

18 January 2024

**W.A.G payment solutions plc**

**(“Eurowag” or the “Group”)**

**Trading Update**

**Robust performance, in-line with guidance**

W.A.G payment solutions plc (“Eurowag”, or the “Group”) a leading pan-European integrated payments and mobility platform focused on the Commercial Road Transportation industry (“CRT”), today announces an unaudited trading update for the 12 months ending 31 December 2023.

**Financial highlights for 12 months<sup>1</sup>:**

- Net revenue<sup>2</sup> for the full year is expected to be around €256m (2022: €191m), representing 34% year-on-year growth. This sustained growth is supported by organic growth from both new customers and the cross-selling of new capabilities, as well as the significant contribution of around €37m from our Inelo acquisition.
- Organic net revenue<sup>3</sup> is expected to be around €218m, representing 14% year-on-year growth, in-line with guidance announced at the half year results.
  - Mobility solutions organic revenue<sup>3</sup> is expected to be around €72m (2022: €56m), representing 28% year-on-year growth, driven by the effective cross-selling and new automotive strategic partnerships. Q4 23 organic revenue grew around 9% to €19m; the reduction of quarter-on-quarter growth is due to a tougher comparison against Q4 22 during which we won two large navigation and telematics deals.
  - Payment solutions organic revenue<sup>3</sup> is expected to be around €146m (2022: €135m), representing 8% year-on-year growth. Q4 23 organic revenue grew around 6%, an improvement from flat growth during Q3 23.
- If we had acquired Inelo at the start of the financial year, net revenue contribution to the Group would have been around €47m.

**Martin Vohánka, CEO and Founder said:**

“I am pleased to end the year with a robust performance, sustaining organic double-digit growth despite the challenging macroeconomic conditions affecting the European CRT industry with fewer miles being driven. This performance highlights the resilience of our business model and mission-critical nature of our offering, and demonstrates the success of our key strategic initiatives, which include the diversification of our revenue mix through acquisitions, expanding our customer base and geographic reach and continued focus on cross-sell opportunities. We remain on track to deliver the industry's first, fully integrated end-to-end digital platform in Q4 2024, and we remain committed to our purpose of transforming the CRT industry to make it clean, fair and efficient.”

	Net revenue (€m)		Year-on-year growth (%)	Organic revenue <sup>3</sup> (€m)	Organic year-on-year growth (%)
	Q4 2023	Q4 2022		Q4 2023	
Payment solutions	41	38	7%	40	6%
Mobility solutions	31	17	83%	19	9%
<b>Total</b>	<b>72</b>	<b>55</b>	<b>31%</b>	<b>59</b>	<b>7%</b>

	Net revenue (€m)		Year-on-year growth (%)	Organic revenue <sup>3</sup> (€m)	Organic year-on-year growth (%)
	FY 2023 <sup>2</sup>	FY 2022			
Payment solutions	147	135	9%	146	8%
Mobility solutions	109	56	95%	72	28%
<b>Total</b>	<b>256</b>	<b>191</b>	<b>34%</b>	<b>218</b>	<b>14%</b>

### Operational highlights<sup>1</sup>:

- The Group's financial performance was supported by strong operational performance. At the end of Q4 2023:
  - The average number of payment solutions active customers rose year-on-year by 7% to 18,800 (2022: 17,522);
  - The average number of payment solutions active trucks rose year-on-year by 8% to 98,300 (2022: 90,980).

### Outlook

Notwithstanding the sustained macroeconomic headwinds, the Board does not anticipate any changes to the near-term guidance communicated at the half year results.

We expect net revenue growth to be mid-teens in the near-term and return to high teens in the medium-term. FY 2023 margin levels should be in-line with FY 2022, at around 43%, and improve to high-forties in the medium-term. Following the acquisition of Webeye and Inelo, we expect ordinary capex to be at just above 10% of net revenues, and at around 10% over the medium-term. Our priority remains to reduce net debt to adjusted EBITDA to our target leverage range of 1.5x to 2.5x.

#### Notes:

1. Please note the numbers are unaudited and are therefore preliminary and growth rates may differ due to rounding. Final 2023 audited results for the Group are expected to be published on 26 March 2024.
2. Net revenue includes just over 9 months of contribution from Inelo and subsequent synergies following the completion of the acquisition.
3. Organic revenue excludes the contribution from Inelo.

## ENQUIRIES

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## **About Eurowag**

Eurowag was founded in 1995 and is a leading pan-European integrated payments and mobility platform focused on the Commercial Road Transportation industry("CRT"). Eurowag's innovative solutions makes life simpler for small and medium businesses in the CRT industry across Europe through its unique combination of payments solutions, seamless technology, a data-driven digital ecosystem and high-quality customer service.

<https://investors.eurowag.com>