ACQUISITION OF ÄLÖ HOLDING AB

Joachim Dürr - CEO
Christian Terlinde - CFO

CULTIVATING OPPORTUNITIES
AGREEMENT TO ACQUIRE ÅLÖ HOLDING AB SIGNED

Acquisition in line with JOST’s corporate and M&A strategy

- Strategically compelling
- Enhancing regional and product growth
- Value enhancing with potential to accelerate revenue growth
- Accretive M&A transaction with potential to expand margins
- Sound capital structure with near term deleveraging

TRANSACTION PENDING APPROVAL BY ANTITRUST AUTHORITIES
ÅLÖ – A HIGHLY ATTRACTIVE COMPANY

Acquisition of a leading company in the growing agricultural applications market

- Ålö is a global market leader for agriculture tractor applications with excellent growth prospects
- Strong, worldwide renowned brand (Quicke’), highly valued by farmers, dealers and OEMs
- Push & pull sales strategy offers possibility to replicate JOST’s successful business model
- High-quality and innovative products, which generate significant added value for end-users due to versatile and modular use
- Niche market with low threats from substitutes, strong industrial know-how and excellent R & D
- Sound financial profile with adjusted EBITDA margins at current JOST’s group level and potential to exceed average JOST’s margins mid-term

Excellent synergetic add-on to JOST’s activities in the commercial vehicle industry, strengthening JOST’s footprint in agriculture

JOST – CULTIVATING OPPORTUNITIES

TRANSACTION PENDING APPROVAL BY ANTITRUST AUTHORITIES
Parallels in historic development

1948: Ålö is founded.
1950’s: ålö launches the brand Quicke with the first drive-in front loader.
1952: JOST is founded.
1950’s: JOST starts production of fifth wheel couplings.
1960’s: ålö grows through exports.
1960’s – 1990’s: ålö expands globally.
1970’s: Ålö acquires Trima.
1980’s: JOST takes over ROCKINGER and TRIDEC.
1990’s: JOST takes over Edbro and Mercedes Benz Trailer Axle Systems.
2000’s: JOST acquires Trima.
2000’s: JOST takes over Edbro and Mercedes Benz Trailer Axle Systems.
2010’s: Ålö invests in high-tech robotics and grows in digital loader technologies.
2020: JOST and Ålö will join forces.

Sound financial profile

<table>
<thead>
<tr>
<th>Ålö financials</th>
<th>2017A</th>
<th>2018A</th>
<th>2019 E</th>
</tr>
</thead>
<tbody>
<tr>
<td>SEKm</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sales</td>
<td>1,804.7</td>
<td>2,002.6</td>
<td>Approx. 2,120</td>
</tr>
<tr>
<td>Gross profit</td>
<td>514.2</td>
<td>536.2</td>
<td>594 – 600</td>
</tr>
<tr>
<td>Gross profit margin</td>
<td>28.5%</td>
<td>26.8%</td>
<td>28.0% – 28.3%</td>
</tr>
<tr>
<td>Adj. EBITDA</td>
<td>189.4</td>
<td>210.1</td>
<td>263 – 274</td>
</tr>
<tr>
<td>Adj. EBITDA margin</td>
<td>10.5%</td>
<td>10.5%</td>
<td>12.4% – 12.9%</td>
</tr>
</tbody>
</table>

Ålö – a global market leader

Market shares for agricultural front loaders

<table>
<thead>
<tr>
<th>Ålö</th>
<th>STOLL</th>
<th>MX</th>
<th>Other players</th>
</tr>
</thead>
<tbody>
<tr>
<td>30%</td>
<td>15%</td>
<td>10%</td>
<td>15%</td>
</tr>
</tbody>
</table>

Specialized suppliers

John Deere | CNH Industrial | Other OEMs

Captive market (OEMs)

Other players

STOLL | MX | Other

10% | 15% | 30%
A STRATEGICALLY AND FINANCIALLY COMPELLING ACQUISITION

Perfect match
Ålö fully fits JOST’s corporate growth strategy

Higher diversification
Quicke enhances JOST’s portfolio of products and brands

Combined know-how
Joined expertise to increase added value for customers

Strengthening market position
Combined global footprint offers excellent growth opportunities

Boosting financial strength
Ålö opens new growth segments for JOST and improves margin profile mid-term

Acquisition of Ålö strengthens JOST’s portfolio and meets Group’s clear M&A criteria
PERFECT MATCH

Combination of two highly complementary industry leaders will create value and enhance JOST’s investment case

- Quicke will enrich JOST’s global portfolio of strong brands with high customer loyalty
- Ålö solutions for agriculture will further diversify JOST’s wide range of products, customers and regions
- Complementary capabilities will improve ability to outperform markets by increasing product and service depth, boosting innovation and accelerating international expansion
- Acquisition will support JOST’s sustainable growth thanks to strong fundamentals and global footprint
- Similar to JOST, Ålö also benefits from a high portion of aftermarket content with strong network effects
- Potential to replicate JOST’s industry-leading earnings by effectively using Push & Pull sales strategy
- High cash generation ability preserved
- Value accretive acquisition with sound financial profile and attractive margins
- Unchanged attractive financial profile with scope for further growth

CASH FLOW

EARNINGS

BUSINESS MODEL
GROWING PORTFOLIO OF PRODUCTS AND BRANDS

Front loaders
Loader attached at the front of the tractor to lift heavy items

Digital control system
Digital control system to manage implement position and load weight

Subframes
Placed beneath the tractor, transfers the load to the tractor chassis

Implements
Buckets, forks, bale handlers, silage and other lifting implements (>150 options)

Backhoes
Excavator / digger attached at the back of the tractor

Spare parts
Wide range of original spare parts and accessories
Together, Quicke and ROCKINGER will form a strong and capable agricultural segment for JOST. By combining their industry know-how and product portfolio, JOST will provide superior services to agricultural OEMs and end-customers worldwide.
Combining the strong brands ROCKINGER and Quicke will allow to replicate JOST’s proven market approach to generate demand by pushing product towards OEMs while also creating market pull from end-users and aftermarket dealers.
GROWING KNOW-HOW

Future success factor radar

Customer focus
- Strong relationships to truck and trailer OEMs with excellent customer services
- Close relationships with agriculture vehicle OEMs
- Strong brands
- Deep understanding of customers’ needs

Innovation power
- Technology and digital competence
- Intensive R&D in truck & trailer segments
- Unequalled agriculture machinery know-how
- Ability for disruptive thinking

Regional proximity
- Strong global network
- Access to developing markets of Latin America and Asia
- Strong international network especially in Northern Europe & North America

Supply chain
- Global supply chain network
- Cost hedging based on global scale
- Great global staff with strong sales force
- Savings potential through joint procurement

Production excellence
- Modern, automated production worldwide
- High production flexibility
- Skilled staff, industrial know-how and strong engineering

JOST – CULTIVATING OPPORTUNITIES

TRANSACTION PENDING APPROVAL BY ANTITRUST AUTHORITIES
STRENGTHENING MARKET POSITION

Acquisition will strengthen global footprint and generate additional growth

With Ålö, JOST will have an improved access to the North American and European agriculture markets.
STRONG GROWTH FOR TRACTOR MARKETS WORLDWIDE

- North America: 5.0% p.a.
- Europe: 2.0% p.a.
- Asia, Russia and Australia: 3.0% p.a.
- South America: 4.0% p.a.
- Africa and Turkey: 5.0% p.a.

All growth figures in % p.a. are CAGR 2018-2022 estimates of numbers in agricultural tractors sold.
Source: Rocsearch, December 2019

JOST will offer new growth opportunities to Ålö in South America, Asia and Africa.
STRUCTURAL GROWTH DRIVERS

Loader market growing in line with agricultural tractors markets

Rising population globally
~60% of global population depend on agriculture for livelihood

Rising farm labor cost
Rising farm labor costs drive need for higher farming efficiency and demand for agricultural tractors

Farm mechanization and pent-up demand
Increasing farm mechanization rates and pent-up investments in tractors, especially in developed economies

Government support for farm mechanization in developing economies
Growing investments in agriculture and significant governmental push toward farm mechanization in developing economies to increase efficient use of arable land

Regulatory framework
Stringent safety and environmental regulations is propelling growth of regulation-compliant tractors worldwide
BOOSTING FINANCIAL STRENGTH

A milestone for JOST – Acquisition will diversify JOST’s business by tapping into new revenue pools with potential for further growth

Ålö will be accretive to JOST as of 2020

Ålö’s adjusted EBITDA margin as of 2020 is expected to be at JOST’s current levels with perspective to exceed JOST’s group average EBITDA margin mid-term

<table>
<thead>
<tr>
<th></th>
<th>JOST – 2019e</th>
<th>JOST &amp; Ålö 2020e pro forma</th>
<th>Ålö will be accretive to JOST as of 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Sales</strong></td>
<td>~5%</td>
<td>~23%</td>
<td>+15 – 20% pro-forma sales contribution</td>
</tr>
<tr>
<td><strong>Adj. EBITDA</strong></td>
<td>~5%</td>
<td>~23%</td>
<td>+15 – 20% pro-forma adj. EBITDA contribution</td>
</tr>
</tbody>
</table>

Truck & trailer commercial vehicles
Agriculture
VALUE CREATION THROUGH SYNERGIES

- Savings through joint procurement as well as optimization of production and supply chain networks
- Combining sales strengths of Ålö and ROCKINGER to access new markets and new customers
- Streamlining of duplicate structures and optimization of regional setup
- Mid-term annual synergies identified in the mid to high single digit million EUR range

JOST – CULTIVATING OPPORTUNITIES
ACCRETIVE M&A TRANSACTION

VALUATION

- Purchase price corresponds to an enterprise value of €250m
- For 2020, on the basis of expected sales of at least €200m, Ålö’s adj. EBITDA is expected to grow into the range of €27m to €31m, without synergies.
- The purchase price represents approximately 8.6x adj. EBITDA based on the mid-point of the 2020e adj. EBITDA range.
- A further potential payment of up to €25m in the year 2021 is strictly linked to the achievement of additional cost savings targets and the successful completion of further efficiency projects in 2020, which would lead to an adj. EBITDA higher than €31m.

POSITIVE PROFITABILITY IMPACT

- Acquisition will be accretive to earnings already in 2020
- Adj. EBITDA margin range is expected to be between 13.5% and 15.5% in 2020. Current consensus estimates for JOST’s adj. EBITDA margin in 2020 is 12.6%.
- Mid-term, after tapping into expected sales and earnings synergies, margins should be sustainably higher than JOST’s current group average.

The transaction is expected to close in Q1 2020
ACCRETIVE M&A TRANSACTION

The transaction is expected to close in Q1 2020

**FINANCING**

- Transaction will be financed with cash, currently undrawn credit facilities as well as new term loan
- JOST’s leverage will increase temporarily to ~2.5x after closing.
- The investment will further strengthen JOST’s high cash generation ability, allowing for a swift deleveraging.
- By the end of 2021, leverage should be back in a corridor of 1.0x to 2.0x
- The new debt has no leverage covenants

**APPROVALS**

- Transaction is subject to approval by antitrust authorities
- No regulatory issues anticipated

The transaction is expected to close in Q1 2020
EXECUTIVE SUMMARY

- Acquisition of a leading company in the growing agricultural market for tractor applications
- Diversification of JOST’s earnings profile resulting in reduced cyclicality
- Synergetic add-on through combination of know-how in on-road and off-highway market for commercial vehicles
- Top- and bottom line synergy potentials
- Accretive M&A transaction with enterprise value of €250m and potential for additional earn-out of up to €25m in 2021
Q & A

Appendix
JOST & Ålö

SALES 2018
in €m

755

EMPLOYEES 2018
head count

~2,900

DISTRIBUTION BY VEHICLE APPLICATION
2018

~700

JOST

Ålö

~2,900

JOST

Ålö

JOST + Ålö
pro forma

Pro forma Rebalancing JOST portfolio to diversify growth

Other commercial vehicles

Agriculture

On highway

JOST – CULTIVATING OPPORTUNITIES

TRANSACTION PENDING APPROVAL BY ANTITRUST AUTHORITIES
JOST & Ålö

JOST
Production unit
Sales unit
Production and Sales unit

Ålö
Production unit
Sales unit
Production and Sales unit

Headquarter Ålö, Umeå, Sweden

Moscow, Russia
Naberezhnye Chelny, Russia

Moscow, Russia
Naberezhnye Chelny, Russia

Grand Haven, Michigan, USA
Greenville, Tennessee, USA
Greenville, South Carolina, USA

Caxias do Sul, Brazil
Chloorkop, South Africa
Cape Town, South Africa

Cantanhede, Portugal
Saragossa, Spain
Izmir, Turkey

Nowa Sól, Poland
Wolframs-Eschenbach, Germany
Waltenshausen, Germany
Son, Netherlands

Calden, Germany
Bolton, Great Britain
Hartlebury, Great Britain
Paris, France

Matha, France
Lattes, France
Saragossa, Spain

Canton, Germany
Dieburg, Germany
Paris, France

JOST – CULTIVATING OPPORTUNITIES
TRANSACTION PENDING APPROVAL BY ANTITRUST AUTHORITIES
PROJECT FOR POST MERGER INTEGRATION AFTER CLOSING

Communication
• On-boarding of management and employees
• Set up of cross-functional teams between JOST and Ålö

Organization and culture
• Optimize joint organizational structure
• Align company’s mission, vision and culture

100-Day-Plan
• Goals and milestones
• Timeline and measurables defined

Harvesting synergies
• Identify and validate concrete synergies
• Tap into upside potential and joint revenue pools

TRANSACTION PENDING APPROVAL BY ANTITRUST AUTHORITIES
Financial Calendar 2020

Jan. 10  ODDO BHF Forum 2020, Lyon / France
Jan. 16  Roadshow Chicago / U.S.
Jan. 21  UniCredit & Kepler Cheuvreux, 19. German Corporate Conference, Frankfurt/Germany
Feb. 18  Preliminary Results FY 2019
Mar. 25  Publication of Annual Group Report FY 2019
May 7  Annual General Meeting 2020
May 14  Publication of Q1 2020 Report
Aug. 13  Publication of H1 2020 Report
Nov. 12  Publication of 9M 2020 Report

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