricing, impact the profitability of the Company or its suppliers and/or customers and their financial stability, impair the ability of automotive suppliers and vehicle manufacturers to make efficient long-term investment decisions, create volatility in relative foreign exchange rates, and contribute to stock market volatility or result in a shutdown of the automotive industry.

In addition, one of the most material risks stemming from trade disruptions is the potential shutdown of vehicle production, either at our own facilities or at OEM assembly plants. The automotive industry relies heavily on just-in-time delivery systems and tightly synchronized supply chains. Any delay or blockage in the movement of goods, whether due to tariffs, regulatory inspections, border slowdowns, or retaliatory trade actions, can result in halted production lines, missed delivery windows, and increased operating costs. A prolonged disruption could lead to cascading effects throughout the supply chain, including inventory shortages, contractual penalties, and strained relationships with OEM customers. Furthermore, some OEMs may relocate production to different OEM assembly plants because of tariffs, which may impact production at one or more of the Company's facilities.

The Company's products may also be subject to tariffs that do not apply to automotive suppliers based in other countries which could result in changes to our customer base and disrupt our usual sales process. Any disruption to current trade practices could have a material impact on the Company's ability to market its products and procure inputs for its operations.

**Supply chain issues**

Although the Company has seen a recovery in overall production volumes and improved production stability, global light vehicle production continues to be affected by supply chain disruptions. However, ongoing supply chain disruptions could continue to negatively impact the global automotive supply chain and OEM light vehicle production, especially within the current tariff environment. Despite these improvements, some OEM customers are still taking measures to address these disruptions, such as unplanned shutdowns of production lines and plants, reductions in vehicle production plans, and changes to their product mix.

Addressing Tier 2 and 3 supply chain issues can sometimes lead to the incurrence of premium costs. As a result, OEM responses to these disruptions have caused several consequences for Tier 1 suppliers like Martinrea, including lower sales, production inefficiencies due to unexpected stops and restarts of production lines based on OEMs' production priorities, and premium costs to expedite shipments.

**Geopolitical conflicts and energy price volatility**

Ongoing geopolitical conflicts, including the conflict in the Middle East and related attacks on commercial shipping and energy infrastructure, have contributed to increased volatility in global energy markets, particularly oil and fuel prices. Escalations or further instability in the region could disrupt global energy supply routes, increase transportation and logistics costs, and contribute to broader inflationary pressures.

Elevated or volatile fuel and energy prices may adversely affect the Company's operations and financial results in several ways, including by increasing the cost of inbound materials and outbound logistics, raising utility and operating costs at manufacturing facilities, and impacting the cost structures of the Company's suppliers. While the Company seeks to mitigate certain cost increases through commercial arrangements with customers and operational efficiencies, there can be no assurance that such costs can be fully recovered or mitigated in a timely manner.

In addition, sustained increases in fuel and energy costs may impact consumer demand for certain vehicle categories and influence OEM production volumes, product mix decisions, and the timing of customer programs. Any resulting reduction in global light vehicle production, changes in platform demand, or delays in customer launches could adversely affect the Company's sales, margins, and operating results.

The situation remains fluid and unpredictable, and further developments related to geopolitical conflicts or energy market disruptions could have a material adverse effect on the Company, the automotive industry, or global economic conditions.

**Operations in emerging markets**

The Company has historically maintained certain operations in emerging markets, including China and Brazil. During 2026, the Company disposed of its operations in Brazil and substantially reduced its presence in China, as described under “Disposal of Foreign Operations” and “Assets and Liabilities Held for Sale”. The Company no longer has operations in China and Brazil and its exposure to emerging markets is therefore more limited than in prior periods. Investments in these jurisdictions may nevertheless be subject to jurisdiction-specific risks, including changes in laws and regulations, foreign investment and ownership requirements, government approvals, currency controls, taxation, economic and political conditions and the enforceability of contractual rights. Management monitors these risks through its corporate oversight, financial reporting, compliance and risk management processes. See “Risks of Conducting Business in Foreign Countries, Including China, Brazil, Mexico and Other Growing Markets”' in the Company's AIF.

**Artificial intelligence**

The Company continues to use and evaluate artificial intelligence, machine learning and related technologies in its manufacturing operations, including in areas such as manufacturing efficiency, quality control and predictive maintenance. These technologies remain at varying stages of development and implementation across the Company's operations. There have been no material changes during the period to the Company's use of these technologies or the related risks described in the Company's AIF.

Any of these factors could have an adverse effect on the Company’s business and operational results.

Significant industry trends, the Company’s business strategy and all other major risks the Company faces are discussed further in "Description of the Business and Trends" and "Risk Factors" in the Company’s AIF available through SEDAR+ at www.sedarplus.ca.

## DISCLOSURE OF OUTSTANDING SHARE DATA

As at November 12, 2026, the Company had 69,033,630 common shares outstanding. The Company’s common shares constitute its only class of voting securities. As at November 12, 2026, options to acquire 1,995,000 common shares were outstanding.

On May 23, 2025, the Company renewed the NCIB receiving approval from the Toronto Stock Exchange ("TSX") to acquire for cancellation up to an additional 7,110,571 common shares of the Company. The renewed bid commenced on May 27, 2025 and spanned a 12-month period.

During 2025, the Company purchased for cancellation an aggregate of 778,698 common shares for an aggregate purchase price of $8.2 million resulting in a reduction to capital stock of $6.4 million and a decrease to retained earnings of $1.7 million. The shares were purchased and cancelled directly under the NCIB.

On May 25, 2026, the Company renewed its NCIB receiving approval from the TSX to acquire for cancellation up to an additional 6,874,272 common shares of the Company. The renewed bid commenced on May 27, 2026 and spans a 12-month period.

During the nine months ended September 30, 2026, the Company purchased for cancellation an aggregate of 2,975,520 common shares for an aggregate purchase price of $31.2 million resulting in a reduction to capital stock of $24.6 million and a decrease to retained earnings of $6.6 million. The shares were purchased and cancelled directly under the NCIB.

## CONTRACTUAL OBLIGATIONS AND OFF-BALANCE SHEET FINANCING

During the nine months ended September 30, 2026, there has been no material change in the table of contractual obligations specified in the Company's MD&A for the fiscal year ended December 31, 2025.

### Guarantees

The Company has negotiated tool financing facilities that provide direct financing for specific programs. The tool financing program involves a third party that provides tooling suppliers with financing subject to a Company guarantee. Payments from the third party to

the tooling supplier are approved by the Company prior to the funds being advanced. The amounts loaned to tooling suppliers through this financing arrangement do not appear on the Company's balance sheet unless the sale on the corresponding tooling project has been recognized, at which point a tooling trade payable on the project is recorded. At September 30, 2026, the amount of the off-balance sheet program financing was $3.4 million (December 31, 2025 - $9.8 million) representing the maximum amount of undiscounted future payments the Company could be required to make under the guarantee. The Company would be required to perform under the guarantee in cases where a tooling supplier could not meet its obligation to the third party. Since the amount advanced to the tooling supplier is required to be repaid generally when the Company receives reimbursement from the final customer, and at this point the Company will in turn repay the tooling supplier, the Company views the likelihood of a tooling supplier default as remote. Moreover, if such an instance were to occur, the Company would obtain the tool inventory as collateral. The term of the guarantee will vary from program to program, but typically ranges up to twenty-four months.

**Financial Instruments**

The Company's foreign exchange risk management includes the use of foreign currency forward contracts to fix the exchange rates on certain foreign currency exposures. It is the Company's policy to not utilize financial instruments for trading or speculative purposes.

At September 30, 2026, the Company had committed to the following foreign exchange contracts:

Foreign exchange forward contracts not accounted for as hedges and fair valued through profit or loss

| | For U.S. dollars | | |
|---|---|---|---|
| **Currency - Buy/Sell** | **Amount of U.S. dollars** | **Weighted average exchange rates** | **Maximum period in months** |
| Buy Mexican Peso | $ 11,454 | $ 17.4618 | 1 |
| Sell Chinese Yuan | 4,000 | 0.1496 | 1 |
| Sell Brazilian Real | 11,592 | 0.2696 | 1 |

The aggregate value of these forward contracts as at September 30, 2026 was a pre-tax loss of $0.3 million and was recorded in trade and other payables (December 31, 2025 - pre-tax gain of $0.8 million recorded in trade and other receivables).

**DISPOSAL OF FOREIGN OPERATIONS**

On February 5, 2026, the Company entered into an agreement to dispose 85% of its equity interest in one of its plants in China, included in the Rest of the World operating segment, for proceeds of CNY ¥5.5 million ($1.1 million). The transaction closed on June 1, 2026, resulting in the transfer of control of the entity to the third party purchaser.

Upon transfer of control, the Company derecognized the net assets of the entity and recognized a total gain on disposal of $1.6 million in the consolidated statements of operations. The gain includes a $0.2 million loss that represents the difference between the aggregate fair value of the sale consideration and the carrying amount of the net assets disposed of as of the closing date, including costs related to the sale. The net gain represents the reclassification of cumulative foreign currency translation gains of $1.8 million from accumulated other comprehensive income to profit or loss upon closing of the transaction.

On August 24, 2026, the Company sold 100% of its equity interest in its plant in Brazil, included in the Rest of the World operating segment, for proceeds of BRL $55.0 million ($11.8 million). The proceeds consist of BRL $10.0 million ($2.6 million) received at closing, BRL $20.0 million ($5.5 million) to be received in ten equal monthly installments over the 12-month period following closing, and a long-term receivable of BRL $25.0 million ($3.9 million), measured at its discounted present value at the disposal date, to be received within 36 months of closing. Management assessed the timing and collectability of the deferred consideration and recorded it at fair value on the date of disposal.

As a result of the transaction, the Company derecognized the net assets of the entity and recognized a total loss on disposal of $8.9 million in the consolidated statements of operations. The loss includes a $10.9 million gain that represents the difference between the aggregate fair value of total consideration and the carrying amount of the net assets disposed of as of the closing date, including costs

related to the sale. The net loss represents the reclassification of cumulative foreign currency translation losses of $19.8 million from accumulated other comprehensive income to profit or loss upon closing of the transaction.

| | Nine months ended September 30, 2026 | | |
|---|---|---|---|
| | **China Plant** | **Brazil Plant** | **Total** |
| Fair value of consideration | $ 1,107 | $ 11,817 | $ 12,924 |
| *Less:* | | | |
| Carrying amount of net assets sold | (1,052) | (617) | (1,669) |
| Cost related to sale | (255) | (325) | (580) |
| | (200) | 10,875 | 10,675 |
| Cumulative translation adjustment balance | 1,843 | (19,802) | (17,959) |
| Gain (Loss) on disposal | $ 1,643 | $ (8,927) | $ (7,284) |

**ASSETS AND LIABILITIES HELD FOR SALE**

On September 1, 2026, the Company entered into a definitive agreement to sell 95% of its equity interest in its remaining plant in China, included in the Rest of the World operating segment. The Company expects to receive gross proceeds of approximately CNY ¥237.5 million ($50.0 million) upon closing. Completion of the transaction remains subject to customary closing conditions, including final steps of local government approval in China, and the Company expects this approval process to be completed in Q4 2026. As at September 30, 2026, management concluded that the transaction is considered highly probable and, accordingly, the related assets and liabilities were classified as held for sale.

Subsequent to September 30, 2026, the transaction closed on October 15, 2026, resulting in the transfer of control of the entity to the third party purchaser.

On May 8, 2026, the Company entered into a purchase and sale agreement (“PSA”) for the disposition of the capital assets of its plant in Shelbyville, Kentucky, included in the North America operating segment. The capital assets comprised of land, buildings and equipment as outlined in the PSA, and had an aggregate carrying amount of US $10.5 million ($14.8 million) as of September 30, 2026. These capital assets are expected to be sold for proceeds of US$30.1 million ($42.6 million). During the third quarter of 2026, the Company made significant progress toward satisfying the remaining closing conditions under the PSA and, as at September 30, 2026, management concluded that the transaction was highly probable. Accordingly, the related capital assets were classified as held for sale at September 30, 2026.

Subsequent to September 30, 2026, the transaction closed on October 15, 2026.

The assets and liabilities classified as held for sale are measured at the lower of their carrying amount and fair value less cost of disposal. The Company determined the fair value less cost of disposal based on management's best estimate of the expected proceeds of the transaction, net of estimated selling costs. At September 30, 2026, the Company determined that the carrying amount of the assets are recoverable.

The assets and liabilities included in the held for sale categories as at September 30, 2026 are summarized below:

| | | September 30, 2026 |
|---|---|---|
| Assets | | |
| Trade and other receivables | $ | 5,456 |
| Inventories | | 5,783 |
| Prepaid expenses and deposits | | 598 |
| Property, plant and equipment* | | 57,830 |
| Right-of-use assets | | 7,651 |
| Intangible assets | | 547 |
| Total assets held for sale | $ | 77,865 |
| Liabilities | | |
| Trade and other payables | $ | 3,772 |
| Lease liabilities | | 7,778 |
| Total liabilities associated with assets held for sale | $ | 11,550 |

*Of the total property, plant and equipment balance of $57.8 million, $14.8 million is attributable to the capital assets located in Shelbyville, Kentucky.

## DISCLOSURE CONTROLS AND PROCEDURES AND INTERNAL CONTROLS OVER FINANCIAL REPORTING

There have been no changes in the Company's internal controls over financial reporting during the most recent interim period that have materially affected, or are reasonably likely to materially affect, the Company's internal controls over financial reporting.

## *FORWARD-LOOKING INFORMATION*

### Special Note Regarding Forward-Looking Statements

This MD&A and the documents incorporated by reference therein contains forward-looking statements within the meaning of applicable Canadian securities laws, including, but not limited to, statements related to the outlook and growth of the automotive industry, the future investments in leading edge technology, opportunities to increase sales, expand the customer base and growth of the Company and pursuit of and belief in its strategies, the impact and duration of supply chain issues, global trade and tariff issues, geopolitical conflicts and energy price volatility, operations in emerging markets, artificial intelligence and other statements under Recent Developments, including potential impact on the business, the Company's ability to be a consistent Free Cash Flow generator and its belief in the sufficiency of its liquidity of operating cash flow to meet its needs and other related statements, the execution of the Company's strategy. The words "continue", "expect", "anticipate", "estimate", "may", "will", "should", "views", "intend", "believe", "plan" and similar expressions are intended to identify forward-looking statements. Forward-looking statements are based on estimates and assumptions made by the Company in light of its experience and its perception of historical trends, current conditions and expected future developments, as well as other factors that the Company believes are appropriate in the circumstances, such as expected sales, customer production schedules and release, industry production estimates, current foreign exchange rates, timing of product launches, awarded business proceeding substantially in accordance with expectations, operational improvement during the period, current and anticipated trade policy frameworks, general economic and industry conditions, and current Board approved budgets. Although customer supply arrangements generally do not provide minimum volume commitments and may be terminable under certain circumstances, management's planning and forecasting assumptions reflect the Company's historical experience that awarded business generally continues for the life of the applicable vehicle program. These assumptions form an important part of management's assessment of future production volumes, revenues and operating performance. In preparing forward-looking information, management also considers third-party industry production forecasts, expected vehicle production volumes in key markets, current sourcing levels, awarded business and the Company's expected operational performance. Many factors could cause the Company's actual results, performance or achievements to differ materially from those expressed or implied by the forward-looking statements, including, without limitation, the following factors, which are discussed in greater detail in the Company's AIF, this MD&A, and the MD&A for the year ended December 31, 2025 and other public filings which can be found at www.sedarplus.ca:

- North American and Global Economic and Political Conditions (including war) and Consumer Confidence
- Automotive Industry Risks
- Trade Restrictions or Disputes

- Changes in Laws and Governmental Regulations
- Dependence Upon Key Customers
- Pandemics and Epidemics, Force Majeure Events, Natural Disasters, Terrorist Activities, Political and Civil Unrest or War, and Other Outbreaks
- Financial Viability of Suppliers and Key Suppliers and Supply Disruptions (Material Availability or Disruption)
- Semiconductor Chip Shortages and Price Increases
- Inflationary Pressures
- Regional Energy Shortages
- Russia and Ukraine War and Middle East War
- Customer Consolidation and Cooperation
- Emergence of Potentially Disruptive EV OEMs
- Outsourcing and Insourcing Trends
- Competition
- Customer Pricing Pressures, Contractual Arrangements, Cost and Risk Absorption and Purchase Orders
- Potential Volatility of Share Prices
- Fluctuations in Operating Results
- Material and Commodity Prices and Volatility
- Scrap Steel/Aluminum Price Volatility
- Quote/Pricing Assumptions
- Launch Costs, Operational Costs and Issues and Cost Structure
- Potential Rationalization Costs, Turnaround Costs and Impairment Charges
- Return on Capital Investment
- Product Warranty, Repair/Replacement Costs, Recall, Product Liability and Liability Risk
- Product Development and Technological Change (Including Artificial Intelligence and Electrification)
- Cybersecurity Threats
- A Shift Away from Technologies in Which the Company is Investing
- Dependence Upon Key Personnel
- Limited Financial Resources/Uncertainty of Future Financing/Banking
- Acquisitions
- Joint Ventures
- Private or Public Equity Investments in Technology Companies
- Potential Tax Exposures
- Labour Relations Matters
- Sustainability (ESG) Regulation, Including Environmental Regulation and Climate Change and Human Rights and Supply Chain Issues
- Litigation and Regulatory Compliance and Investigations
- Anti-Trust and Competition Law Enforcement
- Risks of Conducting Business in Foreign Countries, Including China, Brazil, Mexico and Other Growing Markets
- Currency Risk
- Internal Controls Over Financial Reporting and Disclosure Controls and Procedures
- Loss of Use of Key Manufacturing Facilities
- Intellectual Property
- Availability of Consumer Credit or Cost of Borrowing
- Evolving Business Risk Profile
- Competition with Low-Cost Countries
- The Company’s Ability to Shift its Manufacturing Footprint to Take Advantage of Opportunities in Growing Markets
- Change in the Company’s Mix of Earnings Between Jurisdictions with Lower Tax Rates and Those with Higher Tax Rates
- Pension Plans and Other Post-Employment Benefits
- Dividends
- Lease Obligations

These factors should be considered carefully, and readers should not place undue reliance on the Company's forward-looking statements. The Company has no intention and undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.




# MARTINREA INTERNATIONAL INC.
# INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2026

**Martinrea International Inc.**

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# Martinrea International Inc.

## Interim Condensed Consolidated Balance Sheets

*(in thousands of Canadian dollars) (unaudited)*

| | Note | September 30, 2026 | December 31, 2025 |
|---|---|---|---|
| **ASSETS** | | | |
| Cash and cash equivalents | | $ 108,451 | $ 174,144 |
| Trade and other receivables | 2 | 775,277 | 591,586 |
| Inventories | 3 | 509,220 | 474,224 |
| Prepaid expenses and deposits | | 43,005 | 40,707 |
| Income taxes recoverable | | 46,036 | 42,205 |
| Assets held for sale | 19 | 77,865 | - |
| **TOTAL CURRENT ASSETS** | | 1,559,854 | 1,322,866 |
| Property, plant and equipment | 4 | 1,827,350 | 1,847,262 |
| Right-of-use assets | 5 | 213,657 | 229,084 |
| Deferred tax assets | | 251,684 | 211,405 |
| Intangible assets | | 35,255 | 36,650 |
| Investments | | 70,236 | 71,975 |
| Pension assets | | 12,646 | 18,537 |
| Other long term assets | 18 | 3,873 | - |
| **TOTAL NON-CURRENT ASSETS** | | 2,414,701 | 2,414,913 |
| **TOTAL ASSETS** | | 3,974,555 | 3,737,779 |
| | | | |
| **LIABILITIES** | | | |
| Trade and other payables | 6 | $ 1,102,708 | $ 1,010,928 |
| Provisions | 7 | 8,407 | 20,110 |
| Income taxes payable | | 46,736 | 9,873 |
| Current portion of long-term debt | 8 | 9,001 | 13,424 |
| Current portion of lease liabilities | 9 | 59,563 | 59,237 |
| Liabilities associated with assets held for sale | 19 | 11,550 | - |
| **TOTAL CURRENT LIABILITIES** | | 1,237,965 | 1,113,572 |
| Long-term debt | 8 | 869,008 | 855,385 |
| Lease liabilities | 9 | 169,609 | 191,919 |
| Pension and other post-retirement benefits | | 36,207 | 37,874 |
| Deferred tax liabilities | | 28,121 | 26,543 |
| **TOTAL NON-CURRENT LIABILITIES** | | 1,102,945 | 1,111,721 |
| **TOTAL LIABILITIES** | | 2,340,910 | 2,225,293 |
| | | | |
| **EQUITY** | | | |
| Capital stock | 11 | 570,180 | 594,756 |
| Contributed surplus | | 47,059 | 46,760 |
| Accumulated other comprehensive income | | 236,333 | 168,628 |
| Retained earnings | | 780,073 | 702,342 |
| **TOTAL EQUITY** | | 1,633,645 | 1,512,486 |
| **TOTAL LIABILITIES AND EQUITY** | | $ 3,974,555 | $ 3,737,779 |

**Contingencies (note 16)**

**Subsequent event (note 19)**

See accompanying notes to the interim condensed consolidated financial statements.

On behalf of the Board:

| | |
|---|---|
| “Robert Wildeboer” | Director |
| “Terry Lyons” | Director |

# Martinrea International Inc.

## Interim Condensed Consolidated Statements of Operations

*(in thousands of Canadian dollars, except per share amounts) (unaudited)*

| | Note | Three months ended September 30, 2026 | Three months ended September 30, 2025 | Nine months ended September 30, 2026 | Nine months ended September 30, 2025 |
|---|---|---|---|---|---|
| **SALES** | | $ 1,181,949 | $ 1,190,801 | $ 3,507,927 | $ 3,634,567 |
| Cost of sales (excluding depreciation of property, plant and equipment and right-of-use assets) | | (953,169) | (951,776) | (2,820,812) | (2,912,716) |
| Depreciation of property, plant and equipment and right-of-use assets (production) | | (72,017) | (69,053) | (212,128) | (215,745) |
| Total cost of sales | | (1,025,186) | (1,020,829) | (3,032,940) | (3,128,461) |
| **GROSS MARGIN** | | 156,763 | 169,972 | 474,987 | 506,106 |
| Research and development costs | | (10,625) | (11,221) | (33,515) | (33,183) |
| Selling, general and administrative | | (75,427) | (89,583) | (230,332) | (247,949) |
| Depreciation of property, plant and equipment and right-of-use assets (non-production) | | (4,233) | (3,996) | (12,363) | (11,621) |
| Gain (loss) on disposal of property, plant and equipment | | 204 | (176) | 262 | (311) |
| Restructuring costs | 7 | (2,439) | (2,511) | (13,207) | (33,114) |
| **OPERATING INCOME** | | 64,243 | 62,485 | 185,832 | 179,928 |
| Share of loss of equity investments | | (496) | (662) | (2,208) | (1,997) |
| Loss on disposal of foreign operations | 18 | (9,182) | - | (7,284) | - |
| Finance expense | 13 | (13,351) | (15,951) | (41,445) | (49,399) |
| Other finance expense | 13 | (848) | (245) | (1,153) | (4,221) |
| **INCOME BEFORE INCOME TAXES** | | 40,366 | 45,627 | 133,742 | 124,311 |
| Income tax expense | 10 | (13,539) | (9,865) | (35,935) | (32,984) |
| **NET INCOME FOR THE PERIOD** | | $ 26,827 | $ 35,762 | $ 97,807 | $ 91,327 |
| Basic earnings per share | 12 | $ 0.38 | $ 0.49 | $ 1.38 | $ 1.25 |
| Diluted earnings per share | 12 | $ 0.38 | $ 0.49 | $ 1.38 | $ 1.25 |

See accompanying notes to the interim condensed consolidated financial statements.

# Martinrea International Inc.

## Interim Condensed Consolidated Statements of Comprehensive Income

*(in thousands of Canadian dollars) (unaudited)*

| | Note | Three months ended September 30, 2026 | Three months ended September 30, 2025 | Nine months ended September 30, 2026 | Nine months ended September 30, 2025 |
|---|---|---|---|---|---|
| **NET INCOME FOR THE PERIOD** | | $ 26,827 | $ 35,762 | $ 97,807 | $ 91,327 |
| **Other comprehensive income (loss), net of tax:** | | | | | |
| **Items that are or may be reclassified to net income** | | | | | |
| Foreign currency translation differences for foreign operations | | (5,242) | 30,323 | 49,739 | (13,170) |
| Reclassification of foreign currency translation difference on disposal of foreign operations | 18 | 19,802 | - | 17,959 | - |
| **Items that will not be reclassified to net income** | | | | | |
| Share of other comprehensive income (loss) of equity investments | | (35) | 88 | 7 | (24) |
| Remeasurement of defined benefit plans | | (3,366) | 29 | (2,966) | 935 |
| **Other comprehensive income (loss), net of tax** | | 11,159 | 30,440 | 64,739 | (12,259) |
| **TOTAL COMPREHENSIVE INCOME FOR THE PERIOD** | | $ 37,986 | $ 66,202 | $ 162,546 | $ 79,068 |

See accompanying notes to the interim condensed consolidated financial statements.

# Martinrea International Inc.

## Interim Condensed Consolidated Statements of Changes in Equity

*(in thousands of Canadian dollars) (unaudited)*

| | Capital stock | Contributed surplus | Accumulated other comprehensive income | Retained earnings | Total equity |
|---|---|---|---|---|---|
| **BALANCE AT DECEMBER 31, 2024** | $ 601,188 | $ 46,052 | $ 210,821 | $ 608,961 | $ 1,467,022 |
| Net income for the period | - | - | - | 91,327 | 91,327 |
| Compensation expense related to stock options | - | 531 | - | - | 531 |
| Dividends ($0.15 per share) | - | - | - | (10,918) | (10,918) |
| Other comprehensive income (loss) net of tax | | | | | |
| Remeasurement of defined benefit plans | - | - | - | 935 | 935 |
| Foreign currency translation differences | - | - | (13,170) | - | (13,170) |
| Share of other comprehensive loss of equity investments | - | - | (24) | - | (24) |
| **BALANCE AT SEPTEMBER 30, 2025** | 601,188 | 46,583 | 197,627 | 690,305 | 1,535,703 |
| Net income for the period | - | - | - | 15,658 | 15,658 |
| Compensation expense related to stock options | - | 177 | - | - | 177 |
| Dividends ($0.05 per share) | - | - | - | (3,601) | (3,601) |
| Repurchase of common shares (note 11) | (6,432) | - | - | (1,736) | (8,168) |
| Other comprehensive income (loss) net of tax | | | | | |
| Remeasurement of defined benefit plans | - | - | - | 1,716 | 1,716 |
| Foreign currency translation differences | - | - | (28,987) | - | (28,987) |
| Share of other comprehensive loss of equity investments | - | - | (12) | - | (12) |
| **BALANCE AT DECEMBER 31, 2025** | 594,756 | 46,760 | 168,628 | 702,342 | 1,512,486 |
| Net income for the period | - | - | - | 97,807 | 97,807 |
| Compensation expense related to stock options | - | 299 | - | - | 299 |
| Dividends ($0.15 per share) | - | - | - | (10,500) | (10,500) |
| Repurchase of common shares (note 11) | (24,576) | - | - | (6,610) | (31,186) |
| Other comprehensive income (loss) net of tax | | | | | |
| Remeasurement of defined benefit plans | - | - | - | (2,966) | (2,966) |
| Foreign currency translation differences | - | - | 67,698 | - | 67,698 |
| Share of other comprehensive income of equity investments | - | - | 7 | - | 7 |
| **BALANCE AT SEPTEMBER 30, 2026** | $ 570,180 | $ 47,059 | $ 236,333 | $ 780,073 | $ 1,633,645 |

See accompanying notes to the interim condensed consolidated financial statements.

# Martinrea International Inc.

## Interim Condensed Consolidated Statements of Cash Flows

*(in thousands of Canadian dollars) (unaudited)*

| | Note | Three months ended September 30, 2026 | Three months ended September 30, 2025 | Nine months ended September 30, 2026 | Nine months ended September 30, 2025 |
|---|---|---|---|---|---|
| **CASH PROVIDED BY (USED IN):** | | | | | |
| **OPERATING ACTIVITIES:** | | | | | |
| Net income for the period | | $ 26,827 | $ 35,762 | $ 97,807 | $ 91,327 |
| Adjustments for: | | | | | |
| Depreciation of property, plant and equipment and right-of-use assets | | 76,250 | 73,049 | 224,491 | 227,366 |
| Amortization of development costs | | 2,193 | 2,179 | 6,550 | 5,988 |
| Unrealized loss (gain) on foreign exchange forward contracts | | 341 | 482 | 275 | (192) |
| Finance expense | 13 | 13,351 | 15,951 | 41,445 | 49,399 |
| Income tax expense | 10 | 13,539 | 9,865 | 35,935 | 32,984 |
| Loss (gain) on disposal of property, plant and equipment | | (204) | 176 | (262) | 311 |
| Loss on disposal of foreign operations | 18 | 9,182 | - | 7,284 | - |
| Deferred and restricted share units expense | 11 | 2,769 | 9,984 | 8,832 | 12,111 |
| Stock options expense | 11 | 99 | 177 | 299 | 531 |
| Share of loss of equity investments | | 496 | 662 | 2,208 | 1,997 |
| Pension and other post-retirement benefits expense | | 547 | 612 | 1,634 | 1,827 |
| Contributions made to pension and other post-retirement benefits | | (632) | (788) | (1,820) | (1,952) |
| | | 144,758 | 148,111 | 424,678 | 421,697 |
| Changes in non-cash working capital items: | | | | | |
| Trade and other receivables | | 26,027 | 18,424 | (123,598) | (148,015) |
| Inventories | | (5,271) | (36,237) | (36,381) | (11,515) |
| Prepaid expenses and deposits | | (876) | (8,547) | (2,868) | (11,233) |
| Trade, other payables and provisions | | (22,721) | 11,878 | 59,887 | 134,691 |
| | | 141,917 | 133,629 | 321,718 | 385,625 |
| Interest paid | | (15,120) | (17,540) | (46,126) | (54,168) |
| Income taxes paid | | (518) | (8,561) | (32,383) | (63,014) |
| **NET CASH PROVIDED BY OPERATING ACTIVITIES** | | $ 126,279 | $ 107,528 | $ 243,209 | $ 268,443 |
| **FINANCING ACTIVITIES:** | | | | | |
| Increase (decrease) in long-term debt (net of deferred financing fees) | | (27,288) | (45,299) | 8,802 | (38,671) |
| Equipment loan repayments | | (2,981) | (4,421) | (10,293) | (12,269) |
| Principal payments of lease liabilities | | (15,596) | (14,055) | (46,811) | (42,187) |
| Dividends paid | | (3,499) | (3,639) | (10,646) | (10,918) |
| Repurchase of common shares | | (9,282) | - | (30,085) | - |
| **NET CASH USED IN FINANCING ACTIVITIES** | | $ (58,646) | $ (67,414) | $ (89,033) | $ (104,045) |
| **INVESTING ACTIVITIES:** | | | | | |
| Purchase of property, plant and equipment (excluding capitalized interest)* | | (68,549) | (55,872) | (178,566) | (177,476) |
| Capitalized development costs | | (2,992) | (754) | (4,797) | (7,351) |
| Net increase in investments | | (196) | (22) | (244) | (1,271) |
| Proceeds on disposal of property, plant and equipment | | 224 | 189 | 874 | 839 |
| Proceeds from disposal of foreign operations (net of transaction costs) | 18 | 2,791 | - | 2,791 | - |
| **NET CASH USED IN INVESTING ACTIVITIES** | | $ (68,722) | $ (56,459) | $ (179,942) | $ (185,259) |
| Effect of foreign exchange rate changes on cash and cash equivalents | | (46) | (698) | 3,754 | (4,103) |
| **DECREASE IN CASH AND CASH EQUIVALENTS** | | (1,135) | (17,043) | (22,012) | (24,964) |
| **CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD** | 1(d) | 109,586 | 160,030 | 130,463 | 167,951 |
| **CASH AND CASH EQUIVALENTS, END OF PERIOD** | | $ 108,451 | $ 142,987 | $ 108,451 | $ 142,987 |

*As at September 30, 2026, $44,957 (December 31, 2025 - $51,215) of purchases of property, plant and equipment remain unpaid and are recorded in trade and other payables.

See accompanying notes to the interim condensed consolidated financial statements.

Martinrea International Inc. ("Martinrea" or the "Company") was formed by the amalgamation under the Ontario Business Corporations Act of several predecessor Corporations by articles of amalgamation dated May 1, 1998. The Company is a diversified and global automotive supplier engaged in the design, development and manufacturing of highly engineered, value-added Lightweight Structures and Propulsion Systems.

## 1. BASIS OF PREPARATION

### (a) Statement of compliance

These interim condensed consolidated financial statements have been prepared in accordance with International Accounting Standard 34, 'Interim Financial Reporting' ("IAS" 34) as issued by the International Accounting Standards Board ("IASB"), and on a basis consistent with the accounting policies disclosed in the Company's annual audited consolidated financial statements for the year ended December 31, 2025.

### (b) Basis of presentation

These interim condensed consolidated financial statements include the accounts of Martinrea International Inc. and its subsidiaries. The notes presented in these interim condensed consolidated financial statements include in general only significant changes and transactions occurring since the Company's last year end, and are not fully inclusive of all disclosures required by IFRS Accounting Standards for annual financial statements. These interim condensed consolidated financial statements should be read in conjunction with the Company's annual audited consolidated financial statements, including the notes thereto, for the year ended December 31, 2025.

### (c) Presentation currency

These interim condensed consolidated financial statements are presented in Canadian dollars, which is the Company's presentation currency. All financial information presented in Canadian dollars has been rounded to the nearest thousand, except per share amounts and where otherwise indicated.

### (d) Recently adopted accounting standard and policy

*Amendments to IFRS 9 and IFRS 7, Classification and Measurements of Financial Instruments*

On May 30, 2024, the IASB issued Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7). The amendments include:

- clarifying the requirements for the timing of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;
- clarifying and adding further guidance for assessing whether a financial asset meets the solely payments of principal and interest criterion;
- adding new disclosures for certain instruments with contractual terms that can change cash flows (such as some instruments with features linked to the achievement of environment, social and governance targets); and
- updating the disclosures for equity instruments designated at fair value through other comprehensive income.

The Company adopted the change in accounting policy effective January 1, 2026 in accordance with the applicable transitional provisions of the amendment, and comparative information has not been restated. The adoption of the amendments to IFRS 9 and IFRS 7 resulted in a reduction to cash and cash equivalents from $174,144 as at December 31, 2025 to $130,463 as at January 1, 2026.

### (e) Recently issued accounting standard

The IASB issued the following new standard:

*IFRS 18, Presentation and Disclosure in Financial Statements*

On April 9, 2024, the IASB issued IFRS 18, Presentation and Disclosure in Financial Statements (replacement to IAS 1). The new accounting standard introduces three sets of new requirements to improve companies' reporting of financial performance and give investors a better basis for analyzing and comparing companies:

- improved comparability in the statement of profit or loss by introducing three defined categories for income and expenses (operating, investing and financing) and requiring companies to provide new defined subtotals, including operating profit;
- enhanced transparency of management-defined performance measures by requiring companies to disclose explanations of those company-specific measures that are related to the income statement; and
- enhanced guidance on how companies group information in the financial statements, including guidance on whether information is included in the primary financial statements or is further disaggregated in the notes.

The new standard is effective for annual periods beginning on or after January 1, 2027. The Company is currently assessing the impact of the new standard on the consolidated financial statements.

## 2. TRADE AND OTHER RECEIVABLES

| | September 30, 2026 | December 31, 2025 |
|---|---|---|
| Trade receivables | $ 681,116 | $ 517,124 |
| Other receivables | 94,161 | 73,623 |
| Foreign exchange forward contracts not accounted for as hedges (note 15(d)) | - | 839 |
| | $ 775,277 | $ 591,586 |

The Company's exposures to credit and currency risks, and impairment losses related to trade and other receivables, are disclosed in note 15.

On March 27, 2024, Martinrea entered into an accounts receivable program agreement to sell up to $100,000 in trade receivables without recourse and on an uncommitted basis, subject to predetermined limits for certain customers. Under the agreement, the receivables are sold on a fully serviced basis, so that the Company continues to administer the collection of such receivables. The Company derecognizes the trade receivables sold under the program when it transfers substantially all the risks and rewards of ownership of the receivables. As at September 30, 2026, $51,941 (US $36,728) (December 31, 2025 - $33,561 or US $24,547) of receivables were sold under the program, of which $10,908 (US $7,713) (December 31, 2025 - $9,397 or US $6,873) was held back from the sale proceeds, to be settled when the funds are received from the customers, in accordance with the provisions of the program, with the net proceeds being used primarily to support the Company's supply base.

## 3. INVENTORIES

| | September 30, 2026 | December 31, 2025 |
|---|---|---|
| Raw materials | $ 248,767 | $ 236,431 |
| Work in progress | 77,557 | 69,755 |
| Finished goods | 47,647 | 51,397 |
| Tooling work in progress | 135,249 | 116,641 |
| | $ 509,220 | $ 474,224 |

## 4. PROPERTY, PLANT AND EQUIPMENT

| | September 30, 2026 | | | December 31, 2025 | | |
|---|---|---|---|---|---|---|
| | Cost | Accumulated amortization and impairment losses | Net book value | Cost | Accumulated amortization and impairment losses | Net book value |
| Land and buildings | $ 259,536 | $ (41,257) | $ 218,279 | $ 273,284 | $ (65,748) | $ 207,536 |
| Leasehold improvements | 97,815 | (70,481) | 27,334 | 100,267 | (73,633) | 26,634 |
| Manufacturing equipment | 3,554,671 | (2,269,725) | 1,284,946 | 3,598,280 | (2,242,288) | 1,355,992 |
| Tooling and fixtures | 36,925 | (32,087) | 4,838 | 39,112 | (32,488) | 6,624 |
| Other assets | 109,698 | (75,594) | 34,104 | 109,904 | (78,193) | 31,711 |
| Construction in progress | 257,849 | - | 257,849 | 218,765 | - | 218,765 |
| | $ 4,316,494 | $ (2,489,144) | $ 1,827,350 | $ 4,339,612 | $ (2,492,350) | $ 1,847,262 |

Movement in property, plant and equipment is summarized as follows:

| | Land and buildings | Leasehold improvements | Manufacturing equipment | Tooling and fixtures | Other assets | Construction in progress | Total |
|---|---|---|---|---|---|---|---|
| Net as of December 31, 2024 | $ 199,894 | $ 27,364 | $ 1,452,895 | $ 6,375 | $ 29,698 | $ 232,778 | $ 1,949,004 |
| Additions | 433 | - | 1,128 | 339 | 716 | 215,559 | 218,175 |
| Additions from acquisition | - | 932 | 11,100 | - | 161 | - | 12,193 |
| Disposals | - | - | (2,002) | (4) | (382) | - | (2,388) |
| Depreciation | (7,642) | (4,843) | (231,117) | (1,702) | (7,646) | - | (252,950) |
| Impairment | - | - | (27,392) | - | (797) | (2,235) | (30,424) |
| Transfers from construction in progress | 22,939 | 3,431 | 183,566 | 1,713 | 10,174 | (221,823) | - |
| Foreign currency translation adjustment | (8,088) | (250) | (32,186) | (97) | (213) | (5,514) | (46,348) |
| Net as of December 31, 2025 | $ 207,536 | $ 26,634 | $ 1,355,992 | $ 6,624 | $ 31,711 | $ 218,765 | $ 1,847,262 |
| Additions | 27 | 96 | 645 | 7 | 322 | 176,833 | 177,930 |
| Disposals | (44) | (30) | (409) | - | (61) | (13) | (557) |
| Disposal of foreign operations | - | - | (1,037) | - | - | (705) | (1,742) |
| Held for sale reclassification | (12,555) | (810) | (36,699) | (2,378) | (294) | (5,094) | (57,830) |
| Depreciation | (5,630) | (3,927) | (166,034) | (1,646) | (6,500) | - | (183,737) |
| Transfers from construction in progress | 22,565 | 4,838 | 99,762 | 1,948 | 8,335 | (137,448) | - |
| Foreign currency translation adjustment | 6,380 | 533 | 32,726 | 283 | 591 | 5,511 | 46,024 |
| Net as of September 30, 2026 | $ 218,279 | $ 27,334 | $ 1,284,946 | $ 4,838 | $ 34,104 | $ 257,849 | $ 1,827,350 |

## 5. RIGHT-OF-USE ASSETS

| | September 30, 2026 | | | December 31, 2025 | | |
|---|---|---|---|---|---|---|
| | Cost | Accumulated amortization and impairment losses | Net book value | Cost | Accumulated amortization and impairment losses | Net book value |
| Leased buildings | $ 404,724 | $ (239,387) | $ 165,337 | $ 393,282 | $ (215,786) | $ 177,496 |
| Leased manufacturing equipment | 138,120 | (91,161) | 46,959 | 131,138 | (81,078) | 50,060 |
| Leased other assets | 6,067 | (4,706) | 1,361 | 6,185 | (4,657) | 1,528 |
| | $ 548,911 | $ (335,254) | $ 213,657 | $ 530,605 | $ (301,521) | $ 229,084 |

Movement in right-of-use assets is summarized as follows:

| | Leased buildings | Leased manufacturing equipment | Leased other assets | Total |
|---|---|---|---|---|
| Net as of December 31, 2024 | $ 152,041 | $ 62,503 | $ 1,258 | $ 215,802 |
| Additions | - | 3,359 | 854 | 4,213 |
| Lease modifications | 49,241 | 74 | 23 | 49,338 |
| Additions from acquisition | 13,715 | 703 | - | 14,418 |
| Depreciation | (33,981) | (17,228) | (678) | (51,887) |
| Foreign currency translation adjustment | (3,520) | 649 | 71 | (2,800) |
| Net as of December 31, 2025 | $ 177,496 | $ 50,060 | $ 1,528 | $ 229,084 |
| Additions | 1,773 | 7,787 | 448 | 10,008 |
| Lease modifications | 18,487 | 1,151 | 17 | 19,655 |
| Held for sale reclassification | (7,505) | (71) | (75) | (7,651) |
| Depreciation | (28,316) | (11,862) | (576) | (40,754) |
| Lease terminations | - | (729) | - | (729) |
| Foreign currency translation adjustment | 3,402 | 623 | 19 | 4,044 |
| Net as of September 30, 2026 | $ 165,337 | $ 46,959 | $ 1,361 | $ 213,657 |

## 6. TRADE AND OTHER PAYABLES

| | September 30, 2026 | December 31, 2025 |
|---|---|---|
| Trade accounts payable and accrued liabilities | $ 1,102,433 | $ 1,010,928 |
| Foreign exchange forward contracts not accounted for as hedges (note 15(d)) | 275 | - |
| | $ 1,102,708 | $ 1,010,928 |

The Company's exposure to currency and liquidity risk related to trade and other payables is disclosed in note 15.

## 7. PROVISIONS

| | Restructuring | Claims and Litigation | Total |
|---|---|---|---|
| Net as of December 31, 2024 | $ 5,148 | $ 1,714 | $ 6,862 |
| Net additions | 36,118 | 2,802 | 38,920 |
| Amounts used during the period | (25,313) | (1,852) | (27,165) |
| Foreign currency translation adjustment | 1,419 | 74 | 1,493 |
| Net as of December 31, 2025 | $ 17,372 | $ 2,738 | $ 20,110 |
| Net additions | 13,207 | 669 | 13,876 |
| Amounts used during the period | (23,461) | (540) | (24,001) |
| Disposal of foreign operation | - | (1,786) | (1,786) |
| Foreign currency translation adjustment | 34 | 174 | 208 |
| Net as of September 30, 2026 | $ 7,152 | $ 1,255 | $ 8,407 |

Additions to the restructuring provision during the nine months ended September 30, 2026 totalled $13,207 and represent employee-related severance resulting from the rightsizing of certain operations in North America ($10,223), and Europe ($2,984).

## 8. LONG-TERM DEBT

The Company's interest-bearing loans and borrowings are measured at amortized cost. For more information about the Company's exposure to interest rate, foreign currency and liquidity risk, see note 15.

| | September 30, 2026 | December 31, 2025 |
|---|---|---|
| Banking facility | $ 822,208 | $ 808,535 |
| Equipment loans | 55,801 | 60,274 |
| | 878,009 | 868,809 |
| Current portion | (9,001) | (13,424) |
| Non-current portion | $ 869,008 | $ 855,385 |

Terms and conditions of outstanding loans, in Canadian dollar equivalents, are as follows:

| | Currency | Nominal interest rate | Year of maturity | September 30, 2026 Carrying amount | December 31, 2025 Carrying amount |
|---|---|---|---|---|---|
| Banking facility | USD | SOFR + 1.70% | 2030 | $ 311,124 | $ 350,011 |
| | CAD | CORRA + 1.70% | 2030 | 311,084 | 208,524 |
| | CAD | CORRA + 1.95% | 2030 | 200,000 | 250,000 |
| Equipment loans | CAD | 4.79% | 2030 | 25,364 | 30,268 |
| | USD | 4.61% | 2030 | 21,597 | 22,829 |
| | EUR | 3.60% | 2032 | 7,047 | - |
| | EUR | 3.72% | 2035 | 882 | 881 |
| | EUR | 2.41% | 2036 | 483 | 483 |
| | EUR | 0.00% | 2028 | 428 | 640 |
| | CAD | 2.54% | 2026 | - | 3,955 |
| | EUR | 2.46% | 2026 | - | 964 |
| | EUR | 1.40% | 2026 | - | 254 |
| | | | | $ 878,009 | $ 868,809 |

On February 27, 2026, the Company's banking facility was amended to extend its maturity and enhance certain provisions of the facility. The primary terms of the amended banking facility, with now a syndicate of twelve banks (up from ten), include the following:

- unchanged financial covenants, including a maximum net debt to trailing twelve months EBITDA ratio of 3.0x (excluding the impact of IFRS 16, Leases);
- available non-amortizing term loan of $200 million (down from $250 million) at variable interest rates;
- available revolving credit lines of $400 million (up from $350 million) and US $520 million (similar to the previous facility);
- available asset based financing capacity of $300 million, similar to the previous facility;
- accordion feature which provides the Company with the ability to increase the revolving credit facility by up to US $400 million, up from US $300 million;
- pricing terms at market rates, similar to the previous facility;
- a maturity date extended to February 2030 (from February 2027); and
- no mandatory principal repayment provisions for the revolving credit lines, including the new non-amortizing term loan, similar to the previous facility.

As at September 30, 2026, the Company had drawn US $220,000 (December 31, 2025 - US $256,000) on the U.S. revolving credit line, $315,000 (December 31, 2025 - $210,000) on the Canadian revolving credit line, and $200,000 (December 31, 2025 - $250,000) on the Canadian non-amortizing term loan. At September 30, 2026, the weighted average effective interest rate of the banking facility was 4.9% (December 31, 2025 - 4.9%). The facility requires the maintenance of certain financial ratios with which the Company was in compliance as at September 30, 2026.

Deferred financing fees of $3,916 (December 31, 2025 - $1,476) have been netted against the carrying amount of the long-term debt.

On July 31, 2026, the Company finalized a six-year equipment loan in the amount of €4,374 ($7,047), repayable in monthly installments commencing in 2027 at a fixed annual interest rate of 3.60%.

Future annual minimum principal repayments as at September 30, 2026 are as follows:

| | Scheduled principal repayments | Scheduled amortization of deferred financing fees | Carrying amount of outstanding loans |
|---|---|---|---|
| Within one year | $ 10,147 | $ (1,146) | $ 9,001 |
| One to two years | 11,697 | (1,146) | 10,551 |
| Two to three years | 12,294 | (1,146) | 11,148 |
| Three to four years | 834,996 | (478) | 834,518 |
| Thereafter | 12,791 | - | 12,791 |
| | $ 881,925 | $ (3,916) | $ 878,009 |

Movement in long-term debt is summarized as follows:

| | Total |
|---|---|
| Net as of December 31, 2024 | $ 981,414 |
| Net repayments | (128,910) |
| Equipment loan proceeds | 59,573 |
| Equipment loan repayments | (16,685) |
| Amortization of deferred financing fees | 1,265 |
| Foreign currency translation adjustment | (27,848) |
| Net as of December 31, 2025 | $ 868,809 |
| Net drawdowns | 5,155 |
| Equipment loan proceeds | 7,047 |
| Equipment loan repayments | (10,293) |
| Deferred financing fee additions | (3,400) |
| Amortization of deferred financing fees | 960 |
| Foreign currency translation adjustment | 9,731 |
| Net as of September 30, 2026 | $ 878,009 |

## 9. LEASE LIABILITIES

The Company enters into lease agreements for land and buildings, manufacturing equipment and other assets as a part of regular operations as a means of efficiently utilizing capital and managing the Company's cash flows.

Movement in lease liabilities is summarized as follows:

| | Total |
|---|---|
| Net as of December 31, 2024 | $ 243,411 |
| Net additions | 4,213 |
| Lease modifications | 49,338 |
| Additions from acquisition | 14,418 |
| Principal payments of lease liabilities | (56,889) |
| Foreign currency translation adjustment | (3,335) |
| Net as of December 31, 2025 | $ 251,156 |
| Net additions | 10,008 |
| Lease modifications | 19,655 |
| Held for sale reclassification | (7,778) |
| Principal payments of lease liabilities | (46,811) |
| Lease terminations | (674) |
| Disposal of foreign operations | (979) |
| Foreign currency translation adjustment | 4,595 |
| Net as of September 30, 2026 | $ 229,172 |

The maturity of contractual undiscounted lease liabilities as at September 30, 2026 is as follows:

| | | Total |
|---|---|---|
| Within one year | $ | 68,919 |
| One to two years | | 51,491 |
| Two to three years | | 37,640 |
| Three to four years | | 29,406 |
| Thereafter | | 74,271 |
| Total undiscounted lease liabilities at September 30, 2026 | $ | 261,727 |
| Interest on lease liabilities | | (32,555) |
| Total present value of minimum lease payments | $ | 229,172 |
| Current portion | | (59,563) |
| Non-current portion | $ | 169,609 |

## 10. INCOME TAXES

The components of income tax expense are as follows:

| | Three months ended September 30, 2026 | Three months ended September 30, 2025 | Nine months ended September 30, 2026 | Nine months ended September 30, 2025 |
|---|---|---|---|---|
| Current income tax expense | $ (20,583) | $ (13,638) | $ (68,833) | $ (52,830) |
| Deferred income tax recovery | 7,044 | 3,773 | 32,898 | 19,846 |
| Total income tax expense | $ (13,539) | $ (9,865) | $ (35,935) | $ (32,984) |

## 11. CAPITAL STOCK

| Common shares outstanding: | Number | Amount |
|---|---|---|
| Balance as of December 31, 2024 and September 30, 2025 | 72,787,848 | $ 601,188 |
| Repurchase of common shares under normal course issuer bid | (778,698) | (6,432) |
| Balance as of December 31, 2025 | 72,009,150 | $ 594,756 |
| Repurchase of common shares under normal course issuer bid | (2,975,520) | (24,576) |
| Balance as of September 30, 2026 | 69,033,630 | $ 570,180 |

The Company is authorized to issue an unlimited number of common shares. The Company's shares have no par value.

**Repurchase of capital stock:**

On May 23, 2025, the Company renewed its normal course issuer bid ("NCIB") receiving approval from the Toronto Stock Exchange ("TSX") to acquire for cancellation up to an additional 7,110,571 common shares of the Company. The renewed bid commenced on May 27, 2025 and spanned a 12-month period.

During 2025, the Company purchased for cancellation an aggregate of 778,698 common shares for an aggregate purchase price of $8,168 resulting in a reduction to capital stock of $6,432 and a decrease to retained earnings of $1,736. The shares were purchased and cancelled directly under the NCIB.

On May 25, 2026, the Company renewed its NCIB receiving approval from the TSX to acquire for cancellation up to an additional 6,874,272 common shares of the Company. The renewed bid commenced on May 27, 2026 and spans a 12-month period.

During the nine months ended September 30, 2026, the Company purchased for cancellation an aggregate of 2,975,520 common shares for an aggregate purchase price of $31,186 resulting in a reduction to capital stock of $24,576 and a decrease to retained earnings of $6,610. The shares were purchased and cancelled directly under the NCIB.

**Stock options**

The following is a summary of the activity of the outstanding share purchase options:

| | Nine months ended September 30, 2026 | | Nine months ended September 30, 2025 | |
|---|---|---|---|---|
| | Number of options | Weighted average exercise price | Number of options | Weighted average exercise price |
| Balance, beginning of period | 1,995,000 | $ 13.02 | 2,245,000 | $ 13.22 |
| Cancelled during the period | - | - | (175,000) | 15.24 |
| Expired during the period | - | - | (75,000) | 13.87 |
| Balance, end of period | 1,995,000 | $ 13.02 | 1,995,000 | $ 13.02 |
| Options exercisable, end of period | 1,590,000 | $ 13.74 | 1,485,000 | $ 13.99 |

The following is a summary of the issued and outstanding common share purchase options as at September 30, 2026:

| Range of exercise price per share | Number outstanding | Date of grant | Expiry |
|---|---|---|---|
| $10.00 - 12.99 | 525,000 | 2022 - 2024 | 2032 - 2034 |
| $13.00 - 16.99 | 1,470,000 | 2018 - 2020 | 2028 - 2030 |
| Total share purchase options | 1,995,000 | | |

For the three and nine months ended September 30, 2026, the Company expensed $99 (2025 - $177) and $299 (2025 - $531), respectively, to reflect stock-based compensation expense, as derived using the Black-Scholes-Merton option valuation model.

**Deferred Share Unit (“DSU”) Plan**

The following is a summary of the issued and outstanding DSUs as at September 30, 2026 and 2025:

| | Nine months ended September 30, 2026 | Nine months ended September 30, 2025 |
|---|---|---|
| Outstanding, beginning of period | 1,379,231 | 1,056,743 |
| Grants and reinvested dividends | 222,202 | 210,357 |
| Redeemed | (65,522) | - |
| Outstanding, end of period | 1,535,911 | 1,267,100 |

The DSUs granted during the nine months ended September 30, 2026 and 2025 had a weighted average fair value per unit of $9.97 and $7.57, respectively, on the date of grant. For the three and nine months ended September 30, 2026, DSU compensation expense reflected in the interim condensed consolidated statement of operations, including changes in fair value during the period, amounted to $195 (2025 - $3,186) and $1,389 (2025 - $3,332), respectively, recorded in selling, general and administrative expense.

Unrecognized DSU compensation expense as at September 30, 2026 was $1,838 (September 30, 2025 - $1,649 and December 31, 2025 - $1,544) and will be recognized in profit or loss over the remaining vesting period.

**Performance Restricted Share Unit (“PSU” and “RSU”) Plan**

The following is a summary of the issued and outstanding RSUs and PSUs for the nine months ended September 30, 2026 and 2025:

| | RSUs | PSUs | Total |
|---|---|---|---|
| Outstanding, December 31, 2024 | 930,776 | 756,194 | 1,686,970 |
| Grants and reinvested dividends | 385,121 | 282,965 | 668,086 |
| Redeemed | - | - | - |
| Cancelled | (8,394) | (21,821) | (30,215) |
| Outstanding, September 30, 2025 | 1,307,503 | 1,017,338 | 2,324,841 |
| Grants and reinvested dividends | 261,417 | 229,806 | 491,223 |
| Redeemed | (445,189) | (351,061) | (796,250) |
| Cancelled | (3,396) | (3,343) | (6,739) |
| Outstanding, December 31, 2025 | 1,120,335 | 892,740 | 2,013,075 |
| Grants and reinvested dividends | 323,004 | 204,505 | 527,509 |
| Redeemed | - | - | - |
| Cancelled | (1,680) | (1,245) | (2,925) |
| Outstanding, September 30, 2026 | 1,441,659 | 1,096,000 | 2,537,659 |

The RSUs and PSUs granted during the nine months ended September 30, 2026 and 2025 had a weighted average fair value per unit of $9.88 and $7.66, respectively, on the date of grant. For the three and nine months ended September 30, 2026, RSU and PSU compensation expense reflected in the interim condensed consolidated statement of operations, including changes in fair value during the period, amounted to $2,574 (2025 - $6,798) and $7,443 (2025 - $8,779), respectively, recorded in selling, general and administrative expense.

Unrecognized RSU and PSU compensation expense as at September 30, 2026 was $4,677 (September 30, 2025 - $5,649 and December 31, 2025 - $7,339) and will be recognized in profit or loss over the remaining vesting period.

The key assumptions, on a weighted average basis, used in the valuation of PSUs granted during the nine months ended September 30, 2026 and 2025 are shown in the table below:

| | Nine months ended September 30, 2026 | Nine months ended September 30, 2025 |
|---|---|---|
| Expected life (years) | 2.55 | 2.52 |
| Risk free interest rate | 2.84% | 2.56% |

## 12. EARNINGS PER SHARE

Details of the calculations of earnings per share are set out below:

| | Three months ended September 30, 2026 | | Three months ended September 30, 2025 | |
|---|---|---|---|---|
| | Weighted average number of shares | Per common share amount | Weighted average number of shares | Per common share amount |
| Basic | 69,696,658 | $ 0.38 | 72,787,848 | $ 0.49 |
| Effect of dilutive securities: | | | | |
| Stock options | 5,069 | - | - | - |
| Diluted | 69,701,727 | $ 0.38 | 72,787,848 | $ 0.49 |

| | Nine months ended September 30, 2026 | | Nine months ended September 30, 2025 | |
|---|---|---|---|---|
| | Weighted average number of shares | Per common share amount | Weighted average number of shares | Per common share amount |
| Basic | 70,639,576 | $ 1.38 | 72,787,848 | $ 1.25 |
| Effect of dilutive securities: | | | | |
| Stock options | - | - | - | - |
| Diluted | 70,639,576 | $ 1.38 | 72,787,848 | $ 1.25 |

The average market value of the Company's shares for purposes of calculating the dilutive effect of share options was based on quoted market prices for the period during which the options were outstanding.

For the three and nine months ended September 30, 2026, 1,495,000 (2025 - 1,995,000) and 1,995,000 (2025 - 1,995,000) options, respectively, were excluded from the diluted weighted average per share calculation as they were anti-dilutive.

## 13. FINANCE EXPENSE AND OTHER FINANCE EXPENSE

| | Three months ended September 30, 2026 | Three months ended September 30, 2025 | Nine months ended September 30, 2026 | Nine months ended September 30, 2025 |
|---|---|---|---|---|
| Debt interest, gross | $ (12,797) | $ (15,373) | $ (38,795) | $ (47,481) |
| Interest on lease liabilities | (2,727) | (2,640) | (8,272) | (7,994) |
| Capitalized interest - at an average rate of 4.9%, 4.8% (2025 - 5.3%, 5.6%) | 2,173 | 2,062 | 5,622 | 6,076 |
| Finance expense | $ (13,351) | $ (15,951) | $ (41,445) | $ (49,399) |

| | Three months ended September 30, 2026 | Three months ended September 30, 2025 | Nine months ended September 30, 2026 | Nine months ended September 30, 2025 |
|---|---|---|---|---|
| Net foreign exchange loss | $ (881) | $ (31) | $ (657) | $ (3,883) |
| Other income (expense), net | 33 | (214) | (496) | (338) |
| Other finance expense | $ (848) | $ (245) | $ (1,153) | $ (4,221) |

## 14. OPERATING SEGMENTS

The Company is a diversified and global automotive supplier engaged in the design, development and manufacturing of highly engineered, value-added Lightweight Structures and Propulsion Systems. It conducts its operations through divisions, which function as autonomous business units, following a corporate policy of functional and operational decentralization. The Company's offerings include a wide array of products, assemblies and systems for small and large cars, crossovers, pickups and sport utility vehicles.

The Company defines its operating segments as components of its business where separate financial information is available and routinely evaluated by management. The Company's chief operating decision maker ("CODM") is the Chief Executive Officer. Given the differences among the regions in which the Company operates, Martinrea's operations are segmented on a geographic basis between North America, Europe and Rest of the World.

The accounting policies of the segments are the same as those described in the Company's annual consolidated financial statements for the year ended December 31, 2025. The Company uses operating income as the basis for the CODM to evaluate the performance of each of the Company's reportable segments.

The following is a summary of selected data for each of the Company's operating segments:

| | Three months ended September 30, 2026 | | | |
|---|---|---|---|---|
| | Production Sales | Tooling Sales | Total Sales | Operating Income (Loss) |
| North America | | | | |
| Canada | $ 116,628 | $ 34,368 | $ 150,996 | |
| USA | 292,137 | 16,932 | 309,069 | |
| Mexico | 482,764 | 59,494 | 542,258 | |
| Eliminations | (37,195) | (28,743) | (65,938) | |
| | $ 854,334 | $ 82,051 | $ 936,385 | $ 65,398 |
| Europe | | | | |
| Germany | 166,561 | 1,642 | 168,203 | |
| Spain | 46,383 | - | 46,383 | |
| Slovakia | 17,505 | - | 17,505 | |
| | $ 230,449 | $ 1,642 | $ 232,091 | $ (111) |
| Rest of the World | 16,687 | 184 | 16,871 | (1,044) |
| Eliminations | (2,621) | (777) | (3,398) | - |
| | $ 1,098,849 | $ 83,100 | $ 1,181,949 | $ 64,243 |

Included in the Operating Income (Loss) for the three months ended September 30, 2026 is total depreciation and amortization expense of $78,443. Of this amount, $62,819 was recognized in North America, $14,002 in Europe, and $1,622 in the Rest of the World operating segment.

| | Three months ended September 30, 2025 | | | |
|---|---|---|---|---|
| | Production Sales | Tooling Sales | Total Sales | Operating Income (Loss) |
| North America | | | | |
| Canada | $ 135,550 | $ 8,335 | $ 143,885 | |
| USA | 329,617 | 1,161 | 330,778 | |
| Mexico | 475,971 | 11,700 | 487,671 | |
| Eliminations | (44,838) | (5,041) | (49,879) | |
| | $ 896,300 | $ 16,155 | $ 912,455 | $ 60,959 |
| Europe | | | | |
| Germany | 166,880 | 12,481 | 179,361 | |
| Spain | 52,043 | 1,303 | 53,346 | |
| Slovakia | 14,738 | 107 | 14,845 | |
| | $ 233,661 | $ 13,891 | $ 247,552 | $ (361) |
| Rest of the World | 32,607 | 2,259 | 34,866 | 1,887 |
| Eliminations | (3,416) | (656) | (4,072) | - |
| | $ 1,159,152 | $ 31,649 | $ 1,190,801 | $ 62,485 |

Included in the Operating Income (Loss) for the three months ended September 30, 2025 is total depreciation and amortization expense of $75,228. Of this amount, $58,737 was recognized in North America, $14,585 in Europe, and $1,906 in the Rest of the World operating segment.

| | Nine months ended September 30, 2026 | | | |
|---|---|---|---|---|
| | Production Sales | Tooling Sales | Total Sales | Operating Income (Loss) |
| North America | | | | |
| Canada | $ 350,233 | $ 104,003 | $ 454,236 | |
| USA | 928,619 | 22,006 | 950,625 | |
| Mexico | 1,407,641 | 98,387 | 1,506,028 | |
| Eliminations | (115,671) | (66,093) | (181,764) | |
| | $ 2,570,822 | $ 158,303 | $ 2,729,125 | $ 198,276 |
| Europe | | | | |
| Germany | 501,453 | 9,431 | 510,884 | |
| Spain | 156,681 | 3,290 | 159,971 | |
| Slovakia | 55,075 | 63 | 55,138 | |
| Eliminations | - | (108) | (108) | |
| | $ 713,209 | $ 12,676 | $ 725,885 | $ (11,434) |
| Rest of the World | 73,248 | 629 | 73,877 | (1,010) |
| Eliminations | (9,706) | (11,254) | (20,960) | - |
| | $ 3,347,573 | $ 160,354 | $ 3,507,927 | $ 185,832 |

Included in the Operating Income (Loss) for the nine months ended September 30, 2026 is total depreciation and amortization expense of $231,041. Of this amount, $184,875 was recognized in North America, $41,154 in Europe, and $5,012 in the Rest of the World operating segment.

| | Nine months ended September 30, 2025 | | | |
|---|---|---|---|---|
| | **Production Sales** | **Tooling Sales** | **Total Sales** | **Operating Income (Loss)** |
| North America | | | | |
| Canada | $ 372,670 | $ 45,471 | $ 418,141 | |
| USA | 1,001,295 | 15,023 | 1,016,318 | |
| Mexico | 1,424,721 | 73,062 | 1,497,783 | |
| Eliminations | (128,561) | (25,805) | (154,366) | |
| | $ 2,670,125 | $ 107,751 | $ 2,777,876 | $ 199,486 |
| Europe | | | | |
| Germany | 533,668 | 25,243 | 558,911 | |
| Spain | 155,978 | 9,510 | 165,488 | |
| Slovakia | 46,614 | 551 | 47,165 | |
| Eliminations | (7) | - | (7) | |
| | $ 736,253 | $ 35,304 | $ 771,557 | $ (24,828) |
| Rest of the World | 91,058 | 9,375 | 100,433 | 5,270 |
| Eliminations | (13,390) | (1,909) | (15,299) | - |
| | $ 3,484,046 | $ 150,521 | $ 3,634,567 | $ 179,928 |

Included in the Operating Income (Loss) for the nine months ended September 30, 2025 is total depreciation and amortization expense of $233,354. Of this amount, $184,260 was recognized in North America, $43,188 in Europe, and $5,906 in the Rest of the World operating segment.

## 15. FINANCIAL INSTRUMENTS

The Company's financial instruments consist of cash and cash equivalents, trade and other receivables, investments in equity securities and convertible notes, trade and other payables, long-term debt, and foreign exchange forward contracts.

**Fair Value**

IFRS 13, Fair Value Measurement, defines fair value as the exchange price that would be received to sell an asset or paid to transfer a liability in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. Valuation techniques used to measure fair value are required to maximize the use of observable inputs and minimize the use of unobservable inputs. The fair value hierarchy is based on three levels of inputs. The first two levels are considered observable and the last unobservable. These levels are used to measure fair values as follows:

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities, either directly or indirectly.
- Level 2 – Inputs, other than Level 1 inputs that are observable for assets and liabilities, either directly or indirectly. Level 2 inputs include quoted market prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.
- Level 3 – Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

The following table summarizes the fair value hierarchy under which the Company's applicable financial instruments are valued:

| | September 30, 2026 | | | |
|---|---|---|---|---|
| | **Total** | **Level 1** | **Level 2** | **Level 3** |
| Cash and cash equivalents | $ 108,451 | $ 108,451 | $ - | $ - |
| Investments | 18,316 | - | - | 18,316 |
| Foreign exchange forward contracts not accounted for as hedges (note 6) | (275) | - | (275) | - |

| | December 31, 2025 | | | |
|---|---|---|---|---|
| | **Total** | **Level 1** | **Level 2** | **Level 3** |
| Cash and cash equivalents | $ 174,144 | $ 174,144 | $ - | $ - |
| Investments | 14,066 | - | - | 14,066 |
| Foreign exchange forward contracts not accounted for as hedges (note 2) | 839 | - | 839 | - |

**Fair values versus carrying amounts**

The fair values of financial assets and liabilities, together with the carrying amounts shown in the interim condensed consolidated balance sheets, are as follows:

| September 30, 2026 | Fair value through profit or loss | Fair value through other comprehensive income | Financial assets at amortized cost | Amortized cost | Carrying amount | Fair value |
|---|---|---|---|---|---|---|
| **FINANCIAL ASSETS:** | | | | | | |
| Trade and other receivables | $ - | $ - | $ 775,277 | $ - | $ 775,277 | $ 775,277 |
| Other long term assets | | | 3,873 | | $ 3,873 | $ 3,873 |
| Investments | - | 17,316 | - | 1,000 | 18,316 | 18,316 |
| | $ - | $ 17,316 | $ 779,150 | $ 1,000 | $ 797,466 | $ 797,466 |
| **FINANCIAL LIABILITIES:** | | | | | | |
| Trade and other payables | - | - | - | (1,102,433) | (1,102,433) | (1,102,433) |
| Foreign exchange forward contracts not accounted for as hedges | (275) | - | - | - | (275) | (275) |
| Long-term debt | - | - | - | (878,009) | (878,009) | (878,009) |
| | $ (275) | $ - | $ - | $ (1,980,442) | $ (1,980,717) | $ (1,980,717) |
| **Net financial assets (liabilities)** | $ (275) | $ 17,316 | $ 779,150 | $ (1,979,442) | $ (1,183,251) | $ (1,183,251) |

| December 31, 2025 | Fair value through profit or loss | Fair value through other comprehensive income | Financial assets at amortized cost | Amortized cost | Carrying amount | Fair value |
|---|---|---|---|---|---|---|
| **FINANCIAL ASSETS:** | | | | | | |
| Trade and other receivables | $ - | $ - | $ 590,747 | $ - | $ 590,747 | $ 590,747 |
| Investments | | 13,066 | | 1,000 | 14,066 | $ 14,066 |
| Foreign exchange forward contracts not accounted for as hedges | 839 | - | - | - | 839 | 839 |
| | $ 839 | $ 13,066 | $ 590,747 | $ 1,000 | $ 605,652 | $ 605,652 |
| **FINANCIAL LIABILITIES:** | | | | | | |
| Trade and other payables | - | - | - | (1,010,928) | (1,010,928) | (1,010,928) |
| Long-term debt | - | - | - | (868,809) | (868,809) | (868,809) |
| | $ - | $ - | $ - | $ (1,879,737) | $ (1,879,737) | $ (1,879,737) |
| **Net financial assets (liabilities)** | $ 839 | $ 13,066 | $ 590,747 | $ (1,878,737) | $ (1,274,085) | $ (1,274,085) |

The fair values of trade and other receivables and trade and other payables approximate their carrying amounts due to the short-term maturities of these instruments. The estimated fair value of long-term debt approximates its carrying amount since it is subject to terms and conditions similar to those available to the Company for instruments with comparable terms, and the interest rates are predominantly market-based.

The fair values of investments are estimated at the reporting date based on valuation methods using the observable transaction price at the transaction dates and other observable inputs including rights and obligations of these investments.

The fair values of the forward contracts are determined using quoted forward exchange rates at the reporting date and present value calculations based on high credit quality yield curves in the respective currencies.

**Risk Management**

The main risks arising from the Company's financial instruments are credit risk, liquidity risk, interest rate risk, and currency risk. These risks arise from exposures that occur in the normal course of business and are managed on a consolidated basis.

**(a) Credit risk**

Credit risk refers to the risk of losses due to failure of the Company's customers or other counterparties to meet their payment obligations. Financial instruments that subject the Company to credit risk consist primarily of cash and cash equivalents, trade and other receivables, and foreign exchange forward contracts.

Credit risk associated with cash and cash equivalents is minimized by ensuring these financial assets are placed with financial institutions with high credit ratings.

The credit risk associated with foreign exchange forward contracts arises from the possibility that the counterparty to one of these contracts fails to perform according to the terms of the contract. Credit risk associated with foreign exchange forward contracts is minimized by entering into such transactions with major Canadian and U.S. financial institutions.

In the normal course of business, the Company is exposed to credit risk from its customers. The Company has three customers whose sales were 30.8%, 16.4%, and 9.4% of its production sales for the nine months ended September 30, 2026 (2025 - 30.4%, 20.8%, and 9.3%). A substantial portion of the Company's trade receivables are with large customers in the automotive, truck and industrial sectors and are subject to normal industry credit risks. The level of trade receivables that were past due as at September 30, 2026 is within the normal payment pattern of the industry. The allowance for doubtful accounts is less than 1.0% of total trade receivables for all periods and movements in the period were minimal.

The aging of trade receivables at the reporting date was as follows:

| | September 30, 2026 | December 31, 2025 |
|---|---|---|
| 0-60 days | $ 663,612 | $ 508,403 |
| 61-90 days | 4,663 | 4,107 |
| Greater than 90 days | 12,841 | 4,614 |
| | $ 681,116 | $ 517,124 |

**(b) Liquidity risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations when they become due. The Company manages liquidity risk by monitoring sales volumes and collection efforts to ensure sufficient cash flows are generated from operations to meet its liabilities when they become due. Management monitors consolidated cash flows on a weekly basis covering a rolling 12-week period, quarterly through forecasting and annually through the Company's budget process. At September 30, 2026, the Company had cash of $108,451 (December 31, 2025 - $174,144) and banking facilities available as discussed in note 8. All of the Company's financial liabilities other than long-term debt have maturities of approximately 60 days.

A summary of contractual maturities of long-term debt is provided in note 8.

**(c) Interest rate risk**

Interest rate risk refers to the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in the market interest rates. The Company is exposed to interest rate risk as a significant portion of the Company's long-term debt bears interest at rates linked to the SOFR or the CORRA rates. The interest on the bank facility fluctuates depending on the achievement of certain financial debt ratios.

The interest rate profile of the Company's long-term debt was as follows:

| | Carrying amount | |
|---|---|---|
| | September 30, 2026 | December 31, 2025 |
| Variable rate instruments | $ 822,208 | $ 808,535 |
| Fixed rate instruments | 55,801 | 60,274 |
| | $ 878,009 | $ 868,809 |

**Sensitivity analysis**

An increase of 1.0% in all variable interest rate debt would, all else being equal, have an effect of $2,199 (2025 - $2,252) on the Company's interim condensed consolidated financial results for the three months ended September 30, 2026 and $6,654 (2025 - $7,112) for the nine months ended September 30, 2026.

**(d) Currency risk**

Currency risk refers to the risk that the value of the financial instruments or cash flows associated with the instruments will fluctuate due to changes in foreign exchange rates. The Company undertakes revenue and purchase transactions in foreign currencies, and therefore is subject to gains and losses due to fluctuations in foreign currency exchange rates. The Company's foreign exchange risk management includes the use of foreign currency forward contracts to fix the exchange rates on certain foreign currency exposures.

At September 30, 2026, the Company had committed to the following foreign exchange contracts:

Foreign exchange forward contracts not accounted for as hedges and fair valued through profit or loss

| | For U.S. dollars | | |
|---|---|---|---|
| **Currency - Buy/Sell** | **Amount of U.S. dollars** | **Weighted average exchange rates** | **Maximum period in months** |
| Buy Mexican Peso | $ 11,454 | $ 17.4618 | 1 |
| Sell Chinese Yuan | 4,000 | 0.1496 | 1 |
| Sell Brazilian Real | 11,592 | 0.2696 | 1 |

The aggregate value of these forward contracts as at September 30, 2026 was a pre-tax loss of $275 and was recorded in trade and other payables (December 31, 2025 - pre-tax gain of $839 recorded in trade and other receivables).

The Company's exposure to foreign currency risk reported in the foreign currency was as follows:

| **September 30, 2026** | | **USD** | **EURO** | **PESO** | **BRL** | **CNY** |
|---|---|---|---|---|---|---|
| Trade and other receivables | $ | 400,532 | € 90,833 | $ 80,197 | R$ - | ¥ - |
| Trade and other payables | | (496,608) | (160,574) | (510,690) | - | (4,873) |
| Long-term debt | | (235,272) | (5,487) | - | - | - |
| | $ | (331,348) | € (75,228) | $ (430,493) | R$ - | ¥ (4,873) |

| **December 31, 2025** | | **USD** | **EURO** | **PESO** | **BRL** | **CNY** |
|---|---|---|---|---|---|---|
| Trade and other receivables | $ | 307,315 | € 77,780 | $ 9,249 | R$ 12,351 | ¥ 53,392 |
| Trade and other payables | | (451,490) | (148,952) | (451,009) | (37,388) | (60,597) |
| Long-term debt | | (272,697) | (2,002) | - | - | - |
| | $ | (416,872) | € (73,174) | $ (441,760) | R$ (25,037) | ¥ (7,205) |

The following summary illustrates the fluctuations in the foreign exchange rates applied:

| | **Average rate** | | **Average rate** | | **Closing rate** | |
|---|---|---|---|---|---|---|
| | **Three months ended September 30, 2026** | **Three months ended September 30, 2025** | **Nine months ended September 30, 2026** | **Nine months ended September 30, 2025** | **September 30, 2026** | **December 31, 2025** |
| USD | 1.4015 | 1.3731 | 1.3869 | 1.4032 | 1.4142 | 1.3672 |
| EURO | 1.6118 | 1.5910 | 1.6062 | 1.5451 | 1.6111 | 1.6099 |
| PESO | 0.0808 | 0.0728 | 0.0796 | 0.0711 | 0.0800 | 0.0763 |
| BRL | 0.2739 | 0.2483 | 0.2718 | 0.2446 | 0.2729 | 0.2466 |
| CNY | 0.2070 | 0.1913 | 0.2036 | 0.1938 | 0.2106 | 0.1951 |

**Sensitivity analysis**

The Company does not have significant foreign currency exposure based on each subsidiary's functional currency. However, a 10% strengthening of the Canadian dollar against the following currencies at September 30, would give rise to a translation risk on net income and would have increased (decreased) equity, profit or loss and comprehensive income for the three and nine months ended September 30, 2026 and 2025 by the amounts shown below, assuming all other variables remain constant:

| | **Three months ended September 30, 2026** | **Three months ended September 30, 2025** | **Nine months ended September 30, 2026** | **Nine months ended September 30, 2025** |
|---|---|---|---|---|
| USD | $ (4,472) | $ (5,508) | $ (16,184) | $ (18,594) |
| EURO | (32) | 231 | 1,202 | 2,372 |
| BRL | (83) | 19 | (46) | 93 |
| CNY | 167 | (103) | (231) | (386) |
| | $ (4,420) | $ (5,361) | $ (15,259) | $ (16,515) |

A weakening of the Canadian dollar against the above currencies at September 30 would have had the equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

**(e) Capital risk management**

The Company's objectives in managing capital are to ensure sufficient liquidity to pursue its strategy of organic growth combined with complementary acquisitions and to provide returns to its shareholders. The Company defines capital that it manages as the aggregate of its equity, which is comprised of issued capital, contributed surplus, accumulated other comprehensive income and retained earnings, and debt.

The Company manages its capital structure and makes adjustments in light of general economic conditions, the risk characteristics of the underlying assets and the Company's working capital requirements. In order to maintain or adjust its capital structure, the Company, upon approval from its Board of Directors, may issue or repay long-term debt, issue shares, repurchase shares, or undertake other activities as deemed appropriate under the specific circumstances. The Board of Directors reviews and approves any material transactions out of the ordinary course of business, including proposals on acquisitions or other major investments or divestitures, as well as annual capital and operating budgets.

In addition to debt and equity, the Company may use leases as additional sources of financing. The Company monitors debt leverage ratios as part of the management of liquidity and shareholders' return and to sustain future development of the business. The Company is not subject to externally imposed capital requirements and its overall strategy with respect to capital risk management remains unchanged from the prior year.

## 16. CONTINGENCIES

**Contingencies**

The Company has contingent liabilities relating to legal and tax proceedings arising in the normal course of its business. Known claims and litigation involving the Company or its subsidiaries were reviewed at the end of the reporting period. Based on the advice of legal counsel, all necessary provisions have been made to cover the related risks, however, there can be no assurance as to the final resolution of any claims and any resulting proceedings. If any claims and ensuing proceedings are determined adversely to the Company, the amounts the Company may be required to pay could be material and in excess of any amounts accrued. In addition, new proceedings may be initiated against the Company as a result of facts or circumstances unknown at the date of these interim condensed consolidated financial statements or for which the risk cannot yet be determined or quantified. Such proceedings could have a significant adverse impact on the Company's financial results.

**Tax contingencies**

The Company conducts business in various tax jurisdictions globally, and as a result, it is subject to tax audits and assessments in many of these jurisdictions. These audits are a regular part of the Company's operations and cover a range of subjective areas of taxation and significant judgement, including intercompany transactions, the deductibility of certain expenses, and the application of tax treaties.

The Company's subsidiaries in Mexico and Germany are currently being assessed by Federal and State Tax authorities for tax deductions taken mainly in respect of certain intercompany transactions. Based on the audit assessments issued by the tax authorities, the potential exposure, including interest and penalties to September 30, 2026, is approximately $430,684 (MXN $5,384,566) (December 31, 2025 - $403,639 or MXN $5,291,065) in Mexico for 2013 and 2015 to 2018 tax years, and $35,559 (EURO €22,070) (December 31, 2025 - $34,270 or EURO €21,287) in Germany for 2014 to 2016 tax years.

The Company has sought external legal advice and believes that it has complied, in all material respects, with the relevant legislation and will continue to vigorously defend against such assessments. No provision has been recorded by the Company in connection with the Mexican contingency at this stage, as the Company has concluded that it is not probable that a liability will result from this matter. A provision related to the German contingency in the amount of $450 has been recorded, which the Company believes is adequate for all open tax years based on its assessment of many factors, including interpretations of international tax laws and prior experience.

The previously disclosed Brazilian tax assessments are no longer applicable to the Company, as all related obligations were assumed by the purchaser upon disposal of the Brazilian operations.

## 17. GUARANTEES

The Company is a guarantor under a tooling financing program. The tooling financing program involves a third party that provides tooling suppliers with financing subject to a Company guarantee. Payments from the third party to the tooling supplier are approved by the Company prior to the funds being advanced. The amounts loaned to the tooling suppliers through this financing arrangement do not appear on the Company's interim condensed consolidated balance sheet unless the sale on the corresponding tooling project has been recognized, at which point a tooling trade payable on the project is recorded. At September 30, 2026, the amount of the off-balance sheet program financing was $3,374 (December 31, 2025 - $9,781) representing the maximum amount of undiscounted future payments the Company could be required to make under the guarantee.

The Company would be required to perform under the guarantee in cases where a tooling supplier could not meet its obligations to the third party. Since the amount advanced to the tooling supplier is required to be repaid generally when the Company receives reimbursement from the final customer, and at this point the Company will in turn repay the tooling supplier, the Company views the likelihood of the tooling supplier default as remote. No such defaults occurred during 2026 or 2025. Moreover, if such an instance were to occur, the Company would obtain the tooling inventory. The term of the guarantee will vary from program to program, but typically range up to twenty-four months.

## 18. DISPOSAL OF FOREIGN OPERATIONS

On February 5, 2026, the Company entered into an agreement to dispose 85% of its equity interest in one of its plants in China, included in the Rest of the World operating segment, for proceeds of CNY ¥5,500 ($1,107). The transaction closed on June 1, 2026, resulting in the transfer of control of the entity to the third party purchaser.

Upon transfer of control, the Company derecognized the net assets of the entity and recognized a total gain on disposal of $1,643 in the consolidated statements of operations. The gain includes a $200 loss that represents the difference between the aggregate fair value of the sale consideration and the carrying amount of the net assets disposed of as of the closing date, including costs related to the sale. The net gain represents the reclassification of cumulative foreign currency translation gains of $1,843 from accumulated other comprehensive income to profit or loss upon closing of the transaction.

On August 24, 2026, the Company sold 100% of its equity interest in its plant in Brazil, included in the Rest of the World operating segment, for proceeds of BRL $55,000 ($11,817). The proceeds consist of BRL $10,000 ($2,589) received at closing, BRL $20,000 ($5,459) to be received in ten equal monthly installments over the 12-month period following closing, and a long-term receivable of BRL $25,000 ($3,873), measured at its discounted present value at the disposal date, to be received within 36 months of closing. Management assessed the timing and collectability of the deferred consideration and recorded it at fair value on the date of disposal.

As a result of the transaction, the Company derecognized the net assets of the entity and recognized a total loss on disposal of $8,927 in the consolidated statements of operations. The loss includes a $10,875 gain that represents the difference between the aggregate fair value of total consideration and the carrying amount of the net assets disposed of as of the closing date, including costs related to the sale. The net loss represents the reclassification of cumulative foreign currency translation losses of $19,802 from accumulated other comprehensive income to profit or loss upon closing of the transaction.

| | Nine months ended September 30, 2026 | | |
|---|---|---|---|
| | **China Plant** | **Brazil Plant** | **Total** |
| Fair value of consideration | $ 1,107 | $ 11,817 | $ 12,924 |
| *Less:* | | | |
| Carrying amount of net assets sold | (1,052) | (617) | (1,669) |
| Cost related to sale | (255) | (325) | (580) |
| | (200) | 10,875 | 10,675 |
| Cumulative translation adjustment balance | 1,843 | (19,802) | (17,959) |
| Gain (Loss) on disposal | $ 1,643 | $ (8,927) | $ (7,284) |

## 19. ASSETS AND LIABILITIES HELD FOR SALE

On September 1, 2026, the Company entered into a definitive agreement to sell 95% of its equity interest in its remaining plant in China, included in the Rest of the World operating segment. The Company expects to receive gross proceeds of approximately CNY ¥237,500 ($50,025) upon closing. Completion of the transaction remains subject to customary closing conditions, including final steps of local government approval in China, and the Company expects this approval process to be completed in Q4 2026. As at September 30, 2026, management concluded that the transaction is considered highly probable and, accordingly, the related assets and liabilities were classified as held for sale.

Subsequent to September 30, 2026, the transaction closed on October 15, 2026, resulting in the transfer of control of the entity to the third party purchaser.

On May 8, 2026, the Company entered into a purchase and sale agreement (“PSA”) for the disposition of the capital assets of its plant in Shelbyville, Kentucky, included in the North America operating segment. The capital assets comprised of land, buildings and equipment as outlined in the PSA, and had an aggregate carrying amount of US $10,459 ($14,790) as of September 30, 2026. These capital assets are expected to be sold for proceeds of US$30,100 ($42,567). During the third quarter of 2026, the Company made significant progress toward satisfying the remaining closing conditions under the PSA and, as at September 30, 2026, management concluded that the transaction was highly probable. Accordingly, the related capital assets were classified as held for sale at September 30, 2026.

Subsequent to September 30, 2026, the transaction closed on October 15, 2026.

The assets and liabilities classified as held for sale are measured at the lower of their carrying amount and fair value less cost of disposal. The Company determined the fair value less cost of disposal based on management's best estimate of the expected proceeds of the transaction, net of estimated selling costs. At September 30, 2026, the Company determined that the carrying amount of the assets are recoverable.

The assets and liabilities included in the held for sale categories as at September 30, 2026 are summarized below:

| | | **September 30, 2026** |
|---|---|---|
| Assets | | |
| Trade and other receivables | $ | 5,456 |
| Inventories | | 5,783 |
| Prepaid expenses and deposits | | 598 |
| Property, plant and equipment* | | 57,830 |
| Right-of-use assets | | 7,651 |
| Intangible assets | | 547 |
| Total assets held for sale | $ | 77,865 |
| Liabilities | | |
| Trade and other payables | $ | 3,772 |
| Lease liabilities | | 7,778 |
| Total liabilities associated with assets held for sale | $ | 11,550 |

*Of the total property, plant and equipment balance of $57,830, $14,790 is attributable to the capital assets located in Shelbyville, Kentucky.




# MARTINREA INTERNATIONAL INC.

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**Website:** www.martinrea.com
**Investor Information:** investor@martinrea.com