

PRESS RELEASE

Broad support for new strategy at the Annual General Meeting after a strong start to the new year

- Actions of the Supervisory Board formally approved by a large majority; shareholders also vote in favor of all management proposals
- Dividend of €0.15 per share approved
- Preliminary results for the first quarter well above expectations – full-year guidance now much more positive

Cologne, April 27, 2023 – At today’s virtual Annual General Meeting in Cologne, the shareholders of DEUTZ AG voted in favor of all management proposals and formally approved the actions of the Board of Management and Supervisory Board.

With regard to the election of shareholder representatives on the Supervisory Board, the shareholders confirmed the appointments of Dr. Dietmar Voggenreiter (Chairman), Patricia Geibel-Conrad, and Dr. Ing. Rudolf Maier. Helmut Ernst, Melanie Freytag, and Bernd Maierhofer were elected as new members of the Supervisory Board. The Annual General Meeting also approved the Board of Management and Supervisory Board’s proposal to pay a dividend of €0.15 for 2022.

As well as using his speech to look back on a successful year from an operational and strategic perspective, DEUTZ CEO Dr. Sebastian C. Schulte gave shareholders an insight into the direction the Company would be taking going forward: “We achieved our targets for 2022 despite a challenging backdrop. Our adjusted EBIT more than doubled, in no small part due to the rigorous implementation of our performance initiatives. And our new Dual+ strategy has put us in a great position to continue growing on a sustainable and profitable basis,” says the CEO. This is backed up by the strong start DEUTZ has made to the new year: “It is very evident from the good business performance in the first quarter that our measures are taking effect and that we have set the right course with our new strategy. The clear focus on clean internal combustion engines, new green technologies, and the expansion of our global service business is laying solid foundations for the future of DEUTZ.”

The Company registered new orders worth €526 million in the first quarter of 2023 (Q1 2022: €509.6 million). Consolidated revenue grew by 15.5 percent to around €517 million (Q1 2022: €447.9 million). The preliminary figure for EBIT before exceptional items came to around €32 million, equivalent to an EBIT margin before exceptional items of 6.2 percent. This doubling of EBIT before exceptional items compared with the prior-year period (Q1 2022: €15.8 million) is well above the market expectation of an increase to €27.9 million. The sharp improvement in profitability was due not only to economies of scale but also to an improved product mix and the market-oriented pricing.

DEUTZ is refining its guidance for 2023 on the basis of this business performance in the first quarter. The Company now expects that its results for 2023 will be at the upper end of the most recently issued forecast ranges. These ranges, published in March, were for unit sales of between 175,000 and 195,000 DEUTZ engines¹, a corresponding revenue increase of between €1.9 billion and €2.1 billion, and an adjusted EBIT margin of between 4.0 and 5.0 percent.

DEUTZ's new strategy, which will lay the ground for the development of a future-proof technology portfolio, is aimed at improving the performance of its traditional business with conventional engines and at significantly expanding the existing service business. The objectives are clear: DEUTZ aims to permanently establish itself among the top three independent drive manufacturers by 2030 and to be a climate-neutral company by no later than 2050.

The Chairman of the Supervisory Board of DEUTZ AG, Dr. Dietmar Voggenreiter, added: "DEUTZ is in the midst of the biggest transformation in its history – from a traditional manufacturer of internal combustion engines to a provider of sustainable drive technologies. I firmly believe that our new strategy and our new Board of Management have set us on the right course to achieve this, and the results for the first quarter that were published today have only served to strengthen this conviction."

"We appreciate the good, constructive working relationship that we enjoy within the Supervisory Board and with the Board of Management and will continue to lend our support to the implementation of the strategy. We welcome the re-election of Dr. Dietmar Voggenreiter, who played a key role in shaping the reorganization of the Executive Board and the Supervisory Board

¹ Excluding electric boat drives from DEUTZ subsidiary Torqeedo.

in high agreement with the both shareholder and employee representatives,” says Sabine Beutert, Deputy Chairwoman of the Supervisory Board.

Detailed information about the virtual Annual General Meeting and the results of the voting on the individual agenda items are available on the DEUTZ website at www.deutz.com/en/investor-relations/annual-general-meeting/2023/.

Upcoming financial dates

May 4, 2023: Quarterly statement for the first quarter of 2023

August 10, 2023: Interim report for the first half of 2023

November 9, 2023: Quarterly statement for the first to third quarter of 2023

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About DEUTZ AG

DEUTZ AG, a publicly traded company headquartered in Cologne, Germany, is one of the world's leading manufacturers of innovative drive systems. Its core competencies are the development, production, distribution, and servicing of drive solutions in the power range up to 620 kW for off-highway applications. The current portfolio extends from diesel, gas, and hydrogen engines to hybrid and all-electric drives. DEUTZ drives are used in a wide range of applications including construction equipment, agricultural machinery, material handling equipment such as forklift trucks and lifting platforms, commercial vehicles, rail vehicles, and boats used for private or commercial purposes. DEUTZ has around 5,000 employees worldwide and almost 900 sales and service partners in more than 130 countries. It generated revenue of more than €1.9 billion in 2022. Further information is available at www.deutz.com.