

Press release.

Kapsch TrafficCom – Result for the first half of 2024/25.

Highlights.

- > Revenue increase by 3% from EUR 266 million to EUR 275 million.
- > Result weighed down by deconsolidation effects, but operationally improved.
- > Previous year's figures of limited comparability due to one-off cash inflow from Germany.
- > Equity ratio increased to 21%, gearing ratio down to 124%.
- > Outlook to financial year 2024/25 unchanged: Revenue growth above market growth and slight improvement of the adjusted EBIT.

Unless otherwise stated, all values in EUR million.	H1 2023/24	H1 2024/25	+/-
Revenues	266.4	274.8	+3.1%
EBIT ¹⁾	73.9	-0.7	-
EBIT margin ¹⁾	27.7%	-0.3%	-
Result for the period attributable to equity holders	46.6	-10.5	-
Earnings per share (EUR)	3.59	-0.73	-

¹⁾ Adjustment previous year: reporting of losses from derivative financial instruments in finance costs

Vienna, November 20, 2024 – The Kapsch TrafficCom Group achieved a slight increase in revenues in the first half of financial year 2024/25. Though the result is negative due to deconsolidation effects, it shows the improvement in the operating business. In addition, the company again recorded significant project successes.

The stated 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.

Earnings development.

Revenues in the first half of the current financial year amounted to EUR 275 million, thus 3% higher than the previous year's figure of EUR 266 million.

The operating result (EBIT) amounted to EUR -1 million in the reporting period after EUR 74 million in the first half of the previous year. There were no one-off operating effects in the reporting period. The negative EBIT mainly resulted from the deconsolidation of subsidiaries - in particular from the sale of the South African company TMT - with a total effect of EUR -7 million. Without these effects, EBIT would have been operationally positive and improved compared to the previous year. This shows that the implemented restructuring is visible in the results. In North America, where negative project margin adjustments were necessary in the previous year, the margins also improved. Operating currency effects had a negative impact of EUR -3 million (previous year: EUR +3 million) on EBIT.

The financial result amounted to EUR -8 million in the first half of 2024/25 after EUR -15 million in the same period of the previous year. This improvement was primarily due to the decline in interest expenses and the one-off costs recognized in the previous year in connection with the restructuring of financing. Hyperinflation adjustments amounting to EUR -2 million and effects from exchange rate changes amounting to EUR -2 million had a negative impact in the reporting period.

The result for the period attributable to equity holders amounted to EUR -10 million for the first half of 2024/25, compared to EUR 47 million in the first half of the previous year. The deconsolidation in particular resulted in a one-off increase in the profit for the period attributable to non-controlling interests. Earnings per share amounted to EUR -0.73 after EUR 3.59 in the previous year.

Segment performance.

In the tolling segment, revenues increased by 9% from EUR 189 million to EUR 205 million, thus increasing the share of total revenues from 71% in the first half of the previous year to currently 75%. Segment EBIT reached EUR 3 million. In the previous year, EBIT amounted to EUR 65 million as a result of the settlement agreement reached in Germany.

In the traffic management segment, revenues decreased by 10% from EUR 78 million to EUR 70 million. The share of total revenues thus amounted to 25%. The main reasons for the decline were lower operating revenues in Spain and the sale of TMT. Segment EBIT was negative at EUR -3 million after EUR 9 million in the first half of the previous year, in particular due to the deconsolidation of TMT.

From a regional perspective, Kapsch TrafficCom recorded business growth of 2% to EUR 136 million in the EMEA region (Europe, Middle East, Africa) and growth of 8% to EUR 127 million in the Americas region (North, Central and South America). In the Asia-Pacific region, however, revenues decreased by 22% to EUR 13 million.

Financial and asset position.

Free cash flow amounted to EUR 1 million in the first half of 2024/25. In the previous year, it reached EUR 61 million in connection with the Germany effect; without this effect, it would have been negative at EUR -18 million.

Total assets decreased from EUR 444 million as of March 31, 2024 to EUR 427 million as of September 30, 2024. In particular, current assets decreased by EUR 19 million to EUR 290 million. The largest changes related to trade receivables and other current assets with a decrease of EUR 16 million and current contract assets from customer contracts with an increase of EUR 14 million. In addition, EUR 11 million was still reported as assets held for sale at the end of the 2023/24 financial year.

Equity increased from EUR 83 million to EUR 90 million as of September 30, 2024. The increase mainly reflects the effects of the change in the scope of consolidation (EUR +7 million), the negative result for the period (EUR -6 million) and the positive other comprehensive income from currency translation differences (EUR +7 million) in the first half of 2024/25. The equity ratio as of September 30, 2024 therefore increased from 19% to 21%.

The disclosure of liabilities primarily reflects the reclassification of non-current to current financial liabilities in accordance with the planned repayments and remaining terms in the amount of EUR 16 million. At EUR

112 million, net debt was at the same level as at the end of the financial year; the gearing ratio was 124% after 127% as of March 31, 2024.

Strategic development.

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 the shares because TMT's business was not part of the Group's core business.

Kapsch TrafficCom also made progress in sustainability management, making processes more structured and results easier to monitor. On the product side, one of the environmentally friendly Green Gantries was installed in the last months and a new, light-operated transponder was introduced, which only requires a small rechargeable buffer accumulator instead of a battery.

The achieved project successes are increasingly setting the course for the future: in a newly won bridge project in Louisiana, Kapsch TrafficCom was awarded a 50-year contract and will provide end-to-end toll services. The model of this infrastructure initiative is particularly future-oriented: 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 expects an increase of such models in the future, as both the construction and maintenance of transportation infrastructure require financing.

In Guatemala, the company received an order for an urban mobility management solution in the reporting period. This involves a central light signal system with a traffic control center covering 511 intersections.

Overall, incoming orders in the first half of the year were once again very high at EUR 442 million; the order backlog of EUR 1.5 billion was even higher than the previous year's figure of EUR 1.4 billion and reflects the long-term contracts in the USA in particular.

Outlook.

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 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.

The report on the first half of 2024/25 as well as further materials on the results are scheduled to be available today, from 7:35 a.m. (CET), at: www.kapsch.net/en/ir

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.

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