

CORPORATE NEWS

JOST continues its successful growth with significantly higher profitability

- **Sales growth achieved:** Sales increase by 2.6% to EUR 330.4 million (Q2 2022: EUR 322.0 million)
- **Adjusted EBIT grows faster than sales:** Adjusted EBIT up 16.3% to EUR 37.3 million (Q2 2022: EUR 32.1 million)
- **Profitability increases sharply:** Adjusted EBIT margin rises by 1.3 percentage points to 11.3% (Q2 2022: 10.0%).
- **Adjusted EPS grows considerably:** Adjusted EPS increases by 20.0% to EUR 1.80 (Q2 2022: EUR 1.50).
- **Free cash flow improves significantly:** Free cash flow more than doubles to EUR +20.3 million (Q2 2022: EUR +9.2 million).
- **Positive outlook for 2023 confirmed:** Sales and adjusted EBIT expected to rise by low single-digit percentage compared to 2022. The adjusted EBIT margin is anticipated to improve compared to 2022.

Neu-Isenburg, August 14, 2023 JOST Werke SE ("JOST"), a leading global producer and supplier of safety-critical systems for the commercial vehicle industry, today published its interim report for the second quarter of 2023.

Joachim Dürr, Chief Executive Officer (CEO) of JOST Werke SE, said: "The strong results achieved in the second quarter of 2023 are testament to JOST's excellent market position globally. We were able to further improve our operating performance, significantly increasing our profitability year-over-year. JOST managed to boost adjusted EPS by 20% to EUR 1.80 in the second quarter of 2023. We also pushed ahead with the construction of our new production plant in India as planned – an important milestone that will further strengthen our competitive position in Asia-Pacific-Africa. Going forward, we will continue to invest with the aim of making JOST even more attractive as a supplier and partner to our global customers, while continuously improving our internal efficiency and profitability."

Sales and earnings growth

JOST lifted global consolidated sales by 2.6% year-over-year to EUR 330.4 million in the second quarter of 2023 (Q2 2022: EUR 322.0 million). Negative currency effects reduced the reported sales growth in the second quarter of 2023. Adjusted for these negative effects, consolidated sales increased by 6.4% in the second quarter of 2023 compared with the previous year. Underpinned by strong demand for heavy trucks worldwide, sales in

the transport business rose by as much as 13.1% to EUR 263.0 million in the second quarter of 2023 (Q2 2022: EUR 232.6 million). On the other hand, farmers' reluctance to buy continued, reducing sales of agricultural components by 24.7% to EUR 67.4 million (Q2 2022: EUR 89.4 million).

In the second quarter of 2023, adjusted earnings before interest and taxes (EBIT) significantly outpaced sales growth with an increase of 16.3% to EUR 37.3 million (Q2 2022: EUR 32.1 million). As a result, JOST's adjusted EBIT margin improved by 1.3 percentage points to 11.3% in the second quarter of 2023 (Q2 2022: 10.0%).

Europe

In Europe, sales in the second quarter of 2023 were down slightly by 3.0% year-over-year at EUR 177.6 million (Q2 2022: EUR 183.1 million). Adjusted for negative currency effects, sales in Europe fell by just 0.6% year-over-year in the second quarter of 2023. JOST was able to almost offset the dip in demand for agricultural front loaders and trailer components with strong demand for truck components. Profitability in Europe in the second quarter of 2023 was up considerably year-over-year as the stabilization of supply chains and lower freight costs, especially for ocean freight, had a positive effect on JOST's earnings. As a result, JOST's adjusted EBIT in Europe rose by 14.9% to EUR 14.3 million in the second quarter of 2023, outpacing sales growth (Q2 2022: EUR 12.4 million). The adjusted EBIT margin improved by 1.3 percentage points to 8.1% (Q2 2022: 6.8%).

North America

In North America, sales in the second quarter of 2023 remained stable at a high level of EUR 98.2 million (Q2 2022: EUR 98.8 million). Adjusted for negative currency effects, sales rose by 1.7% compared with the second quarter of 2022. In North America, weak demand for low and medium power agricultural tractors, especially in the compact segment, reduced sales of front loaders versus the previous year. However, this market trend was offset by the strong growth in the transport segment. Adjusted EBIT also outpaced sales growth, rising by 7.9% to EUR 10.3 million in the second quarter of 2023 (Q2 2022: EUR 9.6 million), while the adjusted EBIT margin improved by 0.8 percentage points to 10.5% (Q2 2022: 9.7%).

Asia-Pacific-Africa (APA)

The robust growth in Asia-Pacific-Africa (APA) continued in the second quarter of 2023. Overall, JOST's sales increased significantly, rising by 36.1% to EUR 54.6 million (Q2 2022: EUR 40.1 million). Adjusted for negative currency translation effects, sales were up by as much as 49.8% year-over-year in the second quarter of 2023. JOST's positive performance in India, the Pacific region and South Africa combined with the slowly emerging recovery of the Chinese market pushed up adjusted EBIT sharply by 30.9% to EUR 11.0 million (Q2 2022: EUR 8.4 million). The adjusted EBIT margin was 20.1% (Q2 2022: 20.9%).

JOST significantly increases consolidated profit

Driven by JOST's excellent operating performance, earnings after taxes in the second quarter of 2023 improved by 28.6% to EUR 20.9 million (Q2 2022: EUR 16.2 million), with earnings per share rising to EUR 1.40 (Q2 2022: EUR 1.09).

Adjusted earnings after taxes grew by 20.2% to EUR 26.8 million in the second quarter of 2023 (Q2 2022: EUR 22.3 million). Similarly, adjusted earnings per share were also up by 20.0% to EUR 1.80 (Q2 2022: EUR 1.50). The adjustments made mainly concern non-operating or non-cash exceptionals arising from depreciation and amortization in connection with purchase price allocation.

Free cash flow more than doubles

As of June 30, 2023, the equity of JOST Werke SE rose by 2.0% to EUR 367.6 million (December 31, 2022: EUR 360.2 million). This increase is mainly attributable to the strong rise in earnings after taxes, which offset the reduction in equity triggered by the dividend payment of EUR 20.9 million. The equity ratio increased to 37.2% as of June 30, 2023 (December 31, 2022: 35.9%).

Working capital rose less strongly than sales by 2.4% year-over-year to EUR 251.0 million (Q2 2022: EUR 245.2 million). Driven by the increase in business volume, working capital as a percentage of last-twelve-months sales improved to 19.3% as JOST managed to reduce inventories sharply (Q2 2022: 21.2%). This had a positive effect on cash flow from operating activities, which rose by EUR +12.2 million to EUR +27.8 million (Q2 2022: EUR +15.6 million).

The increase in operating cash flow caused free cash flow (cash flow from operating activities less payment made for the acquisition of property, plant and equipment and intangible assets) to improve to EUR +20.3 million in the second quarter of 2023 (Q2 2022: EUR +9.2 million), although capital expenditure rose to EUR 7.5 million (Q2 2022: EUR 6.4 million). This higher figure mainly reflects the higher capital expenditure in the new production plant in India.

Liquid assets came to EUR 79.8 million as of June 30, 2023, remaining essentially stable compared to December 31, 2022, despite the dividend distributed in the second quarter of 2023 (December 31, 2022: EUR 80.7 million). Net debt decreased slightly by EUR 0.9 million to EUR 196.5 million compared to December 31, 2022 (December 31, 2022: EUR 197.4 million). Combined with the sharp increase in adjusted EBITDA over the last twelve months, this reduction led to an improvement in the leverage ratio (ratio of net debt to adjusted EBITDA) to 1.18x (December 31, 2022: 1.28x).

Outlook confirmed

Given its very strong business performance in the first six months of 2023, JOST is confirming its guidance for fiscal year 2023. JOST expects consolidated sales to increase in the low single-digit percentage range year-over-year in 2023 (2022: EUR 1,264.6 million). Adjusted EBIT is likely to develop at a slightly faster pace than sales in 2023, also growing in the low single-digit percentage range compared to 2022 (2022: EUR 123.8 million). JOST thus confirms its goal to increase the adjusted EBIT margin for 2023 year-over-year (2022: 9.8%).

This forecast was drawn up on the assumption that the Russia-Ukraine war will not spread beyond the region. It is also based on the condition that there will be no unexpected extended plant closures at key JOST customers or suppliers.

The interim report for the second quarter of 2023 is available at <http://ir.jost-world.com/reports>. The accompanying virtual conference will be held on August 14, 2023 at 11:00 am CEST. A recording will be available on the JOST website after the conference.

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>