Financial Statement Q1 2025

WashTec

Revenue growth of 7.9%, EBIT slightly below prior year and significant increase in free cash flow

Q1

		Q1 2025	Q1 2024	Change	
				absolute	in %
Revenue	€m	108.8	100.8	8.0	7.9
EBIT	€m	4.9	5.1	–0.2	–3.9
EBIT margin	%	4.5	5.1	–60 bps	–
Net income	€m	2.9	3.1	–0.2	–6.5
Number of shares in circulation	units	13,382,324	13,382,324	–	–
Earnings per share	€	0.22	0.23	–0.01	–6.5
Free cash flow	€m	16.5	9.3	7.2	77.4
Net cash outflow from investing activities	€m	–2.0	–1.4	–0.6	–42.9
Equity ratio	%	32.5	33.9	–140 bps	–
Employees at reporting date	persons	1,780	1,694	86	5.1

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 above prior year**

  WashTec generated revenue of €108.8m in the first three months, up 7.9% on the prior year (€100.8m). This mainly reflects increased revenue across all business lines in the Europe and other segment, while revenue in the North America segment was on the prior year due to lower equipment sales, primarily to key accounts.

- **EBIT slightly down on prior year**

  WashTec's EBIT in the first three months amounted to €4.9m, slightly down on the prior year (€5.1m). The EBIT margin was 4.5% (prior year: 5.1%). The fall in revenue in North America had a negative impact on EBIT performance in the segment and in the Group as a whole.

- **Free cash flow significantly above prior year**

  At €16.5m, the WashTec Group's free cash flow for the first three months was significantly higher than in the prior year (€9.3m), mainly due to the positive development in terms of net operating working capital.

- **Guidance for full year 2025**

  The WashTec Group confirms its guidance for fiscal year 2025. The forecast is based on the assumption that the current global trade conflict will not have a significant negative impact on investment behavior in the carwash market.

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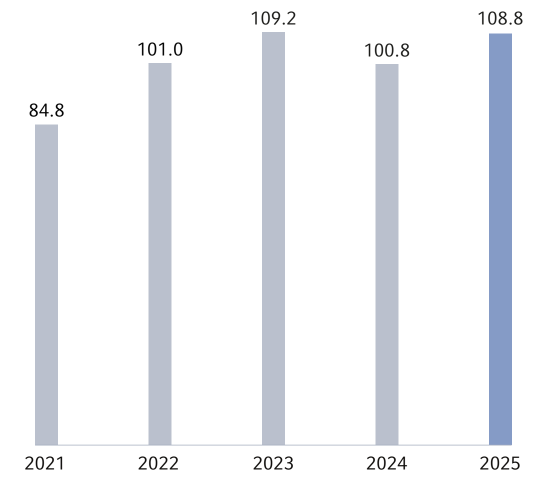
Business performance

On May 5, WashTec Group's Augsburg site hosted a hybrid event, both in-person and online, themed "Bright Future – Discover, Connect, Experience". The event showcased new products along with the Company's strategic shift from equipment manufacturer to solutions provider. Alongside our main product, SmartCare Connect, which will be the backbone of the WashTec Group product family over the next few years, this evolutionary development is primarily focused on our digital Smart Services solutions for customers. For consistency in internal and external communications, we will be presenting our product groups under revised names in external reporting from 2025. In the future, revenue will be divided into business lines: Equipment, Service, Consumables (previously Chemicals), and Other.

1. Group revenue and earnings

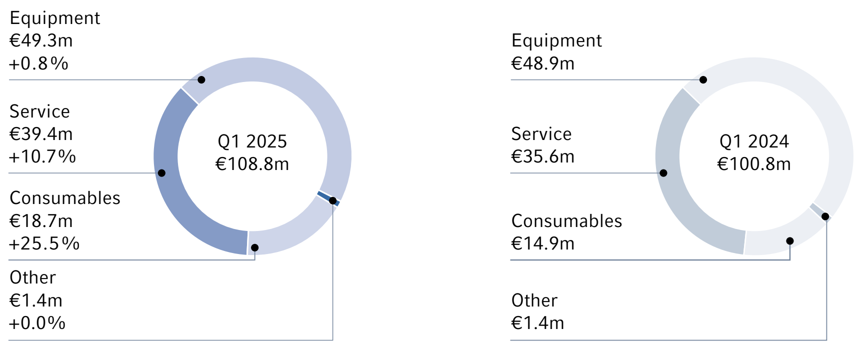
Equipment orders received in the first quarter were significantly higher than in the prior-year quarter. This positive trend cut across all segments and all customer groups. Due to the higher orders received, the **order backlog** at the end of March was also up on last year in both the Europe and other and the North America segments.

Revenue Q1 in €m, multi-year comparison



The WashTec Group generated revenue of €108.8m in the first three months of the year, an increase of €8.0m or 7.9% on the prior year (€100.8m). On an exchange rate adjusted basis, revenue was 7.7% up on the prior year. Revenue in the Europe and other segment increased by €10.7m to €95.3m, up 12.6% on the prior year. Almost all business lines in the segment achieved double-digit revenue growth compared to the prior year. Consumables revenue rose particularly sharply. In the North America segment, revenue fell by €2.7m compared to the prior year. The negative revenue performance is mainly due to the decline in equipment sales to key accounts, whereas revenue in the Service and Consumables business lines also increased in this segment.

Revenue by business lines Q1 in €m



At €49.3m, Equipment revenue was at the same level as the prior year (€48.9m). The positive performance in the Europe and other segment compensated for the negative performance in North America. Service revenue increased by 10.7% from €35.6m to €39.4m. Consumables revenue, at €18.7m, was 25.5% higher than in the prior year (€14.9m). The positive revenue performance in the Service and Consumables business lines is among other things due to the weather-related increase in carwash volumes.

Due to the higher revenue, **gross profit** rose to €31.9m (prior year: €29.0m). The gross profit margin increased from 28.8% to 29.3%. The improvement is mainly due to the positive product and regional mix, with a higher proportion of Consumables revenue and an increase in revenue in the Europe and other segment.

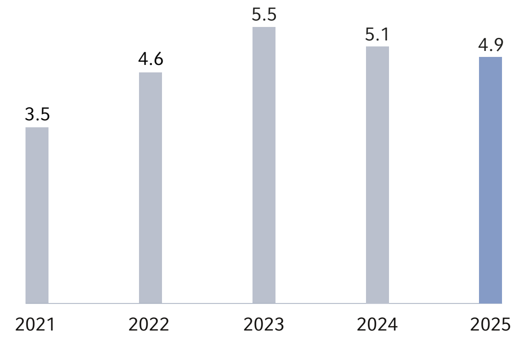
Functional costs – the sum of research and development expenses, selling expenses and administrative expenses – amounted to €26.6m in the first three months of the fiscal year (prior year: €24.0m).

Research and development expenses were a slight 5.3% down on the prior year, at €3.6m (prior year: €3.8m).

Selling expenses as a percentage of revenue went up from 14.5% in the prior year to 15.4%. The increase is the result of higher marketing expenses and the expansion of the sales organization in connection with the preparation and implementation of the corporate strategy realignment described under "Business performance" and the launch of new products.

Administrative expenses, at €6.2m, were €0.6m higher than in the prior year (€5.6m). This was mainly due to higher IT expenses related to projects in progress such as S4/HANA and a new software for service optimization.

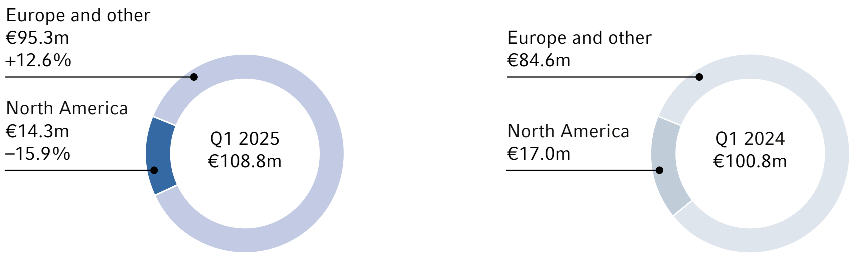
EBIT Q1 in €m, multi-year comparison



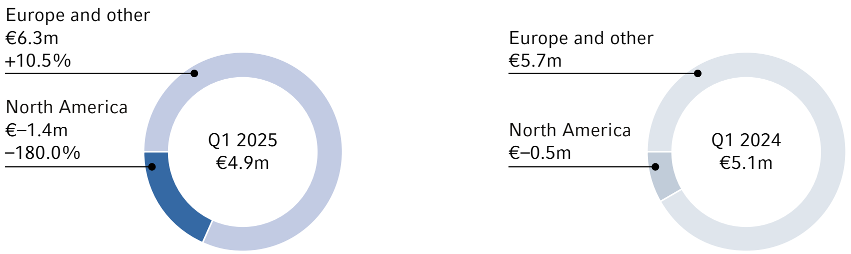
In total, Group **EBIT** in the first three months amounted to €4.9m (prior year: €5.1m). The EBIT margin was 4.5% (prior year: 5.1%). In the prior year, EBIT was negatively impacted by approximately €1m in exceptional expenses. This year, exceptional expenses of a similar magnitude were incurred in connection with the German collective bargaining agreement and the Group-wide employee bonus.

2. Revenue and earnings by segments

Revenue by segments in €m*



EBIT by segments in €m*



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

In the **Europe and other** segment, revenue increased by 12.6% in the first three months, from €84.6m to €95.3m. The positive revenue performance cut across all business lines. Sales figures for equipment were up on the prior year, both with key accounts and in the direct sales business. Revenue in the Service and Consumables business lines also increased significantly compared to the prior year.

EBIT in this segment rose to €6.3m in the first three months (prior year: €5.7m), mainly due to the positive revenue performance. The additional expenses in connection with the preparation and implementation of the corporate strategy realignment described under "Business performance" and for ongoing IT projects are included in the result of this segment.

In the **North America** segment, revenue in the first three months fell by 15.9% to €14.3m (prior year: €17.0m). The fall in revenue is mainly due to lower sales to key accounts. This contrasted with revenue growth in both Service and Consumables. Due to the significant year-on-year increase in the order backlog, the Company expects revenue growth to be concentrated in the second half-year.

Due to the lower revenue, segment EBIT in the first three months, at €–1.4m, was lower than in the prior year (€–0.5m).

3. Group financial position and cash flows

Net operating working capital (trade receivables (including other receivables) + inventories – trade payables – prepayments on orders) decreased relative to December 31, 2024 by €12.4m or 13.2% from €94.0m to €81.6m. The lower net operating working capital compared to the year-end was mainly due to the reduction in trade receivables following the record revenue in the fourth quarter of the prior year. Relative to March of the prior year, the figure fell by a significant €8.3m (prior year: €89.9m).

Equity increased to €90.3m as of March 31, 2025 (December 31, 2024: €88.5m). Compared to the 2024 year-end, the equity ratio went up from 31.7% to 32.5%. Due to the increase in total assets, the equity ratio at the end of March was slightly down on the prior year (33.9%).

The **cash inflow from operating activities** increased in the first three months to €18.5m (prior year: €10.7m). This is mainly due to the positive development in terms of net operating working capital as a result of, firstly, the larger reduction in trade receivables following the record revenue in the fourth quarter of the prior year and, secondly, higher advance payments received on customer orders.

The **cash outflow from investing activities**, at €2.0m in the first three months, was €0.6m higher than in the prior year (€1.4m). The increase was mainly due to capital expenditure on production equipment.

Free cash flow (cash inflow from operating activities – cash outflow from investing activities) increased significantly to €16.5m (prior year: €9.3m).

The **net cash outflow from financing activities** was €3.3m (prior year: €4.0m) and mainly comprises the repayment of lease liabilities and interest-bearing loans. The decrease is mainly due to the lower repayments of interest-bearing loans.

In total, **cash funds** increased compared to December 31, 2024 from €–19.5m to €–6.3m, largely due to the higher free cash flow in the first quarter.

4. Outlook

Guidance

The WashTec Group confirms its guidance for fiscal year 2025 and expects revenue growth in the mid-single-digit percentage range and an increase in EBIT that is disproportionately higher than revenue growth (i.e. in the high single-digit to low double-digit percentage range). This forecast is based on the assumption that the current global trade conflict will not have a significant negative impact on investment behavior in the carwash market.

This guidance is subject to uncertainties.

Opportunities and risks

The WashTec Group's opportunity and risk management system is described in the Annual Report 2024. The ongoing global trade conflict and the tariff increases already implemented or announced by the US have led to a change in the risk assessment compared to the 2024 Annual Report. Combined with further countermeasures taken by other countries, these could have an impact on material prices, supply chains and customer investment behavior. Due to its largely regional material procurement and production locations in North America and Europe, WashTec faces no direct major impact from the possible effects of the trade conflicts. In particular, the Group's own production in North America has a risk-mitigating effect. Therefore, according to initial internal investigations, a significant negative effect is not currently expected. Nevertheless, the impact on overall economic development is difficult to predict at this time, but is being closely monitored. The remaining opportunities and risks described in the Annual Report 2024 have not changed significantly.

5. Information on sustainability

Sustainability is an integral part of WashTec's business conduct. As well as environmental aspects, this also includes the social and governance dimensions.

With regard to environmental matters, WashTec focuses among other things on continuously reducing energy consumption and Scope 1 and 2 carbon emissions in line with the targets under the net zero transition plan. The first quarter 2025 saw further progress on two major projects to reduce energy consumption in production. Reducing process temperatures and optimizing the technical configuration of a surface coating system is expected to result in gas and electricity savings of approximately 365 MWh per year. To reduce carbon emissions, the roadmap for switching the vehicle fleet to electric mobility was further developed. As one step towards implementation, a survey of service technicians in Germany was completed in the first quarter.

In the first quarter of 2025, a global survey was conducted among employees to find out how they view WashTec as an employer. This survey was carried out to measure employee satisfaction and loyalty, and the results were used to identify potential areas for improvement.

As announced in the invitation to the Annual General Meeting of WashTec AG, two candidates – Susanne Heckelsberger and Sabine Simeon Aissaoui – have been nominated for election to the Supervisory Board of WashTec AG by the Annual General Meeting 2025. In particular, the nomination takes into account the objectives set by the Company's Supervisory Board with regard to its composition.

In the first quarter of 2025, the focus in the governance dimension of sustainability was on optimizing organizational structure and processes in the compliance management system.

Selected financial information
Q1 2025

Consolidated Income Statement

in €k	Q1 2025	Q1 2024
Revenue	108,827	100,756
Cost of sales	–76,916	–71,793
Gross profit	**31,911**	**28,963**
Research and development expenses	–3,616	–3,800
Selling expenses	–16,772	–14,648
Administrative expenses	–6,221	–5,559
Other income	1,061	1,239
Other expenses	–1,470	–1,090
Earnings before interest and taxes (EBIT)	**4,893**	**5,106**
Financial income	77	206
Financial expenses	–675	–723
Financial result	**–597**	**–517**
Earnings before taxes (EBT)	**4,296**	**4,589**
Income taxes	–1,354	–1,474
Net income	**2,942**	**3,116**
Average number of shares in units	**13,382,324**	**13,382,324**
Earnings per share (basic = diluted) in €	**0.22**	**0.23**

Consolidated Balance Sheet Assets

in €k	Mar 31, 2025	Dec 31, 2024
Property, plant and equipment	34,076	33,998
Goodwill	43,859	43,884
Intangible assets	10,427	10,366
Right-of-use assets	20,506	20,806
Non-current trade receivables	171	236
Other non-current receivables	2,283	2,046
Other non-current financial assets	393	416
Other non-current non-financial assets	576	576
Deferred tax assets	5,819	4,604
Non-current assets	**118,110**	**116,931**
Inventories	64,668	55,065
Current trade receivables	66,199	76,327
Other current receivables	1,437	1,816
Tax receivables	5,972	5,800
Other current financial assets	1,182	1,385
Other current non-financial assets	4,346	2,844
Cash and cash equivalents	15,839	19,512
Current assets	**159,643**	**162,749**
Assets	**277,753**	**279,679**

Consolidated Balance Sheet Equity and Liabilities

in €k	Mar 31, 2025	Dec 31, 2024
Subscribed capital	40,000	40,000
Capital reserves	36,463	36,463
Treasury shares	−13,177	−13,177
Other reserves and currency translation effects	−3,796	−2,676
Profit carried forward	27,897	−3,129
Net income	2,942	31,026
Equity	**90,329**	**88,507**
Non-current interest-bearing loans	3,074	3,489
Non-current lease liabilities	12,340	12,773
Provisions for pensions	8,211	8,564
Other non-current provisions	1,696	2,024
Other non-current financial liabilities	255	225
Other non-current non-financial liabilities	790	503
Non-current contract liabilities	869	1,134
Deferred tax liabilities	1,842	2,249
Non-current liabilities	**29,076**	**30,961**
Current interest-bearing loans	23,524	40,442
Current lease liabilities	9,232	9,061
Trade payables	27,951	19,577
Income tax liabilities	5,166	4,792
Other current financial liabilities	22,903	20,021
Other current non-financial liabilities	26,373	25,449
Other current provisions	10,203	10,474
Current contract liabilities	32,997	30,395
Current liabilities	**158,348**	**160,211**
Equity and liabilities	**277,753**	**279,679**

Consolidated Cash Flow Statement

in €k	Q1 2025	Q1 2024
Net income	**2,942**	**3,116**
Amortization, depreciation and impairment	3,902	3,454
Gain from disposals of non-current assets	–7	–27
Income taxes	1,354	1,474
Other non-payment-related income and expenses	–2,443	–3,096
Financial result	597	517
Gross cash flow	**6,345**	**5,438**
Increase/decrease in trade receivables and other receivables	9,611	3,427
Increase/decrease in inventories	–10,297	–5,920
Increase/decrease in trade payables	8,548	–4,191
Increase/decrease in prepayments on orders	3,449	575
Increase/decrease in net operating working capital	**11,312**	**–6,109**
Changes in provisions	–945	–944
Income taxes received/paid	–2,623	11,497
Changes in other net working capital	4,453	863
Net cash inflow from operating activities	**18,541**	**10,745**
Purchase of property, plant and equipment (without leases)	–2,026	–967
Proceeds from sale of property, plant and equipment	27	39
Payments for the acquisition of subsidiaries less acquired cash and cash equivalents	0	–488
Net cash outflow from investing activities	**–1,999**	**–1,416**
Free cash flow	**16,542**	**9,330**
Repayment of interest-bearing loans	–277	–1,133
Interest received	77	48
Interest paid	–657	–714
Repayment of lease liabilities	–2,419	–2,180
Net cash outflow from financing activities	**–3,276**	**–3,978**
Net increase/decrease in cash funds	**13,266**	**5,351**
Net foreign exchange difference	**–97**	**–88**
Cash funds at January 1	**–19,466**	**–15,614**
Cash funds at March 31	**–6,297**	**–10,351**

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Financial calendar

May 13, 2025	Annual General Meeting 2025
Aug 5, 2025	Q2 Report 2025
Nov 5, 2025	Quarterly statement Q1–3 2025