

# Financial Statement Q3 2024



## 2.6% higher EBIT on lower revenue

Q1-Q3		Q1-Q3 2024	Q1-Q3 2023	Change	
				absolute	in %
Revenue	€m	334.2	356.7	-22.5	-6.3
EBIT	€m	27.6	26.9	0.7	2.6
EBIT margin	%	8.2	7.5	-	70 bp
Net income	€m	17.4	16.9	0.5	3.0
Number of shares in circulation	units	13,382,324	13,382,324	0	0
Earnings per share	€	1.30	1.26	0.04	3.0
Free cash flow	€m	25.0	26.8	-1.8	-6.7
Net cash outflow from investing activities	€m	6.6	13.5	-6.9	-51.1
Equity ratio	%	26.7	26.7	-	0 bp
Employees at reporting date	people	1,745	1,767	-22	-1.2

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 €334.2m in the first nine months, down 6.3% on the prior year (€356.7m). This was mainly the result of lower sales of equipment, primarily in the direct sales business and to key accounts in North America.

### ■ EBIT above prior year

Due to the improved gross profit, EBIT in the first nine months, at €27.6m, was higher than in the prior year (€26.9m) despite the lower revenue. The EBIT margin improved in the first nine months to 8.2% (prior year: 7.5%).

### ■ Free cash flow slightly below prior year

Free cash flow for the first nine months, at €25.0m, was lower than the prior year (€26.8m), mainly due to the increase in net operating working capital relative to December 2023.

### ■ Guidance for full year 2024

The WashTec Group confirms the guidance for fiscal year 2024 and expects revenue on a similar level to the prior year ( $\pm 3\%$ ) and an increase in EBIT in the mid single-digit percentage range. WashTec currently expects revenue to be at the lower end of the guidance range.

## Third-quarter EBIT margin of 9.6% at same level as prior year

Q3		Q3 2024	Q3 2023	Change	
				absolute	in %
Revenue	€m	114.1	120.4	-6.3	-5.2
EBIT	€m	10.9	11.5	-0.6	-5.2
EBIT margin	%	9.6	9.6	-	0 bp
Net income	€m	6.7	7.2	-0.5	-6.9
Number of shares in circulation	units	13,382,324	13,382,324	0	0
Earnings per share	€	0.50	0.54	-0.04	-6.9

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

### ■ Third-quarter revenue down on prior year

Following a 6.8% revenue decline the first half-year, third-quarter revenue was down 5.2%. The revenue generated was €114.1m (prior year: €120.4m). This mainly resulted from a weak course of business in North America in both the key accounts business and the direct sales business.

### ■ Third-quarter EBIT down on prior year

EBIT was down €0.6m in the third quarter to €10.9m (prior year: €11.5m). Due to a further increase in gross profit in the third quarter, the third-quarter EBIT margin, at 9.6%, was on a par with the prior-year quarter (9.6%).

## Contents



### Quarterly Statement for the period January 1 to September 30, 2024

<b>Business performance</b> .....	6
<b>1. Group revenue and earnings</b> .....	6
<b>2. Revenue and earnings by region</b> .....	9
<b>3. Group financial position and cash flows</b> .....	11
<b>4. Outlook</b> .....	12
Guidance .....	12
Opportunities and risks .....	12



### Selected financial Information for the period January 1 to September 30, 2024

Consolidated Income Statement .....	14
Consolidated Balance Sheet .....	15
Consolidated Cash Flow Statement .....	17
Contact .....	18
Financial calendar .....	18





**Highlights and key figures**  
Q1–Q3 2024

## Business performance

### Earnings, Q1–Q3

in €m	Q1–Q3 2024	Q1–Q3 2023	Change	
			absolute	in %
Revenue	334.2	356.7	–22.5	–6.3
EBIT	27.6	26.9	0.7	2.6
EBIT margin in %	8.2	7.5	–	70 bp
Net income	17.4	16.9	0.5	3.0

### Earnings, Q3

in €m	Q3 2024	Q3 2023	Change	
			absolute	in %
Revenue	114.1	120.4	–6.3	–5.2
EBIT	10.9	11.5	–0.6	–5.2
EBIT margin in %	9.6	9.6	–	0 bp
Net income	6.7	7.2	–0.5	–6.9

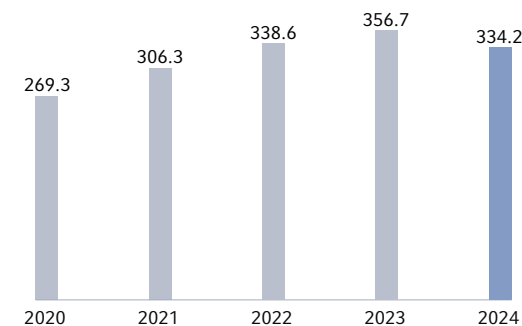
bp: basis point (1/100th of a percentage point)

## 1. Group revenue and earnings

Following the growth in the second quarter, **orders received** also increased year on year in the third quarter, with the total for the first nine months now also exceeding the prior year. The positive trend is mainly due to orders received from key accounts. Orders received in the direct sales business also improved and through to the end of September were on a par with the prior year. As a result of the improvement in orders received, the **order backlog** at the end of September was above last year's level in both Europe and North America. The positive trend in orders received in recent months is not yet reflected in revenue.

The WashTec Group generated **revenue** of €334.2m in the nine months ended September 30, 2024, down €22.5m or 6.3% on the prior year (€356.7m). At constant exchange rates, the year-on-year fall in revenue was 6.2%.

### Revenue Q1–Q3 in €m, multi-year comparison



At €281.3m in the first nine months, equipment and service revenue was 6.7% down on the prior-year figure (€301.5m). As in the first half of the year, this is mainly due to weaker sales of equipment, particularly to key accounts in North America, and to the decrease in the direct sales business. Revenue with key accounts in Europe increased significantly year on year in the first nine months, but this was not enough to offset the negative trend in North America. Direct sales business in both regions was down on the prior year, mainly due to the lower order backlog and the lower level of orders received in the first few months of the year. Chemicals revenue fell from €51.2m in the prior-year period to €48.4m, mainly due to a weather-related fall in carwash volumes primarily in the first quarter. In addition, the prior year saw increased deliveries to newly acquired major customers in connection with the initial stocking of their chemical inventories.

Third-quarter revenue, at €114.1m, was down on the prior year (€120.4m). This is primarily due to the weak course of business in North America, both in key accounts and in the direct sales business. Following year-on-year shortfalls in the first two quarters, third-quarter Chemicals revenue was on a par with the prior year.

#### Revenue by product, Q1–Q3

in €m	Q1–Q3 2024	Q1–Q3 2023	Change	
			absolute	in %
Equipment and service	281.3	301.5	–20.2	–6.7
Chemicals	48.4	51.2	–2.8	–5.5
Other	4.6	4.0	0.6	15.0
<b>Total</b>	<b>334.2</b>	<b>356.7</b>	<b>–22.5</b>	<b>–6.3</b>

#### Revenue by product, Q3

in €m	Q3 2024	Q3 2023	Change	
			absolute	in %
Equipment and service	97.9	104.6	–6.7	–6.4
Chemicals	14.6	14.5	0.1	0.7
Other	1.6	1.3	0.3	23.1
<b>Total</b>	<b>114.1</b>	<b>120.4</b>	<b>–6.3</b>	<b>–5.2</b>

**Gross profit** in the nine months to September, at €101.5m, was up on the prior year (€97.6m). This was due partly to efficiency programs to optimize production costs and partly to price increases implemented in previous years. The gross profit margin increased from 27.4% to 30.4%. Also in the third quarter, both gross profit and the gross profit margin increased compared to the prior-year quarter. The gross profit margin in the third quarter was 31.0% (prior year: 28.7%).

**Functional costs** – the sum of research and development expenses, selling expenses and administrative expenses – amounted to €74.2m in the first nine months of the fiscal year (prior year: €70.8m). The increase is mainly due to higher investment in research and development, increased trade fair costs and one-off expenses.

Research and development expenses were 10.5% higher than the prior year, at €11.6m (prior year: €10.5m). The increase mainly related to additional activities to speed up the exploitation of market potential in Europe and North America.

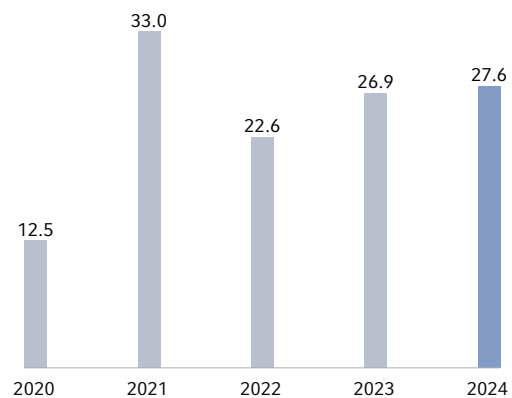


Selling expenses as a percentage of revenue went up from 13.1% in the prior year to 14.1%. The increase is due to higher marketing expenses and investment on the sales side in chemicals.

Administrative expenses, at €15.6m, were higher than the prior year (€13.4m). This 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 was around €1m.

In total, Group **EBIT** increased in the first nine months to €27.6m (prior year: €26.9m). The EBIT margin improved to 8.2% (prior year: 7.5%). Third quarter EBIT was €10.9m, slightly down on the prior year (€11.5m). The EBIT margin was 9.6%, as in the prior year.

#### EBIT Q1-Q3 in €m, multi-year comparison

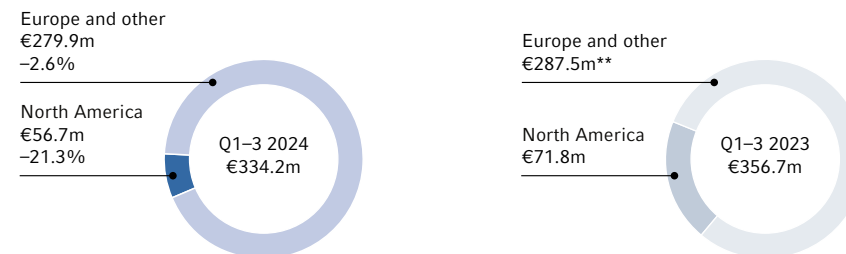




## 2. Revenue and earnings by region

The performance of reportable segments in the WashTec Group is assessed by the Management Board of WashTec AG as the chief operating decision maker. For the change in reportable segments from fiscal year 2024 onwards, please refer to the notes on page 26 of the Report on the First Half Year 2024. Comparative information has been prepared on the basis of the new structure.

### Revenue by region in €m\*



### EBIT by region in €m\*



\* Cross-segment consolidation effects are disregarded.  
Percentage change relative to comparative period.

\*\* Comparative information prepared on the basis of the modified reporting structure applicable from January 1, 2024.  
Revenue at the subsidiary in China, which was still part of the WashTec Group in the prior-year period, totaled €5.1m (EBIT €-0.5m).

In the **Europe and other** region, revenue fell by 2.6% in the first nine months, from €287.5m\* to €279.9m. Adjusted for the €5.1m revenue of the Chinese subsidiary, which was still part of the WashTec Group in the prior-year period, revenue in this region was on a par with the prior year. The lower total revenue in the region mainly resulted from the weak first quarter, which saw difficult market conditions, particularly in the direct sales business, and a weather-related fall in carwash volumes in the Chemicals business. In addition, the prior year saw increased deliveries to newly acquired major customers in connection with the initial stocking of their chemical inventories. While key account business grew significantly year on year, direct sales business was down on the prior year.

Revenue performance in the third quarter was positively influenced by key account business, whereas direct sales business fell short of the prior year. At €95.2m, revenue was down on the prior-year figure (€97.8m\*). Adjusted for the revenue of €1.7m generated last year by the Chinese subsidiary, revenue was on a par with the prior year.

EBIT in this region rose by €26.3m in the first nine months (prior year: €24.0m\*; €24.5m adjusted for China, corresponding to an increase of 7.3%), mainly due to efficiency programs to optimize production costs and to the prior-year price increases. Third-quarter EBIT, at €9.9m, was on the same level as the prior year. China had no effect on the third quarter compared to the prior year.

In the **North America** region, revenue in the first nine months fell significantly by 21.3% to €56.5m (prior year: €71.8m). At €19.7m, revenue in the third quarter was 15.5% down on the prior year (€23.3m). Both the direct sales business and the key account business were down in the first nine months, mainly due to the lower order backlog at the beginning of the year and the weak level of orders received from key accounts in the first few months. Orders received increased in the third quarter compared to the prior year.

At €1.2m, EBIT in the first nine months was lower in this region than in the prior year (€2.9m). The measures implemented last year to increase profitability in this region on a lasting basis meant that EBIT was positive despite the significantly lower revenue. In the third quarter, EBIT fell relative to the same period a year earlier to €1.0m (prior year: €1.6m).

#### Revenue by region, Q1–Q3

in €m	Q1–Q3 2024	Q1–Q3 2023	Change	
			absolute	in %
Europe and other	279.9	287.5*	–7.6	–2.6
North America	56.5	71.8	–15.3	–21.3
Consolidation	–2.1	–2.6*	0.5	19.2
<b>Total</b>	<b>334.2</b>	<b>356.7</b>	<b>–22.5</b>	<b>–6.3</b>

#### Revenue by region, Q3

in €m	Q3 2024	Q3 2023	Change	
			absolute	in %
Europe and other	95.2	97.8*	–2.6	–2.7
North America	19.7	23.3	–3.6	–15.5
Consolidation	–0.9	–0.6*	–0.3	–50.0
<b>Total</b>	<b>114.1</b>	<b>120.4</b>	<b>–6.3</b>	<b>–5.2</b>

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

**EBIT by region, Q1–Q3**

in €m	Q1–Q3 2024	Q1–Q3 2023	Change	
			absolute	in %
Europe and other	26.3	24.0*	2.3	9.6
North America	1.2	2.9	-1.7	-58.6
Consolidation	0.0	0.0*	0.0	–
<b>Total</b>	<b>27.6</b>	<b>26.9</b>	<b>0.7</b>	<b>2.6</b>

**EBIT by region, Q3**

in €m	Q3 2024	Q3 2023	Change	
			absolute	in %
Europe and other	9.9	9.9*	0.0	0.0
North America	1.0	1.6	-0.6	-37.5
Consolidation	0.0	0.0*	0.0	–
<b>Total</b>	<b>10.9</b>	<b>11.5</b>	<b>-0.6</b>	<b>-5.2</b>

**3. Group financial position and cash flows**

**Net operating working capital** (trade receivables + inventories – trade payables – prepayments on orders) increased relative to December 31, 2023, rising €9.4m or 11.3% from €83.5m to €92.9m. The increase compared to the end of 2023 is mainly due to the usual rise in inventories at the beginning of the year and an orders-driven build-up of finished goods inventories as part of optimizing the production process. Relative to September of the prior year, the figure remained at the same level (prior year: €92.0m).

**Equity** decreased to €73.3m as of September 30, 2024 (December 31, 2023: €85.8m). The higher earnings in the first nine months were offset here by the €29.4m dividend payment in the second quarter. Compared with the 2023 year-end, the equity ratio went down from 31.6% to 26.7%. Consequently, the equity ratio at the end of September was at the same level as in the prior year (26.7%).

The **cash inflow from operating activities** decreased in the first nine months to €31.6m (prior year: €40.3m). This is mainly due to the development of net operating working capital. In 2023, this mainly involved the positive effects from the reduction in inventories and the reduction in receivables following the record revenue in the fourth quarter of 2022.

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



The **cash outflow from investing activities**, at €6.6m in the first nine months, was €6.9m lower than in the prior year (€13.5m). In the prior year, this item included USD 10.3m for the acquisition of the site occupied by the American subsidiary. In the first nine months of 2024, it includes €0.8m in payments for fulfilment of contractual agreements relating to the acquisition of the New Zealand subsidiary. It also includes an amount of €1.3m for the payment of the purchase price (net of cash acquired) for the acquisition by WashTec Polska Sp. z o.o. of 100% of the shares in its long-standing distribution partner Mayco-WashTec Sp. z o.o., Kraków, Poland. This acquisition enables WashTec to further strengthen its market position in Poland, offer customers even better service, expand its product range and services, and benefit from the combined know-how.

**Free cash flow** (cash inflow from operating activities – cash outflow from investing activities) decreased to €25.0m (prior year: €26.8m).

The **net cash outflow from financing activities** amounted to €40.4m (prior year: €30.0m), mainly consisting of the €29.4m dividend payout (prior year: €29.4m). In addition, this item primarily included the repayment of interest-bearing loans and lease liabilities. In the prior year, it included a €9.7m cash inflow from taking out interest-bearing loans in connection with the purchase of the site in the USA.

**Cash funds** decreased compared to December 31, 2023 from €–15.6m to €–31.3m, mainly due to the large net cash outflow from financing activities.

## 4. Outlook

### Guidance

The WashTec Group confirms the guidance for fiscal year 2024 and expects revenue on a similar level to the prior year ( $\pm 3\%$ ) and an increase in EBIT in the mid single-digit percentage range. WashTec currently expects revenue to be at the lower end of the guidance range.

This guidance is subject to uncertainties.

### Opportunities and risks

The WashTec Group's opportunity and risk management system is described in the Annual Report 2023. The risks described there have not changed significantly as at September 30, 2024.



**Selected Financial information**  
Q1–Q3 2024

## Consolidated Income Statement

in €k	Q1–Q3 2024	Q1–Q3 2023	Q3 2024	Q3 2023
Revenue	334,245	356,667	114,080	120,419
Cost of sales	-232,756	-259,022	-78,731	-85,894
<b>Gross profit</b>	<b>101,489</b>	<b>97,645</b>	<b>35,349</b>	<b>34,526</b>
Research and development expenses	-11,552	-10,541	-3,855	-3,551
Selling expenses	-47,038	-46,845	-15,742	-14,919
Administrative expenses	-15,570	-13,427	-5,279	-4,403
Other income	2,086	3,404	416	659
Other expenses	-1,861	-3,324	32	-776
<b>Earnings before interest and taxes (EBIT)</b>	<b>27,553</b>	<b>26,913</b>	<b>10,921</b>	<b>11,535</b>
Financial income	383	138	49	44
Financial expenses	-2,752	-2,837	-1,210	-1,353
<b>Financial result</b>	<b>-2,368</b>	<b>-2,699</b>	<b>-1,161</b>	<b>-1,309</b>
<b>Earnings before taxes (EBT)</b>	<b>25,185</b>	<b>24,214</b>	<b>9,760</b>	<b>10,225</b>
Income taxes	-7,832	-7,357	-3,076	-3,007
<b>Net income</b>	<b>17,353</b>	<b>16,857</b>	<b>6,684</b>	<b>7,219</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>1.30</b>	<b>1.26</b>	<b>0.50</b>	<b>0.54</b>



## Consolidated Balance Sheet Assets

in €k	Sep 30, 2024	Dec 31, 2023
Property, plant and equipment	33,303	33,725
Goodwill	43,932	43,289
Intangible assets	8,210	7,447
Right-of-use assets	17,972	18,413
Non-current trade receivables	3,910	4,113
Other non-current financial assets	390	201
Other non-current non-financial assets	577	556
Deferred tax assets	3,495	3,478
<b>Non-current assets</b>	<b>111,790</b>	<b>111,222</b>
Inventories	64,409	54,766
Current trade receivables	67,969	68,193
Tax receivables	7,834	16,640
Other current financial assets	1,821	1,643
Other current non-financial assets	4,530	2,170
Cash and cash equivalents	16,581	16,673
<b>Current assets</b>	<b>163,143</b>	<b>160,084</b>
<b>Assets</b>	<b>274,933</b>	<b>271,306</b>

## Consolidated Balance Sheet Equity and Liabilities

in €k	Sep 30, 2024	Dec 31, 2023
Subscribed capital	40,000	40,000
Capital reserves	36,463	36,463
Treasury shares	-13,177	-13,177
Other reserves and currency translation effects	-4,220	-3,834
Profit carried forward	-3,129	-1,660
Net income	17,353	27,972
<b>Equity</b>	<b>73,291</b>	<b>85,765</b>
Non-current interest-bearing loans	3,908	5,204
Non-current lease liabilities	10,691	11,576
Provisions for pensions	7,782	8,113
Other non-current provisions	2,184	2,671
Other non-current financial liabilities	301	55
Other non-current non-financial liabilities	731	80
Non-current contract liabilities	1,102	1,297
Deferred tax liabilities	2,000	1,741
<b>Non-current liabilities</b>	<b>28,700</b>	<b>30,737</b>
Current interest-bearing loans	48,987	33,916
Current lease liabilities	8,227	7,863
Trade payables	20,645	23,951
Income tax liabilities	5,721	4,699
Other current financial liabilities	22,884	19,117
Other current non-financial liabilities	24,183	25,818
Other current provisions	11,459	11,641
Current contract liabilities	30,837	27,799
<b>Current liabilities</b>	<b>172,943</b>	<b>154,805</b>
<b>Equity and liabilities</b>	<b>274,933</b>	<b>271,306</b>

## Consolidated Cash Flow Statement\*

in €k	Q1-Q3 2024	Q1-Q3 2023
<b>Net income</b>	<b>17,353</b>	<b>16,857</b>
Amortization, depreciation and impairment	10,687	10,930
Gain from disposals of non-current assets	-97	-58
Income taxes	7,832	7,357
Other non-payment-related income and expenses	-2,828	-2,373
Financial result	2,368	2,699
<b>Gross cash flow</b>	<b>35,315</b>	<b>35,412</b>
Increase/decrease in trade receivables	809	7,511
Increase/decrease in inventories	-9,115	2,147
Increase/decrease in trade payables	-3,440	2,101
Increase/decrease in prepayments on orders	3,300	827
<b>Increase/decrease in net operating working capital</b>	<b>-8,446</b>	<b>12,585</b>
Changes in provisions	-732	-228
Income taxes received/paid	2,105	-10,550
Changes in other net working capital	3,351	3,049
<b>Net cash inflow from operating activities</b>	<b>31,595</b>	<b>40,268</b>
Purchase of property, plant and equipment (without leases)	-4,695	-13,622
Proceeds from sale of property, plant and equipment	207	167
Payments for the acquisition of subsidiaries less acquired cash and cash equivalents	-2,103	0
<b>Net cash outflow from investing activities</b>	<b>-6,592</b>	<b>-13,455</b>
<b>Free cash flow</b>	<b>25,003</b>	<b>26,813</b>
Assumption of interest-bearing loans	0	9,720
Repayment of interest-bearing loans	-1,821	-1,525
Dividend paid	-29,441	-29,441
Interest received	251	99
Interest paid	-2,727	-2,558
Repayment of lease liabilities	-6,656	-6,306
<b>Net cash outflow from financing activities</b>	<b>-40,394</b>	<b>-30,011</b>
<b>Net increase/decrease in cash funds</b>	<b>-15,391</b>	<b>-3,198</b>
<b>Net foreign exchange difference</b>	<b>-328</b>	<b>39</b>
<b>Cash funds at January 1</b>	<b>-15,614</b>	<b>-27,147</b>
<b>Cash funds at September 30</b>	<b>-31,334</b>	<b>-30,306</b>

\* Since January 1, 2024, the determination of the net cash inflow from operating activities begins with net income and no longer with earnings before taxes (EBT). This results in a change in the composition of the gross cash flow. Income taxes are now additionally included in gross cash flow, while movements in provisions and income tax received/paid are no longer included. The comparative information has been prepared on the basis of the modified reporting structure applicable from January 1, 2024.





**Contact**

WashTec AG  
Argonstraße 7  
86153 Augsburg  
Germany

Phone +49 821 5584-0  
[www.washtec.de](http://www.washtec.de)  
[washtec@washtec.com](mailto:washtec@washtec.com)

**Financial Calendar**

Nov 25–27, 2024      Equity Forum, Frankfurt