

Acce/eron

Half-Year Report 2025



Key figures at a glance

6008

USD million
Revenues

155

USD million
Operational EBITA¹

70.3%

Free cash flow conversion¹

25.5%

Operational EBITA margin¹

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Dear Shareholders,

Accelleron continued on its growth trajectory in the first six months of 2025, achieving high revenue growth and strong profitability. Despite geopolitical disruptions, the markets have not cooled down and Accelleron has been firing on all cylinders to meet demand. Given the robust marine and recovering energy markets, the outlook for the full year remains positive. The impact of geopolitics on the global economy remains unpredictable, however.



Oliver Riemenschneider
Chairman of the Board of Directors



Daniel Bischofberger
Chief Executive Officer

Outstanding half-year results

Revenues in the first six months of 2025 reached USD 608.0 million, representing a year-on-year increase of 20.3% (20.1% at constant currency, 18.5% organic). Accelleron's growth from January to June 2025 was driven by further gains in market share for turbochargers, as well as strong demand for marine services (especially retrofits) and for backup, balancing and prime power applications. Accelleron also saw sustained high demand for fuel injection systems and above-average orders in the rail sector.

Net income increased by 29.5%

Accelleron's operational EBITA increased by USD 26.7 million, or 20.8%, to USD 154.9 million. The operational EBITA margin rose by 0.1 percentage points to 25.5%. Net income increased by USD 26.1 million, or 29.5%, to USD 114.7 million. Free cash flow conversion stood at 70.3% (34.4% HY 2024) and net leverage came in at 0.8.

Market share gains and strong demand in both segments

Medium & Low Speed growth driven by marine retrofit and upgrade services

Revenues in the Medium & Low Speed segment increased by USD 73.0 million, or 18.9% (16.6% organic), to USD 458.8 million compared to the first half of 2024. Overall, the marine business performed strongly. Accelleron further increased its market share in new-builds, and demand for retrofits and upgrade services picked up significantly. Accelleron also continued to expand full-cover service agreements, reinforcing them as an important strategic pillar to further increase service penetration.

Furthermore, demand for fuel injection systems remained high in the first half of 2025, supported by increased capacity in the OMT factories to ensure timely customer delivery. As announced in May, Accelleron's subsidiary OMT is pursuing a

comprehensive growth strategy in Italy. Total investments of approximately USD 80 million are planned at the Turin and Brescia sites by 2029. Strategy execution is well underway, and the market is strong.

In the power plant market, new-build activity in the US for medium-speed power generation has picked up again. The first projects for larger power plants with Accelleron turbochargers have been contracted. Overall, demand for gas-fired prime power solutions increased across multiple regions.

Accelleron also received above-average Chinese orders for turbochargers used in diesel-electric locomotives.

Operational EBITA increased by USD 19.1 million, or 19.7%, to USD 116.2 million compared to the previous year. The operational EBITA margin increased by 0.1 percentage points to 25.3%. The operating leverage resulting from the additional life-cycle volume was absorbed by strategic

investments and was also impacted by additional costs along the value chain.

High Speed sees strong demand for backup and – increasingly – prime power

Revenues in the High Speed segment increased by USD 29.5 million, or 24.6% (24.9% organic), to USD 149.2 million compared to the first half of 2024. Accelleron continued to seize opportunities in data center backup and increasingly prime power solutions, particularly in the US, while demand for gas compression remained in line with expectations.

The continued success story of the TPX44 high-speed turbocharger, used for data centers and to protect other critical infrastructure, remains impressive. Developed in close collaboration with an engine manufacturer and launched in 2019, it has quickly gained significant market share in the diesel/liquid market. Our dedicated product for stand-by generators offers substantially higher power density, resulting in a lower CAPEX per kW compared to competitor solutions. Furthermore,

development of the second-generation product is already underway and promises even greater advancements. We are well on track in 2025 to set new records again in both production volumes and sales.

Operational EBITA increased by USD 7.6 million, or 24.4%, to USD 38.7 million compared to the previous year. Due to the fast-growing new business and additional costs along the value chain, the operational EBITA margin decreased by 0.1 percentage points to 25.9%.

Positive outlook despite geopolitical uncertainty

Robust marine and recovering energy markets

While our full-year outlook for the marine and energy markets remains positive, the new 39% US tariff on Swiss goods, in effect since August 7, poses a challenge with multiple unknowns, especially in the short term. We are determined to secure our growing US business by reviewing our pricing strategy, reconfiguring value chains, and enhancing operational efficiencies to maintain our competitive advantage.

We reaffirm our July revenue guidance, expecting constant-currency revenue growth of 16-19% in 2025. Regarding the operational EBITA margin, due to the current tariff situation, we are lowering the guidance corridor by one percentage point and now expect an EBITA margin for 2025 of 24-25%.

Looking beyond 2025, the shipyard order books are full for the coming years, and the International Maritime Organization's decision in April to implement a greenhouse gas pricing mechanism marks an important step on the maritime industry's decarbonization journey. The commercially backed framework favors efficiency measures and, in particular, lower-carbon fuels such as natural gas, biofuels and synthetic fuels. If adopted in October, we expect its implementation to support sustainable demand for our turbochargers, fuel injection

systems, digital solutions and services, particularly retrofits and upgrades. The decision could also spur much-needed investment in the development of large-scale synthetic fuel production facilities.

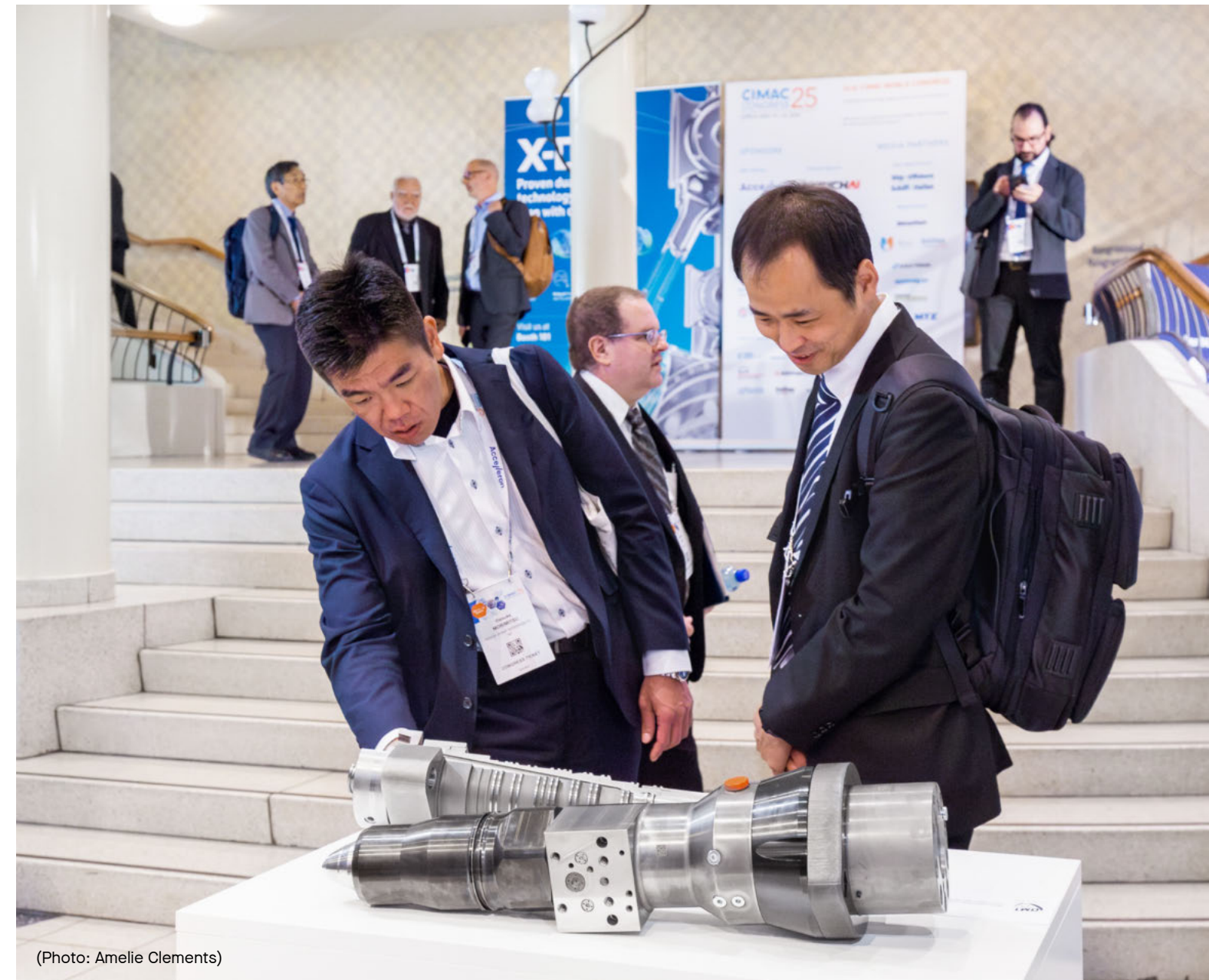
Substantial investment is also needed in energy infrastructure. Projects for decentralized power are gaining momentum, particularly in the US, with a focus on two main areas: balancing power and prime power. Various stakeholders have recognized the need for investment to stabilize grids and meet the rising demand for energy – a trend that is also evident in Europe, including Switzerland, where the government recently approved five biofuel reserve plants.

While we anticipate continued strong demand for backup and prime power solutions for data centers, persistently low oil and gas prices in the US are likely to keep investment in the gas compression market subdued.

Reliability and quality in times of uncertainty

In summary, our core markets remain resilient despite ongoing geopolitical uncertainty. The impact of geopolitics on the global economy remains unpredictable; nevertheless, we are well-positioned to leverage our market leadership. Our digital capabilities – strengthened by last year's acquisition of TNM – are playing an increasingly vital role in supporting the business, particularly in service agreements and upgrade cycles.

At the CIMAC World Congress in Zurich this May, where we proudly served as main sponsor, we showcased innovations in turbocharging and fuel injection (see image on the right) that support decarbonization and the transition to carbon-neutral fuels. Engaging with hundreds of global combustion engine experts reaffirmed a key insight: in uncertain times, our customers value reliability, quality and trusted partnerships more than ever.



(Photo: Amelie Clements)

We are immensely grateful to our colleagues in production, service, digital solutions, R&D, sales and support functions around the globe. Their dedication and excellence continue to earn our customers' trust and drive our success – day after day.

Yours sincerely,

Oliver Riemenschneider
Chairman of the Board of
Directors

Daniel Bischofberger
Chief Executive Officer

01

Key figures and operational review



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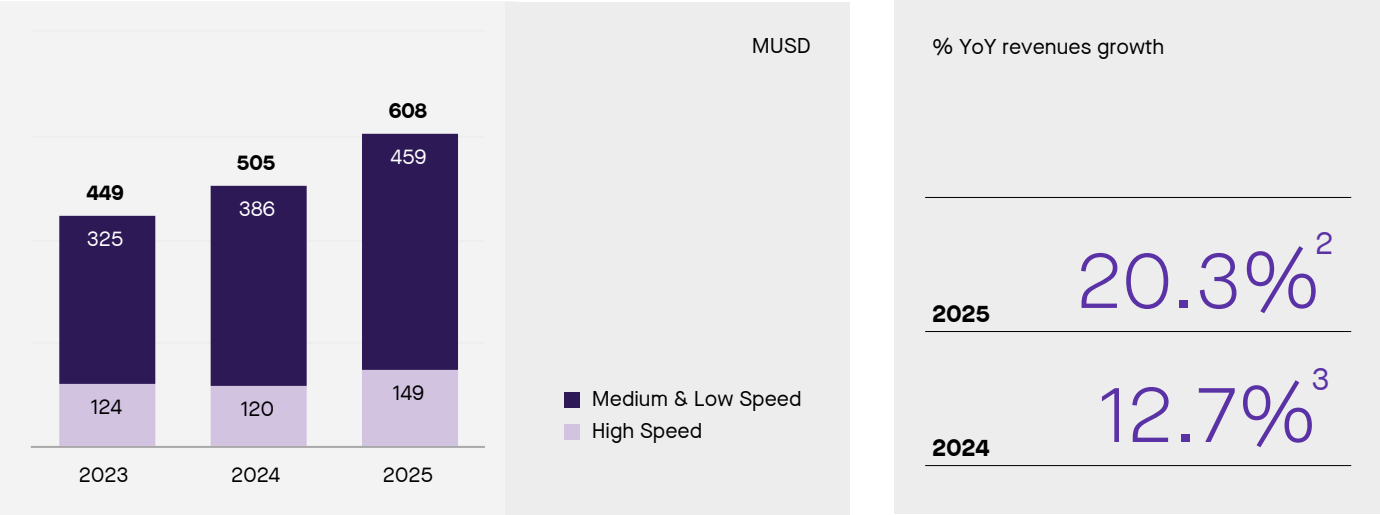
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Key figures

The sustained positive market developments during the first half of 2025 have significantly contributed to organic¹ revenue growth of 18.5%, accompanied by a resilient operational EBITA margin¹ of 25.5%.

(USD in millions)	Six-month period ended June 30,			
	2025	2024	Change in +/- %	Organic ¹
Revenues	608.0	505.5	20.3%	18.5%
Gross profit	265.3	231.3	14.7%	
as % of revenues	43.6%	45.8%	(2.2) ppts	
Income from operations	141.9	116.3	22.0%	
Operational EBITA ¹	154.9	128.2	20.8%	
as % of revenues	25.5%	25.4%	0.1 ppts	
Net income	114.7	88.6	29.5%	
as % of revenues	18.9%	17.5%	1.4 ppts	
Net cash provided by operating activities	105.9	42.5	149.2%	
Free cash flow ¹	80.6	30.5	164.3%	
Free cash flow conversion ¹	70.3%	34.4%	35.9 ppts	
Basic earnings per share (USD)	1.17	0.90	30.0%	
Net leverage ¹	0.8	0.9	(11.1%)	

Share of revenue by market segment



1 Certain alternative performance measures are used by the Company to evaluate performance. Refer to the “[Supplemental information](#)” section of this report for a detailed description.

2 Thereof 1.5 ppts related to the acquisition of OMC2 and TNM in 2024.

3 Thereof 8.0 ppts related to the acquisition of OMT in 2023.

Group financial and business review

The following discussion of the financial condition and results of the operations of Accelleron Industries AG and its subsidiaries (collectively the “Company” or “Accelleron”) should be read in conjunction with the Consolidated Financial Statements, which have been prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP), and the related notes thereto. All amounts presented in this section are in USD millions and may not add up or recalculate due to rounding.

Overview

Accelleron designs, manufactures, sells and services highly customized turbochargers through the Company’s product business for original equipment manufacturers (OEMs) of engines for heavy-duty applications. These OEMs install Accelleron’s products on the engines they produce for end-users across the world; the maintenance of this installed base forms the foundation of Accelleron’s service business. In addition, through the acquisition of OMT, Accelleron provides fuel injection equipment for engines in heavy-duty applications.

Accelleron is a global leader in turbocharging technologies and optimization solutions for internal combustion engines from 0.5 to 80+ megawatts (MW), helping provide sustainable, efficient and reliable power to the marine, energy, rail and off-highway sectors.

The Company operates the business in the global turbocharger market for heavy-duty (0.5 MW and higher) applications in two operating segments, which align with the product lifecycle:

- High Speed: produces and services turbochargers with power outputs ranging from about 0.5 to 5 MW, for the use of one to four turbos per engine. High Speed turbochargers are used mainly in marine applications, electric power generation, oil & gas onshore and off-highway.
- Medium & Low Speed: produces and services turbochargers with power outputs from about 0.6 to 30 MW, for the use of one to three turbos per engine. Such turbochargers are used mainly in marine applications and electric power generation applications. In addition, this reporting segment includes business activities relating to Rail and Fuel Injection (i.e. OMT) and Digital division, because their application is primarily related to the Medium & Low Speed segment.

Results of Operations

(USD in millions)	2025	Six-month period ended June 30,	
		2024	change in %
Revenues	608.0	505.5	20.3%
Cost of sales	(342.6)	(274.2)	24.9%
Gross profit	265.3	231.3	14.7%
Selling, general and administrative expenses	(92.5)	(88.9)	4.0%
Research and development expenses	(32.6)	(28.3)	15.2%
Other income, net	1.7	2.1	(19.0%)
Income from operations	141.9	116.3	22.0%
Interest and other finance income, (expense), net	0.7	(6.0)	(111.7%)
Income from operations before income taxes	142.5	110.3	29.2%
Income tax expense	(27.9)	(21.7)	28.6%
Net income	114.7	88.6	29.5%
Operational EBITA	154.9	128.2	20.8%
Operational EBITA margin	25.5%	25.4%	0.1 pts

Revenues

Revenues increased by USD 102.5 million, or 20.3% (18.5% organic), to USD 608.0 million compared to the first half of 2024. Accelleron's expansion from January to June 2025 was driven by persistent market share gains in turbochargers and robust market demand for marine services, particularly retrofits. Additionally, there was significant demand for backup, balancing, and prime power applications. Accelleron also experienced consistently high demand for fuel injection systems and above-average orders in the rail sector. A more detailed discussion of the factors contributing to the changes in segment revenues is included in the “[Operating segments financial review](#)” section of this report.

Gross profit

Gross profit increased by USD 34.0 million, or 14.7%, to USD 265.3 million compared to the previous year. The gross profit margin decreased by 2.2 percentage points, to 43.6%. The margin decrease can primarily be attributed to the substantial growth in market share within new business, which is currently growing faster than the service business. Moreover, the operating leverage has declined, which can be partially ascribed to strategic investments. These investments are aimed at fostering long-term growth and innovation. Finally, gross profit was impacted by additional costs along the value chain.

Selling, general and administrative expenses

Selling, general and administrative expenses (SG&A) increased by USD 3.6 million, or 4.0%, to USD 92.5 million, which corresponds to 15.2% of Revenues i.e. 2.4 percentage points lower than in the first half of 2024. The augmentation of SG&A expenses can be primarily attributed to the rapid expansion of Accelleron. Additionally, it includes a USD 1.6 million amortization charge due to the customer base phase-out of the OMC2 acquisition.

Research and development expenses

Research and development expenses increased by USD 4.3 million, or 15.2%, to USD 32.6 million. The increase is primarily attributable to specific programs such as building up digital capabilities and supporting innovation of the existing business.

Income tax expense

Income tax expense increased by USD 6.2 million, or 28.6%, to USD 27.9 million in 2025 compared to the previous fiscal year. The effective tax rate remains at 19.6% in 2025, similar to the first half of 2024.

Net income

Net income increased by USD 26.1 million, or 29.5%, to USD 114.7 million compared to the first half of 2024, largely as a result of the factors set out in the previous paragraphs. Net income includes USD 13.1 million one-off and other non-operational costs, thereof USD 4.1 acquisition-related amortization, in the first half of 2025.

Operational EBITA

Operational EBITA increased by USD 26.7 million, or 20.8%, to USD 154.9 million. The operational EBITA margin increased by 0.1 percentage points to 25.5% in the first half of 2025.

Liquidity and capital resources

(USD in millions)	Six-month period ended June 30,		
	2025	2024	change in %
Net cash provided by operating activities	105.9	42.5	149.2%
Net cash (used in) investing activities	(25.3)	(12.0)	110.8%
Net cash (used in) financing activities	(94.0)	(60.3)	55.9%
Effects of exchange-rate changes on cash and cash equivalents	25.6	(8.9)	(387.6%)
Cash and cash equivalents, beginning of period	272.5	234.1	16.4%
Cash and cash equivalents, end of period	284.6	195.3	45.7%

Net cash provided by operating activities increased by USD 63.4 million, or 149.2%, to USD 105.9 million compared to the first half of 2024, largely driven by the strong volume growth and normalization of trade payables and a positive impact due to an increase of income tax accruals.

Net cash used in investing activities increased by USD 13.3 million, or 110.8%, to USD 25.3 million compared to the previous year. This is mainly driven by the capacity extension investments for the fuel injection business in Italy, but also by further key investments of the company in its Swiss and Chinese factories, amounting to USD 21.9 million.

Net cash used by financing activities increased by USD 33.7 million, or 55.9%, to USD 94.0 million, due to the higher dividend payment.

Net debt and indebtedness

(USD in millions)	June 30, 2025	December 31, 2024	change in %
Cash and cash equivalents	(284.6)	(272.5)	4.4%
Current debt	2.5	3.3	(24.2%)
Non-current debt	538.0	475.3	13.2%
Net debt	255.9	206.1	24.2%
Indebtedness	540.5	478.6	12.9%

Net debt increased by USD 49.8 million, or 24.2%, to USD 255.9 million in the first half of 2025. The increase was driven by exchange rate movements between CHF and USD.

Operating segments financial review

High Speed segment

The financial results of the Company’s High Speed (HS) segment for June 30, 2025 compared to June 30, 2024 are as follows:

(USD in millions)	2025	Six-month period ended June 30,	
		2024	change in %
Revenues	149.2	119.7	24.6%
Operational EBITA	38.7	31.1	24.4%
Operational EBITA margin	25.9%	26.0%	-0.1 pts

Revenues

Revenues in the HS segment increased by USD 29.5 million, or 24.6% (and 24.9% organic), to USD 149.2 million compared to the first half of 2024. While the US gas compression business remained in line with expectations, Accelleron continued to seize opportunities in data center backup and increasingly prime power solutions, particularly also in the US. The TPX44 high-speed turbocharger, used for data centers and to protect other critical infrastructure, made a significant contribution toward the increased market share in the diesel/liquid market.

Operational EBITA

Operational EBITA in the HS segment increased by USD 7.6 million, or 24.4%, to USD 38.7 million compared to the first half of 2024. Due to the fast-growing new business and additional costs along the value chain, the operational EBITA margin decreased by 0.1 percentage points, to 25.9%, in the first half of 2025.

Medium & Low Speed segment

The financial results of the Company’s Medium & Low Speed (M&LS) segment for June 30, 2025 compared to June 30, 2024 are as follows:

(USD in millions)	2025	Six-month period ended June 30,	
		2024	change in %
Revenues	458.8	385.8	18.9%
Operational EBITA	116.2	97.1	19.7%
Operational EBITA margin	25.3%	25.2%	0.1 pts

Revenues

Revenues in the M&LS segment increased by USD 73.0 million, or 18.9% (16.6% organic), to USD 458.8 million compared to the first half of 2024. The marine sector exhibited exceptional performance overall. While Accelleron further increased its market share in new-builds, the demand for retrofits and upgrade services picked up significantly. Additionally, Accelleron continued to expand full-cover service agreements, reinforcing them as an important strategic pillar to further increase service penetration. Furthermore, above-average orders were received in China for turbochargers used in diesel-electric locomotives, while demand for fuel injection systems remained high in the first half of 2025. USD 7.8 million was generated inorganically, following the integration of OMC2 and TNM in the second half of 2024.

Operational EBITA

Operational EBITA in the M&LS segment increased by USD 19.1 million, or 19.7%, to USD 116.2 million compared to the first half of 2024. In the first half of 2024, the operational EBITA margin increased by 0.1 percentage points to 25.3%. The operating leverage resulting from the additional life-cycle volume was absorbed by strategic investments and was also impacted by additional costs along the value chain.

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Interim Consolidated Financial Statements (unaudited)

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Statements of Income

(USD in thousands)	Note	Six-month period ended June 30,	
		2025	2024
Revenues	4	607,972	505,472
Cost of sales		(342,639)	(274,191)
Gross profit		265,333	231,281
Selling, general and administrative expenses		(92,537)	(88,863)
Research and development expenses		(32,583)	(28,265)
Other income, net		1,670	2,117
Income from operations		141,883	116,270
Interest and other finance income, (expense), net		666	(5,988)
Income from operations before income taxes		142,549	110,281
Income tax expense	5	(27,895)	(21,668)
Net income		114,654	88,613
Attributable to non-controlling interests		4,964	3,936
Attributable to Accelleron		109,690	84,677
Earnings per share	6		
Basic EPS (USD)		1.17	0.90
Diluted EPS (USD)		1.17	0.90

See accompanying notes to the interim consolidated financial statements

Statements of Comprehensive Income

(USD in thousands)	Six-month period ended June 30,	
	2025	2024
Net income	114,654	88,613
Other comprehensive income (loss), net of tax:		
Foreign currency translation adjustment	39,882	(19,542)
Pension and other postretirement plan adjustments	1,659	785
Total other comprehensive income (loss), net of tax	41,541	(18,757)
Total comprehensive income, net of tax	156,195	69,856
Less: total comprehensive income, net of tax attributable to non-controlling interests	5,538	3,327
Total comprehensive income attributable to Accelleron, net of tax	150,657	66,529

Balance Sheets

		June 30,	December 31,
(USD in thousands)	Note	2025	2024
Cash and cash equivalents		284,640	272,522
Receivables, net		281,878	205,723
Contract assets		17,601	20,776
Inventories		281,434	242,659
Other current assets		30,135	24,165
Total current assets		895,688	765,845
Property, plant and equipment, net		225,424	196,833
Operating lease right-of-use assets, net		46,186	41,492
Goodwill and other intangible assets		118,847	109,530
Deferred tax assets		87,137	79,545
Pension asset		54,430	38,790
Other non-current assets		1,924	1,721
Total non-current assets		533,948	467,911
Total assets		1,429,636	1,233,756
Accounts payable		137,430	110,710
Contract liabilities		42,740	34,019
Current lease liabilities		9,552	8,130
Current debt	10	2,459	3,267
Current provisions		34,738	32,816
Accrued liabilities		51,121	57,752
Other current liabilities	11	129,678	54,101
Total current liabilities		407,718	300,795
Non-current debt	10	538,006	475,320
Non-current lease liabilities		38,698	34,625
Pension and other employee benefits		9,606	9,326
Deferred tax liabilities		44,735	39,614
Non-current provisions		20,923	19,378
Other non-current liabilities		4,738	5,510
Total non-current liabilities		656,706	583,773
Total liabilities		1,064,424	884,568
Registered ordinary shares, CHF 0.01 par value, 94,500,000 shares issued at June 30, 2025 and December 31, 2024		995	995
Treasury shares at cost, 598,759 at June 30, 2025 and 697,584 shares at December 31, 2024		(3,055)	(3,682)
Additional paid-in capital		5,900	16,991
Accumulated earnings		298,784	317,458
Accumulated other comprehensive income		41,059	92
Total Accelleron shareholders' equity	8	343,683	331,854
Non-controlling interests		21,529	17,334
Total shareholders' equity		365,212	349,188
Total liabilities and shareholders' equity		1,429,636	1,233,756

See accompanying notes to the interim consolidated financial statements

Statements of Cash Flows

	Six-month period ended June 30,	
(USD in thousands)	2025	2024
Operating activities:		
Net income	114,654	88,613
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	20,466	16,327
Pension and other employee benefits	(8,039)	(7,130)
Deferred taxes	(2,126)	1,508
Other	13,891	1,253
Changes in operating assets and liabilities:		
Receivables, net	(60,228)	(30,597)
Contract assets and liabilities	10,703	1,021
Inventories	(9,177)	(4,245)
Accounts payable, trade	15,315	(37,351)
Accrued liabilities	(11,147)	(8,330)
Provisions, net	(994)	4,051
Income taxes payable and receivable	22,326	8,499
Other assets and liabilities, net	260	8,883
Net cash provided by operating activities	105,904	42,502
Investing activities:		
Purchases of property, plant and equipment and intangible assets	(21,933)	(12,121)
Proceeds from sales of property, plant and equipment	10	110
Acquisition of businesses (net of cash acquired)	(3,423)	—
Net cash (used in) investing activities	(25,346)	(12,011)
Financing activities:		
Increase in debt	—	—
Repayment of debt	(717)	(2,740)
Dividends paid to non-controlling interests	(1,336)	(617)
Dividends paid to Accelleron shareholders	(91,977)	(56,967)
Net cash (used in) financing activities	(94,030)	(60,324)
Effects of exchange-rate changes on cash and cash equivalents	25,590	(8,891)
Net change in cash and cash equivalents	12,118	(38,724)
Cash and cash equivalents, beginning of period	272,522	234,058
Cash and cash equivalents, end of period	284,640	195,334
Supplementary disclosure of cash flow information:		
Interest paid	(1,924)	(3,075)
Income taxes paid	(7,551)	(7,227)

See accompanying notes to the interim consolidated financial statements

Statements of Changes in Shareholders’ Equity

(USD in thousands)	Registered ordinary shares	Treasury shares	Treasury shares / compensation reserve	Additional paid-in capital	Accumulated earnings	Accumulated comprehensive income	Total Accelleron shareholders' equity	Non-controlling interests	Total shareholders' equity
Balance as of January 1, 2024	995	(3,918)	531	25,550	224,008	40,117	287,283	15,619	302,902
Net income through December 31, 2024	—	—	—	—	170,098	—	170,098	9,255	179,353
Dividends to non-controlling shareholders	—	—	—	—	—	—	—	(6,854)	(6,854)
Change in non-controlling interest	—	—	—	—	—	—	—	20	20
Dividends to Accelleron shareholders	—	—	—	(10,994)	(76,648)	—	(87,642)	—	(87,642)
Share-based compensation	—	236	(531)	2,435	—	—	2,140	—	2,140
Other comprehensive income (loss), net	—	—	—	—	—	(40,025)	(40,025)	(706)	(40,731)
Balance at December 31, 2024	995	(3,682)	—	16,991	317,458	92	331,854	17,334	349,188
Balance as of January 1, 2025	995	(3,682)	—	16,991	317,458	92	331,854	17,334	349,188
Net income through June 30, 2025	—	—	—	—	109,690	—	109,690	4,964	114,654
Dividends to non-controlling shareholders	—	—	—	—	—	—	—	(1,343)	(1,343)
Change in non-controlling interest	—	—	—	—	—	—	—	—	—
Dividends to Accelleron shareholders	—	—	—	(13,138)	(128,364)	—	(141,502)	—	(141,502)
Share-based compensation	—	627	—	2,047	—	—	2,674	—	2,674
Other comprehensive income (loss), net	—	—	—	—	—	40,967	40,967	574	41,541
Balance as of June 30, 2025	995	(3,055)	—	5,900	298,784	41,059	343,683	21,529	365,212

See accompanying notes to the interim consolidated financial statements

Notes to the Interim Consolidated

Financial Statements

Note 1

The Company

Accelleron Industries AG and its subsidiaries (collectively the “Company” or “Accelleron”) together form a global leader in turbocharging technologies and optimization solutions for 0.5 to 80+ megawatt (MW) engines, helping to provide sustainable, efficient and reliable power to the marine, energy, rail and off-highway sectors. Through its innovative product offerings and research leadership, the Company accelerates the decarbonization of the industries it operates in. Accelleron has an installed base of approximately 180,000 turbochargers and a network of approximately 100 service stations across more than 50 countries worldwide.

Accelleron operates through two reporting segments, High Speed (HS) and Medium & Low Speed (M&LS), which offer turbochargers and fuel injection, as well as services throughout the whole product lifecycle.

The Company’s registered shares are listed on the SIX Swiss Exchange under the ticker symbol “ACLN” (ISIN: CH1169360919 / Swiss security number: 116936091).

The following notes relate to the Interim Consolidated Financial Statements of Accelleron for each of the six-month periods ended June 30, 2025 and June 30, 2024.

The Interim Consolidated Financial Statements have not been audited. They were approved for publication by the Board of Directors on August 22, 2025.

Note 2

Basis of preparation

The Company’s unaudited interim consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States (U.S. GAAP) for interim financial information. Accordingly, these interim consolidated financial statements do not include all the information and footnotes required by U.S. GAAP for annual financial statements. In the opinion of management, all adjustments necessary for a fair statement of these interim consolidated financial statements have been included and are of a normal and recurring nature. These interim consolidated financial statements should be read in conjunction with the audited consolidated financial statements for the year ended December 31, 2024.

The results of operations for the six months ended June 30, 2025 are not necessarily indicative of the results for the full year.

The Company’s accounting policies continue unchanged from December 31, 2024. Unless otherwise stated, all financial information in US dollars (\$ or USD) is presented in thousands, except per-share amounts. For this reason, certain amounts in the Company’s notes to the Consolidated Financial Statements may not add up or recalculate due to rounding.

Note 3

New accounting pronouncements**Recently issued accounting pronouncements not yet adopted**

Income tax reporting (ASU 2023-09) — In December 2023, the Financial Accounting Standards Board (FASB) issued accounting guidance to expand the annual disclosure requirements for income taxes, primarily related to the rate reconciliation and income taxes paid. The expanded disclosures are effective for our year ending December 31, 2025, and can be applied prospectively or retrospectively. We are in the process of evaluating the effect of this new guidance on the related disclosures.

Disaggregation of income statement expenses (ASU 2024-03) — In November 2024, the FASB issued accounting guidance to enhance the transparency of the nature and function of income statement expenses. The amendments require that, on an annual and interim basis, entities disclose disaggregated operating expense information about specific categories, including purchases of inventory, employee compensation, depreciation and amortization. The expanded annual disclosures are effective for our year ending December 31, 2027, and the expanded interim disclosures are effective in 2028, with early adoption permitted. We are in the process of evaluating the effect of this new guidance on the related disclosures.

All other ASUs issued but not yet adopted were assessed and determined to be either not applicable or not expected to have a material impact on our financial statements.

Note 4

Operating segment and disaggregated revenue information

The Company operates in two segments and discloses its operations according to the product lifecycle segmentation, which is composed of High Speed (HS) and Medium & Low Speed (M&LS) segments:

- HS produces and services turbochargers with power ranging from about 0.5 – 5 MW, for the use of 1 to 4 turbochargers per engine. HS turbochargers are mainly used in marine, electric power generation, oil & gas onshore and off-highway applications.
- M&LS: produces and services turbochargers with power output from about 0.6 to 30 MW, for the use of 1 to 3 turbos per engine. Such turbochargers are used mainly in marine and electric power generation applications. In addition, this reporting segment includes business activities relating to rail, fuel injection and digital, as their application is primarily related to the Medium & Low Speed segment.

The Company’s Chief Operating Decision Maker (CODM) is the Executive Committee, which is a group of the highest ranked individuals within the Company (including Chief Executive Officer, Chief Financial Officer, Chief HRS Officer, Chief Technology Officer and the division presidents) who manage the business operations for the purposes of allocating resources, making operating decisions and evaluating financial performance.

The segments’ performance measure is operational earnings before interest, taxes and amortization (Operational EBITA), which eliminates the impact of certain items that the Company does not consider indicative of its ongoing operating performance. The CODM uses the reported measure to evaluate the business performance.

Information on segment assets and significant segment expenses are not disclosed by segment, as this information is not regularly provided to the CODM to evaluate segment performance or allocate resources and capital. The CODM evaluates performance, monitors variances and allocates resources and capital at the consolidated level. The CODM uses consolidated figures to evaluate performance and allocation of resources/capital by monitoring actual versus budgeted results.

Segment operational EBITA and the reconciliation to the Company’s consolidated results are as follows:

(USD in thousands)	Six-month period ended June 30,	
	2025	2024
Income from operations before income taxes	142,549	110,281
Add back: Interest and other finance (income), expense, net ¹	(666)	5,989
Income from operations	141,883	116,270
Add back: One-off and other non-operational costs, net ²	8,966	9,731
Add back: Acquisition-related amortization	4,094	2,179
Operational EBITA:	154,943	128,180
Thereof High Speed	38,694	31,126
Thereof Medium & Low Speed	116,249	97,054

1 Interest and other finance expense, net includes net pension income in the amount of USD -6,804 thousands (2024: USD -5,982 thousands), interest expense in the amount of USD 3,446 thousands (2024: USD 4,833 thousands) and other finance expenses (foreign currency remeasurement effects) in the amount of USD 2,692 thousands (2024: USD 7,138 thousands).

2 One-off and other non-operational costs, net includes foreign exchange losses in the amount of USD 4,786 thousands (2024: USD 491 thousands), residual build-up costs in the amount of USD 3,340 thousands (2024: USD 8,453 thousands), M&A activity-related non-operational and one-off cost of USD 2,499 thousands (2024: USD 972 thousands); and includes operational pension cost in the amount of USD -1,659 thousands (2024: USD -185 thousands).

The following table presents disaggregated revenue information for June 30, 2025 and June 30, 2024.

(USD in thousands)	Six-month period ended June 30,	
	2025	2024
Geographical markets:		
Asia, Middle East & Africa	263,424	217,766
thereof Japan	44,605	36,570
thereof China	76,866	58,510
The Americas	124,692	119,450
thereof United States of America	91,876	84,837
Europe	219,856	168,256
thereof Switzerland	28,878	9,912
	607,972	505,472
Segment:		
High Speed Products and Services	149,161	119,715
Medium & Low Speed Products and Services	458,811	385,757
	607,972	505,472
Third-party revenues	607,972	505,472
Total revenues	607,972	505,472

One of the Company’s HS customers accounted for 12% and 11% of total revenues in the first half of 2025 and 2024, respectively. Another customer of the Company’s M&LS segment accounted for 11% and 10% of total revenues in the first half of 2025 and 2024, respectively.

Note 5

Income taxes

Income taxes are based on the laws and rates in effect in the countries in which operations are conducted or in which the Company or its subsidiary are considered resident for income tax purposes.

The Company’s effective tax rate for the first half of 2025 was 19.6% (prior year: 19.6%). The effective tax rate was higher than the Switzerland statutory rate of 15.1% (prior year: 15.1%), largely due to the Company’s profit mix of earnings in high-tax jurisdictions.

Accelleron Group is within the scope of the OECD/G20 Pillar Two Model Rules, which apply to multinational groups that have consolidated revenues of EUR 750 million or more. Pillar Two legislation has been enacted or substantively enacted in certain jurisdictions in which the Group operates, and the respective legislation came into effect on January 1, 2024.

The Group has performed an assessment of the Group’s potential exposure to Pillar Two income taxes. The assessment of the potential exposure to Pillar Two income taxes is based on the most recent tax filings, country-by-country reporting and financial statements for the constituent entities in the Group. Based on the results for the first half of the year, the Group does not expect to be subject to material Pillar Two income taxes.

Note 6

Earnings per share

(USD in thousands, except share and per share numbers)	Six-month period ended June 30,	
	2025	2024
Numerator:		
Net income attributable to Accelleron	109,690	84,677
Denominator:		
Weighted number of outstanding shares (undiluted)	93,895,532	93,790,140
Weighted number of outstanding shares (diluted)	94,047,379	93,945,125
Basic EPS (USD)	1.17	0.90
Diluted EPS (USD)	1.17	0.90

As of June 30, 2025, 130.4 thousands shares (June 30, 2024: 124.8 thousands shares) were considered anti-dilutive and excluded from the computation of dilutive EPS for the period presented.

Note 7

Employee benefits

(USD in thousands)	Six-month period ended June 30,	
	2025	2024
Service cost	5,792	5,325
Interest cost	1,819	2,739
Expected return on plan assets	(10,282)	(8,852)
Amortization of prior service cost	118	111
Net loss amortization	1,541	667
Total net periodic benefit credit	(1,012)	(10)
Thereof included in income from operations	5,792	5,972
Thereof below income from operations	(6,804)	(5,982)

Employer contributions for the first half-year of 2025 and 2024 resulted in USD 7.4 million and USD 6.2 million, respectively.

Note 8

Shareholders' equity

Share capital

As of June 30, 2025 and December 31, 2024 respectively, the Company’s share capital is CHF 945,000, divided into 94,500,000 fully paid-in registered ordinary shares with a nominal value of CHF 0.01 each.

Dividends

At the Annual General Meeting of Shareholders on May 6, 2025, shareholders approved the proposal of the Board of Directors to distribute CHF 1.25 gross per share to shareholders. The declared dividend amounted to USD 142 million (2024: USD 87.6 million), and was paid in May 2025 (excluding the withholding tax, which was paid in July 2025).

Treasury shares

During 2025, the Company awarded 98,825 treasury shares (2024: 39,273 treasury shares) to eligible employees and to the Board of Directors as part of their compensation programs. As of June 30, 2025, the Company owned 598,759 treasury shares. As of December 31, 2024, the Company owned 697,584 treasury shares.

Additional paid-in capital

As a result of cumulative equity transactions, including dividend activity, our additional paid-in capital was reduced to zero with residual activity recorded against accumulated earnings, except for accumulated share-based compensation, as reflected on the Consolidated Statements of Changes in Shareholders’ Equity. Additional paid-in capital established for Swiss statutory purposes is not impacted by our GAAP treatment.

Note 9

Financial instruments and fair value measures

The Company’s non-derivative financial instruments primarily include cash and cash equivalents, trade receivables, trade payables and debt, which approximate their fair values as of June 30, 2025 and 2024.

Credit and market risk

The Company continually monitors the creditworthiness of our customers to which we grant credit terms in the normal course of business. The terms and conditions of the Company’s credit sales are designed to mitigate or eliminate concentrations of credit risk with any single customer.

Currency risk

Due to the global nature of the Company’s operations, many of its subsidiaries are exposed to currency risk in their operating activities from entering into transactions in currencies other than their functional currency. To manage such currency risks, the Company’s policies require its subsidiaries to hedge their foreign currency exposures from binding sales and purchase contracts denominated in foreign currencies. Forward foreign exchange contracts are the main instrument used to protect the Company against the volatility of future cash flows (caused by changes in exchange rates) of contracted and forecasted sales and purchases denominated in foreign currencies. In addition, within its treasury operations, the Company primarily uses foreign exchange swaps and foreign exchange forward contracts to manage the currency and timing mismatches arising in its liquidity management activities.

Note 10

Current and non-current debt

	June 30,	December 31,
(USD in thousands)	2025	2024
Current debt	2,459	3,267
Non-current debt	538,006	475,320
Total debt	540,465	478,587

The Company’s total debts are recognized at nominal value.

On September 30, 2022, the Company entered into a CHF 450 million credit facility (Facility) with maturity on September 30, 2027 with UBS Switzerland AG (formerly: Credit Suisse Switzerland Ltd). The Facility includes term loan commitments in the amount of CHF 350 million and a committed multi-currency revolving credit facility (RCF) in the amount of CHF 100 million. On this day, the Company drew a term loan in the amount of CHF 300 million. On March 20, 2023, the Company drew an additional term loan in the amount of CHF 50 million under the Facility. On September 25, 2024, the Company extended the maturity of the Facility until September 29, 2028. On November 26, 2024 – after the issuance of the CHF bond – the Company paid back the amount of CHF 100 million under the existing Facility. On June 30, 2025, CHF 250 million (USD 313 million) was outstanding under the Facility. Interest costs on the drawings under the Facility are calculated using the Swiss Average Rate Overnight (SARON) plus a predefined margin, while commitment fees (payable on the Facility) are amortized until maturity.

On November 14, 2024, the Company issued the following CHF bond: CHF 180 million, 1.375% bond with a maturity on November 14, 2030. The aggregate net proceeds of this CHF bond, after fees, amounted to CHF 179.4 million (equivalent to approximately USD 202.5 million on date of issuance).

Details of the outstanding bond are as follows:

	June 30,		December 31,	
(in thousands)	2025		2024	
	Nominal outstanding	Carrying value ¹	Nominal outstanding	Carrying value ¹
1.375% CHF Bond, due 2030	CHF 180,000	USD 226,237	CHF 180,000	USD 199,893

¹ USD carrying values include unamortized debt issuance costs and bond premiums

The Company’s various debt instruments contain cross-default clauses which would allow the bondholders to demand repayment if the Company were to default on any borrowing at or above a specified threshold. Furthermore, the bond constitutes unsecured obligations of the Company and rank pari passu with other debt obligations.

The Company’s long-term debt is recorded at adjusted cost, net of unamortized premiums, discounts and debt issuance costs. The fair value of long-term debt is estimated based on quoted prices for similar instruments or quoted prices for identical instruments in inactive markets (Level 2).

Note 11

Other current liabilities

	June 30,	December 31,
(USD in thousands)	2025	2024
Current tax liability	43,991	19,493
Non-trade payables	74,325	18,832
Other	11,362	15,776
Total other current liabilities	129,678	54,101

As of June 30, 2025, increase of non-trade payable is due to withholding tax liability of dividend payment in the amount of USD 50 million.

Note 12

Commitments and contingencies

Regulatory, compliance and legal commitments

In the normal course of business, Accelleron is subject to legal proceedings, lawsuits and other claims. While the potential financial impact with respect to these ordinary course matters is subject to many factors and uncertainties, management believes that any financial impact to the Company from these matters, individually and in the aggregate, would not have a material adverse effect on the Company’s financial position or results of operation.

Contingencies

Guarantees and letters of comfort issued by third parties are reported as contingent liabilities. As of June 30, 2025 and December 31, 2024, they amount to USD 7,920 thousands and USD 6,622 thousands, respectively.

Note 13

Related party transactions

The Company conducts business with certain companies where members of the Company’s Board of Directors or Executive Committee act, or in recent years have acted, as directors or senior executives. The Company’s Board of Directors has determined that the Company’s business relationships with those companies do not constitute material business relationships. This determination was made in accordance with the Company’s related party transaction policy, which was prepared based on the Swiss Code of Best Practice.

Note 14

Subsequent events

There were no events between the balance sheet date of June 30, 2025, and August 22, 2025 (the date these Consolidated Financial Statements were approved by the Board of Directors) requiring additional disclosures or changes in the Consolidated Financial Statements.

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Supplemental information

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[Alternative performance measures](#)

Alternative performance measures

The following are definitions of alternative performance measures used to evaluate Accelleron’s operating performance.

These performance measures are referred to in this Half-Year Report and are not defined under United States generally accepted accounting principles (U.S. GAAP).

Accelleron’s management believes that the non-GAAP performance measures herein are useful in evaluating the operating results of Accelleron. This information should be considered as supplemental in nature and not as a substitute for the related financial information prepared in accordance with U.S. GAAP.

Performance measure	Definition
Organic revenue growth (on a constant currency basis)	Revenue growth at constant currency and adjusted for M&A-related effects. The organic growth rate measures growth on a like-for-like basis. Newly acquired companies are considered organic once a full comparison period is reflected in the Consolidated Financial Statements.
Operational EBIT	Operational EBIT represents income from operations excluding costs related to acquisition and divestment, one-time items in income statements, non-operational integration costs, special non-operational projects, restructuring costs and temporary unrealized timing differences in the context of foreign exchange transactions (FX); and including operational pension cost.
Operational EBITDA	Operational EBITDA represents operational EBIT excluding depreciation and amortization.
Operational EBITA	Operational EBITA represents operational EBIT excluding acquisition-related amortization.
Operational EBITA margin	Operational EBITA as a percentage of revenues
Free cash flow	Net cash provided by operating activities adjusted for net investments in property, plant and equipment and intangible assets.
Free cash flow conversion	Free cash flow divided by reported net income, expressed as a percentage.
Net leverage	Interest-bearing liabilities (including finance leases) net of cash and cash equivalents, divided by last twelve months’ operational EBITDA.

Accelleron Industries AG

This Half-Year Report includes statements that are not historical facts, but that are forward-looking in nature. These forward-looking statements reflect our current views with respect to future events and anticipated financial and operational performance. In some cases, these forward-looking statements can be identified by the use of forward-looking terminology or subjective assessments, including the words “aim”, “believes”, “estimates”, “anticipates”, “expects”, “forecasts”, “intends”, “goals”, “targets”, “may”, “will”, “plans”, “continue”, or “should”, or, in each case, their negative or similar expressions. Forward-looking statements are not a guarantee of future performance. Because these statements are based on assumptions or estimates, they are inherently subject to risks and uncertainties, including, but not limited to: future global economic conditions, foreign exchange rates, regulatory rules, market conditions, the actions of competitors, and other factors beyond our control. All of these and additional factors could cause the actual results, performance or achievements to differ materially from the forward-looking statements made herein.

Any forward-looking statements speak only as of the date of this Half-Year Report. We do not take an obligation to update any prospects or forward-looking statements after the date hereof, even if new information, future events or other circumstances have made them incorrect or misleading.

The Half-Year Report is published only in English and is available on the internet under accelleron.com/investors/financial-reports.