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MARKET

DEUTZ

German Select V Conference

26 August 2025

Disclaimer



Unless stated otherwise, all the figures given in this presentation refer to continuing operations.

The details given in this document are based on the information available at the time it was prepared. This presents the risk that actual figures may differ from forward-looking statements. Such discrepancies may be caused by changes in political, economic, or business conditions, a decrease in the technological lead of DEUTZ's products, changes in competition, the effects of movements in interest rates or exchange rates, the pricing of parts supplied, and other risks and uncertainties not identified at the time this document was prepared.

The forward-looking statements made in this document will not be updated.

DEUTZ at a glance



Oldest engine company in the world – founded in 1864 – evolving into a **system provider for innovative, sustainable mobility and energy solutions**



Product portfolio of **drives for off-highway applications** from diesel-powered to electric; growing **genset** business

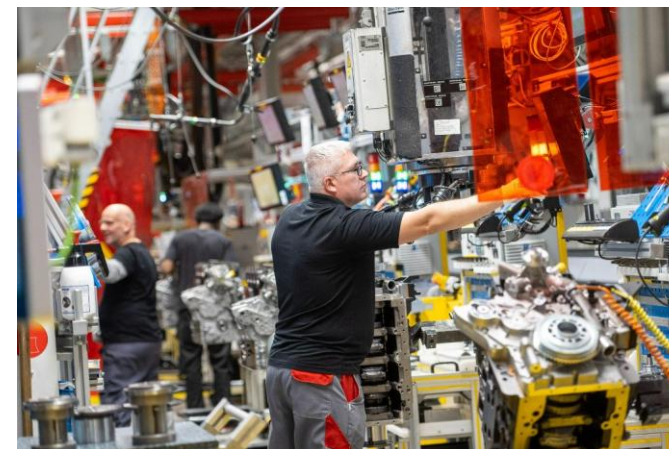
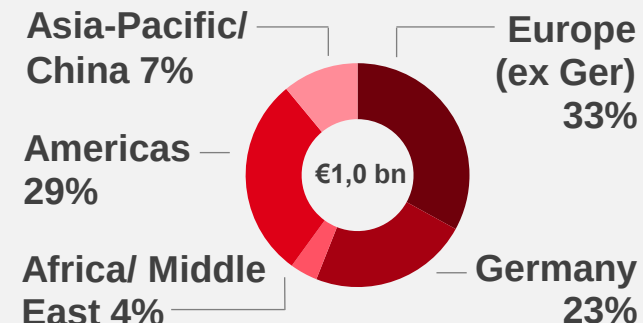


Global production and service network, more than 5,000 employees worldwide



~€1.8 billion revenue in 2024, adj. EBIT margin of 4.2%, ~€93 million invested in R&D

Revenue by region (H1 2025)

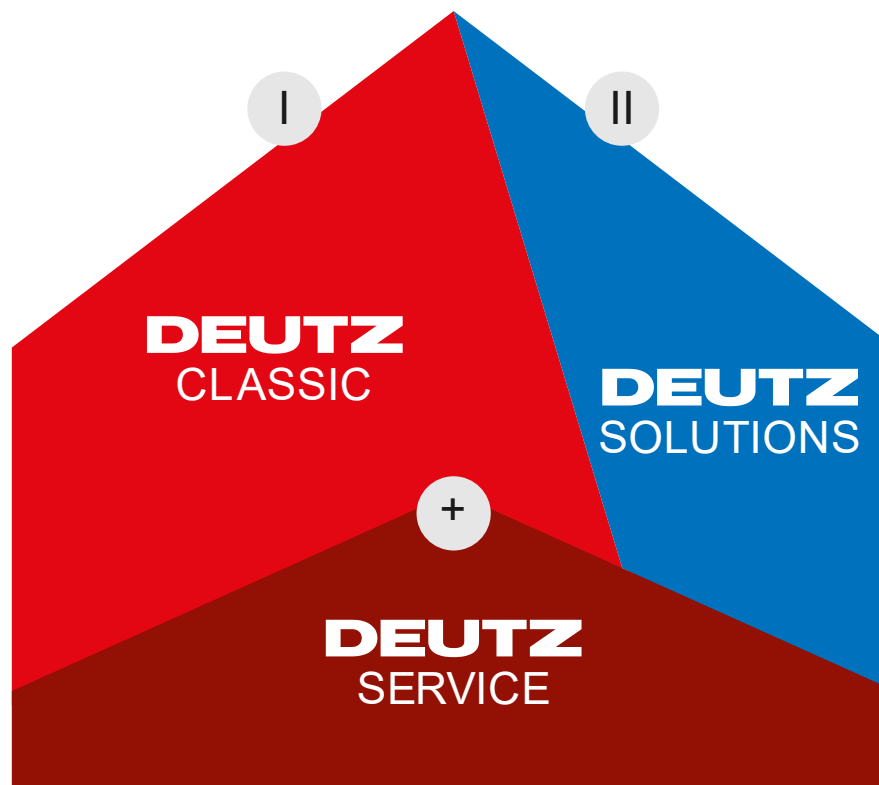


Our mission: We ensure the world keeps moving

DEUTZ in transformation: Our Dual+ strategy for the next phase



Grow **Classic Engines** business based on strong performance and consolidation
→ margin uptake & inorganic growth



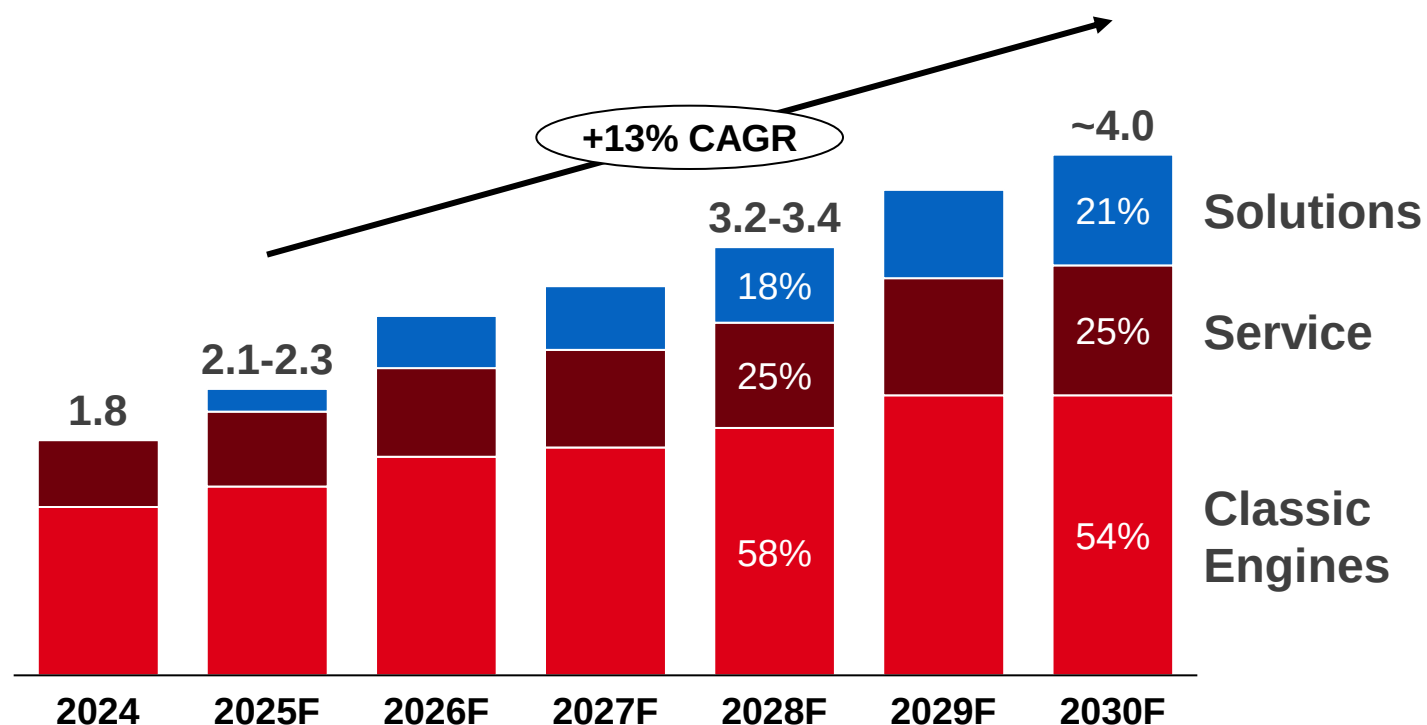
Expand **Solutions** offering in Energy and New Technology (formerly "Green") and beyond, where we have a right-to-win, for example Defense
→ Expansion of value chain coverage, investment, growth and long-term viability

Expand profitable **Service** business around the world
→ Profitable growth and new business models, e.g. third party and digitalization

We set clear mid-term targets 2028 and ambitions for 2030



Mid-term revenue ambition (in € billion)



- **Solutions** expected to grow at 30% CAGR until 2030; more than €500 million in revenue expected from Energy – growth driven both organically and by acquisitions and >€300 million revenue from New Technology
- **Service** growing in line with **DEUTZ overall** and contributing 25% to revenue – disproportionately high EBIT contribution
- **Classic Engines** expected to grow in absolute terms, but overall contribution decreases

Sales growth and further development of the business model to lead to a 10% EBIT margin by 2030

DEUTZ's segments and business units reflect broader footprint



Segment Engines & Services

- Revenue share of **91,7%** (H1 2025)



Business unit Engines¹

- Development, production and sales of Diesel, gas and gasoline engines for off-highway applications
- R&D incl. application engineering
- China JV

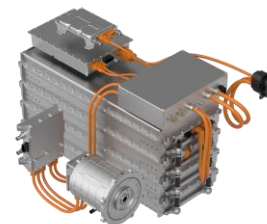
Business unit Service¹

- Global distribution of spare parts
- Sales and maintenance services
- Xchange engines
- Industrial fleet services (third-party business)



Segment Solutions

- Revenue share of **8,3%** (H1 2025)



Business unit New Technology¹

- Electrification products, battery management, hydrogen combustion engines, associated service business (former „Green“ portfolio)
- Main subsidiaries UMS and Futavis

Business unit Energy¹

- Decentralized energy supply via gensets
- Main subsidiary Blue Start Power Systems (USA)
- Further operations incl. MAGIDEUTZ (Morocco) and China JV DEUTZ Power Solution



DEUTZ's fields of application for engines

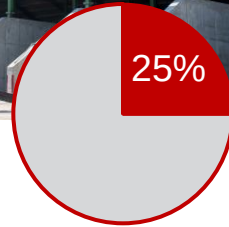
Diverse drive systems for different performance requirements



Construction machinery



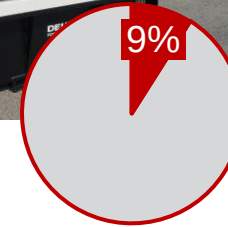
Material handling



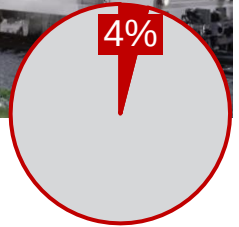
Agricultural machinery



Stationary systems



Others



Diesel



eFuels/HVO



CNG/LPG



Electric



Hydrogen

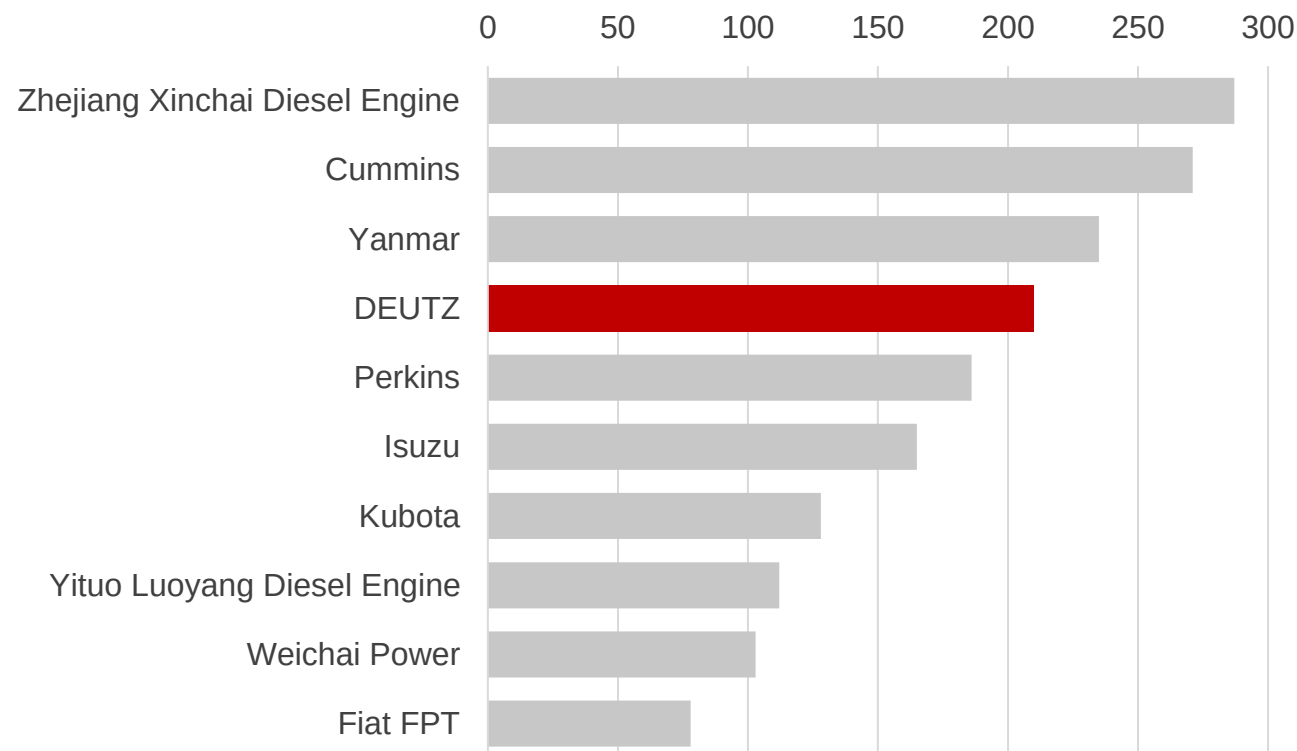
DEUTZ in the competitive environment

DEUTZ No. 4 in the non-captive off-highway segment



Top engines manufacturer, non-captive

Off-highway sales 2022, share (in thousands)



Our goal: To establish DEUTZ among the top three independent drive manufacturers

DEUTZ Customers

Global OEM customers (examples)



Construction Equipment

BOMAG
FAYAT GROUP

LIEBHERR

WIRTGEN

VOLVO

WACKER NEUSON

Mecalac

SANY

SDLG

HITACHI

Reliable Solutions

BELL
Mining & Construction

Takeuchi

SENEBOGEN

ZOOMLION

Material Handling

TEREX

JLG

SKYJACK

MANITOU

KION
GROUP

ELS

HYSTER

KONECRANES

Manitowoc

TADANO

Agricultural Equipment

DEUTZ FAHR

Fetor

CLAAS

AGCO
Your Agriculture Company

FENDT

TM

SAME

BASAK

KRONE

ARGO TRACTORS

ASKO GROUP
GERMANY & TURKEY

Other

MULAG

STADLER

K'ARCHER

Putzmeister

PONSSE

Service in a nutshell

Performance FY 2024 in numbers



Service revenues
€512 million



1025
DEUTZ service
dealers globally



Global presence
>130
countries



20,000,000
spare parts
p.a.



Xchange
engines p.a.
9,500

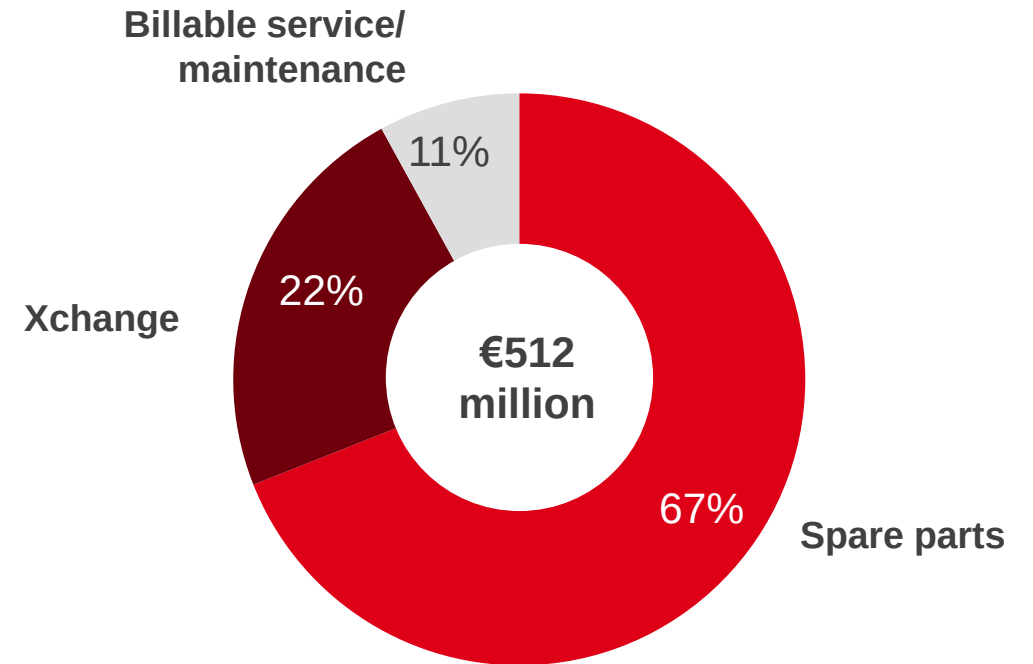


>165,000
Deliveries p.a.



DEUTZ service revenue by type

FY 2024, € million



Recent developments and H1 financial figures

Highlights Engines: Strong interest for new engine and TAFE cooperation preparing for production



Launch of DEUTZ TCD 3.9 engine

- **New engine with state-of-the-art technical concept** (one engine platform from 75kW up to 130kW, better peak performance) launched this year
- Developed in cooperation with **John Deere**
- **High demand from various international OEMs**, large-scale contract with leading European construction machinery company recently signed



Status TAFE cooperation

- Important milestone for TAFE cooperation: **ground-breaking for production line** in new plant (July 2025)
- Project on track for **start of production in 2027**
 - **2025**: Conclusion of supplier nomination and Design Approval Process, finalization of IT interfaces
 - **2026**: C-sample readiness, engine validation, inauguration assembly line
 - **Early 2027**: start of series production (up to 30k engines p.a.)

Highlights Services: Organic and inorganic growth continues



Strengthening of industrial fleet service

- Appointed as **Authorized Technical Service Partner for JLG in Spain**, one of the world's leading manufacturers of aerial work platforms and telehandlers
 - One-stop shop solution for all customer needs
 - Comprehensive service offerings for JLG equipment both for built-in DEUTZ engines and entire machine
- Additionally **continued expansion of network of Authorized JLG Service Providers in the US** – most recently in Nevada



Acquisition of service company in Turkey

- Signing of acquisition of **Turkish DEUTZ distributor** and service partner **Catalkaya Makina** to secure and grow successful business in the region (June 2025)
- Revenues of almost €10 million with a double-digit EBIT margin, achieved by around 50 employees
- Main application areas: Mining, construction, power generation



Highlights New Technology: UMS acquisition completed



- **Acquisition of UMS** (Urban Mobility Systems), the Dutch specialist for the electrification of off-highway vehicles, closed beginning of June 2025
- **Integration approach** similar to Blue Star Power Systems: Focus on keeping entrepreneurial spirit and strengths
- **Founder Lars Kool** integrated into BU leadership and now leading Technology
- **Strong business trajectory** at UMS with ongoing deliveries
 - Electrified Liebherr 916 e excavator for German construction company
 - Hyundai HX85 compact excavator with modular drivetrain by UMS for Danish customer
 - More to come...



Highlights Energy: Blue Star Power Systems with continued strong growth



- **Continued profitable growth** of Blue Star Power Systems (BSPS)
 - H1 2025 EBIT margin of ~20% before PPA
 - BSPS key dealer secured contract with major US retailer, adding to its already very successful business with another retail leader
 - Creating synergies and growth opportunities with DEUTZ service network: **DEUTZ Power Center technicians** from all over the US visited BSPS for genset training
- **MAGIDEUTZ transformation** continues
 - New Managing Director since April 2025, new Technical Director about to start
 - Adding new dealers in Northern Africa



Business Unit Defense established: Provide power for those who protect



- New business unit **Defense** bundles DEUTZ's technology and offerings for a targeted market exploitation in the defense sector
- **Focus markets:**
 - Mobility and energy solutions for the European defense segment
 - Strong service and spare part business to ensure operational readiness
- **Ambition:** We merge our different technologies to deliver specific customer solutions and thus become a recognized market participant among all defense stakeholders
- **Current projects:**
 - V8 Powerpack together with RENK for repowering project
 - Engine for power supply of air defense system
 - Engine deliveries for military vehicles in Ukraine

H1 2025: Portfolio development pays off with profitable growth



New orders

€1,034 million

+30.7% y-o-y,
latest acquisitions and
business unit Energy
overcompensates weak
engine demand due to
economic conditions

Revenue

€1,007 million

+15.0% y-o-y
due to contribution from
M&A and healthy service
business

EBIT margin¹

4.7%

-1.0pp y-o-y, still impacted
by low production volumes,
but positive trend in Q2
and mitigated by profitable
M&A and cost program

FCF²

€14.4 million

+€49.5 million y-o-y,
FCF with normalization in
Q2 after very strong Q1

Segment DEUTZ Engines & Services



Engines & Services

in € million	H1 2024	H1 2025
New orders	774.7	932.2
Revenue	864.5	923.4
Adjusted EBIT¹	67.7 (margin 7.8%)	56.7 (margin 6.1%)

Segment comprises Business Units **Engines** (combustion engines) **and Service** (for Classic engines)

■ Business Unit Engines

- 66,148 units sold (-10.1% y-o-y)
- H1 2025 production still 14.6% below previous year, leading to negative economies of scale, but production volume slightly increased in Q2 q-o-q
- HJS² consolidated from beginning of January 2025

■ Business Unit Services

- Revenues of €268.6 million (+8.0% y-o-y)
- Service for Daimler Truck off-highway engines fully established

¹⁸ Note: Relates to continuing operations only. ¹ Before exceptional items. ² DEUTZ owns 50% stake in HJS Emission Technology GmbH & Co. KG and fully consolidates HJS due to governance structure in place.

Segment DEUTZ Solutions



Solutions

in € million	H1 2024	H1 2025
New orders	16.3	101.8
Revenue	11.0	83.7
Adjusted EBIT¹	-17.8	-10.2

Newly established segment comprises Business Units **Energy** (decentralized energy/ gensets) and **New Technology** (alternative drive systems/ formerly “Green”)

■ Business Unit Energy

- Book-to-bill ratio of 1.1, solid order momentum in Q2 after major order booked in Q1
- Revenue of €79.3 million
- Adj. EBIT of €8.0 million²

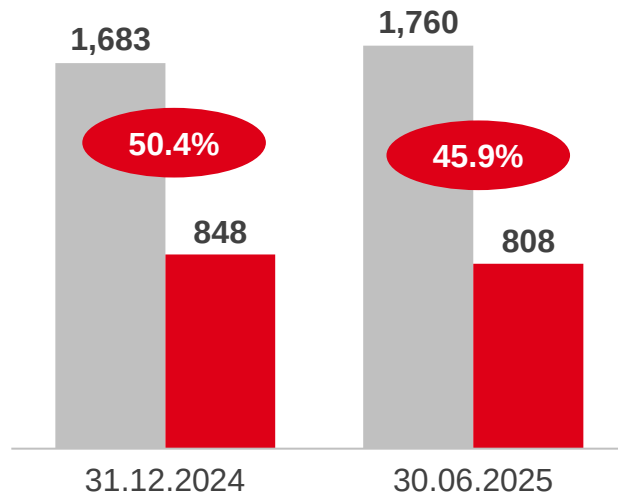
■ Business Unit New Technology

- New orders of €12.2 million (H1 2024: €2.7 million), driven by first time consolidation of new subsidiary UMS in June 2025
- Revenue of €4.4 million (H1 2024: €2.2 million)
- Adj. EBIT of €-18.2 million (H1 2024: €-17.8 million), successful cost reduction in Q2

Balance sheet, financing and dividend

Equity¹

in € million

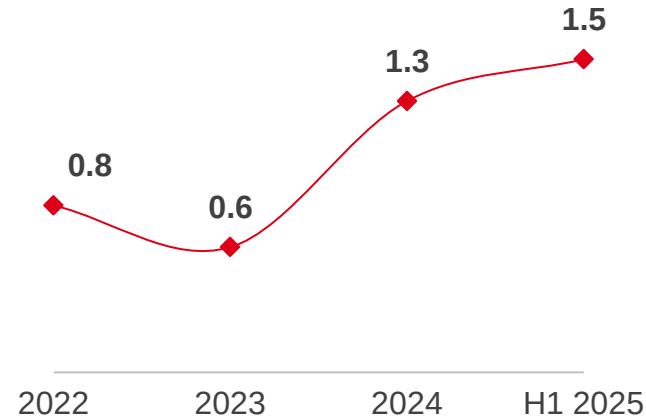


■ Total assets ■ Equity

○ % Equity ratio

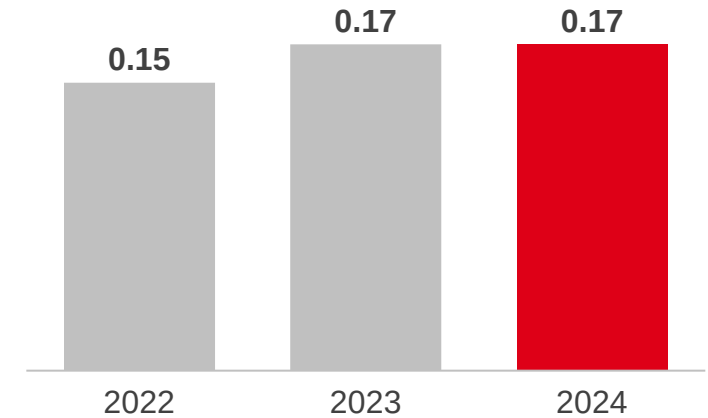
Leverage²

Net debt³/EBITDA LTM⁴



Dividend per share

in €

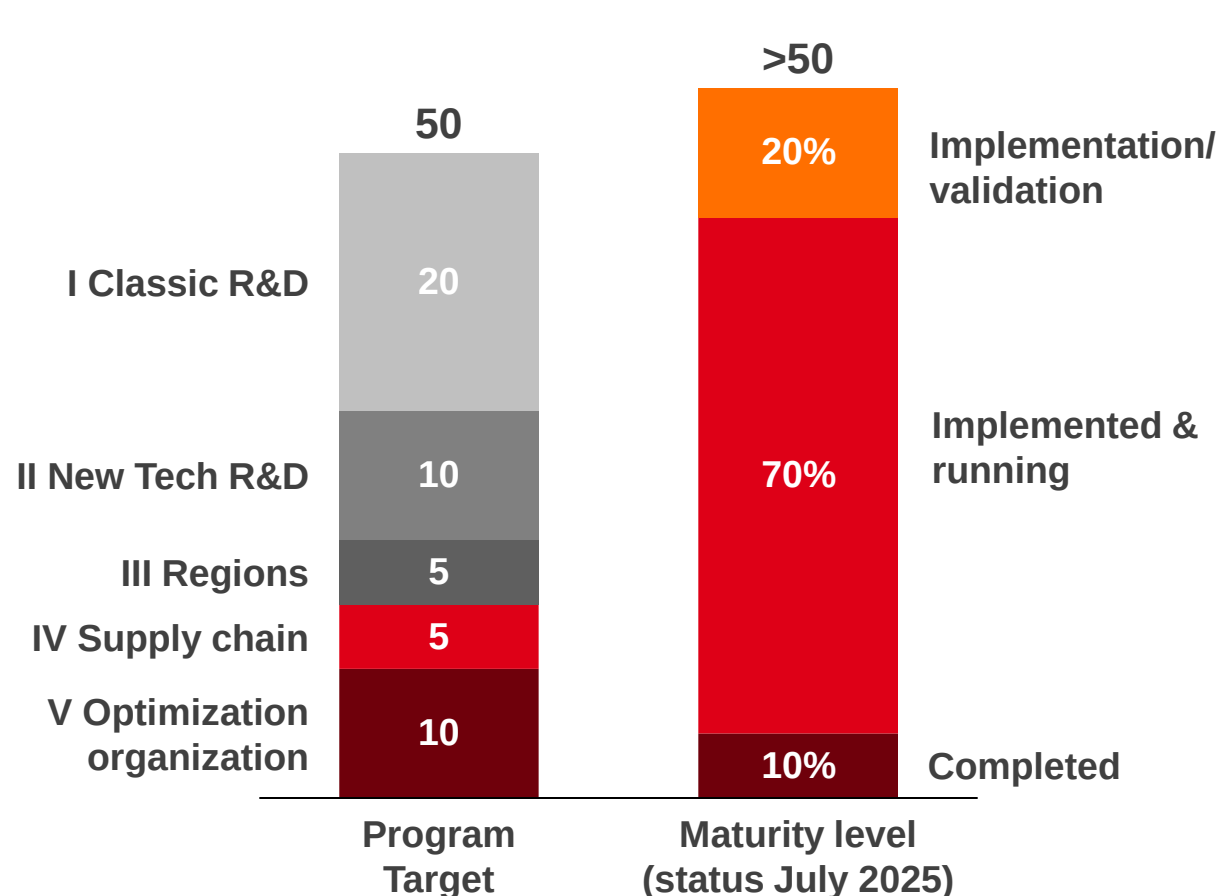


- **Equity ratio** at 45.9%, impacted by negative exchange rate effects and dividend payment
- **Leverage** increased to still moderate 1.5x
- **Dividend payout** of €23.6 million in Q2 following Annual General Meeting (May 8, 2025)

Future Fit: Expected savings for FY 2025 increased to >€25 million



Future Fit cost program (in € million)



- Program fully on track, sustainable savings of >€50 million from end of 2026 onwards
- Savings target for 2025 increased to >€25 million (from >€20 million)
- Reduction target of 300 FTE reconfirmed: 225 in Germany¹ and 75 in rest of world
 - 90 FTE left already, further 120 until year-end, remainder in 2026
- Majority of 2025 savings in H2, when further FTE with termination contracts leaving DEUTZ
- Provisions for Future Fit of €25 million booked in Q1 2025 as exceptional item expected to fully cover program costs

Guidance 2025 confirmed despite macroeconomic uncertainty



- Economic recovery expected in the second half of 2025
- Sustainable cost savings of at least €20 million from Future Fit program already effective in 2025; contrary one-off program costs classified as exceptional items
- Further development of the portfolio planned with a focus on the profitable, stable service and energy businesses

Guidance 2025

unchanged

Revenue



€2.1 to €2.3 billion

thereof €2.0 to €2.2 billion in the DEUTZ Engines & Services segment and €150 to €200 million in the DEUTZ Solutions segment

Adjusted EBIT margin¹



5.0 to 6.0%

DEUTZ Engines & Services at 6 to 7%; DEUTZ Solutions at -10% to break-even overall, Energy business counteracts start-up losses in New Technology business with a margin of 10 to 13%

Free cash flow²



Mid-double-digit million-euro amount

DEUTZ in transformation: Investment Highlights



▶ Clear ambitions for 2030 with Dual+ strategy: Revenues of ~€4 billion and adj. EBIT margin of ~10%

▶ DEUTZ consistently executes its strategy for profitable growth in existing and new business areas

▶ 'Future Fit' cost program will sustainably lower the cost base by >€50 million p.a. from end of 2026

▶ Strong balance sheet: equity ratio of >45% and low leverage ratio (~1.5x net debt/EBITDA)

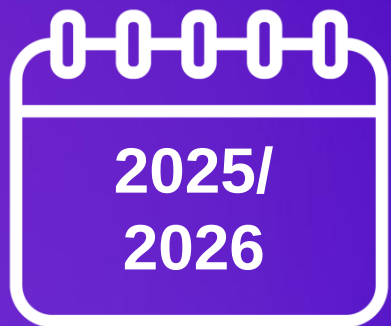
▶ Attractive dividend policy also during transformation: stable or higher dividend per share (2025: €0,17)



**Thank you for
your attention!**

We look forward to your questions

Financial calendar and contact details



Financial calendar

Q3 2025 quarterly statement	November 6, 2025
2025 annual report	March 26, 2026

Contact

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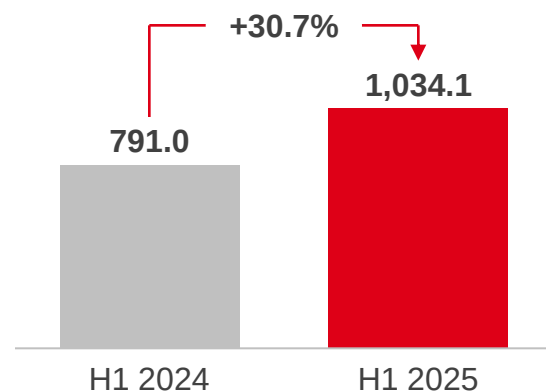
Appendix

DEUTZ Group – H1 2025 business figures



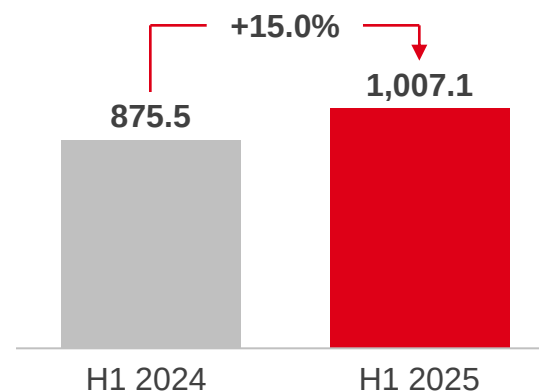
New orders

in € million



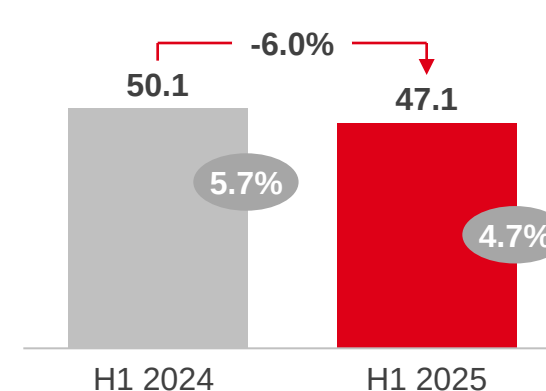
Revenue

In € million



Adjusted EBIT¹

in € million (margin in %)

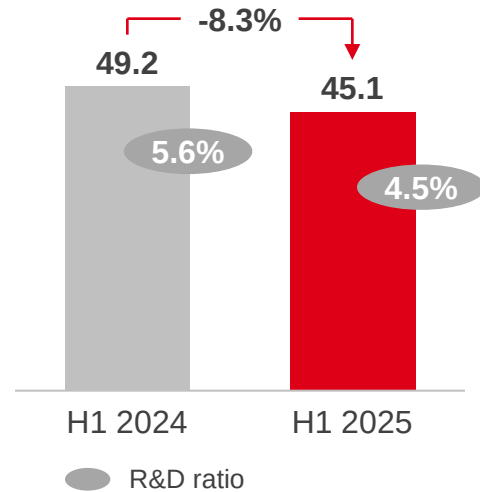


- **New orders** rose significantly due to portfolio development; book-to-bill ratio at 1.0 (H1 2024: 0.9) and order backlog at €490.9 million (H1 2024: €365.9 million)
- **Revenue:** Application areas Construction (+4%) and Agricultural Machinery (+16%) increased H1 revenues y-o-y due to positive trend in Q2, Material Handling (-15%) suffers from low US business; Service +9%
- **Earnings:** Lack of fix cost absorption due to low production volume, but positive trend in Q2 q-o-q; net income of €7.8m (H1 2024: €25.6 million), despite Future Fit provisions of €25.0m booked in Q1

R&D spending, capital expenditure, and working capital

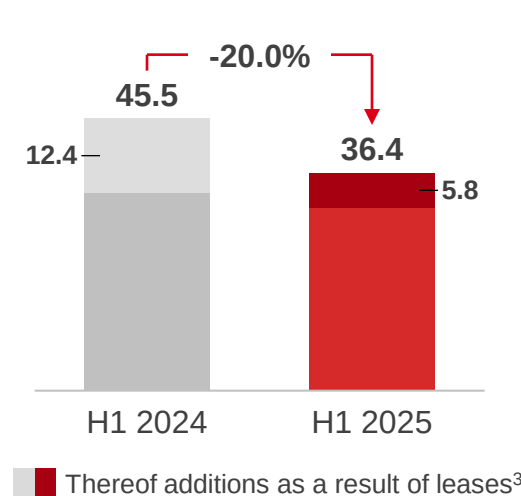
Net R&D spending¹

in € million



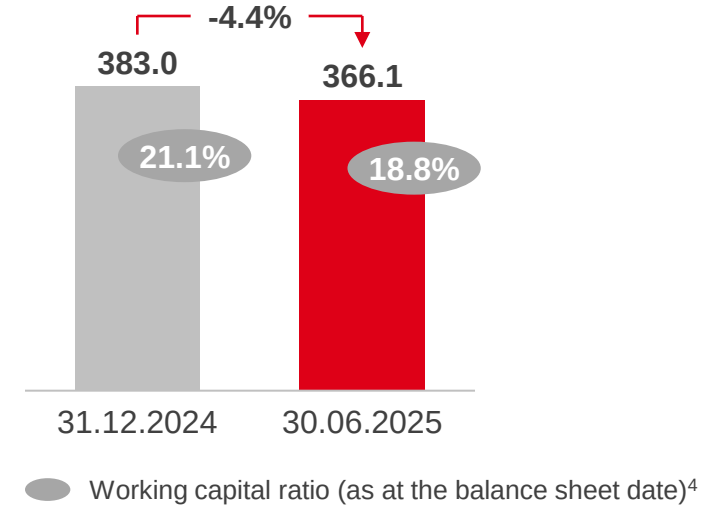
Capital expenditure^{1,2}

in € million



Working capital

in € million

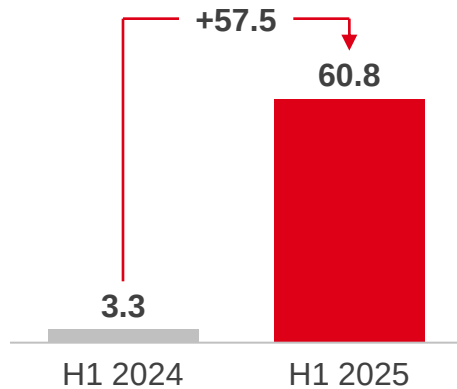


- **R&D spending** for Engines & Services of €31.3 million and for Solutions of €13.8 million, first impact of cost reduction program
- **Capex** predominantly for adjustments of assembly lines, replacement procurements, logistic facilities and IT
- **Working capital** reduced, increase in inventories and trade receivables offset by higher trade payables

Cash flow and net debt

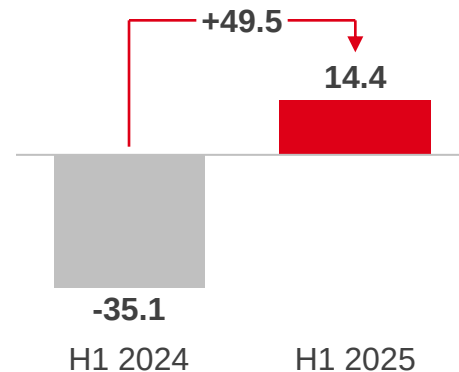
Cash flow from operating activities

in € million



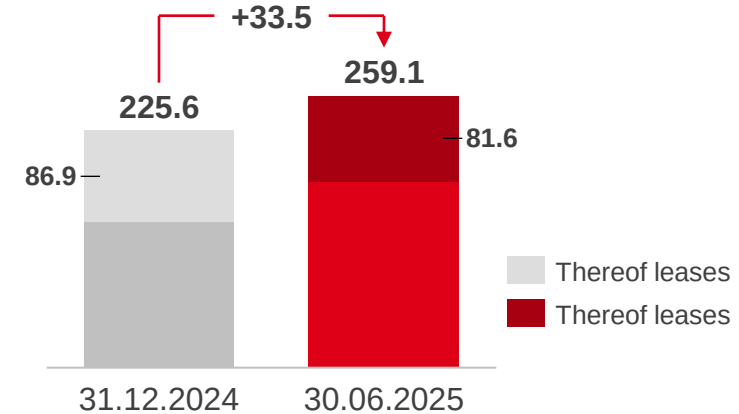
Free cash flow¹

in € million



Net debt²

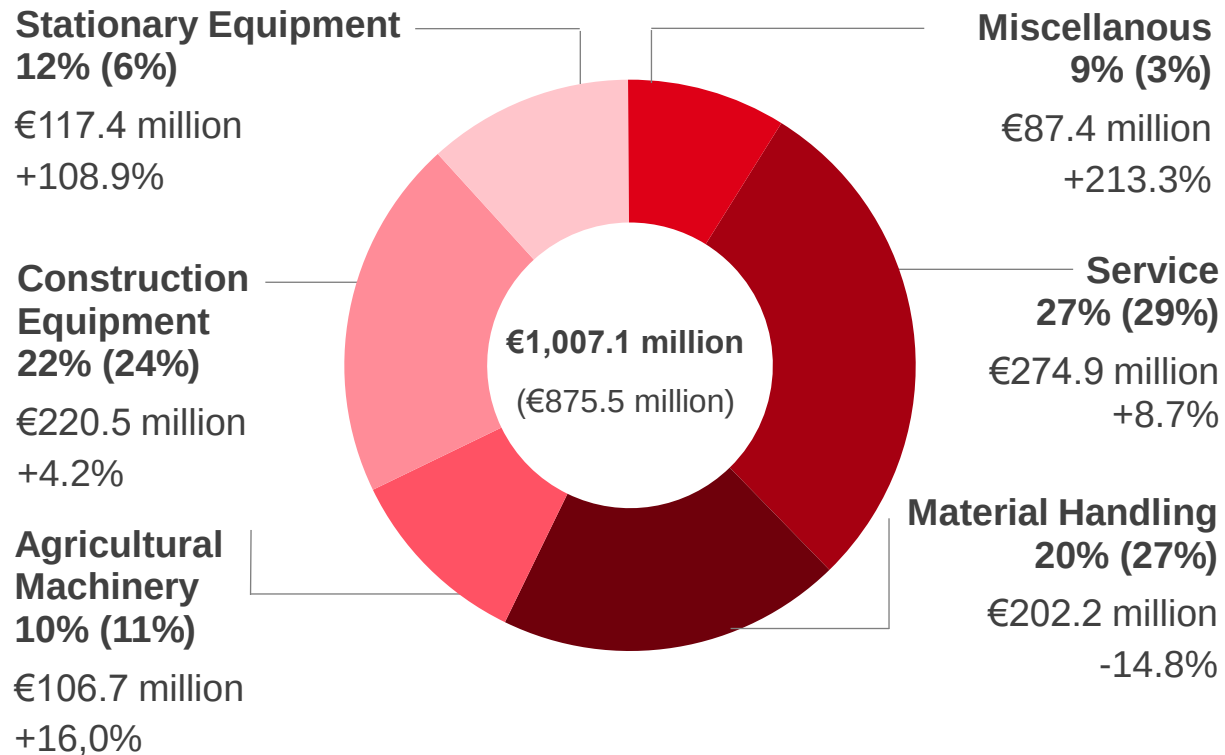
in € million



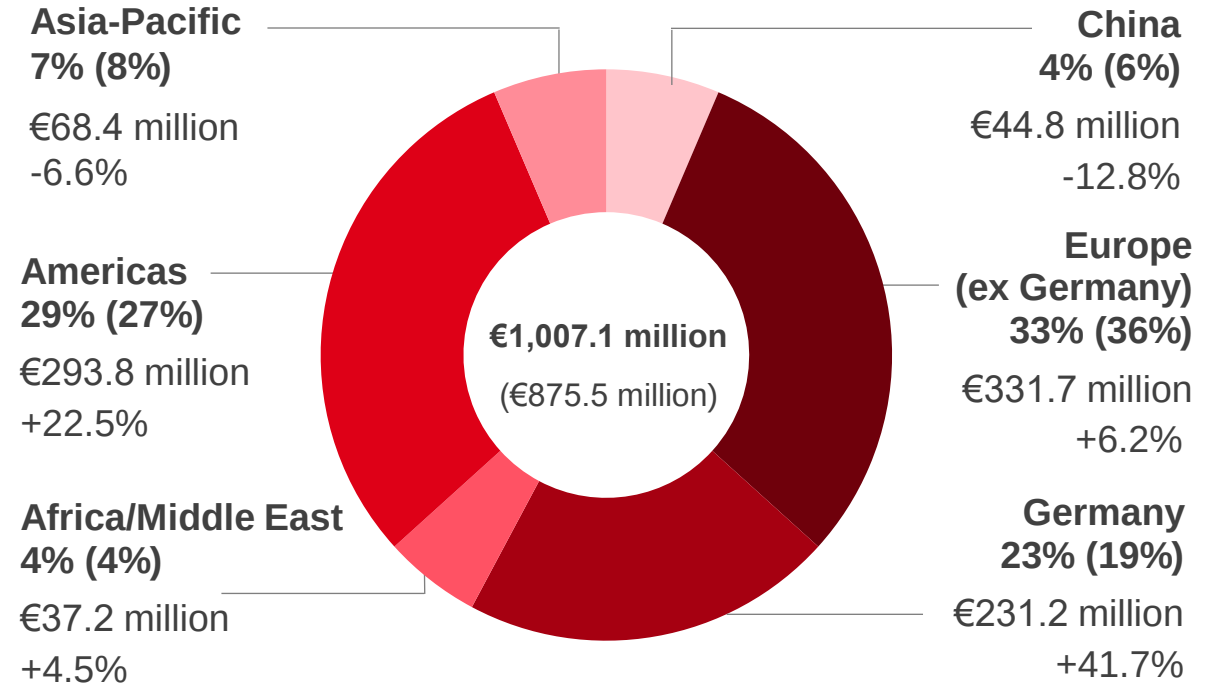
- **Operating cash flow:** Primarily working capital development and provisions offset lower earnings
- **FCF¹** improvement mainly reflects higher operating cash flow
- **Net debt** increased compared to year-end 2024 due to slightly negative cashflow from financing activities

H1 2025: Revenue breakdown by application and region

Revenue by application segment¹ H1 2025 (H1 2024)



Revenue by region¹ H1 2025 (H1 2024)



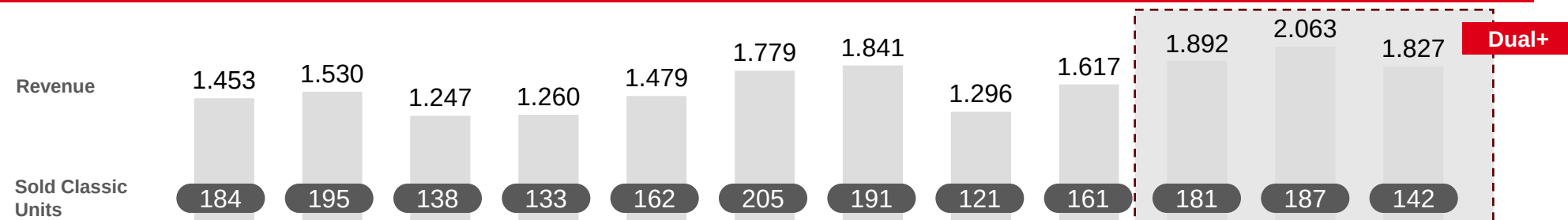
Future Fit: Potential confirmed in all areas



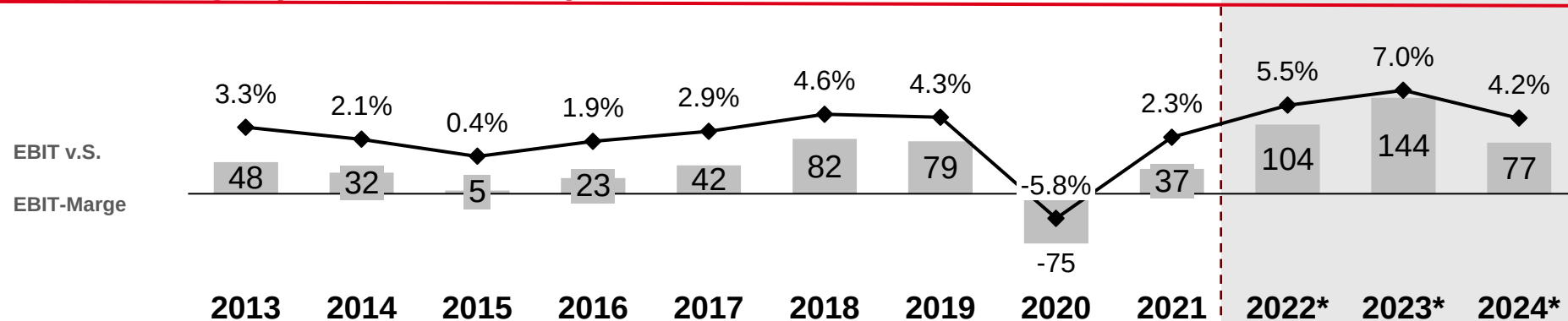
Field			Details
I	R&D costs in the Classic segment	€20 million	Flexibilization and reduction of capacities and costs – through offshoring, nearshoring and reduction of jobs in Cologne
II	More focused spending on R&D in New Tech	€10 million	Alignment of product development budgets with market development and reduction of effort by approximately 30%
III	Adjustment of the positioning in the regions	€5 million	Review of the structures in the country organizations – especially at the sites in Shanghai and Beijing
IV	Optimization of supply chain in Classic and Service	€5 million	Synergies through joint optimization (classic and service) of the supply chain – from order acceptance to delivery
V	Optimization of central functions	€10 million	More efficient positioning, among other things through streamlining of management structures, efficiency in sales and sustainable reduction of costs in the IT area

Our margin performance is more robust than in the past

Revenue & Sales volume (in € million/ in k units)



EBIT Adj. & Margin (in € million/ in %)



DEUTZ still in cyclical business, but with visibly higher resilience



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