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Capital Markets Day 2024: RENK Group AG aims to double group revenue in the medium term

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- Group revenue expected to increase to around € 2 billion in the medium term; additional growth planned through strategic M&A activities
- Growing global defense spending offers significant growth potential, particularly for the Vehicle Mobility Solutions segment, as well as the Marine and Aftermarket business
- Cross-segment expansion of technology leadership through innovations in electrification, hybridization and digitalization
- Successful scaling of production in Augsburg; global rollout of the RENK Production System initiated
- Strong H1 2024 as a solid foundation for medium-term growth targets

Munich, September 10, 2024 – RENK Group AG, a leading provider of drive solutions for military and civilian applications, expects to double its group revenue to around € 2 billion in the medium term through organic growth, corresponding to an annual revenue growth rate of 15%. The growth prospects and future strategic development of the Group were presented today at the first Capital Markets Day of RENK Group AG in Munich.

"The geopolitical tensions have increased significantly and threaten our free democratic order. Armed forces worldwide face the challenge of modernizing their equipment and closing capability gaps through expansion. In the coming years, defense spending will increase massively worldwide," said Susanne Wiegand, CEO of RENK Group AG. "As a global market leader for mission-critical drive systems, RENK has a responsibility to strengthen the defense capability of Germany and its alliance partners. We will do our part by further expanding our market presence and developing innovative, holistic drive solutions in collaboration with our customers to meet the increasing demands in the military sector. RENK is ready to take the next steps on its growth path."

Most of the organic growth is expected to come from the Vehicle Mobility Solutions segment, followed by the Marine and Aftermarket business. In the Vehicle Mobility Solutions segment, the focus is on expanding core markets in Europe and the US while also developing other high-growth markets. In the Marine business, RENK intends to expand further into the APAC region and strengthen its presence in the US. Due to increased equipment usage through training and deployments, significant growth is also expected in the Aftermarket business. Here, the company aims to further expand customized service offerings for the respective markets. In addition, RENK sees significant growth opportunities through strategic M&A activities on the global markets. The focus here is on the defense sector and an approach adapted to local conditions.

Expanding technology leadership with a focus on electrification, hybridization and digitalization

Moreover, RENK aims to strengthen and further expand its technology leadership across all segments. "At the core of our technology is the enhancement of armed forces' mobility, which will gain even more significance in the future," said Dr. Alexander Sagel, COO of RENK Group AG. "Our state-of-the-art, hard-to-reproduce and complex technologies are unmatched in the market. We stand out through precision and reliability. In the future, we will expand our technological portfolio and focus on three future areas: electrification, hybridization and digitalization."

Global rollout of the RENK Production System initiated

RENK operates globally with 21 locations including 14 production and MRO sites and has a robust production network. Following the successful development and scaling of production at the Augsburg site, the transformation of production at the Muskegon site in the US was successfully initiated this year. Based on the experiences in Augsburg and Muskegon, the RENK Production System is to be rolled out across all locations to create additional synergies and strengthen cross-location collaboration.

"We have delivered what we promised. Our strong performance in the current fiscal year provides a solid foundation for our medium-term growth targets," said Anja Mänz-Siebjé, designated CFO of RENK Group AG, who will succeed Christian Schulz as the Executive Board member for Finance and IT on October 1, 2024. "The increasing demand for RENK technologies is reflected in our order intake. We are very optimistic that we will achieve our goal of 15% annual revenue growth and an adjusted EBIT of € 300 million," Anja Mänz-Siebjé continued.

Recordings and presentation materials of the Capital Markets Day 2024 are available on our [IR website](#).

Images are available for download in our [media library](#).

About RENK Group AG

Headquartered in Augsburg, Germany, RENK Group AG is a globally leading manufacturer of mission-critical propulsion solutions across diverse military and civil end markets. Our product portfolio includes gear units, transmissions, power-packs, hybrid propulsion systems, suspension systems, slide bearings, couplings & clutches and test systems. With this broad product portfolio RENK Group AG serves in particular customers in industries for military vehicles, naval, civil marine, and industrial applications

focused on energy. In the fiscal year 2023, RENK Group AG generated revenue of EUR 926 million. RENK Group AG is listed on the Frankfurt Stock Exchange since February 7, 2024 and is a member of the SDAX since May 9, 2024.

For more information visit: www.renk.com

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Mit freundlichen Grüßen | Best regards

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