

DAIMLER TRUCK

Daimler Truck Holding AG

Speech by the President & CEO Karin Rådström

Annual General Meeting
on May 27, 2025



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Dear Shareholders,

I, too, would like to warmly welcome you to our Annual General Meeting. Or to express it in a more Swedish manner: Hey, dear friends of our company, a heartfelt welcome to Daimler Truck! I looked forward very much to today. After all, it is my first Annual General Meeting as CEO of Daimler Truck. This role is a great honor for me as well as a great motivation.

German is the native language for most of you and for this reason I find it important to speak to you in German today. Today's speech is probably the longest one I have ever held in German – and that is a motivation for me, too.

Over the next few minutes, I would like to give you a short report on what we have resolved to do at Daimler Truck. Where we are today. And how we are making progress along the path that is now ahead of us. And, most of all, I would also like to share my confidence with you. After all, I am aware of how much we have already achieved at Daimler Truck in recent years. And I am convinced that we will achieve even more over the next few years.

Let's begin with the question of where we want to go as Daimler Truck. In that respect, I have a clear answer for you. Together with my team, I intend to make Daimler Truck the best truck and bus company in the world. That is ambitious. But we have everything we need to do this.

And I know from my own experience: It is only when you set yourself ambitious targets that you make the most of your abilities. This is something I have noticed not only over my professional career but also in my time as a competitive athlete. Even at that time I saw that: Working towards something with perseverance and dedication causes magic to happen. That is when you can achieve astonishing things.

This is precisely what we have now resolved to do at Daimler Truck: We intend to become the best in our industry. For our customers. For our employees. And, of course, also for you, our shareholders.

I am, of course, aware that it is not an easy time in which we have set ourselves this ambition. After all, it can be seen every day in the news that our environment is currently very volatile. This applies to geopolitical and geo-economic developments. From the war in Ukraine through to potential future tariffs in world trade, many questions are open in this respect. This entails a great degree of uncertainty for business, also for Daimler Truck. In this situation, we are consequently monitoring further developments very carefully, thinking in scenarios and flexibly adapting to changes.

One example is the transformation to sustainable transportation. Decarbonization has already begun and is also going to continue. But the process is taking place at different speeds. In Europe, the transformation is progressing – and as Daimler Truck we intend to take the lead in this transformation. For this reason, we already have on the market a wide range of electric trucks and buses that we are continually extending.

This means our emissions-free vehicles are ready. But for our customers to be able to purchase these vehicles in large numbers, it is also important to have the right framework conditions in place. For example, a Europe-wide carbon-based toll system is required to enable our customers to operate emissions-free trucks cost-efficiently. In addition, an extensive public infrastructure is needed so that our customers will also be able to charge the vehicles. To this end, we are holding discussions with political decision-makers and are also proactively kick-starting the process ourselves with pilot projects.

In the USA, the situation is different. The transformation there is currently slowing down – and we must react to this development and adjust our strategy. And we are also able to do so. After all, we are positioned at a global level to achieve a great degree of efficiency with standardized platforms for the drivetrain and vehicle electronics. And we made a very deliberate decision not to invest in our own gigafactory for battery cells – or even in a lithium mine. We are building on partnerships and making investments step by step. This is now providing us with the necessary flexibility. Therefore, we will be able to ramp up our emissions-free drives when the market for them is also in place.

Our flexible technology strategy is one of the reasons why I am so confident in the future of Daimler Truck. A further reason is our strong starting position. If you have known Daimler Truck for some time already, you will be aware that: In recent years, we have distinguished ourselves as being a solid, financially strong company and strive to improve even further.

You can also see this from our current results. In the 2024 fiscal year, we achieved an adjusted EBIT of 4.7 billion euros – and in our Industrial Business an adjusted return on sales of 8.9 percent and a free cash flow of 3.2 billion euros. This means our profit was slightly down on the very good prior year but our free cash flow reached a new record. We would like to let you, our shareholders, participate in this solid result. After all, we very much appreciate the faith in Daimler Truck you share with us and the confidence you place in our company and our team. We are very grateful for your trust and such trust should be rewarded. For this reason, we propose at today's Annual General Meeting to distribute for the past fiscal year a dividend of 1.90 euros per share.

This means we are maintaining a consistent dividend payment at the level of the prior year despite the profit having fallen somewhat, as already mentioned. That is important to us. We want you, dear shareholders, to participate appropriately in the success of your company even in volatile times. At the current share price, this corresponds to a very good dividend yield of around five percent.

To increase the value of your shares in the company, we furthermore launched a program in August 2023 to repurchase and cancel treasury shares. To date, we have acquired 53.3 million shares. All further details on the current status of the share buyback can be found in the "Information by the Board of Management on the Share Buyback Program 2023." This information is published on the website for our Annual General Meeting.

Now a quick look at the current fiscal year. All in all, we anticipate a stable business performance in 2025 despite the current uncertainties. We got off to a solid start to the first quarter of 2025. In our Industrial Business we achieved an adjusted return on sales of 9.6 percent. For the whole year, we expect an adjusted return on sales of 8 to 10 percent in our Industrial Business. With regard to our adjusted Group EBIT, we are working on the assumption that it will stand at a similar level to the prior year and will not deviate more than 5 percent from that figure.

In the current volatile environment, any outlook involves more uncertainty than normal. This is the case with many companies and also with Daimler Truck. But there is one thing I can clearly say: Daimler Truck – your company – remains on a very solid trajectory. And this shows that: We have important strengths we can rely on each and every day. All around the globe, we have strong brands, strong products and strong teams.

Now to mention only a few examples of this: North America is the most important truck market in the world – and we reached a share of 39.8 percent in the sector for heavy trucks there in 2024. This made us once more the clear number one. We have now brought the fifth generation of our successful Freightliner Cascadia model onto the market – with state-of-the-art safety features, even better aerodynamics and even more driving comfort.

In Europe, our offering has included our battery-electric Mercedes-Benz eActros 600 since the end of 2024. With a range of around 500 kilometers, it is designed for long-distance haulage. Our eActros 600 is very popular with experts – a specialist jury voted it “International Truck of the Year 2025.” And, most of all, it is very popular with our customers – Amazon, for example, has already ordered 202 vehicles.

We have constantly continued to extend our portfolio of city buses. In the meantime, we are able to cover practically all our customers’ areas of application – and that is paying off: Since market introduction in 2018, we have already delivered more than 2,500 Mercedes-Benz eCitaros. And we continue to receive major orders on a regular basis. For instance, we are scheduled to hand over 350 eCitaros to Hamburger Hochbahn, the operator of Hamburg’s public transport system, over the next few years.

This means we, as Daimler Truck, are in a really strong position – both with our financial figures and with our market presence. And we now want to continue building on this foundation. We want to take our company to the next level. One focal point in this respect is Mercedes-Benz Trucks. This is an area in which we have already achieved a great deal in recent years but we still have much more untapped potential. To further strengthen Mercedes-Benz Trucks, we are taking a range of measures.

Here are only three examples: First, at the beginning of this January we integrated our business in China and India into Mercedes-Benz Trucks. This enables the new segment to make even better use of economies of scale with many parts and components, also at lower cost locations. And Mercedes-Benz Trucks is able to export the BharatBenz trucks manufactured in India to global markets on a larger scale.

Our Cost Down Europe efficiency program is a second measure: We want to cut our annually recurring costs in Europe by more than one billion euros by 2030 at the very latest. By doing so, we will increase our profitability and resilience – and are making sure we have the financial leeway we need to be able to invest in the historical transformation of our industry to the necessary extent. Only a few weeks ago, we came to an agreement with our general works council on important corner points of our program. We will now start implementation without delay.

As a third measure, we will open our Global Parts Center at Halberstadt in Saxony-Anhalt at the beginning of July. This is a new state-of-the-art logistics center with which we will further improve global supplies of replacement parts for Mercedes-Benz Trucks. This project stands for an important strategic alignment: We want to further develop Daimler Truck even more markedly into a company that offers its customers not only great vehicles but also great end-to-end solutions. We intend to significantly expand our service business over the next few years.

Alongside our Global Parts Center, there are many other initiatives to this end. For example, we want to open further commercial vehicle centers throughout Europe. And we are continuing to expand services such as TruckCharge with which we provide assistance to our customers with topics such as charging infrastructure – and thus with the transition to emission-free vehicles.

This was only a brief overview of some strategic projects we are currently addressing. In a few weeks' time, we will present our overall, updated corporate strategy in detail at our Capital Market Day on July 8th. Our Capital Market Day will take place in Charlotte in North Carolina and I extend to you a warm welcome to follow the event on our live stream.

Dear Shareholders, dear friends of Daimler Truck, I am coming to the end of my speech – and back to the beginning again. I consider it a great honor and a great motivation to be CEO of Daimler Truck. After all, our products are of enormous importance for our economy and our society. We work for all who keep the world moving.

And Daimler Truck is a great company that is already strong today and is able to be much stronger tomorrow. Going forward, we intend to make full use of everything that distinguishes Daimler Truck already. For our customers, for our employees and, of course, also for our shareholders.

We want to make Daimler Truck the best truck and bus company in the world. I do not see any reason why we should not succeed in this. And on the opposite, I see very many reasons that we will succeed. After all, we have great brands, we have great products and solutions – and, most of all, we also have a great, global team that works, with persistence and dedication, towards a shared goal.

Thank you very much.

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