

**QUARTERLY STATEMENT AS OF MARCH 31, 2023** 

WERDOHL, APRIL 27, 2023



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NOTE

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REMARKABLE START INTO FISCAL YEAR 2023



Orders received again at record level, third highest quarterly figure in company history; order backlog reaches all-time high at end of Q1/2023



Sales up 15.4 percent year on year, highest sales volume in an opening quarter



EBIT rises by almost 74 percent, strongest first-quarter operating EBIT in 12 years



Net burden from increased factor costs slightly lower than in prior-year quarter



Construction of photovoltaic system at headquarters in Werdohl completed



**Heinz Hermann Thiele Family Foundation established** 



SALES AND EBIT SIGNIFICANTLY ABOVE PREVIOUS YEAR

| KEY GROUP INDICATORS |             | 1-3/202 | 22   | 1-3/2  | 023    |
|----------------------|-------------|---------|------|--------|--------|
|                      |             |         |      |        |        |
| Sales revenues       | € mill.     | 22      | 22.2 |        | 256.3  |
| EBITDA/EBITDA margin | € mill. / % | 20.1 /  | 9.1  | 26.9 / | 10.5   |
| EBIT/EBIT margin     | € mill. / % | 8.1 /   | 3.6  | 14.0 / | 5.5    |
| Net income           | € mill.     |         | 3.6  |        | 4.8    |
| Earnings per share   | €           | C       | 0.02 |        | 0.07   |
| Free cash flow       | € mill.     | (1      | 1.7) |        | (27.5) |
| Capital expenditure  | € mill.     |         | 8.7  |        | 9.4    |
| Value added          | € mill.     | (       | 7.9) |        | (6.0)  |

#### **NOTES**

**Sales** up 15.4 percent, growth in all divisions, strongest percentage growth at Lifecycle Solutions

**EBIT** and **EBIT margin** significantly higher year on year, all divisions achieve noticeable improvement in earnings and profitability, in particular Core Components, again with double-digit EBIT margin in Q1/2023

**Net income** due to EBIT development despite higher interest expense above the prior-year level; **earnings per share** up 5 cents

**Free cash flow** negative in first quarter, as is typical for the season; year-on-year decrease due to stronger working capital build-up

**Capital expenditure** slightly above prior-year level; increase mainly due to Customized Modules and Core Components

**Value added** as expected still negative at start of year; improved year on year despite higher cost of capital of 8.5 percent (previous year: 7.0 percent)



SEASONAL BUILD-UP OF WORKING CAPITAL LEADS TO EXPECTED INCREASE IN NET FINANCIAL DEBT

| KEY GROUP INDICAT                      | rors    | 1-3/2022<br><b>3/31/22</b> | 2022<br><b>12/31/22</b> | 1-3/2023<br><b>3/31/23</b> |
|--|---------|----------------------------|-------------------------|----------------------------|
| Equity                                 | € mill. | 598.1                      | 625.1                   | 626.3                      |
| Equity ratio                           | %       | 45.1                       | 45.7                    | 44.5                       |
| Average working capital                | € mill. | 188.2                      | 218.1                   | 214.6                      |
| Average working capital intensity      | %       | 21.2                       | 20.8                    | 20.9                       |
| Closing working capital                | € mill. | 200.8                      | 191.6                   | 237.7                      |
| Average capital employed               | € mill. | 915.7                      | 950.6                   | 943.0                      |
| Closing capital employed               | € mill. | 929.8                      | 923.2                   | 962.9                      |
| Net financial debt (excluding leasing) | € mill. | 187.1                      | 197.6                   | 234.6                      |
| Net financial debt                     | € mill. | 228.2                      | 237.5                   | 273.4                      |

#### **NOTES**

**Equity** significantly increased compared with Q1/2022; equity ratio remains at a good level despite slight decline

**Closing working capital** increased noticeably in Q1/2023 as a result of higher inventories and receivables, typical for the season; **average working capital intensity** slightly improved compared with prior-year period due to strong sales growth

**Closing capital employed** increased compared to March 31, 2022 due to noticeably higher working capital

**Net financial debt** increased compared to year-end 2022, in particular due to negative free cash flow in Q1/2023 which is typical for the season



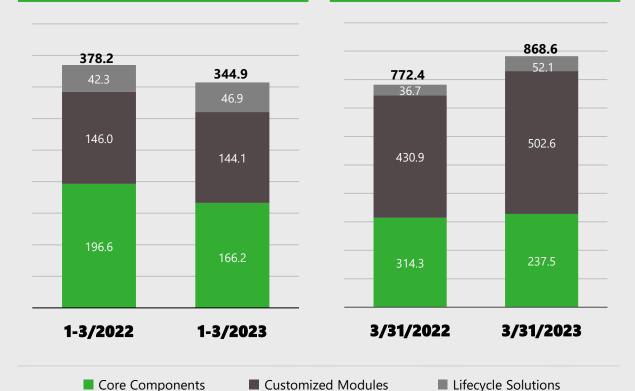
ORDERS RECEIVED IN Q1/2023 AGAIN AT A VERY HIGH LEVEL; BOOK-TO-BILL AT 1.35

### **ORDERS RECEIVED**

(in € mill.)

## ORDER BACKLOG

(in € mill.)



#### **NOTES**

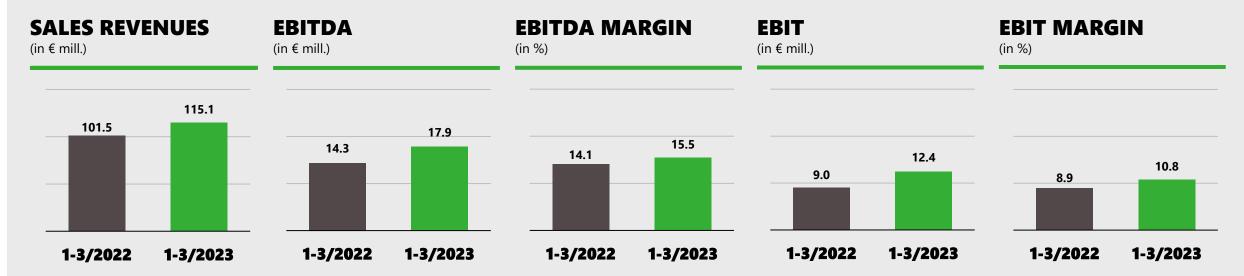
As expected, **orders received** in the first quarter of 2023 below prior-year record value but again at a very high level; in particular, noticeably lower value at Vossloh Fastening Systems after two major orders in China (total volume around €90 million) had been won in Q1/2022; VTT, in contrast, with significant additional orders in Mexico and the USA; Customized Modules stable at high prior-year level; Lifecycle Solutions above prior-year level mainly thanks to higher order intake in Germany and the Netherlands

**Order backlog** up 12.5 percent year on year and at a historic high; all divisions contributing to the increase; Customized Modules in particular (+€71.7 million) significantly up year on year, especially in France and Serbia; Lifecycle Solutions also achieves noticeable year-on-year increase (+€15.4 million), mainly in Germany; Core Components (+€13.2 million) slightly up year on year, on the one hand VFS with lower order backlog due to major orders in the previous year, VTT on the other hand with significant increase



## **CORE COMPONENTS DIVISION**

SALES AND EBIT WELL UP YEAR ON YEAR, EBIT MARGIN AGAIN IN DOUBLE DIGITS



Sales up 13.5 percent year on year; in particular Vossloh Tie Technologies with significant sales increase, but also Vossloh Fastening Systems up year on year

EBIT and EBIT margin despite persistently high procurement prices above the prior-year level; earnings and profitability improvement attributable to Vossloh Fastening Systems

Significant increase in value added despite higher cost of capital, strong rise in ROCE

| ROCE (in %)                     | 1-3/2022 | 10.5 |  |
|---------------------------------|----------|------|--|
|                                 | 1-3/2023 | 14.2 |  |
| <b>VALUE ADDED</b> (in € mill.) | 1-3/2022 | 3.0  |  |
|                                 | 1-3/2023 | 5.0  |  |

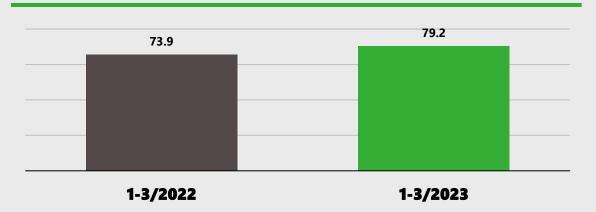


# **FASTENING SYSTEMS BUSINESS UNIT**

SALES INCREASED, VALUE ADDED SIGNIFICANTLY INCREASED

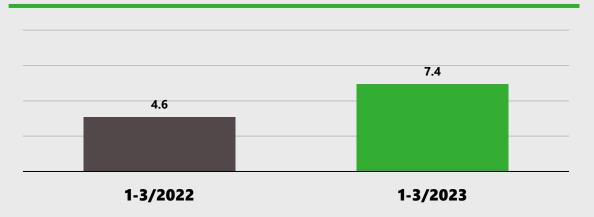
#### **SALES REVENUES**

(in € mill.)



### **VALUE ADDED**

(in € mill.)



Due to major orders won in the previous year for the construction of high-speed lines in China (volume around €90 million), orders received were significantly lower year on year; book-to-bill nevertheless at 1.21

Noticeable increase in sales, particularly in Mexico, the USA and Germany; by contrast, particularly in the Czech Republic and China below the prior-year level

Value added significantly higher than in the previous year despite higher cost of capital, mainly due to strong earnings performance at the main site in Werdohl

| ORDERS<br>RECEIVED      | 1-3/2022  | 162.7 |  |
|-------------------------|-----------|-------|--|
| (in € mill.)            | 1-3/2023  | 95.7  |  |
| ORDER                   | 3/31/2022 | 246.5 |  |
| BACKLOG<br>(in € mill.) | 3/31/2023 | 208.2 |  |

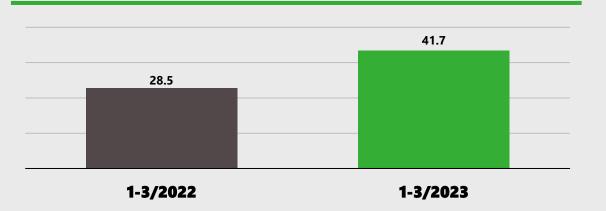


# **TIE TECHNOLOGIES BUSINESS UNIT**

SIGNIFICANT INCREASE IN SALES MAINLY DUE TO HIGHER DEMAND IN NORTH AMERICA

### **SALES REVENUES**

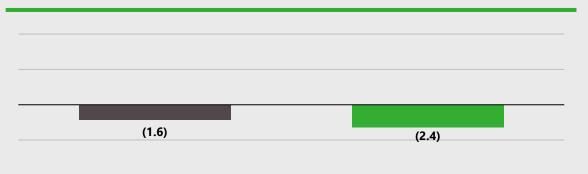
(in € mill.)



### **VALUE ADDED**

1-3/2022

(in € mill.)



| Orders received up 141.6 percent year or | n year; growth particularly in Mexico and the |
|--|---|
| USA                                      |   |

Sales up 46.5 percent year on year, higher sales achieved in all regions represented, strongest increase in the USA

Value added in reporting year still below previous year, also due to higher capital costs; in addition, burdened by high maintenance expenses at an Australian site

| ORDERS<br>RECEIVED      | 1-3/2022  | 35.5  |  |
|-------------------------|-----------|-------|--|
| (in € mill.)            | 1-3/2023  | 85.7  |  |
| ORDER                   | 3/31/2022 | 71.5  |  |
| BACKLOG<br>(in € mill.) | 3/31/2023 | 132.0 |  |

1-3/2023



# **CUSTOMIZED MODULES DIVISION**

SIGNIFICANT INCREASE IN SALES AND HIGHER PROFITABILITY



Orders received stable at high prior-year level; in particular lower order intake in Poland and Egypt was offset by additional orders mainly in Serbia, France and Germany

Very gratifying sales performance in Q1/2023, sales up 14.8 percent year on year, in particular higher sales in Mexico as well as in Western and Eastern Europe

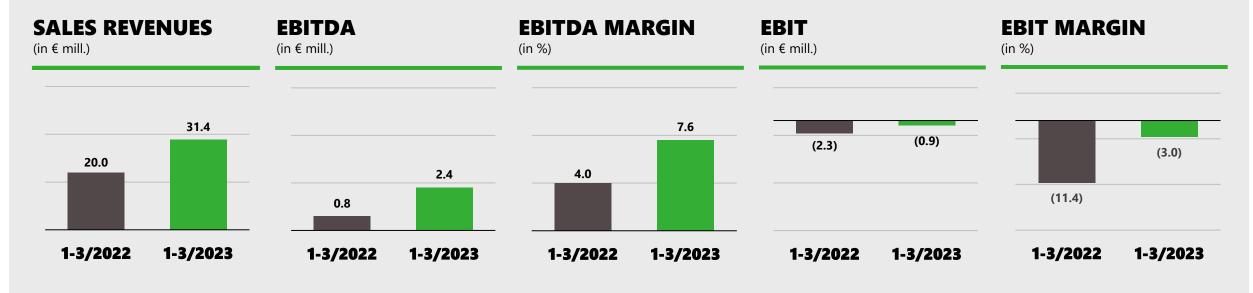
Highest EBIT in a year-opening quarter for more than 10 years, in particular thanks to higher earnings contributions from the sites in Luxembourg, the UK and Australia

| ROCE         | 1-3/2022 | 5.5   |  |
|--------------|----------|-------|--|
| (in %)       | 1-3/2023 | 7.7   |  |
| VALUE ADDED  | 1-3/2022 | (1.4) |  |
| (in € mill.) | 1-3/2023 | (0.8) |  |



# LIFECYCLE SOLUTIONS DIVISION

SALES SIGNIFICANTLY HIGHER YEAR ON YEAR, EBIT AND EBIT MARGIN NOTICEABLY IMPROVED



Orders received up 10.8 percent year on year; order situation improves once again, particularly in Germany in the Track Supply business and in the Netherlands

56.9 percent sales growth attributable in particular to the High Speed Grinding (HSG) business and the Dutch company Vossloh ETS; in addition, sales growth in Stationary Welding

EBIT still negative, as is typical for the season, but noticeably improved year on year, mainly due to improved earnings in Maintenance business (especially HSG) and in the Track Supply field

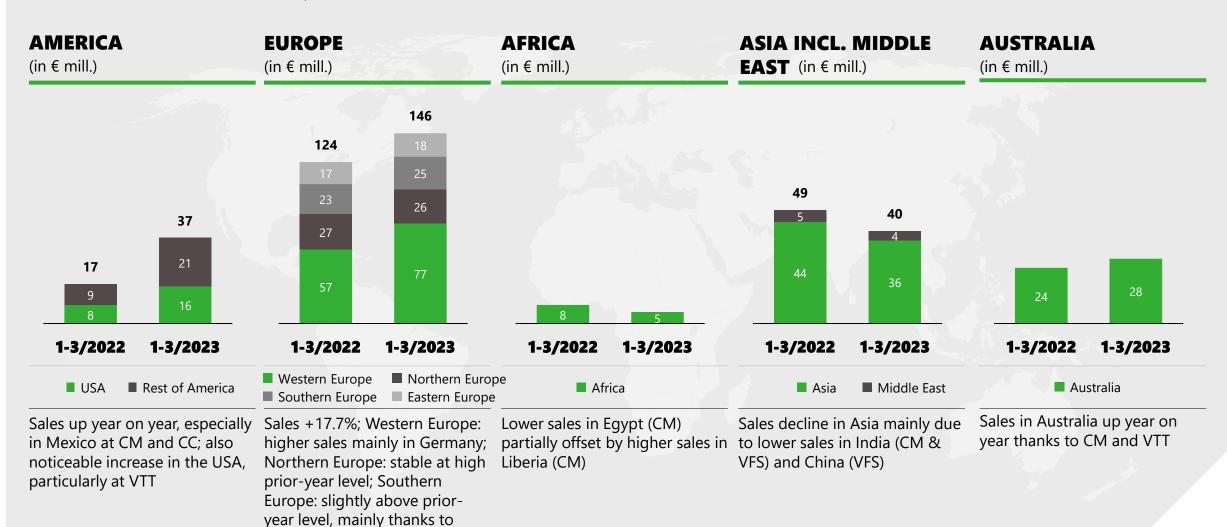
| ROCE         | 1-3/2022 | (4.6) |  |
|--------------|----------|-------|--|
| (in %)       | 1-3/2023 | (1.7) |  |
| VALUE ADDED  | 1-3/2022 | (5.7) |  |
| (in € mill.) | 1-3/2023 | (5.5) |  |



SIGNIFICANT INCREASE IN SALES, PARTICULARLY IN EUROPE AND NORTH AMERICA

Italy; Eastern Europe: almost

unchanged from prior year





# **VOSSLOH GROUP: OUTLOOK**

VOSSLOH EXPECTS NOTICEABLE INCREASE IN SALES AND EBIT IN 2023

#### **Sales revenues**

#### 2022: €1,046.1 million

#### Outlook 2023: €1.05 billion to €1.15 billion

In the expected increase in sales is mainly based on the high order backlog at the end of 2022. All divisions contribute to the forecast sales growth. The strongest growth in percentage terms is expected in the Lifecycle Solutions division.

#### Value added

#### 2022: €11.5 million Outlook 2023: €0 million to €10 million

In the weighted average cost of capital before taxes (WACC), which is relevant for internal management, was increased to 8.5 percent for the fiscal year 2023 as a result of the general interest rate development (prior year: 7.0 percent). Despite the increase, a positive value added is expected in 2023.

#### **EBIT**

#### 2022: €78.1 million

#### Outlook 2023: €79 million to €88 million

Despite the persistently high level of procurement costs for energy and materials and significantly rising personnel costs, EBIT is also expected to increase noticeably in fiscal year 2023. Along with the sales, all divisions are expected to contribute to the increase in EBIT. Based on the midpoint of the sales forecast, the EBIT margin is expected to range between 7.2 percent and 8.0 percent.



## FINANCIAL CALENDAR AND CONTACT INFORMATION

HOW YOU CAN REACH US

#### Financial calendar 2023

/ May 24, 2023 Annual General Meeting

August 3, 2023 Semi-annual report as of June 30, 2023

/ October 26, 2023 Quarterly statement as of September 30, 2023

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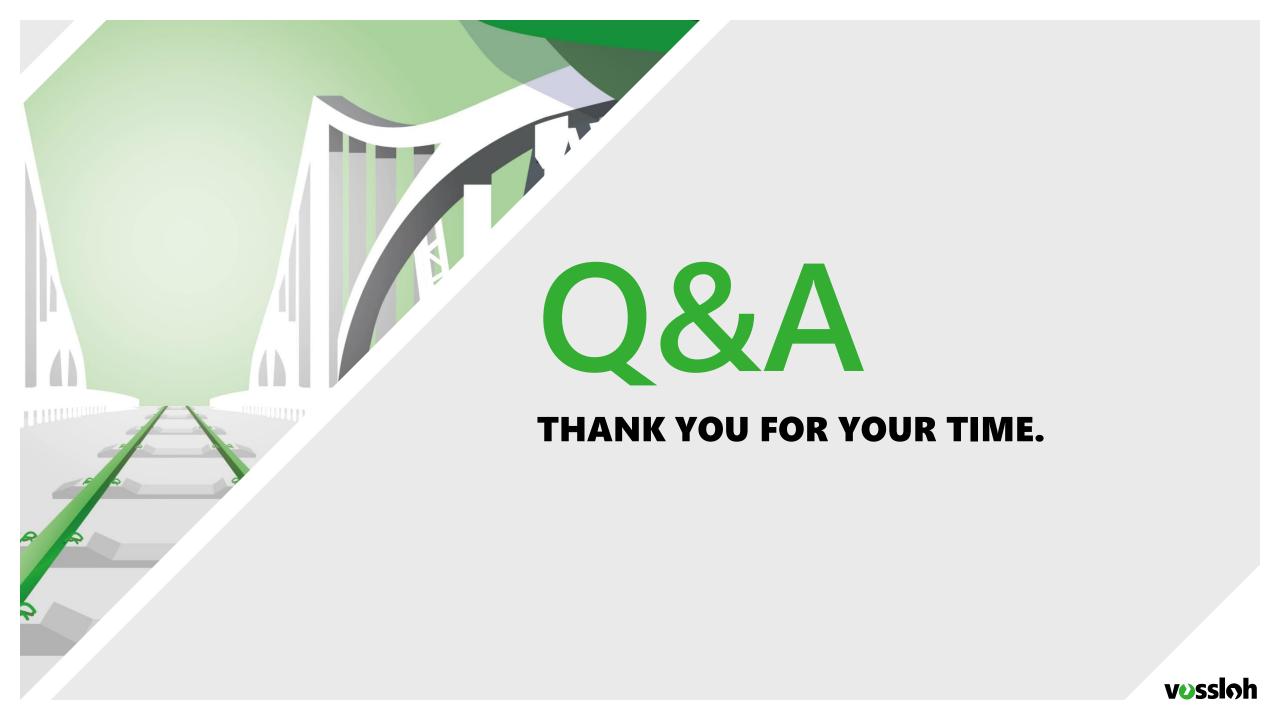
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# **NOTES**



## **INCOME STATEMENT**

| € mill.  | 1-3/2022 | 1-3/2023 |
|--|----------|----------|
| Sales revenues   | 222.2    | 256.3    |
| Cost of sales  | (178.8)  | (198.7)  |
| General administrative and selling expenses                                | (37.6)   | (42.4)   |
| Allowances and write-ups of financial assets                               | 0.0      | (0.6)    |
| Research and development costs   | (2.0)    | (2.3)    |
| Other operating income   | 6.1      | 3.8      |
| Other operating expense  | (2.1)    | (2.3)    |
| Operating result   | 7.8      | 13.8     |
| Result from investments in companies accounted for using the equity method | 0.3      | 0.5      |
| Other financial income   | 0.0      | 0.0      |
| Other financial expense  | 0.0      | (0.3)    |
| Earnings before interest and taxes (EBIT)                                  | 8.1      | 14.0     |
| Interest income  | 0.2      | 0.5      |
| Interest and similar expense   | (1.5)    | (5.5)    |
| Earnings before taxes (EBT)  | 6.8      | 9.0      |
| Income taxes   | (3.2)    | (4.2)    |
| Net income   | 3.6      | 4.8      |
| thereof attributable to shareholders of Vossloh AG                         | 0.4      | 1.3      |
| thereof attributable to hybrid capital investors                           | 1.5      | 1.5      |
| thereof attributable to noncontrolling interests                           | 1.7      | 2.0      |
| Earnings per share   |          |          |
| Basic/diluted earnings per share (€)                                       | 0.02     | 0.07     |
| thereof attributable to continuing operations                              | 0.02     | 0.07     |
| thereof attributable to discontinued operations                            | 0.00     | 0.00     |



## **BALANCE SHEET**

| Assets in € mill.  | 3/31/2022 | 12/31/2022 | 3/31/2023 |
|--|-----------|------------|-----------|
| Intangible assets  | 346.9     | 345.0      | 343.3     |
| Property, plant and equipment                                  | 322.5     | 326.4      | 322.1     |
| Investment properties  | 7.4       | 1.3        | 1.2       |
| Investments in companies accounted for using the equity method | 48.1      | 49.4       | 49.4      |
| Other noncurrent financial instruments                         | 4.4       | 13.7       | 12.7      |
| Other noncurrent assets  | 3.5       | 1.5        | 1.5       |
| Deferred tax assets  | 13.4      | 17.1       | 17.3      |
| Noncurrent assets  | 746.2     | 754.4      | 747.5     |
| Inventories  | 223.4     | 236.5      | 264.0     |
| Trade receivables  | 210.9     | 228.0      | 251.0     |
| Contract assets  | 6.0       | 1.4        | 1.3       |
| Income tax assets  | 8.2       | 8.9        | 10.2      |
| Other current financial instruments                            | 16.9      | 15.5       | 15.5      |
| Other current assets   | 31.0      | 28.9       | 33.9      |
| Short-term securities  | 1.7       | 2.3        | 2.3       |
| Cash and cash equivalents                                      | 82.0      | 76.8       | 65.3      |
| Current assets   | 580.1     | 598.3      | 643.5     |
| Assets held for sale   | -         | 16.1       | 17.3      |
| Assets   | 1,326.3   | 1,368.8    | 1,408.3   |

| Equity and liabilities in € mill.                                | 3/31/2022 | 12/31/2022 | 3/31/2023 |
|--|-----------|------------|-----------|
| Capital stock  | 49.9      | 49.9       | 49.9      |
| Additional paid-in capital                                       | 190.4     | 190.4      | 190.4     |
| Retained earnings and net income                                 | 175.2     | 199.0      | 209.0     |
| Hybrid capital   | 148.3     | 148.3      | 148.3     |
| Accumulated other comprehensive income                           | 3.1       | 10.3       | (0.3)     |
| Equity excluding noncontrolling interests                        | 566.9     | 597.9      | 597.3     |
| Noncontrolling interests   | 31.2      | 27.2       | 29.0      |
| Equity   | 598.1     | 625.1      | 626.3     |
| Pension provisions/provisions for other post-employment benefits | 34.8      | 21.9       | 22.3      |
| Other noncurrent provisions                                      | 14.6      | 17.5       | 18.7      |
| Noncurrent financial liabilities                                 | 234.9     | 267.4      | 294.0     |
| Noncurrent trade payables  | 0.0       | 1.7        | 0.0       |
| Other noncurrent liabilities                                     | 2.9       | 10.4       | 4.7       |
| Deferred tax liabilities   | 12.3      | 9.4        | 9.3       |
| Noncurrent liabilities   | 299.5     | 328.3      | 349.0     |
| Other current provisions   | 62.2      | 52.7       | 53.0      |
| Current financial liabilities                                    | 77.0      | 49.2       | 46.9      |
| Current trade payables   | 146.5     | 167.3      | 163.6     |
| Current income tax liabilities                                   | 7.9       | 9.8        | 9.5       |
| Other current liabilities  | 135.1     | 126.6      | 149.2     |
| Current liabilities  | 428.7     | 405.6      | 422.2     |
| Liabilities related to assets held for sale                      | -         | 9.8        | 10.8      |
| Equity and liabilities   | 1,326.3   | 1,368.8    | 1,408.3   |



## KEY PERFORMANCE INDICATORS

|                                   |         | Core Con | nponents | Fastening | Systems  | Tie Tech | nologies | Customize | d Modules | Lifecycle | Solutions |
|-----------------------------------|---------|----------|----------|-----------|----------|----------|----------|-----------|-----------|-----------|-----------|
|                                   |         | 1-3/2022 | 1-3/2023 | 1-3/2022  | 1-3/2023 | 1-3/2022 | 1-3/2023 | 1-3/2022  | 1-3/2023  | 1-3/2022  | 1-3/2023  |
| Sales revenues                    | € mill. | 101.5    | 115.1    | 73.9      | 79.2     | 28.5     | 41.7     | 104.7     | 120.1     | 20.0      | 31.4      |
| EBITDA                            | € mill. | 14.3     | 17.9     |           |          |          |          | 8.7       | 11.1      | 0.8       | 2.4       |
| EBITDA margin                     | %       | 14.1     | 15.5     |           |          |          |          | 8.3       | 9.3       | 4.0       | 7.6       |
| EBIT                              | € mill. | 9.0      | 12.4     |           |          |          |          | 5.2       | 7.2       | (2.3)     | (0.9)     |
| EBIT margin                       | %       | 8.9      | 10.8     |           |          |          |          | 5.0       | 6.0       | (11.4)    | (3.0)     |
| Average working capital           | € mill. | 103.8    | 115.6    |           |          |          |          | 72.6      | 74.0      | 16.7      | 30.7      |
| Average working capital intensity | %       | 25.6     | 25.1     |           |          |          |          | 17.3      | 15.4      | 20.9      | 24.4      |
| Average capital employed          | € mill. | 341.6    | 348.6    |           |          |          |          | 377.0     | 373.7     | 197.3     | 215.7     |
| ROCE                              | %       | 10.5     | 14.2     |           |          |          |          | 5.5       | 7.7       | (4.6)     | (1.7)     |
| Value added                       | € mill. | 3.0      | 5.0      | 4.6       | 7.4      | (1.6)    | (2.4)    | (1.4)     | (0.8)     | (5.7)     | (5.5)     |
| Orders received                   | € mill. | 196.6    | 166.2    | 162.7     | 95.7     | 35.5     | 85.7     | 146.0     | 144.1     | 42.3      | 46.9      |
| Order backlog (3/31)              | € mill. | 314.3    | 327.5    | 246.5     | 208.2    | 71.5     | 132.0    | 430.9     | 502.6     | 36.7      | 52.1      |
| Capital expenditure               | € mill. | 2.9      | 3.3      | 2.0       | 1.6      | 0.9      | 1.7      | 2.2       | 3.1       | 3.2       | 2.4       |
| Depreciation/amortization         | € mill. | (5.3)    | (5.5)    | (2.5)     | (2.6)    | (2.8)    | (2.9)    | (3.5)     | (4.0)     | (3.1)     | (3.3)     |



## **CASH FLOW STATEMENT**

| € mill.  | 1-3/2022 | 1-3/2023 |
|--|----------|----------|
| Earnings before interest and taxes (EBIT)  | 8.1      | 14.0     |
| Amortization/depreciation/impairment losses/reversal of impairment losses of noncurrent assets | 12.0     | 13.0     |
| Change in noncurrent provisions  | 0.8      | 1.5      |
| Gross cash flow  | 20.9     | 28.5     |
| Income taxes paid  | (4.1)    | (6.0)    |
| Change in working capital  | (24.2)   | (43.3)   |
| Other changes  | 3.0      | 4.4      |
| Cash flow from operating activities  | (4.4)    | (16.4)   |
| Investments in intangible assets and property, plant and equipment                             | (7.3)    | (11.1)   |
| Free cash flow   | (11.7)   | (27.5)   |

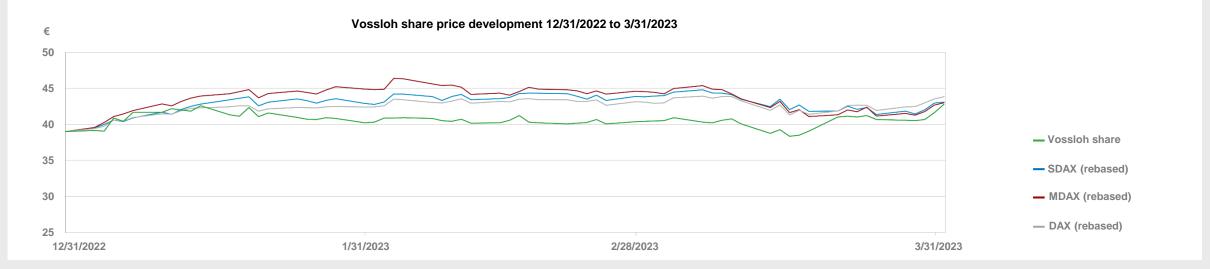


## **EMPLOYEES**

|                     | Reporting date |           | Aver     | age      |
|---------------------|----------------|-----------|----------|----------|
| Employees           | 3/31/2022      | 3/31/2023 | 1-3/2022 | 1-3/2023 |
| Core Components     | 918            | 996       | 900      | 1,000    |
| Customized Modules  | 2,216          | 2,276     | 2,211    | 2,260    |
| Lifecycle Solutions | 538            | 575       | 536      | 571      |
| Vossloh AG          | 67             | 77        | 66       | 72       |
| Group               | 3,739          | 3,924     | 3,713    | 3,903    |



## SHARE PRICE PERFORMANCE, SHARE INFORMATION AND SHAREHOLDER STRUCTURE



| Information on the Vossloh share            |   |  |  |
|---|---|--|--|
| ISIN  | DE0007667107  |  |  |
| Trading locations                           | Xetra, Tradegate, Düsseldorf, Frankfurt, Berlin,<br>Hamburg, Hanover, Stuttgart, Munich |  |  |
| Number of shares outstanding on 3/31/2023   | 17,564,180  |  |  |
| Share price (3/31/23)                       | €42.85  |  |  |
| High price/low price, January to March 2023 | €43.25 / €37.20   |  |  |
| Market capitalization (3/31/23)             | €752.6 mill.  |  |  |
| Reuters code                                | VOSG.DE   |  |  |
| Bloomberg code                              | VOS:GR  |  |  |



