

TKMS

**Earnings presentation
H1 2025/26**

May 11, 2026

Your Maritime Powerhouse

Agenda and speakers

Key highlights



Oliver Burkhard
CEO

Financial update and outlook



Paul Glaser
CFO

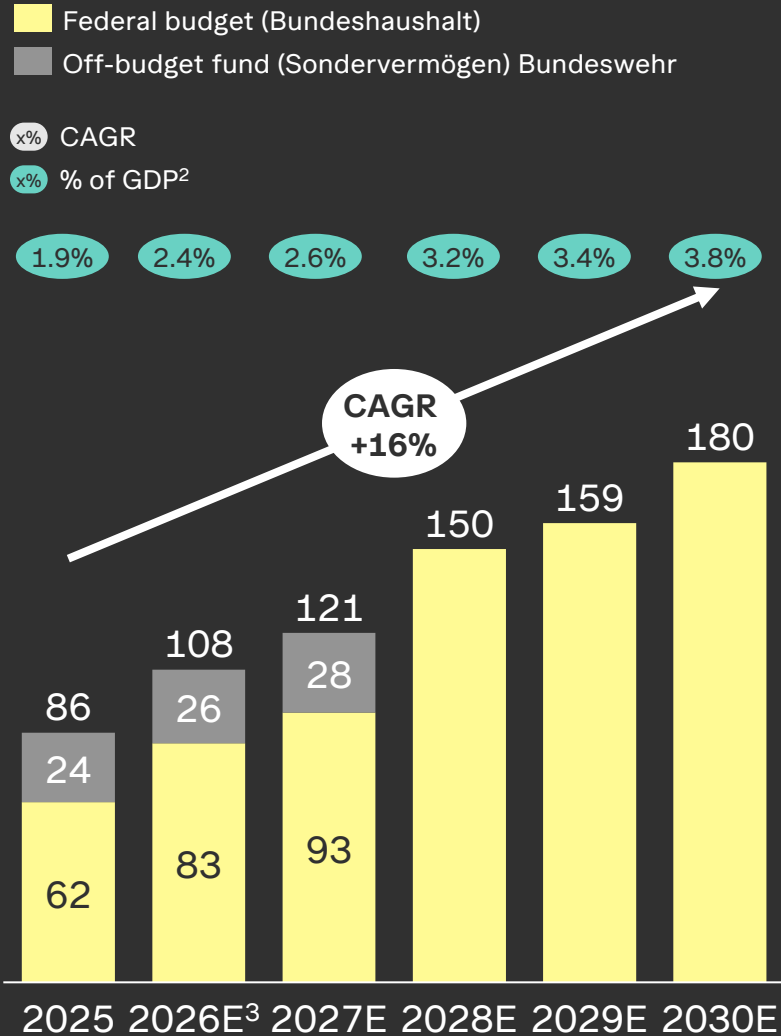


Key highlights

Oliver Burkhard
CEO

Latest developments in the German defense landscape

Defense budget, Germany¹ (in €bn)



Recent defense news

Newsweek

April 8, 2025

"The Trump administration is considering a plan to punish certain NATO allies it views as insufficiently supportive during the war with Iran, including relocating U.S. troops away from countries seen as unhelpful."

NAVALNEWS

April 14, 2026

"Unmanned Undersea Vehicles (UUVs) will ... join the mine-clearing effort in the coming days in a move to reopen the Strait of Hormuz to commercial traffic."

AGBI
ARABIAN GULF BUSINESS INSIGHT

April 28, 2026

"Gulf countries may need to step up defence spending [following the Iran conflict]. Outlays could rise by as much as 20 percent over the next three years, reflecting the scale of restocking required and a wider shift towards sustained military readiness."

deutschland.de

May 4, 2026

"The German minehunter "Fulda" is leaving the Kiel-Wik naval base today bound for the Mediterranean. ... The vessel is to be kept closer to the potential area of operations around the Strait of Hormuz. ."

Further increase of order backlog and solid progress of financial KPIs in H1 25/26

Order backlog

€20.6bn

Adj. EBIT

€60mn

Free cash flow

€(72)mn

Sales

€1,168mn

Adj. EBIT margin

5.1%

Recent key milestones reached by TKMS



Operations

- ◆ Legacy contracts: two submarines in H1 delivered
- ◆ New Polarstern: Scaled Vessel Model successfully passed ice breaking test
- ◆ Wismar: Ramp up on track, start of production in the course of the year
- ◆ Non-binding discussions with GNYK for a potential acquisition continue as planned
- ◆ MoU¹ with Navantia signed to explore strategic cooperation options



Technology

- ◆ Demonstrator of autonomous underwater vehicle BlueWhale handed over to German Navy
- ◆ Teaming Agreement signed with VEM for joint torpedo production in India
- ◆ MUM³ Demonstrator to receive Approval in Principle (AiP) as extra-large unmanned underwater vehicle (XLUUV)



Customers/Campaigns

- ◆ Norway approves purchase of two additional 212CDs
- ◆ Germany signed a preparatory contract for potential delivery of a first MEKO-A 200 DEU by 2029
- ◆ Delivery of the first out of four Tamanderé frigates to Brasil; MoU signed for another 4 vessels
- ◆ SATCOM: Order for conversion of communication systems of 25 vessels of German navy
- ◆ Further MoUs¹ signed with Canadian firms⁴
- ◆ Agreement for MLU⁵ of Hellenic submarines signed
- ◆ India Defense Minister visited Kiel

Latest developments: executive board, strategic cooperation and international partnership



Appointment of Dr. Andreas Görden as COO¹

- ◆ Supervisory Board appoints Dr. Andreas Görden as COO¹ and Member of the Executive Board (effective May 15, 2026)
- ◆ Focus on order backlog execution and global strategic partnerships (capacity, technology, consolidation)
- ◆ Prior member of the Supervisory Board at TKMS AG & Co. KG and >20 years of experience, including senior roles in the German Federal Government and at Siemens



MoU² with Navantia to explore strategic cooperation options

- ◆ TKMS and Navantia signed a non-binding MoU² (April 15, 2026) to explore cooperation, particularly submarine production in Spain.
- ◆ Partnership provides additional strategic flexibility, as well as optionality beyond the current order backlog and campaigns
- ◆ Constructive, open-ended talks started on potential partnership structure

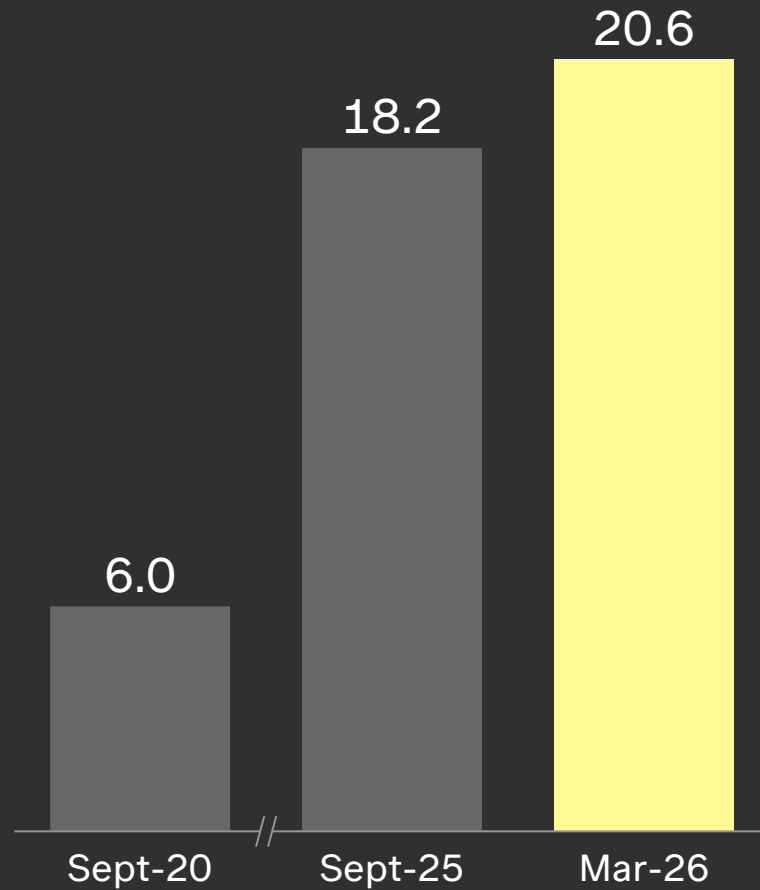


TKMS and Embraer sign MoU² with Brazilian Ministry of Defense to expand the Tamandaré Program

- ◆ The Memorandum establishes the basis for the construction of four additional vessels and the strengthening of Brazil's naval capabilities.
- ◆ The Initiative reinforces the strategic cooperation between Brazil and Germany in the naval defense sector.









Order intake driven by additional submarine order and record torpedo contract

Order backlog¹ in €bn















Relevant new orders

NOT EXHAUSTIVE

Program	Value
212CD option boats (2 boats)  	~€2bn
Heavyweight torpedoes DM2A5   	Confidential
HMS-12M mine hunting sonars   	~€100mn

Ongoing campaigns

NOT EXHAUSTIVE

Campaign	# of vessels
P-75I   	6+3 ²
Canadian Patrol Submarine   	7-12
F127   	5+1+2
A-200 DEU   	4

Note: Historical figures shown in this presentation have been extracted from the Combined Financial Statements prepared for TKMS and may differ from historically reported in thyssenkrupp AG publications for the Marine Systems segment mainly due to accounting policy changes and carve-out-specific adjustments

1. Order backlog reported as reflected by current contractual agreements; 2. to be delivered in the form of material packages

A submarine is visible on the surface of the ocean, moving towards the viewer. The sky is overcast and grey, and the water is dark with white foam from the submarine's wake.

Financial update & outlook

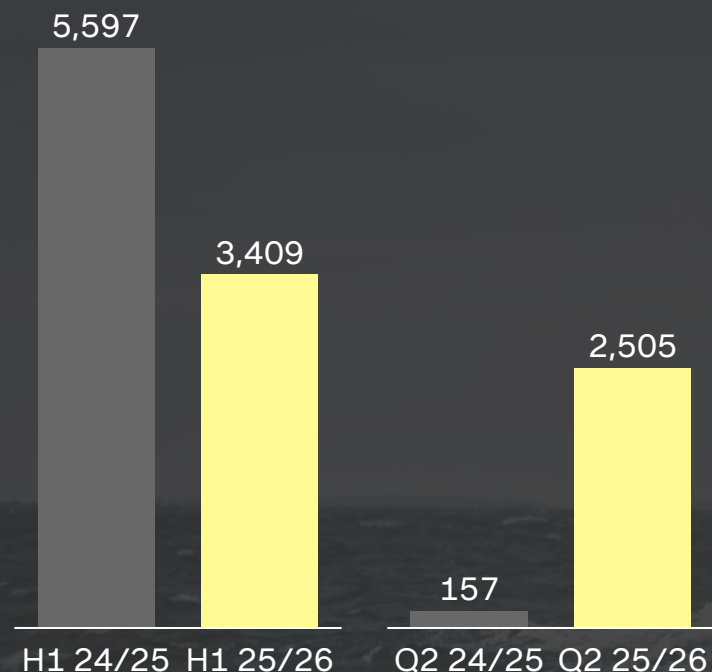
Paul Glaser
CFO

Group results: Growth momentum picked up in Q2 leading to +14% Adj. EBIT growth in H1

x% Margin

Order intake

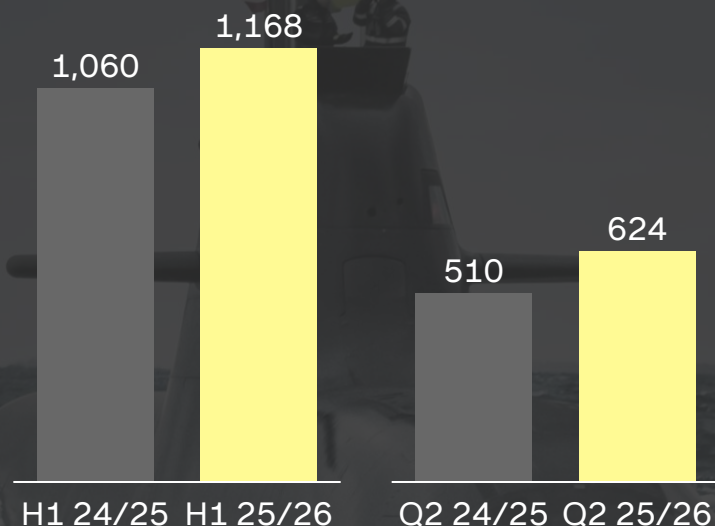
in €mn



- ◆ Strong book to bill¹ of 3x in H1, thanks to order intake at Submarines and Atlas
- ◆ Previous year's H1 hallmarked by extraordinarily strong order intake at Submarine (4x 212CDs) and Surface Vessels (New Polarstern)

Sales

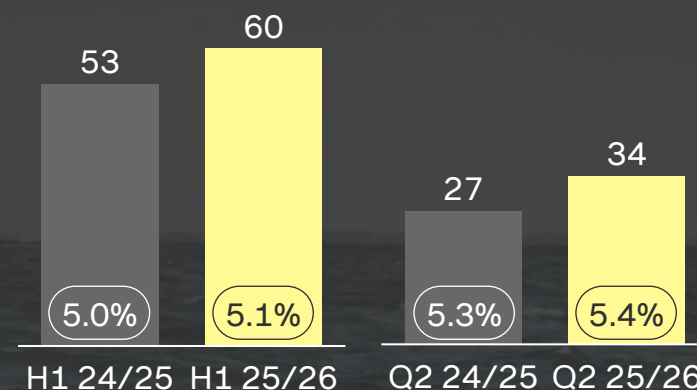
in €mn



- ◆ H1 revenue increased by 10% as growth momentum picked up in Q2
- ◆ Ramp-up of new projects increasingly impact top-line growth, while legacy backlog is being executed as planned

Adj. EBIT

in €mn



- ◆ H1 EBIT increased by 14% despite prior year's base supported by one off gains
- ◆ Strong YoY development in Submarines and Altas, offsetting spin-off related cost burden
- ◆ H1 margin level in-line with budget, with H1 being structurally weaker than H2

Note: Historical figures shown in this presentation have been extracted from the Consolidated statement of financial position prepared for TKMS and may differ from historically reported in thyssenkrupp AG publications for the Marine Systems segment mainly due to accounting policy changes and carve-out-specific adjustments

1. Book to bill is defined as the ratio of order intake to sales

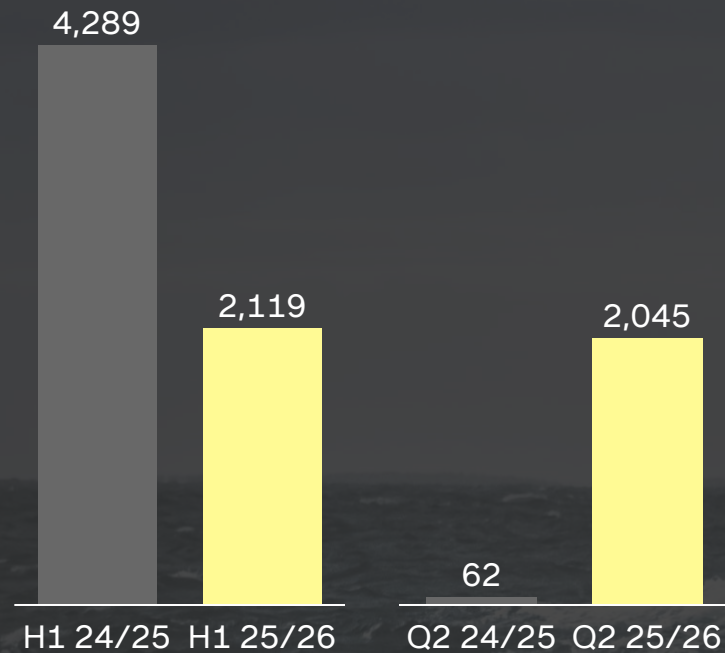
Submarines: Adj. EBIT strongly improved; phase out of legacy projects benefitting margins



x% Margin

Order intake

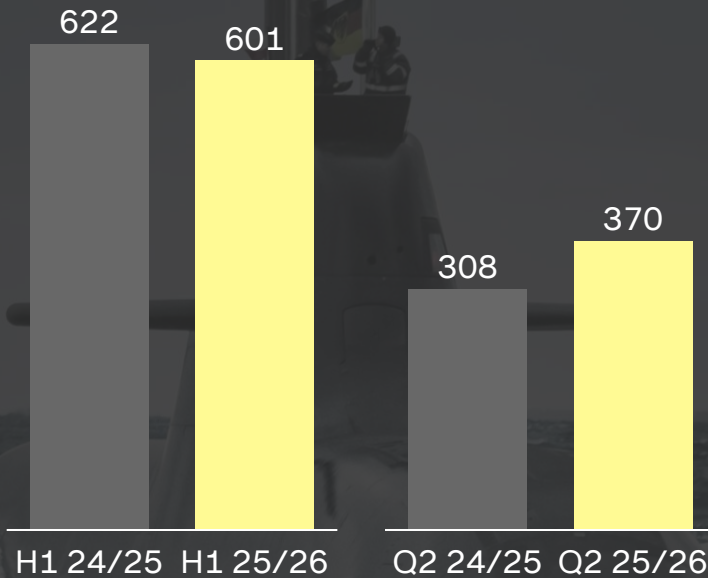
in €mn



- ◆ This year's H1 includes two additional 212CDs for Norway in Q2
- ◆ Prior year's H1 strongly supported by orders for 4x 212CD submarines for German navy

Sales

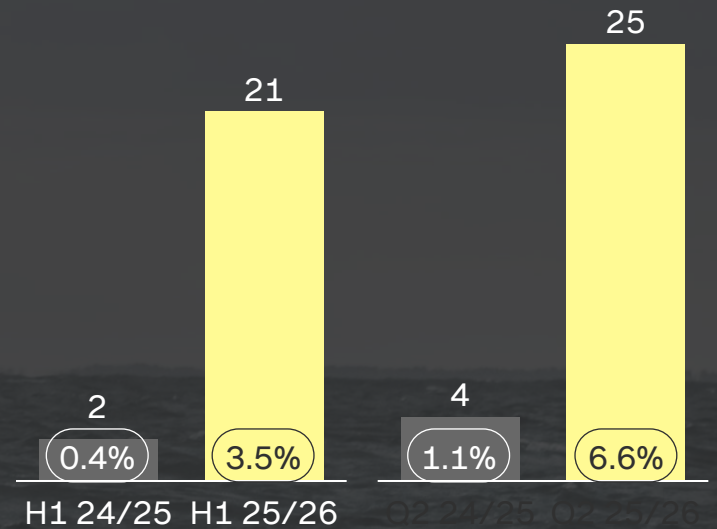
in €mn



- ◆ H1 reflects usual YoY volatility due to large-scale project business and service revenues brought forward into Q4-25
- ◆ Q2 sales solidly up driven by ramp up of new projects

Adj. EBIT

in €mn



- ◆ Solid improvement in Adj. EBIT due to successful execution of current orderbook
- ◆ Phase out of legacy contracts and ramp up of new contracts increasingly benefitting margins
- ◆ Higher spin-off related SG&A and R&D costs successfully overcompensated

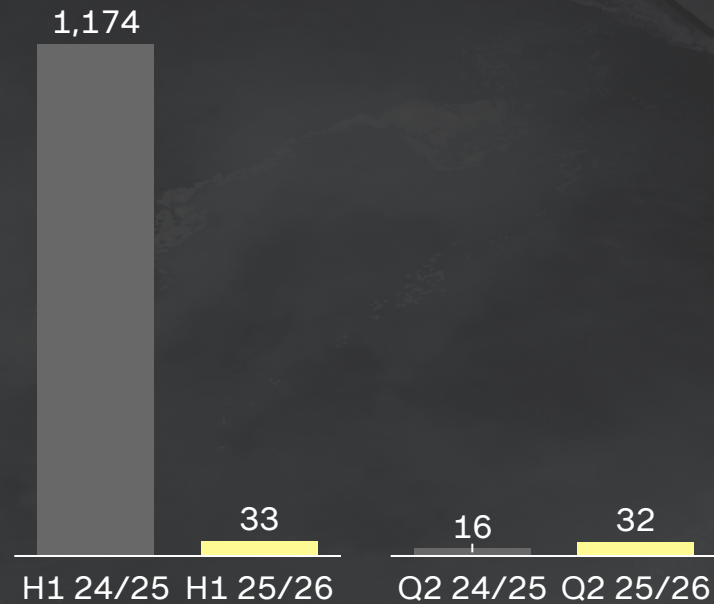
Surface Vessels: performance in H1 slightly lower caused by positive one-off in prior year



x% Margin

Order intake

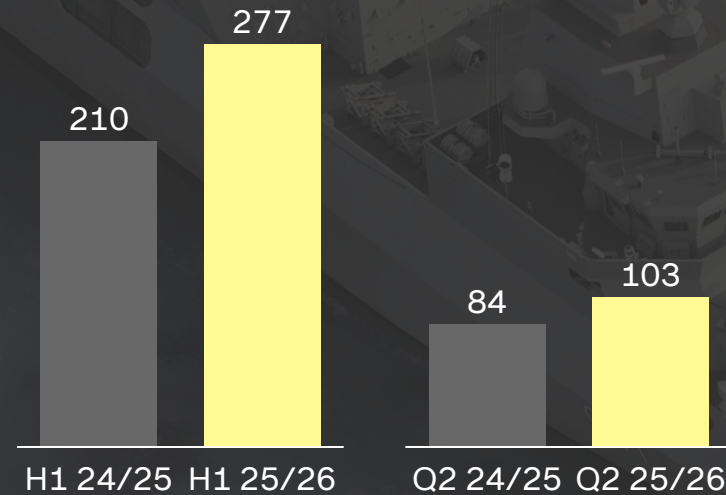
in €mn



- ◆ Previous year supported by order intake of New Polarstern
- ◆ Little order activity in H1 25/26 as planned; Potential order for MEKO A200 DEU (F128) not yet in order book

Sales

in €mn

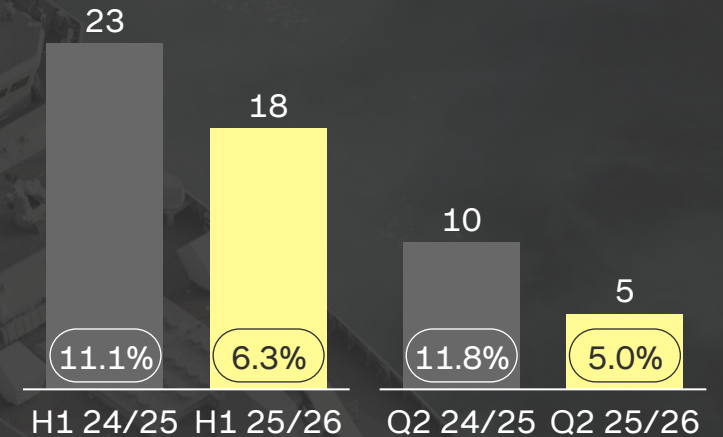


- ◆ H1 revenue growth reflects execution of existing order book
- ◆ Solid progress of "Tamandaré" project in Brazil; first ship handed-over to Brazilian Navy on time, budget and quality
- ◆ Production ramp-up of New Polarstern

Adj. EBIT

in €mn

Includes positive high single digit €mn currency effect



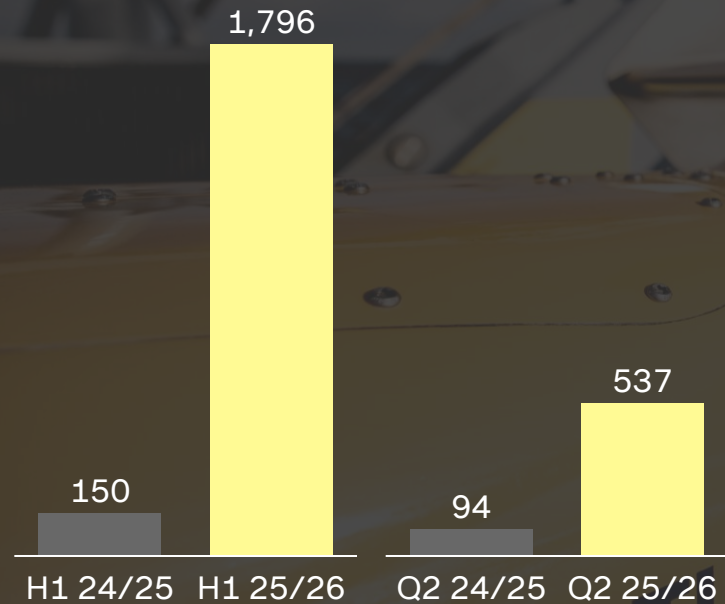
- ◆ Prior year's H1 impacted by positive high single digit €mn currency effect
- ◆ This year only low mid single digit €mn positive effect from one-offs
- ◆ Higher admin and selling expenses, mainly driven by ongoing and new campaigns

Atlas Electronics: strong execution continues to drive double digit margins



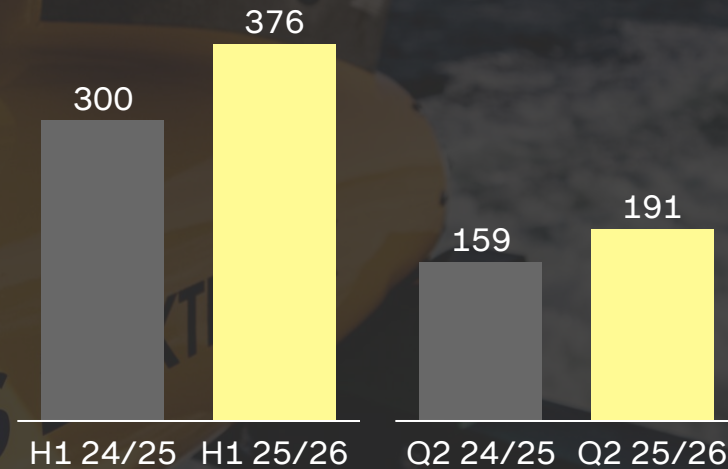
x% Margin x% Growth

Order intake in €mn



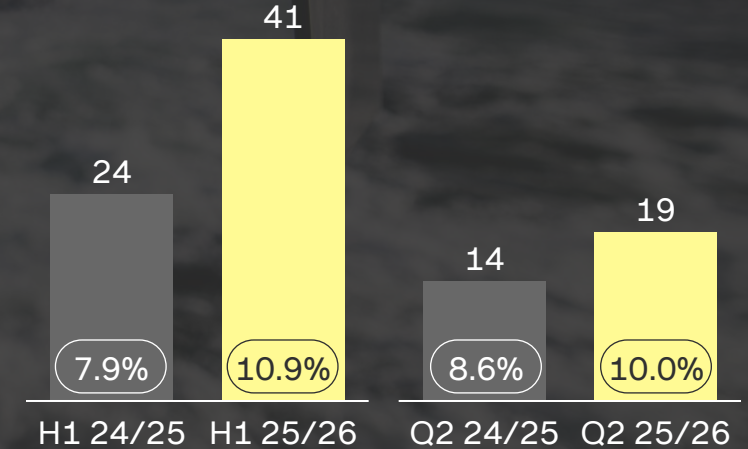
- ◆ Order of DM2A5 heavyweight torpedoes placed in Q1; follow-up order in Q2
- ◆ HMS-12M mine hunting sonars (Q1) and SatCom order (Q2) for German Navy
- ◆ Solid order intake from British Ministry of Defense at TKMS Atlas UK

Sales in €mn



- ◆ H1 revenue growth of 27% YoY, driven by all domains, especially Vessel Systems, Submarine Systems and Naval Weapons
- ◆ Significant progress in project MCM Ukraine and high-performing execution in product support

Adj. EBIT in €mn



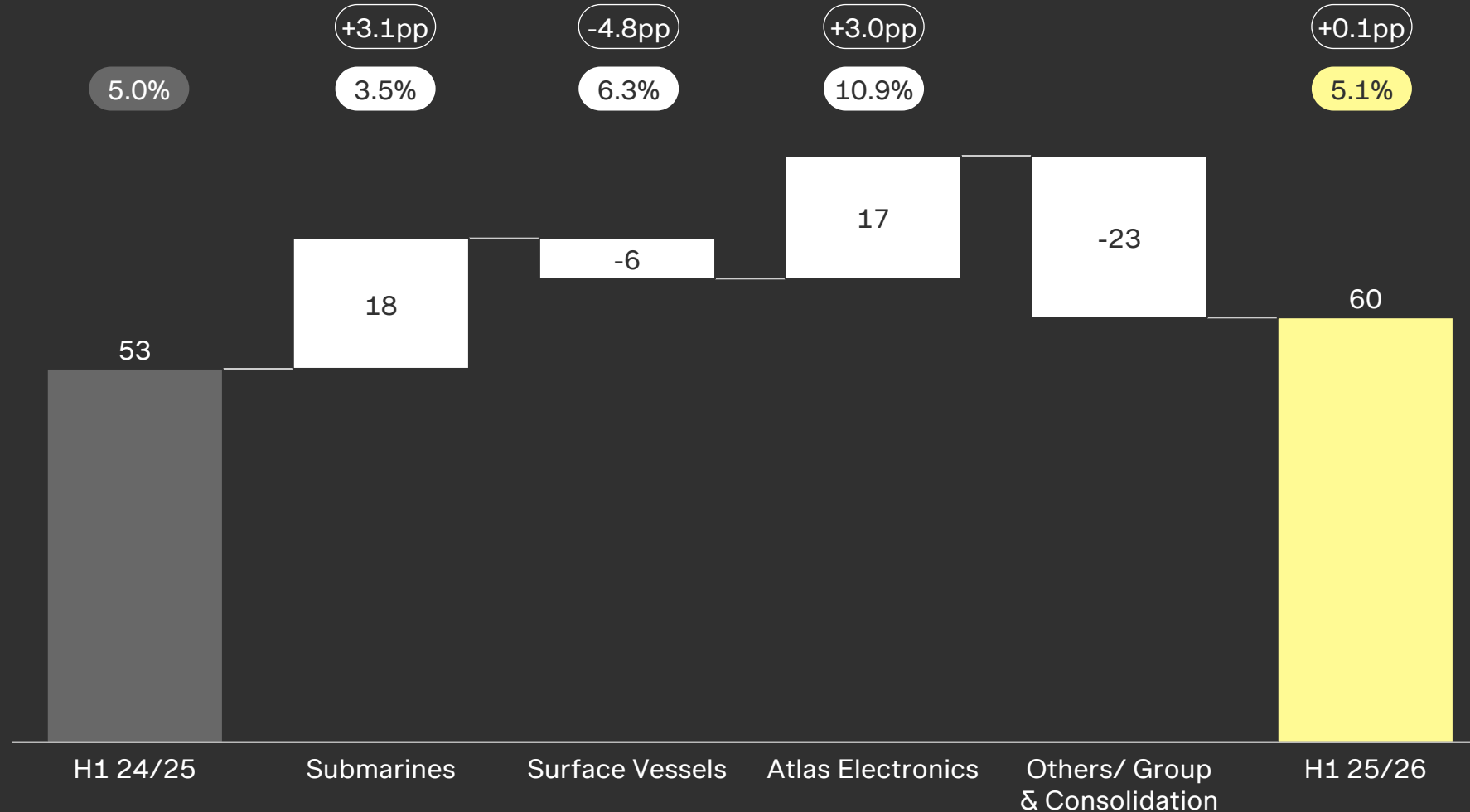
- ◆ H1 Adj. EBIT +73% y/y with margin at ~11% as positive Q1 trend continued in Q2
- ◆ Productivity better than expected along with solid cost management, especially G&A
- ◆ Low single digit €mn positive effects from currency gains

Adj. EBIT Bridge: Submarine turnaround and strong performance at Atlas

x% TKMS Group margin x% Segment margin (H1 25/26) +xpp Change from H1 24/25

TKMS Adj. EBIT bridge H1 24/25 to H1 25/26

in €mn



Submarines

- ◆ Strong execution and catch-up effects in Q2 25/26

Surface Vessels

- ◆ Significant positive currency impact last year, and higher SG&A expenses this year

Atlas Electronics

- ◆ Improved productivity along with successful capacity and cost management

Others

- ◆ Last year positive effect in mid single digit million region from a claim for reimbursement
- ◆ This year negative effects from one-off pension funding along and with spin-off related G&A cost increases

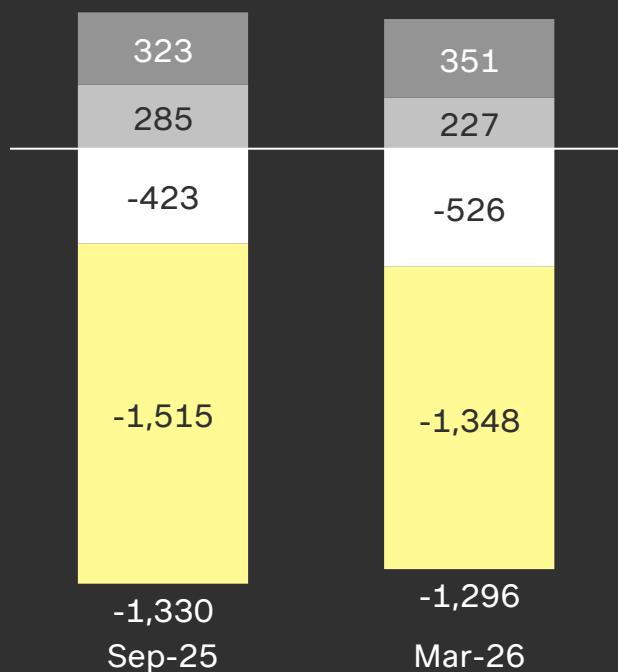
Balance Sheet: Strong liquidity and disciplined investments supports financial flexibility

x% Share of revenue

Operating net working capital

in €mn

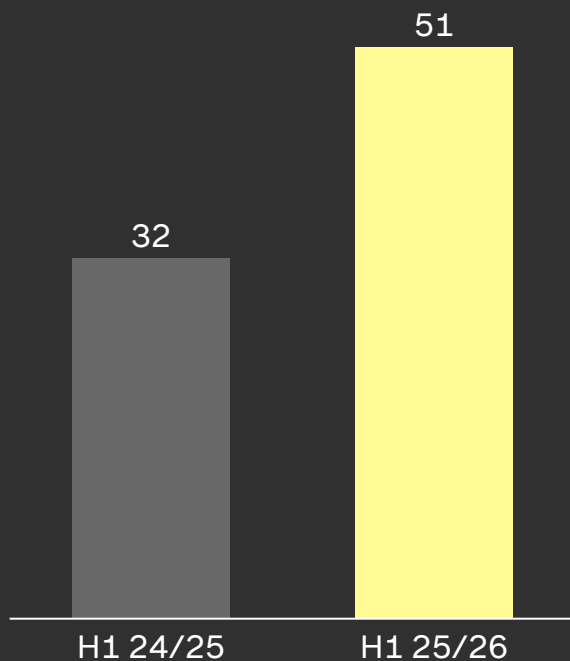
- Inventories
- Trade accounts payable
- Trade accounts receivable
- Net advance payments¹



Net CAPEX²

in €mn

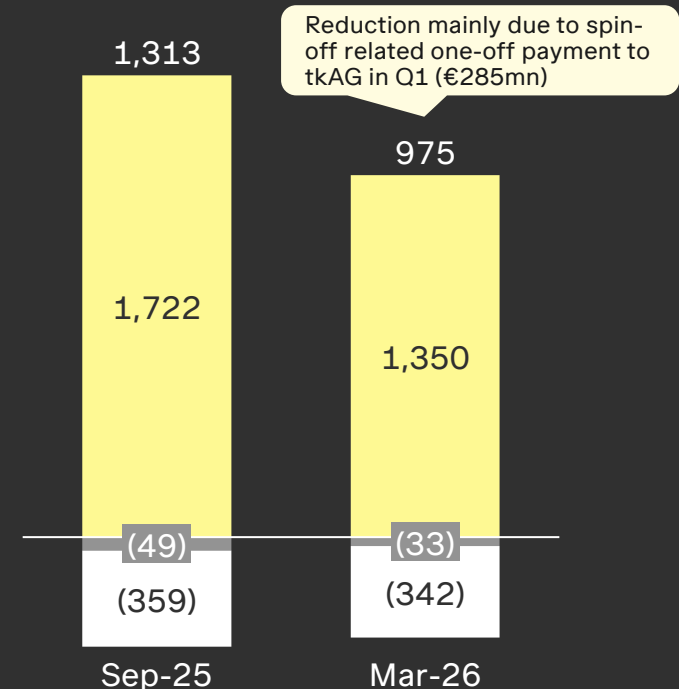
3.0% 4.4%



Net financial position

in €mn

- Liquidity³
- Total financial indebtedness⁴
- Provisions for pensions and similar obligations⁵



Note: Historical figures shown in this presentation have been extracted from the Combined Financial Statements prepared for TKMS and may differ from historically reported in thyssenkrupp AG publications for the Marine Systems segment mainly due to accounting policy changes and carve-out-specific adjustments

1. Defined as contract assets + advance payments to suppliers (which form part of other financial assets) – contracts liabilities; 2. Sum of total capex for tangible and intangible assets, purchases of investments accounted for using the equity method, less proceeds from disposals (corresponds to "Cash flows from investing activities (adjusted)"); 3. Comprises of Cash and cash equivalents and Receivables from cash pooling arrangements with tk Group; 4. Comprises of current and non-current lease liabilities and current bank borrowings. No drawdown has been made from the €300mn revolving credit facility provided by thyssenkrupp AG; accordingly, it is not reflected in total financial indebtedness; 5. Comprises of provisions for pension and similar obligations and provisions for other non-current employee benefits.

Free cash flow: Development impacted by timing of milestone payments and project ramp-up

TKMS cash flow statement

in €mn

	H1 24/25	H1 25/26
Operating cash flows	788	(21) 1
Net CAPEX ¹	(32)	(51) 2
Free cash flow	756	(72) 3

- 1** Timing of milestone payments and temporarily higher cash-outflows in relation to ramp-up of new projects; last year exceptionally high milestone payments.
- 2** Rise in Net CAPEX in line with strategic priorities, driven by Wismar ramp-up, and digitalization and modernization investments; largely customer pre-funded
- 3** FCF in H1 below previous year largely due to timing effects in relation to milestone payments and project ramp-up

Note: Historical figures shown in this presentation may differ from historically reported in thyssenkrupp AG publications for the Marine Systems segment mainly due to accounting policy changes and carve-out-specific adjustments

1. Sum of total capex for tangible and intangible assets, purchases of investments accounted for using the equity method, less proceeds from disposals; Corresponds to "Cash flows from investing activities (adjusted)", adjusted to exclude cash management effects related to cash pool withdrawals (deposits) of thyssenkrupp AG prior to the spin-off;

Guidance for FY25/26 and all mid-term financial targets confirmed



Revenue growth

FY 25/26 Guidance

+2% to +5% YoY



Adj. EBIT margin

>6.0%

Strategic mid-term targets

~10% revenue CAGR from FY 24/25 with back-end growth acceleration

>7.0%



CAPEX¹

~€200mn in FY 25/26E, including expansion of Wismar
Gradual decline to mid-term target of ~4% of revenue



D&A²

Expected at ~3.5% to 4.0% of revenue



Rolling 3-year cum. FCF

>€400mn, over three years starting FY 25/26



Dividend payout³

30% to 50%

Key takeaways

- 1 Strong order backlog** **20.6bn€**
- 2 Turnaround in Submarines** **Delivered**
- 3 FY25/26 guidance confirmed** **>6% adj. EBIT margin**
- 4 Mid-term targets confirmed** **>7% adj. EBIT margin**
- 5 Attractive campaign pipeline** **in 2026/27**
- 6 Solid balance sheet and FCF generation** **to fund growth**
- 7 Strong track record** **in last 3 years**

Q&A

If you have further questions, please reach out to our Investor Relations team



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The TKMS logo is rendered in a bold, white, sans-serif font. The letters are closely spaced, with the 'K' and 'M' having a distinctive, slightly slanted design. The background of the entire slide is a dark blue, textured surface that resembles the ripples of water, creating a sense of depth and movement.

TKMS

Your Maritime Powerhouse

Appendix

Consolidated statement of income

million €	Q2 2024/25	Q2 2025/26	H1 2024/25	H1 2025/26
Sales	510	624	1,060	1,168
Cost of sales	(429)	(511)	(895)	(960)
Gross margin	81	113	165	208
Research and development cost	(12)	(15)	(22)	(27)
Selling expenses	(17)	(20)	(36)	(41)
General and administrative expenses	(29)	(44)	(62)	(81)
Other income	7	12	23	25
Other expenses	(4)	(26)	(20)	(35)
Other gains/(losses), net	0	5	0	3
Income from operations	26	25	48	52
Income (loss) from companies accounted for using the equity method	1	1	1	1
Finance income	19	15	36	25
Finance expenses	(11)	(6)	(17)	(12)
Financial income, net	9	10	21	14
Income before tax	35	35	69	66
Income tax expense	(13)	(11)	(23)	(38)
Net income	22	24	46	27
Thereof:	0	0	0	0
attributable to TKMS Group	21	22	45	24
attributable to non-controlling interests	1	2	1	3
Earning per share (€)	0	0	0	0
Basic	0.34	0.35	0.70	0.38
Diluted	0.34	0.35	0.70	0.38

Consolidated statement of cash flows

million €	H1 2024/25	H1 2025/26
Net income	46	27
Adjustments to reconcile net income to operating cash flows:	0	0
Deferred income taxes, net	18	(1)
Depreciation, amortization and impairment of non-current assets	36	43
Reversals of impairment losses of non-current assets	0	0
Result fr. comp. accounted for using the	(1)	(1)
(Gain)/loss on disposal of non-current assets	0	0
Changes in assets and liabilities, net of effects of acquisitions and divestitures and other non-cash changes		
Inventories	(53)	(28)
Trade accounts receivable	73	58
Contract assets	68	64
Accrued pension and similar obligations	(3)	(1)
Other provisions	61	(15)
Trade accounts payable	161	96
Contract liabilities	1,134	(10)
Other assets/liabilities not related to investing or financing activities	(751)	(254)
Operating cash flows	788	(21)

million €	H1 2024/25	H1 2025/26
Capital expenditures for property, plant and equipment (inclusive of advance payments) and investment property	(28)	(46)
Capital expenditures for intangible assets (inclusive of advance payments)	(5)	(5)
Proceeds from disposals of property, plant and equipment, intangible assets, investments accounted for using the equity method and other non-current assets	0	0
Cash pool withdrawals	57	0
Cash flows from investing activities	24	(51)
Proceeds from/Repayments of liabilities to financial institutions	0	(14)
Cash flows from redemption of lease liabilities	(4)	(4)
Profit loss transfers received	147	99
Transactions with tk Group	0	(384)
Cash flows from financing activities	143	(302)
Net increase/(decrease) in cash and cash equivalents	956	(375)
Effect of exchange rate changes on cash and cash equivalents	(4)	3
Cash and cash equivalents at beginning of year	122	1,722
Cash and cash equivalents at end of year	1,074	1,350
Additional information regarding income tax amounts included in operating cash flows:		
Dividends received		
Income taxes paid	(6)	(27)
Interest received	32	18
Interest paid	(3)	(3)

Consolidated statement of financial position

million €	Sept. 30, 2025	Mar. 31, 2026
Goodwill	1,044	1,044
Intangible assets other than goodwill	284	275
Property, plant and equipment	532	532
Investments accounted for using the equity method	8	8
Other financial assets	10	10
Other non-financial assets	119	174
Deferred tax assets	13	19
Total non-current assets	2,010	2,062
Inventories	323	351
Trade accounts receivable	285	227
Contract assets	300	241
Other financial assets	151	12
Other non-financial assets	601	893
Current income tax assets	5	6
Cash and cash equivalents	1,722	1,350
Total current assets	3,386	3,080
Total assets	5,396	5,142

million €	Sept. 30, 2025	Mar. 31, 2026
Equity and liabilities		
Invested equity attributable to tk Group	1,166	0
Cumulative other comprehensive income	(95)	(76)
Equity attributable to tk Group	1,072	1,007
Invested equity attributable to non-controlling interests	14	(2)
Total equity	1,086	1,004
Accrued pension and similar obligations	344	330
Provisions for other non-current employee benefits	15	13
Other provisions, non-current	0	0
Deferred tax liabilities	237	249
Lease liabilities, non-current	26	25
Other financial liabilities, non current	7	26
Total non-current liabilities	630	642
Provisions for current employee benefits	40	34
Other provisions, current	333	326
Current income tax liabilities	14	27
Lease liabilities, current	6	7
Trade accounts payable	423	526
Other financial liabilities, current	349	52
Contract liabilities	2,349	2,345
Other non-financial liabilities, current	168	177
Total current liabilities	3,681	3,495
Total liabilities	4,311	4,137
Total equity and liabilities	5,396	5,142

Order intake, sales and Adj. EBIT by segment

	Submarines				Surface Vessels				Atlas Electronics			
million €	Q2 2024/25	Q2 2025/26	H1 2024/25	H1 2025/26	Q2 2024/25	Q2 2025/26	H1 2024/25	H1 2025/26	Q2 2024/25	Q2 2025/26	H1 2024/25	H1 2025/26
Order intake	62	2,045	4,289	2,119	16	32	1,174	33	94	537	150	1,796
Sales	308	370	622	601	84	103	210	277	158	191	300	376
Adj. EBIT	3	25	2	21	10	5	23	18	14	19	24	41
Adj. EBIT Margin, in %	1.1	6.6	0.4	3.5	11.8	5.0	11.1	6.3	8.6	10.0	7.9	10.9

Adj. EBIT reconciliation

million €	Q2 2024/25	Q2 2025/26	H1 2024/25	H1 2025/26
Income from operations	26	25	48	52
TK group trademark fee	0	0	4	0
Other financial income	1	0	1	1
Special items	(1)	9	(1)	8
Adjusted EBIT	27	34	53	60