

DAIMLER TRUCK

CAPITAL MARKET DAY 2023



DISCLAIMER

Forward-looking statements

This document contains forward-looking statements that reflect our current views about future events. The words “aim”, “ambition”, “anticipate,” “assume,” “believe,” “estimate,” “expect,” “intend,” “may,” “can,” “could,” “plan,” “project,” “should” and similar expressions are used to identify forward-looking statements. These statements are subject to many risks and uncertainties, including an adverse development of global economic conditions, in particular a decline of demand in our most important markets; a deterioration of our refinancing possibilities on the credit and financial markets; events of force majeure including natural disasters, pandemics, acts of terrorism, political unrest, armed conflicts, industrial accidents and their effects on our sales, purchasing, production or financial services activities; changes in currency exchange rates, customs and foreign trade provisions; a shift in consumer preferences; a possible lack of acceptance of our products or services which limits our ability to achieve prices and adequately utilize our production capacities; price increases for fuel or raw materials; disruption of production due to shortages of materials, labor strikes or supplier insolvencies; a decline in resale prices of used vehicles; the effective implementation of cost-reduction and efficiency-optimization measures; the business outlook for companies in which we hold a significant equity interest; the successful implementation of strategic cooperations and joint ventures; changes in laws, regulations and government policies, particularly those relating to vehicle emissions, fuel economy and safety; the resolution of pending government investigations or of investigations requested by governments and the conclusion of pending or threatened future legal proceedings; and other risks and uncertainties, some of which are described under the heading “Risk and Opportunity Report” in the current Annual Report. If any of these risks and uncertainties materializes, or if the assumptions underlying any of our forward-looking statements prove to be incorrect, the actual results may be materially different from those we express or imply by such statements. We do not intend or assume any obligation to update these forward-looking statements since they are based solely on the circumstances at the date of publication.

TRANSFORMING FOR SUSTAINABLE GROWTH

Today's agenda

TRANSFORMING FOR SUSTAINABLE GROWTH

MARTIN DAUM
CHIEF EXECUTIVE OFFICER

ELEVATING TECHNOLOGY LEADERSHIP

ANDREAS GORBACH
CHIEF TECHNOLOGY OFFICER

LEVERAGING FINANCIAL STRENGTH FOR 2030 AMBITION

JOCHEN GOETZ
CHIEF FINANCIAL OFFICER

WRAP-UP

MARTIN DAUM
CHIEF EXECUTIVE OFFICER

Q&A SESSION

TRANSFORMING FOR SUSTAINABLE GROWTH

Martin Daum



OUR PURPOSE: FOR ALL WHO KEEP THE WORLD MOVING

We keep our heritage and lay the foundations for the future

2025

2030

TRUCKS WILL REMAIN THE BACKBONE OF OUR ECONOMY

WE ARE THE VOICE OF OUR INDUSTRY

WE DRIVE THE TRANSFORMATION WITH GREAT ZEV PRODUCTS

WE SUPPORT OUR CUSTOMERS WITH THE RIGHT SOLUTIONS



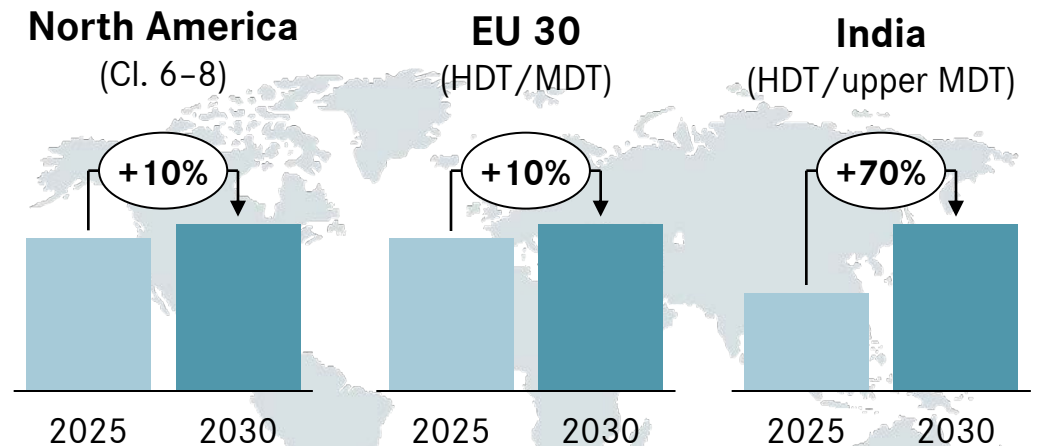
TRANSPORT IS THE BACKBONE OF OUR ECONOMY AND SOCIETY

Trucking remains a growth industry as global economy transitions to lower carbon

- ▶ Global transport volume has grown over the past years and will continue to grow ~2% p.a.
- ▶ Road transportation remains number one for long-haul and last mile distribution
- ▶ Truck industry has high barriers to entry – we benefit from our close customer relationship, our dealer network and broad portfolio

WE ARE WELL POSITIONED AS ONE OF THE WORLD'S LARGEST COMMERCIAL VEHICLE MANUFACTURERS

CORE TRUCK MARKETS TO STAY ON A HIGH LEVEL, INDIA WITH SIGNIFICANT GROWTH POTENTIAL



TRANSFORMING FOR SUSTAINABLE GROWTH

We deliver our 2025 ambitions and further enhance profit and cash flow by 2030

2025

**DELIVER HIGHER
PROFITABILITY AND
INCREASED RESILIENCE,
INCREASE SHAREHOLDER
REWARDS**

**LAY THE FOUNDATION FOR
OUR TRANSFORMATION**

2030

**FURTHER UPLIFT
PROFITABILITY AND FREE
CASH FLOW**

**EXECUTE THE
TRANSFORMATION**



HOW WE WIN

We build our foundations on strong strategic pillars & a high-performance culture



#1 PROFITABILITY

Implementation of our self-help measures to increase resilience

#2 SERVICES

Build recurring revenue streams, increase resilience and customer lifetime value

#3 ZEV

Leverage our scale with global platforms for ICE and ZEV

#4 HEAVY-DUTY

Focus on heavy-duty segment to increase profitability

#5 AUTONOMOUS

Bring autonomous trucks on the road to enter high-margin business

#6 ESG

ESG framework drives sustainability transformation

#1 WE ACHIEVED A LOT SO FAR

Delivering on ambitions despite a challenging environment

TECHNOLOGY TRANSFORMATION

- ▶ 10 zero-emission vehicles in series production before end of 2023



NEW PRODUCTS FOR OUR CUSTOMERS

- ▶ Product-led growth in China, Vocational and Bus in North America



CLEAR FINANCIAL AMBITIONS

- ▶ Improved ROS
- ▶ Active Portfolio Management
- ▶ Further strengthened net liquidity
- ▶ Continued strong cash conversion
- ▶ New capital allocation policy, first dividend paid



GROW SERVICES

- ▶ 2022 with record sales of parts
- ▶ ~15% service revenue increase
- ▶ Dealer network optimization



#1 MOMENTUM INCREASING

Increased guidance for 2023

ROS/ROE adjusted

IB

	Actual 2022	Guidance 2023	New Guidance 2023
ROS adjusted	7.7%	7.5 – 9%	8.5 – 10%
Trucks North America	10.8%	10 – 12%	11 – 13%
Mercedes-Benz	8.1%	7 – 9%	8 – 10%
Trucks Asia	2.6%	3 – 5%	4 – 6%
Daimler Buses	0.4%	2 – 4%	3 – 5%
Financial Services	9.9% ¹	9 – 11% ¹	9 – 11% ¹

Assumption

The outlook is especially subject to the further developments in the war in Ukraine and its impact on the global economy as well as the development of the very high inflationary pressure and the associated central-bank increases in interest rates. The further macroeconomic and geopolitical development also harbor an exceptional degree of uncertainty. We assume ongoing supply bottlenecks.

¹ ROE adjusted



#1 OUTLOOK 2025: WE REAFFIRM OUR FINANCIAL AMBITIONS

Self-help measures build greater resilience in a challenging environment

GROW SERVICES

- ▶ Translating our long-term customer relationships into recurring revenues to reduce cyclicity and drive higher margins

KEEP STRICT FOCUS ON FIXED COST REDUCTION

- ▶ Confirmed relative ambitions despite inflationary environment
- ▶ Continuous Active Portfolio Management

FOCUS ON THE RIGHT INVESTMENTS

- ▶ Rightsized investments
- ▶ Focus investment in ZEV vehicle transformation and autonomous trucking
- ▶ Cooperation with partners



#2 SOLUTIONS TO SERVE OUR CUSTOMERS NEEDS

We work with partners to establish ecosystems and build recurring revenues

PARTS & SERVICES

Specially optimized for ZEV to exploit full vehicle potential

BUSSTORE

MITSUBISHI FUSO
GENUINE PARTS

TruckStore

ALLIANCE PARTS

INFRASTRUCTURE

Optimally adapted to the individual use case and local conditions



H2Accelerate

milence

DIGITAL SERVICES

Solutions to create full transparency and to cover customer needs along the ZEV journey



OMNIPLUS ON

FLEET BOARD Mercedes-Benz
Uptime

TRUCKCONNECT

AUTONOMOUS

Trucks designed for optimal performance



TORC

FINANCIAL SERVICES

Specially tailored to new technologies
































DAIMLER TRUCK
Financial Services



INTEGRATED CUSTOMER SOLUTIONS AND E-SOLUTIONS OFFERING

#3 WE USE OUR SCALE TO FREE UP CAPITAL AND BUILD UP GLOBAL PLATFORMS

Capitalizing on commonality and partnerships to maximize scale advantage

DAIMLER TRUCK			H_2
		   	
 		   	
  	<p>Focus on captive high-margin heavy-duty ICE and partnership for medium-duty with Cummins</p>	   	
  		   <p>More to come!</p>	

#3 OUR VEHICLE PORTFOLIO COMBINES DIFFERENT TECHNOLOGIES

Different solutions are driven by customer needs

INNER-CITY TRANSPORT & LOCAL DISTRIBUTION



ON-HIGHWAY



VOCATIONAL



 Battery Electric Vehicles

H_2 Fuel Cell Electric Vehicles

H_2 Combustion Engine

#3 THE TRANSFORMATION PATH REMAINS UNCERTAIN

We have a flexible approach and a dynamic modular strategy

TRANSFORMATION

Geopolitical tensions

Emission regulations

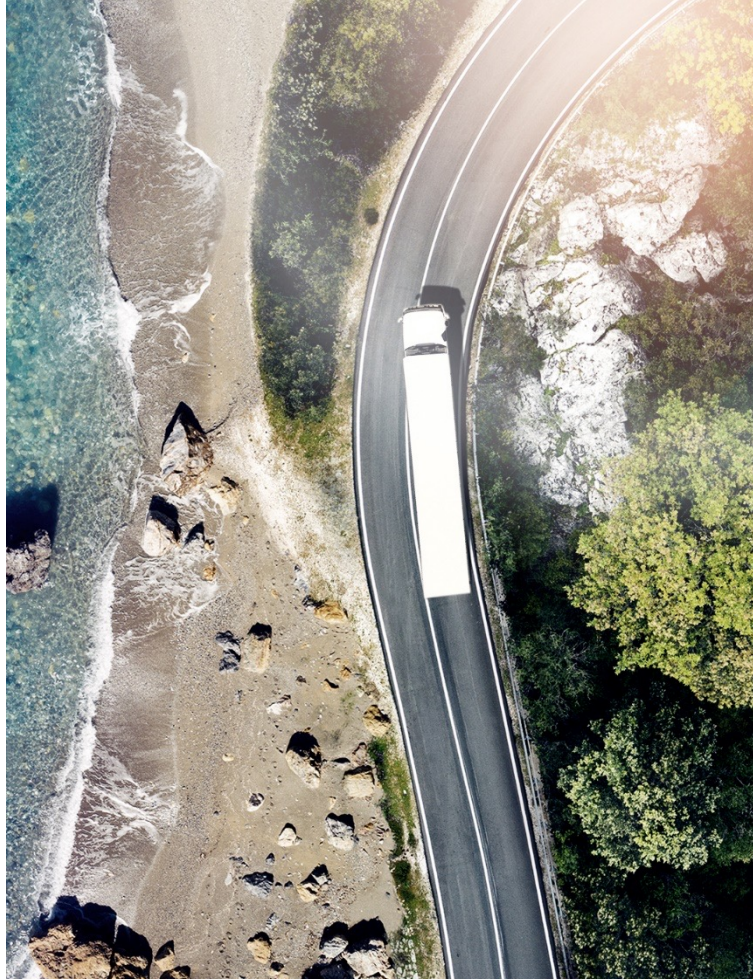
ZEV infrastructure availability

Uncertain technology path

ZEV market ramp-up speed

Disciplined ZEV investments

FLEXIBILITY AND SPEED REQUIRED



OUR APPROACH

We pursue a flexible modular strategy

We leverage on our global scale

We offer differentiating technologies

We cooperate with strategic partners

WE CONTINUOUSLY FOCUS ON OUR PROFITABILITY MEASURES

#3 EMISSION REGULATION AND GOVERNMENT POLICIES DRIVE ADOPTION

Policymakers on all levels strongly push towards global CO2-neutrality

WINNING FORMULA

FACTOR 1
Product Offering

X

FACTOR 2
Infrastructure

X

FACTOR 3
Cost Parity

=

ZEV SUCCESS



PUSH FOR CO2-NEUTRALITY

PARIS AGREEMENT & GLOBAL RACE TO NET ZERO BY LATEST 2050

EUROPEAN GREEN DEAL: -55% CO2 EMISSIONS BY 2030

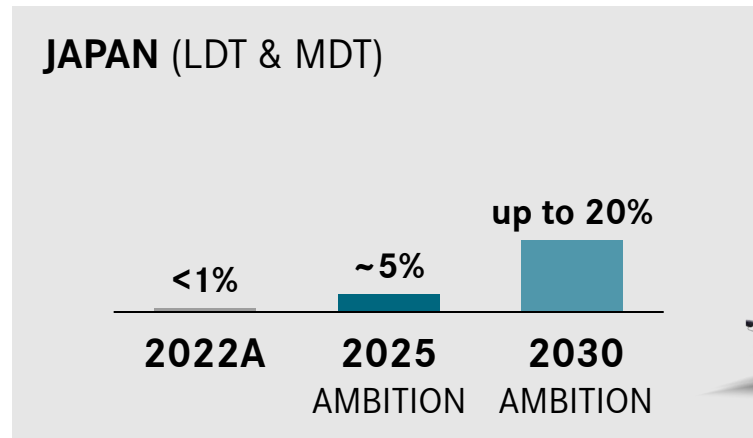
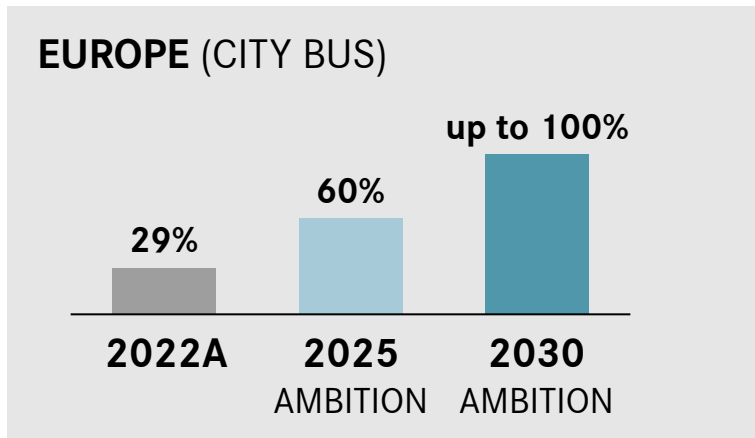
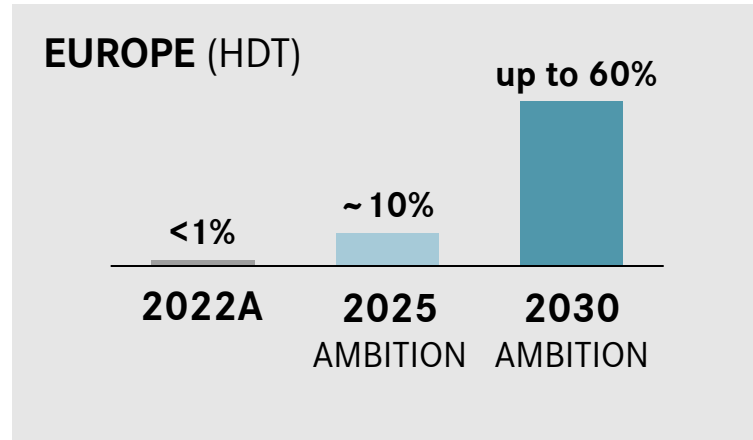
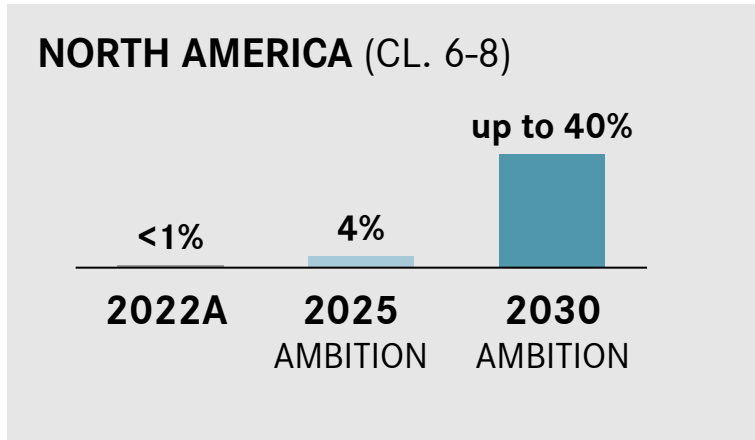
ADVANCED CLEAN FLEET: 100% ZEV BY 2036 IN CALIFORNIA

JAPAN: CARBON NEUTRALITY BY 2050

#3 FLEXIBILITY AND SCALE

Our strategy is flexible to meet different adoption speeds

EXPECTED ZEV ADOPTION RATE



OUR AMBITION

- ▶ ZEV leader in most of our focus markets by 2030
- ▶ Products ready when customers are
- ▶ Ramp-up ZEV capacity to meet demand and create scale



#4 WE EXECUTE OUR ACTIVE PORTFOLIO STRATEGY

Potential merger of Mitsubishi Fuso and Hino Motors to create major player in Asia



SCALE UP ASIA TRUCK BUSINESS

INCREASING MARKET SHARE
IN ASIA

GENERATING SCALE FOR HDT TO
REDUCE COSTS

SHARED INVESTMENTS TO MASTER
ZEV TRANSFORMATION

PARTNERSHIP BASED ON FAIRNESS,
TRUST AND MUTUAL RESPECT



FOCUS ON LEVERAGE OF SCALE AND EXECUTION OF PARTNERSHIP STRATEGY TO IMPROVE PROFITABILITY

#5 AUTONOMOUS WITH DUAL TRACK STRATEGY

Offering our customers maximum flexibility and leading in high-margin business

CAPTIVE SOLUTION



TORC

Pioneer in heavy-duty autonomous technology

Fully integrated pure-play trucking product optimized for hub-to-hub and developed with customer feedback

Daimler Truck foundation for a new profit pool



NON-CAPTIVE SOLUTION



Connect trucking industry leaders with autonomous technology

Strong virtual driver technology, post built integration by Waymo to DT's redundant autonomous-ready chassis

Strengthening of market position

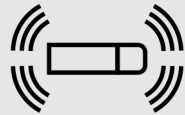
SAME "AUTONOMOUS-READY" REDUNDANT FREIGHTLINER CHASSIS

#5 TORC IS MAKING SIGNIFICANT PROGRESS

On our way to delivering the best-in-class autonomous trucking solution

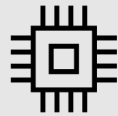
AD-HARDWARE

Start of testing with industry first vehicle platform. Finalize production-intent hardware for commercial launch.



VIRTUAL DRIVER

Expansion of Artificial Intelligence & Machine Learning capabilities via organic growth, upskilling and Algolux acquisition.



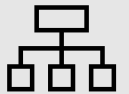
CUSTOMER PILOTS

Two on-going pilots with major U.S. carriers and expanding scope to reefer trailers. 100% on-time-delivery!



ORGANIZATION

Building out Torc's Executive Leadership Team and growing talent in key areas.



#6 OUR ESG FRAMEWORK DRIVES SUSTAINABILITY TRANSFORMATION

We have set clear ambitions and are making good progress

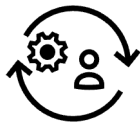
ENVIRONMENT



Green products



Green production



Green supply chain

SOCIAL



Our people

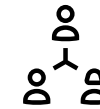


Human rights



Traffic safety

GOVERNANCE



Responsible governance



Compliance & ESG risk management



Reporting & transparency

WE ARE TRANSFORMING FOR SUSTAINABLE GROWTH

We deliver on our ambitions for 2025 and further enhance ROS by 2030

2025

2030

+40–60%¹

REVENUE GROWTH GROUP 2025 TO 2030

>10%¹

ADJUSTED ROS IB

>12%¹

ADJUSTED ROS IB



¹ Ambition in sunny conditions

IN A NUTSHELL – TRANSFORMING FOR SUSTAINABLE GROWTH

We are on track to achieve >10% ROS and are building the pillars for further growth

**INCREASE RESILIENCE
THROUGH OUR SELF-HELP MEASURES**

**BUILD UP
NEW SERVICES AND SOLUTIONS**

**COMMITTED TO TRANSFORM
TO ZERO EMISSIONS PRODUCTS**

**EXECUTE
ACTIVE PORTFOLIO MANAGEMENT**

LEADING SUSTAINABILITY

AMBITIOUS 2030 PLAN

ELEVATING TECHNOLOGY LEADERSHIP

Andreas Gorbach



TECHNOLOGY IS A KEY LEVER TO CREATE SHAREHOLDER VALUE

By providing value for customers and scale for Daimler Truck



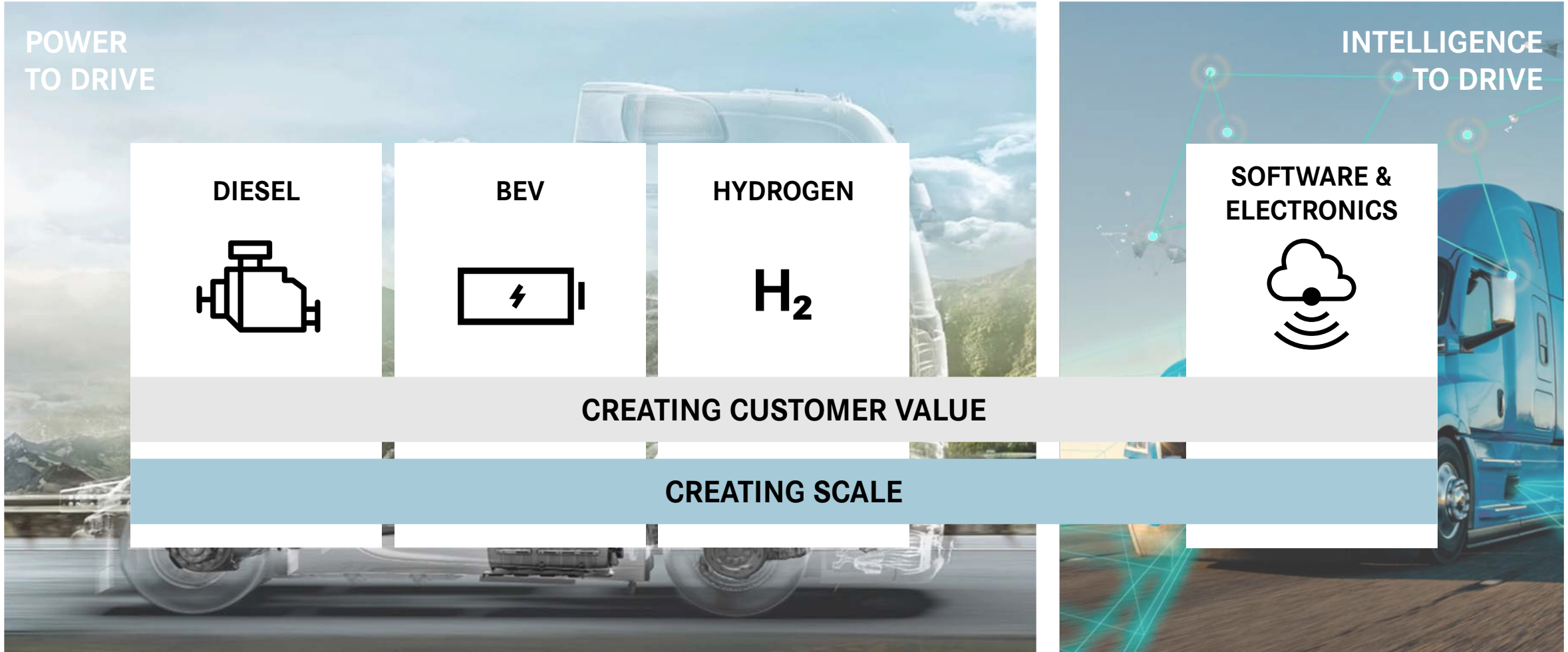
PROPULSION & SOFTWARE OFFER HIGHEST DIFFERENTIATION FOR CUSTOMERS

And biggest lever for scale



FOUR GLOBAL PLATFORMS FOR POWER AND INTELLIGENCE

Leveraging commonality and partnerships whenever possible



DECARBONIZATION REQUIRES A TRANSITION WITH DIESEL

Staying competitive and compliant in a consolidated portfolio

CREATING CUSTOMER VALUE

- ▶ Global rollout of latest generation heavy-duty Diesel platform completed – another efficiency push

FINAL EVOLUTION IN THE MAKING

- ▶ Staying the fuel economy champion
- ▶ Compliance with future emission regulations

CREATING SCALE

COMMONALITY

- ▶ One heavy-duty Diesel platform for all Daimler Truck brands
- ▶ H2-ICE as possible additional zero emission technology

PARTNERSHIP

- ▶ Captive medium-duty disinvestment
- ▶ Heavy-duty localization
- ▶ Heavy-duty volume consolidation



TO DERIVE TARGET TECHNOLOGIES, DIFFERENT PERSPECTIVES ARE REQUIRED

Dual strategy with BEV and H2 is the right answer

TECHNICAL VIEW

All transportation tasks could be solved with either battery or H2 – with significant tradeoffs

BATTERY



HYDROGEN

H₂

CUSTOMER VIEW

Depending on customer use cases and ecosystem, BEV or H2 is the better fit

RANGE



RECHARGING



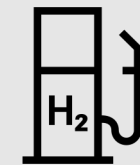
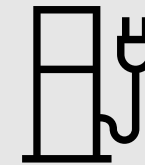
TCO¹



INFRASTRUCTURE VIEW

A decarbonized world needs both: local electric grids and global H2 trade

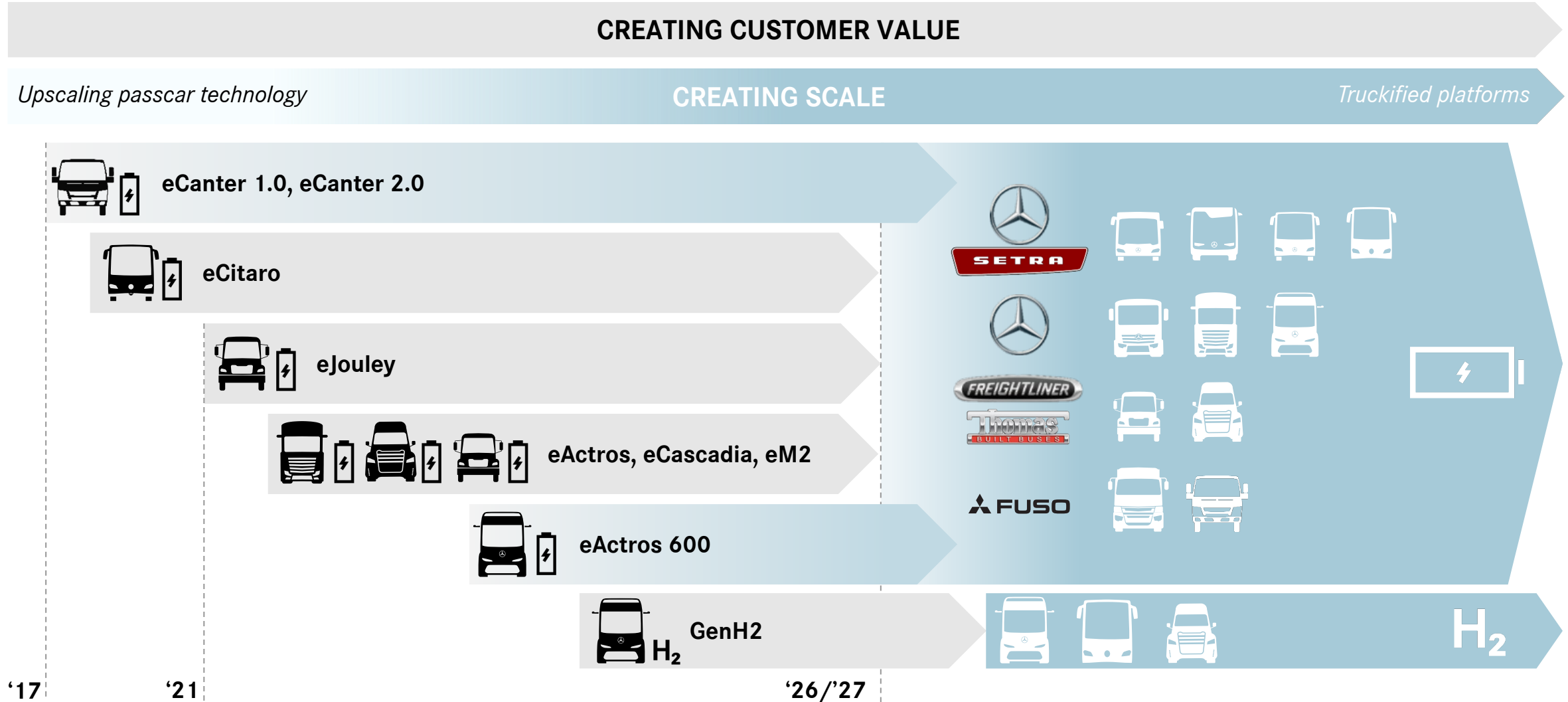
ENERGY AVAILABILITY



¹TCO = total cost of ownership

FROM FAST TO MARKET TO HIGH VOLUME PRODUCTION

Electrify at global scale across all brands with battery and fuel cell platform

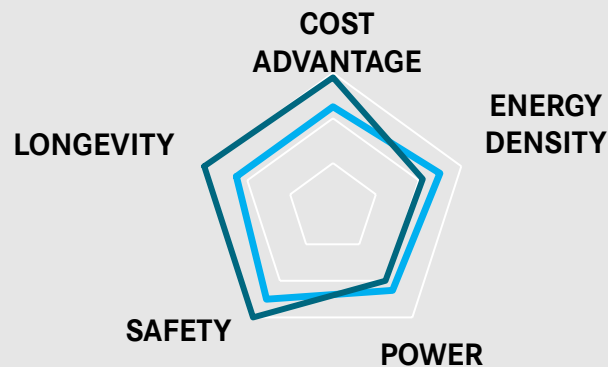


TRUCKING REQUIRES A DEDICATED BATTERY PLATFORM

Commonality and partnering enable the right scale and flexible ramp-up

CREATING CUSTOMER VALUE

- ▶ Purpose-built chemistry and cell format, optimized for safety, longevity and cost
- ▶ Captive pack with optimized cell integration and modularity tailored to the transportation task



CREATING SCALE

COMMONALITY

- ▶ One global cell and pack platform to cover >80% of the heavy-duty and medium-duty portfolio
- ▶ Global cell supply network based on more than one source

PARTNERSHIP

- ▶ Partnership for machinery equipment
- ▶ Partnership for cell supply
- ▶ Partnership for cell production – stay tuned



30 YEARS FUEL CELL KNOW HOW EVOLVE IN A TAILOR MADE TRUCK SYSTEM

Partnership with Volvo Group provides scale and industry leadership

CREATING CUSTOMER VALUE

- ▶ Purpose-built fuel cell design, optimized for efficiency, longevity and high volume production
- ▶ First vehicle tests running in Europe – more than 1,000km w/o refueling
- ▶ First prototype vehicle for US in build-up

CREATING SCALE

COMMONALITY

- ▶ One global platform for all Daimler Truck brands
- ▶ Same electric drivetrain between BEV¹ and FCEV²

PARTNERSHIP

- ▶ cellcentric as 50:50 JV with Volvo – open for other customers



¹ BEV = battery electric vehicle

² FCEV = fuel cell electric vehicle

H2 COMBUSTION ENGINE AS COMPLEMENTARY TECHNOLOGY

Depending on transportation task it can be the better choice

CREATING CUSTOMER VALUE

- ▶ Beneficial over BEV & FCEV for use cases with high power demand, moderate mileage, packaging constraints and special bodybuilder requirements

ADVANTAGES

- ▶ Similar vehicle packaging as Diesel
- ▶ Higher payload than BEV & FCEV
- ▶ Lower vehicle price than BEV & FCEV

DISADVANTAGES

- ▶ Higher energy consumption

CREATING SCALE

COMMONALITY

- ▶ Relevant core engine parts and assets stay the same
- ▶ Established supplier landscape can be leveraged
- ▶ Same refueling infrastructure and vehicle tank as FCEV possible

PARTNERSHIP

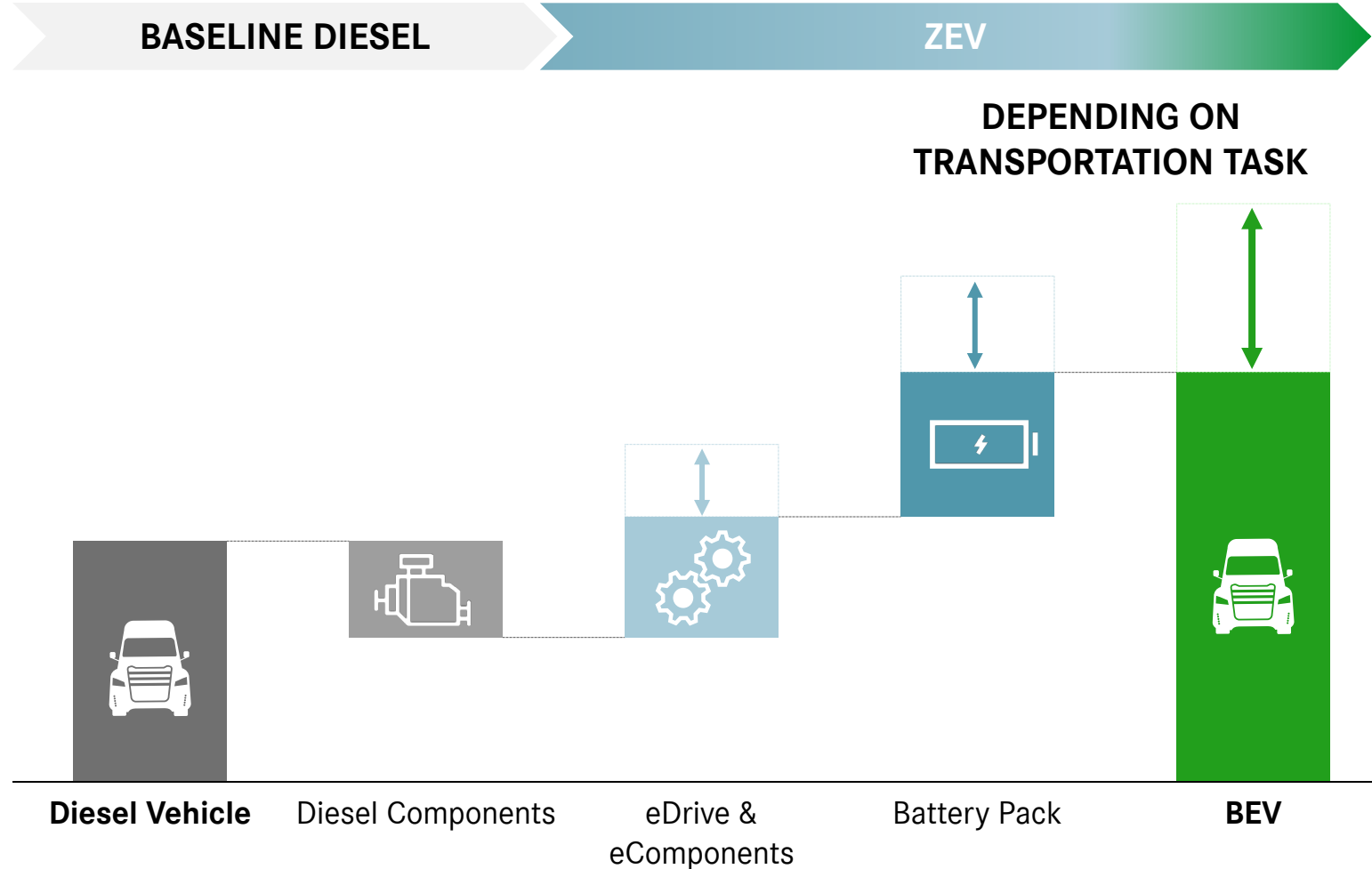
- ▶ Development cooperation targeted



Changing with H2-ICE ■

IN ANY CASE: HIGHER OVERALL VEHICLE COST OF ZEV WILL REMAIN

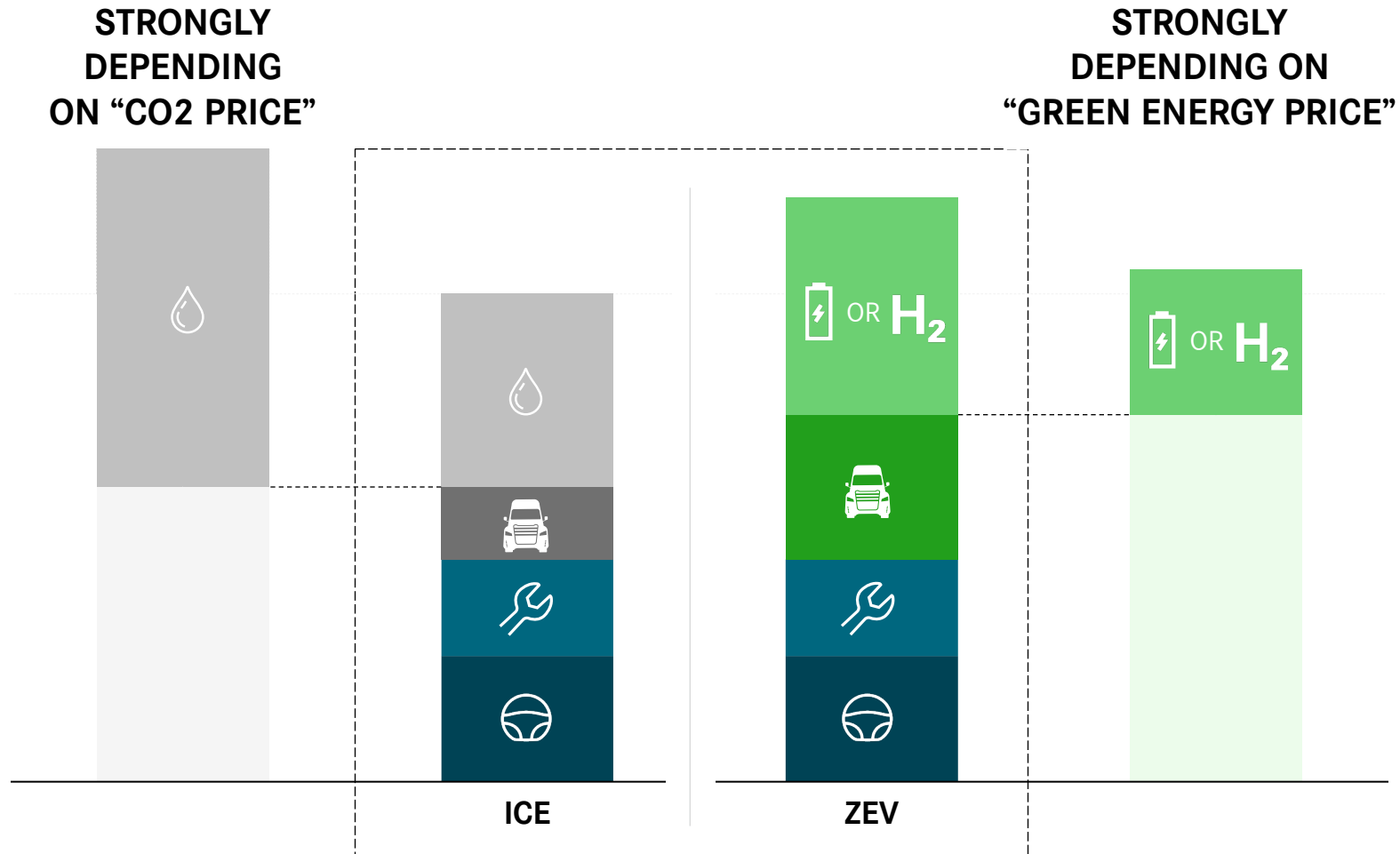
And cost reduction remains crucial



Exemplary illustration for BEV

BETTER TCO FOR THE CUSTOMER NEEDS EXTERNAL POLICY SUPPORT

Cost of energy and CO2 will be decisive for the decarbonization speed



Exemplary illustration for total cost of ownership - ICE vs. ZEV

NEXT TO GREAT PRODUCTS AND TCO - INFRASTRUCTURE IS KEY

Consulting, kick-starting and show-casing as accelerator

DEPOT CHARGING & CONSULTING

- ▶ Onsite consulting
- ▶ Partnerships for charger installation



SIEMENS



PUBLIC ROADSIDE CHARGING & REFUELING

- ▶ European charging network



- ▶ US charging and H2 refueling



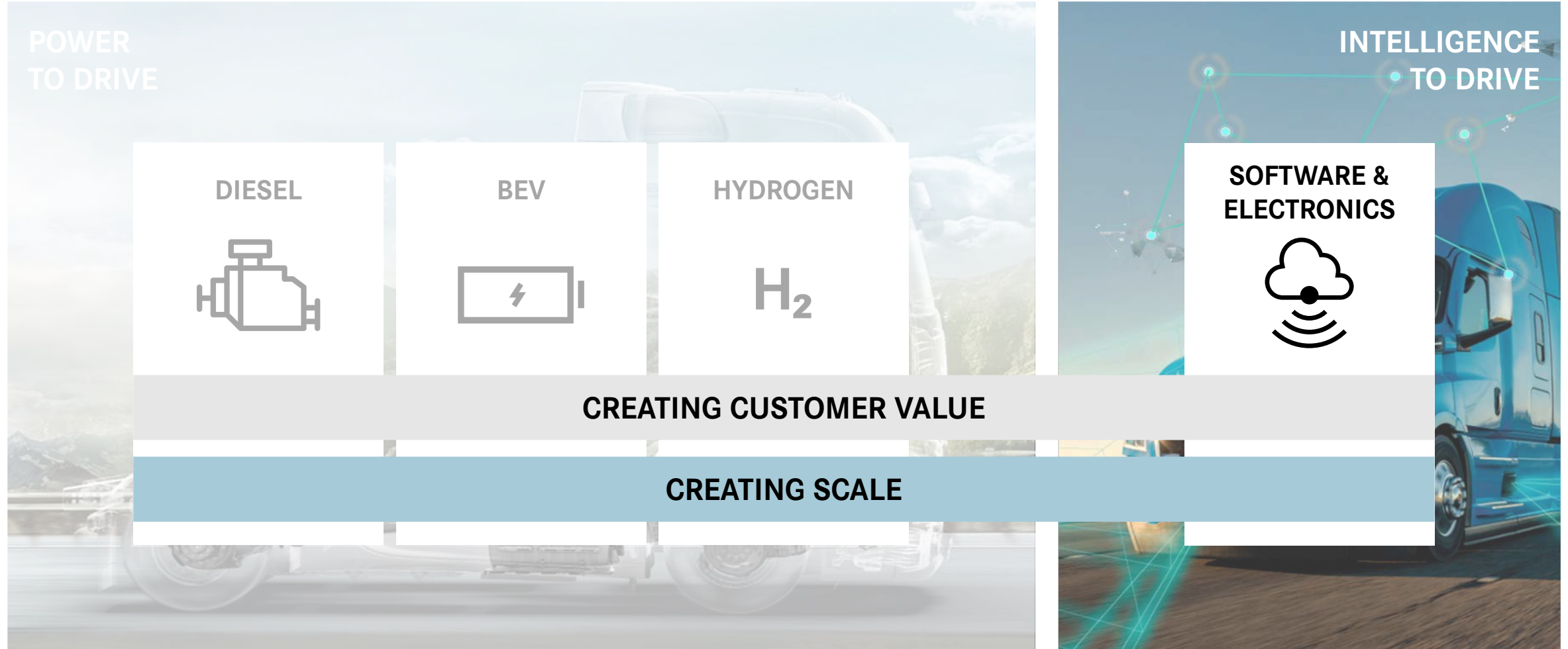
LIGHTHOUSE-PROJECTS & STANDARDS

H2MOBILITY



FOUR GLOBAL PLATFORMS FOR POWER AND INTELLIGENCE

Leveraging commonality and partnerships whenever possible



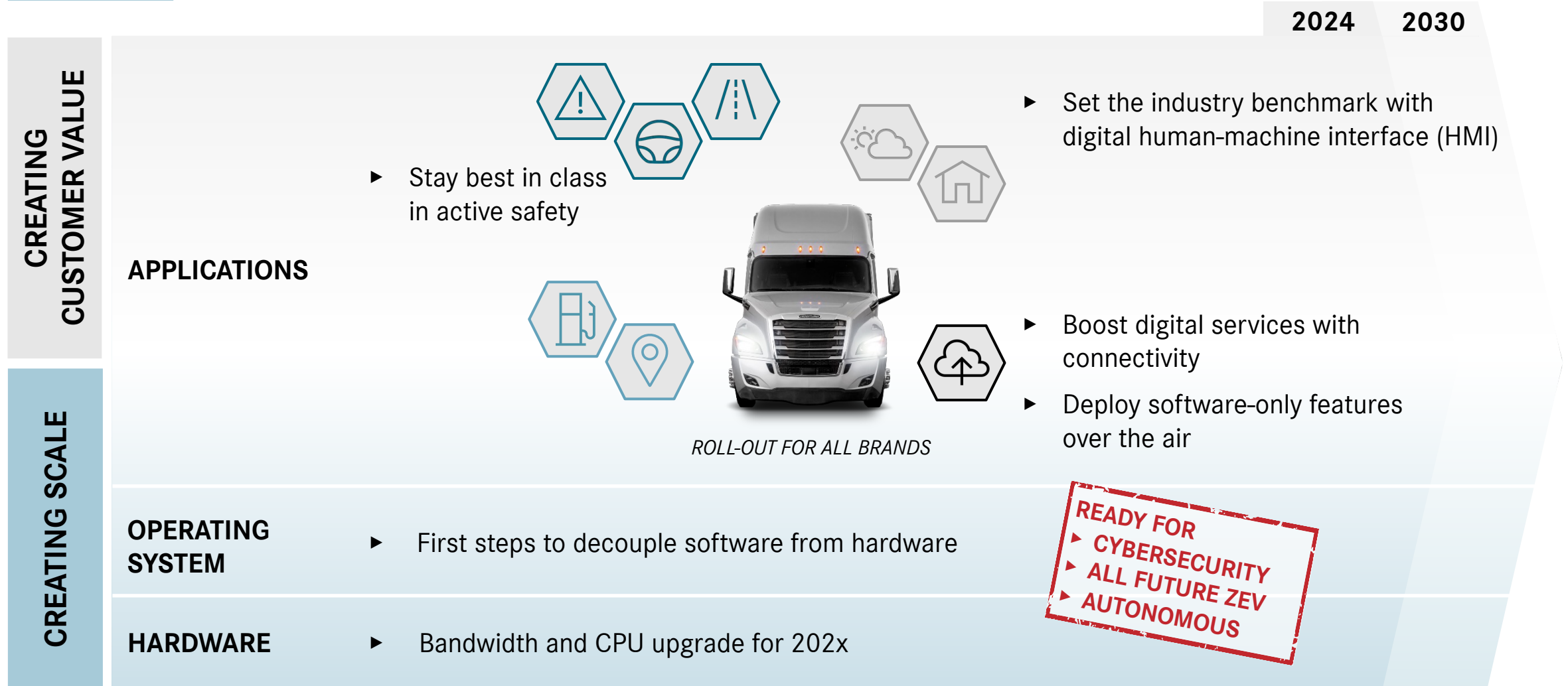
SOFTWARE AND ELECTRONICS AS POWERTRAIN-AGNOSTIC FOUNDATION

Decoupling scalable hardware from differentiating software



ROLL-OUT OF NEXT EVOLUTION APPLICATIONS STARTS IN 2024

Global electronics hardware platform remains the foundation



THE VISION IS MAKING THE TRUCK A PROGRAMMABLE DEVICE

Standardized hardware and operating system enable fast product updates and scales

2030

CREATING
CUSTOMER VALUE

APPLICATIONS

PRODUCT AND BUSINESS IMPROVEMENT WITH SOFTWARE

- ▶ Potential differentiator no. 1 at zero variable cost
- ▶ Fully decoupled from hardware with standard API¹
- ▶ Over the air
- ▶ Faster developed and deployed and open to global community



CREATING
SCALE

OPERATING SYSTEM

- ▶ Industry standard OS

HARDWARE

- ▶ Evolution to a centralized high compute architecture

**SCALES BEYOND
DAIMLER TRUCK
POSSIBLE**

¹ API = Application programming interface

IN A NUTSHELL – ELEVATING TECHNOLOGY LEADERSHIP

We enable highest customer value creation and highest scale advantage through technology

**KEEP DIESEL
COMPETITIVE AND CLEAN**

**CREATE CUSTOMER VALUE
WITH OPTIMIZED TCO**

DECARBONIZE WITH BEV AND H2

**CREATE SCALE WITH
COMMONALITY & PARTNERS**

DIGITALIZE WITH SOFTWARE

KEEP THE WORLD MOVING

LEVERAGING FINANCIAL STRENGTH

Jochen Goetz



HOW WE LEVERAGE OUR FINANCIAL STRENGTH TO DELIVER 2030 AMBITION

Strong foundations of 2025 underpin return of excess cash to shareholders

#1

2023

Improved ROS
guidance to
8.5-10%

#2

2025

Use self-help
measures to deliver
on ambitions

#3

2030

Take advantage of
new growth
opportunities

#4

Focus on maximizing
our value potential
via capital allocation

#5

Rewarding
shareholders with
share buyback and
constant dividend



#1 MOMENTUM INCREASING

Increased market assumption for 2023

Heavy-duty Truck Market ¹	Assumption 2023	New Assumption 2023
North America ²	280 – 320 k units	290 – 330 k units
EU 30 ³	280 – 320 k units	300 – 340 k units

Assumption

The outlook is especially subject to the further developments in the war in Ukraine and its impact on the global economy as well as the development of the very high inflationary pressure and the associated central-bank increases in interest rates. The further macroeconomic and geopolitical development also harbor an exceptional degree of uncertainty. We assume ongoing supply bottlenecks.

¹ Source: Company estimate

² USA, Canada and Mexico

³ European Union, United Kingdom, Switzerland and Norway



#1 MOMENTUM INCREASING

Increased guidance for 2023

GROUP

	Actual 2022	Guidance 2023	New Guidance 2023
Revenue	51 billion €	55 – 57 billion €	56 – 58 billion €
EBIT	3.5 billion €	significant increase	significant increase
EBIT adjusted	4.0 billion €	significant increase	significant increase
Investment	0.9 billion €	on prior year level	slight increase
R&D cost ¹	1.8 billion €	on prior year level	slight increase

IB

Unit Sales	520 k units	510 – 530 k units	530 – 550 k units
Revenue	49 billion €	53 – 55 billion €	54 – 56 billion €
ROS adjusted	7.7%	7.5 – 9%	8.5 – 10%
FCF	1.7 billion €	slight increase	significant increase

Assumption

The outlook is especially subject to the further developments in the war in Ukraine and its impact on the global economy as well as the development of the very high inflationary pressure and the associated central-bank increases in interest rates. The further macroeconomic and geopolitical development also harbor an exceptional degree of uncertainty. We assume ongoing supply bottlenecks.



¹ budget view: R&D incl. capitalized R&D

#1 MOMENTUM INCREASING

Increased guidance for 2023

	Unit Sales in thousand units			ROS/ROE adjusted		
	Actual 2022	Guidance 2023	New Guidance 2023	Actual 2022	Guidance 2023	New Guidance 2023
Trucks North America	187	190 – 210	190 – 210	10.8%	10 – 12%	11 – 13%
Mercedes-Benz	166	150 – 170	155 – 175	8.1%	7 – 9%	8 – 10%
Trucks Asia	156	150 – 170	160 – 180	2.6%	3 – 5%	4 – 6%
Daimler Buses	24	20 – 25	20 – 25	0.4%	2 – 4%	3 – 5%
Financial Services	9 billion € ¹	11 – 12 billion € ¹	11 – 12 billion € ¹	9.9% ²	9 – 11% ²	9 – 11% ²

Assumption

The outlook is especially subject to the further developments in the war in Ukraine and its impact on the global economy as well as the development of the very high inflationary pressure and the associated central-bank increases in interest rates. The further macroeconomic and geopolitical development also harbor an exceptional degree of uncertainty. We assume ongoing supply bottlenecks.

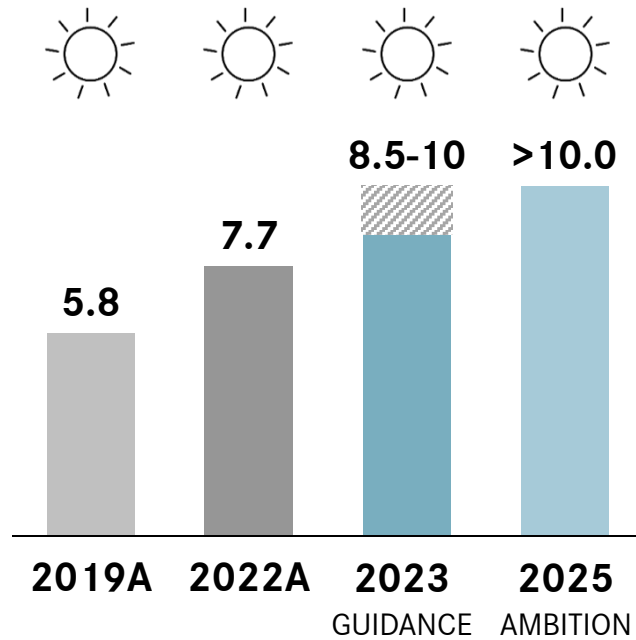
¹ new business ² ROE adjusted

#1 WE ARE ON TRACK TO DELIVER ON 2025 AMBITION

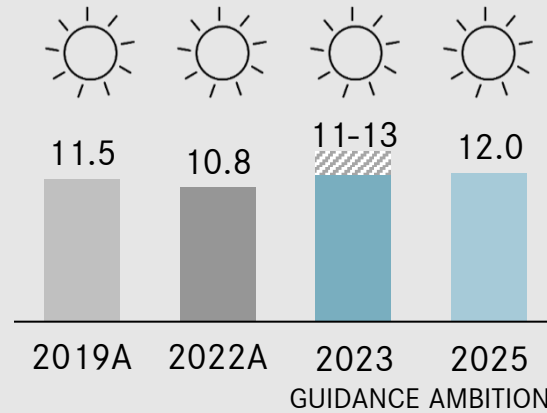
ROS of >10% within reach

ROS ADJUSTED (in %)

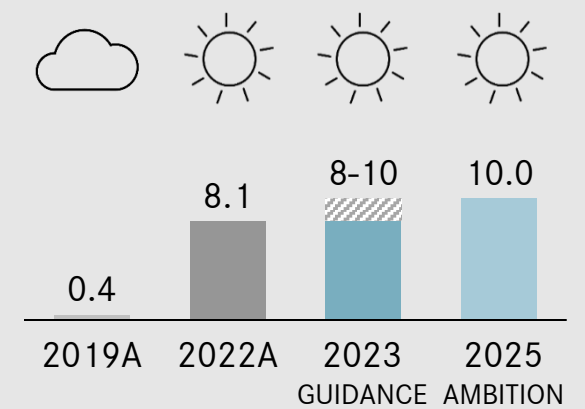
INDUSTRIAL BUSINESS



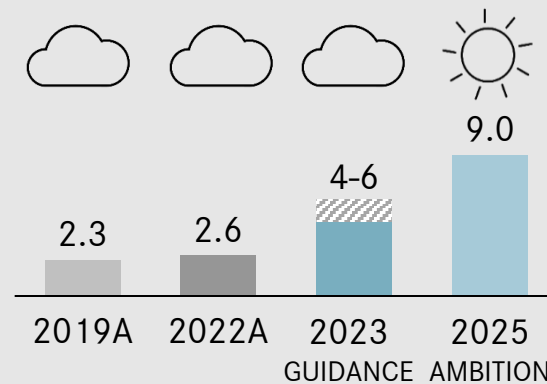
TRUCKS NORTH AMERICA



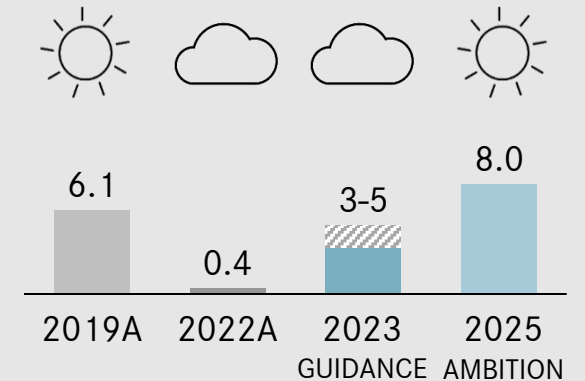
MERCEDES-BENZ



TRUCKS ASIA

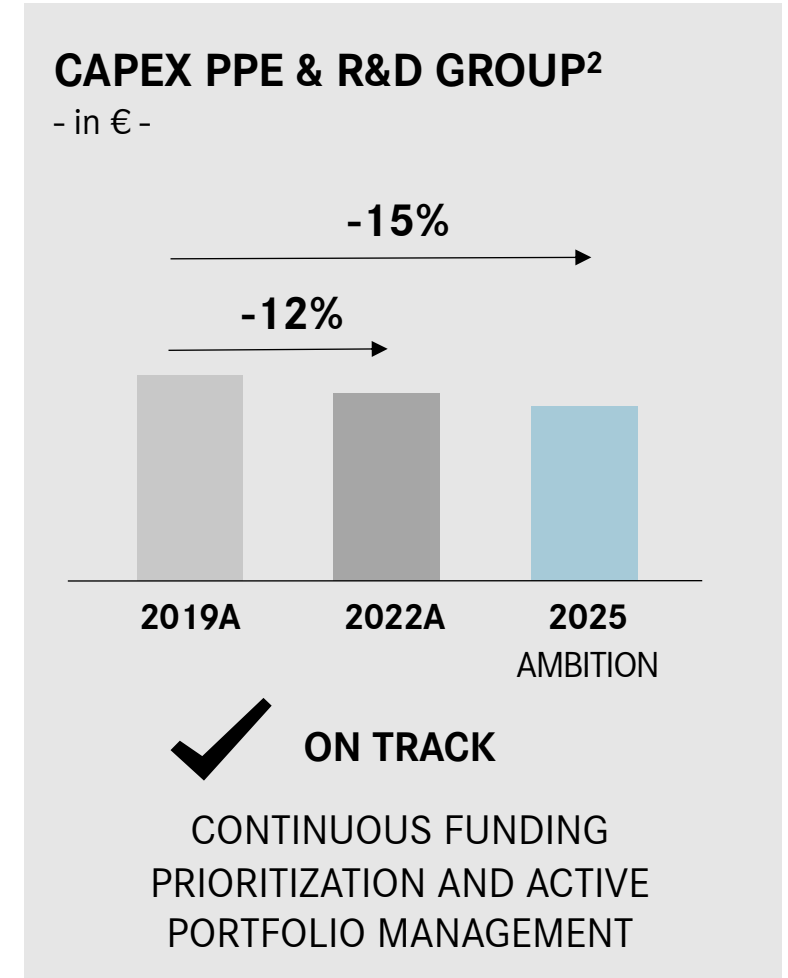
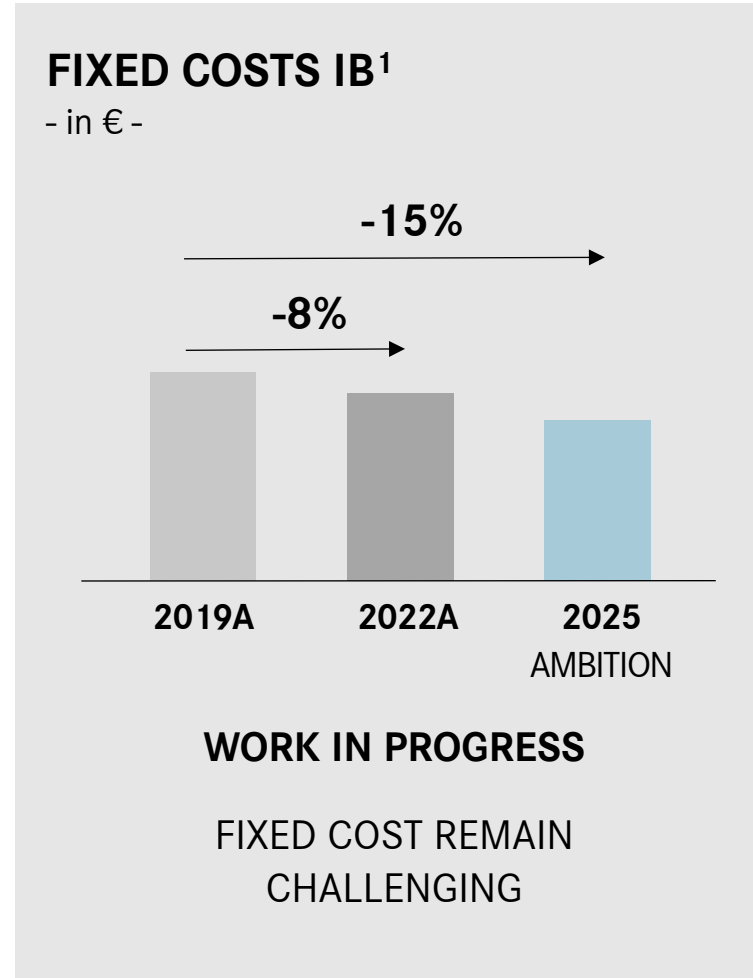
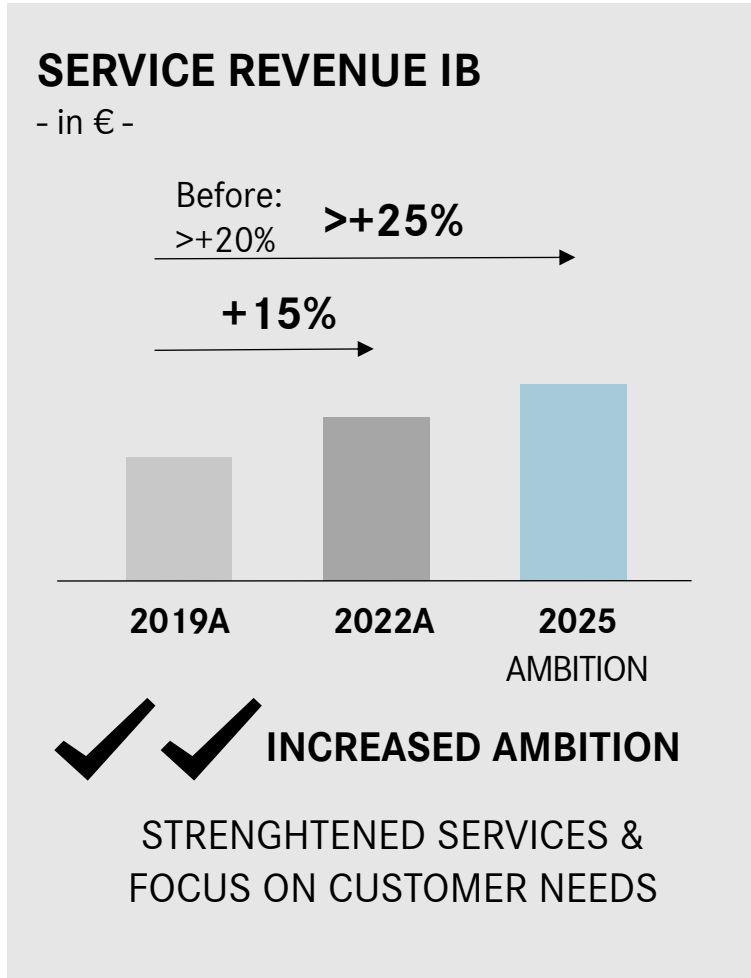


DAIMLER BUSES



#2 WE ARE CONTINUOUSLY WORKING ON OUR SELF-HELP MEASURES

Services and CapEx PPE & R&D on track, fixed cost ambitions remain key focus

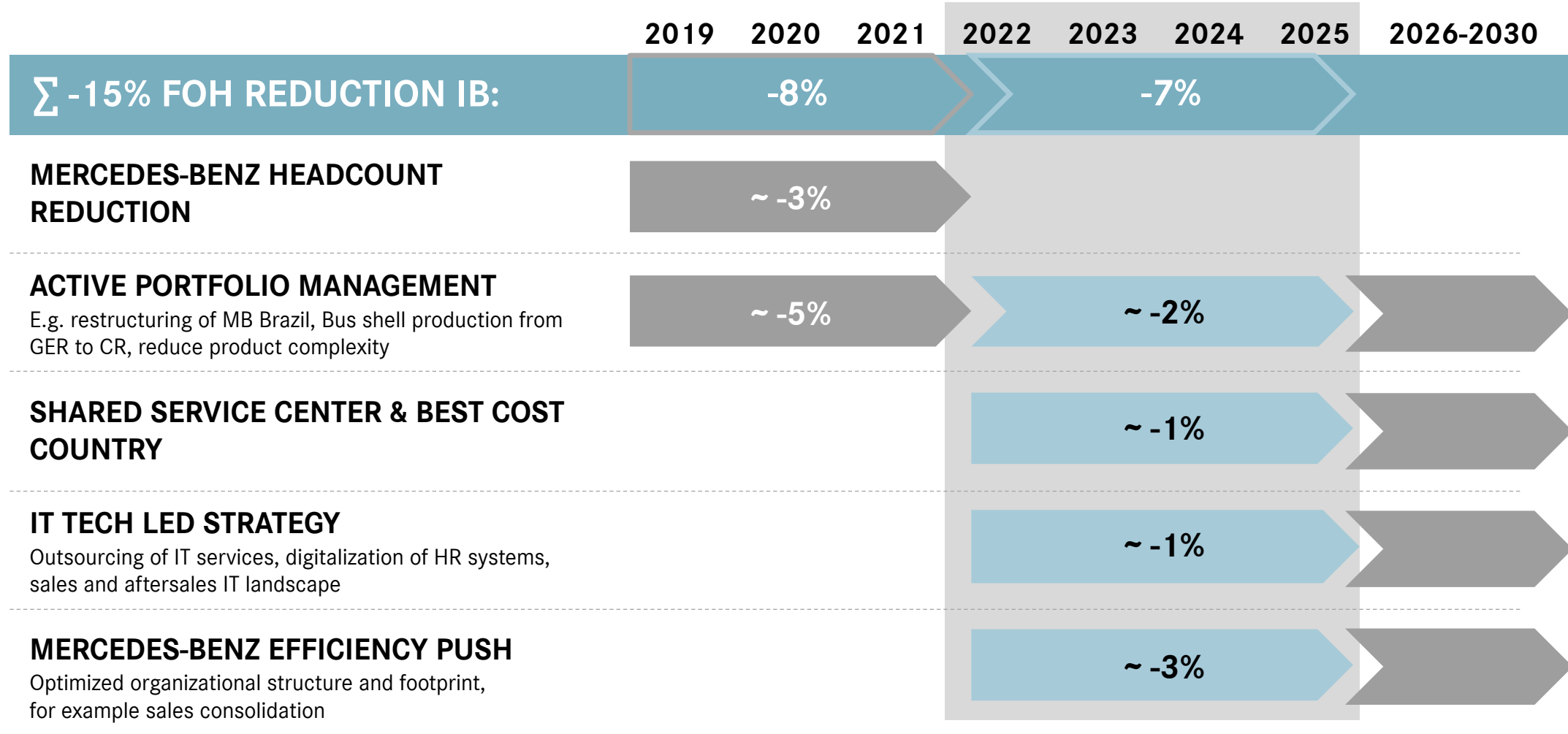


¹ Industrial business incl. reconciliation excluding spin-off cost, TORC and excess inflation >2% based on 2019 FX

² Group excluding spin-off cost and TORC, w/o FX effects

#2 FIXED COST AMBITIONS REMAIN KEY FOCUS

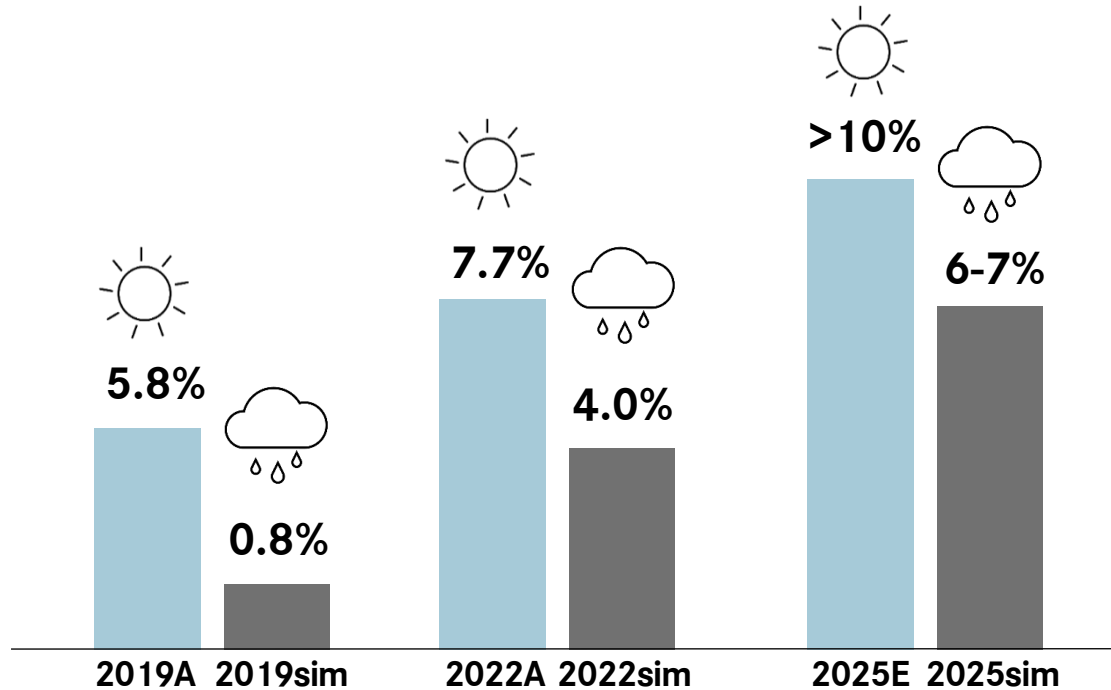
Additional measures identified especially at Mercedes-Benz



#2 WE ALREADY IMPROVED RESILIENCE – AND THERE IS MORE TO COME

Significant increase of resilience in rainy conditions

ROS IB ADJUSTED: SIMULATION OF RAINY CONDITIONS



SELF-HELP MEASURES

HIGHER RECURRENT SERVICE REVENUES

LOWER CAPEX & R&D SPENDING DESPITE TRANSFORMATION

LOWER FIXED COST

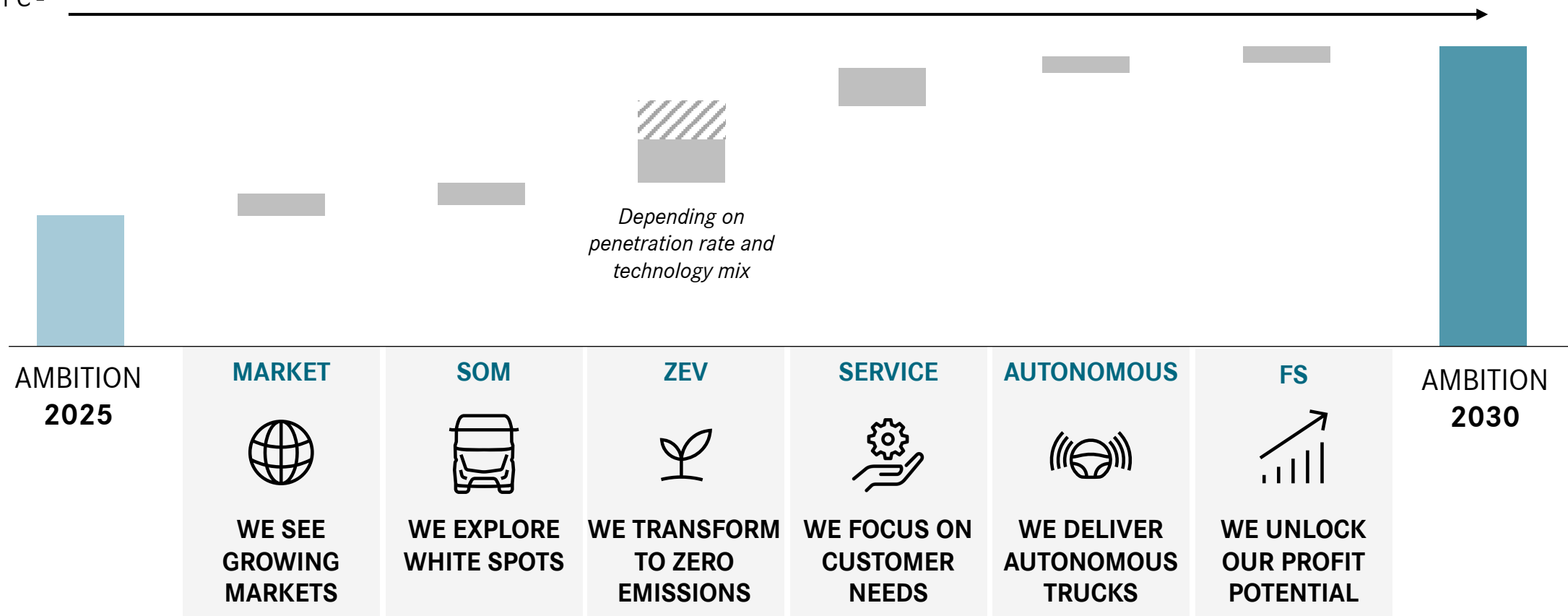
#3 SIGNIFICANT REVENUE GROWTH OPPORTUNITIES TO 2030

With strong foundations in place, increased emphasis on exploiting new growth

TOTAL REVENUE GROUP

- in € -

~+40-60%



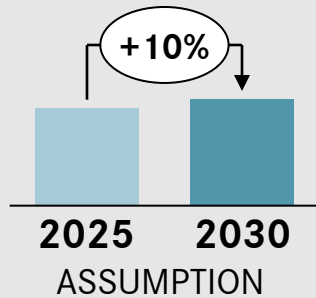
#3 TRUCK IS A GROWING INDUSTRY

North America and EU 30 with solid growth, India with high growth potential

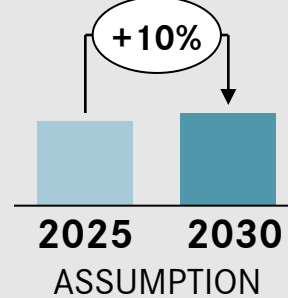
TOTAL MARKET

- units -

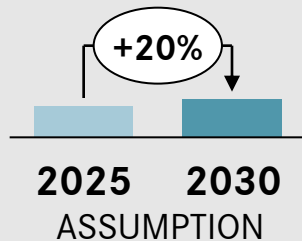
NORTH AMERICA (CL. 6-8)



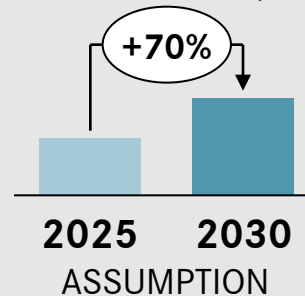
EU 30 (HDT/MDT)



BRAZIL (HDT/MDT)



INDIA (HDT/UPPER MDT)



#3 WE INCREASE OUR SHARE OF MARKET BY EXPLOITING WHITE SPOTS

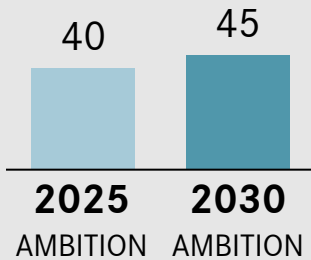
Share of market increasing due to new product initiatives

SHARE OF MARKET

- in % -

NORTH AMERICA

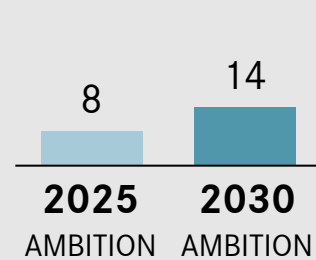
(Cl. 6-8)



- ▶ Heavy-duty vocational segment
- ▶ Expanded ZEV portfolio based on global commonality

INDIA

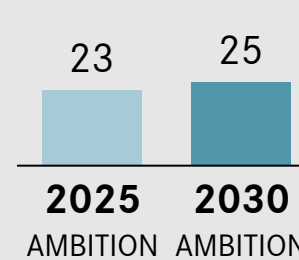
(HDT/UPPER MDT)



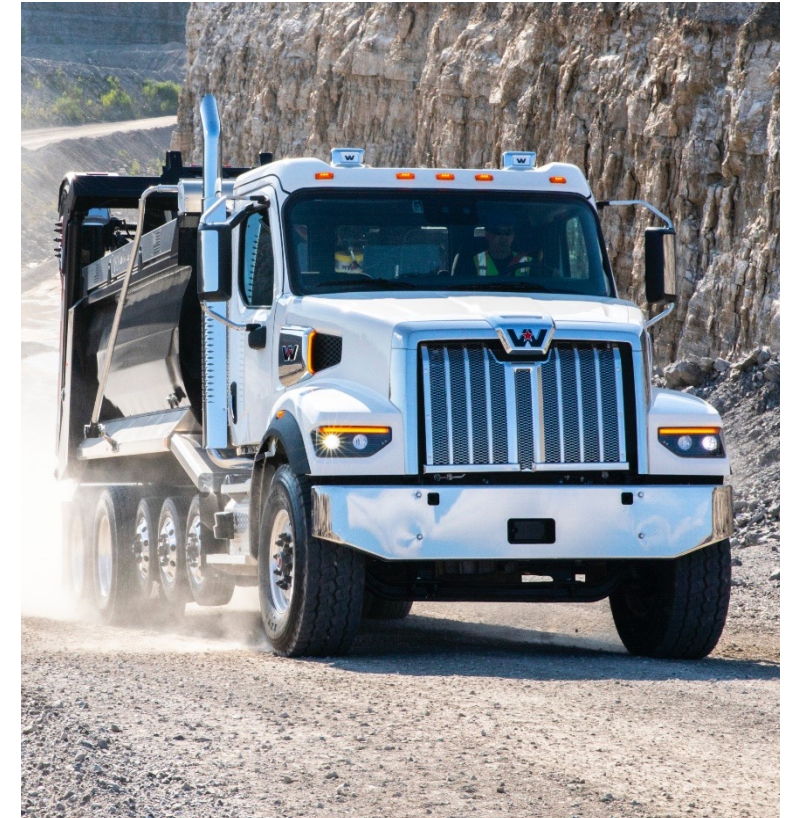
- ▶ Premium offering for safety, reliability and efficiency
- ▶ Leverage local product for export into emerging markets

JAPAN

(TRUCKS TOTAL)



- ▶ eCanter as BEV frontrunner to master CO2-free transportation



#3 WE TRANSFORM TO ZERO EMISSIONS

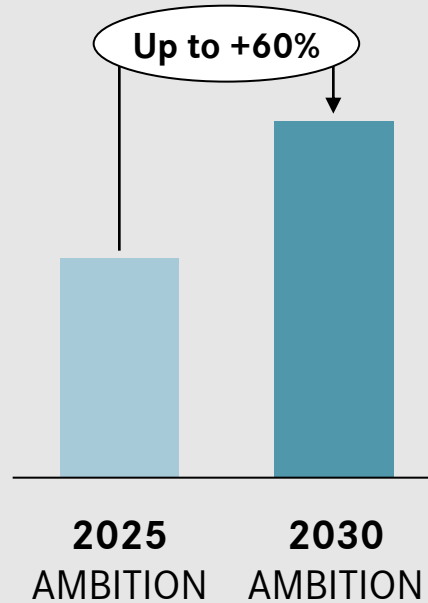
The transformation to ZEV unlocks huge revenue potential



TOTAL REVENUE

NEW VEHICLE IB

- in € -

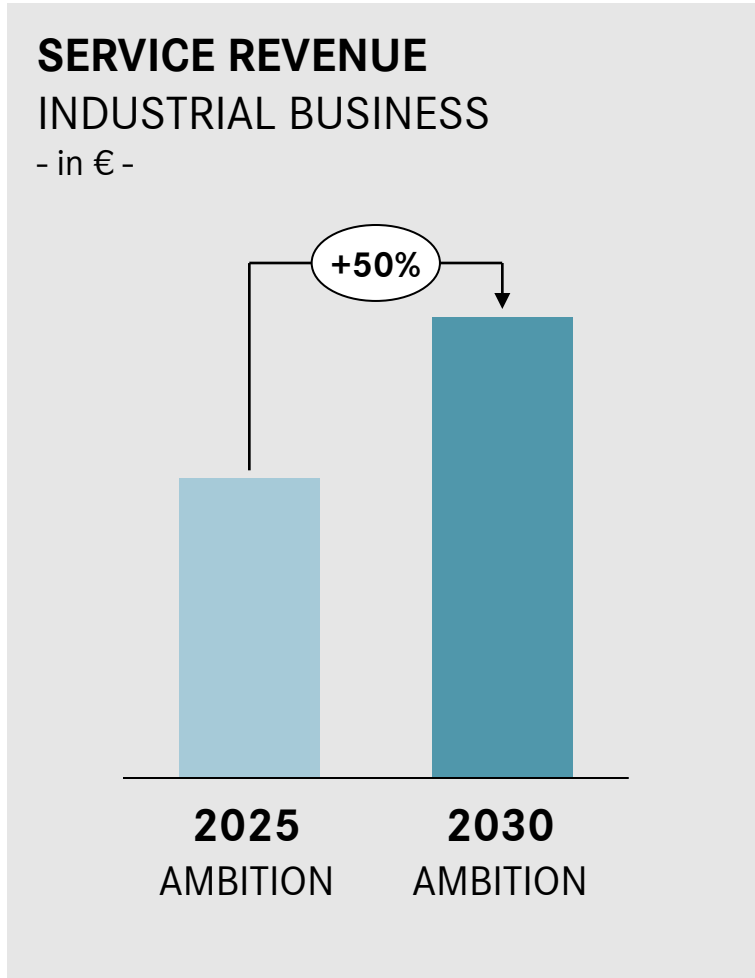


KEY LEVERS FOR REVENUE INCREASE

- ▶ ZEV trucks with high revenue potential
- ▶ BEV, FCEV and H2-ICE with higher average selling price than Diesel ICE
- ▶ Mix and penetration rates still uncertain
- ▶ Focus on heavy-duty growing market segment

#3 SERVICE – WE FOCUS ON CUSTOMER NEEDS

Customer solutions will result in significant increase in customer lifetime value



~60%
SERVICES & PARTS

- ▶ Expanding parts portfolio
- ▶ Wider range of extended warranty and service contracts
- ▶ Global parts center Halberstadt, Germany
- ▶ Premium service network

~30%
ZEV ECOSYSTEM

- ▶ Charging station hardware
- ▶ Charging management system
- ▶ Installation and hardware services
- ▶ eConsulting

~10%
DIGITAL SERVICES

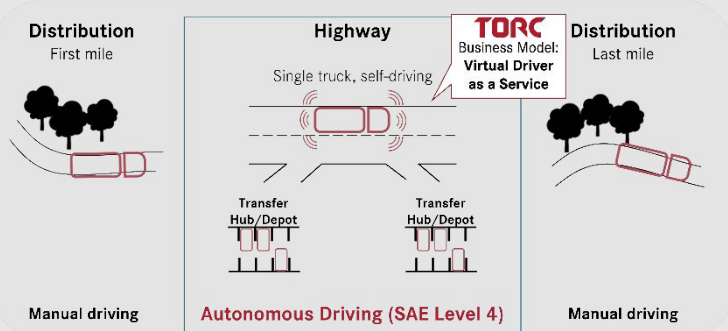
- ▶ Fleet management
- ▶ Vehicle utilization
- ▶ eCharge management
- ▶ Battery lifecycle management

#3 WE DELIVER AUTONOMOUS TRUCKS

Software driven virtual driver offers significant customer value

HUB-TO-HUB, PHASE 1 I-40

with scaling plan across US Southwest, then country-wide



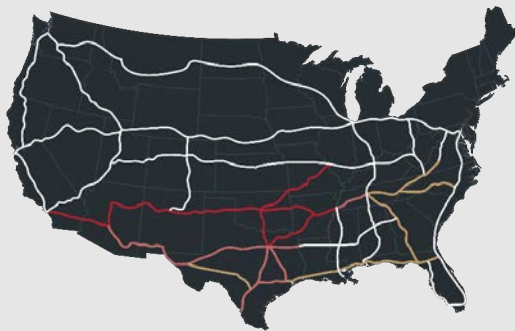
Phase

1

2

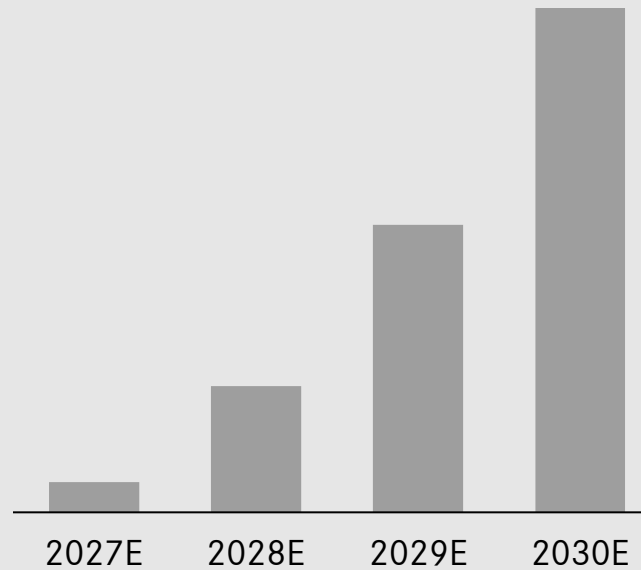
3

4



MILES DEVELOPMENT

On-highway US hub-to-hub only
- in miles -



2027

MARKET ENTRY

>3 billion €

REVENUE POTENTIAL IN 2030

>1 billion €

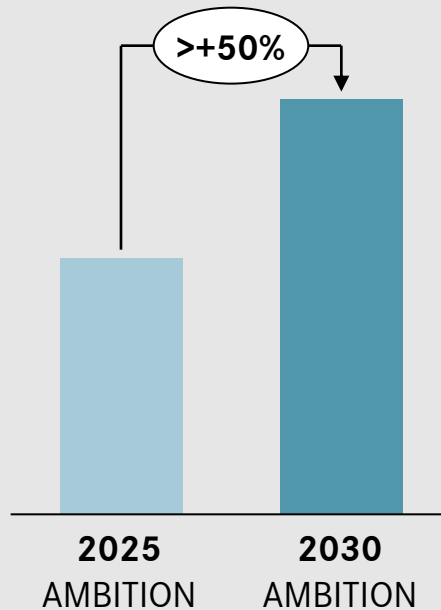
EBIT POTENTIAL IN 2030

#3 FINANCIAL SERVICES REVENUE GROWS SIGNIFICANTLY

Revenue growth due to higher penetration, portfolio extension and new offerings

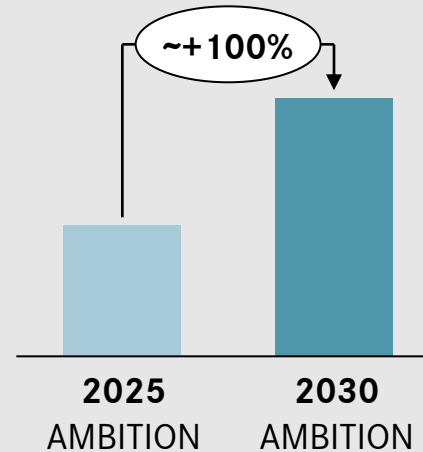
ASSETS UNDER MANAGEMENT FS

- in € -



REVENUE FS

- in € -

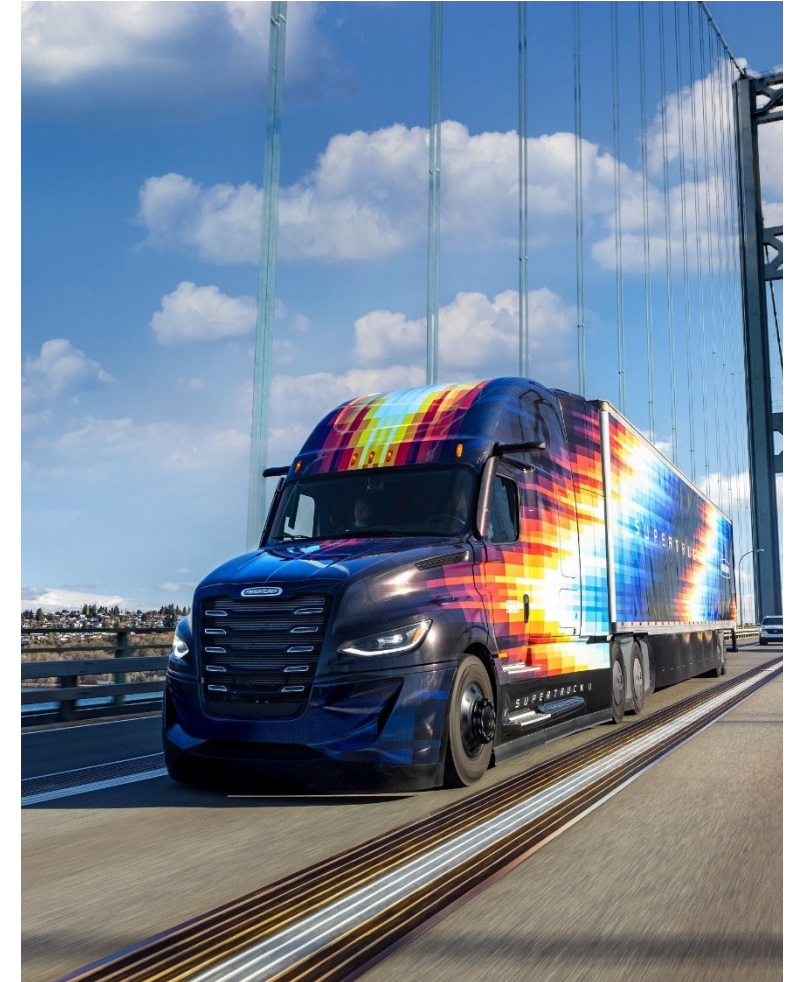
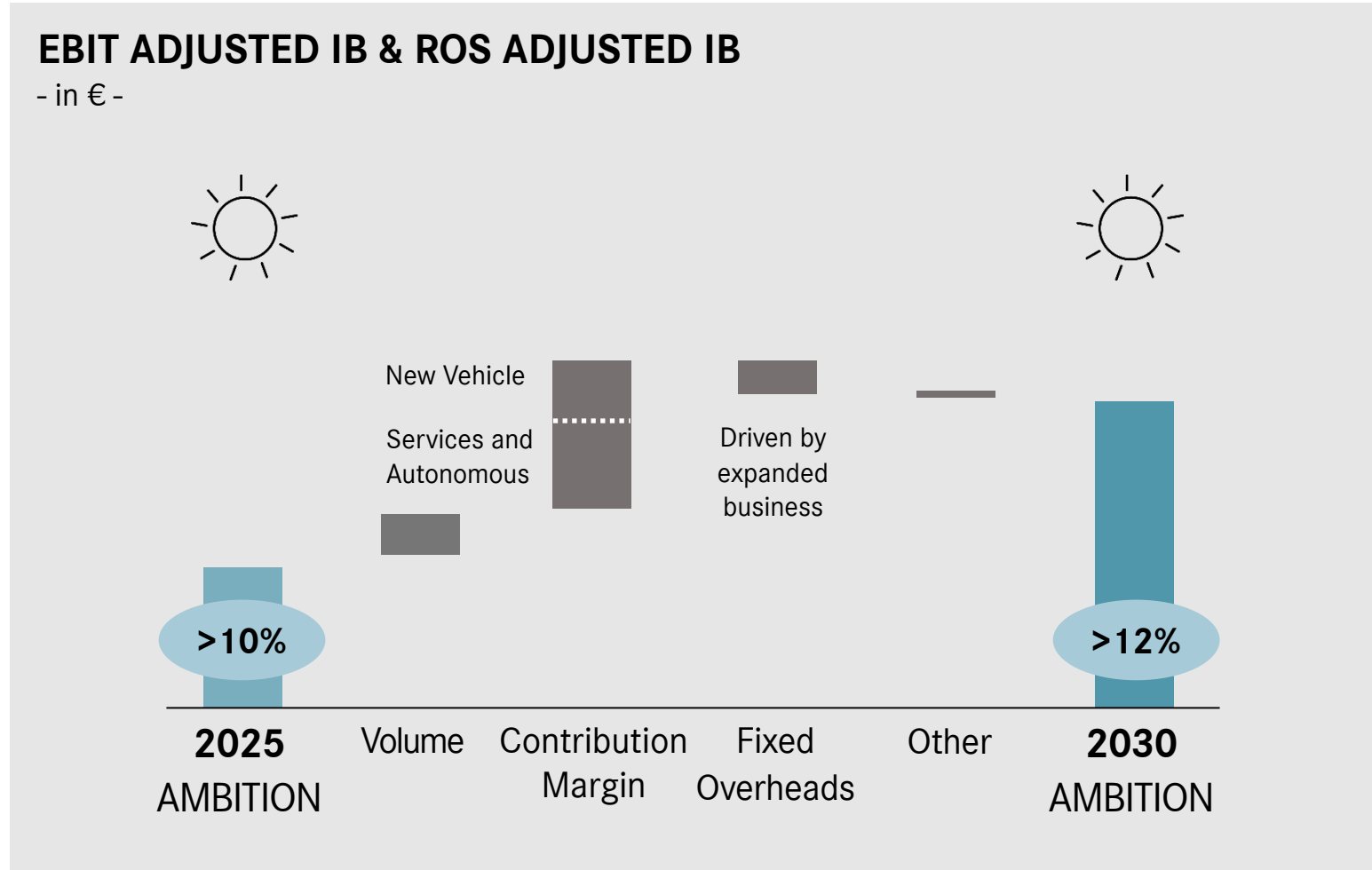


KEY REVENUE DRIVERS

- ▶ Increase penetration and extend product portfolio with innovative products
- ▶ ZEV transition accelerates the growth
- ▶ Integrated service bundling, rental & Truck as a Service







#3 SIGNIFICANT EBIT GROWTH AND HIGHER PROFITABILITY IN 2030

Significant growth driven by all levers



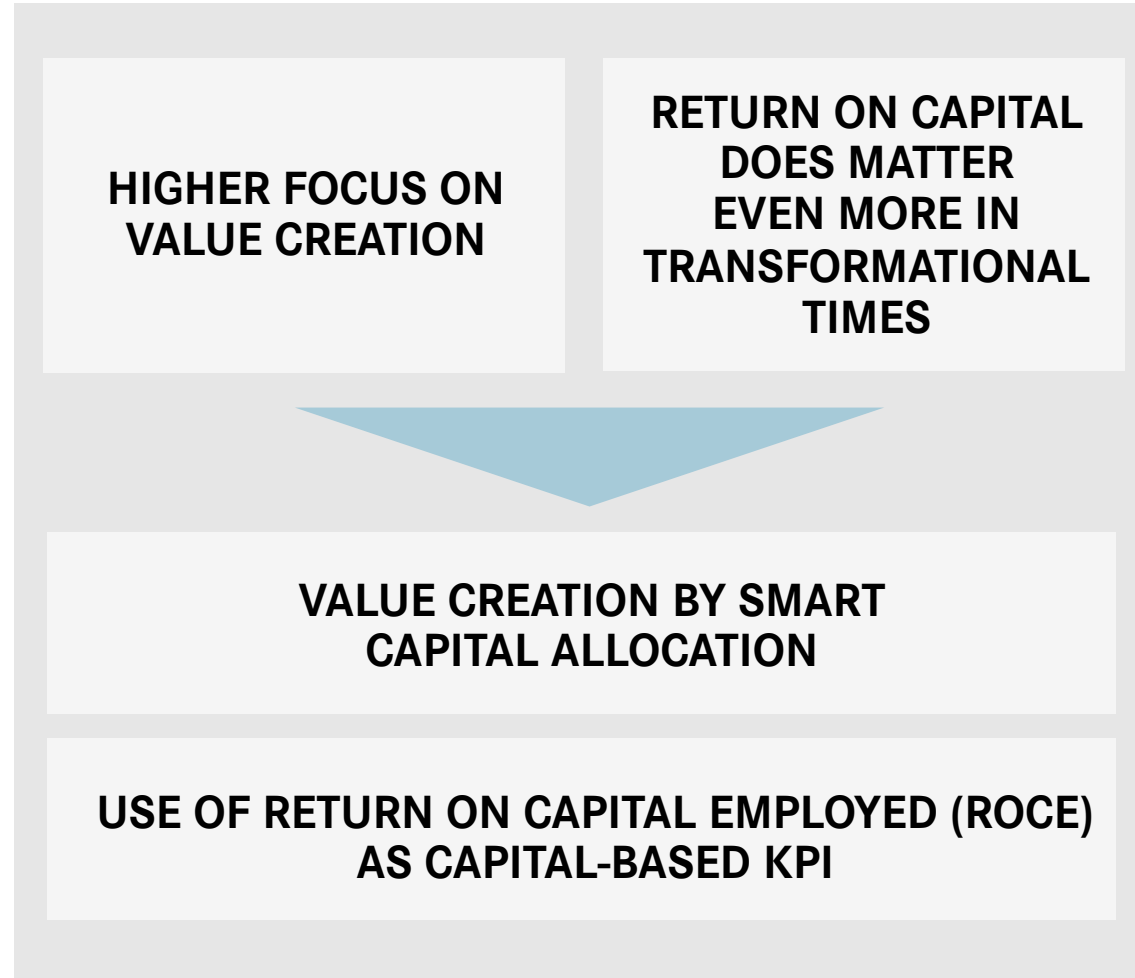
#3 ALL THIS CONTRIBUTES TO A HIGHER PROFITABILITY AND RESILIENCE IN 2030

All segments drive 2030 ambition – ROS of >12% in sunny scenario




ADJUSTED ROS/ROE - in % -		HARDWARE/SERVICES				SOFTWARE	DTFS
		DAIMLER TRUCK (IB)	TRUCKS NORTH AMERICA	MERCEDES-BENZ	TRUCKS ASIA	DAIMLER BUSES	AUTONOMOUS
2025		>10	12	10	9	8	>14
		8-9	9-10	8-9	7-8	4-6	10-12
		6-7	7-8	5-7	5-6	2-4	6-8
2030		>12	>12	>12	9	9	>17
		10-11	11-12	10-11	7-8	6-8	13-15
		8-9	9-10	8-9	5-6	3-5	9-11

#4 FOCUS ON MAXIMIZING OUR VALUE POTENTIAL

ROCE as key measure to efficiently deploy capital



TRANSPARENT ROCE IB¹ AMBITIONS IN ADDITION TO ROS

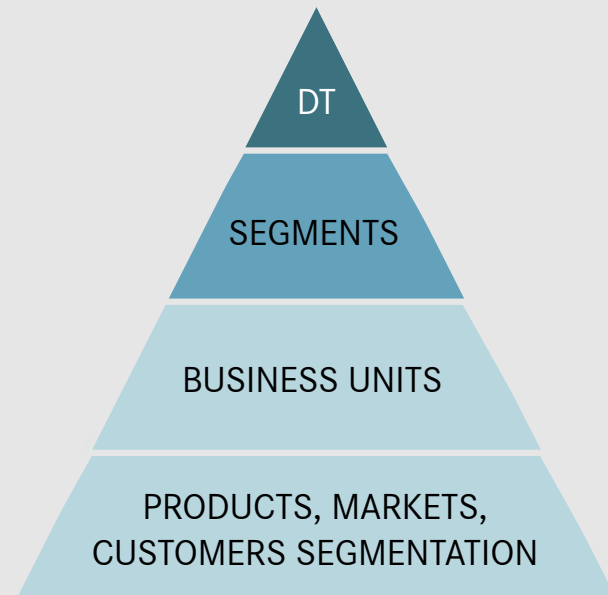
	2022A	2025 AMBITION	2030 AMBITION
	29%	45%	>50%
		>35%	>40%
		>25%	>30%

¹ ROCE IB is calculated as EBIT IB divided by average capital employed IB (average capital employed IB = average net assets IB); Capital employed IB numbers are stated in the Daimler Truck Factbook.

#4 HIGHEST ROCE OPPORTUNITIES ARE IDENTIFIED BY ACTIVE PORTFOLIO MGT

Increasing pivot towards heavy-duty and rationalization of line-up

ACTIVE PORTFOLIO MANAGEMENT FOCUSES ON ALL LEVELS



POTENTIAL MERGER OF MITSUBISHI FUSO & HINO MOTORS



HEAVY-DUTY

- ▶ Execution of vocational strategy in N. America
- ▶ Mercedes-Benz for China produced in China
- ▶ Introduction of coach bus Tourrider in North America

MEDIUM-DUTY

- ▶ Outsource medium-duty axles & transmissions in Brazil
- ▶ Cooperation with Deutz for medium-duty engines
- ▶ Cooperation with Cummins for medium-duty engines

LIGHT-DUTY

- ▶ Stop US/CAN ICE Canter
- ▶ Launch of RIZON brand in North America

Additional topics in pipeline & to be announced to optimize light and medium-duty

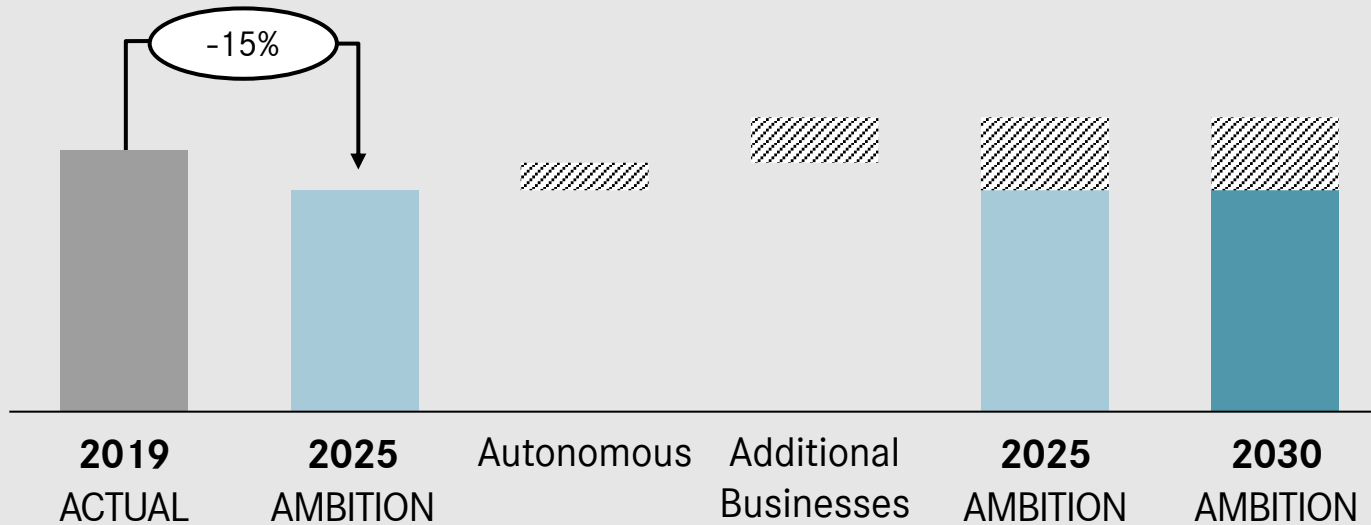
#4 FOCUS ON DISCIPLINED CAPITAL ALLOCATION IN TRANSFORMATION

Keep core spending stable despite significant increase in ZEV investments

INCREASE OF FUNDING DUE TO NEW BUSINESSES

CAPEX PPE & R&D

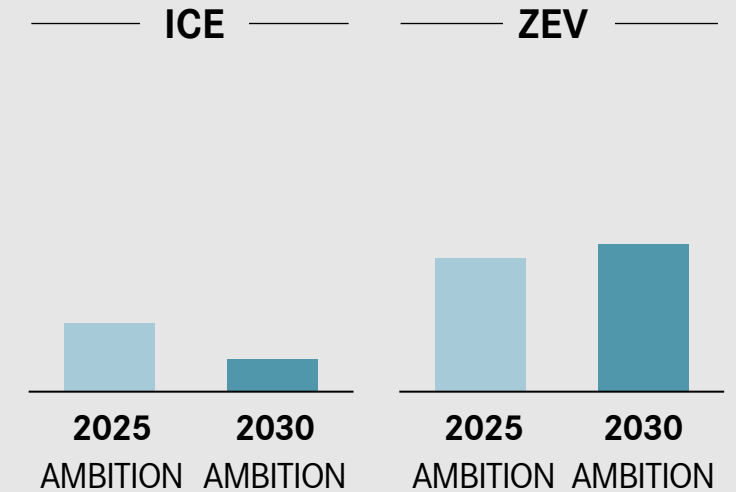
- in € -



INCREASE OF ZEV SHARE

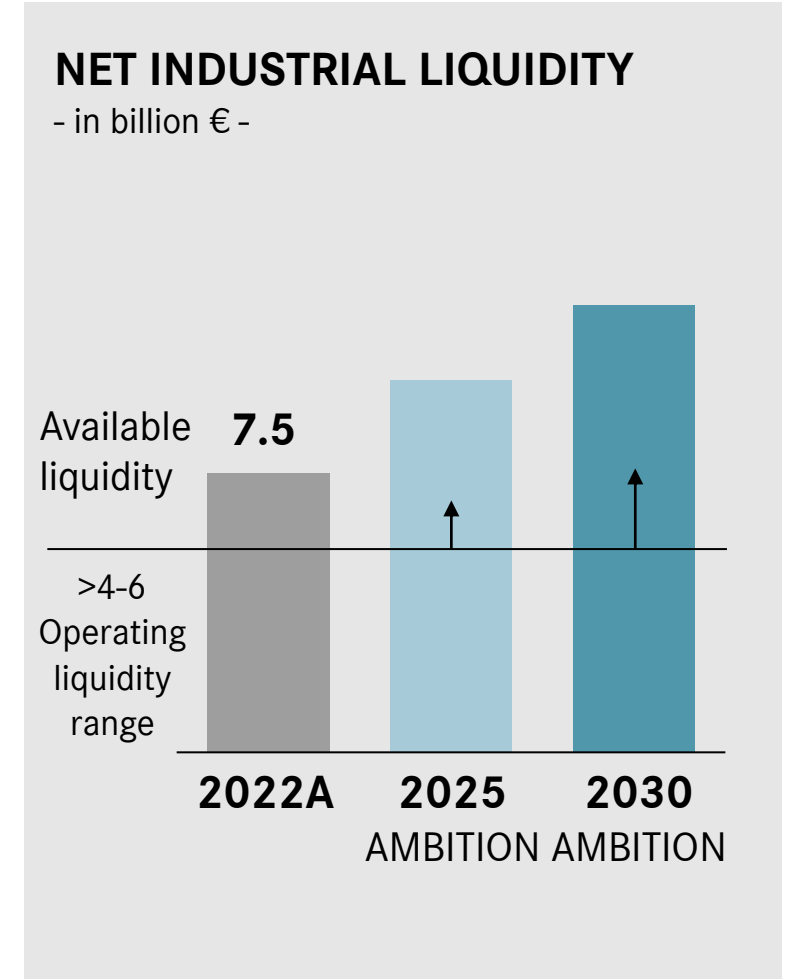
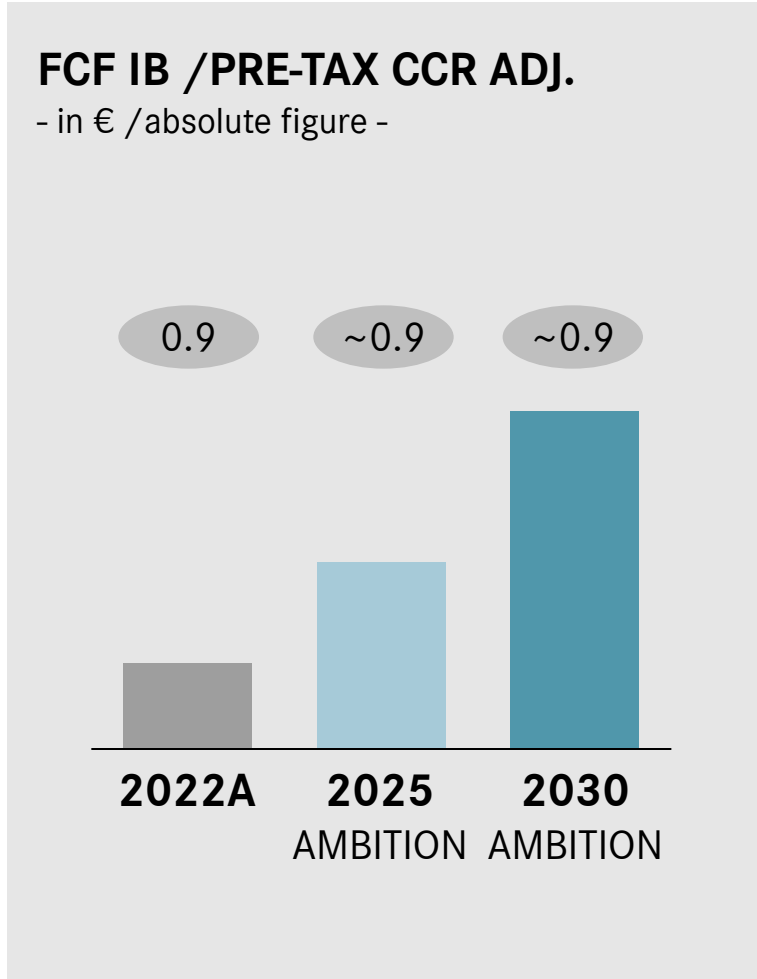
CAPEX PPE & R&D

- in € -



#5 HIGH CASH GENERATION RESULTS IN STRONG LIQUIDITY POSITION

We strictly allocate capital and sustain on high cash generation



#5 OUR CAPITAL ALLOCATION FRAMEWORK SETS CLEAR USE-OF-CASH PRIORITIES

Focus on attractive return while investing in future value creation



- ▶ Based on Active Portfolio Management in most attractive businesses
- ▶ Pivot towards heavy-duty
- ▶ Monetizing of Diesel assets
- ▶ Increased funding priority for ZEV
- ▶ Strong partnerships where necessary

TRANSFORMING OUR BUSINESS AND DELIVERING A STEADY STREAM OF INCOME FOR OUR SHAREHOLDERS IN A CYCLICAL INDUSTRY

STRONG OPERATING CASH FLOW WITH SOLID BALANCE SHEET AS KEY PRIORITY

CAPEX AND R&D

TRANSFORMATIONAL INVESTMENTS

REGULAR CASH DIVIDENDS

OPPORTUNISTIC VALUE-CREATING M&A

SHARE BUYBACKS

#5 INTRODUCING OUR SHARE BUYBACK PROGRAM

Enhanced dividend policy and up to 2 billion € buyback

HIGH & LESS CYCLICAL
DIVIDEND PAYOUT

40–60%

Range to maintain a stable dividend
level even in tougher market
environments

SHARE BUYBACK PROGRAM
UP TO 2 BILLION €

EXECUTION
UP TO TWO TRANCHES

DURATION
TIME SPAN ~2 YEARS



IN A NUTSHELL – LEVERAGING FINANCIAL STRENGTH FOR 2030 AMBITION

We are well on track to achieve >10% ROS and are building the pillars for further growth

**ON OUR WAY TO >10% ROS
UNTIL 2025 IN SUNNY CONDITIONS**

**UPLIFT PROFITABILITY TO >12% ROS
UNTIL 2030 IN SUNNY CONDITIONS**

**DISCIPLINED AND ROCE-BASED
CAPITAL ALLOCATION**

**HIGH CASH GENERATION DESPITE
TRANSFORMATION**

**HIGH AND LESS CYCLICAL DIVIDEND
PAYOUT RANGE FROM 40–60%**

**SHARE BUYBACK PROGRAM OF
UP TO 2 BILLION € OVER ~2 YEARS**

WRAP-UP

Martin Daum



TRANSFORMING FOR SUSTAINABLE GROWTH

Daimler Truck is on a journey with a clear way forward

2023

8.5–10%

ADJUSTED ROS IB

UP TO 2 BILLION €

SHARE BUYBACK
OVER ~2 YEARS

2025

>10%

ADJUSTED ROS IB

2030

>12%

ADJUSTED ROS IB

+40–60%

REVENUE GROWTH GROUP 2025 TO 2030

HOW WE WIN

Implementation of
self-help measures

Active Portfolio Management

Using growth opportunities

Winning ZEV strategy
and technology

Dual technology strategy
with batteries and hydrogen

Build-up global platforms
and partnerships



DAIMLER TRUCK

CAPITAL MARKET DAY 2023



THANK YOU