

Press release

Wielton Group with record results in 2022. In 2023, the plans are to improve profitability and maintaining sales levels.

- In 2022, revenues third-largest manufacturer of trailers, semi-trailers and car bodies in Europe for the first time in the Group's more than 26-year history exceeded PLN 3 billion and amounted to about PLN 3.43 billion, growing by 27% y/y.
- Sales volume was also at a record high, rising by 6% to 23.180 units y/y. The Group maintained its position as a leading market player in key European markets.
- By 40% to a record level of PLN 203 million increased the EBITDA result. The EBITDA margin amounted to 5.9%.
- The Group's net profit reached PLN 114.4 million, compared to PLN 47.6 million in 2021 (increase by 140% y/y). The result was affected by one-off items, including the impact of BI compensation, the settlement of the acquisition of the Spanish company Guillén and the acquisition of the remaining shares of the UK company Lawrence David.
- The Group carried out an investment plan of about PLN 125 million, focusing on optimizing the production process and building additional capacity.
- The Group is focusing on building the foundation for the Strategy 2023-2027, which will be announced in the second quarter of 2023.

In line with the estimated results presented in February, we ended 2022 with record level of sales in our history, both in terms of value and volume. We achieved these results despite the suspension of operations in the Russian market at the beginning of the year. In 2022, we focused our efforts on improving efficiency and reducing production costs. Meanwhile, our extensive investment plan, at around PLN 125 million, ensured that we optimized production and reduced costs. The Group's condition and the initiatives we have taken recently provide a basis for further growth. In 2023, we will focus on building a solid foundation for the implementation of the Strategy for 2023 – 2027 - says Paweł Szataniak, Chairman of the Board of the Wielton Group.

In 2022, the Wielton Group's consolidated revenues increased by more than 27% to around PLN 3.43 billion. Sales volume amounted to 23.180 units, growing y/y by more than 6%. The EBITDA result reached PLN 203 million. The Group's net profit amounted to PLN 114.4 million, compared to PLN 47.6 million in 2021. (increase of 140% y/y). It was positively impacted by the balance of non-recurring events, including the impact of BI compensation, the settlement of the acquisition of the Spanish company Guillén and the acquisition of the remaining shares of the UK company Lawrence David.

Despite the unfavorable economic and market situation caused, among other things, by the ongoing war in Ukraine, increasing cost pressures last year due to galloping inflation, reduced availability of raw

materials and components, as well as more expensive energy and fuels, the Wielton Group generated an EBITDA margin of 5.9%, compared to 5.4% a year earlier. The net debt/EBITDA ratio was maintained at a safe and lower level of 2.42 than a year ago.

Cooling demand in the transportation industry and holding back purchasing decisions did not prevent the Wielton Group from maintaining its leading position in key markets in Europe. At the end of 2022, with a share of 15.7%, Wielton was in second place in Poland, a position it had risen to in the first quarter of last year. Despite a 12% decline in the overall market, Wielton increased its sales volume by 6.2% to 5,474 products. The company's revenues increased y/y by 33.1% to PLN 690.4 million. Fruehauf maintained its position as market leader in France, despite a decline in market share to 19.3% and a decrease in sales volume by 3.2% to 4.736 units. In 2022 the market in France declined 1.7% y/y. Fruehauf records the highest revenues from sales of its products in the Group. Last year, they amounted to PLN 710.9 million, up 10.5% y/y. The company's results remained under pressure from unfavorable market conditions. The Wielton Group is intensifying efforts to improve the efficiency and productivity of the French company. Lawrence David remained the second largest player in the UK market in 2022, selling 4.881 vehicles, 26.2% more than a year ago. The company's market shares amounted to 12.2%, with y/y growth revenues by 65% to PLN 646.2 million. German companies Langendorf and Wielton GMBH rose from tenth to fifth place in 2022. The companies generated a 46% increase y/y volume sales, to 1.931 units, translating into an increase in revenues y/y by 60.2% to PLN 449.1 million. In CEE, Wielton maintained its fifth position, with volume sales of its vehicles increasing y/y by 4.7% to 1.303 units. The company's revenues increased y/y by 27.6% to PLN 179.4 million. Celebrating in 2022. 100th anniversary, Viberti climbed from seventh to fifth place among the largest players in the Italian market. Its sales rose 8.8% y/y to 1.002 units, and revenues increased by 37.8% y/y, reaching PLN 138.2 million. The integration of purchasing, production and sales processes with the Spanish company Guillén was underway in 2022. Last year, the company reported a decline in volume sales to 519 vehicles, down 3.2% y/y, which translated into a 1.3% y/y decrease in revenue to PLN 68 million. Guillén maintained its sixth position in the Spanish market.

In 2022, the Wielton Group intensified its cost discipline, implementing cost-saving projects at its largest companies ("49+ Program", "Challenge 1000"). At the same time, it made investments to modernize its production facilities, including increasing capacity and improving operational efficiency. Among other things, the Group built a new Wielton tippers production line, implemented an ERP system at Guillen, and continued the process of relocating Langendorf production to Poland.

We started the current year with a safe level of orders, despite the observed cooling of demand in the transportation market. We assume that at the end of 2023, sales will slightly exceed the historically high level of 2022. The numerous challenges that the transportation industry has been facing for many months motivate us to increase our cost discipline and intensify our efforts to maintain a safe net debt/EBITDA ratio. We are also taking steps to optimize our production and sales processes and to attract new customers and markets. We are betting on product synergies within the Group and modern technologies that open up new opportunities for us - adds Mariusz Golec, CEO of the Wielton Group.

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About the Wielton Group

The Wielton Group is one of the three largest manufacturers of semi-trailers, trailers and car bodies in Europe and the top ten producers in the industry worldwide. Wielton Group's mission is to create and deliver the best transportation solutions for business. The Group bases its activities on four key values, which include people, initiative, quality and safety. The entire Group currently employs more than 3,600 people, with the largest number, approx. 2,000, working at the Wieluń plant.

Wielton S.A., listed on the Warsaw Stock Exchange, is the parent company of the Wielton Group. The Group's strength is its consistently implemented strategy, based on organic growth and acquisitions. In 2015, the Group acquired the leading Italian brands Viberti and Cardi and the French company Fruehauf. In May 2017, the Wielton Group acquired the German company Langendorf, thereby expanding its offering to include, among other things, specialised vehicles for transporting glass and precast concrete. The acquisition of Lawrence David in September 2018 allowed the Group to add more unique vehicles to its portfolio. Particularly noteworthy are home delivery bodies and pillarless curtainsider trailers. In turn, the acquisition of Guillén Desarrollos Industriales in 2021 enabled the Group to expand into another important market - Spain.