

DATE April 27, 2023
PAGE 1 of 4
NUMBER 3 | 2023

CONTACT Dr. Gregor Wasle | CEO
TEL +49 (0) 851 – 966 92 – 0
FAX +49 (0) 851 – 966 92 – 15
EMAIL investor.relations@intica-systems.com

PRESSRELEASE

InTiCa Systems SE: Annual Report 2022 published – High volatility of order call-offs, but underlying growth drivers remain intact

Confirmation of preliminary figures

Difficult first quarter but renewed upturn in demand recently

2023 sales and margins expected to be largely stable despite environment beset by ongoing uncertainty

Passau, April 27, 2023 – InTiCa Systems AG (Prime Standard, ISIN DE0005874846, ticker IS7) today published the annual report and confirmed the provisional figures for fiscal 2022. In a very difficult environment, InTiCa Systems Group once again generated sales of over EUR 90 million and was able to report a clear profit. The volatility of order call-offs continued into the first quarter of this year, but the market for innovative e-solutions remains a strong growth driver and recently a renewed upturn in customer demand could be noticed.

“Following the previous year’s very strong growth, it was clear from the beginning that consolidating our figures would be the main focus in 2022. We largely succeeded in this despite war, inflation and supply chain issues. With the increased acquisition of local orders for the NAFTA market and the visible synergies between the two segments, we also continued to drive forward two key elements of InTiCa’s corporate strategy“, comments Dr. Gregor Wasle, CEO of InTiCa Systems SE the business development.

Earnings, asset and financial position

Group sales declined slightly year-on-year, slipping 5.2% to EUR 90.7 million in 2022 (2021: EUR 95.7 million). Sales were therefore within the forecast range of EUR 85 million to EUR 100 million. Both segments were affected by the reduction in sales. In the Automotive segment, sales were 4.6% lower at EUR 68.7 million (2021: EUR 72.0 million) and sales in the Industry & Infrastructure segment also fell slightly short of the good prior-year level, dropping 7.1% to EUR 22.0 million (2021: EUR 23.7 million).

The gross profit was EUR 33.8 million in the reporting period (2021: EUR 34.7 million) and the gross profit increased slightly from 36.3% to 37.3%. EBITDA (earnings before interest, taxes, depreciation and amortization) was down 9.8%

year-on-year at EUR 8.4 million (2021: EUR 9.3 million). As a result, the EBITDA margin decreased slightly to 9.2% (2021: 9.7%). EBIT (earnings before interest and taxes) amounted to EUR 2.3 million in the reporting period (2021: EUR 3.4 million). The EBIT margin was 2.6% (2021: 3.5%) and was therefore at the lower end of the forecast range of 2.5% to 3.5%. The lower profitability was principally due to significant rises in fixed costs caused by the general inflation. Internally, higher costs resulting from the rise in energy prices were successfully contained but InTiCa could not fully offset the indirect effects of more expensive starting products.

The financial result was minus EUR 0.6 million in the reporting period (2021: minus EUR 0.6 million). While financial expense amounted to EUR 0.6 million (2021: EUR 0.6 million), there was no financial income in either 2022 or 2021. The pre-tax profit was EUR 1.7 million in the reporting period (2021: EUR 2.8 million). After tax expense of EUR 0.1 million (2021: EUR 0.9 million), the Group posted a net profit of EUR 1.6 million (2021: EUR 2.0 million). Earnings per share were therefore EUR 0.38 (2021: EUR 0.46).

The net cash flow from operating activities improved to EUR 7.4 million in 2022 (2021: EUR 2.9 million). The year-on-year increase was mainly due to the reduction in inventories. Overall, there was a positive cash flow of EUR 1.3 million in 2022 (2021: negative cash flow of EUR 4.9 million). Cash and cash equivalents totalled EUR 3.2 million on December 31, 2022 (December 31, 2021: EUR 1.9 million). On the reporting date, InTiCa Systems also had assured credit facilities of EUR 14.9 million, which can be drawn at any time. At 33.6%, the equity ratio was on the previous year's level (December 31, 2021: 33.7%).

Outlook

The macroeconomic environment remains uncertain. There is currently no sign of end to the war in Ukraine and the geopolitical tension between China and the USA is increasing. Moreover, inflation remains high and the global price trend for raw materials and semi-finished products is still very difficult. As a result, the volatile call-off patterns observed at the end of last year continued in the first quarter. The site in Mexico is particularly affected by the reduction in orders for the Chinese market reported by American and European producers. Furthermore, in Germany a change in subsidies for electric cars has resulted in uncertainty about order patterns for hybrid vehicles.

In view of this, 2023 got off to a difficult start for InTiCa Systems. In some cases, sales were well below the levels originally forecast by customers. In particular, the start-up phase for a high-volume product went far faster than had been anticipated. According to the preliminary figures, Group sales were EUR 23.7 million in the first three months of 2023 (Q1 2022: EUR 26.9 million). On the earnings side, EBIT is expected to come in at around EUR 0.6 million in the first quarter of 2023 (Q1 2022: EUR 1.0 million). At the end of the first quarter orders on hand were below the strong prior-year level at EUR 96.2 million (March 31, 2022: EUR 105.1 million). 78% of orders were for the Automotive segment (Q1 2022: 81%).

"The volatility of order call-offs continued into the first quarter of this year, but the market for electric vehicles remains a strong growth driver. The transformation of

the sector is moving forward inexorably and the OEMs and major tier-1 companies are placing orders for increasingly large projects. In this context there is high demand for InTiCa's development expertise. Substantial orders and series sales, for example, for stators and filters, show that we have a reputation on the international market as a solution provider for industrialization", comments Günther Kneidinger, Member of the Management Board, the outlook of the Group.

Overall, InTiCa Systems SE therefore remains well positioned to participate in the high demand for innovative e-solutions. The focus in the Automotive segment in the current year is on new projects for assemblies and EMC filters, plus further locally generated projects at the site in Mexico. For example, 2023 sees the start of a substantial new order for an American producer of electric cars and new orders have been secured for stators. These will start to generate sales from 2024. The focus in the Industry & Infrastructure segment is on assemblies for charging systems and all areas of power electronics. For example, new orders have been acquired in the field of charging infrastructure. These are expected to start generating sales in the second half of 2023. Moreover, samples of the innovative products developed for a new customer in 2022 have already been presented to other companies. Negotiations are also taking place for follow-on orders for power electronics.

At present, the Board of Directors assumes for 2023 that, taking into account an ongoing high uncertainty, Group sales will be relatively stable at EUR 85.0 million to EUR 100.0 million, while the EBIT margin will be between 2.5% and 3.5%. Where possible, the material cost ratio should be optimized further in both segments and the equity ratio should remain stable. The assumptions underlying the forecast for 2023 are that the coronavirus pandemic will continue to decline worldwide, the war in Ukraine will not escalate further and there will not be a sustained recession. Unforeseeable negative effects could affect suppliers, have a direct impact on InTiCa Systems, or affect its customers, resulting in an inability to meet expectations.

The complete annual report 2022 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.