

CORPORATE NEWS

JOST maintains profitability at a high level and improves free cash flow in Q1 2024

- **Sales below previous year due to market conditions:** Sales at EUR 299 million (Q1 2023: EUR 342 million)
- **High profitability maintained:** Adjusted EBIT margin remains stable at 11.6% (Q1 2023: 11.6%) and adjusted EBIT reaches EUR 35 million due to sales development (Q1 2023: EUR 40 million)
- **Free cash flow significantly increased:** Free cash flow increases by 164% to EUR +35 million (Q1 2023: EUR +13 million)
- **Net debt further reduced:** Leverage ratio improves down to 0.93x (December 31, 2023: 0.998x)
- **Outlook for the 2024 financial year confirmed**

Neu-Isenburg, May 15, 2024 – JOST Werke SE ("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 2024.

Joachim Dürr, CEO of JOST Werke SE, says: "Our flexibility, our broad product portfolio and the wide global footprint of our business enabled us to maintain our profitability at a high level despite a challenging market environment. JOST was able to offset the cyclical decline in sales in terms of earnings and generate a free cash flow of EUR +35 million in the first quarter of 2024. The close proximity to our customers was a key success factor that allowed us to anticipate market developments in good time so that we could adapt quickly to the regional market fluctuations."

Sales and earnings performance

After three strong years of growth from 2021 to 2023, demand for trucks and trailers cooled in North America and Europe due to the market cycle. At the same time, the weak demand in the agricultural business continued. In this market environment, JOST's sales in the first quarter of 2024 declined by 12.6% to EUR 298.5 million compared to the pent-up driven particularly strong previous year's quarter (Q1 2023: EUR 341.6 million). Adjusted for acquisition and currency effects, sales in the first quarter of 2024 contracted by 17.7% compared to the previous year.

Sales of agricultural components decreased by 5.4% to EUR 71.7 million in the first quarter of 2024 (Q1 2023: EUR 75.7 million). Sales of EUR 20.8 million from the acquired companies JOST Agriculture & Construction South

America Ltda. (formerly: Crenlo do Brasil) and LH Lift had a positive effect on this development. In the Transport business, sales went down by 14.7% to EUR 226.9 million compared to the same quarter of the previous year (Q1 2023: EUR 265.9 million), which was positively impacted by catch-up effects.

Due to its high operational flexibility, JOST was able to maintain its adjusted EBIT margin at a high level of 11.6% in the first quarter of 2024 despite the decline in sales (Q1 2023: 11.6%). Adjusted EBIT amounted to EUR 34.6 million in the first quarter of 2024 (Q1 2023: EUR 39.7 million).

Europe

On the backdrop of the softening demand in the Transport and Agriculture markets, sales in Europe declined by 7.9% to EUR 174.0 million in the first quarter of 2024 compared to the previous year (Q1 2023: EUR 189.1 million). The acquired companies in 2023 contributed sales of EUR 19.1 million to the European segment. JOST was largely able to offset the impact of declining in sales on its operations. However, as the Europe region bears the headquarters' administrative costs, the proportion of fixed costs is higher in Europe than in the other regions. For this reason, adjusted EBIT in Europe declined by 13.1% to EUR 13.9 million in the first quarter of 2024, at a slightly faster pace than sales (Q1 2023: EUR 16.0 million). The adjusted EBIT margin amounted to 8.0% (Q1 2023: 8.5%).

North America

In North America, sales decreased by 28.8% to EUR 73.2 million in the first quarter of 2024 (Q1 2023: EUR 102.8 million). As it has been the case in the past, the cyclical market fluctuations in North America are usually more pronounced, both in Transport and in Agriculture. JOST was able to anticipate this development and could adapt its operating business accordingly through a high degree of flexibility and strict cost control. The measures introduced over the course of the previous year to increase efficiency and optimize the product portfolio also had a sustained positive impact on the operating performance in the region. Thus, adjusted EBIT declined at a slower rate than sales to EUR 8.1 million in the first quarter of 2024 (Q1 2023: EUR 10.8 million) and the adjusted EBIT margin improved further by 0.5 percentage points to 11.0% compared to the previous year (Q1 2023: 10.5%).

Asia-Pacific-Africa (APA)

Growth continued in Asia-Pacific-Africa (APA). The main driver of this positive development was the robust demand in India, Australia and South Africa paired with the ongoing recovery of the truck market in China. In addition, the acquired company LH Lift Oy generated sales of EUR 1.7 million in APA. Overall, JOST increased

sales in APA by 3.1% to EUR 51.3 million in the first quarter of 2024 (Q1 2023: EUR 49.8 million). The change in the regional product mix, influenced by the growing business in China with a higher proportion of on-road applications, led to an adjusted EBIT margin of 20.9% (Q1 2023: 22.5%). In the first three months of 2024, adjusted EBIT in APA amounted to EUR 10.7 million (Q1 2023: EUR 11.2 million).

Consolidated profit

Following the sales development, earnings after taxes amounted to EUR 20.0 million in the first quarter of 2024 (Q1 2023: EUR 24.0 million). Earnings per share amounted to EUR 1.34 in the first quarter of 2024 (Q1 2023: EUR 1.61).

Adjusted for special effects, mainly relating to non-operating or non-cash special effects from PPA depreciation and amortization, adjusted earnings after taxes amounted to EUR 25.3 million in the first quarter of 2024 (Q1 2023: EUR 29.6 million). Adjusted earnings per share reached EUR 1.70 (Q1 2023: EUR 1.99).

Net assets and free cash flow

In the first three months of the year, JOST Werke SE's equity increased by 4.2% to EUR 398.4 million (December 31, 2023: EUR 382.2 million). As of March 31, 2024, the equity ratio was 37.9% (December 31, 2023: 38.0%).

Working capital improved by 16.9% down to EUR 221.5 million in the first three months of the year (Q1 2023: EUR 266.5 million). Accordingly, the ratio of working capital to last-twelve-months sales improved significantly to 17.8% (Q1 2023: 20.6%). This development had a positive impact on cash flow from operating activities, which increased by EUR +20.3 million to EUR +41.0 million (Q1 2023: EUR +20.7 million).

As a result, free cash flow increased by 164.0% to EUR +35.1 million in the first quarter of 2024 (Q1 2023: EUR +13.3 million).

Cash and cash equivalents increased by EUR 33.7 million to EUR 121.4 million as of March 31, 2024 (December 31, 2023: EUR 87.7 million) and net debt decreased by EUR 18.5 million to EUR 162.2 million compared to December 31, 2023 (December 31, 2023: EUR 180.7 million), despite the earn-out payment for the acquisition of the Alö Group being made in the first quarter of 2024. This was the main driver for the improvement in the leverage ratio (ratio of net debt to LTM adjusted EBITDA) down to 0.93x as of March 31, 2024 (December 31, 2023: 0.998x).

Oliver Gantzert, CFO of JOST Werke SE, says: "The strong operating result achieved has been supported by the efficiency improvement measures introduced in the previous year, which continue to unfold their positive impact. We were able to cope well with the regional market fluctuations in the first quarter of 2024 and further improve our strong balance sheet and financial position. This is a very solid basis for future strategic investments."

Outlook confirmed

After a solid start to 2024, JOST remains positive about the coming months of the year. Based on market expectations for 2024 and taking into account the group's operating performance in the first months of 2024, JOST confirms its outlook that group sales in 2024 will decrease by a single-digit percentage compared to 2023 (2023: EUR 1,249.7 million).

Adjusted EBIT is also expected to decline by a single-digit percentage in 2024, but at a slightly faster pace than sales compared to the previous year (2023: EUR 140.8 million). Consequently, the adjusted EBIT margin in 2024 will be lower than in the previous year, but will stay within JOST's strategic margin range of 10.0% to 11.5% (2023: 11.3%). Despite the challenging market environment, JOST currently expects the adjusted EBIT margin to be in the upper half of the strategic corridor.

The interim report for the first quarter of 2024 is available at <http://ir.jost-world.com/reports>. The accompanying virtual conference will take place on May 15, 2024 at 11:00 a.m. CEST. After the conference, the recording will be available on the JOST website (<http://ir.jost-world.com>).

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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 over 25 countries across six continents, JOST serves manufacturers, dealers and end customers in the transportation, agriculture and construction industries worldwide. JOST currently employs more than 4,500 staff across the world and is listed on the Frankfurt Stock Exchange. For more information about JOST, please visit www.jost-world.com