



Financial Statement Q1 2021

#WashTecInside

EBIT more than doubled in first quarter despite weather- and pandemic-related revenue shortfall

Q1

rounding differences may occur

		Q1 2021	Q1 2020	Change	
				absolute	in %
Revenue	€m	84.8	87.3	-2.5	-2.9
EBIT	€m	3.5	1.7	1.8	105.9
EBIT margin	in %	4.1	1.9	2.2	-
EBT	€m	3.3	1.6	1.7	106.3
Net income	€m	2.0	-0.2	2.2	1,100.0
Employees at reporting date	persons	1,763	1,856	-93	-5.0
Number of shares	units	13,382,324	13,382,324	0	0
Earnings per share	€	0.15	-0.02	0.17	1,100.0
Free cash flow including the repayment of lease liabilities	€m	3.9	-0.6	4.5	750.0
Capital expenditure	€m	0.4	0.6	-0.2	-33.3
Equity ratio	in %	39.2	31.0	8.2	-

- Group revenue 2.9% down on prior year at €84.8m (prior year: €87.3m)
- Group EBIT 106% up on prior year at €3.5m (prior year: €1.7m); EBIT margin 4.1%
- Free cash flow (including repayment of lease liabilities) €3.9m (prior year: €-0.6m)
- Order backlog well above prior year
- Guidance for full year 2021 adjusted: significant increase in revenue and EBIT

Contents



Quarterly Statement for the period January 1 to March 31, 2021

Report on economic position	5
1. Group revenue and earnings	5
2. Revenue and earnings by region.....	6
3. Net assets and financial position.....	7
4. Outlook, opportunities and risk report.....	7
4.1 Outlook	7
4.2 Opportunities and risks for Group development	7



Selected financial Information for the period January 1 to March 31, 2021

Consolidated Income Statement.....	9
Consolidated Balance Sheet.....	10
Consolidated Cash Flow Statement.....	12
Contact.....	13
Financial calendar.....	13

Highlights and key figures
Q1 2021



Report on economic position

Earnings, Q1

in €m, rounding differences may occur	Q1 2021	Q1 2020	Change	
			absolute	in %
Revenue	84.8	87.3	-2.5	-2.9
EBIT	3.5	1.7	1.8	105.9
EBIT margin in %	4.1	1.9	2.2	-
EBT	3.3	1.6	1.7	106.3
Net income	2.0	-0.2	2.2	1,100.0

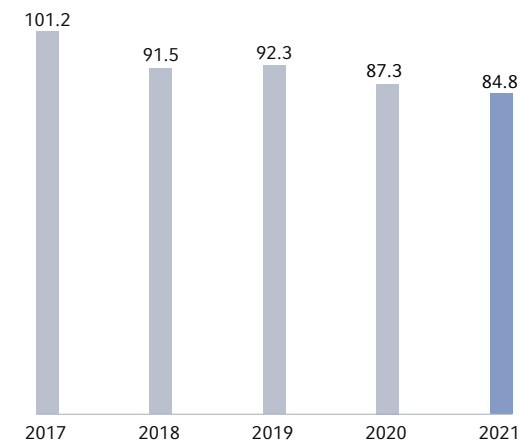
1. Group revenue and earnings

The Group generated revenue of €84.8m in the first quarter, down 2.9% on the prior year (prior year: €87.3m). At constant exchange rates, the first quarter decrease in revenue was 1.9%.

Revenue by product, Q1

in €m, rounding differences may occur	Q1 2021	Q1 2020	Change	
			absolute	in %
Equipment and service	70.6	72.5	-1.9	-2.6
Chemicals	12.7	13.0	-0.3	-2.3
Carwash management business and others	1.6	1.9	-0.3	-15.8
Total Group	84.8	87.3	-2.5	-2.9

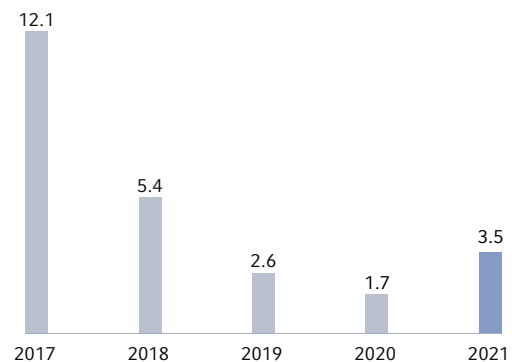
Revenue Q1 in multi-year comparison in €m



The fall in revenue in the first quarter was mainly due to lower revenue from sales of equipment to major customers. This was significantly down on the prior year. At the same time revenue in the direct sales business increased significantly. Business in the first quarter of 2020 was still mainly unaffected by the COVID-19 pandemic.

Despite ongoing uncertainty due to the COVID-19 pandemic, orders received showed healthy growth in the first three months of the year and increased significantly in March. The Company recorded double-digit growth here both in the direct sales business and with key accounts.

The order backlog at the end of the first quarter was significantly higher than in the prior year.

EBIT Q1 in multi-year comparison in €m


Thanks to structural adjustments made last year and the resulting cost savings, the Company was able to double the Group's EBIT despite lower revenue. EBIT rose from €1.7m in the first three months of the prior year to €3.5m. The EBIT margin was 4.1%, up from 1.9% in the prior-year period.

First-quarter earnings include €0.1m from national support programs in connection with the COVID-19 pandemic. This relates to the North America region.

2. Revenue and earnings by region

In **Europe**, revenue increased slightly by 0.6% to €72.6m (prior year: €72.2m). This made it the first quarter with a growth in revenue in this region since the outbreak of the pandemic. Weaker revenue in the key account business was offset by revenue growth in the direct sales business.

Revenue in **North America** was down 22.7% year-on-year at €11.6m (prior year: €15.0m). At constant exchange rates, the decrease was 16%. As in the second half of the prior year, the region saw a particularly large reluctance to invest on the part of key accounts due to the pandemic. In addition, the first quarter of 2020 with growth was strongly influenced by a special order in the key account business. It was not possible to fully compensate for this, despite the revenue growth in direct sales. The effects of a long, harsh winter in the region were also reflected in chemicals revenue.

In contrast to revenue, orders received also showed very strong growth. The first quarter also saw order volumes rise significantly in the key account business.

Revenue of €3.0m was generated in the first quarter in the **Asia/Pacific** region. This represents a year-on-year decrease of 9.1% (prior year: €3.3m).

Revenue by regions, Q1

in €m, rounding differences may occur	Q1 2021	Q1 2020	Change	
			absolute	in %
Europe	72.6	72.2	0.4	0.6
North America	11.6	15.0	-3.4	-22.7
Asia/Pacific	3.0	3.3	-0.3	-9.1
Consolidation	-2.4	-3.2	0.8	-
Total Group	84.8	87.3	-2.5	-2.9

EBIT in the **Europe** region was €3.8m (prior year: €5.1m). When comparing with the prior year, please note that €1.3m in gains from foreign currency translation were recognized in Europe for the first quarter of 2020, whereas a loss of €0.1m was recognized this year. Adjusted for this currency effect, EBIT in the region increased by €0.2 million year on year.

In the **North America** region, EBIT increased significantly despite a substantial revenue short-fall of around 23%. This is due to the implemented improvement measures and the resulting cost reductions. EBIT in North America was €-0.3m in the first quarter (prior year: €-2.6m).

In the **Asia/Pacific** region, EBIT in the first three months was in positive figures at €0.2m, compared with a €-0.5m loss in the first three months of the prior year.

EBIT by regions, Q1

in €m, rounding differences may occur	Q1 2020	Q1 2020	Change	
			absolute	in %
Europe	3.8	5.1	-1.3	-25.5
North America	-0.3	-2.6	2.3	88.5
Asia/Pacific	0.2	-0.5	0.7	140.0
Consolidation	-0.2	-0.3	0.1	-
Total Group	3.5	1.7	1.8	105.9

3. Net assets and financial position

Net operating working capital (trade receivables + inventories – trade payables – prepayments on orders) increased just slightly relative to December 31, 2020, rising €0.7m from €80.6m to €81.3m. Compared with the end of last March, it was down by about 6%.

Equity increased to €99.3m as of March 31, 2021 (December 31, 2020: €96.2m). The equity ratio of 39.2% compared to the end of 2020 remained at almost the same level (December 31, 2020: 39.4%).

Free cash flow including repayment of lease liabilities (net cash flow – cash outflow from investing activities – repayment of lease liabilities) increased year-on-year to €3.9m (prior year: €-0.6m). This is mainly due to the improvement in earnings and to lower tax payments.

4. Outlook, opportunities and risk report

4.1 Outlook

The Company adjusted its revenue guidance on April 20, 2021. Due to an improved order intake, also in the key accounts business, the Company now expects a significant increase in revenue and in EBIT for the full year 2021.

For the regions Europe and North America, the Company now assumes a significant increase in revenue. The guidance for the other defined key figures contained in the 2020 annual report (pages 72 to 74) remains unchanged.

This outlook is subject to uncertainties.

4.2 Opportunities and risks for Group development

The WashTec Group's opportunity and risk management system is described in the Annual Report 2020. There have been no material changes in the risks described therein.

Selected Financial Information
Q1 2021



Consolidated Income Statement

in €k	Q1 2021	Q1 2020*
Revenue	84,796	87,330
Cost of sales	-60,451	-63,122
Gross profit	24,346	24,208
Research and development expenses	-3,077	-3,113
Selling and administrative expenses	-18,391	-19,696
Other operating income and expenses	632	296
EBIT	3,511	1,696
Financial result	-175	-133
EBT	3,336	1,562
Income taxes	-1,344	-1,801
Net income	1,992	-239
Average number of shares in units	13,382,324	13,382,324
Earnings per share (basic = diluted) in €	0.15	-0.02

Rounding differences may occur.

** With the first quarter of 2021, the cost of sales method was applied. The prior year was adjusted accordingly.*

Consolidated Balance Sheet – Assets

in €k	March 31, 2021	Dec 31, 2020
Non-current assets		
Property, plant and equipment	26,492	27,268
Goodwill	42,312	42,312
Intangible assets	6,218	6,596
Right-of-use assets	19,137	19,532
Non-current trade receivables	6,125	6,487
Other non-current financial assets	198	198
Other non-current non-financial assets	502	502
Deferred tax assets	5,746	4,583
Total non-current assets	106,730	107,479
Current assets		
Inventories	45,478	38,464
Current trade receivables	61,104	57,075
Tax receivables	19,084	18,160
Other current financial assets	1,605	1,116
Other current non-financial assets	2,867	1,812
Cash and cash equivalents	16,477	19,872
Total current assets	146,615	136,499
Total assets	253,345	243,979

Rounding differences may occur.

Consolidated Balance Sheet – Equity and Liabilities

in €k	March 31, 2021	Dec 31, 2020
Equity		
Subscribed capital	40,000	40,000
Capital reserves	36,463	36,463
Treasury shares	-13,177	-13,177
Other reserves and currency translation effects	-5,954	-6,977
Profit carried forward	39,937	26,635
Net income	1,992	13,302
	99,262	96,247
Non-current liabilities		
Non-current lease liabilities	12,290	13,148
Provisions for pensions	10,791	10,787
Other non-current provisions	4,042	4,136
Other non-current financial liabilities	192	185
Other non-current non-financial liabilities	345	132
Non-current contract liabilities	1,414	1,597
Deferred tax liabilities	1,000	989
Total non-current liabilities	30,073	30,975
Current liabilities		
Interest-bearing loans	11,570	19,107
Current lease liabilities	7,233	7,023
Trade payables	15,451	10,486
Income tax liabilities	2,342	2,850
Other current financial liabilities	23,252	21,586
Other current non-financial liabilities	29,778	27,299
Other current provisions	11,362	11,081
Current contract liabilities	23,021	17,325
Total current liabilities	124,009	116,757
Total equity and liabilities	253,345	243,979

Rounding differences may occur.

Consolidated Cash Flow Statement

in €k	Q1 2021	Q1 2020
EBT	3,336	1,562
Amortization, depreciation and impairment	3,560	3,964
Gain/loss from disposals of non-current assets	-212	15
Other gains/losses	-717	-791
Financial income	-19	-31
Financial expenses	195	164
Movements in provisions	148	-423
Income tax paid	-3,988	-8,056
Gross cash flow	2,302	-3,596
Increase/decrease in trade receivables	-2,764	18,310
Increase/decrease in inventories	-6,281	-12,566
Increase/decrease in trade payables	4,795	1,506
Increase/decrease in prepayments on orders	4,773	2,130
Increase/decrease in net operating working capital	522	9,379
Changes in other net working capital	3,446	-3,797
Net cash flow from operating activities	6,271	1,986
Purchase of property, plant and equipment (without leases)	-664	-602
Proceeds from sale of property, plant and equipment	283	46
Net cash flow from investing activities	-380	-556
Interest received	19	31
Interest paid	-192	-164
Repayment of lease liabilities	-2,012	-1,993
Net cash flow from financing activities	-2,185	-2,126
Net increase/decrease in cash and cash equivalents	3,705	-696
Net foreign exchange difference	437	-1,000
Cash and cash equivalents at January 1	765	-34,706
Cash and cash equivalents at March 31	4,906	-36,402
Composition of cash and cash equivalents for cash flow purposes:		
Cash and cash equivalents	16,477	8,440
Interest-bearing loans	-11,570	-44,843
Cash and cash equivalents at March 31	4,906	-36,402

Rounding differences may occur.



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Financial calendar

May 18, 2021	Annual General Meeting 2021
Jul 28, 2021	Q2 Report 2021
Oct 27, 2021	Quarterly statement Q1–3 2021
Nov 22–24, 2021	Equity Forum, Frankfurt