

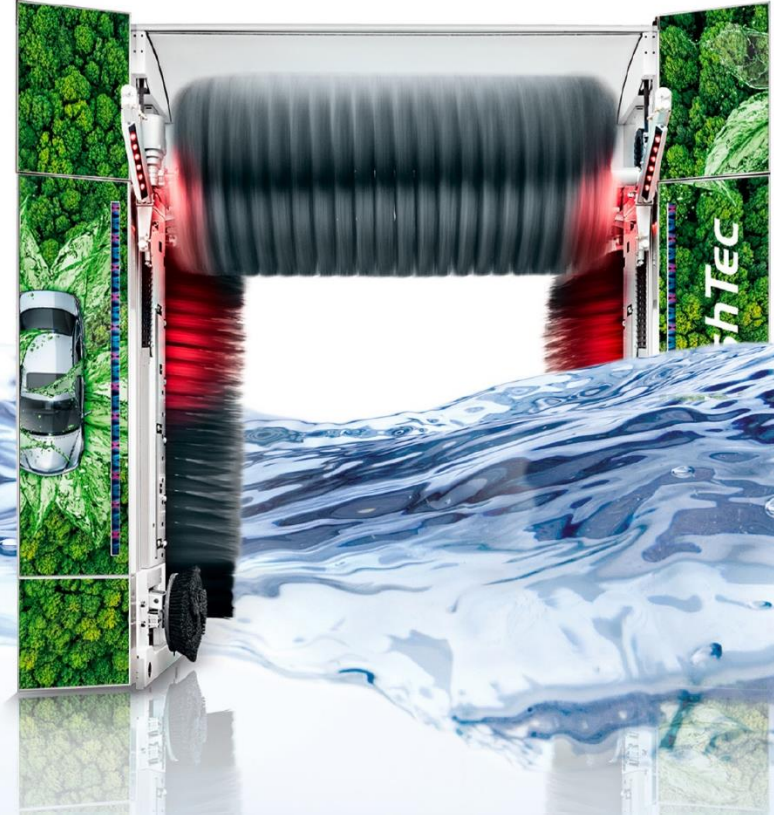
# Financial Statement Q1 2024



Michael Drolshagen (CEO) | Andreas Pabst (CFO)

Board of Management WashTec AG

May 6<sup>th</sup>, 2024



# 1 | Update on WashTec

 *WashTec*



 *WashTec*  
CLEAN CARS®

# WashTec Management Board



Michael Drolshagen  
CEO/CTO

- Corporate culture, communication & mission statement
- Human Resources
- Production
- Sustainability
- R&D
- Quality
- Service
- AUWA-Chemie GmbH



Andreas Pabst  
CFO

- Finance/Controlling
- IT
- Purchasing
- Investor Relations
- Legal and Compliance
- Risk Management
- Internal Audit
- Insurance
- WashTec Financial Services GmbH

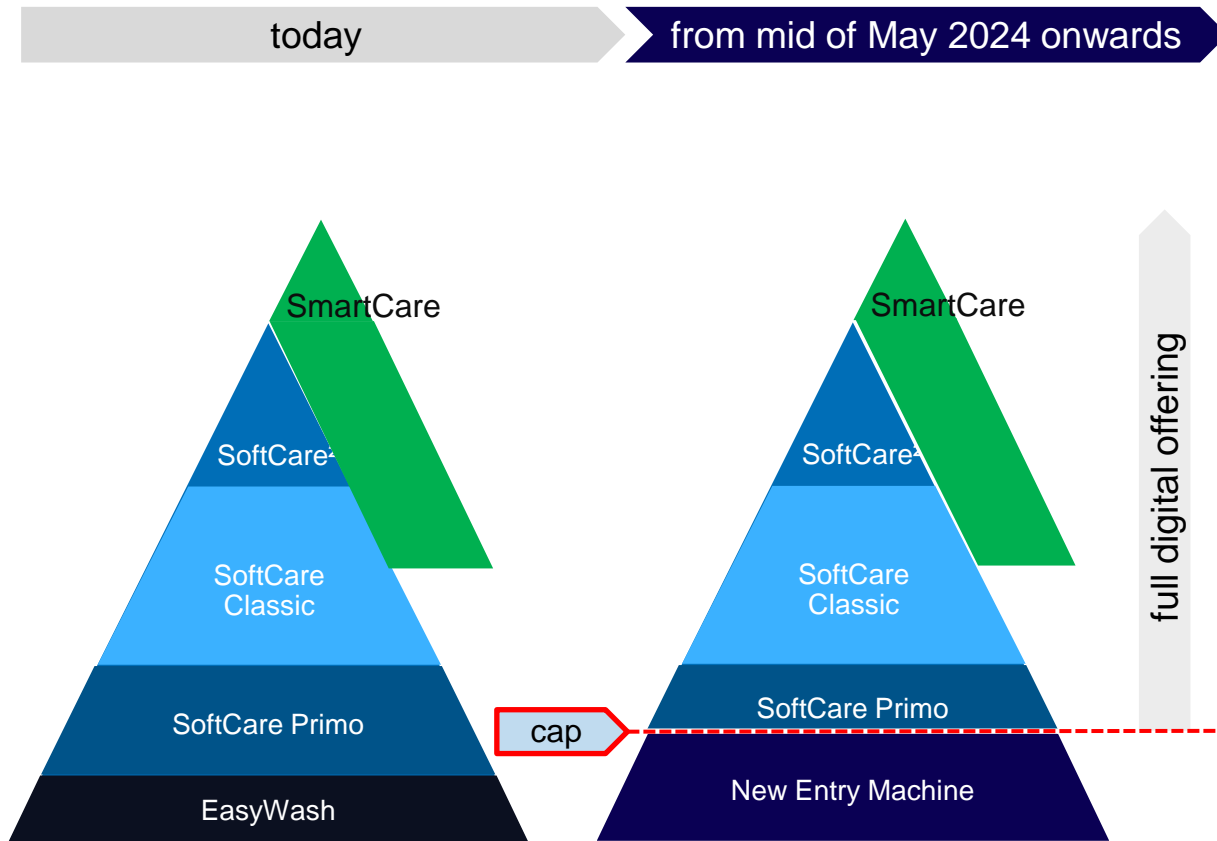


Sebastian Kutz  
CSO

- Sales
- Key Account Management
- Marketing
- Business Units/Product Management
- WashTec Carwash Management GmbH



# New Rollover - Entry Machine



- New Entry Machine will have similar pricing like former EasyWash with higher functionality.
- Based on our platform ramp up period is quite short.
- Number of sold units expected to increase for entry market.
- New Entry Machine will not offer full range of digital features.



Come and visit us – WashTec will be at this upcoming fair

**UNITI expo**

**May 14-16, 2024 | Stuttgart**



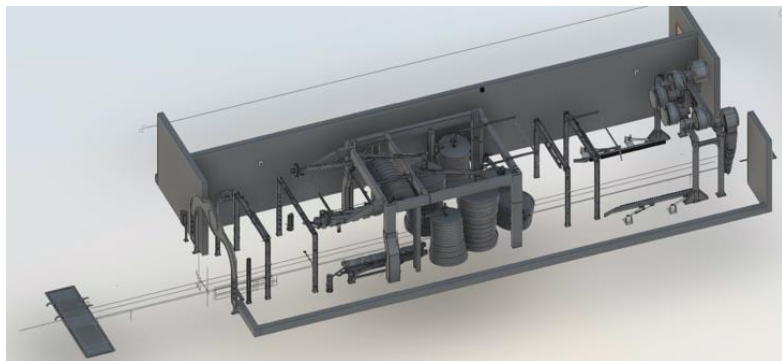
Come and visit us there!



# US tunnel strategy: new “mini-tunnel”

Conversion IBA (in bay automatics/rollover) to Tunnel for C-Store industry

- Mark VII/WashTec is the dominant supplier of carwash equipment for C-Stores in the USA.
- Rollover are the domain of the C-Stores (fuel stations), with approximately 23.500 units.
- Tunnel car wash is the preferred car wash solution for the majority of the car owners in the US, as the capacity and throughput are higher.
- We see a potential of appr. 1.500 – 2.000 rollover wash bays which are suitable (size of wash bays) for the change from rollover to a mini tunnel.
- The business case for operators is proven positive, with a pay off period of 1,3 years by a 2,5 times higher investment.

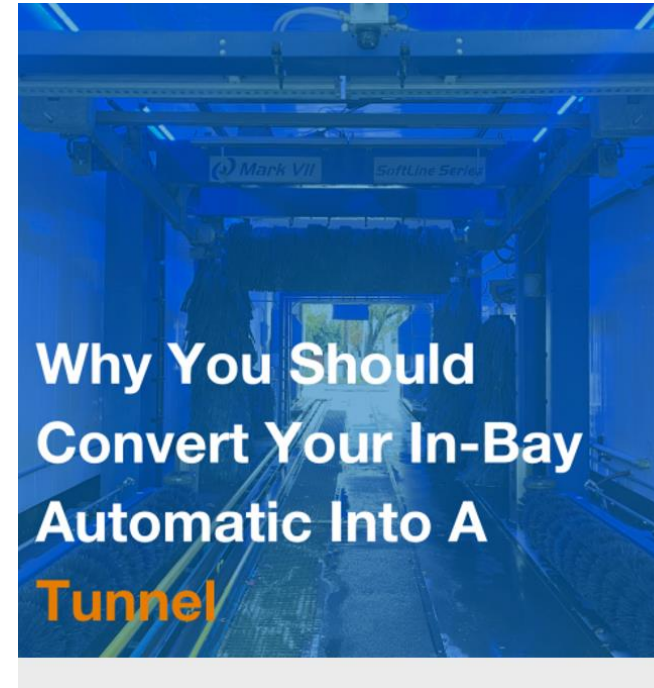


# Come and visit us – Mark VII will be at this upcoming fair

## ICA – the largest carwash trade fair in USA

May 13-15, 2024 | Nashville

- 3 pitches to present the Mini Tunnel to an interested audience
- 1 presentation on the opening day
- A complete Mini Tunnel as an exhibit
- Training of the gantry car wash sales staff with a simplified price list



- As the carwash industry increasingly shifts towards tunnel systems, in-bay operators are showing a growing interest in converting their bays into tunnels.
- With MarkVII's position as the market leader in the C-Store industry, Pierre Leclercq will offer valuable guidance, insights, and tips to avoid common pitfalls when preparing for such a conversion.

THE CAR WASH SHOW™  
MAY 13-15, 2024 • NASHVILLE, TN

Come and visit us there!



# 2 | Q1 2024 results

 WashTec



 WashTec  
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# First-quarter EBIT margin at prior-year level despite slow start to the year

Q1

		Q1 2024	Q1 2023	Change	
				absolute	in %
Revenue	€m	100.8	109.2	-8.4	-7.7
EBIT	€m	5.1	5.5	-0.4	-7.3
EBIT margin	%	5.1	5.0	-	10 bp
Net income	€m	3.1	3.5	-0.4	-11.4
Number of Shares	units	13,382,324	13,382,324	0	0.0
Earnings per Share	€m	0.23	0.26	-0.03	-11.4
Free cash flow	€m	9.3	1.9	7.4	389.5
Net cash outflow from investing activities	€m	1.4	11.1	-9.7	-87.4
Equity ratio	%	33.9	31.2	-	270 bp
Employees at reporting date	people	1,694	1,785	-91	-5.1

bp: basis point (1/100th of a percentage point)

Figures in this report are rounded. Because of this, individual figures may not add up to the stated totals and percentages may not precisely correspond to the absolute figures they relate to.

## Revenue down on prior year

WashTec generated revenue of €100.8m in the first three months, down 7.7% on the prior year (€109.2m). This was mainly the result of lower sales of equipment, particularly to key accounts in North America.

## EBIT margin at prior-year level

Despite the lower revenue, EBIT in the first three months amounted to €5.1m, only slightly down on the prior year (€5.5m). As a result, the EBIT margin increased slightly to 5.1% (prior year: 5.0%). Adjusted for one-off expenses of around €1m, EBIT rose by around 11% compared to the prior-year quarter.

## Increase in free cash flow

Free cash flow improved in the first three months to €9.3m (prior year: €1.9m) due to lower capital expenditure and a refund of capital gains tax prepayments.

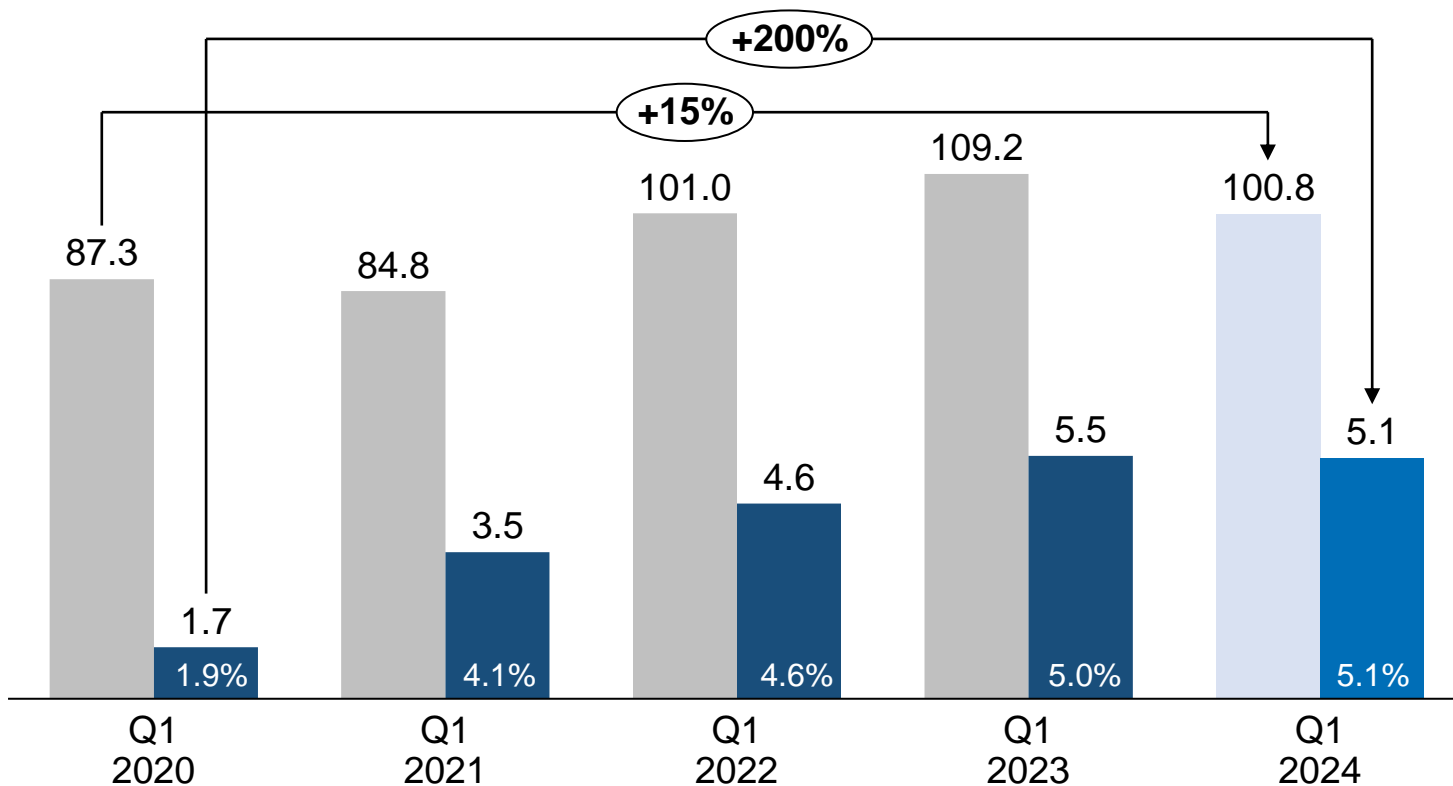
## Guidance for full year 2024

The WashTec Group confirms its guidance for fiscal year 2024.



# Group revenue and earnings

Revenue and EBIT Q1 in €m, and EBIT margin in a multi-year comparison



- Despite lower **revenues** compared to last year, we are facing third year in a row revenues >€100m. This is an increase over the last five years of 15%.
- **EBIT margin** increased every year – from 1.9% in Q1/20 to now 5.1% in Q1/24. This is an EBIT CAGR of ~30%.



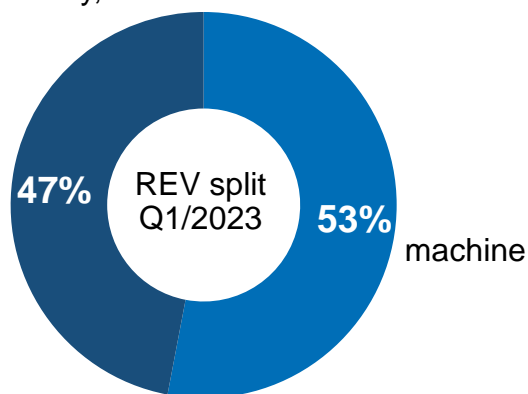
# Q1 Revenue by product

Revenue by product, Q1

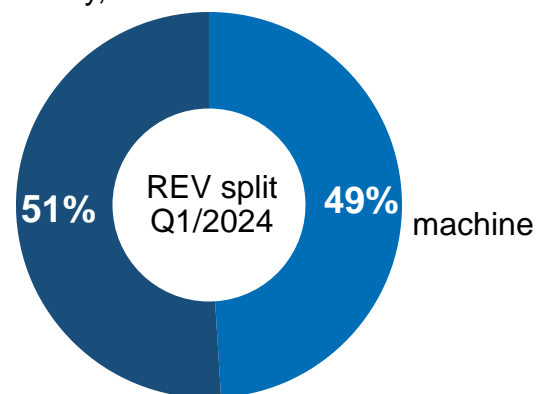
in €m	Q1 2024	Q1 2023	Change	
			absolute	in %
Equipment and service	84.5	91.1	-6.6	-7.2
Chemicals	14.9	16.7	-1.8	-10.8
Other	1.4	1.3	0.1	7.7
<b>Total</b>	<b>100.8</b>	<b>109.2</b>	<b>-8.4</b>	<b>-7.7</b>

- At €84.5m, **equipment and service revenue** was down on the prior-year figure (€91.1m). This is mainly due to weaker sales of equipment, particularly to key accounts in North America.
- Chemicals revenue** fell from €16.7m in the prior-year quarter to €14.9m, mainly due to a weather-related fall in carwash volumes.

service, chemistry, others



service, chemistry, others



- Following the strategy to expand the after sales business, WashTec could increase the **revenue split** of service, chemistry and others from 47% to 51%.



# Q1 Revenue by regions

## Revenue by regions in €m\*



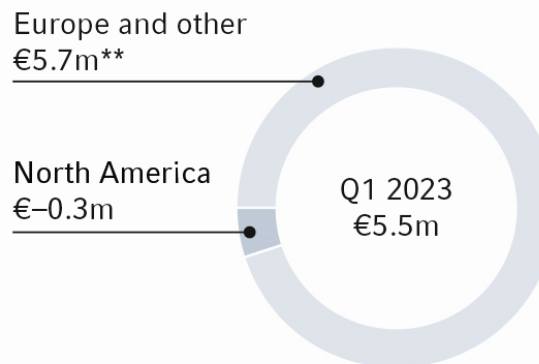
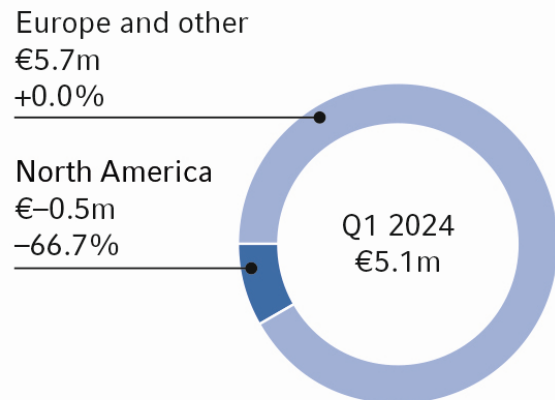
\*\* Comparative information prepared on the basis of the modified reporting structure applicable from January 1, 2024.

- In **Europe and other region**, revenue fell by 4.9% in the first three months, from €89.0m\*\* to €84.6m. The fall in revenue cut across all product segments and is primarily attributable to the weaker sales figures for equipment due to the difficult market conditions, particularly in the direct sales business, as well as the weather-related fall in carwash volumes in the chemicals business.
- Revenue in **North America**, at €17.0m in the first three months, was a significant 20.9% down on the prior year (€21.5m), mainly due to the lower volume of key account business. In US dollar terms, revenue fell by 20.3%.



# Q1 EBIT by regions

## EBIT by regions in €m\*



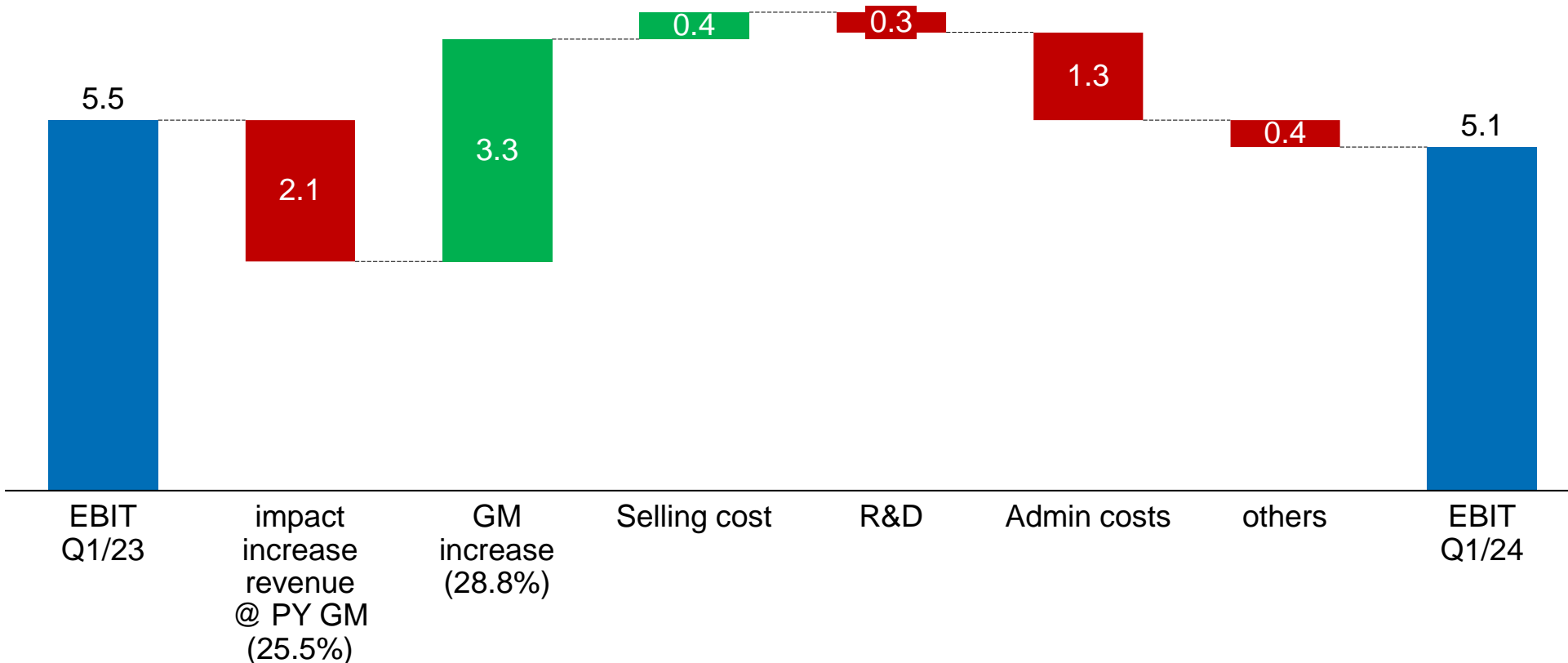
\*\* Comparative information prepared on the basis of the modified reporting structure applicable from January 1, 2024.

- **EBIT** in the region was €5.7m in the first quarter (prior year: €5.7m\*\*). Despite weaker revenue, EBIT was maintained at the prior-year level thanks to lower material prices and cost-cutting measures.
- At €-0.5m, EBIT in the first three months was significantly lower than in the prior year (€-0.3m). The measures implemented last year to increase profitability in this region on a lasting basis meant that EBIT was only €0.2m down despite the fall in revenue.



# Q1 EBIT-Bridge

in €m

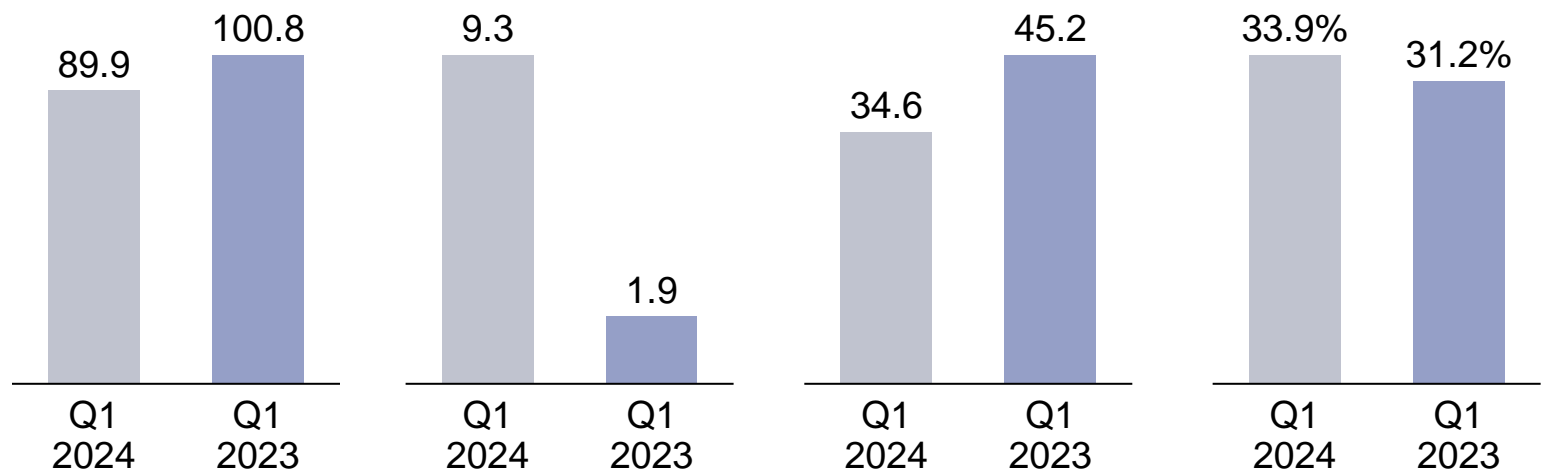


- **Gross profit** margin increased significantly from 25.5% to 28.8% mainly due efficiency programs as well as a fall in material prices.
- **Admin costs** with €5.6m EUR were clearly above last year (€4.3m). The increase was mainly due to one-off expenses in connection with the change of CEO and expenses for cost optimization of the new product generation. The total amount of the one-off expenses was around €1m.



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

in €m



NOWC

Free cash flow

Net financial debt

Equity ratio

- **Net operating working capital (NOWC)** increased relative to December 31, 2023, rising €6.4m or 7.7% from €83.5m to €89.9m. Comparable figure of Q1/23 was €100.8m.
- **Free cash flow** increased to €9.3m (prior year: €1.9m).
- **Net financial debt** amounted to €34.6m whereas as of December 31, 2023, net financial debt was €41.9m (Q1/23: €45.2m). The reduction is mainly due to lower interest-bearing loans.
- The equity ratio increased compared to March of the prior year (31.2% | December 31, 2023: 31.6%)



# Guidance 2024

	2023	Guidance 2024
Revenue	€489.5m	Similar level on prior year $\pm$ 3%
EBIT	€41.9m	Increase in mid-single-digit percentage range
Free cash flow	€46.1m	€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

## Date

May 14<sup>th</sup>, 2024

August 5<sup>th</sup>, 2024

November 6<sup>th</sup>, 2024

Annual General Meeting 2024

Publication of half-year financial report 2024

Publication of 9-month statement 2024



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