

Q3/9M 2024 RESULTS

ROADSHOW PRESENTATION

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WE'RE A TRANSPORTATION POWERHOUSE ...

With its brands Scania, MAN, International, and Volkswagen Truck & Bus, TRATON SE is the holding company of the TRATON GROUP and one of the world's leading commercial vehicle manufacturers. The product portfolio comprises trucks, buses, and light-duty commercial vehicles. The TRATON GROUP also offers its commercial vehicle customers a broad range of financial services.

Our purpose is:

“Transforming Transportation Together. For a sustainable world.”



... WITH FOUR STRONG BRANDS UNDER ONE ROOF



- Global leader in sustainable transport solutions with premium-quality trucks and buses
- Wide range of commercial vehicles and services
- Aims to drive the shift towards a sustainable transport system
- Presence across diverse markets around the world



- Strong business partner
- Aims at simplifying customer business
- High-quality product and service experiences with smart solutions for a full-line offering
- Strives to cultivate excellent customer relationships across multiple markets globally



- High-performance manufacturer of trucks and buses
- Commercial trucks under the *International* brand and buses under the *IC Bus* brand
- Main presence in North America
- Spare parts and services through dealerships in the USA, Canada, and Mexico



Truck
Bus

- Dedicated to delivering value-driven solutions
- Empowers businesses to thrive in emerging economies
- Presence in Latin America, Africa, and Asia
- Diverse array of products and services tailored to growth markets

OUR BRANDS OPERATE ACROSS KEY COMMERCIAL VEHICLE MARKETS

TRATON
Operations

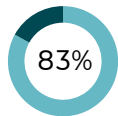


INTERNATIONAL



Home base			Europe and Brazil	Europe	North America	Brazil
Unit sales (k) FY 2023	Trucks	281	92	84	76	31
	Buses	30	5	6	13	6
	Vans	27	-	27	-	-
	Total	338	97	116	89	37

Trucks



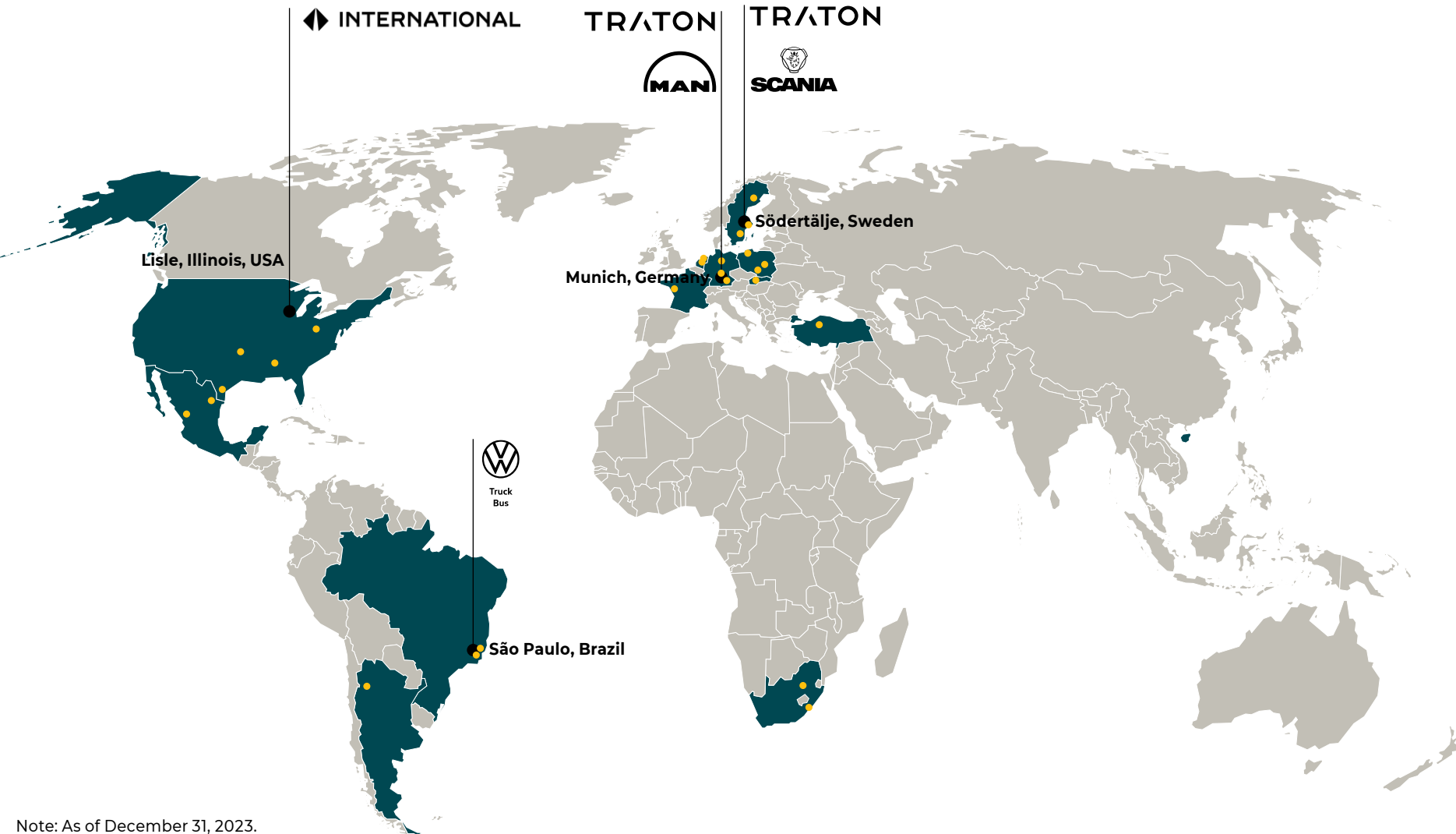
Buses



Vans



PRODUCTION & ASSEMBLY SITES SPAN AROUND THE GLOBE



Commercial vehicle brands

4



Countries

12

Countries where TRATON GROUP has production and assembly sites. Our brands also have regional product centers, sales offices, and research & development facilities in many countries around the world.

Production and assembly sites

33

Note: As of December 31, 2023.

OUR CAPTIVE FINANCIAL SERVICES BUSINESS IS RAMPING UP ITS OFFERING FOR ALL BRANDS

Objectives/business model

Comprehensive financing options to meet the demand for new technologies and business models.

Supporting the transformation of the transportation sector.

Ramp-up in three overarching steps

Step 1

Short-term foundation completed in April 2023

“Lift and shift” of Scania Financial Services business to lay the foundation for TRATON Financial Services (TRATON FS)

Step 2

Medium-term transformation within the next 2 years

Rollout of TRATON FS in 12 markets (MAN/VWTB) to expand global coverage

International Financial Services

Step 3

Long-term target within the next 5+ years

Target operating model including head office setup, local setup, and governance

Enabling future business models

WITH OUR TRATON MODULAR SYSTEM WE ARE WELL POSITIONED FOR EFFICIENT FUTURE GROWTH

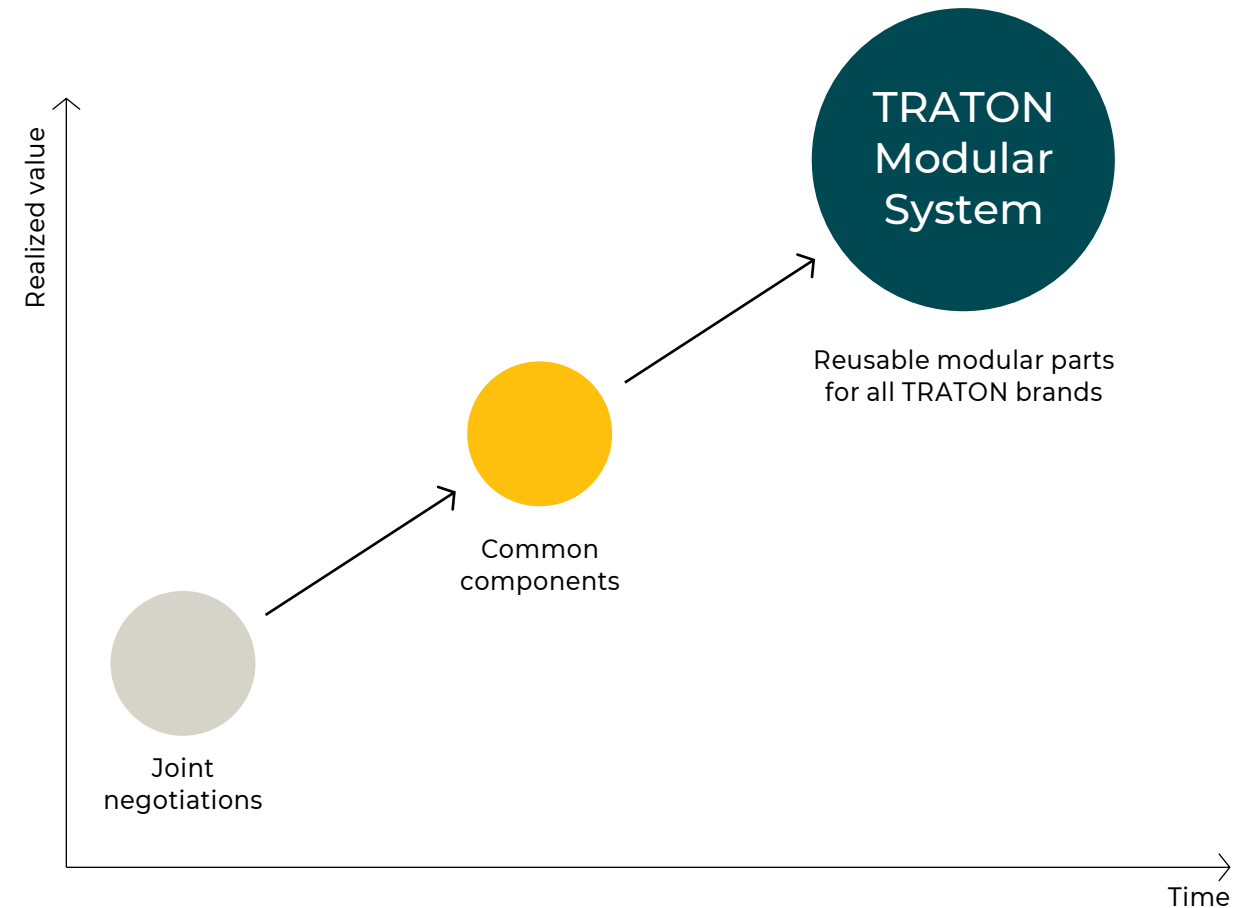
Profitable mass customization based on a modular system ensures long-term competitive advantage

Principles of the TRATON Modular System

1. Standardized Group Interfaces
2. Same need – Identical solutions
3. Balanced performance steps

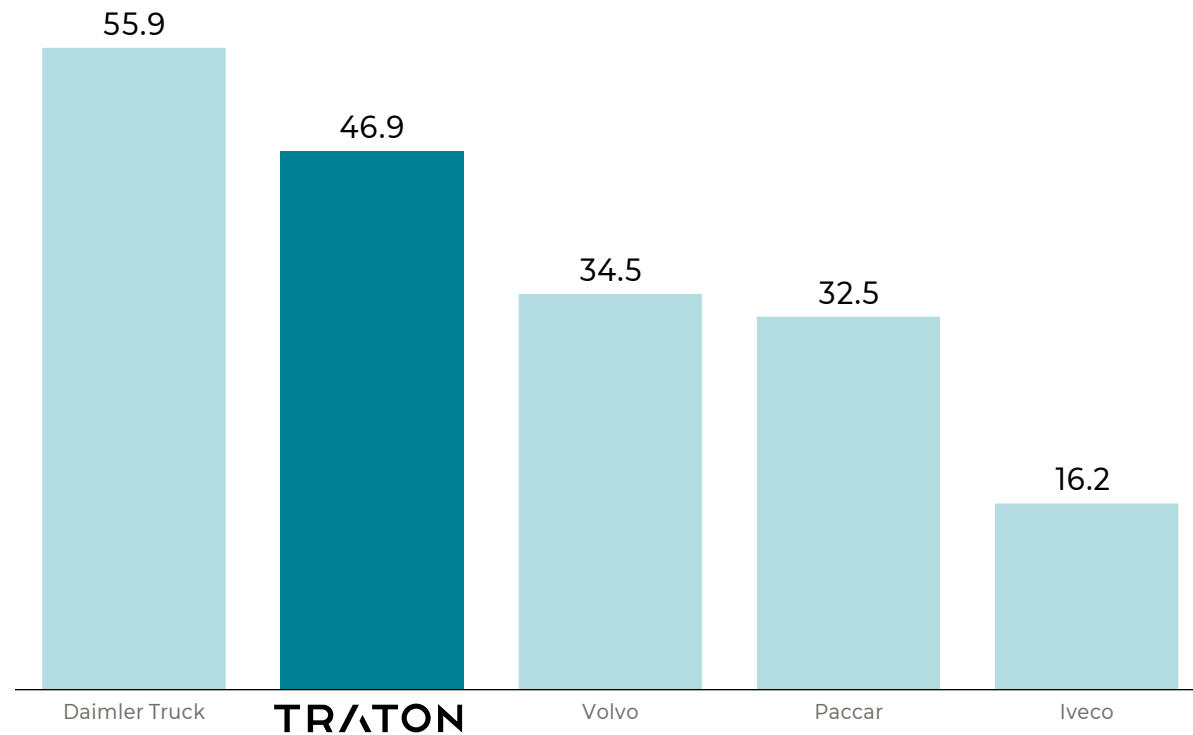
Benefits

- More customer value from a single development
- Broader range of possible products for each brand
- Better products for customers
- Better performance as a Group
- Reduced product and integration costs



TRATON IS ONE OF THE LARGEST GLOBAL TRUCK & BUS PRODUCERS ...

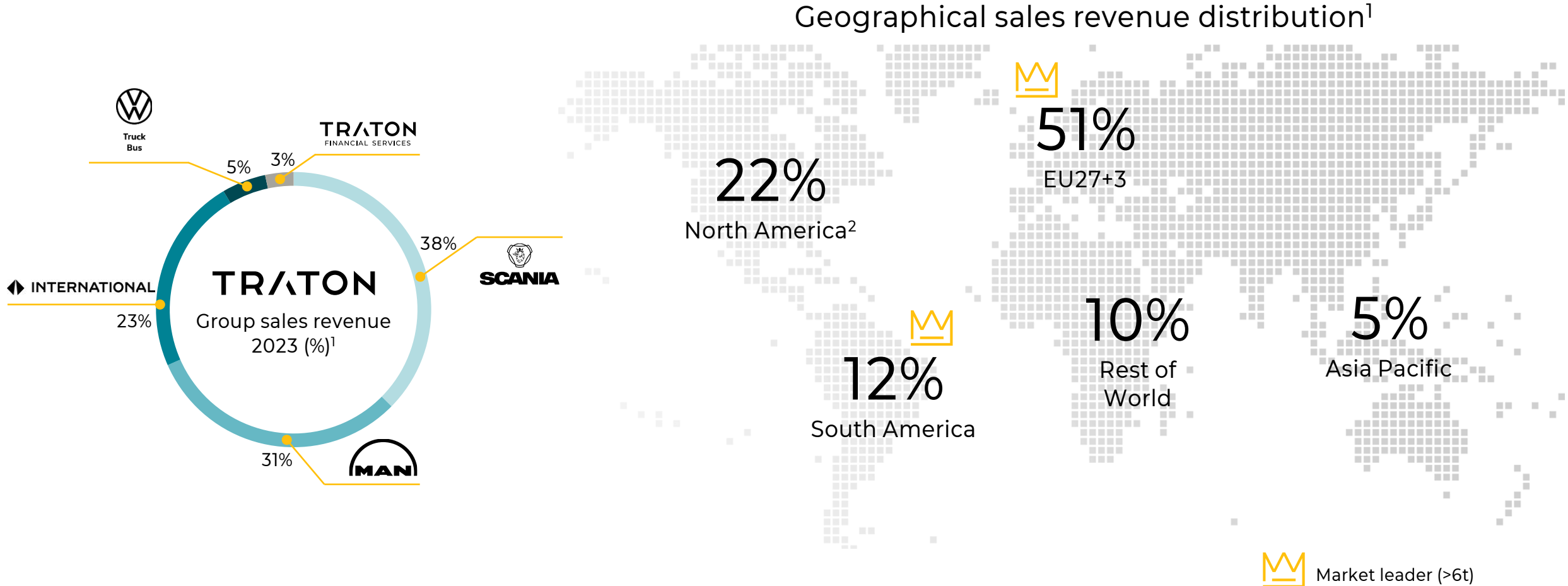
Sales revenue FY 2023 (€ bn)



Note: For Volvo only business segments Trucks & Buses are included.
Source: Company data, own calculations.



... WITH A WELL-DIVERSIFIED REGIONAL AND BRAND MIX



¹ Share of TRATON GROUP revenue 2023, rounded ² USA and Canada

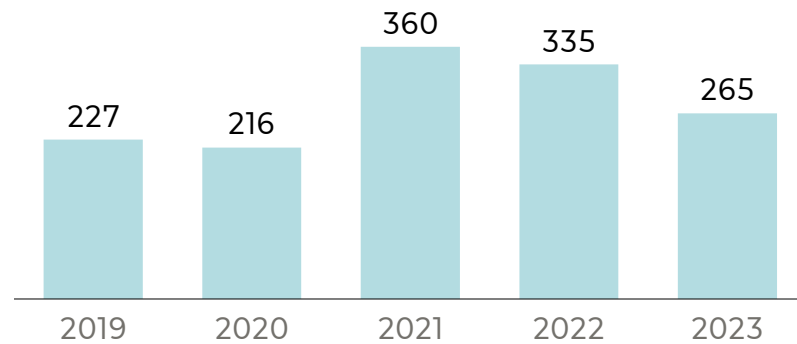
WE ARE ADDING CHINA TO OUR INDUSTRIAL SYSTEM FOR ASIAN GROWTH

- **Largest commercial vehicle market globally** offering growth opportunities
- Investing into a local production facility, R&D setup and supplier base **enabling growth of our global industrial system**
- Benefitting from **local technology developments**
- **Construction progress according to plan**, with the ambition to start official production at the end of 2025

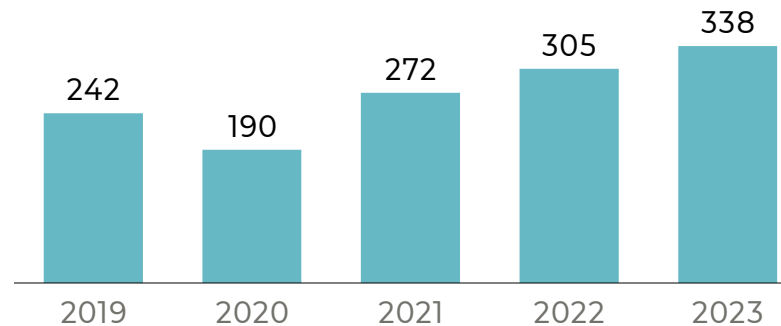


WE ARE ON A PROFITABLE GROWTH PATH WITH INCREASING SALES AND MARGINS

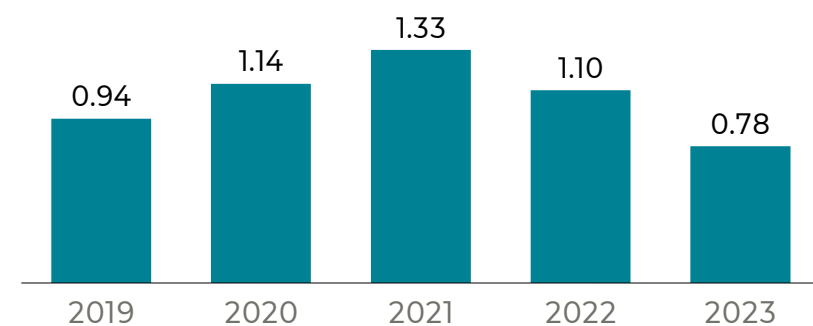
Incoming orders (k units)



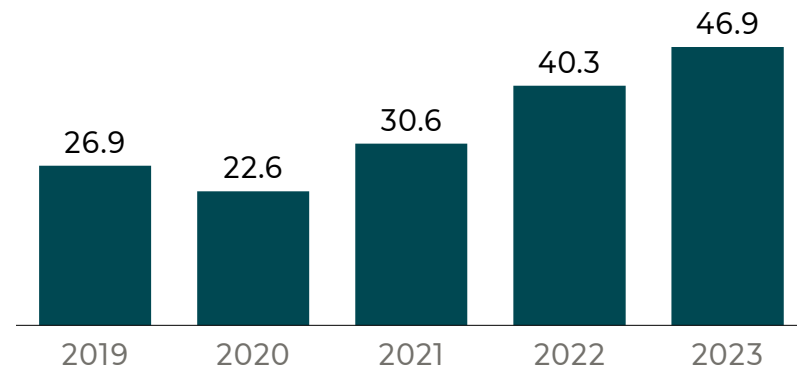
Unit sales (k units)



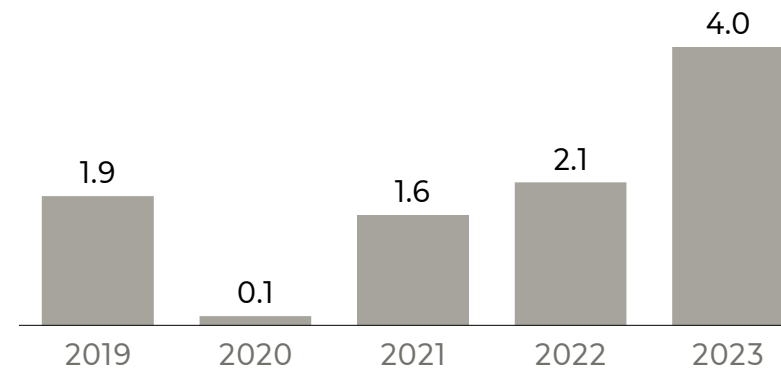
Book-to-bill (ratio in units)



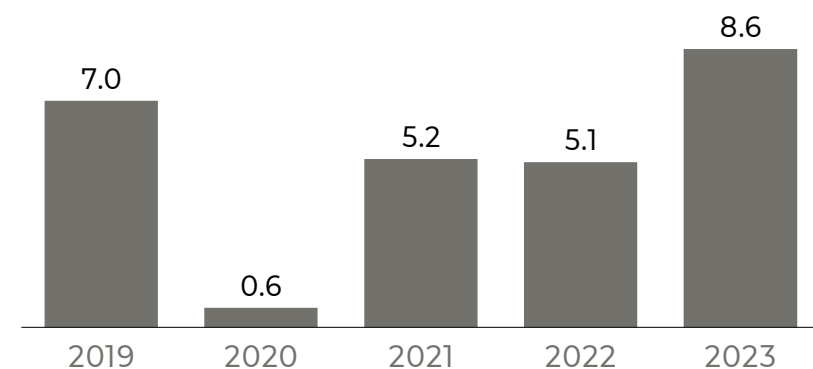
Sales revenue (€ bn)



Adjusted operating result (€ bn)

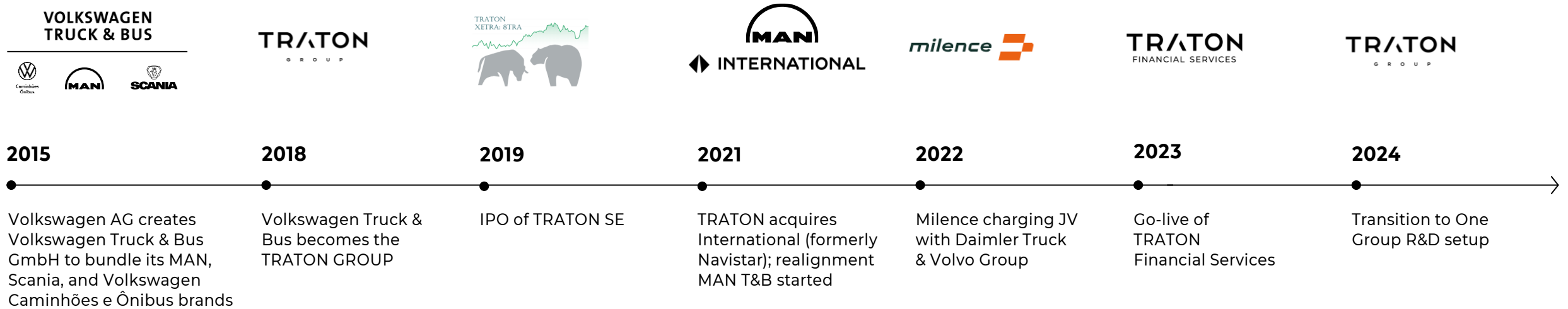


Adjusted return on sales (%)

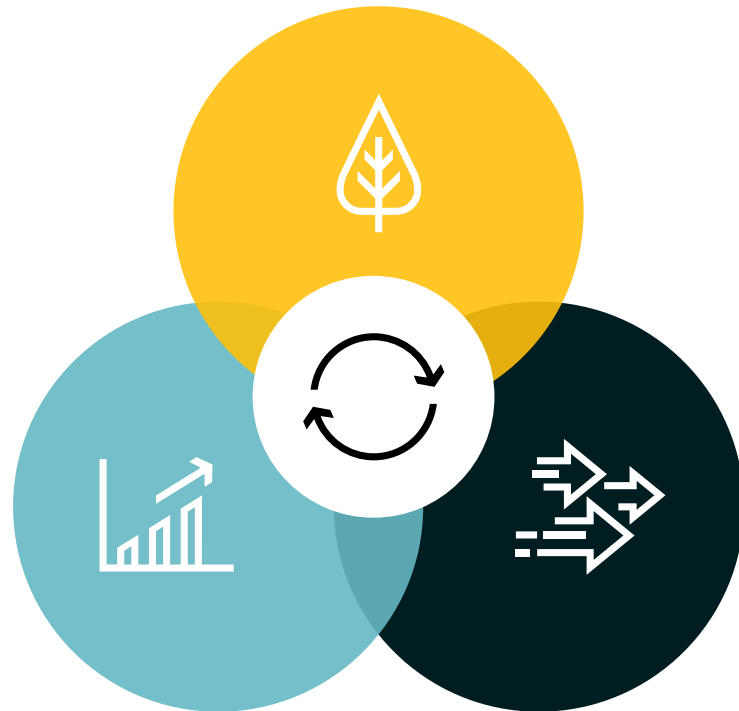


Note: 2021 figures include Navistar only for second-half year due to consolidation from July 1, 2021.

KEY MILESTONES ON THE TRATON WAY FORWARD



THE TRATON WAY FORWARD TRANSLATES INTO A LONG-TERM VISION FOR THE GROUP



All four elements of the TRATON Way Forward are interconnected, making it possible for the TRATON GROUP to pave the way toward a sustainable future.



Responsible Company

The TRATON GROUP and its portfolio brands are committed to becoming more sustainable, focusing on a number of areas, including decarbonization and circularity.



Value Creation

The TRATON GROUP is optimizing its cost basis, accelerating growth in the US, and entering China while maintaining focus on the user needs for each brand.



TRATON Accelerated!

We have a clear roadmap for our electrified, connected, and automated commercial vehicles. We are developing new business models and strengthening partnerships.



Strategy Execution

The goal is to concentrate capabilities and strengthen competitiveness by developing a TRATON Modular System. Progress is already being made with the new Group functions for R&D and by coordinating purchasing, production, and logistics.

OUR SUCCESS IS BUILT ON SUSTAINABLE AND RESPONSIBLE CONDUCT

We focus on three joint impact areas



Decarbonization

Reduce greenhouse gas emissions across the value chain in line with the 1.5°C target



Circularity

Decouple the use of resources from our business growth



Human Rights

Respect human rights and enable a just transition

TRATON IS DRIVING THE TRANSITION TO ZERO-EMISSION VEHICLES

We are focusing our investments on e-mobility

>€2 billion

Investments of more than €2 billion are planned for the period from 2024 to 2028.

2024

2028

~50%

Approx. 50%¹ of vehicles we sell in the EU27+3, USA, and Canada regions are set to be zero-emission in 2030.

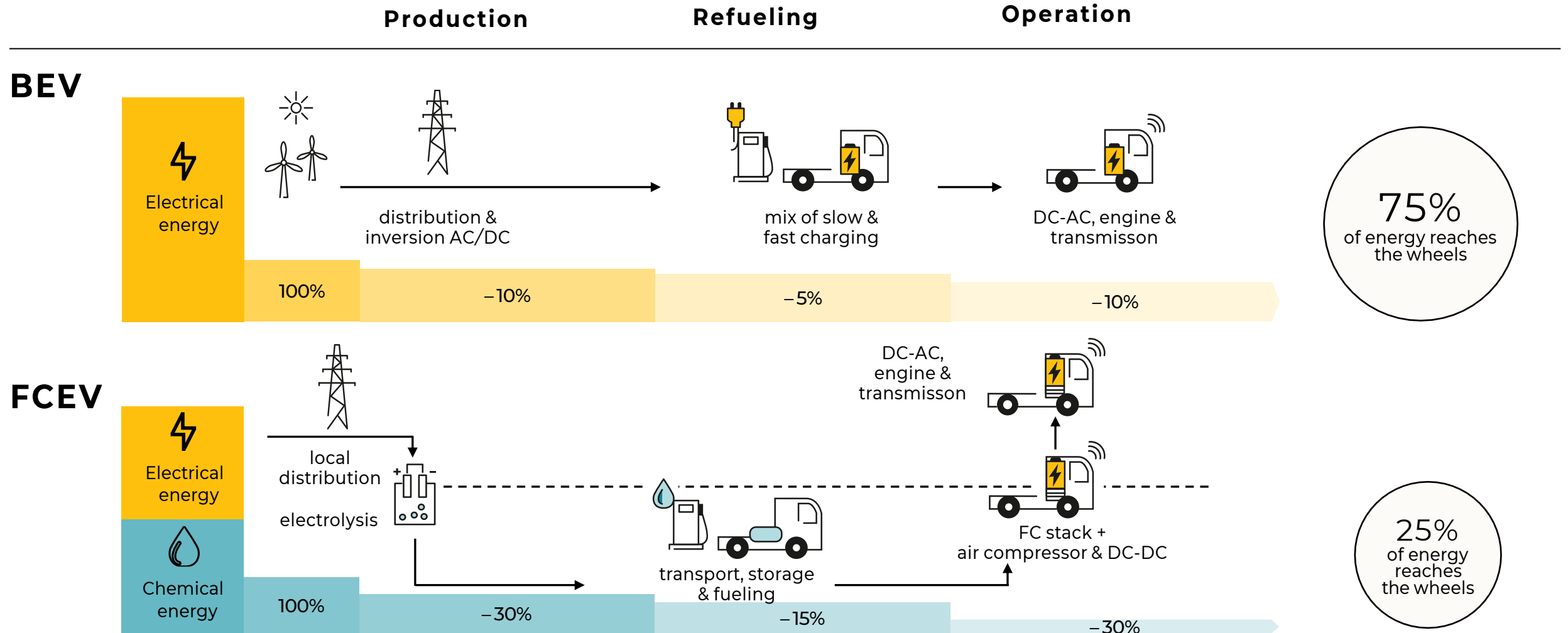


¹ This target is subject to the conditions needed to achieve it, such as the expansion of the corresponding charging infrastructure, being in place.

0%

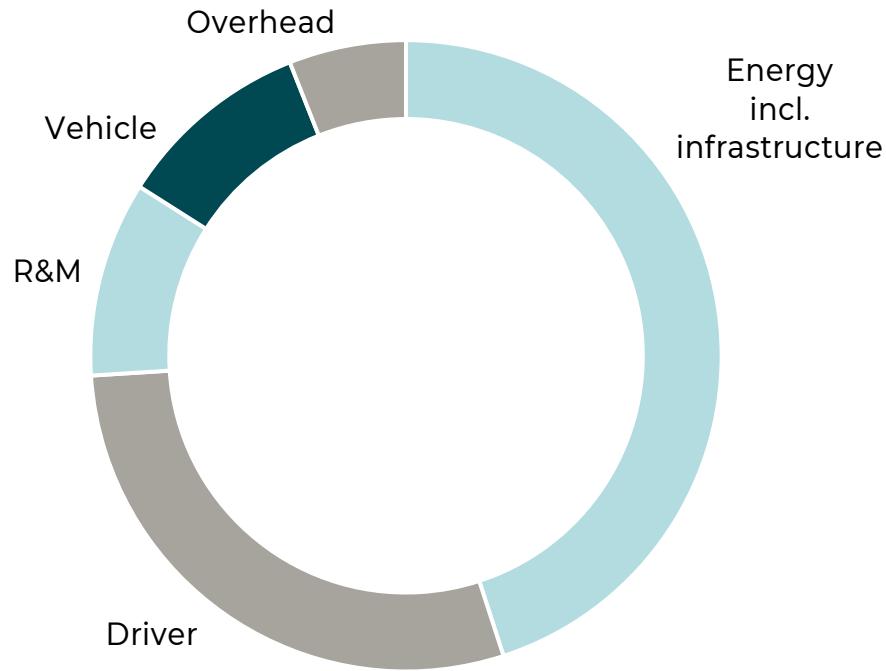
100%

BEV WITH A CLEAR TOTAL COST OF OWNERSHIP ADVANTAGE FOR OUR CUSTOMERS

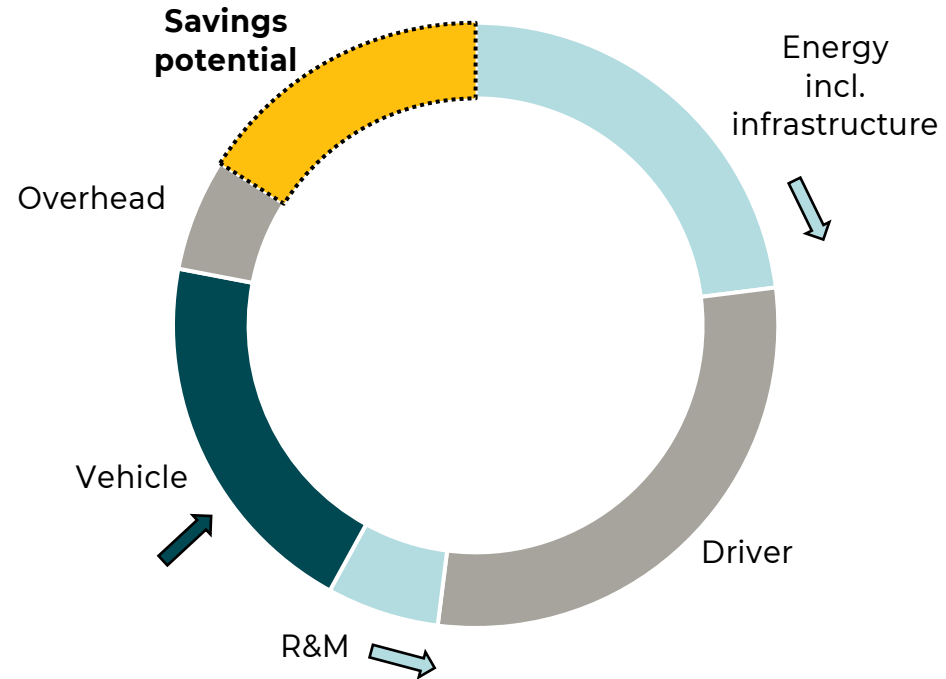


THE COST DISTRIBUTION WILL CHANGE SIGNIFICANTLY WITH FULLY ELECTRIC TRUCKS

Cost distribution of a typical long-haul heavy-duty truck - **today**



Cost distribution electric long-haul heavy-duty truck ~**2025-30**



Electric trucks yield strong reduction in energy consumption

Cost increasing with e-mobility

Cost decreasing with e-mobility

Energy is the most crucial cost driver – energy cost advantage is the key to quick market ramp-up of electric trucks

GROWING PRODUCT OFFERING TO BENEFIT FROM ZERO-EMISSION TRANSITION

Today: TRATON offers BEV products across major applications and weight classes

Tomorrow: TRATON BEV products will increase in GTW¹, range and applications they can serve



MAN electric truck (eTGX)



International electric truck (eMV)



VWTB electric bus (e-Volksbus)



MAN electric bus (Lion's City E)



Scania electric truck (25 P XT)



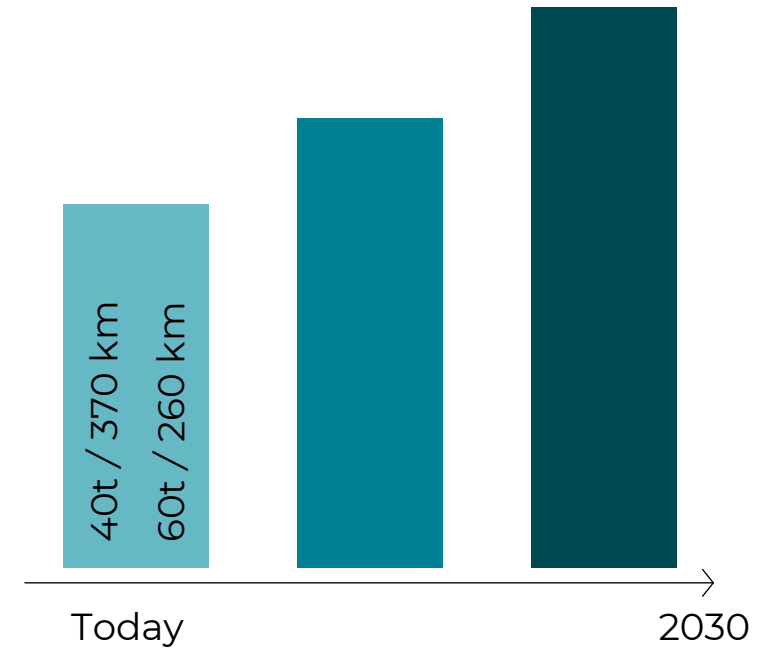
VWTB electric truck (e-Delivery)



International electric bus (IC Bus CE Series)



MAN electric van (eTGE)



¹ Gross train weight

TRATON IS CREATING THE CONDITIONS FOR ELECTRIFICATION

We are driving forward charging infrastructure development

Milence joint venture

Founded with Daimler Truck and the Volvo Group in 2022.

TRATON Charging Solutions

A new service entity to simplify access to charging stations.

Quanta Services

Partnership between International and Quanta Services, a major provider of grid infrastructure solutions in North America.

Depot Charging

Scania's new entity builds and operates critical charging infrastructure in depot bases for customers.

We are focusing on battery cells as key components of electric vehicles

Scania, Södertälje

Scania opened a battery assembly plant at its headquarters in Södertälje in 2023. Cells developed by Northvolt are being assembled into battery packs for heavy-duty vehicles.

MAN, Nuremberg

The groundbreaking ceremony for large-scale battery production took place at the Nuremberg site in 2023. Up to 100,000 high-voltage battery packs will be manufactured starting in 2025.



WE ARE READY TO TAKE THE NEXT BIG STEP WHICH IS REFLECTED IN OUR INVESTMENT HIGHLIGHTS

Key takeaways

1

Clear strategy “TRATON Way Forward”, efficiencies from TMS and new R&D organization

2

Brand ambitions – all brands committed to growth and profitability

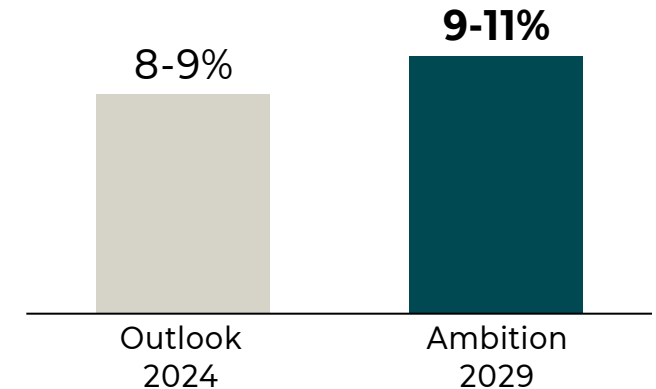
3

BEV-offering driving customer value and zero-emissions transition

4

Four dedicated growth levers – value potential of International, China/Asian growth, services & solutions growth, Financial Services ramp-up

Adjusted return on sales



Ambition

+20-40% Sales revenue growth
2024 to 2029

Net debt zero
IB deleveraging in 5-year horizon

Value generation & increased shareholder return

Q3/9M 2024 KEY RESULTS & HIGHLIGHTS

STRONG QUARTERLY PERFORMANCE, SUPPORTED BY INTERNATIONAL'S CATCH-UP WHILE CUSTOMERS REMAIN CAUTIOUS

Q3 2024



Unit sales

85,274

+5% YoY



Sales revenue

€11.9bn

+5% YoY



Adjusted return on sales

9.6%

+1.2pp YoY



Net cash flow
TRATON
Operations

€1,279m

+€631m YoY



Earnings per share

€1.45

+€0.05 YoY



Incoming orders

64,353

+0% YoY

BRANDS ARE PREPARING FOR THE FUTURE WITH ENHANCED PRODUCTS AND SOLUTIONS OFFERING

Q3 2024 Highlights



Scania showcased at the IAA its **versatile range of** electric and biofuel **heavy trucks**, and launched new service portfolio "**Service 360**"



MAN presented at the IAA the new eTGL for light distribution transport and now offers a **complete portfolio of eTrucks** from 12 to 42 tons



Navistar announced **rebranding to International**, aiming at positioning itself even more as a **solution provider** for customers



VWTB introduced new passenger transport solution with the **e-Volksbus**, homologation has already started

BEV ORDERS ON THE RISE

Incoming orders of fully electric vehicles (units)

9M 24

2,389

9M 23

1,703

Unit sales of fully electric vehicles (units)

9M 24

1,131

9M 23

1,190



GROWING UNIT SALES AND STABLE INCOMING ORDERS IN Q3

Europe:

- Weaker truck demand and unit sales, particularly in Germany
- Positive “IAA effect” on orders in September

USA:

- Decreasing demand for Class 8 on-highway trucks; demand for medium and severe trucks remains robust
- International with unit sales catch-up post mirror supply issue

South America:

- Strong unit sales for trucks due to favorable market environment, especially in Brazil
- Restricted order intake to ensure high quality software platform at Scania

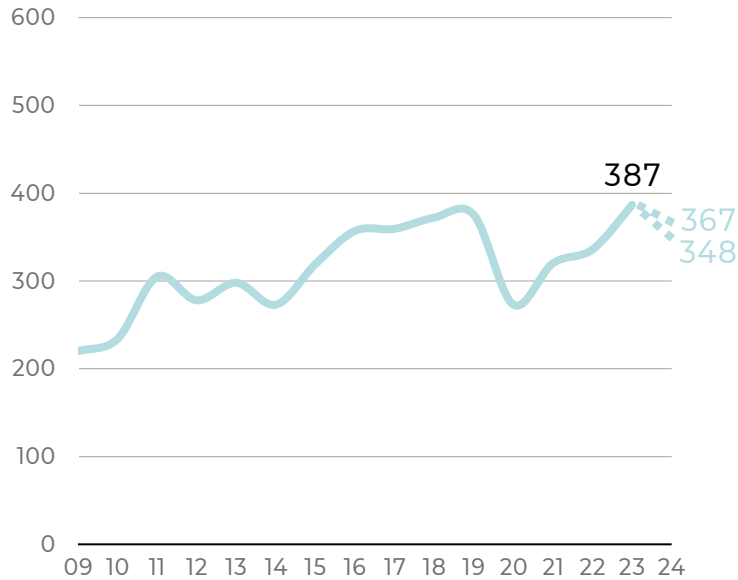
Incoming orders & Unit sales (k units)



CLEARER PICTURE ON 2024 TRUCK MARKET DEVELOPMENT

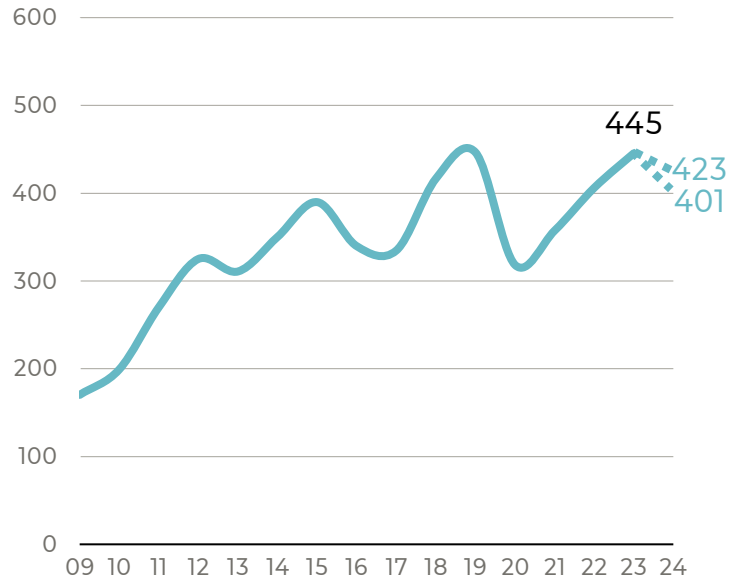
EU27+3¹ (k units, >6t)

2024e: -10% – -5% (narrowed from: -15% – -5%)
(YTD September -7% | 278)



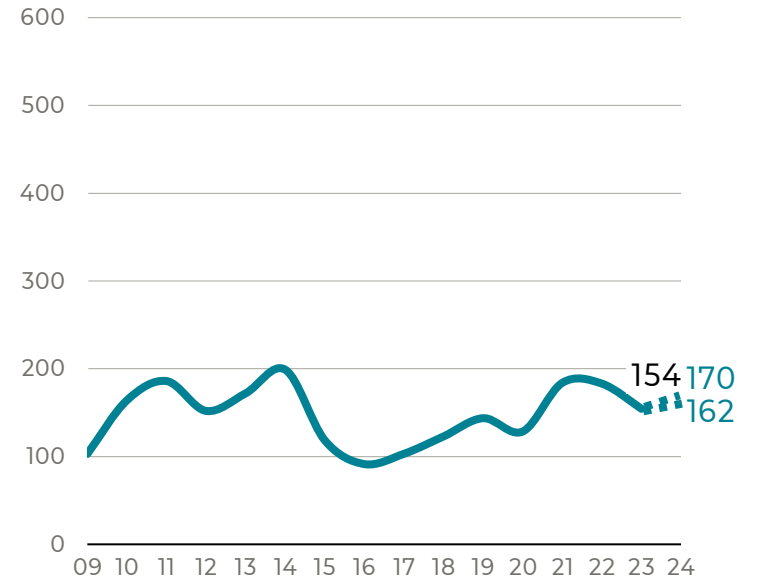
North America (k units, class 6-8²)

2024e: -10% – -5% (narrowed from: -15% – -5%)
(YTD September -6% | 314)



South America (k units, >6t)

2024e: +5% – +10% (narrowed from: 0% – +10%)
(YTD August +7% | 107)



¹ EU27+3 region (EU27 countries without Malta, plus the United Kingdom, Norway, and Switzerland)

² USA and Canada class 6-8, Mexico class 4-8

Q3/9M 2024 FINANCIAL PERFORMANCE & OUTLOOK

SALES REVENUE BENEFITING FROM MIX EFFECTS AND INTERNATIONAL'S CATCH-UP

— Strong **unit sales**, influenced by:

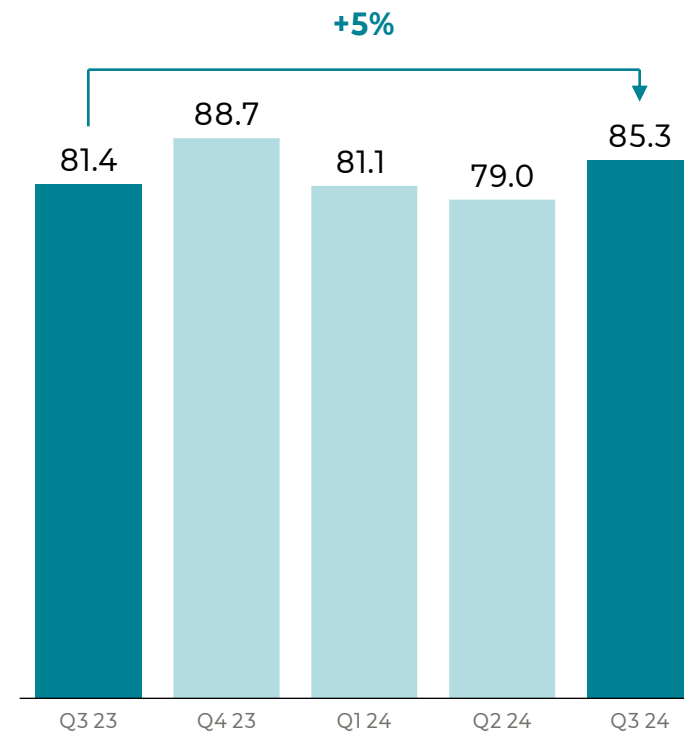
- Strong South American market, benefiting Scania and VWTB
- Unit sales / sales revenue catch-up at International post mirror supply issue
- More than offsetting lower MAN truck unit sales due to weak European markets

— **Sales revenue** benefited from:

- Favorable market, price and product mix
- Continued high customer demand for Vehicle Services business

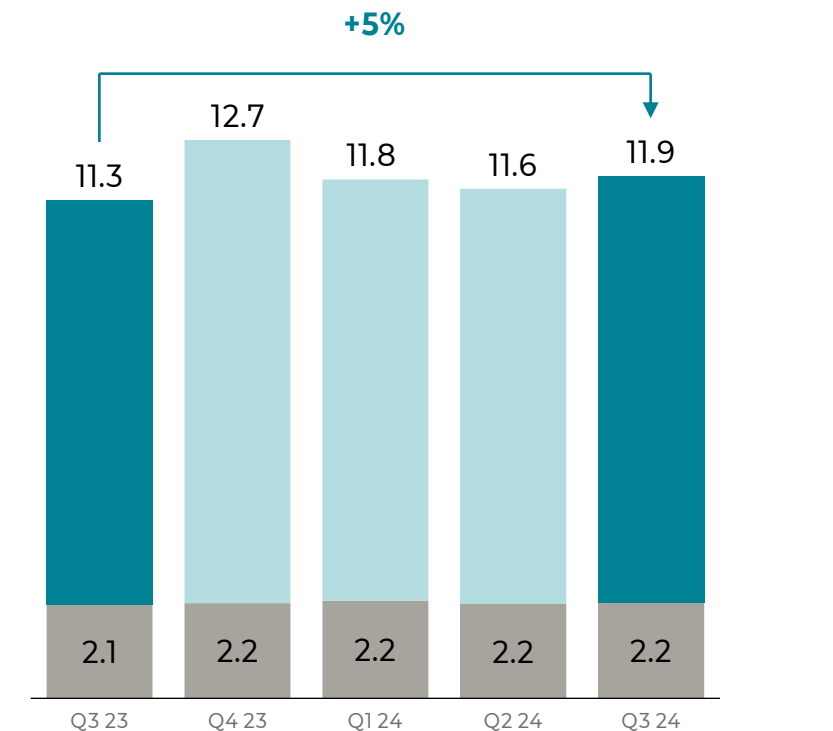
Unit sales (k units)

9M 24
245.4 (-2%)



Sales revenue (€ bn)

9M 24
35.3 (+3%)

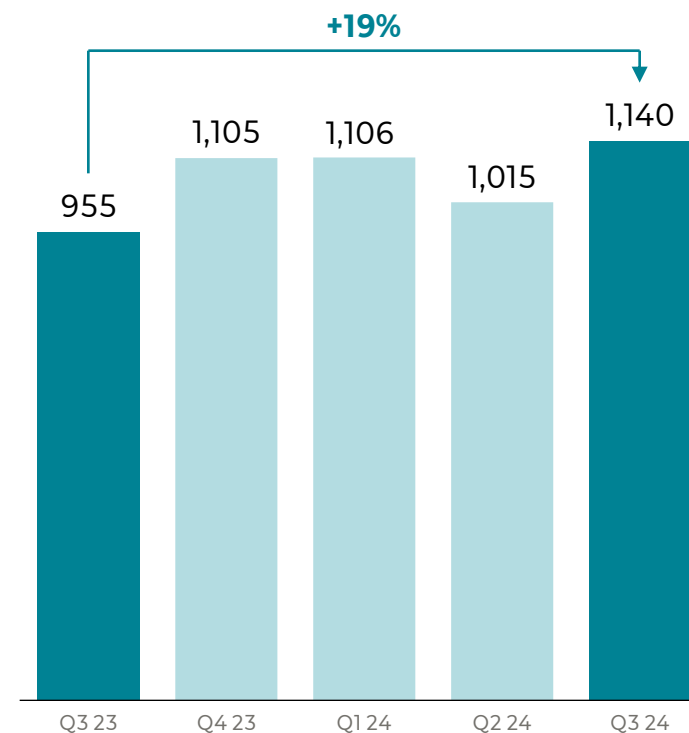


2024 MARGIN PEAK REACHED IN Q3

- Increased sales revenue per truck unit
- International with significant adj. RoS improvement vs. Q2 24 (Q3 24: 10.7%) post mirror supply issue
- MAN adj. RoS down vs. Q2 24 (Q3 24: 5.6%) with persistently weak market environment in Europe / Germany; but increased resilience due to realignment program
- Scania and VWTB slightly below Q2 24 levels

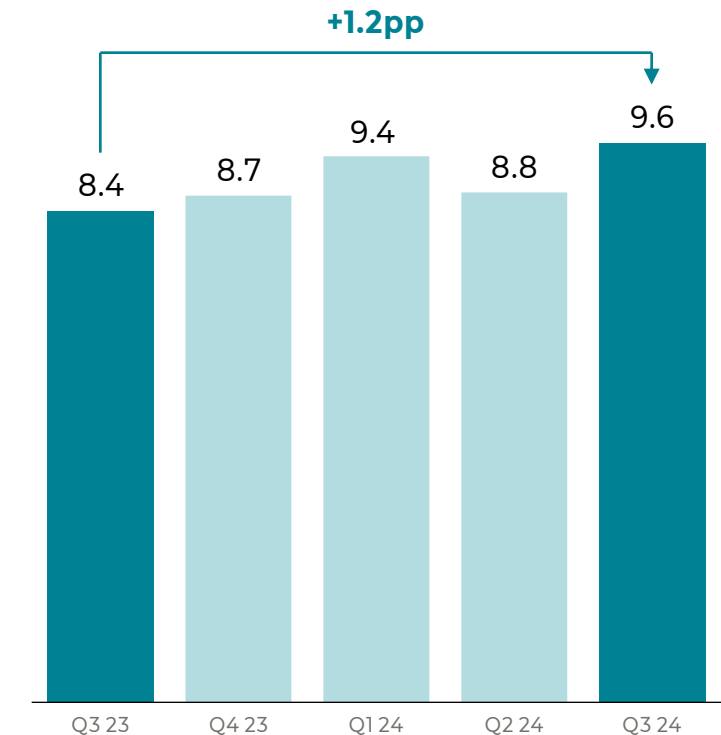
Adjusted operating result (€ m)

9M 24
3,261 (+11%)







Adjusted return on sales (%)

9M 24
9.3% (+0.7pp)



DIFFERENT GROWTH DYNAMICS ACROSS BRANDS

	TRATON Operations ¹	 SCANIA	 MAN	 INTERNATIONAL	 Truck Bus	TRATON FINANCIAL SERVICES
Q3 24 Sales revenue (in € m, YoY)	11,507 (+4%)	4,213 (+5%)	3,064 (-15%)	3,582 (+29%)	769 (+14%)	488 (+16%)
Adjusted RoS (YoY)	10.7% (+1.5pp)	14.0% (+2.5pp)	5.6% (-2.2pp)	10.7% (+3.4pp)	12.2% (+2.1pp)	10.9% (Return on Equity²) (+3.1pp)
Key drivers		<ul style="list-style-type: none"> – Sales revenue up due to strong heavy-duty truck business in Brazil, more than offsetting European decline – Growing volume of trucks equipped with Scania Super powertrain – Strong margin on the back of higher volumes, favorable price/product mix – Continued strong demand for Vehicle Services business 	<ul style="list-style-type: none"> – Truck sales revenue negatively impacted by weak European markets, particularly in Germany – Bus deliveries delayed due to higher regulatory requirements for vehicle software systems – Margin down with lower volumes and lower capacity utilization, but increased resilience due to realignment program – Short-time work in large parts of German plants extended – Continued strong demand for Vehicle Services business 	<ul style="list-style-type: none"> – Sales revenue significantly up after unit sales catch-up post mirror supply issue – Respective positive impact on RoS – Unit sales of new school bus ramping up – Continued weak Vehicle Services business due to lower transportation activity 	<ul style="list-style-type: none"> – Sales revenue increase driven by market tailwinds, better product positioning and unit price realization in Brazil – High margin on the back of increased volumes and effective containment of variable costs 	<ul style="list-style-type: none"> – Increased portfolio volume; go-live of MAN FS in Germany, Austria and South Korea – Higher costs in connection with the ramp-up of TFS activities, and higher funding and risk costs – Strong RoE; previous period negatively influenced by currency translation effects attributable to Scania Finance Russia

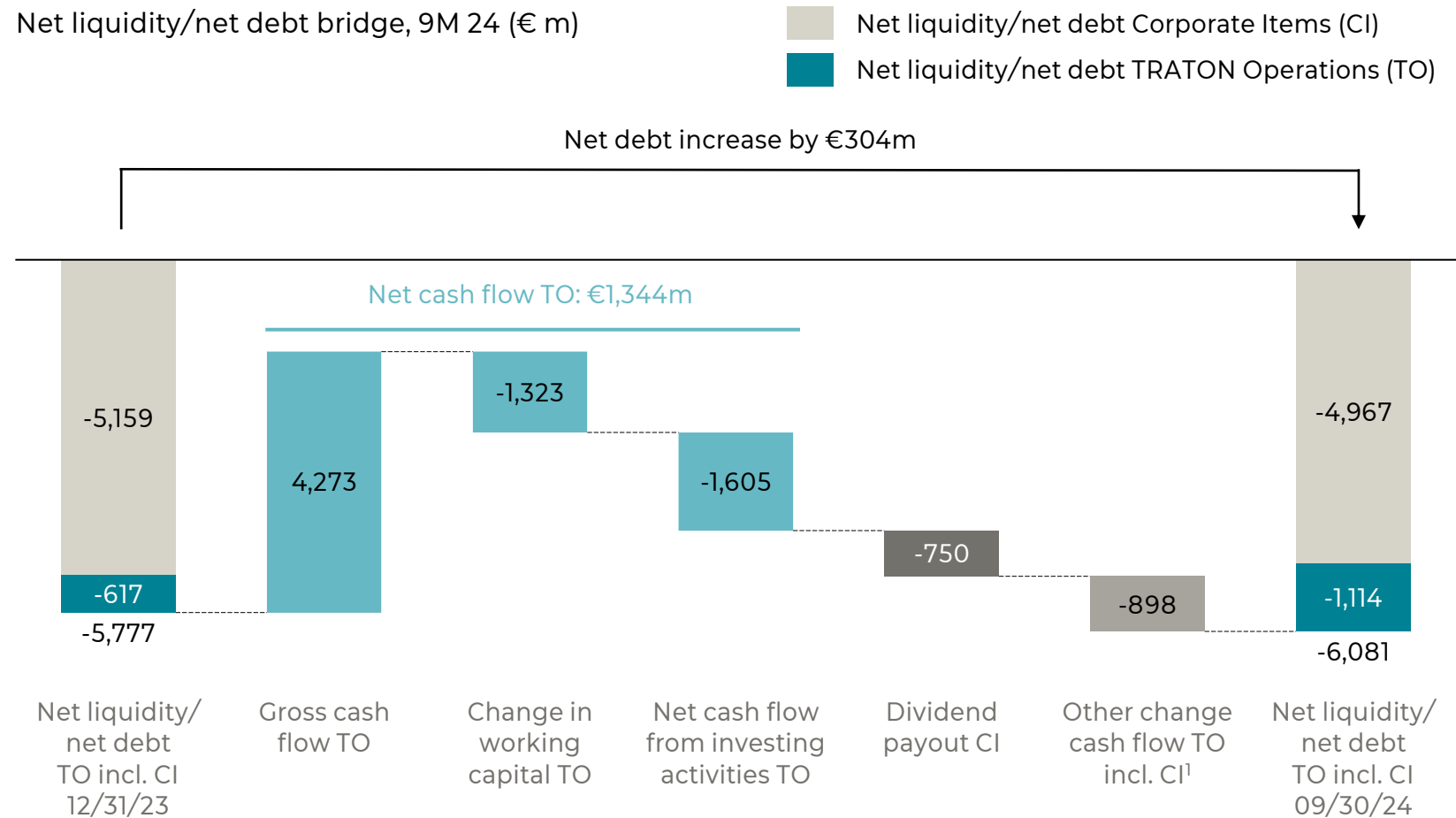
¹ TRATON Operations including consolidation effects

² Return on Equity (9M 24) is calculated as the ratio of earnings before tax to average equity of the 9M 24 period, whereas earnings before tax are extrapolated from the 9M 24 period to the full fiscal year on a straight-line basis

STEERING TOWARDS NET DEBT REDUCTION AT THE END OF 2024

- Net debt picture significantly improved vs. H1 24.
- Net debt of TRATON Operations (TO) incl. Corporate Items (CI) increased by €304 m vs. year-end 2023 mainly due to:
 - Working capital build-up of €1.3bn, mainly driven by increased inventories of €1.1bn; International's semi-finished inventories from mirror supply issue cleared
 - Investing cash flow, mainly driven by capex of €1.0bn
 - Dividend payout in Q2 24
 - Almost completely compensated by gross cash flow due to strong operating performance

Net liquidity/net debt bridge, 9M 24 (€ m)



¹ Includes internal profit transfers, capital contributions, F/X effects and other changes in CI net liquidity/net debt

2024 OUTLOOK FOR TRATON GROUP CONFIRMED

	FY 2023	FY 2024 Outlook
TRATON GROUP		
Unit sales (units)	338,183	-5 – +10%
Sales revenue (€ million)	46,872	-5 – +10%
Operating return on sales (adjusted) (in %)	8.6 ¹	8.0 – 9.0 ¹
TRATON Operations		
Sales revenue (€ million)	45,736	-5 – +10%
Operating return on sales (adjusted) (in %)	9.3	9.0 – 10.0
Net cash flow (€ million)	3,594 ²	2,300 – 2,800
Capex (€ million)	1,516	sharp increase
Primary R&D costs (€ million)	2,170	moderate increase
TRATON Financial Services		
Return on equity (in %)	8.4	7.0 – 10.0

¹ Including earnings effects from purchase price allocation in FY 23 of €290m, in FY 24 expected to be ~€300m

² Including effects from the sale of the Russia activities and the adjustment of the ownership structure of the financial services business amounting to €899m



IR CONTACT AND UPCOMING EVENTS

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Events

10/29-30/2024	Roadshow Deutsche Bank London + virtual
11/12-13/2024	Roadshow Citi New York + Chicago
11/26/2024	Eigenkapitalforum Deutsche Börse Frankfurt
11/27/2024	Premium Review Bernstein Paris
11/28/2024	Roadshow LBBW Stuttgart
12/03/2024	European Industrials Conference Goldman Sachs London
01/14/2025	German Investment Seminar Commerzbank & Oddo BHF New York
03/10/2025	Q4/FY 2024 Results