QUARTERLY STATEMENT Q1/2025

DEUTZ GROUP: OVERVIEW

€ million

	Q1 2025	Q1 2024[1]	Change
New orders	546.1	419.2	30.3%
Unit sales (units)	31,263	38,242	-18.2%
Revenue	489.0	454.7	7.5%
EBITDA (before exceptional items)	44.6	50.0	-10.8%
EBITDA margin (before exceptional items)	9.1%	11.0%	-1.9pp
EBITDA	19.6	46.1	-57.5%
Adjusted EBIT (before exceptional items)	21.0	27.7	-24.2%
EBIT margin (before exceptional items)	4.3%	6.1%	-1.8pp
Exceptional items	-25.0	-3.9	541.0%
EBIT	-4.0	23.8	–
Net income	-10.0	16.5	–
Earnings per share (€)	-0.07	0.13	–
Earnings per share (before exceptional items, €)	0.06	0.16	-62.5%
Equity (March 31/December 31)	831.8	847.9	-1.9%
Equity ratio (March 31/December 31)	47.4%	50.4%	-3.0pp
Free cash flow[2]	23.8	5.1	366.7%
Free cash flow (before M&A)	23.4	5.1	358.8%
Net financial position (March 31/December 31)[3]	-210.2	-225.6	6.8%
Working capital (March 31/December 31)[4]	375.5	383.0	-2.0%
Working capital ratio (March 31/Dec. 31)[5]	20.3%	21.1%	-0.8pp
Working capital ratio (average) (March 31/December 31)[6]	21.6%	22.2%	-0.6pp
Capital expenditure (after deducting grants)[7]	16.4	19.8	-17.2%
R&D ratio[8]	4.6%	5.6%	-1.0pp
R&D expenditure (after deducting grants)	22.6	25.4	-11.0%
Employees (number as at March 31)[9]	5,511	5,122	7.6%

DEUTZ Engines & Services

€ million

	Q1 2025	Q1 2024	Change
New orders	475.9	408.7	16.4%
Unit sales (units)	30,630	37,894	-19.2%
Revenue	448.1	449.7	-0.4%
Adjusted EBIT (before exceptional items)	28.7	37.2	-22.8%
EBIT margin (before exceptional items)	6.4%	8.3%	-1.9pp

DEUTZ Solutions

€ million

	Q1 2025	Q1 2024	Change
New orders	70.2	10.5	568.6%
Unit sales (units)	633	348	81.9%
Revenue	40.9	5.0	718.0%
Adjusted EBIT (before exceptional items)	-7.5	-9.6	21.9%
thereof DEUTZ Energy	3.5	-0.1	–
thereof DEUTZ New Technology	-11.0	-9.5	15.8%
EBIT margin (before exceptional items)	-18.3%	-192.0%	+173.7pp

[1] In accordance with IFRS 5, the activities of the Torqeedo Group were presented as discontinued operations in the previous year until the date of deconsolidation. The comparative figures for the previous year for key figures relating to the income statement and cash flow statement, as well as investments, R&D expenditure and employees, only include the continued operations.
[2] Cash flow from operating and investing activities less interest expense.
[3] Cash and cash equivalents less current and non-current interest-bearing financial debt.
[4] Inventories plus trade receivables less trade payables.
[5] Working capital (inventories plus trade receivables less trade payables) as at the balance sheet date divided by revenue for the previous twelve months.
[6] Average working capital at the four quarterly reporting dates divided by revenue for the previous twelve months.
[7] Capital expenditure on property, plant and equipment (including right-of-use assets in connection with lease) and intangible assets, excluding capitalization of R&D.
[8] Research and development expenditure (after subsidies) in relation to sales revenue.
[9] Number of employees in FTE (Full Time Equivalent).

Business model and segments

DEUTZ is one of the world's leading manufacturers of drive systems for off-highway applications in the power range up to 620 kW. Through its subsidiary Blue Star Power Systems, Inc. (»Blue Star Power Systems«), which was acquired in 2024, the Company also operates in the field of decentralized energy supply and is increasingly positioning itself as a system provider.

The current portfolio ranges from diesel, gas, and electric drive systems to hydrogen-based solutions. These drives are used in various applications, including construction equipment, agricultural machinery, material handling equipment such as forklift trucks and lifting platforms, stationary equipment such as gensets, commercial vehicles, and rail vehicles. DEUTZ also offers a comprehensive range of digital and analog services through around 1,000 sales and service partners in over 120 countries.

Since the start of 2025, the Company's operating activities have been organized in the segments DEUTZ Engines & Services and DEUTZ Solutions:

The DEUTZ Engines & Services segment, which accounted for 91.6% percent of total revenue in the first quarter of 2025, encompasses the development, production, distribution, maintenance, and servicing of diesel and gas engines, including the nascent defense business. This segment comprises the DEUTZ Classic and DEUTZ Service business units. The DEUTZ Solutions segment includes alternative drives as well as business activities that go beyond engine manufacturing and service. It is subdivided into the two business units DEUTZ New Technology and DEUTZ Energy. DEUTZ New Technology covers the former DEUTZ Green portfolio, i.e. electrified products, hydrogen combustion engines, battery management specialist Futavis, and the associated service business. At the core of the Energy business unit, which focuses on decentralized energy supply, is the business of genset manufacturer Blue Star Power Systems, which was acquired in 2024.

Business performance in the DEUTZ Group

DEUTZ continually analyzes its existing portfolio of products and services in order to ensure that it is properly prepared for the future.

At the start of April 2024, DEUTZ completed the sale of Torqeedo, its subsidiary specializing in electric boat drives.[10] In 2024, the activities of the Torqeedo Group had, in accordance with IFRS 5, been reported as discontinued operations up to the point of deconsolidation at the start of April 2024. Unless otherwise indicated, the comparative figures presented below for the prior-year period are for continuing operations only.

As part of its endeavor to develop the portfolio, DEUTZ also completed its purchase of all the shares in Blue Star Power Systems, Inc. at the start of August 2024.[11] The US company develops, manufactures, and sells electricity generators (gensets) and is one of the leading manufacturers in the US market. Blue Star Power Systems' business is assigned to the DEUTZ Solutions segment, where it forms the core of the Energy business unit. Also at the start of August 2024, DEUTZ took over the sales and service activities for various Daimler Truck industrial engines from Rolls-Royce's Power Systems division.[12] These activities have, regardless of the service business, primarily been assigned to the Construction Equipment and Agricultural Machinery application segments in the DEUTZ Engines & Services segment. At the start of January 2025, DEUTZ acquired a 50% stake in exhaust aftertreatment specialist HJS Emission Technology GmbH & Co. KG (HJS Emission Technology) in order to boost its technological and production-related expertise in the field of efficient internal combustion engines. The consolidated new orders and revenue of HJS Emission Technology are included in the figures for the Construction Equipment and Miscellaneous application segments.

[10] See the press release dated April 3, 2024.
[11] See the press release dated August 8, 2024.
[12] See the press release dated August 1, 2024.

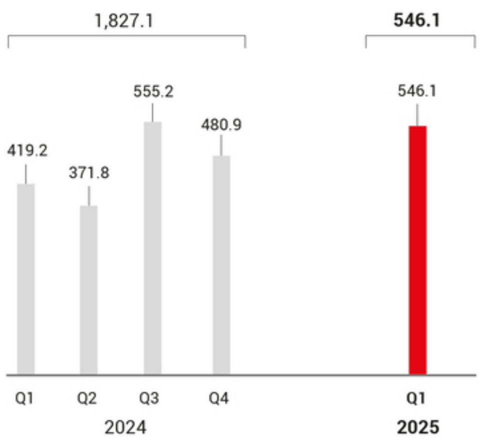
New orders

DEUTZ Group: New orders

€ million

DEUTZ Group: New orders by quarter

€ million



DEUTZ Group: New orders by application segment

€ million

	Q1 2025	Q1 2024	Change
Service	145.5	129.1	12.7 %
Construction Equipment	123.6	88.2	40.1 %
Material Handling	102.8	121.2	-15.2 %
Stationary Equipment	83.5	29.1	186.9 %
Miscellaneous	65.1	16.2	301.9 %
Agricultural Machinery	25.6	35.4	-27.7 %
Total	**546.1**	**419.2**	**30.3 %**

Thanks to the successful adjustments to the portfolio described above, the DEUTZ Group's new orders jumped by 30.3% compared with the prior-year period, rising from €419.2 million to €546.1 million in the first quarter of 2025.

DEUTZ Group: New orders by region

€ million

	Q1 2025	Q1 2024	Change
EMEA	328.2	261.1	25.7 %
Americas	175.9	109.9	60.1 %
Asia-Pacific	33.9	30.9	9.7 %
China	8.1	17.3	-53.2 %
Total	**546.1**	**419.2**	**30.3 %**

The regional breakdown shows that the rise in new orders was primarily attributable to EMEA and the Americas. New orders in the EMEA region advanced by 25.7%, predominantly due to the aforementioned takeover of activities for various Daimler Truck industrial engines from Rolls-Royce Power Systems and due to the acquisition of HJS Emission Technology. The Americas region registered an increase in new orders of 60.1% that was predominantly driven by the genset business of Blue Star Power Systems. In China, however, new orders fell by about a half compared with the first quarter of 2024.

Orders on hand stood at €521.0 million as at March 31, 2025 (March 31, 2024: €414.9 million), of which €48.6 million was attributable to the service business.

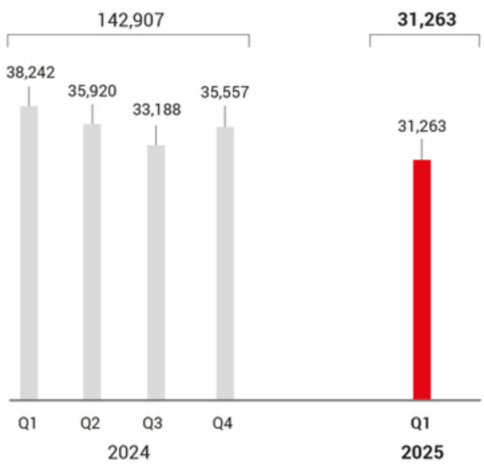
Unit sales

DEUTZ Group: Unit sales

Units

DEUTZ Group: Unit sales by quarter

Units



As expected, DEUTZ saw a considerable decrease in unit sales in the first three months of 2025 as a result of the weak level of orders in previous quarters caused by the wider economic situation. Despite the positive impact of M&A transactions, DEUTZ sold 31,263 units in the period January to March 2025, a drop of (18.2%) compared with the 38,242 units sold in the prior-year period.

DEUTZ Group: Unit sales by application segment

Units

	Q1 2025	Q1 2024	Change
Material Handling	13,059	17,755	-26.4 %
Construction Equipment	9,376	11,967	-21.7 %
Agricultural Machinery	3,945	4,691	-15.9 %
Stationary Equipment	3,516	3,259	7.9 %
Miscellaneous	1,367	570	139.8 %
Total	**31,263**	**38,242**	**-18.2 %**

Among DEUTZ's application segments, only Stationary Equipment (up by 7.9%) and Miscellaneous (up by 139.8%) recorded year-on-year increases in unit sales during the reporting period. The sharp rise in the unit sales of the Miscellaneous application segment was essentially due to the first-time consolidation of HJS Emission Technology's business.

DEUTZ Group: Unit sales by region

Units

	Q1 2025	Q1 2024	Change
EMEA	17,687	20,996	-15.8 %
Americas	9,464	10,432	-9.3 %
Asia-Pacific	2,426	3,997	-39.3 %
China	1,686	2,817	-40.1 %
Total	**31,263**	**38,242**	**-18.2 %**

The decline in unit sales was attributable to all regions, with the EMEA region – and within that region, Europe – recording by far the biggest decreases in absolute terms.

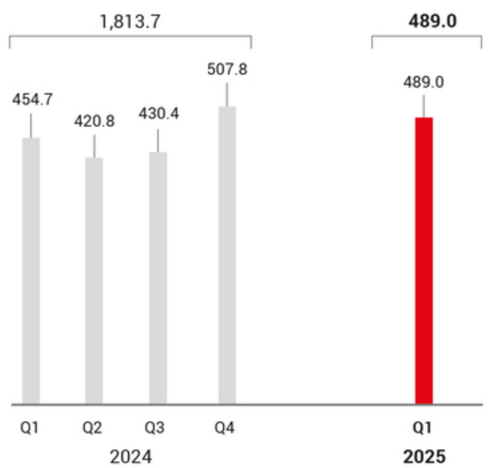
Revenue

DEUTZ Group: Revenue

€ million

DEUTZ Group: Consolidated revenue by quarter

€ million



Contrasting with the reduction in unit sales, DEUTZ generated significant revenue growth in the reporting period. Consolidated revenue went up by 7.5% to €489.0 million, compared with €454.7 million in the first quarter of 2024. These opposing trends were the result of various factors. Firstly, prices per unit sold were higher on average thanks to the successful transformation of the portfolio and the acquisitions carried out, combined with favorable pricing effects resulting from a market-oriented pricing policy. Secondly, the rise in revenue was also driven by the larger share attributable to the service business and by the business of HJS Emission Technology, neither of which are included in unit sales.

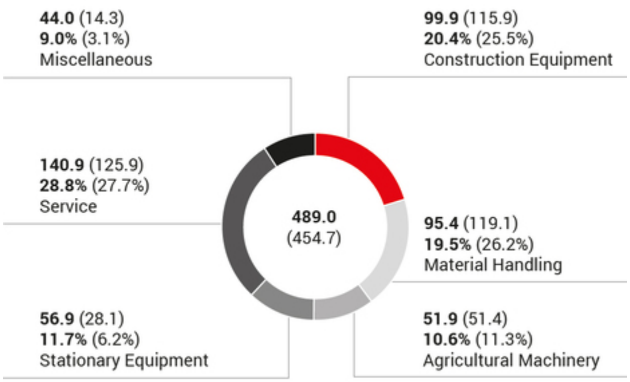
DEUTZ Group: Revenue by application segment

€ million

	Q1 2025	Q1 2024	Change
Service	140.9	125.9	11.9 %
Construction Equipment	99.9	115.9	-13.8 %
Material Handling	95.4	119.1	-19.9 %
Stationary Equipment	56.9	28.1	102.5 %
Agricultural Machinery	51.9	51.4	1.0 %
Miscellaneous	44.0	14.3	207.7 %
Total	**489.0**	**454.7**	**7.5 %**

DEUTZ Group: Revenue by application segment

€ million (2024 figures)



The application segments presented a mixed picture in terms of revenue in the first quarter of 2025. Stationary Equipment and Miscellaneous both recorded exceptional revenue growth that was predominantly due to the acquisitions, whereas DEUTZ registered double-digit percentage decreases in revenue in the Construction Equipment and Material Handling application segments. By contrast, revenue in the service business swelled by 11.9% to €140.9 million in the period under review. This continued uptrend was due to growth by acquisition and, in particular, expansion of parts trading in Germany and the Americas and the intensification of the Xchange business.

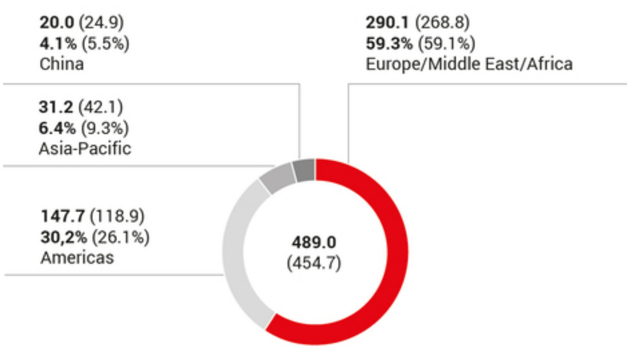
DEUTZ Group: Revenue by region

€ million

	Q1 2025	Q1 2024	Change
EMEA	290.1	268.8	7.9 %
Americas	147.7	118.9	24.2 %
Asia-Pacific	31.2	42.1	-25.9 %
China	20.0	24.9	-19.7 %
Total	**489.0**	**454.7**	**7.5 %**

DEUTZ Group: Revenue and proportion of revenue by region

€ million (2024 figures)



From a regional perspective, the increase in revenue was attributable to the EMEA and Americas regions.

Earnings

DEUTZ Group: Overview of results of operations

€ million

	Q1 2025	Q1 2024	Change
Revenue	**489.0**	**454.7**	**7.5%**
Cost of sales	-374.4	-344.9	8.6%
Research and development costs	-44.4	-25.4	74.8%
Selling and administrative expenses	-76.6	-59.6	28.5%
Other operating income	8.3	4.7	76.6%
Other operating expenses	-6.0	-5.1	17.6%
Impairment of financial assets and reversals thereof	-0.7	0.5	–
Profit/loss on equity-accounted investments	0.8	-1.1	–
EBIT	**-4.0**	**23.8**	**–**
Interest income	0.2	0.3	-33.3%
Interest expense	-5.0	-4.6	8.7%
Financial income, net	**-4.8**	**-4.3**	**-11.6%**
Income taxes	-1.2	-3.0	-60.0%
Net income continuing operations	**-10.0**	**16.5**	**–**
Net income discontinued operations	**0.0**	**-7.7**	**–**
Net income	**-10.0**	**8.8**	**–**
Adjusted EBIT – Engines & Service (EBIT before exceptional items)	28.7	37.2	-22.8%
Adjusted EBIT – Solutions (EBIT before exceptional items)	-7.5	-9.6	21.9%
Consolidation/ Other[13]	-0.2	0.1	–
Adjusted EBIT (EBIT before exceptional items)	**21.0**	**27.7**	**-24.2%**
Exceptional items	-25.0	-3.9	541.0%
EBIT	**-4.0**	**23.8**	**–**

Adjusted EBIT Adjusted EBIT (EBIT before exceptional items) diminished from €27.7 million in the first quarter of 2024 to €21.0 million in the reporting period, mainly due to a lower production volume and resulting diseconomies of scale. However, the acquisition of Blue Star Power Systems and the takeover of the sales and service business of Rolls-Royce Power Systems in the second half of 2024 had a positive impact on earnings performance in the first quarter of 2025. Lower research and development costs also helped to mitigate the volume-related deterioration in earnings.

The adjusted EBIT margin stood at 4.3% in the three-month period, compared with 6.1% in the prior-year period. This shows that the steps taken by DEUTZ under its Dual+ strategy are paying off and that DEUTZ can do business profitably even when economic conditions are challenging.

[13] »Consolidation/Other predominantly« consists of non-operating centralized activities as well as effects on earnings resulting from the elimination of intragroup transactions between the segments.

The gross margin decreased slightly, from 24.1% in the first quarter of 2024 to 23.4% in the reporting quarter. This was mainly attributable to negative product mix and price effects in connection with materials.

In the first quarter of 2025, exceptional items amounted to an expense of €(25.0) million (Q1 2024: expense of €(3.9) million).

The following table provides a breakdown of the exceptional items:

DEUTZ Group: Exceptional items

€ million

	Q1 2025	Q1 2024
Restructuring program	-25.0	0.0
Costs of strategic projects	-1.8	-1.6
Costs in connection with the sale of the Torqeedo Group	0.0	-2.3
Other effects	1.8	0.0
Total	**-25.0**	-3.9

In view of the business situation and the challenging economic climate, targeted measures are to be taken to boost competitiveness. These measures all come under the umbrella of the Future Fit program and include a voluntary redundancy program for the Cologne site focusing on the Research and Development, Central Sales, Central Services, and Supply Chain Management functions.

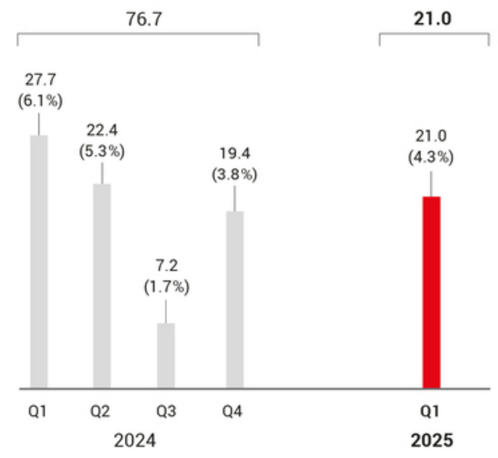
The costs of €25.0 million in the first quarter of 2025 in connection with this restructuring program resulted in a particularly significant increase in research and development costs as most of the job cuts are in Research and Development. From the second half of the year, there will be a tangibly positive impact on staff costs. After adjusting for this exceptional item, research and development costs in the first quarter of 2025 were already €(24.3) million below the figure for the corresponding prior-year period.

Before adjusting for the above exceptional items, EBIT for the first quarter of 2025 amounted to a loss of €4.0 million (Q1 2024: profit of €23.8 million). The corresponding EBIT margin was minus 0.8%%, compared with 5.2% in the prior-year period.

As a result of the decrease in operating profit (EBIT), net income fell year on year from €16.5 million to a net expense of €(10.0) million. As a result, earnings per share fell from €0.13 in the prior-year period to a loss per share of €(0.07) in the reporting quarter. Earnings per share before exceptional items fell from €0.16 to €0.06.

DEUTZ Group: Adjusted EBIT (before exceptional items) by quarter

€ million (EBIT margin, %)



Business performance in the segments

Since January 1, 2025, DEUTZ's reporting structure has been based on two segments: DEUTZ Engines & Services and DEUTZ Solutions. The figures for the prior-year period have been adjusted to reflect the new segment structure. The Engines & Services segment encompasses the development, production, distribution, maintenance, and servicing of diesel and gas engines, including the nascent defense business, as well as the equity-accounted joint venture with Chinese construction equipment manufacturer SANY and the equity-accounted company D. D. Power Holdings (Pty) Ltd. (South Africa). It is subdivided into the two business units DEUTZ New Technology and DEUTZ Energy. The Energy business unit focuses on decentralized energy supply and constitutes the business of genset manufacturer Blue Star Power Systems, which was acquired in 2024, and the rest of the DEUTZ Group's genset business. Meanwhile, DEUTZ New Technology covers the former DEUTZ Green portfolio, i.e. electrified products and hydrogen combustion engines, and the associated service business. Given that DEUTZ is currently only at the start of its transformation, the earnings-related key figures for the Solutions segment also reflect a substantial level of research and development in the field of hydrogen-powered and electric drive systems. The DEUTZ Solutions segment also includes the equity-accounted company DEUTZ Power Solution (Xuzhou) Co., Ltd., Xuzhou (China) and the equity-accounted joint venture DEUTZ Zhongguancun Hydrogen Technology (Beijing) Co., Ltd., Beijing (China).

At the start of April 2024, DEUTZ completed the sale of Torqeedo, its subsidiary specializing in electric boat drives.[14] In 2024, the activities of the Torqeedo Group (which had been included in the consolidated accounts within the Green segment) had, in accordance with IFRS 5, been reported as discontinued operations up to the point of deconsolidation. Unless otherwise indicated, the comparative figures for the DEUTZ Solutions segment presented below for the prior-year period are for continuing operations only. The sale in 2024 had no impact on the key figures for the DEUTZ Engines & Services segment.

DEUTZ Group: Segments

€ million

	Q1 2025	Q1 2024
New orders		
Engines & Services	475.9	408.7
Solutions	70.2	10.5
Total	**546.1**	**419.2**
Unit sales (units)		
Engines & Services	30,630	37,894
Solutions	633	348
Total	**31,263**	**38,242**
Revenue		
Engines & Services	448.1	449.7
Solutions	40.9	5.0
Total	**489.0**	**454.7**
Adjusted EBIT (EBIT before exceptional items)		
Engines & Services	28.7	37.2
Solutions	-7.5	-9.6
thereof DEUTZ Energy	3.5	-0.1
thereof DEUTZ New Technology	-11.0	-9.5
Consolidation/ Other	-0.2	0.1
Total	**21.0**	**27.7**

DEUTZ Engines & Services

DEUTZ Engines & Services: Overview

€ million

	Q1 2025	Q1 2024	Change
New orders	**475.9**	**408.7**	**16.4%**
Unit sales (units)	**30,630**	**37,894**	**-19.2%**
Revenue	**448.1**	**449.7**	**-0.4%**
EBIT before exceptional items	**28.7**	**37.2**	**-22.8%**
EBIT margin before exceptional items	**6.4 %**	**8.3 %**	**-1,9pp**

DEUTZ Engines & Services: New orders by application segment

€ million

	Q1 2025	Q1 2024	Change
Service	141.3	126.3	11.9%
Construction Equipment	123.6	88.2	40.1%
Material Handling	102.8	121.2	-15.2%
Miscellaneous	61.8	15.0	312.0%
Agricultural Machinery	25.6	35.4	-27.7%
Stationary Equipment	20.8	22.6	-8.0%
Total	**475.9**	**408.7**	**16.4%**

[14] See press release dated April 3, 2024.

DEUTZ Engines & Services: New orders by region

€ million

	Q1 2025	Q1 2024	Change
EMEA	322.2	251.2	28.3%
Americas	112.0	109.3	2.5%
Asia-Pacific	33.9	30.9	9.7%
China	7.8	17.3	-54.9%
Total	**475.9**	**408.7**	**16.4%**

New orders received in the DEUTZ Engines & Services segment rose by 16.4% to €475.9 million in the period January to March 2025. This upward trend can primarily be explained by the takeover of sales and service activities from Rolls-Royce Power Systems and by the first-time consolidation of HJS Emission Technology, which led to substantial order growth in the Construction Equipment and Miscellaneous application segments. New orders also went up in the service business, whereas order levels in the Material Handling, Agricultural Machinery, and Stationary Equipment application segments continued to be affected by soft demand caused by the wider economic situation.

Orders on hand amounted to €401.2 million as at March 31, 2025, which was more or less unchanged on the figure of €401.7 million reported a year earlier.

DEUTZ Engines & Services: Unit sales by application segment

Units

	Q1 2025	Q1 2024	Change
Material Handling	13,059	17,755	-26.4%
Construction Equipment	9,373	11,964	-21.7%
Agricultural Machinery	3,945	4,691	-15.9%
Stationary Equipment	3,013	3,100	-2.8%
Miscellaneous	1,240	384	222.9%
Total	**30,630**	**37,894**	**-19.2%**

DEUTZ Engines & Services: Unit sales by region

Units

	Q1 2025	Q1 2024	Change
EMEA	17,519	20,830	-15.9%
Americas	9,003	10,261	-12.3%
Asia-Pacific	2,426	3,986	-39.1%
China	1,682	2,817	-40.3%
Total	**30,630**	**37,894**	**-19.2%**

The segment's unit sales decreased by (19.2%) to 17,519 units sold owing to a decline in demand across all regions. Miscellaneous was the only application segment with higher unit sales, recording an exceptional increase that was attributable to the acquired business of HJS Emission Technology.

DEUTZ Engines & Services: Revenue by application segment

€ million

	Q1 2025	Q1 2024	Change
Service	137.6	124.3	10.7%
Construction Equipment	99.9	115.6	-13.6%
Material Handling	95.4	119.1	-19.9%
Agricultural Machinery	51.9	51.4	1.0%
Miscellaneous	42.3	13.5	213.3%
Stationary Equipment	21.0	25.8	-18.6%
Total	**448.1**	**449.7**	**-0.4%**

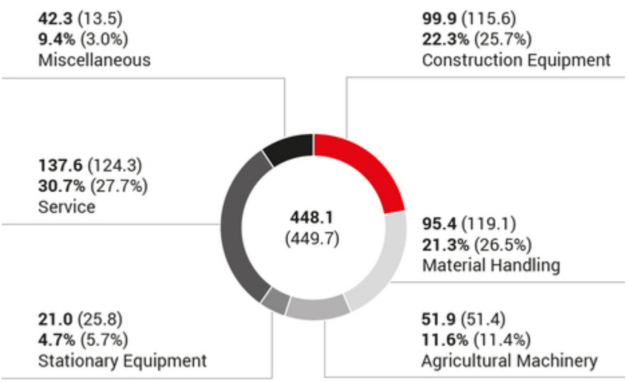
DEUTZ Engines & Services: Revenue by region

€ million

	Q1 2025	Q1 2024	Change
EMEA	284.8	264.6	7.6%
Americas	112.4	118.3	-5.0%
Asia-Pacific	31.2	41.9	-25.5%
China	19.7	24.9	-20.9%
Total	**448.1**	**449.7**	**-0.4%**

DEUTZ Engines & Services: Revenue by application segment

€ million (2024 figures)



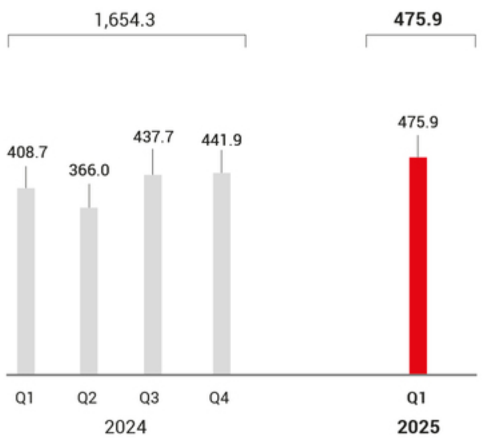
Despite the slump in unit sales, segment revenue was almost unchanged year on year at €448.1 million (Q1 2024: €449.7 million). This was primarily due to the rise in service revenue, for which there are no related unit sales, and to higher average revenue per unit sold. At regional level, revenue growth in the EMEA region, which was up sharply year on year owing to the acquisitions, made up for most of the decline in revenue experienced by the other regions due to the wider economic situation.

The adjusted EBIT (EBIT before exceptional items) of the DEUTZ Engines & Services segment deteriorated by €(8.5) million compared with the prior-year period to €28.7 million in the first three months of 2025. This reduction was partly due to the smaller volume of engine business, especially in the sub-4 liter category. Larger additions to provisions for virtual performance shares also took their toll on earnings, as did negative currency effects. The impact of these adverse factors was mitigated by a favorable product mix in the above-8 liter category, the sale of Daimler Truck engine variants in the off-highway segment, and the growth of the service business. The contribution to earnings from companies accounted for using the equity method also had a positive effect.

The adjusted EBIT margin of the DEUTZ Engines & Services segment stood at 8.3% in the reporting period, compared with 6.4% in the prior-year period. The segment thus remained comfortably profitable.

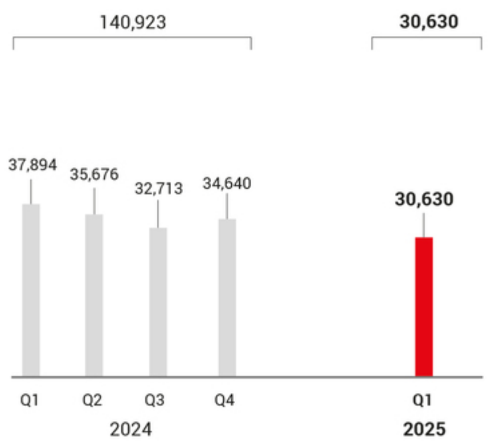
DEUTZ Engines & Services: New orders by quarter

€ million



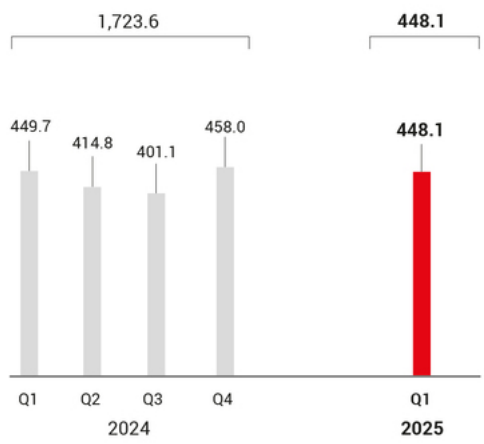
DEUTZ Engines & Services: Unit sales by quarter

Units



DEUTZ Engines & Services: Consolidated revenue by quarter

€ million



DEUTZ Solutions

DEUTZ Solutions: Overview

€ million

	Q1 2025	Q1 2024	Change
New orders	**70.2**	**10.5**	**568.6%**
thereof DEUTZ Energy	68.4	9.7	605.2%
thereof DEUTZ New Technology	1.8	0.8	125.0%
Unit sales (units)	**633**	**348**	**81.9%**
thereof DEUTZ Energy	499	160	211.9%
thereof DEUTZ New Technology	134	188	-28.7%
Revenue	**40.9**	**5.0**	**718.0%**
thereof DEUTZ Energy	38.9	3.9	897.4%
thereof DEUTZ New Technology	2.0	1.1	81.8%
EBIT before exceptional items	**-7.5**	**-9.6**	**21.9%**
thereof DEUTZ Energy	3.5	-0.1	–
thereof DEUTZ New Technology	-11.0	-9.5	15.8%
EBIT margin before exceptional items	**-18.3 %**	**-192.0%**	**+173,7pp**

DEUTZ Solutions: New orders by region

€ million

	Q1 2025	Q1 2024	Change
Americas	63.9	0.6	10,550.0 %
EMEA	6.0	9.9	-39.4 %
China	0.3	0.0	–
Asia-Pacific	0.0	0.0	–
Total	**70.2**	**10.5**	**568.6 %**

At €70.2 million in the period under review, the new orders received in the DEUTZ Solutions segment were up sharply compared with the first quarter of 2024. This was attributable to the genset business of Blue Star Power Systems, which was acquired in August 2024, and thus to the DEUTZ Energy business unit. Given the start-up nature of the business activities that make up the DEUTZ New Technology business unit, its new orders remained at a very low level despite a positive trend in the reporting period.

The orders on hand of the DEUTZ Solutions segment stood at €119.8 million as at March 31, 2025 (March 31, 2024: €13.2 million).

DEUTZ Solutions: Unit sales by region

Units

	Q1 2025	Q1 2024	Change
Americas	461	171	169.6 %
EMEA	168	166	1.2 %
China	4	0	–
Asia-Pacific	0	11	–
Total	**633**	**348**	**81.9 %**

DEUTZ Solutions: Revenue by region

€ million

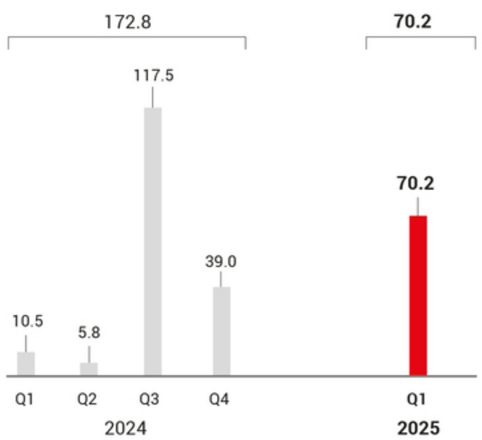
	Q1 2025	Q1 2024	Change
Americas	35.3	0.6	5,783.3 %
EMEA	5.3	4.2	26.2 %
China	0.3	0.0	–
Asia-Pacific	0.0	0.2	–
Total	**40.9**	**5.0**	**718.0 %**

While unit sales increased by 81.9% to 633 units sold, there was a disproportionately large rise in segment revenue of 718.0% to €40.9 million. This was due to the relatively high level of revenue per unit sold in the genset business.

The adjusted EBIT of the Solutions segment amounted to a loss of €(7.5) million, which nonetheless represented an improvement of €2.1 million that was due to the positive contribution to EBIT made by Blue Star Power Systems. The New Technology business again made a negative contribution to earnings owing to continued high R&D expenditure and a low volume of unit sales.

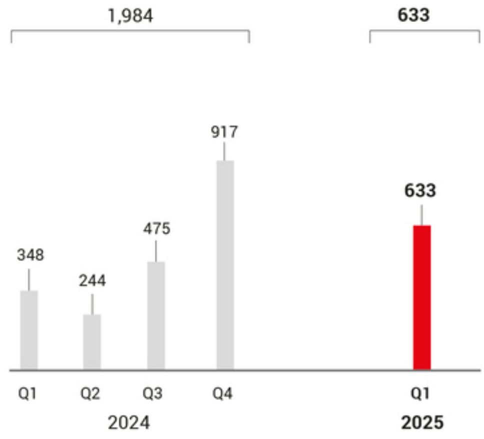
DEUTZ Solutions: New orders by quarter

€ million



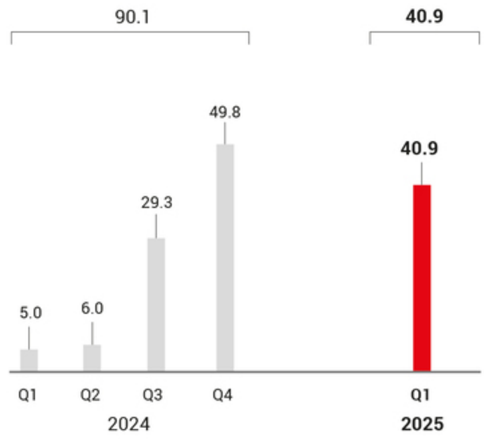
DEUTZ Solutions: Unit sales by quarter

Units



DEUTZ Solutions: Consolidated revenue by quarter

€ million



Financial position

Cash flow

DEUTZ Group: Overview of financial position

€ million	Q1 2025	Q1 2024	Change
Cash flow from operating activities	50.9	26.2	94.3 %
Cash flow from investing activities	-21.4	-16.3	-31.3%
Cash flow from financing activities	-5.1	-24.7	-79.4%
Change in cash and cash equivalents	**24.4**	**-21.6**	**–**
Free cash flow[15]	**23.8**	**5.1**	**366.7%**
Free cash flow (before M&A)	**23.4**	**5.1**	**358.8%**
Key figures for continuing operations			
Cash and cash equivalents at Mar. 31/ Dec. 31	85.8	62.0	38.4%
Current and non-current interest-bearing financial debt at Mar. 31/Dec. 31	296.0	287.6	2.9%
thereof lease liabilities (IFRS 16)	83.1	86.9	-4.4%
Net financial position at Mar. 31/Dec. 31[16]	-210.2	-225.6	-6.8%

Cash flow from operating activities amounted to €50.9 million in the first three months of 2025, which was €24.7 million higher than in the prior-year period. The increase compared to the same quarter of 2024 was primarily driven by changes to working capital.

At minus €(21.4) million, the cash flow from investing activities was at a relatively similar level to the prior-year period (Q1 2024: minus €(16.3) million).

The cash flow from financing activities amounted to minus €(5.1) million for the first quarter of 2025, compared with minus €(24.7) million in the first quarter of 2024. This change was mainly attributable to lower repayments on loans.

The rise in cash flow from operating activities resulted in free cash flow of €23.8 million (€23.4 million before mergers and acquisitions) in the first quarter of 2025, compared with €5.1 million in the first quarter of 2024.

The changes in cash flow described above caused cash and cash equivalents to increase by a total of €23.8 million to €85.8 million. Net debt as at March 31, 2025 was down compared with the figure as at December 31, 2024, primarily as a result of lower repayments on loans in the first three months of 2025.

Capital expenditure

DEUTZ Group: Capital expenditure (after deducting investment grants)

€ million	Q1 2025	Q1 2024	Change
Property, plant and equipment	15.1	18.9	-3.8
thereof right-of-use assets for leases under IFRS 16	1.0	4.9	-3.9
thereof property, plant and equipment (excluding right-of-use assets for leases under IFRS 16)	14.1	14.0	0.1
Intangible assets	1.3	1.1	0.2
	16.4	**20.0**	**-3.6**

Capital expenditure on property, plant, and equipment and on intangible assets after deducting investment grants, and including capitalization of research and development expenditure, was down slightly year on year at €16.4 million (Q1 2024: €20.0 million). In the first three months of 2025, no development expenditure was capitalized (Q1 2024: €0.2 million).

Additions to property, plant, and equipment mainly related to investment in the production lines for engine series, the construction of a logistics building in Herschbach, and further replacement purchases in production.

[15] Cash flow from operating and investing activities less interest expense.
[16] Cash and cash equivalents less current and non-current interest-bearing financial debt.

Net assets

DEUTZ Group: Overview of net assets

€ million

	March 30, 2025	Dec. 31, 2024	Change
Non-current assets	934.8	937.5	-0.3%
thereof right-of-use assets in connection with leases	74.7	75.2	-0.7%
Current assets	819.5	745.8	9.9%
Total assets	**1,754.3**	**1,683.3**	**4.2%**
Equity	831.8	847.9	-1.9%
Non-current liabilities	243.2	261.1	-6.9%
thereof lease liabilities	60.1	65.6	-8.4%
Current liabilities	679.3	574.3	18.3%
thereof lease liabilities	26.8	15.9	68.6%
Total equity and liabilities	**1,754.3**	**1,683.3**	**4.2%**
Key figures			
Working capital (€ million)[17]	375.5	383.0	-2.0%
Working capital ratio (Mar. 31)[18]	20.3%	21.1%	-0.8pp
Working capital ratio (average)[19]	21.6%	22.2%	-0.6pp
Equity ratio	**47.4%**	**50.4%**	**-3.0pp**

Working Capital The higher level of inventories as at March 31, 2025 is mainly attributable to a build-up of stock in response to strong unit sales at the end of 2024 and an increase in new orders. The acquisition of the HJS Emission Technology also contributed to the expansion of inventories. Trade receivables went up as well, partly due to the high level of revenue generated in March 2025. Despite higher inventories and trade receivables, working capital diminished slightly to €375.5 million (down by €(7.5) million compared with December 31, 2024) as a result of an increase in trade payables. Factors such as the plant closure had caused trade payables to be very low at the end of 2024. By contrast, the upturn in new orders prompted purchases of materials in the first quarter of 2025.

The factors outlined above and the growth in revenue led to a slight decrease in the average working capital ratio and the working capital ratio as at the reporting date compared with December 31, 2024.

Equity Due to the lower level of equity, the equity ratio fell slightly from 50.4% as at December 31, 2024 to 47.4% as at March 31, 2024. This was due, in particular, to the negative earnings for the quarter combined with an increase in total assets resulting from the first-time consolidation of the HJS Group at the beginning of 2025.

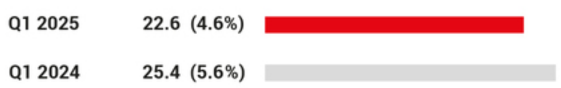
In view of the continuing strength of the equity ratio, which is still well above the target figure of more than 40%, the DEUTZ Group's financial position remains comfortable.

Debt Current liabilities were up substantially compared with the end of 2024. The main reasons for this were the rise in trade payables and additions to provisions in connection with the Future Fit program.

Research and development

Research and development expenditure (after deducting grants)

€ million (R&D ratio, %)



R&D expenditure totaled €23.2 million in the first quarter of 2025 (Q1 2024: €26.8 million). After the deduction of grants, R&D expenditure amounted to €22.6 million, which was lower than the corresponding figure for the prior-year period of €25.4 million. The decrease in R&D expenditure combined with the rise in revenue meant that the R&D ratio after deducting grants was down year on year at 4.6% (Q1 2024: 5.6%). In the DEUTZ Engines & Services segment, R&D expenditure after deducting grants came to €14.6 million (Q1 2024: €16.6 million). This spending related to support for existing engine series and, above all, the development of the TCD 3.9 engine. In the DEUTZ Solutions segment, R&D expenditure after deducting grants stood at €8.0 million in the period under review (Q1 2024: €8.8 million). This spending was concentrated in the New Technology business unit, where it was channeled into R&D activities relating to the DEUTZ hydrogen engine and the E-DEUTZ battery toolbox.

[17] Inventories plus trade receivable less trade payables.
[18] Working capital (inventories plus trade receivables less trade payables) as at the balance sheet date divided by revenue for the previous twelve months.
[19] Average working capital at the four quarterly reporting dates divided by revenue for the previous twelve months.

Employees[20]

DEUTZ employed 5,511 people worldwide as at March 31, 2025, which was 389 people (i.e. 7.6%) more than a year earlier. The increase was mainly due to the purchase of Blue Star Power Systems, the acquisition of HJS Emission Technology, and the implementation of other regional growth initiatives, primarily in the USA, Poland, and France.

The number of temporary workers fell year on year, from 195 to 103 people, representing a proportion of 1.8% of the total workforce as at March 31, 2025.

Guidance for 2025

Assuming that the market will recover noticeably in the second half of 2025 and that measures to mitigate the impact of US tariffs prove effective, DEUTZ continues to project revenue of between €2.1 billion and €2.3 billion for 2025 and expects the EBIT margin before exceptional items (adjusted EBIT margin) to be between 5.0% and 6.0%. Free cash flow excluding any M&A expenditure is likely to once again be an amount in the mid-double-digit millions of euros.

Outlook for 2028

DEUTZ has set itself a medium-term target of raising its revenue to between €3.2 billion and €3.4 billion by 2028 and, at the same time, achieving an EBIT margin before exceptional items of between 8% and 9%.

The targeted growth is to be generated by all segments and divisions. DEUTZ's strategy for facilitating the continued growth of its classic internal combustion engine business is unchanged. It intends to take an active role in the consolidation of the market, to reduce its costs and enhance its competitiveness – for example, by making production more flexible – and to break into new growth markets. Revenue in the high-margin service business is to be increased to between €700 million and €800 million by 2028 by pursuing strategic acquisitions in regions offering further untapped potential and by developing new business models.

To further underpin the Company's earnings performance going forward, DEUTZ will continue to implement measures aimed at optimizing prices while raising efficiency. In addition, the Company initiated a cost-cutting program in 2024 in response to the softening of demand caused by the economic headwinds. The objective is to permanently lower costs by €50 million by the end of 2026.

Disclaimer This quarterly statement includes certain statements about future events and developments, together with disclosures and estimates provided by the Company. Such forward-looking statements include known and unknown risks, uncertainties, and other factors that may mean that the actual performances, developments, and results in the Company or those in sectors important to the Company are significantly different (especially from a negative point of view) from those expressly or implicitly assumed in these statements. The Board of Management cannot therefore make any guarantees with regard to the forward-looking statements made in this quarterly statement.

[20] Figures for the number of employees and temporary workers in this section are expressed as FTEs (full-time-equivalents).

FINANCIAL INFORMATION FOR THE FIRST QUARTER OF 2025

INCOME STATEMENT FOR THE DEUTZ GROUP

€ million

	Q1 2025	Q1 2024[21]
Revenue	**489.0**	**454.7**
Cost of sales	-374.4	-344.9
Research and development costs	-44.4	-25.4
Selling expenses	-44.2	-34.5
General and administrative expenses	-32.4	-25.1
Other operating income	8.3	4.7
Other operating expenses	-6.0	-5.1
Impairment of financial assets and reversals thereof	-0.7	0.5
Profit/loss on equity-accounted investments	0.8	-1.1
EBIT	**-4.0**	**23.8**
Interest income	0.2	0.3
Interest expense	-5.0	-4.6
Financial income, net	**-4.8**	**-4.3**
Net income before income taxes from continuing operations	**-8.8**	**19.5**
Income taxes	-1.2	-3.0
Net income from continuing operations	**-10.0**	**16.5**
Net income from discontinued operations	**0.0**	**-7.7**
Net income	**-10.0**	**8.8**
thereof attributable to shareholders of DEUTZ AG	-10.0	8.8
Earnings per share (basic/diluted, €)	**-0.07**	**0.07**
thereof from continuing operations	-0.07	0.13
thereof from discontinued operations	0.00	-0.06

STATEMENT OF COMPREHENSIVE INCOME FOR THE DEUTZ GROUP

€ million

	Q1 2025	Q1 2024
Net income	**-10.0**	**8.8**
Amounts that will not be reclassified to the income statement in the future	**1.4**	**0.0**
Remeasurement of defined benefit plans	1.4	0.0
Amounts that will be reclassified to the income statement in the future if specific conditions are met	**-7.5**	**0.8**
Currency translation differences	-7.4	0.0
thereof profit/loss on equity-accounted investments	-0.8	0.2
Effective portion of change in fair value from cash flow hedges	2.3	-0.9
Fair value of financial instruments	-2.4	1.7
Other comprehensive income, net of tax	**-6.1**	**0.8**
Comprehensive income	**-16.1**	**9.6**
thereof attributable to shareholders of DEUTZ AG	-16.1	9.6

[21] In accordance with IFRS 5, the activities of the Torqeedo Group were presented as discontinued operations in the previous year until the date of deconsolidation. The comparative figures for the previous year for key figures and the figures in the income statement only include continuing operations.

BALANCE SHEET FOR THE DEUTZ GROUP

€ million

Assets	**Mar. 31, 2025**	Dec. 31, 2024
Property, plant and equipment	422.9	418.4
Intangible assets	296.6	303.0
Equity-accounted investments	44.5	43.8
Other financial assets	17.2	18.4
Non-current assets (before deferred tax assets)	**781.2**	**783.6**
Deferred tax assets	153.6	153.9
Non-current assets	**934.8**	**937.5**
Inventories	458.8	431.6
Trade receivables	208.8	186.4
Other receivables and assets	50.6	53.4
Receivables in respect of tax refunds	15.5	12.4
Cash and cash equivalents	85.8	62.0
Current Assets	**819.5**	**745.8**
Total assets	**1,754.3**	**1,683.3**

Equity and liabilities	**Mar. 31, 2025**	Dec. 31, 2024
Issued capital	**354.7**	**354.7**
Additional paid-in capital	78.9	78.9
Other reserves	-14.3	-6.8
Retained earnings and accumulated income	412.5	421.1
Equity attributable to shareholders of DEUTZ AG	**831.8**	**847.9**
Equity	**831.8**	**847.9**
Provisions for pensions and other post-retirement benefits	73.6	77.3
Deferred tax liabilities	5.9	5.6
Other provisions	27.9	26.5
Financial debt	116.6	131.7
Other liabilities	19.2	20.0
Non-current liabilities	**243.2**	**261.1**
Provisions for pensions and other post-retirement benefits	9.8	9.8
Other provisions	107.9	82.5
Financial debt	179.4	155.9
Trade payables	292.1	235.0
Liabilities arising from income taxes	2.2	1.5
Other liabilities	87.9	89.6
Current liabilities	**679.3**	**574.3**
Total equity and liabilities	**1,754.3**	**1,683.3**

STATEMENT OF CHANGES IN EQUITY FOR THE DEUTZ GROUP

€ million

	Issued capital	Additional paid-in capital	Retained earnings & accumulated income	Fair value reserve[22,23]	Currency translation reserve[24]	Equity attributable to shareholders of DEUTZ AG	Total
Balance at Jan. 1, 2024	**322.5**	**40.3**	**387.1**	**-6.3**	**-0.4**	**743.2**	**743.2**
Net income			8.8			8.8	8.8
Other comprehensive income			0.0	0.8	0.0	0.8	0.8
Comprehensive income			8.8	0.8	0.0	9.6	9.6
Balance at Mar. 31, 2024	**322.5**	**40.3**	**395.9**	**-5.5**	**-0.4**	**752.8**	**752.8**
Balance at Jan. 1, 2025	**354.7**	**78.9**	**421.1**	**-11.1**	**4.3**	**847.9**	**847.9**
Net income			-10.0			-10.0	-10.0
Other comprehensive income			1.4	-0.1	-7.4	-6.1	-6.1
Comprehensive income			-8.6	-0.1	-7.4	-16.1	-16.1
Balance at Mar. 31, 2025	**354.7**	**78.9**	**412.5**	**-11.2**	**-3.1**	**831.8**	**831.8**

[22] On the balance sheet these items are aggregated under »Other reserves«.
[23] Reserves from the measurement of cash flow hedges and reserves from the measurement of financial instruments.
[24] On the balance sheet these items are aggregated under »Other reserves«.

CASH FLOW STATEMENT FOR THE DEUTZ GROUP[25]

€ million

	Q1 2025	Q1 2024
EBIT	**-4.0**	**23.8**
Income taxes paid	-4.1	-2.0
Depreciation, amortization and impairment of non-current assets	23.6	22.3
Gains/losses on the sale of non-current assets	-0.1	0.1
Profit/loss and impairment on equity-accounted investments	-0.8	1.1
Other non-cash income and expenses	0.0	-0.3
Change in working capital	14.4	-7.4
Change in inventories	-21.1	-33.8
Change in trade receivables	-23.1	15.1
Change in trade payables	58.6	11.3
Change in other receivables and other current assets	7.9	-2.0
Change in provisions and other liabilities (excluding financial liabilities)	14.0	-9.4
Cash flow from operating activities – continuing operations	**50.9**	**26.2**
Cash flow from operating activities – discontinued operations	0.0	-5.7
Cash flow from operating activities – total	**50.9**	**20.5**
Capital expenditure on intangible assets, property, plant and equipment	-23.1	-16.2
Expenditure on investments	0.9	0.0
Acquisition of subsidiaries / business operations	0.4	0.0
Proceeds from the sale of non-current assets	0.4	-0.1
Cash flow from investing activities – continuing operations	**-21.4**	**-16.3**
Cash flow from investing activities – discontinued operations	0.0	-0.3
Cash flow from investing activities – total	**-21.4**	**-16.6**
Interest income	0.2	0.3
Interest expense	-5.9	-5.1
Cash receipts from borrowings	27.0	43.3
Repayment of loans	-22.1	-58.8
Principal elements of lease payments	-4.3	-4.4
Cash flow from financial activities – continuing operations	**-5.1**	**-24.7**
Cash flow from financial activities – discontinued operations	0.0	-0.8
Cash flow from financial activities – total	**-5.1**	**-25.5**
Cash flow from operating activities – total	50.9	20.5
Cash flow from investing activities – total	-21.4	-16.6
Cash flow from financing activities – total	-5.1	-25.5
Change in cash and cash equivalents	**24.4**	**-21.6**
Cash and cash equivalents at Jan. 1	**62.0**	**90.1**
Change in cash and cash equivalents	24.4	-21.6
Change in cash and cash equivalents related to exchange rates	-0.6	0.0
Reclassification of cash and cash equivalents to discontinued operations	0.0	-2.0
Cash and cash equivalents at Mar. 31	**85.8**	**66.5**

[25] The figures for the prior-year period have been adjusted in accordance with the provisions of IFRS 5.

FINANCIAL CALENDER

2025	
May 8	Annual General Meeting (virtual)
August 7	Interim report for the first half of 2025 Conference call with analysts and investors
November 6	Quarterly statement for the first to third quarters of 2025 Conference call with analysts and investors

2026	
March 26	2025 annual report Conference call with analysts and investors
May 7	Quarterly statement for the first quarter of 2026 Conference call with analysts and investors
May 13	Annual General Meeting
August 6	Interim report for the first half of 2026 Conference call with analysts and investors
November 5	Quarterly statement for the first to third quarters of 2026 Conference call with analysts and investors

« FURTHER INFORMATION AT
www.deutz.com/en/investor-relations/financial-calender

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DEUTZ 2025