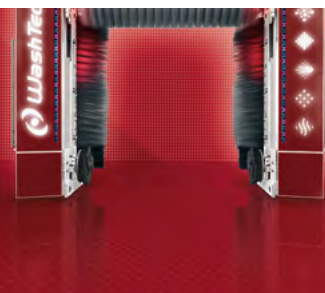




# Report on the First-Half Year 2021

## #WashTecInside



## Group revenue in second quarter back at pre-pandemic level; Q2 EBIT, at €14.5m, broadly regains level from previous years

### H1

rounding differences may occur

		H1 2021	H1 2020	Change	
				absolute	in %
Revenue	€m	195.0	175.4	19.6	11.2
EBIT	€m	18.0	5.2	12.8	246.2
EBIT margin	in %	9.2	3.0	6.2	–
EBT	€m	17.6	4.8	12.8	266.7
Net income	€m	12.0	2.1	9.9	471.4
Employees at reporting date	people	1,758	1,795	–37	–2.1
Number of shares	units	13,382,324	13,382,324	0	0
Earnings per share	€	0.89	0.16	0.73	471.4
Free cash flow*	€m	14.2	9.6	4.6	47.9
Capital expenditure	€m	1.0	1.5	–0.5	–33.3
Equity ratio	in %	30.1	33.0	–2.9	–

\* including the repayment of lease liabilities

### Q2

rounding differences may occur

		Q2 2021	Q2 2020	Change	
				absolute	in %
Revenue	€m	110.2	88.1	22.1	25.1
EBIT	€m	14.5	3.5	11.0	314.3
EBIT margin	in %	13.1	4.0	9.1	–
EBT	€m	14.3	3.3	11.0	333.3
Net income	€m	10.0	2.4	7.6	316.7
Number of shares	units	13,382,324	13,382,324	0	0
Earnings per share	€	0.75	0.18	0.57	316.7

#### ■ Revenue: 11.2% revenue growth

Revenue increased in first half year to €195.0m (prior year: €175.4m) and in second quarter by 25.1% to €110.2m (prior year: €88.1m)

#### ■ EBIT more than tripled

EBIT increased significantly in first half year to €18.0m (prior year: €5.2m) and in second quarter to €14.5m (prior year: €3.5m).

#### ■ Year-to-date free cash flow increased by 48%

Free cash flow (including repayment of lease liabilities) increased in first half year to €14.2m (prior year: €9.6m).

#### ■ Guidance raised for full year 2021

Revenue is expected to increase by over 9% with an EBIT margin in the region of 10%

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## Interim Group Management Report



## Interim Group Management Report

### 1. Report on economic position

#### 1.1 Economic and competitive environment

The general economic environment has improved compared to 2020. Although the effects of the Corona pandemic are still impacting economic growth, the economy is recovering faster than was expected at the beginning of the year. In particular, this also led to a change in investment behavior among our customers worldwide. The ongoing vaccination campaigns around the world offer the chance that this trend will not be significantly set back by a further wave of the pandemic in the fourth quarter.

A problem factor continues to be the challenges in global supply chains, which may lead to production stoppages and are already having a negative impact on material prices.





## 1.2 Business performance

### 1.2.1 Overall revenue and earnings development

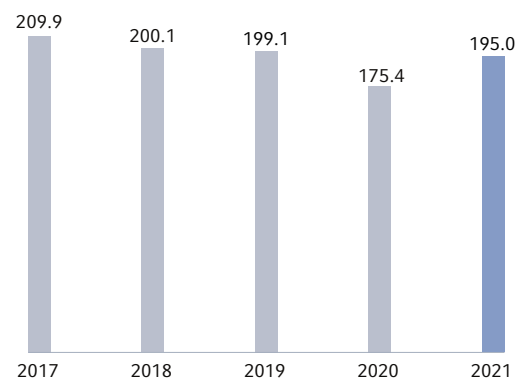
*Significantly increase in revenue and EBIT in first half year*

Group **revenue** for the half year ending June 30, 2021 was €195.0m, which is €19.6m or 11.2% up on the prior-year period (€175.4m). On a constant currency basis, the year-on-year revenue growth was 12.1%.

The revenue increase relative to the first half of the prior year was partly due to higher machinery sales in the direct sales business. Despite the positive course of business in the second quarter, however, key account revenue as of June 30, 2021 was still down on the prior year.

As a result of the positive second-quarter trend, service and chemicals sales in the first half of the year were significantly higher than a year earlier.

#### Revenue H1 in €m, in a multi-year comparison



#### Revenue by product, H1

in €m, rounding differences may occur	H1 2021	H1 2020	Change	
			absolute	in %
Equipment and service	166.0	147.7	18.3	12.4
Chemicals	25.8	23.8	2.0	8.4
Others	3.2	3.9	-0.7	-17.9
<b>Total</b>	<b>195.0</b>	<b>175.4</b>	<b>19.6</b>	<b>11.2</b>

#### Revenue by product, Q2

in €m, rounding differences may occur	Q2 2021	Q2 2020	Change	
			absolute	in %
Equipment and service	95.4	75.2	20.2	26.9
Chemicals	13.1	10.9	2.2	20.2
Others	1.7	2.0	-0.3	-15.0
<b>Total</b>	<b>110.2</b>	<b>88.1</b>	<b>22.1</b>	<b>25.1</b>

Overall, business performance has recovered significantly month by month over the course of the year. The significant increase in orders received up to the end of the first quarter was reflected in a corresponding increase in revenue during the second quarter. While revenue was still slightly down in the first quarter, second-quarter revenue was up 25.1%, putting it significantly above its prior-year level and also above the level of the pre-crisis year 2019. In total, second-quarter revenue amounted to €110.2m (prior year: €88.1m). Machinery sales recorded a double-digit revenue increase in the second quarter, both with key accounts and in the direct sales business.

The upward trend in orders received continued in the second quarter. The order backlog at the end of June was significantly above the prior-year figure.

#### Revenue by region, H1

in €m, rounding differences may occur	H1 2021	H1 2020	Change	
			absolute	in %
Europe	163.1	140.4	22.7	16.2
North America	29.3	33.4	–4.1	–12.3
Asia/Pacific	7.6	7.4	0.2	2.7
Consolidation	–4.9	–5.8	0.9	–
<b>Group</b>	<b>195.0</b>	<b>175.4</b>	<b>19.6</b>	<b>11.2</b>

#### Revenue by region, Q2

in €m, rounding differences may occur	Q2 2021	Q2 2020	Change	
			absolute	in %
Europe	90.5	68.2	22.3	32.7
North America	17.7	18.5	–0.8	–4.3
Asia/Pacific	4.6	4.1	0.5	12.2
Consolidation	–2.6	–2.6	0.0	–
<b>Group</b>	<b>110.2</b>	<b>88.1</b>	<b>22.1</b>	<b>25.1</b>

Revenue by region developed as follows:

In the **Europe** region, revenue rose in the first half of the year by a significant 16.2% from €140.4m to €163.1m. The revenue growth related to all products and customer segments, but in particular the direct sales business.

Following only slight revenue growth in the first quarter of the year, revenue in the Europe region developed very positively in the second quarter with growth of 32.7%.

Revenue in **North America** for the half year ending June 30, 2021 was €29.3m, down €4.1 on the prior-year level. However, revenue in the direct sales business already exceeded the prior year's level through the entire reporting period. The decrease relates to the key account business. Revenue there fell by 4.3% in the second quarter compared to the first quarter, following a first-quarter decrease of approximately 23%. However, as the order backlog in both customer segments was significantly higher at the end of June than a year earlier, we expect a continuation of the positive trend in the direct sales business and a significant increase in the key account business for the second half of the year.

In the **Asia/Pacific** region, revenue showed a slight increase of €0.2m in the first half of the year.

Half-year consolidated **EBIT** was €18.0m (prior year: €5.2m). The EBIT margin for the first half year was 9.2% (prior year: 3.0%).

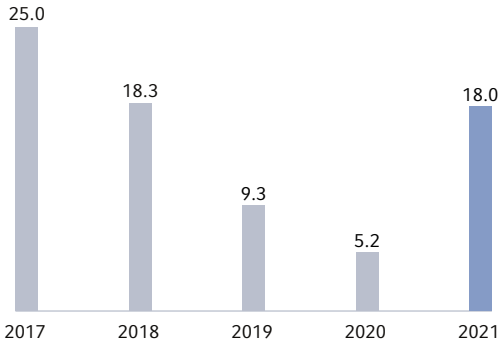
Group EBIT in the second quarter was €14.5m (prior year: €3.5m). The second quarter EBIT margin was significantly higher than in the prior year at 13.1% (prior year: 4.0%).

Partly due to structural adjustments and efficiency improvements made last year and the resulting cost savings, the Company was able to achieve a disproportionate increase in earnings compared with the prior year. Also comparing with the pre-crisis year 2019, first-half EBIT almost doubled on near-identical revenue.

Despite this positive trend, we are watching developments on the procurement market with concern. As with other companies, WashTec faces growing challenges here. This relates both to the availability of required materials and to unavoidable significant increases in purchase prices. We expect most of the negative EBIT impact from the purchase price increases to come in the second half of the year. WashTec is working intensively on measures to offset these adverse impacts.

We successfully overcame the material availability challenges in recent months, so that the Company remained able to deliver at all times.

**EBIT H1 in €m, in a multi-year comparison**





### EBIT by region, H1

in €m, rounding differences may occur	H1 2021	H1 2020	Change	
			absolute	in %
Europe	17.1	7.7	9.4	122.1
North America	0.6	–1.8	2.4	133.3
Asia/Pacific	0.5	–0.3	0.8	266.7
Consolidation	–0.3	–0.4	0.1	–
<b>Group</b>	<b>18.0</b>	<b>5.2</b>	<b>12.8</b>	<b>246.2</b>

### EBIT by region, Q2

in €m, rounding differences may occur	Q2 2021	Q2 2020	Change	
			absolute	in %
Europe	13.4	2.7	10.7	396.3
North America	1.0	0.7	0.3	42.9
Asia/Pacific	0.2	0.2	0.0	0.0
Consolidation	–0.1	–0.1	0.0	–
<b>Group</b>	<b>14.5</b>	<b>3.5</b>	<b>11.0</b>	<b>314.3</b>

Earnings in the **Europe** region were significantly higher year on year both in the first half year and in the second quarter. Alongside the positive revenue development, the optimization projects implemented in recent years also had a positive impact here.

In the **North America** region, EBIT for the half year ending June was positive at €0.6m (prior year: loss of €1.8m). This represents an improvement of €2.4m year on year despite lower revenue in the same period.

In the **Asia/Pacific** region, EBIT in the first six months was in positive figures at €0.5m, compared with a €0.3m loss in the prior year.

### 1.2.2 Earnings and expense items

**Gross profit** increased more strongly than revenue growth in the first half year, gaining 21.8% from €50.0m to €60.9m. The gross profit margin improved from 28.5% to 31.2%. Alongside the revenue growth, this positive development is partly due to the structural improvements implemented last year.

**Research and development expenses** went up due to investment in product development and digitalization by 11.7% from €6.0m to €6.7m.

**Selling and administrative expenses** remained stable in the first half of the year despite the revenue growth. The increase in the second quarter is mainly attributable to higher freight costs in line with the development of revenue.

**Other operating income and expenses** improved by €2.3m to €0.5m (prior year: €–1.8m). The cost reduction here mainly relates to lower loss allowances on receivables following an improvement in the aging structure. The loss allowances were a significant €1.6m down on the prior year.

The **financial result**, at €–0.4m, was on the same level as in the prior year (prior year: €–0.4m).

**Earnings before tax** (EBT) came to €17.6m (prior year: €4.8m).

Due to the higher earnings, **income taxes** went up in the first half year by €3.0m to €5.7m.

The tax rate was 32.1%.

#### Earnings, H1

in €m, rounding differences may occur	H1 2021	H1 2020	Change	
			absolute	in %
Revenue	195.0	175.4	19.6	11.2
Gross Profit	60.9	50.0	10.9	21.8
Gross profit in %	31.2 %	28.5 %	2.7	–
Research and development expenses	–6.7	–6.0	–0.7	–11.7
Selling and administrative expenses	–36.7	–37.0	0.3	0.8
Other operating income and expenses	0.5	–1.8	2.3	127.7
EBIT	18.0	5.2	12.8	246.2
EBIT margin in %	9.2 %	3.0 %	6.2	–
EBT	17.6	4.8	12.8	266.7
Net income	12.0	2.1	9.9	471.4

#### Earnings, Q2

in €m, rounding differences may occur	Q2 2021	Q2 2020	Change	
			absolute	in %
Revenue	110.2	88.1	22.1	25.1
Gross Profit	37.0	26.2	10.8	41.2
Gross profit in %	33.6 %	29.7 %	3.9	–
Research and development expenses	–3.6	–2.9	–0.7	–24.1
Selling and administrative expenses	–18.8	–17.8	–1.0	–5.6
Other operating income and expenses	–0.2	–2.1	1.9	90.5
EBIT	14.5	3.5	11.0	314.3
EBIT margin in %	13.1 %	4.0 %	9.1	–
EBT	14.3	3.3	11.0	333.3
Net income	10.0	2.4	7.6	316.7

### 1.3 Net assets

#### Condensed balance sheet, assets

in €m, rounding differences may occur	Jun 30, 2021	Dec 31, 2020
Non-current assets (incl. right-of-use assets)	92.9	95.7
Receivables and other assets	94.1	85.4
Inventories	49.5	38.5
Deferred tax assets	6.3	4.6
Cash and cash equivalents	17.0	19.9
<b>Balance sheet total</b>	<b>259.8</b>	<b>244.0</b>

#### Condensed balance sheet, equity and liabilities

in €m, rounding differences may occur	Jun 30, 2021	Dec 31, 2020
Equity	78.2	96.2
Interest-bearing loans	32.9	19.1
Other liabilities and provisions	122.5	108.7
of which trade payables	19.9	10.5
of which provisions (including income taxes)	30.7	28.9
Contract liabilities	25.1	18.9
Deferred tax liabilities	1.0	1.0
<b>Balance sheet total</b>	<b>259.8</b>	<b>244.0</b>

**Net operating working capital** (trade receivables + inventories – trade payables – prepayments on orders) increased just slightly relative to December 31, 2020. The increase was by €0.9m from €80.6m at the year-end to €81.5m as of June 30, 2021. Compared with last June, the figure was down by 5.7% mainly because of higher trade payables.

**Equity** decreased due to the €30.8m dividend payout to €78.2m as of June 30, 2021 (December 31, 2020: €96.2m). Compared with the 2020 year-end, the equity ratio went down from 39.4% to 30.1%.

Following the €30.8m dividend payout, **net debt** (interest-bearing loans – bank deposits) stood at €15.9m (December 31, 2020: €–0.8m).

**Net financial debt** (short-term and long-term lease liabilities + net debt) increased to €35.4m (December 31, 2020: €19.4m).

**Other liabilities and provisions** increased to €122.5m (December 31, 2020: €108.7m).

Due to the rise in prepayments on orders, **contract liabilities** rose to €25.1m (December 31, 2020: €18.9m).



## 1.4 Financial Position

The **cash inflow from operating activities** (net cash flow) increased in the first half year to €19.1m (prior year: €15.0m). This improvement was mainly due to the positive earnings trend. When comparing with the prior year, it should also be noted that net cash flow in 2020 also included a €2.9 million cash inflow from the US Paycheck Protection Program. In the cash flow statement, this is included in the changes in »other net working capital« item for the prior year.

The **cash outflow from investing activities** decreased by €0.5m to €1.0m (prior year: €1.5m). For the year as a whole, the Company expects that capital expenditure will be higher than in the prior year.

**Free cash flow including repayment of lease liabilities** (net cash flow – cash outflow from investing activities – repayment of lease liabilities) increased to €14.2m (prior year: €9.6m). For the full year, the Group expects a decrease compared with the prior year due to higher capital expenditure and to the working capital build-up in line with the larger business volume.

In total, **cash funds** went down relative to December 31, 2020 by €16.7m to €–15.9m, mainly due to the €30.8m dividend payout.

## 1.5 Employees

The number of employees as of June 30, 2021 was 1,758, an decrease of 12 on the 2020 year-end. The reduction in employee numbers was mainly due to the Performance Program, which was launched in the prior year and subsequently accelerated. Through to the year-end, the Group expects an increase in the workforce due to additions to the R&D team and the refilling of vacancies to handle the increased business volume.

## 2. Outlook, opportunities and risk report

### 2.1 Outlook

The Company updated its guidance on July 13, 2021. Based on the strong second quarter and the continued encouraging order intake, the expectations for the full year 2021 are now revenue growth of over 9% and an EBIT margin in the region of 10%.

For the Europe and North America regions, the Company expects significant growth in revenue and earnings. The outlook for the remaining performance indicators given in the Annual Report 2020 (pages 72 to 74) remains unchanged.

This guidance is subject to uncertainties.

### 2.2 Opportunities and risks for group development

The WashTec Group's opportunity and risk management system is described in the Annual Report 2020. The assessment of the risks described there has changed at mid-year 2021 for the following categories:

With regard to the risk relating to general economic conditions in connection with the spread of the coronavirus, the Company now expects the global economy to recover more quickly, which will also have a positive impact on the WashTec Group's business development. Although there is still a risk of a further infection wave this fall or winter, any impact on business development is currently expected to be significantly more minor than at the beginning of the year.

The risks relating to the development of raw material prices have grown significantly compared to the trend already anticipated at the beginning of the year. For some inputs, the Company faces a doubling of prices. There are also significant restrictions in the availability of materials. The enormous global demand growth coupled with the fact that capacities have not yet fully ramped back up is leading to supply shortages and delivery problems. While the shortages have been successfully managed in recent months, the situation is not currently expected to ease. If this situation further deteriorates, it could lead to delivery delays for our customers.

Ransomware attacks and cyber crime have also recently proliferated. The risk of an attack is therefore rated higher than it was at the last year-end.

The remaining opportunities and risks described in the Annual Report 2020 have not significantly changed as of mid-year 2021.

## 3. Miscellaneous information

### 3.1 Related party disclosures

For information on related party disclosures, please refer to note 9 on page 29 of the notes to the interim condensed consolidated financial statements.

### 3.2 Events after the reporting period

There were no material events after the reporting period.

## 4. WashTec shares and investor relations

*Continuous communication with investors*

The Management Board communicated with shareholders, journalists and the financial community on an ongoing basis in the first half year. As part of the Company's investor relations activities, Management took part in various digital investor conferences.

### 4.1 Share price performance

The WashTec share price was €52.30 on June 30, 2021. This is 20% up on the prior year-end closing price of €43.65 on December 30, 2020.

WashTec shares are currently covered, with up-to-date analyses, by Hauck & Aufhäuser, HSBC Trinkaus & Burkhardt and MM Warburg. The price targets given by analysts are at least €52 and range up to €68 (as of July 2021).

### 4.2 Shareholder structure

The following changes in shareholder structure during the second quarter of 2021 were reported to the Company in voting rights notifications under the Securities Trading Act (Wertpapierhandels-gesetz):

Wellington Management Group LLP, Boston, Massachusetts, USA, notified WashTec AG that its share of the voting rights on February 22, 2021 was now 3.01% instead of previously 2.99%.

Carne Global Fund Managers (Luxembourg) S.A., Luxembourg, Luxembourg, notified WashTec AG that, due to a change in the AIF management agreement between Paradigm Capital Value Fund and Carne Global Fund Managers (Luxembourg) S.A., Paradigm Capital Value Fund's share of the voting rights on June 2, 2021 was now 0.00% instead of previously 4.58%.

Shareholding in %	Jun 30, 2021
EQMC Europe Development Capital Fund plc. <sup>1</sup>	10.42
Kempen Oranje Participaties N.V.	9.60
Dr. Kurt Schwarz <sup>2</sup>	6.82
Union Investment Privatfonds GmbH	5.53
Investment AG für langfristige Investoren, TGV	5.43
Axxion S.A.	4.99
Treasury shares	4.25
Diversity Industrie Holding AG	4.00
Wellington Management Group LLP	3.01
Free float	45.95

<sup>1</sup> Alantra EQMC Asset Management, SGIIC, S.A.

<sup>2</sup> Leifina GmbH & Co. KG et al.

Based on notifications made pursuant to the Securities Trading Act (WpHG)

*Stable shareholder structure*

### Manager Transactions

Mr. Ulrich Bellgardt, member of the Supervisory Board, purchased 685 shares on May 19, 2021 and a further 2,245 shares on May 20, 2021.



## Interim Condensed Consolidated Financial Statements



## Consolidated Income Statement

in €k	H1 2021	H1 2020*	Q2 2021	Q2 2020*
Revenue	195,031	175,423	110,234	88,093
Cost of sales	-134,121	-125,381	-73,268	-61,866
<b>Gross profit</b>	<b>60,910</b>	<b>50,042</b>	<b>36,966</b>	<b>26,227</b>
Research and development expenses	-6,659	-6,048	-3,555	-2,909
Selling and administrative expenses	-36,738	-37,030	-18,777	-17,752
Other operating income	2,198	2,412	622	-72
Other operating expenses	-1,725	-4,195	-780	-2,008
<b>EBIT</b>	<b>17,988</b>	<b>5,183</b>	<b>14,477</b>	<b>3,487</b>
Financial result	-357	-363	-182	-230
<b>EBT</b>	<b>17,631</b>	<b>4,820</b>	<b>14,295</b>	<b>3,257</b>
Income taxes	-5,658	-2,681	-4,314	-880
<b>Net income</b>	<b>11,973</b>	<b>2,139</b>	<b>9,981</b>	<b>2,378</b>
<b>Average number of shares in units</b>	<b>13,382,324</b>	<b>13,382,324</b>	<b>13,382,324</b>	<b>13,382,324</b>
<b>Earnings per share (basic = diluted) in €</b>	<b>0.89</b>	<b>0.16</b>	<b>0.75</b>	<b>0.18</b>

*The Notes to the Consolidated Financial Statements are an integral part of the Consolidated Financial Statements.*

*Rounding differences may occur.*

*\* With the beginning of the fiscal year 2021, the cost of sales method was applied. The prior year was adjusted accordingly.*

## Consolidated Statement of Comprehensive Income

in €k	H1 2021	H1 2020	Q2 2021	Q2 2020
<b>Net income</b>	<b>11,973</b>	<b>2,139</b>	<b>9,981</b>	<b>2,378</b>
Actuarial gains/losses from defined benefit obligations and similar obligations	-29	-121	-29	-121
Deferred taxes	9	39	9	39
<b>Items that will not be reclassified to profit or loss</b>	<b>-20</b>	<b>-82</b>	<b>-20</b>	<b>-82</b>
Adjustment item for currency translation of foreign subsidiaries	442	-313	-327	178
Exchange differences on net investments in subsidiaries	357	-229	13	84
Deferred taxes	-62	-4	26	25
<b>Items that may be subsequently reclassified to profit or loss</b>	<b>737</b>	<b>-546</b>	<b>-287</b>	<b>287</b>
<b>Other comprehensive income</b>	<b>717</b>	<b>-627</b>	<b>-307</b>	<b>206</b>
<b>Total comprehensive income</b>	<b>12,690</b>	<b>1,511</b>	<b>9,675</b>	<b>2,584</b>

*The Notes to the Consolidated Financial Statements are an integral part of the Consolidated Financial Statements.*

*Rounding differences may occur.*



## Consolidated Balance Sheet – Assets

in €k	Jun 30, 2021	Dec 31, 2020
<b>Non-current assets</b>		
Property, plant and equipment	25,689	27,268
Goodwill	42,312	42,312
Intangible assets	5,951	6,596
Right-of-use assets	18,921	19,532
Non-current trade receivables	4,599	6,487
Other non-current financial assets	199	198
Other non-current non-financial assets	504	502
Deferred tax assets	6,325	4,583
<b>Total non-current assets</b>	<b>104,499</b>	<b>107,479</b>
<b>Current assets</b>		
Inventories	49,479	38,464
Current trade receivables	64,216	57,075
Tax receivables	19,123	18,160
Other current financial assets	1,241	1,116
Other current non-financial assets	4,221	1,812
Cash and cash equivalents	17,015	19,872
<b>Total current assets</b>	<b>155,294</b>	<b>136,499</b>
<b>Total assets</b>	<b>259,793</b>	<b>243,979</b>

*The Notes to the Consolidated Financial Statements are an integral part of the Consolidated Financial Statements.*

*Rounding differences may occur.*

## Consolidated Balance Sheet – Equity and Liabilities

in €k	Jun 30, 2021	Dec 31, 2020
<b>Equity</b>		
Subscribed capital	40,000	40,000
Capital reserves	36,463	36,463
Treasury shares	-13,177	-13,177
Other reserves and currency translation effects	-6,260	-6,977
Profit carried forward	9,158	26,635
Net income	11,973	13,302
	<b>78,158</b>	<b>96,247</b>
<b>Non-current liabilities</b>		
Non-current lease liabilities	12,033	13,148
Provisions for pensions	10,636	10,787
Other non-current provisions	4,273	4,136
Other non-current financial liabilities	194	185
Other non-current non-financial liabilities	508	132
Non-current contract liabilities	1,340	1,597
Deferred tax liabilities	1,021	989
<b>Total non-current liabilities</b>	<b>30,006</b>	<b>30,975</b>
<b>Current liabilities</b>		
Interest-bearing loans	32,933	19,107
Current lease liabilities	7,401	7,023
Trade payables	19,887	10,486
Income tax liabilities	4,732	2,850
Other current financial liabilities	23,178	21,586
Other current non-financial liabilities	28,620	27,299
Other current provisions	11,074	11,081
Current contract liabilities	23,805	17,325
<b>Total current liabilities</b>	<b>151,629</b>	<b>116,757</b>
<b>Total equity and liabilities</b>	<b>259,793</b>	<b>243,979</b>

*The Notes to the Consolidated Financial Statements are an integral part of the Consolidated Financial Statements.*

*Rounding differences may occur.*

## Consolidated Statement of Changes in Equity

in €k	Number of shares (in units)	Subscribed capital	Capital reserves	Treasury shares	Other reserves and currency translation effects	Profit carried forward	Total
<b>As of January 1, 2021</b>	<b>13,382,324</b>	<b>40,000</b>	<b>36,463</b>	<b>-13,177</b>	<b>-6,977</b>	<b>39,937</b>	<b>96,247</b>
Income and expenses recognized directly in equity					770		770
Taxes on transactions recognized directly in equity					-53		-53
Dividend						-30,779	-30,779
Net income						11,973	11,973
<b>As of June 30, 2021</b>	<b>13,382,324</b>	<b>40,000</b>	<b>36,463</b>	<b>-13,177</b>	<b>-6,260</b>	<b>21,131</b>	<b>78,158</b>

*The Notes to the Consolidated Financial Statements are an integral part of the Consolidated Financial Statements.*

*Rounding differences may occur.*

in €k	Number of shares (in units)	Subscribed capital	Capital reserves	Treasury shares	Other reserves and currency translation effects	Profit carried forward	Total
<b>As of January 1, 2020</b>	<b>13,382,324</b>	<b>40,000</b>	<b>36,463</b>	<b>-13,177</b>	<b>-5,445</b>	<b>26,635</b>	<b>84,478</b>
Income and expenses recognized directly in equity					-662		-662
Taxes on transactions recognized directly in equity					35		35
Net income						2,139	2,139
<b>As of June 30, 2020</b>	<b>13,382,324</b>	<b>40,000</b>	<b>36,463</b>	<b>-13,177</b>	<b>-6,072</b>	<b>28,774</b>	<b>85,989</b>



## Consolidated Cash Flow Statement

in €k	H1 2021	H1 2020
<b>EBT</b>	<b>17,631</b>	<b>4,820</b>
Amortization, depreciation and impairment	7,146	8,232
Gain/loss from disposals of non-current assets	-95	383
Other gains/losses	-2,311	-1,708
Financial income	-41	-61
Financial expenses	397	424
Movements in provisions	-85	-1,082
Income tax paid	-6,456	-6,820
<b>Gross cash flow</b>	<b>16,188</b>	<b>4,187</b>
Increase/decrease in trade receivables	-4,743	24,175
Increase/decrease in inventories	-10,534	-11,138
Increase/decrease in trade payables	9,291	-7,375
Increase/decrease in prepayments on orders	5,844	2,013
<b>Increase/decrease in net operating working capital</b>	<b>-141</b>	<b>7,675</b>
Changes in other net working capital	3,045	3,171
<b>Net cash flow from operating activities</b>	<b>19,092</b>	<b>15,033</b>
Purchase of property, plant and equipment (without leases)	-1,403	-1,584
Proceeds from sale of property, plant and equipment	394	115
<b>Net cash flow from investing activities</b>	<b>-1,009</b>	<b>-1,469</b>
Dividend payout	-30,779	0
Interest received	41	61
Interest paid	-395	-424
Repayment of lease liabilities	-3,902	-4,009
<b>Net cash flow from financing activities</b>	<b>-35,035</b>	<b>-4,372</b>
<b>Net increase/decrease in cash and cash equivalents</b>	<b>-16,953</b>	<b>9,192</b>
<b>Net foreign exchange difference</b>	<b>271</b>	<b>-478</b>
<b>Cash and cash equivalents at January 1</b>	<b>765</b>	<b>-34,706</b>
<b>Cash and cash equivalents at June 30</b>	<b>-15,918</b>	<b>-25,992</b>
<b>Composition of cash and cash equivalents for cash flow purposes:</b>		
<b>Cash and cash equivalents</b>	<b>17,015</b>	<b>15,415</b>
<b>Interest-bearing loans</b>	<b>-32,933</b>	<b>-41,407</b>
<b>Cash and cash equivalents at June 30</b>	<b>-15,918</b>	<b>-25,992</b>

*The Notes to the Consolidated Financial Statements are an integral part of the Consolidated Financial Statements.*

*Rounding differences may occur.*

## Notes to the Interim Condensed Consolidated Financial Statements



## Notes to the Interim Condensed Consolidated Financial Statements of WashTec AG (IFRS) for the period January 1 to June 30, 2021

### General

- *Note on the audit review: This document was neither subject to an audit pursuant to Section 317 of the German Commercial Code (HGB) nor to a review by an auditor. However, the auditor has performed audit procedures and assessed the half-year financial statements.*
- *To improve the information value of the published figures, particularly in international comparison, the income statement will be presented and published using the cost of sales method from fiscal year 2021.*

### 1. Information on the Company

The ultimate parent company of the WashTec Group is WashTec AG, which is entered in the commercial register for the City of Augsburg under registration number HRB 81.

The Company's registered office is located at Argonstrasse 7 in 86153 Augsburg, Germany.

The Company's shares are in free float and are publicly traded.

The purpose of the WashTec Group comprises the development, manufacture, sale and servicing of carwash products, as well as leasing and all related services and financing solutions required in order to operate carwash equipment.

The interim condensed consolidated financial statements and interim Group management report may be downloaded from our website, [www.washtec.de](http://www.washtec.de).

### 2. Accounting policies

#### Basis of preparation of the financial statements

The interim condensed consolidated financial statements for the period January 1 to June 30, 2021 have been prepared in accordance with IAS 34 Interim Financial Reporting.

The interim condensed consolidated financial statements do not contain all explanations and disclosures required for annual financial statements and should be read in conjunction with the consolidated financial statements for the fiscal year ended December 31, 2020.

The accounting policies applied in the interim condensed consolidated financial statements correspond to those applied in the consolidated financial statements for the fiscal year ending December 31, 2020. Tax is computed for interim financial statements by multiplying earnings before tax with the expected applicable annual tax rate.

The interim condensed consolidated financial statements are presented in euros and, unless otherwise indicated, all figures are rounded to the nearest thousand (€k); this may result in rounding differences. The fiscal year is the calendar year.

There were no specific transactions in the first half of 2021 that were material to the financial position, financial performance and cash flows of the WashTec Group.

During fiscal year 2020, a short-term loan in the amount of €2,906k was applied for and granted in the USA in connection with government support measures. The loan is included in other financial liabilities. It was disbursed in the second quarter of 2020. If certain conditions are met, some or all of this loan can be converted into grants that do not have to be repaid. No amount had been converted into grants recognised in income as of June 30, 2021 as a final determination by the authorities was still pending.

#### Effects of new financial reporting standards

New and amended financial reporting standards became effective in the period under review. The WashTec Group applied the following new and revised IFRS Standards and Interpretations in fiscal year 2021.

Standard/interpretation	Title	Mandatory application	EU endorsement	Material effects on the Group
<b>IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16</b>	Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 – Interest Rate Benchmark Reform (Phase 2)	January 1, 2021	January 14, 2021	None
<b>IFRS 4</b>	Amendments to IFRS 4 – Deferral of IFRS 9	January 1, 2021	December 16, 2020	None
<b>IFRS 16</b>	Amendments to IFRS 16: Covid-19-Related Rent Concessions beyond 30 June 2021	April 1, 2021	Yet to be determined	None

#### Effects of new standards that have been issued by IASB and the IFRS Interpretations Committee and do not yet have to be applied in fiscal year 2021

The IASB and the IFRS Interpretations Committee have also issued additional standards, interpretations and amendments as listed below that did not yet have to be applied in fiscal year 2021 and/or have not yet been endorsed by the European Union.

The WashTec Group had not elected early adoption of these standards as of June 30, 2021. First-time adoption of the standards is planned when they are recognized and endorsed by the EU.

Standard/interpretation	Title	Mandatory application	EU endorsement	Material effects on the Group
<b>IFRS</b>	Annual Improvements to IFRS (2018–2020 cycle)	January 1, 2022	July 2, 2021	None
<b>IFRS 3</b>	Amendments to IFRS 3 – Reference to the Conceptual Framework	January 1, 2022	July 2, 2021	None
<b>IAS 16</b>	Amendments to IAS 16 – Proceeds before Intended Use	January 1, 2022	July 2, 2021	None
<b>IAS 37</b>	Amendments to IAS 37 – Onerous Contracts: Cost of Fulfilling a Contract.	January 1, 2022	July 2, 2021	None
<b>IFRS 17</b>	Insurance Contracts, including amendments to IFRS 17	January 1, 2023	Yet to be determined	None
<b>IAS 1</b>	Amendments to IAS 1 – Classification of Liabilities as Current or Non-Current	January 1, 2023	Yet to be determined	None
<b>IAS 1</b>	Amendments to IAS 1 – Disclosure of Accounting Policies	January 1, 2023	Yet to be determined	None
<b>IAS 8</b>	Amendments to IAS 8 – Definition of Accounting Estimates	January 1, 2023	Yet to be determined	None
<b>IAS 12</b>	Amendments to IAS 12 – Deferred Tax related to Assets and Liabilities arising from a Single Transaction	January 1, 2023	Yet to be determined	None

### 3. Segment reporting

By segments, January to June 2021 in €k	Europe	North America	Asia/ Pacific	Consolidation	Group
<b>Revenue</b>	<b>163,072</b>	<b>29,307</b>	<b>7,593</b>	<b>-4,941</b>	<b>195,031</b>
of which with third parties	158,177	29,264	7,591	0	195,031
of which with other segments	4,895	43	3	-4,941	0
<b>Earnings before interest and taxes (EBIT)</b>	<b>17,142</b>	<b>649</b>	<b>457</b>	<b>-260</b>	<b>17,988</b>
EBIT margin in %	10.5	2.2	6.0	-	9.2
Financial income					41
Financial expenses					-397
<b>Earnings before taxes (EBT)</b>					<b>17,631</b>
Income taxes					-5,658
<b>Net income</b>					<b>11,973</b>

By segments, January to June 2020 in €k	Europe	North America	Asia/ Pacific	Consolidation	Group
<b>Revenue</b>	<b>140,367</b>	<b>33,427</b>	<b>7,382</b>	<b>-5,754</b>	<b>175,423</b>
of which with third parties	134,685	33,361	7,377	0	175,423
of which with other segments	5,682	67	5	-5,754	0
<b>Earnings before interest and taxes (EBIT)</b>	<b>7,713</b>	<b>-1,834</b>	<b>-296</b>	<b>-402</b>	<b>5,183</b>
EBIT margin in %	5.5	-5.5	-4.0	-	3.0
Financial income					61
Financial expenses					-424
<b>Earnings before taxes (EBT)</b>					<b>4,820</b>
Income taxes					-2,681
<b>Net income</b>					<b>2,139</b>



#### Disaggregation of revenue with customers by satisfaction of the performance obligation and recognition of revenue

January to June 2021 in €k	Europe	North America	Asia/ Pacific	Consol- idation	Group
Recognition at a point in time	162,193	28,535	7,593	–4,941	193,379
Recognition over time	879	772	0	0	1,652

January to June 2020 in €k	Europe	North America	Asia/ Pacific	Consol- idation	Group
Recognition at a point in time	139,396	31,768	7,382	–5,754	172,793
Recognition over time	971	1,660	0	0	2,631

#### 4. Other operating income and expenses

in €k	H1 2021	H1 2020
Other operating income	2,198	2,412
Change in loss allowances on trade receivables	34	–1,540
Other operating expenses	–1,758	–2,655
<b>Other operating income and expenses</b>	<b>473</b>	<b>–1,783</b>

#### 5. Financial result

in €k	H1 2021	H1 2020
Financial income	41	61
Financial expenses	–397	–424
<b>Financial result</b>	<b>–357</b>	<b>–363</b>

#### 6. Equity

The subscribed capital of WashTec AG as of June 30, 2021 is €40,000k. It is divided into 13,976,970 no-par-value bearer shares and is fully paid in.

The average weighted number of issued and outstanding shares was 13,382,324 (prior year: 13,382,324 shares).

The Annual General Meeting of WashTec AG on May 18, 2021 resolved to appropriate the distributable profit of €31,174,580.45 shown in the Company's German Commercial Code (HGB)-basis annual financial statements for fiscal year 2020 as follows: Payment of a dividend of €2.30 per eligible share, totaling €30,779,345.20, with the remaining distributable profit of €395,235.25 to be carried forward. The distribution to shareholders included a special dividend of €1.31 in addition to the dividend of €0.99 for fiscal year 2020.

#### 7. Financial instruments: additional disclosures

The table below shows the carrying amounts and fair values of relevant balance sheet items by measurement category and class of financial instrument.

**Carrying amounts, measurement and fair value by category:**

in €k	IFRS 9 category	Carrying amount Jun 30, 2021	Measurement under IFRS 9		Measurement under IFRS 16	Fair value Jun 30, 2021**	IFRS 13 level
			Amortized cost	At fair value through profit or loss			
<b>Assets</b>							
Cash and cash equivalents	AC*	17,015	17,015	–	–	–	
Current trade receivables	AC*	64,216	64,216	–	–	–	
Non-current trade receivables	AC*	4,599	4,599	–	–	–	
Other current financial assets	AC*	1,241	1,241	–	–	–	
Other non-current financial assets	AC*	199	199	–	–	–	
<b>Equity and liabilities</b>							
Trade payables	FLAC*	19,887	19,887	–	–	–	
Interest-bearing loans	FLAC*	32,933	32,933	–	–	–	
Other current financial liabilities	FLAC*	23,178	23,178	–	–	–	
Other non-current financial liabilities	FLAC*	194	194	–	–	–	
Lease liabilities	n/a	19,434	–	–	19,434	–	
<b>Aggregated presentation by measurement category in accordance with IFRS 9</b>							
Financial assets at amortized cost (AC)		87,269	87,269	–			
Financial liabilities at amortized cost (FLAC)		76,193	76,193	–			

\*AC: financial assets at amortized cost; FLAC: financial liabilities at amortized cost

\*\* For current financial instruments at amortized cost, the carrying amount at the reporting date is assumed to approximate fair value. The effect on non-current financial instruments at amortized cost is not material.

in €k	IFRS 9 category	Carrying amount Dec 31, 2020	Measurement under IFRS 9		Measurement under IFRS 16	Fair value Dec 31, 2020**	IFRS 13 level
			Amortized cost	At fair value through profit or loss			
<b>Assets</b>							
Cash and cash equivalents	AC*	19,872	19,872	–	–	–	
Current trade receivables	AC*	57,075	57,075	–	–	–	
Non-current trade receivables	AC*	6,487	6,487	–	–	–	
Other current financial assets	AC*	1,116	1,116	–	–	–	
Other non-current financial assets	AC*	198	198	–	–	–	
<b>Equity and liabilities</b>							
Trade payables	FLAC*	10,486	10,486	–	–	–	
Interest-bearing loans	FLAC*	19,107	19,107	–	–	–	
Other current financial liabilities	FLAC*	21,586	21,586	–	–	–	
Other non-current financial liabilities	FLAC*	185	185	–	–	–	
Lease liabilities	n/a	20,171	–	–	20,171	–	
<b>Aggregated presentation by measurement category in accordance with IFRS 9</b>							
Financial assets at amortized cost (AC)		84,749	84,749	–			
Financial liabilities at amortized cost (FLAC)		51,364	51,364	–			

\*AC: financial assets at amortized cost; FLAC: financial liabilities at amortized cost

\*\* For current financial instruments at amortized cost, the carrying amount at the reporting date is assumed to approximate fair value. The effect on non-current financial instruments at amortized cost is not material.

Due to their short terms, the fair values of trade receivables, trade payables and cash and cash equivalents as well as other financial assets and other financial liabilities generally match their carrying amounts. The fair value of non-current trade receivables and lease liabilities on

initial recognition is determined by discounting the expected future cash flows at current market interest rates.

## 8. Contingent liabilities and other financial obligations

There was no material change in contingent liabilities and other financial obligations relative to December 31, 2020.

## 9. Related party disclosures

Contracts in place with the members of the Management Board and Supervisory Board provide for share-based compensation. Share-based compensation for the Management Board has a term from January 1, 2021 to December 31, 2023 and that for the Supervisory Board from January 1, 2019 to December 31, 2021. The amount paid out depends in each case on target attainment for certain targets. An expense of €370k has been recognized this year.

In order to enable the Supervisory Board to participate in WashTec AG's long-term development, the Supervisory Board was granted a LTIP with a term from January 1, 2022 to December 31, 2024 by resolution of the Annual General Meeting of May 18, 2021.

Management Board and Supervisory Board shareholdings developed as follows:

Shares held by the Management Board (units)	Jun 30, 2021	Dec 31, 2020
Dr. Ralf Koeppé	1,800	1,800
Dr. Kerstin Reden	362	0
Stephan Weber	3,740	3,740

Shares held by the Supervisory Board (units)	Jun 30, 2021	Dec 31, 2020
Dr. Günter Blaschke	52,060	52,060
Ulrich Bellgardt	31,000	28,070
Jens Große-Allermann*	0	0
Dr. Sören Hein	5,450	5,450
Dr. Hans-Friedrich Liebler	5,500	5,500
Dr. Alexander Selent	1,500	1,500

\* Mr. Jens Große-Allermann sits on the Management Board of Investmentaktiengesellschaft für langfristige Investoren TGV, which according to a notification dated July 31, 2009 held 758,358 voting shares (5.43%) of WashTec AG.

There were no other material related party transactions within the meaning of IAS 24 during the reporting period.

## 10. Events after the balance sheet date

There were no significant events after the balance sheet date.

### Responsibility statement

»To the best of our knowledge, and in accordance with the applicable reporting principles for interim reporting, the interim condensed consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the group, and the group Interim Management Report includes a fair review of the development and performance of the business and the position of the group, together with a description of the material opportunities and risks associated with the expected development of the group.«

Augsburg, July 22, 2021

Dr. Ralf Koeppel  
Chairman of the  
Management Board

Dr. Kerstin Reden  
Member of the  
Management Board

Stephan Weber  
Member of the  
Management Board





## Contact

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## Financial Calendar

Oct 27, 2021  
Nov 22–24, 2021

Financial Statement Q1–Q3 2021  
Equity Forum, Online

