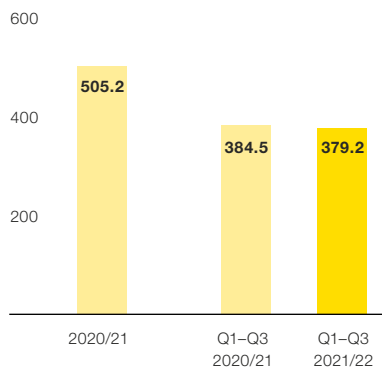


# Headlines Q1–Q3 2021/22.

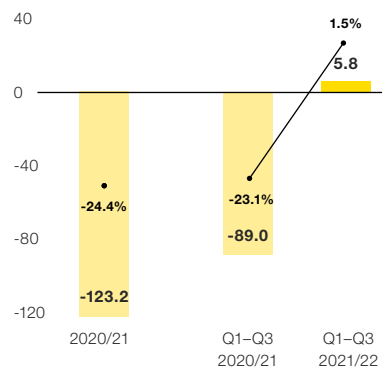
April 1, 2021 to December 31, 2021.

- > Return to positive EBIT with lower revenues.
  - Cost-cutting and restructuring measures taking effect.
  - Low new business momentum continues to impact revenues.
- > Positive free cash flow
- > Outlook for financial year 2021/22: Revenue growth and EBIT turnaround.

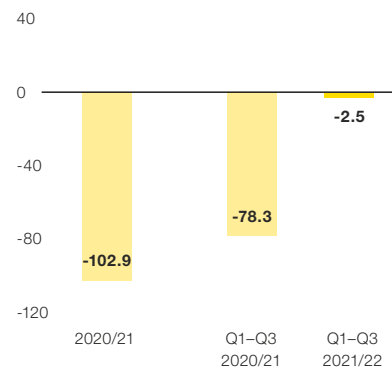
**Revenues**  
in EUR million



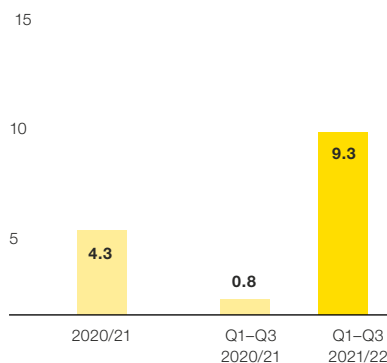
**EBIT (in EUR million) and EBIT margin**



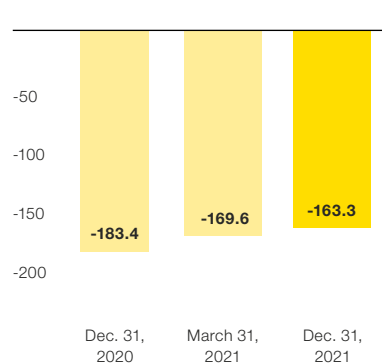
**Result for the period attributable to equity holders** in EUR million



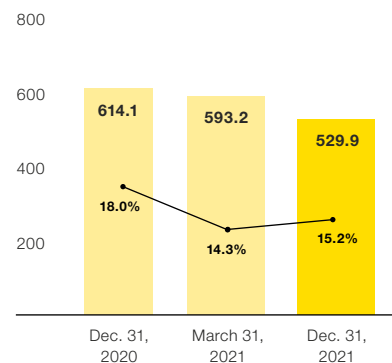
**Free cash flow <sup>1)</sup>**  
in EUR million



**Net debt <sup>2)</sup>**  
in EUR million



**Total assets (in EUR million) and equity ratio**



None of the figures in this document have been subjected to an audit or audit review conducted by a statutory auditor.

<sup>1)</sup> Cash flow from operating activities + cash flow from investing activities

<sup>2)</sup> Cash and cash equivalents + other current financial assets - financial liabilities - lease liabilities

# Remarks by the CEO.

## Business development in the Q1–Q3 2021/22 period.

### Dear Shareholders,

After three quarters in a persistently difficult market environment, we succeeded in achieving a positive operating result (EBIT) of EUR 6 million (previous year: EUR -89 million). Revenues of EUR 379 million were 1% below the previous year's figure. The result for the period attributable to shareholders amounted to EUR -2 million (previous year: EUR -78 million), corresponding to earnings per share of EUR -0.19 (previous year: EUR -6.03).

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#### Q1–Q3 2021/22:

- > Revenues: EUR 379 million.
- > EBIT: EUR 6 million.

The tolling segment contributed 72% of total revenue, the traffic management segment 28%.

The 20% decline in implementation business was primarily responsible for the lower revenue for the period. In North America, our main focus remains on stabilizing the organization following extensive restructuring measures. In Europe, new business momentum was persistently low, mainly due to the COVID 19 pandemic. Customers, predominantly public institutions, authorities or corporations, focused on managing the pandemic and supporting the economy and labor markets.

The operations business increased by 12%, mainly due to projects in South Africa and Bulgaria. Following a positive performance in Poland in the first half of the year, two major operations projects there came to an end at the end of September and in November in line with contracts.

The components business continued to suffer from supply chain constraints and declined by 2%.

As a result of the restructuring and cost-saving measures, we succeeded in significantly reducing the Group's cost base. This related in particular to material, personnel and other operating expenses. Special effects burdened EBIT in the amount of EUR -16 million (previous year: EUR -90 million):

- > Termination of a customer project in the USA: EUR -4.0 million
- > Settlement of a patent dispute: EUR -3.0 million
- > Early termination of André Laux's Executive Board mandate: EUR -1.7 million
- > Early termination of lease agreements resulted in the release of lease liabilities: EUR +3.1 million
- > Adjustment of project margins and provisions for onerous contracts for construction projects in the USA: EUR -10.6 million

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**EBIT burdened by special items:**  
EUR -16 million  
(previous year: EUR -90 million)

Substantial margin adjustments in North America related to projects which had already resulted in negative special effects in the previous financial year. Although we succeeded in further increasing the percentage of completion of these projects, it will still take several quarters to complete them.

The financial result amounted to EUR -4 million (previous year: EUR -10 million). The improvement over the comparative figure for the previous year was based on exchange rate changes.

Positive developments in working capital led to an increase in free cash flow to EUR 9 million (previous year: EUR 1 million). Net debt decreased to EUR 163 million (March 31, 2021: EUR 170 million). The equity ratio increased from 14.3% to 15.2% in the same period, while the gearing increased slightly from 200% to 202%.

Total assets as of December 31, 2021 amounted to EUR 530 million (March 31, 2021: EUR 593 million). The decrease compared to the beginning of the financial year was largely due to the partial repayment of the promissory note bond and a bank loan. As these repayments were made from own funds, it was an asset/liability swap with a balance sheet-reducing effect.

For the financial year 2021/22, I expect a year-on-year increase in revenue. However, the +10% targeted to date currently seems out of reach to me. As long as the market environment remains so challenging due to COVID and new business momentum does not increase, double-digit growth rates will be a challenge.

Of course, the lower revenue expectation also affects profitability. However, we cannot reduce the Group's cost base further in the short term without the risk of being unable to take advantage of future growth impetus due to a lack of resources. Until revenues pick up again, we are therefore in a phase of low profitability. EBIT in financial year 2021/22 (including special items) is expected to be below the previously forecast 3% (but positive).

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**Outlook for the full year 2021/22:**

- > Increase in revenue compared with previous year
- > Positive EBIT (turnaround).

Even though results are significantly better than in the previous year, we are still nowhere near the level we were and need to be at. We are working intensively to implement new business areas in line with our Strategy 2027 and to better exploit the potential of our current core business. At the same time, the aim is to sustainably increase efficiency.

Sincerely,



Georg Kapsch  
Chief Executive Officer

# Selected key data.

2021/22 and 2020/21 refer to the respective financial year (April 1 until March 31)

Q1–Q3: first three quarters of a financial year (April 1 until December 31)

Unless otherwise stated, all values in EUR million.

| <b>Earnings Data</b>                                  | <b>2020/21</b>        | <b>Q1–Q3<br/>2020/21</b> | <b>Q1–Q3<br/>2021/22</b> | <b>+/-</b> |
|---|-----------------------|--------------------------|--------------------------|------------|
| Revenues  | 505.2                 | 384.5                    | 379.2                    | -1.4%      |
| Share of tolling segment                              | 358.2                 | 279.6                    | 273.1                    | -2.3%      |
| Share of traffic management segment                   | 147.0                 | 104.9                    | 106.0                    | 1.1%       |
| EBITDA  | -67.1                 | -45.7                    | 22.2                     | n.a.       |
| EBIT  | -123.2                | -89.0                    | 5.8                      | n.a.       |
| Share of tolling segment                              | -117.2                | -79.7                    | -0.6                     | 99.2%      |
| Share of traffic management segment                   | -6.0                  | -9.3                     | 6.5                      | n.a.       |
| EBIT margin   | -24.4%                | -23.1%                   | 1.5%                     | 24.7 pp    |
| EBIT margin tolling segment                           | -32.7%                | -28.5%                   | -0.2%                    | 28.3 pp    |
| EBIT margin traffic management segment                | -4.1%                 | -8.9%                    | 6.1%                     | 15.0 pp    |
| Financial result and result from associated companies | -10.0                 | -9.9                     | -4.5                     | 54.8%      |
| Income taxes  | 27.8                  | 18.5                     | -1.0                     | n.a.       |
| Result for the period attributable to equity holders  | -102.9                | -78.3                    | -2.5                     | 96.9%      |
| Earnings per share in EUR                             | -7.91                 | -6.03                    | -0.19                    | 96.9%      |
|   |                       |                          |                          |            |
| <b>Cash flow</b>                                      | <b>2020/21</b>        | <b>Q1–Q3<br/>2020/21</b> | <b>Q1–Q3<br/>2021/22</b> | <b>+/-</b> |
| Cash flow from operating activities                   | 11.1                  | 2.3                      | 16.0                     | >500%      |
| thereof cash flow from earnings                       | -71.8                 | -51.4                    | 6.8                      | n.a.       |
| thereof change in net working capital                 | 82.9                  | 53.7                     | 9.2                      | -82.8%     |
| Cash flow from investing activities                   | -6.8                  | -1.5                     | -6.7                     | -353.4%    |
| Free cash flow <sup>1)</sup>                          | 4.3                   | 0.8                      | 9.3                      | >500%      |
| Cash flow from financing activities                   | -26.8                 | -20.8                    | -51.4                    | -146.8%    |
|   |                       |                          |                          |            |
| <b>Balance sheet data</b>                             | <b>March 31, 2021</b> |                          | <b>Dec. 31, 2021</b>     | <b>+/-</b> |
| Total assets  | 593.2                 |                          | 529.9                    | -10.7%     |
| Non-current assets                                    | 185.9                 |                          | 182.0                    | -2.1%      |
| Current assets  | 407.2                 |                          | 347.9                    | -14.6%     |
| Non-current liabilities                               | 198.3                 |                          | 192.2                    | -3.1%      |
| Current liabilities                                   | 310.1                 |                          | 257.0                    | -17.1%     |
| Total equity <sup>2)</sup>                            | 84.8                  |                          | 80.7                     | -4.8%      |
| Equity ratio <sup>2)</sup>                            | 14.3%                 |                          | 15.2%                    | 0.9 pp     |
| Net debt (-) <sup>3)</sup>                            | -169.6                |                          | -163.3                   | 3.7%       |
| Gearing <sup>4)</sup>                                 | 200.1%                |                          | 202.3%                   | 2.2 pp     |
|   |                       |                          |                          |            |
| <b>Other information</b>                              | <b>March 31, 2021</b> |                          | <b>Dec. 31, 2021</b>     | <b>+/-</b> |
| Employees, end of period                              | 4,657                 |                          | 4,305                    | -7.6%      |

<sup>1)</sup> Cash flow from operating activities + cash flow from investing activities

<sup>2)</sup> Including non-controlling interests

<sup>3)</sup> Cash and cash equivalents + other current financial assets - financial liabilities - lease liabilities

<sup>4)</sup> Net debt/equity

## Financial calendar.

|                   |                                     |
|-------------------|-------------------------------------|
| June 15, 2022     | Results FY 2021/22                  |
| August 17, 2022   | Results Q1 2022/23                  |
| August 28, 2022   | Record date: Annual General Meeting |
| September 7, 2022 | Annual General Meeting              |
| November 16, 2022 | Results H1 2022/23                  |
| February 22, 2023 | Results Q1–Q3 2022/23               |

## Contact details for investors.

|                              |                             |
|------------------------------|-----------------------------|
| Investor Relations Officer   | Hans Lang                   |
| Shareholders' telephone line | +43 50 811 1122             |
| E-mail                       | IR.kapschtraffic@kapsch.net |
| Website                      | www.kapschtraffic.com/IR    |

### Disclaimer.

Certain statements in this report are forward-looking statements. They contain the words “believe,” “intend,” “expect,” “plan,” “assume,” and terms of a similar meaning. Forward-looking statements reflect the beliefs and expectations of the company. Actual events can deviate significantly from the expected developments, due to a range of factors. As a result, readers are cautioned not to place undue reliance on such forward-looking statements. Kapsch TrafficCom AG disclaims any obligation to update forward-looking statements made herein.

This report was created with care and all data has been checked conscientiously. Nevertheless, the possibility of layout and printing errors cannot be excluded. Differences in calculations may arise due to the rounding of individual items and percentages. The English translation is for convenience; only the German version is authentic .

When referring to people, the authors strive to use both the male and female forms as far as possible (for example: he or she). For readability reasons, occasionally only the masculine form is used. However, it is always referred to women, men and non-binary persons.

This report does not constitute a recommendation or invitation to purchase or sell securities of Kapsch TrafficCom.

### Imprint.

Media owner and publisher: Kapsch TrafficCom AG  
Place of publishing: Vienna, Austria  
Editorial deadline: February 21, 2022

## **Kapsch TrafficCom**

**Kapsch TrafficCom** is a globally renowned provider of transportation solutions for sustainable mobility. Innovative solutions in the application fields of tolling, tolling services, traffic management and demand management contribute to a healthy world without congestion.

Kapsch TrafficCom has brought projects to fruition in more than 50 countries around the globe. With one-stop-shop solutions, the company covers the entire value chain of customers, from components to design and implementation to the operation of systems.

Headquartered in Vienna, Kapsch TrafficCom has subsidiaries and branches in more than 25 countries. It has been listed in the Prime Market segment of the Vienna Stock Exchange since 2007 (ticker symbol: KTCG). In its 2020/21 financial year, around 4,660 employees generated revenues of EUR 505 million.

**>>> [www.kapsch.net/ktc](http://www.kapsch.net/ktc)**