

25 April 2024

W.A.G payment solutions plc

Trading Update

Continued momentum into 2024, in-line with expectations

W.A.G payment solutions plc ("Eurovag", or the "Group") a leading pan-European integrated payments and mobility platform focused on the commercial road transportation industry ("CRT"), today announces its trading update for the three-month period ending 31 March 2024.

Martin Vohánka, CEO and Founder said:

"We delivered double-digit organic revenue growth in the first quarter despite the continued macroeconomic headwinds across Europe. Our sales teams continue to focus on cross-selling our products across our customer base as well as acquiring new customers. The development of our digital platform continues at pace, as we prepare for the soft launch in Q4 this year. This platform will accelerate our business growth and drive greater efficiencies for our customers. We are encouraged by the solid progress demonstrated at the start of the year and re-iterate our near and medium-term guidance."

Q1 financial highlights:

- Net revenue grew 31.0% to €68.4 million, supported by sustained organic growth and the contribution from our Inelo acquisition.
- Organic net revenue grew 10.0% to €55.2 million¹ in-line with management expectations:
 - Payment solutions organic revenues grew 8.2%¹ (Q4 23: 7.6%), supported by 10.8% growth in active trucks and increasing Toll revenue due to implementation of CO₂ charges in Germany and Austria, which was offset by continued macroeconomic headwinds across Europe and continued lower kilometres driven in the market.
 - Mobility solutions organic revenues grew 14.7%¹ (Q4 23: 9.8%) as a result of effective cross-selling.
- Net revenue for the last twelve months grew 34.3% to €272.7 million, with organic growth of 11.2%¹.

	Net revenue (€m)		Year-on-year growth (%)	Organic year-on-year growth (%)
	Q1 2024	Q1 2023		
Payment solutions	39.2	35.9	9.2%	8.2%
Mobility solutions	29.1	16.2	79.3%	14.7%
Total	68.4	52.2	31.0%	10.0%

	Net revenue (€m)		Year-on-year Growth (%)	Organic year-on-year growth (%)
	12 months to 31 March 2024	12 months to 31 March 2023		
Payment solutions	150.3	140.7	6.8%	6.4%
Mobility solutions	122.4	62.4	96.1%	22.4%
Total	272.7	203.1	34.3%	11.2%

Note: 1. Organic growth represents Group growth excluding Inelo and related synergies.

Q1 operational highlights

- Revenue growth continues to be supported by strong non-financial KPI performance:
 - Average number of payment solutions active customers rose from 17,843 in Q1 2023 to 19,232 in Q1 2024, representing 7.8% year-on-year growth.
 - Average number of payment solutions active trucks rose from 91,288 in Q1 2023 to 101,183 in Q1 2024, representing 10.8% year-on-year growth. The quarter-on-quarter growth was a result of a focus by the sales teams on new acquisitions across our markets, building a customer base to support our move to a greater subscription model in the future.

Q1 strategic highlights

- Implemented the next phase of the new ERP system in January.
- Added new acceptance points to our network in Poland, Germany and Spain, taking our total acceptance points to c.13,500 across Europe. We also started to operate in Croatia in January, having rolled out our acceptance points during Q4 2023.
- Rolled out mobile payments to c.600 acceptance points in Germany and Poland in the quarter, taking total acceptance points to c.1,400 across Europe.
- Successfully launched European Electric Toll Services in Slovakia, with almost 2,000 new registered vehicles in the first week after launch.

M&A updates

- Today, Eurovag announced the restructuring of the option for the remaining 19% equity shareholding in FireTMS. Eurovag will buy 7.6% of the equity shareholding for €3.4 million, paid in two equal instalments in April and July 2024. The final 11.4% equity shareholding remains subject to an option mechanism exercisable in H1 2026 and the price is subject to certain financial and KPI targets met by FireTMS.

Outlook and guidance

- Near and medium-term guidance reconfirmed: FY 2024 adjusted EBITDA margins are expected to remain in-line with FY 2023, at around 43%, and grow over the medium-term, and the net debt to adjusted EBITDA ratio is expected to be moderately above the target range of 1.5x to 2.5x at FY 2024, with a priority to return

within the range in FY 2025.

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About Eurowag

Eurowag was founded in 1995 and is a leading technology company and an important partner to Europe's commercial road transport industry, with a purpose to make it clean, fair and efficient. Eurowag enables trucking companies to successfully transition to a low carbon, digital future by harnessing all mission critical data, insights and payment and financing transactions into a single ecosystem and connects their operations seamless before a journey, on the road and post-delivery. <http://www.eurowag.com>

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