

RENK Group AG — Investor Relations

Transcript — Q3 / 9M 2026 Pre-Close Call, 21 October 2026

Operator (Intro):

Welcome to the RENK Group AG Pre-Close Call for Q3 2026. Please note that this call will be recorded. I would now like to turn the call over to Maximilian König – Head of Investor Relations. Please go ahead.

Introduction

Thank you, operator, good morning, everyone, thank you for joining today's pre-close call for the third quarter and first 9 months of 2026.

In the next few minutes I will walk you through a short set of key messages, giving a reminder of publicly disclosed information provided by us recently and potential implications on Q3 2026. After that, there will be no Q&A session. We will of course be happy to take all of your questions at our 9M results call on November 5, where the full details will be published.

Please bear in mind: our 9M closing process is still ongoing. Everything I say today therefore reflects our current view.

The key message is very clear: our story is fully on track and Q3 might not be as bad as some market participants have commented so far. The first 9 months unfold as planned and communicated and are in full alignment with our FY 2026 guidance. We continue to target the upper half of the adjusted EBIT range.

Market Momentum

Overall, we continue to see robust demand across our relevant defence markets. European land-force and naval rearmament remain a strategic necessity as supported, among others, by the NATO doctrine concluded at the The Hague summit and confirmed at the latest Ankara summit. Customers all around the world continue to significantly invest in existing and next-gen land and navy platforms. Looking at the recent weeks and months and to only mention a few examples, Italy was making good progress with the IMBT and AICS projects, Finland and Sweden initiated their first procurement of TRACKx vehicles and Spain decided to further modernize its army artillery with the K9 Self-Propelled howitzer. On top, Germany is preparing to order further Leopard 2 main battle tanks.

Order Intake

With respect to our order intake, let me remind you that during Q3, we could secure a 30 million follow-on order from Patria for the TRACKX vehicle family where RENK will supply HSWL 076 transmissions starting in 2027. This order is strategically highly important because as you know, this transmission type serves as the basis for Patria and RENK's joint efforts for unmanned ground vehicles between 10 and 20 tons. Furthermore – and some of you might have seen our signing event with KNDS at the AUSA - we have secured a contract extension with KNDS worth around 130m EUR where we will supply our HSWL 354 transmission for Leopard 2 MBTs and family vehicles. While we have published the respective press release in October, the contract was booked in Q3. First deliveries will start in 2029 and will be concluded by 2032. The Leopard 2 is truly the backbone of Western armed forces and already today you find this transmission in more than 3.300 Leopard 2 MBTs and family vehicles in more than 23 countries. Hence, also here the global installed base is further growing. Development work with KNDS on the next-gen Leopard 2 makes good progress as well. End of September, we enjoyed the successful completion of the final assembly and the first commissioning of the HSWL 354 B, a bridging solution between the HSWL 354 and future transmission generations and a clear contribution to the future viability of the Leopard 2.

This positive overall market momentum will certainly translate into another strong and internationally diversified order intake during Q3, even exceeding the 300 to 400 million corridor we expected for Q3 2026. This development is very supportive for our FY ambition to secure approx. 2bn EUR in new orders and will further enhance the strong visibility of our growth outlook until 2030 and beyond.

This strong order intake will again significantly be driven by our VMS division, which should contribute around 75% of Group order intake in Q3. While below levels seen in Q1 and Q2 of this year, we expect another significant growth in order intake year over year. Again, good to see a very internationally diversified order intake for our mission-critical mobility solutions.

Our M&I division is expected to show an unchanged supportive order intake momentum as well, with levels almost in line with the previous quarter – again driven by a strong Navy business – and clearly above average levels seen in 2025. Supportive for our FY 2026 order intake ambition is certainly the fact that Germany has in the meantime approved the procurement of 8 MEKO A 200 frigates, the so-called F-128, where we expect to get contracted in Q4 2026.

Order intake momentum in Slide Bearings in Q3 is expected in line with what you have seen during Q1 and Q2 this year.

Operations

Ladies and Gentlemen, a brief word on execution as we understand that without it, a strong order intake is just another high number. The orders we receive this year – and same holds true for all the other contracts in our order backlog – foresee clear customer delivery schedules. Some foresee first deliveries in 2027, some during 2028 and 2030, and some even after 2030. To guarantee conversion of orders into revenue and EBIT, we keep on doing our

homework and significantly expand our production capacities based on our existing production footprint during Q2 and Q3 and according to specific delivery schedules.

A strategically very important milestone was the official inauguration of three new machining centres at Rheine end of August. As a reminder, Rheine was so far used for civil applications only and offers plenty of idle capacities which we can make use of - on top of the actual capacity expansion. This inauguration marked a next important step to systematically scale up our global production for series production and to further support our target to increase output of transmissions to more than 2,000 units per year by 2030. In Rheine, we already started to produce components for the HSWL 256 transmission, used for various IFV platforms. Also, we keep on rolling out our RENK production system to the entire RENK production network as well as our modular assembly line concept to our spare part assembly shops in Q3 and MRO lines in Q4 2026 and Q1 2027. These measures will make sure that we will have the right capacities in place in order to timely work off the order backlog and turn it into profitable revenues – and this in a very capex friendly manner, with 3% on average until 2030, while at the same time keeping enough flexibility to avoid any overcapacity risks.

Revenue

Turning to revenue: Q3 should be well anchored within our transparent communication that FY 2026 will be very backend-loaded. As such, in full alignment with existing customer delivery schedules and hence without bigger surprises we expect a return to double-digit growth rates on Group level for Q3 at levels somewhat below the previous quarter. Therefore, we clearly reiterate our FY 2026 guidance. Let me also emphasize that we are realizing this revenue generation while simultaneously doing our capacity ramp-up, without any production interruptions. One comment on Israel: according to close discussions with the relevant authorities, we are moving forward in terms of production to realize roughly 80-100mn EUR of revenues to Israel in H2 2026, strictly in line with customer delivery schedules. In line with the overall backend-loaded pattern, we plan to ship roughly 80% of those volumes in Q4 2026.

On a divisional level, VMS remains the clear growth engine of the group. From what we see right now, it looks like the division will exceed the level seen in Q2 2026 with significant double-digit growth year over year in Q3 2026.

Based on unchanged external factors – a supportive Navy business with a soft civil business - M&I growth dynamics in Q3 are expected to be below but fairly in line with growth seen in H1 this year.

Slide Bearings should see a strong Q3 based on supportive business during the quarter, supporting the switch from negative growth in H1 to flat growth as per 9M.

Last technical housekeeping comment on revenues: eliminations should be at levels comparable to Q1 and Q2 of this year, maybe slightly higher.

Adjusted EBIT

Let me continue with Group level earnings. Current operational dynamics clearly show a positive continuation of margin expansion. The magnitude of margin expansion per 9M should be in line with the dynamics seen in H1, so on an unchanged high level. For the full year, this is supportive of our ambition to reach the upper half of the guidance.

Based on ongoing improving operational excellence and the mentioned continued roll-out of the RENK production system to our production network, VMS' growth of adj. EBIT in Q3 will presumably land well above H1 2026 growth, fully supportive of our FY 2026 ambition of 21% adj. EBIT margin for VMS. These levers, combined with a significantly more pronounced volume effect in the next years, will drive this business slowly but steady to the approx. 25% adj. EBIT margin.

Within M&I, based on tough comps, adj. EBIT is expected to come in significantly below previous year's level, however with margins for 9M in line or even slightly better than H1 2026.

Slide bearings should show adj. EBIT levels significantly better than both previous quarters in 2026.

Also here a quick remark on accounting technicalities – eliminations on adj. EBIT level are expected somewhere between Q1 and Q2 of this year.

Conventional Platforms vs. New Tech

Ladies and Gentlemen, before coming to an end of today's pre close call, let me again spend a short moment on the debate about so called old tech vs. new tech. We always made it quite clear that the modern battlefield is and will be a combination of both — conventional platforms and drones, manned and unmanned platforms, connected in a digital battlespace across all domains. RENK is well positioned at this future intersection of the manned and unmanned battlefield.

The NATO "Theory of Victory", presented at the Warsaw Security Forum on October 12 by General Alexis Grynkeiwich – NATO's supreme Allied Commander Europe - reinforces the strategic importance of credible, combat-ready land forces in deterring and, if necessary, defeating a potential enemy. Its approach – approved by all 32 NATO allies – combines forward-deployed ground forces with drones, AI-enabled targeting, integrated intelligence and precision strike capabilities to stop an attack, disrupt the enemy's command systems and ultimately defeat its combat formations. Importantly, this evolution in warfare does not make conventional platforms obsolete; rather, it highlights the need to integrate advanced technologies with protected, mobile and highly capable land systems. For RENK, this underlines the enduring relevance of mission-critical mobility solutions for military vehicles, alongside the growing importance of lifecycle support for an expanding installed base. We believe that the combination of conventional combat capabilities and emerging technologies will remain a key driver of long-term requirements for modern land forces.

Closing

Ladies and gentlemen, let me come to the end of today's pre close call.

We are now entering into our quiet period. We look forward to speaking with you at our 9M 2026 results call on November 5. Thank you very much for joining and have a good day. Over to you operator, bye bye.

Operator (Outro)

This concludes the RENK Group AG Pre-Close Call for Q3 2026. Thank you for joining, you may now disconnect.