

# 19% revenue growth with 31% increase in EBIT

Q1					
rounding differences may occur		Q1 2022	Q1 2021	Change	
			_	absolute	in %
Revenue	€m	101.0	84.8	16.2	19.1
EBIT	€m	4.6	3.5	1.1	31.4
EBIT margin	in %	4.6	4.1	0.5	_
EBT	€m	4.5	3.3	1.2	36.4
Net income	€m	2.3	2.0	0.3	15.0
Employees at reporting date	people	1,788	1,763	25	1.4
Number of shares	units	13,382,324	13,382,324	0	0
Earnings per share	€	0.17	0.15	0.02	15.0
Free cash flow*	€m	-5.8	3.9	-9.7	-248.7
Capital expenditure	€m	1.2	0.4	0.8	200.0
Equity ratio	in %	36.0	39.2	-3.2	_

<sup>\*</sup> Including repayment of lease liabilities

- Group revenue significantly higher at €101.0m, with a 19.1% year-on-year increase (prior year: €84.8m)
- Group EBIT, at €4.6m, disproportionately up 31.4% compared to prior year despite material price increases (prior year: €3.5m); EBIT margin 4.6% (prior year: 4.1%)
- Free cash flow including repayment of lease liabilities at €-5.8m (prior year: €3.9m) primarily due to increase in inventories and higher tax payments
- Full year guidance for 2022 confirmed: Revenue growth of 5%–9% with double-digit EBIT margin

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# Quarterly Statement for the period January 1 to March 31, 2022

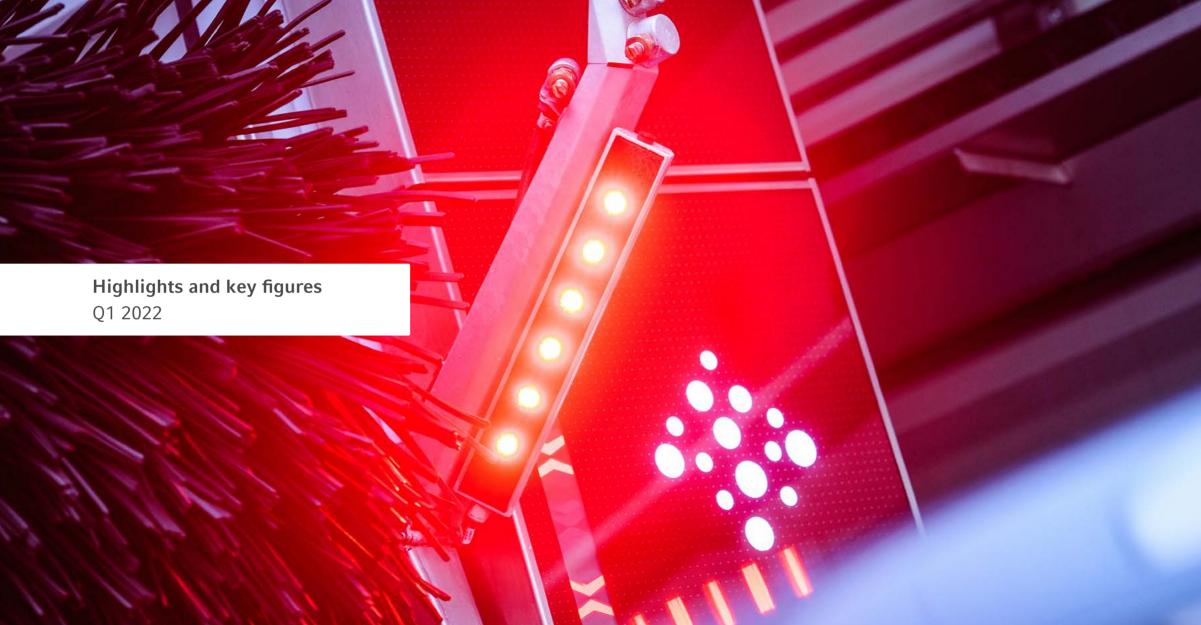
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### **Business performance**

Net income

Earnings, Q1				
in €m, rounding differences may occur	Q1 2022	Q1 2021	Change	
			absolute	in %
Revenue	101.0	84.8	16.2	19.1
EBIT	4.6	3.5	1.1	31.4
EBIT margin in %	4.6	4.1	0.5	-
EBT	4.5	3.3	1.2	36.4

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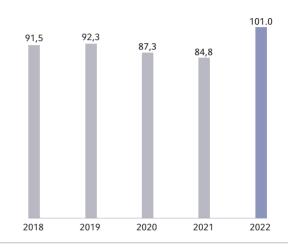
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#### 1. Group revenue and earnings

The WashTec Group generated strong revenue of €101.0m in the first quarter, up 19.1% on the prior year (€84.8m). This is one of the highest revenue figures for a first quarter in the Company's history. At constant exchange rates, the revenue growth in the first three months was 17.1%.

Revenue by product, Q1				
in €m, rounding differences may occur	Q12022	Q12021	Change	
			absolute	in %
Equipment and service	83.9	70.6	13.3	18.8
Chemicals	15.6	12.7	2.9	22.8
Other	1.5	1.6	-0.1	-6.3
Total Group	101.0	84.8	16.2	19.1

#### Revenue Q1 in multi-year comparison in €m



Revenue increased significantly in the first quarter due to higher sales of machines, both to key accounts and in direct sales. Growth was largest in key accounts. The revenue growth is attributable overall to the higher volume of business. The Chemicals and Service activities also showed double-digit year-on-year growth and consequently likewise contributed to the Group's positive revenue performance. To date, the increase in selling prices has not yet had a significant effect on revenue.

Despite the difficult geopolitical and economic environment, orders received remained stable in the first three months of the fiscal year. The figure through to the end of March was at the same solid level as the prior year. The order backlog was significantly higher at the end of the first quarter than a year earlier.

Gross profit increased to €27.1m (prior year: €24.3m) as a result of the revenue growth. The higher material prices had a negative impact on the gross profit margin, which fell from 28.7% in the prior-year quarter to 26.8% in the first quarter of 2022.

In total, the increase in cost of sales resulting from the higher material prices came to around 3%.

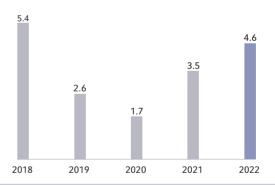
As a result of the significant revenue growth, Group EBIT increased disproportionately to €4.6m in the first three months of the year (prior year: €3.5m). The EBIT margin was 4.6%, up from 4.1% in the prior-year period.

Additional factors negatively affecting **EBIT** comprised higher research and development expenses (€0.5m), increased energy and motor vehicle costs (€0.6m) and higher travel expenses (€0.4m) after travel activity returned to normal.

As in the prior year, profit distributions resulted in a higher income tax charge in the first quarter that will be offset in the remaining quarters.

Overall, it can be seen that due to the low business volume in Russia and Ukraine the war has not had a material direct financial impact on the WashTec Group. However, there may be further challenges in supply chains and from rising inflation.

#### EBIT Q1 in multi-year comparison in €m





#### 2. Revenue and earnings by region

In **Europe**, first-quarter revenue increased significantly by 12.4% to €81.6m (prior year: €72.6m). The growth was split equally between key accounts and direct sales. Chemicals revenue also grew very strongly.

Revenue in **North America** was very significantly higher than in the prior year, with an increase of 57.8% to €18.3m (prior year: €11.6m). At constant exchange rates, the increase was 47.2%. All product groups contributed to the higher revenue, with double-digit growth relative to the first three months of the prior year. In particular, machine revenue with key accounts more than doubled compared to the first quarter of 2021. The prior-year quarter still showed a significant reluctance to invest as a result of the pandemic here.

In the **Asia/Pacific** region, revenue in the first three months came to €3.9m. This represents a year-on-year increase of 30.0% (prior year: €3.0m), with both Australia and China contributing.

Revenue by regions, Q1				
in €m, rounding differences may occur	Q1 2022	Q1 2021	Cha	nge
			absolute	in %
Europe	81.6	72.6	9.0	12.4
North America	18.3	11.6	6.7	57.8
Asien/Pacific	3.9	3.0	0.9	30.0
Consolidation	-2.9	-2.4	-0.5	-
Total Group	101.0	84.8	16.2	19.1

EBIT by regions, Q1				
in €m, rounding differences may occur	Q1 2022	Q1 2021	Change	
			absolute	in %
Europe	4.4	3.8	0.6	15.8
North America	-0.3	-0.3	0.0	0.0
Asia/Pacific	0.4	0.2	0.2	100.0
Consolidation	0.1	-0.2	0.3	-
Total Group	4.6	3.5	1.1	31.4

EBIT in the **Europe** region increased to €4.4m in the first quarter (prior year: €3.8m) as a result of the positive revenue performance.

In the **North America** region, despite the significant revenue growth, EBIT was at the same level as in the prior-year quarter at €-0.3m (prior year: €-0.3m). This is mainly due to the increase in workforce capacity in direct product-related functions in the second half of 2021, to higher material and logistics costs and to increased travel and motor vehicle costs. Due to the order backlog and the customer mix, the Company's own price increases did not yet have a visible impact in the first quarter.

In the **Asia/Pacific** region, EBIT doubled in the first three months to €0.4m (prior year: €0.2m) as a result of the revenue growth.

### 3. Financial position and cash flows

Net operating working capital (trade receivables + inventories − trade payables − prepayments on orders) increased relative to December 31, 2021, rising €3.4m or 3.9% from €86.9m to €90.3m. Relative to March 31, 2021, the figure increased by €9.0m or 11.1%. This increase was mainly related to higher inventories caused by supply chain disruptions. However, the key operating performance indicators such as inventory turnover and trade receivables improved relative to the prior-year quarter.

**Equity** increased to €101.4m as of March 31, 2022 (December 31, 2021: €98.4m). The equity ratio, at 36.0%, was slightly down on the 2021 year-end (36.9%) in the view of higher totals assets.

Free cash flow including repayment of lease liabilities (net cash flow – cash outflow from investing activities – repayment of lease liabilities) fell year-on-year, despite €1.2m higher earnings before taxes (EBT), to €–5.8m (prior year: €3.9m). This is mainly due to the increase in inventories and higher tax payments and payments for capital expenditure.

#### 4. Outlook

#### 4.1 Forecast

The guidance given in the Annual Report 2021 continues to apply unaltered. The Group aims for revenue growth of 5%–9% in fiscal year 2022, with a double-digit EBIT margin.

This guidance is subject to uncertainties. In particular due to the war in Ukraine, the forecast may be affected by further negative general economic developments and a further rise in material and energy prices.

### 4.2 Opportunities and risks

The WashTec Group's opportunity and risk management system is described in the Annual Report 2021. Further rises in material prices and the increased difficulties in procuring materials due to the war in Ukraine mean that supplier-related risks have increased relative to the assessment given in the Annual Report 2021. There have been no material changes in the remaining opportunities and risks described therein.





**Selected Financial Information** Q1 2022

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# **Consolidated Income Statement**

in €k	Q1 2022	Q1 2021
Revenue	101,021	84,796
Cost of sales	-73,946	-60,451
Gross profit	27,075	24,346
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Research and development expenses	-3,609	-3,077
Selling expenses	-14,503	-13,333
Administrative expenses	-4,944	-5,058
Other income	2,279	1,578
Other expenses	-1,668	-946
EBIT	4,630	3,511
<u>EDI1</u>	4,030	3,311
Financial income	7	19
Financial expenses	-186	-195
Financial result	-179	-175
EBT	4,451	3,336
Income taxes	-2,148	-1,344
Net income	2,303	1,992
Average number of shares in units	13,382,324	13,382,324
Earnings per share (basic = diluted) in €	0.17	0.15



# **Consolidated Balance Sheet** Assets

in €k	Mar 31, 2022	Dec 31, 2021
Property, plant and equipment	24,662	24,966
Goodwill	42,312	42,312
Intangible assets	6,047	6,212
Right-of-use assets	18,454	19,275
Non-current trade receivables	3,811	4,211
Other non-current financial assets	210	199
Other non-current non-financial assets	520	520
Deferred tax assets	5,139	4,753
Non-current assets	101,155	102,449
Inventories	67,734	57,083
Current trade receivables	67,183	67,236
Tax receivables	21,514	18,699
Other current financial assets	2,085	1,617
Other current non-financial assets	3,749	1,836
Cash and cash equivalents	18,020	18,085
Current assets	180,286	164,555
Assets	281,441	267,004



# **Consolidated Balance Sheet** Equity and Liabilities

in €k	Mar 31, 2022	Dec 31, 2021
Subscribed capital	40,000	40,000
Capital reserves	36,463	36,463
Treasury shares	-13,177	-13,177
Other reserves and currency translation effects	-4,408	-5,074
Profit carried forward	40,235	9,158
Net income	2,303	31,077
Equity	101,417	98,448
Non-current lease liabilities	11,552	12,803
Provisions for pensions	10,202	10,196
Other non-current provisions	4,596	4,297
Other non-current financial liabilities	200	203
Other non-current non-financial liabilities	1,374	1,073
Non-current contract liabilities	1,830	1,901
Deferred tax liabilities	1,010	1,299
Non-current liabilities	30,764	31,773
Interest-bearing loans	19,073	13,547
Current lease liabilities	7,418	7,444
Trade payables	21,169	16,123
Income tax liabilities	6,084	5,436
Other current financial liabilities	22,950	20,574
Other current non-financial liabilities	26,998	29,169
Other current provisions	10,148	10,902
Current contract liabilities	35,419	33,589
Current liabilities	149,260	136,783
Equity and liabilities	281,441	267,004

# **Consolidated Cash Flow Statement**

in €k	Q1 2022	Q1 2021
EBT	4,451	3,336
Amortization, depreciation and impairment	3,553	3,560
Gain/loss from disposals of non-current assets	-133	-212
Other gains/losses	-1,905	-717
Financial income	-7	-19
Financial expenses	186	195
Movements in provisions	-485	148
Income tax paid	-5,002	-3,988
Gross cash flow	659	2,302
Increase/decrease in trade receivables	936	-2,764
Increase/decrease in inventories	-10,116	-6,281
Increase/decrease in trade payables	4,925	4,795
Increase/decrease in prepayments on orders	1,451	4,773
Increase/decrease in net operating working capital	-2,804	522
Changes in other net working capital	-288	3,446
Net cash inflow from operating activities	-2,433	6,271
Purchase of property, plant and equipment (without leases)	-1,358	-664
Proceeds from sale of property, plant and equipment	153	283
Net cash outflow from investing activities	-1,205	-380
Interest received	7	19
Interest paid	-186	-192
Repayment of lease liabilities	-2,176	-2,012
Net cash outflow from financing activities	-2,355	-2,185
Net increase/decrease in cash and cash equivalents	-5,993	3,705
Net foreign exchange difference	402	437
Cash and cash equivalents at January 1	4,538	765
Cash and cash equivalents at March 31	-1,053	4,906
Composition of cash and cash equivalents for cash flow purposes:		
Cash and cash equivalents	18,020	16,477
Interest-bearing loans	-19,073	-11,570
Cash and cash equivalents at March 31	-1,053	4,906





#### Contact

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#### Financial Calendar

May 16, 2022 Annual General Meeting 2022

Jul 28, 2022 Q2 Report 2022

Oct 27, 2022 Quarterly statement Q1–3 2022

Nov 28-30, 2022 Equity Forum, Frankfurt