



TRATON

Full focus on enhancing financial performance and resilience

TRATON Capital Markets Day
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NAVISTAR



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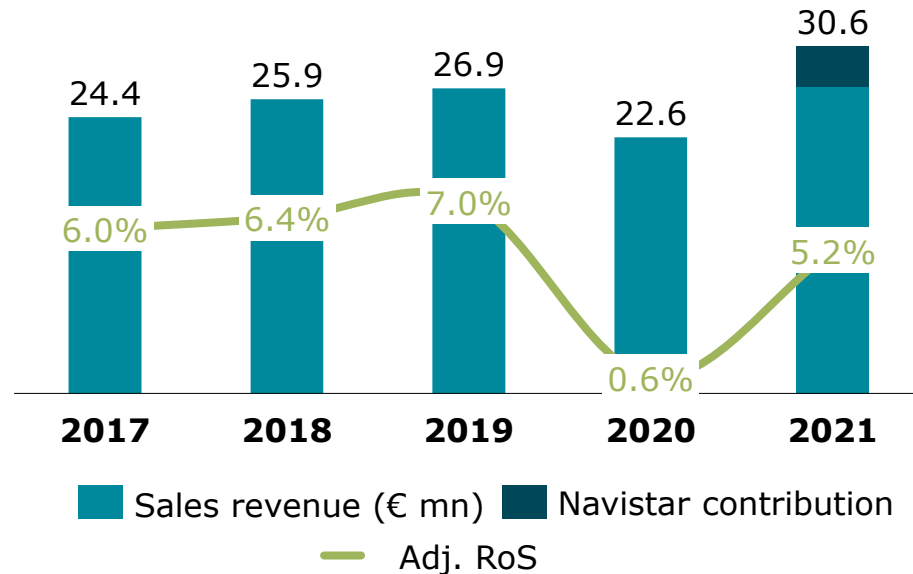
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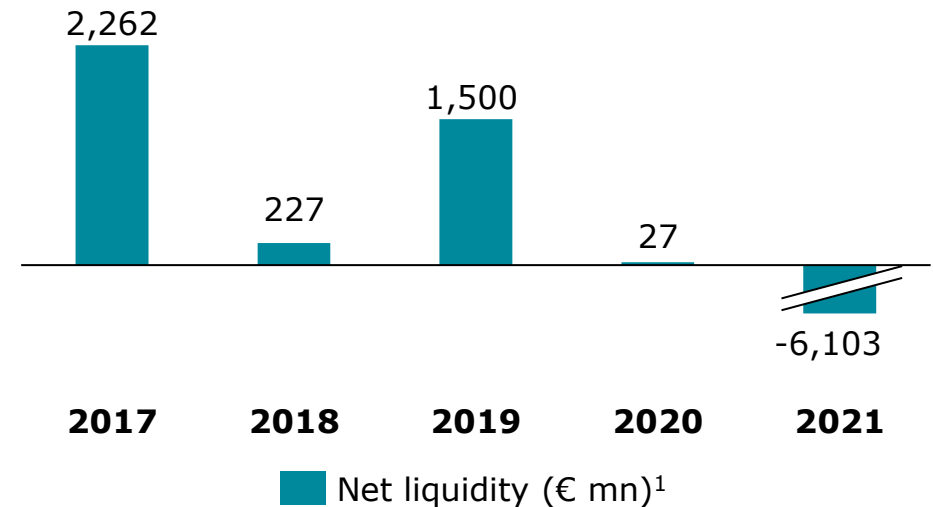
The percentage figures shown may be subject to rounding differences. Due to different proportions and scaling in graphs, data shown in different graphs are not comparable.

TRATON GROUP financial performance to-date

- **Sales revenue** (excl. Navistar) improved almost back to pre-pandemic level with **high order backlog**
- Strong **RoS** trend interrupted by pandemic effects, raw material price inflation and supply shortages



- Successful **IPO** and stringent execution of **Global Champion strategy**
- Significantly increased **net debt level**, in particular due to successful **Navistar acquisition**, maintained **investment grade rating**



We have defined clear set of financial ambitions

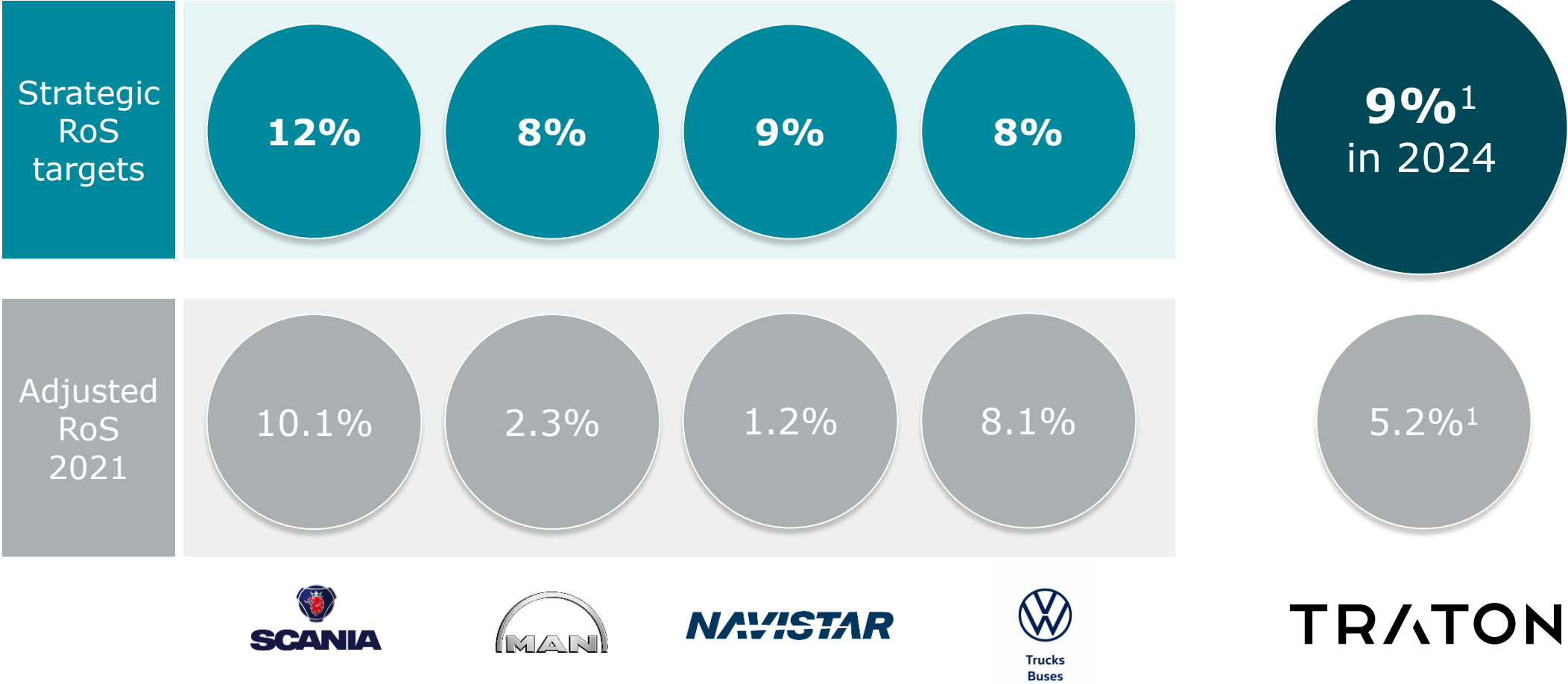
A background image of a rowing team in a boat. The rowers are wearing blue shirts and are captured in a synchronized rowing motion. The word 'TEAMPLAYER' is partially visible on the side of the boat in blue capital letters.

**Focus on
sustainable
profitability
and resilience
of results**

**Safeguard
investments in
common
components,
new business
models and new
technologies**

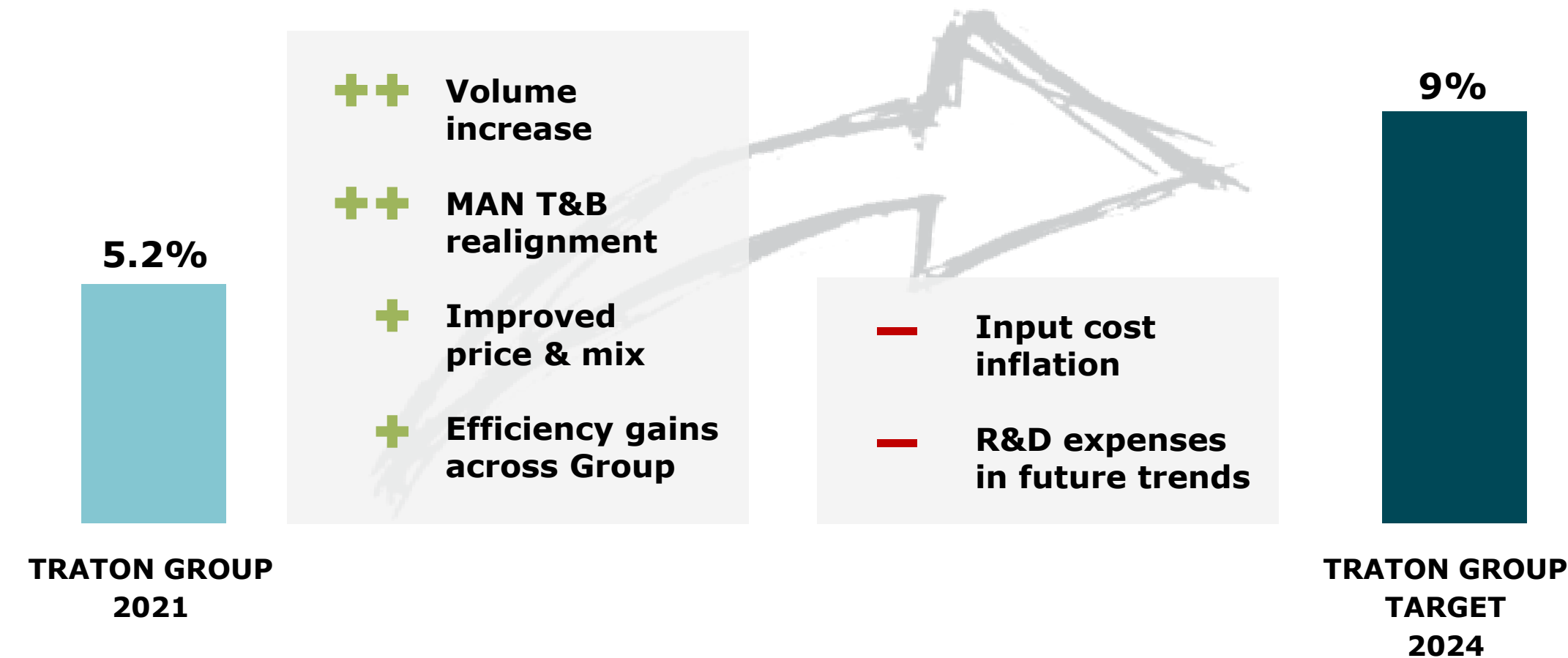
**Reduce
debt levels
and strengthen
capital
structure**

Ambitious, yet achievable RoS target for TRATON GROUP



¹ Including effects of the purchase price allocation (PPA)

Stringent execution along clearly defined building blocks towards RoS target



Building blocks driving margin upside and earnings resilience

Volume, mix & pricing



Highly competitive products & services leading to volume increases and better price positioning & mix across the brands

MAN T&B realignment program



Improved fixed cost structure and increased productivity thanks to stringent execution of realignment program; progressing according to plan

Efficiency gains



Sharing R&D costs across the brands and leverage scale thanks to common key components (e.g. CBE) reducing complexity and cost per unit and improved customer value

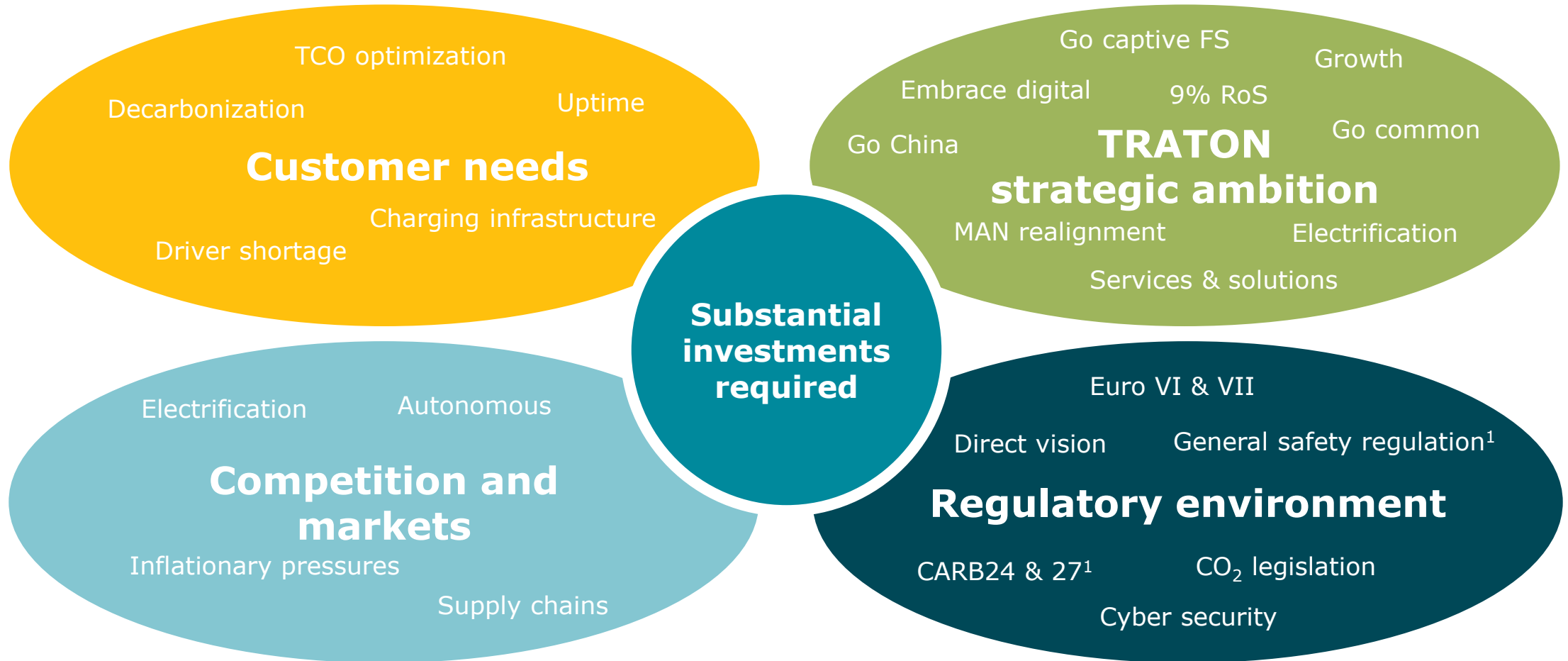
Earnings resilience



Sales revenue streams and cash flow less cyclical thanks to higher share of services business and financial services; diversified share in global profit pools and improved fix cost ratio

Significant self-help potential with strong focus on efficiency & execution

Key drivers for future investments



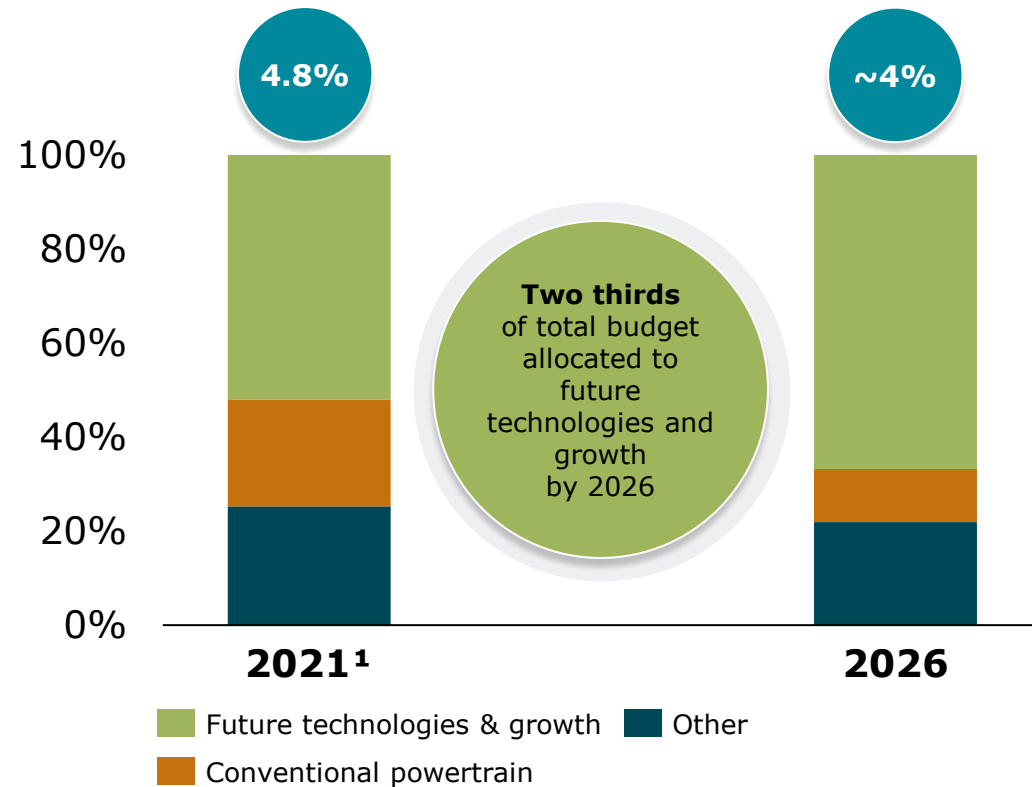
¹ California Air Resources Board emission standards

Securing future competitiveness with targeted investments in R&D and capex



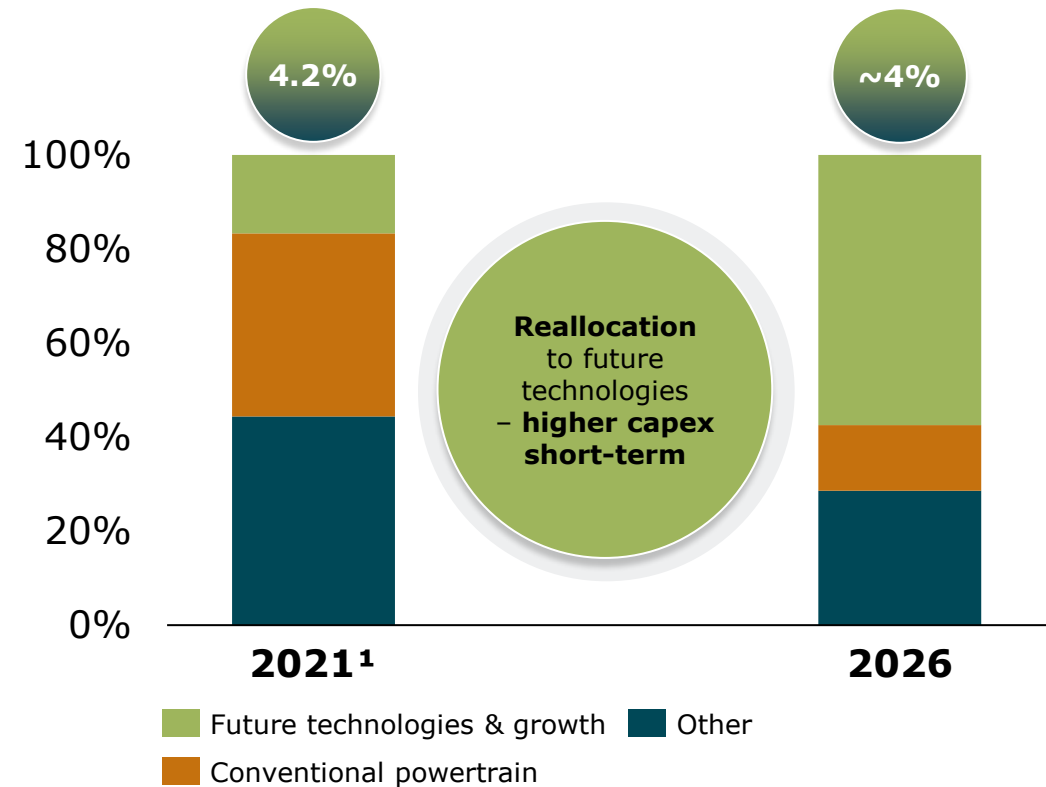
Distribution of primary R&D costs

Primary R&D costs in % of TRATON Operations sales revenue



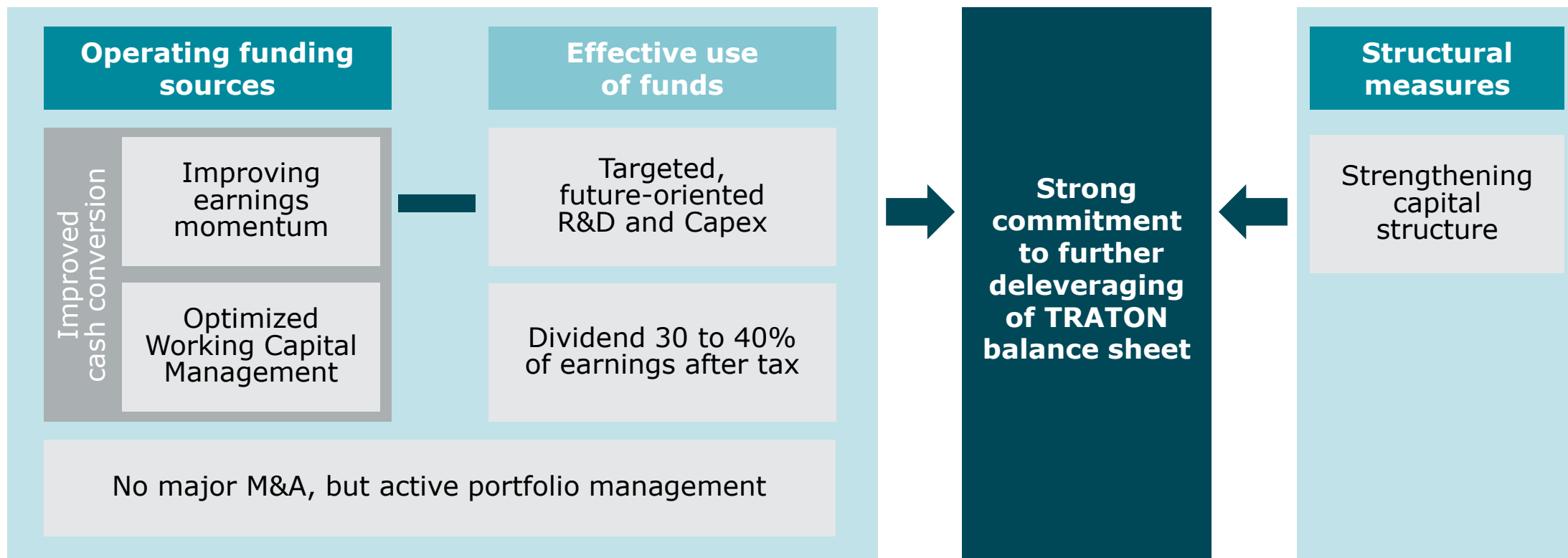
Distribution of capex

Capex in % of TRATON Operations sales revenue



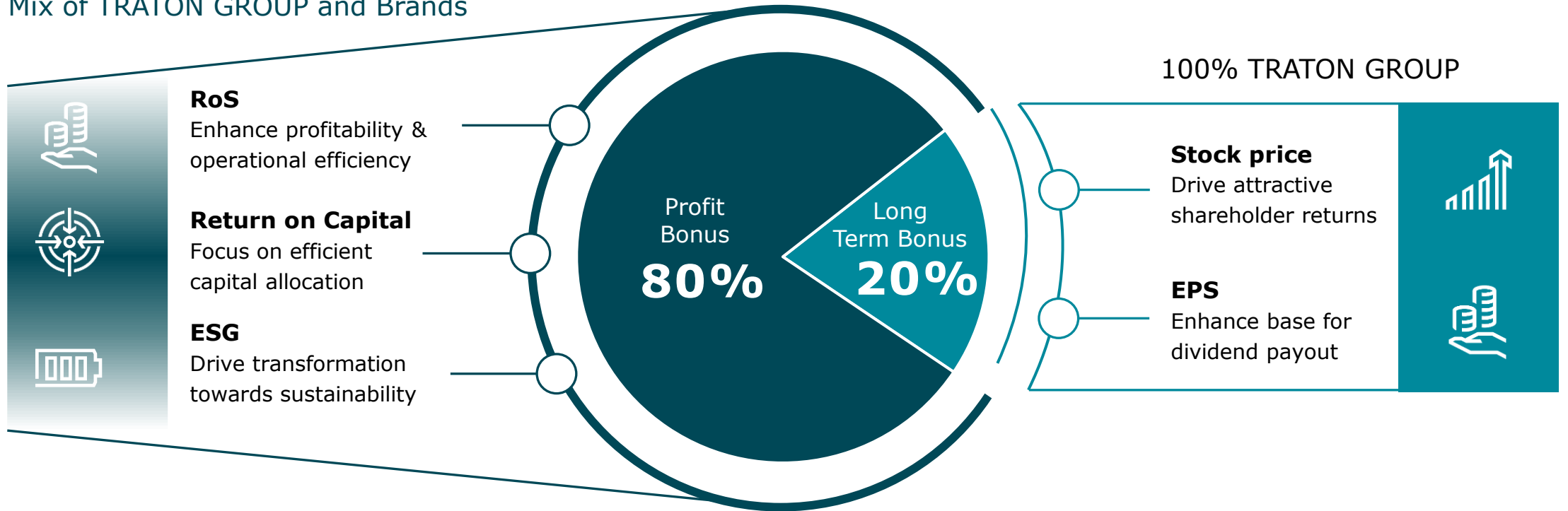
¹ 2021 based on TRATON Classic, excluding Navistar

TRATON's capital framework – Focus on optimizing pillars to deleverage



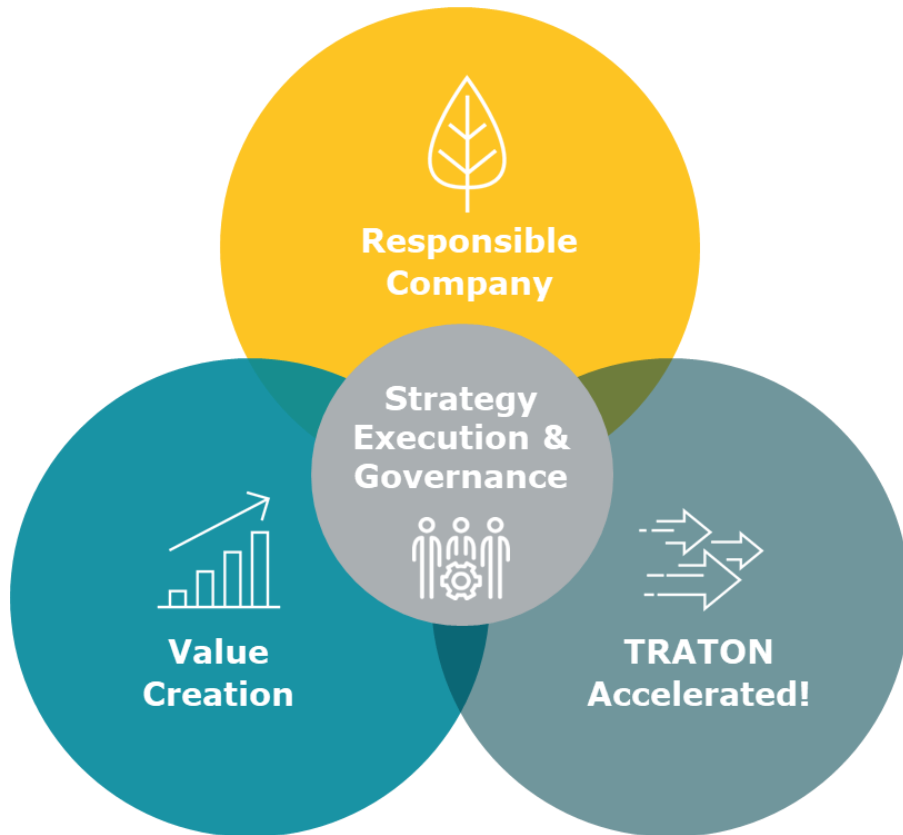
New bonus system aligned to deliver profitable growth and efficient capital allocation

Mix of TRATON GROUP and Brands



Strong incentive for management team to execute and deliver on targets along all pillars of strategy

Full focus on enhancing TRATON's financial performance and resilience



Executing towards ambitious RoS target

Improving resilience and cost efficiency

Strong financial policy and capital allocation framework

Remuneration system aligned to strategic targets

Leveraging potential of the Group

Focus on deleveraging while investing in TRATON's future

Why TRATON is an attractive investment

Strong competitive position with a **diversified regional and brand portfolio**
in an attractive global growth market and profit pool

State-of-the-art products and services strongly geared towards future trends
in order to **capture the opportunities in our industry**

Substantial potential from **leveraging know-how of brands and TRATON GROUP Modular System** while **driving the transformation towards a sustainable future**

Clear plan and commitment to execute towards **ambitious 9% return on sales target**
and an **efficient balance sheet to drive shareholder returns**

TRATON – Exciting pathway ahead

