

CORPORATE NEWS

JOST starts fiscal year 2023 with strong improvement in profitability and further growth in sales and earnings

- **Sales growth continues:** sales increase by 9.6% to EUR 341.6 million (Q1 2022: EUR 311.8 million)
- **Adjusted EBIT rises strongly:** adjusted EBIT up 15.5% to EUR 39.7 million (Q1 2022: EUR 34.4 million)
- **Profitability significantly improved:** adjusted EBIT margin rises to 11.6% (Q1 2022: 11.0%)
- **Adjusted EPS increased:** Adjusted EPS increased by 9.3% to EUR 1.99 (Q1 2022: EUR 1.82)
- **Free cash flow grows strongly:** Free cash flow increases significantly to EUR +13.3 million (Q1 2022: EUR -12.8 million).
- **Positive outlook for 2023 confirmed:** Sales and adjusted EBIT to increase by a low single-digit percentage compared with 2022. Adjusted EBIT margin is expected to improve slightly.

Neu-Isenburg, May 15, 2023. JOST Werke SE ("JOST"), a leading global producer and supplier of safety-critical systems for the commercial vehicle industry, published its interim report for the first quarter of 2023 today.

Joachim Dürr, CEO of JOST Werke SE, said: "I am very satisfied with our development in the first quarter of 2023. We were able to increase our sales and significantly improve our profitability. At EUR 1.99, JOST achieved its highest adjusted EPS within a quarter to date. This excellent development was particularly driven by a very high demand for our products in Asia-Pacific-Africa and North America. We also managed to grow our sales in Europe year-on-year. This successful start into 2023 shows that we are well on track to achieve our targets for the year."

Sales and earnings growth

JOST increased consolidated group sales by 9.6% to EUR 341.6 million in the first quarter of 2023 (Q1 2022: EUR 311.8 million). Adjusted for negative currency translation effects, consolidated sales grew by 10.1% year-on-year. In agriculture, concerns about the rapid rise in energy, fertilizers and seed prices over the course of 2022 dampened farmers' willingness to invest. As a result, sales of agricultural components decreased by 12.2% to EUR 75.7 million during the first quarter of 2023 (Q1 2022: EUR 86.2 million). However, this development was completely offset by a strong growth in the Transport business. Boosted by a robust demand for components

for trucks and trailers, sales in Transport rose by 17.9% to EUR 265.9 million in the first quarter of 2023 (Q1 2022: EUR 225.5 million).

The sales growth achieved in the first quarter combined with improvements in the supply chains and higher capacity utilization in production led to further efficiency improvements. As a result, adjusted EBIT grew by 15.5% to EUR 39.7 million in the first quarter of 2023, outpacing sales (Q1 2022: EUR 34.4 million). The adjusted EBIT margin improved by 0.6 percentage points to 11.6% (Q1 2022: 11.0%).

Europe

In the first three months of 2023, JOST increased sales in Europe by 4.9% to EUR 189.1 million (Q1 2022: EUR 180.1 million). Adjusted for the negative currency translation effects, European sales in the first quarter of 2023 grew by 7.2% year-on-year. The European region continued to be affected by the rise in raw material prices as well as energy and alloy costs, more so since the negative effect of the war in Ukraine on raw material and energy prices had not yet impacted the first quarter of 2022 as strongly. As a result, adjusted EBIT in Europe decreased by 8.0% to EUR 16.0 million in the first quarter of 2023 (Q1 2022: EUR 17.5 million). The adjusted EBIT margin was 8.5% (Q1 2022: 9.7%).

North America

In North America, JOST grew sales by 12.4% to EUR 102.8 million in the first quarter of 2023 (Q1 2022: EUR 91.5 million). Adjusted for positive currency effects, organic sales in North America grew by 7.8%. Through efficiency improvements and a once again better operating leverage leading to a higher fixed cost absorption, JOST increased adjusted EBIT in North America by 36.5% to EUR 10.8 million, significantly outpacing sales (Q1 2022: EUR 7.9 million). The sharp drop of sea freight rates had a particularly positive effect on this development. The adjusted EBIT margin improved overall by 1.9 percentage points to 10.5% in the first quarter of 2023 (Q1 2022: 8.6%).

Asia-Pacific-Africa (APA)

During the first quarter of 2023, JOST achieved its strongest growth in the Asia-Pacific-Africa region. The high demand for JOST products continued in India, Australia, and South Africa. In addition, the incipient recovery of the Chinese market compared to the previous year also had a positive impact on JOST's business performance. Overall, JOST increased sales in APA by 23.9% to EUR 49.8 million (Q1 2022: EUR 40.2 million). Adjusted for negative currency translation effects, sales in the first quarter of 2023 increased by 28.3% year-on-year. Adjusted EBIT grew significantly by 53.3% to EUR 11.2 million, also outpacing sales growth (Q1 2022: EUR 7.3 million). The adjusted EBIT margin improved by 4.3 percentage points to 22.5% (Q1 2022: 18.2%).

Group profit grows further

As a result of the strong sales and operating earnings increase, earnings after taxes grew in the first quarter of 2023 by 11.6% to EUR 24.0 million (Q1 2022: EUR 21.5 million) and earnings per share went up to EUR 1.61 (Q1 2022: EUR 1.44).

Adjusted earnings after taxes rose by 9.3% to EUR 29.6 million (Q1 2022: EUR 27.1 million). Adjusted earnings per share also rose by 9.3% to EUR 1.99 (Q1 2022: EUR 1.82). The adjustments mainly relate to non-operating and non-cash exceptional items from the amortization of purchase price allocations (PPA).

Strong improvement in free cash flow

As a result of the growth in earnings after taxes, equity rose by 4.9% to EUR 377.8 million (December 31, 2022: EUR 360.2 million) thus improving the equity ratio to 37.0% as of March 31, 2023 (December 31, 2022: 35.9%).

During the first three months of the year, working capital increased by 12.8% to EUR 266.5 million due to higher volumes and prices (Q1 2022: EUR 236.4 million). However, the ratio of working capital to last-twelve-months sales decreased to 20.6% (Q1 2022: 21.4%). This was supported by JOST's success in reducing inventories. The decrease in inventories had a positive impact on cash flow from operating activities, which rose sharply by EUR +27.9 million to EUR +20.7 million in the first quarter of 2023 (Q1 2022: EUR -7.2 million).

Thus, free cash flow (cash flow from operating activities less payments made for the acquisition of property, plant and equipment and intangible assets) rose to EUR +13.3 million (Q1 2022: EUR -12.8 million), even though capital expenditure increased to EUR -7.4 million in the first quarter 2023 (Q1 2022: EUR -5.6 million). The increase in capital expenditure was mainly driven by higher investments for a new production plant in India.

Cash and cash equivalents increased by EUR 13.7 million to EUR 94.4 million as of March 31, 2023 (December 31, 2022: EUR 80.7 million). Net debt decreased by EUR 7.9 million to EUR 189.5 million (December 31, 2022: EUR 197.4 million). This reduction combined with the continuous increase in adjusted EBITDA over the last twelve months led to a significant improvement in the leverage ratio to 1.18x (December 31, 2022: 1.28x).

Christian Terlinde, CFO of JOST Werke SE, said: "Our measures to improve working capital have already shown first positive effects in the first months of 2023. The strong increase in free cash flow during the first quarter shows that we have set the right course. Nevertheless, we see further potential for improvement, and we are targeting actions to continue to improve. "

Outlook confirmed

Following the successful start into 2023, JOST remains positive about the coming nine months of the year. Management expects consolidated sales in 2023 to increase in the low single-digit percentage range compared to the previous year (2022: EUR 1,264.6 million). Adjusted EBIT is expected to develop in line with sales in 2023, also growing in a low single-digit percentage range compared to 2022 (2022: EUR 123.8 million). The adjusted EBIT margin is expected to improve slightly compared to the previous year (2022: 9.8%).

This forecast was prepared assuming that the Russia-Ukraine war does not develop beyond the region and also assumes that there are no unexpected, prolonged plant closures at major JOST customers or suppliers.

The Interim Report for the first quarter of 2023 is available at [. The accompanying virtual conference will be held May 15, 2023, at 11:00 am CEST. After the conference, the recording will be available on JOST's website.](#)

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>*