

CORPORATE NEWS

JOST maintains profitability at a high level in second quarter of 2024

- **Sales below prior year due to cycle:** Sales of EUR 298 million (Q2 2023: EUR 330 million)
- **Profitability remains strong:** adjusted EBIT margin remains high at 11.3% (Q2 2023: 11.3%) and adjusted EBIT reaches EUR 34 million following sales development (Q2 2023: EUR 37 million)
- **Free cash flow increases:** Free cash flow grows to EUR +61 million in H1 2024 (H1 2023: EUR +34 million)
- **Net debt further improved:** Leverage ratio stable at 0.999x despite dividend payout (December 31, 2023: 0.998x)
- **Outlook for the 2024 financial year confirmed**

Neu-Isenburg, August 14, 2024 – 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 second quarter of 2024 today.

Joachim Dürr, CEO of JOST Werke SE, says: "I am satisfied with our business performance in the second quarter. In a persistently difficult market environment, we were successful in cushioning the cyclical decline in sales operationally to generate good results. Leveraging our global footprint, we were able to benefit from the positive development in Asia and South America, partially offsetting the market weakness in Europe and North America. Despite the prevailing market uncertainties, we could increase sales of our premium products in the agricultural sector, winning new customers for JOST. This highlights that our investments in new technologies, comfort and automation are the right steps to further penetrate the market and strengthen our positioning."

Sales and earnings performance

The normalization of the transport markets continued in the second quarter of 2024. After the very strong growth of previous years, demand for trucks and trailers has begun to decline due to the cycle. Markets also remained weak in the agricultural business. JOST was unable to escape this underlying trend. Thus, group sales decreased by 9.8% to EUR 298.2 million in the second quarter of 2024 (Q2 2023: EUR 330.4 million). Adjusted for acquisition and currency effects, sales in Q2 2024 declined by 15.9% compared to the previous year.

Despite weak demand in the agricultural markets, JOST increased sales with agricultural components by 19.0% to EUR 80.2 million in the second quarter of 2024 (Q2 2023: EUR 67.4 million). The acquisitions JOST Agriculture & Construction South America LTDA (formerly: Crenlo do Brasil) and LH Lift Oy, which were closed in 2023, had a positive impact on sales amounting to EUR 20.8 million during the second quarter of 2024. The successful ramp-up of the production plant in Chennai, India, also contributed to the positive sales development in agriculture. Adjusted for currency and acquisition effects, however, organic sales of agricultural components declined by 11.1% compared to the previous year. In the Transport segment, sales went down by 17.1% to EUR 218.0 million in the second quarter of 2024 (Q2 2023: EUR 263.0 million).

Adjusted earnings before interest and taxes (EBIT) decreased in line with sales by 9.6% to EUR 33.8 million (Q2 2023: EUR 37.3 million). JOST was therefore once again able to demonstrate the resilience and flexibility of its business model and managed to keep the adjusted EBIT margin stable at the previous year's high level of 11.3% (Q2 2023: 11.3%).

Europe

In Europe, sales in the second quarter of 2024 decreased by 6.2% to EUR 166.5 million compared to the previous year (Q2 2023: EUR 177.6 million). The companies acquired in 2023 contributed sales of EUR 19.8 million. Organic sales decreased by 17.0%. JOST was only partially able to compensate for this decline in operational terms, as the European region bears the group's administrative costs and therefore contains a significantly higher proportion of fixed costs. As a result, adjusted EBIT went down to EUR 8.3 million in the second quarter of 2024 (Q2 2023: EUR 14.3 million). The adjusted EBIT margin amounted to 5.0% (Q2 2023: 8.1%).

North America

In North America, revenue decreased by 20.8% to EUR 77.8 million in the second quarter of 2024 due to the decline in the agricultural compact segment and the cyclical contraction of the Transport markets (Q2 2023: EUR 98.2 million). However, the region benefited from a positive change in the product mix. While sales in the compact segment declined, the sales of technologically advanced front loaders for professional agricultural use increased significantly. The share of spare parts business also grew. These effects, together with the measures introduced to increase efficiency and optimize the product portfolio, have led to a sharp rise in profitability in the North American region. Overall, adjusted EBIT rose by 31.6% to EUR 13.6 million in the second quarter of 2024 (Q2 2023: EUR 10.3 million). The adjusted EBIT margin improved by 6.9 percentage points to 17.4% compared to the previous year (Q2 2023: 10.5%).

Asia-Pacific-Africa (APA)

In Asia-Pacific-Africa, JOST benefited from growing business in China and robust demand in the Pacific region and South Africa during the second quarter of 2024. This enabled JOST to almost offset the temporary weakness of the Indian market. As a result, APA sales declined slightly by 1.3% to EUR 53.9 million in the second quarter of 2024 (Q2 2023: EUR 54.6 million). Adjusted EBIT amounted to EUR 9.8 million in this period (Q2 2023: EUR 11.0 million). Due to the change in the regional product mix, influenced by the growing business in China with a higher proportion of on-road applications, the adjusted EBIT margin amounted to 18.3% in the second quarter of 2024 (Q2 2023: 20.1%).

Consolidated profit

Influenced by the sales development, earnings after taxes decreased to EUR 14.4 million in the second quarter of 2024 (Q2 2023: EUR 20.9 million). Earnings per share developed in line, amounting to EUR 0.97 (Q2 2023: EUR 1.40).

Adjusted for exceptionals, which mainly relate to non-operating or non-cash effects from amortization of purchase price allocations (PPA), adjusted earnings after taxes was EUR 20.4 million in the second quarter of 2024 (Q2 2023: EUR 26.8 million) and adjusted earnings per share amounted to EUR 1.37 in the same period (Q2 2023: EUR 1.80).

Net assets and free cash flow

As of June 30, 2024, JOST Werke SE's equity had increased by 2.7% to EUR 392.5 million (December 31, 2023: EUR 382.2 million), despite the fact that the payment of dividends in the amount of EUR 22.4 million reduced equity. The equity ratio increased to 38.9% (December 31, 2023: 38.0%).

Working capital improved by 16.1% to EUR 210.7 million in the first six months of 2024 (H1 2023: EUR 251.0 million). Accordingly, the ratio of working capital to last-twelve-months sales improved significantly to 17.7% (H1 2023: 19.3%). This development had a positive impact on cash flow from operating activities, which increased by EUR +25.8 million to EUR +74.3 million (H1 2023: EUR +48.5 million).

As a result, free cash flow increased by 80.2% to EUR +60.6 million in the first half of 2024 (H1 2023: EUR +33.6 million).

Cash and cash equivalents increased by EUR 9.8 million to EUR 97.5 million as of June 30, 2024 (December 31, 2023: EUR 87.7 million) and net debt decreased by EUR 12.6 million to EUR 168.1 million compared to December 31, 2023 (December 31, 2023: EUR 180.7 million). JOST was able to keep its leverage ratio (ratio of net debt to adjusted EBITDA) stable at 0.999x as of June 30, 2024 (December 31, 2023: 0.998x), although the payment of

the additional purchase price for the acquisition of the Alö Group (earn-out) in the first quarter of 2024 and the dividend payment in the second quarter of 2024 reduced cash and cash equivalents.

Oliver Gantzert, CFO of JOST Werke SE, says: "We were able to maintain our very good profitability in a challenging market environment and significantly improve our free cash flow. The weakness of the cycle is an opportunity for us to become even more profitable in the medium term. We are analyzing exactly how flexibly and efficiently the individual business units operate and identifying where we can improve even further in the future."

Outlook confirmed

Following the good business performance in the first half of 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 to date, JOST confirms its outlook that group sales in 2024 will decrease by a single-digit percentage rate compared to 2023 (2023: EUR 1,249.7 million).

Adjusted EBIT in 2024 is also expected to fall by a single-digit percentage rate, 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 remain within JOST's strategic margin corridor of 10.0% to 11.5% (2023: 11.3%). Given the high flexibility of its business model, JOST currently expects the adjusted EBIT margin to be in the upper half of the strategic corridor despite the challenging market environment.

The interim report for the second quarter of 2024 is available at <http://ir.jost-world.com/reports>. The accompanying virtual conference will take place on August 14, 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