

ANNUAL GENERAL MEETING OF VOSSLOH AG

MAY 15, 2024



FINANCIAL YEAR 2023

VOSSLOH GROUP

VERY SUCCESSFUL FINANCIAL YEAR 2023 DESPITE NUMEROUS CRISES



The year 2023 is characterized by crises: Conflicts, natural disasters, 110 million refugees worldwide, the economy is on the ground, "crisis mode" is the buzzword of the time.



Vossloh's business model robust and crisis-proof:

- / **Megatrends** such as globalization, urbanization, digitalization and sustainability are driving our business
- / Thanks to our customer structure, we are **less susceptible** to short-term **economic cycles**
- / **Rail infrastructure** is classified worldwide as critical and therefore **particularly relevant**
- / **Global diversification** in production and sales another stabilizing factor
- / Worldwide unique **product and service portfolio** for all aspects of the rail track
- / **Experience** and **critical mass** as a driver of innovation and progress



Sales revenues

2023: €1.21 billion

+16 %

EBIT

2023: €98.5 million

+26 %

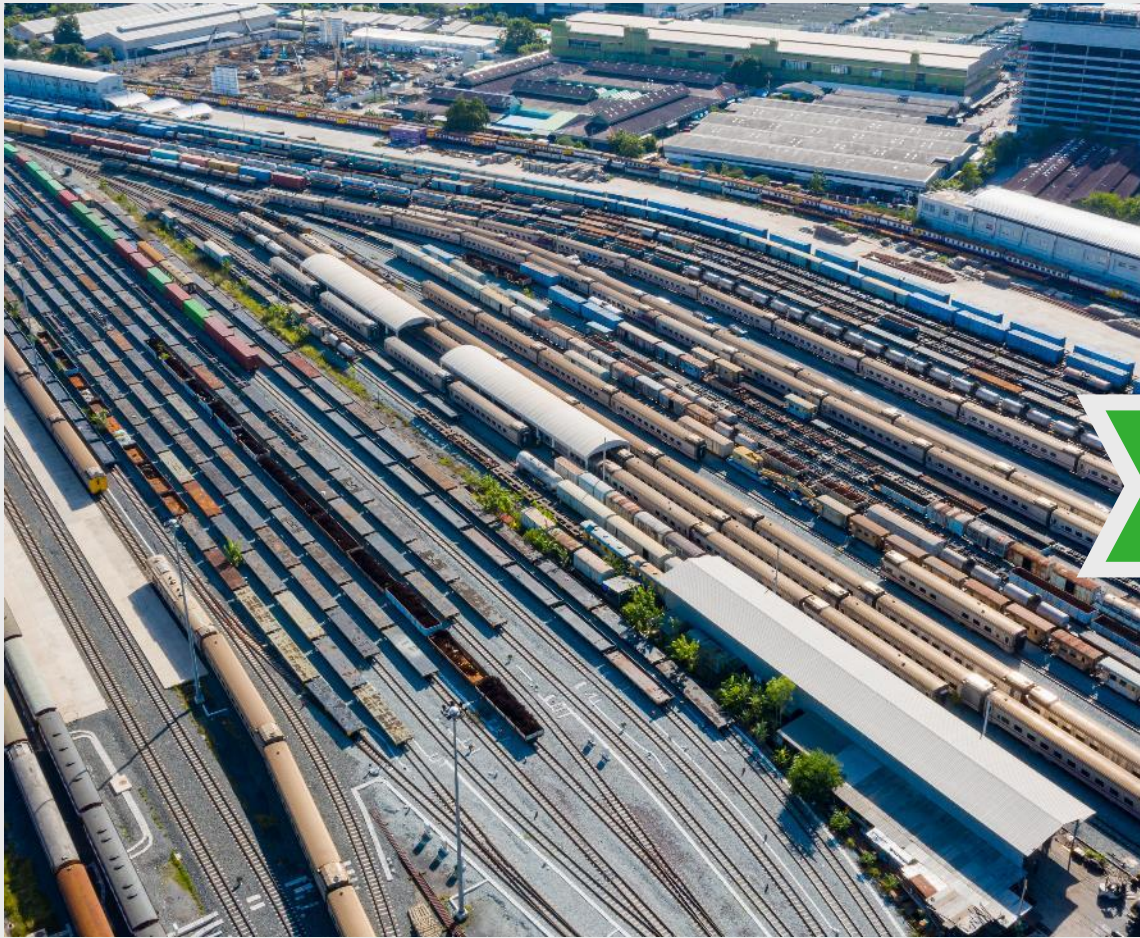
Free cash flow

2023: €70.9 million

+154 %

RAIL AS THE KEY TO A GREEN TRANSPORTATION TRANSITION

DECARBONIZATION OF THE TRANSPORT SECTOR CRUCIAL FOR ACHIEVING CLIMATE TARGETS



/ **Transport Outlook 2023** from the International Transport Forum ITF, Outlook to 2050 sees significantly increased demand for transportation:

- Passenger traffic rises to **110 trillion passenger kilometers**
- Freight traffic rises to **332 trillion tonne-kilometers**

/ The **transport sector** is currently responsible for **23 %** of global energy-related CO₂ emissions

/ No alternative to rail as the most environmentally friendly mode of mass transport for **decarbonizing** the transport sector

/ **Investment programs worth billions** launched worldwide to expand rail transport

Expansion of the rail network alone not enough for a green transport transition

GREATER AVAILABILITY. MORE RAIL TRAFFIC.

SYSTEM UNDERSTANDING OF THE RAIL TRACK AND INNOVATIVE SERVICES: THE BRIDGE TO HIGHER TRACK AVAILABILITY



Customers' main focus is on **higher availability**

– Increasing stress, **higher wear**

– **More efficient maintenance strategies** are required

Vossloh ideally positioned with a **unique portfolio**

– Linking products within a system and **digital interconnectivity from the system to the service** are crucial

– Around **150 digital experts** develop innovative solutions

– **Valuable findings** for product development and maintenance of the rail track

As a system house for the rail track, Vossloh is a holistic problem solver for customers

THE FUTURE OF RAIL: THE ROLE OF DIGITALIZATION

SETTING THE DIGITAL COURSE: OPPORTUNITIES FOR VOSSLÖH IN A NETWORKED WORLD



ACQUISITION OF RAILWATCH TECHNOLOGY

- / Innovative camera-based monitoring technology acquired from RailWatch in September 2023
- / Significantly improved expertise in the areas of **sensor technology, computer vision and cloud computing**
- / Focus on analyzing the **wheel-rail contact**



PARTNERSHIP WITH PREDGE

- / Predge offers **expertise in data analysis and artificial intelligence**
- / The aim is to develop **forecasting models** to reliably predict imminent failures or malfunctions of point machines



VOSSLÖH CONNECT: FOR MAXIMUM TRACK AVAILABILITY

- / "**One-stop shop platform**" offers customers a range of state-of-the-art solutions
- / All digital solutions are integrated into a **user-friendly system**
- / **360-degree view** of rail infrastructure and operations
- / **State-of-the-art analysis and warning systems** optimize management and maintenance with recommendations for action in real time

TRANSFORMATION OF THE RAIL INDUSTRY

EXPLOITING GROWTH OPPORTUNITIES THROUGH STRATEGIC CAPITAL EXPENDITURE



- / Increasing pressure for innovation and sustainability leads to **industry consolidation**
- / Vossloh is **ideally positioned** to benefit from this development
- / Additional investments in the **expansion of production capacity** to meet growing demand
- / Establishment of **new switch production facilities** in Sweden and Australia
- / **Construction of series production** for the composite sleeper (EPS) **well advanced** in Poland

PEOPLE ARE THE STRENGTH

THE DRIVING FORCE BEHIND THIS SUCCESS IS VOSSLÖH'S EMPLOYEES



- / **Thanks to all employees** worldwide
- / **Fit 4 Future** a complete success: 900 suggestions, 400 implemented
- / Very high level of **employee identification** according to survey
- / EUREF-Campus Düsseldorf: **New modern location** for new talents
- / Vossloh is ecologically sustainable: **100% taxonomy-eligible** and **63% taxonomy-aligned** sales revenues, one of the best companies in Germany
- / **Outstanding sustainability ratings** from renowned ESG rating agencies

FINANCIAL YEAR 2023 KEY FINANCIAL FIGURES

VOSSLÖH GROUP

RECORD SALES ACHIEVED
EBIT INCREASED BY **26.2 %**

GROUP KEY FIGURES		2022	2023
Orders received	€ mill.	1,247.0	1,217.4
Order backlog (12/31)	€ mill.	799.6	761.2
Sales revenues	€ mill.	1,046.1	1,214.3
EBIT / EBIT margin	€ mill. / %	78.1 / 7.5	98.5 / 8.1
Net income	€ mill.	56.0	55.3
Earnings per share	€	2.38	2.21
Value added	€ mill.	11.5	18.9
Free cash flow	€ mill.	27.9	70.9

EQUITY **INCREASED**
NET FINANCIAL DEBT **DECREASED**

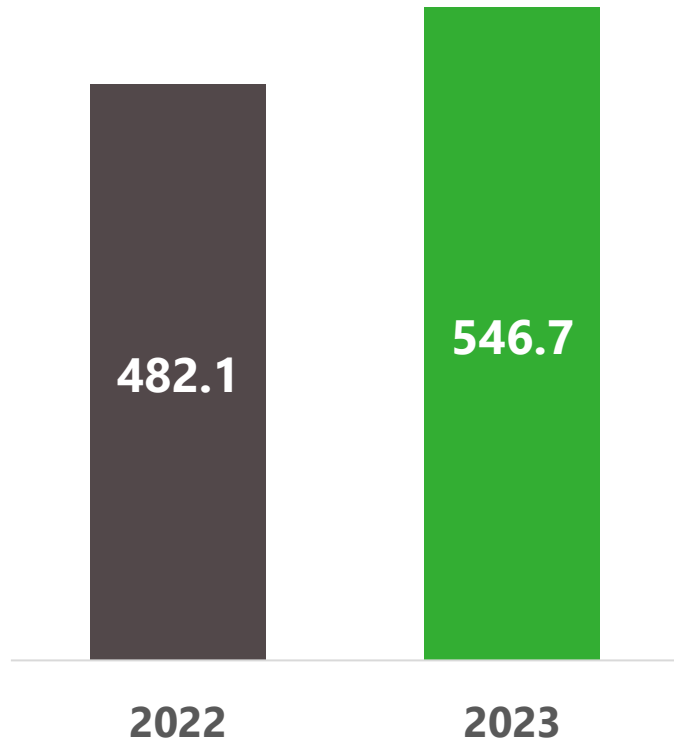
GROUP KEY FIGURES		12/31/2022 2022	12/31/2023 2023
Equity	€ mill.	625.1	638.5
Equity ratio	%	45.7	45.8
Net financial debt	€ mill.	237.5	219.5



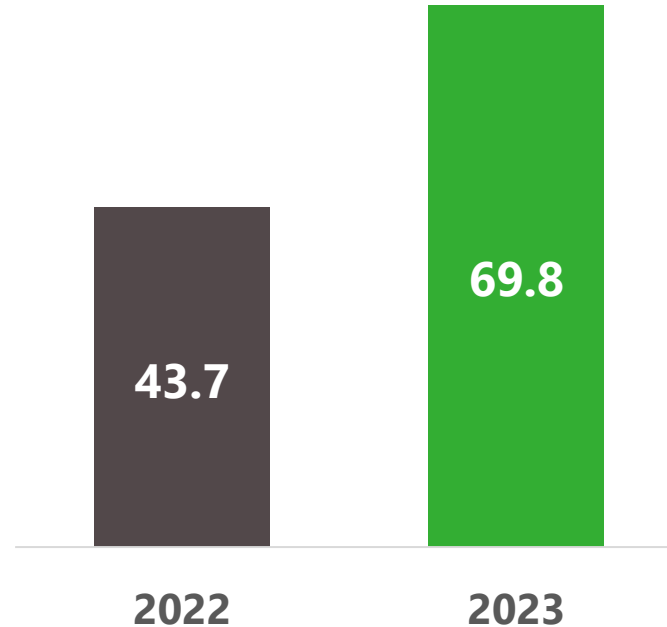
CORE COMPONENTS DIVISION, FY 2023

SIGNIFICANT INCREASE IN SALES REVENUES COMBINED WITH CONSIDERABLY IMPROVED PROFITABILITY

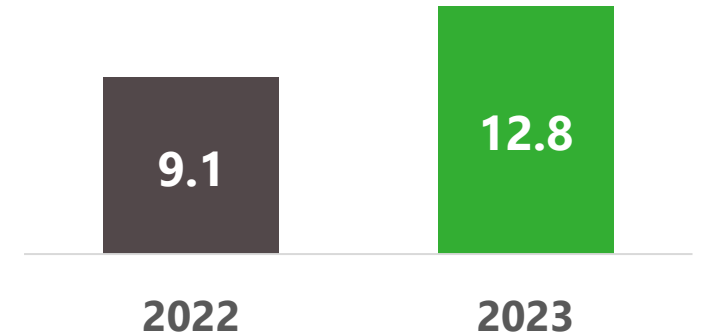
Sales revenues (in € mill.)



EBIT (in € mill.)



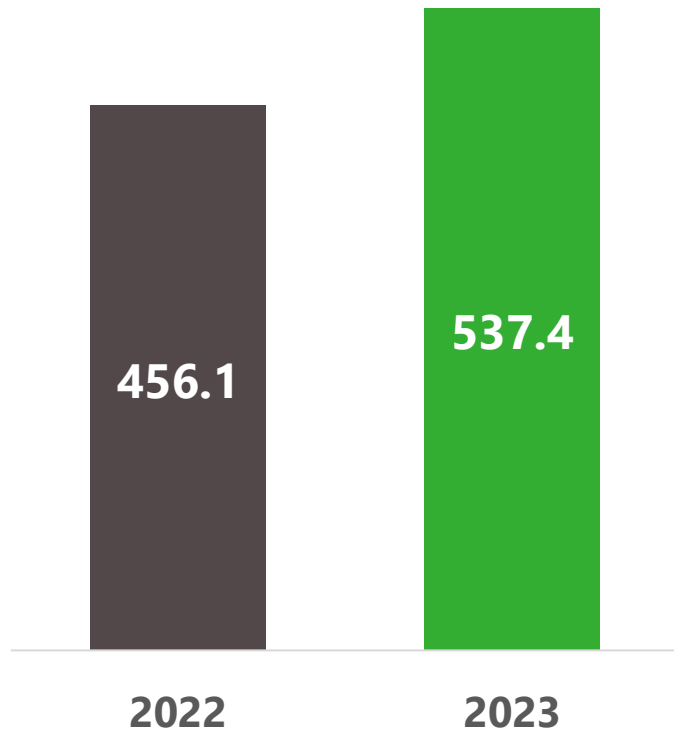
EBIT margin (in %)



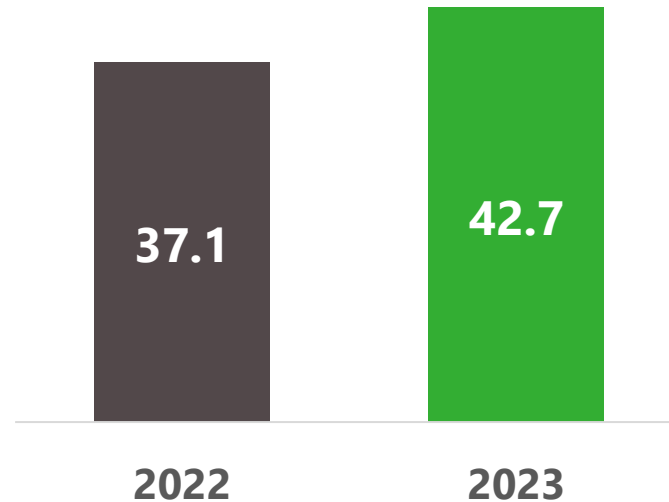
CUSTOMIZED MODULES DIVISION, FY 2023

SALES REVENUES REACH ALL-TIME HIGH, EBIT SIGNIFICANTLY ABOVE PREVIOUS YEAR

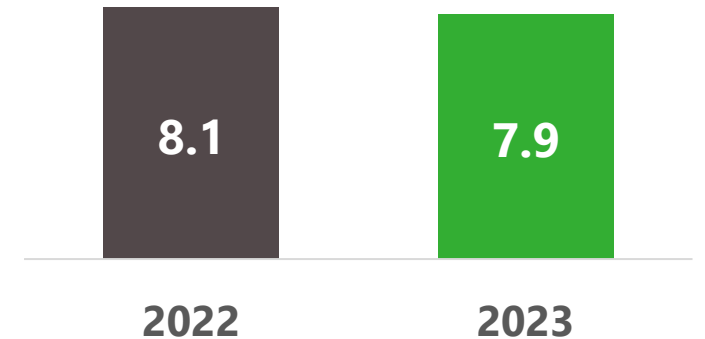
Sales revenues (in € mill.)



EBIT (in € mill.)



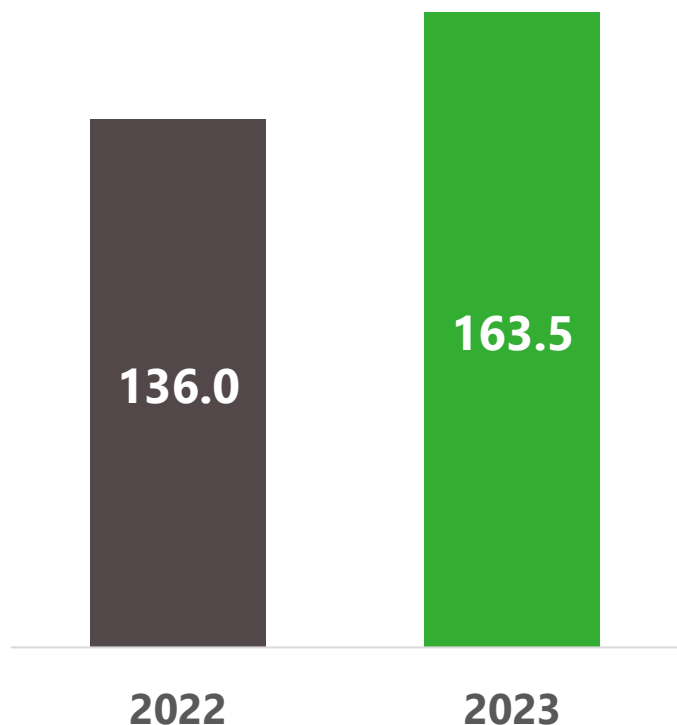
EBIT margin (in %)



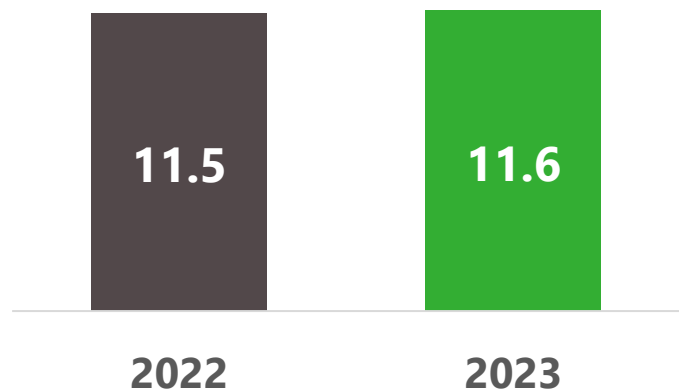
LIFECYCLE SOLUTIONS DIVISION, FY 2023

SALES REVENUES RISE TO NEW RECORD LEVEL, EBIT ALMOST UNCHANGED AT PREVIOUS YEAR'S LEVEL

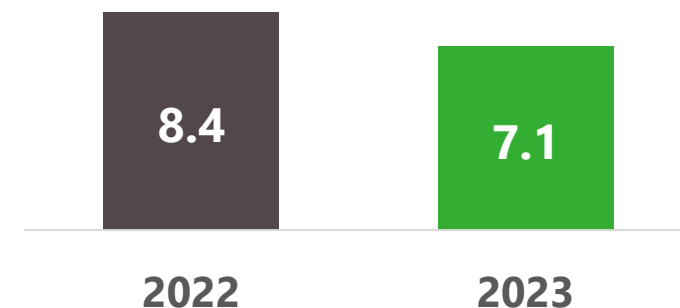
Sales revenues (in € mill.)



EBIT (in € mill.)



EBIT margin (in %)



**VOSSLOH GROUP
FIRST QUARTER 2024**

VOSSLOH GROUP Q1 2024

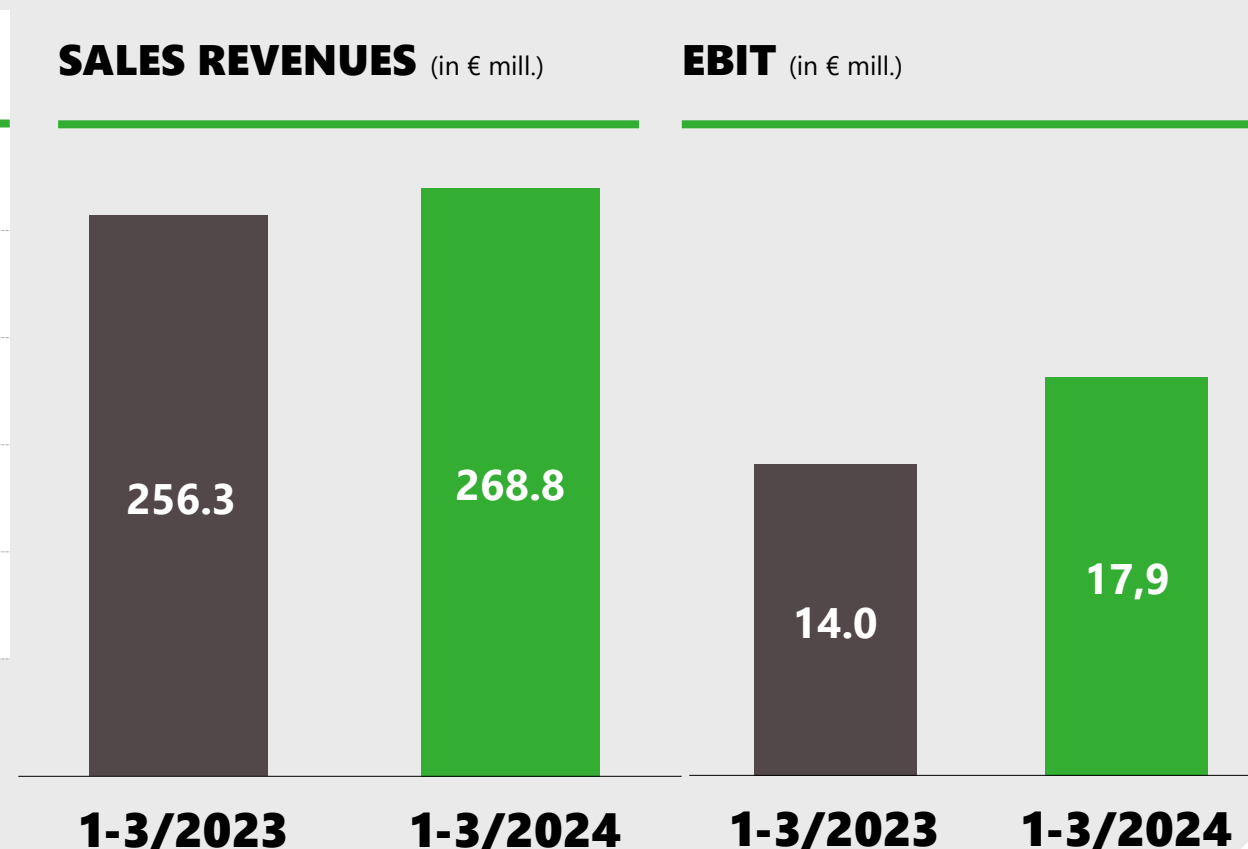
SALES REVENUES AT RECORD LEVEL IN FIRST QUARTER, EBIT SIGNIFICANTLY ABOVE PREVIOUS YEAR, NET FINANCIAL DEBT DOWN

GROUP KEY FIGURES

		1-3/ 2023	1-3/ 2024
Orders received	€ mill.	344.9	350.1
Order backlog (3/31)	€ mill.	868.6	804.1
EBIT margin	%	5.5	6.7
Equity ratio (3/31)	%	44.5	46.9
Net financial debt incl. lease liabilities (3/31)	€ mill.	273.4	239.2

SALES REVENUES (in € mill.)

EBIT (in € mill.)



OUTLOOK

VOSSLOH GROUP: OUTLOOK

NOTICEABLE INCREASE IN EARNINGS EXPECTED IN 2024

Sales revenues

2023: €1.21 billion

2024E: €1.16 billion to €1.26 billion

EBIT

2023: € 98.5 million

2024E: €100 million to €115 million

OUTLOOK



2024

EBIT margin ¹

2023: 8,1 %

2024E: 8.3 % to 9.5 %

Value added²

2023: €18.9 million

2024E: €7.5 million to €22.5 million

¹ In relation to the mean value of the sales forecast

² Based on a weighted average cost of capital (WACC) of 8.5 % in 2023 and 9.5 % in 2024



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**THANK YOU FOR YOUR
ATTENTION**