

INNOVATIONS

for **key technologies**



*For a better future!*

**2022**

INTERIM REPORT Q1

# Q1 2022 in figures

## The Group

	Q1 2020 In TEUR	Q1 2021 In TEUR	Q1 2022 In TEUR	Change vs. Q1 2021
Sales	18,256	28,758	26,924	-6.4%
Net margin (net result for the period)	1.8%	3.4%	2.4%	-
EBITDA	1,996	2,757	2,497	-9.4%
EBIT	556	1,339	1,019	-23.9%
EBT	390	1,220	899	-26.3%
Net result for the period	323	986	649	-34.2%
Earnings per share (diluted/basic in EUR)	0.08	0.23	0.15	-34.2%
Total cash flow	-1,566	-1,730	-3,144	-
Net cash flow for operating activities	-22	16	-269	-
Capital expenditure	513	901	1,701	+88.8%

	Mar 31, 2021 EUR '000	Dec 31, 2021 EUR '000	Mar 31, 2022 EUR '000	Change vs. Dec 31, 2021
Total assets	57,926	58,420	62,604	+7.2%
Equity	18,055	19,660	20,686	+5.2%
Equity ratio	31%	34%	33%	-
Number of employees incl. agency staff	947	744	930	+25,0%

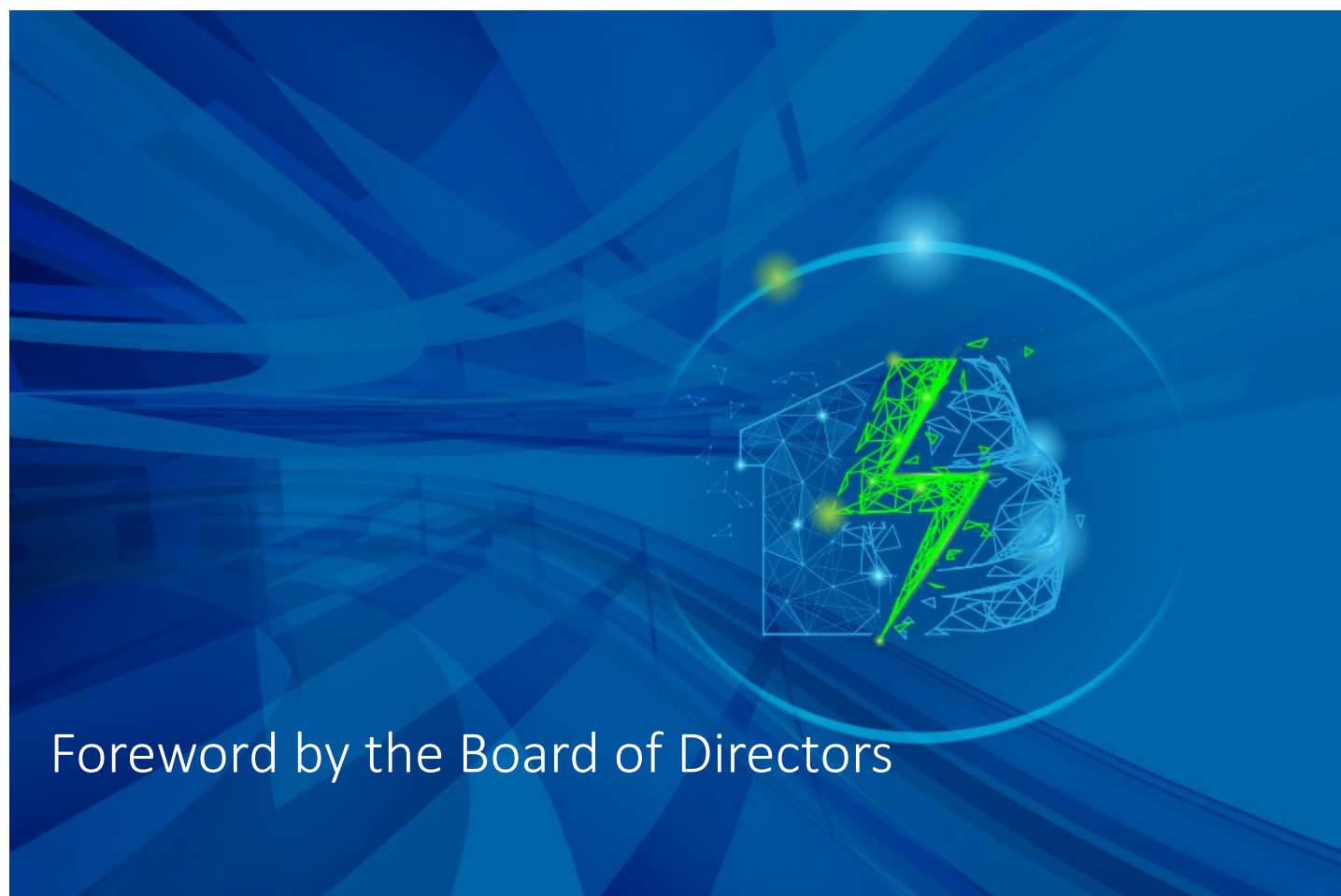
## The Stock

	Q1 2021	2021	Q1 2022
Closing price (in EUR)	11.70	12.20	11.60
Period high (in EUR)	12.70	22.00	12.70
Period low (in EUR)	8.50	8.50	10.40
Market capitalisation at end of period (in EUR million)	50.16	52.30	49.73
Number of shares	4,287,000	4,287,000	4,287,000

The stock prices are closing prices on XETRA.

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## Foreword by the Board of Directors

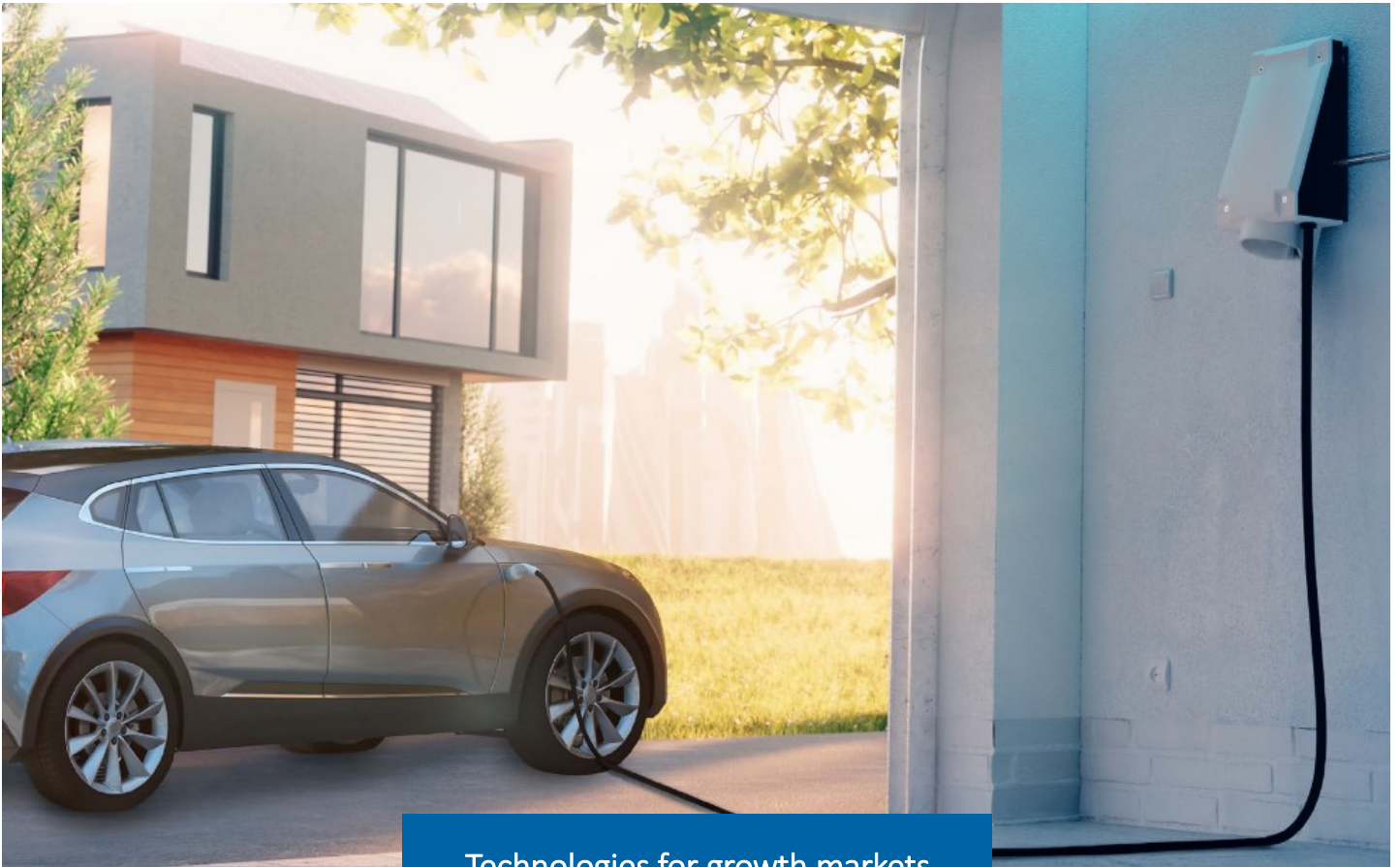
### **Dear shareholders, employees and business associates,**

“Not everything that counts can be counted, and not everything that can be counted counts,” is a quotation attributed to Albert Einstein. Freely interpreted, this also applies to the current quarterly results of InTiCa Systems AG: the absolute figures only tell part of the story. Some people see Group sales of EUR 26.9 million and the EBIT margin of 3.8% in the first three months of 2022 as the second highest quarterly sales in the history of the Group and an improvement in profitability compared with FY 2021. Others point to the fact that sales were 6.4% lower than in the first quarter of 2021 and the margin also declined.

To get a fuller picture, allow us to put these figures in context. While the first quarter of 2021 was dominated by pent-up demand and, given the start of the vaccination drive, confidence that the pandemic could be overcome, the current business environment is affected more than ever by exceptional challenges. The Russian invasion of Ukraine with its human, economic and geopolitical consequences naturally overshadows everything. However, the Covid pandemic is not yet completely over and there are recurrent lockdowns in parts of China. As a result, global supply chains did not ease in the first quarter, as had been hoped; instead, the problems increased, accompanied by disruption of raw material markets and widespread fear of inflation.

The impact on production and sales markets are clearly visible, especially in the automotive industry, where all core markets except China reported considerable declines in the first quarter. Further problems are foreseeable, with supply bottlenecks causing production stoppages at many facilities operated by the German manufacturers. 22% fewer new cars were registered in Germany in April and exports, production and order intake also posted double-digit declines. Even demand for electric cars, which was still rising in the first quarter, has recently proven unable to escape the market trend. The business climate in the electro and digital industry has also deteriorated after making a good start to the year. In March, business expectations slipped into negative territory for the first time since June 2020. Nine out of ten of companies surveyed report that supply bottlenecks have increased and one in two is directly affected by the sanctions imposed on Russia.





## Technologies for growth markets

Despite the difficult conditions, the transformation in key technologies, renewable energies, electromobility and connectivity will continue to make headway and will deliver positive impetus. Since constantly addressing future-oriented issues is a given for our team, the term “e-solutions” has long had a firm place in our corporate strategy. This term combines our technological expertise with the intelligent interaction of energy generation, energy storage, energy management and energy use. The increasing interaction of these topics offers considerable opportunities for the necessary shift to renewables and the targeted use of energy generated from environmental-friendly sources.

To safeguard the long-term growth of the InTiCa Systems Group, we are investing selectively in development, technologies and, above all, expansion of local and global production capacity. The fact that we are stepping up investment in e-solutions following the pandemic-induced restraint of recent years may be the best indication of our view of the present business situation and the associated opportunities and risks. As planned, in the first quarter we started to prepare for production of an innovative antenna and actuators for chassis parts in Mexico and the Czech Republic.

To quote Einstein again: “In the midst of every crisis, lies great opportunity”. We also see constantly changing markets and customer requirements as a stimulus for our creativity and our innovative ability to develop future-oriented products. We would like to thank our employees for their ideas and commitment, without which all this would not have been possible. Moreover, we would like to thank our customers and business associates for their good collaboration and our shareholders for the trust they place in us.

Passau, May 2022

Yours,

Dr. Gregor Wasle  
Chairman of the  
Board of Directors

Günther Kneidinger  
Member of the  
Board of Directors

## Company Boards

### Board of Directors



**Gregor Wasle**

Chairman of the Board of Directors

*Engineering graduate*

*Strategy, investor relations, R&D,  
production, finance, human resources and  
IT*



**Günther Kneidinger**

Member of the Board of Directors

*Sales, materials management,  
logistics centre and quality*

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### Supervisory Board



**Udo Zimmer**

Chairman

Business administration graduate  
Munich



**Werner Paletschek**

Deputy Chairman

Business administration graduate  
Fürstenzell

*- Managing director of OWP Brillen GmbH*



**Christian Fürst**

Member of the Supervisory Board

Business administration graduate  
Thyrnau

*- Managing partner of ziel management  
consulting gmbh  
- Managing partner of Fürst Reisen GmbH  
& Co. KG  
- Chairman of the Supervisory Board of  
Electrovac AG  
- Advisory Board of Eberspächer Gruppe  
GmbH & Co. KG  
- Advisory Board of Karl Bach GmbH &  
Co. KG*



## The Stock

### InTiCa Systems' share price performance<sup>1)</sup>

Having ended 2021 with a pleasing gain of around 42%, shares in InTiCa Systems AG started the new year at EUR 12.50, steadily trending sideways in the first few weeks of 2022. At its peak, the share price reached EUR 12.70. With Russia's attack on Ukraine, the markets came under pressure at the end of February and shares in InTiCa fell to a low for the reporting period of EUR 10.40 on March 8, 2022. Based on the good provisional figures for fiscal 2021, however, the share price soon topped the EUR 12 mark again and shares in InTiCa ended the first quarter of 2022 at EUR 11.60. Subsequently, the share price moved between EUR 11.50 and EUR 12.50. The closing price on May 10, 2022 was EUR 11.80, a decline of 5.6% since the start of the year, and InTiCa Systems' market capitalization was EUR 50.6 million.

In the first three months of 2022, we provided timely information for our shareholders and the general public on current business trends, specific events and the company's overall prospects. As in the past, the press conference to mark the publication of the annual report for 2021 attracted considerable interest from analysts and investors. The presentation given at the press conference can be accessed on the company's homepage at Investor Relations/Publications [available in German only].

Turning to our corporate calendar, as a result of the ongoing coronavirus pandemic, the Annual General Meeting in Passau on July 15, 2022 will be held virtually again. In addition, InTiCa Systems AG once again plans to give a presentation for investors, analysts and financial journalists at this year's Munich Capital Markets Conference (MKK). MKK is the biggest capital market conference in southern Germany and will be held on November 15/16, 2022.

1) Price data based on Xetra, source: Bloomberg



## Key data on the share

ISIN	DE0005874846
WKN	587484
Stock market symbol	IS7
Trading segment	Regulated Market
Transparency level	Prime Standard
Designated Sponsor	BankM AG
Research Coverage	SMC Research
No. of shares	4,287,000
Trading exchanges	XETRA®, Frankfurt, Hamburg, Berlin, München, Stuttgart, Düsseldorf

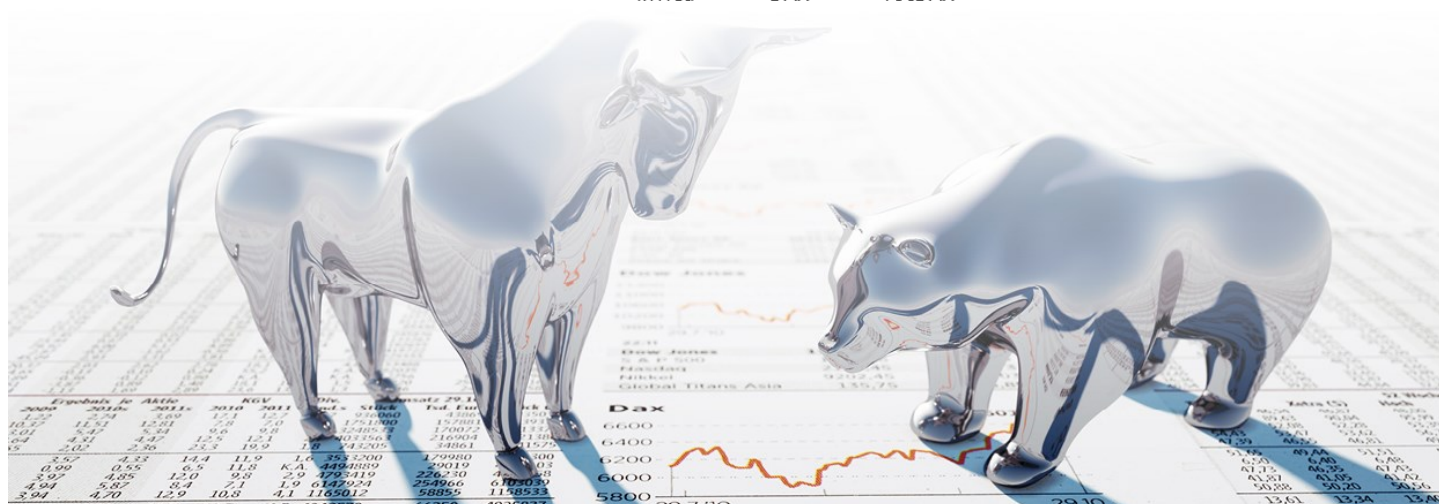
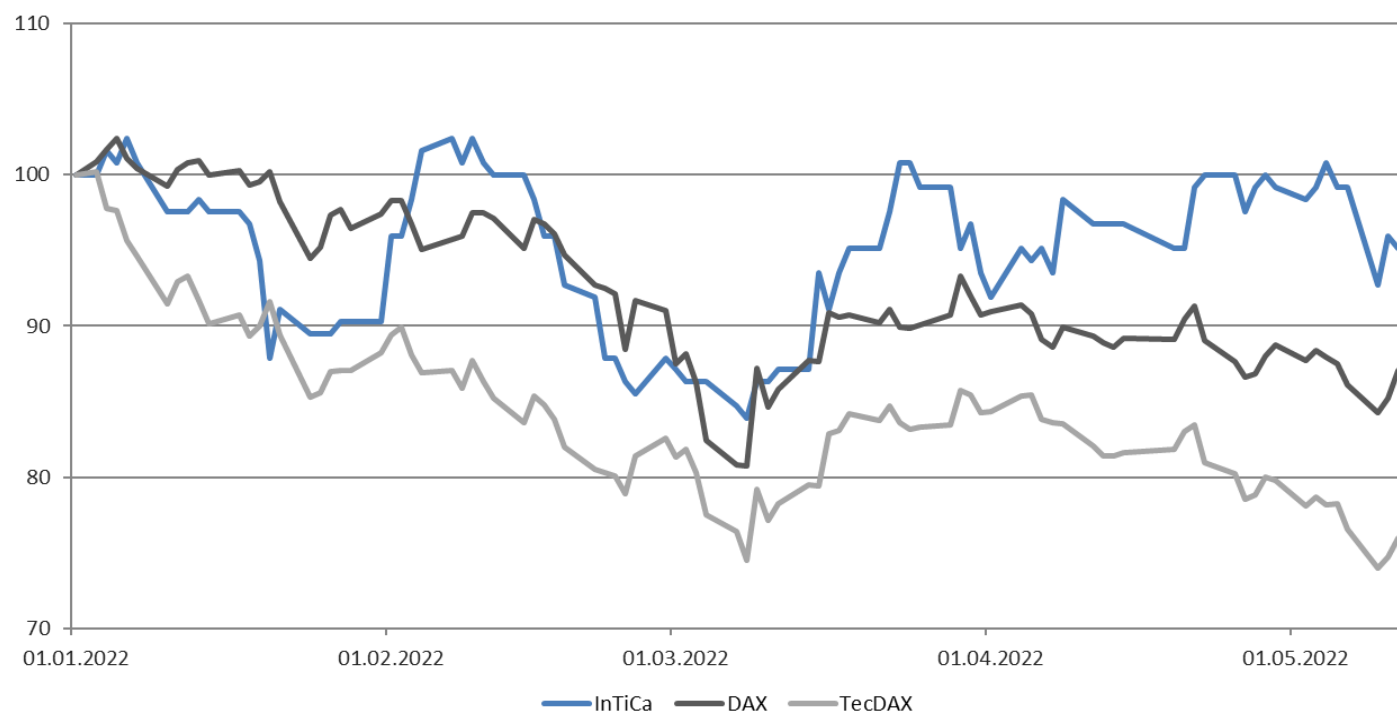
## Shareholder structure

Dr. Dr. Axel Diekmann	over 30%
Thorsten Wagner	over 25%
Tom Hiss	over 5%
Eigene Anteile	1.5%
Management	less than 1%

As of May 15, 2022

## Share price performance

in %







# Interim Management Report of the Group

for the period from January 1 to March 31, 2022

## Economic report

### General economic conditions

Given the prospect that the pandemic would be overcome, it was anticipated at the start of 2022 that the global economic recovery would continue. The outlook for manufacturing industry looked particularly positive because the global supply bottlenecks, for example in semiconductors, and the shortage of transport capacity seemed to have eased slightly. Industrial output rose for five consecutive months until February 2022. However, the war in Ukraine and the extensive sanctions against Russia have clouded the global economic outlook. While consumer purchasing power is being eroded by high energy prices, the geopolitical risks are making companies more reluctant to invest and resurgent supply chain problems could lead to industrial stoppages. Moreover, China's strict zero-Covid policy means recurrent lockdowns of whole cities and the closure of factories and ports. Additionally, this means that the problems in international supply chains will continue, at least in the first half of 2022, and will further fuel inflation, which is already high in many places. In their latest Joint Economic Forecast, Germany's leading economic research institutes project that the coronavirus crisis will subside in China as well and that energy and raw material prices will gradually decline again. Overall, the economic institutes have cut their expectations for growth in global production this year considerably from 4.2% to 3.5%. This forecast is based on the assumption that the military dispute will continue but will not escalate beyond

the borders of Ukraine and the sanctions will remain in place. China is expected to grow by 4.8%, the highest growth rate of the major economies, followed by the UK with growth of 3.7%, the USA with a growth rate of 3.6%, the EU with growth of 3.3% and growth of 2.2% in Latin America. GDP growth of 2.7% is forecast for Germany. The biggest risk factor is the course of the war and the related impact on raw material prices, supply bottlenecks and the sanctions regime. There is a threat of recession if delivery of oil and gas are halted. The spring economic forecast includes an alternative scenario in case this happens. This projects that GDP would decline by 0.8% in Germany and 0.3% worldwide.

The war in Ukraine and the ongoing coronavirus pandemic also have direct implications for business development in the automotive sector. While inventories in some fields were already depleted prior to the outbreak of war, the conflict and new lockdowns in China as a result of its zero-Covid strategy have disrupted supply chains. That has led to an increase in production stoppages and freight transport is also restricted. In the short term, there will be a reduction in the supply of cable assemblies, in particular. In the long term, the automotive industry will have to contend with shortages and higher prices for raw materials such as neon gas, palladium and nickel. Supply bottlenecks are already

causing production stoppages at many production lines operated by the German manufacturers and further problems in the production of vehicles are foreseeable. According to the German Automotive Industry Association (VDA), the majority of international automotive markets registered significant declines in the first quarter of this year. While the Chinese market reported slight growth in the first three months (+9%), double-digit drops in unit sales were reported in both the USA (-16%) and Europe (-11%). The downward trend continued at the beginning of the second quarter. In Germany, there were 22% fewer new vehicle registrations in April, accompanied by double-digit declines in exports, output and order intake. Overall, new registrations fell by 9% in the first four months of 2022, and were 32% below the pre-pandemic level of 2019. Demand for electric vehicles was far more stable, but was ultimately unable to escape the market situation. Irrespective of the difficult environment, positive impetus will come from further transformation of the automotive industry, driven by the key technologies for electromobility, autonomous driving and connectivity. In the period to 2026, OEMs and suppliers plan to invest more than EUR 220 billion in electromobility including battery technology, digitalization and other areas of research. Nevertheless, the short and medium-term outlook remains highly uncertain. The VDA has therefore reduced its production forecast for 2022. Instead of an increase of 13%, domestic production is now expected to rise by 7%. Before the outbreak of war, the global car market had been expected to grow by 4%. Due to pent-up demand, the prospects for Germany and Europe were particularly good, whereas only low growth was projected for the USA and China.

Recently, there has also been considerable downside pressure on the business climate in the German electro and digital industry. Although the majority of companies in the sector still describe the present situation as good, business expectations dropped back into negative territory in March for the first time since June 2020. Export expectations also deteriorated considerably, but remained above the zero line. According to a recent survey of members of the German sector association ZVEI, nine out of ten companies are reporting more severe supply bottlenecks and one in two is directly affected by the sanctions imposed on Russia. According to ZVEI, the sector posted significant growth in the first two months of the year. In January and February, aggregate sector sales were 12.3% higher than in the first two months of the previous year, with domestic sales (+16.7%) rising faster than foreign sales (+8.7%). Order intake rose by 14.9% and output grew by 4.0%, the growth rate predicted for the full year. Capacity utilization remained high at 88.5% at the beginning of the year and order coverage was also high at an average of 4.8 (production) months. However, the supply bottlenecks are hampering order fulfilment: 88% of companies in the sector are suffering from shortages of materials and 41% from a shortage of skilled workers. More than ever, the growth drivers are the electrification and digitalization megatrends. Electrification with end-to-end coupling of the climate-relevant sectors – energy, industry, buildings and mobility – is essential to meet the ambitious climate targets. Russia's

war on Ukraine has also highlighted the security-policy dimension of the energy system and the need for restructuring and electrification based on renewable resources. That entails a need for high investment in infrastructure and smart technologies. At the start of the year, ZVEI assumed that production would rise by 4% in the 2022 financial year.

### Significant events in the reporting period

Since the end of February 2022, Russia has been waging war against Ukraine. An impact on the Group's assets, financial position and results of operations cannot be precluded. Due to the volatile geopolitical situation, the effects cannot be quantified at present, but fundamentally they are considered to be negative. The increased risks are outlined in the Opportunity and Risk Report in the Group Management Report.

In January 2022, InTiCa Systems AG established a wholly owned subsidiary, InTiCa Systems LLC, which has its registered office in Bila Tserkva, Ukraine. This company has not yet commenced any significant business activities. A rental agreement for a production building has been concluded. However, InTiCa can terminate this agreement in the event of war or if operation is not possible. The future development of the Ukrainian subsidiary cannot be estimated at present due to the ongoing war, but the situation is constantly monitored.

On April 21, 2022, the Board of Directors and Supervisory Board of InTiCa Systems AG decided to pave the way for a change in the company's legal status to a European stock corporation ("Societas Europaea", SE) operating as InTiCa Systems SE. No change in the management structure is planned. Altering the legal form of the company is contingent, among other things, on the General Meeting of InTiCa Systems AG approving the planned change of status and the related articles of incorporation of the future InTiCa Systems SE.

In addition, there were no events of material significance for the company in the reporting period.

### Earnings, asset and financial position

2022 started well for InTiCa Systems. Although it did not quite match the record figures achieved in the prior-year period, which were driven by pent-up demand, orders on hand and order offtake by customers remained high in the first quarter of 2022. This was attributable to good order offtake in the electromobility sector and energy storage applications.

Both segments contributed to the good sales position and all earnings indicators remained clearly positive. The ratio of material costs to total output was slightly lower than in the previous year, but nevertheless remained high as a result of tight supply chains. Conversely, the personnel expense ratio (including agency staff) showed a slight rise from a low level.

Since the interim result was lower than in the prior-year period and receivables were considerably higher on the reporting date, the operating cash flow was negative in the first three months of 2022. This applies to an even greater extent for the overall cash flow, principally because, alongside scheduled repayments of principal, capital expenditures have been ramped up after two years of restraint. The equity ratio slipped slightly in the reporting period but remains at a solid level.

### Earnings position

Compared to the prior-year quarter, which was driven by pent-up demand, Group sales declined by 6.4% year-on-year to EUR 26.9 million in the first three months of 2022 (3M 2021: EUR 28.8 million). In the Automotive segment, sales dropped 5.4% year-on-year to EUR 20.1 million (3M 2021: EUR 21.2 million) while sales in the Industry & Infrastructure segment decreased by 9.0% to EUR 6.9 million (3M 2021: EUR 7.5 million).

At 64.1%, the ratio of material costs to total output in the reporting period was slightly below the prior-year level (3M 2021: 64.8%). By contrast, the personnel expense ratio (including agency staff) increased slightly from 19.0% to 19.8%. At the same time, other expenses decreased from EUR 4.1 million in the prior-year period to EUR 3.4 million. The other operating expenses include expenses of EUR 1.1 million (3M 2021: EUR 1.8 million) for agency staff.

Depreciation of property, plant and equipment and amortization of intangible assets amounted to EUR 1.5 million (3M 2021: EUR 1.4 million), and spending on research and development was EUR 0.7 million (3M 2021: EUR 0.7 million). Development work focused principally on the e-solutions business.

EBITDA (earnings before interest, taxes, depreciation and amortization) decreased by 9.4% to EUR 2.5 million (3M 2021: EUR 2.8 million), with the EBITDA margin slightly below the previous year's level at 9.3% (3M 2021: 9.6%). EBIT (earnings before interest and taxes) amounted to EUR 1.0 million (3M 2021: EUR 1.3 million), so the EBIT margin declined from 4.7% to 3.8%. At segment level, Automotive reported EBIT of EUR 0.8 million in the first three months of 2022 (3M 2021: EUR 0.9 million) and the Industry & Infrastructure segment reported EBIT of EUR 0.2 million (3M 2021: EUR 0.4 million).

The financial result was minus EUR 0.1 million in the reporting period (3M 2021: minus EUR 0.1 million), and tax expense was EUR 0.3 million (3M 2021: EUR 0.2 million). Group net income therefore amounted to EUR 0.6 million in the first three months (3M 2021: EUR 1.0 million). Earnings per share were EUR 0.15 (3M 2021: EUR 0.23).

As a result of currency translation gains of EUR 0.4 million (3M 2021: EUR 0.2 million) from the translation of foreign business operations, total comprehensive income was EUR 1.0 million in the first three months of 2022 (3M 2021: EUR 1.2 million).

### Non-current assets

Non-current assets increased slightly to EUR 28.8 million as of March 31, 2022 (December 31, 2021: EUR 28.1 million). While property, plant and equipment rose from EUR 22.8 million to EUR 23.5 million due to increased capital expenditures, intangible assets and deferred taxes were unchanged from December 31, 2021 at EUR 3.7 million and EUR 1.6 million respectively.

### Current assets

Current assets increased to EUR 33.8 million as of March 31, 2022 (December 31, 2021: EUR 30.3 million). This was mainly attributable to the increase in trade receivables from EUR 7.9 million to EUR 13.2 million. Other financial assets also increased slightly from EUR 0.8 million to EUR 1.0 million. By contrast, inventories decreased slightly from EUR 18.1 million to EUR 17.3 million, while other current receivables declined from EUR 1.5 million to EUR 1.1 million. Cash and cash equivalents totalled EUR 1.2 million on March 31, 2022 (December 31, 2021: EUR 1.9 million).

### Liabilities

Current liabilities increased visibly to EUR 27.2 million in the first quarter of 2022 (December 31, 2021: EUR 23.4 million). This was mainly attributable to the increase in trade payables from EUR 6.3 million to EUR 7.4 million and the rise in financial liabilities from EUR 10.9 million to EUR 13.0 million. Other current provisions also increased to EUR 2.7 million (December 31, 2021: EUR 2.2 million). Tax liabilities rose to EUR 0.8 million (December 31, 2021: EUR 0.7 million) and other current financial liabilities increased to EUR 1.8 million (December 31, 2021: EUR 1.6 million). As of March 31, 2022, other current liabilities amounted to EUR 1.5 million (December 31, 2021: EUR 1.8 million).

Non-current liabilities decreased slightly from EUR 15.4 million to EUR 14.7 million as of March 31, 2022. Non-current liabilities to banks declined from EUR 9.9 million to EUR 9.3 million and other non-current liabilities dropped from EUR 3.6 million to EUR 3.5 million. Deferred taxes were unchanged from December 31, 2021 at EUR 1.9 million.

### Equity

Equity increased to EUR 20.7 million as of March 31, 2022 (December 31, 2021: EUR 19.7 million). This was attributable to the increase in the profit reserve from EUR 0.9 million to EUR 1.6 million due to the profit for the period. In addition, the negative currency translation reserve declined slightly from minus EUR 0.9 million to minus EUR 0.5 million. The capital stock of EUR 4.3 million, treasury stock of EUR 64 thousand and the general capital reserve of EUR 15.4 million were constant in the reporting period. Total assets increased to EUR 62.6 million at the end of the first quarter of 2022 (December 31, 2021: EUR 58.4 million). The equity ratio thus declined slightly from 33.7% to 33.0%.

## Liquidity and cash flow statement

The net cash outflow for operating activities was EUR 269 thousand in the first three months of 2022 (3M 2021: inflow of EUR 16 thousand). The increase in receivables exceeded the increase in the interim result, including depreciation and amortization and the increase in trade payables and provisions. Excluding tax expense and interest payments, the cash outflow for operating activities was EUR 49 thousand (3M 2021: inflow of EUR 155 thousand).

The net cash outflow for investing activities was EUR 1.7 million in the reporting period (3M 2021: outflow of EUR 0.9 million). Investment in intangible assets amounted to EUR 0.2 million (3M 2021: EUR 0.3 million) and investment in property, plant and equipment was EUR 1.5 million (3M 2021: EUR 0.6 million). In 2022, investment in the field of e-solutions will be stepped up further. Based on current plans, capital expenditures for property, plant and equipment will be around EUR 6.0 million. These mainly comprise the installation of a further line for an innovative antenna product, a high-performance production line for a stator product and investment in further optimization of production workflows in the Czech Republic, while investment at the Mexico site is focusing on expanding production capacity for new products.

The net cash outflow for financing activities was EUR 1.2 million in the first quarter of 2022 (3M 2021: outflow of EUR 0.8 million). The cash outflows in the reporting period included EUR 0.9 million for loan repayments (3M 2021: EUR 0.6 million) and EUR 0.3 million for lease payments (3M 2021: EUR 0.2 million).

This resulted in a total cash outflow of EUR 3.1 million in the reporting period (3M 2021: outflow of EUR 1.7 million). Cash and cash equivalents (less overdrafts) were minus EUR 8.4 million (March 31, 2021: minus EUR 2.0 million). As of the reporting date, InTiCa Systems AG also had assured credit facilities which could be drawn at any time totalling EUR 15.9 million.

## Employees

The headcount was 930 on March 31, 2022 (March 31, 2021: 947). 166 of these employees were agency staff (March 31, 2021: 340). On average, the Group had 860 employees in the reporting period (3M 2021: 963), including agency staff in both cases.

## Risks and opportunities

The management report in the annual report for 2021 provides full details of risk factors that could affect the business performance of InTiCa Systems in section 4 "Risk management and risk report", while business potential is discussed in section 5 "Opportunities and management of opportunities". There was no material change in the risk/opportunity profile of InTiCa Systems AG in the reporting period.

## Outlook

The business environment is currently dominated by exceptional challenges, which entail considerable risks for business performance in 2022. Alongside the ongoing coronavirus pandemic, the current lockdown in parts of China and its implications, which are difficult to assess, global economic activity is affected, above all, by Russia's war on Ukraine. Supply bottlenecks are already causing instability in production, including production stoppages at many sites operated by German OEMs. Further problems are to be expected, increasing production costs and raising the general uncertainty on the market for products. Since InTiCa Systems cannot start operating the planned production facility in Ukraine in the foreseeable future, the expected positive effects for wage-intensive products will not be achieved in 2022. The situation in Ukraine is constantly being reassessed. The original valuation matrix is being reviewed in the light of the altered risk situation and talks with local institutions.

Irrespective of this, 2022 started well for InTiCa Systems. At the end of the first quarter of 2022 orders on hand were slightly below the strong prior-year level at EUR 105.1 million (March 31, 2021: EUR 113.3 million). 81% of orders were for the Automotive segment (Q1 2021: 80%). Order offtake has been stable so far in 2022, but uncertainty is high as it is difficult to predict the future development of the coronavirus pandemic and the war in Ukraine. More than ever, the growth drivers are the electrification and digitalization megatrends. That entails a need for high investment in infrastructure and smart technologies. InTiCa's focus in the current year is on new projects for assemblies and EMC filters in the Automotive segment and on initial projects for



charging solutions with potential new customers in the Industry & Infrastructure segment.

At present, the Board of Directors assumes that, taking into account the particular challenges of 2022, Group sales will be relatively stable at EUR 85.0 million to EUR 100.0 million, while the EBIT margin will be slightly lower at 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 2022 are that the coronavirus pandemic will decline worldwide and the war in Ukraine will not escalate further. Unforeseeable negative effects could affect suppliers, have a direct impact on InTiCa Systems, or affect its customers, resulting in an inability to meet expectations.

Therefore, proactive risk management remains important in 2022. Measures on the agenda include conducting further negotiations with customers to alter contract management, stepping up the focus on liquidity management, investments to optimize the site in the Czech Republic, the introduction of a new SAP-based ERP system and paying increasing attention to cybersecurity. In addition, investment in the field of e-solutions will be stepped up further on the basis of long-term customer orders. Based on current plans, capital expenditures will be around EUR 6.0 million. In particular, production of an innovative antenna product and actuators for chassis components is to be set up in both the Czech Republic and Mexico.

Further information on the segments can be found in the annual report for 2021 in section 6 "Outlook".

### **Consolidated interim financial statements in accordance with IFRS**

The unaudited consolidated interim financial statements for InTiCa Systems AG and its subsidiaries as of March 31, 2022, have been drawn up in accordance with the International Financial Reporting Standards (IFRS), as applicable for use in the European Union, and the supplementary commercial law regulations set out in sec. 315a paragraph 1 of the German Commercial Code (HGB). No audit review has been conducted of the consolidated financial statements.

### **Forward-looking Statements and Predictions**

This quarterly report contains statements and forecasts referring to the future development of InTiCa Systems AG, 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 performance and developments depend on a wide variety of factors which contain a number of risks on unforeseeable factors and are based on assumptions that may prove incorrect. 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.



# Consolidated Interim Financial Statements

for the period from January 1 to March 31, 2022

# Consolidated Balance Sheet

of InTiCa Systems AG in accordance with IFRS  
as of March 31, 2022

Assets	Mar 31, 2022 EUR '000	Dec 31, 2021 EUR '000
<b>Non-current assets</b>		
Intangible assets	3,684	3,746
Property, plant and equipment	23,544	22,766
Deferred taxes	1,601	1,601
<b>Total non-current assets</b>	<b>28,829</b>	<b>28,113</b>
<b>Current assets</b>		
Inventories	17,274	18,120
Trade receivables	13,185	7,939
Tax assets	5	4
Other financial assets	1,028	804
Other current receivables	1,083	1,499
Cash and cash equivalents	1,200	1,941
<b>Total current assets</b>	<b>33,775</b>	<b>30,307</b>
<b>Total assets</b>	<b>62,604</b>	<b>58,420</b>

## Equity and liabilities

	Mar 31, 2022 EUR '000	Dec 31, 2021 EUR '000
<b>Equity</b>		
Capital stock	4,287	4,287
Treasury stock	-64	-64
General capital reserve	15,389	15,389
Profit reserve	1,564	915
Currency translation reserve	-490	-867
<b>Total equity</b>	<b>20,686</b>	<b>19,660</b>
<b>Non-current liabilities</b>		
Interest-bearing non-current liabilities	9,279	9,873
Other liabilities	3,542	3,602
Deferred taxes	1,914	1,917
<b>Total non-current liabilities</b>	<b>14,735</b>	<b>15,392</b>
<b>Current liabilities</b>		
Other current provisions	2,749	2,208
Tax payables	797	662
Interest-bearing current financial liabilities	12,970	10,879
Trade payables	7,392	6,307
Other financial liabilities	1,769	1,560
Other current liabilities	1,506	1,752
<b>Total current liabilities</b>	<b>27,183</b>	<b>23,368</b>
<b>Total equity and liabilities</b>	<b>62,604</b>	<b>58,420</b>
Equity ratio	<b>33.0%</b>	33.7%



# Consolidated Statement of Profit and Loss and other Comprehensive Income

of InTiCa Systems AG in accordance with IFRS  
for the period from January 1 to March 31, 2022

	Jan 1 - Mar 31, 2022 EUR '000	Jan 1 - Mar 31, 2021 EUR '000	Change 2022 vs. 2021
<b>Sales</b>	<b>26,924</b>	<b>28,758</b>	<b>-6.4%</b>
Other operating income	928	497	+86.7%
Changes in finished goods and work in process	-1,675	-483	-
Other own costs capitalized	210	220	-4.6%
Material expense	16,315	18,469	-11.7%
Personnel expense	4,225	3,619	+16.7%
Depreciation and amortization	1,478	1,418	+4.2%
Other expenses	3,350	4,147	-19.2%
<b>Operating profit (EBIT)</b>	<b>1,019</b>	<b>1,339</b>	<b>-23.9%</b>
Cost of financing	120	119	+0.8%
Other financial income	0	0	-
<b>Profit before taxes</b>	<b>899</b>	<b>1,220</b>	<b>-26.3%</b>
Income taxes	250	234	+6.8%
<b>Net profit for the period</b>	<b>649</b>	<b>986</b>	<b>-34.2%</b>
<b>Other comprehensive income</b>			
Exchange differences from translating foreign business operations	377	181	+108.3%
<b>Other comprehensive income, after taxes</b>	<b>377</b>	<b>181</b>	<b>+108.3%</b>
<b>Total comprehensive income for the period</b>	<b>1,026</b>	<b>1,167</b>	<b>-12.1%</b>
Earnings per share (diluted/basic in EUR)	0.15	0.23	-34.2%
<b>EBITDA</b>	<b>2,497</b>	<b>2,757</b>	<b>-9.4%</b>

# Consolidated Cash Flow Statement

of InTiCa Systems AG in accordance with IFRS  
for the period from January 1 to March 31, 2022

	Jan 1 - Mar 31, 2022 EUR '000	Jan 1 - Mar 31, 2021 EUR '000
<b>Cash flow from operating activities</b>		
<i>Net profit for the period</i>	649	986
Income tax expenditures / receipts	250	234
Cash outflow for borrowing costs	120	119
Income from financial investments	0	0
Depreciation and amortization of non-current assets	1,478	1,418
<i>Other non-cash transactions</i>		
Net currency gains/losses	85	104
<i>Increase/decrease in assets not attributable to financing or investing activities</i>		
Inventories	846	-213
Trade receivables	-5,246	-4,361
Other assets	192	-252
<i>Increase/decrease in liabilities not attributable to financing or investing activities</i>		
Other current provisions	541	884
Trade payables	1,085	1,746
Other liabilities	-49	-510
<b>Cash flow from operating activities</b>	<b>-49</b>	<b>155</b>
Cash outflow for income taxes	-112	-35
Cash outflow for interest payments	-108	-104
<b>Net cash flow from operating activities</b>	<b>-269</b>	<b>16</b>
<b>Cash flow from investing activities</b>		
Cash inflow from interest payments	0	0
Cash outflow for intangible assets	-237	-263
Cash outflow for property, plant and equipment	-1,464	-638
<b>Net cash flow from investing activities</b>	<b>-1,701</b>	<b>-901</b>
<b>Cash flow from financing activities</b>		
Cash inflow from loans	0	0
Cash outflow for loan repayment installments	-912	-613
Cash outflow for liabilities under finance leases	-262	-232
<b>Net cash flow from financing activities</b>	<b>-1,174</b>	<b>-845</b>
<b>Total cash flow</b>	<b>-3,144</b>	<b>-1,730</b>
Cash and cash equivalents at start of period	-5,238	-285
Impact of changes in exchange rates on cash and cash equivalents held in foreign currencies	-7	5
<b>Cash and cash equivalents at end of period</b>	<b>-8,389</b>	<b>-2,010</b>

# Consolidated Statement of Changes in Equity

of InTiCa Systems AG in accordance with IFRS  
for the period from January 1 to March 31, 2022

	Capital stock EUR '000	Treasury stock EUR '000	Paid-in capital EUR '000	Retained earnings EUR '000	Currency translation reserve EUR '000	Total equity EUR '000
<b>As of January 1, 2021</b>	<b>4,287</b>	<b>-64</b>	<b>15,389</b>	<b>-1,047</b>	<b>-1,677</b>	<b>16,888</b>
Net result for Q1 2021	0	0	0	986	0	986
Other comprehensive income, after taxes Q1 2021	0	0	0	0	181	181
<b>Total comprehensive income for Q1 2021</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>986</b>	<b>181</b>	<b>1,167</b>
<b>As of March 31, 2021</b>	<b>4,287</b>	<b>-64</b>	<b>15,389</b>	<b>-61</b>	<b>-1,496</b>	<b>18,055</b>
<b>As of January 1, 2022</b>	<b>4,287</b>	<b>-64</b>	<b>15,389</b>	<b>915</b>	<b>-867</b>	<b>19,660</b>
Net result Q1 2022	0	0	0	649	0	649
Other comprehensive income, after taxes Q1 2022	0	0	0	0	377	377
<b>Total comprehensive income for Q1 2022</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>649</b>	<b>377</b>	<b>1,026</b>
<b>As of March 31, 2022</b>	<b>4,287</b>	<b>-64</b>	<b>15,389</b>	<b>1,564</b>	<b>-490</b>	<b>20,686</b>

# Notes to the Consolidated Interim Financial Statements

for the period from January 1 to March 31, 2022

## Accounting based on the International Financial Reporting Standards (IFRS)

The consolidated interim financial statements of InTiCa Systems AG as of March 31, 2022, prepared in accordance with International Accounting Standard (IAS) 34 "Interim Financial Reporting", use the same accounting policies and valuation methods as the consolidated financial statements for fiscal 2021, which were drawn up in accordance with the International Financial Reporting Standards valid as of the reporting date, as applicable for use in the European Union, and the relevant interpretations.

The consolidated interim financial statements have been prepared for the three-month period ending on March 31, 2022. Comparative data refer to the consolidated financial statements as of December 31, 2021, or the consolidated interim financial statements as of March 31, 2021. The consolidated interim financial statements do not contain all information that would be required for a full set of annual financial statements. A detailed overview of the accounting and valuation principles applied can be found in the notes to the consolidated financial statements in the annual report for 2021. This is available at Investor Relations/Publications on the company's website at <http://www.intica-systems.com/en>.

The currency used to prepare the consolidated interim financial statements is the euro (EUR). Amounts are stated in thousands of euros (EUR '000) except where otherwise indicated.

## Scope of consolidation

In addition to the parent company, InTiCa Systems AG, Passau, Germany, InTiCa Systems s.r.o., Prachatice, Czech Republic, and Sistemas Mecatrónicos InTiCa S.A.P.I. de C.V., Silao, Mexico are included in the consolidated financial statements. The Czech subsidiary is a wholly owned company, while InTiCa Systems AG holds 99% in the Mexican company and InTiCa Systems s.r.o. holds 1%. The annual financial statements and interim financial statements of the Group companies are drawn up as of the last day of the Group's fiscal year or the interim reporting period.

In January 2022, InTiCa Systems AG established a wholly owned subsidiary, InTiCa Systems LLC, which has its registered office in Bila Tserkva, Ukraine. This company has not yet commenced any significant business activities. A rental agreement for a production building has been concluded. However, InTiCa can terminate this agreement in the event of war or if operation is not possible. The future development of the Ukrainian subsidiary cannot be estimated at present due to the ongoing war, but we are constantly monitoring the situation.

## Currency translation

When preparing the financial statements for each individual Group company, business transactions in currencies other than the functional currency of that company (foreign



currencies) are translated at the exchange rates applicable on the transaction date.

When preparing the consolidated interim financial statements, the assets and liabilities of the Group's foreign business operations are translated into euros (EUR) at the exchange rate applicable on the reporting date. Income and expenses are translated using the weighted average exchange rate for the fiscal year.

The following exchange rates were used for the consolidated financial statements:

	<b>Closing rates</b>		
	<u>Mar 31, 2022</u>	<u>Dec 31, 2021</u>	<u>Mar 31, 2021</u>
	EUR 1	EUR 1	EUR 1
Czech Republic	CZK 24.385	CZK 24.860	CZK 26.145
USA	USD 1.109	USD 1.132	USD 1.173
Mexico	MXN 22.237	MXN 23.409	MXN 24.220

	<b>Average rates</b>		
	<u>Mar 31, 2022</u>	<u>Dec 31, 2021</u>	<u>Mar 31, 2021</u>
	EUR 1	EUR 1	EUR 1
Czech Republic	CZK 24.511	CZK 25.645	CZK 26.070
USA	USD 1.171	USD 1.183	USD 1.205
Mexico	MXN 23.129	MXN 24.066	MXN 24.723

## Segment information

The notes to the consolidated financial statements in the annual report for 2021 contain a detailed overview of the assets allocated to each segment. There has not been any material change in the assets allocated to the segments since December 31, 2021.

## Consolidated income statement

Group sales were EUR 26,924 thousand in the first three months of 2022, down from EUR 28,758 thousand in Q1 2021. There was a decline in sales in both the Automotive segment and the Industry & Infrastructure segment. EBITDA decreased from EUR 2,757 thousand to EUR 2,497 thousand. Group net income was EUR 649 thousand in the reporting period, compared with EUR 986 thousand in the first quarter of the previous year.

## Consolidated balance sheet and cash flow statement

The capital stock of InTiCa Systems AG is EUR 4,287,000 and is divided into 4,287,000 no-par bearer shares with a theoretical pro rata share of the capital stock of EUR 1.00 per share. The equity ratio of around 33.0% as of March 31, 2022 (December 31, 2020: 33.7%) shows that the company is still soundly financed.

The net cash outflow for operating activities was EUR 269 thousand in the first three months of 2022 (3M 2021: inflow of EUR 16 thousand). The total cash outflow in the reporting period was EUR 3,144 thousand (3M 2021: outflow of EUR 1,730 thousand). Cash and cash equivalents therefore declined from minus EUR 5,238 thousand as of December 31, 2021 to minus EUR 8,389 thousand as of March 31,

2022. Equity and liabilities changed as follows in the reporting period: equity increased to EUR 20,686 thousand (December 31, 2021: EUR 19,660 thousand) and current liabilities to EUR 27,183 thousand (December 31, 2021: EUR 23,368 thousand). Non-current liabilities decreased slightly to EUR 14,735 thousand (December 31, 2021: EUR 15,392 thousand). On the assets side of the balance sheet, non-current assets increased slightly to EUR 28,829 thousand (December 31, 2021: EUR 28,113 thousand), while current assets rose to EUR 33,775 thousand (December 31, 2021: EUR 30,307 thousand).

## Events after the reporting date

No material events have occurred since the reporting date on March 31, 2022.

## Remuneration system of the Board of Directors and Supervisory Board

For a detailed description of the remuneration system for the Board of Directors and Supervisory Board, see the Remuneration Report, which can be downloaded from the company's website at [www.intica-systems.com](http://www.intica-systems.com) in the section Investor Relations/Corporate Governance.

## German Corporate Governance Code and declaration of conformance

In compliance with sec. 161 of the German Companies Act (AktG), the Board of Directors and Supervisory Board have made their current declaration of conformity with the German Corporate Governance Code and the declaration on corporate management pursuant to sec. 289a of the German Commercial Code (HGB) available permanently to shareholders on the company's website at [www.intica-systems.com/en](http://www.intica-systems.com/en), Investor Relations/Corporate Governance.

## Related party transactions

No material transactions were conducted with related parties in the reporting period.

## Other information

The capital stock of InTiCa Systems AG is EUR 4,287,000 and is divided into 4,287,000 no-par bearer shares, which constitute a theoretical pro rata share of the capital stock of EUR 1.00 per share. All shares have the same voting rights and dividend claims. The only exceptions are shares held by the company (treasury shares), which do not confer any rights on the company. The rights and obligations of the shareholders are set out in detail in the German Companies Act (AktG), in particular in sec. 12, sec. 53a et seq., sec. 118 et seq. and sec. 186.

Restrictions on the voting rights of shares could result from statutory provisions (sec. 71b and sec. 136 AktG). The Board of Directors is not aware of any other restrictions on the exercise of voting rights or the transfer of shares.

Under the provisions of German securities trading legislation, every investor whose proportion of the voting rights in the company reaches, exceeds or falls below certain thresholds as a result of the purchase or sale of shares or in any other way must notify the company and the Federal Financial Supervisory Authority (BaFin) thereof. The lowest threshold for such disclosures is 3%. Dr. Dr. Diekmann (Germany) and Mr. Thorsten Wagner (Germany) have direct and indirect interests in the company's capital exceeding 10% of the voting rights.

There are no shares in InTiCa Systems AG with special rights according rights of control.

InTiCa Systems AG has not issued any shares that allow direct exercise of control rights.

The appointment and dismissal of members of the Board of Directors is governed by sec. 84 and sec. 85 of the German Companies Act (AktG) and sec. 5 of the articles of incorporation. Pursuant to the statutory provisions (sec. 179 paragraph 1 AktG) any amendment to the articles of incorporation requires a resolution of the General Meeting. Resolutions of the General Meeting are adopted on the basis of a simple majority vote except for amendments for which the German Companies Act stipulates a larger majority. Under sec. 8 paragraph 4 of the company's articles of incorporation, the Supervisory Board may make amendments to the articles of incorporation, providing these are merely editorial.

In addition, under sec. 3 paragraph 3 of the articles of incorporation, the Supervisory Board may alter the articles of incorporation in the event of a capital increase out of the authorized capital 2017/I to bring them into line with the extent of the capital increase and may make any other amendments associated with this provided that these are merely editorial.

The Board of Directors is authorized to increase the capital stock with the Supervisory Board's consent, up to July 20, 2022, by a total of up to EUR 2,143,500.00 in return for cash or contributions in kind under exclusion of shareholders' subscription rights (authorized capital 2017/I). Further details are given in sec. 3 paragraph 3 of the company's articles of incorporation, which can be downloaded from the company's website at [Company/Downloads](#) [available in German only].

On the basis of the resolution of the Annual General Meeting of May 29, 2008, the company was authorized, until November 28, 2009, to repurchase up to 10% of the capital stock of 428,700 shares at the date of the resolution. This resolution was used to purchase 263,889 shares in the company. As of March 31, 2022, InTiCa Systems AG still had treasury stock amounting to 64,430 shares (March 31, 2021: 64,430).

On the basis of a resolution adopted by the Annual General Meeting on July 21, 2017, the company is authorized, up to July 20, 2022, to purchase its own shares, in one or more tranches, up to a total of 10% of the capital stock at the time of adoption of this resolution or, if the capital stock is lower when this authorization is utilized, of the capital stock at the time when it is utilized. The company has not yet used this authorization.

InTiCa Systems AG has loans amounting to EUR 1.4 million which give the lender a right of termination in the event of a change in the borrower's shareholder or ownership structure such that the shareholders or owners relinquish control over the borrower during the term of the loans or a person or group of persons acting jointly acquire more than 50% of the voting rights and/or more than 50% of the capital of the borrower, unless the prior consent of the lender is obtained.

In addition, the creditor of a EUR 2 million overdraft facility has an extraordinary right to terminate this facility. This right takes effect if one other person acquires at least 30% of the borrower's voting rights and the parties cannot reach agreement on new terms.

There are no compensation agreements with either members of the Board of Directors or employees relating to a takeover bid.



### Segment report as of March 31, 2022

#### Segment sales and segment earnings

Segment	Automotive		Industry & Infrastructure		Total	
In EUR '000	Q1 2022	Q1 2021	Q1 2022	Q1 2021	Q1 2022	Q1 2021
<b>Sales</b>	<b>20,058</b>	21,211	<b>6,867</b>	7,547	<b>26,925</b>	28,758
<b>EBIT</b>	<b>783</b>	903	<b>236</b>	436	<b>1,019</b>	1,339

#### Key financial figures

	Q1 2022 EUR '000 or %	Q1 2021 EUR '000 or %	Change 2022 vs. 2021
EBITDA	2,497	2,757	-9.4%
Net margin	2.4%	3.4%	
Pre-tax margin	3.3%	4.2%	
Material cost ratio (in terms of total output)	64.1%	64.8%	
Personnel cost ratio	19.8%	19.0%	
EBIT margin	3.8%	4.7%	
Gross profit margin	34.0%	34.9%	



## Responsibility Statement

"We hereby declare that, to the best of our knowledge and in accordance with the applicable reporting principles, the consolidated interim financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group and that the interim management report for the Group includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group."

Passau, May 18, 2022

### The Board of Directors

Dr. Gregor Wasle

Chairman of the  
Board of Directors

Günther Kneidinger

Member of the  
Board of Directors





## Financial Calendar 2022

May 19, 2022	Publication of Interim Financial Statements for Q1 2022
July 15, 2022	Annual General Meeting
August 11, 2022	Publication of Interim Financial Statements for H1 2022
November 15, 2022	Publication of Interim Financial Statements for Q3 2022
November 15/16, 2022	Presentation at the Munich Capital Market Conference 2022
December 31, 2022	End of the financial year

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