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PRESSRELEASE

InTiCa Systems AG publishes interim report for 9M 2020 – Corona pandemic overshadows sales and earnings but full order books indicate business is picking up

8.2% decline in Group sales, earnings disproportionately burdened

Positive Cash flow and solid liquidity position

E-solutions contribute more than 50% of total sales

Reliable outlook for fiscal 2020 still not possible

Passau, November 19, 2020 – InTiCa Systems AG (Prime Standard, ISIN DE0005874846, ticker IS7) today published the interim report for the first nine months of 2020. The financial year to date continues to be dominated by the Corona pandemic. At the end of the first nine months, sales and earnings were well below the prior-year levels. However, full order books show there is some scope to narrow the gap by year end.

“While business remained relatively subdued in July and August, sales and order intake picked up considerably in September. Overall, sales came to EUR 17.2 million in the third quarter, well above the previous quarter (Q2 2020: EUR 11.2 million). Nevertheless, they were significantly lower than in the prior-year quarter (Q3 2019: EUR 21.2 million). Our e-solutions business increased its share of total sales to more than 50% in the first nine months of 2020. In view of our overall strategic focus, we therefore remain confident that we can emerge strengthened from the present challenging situation. All the more, as we can build on our solid liquidity position“, comments Dr. Gregor Wasle, CEO of InTiCa Systems AG the business development.

Earnings, asset and financial position

Group sales declined 8.2% year-on-year to EUR 46.7 million in the first nine months of 2020 (9M 2019: EUR 50.8 million). In the Automotive Technology segment, sales fell 5.3% to EUR 34.5 million (9M 2019: EUR 36.5 million) and in the Industrial Electronics segment sales dropped 15.4% to EUR 12.1 million (9M 2019: EUR 14.3 million). While the decline in the Automotive Technology segment was attributable to the pandemic, the drop in sales in the Industrial Electronics

segment is within the expected range because the prior-year figure contained very high project revenue, which has not been registered on the same scale this year.

Since inventories of finished goods and work in progress decreased not as fast as in the prior-year period, the 5.2% decrease in total output to EUR 46.7 million (9M 2019: EUR 49.3 million) lagged the increase in sales. The ratio of material costs to total output was above the prior-year level at 60.2% in the reporting period (9M 2019: 58.5%), and the personnel expense ratio (including agency staff) also increased to 22.0% (9M 2019: 21.5%). At the same time, other expenses increased from EUR 7.1 million in the prior-year period to EUR 8.1 million. This was principally due to the sharp depreciation of the Czech koruna and Mexican peso at the start of the coronavirus pandemic, resulting in significant exchange losses, although these had no impact on the cash flow. Moreover, the expenses for agency staff, which are contained in other operating expense, decreased slightly year-on-year to EUR 2.3 million (9M 2019: EUR 2.4 million).

EBITDA (earnings before interest, taxes, depreciation and amortization) declined by 37.3% year-on-year to EUR 3.6 million (9M 2019: EUR 5.8 million) and the EBITDA margin fell to 7.8% (9M 2019: 11.4%). EBIT (earnings before interest and taxes) was negative at minus EUR 0.6 million, whereas in the first nine months of 2019 EBIT was positive at EUR 1.9 million. At segment level, Automotive Technology reported EBIT of minus EUR 0.6 million in the first nine months of 2020 (9M 2019: EUR 0.8 million) and the Industrial Electronics segment reported EBIT of minus EUR 0.04 million (9M 2019: EUR 1.2 million).

The financial result was minus EUR 0.5 million in the reporting period (9M 2019: minus EUR 0.5 million). In addition, tax income of EUR 7 thousand was registered in the first nine months of 2020 (9M 2019: tax expense of EUR 0.4 million). Overall, this resulted in a net loss of EUR 1.1 million in the first nine months of 2020 (9M 2019: EUR 1.0 million). Earnings per share were minus EUR 0.25 (9M 2019: EUR 0.23).

The operating cash flow was EUR 1.9 million in the first nine months of 2020, only slightly below the prior-year figure (9M 2019: EUR 2.1 million). Due to new long-term loans and lower capital expenditures, the company recorded a positive overall cash flow of EUR 4.1 million in the reporting period (9M 2019: outflow of EUR 2.3 million). The equity ratio declined to 28.6% in the reporting period (December 31, 2019: 32.5%).

Outlook

The return to the pre-pandemic level remains a long process and is susceptible to setbacks. There is therefore great uncertainty, especially in view of the renewed sharp rise in the number of infections, which has resulted in a renewed tightening of restrictions in many places:

“The extent to which it is possible to keep production running smoothly will have a significant impact on the remainder of this financial year and our full-year performance. Orders on hand were EUR 117 million as of September 30, 2020, back at the high level of the previous year (9M 2019: EUR 118 million). However, an additional challenge is that customers are calling off high volumes at short notice. This is especially challenging in a pandemic as protecting health has top

priority and it is also more difficult to access the necessary staff“, comments Günther Kneidinger, Member of the Management Board.

Provided that there is no further supply chain disruption and there are no new plant shutdowns, despite the rising number of infections, the Board of Directors currently considers that it should be possible to make up more of the current sales shortfall by year end and to report a positive result in the fourth quarter. Here, InTiCa is benefiting, among other things, from the boost in demand for electric cars resulting from the reduction in value-added tax and the increased bonus for the purchase of environmentally friendly cars.

Since uncertainty is still extremely high, at this time the Board of Directors is unable to issue specific guidance for the 2020 fiscal year. At present it is not possible to give a stable and reasonably reliable forecast for the present fiscal year based on target ranges in line with past practice. However, it may be assumed that at year end earnings at least will be below the 2019 level. As soon as the economic situation stabilizes and reliable planning for the 2020 fiscal year is possible, InTiCa Systems AG will publish a detailed forecast for the 2020 fiscal year.

The complete interim report for 9M 2020 is available for download from the Investor Relations section of InTiCa Systems’ website at www.intica-systems.com.

InTiCa Systems AG

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 Technology and Industrial Technology segments and has about 800 employees at its sites in Passau (Germany), Prachatice (Czech Republic) and Silao (Mexico).

The Automotive Technology 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’ Industrial Electronics 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 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 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.