

Digital.
Sustainable.
Successful.



Q3 Statement | November 2nd, 2023

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Clean Cars? [#askWashTec](#)

1 | Update on WashTec

 *WashTec*



Clean Cars? [#askWashTec](#)

What is the target image we are working towards?

“*Wirksystem*” – The effect of one part of the system on the other

Smart Machines + Water retreatment

- Digital sensors & actuators

+

Green Car Care

- Sustainable wash chemicals



+

Digital platform

- Control & supervision



Digital Platform

Smart Machines



Green Chemicals

Clean Cars

Water Recycling

=

Most Sustainable Car Wash

- Tailored wash process
- Minimum fresh water consumption
- Minimum energy consumption

Digitalization and especially data are the *key enabler* to offer „the most innovative and sustainable car wash system“



Combination of Packages for a Sustainable & Digital Car Wash Solution System

„Bundle“: The combination of physical systems and complementary digital and non-digital services



Bundles: **Remote Support**

- Connected Machine
- Connected Water Reclaim System (AquaPur Modular)
- Remote Service Contract



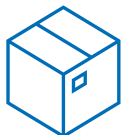
Bundles: **Chemical & Sustainability**

- Connected Machine
- Connected Water Reclaim System (AquaPur Modular)
- Green Chemical Supply Contract
- Automated Chemical Supply Service
- Water Recycling Performance Monitoring via my.carwash



Bundles: **Digital Ticketing & Total Care & Flate Rate**

- Connected Machine
- Digital Ticketing my.washtec.api / App-based machine start
- TotalCare & Flate Rate



Chemical & Sustainability Bundles Automated Supply

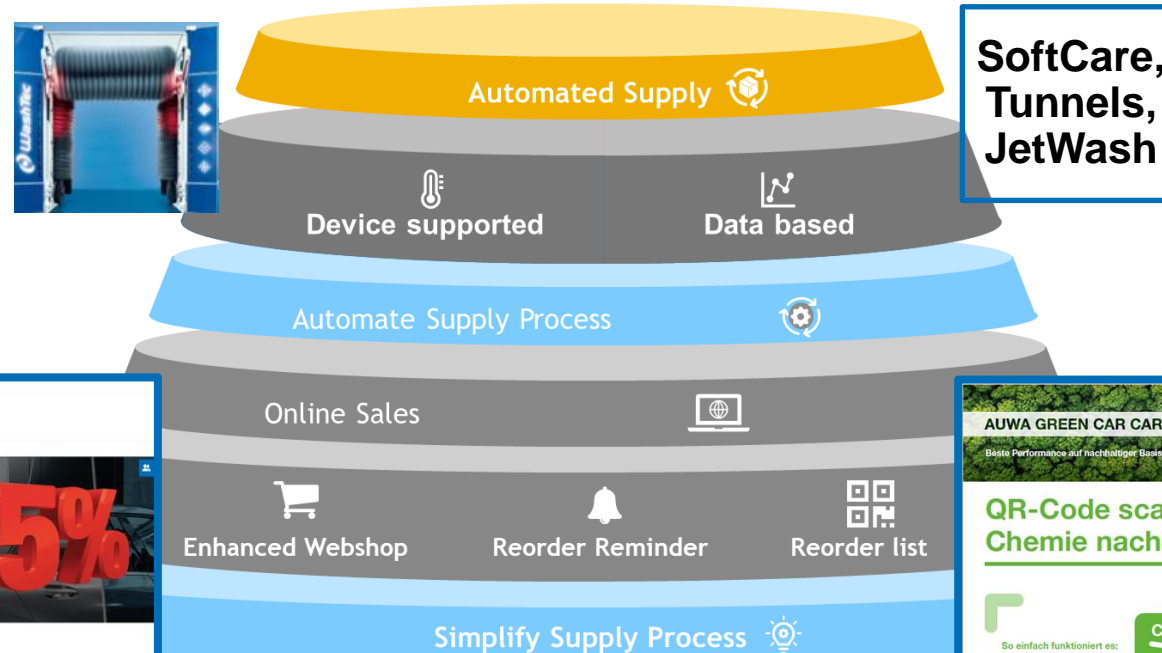


GreenCar Care Certificate

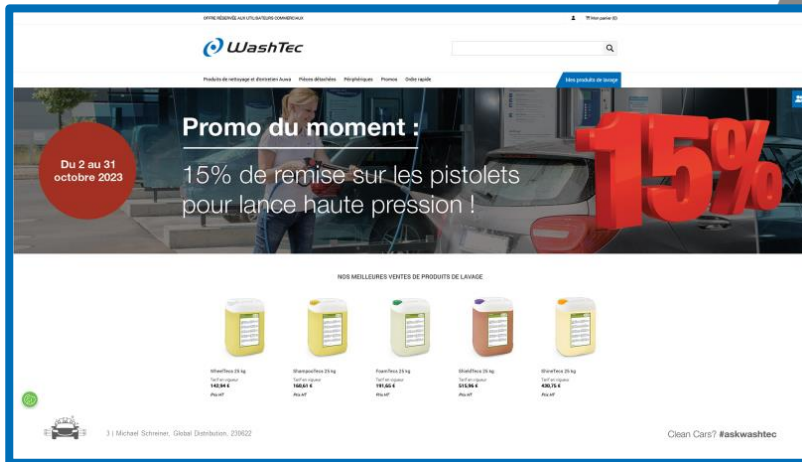
Site with:
 (1) WashTec machines,
 (2) GreenCarCare chemicals,
 (3) water treatment system



SmartCare



Enhanced Webshop



- Legend**
- Customer value
 - Digitalization
 - Business model

Reorder List & Reorder reminder

- Customer specific product set-up
- Colour Coding to support product identification
- Availability/Shipping date based on ERP system
- Shipping advice with Tracking and Tracing link
- Automated invoicing



Service Bundles: Remote Service & Total Care



- WashTec service offers make use of digital platform mywashtec
- **Remote Service** contracts as monetarization point digital platform
- **Digital technician** to help operator to take the right actions online

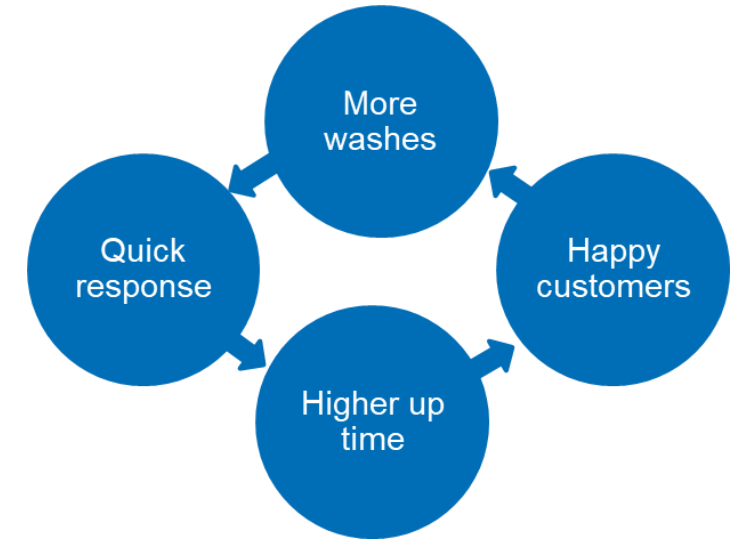
- Advanced service offer **TotalCare** now scalable solution for evaluation!
- Three-digit number of machines already supervised by **Helpdesk**
- **Pay-per-wash Service contract** in combination with **chemical contract**
- Solution works for unskilled, temporary staff at operator site



Service & Chemical Bundles – Total Care: Example key account customer

The screenshot displays the mywashtec.com digital helpdesk interface. The top navigation bar includes the company logo, a search bar, and a user profile. The left sidebar contains a menu with categories like Dashboard, Favorites, Machines, Bulletins, Partner, Download Center, and Knowledge Portal. The main content area is divided into several sections: a top status bar showing 'WASH STATE currently not washing', 'COUNTER 157175', 'VERSIONS 565.1.17 / 3.5.142 / 2.0.13', 'LAST COMMUNICATION 2/10/20 1:45 PM', and 'STATUS RECEIVED 2/10/20 1:45 PM'; a row of four camera feeds labeled 'Front', 'Rear', 'Queue', and 'Technical room'; a control panel with buttons for 'STOP', 'START NEW WASH', 'SET TO BASE POSITION', 'FRONT DOOR', and 'BACK DOOR'; a larger video window titled 'OK Padborg Right' showing a car being washed; and a bottom control panel with a green 'Auto einfahren' button and buttons for 'CONTINUE WASH', 'CANCEL WASH', 'START NEW WASH', 'SET TO BASE POSITION', 'FRONT DOOR', and 'BACK DOOR'.

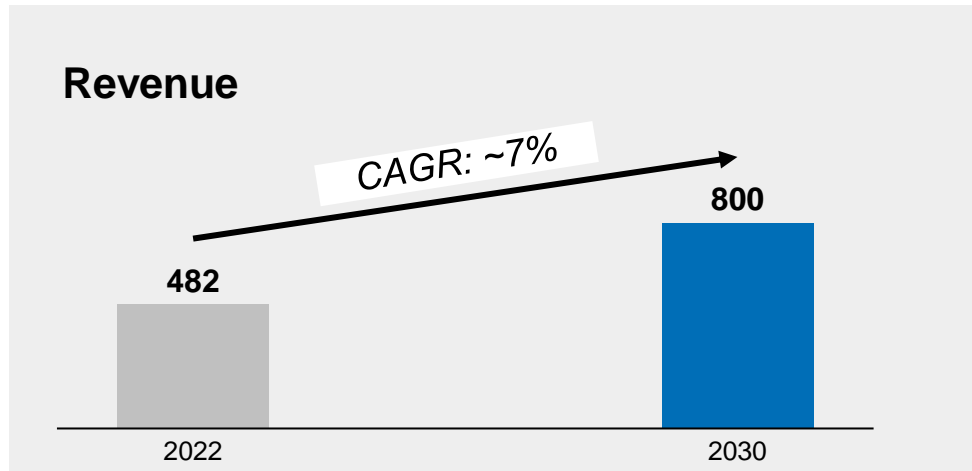
Customer benefit WashTec Digital Helpdesk



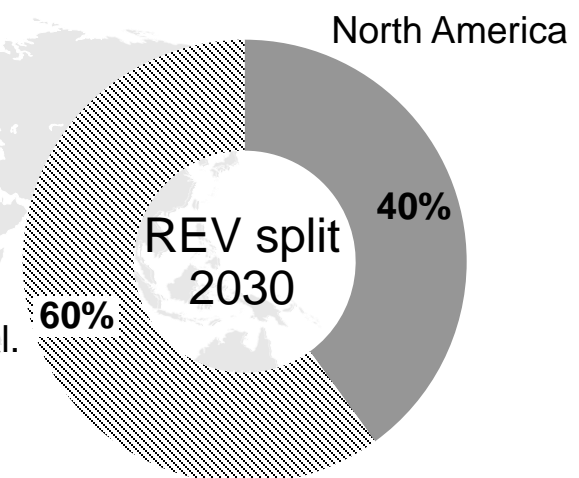
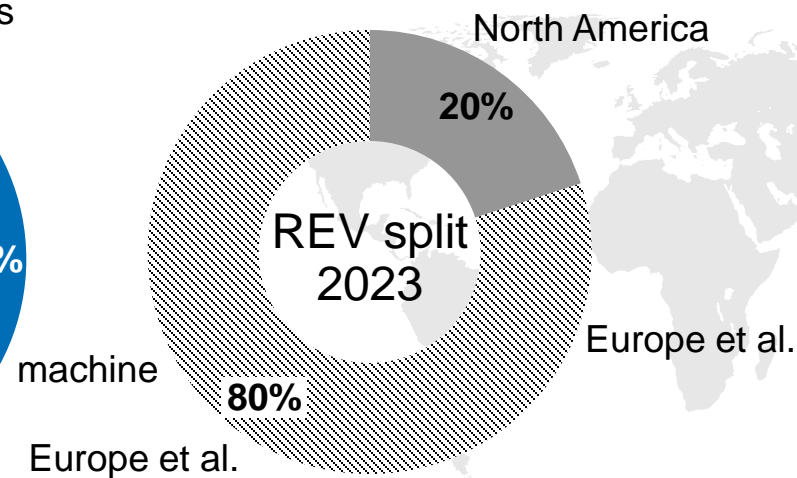
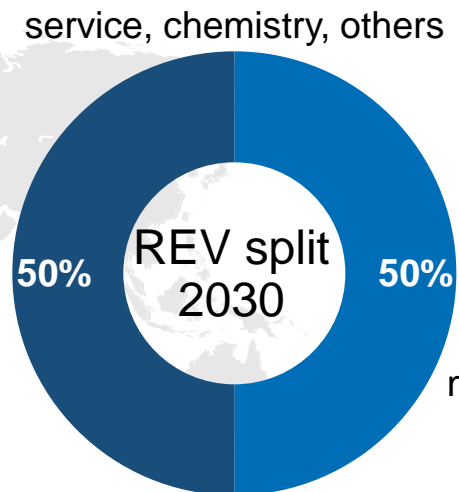
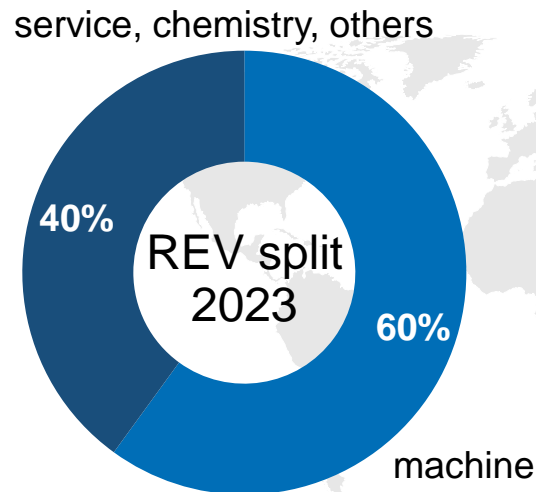
- Based on hidden downtime analysis we guarantee upto 99% uptime in combination with chemical supply contract



WashTec Group: REV development projection 2022 to 2030



- REV of service and chemistry will grow from 40% of total sales in 2023 to approx. 50% in 2030
 - North America will increase REV share from 20% in 2023 to above 40% in 2030
 - Group EBIT% to be expected 2030 by ~15%
- ➔ **Grow in after markets and in North America**



2

Q3 2023
results

 *WashTec*



Clean Cars? [#askWashTec](#)

Q1-Q3 2023 – 5.3% revenue growth in first nine months with significant 19.0% increase in EBIT

Q1-Q3		Q1-Q3 2023	Q1-Q3 2022	Change	
				absolute	in %
Revenue	€m	356.7	338.6	18.1	5.3
EBIT	€m	26.9	22.6	4.3	19.0
EBIT margin	%	7.5	6.7	0.8	-
EBT	€m	24.2	22.1	2.1	9.5
Net income	€m	16.9	14.8	2.1	14.2
Number of shares in circulation	units	13,382,324	13,382,324	0	0
Earnings per Share	€m	1.26	1.10	0.16	14.2
Free cash flow	€m	26.8	7.6	19.2	252.6
Capital expenditure	€m	13.5	4.0	9.5	237.5
Equity ratio	%	26.7	27.0	-0.3	-
Employees at reporting date	people	1,767	1,823	-56	-3.1

Revenue increased in all product segments and all regions

WashTec generated revenue of €356.7m in the first nine months, once again a new record and a significant 5.3% increase in revenue compared to the prior year (€338.6m). In addition to the implemented price increases, this reflected growth in the key account business and especially chemicals.

Significant increase in EBIT

As a result of the revenue growth and active cost management, EBIT in the first nine months was €26.9m, significantly higher than in the prior year (€22.6m). The EBIT margin improved to 7.5% (prior year: 6.7%).

Significant improvement in free cash flow

Free cash flow increased to €26.8m in the first nine months (prior year: €7.6m) as a result of higher earnings before taxes and improved net operating working capital. This positive outcome was achieved despite the €9.5m acquisition of the site occupied by the American subsidiary.

Guidance for full year 2023

The WashTec Group confirms its guidance for fiscal year 2023.



Q3 2023 - 1.5% revenue growth in third quarter with significant 18.6% increase in EBIT

Q3		Q3 2023	Q3 2022	Change	
				absolute	in %
Revenue	€m	120.4	118.6	1.8	1.5
EBIT	€m	11.5	9.7	1.8	18.6
EBIT margin	%	9.6	8.2	1.4	-
EBT	€m	10.2	9.6	0.6	6.3
Net income	€m	7.2	6.7	0.5	7.5
Number of shares in circulation	units	13,382,324	13,382,324	0	0
Earnings per Share	€m	0.54	0.50	0.04	7.5

Revenue growth continued in third quarter

With revenue of €120.4m, WashTec also set a new record for a third quarter (prior year: €118.6m). The revenue performance primarily related to the direct sales business in Europe combined with disproportionately strong growth in the chemicals business.

Significant improvement in EBIT

WashTec achieved a significant 18.6% increase in EBIT to €11.5m in the third quarter (prior year: €9.7m) due to the successful implementation of the efficiency program in the North America region. The EBIT margin increased to 9.6% (prior year: 8.2%), which is higher than both the prior-year quarter and the first two quarters of 2023.



Group revenue by product

Revenue by product, Q1-Q3

in €m	Q1-Q3 2023	Q1-Q3 2022	Change	
			absolute	in %
Equipment and service	301.5	290.9	10.6	3.6
Chemicals	51.2	43.5	7.7	17.7
Other	4.0	4.2	-0.2	-4.8
Total	356.7	338.6	18.1	5.3

Revenue by product, Q3

in €m	Q3 2023	Q3 2022	Change	
			absolute	in %
Equipment and service	104.6	105.4	-0.8	-0.8
Chemicals	14.5	12.0	2.5	20.8
Other	1.3	1.2	0.1	8.3
Total	120.4	118.6	1.8	1.5

- **Equipment and Service** revenue increased compared to the first nine months of the prior year as a result of the price increases implemented in response to material price rises, particularly last year. The growth was mainly driven by key account business, while direct sales business was level with the prior year.
- **Chemicals** revenue also developed very positively in the first nine months, increasing by 17.7% year on year, mainly as a result of newly acquired customers. This made it possible to achieve significant revenue growth despite a mainly weather-related fall in carwash volumes.



Group revenue by regions

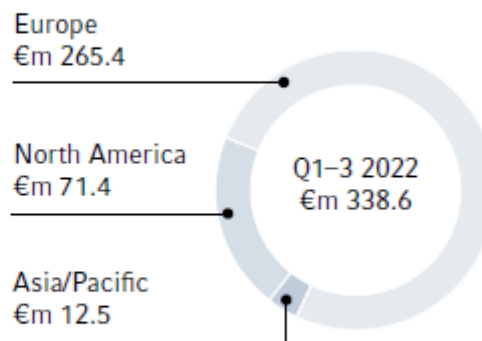
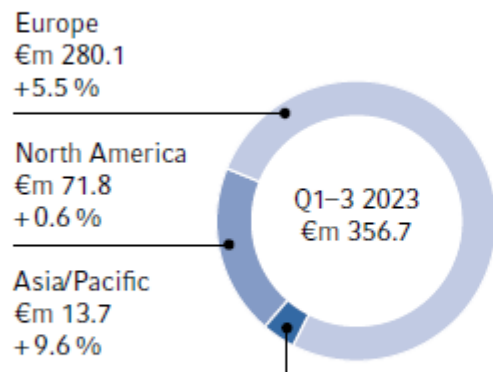
Revenue by regions, Q1-Q3

in €m	Q1-Q3 2023	Q1-Q3 2022	Change	
			absolute	in %
Europe	280.1	265.4	14.7	5.5
North America	71.8	71.4	0.4	0.6
Asia/Pacific	13.7	12.5	1.2	9.6
Consolidation	-8.8	-10.8	2.0	-
Total	356.7	338.6	18.1	5.3

Revenue by regions, Q3

in €m	Q3 2023	Q3 2022	Change	
			absolute	in %
Europe	95.7	90.6	5.1	5.6
North America	23.3	27.6	-4.3	-15.6
Asia/Pacific	4.8	4.7	0.1	2.1
Consolidation	-3.3	-4.3	1.0	-
Total	120.4	118.6	1.8	1.5

Revenue by regions in €m*



* cross-segment consolidation effects are disregarded
Percentage change from comparative period

- In the **Europe** region, revenue rose by 5.5% in the first nine months. The revenue growth cut across all product groups, with the chemicals business developing especially positively with double-digit growth compared to the prior year. Third-quarter equipment and service revenue was slightly higher than in the prior year for pricing reasons. The chemicals business showed double-digit growth due to newly acquired customers.
- Revenue in **North America**, was slightly up by 0.6% on the prior year, mainly due to key account business. In US dollar terms, revenue increased by 2.9%. Third-quarter revenue decreased by 15.6% year on year and was partly due to a lower volume of business with key accounts, primarily because of the installation of relatively large orders being postponed to the fourth quarter.
- In the **Asia/Pacific** region, revenue increased significantly by 9.6% in the first nine months, while third-quarter revenue was stable relative to the prior year.



Group EBIT by regions

EBIT by regions, Q1-Q3

in €m	Q1-Q3 2023	Q1-Q3 2022	Change	
			absolute	in %
Europe	24.0	24.1	-0.1	-0.4
North America	2.9	-1.2	4.1	341.7
Asia/Pacific	0.1	0.4	-0.3	-75.0
Consolidation	-0.1	-0.6	0.5	-
Total	26.9	22.6	4.3	19.0

EBIT by regions, Q3

in €m	Q3 2023	Q3 2022	Change	
			absolute	in %
Europe	9.8	9.8	0.0	0.0
North America	1.6	0.0	1.6	-
Asia/Pacific	0.3	-0.1	0.4	400.0
Consolidation	-0.2	0.0	-0.2	-
Total	11.5	9.7	1.8	18.6

EBIT by regions in €m*



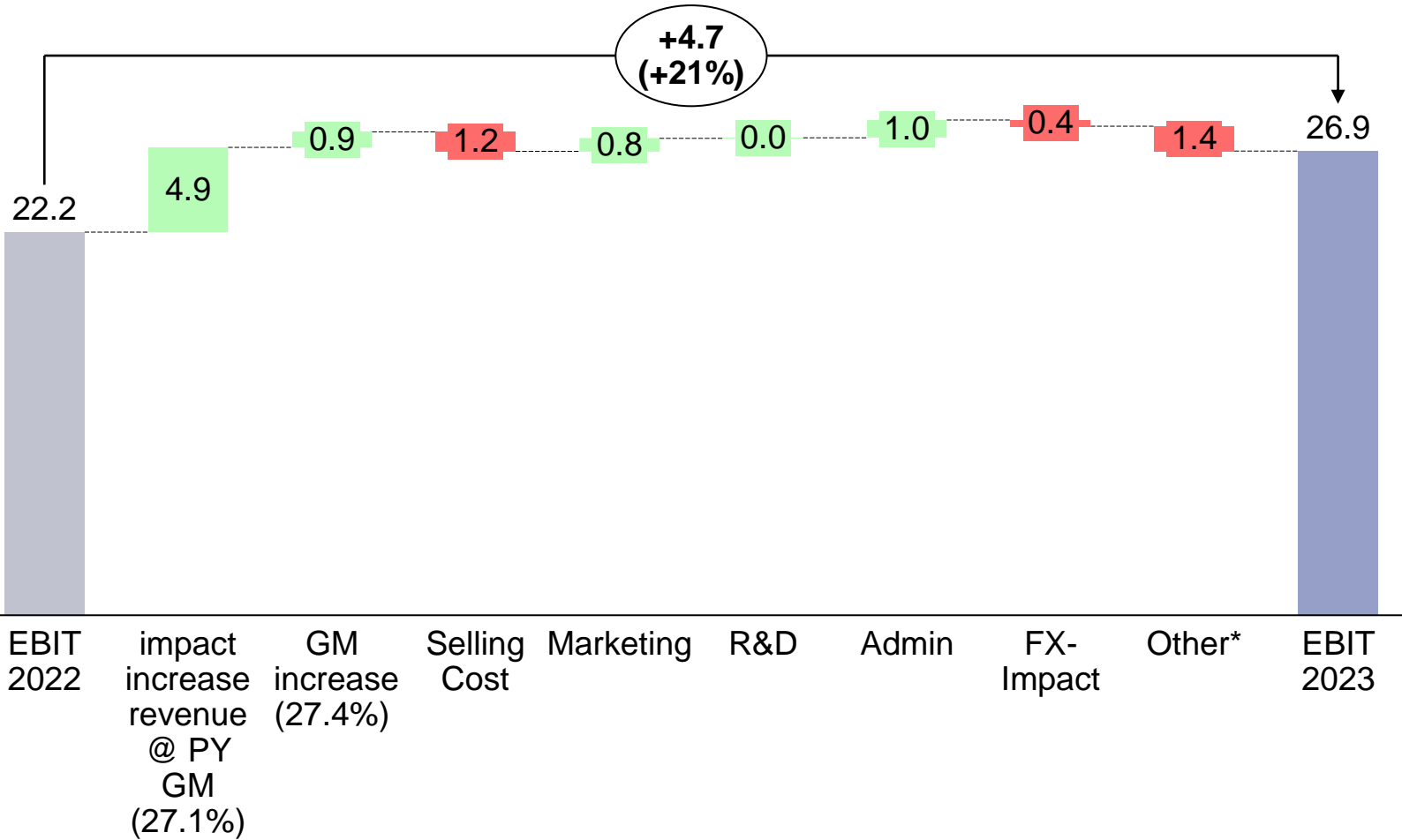
* cross-segment consolidation effects are disregarded
Percentage change from comparative period

- EBIT in the **Europe** region, at €24.0m in the nine months to September, was on the same level as the prior year (€24.1m). Third-quarter EBIT came to €9.8m, as in the prior year. Compared to the second quarter, the EBIT margin increased significantly from 8.5% to 10.2%.
- EBIT in the first nine months in the **North America** region, at €2.9m, was up significantly on the prior year (€-1.2m). The third quarter likewise showed a significant improvement in earnings to €1.6m (prior year: breakeven). This positive development mainly reflected the effects of the efficiency program launched in the first quarter.
- The **Asia/Pacific** region generated positive EBIT of €0.1m in the first nine months (prior year: €0.4m). After a breakeven result in the second quarter, third-quarter EBIT in the region was positive at €0.3m.



EBIT-Bridge Q1-Q3 – EBIT recovery due to higher revenues and cost control

in €m



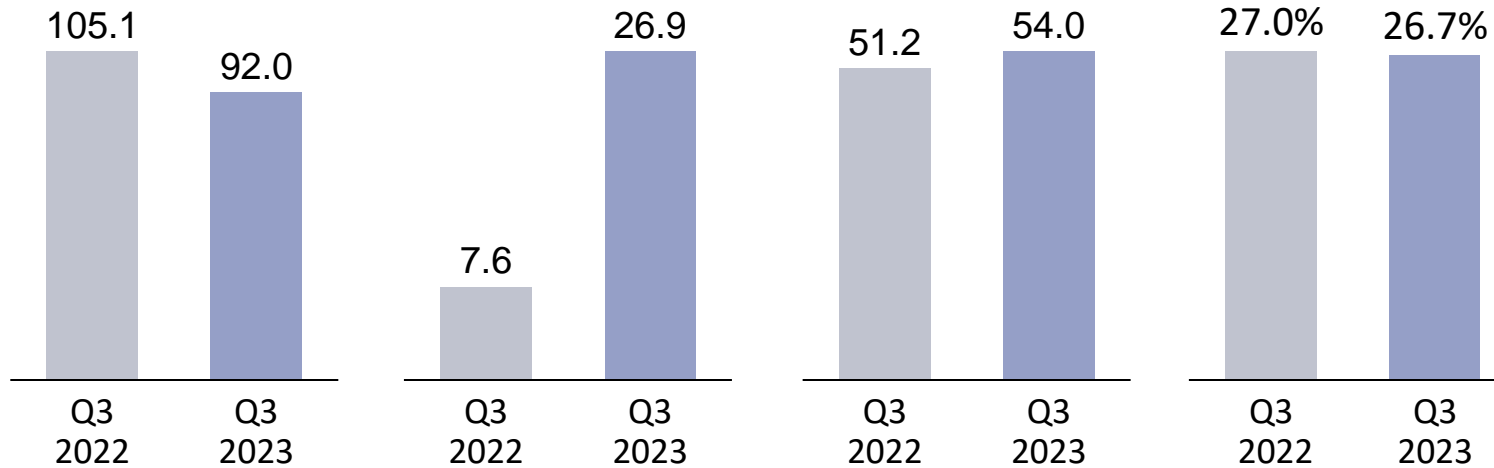
- Mainly due to the higher revenue, **gross profit** was up on the prior year (€91.8m) at €97.6m in the nine months to September. The gross profit margin increased slightly from 27.1% to 27.4%.
- **Selling expenses** (selling cost and marketing) as a percentage of revenue fell from 13.7% in the prior year to 13.1%.
- **Administrative expenses** were lower than the prior year at €13.4m (prior year: €14.0m). As a percentage of revenue, administrative expenses fell slightly from 4.1% to 3.8%.
- In total, Group **EBIT** increased in the first nine months to €26.9m (prior year: €22.6m). The EBIT margin was 7.5% (prior year: 6.7%).

* other: income from scrap sales, insurance refunds



NOWC, Free Cashflow, Net Financial Debt, Equity Ratio – in good shape

in €m



NOWC

Free Cash
flow

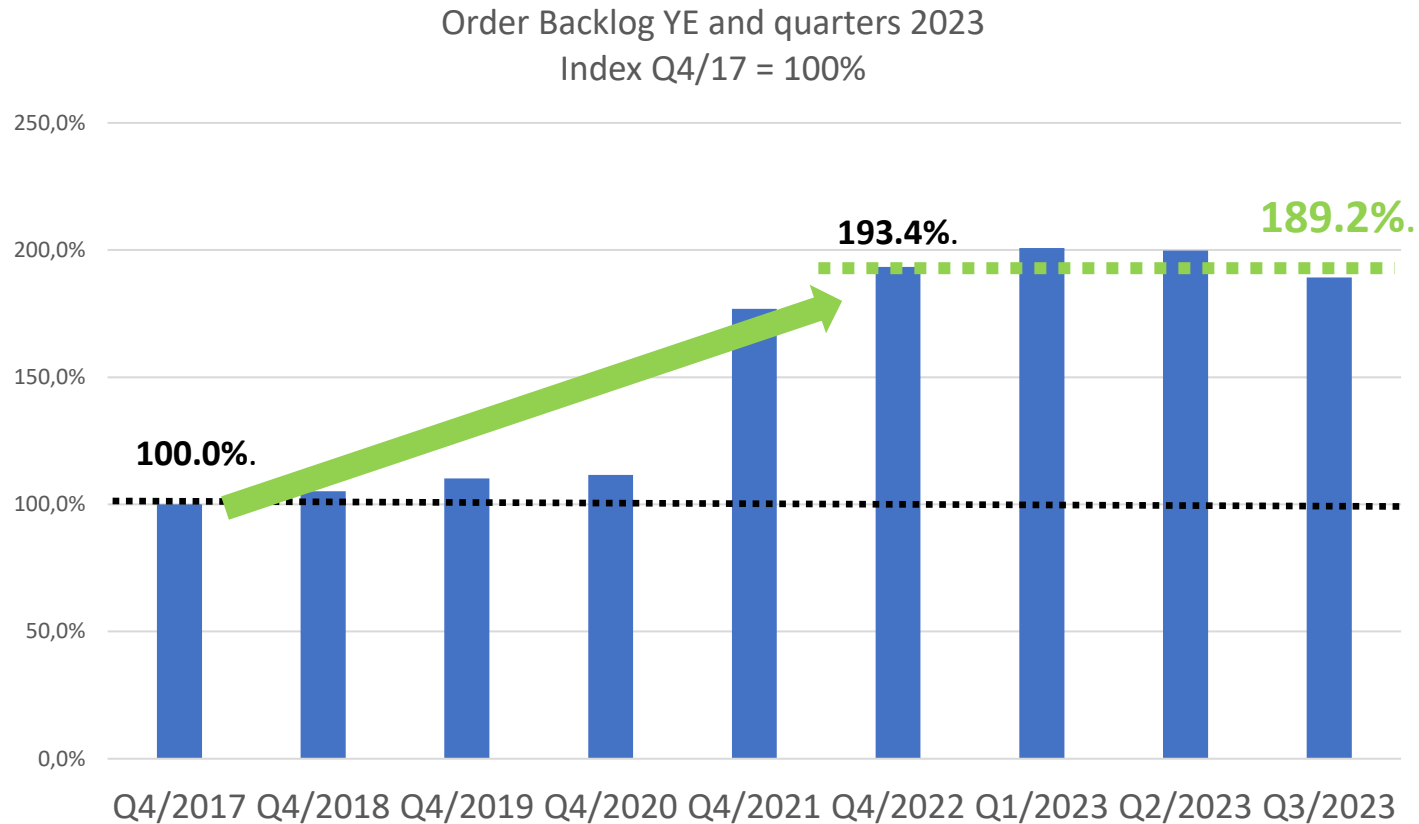
Net Financial
Debt

Equity Ratio

- **Net operating working capital** (trade receivables + inventories – trade payables – prepayments on orders) decreased relative to September of the prior year, mainly due to lower inventories by €16.0m or 18.7%.
- **Free Cash flow:** Free cash flow (cash inflow from operating activities – cash outflow from investing activities) increased to €26.8m (prior year: €7.6m).
- Despite to financing of our US production facility in Q1/23 **Net Financial Debt** (cash and cash equivalents less financial liabilities) increased only slightly to €54.0
- Compared to the 09/2022, the **equity ratio** went down slightly from 27.0% to 26.7%.



Development of Order Backlog: Order Backlog still on high level despite slow but improving Order Intake



Guidance 2023

	2022	Guidance 2023
Revenue	482.2m€	similar level to the prior-year level +/-3%
EBIT	38.0m€	significant increase by around 10%
Free Cashflow	16.2m€	significant increase around 10%
ROCE	20.2%	Significant improvement \geq 1 percentage point

This guidance is fundamentally subject to uncertainties. These may result, for example, from a possible escalation of the conflicts in Ukraine and the Middle East, a significant deterioration of economic conditions in key sales markets, or additional burdens from structural adjustments.





WashTec

CLEAN CARS®



Event Calendar 2023 and Financial Calendar 2024

Date	Event
November 27-29, 2023	Equity Forum, Frankfurt

Date	Event
March 27 th , 2024	Annual report 2023 Financial press conference
May 6 th , 2024	Q1 Statement 2024
May 14 th , 2024	Annual General Meeting
August 5 th , 2024	Half-yearly financial statement 2024
November 6 th , 2024	Q3 Statement 2024



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