

CORPORATE NEWS

JOST starts strongly into fiscal year 2021

- **New sales record achieved:** Sales increase by 34.2% to EUR 257.3 million (Q1 2020: EUR 191.8 million)
- **Strong increase in operating result:** Adjusted EBIT doubles to EUR 29.8 million (Q1 2020: EUR 14.7 million)
- **Profitability improved:** Adjusted EBIT margin up 3.9 percentage points to 11.6% (Q1 2020: 7.7%).
- **Profit after tax grows significantly:** Profit of EUR 18.9 million achieved (Q1 2020: EUR -4.1 million)
- **Leverage ratio further reduced:** Leverage decreases to 1.76x
- **Outlook for 2021 confirmed:** Sales and adjusted EBIT to increase by a low double-digit percentage rate compared to 2020 and adjusted EBIT margin to improve.

Neu-Isenburg, May 12, 2021. JOST Werke AG ("JOST"), a leading global producer and supplier of safety-critical systems for the commercial vehicle industry, published today its interim report for the first quarter of 2021.

Joachim Dürr, CEO of JOST Werke AG, said: "Worldwide, we are witnessing a high demand for our products. We managed to significantly increase sales and profit in the first quarter 2021 compared to the previous year. Especially China and the rest of the Asia-Pacific-Africa region provided a strong tailwind. Given the closeness to our customers and our high flexibility, JOST is well positioned to benefit from the positive market trends in transport and agriculture and will continue to grow profitably."

Strong sales and earnings growth in all regions

The strong growth momentum already felt by JOST at the end of 2020 continued into 2021. Demand for trucks, trailers and agricultural front loaders rose further during the first quarter 2021. As a result, despite the ongoing pandemic and related uncertainties, JOST was able to increase sales by 34.2% year-on-year to EUR 257.3 million in the first quarter 2021 (Q1 2020: EUR 191.8 million).

In its transport business, JOST increased sales by 25.2% to EUR 198.3 million (Q1 2020: EUR 158.4 million). In the agricultural business, sales increased by 76.6% to EUR 59.0 million in the first three months of 2021 (Q1 2020: EUR 33.4 million). The comparison of the agricultural business to the prior year is only possible to a limited extent because the Ålö Group was consolidated as of February 1, 2020. When taking Ålö's sales from January 2020 into account, the agricultural business grew in the first quarter 2021 by 23.7%.

The strong revenue growth enabled JOST to significantly improve the operating leverage of fixed cost depression, doubling adjusted EBIT year-on-year to EUR 29.8 million (Q1 2020: EUR 14.7 million). Adjusted EBITDA increased by 68.6% to EUR 37.1 million (Q1 2020: EUR 22.0 million). The adjusted EBIT margin increased by 3.9 percentage points to 11.6% (Q1 2020: 7.7%) and the adjusted EBITDA margin climbed by 2.9 percentage points to 14.4% (Q1 2020: 11.5%).

In Europe, JOST grew sales by 26.6% to EUR 155.5 million in the first quarter 2021 (Q1 2020: EUR 122.8 million). Adjusted EBIT rose stronger than sales, increasing by 56.1% to EUR 16.5 million, mainly due to a higher production capacity utilization coupled with relatively stable selling, admin and development costs (Q1 2020: EUR 10.6 million). The adjusted EBIT margin improved by 2.0 percentage points to 10.6% (Q1 2020: 8.6%).

In North America, sales increased by 23.0% to EUR 55.3 million during the first quarter of 2021 (Q1 2020: EUR 44.9 million). The operating result was already burdened by the increase in steel prices and logistics costs. Particularly in the agricultural sector, bottlenecks in the supply chain and limited transport capacities from Asia to North America partially impacted the operating result. JOST was nevertheless able to increase adjusted EBIT in line with sales by 25.9% to EUR 4.1 million (Q1 2020: EUR 3.3 million) and could improve the adjusted EBIT margin by 0.2 percentage points to 7.5% (Q1 2020: 7.3%).

JOST achieved the strongest growth in Asia-Pacific-Africa (APA). The group nearly doubled sales in the region by 93.5% to EUR 46.6 million, setting a new sales record (Q1 2020: EUR 24.1 million). The strong year-on-year increase was also influenced by the negative effects of the pandemic-related closure of JOST's production site in Wuhan, China, in the first quarter of the previous year. During the first quarter of 2021, the significantly improved capacity utilization at all production plants allowed JOST to significantly increase its adjusted EBIT to EUR 8.2 million (Q1 2020: EUR 0.3 million). The adjusted EBIT margin improved by 16.4 percentage points to 17.5% (Q1 2020: 1.1%).

Positive earnings after taxes generated

The financial result improved to EUR -1.1 million in the first quarter of 2021 (Q1 2020: EUR -6.8 million). This improvement is largely attributable to the fact that the financial result in the prior year's quarter was particularly burdened by non-cash effects from the valuation of foreign currency loans.

The improved financial result and the strong increase of the operating result led to a sharp increase in profits in the first quarter of 2021. JOST was able to generate profit after tax of EUR 18.9 million (Q1 2020: EUR -4.1 million). Earnings per share amounted to EUR 1.27 (Q1 2020: EUR -0.28).

Adjusted for one-off effects (mainly non-cash effects on purchase price allocations (PPA)), profit after tax grew to EUR 20.1 million in Q1 2021 (Q1 2020: EUR 5.7 million) and adjusted earnings per share increased to EUR 1.35 (Q1 2020: EUR 0.39).

Leverage ratio further improved

As a result of the good business performance, JOST's equity increased by 7.9% to EUR 286.1 million in the first three months of the year (December 31, 2020: EUR 265.2 million). Thus, the equity ratio increased to 29.7% (December 31, 2020: 28.3%).

JOST repaid financial liabilities in the amount of EUR 13.0 million during the first quarter of 2021. Accordingly, cash and cash equivalents decreased to EUR 95.7 million during the first quarter compared to December 31, 2020 (December 31, 2020: EUR 108.3 million). Net debt remained almost unchanged at EUR 207.5 million (December 31, 2020: EUR 207.6 million). Due to the strong increase in adjusted EBITDA, however, the leverage ratio (ratio of net debt to LTM adjusted EBITDA) improved to 1.76x (December 31, 2020: 1.99x).

In the first three months of 2021, working capital increased by 30.1% to EUR 173.0 million in line with the increase in sales (December 31, 2020: EUR 133.0 million). The ratio of working capital to sales in the last twelve months remained almost unchanged at 20.1% (Q1 2020: 20.0%). The main reason for this development were the correspondingly increased sales.

Free cash flow (cash flow from operating activities less capital expenditure) amounted to EUR +1.6 million (Q1 2020: EUR +18.2 million). The reduction is due to the strong increase in business volume and the associated increase in working capital. Capital expenditure in the first quarter of 2021 decreased slightly by 3.9% to EUR 3.9 million (Q1 2020: EUR 4.1 million). The ratio of capital expenditure to sales was 1.5% (Q1 2020: 2.1%).

Christian Terlinde, CFO of JOST Werke AG, said: "We have had a promising start into 2021. In the past fiscal year, despite the pandemic, we implemented many measures to improve efficiency and used existing cash to repay debt. The positive effects of these measures are now reflected in the sharp rise in profit."

Outlook for fiscal 2021 confirmed

Following the successful first quarter of 2021, JOST remains confident about the current fiscal year. JOST expects sales growth in 2021 to be in the low double-digit percentage range compared to the previous year (2020: EUR 794.4 million). Adjusted EBIT is expected to increase higher than sales also in the low double-digit percentage range (2020: EUR 73.2 million) and the adjusted EBIT margin is expected to improve compared to the previous year (2020: 9.2%).

This forecast is based on the premise that there will be no prolonged plant shutdowns at JOST or at important JOST customers or suppliers during fiscal year 2021. It also assumes that the global economic situation does not deteriorate unexpectedly and rapidly.

The Interim Report Q1 2021 is available at <http://ir.jost-world.com/interim-reports>. The accompanying conference call will be held on May 12, 2021 at 11:00 am CEST. After the conference, the recording will be available on JOST's website <http://ir.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, Edbro 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 25 countries across five 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 more than 3,000 staff across the world and has been listed on the Frankfurt Stock Exchange since July 20, 2017. For more information about JOST, please visit www.jost-world.com

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