



IR PRESENTATION

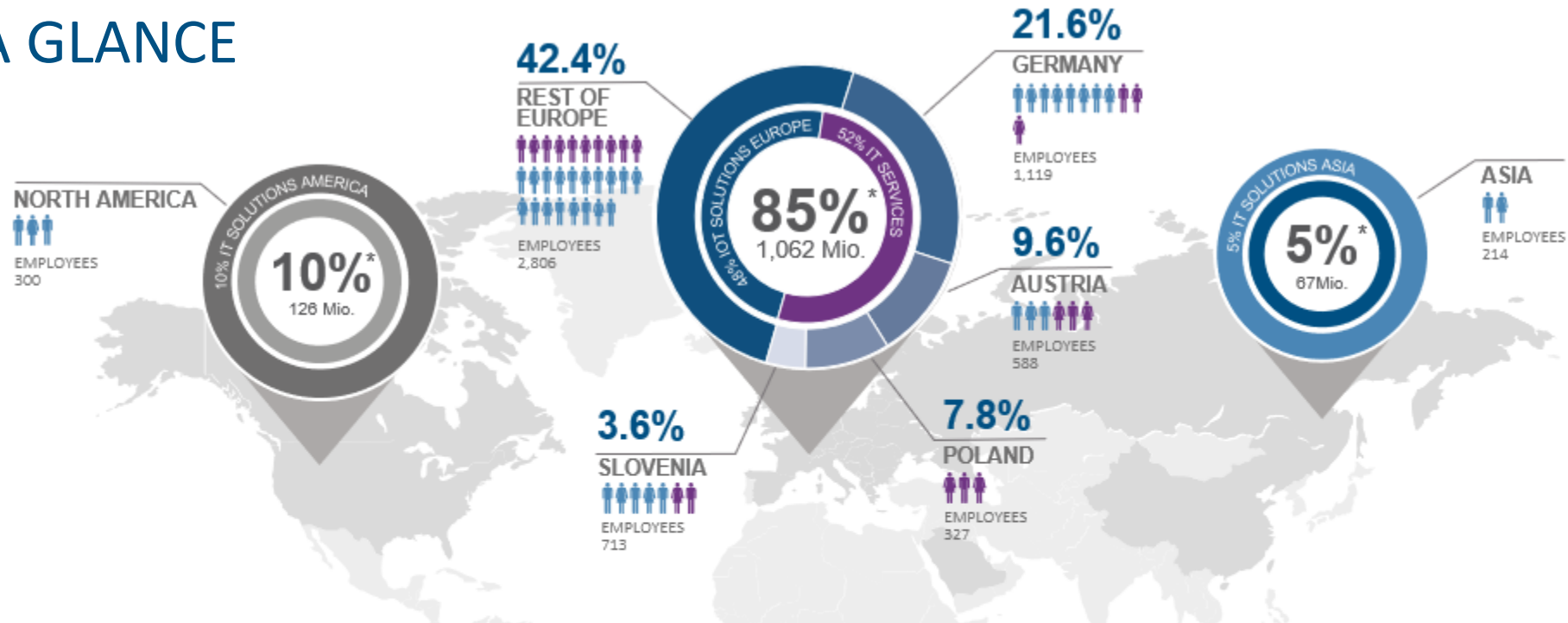
Richard Neuwirth, CFO

June 2021



IR

S&T AT A GLANCE



01 S&T PROVIDES GLOBAL IOT 4.0 TECHNOLOGY



- > IoT solutions for Industrial, Medical, Transportation and Communication
- > IoT grows fast: The whole Industry 4.0 market is expected to grow at a CAGR of ~15% by 2022*

02 S&T IS AN IT SERVICE PROVIDER WITH REGIONAL FOCUS



- > Germany, Austria, Switzerland (DACH)
- > Eastern Europe

03 S&T IN FIGURES

- > FY 2020: EUR 1,255 Mio. revenue and EUR 130.0 Mio. EBITDA
- > FY 2020: EUR 140.8 Mio. record cash flow
- > 6,078 employees in 33 countries (as of March 31st, 2020)

04 MEMBER OF THE TECDAX® & SDAX®

- > Headquarter in Linz, Austria, listed in Frankfurt, Germany
- > ~ EUR 1,373 Mio. market cap as of March 31st, 2021

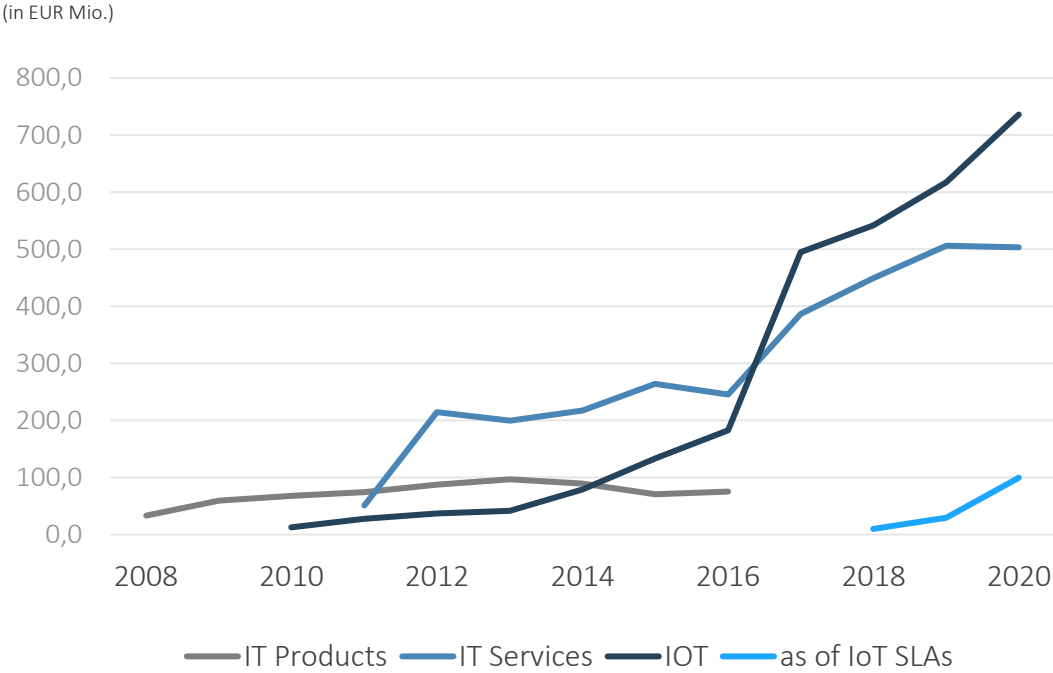
* Revenues in % of S&T Group total revenues based on location of revenue generating S&T subsidiary

** Source: IMS Report, ABI Research, Oracle, Markets and Markets Analysis

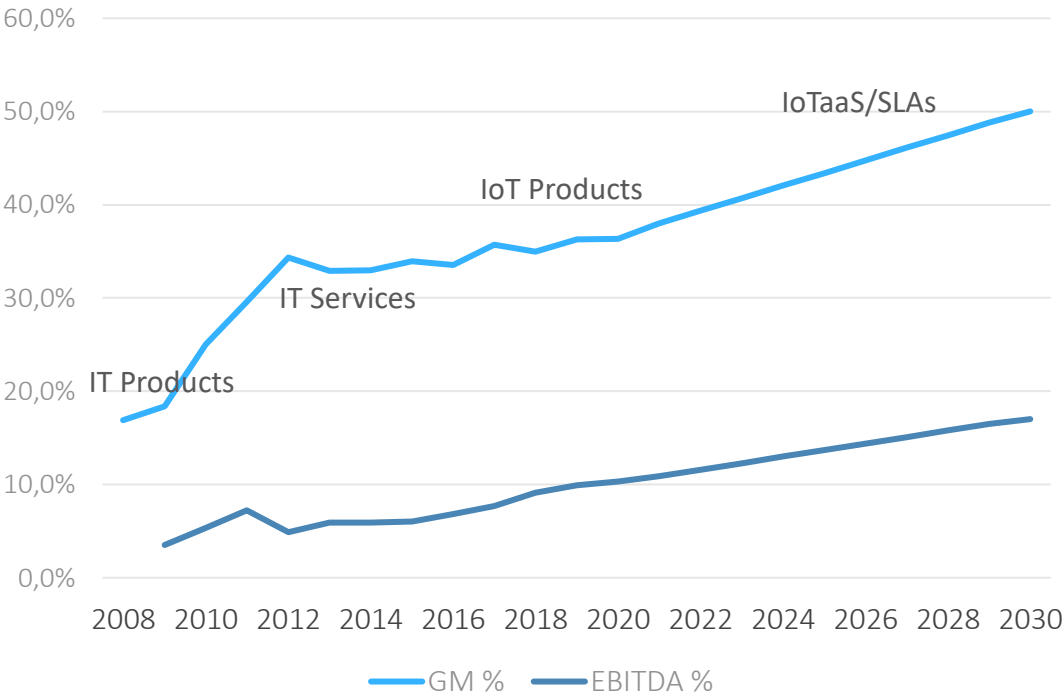
S&T BUSINESS MODEL TRANSFORMATION



REVENUES PER PRODUCT

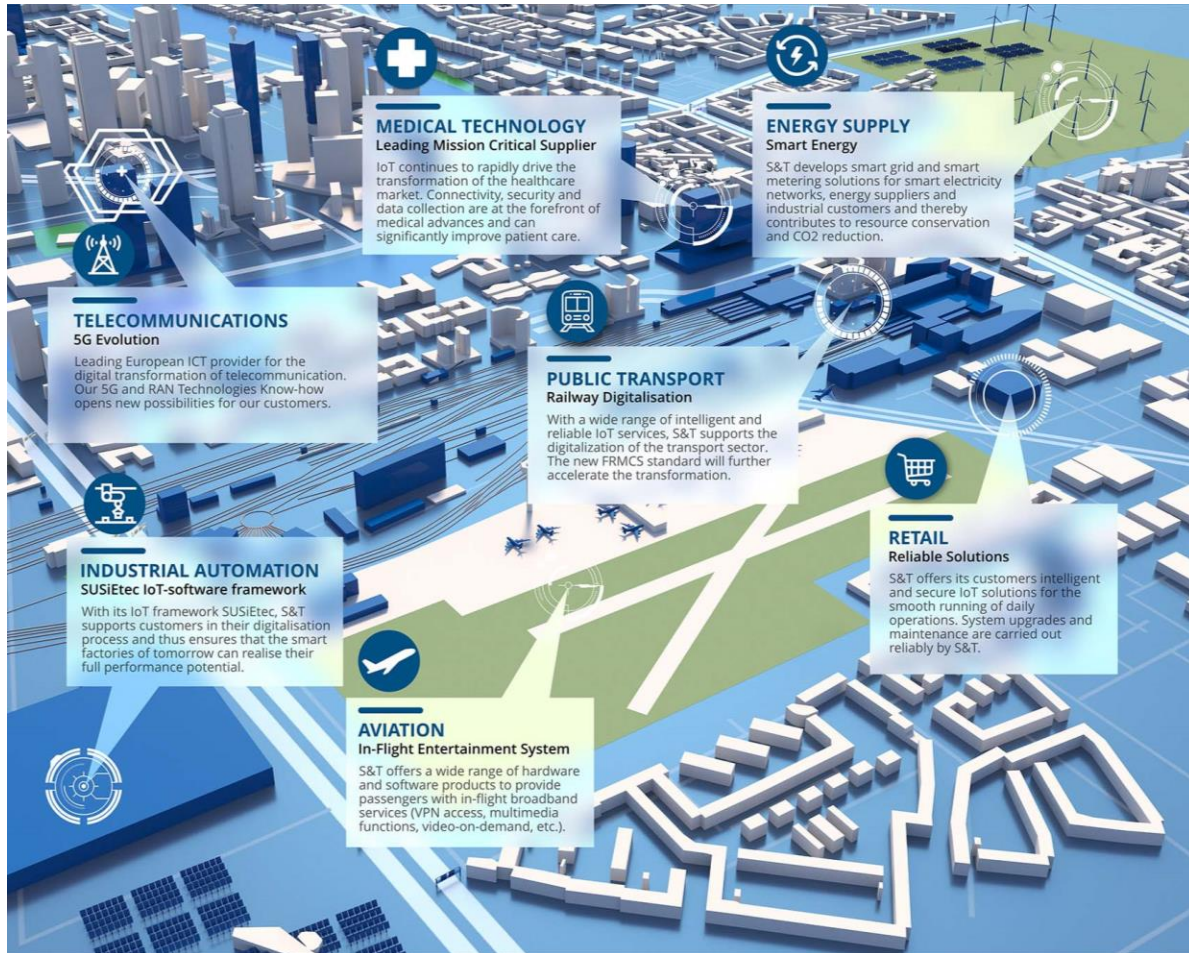


GROSS AND EBITDA MARGIN TREND



In 2011 S&T was an IT Service company, today IoT products account for 71% of EBITDA – by 2030 IoT business > 90%

THE MARKETS FOR S&T

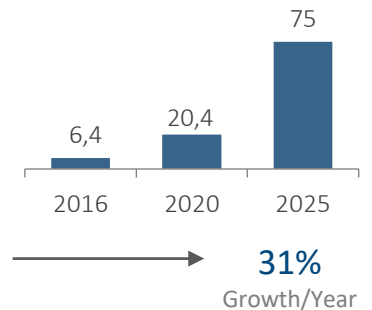


In Billions	2020	2025	Growth / yr
IoT devices (in pcs.)	20.4	75	+ 31 %
as of 5G devices (in pcs.)		32	
IoT market (in USD)	1,800	3,000	11%
TAM Industrial IoT (in USD)	25	48	14%

Main competitors in Industrial IoT	Revenue (in USD Bn.)
Advantech	1.8
S&T	1.7
Curtiss Wright	1.2
ABB B&R	1.1
Beckhoff	1.0
Top 5 account for	27%

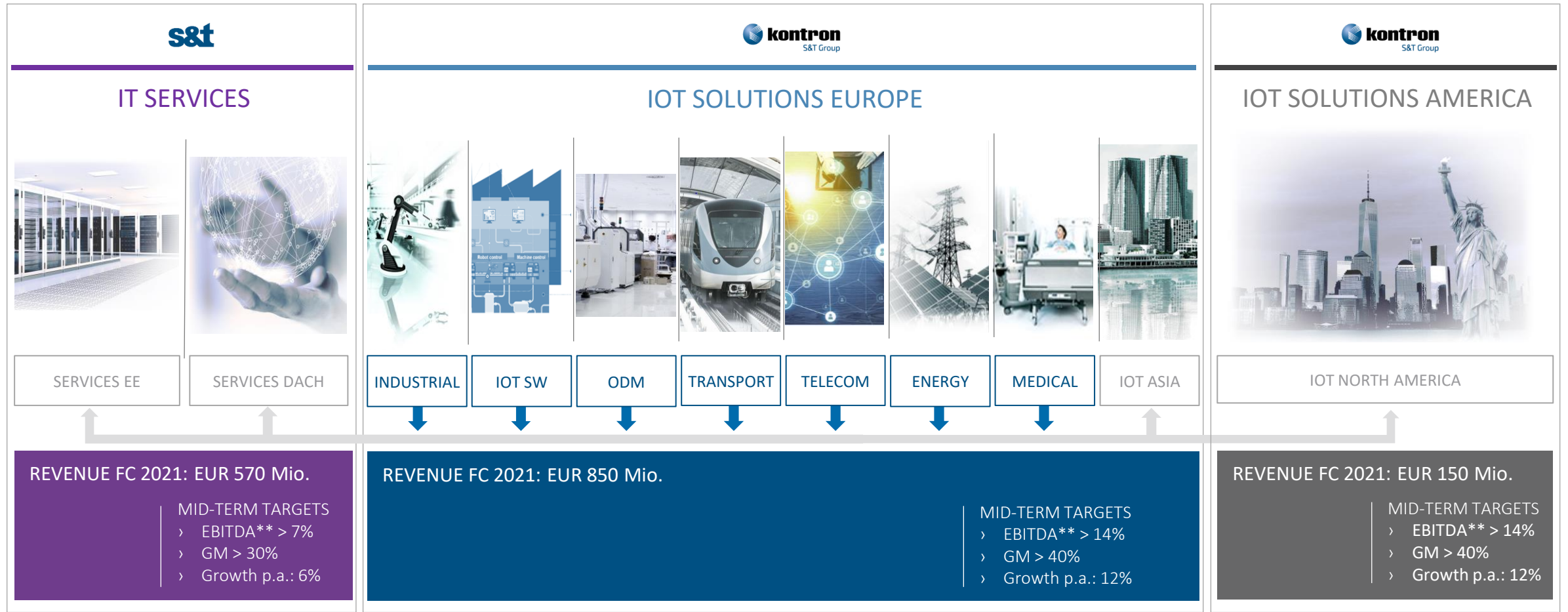
Machines

connected to the Internet
(IN MIO.)



Source IDC, mgmt est.

S&T BUSINESS MODEL



S&T started 2011 as an IT Service company, today 75% of profits are derived from IIoT.

DIGITALIZATION - the next big thing



SMART TRAINS

SMART CARS

SMART ENERGY

SMART FACTORY

SMART ROBOTS

SMART MEDICALS

SMART TRANSPORT

SMART LOGISTICS

SMART HOMES

SMART CITIES

SMART CONNECTIVITY



WHAT WE DO

- › We make machines/equipment/grids intelligent
- › We enable machines to talk to each other
- › Focus: expensive machines > 100 TEUR with low volumes
- › Our products are integral parts of machines in various vertical markets based on similar technology
- › Trend towards Software (75% SW engineers) and complex networks offering SLAs and IoTaaS (recurring)

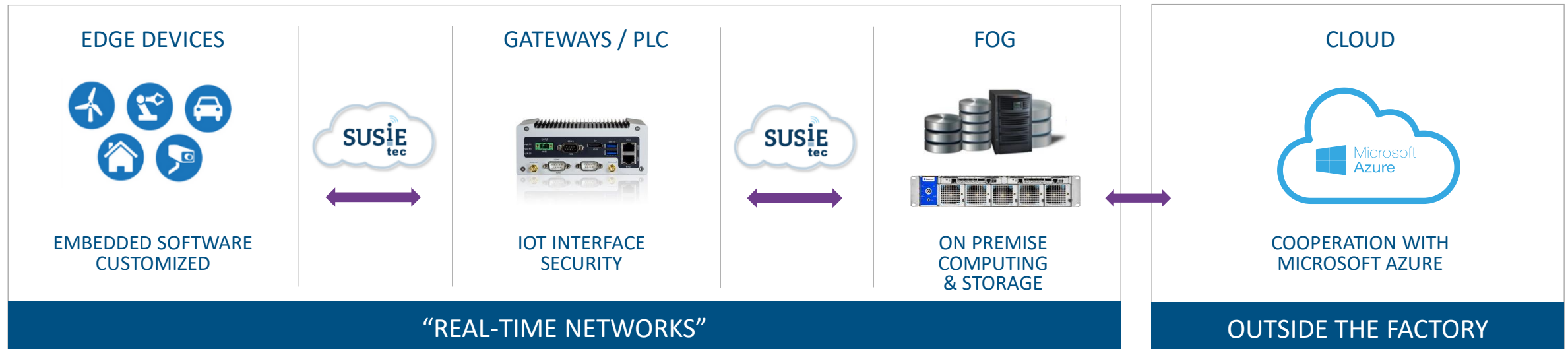
OUR TECHNOLOGIES

- › Real time computing and communication
- › Communication: field bus, LAN, WAN, TSN, 5G

TECHNOLOGY PRODUCTS AND PRODUCT LIFECYCLE

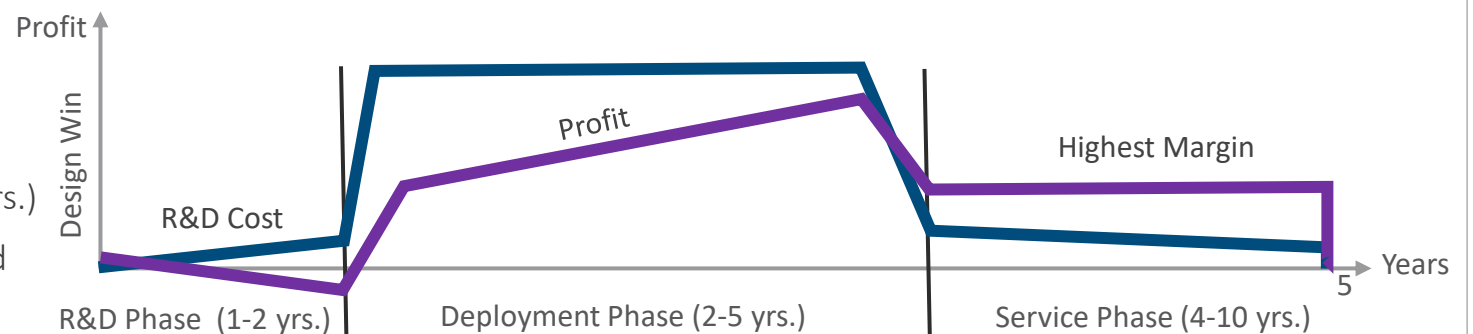


OUR IOT TECHNOLOGY STACK



PRODUCT LIFECYCLE – IOT PRODUCTS

- > Single Source for whole Product (av. 5 yrs.)
- > Losses profit in engineering phase (appLifecyclerox. 2 yrs.)
- > R&D Cost: ~40% paid, ~10% capitalized, ~50% expensed



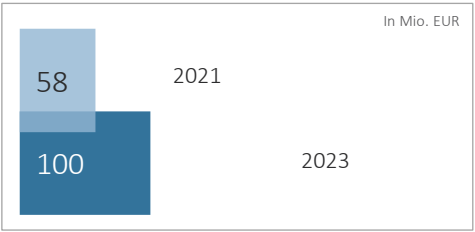
TECHNOLOGY: CONNECTIVITY DRIVES GROWTH



IOT SOFTWARE - SUSIETEC

SUSiEtec IoT software toolset: Enabling machine learning (AI)

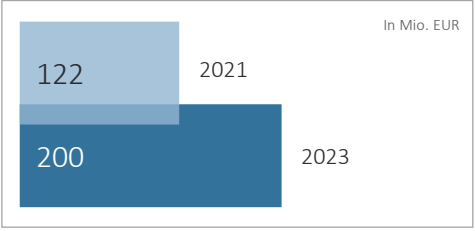
- › Improve software product portfolio: Embedded SW, Soft PLC, TSN (real time networks)
- › EUR 100 Mio. software revenues planned by 2023, triggering add. 250 Mio. IoT products



5G IOT WAN NETWORKS

5G enables WAN networks for machines at high data bandwidth

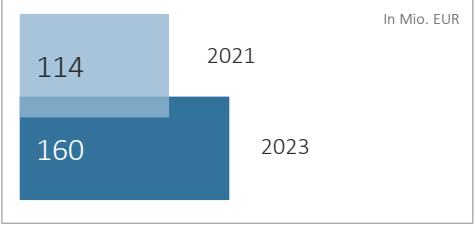
- › Iskratel is specialist for 5G, many synergies with SUSiEtec
- › Build up networks with IoT SW and our edge devices



TRAIN CONTROL SYSTEMS

Mission critical control systems for highspeed trains

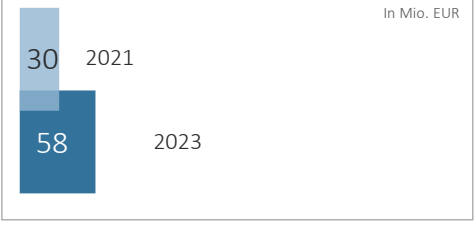
- › New standard FRMCS will accelerate migrations and require 4G/5G
- › Revenue plan of EUR 140 Mio. until 2023



AUTONOMOUS DRIVING

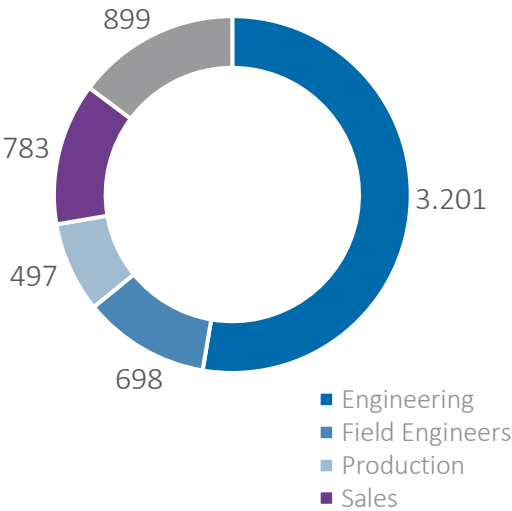
Real Time Edge Computing for Level 4 Autonomous Driving

- › Revenue plan of EUR 58 Mio. until 2023, focus services and software
- › Cooperation with Intel (mobile eye) and Foxconn



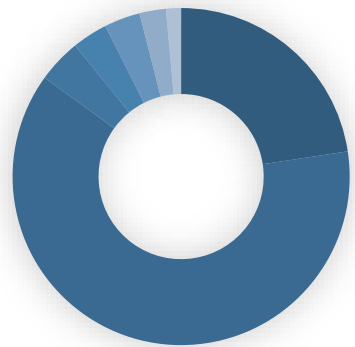
EXCELLENT POOL OF ENGINEERS

- > Cost efficient (40k p.a.) in-house resources in Eastern Europe
- > 2020: EUR 184.1 Mio. R&D costs (14.7% of revenues) as of ~40% paid by customers
- > Total 6,078 employees (31.3.2021)



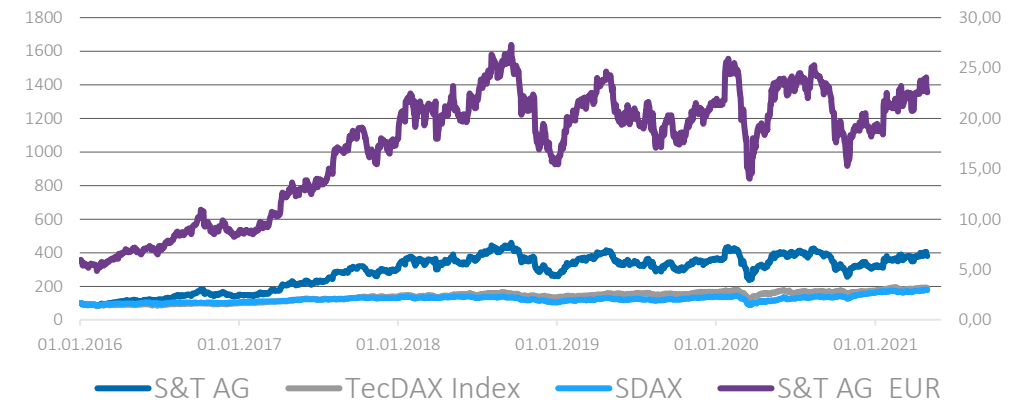
THE S&T SHARE - TECDAX® & SDAX® MEMBER; TARGET: MDAX®

SHAREHOLDER STRUCTURE



- Ennoconn Corporation - 26.61%
- Freefloat - 73.4% - includes as follows:
- Allianz Global Investors GmbH - 4.96%
- Ninety One SA (Pty) Ltd - 3.99%
- BNP Paribas Asset Management - 4.06%
- S&T Treasury Shares - 2.70%
- S&T Management - 1.70%

S&T SHARE: A TECDAX® & SDAX® MEMBER

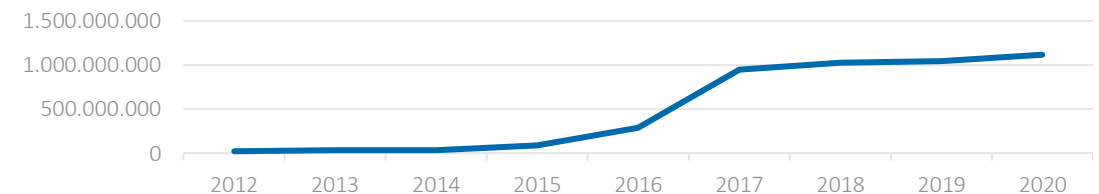


COVERAGE

One new analysts will take on coverage of S&T AG

AlsterResearch	Buy: EUR 31.00	Jefferies	Buy: EUR 32.00
Commerzbank	Buy: EUR 31.00	Pareto Securities	Buy: EUR 30.00
Hauck & Aufhäuser	Buy: EUR 31.00	Warburg Research	Buy: EUR 29.00
Kepler Cheuvreux	Buy: EUR 27.00		

SHARE LIQUIDITY



SBP II 2020 ended April 30th, 2021 | New SBP I 2021 to purchase max. EUR 10 Mio. with a maximum price of EUR 22.50 per share

SHAREHOLDER FOCUS

TTS PROGRAM | TRUST – TRANSPARENCY - SHARE



TRUST

- › Continuity in communication and guidance

TRANSPARENCY | ADDITIONAL DISCLOSURES

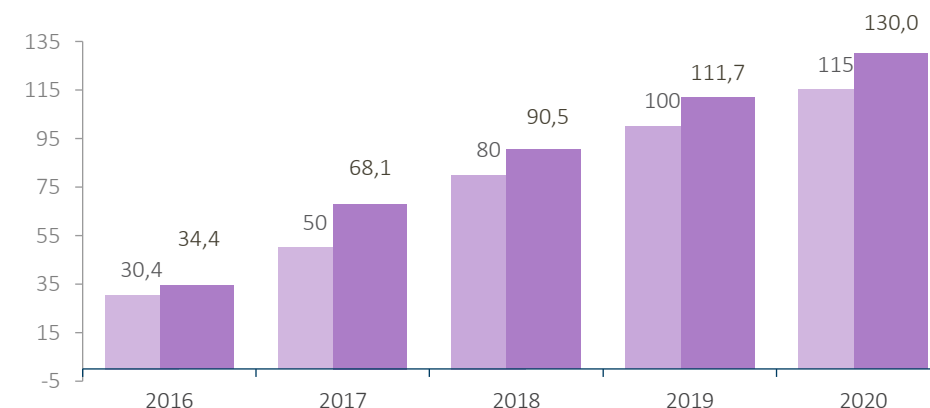
- › Release additional disclosures to increase transparency
- › More investor meetings (2020:442 and Q1/2021:117)

SHARE / SPEND 50% OF NET PROFIT ON DIVIDEND + SBB

- › We buy back shares as currency for M&A
- › S&T is valued at 10 times EBITDA, our M&A targets and peers are valued higher → we limit buy backs at EUR 22,50
- › EUR 400 Mio. available funds (cash, lines and cashflow)

TRUST: GUIDANCE TRACK RECORD (EBITDA FC VS ACT)

(in EUR Mio.)

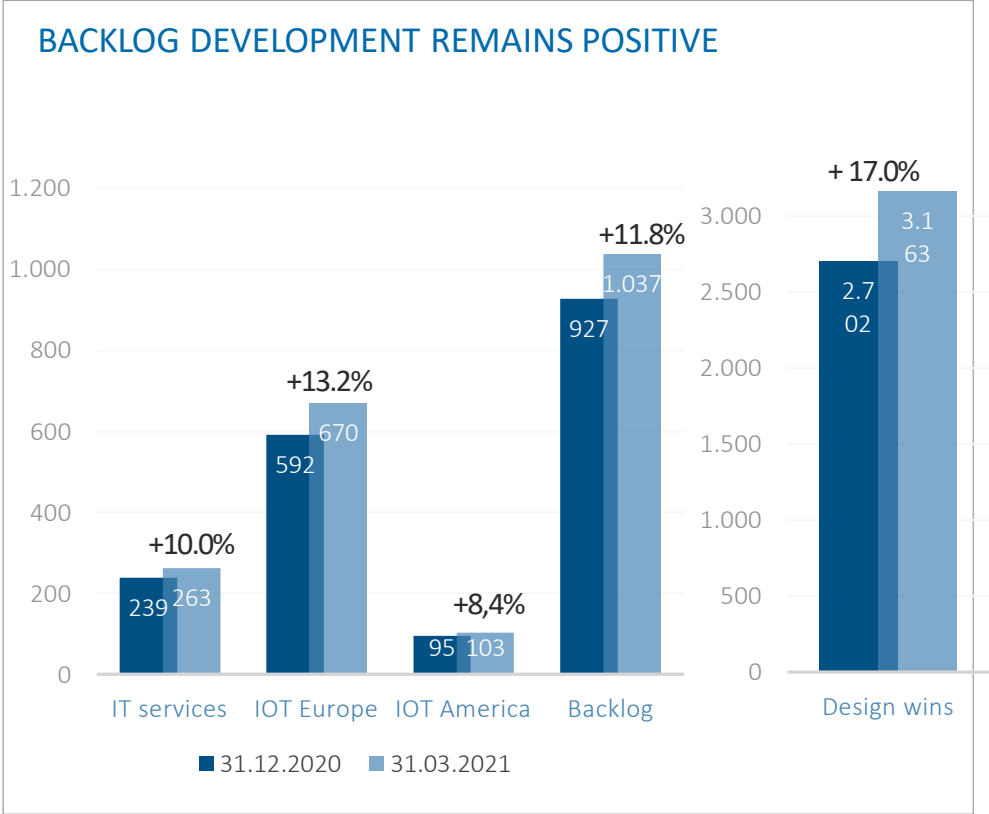


DIVIDEND & SHARE BUY BACKS

	2019	2020	2021	Comment
Dividend (cent)	16		30	Dividend for FY 2020 = 1.4% of share price
Total Dividend (EUR Mio.)	10.6		19.5	2019 no dividend (to get Covid-19 subsidies)
Share Buy backs (EUR Mio.)	14.6	12.2	16.6	2021: EUR 7.3 Mio. spend + new program
TOTAL SPENDINGS (EUR Mio.)	25.2	12.2	36.1	

BACKLOG & OPPORTUNITIES

ORDERS AND DESIGN WINS REMAIN STRONG IN Q1 2021



RECENT DESIGN WINS	COUNTRY	VOLUME EUR
Medical respirator machines	GER	62 Mio.
Public contracts	PL	46 Mio.
Control for high-speed train	CZ,LIT,DE,FR,UK	81 Mio.
AI for robots	GER	25 Mio.
Medical surgical robots	USA	20 Mio.
TOP CUSTOMERS 2020	COUNTRY	VOLUME EUR
Medical respirator 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 order entry of EUR 404 Mio (Revenues EUR 294 Mio.) indicates strong further growth in FY2021

ESG IMPROVEMENTS & GOALS – 2020,2021 AND BEYOND



COMMUTE & TRAVEL

Promotion of train travel, video-conferencing and home-office work



PROMOTION OF CLEAN TECHNOLOGIES

Expansion of renewable energy usage, e.g. own photovoltaic systems



STEP-BY-STEP ESG PLAN

3 years plan to coordinate ESG topics on group level, clear target to improve ESG ratings (MSCI to at least BB).



HUMAN DEVELOPMENT

More Information on employee development programs



DIVERSITY

Continue to increase share of women in S&T management positions from 21.6% up to 25.6% equaling the current gender distribution in S&T, new female SVB member



IMPROVED COMPLIANCE TRAINING SYSTEM

Group-wide online compliance training tool to be implemented in 2021



AUDIT COMMITTEE

Increased audit committee independency since June 2020



STOCK OPTION PLAN & REMMUNERATION

New Stock Option Plan for broad employee base established, further initiatives to secure on fair and equal remuneration planned (including new targets/MTI)



COMMUNICATION

Intensify communication with small investors "Kleinaktionären", e.g. new shareholder website was set up



M&A STRATEGY



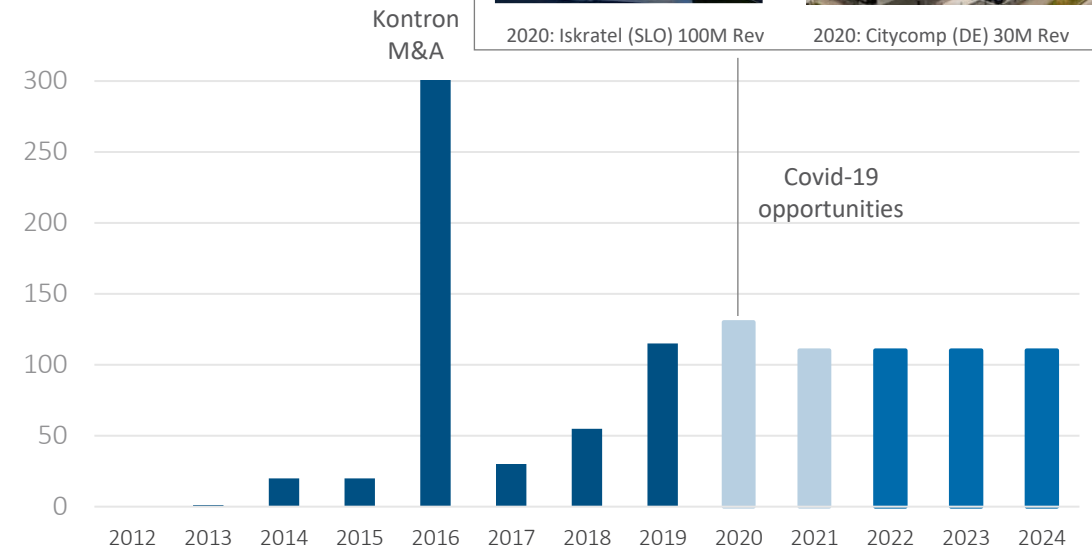
M&A is a core competence of S&T

- › Half of growth by M&A, half organic
- › Key synergies:
 - › Cross-sell IoT Software to new customers
 - › Benefit from S&T's efficient R&D: ~3700 FTE @ 40k/y cost
- › Sufficient cash – EUR 400 Mio. in cash, unused credit lines, treasury shares and strong cash flow support -> no capital increase needed for Agenda 2023

S&T M&A targets

- › Restructuring situations at low price (< 40% of Rev) but high synergies
- › Dilution in year 1 -> achieve 10% EBITDA in year 2
- › Regional focus: European Union, no risky countries (e.g, MD, RUS, BY)
- › Focus: IoT Europe; Opportunistic: IT Services and IoT America

M&A VOLUME (in EUR Mio.)



S&T acquired EUR 550 Mio. in revenues the last 10 years | S&T plans to grow ~ 7% by M&A p.a.

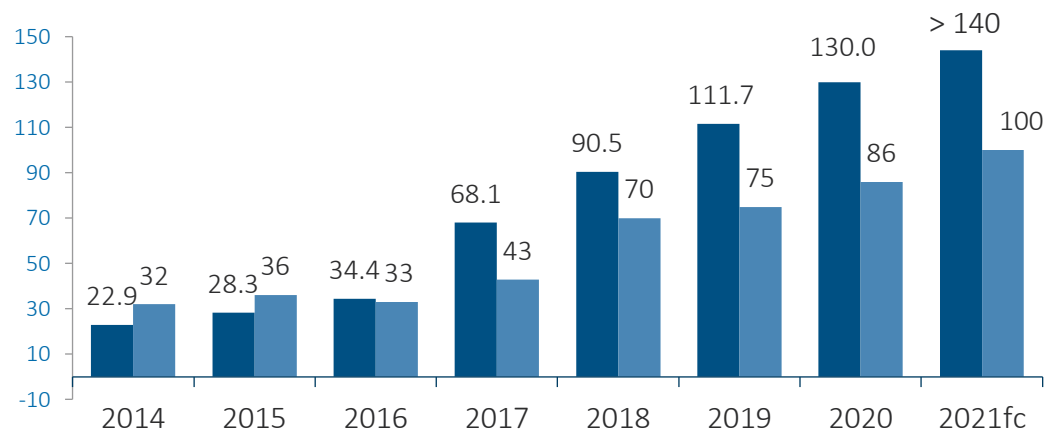
GUIDANCE 2021

CONTINUOUS GROWTH IN REVENUES, EBITDA AND EPS



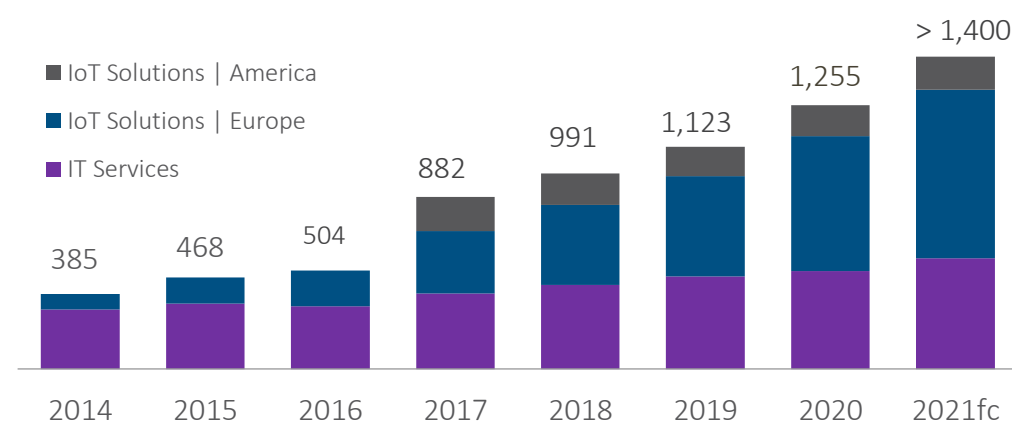
EBITDA / EPS

(IN EUR MIO. / CENT)



REVENUE

(IN EUR MIO.)



Backlog EUR Mio.	12/14	12/15	12/16	12/17	12/18	12/19	12/20
Project Pipeline	644	701	1,002	1,105	1,632	2,158	2,702
Scheduled Orders	157	181	306	474	841	841	927

CONTINUOUS GROSS MARGIN AND EBITDA MARGIN GROWTH

GM	33.0 %	33.9 %	33.5%	35.7 %	35.0%	36.3%	36.3%	> 37%
EBITDA	5.9%	6.0%	6.8%	7.7%	9.1%	9.9%	10.4%	>10%

Guidance 2021: min. EUR 1,400 Mio. Revenue – min. EUR 140 Mio. EBITDA – EPS 100 cent

SHORT AND MIDTERM GOALS | VISION 2030



GUIDANCE 2021

Revenue: minimum EUR 1,400 Mio.
 EBITDA: minimum EUR 140 Mio.
 EPS: minimum 1 Euro

AGENDA 2023

5 years plan	2018	2023p	Growth
Revenue	990 Mio.	2,000 Mio.	+102%
EBITDA	90.5 Mio.	220 Mio	+143%
EPS	70 cent	175 cent	+150%

VISION 2030



Digitalization



SMART
Technologies



Transformation to
50% GM, 15% EBITDA



M&A
Strategy



Brand Awareness

Based on current forecasts and order backlog we confirm all short, mid and long-term plans

WHY INVEST IN S&T?



SUCCESSFUL STRATEGY OF SUSTAINED LONG-TERM GROWTH

- › Meeting/exceeding annual forecasts since relaunch in 2011
- › Continuous Gross Margin & EBITDA margins improvements
- › Sustainable and resilient business model: Portfolio addressing future trends in Industrialization/Digitalization



STRONG BACKBONE

- › Financially strong position: Liquidity of EUR 282 Mio. with free cash flow of EUR 107 Mio. by end 2020
- › High diversification in different markets and regions
- › No customer dependencies



TECHNOLOGY LEADERSHIP

- › Transformation into leading IoT player ongoing
- › Increasing Software product portfolio
- › Solutions addressing IoT trends for secure connectivity and machine learning (AI), 5G IoT WAN Networks and many more



ATTRACTIVE VALUATION

- › Share price currently at ~ EUR 20 per share
- › Consensus target price at EUR 30 per share
- › S&T valued at ~ 9 times EBITDA FY 2021

DISCLAIMER



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