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CONSTRUCCIONES Y AUXILIAR DE FERROCARRILES, S.A. AND SUBSIDIARIES COMPOSING THE CAF GROUP (CONSOLIDATED)

FIRST HALF-YEAR 2025 REPORT

JULY 2025

TRUST
IN MOTION

Index

CONSOLIDATED INTERIM DIRECTORS' REPORT FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2025

1 CAF GROUP BUSINESS MODEL AND OUTLOOK

With the second year of the 2023–2026 strategic cycle now complete, the Group has made solid progress across all established lines of work, moving steadily towards the objectives defined in the Strategic Plan.

CAF is currently a multinational group with a track record extending over more than one century, which has consolidated itself as one of the global leaders in integrated sustainable railway, bus and urban mobility solutions. Its value proposition is based on a comprehensive offering that covers all phases of the project lifecycle: from feasibility studies, design and engineering, to the manufacturing, commissioning, operation, maintenance and financing of transportation systems.

In the railway sector, CAF offers one of the broadest and most versatile ranges on the market, including rolling stock, signalling systems, infrastructure, components and associated services. This comprehensive capability allows the Group to position itself at the level of the main players in the sector, with a strategy that combines value generation through vehicle manufacturing with the profitability provided by services and integrated solutions.

In the bus segment, CAF, through Solaris, continues to consolidate its leadership in the field of sustainable mobility. With a full range of low- and zero-emission vehicles (including electric and hydrogen technologies), Solaris has positioned itself as one of the European manufacturers with the greatest real-world experience in this field. Its innovative approach strengthens its competitive advantage in the transition to cleaner urban mobility.

CAF serves a wide variety of clients around the world: from local, regional and national public administrations to private operators, industry manufacturers and consortia with financial participation. This diversity of clients reflects the Group's ability to adapt to different regulatory, technical and operational environments.

The Group is distinguished by several key factors:

- **Leadership in sustainable urban mobility**, with a unique offering that integrates metros, trams, LRVs and low- and zero-emission buses, generating technological and commercial synergies.

- **Commitment to innovation**, investing decisively in strategic areas such as decarbonisation, automation, digitalisation and competitiveness, to forge more efficient, interconnected and safe mobility.

- **Global presence**, with industrial presence in Spain, France, the United Kingdom, the United States, Brazil, Mexico and Poland, more than 100 maintenance centres in operation and an installed base of more than 5,000 trains and 25,000 buses in circulation in more than 60 countries.

- **A highly qualified human team**, made up of nearly 17,000 people, of which more than 6,600 are university graduates and around 3,100 engineering professionals dedicated to innovation, product design and project management.

- **Outstanding performance in sustainability**, with ratings above the industry average, such as the "Gold" medal from Ecovadis or the "low risk" rating from Sustainalytics and with significant progress in reducing emissions in line with the Group's climate objectives.

- **Financial strength**, with a controlled Net Financial Debt / EBITDA ratio, which allows us to confidently face the challenges of the current environment.

- **High market confidence**, reflected in an order backlog exceeding EUR 15 billion and a high level of satisfaction and repeat business from its customers.

The 2023–2026 Strategic Plan, available at www.cafmobility.com, sets ambitious goals: grow above the market, obtain sales of around EUR 4.8 billion, assure an operating profit of around EUR 300 million in 2026, maintain a dividend policy in line with results and progress towards climate neutrality with an emissions reduction of 30% (scope 1 and 2) and 40% (scope 3), as compared with 2019, with the ultimate goal of becoming a net zero emissions company by 2045.

Since its definition in 2022, the Strategic Plan has demonstrated its robustness in the face of a changing context, marked by geopolitical tensions, macroeconomic uncertainty and internal challenges. CAF has been able to adapt, strengthening its position in Europe and consolidating its leadership as a key player in the mobility of the future.

It's worth remembering that, during the current year, we aim to continue the cycle of growth in activity and results and to maintain the current financial stability:

- Book-to-bill ≥ 1, emphasising selective order intake
- Sales growth of nearly 10% compared to the previous year
- An improvement in EBIT profitability compared to the previous year
- A dividend in line with the evolution of results
- Stability in the NFD/EBITDA ratio compared to 2024
- Reducing emissions in the context of increased activity

Among the main milestones attained to date within each of the four strategic axes, the following stand out:

1. Commercial focus:

   During the first half of 2025, CAF has strengthened its international positioning with key contracts in strategic markets, both in the railway sector and in sustainable urban mobility through Solaris. This commercial activity has been marked by significant progress in Europe, America and other regions, in line with the objectives of the Group's Strategic Plan.

   In Europe, of note was the selection of CAF as the preferred bidder by SNCB (Belgium) to supply trains with an estimated value of EUR 1.7 billion. This operation, which has not yet been formalised, represents one of the greatest commercial opportunities of the year. Likewise, in France, CAF will supply 19 catenary-free trams to the city of Tours, reinforcing its industrial presence in the country.

   CAF has also secured significant contracts in Africa and Asia. In Morocco, it has been awarded the contract to supply 30 intercity trains, valued at nearly EUR 600 million, within the framework of the 2040 Railway Plan and with funding from the Business Internationalisation Fund. In Taiwan, a supply agreement has been signed for up to 23 units for the new Xidong elevated line, consolidating its presence in the Asian market.

   In addition, it has signed maintenance contracts in New Zealand, Brazil, Colombia, the United Kingdom, Sweden and Italy, strengthening its comprehensive support model throughout the product lifecycle.

   For its part, Solaris has maintained strong commercial momentum in Europe, with a record order for 270 electric buses for Berlin and new hydrogen contracts in Poland and Italy. In line with the Group's Strategic Plan, it has begun its expansion in North America with its first contract in the United States (Seattle) and collaborations in Canada (Vancouver) to promote the implementation of zero-emission fleets.

2. Operational efficiency:

   CAF continues to advance its commitment to operational excellence, integrating new industrial and technological capabilities that strengthen its presence in strategic markets. In line with its Strategic Plan, the company has intensified the transformation of its production processes by implementing the Digital Operating Model (SOM) in maintenance activities, which enables more agile, efficient and connected management of its operations.

   At the same time, the RSNEXT transformation programme continues to consolidate its position as a key pillar for improving profitability in the services area, optimising resources and raising quality standards. At industrial level, specific plans have been implemented to ensure the timely and competitive execution of the project portfolio, with a focus on cost, quality and deadlines.

   In addition, CAF is strengthening its supply chain and manufacturing capabilities, including testing and maintenance, as critical elements to ensure customer satisfaction and the success of each delivery. These initiatives are complemented by technological developments aimed at improving product competitiveness throughout its entire life cycle, thus consolidating a culture of continuous improvement and operational sustainability.

3. Innovation:

CAF has an Innovation Management Plan, aligned with the Strategic Plan and structured according to its Innovation Process. The plan encompasses more than 100 projects from different areas of the Group organised into key innovation programmes:

- **Zero Emissions Programme**: advances in alternative propulsion systems, highlighting the use of batteries and hydrogen. Energy optimisation continues through on-board systems and work is being done to reduce electromagnetic and acoustic emissions. The European FCHRAIL project remains a benchmark for bi-mode hydrogen-powered trains.

- **Autonomous and Automatic Vehicle Programme**: development of remote and autonomous driving technologies for trams, ADAS for buses and CBTC for automated metro systems. Progress is being made in the automation of mainline systems, the evolution of ERTMS and enabling technologies such as 5G and secure positioning. Featured projects: RAILABEL, SPERYA and CLUG 2.0.

- **Digitalization Programme**: strong push for digital transformation with projects focused on artificial intelligence, digital twins, cybersecurity and digital platforms. Initiatives such as AIDOL, PLATIA, DATACCESS, IT4OCC, BAYESRAIL, AIDDYA, RNR and MoreDigital stand out.

- **Product Portfolio Extension**: development of new products such as the intercity electric bus for Europe and the urban bus for the USA, SIL 3 emergency brake for trams and train and track monitoring systems. Work is also being done to standardise tram systems and substations.

Active participation continues in national and international programmes such as Horizon Europe and EURAIL, collaboration with technology centres and universities, with funding from the Provincial Council of Gipuzkoa, the Basque Government, the Spanish Government, the French Government, the European Commission and the National Research and Development Centre in Poland.

4. Sustainability:

CAF has reaffirmed its commitment to sustainability, aligning its actions with the Sustainability Master Plan and the 2026 Strategic Plan. The Consolidated Non-Financial Statement and Sustainability Reporting 2024 has been published, already adapted to the requirements of the CSRD Directive and the European Sustainability Reporting Standards (ESRS), verified without qualification by an independent third party.

During the first half of 2025, significant progress has been made in implementing the Sustainability Master Plan, which guides our strategic actions in each of the defined pillars:

- **Decarbonization**: the heat treatment facility for wheel forging has been put into operation.

- **People and talent**: CAF has been recognised as a Top Employer in Spain and France, included in Merco's Top 100 and named the most attractive industrial company to work for in Spain by the Randstad Awards. In addition, the ISO 45001:2018 certification in health and safety has been extended to include the Trenasa plant (Navarra).

- **Governance and cybersecurity**: the SAP GRC Process Control system has been implemented to manage sustainability, compliance and cybersecurity information, strengthening internal control and adapting to new disclosure standards.

For more information, consult section 4 "Environmental, social and governance aspects" of this report.

2 BUSINESS PERFORMANCE AND RESULTS

2.1 MAIN INDICATORS

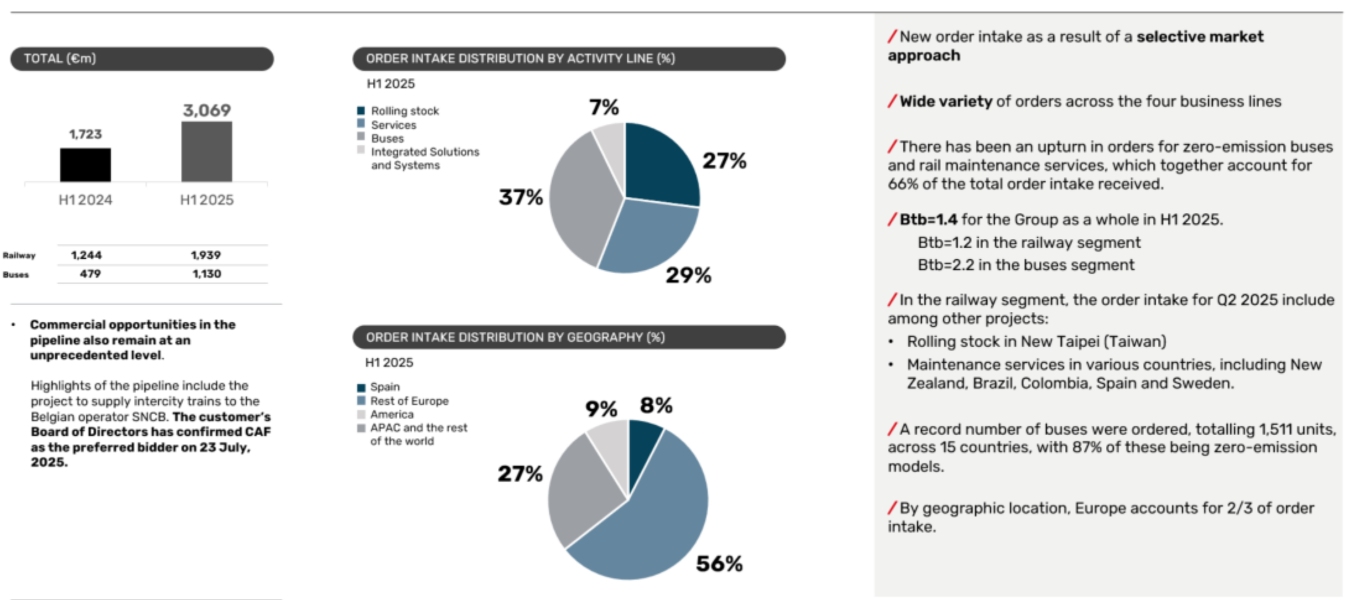
Figures in millions of euros (*)	2025 First-half	2024 First-half	Change (%)
Order intake			
Order intake for the period	3,069	1,723	78%
Order intake / Revenue ratio (Book-to-bill)	1.4	0.8	
Backlog (**)	15,590	14,695	6%
Backlog / Revenue ratio (**)	3.7	3.5	
Profit and Cash flow			
Revenue	2,174	2,080	4%
Profit/(Loss) from operations (EBIT)	114	102	12%
EBIT margin	5.2%	4.9%	0.3 p.p.
Consolidated profit/(loss) for the period attributable to the Parent	73	52	40%
Investment in working capital (**)	78	(11)	
CAPEX	25	40	
Cash flow	1	(28)	
Capital management and liquidity (**)			
Net Financial Debt	225	226	
Net Financial Debt / 12-month adjusted EBITDA ratio	0.7	0.7	
Available liquidity	1,013	1,165	
Equity attributable to the Parent	904	882	
Stock market capitalisation	1,599	1,198	33%

(*) Section 6 Alternative Performance Measures explains and adds the reconciliations of those indicators that have not been directly extracted from the interim condensed consolidated financial statements.
(**) Comparative figures under "Backlog", "Backlog/Revenue ratio", "Investment in working capital" and in the "Capital management and liquidity" section for 31/12/24.

ORDER INTAKE

CAF obtained an order intake of EUR 3,069 million, up 78% on the previous year, constituting a record for the Group and enabling the order backlog to increase to EUR 15,590 million. The Group's Book-to-Bill ratio is 1.4: 1.2 in the railway segment and 2.2 in the bus segment.

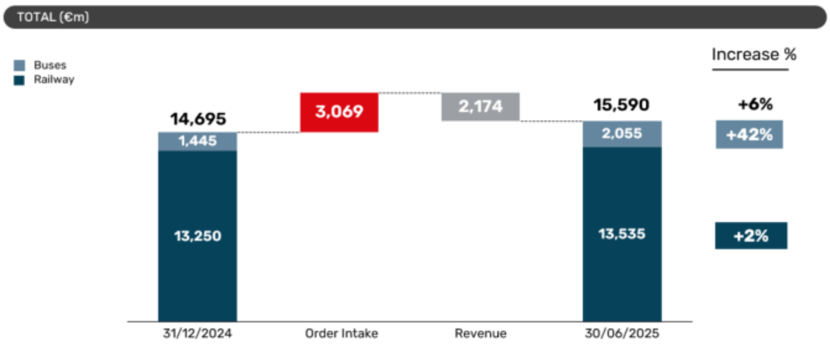
This high order intake figure is due to the favourable contracting trend in both segments. This semester, the increases achieved in the bus segment and, within the Railway segment, in the Services business are particularly noteworthy. The breakdown of order intake by line of activity and geographical area is as follows:



BACKLOG

This has allowed the backlog to rise by 6% on the previous year, obtaining a record level of EUR 15,590 million. This favourable performance continues the positive trend of recent years, confirming the strong momentum enjoyed by both the railway and bus sectors and the Group's favourable positioning.

The order backlog at year-end represents 3.7 times revenue, providing a high visibility for future sales. Likewise, it is characterised by its broad diversification, both geographically and by business.



	31/12/2024	30/06/2025
Backlog/Revenue Ratio[1]	3.5x	3.7x
Buses	1.6x	2.2x
Railway	4.0x	4.1x

[1] Ratio at 30/06/2025 calculated based on 2024 revenues.

/ The **order backlog grew by 6%** in the first half of the year, with a significant contribution from Solaris.

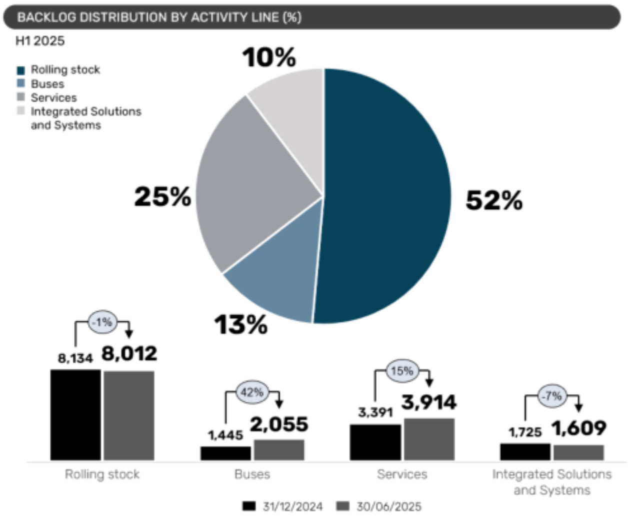
/ **Solaris' order backlog has reached a record high** after growing 42% in the first half of the year. Solaris' order backlog stands at 2.2 times last year's revenue, marking the highest ratio in the company's history.

/ This backlog **does not include** the following contracts signed in Q3 2025, amounting to a **total value in excess of €440m:**

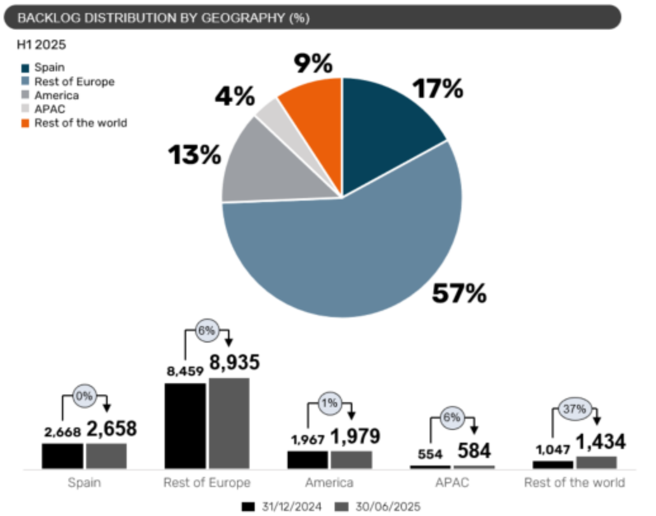
- Supply of trams for Grenoble
- Supply of Coradia Polyvalent regional trains for the Bourgogne-Franche-Comté region
- Supply of electric buses in Sweden

/ This backlog **does not include the significant volume of future options that are exercisable by customers** under existing contracts, in both the railway and bus segments (>**€9bn**).

The order backlog remains highly diversified and its composition remains unchanged.



The share of bus and maintenance services activity in the backlog has grown, reflecting the high recorded order intake.



The geographical mix of the backlog remains **relatively stable**, with **Europe being the core market (74%), with the Rest of the world growing in the first half of the year** driven by new projects in countries such as Morocco and Taiwan.

RESULTS

The net attributable result grew by 40%, as a result of (i) the increase in EBIT of +12% due to sales growth and improved operating profitability and (ii) the improvement in the financial result.

/ EBIT Growth with Financial Control

(EUR million)	H1 2024	H1 2025	Var. H1 2025/H1 2024
REVENUE	**2,080**	**2,174**	**+4%**
OPERATING RESULT- EBIT	**102**	**114**	**+12%**
% EBIT Margin	**4.9%**	**5.2%**	
Financial result	(25)	(17)	-31%
Finance income	13	11	-15%
Finance cost	(32)	(25)	-23%
Exchange rate differences	(5)	(2)	-51%
Other financial Costs/Income	(1)	(1)	-8%
Result of companies accounted for using the equity method	3.0	8.0	+180%
PROFIT (LOSS) BEFORE TAX	**79**	**104**	**+32%**
Income tax	(25)	(28)	+11%
Net profit (loss) after tax	54	76	+41%
Non-controlling interests	1.6	3.0	+89%
PROFIT (LOSS) ATTRIBUTABLE TO THE PARENT COMPANY	**52**	**73**	**+40%**

/ Consolidated **revenue growth**

/ **Expansion of the operating margin**, which resulted in a 12% increase in operating income.

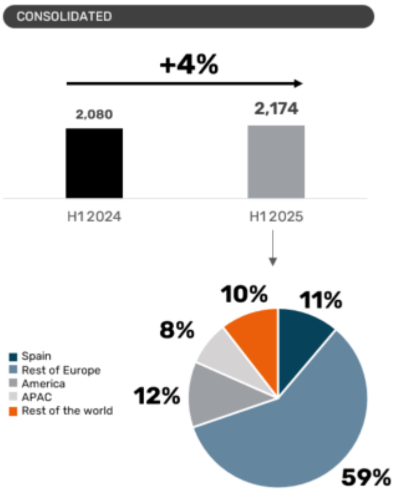
/ **Improved financial performance**, mainly due to the lower debt costs and less impact from negative exchange rate fluctuations.

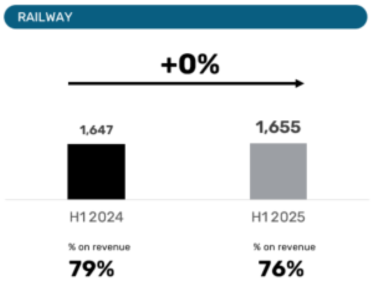
/ The half-year saw **a notable decline in the effective tax rate**.

/ Nevertheless, the **net profit attributable to the Company increased significantly** to €73m, representing a **40% increase** on a year-on-year basis.

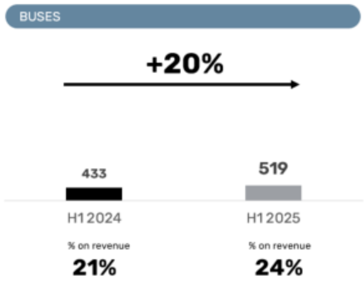
Revenue

The Group's revenue grew by 4%, supported by significant growth in the bus segment.





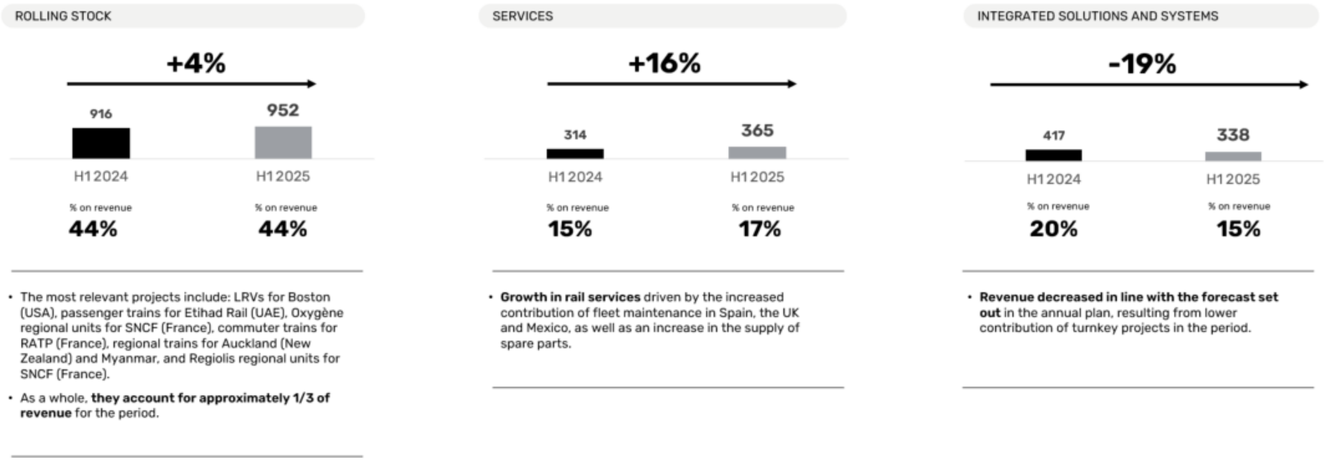
- The **growth in train manufacturing and maintenance activities** balances out the **lower contribution from integrated projects.**



- **A significant increase** of revenue driven by:
  - Higher proportion of zero-emission buses supplied (68% vs. 60%) and higher unit price of zero-emission buses vs. H1 2024.
  - Increase in the volume of deliveries (+6%).

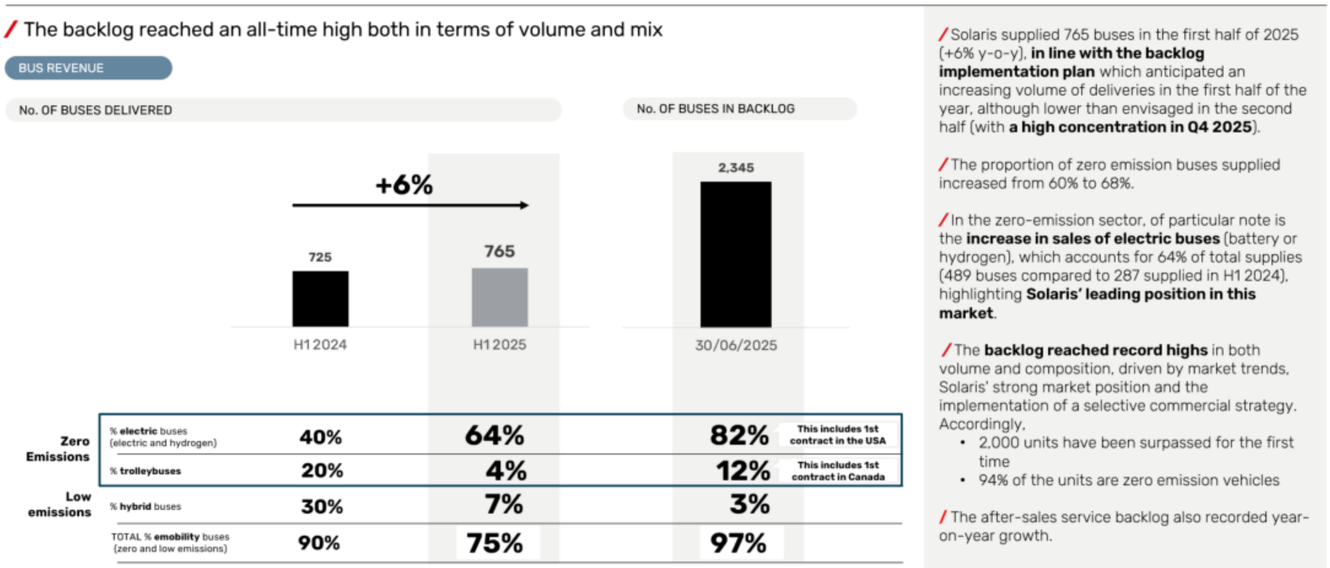
Railway segment revenue

The expansion of train manufacturing and maintenance activities offsets the lower contribution from Integrated Projects.



Bus Segment revenue

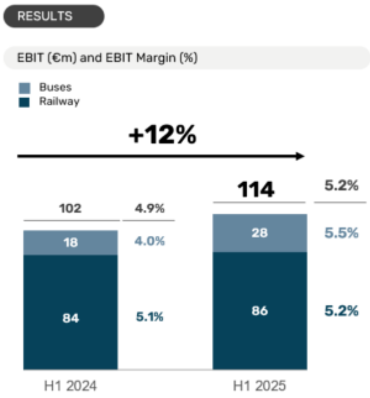
Year-on-year growth is 20% and is mainly due to the following effects: (i) an increase of 6% in units sold and (ii) a more favourable sales mix: higher proportion of zero-emission buses delivered (68% vs. 60%) and their higher unit price.

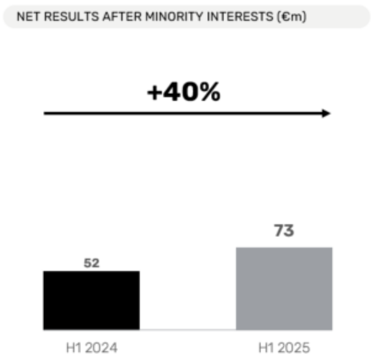


EBIT

The Group's EBIT was EUR 114 million (5.2% of sales), 12% higher than the previous year. The EBIT margin is 5.2%, in line with the target for the period and improving on the previous year's margin (4.9%).

The Railway segment's EBIT increased slightly year-on-year (+EUR 1 million), improving the EBIT margin from 5.1% of sales in the previous year to 5.2% currently. The Bus segment's EBIT accelerated its improvement, exceeding the figure for the same period last year by EUR 11 million, moving from an EBIT margin of 4.0% in the previous year to 5.5% in 2025.





/ The **EBIT for the period rose by 12%,** totalling €114m.

/ **Net profit experienced an even greater increase (40%)** totalling €73m.

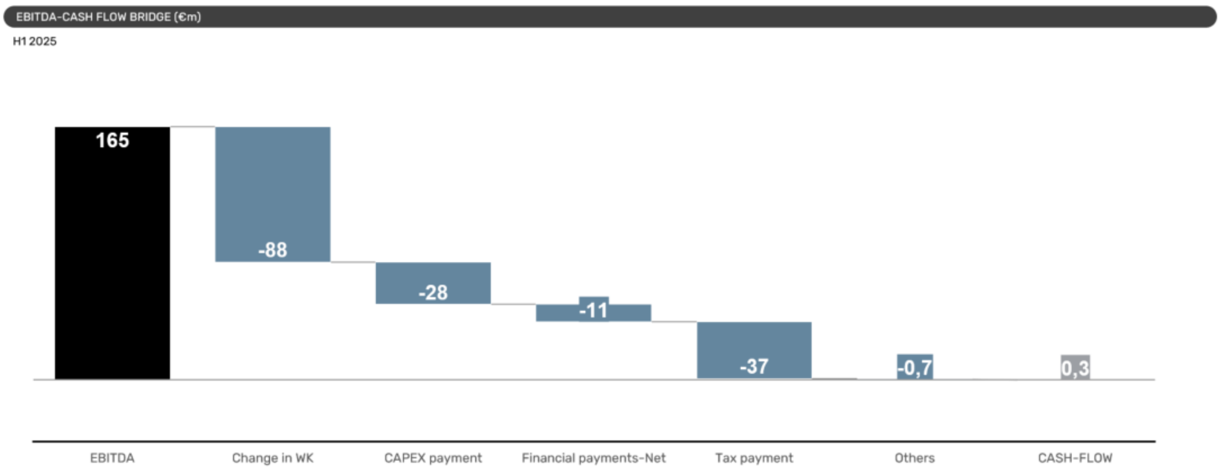
By segment:

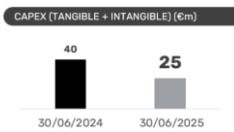
Railway
Advances in profitability, despite increased costs for some ongoing projects.

Buses
Leap in profitability in the first half of the year, reaching 5.5%, playing an increasingly significant role in driving the Group's results.

CASH FLOW AND BALANCE SHEET

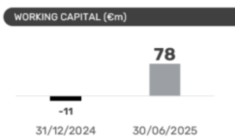
Neutral cash flow generation due mainly to the increase in the level of working capital. This increase occurred mainly in the Bus segment due to increased operational activity.





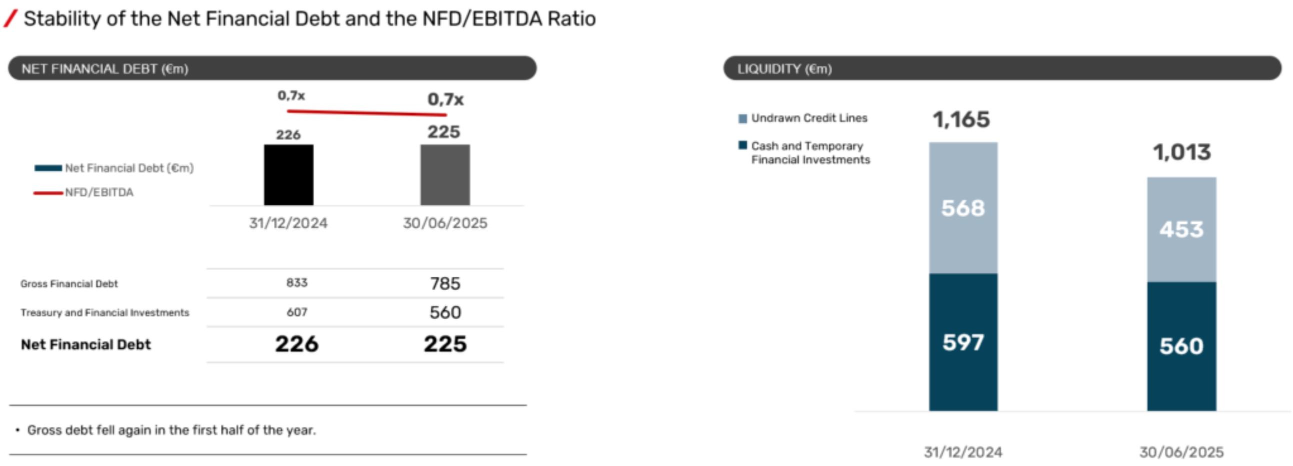
	30/06/2024	30/06/2025
Intangible	25	13
Tangible	15	12

- Year-on-year decrease in CAPEX due to completion of the relevant investment associated with the new ERP in 2024.
- **Investments are expected to gain momentum in H2 2025,** particularly those aimed at an increase of rolling stock manufacturing capacity and the construction of a maintenance depot in Germany.



- Increase in working capital associated with a significant **boost in Solaris' operational activity.**

Thus, Net Financial Debt remains at EUR 225 million (EUR 226 million at 31/12/2024), maintaining financial strength and a good level of liquidity. The Net Financial Debt/EBITDA ratio is 0.7 times, below the level prior to the acquisitions made by the Group in recent years (Solaris, EuroMaint, among others).



All of this allows to maintain a strong balance sheet in a context of increased activity:

(EUR million)	31/12/2024	30/06/2025
Fixed Assets	1,268	1,220
Working Capital	(11)	78
NET ASSETS	**1,257**	**1,298**
Equity	896	921
Net Financial Debt	226	225
Other assets and liabilities	135	152
EQUITY AND NET LIABILITIES	**1,257**	**1,298**

2.2 RAILWAY SEGMENT

COMMERCIAL ACTIVITY

In the first half of 2025, CAF obtained an order intake in the railway segment of EUR 1,939 million, which has allowed, despite the high level of sales, to have an order backlog of EUR 13,535 million. The Book-to-Bill ratio is 1.2. The volume of opportunities for the rest of the year continues to be robust.

The main railway vehicle sales contracts for the semester were as follows:

In Morocco, ONCF (Office National des Chemins de Fer), the national operator of the railway network of the Kingdom of Morocco, has selected CAF as the supplier for the contract to supply 30 modern intercity trains that will operate on the Moroccan railway network. The contract also includes the option to expand the scope of the contract in the future with the delivery of 10 additional units and the possibility of developing a technical assistance service contract and fleet parts supply contract for ONCF. This is a milestone of great importance for CAF, as it is the company's first project in Morocco. With a volume of nearly EUR 600 million, not including any potential options that ONCF may implement later, this contract will be financed through the Spanish Government's FIEM (Fund for the Internationalisation of Businesses). The units designed by CAF for this project are intercity trains with the highest performance and comfort levels and are designed to operate at a speed of 200 km/h. ONCF is planning for the trains supplied to perform their service by connecting the main Moroccan cities via the lines that join Fez-Marrakech and Kenitra-Fez. This award is part of the plan to renew its railway network in the context of the upcoming 2030 World Cup, which the Kingdom of Morocco will host together with Spain and Portugal. In fact, one of the ONCF's objectives is to expand the country's rail coverage rate to 87% of the population by 2040 (51% today) by connecting more than 40 Moroccan cities, compared to the 23 currently covered by the country's rail network.

In Taiwan, CAF has signed a framework agreement with the prestigious Malaysian construction company Gamuda Berhad to supply up to 23 Urbos trams that will operate on the Xidong and Keelung lines in New Taipei, run by its transport agency, the Rapid Transit Systems Department. The contract also includes the supply of spare parts, storage equipment and a driving simulator. The value of the framework contract, considering all its options, could reach a figure close to EUR 200 million. In this new contract, the integrated project will be led by the construction company Gamuda, becoming CAF's second major achievement in the Taiwanese market since its entry two decades ago. This award also demonstrates the technological and industrial capacity of both CAF and the Malaysian construction group to achieve highly demanding, high-value mobility projects, consolidating their track record and the trust the Taiwanese authorities have placed in them based on their experience and execution expertise.

In France, CAF has signed a contract with the Syndicat des Mobilités de Touraine (Tours) to supply the new fleet that will serve the city's future tram line 2, which will connect the municipalities of La Riche and Chambray-lès-Tours. The agreement includes the supply of 19 Urbos trams, as well as their corresponding spare parts and special tools. After being selected by the metropolitan areas of Montpellier and Marseille, CAF has achieved further commercial success for its Urbos range in the French market, building on the current favourable economic climate for the development of public transport both in France and the rest of Europe.

Additionally, the significant train maintenance contracts obtained in the first half of 2025 are worth highlighting. The main ones are as follows:

In the United Kingdom, Northern Trains Limited, Eversholt Rail Limited and CAF have renewed their partnership to maintain the British operator's rail fleet. The newly signed agreement includes maintenance services for a period of 10 years, reaffirming Northern and Eversholt Rail's confidence in CAF's experience and reliability. Northern is the second largest train operating company in the United Kingdom. Its operating network covers commuter and medium-distance services in the north of the country, from east to west, reaching Newcastle in the north and Nottingham in the south. Today, Northern plays a key role in the structuring of rail transport in the United Kingdom. The agreement includes comprehensive technical support from CAF, including initial corrective maintenance, the supply of spare parts and major overhauls of key equipment. This collaboration continues a highly successful working model, in which Northern provides the direct labour for maintenance activities, while CAF provides management and technical assistance, as well as the supply of spare parts and services. Eversholt Rail will support both parties with its experienced and multidisciplinary team. The train fleet covered by the contract was supplied by CAF to Eversholt Rail between 2018 and 2020 and consists of 101 trains; specifically, these include 12 four-car electric units, 31 three-car electric units, 25 two-car diesel units and 33 three-car diesel units. Since their commissioning, their operation has been instrumental in the modernisation and efficiency of the rail service in the region. This new contract is being signed at a key moment, as the fleet is approaching a major overhaul cycle.

In Brazil, CAF has signed a contract with the Brazilian concessionaire belonging to the Motiva group (formerly known as CCR) for the comprehensive maintenance of the units on Line 5 of the São Paulo Metro. The agreement includes comprehensive maintenance for a 14-year period for 26 six-car units supplied by CAF under the contract awarded to the company by Metro de São Paulo in 2011. The work will be carried out at the Capão Redondo and Guido Caloi workshops.

Meanwhile, EuroMaint, a CAF Group business specialising in rail services in the Nordic countries and a market leader in Sweden, has secured a significant contract with SJ AB (Swedish National Rail Operator) to provide overhaul services for critical rail components used in the main passenger train fleets operating on Sweden's main network. This contract, which represents a fundamental step forward in the collaboration between the two entities, extends for a period of up to eight years, taking into account contractual options and aims to optimise the performance, safety and durability of Sweden's two largest passenger train fleets. Under the terms of the agreement, EuroMaint will be responsible for the comprehensive overhaul and refurbishment of the bogies and axles of SJ's high-speed X2 train fleet, as well as the bogies and axles of SJ's intercity passenger cars.

Finally, it should be noted that CAF is continuing its operations in New Zealand after signing a new service contract in Auckland with Auckland One Rail Limited (AOR), the company responsible for the operation and maintenance of Auckland's electric rail network, the largest in New Zealand. The system has four lines, a total length of 94 km and 42 stations, making it a key hub for urban mobility in the country. The scope of the contract includes the provision of engineering, training and spare parts supply services for the fleet of 95 electric units supplied by CAF to Auckland Transport, through various contracts since 2011. The contract will have a duration of 5 years and the work will be carried out in the workshop located in Wiri, Auckland, where these units are maintained.

INDUSTRIAL ACTIVITY

Industrial activity throughout the first half of 2025 has focused on a total of 24 projects, which virtually complete CAF's current manufacturing portfolio.

Of all of them, each at a different stage of progress, some have already been completed within this period. This is the case of the order for bidirectional trams for the Belgian city of Antwerp with the delivery of the last unit; the expansion project for 5 trams for the city of Seville with the delivery of the last 2; the second LRV (Light Rail Vehicle) completing the order for 2 for the US state of Maryland; and the last 4-car train on the Coradia platform for Dakar.

Also during this period, three 5-module trams were manufactured from the order for 87 signed with the city of Oslo, 14 trams in the 5-module version for the city of Budapest, four trams of the six contracted by the city of Alcalá de Guadaíra in Seville, two of the three trams for the city of Malaga, the first four trams for the French city of Montpellier, as well as the first two trams of the order for 98 for Tel Aviv and 16 trams, bringing the total to 93 units manufactured, of the 114 trains contracted for the city of Jerusalem.

Among the range of metros, commuter and medium-distance trains, there have been various manufacturing projects such as the 2 trains for the Brussels Metro, the 7 trains manufactured for the 54-unit contract for the Docklands project, 6 trains in 2-car DMU (Diesel Multiple Unit) type composition for the UK operator Wales & Borders, the third 10-car composition of the 50 contracted units for the French operator SNCF, 2 trains from the AKT project of the 20 units contracted by the Swedish operator AB Transitio, as well as 2 trains for Myanmar with which 23 of the 26 contracted trains are completed, 7 trains of the 23-unit expansion project for the New Zealand city of Auckland, 8 4-car trains of the Coradia platform for the Nouvelle Aquitaine project and 15 trains of the same platform and composition for the TFA project.

Finally, among other morphologies, we highlight the manufacture of the first three compositions of five trailer cars and two locomotives for the client ETIHAD of Saudi Arabia, as well as the two shunting locomotives for the French operator RATP.

Regarding the remaining projects, which are already in the initial stages of manufacturing and assembly, it is worth highlighting the progress made on contracts for the Marseille and Rome trams, the Euskotren 980 series trains and the Ramya Lot 1 project units contracted by RENFE.

The most important products manufactured in the first six months of 2025 were as follows:

	No. cars
Medium-distance DMU Wales and Borders (2-car unit)	12
Medium distance SNCF	10
Medium distance AKT AB Transitio	8
Medium distance Regiolis for Nouvelle Aquitaine	32
Regiolis medium distance for TFA	60
Coradia medium distance for Dakar	4
Trainset of trailer cars for Saudi Arabia (ETIHAD)	15
Locomotive for Saudi Arabia (ETIHAD)	6
Locomotive for RATP	2
Commuter trains for Myanmar	12
Commuter trains for Auckland	21
Brussels Metro	12
Docklands Metro	35
LRV for Maryland	5
Antwerp Tram (Bidirectional)	5
Oslo Tram	15
Jerusalem Tram	80
Seville Tram	10
Alcalá de Guadaíra Tram	20
Malaga Tram	10
Budapest Tram	70
Montpellier Tram	28
Tel Aviv Tram	10
TOTAL	**482**

BOGIES	
With mechanic-welded chassis	617

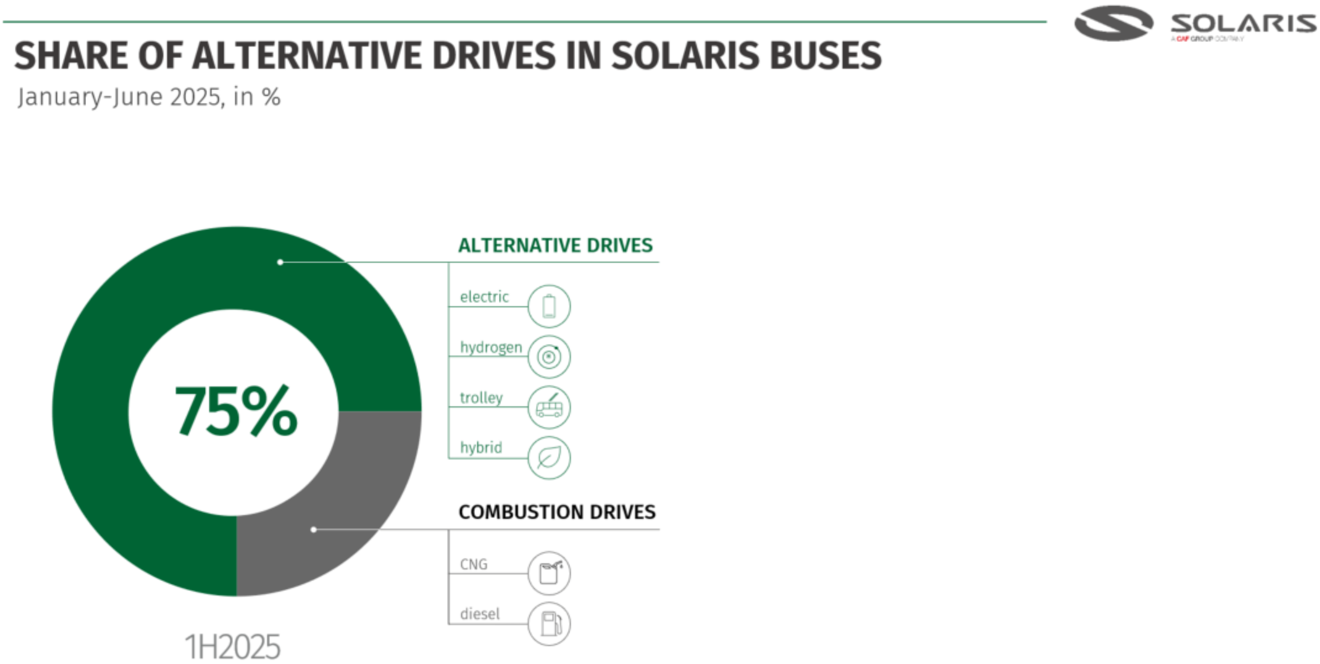
WHEEL SETS AND COMPONENT UNIT - MiiRA	
Wheel set (power car + push-pull car)	2,008
Axles	7,094
Monoblock wheels	38,704
Resilient wheels	1,456
Gearboxes	1,738
Wheel tyres	942

2.3 BUS SEGMENT - SOLARIS

In the first six months of 2025, Solaris delivered a total of 765 vehicles, achieving sales of €519 million, an increase of 20% compared to the first half of last year. This increase in sales was attributable to the higher number of vehicles sold and a better mix of both contracts and technologies, particularly in the premium segment of low- and zero-emission buses, confirmed the growing path of the company of the last periods. This confirms the company's upward trend in recent periods.

In line with its strategic focus, in 1H2025 Solaris concentrated its sales and contract acquisition efforts on the premium segment of low- and zero-emission buses, ensuring both revenue growth and contract profitability. The organization also enhanced its production and operational capabilities to support the achievement of its ambitious goals for increasing production and sales in the coming years, enabling the execution of a consolidated order backlog for 2025 and beyond.

In the reporting period, 75% of the vehicles sold were low- and zero-emission vehicles and 85% of bus revenues came from alternative propulsion.



As of the end of June 2025, Solaris holds an order backlog worth a total of €2.055 million (2.345 vehicles), the highest in the company's history. This record-breaking figure reflects the growing demand for Solaris vehicles across Europe and confirms the company's strong market position, particularly in the segment of zero-emission public transport solutions.

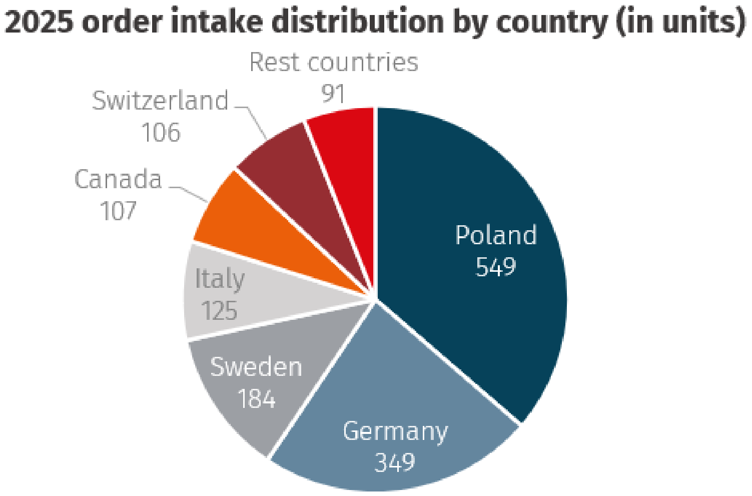
In the first half of 2025, Solaris recorded its highest vehicle sales to operators in Italy, Germany, Poland, Sweden, Romania, the Netherlands, and Denmark.

Within the low- and zero-emission segment, battery-electric buses accounted for the largest share of deliveries, with a total of 356 units supplied. In the same period, Solaris also delivered 133 hydrogen buses, primarily to German operators.

The hydrogen bus segment has seen rapid growth in the last 2 years, and Solaris hydrogen vehicles have become the first choice for operators across Europe. In 2024, hydrogen buses from Solaris accounted for as much as 69% of all registered hydrogen buses. The articulated hydrogen model is already operating in cities such as Aschaffenburg, Cologne, Essen, Güstrow, Wuppertal, and Barcelona, with further contracts underway for many other cities. Solaris' commercial and technical achievements in the hydrogen bus segment have also been recognized by independent expert panels and industry media. The Solaris Urbino 18 hydrogen has been announced as the winner of the prestigious busplaner Innovation Award 2025 in the "Hydrogen Bus" category. In addition, in the low- and zero-emission segment, Solaris delivered: 51 hybrid buses to customers in Switzerland, Spain, and Poland, as well as 33 trolleybuses to operators in Italy and Romania.

In addition to the growth in deliveries, Solaris had an outstanding commercial activity, confirming its value proposal and securing growth and visibility for the upcoming years.

In the first half of 2025, Solaris achieved a record-high order intake, securing contracts for a total of 1,511 vehicles. The largest volumes of orders came from:



The company further strengthened its position in the European market for low- and zero-emission vehicles and entered new markets, including Canada as well as Bosnia and Herzegovina.

Among the most significant contracts obtained in the first half of 2025 were:

- Berliner Verkehrsbetriebe (BVG) placed another order for 270 articulated electric Solaris buses under an existing framework agreement. Following the delivery of the first batch of 50 Solaris Urbino 18 electric buses, the Berlin public transport operator has now ordered an additional 270 vehicles of the same length. The framework agreement provides for a flexible and demand-oriented maximum quantity of up to 700 electric articulated buses over a period of 8 years. The buses will be equipped with Solaris High Energy batteries. Charging will be possible both via a standard plug-in socket and a pantograph.
- Solaris achieved a significant milestone in the implementation of one of the key pillars of its 2023–2026 strategic development plan: entering the North American market with its product offering. In March 2025, Solaris signed its first contract for trolleybus deliveries in Canada, with TransLink in Vancouver. The agreement covers the delivery of 107 twelve-meter trolleybuses, with options for up to 201 additional twelve-meter units and up to 204 articulated eighteen-meter trolleybuses. The first deliveries under this contract are scheduled for 2026, with continued deliveries planned throughout 2027.
- Solaris secured two significant contracts for the delivery of electric buses to Sweden. Firstly, VR Sverige AB, one of the key public transport operators in Sweden, has ordered 81 low-entry Solaris Urbino 15 LE electric buses. The new vehicles will join the fleet serving the Stockholm region in the second quarter of 2026. The Solaris Urbino 15 LE electric model has been designed for both urban and suburban transport. The buses for VR will be homologated in Class II, meaning they will primarily operate on intercity and metropolitan routes. Each vehicle will be equipped with high-capacity Solaris High Energy batteries, ensuring sufficient range. Secondly, private operator Nobina Sverige AB has selected Solaris to supply 103 electric buses destined for both Stockholm and the Skåne region. The order includes Solaris Urbino 15 LE electric models and follows previous deliveries to the same operator. In 2024, Solaris delivered 55 electric buses to Nobina for Stockholm and 28 vehicles in the Skåne region.
- In March Solaris won an order from the Ministry of Transport of the Canton of Sarajevo which ordered 10 articulated trolleybuses. The delivery of the Trollino 18 vehicles is scheduled for mid-2026. The procurement tender for these trolleybuses was conducted and financed in collaboration with the European Investment Bank (EIB). With this order, Bosnia and Herzegovina will join the list of countries where Solaris' modern buses and trolleybuses serve urban transport systems which currently includes 33 countries.
- In the first half of 2025, it is also worth highlighting several major developments on the Polish market, where between January and June Solaris received orders for as many as 549 vehicles. These include 407 electric, 45 hydrogen buses, as well as 40 hybrid buses. Among the largest or most significant orders were the following:
    - MZK Toruń – 40 Urbino 12 electric buses
    - MPK Łódż – 36 electric buses (22 articulated and 14 12 meter)
    - ZTM Kielce – 24 electric buses (Urbino 12 electric)
    - MPK Poznań – 26 zero emission buses (17 electric buses and 9 hydrogen buses)

In the first half of 2025, Solaris continued its efforts in the areas of sustainability and actively contributed to the development and implementation of the CAF Group's Sustainability Plan. As part of its broad engagement in Environmental, Social, and Governance (ESG) responsibility, the company obtained another Environmental Product Declaration (EPD) for one of its zero-emission vehicles: the Solaris Urbino 18 hydrogen.

EPDs are internationally recognized documents that transparently assess a product's environmental impact throughout its entire life cycle – from raw material extraction and component manufacturing, through vehicle production and delivery, to operation, maintenance, and end-of-life disposal. Each EPD is based on a rigorous Life Cycle Assessment (LCA), independently verified in accordance with ISO standards and Product Category Rules (PCR). This achievement highlights Solaris' ongoing commitment to transparency and sustainability and marks another milestone in the execution of its ESG strategy. As more operators seek reliable environmental data, EPDs provide a solid foundation for responsible, data-driven decision-making. The Solaris Urbino 18 hydrogen is the third model in the company's portfolio to receive this certification, following the Solaris Urbino 18 electric and the Solaris Urbino 12 hybrid.

Solaris' active ESG efforts within the CAF Group have also been recognized by independent institutions. In May 2025, Solaris received an award in the nationwide "Angel of Dual Education" competition. The company was honoured for its long-standing and consistent collaboration with educational institutions, its effective preparation of young people for professional careers, and its active promotion and development of the dual education system.

Solaris supports youth development on two levels: vocational and higher education. Over the past decade, more than 320 individuals have participated in its dual education programs. Since 2014, in partnership with Poznań University of Technology, Solaris has also run a dual study program. Initially focused on Mechanical Engineering and Logistics, the program now specializes in Electrical Engineering. Students complete a paid 1.5-year internship, and selected academic classes are held directly at Solaris facilities. So far, 69 students have participated in the program – 26 of whom have joined Solaris as employees, while another 19 continue as interns across various departments.

Additionally, during the reporting period, Solaris received distinctions in three categories in the prestigious "ESG Leaves" ranking organized by "Polityka" weekly. For the first time, Solaris was awarded the Golden ESG Leaf, confirming the consistency and comprehensiveness of the company's ESG management practices. The ESG Leaves ranking is based on companies' responses to a detailed questionnaire. In this year's edition, questions were divided into four categories: impact, risk and opportunity management; ESG business model and strategy; corporate governance; and monitoring and control. The questionnaire was developed in alignment with the EU's European Sustainability Reporting Standards (ESRS). Participants were also evaluated on their environmental impact management and had the opportunity to compete for the Green ESG Leaf distinction.

Furthermore, during the reported period, Solaris took part in two industry exhibitions that were important to the European market.

Firstly, in April 2025, Solaris participated in the Mobility Move 2025 conference and trade fair in Berlin. This is one of the largest electric bus trade fairs and conferences in Europe. On this occasion, Solaris showcased its zero-emission Urbino 12 electric model with a modular drive. This vehicle has earned recognition in the public transport industry, having won the prestigious Sustainable Bus Award 2025. The Solaris Urbino 12 electric stands out with its modular drive system, which allows for the distribution of system components on the roof of the vehicle, eliminating the need for a traditional engine tower. This solution optimizes passenger space and increases capacity. The bus showcased in Berlin is also equipped with state-of-the-art Solaris High Energy batteries, offering high energy density.

Another important industry event Solaris participated in during the first half of 2025 was the World Public Transport Summit organized by UITP. UITP, the International Association of Public Transport, is the world's largest organization bringing together stakeholders in urban mobility. Held every two years, the UITP Summits are key industry events that gather mobility sector organizations around innovation and the future of public transport. The 2025 edition of the UITP Summit was held in Hamburg from 15 to 18 June. Solaris showcased its flagship model, the Solaris Urbino 12 electric with a modular drive system, at the event. The company's employees were also involved in the congress program, actively participating in expert debates on the future of urban mobility, including innovations in battery and hydrogen bus technology.

2.4 R&D&i ACTIVITY

In the last months of fiscal year 2024, the CAF Group's new Innovation Management Plan for the year 2025 was defined, aligned with the Strategic Plan.

The Innovation Management Plan, defined according to the Innovation Process, includes innovation projects from all of the CAF Group's business areas.

The Innovation Management Plan contemplates more than one hundred projects grouped into the following Innovation Programmes:

- **Zero emissions**
  - Alternative propulsion systems, such as those based on energy storage in batteries or the use of hydrogen as fuel.
  - Reduction of energy consumption through on-board energy optimisation and management systems.
  - Reduction of other emissions such as EMC and Noise.
- **Autonomous and Automatic Vehicle**
  - Remote autonomous driving on trams and ADAS for buses.
  - Development of CBTC for automatic metro.
  - Automation of mainline systems and ERTMS evolution.
  - Enabling technologies such as 5G and secure positioning.
- **Digitalisation**
  - Projects aimed at reducing costs or deadlines.
  - Implementation of Cybersecurity and Digital Platform.
  - Digital Twin and Artificial Intelligence Technologies.
- **Product portfolio extension**
  - Transportation systems: improvement of the data generation process for the configuration of signalling systems, standardisation of tram systems and substations.
  - Rolling stock vehicles: SIL 3 certified emergency brake for tram vehicles. Low floor LRV for the USA.
  - Buses: interurban electric bus for the European market. Urban electric bus for the US market.
  - Services: train monitoring and track geometry systems.

All of the above combined the execution of projects aimed at assimilating technologies with the development of products based on such technologies and strategic projects.

To finance these projects, the Group has relied on various types of R&D subsidies, most notably the aid obtained from:

- Provincial Government of Gipuzkoa
- Basque Autonomous Community Government
- Government of Spain
- French Government
- European Commission
- National Research and Development Centre in Poland

In addition, we have continued to collaborate very intensively with different technology centres and universities.

The CAF Group is participating in collaborative projects within national programmes and also within the European framework programme Horizon Europe. Noteworthy projects included:

- **Zero emissions**
  - **FCHRAIL**, a project within the FCH JU (Fuel Cells and Hydrogen Joint Undertaking) that consists of the design and manufacture of a prototype based on a three-car RENFE commuter train unit, in which a new electricity generation system will be installed based on the hybridization of energy from hydrogen fuel cells and batteries, making it one of the first railway demonstrators of a bimode vehicle with a hydrogen fuel cell.

- **Autonomous and Automatic Vehicle**
  - **CLUG 2.0**, a project promoted by the main European infrastructure managers that aims to demonstrate a safe autonomous positioning system up to SIL4 that does away with the need for signalling infrastructure.
  - **RAILABEL**, a project framed within the Digitalization and Autonomous Vehicle initiative and more specifically in the technological field of Artificial Intelligence. The project aims to develop an agile multi-sensor data labelling and data processing module, validated and compliant with the OpenLabel automotive standard. The validation of these systems ranges from the collection and processing of real-time operation data to the simulation of complex and varied scenarios. This is essential to ensure that advanced driving systems can effectively cope with and respond to a wide range of conditions, from adverse weather to emergency situations.
  - **SPERYA**, a project within the autonomous vehicle initiative, aims to develop an advanced module for real-time data capture (online) and subsequent offline data processing for multi-sensor artificial vision systems (Proven Data Preparation). This module is essential for validating AI solutions from third-party vendors (critical for CAF as a solutions integrator) and for developing, training and validating its own multi-sensor perception solutions.
- **Digitalisation**
  - **PLATIA**, a project framed within the Digitalization initiative that aims to research and generate knowledge to define the Artificial Intelligence architecture for two generic use cases based on Generative Artificial Intelligence: Virtual Assistant (Chatbot) and Platform for automatic generation of content from existing documentation.
  - **MoreDigital**, a project framed within the Digitalization initiative that aims to research methodologies that will allow, in the future, the development of reduced models of industrial systems and processes based on the physics that governs them and also in methodologies that enable said reduced models to be integrated into digital twins.
  - **AIDDYA**, a project encompassed in the Digitalisation initiative, which aims to develop an Artificial Intelligence system that can replicate and optimise the railway dynamic simulation capacities of the physical multibody model (MBS), making the most of the advantages of AI to improve the efficiency and adaptability of the simulation system in the railway area.
  - **RNR**, a project framed within the Digitalization initiative that aims to demonstrate the feasibility and potential of incorporating the Digital Twin approach based on a data model in the design phase through technology transfer in the field of recurrent neural networks (RNR). These networks will allow integration into digital twins from the design phase, offering a key competitive advantage in terms of time and cost.
- **Other**
  - **EURAIL**, during 2022 CAF formalised its participation as a founding member in the EURAIL initiative. This programme promotes R&D in the railway sector in Europe with a contribution of over EUR 1,200 million. In this regard, it is participating in five major projects that were signed in fiscal year 2022 and whose operations began in January 2023.
  - **RAIL SPACE**, a project that responds to CAF's strategy of researching, studying and training in fundamental digital disciplines for the mobility sector with the aim of bringing open, interoperable and cyber-secure Data Spaces closer as a transformative lever for modernising the railway sector.
  - **DIAVOLO**, a project that aims to generate knowledge about wheel-rail dynamics through in-service monitoring of critical parameters of the rolling system, as a way to perform an intelligent diagnosis of problems that have a great impact on the optimisation of the LCC of the entire system.
  - **INNOFILT**, a project within the scope of electromagnetic compatibility of train systems, whose main objective is to advance innovative non-invasive filtering solutions for the railway sector in order to mitigate problems and maximise system efficiency.
  - **ALINE**, a project within the field of railway signalling, which consists of developing a new modular railway signalling control and diagnostic system that guarantees the management of railway traffic with a precise and safe approach, improving interoperability between the different systems and incorporating continuous monitoring technologies to provide greater reliability in railway infrastructures, responding to the demands of the sector.
  - **SISCOMLOOP**, a project within the field of railway signalling, which consists of researching and developing an advanced communication system to receive data between external systems (Euroloop) and the train that provides track information. This system will facilitate the management, processing and transmission of critical data obtained from these external systems, which will serve to guarantee railway safety and operation.

In addition, in the area of railway engineering, the company is involved in more than 60 vehicle manufacturing and rehabilitation projects. Among the latest projects contracted, the following engineering projects stand out:

- Projects based on consolidated platforms: the Palermo, Roma, Bologna tram, the extension of the Vitoria tram, Tours and Taipei (Taiwan), regional trains for VRR (Germany), units for SJ (Sweden) and Coradia Polyvalent units for Aquitaine (France) and Senegal. Expansion of Metro units for Amsterdam, Medellín and Santiago de Chile
- EMUs for Qbuzz (Netherlands)
- Trams for Omaha (United States)
- Broad and narrow gauge units for Madrid Metro
- Unit for the Oslo Metro
- Double deck train units for NS (the Netherlands)
- LRVs for Germany (Bonn and Hannover)
- LRVs for Boston (United States)
- Units for RENFE (medium distance and commuter trains)
- EMUs for Euskotren (S/980)
- Tri-mode units for London North Eastern Railway (LNER)
- EMUs for the Philippines
- Extension of the Oxygène SNCF intercity units for the Bordeaux-Marseilles line
- Intercity trains for ONCF (Morocco)

Finally, among the most important R&D projects carried out by Solaris engineering teams during the first half of 2025 are the following:

- Continuation of the Solaris Urbino 18 electric project with a distributed drive system and roof-mounted batteries. The project's objective is to design and implement an 18-meter articulated electric urban bus with increased passenger capacity compared to currently available models, while maximising battery capacity and range. The product enhances Solaris' competitive advantage by offering a vehicle with improved operating parameters. In the first half of 2025, work continued on optimising the vehicle's structure in terms of material costs and energy consumption.
- Introduction of the electric Solaris Urbino 10.5 with a distributed drive system and roof-mounted batteries. The project's objective is to develop and launch a 10.5-meter low-floor electric bus with increased operating range and a larger number of passenger seats. The project scope includes the preparation of technical specifications and the development of a dedicated vehicle structure with a set of tailored technical solutions. During the project, two prototype buses will be built and used for a series of tests and the approval process. The bus's official debut is scheduled for the Busworld trade fair in Brussels in October 2025.
- In addition, R&D work continued during the first half of 2025 related to the company's entry into the United States and Canadian markets and into the zero-emission intercity bus segment in Europe.

2.5 INVESTMENTS

The CAF Group's material investments during the first half of 2025 amounted to EUR 12 million. The most salient investments were as follows:

In the MiiRA wheelset business, the most significant investment has been the acquisition of a new wheel turning machine. This is intended to increase the production and reworking capacity of the machining area, as well as to optimally address new market niches for wheels with greater technical complexity in terms of tolerances and geometries. Added to this is the adaptation of the gearbox workshop and its new equipment to ensure optimal ergonomic and safety conditions in this area.

In the area of railway vehicle manufacturing, the objective of expanding production capacity continues to meet the demands of the company's large order book. To this end, from among the main investments carried out this semester, we must highlight a paint booth and oven for operations including painting, primer drying and paint finishing, which will bring about a substantial improvement to this phase of the vehicle manufacturing process. We should also highlight the investments in the Zaragoza testing area, which include the expansion of the test shed, increasing its length to adequately house larger units, the adaptation of the exit tracks to the railway network to respond to the projects developed for Renfe, as well as the acquisition of an irrigation porch to carry out leak tests. Finally, we should mention the start of construction of a second test facility at the Beasain plant to accommodate increased loads in the coming years and meet the schedule for both current and future programmes thanks to a modern, versatile and high-capacity facility.

In the services area, the initial phases of the construction of the new depots and workshops in Germany are worth highlighting. This investment is related to the activity that will be carried out in the coming years as part of the project to supply and maintain BEMUs for VRR and NWL for over 30 years. Likewise, of note were the investments made at the Tradinsa plant in Lérida to improve production processes and comply with current safety regulations, and the adaptation of various workshops at which Actren carries out its fleet maintenance activities, to bring about modernisation and operational improvement.

Regarding the Group's international plants, we can highlight the investments made to date in the Group's plants located in France. On the one hand, the Reichshoffen facilities in Alsace are being adapted to increase their production capacity by extending the length of the vehicle finishing warehouses and implementing and equipping new assembly lines for new projects. On the other hand, the Bagnères-de-Bigorre plant is seeking to continue the industrial transformation process initiated last year by enabling new industrial areas and implementing production resources that will strengthen the factory's competitive position. We should also highlight the continued improvement and expansion work at the Newport facilities in the United Kingdom, primarily focused on improving the testing area. In Mexico, work is underway to adapt the manufacturing lines, which will optimise the structural, painting and finishing areas to meet the demanding quality standards of the projects to be developed at the plant.

Regarding the bus business, among the investments Solaris is making in Poland, we can highlight those related to the expansion of production capacity at the Bolechowo and Sroda plants. The former is primarily focused on investing in equipment and platforms for vehicle finishing, while the latter is more focused on providing the plant with more advanced resources with greater robotization in the welding area.

Regarding the investments made in intangible assets in this first half of 2025, their volume has amounted to EUR 13 million. In the area of information technology, the most significant has been the final phase of the implementation of the new ERP. Likewise, the measures established in the corporate strategic plan regarding cybersecurity continue to be implemented with the deployment of the solutions established therein. Finally, we should mention the investments aimed at maintaining and improving infrastructure, including those related to extending policies and technologies to the Group's different businesses.

3 MAIN RISKS AND UNCERTAINTIES

The CAF Group is exposed to various risks inherent to the activities it carries on and to the various countries and markets in which it operates, which may prevent it from meeting its objectives.

With the commitment to addressing this matter, the CAF Group's Board of Directors establishes the mechanisms and basic principles to appropriately control and manage risks through the General Risk Management and Control Policy. This policy, which is aligned with the Group's mission, vision and values, expresses its commitment to providing greater certainty and security in:

- Achieving the strategic objectives set by the CAF Group with a controlled volatility;
- Providing the utmost level of guarantees to shareholders;
- Protecting the CAF Group's results and reputation;
- Defending the interests of its stakeholders; and
- Ensuring business stability and financial strength in a sustained way over time.

To do so, the General Risk Management and Control Policy is implemented throughout the entire CAF Group by means of an Integrated Risk Management and Control System. This system constitutes a series of rules, processes, procedures, controls and IT systems, whereby all the risks are appropriately managed by means of the following system phases and activities, which include:

1. Establishment of the risk-management context for each activity, by setting, inter alia, the level of risk the Group considers to be acceptable.
2. Identification of the various risk types, in line with the main risks detailed in the Policy, faced by the Group.
3. Analysis of the risks identified and what they entail for the CAF Group as a whole.
    - Corporate Risks – Risks affecting the Group as a whole.
    - Business Risks – Risks specifically affecting each of the businesses/projects, which vary in accordance with the particularities in each case.
4. Risk assessment based on the level of risk that the Group considers acceptable (risk appetite).
5. The measures envisaged to address the identified risks.
6. Regular monitoring and control of current and potential risks through the use of information and internal control systems.

The Integrated Risk Management System adopted by the CAF Group detailed above is aligned with international standards as regards the use of an effective methodology for the comprehensive analysis and management of risks and the Three Lines of Defence Model in relation to the allocation of responsibilities in the risk management and control area.

In this regard, the Board of Directors is ultimately responsible for the General Risk Management and Control Policy, and approves the appropriate procedures to identify, measure, manage and control risks. It is also responsible for establishing clear lines of authority and responsibility and requires the existence of appropriate methodologies to measure the various types of risks and the effective internal controls to manage them. It is the body responsible for establishing and monitoring the Integrated Risk Management and Control System implemented at the Group and verifies whether the significant risks for the Group are consistent and fall within the defined risk tolerance level.

The Audit Committee is responsible for the independent oversight or assessment of the effectiveness of the Integrated Risk Management and Control System implemented and of the procedures designed to monitor it. In doing so, it will be supported by the Risk Management Department and additionally by the Internal Audit function.

The most significant risks the Group faces can be categorised as follows:

- Strategic risks: these are risks arising from the uncertainty that macroeconomic and geopolitical conditions represent, in addition to characteristics inherent to the industry and markets in which the Group operates and the strategic planning and technological decisions adopted.
- Financial Risks: arising from market fluctuations (financial and commodities markets), contractual relations with third parties (customers, debtors) and counterparties related to investments in financial assets and financial liabilities (banks, investors). The subcategories of risks that are included are as follows:
    - Market risk, which includes the following risks:
        - Interest rate risk: risk of fluctuations in interest rates that might give rise to changes in the Group's profit or loss and the value of its assets and liabilities.
        - Foreign currency risk: risk arising from fluctuations in exchange rates of one currency with respect to another with a possible effect on future transactions and the valuation of assets and liabilities denominated in foreign currency.
        - Commodity price risk: risk arising from changes in prices and market variables relating to commodities required in the businesses' supply chain.

- Credit risk: this risk relates to doubtful debts, insolvency proceedings or bankruptcy or possible default on payment of quantifiable monetary obligations by counterparties to which the Group has actually granted net credit that is yet to be settled or collected.
- Liquidity and financing risk: in relation to liabilities, it is the risk tied to the impossibility of performing transactions or breach of obligations arising from operating or financing activities due to a lack of funds or access to financial markets, either because of a drop in the Parent's credit rating or other reasons. In relation to assets, it is the risk of being unable to find at any given time parties to purchase an asset at the arm's length price or to obtain an arm's length price.

• Legal Risks: arising from the preparation and performance of various types of agreements and obligations (commercial, administrative, intellectual and industrial property, etc.) and the possible contingencies arising therefrom. Risks relating to legal proceedings, administrative procedures and claims are also included.

• Operating Risks: inherent to all the Group's activities, products, systems and processes that have an economic and reputational impact arising from human/technological errors, insufficiently robust internal processes, or the involvement of external agents.

• Corporate Governance Risks: arising from potential non-compliance with the Group's corporate governance system, which governs the design, integration and operation of the governance bodies and their relations with the Group's stakeholders and is rooted in the Group's commitment to ethical principles, best practices and transparency as the Group seeks to defend its interests and create sustainable value.

• Compliance and Regulatory Risks: arising from the breach of applicable national and international regulations and laws irrespective of the activity in question, included in the following large blocks: (i) Commercial and Competition (market abuse, corporate obligations and securities market regulations, antitrust and unfair competition), (ii) Criminal (prevention of crimes, including those arising from corruption), (iii) Labour, (iv) Tax and (v) Administrative (including personal data protection regulations, environmental laws, etc.).

Due to its global risk scope, the Integrated Risk Management and Control System is continuously updated to include new risks that might affect the Group as a result of changes in the environment or revised objectives and strategies, as well as updates that arise from lessons learned from monitoring and controlling the system.

In the current geopolitical context, the Group is subject to risks and uncertainties related to changes in international trade policies, including the imposition of tariffs and other trade restrictions. At the date of these interim condensed consolidated financial statements, certain tariffs have been implemented or proposed by various governments, which could affect the cost of goods imported or exported by the Group. Due to the evolving nature of these trade policies, it is not possible to reasonably estimate their final impact on the Group's consolidated operations, financial position and results. However, due to the Group's low exposure to transactions that could be subject to this risk and the protection mechanisms in place in the contracts, the Group's Directors do not estimate any significant impact on the consolidated financial statements. The administration continues to monitor trade policy developments and will adjust operations and sourcing strategies as needed to mitigate potential impacts.

The situation with supplier Costellium has returned to normal following supply issues caused by flooding at its plant in 2024. To this end, the manufacturing and delivery plan has been rigorously monitored, in addition to implementing an alternative to reduce dependency and mitigate risks in the event of potential delays.

The Israel-Palestine conflict continues to pose a risk of uncertainty in the activities and pace of implementation of several projects in these regions. For its part, the Group continues to manage these uncertainties proactively, in a manner adapted to the circumstances at any given time. In particular, major efforts have recently focused on ensuring the safety and health of workers on these projects.

The contingencies managed in the realm of Compliance are part of the overall risks supervised within the system. A description of the significant topics can be found in Note 2-d to the interim condensed consolidated financial statements.

4 ENVIRONMENTAL, SOCIAL AND GOVERNANCE ASPECTS

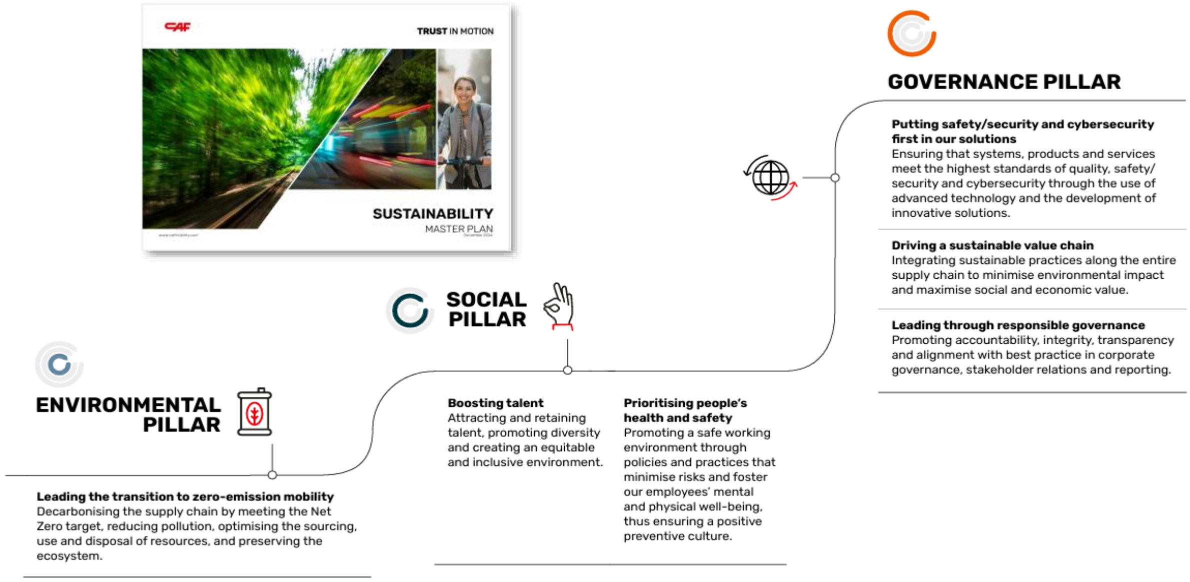
In a context of instability and regulatory uncertainty regarding ESG, mainly motivated by the politicisation of these aspects in some geographies and the Omnibus reform in the EU, CAF has stayed the course, reaffirming its commitment to sustainability and its firm commitment to sustainable mobility. Thus, we have closely followed these developments, participating in various forums and stances (UNIFE, ICAC, Spanish Issuers, etc.) related to the Corporate Sustainability Reporting Directive (CSRD).

In the first half of 2025, CAF has made progress in its commitments, aligning itself with the provisions of the Sustainability Master Plan (available at www.cafmobility.com) and the guidelines outlined in the 2026 Strategic Plan.

Among the **milestones** attained in the first semester, the publication in February of the **2024 Consolidated Non-Financial Information and Sustainability Information Statement stands out.** For the first time, it was carried out incorporating the requirements of the **CSRD**, based on the European Sustainability Reporting Standards (ESRS). Furthermore, the document complies with the provisions of Law 11/2018 and was prepared in accordance with the guidelines of the Global Reporting Initiative. As in previous years, the Report was verified by an independent third party without reservations.

During this year, we continued to make progress in integrating the disclosure requirements contained in the NEIS with the goal of moving towards more standardised, robust and comparable sustainability reporting.

Below are the achievements and progress made in the first half of 2025 in the implementation and deployment of our Sustainability Master Plan, which guides our actions and strategic initiatives in each of the defined strategic pillars:



ENVIRONMENTAL PILLAR

Among the actions aimed at promoting decarbonisation in our production processes, the installation of a new heat treatment line at the Beasain plant stands out, which will reduce our Scope 1 greenhouse gas (GHG) emissions. This facility consists of two furnaces for wheel treatment, equipped with recuperative burners and a heat recovery system at the flue gas outlet, as well as four cooling tanks.

Regarding the reduction of Scope 2 emissions, a framework contract for the supply of electricity with guarantees of origin (GdO) has been formalised for national subsidiaries and electricity contracting with GdO has been extended to a greater number of Group companies.

SOCIAL PILLAR

In this pillar, the following achievements have been made:

- **Promoting talent:** CAF obtained the **Top Employer** certification in Spain and France and was included in the **Merco Top 100**. Furthermore, CAF was recognised at the 16th Randstad Awards as the most attractive industrial company to work for in Spain, reinforcing our commitment to excellence and the talent of our team.
- **Prioritise the health and safety and health of people:** in this area, among other measures, we have continued to expand the implantation of ISO 45001:2018 certification at our facilities, ensuring the certification of our subsidiaries located in Spain in 2025.

GOVERNANCE PILLAR

In terms of governance, significant progress has been made in strengthening the integrity of sustainability information and cybersecurity and compliance management:

- **Sustainability Information Internal Control System (SCIIS):** Successful implementation of SAP GRC Process Control for managing the controls associated with the processes defined to date. Additionally, progress has continued to be made in defining new processes and defined processes have been adapted to the disclosure requirements included in the NEIS.
- Similarly, the control systems for the Compliance and Cybersecurity functions have also been migrated to SAP GRC PC, creating a common environment for managing this type of information.

Regarding the monitoring of the performance of material matters during the first half of the year, the Responsible Management Scorecard is attached below, which shows the evolution of the most relevant ESG indicators:

KPIs	Real FY24	Target FY25	Real 1S25[1]	Measurement[2]
Reduction of CO2 emissions (%) Scope 1&2 (base year 2019, SBTi)	29.3%	25.2%*	Annual indicator	
Reduction of CO2 emissions (%) Scope 3 (product use) (base year 2019, SBTi)	33.1%	35.3%*	Annual indicator	
EU taxonomy alignment (business volume) (%)	82.1%	84.0%	83.3%	
CDP Sustainability Assessment	B	A-	Annual indicator	
Frequency rate	13.8	13.8	14.0	
Customer satisfaction rating (1/10)	8.0	7.9	Annual indicator	
Organisational health index (1/10)	6.7	6.8	Annual indicator	
Sustainalytics sustainability assessment	Low risk	Low risk	Low risk	
MSCI Sustainability Assessment	AA	A	A	
S&P Sustainability Assessment	60	68	Annual indicator	
Ecovadis Sustainability Assessment	79	75	Annual indicator	

*Objectives validated by SBTi in November 2024.

In terms of employment, it should be noted that during the first half of 2025 the evolution of the Group's workforce has been positive, increasing on average by 6.52%, which represents an average year-on-year increase of 1,021 people:

	Total headcount	Average headcount
30.06.2024	15,838	15,668
30.06.2025	16,972	16,689

In conclusion, CAF constitutes a sustainable investment, and reiterates compliance with its environmental, social and governance prospects and commitments.

[1] Includes results at 30/06/2025 for those indicators for which information is available on the publication date of this Report.
[2] Green: meets objective. Amber: does not meet target but improves or equals the FY24 results. Red: misses target and worsens FY24 results.

5 EVENTS AFTER THE REPORTING PERIOD

In July 2025, CAF secured two new contracts in France for a combined value of over EUR 300 million, thus consolidating its presence in the French railway market. On the one hand, the Grenoble Area Mobility Joint Union (SMMAG) has awarded CAF the supply of 38 Urbos trams, with the option to expand the scope of the contract with up to 9 additional trams. Furthermore, the Bourgogne-Franche-Comté region has demonstrated its confidence in the company by awarding the CAF-Alstom consortium a new order for 14 Coradia Polyvalent regional trains. This contract arises from the agreements in force between CAF and Alstom following CAF's acquisition of the Reichshoffen plant in 2022, whereby CAF is responsible for the design and manufacture of the units of this platform, while Alstom supplies part of the equipment.

Likewise, on July 23, 2025, further to the resolution of the Council of State, the Board of Directors of NMBS (SNCB – National Society of Belgian Railways) confirmed CAF as the preferred bidder for the AM30 train development, manufacturing and supply contract. This framework agreement covers scope of units 170,000 places, with an initial base commitment valued at €1.7 billion (units for 54,000 places), subject to the final award of the contract.

6 ALTERNATIVE PERFORMANCE MEASURES

The CAF Group's financial information contains not only figures and metrics drawn up in accordance with applicable accounting standards, but also other indicators known as Alternative Performance Measures (APMs). APMs are essentially figures adjusted from those presented in accordance with International Financial Reporting Standards, as adopted by the European Union (EU-IFRS). They should therefore be read in conjunction with the financial reporting measures and not in isolation.

APMs are important for financial information users because they are used by the CAF Group's management to assess its financial performance, cash flows or financial position when taking financial, operational or strategic decisions at the Group.

The following APMs have been used as part of the financial information of the CAF Group:

Order intake: this includes firm orders received in the first six months and potential modifications to orders from prior periods.

	Millions of euros		
	30.06.25	**30.06.24**	**31.12.24**
+ Backlog at end of period	15,590	13,843	14,695
- Backlog at beginning of period	(14,695)	(14,200)	(14,200)
+ Revenue	2,174	2,080	4,212
Order intake	**3,069**	**1,723**	**4,707**

Order intake / Revenue ratio (Book-to-bill): ratio obtained by dividing “Order intake” for the year by “Revenue” as shown on the consolidated statement of profit or loss for the period. This ratio gives an indication of the volume of future "Revenue".

	Millions of euros		
	30.06.25	**30.06.24**	**31.12.24**
Order intake for the period	3,069	1,723	4,707
Revenue	2,174	2,080	4,212
Order intake / Revenue ratio (Book-to-bill)	**1.4**	**0.8**	**1.1**

Backlog: this represents the volume of firm orders that will be recognised in the future under “Revenue” in the interim consolidated statement of profit or loss. An order is considered firm only when it generates obligations between the CAF Group and the customer, which, in the case of sales of trains, buses and services, is deemed to occur when the contract between the parties is signed. The outstanding amount includes only the contractual options already executed by the customer, less the best estimation of contractual penalties.

Backlog / Revenue ratio: obtained by dividing the Backlog for the current period by “Revenue” as stated in the consolidated statement of profit or loss for the previous year. The evolution of this ratio provides an indication of the future "Revenue".

	Millions of euros	
	30.06.25	**31.12.24**
Backlog – current period	**15,590**	**14,695**
Revenue for the period (*)	4,212	4,212
Backlog / Revenue ratio	**3.7**	**3.5**

(*) Revenue at 30 June 2025 refers to the figure for 2024.

Adjusted EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortisation): the EBITDA indicator is calculated by deducting from "Operating EBIT" the amounts recognised under "Depreciation and amortisation charge" and "Impairment and gains or losses on disposals of non-current assets". EBITDA is adjusted to reflect significant non-recurring items or events that are not expected to occur in the coming years, such as litigation arising outside the normal course of business, restructurings or company acquisition costs, etc.

	Millions of euros	
	30.06.25	30.06.24
Profit/(Loss) from operations	114	102
Depreciation and amortisation charge	55	55
Impairment and gains or losses on disposals of non-current assets	(4)	(2)
EBITDA	**165**	**155**
Other adjustments	-	-
Adjusted EBITDA	**165**	**155**

Adjusted EBITDA – 12 months: calculated as the sum of the monthly EBITDA over the last 12 months. The figure at 30.06.25 relates to the period running from 1 July of the previous year to 30 June of the current year.

	Millions of euros	
	30.06.25	31.12.24
- Adjusted EBITDA at 30.06.24	(155)	-
+ Adjusted EBITDA at 31.12.24	325	325
+ Adjusted EBITDA at 30.06.25	165	-
Adjusted EBITDA – 12 months	**335**	**325**

EBIT margin: ratio obtained by dividing the "Operating profit" by "Revenue" in the consolidated statement of profit or loss for the period. This indicator provides useful information about the Group's operating profitability.

	Millions of euros	
	30.06.25	30.06.24
Profit/(Loss) from operations	114	102
Revenue	2,174	2,080
EBIT margin	**5.2%**	**4.9%**

Net margin: obtained by dividing "Consolidated profit/(loss) for the year attributable to the Parent" by "Revenue" in the consolidated statement of profit or loss for the period.

	Millions of euros	
	30.06.25	30.06.24
Consolidated profit/(loss) for the period attributable to the Parent	73	52
Revenue	2,174	2,080
Net margin	**3.4%**	**2.5%**

Working capital expenditure: calculated as the difference between current assets and current liabilities. Current assets and liabilities exclude all items that are classified as Net financial debt, Fixed assets and Other assets and liabilities. This measure is used by CAF Group management when managing and making decisions related to the cash conversion cycle of the business, as effective working capital management enables an optimal level of investment in working capital so as not to jeopardise the company's solvency and ability to honour its short-term payment obligations. The following table provides a breakdown:

	Millions of euros	
	30.06.25	31.12.24
+ Other non-current assets	5	4
+ Inventories	703	636
+ Trade receivables for sales and services	2,413	2,264
+ Other receivables	232	209
- Other debtors - Concessions (Notes 7-b and 9)	(113)	(118)
+ Other current assets	36	28
- Other non-current liabilities	(48)	(72)
- Current provisions	(388)	(386)
- Suppliers and other payables	(2,758)	(2,569)
- Other current liabilities	(4)	(7)
Investment in working capital	**78**	**(11)**

Fixed assets: it is calculated by subtracting from Total non-current assets the fixed asset items that are part of the calculation of the "Net financial debt" indicator, non-current hedging derivatives of assets, deferred tax assets, non-current assets for refund rights and assets for rights of use, as well as current liabilities for fixed asset suppliers. It also includes "Other receivables" related to concessions and financial assets at amortised cost as part of current assets.

	Millions of euros	
	30.06.25	31.12.24
+ Intangible fixed assets	467	475
+ Property, plant and equipment (Note 6)	392	408
+ Investments accounted for using the equity method (Note 7-a)	45	36
+ Non-current financial assets	205	255
- Financial investments - Non-current assets (Notes 7-b and 10)	-	(10)
+ Other receivables - Concessions (current assets) (Notes 7-b and 9)	113	118
+ Other current financial assets at amortised cost (Note 7-c)	2	1
- Dividends pending collection	-	-
- Payable to non-current asset suppliers (Note 11-b)	(4)	(15)
Fixed assets	**1,220**	**1,268**

Net Financial Debt: obtained by taking into account the non-current assets and liabilities and current assets and liabilities detailed below:

	Millions of euros	
	30.06.25	31.12.24
+ Refundable advances with interest (Note 11-b)	10	11
+ Bank borrowings - Non-current liabilities (Note 11-a)	655	549
+ Bank borrowings and debt instruments – Current liabilities (Note 11-a)	120	273
- Financial assets - Non-current assets (Note 7-b)	-	(10)
- Current financial assets (Note 7-c)	(34)	(24)
- Cash and cash equivalents	(526)	(573)
Net Financial Debt	**225**	**226**

Other assets and liabilities: it is obtained from the consideration of the following non-current assets and liabilities and current assets and liabilities:

	Millions of euros	
	30.06.25	31.12.24
+ Right-of-use assets (Note 6)	86	90
+ Non-current hedging derivatives - Non-current assets	35	1
+ Deferred tax assets	176	171
+ Current hedging derivatives - Current assets	74	23
+ Current tax assets	20	13
+ Dividends pending collection	-	-
- Non-current provisions	(146)	(146)
+ Investments accounted for using the equity method recorded as liabilities (Note 7-a)	5	5
- Non-current financial liabilities - Other financial liabilities	(83)	(87)
+ Non-current interest-bearing refundable advances (Notes 10 and 11-b)	9	9
- Deferred tax liabilities	(136)	(147)
- Non-current hedging derivatives - Non-current liabilities	(36)	(2)
- Current financial liabilities - Other financial liabilities	(84)	(49)
+ Current interest-bearing advances (Notes 10 and 11-b)	1	1
+ Payable to non-current asset suppliers (Note 11-b)	4	15
- Current tax liabilities	(29)	(17)
- Current hedging derivatives - Current liabilities	(48)	(15)
Total Other assets and liabilities	**(152)**	**(135)**

CAPEX: calculated as the sum of additions in the period to "Other intangible assets" and "Property, plant and equipment", excluding rights of use, which are detailed in Notes 5 and 6 to the consolidated financial statements.

	Millions of euros	
	30.06.25	30.06.24
Additions to Other intangible assets	13	25
Additions to Property, plant and equipment	12	15
CAPEX	**25**	**40**

Cash flow: calculated as the change in Net Financial Debt between the previous and the current period, excluding the effect of dividend payments to shareholders.

	Millions of euros	
	30.06.25	30.06.24
+ Net Financial Debt at the beginning of the period	226	256
- Net Financial Debt at the end of the period	(225)	(284)
+ Dividends paid to shareholders in the period	-	-
Cash flow	**1**	**(28)**

Net Financial Debt/Adjusted EBITDA – 12 months: ratio obtained by dividing "Net Financial Debt" by Adjusted EBITDA for the last 12 months. This ratio gives an indication of the Group's ability to meet its Net Financial Debt with the cash flows generated by its ordinary activities.

	Millions of euros	
	30.06.25	**31.12.24**
Net Financial Debt	225	226
Adjusted EBITDA – 12 months	335	325
Net Financial Debt / Adjusted EBITDA – 12 months	**0.7**	**0.7**

Gross Financial Debt: the sum of the liability items that make up the calculation of “Net Financial Debt”.

	Millions of euros	
	30.06.25	**31.12.24**
+ Refundable advances with interest (Note 11-b)	10	11
+ Bank borrowings - Non-current liabilities (Note 11-a)	655	549
+ Debts with credit institutions and obligations - Current liabilities (Note 11-a)	120	273
Gross Financial Debt	**785**	**833**

Available liquidity: represents the amount of available Cash and cash equivalents plus the amount of undrawn credit facilities. It shows the Group's ability to honour its obligations from the normal course of its business. The following table provides a breakdown:

	Millions of euros	
	30.06.25	**31.12.24**
Current financial assets - Temporary Financial Investments (Note 7-c)	34	24
Cash and cash equivalents	526	573
Credit facilities and other undrawn financial balances	453	568
Available liquidity	**1,013**	**1,165**

Stock market capitalisation: means the total value of the Parent's shares issued on the stock exchange at the end of the period, calculated as the result of the number of shares issued by their quoted price on that date.

	30.06.25	**31.12.24**
Number of shares issued (in millions of shares)	34.28	34.28
Quoted price at close	46.65	34.95
Stock market capitalisation (millions of euros)	**1,599**	**1,198**

CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE SIX-MONTH PERIOD ENDED ON 30 JUNE 2025

Construcciones y Auxiliar de Ferrocarriles, S.A. and Subsidiaries composing the CAF Group
Condensed Consolidated Balance Sheets at 30 June 2025 and 31 December 2024 (Thousands of Euros)

Assets	Note	30.06.25	31.12.24 (*)
Non-current assets:			
Intangible assets	5	466,872	474,809
Property, plant and equipment	6	477,894	497,634
Investments accounted for using the equity method	7	49,633	41,114
Non-current financial assets	7	205,797	254,708
Non-current hedging derivatives	17	34,710	1,483
Deferred tax assets	20	175,942	170,655
Other non-current assets	15	4,509	4,475
Total Non-current assets		1,415,357	1,444,878
Current assets:			
Inventories	8	703,426	635,701
Trade and other receivables			
Trade receivables for sales and services	9	2,413,126	2,263,952
Other receivables	9	231,831	208,863
Current tax assets		20,131	13,043
Total Trade and other receivables		2,665,088	2,485,858
Current financial assets	7	36,455	25,188
Current hedging derivatives	17	74,076	22,622
Other current assets	15	36,434	28,071
Cash and cash equivalents	10	526,203	573,539
Total Current assets		4,041,682	3,770,979
Total Assets		5,457,039	5,215,857

Equity and liabilities	Note	30.06.25	31.12.24 (*)
Equity:	10		
Shareholders' equity			
Registered share capital		10,319	10,319
Share Premium		11,863	11,863
Other accumulated reserves and profit for the year attributable to the Parent		1,064,822	1,037,799
Treasury shares and equity investments		(1,573)	(1,283)
Total Shareholders' Equity		1,085,431	1,058,698
Valuation adjustments			
Hedges	10 and 17	17,706	15,604
Translation differences		(199,298)	(192,108)
Total Valuation Adjustments		(181,592)	(176,504)
Equity attributable to the Parent		903,839	882,194
Non-controlling interests		17,172	14,057
Total Equity		921,011	896,251
Non-current liabilities:			
Non-current provisions	2-d and 12	146,460	145,831
Non-current financial liabilities	11		
Bank borrowings and debt instruments or other marketable securities		655,362	548,864
Other financial liabilities		83,271	86,930
Total Non-current financial liabilities		738,633	635,794
Deferred tax liabilities	20	136,070	146,752
Non-current hedging derivatives	17	35,795	2,153
Other non-current liabilities	15	48,102	72,412
Total Non-current liabilities		1,105,060	1,002,942
Current liabilities:			
Current provisions	12	387,874	385,957
Current financial liabilities	11		
Bank borrowings and debt instruments or other marketable securities		120,206	273,396
Other financial liabilities		83,589	49,462
Total Current financial liabilities		203,795	322,858
Trade and other payables			
Suppliers and other payables	13	2,758,147	2,568,486
Current tax liabilities		28,904	17,099
Total Trade and other payables		2,787,051	2,585,585
Current hedging derivatives	17	47,667	14,979
Other current liabilities	15	4,581	7,285
Total Current liabilities		3,430,968	3,316,664
Total Equity and liabilities		5,457,039	5,215,857

(*) Presented for comparison purposes only (Note 2-e).
The accompanying Notes 1 to 20 are an integral part of the condensed consolidated balance sheet at 30 June 2025.

Construcciones y Auxiliar de Ferrocarriles, S.A. and Subsidiaries composing the CAF Group
Condensed Consolidated Profit or Loss Statements
for the six-month period ended 30 June 2025 and 2024
(Thousands of Euros)

	Note	(Debit) Credit 30.06.25	30.06.24 (*)
Continuing operations:			
Revenue	18	2,173,636	2,080,419
+/- Change in inventories of finished goods and work in progress		44,776	57,811
In-house work on non-current assets		4,489	5,056
Procurements		(1,176,354)	(1,169,748)
Other operating income		15,563	16,946
Staff costs		(575,471)	(538,888)
Other operating expenses		(321,641)	(296,737)
Depreciation and amortisation charge	5 and 6	(55,237)	(54,896)
Impairment and gains or losses on disposals of non-current assets	5 and 6	3,901	1,628
Profit/(Loss) from operations		**113,662**	**101,591**
Finance income		10,627	12,531
Finance costs		(24,923)	(32,254)
Changes in fair value of financial instruments		(797)	(867)
Exchange differences		(2,247)	(4,627)
Impairment and gains or losses on disposals of financial instruments		-	(3)
Financial profit/(loss)		**(17,340)**	**(25,220)**
Result of companies accounted for using the equity method	7	7,997	2,856
Profit/(Loss) before tax		**104,319**	**79,227**
Income tax	20	(28,209)	(25,417)
Profit/(Loss) for the year from continuing operations		**76,110**	**53,810**
Profit/Loss for the period from discontinued operations		-	-
Consolidated Profit/(Loss) for the period		**76,110**	**53,810**
Attributable to:			
The Parent		73,064	52,202
Non-controlling interests		3,046	1,608
Earnings per share (in euros)			
Basic		2.13	1.52
Diluted		2.13	1.52

(*) Presented for comparison purposes only (Note 2-e).
The accompanying Notes 1 to 20 are an integral part of the condensed consolidated statements of profit or loss for the six-month period ended 30 June 2025.

Construcciones y Auxiliar de Ferrocarriles, S.A. and Subsidiaries composing the CAF Group
Condensed Consolidated Statements of Comprehensive income for
the six-month period ended 30 June 2025 and 2024
(Thousands of Euros)

	Note	30.06.25	30.06.24 (*)
A) Consolidated profit/(loss) for the year		**76,110**	**53,810**
B) Other comprehensive income – Items not reclassified to profit or loss:		**(425)**	**27**
Arising from actuarial gains and losses	12	(606)	27
Equity instruments at fair value through other comprehensive income	7	181	-
C) Items that may be reclassified subsequently to profit or loss:		**(5,019)**	**(12,153)**
Cash flow hedges:		**274**	**1,997**
Revaluation gains/losses		7,079	680
Amounts transferred to profit or loss	10	(6,805)	1,317
Translation differences:		**(5,883)**	**(14,561)**
Revaluation gains/losses	10	(5,883)	(14,561)
Share of other comprehensive income recognised for investments in joint ventures and associates:		**701**	**412**
Revaluation gains/losses			
Cash flow hedges	7 and 17	3,708	907
Translation differences		(1,258)	(179)
		2,450	728
Amounts transferred to profit or loss			
Cash flow hedges	7, 10 and 17	(1,749)	(316)
		(1,749)	(316)
Tax effect		**(111)**	**(1)**
Total comprehensive income (A+B+C)		**70,666**	**41,684**
Attributable to:			
The Parent		67,551	39,992
Non-controlling interests		3,115	1,692

(*) Presented for comparison purposes only (Note 2-e).
The accompanying Notes 1 to 20 are an integral part of the condensed consolidated statements of comprehensive income for the six-month period ended 30 June 2025.

Construcciones y Auxiliar de Ferrocarriles, S.A. and Subsidiaries composing the CAF Group
Condensed Consolidated Statements of Changes in Equity for the six-month period ended 30 June 2025 and 2024 (Thousands of Euros)

	Equity attributable to the Parent							
	Shareholders' equity							
	Share capital	Share Premium	Other accumulated reserves and profit for the year attributable to the Parent	Treasury shares and equity investments	Hedges	Translation differences	Non-controlling interests	Total equity
Balances at 31 December 2023 (*)	**10,319**	**11,863**	**976,850**	**(1,268)**	**18,800**	**(161,327)**	**12,946**	**868,183**
Total comprehensive income	**-**	**-**	**52,232**	**-**	**2,544**	**(14,784)**	**1,692**	**41,684**
Transactions with shareholders or owners	**-**	**-**	**(37,872)**	**(109)**	**-**	**-**	**(3,456)**	**(41,437)**
Dividends payable (Note 4)	-	-	(38,052)	-	-	-	(3,456)	(41,508)
Transactions in treasury shares (net) (Note 10)	-	-	180	(109)	-	-	-	71
Balances at 30 June 2024 (*)	**10,319**	**11,863**	**991,210**	**(1,377)**	**21,344**	**(176,111)**	**11,182**	**868,430**
Balances at 31 December 2024 (*)	**10,319**	**11,863**	**1,037,799**	**(1,283)**	**15,604**	**(192,108)**	**14,057**	**896,251**
Total comprehensive income	**-**	**-**	**72,639**	**-**	**2,102**	**(7,190)**	**3,115**	**70,666**
Transactions with shareholders or owners	**-**	**-**	**(45,616)**	**(290)**	**-**	**-**	**-**	**(45,906)**
Dividends payable (Note 4)	-	-	(45,936)	-	-	-	-	(45,936)
Transactions in treasury shares (net) (Note 10)	-	-	320	(290)	-	-	-	30
Balances at 30 June 2025	**10,319**	**11,863**	**1,064,822**	**(1,573)**	**17,706**	**(199,298)**	**17,172**	**921,011**

(*) Presented for comparison purposes only (Note 2-e).
The accompanying Notes 1 to 20 are an integral part of the condensed consolidated statements of changes in equity for the six-month period ended 30 June 2025.

Construcciones y Auxiliar de Ferrocarriles, S.A. and Subsidiaries composing the CAF Group
Condensed Consolidated Statements of Cash Flow for the six-month period ended 30 June 2025 and 2024
(Thousands of Euros)

	Note	30.06.25	30.06.24 (*)
Cash flows from operating activities:			
Profit/(Loss) before tax		104,319	79,227
Adjustments for			
Depreciation and amortisation expense	5 and 6	55,237	54,896
Other adjustments to profit or loss (net)		4,759	4,801
Changes in working capital	8 and 9	(88,026)	(85,391)
Other cash flows from operating activities			
Income tax recovered / (paid)		(36,843)	(30,430)
Other amounts received / (paid) relating to operating activities		(4,233)	(23,542)
Net cash (used in) from operating activities (I)		**35,213**	**(439)**
Cash flows from investing activities:			
Payments due to investment			
Group companies, associates and business units		(396)	(73)
Property, plant and equipment, intangible assets and investment property	5 and 6	(36,676)	(36,523)
Other financial assets, net	7	(6,234)	(5,394)
Proceeds from disposal			
Group companies, associates and business units	7	36	-
Property, plant and equipment, intangible assets and investment property	5 and 6	10,343	1,792
Other financial assets	7	36,198	124,110
Dividends received		43	10,816
Interest received		9,504	10,221
Net cash (used in) from investing activities (II)		**12,818**	**104,949**
Cash flows from financing activities:			
Proceeds/(payments) relating to equity instruments	10		
(Acquisition)/Disposal		30	71
Proceeds/(Payments) relating to financial liability instruments	11		
Issue		279,008	344,004
Repayment		(344,117)	(383,645)
Other cash flows from financing activities	11		
Interest paid		(22,114)	(24,736)
Net cash (used in) from financing activities (III)		**(87,193)**	**(64,306)**
Effect of exchange rate fluctuations (IV)		**(8,174)**	**(12,582)**
Increase/(decrease) in cash and cash equivalents (I+II+III+IV)		**(47,336)**	**27,622**
Cash and cash equivalents at beginning of the period		573,539	442,791
Cash and cash equivalents at end of the period		**526,203**	**470,413**

(*) Presented for comparison purposes only (Note 2-e).
The accompanying Notes 1 to 20 are an integral part of the condensed consolidated statement of cash flow for the six-month period ended 30 June 2025.

Construcciones y Auxiliar de Ferrocarriles, S.A.
and Subsidiaries composing the CAF Group

Notes to the condensed consolidated financial statements
for the six-month period ended
30 June 2025

1.- DESCRIPTION AND ACTIVITIES OF THE PARENT

Construcciones y Auxiliar de Ferrocarriles, S.A. (“CAF” or “the Parent”) was incorporated in 1917 for an indefinite period in San Sebastián (Gipuzkoa). Its registered office is located at calle Jose Miguel Iturrioz 26, Beasain (Gipuzkoa) (Spain).

The Parent did not change its name during the first half of the year.

The corporate purpose is described in Article 2 of the Bylaws, which are available on the website of the Parent´s website (www.cafmobility.com).

The Group's core business is currently the sale of rail and bus mobility solutions, and its main centre of activity is Beasain (Gipuzkoa), (Spain).

The Parent, Construcciones y Auxiliar de Ferrocarriles, S.A., as part of its business activities, holds majority ownership interests in other companies (Note 3).

The CAF Group’s 2024 consolidated financial statements were approved by the shareholders at the Annual General Meeting of CAF held on 14 June 2025.

2.- BASIS OF PRESENTATION OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

a) Basis of presentation

The CAF Group’s consolidated financial statements for 2024 were prepared by the Parent’s directors in accordance with International Financial Reporting Standards as adopted by the European Union, and the bases of consolidation, accounting policies and measurement bases described in Note 3 to these consolidated financial statements were applied in order to present fairly the Group’s consolidated equity and consolidated financial position at 31 December 2024 and its consolidated results, changes in consolidated equity and its consolidated cash flows for the year then ended.

These interim condensed consolidated financial statements are presented in accordance with IAS 34 Interim Financial Reporting and were authorised for issue by the Parent’s directors on 28 July 2025, pursuant to Article 12 of Royal Decree 1362/2007. This interim condensed consolidated financial information was prepared on the basis of the accounting records of Construcciones y Auxiliar de Ferrocarriles, S.A. and the other companies composing the Group, and includes all the adjustments and reclassifications required to unify the accounting and presentation policies applied by all the Group companies (in all cases, local legislation) with those applied by Construcciones y Auxiliar de Ferrocarriles, S.A. for the purposes of the consolidated financial statements.

In accordance with the provisions of IAS 34, the interim financial information is prepared solely with the intention of updating the content of the latest consolidated financial statements prepared by the Group, emphasising new activities, events and circumstances that occurred during the semester and not duplicating the information previously published in the consolidated financial statements for the year 2024. Therefore, for a proper understanding of the information included in these interim condensed consolidated financial statements, they must be read together with the Group's consolidated financial statements for 2024.

The accounting policies and methods used in preparing these interim condensed consolidated financial statements are the same as those used in the consolidated financial statements for 2024, except for the standards and interpretations which came into force in the first half of 2025, which are detailed below.

b) Entry into force of new accounting standards

During the first half of 2025 the amendments and/or interpretations of IAS 21 relating to the effect of changes in exchange rates due to the lack of convertibility have come into force. These amendments did not have a significant impact on the preparation of the interim condensed consolidated financial statements.

c) Use of estimates

The consolidated results and the determination of consolidated equity are sensitive to the accounting principles and policies, measurement bases and estimates used by the Parent’s directors in preparing the interim condensed consolidated financial statements. The main accounting principles and policies and measurement bases used are indicated in Note 3 to the consolidated financial statements for 2024.

In the interim condensed consolidated financial statements estimates were occasionally made by the senior management of the Parent and of the consolidated companies in order to quantify certain of the assets, liabilities, income, expenses and obligations reported herein. These estimates, which were made on the basis of the best information available, relate basically to the following:

- The income tax expense which, in accordance with IAS 34, is recognised in interim periods based on the best estimate of the weighted average tax rate envisaged by the Group for the full financial year;

- The assessment of possible impairment losses on certain assets (Notes 5, 6, 7, 8, 9 and 14);

- The assumptions used in the actuarial calculation of pension and other obligations to employees (Note 12);

- The useful life of intangible and tangible assets (Notes 5 and 6);

- The fair value of certain financial assets (Note 7);

- The calculation of provisions and penalties that reduce the selling price (Notes 2-d, 9 and 12);

- The assessment of the probability of having future taxable profits against which unused recognised tax assets can be utilised (Note 20);

- Changes in estimated costs in the budgets for construction projects performed and percentage of completion.

Although the aforementioned estimates were made on the basis of the best information available at the reporting date on the events analysed, events that take place in the future might make it necessary to change these estimates (upwards or downwards) at the end of 2025 or in subsequent years. Changes in accounting estimates would be applied, if required, prospectively in accordance with IAS 8, recognising the effects of the change in estimates in the corresponding consolidated statement of profit or loss.

In the six-month period ended 30 June 2025, there were no significant changes in estimates made at year-end 2024.

d) Contingent assets and liabilities

Notes 19 and 25 to the Group's consolidated financial statements for the year ended 31 December 2024 disclose information on the contingent assets and liabilities at that date, as well as in Note 12 to the accompanying interim condensed consolidated financial statements at 30 June 2025.

In March 2014, following completion of an administrative investigation process initiated in May 2013 into the participation of several rolling stock manufacturers, one of which is a subsidiary of the CAF Group in Brazil, in public tenders, the Brazilian Administrative Council for Economic Defence (CADE) initiated administrative proceedings arising from possible anti-competitive practices. In July 2019, the CADE tribunal issued an administrative decision ordering the subsidiary to pay a fine of BRL 167,057,982.53 (equivalent to EUR 25,947 thousand at 30 June 2025), and advised the competent authorities not to grant the subsidiary certain tax benefits for a five-year period. The Group posted a provision for this amount in 2019 with a charge to "Other operating expenses" in the consolidated statement of profit or loss and a credit to "Non-current provisions" in the consolidated balance sheet (Note 12). At the date of authorisation for issue of these interim condensed consolidated financial statements, the subsidiary has appealed CADE's decision in court.

The subsidiary rejects CADE's assessment of the facts when imposing the aforementioned fine and argues that, with respect to the facts under investigation, it has always acted in strict compliance with the applicable law. The subsidiary's legal advisers consider there to be a reasonable chance that the fine will ultimately be reduced to an amount that is substantially lower than the one mentioned, and they do not rule out the total annulment of the fine.

Also, as a result of the investigations conducted by CADE, other authorities, including the Sao Paulo State Public Prosecutor, initiated administrative and judicial proceedings, in relation to which the Group has already presented its corresponding defences. Similarly, as a result of CADE's investigations, an administrative procedure was initiated by the Court of Auditors in relation to which the subsidiary presented its preliminary defence during the first semester of 2016. Following a ruling by the Court of Auditors considering the existence of any irregularity to be unproven, as a result of the sentence imposed by the CADE, in 2022, the Court of Auditors decided to continue with the procedure and during the first semester of 2025, the procedure was filed without any consequences for the CAF Group subsidiary in Brazil. Lastly, also as a result of the investigations conducted by CADE, the Brazilian Administrative Council of Economic Defence, processed an administrative procedure in relation to which the subsidiary filed initial claims during the second half of 2018.

The CAF Group continues to defend its interests in these proceedings. However, at the reporting date, it was not possible to determine the result or the impact that these proceedings might have on the Group's interim condensed consolidated financial statements should the outcome be unfavourable and, therefore, no liabilities were recognised in this connection in these accounts.

The CAF Group's Brazilian subsidiary is also part of a consortium in Brazil set up to perform a construction contract for a new tramway and the supply of rolling stock for the tramway. CAF's role in the consortium is essentially to supply the rolling stock and signalling equipment. Currently, various administrative and court proceedings have been initiated in relation to this project, in which, among other issues, the potential termination of the contract, alleged irregular practices, the imposition of payments for damages, fines and penalties or the potential breach of contract by both the consortium and the customer are under analysis, mainly in relation to civil works. The CAF Group's subsidiary in Brazil is a defendant in these proceedings. In relation to the potential breach of contract, CAF's legal advisers consider that the consortium has solid arguments to justify its defence and to conclude that the non-completion of the work is the result of the customer not complying with its commitments. In any case, should a court rule against the consortium for breach, since the breaches are mainly attributable to other members of the consortium, CAF could claim the potential losses from such members. Furthermore, in one of these proceedings, the competent judge granted an interim injunction against the subsidiary in Brazil in the form of a prohibition to dispose of real estate and vehicles as security for possible liabilities that may result from an eventual court ruling against the subsidiary. The subsidiary is continuing to defend its interests in these proceedings. Meanwhile, in another administrative process initiated by the authorities of the State of Mato Grosso in relation to this project in the second half of 2021, the administrative body fined the Consortium and its members BRL 96,170,604.55 (equivalent to EUR 14,937 thousand at 30 June 2025) (the subsidiary holds a 36.8% stake in the Consortium which, were the fine to be distributed in proportion to the interests in the Consortium, would be equivalent to approximately EUR 5.5 million), and a prohibition on contracting with public entities for five years in the State of Mato Grosso and for two years in Brazil. The Consortium and the subsidiary have filed an appeal against this administrative sanction. Furthermore, they have obtained from the judicial authorities a precautionary suspension of the effectiveness of the fine imposed and of the prohibition on arranging public contracts in Brazil. Also, in relation to this project, the subsidiary continues to challenge in court the termination of the contract requested by the State of Mato Grosso and the consequences arising from this decision, in relation to which the competent courts ordered the precautionary suspension of the effectiveness of the fine imposed as a result of the termination. In relation to the above, the proceedings in progress against the State of Mato Grosso and the fines and sanctions imposed on the Consortium have been suspended, pursuant to an agreement dated July 2024. This agreement also provides for the definitive cancellation of said proceedings, fines and sanctions, once certain established conditions are met.

Meanwhile, on 27 August 2018 the National Commission for Markets and Competition ("CNMC") initiated sanctioning proceedings against various companies, including CAF Signalling, S.L.U. and its parent Construcciones y Auxiliar de Ferrocarriles, S.A. (considered jointly and severally liable), in relation to alleged anti-competitive practices. At the date of authorisation for issue of these interim condensed consolidated financial statements, the case opened concluded with the notification of the resolution on 30 September 2021, putting an end to the administrative channel and which has been the subject of an administrative appeal before the National Appellate Court. The main aspects of the case and the decision, which affect the subsidiary company CAF Signalling, S.L.U., are that in 2015 this CAF subsidiary joined the cartel initiated in 2002 by other entities, consisting of distribution agreements between the various companies involved. The subsidiary was charged with exercising this conduct for a shorter duration than all the other sanctioned companies (from April 2015 to December 2017) and was handed a fine of EUR 1.7 million. CAF, S.A. is jointly and severally liable for payment of the fine based on the economic unit that makes up the parent and subsidiary for the purposes of competition regulations. As part of this same case, two former directors of CAF Signalling, S.L.U. were also fined. At the date of authorisation for issue of these interim condensed consolidated financial statements, CAF, S.A. and CAF Signalling, S.L.U. had filed an administrative appeal against the CNMC resolution before the National Appellate Court, following the approval of the precautionary suspension of payment of the fine until the National Appellate Court rules on the merits of the case. The proceedings relating to the prohibition on public tendering have also been suspended.

The Group's legal advisors consider that an unfavourable outcome for the CAF Group is unlikely and that the lawsuit will not materially affect its financial statements for the years in which the amounts are ultimately paid, if at all. Therefore, no provision was recognised in this respect at 30 June 2025.

e) Comparative information

The information contained in these interim condensed consolidated financial statements 2024 is presented solely for comparison purposes with the information relating to the six-month period ended 30 June 2025.

f) Seasonality of the Group’s transactions

In view of the business activities in which the Group companies engage, as well as the stage of completion method of accounting, the Group’s transactions are not cyclical or seasonal in nature. Therefore, no specific disclosures in this connection are included in these notes to the interim condensed consolidated financial statements for the six-month period ended 30 June 2025.

g) Materiality

In determining the disclosures to be made in these notes to the interim condensed consolidated financial statements on the various line items in the financial statements or on other matters, in accordance with IAS 34 the Group took into consideration materiality with respect to the interim condensed consolidated financial statements.

h) Events after the reporting period

In July 2025, CAF secured two new contracts in France for a combined value of over EUR 300 million, thus consolidating its presence in the French railway market. On the one hand, the Syndicat Mixte des Mobilite´s de L´Aire Grenobloise -SMMAG (Grenoble Area Mobility Joint Union) has awarded CAF the supply of 38 Urbos trams, with the option to expand the scope of the contract with up to 9 additional trams. Furthermore, the Bourgogne-Franche-Comté region has demonstrated its confidence in the company by awarding the CAF-Alstom consortium a new order for 14 Coradia Polyvalent regional trains. This contract arises from the agreements in force between CAF and Alstom following CAF's acquisition of the Reichshoffen plant in 2022, whereby CAF is responsible for the design and manufacture of the units of this platform, while Alstom supplies part of the equipment.

Likewise, on July 23, 2025, further to the resolution of the Council of State, the Board of Directors of NMBS (SNCB – National Society of Belgian Railways) confirmed CAF as the preferred bidder for the AM30 train development, manufacturing and supply contract. This framework agreement covers scope of units 170,000 places, with an initial base commitment valued at €1.7 billion (units for 54,000 places), subject to the final award of the contract.

i) Climate change

CAF aims to lead the transition towards sustainable mobility, making the challenge of decarbonizing its production processes, products and services one of the main pillars of its strategy. Thus, reinforcing its commitment to sustainable development and the long term, the Group consolidated sustainability as one of the four axes of its **Strategic Plan 2026** (available at www.cafmobility.com). In this axis, the transition towards net zero emissions mobility stands out as the main purpose.

Likewise, adaptation to climate change was identified as an aspect of special importance for the Group in the **Double Materiality Analysis** carried out in 2024, reinforcing the relevance of aspects related to climate change in our activities.

Therefore, this same priority is reflected in the **Sustainability Master Plan** (available at www.cafmobility.com), which integrates the strategic initiatives associated with the decarbonization of our operations and products, among other initiatives that respond to the material issues and Impacts, Risks and Opportunities (IROs) identified.

The Company's strategic commitment to decarbonisation and the energy transition is reflected in its inclusion in the **SBTi** (Science Based Targets Initiative) and the **Race to Zero**, international alignment initiatives in the fight against climate change and the Paris Agreement. CAF has also announced its short- and long-term emissions reduction targets, which have been validated by SBTi, with the ambition of achieving net zero carbon emissions (Net Zero) by 2045.

During the first half of 2025, the Group continued to meet its defined commitments and objectives by rolling out the Decarbonization Plan included in its Sustainability Master Plan, through the following activities:

- **Reduction of greenhouse gas emissions Scope 1 and 2:**
    - Start-up of the wheel forging heat treatment facility.
    - The consolidation of the electricity framework contract with guarantees of origin for national subsidiaries and the expansion of this type of electricity contracting to more companies.
- **Management of risks and opportunities arising from Climate Change:**
    - Continuing with the work carried out in previous years based on the Task Force on Climate-related Financial Disclosures (TCFD), work has been carried out to update the values used to assess and quantify physical and transition risks and opportunities. In addition, the owners of these risks have been reviewed, and it is expected that the process will be gradually strengthened and refined.

As part of this decarbonization process, the Group is immersed in the transition towards innovative, zero-emission vehicles that replace diesel vehicles, primarily battery-electric and hydrogen-powered vehicles, with a significant impact on the bus segment and significant activity in the rail sector. The potential impacts of this transition have been considered in the re-evaluation of the useful life of the intangible and material assets of the subsidiaries. Within the framework of this periodic review, the transition to zero-emission vehicles has required reevaluating the useful life of capitalised development expenses, adjusting them individually to each project. Likewise, the useful lives of property, plant and equipment have been reviewed, with no material adjustments required during the first half of 2025 compared to the useful lives detailed in previous years.

As a result of the analysis carried out on the most significant risks and opportunities, no impairments have been detected on assets, provisions and/or significant contingencies to be disclosed in the accompanying interim condensed consolidated financial statements.

In chapter "5. Our commitment to the environment" of the 2024 Consolidated Non-Financial Information and Sustainability Information Statement, additional information was collated on the Group's performance in the area of climate change and other sustainability matters. Specifically, more detailed information on the analysis of risks and opportunities derived from climate change and the progress made in this period is provided in section 5.3.1. "Risks and opportunities derived from climate change" of the aforementioned Report. This information will be updated in the 2025 Statement of Non-Financial and Sustainability Information, which will be published in February 2026.

j) Macroeconomic situation

The Israel-Palestine conflict poses a risk of uncertainty in the markets in which the Group operates.

Currently, the CAF Group is executing the following contracts in Israel:

Jerusalem City Light Rail Extension Project. This project was awarded in 2019 under public-private participation to the consortium consisting of CAF and Shapir. The project consists of extending the network by 27 kilometres and 53 new stations, as well as the delivery of 114 trams. In addition to supplying new units, CAF is carrying out the refurbishment of 46 units currently in service, including signalling, energy and communications systems, and project integration. In addition, CAF has a 50% stake in the company that manages the operation and maintenance activity of the two tram lines for an initial period of 25 years for maintenance and 15 years for operation, extendable up to 25 years.

Purple Line Project of the Tel Aviv city light rail. This project was awarded in 2022 by NTA Metropolitan Mass Transit Systems under public-private participation to the consortium involving CAF and Shapir. Within the project, CAF executes the design and manufacturing of 98 tram units, the supply of signalling, energy and communications systems, and the integration of the project. In addition, CAF has a 50% stake in the special purpose vehicle that manages the line's maintenance activity during the 25-year concession.

The current conflict is affecting the pace of execution of both projects, although normal operations are being maintained on the Jerusalem city light rail line. The Group maintains continuous communications with its clients, working collaboratively to address the problems arising from this situation.

Furthermore, in the current geopolitical context, the Group is subject to risks and uncertainties related to changes in international trade policies, including the imposition of tariffs and other trade restrictions. At the date of these interim condensed consolidated financial statements, certain tariffs have been implemented or proposed by various governments, which could affect the cost of goods imported or exported by the Group. Due to the evolving nature of these trade policies, it is not possible to reasonably estimate their final impact on the Group's consolidated operations, financial position and results. However, due to the Group's low exposure to transactions that could be subject to this risk and the protection mechanisms in place in the contracts, the Group's Directors do not estimate any significant impact on the consolidated financial statements. The administration continues to monitor trade policy developments and will adjust operations and sourcing strategies as needed to mitigate potential impacts.

Additionally, variations in inflation and interest rates have been considered in the assumptions used, which are updated at least annually, in the following cases: i) preparation of recoverability tests for non-financial assets, including goodwill, as well as the discount rates applied and the sensitivity analyses performed (Notes 5 and 6); ii) the updating of the value of actuarial obligations (Note 12); iii) the updating of budgets of contracts with customers, having reviewed and updated the cost of wages and raw materials (Note 9); and iv) the valuation of financial assets (Note 7).

3.- CHANGES IN THE COMPOSITION OF THE GROUP

Note 2-f to the consolidated financial statements for the year ended 31 December 2024 provides significant information on the Group companies that had been consolidated at that date and on those accounted for using the equity method.

During the first six months of 2025, there were no significant changes in the Group's scope.

4.- DIVIDENDS PAYABLE BY THE PARENT

Below are the dividends to be paid by the Controlling Entity in July 2025 and in July 2024, which correspond to dividends approved on the results of the years 2024 and 2023, respectively. They all correspond to ordinary shares. The Parent recognised these amounts with a credit to “Current financial liabilities – Other financial liabilities” in the condensed balance sheets at 30 June 2025 and 30 June 2024, respectively:

	30.06.25			30.06.24		
	% of Par Value	Euros per share	Amount (thousands of euros)	% of Par Value	Euros per share	Amount (thousands of euros)
Total dividends payable	445%	1.34	45,936	369%	1.11	38,052

5.- INTANGIBLE ASSETS

Changes in the six-month period ended 30 June 2025 and 30 June 2024 in the different accounts forming this heading and in the related accumulated amortisation were as follows:

2025

	Thousands of Euros					
	Balance at 31.12.24	**Additions or charge for the year**	**Transfers**	**Disposals or reductions**	**Translation differences**	**Balance at 30.06.25**
Cost:						
Goodwill	187,594	-	-	-	792	188,386
Commercial relationships and customer portfolio	79,518	-	-	-	122	79,640
Patents, licenses and trademarks	142,016	-	-	-	823	142,839
Development expenditure	191,097	5,695	1,044	(1,468)	291	196,659
Computer software and other	159,305	7,278	(1,044)	(548)	204	165,195
Total cost	**759,530**	**12,973**	**-**	**(2,016)**	**2,232**	**772,719**
Accumulated amortisation:						
Commercial relationships and customer portfolio	(28,660)	(3,144)	-	-	51	(31,753)
Patents, licenses and trademarks	(44,369)	(4,561)	-	-	(268)	(49,198)
Development expenditure	(150,403)	(5,828)	-	1,468	(169)	(154,932)
Computer software and other	(60,757)	(8,649)	-	120	(146)	(69,432)
Total accumulated amortisation	**(284,189)**	**(22,182)**	**-**	**1,588**	**(532)**	**(305,315)**
Impairment:						
Development expenditure	(532)	-	-	-	-	(532)
Total Impairment of value	**(532)**	**-**	**-**	**-**	**-**	**(532)**
Net:						
Goodwill	187,594	-	-	-	792	188,386
Commercial relationships and customer portfolio	50,858	(3,144)	-	-	173	47,887
Patents, licenses and trademarks	97,647	(4,561)	-	-	555	93,641
Development expenditure	40,162	(133)	1,044	-	122	41,195
Computer software and other	98,548	(1,371)	(1,044)	(428)	58	95,763
Total intangible assets, net	**474,809**	**(9,209)**	**-**	**(428)**	**1,700**	**466,872**

The additions for the first half of the year 2025 recorded as Development Expenses correspond to the costs incurred in new product development projects and projects considering that there are no reasonable doubts about their economic and commercial profitability. Additionally, in 2019, the Group began to implement a new ERP. At 30 June 2025, the Group had investment commitments amounting to EUR 8,256 thousand, mainly for innovation projects at Solaris and the implementation of the new IT system at various Group subsidiaries.

2024

	Thousands of Euros					
	Balance at 31.12.23	**Additions or charge for the year**	**Transfers**	**Disposals or reductions**	**Translation differences**	**Balance at 30.06.24**
Cost:						
Goodwill	186,244	-	-	-	579	186,823
Commercial relationships and customer portfolio	79,294	-	-	-	16	79,310
Patents, licenses and trademarks	140,286	-	(5)	-	819	141,100
Development expenditure	176,011	3,466	271	-	214	179,962
Computer software and other	129,220	21,320	(269)	(12)	(33)	150,226
Total cost	**711,055**	**24,786**	**(3)**	**(12)**	**1,595**	**737,421**
Accumulated amortisation:						
Commercial relationships and customer portfolio	(21,973)	(3,283)	-	-	(104)	(25,360)
Patents, licenses and trademarks	(34,841)	(4,507)	9	-	(213)	(39,552)
Development expenditure	(137,262)	(6,812)	4	-	(125)	(144,195)
Computer software and other	(45,782)	(8,264)	(9)	12	15	(54,028)
Total accumulated amortisation	**(239,858)**	**(22,866)**	**4**	**12**	**(427)**	**(263,135)**
Impairment:						
Development expenditure	(532)	-	-	-	-	(532)
Total Impairment of value	**(532)**	**-**	**-**	**-**	**-**	**(532)**
Net:						
Goodwill	186,244	-	-	-	579	186,823
Commercial relationships and customer portfolio	57,321	(3,283)	-	-	(88)	53,950
Patents, licenses and trademarks	105,445	(4,507)	4	-	606	101,548
Development expenditure	38,217	(3,346)	275	-	89	35,235
Computer software and other	83,438	13,056	(278)	-	(18)	96,198
Total intangible assets, net	**470,665**	**1,920**	**1**	**-**	**1,168**	**473,754**

In the first six months of 2025 and 2024, there was no significant impairment of, or substantial changes in, the return estimates and assumptions regarding the development projects on which impairment had been recognised in prior years.

6.- PROPERTY, PLANT AND EQUIPMENT

a) Changes in the period

The changes in the first semester of 2025 and 2024 were as follows:

2025

	Thousands of Euros					
	Opening balance at 31.12.24	Additions / D&A / Allowances	Transfers	Disposals or reductions	Translation differences	End balance at 30.06.25
Cost						
Property, plant and equipment	930,141	12,128	(981)	(12,358)	(5,968)	922,962
Rights of use	165,058	11,648	(141)	(9,682)	(533)	166,350
Accumulated depreciation						
Property, plant and equipment	(515,086)	(19,904)	-	7,506	3,348	(524,136)
Rights of use	(75,533)	(13,151)	-	8,441	(150)	(80,393)
Impairment losses						
Property, plant and equipment	(6,946)	-	-	-	57	(6,889)
Net balance	**497,634**	**(9,279)**	**(1,122)**	**(6,093)**	**(3,246)**	**477,894**
Property, plant and equipment	408,109	(7,776)	(981)	(4,852)	(2,563)	391,937
Rights of use	89,525	(1,503)	(141)	(1,241)	(683)	85,957

The additions in the first half of 2025 correspond primarily to investments in the wheel and gearbox machining areas of the undercarriage business, as well as the installation of a new paint booth, the expansion of the testing area and the adaptation of the train exit tracks in the manufacturing area, with the aim of expanding production capacity to meet the high order backlog.

Abroad, we can highlight the investments in the adaptation of the Reichshoffen and Bagnères-de-Bigorre facilities in France, with the aim of increasing their production capacity by extending the length of the finishing halls and implementing and equipping new assembly lines for new projects. This will also include continued improvement and expansion work at the testing facilities in Newport, United Kingdom and the adaptation and optimisation of the manufacturing lines at the plant in Mexico, which will enable the company to meet the demanding quality standards of the projects developed at these plants. Regarding the bus business, the expansion of production capacity at the Bolechowo and Sroda plants is noteworthy. The former primarily involves an investment in equipment and platforms for vehicle finishing, while the latter is more focused on providing the plant with more advanced resources, including greater automation in the welding area.

2024

	Thousands of euros					
	Opening balance at 31.12.23	Additions / D&A / Allowances	Transfers	Disposals or reductions	Translation differences	End balance at 30.06.24
Cost						
Property, plant and equipment	896,395	14,562	(4,696)	(6,095)	(1,008)	899,158
Rights of use	152,147	9,894	4,895	(4,515)	(221)	162,200
Accumulated depreciation						
Property, plant and equipment	(484,177)	(19,998)	302	4,923	1,302	(497,648)
Rights of use	(66,469)	(12,032)	(594)	4,166	384	(74,545)
Impairment losses						
Property, plant and equipment	(8,009)	-	(254)	1,338	(14)	(6,939)
Net balance	**489,887**	**(7,574)**	**(347)**	**(183)**	**443**	**482,226**
Property, plant and equipment	404,209	(5,436)	(4,648)	166	280	394,571
Rights of use	85,678	(2,138)	4,301	(349)	163	87,655

b) Property, plant and equipment purchase commitments

At 30 June 2025 and 31 December 2024, the Group had firm investment purchase commitments amounting to approximately EUR 15,849 thousand and EUR 1,357 thousand, respectively, located mainly in Poland, Spain and the United Kingdom.

7.- FINANCIAL ASSETS AND INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

a) Investments accounted for using the equity method

The detail of "Investments accounted for using the equity method" in the accompanying interim condensed consolidated financial statements is as follows:

	Thousands of Euros	
	30.06.25	31.12.24
Associates:		
Arabia One for Clean Energy Investments PSC.	2,107	2,243
Great River City Light Rail Pty Ltd	347	627
Consorcio Traza, S.A.	-	-
Ferrocarriles Suburbanos, S.A.P.I. de C.V.	-	-
Plan Metro, S.A.	2,913	-
Joint ventures:		
Ferrocarril Interurbano S.A. de C.V.	4,292	4,348
Momentum Trains Holding Pty Ltd	5,156	6,063
CFIR Light Rail Ltd	9,246	7,152
LAVI Light Rail O&M Ltd.	23,236	18,376
SHACHAF - The Purple Line Light Rail Ltd	(2,822)	(4,526)
PL Light Rail Maintenance, Ltd.	(1,885)	(719)
Oher investments	2,337	2,305
TOTAL	**44,927**	**35,869**
Registered under assets	49,633	41,114
Recognised under liabilities (Note 12)	(4,706)	(5,245)

The changes in the periods ended 30 June 2025 and 2024 in "Investments accounted for using the equity method" in the accompanying condensed consolidated balance sheet were as follows:

	Thousands of Euros	
	30.06.25	30.06.24
Opening balance	**35,869**	**45,308**
Amounts (charged)/credited to profit or loss	7,997	2,856
Hedges (Note 17)	1,959	591
Additions	396	73
Disposals and dividends	(36)	-
Translation differences	(1,258)	(179)
Closing balance	**44,927**	**48,649**
Registered under assets	49,633	48,649
Recognised under liabilities (Note 12)	(4,706)	-

b) Non-current financial assets

The detail of "Non-current financial assets" in the accompanying interim condensed consolidated financial statements is as follows:

	Thousands of Euros			
	30.06.25		31.12.24	
	% of Ownership	Balance	% of Ownership	Balance
Equity instruments-				
Ferromovil 3000, S.L.	10%	318	10%	318
Arrendadora de Equipamientos Ferroviarios, S.A.	15%	10	15%	10
Iniciativa FIK, A.I.E.	14.18%	746	14.18%	746
Albali Señalización, S.A.	3%	581	3%	567
Leo Express Global, A.S.	5%	830	5%	808
Other		1,259		736
Total Equity instruments –		**3,744**		**3,185**
Other financial assets -				
Amortised cost -				
Guarantees and other financial assets		4,116		14,208
Loans to employees		3,532		2,945
Non-current tax receivables		14,335		14,412
Non-current trade receivables and loans		145,546		187,017
Loans to associates		41,907		40,390
		209,436		**258,972**
Provisions-				
Provisions for tax receivables		(6,686)		(6,700)
Impairment losses		(697)		(749)
		(7,383)		**(7,449)**
Total other financial assets		**202,053**		**251,523**
Total		**205,797**		**254,708**

Guarantees and other financial assets

The breakdown of this heading at 30 June 2025 and 31 December 2024 was as follows:

	Thousands of Euros	
	30.06.25	**31.12.24**
Guarantees and other financial assets	4,003	3,843
Non-current deposits	113	10,365
Total guarantees and other financial assets	**4,116**	**14,208**
Non-current deposits	113	10,365
Impairment of non-current deposits	(2)	(43)
Total non-current deposits (Note 10-d)	**111**	**10,322**

At 30 June 2025, the "Non-current deposits" corresponding to the guarantee linked to the financial debt of the subsidiary Ctrens Companhia Manutençao, S.A. (Note 11) amounting to EUR 10,492 thousand was reclassified under "Current financial assets" in the accompanying condensed consolidated balance sheet (Note 7-c) (EUR 10,239 thousand recognised at long-term at 31 December 2024).

Non-current tax receivables

At 30 June 2025, the Group had recognised an amount of EUR 14,335 thousand under "Non-current financial assets" for accounts receivable from public authorities for tax equivalent to value added tax (EUR 14,412 thousand at 31 December 2024).

At 30 June 2025 and 31 December 2024, the Group had posted a provision of EUR 6,686 thousand and EUR 6,700 thousand, respectively, to adjust the nominal value of these receivables to their recoverable amount.

Non-current trade receivables and loans

The breakdown of this heading at 30 June 2025 and 31 December 2024 was as follows (in thousands of Euros):

	30.06.25	**31.12.24**
Concessions – Financial assets	136,648	178,545
Non-current trade receivables (Buses)	2,088	3,789
Non-current loans	6,810	4,683
Total	**145,546**	**187,017**

In 2010, the Group signed concession contracts in Brazil and Mexico, the terms of which are described in Note 8-b-2 of the consolidated financial statements for the year 2024. These concessions are accounted for in accordance with IFRIC 12- Service Concession Arrangements, since the related requirements have been met, and, pursuant to IFRIC 12, the various services provided (construction, operation/maintenance and financing) were separated.

Consequently, the Group recognised EUR 136,648 thousand and EUR 112,837 thousand, respectively, under “Non-current financial assets at amortised cost – Non-current trade receivables and loans” and “Current financial assets – Other receivables", relating to the construction and provision of services to date, net of the billings made (EUR 178,545 thousand and EUR 118,115 thousand at 31 December 2024).

In the case of both contracts the future cash flows from the lease payments are determined and guaranteed in full from the date on which the contracts are signed. The only potentially variable amount in the payments relates solely to any possible penalties relating to the technical performance of the rolling stock material made available to the customer. This aspect has been taken into account when determining the cash flows to be received. There is no demand risk for the CAF Group in these contracts, since the financial flows to be received are unrelated to passenger numbers.

The changes in the first six months of 2025 and 2024, in the balance of the impairment losses on the Group’s assets, including non-current tax receivables and expected losses under IFRS 9, which form part of the balance of “Non-current financial assets”, were as follows:

	Thousands of Euros	
	30.06.25	**30.06.24**
Balance at the beginning of the period	**(7,449)**	**(10,067)**
Translation differences	(6)	854
Net impairment losses recognised with a charge to “Other operating expenses”	72	398
Balance at end of period	**(7,383)**	**(8,815)**

c) Current financial assets

The detail of “Current financial assets” in the accompanying interim condensed consolidated financial statements is as follows:

	Thousands of Euros	
	30.06.25	31.12.24
Current financial assets (Note 10-d)	**34,460**	**23,704**
At amortised cost	34,429	23,673
At fair value through profit or loss	31	31
Other financial assets	**1,995**	**1,484**
At amortised cost	1,995	1,484
Total	**36,455**	**25,188**

During the first half of 2024, the Parent sold fixed-income investment funds for EUR 86 million, which were recorded as "Financial assets at fair value through profit or loss" at 31 December 2023.

8.- INVENTORIES

The detail of “Inventories” at 30 June 2025 and 31 December 2024 was as follows:

	Thousands of Euros	
	30.06.25	31.12.24
Trains, traction equipment, civil works, signalling	107,682	126,663
Spare parts, components and other	208,124	189,868
Railway	**315,806**	**316,531**
Buses	**387,620**	**319,170**
Total	**703,426**	**635,701**

At 30 June 2025, the Group had posted an impairment allowance of EUR 78,790 thousand (EUR 68,665 thousand at 31 December 2024).

9.- TRADE AND OTHER RECEIVABLES

The breakdown of “Trade receivables for sales and services” at 30 June 2025 and 31 December 2024 was as follows:

	Thousands of Euros	
	30.06.25	31.12.24
Contract assets	1,530,927	1,440,863
Customers billed	895,430	837,115
Write-downs	(13,231)	(14,026)
Total	**2,413,126**	**2,263,952**

Contract assets and liabilities

At 30 June 2025, the Group had a firm backlog of approximately EUR 15,590 million.

The aggregate balance and changes in contract assets and liabilities in the first half of 2025 and 2024 was as follows:

	Thousands of Euros	
	30.06.25	31.12.24
Current contract assets	1,530,927	1,440,863
Current contract liabilities (Note 13)	(1,319,493)	(1,288,488)
Non-current contract liabilities (Note 15)	(42,478)	(66,386)
Net balance	**168,956**	**85,989**

	Thousands of Euros	
	30.06.25	30.06.24
Balance at the beginning of the period	**85,989**	**174,052**
Changes in measure of progress	1,329,072	1,153,640
Billings	(1,262,894)	(1,158,940)
Penalties applied	8,014	3,588
Translation differences	9,100	5,574
Reclassifications and other	(325)	491
Balance at the end of the period	**168,956**	**178,405**

Of the “Current contract liabilities” existing at 31 December 2024, in the first half of 2025, EUR 548,326 thousand (EUR 512,449 thousand in the first half of 2024) were recognised as revenue. Moreover, no significant revenue was recognised for performance obligations fulfilled in prior periods.

The Group also recognised EUR 230,433 thousand under “Trade and other payables – Suppliers and other payables” in the accompanying condensed consolidated balance sheet as costs for the provision of services related to train construction contracts, such expenses having accrued based on the degree of completion (31 December 2024: EUR 233,266 thousand).

The provisions for third-party liabilities reducing contract assets and liabilities amounted to EUR 35,331 thousand at 30 June 2025 (31 December 2024: EUR 36,973 thousand).

Customers billed

The Group derecognises a financial asset when the rights to the cash flows from the financial asset expire or have been transferred and substantially all the risks and rewards of ownership of the financial asset have also been transferred, such as in the case of firm asset sales and non-recourse factoring of trade receivables. The unmatured receivables settled by the Group through the aforementioned “non-recourse factoring” transactions amounted to EUR 61,938 thousand at 30 June 2025 (EUR 70,993 thousand at 31 December 2024).

“Trade receivables billed" included withholdings on collections at 30 June 2025, amounting to EUR 18,068 thousand (EUR 22,515 thousand at 31 December 2024).

The amount of the overdue balances under "Trade and other receivables" at 30 June 2025 and 31 December 2024 was as follows:

	Thousands of Euros	
	30.06.25	**31.12.24**
Past due > 90 days	44,148	17,372
Past due > 180 days	148,839	131,280
Total	**192,987**	**148,652**

Balances over 180 days past due include:

- At 30 June 2025, the Group had recognised EUR 28,030 thousand, corresponding to billed and unbilled balances receivable under a contract already performed that had yet to be collected, after securing arbitration awards favourable to the Group and with subsequent favourable rulings (EUR 26,903 thousand at 31 December 2024). At 30 June 2025, no significant event had been identified that had affected the credit risk, and it is not considered that any losses will occur in relation to the recoverability of the outstanding amounts.
- At 30 June 2025, the Group had recognised EUR 38,928 thousand (EUR 39,131 thousand at 31 December 2024), relating to billed and unbilled balances pending collection in respect of various disputes with a customer for a project in which there are cross claims regarding delays in meeting the contractual milestones signed by the consortium to which CAF belongs. The litigation is in progress and, therefore, it is difficult to assess its possible impact; however, the Parent's directors consider that the likelihood of this situation giving rise to losses for the Group is low, since there are causes that have given rise to delays that can, in no case, be attributed to the consortium. The amounts claimed are greater than the damage caused to the customer, and there are claims for cost overruns incurred by the consortium attributable to the customer. At the date of authorisation for issue of these interim condensed consolidated financial statements, two expert reports were issued during the judicial handing of the proceedings analysing the alleged delays, with the CAF Group continuing to defend its interests in these proceedings, considering that at least the recognised amounts will be recovered.

Other receivables

The breakdown of the heading "Other receivables" was as follows at 30 June 2025 and 31 December 2024:

	Thousands of Euros	
	30.06.25	**31.12.24**
Concessions (Note 7-b)	112,837	118,115
Other taxes receivable		
VAT	95,985	67,472
Grants	12,676	15,851
Other	3,948	1,467
Employee receivables	555	118
Sundry accounts receivable	5,830	5,840
Total	**231,831**	**208,863**

10.- EQUITY

a) Issued capital

At both 30 June 2025 and 31 December 2024, the Parent's share capital was represented by 34,280,750 fully subscribed and paid up shares, each with a par value of EUR 0.301, all represented in book entry form and all listed on the stock exchange.

The companies or entities which, at 30 June 2025 and 31 December 2024, had notified the Spanish National Securities Market Commission that they held voting rights of more than 3% of the Company's share capital were as follows:

	% 30.06.25	% 31.12.24
Cartera Social, S.A.(i)	23.46%	23.75%
Bilbao Bizkaia Kutxa Fundación Bancaria (ii)	13.23%	13.23%
Indumenta Pueri, S.L.(iii)	5.02%	5.02%
Daniel Bravo Andreu Private Foundation (iv)	5.23%	-
Daniel Bravo Andreu (iv)	-	5.00%
Instituto Vasco de Finanzas (v)	3.00%	3.00%

i. The shareholders of this company are employees of the Parent.
ii. Bilbao Bizkaia Kutxa Fundación Bancaria holds a direct stake of 3%, as well as an indirect holding of 10.23%, through Kutxabank S.A., a company controlled by the latter.
iii. Indumenta Pueri, S.L. is the indirect holder. The direct holder is Global Portfolio Investments, S.L., a company controlled by Indumenta Pueri, S.L.
iv. On January 7, 2025, the Daniel Bravo Andreu Private Foundation notified the CNMV of its indirect position in CAF, which includes the acquisition by inheritance of the stake held by Mr. Daniel Bravo Andreu, the direct owner being the company Danimar 1990, S.L.
v. Instituto Vasco de Finanzas is the indirect owner, with FINKATZE KAPITALA FINKATUZ, S.A.U. holding the direct stake.

The Annual General Shareholders' Meeting held on 5 June 2021 authorised the Board of Directors to increase share capital on one or more occasions, over a period of five (5) years from that date, and subject to a cap of half of the share capital at the time of the authorisation, including the power to exclude pre-emptive subscription rights, if the Parent's interest so requires and without such exclusion exceeding 20% of the share capital at the time of the authorisation. This authorisation superseded and rendered null and void the powers previously granted to the directors at the Annual General Meeting held on 2 June 2018. As at the date of authorisation for issue of these interim condensed consolidated financial statements, no capital increases had been carried out since that resolution.

Lastly, the Annual General Shareholders' Meeting held on 11 June 2022 resolved to vest powers in the Parent's Board of Directors, with express powers of delegation, for a term of five (5) years running from that date, to issue debt instruments and fixed income or other securities (including warrants) convertible into shares of the Parent or other Group companies, including the power to exclude shareholders' pre-emption rights for a maximum of 20% of the share capital at the authorisation date. Said agreement replaced the one adopted by the Parent's Annual General Meeting held on 10 June 2017. At the date of authorisation for issue of these interim condensed consolidated financial statements, no convertible securities have been issued since said agreement.

b) Treasury shares and Earnings per share

The Annual General Shareholders' Meeting held on 14 June 2025, authorised the Parent's Board of Directors to acquire treasury shares for a period of five (5) years from said date. Said authorisation cancelled that granted by agreement of the Annual General Shareholders' Meeting, held on 13 June 2020. Within the framework of said delegation, the Parent's Board of Directors authorised the execution of a liquidity contract, the signing of which was communicated to the market via Other Relevant Information to the CNMV, dated 26 April 2022, which remains in force. In accordance with prevailing law and regulations, the Parent reports quarterly to the CNMV on all transactions carried out under that contract.

During the six-month period ended 30 June 2025 and 2024, various transactions involving own shares were carried out on the continuous market. The breakdown of transactions with own shares held by the Group is as follows:

2025

	No. of shares	Nominal value (Thousands of Euros)	Average purchase price (Euros)	Total cost (Thousands of Euros)
Treasury shares at 30 June 2025	37,606	11	41.83	1,573

2024

	No. of shares	Nominal value (Thousands of Euros)	Average purchase price (Euros)	Total cost (Thousands of Euros)
Treasury shares at 30 June 2024	41,494	12	33.18	1,377

The following table shows changes in treasury shares in the first six months of 2025 and 2024:

	No. of shares
Treasury shares at 1 January 2024	43,318
+ Purchases	193,414
- Sales	(195,238)
Treasury shares at 30 June 2024	**41,494**
Treasury shares at 1 January 2025	37,832
+ Purchases	351,072
- Sales	(351,298)
Treasury shares at 30 June 2025	**37,606**

The par value of the own shares acquired directly or indirectly by CAF has not exceed 10% of the share capital during the six-month period ended 30 June 2025 and 2024.

Basic earnings per share are obtained by dividing consolidated profit for the period attributable to the Parent by the weighted average number of ordinary shares in circulation, excluding the average number of own shares held during the period. As the Group has no potentially dilutive ordinary shares, there is no difference between basic and diluted earnings per share. Basic earnings per share are calculated as follows:

	30.06.25	30.06.24
Consolidated profit/(loss) for the period attributable to the Parent (thousands of euros)	73,064	52,202
Average number of shares issued (in thousands of shares)	34,241	34,235
Earnings per share (in euros)	**2.13**	**1.52**

c) Valuation adjustments

Hedges

The changes in this heading in the first six months of 2025 and 2024 were as follow:

	Thousands of Euros	
	30.06.25	30.06.24
Balance at the beginning of the period	**15,604**	**18,800**
Income and expense recognised in equity	10,767	1,544
Transfers to profit or loss	(8,554)	1,001
Tax effect	(111)	(1)
Balance at the end of the period	**17,706**	**21,344**

Translation differences

The changes in this heading in the first six months of 2025 and 2024 were as follows:

	Thousands of Euros	
	30.06.25	30.06.24
Balance at the beginning of the period	**(192,108)**	**(161,327)**
Net change in the period	(7,190)	(14,784)
Balance at the end of the period	**(199,298)**	**(176,111)**

The currency that has generated the greatest variation in conversion differences during the first six months of 2025 is the US dollar.

d) Capital management

The Group's capital management is aimed at achieving a financial structure that optimises the cost of capital, ensuring a sound financial position. This policy allows the Group to create value for shareholders by accessing the financial markets at a competitive cost in order to meet both debt refinancing needs and the investment plan financing requirements not covered by funds generated by the Group's business activities.

The directors of the CAF Group consider that the fact that the leverage ratio with recourse to the Parent is minimal is a good indicator that the objectives set are being achieved. They also believe that the Group's credit quality is commensurate to the profile of its businesses.

The CAF Group regularly assesses the appropriateness of its liability structure, and takes into consideration the projected cash flows, the maturity profile of its debt, the foreseeable evolution of its working capital and other future liquidity needs.

At 30 June 2025 and 31 December 2024, a substantial portion of the borrowings were directly assigned to activities such as the concession in Brazil and Solaris' operations. (Note 11). Leverage is taken to be the ratio of Net Financial Debt to equity:

	Thousands of Euros	
	30.06.25	**31.12.24**
Net Financial Debt:		
Refundable advances with interest (Note 11-b)	10,424	10,829
Debts with credit institutions - Non-current liabilities (Note 11-a)	655,362	548,864
Bank borrowings and debt instruments – Current liabilities (Note 11-a)	120,206	273,396
Gross Financial Debt	**785,992**	**833,089**
Financial assets - Non-current assets (Note 7-b)	(111)	(10,322)
Current financial assets (Note 7-c)	(34,460)	(23,704)
Cash and cash equivalents	(526,203)	(573,539)
Net Financial Debt	**225,218**	**225,524**
Equity:		
Attributable to the Parent	903,839	882,194
Non-controlling interests	17,172	14,057
	921,011	**896,251**

11.- FINANCIAL LIABILITIES

a) Bank borrowings and debt instruments or other marketable securities

The detail of "Bank Borrowings and Debt Instruments or other Marketable Securities" in the accompanying consolidated balance sheet is as follows:

	Nominal currency	Thousands of Euros					
		30.06.25			31.12.24		
		Non-current	Current	Total	Non-current	Current	Total
Loans and credit lines							
The Parent (CAF, S.A.)	EUR	476,177	24,503	500,680	433,201	131,224	564,425
Ctrens - BNDES	BRL	-	15,910	15,910	6,297	18,459	24,756
Solaris Group	PLN/EUR	179,185	6,204	185,389	109,366	27,203	136,569
Other Group companies	EUR	-	175	175	-	758	758
		655,362	46,792	702,154	548,864	177,644	726,508
Debt instruments or other marketable securities:							
Commercial paper issue	EUR	-	70,372	70,372	-	92,210	92,210
Debts with credit institutions and bonds or other negotiable securities		**655,362**	**117,164**	**772,526**	**548,864**	**269,854**	**818,718**
Accrued interest payable		-	3,042	3,042	-	3,542	3,542
Total		**655,362**	**120,206**	**775,568**	**548,864**	**273,396**	**822,260**

The main terms and conditions of the loans are disclosed in Note 15 to the consolidated financial statements for 2024.

At 30 June 2025, the Group's companies had undrawn credit facilities amounting to EUR 453,243 thousand (EUR 568,273 thousand at 31 December 2024).

b) Other financial liabilities

The detail of "Non-Current Financial Liabilities - Other Financial Liabilities" and "Current Financial Liabilities - Other Financial Liabilities" in the condensed consolidated balance sheet at 30 June 2025 and the consolidated balance sheet at 31 December 2024 was as follows:

Current and non-current financial liabilities – Other financial liabilities	Thousands of Euros					
	30.06.25			31.12.24		
	Non-current	Current	Total	Non-current	Current	Total
Repayable interest-bearing advances	9,139	1,285	10,424	9,366	1,463	10,829
Non-interest-bearing repayable advances	12,421	4,572	16,993	13,273	7,825	21,098
Share purchase liabilities	97	23	120	94	23	117
Payable to non-current asset suppliers (Note 6)	-	4,395	4,395	-	14,524	14,524
Lease liabilities	60,700	24,141	84,841	64,095	23,842	87,937
Dividend payable	-	45,936	45,936	-	-	-
Other liabilities	914	3,237	4,151	102	1,785	1,887
Total	**83,271**	**83,589**	**166,860**	**86,930**	**49,462**	**136,392**

During the first semester of 2024, the purchase option was exercised for 4.21% of the capital of BWB Holdings Limited.

The changes in “Bank borrowings and debt instruments or other marketable securities” and “Other financial liabilities” during the first half of 2025 and 2024 were as follows:

2025

	Thousands of Euros		
	Bank borrowings and debt instruments or other marketable securities	Other financial liabilities	Total
Balance at 31 December 2024	**818,718**	**136,392**	**955,110**
Cash flows from financing activities			
New drawdowns	274,045	4,963	279,008
Maturity payments	(321,708)	(22,409)	(344,117)
	(47,663)	(17,446)	(65,109)
Cash flows from investing activities			
Maturity payments	-	(9,192)	(9,192)
	-	(9,192)	(9,192)
Other changes (without cash flows)			
Translation differences	884	(1,347)	(463)
Dividends accrued, new leases, other	587	58,453	59,040
	1,471	57,106	58,577
Balance at 30 June 2025	**772,526**	**166,860**	**939,386**

The new debt arrangements with credit institutions for the first half of 2025 and 2024 were as follows:

	Thousands of Euros	
	30.06.25	30.06.24
Loans and credit lines	155,550	172,182
Commercial paper issue	118,400	143,400
Factoring	95	17,787
Total	**274,045**	**333,369**

During the first six months of 2025, the Parent took out new loans at market conditions for an amount of EUR 62 million, maturing in 2030 and which had been fully drawn down at 30 June 2025 (loans amounting to EUR 225 million, taken out during the first semester of 2024, of which EUR 164 million had been drawn down at 30 June 2024, maturing between 2027 and 2031). For its part, Solaris has drawn down credit account lines amounting to EUR 93 million (EUR 7 million during the first half of 2024).

2024

	Thousands of Euros		
	Bank borrowings and debt instruments or other marketable securities	Other financial liabilities	Total
Balance at 31 December 2023	**809,276**	**165,463**	**974,739**
Cash flows from financing activities			
New drawdowns	333,369	10,635	344,004
Maturity payments	(360,300)	(23,345)	(383,645)
	(26,931)	(12,710)	(39,641)
Other changes (without cash flows)			
Translation differences	(3,116)	196	(2,920)
Dividends accrued, new leases, other	634	34,958	35,592
	(2,482)	35,154	32,672
Balance at 30 June 2024	**779,863**	**187,907**	**967,770**

12.- PROVISIONS AND CONTINGENT LIABILITIES

The breakdown, by item, of the headings "Non-current provisions" and "Current provisions" in the condensed consolidated balance sheet at 30 June 2025 and in the consolidated balance sheet at 31 December 2024 was as follows:

	Thousands of Euros					
	30.06.25			31.12.24		
	Non-current	Current	Total	Non-current	Current	Total
Provisions for contractual obligations	-	67,551	67,551	-	70,531	70,531
Provisions for warranties and technical support	68,537	294,246	362,783	72,132	288,662	360,794
Provisions for litigation	44,854	1,573	46,427	41,266	1,530	42,796
Provisions for commitments with staff	26,224	9,156	35,380	25,174	8,108	33,282
Investments accounted for using the equity method (Note 7-a)	4,706	-	4,706	5,245	-	5,245
Other provisions	2,139	15,348	17,487	2,014	17,126	19,140
Total	**146,460**	**387,874**	**534,334**	**145,831**	**385,957**	**531,788**

Changes in current and non-current provisions in the first semester of 2025 and 2024 were as follows:

	Thousands of Euros						
	Contractual liability	Warranty and support services	Litigation	Employee benefit obligations	Investments accounted for using the equity method	Other provisions	Total provisions
Balance at 31.12.23	**67,780**	**334,444**	**46,622**	**29,015**	**-**	**20,544**	**498,405**
Net charge for the period	2,340	56,147	3,263	4,035	-	(417)	65,368
Amounts used	-	(25,011)	(864)	(3,481)	-	(173)	(29,529)
Translation differences	(621)	340	(4,246)	(37)	-	(54)	(4,618)
Transfers	299	-	(240)	(1,193)	-	-	(1,134)
Balance at 30.06.24	**69,798**	**365,920**	**44,535**	**28,339**	**-**	**19,900**	**528,492**
Balance at 31.12.24	**70,531**	**360,794**	**42,796**	**33,282**	**5,245**	**19,140**	**531,788**
Net charge for the period	(1,608)	57,808	4,674	4,958	-	369	66,201
Actuarial gains and losses	-	-	-	606	-	-	606
Amounts used	(988)	(55,538)	(894)	(2,996)	-	(2,053)	(62,469)
Translation differences	(429)	519	(142)	(470)	-	22	(500)
Change in value of investments accounted for using the equity method	-	-	-	-	(539)	-	(539)
Transfers	45	(800)	(7)	-	-	9	(753)
Balance at 30.06.25	**67,551**	**362,783**	**46,427**	**35,380**	**4,706**	**17,487**	**534,334**

Contractual liability and warranty and support services

The provisions for contractual liability relate mainly to provisions for onerous contracts. The provisions for warranty and support services relate to estimated future costs (based on historic data and technical analyses) to which the Group is committed in accordance with the warranty period provided for in the contracts. The expected period to settle the provisions varies on the basis of their nature, the average approximate period being:

- Contractual liability: 1-2 years
- Warranty: 1-4 years (varies on the basis of the contractual arrangement to which it relates)

The expenses incurred in the first semester of 2025 and 2024 in connection with the provision of contractual warranty services were recognised under “Procurements” and “Staff costs” in the accompanying interim consolidated statements of profit or loss for 2025 and 2024.

Provisions for litigation

As a result of the administrative decision in July 2019, arising as a result of the investigation initiated in 2013 into the involvement of various rolling stock manufacturers in possible anti-competitive practices described in Note 2-d, at 30 June 2025, the Group had recognised a provision amounting to EUR 42.8 million (EUR 40.3 million at 31 December 2024). The amount of the fine was updated by the related interest cost in accordance with the Brazilian Special System for Settlement and Custody (SELIC) interest rate and EUR 2,634 thousand were recognised in the first half of 2025, with a charge to “Finance costs” in the accompanying condensed consolidated profit and loss statement (EUR 2,219 thousand in the first semester of 2024).

The Group also recognises provisions for labour-related liabilities due to the existence of a present obligation arising from past events, upon maturity of which the Group expects to utilise resources to settle the obligation, as well as other commitments to its employees, as required by the laws of the countries in which they are located. The amount is based on the best estimate made by the Parent's directors at the reporting date and the obligations are recognised at the present value whenever the financial effect is material.

Employee benefit obligations

The detail of provisions for staff commitments at 30 June 2025 and 31 December 2024, categorised by the main Group companies and geographies, is as follows:

	Thousands of Euros					
	30.06.2025			31.12.2024		
	Non-current provisions	Current provisions	Total	Non-current provisions	Current provisions	Total
Parent	9,632	7,088	16,720	8,424	6,269	14,693
CAF Reichshoffen, SAS	6,757	-	6,757	6,465	-	6,465
Italy	2,514	960	3,474	2,557	931	3,488
Mexico	2,713	9	2,722	2,661	9	2,670
Other Group companies	4,608	1,099	5,707	5,067	899	5,966
Total	**26,224**	**9,156**	**35,380**	**25,174**	**8,108**	**33,282**
Total non-outsourced commitments	26,152	4,171	30,323	25,086	4,295	29,381
Total outsourced commitments	72	4,985	5,057	88	3,813	3,901

Non-outsourced commitments-

The Parent has recognised future commitments to employees under early retirement plans, which relate to the present estimated value of the future payments to be made to employees who, in June 2025 and December 2024 had signed relief contracts, and to the payment of a long-service bonus at production headquarters.

At its meeting held on 19 December 2023, the Board of Directors approved the proposal made by the Nomination and Remuneration Committee to implement a long-term incentive plan linked to the achievement of the 2023-2026 Strategic Plan approved in November 2022 and communicated to the market in December of that year. The duration of the long-term incentive plan runs from 1 January 2023 to 31 December 2026, covering the entire Strategic Plan cycle, and is aimed at executive directors and other members of the Group's management team. This provision for this item amounted to EUR 5.6 million at 30 June 2025 (EUR 3.8 million at 31 December 2024).

Subsidiary company CAF Reichshoffen, SAS has recorded future commitments to employees to supplement their pensions, which have not been outsourced and whose present value is determined by independent actuaries.

Outsourced commitments-

Among the commitments outsourced, the Group has legal and contractual obligations vis-à-vis certain employees in relation to supplementary retirement and death benefits, which are met through the payment of premiums under defined contribution/benefit plans on external funds deposited, or in the process of being externalised, at independent insurance companies.

Lastly, in accordance with the applicable collective bargaining agreement, the Parent contributes 2.3% of the annual contributions (same percentage as in 2024) for all its employees from certain locations to an employee benefit entity.

13.- OTHER PAYABLES

The breakdown of the heading "Other payables" at 30 June 2025 and 31 December 2024 was as follows:

	Thousands of Euros	
	30.06.25	31.12.24
Payable to suppliers and sundry trade payables	1,189,464	1,059,279
Other payables		
Current contract liabilities (Note 9)	1,319,493	1,288,488
Other taxes payable	112,347	125,270
Staff – Outstanding remuneration	136,843	95,449
Total	**2,758,147**	**2,568,486**

The Group has arranged various operations with financial entities to manage payments to suppliers ("confirming" or "reverse factoring" transactions). Through these contracts, financial institutions offer the possibility of early payment to suppliers by discounting at a market interest rate (without any guarantee from CAF). As a general rule, the Group's payment terms for trade credits covered by these transactions are identical to those of other trade receivables and do not accrue interest.

The balance provided for "confirming" or "reverse factoring" at the close of fiscal years 2025 and 2024, which is recorded under the heading "Trade creditors and other accounts payable - Suppliers and other creditors" of the consolidated balance sheet, is as follows:

	Thousands of Euros	
	30.06.25	31.12.24
Balance of advance confirming by suppliers	18,548	20,182
Balance of non-advance confirming by suppliers	30,065	37,797
Total confirming balance	**48,613**	**57,979**

14.- BALANCES AND TRANSACTIONS WITH RELATED PARTIES

The Group's "related parties" are deemed to be, in addition to the subsidiaries, associates and jointly controlled entities, the Parent's "key management personnel" (its directors and managers, and their close family members) and the entities over which key management personnel may exercise significant influence or control.

a) Balances and transactions with associates

The transactions performed by the Group with its related parties (significant shareholders, Board members and executives of the Parent and other related parties) in the first six months of 2025 and 2024 were as follows: The terms and conditions of the transactions with related parties are equivalent to those in transactions performed on an arm's length basis and the corresponding payments in kind were charged.

Expenses and Income	Thousands of Euros	
	30.06.25	30.06.24
Expenses:		
Purchases of goods and services	394	799
	394	**799**
Income:		
Sales	231,844	311,851
Finance income	1,529	1,411
	233,373	**313,262**

Sales transactions during the first six months of the financial years 2025 and 2024 were mainly with SHACHAF - The Purple Line Light Rail Ltd, CFIR Light Rail Ltd, Momentum Trains Holding Pty Ltd, Ferrocarriles Suburbanos, S.A.P.I. de C.V., Ferrocarril Interurbano S.A. de C.V., Plan Metro, S.A. and Great River City Light Rail Pty Ltd companies in which the CAF Group holds minority stakes together with other partners.

At 30 June 2025 and 31 December 2024, the Group's main balances with investees that had not been fully consolidated were as follows:

	Thousands of Euros	
	30.06.25	31.12.24
Balances receivable:		
Trade and other receivables	349,784	270,040
Credits granted	42,414	40,390
Balances payable:		
Payable to suppliers and trade payables	89,352	102,957

b) Balances and transactions with shareholders

At 30 June 2025 and 31 December 2024, the Group continued to perform the following financial transactions with shareholders owning 10% or more of voting rights (in thousands of euros):

Shareholder	Type of transaction	2025		2024	
		Amount of transaction	Balance drawn at 30.06.25	Amount of transaction	Balance drawn at 31.12.24
Kutxabank, SA	Bank loans	40,000	33,000	40,000	33,000
Kutxabank, SA	Credit accounts	-	-	35,000	-
Kutxabank, SA	Bank guarantees	170,545	136,178	170,545	133,031

Additionally, during the first semester of 2025, the Group contracted professional services with Kutxabank, S.A. and other subsidiaries of Bilbao Bizkaia Kutxa Fundación Bancaria amounting to EUR 26 thousand (EUR 29 thousand during the first semester of 2024).

15.- OTHER CURRENT AND NON-CURRENT ASSETS AND LIABILITIES

The detail of the Group's "Other non-current assets" and "Other current assets" in the condensed consolidated balance sheet at 30 June 2025 and 31 December 2024 was as follows:

	Thousands of Euros	
	30.06.25	31.12.24
Assets for the right of return	4,509	4,475
Other non-current assets	**4,509**	**4,475**
Prepayments	36,434	28,071
Other current assets	**36,434**	**28,071**

The detail of the Group's "Other non-current liabilities" and "Other current liabilities" in the condensed consolidated balance sheet at 30 June 2025 and 31 December 2024 was as follows:

	Thousands of Euros	
	30.06.25	31.12.24
Non-current contract liabilities (Note 9)	42,478	66,386
Advances received on operating leases	796	919
Refund liabilities	4,828	5,107
Other non-current liabilities	**48,102**	**72,412**
Advances received on operating leases	213	2,541
Unearned income	4,276	4,494
Refund liabilities	92	250
Other current liabilities	**4,581**	**7,285**

As explained in Note 20 to the consolidated financial statements for 2024, certain bus sale contracts included customer refund options. If it is determined that the contract is an operating lease, the billings received in advance are recognised under "Advances Received on Operating Leases". If, on the other hand, it is concluded that the contract is a sale with a right of return, the value of the asset to be repurchased by the Parent is recognised under "Assets for the Right of Return" and the amount expected to be paid to recover the asset is recognised under "Refund Liabilities".

16.- REMUNERATION AND OTHER BENEFITS OF THE PARENT'S DIRECTORS AND SENIOR MANAGERS

In the first six months of 2025 and 2024, the Parent recognised EUR 1,152 thousand and EUR 1,182 thousand, respectively and approximately, in the form of salaries, life insurance, attendance allowances and fixed remuneration accrued by the members of the Board of Directors. At 30 June 2025 and 31 December 2024, neither the Board of Directors of the Parent nor those of the remaining subsidiaries had granted any advances, guarantees or loans to their current or former directors.

Consolidated remuneration of the Parent's senior executives, per the binding definition of "Senior Executives" in the Corporate Governance Report, in the first six months of 2025 and 2024 amounted to EUR 1,097 thousand and EUR 1,074 thousand, respectively.

In the first semester of 2025 and 2024, there were no other transactions with executives outside the Company's normal course of business.

17.- DERIVATIVE FINANCIAL INSTRUMENTS

The CAF Group uses derivative financial instruments to hedge the risks to which its activities, operations and future cash flows are exposed, primarily risks arising from fluctuations in exchange rates, raw material prices and interest rates (explained in Note 16 of the consolidated annual accounts for the year 2024). The CAF Group arranges foreign currency hedges in order to mitigate the potential adverse effect that changes in exchange rates might have on future cash flows relating to transactions and loans in currencies other than the functional currency of the company concerned.

Likewise, certain companies incorporated using the full integration and equity methods maintain interest rate and exchange rate hedging contracts.

a) Interest rate cash flow hedge

The details of the hedges contracted by the Group to cover the interest rate risk at 30 June 2025 and 31 December 2024 are as follows:

Derivatives at 30.06.25	Thousands of Euros				
	Net notional	Valuation of derivatives	Maturity of notional amounts		
			2025	2026	2027 and subsequent years
Cash flow hedges-					
Interest rate swap	107,000	(507)	-	-	107,000
Total cash flow hedges	**107,000**	**(507)**	**-**	**-**	**107,000**

Derivatives at 31.12.24	Thousands of Euros				
	Net notional	Valuation of derivatives	Maturity of notional amounts		
			2025	2026	2027 and subsequent years
Cash flow hedges-					
Collar	112,000	(26)	-	-	112,000
Interest rate swap	45,000	(95)	-	-	45,000
Total cash flow hedges	**157,000**	**(121)**	**-**	**-**	**157,000**

At 30 June 2025 and 31 December 2024, the associates S.E.M. Los Tranvías de Zaragoza, S.A. and Momentum Trains Holding Pty Ltd have contracted various financial swaps related to the nominal amount of their financial debts. These financial swaps have been designated as cash flow hedging instruments for interest rate risk.

b) Commodity cash flow hedges

The details of the coverage contracted by the Group to cover the raw materials risk at 30 June 2025 were as follows:

Derivatives at 30.06.25	Thousands of Euros				
	Net notional	Valuation of derivatives	Maturity of notional amounts (net)		
			2025	2026	2027 and subsequent years
Cash flow hedges-					
Commodities swap	2,669	(309)	2,669	-	-
Total cash flow hedges	**2,669**	**(309)**	**2,669**	**-**	**-**

At 31 December 2024, the Group had not arranged any hedges to cover the raw materials risk.

c) Fair value hedges and foreign exchange cash flow hedges

The breakdown of the net balances of exchange rate derivatives, basically fair value hedges, recognised in the condensed consolidated balance sheet at 30 June 2025 and at 31 December 2024 was as follows:

Derivatives at 30.06.25	Thousands of Euros					
	Notional sales	Notional purchases	Valuation of derivatives	Maturity of notional amounts (net)		
				2025	2026	2027 and subsequent years
Fair value and net investment abroad hedges-						
USD currency forwards (*)	307,192	(89,026)	6,473	92,224	3,759	122,183
GBP currency forwards	325,101	(170,496)	603	(19,281)	37,769	136,117
EUR currency forwards	800	(138,580)	(371)	(27,760)	(69,767)	(40,253)
BRL currency forwards	17,521	-	(143)	16,153	1,368	-
SEK currency forwards	272,132	(5,978)	(8,966)	99,414	114,740	52,000
AUD currency forwards	301,642	(34,726)	10,192	28,616	238,300	-
SAR currency forwards	14,085	(5,659)	510	1,636	6,790	-
MXN currency forwards	71,835	(33,994)	2,166	48,325	8,087	(18,571)
CAD currency forwards	211,773	(11,460)	4,136	26,554	-	173,759
JPY currency forwards	89,835	(17,017)	2,283	71,149	1,747	(78)
HKD currency forwards	8,075	-	382	-	8,075	-
NOK currency forwards	1,311	(7,359)	1,109	549	(6,597)	-
TWD currency forwards	37,288	-	1,127	30,402	6,886	-
ILS currency forwards	27,372	(42,849)	3,451	22,927	(38,404)	-
AED currency forwards	101,727	-	(737)	101,309	418	-
CHF currency forwards	146,838	(1,046)	3,216	42,365	93,671	9,756
PLN currency forwards	67,411	(255)	110	42,481	24,675	-
RON currency forwards	37,679	-	196	22,478	15,201	-
CZK currency forwards	8,123	(1,374)	128	6,119	630	-
NZD currency forwards	8,537	(8,702)	(665)	(3,850)	3,685	-
HUF currency forwards	3,315	(5,155)	(4)	(1,640)	(200)	-
INR currency forwards	1,275	-	-	-	287	988
Total fair value hedges	**2,060,867**	**(573,676)**	**25,196**	**600,170**	**451,120**	**435,901**
Cash flow hedges-						
CAD currency forwards	331	-	18	331	-	-
MAD currency forwards	-	(8,086)	(104)	-	(8,086)	-
EUR currency forwards	35,000	-	1,030	35,000	-	-
Total cash flow hedges	**35,331**	**(8,086)**	**944**	**35,331**	**(8,086)**	**-**

(*) Includes the coverage of the net investment of Provetren, S.A. de C.V. for USD 116,688 thousand, whose functional currency is the US dollar.

Derivatives at 31.12.24	Thousands of Euros					
	Notional Sales	Notional Purchases	Valuation of derivatives	Maturity of notional amounts (net)		
				2025	2026	2027 and subsequent years
Fair value and net investment abroad hedges-						
USD currency forwards (*)	369,056	(62,160)	(5,505)	99,010	62,391	145,495
GBP currency forwards	392,806	(209,179)	4,030	(34,537)	80,768	137,396
EUR currency forwards	181,300	(110,001)	3,359	150,592	(69,293)	(10,000)
BRL currency forwards	13,869	-	181	13,869	-	-
SEK currency forwards	271,440	(6,199)	(9,375)	219,378	35,529	10,334
AUD currency forwards	334,337	(25,552)	11,405	126,039	182,746	-
SAR currency forwards	9,347	(7,712)	(229)	1,635	-	-
MXN currency forwards	46,092	(28,789)	2,663	17,303	-	-
CAD currency forwards	106,973	(13,881)	4,359	(8,716)	-	101,808
JPY currency forwards	155,292	(21,283)	(1,185)	118,046	9,008	6,955
HKD currency forwards	9,644	-	958	9,644	-	-
NOK currency forwards	7,308	(9,913)	1,236	(867)	(1,738)	-
TWD currency forwards	37,664	-	(1,097)	34,537	3,127	-
ILS currency forwards	32,696	(44,667)	(1,097)	6,739	(18,710)	-
AED currency forwards	144,754	-	(2,498)	144,754	-	-
CHF currency forwards	61,384	(834)	194	41,154	19,191	205
PLN currency forwards	66,896	(491)	(1,091)	66,405	-	-
RON currency forwards	45,968	-	436	45,968	-	-
DKK currency forwards	15,734	-	193	15,734	-	-
CZK currency forwards	14,308	-	71	13,689	619	-
NZD currency forwards	16,129	(9,415)	(60)	6,714	-	-
HUF currency forwards	2	(4,295)	16	(4,293)	-	-
INR currency forwards	1,442	-	-	-	325	1,117
TRY currency forwards	-	(111)	105	(111)	-	-
Total fair value hedges	**2,334,441**	**(554,482)**	**7,069**	**1,082,686**	**303,963**	**393,310**
Cash flow hedges-						
HUF currency forwards	811	-	20	811	-	-
CAD currency forwards	1,513	-	5	1,513	-	-
Total cash flow hedges	**2,324**	**-**	**25**	**2,324**	**-**	**-**

(*) Includes the coverage of the net investment in Provetren, S.A. de C.V. for USD 117,134 thousand, whose functional currency is the US dollar.

At 30 June 2025 and 31 December 2024, the associate LAVI Light Rail O&M Ltd. had EUR/ILS exchange rate hedging instruments associated with the commercial sales contracts that had been designated as cash flow hedging instruments.

The measurement of the cash flow hedging instruments net of the tax effect, which was posted with a debit/(credit) to the heading "Equity - Other comprehensive income - Hedging operations" in the accompanying condensed consolidated balance sheet at 30 June 2025 and 31 December 2024 was as follows:

	Thousands of Euros	
	30.06.25	31.12.24
Companies accounted for by global integration	2,829	*2,686*
Companies accounted for by the equity method	14,877	*12,918*
S.E.M. Los Tranvías de Zaragoza, S.A.	*(2,561)*	*(2,721)*
Momentum Trains Holding Pty Ltd	*518*	*1,847*
LAVI Light Rail O&M Ltd.	*16,920*	*13,792*
Total	**17,706**	**15,604**

The hedging instruments expire in the same year in which the cash flows are expected to occur.

Following is a reconciliation of the remeasurement at each year-end to the carrying amounts recognised in the balance sheet (in thousands of euros):

	30.06.25	31.12.24
Non-current assets	34,710	1,483
Current assets	74,076	22,622
Non-current liabilities	(35,795)	(2,153)
Current liabilities	(47,667)	(14,979)
Balance sheet net total	**25,324**	**6,973**
Interest rate cash flows	(507)	(121)
Cash flows from commodities	(309)	-
Fair value of exchange rate	25,196	7,069
Exchange rate cash flows	944	25
Total derivatives value	**25,324**	**6,973**

In the first half of 2025, the ineffective portion of the hedging transactions charged to profit or loss in the interim condensed consolidated financial statements generated a profit of EUR 1,258 thousand (a loss of EUR 502 thousand in the first semester of 2024), largely as a result of changes in the estimated amounts of the hedged items.

18.- SEGMENT INFORMATION

The criteria applied by the Group to define its operating segments are disclosed in Note 5 to the consolidated financial statements for the year ended 31 December 2024. There were no changes in the basis of segmentation used.

The detail of revenue, by geographical area, at 30 June 2025 and 2024 was as follows:

Revenue by Geographical Area	Thousands of Euros	
	30.06.25	30.06.24
Spain	242,487	235,789
Rest of Europe	1,270,264	1,156,058
Europe	1,512,751	1,391,847
America	261,935	277,774
APAC	171,250	237,584
Rest of the world	227,700	173,214
Total	**2,173,636**	**2,080,419**

The breakdown of sales, by product group and type of service provided, is as follows (in thousands of euros):

	30.06.25	30.06.24
High-speed, regional and commuter trains	494,524	557,294
Metros	175,683	149,763
Trams and light metros	268,658	189,893
Bogies and other	12,794	18,740
Trains	**951,659**	**915,690**
Services (*)	**365,293**	**313,655**
Integral Systems, Equipment and Others (**)	**337,667**	**417,543**
Buses (***)	**519,017**	**433,531**
Total	**2,173,636**	**2,080,419**

(*) Mainly includes all revenues from maintenance services and sales of railway spare parts.
(**) Mainly civil engineering, refurbishment, signalling and engineering construction contract revenue.
(***) In addition to the sale of buses, income from after-sales services linked to this segment (maintenance and spare parts) is included.

The reconciliation of ordinary income and profit (loss) by segment to ordinary income and consolidated profit/(loss) at 30 June 2025 and 2024 was as follows:

	Thousands of Euros			
	30.06.25			
	Rolling stock	Buses	Inter-segments	Total
External revenue	1,654,619	519,017	-	2,173,636
Inter-segment revenue	224	-	(224)	-
Total Revenue	**1,654,843**	**519,017**	**(224)**	**2,173,636**
EBITDA	**126,175**	**38,823**	**-**	**164,998**
Depreciation and amortisation charge, impairment and gains or losses on disposals of non-current assets	(40,808)	(10,528)	-	(51,336)
Profit/(Loss) from operations	**85,367**	**28,295**	**-**	**113,662**
Profit/(Loss) before tax	**86,936**	**17,383**	**-**	**104,319**
Corporation tax				(28,209)
Profit/(Loss) for the year from continuing operations				**76,110**

	Thousands of Euros			
	30.06.24			
	Rolling stock	Buses	Inter-segments	Total
External revenue	1,646,888	433,531	-	2,080,419
Inter-segment revenue	-	-	-	-
Total Revenue	**1,646,888**	**433,531**	**-**	**2,080,419**
EBITDA	**125,142**	**29,717**	-	**154,859**
Depreciation and amortisation charge, impairment and gains or losses on disposals of non-current assets	(41,052)	(12,216)	-	(53,268)
Profit/(Loss) from operations	**84,090**	**17,501**	**-**	**101,591**
Profit/(Loss) before tax	**74,387**	**4,840**	**-**	**79,227**
Corporation tax				(25,417)
Profit/(Loss) for the year from continuing operations				**53,810**

Segment information includes the Parent's corporate costs and finance costs allocated to each segment.

A description of the performance of the Group's segment income and profit/(loss) can be found in the Group's Consolidated Directors' Report.

19.- AVERAGE HEADCOUNT

The average headcount in the six-month periods ended 30 June 2025 and 2024 are as follows:

	Average headcount	
	30.06.25	**30.06.24**
Men	13,754	12,968
Women	2,935	2,700
Total	**16,689**	**15,668**

20.- TAX POSITION

The Group calculated the provision for corporation tax at 30 June 2025, in accordance with the applicable tax legislation. However, if the tax treatment were to differ from that provided for in current legislation as a result of tax reforms, such treatment would be applied immediately in the financial statements issued subsequent to the approval thereof.

Regarding the known information concerning the CAF Group's exposure to taxes under the Pillar 2 legislation, in 2024, the Group availed itself of the temporary suspension envisaged in the regulation, as reasonable tax rates are complied with in the jurisdictions in which it operates. Likewise, it is anticipated that it will avail itself of this temporary suspension in 2025.

In relation to the tax assets recognised, the Group's directors apply a recognition policy based on order intake projections.