



WALTER MERTL

Focal points of the speech by the Chief Financial Officer of BMW AG at the virtual Annual General Meeting on 15 May 2024. Check against delivery.

Dear shareholders,

In preparation for our Annual General Meeting on 15 May 2024, I would like to present the main topics of my speech to you.

First, I will inform you about the **key financial figures for the successful year 2023**. We steered the BMW Group with a clear focus on profitability. At the beginning of August 2023, we had raised our guidance for several key performance indicators. For the full year 2023, we achieved our goals in all segments.

In 2024, we expect a peak of capital expenditure (capex) and research and development (R&D) expenditure. The capex ratio will be above 6 percent and the R&D ratio will be above 5 percent. Through targeted investments, we ensure the future viability of the BMW Group – in particular in digitalization, battery technology and innovative products. Despite the high investments, we have set ourselves ambitious financial goals for 2024. We expect the EBIT margin in the Automotive segment to fall in the range of 8 to 10 percent. In the Motorcycles segment, we are also aiming for an EBIT margin between 8 and 10 percent. The return on equity in the Financial Services segment is expected to land between 14 and 17 percent.

Next, I will update you on our **Employee Share Programme**. In the past year around 33,000 employees participated in our Employee Share Programme. A total of 1,290,000 common shares were passed on to employees. These 1,290,000 common shares were previously acquired via the stock exchange on the basis of § 71 (1) No. 2 of the German Stock Corporation Act. Employees were able to acquire the common shares at a purchase price of € 71.47 each. This corresponds to a discount of € 20.00 per share compared to the average closing price in Xetra trading during the period from 1 to 6 November 2023. Further details on the Employee Share Programme in fiscal year 2023 can also be found in our BMW Group Report.

At the Annual General Meeting in 2022 an authorisation to acquire treasury shares was approved. On this basis, BMW AG completed the first **share buy-back programme** with a volume of around € 2 billion in June 2023. In total, BMW AG acquired around 22 million

common shares and around two million preferred shares via the stock exchange as part of the completed first share buy-back programme. All repurchased shares from the first share buy-back programme were redeemed in July 2023 and the share capital was reduced accordingly.

We already announced at the last Annual General Meeting that we will carry out a **further share buy-back programme** following the first programme. The second share buy-back programme also has a volume of up to € 2 billion. This programme has been running since July 2023 and will run until the end of 2025 at the latest. The main purpose of the programme is to optimise the company's capital structure by buying back and cancelling shares. At the Annual General Meeting I will report on the current status of the share buyback. You can also find weekly updated information on share buybacks on our website <https://www.bmwgroup.com/sharebuyback>.

The repurchase of shares results in a reduction in the number of dividend-bearing shares. The proposed **utilisation of the unappropriated profit** published in the notice of the Annual General Meeting will be adjusted to the number of shares entitled to a dividend on the day of the Annual General Meeting. The proposed dividend amount of € 6.02 per preferred share and € 6.00 per common share remains unchanged. I will present the updated figures for the pay-out amount and the allocation to Other Revenue Reserves at the Annual General Meeting.

Yours,
Walter Mertl
Member of the Board of Management, Finance