

IVECO • GROUP



# UNLIMITED PATHWAYS

CAPITAL MARKETS DAY — 14<sup>th</sup> MARCH 2024



Statements other than statements of historical fact contained in these slides, including competitive strengths; business strategy; future financial position or operating results; budgets; projections with respect to revenue, income, earnings (or loss) per share, capital expenditures, dividends, liquidity, capital structure or other financial items; costs; and plans and objectives of management regarding operations and products, are forward-looking statements.

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Financials shown in the next slides have been adjusted to reflect the carve-out of our Fire Fighting Business Unit since Iveco Group signed a definitive agreement for the transfer of its ownership. Certain figures contained in this presentation, including financial information, have been subject to rounding adjustments. Accordingly, in certain instances, the sum or percentage change of the numbers contained in this presentation may not conform exactly to the total figure given.

Further information concerning Iveco Group, including factors that potentially could materially affect Iveco Group's financial results, is included in Iveco Group's reports and public filings under applicable regulations.



An aerial photograph of a road intersection. The road is dark asphalt with white dashed lines. To the left of the road is a dense green forest. To the right is a city street with buildings and a crosswalk. A bright blue, ethereal energy field or portal is centered over the intersection, with swirling lines of light and a bright white core. The text "TRUCK UNLIMITED PATHWAYS" is overlaid in white, bold, sans-serif font.

# TRUCK

## UNLIMITED PATHWAYS



Leading professional player with full multi-fuel line-up across ranges

## LIGHT COMMERCIAL VEHICLES

~**45%**  
of Net Revenues



> **16k**  
EMPLOYEES

## MEDIUM-DUTY

~**15%**  
of Net Revenues



> **1.3k**  
R&D ENGINEERS

## HEAVY-DUTY

~**40%**  
of Net Revenues



Includes **EVCO**, former  
Nikola-IVECO-Europe JV  
>**250 people** of which  
**150** in R&D  
>**€300mn** invested



PRODUCTION PRESENCE

> **470**  
DEALERS

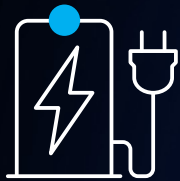
> **2.3k** SERVICE POINTS

> **100** COUNTRIES  
SERVED

75% of revenues in EU  
15% in LatAm, 10% RoW

> **1.1k** SALES POINTS

## Technology is changing the driver experience



### ENERGY TRANSITION

Shift towards alternative propulsion, resulting in 35-40% expected ZEV penetration in Europe by 2030



Ramped up investments to develop a full multi-energy line-up of LCV and MHDT



### SOFTWARE DEFINED VEHICLES

Moving profit pools from hardware to software, with faster time-to-market, and increased share of revenues from recurring services



Improved operating model to cope with increasing hardware and software integration



### AUTONOMOUS DRIVING

Rising adoption of autonomous driving solutions enabled by AI tech (approx. 20% by 2035 in EU), focus on long-haul



Invested in L2+ assisted driving solutions to reduce driver fatigue and increase safety

Consistent acceleration  
with a strong  
professional DNA



#### FAST-PACED GROWTH

10% Net Revenues CAGR 2019-2023, with ~500 bps Adj. EBIT margin increase



#### MODEL YEAR '24 FULL-RANGE

Multi-tech, superior on-board experience, top-tier TCO, connectivity and safety features



#### LEADERSHIP IN LCV CAB

Maximised our segment lead; 1 in 4 chassis-cabs sold in Europe are the IVECO Daily



#### MULTI-ENERGY OFFERING IN MHDT

Comprehensive range of propulsion sources



#### EVCO ACQUISITION

Acquired full control of the former Nikola-IVECO-Europe joint venture

## Expand Light, Medium and Heavy truck competitiveness



Reduce costs through commercial levers, design-to-value and a simplified portfolio



**Major contributor to  
margin expansion**



Expand LCV line-up with MY27 and new EV light chassis-cab, strengthening current Daily positioning



**Confirm market  
leadership**



Enhance competitiveness through ZEV lineup (Rigid & Artic), product modularity and new cabin



**Improve Adj. EBIT  
marginality**



PARTNERSHIPS

Foster collaborations to share investments and accelerate our pathway



## New missions and technology to confirm professional DNA



### PORTFOLIO EXPANSION

2.5-3.5t EV chassis-cab developed by Hyundai, bringing professional Daily DNA to a new segment, almost doubling the addressable TIV in Europe



### CONNECTED VEHICLES

100% connected with remote control safety and fuel-saving features; Driver Pal voice-activated command system



**Cab Segment Leader with  
a reliable and robust full  
range offering**



### ALTERNATIVE PROPULSION

New EV launches, pioneering H2 solutions for mid-haul missions with faster charging and extended mileage



### SERVITIZATION

End-to-end customer journey including new pay-per-use solutions through GATE



## Upscale portfolio, fostering product synergies and partnerships



### MODEL YEAR '24

Top-tier TCO with custom fuel advice,  
up to 10% efficiency and new  
ergonomics for enhanced comfort



### EVCO SCALE-UP

ZEV available in 2024, line-up  
expansion in 2025 and full-range  
NextGen by 2027



### FORD OTOSAN

### NEW HEAVY-DUTY TRUCK CABIN

New cabin co-developed  
with Ford Otosan<sup>1</sup> to enhance  
competitiveness



### PRODUCT MODULARITY

Simplified and modular product  
portfolio, maximising synergies  
between medium and heavy segments

1. Non-binding MoU.

Enhance profitability to sustain performance in a dynamic environment

Net Revenues  
(€bn) 2022A-2028E



Key Contributors

- Consolidate **market share** across ranges, despite flat industry outlook
- Sustain profitable path thanks to **portfolio repositioning** & new products
- Focus on EV and FCEV line-up development with **€1bn investment**
- Ensure product cost efficiencies through commercial and **design-to-value** levers
- Maintain **lean SG&A** through new operating models



## Maintain lead in LCV, advance MHDT margins

1

Confirm professional LCV leadership, including light chassis-cab developed by Hyundai

2

Elevate HDT with ZEV line-up and new cabin developed with Ford Otosan<sup>1</sup>

3

Preserve profitability with procurement, design-to-value and product modularity

+

Further explore Partner network for additional opportunities

+ Potential upsides to the Plan

1. Non-binding MoU.



Iveco Group monitors its operations through the use of several non-EU-IFRS financial measures. Iveco Group's management believes that these non-EU-IFRS financial measures provide useful and relevant information regarding its operating results and enhance the readers' ability to assess Iveco Group's financial performance and financial position. Management uses these non-EU-IFRS measures to identify operational trends, as well as make decisions regarding future spending, resource allocations and other operational decisions as they provide additional transparency with respect to our core operations. These non-EU-IFRS financial measures have no standardized meaning under EU-IFRS and are unlikely to be comparable to other similarly titled measures used by other companies and are not intended to be substitutes for measures of financial performance and financial position as prepared in accordance with EU-IFRS.

Iveco Group's non-EU-IFRS financial measures are defined as follows:

- Adjusted EBIT: EBIT before restructuring costs and non-recurring items. In particular, non-recurring items are specifically disclosed items that management considers rare or discrete events, that are infrequent in nature and not reflective of on-going operational activities.
- Adjusted Net Income (Loss): profit (loss) for the period, less restructuring costs, and non-recurring items, after tax.
- Adjusted Diluted EPS: Adjusted Net Income (Loss) attributable to Iveco Group N.V. divided by a weighted-average number of Common Shares outstanding during the period that takes into consideration potential Common Shares outstanding deriving from the Iveco Group share-based payment awards, when inclusion is not anti-dilutive. When Iveco Group provides guidance for Adjusted Diluted EPS, it does not provide guidance on an earnings per share basis, because the IFRS measure will include potentially significant items that have not yet occurred and are difficult to predict with reasonable certainty prior to year-end.
- Adjusted Income Taxes: income taxes less the tax effect of restructuring expenses and non-recurring items and non-recurring tax charges or benefits.
- Adjusted Effective Tax Rate (Adjusted ETR): is computed by dividing a) adjusted income taxes by b) profit (loss) before income taxes, less restructuring expenses and non-recurring items.
- Net Cash (Debt) and Net Cash (Debt) of Industrial Activities: Net Cash (Debt) is defined as total Debt plus Derivative liabilities, net of Cash and cash equivalents, Derivative assets and other current financial assets (primarily current securities, short-term deposits and investments towards high-credit rating counterparties) and financial receivables from CNH Industrial deriving from financing activities and sale of trade receivables. Iveco Group provides the reconciliation of Net Cash (Debt) to Total (Debt), which is the most directly comparable EU-IFRS financial measure included in the Group's consolidated statement of financial position. Due to different sources of cash flows used for the repayment of the debt between Industrial Activities and Financial Services (by cash from operations for Industrial Activities and by collection of financing receivables for Financial Services), management separately evaluates the cash flow performance of Industrial Activities using Net Cash (Debt) of Industrial Activities.
- Free Cash Flow of Industrial Activities (or Industrial Free Cash Flow): refers to Industrial Activities, only, and is computed as consolidated cash flow from operating activities less: cash flow from operating activities of Financial Services; investments of Industrial Activities in property, plant and equipment and intangible assets; as well as other changes and intersegment eliminations.
- Available Liquidity: cash and cash equivalents, including restricted cash, undrawn medium-term unsecured committed facilities, other current financial assets (primarily current securities, short-term deposits and investments towards high-credit rating counterparties), and financial receivables from CNH Industrial deriving from financing activities and sale of trade receivables.





Financials - The composition of our regions is as follow:

- Europe: member countries of the European Union, European Free Trade Association, the United Kingdom, Ukraine and Balkans.
- South America: Central and South America, and the Caribbean Islands.
- North America: United States, Canada and Mexico.
- Rest of the World: Continental Asia (including Türkiye and Russia), Oceania and member countries of the Commonwealth of Independent States, the African continent and Middle East.