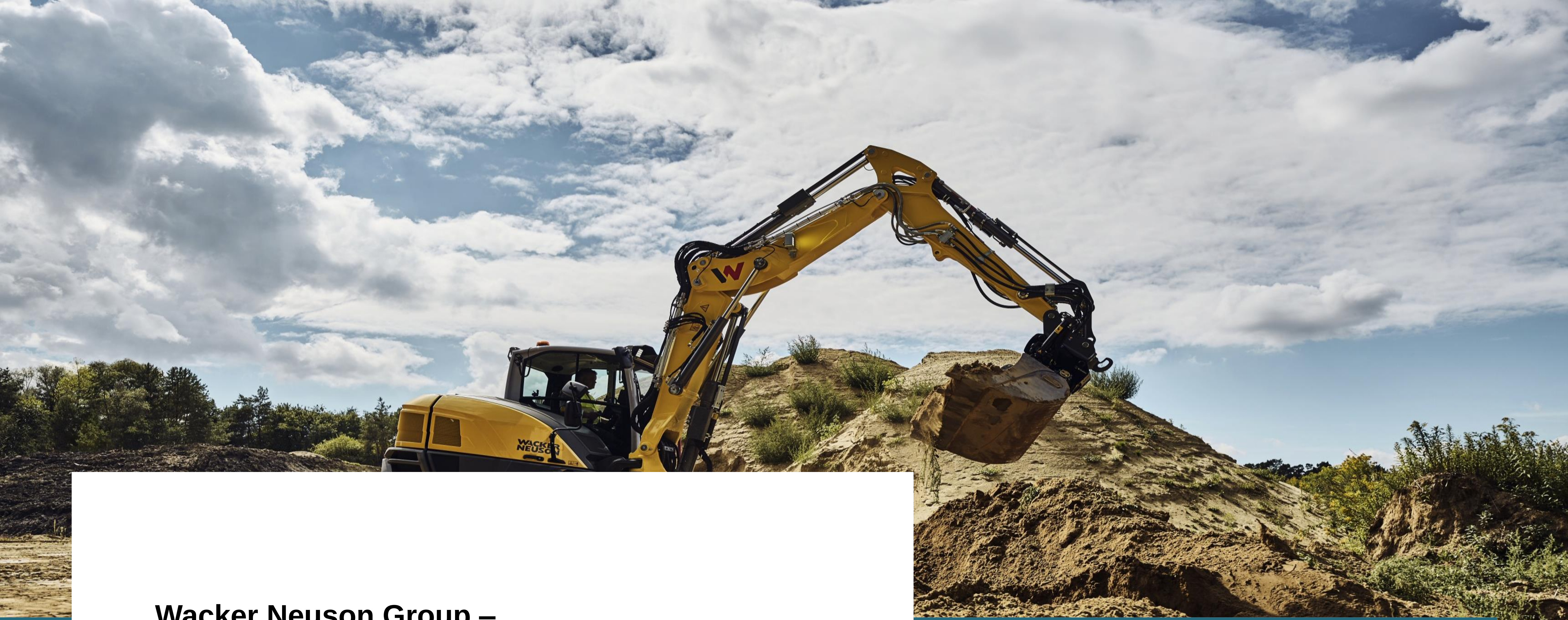

Wacker Neuson Group – H1/2024 Earnings Call & Webcast

Dr. Karl Tragl (CEO), Christoph Burkhard (CFO)

August 13, 2024

Wacker Neuson Group

Overview H1/2024 // Q2/2024[1]

Wacker Neuson Group

H1/2024				Q2/2024			
Revenue	EBIT margin	NWC ratio[2]	FCF	Revenue	EBIT margin	NWC ratio[2]	FCF[1]
€ 1,204.8 m	7.0%	37.0%	€ 4.5 m	€ 611.7 m	7.7%	37.0%	€ 29.6 m
(-11.8% YoY)	(py: 12.9%)	(py: 31.6%)	(py: € -30.5 m)	(-12.5% YoY)	(py: 12.7%)	(py: 31.6%)	(py: € -13.4 m)

Revenue -11.8% compared to H1/2023, persistently weak demand

EBIT margin increases in Q2/2024 by 1.5PP compared to Q1/2024 (6.2%), but lower profitability YoY due to decreased revenue and reduced plant capacity utilization

Despite inventory reduction in H1/2024 NWC ratio[2] still high on June 30, 2024; mainly driven by lower trade payables

Supply chain more relaxed than in the previous year, but economic outlook still uncertain

[1] Please note the rounding differences in the presentation.[2] Net Working Capital in % of the annualized revenue.

Persistently low demand in all regions

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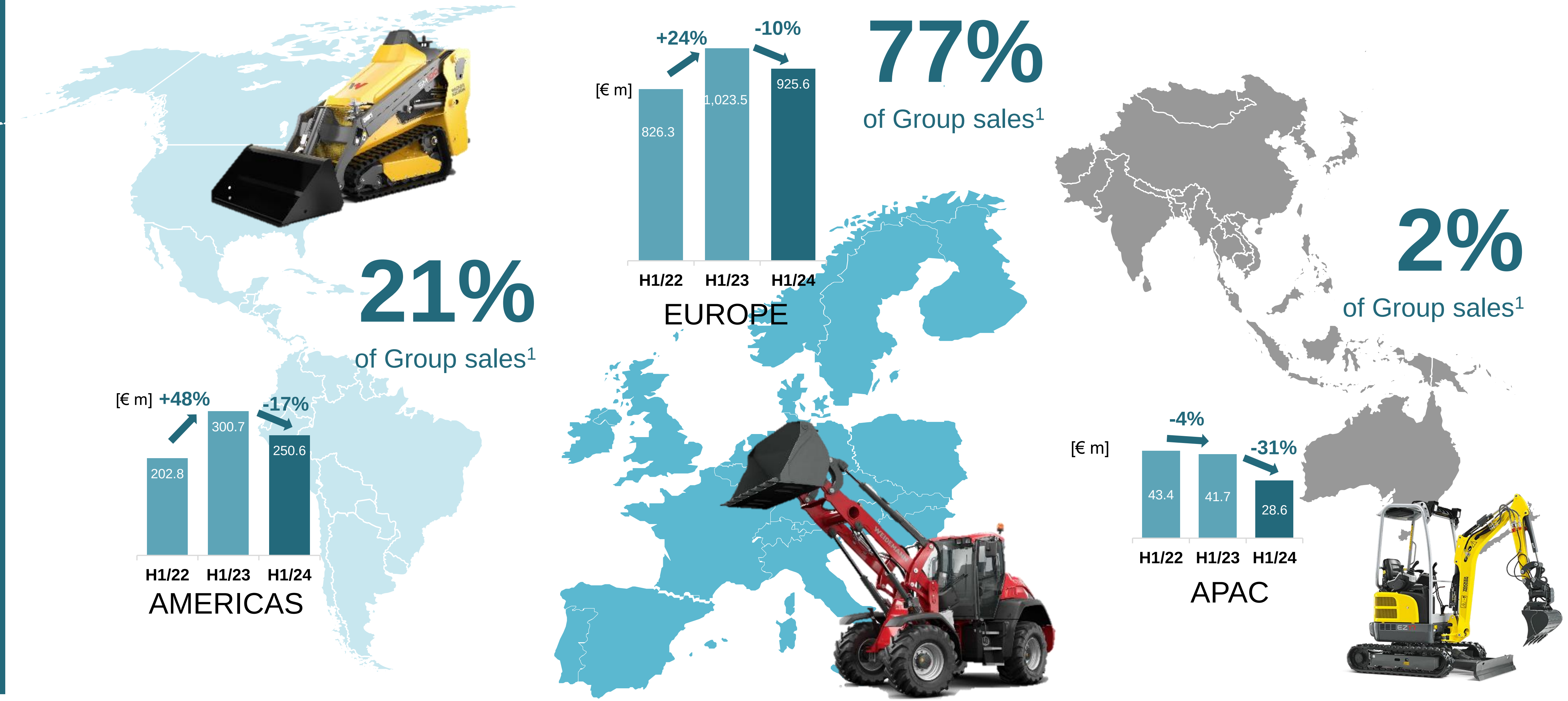
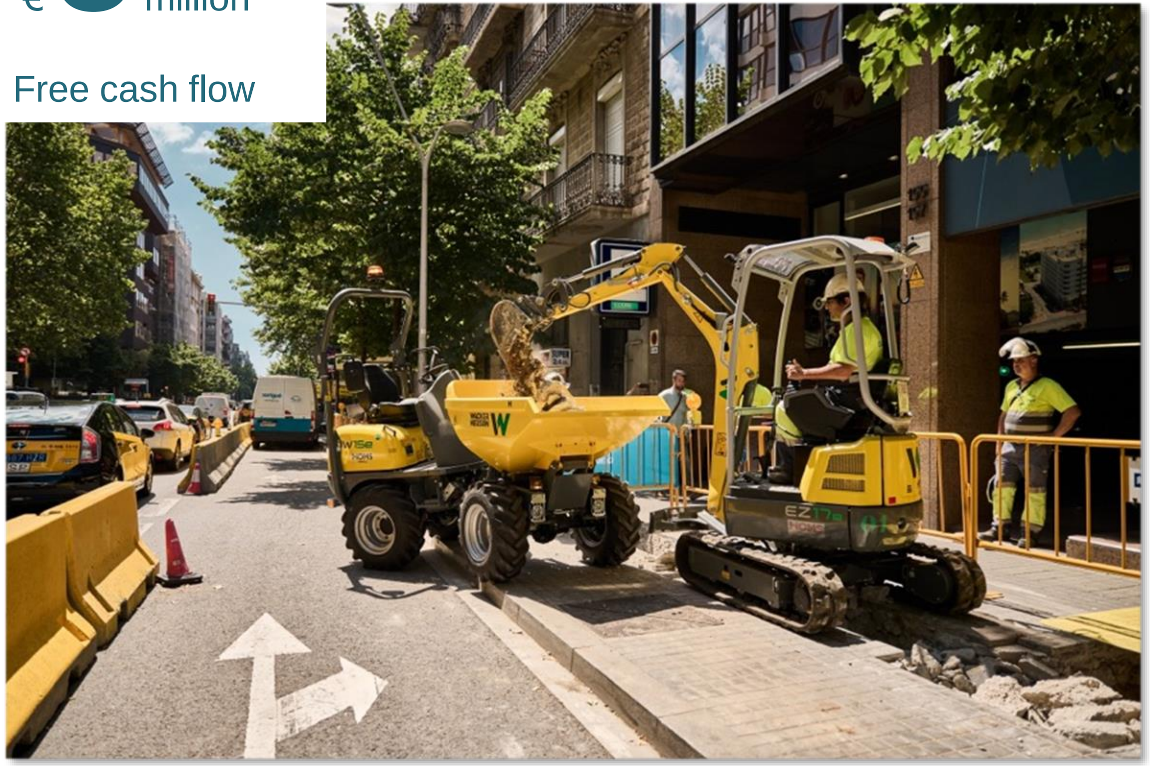


[1] H1/2023: Americas 22%; Europe 75%; APAC 3%.

Inventory reduction leads to positive free cash flow in H1/2024

€ **5** million

Free cash flow



€ **466** million

Net financial debt[1]

1.3

Net financial debt / EBITDA[2]

[1] Net financial debt = Non-current financial liabilities + Current liabilities to banks + Current portion of non-current liabilities - Cash and cash equivalents.
[2] Net financial debt/ annualized EBITDA for the quarter.

Our measures to be fit for 2025

Actions for earnings improvement and addressing current market dynamics

Focus	Measures	Initial Results

Costs	• **Adjustment of production output**
	• **Lower personnel expenses:**
	  • **Reduction of temporary workforce** in the plants
	  • **Short-time working** and similar adjustment measures (e.g. qualification programs)
	  • **Job cuts**, e.g. through volunteer programs
	• **Further cost savings from other operating expenses**, i.e. planned spending for IT, energy, marketing and travel
		• Ongoing **Gross profit margin improvement**, **+2.2 PP** since Q4/2023
		• **Reduction of workforce** by 485 employees or 7% since year-end 2023
		• Despite lower revenues **SG&A ratio already declined** from 16.7 percent to 16.3 percent in Q2 2024 (before one-off effects)

Sales	• **Launch of sales initiatives** • Expansion of the **Rental business** and **rental equipment sale** • Growth in **Spare parts & Services business** • Promotion of **financing programs** for dealers and end customers • **Additional revenue potential with new products** (i.e DV125)	• Revenue **Services +3%** (including **Rental business**) compared to H1/2023
NWC / Free Cashflow	• Increased **sales of finished goods** from inventory • **Deliveries and supply chains adjusted** while safeguarding strategic components (i.e. engines, hydraulics)	• **Inventory reduction** amounting to € 48.2 million in H1/2024 (H1/2023: inventory build-up) • **Positive free cash flow** amounting to € 4.5 million in H1/2024 (improvement of € 35 million vs. H1/2023)

In total earnings contribution of more than € 40 million for 2024

Wacker Neuson Group

STRATEGY 2030

OUR VISION

Our innovative solutions drive technological change.

OUR PURPOSE

We make a strong contribution to sustainable construction and agriculture.

OUR MISSION

We make our customers more productive than anyone else in the market.

STRATEGIC PERSPECTIVES

> 11 %	€ 4 billion	≤ 30 %
EBIT MARGIN	REVENUE	NWC

STRATEGIC LEVERS

1. **Light Equipment** Market Leadership
2. **zero emission** Solution
3. **Time to market** and **innovation**
4. **Americas Growth** Strategy
5. Asia and **Low-regulated Markets**
6. **Digitalization** and **Automation**
7. **Cost, Operations** and **Footprint** Optimization
8. **Aftermarket** and **Services**
9. **Sustainability Actions**
10. **Best Company to work for**

OUR LEADERSHIP PRINCIPLES

- “We assume responsibility.“
- “We believe in mutual respect.“
- “We continue to develop.“
- “We act as coaches.“
- “We celebrate success.“

OUR VALUES

Reliability **Safety** **Efficiency** **Sustainability**

OUR BUSINESS OBJECTIVE

Machines and solutions for construction and agriculture

Action items per strategic lever ensure strategy execution

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Wacker Neuson Group Strategic Levers 2030

	2023	2024	2025	2026	…
1) **Light Equipment** Market Leadership	Introduction of new rollers and plates ✓	Introduction of new rammers ✓	Battery One implementation	Reach light equipment market share target, especially for plates & rammers	
2) **zero emission** Solutions	zero emission telehandler market introduction ✓	Ecosystem (incl. Customer days, battery check, Apps, etc.) as sales boost	Further expansion in North America	zero emission portfolio extension in the most promising segments	
3) **Time to Market** and **Innovation**	Introduction of various test & validating facilitates ✓	Introduction of innovative & efficient flagship models, e.g. Kramer Premium Wheel Loader & Telehandler	Measures for reduced time to market in pre-development and project management implemented	Continued product initiatives & innovations	
4) **Americas Growth** Strategy	Mini skid steer product range expansion ✓	Milestones sales channel mix and product cost reductions	Ramp-up John Deere excavator from Linz factory	Ramp-up John Deere excavator from US factory	
5) **Asia** and **Low-regulated Markets** Growth	Ramp-up mini excavator production for low-regulated export markets and introduction of global Enar products from China ✓	Introduction Mini Skid Steer Loader for low-regulated export markets	Supply of mini excavator from China for global export markets, including Europe	Further ramp-up of Compact Machinery for export markets	
6) **Digitalization** and **Automation**	Various new features for ePartner, the digital order platform for dealers introduced and milestones in channel shift reached ✓	S/4HANA implementation as enabler for digitalization ✓	WNG owned telematic back-end solution launched as a basis for further growth with digital products		
7) **Cost**, **Operations** and **Footprint** Optimization	New Serbia steel plant lays basis for optimal in-house supply of steel components ✓	Cost down measures to take effect, resulting from structured cost down projects	Cost down measures to take effect, resulting from structured cost down projects	Plants to reach optimal capacity level in terms of unit-output and cost position	
8) **Aftermarket** and **Services**	Completion of building & construction of warehouse technology for the new spare parts hub in Mülheim-Kärlich ✓	Go-live of European aftermarket operations from new hub in Mülheim-Kärlich to increase spare parts turnover ✓	Execution of the attachment Strategy to increase take rate and turnover	Extended Americas aftermarket operations implemented to support growth	
9) **Sustainability Actions**	>40% CO_2 reduction vs. 2019* and installation of photovoltaic-systems ✓	CSRD-readiness & definition of further sustainability targets	Reduced CO_2 emission by 50% compared to 2019*		
10) **Best Company to work for**	Signing of collective agreement as well as of the charter of diversity as basis for employer attractiveness ✓	Execution of HR- and people-strategy, including measures with regards to employer branding, employee benefits, diversity and other measures according to HR Roadmaps			

* Scope 1 and Scope 2

Milestones in the implementation of the Strategy 2030

Strategic Levers 2030

Digitalization and Automation

SAP S/4 HANA went live on May 12, 2024**:**

- Successful transition of all systems
- Increased use of the central database structure planned for further **digitalization opportunities**

Aftermarket & Services

Opening of the new logistics centre in Mülheim-Kärlich:

- Area of 55,000 square meters offers sufficient space for around 100,000 different spare parts for light and compact equipment
- Location between Frankfurt am Main and Cologne/Bonn airports enables optimal connections to international transport networks

M&A

Focus on transactions to support core business optimization:

- **TorqueWerk GmbH**: Integration of the TorqueWerk-components in the LE portfolio to increase the efficiency of the machines (thus realizing cost savings in the components and peripherals)
- **Weidemann Nederland B.V.:** Optimized market development in the Netherlands, as one of the important sales markets, and gaining additional channels into agriculture
- **Axor Mietservice GmbH:** Enabling business expansion with German track construction customers

Business outlook

Order books decrease further

CECE[1]

business climate index for the European construction equipment no stabilization of order intake in sight

High trade policy uncertainty

CEMA[1]

Business climate index for the European agricultural machinery sector remains negative, recessive environment

Guidance for 2024:

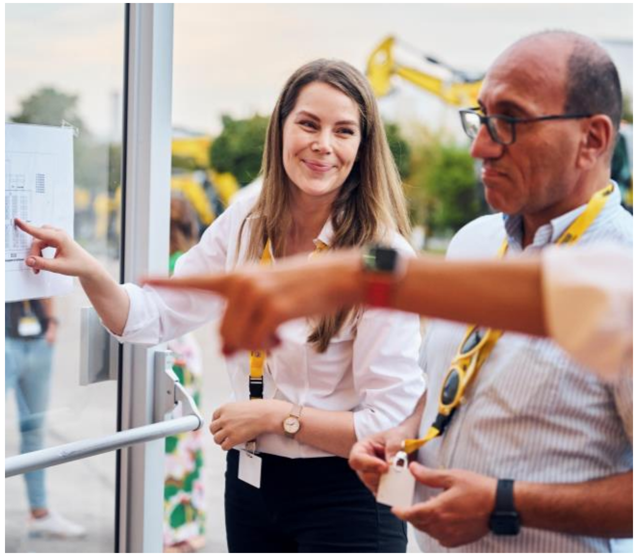
- **Revenue** between € 2,300 and 2,400 million
- **EBIT margin** between 6.0% and 7.0%
- **Investments** around € 100 million[2]
- **Net working capital ratio** around 34%

[1] As of July 2024.
[2] Investments in property, plant and equipment and intangible assets. Investments in the Group's own rental portfolio, equity investments and financial assets are not included.

Nobody is perfect, but a team can be!





Financial calendar and contact

25 September 2024	**Berenberg Goldman Sachs German Corporate Conference, Munich**
14 November 2024	**Publication of Nine-month Statement 9M/2024, Earnings call**
November 2024	**German Equity Forum, Frankfurt**

Disclaimer

This presentation contains forward-looking statements which are based on the current estimates and assumptions by the corporate management of Wacker Neuson SE. Forward-looking statements are characterized by the use of words such as expect, intend, plan, predict, assume, believe, estimate, anticipate and similar formulations. Such statements are not to be understood as in any way guaranteeing that those expectations will turn out to be accurate. Future performance and the results actually achieved by Wacker Neuson SE and its affiliated companies depend on a number of risks, uncertainties and other factors. Many of these factors, including, but not limited to, those described in disclosures, in particular in the risk report of the Company, are outside the Company's control and cannot be accurately estimated in advance, such as the future economic environment, the actions of competitors and others involved in the market-place or the legal and regulatory framework. If these risks or uncertainties materialize, or if the assumptions underlying any of these statements prove incorrect, then actual results may be materially different from those expressed or implied by such statements. Above and beyond legal requirements, the Company neither plans nor undertakes to update any forward-looking statements.

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Appendix

Revenue and profitability – H1/2024

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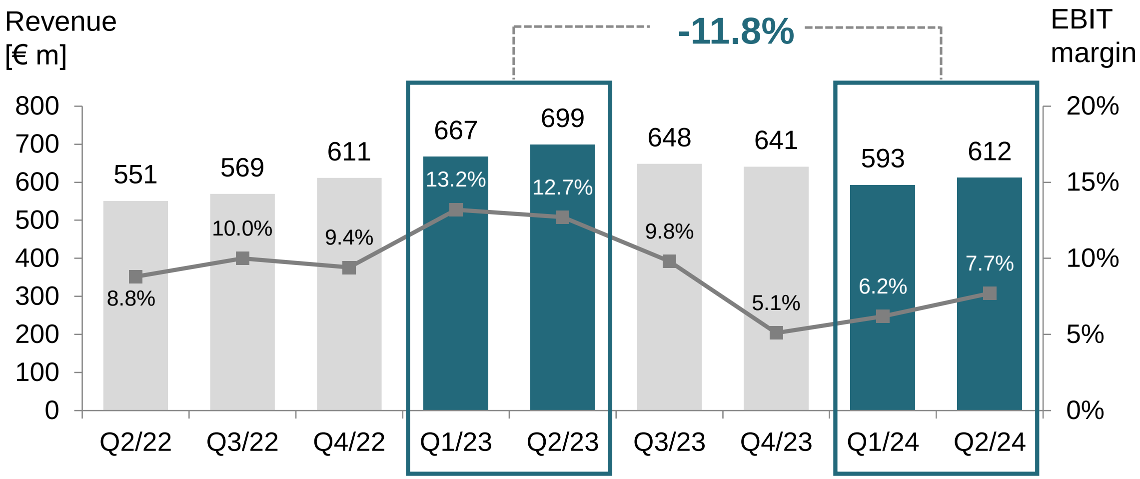
Declining growth and profitability, strained market



Profit and loss statement (excerpt)

€ m	H1/24	H1/23	Δ
Revenue	**1,204.8**	1,365.9	-11.8%
Gross profit	**285.7**	344.6	-17.1%
as a % of revenue	*23.7%*	*25.2%*	*-1.5PP*
Operating costs[1]	**-201.9**	-167.9	20.3%
as a % of revenue	*-16.8%*	*-12.3%*	*-4.5PP*
EBIT	**83.8**	176.7	-52.6%
as a % of revenue	*7.0%*	*12.9%*	*-5.9PP*
Financial result	-8.7	-3.8	>100.0%
Taxes on income	-20.4	-46.9	-56.5%
Profit for the period	**54.7**	126.0	-56.6%
EPS (in €)	**0.80**	1.85	-56.8%

[1] Including other operating income / other operating expenses.

Comments on H1/2024

Revenue -11.8% YoY (adj. for FX effects -11.7%)

- Persistently weak demand in the construction and agriculture industries
- Decreasing order intake, current order book covers less than one quarter

Gross profit -17.1% YoY (Gross profit margin -1.5 PP)

- Market demand decrease only partially offset through cost reduction in production
- Gross profit margin in H1/2024 decreases YoY, driven by volume effects and underutilization costs

EBIT -52.6% YoY (EBIT margin: -5.9 PP)

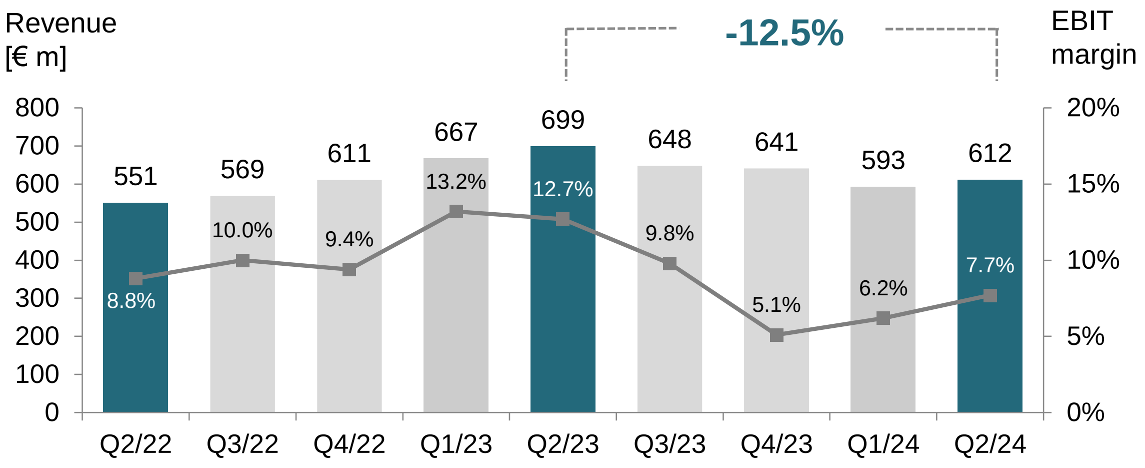
- EBIT margin in H1/2024 mainly impacted by lower gross profit margin
- Operating costs increase as a result of increased personnel expenses and a one-off effect in H1/2024 (onboarding of Mülheim-Kärlich)
- Other operating income amounting to € 26.5 million is included in H1/2023 (responsible for additional +1.9 PP in the EBIT margin)

Earnings per share -56.8% YoY

- Financial result driven by interest result of € -9.9 million (H1/2023: € -4.3 million), higher interest expenses due to higher net financial debt
- Tax rate of 27.2% comparable to previous year (H1/2023: 27.1%)

Revenue and profitability – Q2/2024

Persistently low demand, but profitability increases QoQ



Profit and loss statement (excerpt)

€ m	Q2/24	Q2/23	Δ
Revenue	**611.7**	**698.7**	-12.5%
Gross profit	**146.9**	**177.3**	-17.1%
as a % of revenue	*24.0%*	*25.4%*	*-1.4PP*
Operating costs[1]	**-100.0**	**-88.4**	13.1%
as a % of revenue	*-16.3%*	*-12.7%*	*-3.6PP*
EBIT	**46.9**	**88.9**	-47.2%
as a % of revenue	*7.7%*	*12.7%*	*-5.0PP*
Financial result	-3.7	-1.2	>100.0%
Taxes on income	-11,7	-24,1	-51.5%
Profit for the period	**31.4**	**63.6**	-50.6%
EPS (in €)	**0.46**	**0.94**	-51.1%

[1] Including other operating income / other operating expenses.

Comments on Q2/2024

Revenue -12.5% YoY (adj. for FX effects: -11.7%)

- Weak demand persists longer than anticipated at the beginning of the year
- Agriculture also affected by the weak economy

Gross profit -17.1% YoY (gross profit margin -1.4 PP)

- Market demand decrease only partially offset through cost reduction in production

EBIT -47.2% YoY (EBIT margin: -5.0 PP)

- EBIT margin decreases YoY, mainly because of volume effects and underutilization costs
- Other operating income amounting to € 11.0 million contributed +1.6 PP to the EBIT margin in Q2 2023

Earnings per share -51.1% YoY

- Financial result driven by higher interest expenses YoY
- Tax rate of 27.1% lower than in the previous year (Q2/2023: 27.5%)

Development of regions and business areas

Wacker Neuson Group

All regions affected by persistent weak market demand

	Revenue [€ m]	Share	YoY	EBIT[1]
Europa	925.6	77%	-10%	62.9
Americas	250.6	21%	-17%	18.4
Asia-Pacific	28.6	2%	-31%	-0.5
H1/24	1,204.8	100%	-12%	83.8

Positive development of the services business segment

	Revenue [€ m][2]	Share	YoY
Light Equipment	240.8	20%	-16%
Compact Equipment	726.2	60%	-15%
Services	245.7	20%	+3%
H1/24	1,212.7	100%	-12%

Comments on H1/2024

Revenue Europe (EMEA) -9.6% YoY (adj. for FX effects -9.6%)

- Revenue decrease in Germany
- Demand increase in France, Spain and Portugal
- Mixed market developments in Eastern and Northern European markets
- Agricultural business also declined in H1/2024 (-6.1% YoY)

Revenue Americas -16.7% YoY (adj. for FX effects -16.7%)

- Declining customer demand in the USA and Canada, demand in Mexico slightly above the previous year's level
- Negative market trend, comparable to the rest of the world

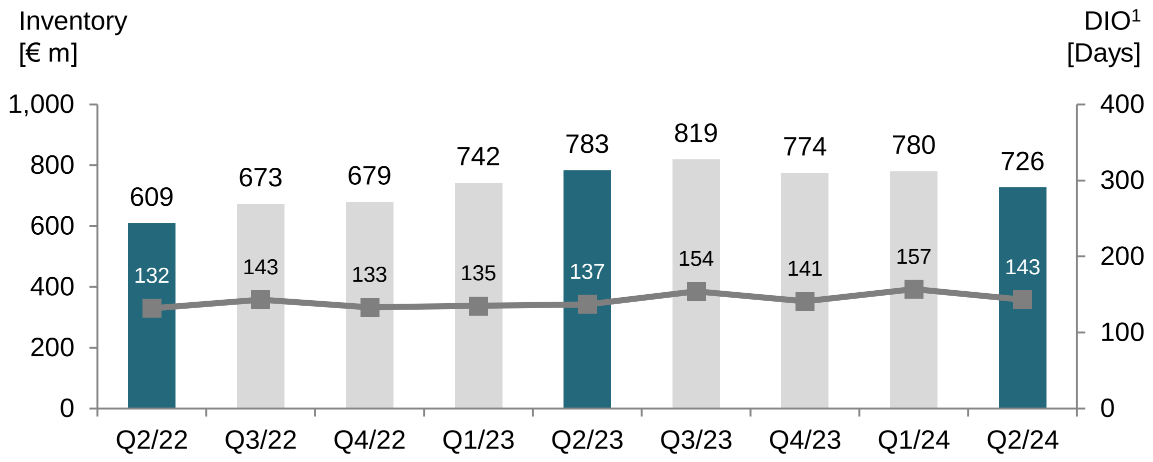
Revenue Asia-Pacific -31.4% YoY (adj. for FX effects -29.5%)

- Revenue decrease driven by significantly weaker demand in Australia and China
- Product demand in Southeast Asia increases

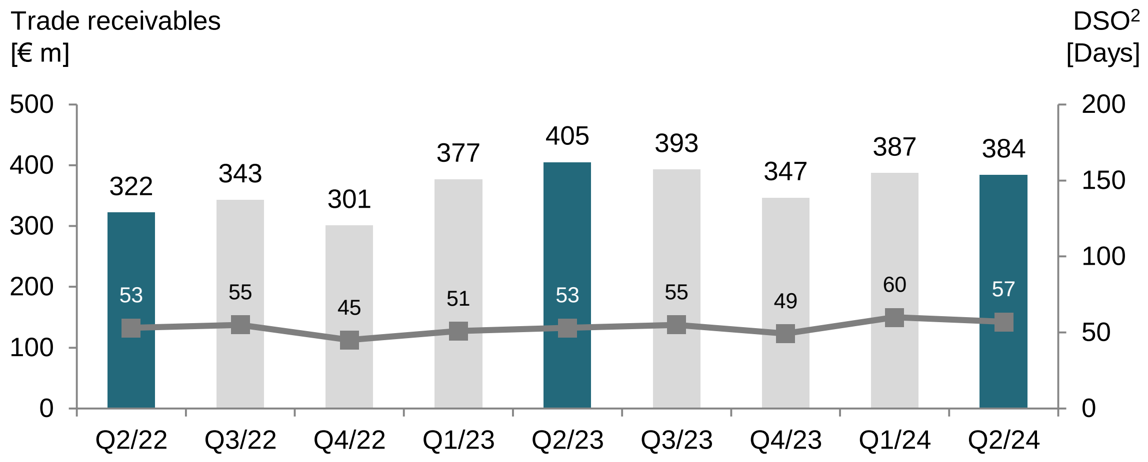
[1] EBIT for regions before consolidation amounting to € 3.0 million (H1/2023: € -34.3 million);
[2] Revenue incl. cash discounts amounting to € 7.9 million (H1/2023: € 9.0 million).

Successful inventory reduction in Q2 2024

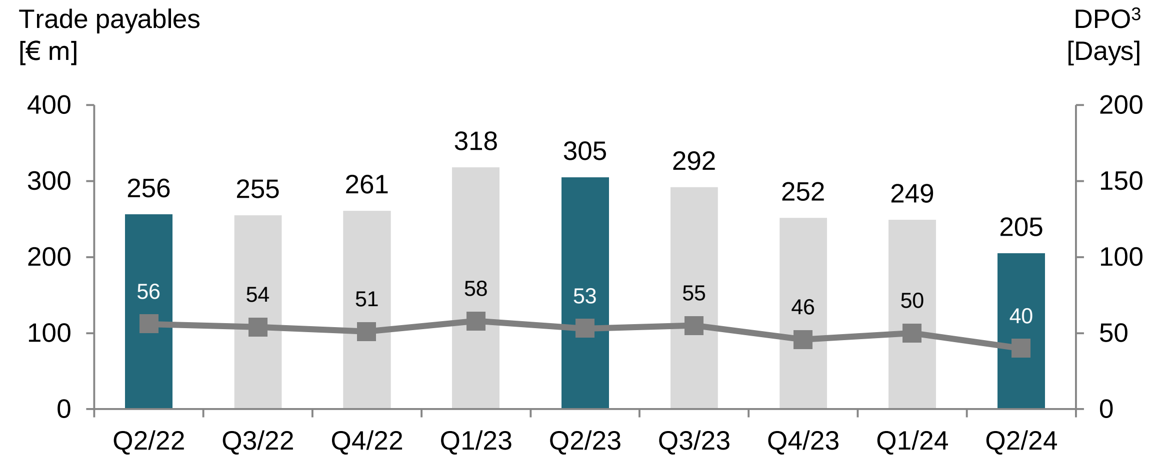
Inventories



Trade receivables



Trade payables



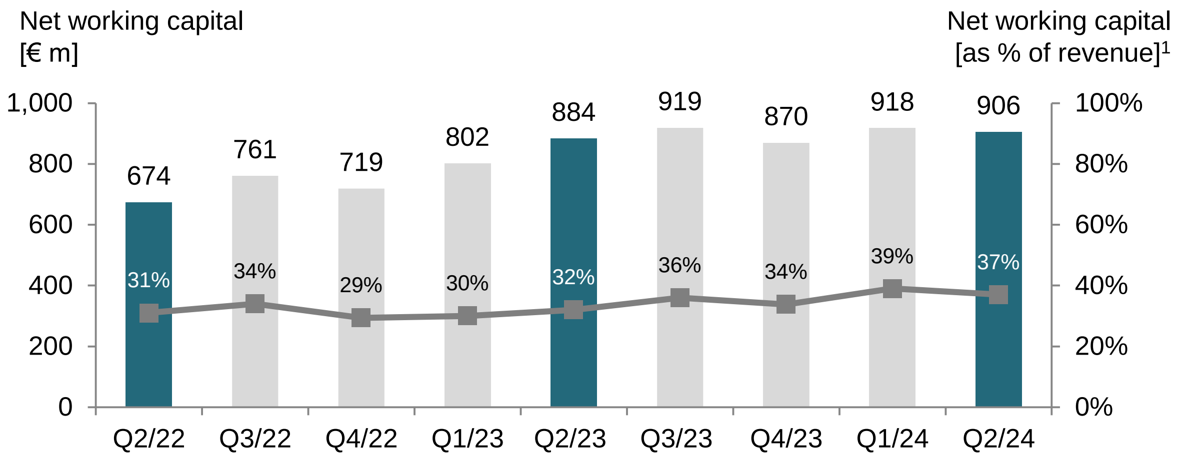
Comments

- **Inventories** reduced by 6.2% since year-end 2023, driven by reduction in raw materials (-13.2%) and finished goods (-4.5%)
- **Trade receivables** increase by 10.8% compared to December 31, 2023, partially because of utilization of longer payment terms
- **Trade payables** decrease compared to December 31, 2023 due to lower purchasing volume of production plants

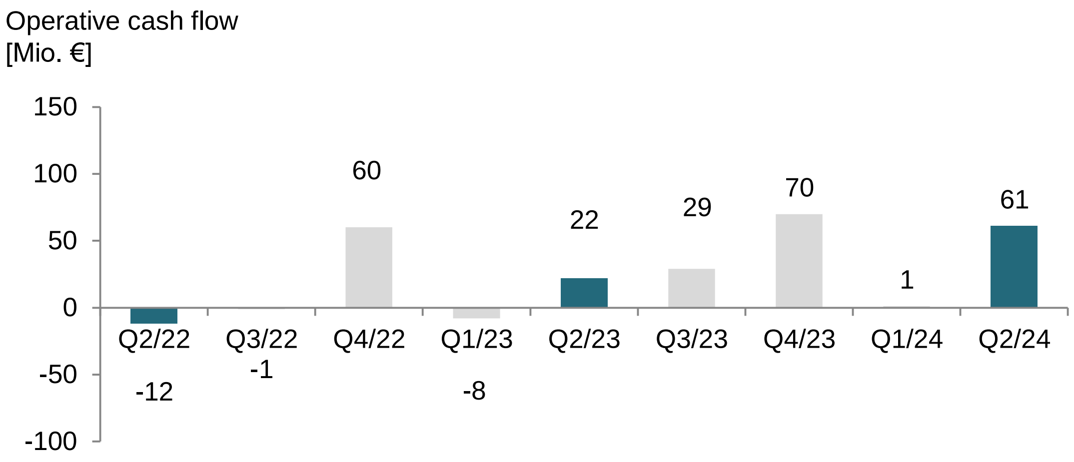
[1] Days inventory outstanding (ann.) = (inventory/(cost of sales*4))*365 days. [2] Days sales outstanding (ann.) = (receivables/(revenue*4))*365 days. [3] Days payables outstanding (ann.) = (payables/(cost of sales*4))*365 days.

NWC ratio decreases, driven through inventory reduction

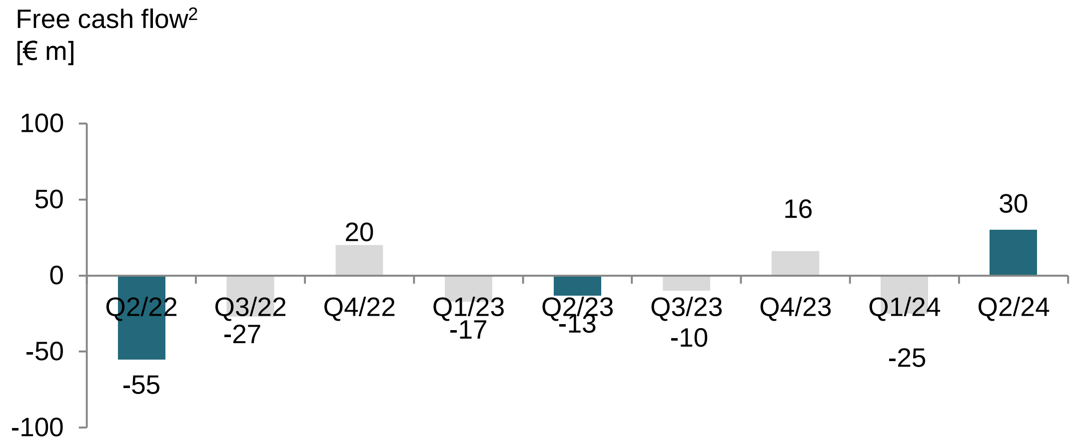
Net Working Capital



Operative cash flow



Free cash flow



Comments

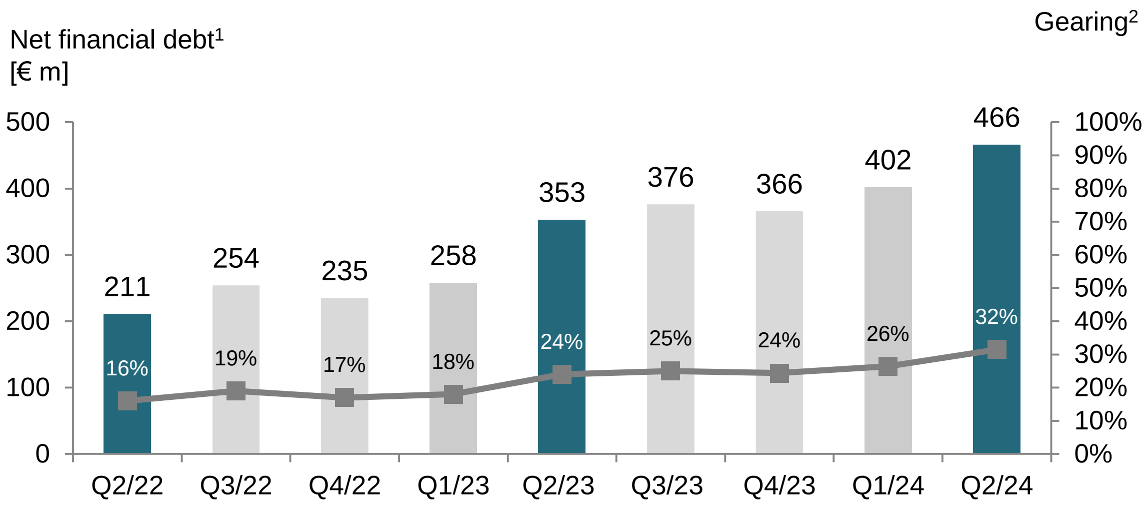
- Annualized **net working capital ratio** of 37.0% still elevated, mainly due to lower trade payables
- **Operative cash flow** amounting to € 62.7 million in H1/2024 (H1/2023: € 14.6 million), driven by inventory reduction in H1/2024 (inventory increase in H1/2023)
- **Investments** amounting to € 48.3 million in H1/2024 (-30.2% YoY), thereof € 27.5 million in property, plant and equipment and € 20.8 million in intangible assets
- **Free cash flow** positive in H1/2024 and above the previous year, as a result of the higher operative cash flow

[1] Net working capital as a % of annualized revenue for the quarter. [2] Before outflows or inflows from time deposits

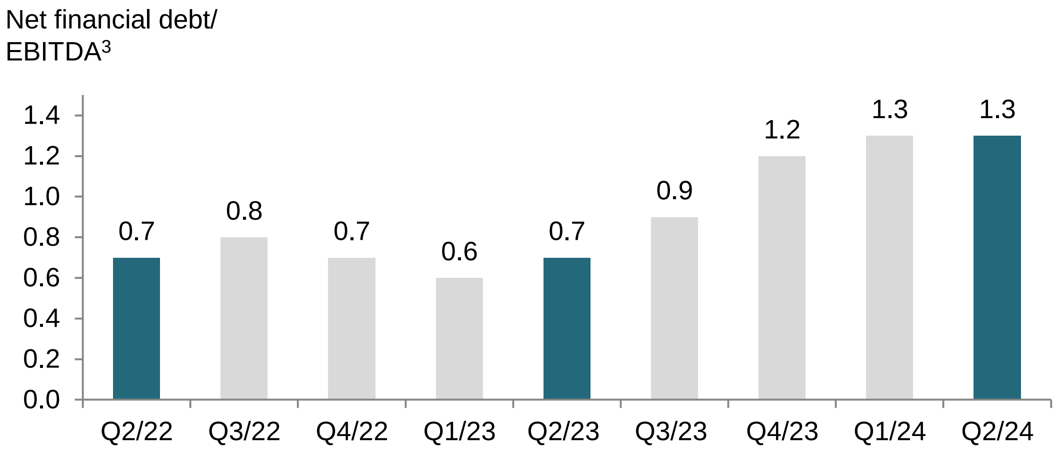
Still robust financial structure with slightly lower equity

Wacker Neuson Group

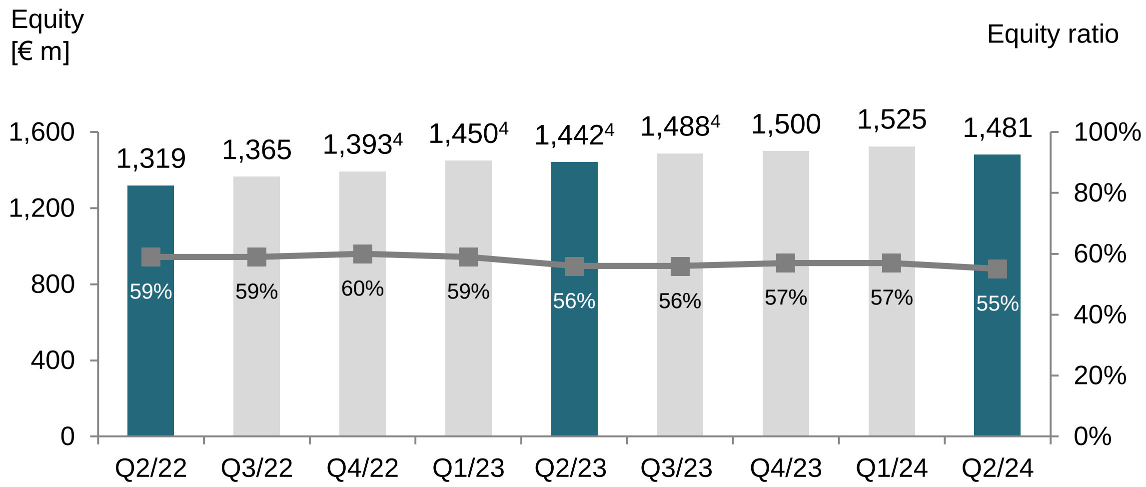
Net financial debt[1] and gearing[2]



Net financial debt/EBITDA[3]



Equity and equity ratio



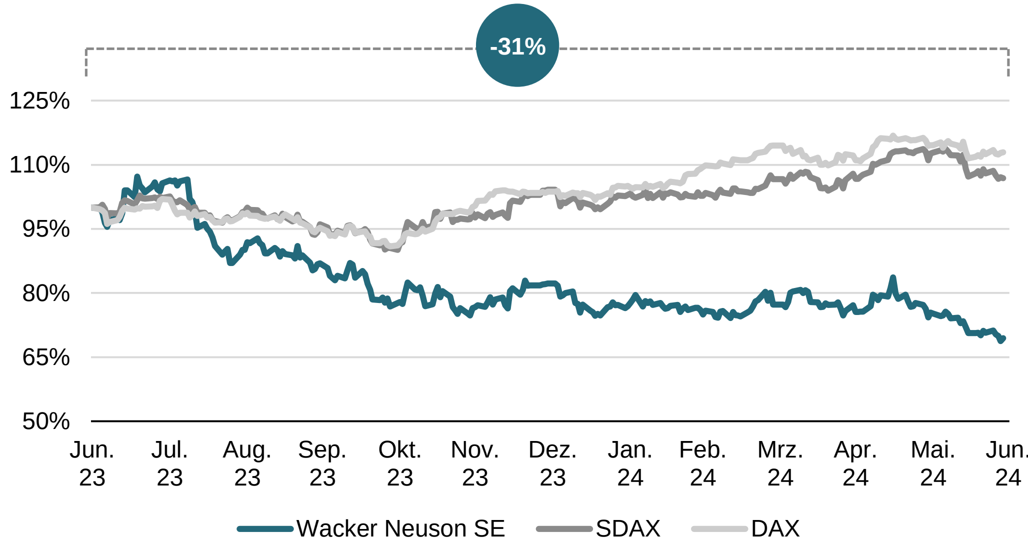
Comments

- Higher **net financial debt[1]** (+27.3%) since year-end 2023, mainly due to increased utilization of money market credit lines and issue of a new promissory note (€ +100.0 million) – partially offset by repayment of an old promissory note (€ -70.0 million)
- **Equity** slightly decreased since year-end 2023 (-1.2%) due to dividend payout and partially offsetting net income, **equity ratio** slightly lower by the end of Q2/2024 as well
- **Gearing[2]** increased by 9 PP since year-end 2023 due to higher net financial debt and lower equity

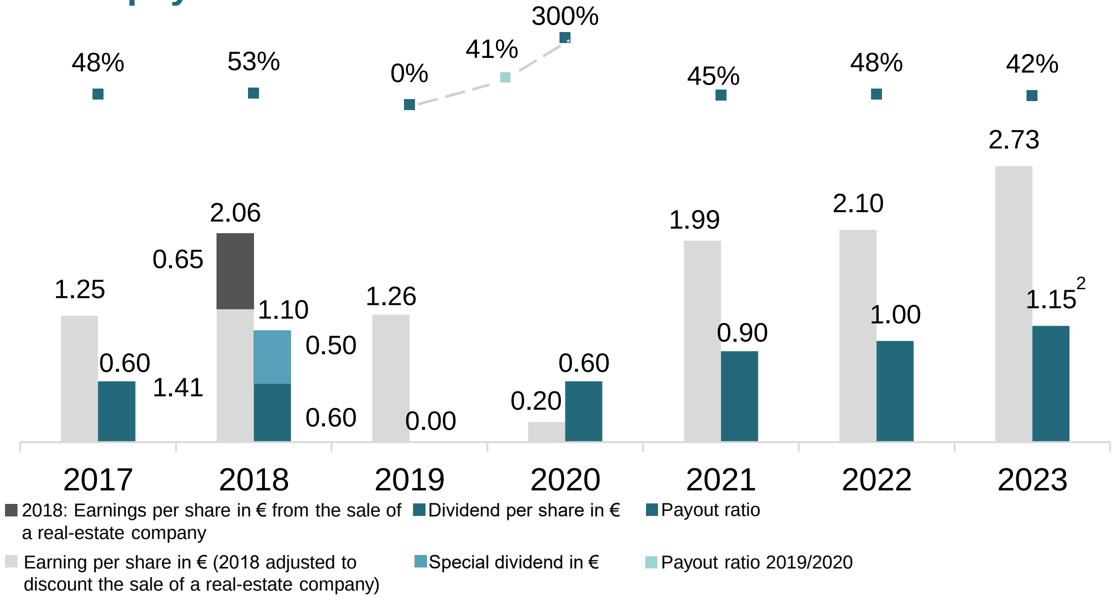
[1] Net financial debt = Non-current financial liabilities + Current liabilities to banks + Current portion of non-current liabilities - Cash and cash equivalents. [2] Net financial debt/equity. [3] Net financial debt/annualized EBITDA for the quarter.
[4] Correction amounting to c. € -2 million.

The Wacker Neuson SE share

Share price development vs. relevant indices[1]



Dividend payout



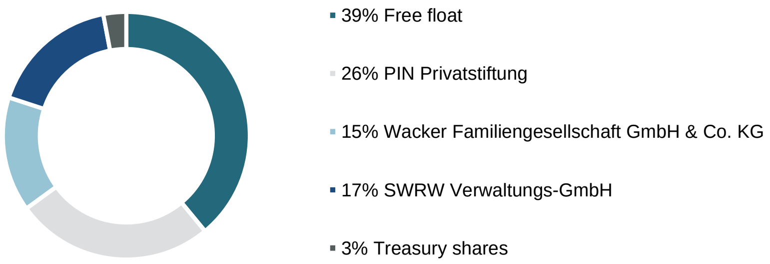
Key figures per share

in €	31.12.23	31.12.22
Earnings per share	2.73	2.10
Book value per share	21.38	19.85
Share price at end of period	18.26	16.34
Market capitalization (€ m)	1,280.8	1,146.1

Coverage[2]

Bank	TP (€)	Recom.	Date
Hauck & Aufhäuser	22.00	Buy	Jul. 18, 2024
Jefferies	19.00	Hold	Jul. 17, 2024
Warburg	21.00	Hold	Jul. 18, 2024
Metzler	15.50	Hold	Jul. 18, 2024
Kepler Cheuvreux	14.00	Reduce	Jul. 17, 2024

Shareholder structure[2]



Total shares: 70,140,000

[1] As of July 1, 2024; [2] As of July 18, 2024.