

HALF-YEAR REPORT

2025

Steyr Motors AG develops and produces high-performance diesel engines with the highest power density and durability for heavy-duty vehicles and boats. Steyr Motors also produces generator sets, as well as engine-optimised software solutions with digital networking.

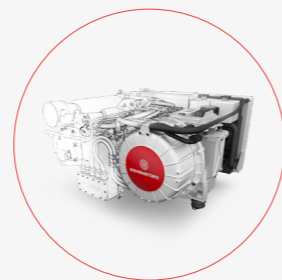
Steyr Motors supports its discerning customers throughout the entire product life cycle with long-lasting original components and service know-how derived directly from development and production.



Marine Engines



Vehicle Engines



**Service,
Parts & Competences**

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Julian Cassutti
CEO

DEAR SHAREHOLDERS, LADIES AND GENTLEMEN,

For Steyr Motors AG, the first half of 2025 was characterized by significant operational progress, the solid business performance of our core Defense and Civil segments and a further successful step on the capital market with the secondary listing on the Vienna Stock Exchange.

With the inclusion in the Vienna Stock Exchange's "direct market plus" segment in February 2025 following the IPO in Frankfurt in October 2024, we have not only enhanced our Company's visibility but also reached an important milestone in our capital market strategy. The favorable response to our first annual general meeting after our stock market debut, at which a dividend distribution of EUR 0.55 per share was approved, underscores the confidence that our shareholders have in the course we have adopted.

In operational terms, we were able to increase revenues by 17.1% to EUR 23.1 million in the first half of 2025 in line with our budget. In order to secure our strong international competitive position in high-performance engines and at the same time maintain our capacity to handle the large order backlog, we expanded our workforce selectively in the first half of the year. The resultant increase in personnel expenses and the higher cost of materials are reflected in the EBIT margin of 14.8%. In addition, high-margin engineering revenues with a key customer will not be recognized until the second half of the year, and this will boost profitability as the year progresses. Having successfully scaled up our capacity, we are well positioned to accelerate the planned growth in momentum in the second half of the year and beyond.

Particularly noteworthy is the very strong growth in our incoming orders, which rose sharply over the previous year. This is due, among other things, to new strategic framework agreements with renowned partners such as Rheinmetall Landsysteme GmbH (Germany), Laborde Products Inc. (United States), Ghatge Patil Industries (India) and new customers in Latin America and Asia. These framework agreements underscore the international relevance of our technology for both civilian and defense-related applications, confirming the effectiveness of our global business development strategy.

This is also reflected in our order books. Our order base has widened to a value of more than EUR 300 million until 2030, providing a strong foundation for sustainable and profitable growth. We also have extremely high forward visibility with respect to incoming orders and see additional opportunities with existing customers in view of detailed discussions about increasing unit numbers, such as recently in Germany, where the Federal Ministry of Defense is considering the purchase of around 2,500 armored vehicles and roughly 1,000 Leopard 2 battle tanks under an EU initiative to establish a new NATO brigade. The potential orders that this may yield

are not yet included in our order backlog or our forecasts. However, we believe that they offer further revenue potential of just under EUR 100 million and show what can be expected at an international level as the ongoing defense initiatives continue. The heavy geopolitical uncertainty has led to a global increase in demand in defense business, particularly in Europe, the United States and especially in India.

We have significantly expanded our presence in Asia by opening an office in Jakarta and by establishing new sales channels in China, Taiwan, Vietnam and Indonesia, with the result that, in addition to our defense business, our civilian activities are also experiencing strong demand. As well as this, we are actively exploring acquisition opportunities, particularly in Europe and Asia, in order to expand our portfolio and enlarge our market footprint in a targeted manner. The potential expansion of the Company's market presence also includes the launch of a feasibility study, which, among other things, is examining the establishment of local production in the ASEAN region in conjunction with an existing local partner. The aim is to make even better use of the opportunities arising from the growing demand in the ASEAN region and to tap into additional revenue opportunities. Specifically, we see potential for manufacturing and selling up to 3,000 engines a year in the region. This revenue potential, which is not yet included in the order backlog, will add a further EUR 100 million by 2030.

Despite the growing demand and the operational challenges arising from the high pace of growth that we are currently experiencing, our team has been enhancing our corporate structures efficiently. Thus, in the first half of 2025, we increased the number of employees from around 115 to roughly 135, with a particular focus on reinforcing engineering and sales functions. We are also making consistent technological progress: We are preparing several new products in the medium to long term and will be presenting these to the public in the coming months to complement our forward-looking product portfolio and to tap into new market segments. We are optimally positioned strategically, product-wise and in terms of revenues to generate growth in the civilian sector, but above all to benefit to the maximum from the upcoming super-cycle in security and defense spending. We are prepared for this both at the operational level and in terms of capacity and are therefore confident with regard to the near and distant future. Looking forward to 2025, we confirm our ambitious full-year targets of revenue growth of at least 40% compared to 2024 and an EBIT margin of above 20%, and believe Steyr Motors is only at the beginning of a sustainable growth phase.

We would like to thank all employees, customers, business partners and investors for their trust and strong support. With its clear strategic orientation and solid structures, Steyr Motors is well positioned to successfully embark on the next steps of its growth trajectory. We invite you to continue accompanying us on this journey.

Yours sincerely,



Julian Cassutti
CEO, Steyr Motors AG

STEYR MOTORS ON THE CAPITAL MARKET

- Greater capital market interest following secondary listing on the Vienna Stock Exchange’s “direct market plus”
- Anchor shareholder B&C Holding Österreich GmbH increases its stake in Steyr Motors
- Dividend of EUR 0.55 per share distributed

First half of the year characterized by nervousness in the capital markets

The international capital markets felt the effects of heavy volatility and geopolitical uncertainty in the first half of 2025, particularly as a result of trade policy decisions in the United States, significant currency movements and geopolitical tensions in the Middle East.

On April 2, 2025, the US President unexpectedly announced a unilateral realignment of free trade with the imposition of new tariffs on all international trading partners, especially China and Europe, in what was referred to as “Liberation Day”. The market response was swift, with the DAX shedding around 12.7% of its value within a few days and hitting a temporary low of around 19,671 points on April 9. The subsequent announcement of a 90-day negotiation phase regarding tariffs triggered a rapid market recovery. By June 30, 2025, the DAX had rebounded sharply, closing the first half of the year at around 23,910 points, an increase of roughly 20%. The DAX share price index, which does not include dividends, recorded an increase of around 17%.

Developments in the United States were similarly volatile: The S&P 500 initially fell to around 4,814 points at the beginning of April, but recovered quickly, reaching a new all-time high of roughly 6,214 points at the end of the quarter. Gains of around 11% in the second quarter and of around 5% in the first half of the year as a whole were recorded in US dollar terms. From the perspective of euro investors, however, equity performance was heavily affected by the pronounced weakness of the dollar, which declined by around 14% against the euro in the first half of the year, causing US equity investments to lose significant value for European investors. Thus, the S&P 500 fell by around 9% in euro terms.

With regard to monetary policy, the US Federal Reserve maintained a corridor of 4.25–4.50% for its key interest rates, while the ECB lowered its rates four times over the course of the first half of the year to 2.00%, thus adopting a more expansionary monetary policy stance.

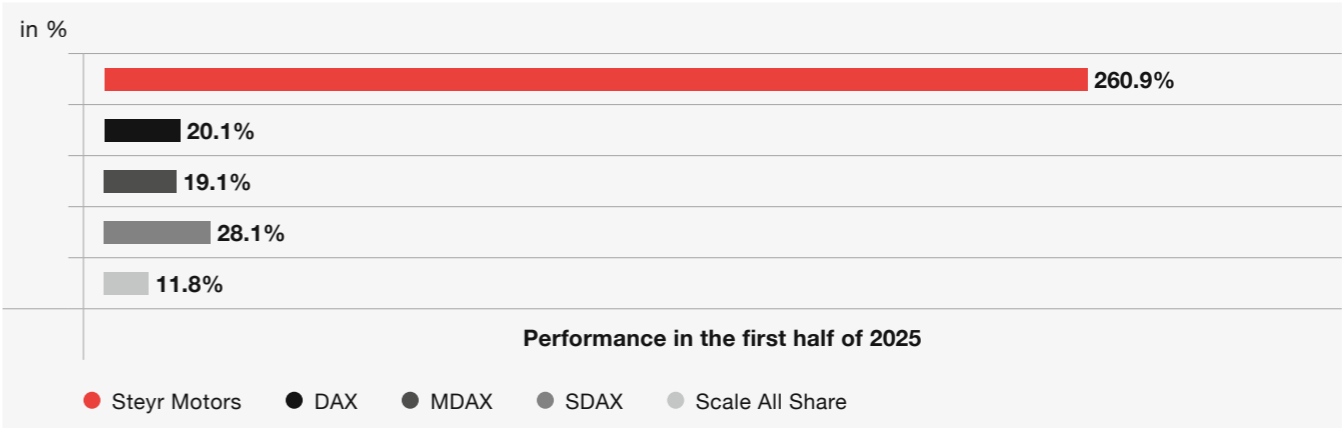
Another determinant was the geopolitical conflict between Israel and Iran. Israel’s military attack on June 13 caused oil prices (WTI) to briefly surge to over USD 76. Following the announcement of a ceasefire, however, they dropped back to below USD 65, where they remained until the end of the quarter. Consequently, oil prices at least did not place any additional burden on the global economy.

Overall, the first half of 2025 saw a significant “roller-coaster ride” on the stock markets, albeit with a positive end to the quarter. At the same time, the sharp depreciation of the US dollar weighed on the performance of US investments from a European perspective. Nervousness in the international financial markets triggered a significant outflow of capital from the United States. This benefited European equity markets in particular, which recovered significantly after years of relative weakness. Geopolitical tensions and the associated increase in defense budgets led to corresponding capital flows into defense stocks. In addition, sentiment brightened, particularly in the German economy, as a result of the change of government and the pro-business investment programs adopted.

Share price up almost 261%

Steyr Motors AG shares outperformed in this environment, rising by around 261% from EUR 13.80 at the end of 2024 to EUR 49.80 as of June 30, 2025. They reached a high of EUR 384.00 on March 18, up from a low for the period of EUR 12.70 on February 4. Average daily trading volumes on the XETRA electronic trading platform comprised 29,978 shares in the first half of 2025.

Comparative performance



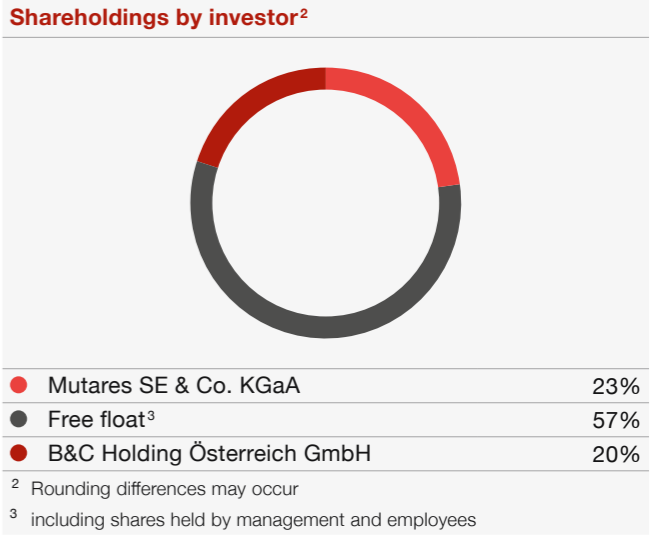
Key figures of the Steyr Motors share

June 30, 2025		
Number of shares	Number in millions	5.2
Market capitalization	EUR million	259.0
Closing price ¹	EUR	49.80
High of the year ¹	EUR	384.00
Low for the year ¹	EUR	12.70
Trading volumes (daily average) ¹	Number	29,978

¹ All figures based on XETRA prices. XETRA trading volume in the reporting period.

Shareholder structure

Mutares SE & Co. KGaA remains the largest shareholder with 23% of the shares, although its stake was reduced in the reporting period following the sale of shares, for example through targeted reallocation. At the same time, B&C Holding Österreich GmbH doubled its shareholding to 20%. 57% of the shares are free float.



Share data

Ticker	4X0
WKN	A40TC4
ISIN	AT0000A3FW25
Index membership	Scale All Share
Transparency level	Open Market
Market segment	Regulated unofficial market
Stock exchanges	XETRA, Frankfurt, Berlin, Düsseldorf, Munich, Stuttgart, Tradegate, Vienna
Sector	Automotive and mechanical engineering
Number of shares	5,200,000
Class of shares	Ordinary shares
Designated sponsor	Hauck Aufhäuser Lampe Privatbank AG

Investor relations

Steyr Motors maintains regular and transparent contact with all stakeholder groups such as institutional and private investors, financial analysts and media representatives. This included participating in the Hamburg Investors Days in February 2025 and the Defense & Security Conference organized by mwb Research in May. Steyr Motors plans to additionally expand its financial communication activities, e.g. by attending conferences and roadshows and by developing its own formats.

Further information on the share is available to interested investors on the Investor Relations website at ir.steyr-motors.com.

Analysts see upside potential of around 23%

The Steyr Motors share is regularly analyzed and evaluated by Hauck Aufhäuser, which has issued a Buy rating for Steyr Motors. The analysts have set a target price of EUR 61.00, translating into upside of around 23% over the closing price on June 30, 2025.

Successful first Annual General Meeting

On May 7, 2025, Steyr Motors AG held its first Annual General Meeting in Steyr (Austria) following its successful listing. The shareholders approved all items on the agenda by a large majority and ratified the actions of the Management Board and Supervisory Board for the (short) financial year in 2024. They passed a resolution to distribute a dividend of EUR 0.55 per share, equivalent to a total distribution of EUR 2,860,000.00. The remaining profit was carried forward. In his speech, CEO Julian Cassutti emphasized the company’s successful strategic repositioning and its dynamic international expansion. 55.18% of the company’s capital was represented at the Annual General Meeting. Further information and detailed voting results are available in the Investor Relations section of the company’s website.

Financial calendar 2025

August 19, 2025	Extraordinary General Meeting
September 1, 2025	German Fall Conference
September 22–25, 2025	Baader Investment Conference
October 23, 2025	Publication of Q3 figures
November 24–26, 2025	Deutsches Eigenkapitalforum

MANAGEMENT REPORT OF STEYR MOTORS AG

for the IFRS interim financial statements as of
June 30, 2025

Report on the Company's Business Performance and Position, including its Net Assets, Financial Position and Results of Operations

Business performance

In the period under review, Steyr Motors AG achieved growth in both the Civil and Defense segments. The Civil segment comprises all revenues derived from marine distributors as well as revenues directly from civilian vehicle OEMs (mainly in the locomotive sector), while the Defense division is made up of all revenues derived from vehicle and marine OEMs in the military sector. In addition, active customer acquisition was stepped up.

The Civil segment achieved significant success in particular thanks to an exclusive supply agreement entered into with PALFINGER in January 2025. The agreement provides for the delivery of propulsion technology for various applications in the maritime segment – including fast rescue boats and free-fall lifeboats – and includes a close partnership for the expansion of the respective service networks. In this way, Steyr Motors is reinforcing its market position as a premium supplier of civilian maritime propulsion solutions.

In the strategically prioritized Asian region, the Company expanded its presence with the establishment of a new office in Jakarta (Indonesia). In addition to this, new distribution agreements were entered into with local dealers, improving market access and ensuring greater customer proximity in the booming Southeast Asian marine market.

The Company also achieved key milestones in the area of defense: The development and supply agreement signed with Rheinmetall Landsysteme GmbH in March represents a key partnership for the development of future-proof defense platforms. Similarly, an extensive follow-up contract with Dutch vehicle manufacturer Defenture was secured in the reporting period, providing for orders for international elite units, including the Austrian Special Forces Jagdkommando, the Polish Special Forces and the German Special Forces Command (KSK). The proven Steyr M16 diesel engine remains the central drive unit.

The global expansion strategy is also yielding further successes: In South America, a long-term framework agreement was signed with a Brazilian customer. In the United States, an agreement was entered into with Laborde Products Inc. covering an expected volume of USD 15 million, comprising both civilian and military applications. In addition, a major order from Ghatge Patil Industries (GPI) in India for 450 engines is strengthening the Company's position in one of the main Asian growth markets.

Its international presence was additionally reinforced with the establishment of a new office in Jakarta and the expansion of the dealer network, particularly in Asia. In addition to Southeast Asia, the MENA (Middle East and North Africa) region has been defined as a priority for further business development. In the first half year of the year, the existing key account team was strengthened in this regard and new partners (distributors and sales representatives) signed up to reinforce the sales network. These strategic measures are intended to support the further expansion of the Company's presence in a fast-growing market.

Earnings position of the Company including financial performance indicators

In the first half of 2025, revenues increased in all main product and service groups, growing by EUR 3,385 thousand or 17.1% to EUR 23,129 thousand in the first half of the year until the end of June 2025, up from EUR 19,744 thousand in the first half of the previous year.

Revenues Civil & Defense Steyr Motors AG				
in EUR thousands				
Jan. 1 – June 30, 2025	9,708	13,421	23,129	(+17.1%)
Jan. 1 – June 30, 2024	7,805	11,939	19,744	
	● Civil	● Defense		

Gross profit amounted to EUR 11,213 thousand in the first half of 2025, thus exceeding the figure of EUR 10,004 thousand recorded in the same period in 2024. The gross margin contracted moderately from 50.7% to 48.5% in the same period, mainly as a result of the greater proportion of revenues from engines and license manufacturing compared to higher-margin spare parts business. The Management Board expects the margin to widen in the second half of the year due to higher engineering revenues which are already in the order backlog.

Personnel expenses increased from EUR 4,704 thousand in the previous year to EUR 6,223 thousand in the first half of 2025, reflecting the expansion of corporate structures in the first half of 2025 to meet the heightened requirements in the direct and indirect areas.

Other operating expenses fell from EUR 2,453 thousand in 2024 to EUR 2,118 thousand in 2025. This decline is mainly due to the discontinuation of the consulting services provided by Mutares.

Revenues and EBIT are the Company's financial performance indicators used by the Management Board.

EBIT of EUR 3,423 thousand was achieved in the first half of the year, translating into an EBIT margin of 14.8% on revenues of EUR 23,129 thousand. In the same period of 2024, EBIT had amounted to EUR 3,605 thousand with an EBIT margin of 18.3%. The contraction of the EBIT margin is mainly due to the increase in personnel expenses in connection with the targeted expansion of corporate structures in order to accommodate the growth planned for the second half of the year and in subsequent years. Moreover, some of the budgeted engineering revenues can also only be invoiced and recognized with-in profit and loss in the second half of the year, and this will lead to an improvement in the margin for the year as a whole.

Net assets and financial position

The non-current assets of EUR 11,627 thousand (2024: EUR 10,340 thousand) include right-of-use assets in accordance with IFRS 16 of EUR 4,236 thousand (2024: EUR 4,490 thousand), intangible assets of EUR 5,094 thousand (2024: EUR 3,997 thousand) and property, plant and equipment of EUR 2,296 thousand (2024: EUR 1,853 thousand). Capital expenditure in 2025 primarily entailed software and new tools to optimize product costs and to eliminate obsolescence. The increase in intangible assets is mainly due to capitalized development costs in accordance with IAS 38.

Within current assets, working capital matched expectations. Inventories rose to EUR 18,141 thousand in the first half of 2025 (2024: EUR 12,457 thousand). Since the end of 2024, basic engines have been stockpiled specifically for the marine sector to improve delivery capabilities significantly in this strategically important segment and to meet customer requirements with short lead times. This measure also aims to avoid uneven capacity utilization and ensure stable production output. The increase in

trade receivables to EUR 4,394 thousand (2024: EUR 2,096 thousand) is due to the high revenues towards the end of the first half of the year that the factoring bank was no longer able to purchase, increased revenues with customers for whom factoring is not available and general revenue growth.

Reflecting the significant increase in working capital – particularly inventories – and the dividend of EUR 2,860 thousand paid in the first half of the year, cash and cash equivalents fell to EUR 6,273 thousand compared to December 31, 2024 (2024: EUR 8,164 thousand).

The Company continues to rely on factoring operations to finance its operating business. A new factoring agreement was signed in December 2024. Significantly improved conditions were negotiated under the new factoring agreement. Accordingly, lower financing costs and therefore additional liquidity can be expected from March 2025. These measures are intended to additionally reinforce liquidity and create additional financial leeway in day-to-day business.

With equity standing at EUR 21,906 thousand, the Company has an equity ratio of 52.2% (2024: 62.6%) as of June 30, 2025 after the distribution of a dividend of EUR 2,860 thousand in June 2025 and thus a solid basis for financing its expected growth.

The total liabilities of EUR 20,088 thousand (2024: EUR 13,372 thousand) include lease liabilities of EUR 4,699 thousand (2024: EUR 4,699 thousand), trade payables of EUR 3,814 thousand (2024: EUR 3,378 thousand), other financial liabilities of EUR 7,304 thousand (2024: EUR 531 thousand), provisions of EUR 2,795 thousand (2024: EUR 3,804 thousand) and tax provisions of EUR 315 thousand (2024: EUR 206 thousand).

Since April 2025, Steyr Motors has been using reverse factoring, also known as supply chain finance. The factoring bank settles the liabilities to selected suppliers on the due date, thereby extending the payment term for Steyr Motors. As of June 30, 2025, Steyr Motors’ reverse factoring liabilities amounted to EUR 6,839 thousand (2024: EUR 0 thousand).

The Company's individual cash flows break down as follows in the first half of 2025:

in EUR thousands	H1 2025	H1 2024
Cash flow from operating activities	2,125	–609
Cash flow from investing activities	–871	–187
Cash flow from financing activities	–3,145	–1,084

Material risks and uncertainties

The management system for recording opportunities and risks and the measures for limiting risks were described in detail in the management report for 2024. It also describes the main risks and opportunities arising in the course of Steyr Motors’ business activities. There was no change to the risk and opportunity profile in the first half of 2025 compared to the description.

Employees

As of the end of the period under review, the number of employees increased to 121 full-time equivalents (FTEs) (2024: 110 FTEs).

Report on research and development

In the first half of 2025, Steyr Motors pursued several major research and development projects, some of which had already been started in 2023 and 2024. A new project was signed with Rheinmetall Land-systeme GmbH in the first quarter of 2025, with the first project phases already commenced by Steyr Motors AG.

Production readiness for 160 kW and 200 kW engines for a defense customer is expected by the 4th quarter of 2025. Preliminary deliveries of the engines should commence in 2026.

Outlook

Steyr Motors AG recorded generally favorable business performance in the first half of 2025. Given this solid position, the imminent ramp-up of project work, continued dynamic demand and an order backlog of more than EUR 300 million with turnaround periods continuing until 2030, the Management Board is confident with regard to the remainder of the year.

Steyr Motors AG’s customer base mainly stems from the defense sector. Since the outbreak of the war in Ukraine, there has been greater spending by government agencies in all relevant sales markets, and this is reflected in current and expected future growth rates that are significantly higher than those for the economy as a whole.

Against this backdrop, the Management Board expects momentum to accelerate in the second half of the year, with additional growth expected in the civilian sector in particular, as well as in the military sector.

For 2025 as a whole, Steyr Motors anticipates revenue growth of at least 40% due to greater output for the Chinese and Asian markets, the completion of several development contracts – especially for the 2-cylinder APU solutions for battle tanks – as well as further growth in the marine market, particularly through SOLAS-certified applications. Steyr Motors also expects additional impetus to arise from ongoing talks with several shipyards and directly with the US Navy in connection with an upcoming tender. Further growth is also expected in this segment beyond the current financial year.

The order backlog at the end of the first half of the year is worth more than EUR 300 million up until 2030 and is made up of firm orders, framework agreements and non-binding sales commitments. Negotiations for further major orders have reached an advanced stage.

On this basis, the Management Board confirms its forecast for the 2025 financial year, which is as follows:

- an increase of at least 40% in revenues with an expected output of at least 1,250 engine units (previous year: 729 units),
- following the EBIT of EUR 6,474 thousand in 2024 (EBIT margin of 15.5%), an EBIT margin of above 20.0% is expected for 2025.

The expected earnings growth is to be achieved by additionally scaling business volumes together with improved margin quality, despite higher cost structures, particularly personal expenses. Expansion in strategically important regions such as Asia, MENA, North and South America forms the basis for Steyr Motors AG’s sustainable growth strategy.

Steyr-Gleink, July 30, 2025



Julian Cassutti
Management Board (CEO)

STATEMENT OF COMPREHENSIVE INCOME

in EUR thousands	Jan. 1 – June 30, 2025	Jan. 1 – June 30, 2024
Revenues	23,129	19,744
Changes in inventories of finished goods and work in progress	1,505	1,691
Other income	162	403
Cost of materials and incidental procurement costs	– 13,582	– 11,834
Gross profit	11,213	10,004
Personnel expenses (PEX)	– 6,223	– 4,704
Other expenses (OPEX)	– 2,118	– 2,453
Capitalized development costs	1,016	1,180
Earnings before interest, taxes, depreciation and amortization (EBITDA)	3,888	4,027
Depreciation and amortization	– 465	– 418
Impairments	0	– 4
Earnings before interest and taxes (EBIT)	3,423	3,605
Financial income	30	186
Financial expenses	– 285	– 274
Net financial result	– 255	– 88
Earnings before tax	3,168	3,517
Current income tax expense	– 127	– 145
Deferred income tax expense	– 613	– 724
Net profit for the period (= comprehensive income)	2,428	2,648

STATEMENT OF FINANCIAL POSITION AS OF THE REPORTING DATE

in EUR thousands	June 30, 2025	Dec. 31, 2024
ASSETS		
Non-current assets		
Intangible assets	5,094	3,997
Property, plant and equipment	2,296	1,853
Right-of-use assets	4,236	4,490
Total non-current assets	11,627	10,340
Current assets		
Inventories	18,141	12,457
Other financial assets	1,560	2,654
Trade receivables and other receivables	4,394	2,096
Cash and cash equivalents	6,273	8,164
Total current assets	30,368	25,370
Total assets	41,995	35,710
EQUITY AND LIABILITIES		
Capital and reserves		
Subscribed capital	5,200	5,200
Share premium	6,545	6,545
Retained earnings	10,162	10,594
Total equity	21,906	22,338
Non-current liabilities		
Non-current lease liabilities	4,077	4,291
Deferred tax liabilities	772	159
Non-current provisions	578	703
Total non-current liabilities	5,427	5,153
Current liabilities		
Trade payables and other liabilities	3,814	3,378
Current tax liabilities	315	206
Current lease liabilities	421	408
Other current financial liabilities	7,304	531
Current provisions	2,217	3,101
Deferred income	591	596
Total current liabilities	14,661	8,219
Total liabilities	20,088	13,372
Total equity and liabilities	41,995	35,710

STATEMENT OF CHANGES IN EQUITY

in EUR thousands	Subscribed capital	Share premium	Retained earnings	Total
Amount on January 1, 2024	35	4,000	11,362	15,397
Net profit for the period			2,648	2,648
Dividends			– 810	– 810
Amount on June 30, 2024	35	4,000	13,200	17,235
Amount on January 1, 2025	5,200	6,545	10,594	22,338
Net profit for the period			2,428	2,428
Dividends			– 2,860	– 2,860
Amount on June 30, 2025	5,200	6,545	10,162	21,906

CASH FLOW STATEMENT

in EUR thousands	Jan. 1 – June 30, 2025	Jan. 1 – June 30, 2024
Cash flow from operating activities		
Net profit for the period	2,428	2,648
Financial income	– 30	– 186
Financial expenses	285	274
Non-cash tax expense	740	869
Capitalized development costs	– 1,016	– 1,180
Amortization and depreciation (+)	465	423
Other non-cash expenses (+) / income (–)	– 52	– 8
Changes in net working capital:		
Increase (–) / decrease (+) in inventories	– 5,685	– 1,768
Increase (–) / decrease (+) in trade receivables and other receivables	– 1,204	– 1,592
Increase (+) / decrease (–) in trade payables and other liabilities	7,203	59
Increase (+) / decrease (–) in provisions	– 1,009	– 145
Cash flow from operating activities	2,125	– 609
Cash flow from investing activities		
Interest received	30	11
Dividends received	0	175
Payments for intangible assets and property, plant and equipment	– 735	– 223
Settlement of lease liabilities	– 166	– 150
Net cash outflow/inflow from investing activities	– 871	– 187
Cash flow from financing activities		
Dividends paid	– 2,860	– 810
Interest paid on lease liabilities	– 148	– 156
Interest paid	– 137	– 118
Cash flow from financing activities	– 3,145	– 1,084
Net decrease in cash and cash equivalents	– 1,891	– 1,880
Cash and cash equivalents at the beginning of the period	8,164	5,719
Cash and cash equivalents at the end of the period	6,273	3,840

CONDENSED NOTES TO THE INTERIM FINANCIAL STATEMENTS of Steyr Motors AG, Steyr-Gleink

1. Reporting company

Steyr Motors AG (hereinafter referred to as “Steyr Motors” or “the Company”) is an Austrian manufacturer of high-performance diesel engines. The address of its registered offices is Im Stadtgut B1, 4407 Steyr-Gleink, Austria. The Company is a joint-stock corporation (“Aktiengesellschaft”) established and operating under Austrian law.

Its business activities include the development and production of high-performance diesel engines with maximum power density and durability for use in heavy-duty vehicles and boats. Steyr Motors also produces generator sets and engine-optimized software solutions featuring digital networking.

The reporting date for the interim financial statements is June 30, 2025. The reporting period is from January 1 to June 30.

2. Basis of reporting and summary of significant accounting policies

These interim financial statements for the first half of the year have been prepared in accordance with International Financial Reporting Standards (IFRS) as endorsed by the European Union. The same accounting policies were applied as for the IFRS single-entity financial statements prepared for the year ending December 31, 2024.

All other amendments to accounting standards had at most only an immaterial impact on these interim financial statements. In accordance with IAS 34, this is a condensed report compared to the 2024 IFRS single-entity financial statements.

3. Revenue and segment reporting

i) Revenues from the main products and services

The Company’s revenues from its main products and services in accordance with IFRS 8.32 are shown in the following table:

in EUR thousands	Jan. 1 – June 30, 2025	Jan. 1 – June 30, 2024
Engines	11,950	10,821
License Manufacturing	3,941	2,385
Engineering	854	380
Spare Parts/MRO ¹	6,384	6,158
Total revenues	23,129	19,744

¹ Maintenance, Repair, Overhaul

ii) Geographical information

The Company’s revenues from external customers by geographical location in accordance with IFRS 8.33 are shown in the following table:

in EUR thousands	Jan. 1 – June 30, 2025	Jan. 1 – June 30, 2024
Europe	15,948	13,258
of which Austria	79	118
North America	1,204	986
Asia	5,191	3,025
Rest of the World	786	2,475
Total revenues	23,129	19,744

iii) Segment revenues and earnings

The reportable revenues generated by the segments of Steyr Motors AG in accordance with IFRS 8 are pooled in the following segments:

- Civil
- Defense

The segmentation of the Company is based on the intended use of the engines manufactured and spare parts supplied. The Defense segment includes all revenues with military vehicle manufacturers for main propulsion engines and diesel generators as well as for boats used for military purposes, while the Civil segment comprises revenues from civilian boat and locomotive manufacturers.

Changes in the revenues of the two segments are shown in the table below:

in EUR thousands	Jan. 1 – June 30, 2025	Jan. 1 – June 30, 2024	Percentage change
Civil	9,708	7,805	24.4 %
Defense	13,421	11,939	12.4 %
Total	23,129	19,744	17.1 %

Jan. 1 – June 30, 2025 in EUR thousands	Civil	Defense	Other income	Total
Revenues	9,708	13,421		23,129
Changes in inventories	763	742		1,505
Other income			162	162
Cost of materials and incidental procurement costs	–5,793	–7,789		–13,582
Gross profit	4,677	6,374	162	11,213
Gross profit as a percentage	48.2 %	47.5 %	–	48.5 %

Jan. 1 – June 30, 2024 in EUR thousands	Civil	Defense	Other income	Total
Revenues	7,805	11,939		19,744
Changes in inventories	855	836		1,691
Other income			403	403
Cost of materials and incidental procurement costs	–4,741	–7,093		–11,834
Gross profit	3,919	5,682	403	10,004
Gross profit as a percentage	50.2 %	47.6 %	–	50.7 %

A breakdown of segment earnings within gross profit is not possible due to the Company’s size and structure, as overhead costs (primarily personnel and other expenses as well as depreciation and amortization) are not allocated to the segments in practice.

4. Personnel expenses (PEX)

The Company’s personnel expenses break down as follows:

in EUR thousands	Jan. 1 – June 30, 2025	Jan. 1 – June 30, 2024
Wages	1,200	913
Salaries	3,884	2,758
Social expenses	1,140	1,033
Total personnel expenses	6,223	4,704

5. Other expenses (OPEX)

in EUR thousands	Jan. 1 – June 30, 2025	Jan. 1 – June 30, 2024
Other miscellaneous operating expenses	0	961
Legal and consulting costs	529	432
Contributions, fees, donations, incidental financial costs	450	109
IT and administration	321	266
Repairs and maintenance	283	281
Advertising and travel expenses	153	117
Cost of premises	133	80
Fleet	59	44
Other expenses	190	163
Total other expenses (OPEX)	2,118	2,453

In connection with the restructuring of Steyr Motors AG in 2024 and the associated extensive support from consultants hired by the Mutares Group, costs of EUR 960 thousand arose in the previous year and were included in other miscellaneous operating expenses. The contracts between the Company and the Mutares Group for the provision of advisory services were terminated after the former's IPO in October 2024. No further related costs have arisen since January 2025.

6. Capitalized development costs

in EUR thousands	Jan. 1 – June 30, 2025	Jan. 1 – June 30, 2024
Internal projects	844	782
Customer projects	172	398
Total capitalized development costs	1,016	1,180

In the year under review, the Company pursued five development projects that were capitalized in accordance with the criteria of IAS 38. This includes the development of three new 6-cylinder engines, two of which are being engineered on behalf of a customer, as well as a new 2-cylinder auxiliary diesel unit and a new marine engine for the expansion of the Company's position in the Asian market. The Management Board currently expects these ongoing development projects to be successfully completed in the next 6 – 15 months.

7. Net financial result

in EUR thousands	Jan. 1 – June 30, 2025	Jan. 1 – June 30, 2024
Income from affiliated companies	0	175
Other interest income	30	11
Total financial income	30	186
Interest expense from affiliated companies	0	–3
Interest expenses under leases	–148	–156
Other interest expenses	–137	–116
Total financial expenses	–285	–274
Net financial result	–255	–88

Other interest expenses are mainly attributable to factoring operations (2025: EUR 137 thousand, 2024: EUR 114 thousand). Due to its strategic realignment, Steyr Motors changed its factoring operator on March 4, 2025, thus securing better factoring conditions as well as a higher total factoring limit (limit previously EUR 10,000 thousand, since March 4, 2025: EUR 14,000 thousand).

In April, a framework agreement was signed enabling Steyr Motors to apply reverse factoring, also known as supply chain finance model. Interest expenses incurred by Steyr Motors under this model are reported within other interest expenses.

8. Earnings per share

Earnings per share are calculated in accordance with IAS 33.70(a) by dividing the earnings attributable to shareholders by the weighted average number of ordinary shares outstanding during the reporting period.

As of the reporting date on June 30, 2024, Steyr Motors was not yet a joint-stock company. Accordingly, pro-forma earnings per share are shown for comparison purposes on the basis of the number of shares outstanding on December 31, 2024.

in EUR thousands	Jan. 1 – June 30, 2025	Jan. 1 – June 30, 2024
Profit for the period	2,428,343	2,648,004
Number of shares outstanding on the reporting date	5,200,000	5,200,000
Earnings per share	0.47	0.51

As of June 30, 2025, there were no equity or debt instruments liable to have a dilutive effect on earnings per share. As a result, diluted earnings per share are not disclosed.

9. Inventories

in EUR thousands	Jan. 1 – June 30, 2025	Jan. 1 – June 30, 2024
Raw materials, supplies and consumables	13,665	9,731
Work in progress	1,852	1,424
Finished goods	2,050	976
Prepayments	574	325
Total inventories	18,141	12,457

As in 2024, no inventories were pledged as collateral for liabilities to banks as of June 30, 2025.

10. Dividends

At the Annual General Meeting on May 7, 2025, the shareholders approved the proposed dividend of EUR 0.55 per share with a 99.99% majority. This distribution was made after 30 days in accordance with the Articles of Association. Accordingly, a total of EUR 2,860 thousand was paid out to the shareholders of Steyr Motors AG on June 6, 2025.

11. Trade payables and other liabilities

in EUR thousands	June 30, 2025	Dec. 31, 2024
Current trade payables	3,011	2,793
Other trade payables	802	585
Trade payables	3,814	3,378
Current lease liabilities	421	408
Current tax liabilities	315	206
Other current financial liabilities	7,304	531
Other liabilities	8,040	1,144
Non-current lease liabilities	4,077	4,291
Total trade payables and other liabilities	15,931	8,813
Non-current	4,077	4,291
Current	11,854	4,523
Total trade payables and other liabilities	15,931	8,813

Trade payables include all outstanding obligations to suppliers and service providers for goods and services received but not yet paid for in accordance with IAS 37 and IFRS 9.

Since April, Steyr Motors has been using reverse factoring, also known as supply chain finance. As of June 30, 2025, other liabilities under reverse factoring amounted to EUR 6,839 thousand (2024: EUR 0 thousand).

12. Other current financial liabilities

Other current liabilities include the following items:

in EUR thousands	June 30, 2025	Dec. 31, 2024
Supply chain finance liabilities	6,839	0
Outstanding wages, salaries and employee bonuses	–3	13
Tax liabilities – value added tax	46	106
Liabilities for social security	423	412
Other current financial liabilities	7,304	531

Since April, Steyr Motors has been using reverse factoring, also known as supply chain finance. Under this agreement, the factoring bank settles the liabilities to selected suppliers on the original due date. This extends Steyr Motors' effective payment period by 90 days.

Steyr Motors undertakes to remit the corresponding amounts to the financial service provider at a later date. The underlying invoice amounts originate from supply and service relationships and form part of working capital. The contractually agreed limit under the reverse factoring arrangements is EUR 8,000 thousand. As of June 30, 2025, outstanding reverse factoring liabilities amounted to EUR 6,839 thousand (2024: EUR 0 thousand).

The liabilities resulting from the agreement are reported within "other current financial liabilities". They are not recognized as "trade payables" as the debtor for economic purposes is the payment service provider and there is no longer any direct liability towards the supplier.

As the original delivery liability was not settled, canceled or significantly modified as a result of the assignment to the financial services provider, there is no derecognition within the meaning of IFRS 9.3.3.1. The new liability is therefore not derecognized but carried forward within other current financial liabilities.

13. Related parties

Transactions with related parties were presented in detail in the 2024 Annual Report. There have been no business relationships with related parties in 2025.

14. Events after the reporting date

There were no significant events after the reporting date liable to have an impact on the interim financial statements for the first half of 2025.

15. Risk management

The Company's Management Board is responsible for establishing and monitoring risk management. Steyr Motors AG is exposed to financial risks to varying degrees.

The management system for tracking opportunities and risks together with the risk assessment measures was described in detail in the management report for 2024. It also describes the main risks to which Steyr Motors is exposed in the course of its business activities. There was no change to the risk situation in the first half of 2025 compared to the description.

16. Review of the interim financial report

The interim financial statements for the first half of the year and the associated management report were neither audited nor reviewed by an external auditor.

17. Assurance of the legal representatives of Steyr Motors AG

To the best of our knowledge, and in accordance with the applicable reporting principles for financial reporting, the interim financial statement of Steyr Motors AG give a true and fair view of its assets, liabilities, financial position and profit or loss, and the management report includes a fair review of the development and performance of the business and the position of Steyr Motors AG, together with a description of the principal opportunities and risks associated with its expected development.

Steyr-Gleink, July 30, 2025



Julian Cassutti
Management Board (CEO)

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