

TRATON

VWCO - Less you don't want, more you don't need

TRATON Capital Markets Day
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NAVISTAR



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Caminhões Ônibus at a Glance



More than **40 years** in the **T&B business**



Present in over **30 countries**,
primarily in **Latin America and Africa**



More than **1 million** vehicles **sold**



Brazilian **market leader in truck**
segment and **vice leader in buses**



Full liner of truck and bus vehicles



Superior **dealer network** of more than **350**
locations around the globe



State-of-the-art production with 4 sites
located at LATAM, Africa and Southeast Asia



Very **motivated people**

VWCO: A lot has happened since the last CMD in 2019

We delivered what we have promised ...



Product portfolio expanded



Electric truck models launched



Substantial sales growth in Brazil and exports



Financial objectives achieved



VWCO trucks product portfolio expanded

Light-duty truck



Delivery Express+

Medium-/heavy-duty truck

Delivery family



Special vehicles



Constellation family



Extra heavy-duty truck



Constellation extra heavy



Meteor extra heavy

Launch of heavy-duty truck Meteor family, the Constellation models and the light-duty truck Delivery Express+

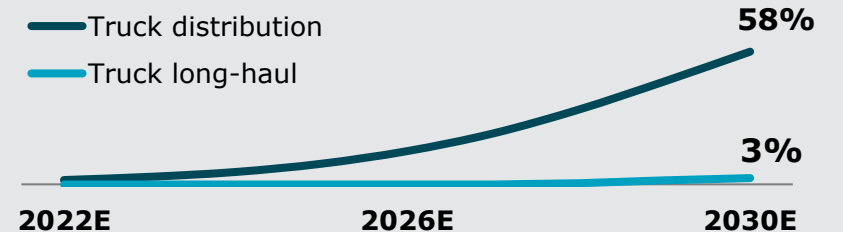
VWCO launched the e-Delivery models



Why urban distribution?

- Possibility of charging in the logistic warehouses and distribution centers
- Pre-defined routes with stop and go in favor of the battery recharging
- Customer segment with high demand for ESG solution
- Earliest TCO parity and additional benefits as noise reduction

E-mobility adoption projection in LATAM (% as total industry)



Source: VWCO

The first locally developed and produced zero-emission truck in Latin America

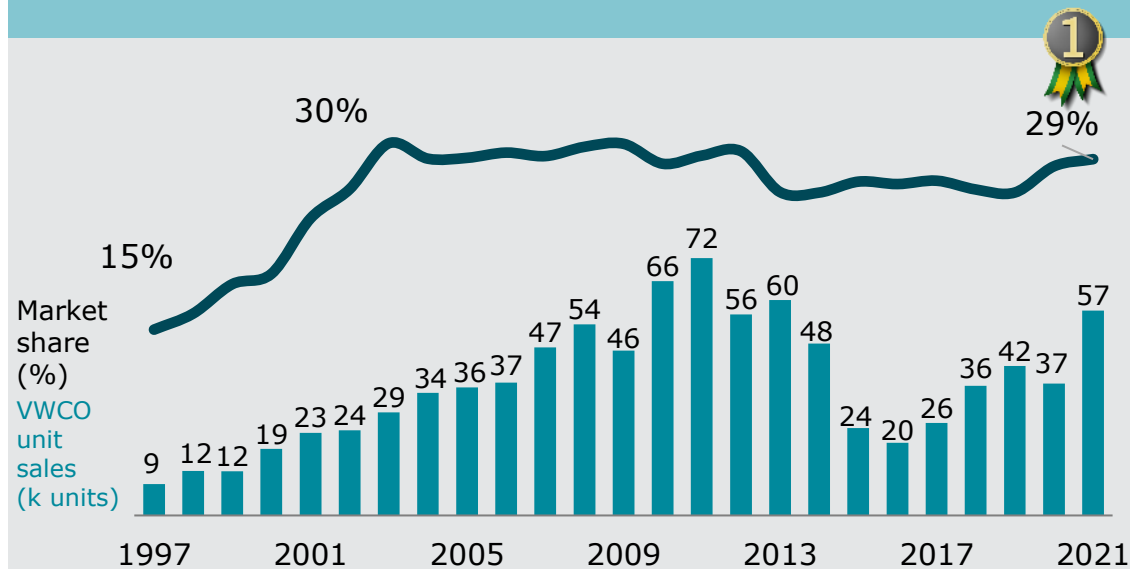
VWCO unit sales growth and exports

2019-2021: VWCO unit sales growth

↑ 34% In Brazil

↑ 57% In exports

VWCO leadership with price recovery in the Brazilian truck market & annual volume



Unit sales growth in Brazil despite pandemic with leadership in the truck market and growth in export business, and entering in 10 new markets

Year 2021 performance sets the basis for 2022!

Delivered the 2021 financial objectives



8.1%

Return on Sales

Financial objectives confirmed in Q1 2022



9.5%

Return on Sales

VWCO shows a robust business model

VWCO: Looking forward

... we can go even further



Keep benefiting from the market growth in Brazil and Latin America and harvest from new products launch



Further expand export, with additional markets in Africa, Middle East and Southeast Asia leveraging Group importers/dealer structure



Expand e-portfolio vehicles offering and services related to e-mobility



Develop new business models on the logistic ecosystem leveraging from digitalization and automation



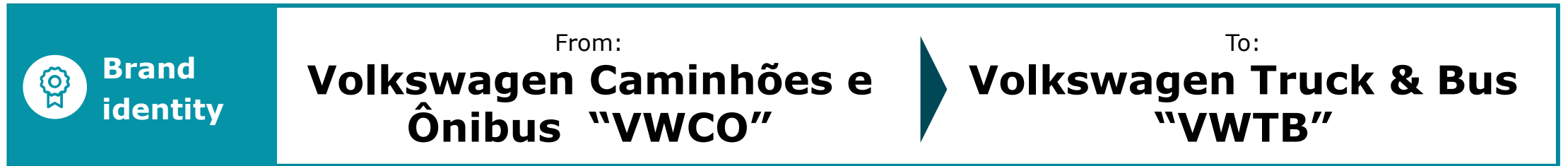
Leverage TRATON GROUP Modular System and technologies

VWCO value proposition prepared for the future in line with TRATON strategy!



“Best value for money solution provider for the transport and logistic ecosystem by offering tailor made products and services while creating sustainable value for our stakeholders.”

First step into the future: new legal name and brand identity



VWTTB way to the future: Building blocks for profitable growth



1 Ready to grow

VWTVB renewed full product line up

Zero emission



e-Delivery

Heavy



Constellation

Light



Delivery

Extra-heavy



Meteor

Mid



Constellation

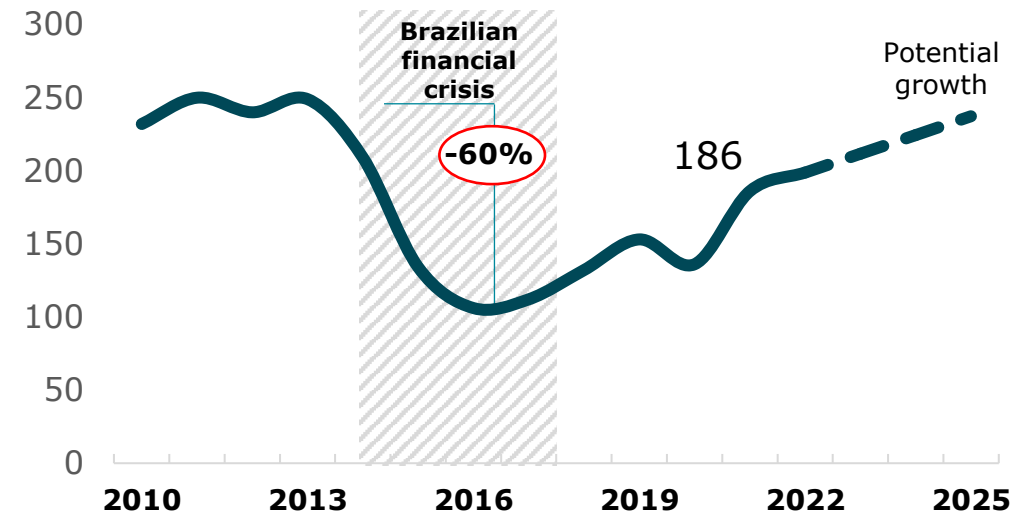
Bus



VolksBus

VWTVB current main markets potential

South America actual truck market development
(Truck >6 t registrations in 1.000 units)



- ▶ **Full line up of products updated – “Less you don’t want, more you don’t need”**
- ▶ **Customer proximity** with extensive **dealer network**
- ▶ **Well-positioned** to benefit from ongoing **market growth in Brazil & LATAM**

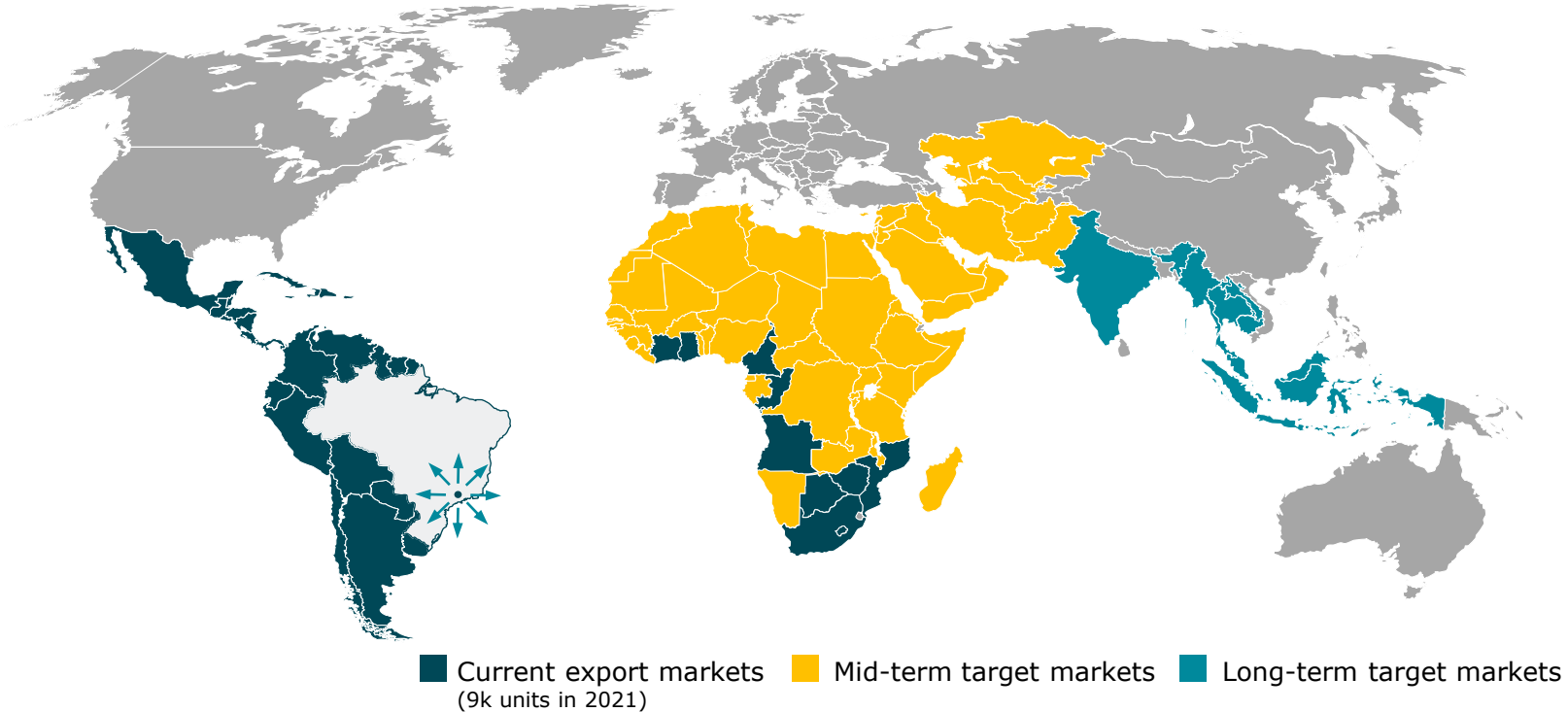
2 Designed for volatility

State-of-the-art Modular Consortium Production System



- ▶ 100% **operated** by suppliers - “**partners**” - with low direct labor costs
- ▶ **Innovative, lean, agile & flexible plant**
- ▶ **Low break-even** operation with the right plant capacity: 100k + units

3 Global expansion readiness



Current export markets

30 countries

≅ **9k VWTB units**

Mid-term

30+ target countries

≅ **15k units**

Long-term

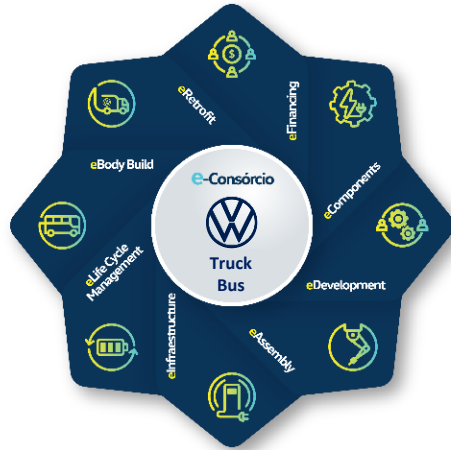
15+ additional target countries

≅ **25k units**

- ▶ Benefit from the **strong VW heritage** around the world complementing TRATON offering
- ▶ VWTB **expertise in emerging markets** to bring premium aspiration at budget prices
- ▶ Leverage from **group importers** and **dealer net**

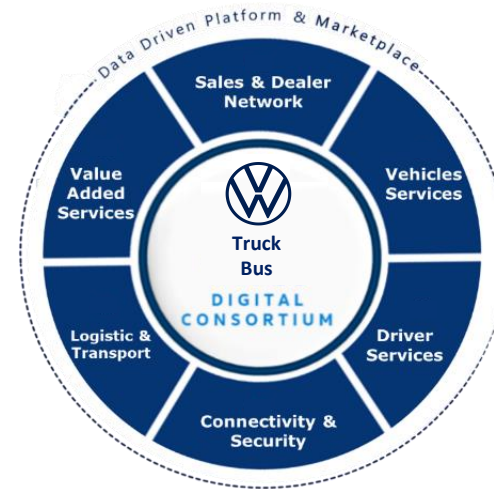
4 Future ready

New profit pools will double sales revenue from Vehicle Services business by 2025



e-Consortium

Offer of **complete e-line up** and **services** for the e-mobility ecosystem through the **e-Consortium**



Digital-Consortium

Digital-Consortium to foster the **Smart Truck** ecosystem leveraging from partners and RIO Brand

- ▶ **Expand on aftersales** leveraging from captive components
- ▶ **Extend the first EV** platform and ecosystem developed in LATAM
- ▶ Foster the **smart truck ecosystem** and advance on **logistic** and **transport as a service**

5 Focus on efficiency

Leverage TRATON Modular System



Group components



Meteor

Outstanding execution



- ▶ **Further cost efficiency** associated with **Excellence and Costfit programs**
- ▶ Leverage synergies from **TRATON Modular System** and **low cost local** development
- ▶ Outstanding execution due to **experienced** team and **high motivated employees**

VWTB: Key takeaways

1



VWTB has returned to historical profitability and return on investment levels

2



VWTB will keep its growth path enjoying the recovery on its core markets and benefiting from the full line up

3



VWTB has all the required conditions to further expand globally

4



VWTB is prepared for the future with its e-mobility platform and its digital & connect services and ecosystem

5



VWTB keeps working on efficiency and further use of TRATON Modular System to improve the profitability levels even further

8%
Strategic
RoS
target