What's next for EU carmakers?

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The greatest transformation in automotive history

Polycrisis[1]

Decarbonization

Drivetrain Transformation

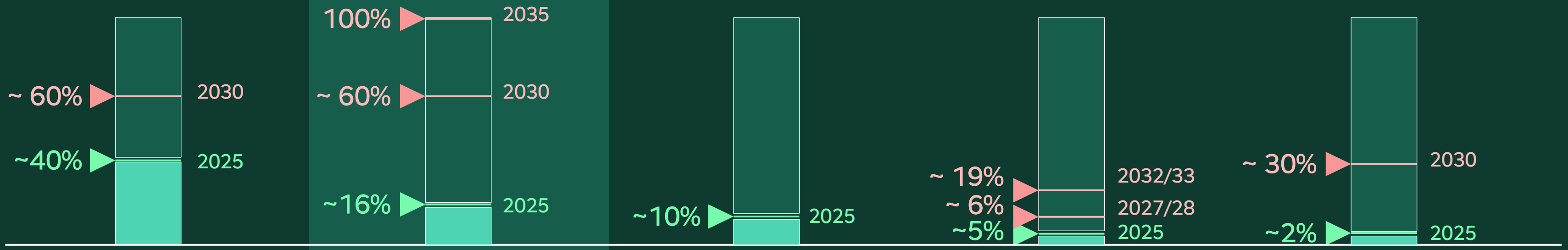
Digitalisation & AI

[1] Geopolitical tensions, protectionism, economic instability, climate change and energy insecurity

The EU's stringent 2035 ICE ban showcases high regulatory ambition, contrasted by a relatively low BEV market growth and penetration

	China	EU[2]	US	India	Japan
CO2 regulation	NEV (BEV+PHEV) share regulated	**- 55% in 2030** **-100% in 2035** (compared to 2021)	GHG regulation with ZEV credit system, current situation volatile	**- 32% in 2027** **-49% in 2032** (compared to 2021)	**- 32% in 2030** (compared to 2016)
ICE ban	**No** **(ban of fossil fuels 2035 planned)[1]**	**2035**	**No**	**No**	**No**

market BEV share 2025 / compliance target



[1] Synthetical fuels only [2] EU 27

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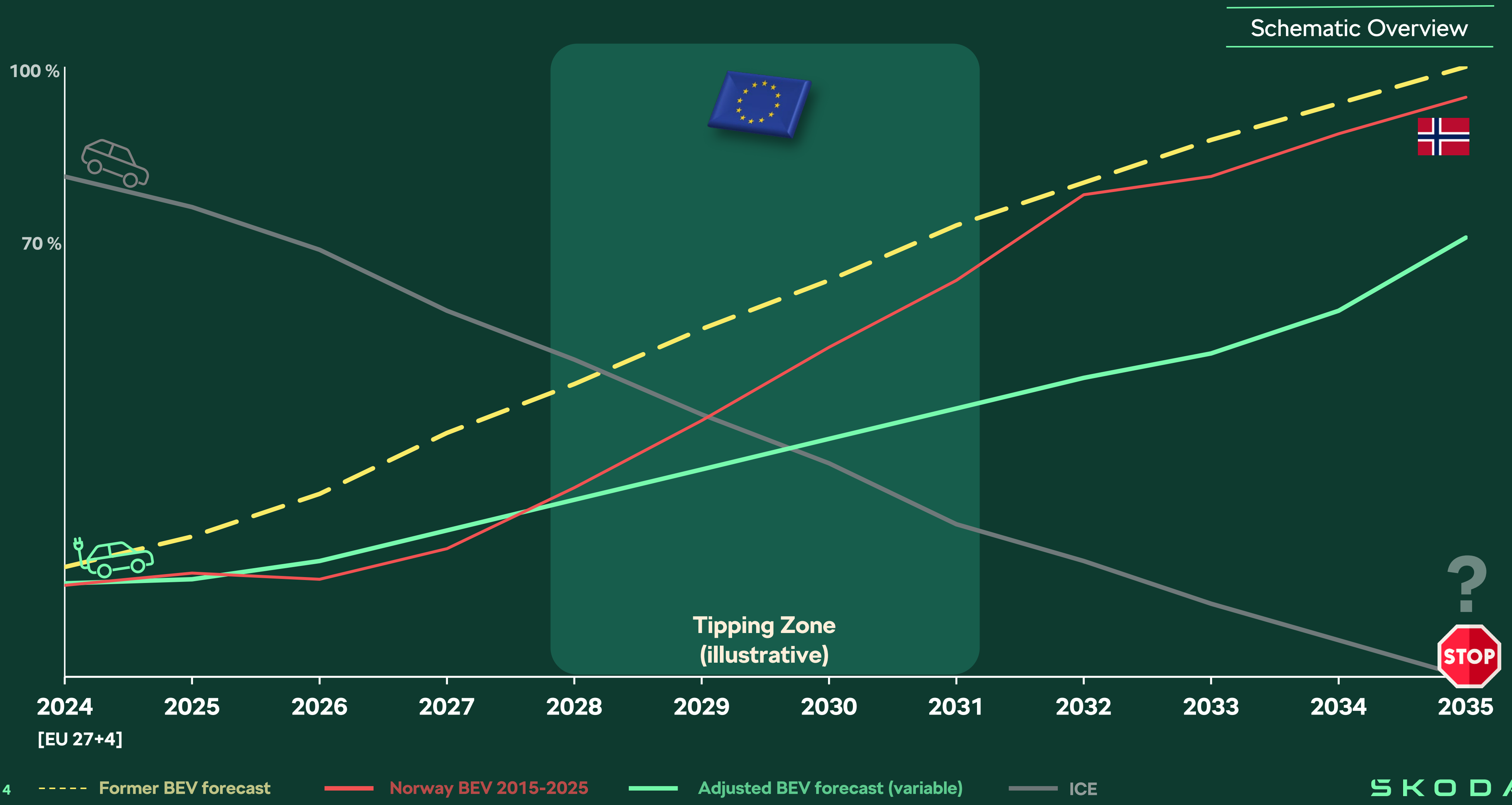
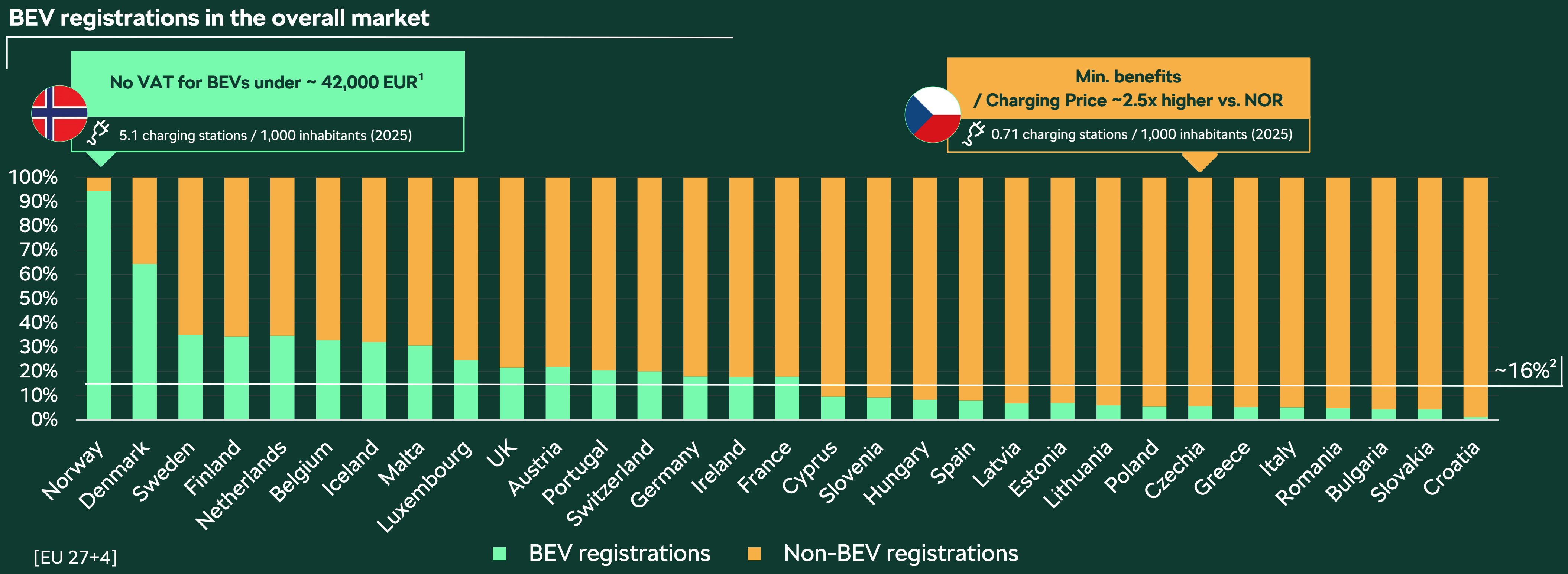
But the momentum is increasingly unclear



Just within the EU, markets and regions vary widely in BEV adoption



[1] VAT applied only to the amount of the purchase price that exceeds ~ 42,000 EUR

[2] EU 27

Škoda's strategy: Freedom of choice while complying with EU CO_2 regulation

Expanding all-electric portfolio

Further improved plug-in and mild hybrids

Highly efficient ICE models

Our most diverse product portfolio ever meets this market demand ...

New Superb

New Kodiaq

Octavia FL

Scala FL

Kamiq FL

Fabia

Karoq FL

BEV Family

Enyaq

Elroq

Epiq[1]

7-Seater[1]

FL = Facelift

Hybrid options

Mild hybrid options soon

[1]coming in 2026

… while we chart the future with the Vision O concept: circular, electrified, AI powered

This strategy contributed to exceptional Škoda Auto results in H1/2025

+13.6%

509,400

GLOBAL SALES

448,600
in H1/2024

+10.4%

€15 bn.

SALES REVENUE

€13.6 bn.
in H1/2024

RoS: 8.5%

+11.8%

€1.28 bn.

OPERATING PROFIT

€1.1 bn.
in H1/2024

+3.2%

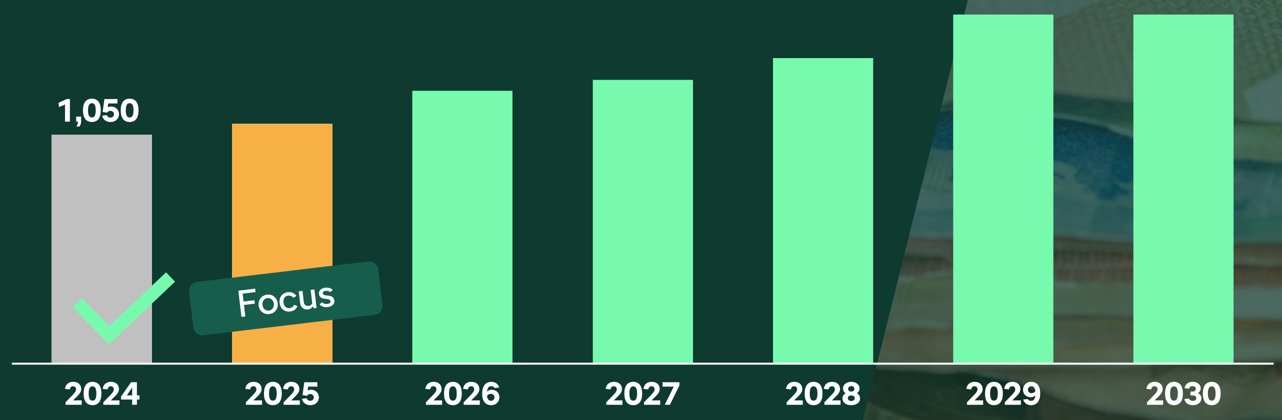
€1.45 bn.

NET CASH FLOW

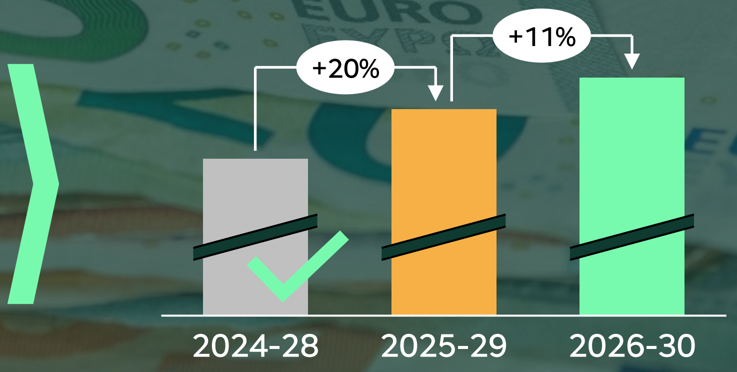
€1.40 bn.
in H1/2024

Focus is on maintaining profitability

Efficiency Target Yearly
[bn. EUR]



Increase of the Overall Target
[bn. EUR, internal planning period]



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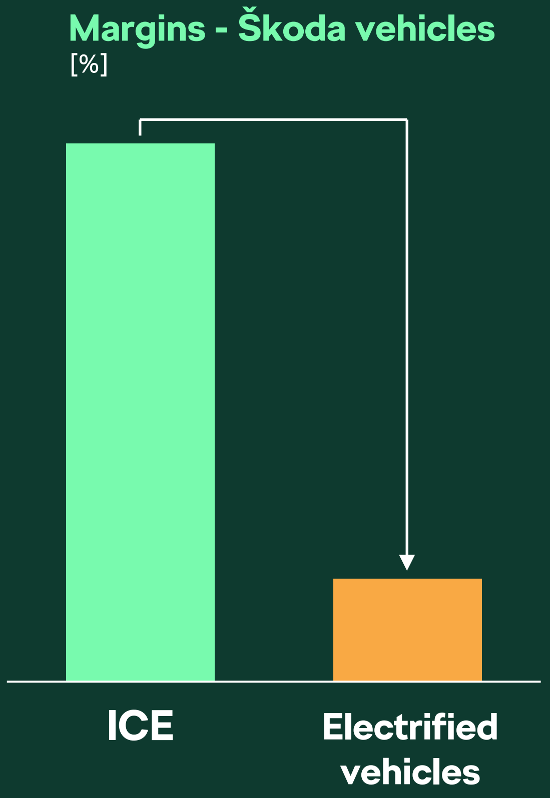
Challenge #1: Improving margins of EV vs. ICE models

Battery represents c. 37% of the total cost of producing a fully electric vehicle



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Challenge #2: Facing new competition - Chinese market share 5.1% in 2025

TOP 12 Brands 2020 [MS]

1	Volkswagen
2	Renault
3	Peugeot
4	Mercedes-Benz
5	Ford ↓
6	BMW
7	Toyota
8	SKODA
9	Audi
10	Citroen ↓
11	Opel ↓
12	Fiat ↓

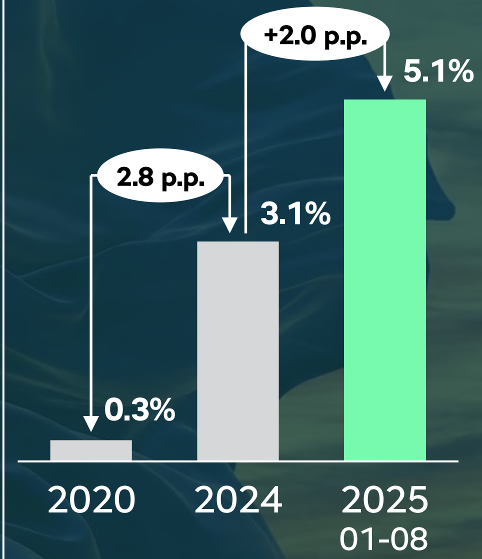
In 2020, Seat + Cupra no. 16
EU27+NO+IS+UK+CH

TOP 12 Brands 01-08/2025 [MS]

			△ p.p. 01-08/2024
1	Volkswagen	11.0%	+0.6
2	Toyota	6.5%	-0.6
3	SKODA	6.2%	+0.6
4	BMW	6.0%	+0.2
5	Renault	5.6%	+0.4
6	Mercedes-Benz	5.3%	-0.1
7	Peugeot	5.2%	+0.2
8	Audi	4.8%	-0.3
9	Dacia ↑	4.6%	+0.2
10	Kia ↑	4.1%	-0.1
11	Hyundai ↑	4.0%	-0.2
12	Seat + Cupra ↑	3.9%	+0.1

↓ Out of Top 12 in 01-08/2025 ↑ In Top 12 in 01-08/2025 vs. 2020

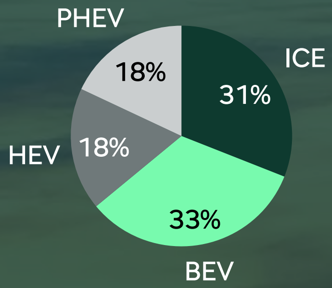
Chinese Brands in Europe [MS]



Top 5, 01-08/2025

MG	2.2%
BYD	1.1%
Polestar	0.3%
Jaecoo	0.3%
Omoda	0.3%

Volume Share by Fuel Type



SKODA

Localizing production could drive Chinesse market share up to 14% in 2030

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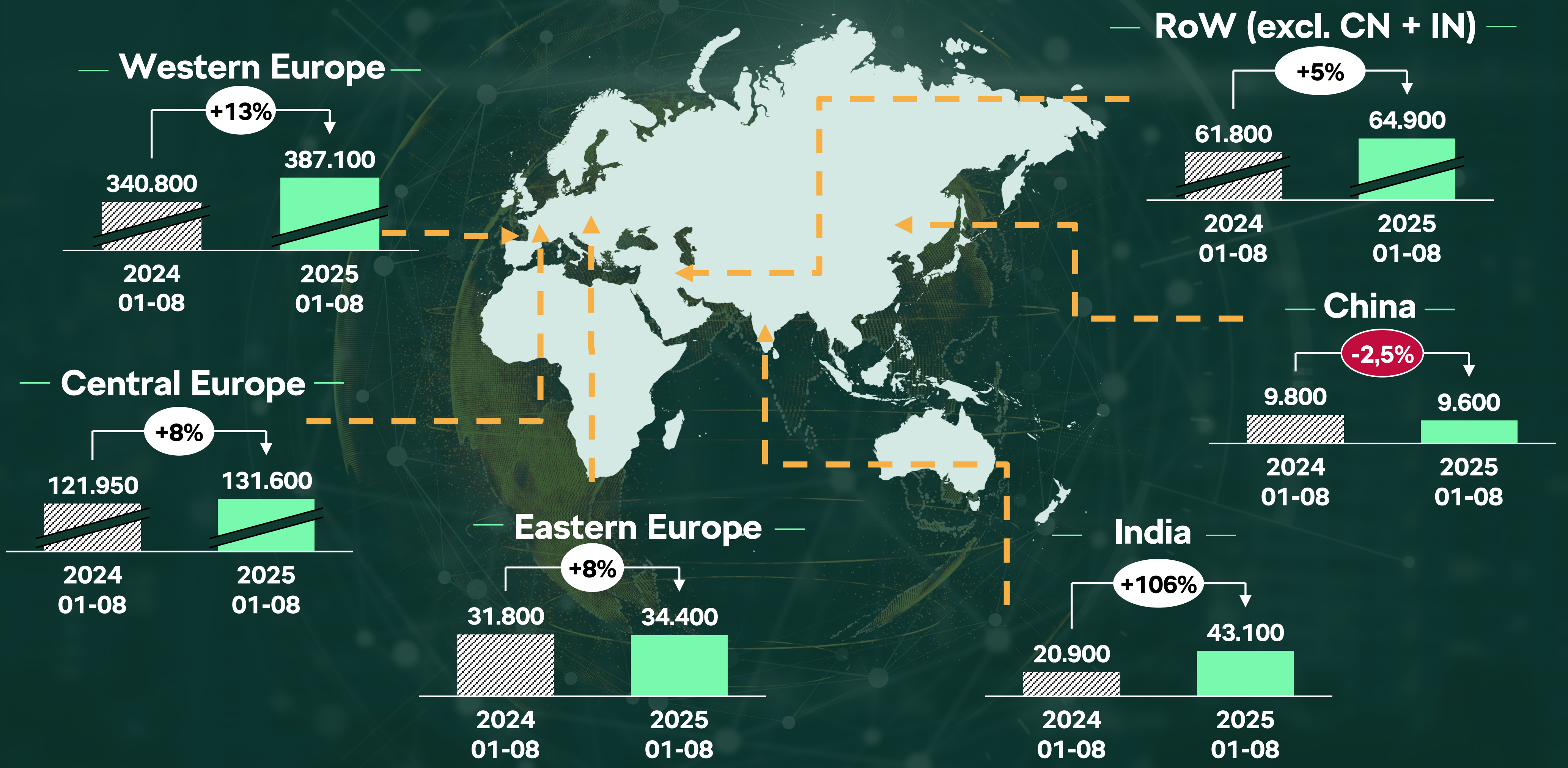
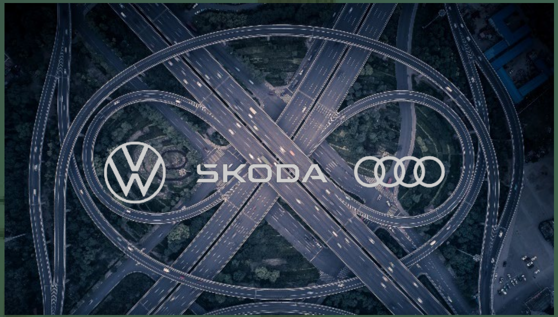
Škoda's global deliveries grew about 14.3%, but still focused on Europe



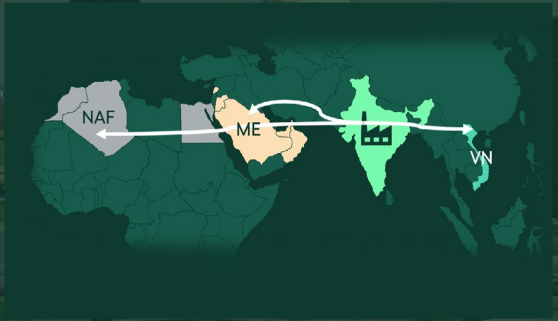
India is the strategic growth driver for internationalisation

Best-ever sales result – 43.100 units in 01-08/25, ranking Škoda amongst the top 8 automotive brands in India

"India for India" strategy – locally produced Kushaq, Slavia and brand new Kylaq



Parts and Components projects – broadening customer offer by Škoda, VW and Audi models



India is a strategic export hub with focus on Vietnam / ASEAN, Middle East, and North Africa

Vietnam integration – local production of Slavia and Kushaq using **India-sourced** components

Vision for future in India – advancing our EV presence with new electric models

Tackling the challenges – what is next for EU carmakers?

- Customer centricity
- Strong brand personality
- Human touch (dealer focused)
- Electrified drive trains
- SDV & AI
- Leverage network advantage (esp. service)

- Resilience against changes in regulation
- "Local for local" (suppliers / raw materials)
- Vertically integrated supply chains
- Partnerships

- Benchmark standards (focus on customer relevance)
- Less product complexity
- Higher process efficiency
- Higher decision stability
- Accelerated lifecycles
- Higher scale and profitability

- Revisit CO2-regulatory framework and adjust immediately
- Develop programs for Pan-European regulations
- Secure competitive prerequisites for European industrial backbones (vs. imposing more hurdles)


Thank you!
SKODA
130
YEARS