



# JOST WERKE AG

INVESTOR PRESENTATION – UPDATE Q1 2021

# Disclaimer

THIS PRESENTATION IS CONFIDENTIAL AND MUST NOT BE RELEASED, PUBLISHED, TRANSMITTED OR DISTRIBUTED, IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY, INTO OR WITHIN THE UNITED STATES OF AMERICA, CANADA, AUSTRALIA, JAPAN OR ANY JURISDICTION WHERE SUCH DISTRIBUTION IS UNLAWFUL.

This presentation (the "Presentation") was specifically prepared by JOST Werke AG (the "Company") for informational purposes only. It is intended to provide a general overview of the Company's business and does not purport to include all aspects and details regarding the Company. This Presentation must not be reproduced in any form, passed on or otherwise made available, directly or indirectly, to any other person, or published or otherwise disclosed, in whole or in part, for any purpose, without prior written consent by the Company. Neither the Company nor any of its directors, officers, employees or advisors, nor any other person makes any representation or warranty, express or implied, as to, and accordingly no reliance should be placed on, the fairness, accuracy or completeness of the information contained in the Presentation or of the views given or implied. Neither the Company nor any of its respective directors, officers, employees or advisors nor any other person shall have any liability whatsoever for any errors or omissions or any loss howsoever arising, directly or indirectly, from any use of this information or its contents or otherwise arising in connection therewith.

This Presentation is neither an advertisement nor a prospectus and does not, and is not intended to, constitute or form part of, and should not be construed as, an offer to sell, or a solicitation, invitation or inducement to purchase, subscribe for, under-write or otherwise acquire any securities of the Company, nor should it, or any part of it, form the basis of or be relied on in connection with or act as any inducement to enter into any contract to purchase or subscribe for any securities of the Company, nor shall it, or any part of it, form the basis of or be relied on in connection with any contract or commitment or investment decision whatsoever. This Presentation and the information and opinions contained therein are selective in nature and do not purport to contain all information that may be required to evaluate the Company and/or its shares. The information and opinions contained in this Presentation are provided as of the date of this Presentation and may be subject to updating, revision, amendment or change without notice. Neither the Company nor any of its directors, officers, employees or advisors are under any obligation to update or keep current the information contained in this Presentation or to correct any inaccuracies in any such information which may become apparent or to provide any additional information whether as a result of new information, future events or otherwise.

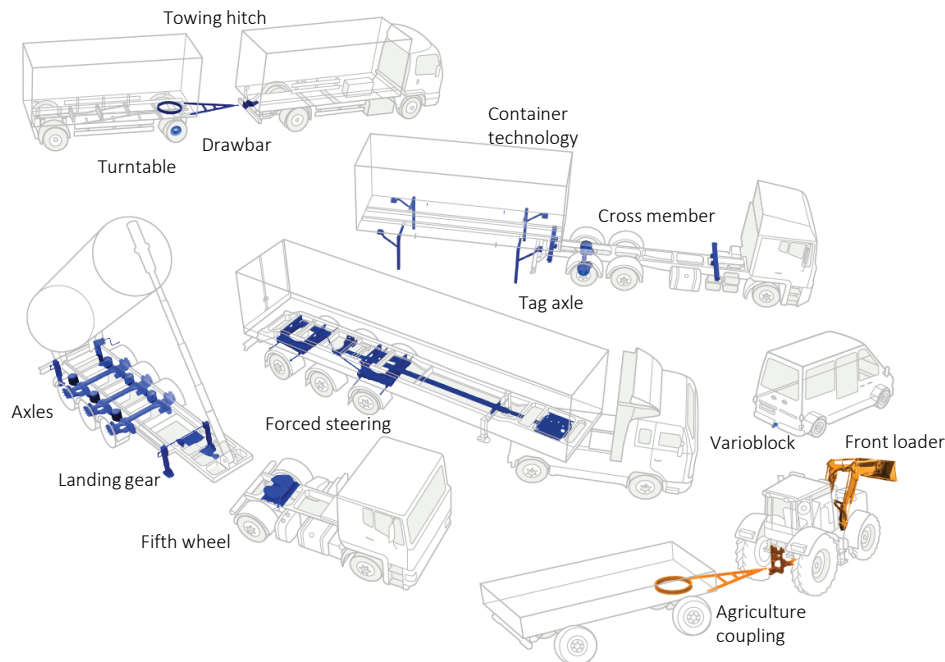
This Presentation contains forward-looking statements relating to matters that are not historical facts. These statements reflect the Company's current knowledge, intentions and beliefs as well as its current expectations and projections about future events, including the Company's prospects, growth, strategies, the industry in which it operates and potential or ongoing acquisitions. Forward-looking statements can be identified by the context of such statements or words such as "anticipate," "believe," "estimate," "expect," "forecast," "intend," "plan," "project," "target," "may," "will," "would," "could" or "should" or similar terminology. By their nature, forward-looking statements are subject to a number of risks, uncertainties and assumptions, many of which are beyond the Company's control, that could cause the Company's actual results and performance to differ materially from and adversely affect any expected future results or performance expressed or implied by any forward-looking statements as a result of various factors (including global economic conditions, changed market conditions, competition, costs of compliance, changing political, legal, economic and other conditions). Forward-looking statements should not therefore

be read as guarantees of future performance or results and will not necessarily be accurate indications of whether or not such results will be achieved. Similarly, past performance should not be taken as an indication of future results, and no representation or warranty, express or implied, is made regarding future performance. In addition, even if the development of the Company's prospects, growth, strategies and the industry in which it operates are consistent with the forward-looking statements contained in this Presentation or past performance, those developments may not be indicative of the Company's results, liquidity or financial position or of results or developments in subsequent periods not covered by this Presentation. The Company undertakes no obligation to release the results of any revisions to any forward-looking statements in this Presentation that may occur due to any change in its expectations or to reflect events or circumstances after the date of this Presentation.

To the extent available, the industry and market data contained in this Presentation is derived from third-party sources. Third-party industry publications, studies and surveys generally state that the data contained therein have been obtained from sources believed to be reliable, but that there is no guarantee of the accuracy or completeness of such data. In addition, certain information in this Presentation is selective and may not necessarily be representative for the Company. Further, some of the industry and market data contained in this Presentation is derived from the Company's own internal research and estimates based on the knowledge and experience of the Company's management in the market in which the Company operates. While the Company believes that such research and estimates are reasonable and reliable, they, and their underlying methodology and assumptions, have not been verified by any independent source for accuracy or completeness and are subject to change without notice. Accordingly, no reliance should be placed on the industry or market data contained in this Presentation.

Subject to limited exceptions described below, the information contained in this Presentation is not to be released, published, transmitted or distributed within or into the United States of America ("United States"), Australia, Canada or Japan and does not constitute an offer of securities for sale in any of these jurisdictions. Any securities offered by the Company have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"), or the securities laws of any state or other jurisdiction of the United States and such securities may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state or local securities laws. This Presentation does not contain or constitute an offer of, or the solicitation of an offer to buy or subscribe for, securities to any person or in any jurisdiction to whom or in which such offer or solicitation is unlawful. Any failure to comply with these restrictions may constitute a violation of applicable securities laws.

# JOST: A Leading Global Supplier of Mission Critical Solutions for Commercial Vehicles



794m €  
sales  
in 2020

73m €  
adj. EBIT  
in 2020

23  
production  
plants

3,000  
employees

# Strong Products Driving Brand Desirability and Pulling Demand

With the Push & Pull sales strategy end users generate additional demand by actively asking OEMs for JOST's products

## Truck OEMs



## Trailer OEMs



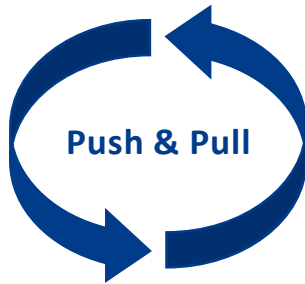
## Tractor OEMs



## Fleet operators



## Farmers



- High demand from end customers (pull)
- High delivery performance
- High quality and competitive pricing

- Strong brand and reputation
- Strong customer relationship
- High quality and ease to repair
- Low costs of ownership and availability

**JOST ROCKINGER *TRIDEC* Quicke**

WORLDWIDE LEADING SUPPLIER WITH HIGH MARKET SHARES AND CUSTOMER LOYALTY

#1 SUPPLIER OF FIFTH WHEELS FOR TRUCKS WORLDWIDE

#1 SUPPLIER OF LANDING GEARS FOR TRAILERS WORLDWIDE

#1 SUPPLIER OF FRONT LOADERS FOR AGRICULTURAL TRACTORS WORLDWIDE

# High Aftermarket Content and Wide Diversification by Application and Region Support Business Resilience

## FIFTH WHEELS



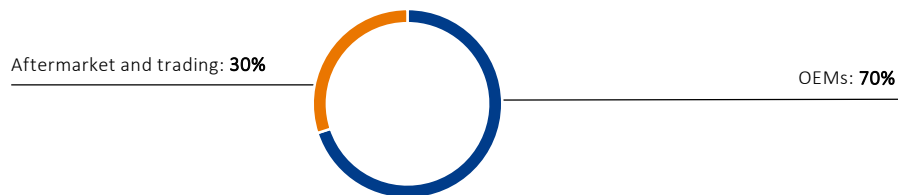
After market value 50% of OEM first fit sales

## LANDING GEAR



After market value 200-300% of OEM first fit sales

## SALES BREAKDOWN BY CUSTOMER TYPE 2020



## REGIONAL MIX IN 2020 (DESTINATION)

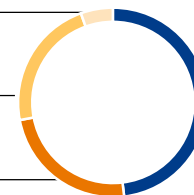
in % of sales (incl. JV)

South America (incl. JV): 5%

North America: 23%

Asia Pacific Africa: 24%

Europe: 48%



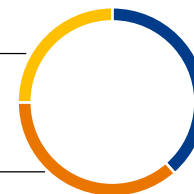
## APPLICATION MIX IN 2020

in % of sales

Tractor: 25%

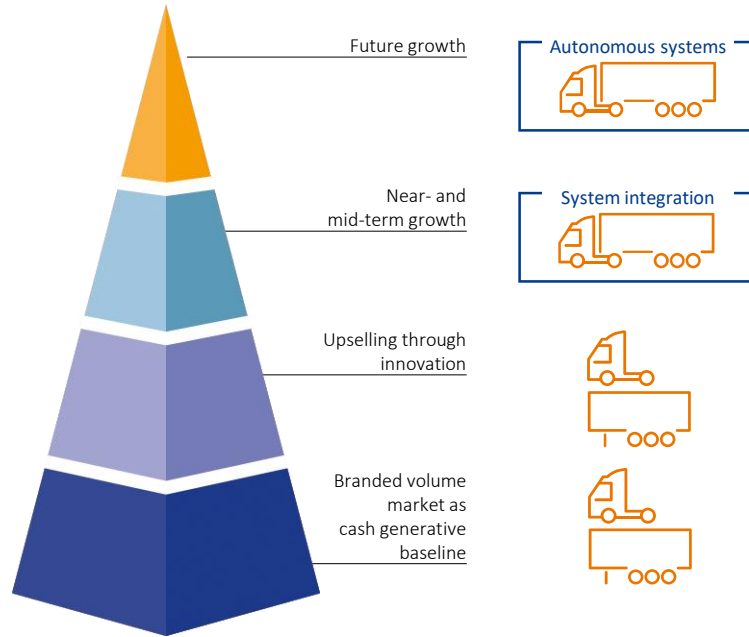
Truck: 36%

Trailer: 38%



# Growth Engine: Upselling through Innovation

Increasing value-add for customers and generation growth through clear innovation road-map



## AUTONOMOUS DOCKING SYSTEMS

- Pre-requisite for autonomous driving
- Efficiency boost for fleet operators
- Advanced smart system solutions



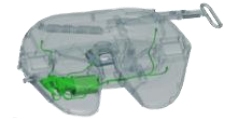
## INDUSTRY TRENDS AS GROWTH MOTOR

- System integration for new logistic concepts
- Innovations to reduce carbon footprint
- Smart solutions to increase safety and comfort



## UPSELLING THROUGH INNOVATION

- Modular concept
- Product enhancement and optimization
- Reduction of environmental impact



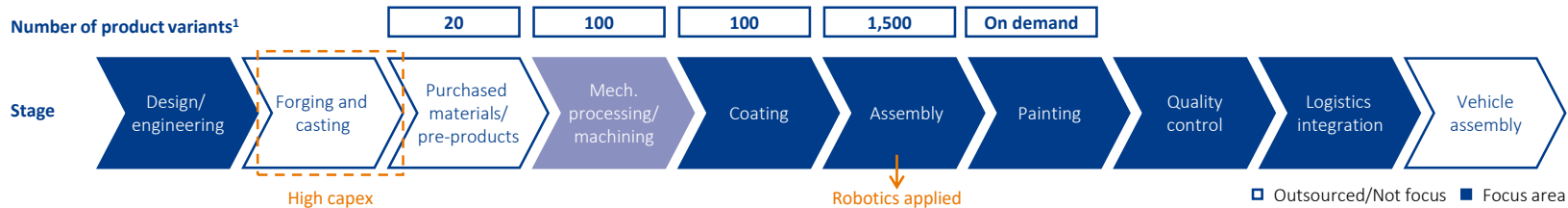
## BRANDED ENTRY LEVEL SYSTEMS

- Proven quality
- Operational efficiency
- Low costs of ownership



# Flexible and Asset Light Business Model Allows a Quick Adaptation to Changing Market Environment

## KEY PARTS OF THE VALUE CHAIN



### ASSEMBLY PROCESS



<sup>1</sup> On the example of fifth wheel

### HIGH NUMBER OF VARIANTS





## JOST Investment Case Summary

Internationally renowned brands with high OEM (push) and strong end-customer base (pull) worldwide	~60% market share
Wide diversification by product, customer and region as well as high aftermarket content with strong network effects	~30% aftermarket
Flexible and asset-light business model with attractive margin profile	9.2% adj. EBIT margin
Strong growth fundamentals and ability to outperform market through services, innovations and further international expansion	4% CAGR since 2015
Strong balance sheet and high cash generation provide ample scope for organic and M&A growth	80% cash conversion







# KEY FINANCIALS Q1 2021

## Highlights Q1 2021

JOST achieved new sales record of €257m

Adj. EBIT doubled to €30m and adj. EBIT margin rose to 11.6%

High operational flexibility allowed swift capacity ramp-up

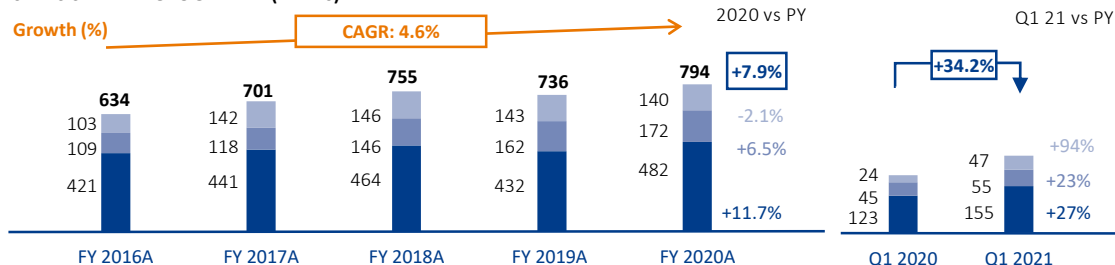
Increasing headwinds from rising steel prices and logistic costs

Outlook for 2021 confirmed



# Development of Sales and Earnings by Region

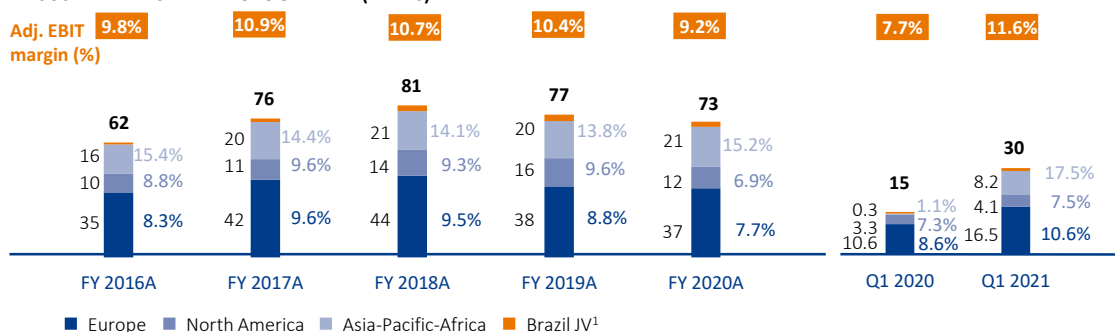
## SALES SPLIT BY GEOGRAPHY (IN M€)



## Q1 2021 COMMENTARY

- JOST started 2021 with a strong Q1, posting organic growth of +27.4% and an overall sales growth of +34%
- The strongest contribution to sales growth came from APA, with Europe and North America also showing a positive development as demand continues to strengthen both in transport and agriculture.

## ADJUSTED EBIT SPLIT BY GEOGRAPHY<sup>1</sup> (IN M€)

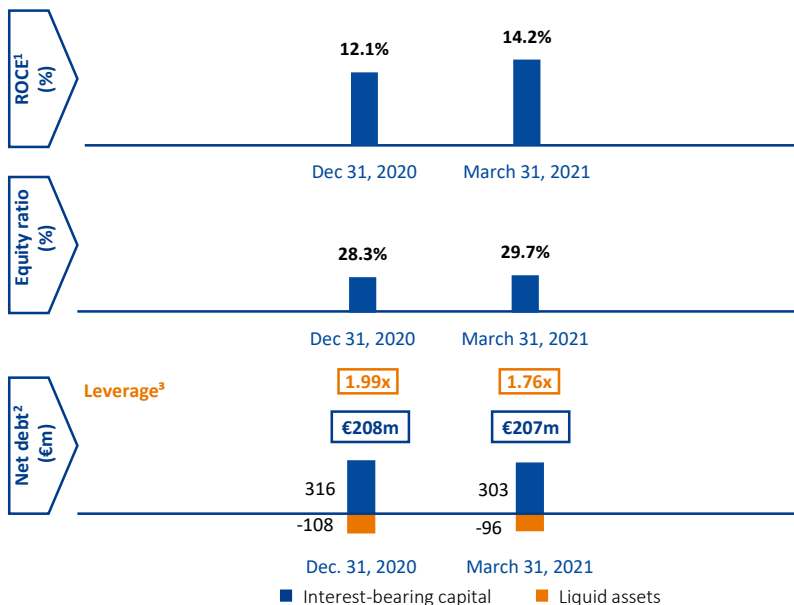


## Q1 2021 COMMENTARY

- Adj. EBIT grew stronger than sales, with adj. EBIT margin improving to 11.6% in Q1 2021 due to:
  - strong sales growth with accompanying higher utilization rates across all production plants worldwide
  - a favorable product mix
  - significant improvement in APA, which had been massively affect by the COVID-19 outbreak in Wuhan, China in Q1 2020

# Development of Equity Ratio and Net Debt

## BALANCE SHEET OVERVIEW AS AT MARCH 31, 2021



## COMMENTARY

- With adj. EBITDA growing by +69% to €37.1m in Q1 2021, ROCE improved considerably compared to year-end now reaching 14.2%
- Equity ratio grew to 29.7 % as a result of higher net profits achieved during Q1 2021 and the decrease of financial liabilities.
- JOST used €13m cash in Q1 2021 to repay part of the revolving credit facility which had been drawdown during the Älö acquisition. Thus, liquid assets amounted to €96m at the end of Q1 2021 (Dec. 31,2020: €108m)
- Net debt remained stable at €207m compared to year-end (Dec. 31, 2020: €208m). However, leverage improved considerably, due to the higher LTM adj. EBITDA. As a result, the leverage ratio reached 1.76x adj. EBITDA in Q1 2021.

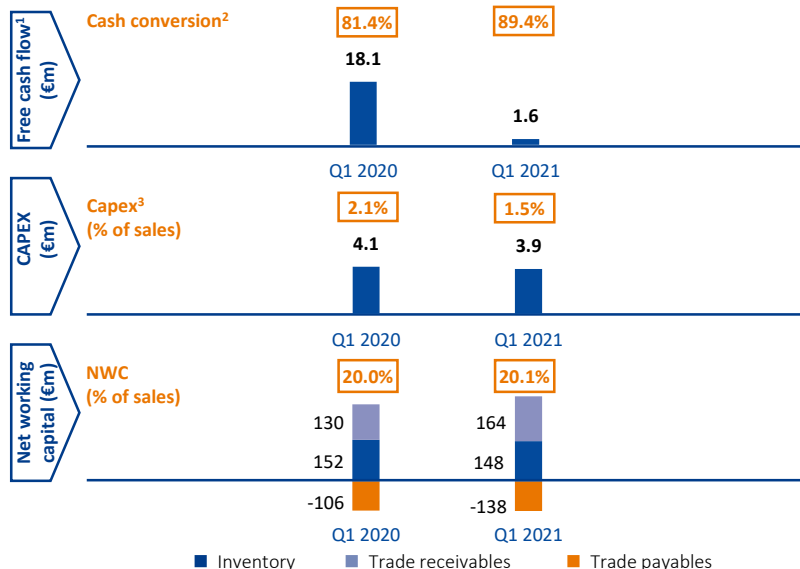
<sup>1</sup> ROCE=LTM adj. EBIT / interest-bearing capital employed (interest-bearing capital = equity + financial liabilities [excl. refinancing costs] – liquid assets + provisions for pensions)

<sup>2</sup> Net debt = financial liabilities [excl. refinancing costs] – liquid assets

<sup>3</sup> Leverage = Net debt/LTM adj. EBITDA [LTM EBITDA Q1 2021 = € 118m; LTM EBITDA 2020= € 104m, incl. Jan 2020 for Älö]

# Cash Flow and Working Capital Development

## CASH FLOW OVERVIEW IN Q1 2021



## COMMENTARY

- Cash conversion rate increased to 89%, boosted by the strong improvement in adj. EBITDA. Free cash flow down to €1.6m (Q1 2020: €18.1m) due to the higher business volume and the associated increase in working capital.
- Capex in Q1 2021 slightly down to €3.9m or 1.5% of total sales, mostly due to different investment phasing between the quarters.
- Trade receivables and trade payables increased compared to prior year due to the stronger business activity in Q1 2021. The comparison quarter Q1 2020 had already been affected by the pandemic outbreak in China, leading to an atypical reduction of trade payables and receivables.
- Inventories went down, compared to prior year also due to the high increase in activity
- NWC as % of LTM sales remained stable at 20.1%.

<sup>1</sup> Free cash flow = Operating cash flow – capex

<sup>2</sup> Cash conversion = (adjusted EBITDA – capex)/adjusted EBITDA

<sup>3</sup> Capex = Payments to acquire property, plant and equipment + payments to acquire intangible assets

# Market Outlook for FY 2021

	EUROPE	NORTH AMERICA	APA
<b>TRUCK</b>	<p><b>15 – 20%</b></p> <p>Demand for heavy duty trucks is expected to recover in 2021</p>	<p><b>35 – 40%</b></p> <p>Production of class 8 trucks is expected to pick up sharply in 2021, starting the upswing in the cycle</p>	<p><b>(5) – (10)%</b></p> <p>Truck demand in APA is expected to fall as China demand slows down in H2 2021. Expectations for other countries better</p>
<b>TRAILER</b>	<p><b>15 – 20%</b></p> <p>Recovery of trailer production after weak years in 2019 and 2020</p>	<p><b>35 – 40%</b></p> <p>Recovery of trailer production has picked up and is expected to keep a strong momentum throughout the year</p>	<p><b>5 – 10%</b></p> <p>Trailer production continues to recover from the low volumes in 2020 but still affected by weak Chinese export of trailers</p>
<b>TRACTORS</b>	<p><b>0 – 5%</b></p> <p>Demand for agricultural tractors expected to improve in Europe, after a flat development in 2020</p>	<p><b>10 – 15%</b></p> <p>Strong recovery of the tractor market in North America, aided by rising commodity prices</p>	

Note: Market estimates for heavy truck based on LMC, Clear Consulting and FTR and OEMs announcements (as of May 2021)





# OUTLOOK 2021



## JOST Outlook for 2021

Sales	Low double-digit percent growth y-o-y (2020: 794m€)
Adj. EBIT	Low double-digit percent growth y-o-y (2020: €73m)
Adj. EBIT margin	Higher than previous year (2020: 9.2 %)
Capex (in % of sales)	Approx. 2.5% of sales



## Strategic Focus in 2021

Capitalize on innovations and positive market cycle to further strengthen JOST's transport business

Grow JOST's agricultural business in Asia and Latin America

Implement strategy to reduce JOST's CO<sub>2</sub> emissions by 50 % until 2030, supporting customers to achieve carbon neutrality

Continue to deleverage and further strengthen JOST's financial position

Continue to ensure JOST's flexibility, accelerate digitalization and maintain cost and cash focus to further optimize performance



# Appendix

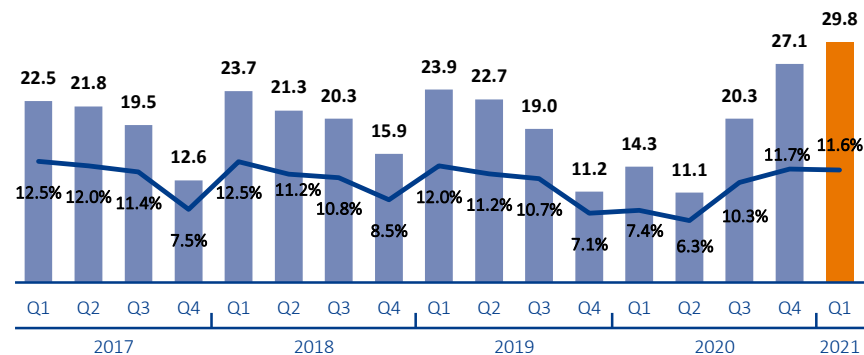
Further information

# Development of JOST's Sales and Adjusted EBIT by Quarter

SALES (€m)



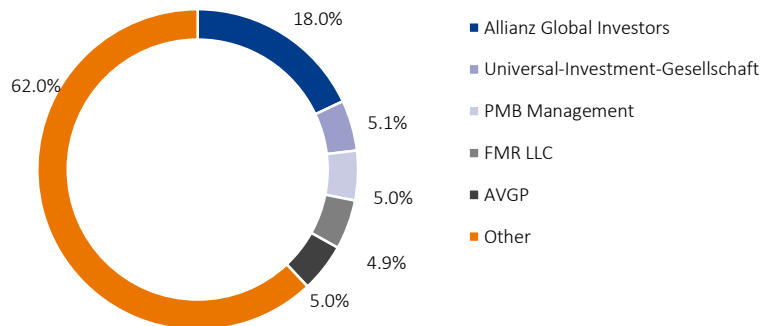
ADJ. EBIT (€m)



Sales and earnings in Q1 2021 increased significantly driven by the strong recovery in all end markets as cycles in transport and agriculture shift towards growth.

# Shareholder Structure and Share Information

## SHAREHOLDER STRUCTURE AS OF MAY 10, 2021

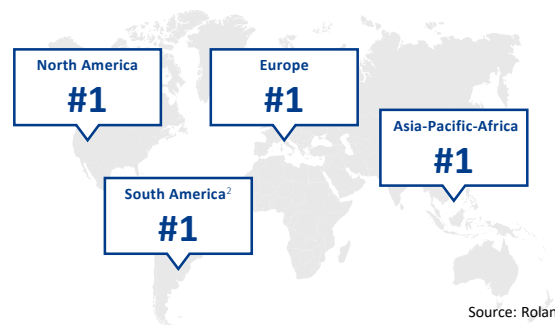


## SHARE INFORMATION

ISIN	DE000JST4000
Trading symbol	JST
German Sec. Code Number (WKN)	JST400
Shares in issue	14,900,000
Index	SDAX
Listed since	July 20, 2017

# Global Leadership in Branded Products for Vehicle Interface

JOST has approx. 60% global market shares in articulated truck-trailer connection market



<sup>2</sup> Includes Brazil JV  
Source: Roland Berger 2017, JOST

## FIFTH WHEEL MARKET

TOP 3 suppliers cover  
~85% of global market



JOST global  
market share ~57%

## LANDING GEAR MARKET

TOP 3 suppliers cover  
~82% of global market



JOST global  
market share ~56%

## Financial Calendar 2021

May 12	Publication of Q1 2021 Report
May 20	Virtual Road Show
June 10	Warburg Highlights 2021
Aug. 12	Publication of Q2 2021 Report
Sept. 1	Commerzbank Sector Conference 2021
Sept. 21	10th Baader Investor Conference 2021
Sept. 22	10th Berenberg German Corporate Conference 2021
Nov. 11	Publication of Q3 2021 Report

## Contact

Investor Relations Contact:  
ROMY ACOSTA  
Head of Investor Relations

JOST Werke AG  
SIEMENSSTRASSE 2  
63263 NEU-ISENBURG  
GERMANY

E-MAIL: [romy.acosta@jost-world.com](mailto:romy.acosta@jost-world.com)  
PHONE: +49-6102-295-379  
FAX: +49-6102-295-661

[WWW.JOST-WORLD.COM](http://WWW.JOST-WORLD.COM)