

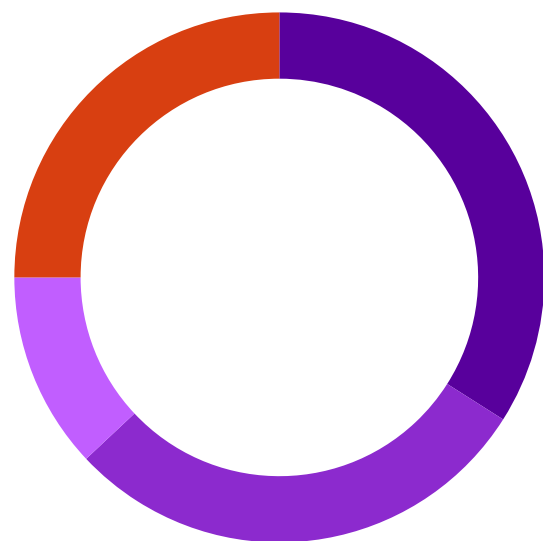
# DR. JÖRG STRATMANN

PRESIDENT, POWER SYSTEMS

# POWER SYSTEMS

Resilient business model in attractive growth markets

Revenue split (2022)<sup>1</sup>



- Power Gen – 34%
- Governmental – 29%
- Marine – 12%
- Industrial – 25%

POWER GENERATION	GOVERNMENTAL	MARINE	INDUSTRIAL
Mission-critical power	Stable, high-power solutions	Complete integrated systems	Efficient, long-lasting engines
15-20%	>30%	15-20%	10-15%
Market share	Market share	Market share	Market share
+5-7%	+2-4% (>10%)	+3-5%	+4-6%
Market growth p.a.	Market growth p.a. (Mid-term p.a.)	Market growth p.a.	Market growth p.a.
~85,000	~30,000	~25,000	~25,000
Units installed base	Units installed base	Units installed base	Units installed base <sup>2</sup>

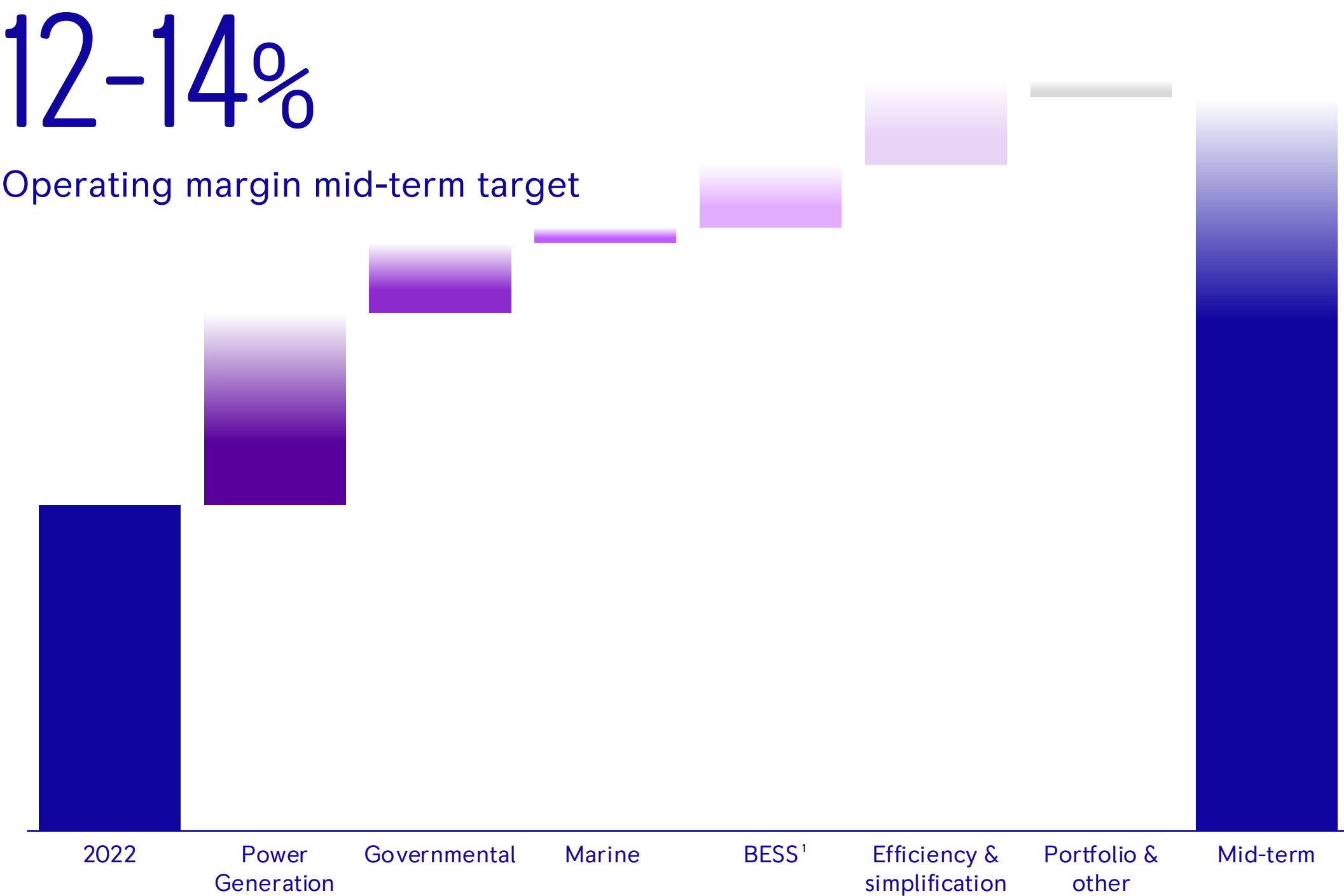
1. Revenue split reallocated compared to annual report - Governmental includes Defence and Naval, which was previously reported under Marine  
2. Excluding lower power range engines  
Note: Market shares and installed unit base, based on 2022 figures; Market growth reflecting p.a. Original Equipment growth from 2022 to 2030 (Mid-term: 2022 to 2027)



# CAPTURING PERFORMANCE IMPROVEMENT OPPORTUNITIES

Strategic initiatives driving margin improvements

Power Systems operating profit improvements (£bn)



1. Battery Energy Storage Solutions

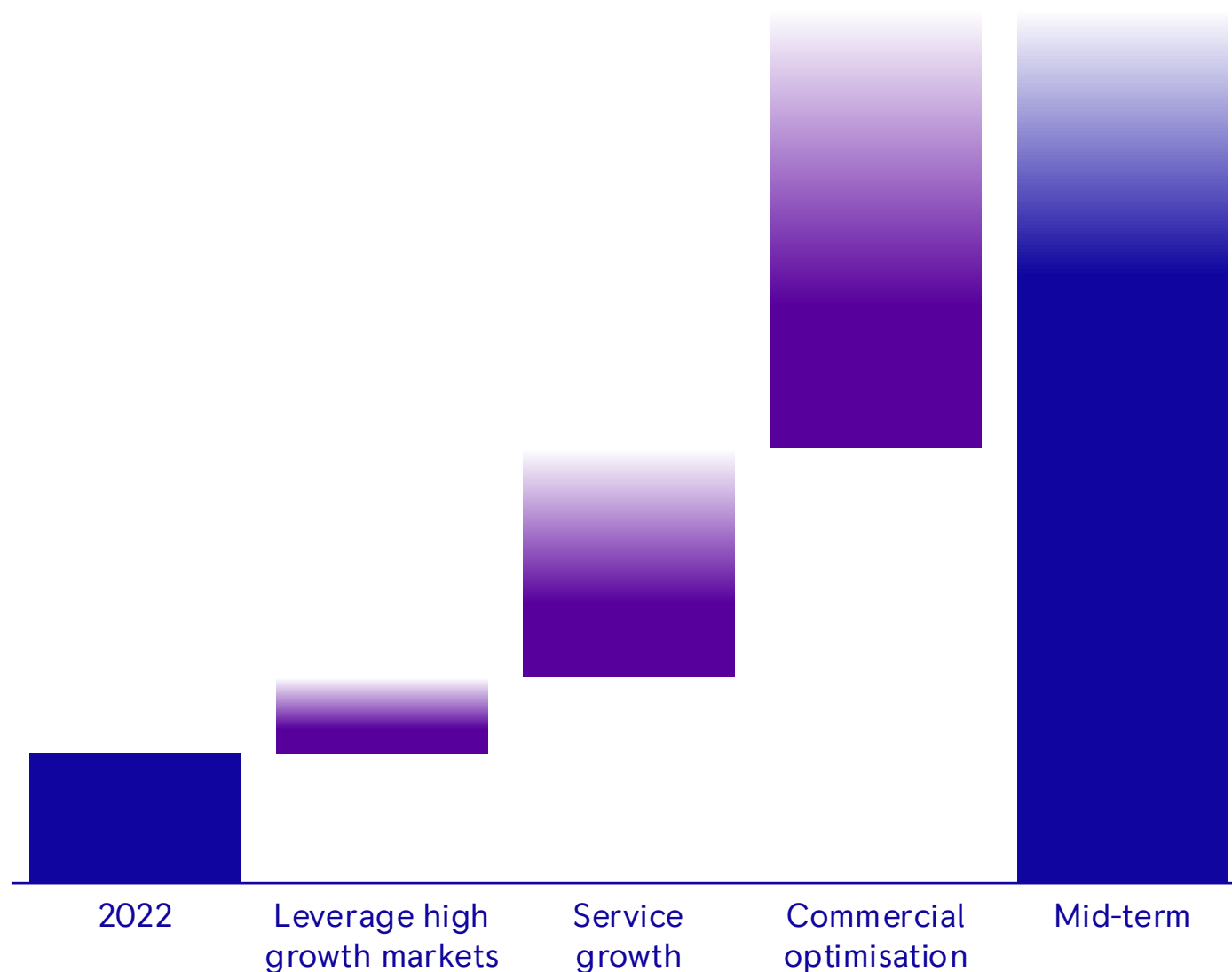
Granular Strategic Initiatives

	<p><b>Power Generation</b></p> <p>Strengthen position with increased profitability in growing market</p>
	<p><b>Governmental</b></p> <p>Capture strong growth in highly attractive markets</p>
	<p><b>Marine</b></p> <p>Strengthen #1 position in Yacht and grow in Commercial Marine</p>
	<p><b>Battery Energy Storage Solutions</b></p> <p>Expand market reach and increase scale for profitable growth</p>
	<p><b>Efficiency &amp; Simplification</b></p> <p>Simplifying and optimising our business</p>

# POWER GENERATION PERFORMANCE IMPROVEMENT

Strategic initiatives driving margin improvements

Power Generation operating profit improvements (£bn)



## LEVERAGE HIGH GROWTH MARKETS

Build on strong position in data centre market and focus on growth with strategic key accounts

>20%

AI-related data centre spend growth p.a.

## SERVICE GROWTH

Achieve significant service growth through extended offering such as upgrade & retrofit kits and digital solutions

2x

Service business

## COMMERCIAL OPTIMISATION

Optimise cost structure building on increasing scale and better leverage global production footprint

>100%

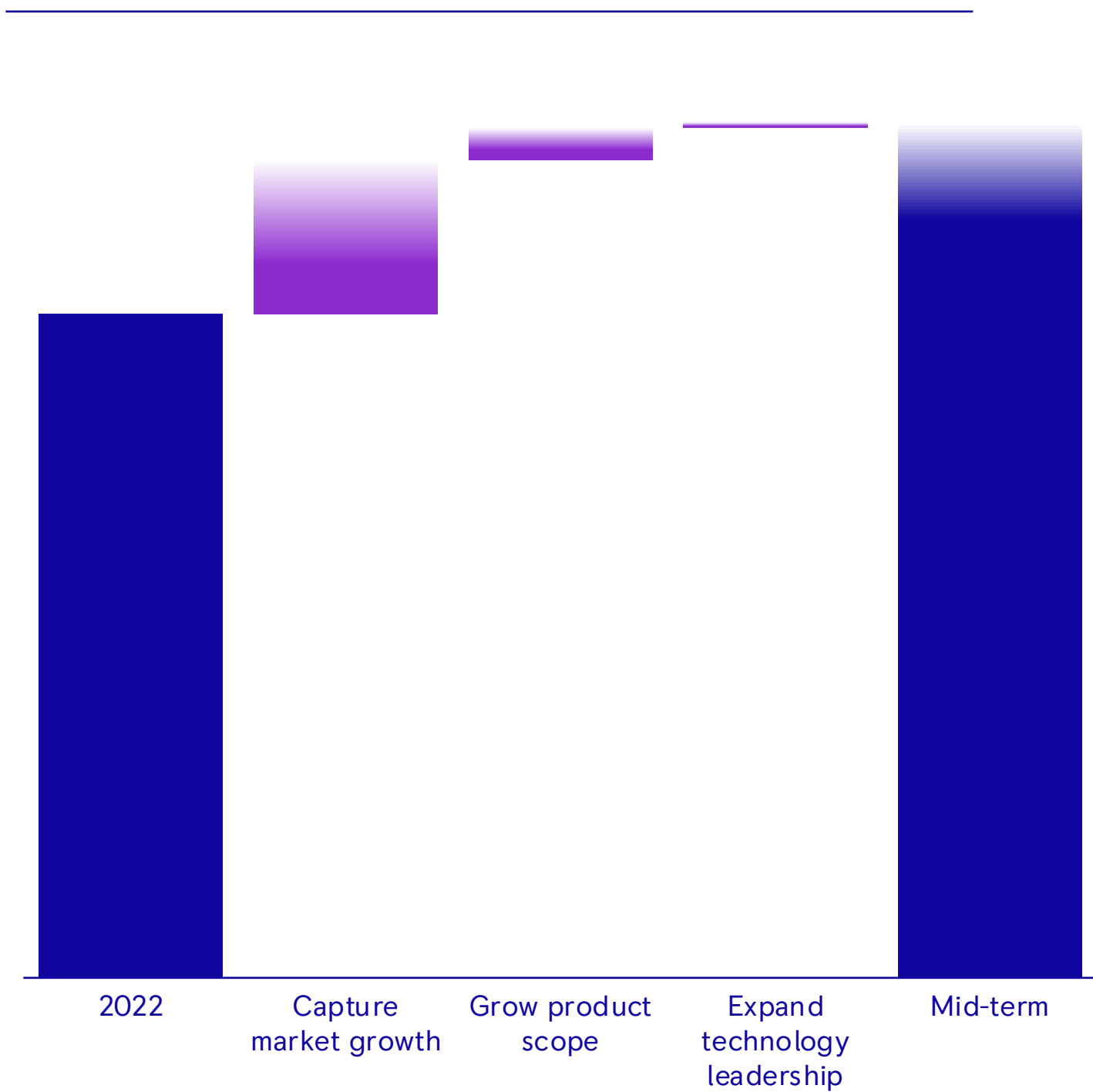
Mid-term operating profit growth



# PROFITABLE GOVERNMENTAL GROWTH

Strategic initiatives driving margin improvements

Governmental operating profit improvements (£bn)



## CAPTURE MARKET GROWTH

Leverage technology leadership and close customer relationships to capture current market dynamics and service upside

>10%

Mid-term revenue growth per annum

## GROW PRODUCT SCOPE

Further expand product scope towards integrated solutions incl. automation and new digital services

3x

Automation revenue

## EXPAND TECHNOLOGY LEADERSHIP

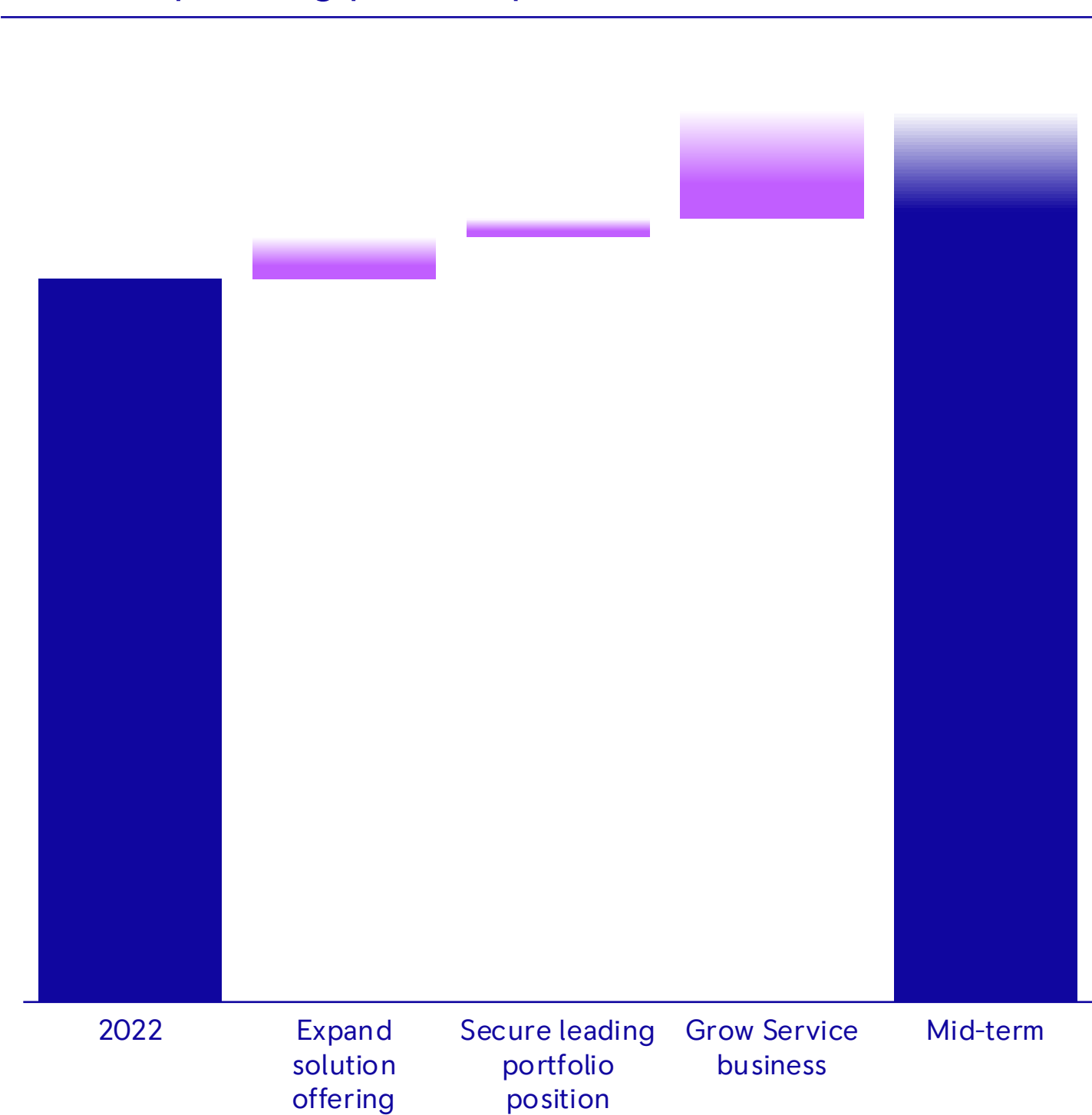
Invest in platform updates and new technologies leveraging customer funding opportunities

Strong long-term growth potential

# PROFITABLE MARINE GROWTH

Strategic initiatives driving margin improvements

Marine operating profit improvements (£bn)



<b>EXPAND SOLUTION OFFERING</b> Grow integrated propulsion solution offering in line with Bridge to Propeller strategy	<b>2x</b> Sales potential
<b>SECURE LEADING PORTFOLIO POSITION</b> Develop methanol solutions and strengthen sustainable fuel-ready portfolio	<b>Sustainable fuel-ready engines</b>
<b>GROW SERVICE BUSINESS</b> Offer new digital service solutions such as equipment health monitoring	<b>&gt;40%</b> Service share



# TRANSITION TO LOWER CARBON

Supporting our customers on their journey to net zero

## Alternative fuels

Further advance engines certified for alternative fuels to support energy transition



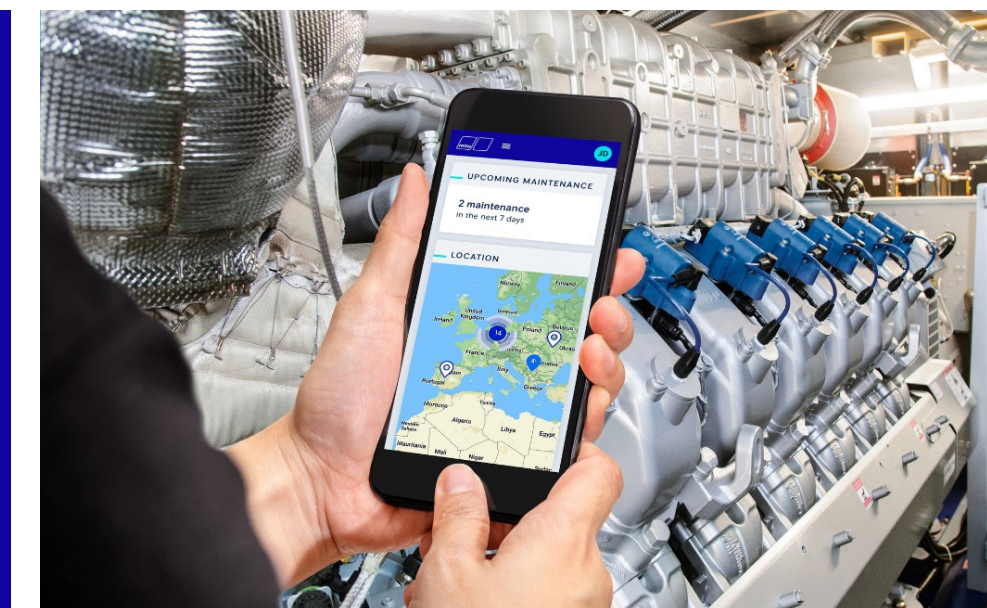
## Hybrid offerings

Expand portfolio to support our customers on their path towards net zero and enhance customer experience (e.g. silent drive, emission reduction)



## Battery Energy Storage Solutions (BESS)

Strengthen existing portfolio and expand offering into additional markets



## Digital initiatives

Drive development of digital solutions and connect digital solutions offering with life-cycle services



# KEY MESSAGES

Clear path forward to achieve substantial profit growth further enabling energy transition

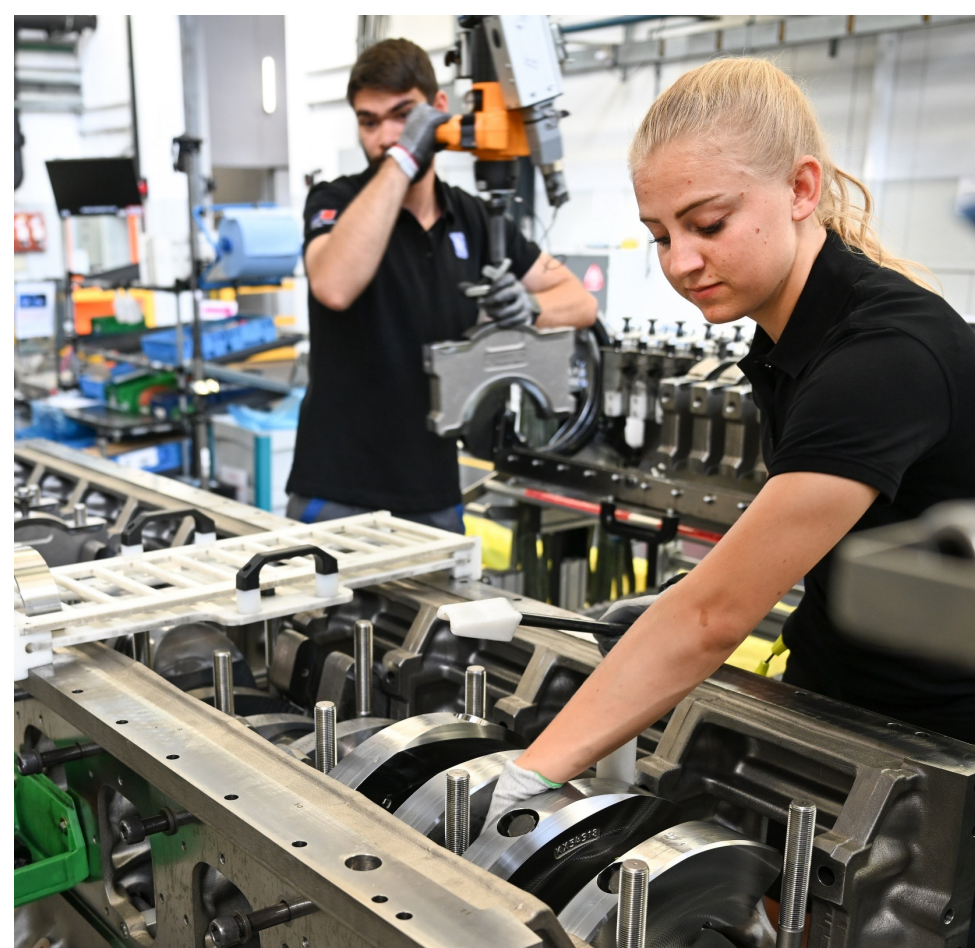
Operating margin  
of 12-14%  
with focus on profitable growth



Resilient  
business model  
through diverse application and  
product portfolio



Growing strongly  
in attractive markets



Enabling  
energy transition