



DRIVING INNOVATION

Interim Report Q1 2022



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JOST at a Glance

Key figures

| in € million | Q1 2022 | Q1 2021 | % yoy |
|---|--------------|--------------|--------------|
| Consolidated sales | 311.8 | 257.3 | 21.2% |
| thereof sales Europe | 180.1 | 155.5 | 15.9% |
| thereof sales North America | 91.5 | 55.3 | 65.5% |
| thereof sales Asia, Pacific and Africa (APA) | 40.2 | 46.6 | -13.8% |
| Adjusted EBITDA ¹ | 41.7 | 37.1 | 12.2% |
| Adjusted EBITDA margin (%) | 13.4% | 14.4% | -1%-points |
| Adjusted EBIT ¹ | 34.4 | 29.8 | 15.5% |
| Adjusted EBIT margin (%) | 11.0% | 11.6% | -0.6%-points |
| Equity ratio (%) | 32.7% | 29.7% | 3%-points |
| Net debt ² | 208.5 | 207.5 | 0.5% |
| Leverage ³ | 1.51x | 1.76x | -14.2% |
| Capex ⁴ | 5.6 | 3.9 | 41.7% |
| ROCE (%) ⁵ | 16.3% | 14.2% | 2.1%-points |
| Free Cashflow ⁶ | -12.8 | 1.6 | ./. |
| Cash Conversion Rate ⁷ | -0.6 | 0.1 | ./. |
| Earnings after taxes | 21.5 | 18.9 | 13.5% |
| Earnings per share (in €) | 1.44 | 1.27 | 13.5% |
| Adjusted profit / loss after taxes ⁸ | 23.0 | 20.1 | 14.3% |
| Adjusted earnings per share (in €) ⁹ | 1.54 | 1.35 | 14.3% |

¹) Adjustments for PPA effects and exceptionals

²) Net debt = Interest-bearing capital (excl. accrued refinancing costs) – liquid assets

³) Leverage = Net debt/LTM adj. EBITDA

⁴) Gross presentation (capex; without taking into account divestments)

⁵) LTM adj. EBIT / interest-bearing capital employed; interest-bearing capital: shareholders' equity + financial liabilities (except for refinancing costs) – liquid assets + provisions for pensions

⁶) Cash flow from operating activities – capex

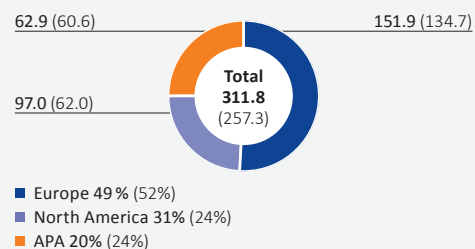
⁷) Free cash flow/adjusted profit after taxes

⁸) Profit after taxes adjusted for exceptionals in accordance with note 7

⁹) Adjusted profit after taxes / 14,900,000 (number of shares as of March 31)

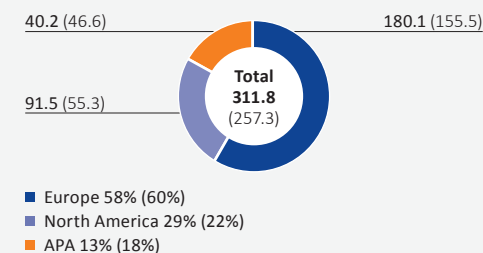
Regional sales by destination

Q1 2022 (2021), in € million



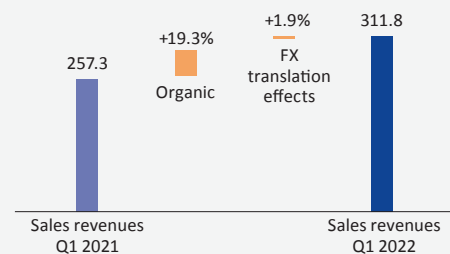
Regional sales by origin

Q1 2022 (2021), in € million



Sales development organic

Q1 2022, in € million, in %



JOST

JOST is a leading global producer and supplier of safety-critical systems for the commercial vehicle industry under the JOST, ROCKINGER, TRIDEC and Quicke brands.



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 3,300 staff across the world and is listed on the Frankfurt Stock Exchange.



INTERIM GROUP MANAGEMENT REPORT

Q1 2022

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Executive Board's Overall Assessment of the Course of Business

JOST made a successful start to 2022. Global consolidated sales rose by 21.2% to €311.8m in the first quarter of 2022 compared with the previous year (Q1 2021: €257.3m). The group saw the biggest increase in the North American market, where sales rose by 65.5% to €91.5m compared with the same quarter of the previous year (Q1 2021: €55.3m). Europe also made a key contribution to the group's performance by posting a 15.9% increase in sales to €180.1m (Q1 2021: €155.5m). In Asia-Pacific-Africa, high growth in India and the Pacific region enabled JOST to offset some of the decline in the Chinese truck market caused by pull-forward effects in 2021, which meant that sales in APA only fell by -13.8% to €40.2m (Q1 2021: €46.6m).

By raising its prices, JOST was able to pass on a significant part of the increases in raw material, energy and logistics costs to customers, enabling us to largely limit the negative impact of these cost hikes. The sharp rise in business volume also resulted in better operational leverage of fixed cost depression, which also had a positive effect on operating profit. Overall, JOST lifted adjusted EBIT by 15.5% to €34.4m in the first quarter of 2022 (Q1 2021: €29.8m). The adjusted EBIT margin was 11.0% (Q1 2021: 11.6%).

The group was also able to increase adjusted earnings after taxes by 14.3% to €23.0m in the first quarter of 2022 (Q1 2021: €20.1m). Adjusted earnings per share also rose in the first quarter of 2022, specifically by 14.3% to €1.54 (Q1 2021: €1.35).

Macroeconomic Environment

War in Ukraine holds back economic recovery. In addition to the direct humanitarian impact of the war in Ukraine, the conflict will also slow the global economic recovery considerably, curb economic growth and cause inflation to rise further worldwide. As a result, the International Monetary Fund (IMF) has revised its latest estimates downwards compared to the forecasts from January 2022.

The IMF currently expects global economic output to increase by 3.6% year-over-year in 2022 (January 2022 forecast: +4.4%). Expectations for world trade growth in 2022 have also been lowered by 1 percentage point to 5.0%.

For Europe, the IMF currently expects economic output to rise by 2.8% in 2022 compared to 2021 (January 2022 forecast: +3.9%). The IMF expects the economic recovery in the U.S. to falter slightly and now predicts economic growth of 3.7% year-over-year for 2022 (January 2022 forecast: +4.0%).

According to the IMF's latest estimates, the economy in Asia's emerging and developing countries is likely to expand by 5.4% in 2022 (January 2022 forecast: +5.9%), with the Chinese economy predicted to grow by 4.4% year-over-year (January 2022 forecast: +4.8%). The Indian economy is expected to expand by 8.2% in 2022 (January 2022 forecast: +9.0%). The economy in Latin America is also likely to continue its recovery to grow by 2.5% year-over-year in 2022, with the IMF's current expectations for this region rising by 0.1 percentage points compared to its estimates in January 2021.

Sector-specific Environment

Regional variations in truck market development. Demand for heavy trucks remains high in 2022 despite rising uncertainty. However, the typical regional differences in demand cycles are increasingly noticeable.

Overall, LMC Automotive expects global heavy truck production to fall by 9.7% year-over-year in 2022. However, this trend is heavily influenced by the decline in the Chinese truck market. Excluding China, global heavy truck production is likely to increase by 4.4% year-over-year in 2022.

The outbreak of war in Ukraine has caused growth prospects for the truck market in Europe to deteriorate. As recently as the start of 2022, LMC Automotive anticipated a 7.4% rise in European truck production during the current year. In its latest forecast from April 2022, the institute now expects European truck production to decline by 5.4% compared to 2021. This is partially due to supply bottlenecks for some truck components such as cable harnesses caused by the war.

FTR, a research institute specializing in North America, expects truck production in North America to grow by a further 11.1% year-over-year in 2022. Willingness to invest remains very high among North American fleets, driven by rising freight prices.

LMC Automotive expects truck production in Asia-Pacific-Africa (APA) to fall by 15.9% in 2022. This decline is attributable to the Chinese economy, as LMC believes the Chinese truck market will contract by 21.4% in 2022. This is primarily due to considerable pull-forward effects in the first half of 2021 as the introduction of a new emissions standard for trucks effective July 1, 2021 prompted Chinese fleet operators to bring forward purchases of heavy trucks to reap the economic benefits of the old standard. Excluding China, truck production in the APA region is likely to grow by 11.8% in

2022. The truck market in South America is also expected to perform well during the 2022 fiscal year, growing by 6.5% year-over-year according to LMC.

Trailer market remains robust: According to Clear Consulting and FTR, the trailer market is likely to remain robust in 2022, expanding by 3.0% compared to 2021. In light of the outbreak of war in Ukraine, Clear Consulting currently expects trailer production in Europe to decline by 5.7% year-over-year, having anticipated moderate growth of 4% for 2022 as recently as the start of this year. According to FTR, a research institute specializing in North America, trailer production in North America is likely to grow by 17.5% year-over-year in 2022. Clear Consulting expects the trailer market in Asia-Pacific-Africa to expand by 9.3% in 2022. In Latin America, the institute anticipates a slight 2.2% contraction in the market compared to 2021.

Agricultural tractor market remains consistently buoyant: Rising prices for agricultural products should have a positive impact on the agricultural market in 2022. For this reason, market experts believe farmers' willingness to invest will remain robust in North America during 2022. They expect the agricultural tractor market in North America to grow by 5% to 10% in 2022 compared to the already strong 2021 fiscal year. High prices for agricultural products in Europe are also creating a greater willingness to invest. After a surge during the 2021 fiscal year, industry experts expect demand for agricultural tractors to remain at a consistently high level, increasing by up to 5% compared to the previous year.

Course of Business in Q1 2022

Sales

Sales revenues by origin Q1

| in € thousands | Q1 2022 | Q1 2021 | % yoy |
|-----------------------------|----------------|----------------|---------------|
| Europe | 180,136 | 155,468 | +15.9% |
| North America | 91,462 | 55,257 | +65.5% |
| Asia-Pacific-Africa (APA) | 40,176 | 46,616 | -13.8% |
| Total | 311,774 | 257,341 | +21.2% |
| of which transport | 225,547 | 198,344 | +13.7% |
| of which agriculture | 86,227 | 58,997 | +46.2% |

JOST made a successful start to 2022. Despite the uncertainty in the market triggered in particular by the outbreak of the Russia-Ukraine war during the first quarter, demand for JOST products remained strong in the first few months of the year. The recovery in the transport and agriculture markets continued.

Global consolidated sales rose by 21.2% to €311.8m in the first quarter of 2022 compared with the previous year (Q1 2021: €257.3m). Sales of agricultural components saw the strongest growth at 46.2% to €86.2m (Q1 2021: €59.0m). JOST grew global sales in the transport sector by 13.7% to €225.5m, even though the slump in demand for trucks in China had a negative impact on growth in the Asia-Pacific-Africa region.

JOST increased sales in Europe by 15.9% to €180.1m in the first three months of 2022 (Q1 2021: €155.5m). Adjusted for negative currency translation effects, sales in Europe rose by 18.1% year-over-year in the first quarter of 2022. Demand for trucks, trailers and agricultural front loaders remained very robust, although market uncertainty rose during the quarter as a result of the outbreak

of war in Ukraine and the sharp rise in material and energy prices. Demand for agricultural front loaders in particular increased markedly compared to the previous year.

JOST once again recorded its strongest growth in North America, where we benefited from sustained strong demand in the region and lifted sales by as much as 65.5% to €91.5m (Q1 2021: €55.3m). Both the transport and agricultural sectors contributed significantly to this positive trend. Sales were bolstered by positive currency translation effects caused by the appreciation of the US dollar against the euro. Adjusted for this effect, organic sales in North America in the first quarter of 2022 rose by 54.0%.

Market developments were mixed in Asia-Pacific-Africa. On the one hand, key markets such as India, Australia and South Africa recorded clear growth compared to the previous year. On the other hand, the Chinese truck market declined considerably in the first quarter of 2022, especially compared to a prior-year quarter, which was dominated by pull-forward effects as the entry into force of a new emissions standard for trucks in China on July 1, 2021 triggered a surge in demand in the first half of the previous year. However, JOST was able to partially offset the negative impact of the Chinese market drop with high growth in other markets across APA, which meant that JOST's sales in the region only declined by 13.8% to €40.2m (Q1 2021: €46.6m). Adjusted for positive currency translation effects, sales fell by 18.0% year-over-year in the first quarter of 2022.

Results of operations

Results of operations Q1

| in € thousands | Q1 2022 | Q1 2021 | % yoy |
|----------------------------------|----------------|----------------|--------------|
| Sales revenues | 311,774 | 257,341 | 21.2% |
| Cost of sales | -227,612 | -183,583 | |
| Gross profit | 84,162 | 73,758 | 14.1% |
| Gross margin | 27,0% | 28,7% | |
| Operating expenses / income | -57,403 | -52,564 | |
| Operating profit (EBIT) | 26,759 | 21,194 | 26.3% |
| Net finance result | -1,563 | -1,060 | |
| Earnings before taxes | 25,196 | 20,134 | 25.1% |
| Income taxes | -3,697 | -1,185 | |
| Earnings after taxes | 21,499 | 18,949 | 13.5% |
| Earnings per share (in €) | 1.44 | 1.27 | 13.5% |

The sharp rise in sales in the first quarter of 2022 of 21.2% was attributable to both higher sales volumes and price increases. The surge in logistics costs and material prices, particularly for steel, during the course of 2021 also had an impact on the first quarter of 2022. A similar rise in energy prices began in early 2022. While JOST was able to pass on a large part of these cost increases to its customers, higher costs had a negative effect on the gross margin. The regional distribution of the sales generated also dampened gross profit somewhat, because APA's share of total sales was down on the previous year and JOST reports a significantly higher gross margin in APA than in the other regions. Overall, the gross margin was 27.0% in the first quarter of 2022 (Q1 2021: 28.7%).

Operating expenses increased at a slower rate than sales in the first quarter of 2022, rising by 9.2%. This is evidence of JOST's lean organizational structure and the group's ability to drive up sales while keeping its selling, development and administrative costs comparatively stable.

In the first quarter of 2022, earnings before interest and taxes (EBIT) increased by 26.3% to €26.8m (Q1 2021: €21.2m).

Adjusted EBIT rose by 15.5% to €34.4m in the first quarter of 2022 (Q1 2021: €29.8m) while the adjusted EBIT margin came to 11.0% (Q1 2021: 11.6%). During the same period, adjusted EBITDA rose by 12.2% to €41.7 million (Q1 2021: €37.1 million) and the adjusted EBITDA margin was 13.4% (2021: 14.4%).

The adjustments made in the first quarter of 2022 mainly concerned non-operating, non-cash exceptionals arising from depreciation and amortization in connection with purchase price allocation (D&A from PPA) in the amount of €6.8m (Q1 2021: €7.3m). The other effects decreased in the first quarter of 2022 to €0.8m (Q1 2021: €1.3m).

Reconciliation of adjusted earnings Q1

| in € thousands | Q1 2022 | Q1 2021 |
|--------------------------------------|---------------|---------------|
| EBIT | 26,759 | 21,194 |
| D&A from PPA | -6,797 | -7,308 |
| Other effects | -823 | -1,256 |
| Adjusted EBIT | 34,379 | 29,758 |
| Adjusted EBIT margin | 11.0% | 11.6% |
| Depreciation | -6,565 | -6,668 |
| Amortization | -717 | -713 |
| Adjusted EBITDA | 41,661 | 37,139 |
| Adjusted EBITDA margin | 13.4% | 14.4% |
| Adjusted earnings after taxes | 22,971 | 20,088 |
| Adjusted earnings per share | 1.54 | 1.35 |

The net finance result amounted to €-1.6m in the first quarter of 2022 (Q1 2021: €-1.1m). The slight decrease is mainly due to unrealized currency losses from the valuation of derivatives and foreign currency loans. Income taxes rose to €-3.7m (Q1 2021: €-1.2m).

Earnings after taxes in the first quarter of 2022 improved by 13.5% to €21.5m (Q1 2021: €18.9m) and earnings per share rose to €1.44 (Q1 2021: €1.27).

Adjusted earnings after taxes grew by 14.3% to €23.0m (Q1 2021: €20.1m). Similarly, adjusted earnings per share were also up by 14.3% to €1.54 (Q1 2021: €1.35).

Segments

Segment reporting Q1 2022

| in € thousands | Europe | North America | Asia-Pacific-Africa (APA) | Reconciliation | Consolidated financial statements |
|--|----------------|---------------|------------------------------|----------------|---|
| Sales revenues ¹⁾ | 300,027 | 91,973 | 76,294 | -156,520 | 311,774 ²⁾ |
| thereof: external sales revenues¹⁾ | 180,136 | 91,462 | 40,176 | 0 | 311,774 |
| thereof: internal sales revenues ¹⁾ | 119,891 | 511 | 36,118 | -156,520 | 0 |
| Adjusted EBIT³⁾ | 17,450 | 7,887 | 7,293 | 1,749 | 34,379 |
| thereof: depreciation and amortization | 4,375 | 1,394 | 1,513 | 0 | 7,282 |
| Adjusted EBIT margin | 9.7% | 8.6% | 18.2% | | 11.0% |
| Adjusted EBITDA³⁾ | 21,825 | 9,281 | 8,806 | 1,749 | 41,661 |
| Adjusted EBITDA margin | 12.1% | 10.1% | 21.9% | | 13.4% |

¹⁾ Sales by destination in the reporting period:

- Europe: €151,863 thousand
- Americas: €97,039 thousand
- Asia-Pacific-Africa: €62,872 thousand

²⁾ Sales revenues in the segments show the sales revenues by origin.

³⁾ The share of profit or loss of investments accounted for using the equity method is not allocated to a segment and is therefore included in the "reconciliation" column in the amount of €1,749 thousand.

Segmentberichterstattung Q1 2021

| in € thousands | Europe | North America | Asia-Pacific-Africa (APA) | Reconciliation | Consolidated financial statements |
|--|----------------|---------------|------------------------------|----------------|---|
| Sales revenues ¹⁾ | 244,174 | 56,000 | 71,287 | -114,120 | 257,341 ²⁾ |
| thereof: external sales revenues¹⁾ | 155,468 | 55,257 | 46,616 | 0 | 257,341 |
| thereof: internal sales revenues ¹⁾ | 88,706 | 743 | 24,671 | -114,120 | 0 |
| Adjusted EBIT³⁾ | 16,491 | 4,132 | 8,166 | 969 | 29,758 |
| thereof: depreciation and amortization | 4,987 | 1,110 | 1,284 | 0 | 7,381 |
| Adjusted EBIT margin | 10.6% | 7.5% | 17.5% | | 11.6% |
| Adjusted EBITDA³⁾ | 21,478 | 5,242 | 9,450 | 969 | 37,139 |
| Adjusted EBITDA margin | 13.8% | 9.5% | 20.3% | | 14.4% |

¹⁾ Sales by destination in the reporting period:

- Europe: €134,735 thousand
- Americas: €62,000 thousand
- Asia-Pacific-Africa: €60,606 thousand

²⁾ Sales revenues in the segments show the sales revenues by origin.

³⁾ The share of profit or loss of investments accounted for using the equity method is not allocated to a segment and is therefore included in the "reconciliation" column in the amount of €969 thousand.

Europe

JOST continued to increase sales in both the transport and agricultural sectors year-over-year during the first quarter of 2022. The group was able to pass on the majority of the rise in material, energy and logistics costs to its customers, limiting the negative impact of these cost increases on profit. JOST's lean administrative structures and flexible business model also had a positive effect on operating profit, enabling the group to deal efficiently with the increased cost of sales.

Overall, adjusted EBIT rose by 5.8% to €17.5m in the first quarter of 2022 (Q1 2021: €16.5m) while the adjusted EBIT margin came to 9.7% (Q1 2021: 10.6%).

North America

In North America, JOST significantly increased sales both in transport and agriculture year-over-year during the first quarter of 2022. Higher production capacity utilization enabled the group to profit from the operating leverage of fixed cost degression. Bottlenecks in logistics chains from Asia to North America also eased slightly compared to the previous year, which had a positive impact on our business in relation to agricultural products in particular.

Net assets

Condensed balance sheet

Assets

| in € thousands | 03/31/2022 | 12/31/2021 |
|-------------------|------------------|----------------|
| Noncurrent assets | 525,653 | 522,472 |
| Current assets | 521,124 | 462,382 |
| | 1,046,777 | 984,854 |

Driven by strong sales increase of 65.5%, JOST succeeded in considerably raising adjusted EBIT in North America by 90.8% to €7.9m in the first quarter of 2022 (Q1 2021: €4.1m). The adjusted EBIT margin improved to 8.6% (Q1 2021: 7.5%).

Asia-Pacific-Africa (APA)

The expected decline in the Chinese truck market in the first quarter of 2022 had an adverse effect on business volumes in APA, particularly compared with the very strong prior-year quarter. While this development was partially offset by the rise in sales in other countries across APA, sales in the region still fell by 13.8% year-over-year in the first quarter of 2022.

Adjusted EBIT in APA followed the sales trend, declining by 10.7% to €7.3m (Q1 2021: €8.2m). The adjusted EBIT margin improved to 18.2% (Q1 2021: 17.5%) as the regional product mix was more beneficial compared to the previous year. This is due to the fact that compared to other markets in the APA region, the Chinese market has a higher proportion of on-road applications, which come at lower margins than off-road applications.

In the first three months of the year, JOST Werke AG's equity rose by 11.5% to €342.4m (December 31, 2021: €307.2m). The equity ratio increased to 32.7% as of March 31, 2022 (December 31, 2021: 31.2%).

As of the March 31, 2022 reporting date, noncurrent liabilities decreased by €10.0m to €378.6m (December 31, 2021: €388.6m). They mainly comprise interest-bearing bank loans, pension obligations, deferred tax liabilities and other noncurrent financial liabilities. The reduction is mainly attributable to lower pension obligations resulting from a change in the discount rate.

Current assets in the first three months of 2022 rose by €36.7m to €325.8m (December 31, 2021: €289.1m). The main reasons for this increase were the rise in short-term interest-bearing loans and borrowings, the increase in trade payables as a result of the growing business volume and higher other current liabilities.

As of the March 31, 2022 reporting date, noncurrent liabilities rose by €3.2m to €525.7m (December 31, 2021: €522.5m), due mainly to the €4.6m increase in the carrying amount of the at-equity investment in JOST Brasil to €18.6m (December 31, 2021: €14.0m). The reduction in other intangible assets due to the amortization of intangible assets from purchase price allocation (PPA) had an off-setting effect.

Equity and Liabilities

| in € thousands | 03/31/2022 | 12/31/2021 |
|------------------------|------------------|----------------|
| Equity | 342,400 | 307,152 |
| Noncurrent liabilities | 378,556 | 388,591 |
| Current liabilities | 325,821 | 289,111 |
| | 1,046,777 | 984,854 |

Working capital

| in € thousands | 03/31/2022 | 12/31/2021 | 03/31/2021 |
|--|----------------|----------------|----------------|
| Inventories | 208,108 | 198,434 | 147,716 |
| Trade receivables | 196,153 | 153,437 | 163,530 |
| Trade payables | -167,893 | -163,458 | -138,226 |
| Total | 236,368 | 188,413 | 173,020 |
| Working Capital as a percentage of sales | 21.4% | 17.9% | 20.1% |

Inventories in the first three months of 2022 rose by €9.7m to €208.1m (December 31, 2021: €198.4m) and trade receivables increased by €42.8m to €196.2m (December 31, 2021: €153.4m). This increase was mainly due to seasonal effects as inventories and receivables are generally lower at the end of the year. The strong increase in business volume and higher prices further reinforced this effect. Trade payables rose by €4.4m to €167.9m (December 31, 2021: €163.4m).

Overall, working capital increased by 25.5% to €236.4m in the first three months of 2022 (December 31, 2021: €188.4m). This was primarily driven by the rise in trade receivables during the first quarter of 2022.

Working capital rose by 36.6% year-over-year to €236.4m (Q1 2021: €173.0m). In addition to the year-over-year increase in business volume, the disproportionately high growth in working capital compared to the first quarter of 2021 was mainly caused by higher selling prices and material costs. Working capital as a percentage of sales therefore increased to 21.4% in the last twelve months (Q1 2021: 20.1%).

Net debt increased slightly to €208.5m as of March 31, 2022 (December 31, 2021: €193.9m). Thus, the leverage ratio (ratio of net debt to adjusted EBITDA for the last twelve months) also increased slightly to 1.51x (December 31, 2021: 1.45x).

Financial Position

Cash flows Q1

| in € thousands | Q1 2022 | Q1 2021 |
|--|---------------|----------------|
| Cash flow from operating activities | -7,186 | 5,549 |
| thereof change in net working capital | -45,711 | -38,637 |
| Cash flow from investing activities | -5,281 | -3,815 |
| of which payments to acquire intangible assets | -1,056 | -1,176 |
| of which payments to acquire property, plants and equipment | -4,530 | -2,765 |
| Cash flow from financing activities | 10,868 | -16,727 |
| Net change in cash and cash equivalents | -1,599 | -14,993 |
| Change in cash and cash equivalents due to exchange rate movements | 1,788 | 2,391 |
| Cash and cash equivalents at January 1 | 87,482 | 108,315 |
| Cash and cash equivalents at March 31 | 87,671 | 95,713 |

In the first quarter of 2022, cash flow from operating activities decreased as a result of the increase in working capital (in particular trade receivables), falling to €-7.2m (Q1 2021: €+5.5m). The year-over-year increase in working capital is mainly attributable to the sharp rise in the business volume and higher prices that resulted in considerably higher trade receivables.

Cash flow from investing activities amounted to €–5.3m in the first quarter of 2022 (Q1 2021: €–3.8m). Investments in property, plant and equipment rose to €–4.5m (Q1 2021: €–2.8m) while investments in intangible assets fell slightly to €–1.1m (Q1 2021: €–1.2m). Accordingly, capital expenditure rose to €–5.6m in the first quarter of 2022 (Q1 2021: €–3.9m).

Free cash flow (cash flow from operating activities less payment made for the acquisition of property, plant and equipment and intangible assets) stood at €–12.8m (Q1 2021: €+1.6m). The reduction is due to the higher volume of business and the associated increase in working capital, and a higher level of capital expenditure.

Overall, cash flow from financing activities increased to €+10.9m (2021: €–16.7m). The reason for this development is that JOST repaid financial liabilities in the amount of €–13.0m in the first quarter of the previous year, whereas JOST drew down its short-term operational credit facility of €+15.3m in the first quarter of 2022.

Liquid assets amounted to €87.7m at the end of the first quarter of 2022 (Q1 2021: €95.7m).

Opportunities and risks

The risk and opportunity situation of JOST has not changed significantly since the preparation of our 2021 Annual Report on March 16, 2022. For more details please refer to p. 51 et seq. of that report.

Outlook

After making a successful start to 2022, JOST remains confident about the remaining months of the year despite rising uncertainty in the market. Given its balanced regional distribution, diverse product portfolio and broad customer base of truck, trailer and agricultural tractor manufacturers, JOST is in a position to react quickly and flexibly to regional market fluctuations.

Against this backdrop, the Executive Board continues to expect consolidated sales in 2022 to increase in the mid single-digit percentage range compared to the previous year (2021: €1,048.6m). Adjusted EBIT is likely to develop basically in line with sales and will also grow in the mid single-digit range compared to 2021 (2021: €104.8m). Although the Executive Board expects further rises in shipping, energy and materials costs to have an adverse impact, JOST should be able to largely offset this with ongoing efficiency measures and price adjustments. As a result, the EBIT margin is expected to remain stable in 2022 compared to the previous year. We expect adjusted EBITDA to develop in line with adjusted EBIT by growing at a mid single-digit rate compared to 2021 (2021: €133.4m).

This forecast was drawn up on the assumption that the Russia-Ukraine war will remain local and limited in time and will not spread beyond the region. The forecast also assumes that the global economic situation will not unexpectedly and rapidly deteriorate and no prolonged plant closures at JOST or at important JOST customers or suppliers occur.

Investments in 2022 will continue to focus on further increasing automation in production. We also want to continuously improve the energy efficiency of our plants to reduce our carbon emissions even further. Overall, capital expenditure (excluding potential acquisitions) as a percentage of sales are expected to remain at around 2.5% (2021: 1.9%).

Net working capital as a percentage of sales is expected to improve over fiscal year 2021 and come in below 20% (2021: 18.0%).

Excluding any acquisitions, leverage (ratio of net debt to adjusted EBITDA) should continue to improve compared to 2021 (2021: 1.45x).

From today's perspective and taking into account the operating performance of JOST during the first months of 2022, the Executive Board is confident that the group's economic position is sound and offers an excellent basis for effectively seizing opportunities. JOST believes that it is well positioned to further reinforce its position as a global leader in the transport and agriculture markets with its innovative products and reliable customer service.

The Executive Board of JOST Werke AG

Neu-Isenburg, May 12, 2022

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED MARCH 31, 2022
NEU-ISENBURG, GERMANY

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Condensed Consolidated Statement of Income

FOR THE THREE MONTHS ENDED MARCH 31, 2022
JOST WERKE AG

| in € thousands | Notes | Q1 2022 | Q1 2021 |
|--|-------|-------------------|-------------------|
| Sales revenues | (5) | 311,774 | 257,341 |
| Cost of sales | | -227,612 | -183,583 |
| Gross profit | | 84,162 | 73,758 |
| Selling expenses | (6) | -39,440 | -31,739 |
| thereof: depreciation and amortization of assets | | -6,963 | -7,385 |
| Research and development expenses | | -4,569 | -4,536 |
| Administrative expenses | | -13,597 | -16,183 |
| Other income | (7) | 4,080 | 3,770 |
| Other expenses | (7) | -5,626 | -4,845 |
| Share of profit or loss of equity method investments | | 1,749 | 969 |
| Operating profit (EBIT) | | 26,759 | 21,194 |
| Financial income | (8) | 1,683 | 2,996 |
| Financial expense | (8) | -3,246 | -4,056 |
| Net finance result | | -1,563 | -1,060 |
| Earnings before tax | | 25,196 | 20,134 |
| Income taxes | (9) | -3,697 | -1,185 |
| Earnings after taxes | | 21,499 | 18,949 |
| Weighted average number of shares | | 14,900,000 | 14,900,000 |
| Basic and diluted earnings per share (in €) | (10) | 1.44 | 1.27 |

Condensed Consolidated Statement of Comprehensive Income

FOR THE THREE MONTHS ENDED MARCH 31, 2022
JOST WERKE AG

| in € thousands | Q1 2022 | Q1 2021 |
|---|---------------|---------------|
| Earnings after taxes | 21,499 | 18,949 |
| Items that may be reclassified to profit or loss in subsequent periods | | |
| Exchange differences on translating foreign operations | 7,544 | -589 |
| Gains and losses from hedge accounting | -567 | 0 |
| Deferred taxes relating to hedge accounting | 117 | 0 |
| Items that will not be reclassified to profit or loss | | |
| Remeasurements of defined benefit pension plans | 9,507 | 3,537 |
| Deferred taxes relating to other comprehensive income | -2,852 | -1,061 |
| Other comprehensive income | 13,749 | 1,887 |
| Total comprehensive income | 35,248 | 20,836 |

Condensed Consolidated Balance Sheet

AS OF MARCH 31, 2022
JOST WERKE AG

| Assets | | | | Equity and Liabilities | | | |
|---|------------|-------------------|----------------|--|------------|-------------------|----------------|
| in € thousands | Notes | 03/31/2022 | 12/31/2021 | in € thousands | Notes | 03/31/2022 | 12/31/2021 |
| Noncurrent assets | | | | Equity | | | |
| Goodwill | | 91,732 | 91,811 | Subscribed capital | | 14,900 | 14,900 |
| Other intangible assets | | 262,532 | 268,855 | Capital reserves | | 443,302 | 443,302 |
| Property, plant, and equipment | | 133,575 | 130,467 | Other reserves | | -30,021 | -43,770 |
| Investments accounted for using the equity method | | 18,634 | 14,029 | Retained earnings | | -85,781 | -107,280 |
| Deferred tax assets | | 12,821 | 13,646 | | | 342,400 | 307,152 |
| Other noncurrent financial assets | (12) | 5,713 | 2,719 | Noncurrent liabilities | | | |
| Other noncurrent assets | | 646 | 945 | Pension obligations | (14) | 56,173 | 65,959 |
| | | 525,653 | 522,472 | Other provisions | | 3,266 | 5,458 |
| Current assets | | | | Interest-bearing loans and borrowings | (15) | 253,005 | 254,192 |
| Inventories | | 208,108 | 198,434 | Deferred tax liabilities | | 29,143 | 27,972 |
| Trade receivables | (12) | 196,153 | 153,437 | Other noncurrent financial liabilities | (12), (16) | 35,188 | 33,233 |
| Receivables from income taxes | | 3,546 | 3,304 | Other noncurrent liabilities | | 1,781 | 1,777 |
| Other current financial assets | (12), (13) | 1,308 | 1,124 | | | 378,556 | 388,591 |
| Other current assets | | 24,338 | 18,601 | Current liabilities | | | |
| Cash and cash equivalents | (12) | 87,671 | 87,482 | Pension obligations | (14) | 2,059 | 2,059 |
| | | 521,124 | 462,382 | Other provisions | | 25,335 | 22,754 |
| | | | | Interest-bearing loans and borrowings | (15) | 42,856 | 26,897 |
| | | | | Trade payables | (12) | 167,893 | 163,458 |
| | | | | Liabilities from income taxes | | 9,372 | 6,047 |
| | | | | Contract liabilities | | 5,058 | 6,067 |
| | | | | Other current financial liabilities | (12), (16) | 22,805 | 22,681 |
| | | | | Other current liabilities | | 50,443 | 39,148 |
| | | | | | | 325,821 | 289,111 |
| | | | | | | | |
| Total assets | | 1,046,777 | 984,854 | Total equity and liabilities | | 1,046,777 | 984,854 |

Condensed Consolidated Statement of Changes in Equity

FOR THE THREE MONTHS ENDED MARCH 31, 2022
JOST WERKE AG

Condensed Consolidated Statement of Changes in Equity for the three months ended March 31, 2022

| in € thousands | Subscribed capital | Capital reserves | Other reserves | | | Retained earnings | Total consolidated equity |
|---|--------------------|------------------|--|---|----------------|-------------------|---------------------------|
| | | | Exchange differences on translating foreign operations | Remeasurements of defined benefit pension plans | Other reserves | | |
| Balance at January 1, 2022 | 14,900 | 443,302 | -15,763 | -27,242 | -765 | -107,280 | 307,152 |
| Earnings after taxes | 0 | 0 | 0 | 0 | 0 | 21,499 | 21,499 |
| Other comprehensive income | 0 | 0 | 7,544 | 9,507 | -567 | 0 | 16,484 |
| Deferred taxes relating to other comprehensive income | 0 | 0 | 0 | -2,852 | 117 | 0 | -2,735 |
| Total comprehensive income | 0 | 0 | 7,544 | 6,655 | -450 | 21,499 | 35,248 |
| Balance as of March 31, 2022 | 14,900 | 443,302 | -8,219 | -20,587 | -1,215 | -85,781 | 342,400 |

Condensed Consolidated Statement of Changes in Equity for the three months ended March 31, 2021

| in € thousands | Subscribed capital | Capital reserves | Other reserves | | | Retained earnings | Total consolidated equity |
|---|--------------------|------------------|--|---|----------------|-------------------|---------------------------|
| | | | Exchange differences on translating foreign operations | Remeasurements of defined benefit pension plans | Other reserves | | |
| Balance at January 1, 2021 | 14,900 | 466,212 | -25,789 | -30,831 | -103 | -159,154 | 265,235 |
| Earnings after taxes | 0 | 0 | 0 | 0 | 0 | 18,949 | 18,949 |
| Other comprehensive income | 0 | 0 | -589 | 3,537 | 0 | 0 | 2,948 |
| Deferred taxes relating to other comprehensive income | 0 | 0 | 0 | -1,061 | 0 | 0 | -1,061 |
| Total comprehensive income | 0 | 0 | -589 | 2,476 | 0 | 18,949 | 20,836 |
| Balance as of March 31, 2021 | 14,900 | 466,212 | -26,378 | -28,355 | -103 | -140,205 | 286,071 |

Condensed Consolidated Cash Flow Statement

FOR THE THREE MONTHS ENDED MARCH 31, 2022
JOST WERKE AG

| in € thousands | Q1 2022 | Q1 2021 |
|---|---------------|---------------|
| Earnings before tax | 25,196 | 20,134 |
| Depreciation, amortization, impairment losses and reversal of impairment on noncurrent assets | 14,075 | 14,692 |
| Net finance result | 1,563 | 1,060 |
| Other noncash expenses and income | 434 | -648 |
| Change in inventories | -7,287 | -9,492 |
| Change in trade receivables | -41,596 | -37,508 |
| Change in trade payables | 3,172 | 8,363 |
| Change in other assets and liabilities | -1,025 | 9,236 |
| Income tax payments | -1,718 | -288 |
| Cash flow from operating activities | -7,186 | 5,549 |
| Proceeds from sales of intangible assets | 0 | 9 |
| Payments to acquire intangible assets | -1,056 | -1,176 |
| Proceeds from sales of property, plant, and equipment | 189 | 21 |
| Payments to acquire property, plant, and equipment | -4,530 | -2,765 |
| Interests received | 116 | 96 |
| Cash flow from investing activities | -5,281 | -3,815 |

| in € thousands | Q1 2022 | Q1 2021 |
|--|---------------|----------------|
| Interest payments | -1,125 | -816 |
| Payment of interest portion of lease liabilities | -327 | -394 |
| Proceeds from short-term interest-bearing loans and borrowings | 15,284 | 0 |
| Repayment of short-term interest-bearing loans and borrowings | -546 | -13,047 |
| Repayment of lease liabilities | -2,418 | -2,470 |
| Cash flow from financing activities | 10,868 | -16,727 |
| Net change in cash and cash equivalents | -1,599 | -14,993 |
| Change in cash and cash equivalents due to exchange rate movements | 1,788 | 2,391 |
| Cash and cash equivalents at January 1 | 87,482 | 108,315 |
| Cash and cash equivalents at March 31 | 87,671 | 95,713 |

Notes to the Condensed Consolidated Interim Financial Statements

FOR THE PERIOD FROM JANUARY 1 TO MARCH 31, 2022
JOST WERKE AG

1. General information

JOST is a leading global producer and supplier of safety-critical systems for the commercial vehicle industry.

The registered office of JOST Werke AG is at Neu-Isenburg, Germany. Its address is Siemensstraße 2 in 63263 Neu-Isenburg. The company is registered in the Commercial Register of Offenbach am Main under section B, number 50149.

The shares of JOST Werke AG (hereinafter also “JOST”, the “group,” the “company,” or the “JOST Werke Group”) have been traded on the Frankfurt Stock Exchange since July 20, 2017. As of 31 March 2022, the majority of JOST shares were held by institutional investors.

The condensed consolidated interim financial statements of JOST Werke AG were prepared based on the going concern principle.

2. Basis of preparation of the Interim Financial Statements

The condensed consolidated interim financial statements (hereinafter also “interim financial statements”) as of and for the three months ended March 31, 2022 (hereinafter also “2022 reporting period”) comprise JOST Werke AG, its subsidiaries and the joint venture. These interim financial statements were prepared in accordance with the International Financial Reporting Standards (IFRSs)

issued by the International Accounting Standards Board (IASB), London, that are effective as of the reporting date, and the Interpretations issued by the International Financial Reporting Interpretations Committee (IFRS IC), as adopted by the European Union (EU).

The interim financial statements were prepared in accordance with IAS 34 Interim Financial Reporting. They do not include all the information required for a complete set of IFRS consolidated financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the group’s net assets, financial position and results of operations since the last annual consolidated financial statements as of and for the fiscal year ended December 31, 2021. The interim financial statements should be read in conjunction with the annual consolidated financial statements as of and for the fiscal year ended December 31, 2021, which can be downloaded at <http://ir.jost-world.com/>. The new and amended International Financial Reporting Standards and Interpretations that are effective for fiscal years beginning on or after January 1, 2022 (Amendments to IFRS 3 – Reference to the Conceptual Framework; Amendments to IAS 16 – Proceeds before Intended Use; Amendments to IAS 37 Onerous Contracts – Cost of Fulfilling a Contract; and Annual Improvements to IFRSs (2018-2020 Cycle) with Amendments to IFRS 1, IFRS 9, IFRS 16 and IAS 41) had no effect on the reporting period or earlier periods and will probably not have a material effect on future periods.

The Executive Board approved the condensed consolidated interim financial statements of JOST Werke AG for the period ended March 31, 2022, for issue on May 12, 2022.

3. Segment Reporting

Segment reporting as of March 31, 2022

| in € thousands | Europe | North America | Asia, Pacific and Africa | Reconciliation | Consolidated financial statements |
|--|----------------|---------------|--------------------------|----------------|-----------------------------------|
| Sales revenues ¹⁾ | 300,027 | 91,973 | 76,294 | -156,520 | 311,774 ²⁾ |
| thereof: external sales revenues¹⁾ | 180,136 | 91,462 | 40,176 | 0 | 311,774 |
| thereof: internal sales revenues ¹⁾ | 119,891 | 511 | 36,118 | -156,520 | 0 |
| Adjusted EBIT³⁾ | 17,450 | 7,887 | 7,293 | 1,749 | 34,379 |
| thereof: depreciation and amortization | 4,375 | 1,394 | 1,513 | 0 | 7,282 |
| Adjusted EBIT margin | 9.7% | 8.6% | 18.2% | | 11.0% |
| Adjusted EBITDA³⁾ | 21,825 | 9,281 | 8,806 | 1,749 | 41,661 |
| Adjusted EBITDA margin | 12.1% | 10.1% | 21.9% | | 13.4% |

¹⁾ Sales by destination in the reporting period:

- Europe: €151,863 thousand
- Americas: €97,039 thousand
- Asia-Pacific-Africa: €62,872 thousand

²⁾ Sales revenues in the segments show the sales revenues by origin.

³⁾ The share of profit or loss of investments accounted for using the equity method is not allocated to a segment and is therefore included in the "reconciliation" column in the amount of €1,749 thousand.

After the acquisition of the Ålö Group, sales revenues are broken down into the Transport and Agriculture business units defined in 2020. Sales revenues in the reporting period are distributed as follows between the two business units Transport and Agriculture:

| in € thousands | Q1 2022 | Q1 2021 |
|----------------|----------------|----------------|
| Transport | 225,547 | 198,344 |
| Agriculture | 86,227 | 58,997 |
| Total | 311,774 | 257,341 |

Segment reporting as of March 31, 2021

| in € thousands | Europe | North America | Asia, Pacific and Africa | Reconciliation | Consolidated financial statements |
|--|----------------|---------------|--------------------------|----------------|-----------------------------------|
| Sales revenues ¹⁾ | 244,174 | 56,000 | 71,287 | -114,120 | 257,341 ²⁾ |
| thereof: external sales revenues¹⁾ | 155,468 | 55,257 | 46,616 | 0 | 257,341 |
| thereof: internal sales revenues ¹⁾ | 88,706 | 743 | 24,671 | -114,120 | 0 |
| Adjusted EBIT³⁾ | 16,491 | 4,132 | 8,166 | 969 | 29,758 |
| thereof: depreciation and amortization | 4,987 | 1,110 | 1,284 | 0 | 7,381 |
| Adjusted EBIT margin | 10.6% | 7.5% | 17.5% | | 11.6% |
| Adjusted EBITDA³⁾ | 21,478 | 5,242 | 9,450 | 969 | 37,139 |
| Adjusted EBITDA margin | 13.8% | 9.5% | 20.3% | | 14.4% |

¹⁾ Sales by destination in the reporting period:

- Europe: €134,735 thousand
- Americas: €62,000 thousand
- Asia-Pacific-Africa: €60,606 thousand

²⁾ Sales revenues in the segments show the sales revenues by origin.

³⁾ The share of profit or loss of investments accounted for using the equity method is not allocated to a segment and is therefore included in the "reconciliation" column in the amount of €969 thousand.

Reconciliation of earnings to adjusted earnings figures

| in € thousands | Q1 2022 | Q1 2021 |
|---|---------------|---------------|
| Earnings after taxes | 21,499 | 18,949 |
| Income taxes | -3,697 | -1,185 |
| Net finance result | -1,563 | -1,060 |
| EBIT | 26,759 | 21,194 |
| D&A from PPA | -6,797 | -7,308 |
| Other effects | -823 | -1,256 |
| Adjusted EBIT | 34,379 | 29,758 |
| Adjusted EBIT margin | 11.0% | 11.6% |
| Depreciation of property, plant and equipment | -6,565 | -6,668 |
| Amortization of intangible assets | -717 | -713 |
| Adjusted EBITDA | 41,661 | 37,139 |
| Adjusted EBITDA margin | 13.4% | 14.4% |

The other effects are explained in more detail in [note 11](#).

The following tables show noncurrent assets by operating segments for March 31, 2022:

| in € thousands | Europe ¹⁾ | North America | Asia, Pacific and Africa | Reconciliation | Consolidated financial statements |
|---------------------------------|----------------------|---------------|--------------------------|----------------|-----------------------------------|
| Noncurrent assets ²⁾ | 388,324 | 51,727 | 48,621 | 18,634 | 507,306 |

¹⁾ Of this amount, €60,107 thousand is attributable to noncurrent assets of companies registered in Germany. This does not include intangible assets recognized as part of the purchase price allocation as these figures are not available at the level of individual companies and the cost to determine them would be excessive.

²⁾ Noncurrent assets include the carrying amount of investments accounted for using the equity method that is not allocated to a segment and therefore included in the reconciliation column.

The following tables show noncurrent assets by operating segments for December 31, 2021:

| in € thousands | Europe ¹⁾ | North America | Asia, Pacific and Africa | Reconciliation | Consolidated financial statements |
|---------------------------------|----------------------|---------------|--------------------------|----------------|-----------------------------------|
| Noncurrent assets ²⁾ | 417,248 | 48,920 | 48,111 | 8,583 | 522,862 |

¹⁾ Of this amount, €50,288 thousand is attributable to noncurrent assets of companies registered in Germany. This does not include intangible assets recognized as part of the purchase price allocation as these figures are not available at the level of individual companies and the cost to determine them would be excessive.

²⁾ Noncurrent assets include the carrying amount of investments accounted for using the equity method that is not allocated to a segment and therefore included in the reconciliation column.

4. Seasonality of operations

Seasonal effects during the fiscal year can result in variations in sales and resulting profit. The JOST Werke Group usually has higher sales and earnings in the first half-year due to the fact that major customers close their manufacturing plants for summer break at the start of the second half-year and agricultural customers usually make their investments before the harvesting seasons begins. It cannot be ruled out that the coronavirus pandemic may trigger changes to this typical seasonality.

5. Sales revenues

The year-over-year increase in sales revenues relates to Europe and North America. By contrast, the APA region recorded decrease in sales.

6. Selling expenses

The year-over-year increase in selling expenses is related to the increase in sales.

7. Other income/other expenses

For the 2022 reporting period, other income amounted to €4.1m (2021 reporting period: €3.8m) and other expenses amounted to €5.6m (2021 reporting period: €4.8m).

In the 2022 reporting period, other income mainly comprises currency gains. In the 2021 reporting period, other income mainly comprised currency gains and government grants. Other expenses in the 2022 and 2021 reporting periods mainly relate to currency losses.

8. Net finance result

Financial income is composed of the following items:

| in € thousands | Q1 2022 | Q1 2021 |
|--|--------------|--------------|
| Interest income | 147 | 94 |
| Realized currency gains | 61 | 62 |
| Unrealized currency gains | 982 | 1,454 |
| Result from measurement of derivatives | 480 | 1,380 |
| Other financial income | 13 | 6 |
| Total | 1,683 | 2,996 |

Financial expense is composed of the following items:

| in € thousands | Q1 2022 | Q1 2021 |
|---|---------------|---------------|
| Interest expenses | -1,709 | -1,873 |
| thereof: interest expenses from leasing | -417 | -249 |
| Realized currency losses | -189 | -83 |
| Unrealized currency losses | -1,479 | -1,986 |
| Result from measurement of derivatives | 0 | -86 |
| Other financial expenses | 131 | -28 |
| Total | -3,246 | -4,056 |

9. Income taxes

The following table shows a breakdown of income taxes:

| in € thousands | Q1 2022 | Q1 2021 |
|------------------------|---------------|---------------|
| Current tax | -5,259 | -3,753 |
| Deferred taxes | 1,562 | 2,568 |
| Taxes on income | -3,697 | -1,185 |

Tax expenses are calculated based on management's best estimate of the weighted average annual income tax rate expected for the full fiscal year multiplied by the pre-tax income of the interim reporting period.

10. Earnings per share

As of March 31, 2022, the number of no-par value shares (bearer shares) remained unchanged at 14,900,000.

The diluted earnings per share (in €) correspond to basic earnings per share.

Earnings per share

| | Q1 2022 | Q1 2021 |
|--|-------------|-------------|
| Earnings after taxes (in € thousand) | 21,499 | 18,949 |
| Weighted average number of shares | 14,900,000 | 14,900,000 |
| Basic and diluted earnings per share (in €) | 1.44 | 1.27 |

11. Exceptionals

The following explanation of adjusted effects serves to clarify the information in the income statement.

In the 2022 reporting period, expenses amounting to €7,620 thousand (2021: €8,564 thousand) were adjusted within earnings before interest and taxes (EBIT).

The items adjusted within EBIT result from expenses arising from depreciation and amortization from purchase price allocations (D&A from PPA) in the amount of €6,797 thousand (2021: €7,308 thousand) recognized under selling expenses and research and development expenses. Furthermore, cost of sales, selling expenses, research and development expenses and administrative expenses were adjusted for expenses relating to other effects totaling €823 thousand (2021: €1,256 thousand).

Notional income taxes resulting after adjustments based on the tax rate applicable for JOST Werke AG were considered in the amount of €-9,845 thousand in the 2022 reporting period (2021: €-8,609 thousand).

The tables below show the earnings adjusted for these effects:

| in TEUR | January 1 – March 31, 2022 Unadjusted | D&A from PPA | Other effects | Adjust- ments, total | January 1 – March 31, 2022 Adjusted |
|--|--|-----------------|------------------|----------------------------|--|
| Sales revenues | 311,774 | | | 0 | 311,774 |
| Cost of sales | -227,612 | | 333 | 333 | -227,279 |
| Gross profit | 84,162 | 0 | 333 | 333 | 84,495 |
| Selling expenses | -39,440 | 6,123 | 207 | 6,330 | -33,110 |
| Research and development expenses | -4,569 | 674 | 61 | 735 | -3,834 |
| Administrative expenses | -13,597 | | 223 | 223 | -13,374 |
| Other income | 3,672 | | | 0 | 3,672 |
| Other expenses | -5,218 | | | 0 | -5,218 |
| Share of profit or loss of equity method investments | 1,749 | | | 0 | 1,749 |
| Operating profit (EBIT) | 26,759 | 6,797 | 823 | 7,620 | 34,379 |
| Financial income | 1,683 | | | 0 | 1,683 |
| Financial expense | -3,246 | | | 0 | -3,246 |
| Net finance result | -1,563 | 0 | 0 | 0 | -1,563 |
| Earnings before tax | 25,196 | 6,797 | 823 | 7,620 | 32,816 |
| Income taxes | -3,697 | | | | -9,845 |
| Earnings after taxes | 21,499 | | | | 22,971 |
| Weighted average number of shares | 14,900,000 | | | | 14,900,000 |
| Basic and diluted earnings per share (in €) | 1.44 | | | | 1.54 |

| in TEUR | January 1 – March 31, 2021 Unadjusted | D&A from PPA | Other effects | Adjust- ments, total | January 1 – March 31, 2021 Adjusted |
|--|--|-----------------|------------------|----------------------------|--|
| Sales revenues | 257,341 | | | 0 | 257,341 |
| Cost of sales | -183,583 | | 324 | 324 | -183,259 |
| Gross profit | 73,758 | 0 | 324 | 324 | 74,082 |
| Selling expenses | -31,739 | 6,610 | 605 | 7,215 | -24,524 |
| Research and development expenses | -4,536 | 698 | 34 | 732 | -3,804 |
| Administrative expenses | -16,183 | | 293 | 293 | -15,890 |
| Other income | 3,770 | | | 0 | 3,770 |
| Other expenses | -4,845 | | | 0 | -4,845 |
| Share of profit or loss of equity method investments | 969 | | | 0 | 969 |
| Operating profit (EBIT) | 21,194 | 7,308 | 1,256 | 8,564 | 29,758 |
| Financial income | 2,996 | | | | 2,996 |
| Financial expense | -4,056 | | | 0 | -4,056 |
| Net finance result | -1,060 | 0 | 0 | 0 | -1,060 |
| Earnings before tax | 20,134 | 7,308 | 1,256 | 8,564 | 28,698 |
| Income taxes | -1,185 | | | | -8,609 |
| Earnings after taxes | 18,949 | | | | 20,089 |
| Weighted average number of shares | 14,900,000 | | | | 14,900,000 |
| Basic and diluted earnings per share (in €) | 1.27 | | | | 1.35 |

12. Financial assets and financial liabilities

The carrying amounts, fair values, categories and classes of financial assets and financial liabilities are as follows:

| in € thousands | Measurement categories in accordance with IFRS 9 | Carrying amount 03/31/2022 | Fair value 03/31/2022 | Carrying amount 12/31/2021 | Fair value 12/31/2021 | Level |
|---------------------------|---|-------------------------------|--------------------------|-------------------------------|--------------------------|-------|
| Assets | | | | | | |
| Cash and cash equivalents | FAAC | 87,671 | 87,671 | 87,482 | 87,482 | n/a |
| Trade receivables | FAAC | 196,153 | 196,153 | 153,437 | 153,437 | n/a |
| Other financial assets | FAAC | 7,021 | 7,021 | 3,843 | 3,843 | n/a |
| Total | | 290,845 | 290,845 | 244,762 | 244,762 | |

Cash and cash equivalents, trade receivables, and other financial assets are generally of a current date, all other financial assets are measured at amortized cost (FAAC); the same applied to nature. The fair value therefore roughly corresponds to the carrying amount. As of the reporting December 31, 2021.

| in € thousands | Measurement categories in accordance with IFRS 9 | Carrying amount 03/31/2022 | Fair value 03/31/2022 | Carrying amount 12/31/2021 | Fair value 12/31/2021 | Level |
|---|---|-------------------------------|--------------------------|-------------------------------|--------------------------|-------|
| Liabilities | | | | | | |
| Trade payables | FLAC | 167,893 | 167,893 | 163,458 | 163,458 | n/a |
| Interest bearing loans and borrowings ¹⁾ | FLAC | 296,137 | 297,042 | 281,400 | 282,305 | 2 |
| Lease liabilities | n/a ²⁾ | 44,517 | – | 41,853 | – | n/a |
| Contingent purchase price liability | FLtPL | 10,200 | 10,200 | 10,200 | 10,200 | 3 |
| Other financial liabilities | FLAC | 765 | 765 | 2,875 | 2,875 | n/a |
| Derivative financial liabilities | FLtPL | 2,511 | 2,511 | 986 | 986 | 2 |
| Total | | 522,023 | 478,411 | 500,772 | 459,824 | |

¹⁾ excluding accrued financing costs (see note 16)

²⁾ within the scope of IFRS 16

Since trade payables and other liabilities have short maturities, their carrying amounts do not differ from their fair values. With the exception of derivative financial liabilities and the contingent purchase price liability arising from the acquisition of the Ålö Group, all liabilities listed in the table are measured at amortized cost (FLAC). Derivative financial liabilities are measured at fair value through profit or loss (FLtPL).

Lease liabilities fall within the scope of IFRS 16 and are therefore not allocated to any of the measurement categories established under IFRS 9.

The JOST Werke Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by the following valuation techniques:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices)

Level 3: Inputs for the assets or liabilities that are not based on observable market data (that is, unobservable inputs).

There were no transfers between the levels of the fair value hierarchy during 2022 and 2021.

The fair value of the interest-bearing loans and borrowings is determined in 2022 and 2021 considering actual interest curves and classified as level 2 of the fair value hierarchy.

The measurement of derivatives is described in [note 16](#).

13. Other financial assets

Other financial assets in the prior-year reporting period mainly comprised bank bills that do not qualify as cash equivalents. Other financial assets as of the reporting date primarily comprised security deposits; there were no credit-impaired financial assets. The gross carrying amount corresponds to the maximum default risk. No financial assets were known to be at risk of default as of the balance sheet date.

14. Pension obligations

Pension obligations as of March 31, 2022, were €58.2m (December 31, 2021: €68.0m). The discount rate increased significantly as a result of increased market interest rates, which was the main contributor to the decrease in pension obligations. The following significant actuarial assumptions were made:

Assumptions

| | 03/31/2022 | 12/31/2021 |
|---|------------|------------|
| Discount rate | 1.7% | 0.9% |
| Inflation rate / future pension increases | 1.8% | 1.8% |
| Future salary increases | 1.8% | 1.8% |

15. Interest-bearing loans and borrowings

The following table shows the group's loan liabilities as of March 31, 2022:

| in € thousands | | 03/31/2022 | 12/31/2021 |
|-------------------------------|-------------------|----------------|----------------|
| Promissory note loans | 5 years, fixed | 29,000 | 29,000 |
| | 5 years, variable | 86,500 | 86,500 |
| | 7 years, fixed | 20,000 | 20,000 |
| | 7 years, variable | 14,500 | 14,500 |
| | | 150,000 | 150,000 |
| Loan | 5 years, variable | 102,000 | 102,000 |
| Revolving credit facility | | 40,000 | 25,000 |
| Other | | 4,137 | 4,400 |
| Interest-bearing loans | | 296,137 | 281,400 |
| Accrued financing costs | | -276 | -311 |
| Total | | 295,861 | 281,089 |

In order to finance its acquisition of Ålö Holding AB, JOST in December 2019 entered into a financing arrangement with a consortium of banks for an amount of €120m and over a term of 5 years, which was drawn down on January 31, 2020. This bank loan is subject to compliance with financial covenants derived from the consolidated financial statements of the ultimate parent company.

There is a revolving credit facility in place of €150m. The group drew €40m from this facility as of March 31, 2022 (December 31, 2021: €25m). The revolving credit facility has a short-term maturity and is therefore reported under current liabilities. It carries a variable interest rate depending on the EURIBOR and the group-wide leverage of JOST. No payments of principal were made on the revolving credit facility in the 2022 reporting period (2021 reporting period: €12.5m).

Interest payments on the financing were made in the amount of €1,125 thousand (2021 reporting period: €816 thousand).

To the extent that they can be accrued, the costs incurred under the previous financing agreement are spread on a pro rata basis until mid-2025 in accordance with the effective interest method, and those incurred under the additional financing agreement dated December 19, 2019 are spread until the end of 2024.

16. Other financial liabilities

The future interest rate volatility from the variable interest tranches of the promissory note loan is hedged via four interest rate swaps. Overall, the interest rate swaps as of March 31, 2022, had a negative fair value of €507 thousand (December 31, 2021: €780 thousand) (mark-to-market valuation), which is shown in the balance sheet under other noncurrent financial liabilities.

The group entered into 23 derivatives in November 2020 to hedge the exchange rate risk between the Swedish krona and the euro. These derivatives have a negative fair value of €703 thousand as of March 31, 2021 (December 31, 2021: €-164 thousand) (mark-to-market valuation), which is also shown in the balance sheet under other noncurrent financial liabilities.

In the period from January 1, 2022 to March 31, 2022, the group entered into a further 41 derivatives to hedge the exchange rate risk from operating activities between the Swedish krona and the euro, the Norwegian krone, Danish krone, US dollar, British pound, Canadian dollar and Chinese yuan/renminbi. These derivatives have a positive fair value of €756 thousand as of March 31, 2022 (mark-to-market valuation), which is also shown in the balance sheet under other noncurrent financial liabilities.

For details regarding the maturities of loans ■ see note 15.

Since July 2021, the group has been applying hedge accounting in accordance with IFRS 9 to a small extent, insofar as the criteria for such designation are met. The entity Ålö AB, Umeå, Sweden, hedges exchange rate risks arising from its operating business. OTC FX instruments are used to hedge the exchange rate risk of the Swedish krona against the Norwegian krone, the Danish krone, the US dollar, the British pound, the Canadian dollar and the Chinese yuan/renminbi. The nominal amount of the hedges as of March 31, 2022 is SEK 216,260 thousand and CNH 516,889 thousand (December 31, 2021: SEK 167,410 thousand). In the reporting period, an amount of €21 thousand in gains or losses from hedge accounting recognized in other comprehensive income in the statement of comprehensive income was reclassified to profit or loss.

17. Related party disclosures

IAS 24 defines related parties as those persons and companies that have control or a significant influence over the other party.

The structure of the JOST Group, including the subsidiaries and the joint venture, as of March 31, 2022, has not changed compared to December 31, 2021.

The **Executive Board** comprises the following members, who are all related parties within the meaning of IAS 24:

Joachim Dürr, Diplom-Ingenieur, Dachau
Chairman of the Executive Board
Chief Executive Officer

Dr.-Ing. Ralf Eichler, Diplom-Ingenieur, Dreieich
Chief Operating Officer

Dr. Christian Terlinde, Diplom-Kaufmann, Dinslaken
Chief Financial Officer

The **Supervisory Board** consists of the following persons:

Manfred Wennemer
(Chair)

Prof. Dr. Bernd Gottschalk
(Deputy Chair)

Natalie Hayday

Rolf Lutz

Jürgen Schaubel

Klaus Sulzbach

Since January 1, 2022, a new director's contract has applied to a member of the Management Board, which is based on the most recently adopted remuneration system.

There were no material changes to existing business relations or new transactions with related parties during the 2022 reporting period.

Regular Supervisory Board elections were held at the General Meeting of JOST Werke AG on May 5, 2022. After Mr. Manfred Wennemer did not run for reelection after his term of office had expired, Dr. Stefan Sommer was elected to the Supervisory Board from the end of the General Meeting alongside the other existing members. The Supervisory Board elected him as its Chairman on the same day.

18. Events after the reporting date

The Annual General Meeting held on May 5, 2022 adopted a resolution to distribute €1.05 per share from the net retained profit of €16,390 thousand shown by the parent company, JOST Werke AG, for the period ended December 31, 2021.

There were no further material, reportable events after the reporting date.

Review

This interim report was neither audited according to Section 317 HGB nor reviewed by auditors.

Neu-Isenburg, May 12, 2022



Joachim Dürr



Dr. Ralf Eichler



Dr. Christian Terlinde

Financial Calendar

| | |
|-------------------|------------------------------------|
| May 05, 2022 | General Meeting |
| May 12, 2022 | Interim Report Q1 2022 |
| August 11, 2022 | Half-year Financial Report H1 2022 |
| November 14, 2022 | Interim Report 9M 2022 |

Legal disclaimer

This document contains forward-looking statements. These statements reflect the current views, expectations and assumptions of the management, and are based on information currently available to the management. Forward-looking statements do not guarantee the occurrence of future results and developments and are subject to known and unknown risks and uncertainties. Therefore, actual future results and developments may deviate materially from the expectations and assumptions expressed in this document due to various factors. These factors primarily include changes in the general economic and competitive environment. Furthermore, developments on financial markets and changes in currency exchange rates as well as changes in national and international laws, in particular in respect of fiscal regulation, and other factors influence the company's future results and developments. Neither the company nor any of its affiliates undertakes to update the statements contained in this notification.

This interim report has been translated into English. Both language versions are available for download on the Internet at <http://ir.jost-world.com/>. In case of any conflicts, the German version of the interim report shall prevail over the English translation.

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