

DATE July 16, 2020
PAGE 1 of 3
NUMBER 4 | 2020

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 AG: First virtual Annual General Meeting successfully held - Business in Q2 significantly impacted by corona pandemic

All proposed resolutions approved with large majority

Group sales of EUR 29.5 million (6M 2019: EUR 29.6 million) and negative earnings expected for H1 2020

Slight recovery in call-offs visible

Reliable outlook for fiscal 2020 still not possible

Passau, July 16, 2020 – At this year's Annual General Meeting of InTiCa Systems AG, listed in the Prime Standard of the Frankfurt Stock Exchange (ISIN DE0005874846, Ticker IS7), which was held virtually for the first time due to the corona pandemic, shareholders approved all resolutions with a large majority of votes. In the regular elections to the Supervisory Board, the previous members were all re-elected. Detailed voting results are available for download from the Investor Relations section of InTiCa Systems' website at www.intica-systems.com.

In its report on the past financial year, the Management Board presented in detail last year's successful development - dynamic sales growth, visible improvement in earnings and full order books - and explained the medium to long-term corporate strategy. Central is the further development of the field classed as "e-solutions", which already accounts for more than 40 percent of group sales. InTiCa has already initiated new future-oriented products and solutions for various areas and is focusing on the efficient expansion of existing synergies. Because of the increasing use of inductive components - be it in hybrid or electric vehicles, charging stations, energy storage or energy generation -, InTiCa benefits from a continuous sharing of knowledge and experience within the Group.

High uncertainty in the short term

However, the current financial year will be overshadowed by the effects of the Corona pandemic. While InTiCa was initially able to successfully continue its growth course in the first quarter, the production shutdown in the second quarter had a major impact. Call-off orders were reduced significantly, and sales were

ultimately 45 percent below original planning. At EUR 29.5 million, Group sales for the first six months are still at the previous year's level (6M 2019: EUR 29.6 million) due to the very good first quarter. While sales in the Automotive Technology segment declined slightly to EUR 21.4 million (6M 2019: EUR 21.8 million), the Industrial Electronics segment recorded a small increase to EUR 8.1 million (6M 2019: EUR 7.8 million). However, consolidated earnings are likely to be worse than in the first half of 2019 because fixed costs based on future-oriented investments increased year-on-year in anticipation of rising sales. Detailed 6M figures will be published as planned on 13 August 2020 when the half-year report is presented.

With production in Germany and other major industrial locations picking up again, a slight recovery in call-offs is visible. However, capacity utilization remains well below normal levels and, at EUR 98 million, orders on hand as of 30 June 2020 were significantly lower than in the previous year (30 June 2019: EUR 119 million). Therefore, a complete recovery in the second half of the year currently seems unlikely. The automotive industry as a whole is expecting a contraction of 15 to 20 percent in the current year, and the market could decline into 2021. In many cases, customers are not yet able to assess exactly which projects are still ongoing and how the markets are developing. Against this background, it is still not possible for the management to give a stable and reasonably reliable forecast for the present fiscal year. As soon as the economic situation stabilizes and reliable planning is possible, InTiCa Systems AG will publish a detailed forecast.

Sound long-term trend

Despite the current high level of uncertainty, InTiCa's liquidity position is secured even applying stress scenarios. In addition to spending and investment cuts, this is mainly due to short-time working, tax deferrals, public funding and good cooperation with long-term banking partners. Production is currently taking place at all three locations. Naturally, specific safety and hygiene measures apply. Home office solutions have also been introduced wherever possible to minimize contacts.

Overall, InTiCa remains well positioned for the future. Major investments were completed in recent years, and the corona pandemic only enforces the already planned decline in capital expenditure. In addition, past investments were mainly used to drive forward the expansion of future technologies. E-solutions will continue to be in demand even in economically difficult times, and InTiCa has built a strong competitive position in this area. Even if the growth course currently has been interrupted by the corona pandemic, the positive trend therefore is likely to continue in the long term.

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 more than 700 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.