

CORPORATE NEWS

JOST expands regional reach and enhances product portfolio in Agriculture with two strategic acquisitions

- **JOST acquires Crenlo do Brasil:** JOST gains access to the Brazilian off-highway and agricultural machinery industry, one of the biggest agricultural markets worldwide
- **JOST acquires LH Lift:** JOST enhances its product portfolio with three-point linkage and hitches for agricultural tractors, accessing new revenue pools
- **Expected additional sales contribution of around EUR 100 million:** Crenlo do Brasil and LH Lift will strengthen JOST's agricultural business, unlocking new profitable growth opportunities through expanded product portfolio and regional coverage
- **Combined purchased price of EUR 56 million:** Purchased price will be fully financed with cash and existing credit lines
- **Value accretive transactions:** The agreed purchase price corresponds to 5.1x EBITDA in 2023 and are immediately accretive to EPS with the potential to enhance JOST's current strong financial profile short- to midterm.

Neu-Isenburg, August 30, 2023. JOST Werke SE ("JOST"), a leading global producer and supplier of safety-critical systems for the commercial vehicle industry, has signed a purchase agreement to acquire 100 % of the share capital in Taxi Brazil Holdings B.V., the Netherlands, the sole shareholder of Crenlo do Brasil Engenharia de Cabines LTDA ("Crenlo Brazil") as well as another purchase agreement to acquire LH Lift Oy, Finland.

Together, these acquisitions will expand JOST's current product portfolio while at the same time significantly broadening JOST's current global reach with new markets and new customers in Brazil and in Asia, also strengthening JOST's market position and offerings in Europe. With the acquisition of Crenlo Brazil, JOST gains immediate access to the Brazilian off-highway and agricultural machinery industry, one of the biggest agricultural markets worldwide. With LH Lift, JOST adds three-point linkage and hitches to its product portfolio, enhancing JOST's offerings to agricultural customers. Together, these two companies further strengthen JOST's strategic position in the global agricultural machinery industry, increasing JOST's value as an international supplier to agricultural OEMs.

Headquartered in Guaranésia, Brazil, Crenlo Brazil has been producing applications for the agricultural, mining, construction and forestry machinery industry in Brazil for over 23 years. It counts a wide range of major global blue-chip original equipment manufacturers (OEMs) active in Brazil among its customers. Crenlo Brazil owns and operates a versatile, best-in-class manufacturing facility in the state of Minas Gerais, which offers promising operating leverage opportunities and will serve as the manufacturing backbone for JOST's off-highway activities in the Southern hemisphere. The experienced management team, with in-depth know-how and significant expertise in the Brazilian construction and agricultural machinery market, will remain part of the organization after the acquisition, supporting JOST's strategy to grow into the sizable Brazilian off-highway and agricultural market, accelerating JOST's profitable growth in the region. Future synergies will result from JOST's ability to leverage Crenlo Brazil's engineering and production capabilities to manufacture and market its agricultural front loaders and implements as well as further agricultural products in Brazil.

LH Lift, a family-owned company, was founded in 1975 and is headquartered in Laukaa, Finland. It has production sites in Finland and China. The company supplies products to OEM tractor manufacturers in Europe, Asia and South America. The portfolio comprises three-point linkages and hitches as well as front linkages for tractors. LH Lift's portfolio perfectly fits JOST offering to the agricultural tractor industry and can be scaled up significantly by leveraging the existing market presence of JOST Agriculture businesses. In addition to the sales synergies to be generated by using JOST's wide distribution channels to market LH Lift's products, JOST will be able to fully consolidate LH Lift's production plant in Ningbo, China, into JOST's already existing production facility in the same city.

Joachim Dürr, CEO of JOST Werke SE, said: "The acquisition of Crenlo do Brasil and LH Lift are key steps towards JOST's strategic expansion in the agricultural machinery market. With these acquisitions and our investments into a new factory in Chennai, India, we significantly expand our global presence in South America and Asia and strengthen our market position in Europe. At the same time, we expand our product portfolio with new products with a significant growth potential worldwide. The two acquisitions will initially increase JOST's consolidated sales by about EUR 100 million and bring additional opportunities to rapidly grow our off-highway business with new emerging cross-selling opportunities. Together, we will transform JOST into an even more attractive partner for agricultural OEMs, able to provide and service customers with a wide range of innovative products and systems worldwide, thus reducing the complexity of supply chains for our global customers."

Accelerating JOST agricultural growth strategy

On the back of these acquisitions, JOST will be able to accelerate its growth in agriculture, developing the Brazilian market for future growth and closing a geographical white spot in JOST's international agriculture

business. In addition, JOST will add three-point linkages, front linkages and hitches to its product portfolio, which perfectly complement the current offering of agricultural couplings under the ROCKINGER brand. The integration of these two companies will generate additional synergies in manufacturing, product development and purchasing as well as in the joint commercialization of products.

Rafael Belardo Filho, COO of Crenlo do Brasil, said: “Together with JOST, we will be able to significantly boost our market presence in Brazil, widening our current offerings to OEM customers and providing them with JOST’s market leading products. My team and I look forward to this exciting opportunity to bring Crenlo do Brasil to the next level under JOST’s ownership.”

Timo Viiki and Eero Viiki, founders and owners of LH Lift, commented: “JOST is an ideal industrial partner, who also has deeply entrenched contacts with OEMs just as we do. By bundling our know-how with JOST’s sales channels, we can reach even more customers and develop customized solutions that meet the special, unique requirements of agricultural professionals worldwide.”

Purchase price and finances

The agreed purchase price for these businesses combined corresponds to an enterprise value of EUR 56 million. The transaction will be financed through a combination of cash and existing credit lines. JOST expects leverage (net debt to LTM adjusted EBITDA) to increase slightly compared to the 1.18x reported as of June 30, 2023, but it will remain well within the target corridor of 1.0x to 2.0x.

Crenlo do Brasil and LH Lift complement JOST not only strategically but also financially. For the fiscal year 2023, the two companies together are expected to generate sales revenues of about EUR 100 million and an adjusted EBITDA between EUR 10 million and EUR 12 million. Based on the mid-point adjusted EBITDA range expected for 2023, the purchase price corresponds to approximately 5.1x EBITDA. Future synergies with JOST are not yet included in the expectations for 2023. The acquisition will be accretive to JOST's earnings per share. In the short-to medium term, the investments will further enhance JOST's current strong financial profile.

At present, the integration of the Crenlo do Brasil and LH Lift into JOST’s group of consolidated companies is expected to take effect as of September 1, 2023.

Telephone conference

JOST will offer a conference call for analysts and investors on August 31, 2023, at 11:00 a.m. CEST.

Contact:

JOST Werke SE

Romy Acosta

Head of Investor Relations

T: +49 6102 295-379

romy.acosta@jost-world.com

About JOST: *JOST is a leading global manufacturer and supplier of safety-relevant systems for the commercial vehicle industry with its core brands JOST, ROCKINGER, TRIDEC and Quicke. JOST's global leadership position is driven by the strength of its brands, its long-standing client relationships serviced through its global distribution network, and its efficient and asset-light business model. With sales and production facilities in 26 countries across six continents, JOST has direct access to all major truck, trailer and agricultural tractor manufacturers as well as relevant end customers in the commercial vehicle industry. JOST currently employs around 3,600 staff across the world and is listed on the Frankfurt Stock Exchange. For more information about JOST, please visit <http://www.jost-world.com>*