

**Supplement No. 1 dated August 6, 2024
to the Prospectus dated May 16, 2024**



Mercedes-Benz Group AG
Stuttgart, Federal Republic of Germany

Mercedes-Benz Australia/Pacific Pty Ltd
(ABN 23 004 411 410)
Mulgrave, Victoria, Australia

Mercedes-Benz International Finance B.V.
Nieuwegein, the Netherlands

Mercedes-Benz Finance Canada Inc.
Montréal, Quebec, Canada

Mercedes-Benz Finance North America LLC
Delaware, USA

Mercedes-Benz Finance Co., Ltd.
Chiba, Japan

EUR 70,000,000,000
Euro Medium Term Note Programme (the "**Programme**")

unconditionally and irrevocably guaranteed by

Mercedes-Benz Group AG
Stuttgart, Federal Republic of Germany

This supplement No. 1 (the "**Supplement**") constitutes a supplement for the purposes of (i) Article 23 (1) of Regulation (EU) 2017/1129 of the European Parliament and of the Council of June 14, 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC, as amended (the "**Prospectus Regulation**"), and (ii) Article 30 of the Luxembourg Law on Prospectuses for Securities (*loi du 16 juillet 2019 relative aux prospectus pour valeurs mobilières*; the "**Luxembourg Prospectus Act**") to the prospectus (which constitutes six base prospectuses for the purposes of Article 8 of the Prospectus Regulation and six alleviated base prospectuses for the purposes of Article 22 of the Luxembourg Prospectus Act) of Mercedes-Benz Group AG ("**MBG**" or the "**Guarantor**"), Mercedes-Benz Australia/Pacific Pty Ltd (ABN 23 004 411 410) ("**MBAP**"), Mercedes-Benz International

Finance B.V. ("**MBIF**"), Mercedes-Benz Finance Canada Inc. ("**MBFCI**"), Mercedes-Benz Finance North America LLC ("**MBFNA**") and Mercedes-Benz Finance Co., Ltd. ("**MBFJ**") dated May 16, 2024 (together, the "**Prospectus**"), which has been prepared in connection with the Programme established by MBG, MBAP, MBIF, MBFCI, MBFNA and MBFJ (each, an "**Issuer**" and, together, the "**Issuers**"). Terms defined in the Prospectus have the same meaning when used in this Supplement.

The purpose of this Supplement is to amend the risk factors and the disclosure relating to the Issuers and the Guarantor and set out in the Prospectus, in particular following the publication of the Interim Report Q2 2024 of Mercedes-Benz Group AG on July 26, 2024.

This Supplement is supplemental to, and should be read in conjunction with, the Prospectus and all documents incorporated by reference into the Prospectus.

Copies of the Prospectus, any document incorporated by reference into the Prospectus and this Supplement will be published in electronic form on the website of the Luxembourg Stock Exchange (www.luxse.com/programme/Programme-MercedesBenzGrp/2370) and will be viewable on, and obtainable free of charge from, such website.

To the extent that there is any inconsistency between (i) any statements in this Supplement or any statements incorporated by reference into the Prospectus by this Supplement, and (ii) any other statement in or incorporated by reference into the Prospectus, the statements in (i) above will prevail.

MBG and each of the other Issuers accept responsibility for the information contained in this Supplement (including any information incorporated by reference into the Prospectus by this Supplement) except that each Issuer other than MBG accepts responsibility only for information which exclusively refers to it. Each Issuer declares that, having taken all reasonable care to ensure that such is the case, the information contained in this Supplement (including any information incorporated by reference into the Prospectus by this Supplement) for which it is responsible is, to the best of its knowledge, in accordance with the facts and does not omit anything likely to affect the import of such information.

A. Amendments to the section commencing on page 15 of the Prospectus which is entitled "*Risk Factors*"

1. The eighth paragraph of the subsection commencing on page 22 of the Prospectus which is entitled "*Risk Factors Relating to MBG, MBAP, MBIF, MBFCI, MBFNA and MBFJ – 3. Legal and Tax Risks – Risks from Legal Proceedings in Connection with Diesel Exhaust Gas Emissions – Governmental Proceedings*" shall be replaced in its entirety as follows:

In addition to the aforementioned authorities, other authorities of various foreign states, particularly the South Korean Ministry of Environment and the South Korean competition authority (Korea Fair Trade Commission) are conducting various investigations and/or procedures in connection with diesel exhaust emissions. In this context, these South Korean authorities have made determinations and imposed sanctions against Mercedes-Benz which Mercedes-Benz has appealed. In the same context, national antitrust authorities of various countries are also conducting investigations, including the South Korean antitrust authority, which has made certain findings and imposed fines on some car manufacturers. In February 2024, the criminal proceeding in South Korea was concluded. In July 2024, the Brazilian antitrust authority opened an antitrust proceeding against some car manufacturers, including MBG. Mercedes-Benz continues to fully cooperate with the authorities and institutions. Irrespective of such cooperation and in light of the past developments, it is possible that further regulatory, criminal and administrative investigative and enforcement actions and measures relating to Mercedes-Benz and/or its employees will be taken or administrative orders will be issued. Additionally, further delays in obtaining regulatory approvals necessary to introduce new or recertify existing vehicle models could occur.

2. **The second paragraph of the subsection commencing on page 24 of the Prospectus which is entitled "*Risk Factors Relating to MBG, MBAP, MBIF, MBFCI, MBFNA and MBFJ – 3. Legal and Tax Risks – Risks from Legal Proceedings in Connection with Diesel Exhaust Gas Emissions – Civil Court Proceedings*" shall be replaced in its entirety as follows:**

In Germany, a large number of customers of diesel vehicles has filed lawsuits for damages or rescission of sales contracts based on similar allegations. They refer to, in particular, the KBA's recall orders mentioned above. Although the number of pending lawsuits is declining, a future increase cannot be ruled out. In July 2021, the Federation of German Consumer Organizations (*Verbraucherzentrale Bundesverband e. V.*) filed a model declaratory action (*Musterfeststellungsklage*) against MBG with the Stuttgart Higher Regional Court (*Oberlandesgericht*) related to allegedly inadmissible defeat devices in vehicles. Such action seeks a ruling that certain preconditions of alleged consumer claims are met. In March 2024, the Stuttgart Higher Regional Court largely granted the model declaratory action. MBG and, in respect of the dismissed claims, also the plaintiff have appealed against the decision to the Federal Court of Justice (*Bundesgerichtshof*). The plaintiff has the option of lodging an appeal in respect of the dismissed claims. Following a decision of the European Court of Justice in the first quarter of 2023, the German Federal Court of Justice ruled in the second quarter of 2023 that vehicle purchasers are entitled to claim damages against the manufacturer if it intentionally or negligently used an inadmissible defeat device.

- B. **Amendments to the section commencing on page 196 of the Prospectus which is entitled "*Description of MBG*"**

1. **Amendments to the subsection commencing on page 196 of the Prospectus which is entitled "*2. Financial Information*"**

- a. **The following subsection entitled "*(ii) Financial Information Relating to the First Half Year of the Financial Year 2024 of MBG*" shall be added to the end of the subsection commencing on page 199 of the Prospectus which is entitled "*b. Group Interim Financial Information*":**

- (ii) **Financial Information Relating to the First Half Year of the Financial Year 2024 of MBG**

The Group interim financial information set out below has been extracted from the unaudited but reviewed condensed consolidated interim financial statements of MBG as of and for the half year ended June 30, 2024 (consisting of consolidated statement of income/loss, consolidated statement of comprehensive income/loss, consolidated statement of financial position, consolidated statement of cash flows, consolidated statement of changes in equity and the notes to the interim consolidated financial statements (the "**Unaudited Consolidated Interim Financial Statements Q2 2024**") as set out in the interim report (*Zwischenbericht*) in relation to the first half year of the financial year 2024 (the "**Interim Report Q2 2024**") or the accounting system of MBG.

Such Unaudited Consolidated Interim Financial Statements Q2 2024 are incorporated by reference into this Prospectus.

Selected Financial Information

The Group interim financial information set out below should be read and analyzed together with the section entitled "*Notes to the Interim Consolidated Financial Statements*" as set out in the Interim Report Q2 2024. The notes are an integral part of the Unaudited Consolidated Interim Financial Statements Q2 2024.

Consolidated Statement of Income/Loss (Unaudited)

The following table presents selected figures extracted from the consolidated statement of income (unaudited) of MBG for the half year ended June 30, 2024 (the financial information for the half year ended June 30, 2023 represents the prior year comparative figures contained in the consolidated statement of income (unaudited) of MBG for the half year ended June 30, 2024):

**January 1, 2024 to January 1, 2023 to
June 30, 2024 June 30, 2023¹**

	(unaudited) (in millions of €)	
Revenue	72,616	75,757
Cost of sales	-57,686	-57,316
Gross profit in relation to revenue	14,930	18,441
Profit before income taxes	8,195	10,654
Net profit	6,087	7,652
Thereof profit attributable to non-controlling interests	97	144
Thereof profit attributable to shareholders of Mercedes-Benz Group AG	5,990	7,508

¹ Reclassification of € 34 million from the cost of sales, € 8 million from the research and non-capitalized development costs (line item not presented in this table) and € 3 million from the selling expenses (line item not presented in this table) to the general administrative expenses (line item not presented in this table) in the six months period ended June 30, 2023. The reclassification results from the adjustments of the elimination of intra-Group transactions between the segments in the reconciliation.

Consolidated Statement of Financial Position (Unaudited)

The following table presents selected figures extracted or derived from the consolidated statement of financial position (unaudited) of MBG as of June 30, 2024 or the accounting system of MBG (the financial information as of December 31, 2023 represents the comparative figures as of December 31, 2023 contained in or derived from the consolidated statement of financial position (unaudited) of MBG as of June 30, 2024 or the accounting system of MBG):

	As of June 30, 2024	As of December 31, 2023
	(unaudited) (in millions of €)	
Assets		
Total non-current assets	159,306	158,990
Total current assets	103,867	104,032
Balance sheet total	263,173	263,022
Equity and liabilities		
Equity attributable to shareholders of MBG	90,243	91,773
Non-controlling interests	895	1,043
Total equity	91,138	92,816
Total non-current liabilities	93,054	87,772
Total current liabilities	78,981	82,434
Total equity and liabilities	263,173	263,022
 Additional Information on the Consolidated Financial Position		
Net debt	-91,799	-86,614

The table below shows the reconciliation of the Group's net debt as of June 30, 2024 and December 31, 2023.

	As of June 30, 2024	As of December 31, 2023
	(unaudited) (in millions of €)	
Cash and cash equivalents ¹	12,862	15,972
Marketable debt securities and similar investments ²	7,016	6,858
Liquidity	19,878	22,830
Financing liabilities ³	-110,946	-108,724
Market valuation and currency hedges for financing liabilities ⁴	-731	-720
Financing liabilities (nominal)	-111,677	-109,444
Net debt	-91,799	-86,614

¹ Consists of cash and cash equivalents and includes cash and cash equivalents in the amount of € 11 million as of June 30, 2024 (€ 10 million as of December 31, 2023) presented as assets held for sale in the consolidated statement of financial position.

² Consists of current and non-current marketable debt securities and similar investments presented in the consolidated statement of financial position.

³ Consists of current and non-current financing liabilities and includes financing liabilities in the amount of € 21 million as of June 30, 2024 (€ 86 million as of December 31, 2023) presented as liabilities held for sale in the consolidated statement of financial position.

⁴ Market valuation and currency hedges for financing liabilities comprises the market valuation of financing liabilities, derivative financial assets and derivative financial liabilities included in financing liabilities, other financial assets and other financial liabilities, respectively, presented in the consolidated statement of financial position.

Consolidated Statement of Cash Flows (Unaudited)

The following table presents selected figures extracted from the consolidated statement of cash flows (unaudited) of MBG for the half year ended June 30, 2024 (the financial information as of June 30, 2023 represents the prior year comparative figures contained in the consolidated statement of cash flows (unaudited) of MBG for the half year ended June 30, 2024):

	January 1, 2024 to June 30, 2024	January 1, 2023 to June 30, 2023
	(unaudited) (in millions of €)	
Profit before income taxes	8,195	10,654
Depreciation and amortization/ impairments	3,299	3,283
Other non-cash expense and income	-974	-1,056
Gains (-)/losses (+) from disposals of assets	-98	81
Change in operating assets and liabilities		
– Inventories	-2,500	-3,809
– Trade receivables and trade payables	947	2,180
– Receivables from financial services	956	-2,701
– Vehicles on operating leases	-906	355
– Other operating assets and liabilities	-447	190
Dividends received from equity-method investments	1,217	1,354
Income taxes paid	-2,427	-3,186

January 1, 2024 to January 1, 2023 to
June 30, 2024 June 30, 2023

(unaudited)
(in millions of €)

Cash flow from operating activities	7,262	7,345
Cash flow from investing activities	-3,055	-2,980
Cash flow from financing activities	-7,403	-6,202
Effect of foreign exchange-rate changes on cash and cash equivalents	86	-414
Change in cash and cash equivalents	-3,110	-2,251
Cash and cash equivalents at beginning of period (Consolidated Statement of Financial Position)	15,962	17,679
Cash and cash equivalents at end of period (Consolidated Statement of Financial Position)	12,851	15,428

b. The subsection commencing on page 202 of the Prospectus which is entitled "*c. Information Relating to Group Annual Financial Information and Group Interim Financial Information*" shall be replaced in its entirety as follows:

c. **Information Relating to Group Annual Financial Information and Group Interim Financial Information**

Accounting Policies

The Annual Consolidated Financial Statements 2023 of MBG and the Annual Consolidated Financial Statements 2022 of MBG have been prepared in accordance with Section 315e of the German Commercial Code (*Handelsgesetzbuch*) and comply with the International Financial Reporting Standards ("**IFRS**") as adopted by the European Union.

The Unaudited Consolidated Interim Financial Statements Q1 2024 of MBG and the Unaudited Consolidated Interim Financial Statements Q2 2024 of MBG have been prepared in accordance with International Accounting Standard ("**IAS**") 34 ("**Interim Financial Reporting**").

Auditing of Historical Annual Financial Information

The Annual Consolidated Financial Statements 2023 of MBG and the Annual Consolidated Financial Statements 2022 of MBG have been audited by KPMG in accordance with German Generally Accepted Auditing Standards, and in each case KPMG issued an unqualified auditor's report (*uneingeschränkter Bestätigungsvermerk*) on each of the Annual Consolidated Financial Statements 2023 of MBG and the Annual Consolidated Financial Statements 2022 of MBG. KPMG has not performed any audit on any financial statements of MBG as of any date or for any period subsequent to December 31, 2023.

The Unaudited Consolidated Interim Financial Statements Q1 2024 of MBG and the Unaudited Consolidated Interim Financial Statements Q2 2024 of MBG have not been audited but have been reviewed by PwC. As at the date of this Prospectus, PwC has not audited any financial statements of MBG as of any date or for any period.

2. The subsection on page 207 of the Prospectus which is entitled "*5. Trend Information and Significant Change in Mercedes-Benz Financial Performance and Financial Position*" shall be replaced in its entirety as follows:

5. Trend Information and Significant Change in Mercedes-Benz Financial Performance and Financial Position

There has been no material adverse change in the prospects of MBG since December 31, 2023, being the date of its last published audited financial statements, and there has been no significant change in the financial performance and in the financial position of the Group since June 30, 2024, being the end of the last financial period for which financial information has been published by MBG.

3. Amendments to the subsection commencing on page 214 of the Prospectus which is entitled "9. Financial Information Concerning MBG's Assets and Liabilities, Financial Position and Profit and Losses"

a. The subsection on page 214 of the Prospectus which is entitled "Historical Financial Information" shall be replaced in its entirety as follows:

Historical Financial Information

The Annual Consolidated Financial Statements 2023 of MBG as set out in the MBG Annual Report 2023, the Annual Consolidated Financial Statements 2022 of MBG as set out in the MBG Annual Report 2022, the Unaudited Consolidated Interim Financial Statements Q1 2024 of MBG as set out in the Interim Report Q1 2024 and the Unaudited Consolidated Interim Financial Statements Q2 2024 of MBG as set out in the Interim Report Q2 2024 are incorporated by reference into this Prospectus.

b. Amendments to the subsection commencing on page 214 of the Prospectus which is entitled "Legal and Arbitration Proceedings"

aa. The eighth paragraph of the subsection commencing on page 214 of the Prospectus which is entitled "Diesel emission behavior: governmental proceedings" shall be replaced in its entirety as follows:

In addition to the aforementioned authorities, other authorities of various foreign states, particularly the South Korean Ministry of Environment and the South Korean competition authority (Korea Fair Trade Commission) are conducting various investigations and/or procedures in connection with diesel exhaust emissions. In this context, these South Korean authorities have made determinations and imposed sanctions against Mercedes-Benz, which Mercedes-Benz has appealed. In the same context, national antitrust authorities of various countries are also conducting investigations, including the South Korean antitrust authority, which has made certain findings and imposed fines on some car manufacturers. In February 2024, the criminal proceeding in South Korea was concluded. In July 2024, the Brazilian antitrust authority opened an antitrust proceeding against some car manufacturers, including MBG. Mercedes-Benz continues to fully cooperate with the authorities and institutions.

bb. The second paragraph of the subsection on page 216 of the Prospectus which is entitled "Diesel emission behavior: consumer actions and other lawsuits in the United States, Germany and other states" shall be replaced in its entirety as follows:

In Germany, a large number of customers of diesel vehicles has filed lawsuits for damages or rescission of sales contracts. They assert that the vehicles contained illegal defeat devices and/or showed impermissibly high emission or consumption values. They refer to, in particular, the KBA's recall orders mentioned in the subsection set out above and entitled "Diesel emission behavior: governmental proceedings". In July 2021, the Federation of German Consumer Organizations (*Verbraucherzentrale Bundesverband e. V.*) filed a model declaratory action (*Musterfeststellungsklage*) against MBG with the Stuttgart Higher Regional Court (*Oberlandesgericht*) related to allegedly inadmissible defeat devices in vehicles. Such action seeks a ruling that certain preconditions of alleged consumer claims are met. In March 2024, the Stuttgart Higher Regional Court largely granted the model declaratory action. MBG and, in respect of the dismissed claims, also the plaintiff have appealed against the decision to the Federal Court of Justice (*Bundesgerichtshof*). The plaintiff has the option of lodging an appeal in respect of the dismissed claims. Following a decision of the European Court of Justice in the first quarter of 2023, the German Federal Court of Justice ruled in the second quarter of

2023 that vehicle purchasers are entitled to claim damages against the manufacturer if it intentionally or negligently used an inadmissible defeat device.

4. The fifth paragraph of the subsection on page 220 of the Prospectus which is entitled "13. Recent Developments" shall be replaced in its entirety as follows:

The further share buyback programme is based on the authorization by the Annual General Meeting of MBG on July 8, 2020, authorizing the Board of Management to acquire, with the approval of the Supervisory Board, own shares up to a maximum of 10% of the share capital until July 7, 2025. The additional share buyback programme commenced in May 2024 and is being implemented in parallel with the share buyback programme in the volume of up to €4 billion (not including incidental costs) which was started in March 2023. Both share buyback programmes are expected to be completed by the first quarter of 2025. Future share buyback programmes are subject to the resolutions of MBG's corporate bodies required in each individual case.

C. Amendments to the section commencing on page 269 of the Prospectus which is entitled "Documents Incorporated by Reference"

On July 26, 2024, MBG published its "Interim Report Q2 2024", containing, *inter alia*, the unaudited but reviewed condensed consolidated interim financial statements of MBG as of and for the first half year of the financial year 2024 of MBG ended on June 30, 2024 (the "Interim Report Q2 2024"). A copy of the Interim Report Q2 2024 has been filed with the *Commission de Surveillance du Secteur Financier*.

By virtue of this Supplement, the Interim Report Q2 2024 shall be incorporated by reference into, and form part of, the Prospectus to the extent set out below, provided that any information not specifically set out below, but included in the Interim Report Q2 2024 is either not relevant for an investor or is covered elsewhere in the Prospectus and shall therefore not be deemed to be included in the Prospectus. In this context, the following amendments shall be made to the section commencing on page 269 of the Prospectus which is entitled "Documents Incorporated by Reference".

The following subsection "B.2" shall be added to the table commencing on page 269 of the Prospectus which is entitled "Table of Documents Incorporated by Reference" as follows:

B.2 Interim Report Q2 2024 of MBG (containing the Unaudited Consolidated Interim Financial Statements Q2 2024 prepared in accordance with IAS 34 ("Interim Financial Reporting")), including

- Consolidated Statement of Income/Loss	Page 39
- Consolidated Statement of Comprehensive Income/Loss	Page 40
- Consolidated Statement of Financial Position	Pages 41 – 42
- Consolidated Statement of Cash Flows	Pages 43 – 44
- Consolidated Statement of Changes in Equity	Pages 45 – 46
- Notes to the Interim Consolidated Financial Statements	Pages 47 – 70
- Review Report	Page 72

<https://dl.luxse.com/dlp/109f6ad0f916444ce1aeae9ab1ca9120ed>

D. Withdrawal Right

Any investor who had already agreed to purchase or subscribe for any notes (the "**Notes**") to be issued by any of the Issuers before this Supplement was published may, if the Notes have not yet been delivered to the investor at the time when the significant new factor, material mistake or material inaccuracy arose or was noted, exercise any withdrawal right arising pursuant to Article 23 (2) of the Prospectus Regulation or Article 30.2 of the Luxembourg Prospectus Act, respectively, as a result of the publication of this Supplement, on or before August 8, 2024. Such withdrawal, if any, does not have to be justified or substantiated. Any investor who wishes to exercise its right of withdrawal may contact

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In order to comply with the time limit set out above, punctual dispatch of the withdrawal is sufficient.