

QUARTERLY REPORT

THIRD QUARTER 2022



Performance

KEY FIGURES

	JAN-SEP 2022 € THOU.	JAN-SEP 2021 € THOU.	CHANGE € THOU.
Revenue	73,449	59,298	+ 14,151
Gross profit	59,606	46,000	+ 13,606
Personnel expenses	43,874	35,662	+ 8,212
EBIT	4,747	2,294	+ 2,453
Consolidated net result	3,139	1,138	+ 2,001

FINANCIAL PERFORMANCE

IVU continues its growth course in the financial year 2022. Revenue increased in comparison to the time period of the previous year by 24% to €73,449 thousand (2021: €59,298 thousand), and gross profit increased by 30% to €59,606 thousand (2021: €46,000 thousand).

The personnel capacity developed very positively, and during the first nine months it increased by an average of 12% to 686 FTE (2021: 615). Personnel costs increased by 23% to €43,874 thousand (2021: €35,662 thousand). Besides the non-recurring effects of the acquisition of LBW Optimization GmbH, the surge in personnel costs is due in particular to pay increases for our IT personnel.

The depreciation and amortisation on non-current assets to the amount of €2.9 million (2021: €1.8 million) are above the previous year by €1.1 million primarily due to activated intangible assets as part of the acquisition of the LBW Optimization GmbH.

Other operating expenses rose as against the same period of the previous year as a result of higher travel and sales expenses as well as non-recurring effects in connection with M&A activities.

The increase in revenue and gross profit more than compensated for the higher personnel costs and other operating expenses. Operating results (EBIT), with €4,747 thousand (2021: €2,294 thousand) are significantly above those of the previous year's level and

correspond to the seasonal course of business typical for IVU.

The operating cash flow of IVU amounts to €2,762 thousand (2021: €9,270 thousand). The decrease compared with the previous year is mainly due to the change in the amount of liabilities. The purchase of its own shares with €3,768 thousand in the first nine months of 2022 is taken into account in the cash flow from financing activities. Cash flow for investing activities includes payments for the acquisition of LBW Optimization GmbH and the investment in TRENOLab S.r.l. .

OUTLOOK

IVU is well positioned in terms of its personnel, technology, and financial resources: high liquidity, a good number of commissions and increasing recurring revenues. The current total commissions for the year 2022 already cover the planned annual revenue for the current financial year completely. The focus is therefore on processing these orders on time by the end of the year.

For the current financial year 2022, we continue to project a group revenue of over €105 million (current 2021: €102.9 million), gross profits of over €80 million (current 2021: €75.8 million) and operating results (EBIT) of over €14 million (current 2021: €13.9 million).

Important projects

DB FERNVERKEHR CONTROLS ENTIRE TRAIN FLEET WITH IVU.RAIL

Efficient vehicle scheduling, optimum vehicle deployment, fast conflict management – from now on, DB Fernverkehr will be controlling all its trains with the worldwide leading IT system for rail transport – IVU.rail. After successfully introducing the timetable planning, vehicle working scheduling, and construction site planning, the vehicle dispatch has now been productively introduced for the entire rail fleet, consisting of a total of 210 locomotives, 1,100 passenger carriages, and around 360 multiple unit trains.

DB Fernverkehr now plans and dispatches around 1,400 train trips each day – integrated into their own existing system landscape. IVU.rail makes it possible to resolve challenges in the daily planning with the best possible solution. This allows DB Fernverkehr to control transport more efficiently and reduce delays.

This contract is one of the largest in IVU's history and is attracting attention worldwide.

SWEG AND IVU AGREE ON STRATEGIC PARTNERSHIP

SWEG (Südwestdeutsche Landesverkehrs-GmbH) and IVU have agreed to start a long-term strategic partnership to modernise bus and rail transport in Baden-Wuerttemberg and develop innovative solutions for the mobility of the future together.

In future, SWEG will control their entire bus and rail operation with IVU.suite and through this establish a continuous digital workflow, starting with the planning, dispatch, and fleet management and continuing through to ticketing and passenger information, as well as to the settlement of transport contracts. In addition, the strategic partnership will include joint product developments and innovation projects on alternative propulsion, autonomous shuttles, or extended forms of digital passenger information.

IVU FOUNDS SUBSIDIARIES IN SWEDEN AND HUNGARY

IVU has founded the fully owned subsidiary IVU Traffic Technologies Nordic AB, based in Stockholm, to provide an even better service to the numerous customers in Northern Europe and to convince other Scandinavian transport operators of the benefits of the IVU.suite. This means that the strong market position can now be expanded in an even more targeted manner.

IVU also founded a subsidiary in Hungary, taking on the employees of its long-standing partner SoRing. For IVU, having its own business in the country will allow the offering of a more direct service to important partners, such as MÁV, the Hungarian state railway company, and BKK, the public transport operator for Budapest, as well as helping IVU to gain new customers in Hungary. IVU Traffic Technologies Hungary Kft., based in Budapest, began operations on 1 July 2022 and is a wholly owned subsidiary of IVU.

IVU.RAIL GOES LIVE AT ARRIVA RAIL LONDON

Efficient rostering and control support in one connected hub – Arriva Rail London has gone live with the integrated resource planning system IVU.rail from IVU Traffic Technologies.

Arriva Rail London operates the London Overground network on behalf of Transport for London. The railway company has rolled out IVU.rail to optimise its planning tools and standardise processes. This means Arriva Rail London always has up-to-date information, allowing them to react to disruptions more quickly and provide their customers with an even better service. The successful rollout has further strengthened IVU's market position in the UK.

Personnel

PERSONNEL

Personnel capacity increased in the first nine months of 2022 in comparison to the time period of the previous year by 12% to 686 FTE. IVU is also investing in additional employees in the current financial year, particularly in product development and project work, in order to further expand the market position.

	2022	2021	CHANGE
Number of employees as at 30 September	851	766	+11%
Personnel capacity ¹ 1 January - 30 September (average)	686	615	+12%

¹ Personnel capacity refers to the calculated number of full-time employees (full-time equivalent – FTE).

The labour market for IT professionals is increasingly competitive. So far, IVU has succeeded in continuing to grow as planned and finding very good employees. As well as an attractive salary package, IVU is valued for the exciting tasks in a collegial working atmosphere – coupled with IT solutions that help public transport and thus contribute to climate protection and liveable cities.

SHARE BUYBACK

IVU carried out share buyback programmes from 11 January to 17 February 2022, 8 April to 27 April 2022, and 29 July to 15 November 2022. Until 30 September 2022 a total of 205,323 no-par value shares were bought at a total price of €3,718,000. That corresponds to 1.16% of the share capital of IVU Traffic Technologies AG.

The basis of the decision was empowerment by the general meeting on 29 May 2019 to buy shares of the company until 28 May 2024 for any purpose permitted by Article 71 (1) number 8 of the German Stock Corporations Act (AktG). Such purposes include in particular the use of shares for employee participation programs and executive pay.

The purchase of shares was conducted by a credit institution commissioned by the company exclusively via the stock exchange (XETRA-Handel). Detailed information can be accessed on the internet page of the company at <https://www.ivu.com/investors/share>.

RISKS

Risks are described in the annual report 2021 on pages 44 to 46. No other risks are added. We continue to project a low total risk that the Coronavirus will impact IVU's business development.

Income

CONSOLIDATED INCOME STATEMENT

1 JANUARY TO 30 SEPTEMBER 2022

	Q3-2022 € THOU.	Q3-2021 € THOU.	JAN-SEP 2022 € THOU.	JAN-SEP 2021 € THOU.
Sales revenues	28,006	20,537	73,449	59,298
Other operating income	178	122	613	727
Cost of materials	-5,174	-5,258	-14,456	-14,025
Gross profit	23,010	15,401	59,606	46,000
Personnel expenses	-15,301	-11,404	-43,874	-35,662
Depreciation and amortisation on non-current assets	-1,560	-625	-2,939	-1,837
Other operating expenses	-2,535	-1,907	-8,046	-6,207
Operating results (EBIT)	3,614	1,465	4,747	2,294
Financial income	15	0	15	0
Financial expenses	-74	-61	-217	-194
Result from investments accounted for using the equity method	0	0	-61	-91
Pre-tax profit (EBT)	3,555	1,404	4,484	2,009
Actual Income taxes	-361	-36	-778	-135
Deferred taxes	-703	-246	-567	-736
CONSOLIDATED NET RESULT	2,491	1,122	3,139	1,138

Total shares (in thousands)	17,719	17,719
Earnings per share (diluted)	0.18	0.06
Weighted average shares outstanding (in thousands)	17,501	17,576
Earnings per share (basic)	0.18	0.06

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

1 JANUARY TO 30 SEPTEMBER 2022

	JAN-SEP 2022 € THOU.	JAN-SEP 2021 € THOU.
Consolidated net result	3,139	1,138
Currency translation	61	5
Items that may be reclassified subsequently to profit or loss	61	5
Other comprehensive income after taxes	61	5
CONSOLIDATED TOTAL COMPREHENSIVE INCOME AFTER TAXES	3,200	1,143

Balance sheet

CONSOLIDATED BALANCE SHEET AS AT 30 SEPTEMBER 2022

ASSETS	30 SEP 2022 € THOU.	31 DEC 2021 € THOU.
A. Current assets		
1. Cash and cash equivalents	22,876	41,460
2. Current trade receivables	13,472	20,364
3. Current receivables from joint ventures	0	5
4. Contract assets	15,358	12,605
5. Inventories	3,785	3,181
6. Other current assets	29,289	29,596
Total current assets	84,780	107,211
B. Non-current assets		
1. Tangible fixed assets	2,196	1,597
2. Intangible assets	26,964	11,647
3. Financial assets	537	347
4. Rights of use	8,910	8,708
5. Non-current trade receivables	0	61
6. Deferred taxes	0	745
Total non-current assets	38,607	23,105
TOTAL ASSETS	123,387	130,316

LIABILITIES	30 SEP 2022	31 DEC 2021
	€ THOU.	€ THOU.
A. Current liabilities		
1. Current trade payables	2,762	3,834
2. Contract liabilities	15,561	18,215
3. Current leasing liabilities	1,387	1,451
4. Provisions	9,019	10,688
5. Tax liabilities	959	913
6. Other current liabilities	11,953	14,986
Total current liabilities	41,641	50,087
B. Non-current liabilities		
1. Leasing liabilities	7,812	7,474
2. Deferred taxes	2,298	0
3. Provisions for pensions	4,498	4,879
Total non-current liabilities	14,608	12,353
C. Equity		
1. Share capital	17,719	17,719
2. Additional paid-in capital	1,881	1,307
3. Revenue reserve	52,462	53,181
4. Other components of equity	-895	-956
5. Own shares	-4,029	-3,375
Total equity	67,138	67,876
TOTAL LIABILITIES	123,387	130,316

Equity

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY 1 JANUARY 2021 TO 30 SEPTEMBER 2022

	SHARE CAPITAL € THOU.	CAPITAL RESERVE € THOU.	REVENUE RESERVE € THOU.	OTHER RE- SERVES € THOU.	FOREIGN EXCHANGE RECONCIL- ING ITEM € THOU.	OWN SHARE AT ACQUI- SION COST € THOU.	TOTAL € THOU.
As at 1 January 2021	17,719	581	47,377	-1,322	45	-1,602	62,798
Consolidated net result 2021	0	0	9,319	0	0	0	9,319
Other comprehensive income, net of tax	0	0	0	257	64	0	321
Consolidated recognised results after tax	0	0	9,319	257	64	0	9,640
Acquisition of own shares	0	0	0	0	0	-2,454	-2,454
Use of own shares	0	387	0	0	0	681	1,068
Addition to share-based Executive Board remuneration	0	339	0	0	0	0	339
Dividend distribution (€0.20 per share)	0	0	-3,515	0	0	0	-3,515
AS AT 31 DECEMBER 2021	17,719	1,307	53,181	-1,065	109	-3,375	67,876
As at 1 January 2022	17,719	1,307	53,181	-1,065	109	-3,375	67,876
Consolidated net result 1 Jan - 30 Sep 2022	0	0	3,139	0	0	0	3,139
Other comprehensive income, net of tax	0	0	0	0	61	0	61
Consolidated recognised results after tax	0	0	3,139	0	61	0	3,200
Acquisition of own shares	0	0	0	0	0	-3,768	-3,768
Use of own shares	0	319	0	0	0	3,114	3,433
Addition to share-based Executive Board remuneration	0	255	0	0	0	0	255
Dividend distribution (€0.22 per share)	0	0	-3,858	0	0	0	-3,858
AS AT 30 SEPTEMBER 2022	17,719	1,881	52,462	-1,065	170	-4,029	67,138

Cash flows

CONSOLIDATED STATEMENT OF CASH FLOWS 1 JAN TO 30 SEP 2022

	JAN-SEP 2022 € THOU.	JAN-SEP 2021 € THOU.
1. Operating activities		
Group earnings before income tax of the period	4,484	2,009
Depreciation on non-current assets	2,939	1,837
Change in provisions	-2,059	-235
Net interest income	202	194
Equity-settled share-based payment	1,190	1,081
Other non-cash expenses / income	0	19
Share of profit of joint ventures	61	91
Change of items of working capital and borrowings		
Inventories	-604	-1,198
Receivables and other assets	4,624	4,328
Liabilities (without provisions)	-7,336	2,352
Interest paid / Guarantee commissions	-113	-116
Income taxes paid	-626	-1,092
Cash flow from operating activities	2,762	9,270
2. Investing activities		
Outflows for investments in non-current assets	-1,444	-764
Einzahlungen aus Abgängen des Sachanlagevermögens	4	0
Payments for the acquisition of shares in associated companies	-11,122	0
Payments for the acquisition of minority interests	-251	0
Cash flow from investing activities	-12,798	-764
3. Financing activities		
Acquisition of own shares	-3,768	-1,404
Payments for the repayment of leasing liabilities	-1,233	-1,211
Payment of dividends	-3,858	-3,515
Cash flow from financing activities	-8,859	-6,130
4. Cash and cash equivalents		
Net change in cash and cash equivalents	-18,895	2,376
Consolidation-related change in cash and cash equivalents	311	0
Cash and cash equivalents at beginning of period	41,460	31,096
CASH AND CASH EQUIVALENTS AT END OF PERIOD	22,876	33,472

Remarks

ACCOUNTING AND VALUATION PRINCIPLES

This quarterly report is not an interim report as defined by IAS 34. The accounting and valuation principles applied for the quarterly report as of 30 September 2022 correspond to the methods applied in the preparation of the consolidated financial statements for the financial year 2021.

The purchase price allocation for the acquisition of LBW Optimization GmbH is not yet complete. Related disclosures in the statement of financial position and income statement are provisional.

SEASONALITY OF BUSINESS OPERATIONS

The operative business dealings of the IVU Group are affected by seasonal effects. These relate both to the presentation of maintenance invoices in the first quarter and to the increased invoicing of project costs in the fourth quarter of the financial year.

DECLARATION PURSUANT TO §115 PARA. 5 SENTENCE 6 WPHG

This quarterly report was not subjected to an auditor's inspection.

TRANSACTIONS WITH RELATED INDIVIDUALS AND COMPANIES

There were no transactions with related parties in the reporting period.

RESPONSIBILITY STATEMENT OF THE LEGAL REPRESENTATIVES

We affirm to the best of our knowledge that the quarterly report, per the accounting principles to be used, conveys an illustration of the assets, finances and profits of the company that reflects the actual circumstances. The course of business, including business results and the position of the company, are

represented in such a way that they convey an accurate illustration of the situation and describes the essential opportunities and risks for the projected development of the company.

Berlin, 17 November 2022

THE EXECUTIVE BOARD



Martin Müller-Elschner



Leon Struijk



Matthias Rust

Financial calendar

FINANCIAL CALENDAR

THURSDAY, 17 NOVEMBER 2022

Quarterly Report Q3-2022

TUESDAY, 29 NOVEMBER 2022

German Equity Forum

WEDNESDAY, 29 MARCH 2023

Annual Report 2022

WEDNESDAY, 24 MAY 2023

Quarterly Report Q1-2023

THURSDAY, 25 MAY 2023

Annual General Meeting

WEDNESDAY, 23 AUGUST 2023

Half-year financial report 2023

WEDNESDAY, 22 NOVEMBER 2023

Quarterly Report Q3-2023

IMPRINT

Publisher

IVU Traffic Technologies AG

This report can be downloaded as PDF file at
www.ivu.com.

Contact

Investor Relations
T + 49.30.859 06 -0
F + 49.30.859 06 -111
ir@ivu.com

Editorial

IVU Corporate Communications

IVU Traffic Technologies AG

Bundesallee 88

12161 Berlin

Germany

T +49.30.859 06 -01

F +49.30.859 06 -111

contact@ivu.com

www.ivu.com