

## CORPORATE NEWS

### JOST increases sales and earnings in the third quarter of 2022

- **Strong growth:** Sales up 29.9% to EUR 327.1 million (Q3 2021: EUR 251.8 million)
- **Adjusted EBIT rises:** Adjusted EBIT grew 25.2 % to EUR 30.4 million (Q3 2021: EUR 24.3 million)
- **Good profitability:** Adjusted EBIT margin reached 9.3 % (Q3 2021: 9.6 %)
- **Adjusted EPS increased:** Adjusted EPS improved by 25.2% to EUR 1.29 (Q3 2021: EUR 1.03).
- **Outlook for 2022 raised:** Sales expected to increase by a low double-digit percentage and adjusted EBIT by a high single-digit percentage compared to 2021

*Neu-Isenburg, November 14, 2022.* JOST Werke AG ("JOST"), a leading global producer and supplier of safety-critical systems for the commercial vehicle industry, published its interim report for the third quarter of 2022 today.

Joachim Dürr, (CEO) of JOST Werke AG, said: "JOST was able to further increase sales and earnings in the third quarter of 2022. Our broad geographical footprint was a key success factor, as we were able to offset the weaker development in Europe through the dynamic growth in North America and Asia-Pacific-Africa. Given the strong results already achieved during the first months of the year, we believe that JOST will generate record sales in 2022 exceeding the threshold of EUR 1.2 billion for the first time. Accordingly, we have raised our forecast for sales and operating profit for the current fiscal year."

#### **Growth continues**

JOST increased group-wide sales by 29.9% to EUR 327.1 million in the third quarter of 2022, continuing the successful business development of previous quarters (Q3 2021: EUR 251.8 million). Adjusted for currency translation effects, sales in the third quarter of 2022 increased by 23.6% year-on-year. In the Transport business line, JOST increased sales by 28.8% to EUR 244.2 million (Q3 2021: EUR 189.6 million). In the same period, sales of agricultural components grew by 33.4% to EUR 83.0 million (Q3 2021: EUR 62.2 million). Overall, adjusted EBIT grew by 25.2% to EUR 30.4 million in the third quarter of 2022 (Q3 2021: EUR 24.3 million) and the adjusted EBIT margin amounted to 9.3% (Q3 2021: 9.6%).

**Europe affected by higher input factors**

In Europe, JOST increased sales by 17.7% to EUR 172.2 million in the third quarter of 2022 (Q3 2021: EUR 146.3 million). Alongside the global rise in raw material, alloys and freight costs over the course of 2022, Europe was additionally burdened by supply bottlenecks and sharp increases in energy costs due to the war in Ukraine. In the third quarter of 2022, adjusted EBIT in Europe decreased to EUR 7.0 million compared with the prior-year quarter (Q3 2021: EUR 10.4 million), and adjusted EBIT margin was 4.1% (Q3 2021: 7.1%). The adjusted EBIT in Europe continued to be impacted by atypically high negative currency effects, mainly stemming from the devaluation of the Swedish krona, which totaled EUR -2.7 million during the third quarter of 2022.

**Growth in North America accelerates**

JOST increased sales in North America by 57.7% to EUR 106.3 million in the third quarter of 2022 (Q3 2021: EUR 67.4 million). This includes positive currency translation effects of 22.3 percentage points resulting from the appreciation of the US dollar against the euro. The Transport business line achieved the highest growth during this quarter, although sales of agricultural components also developed positively. Adjusted EBIT grew at a faster rate than sales by 63.8% to EUR 10.5 million (Q3 2021: EUR 6.4 million), and the adjusted EBIT margin improved to 9.9% (Q3 2021: 9.5%).

**JOST grows in Asia-Pacific-Africa**

In Asia-Pacific-Africa (APA), sales increased by 27.5% to EUR 48.6 million in the third quarter of 2022 (Q3 2021: EUR 38.1 million). All countries in the region contributed to this development. The Chinese truck market, which had contracted sharply in the first half of 2022 due to pull-forward effects realized in 2021, stabilized during the third quarter of 2022. Strong growth in India, the Pacific region, and South Africa, combined with the slow recovery of the Chinese truck market, led to a 79.7% increase in adjusted EBIT to EUR 11.1 million in the third quarter of 2022 (Q3 2021: EUR 6.2 million). As a result, the adjusted EBIT margin improved to 22.8% (Q3 2021: 16.2%). Due to the comparatively low share of Chinese sales, the regional product mix remained favorable, as the proportion of off-road applications in the other countries of the APA region is higher than in China and these applications typically come with higher margins.

**Significant improvement in earnings after taxes**

Given the good operating development in the third quarter of 2022, earnings after tax increased by 37.3% to EUR 13.8 million (Q3 2021: EUR 10.0 million). Earnings per share improved by 38.8% to EUR 0.93 (Q3 2021: EUR 0.67).

Adjusted for exceptionals (mainly non-operating and non-cash exceptionals from the amortization of the price purchase allocation), earnings after tax rose by 26.1% to EUR 19.3 million in the third quarter of 2022 (Q3 2021: EUR 15.3 million) and adjusted earnings per share increased by 25.2% to EUR 1.29 (Q3 2021: EUR 1.03).

#### **Equity ratio significantly improved and operating cash flow stable**

As a result of the increase in earnings after tax, JOST's equity increased by 21.7% to EUR 374.0 million as of September 30, 2022 (December 31, 2021: EUR 307.2 million). Thus, the equity ratio improved to 34.9% (December 31, 2021: 31.2%).

Compared to the same period of the previous year, working capital increased by 32.6% to EUR 260.9 million (Q3 2021: EUR 196.7 million). In addition to the strong sales growth of 29.9% during the third quarter of 2022, higher inventory levels to bridge supply bottlenecks were a key driver for the year-on-year increase in working capital. Accordingly, the ratio of working capital to last-twelve-months sales was 21.2% (Q3 2021: 19.4%).

Investments in property, plant and equipment and intangible assets rose to EUR 9.1 million in the third quarter of 2022 (Q3 2021: EUR 4.6 million) and amounted to 2.8% of sales (Q3 2021: 1.8%). The increase during the quarter is related to the phasing of investment projects in 2022. In the first nine months of the year, investments amounted to EUR 21.2 million or 2.2% of sales and are thus in line with the guided 2.5% of sales.

Despite the considerably higher activity level and the associated increase in working capital, JOST was able to keep cash flow from operating activities stable at EUR +22.9 million (Q3 2021: EUR +22.6 million). Due to the higher investments during the third quarter of 2022, free cash flow decreased to +EUR 10.1 million (Q3 2021: +EUR 19.2 million).

Cash and cash equivalents rose to EUR 98.8 million as of September 30, 2022 (December 31, 2021: EUR 87.5 million). Net debt increased slightly by EUR 10.9 million to EUR 204.8 million (December 31, 2021: EUR 193.9 million), mostly due to a dividend of EUR 15.6 million distributed to the shareholders of JOST Werke AG in the second quarter of 2022. Nevertheless, the leverage ratio (ratio between net debt and last-twelve-months adjusted EBITDA) improved to 1.38x due to the strong increase in adjusted EBITDA (December 31, 2021: 1.45x).

Dr. Christian Terlinde, CFO of JOST Werke AG, said: "We continue to invest in JOST's future growth. In the third quarter of 2022, we started the construction of a new production plant in India, which will drive the agricultural business in Asia in the future. Furthermore, the strong growth in operating results allowed us to further improve JOST's leverage ratio and equity ratio, laying a good foundation for future profitable and sustainable growth."

**Outlook for the full year 2022 raised**

Based on the strong business performance during the first nine months of the year, JOST raised its sales and earnings forecast for the current fiscal year on November 3, 2022.

JOST expects consolidated sales in fiscal year 2022 to increase by a low double-digit percentage range compared to the previous year and anticipates exceeding the sales mark of EUR 1.2 billion for the first time (previous outlook: sales growth in mid single-digit percentage range; sales 2021: EUR 1.0 billion).

Due to the price increases implemented during 2022 to pass on rising costs to customers, sales are expected to grow at a faster pace than adjusted EBIT. JOST forecasts that in fiscal year 2022 adjusted EBIT will increase by a high single-digit percentage range compared to the previous year (previous forecast: increase in mid single-digit percentage range; adjusted EBIT 2021: EUR 104.8 million).

**Analyst and investor conference**

The interim report for the third quarter of 2022 is available at <http://ir.jost-world.com/interim-reports>. The accompanying virtual conference will be held on November 14, 2022, at 11:00 am CET. A recording will be available on the JOST website after the conference (<http://ir.jost-world.com>).

*A definition of the alternative performance measures used can be found on page 37 of the Annual Group Report 2021.*

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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 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 3,600 staff across the world and is listed on the Frankfurt Stock Exchange. For more information about JOST, please visit <http://www.jost-world.com>*