IR PRESENTATION

Hannes Niederhauser, CEO
Richard Neuwirth, CFO

4th November 2021

HIGH- AND LOWLIGHTS 9M 2021

HIGHLIGHTS

- 9M 2021:
  - Growth of 9.2% in revenues
  - Increase in EBITDA by 2.3%
- Continuing strong order intake – EUR 410 Mio. in Q3 (book to bill 1.31)
- Price increases to compensate cost of chip crisis
  - September 2021 by +6%
  - January 2022 +10%

LOWLIGHTS

- Strong order intake only partially converted to revenues
  - Chip shortage: EUR 80 Mio. of not delivered orders as of 30/9
  - Normalization expected in 2022
- North America weak due to FX, avionics and chip shortage
- Cash flow burdened by EUR 40 Mio. by increased inventory level based on semi-finished products and buffer stock

GLOBAL CHIP-SHORTAGE
UPDATE

GENERAL DEVELOPMENT & OUTLOOK

- Lack of investments into expensive chip factories during pandemic
- Supply chain to semiconductor suppliers also short
- Strongly increasing chip demand driven
  - Recovery and catch up of the industry after end of pandemic
  - Public economy stimulation programs
- Main problem for “cheap” chips
- Suppliers claimed to solve most problems in Q2 but failed: 23% of deliveries are delayed
- Chip capacities vary by type of chip (chips > 45nm hard to get, crisis or complex chips will be over beginning 2022
- Outlook:
  - Crisis will stay until H1/2023
  - Chip prices increase during the crisis

S&T STRATEGY IN THE CHIP CRISIS

- Business Impact:
  - IT Services, Transportation, IoT Software no real impact (70% of Rev)
  - Former Kontron/Industrial heavily impacted (EUR 71 Mio. overdue)
- Chip shortage impact is growing:
  - EUR 10.2 Mio. of not delivered orders in Q1
  - EUR 38.3 Mio. of not delivered orders in Q2
  - EUR 79.4 Mio. of not delivered orders in Q3
  - Our revenues are delayed but not lost (hard to replace)
- We redesign products to replace critical chips
- We increased inventory by EUR 40 Mio. in 2021 for
  - emergency stock of critical chips
  - Not shippable Semi-finished products
- We buy chips on the spot market (7% higher prices) – now we pass on 100% of this cost to our customers – in 2021 an EBITDA impact of EUR 3 Mio. will remain from higher prices (excluding delayed shipment impact)

IMPACT OF GLOBAL CHIP-SHORTAGE ON S&T

GUIDANCE FY 2021 ADJUSTED AT CAPITAL MARKET DAY

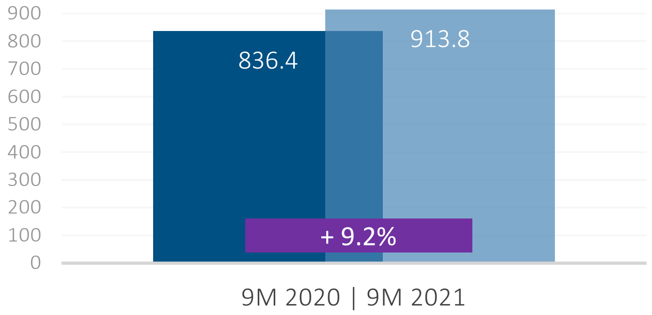
REVENUES (in EUR Mio.)	Q1-21	Q2-21	Q3-21	FY 2021
Delayed shipments	10.2	38.3	80	40 – 110
Guided revenues	300	334	340	1,400
Impacted revenues	294 (Act.)	306 (Act.)	313 (Act.)	1,330 – 1,400
EBITDA in %	9.6%	10.0%	8.7%	~ 10.0%
EBITDA	28.2	30.1	27.3	133 – 140

Revenues Impact	**Due EUR 40 to 110 Mio. delayed shipments revenue guidance 2021 was adjusted to EUR 1,330 – 1,400 Mio.** EUR 40 to 110 Mio. not shipped orders in 2021 will boost revenues 2022 to catch up backlog
EBITDA Impact	Margins remain at ~ 10% and are not significantly impacted by chip crisis

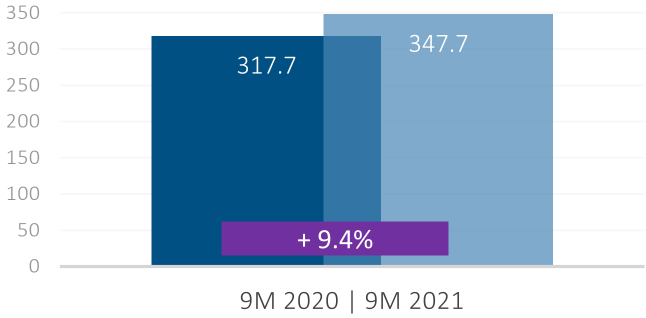
For 2022 the delayed shipments will be a significant tailwind

KPI´S 9M 2021
GLOBAL CHIP CRISIS EFFECTS BUSINESS

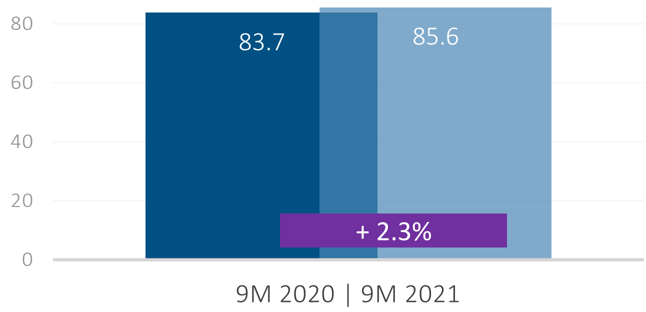
REVENUE
(in EUR Mio.)



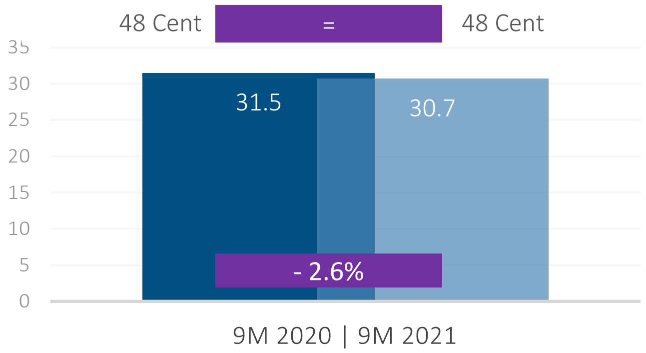
GROSS PROFIT
(in EUR Mio.)



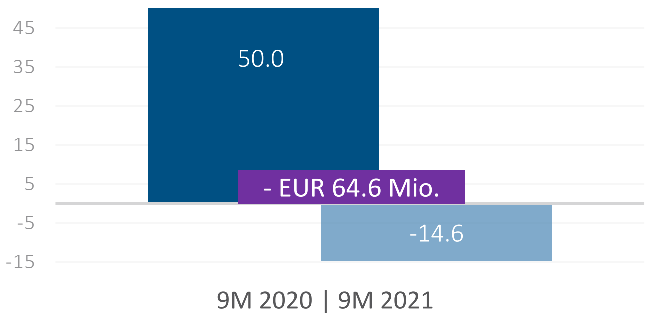
EBITDA
(in EUR Mio.)



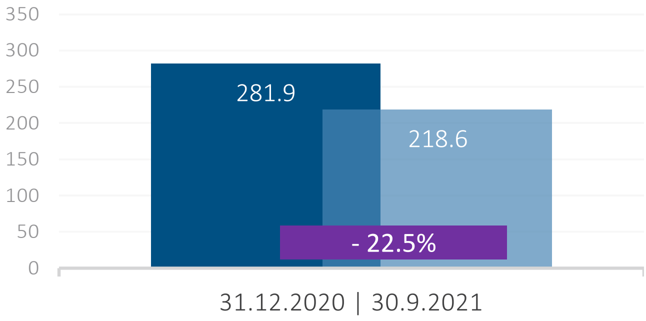
NET INCOME AFTER NCI
(in EUR Mio.)



OPERATING CASH FLOW
(in EUR Mio.)



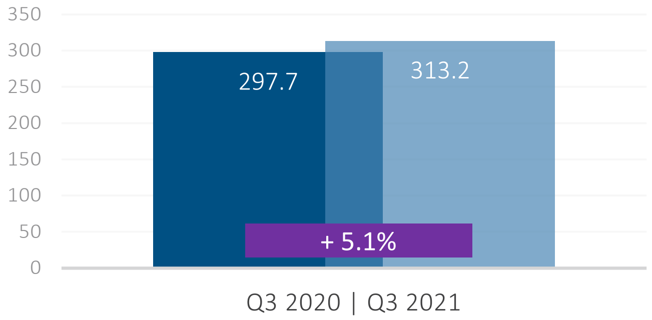
CASH AND CASH EQUIVALENTS
(in EUR Mio.)



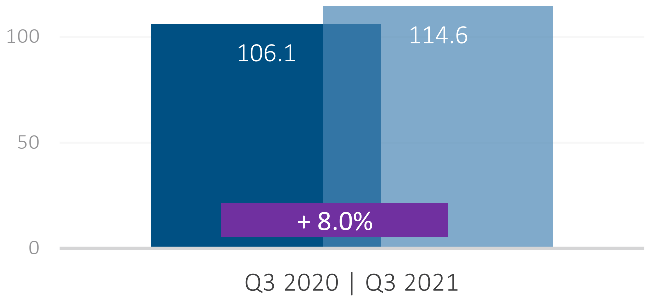
We expect to convert backlog to revenues in the next quarters and significantly lower working capital

KPI´S Q3 2021
PEAK OF CHIP CRISIS IN Q3 2021

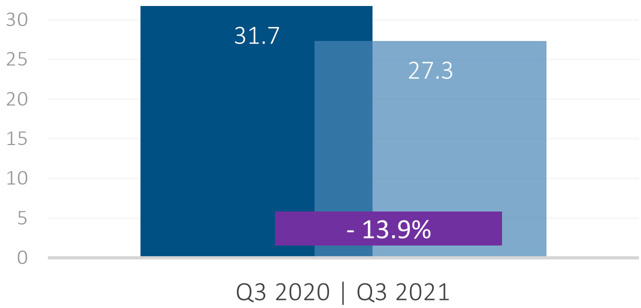
REVENUE
(in EUR Mio.)



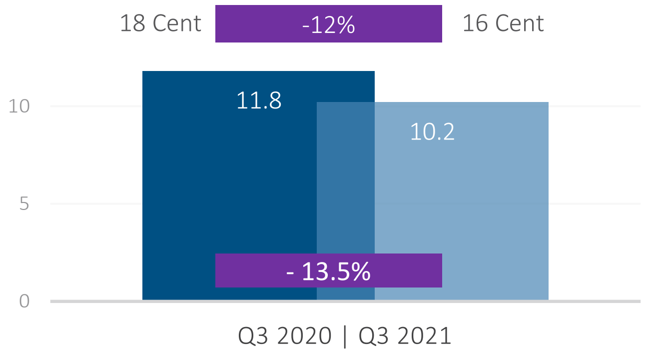
GROSS PROFIT
(in EUR Mio.)



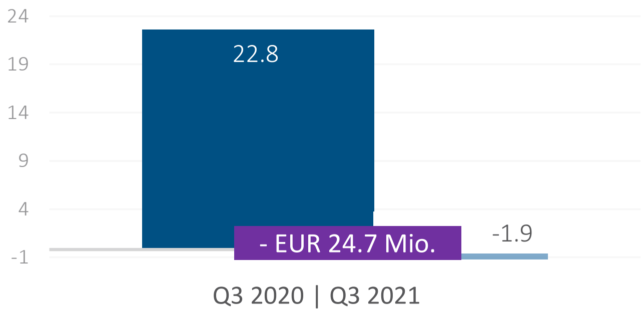
EBITDA
(in EUR Mio.)



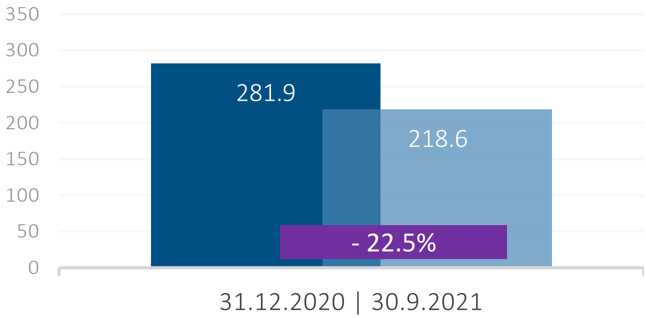
NET INCOME AFTER NCI
(in EUR Mio.)



OPERATING CASH FLOW
(in EUR Mio.)



CASH AND CASH EQUIVALENTS
(in EUR Mio.)



Q3 is the peak so far of the chip crisis – we expect improvements based on discussions with chip manufacturers going forward

S&T GROUP BALANCE SHEET

Mio. EUR	30/09/2021	31/12/2020
NON-CURRENT ASSETS	512,0	506,0
Fixed Assets	471,2	469,3
as of Property, plant and equipment	130,3	135,1
as of Goodwill	206,7	199,5
Other Assets	40,7	36,6
CURRENT ASSETS	722,6	740,7
Inventories	200,5	159,9
Trade receivables	194,9	204,5
Contract Assets from Customers	36,5	23,6
Cash and cash equivalents	218,6	281,9
Other receivables and prepayments	72,1	70,9
Total Assets	1.234,5	1.246,6

	30/09/2021	31/12/2020
CAPITAL AND RESERVES	405,6	409,5
Equity	405,6	409,5
as of Treasury shares	-46,8	-26,2
NON-CURRENT LIABILITIES	365,3	353,8
Long-term loans and borrowings	242,7	218,8
Other Non-Current Liabilities	122,7	135,0
CURRENT LIABILITIES	463,6	483,4
Trade payables	191,0	210,0
Contract Liabilities from Customers	69,5	69,7
Short-term loans and borrowings	63,4	42,8
Other Current Liabilities	139,8	160,9
Total Liabilities & Equity	1.234,5	1.246,6

> Equity Ratio	32,9%	32,8%
> Net Cash/Net Debt*	-87,5	20,3
> Working Capital excluding IFRS 15**	204,4	154,3

Inventory build up by ~ EUR 40 Mio. (increased chip stock and semi-finished products) | Factoring reduced to avoid negative interest

* Definition Net Cash: Cash and cash equivalents less non-current and current financing liabilities (excl. liabilities from leasing according to IFRS 16)

** Definition Working Capital: Inventories plus trade receivables less trade payables (excl. IFRS 15 contract assets and liabilities)

TTS PROGRAM | INCREASE TRANSPARENCY
ADDITIONAL DISCLOSURES 2021

IN TEUR	EBIT ADJUSTMENTS Q3
11,728	STATED EBIT Q3
-370	Expenses stock options
-521	Severance payments / restructuring USA
-153	Increase on contingent purchase price liability paid
305	Impact by accrual changes via PnL
-739	ONE TIME PROFIT EFFECTS
7,060	R&D Capitalization
-3,235	R&D Amortization
3,825	IMPACT R&D CAPITALIZATION
8,642	ADJUSTED EBIT
-2,523	PPA Amortization
11,165	ADJUSTED EBIT BEFORE PPA

IN TEUR	INTEREST COSTS ADJUSTMENTS Q3
-2,579	STATED INTEREST
-536	Application of WACC on variable purchase prices
-2,043	ADJUSTED INTEREST

IN TEUR	OP. CASHFLOW ADJUSTMENTS Q3
-1,972	STATED OP. CASHFLOW
-3,655	Increase in A/R factored from 30.06.2021 to 31.09.2021
-674	Cash effect from one time profit effects in Q3
-4,953	ADJUSTED OP. CASHFLOW

ORGANIC GROWTH

in TEUR	Q3-2020	Q3-2021
Stated revenue	297,749	313,232
M&A adjustment Iskratel		-22,623
M&A adjustment HCS, Axino, PSB		-4,368
FX adjust		-420
ORGANIC GROWTH		-4.0%

TTS PROGRAM | INCREASE TRANSPARENCY
ADDITIONAL DISCLOSURES 2021

ACCRUALS ANALYSIS (in TEUR)	P&L impact	2019	2020	9M 2021	Comment
TOTAL ACCRUALS	no	84,348	67,319		
Accruals added by acquisitions	no	57,651 *	2,567	897	* thereof EUR 54 Mio. Kapsch
Accruals used via P&L	no	-24,238 **	-21,600 **	-8,148	** thereof EUR 32 Mio. Kapsch
Accruals added via P&L	yes	9,190	8,110	2,381	
Accruals released via P&L	yes	-14,086	-2,202	-3,410	
P&L impact by accrual changes		4,896	-5,908	1,029	Q3 2021 isolated: 305 TEUR

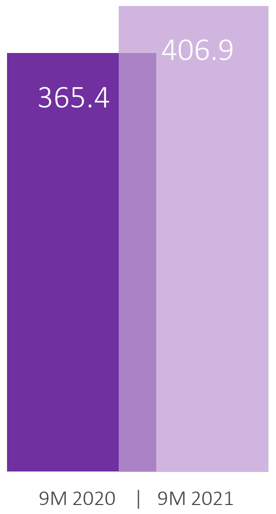
RECURRING REVENUES* (in EUR Mio.)	2019	in %	2020	in %	9M 21	in %
Recurring Revenues	288	25.6	344	27.4	312.8	34.2

* Stated Recurring revenues include Software, SLAs and maintenance (not Hardware sold with SLA, info to come 12/2021)

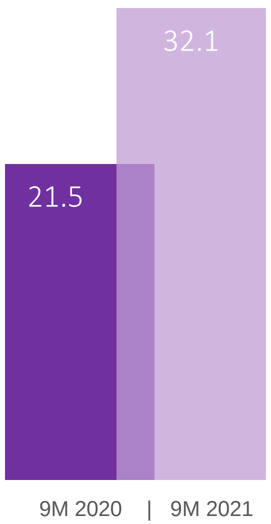
GEOGRAPHICAL SPLIT 9M 2021 (in %)	Revenue	EBITDA
Europe	80.6%	88.5%
North America	7.9%	2.9%
Asia	5.5%	3.4%
RUS/BY/MD	6.0%	5.2%

IT/IOT SERVICES

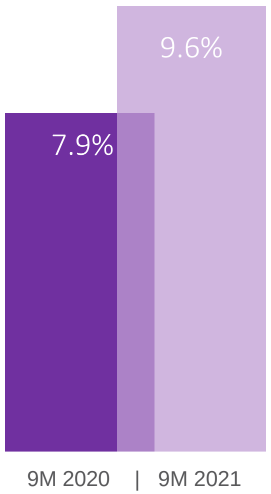
REVENUE*



EBITDA BEFORE HQ FEE**



ADJ. EBITDA MARGINS***

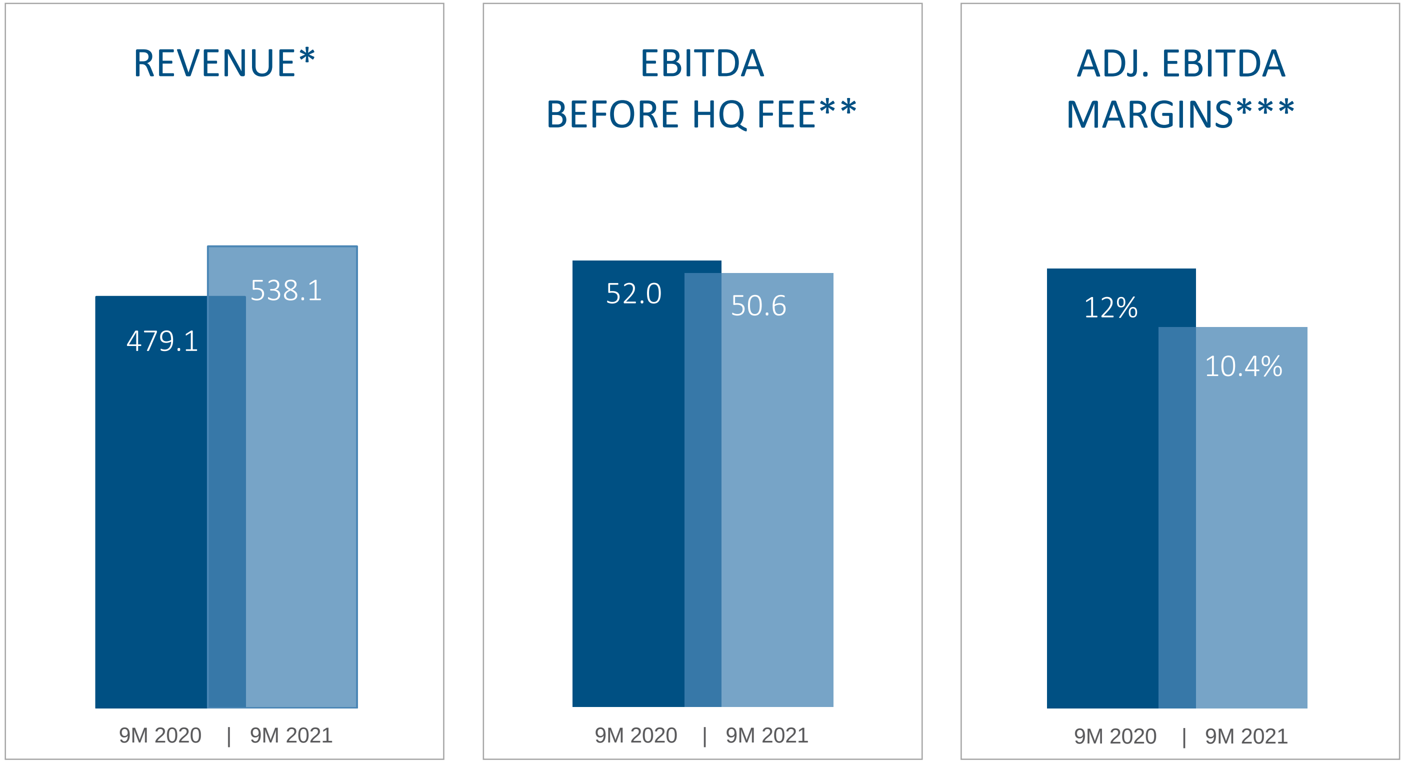


- Region: 30% DACH + 70% in CEE (mainly EU)
- Evaluation of divestment of IT Services started
- 10.1% of growth in revenues
- Minor impact of chip crisis (< EUR 5 Mio.)
- EBITDA margin improved to > 9% and focus on recurring revenues
- DACH region: focus on Germany, nearshoring via CEE FC 2021 EUR 70 Mio. -> 2023: EUR 100 Mio.

Evaluation of divestment of IT Services started with the target to be finalized in 2022

* 3[rd] Party revenue including intercompany revenue in Mio. EUR
** EBITDA before charged management fees from S&T AG (part of IT Services Segment); EBITDA after management fees: MEUR 37.7 (9M 2021), MEUR 27.9 (9M 2020)
*** HQ-fee adjusted EBITDA in % of external revenue

IOT SOLUTIONS EUROPE



- Very strong order intake of EUR 718 Mio. in 2021 YTD results in a book to bill of 1.41
- EUR 56 Mio. of due orders delayed to Q4/2022 as a result of the chip crisis
- EBITDA margin diluted by allocating fix costs to lower revenues (delayed shipments)
- Focus R&D efforts on M2M (IIoT) 5G communication and FRMCS /5G for high-speed trains
- Price increases to compensate higher chip pricing
- Strong growth in transportation business

"IoT Solutions Europe" impacted hardest by chip shortage

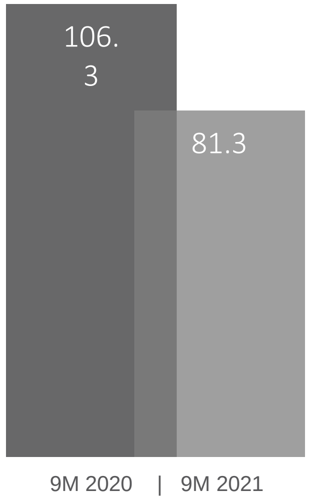
* 3rd Party revenue including intercompany revenue in Mio. EUR

** EBITDA before charged management fees from S&T AG (part of IT Services Segment); EBITDA after management fees: MEUR 46.6 (9M 2021), MEUR 47.9 (9M 2020)

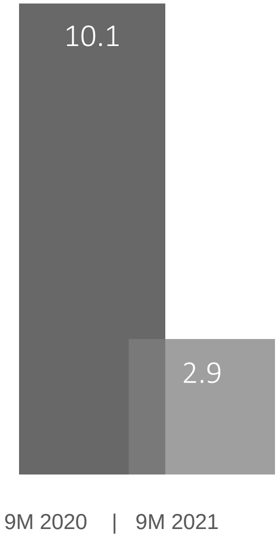
*** HQ-fee adjusted EBITDA in % of external revenue

IOT SOLUTIONS AMERICA

REVENUE*



EBITDA
BEFORE HQ FEE**



ADJ. EBITDA
MARGINS***

- Weak results in 2021 and Q3 based on:
  - EUR 19 Mio. delayed shipments (chip shortage)
  - Avionics only EUR 8 Mio. YTD (slow recovery started)
- Record book to bill of 1.57 YTD 2021 will lead to strong recovery after chip crisis ends
- 10% cost reductions implemented inn Q3 – 521K severance cost
- R&D center for autonomous driving and avionics
- It is our target to globalize IoT activities and strengthen IoT America after implementation of Focus

USA is biggest market for IoT – using proceeds of Focus project we will globalize our IoT technology and invest in USA / China

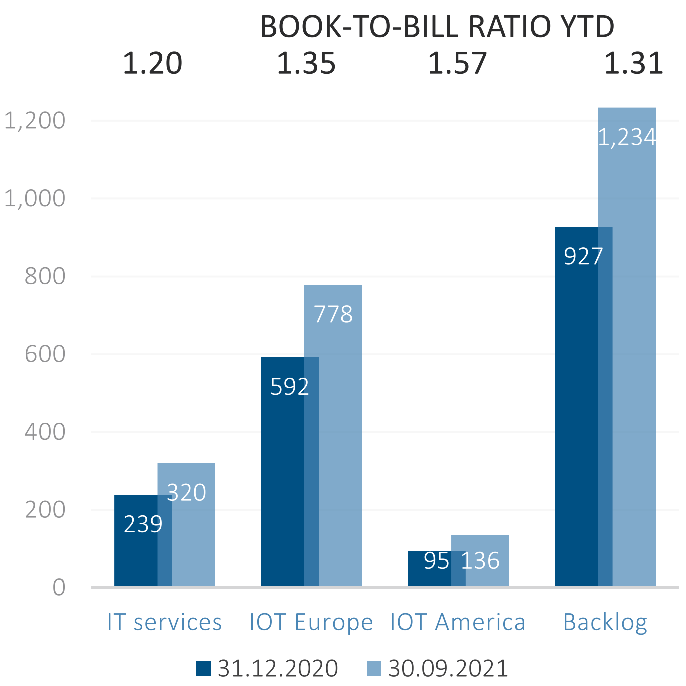
* 3rd Party revenue including intercompany revenue in Mio. EUR

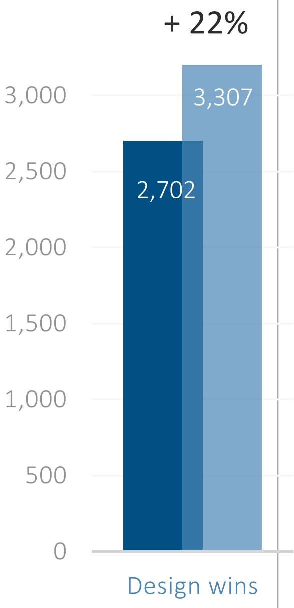
** EBITDA before charged management fees from S&T AG (part of IT Services Segment); EBITDA after management fees: MEUR 1.3 (9M 2021), MEUR 7.9 (9M 2020)

*** HQ-fee adjusted EBITDA in % of external revenue

BACKLOG & OPPORTUNITIES
ORDERS AND DESIGN WINS REMAIN STRONG IN Q3-2021

BACKLOG DEVELOPMENT REMAINS POSITIVE





2021 DESIGN WINS	COUNTRY	VOLUME EUR
Control systems for high-speed train	CZ,LIT,DE,FR,UK,BG	112 Mio.
US ministry	USA	51 Mio.
Machine builder	GER	32 Mio.
Autonomous driving	USA	22 Mio.
Machine builder	GER	21 Mio.

TOP CUSTOMERS 2020	COUNTRY	VOLUME EUR
Medical respiratory machines	GER	33 Mio.
Social media compression system	USA	25 Mio.
Global leader in medical equipment	USA	22 Mio.
Control for high-speed train	UK	25 Mio.
Avionics Entertainment System	CN	16 Mio.

Top 10 customers account for 19% of Revenues, totally >3000 customers

Record orders of EUR 410 Mio in Q3 => EUR 1.31 new orders on each EUR shipped → strong growth once we manage chip crisis

M&A STRATEGY (ADJUSTED IN CASE OF PROJECT FOCUS)

M&A IS A CORE COMPETENCE OF S&T

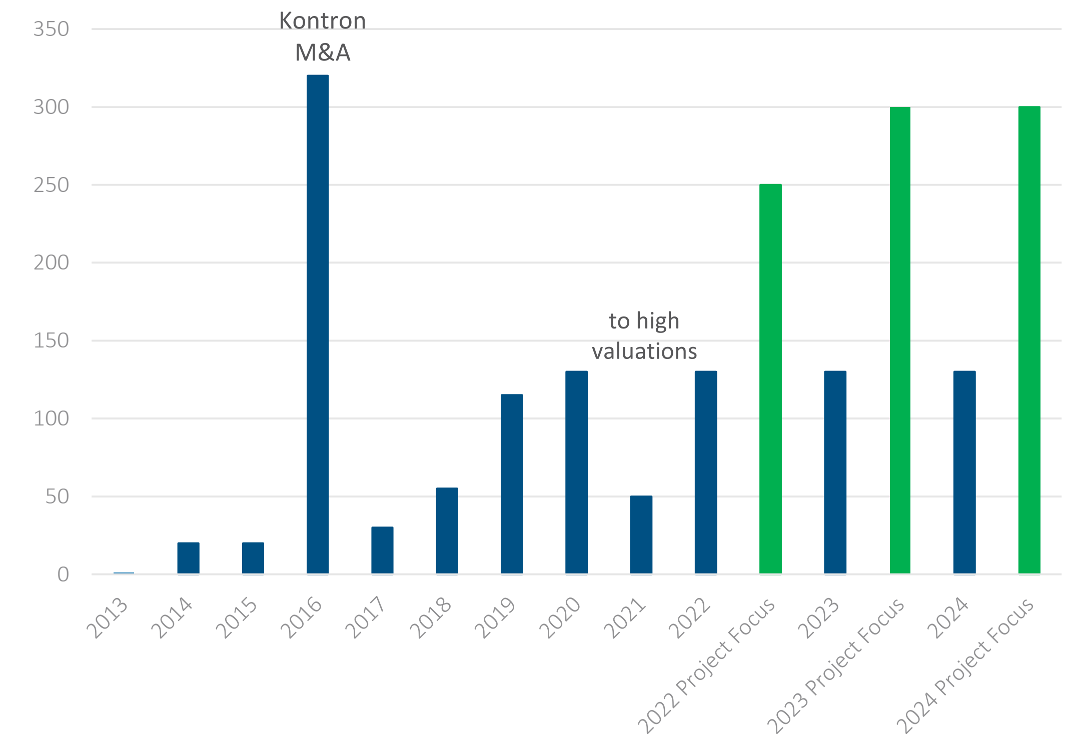
- Half of growth by M&A, half by organic growth
- In case of Focus: accelerate acquisitions to compensate for divested biz
- Key synergies:
  - Cross-sell IoT Software to new customers
  - Benefit from S&Ts efficient R&D: ~3700 FTE @ 40k/y cost
- Sufficient cash – EUR 350 Mio. cash (in case of Focus > EUR 900 Mio)
- 2021 less acquisitions but Q4 better again, (less excessive valuations)
- Focus: bigger tickets (currently 7 targets EUR 500 to 1000Mio. of Revenues), avoid to compete private equity (focus on high synergies and restructuring cases) = lower valuations

S&T M&A TARGETS

- Restructuring situations at low price (60% of Rev) but high synergies
- EBITDA Dilution in year 1 but achieve 10% EBITDA in year 2
- Focus: IoT go global in USA and China, strengthen IOT Software

M&A VOLUME

(in EUR Mio.)



Project Focus helps to a) acquire bigger tickets b) take a global IoT approach c) up the value chain technology wise
-> 1 major closing in 2022

SHORT AND MIDTERM GOALS | VISION 2030

GUIDANCE 2021

Revenue:	EUR 1,330 – EUR 1,400 Mio.
EBITDA:	EUR 133 – EUR 140 Mio.

AGENDA 2023 → 2025 INCL. FOCUS

5 years plan	2018	Ag2023	Ag2025
Revenue	990 Mio.	2,000 Mio.	2,000 Mio.
EBITDA	90.5 Mio.	220 Mio	260 Mio.

VISION 2030

- Digitalization
- SMART Technologies
- Transformation to 50% GM, 15% EBITDA
- M&A Strategy*
- Project Focus Evaluate to divest IT services**

* Major M&A activities in IoT after divesting IT services
**shortterm (2022)

SUMMARY

ACHIEVEMENTS

- Revenue growth of 9.2% in 9M 2021 vs. 9M 2020
- Keep EBITDA level of 10% despite chip crisis
- Strong order entry of EUR 1.137 Mio. in the first 9 months

TARGETS

- Guidance 2021:
  - Revenue > EUR 1.33 – 1.4 Bn.
  - EBITDA-Margin @ 10%
- EUR 2 Bn. Revenues at > in 2025 @ 13% EBITDA
- 2030: Transformation to IoT Player, EBITDA > 15%
- Ongoing Working Capital improvement
- MDAX membership

RISKS

- Chip shortage burdens delivery of products
- Chip shortage increases inventory level
- Attract sufficient engineers to support growth

OPPORTUNITIES

- Leading technologies and Focus on the growing IIoT market
- 5G connectivity for machines
- Get global after Project “Focus” - growth areas USA + China

EARNINGS CALL
Q&A SESSION

- Q: You mentioned EUR 80 million overhang - what's your visibility that you can fully deliver the overhang next year? Is there any risk that this will be carried on forward maybe even two years?
- S&T: Chip makers increase their capacity, and we have some feedback that complex chips will be delivered starting by in Q1 next year, so our feeling is that by the end of Q1 a reasonable part of the 80 million could be delivered. Let's say 40-50 million in the first half of the year. 30 million of overhang is based on chips where we still see problems to get them during the full year 22 but we see a reasonable chance to replace them by new designs - to design out those chips within six months. That's why we expect to finish FY 22 with a reasonable amount of 10 million overdue shipments or less.
- Q: On the short-term visibility - you had negative organic growth in the third quarter. What gives you confidence that you achieve a positive year growth? Then in the fourth quarter again there is the risk that orders come out worse than expected.
- S&T: We expect Q4 at the level of last year. To achieve our 1.33 million or more, we need to be in a range of Q4 last year.
- Q: You had a higher increase in the own work capitalised at quarter level, was that kind of a one-time effect or should we expect a similar level, around 7 million?
- S&T: Generally, we expect a slightly higher level going forward but as mentioned that's mainly due to more intensive R&D efforts in respect to generally 5G for machine-to-machine communication but also 5G especially on public transport FRMCS side as well as related to the redesigns. The level of 7 million is not the base going forward.
- Q: Could you tell us what was the cost of the re-designing? So, the reengineering to get rid of the older chips. What was the approx. cost in Q3 and how high was the cost in the first nine months?
- S&T: We started the project with the re-designs in Q3, so Q3 and 9 months is the same amount. The level was around EUR 1 million in Q3 and will continue until Q4 2021/Q1 2022 and we will be finalized by then.

EARNINGS CALL
Q&A SESSION

- Q: You said part of it was capitalised or was the entire 1 million capitalised?

- S&T: It was just capitalised if it would have brought improvements, so most of it was expensed.

- Q: About the price increases and the higher raw material prices. You said that you had to pay 7% higher spot prices but now you're increasing prices so you're selling price is up by 6% in September and 10% in January 22 and I think you said the cost impact was 3 million in the first nine months. With the price increases that you expect to push through, would that mean that this entire pricing inflation related higher costs would be offset?

- S&T: There are two impacts:

1) most of our frame work contracts have something that would be called "PPV" - purchase price variances and if chip prices get higher, we have the right to charge that to the customers under certain conditions. Not our total prices increased by 7%, but only of 25% of our business (Kontron).

2) Within the 300 or 350 million of revenues that are impacted, still 80% of the chips are delivered quite normal. There are no excessive prices but there are some chips which are not available, for example higher channel length FPGAs. Those chips usually cost 10 euro and suddenly on the spot market they come to 100 euro. If you put that all over the other chips, you come to the 7%. According to our frame contracts we can charge the customer if the chip costs e.g. instead of 10 euro are 100 euro - then the customer will get the additional point on his invoice - 90 euro of PPV's. On top of it there is general price increase. We will slightly increase our gross margin with the price increases.

EARNINGS CALL
Q&A SESSION

- Q: You mentioned that you got some signals from Intel, that the procurement of chips should be easier, probably in Q4. Any other things you may want to mention to getting us a bit more confident that Q4 is not getting worse but getting better and maybe you could add some flavour on what has happened since October on this topic and associated when you catch up the lost revenues 2021 next year, margin wise when they come, shouldn't they be better for you because obviously cost have already be booked (development, design, etc.) So, shouldn't we expect a positive margin contribution from these revenue portions when they come in in 2022?

- S&T: If you look at just these specific impacted entities, the margin was soft in June and July. Now, with the more and more happening price increases, margins are going up. On the Intel side, Intel will put in the next two years six new fabs in operation that will increase their global capacity by almost 50%. TI wants to increase their capacity even more in the next three years. So yes, they react, and they also have supply crisis cause for chip players it is hard to get substrate at the moment. And this substrate shortage comes from Asia again and is already continuously becoming better since 1 or 2 months. So, substrate crisis will be over and the new capacities come. But an issue are still older and less complex chips, I don't see that the semi-conductor manufacturers have any interest to put their capacities into those chips since they can make good money with expensive chips. So here our chance is really to redesign the product.

- Q: It seems that the embedded computer industry in that sense is in a disadvantageous situation, right? Because you rely on older chips to some degree. Does that also limit your end of live margins which are usually very high?

- S&T: Our contracts include a passus saying "form, fit and function". Software interface wont change if we use new chips. The mechanical form of the board wont change either. It will be the footprint which might change to give an example instead of a 10-year-old Xilinx or Altera we will put new one with around 10 times the gates. We will take those more expensive parts, will increase the footprint, it will have the same frequencies so there won't be anything against the present function and we'll have stayed within the contract

- Q: Increased cooling is not in not an issue but rather the opposite so because it's more energy efficient than?

- S&T: It will be more energy efficient for sure. If this embedded computer takes 5 Watts or let's say 50 watts is not a big thing. But for sure it will be less.

EARNINGS CALL
Q&A SESSION

- Q: Looking at the Q3 cost ratios, your gross margin profit margin was in fact up slightly YoY but the other expenses the other operating expenses were up quite significantly. I'm a bit surprised by theses dynamics I would have expected gross margin to be down given what you said about the raw material price increases and maybe the other ratios to look at bit better given that overall you had positive top line growth. Yes, it was driven by M&A but nevertheless. Why did other operating expenses and the personnel rise so strongly disproportionally to sales?

- S&T: There are effects in we had this year. E.g. we had this year 2 customers in avionics that we had to write off, in America. I don't see that this is a development that will go on. Also, if you compare this year to last year, Iskratel was in this year, but not last year.

- Q: A couple of questions on the project "Focus". It seems that you pretty much decided to do this transformation. But from your slides I still take that there are a couple of "if's" around it. I was wondering what determines if you do it or not? Is it only price or are there any other points worth mentioning here? On the price you mentioned at the capital markets day a range of 550 to 700. To understand - that is basically before any kind of cash that you hand over with the assets that you are selling or any kind of debt or how should we see this?

- S&T: The 500 to 700 million is a first feedback. We don't have a firm offer on the table, we are far away of this, we are preparing the data and we didn't take the decision yet so it's just too to give information on what is our target. If we will achieve it, we don't know yet but after the first 5-6 companies we talked to, we have the feeling we could get it. The end balance sheet is not even done so we don't know how much cash we would hand over. It won't be a high number, for IT services it will be probably in the 10-20 million range.

  "Focus" as the name already says, is not an opportunistic approach to get a high price for IT Service but it should give us a clear focus to be a IoT company only. During the past 8 year at roadshows 50% of the investors asked to divest IT Services because the synergies to IoT are not high enough. The clear idea really should be, instead of being an European IoT and IT Services company, we want to be a pure IoT player and that globally.

EARNINGS CALL
Q&A SESSION

- Q: The Americas segment is obviously struggling this year to get a 3-digit revenue. It is a relatively small segment, and you were talking about M&A to increase the focus on IoT, should we expect M&A strengthen the Americas segment? What do you have in mind here? You want to avoid high prices on the other hand if there is a strategic step in the Americas and it's probably hard to achieve, isn't it?

- S&T: You should get what you pay for. America is a strategic target as well China. As said, we want to become a global IoT player and we feel IoT Europe is doing much better because we have the software engineers here, we are closer to the customer, and we are better in Europe because we are close to the customer with our engineering resources. We need to get that going in America and China as well. That will be done with M&A.

  You can expect American acquisitions even if "Focus" will not happen but if this divestment will happen, for sure. I mentioned that we have 7 major entities that we are currently checking and looking at out of this 7, 4 outside of Europe.

- Q: I wondered how you do this practically when you say you want to avoid fighting with private equity? Given targets are on the market I mean they probably look at them. So, what makes you confident succeed over private equity?

- S&T: There's two issues. Private equity has more money than we do. If we are a strategic buyer and when we buy something with good synergies with our existing, particularly software competence, then we will have a better result than private equity in the end. So, in this case, with high synergies, we have a chance to win over private equity in acquisitions. Restructuring cases - could be that the private equity doesn't even want them. If we look at our high-speed train business which is now a pearl inside S&T - that company was highly lossmaking and private equity wouldn't have been able to turn it around because it didn't have the engineering resources and synergies. Things like that make sense and private equity won't touch in these cases.

EARNINGS CALL
Q&A SESSION

- Q: Your tax line was positive in Q3. Pretty much catching up with the shortfall that you had on the profit line so it's just wondering where that came and how that’s going to continue in Q4?
- S&T: The positive impact in Q3 under our income taxes is coming from our different tax assets which we can utilise also in other areas and that was the impact within Q3. There will be no significant changes in the Q4.
- Q: And that is coming from what? Because you have now consolidated more and more companies or my entities within the group or have there been any kind of regulatory change in this area I missed?
- S&T: No, there hasn't been a regulatory change. There might be a change going forward in the future in Austria, but it would have on the tax loss carry forwards the different impact because in Austria there are discussions ongoing to lower step by step the corporate income tax. But that’s not decided yet so that's not the impact. The impact is coming from for example the former Kapsch Carrier Com, now Kontron Transportation, and also, we have a tax group in Austria combining all legal entities in Austria where we can then use also the tax loss carry forwards within S&T AG. Given the performance and also the reduction of the loss-making history of Kontron Transportation we have a higher potential usage of the tax loss carry forwards going forward.
- Q: OK so that should then obviously continue to be low for a while until the tax loss carry forwards have been consumed.
- S&T: In 2022 yes, Q4 we need to cheque for example also with the former Kapsch Carrier Com, Kontron Transportation, we have a higher double-digit euro amount on tax loss carry forwards and given that Kontron Transportation has gone out of a loss-making zone and is profitable now, we also have the potential to use those tax loss carry forwards going forward.
- Q: What we see in the P&L is IFRS accounting. But is there also a change beneficial for you on the cash flow than? So, meaning that you have actual lower tax payments as an outflow?
- S&T: Going forward yes.

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