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PRESSRELEASE

InTiCa Systems SE: Interim Report for 9M 2023 published – Significant rise in volatility and price pressure in recent months

Group sales amount to EUR 67.5 million (9M 2022: EUR 71.2 million)

Strong growth in the Industry & Infrastructure segment (+19.8%)

Margins under pressure, EBIT margin of 0.5% (9M 2022: 3.0%)

Orders on hand remain high at EUR 106 million (9M 2022: EUR 107 million)

Passau, November 15, 2023 – InTiCa Systems SE (Prime Standard, ISIN DE0005874846, ticker IS7) today published the interim report for the first nine months of 2023. In the main, the development registered in spring and summer continued in the third quarter. Thanks to continued high demand in the Industry & Infrastructure segment, the drop in sales was held in check at Group level. In the Automotive segment, by contrast, the weakness of German OEMs in the e-solutions area affected supply chains and thus InTiCa's sales and margins.

"Overall, sales were in line with present market conditions at the end of the first nine months despite the obstacles. Demand for some product groups such as inverters and stator coils for mild-hybrid applications was higher than had been planned, while we are clearly noticing the problems of OEMs in demand for other products such as onboard chargers. German manufacturers in particular are battling with massive competitive pressure from Asia. The price pressure has increased significantly. As rising wages and interest rates are also having an impact, the margin situation will not become any easier in the short term. Growth and stability are promised, among other things, by the new programs for charging infrastructure in the Industry & Infrastructure segment. Initial orders have already been shipped. Summing up, we find ourselves in a very challenging market phase characterized by crises and technological transformation", comments Dr. Gregor Wasle, CEO of InTiCa Systems SE the business development.

Earnings, asset and financial position

Group sales declined by 5.1% year-on-year to EUR 67.5 million in the first nine months of 2023 (9M 2022: EUR 71.2 million). In the Automotive segment, sales dropped 12.6% year-on-year to EUR 47.7 million (9M 2022: EUR 54.6 million) while sales in the Industry & Infrastructure segment increased considerably, by 19.8%, to EUR 19.8 million (9M 2022: EUR 16.6 million).

At 62.4%, the ratio of material costs to total output in the reporting period was slightly below the prior-year level (9M 2022: 63.2%). Alongside optimization of production workflows, this was mainly due to a less material-intensive product mix. By contrast, the personnel expense ratio (including agency staff) increased significantly from 22.2% to 24.6% due to wage rises.

EBITDA (earnings before interest, taxes, depreciation and amortization) decreased to EUR 4.8 million (9M 2022: EUR 6.6 million), with the EBITDA margin amounting to 7.2% (9M 2022: 9.3%). At EUR 0.3 million, EBIT (earnings before interest and taxes) remained positive (9M 2022: EUR 2.1 million), giving an EBIT margin of 0.5% (9M 2022: 3.0%). At segment level, Automotive reported EBIT of minus EUR 0.7 million in the first nine months of 2023 (9M 2022: positive EBIT of EUR 1.8 million) and the Industry & Infrastructure segment reported EBIT of EUR 1.0 million (9M 2022: EUR 0.3 million).

The financial result was minus EUR 1.0 million in the reporting period (9M 2022: minus EUR 0.4 million), with the increased use of overdraft facilities and higher interest expenses both having an impact. Tax income of EUR 6 thousand was recorded in the reporting period (9M 2022: tax expense of EUR 0.5 million). Group net income therefore amounted to minus EUR 0.7 million in the first nine months (9M 2022: positive net income of EUR 1.2 million). Earnings per share were minus EUR 0.16 (9M 2022: EUR 0.28).

As a result of the negative interim result and the increase in receivables and inventories as of the reporting date, the cash flow from operating activities was negative in the first nine months of 2023. Due to continued investment activity, this applies to an even greater extent for the overall cash flow. The equity ratio slipped slightly in the reporting period but remains at a solid level.

Outlook

The geopolitical uncertainty and the transformation of the industrial landscape are bringing changes that InTiCa cannot escape. As a consequence, considerably higher volatility of order offtake is visible again in both segments. Customers often make changes at very short notice, so the quality of planning by OEMs is no longer as stable as in the past. Although orders on hand remained high at EUR 106 million at the end of the quarter (September 30, 2022: EUR 107 million), despite ongoing intensive contact there is a risk of further cancellations of order offtake by manufacturers in the final quarter or postponement until 2024.

Since a realistic estimate of the level is not possible, it is necessary to maintain high flexibility in terms of production personnel and the supply of materials. Taking into account the associated additional liquidity and cost burden as well as ongoing high uncertainty and knowledge of customers' current offtake situation, the Board of Directors has therefore reviewed its guidance for the full year 2023. So far, it was assumed that the Group would report sales of between EUR 85.0 million and EUR 100.0 million and an EBIT margin most likely at the lower end of the 2.5% to 3.5% range. Now the anticipated sales range is put at between EUR 85 million and EUR

90 million and the range for the expected EBIT margin has been revised to between -1.0% and +0.5%.

On a medium-term view, however, InTiCa's viable product and technology strategy remains promising. The project for a cross-platform chassis system has been extended with a considerable increase in volumes. Moreover, in the market for mild-hybrid stator coils, InTiCa has acquired substantial orders this year. These will be ramped up in the coming years. In parallel with this, intensive work is carried out on further projects in the areas of power electronics and EMC filter technology. The installation and start-up of the necessary production lines is proceeding on schedule in most cases.

The complete interim report for 9M 2023 is available for download from the Investor Relations section of InTiCa Systems' website at www.intica-systems.com.

InTiCa Systems SE

The Board of Directors

About InTiCa Systems

InTiCa Systems is a European leader in the development, manufacture and commercialization of inductive components, passive analogue switching technology and mechatronic assemblies. It operates in the Automotive and Industry & Infrastructure segments and has about 850 employees at its sites in Passau (Germany), Prachatice (Czech Republic), Silao (Mexico) and Bila Tserkva (Ukraine).

The Automotive segment focuses on innovative products that raise the comfort and safety of cars, improve the performance of electric and hybrid vehicles and reduce carbon emissions. InTiCa Systems' Industry & Infrastructure segment develops and manufactures mechatronic assemblies for the solar industry and other industrial applications.

Forward-looking statements and predictions

This press release contains statements and forecasts referring to the future development of InTiCa Systems SE which are based on current assumptions and estimates by the management that are made using information currently available to them. If the underlying assumptions do not materialize, the actual figures may differ substantially from such estimates. Future developments and results are in fact dependent on a large number of factors; they contain different risks and imponderables and are based on assumptions that may not be accurate. We neither intend nor assume any obligation to update forward-looking statements on an ongoing basis as these are based exclusively on the circumstances prevailing on the date of publication.