

IR release

TRATON GROUP announces ambitious goals

- ▶ **The TRATON GROUP aims at an adjusted operating return on sales of 9 to 11% for 2029**
- ▶ **Sales revenue is expected to grow by 20 to 40% over the period 2024 to 2029**
- ▶ **The net financial debt is expected to be fully repaid by 2029**
- ▶ **Profitable growth leading to increasing shareholder return, dividend payout ratio of 30 to 40% of net income confirmed**

Munich, October 1, 2024 — During its Capital Markets Day 2024 in Munich, the TRATON GROUP outlined its ambitions for its medium-term business development. The adjusted operating return on sales is expected to be between 9 and 11% in 2029. The corresponding outlook for the current fiscal year 2024 is between 8 and 9%. The TRATON GROUP plans to grow its sales revenue by 20 to 40% over the period 2024 to 2029. Moreover, TRATON aims to fully repay the net financial debt of the industrial business within this time frame.

Christian Levin, CEO of the TRATON GROUP: "With its TRATON Way Forward strategy, the TRATON GROUP is making excellent progress. We recently achieved a real milestone in the cooperation of our brands. Significant parts of our brands' research and development departments are being merged into a cross-brand organization. Furthermore, our brands have future-proofed their product portfolio by investing in the electrification of commercial vehicles. We are fully committed to our motto of 'Transforming Transportation Together. For a sustainable world'. For the next five years, we have identified additional growth drivers for TRATON beyond our conventional growth in existing markets. We therefore expect to benefit from the shift towards electrification and a higher share of battery electric vehicles within unit sales. What's more, we intend to leverage the potential of our brand in North America even more effectively. The rebranding of our US subsidiary from Navistar to International Motors, which enters into force today, demonstrates our commitment. The brand is thus going back to its roots. By positioning itself even more as a solution provider for truck and bus customers, International aims to increase its market share in North America. International's full solutions portfolio will also include services such as parts, maintenance, financing, connectivity, and charging. In addition, with the S13 powertrain we have started making the highly efficient TRATON Common Base Engine available to International customers. The brand's extensive sales and service network will also provide vital support in this regard. Moreover, with the establishment of our own production site in Rugao, China, we finally get the chance to offer locally manufactured vehicles in China, the world's largest truck market, and in other Asian markets. This move will help us reduce CO2 emissions and expand the product range through the delivery of highly efficient trucks. The growth in North America and Asia will be a major factor in propelling us towards our ambition of increasing revenue by 20 to 40% by 2029."

Dr. Michael Jackstein, CFO and CHRO of the TRATON GROUP: “All our brands acknowledge that the services and solutions business for commercial vehicles is clearly gaining momentum. We see great potential here for the entire TRATON GROUP, making it an area of growth for the years ahead. This applies equally to our suite of financial services under the TRATON Financial Services umbrella, which we plan to ramp up substantially. Total assets will significantly increase by 2029. TRATON Financial Services already operates via our brands in 67 countries. Providing financing solutions for electric vehicles and introducing new business models like vehicle-as-a-service will become increasingly important. The shift towards electromobility will make our role as a mobility service and charging solution provider even more crucial. We also see growth opportunities in our attractive key markets. Upcoming product launches from our brands will support a better price mix. We will continuously reduce our industrial net debt. By coordinating our engineering competences within the new Group research and development organization and by utilizing the TRATON Modular System on a Group-wide scale, our operations will become a great deal more efficient. Ultimately, our Group-wide technology transfer, based on the TRATON Modular System, will also be instrumental in achieving an adjusted operating return on sales between 9 and 11% in 2029.”

A recording of the webcast for the TRATON GROUP Capital Markets Day 2024 will be available after the event at <https://ir.traton.com/>

Forward-looking statements

This media release contains forward-looking statements and information on the business development of the TRATON GROUP. These forward-looking statements and information reflect our current views about future events and are based on assumptions relating to the TRATON GROUP's business and operations and the development of the economies in the countries in which the TRATON GROUP is active. These forward-looking statements may involve risks and uncertainties, and actual results may differ materially from those forward-looking statements and/or any forecasts. This applies in particular, if any of these or other risks or uncertainties materialize, or if the assumptions underlying any of these statements prove incorrect, the actual results may significantly differ from those expressed or implied by such forward-looking statements. Any changes in significant parameters relating to the key markets in which the TRATON GROUP is active, or any significant shifts in exchange rates, market regulation, energy and other commodity prices or the supply with parts relevant to the TRATON GROUP will have a corresponding effect on the business development. In addition, there may also be departures from the expected business development if the factors influencing sustainable value enhancement and the risks and opportunities presented develop in a way other than is currently expected, or if additional risks and opportunities or other factors emerge that affect the development of the business. TRATON SE does not assume any responsibility for updating forward-looking statements in this media release, as these are based on our assessment on the day of publication.

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With its brands Scania, MAN, International, and Volkswagen Truck & Bus, TRATON SE is the parent and holding company of the TRATON GROUP and one of the world's leading commercial vehicle manufacturers. The Group's product portfolio comprises trucks, buses, and light-duty commercial vehicles. "Transforming Transportation Together. For a sustainable world.": this intention underlines the Company's ambition to have a lasting and sustainable impact on the commercial vehicle business and on the Group's commercial growth.