



POWER SYSTEMS TEACH-IN

June 2026



SAFE HARBOUR STATEMENT



This announcement contains certain forward-looking statements. These forward-looking statements can be identified by the fact that they do not relate only to historical or current facts. In particular, all statements that express forecasts, expectations and projections with respect to future matters, including trends in results of operations, margins, growth rates, overall market trends, the impact of interest or exchange rates, the availability of financing to the Company, anticipated cost savings or synergies and the completion of the Company's strategic transactions, are forward-looking statements. By their nature, these statements and forecasts involve risk and uncertainty because they relate to events and depend on circumstances that may or may not occur in the future. There are a number of factors that could cause actual results or developments to differ materially from those expressed or implied by these forward-looking statements and forecasts.

The forward-looking statements reflect the knowledge and information available at the date of preparation of this announcement and will not be updated during the year. Nothing in this announcement should be construed as a profit forecast. All figures are on an underlying basis unless otherwise stated - for the definition see note 2 to the condensed consolidated financial statements section of the 2025 Full Year Results Statement.



MEET THE TEAM



Andreas Strecker

CFO Rolls-Royce
Power Systems AG



Jörg Stratmann

CEO and Chairman of the
Board of Rolls-Royce
Power Systems AG



Petar Pelemis

SVP Strategy & Product
Management
Power Systems AG

POWER SYSTEMS - OUR STORY

We have provided innovative power solutions for over 110 years



ATTRACTIVE GROWTH MARKETS

Well-positioned in diversified and strongly growing end markets



DIFFERENTIATED PRODUCTS & TECHNOLOGIES

Best-in-class power and propulsion solutions with focused future investments



SIGNIFICANT GLOBAL FOOTPRINT & PRESENCE

Strengthening our global footprint as we capture sustainable profitable growth



STRONG FINANCIAL PERFORMANCE & OUTLOOK

Significant growth in profit, cash, and return on capital

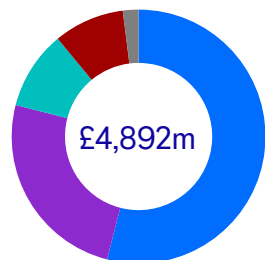


POWER SYSTEMS - END MARKET EXPOSURE

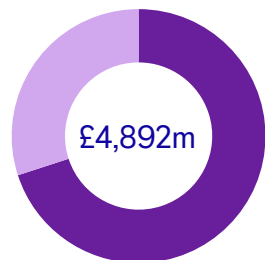
Resilient business model in attractive growth markets



Revenue split (2025)



- Power Gen 54%
- Governmental 25%
- Marine 10%
- Industrial 9%
- BESS 2%



- OE 70%
- Services 30%

POWER GENERATION	GOVERNMENTAL	MARINE	INDUSTRIAL	BESS ³
 DATA CENTRES (80%+ ¹)	 LAND VEHICLES	 YACHTS	 RAIL	 UTILITY
 CRITICAL INFRASTRUCTURE	 NAVAL	 COMMERCIAL	 MINING	 COMMERCIAL & INDUSTRIAL
 OIL & GAS				
-20% OE revenue growth per year to the mid-term ² driven by data centres	-20% OE revenue growth per year to the mid-term ²	5-7% OE revenue growth per year to the mid-term ²	Mid-single digit revenue growth through the cycle	Double-digit OE revenue growth to the mid-term ²

¹ 1% revenue of Power Generation; ² mid-term: 2028; ³ BESS: Battery and Energy Storage Systems

(1) POWER GEN: ENERGY INFRASTRUCTURE FOR DATA CENTRES



Rolls-Royce is uniquely positioned to help hyperscalers with their future power demands

Power Systems

Backup power
Diesel gensets

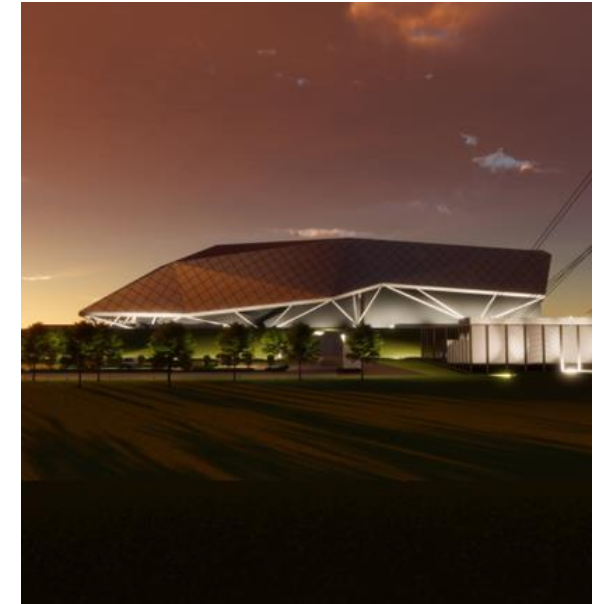


Prime power
Gas gensets

Flexible solutions
Battery Energy Storage
Systems (BESS)



Rolls-Royce SMR¹



Future prime power
Small Modular Reactors

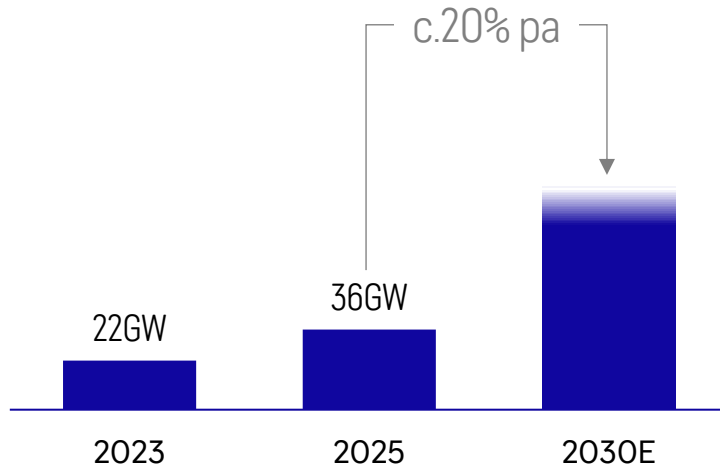
¹Rolls-Royce Holdings has a 57.8% indirect shareholding in Rolls-Royce SMR Limited

(1) POWER GEN: CAPTURING DATA CENTRE GROWTH



Our core market is data centre back-up power driven by strong growth in computing power

Market driver – DC backup power¹



Competitive advantage

- Reliability and start up time
- Power density
- System offering
- Global account management

Genset



Customer

Sales partners and distributors

Scope

Genset, consisting of engine, alternator, control, cooling, and baseframe

System



Customer

Direct sales to hyperscalers

Scope

Genset, cooling, air inlet, exhaust incl. after treatment, controls, tank, and enclosure

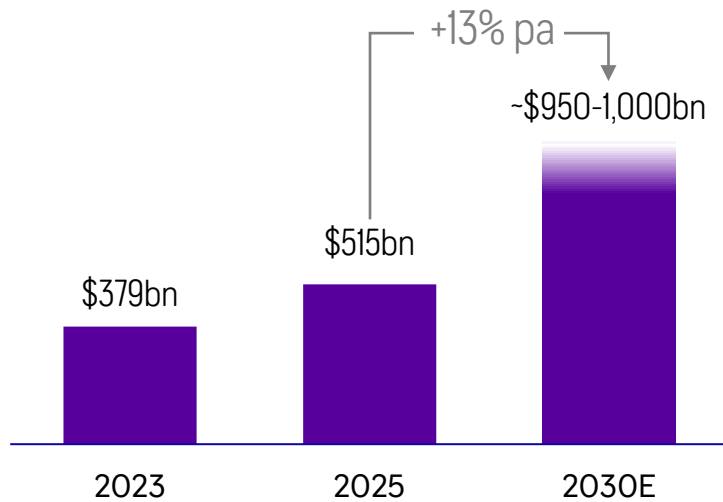
¹ Sources: Omdia, Semianalysis

(2) GOVERNMENTAL: LAND AND NAVAL GROWTH

Supported by an increase in global defence spending



Market driver - EU NATO Defence spend¹



Defence budgets

- European NATO partners target 3.5% of GDP towards defence spending by 2030-35
- ReArm Europe program focusing on new equipment purchase through 2025-30

Land | engines and PowerPack



Platforms	Leopard, Boxer, Puma, MGCS
Strategy	Expand S199 as a platform into higher power; Strengthen position as system integrator
Scope	Engine, engine control unit (ECU), alternator, air inlet, exhaust system, transmission

Naval | engines and systems



Platforms	German frigate and UK type 45, US Coast Guard
Strategy	Full system supply incl. bridge and automation solutions
Scope	Engine/genset, transmission, bridge, management systems, other ship automation

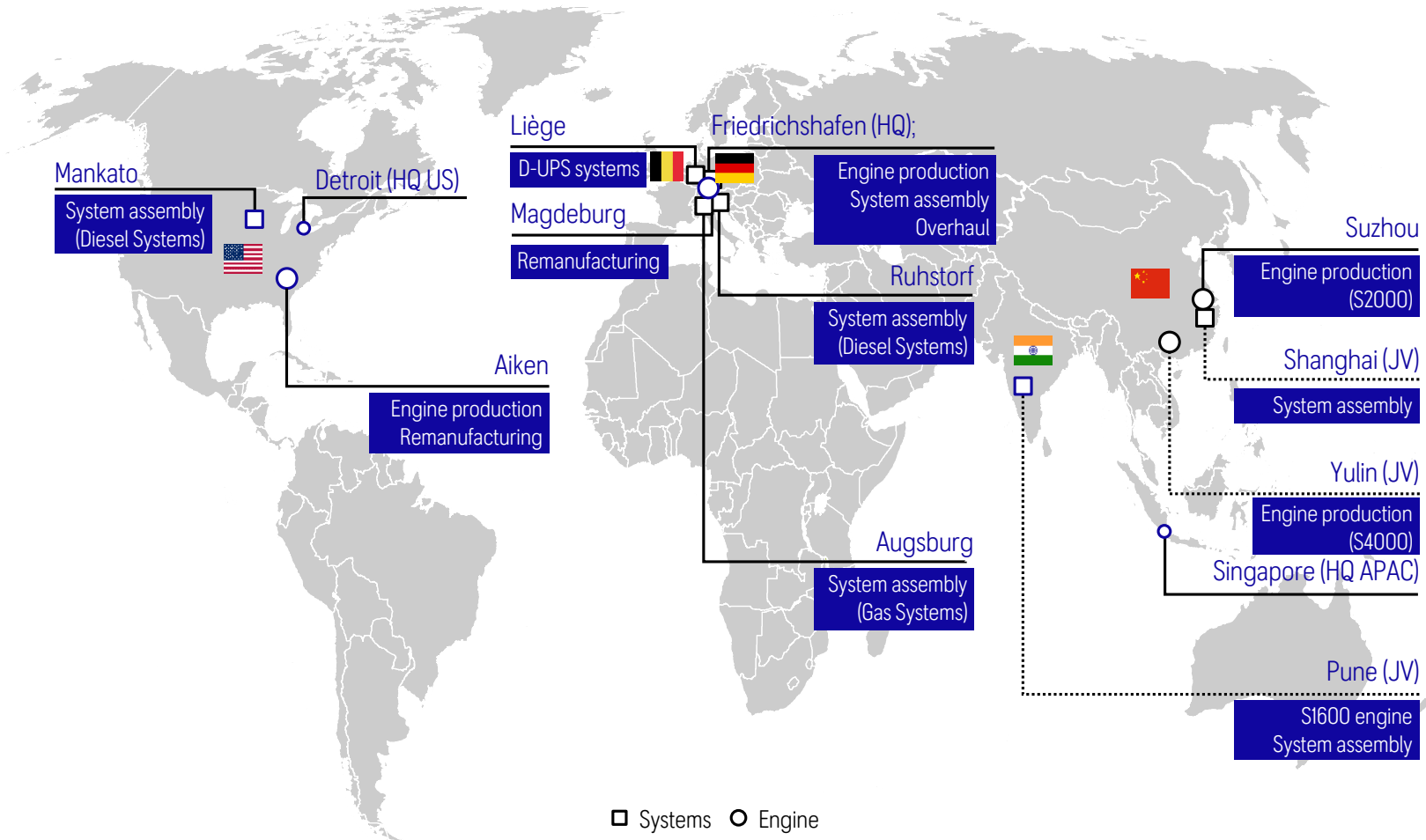
¹ Sources: NATO, Janes

POWER SYSTEMS - GLOBAL FOOTPRINT

Growing capacity to capture global growth opportunities



Current operations footprint



Capacity expansion

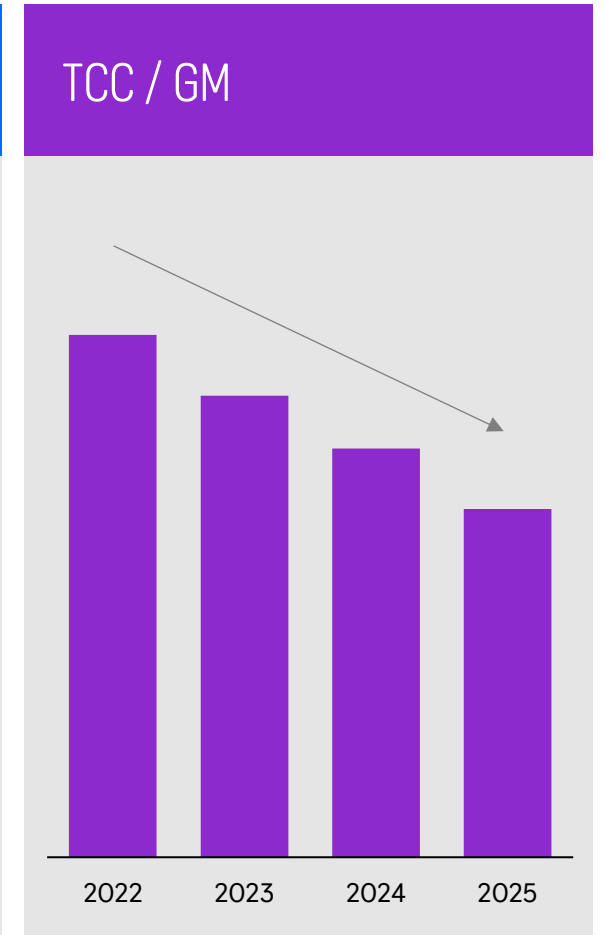
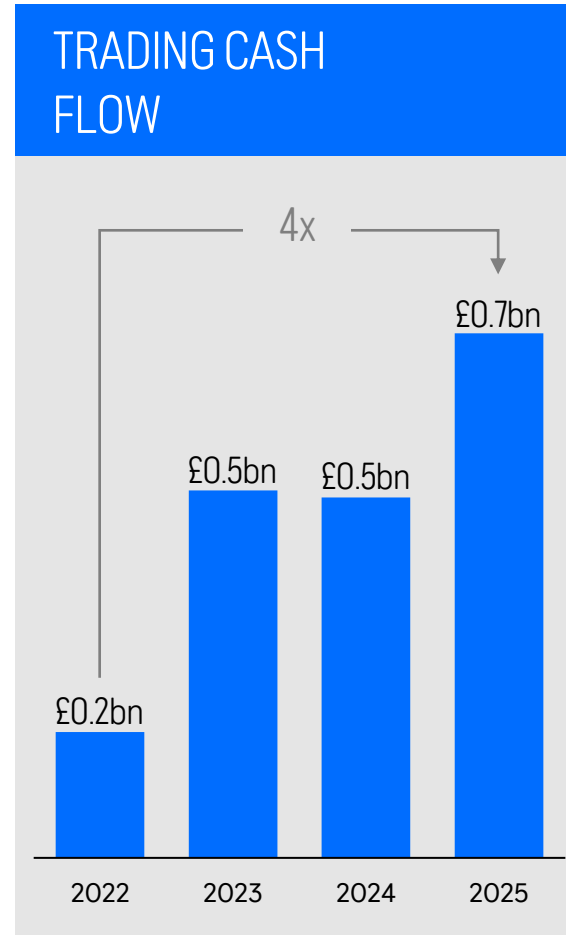
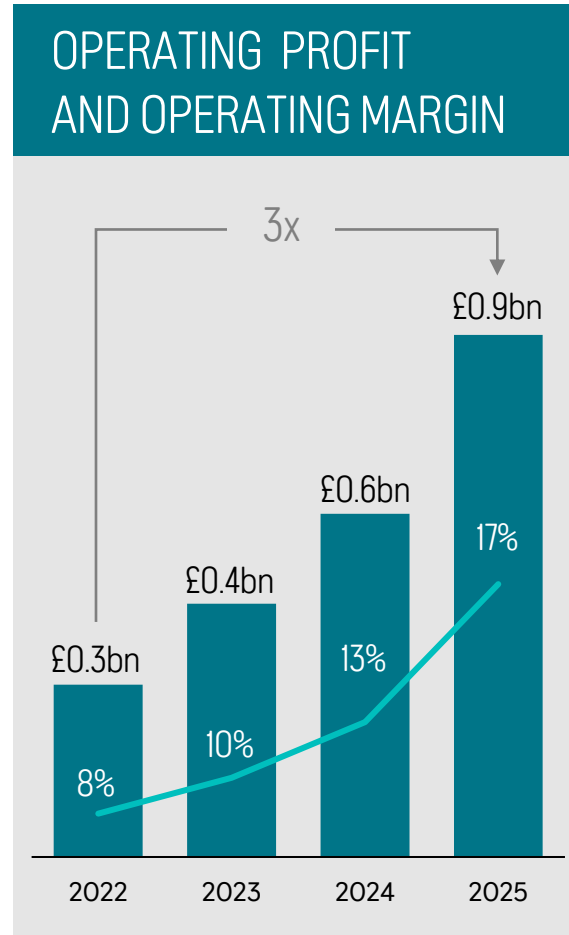
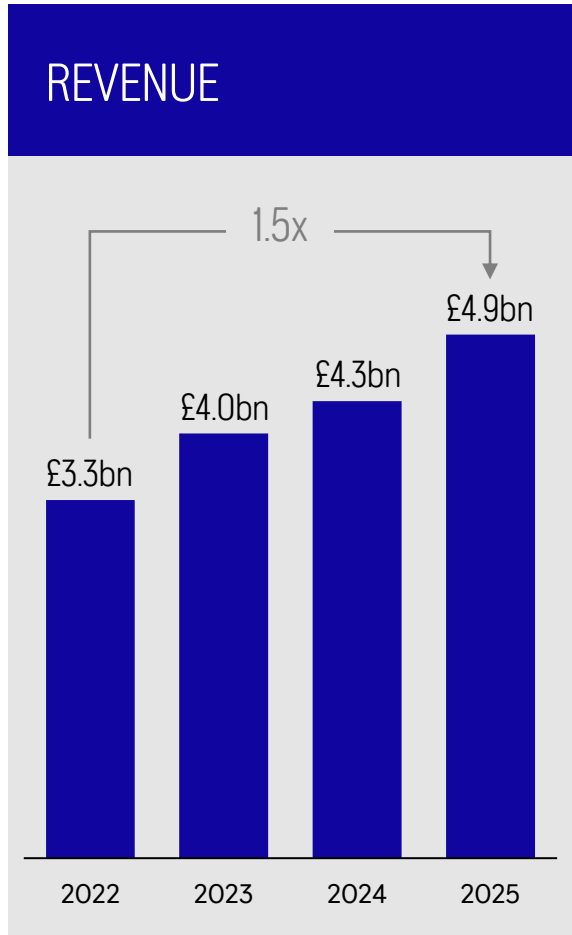
- 100% capacity increase in Power Gen; 150% in Governmental 2022-2028
- Adding capacity in US and Germany, optimising sites
- Assessing demand and structuring multi-year framework agreements when considering further capacity

Supply chain localisation

- Global supply chains that are flexible, resilient, and reliable
- Strengthening our global supplier network
- Sourcing where we build our products, close to our customers

SIGNIFICANTLY IMPROVED FINANCIAL PERFORMANCE

A step-change in Power Systems performance over the past three years

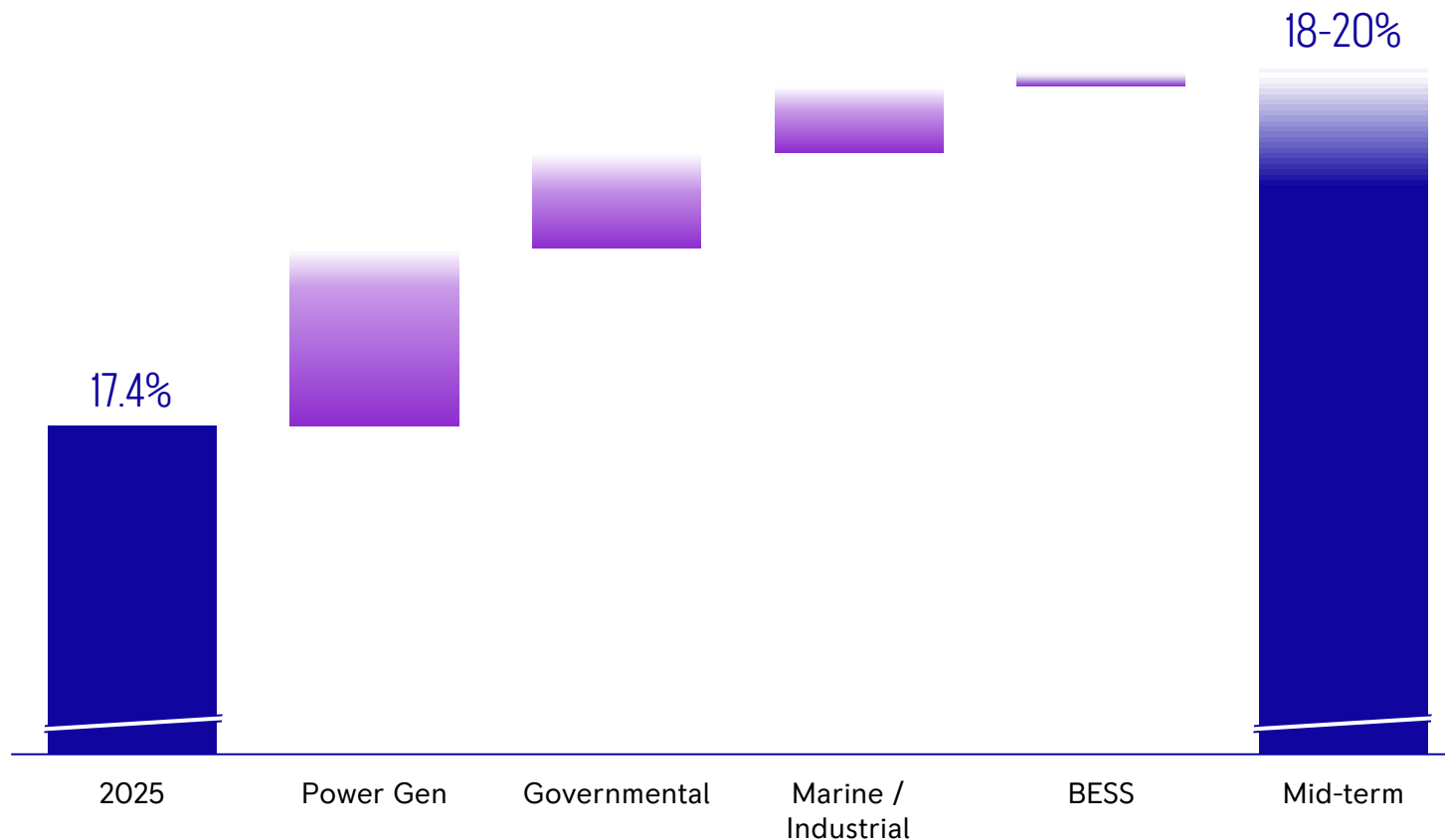


MID-TERM TARGETS UNDERPINNED BY STRATEGIC INITIATIVES

Expanding earnings and cash potential



2025-2028 Power Systems operating profit improvement and operating margin target



Strategic initiatives

- **Power generation**
Strengthen position with increased profitability in a growing market
- **Governmental**
Capture strong growth in highly attractive markets
- **Marine**
Strengthen leading position in yachts and grow commercial
- **BESS**
Expand market reach and increase scale

INVESTMENT FOR FUTURE GROWTH

Securing growth through innovation in core and future technologies



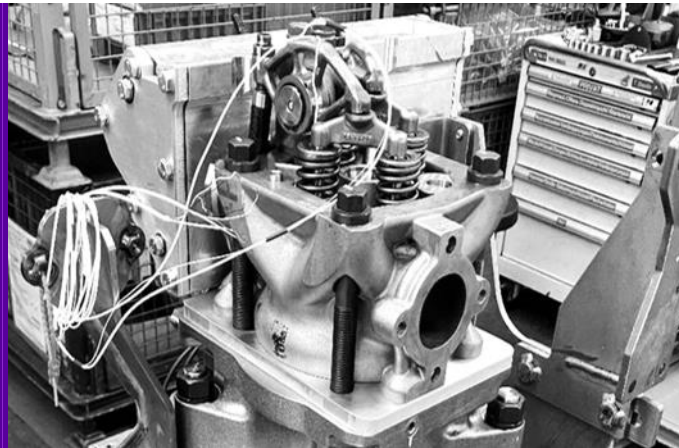
Next generation Series 4000

20% higher power density than Series 4000



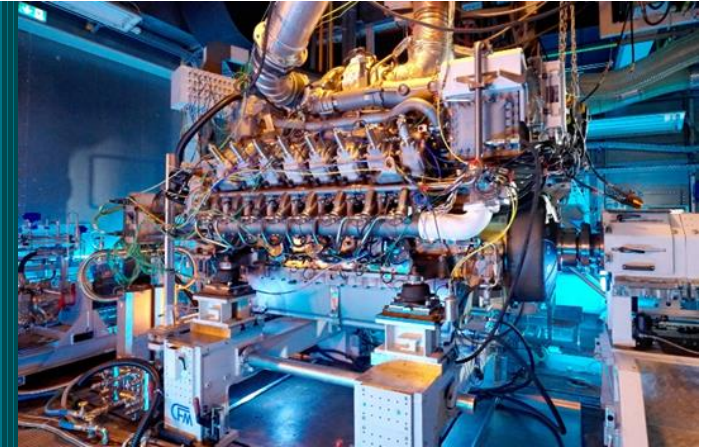
3D print

3D-printing of engine components



Methanol

Future carbon-neutral propulsion systems for marine applications using methanol as fuel



Hybrid solutions

Integrated drive systems for quiet, low-emission operation in marine and rail



KEY MESSAGES



STRONG GROWTH

Well-positioned in attractive growth markets



DISCIPLINED INVESTMENTS

in our future competitiveness to enable further growth



RESILIENT BUSINESS MODEL

through diverse end markets and product portfolio



EXPANDING OPERATING MARGIN

with focus on efficient and profitable growth









Appendix

ENGINE PLATFORM OVERVIEW

S2000 and S4000 are key volume drivers across all applications



Product platform	Power range	Fuel type	POWER GEN	GOVERNMENTAL	MARINE	INDUSTRIAL
S1600 	200 – 1,000kW	Diesel incl. e-fuels	Application	Not in portfolio	Not in portfolio	Application
S2000 	500 – 2,000kW	Diesel incl. e-fuels	Application	Application	Application	Application
S4000 	750 – 4,300kW	Diesel & Gas incl. e-fuels	Application	Application	Application	Application
S8000 	5,200 – 10,000 kW	Diesel incl. e-fuels	Not in portfolio	Application	Application	Not in portfolio
BESS ¹ 	Scalable from MW to GW systems		Application	Not in portfolio	Not in portfolio	Not in portfolio
Automation 	Automation solutions especially for marine, naval, rail, and power generation		Application	Application	Application	Application

■ Application □ Not in portfolio

¹BESS: Battery and Energy Solutions