

# OUR MISSION: GREEN MOBILITY

Interim financial report as of June 30, 2024



Key group figures		H1/2024	H1/2023
Orders received	€ mill.	769.6	688.8
Order backlog	€ mill.	905.5	859.4
<b>Income statement data</b>			
Sales revenues	€ mill.	560.9	600.6
Core Components	€ mill.	217.2	263.8
Customized Modules	€ mill.	263.8	276.8
Lifecycle Solutions	€ mill.	89.1	76.9
EBITDA	€ mill.	75.4	78.5
EBITDA margin	%	13.4	13.1
EBIT	€ mill.	49.5	49.3
EBIT margin	%	8.8	8.2
Net interest result	€ mill.	(6.1)	(8.4)
EBT	€ mill.	43.4	40.9
Net income	€ mill.	40.1	29.4
Attributable to shareholders of Vossloh AG	€ mill.	34.4	20.2
Earnings per share	€	1.96	1.15
Return on capital employed (ROCE) <sup>1</sup>	%	10.2	10.5
Value added <sup>1</sup>	€ mill.	3.6	9.3
<b>Balance sheet data</b>			
Fixed assets <sup>2</sup>	€ mill.	749.5	720.1
Capital expenditure	€ mill.	25.5	21.6
Depreciation/amortization	€ mill.	25.9	29.2
Closing working capital <sup>3</sup>	€ mill.	219.6	194.2
Closing capital employed <sup>4</sup>	€ mill.	969.1	914.3
Equity	€ mill.	660.3	625.6
Net financial debt (including lease liabilities)	€ mill.	247.0	234.7
Total assets	€ mill.	1,396.5	1,424.8
Equity ratio	%	47.3	43.9
<b>Cash flow statement data</b>			
Gross cash flow	€ mill.	80.1	82.3
Cash flow from operating activities	€ mill.	12.7	59.3
Cash flow from investing activities	€ mill.	(9.0)	(19.7)
Cash flow from financing activities	€ mill.	(36.8)	(22.1)
Free cash flow	€ mill.	(4.7)	37.5
<b>Work force data</b>			
Average headcount during the period	Number	4,093	3,972
Core Components	Number	1,016	1,026
Customized Modules	Number	2,322	2,277
Lifecycle Solutions	Number	649	591
Vossloh AG	Number	106 <sup>5</sup>	78
Personnel expenses	€ mill.	137.3	127.9
<b>Share data</b>			
Share price as of June 30	€	46.80	41.00
Closing market capitalization as of June 30	€ mill.	822.0	720.1

<sup>1</sup> Based on average capital employed; annualized

<sup>2</sup> Intangible assets plus property, plant and equipment plus investment properties plus investments in companies accounted for using the equity method plus other noncurrent financial instruments

<sup>3</sup> Trade receivables (including contract assets) plus inventories minus trade payables (including contract liabilities as well as liabilities from reverse factoring) minus prepayments received minus other current provisions (adjusted for matters not attributable to the operating business)

<sup>4</sup> Working capital plus Fixed assets

<sup>5</sup> Including the employees of Vossloh RailWatch GmbH

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# Interim Group Management Report

## Business performance in the Group

### Results of operations

Vossloh divisions – Orders received and order backlog

€ mill.	Orders received		Order backlog	
	H1/2024	H1/2023	6/30/2024	6/30/2023
Core Components	305.9	350.5	325.8	358.8
Customized Modules	361.3	268.2	522.6	467.9
Lifecycle Solutions	117.1	87.8	65.6	44.9
Vossloh AG/consolidation	(14.7)	(17.7)	(8.5)	(12.2)
<b>Group</b>	<b>769.6</b>	<b>688.8</b>	<b>905.5</b>	<b>859.4</b>

#### Orders received and order backlog reach historic levels

In the second quarter of 2024, Vossloh AG and its Group companies (hereinafter referred to as Vossloh) achieved the highest orders received in any quarter in the company's history. These amounted to €419.5 million and were 22.0 percent higher than the previous year's quarterly figure of €343.9 million. The first half of 2024 also saw a significant improvement on the previous year with a record high in orders received. The book-to-bill ratio at Group level as a ratio of orders received to sales revenues was a remarkable 1.37 in the first half of 2024. Order backlog on June 30, 2024 also reached an all-time high, exceeding the previous year's figure by 5.4 percent.

#### Orders received are very high, particularly for Customized Modules

At the division level, orders received by Core Components in the first six months of 2024 were 12.7 percent lower than the strong prior-year figure. As expected, the Fastening Systems business unit, which is part of the Core Components division, recorded lower orders received than in the previous year. This is primarily due to an order concluded in Mexico in 2023. Orders received by Vossloh Tie Technologies, the second business unit in the Core Components division, were also lower than in the previous year, mainly due to fewer orders in Mexico and Australia. By contrast, a significant increase in orders received was achieved in the US compared to the previous year (see pages 9 et seq. for further information on the Core Components division). The Customized Modules division achieved significantly higher orders received compared to the previous year (+34.7 percent) and set a new quarterly record. Higher orders received primarily in Southern Europe, particularly in Italy and Turkey as well as in Algeria and the Middle East were the main contributors to this increase (see the comments on page 11). Orders received in the Lifecycle Solutions division also increased significantly in the first half of 2024 compared to the previous year (+33.3 percent). The division recorded higher demand in Sweden, Germany and China in particular (see the explanations on page 12).

As expected, sales revenues at Group level in the second quarter of 2024 were significantly lower than the prior-year quarter. Sales revenues for the first six months of 2024 were 6.6 percent lower than the record sales achieved in the same period of the previous year.

Vossloh Group – Sales revenues by region

	€ mill.	%	€ mill.	%	€ mill.	%	€ mill.	%
	H1/2024		H1/2023		Q2/2024		Q2/2023	
Germany	81.2	14.5	69.4	11.6	46.2	15.8	40.7	11.8
France	56.0	10.0	45.5	7.6	28.0	9.6	23.2	6.8
Rest of Western Europe	37.6	6.7	54.4	9.1	21.1	7.2	27.9	8.1
Northern Europe	74.3	13.2	74.1	12.3	51.7	17.7	48.1	14.0
Southern Europe	65.3	11.6	56.0	9.3	29.8	10.2	31.1	9.0
Eastern Europe	42.1	7.5	41.4	6.9	21.8	7.5	23.7	6.9
<b>Total of Europe</b>	<b>356.5</b>	<b>63.5</b>	<b>340.8</b>	<b>56.8</b>	<b>198.6</b>	<b>68.0</b>	<b>194.7</b>	<b>56.6</b>
The Americas	73.1	13.0	76.9	12.8	37.5	12.8	40.0	11.6
Asia	78.4	14.0	112.0	18.6	30.6	10.5	71.9	20.9
Africa	8.2	1.5	11.8	2.0	4.0	1.4	6.3	1.8
Australia	44.7	8.0	59.1	9.8	21.3	7.3	31.3	9.1
<b>Total</b>	<b>560.9</b>	<b>100.0</b>	<b>600.6</b>	<b>100.0</b>	<b>292.0</b>	<b>100.0</b>	<b>344.2</b>	<b>100.0</b>

In the first half of 2024, the Group increased its sales revenues in Europe by €15.7 million or 4.6 percent compared to the previous year. This increase was mainly attributable to Germany and France, which increased sales revenues by 17.0 percent and 23.1 percent, respectively. In Germany, the Lifecycle Solutions and Customized Modules divisions achieved significant growth, while in France the Customized Modules division was responsible for the increase. In the rest of Western Europe, however, sales revenues were lower than in the previous year, particularly in the Netherlands and the UK. The increase in Europe was also attributable to the Southern European region, and in particular to the Fastening Systems business unit in Italy. Sales revenues in Northern and Eastern Europe, on the other hand, remained at roughly the same level as in the previous year.

In the Americas, Vossloh recorded a year-on-year decline in sales of €3.8 million or 4.9 percent in the first half of 2024. This development was mainly due to lower sales revenues in Mexico for rail fasteners and switch systems. By contrast, growth in sales was achieved in the concrete ties business in the US.

Sales revenues in Asia were significantly lower in the first half of 2024 and were down by €33.6 million or 30.0 percent on the previous year's high figure. As expected, the decline in sales was largely due to lower sales revenues in China in the Fastening Systems business unit. By contrast, the Customized Modules division achieved sales growth, particularly in the Middle East.

Sales revenues in Africa in the reporting period were by €3.6 million or 30.6 percent lower than in the previous year. In particular, lower sales revenues in the switch business in Liberia were only partially offset by increased sales of rail fastening systems, mainly in Morocco and Mauritania.

In the first half of 2024, the Group recorded a year-on-year decline in sales of €14.4 million or 24.4 percent in Australia. This development is largely attributable to the concrete ties business.

Vossloh Group – Sales revenues and earnings

		H1/2024	H1/2023	Q2/2024	Q2/2023
Sales revenues	€ mill.	560.9	600.6	292.0	344.2
EBITDA	€ mill.	75.4	78.5	44.4	51.6
EBITDA margin	%	13.4	13.1	15.2	15.0
EBIT	€ mill.	49.5	49.3	31.6	35.2
EBIT margin	%	8.8	8.2	10.8	10.2
Net income	€ mill.	40.1	29.4	29.4	24.6
Earnings per share	€	1.96	1.15	1.57	1.08

Noticeable increase in profitability in the first half of 2024 despite weaker business in Asia

Vossloh once again achieved a strong earnings performance in the second quarter of 2024. Overall, however, it was down on the previous year's high figure due to the completion of major new construction projects in China towards the end of the first quarter of 2024. The first deliveries for the new orders recently won in China are expected from the end of the third quarter of 2024. Despite the decline in sales and higher consulting costs EBIT in the first half of 2024 remained almost unchanged at the previous year's high level. The Group's profitability – measured by the EBIT margin – increased further compared to an already strong previous year. All divisions contributed to this positive development. In the second quarter of 2024, the EBIT margin once again reached a double-digit figure.

Net interest income improved to €(6.1) million in the first half of 2024 (2023: €(8.4) million). This was mainly due to lower exchange rate losses from financing items in foreign currencies.

Net income and earnings per share increased significantly in the first half of 2024

In the first half of 2024, tax expenses amounted to €3.3 million (2023: €12.5 million). The decrease was mainly the result of the capitalization of deferred taxes, which were recognized due to expected positive tax results in the domestic tax group. Net income in the first half of 2024 increased accordingly by a noticeable €10.7 million compared with the same prior-year period. As in the previous year, €3.0 million of net income was attributable to hybrid capital investors. Noncontrolling interests fell noticeably from 6.2 million in the previous year to €2.7 million. Net income attributable to Vossloh AG's shareholders amounted to €34.4 million and significantly exceeded the previous year's figure of €20.2 million. The average number of shares outstanding remained unchanged at 17,564,180. As a result, earnings per share in the first half of 2024 were significantly higher than in the prior year.

Vossloh Group – Value management

		H1/2024	H1/2023	Q2/2024	Q2/2023
Average capital employed <sup>1</sup>	€ mill.	966.3	940.8	973.8	938.6
ROCE <sup>2</sup>	%	10.2	10.5	13.0	15.0
Value added <sup>3</sup>	€ mill.	3.6	9.3	8.5	15.3

<sup>1</sup> Working capital plus fixed assets

<sup>2</sup> EBIT/average capital employed; annualized

<sup>3</sup> Based on average capital employed; annualized

Value added again positive in the first half of 2024

Return on capital employed (ROCE) was again in the double-digit percentage range in the first half of 2024. The WACC used for internal management purposes – the weighted cost of capital expected by providers of equity and debt – was raised to 9.5 percent for the 2024 financial year (2023: 8.5 percent) as a result of the general interest rate trend. Value added in the first six months of 2024 was therefore below the previous year's level, but was once again positive.

## Net assets and financial position

Total assets remained almost unchanged compared to the end of 2023. Equity as at June 30, 2024 increased slightly compared to the end of 2023. The increase was mainly due to the positive net income in the first half of 2024, which more than compensated for the decline caused by the dividend payments.

### Vossloh Group

		H1/2024/ 6/30/2024	Fiscal year 2023/ 12/31/2023	H1/2023/ 6/30/2023
Total assets	€ mill.	1,396.5	1,392.7	1,424.8
Equity	€ mill.	660.3	638.5	625.6
Equity ratio	%	47.3	45.8	43.9
Closing working capital <sup>1</sup>	€ mill.	219.6	193.1	194.2
Average working capital	€ mill.	220.3	209.4	215.3
Average working capital intensity <sup>2</sup>	%	19.6	17.2	17.9
Fixed assets <sup>3</sup>	€ mill.	749.5	746.1	720.1
Closing capital employed <sup>4</sup>	€ mill.	969.1	939.2	914.3
Average capital employed	€ mill.	966.3	937.2	940.8
Free cash flow <sup>5</sup>	€ mill.	(4.7)	70.9	37.5
Net financial debt (including lease liabilities) <sup>6</sup>	€ mill.	247.0	219.5	234.7

<sup>1</sup> Trade receivables (including contract assets) plus inventories minus trade payables (including contract liabilities as well as liabilities from reverse factoring) minus prepayments received minus other current provisions (adjusted for matters not attributable to the operating business)

<sup>2</sup> Average working capital/sales revenues

<sup>3</sup> Intangible assets plus property, plant and equipment plus investment properties plus investments in companies accounted for using the equity method plus other noncurrent financial instruments

<sup>4</sup> Working capital plus fixed assets

<sup>5</sup> Cash flow from operating activities less investments in intangible assets and property, plant and equipment as well as capital expenditure in companies accounted for using the equity method and plus cash inflows from profit distributions or the sale of companies accounted for using the equity method

<sup>6</sup> Financial liabilities minus cash and cash equivalents and short-term securities

Working capital at the reporting date of June 30, 2024 recorded an increase of 13.1 percent compared to the end of the first half of 2023, which is primarily due to high advance payments for major new construction projects in the previous year. This also led to a 1.7 percentage point increase in the average working capital intensity. Free cash flow in the first half of 2024 was significantly lower year-on-year. Vossloh's net financial debt (including lease liabilities) increased by €12.3 million compared to June 30, 2023. Free cash flow is expected to be clearly positive in the second half of 2024, meaning that a noticeable decrease in net financial debt from operating activities is expected by the end of 2024.

Working capital at the end of the first half of 2024 continues to be higher than one year ago

Capital expenditure<sup>1</sup>

€ mill.	H1/2024	H1/2023	Q2/2024	Q2/2023
Core Components	6.9	7.5	4.0	4.2
Customized Modules	8.8	6.8	6.3	3.7
Lifecycle Solutions	8.0	5.6	3.7	3.3
Vossloh AG/consolidation	1.8	1.7	1.1	1.1
<b>Total</b>	<b>25.5</b>	<b>21.6</b>	<b>15.1</b>	<b>12.3</b>

<sup>1</sup> The capital expenditures shown here do not match the figures in the cash flow statement, as only cash-effective capital expenditures including those from discontinued operations are included there.

Capital expenditure increased in the first half of 2024

Capital expenditure at Group level was higher in the first half of 2024 than in the previous year. In the Core Components division, it was slightly down on the prior-year level. One of the largest single investments related to the establishment of serial production for the composite sleeper at the Fastening Systems business unit's Polish production site. The official opening ceremony took place in June 2024. Capital expenditure in the Customized Modules division increased significantly and was incurred in the first half of 2024 in connection with the construction of new switch plants in Australia and Sweden. Additions to these projects will increase as the year goes on and lead to a significant increase in capital expenditure at Group level. Capital expenditure in the Lifecycle Solutions division was also significantly higher in the first half of 2024 than in the same prior-year period. Among other things, additional technical revisions were made to individual milling machines.



# Business performance Core Components

In the Core Components division, Vossloh has combined its range of industrially manufactured series products that are required in large quantities in rail infrastructure. The Fastening Systems business unit is a leading global supplier of rail fastening systems. Its products are developed, manufactured and distributed for all applications worldwide – from heavy-haul to high-speed lines and regional transportation. The Tie Technologies business unit is the leading manufacturer of concrete mainline ties in North America and Australia. It also manufactures switch ties, concrete elements for slab tracks and level crossing systems.

Core Components					
		H1/2024/ 6/30/2024	H1/2023/ 6/30/2023	Q2/2024	Q2/2023
Orders received	€ mill.	305.9	350.5	144.4	184.3
Order backlog	€ mill.	325.8	358.8	–	–
Sales revenues <sup>1</sup>	€ mill.	217.2	263.8	101.4	148.7
EBITDA	€ mill.	44.4	46.8	21.2	28.9
EBITDA margin	%	20.4	17.7	20.9	19.4
EBIT	€ mill.	33.8	33.8	16.0	21.4
EBIT margin	%	15.6	12.8	15.8	14.4
ROCE <sup>2</sup>	%	20.9	19.8	19.6	25.7
Value added <sup>2</sup>	€ mill.	18.4	19.3	8.2	14.3

<sup>1</sup> Sales revenues include external sales revenues and sales to other divisions.

<sup>2</sup> Based on average capital employed; annualized

Orders received in the Core Components division in the first half of 2024 failed to reach the prior-year's high level (down by 12.7 percent). Both business units recorded lower order volumes; in particular, it was not possible to fully make up for the major order received in Mexico in the first half of 2023. However, the division's book-to-bill ratio was at a pleasing 1.41 after six months.

Book-to-bill after  
the first six months  
of 2024 at 1.41

In the first six months of 2024, new orders in the Fastening Systems business unit amounted to a volume of €212.2 million. Also contributing to this were major orders won in the second quarter to supply rail fastening systems for the further expansion of the Chinese high-speed rail network with a volume of more than €60 million. The prior-year's figure was €233.6 million and included higher order volumes, particularly in Mexico, Romania and Kazakhstan. At the end of the first half of 2024, the order backlog in the Fastening Systems business unit amounted to €263.5 million (2023: €235.7 million).

In the Tie Technologies business unit, the amount of orders received in the first half of 2024 fell to €104.2 million (2023: €133.7 million). This was due to the order in Mexico included in 2023 and lower call-offs from framework agreements in Australia. As at June 30, 2024, the order backlog fell significantly to €66.9 million (2023: €128.8 million).

**Prior-year sales revenues driven by high project sales in China** As expected, revenues in the Core Components division in the first half of 2024 were significantly lower than the previous year's high figure. The Fastening Systems business unit recorded a decline in sales revenues to €133.8 million in the first six months of 2024 (2023: €186.1 million). This is primarily due to lower project sales in China and Mexico compared to the previous year.

The Tie Technologies business unit generated sales revenues of €92.0 million in the first six months of the current year, which was on par with the previous year's figure of €92.1 million. Increased sales in the US thanks to higher call-offs by the Class I companies and in Mexico offset lower sales in the Australian market.

**EBIT at prior-year level despite lower sales** Despite the decline in sales, EBIT in the Core Components division remained at the same level recorded in the first half of 2023. This is primarily due to a higher-margin sales mix in the Tie Technologies business unit. In addition, the prior-year figure was negatively impacted by maintenance expenses at one of the Tie Technologies business unit's Australian sites and impairment losses in the Fastening Systems business unit.

ROCE in the Core Components division was 1.1 percentage points higher in the first half of the year than in the prior year due to the lower average capital employed. Average working capital in this division was reduced further. Value added in the Core Components division fell slightly due to the higher weighted average cost of capital of 9.5 percent (2023: 8.5 percent). Value added in the Fastening Systems business unit fell to €13.5 million in the first half of 2024 (2023: €21.2 million), primarily due to lower high-margin sales revenues in China compared to the previous year. By contrast, the Tie Technologies business unit's value added improved significantly to €4.7 million (2023: €(1.3) million), meaning the positive trend continued in the second quarter.

Core Components		H1/2024	Fiscal year 2023	H1/2023
Average working capital	€ mill.	96.8	101.1	110.1
Average working capital intensity	%	22.3	18.5	20.9
Average capital employed	€ mill.	323.7	329.5	340.4

# Business performance Customized Modules

The Customized Modules division bundles all of the Group's services related to the manufacture, installation and maintenance of individualized infrastructure modules for the rail sector. The division includes the Switch Systems business unit, one of the world's largest suppliers of switch systems. The product portfolio covers a very wide range of applications, from light rail to high-speed lines.

Customized Modules					
		H1/2024/ 6/30/2024	H1/2023/ 6/30/2023	Q2/2024	Q2/2023
Orders received	€ mill.	361.3	268.2	218.7	124.0
Order backlog	€ mill.	522.6	467.9	–	–
Sales revenues <sup>1</sup>	€ mill.	263.8	276.8	139.4	156.6
EBITDA	€ mill.	30.1	31.1	18.0	20.0
EBITDA margin	%	11.4	11.2	12.9	12.8
EBIT	€ mill.	22.5	22.0	14.4	14.8
EBIT margin	%	8.5	7.9	10.4	9.5
ROCE <sup>2</sup>	%	11.1	11.7	14.1	15.6
Value added <sup>2</sup>	€ mill.	3.3	5.9	4.7	6.7

<sup>1</sup> Sales revenues include external sales revenues and sales to other divisions.

<sup>2</sup> Based on average capital employed; annualized

The Customized Modules division's orders received in the first half of 2024 significantly exceeded the previous year, reaching a new record high. Orders received were higher primarily in Southern Europe, particularly in Italy and Turkey as well as in Algeria, the Middle East, Canada and Sweden. By contrast, orders received, particularly in Serbia and Australia remained below the previous year's level. The order backlog increased by €54.7 million year-on-year to over half a billion euros.

Orders received in the first half of 2024 reach historic high

Sales revenues in the Customized Modules division, by contrast, were down by 4.7 percent on the previous year's record figure. Lower sales revenues, particularly in Mexico, the UK and Denmark, contributed to this development and could not be fully compensated for by increased sales, particularly in France and the Middle East.

Sales revenues in the first half of 2024 still below the previous year

The Customized Modules division slightly exceeded EBIT year-on-year in the first six months of the current year. This was mainly due to higher earnings contributions from the sites in France and Poland. The EBIT margin increased accordingly, reaching a double-digit figure in the second quarter of 2024.

Margin development continues to be positive

Despite the positive margin development, the Customized Modules division's ROCE in the first half of 2024 was slightly lower than in the previous year. This is mainly due to the increase in average capital employed, which in turn resulted primarily from higher average working capital. Value added also declined by €2.6 million compared with the prior-year period due to the higher weighted average cost of capital of 9.5 percent (2023: 8.5 percent).

Customized Modules				
		H1/2024	Fiscal year 2023	H1/2023
Average working capital	€ mill.	93.7	79.0	77.5
Average working capital intensity	%	17.8	14.7	14.0
Average capital employed	€ mill.	405.7	379.7	376.9

# Business performance Lifecycle Solutions

With its Rail Services business unit, the Lifecycle Solutions division focuses on specialized services for the maintenance of rails and switches. The innovative technologies promote the safety of rail lines and contribute to extend the service life of rails and switches and increase track availability. The service portfolio primarily includes the maintenance, corrective and preventive care of rails and switches by milling and grinding, welding services, and rail and switch logistics. The comprehensive services offered by Lifecycle Solutions complement the Core Components' and Customized Modules' product portfolios.

## Lifecycle Solutions

		H1/2024/ 6/30/2024	H1/2023/ 6/30/2023	Q2/2024	Q2/2023
Orders received	€ mill.	117.1	87.8	58.4	40.9
Order backlog	€ mill.	65.6	44.9	–	–
Sales revenues <sup>1</sup>	€ mill.	89.1	76.9	56.3	45.5
EBITDA	€ mill.	14.7	10.9	13.0	8.5
EBITDA margin	%	16.6	14.2	23.2	18.7
EBIT	€ mill.	7.3	4.1	9.3	5.1
EBIT margin	%	8.2	5.4	16.5	11.1
ROCE <sup>2</sup>	%	6.4	3.8	16.3	9.3
Value added <sup>2</sup>	€ mill.	(3.6)	(5.1)	3.9	0.4

<sup>1</sup> Sales revenues include external sales revenues and sales to other divisions.

<sup>2</sup> Based on average capital employed; annualized

### Orders received up significantly on the previous year

Orders received in the Lifecycle Solutions division developed positively in the first half of 2024, exceeding the prior-year figure by 33.3 percent. Orders received were higher in the home market of Germany, Sweden and China in particular. Orders received in the Netherlands and France, among others, were down on the previous year.

### Sales revenues increased sharply compared to previous year

Sales revenues in the Lifecycle Solutions division in the first half of 2024 were significantly higher than in the previous year, reaching a record level within a six-month period. The increase was primarily attributable to the Track Supply subsegment. The degree of internationalization of the Lifecycle Solutions division's activities, measured in terms of the share of sales outside Germany, was 45.2 percent (2023: 49.8 percent). The decline is due to the above-average sales growth in Germany.

### EBIT and EBIT margin significantly improved year-on-year

The Lifecycle Solutions division's EBIT and EBIT margin in the first six months of the current year significantly exceeded the previous year's figures. EBIT in the second quarter of 2024 set a new record for a single quarter. This positive development was primarily due to improved earnings in the Track Supply subsegment.

The ROCE of the Lifecycle Solutions division increased significantly compared to the first half of 2023 due to the EBIT development. The improvement was slightly weakened by a year-on-year increase in average capital employed. The increase in capital employed is also due to higher average working capital. Value added after six months improved only slightly due to the increase in the weighted average cost of capital.

## Lifecycle Solutions

		H1/2024	Fiscal year 2023	H1/2023
Average working capital	€ mill.	36.6	34.0	32.1
Average working capital intensity	%	20.5	20.8	20.9
Average capital employed	€ mill.	228.1	220.2	216.9

# Workforce

As at June 30, 2024, the Group employed a total of 4,110 people worldwide. This means that the number of employees has risen by 90 people, or 2.2 percent, from 4,020 in the past twelve months.

4,110 employees at the end of June 2024

Workforce	Closing date		Average	
	6/30/2024	6/30/2023	H1/2024	H1/2023
Core Components	1,020	1,057	1,016	1,026
Customized Modules	2,324	2,278	2,322	2,277
Lifecycle Solutions	657	606	649	591
Vossloh AG <sup>1</sup>	109	79	106	78
<b>Group</b>	<b>4,110</b>	<b>4,020</b>	<b>4,093</b>	<b>3,972</b>

<sup>1</sup> Including the employees of Vossloh RailWatch GmbH

The Core Components division recorded a 1.0 percent decrease in the average number of employees in the first half of 2024 compared to the prior-year period. In the Fastening Systems business unit, the workforce increased moderately from 589 employees in 2023 to 597 in the first half of 2024, while the workforce at Vossloh Tie Technologies, the second business unit in the Core Components division, fell from 437 employees in the previous year to 419 in the first half of 2024. In the Customized Modules division, the average number of employees in the first half of 2024 rose slightly by 2.0 percent compared to the previous year, although the previous year's figure still included 58 employees from the Signaling Systems unit, which was sold at the beginning of March. The average number of employees in the Lifecycle Solutions division increased significantly by 9.9 percent, which is primarily due to the positive order situation in Germany.

Of the average total number of employees, 73.7 percent (2023: 72.7 percent) were employed at the European sites. Of the remaining 26.3 percent, 49.5 percent (2023: 48.9 percent) were employed in Asia, 30.8 percent (2023: 28.1 percent) in North America and 19.7 percent (2023: 23.0 percent) in Australia.

## *Forecast, opportunities and risks*

Significant risks and opportunities impacting on the Vossloh Group's expected development are described in the Group management report for the 2023 financial year and continue to apply unchanged. Further risks cannot be ruled out and could have a negative impact on business development. Overall, no risks are identifiable that, individually, in combination or in the aggregate could jeopardize the Group's continued existence.

On March 21, 2024, Vossloh published a detailed forecast for the 2024 financial year with the presentation of the annual report for 2023 (see annual report 2023, page 77 et seq.). The Executive Board continues to forecast sales revenues of between €1,160 billion and €1,260 billion for the current financial year (2023: €1,214 billion). Despite the completion of a number of major new construction projects, which had contributed to exceptionally strong sales growth in 2023, the Executive Board expects sales revenues in the current year to be roughly on a par with the previous year based on the mean value of the corridor due to overall positive market demand. While sales are expected to continue to decline in the Core Components division, Vossloh maintains its forecast of rising sales revenues for the other two divisions.

Vossloh expects further growth in absolute EBIT compared to the previous year. For the current financial year 2024 the Executive Board continues to expect EBIT of between €100 million and €115 million (2023: €98.5 million). Based on the mean value of the sales forecast, this continues to result in an EBIT margin of 8.3 percent to 9.5 percent for 2024. EBIT is expected to be lower than in the previous year for the Core Components division, while a significant year-on-year growth in EBIT and the EBIT margin is expected for the other divisions.

The pre-tax weighted average cost of capital (WACC), which is relevant for internal management was increased by 1.0 percentage points to 9.5 percent for the 2024 financial year compared to the 2023 financial year due to the general interest rate development. Despite the increase in the weighted average cost of capital, Vossloh continues to expect a positive value added of between €7.5 million and €22.5 million (2023: €18.9 million).

# *Condensed interim financial statements of the Vossloh Group as of June 30, 2024*

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## Income statement

€ mill.	H1/2024	H1/2023	Q2/2024	Q2/2023
Sales revenues	560.9	600.6	292.0	344.2
Cost of sales	(410.2)	(453.6)	(209.1)	(254.8)
General administrative and selling expenses	(100.7)	(92.6)	(52.3)	(50.2)
Allowances and write-ups of financial assets	1.3	(1.9)	0.6	(1.3)
Research and development costs	(6.8)	(4.9)	(3.9)	(2.6)
Other operating income	5.8	9.7	2.8	5.8
Other operating expense	(3.9)	(7.7)	(0.3)	(5.3)
<b>Operating result</b>	<b>46.4</b>	<b>49.6</b>	<b>29.8</b>	<b>35.8</b>
Result from investments in companies accounted for using the equity method	3.1	3.3	1.8	2.7
Other financial expense	0.0	(3.6)	0.0	(3.3)
<b>Earnings before interest and taxes (EBIT)</b>	<b>49.5</b>	<b>49.3</b>	<b>31.6</b>	<b>35.2</b>
Interest income	2.0	2.5	0.3	2.0
Interest and similar expense	(8.1)	(10.9)	(3.1)	(5.4)
<b>Earnings before taxes (EBT)</b>	<b>43.4</b>	<b>40.9</b>	<b>28.8</b>	<b>31.8</b>
Income taxes	(3.3)	(12.5)	0.6	(8.2)
<b>Result from continuing operations</b>	<b>40.1</b>	<b>28.4</b>	<b>29.4</b>	<b>23.6</b>
Result from discontinued operations	–	1.0	–	1.0
<b>Net income</b>	<b>40.1</b>	<b>29.4</b>	<b>29.4</b>	<b>24.6</b>
<b>thereof attributable to shareholders of Vossloh AG</b>	<b>34.4</b>	<b>20.2</b>	<b>27.5</b>	<b>18.9</b>
thereof attributable to hybrid capital investors	3.0	3.0	1.5	1.5
thereof attributable to noncontrolling interests	2.7	6.2	0.4	4.2
<b>Earnings per share</b>				
Basic/diluted earnings per share (€)	1.96	1.15	1.57	1.08
thereof attributable to continuing operations	1.96	1.09	1.57	1.02
thereof attributable to discontinued operations	–	0.06	–	0.06

## Statement of comprehensive income

€ mill.	H1/2024	H1/2023	Q2/2024	Q2/2023
<b>Net income</b>	<b>40.1</b>	<b>29.4</b>	<b>29.4</b>	<b>24.6</b>
Changes in fair value of hedging instruments (cash flow hedges)	3.6	(0.7)	1.6	0.1
Currency translation differences	0.8	(7.0)	0.2	(5.4)
Income taxes	(1.1)	0.2	(0.6)	0.0
<b>Amounts that will potentially be transferred to profit or loss in future periods</b>	<b>3.3</b>	<b>(7.5)</b>	<b>1.2</b>	<b>(5.3)</b>
Remeasurement of defined benefit plans	0.0	0.1	0.0	0.1
<b>Amounts that will not be transferred to profit or loss in future periods</b>	<b>0.0</b>	<b>0.1</b>	<b>0.0</b>	<b>0.1</b>
<b>Income and expenses recognized directly in equity</b>	<b>3.3</b>	<b>(7.4)</b>	<b>1.2</b>	<b>(5.2)</b>
<b>Total comprehensive income</b>	<b>43.4</b>	<b>22.0</b>	<b>30.6</b>	<b>19.4</b>
<b>thereof attributable to shareholders of Vossloh AG</b>	<b>37.3</b>	<b>14.9</b>	<b>28.6</b>	<b>15.5</b>
thereof attributable to hybrid capital investors	3.0	3.0	1.5	1.5
thereof attributable to noncontrolling interests	3.1	4.1	0.5	2.4



## Cash flow statement for the period from January 1 to June 30, 2023

€ mill.	H1/2024	H1/2023
<b>Cash flow from operating activities</b>		
Earnings before interest and taxes (EBIT)	49.5	49.3
EBIT from discontinued operations	–	1.0
Amortization/depreciation/impairment losses/reversal of impairment losses of noncurrent assets	26.3	29.4
Change in noncurrent provisions	4.3	2.6
<b>Gross cash flow</b>	<b>80.1</b>	<b>82.3</b>
Noncash change in investments in companies accounted for using the equity method	(3.1)	(3.3)
Other noncash income/expenses, net	(7.6)	3.5
Gains/losses from the disposal of noncurrent assets	0.0	0.0
Income taxes paid	(17.6)	(11.4)
Change in working capital	(24.0)	(2.1)
Changes in other assets/liabilities, net	(15.1)	(9.7)
<b>Cash flow from operating activities</b>	<b>12.7</b>	<b>59.3</b>
<b>Cash flow from investing activities</b>		
Investments in intangible assets and property, plant and equipment	(18.6)	(22.1)
Cash-effective dividends from companies accounted for using the equity method	1.2	0.3
<b>Free cash flow</b>	<b>(4.7)</b>	<b>37.5</b>
Investments in noncurrent financial instruments	(0.3)	0.0
Proceeds from the disposal of intangible assets and property, plant and equipment	0.0	0.6
Payments/proceeds from the purchase/sale of short-term securities	(1.5)	1.3
Proceeds from disposals of noncurrent financial instruments	0.2	0.2
Proceeds from the sale of consolidated companies	10.0	0.0
<b>Cash flow from investing activities</b>	<b>(9.0)</b>	<b>(19.7)</b>
<b>Cash flow from financing activities</b>		
Disbursements to shareholders and noncontrolling interests	(18.6)	(18.6)
Payments to hybrid capital investors	(6.0)	(6.0)
Net financing from short-term loans	(28.7)	(2.4)
Net financing from medium-term and long-term loans	27.5	17.8
Repayments from leases	(6.7)	(6.9)
Interest received	2.0	2.5
Interest paid and similar expenses	(6.3)	(8.5)
<b>Cash flow from financing activities</b>	<b>(36.8)</b>	<b>(22.1)</b>
Net cash inflow/outflow	(33.1)	17.5
Change in cash and cash equivalents from the first-time consolidation of companies	0.0	–
Exchange rate effects	0.2	(2.2)
<b>Opening cash and cash equivalents</b>	<b>62.4</b>	<b>28.9</b>
<b>Closing cash and cash equivalents</b>	<b>29.5</b>	<b>44.2</b>

For more information on the cash flow statement, see page 25 et seq.

## Balance sheet

Assets in € mill.	6/30/2024	12/31/2023	6/30/2023
Intangible assets	349.0	347.5	342.2
Property, plant and equipment	340.0	339.8	320.4
Investment properties	1.0	1.0	1.1
Investments in companies accounted for using the equity method	52.6	51.1	47.7
Other noncurrent financial instruments	10.6	8.6	12.4
Other noncurrent assets	1.4	1.7	1.5
Deferred tax assets	24.7	12.4	17.6
<b>Noncurrent assets</b>	<b>779.3</b>	<b>762.1</b>	<b>742.9</b>
Inventories	266.5	262.9	254.6
Trade receivables	210.6	201.0	240.4
Contract assets	3.7	0.5	3.9
Income tax assets	9.7	8.2	10.2
Other current financial instruments	12.7	11.1	18.1
Other current assets	36.1	31.8	40.0
Short-term securities	2.6	1.1	1.0
Cash and cash equivalents	75.0	99.4	97.4
<b>Current assets</b>	<b>616.9</b>	<b>616.0</b>	<b>665.6</b>
Assets held for sale	0.3	14.6	16.3
<b>Assets</b>	<b>1,396.5</b>	<b>1,392.7</b>	<b>1,424.8</b>
Equity and liabilities in € mill.	6/30/2024	12/31/2023	6/30/2023
Capital stock	49.9	49.9	49.9
Additional paid-in capital	190.4	190.4	190.4
Retained earnings and net income	243.0	228.4	210.4
Hybrid capital	148.3	148.3	148.3
Accumulated other comprehensive income	(2.4)	(6.6)	(3.8)
<b>Equity excluding noncontrolling interests</b>	<b>629.2</b>	<b>610.4</b>	<b>595.2</b>
Noncontrolling interests	31.1	28.1	30.4
<b>Equity</b>	<b>660.3</b>	<b>638.5</b>	<b>625.6</b>
Pension provisions/provisions for other post-employment benefits	23.2	22.9	22.2
Other noncurrent provisions	18.2	21.3	19.6
Noncurrent financial liabilities	187.2	121.6	282.8
Noncurrent trade payables	–	0.5	0.0
Other noncurrent liabilities	4.6	5.9	4.6
Deferred tax liabilities	4.7	2.1	8.6
<b>Noncurrent liabilities</b>	<b>237.9</b>	<b>174.3</b>	<b>337.8</b>
Other current provisions	64.2	67.4	61.7
Current financial liabilities	137.5	198.4	50.3
Current trade payables	169.7	171.4	174.2
Current liabilities from reverse factoring	5.0	–	–
Current income tax liabilities	9.8	12.0	13.3
Other current liabilities	112.1	122.9	152.5
<b>Current liabilities</b>	<b>498.3</b>	<b>572.1</b>	<b>452.0</b>
Liabilities related to assets held for sale	–	7.8	9.4
<b>Equity and liabilities</b>	<b>1,396.5</b>	<b>1,392.7</b>	<b>1,424.8</b>

## Statement of changes in equity

€ mill.	Capital stock	Additional paid-in capital	Retained earnings and net income	Hybrid capital	Accumulated other comprehensive income			Equity excluding non-controlling interests	Noncontrolling interests	Total
					Reserves for currency translation	Reserves for hedging transactions	Reserves for the remeasurement of defined benefit plans			
<b>As of 12/31/22</b>	<b>49.9</b>	<b>190.4</b>	<b>199.0</b>	<b>148.3</b>	<b>(1.1)</b>	<b>2.6</b>	<b>8.8</b>	<b>597.9</b>	<b>27.2</b>	<b>625.1</b>
Transfer to retained earnings			8.8				(8.8)	0.0		0.0
Net income			20.2	3.0				23.2	6.3	29.5
Income and expenses recognized directly in equity after taxes					(4.9)	(0.5)	0.1	(5.3)	(2.1)	(7.4)
Dividend payments			(17.6)					(17.6)	(1.0)	(18.6)
Compensation to hybrid capital investors				(3.0)				(3.0)		(3.0)
<b>As of 6/30/23</b>	<b>49.9</b>	<b>190.4</b>	<b>210.4</b>	<b>148.3</b>	<b>(6.0)</b>	<b>2.1</b>	<b>0.1</b>	<b>595.2</b>	<b>30.4</b>	<b>625.6</b>
Other effects			(0.5)		0.0	0.0		(0.5)	0.0	(0.5)
Net income			18.5	3.0				21.5	4.3	25.8
Income and expenses recognized directly in equity after taxes					0.8	(2.4)	(1.2)	(2.8)	0.0	(2.8)
Dividend payments			0.0					0.0	(6.6)	(6.6)
Compensation to hybrid capital investors				(3.0)				(3.0)		(3.0)
<b>As of 12/31/23</b>	<b>49.9</b>	<b>190.4</b>	<b>228.4</b>	<b>148.3</b>	<b>(5.2)</b>	<b>(0.3)</b>	<b>(1.1)</b>	<b>610.4</b>	<b>28.1</b>	<b>638.5</b>
Transfer to retained earnings			(1.1)				1.1	0.0		0.0
Change in the scope of consolidation			(0.2)		0.2			0.0		0.0
Net income			34.4	3.0				37.4	2.7	40.1
Income and expenses recognized directly in equity after taxes					0.4	2.5		2.9	0.4	3.3
Dividend payments			(18.5)					(18.5)	(0.1)	(18.6)
Compensation to hybrid capital investors				(3.0)				(3.0)		(3.0)
<b>As of 6/30/24</b>	<b>49.9</b>	<b>190.4</b>	<b>243.0</b>	<b>148.3</b>	<b>-4.6</b>	<b>2.2</b>	<b>0.0</b>	<b>629.2</b>	<b>31.1</b>	<b>660.3</b>

# Explanatory notes

## Segment information by division and business unit\*

			Vossloh Fastening Systems	Vossloh Tie Technologies	Consolidation	
Value added	H1/2024	€ mill.	13.5	4.7	0.2	
	H1/2023	€ mill.	21.2	(1.3)	(0.6)	
	Q2/2024	€ mill.	4.4	3.6	0.2	
	Q2/2023	€ mill.	13.8	1.2	(0.7)	
<b>Information from income statement/flow figures</b>						
External sales revenues	H1/2024	€ mill.	120.8	91.5	–	
	H1/2023	€ mill.	161.2	91.3	–	
	Q2/2024	€ mill.	52.0	46.3	–	
	Q2/2023	€ mill.	94.7	50.0	–	
Internal sales revenues	H1/2024	€ mill.	13.0	0.5	(8.6)	
	H1/2023	€ mill.	24.9	0.8	(14.4)	
	Q2/2024	€ mill.	7.4	0.2	(4.5)	
	Q2/2023	€ mill.	12.2	0.4	(8.6)	
Depreciation/amortization	H1/2024	€ mill.	5.3	5.3	0.0	
	H1/2023	€ mill.	5.1	5.7	0.0	
	Q2/2024	€ mill.	2.7	2.6	0.0	
	Q2/2023	€ mill.	2.5	2.8	0.0	
Investments in noncurrent assets	H1/2024	€ mill.	3.0	3.9	0.0	
	H1/2023	€ mill.	4.8	2.7	0.0	
	Q2/2024	€ mill.	1.8	2.2	0.0	
	Q2/2023	€ mill.	3.2	1.0	0.0	
Result from investments in companies accounted for using the equity method	H1/2024	€ mill.	0.0	–	–	
	H1/2023	€ mill.	(0.1)	0.0	0.0	
	Q2/2024	€ mill.	0.0	–	–	
	Q2/2023	€ mill.	(0.1)	0.0	0.0	
Result from discontinued operations	H1/2024	€ mill.	–	–	–	
	H1/2023	€ mill.	–	–	–	
	Q2/2024	€ mill.	–	–	–	
	Q2/2023	€ mill.	–	–	–	
Impairment losses	H1/2024	€ mill.	0.0	0.0	0.0	
	H1/2023	€ mill.	2.2	0.0	0.0	
	Q2/2024	€ mill.	0.0	0.0	0.0	
	Q2/2023	€ mill.	2.2	0.0	0.0	
<b>Information from the balance sheet</b>						
Total assets	6/30/2024	€ mill.	282.5	198.7	(2.3)	
	6/30/2023	€ mill.	323.7	220.5	(6.4)	
Liabilities	6/30/2024	€ mill.	125.6	40.0	(1.8)	
	6/30/2023	€ mill.	167.5	61.4	(5.7)	
Investments in companies accounted for using the equity method	6/30/2024	€ mill.	1.5	–	–	
	6/30/2023	€ mill.	1.2	0.0	0.0	
Average headcount of the reporting period	H1/2024	Number	597	419	–	
	H1/2023	Number	589	437	–	

\* For more segment information, see page 26 et seq.

	Core Components	Customized Modules (Vossloh Switch Systems)	Lifecycle Solutions (Vossloh Rail Services)	Holding companies	Consolidation/result from discontinued operations	Group
	18.4	3.3	(3.6)	(15.4)	0.9	3.6
	19.3	5.9	(5.1)	(11.8)	1.0	9.3
	8.2	4.7	3.9	(6.9)	(1.4)	8.5
	14.3	6.7	0.4	(6.8)	0.7	15.3
	212.3	262.3	86.1	0.2	–	560.9
	252.5	274.5	73.5	0.0	–	600.5
	98.3	139.0	54.6	0.1	–	292.0
	144.7	155.5	43.9	0.0	–	344.1
	4.9	1.5	3.0	0.0	(9.4)	0.0
	11.3	2.3	3.4	0.0	(16.9)	0.1
	3.1	0.4	1.7	0.0	(5.2)	0.0
	4.0	1.1	1.6	0.0	(6.6)	0.1
	10.6	7.9	7.5	0.3	0.0	26.3
	10.8	7.5	6.8	0.2	0.0	25.3
	5.3	3.9	3.8	0.1	0.0	13.1
	5.3	3.7	3.5	0.2	0.0	12.7
	6.9	8.8	8.0	1.8	0.0	25.5
	7.5	6.8	5.6	1.7	0.0	21.6
	4.0	6.3	3.7	1.1	0.0	15.1
	4.2	3.7	3.3	1.1	0.0	12.3
	0.0	2.1	1.0	–	–	3.1
	(0.1)	2.8	0.6	0.0	0.0	3.3
	0.0	1.2	0.6	–	–	1.8
	(0.1)	1.9	0.9	0.0	0.0	2.7
	–	–	–	–	–	–
	–	–	–	–	1.0	1.0
	–	–	–	–	–	–
	–	–	–	–	1.0	1.0
	0.0	(0.4)	0.0	0.0	0.0	(0.4)
	2.2	1.7	0.0	0.0	0.0	3.9
	0.0	(0.4)	0.0	0.0	0.0	(0.4)
	2.2	1.4	0.0	0.0	0.0	3.6
	478.9	639.4	281.2	1,290.0	(1,293.0)	1,396.5
	537.8	636.8	271.9	1,197.1	(1,218.8)	1,424.8
	163.8	383.2	245.8	433.1	(489.7)	736.2
	223.2	361.8	236.1	422.3	(453.6)	789.8
	1.5	37.0	14.1	–	–	52.6
	1.2	32.8	13.7	0.0	0.0	47.7
	1,016	2,322	649	106	–	4,093
	1,026	2,277	591	78	–	3,972

**Company information** Vossloh AG is a listed company headquartered in Werdohl, Germany. The company is registered in the commercial register of the Iserlohn Local Court under HRB 5292. The Vossloh Group's main business activities are the development, manufacture and sale of rail infrastructure products and the provision of rail-related services particularly in the areas of rails and switches.

**Accounting principles** The interim financial statements of the Vossloh Group as of June 30, 2024, have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU. New or amended rules in IFRS 7, IFRS 16, IAS 1 and IAS 7 were applicable for the first time in financial year 2024. This did not have a material effect on the interim financial statements. Apart from this, the accounting and valuation methods used in the preparation of the interim report correspond to those used in the consolidated financial statements as at December 31, 2023, taking into account International Accounting Standard (IAS) 34 „Interim Financial Reporting“ and German Accounting Standard (GAS) 16 „Half-Year Financial Reporting“.

The preparation of the interim report requires management to make a number of assumptions and estimates. This may result in differences between the figures reported in the interim report and the actual future figures.

The Vossloh Group's business activities are, to some extent, subject to seasonal effects; usually, the second quarter shows a stronger business performance compared to the first quarter. The calculation of income taxes for German companies is based on a tax rate of 31.98 percent. The calculation of income taxes for foreign companies is based on the respective national tax rates. The prior year's figures generally relate to the first half of 2023 or June 30, 2023, unless otherwise stated.

**Assets and liabilities classified as held for sale and discontinued operations** Income and expenses from discontinued operations in the reporting period and in the comparative period resulted solely from the subsequent effects of earlier disposals of business units.

The following table shows a breakdown of the result from discontinued operations included in the income statement:

€ mill.	H1/2024	H1/2023	Q2/2024	Q2/2023
Subsequent effects from former business units	–	1.0	–	1.0
<b>Result from discontinued operations</b>	<b>–</b>	<b>1.0</b>	<b>–</b>	<b>1.0</b>
thereof attributable to shareholders of Vossloh AG	–	1.0	–	1.0
thereof attributable to noncontrolling interests	–	–	–	–

The items reported in the balance sheet in previous periods under „Assets held for sale“ and „Liabilities associated with assets held for sale“ related to an activity in the Switch Systems business unit, which was classified as a disposal group in accordance with IFRS 5 and has since been sold.

The scope of consolidation has not changed significantly compared with the balance sheet date as of December 31, 2023. While a company in Australia belonging to the Rail Services business unit, which was founded in December 2023, was included in the scope of consolidation as at January 1, 2024, a French company in the Switch Systems business unit was liquidated during the period under review.

Scope of consolidation

As of June 30, 2024, Vossloh AG and 53 companies (June 30, 2023: 52), including ten German companies (2023: nine), were fully consolidated in the interim consolidated financial statements. As in the previous year, seven investments in associated companies and joint ventures were accounted for using the equity method, including as in the previous year, one German company.

€ mill.	H1/2024	H1/2023	Q2/2024	Q2/2023
<b>Sales of products</b>				
Vossloh Fastening Systems	133.8	186.1	59.4	106.9
Vossloh Tie Technologies	92.0	92.1	46.5	50.4
Consolidation	(8.6)	(14.4)	(4.5)	(8.6)
Core Components	217.2	263.8	101.4	148.7
Customized Modules	263.0	276.6	139.4	156.9
Lifecycle Solutions	13.6	28.3	8.7	22.9
Consolidation	(9.4)	(16.9)	(5.2)	(6.6)
<b>Group</b>	<b>484.4</b>	<b>551.8</b>	<b>244.3</b>	<b>321.9</b>
<b>Sales revenues from rendering services</b>				
Lifecycle Solutions	75.5	48.6	47.6	22.6
Consolidation	0.2	–	0.1	–
<b>Group</b>	<b>75.7</b>	<b>48.6</b>	<b>47.7</b>	<b>22.6</b>
<b>Sales revenues from customer-specific manufacturing</b>				
Customized Modules	0.8	0.2	0.0	(0.3)
<b>Group</b>	<b>0.8</b>	<b>0.2</b>	<b>0.0</b>	<b>(0.3)</b>
<b>Total Group sales across all activities</b>	<b>560.9</b>	<b>600.6</b>	<b>292.0</b>	<b>344.2</b>
<b>Sales revenues by division and business unit</b>				
Vossloh Fastening Systems	133.8	186.1	59.4	106.9
Vossloh Tie Technologies	92.0	92.1	46.5	50.4
Consolidation	(8.6)	(14.4)	(4.5)	(8.6)
Core Components	217.2	263.8	101.4	148.7
Customized Modules	263.8	276.8	139.4	156.6
Lifecycle Solutions	89.1	76.9	56.3	45.5
Consolidation	(9.2)	(16.9)	(5.1)	(6.6)
<b>Group</b>	<b>560.9</b>	<b>600.6</b>	<b>292.0</b>	<b>344.2</b>

Sales revenues

The „Consolidation“ line item also includes the sales revenues of Vossloh RailWatch GmbH, which is not allocated to a business unit.

Compared to June 30, 2023, Vossloh AG's share capital has not changed since and continues to amount to €49,857,682.23, divided into 17,564,180 shares. All of these are in circulation outside the company. The average number of shares outstanding in the first half of 2024 therefore also amounted to 17,564,180 (2023: 17,564,180).

Equity

## Earnings per share

		H1/2024	H1/2023
Weighted average of shares outstanding	Number	17,564,180	17,564,180
Net income attributable to Vossloh AG shareholders	€ mill.	34.4	20.2
<b>Basic/diluted earnings per share</b>	€	<b>1.96</b>	<b>1.15</b>
thereof attributable to continuing operations	€	1.96	1.09
thereof attributable to discontinued operations	€	–	0.06

## Additional disclosures on investments in companies accounted for using the equity method (joint ventures and associated companies)

€ mill.	H1/2024	H1/2023	Q2/2024	Q2/2023
Result from continuing operations	3.1	3.3	1.8	2.7
Income and expenses recognized directly in equity	0.2	(2.0)	0.0	(1.6)
<b>Total comprehensive income</b>	<b>3.3</b>	<b>1.3</b>	<b>1.8</b>	<b>1.1</b>

## Other financial expenses

Other financial expenses in the income statement in the previous year mainly include impairment losses on joint ventures accounted for using the equity method.

## Reverse factoring

In June 2024, agreements to improve working capital were implemented for the first time, by means of which a significant extension of the payment terms of supplier liabilities is achieved through an external partner („reverse factoring“). Two domestic and one foreign Group company are participating in this program; the maximum value of supplier liabilities included in the program at any one time is €30 million. As at the balance sheet date, there were liabilities to the external partner in the amount of €5.0 million, which were recognized in the new „Liabilities from reverse factoring“ balance sheet line item.

## Additional disclosures on financial instruments

The following table shows the allocation of financial assets and liabilities measured at fair value to the measurement hierarchy of IFRS 7 and IFRS 13 (fair value hierarchy). There were no reclassifications between the various levels of the fair value hierarchy in either the financial year or the previous year. The hierarchy levels are based on the factors used to determine the fair values. At level 1, the price is taken unchanged from identical assets and liabilities that are traded on an active market. Level 2 uses valuation factors that can at least be derived from observable market data for the financial asset or financial liability in question. No observable market data is available at level 3, so that a valuation must be carried out using valuation models.

Allocation to the levels of the fair value hierarchy (no allocation was made to levels 1 and 3)

€ mill.	Derived from market prices (Level 2)	
	6/30/2024	12/31/2023
Financial assets measured at fair value	4.9	6.0
Financial liabilities measured at fair value	1.8	2.2
<b>Total</b>	<b>6.7</b>	<b>8.2</b>

The following tables show the carrying amounts of the financial instruments, the breakdown by measurement category and the disclosure of fair values required by IFRS 9, and their measurement sources by class in accordance with IFRS 7. Derivatives from hedging relationships are also included, although they do not belong to an IFRS 9 measurement category.



Carrying amounts, measurement categories and fair values as of June 30, 2024

€ mill.	IFRS 9 carrying amounts according to balance sheet 6/30/2024	Measurement categories pursuant to IFRS 9			Fair values 6/30/2024
		Amortized cost	Fair value through OCI (FVOCI)	Fair value through profit or loss (FVTPL)	
Trade receivables	210.6	210.6	–	–	210.6
Securities	2.6	2.6	–	–	2.6
Other financial instruments and other assets	23.0	18.1	4.6	0.3	23.0
Cash and cash equivalents	75.0	75.0	–	–	75.0
<b>Total financial assets</b>	<b>311.2</b>	<b>306.3</b>	<b>4.6</b>	<b>0.3</b>	<b>311.2</b>
Financial liabilities	288.3	288.3	–	–	284.8
Trade payables	169.7	169.7	–	–	169.7
Liabilities from reverse factoring	5.0	5.0	–	–	5.0
Other liabilities	94.1	92.3	0.3	1.5	94.1
<b>Total financial liabilities</b>	<b>557.1</b>	<b>555.3</b>	<b>0.3</b>	<b>1.5</b>	<b>557.1</b>

Carrying amounts, measurement categories and fair values as of December 31, 2023

€ mill.	IFRS 9 carrying amounts according to balance sheet 12/31/2023	Measurement categories pursuant to IFRS 9			Fair values 12/31/2023
		Amortized cost	Fair value through OCI (FVOCI)	Fair value through profit or loss (FVTPL)	
Trade receivables	201.0	201.0	–	–	201.0
Securities	1.1	1.1	–	0.0	1.1
Other financial instruments and other assets	19.5	13.6	2.6	3.3	19.5
Cash and cash equivalents	99.4	99.3	–	0.1	99.4
<b>Total financial assets</b>	<b>321.0</b>	<b>315.0</b>	<b>2.6</b>	<b>3.4</b>	<b>321.0</b>
Financial liabilities	283.4	283.4	–	–	278.5
Trade payables	171.9	171.9	–	–	171.9
Other liabilities	106.8	104.6	2.1	0.1	106.8
<b>Total financial liabilities</b>	<b>562.1</b>	<b>559.9</b>	<b>2.1</b>	<b>0.1</b>	<b>557.2</b>

Trade receivables, cash and cash equivalents and other receivables and assets predominantly have short remaining terms. Their carrying amounts as at the half-year reporting date therefore approximate their fair value.

Trade payables, liabilities from reverse factoring and other liabilities also generally have short remaining terms. Their carrying amounts therefore approximate their fair value. The fair values of noncurrent financial liabilities are determined by discounting the expected future interest and principal payments from these liabilities on the basis of current market interest rates.

The cash flow statement shows the changes in cash and cash equivalents and current account liabilities within the Vossloh Group. Cash and cash equivalents comprise checks, cash on hand and bank balances. Cash equivalents comprise financial instruments with a maximum term of three months that can be converted into cash at any time. Short-term current account liabilities result from debit balances of current bank balances and sub-lines under the loan agreement, which is due, in principle, in February 2029, and are included in cash and cash equivalents. In the balance sheet, these sub-lines are reported under noncurrent financial liabilities as part of the drawdowns under the aforementioned loan agreement. In addition to the cash and cash equivalents reported in the balance sheet in the amount of €75.0 million (2023: €97.4 million), cash and cash equivalents also include current account liabilities in the amount of €45.4 million (2023: €53.5 million). In addition, cash and cash equivalents amounting to €0.3 million were included in disposal groups in the previous year and were reported under „Assets held for sale“ in accordance with IFRS 5.

[Cash flow statement](#)

The syndicated loan from 2017, most recently amounting to €230 million with a term until November 2024, was refinanced early in February 2024 with the conclusion of a new syndicated loan for €240 million. The new financing agreement was concluded with a total of eight banks as part of a club deal with a minimum term of five years. For the first time, it includes a sustainability component: the margin amount is linked to the conformity rate of sales revenues pursuant to the EU Taxonomy Regulation.

The line item „Net financing from short-term loans“ for the reporting year includes the repayment of drawdown under the syndicated loan in the amount of €20.0 million and a repayment at a Chinese subsidiary in the amount of €8.8 million.

The line item „Net financing from medium and long-term loans“ for the reporting year includes a new loan of €30.0 million taken out under the syndicated loan and individual repayments at various subsidiaries totaling €2.0 million.

The cash flow statement was prepared in accordance with IAS 7 and breaks down changes in cash and cash equivalents into cash flows from operating, investing and financing activities. The cash flow from operating activities is determined using the indirect method.

The figures in the cash flow statement relate to the entire Group, including the effects from discontinued operations. Of the total figures, €0.0 million (2023: €1.0 million) in gross cash flow was attributable to discontinued operations.

**Segment information** The primary reporting format for segment reporting is based on the internal organizational and reporting structure. This differentiates between the products and services offered by the Vossloh Group's various business units. In addition to the divisions, the individual business units are also presented separately. The segment structure has not changed compared to the previous year in the three divisions of the core business.

The Core Components division comprises the Group's range of industrially manufactured series products that are required in large quantities for rail infrastructure projects. The division includes the Fastening Systems and Tie Technologies business units. Vossloh Fastening Systems is a leading supplier of rail fastening systems. Its product range includes rail fasteners for all applications, from regional transportation to heavy-haul and high-speed lines. Vossloh Tie Technologies is the leading manufacturer of concrete ties in North America and Australia.

Vossloh Switch Systems, the sole business unit in the Customized Modules division, is one of the world's leading switch manufacturers. The business unit equips rail networks with switches and associated control and monitoring systems and installs and maintains these systems. Here too, the range of applications extends from light rail to high-speed lines.

Vossloh Rail Services, the sole business unit of the Lifecycle Solutions division, is active in the areas of rail trading, long rail loading services on construction sites, welding services for new rails, reconditioning of old rails, on-site welding, rail replacement, rail grinding/milling, rail testing and construction site supervision. It also organizes and monitors just-in-time rail transports to construction sites and ensures on-time provision of approved loading systems.

Consolidation includes the elimination of intersegment transactions. This mainly involves the offsetting of intercompany expenses and income, the elimination of intercompany income from dividends and the offsetting of intercompany receivables and liabilities. The consolidation column at the highest Group level contains the necessary eliminations from transactions between companies in different divisions. In addition, Vossloh AG, which is not allocated to any segment, and other holding companies are shown in a separate column in order to reconcile them to the consolidated figures for the Group as a whole.

The accounting policies applied are identical for all segments and comply with the IFRS applicable in the EU. Transactions between the individual segments are conducted at arm's length.

The following table shows the reconciliation of the value added by the Group as a whole, as reported in the segment information, to the earnings before taxes (EBT) reported in the income statement:

Reconciliation of value added to EBT				
€ mill.	H1/2024	H1/2023	Q2/2024	Q2/2023
Value added	3.6	9.3	8.5	15.3
Cost of capital on capital required for operations (WACC H1/2024: 9.5%; H1/2023: 8.5%)	45.9	40.0	23.1	19.9
<b>EBIT</b>	<b>49.5</b>	<b>49.3</b>	<b>31.6</b>	<b>35.2</b>
Net interest result	(6.1)	(8.4)	(2.8)	(3.4)
<b>EBT</b>	<b>43.4</b>	<b>40.9</b>	<b>28.8</b>	<b>31.8</b>

The companies of the Vossloh Group included in the scope of consolidation conduct business transactions with nonconsolidated companies, joint ventures and associated companies of the Vossloh Group within the course of their ordinary business activities. In addition, transactions were conducted with companies of the Knorr-Bremse Group; these are to be regarded as related parties due to the majority shareholdings of KB Holding GmbH in both Vossloh AG and Knorr-Bremse AG. Transactions with companies of the Knorr-Bremse Group took place only to an insignificant extent in the reporting period and were conducted at arm's length. The following table shows the income and expenses as well as receivables and liabilities from transactions with related parties recognized in the consolidated financial statements. These mainly consist of transactions with nonconsolidated subsidiaries. There were no transactions with related persons in the reporting period.

Relationships with related companies and persons

€ mill.	H1/2024/ 6/30/2024	H1/2023/ 6/30/2023
<b>Sale or purchase of goods</b>		
Sales revenues from the sale of finished goods and WIP	3.1	2.8
Cost of materials from the purchase of finished goods and WIP	13.2	8.6
Trade receivables	0.6	2.8
Trade payables	4.6	4.4
<b>Sale or purchase of other assets</b>		
Income from the sale of other assets	0.0	0.0
Expenses from the purchase of other assets	0.1	0.5
Receivables from the sale of other assets	0.0	0.6
Liabilities from the purchase of other assets	0.0	0.0
<b>Services rendered or received</b>		
Income from services rendered	0.3	0.4
Expenses for services received	0.3	0.2
<b>Licenses</b>		
License income	0.0	0.0
License expenses	0.3	0.7
<b>Financing</b>		
Receivables on financial loans granted	0.2	0.1
Liabilities from financing loans received	0.4	0.2
<b>Provision of guarantees and collateral</b>		
Provision of guarantees	4.8	0.7

**Contingent liabilities** Contingent liabilities decreased by €2.6 million compared to June 30, 2023, from €30.7 million to €28.1 million. Of this, €23.0 million is attributable to contingent liabilities for the financial year ended May 31, 2020. The contingent liabilities for the former Locomotives business unit, which was sold as of January 31, 2017, and an unchanged €0.3 million for the former Electrical Systems business unit, which was sold as of January 31, 2017. Vossloh AG has received an irrevocable and unconditional guarantee from a first-class bank on first demand for the remaining contingent liabilities for the former Locomotives business unit. The remaining liability for the former Electrical Systems business unit is reinsured by an irrevocable and unconditional guarantee from Knorr-Bremse AG. The contingent liabilities result in the amount of €0.5 million (2023: €1.2 million) from guarantees. These relate entirely to the former business units; in the previous year, €0.7 million was attributable to nonconsolidated affiliated companies. €27.6 million (2023: €29.5 million) of the contingent liabilities are attributable to letters of comfort. Of this amount, €22.8 million (2023: €24.6 million) is attributable to the former business units and €4.8 million (2023: €4.9 million) to nonconsolidated affiliated companies. The risk of a claim is not considered likely for any of the contingent liabilities listed.

**Events after the balance sheet date** In July, a new loan agreement was concluded with four banks to refinance the promissory note loans of €90 million maturing this month.

On July 1, 2024, Scandinavian Track Group AB (STG) in Sweden was acquired by Vossloh Rail Services Scandinavia AB. The provisional purchase price for 100 percent of the shares is SEK 37.2 million, which corresponds to €3.2 million including hedging. The companies are active in the field of rail-related services (provision of equipment and operating crews for track work as well as independent assessment and consulting activities). The acquisition significantly expands Vossloh Rail Services' portfolio in the important Scandinavian rail market. Further information on the significant fair values acquired and any resulting goodwill is not yet available.

In addition, France Aiguillages Services (FAS) in France was acquired in July and is also part of the Rail Services business unit. FAS offers a comprehensive portfolio of services relating to switches and switch signaling systems. The purchase price for 100 percent of the shares amounts to €3.0 million. In this case too, no further information is currently available on the assets and liabilities acquired or on any goodwill that may arise.

Werdohl, July 24, 2024

Vossloh AG  
The Executive Board

Oliver Schuster, Dr. Thomas Triska, Jan Furnivall

## Responsibility Statement

We confirm to the best of our knowledge, and in accordance with the applicable reporting principles for interim financial reporting, that the interim consolidated financial statements give a true and fair view of the net assets, financial position and results of operations of the Group, and the interim Group management report includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group for the remaining months of the financial year.

Werdohl, July 24, 2024

Vossloh AG  
The Executive Board

Oliver Schuster, Dr. Thomas Triska, Jan Furnivall

# Review report

To Vossloh Aktiengesellschaft, Werdohl/Germany

We have reviewed the condensed interim consolidated financial statements, which comprise the income statement and the statement of comprehensive income, the cash flow statement, the balance sheet, the statement of changes in equity as well as selected explanatory notes to the financial statements, and the interim group management report of Vossloh Aktiengesellschaft, Werdohl/Germany, for the period from 1 January to 30 June 2024, that are part of the half-year financial report under Section 115 German Securities Trading Act (WpHG). The preparation of the condensed interim consolidated financial statements in accordance with the International Financial Reporting Standards (IFRS) applicable to interim financial reporting as adopted by the EU and of the interim group management report in accordance with the requirements of the WpHG applicable to interim group management reports is the responsibility of the executive directors of the Company. Our responsibility is to issue a review report on the condensed interim consolidated financial statements and on the interim group management report based on our review.

We conducted our review of the condensed interim consolidated financial statements and of the interim group management report in compliance with the German Generally Accepted Standards for Reviews of Financial Statements promulgated by the Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany, IDW). Those standards require that we plan and perform the review to obtain a certain level of assurance to preclude through critical evaluation that the condensed interim consolidated financial statements have not been prepared, in material respects, in accordance with the IFRS applicable to interim financial reporting as adopted by the EU, or that the interim group management report has not been prepared, in material respects, in accordance with the requirements of the WpHG applicable to interim group management reports. A review is limited primarily to inquiries of company personnel and to analytical procedures applied to financial data and thus provides less assurance than an audit. Since, in accordance with our engagement, we have not performed an audit, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the condensed interim consolidated financial statements of Vossloh Aktiengesellschaft, Werdohl/Germany, have not been prepared, in material respects, in accordance with the IFRS applicable to interim financial reporting as adopted by the EU or that the interim group management report has not been prepared, in material respects, in accordance with the requirements of the WpHG applicable to interim group management reports.

Düsseldorf/Germany, 24 July 2024

## **Deloitte GmbH**

Wirtschaftsprüfungsgesellschaft

Nicole Meyer  
Wirtschaftsprüferin  
(German Public Auditor)

Christian Siepe  
Wirtschaftsprüfer  
(German Public Auditor)



## Financial calendar 2024

Publication of quarterly statement

as of September 30, 2024

October 31, 2024

For further dates, go to [www.vossloh.com](http://www.vossloh.com)

## Financial calendar 2025

Publication of consolidated financial statements 2024 March 2025

Press conference March 2025

Investor and analyst conference March 2025

Annual General Meeting May 2025

## Investor Relations

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## Vossloh AG's Board Members

Executive Board	Oliver Schuster (CEO) Dr. Thomas Triska Jan Furnivall
Supervisory Board	Prof. Dr. Rüdiger Grube, Chairman, Managing Partner of Rüdiger Grube International Business Leadership GmbH, Hamburg Ulrich M. Harnacke, Deputy Chairman, Auditor, Tax Advisor and Management Consultant, Mönchengladbach Dr. Roland Bosch, Managing Director of WOLFF & MÜLLER Holding GmbH & Co. KG, Königstein/Taunus Martin Klaes, Plant Fitter, Werdohl Marcel Knüpfer, Technical Manager and Shift Leader, Zwenkau Dr. Bettina Volkens, Independent Advisor and member of numerous Supervisory Boards, Königstein/Taunus

## Information on the Vossloh share

ISIN	DE0007667107
Trading locations	Xetra, Tradegate, Frankfurt, Düsseldorf, Berlin, Hanover, Hamburg, Stuttgart, Munich
Number of shares outstanding on June 30, 2024	17,564,180
Share price (6/30/24)	€46.80
High price/low price (January to June 2024)	€49.80/€45.75
Reuters code	VOSG.DE
Bloomberg code	VOS:GR