

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

WERDOHL, APRIL 27, 2023



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, natural catastrophes, epidemics, 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

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

VOSSLOH GROUP

SALES AND EBIT SIGNIFICANTLY ABOVE PREVIOUS YEAR

KEY GROUP INDICATORS

1-3/2022 1-3/2023

		1-3/2022	1-3/2023
Sales revenues	€ mill.	222.2	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	€	0.02	0.07
Free cash flow	€ mill.	(11.7)	(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)

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

KEY GROUP INDICATORS		1-3/2022	2022	1-3/2023
		3/31/22	12/31/22	3/31/23
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

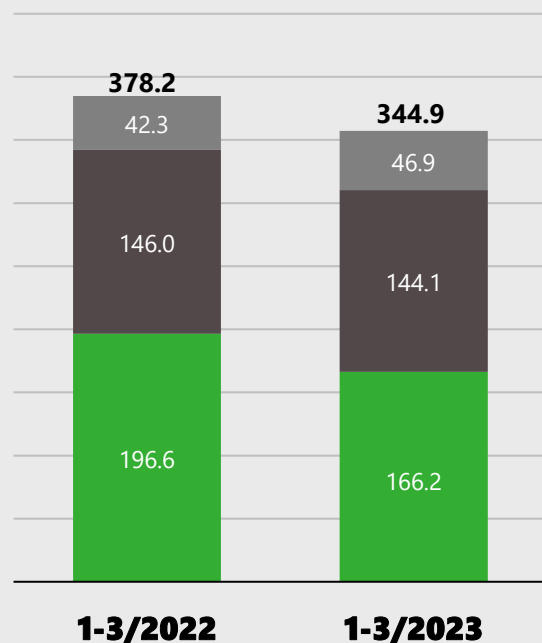
Net financial debt increased compared to year-end 2022, in particular due to negative free cash flow in Q1/2023 which is typical for the season

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

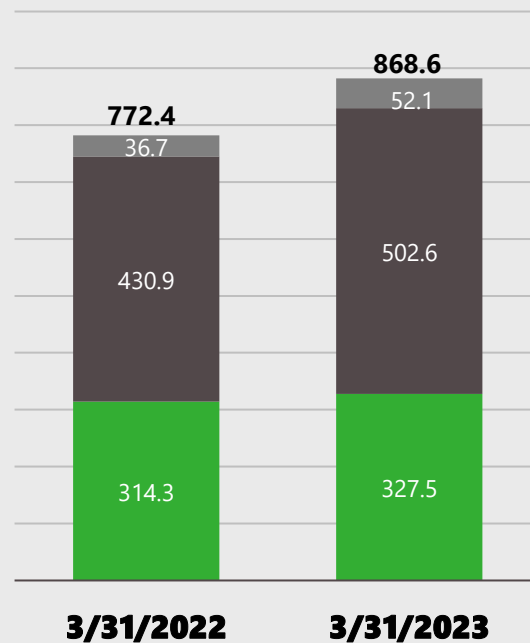
ORDERS RECEIVED

(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

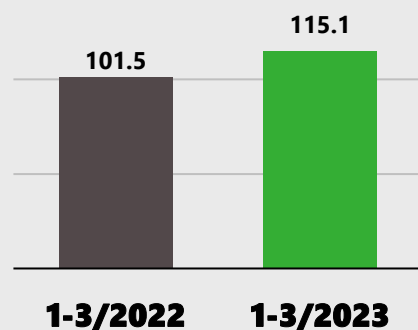
■ Core Components ■ Customized Modules ■ Lifecycle Solutions

CORE COMPONENTS DIVISION

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

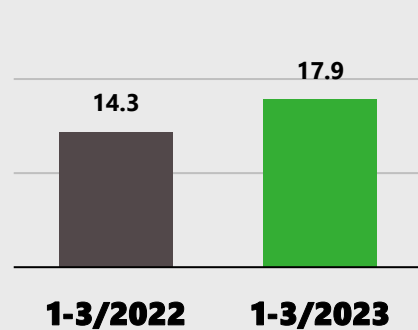
SALES REVENUES

(in € mill.)



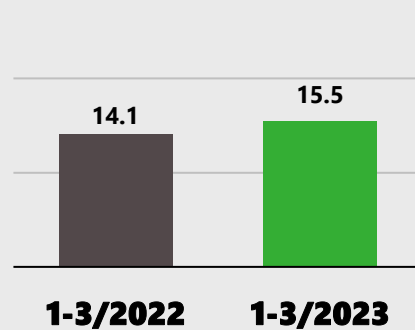
EBITDA

(in € mill.)



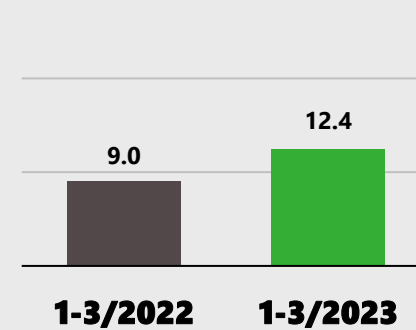
EBITDA MARGIN

(in %)



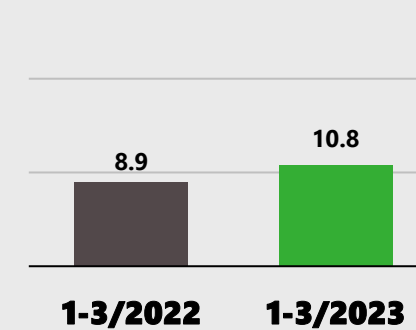
EBIT

(in € mill.)



EBIT MARGIN

(in %)



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

VALUE ADDED

(in € mill.)

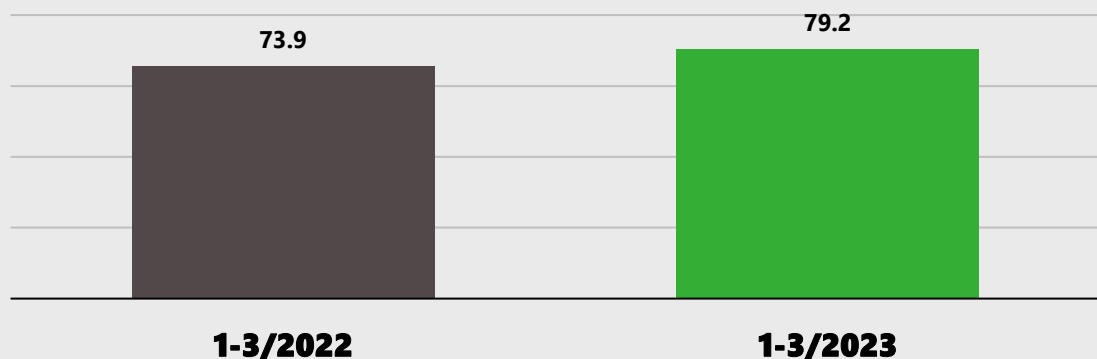
1-3/2022	3.0
1-3/2023	5.0

FASTENING SYSTEMS BUSINESS UNIT

SALES INCREASED, VALUE ADDED SIGNIFICANTLY INCREASED

SALES REVENUES

(in € mill.)



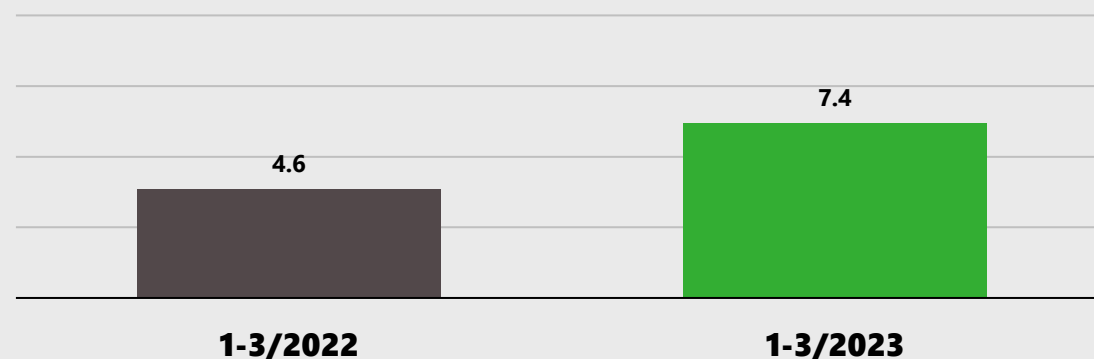
Due to major orders won in the previous year for the construction of high-speed lines in China (volume around €90 million), orders received were significantly lower year on year; book-to-bill nevertheless at 1.21

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

VALUE ADDED

(in € mill.)



ORDERS RECEIVED

(in € mill.)

1-3/2022 162.7

1-3/2023 95.7

ORDER BACKLOG

(in € mill.)

3/31/2022 246.5

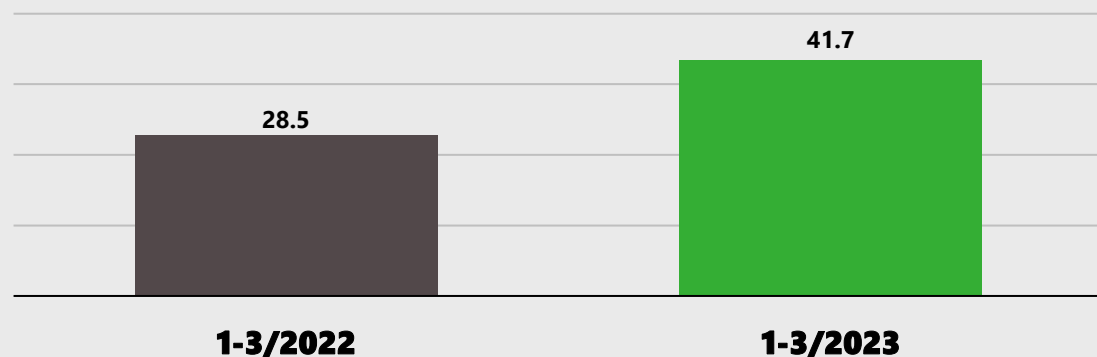
3/31/2023 208.2

TIE TECHNOLOGIES BUSINESS UNIT

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

SALES REVENUES

(in € mill.)



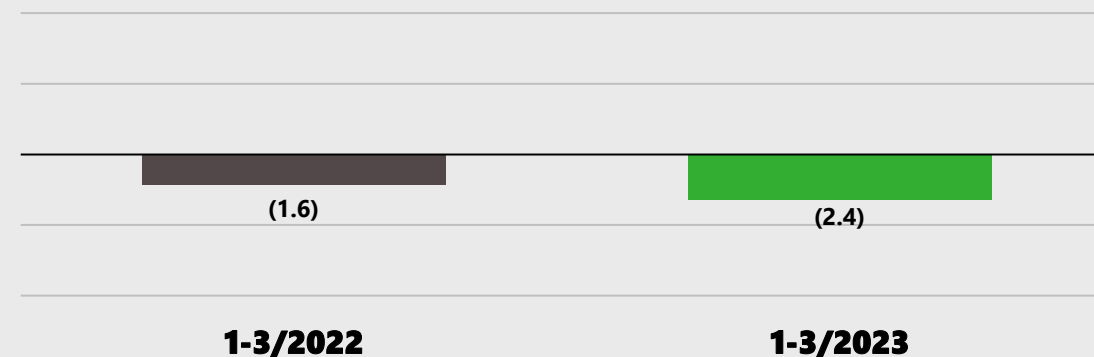
Orders received up 141.6 percent year on year; growth particularly in Mexico and the USA

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

VALUE ADDED

(in € mill.)



ORDERS RECEIVED

(in € mill.)

1-3/2022 35.5

1-3/2023 85.7

ORDER BACKLOG

(in € mill.)

3/31/2022 71.5

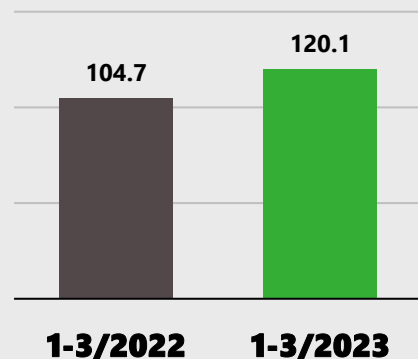
3/31/2023 132.0

CUSTOMIZED MODULES DIVISION

SIGNIFICANT INCREASE IN SALES AND HIGHER PROFITABILITY

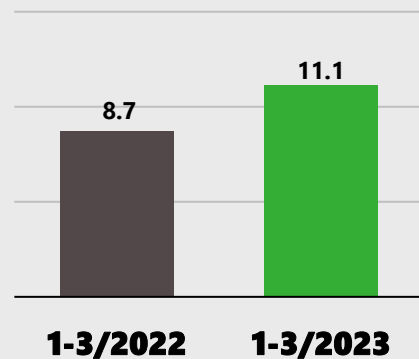
SALES REVENUES

(in € mill.)



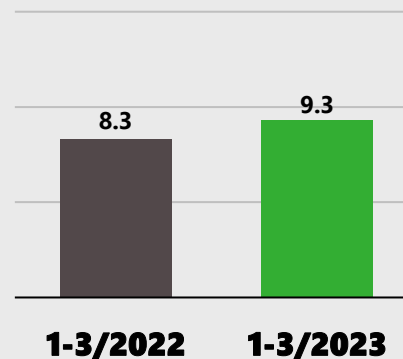
EBITDA

(in € mill.)



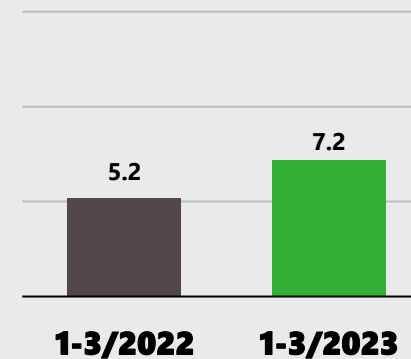
EBITDA MARGIN

(in %)



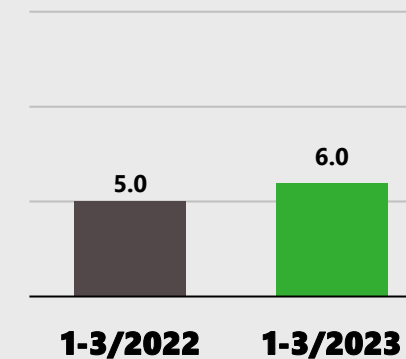
EBIT

(in € mill.)



EBIT MARGIN

(in %)



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

(in %)

1-3/2022	5.5
1-3/2023	7.7

VALUE ADDED

(in € mill.)

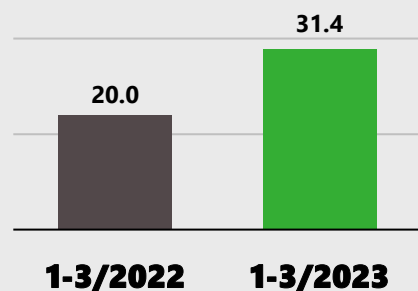
1-3/2022	(1.4)
1-3/2023	(0.8)

LIFECYCLE SOLUTIONS DIVISION

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

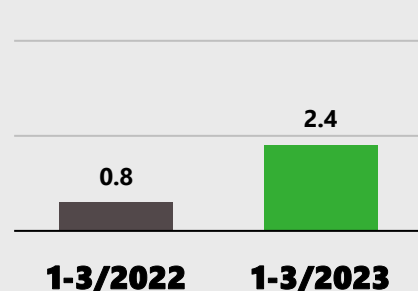
SALES REVENUES

(in € mill.)



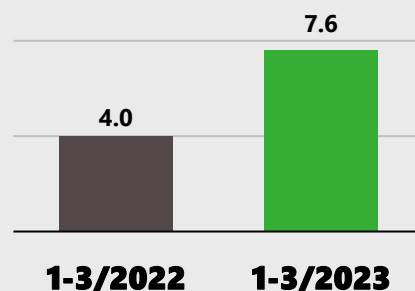
EBITDA

(in € mill.)



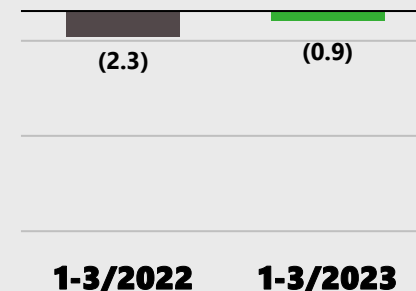
EBITDA MARGIN

(in %)



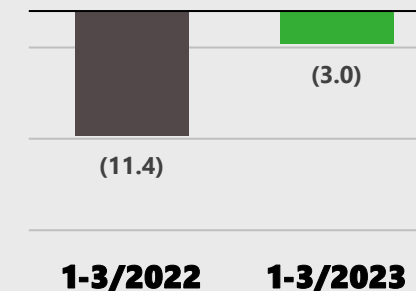
EBIT

(in € mill.)



EBIT MARGIN

(in %)



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

(in %)

1-3/2022 (4.6)

1-3/2023 (1.7)

VALUE ADDED

(in € mill.)

1-3/2022 (5.7)

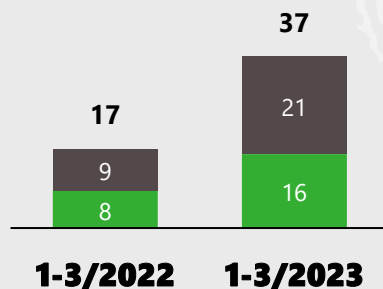
1-3/2023 (5.5)

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SIGNIFICANT INCREASE IN SALES, PARTICULARLY IN EUROPE AND NORTH AMERICA

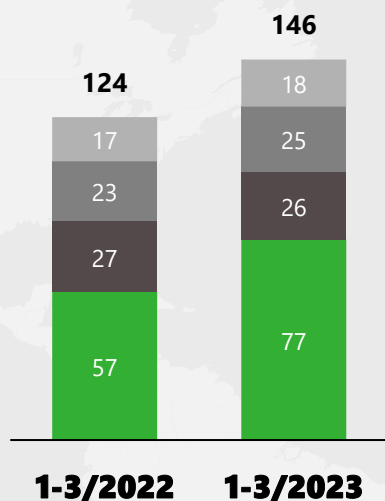
AMERICA

(in € mill.)



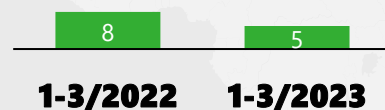
EUROPE

(in € mill.)



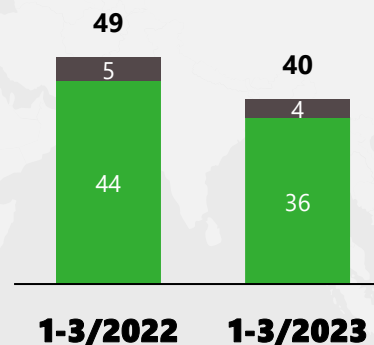
AFRICA

(in € mill.)



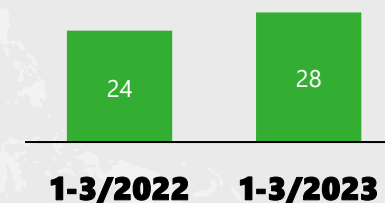
ASIA INCL. MIDDLE EAST

(in € mill.)



AUSTRALIA

(in € mill.)



■ USA ■ Rest of America

■ Western Europe ■ Northern Europe
■ Southern Europe ■ Eastern Europe

■ Africa

■ Asia ■ Middle East

■ Australia

Sales up year on year, especially in Mexico at CM and CC; also noticeable increase in the USA, particularly at VTT

Sales +17.7%; Western Europe: higher sales mainly in Germany; Northern Europe: stable at high prior-year level; Southern Europe: slightly above prior-year level, mainly thanks to Italy; Eastern Europe: almost unchanged from prior year

Lower sales in Egypt (CM) partially offset by higher sales in Liberia (CM)

Sales decline in Asia mainly due to lower sales in India (CM & VFS) and China (VFS)

Sales in Australia up year on year thanks to CM and VTT

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

/ 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

/ 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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Q&A

THANK YOU FOR YOUR TIME.

NOTES

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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

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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

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KEY PERFORMANCE INDICATORS

		Core Components		Fastening Systems		Tie Technologies		Customized 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)

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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)

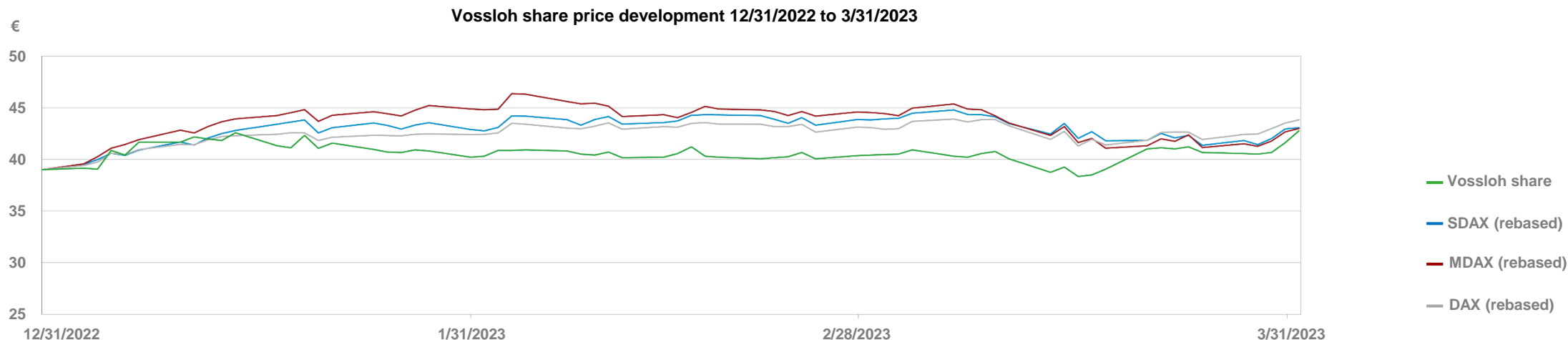
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EMPLOYEES

Employees	Reporting date		Average	
	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

VOSSLOH GROUP

SHARE PRICE PERFORMANCE, SHARE INFORMATION AND SHAREHOLDER STRUCTURE



Information on the Vossloh share

ISIN	DE0007667107
Trading locations	Xetra, Tradegate, Düsseldorf, Frankfurt, Berlin, 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

Shareholder structure in %

