

CORPORATE NEWS

JOST confirms record results for the 2021 fiscal year and proposes a dividend of EUR 1.05 per share

- **Financial targets fully met in 2021:** JOST brought the 2021 fiscal year to a close with record sales and earnings
- **Strong growth achieved in transport and agriculture:** JOST increased consolidated sales by 32.0% to EUR 1,048.6 million in 2021 (2020: EUR 794.4 million)
- **Profitability improved considerably:** Adjusted EBIT climbed by 43.2% to EUR 104.8 million in 2021 (2020: EUR 73.2 million), while the adjusted EBIT margin widened by 0.8 percentage points to 10.0% (2020: 9.2%)
- **Consolidated profit significantly higher:** Adjusted earnings after taxes up 46.1% to EUR 69.1 million (2020: EUR 47.3 million), with adjusted earnings per share rising to EUR 4.63 (2020: EUR 3.18)
- **Carbon emissions per production hour markedly reduced:** Carbon emissions per production hour lowered by 24.0% to 4.8kg CO_{2eq} (2020: 6.3kg CO_{2eq} per production hour)
- **Proposed dividend:** Executive Board proposes a dividend of EUR 1.05 per share (2020: EUR 1.00).
- **Further growth expected for 2022:** Sales and adjusted EBIT margin likely to grow in the mid single-digit percentage prange compared to 2021, with adjusted EBIT margin expected to remain stable

Neu-Isenburg, March 24, 2022. JOST Werke AG (“JOST”), a leading global producer and supplier of safety-critical systems for the commercial vehicle industry, confirmed the preliminary results published on February 17, 2022 at today’s presentation of its annual financial statements for the 2021 fiscal year.

Joachim Dürr, (CEO) of JOST Werke AG, said: “We went into the second year of the pandemic with a very good market position and benefited greatly from the market recovery having put the right measures in place. Due to our considerable flexibility, we were able to ensure deliveries even in the turbulent environment of 2021 and continue servicing our customers despite the prevailing bottlenecks along the entire value chain. With a strong profitability, we topped the EUR 1 billion sales for the first time in the history of JOST – an important milestone of which I personally am very proud. The challenges will not decrease in 2022. Despite this, we look with confidence to the future and want to build on the successful fiscal year 2021. Our aim is to increase consolidated sales and adjusted EBIT in the mid single-digit percentage range, compared to 2021.”

All regions contributed to robust growth in the 2021 fiscal year

Bolstered by strong demand for trucks, trailers and agricultural tractors, JOST increased its global consolidated sales by 32.0% to EUR 1,048.6 million in the 2021 fiscal year (2020: EUR 794.4 million). In the Transport business unit, sales grew by 28.8% to EUR 785.4 million in 2021 compared with the previous year (2020: EUR 609.9 million). At the same time, sales of agricultural components rose by 42.6% to EUR 263.2 million (2020: EUR 184.6 million). Despite considerably higher materials and logistics costs during the 2021 fiscal year, JOST managed to grow adjusted EBIT faster than sales, by 43.2% to EUR 104.8 million (2020: EUR 73.2 million). As a result, the adjusted EBIT margin improved by 0.8 percentage points to 10.0% in 2021 (2020: 9.2%).

In Europe, sales increased by 28.2% to EUR 618.2 million in the 2021 fiscal year (2020: EUR 482.2 million), even though important OEM customers in the truck sector reduced their planned call-offs at short notice due to limited semiconductor availability. Adjusted EBIT in Europe rose by 21.8% to EUR 45.4 million compared with the previous year (2020: EUR 37.3 million). The rise in material and logistics costs had an adverse impact on earnings in the region. JOST managed to offset some of these inflated costs through price adjustments. The adjusted EBIT margin for the region amounted to 7.3% in 2021 (2020: 7.7%).

JOST also recorded robust growth in North America, increasing sales considerably by 50.3% to EUR 259.0 million in 2021 (2020: EUR 172.3 million). In doing so, JOST doubled adjusted EBIT to EUR 23.7 million (2020: EUR 11.8 million). The significantly higher production capacity utilization compared to the previous year and the related operating leverage of fixed cost degression largely offset the increase in material and logistics costs. The thriving aftermarket business, which was boosted by market share gains in recent years, also had a positive impact on operating profit. Overall, the adjusted EBIT margin in North America improved to 9.1% in 2021 (2020: 6.9%).

Extremely high demand in China in the first half of 2021 and sustained positive market developments in India, Australia, South-East Asia and South Africa enabled JOST to increase sales in Asia-Pacific-Africa (APA) by 22.5% to EUR 171.4 million in the 2021 fiscal year (2020: EUR 139.9 million). High production capacity utilization and a beneficial product mix caused adjusted EBIT to rise by 40.8% to EUR 30.0 million year-over-year in 2021 (2020: EUR 21.3 million). JOST improved its EBIT margin in APA to 17.5% in the 2021 fiscal year (2020: 15.2%).

Consolidated profit significantly higher

Due to the robust sales and earnings growth, earnings after taxes rose by 127.5% to EUR 43.9 million in the 2021 fiscal year (2020: EUR 19.3 million), while earnings per share improved to EUR 2.94 (2020: EUR 1.29).

Adjusted for exceptionals, earnings after taxes grew by 46.1% to EUR 69.1 million (2020: EUR 47.3 million), with adjusted earnings per share increasing to EUR 4.63 (2020: EUR 3.18). Adjustments made mainly concerned non-

operating, non-cash exceptionals arising from depreciation and amortization in connection with purchase price allocations as well as one-time deconsolidation effects in connections with the disposal of Jost UK Ltd.

As a result of the improvement in earnings after taxes, the group's equity rose by EUR 42.0 million to EUR 307.2 million as of the December 31, 2021 reporting date (December 31, 2020: EUR 265.2 million), while the equity ratio improved to 31.2% (December 31, 2020: 28.3%).

Financial strength further improved

The sharp rise in business volume forced JOST to invest in inventories in 2021 to ensure the group could continue to make deliveries despite bottlenecks in the procurement markets. As a result, working capital rose by 41.6% to EUR 188.4 million compared with the previous year (2020: EUR 133.0 million). It is important to note that activity levels were exceptionally low in 2020 due to the outbreak of the coronavirus pandemic. Despite this, JOST kept the ratio of working capital to sales well below its target level of 20% at 18.0% in the 2021 fiscal year due to its disciplined approach to working capital management (2020: 16.4%).

Investments in property, plant and equipment and intangible assets came to EUR 20.1 million (2020: EUR 20.9 million). Due to the very sharp increase in sales, capital expenditure as a percentage of sales fell to 1.9% (2020: 2.6%).

Despite the increase in working capital, operating free cash flow (cash flow from operating activities less payments made for the acquisition of property, plant and equipment and intangible assets) was positive at EUR +33.3 million in the 2021 fiscal year (2020: EUR +98.1 million).

Liquid assets dropped by EUR 20.8 million to EUR 87.5 million as of December 31, 2021 (December 31, 2020: EUR 108.3 million). The dividend payout of EUR 14.9 million and repayments of current and non-current liabilities to banks of EUR 43.3 million contributed to this decline. JOST was able to reduce its net debt to EUR 193.9 million as of December 31, 2021 (December 31, 2020: EUR 207.6 million). The leverage ratio (ratio of net debt to adjusted EBITDA) improved considerably to 1.45x over the same period (2020: 1.997x). This positive development underlines JOST's resilient operating performance and the high volume of cash generated by its business model.

Carbon emissions per production hour reduced due to increased energy efficiency

In the 2021 fiscal year, JOST took a significant step towards its target of reducing greenhouse gas emissions per production hour by 50% by 2030. The steep increase in productivity compared to the pandemic-affected previous year meant JOST was able to reduce Scope 1 and Scope 2 CO_{2eq} emissions per production hour by 24.0% to 4.8kg CO_{2eq} per production hour compared to 2020 (2020: 6.3 kg CO_{2eq} per production hour). JOST was

also able to lower Scope 1 and Scope 2 CO_{2eq} emissions by 0.3% year-over-year in absolute terms to 35.8 thousand tonnes CO_{2eq}, even though higher production volumes caused global energy consumption in production to rise by 5.5% to 103.8 million kWh (2020: 98.4 million kWh).

This marked improvement is attributable to a much higher production capacity utilization. As a result, JOST was able to use energy considerably more efficiently than in the previous year and reduce group-wide energy consumption by 19.5% to 13.8 kWh per production hour (2020: 17.2 kWh per production hour).

Proposed dividend

The Executive Board and Supervisory Board propose a dividend of EUR 1.05 per share for the 2021 fiscal year (2020: EUR 1.00). This represents a total dividend payout of EUR 15.6 million (2020: EUR 14.9 million). At 35.6%, the dividend payout ratio lies within the envisaged distribution range of 35% to 50% of consolidated profit.

Dr. Christian Terlinde, Chief Financial Officer of JOST Werke AG, said: “We successfully demonstrated the resilience of our business model and further improved JOST's financial strength in 2021. In addition, we were able to significantly push forward our long-term sustainability goals to improve our environmental footprint. Our aim is to continue to grow profitably and sustainably to support more and more the climate-neutral and autonomous use of commercial vehicles for both transportation and agriculture. We want our shareholders to participate in JOST's success.”

Outlook

Given its balanced regional distribution, diverse product portfolio and broad customer base of truck, trailer and agricultural tractors manufacturers, JOST is confident about 2022 despite the prevailing uncertainties.

From today's perspective, the Executive Board expects consolidated sales in 2022 to increase in the mid single-digit percentage range compared to the previous year (2021: EUR 1,048.6 million). Adjusted EBIT will most likely develop in line with sales, growing in the mid single-digit percentage range compared to 2021 (2021: EUR 104.8 million). Although the Executive Board expects further rises in freight 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.

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 will occur.

The Annual Report for the 2021 fiscal year and the 2021 Sustainability Report are available at <http://ir.jost-world.com/reports>. The accompanying virtual conference will take place on March 24, 2022, at 10:00 a.m. CET. A recording will be available on the JOST website after the conference (<http://ir.jost-world.com>).

About JOST:

JOST is a leading global manufacturer and supplier of safety-relevant systems for the commercial vehicle industry with its core brands JOST, ROCKINGER, TRIDEC and Quicke. JOST's global leadership position is driven by the strength of its brands, its long-standing client relationships serviced through its global distribution network, and its efficient and asset-light business model. With sales and production facilities in 25 countries across five continents, JOST has direct access to all major truck, trailer and agricultural tractor manufacturers as well as relevant end customers in the commercial vehicle industry. JOST currently employs more than 3,300 staff across the world and has been listed on the Frankfurt Stock Exchange since July 20, 2017. For more information about JOST, please visit www.jost-world.com

Contact:**JOST Werke AG**

Romy Acosta

Head of Investor Relations

T: +49 6102 295-379

romy.acosta@jost-world.com