

Annual Report 2023

Sustainable success
with our integrated
system.



Andreas Pabst | CFO
Sebastian Kutz | CSO

Annual report 2023 | March 27th, 2024



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Update on WashTec

 WashTec



WashTec Management Board



Andreas Pabst
CFO



Michael Drolshagen
CEO/CTO

as of May 1st , 2024



Sebastian Kutz
CSO

Michael Drolshagen was most recently appointed to the Executive Board of thyssenkrupp Presta AG as Managing Director/CEO of the Steering division in 2018. Previously, Michael Drolshagen was Vice President After Sales for the global aftermarket of car manufacturer Porsche and reported directly to the Executive Board of Porsche AG



FY 2023 - Results and selected achievements

Adjustment of the strategic focus

- > Total Customer Care
- > Focus on Europe and North America

Expansion of digital competence

- > more than 10,00 machines online
- > Further digitization of service processes

Profitability in **North America** significantly increased

Share of **after-sales** business increased to >40%

Sustainability

- > Sustainability Officer
- > New certification program
- > CO2 target for 2025 achieved ahead of schedule in 2023

Revenue €m 489.5

EBIT 8.6%

ROCE 21.5%

FCF €m 46.1

Dividend proposal € 2.20



Our mission
Total Customer Care

WashTec
CLEAN CARS®



Smart machine technology



Sustainable car wash

Green Car Care



mywashtec.com

Wirkssystem

mywashtec.com

Digital platform



More than 10,000 machines already online!

Operator A

Operator B

Operator C

Operator ...

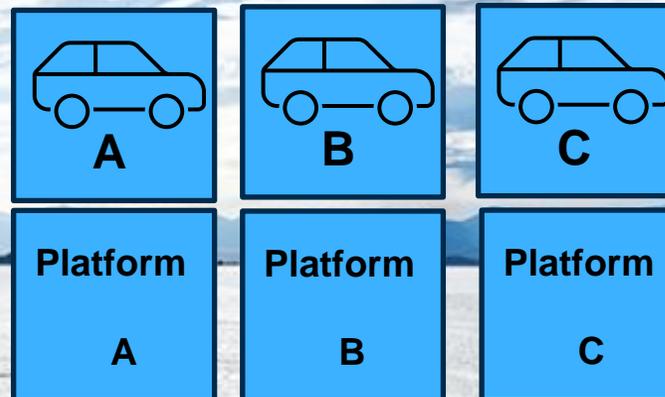
Operator Z

Our mission
Total Customer Care



Integration
partner

Integration
partner



Wirksystem

mywashtec.com

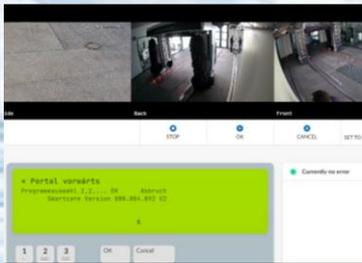
Digital platform



Our mission
Total Customer Care



Flatrate



Total Care



Chemical Supply

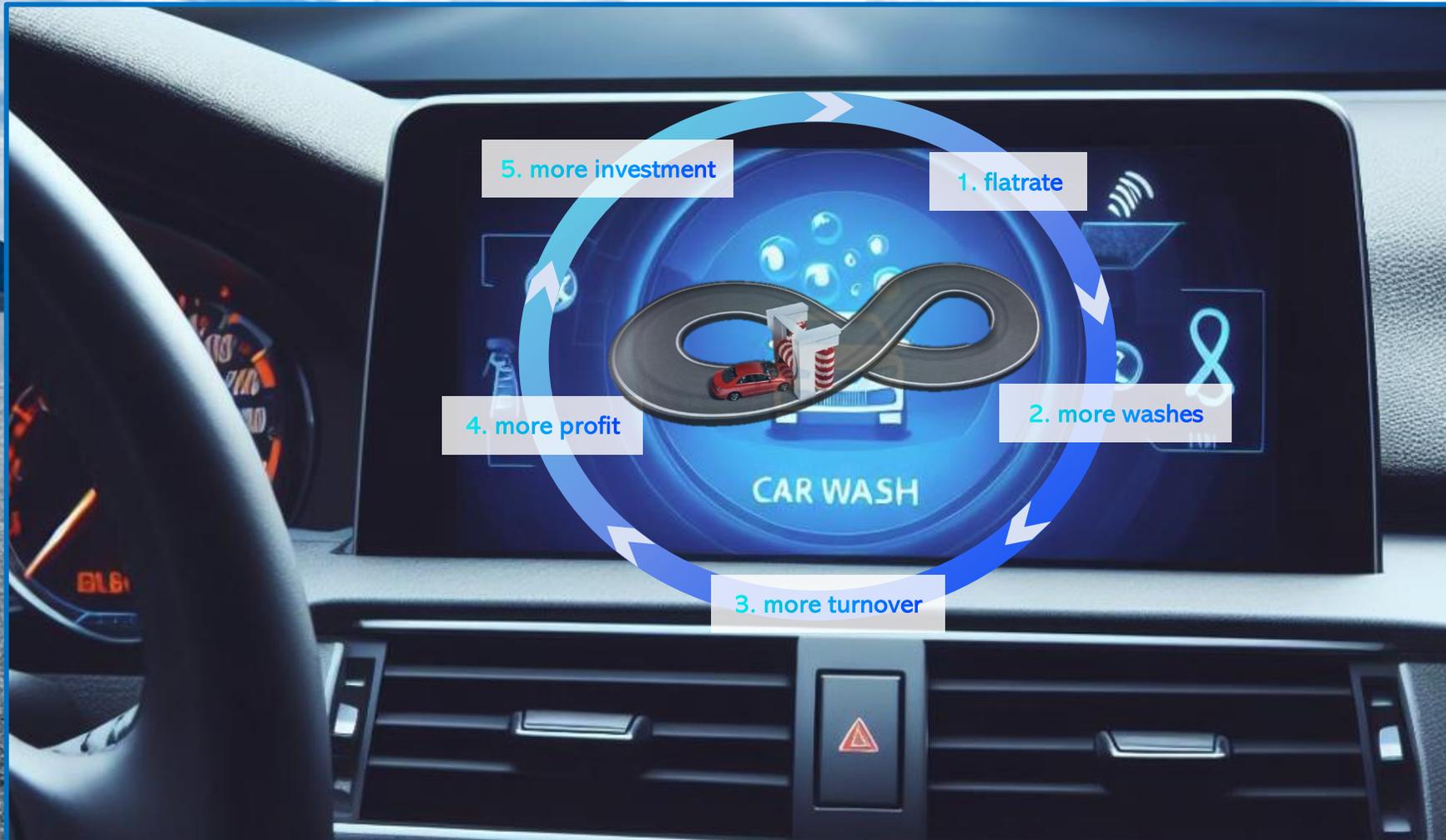
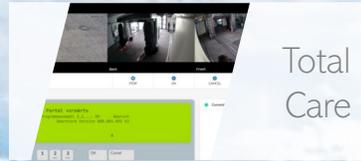


Digital Service



Wirksystem **mywashtec.com** Digital platform









Digital washes + flatrate
= more washing
customers.
... more car washes.
... more turnover & profit!



Wirksystem **mywashtec.com** Digital platform



More than 10,000 machines already online!

We are committed to integrating sustainability into our business model



Report 2023
End of Q2/2024

The WashTec Sustainability Program
sustainability@washtec



1. Comprehensive voluntary sustainability report since 2021
2. ESG Company of the Year 2022 – awarded by the Business School Augsburg
3. Sustainability Report - Award „ESG Transparency 2023“



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Financial year
2023
Results

 WashTec



2023 at a glance

Mainly due to a strong service and chemicals business, WashTec reports an increase in revenue to a new record of €m 489.5 for 2023. Revenue of over €m 100 was also achieved again in North America.

WashTec achieved EBIT of €m 41.9 compared to €m 38.0 in the prior year. This corresponds to an EBIT margin of 8.6% (prior year 7.9%).

Free cash flow was €m 46.1, compared to €m 16.2 in the prior year, which is a significant increase.

Revenue

€m 489.5 (VJ €m 482.2)

EBIT

€m 41.9 (VJ €m 38.0)

Free Cashflow

€m 46.1 (VJ €m 16.2)



Revenue at a new high and significant EBIT improvement of 10.3% with a significant increase in free cash flow to €m 46.1

Q1-Q4		Jan 1 to Dec 31, 2023	Jan 1 to Dec 31, 2022	Change	
				absolute	in %
Revenue	€m	489.5	482.2	7.3	1.5
EBIT	€m	41.9	38.0	3.9	10.3
EBIT margin	%	8.6	7.9	0.7	-
EBT	€m	38.4	37.3	1.1	2.9
Net income	€m	28.0	26.4	1.6	6.1
Number of shares in circulation	units	13,382,324	13,382,324	-	-
Earnings per share	€	2.09	1.97	0.12	6.1
Free cash flow	€m	46.1	16.2	29.9	184.6
Net cash outflow from investing activities	€m	-15.7	-6.5	-9.2	-141.5
Equity ratio	%	31.6	31.0	0.6	-
ROCE	%	21.5	20.2	1.3	-
Employees at reporting date	persons	1,687	1,824	-137	-7.5

- Revenue at a new high**
 WashTec achieved a new record with revenue of €m 489.5 in the 2023 fiscal year (prior year: €m 482.2). This was due in particular to the Chemicals segments, where new customers were acquired, while the Equipment and Service segment remained stable.
- Significant EBIT increase**
 At €m 41.9, EBIT was significantly higher than in the prior year (€m 38.0), in particular due to the implemented price increases and active cost management. The EBIT margin improved to 8.6% (prior year: 7.9%).
- Significant increase in free cash flow**
 Free cash flow increased significantly to €m 46.1 (prior year: €m 16.2) despite the acquisition of the site of the American subsidiary in the amount of €m 9.5.



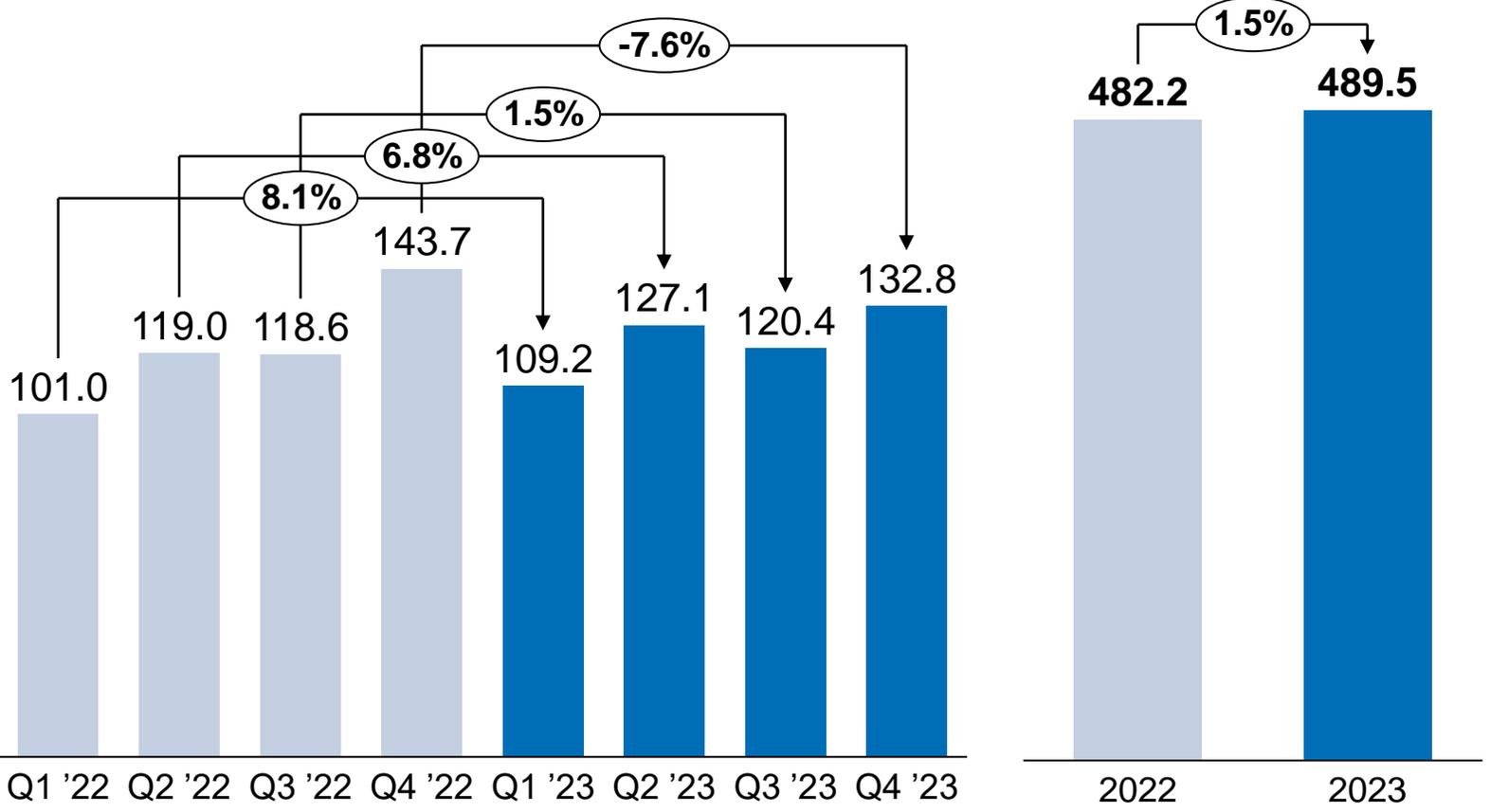
The EBIT margin increased to 11.3% in the fourth quarter

Q4		Q4 2023	Q4 2022	Change	
				absolute	in %
Revenue	€m	132.8	143.7	-10.9	-7.6
EBIT	€m	15.0	15.4	-0.4	-2.6
EBIT margin	%	11.3	10.7	0.6	5.6
EBT	€m	14.2	15.2	-1.0	-6.6
Net income	€m	11.1	11.6	-0.5	-4.3
Number of shares in circulation	units	13,382,324	13,382,324	-	-
Earnings per share	€	0.83	0.87	-0.04	-4.3

- Revenue down in fourth quarter**
 Revenue fell compared to the record prior-year quarter (€m 143.7) by 7.6% to €m 132.8.
- EBIT at prior year's high level with higher EBIT margin**
 Despite the lower revenue, EBIT remained at the prior year's high level of €m 15.0 (prior year: €m 15.4). The EBIT margin rose to 11.3% (prior year: 10.7%). The implemented price adjustments and active cost management contributed to this positive development.



Development of revenue in € million by quarter and for the full year

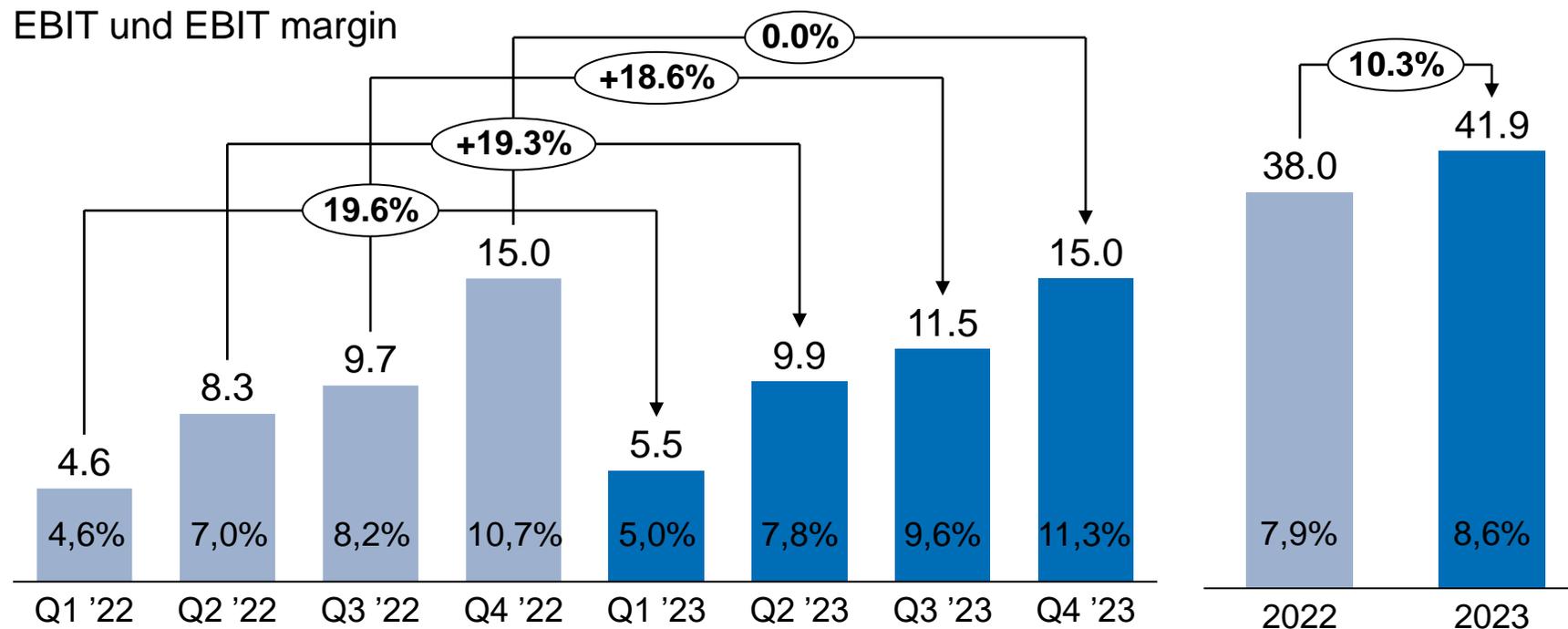


- In terms of revenue, the four quarters of 2023 do not show the characteristic long-term trend seen in the prior year: Q1 < Q2 < Q3 < Q4
- After three quarters above the prior year, Q4/23 was unable to match the all-time high quarterly revenue of Q4/22. Quarterly revenue was down 8% on the prior year.
- Overall, a **new record revenue** of €m 489.5 was achieved in 2023.



EBIT development in € million by quarter and for the full year

EBIT und EBIT margin



- EBIT margins increased in each quarter of 2023 thanks to consistent cost management and was at or above the prior year's level in each case.
- EBIT for the financial year was up 10.3% on the prior year; the EBIT margin rose to 8.6% (prior year 7.9%).



Revenue by product

Revenue by product				
in €m	2023	2022	Change	
			absolute	in %
Equipment and service	418.5	420.0	-1.5	-0.4
Chemicals	65.8	56.9	8.9	15.6
Others	5.2	5.3	-0.1	-1.9
Total	489.5	482.2	7.3	1.5

- Revenue in the **Equipment and Service** segment was slightly down on the prior year by €m 1.5, mainly due to the general decline in demand in the market as a whole.
- The **Chemicals** segment developed positively. A significant increase in sales of 15.6% was achieved thanks to newly acquired customers.
- **Others** revenue mainly relates to the brokerage of financing and the concessions business and remained stable compared to the prior year.



Revenue by regions

Revenue by regions in €m*



*cross-segment consolidation effects are disregarded.

- Revenue in **Europe** increased by 2.0% to €m 378.9 (prior year: €m 371.6). Revenue in the Equipment and Service segment was on the same level with the prior year. While equipment sales declined, an increase in revenue was achieved in the service area. Of particular note is the fact that the Chemicals segment achieved significant double-digit growth in this region thanks to newly acquired major customers.
- Revenue in **North America** fell from €m 107.7 in the prior year to €m 102.9. In US dollars, revenue amounted to USD 111.1m (prior year: USD 112.0m) and was therefore on a similar level to the prior year.
- At €m 19.2, revenue in the **Asia/Pacific** region was up on the prior year (€m 17.6). The growth in the region in fiscal year 2023 is primarily due to the higher volume with local oil companies in China. Revenue in Australia was on a similar level to the prior year.



EBIT by regions

EBIT by regions in €m*

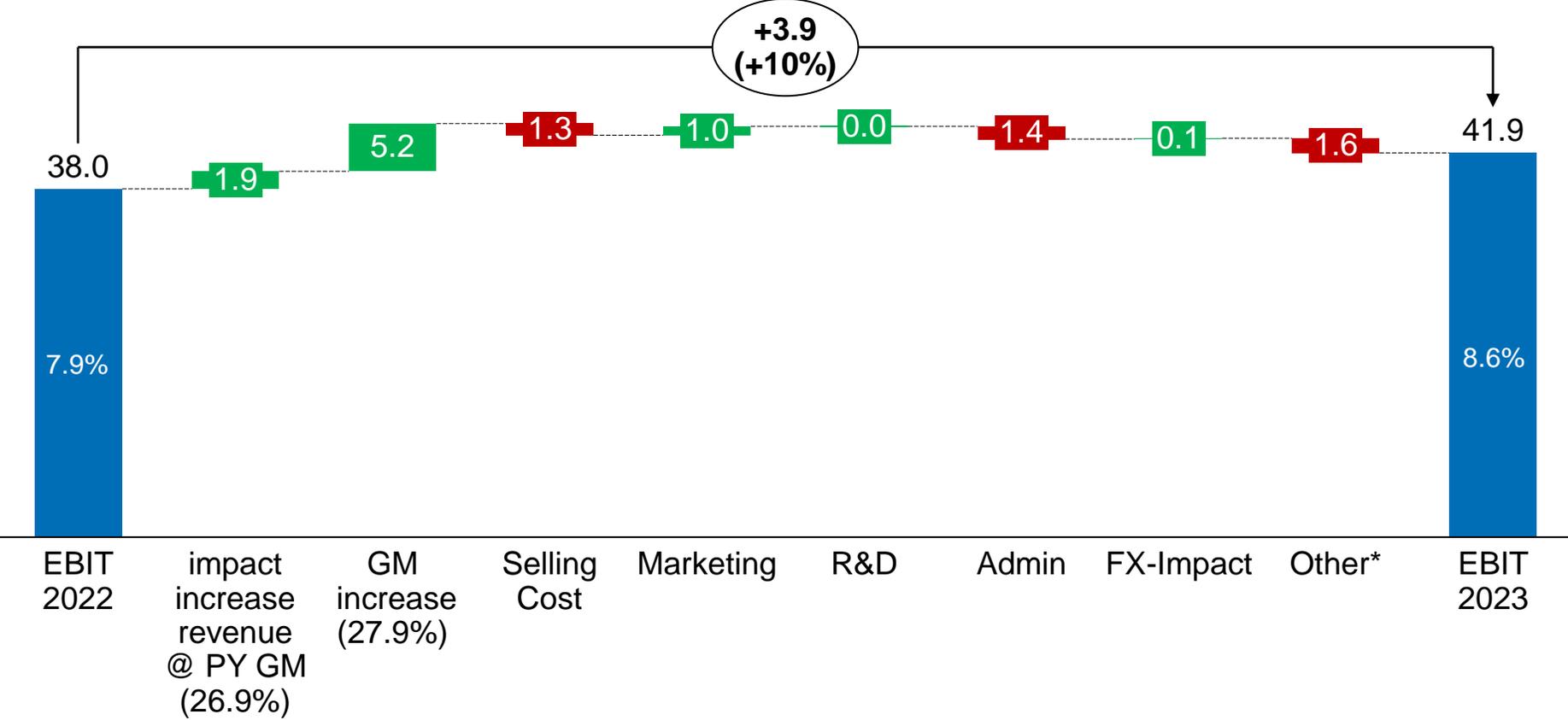


* cross-segment consolidation effects are disregarded.

- At €m 36.2, EBIT in **Europe** was on the same level as the prior year (€m 36.4). The EBIT margin amounted to 9.6% (prior year: 9.8%). In this region in particular, the declining revenue figures from the sale of systems and the resulting lack of coverage of fixed costs led to challenges in earnings performance.
- Earnings in **North America** increased significantly by €m 4.3 to €m 5.7 (prior year: €m 1.4). This is primarily due to the efficiency improvement projects launched last year and successfully implemented in the 2023 fiscal year.
- As in previous years, the positive EBIT in the Asia/Pacific region resulted primarily from the earnings contribution from Australia.



EBIT bridge 2023 - significant increase due to improvement in gross margin

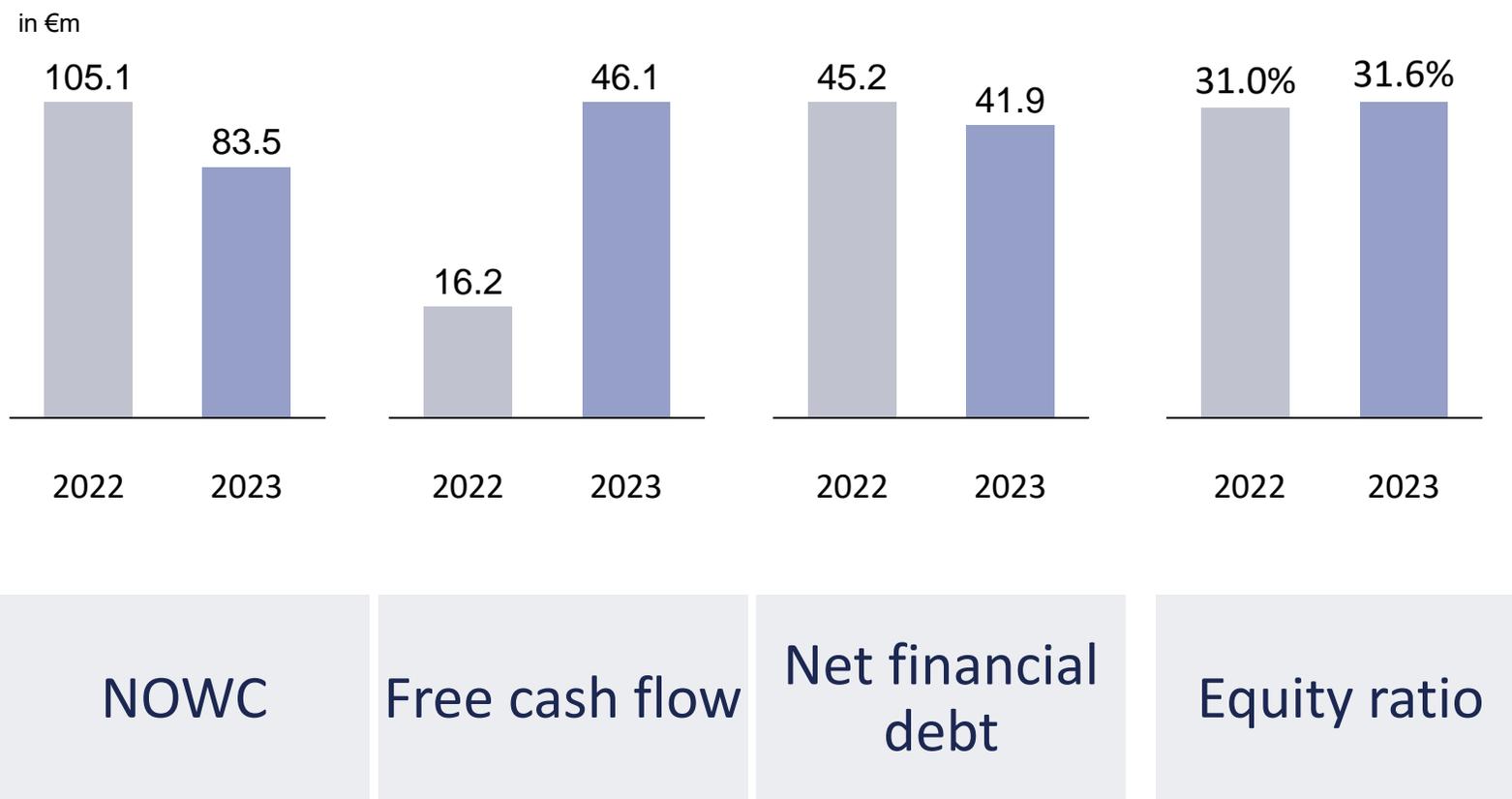


- In addition to the higher revenue, the improvement in the **gross margin** to 27.9% (prior year: 26.9%) in particular contributed to the significant **increase in EBIT** of >10% to €m 41.9
- The increase in **selling expenses** is mainly due to higher freight costs.
- The **administrative expenses** also include the expenses for optimizing the costs of the new product generation.

* Other gains & losses: Income from scrapping, compensation payments from insurance companies, etc.



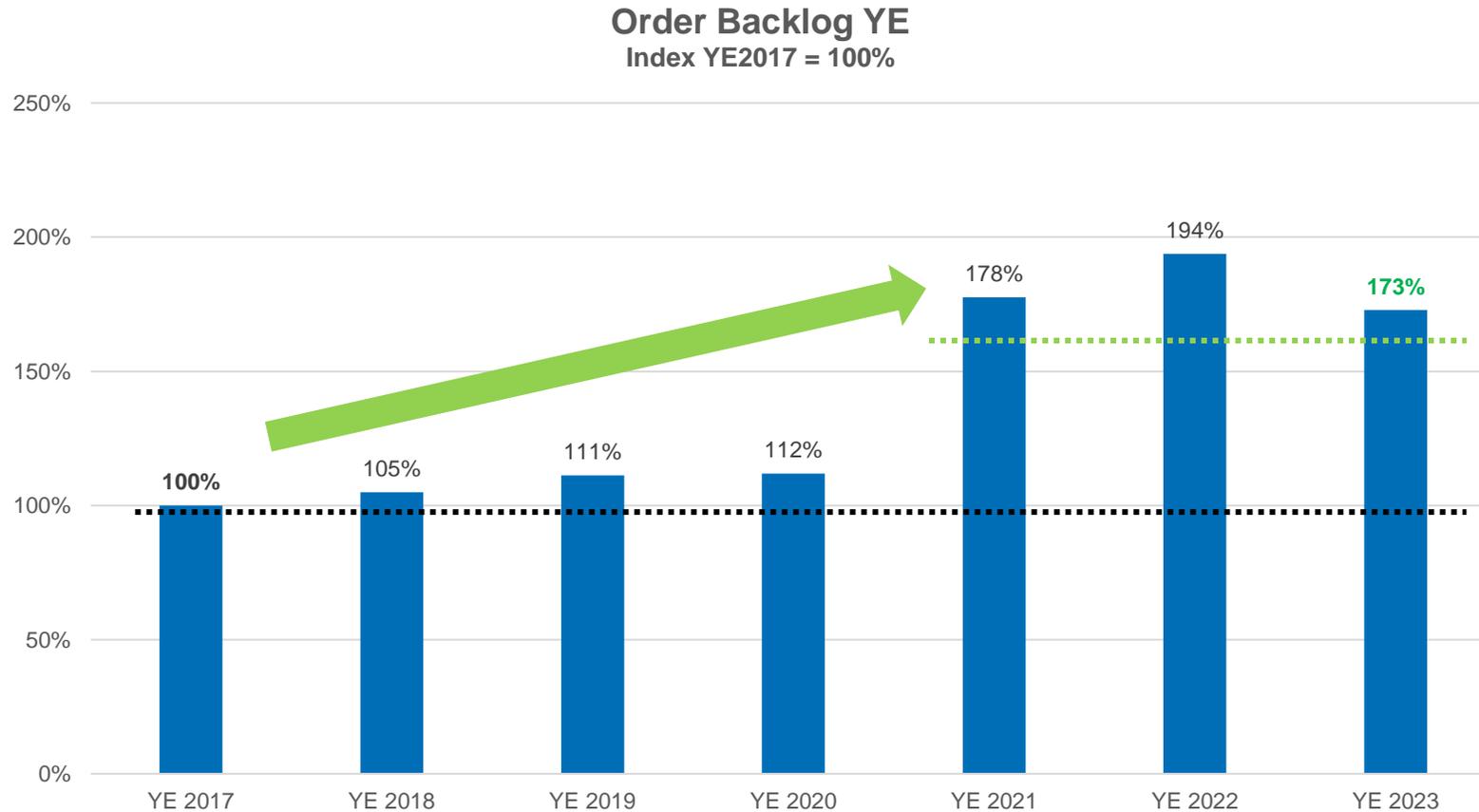
NOWC, Free cash flow, Net financial debt, Equity ratio



- **Net operating working capital (NOWC)** decreased by €m 21.6 to €m 83.5.
- **Free cash flow** increased significantly to €m 46.1 (prior year: €m 16.2) despite the acquisition of the site of the American subsidiary in the amount of €m 9.5.
- **Net financial debt** amounted to €m 41.9 as of December 31, 2023 (prior year: €m 45.2). The reduction of €m 3.3 is mainly due to the increase in cash and cash equivalents and the reduction in interest-bearing loans.
- The **equity ratio** rose to 31.6% (prior year: 31.0%) due to the lower balance sheet total in the prior year, mainly as a result of the reduction in working capital.



Development of order backlog



- Due to the lower order intake, the order backlog at the end of December 2023 fell significantly compared to the prior year.
- Measured against the long-term average, the order backlog is still at a high overall level.



Guidance 2024

	2023	Guidance 2024
Revenue	€m 489.5	Similar level to prior year \pm 3%
EBIT	€m 41.9	Increase in mid-single-digit percentage range
Free cash flow	€m 46.1	€m 30 - 40
ROCE	21.5%	\pm 1 percentage point

This forecast is fundamentally subject to uncertainties. These can result, for example, from a possible escalation of the conflicts in Ukraine and the Middle East, a significant deterioration in economic conditions in key sales markets or additional burdens from structural adjustments.





WashTec

CLEAN CARS®



Financial calendar 2024

Datum

May 6th, 2024

Publication of 3-month statement 2024

May 14th, 2024

Annual General Meeting 2024

August 5th, 2024

Publication of half-year financial report 2024

6. November 6th, 2024

Publication of 9-month statement 2024



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