



Kapsch TrafficCom

# ***First half year of 2024/25.***

*Half-year financial report pursuant to Sec. 125  
Austrian Stock Exchange Act (BörseG) 2018.*

# Selected key data.

2024/25 and 2023/24: refers to the respective financial year (April 1 until March 31)

H1: first half of a financial year (April 1 until September 30)

PP: percentage points

Unless otherwise stated, all values in EUR million.

| <b>Earnings data</b>                                 | <b>2023/24</b>        | <b>H1 2023/24<br/>(adjusted)</b> | <b>H1 2024/25</b>     | <b>+/-</b> |
|--|-----------------------|----------------------------------|-----------------------|------------|
| Revenues   | 538.8                 | 266.4                            | 274.8                 | 3.1%       |
| Share of tolling segment                             | 70.2%                 | 70.9%                            | 74.7%                 | 3.7 PP     |
| Share of traffic management segment                  | 29.8%                 | 29.1%                            | 25.3%                 | -3.7 PP    |
| EBITDA <sup>1)2)</sup>                               | 88.5                  | 83.1                             | 7.1                   | -91.4%     |
| EBITDA margin <sup>1)</sup>                          | 16.4%                 | 31.2%                            | 2.6%                  | -28.6 PP   |
| EBIT <sup>1)</sup>                                   | 70.3                  | 73.9                             | -0.7                  | —          |
| EBIT margin <sup>1)</sup>                            | 13.0%                 | 27.7%                            | -0.3%                 | —          |
| Result before income tax                             | 36.9                  | 58.2                             | -8.8                  | —          |
| Result for the period                                | 22.3                  | 47.1                             | -6.4                  | —          |
| Result for the period attributable to equity holders | 23.2                  | 46.6                             | -10.5                 | —          |
| Earnings per share in EUR                            | 1.72                  | 3.59                             | -0.73                 | —          |
| <b>Business segments</b>                             | <b>2023/24</b>        | <b>H1 2023/24<br/>(adjusted)</b> | <b>H1 2024/25</b>     | <b>+/-</b> |
| Tolling  |                       |                                  |                       |            |
| Revenues   | 378.3                 | 188.9                            | 205.1                 | 8.6%       |
| EBIT <sup>1)</sup>                                   | 54.3                  | 65.1                             | 2.6                   | -96.1%     |
| EBIT margin <sup>1)</sup>                            | 14.4%                 | 34.4%                            | 1.2%                  | -33.2 PP   |
| Traffic management                                   |                       |                                  |                       |            |
| Revenues   | 160.5                 | 77.5                             | 69.6                  | -10.2%     |
| EBIT <sup>1)</sup>                                   | 15.9                  | 8.8                              | -3.3                  | —          |
| EBIT margin <sup>1)</sup>                            | 9.9%                  | 11.4%                            | -4.7%                 | —          |
| <b>Revenues by region</b>                            | <b>2023/24</b>        | <b>H1 2023/24</b>                | <b>H1 2024/25</b>     | <b>+/-</b> |
| EMEA   | 51.7%                 | 49.9%                            | 49.3%                 | -0.5 PP    |
| Americas   | 43.1%                 | 44.1%                            | 46.1%                 | 2.0 PP     |
| APAC   | 5.2%                  | 6.1%                             | 4.6%                  | -1.5 PP    |
| <b>Balance sheet data</b>                            | <b>March 31, 2024</b> |                                  | <b>Sept. 30, 2024</b> | <b>+/-</b> |
| Total assets   | 443.7                 |                                  | 426.7                 | -3.8%      |
| Total equity <sup>3)</sup>                           | 83.4                  |                                  | 90.3                  | 8.3%       |
| Equity ratio <sup>3)</sup>                           | 18.8%                 |                                  | 21.2%                 | 2.4 PP     |
| Net debt <sup>4)</sup>                               | 106.0                 |                                  | 112.3                 | 6.0%       |
| Gearing <sup>5)</sup>                                | 127.1%                |                                  | 124.4%                | -2.1%      |
| Net working capital <sup>6)</sup>                    | 78.5                  |                                  | 96.1                  | 22.3%      |
| <b>Cash flow</b>                                     | <b>2023/24</b>        | <b>H1 2023/24<br/>(adjusted)</b> | <b>H1 2024/25</b>     | <b>+/-</b> |
| Net capital expenditures <sup>7)</sup>               | 4.9                   | 3.2                              | 2.5                   | -22.7%     |
| Free cash flow <sup>8)</sup>                         | 105.7                 | 60.8                             | 1.3                   | -97.9%     |
| <b>Other information</b>                             | <b>2023/24</b>        | <b>H1 2023/24</b>                | <b>H1 2024/25</b>     | <b>+/-</b> |
| Employees, end of period                             | 4,054                 | 3,939                            | 3,719                 | -5.6%      |
| On-board units, in million units                     | 8.50                  | 5.00                             | 4.39                  | -12.2%     |

<sup>1)</sup> Adjustment H1 2023/24: presentation of losses from derivative financial instruments amounting to EUR 729 k in finance costs, which were presented under other operating expenses in the previous year; further information is provided in note 1.2.

<sup>2)</sup> Operating result before amortization, depreciation and impairment

<sup>3)</sup> Including non-controlling interests

<sup>4)</sup> Cash and cash equivalents + other current financial assets - financial liabilities - lease liabilities

<sup>5)</sup> Net debt / equity

<sup>6)</sup> Inventories + trade receivables and other current assets + current contract assets + current tax receivables – trade payables – current contract liabilities – current tax liabilities – current provisions – current other liabilities and deferred income

<sup>7)</sup> Capital expenditure and proceeds from the disposal of property, plant and equipment and intangible assets

<sup>8)</sup> Cash flow from operating activities + cash flow from investing activities; values adjusted for the first half year of 2023/24

# Headlines H1 2024/25.

## Revenues H1



EUR 274.8 million  
+3.1%

## EBIT H1



EUR -0.7 million  
—

## Earnings per share H1



EUR -0.73  
—

### Revenue increase of 3% from EUR 266 million to EUR 275 million.

- Tolling segment shows growth in implementation and operation projects.
- Traffic management segment with lower operations revenue.
- Regional growth in Europe and the Americas, decline in the Asia-Pacific region.

### Result weighed down by deconsolidation effects.

- Previous year's figures of limited comparability due to one-off cash inflow from Germany.
- No one-off operational effects in the reporting period.
- Though the result is negative, it is operationally positive and improved considering the deconsolidation.

### Project successes confirm the strategy.

- Encouraging new orders in the urban sector and new financing models for transportation infrastructure.
- Another very high order intake and order backlog.

### Financial position shows operational improvement.

- Equity ratio increased to 21%.
- Free cash flow positive at EUR 1 million.
- Gearing ratio down to 124%, further reduction targeted.

### Outlook to financial year 2024/25 unchanged.

- Revenue growth above forecasted market growth expected.
- Improvement of the previous year's EBIT adjusted for one-off effects.
- Continued focus on cost management and further reduction in net debt.

# Letter from the CEO.

## Dear Shareholders,

The first half of financial year 2024/25 of the Kapsch TrafficCom Group progressed without any extraordinary events. As expected, we were able to achieve a slight increase in revenues, and our EBIT would have amounted to EUR 6 million without the effects of deconsolidation. Although we have by far not yet reached the level we were aiming for, this confirms the improvement in our operational business. In addition, we recorded a stable monthly performance throughout the reporting period, which also increases our ability to plan. Our project successes were once again particularly pleasing. In particular, the major order in the USA, in Louisiana, which is also strategically significant, should be highlighted.

The key figures are of limited comparability to the previous year, as the conclusion of the arbitration proceedings regarding the terminated tolling contract in Germany took effect in the first half of 2023/24, which led to enormous one-off effects: As of September 30, 2023, the settlement agreement was mainly reflected in a cash inflow of EUR 79 million with a positive EBIT effect of EUR 72 million. The funds were largely used to repay financial liabilities at that time.

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**Operational improvement after  
Germany effect in the previous year.**

## Earnings development.

In the first half of 2024/25, revenues increased by 3% to EUR 275 million compared to EUR 266 million in the first half of the previous year. The operating result EBIT amounted to EUR -1 million after EUR 74 million in the first half of the previous year. While the positive one-time effect of EUR 72 million from the settlement agreement in Germany was included in the previous year, the effects of deconsolidation – particularly from the sale of TMT – had a negative impact of EUR -7 million on the operating result in the reporting period. Without these non-operational effects, EBIT would have been positive at EUR 6 million.

In addition, negative operating currency effects of around EUR 3 million were recorded, while in the previous year this had a positive effect of the same magnitude.

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**First half of 2024/25:**  
> Revenues: EUR 275 million (+3.1%)  
> EBIT: EUR -1 million

However, there were no significant one-off operating effects in the reporting period. This shows that there were no further project margin adjustments in the projects to be completed in North America, which were required several times until the previous year.

The result for the period attributable to equity holders for the first half of 2024/25 amounted to EUR -10 million, compared to EUR 47 million in the first half of the previous year. Earnings per share amounted to EUR -0.73 (previous year: EUR 3.59).

The development of free cash flow was also positive at EUR 1 million. In the previous year, free cash flow would have been negative at EUR -18 million without the Germany effect. As of September 30, 2024, the equity ratio increased to over 21% again after a long time and our gearing ratio reduced to 124%.

## Strategy for a sustainable company and sustainable portfolio.

We are also seeing progress in our sustainability management, which is making processes more structured and results easier to monitor. We are currently testing our expanded reporting structures so that we can provide you with a complete overview in our annual report, which will also comply with the comprehensive new legal requirements. On the product side, we have also been able to install one of our environmentally friendly Green Gantries in recent months and introduce a new, light-operated transponder that only requires a small rechargeable buffer accumulator instead of a battery.

## Project successes.

In the beginning, I mentioned one of our newly acquired projects: the Louisiana bridge project, in which we were commissioned by a public-private partnership to provide end-to-end toll services for 50 years. The model of this infrastructure initiative is particularly interesting and future-orientated: the construction of an important bridge was awarded to a private consortium. For financing purposes, the consortium received the concession for 50 years and the authorization to collect tolls. Kapsch TrafficCom was involved from the outset, as the total costs of around USD 2.1 billion are to be financed via our tolling system.

We already received a similar major order in Louisiana in 2019 and expect an increase of such models in the future, as both the construction and maintenance of transportation infrastructure require financing. These projects are outstanding examples of financing models with Kapsch TrafficCom as a reliable partner.

In the past half year, we also reached a significant milestone in our city toll project in Gothenburg, where the rollout will now begin. The operation of our existing toll system in the South African province of Gauteng was extended once again on a reduced scale until the end of March 2025. Finally, we received an order for an urban mobility management solution in Guatemala during the reporting period. This is a central light signal system with a traffic control center that covers 511 intersections.

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***New projects show future models.***

These and other orders are increasingly setting the course for the future. At EUR 442 million, incoming orders were once again very high in the first half of the year, while the order backlog of EUR 1.5 billion was even higher than the previous year's figure of EUR 1.4 billion, reflecting the long-term contracts in the USA in particular.

#### **Outlook.**

These developments indicate further growth. For the financial year 2024/25, we continue to expect revenue growth above the forecasted average annual market growth of 7.5%. The operating result (EBIT) should show a slight improvement compared to the previous year's result adjusted for one-time effects of EUR 15 million, whereby one-time effects are also possible again. The focus will remain on costs. Further cash inflows should help to further reduce net debt.

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***Outlook:  
Growth in revenues and earnings  
expected for financial year 2024/25.***

Sincerely,



Georg Kapsch  
Chief Executive Officer

# Capital markets.

## Share price development.

### Price development in the first half of 2024/25.

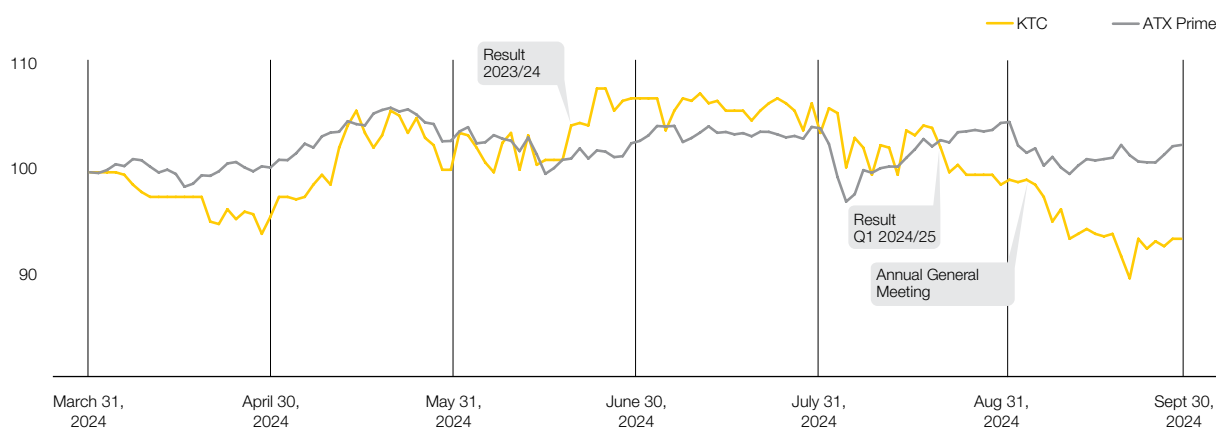
The Kapsch TrafficCom share initially performed similarly to the ATX Prime benchmark index in the first half of financial year 2024/25. However, the share price weakened from mid-August and closed 6.4% below the opening value at the end of the half-year. Meanwhile, the ATX Prime index maintained its level and closed 2.6% higher on September 30, 2024 than at the start of the half-year.

**Market cap at the end of H1 2024/25:**

EUR 113.8 million

Starting from an opening price of EUR 8.50 on April 1, Kapsch TrafficCom recorded a sideways movement in the range of +/-5% in the first few months. After the publication of the annual results, the share reached its high for the reporting period on June 24 at EUR 9.28 (intraday) and closed at EUR 9.18. After a volatile August, the publication of the quarterly results was followed by a downward trend to a low (intraday and closing price) of EUR 7.64 on September 20. The share closed at EUR 7.96 at the end of the first half of the year.

### Development of Kapsch TrafficCom share and ATX Prime.



## Stock data.

| In EUR, unless otherwise stated            | H1 2023/24 | H1 2024/25 |
|--|------------|------------|
| Earnings per share                         | 3.59       | -0.73      |
| High (intraday)                            | 13.65      | 9.28       |
| Low (intraday)                             | 8.84       | 7.64       |
| Closing price on September 30              | 9.94       | 7.96       |
| Share performance                          | -20.5%     | -6.4%      |
| Ø trading volume (shares, double counting) | 21,744     | 7,550      |

## Analysts.

The following financial institutions publish reports on the share (in alphabetical order):

- Erste Group Bank
- Raiffeisen Bank International

## Investor Relations activities in the first half of 2024/25.

Kapsch TrafficCom's Investor Relations team continued to be available for investor inquiries and actively took opportunities to intensify contact with capital market participants. In particular, the following activities took place in the first half of 2024/25:

- Investor conference Raiffeisen Bank International, Zürs
- Virtual investor conference Erste Group Bank (CEE Consumer & Technology Conference)
- Numerous direct telephone calls and e-mails

## Dividend.

In accordance with the financing restructuring agreement, the Executive Board proposed to the Annual General Meeting that no dividend be distributed for the financial year 2023/24. The Annual General Meeting approved this proposal.

## Annual General Meeting 2024.

The Annual General Meeting of Kapsch TrafficCom AG took place on September 4, 2024. The following resolutions were adopted:

- Resolution on the allocation of the balance sheet profit: No dividend payout for financial year 2023/24; retained profits to be carried forward to new account.  
Valid votes: 10,516,317 (73.54%)  
Approved by: 10,516,317 votes (no votes against, no abstentions)
- Resolution on the formal approval of the actions of the members of the Executive Board for the 2023/24 financial year.  
Valid votes: 10,516,317 (73.54%)  
Approved by: 10,516,277 votes (votes against: 40, no abstentions)
- Resolution on the formal approval of the actions of the members of the Supervisory Board for the 2023/24 financial year.  
Valid votes: 10,516,317 (73.54%)  
Approved by: 10,516,277 votes (votes against: 40, no abstentions)
- Resolution on the appointment of PwC Wirtschaftsprüfung GmbH, Vienna, as the auditor and Group auditor as well as the auditor of the sustainability reporting for financial year 2024/25.  
Valid votes: 10,515,767 (73.54%)  
Approved by: 10,515,370 votes (votes against: 397, abstentions: 550 votes)
- Resolution on the Remuneration Report.  
Valid votes: 10,516,467 (73.54%)  
Approved by: 10,336,467 votes (votes against: 180,000, abstentions: 550 votes)
- Resolution on the Remuneration Policy.  
Valid votes: 10,516,567 (73.54%)  
Approved by: 10,336,527 votes (votes against: 180,040, abstentions: 550 votes)
- Resolution on the remuneration of the members of the Supervisory Board.  
Valid votes: 10,517,117 (73.55%)  
Approved by: 10,517,077 votes (votes against: 40, no abstentions)
- Election of Martin Fellendorf to the Supervisory Board. Term of office until the end of the Annual General Meeting that votes on the discharge for the financial year 2027/28.  
Valid votes: 10,517,117 (73.55%)  
Approved by: 10,517,077 votes (votes against: 40, no abstentions)

- Election of Sonja Wallner to the Supervisory Board. Term of office until the end of the Annual General Meeting that votes on the discharge for the financial year 2027/28.

Valid votes: 10,517,117 (73.55%)

Approved by: 10,516,680 votes (votes against: 437, no abstentions)

- Resolution on the authorization of the Executive Board
  - a) to purchase own shares in accordance with Section 65 para 1 no. 8 as well as para 1a and para 1b AktG both via the stock exchange and over-the-counter of up to 10% of the share capital, also by excluding the shareholders' pro rata disposal rights,
  - b) in accordance with Section 65 para 1b AktG to resolve on the sale or appropriation of own shares in a different way than via the stock exchange or via a public offer and to exclude the shareholders' pro rata subscription rights (exclusion of subscription rights),
  - c) to decrease the share capital of the Company by a redemption of own shares without any further resolution by the Shareholders' Meeting.

Valid votes: 10,514,254 (73.53%)

Approved by: 967,701 votes (votes against: 9,546,553, abstentions: 2,863 votes)

The proposed resolution was thus rejected.

## Constituent meeting of the Supervisory Board.

Following the Annual General Meeting, the constituent meeting of the Supervisory Board took place with the following elections:

### Supervisory Board.

Chairman: Sonja Hammerschmid

Deputy Chairman: Monika Brodey

### Audit Committee.

Chairman: Sonja Wallner (financial expert)

Deputy Chairman: Monika Brodey

Member: Christian Windisch

### Remuneration Committee.

Chairman: Sonja Hammerschmid

Member: Sonja Wallner

## Contact for investors.

|                              |                               |
|------------------------------|-------------------------------|
| Investor Relations team      | Marcus Handl, Valerie Riebner |
| Shareholders' telephone line | +43 50 811 1122               |
| E-mail                       | IR.kapschtraffic@kapsch.net   |
| Website                      | www.kapsch.net                |



# Management Report H1 2024/25.

## 1. Economic conditions impacting the Group.

Kapsch TrafficCom is a globally renowned provider of transportation solutions for sustainable mobility. Innovative solutions in the application areas of tolling and tolling services as well as traffic management and demand management contribute to a healthier world without congestion.

### Vision and mission.

Kapsch TrafficCom's mission is to develop innovative transportation solutions for sustainable mobility. Road users should be able to arrive at their destination conveniently, safely, efficiently, and on time with a minimal environmental impact.

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*Kapsch TrafficCom is a globally renowned provider of transportation solutions for sustainable mobility.*

### Target markets.

Kapsch TrafficCom addresses the market for Intelligent Transportation Systems (ITS). These support and optimize traffic (including infrastructure, vehicles, users and industry) and use information and communication technologies for this purpose.

Grand View Research places the global market size at EUR 27.1 billion in the year 2023 (USD 29.91 billion, converted at an exchange rate of 0.9045 as of December 31, 2023), and expects it to grow at a compound annual growth rate (CAGR) of 7.5% from 2024 to 2030.

Within the ITS market, Kapsch TrafficCom focuses on tolling and tolling services as well as traffic management and demand management. Core regions of business activity are EMEA (Europe, Middle East, Africa), Americas (North, Central and South America) and APAC (Asia-Pacific).

### Addressable markets.

The addressable market for the company had a volume of EUR 6.4 billion in financial year 2023/24 according to internal calculations. The market is expected to grow at an average annual rate of 7.9% to EUR 8.7 billion until financial year 2027/28.

### Market drivers.

Kapsch TrafficCom has identified the following market drivers:

- Environmental protection
- Need for traffic infrastructure and its maintenance
- Urbanization
- New means of transportation and services
- Connected vehicles
- Data and artificial intelligence
- Data security and data protection

Further information can be found in the Consolidated Management Report 2023/24.

### Fundamental changes in the business environment of Kapsch TrafficCom.

The aforementioned mentioned market drivers have already sparked the following trends:

- While the ITS industry relied heavily on hardware in the past, it is increasingly shifting towards software platforms. More and more, module solutions and cloud applications are playing a role.
- Offered services (anything-as-a-service) put the focus on the user.
- Payment options will be integrated into mobility solutions and new payment technologies will enter the market.
- Intelligent traffic infrastructure can be achieved with more affordable sensors, modules, and connection technologies. Specific domain knowledge and the need for customer-specific solutions will remain significant, however.
- New solutions can increasingly be rolled out on a global scale.

## 2. Financial performance indicators.

### 2.1 Result of operations.

**Revenues** reached EUR 274.8 million in the first half of the current financial year, up 3.1% on the same period of the previous year. Geographically, the breakdown of revenues was as follows:

- EMEA region (Europe, Middle East, Africa): +2.1% to EUR 135.5 million
- Americas region (North, Central and South America): +7.8% to EUR 126.6 million
- APAC region (Asia-Pacific): -21.7% to EUR 12.6 million

**EBITDA** and **EBIT**. The earnings before depreciation and amortization (EBITDA) amounted to EUR 7.1 million (previous year: EUR 83.1 million, adjusted). The operating result (earnings before interest and taxes, EBIT) was negative at EUR -0.7 million (previous year: EUR 73.9 million, adjusted). The EBIT margin thus amounted to -0.3% (previous year: 27.7%, adjusted). The result of the first half of the previous year was primarily characterized by the positive one-off effect from the arbitration proceedings in Germany.

In the first half of 2024/25 **EBITDA** and **EBIT** were impacted by the following effects:

- The negative EBIT in the reporting period was mainly due to the deconsolidation of subsidiaries with a total effect of EUR -6.9 million. The most significant effect resulted from the deconsolidation of TMT Services and Supplies Proprietary Limited in the amount of EUR -7.5 million as part of the further focusing of the business model. Without these effects, the result would have been significantly better. This shows that Kapsch TrafficCom was able to improve its operating performance and that the implemented restructuring is also visible in the results.
- Personnel expenses increased by EUR 6.3 million compared to the previous year: On the one hand, this is due to salary increases and, on the other, to the increase in the number of employees in countries with higher wages, such as Austria and Spain. In addition, a precaution was formed for termination expenses that were expected in the second half of the financial year due to the upcoming contract reduction and subsequently the termination of a contract for an operations project in South Africa. These termination expenses were paid in October 2024. The current extension of the project made a positive contribution to EBIT in the reporting period. In return, the sale of TMT Services and Supplies Proprietary Limited led to a reduction in personnel expenses and the number of employees compared to the same period in the previous year.
- Cost of materials and other production services decreased by EUR 13.8 million compared to the previous year. This is primarily due to the fact that significant margin improvements were achieved in North America in the reporting period, while negative project margin adjustments were necessary in North America in the same period of the previous year and inflation-related price increases also had a negative impact.
- The operating foreign currency effects (net) had a negative impact on EBIT in the first half of the current financial year of EUR -3.2 million (previous year: EUR +2.9 million), mainly due to the stronger US dollar against the Euro.

The **financial result** in the first half of 2024/25 amounted to EUR -8.1 million (previous year: EUR -15.1 million, adjusted). The main deviations resulted from the decline in interest expenses and the one-off costs recognised in the previous year in connection with the restructuring of financing. In addition, hyperinflation adjustments amounting to EUR -1.7 million (previous year: EUR 0.0 million) and effects from exchange rate fluctuations amounting to EUR -1.6 million (previous year: EUR +0.3 million) were recognised in the first half of the current financial year.

For the calculation of **income taxes**, a theoretical income tax rate of 23% was applied in the first half of 2024/25. The basis for the calculation of income taxes was the consolidated result before income tax, without factoring in the (already taxed) proportional result from associated companies and joint ventures. This and the change in deferred taxes on loss carry-forwards resulted in tax income of EUR 2.4 million (previous year: tax expense EUR 11.2 million).

The **result for the period** in the first half of the current financial year was EUR -6.4 million (previous year: EUR 47.1 million). The result for the period attributable to equity holders for the first half of 2024/25 totaled EUR -10.5 million after EUR 46.6 million in the first half of the previous year. Among other things, this is due to the fact that the deconsolidation resulted in a one-off increase in the profit for the period attributable to non-controlling interests.

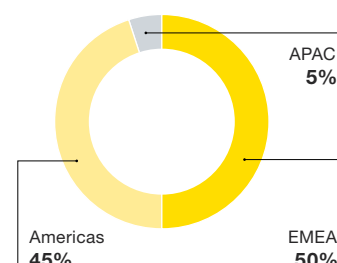
## 2.2 Result of operations by segment.

### Tolling.

Revenues in the tolling segment increased by 8.6% to EUR 205.1 million, contributing 74.7% (previous year: 70.9%) to total revenues.

The **EMEA region** made the largest contribution in the first half of financial year 2024/25, with revenues of EUR 102.5 million. The 18.3% increase compared to the previous year was primarily driven by the markets in Switzerland, Bulgaria, Sweden and France. All business areas experienced growth, especially the implementation business, which recognised a revenue increase of 73.2% over the previous year. Additionally, revenues in the service business (tolltickets) rose by EUR 2.6 million, supported by high demand for toll boxes for trucks. These positive developments more than compensated for declines in Spain, Poland, and Greece.

**Tolling revenues per region.**



Revenues in the **Americas region** increased by 4.3% compared to the previous period, reaching EUR 92.0 million. Declines in Chile and Mexico were offset by gains in the USA and Brazil.

In the **APAC region**, revenues decreased by 24.2% to EUR 10.7 million in the first half of 2024/25. This decline was primarily due to reduced activity in Australia, where losses were seen across all business areas: implementation, operations and components business. Additionally, decreases in the components business in Singapore contributed to the overall decline.

During the reporting period, 4.4 million on-board units were sold, compared to 5.0 million in the previous year. The decrease was partly attributable to Australia, where 0.4 million fewer on-board units were sold. Deliveries in France, Greece, and Morocco also declined, while sales in South Africa increased over the reporting period.

### Segment tolling by business type.

| in EUR million           | H1 2023/24<br>(adjusted) | H1 2024/25   | +/-           |
|--------------------------|--------------------------|--------------|---------------|
| <b>Revenues</b>          | <b>188.9</b>             | <b>205.1</b> | <b>8.6%</b>   |
| Implementation           | 50.6                     | 57.0         | 12.6%         |
| Operations               | 99.9                     | 110.3        | 10.4%         |
| Components               | 38.4                     | 37.8         | -1.4%         |
| <b>EBIT<sup>1)</sup></b> | <b>65.1</b>              | <b>2.6</b>   | <b>-96.1%</b> |

<sup>1)</sup> Adjustment H1 2023/24: presentation of losses from derivative financial instruments amounting to EUR 729 k in finance costs, which were presented under other operating expenses in the previous year; further information is provided in note 1.2.

**EBIT.** The operating result in the tolling segment experienced a significant decline to EUR 2.6 million (previous year: EUR 65.1 million, adjusted). The primary reason for this decrease was the settlement reached in Germany in the previous year concerning the termination of the operator agreement for the collection of the infrastructure charge, which positively impacted previous year's results by EUR 72.0 million.

The current EBIT was adversely affected by deconsolidation effects amounting to EUR -1.1 million. Without these one-off effects, the tolling segment would have achieved an improved result compared to the previous year. Personnel expenses increased by 2.9% during the reporting period, while cost of materials and other production services decreased by 6.8%.

**Tolling EBIT: EUR 2.6 million (-96%)**

## Traffic management.

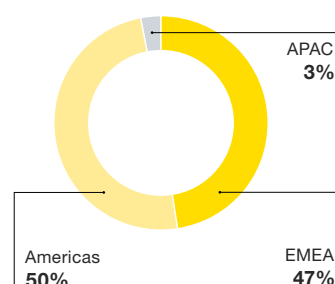
Revenues in the traffic management (TM) segment decreased by 10.1% to EUR 69.6 million, contributing 25.3% (previous year: 29.1%) to total revenues.

The developments in all regions were as follows:

- Region EMEA: -28.4%
- Region Americas: +18.3%
- Region APAC: -4.3%

In the **EMEA region** revenues declined in particular for operations projects in Spain as well as due to the sale of TMT in South Africa. Additionally, implementation projects in Spain, the Netherlands and the United Kingdom experienced a decrease, as did the components business in France, Morocco and Greece.

TM revenues by region.



In the **Americas region**, revenues increased by 18.3%, mainly due to positive developments in implementation projects, which offset the decline in operations projects.

In the **APAC region**, both lower operations and implementation revenues, particularly in New Zealand and Australia, led to a revenue decrease of 4.3%.

## Segment traffic management by business type.

| in EUR million           | H1 2023/24<br>(adjusted) | H1 2024/25  | +/-           |
|--------------------------|--------------------------|-------------|---------------|
| <b>Revenues</b>          | <b>77.5</b>              | <b>69.6</b> | <b>-10.1%</b> |
| Implementation           | 26.6                     | 28.6        | 7.5%          |
| Operations               | 46.6                     | 36.6        | -21.4%        |
| Components               | 4.3                      | 4.4         | 3.1%          |
| <b>EBIT<sup>1)</sup></b> | <b>8.8</b>               | <b>-3.3</b> | <b>-</b>      |

<sup>1)</sup> Adjustment H1 2023/24: presentation of losses from derivative financial instruments amounting to EUR 729 k in finance costs, which were presented under other operating expenses in the previous year; further information is provided in note 1.2.

**EBIT.** In the first half of 2024/25, the EBIT in the traffic management segment was EUR -3.3 million (previous year: EUR 8.8 million, adjusted). The main reason for this is the negative one-off effect from the deconsolidation of TMT Services and Supplies (Pty) Ltd., South Africa (EUR -7.5 million).

Cost of materials and other production services decreased by 28.6%.

In contrast, personnel expenses increased by 11.7%.

**TM EBIT: EUR -3.3 million**

## 2.3 Net assets position.

The balance sheet total as of September 30, 2024 amounted to EUR 426.7 million (March 31, 2024: EUR 443.7 million).

### Assets.

As of September 30, 2024, non-current assets increased to EUR 137.2 million (March 31, 2024: EUR 135.7 million). The increase resulted from non-current contract assets amounting to EUR 2.1 million and from deferred tax assets amounting to EUR 1.9 million. In contrast, shares in associated companies and joint ventures decreased by EUR 1.0 million, primarily due to dividend distributions from autoTicket GmbH, Germany.

Current assets decreased by EUR 18.5 million to EUR 289.5 million (March 31, 2024: EUR 308.0 million). The most significant changes related to trade receivables and other current assets, which decreased by EUR 15.8 million, and current contract assets, which increased by EUR 14.0 million. Cash and cash equivalents decreased by EUR 3.7 million compared to March 31, 2024, totaling EUR 29.7 million.

### **Liabilities and equity.**

As of September 30, 2024, equity amounted to EUR 90.3 million. The increase of EUR 6.9 million compared to the balance sheet date of March 31, 2024, mainly reflects the effects of changes in the consolidation scope (EUR +6.8 million), the negative result for the period (EUR -6.4 million), and the positive other comprehensive income from currency translation differences (EUR +6.5 million) in the first half of 2024/25.

The equity ratio as of September 30, 2024, rose to 21.2% (March 31, 2024: 18.8%).

Non-current financial liabilities decreased by EUR 17.2 million in the first half of 2024/25, primarily due to the reclassification to current financial liabilities in line with planned repayments and remaining maturities (EUR 16.0 million).

Accordingly, current financial liabilities increased by a total of EUR 20.7 million, in particular due to this reclassification. The main changes resulted from the reclassification due to maturities (EUR 16.0 million), repayments totaling EUR 2.3 million and additions amounting to EUR 7.4 million.

## **2.4 Financial position.**

### **Cash flow.**

Cash flow from operating activities was positive in the first half of the current financial year at EUR 1.6 million (previous year: EUR 54.2 million, adjusted). The change resulted in particular from the one-off effects included in the previous period in connection with the settlement in Germany. The change in net working capital amounted to EUR -14.2 million (previous year: EUR -11.4 million). This was due to the following effects: Inventories fell by EUR 2.4 million (previous year: decrease of EUR 0.2 million). The sum of trade receivables and other assets and contract assets fell by EUR 1.5 million (previous year: increase of EUR 19.4 million). The sum of trade payables and other current liabilities and contract liabilities decreased by EUR 13.8 million (previous year: increase of EUR 10.0 million). Current provisions also fell by EUR 4.3 million (previous year: decrease of EUR 2.2 million).

Cash flow from investing activities amounted to EUR -0.3 million in the first half of 2024/25 (previous year: EUR 6.6 million). Investments in property, plant and equipment totaled EUR -2.1 million (previous year: EUR -4.8 million) and proceeds from the sale of property, plant and equipment amounted to EUR 0.1 million (previous year: EUR 1.7 million). Payments for the purchase of securities, investments and other non-current financial assets fell to EUR -0.8 million (previous year: EUR -2.0 million) and proceeds from the sale of securities, investments and other non-current financial assets fell to EUR 1.0 million (previous year: EUR 12.0 million). Proceeds from dividends from companies consolidated at-equity related to profit distributions from the joint venture autoTicket GmbH, Germany, in the amount of EUR 2.5 million (previous year: EUR 0.0 million).

The sum of cash flow from operating activities and cash flow from investing activities is the free cash flow. It amounted to EUR 1.3 million in the first half of 2024/25 (previous year: EUR 60.8 million, adjusted).

Cash flow from financing activities amounted to EUR -5.5 million in the first half of the year (previous year: EUR -63.8 million, adjusted). The change is mainly due to the reclassification of existing financial liabilities and the increase of new short-term financing totaling EUR 7.4 million (previous year: EUR 37.5 million), the repayment of current financial liabilities amounting to EUR -2.3 million (previous year: EUR -83.7 million), the ongoing repayment of lease liabilities amounting to EUR -5.6 million (previous year: EUR -6.1 million) as well as interest paid amounting to EUR -5.0 million (previous year: EUR -12.4 million).

Cash and cash equivalents as of September 30, 2024 totaled EUR 29.7 million (March 31, 2024: EUR 33.4 million).

### **Key figures as of September 30, 2024.**

Net debt amounted to EUR 112.3 million (March 31, 2024: EUR 106.0 million), which corresponds to a gearing ratio of 124.4% (March 31, 2024: 127.1%). The increase in net debt was mainly due to the change in financial liabilities (EUR +3.6 million) and the lower level of cash and cash equivalents (EUR -3.7 million).

### **3. Information on major transactions with related parties and changes in the Group structure.**

Apart from the details included in the consolidated financial statements 2023/24 and the information included in note 14, there were no other transactions with related parties that had a significant impact on the financial position or operating result during the first half of the financial year.

In the first half of 2024/25, the shares in TMT Services and Supplies Proprietary Limited (TMT), South Africa, were sold. The Group decided to sell TMT as TMT's business was not part of the Group's core business. The sale of TMT had a negative effect on EBIT of EUR -7.5 million. Further deconsolidation related to companies in Africa, Russia and Austria, which were also not part of the core business and are immaterial for the Group both individually and collectively. Further, in the first half of 2024/25, entities were established in Guatemala and the United Arab Emirates.

### **4. Significant events occurring after balance sheet date.**

No significant events have occurred after September 30, 2024, that need to be reported.

### **5. Risk reporting.**

Enterprise Risk Management (ERM), which is part of Group Risk & Internal Audit, aims to identify, evaluate and control risks at an early stage that have a significant impact on the company's success in achieving its strategic and operational objectives. However, the primary objective is not risk avoidance, but rather the controlled and conscious handling of risks as well as the timely identification and realization of opportunities. Thus, ERM makes a valuable contribution to corporate management. As part of ERM, major risks are identified, quantified, and globally aggregated on a quarterly basis. The risk report derived from this enables the concise assessment and monitoring of the major business risks. The report is sent to the Executive Board and the Audit Committee of the Supervisory Board.

Project-oriented risk management includes customer projects as well as internal development projects. All relevant risks and opportunities are analyzed during the preparation of the offer on the basis of institutionalized processes. As a result, decisions and the timely planning and implementation of control measures is thereby ensured.

The material risks of Kapsch TrafficCom are as follows:

- Industry-specific risks: volatility of new orders, risks of project execution, risks due to non-negotiable, disadvantageous terms and conditions of long-term contracts with public agencies, risks in the supply chain.
- Strategic risks: ability to innovate, acquisition and integration of companies as part of the Group's growth, country risk.
- Financial risks: foreign exchange risk, interest rate risk, liquidity risk, credit risk.
- Personnel risk.
- Legal risk.
- Cyber-risk.
- Operational risks.

The major risks faced by the Group are addressed in Section 2.2 of the Consolidated Management Report 2023/24.

An internal control system (ICS) exists within the Group to document the internal control processes implemented in the accounting context. Responsibility for the implementation, design and monitoring of the ICS with a view to ensuring compliance with group-wide guidelines and regulations is incumbent upon the competent local management bodies in each case. The ICS is presented in section 2.3 of the Group Management Report 2023/24.

## **6. Outlook to the second half of the current financial year.**

For the financial year 2024/25, the management continues to expect revenues to grow above the forecasted average annual market growth of 7.5% from 2024 to 2030 according to Grand View Research. The operating result (EBIT) should show a slight improvement compared to the previous year's result adjusted for one-time effects of EUR 15.1 million, although one-time effects are also possible again. Despite the improved situation, the focus remains on costs.

In addition, the management continues to aim for further cash inflows from pending proceedings and other measures to further reduce net debt. The aim is to achieve a minimum level of net debt to EBITDA of less than 3.0x in the longer term.

# **Statement of all Members of the Executive Board.**

*Pursuant to § 125 subsection 1 Stock Exchange Act 2018.*

We confirm to the best of our knowledge that the condensed consolidated interim financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group as required by the applicable accounting standards and that the Group management report gives a true and fair view of important events that have occurred during the first six months of the financial year and their impact on the condensed consolidated interim financial statements and of the principal risks and uncertainties for the remaining six months of the financial year.

Vienna, November 19, 2024

The Executive Board



Georg Kapsch  
Chief Executive Officer



Alfredo Escribá Gallego  
Executive Board Member



# Condensed Consolidated Interim Financial Information as of September 30, 2024.\*)

## Kapsch TrafficCom – Consolidated statement of comprehensive income.

| in EUR k   | Note | H1 2023/24<br>(adjusted) | H1 2024/25    |
|--|------|--------------------------|---------------|
| Revenues   | (2)  | 266,385                  | 274,770       |
| Other operating income   | (3)  | 72,407                   | 8,889         |
| Changes in finished and unfinished goods   |      | 1,868                    | -421          |
| Cost of materials and other production services  |      | -114,696                 | -100,882      |
| Personnel expenses   | (4)  | -119,999                 | -126,260      |
| Other operating expenses <sup>1)</sup>   | (5)  | -30,985                  | -50,579       |
| Proportional result of associates and joint ventures   | (8)  | 8,116                    | 1,591         |
| <b>Operating result before amortization, depreciation and impairment (EBITDA)<sup>1)</sup></b>                                   |      | <b>83,095</b>            | <b>7,109</b>  |
| Amortization and depreciation  |      | -9,232                   | -7,823        |
| Impairment charge and write-up from impairments  |      | 0                        | 0             |
| <b>Operating result (EBIT)<sup>1)</sup></b>  |      | <b>73,863</b>            | <b>-714</b>   |
| Finance income   |      | 2,789                    | 2,291         |
| Finance costs <sup>1)</sup>  |      | -17,873                  | -10,352       |
| <b>Financial result<sup>1)</sup></b>   |      | <b>-15,084</b>           | <b>-8,061</b> |
| Proportional results from associates and joint ventures from financial investments   |      | -558                     | 0             |
| <b>Result before income tax</b>  |      | <b>58,221</b>            | <b>-8,775</b> |
| Income tax   | (6)  | -11,166                  | 2,384         |
| <b>Result for the period</b>   |      | <b>47,055</b>            | <b>-6,391</b> |
| Equity holders of the company  |      | 46,632                   | -10,472       |
| Non-controlling interests  |      | 423                      | 4,081         |
| <b>Earnings per share from the result for the period attributable to the equity holders of the company (in EUR)<sup>2)</sup></b> |      | <b>3.59</b>              | <b>-0.73</b>  |
| <b>Other comprehensive income for the period</b>   |      |                          |               |
| Currency translation differences   |      | -6,343                   | 7,951         |
| Currency translation differences from net investments in foreign operations  |      | 868                      | -1,926        |
| Income tax relating to items subsequently to be reclassified to the result for the period  |      | -217                     | 443           |
| <b>Total items subsequently to be reclassified to the result for the period</b>  |      | <b>-5,692</b>            | <b>6,467</b>  |
| <b>Total items subsequently not to be reclassified to the result for the period</b>  |      | <b>0</b>                 | <b>-17</b>    |
| <b>Other comprehensive income for the period net of tax</b>  |      | <b>-5,692</b>            | <b>6,450</b>  |
| <b>Total comprehensive income for the period</b>   |      | <b>41,362</b>            | <b>60</b>     |
| Equity holders of the company  |      | 42,051                   | -691          |
| Non-controlling interests  |      | -688                     | 751           |

<sup>1)</sup> Adjustment H1 2023/24: presentation of losses from derivative financial instruments amounting to EUR 729 k in finance costs, which were presented under other operating expenses in the previous year; further information is provided in note 1.2.

<sup>2)</sup> Earnings per share diluted = undiluted and relating to 14.3 million (September 30, 2023: 13.0 million) shares.

\*) The condensed consolidated interim financial information has neither been audited nor been reviewed by an auditor.

## Kapsch TrafficCom – Consolidated balance sheet.

| in EUR k  | Note   | March 31, 2024 | Sept. 30, 2024 |
|---|--------|----------------|----------------|
| <b>ASSETS</b>   |        |                |                |
| Property, plant and equipment   | (7)    | 45,960         | 45,785         |
| Intangible assets   | (7)    | 27,875         | 27,133         |
| Interests in associates and joint ventures                                | (8)    | 3,592          | 2,564          |
| Other non-current financial assets and investments                        | (9)    | 4,135          | 4,155          |
| Non-current contract assets   |        | 2,603          | 4,665          |
| Other non-current assets <sup>1)</sup>                                    | (9)    | 5,980          | 5,473          |
| Deferred tax assets   |        | 45,568         | 47,451         |
| <b>Non-current assets</b>   |        | <b>135,712</b> | <b>137,225</b> |
| Inventories   |        | 47,811         | 45,390         |
| Trade receivables and other current assets <sup>1)</sup>                  | (9)    | 131,474        | 115,678        |
| Current contract assets   | (9)    | 77,954         | 91,924         |
| Current tax receivables   |        | 5,005          | 5,731          |
| Other current financial assets  | (9)    | 1,375          | 1,018          |
| Cash and cash equivalents   | (9)    | 33,376         | 29,718         |
| Liabilities held for sale   |        | 10,991         | 0              |
| <b>Current assets</b>   |        | <b>307,986</b> | <b>289,459</b> |
| <b>TOTAL ASSETS</b>   |        | <b>443,698</b> | <b>426,684</b> |
| <b>EQUITY</b>   |        |                |                |
| Share capital   |        | 14,300         | 14,300         |
| Capital reserve   |        | 127,686        | 127,686        |
| Retained earnings and other reserves                                      |        | -51,865        | -52,557        |
| <b>Capital and reserves attributable to equity holders of the company</b> |        | <b>90,121</b>  | <b>89,429</b>  |
| Non-controlling interests   |        | -6,698         | 888            |
| <b>TOTAL EQUITY</b>   |        | <b>83,423</b>  | <b>90,318</b>  |
| <b>LIABILITIES</b>  |        |                |                |
| Non-current financial liabilities   | (9,10) | 91,906         | 74,715         |
| Non-current lease liabilities   | (9)    | 26,932         | 26,866         |
| Liabilities from post-employment benefits to employees                    |        | 21,162         | 19,958         |
| Non-current provisions  | (11)   | 1,810          | 1,727          |
| Non-current contract liabilities  |        | 6,719          | 7,814          |
| Other non-current liabilities   | (9)    | 422            | 246            |
| Deferred tax liabilities  |        | 1,263          | 913            |
| <b>Non-current liabilities</b>  |        | <b>150,214</b> | <b>132,239</b> |
| Current financial liabilities   | (9,10) | 12,751         | 33,497         |
| Current lease liabilities   | (9)    | 9,158          | 7,972          |
| Trade payables  | (9)    | 62,913         | 50,836         |
| Current contract liabilities  |        | 41,798         | 41,002         |
| Current provisions  | (11)   | 22,447         | 18,184         |
| Current tax liabilities   |        | 4,997          | 5,673          |
| Other liabilities and deferred income                                     | (9)    | 51,992         | 46,963         |
| Liabilities of disposal group classified as held-for-sale                 |        | 4,005          | 0              |
| <b>Current liabilities</b>  |        | <b>210,062</b> | <b>204,127</b> |
| <b>TOTAL LIABILITIES</b>  |        | <b>360,275</b> | <b>336,366</b> |
| <b>TOTAL EQUITY AND LIABILITIES</b>                                       |        | <b>443,698</b> | <b>426,684</b> |

<sup>1)</sup> Non-current and current lease receivables were reclassified and are not shown separately anymore due to immateriality but are included in other non-current assets and trade receivables and other current assets.

## Kapsch TrafficCom – Consolidated statement of changes in equity.

| in EUR k  | Share capital | Capital reserve | Other reserves | Consolidated retained earnings | Attributable to equity holders of the company | Non-controlling interests | Total equity  |
|---|---------------|-----------------|----------------|--------------------------------|---|---------------------------|---------------|
| <b>Carrying amount as of March 31, 2023</b>                 | <b>13,000</b> | <b>117,509</b>  | <b>-45,087</b> | <b>-29,122</b>                 | <b>56,300</b>                                 | <b>-4,994</b>             | <b>51,306</b> |
| <b>Result for the period</b>                                |               |                 |                | <b>46,632</b>                  | <b>46,632</b>                                 | <b>423</b>                | <b>47,055</b> |
| <b>Other comprehensive income for the period:</b>           |               |                 | <b>-4,581</b>  |                                | <b>-4,581</b>                                 | <b>-1,111</b>             | <b>-5,692</b> |
| Currency translation differences                            |               |                 | -4,581         |                                | -4,581  | -1,111                    | -5,692        |
| <b>Transactions with the owners:</b>                        |               |                 |                |                                |   | <b>-6</b>                 | <b>-6</b>     |
| Effects from changes in the scope of consolidation          |               |                 |                |                                |   | -6                        | -6            |
| <b>Carrying amount as of September 30, 2023</b>             | <b>13,000</b> | <b>117,509</b>  | <b>-49,668</b> | <b>17,510</b>                  | <b>98,351</b>                                 | <b>-5,688</b>             | <b>92,662</b> |
| <b>Carrying amount as of March 31, 2024</b>                 | <b>14,300</b> | <b>127,686</b>  | <b>-45,926</b> | <b>-5,939</b>                  | <b>90,121</b>                                 | <b>-6,698</b>             | <b>83,423</b> |
| <b>Result for the period</b>                                |               |                 |                | <b>-10,472</b>                 | <b>-10,472</b>                                | <b>4,081</b>              | <b>-6,391</b> |
| <b>Other comprehensive income for the period:</b>           |               |                 | <b>9,781</b>   |                                | <b>9,781</b>                                  | <b>-3,330</b>             | <b>6,450</b>  |
| Currency translation differences                            |               |                 | 9,797          |                                | 9,797   | -3,330                    | 6,467         |
| Remeasurements of liabilities from post-employment benefits |               |                 | -17            |                                | -17   |                           | -17           |
| <b>Transactions with the owners:</b>                        |               |                 |                |                                |   | <b>6,835</b>              | <b>6,835</b>  |
| Effects from changes in the scope of consolidation          |               |                 |                |                                |   | 6,835                     | 6,835         |
| <b>Carrying amount as of September 30, 2024</b>             | <b>14,300</b> | <b>127,686</b>  | <b>-36,146</b> | <b>-16,411</b>                 | <b>89,429</b>                                 | <b>888</b>                | <b>90,318</b> |

The registered and fully paid in share capital of Kapsch TrafficCom AG amounts to EUR 14,300,000. The total number of ordinary shares issued is 14,300,000. The shares are ordinary bearer shares and have no par value. Each share entitles the holder to one vote. At the reporting date of September 30, 2024 Kapsch TrafficCom AG does not hold any treasury shares.

## Kapsch TrafficCom – Consolidated cash flow statement.

| in EUR k  | Note | H1 2023/24<br>(adjusted) | H1 2024/25     |
|---|------|--------------------------|----------------|
| <b>Operating result<sup>1)</sup></b>  |      | <b>73,863</b>            | <b>-714</b>    |
| Scheduled depreciation and amortization   |      | 9,232                    | 7,823          |
| Change in obligations for post-employment benefits  |      | -845                     | -1,211         |
| Change in non-current receivables, non-current contract assets and other non-current assets                             |      | -2,639                   | -1,568         |
| Change in non-current trade payables, non-current contract liabilities and other non-current liabilities and provisions |      | 2,630                    | 836            |
| Net payments of income taxes  |      | -3,751                   | 47             |
| Interest received   |      | 870                      | 510            |
| Other (net) <sup>1)</sup>   |      | -13,759                  | 10,002         |
| <b>Cash flow from earnings<sup>2)</sup></b>   |      | <b>65,602</b>            | <b>15,726</b>  |
| Change in net working capital:  |      |                          |                |
| Change in trade receivables, current contract assets and other current assets   |      | -19,355                  | 1,481          |
| Change in inventories   |      | 178                      | 2,421          |
| Change in trade payables, current contract liabilities and other current payables                                       |      | 10,008                   | -13,794        |
| Change in current provisions  |      | -2,201                   | -4,263         |
| <b>Change in net working capital</b>  |      | <b>-11,370</b>           | <b>-14,154</b> |
| <b>Cash flow from operating activities<sup>2)</sup></b>   |      | <b>54,232</b>            | <b>1,572</b>   |
| Payments for the purchase of property, plant and equipment  | (7)  | -4,753                   | -2,063         |
| Payments for the purchase of intangible assets  | (7)  | -163                     | -479           |
| Payments for the purchase of securities, investments and other non-current financial assets                             |      | -2,027                   | -804           |
| Payments for the acquisition of entities (less cash and cash equivalents of these entities)                             |      | 3                        | -4             |
| Payments for the acquisition of shares in at-equity-consolidated entities   |      | -161                     | 0              |
| Payments from the disposal of shares and the liquidation of subsidiaries  | (13) | -5                       | -451           |
| Proceeds from the disposal of property, plant and equipment   |      | 1,704                    | 60             |
| Proceeds from the disposal of securities, investments and other non-current financial assets                            |      | 12,003                   | 971            |
| Dividends from companies consolidated at-equity   |      | 0                        | 2,500          |
| <b>Cash flow from investing activities</b>  |      | <b>6,602</b>             | <b>-270</b>    |
| <b>Free cash flow<sup>2)3)</sup></b>  |      | <b>60,834</b>            | <b>1,302</b>   |
| Increase in non-current financial liabilities   | (10) | 914                      | 0              |
| Increase in current financial liabilities   | (10) | 37,527                   | 7,437          |
| Decrease in current financial liabilities   | (10) | -83,681                  | -2,345         |
| Lease payments  |      | -6,147                   | -5,623         |
| Interest paid <sup>2)</sup>   |      | -12,380                  | -4,999         |
| <b>Cash flow from financing activities<sup>2)</sup></b>   |      | <b>-63,768</b>           | <b>-5,530</b>  |
| Cash and cash equivalents at beginning of year  |      | 45,228                   | 33,376         |
| Changes in cash and cash equivalents <sup>4)</sup>  |      | -2,934                   | -4,228         |
| Exchange gains/losses   |      | -1,016                   | 570            |
| <b>Cash and cash equivalents at end of year</b>   |      | <b>41,277</b>            | <b>29,718</b>  |

<sup>1)</sup> Adjustment H1 2023/24: presentation of losses from derivative financial instruments amounting to EUR 729 k in finance costs, which were presented under other operating expenses in the previous year; further information is provided in note 1.2.

<sup>2)</sup> From the fourth quarter of the 2023/24 financial year, the presentation of interest paid was included in the cash flow from financing activities, as the interest paid does not result directly from the cash flow from operating activities. The previous year's figures have been adjusted accordingly.

<sup>3)</sup> Cash flow from operating activities + cash flow from investing activities

<sup>4)</sup> Free cash flow + cash flow from financing activities

# ***Selected notes to the condensed consolidated interim financial statements.***

## *Outline.*

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## **1 General information.**

Kapsch TrafficCom is a global supplier of superior technologies, solutions and services in the ITS market (Intelligent Transportation Systems). Intelligent Transportation Systems support and optimize traffic, so they use information and communication solutions.

Kapsch TrafficCom Group operates in two segments: tolling and traffic management.

### **Tolling.**

This segment comprises activities relating to the implementation and the technical and commercial operation of toll collection systems. Projects are generally awarded by public agencies or private concessionaires as part of tender procedures. Toll collection systems may comprise individual traffic lanes or road sections and nation-wide road networks. The manufacture and procurement of components both for the expansion and adaptation of the systems installed by Kapsch TrafficCom and on behalf of third parties complement the portfolio of Kapsch TrafficCom; toll services for business customers and private customers further enhance it.

### **Traffic management.**

This segment primarily comprises activities relating to the implementation and operation of systems and solutions for controlling traffic and mobility behavior as well as the associated components business. The strategic focus is on the areas of traffic optimization, decision intelligence (analysis, simulation and prediction of traffic) and the operation of mobility platforms and services. One basis for this is the use of increasing amounts of data for analysis, simulation and intelligent control of traffic flows and mobility behavior. Although public authorities are the main customers in the traffic management segment, private companies are also involved.

## **1.1 Group structure and consolidated group.**

The parent company (reporting entity) of this Group is Kapsch TrafficCom AG. The company is a joint stock corporation incorporated and domiciled in Vienna, Austria. The address of its registered office is 1120 Vienna, Am Europlatz 2.

In the first half of 2024/25, the shares in TMT Services and Supplies Proprietary Limited (TMT), South Africa, were sold. The Group decided to sell TMT as TMT's business was not part of the Group's core business. The sale of TMT had a negative effect on EBIT of EUR -7.5 million. Further deconsolidation related to companies in Africa, Russia and Austria, which were also not part of the core business and are immaterial for the Group, both individually and collectively. Further, in the first half of 2024/25, entities were established in Guatemala and the United Arab Emirates.

Further information on the Group structure and the scope of consolidation can be found in the consolidated financial statements as of March 31, 2024.

## **1.2 Basis of preparation.**

These condensed interim financial statements for the first half of the financial year ended September 30, 2024 have been prepared in accordance with the International Financial Reporting Standards (IFRS) issued by the IASB, as adopted by the EU, in accordance with IAS 34 Interim Financial Statements, and should only be read in conjunction with the annual financial statements for the year ended March 31, 2024.

The condensed interim financial statements have not been audited or reviewed by an auditor.

Due to the adjustments to the previous year's figures for losses from derivative financial instruments, the following previous year's items changed as follows (first-mentioned value corresponds to value before adjustment): EBIT from EUR 73,134 k to EUR 73,863 k, EBIT margin from 27.5% to 27.7%, EBIT in the tolling segment from EUR 64,417 k to EUR 65,054 k, EBIT margin in the tolling segment from 34.1% to 34.4%, EBIT in the traffic management segment from EUR 8,717 k to EUR 8,810 k, EBIT margin in the traffic management segment from 11.2% to 11.4%, EBITDA from EUR 82,366 k to EUR 83,095 k, EBITDA margin from 30.9% to 31.2%, finance costs from EUR -17,144 k to EUR -17,873 k.

For ease of presentation, amounts have been rounded off and, unless indicated otherwise, are presented in thousands of Euro (EUR k). However, calculations are made using exact amounts, including the digits not shown, which may lead to rounding differences.

The accounting and valuation principles used in this condensed interim financial statements for the first half of the financial year ending September 30, 2024 are generally consistent with those applied in the consolidated financial statements as of March 31, 2024 (see note 34). An exemption is the new or amended IFRS and IFRIC disclosed in note 16.

### **1.3 Material accounting estimates and assumptions.**

The preparation of the half-year financial report requires the use of estimates and assumptions regarding future developments. These influence the amount and disclosure of the assets and liabilities recognized on the balance sheet date and the income and expenses recognized during the reporting period. Estimates are made to the best of the Management Board's knowledge. Nevertheless, the actual values may differ from these estimates. All estimates and assessments are reassessed on an ongoing basis and are based on past experience and other factors, including expectations regarding future events that appear reasonable under the given circumstances. The resulting accounting estimates will generally deviate from the actual results.

The estimates and assumptions made by the Management are in line with those adopted in the consolidated financial statements for the year ended March 31, 2024 (note 1.4) and described therein. These have also been applied to the financial statements for the first half of 2024/25.

## 2 Segment information.

The segment results by business type, which also correspond to performance obligations pursuant to IFRS 15, are as follows:

|                                      | H1 2023/24 (adjusted) |                    |                | H1 2024/25     |                    |                |
|--------------------------------------|-----------------------|--------------------|----------------|----------------|--------------------|----------------|
|                                      | Tolling               | Traffic Management | Total          | Tolling        | Traffic Management | Total          |
| <b>Revenues</b>                      | <b>188,890</b>        | <b>77,495</b>      | <b>266,385</b> | <b>205,131</b> | <b>69,639</b>      | <b>274,770</b> |
| Implementation                       | 50,640                | 26,605             | 77,245         | 57,010         | 28,610             | 85,620         |
| Operations                           | 99,878                | 46,607             | 146,486        | 110,286        | 36,612             | 146,899        |
| Components                           | 38,372                | 4,282              | 42,654         | 37,835         | 4,416              | 42,252         |
| <b>Operating result<sup>1)</sup></b> | <b>65,054</b>         | <b>8,810</b>       | <b>73,863</b>  | <b>2,553</b>   | <b>-3,267</b>      | <b>-714</b>    |
| <b>EBIT margin<sup>1)</sup></b>      | <b>34.4%</b>          | <b>11.4%</b>       | <b>27.7%</b>   | <b>1.2%</b>    | <b>-4.7%</b>       | <b>-0.3%</b>   |

<sup>1)</sup> Adjustment H1 2023/24: presentation of losses from derivative financial instruments amounting to EUR 729 k in finance costs, which were presented under other operating expenses in the previous year; further information is provided in note 1.2.

As in the previous year, no customer contributed more than 10% of revenues in the first half of 2024/25.

## 3 Other operating income.

|  | H1 2023/24    | H1 2024/25   |
|--|---------------|--------------|
| Income from the proportional reimbursement of consulting costs | 0             | 2,760        |
| Exchange rate gains from operating activities                  | 5,264         | 2,678        |
| Income from the deconsolidation of subsidiaries                | 0             | 1,772        |
| Compensation claim from Germany                                | 66,291        | 0            |
| Sundry operating income  | 852           | 1,678        |
| <b>Total</b>   | <b>72,407</b> | <b>8,889</b> |

In the first half of the financial year 2024/25, a proportional reimbursement of consulting expenses amounting to EUR 2,760 k was recorded among other income.

Exchange rate gains from operating activities in the first half of 2024/25 were mainly due to exchange rate fluctuations in the US dollar (USD) against the Euro (EUR). In the first half of 2023/24, these gains primarily resulted from exchange rate fluctuations in the Argentine peso (ARS) and the US dollar (USD) against the Euro (EUR).

At the beginning of July 2023, the arbitration proceedings conducted due to the termination of the operations contract for the collection of the infrastructure charge, the passenger car toll in Germany, were concluded with a settlement agreement. Accordingly, autoTicket GmbH, a joint venture between Kapsch TrafficCom and CTS EVENTIM, received an amount of EUR 243,000 k from the Federal Republic of Germany in the previous year. An amount of EUR 66,291 k was recognized in other operating income in the previous year.

Sundry operating income includes several recharges and deferrals.

## 4 Personnel expenses.

Personnel expenses increased by 5.2% to EUR 126,260 k in the first half of 2024/25. On the one hand, this is due to salary increases and, on the other, to the increase in employees in countries with higher wages, such as Austria and Spain. In addition, a precaution was formed for termination expenses that were expected in the second half of the financial year due to the upcoming contract reduction and subsequently the termination of a contract for an operations project in South Africa. These termination expenses were paid in October 2024. In contrast, the sale of TMT Services and Supplies (Pty) Ltd, Cape Town, South Africa, led to a reduction in personnel costs and the number of employees compared to the same period in the previous year. As of September 30, 2024, the number of employees was 3,719, which is 8.3% fewer than in the previous year (March 31, 2024: 4,054).



## 5 Other operating expenses.

|  | H1 2023/24<br>(adjusted) | H1 2024/25     |
|--|--------------------------|----------------|
| Losses from deconsolidation of entities        | 0                        | -8,645         |
| Communication and IT expenses                  | -7,507                   | -7,562         |
| Exchange rate losses from operating activities | -2,353                   | -5,895         |
| Legal and consulting fees                      | -8,369                   | -5,561         |
| Travel expenses                                | -3,587                   | -3,733         |
| License and patent expenses                    | -2,312                   | -3,106         |
| Taxes and charges                              | -1,292                   | -2,509         |
| Maintenance                                    | -3,131                   | -2,014         |
| Automobile expenses                            | -1,819                   | -1,992         |
| Rental and other building expenses             | -2,322                   | -1,919         |
| Insurance costs                                | -1,720                   | -1,538         |
| Marketing and advertising expenses             | -1,480                   | -1,195         |
| Allowances on trade and other receivables      | 10,072                   | -25            |
| Other <sup>1)</sup>                            | -5,165                   | -4,883         |
| <b>Total</b>                                   | <b>-30,985</b>           | <b>-50,579</b> |

<sup>1)</sup> Adjustment H1 2023/24: presentation of losses from derivative financial instruments amounting to EUR 729 k in finance costs, which were presented under other operating expenses in the previous year; further information is provided in note 1.2.

The losses from the deconsolidation of entities mainly resulted from the sale of TMT Services and Supplies (Pty) Ltd., Cape Town, South Africa (see note 13), as well as from the liquidation of entities in Russia and Austria.

Exchange rate losses from operating activities increased by EUR 3,542 k compared to the previous year, primarily in relation to the US dollar (USD) against the Euro (EUR). In the first half of 2023/24, these losses decreased by EUR 1,784 k, also due to exchange rate effects from the US dollar (USD) against the Euro (EUR). Legal and consulting expenses decreased by EUR 2,808 k in the first half of the year. In the previous year, these expenses had been elevated due to consulting costs associated with restructuring.

In the previous year, write-downs on receivables totaling EUR 10,072 k were reversed following a settlement of overdue receivables with a customer. This settlement included an installment agreement of EUR 4,500 k and a credit for receivables totaling EUR 5,649 k, which was also recognized as revenue in the previous year.

Other operating expenses include various expense items, each less than EUR 1 million in the current reporting period and in the comparative period of the previous year.

## 6 Income tax.

Income tax relates to current taxes and to deferred tax assets and liabilities. The effective tax expense is not determined until the end of the financial year. During the financial year, Kapsch TrafficCom uses a theoretical tax rate. This rate is applied to Group earnings before tax adjusted for the already taxed proportional results from associates and joint ventures and before impairment of goodwill. At year-end, the effective tax rate may differ from the (theoretical) tax rate during the year. This may result from differences in taxation in various countries, the recognition or impairment of tax loss carry-forwards, tax allowances and permanent tax differences.

In the first half of 2024/25 a theoretical tax rate of 23% was applied (previous year: 23%). This tax rate is based on a revenue-weighted analysis of the nominal tax rates of the individual countries in which Kapsch TrafficCom operates.

## 7 Property, plant and equipment and intangible assets.

|   | H1 2023/24    | H1 2024/25    |
|---|---------------|---------------|
| <b>Carrying amount as of March 31 of financial year</b>     | <b>83,886</b> | <b>73,835</b> |
| Additions   | 4,916         | 2,543         |
| Additions of right-of-use assets from leases                | 2,653         | 5,466         |
| Disposals   | -1,713        | -14           |
| Disposals of right-of-use assets from leases                | -1,086        | -703          |
| Depreciation, amortization and other movements              | -4,138        | -2,867        |
| Depreciation on right-of-use assets from leases             | -5,090        | -4,684        |
| Currency translation differences                            | -36           | -659          |
| <b>Carrying amount as of September 30 of financial year</b> | <b>79,393</b> | <b>72,917</b> |

The additions of right-of-use assets from lease agreements in the first half of 2024/25 mainly concerned a new lease for an office building and a production facility in Canada, as well as the extension of the office lease in Duluth, USA, until 2032. Additions in the comparative period of the first half of 2023/24 primarily related to the expansion of production capacities in Austria.

As of September 30, 2024, property, plant, and equipment includes right-of-use assets from lease agreements amounting to EUR 36,005 k (September 30, 2023: EUR 38,169 k).

## 8 Interests in associates and joint ventures.

Details of associates and joint ventures are shown in the consolidated financial statements as of March 31, 2024.

|  | H1 2023/24    | H1 2024/25   |
|--|---------------|--------------|
| <b>Carrying amount as of March 31 of financial year</b>      | <b>24,736</b> | <b>3,592</b> |
| Additions  | 161           | 0            |
| Proportional result of the period from core business         | 8,116         | 1,591        |
| Proportional result of the period from financial investments | -558          | 0            |
| Dividend received  | 0             | -2,500       |
| Currency translation differences                             | 129           | -119         |
| <b>Carrying amount as of September 30 of financial year</b>  | <b>32,584</b> | <b>2,564</b> |
| thereof interests in associates                              | 6,720         | 0            |
| thereof interests in joint ventures                          | 25,863        | 2,564        |

The shares in associates related to Traffic Technology Services Inc., USA, as of September 30, 2023. These shares were sold in March 2024.

The interests in joint ventures as of September 30, 2024 as well as of September 30, 2023 and March 31, 2024, mainly related to the joint venture autoTicket GmbH, Germany, and Copiloto Colombia S.A.S., Colombia. The decrease in shares in joint ventures compared to the previous year is mainly due to profit distributions from autoTicket GmbH, Germany.

Proportional results from associates and joint ventures are split in the presentation in the income statement and are individually valued. Results from associates and joint ventures whose activities and strategic directions are part of the core business of Kapsch TrafficCom are reported in the operating result. Results from other associates and joint ventures are reported in the result before income tax.

## 9 Financial instruments by category.

| Financial instruments by category   | Fair Value Level | March 31, 2024 (adjusted) |                | Sept. 30, 2024  |                |
|---|------------------|---------------------------|----------------|-----------------|----------------|
|   |                  | Carrying amount           | Fair value     | Carrying amount | Fair value     |
| <b>Trade receivables and other current and non-current assets</b>               |                  | <b>137,454</b>            | –              | <b>121,151</b>  | –              |
| <b>At amortized cost<sup>1)</sup></b>   |                  | <b>101,574</b>            | –              | <b>87,384</b>   | –              |
| Trade receivables (current and non-current)                                     | Level 3          | 101,574                   | –              | 87,384          | –              |
| <b>At fair value through profit or loss</b>                                     |                  | <b>86</b>                 | <b>86</b>      | <b>0</b>        | <b>0</b>       |
| Derivative financial instruments  | Level 2          | 86                        | 86             | 0               | 0              |
| <b>Other non-financial assets<sup>2)</sup></b>                                  |                  | <b>35,793</b>             | –              | <b>33,767</b>   | –              |
| <b>Contract assets (non-current and current) at amortized cost<sup>1)</sup></b> | <b>Level 3</b>   | <b>80,557</b>             | –              | <b>96,589</b>   | –              |
| <b>Other financial assets and investments (non-current and current)</b>         |                  | <b>5,510</b>              | –              | <b>5,173</b>    | –              |
| <b>At fair value through profit or loss</b>                                     |                  | <b>3,204</b>              | <b>3,204</b>   | <b>3,473</b>    | <b>3,473</b>   |
| Securities  | Level 1          | 3,167                     | 3,167          | 3,434           | 3,434          |
| Investments   | Level 3          | 38                        | 38             | 39              | 39             |
| Investments (with option to fair value through OCI)                             | Level 3          | 0                         | –              | 0               | 0              |
| <b>At amortized cost<sup>1)</sup></b>   |                  | <b>2,305</b>              | –              | <b>1,700</b>    | –              |
| Other financial assets and loans (non-current)                                  | Level 3          | 930                       | –              | 682             | –              |
| Other financial assets and loans (current)                                      | Level 3          | 1,375                     | –              | 1,018           | –              |
| <b>Cash and cash equivalents at amortized cost<sup>1)</sup></b>                 | <b>Level 3</b>   | <b>33,376</b>             | –              | <b>29,718</b>   | –              |
| <b>Financial liabilities (non-current and current) at amortized cost</b>        |                  | <b>104,657</b>            | <b>103,046</b> | <b>108,213</b>  | <b>108,784</b> |
| Promissory note bond  | Level 2          | 8,494                     | 8,330          | 8,494           | 7,909          |
| Project financing   | Level 2          | 28,668                    | 27,524         | 27,445          | 27,535         |
| Operating loans   | Level 2          | 58,097                    | 56,806         | 59,191          | 60,299         |
| Other financial liabilities <sup>3)</sup>                                       | Level 2          | 9,397                     | 10,386         | 13,084          | 13,042         |
| <b>Lease liabilities (non-current and current) at amortized cost</b>            |                  | <b>36,090</b>             | –              | <b>34,837</b>   | –              |
| Lease liabilities (non-current and current) <sup>4)</sup>                       | –                | 36,090                    | –              | 34,837          | –              |
| <b>Trade payables at amortized cost<sup>1)</sup></b>                            | <b>Level 3</b>   | <b>62,913</b>             | –              | <b>50,836</b>   | –              |
| <b>Other liabilities and deferred income (non-current and current)</b>          |                  | <b>52,414</b>             | –              | <b>47,209</b>   | –              |
| <b>At amortized cost<sup>1)</sup></b>   |                  | <b>422</b>                | –              | <b>246</b>      | –              |
| Other financial liabilities   | Level 3          | 422                       | –              | 246             | –              |
| <b>At fair value through profit or loss</b>                                     |                  | <b>0</b>                  | –              | <b>270</b>      | <b>270</b>     |
| Derivative financial instruments  | Level 2          | 0                         | –              | 270             | 270            |
| <b>Other non-financial liabilities<sup>2)</sup></b>                             |                  | <b>51,992</b>             | –              | <b>46,693</b>   | –              |

<sup>1)</sup> No disclosure of fair value, as the carrying value of this item measured at amortized cost is a reasonable approximation in accordance with IFRS 7.29 a).

<sup>2)</sup> Non-financial receivables and liabilities are only included for reconciliation with the respective balance sheet item.

<sup>3)</sup> Adjustment previous year: adjustment to the presentation of the carrying amount of other financial liabilities measured at amortized cost. Correction due to a presentation error in the note. The amount reported in the previous year was EUR 6,238 k.

<sup>4)</sup> Lease liabilities belong to financial liabilities, but do not underly the disclosure requirements of IFRS 7.

### Changes and fair value.

Details on the fair value-hierarchies can be found in the consolidated financial statements as of March 31, 2024. No reclassifications between fair value hierarchy levels have been made since then. The introductory table in this note shows the carrying amounts.

As in the previous year, securities as of September 30, 2024 related to government bonds, bank bonds and shares in investment funds. Kapsch TrafficCom made use of the option to recognize a debt instrument at fair value that would have to be recognized at amortized cost under IFRS 9.

There were no adjustments in the first half of 2024/25 for investments measured according to Level 3.

The toll project in the province of Gauteng in South Africa contributed significantly to the increase of current contract assets in the amount of EUR 16,032 k as a result of delayed approval of proof of payment by the customer, which meant that invoicing could only take place after the reporting date. Furthermore, the increase results from revenue from operations projects for Port Authority.

Trade receivables decreased in the amount of EUR 14,190 k mainly in the USA due to the payment collections from customers, similarly decrease in trade payables in the amount of EUR 12,077 k is attributed mainly to the USA due to vendor payments.

## 10 Financial liabilities.

|                                   | March 31, 2023 | Sept. 30, 2023 | March 31, 2024 | Sept. 30, 2024 |
|-----------------------------------|----------------|----------------|----------------|----------------|
| Non-current financial liabilities | 58,472         | 117,705        | 91,906         | 74,715         |
| Current financial liabilities     | 131,170        | 28,043         | 12,751         | 33,497         |
|                                   | <b>189,642</b> | <b>145,748</b> | <b>104,657</b> | <b>108,213</b> |

Movements in financial liabilities are as follows:

|   | H1 2023/24     |                |                | H1 2024/25    |               |                |
|---|----------------|----------------|----------------|---------------|---------------|----------------|
|   | Non-current    | Current        | Total          | Non-current   | Current       | Total          |
| <b>Carrying amount as of March 31 of financial year</b>       | <b>58,472</b>  | <b>131,170</b> | <b>189,642</b> | <b>91,906</b> | <b>12,751</b> | <b>104,657</b> |
| Reclassification  | 58,952         | -58,952        | 0              | -16,000       | 16,000        | 0              |
| Additions   | 914            | 37,527         | 38,441         | 0             | 7,437         | 7,437          |
| Repayments  | 0              | -83,681        | -83,681        | 0             | -2,345        | -2,345         |
| Currency translation differences and other non-cash movements | -633           | 1,980          | 1,347          | -1,190        | -346          | -1,536         |
| <b>Carrying amount as of September 30 of financial year</b>   | <b>117,705</b> | <b>28,043</b>  | <b>145,748</b> | <b>74,715</b> | <b>33,497</b> | <b>108,213</b> |

Additions and repayments are cash effective. Reclassifications between non-current and current financial liabilities are non-cash movements and relate to reclassifications due to repayment scheduled and remaining maturities.

The fair values and gross cash flows (including interest) of financial liabilities are as follows:

|                             | March 31, 2023 | Sept. 30, 2023 | March 31, 2024 | Sept. 30, 2024 |
|-----------------------------|----------------|----------------|----------------|----------------|
| In the next 6 months        | 74,658         | 19,219         | 12,619         | 22,127         |
| In the next 7 to 12 months  | 61,905         | 5,111          | 4,770          | 17,458         |
| <b>Total up to one year</b> | <b>136,564</b> | <b>24,330</b>  | <b>17,390</b>  | <b>39,585</b>  |
| Between 1 and 2 years       | 18,154         | 128,288        | 94,582         | 78,075         |
| Between 2 and 3 years       | 10,483         | 8,551          | 0              | 0              |
| Between 3 and 4 years       | 18,823         | 0              | 0              | 0              |
| Between 4 and 5 years       | 14,276         | 0              | 0              | 0              |
| More than 5 years           | 0              | 0              | 0              | 0              |
| <b>Total</b>                | <b>198,299</b> | <b>161,168</b> | <b>111,971</b> | <b>117,661</b> |

## 11 Provisions.

|                        | March 31, 2023 | Sept. 30, 2023 | March 31, 2024 | Sept. 30, 2024 |
|------------------------|----------------|----------------|----------------|----------------|
| Non-current provisions | 1,454          | 1,621          | 1,810          | 1,727          |
| Current provisions     | 18,880         | 16,679         | 22,447         | 18,184         |
|                        | <b>20,334</b>  | <b>18,300</b>  | <b>24,257</b>  | <b>19,910</b>  |

|  | March 31, 2024 | Addition and accumulation | Utilization | Disposal      | Reclassification | Currency translation differences | Sept. 30, 2024 |
|--|----------------|---------------------------|-------------|---------------|------------------|----------------------------------|----------------|
| Warranties   | 323            | 0                         | 0           | 0             | -41              | 0                                | 281            |
| Projects (excl. impending losses)                  | 25             | 0                         | 0           | 0             | -25              | 0                                | 0              |
| Other non-current provisions                       | 1,462          | 40                        | 0           | 0             | 39               | -95                              | 1,445          |
| <b>Non-current provisions</b>                      | <b>1,810</b>   | <b>40</b>                 | <b>0</b>    | <b>0</b>      | <b>-28</b>       | <b>-95</b>                       | <b>1,727</b>   |
| Warranties   | 1,303          | 0                         | 0           | 0             | 41               | -9                               | 1,335          |
| Provision for losses from onerous contracts        | 17,326         | 291                       | -300        | -3,839        | 0                | -148                             | 13,330         |
| Projects (excl. impending losses)                  | 1,541          | 0                         | -25         | 0             | 25               | 4                                | 1,545          |
| Legal fees, costs of litigation and contract risks | 1,145          | 0                         | -276        | 0             | 0                | 0                                | 868            |
| Provision for restructuring costs                  | 2              | 0                         | -2          | 0             | 0                | 0                                | 0              |
| Other current provisions                           | 1,131          | 1,199                     | -93         | -981          | -39              | -113                             | 1,105          |
| <b>Current provisions</b>                          | <b>22,447</b>  | <b>1,491</b>              | <b>-696</b> | <b>-4,820</b> | <b>28</b>        | <b>-267</b>                      | <b>18,184</b>  |
| <b>Total</b>                                       | <b>24,257</b>  | <b>1,531</b>              | <b>-696</b> | <b>-4,820</b> | <b>0</b>         | <b>-362</b>                      | <b>19,910</b>  |

Provision for losses from onerous contracts as of September 30, 2024, as well as of March 31, 2024, mainly relates to implementation projects of an American subsidiary that cannot be completed profitably.

|  | March 31,<br>2022 | Addition<br>and accu-<br>mulation | Utilization | Disposal      | Reclassi-<br>fication | Currency<br>transla-<br>tion dif-<br>ferences | Sept. 30,<br>2022 |
|--|-------------------|-----------------------------------|-------------|---------------|-----------------------|---|-------------------|
| Warranties   | 271               | 0                                 | 0           | 0             | 25                    | 0   | 296               |
| Projects (excl. impending losses)                  | 50                | 0                                 | 0           | 0             | -25                   | 0   | 25                |
| Provision for restructuring costs                  | 6                 | 0                                 |             |               | -6                    | 0   | 0                 |
| Other non-current provisions                       | 1,127             | 15                                | 0           | -4            | 131                   | 32  | 1,300             |
| <b>Non-current provisions</b>                      | <b>1,454</b>      | <b>15</b>                         | <b>0</b>    | <b>-4</b>     | <b>125</b>            | <b>32</b>                                     | <b>1,621</b>      |
| Warranties   | 1,517             | 0                                 | 0           | 0             | -25                   | 11  | 1,503             |
| Provision for losses from onerous contracts        | 12,586            | 1,410                             | -106        | -2,443        | 0                     | 176   | 11,624            |
| Projects (excl. impending losses)                  | 897               | 0                                 | -75         | -97           | 25                    | -10   | 740               |
| Legal fees, costs of litigation and contract risks | 615               | 0                                 | -195        | -379          | 0                     | -3  | 38                |
| Provision for restructuring costs                  | 204               | 0                                 | -155        | 0             | 6                     | 0   | 55                |
| Other current provisions                           | 3,063             | 1,499                             | -244        | -1,305        | -131                  | -163  | 2,719             |
| <b>Current provisions</b>                          | <b>18,880</b>     | <b>2,909</b>                      | <b>-774</b> | <b>-4,223</b> | <b>-125</b>           | <b>11</b>                                     | <b>16,679</b>     |
| <b>Total</b>                                       | <b>20,334</b>     | <b>2,924</b>                      | <b>-774</b> | <b>-4,227</b> | <b>0</b>              | <b>43</b>                                     | <b>18,300</b>     |

## 12 Contingent liabilities and other commitments.

The Group's contingent liabilities result primarily from major projects. In the case of major projects, operating activities require the issue of extensive bank guarantees as security for bid obligations (bid bonds) or to secure possible warranty claims (performance bonds). These are issued by banks and credit insurance companies. If Kapsch TrafficCom does not fulfill its contractual obligations, there is a risk of a claim being made. This in turn leads to a recourse claim by the bank or insurer against the Group.

The contingent liabilities and other commitments solely comprise obligations owed to third parties and are in line with standard industry practice. They detail as follows:

|   | March 31, 2024 | Sept. 30, 2024 |
|---|----------------|----------------|
| North America (toll collection systems) | 26,752         | 37,355         |
| Australia (toll collection systems)     | 14,271         | 8,976          |
| <b>Total</b>                            | <b>41,023</b>  | <b>46,330</b>  |

Further performance and bid bonds from financial institutes or insurance companies, where an outflow of resources is deemed unlikely, amount to EUR 207,320 k (March 31, 2024: EUR 197,322 k) and are not included in the balance sheet or in the contingent liabilities.

Assets of Kapsch TrafficCom AB, Sweden, in the amount of EUR 10,619 k (March 31, 2024: EUR 10,412 k) were pledged as collateral for contingent liabilities in favor of a Swedish bank.

### 13 Disposal of the shares in TMT Services and Supplies Proprietary Limited.

On April 25, 2024, the Group sold its shares in TMT Services and Supplies Proprietary Limited (TMT), South Africa, a provider of road safety law enforcement and automatic fare collection solutions for public transportation, and consequently deconsolidated it. The assets and liabilities of TMT were reported as assets and liabilities held for sale in the consolidated financial statements as of March 31, 2024 (see note 34.1.6 in the consolidated financial statements as of March 31, 2024). The result from the deconsolidation of the company in the amount of EUR -7,545 k is reported under other operating expenses. The net assets of TMT as of April 25, 2024 were as follows:

|  | <b>April 25, 2024</b> |
|--|-----------------------|
| Property, plant and equipment                        | 1,630                 |
| Intangible assets                                    | 3                     |
| Other non-current financial assets and investments   | 298                   |
| Deferred tax assets                                  | 960                   |
| <b>Non-current assets</b>                            | <b>2,891</b>          |
| Trade receivables and other current assets           | 4,917                 |
| Current contract assets                              | 356                   |
| Current tax receivables                              | 75                    |
| Cash and cash equivalents                            | 2,796                 |
| <b>Current assets</b>                                | <b>8,144</b>          |
| <b>TOTAL ASSETS</b>                                  | <b>11,035</b>         |
| Non-current lease liabilities                        | 143                   |
| <b>Non-current liabilities</b>                       | <b>143</b>            |
| Current financial liabilities                        | 1,975                 |
| Current lease liabilities                            | 152                   |
| Trade payables                                       | 1,233                 |
| Current contract liabilities                         | 2                     |
| Current provisions                                   | 282                   |
| Other liabilities and deferred income                | 413                   |
| <b>TOTAL LIABILITIES</b>                             | <b>4,199</b>          |
| <b>NET ASSETS</b>                                    | <b>6,835</b>          |
| Selling price  | 2,775                 |
| Carrying amount of net assets sold                   | -6,835                |
| Reclassification of the currency translation reserve | -3,485                |
| <b>Loss on sale</b>                                  | <b>-7,545</b>         |

## 14 Related party transactions.

The related entities and persons of Kapsch TrafficCom include, in particular, Kapsch Group companies, including their subsidiaries, joint ventures and associated companies, their executive bodies (Executive Board and Supervisory Board, if present) and close affiliates of the bodies and companies over which they have control or significant influence.

The direct parent company of the reporting entity is KAPSCH-Group Beteiligungs GmbH, Vienna. This company is a 100% subsidiary of DATAX HandelsgmbH, Vienna, which is the controlling entity of Kapsch TrafficCom AG and the ultimate parent of Kapsch Group. Subsidiaries of KAPSCH Group are referred to as affiliated companies if they are not part of the Kapsch TrafficCom Group.

The following tables provide an overview of revenues and expenses as well as receivables and liabilities for related parties.

|                              | H1 2023/24<br>(adjusted) | H1 2024/25 |
|------------------------------|--------------------------|------------|
| <b>Parent company</b>        |                          |            |
| Revenues                     | 32                       | 35         |
| Expenses                     | -157                     | -50        |
| <b>Affiliated companies</b>  |                          |            |
| Revenues                     | 129                      | 103        |
| Expenses                     | -3,092                   | -1,537     |
| <b>Associated companies</b>  |                          |            |
| Revenues                     | 94                       | 0          |
| Expenses                     | -4,259                   | 0          |
| <b>Joint ventures</b>        |                          |            |
| Revenues                     | 53                       | 1,547      |
| Expenses <sup>1)</sup>       | 0                        | 0          |
| <b>Other related parties</b> |                          |            |
| Revenues                     | 0                        | 0          |
| Expenses                     | -771                     | -100       |

<sup>1)</sup> Adjustment H1 2023/24: Adjustment of the presentation of expenses from joint ventures. Correction made due to a double entry of EUR 771 k.

|  | March 31, 2024 | Sept. 30, 2024 |
|--|----------------|----------------|
| <b>Parent company</b>  |                |                |
| Trade receivables and other assets                           | 150            | 192            |
| Trade payables and other liabilities                         | -4,418         | -4,372         |
| Receivables (+) / Liabilities (-) from tax allocation        | -26            | -26            |
| <b>Affiliated companies</b>                                  |                |                |
| Trade receivables and other non-current and current assets   | 475            | 523            |
| Trade payables and other liabilities                         | -2,786         | -5,439         |
| <b>Joint ventures</b>  |                |                |
| Trade receivables and other non-current and current assets   | 0              | 83             |
| <b>Other related parties</b>                                 |                |                |
| Trade receivables and other non-current and current assets   | 492            | 495            |
| Trade payables and other payables including pension benefits | -9,224         | -8,774         |

Trade payables and other liabilities to associated companies mainly consist of trade payables to Kapsch Aktiengesellschaft. A comprehensive presentation of the relationships with related parties is shown in note 31 of the consolidated financial statements as of March 31, 2024.



## 15 Risk and capital management.

The financial risks to which Kapsch TrafficCom is exposed are described in the consolidated financial statements as of March 31, 2024 (note 32) as well as the management report on the first half of 2024/25.

## 16 New and amended standards and interpretations.

|               | <b>New/amended IFRS</b>  | <b>Published by the IASB and adopted by the EU</b> | <b>Applicable to financial years beginning on or after</b> | <b>Material impact on Group's consolidated financial statement</b> |
|---------------|--|--|--|--|
| IAS 7, IFRS 7 | Amendments to IAS 7: Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures: Supplier Finance Arrangements                | May 2024   | January 1, 2024  | None   |
| IAS 1         | Presentation of Financial Statements: Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants | December 2023                                      | January 1, 2024  | None   |
| IFRS 16       | Amendments to IFRS 16: Lease Liability in a Sale and Leaseback   | November 2023                                      | January 1, 2024  | None   |

The application of the new/amended standards has not had any impact on the condensed consolidated interim statements.

## 17 Significant events occurring after September 30, 2024.

No significant events occurred after September 30, 2024 that would require reporting.

Vienna, November 19, 2024

The Executive Board



Georg Kapsch  
Chief Executive Officer



Alfredo Escribá Gallego  
Executive Board Member

## Financial calendar.

|                   |                                     |
|-------------------|-------------------------------------|
| February 19, 2025 | Results Q1–Q3 2024/25               |
| June 25, 2025     | Results FY 2024/25                  |
| August 20, 2025   | Results Q1 2025/26                  |
| August 24, 2025   | Record date: Annual General Meeting |
| September 3, 2025 | Annual General Meeting              |
| November 19, 2025 | Results H1 2025/26                  |
| February 18, 2026 | Results Q1–Q3 2025/26               |

## Contact for investors.

|                              |                               |
|------------------------------|-------------------------------|
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## Disclaimer.

Certain statements in this report are forward-looking statements. They contain the words 'believe', 'intend', 'expect', 'plan', 'assume', and terms of a similar meaning. Forward-looking statements reflect the beliefs and expectations of the company. Actual events may deviate significantly from the expected developments, due to a range of factors. As a result, readers are cautioned not to place undue reliance on such forward-looking statements. Kapsch TrafficCom AG is under no obligation to update forward-looking statements made herein, except as required by applicable law.

This report was created with care and all data has been checked conscientiously. Nevertheless, the possibility of layout and printing errors cannot be excluded. Differences in calculations may arise due to the rounding of individual items and percentages. The English translation is for convenience; only the German version is authentic.

When referring to people, the authors strive to use both the male and female forms as far as possible (for example: he or she). For readability reasons, occasionally only the masculine form is used. However, it always refers to people of all gender categories.

This report does not constitute a recommendation or invitation to purchase or sell securities of Kapsch TrafficCom.

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## **Kapsch TrafficCom**

**Kapsch TrafficCom** is a globally renowned provider of transportation solutions for sustainable mobility with successful projects in more than 50 countries. Innovative solutions in the application fields of tolling, tolling services, traffic management and demand management contribute to a healthy world without congestion.

With one-stop-shop solutions, the company covers the entire value chain of customers, from components to design and implementation to the operation of systems.

Kapsch TrafficCom, headquartered in Vienna, has subsidiaries and branches in more than 25 countries and is listed in the Prime Market segment of the Vienna Stock Exchange (ticker symbol: KTCG). In its 2023/24 financial year, about 4,000 employees generated revenues of EUR 539 million.

**>>> [www.kapsch.net](http://www.kapsch.net)**