



# JOST WERKE SE

INVESTOR PRESENTATION – DECEMBER 2023

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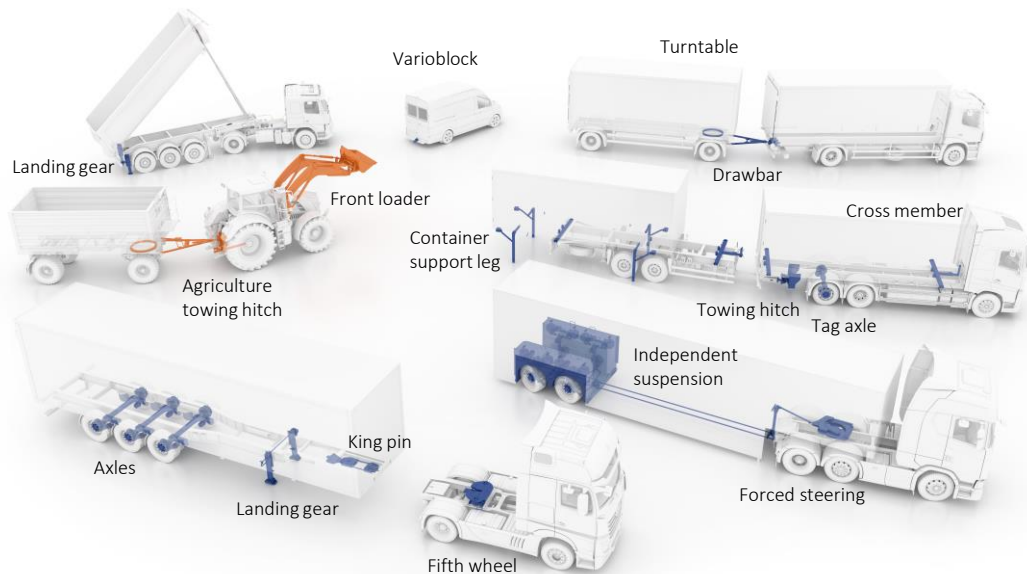
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# JOST: A Leading Global Supplier of Mission Critical Solutions for Commercial Vehicles



€1.27bn  
sales  
FY 2022

€124m  
adj. EBIT  
FY 2022

23  
production  
plants

4,500  
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



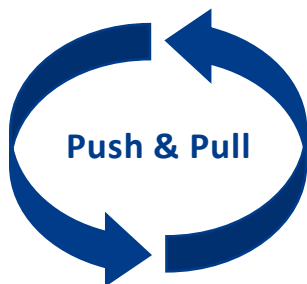
## Tractor OEMs



## 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



€0.50 additional aftermarket revenue for every €1 OEM first fit sale

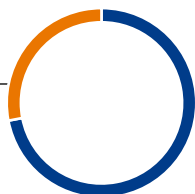
## LANDING GEAR



€2-3 additional aftermarket revenue for every 1€ OEM first fit sale

## SALES BREAKDOWN BY CUSTOMER TYPE IN 2022

Aftermarket and trading: **28%**



OEMs: **72%**

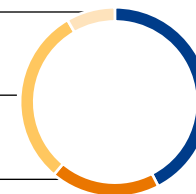
## REGIONAL MIX IN 2022 (DESTINATION)

in % of sales (incl. JV)

South America (incl. JV): **8%**

North America: **31%**

Asia Pacific Africa: **19%**



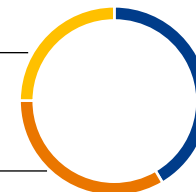
Europe: **42%**

## APPLICATION MIX IN 2022

in % of sales

Tractor: **25%**

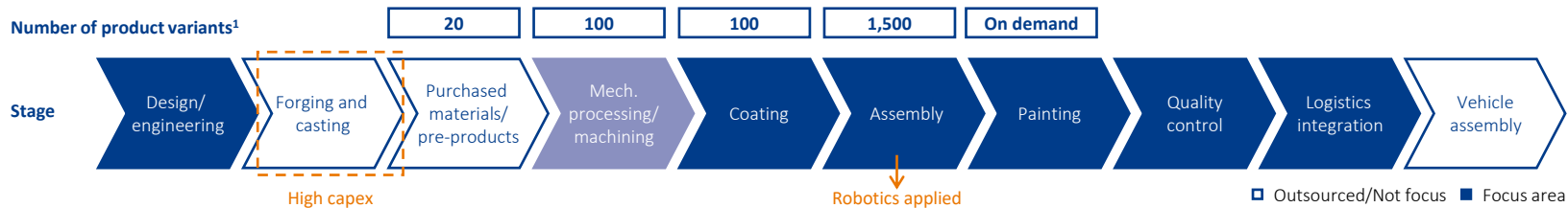
Truck: **33%**



Trailer: **42%**

# 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 Innovations – Leveraging Industry Expertise and Know-how to Provide Solutions and Capture Growth



Shift from hardware-only solutions towards smart, autonomous systems able to sense, predict and decide that can support customers in becoming more sustainable.

# Market Development Expectations for FY 2024

		EUROPE	NORTH AMERICA	ASIA-PACIFIC-AFRICA
INDUSTRY (Volume)	TRUCK	<p><b>(5) – (10) %</b></p> <p>Normalization of demand, compared to very high production levels in prior year due to strong pent-up demand</p>	<p><b>(10) – (15) %</b></p> <p>Demand for Class 8 trucks expected to decline, compared to very high prior-year level due to pent-up demand</p>	<p><b>5 – 10 %</b></p> <p>Chinese truck market should continue its recovery, supporting demand. Other markets in the region expected to remain strong.</p>
	TRAILER	<p><b>5 – 10 %</b></p> <p>Need for replacement remains low, after strong growth in the prior years.</p>	<p><b>(20) – (25) %</b></p> <p>Trailer production expected to contract, after very high volumes in the prior years</p>	<p><b>5 – 10 %</b></p> <p>Recovery of Chinese market and strong fundamentals in other countries in APA will boost demand for trailers in the region.</p>
	TRACTORS	<p><b>(5) – 0 %</b></p> <p>Demand for agricultural tractors expected to decline.</p>	<p><b>(5) – 0 %</b></p> <p>Demand for agricultural tractors expected to decline, especially in the compact and medium horsepower sector.</p>	

Note: Market estimates based on LMC, Clear Consulting, FTR, OEM announcements (as of December 2023)



## 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	~28% aftermarket
Flexible and asset-light business model with attractive margin profile	9.8% adj. EBIT margin
Strong growth fundamentals and ability to outperform market through services, innovations and further international expansion	Attractive CAGRs
Strong balance sheet and high cash generation provide ample scope for organic and M&A growth	Ø 1.0 cash conversion

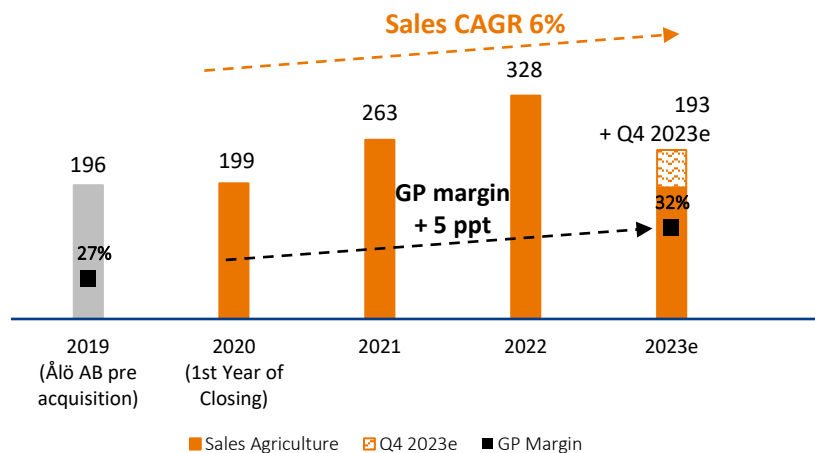




# ACCELERATING GROWTH

# Strategic Growth with Agriculture Machinery

## SALES (M€) | GROSS PROFIT MARGIN (%)



Achieved CAGR for Agriculture higher than initial investment case expectations, despite current weakness in Agricultural markets

## AGRICULTURE MACHINERY INDUSTRY – STRATEGIC FOR TO JOST



Transport and Agriculture highly complimentary business with strong top-line and bottom-line synergies



Mission critical components, strong brands, Push & Pull business model, high aftermarket and service proportion



Strong synergies in R&D: autonomous driving, digitalization, automation, decarbonization and sustainability



Strong synergies in purchasing and logistics as main components for parts are steel based products



Growth through consolidation of worldwide supplier base in the agricultural machinery industry to better serve global OEMs



Growth through regional expansion. Initial presence in Europe and North America in 2020, strengthened with production facilities and costumers in South America, China and India

## JOST Successfully Advances Corporate Growth Strategy



Strategically compelling M&As to create value and strengthen JOST's global market position



Targeting new regions and new customers with two M&As and one greenfield investment



Expanding JOST's product portfolio and global production footprint in agriculture



Accelerating profitable growth by seizing cross-selling opportunities with local-for-local approach



Acquiring strong industrial know-how and enhancing JOST's financial profile



Crenlo do Brasil



**JOST**  
**INDIA**





# Positioning JOST to Capitalize on Strong Industry Fundamentals

## ACCELERATING GROWTH IN AGRICULTURE



JOST CURRENT  
AGRICULTURAL FOOTPRINT



JOST FUTURE  
AGRICULTURAL FOOTPRINT

Expected Market Growth  
2023-2028e

**+6% CAGR**

Brazilian agricultural machinery market

**+6% CAGR**

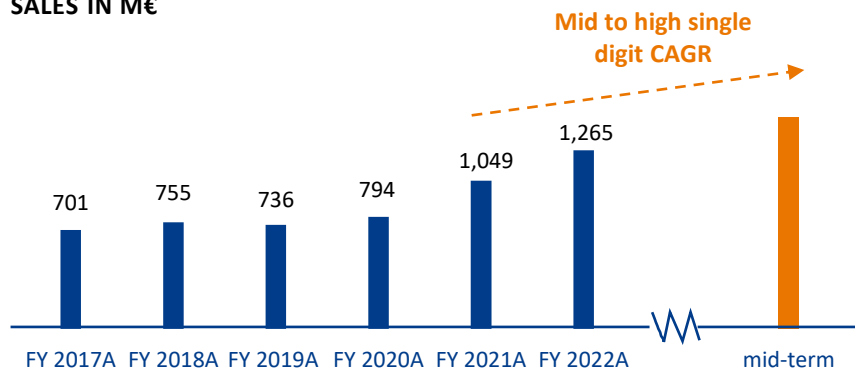
APA agricultural machinery market

Sources: Market estimates based on Mordor Intelligence, 2023

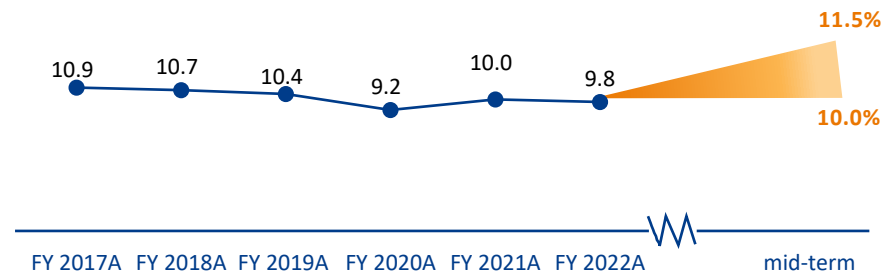
# JOST's Ambitions Through the Cycle – Accelerated Profitable Growth

Mid-term timeframe: 3-5 years // Targets announced during the 2021 Capital Markets Day

SALES IN M€



ADJ. EBIT MARGIN IN %  
(ADJ. EBIT/SALES X 100)



**AMBITION:**

**Outperform relevant markets by 2-3% p.a.**

**AMBITION:**

**Achieve adj. EBIT margin range of 10.0% - 11.5% through the cycle**

A solid orange horizontal bar with a diagonal cut on the right side, located in the top left corner of the slide.

# Appendix

## JOST Outlook for 2023 Updated

Sales	On previous year's level (2022: €1,265m)
Adj. EBIT	High-single digit growth y-o-y (2022: €124m)
Adj. EBIT margin	Significant increase (2022: 9.8 %)
Capex (in % of sales) <sup>1</sup>	Approx. 2.5% of sales (2022: 2.6%)
Working Capital	Below 20% from sales (2022: 19.2%)



1: Excluding M&A





# Immediate Access to the Brazilian Off-Highway and Agricultural Machinery Market

Crenlo do Brasil

## Investment Goal:

To develop the South American off-highway market for JOST's products by gaining immediate access to a wide network of blue-chip OEMs in Brazil, further expanding JOST's global customer list



Guaraniésia,  
Minas Gerais, Brazil

<p><b>PRODUCTS</b></p>	<p>Front loaders      Excavator buckets      Trencher      Cab enclosures</p>
<p><b>CUSTOMERS</b></p>	
<p><b>STRATEGIC FIT</b></p>	<ul style="list-style-type: none"> <li>• <b>Efficient manufacturing processes</b> and capacity to rapidly scale up production of JOST's wide range of products for the Brazilian agricultural market</li> <li>• An <b>experienced management team</b> and sales force with <b>+20 years industry experience</b> to develop the Brazilian agricultural machinery market for JOST</li> <li>• <b>Direct access to +30 blue chip OEMs</b> operating in Brazil to expand JOST's current customer network</li> </ul>



# Highly Complementary Product Portfolio Expansion with Strong Cross-selling Potential

## Investment Goal:

To expand product portfolio in agriculture, leveraging joint know-how and sales channels to provide superior services to agricultural OEMs and end-customers worldwide



<p><b>PRODUCTS</b></p>	 <p>Three-point linkages</p>  <p>Pick-up hitches</p>  <p>Drawbars</p>  <p>Couplings hooks</p>
<p><b>CUSTOMERS</b></p>	 <p><b>AGCO</b> Your Agriculture Company</p>  <p><b>VALTRA</b></p>  <p><b>MASSEY FERGUSON</b></p>  <p><b>JOHN DEERE</b></p>  <p><b>ZOOMLION</b> 中联重科</p>  <p><b>YTO</b> 中国一拖</p>  <p><b>LOVOL</b> AGRICULTURE CONSTRUCTION</p>
<p><b>STRATEGIC FIT</b></p>	<ul style="list-style-type: none"> <li>• <b>Highly complementary product portfolio expansion</b> to generate new cross-selling opportunities in agriculture under the <b>ROCKINGER</b> brand</li> <li>• An <b>experienced engineering team with strong product know-how</b> to grow JOST's R&amp;D expertise</li> <li>• <b>Strong sales synergies with JOST to quickly scale up growth</b> and bring <b>superior services to customers</b></li> <li>• <b>Consolidation of production plants in Ningbo, China, to generate synergies</b></li> </ul>

## Expanding Manufacturing Footprint for Agriculture with JOST's Own Greenfield Production Plant in India

### Investment Goal:

To expand JOST's manufacturing footprint in Asia, tapping into the strong growing Indian market, while at the same time widening supplier pool and improving logistic costs for existing products

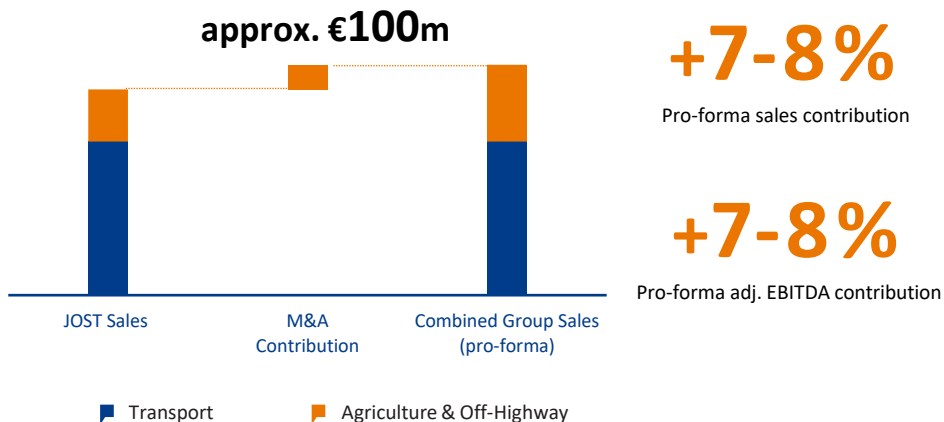


- First step to **develop the attractive Asian agricultural market**, leveraging the **market expertise of JOST's Indian team** to gain new customers in the region
- Building a **second competitive manufacturing production plant in Asia**, strengthening JOST's **local-for-local approach** and **reducing dependency** from a single country
- Production in India improves group logistics and opens **access to new competitive supplier pool for agriculture**
- Closeness to harbor and well-developed industrial hub in Chennai provides **strong infrastructure** and grants better **access to skilled labor**



# Improving Financial Profile: New Products and Markets Allow JOST to Tap into Attractive Revenue Pools and Accelerate Profitable Growth

## INITIAL FINANCIAL CONTRIBUTION OF M&A TARGETS



## KEY HIGHLIGHTS

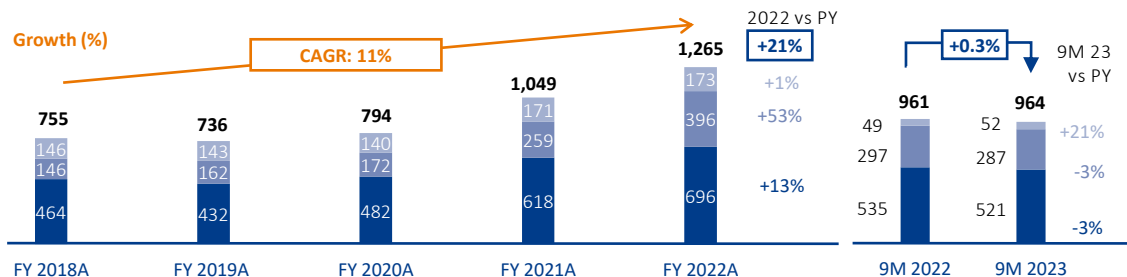
- In fiscal year 2023, Crenlo do Brasil and LH Lift together are expected to generate sales of about €100m and an adj. EBITDA in the range of €10m and €12m
- The purchase price represents approximately 5.1x adj. EBITDA, based on the mid-point of the 2023e adj. EBITDA range
- After tapping into the expected sales synergies, Crenlo do Brasil and LH Lift will further enhance JOST's financial profile short- to mid-term



# KEY FINANCIALS – 9M 2023

# Development of Sales and Earnings by Region

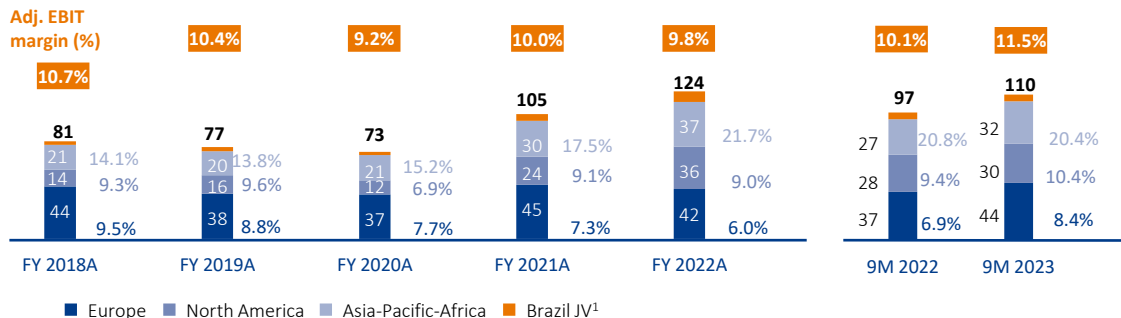
## SALES SPLIT BY GEOGRAPHY (IN M€)



## 9M 2023 COMMENTARY

- JOST posted sales of €964m in 9M 2023, up by +0.3% compared to prior year. Adjusted for FX and M&A, organic sales were up by 3.0% y-o-y
- Asia-Pacific-Africa posted the strongest growth. Transport demand in Europe and North America remained robust on a high level, driven by strong demand for heavy-duty trucks. Demand for agricultural front loaders weakened further.

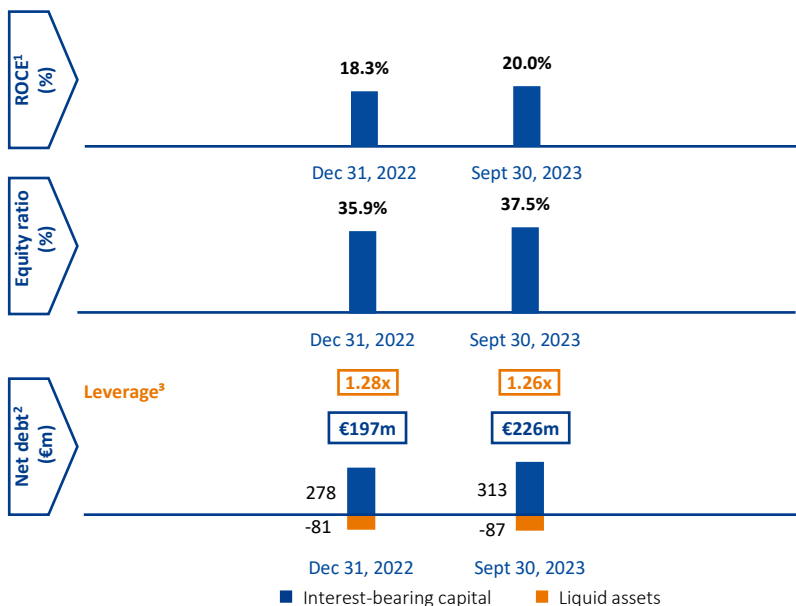
## ADJUSTED EBIT SPLIT BY GEOGRAPHY<sup>1</sup>(IN M€)



- Group adj. EBIT increased by +15% to €110m in 9M 2023 compared to prior year, reaching a new record level for operating profits for the first half year.
- Adj. EBIT margin expanded by 1.4pp to 11.5%, supported by efficiency gains in the Transport business and effective cost control measures in Agriculture, showcasing JOST's flexibility and the resilience of its business model.

# ROCE, Equity Ratio and Leverage Development

## BALANCE SHEET OVERVIEW AS OF SEPTEMBER 30, 2023



## COMMENTARY

- ROCE continued to improve, reaching 20.0% as of September 30, 2023, compared to 18.3% at year-end. The strong growth in adj. EBIT is the main driver for this development.
- Equity ratio improved to 37.5% compared to year-end (35.9%), supported by strong operating results and growing net income.
- Liquid assets increased to €87m as of September 30, 2023, compared to year-end (Dec. 31, 2022: €81m), driven by an excellent free cash flow development (€ +56m).
- Despite dividend pay-out of €21m in Q2 2023 and the debt-financed acquisition of Crenlo do Brasil and LH Lift in Q3 2023 (€56m), net debt increased only slightly to €226m compared to year-end (Dec. 31, 2022: 197m)
- Leverage improved to 1.26x despite the debt-financed acquisitions in Q3 2023 (Dec. 31, 2022: 1.28x)

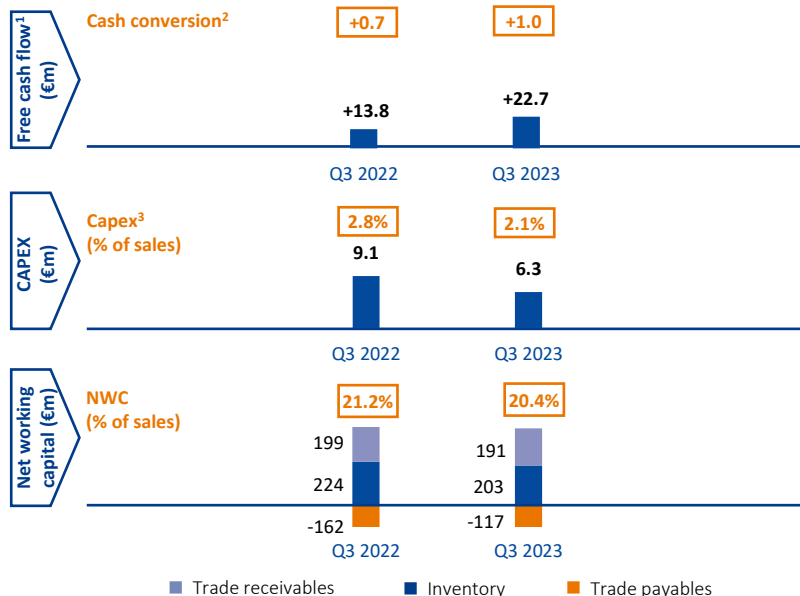
<sup>1</sup> ROCE=LTM adj. EBIT / interest-bearing capital employed (interest-bearing capital = equity + financial liabilities [excl. refinancing costs] – liquid assets + provisions for pensions)

<sup>2</sup> Net debt = interest bearing capital [excl. refinancing costs] – liquid assets

<sup>3</sup> Leverage = Net debt/LTM adj. EBITDA [LTM adj. EBITDA = € 179m; LTM adj. EBITDA PY = € 148m]

# Cash Flow and Working Capital Development

## CASH FLOW OVERVIEW IN Q3 2023



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

<sup>2</sup> Cash conversion = Free cash flow/adj. net income

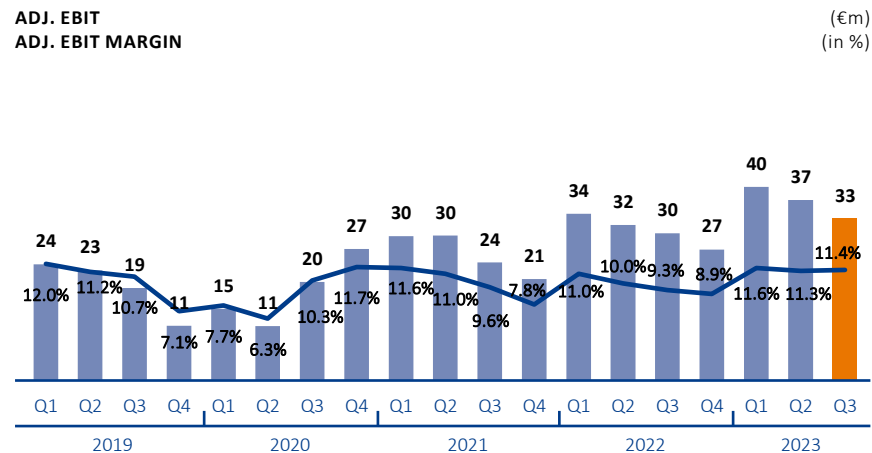
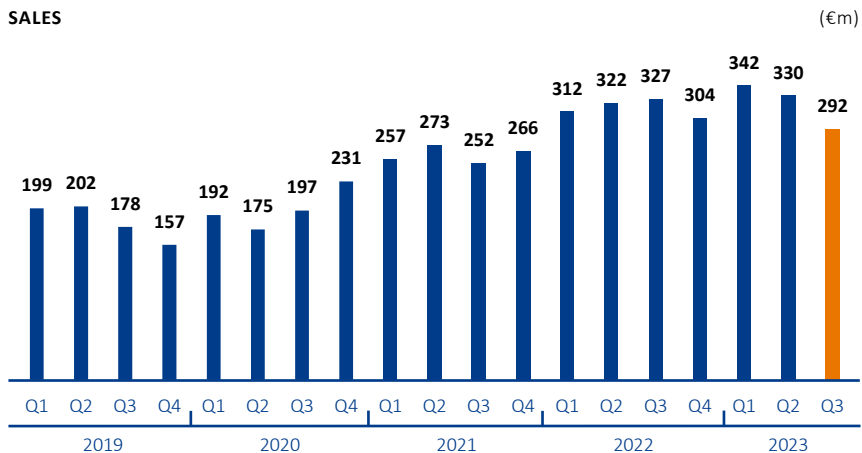
<sup>3</sup> Capex = Payments to acquire property, plant and equipment + payments to acquire intangible assets

## COMMENTARY

- The operating cash flow continued to improve significantly during Q3 2023, driven by the good development in working capital. This resulted in a positive free cashflow of € +23m. Cash conversion rate improved further as a result and is back on the +1.0 range (Q3 2022: +0.7).
- Capex (excluding M&A) declined to €6.3m and was at 2.1% of total sales. The prior year's quarter marked the begin of investments for the construction of the new production plant in Chennai, India, which was completed and went into operation in Q3 2023.
- Inventories went down further by €21 compared to Q3 2022, despite the first-time consolidation of Crenlo do Brasil and LH Lift. This improvement was due to internal measures to reduce working capital.
- With supply bottlenecks easing further, the need for additional safety stock continued to shrink, resulting in a further decrease of trade payables year-on-year. Trade receivables declined compared to prior year, driven by the decreasing sales in agriculture.
- Overall, NWC as % of LTM sales went down to 20.4% in Q3 2023, slightly above the year-end target of ≤20% of sales.



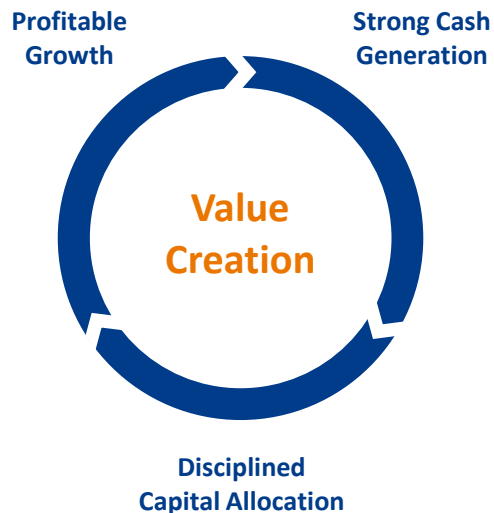
# Development of JOST's Sales and Adjusted EBIT by Quarter



JOST achieved a strong adj. EBIT margin in the third quarter of 2023, despite strong decline in Agriculture and negative currency effects leading to a decline in sales, compared to Q3 2022.

# A Proven Track Record

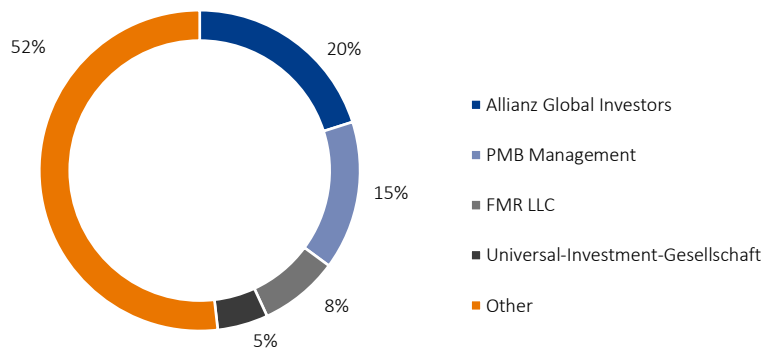
Focus on Value Creation Leading to Strong Shareholder Returns



<b>SALES</b>	FY 2017 (IPO) <b>701</b> m€	»	FY 2022 <b>1,265</b> m€	CAGR <b>13%</b>
<b>ADJ. EBIT</b>	FY 2017 (IPO) <b>76</b> m€	»	FY 2022 <b>124</b> m€	CAGR <b>11%</b>
<b>ADJ. EPS</b>	FY 2017 (IPO) <b>2.99</b> €	»	FY 2022 <b>5.41</b> €	CAGR <b>13%</b>
<b>DIVIDEND</b>	FY 2017 (IPO) <b>7.4</b> m€	»	FY 2022 <b>20.9</b> m€	CAGR <b>30%</b>

# Shareholder Structure and Share Information

## SHAREHOLDER STRUCTURE AS OF DECEMBER 31, 2023



## 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

## Financial Calendar 2024

Jan 9-10	German Investment Seminar 2024, New York/USA
Jan 11	ODDO BHF Forum 2024
Jan 16	German Corporate Conference 2024, Frankfurt/Germany
Feb 20	Preliminary Results FY 2023
March 26	Publication of Annual Group Report 2023
May 8	Annual General Meeting
May 15	Publication of Q1 2024 Interim Report
Aug 14	Publication of Q2 2024 Interim Report
Nov 14	Publication of Q3 2024 Interim Report

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