PRESENTATION OF THE 2020 ANNUAL REPORT

MARCH 18, 2021

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DISCLAIMER

NOTE

This presentation contains statements concerning the future business performance of the Vossloh Group that are based on assumptions and estimates from the Company management. If the assumptions that the projections are based on fail to occur, the actual results of the projected statements may differ substantially. Uncertainties include changes in the political, commercial and economic climate, the actions of competitors, legislative reforms, the effects of future case law and fluctuations in exchange rates and interest rates. Vossloh and its Group companies, consultants and representatives assume no responsibility for possible losses associated with the use of this presentation or its contents. Vossloh assumes no obligation to update the forecast statements in this presentation.

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VOSSLOH GROUP

VERY SUCCESSFUL BUSINESS PERFORMANCE IN A FISCAL YEAR MARKED BY COVID-19 (I/II)

OPERATIONAL BUSINESS PERFORMANCE

Sales performed as forecast; slight increase over previous year when adjusted for portfolio effects

Pandemic-related sales postponements of approximately €90 million

EBIT up significantly compared with adjusted EBIT of previous year

EBIT margin at upper end of most recently forecast range; EBITDA margin even slightly above

Negative EBIT effects as a result of the pandemic of around €25 million; partially offset through positive effect (€15.6 million) related to the transitional consolidation of a Chinese joint venture

Earnings per share at €0.98 (previous year: €(8.32)), of which from continuing operations €2.47 (previous year: €(4.13))

Higher free cash flow from continuing operations (€58.1 million); free cash flow positive overall despite significant adverse effects from Vossloh Locomotives for the last time

Net financial debt at year-end 2020 decreases to €307.4 million, despite COVID-19 and adverse effects from the sale of Vossloh Locomotives; hybrid note issued in February 2021 reduces net financial debt by €150 million

Outlook 2021: Current assumptions confirmed; significant increase in operational profitability with in tendency slightly higher sales expected

POSITIVE ORDER SITUATION

Orders received up 5.6 percent over previous year when adjusted for portfolio effects, order backlog up by 8.2 percent; no significant order cancellations as a result of COVID-19 in 2020

Condition-based and predictive maintenance: Important multiyear framework agreements signed in Sweden and France

Major order for the supply of switches for the *Inland Rail* project in Australia

Comprehensive framework agreement signed for the supply of switches in the Netherlands

VOSSLOH GROUP

VERY SUCCESSFUL BUSINESS PERFORMANCE IN A FISCAL YEAR MARKED BY COVID-19 (II/II)

TRANSFORMATION COMPLETED

Sale of Vossloh Locomotives to CRRC ZELC completed at the end of May 2020

Transformation of Vossloh into a company that focuses exclusively on rail infrastructure successfully finalized

Completion of the sale ends significant long-term financial burdens from the former Transportation division

STRATEGIC DIRECTION

Strategic approach precisely defined: Expand existing business with products and services and continue to strengthen profitability, using this as a foundation for developing and expanding digital-based business models; additionally, optimize processes and structures and increase the importance of sustainability

Above average sales growth expected compared to the industry

Aiming for medium-term double-digit EBIT margins in all divisions, and in the long term for the Group as a whole

DIVIDEND PROPOSAL

Dividend proposal from Executive Board and Supervisory Board of Vossloh AG of €1.00 per share

Payout ratio of around 40 percent relating to earnings per share from continuing operations

VOSSLOH GROUP

SALES ABOVE PREVIOUS YEAR WHEN ADJUSTED FOR PORTFOLIO EFFECTS; SIGNIFICANT INCREASE IN EBIT AND EBIT MARGIN

KEY GROUP INDICATORS		2019	2020
Sales revenues	€ mill.	916.4[1]	869.7
EBITDA/EBITDA margin **(2019 adjusted)**	€ mill./%	105.5/11.5	123.1/14.2
EBIT/EBIT margin **(2019 adjusted)**	€ mill./%	55.7/6.1	73.1/8.4
Net income	€ mill.	(136.8)	20.8
Earnings per share	€	(8.32)	0.98
Free cash flow (core business)	€ mill.	2.4	58.1
Free cash flow (including discontinued operations)	€ mill.	(42.4)	4.0
Capital expenditure	€ mill.	59.8	68.7
Value added	€ mill.	(105.4)	12.4

NOTES

Sales revenues slightly above previous year when adjusted for portfolio effects; Core Components higher than previous year, Lifecycle Solutions stable, Customized Modules slightly below previous year due to the pandemic

EBIT and **EBIT margin** significantly above previous year despite negative pandemic-related effects of approximately €25 million; driven strongly by savings resulting from the 2019 performance program; additional positive one-time effect from the transitional consolidation of a company in the Fastening Systems business unit (€15.6 million)

Net income positive despite adverse effects from discontinued operations of €26.2 million; previous year's figure burdened by negative result from discontinued operations and one-time effects from the performance program

Free cash flow in core business significantly increased over previous year; Group free cash flow positive despite adverse effects from Vossloh Locomotives of €54.1 million

Value added positive; previous year heavily burdened by one-time effects from performance program

[1] Excluding sales from the U.S. switch activities sold at the end of 2019, sales came to €861.5 million.

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EQUITY RATIO SUBSTANTIALLY INCREASED YEAR ON YEAR; NET FINANCIAL DEBT LOWER THAN PREVIOUS YEAR

KEY GROUP INDICATORS

		12/31/2019 **2019**	12/31/2020 **2020**
Equity	€ mill.	403.6	414.5
Equity ratio	%	30.3	34.1
Average working capital	€ mill.	227.2	186.4
Average working capital intensity	%	24.8	21.4
Closing working capital	€ mill.	180.3	155.3
Average capital employed	€ mill.	904.1	867.9
Closing capital employed	€ mill.	839.5	851.5
Net financial debt[1]	€ mill.	321.3	307.4

NOTES

Equity increased by 2.7 percent, mainly as a result of positive net income, but negative effects related to the translation of financial statements in foreign currencies; equity ratio following the sale of Locomotives up by 3.8 percentage points over year-end 2019

Average working capital intensity down considerably in comparison with the previous year, mainly due to improved working capital management in Customized Modules following the 2019 performance program

Capital employed as of the reporting date higher in comparison with the end of 2019 mainly due to full consolidation of the Chinese joint venture Anyang

Net financial debt lower than at year-end 2019 despite COVID-19, mostly due to the positive FCF in core business; lease and interest payments and all outflows from discontinued operations had a counteractive effect (negative FCF from discontinued operations not fully compensated for by proceeds from the sale of Locomotives)

[1] Net financial debt before application of IFRS 16. Including lease liabilities, net financial debt came to €351.3 million on December 31, 2020 (previous year: €370.4 million).

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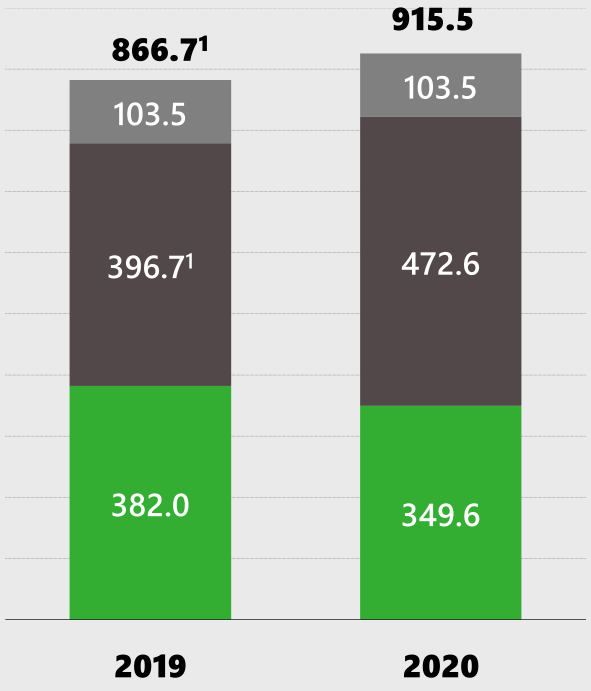
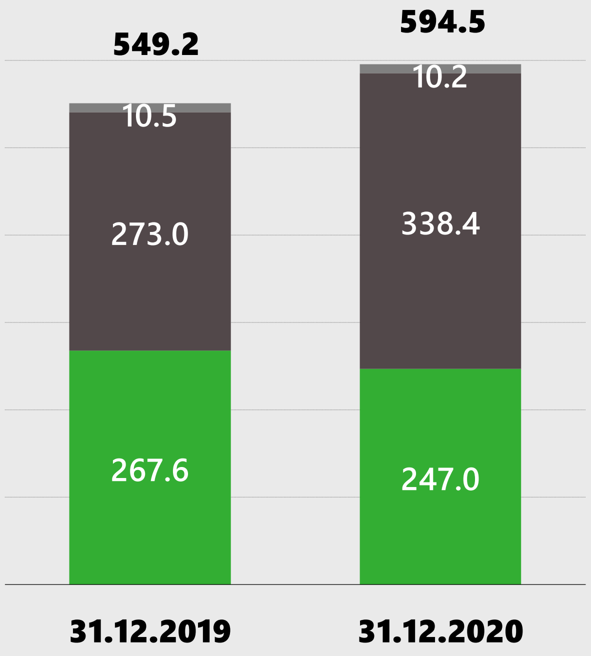
ORDERS RECEIVED INCREASED BY 5.6% WHEN ADJUSTED FOR PORTFOLIO EFFECTS, ORDER BACKLOG BY 8.2%

ORDERS RECEIVED (in € mill.)



ORDER BACKLOG (in € mill.)



Core Components Customized Modules Lifecycle Solutions

NOTES

Orders received noticeably increased by 5.6 percent relative to the previous year on a comparable basis due to the strong development in the Customized Modules division (portfolio-adjusted +19.2%); orders received in Core Components lower than high previous year's level for project-related reasons; stable orders received at Lifecycle Solutions; book-to-bill ratio of 1.05 for Group as a whole

Order backlog of the Vossloh Group increased significantly by 8.2 percent over the previous year; the Customized Modules division in particular saw a significant increase (+24.0 percent); Core Components below previous year for project-related reasons; Lifecycle Solutions had only insignificant changes

[1] Presented without orders received of €71.5 million from the U.S. switch activities sold at the end of 2019 for comparability purposes.

CORE COMPONENTS DIVISION

SALES UP BY 6.7 PERCENT; POSITIVE INFLUENCE ON EARNINGS AND PROFITABILITY THROUGH EFFECTS OF TRANSITIONAL CONSOLIDATION

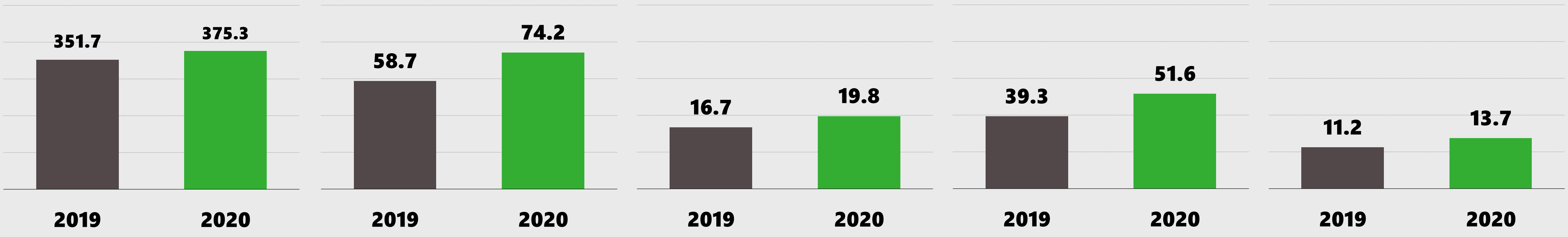
SALES (in € mill.)

EBITDA **(2019 adj.)** (in € mill.)

EBITDA MARGIN **(2019 adj.)** (in %)

EBIT **(2019 adj.)** (in € mill.)

EBIT MARGIN **(2019 adj.)** (in %)



Increase in sales attributable to additional sales in the Tie Technologies business unit, sales in Fastening Systems business unit lower than previous year due to the pandemic

EBIT and EBIT margin increased significantly thanks to the earnings effect recognized in profit and loss as part of the transitional consolidation of the Anyang joint venture (€+15.6 million); on the other side pandemic-related effects and start-up costs for concrete tie factories in Canada and Australia, among other things

(in %) **ROCE**	**2019**	12.4
	2020	16.1
(in € mill.) **VALUE ADDED**	**2019**	13.7
	2020	29.1

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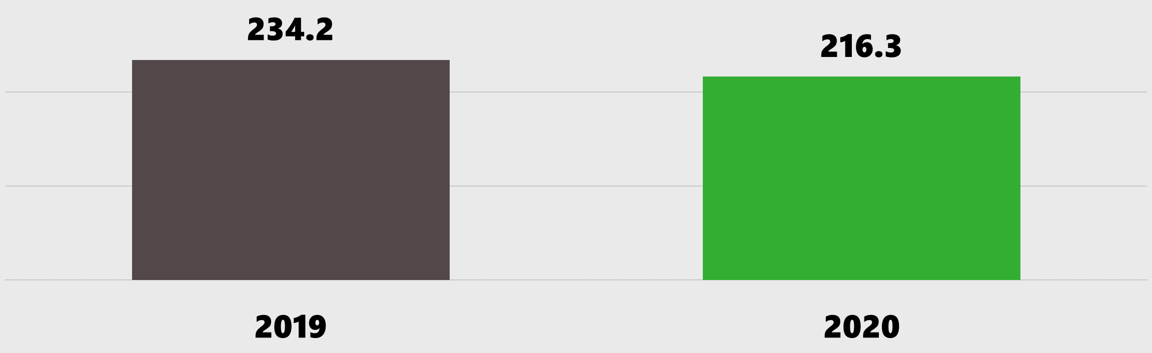
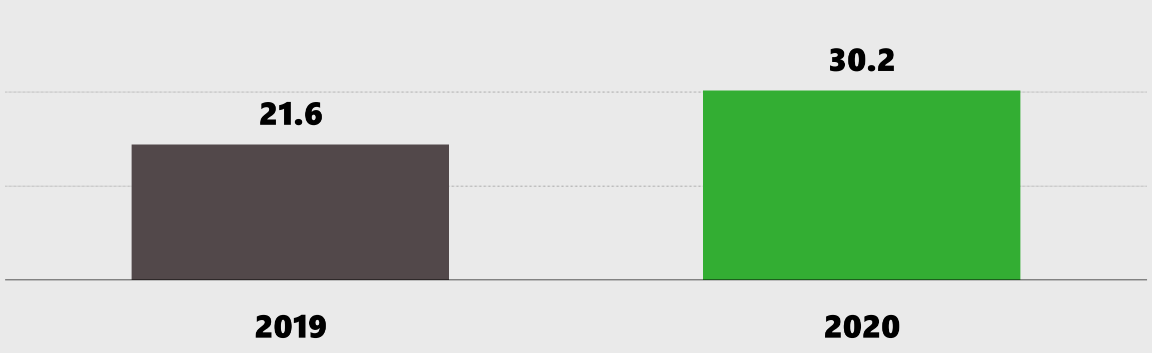
FASTENING SYSTEMS BUSINESS UNIT

VALUE ADDED SIGNIFICANTLY INCREASED BY EFFECT FROM TRANSITIONAL CONSOLIDATION DESPITE DECLINE IN SALES

SALES (in € mill.)



VALUE ADDED (in € mill.)



Lower sales in North America and Turkey; in addition, China experienced pandemic-related sales postponements

Value added significantly higher than previous year due to effect from the transitional consolidation; lower than previous year due to sales performance if this effect is excluded

Book-to-bill ratio at 0.98; higher orders received in Italy and Mongolia, lower than previous year in China and Russia, among others

(in € mill.) **ORDERS RECEIVED**	**2019**	220.4
	2020	211.0
(in € mill.) **ORDER BACKLOG**	**12/31/2019**	177.2
	12/31/2020	177.1

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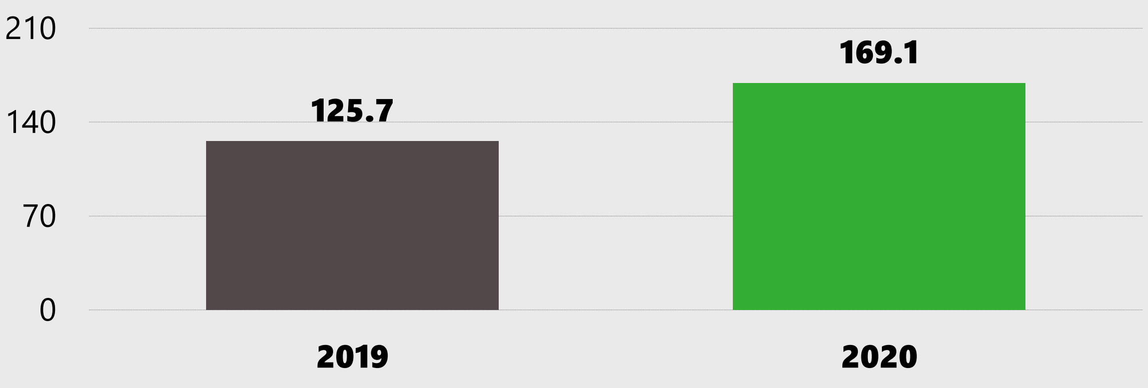
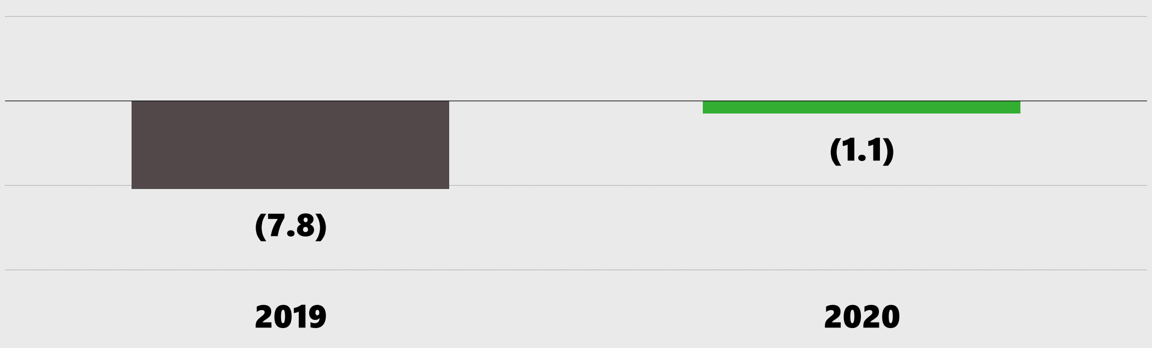
TIE TECHNOLOGIES BUSINESS UNIT

SALES SIGNIFICANTLY ABOVE PREVIOUS YEAR; VALUE ADDED SIGNIFICANTLY IMPROVED

SALES (in € mill.)



VALUE ADDED (in € mill.)



Increase in sales mainly due to higher sales contributions in the Australian market as a result of processing of high order backlog (e.g., Rio Tinto order), higher sales also in the U.S. (e.g., project in Florida)

Value added burdened by start-up costs for concrete tie factories in Canada and Australia; significant improvement in Australia, the U.S. and Mexico

Book-to-bill at 0.90; noteworthy new orders generated mainly in the U.S., but also in Canada; lower orders received in Australia as expected following the previous year's very high level

(in € mill.) **ORDERS RECEIVED**	**2019**	168.1
	2020	151.7
(in € mill.) **ORDER BACKLOG**	**12/31/2019**	92.9
	12/31/2020	75.5

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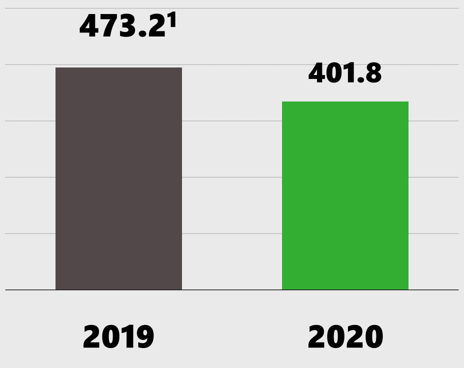
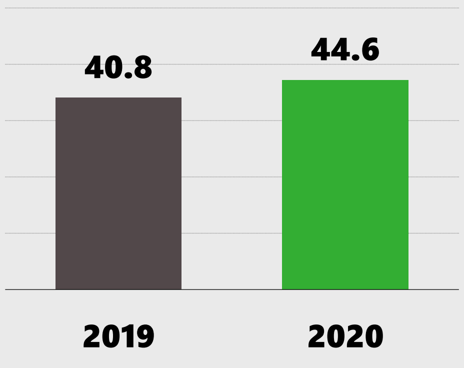
CUSTOMIZED MODULES DIVISION

SALES BELOW PREVIOUS YEAR DUE TO THE PANDEMIC; EARNINGS AND PROFITABILITY SIGNIFICANTLY IMPROVED

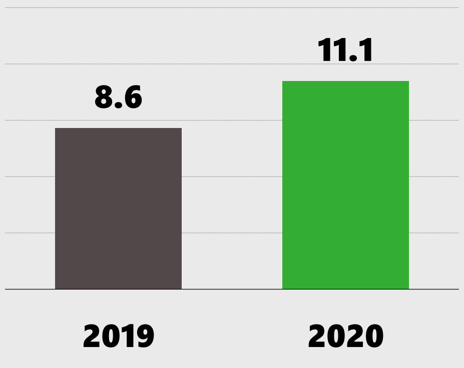
SALES (in € mill.)



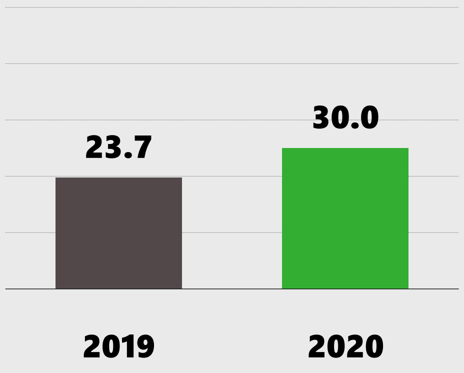
EBITDA
(2019 adj.) (in € mill.)



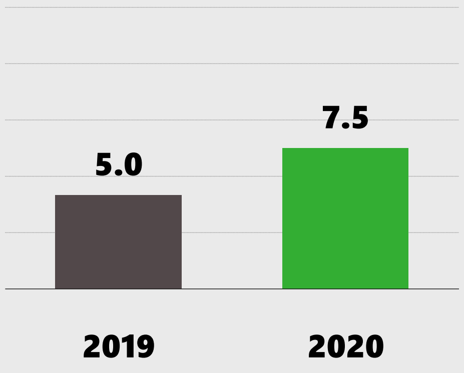
EBITDA MARGIN
(2019 adj.) (in %)



EBIT
(2019 adj.) (in € mill.)



EBIT MARGIN
(2019 adj.) (in %)



Decrease in sales primarily due to the absence of sales from sold U.S. activities (€54.9 million in the previous year); contributions to sales also reduced due to COVID-19, particularly in France; increased sales, however, mainly in Israel, Poland and Croatia

Earnings and profitability significantly increased despite adverse effects from COVID-19, particularly due to operational improvements resulting from the 2019 performance program; earnings also improved by sale of real estate (€+2.6 million); positive value added

Book-to-bill at 1.18; significantly higher order levels in Europe – particularly in the UK, Poland, Finland and Sweden – and in Australia.

(in %) **ROCE**	**2019**	(12.4)
	2020	8.2
(in € mill.) **VALUE ADDED**	**2019**	(87.1)
	2020	4.4

[1] Excluding sales from the U.S. switch activities sold at the end of 2019, sales for the previous year came to €418.3 million.

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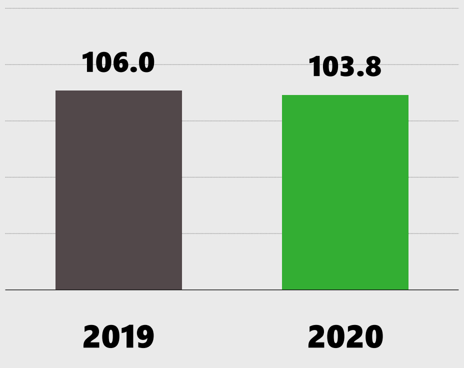
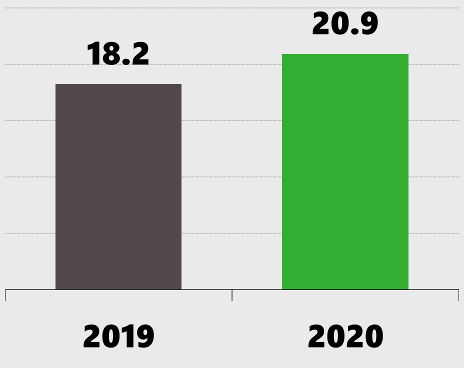
LIFECYCLE SOLUTIONS DIVISION

SALES ON A PAR WITH THE PREVIOUS YEAR, EARNINGS AND PROFITABILITY SIGNIFICANTLY INCREASED

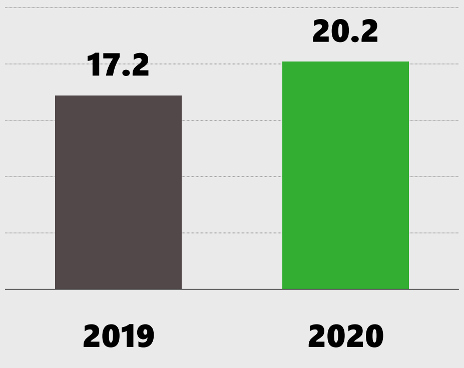
SALES (in € mill.)



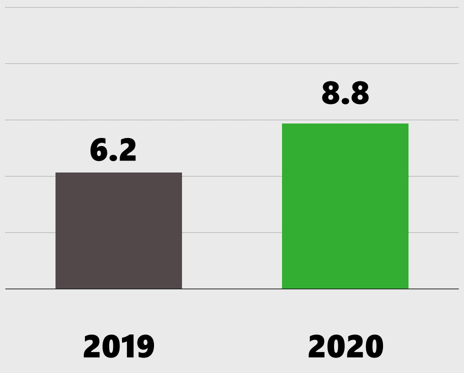
EBITDA
(2019 adj.) (in € mill.)



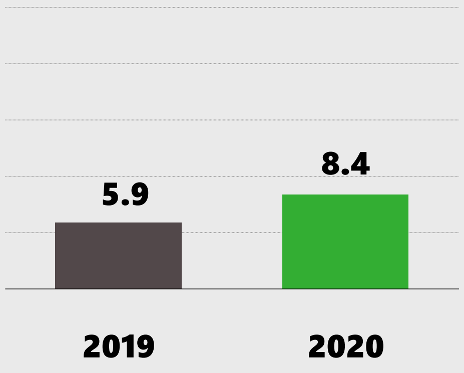
EBITDA MARGIN
(2019 adj.) (in %)



EBIT
(2019 adj.) (in € mill.)



EBIT MARGIN
(2019 adj.) (in %)



Sales again above €100 million despite pandemic-related effects; higher sales in the subsegments Stationary welding and Logistics, but lower revenues from sales of maintenance machines

Earnings and profitability significantly improved, particularly due to positive EBIT development in the subsegments Stationary welding and Logistics as well as operational improvements from the performance program

Book-to-bill at 1.00; notable increases in orders in the Netherlands (milling), Denmark and Finland (mainly stationary welding and logistics)

(in %) **ROCE**	**2019**	(3.5)
	2020	4.8
(in € mill.) **VALUE ADDED**	**2019**	(20.3)
	2020	(3.9)

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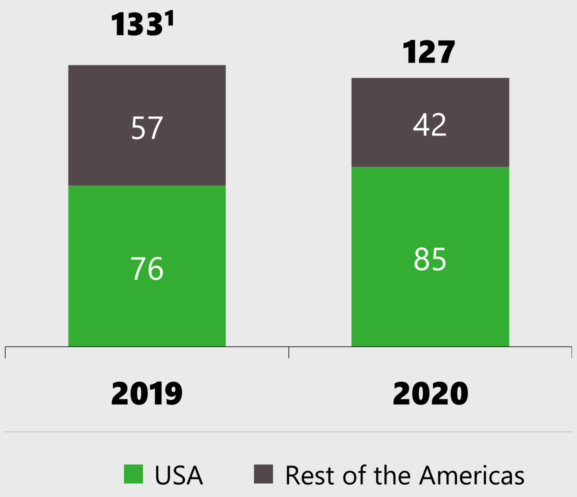
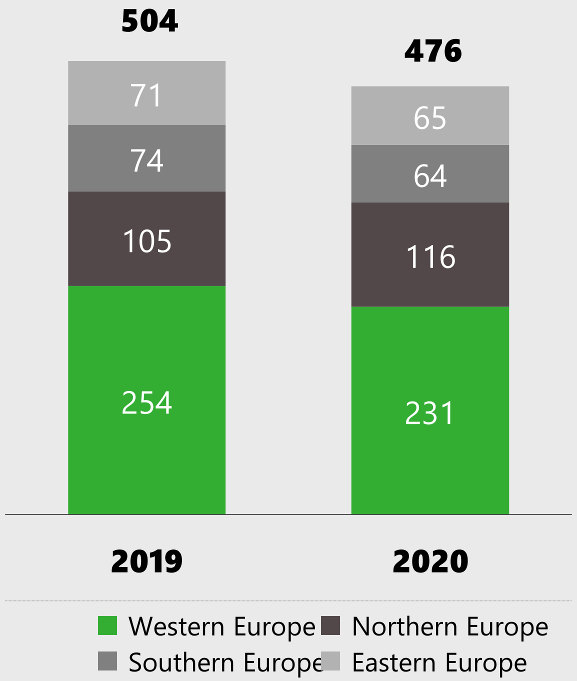
HIGHER SALES IN AUSTRALIA AND THE MIDDLE EAST MORE THAN OFFSET PANDEMIC-RELATED LOWER SALES IN EUROPE

(in € mill.)
THE AMERICAS



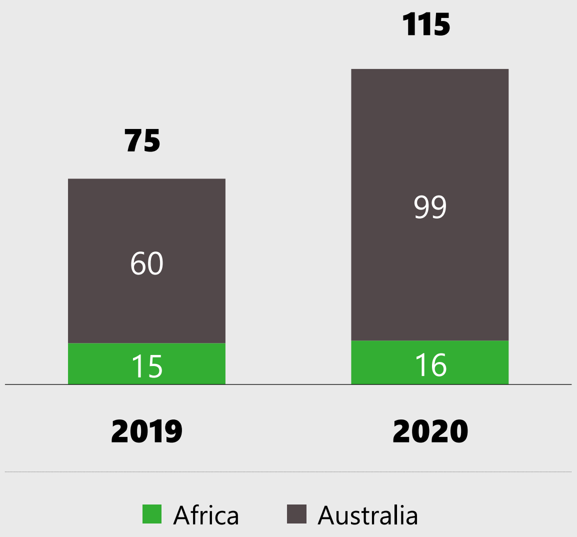
Higher sales especially at VTT in the USA; lower sales especially at VFS in Mexico and VTT in Canada

(in € mill.)
EUROPE



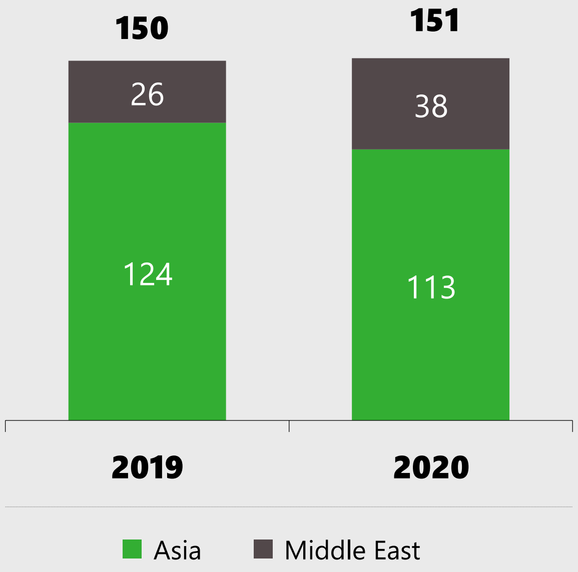
Lower sales in Western Europe (particularly France), Southern Europe (particularly Turkey) and Eastern Europe (particularly Russia), but higher sales in Northern Europe (particularly Finland)

(in € mill.)
AFRICA & AUSTRALIA



Higher sales in Australia, mainly in VTT

(in € mill.)
ASIA INCL. MIDDLE EAST



Lower sales mainly in China and India, offset by higher sales mainly in Mongolia, Israel and the United Arab Emirates

[1] Excluding sales from the U.S. switch activities sold at the end of 2019 in the amount of approx. €55 million.

VOSSLOH GROUP: OUTLOOK[1]

SIGNIFICANT INCREASE IN OPERATIONAL PROFITABILITY EXPECTED

Sales

2020: €869.7 million **2021 forecast: €850 million to €925 million**

/ In the Core Components division, Vossloh AG expects slightly higher sales overall. Sales are expected to be at the previous year's level in both the Customized Modules and Lifecycle Solutions divisions.

Value added

2020: €12.4 million **2021 forecast: €0 million to €15 million**

/ Value added in the 2021 fiscal year is expected to be roughly at the same level as in 2020 due to the higher expected operational profitability and is therefore expected to be positive again. Taking into account the one-time effect in 2020, a noticeable increase is therefore expected in operational terms.

EBITDA margin

2020: 12.4%[2] **2021 forecast: 13 to 14%**

EBIT margin

2020: 6.6%[2] **2021 forecast: 7 to 8%**

/ A significant increase in operational profitability is expected. All divisions are expecting to increase their margin ratios compared with the 2020 fiscal year.

[1] The outlook for the 2021 fiscal year is subject to no material new unplanned impacts related to the COVID-19 pandemic.
[2] Without the one-time effect of the transitional consolidation of a Chinese company in the amount of €15.6 million; corresponds to an EBIT and EBITDA margin of approximately 1.8 percent.

FINANCIAL CALENDAR AND CONTACT INFORMATI

HOW YOU CAN REACH US

Financial calendar 2021

April 29, 2021	Quarterly statement as of March 31, 2021
May 19, 2021	Annual General Meeting
July 28, 2021	Midyear report as of June 30, 2021
October 28, 2021	Quarterly statement as of September 30, 2021

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Q&A

THANK YOU FOR YOUR TIME.

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