



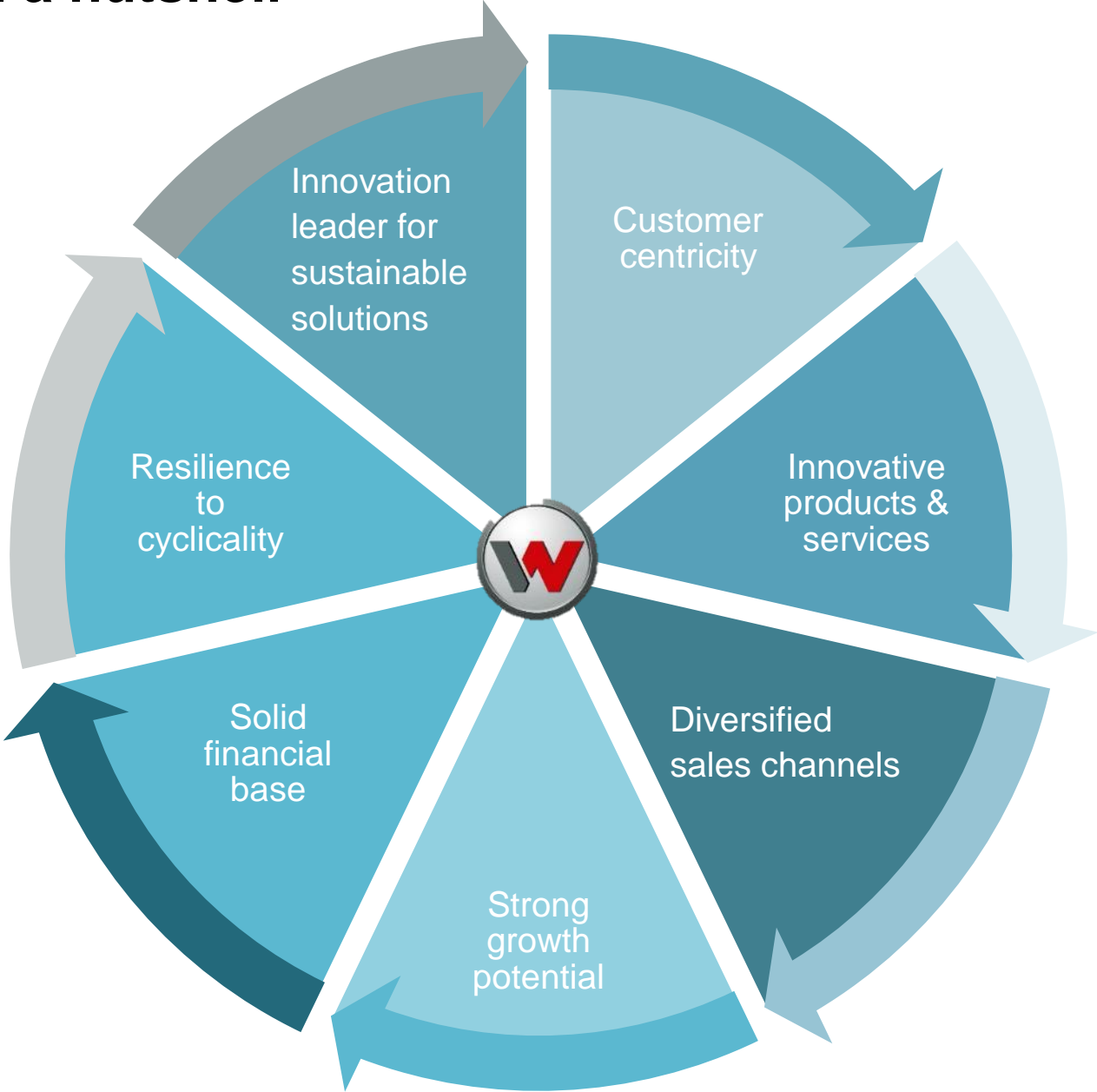
Wacker Neuson Group – Our way to success

March 2022 – May 2022



Wacker Neuson
Group

Wacker Neuson in a nutshell

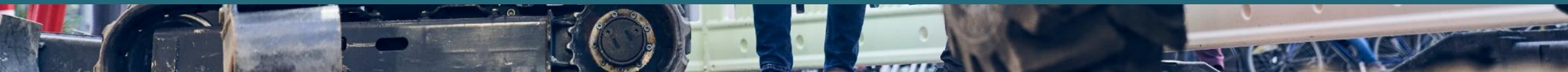


Agenda

1. Putting the customer first
2. Who we are
3. Our way to success in different markets
4. Innovation is part of our DNA
5. Financials FY 2021



Putting the customer first



Empowering our customers benefits our growth

CUSTOMER NEEDS

Maximum productivity & machine uptime

Comfortable & intuitive machine handling

Operator health & safety

Service, Partnership, Reliability

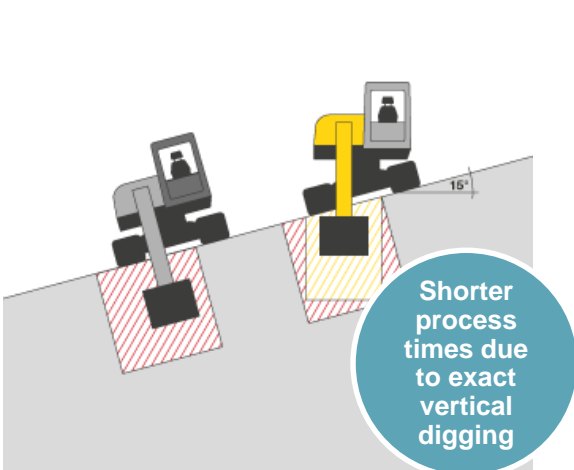
Attractive total cost of ownership



We drive innovation to improve our customers' processes



Dual View Dumper



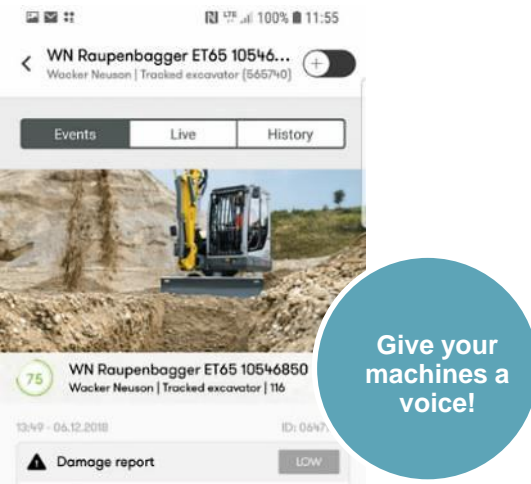
Vertical Digging System



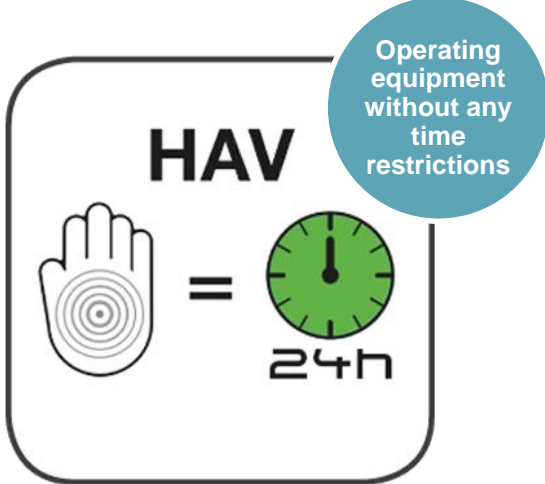
Zero emission



Remote-control steering



Connected products



Hand-arm vibrations



Self-driving equipment



Modular design

We see our customers as our partners

Front-Loading

With our accelerated customer-oriented product development process, we provide our customers with the right features and the best quality at the best price.

Research & Development

Voice of Customer



Strong customer involvement in R&D

Technical benchmarking



Sophisticated value engineering

Early involvement of all functions



Teamwork at every step of the value chain



Who we are

We are a one-stop provider with an unrivaled offering

Light Equipment (LE)

21%
of Group sales¹



Compact Equipment (CE)

57%
of Group sales¹



Different product groups



same customers

Services

22%
of Group sales¹



Repair² & Maintenance²



Rental Service²



Used Machines²



Financial Solutions



E-Store²



Telematics



Concrete solutions



Academy



Genuine Parts

¹ FY 2021. ² In selected countries

Customers trust in our longstanding expertise in LE

Light Equipment (LE)

Concrete technology



Compaction



In 1930, Wacker invented the electric rammer. The term "wacker packer" is still used on construction sites.



Demolition



Power & Lighting



Pumps



Heaters



21%

of Group sales¹

€ 1,700

Average price of an LE product¹

Competitors include

- Ammann
- Bomag
- Husqvarna
- Weber MT

¹ FY 2021.

Customers opt for the advantages of compact equipment

Urbanization, limited space and mechanization are driving demand for compact equipment in construction and agriculture.

EUR 18 Bn

expected value of global compact construction equipment market accessible to Wacker Neuson in 2025¹

57%

of Group sales²

€ 38,000

Average price of a CE product²

Competitors include

Kubota
Takeuchi
Yanmar
Manitou
JCB
Bobcat (Doosan)

Compact Equipment (CE)

Excavators



Dumpers



Backhoe loaders



Skid steers / Compact track loaders



Telehandlers



Wheel loaders



¹ Own estimates, based on underlying data from CECE and Off-Highway Research. ² FY 2021.

Service is key to our customers' success

Customer proximity

Service,
Partnership,
Reliability

22%

of Group sales¹

>550
service technicians
in close proximity
to our customers

Comprehensive services



Repair² &
Maintenance²



Rental Service²



Used Machines²



Financial
Solutions



E-Store²



Telematics



Concrete Solutions



Academy



Genuine Parts

Collaborative relationship

We are there for our customers, listening, sharing our expertise and working closely with them to find the best solutions.



¹ FY 2021. ² In selected countries.

We serve our markets with three strong brands



Construction industry, gardening and landscaping firms, municipal bodies, recycling, railroad/track construction, etc.



Agriculture, tree nurseries, horse breeders, municipal bodies, etc.



With the acquisition of Enar, we further strengthen our market position in concrete technology.



By intensifying market penetration with
two complementary brands, ...

... opening up additional **customer segments** ...

... and addressing the market with
different sales channels ...

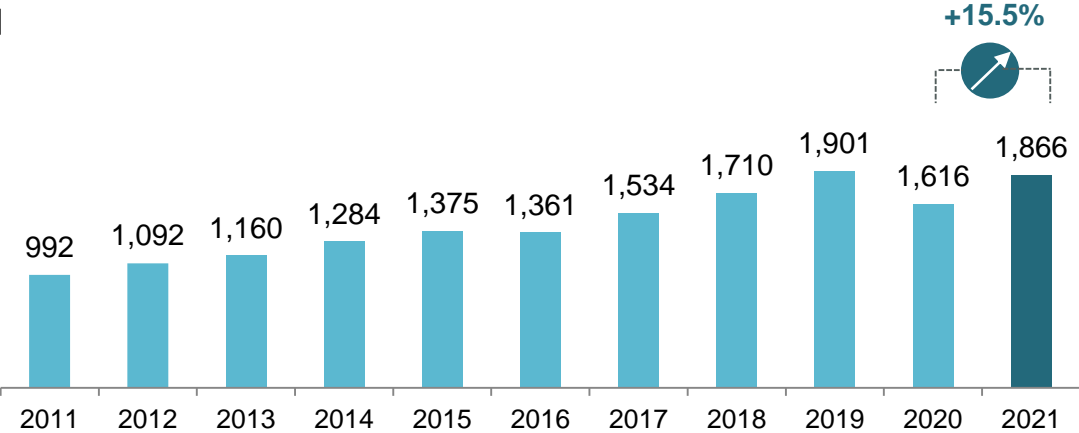
... we accelerate our business in an attractive **growth market.**

We are back on our growth track



Revenue development (2011-2021)

[€ m]



We attach importance to a solid balance sheet structure

55%

Equity ratio¹

EUR 0.8m

Net cash position²

0.0

Net financial debt/
EBITDA¹

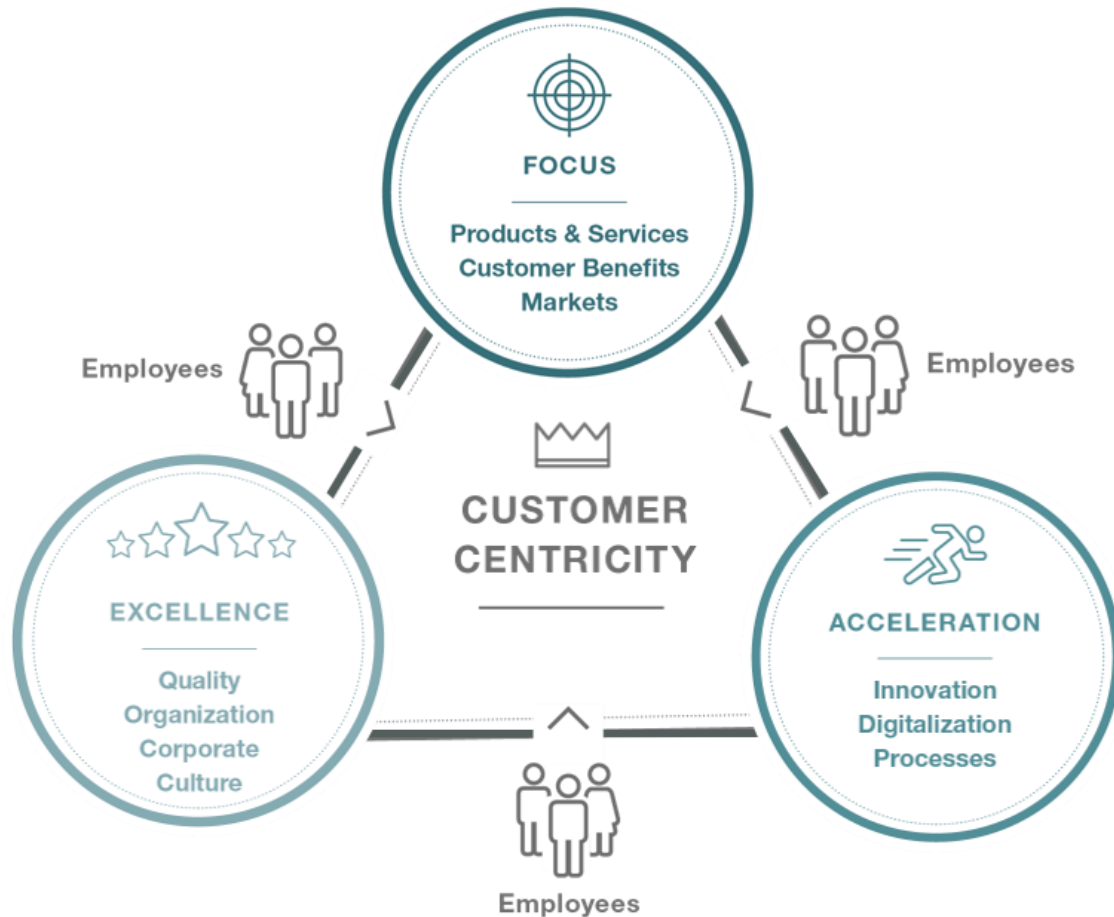
Excellent basis

for further profitable growth



¹ FY 2021. ² Net cash position = -Net financial debt = -(Long-term borrowings + short-term borrowings from banks + current portion of long-term borrowings - liquid funds - fixed short-term financial investments)

Strategy 2022



How we measure success



Following three years of double-digit growth in fiscal years 2017, 2018 and 2019, the Wacker Neuson Group experienced a sharp dip in its growth trajectory in 2020 as a result of the effects of the coronavirus pandemic and could not fully compensate for this in 2021.

Experienced management team



Dr. Karl Tragl

(CEO & Chairman of the Executive Board)

Strategy, M&A, legal & compliance, human resources, investor relations, corporate communication, real estate, sustainability and business process management.

Christoph Burkhard (CFO)

Finance, controlling & risk management, auditing, IT and sales financing and integrated business planning.



Alexander Greschner (CSO)

Sales, service and marketing.

Felix Bietenbeck (CTO & COO)

Production, quality, supply chain management, procurement, business process consulting and research & development.





Our way to success in different markets

Our diversified sales organization responds to regional needs



**Direct sales &
rent to sell¹**



Dealers



**Key accounts
& rental firms**

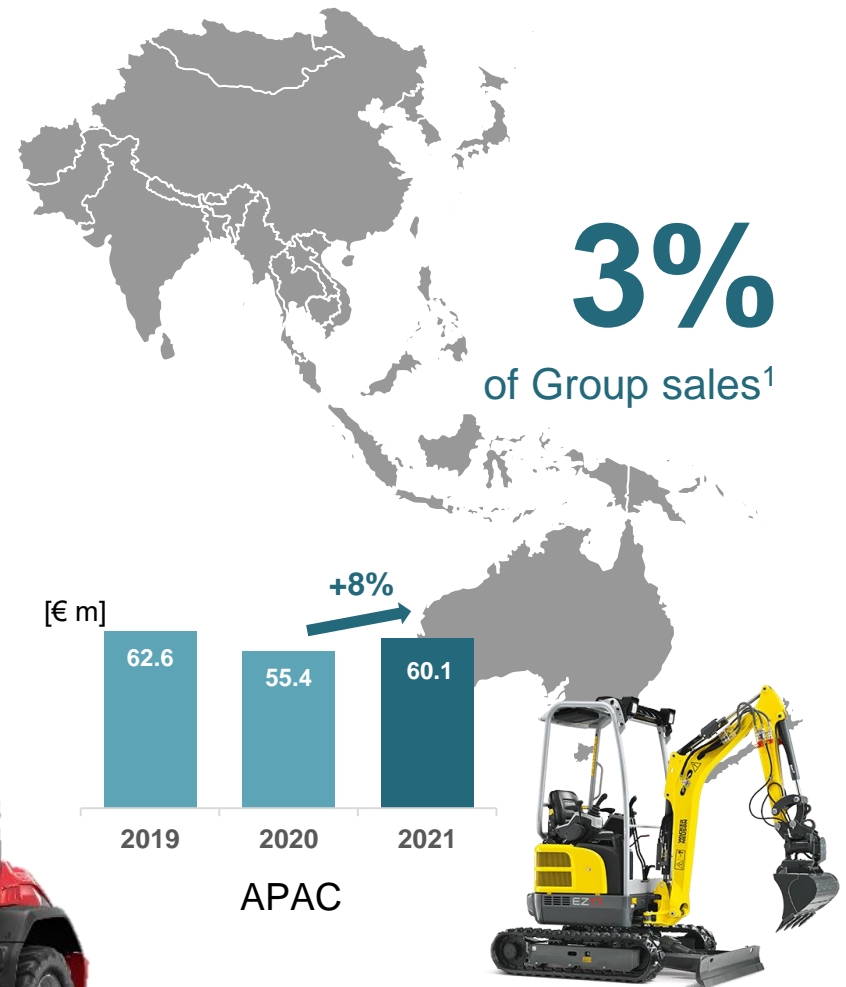
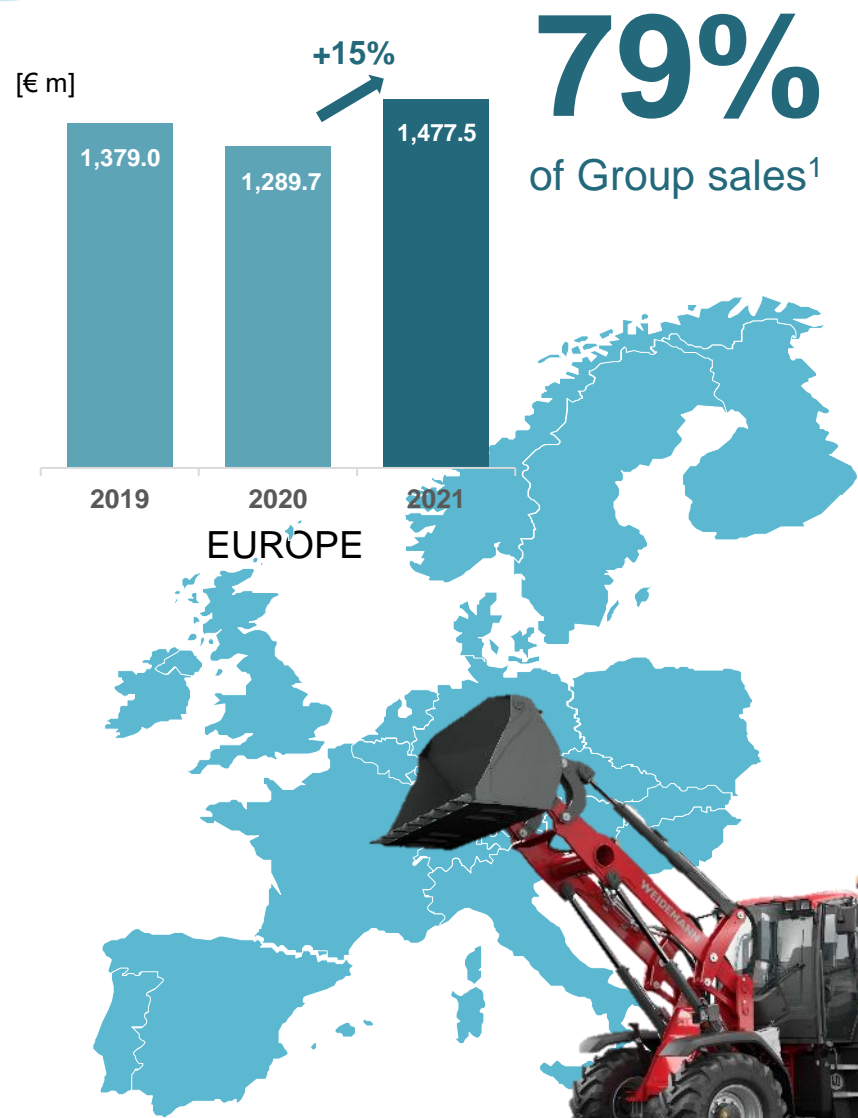
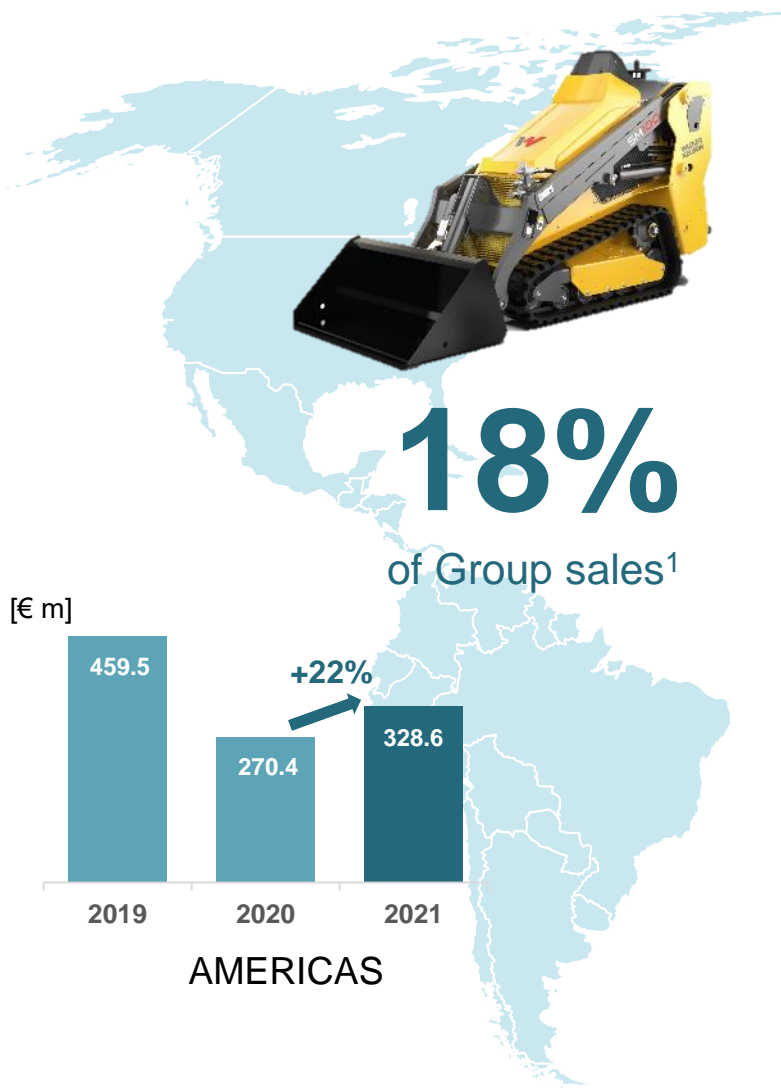


eCommerce¹

Country-specific sales with long-standing customer relationships

¹ In selected countries.

Europe exceeding pre-crisis levels of 2019



¹ FY 2020: Americas 17%; Europe 80%; APAC 3%.

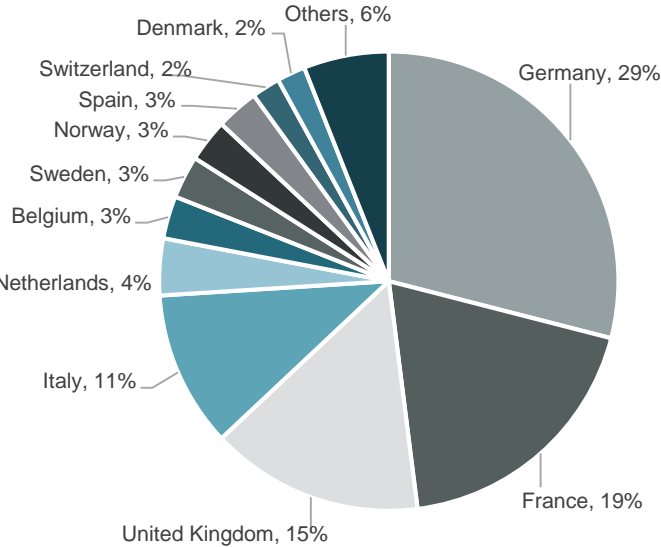
Europe – We are striving to increase market shares



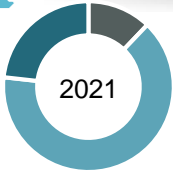
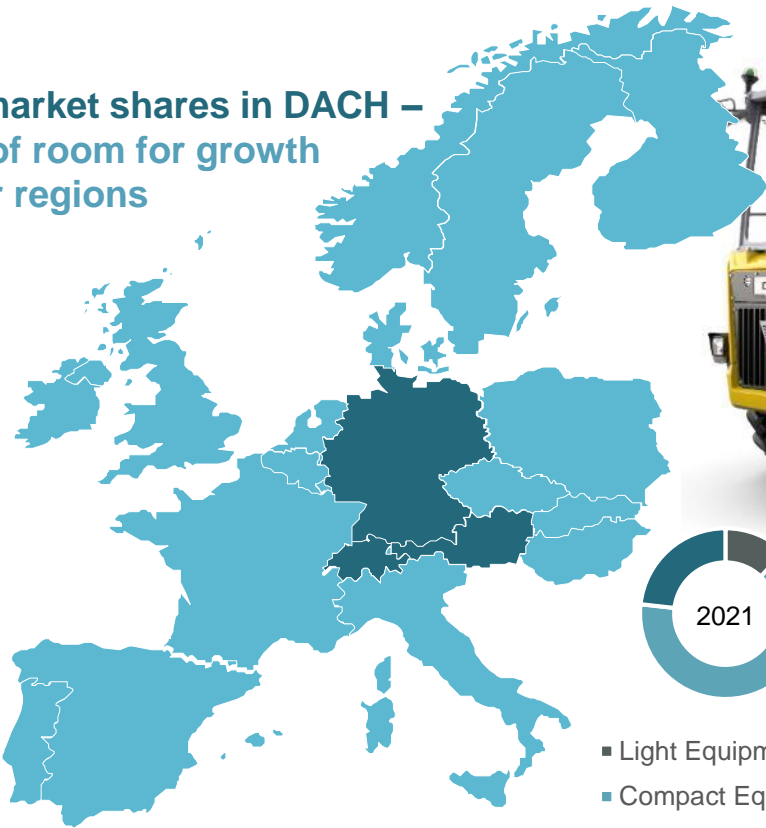
Game changer

We have redefined safety and accelerated our customers' processes with our Dual View dumpers

Western Europe:
Relative size of equipment markets¹



Major market shares in DACH – plenty of room for growth in other regions



- Light Equipment
- Compact Equipment
- Services



Charles Messenger, Galtec Ltd. "It's a lovely bit of kit, [...] I'm very impressed so far. It's going to be ideal for the winter, no more sitting out in the open exposed to the wind and rain, which will be really nice. Not only that, but they are safe and will save time without a doubt."²

¹ Source: Off-Highway Research, Sept. 2020 ² Charles Messenger, Galtec Ltd.

Europe – We are growing our business in the ag sector

All-wheel steering



KRAMER

on the safe side



19%

of Group sales
from agriculture¹

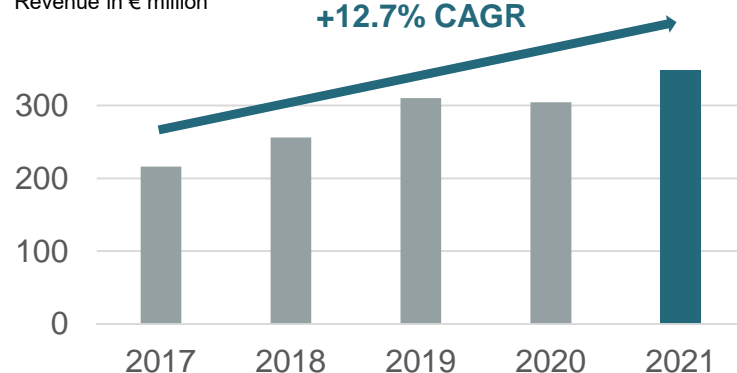
Our customers are mainly dairy and cattle farmers who work in confined spaces such as stables.

They require small, highly maneuverable machines with a minimal turning radius and outstanding stability.

Development of revenues in the ag sector

Revenue in € million

+12.7% CAGR



¹ FY 2021.



Articulated steering



WEIDEMANN

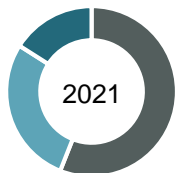
designed for work



Americas – A market with huge growth potential

60 years

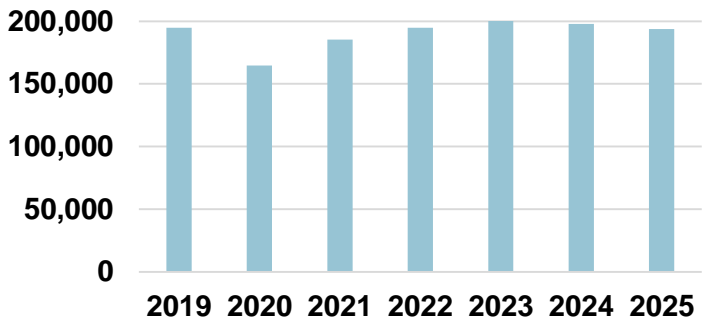
in the US light equipment market with high market shares



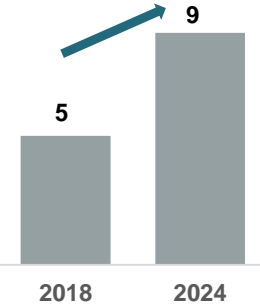
- Light Equipment
- Compact Equipment
- Services



Forecast sales of construction equipment North America (units)²



+10% CAGR



North America skid steer & compact tracked loader market (in USD bn)¹

Financing programs set up to enable future growth

Extension of dealer network for LE & CE

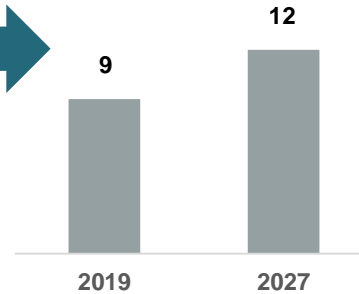
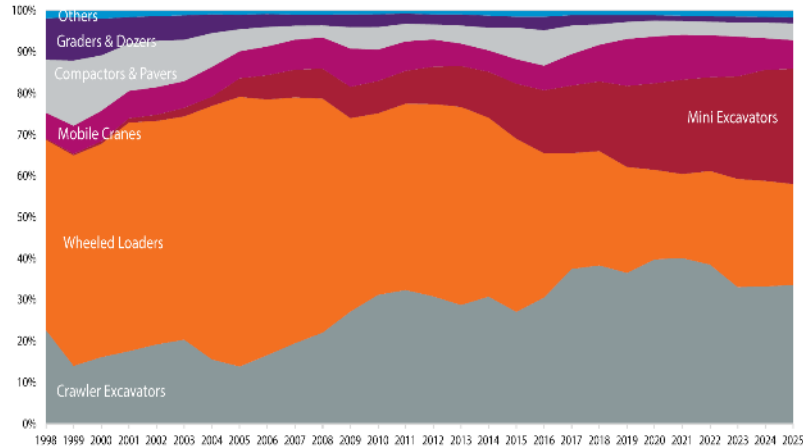
Compact tracked loader as door opener for compact equipment

Large potential for further market share gains

¹ Source: SDKI, September 2021 ² Source: Off-Highway Research, September 2021.

APAC – We benefit from structural market changes in China

Changing market structure in China – compact equipment on the rise¹



28%
of mini excavator
sales worldwide

Global mini excavator market (in USD bn)¹

Asia-Pacific holds a dominant position and is expected to grow at a highest rate during the forecast period.



- Light Equipment
- Compact Equipment
- Services



Serving export
markets from
plant in Pinghu,
China

Even small
market shares
would leverage
our sales
significantly

Strengthening
market position in
Australia/New
Zealand

¹ Source: Off-Highway Global Briefing, Sept. 2021.

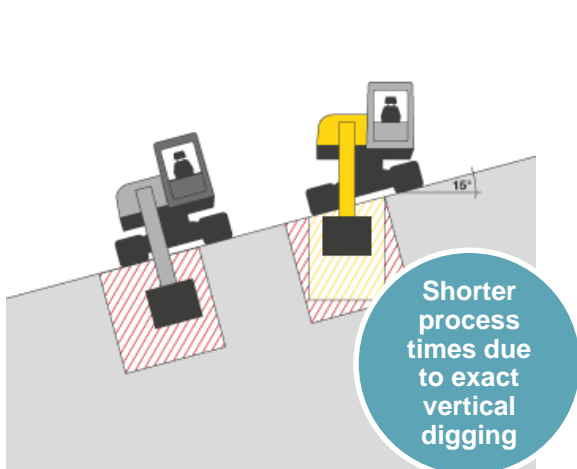


Innovation is part of our DNA

We drive innovation to improve our customers' processes



Dual View Dumper



Vertical Digging System



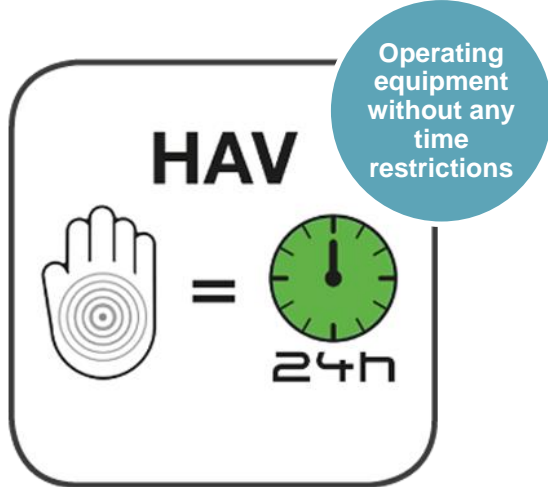
Zero emission



Remote-control steering



Connected products



Hand-arm vibrations



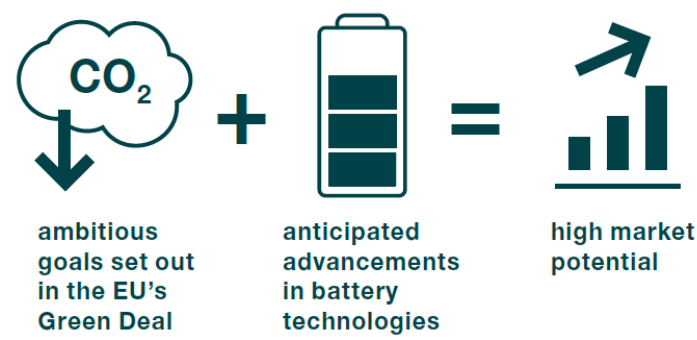
Self-driving equipment



Modular design

We drive electrification in our industry...

zero **e**mission



Change

We are well prepared for the shift to zero emission construction sites



Oslo, Los Angeles, Mexico City and Budapest commit to clean construction.

The cities have pledged to halve emissions from all construction activities by 2030.

“If we learn early enough that ambitious climate demands will be imposed, we can drive innovation forward by demanding zero-emission solutions from machinery manufacturers, equipment suppliers and contractors.”¹

¹ Ole Henrik Ystehede, director of EBA (Contractors Association - Building and Construction) for Oslo/Akershus/Østfold.

... and accelerate the transition to emissions-free construction

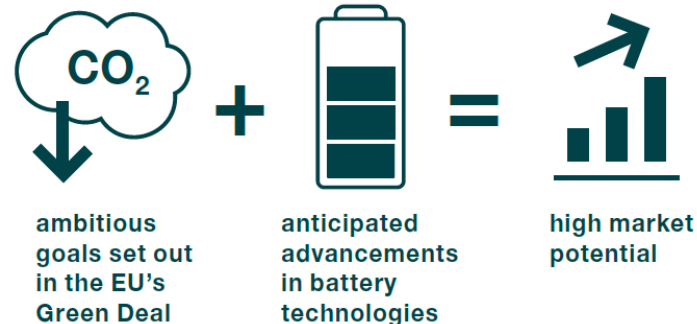


Our contribution to achieving the Paris climate agreement goals



Cooperation with Bomag:

Sharing our battery platform: the modular, rechargeable construction equipment battery developed by Wacker Neuson will also be compatible with equipment of our cooperation partner Bomag



Up to **93%**
of CO₂ emissions can be saved compared to a conventional product of the same class.



Customer benefits

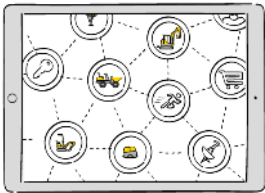
- potential for synergies and cost savings
- simplified construction site logistics
 - advantages for contractors who promise lower CO₂ emissions in tenders

Digitalization creates new opportunities for our business

Give your machines a voice



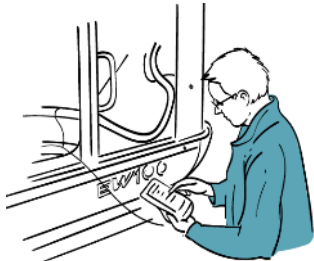
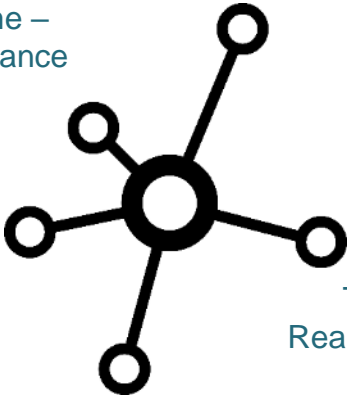
Connected products –
always a step ahead



Pinpointing location –
connected jobsites

Increasing runtime –
predictive maintenance

Optimizing utilization



Transparency –
Real-time data analysis



Increasing efficiency –
smart products



EQUIPCARE

Innovation is our answer to a changing world

DIGITALIZATION



- Process optimization
- Telematics
- Smart products
- Building Information Modeling (BIM)

URBANIZATION



- Maintenance of infrastructure
- Limited space
- Clean air regulations
- Noise pollution
- Growing middle class

POPULATION GROWTH



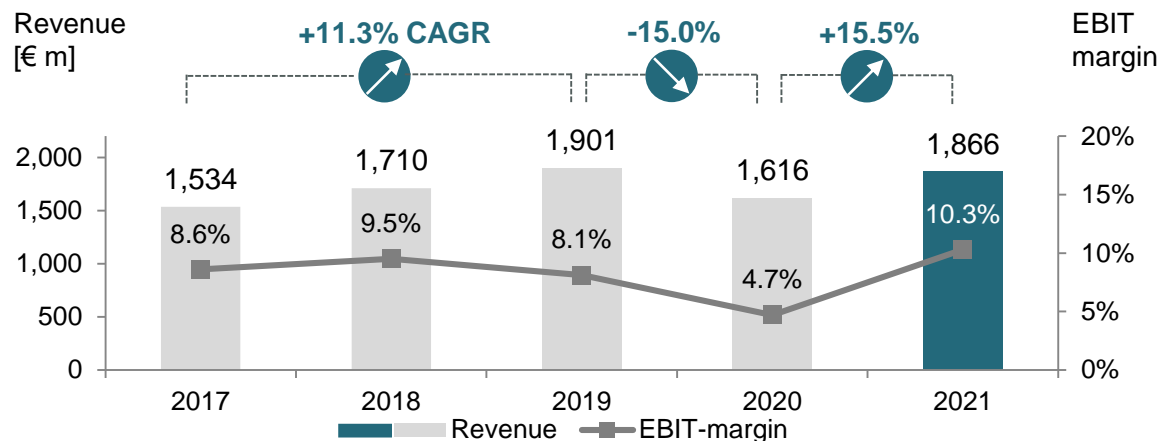
- Food
- Mechanization
- Infrastructure
- Housing
- Energy efficiency
- Waste management



Financial results FY 2021

Sales and profitability well on track

Improved profitability, revenue only slightly below pre-crisis level



Income statement (excerpt)

€ m	Q4/21	Q4/20	2021	2020
Revenue	476.5	428.0	1,866.2	1,615.5
Gross profit	113.5	97.4	483.5	400.3
<i>as a % of revenue</i>	23.8%	22.8%	25.9%	24.8%
Operating costs	-68.9	-104.3	-298.9	-331.6
<i>as a % of revenue</i>	-14.5	-24.4%	-16.0	-20.5%
EBIT	48.2	2.3	193.0	75.5
<i>as a % of revenue</i>	10.1%	0.5%	10.3%	4.7%
Financial result	-1.1	-2.3	-5.6	-21.7
Taxes on income	-10.4	-19.7	-49.5	-39.7
Profit for the period	36.7	-19.7	137.9	14.1
EPS (in €)	0.53	-0.28	1.99	0.20

Comments on FY 21

Revenue +15.5% yoy (adj. for currency effects: +15.8%)

- Group revenue only slightly below pre-crisis level (-1.8% vs. FY 2019)
- Positive trends in Europe and the Americas in particular
- Dynamic growth in both construction and agriculture
- Overstretched and repeatedly disrupted supply chains dampen growth

Gross profit +20.8% yoy (gross profit margin +1.1 PP)

- Positive volume effect relative to previous year with improved cost recovery at plants
- Over the course of the year, gross margin increasingly affected by sharp rises in material, component and shipping costs, as well as by the impact on productivity of production disruptions and rework efforts

EBIT climbed 155.6% (EBIT margin: +5.6 PP)

- Strong revenue growth with strict cost controls
- Operating costs (total selling, R&D and administrative expenses) expressed as a percentage of revenue improved by 4.5 PP yoy; previous year impacted by bad debt allowances (EUR -33.3m), in fiscal 2021 positive effect of EUR +13.5m from value adjustments to receivables

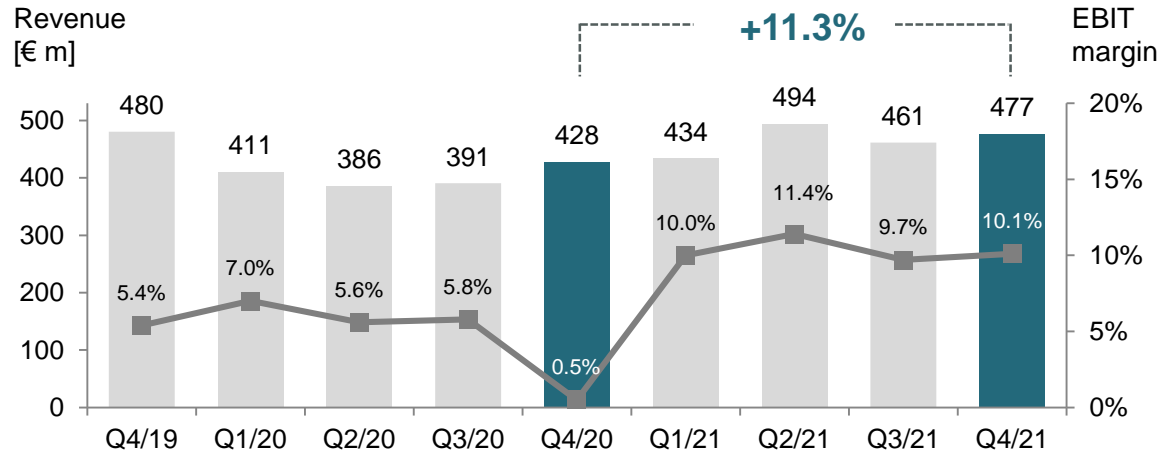
Earnings per share improved significantly

- At EUR -5.6m, the financial result improved markedly (prev. year heavily impacted by negative currency effects)
- Tax rate at 26.4%; PY impacted by reversal / nonrecognition of deferred tax assets (among other factors).



Sales and profitability well on track

Improved profitability, revenue only slightly below pre-crisis level



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Profit for the period	36.7	-19.7	137.9	14.1
EPS (in €)	0.53	-0.28	1.99	0.20

Comments on Q4/21

Revenue +11.3% yoy (adj. for currency effects: +9.8%)

- Growth in both construction and agriculture
- Accelerated growth in the Americas, declines in Asia-Pacific
- Asia-Pacific: Increasingly challenging market environment with significant price pressure in China, among other things based on overcapacities of local competitors and the slowdown of the Chinese construction equipment market
- Overstretched and repeatedly disrupted supply chains dampen growth

Gross profit +16.5% yoy (gross profit margin +1.0 PP)

- Q4 gross profit as anticipated below the figures for the first three quarters
- Over the course of the year, gross margin increasingly affected by sharp rises in material, component and shipping costs, as well as by the impact on productivity of production disruptions and rework efforts

EBIT significantly above prior year levels (EBIT margin: +9.6 PP)

- Strong revenue growth with strict cost controls
- Previous year impacted by value adjustments in connection with allowances for doubtful receivables and additional impairment losses on assets as well as restructuring costs

Solid earnings per share

- Low tax rate at 22.1 percent due to capitalization of deferred tax assets in light of improved business prospects compared to end of FY 2020

FY 2021: Development by region and business segment



Wacker Neuson
Group

Growth driven by Europe and Americas

	Revenue [€ m]	share	yoy	EBIT ¹
Europe	1,477.5	79%	+15%	175.9
Americas	328.6	18%	+22%	20.6
Asia-Pacific	60.1	3%	+8%	2.8
FY 2021	1,866.2	100%	+16%	193.0

Compact equipment and services above pre-crisis levels

	Revenue [€ m] ²	share	yoy
Light Equipment	399.1	21%	+13%
Compact Equipment	1,063.0	57%	+21%
Services	415.2	22%	+4%
FY 2021	1,866.2	100%	+16%

Comments on FY 2021

Revenue Europe +14.6% yoy (adj. for currency effects: +14.6%)

- Solid growth momentum in domestic markets of Germany and Austria despite strong baseline from 2020
- Positive business development in the UK, driven in part by strong demand for compact equipment
- Sharp recovery with double-digit growth in the majority of countries in Southern, Eastern and Northern Europe
- Double-digit growth in business with Kramer- and Weidemann-branded compact equipment for the agricultural sector (+14.5% yoy despite strong baseline from 2020)

Revenue Americas +21.5% yoy (adj. for currency effects: +23.8%)

- Renewed demand for worksite technology and compaction products as well as significant gains in compact equipment, especially excavators and dumpers
- Strong growth in Canada with revenue already higher than pre-crisis level

Revenue Asia-Pacific +8.5% yoy (adj. for currency effects +4.3%)

- Growth driven by positive business developments in Australia: Sales increase in the double-digit percentage range relative to the pre-crisis year of 2019, fueled by expansion of dealer network, increased focus on independent rental firms and product portfolio tailored to local needs
- China: Increasingly challenging market dynamics (shrinking excavator market combined with overcapacities among domestic manufacturers)

¹ EBIT for regions before consolidation.

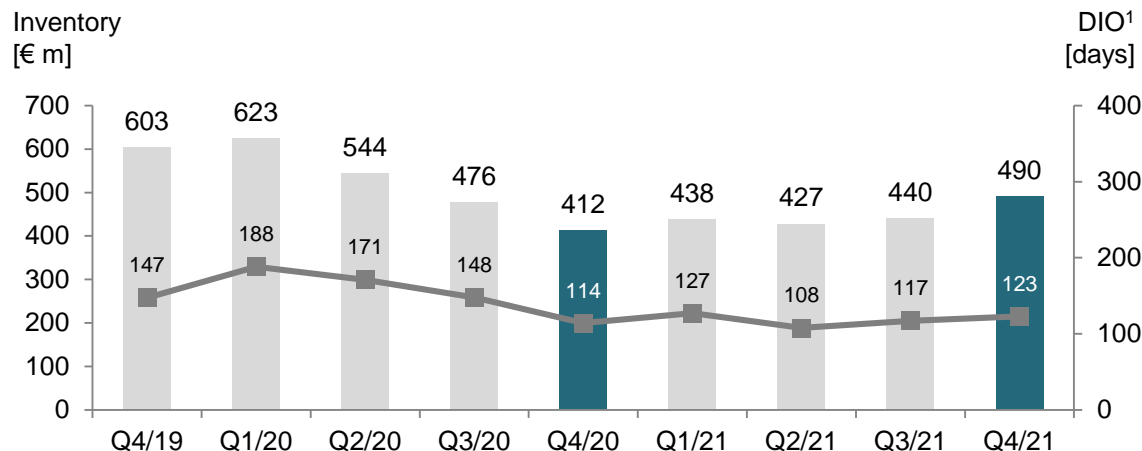
² Revenue by business segment before cash discounts.

FY 2021: Net working capital well in target range of $\leq 30\%$

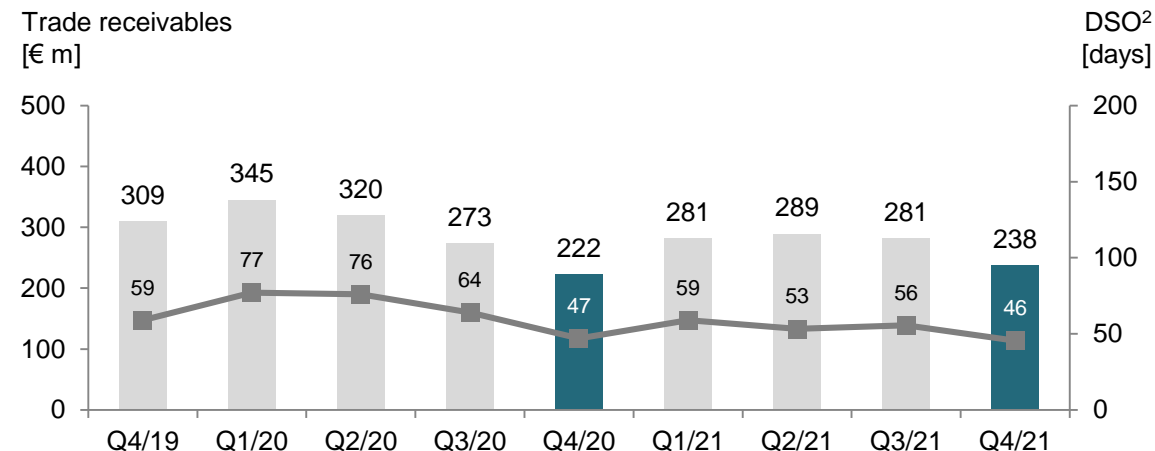


WackerNeuson
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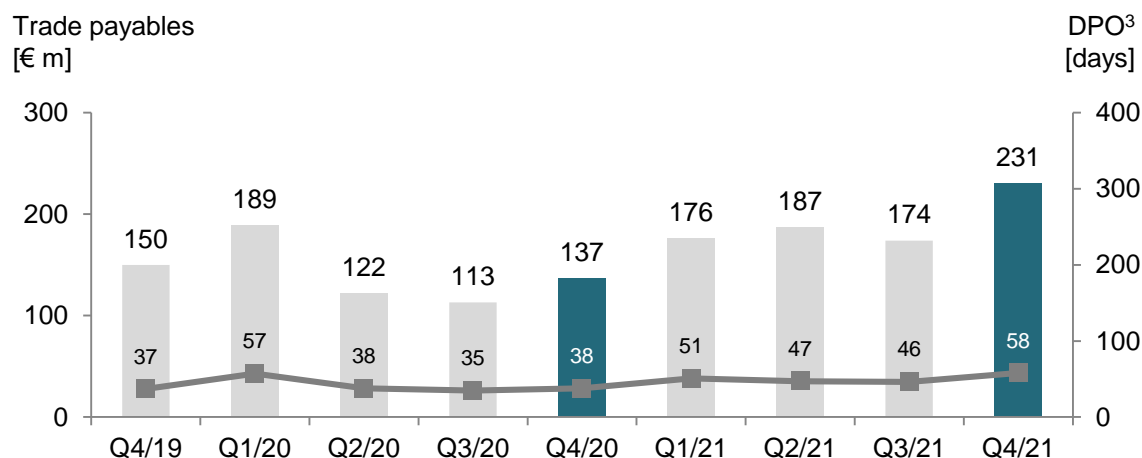
Inventories



Trade receivables



Trade payables



Comments

- Inventory levels of machines, raw materials and supplies above previous year:
 - Levels of unfinished machines more than doubled since the start of the year as a result of overstretched and repeatedly disrupted supply chains
 - In contrast: sharp decrease of finished machines on stock
- Trade payables rose significantly since the start of the year due to a rise in production volumes

➡ At 26.1%, the NWC⁴ ratio is well within the target range

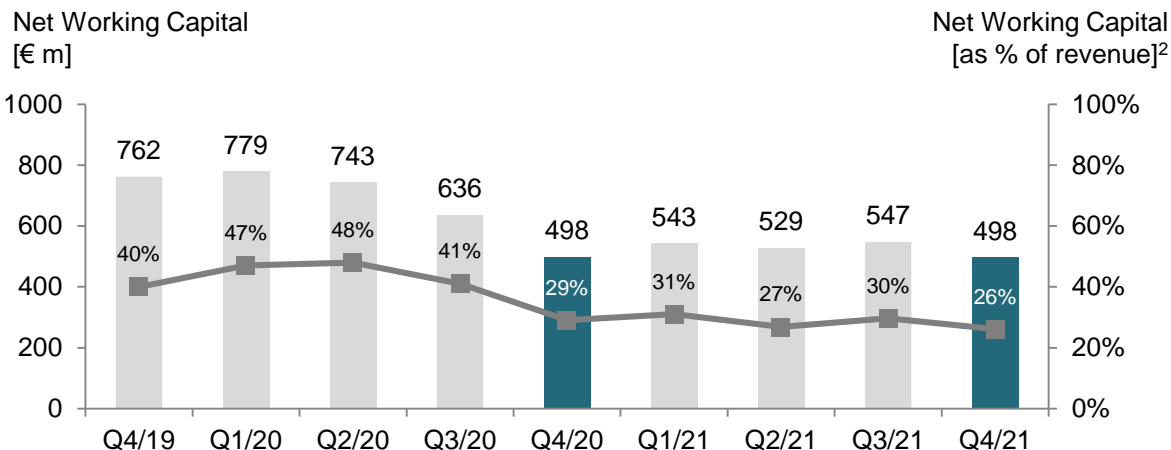
¹ Days inventory outstanding = (inventory/(cost of sales*4))*365 days; ² Days sales outstanding = (receivables/(revenue*4))*365 days;
³ Days payables outstanding = (payables/(cost of sales*4))*365 days. ⁴ Net working capital as a % of annualized revenue for the quarter.

FY 2021: Strong cash generation

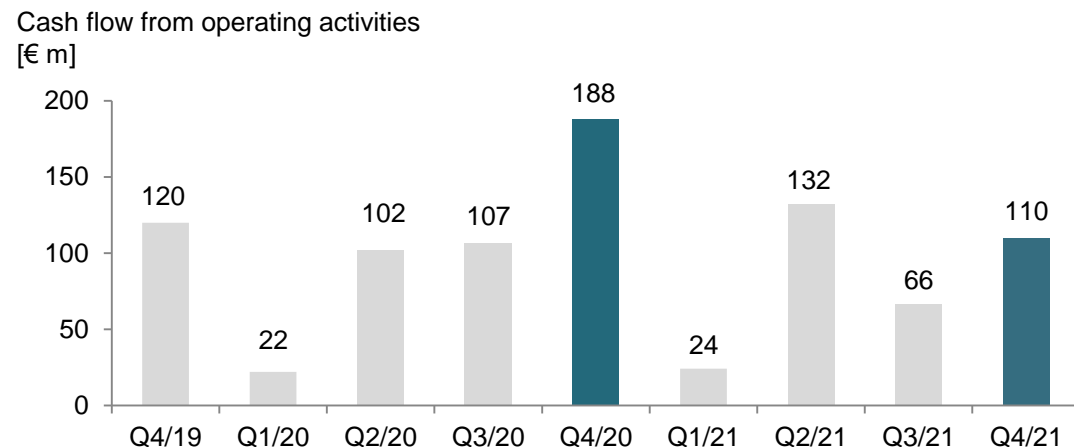


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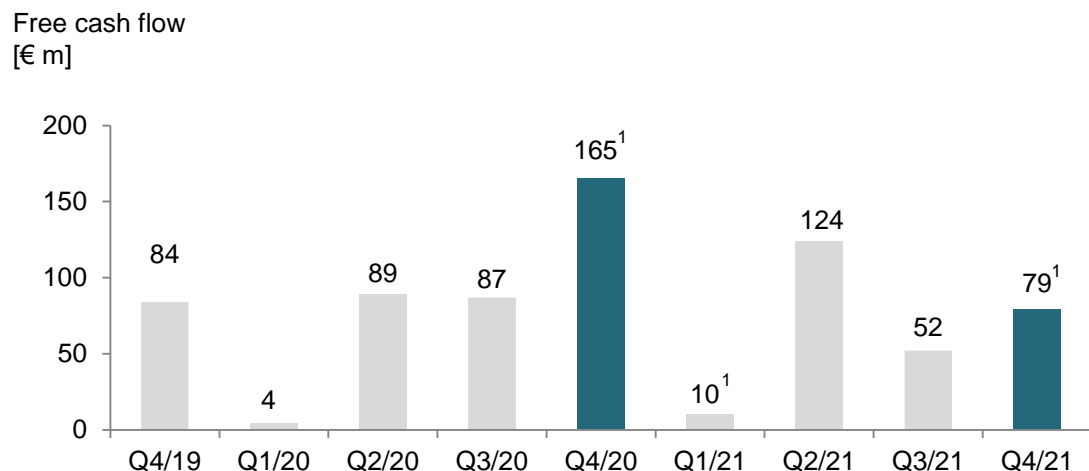
Net Working Capital



Cash flow from operating activities



Free cash flow



Comments

- At 26.1%, the NWC ratio² remains within the target range despite high numbers of unfinished machines
- Positive development of cash flow from operating activities shaped by increased profitability and a reduction in non-current financial assets, mainly resulting from the pre-term receipt of receivables (prev. year marked by sharp reduction in NWC)
- Investments³ below plan with positive effect on free cash flow
- Free cash flow¹ at EUR 264.1m (prev. year: EUR 344.0m)

¹ Before fixed-term investment in the amount of EUR 15 m in Q4/20, EUR 100 m in Q1/21 and EUR 15 m in Q4/21.

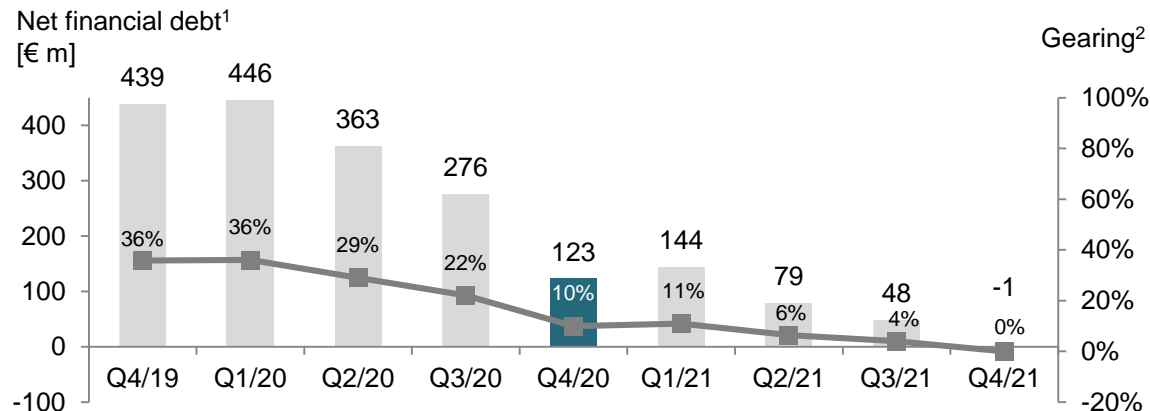
² Net working capital as a % of annualized revenue for the quarter. ³ Investments in property, plant and equipment and intangible assets.

Strong financial structure – positive net financial position

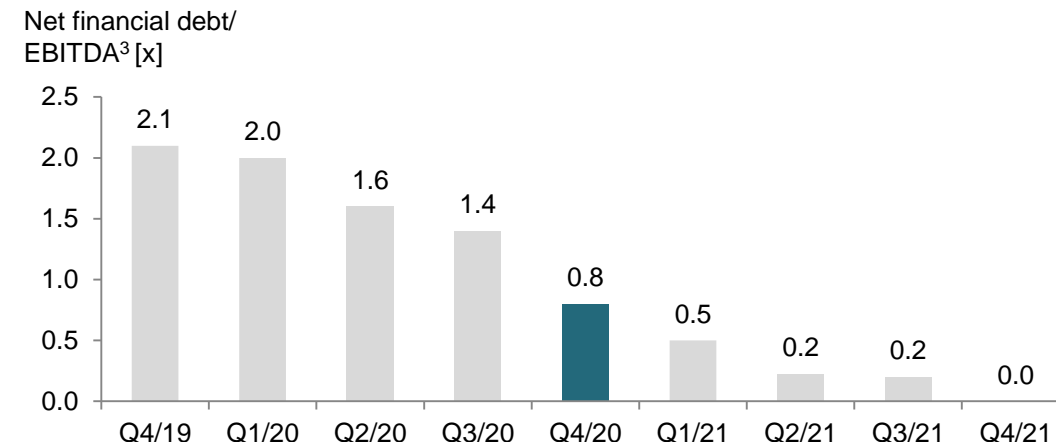


WackerNeuson
Group

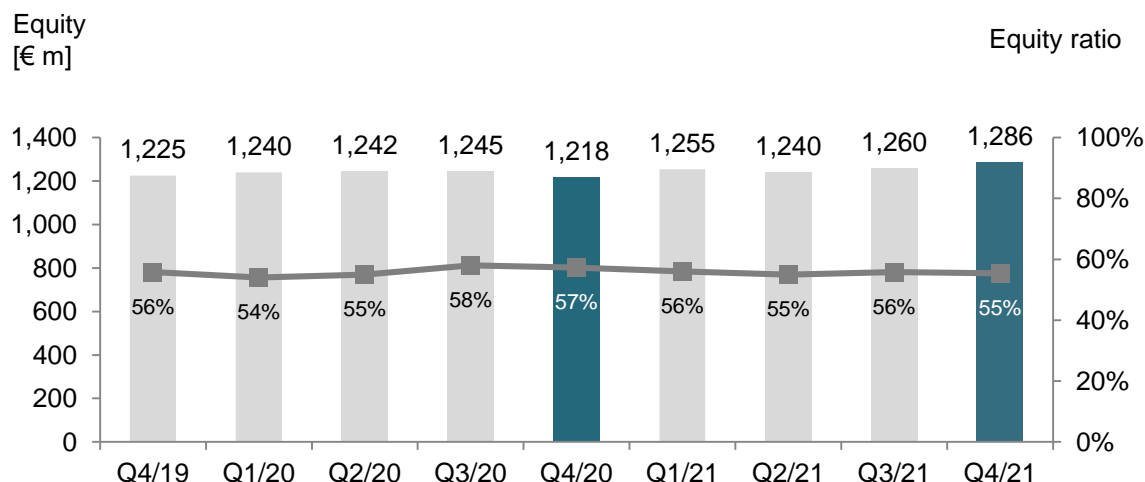
Net financial debt¹ and gearing



Net financial debt/EBITDA³



Equity and equity ratio



Comments

- Positive cash flow development leads to net financial position > 0; gearing² at -0.1%
- 2,124,655 treasury shares (3.0 percent of share capital) were repurchased for a total of EUR 53.0m by November 19 within the framework of the share buyback program initiated in April 2021
- Cash and cash equivalents incl. fixed, short-term investments with a term of less than one year: EUR 435.5 m
- The Group is in a strong position to actively shape the technological shift in the industry and make key investments in future growth.

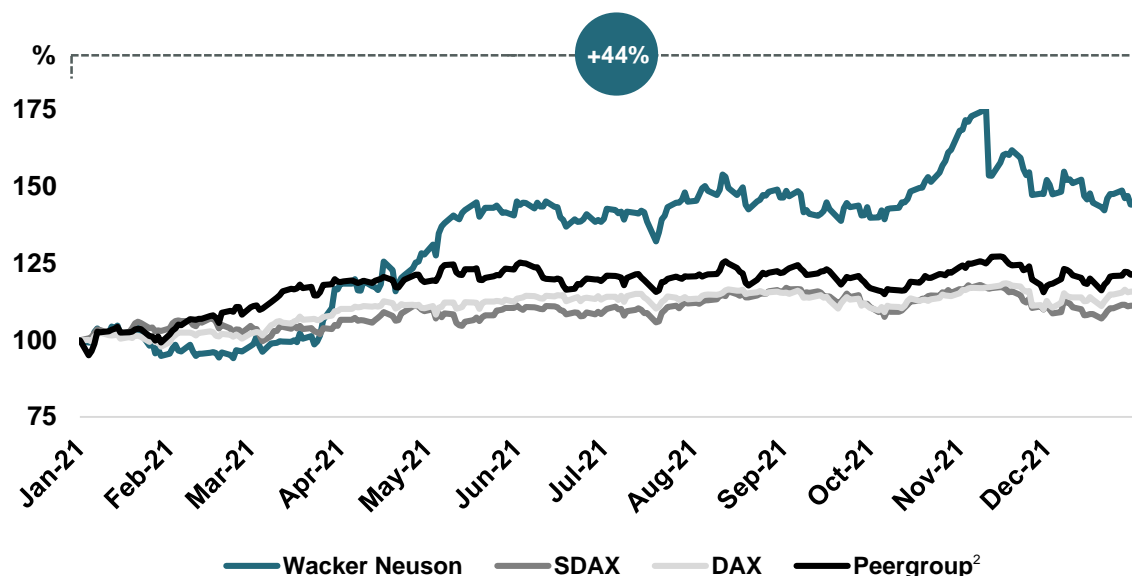
¹ Non-current financial liabilities + short-term borrowings from banks + current portion of long-term borrowings - liquid funds - fixed short-term investments. ² Net financial debt/equity. ³ Net financial debt/annualized EBITDA for the quarter.

Share development

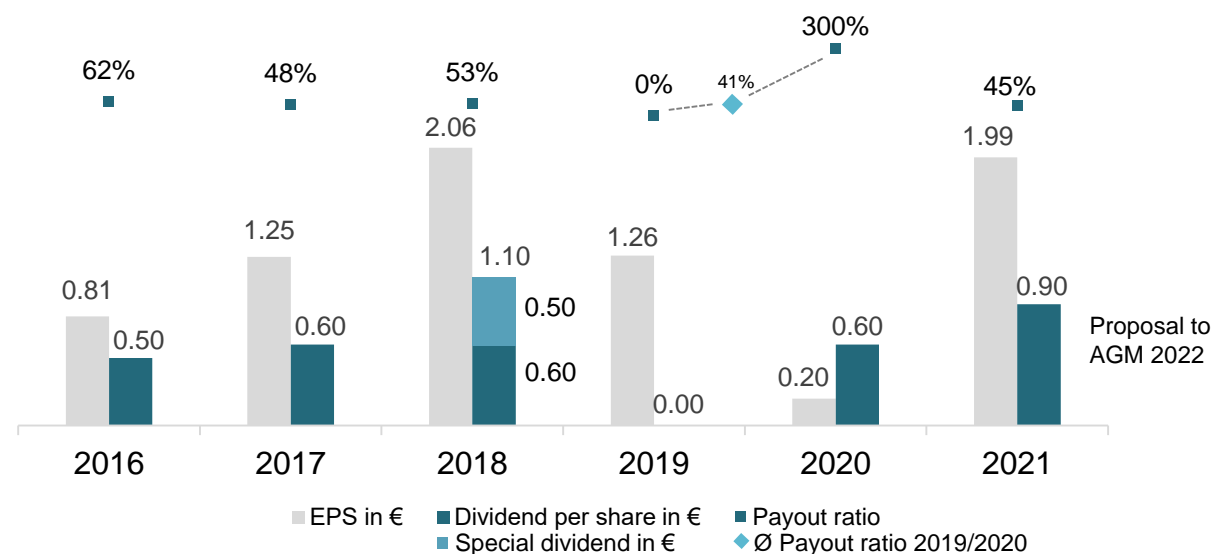


Wacker Neuson
Group

The share in 2021¹



Dividend payout



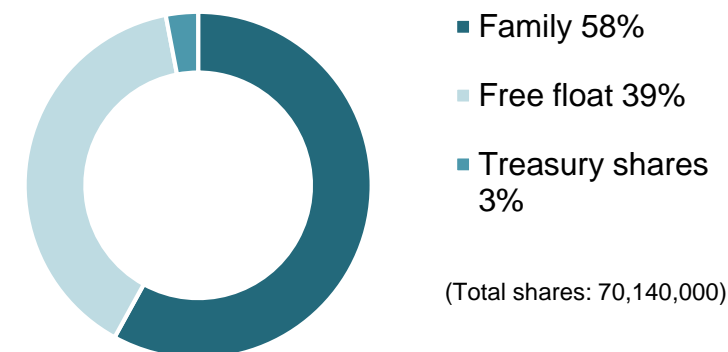
Key figures per share

in €	2021	2020
Earnings per share	1.99	0.20
Book value per share	18.91	17.37
Share price at end of period	25.24	17.51
Market capitalization (€ m)	1,770.3	1,228.2

Coverage³

Bank	TP (€)	Recom.	Date
Hauck & Aufhäuser	33.00	Buy	Feb. 10, 2022
Montega	32.00	Hold	Oct. 26, 2021
Warburg	32.00	Buy	Feb. 10, 2022
Berenberg	32.00	Buy	Feb. 11, 2022
Jefferies	31.00	Buy	Feb. 21, 2022
Metzler	28.00	Buy	Mar. 18, 2022
Kepler Cheuvreux	21.00	Reduce	Mar. 28, 2022

Shareholder structure



¹ As at Dec. 31, 2021 ² Peer group: Agco, Ashtead, Atlas Copco, Bauer, Caterpillar, CNH Industrial, Deutz, DoosanBobcat, Hitachi, Husqvarna, John Deere, Komatsu, Kubota, Manitou, Sany, Takeuchi, United Rentals, Volvo. ³ As at March 28, 2022

Financial calendar and contact

March 29, 2022	Publication of the annual report 2021, analysts' & investors' conference call
May 10, 2022	Publication of Q1 report 2022, analysts' & investors' conference call
June 3, 2022	Annual General Meeting, Munich (virtual)
August 9, 2022	Publication of half-year report 2022, analysts' & investors' conference call
November 10, 2022	Publication of Q3 report 2022, analysts' & investors' conference call

Disclaimer

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