2021

INTERIM REPORT 9M

9M 2021 in figures

The Group	Q3 2020 EUR ´000	**Q3 2021 EUR ´000**	9M 2020 EUR ´000	**9M 2021 EUR ´000**	Change vs. 9M 2020
Sales	17,187	**21,815**	46,662	**75,531**	+61.9%
Net margin (net result for the period)	-1.8%	**1.4%**	-2.3%	**2,5%**	-
EBITDA	1,327	**1,989**	3,639	**7,228**	+98.6%
EBIT	-134	**566**	-595	**2,912**	-
EBT	-288	**415**	-1,067	**2,514**	-
Net result for the period	-314	**308**	-1,060	**1,871**	-
Earnings per share (diluted/basic in EUR)	-0.07	**0.07**	-0.25	**0.44**	-
Total cash flow	6,507	**-5,018**	4,146	**-7,633**	-
Net cash flow for operating activities	1,583	**-2,998**	1,906	**-2,232**	-
Capital expenditure	431	**860**	1,320	**2,535**	+92.0%

	Sep 30, 2020 EUR ´000	Dec 31, 2020 EUR ´000	**Sep 30, 2021 EUR ´000**	Change vs. Dec 31, 2020
Total assets	53,512	53,315	**60,489**	+13.5%
Equity	15,281	16,888	**19,323**	+14.4%
Equity ratio	29.0%	31.7%	**31.9%**	-
Number of employees incl. agency staff	799	894	**858**	-4.0%

The Stock	9M 2020	2020	**9M 2021**
Closing price (in EUR)	6.25	8.60	**15.00**
Period high (in EUR)	8.50	8.65	**22.00**
Period low (in EUR)	3.80	3.80	**8.50**
Market capitalisation at end of period (in EUR million)	26.8	36.9	**64.3**
Number of shares	4,287,000	4,287,000	**4,287,000**

The stock prices are closing prices on XETRA.

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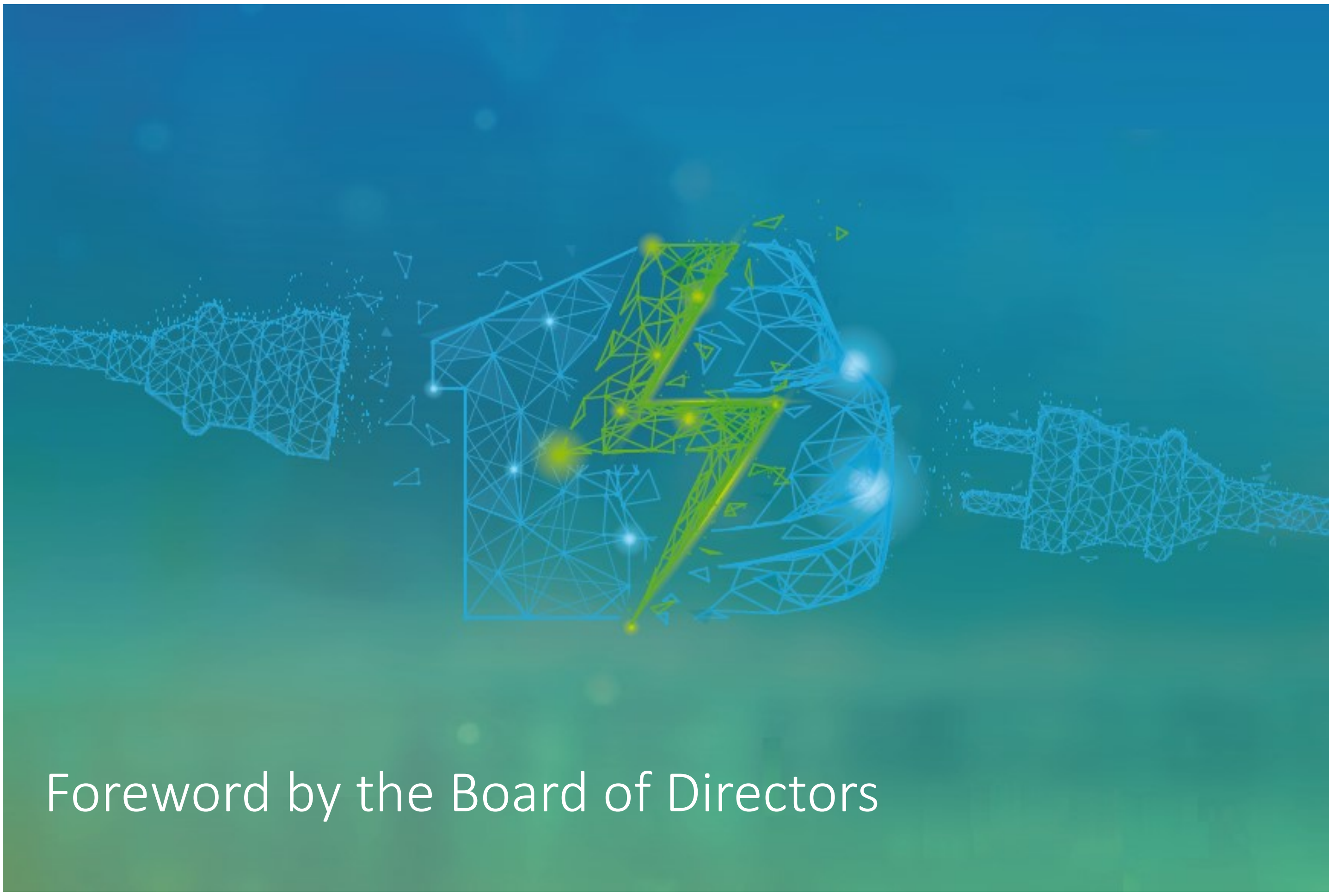


Foreword by the Board of Directors

Dear shareholders, employees and business associates,

The profitable growth registered in the previous months continued in the third quarter. In fact, the intensity of demand increased further and demand for our e-solutions, in particular, is high. In all, sales rose 26.9% year-on-year between July and September and net income was EUR 0.3 million. In the first nine months, sales increased by 61.9% to EUR 75.5 million and the EBIT margin was 3.9%. Both segments contributed equally to this success.

As you can see from the figures, at the end of the first nine months we are still well on track to achieve our targets for the full year. Nevertheless, the figures show that the pace of growth has slowed recently. While we successfully managed to decouple ourselves from the macroeconomic and sector-specific difficulties, we are now strongly noticing the impact of rising raw material prices and massive supply bottlenecks. Customers are more frequently postponing order call-offs, sometimes with less than one month's notice. Orders on hand are therefore becoming a less meaningful indicator and sales and capacity utilization are difficult to plan.

The resulting fluctuations on the production side are also affecting profitability and cash flows. In order to service existing orders, we have to keep inventories and personnel available, leading to overcapacity if order call-offs are cancelled at short notice. In some cases, we temporarily had to shut down production capacity and we are still not operating at full capacity. Moreover, compared with the prior-year period, costs have risen as short-time working has ended and we are increasingly feeling the effects of rising material prices.

To improve liquidity, we are currently doing our best to reduce inventories, which have increased significantly as a result of the short-term cancellation of order call-offs, and to cushion supply bottlenecks. In addition, progress is being made with the plan to set up a production facility for wage-intensive products in Eastern Europe. The Board of Directors has examined several options and has its eye on a site in the Ukraine, close to Kiev. The aim is still to start production in 2022 to reduce pressure on the present sites and generate additional growth opportunities for the Group as well as to improve the cost structure for wage-intensive products.

The supply bottlenecks and order deferrals are likely to continue into 2022 but we anticipate a significant boost from pent-up demand as soon as we are able to narrow the gap between demand and supply. The Center of Automotive Management (CAM) calculates that without the semiconductor crisis around 10 million more vehicles could be sold. The ifo institute has dubbed this a “bottleneck recession” and estimates the loss in value-added in German industry as a result of the supply bottlenecks at almost EUR 40 billion. While growth forecasts for 2021 have recently been reduced almost everywhere in the world, a significant upturn is forecasted for 2022.

In the automotive sector, hopes of growth are pinned principally on e-mobility. Germany passed the threshold of 1 million new registrations of electric vehicles in the first six months and the figures continued to increase in the following months. The vast majority of automotive suppliers are also focusing on e-mobility. According to a recent report by the German Automotive Industry Association (VDA) and Deloitte, more than 80% assume that electric drives will become established as the industry standard. However, this technology still only accounts for a low proportion of sales, averaging around 15%. InTiCa is already several steps ahead in this field. We already have extensive references for serially manufactured products and new developments, especially in the areas of inductive components and modular assemblies. The increased development and production of alternative drives for serial production will lead to a considerable hike in demand for InTiCa's products, from power electronics for energy generation to EMC filters for energy storage solutions and system solutions for hybrid and electric vehicles.

In the short term, we will not be discouraged by the difficult situation in the sector: based on new registrations, the German automotive industry looks set to register its worst year since reunification. Since orders on hand remain high at EUR 117 million, despite all the uncertainty, we expect business in the fourth quarter to be similar to the third quarter. Therefore, the Board of Directors is not altering its guidance for the full year. It still expects that in 2021 as a whole consolidated sales will rise to between EUR 85.0 million and EUR 100.0 million and the EBIT margin will be between 3.5% and 4.5%. While Group sales are currently expected to come in at the upper end of the range, the EBIT margin will probably be at the lower end of the forecast range. The main risk factors for the development of our business this year as well as in the first half of 2022 are new measures to check the rising rate of Covid infections and the continued uncertainty about the availability of materials and price trends.

In these challenging times, we are placing our trust in the ideas and commitment of our employees and we would like to take this opportunity to offer them our sincere thanks. We would also like to thank our customers and partners for their good collaboration and our shareholders for the trust they place in us.

Passau, November 2021

Yours,

Dr. Gregor Wasle	Günther Kneidinger
Chairman of the Board of Directors	Member of the Board of Directors

Company Boards

Left to right:
Christian Fürst,
Udo Zimmer,
Werner Paletschek,
Günther Kneidinger,
Gregor Wasle

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

Supervisory Board

Udo Zimmer

Chairman

Business administration graduate

Munich

- *Member of the Board of Management of REMA TIP TOP AG*

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[1)]

Despite the ongoing pandemic, the stock markets were far more stable in the reporting period than in 2020, which was an extremely volatile year with sharp drops in the benchmark indices around the world, followed by a strong year-end rally driven by registration of the first vaccines against Covid-19 and conclusion of the trade agreement between the EU and UK. In the first two months of this year, the DAX index traded around its starting point, followed by an uptick from March, bringing it to over 15,000 points. It subsequently rose steadily to a high for the reporting period of 15,977.44 points on August 13, 2021. This was followed by a slight price correction until the end of September, with the index ending the third quarter at 15,260.69, about 11.2% higher than at end-December 2020. The gain on the TecDAX was somewhat higher at 16.5%.

Shares in InTiCa were also exposed to considerable volatility in 2020, but rising sales and order intake led to a sharp hike in the share price in the fourth quarter of the year. Having ended 2020 with a pleasing gain of around 13.2%, shares in InTiCa Systems AG started the new year at EUR 8.65. Initially, the upward trend continued, driven, among other things, by the positive forecast for the previous financial year which was published at the end of January 2021. Starting from the year-to-date low of EUR 8.50 on January 5, 2021, the share price rose continuously until mid-February. It then traded sideways at between EUR 11.50 and EUR 12.00. Following publication of the annual report in April, price momentum increased as trading volume picked up again. In view of the very good figures for the first quarter of 2021, the share price rose to a year-to-date high of EUR 22.00 on May 25, 2021. That was also its highest level in the reporting period. The share price subsequently dropped considerably as trading volume declined and fell below EUR 13.00 at times. It then fluctuated between EUR 13.00 and EUR 17.00, ending the third quarter at EUR 15.00. That represents a gain of 74.4% since the start of the year, bringing InTiCa Systems' market capitalization to EUR 64.3 million at the end of the first nine months (December 31, 2020: EUR 36.9 million). At the start of the fourth quarter, the share price remained roughly stable; the closing price on November 1, 2021 was EUR 14.60.

In the first nine months of 2021, 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 2020 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]. The presentation given at this year's Annual General Meeting on July 16, 2021, which was held virtually again due to the ongoing coronavirus pandemic, is also available on the website. At the AGM, shareholders were able to inform themselves about fiscal 2020 and the current situation at InTiCa Systems AG.

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 December 7/8, 2021 as a hybrid event.

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

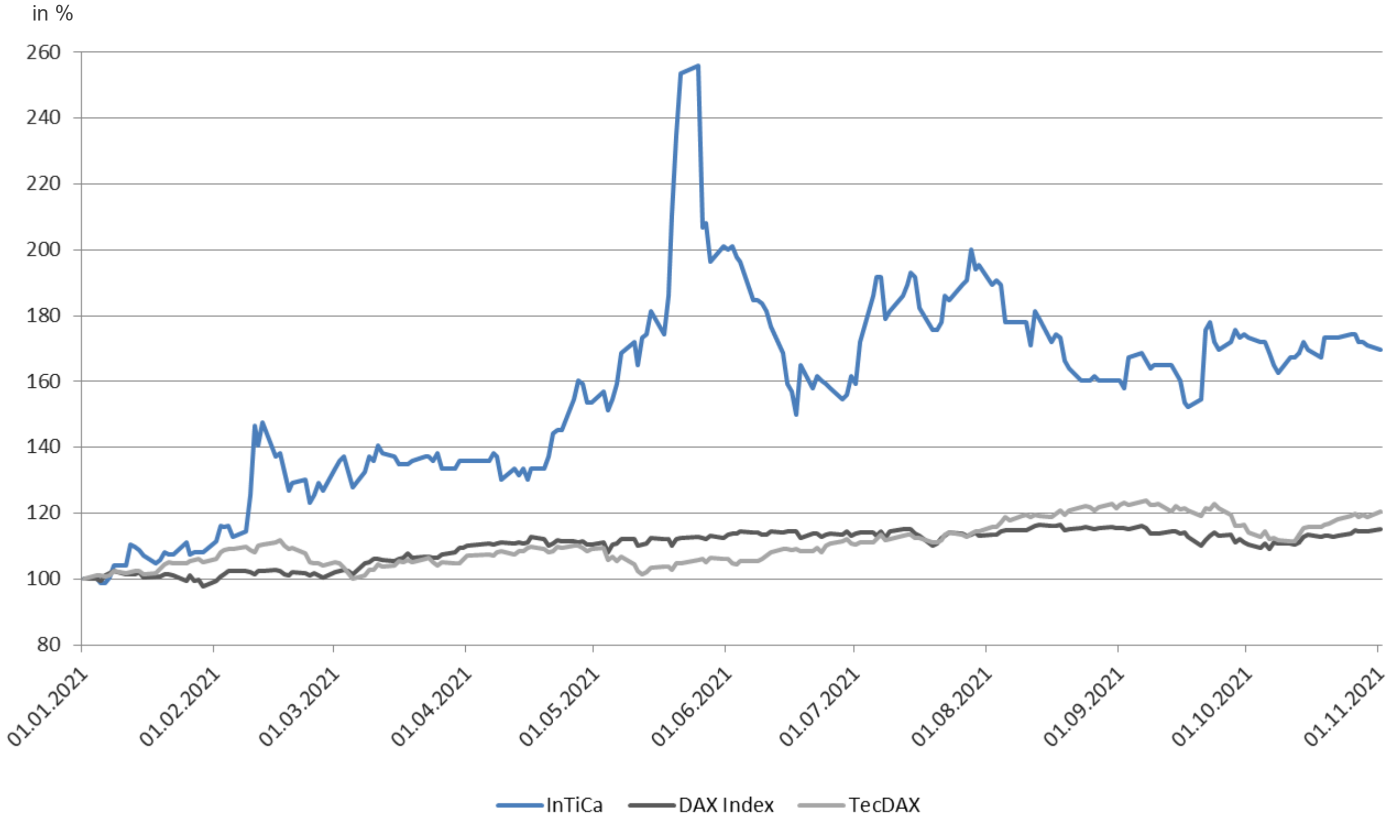
Designated Sponsor	BankM AG
Research Coverage	SMC Research
No. of shares	4,287,000
Trading exchanges	XETRA®, Frankfurt, Hamburg, Berlin, München, Stuttgart, Düsseldorf

Shareholder structure

Dr. Dr. Axel Diekmann	over 30%
Thorsten Wagner	over 25%
Tom Hiss	over 5%
InTiCa Systems AG	1.5%
Management	less than 1%

As of November 15, 2021

Share price performance



Interim Management Report of the Group

for the period from January 1 to September 30, 2021

Economic report

General economic conditions

Although the global economy is still recovering according to the Joint Economic Forecast published by Germany's leading economic research institutes in October 2021, the pace is moderate and faltering. While industry was still driving the global economic recovery at the start of the year, the worldwide upswing in manufacturing industry did not continue during the year. While global industrial output regained its pre-crisis level in autumn 2020 and exceeded it by around 3.5% at the start of 2021, it has stagnated since then. This is due to the end of the exceptional boom in demand for pandemic goods, electronic products and construction materials on the one hand and, on the other, the shortage of starting products and rising commodity prices. The HWWI commodity price index has more than doubled since spring 2020 because at times reduced supply coincided with unexpectedly high demand.

In particular, the shortage of semiconductors is a limiting factor worldwide, especially in the automotive industry. Since computer chip manufacturers can only gradually ramp up production to meet higher demand, many producers are finding it increasingly difficult to meet current demand. While bottlenecks in construction materials and commodity chemicals should be resolved as soon as logistics systems are running smoothly again, the semiconductor problem will probably affect the global economy for quite some time. Exacerbated by base effects, the sharp rise in commodity prices is accompanied by a perceptible increase in consumer price inflation. Although the latest increase in medium-term inflation expectations raises doubts that the rise in inflation is only temporary, fiscal and monetary policy is likely to remain stimulating for the foreseeable future.

In this environment, the specific economic trend in individual countries and regions differed enormously in the reporting period, affected to a large extent by the timing and strength of the coronavirus waves and the measures taken to combat them. New waves of infection at the start of the year held back the recovery in Germany. As infection rates ebbed in spring, the economy picked up, driven by the service sector and consumer spending. In the manufacturing industry, by contrast, there was a further significant decline in output in the third quarter, continuing the previous downward trend. Bottlenecks in the supply of materials and equipment led to lower imports of goods and weaker capital spending, which visibly hampered the economy. The ifo institute has dubbed this a “bottleneck recession” and estimates the loss in value-added in German industry as a result of the supply bottlenecks at almost EUR 40 billion. Although German GDP rose by 1.7% in the third quarter, following a rise of 1.6% in the second quarter, the economic institutes have therefore cut their growth forecast for 2021 as a whole significantly to 2.4% (spring forecast: 3.7%).

The trend was far more dynamic in the rest of Europe as many countries have far lower exposure to the present industrial supply bottlenecks because they have fewer international trade links and a stronger focus on the service sector. The growth forecast for the euro zone excluding Germany in 2021 is therefore 6.0%. The growth forecast for the UK is 6.4%, despite a shortage of workers, concerns about adequate energy supply in the winter and Brexit-related trade difficulties. The US economy recovered rapidly in the first six months of the year thanks to a strong rise in consumer spending. Although there are signs of a slowdown in the second half of the year, 5.6% growth is predicted for the full year. Mexico is also benefiting from the strength of the US economy. Overall, the Latin American economy is showing signs of a strong recovery with GDP expected to grow by 6.0%. In China, by contrast, economic momentum has dropped considerably since macroeconomic output returned to its pre-crisis trajectory at the end of last year. Although GDP rose more strongly in the second quarter, following only low growth at the start of the year, economic momentum slowed again in the summer, held back by widespread quarantine orders, the shortage of chips and a restrictive lending policy. Although macroeconomic output is only expected to increase slightly in the second half of the year, GDP is still expected to grow by 7.8% in 2021 as a whole.

In view of new waves of the coronavirus and ongoing supply bottlenecks, the global economic recovery is likely to slow further in the coming weeks. Capacity utilization in manufacturing industry dropped by 2.1 percentage points to 84.7% in October and there was a further drop in the business climate based on both the present situation and expectations. Higher infection rates are also dampening consumer sentiment and holding back further normalization of close-contact services. At the same time, prices of some industrial raw materials look set to remain high and could even rise. The economic institutes have therefore reduced their expectations for growth in global production this year considerably from 6.3% to 5.7%. Global progress with vaccinations and gradual resolution of the adverse impact of supply bottlenecks should bring an increasing improvement in economic conditions in the coming months. In their Joint Economic Forecast, the institutes therefore raised their global growth forecast for 2022 slightly to 4.2%.

The main economic risk remains an unfavourable development of the pandemic. New virus variants could bring further waves of infection, making it necessary to reintroduce protective measures, which could prolong the supply bottlenecks. In addition, in many countries and sectors there are signs of labour market shortages, which could lead to pay rises and a lasting increase in inflation forecasts. If rising inflation takes hold, this could necessitate a tighter monetary policy, causing problems for many countries with high levels of debt. It also remains to be seen how the financial situation in the corporate sector develops when state subsidies and credit programmes are scaled back and temporary moratoria on debt come to an end, as these have so far prevented a rise in bankruptcies. Moreover, there is still the smouldering risk of escalating trade conflicts, especially between the USA and China. Overall, the economic outlook continues to be dominated by considerable uncertainty, bringing renewed challenges for companies.

Market and market environment

Automotive

The international automotive markets are not really gaining momentum this year. While the start of the year was affected by ongoing lockdowns, closed showrooms and the expiry of incentive programmes, the frail recovery process was halted in the third quarter by the semiconductor crisis. Supply bottlenecks held back the satisfaction of orders on hand, so the pent-up demand that had built up during the pandemic came to nothing. While all major markets were able to report double-digit year-on-year growth in new car registrations in the first half of 2021, growth rates have dropped significantly as a result of the weak third quarter. This has resulted in a further increase in pent-up demand compared with the pre-crisis level.

This negative trend is particularly visible in Germany: according to the German Automotive Industry Association (VDA), in the period between July and September new registrations dropped by 25%, 23% and 26% compared with 2020. As a result the market was negative on a nine-month comparison. A total of 2.0 million vehicles were sold, a decline of 1%. Therefore, the number of new cars registered was down by a quarter compared with the first nine months of 2019. Exports were also 1% lower than in the prior-year period and production declined by 3% as a result of the bottlenecks in the supply of semiconductors.

The impact on the European market was similar and the anticipated growth in volumes also weakened considerably. While the year-on-year improvement was still 27% at the end of the first six months, according to the Center of Automotive Management (CAM) it was only 7% in the period up to and including September. Around 9.2 million vehicles were sold, a decline of 24.4% compared with 2019. The figures for China and the USA are slightly better. In China, registrations in the first three quarters of this year totalled 16.6 million (+25%), while in the USA around 11.8 million vehicles were registered, an increase of over 13%. Nevertheless, here too the trend is clearly negative, with US registrations down 14% year-on-year in the third quarter. The trend is similar in Japan, Brazil, Russia and India. Taken together, new car registrations in the seven most important automotive markets totalled 45.6 million in the reporting period. That was 16.8% more than in 2020 but 12.7% below the pre-crisis level.

Rising raw material prices and the global shortage of chips are likely to continue to impact the automotive sector in the remainder of the year. According to the latest ifo survey, on average industrial companies expect the problems to continue for another 8 months. Around 88% of companies in the automotive sector consider themselves to be affected. Output in the German automotive factories therefore declined by a further 38% in October. In Germany, there was a significant drop in both new vehicle registrations (-35%) and exports (-39%). The order situation also deteriorated, with export business in particular dropping considerably in October. That is also affecting business sentiment. The ifo sector barometer dropped to 8.5 points in October, down from 9.8 in September. In July it stood at 28.7 points.

Vehicle manufacturers and their suppliers currently have very different assessments of the situation. The vehicle manufacturers are forecasting rising production due to full order books and some are currently generating record profits because the chips that are in short supply are mainly used in more expensive vehicles and no discounts are being granted. By contrast, suppliers are particularly badly affected by production stoppages and low production rates because they are paid for the volume of components produced. They are also complaining about declining demand and are very cautious about the outlook for production. If key automotive suppliers should get into financial difficulty, this could put further pressure on the value chain and result in a further loss of output.

E-mobility remains a ray of light. Germany passed the threshold of 1 million new registrations of electric vehicles in the first six months and the figures continued to increase in the following months. According to the VDA, new registrations of electric vehicles increased by 13% to 54,400 in October, which was 30.4% of total new registrations. That was a further significant increase on the previous record set in September. The picture is similar for the European Union. According to the European Automobile Manufacturers Association (ACEA), contrary to the general trend, the number of electric cars sold in the third quarter increased by more than 40%.

Overall, however, the forecast for 2021 as a whole remains subdued. The CAM assumes that despite the pandemic-driven pent-up demand, all core regions will fall well short of the pre-crisis level. For Europe, only around 12 million new car registrations are expected and the forecast is for 15.2 million in the USA and 20.3 million in China. The CAM estimates that without the semiconductor crisis, around 10 million more vehicles could be sold. Europe is worst affected here, with demand outstripping supply by about 3.5 million cars.

Industry & Infrastructure

The German electrical and electronics industry exceeded expectations in the first six months and the positive trend continued in the third quarter. On a cumulative basis, the German Electrical and Electronic Manufacturers' Association (ZVEI) reports that between January and August (inclusive), aggregate sector revenues totalled EUR 128.6 billion, a year -on-year increase of 11.9%. While domestic sales rose by 10.4% to EUR 59.9 billion, export sales rose even faster, by 13.3% to EUR 68.7 billion. Sales of EUR 24.8 billion were generated with customers in the euro zone (+12.8%) and EUR 43.9 billion (+13.5%) came from third countries. Price-adjusted output in the electrical and electronics sector was up 12.3% year-on-year as of end-August.

This growth was driven primarily by strong demand. In the first eight months of this year, orders increased by 26.2% year-on-year and were almost 15% above the pre-crisis level of 2019. Foreign orders were the driving force. Export orders have increased by 31.3% so far this year, outpacing domestic orders (+20.4%). German exports of electrical and electronic goods amounted to EUR 144.7 billion in the eight months to August 2021, an increase of 12.3% compared with the prior-year period. Growth was particularly high in the euro zone, with a rise of 17.5% to EUR 46.7 billion, while electronic products with a total value of EUR 98.0 million were exported to third countries (+10.0%). The biggest individual market was once again China (+10.6% at EUR 16.5 billion), followed by the USA (+9.6% at EUR 12.5 billion) and France (+18.4% at EUR 8.7 billion).

Imports of electronics increased by 16.1% to EUR 137.9 billion in the first eight months of this year. China is by far the most important import partner, accounting for EUR 41.0 billion (+20.7%), followed by Poland (+42.8% at EUR 8.6 billion) and the USA (-4.2% at EUR 7.3 billion). However, ongoing material shortages and delivery problems remain a challenge for the electrical and electronics industry, with four out of five companies in the sector reporting difficulties, and in some cases considerable difficulties.

Nevertheless, companies in this sector increased their production plans further in September. The net balance of companies that plan to increase or decrease output in the next three months is now +38 percentage points (August: +34). Net export expectations also increased slightly and general business expectations, which dropped significantly in the previous month, picked up slightly. Looking ahead to the next six months, 24% of electrical and electronics companies now expect business to increase, 60% expect it to remain unchanged, and 16% anticipate a downward trend.

Overall, business sentiment in the German electrical and electronics industry declined slightly in September because the present situation can no longer be assessed so well.

Nevertheless, 53% of companies in the sector still rated their present situation as good, while 38% considered it to be stable and only 9% considered it to be poor. That said, employment plans were reduced again. At the last count, the German electrical and electronics sector had 869,500 employees. The number of people on short-time working decreased further to just 24,000.

Significant events in the reporting period

There were no events of material significance for the company in the reporting period.

Earnings, asset and financial position

InTiCa Systems AG continued to grow profitably in the third quarter and orders on hand remained at a high level of EUR 117 million. However, delivery delays and the rising price of materials, which have been affecting the entire industrial sector and the automotive industry in particular for some time, are increasingly being felt at InTiCa. Although the intensity of new requests recently increased further, an increasing number of order call-offs are being postponed. In the third quarter, sales were therefore below the record level of the first six months. Despite this, sales were 26.9% higher than in the prior-year period. Overall, sales rose 61.9% to EUR 75.5 million in the first nine months, with both segments contributing equally to this.

The first three quarters of 2021 were also encouraging in terms of earnings. EBITDA almost doubled and the other key figures were also clearly positive again, unlike in 2020. At 3.9%, the EBIT margin remains in line with the full-year forecast and the consolidated interim result amounted to EUR 1.9 million (9M 2020: minus EUR 1.1 million). However, increasing fluctuations in output as a consequence of the deferral of orders and short-term drops in order offtake led to overcapacity and rising costs in the third quarter. Moreover, the rising prices of starting products are increasingly impacting business. Most recently, margins were below the level for the reporting period as a whole.

The cash flow has also been affected by the recent order call-off patterns. Deferred orders have led to a further rise in inventories, which had already been increased in response to the present supply bottlenecks. As a result, the operating cash flow was clearly negative at minus EUR 2.2 million in the first nine months (9M 2020: EUR 1.9 million). Unlike the previous year, no new loans were taken out. Despite continued investment discipline, the total cash flow comprised an outflow of EUR 7.6 million in the first nine months (9M 2020: inflow of EUR 4.1 million), resulting in increased drawing on existing overdraft facilities. The equity ratio remained solid at 31.9% (December 31, 2020: 31.7%).

Earnings position

Group sales increased 61.9% year-on-year to EUR 75.5 million in the first nine months of 2021 (9M 2020: EUR 46.7 million). In the Automotive Technology segment, sales rose 65.9% to EUR 57.3 million (9M 2020: EUR 34.5 million) and the Industry & Infrastructure segment recorded a 50.3% increase to EUR 18.2 million (9M 2020: EUR 12.1 million).

At 64.1%, the ratio of material costs to total output in the reporting period was well above the prior-year level (9M 2020: 60.2%) due to a more material-intensive product mix and strained supply chains. By contrast, the personnel expense ratio (including agency staff) decreased from 22.0% to 21.3%. At the same time, other expenses increased from EUR 8.1 million in the prior-year period to EUR 10.7 million. This was primarily due to the expenses for agency staff, which increased from EUR 2.3 million in the first nine months of 2020 to EUR 4.8 million in the reporting period.

Depreciation of property, plant and equipment and amortization of intangible assets amounted to EUR 4.3 million (9M 2020: EUR 4.2 million), and spending on research and development was EUR 2.2 million (9M 2020: EUR 1.5 million). Development work focused principally on the e-solutions business.

EBITDA (earnings before interest, taxes, depreciation and amortization) increased disproportionally by 98.6% to EUR 7.2 million (9M 2020: EUR 3.6 million), with the EBITDA margin also well above the previous year's level at 9.6% (9M 2020: 7.8%). EBIT (earnings before interest and taxes) was also clearly positive at EUR 2.9 million, compared with negative EBIT of minus EUR 0.6 million in the first nine months of 2020. At segment level, Automotive reported EBIT of EUR 1.9 million in the first nine months of 2021 (9M 2020: minus EUR 0.6 million) and the Industry & Infrastructure segment reported EBIT of EUR 1.0 million (9M 2020: minus EUR 0.04 million).

The financial result was minus EUR 0.4 million in the reporting period (9M 2020: minus EUR 0.5 million). While tax income of EUR 7 thousand was recorded in the first nine months of 2020, the Group recorded tax expenses of EUR 0.6 million in the reporting period. Group net income therefore amounted to EUR 1.9 million in the first nine months (9M 2020: minus EUR 1.1 million). Earnings per share were EUR 0.44 (9M 2020: minus EUR 0.25).

As a result of currency translation gains of EUR 0.6 million (9M 2020: losses of EUR 1.6 million) from the translation of foreign business operations, total comprehensive income was EUR 2.4 million in the first nine months of 2021 (9M 2020: minus EUR 2.7 million).

Non-current assets

Non-current assets decreased to EUR 27.9 million as of September 30, 2021 (December 31, 2020: EUR 29.1 million). While non-current liabilities slipped slightly from EUR 23.5 million to EUR 22.7 million and intangible assets declined from EUR 3.9 million to EUR 3.7 million, deferred taxes were EUR 1.6 million, unchanged from December 31, 2020.

Current assets

Current assets increased to EUR 32.6 million as of September 30, 2021 (December 31, 2020: EUR 24.2 million). This was mainly attributable to the rise in inventories from EUR 11.7 million to EUR 18.0 million. The reasons for this were, on the one hand, the cancellation of order call-offs at short notice and, on the other, the prevailing supply bottlenecks. Trade receivables also increased from EUR 8.3 million to EUR 9.9 million. Other financial assets rose from EUR 0.6 million to EUR 0.9 million and other current receivables increased from EUR 2.2 million to EUR 2.3 million. Cash and cash equivalents totalled EUR 1.4 million on September 30, 2021 (December 31, 2020: EUR 1.5 million).

Liabilities

Current liabilities increased visibly to EUR 23.5 million in the reporting period (December 31, 2020: EUR 16.8 million). This was mainly attributable to the rise in financial liabilities from EUR 4.9 million to EUR 11.5 million as a result of the greater use of existing overdraft facilities. Other current provisions also increased to EUR 2.7 million (December 31, 2020: EUR 2.0 million), while tax liabilities rose to EUR 0.8 million (December 31, 2020: EUR 0.6 million) and other current financial liabilities increased to EUR 1.8 million (December 31, 2020: EUR 1.3 million). By contrast, trade payables decreased from EUR 6.6 million to EUR 5.9 million and other current liabilities dropped from EUR 1.5 million to EUR 0.8 million.

Non-current liabilities decreased from EUR 19.6 million to EUR 17.7 million as of September 30, 2021. Non-current liabilities to banks declined from EUR 13.6 million to EUR 12.4 million and other non-current liabilities dropped from EUR 4.3 million to EUR 3.7 million. At EUR 1.6 million, deferred taxes remained at the previous year's level (December 31, 2020: EUR 1.7 million).

Equity

Equity increased to EUR 19.3 million as of September 30, 2021 (December 31, 2020: EUR 16.9 million). The profit reserve, which was positive again at EUR 0.8 million due to the profit for the period, should be highlighted (December 31, 2020: minus EUR 1.0 million). The negative currency translation reserve also declined, from minus EUR 1.7 million to minus EUR 1.1 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 60.5 million at the end of the third quarter of 2021 (December 31, 2020: EUR 53.3 million). The equity ratio remained solid at 31.9% (December 31, 2020: 31.7%).

Liquidity and cash flow statement

The net cash flow from operating activities was minus EUR 2.2 million in the first nine months of 2021 (9M 2020: EUR 1.9 million). The year-on-year change was mainly due to the increase in inventories. Inventories are currently being reduced again, which is having a positive effect on the cash flow. Excluding tax expense and interest payments, the cash flow from operating activities was minus EUR 1.5 million (9M 2020: EUR 2.4 million).

The net cash outflow for investing activities was EUR 2.5 million in the reporting period (9M 2020: outflow of EUR 1.3 million). Investment in intangible assets was EUR 0.7 million (9M 2020: EUR 0.6 million) and investment in property, plant and equipment was EUR 1.8 million (9M 2020: EUR 0.7 million), above the prior-year level in both cases. In view of the ongoing coronavirus pandemic, capital expenditures remain cautious. The investments of around EUR 4.0 million in property, plant and equipment planned for the 2021 financial year will not be fully utilized. The principal items include expansion of production capacity in the Czech Republic and Mexico, investment in the replacement of equipment for established production lines and the purchase of new equipment as a result of technological progress.

The net cash outflow for financing activities was EUR 2.9 million in the first nine months of 2021 (9M 2020: inflow of EUR 3.6 million). Unlike the prior-year period, when a loan of EUR 6.0 million was taken out, there were no cash inflows from loans in the reporting period. The cash outflows in the reporting period included EUR 2.2 million for loan repayments (9M 2020: EUR 1.8 million) and EUR 0.7 million for lease payments (9M 2020: EUR 0.7 million).

This resulted in a total cash outflow of EUR 7.6 million in the reporting period (9M 2020: inflow of EUR 4.1 million). Cash and cash equivalents (less overdrafts) were minus EUR 7.9 million (September 30, 2020: minus EUR 2.7 million). As of the reporting date, InTiCa Systems AG also had assured credit facilities which could be drawn at any time totalling EUR 12.0 million.

Employees

The headcount was 858 on September 30, 2021 (September 30, 2020: 799). 161 of these employees were agency staff (September 30, 2020: 312). On average, the Group had 913 employees in the reporting period (9M 2020: 722), including agency staff in both cases. The above-average increase is due to the high capacity required in the reporting period, particularly in the first two quarters.

Risks and opportunities

The management report in the annual report for 2020 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 figures for the present financial year show that InTiCa Systems AG is well-positioned to benefit durably from future trends such as end-to-end electrification of the automotive sector, industry and infrastructure. Over 55% of Group sales now come from hybrid technology and e-mobility. The development and manufacture of series-ready alternative drives will continue to fuel a considerable rise in demand for InTiCa Systems’ performance electronics and stator systems in the medium term. The company already has extensive references for serially manufactured products and new developments, especially in the area of inductive components and assemblies as elements in these key technologies.

Demand for e-solutions remains high. This is reflected in orders on hand of EUR 117 million (September 30, 2020: EUR 117 million), which reflect customers’ requirements for a period of 18 months. 78% of orders were for the Automotive Technology segment (September 30, 2020: 76%). However, in the present situation orders on hand are a less meaningful indicator. Due to supply bottlenecks and delivery delays for many products, customers are repeatedly postponing the offtake of orders, sometimes with less than one month's notice. The deferral of orders is currently rising and this trend is expected to continue into 2022.

The resulting fluctuations on the production side are also affecting profitability. Inventories and personnel have to be kept available to service existing orders, leading to overcapacity if order call-offs are cancelled at short notice. In some cases, InTiCa had to temporarily shut down production capacity and is currently still not operating at full capacity. Moreover, compared with the prior-year period, costs have risen as short-time working has ended and InTiCa is increasingly feeling the effects of rising material prices.

Progress is being made with the plan to set up a production facility for wage-intensive products in Eastern Europe. The Board of Directors has examined several options and has its eye on a site in the Ukraine, close to Kiev. The aim is still to start production in 2022 to reduce pressure on the present sites and generate additional growth opportunities for the Group.

The main risk factors for the development of business this year are new measures to check the rising rate of Covid infections and the continued uncertainty about the availability of materials and price trends. In view of this, the Board of Directors expects the development in the fourth quarter to be similar to the third quarter. Therefore, it is not altering its guidance for the full year. It still expects that in 2021 as a whole consolidated sales will rise to between EUR 85.0 million and EUR 100.0 million and the EBIT margin will be between 3.5% and 4.5%. While Group sales are currently expected to come in at the upper end of the range, the EBIT margin will probably be at the lower end of the forecast range. The material cost ratio should be optimized further in both segments, in line with the product portfolio, and the equity ratio should remain stable.

Further information on the segments can be found in the annual report for 2020 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 September 30, 2021, 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 half year 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 September 30, 2021

Consolidated Balance Sheet

of InTiCa Systems AG in accordance with IFRS as of September 30, 2021

Assets	Sep 30, 2021 EUR ´000	Dec 31, 2020 EUR ´000
Non-current assets		
Intangible assets	3,659	3,932
Property, plant and equipment	22,680	23,549
Deferred taxes	1,595	1,606
Total non-current assets	**27,934**	**29,087**
Current assets		
Inventories	17,994	11,687
Trade receivables	9,935	8,250
Tax assets	2	36
Other financial assets	919	582
Other current receivables	2,311	2,200
Cash and cash equivalents	1,394	1,473
Total current assets	**32,555**	**24,228**
Total assets	**60,489**	**53,315**

Equity and liabilities

	Sep 30, 2021 EUR ´000	Dec 31, 2020 EUR ´000
Equity		
Capital stock	4,287	4,287
Treasury stock	-64	-64
General capital reserve	15,389	15,389
Profit reserve	823	-1,047
Currency translation reserve	-1,112	-1,677
Total equity	**19,323**	**16,888**
Non-current liabilities		
Interest-bearing non-current liabilities	12,366	13,572
Other liabilities	3,696	4,324
Deferred taxes	1,618	1,682
Total non-current liabilities	**17,680**	**19,578**
Current liabilities		
Other current provisions	2,706	2,033
Tax payables	842	562
Interest-bearing current financial liabilities	11,483	4,858
Trade payables	5,865	6,565
Other financial liabilities	1,775	1,290
Other current liabilities	815	1,541
Total current liabilities	**23,486**	**16,849**
Total equity and liabilities	**60,489**	**53,315**
Equity ratio	31.9%	31.7%

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 September 30, 2021

	Q3 2021 EUR ´000	Q3 2020 EUR ´000	9M 2021 EUR ´000	9M 2020 EUR ´000	Change 2021 vs. 2020
Sales	**21,815**	**17,187**	**75,531**	**46,662**	**+61.9%**
Other operating income	434	420	1,575	1,059	+48.7%
Changes in finished goods and work in process	13	-165	737	-468	-
Other own costs capitalized	213	151	640	516	+24.0%
Material expense	13,885	10,543	49,303	28,105	+75.4%
Personnel expense	3,765	2,665	11,273	7,974	+41.4%
Depreciation and amortization	1,423	1,461	4,316	4,234	+1.9%
Other expenses	2,836	3,058	10,679	8,051	+32.6%
Operating profit (EBIT)	**566**	**-134**	**2,912**	**-595**	**-**
Cost of financing	151	154	398	472	-15.7%
Other financial income	0	0	0	0	-
Profit before taxes	**415**	**-288**	**2,514**	**-1,067**	**-**
Income taxes	107	26	643	-7	-
Net profit for the period	**308**	**-314**	**1,871**	**-1,060**	**-**
Other comprehensive income					
Exchange differences from translating foreign business operations	-22	-74	564	-1,628	-
Other comprehensive income, after taxes	**-22**	**-74**	**564**	**-1,628**	**-**
Total comprehensive income for the period	**286**	**-388**	**2,435**	**-2,688**	**-**
Earnings per share (diluted/basic in EUR)	0.07	-0.07	0.44	-0.25	-
EBITDA	**1,989**	**1,327**	**7,228**	**3,639**	**+98.6%**

Consolidated Cash Flow Statement

of InTiCa Systems AG in accordance with IFRS for the period from January 1 to September 30, 2021

	Jan 1 - Sep 30, 2021 EUR ´000	Jan 1 - Sep 30, 2020 EUR ´000
Cash flow from operating activities		
Net profit for the period	1,871	-1,060
Income tax expenditures / receipts	643	-7
Cash outflow for borrowing costs	398	472
Income from financial investments	0	0
Depreciation and amortization of non-current assets	4,316	4,234
Other non-cash transactions		
Net currency gains/losses	41	-200
Increase/decrease in assets not attributable to financing or investing activities		
Inventories	-6,307	-505
Trade receivables	-1,685	-2,473
Other assets	-448	541
Increase/decrease in liabilities not attributable to financing or investing activities		
Other current provisions	673	813
Trade payables	-701	132
Other liabilities	-265	455
Cash flow from operating activities	**-1,464**	**2,402**
Cash outflow for income taxes	-394	-25
Cash outflow for interest payments	-374	-471
Net cash flow from operating activities	**-2,232**	**1,906**
Cash flow from investing activities		
Cash inflow from interest payments	0	0
Cash outflow for intangible assets	-714	-579
Cash outflow for property, plant and equipment	-1,821	-741
Net cash flow from investing activities	**-2,535**	**-1,320**
Cash flow from financing activities		
Cash inflow from loans	0	6,000
Cash outflow for loan repayment installments	-2,162	-1,768
Cash outflow for liabilities under finance leases	-704	-672
Net cash flow from financing activities	**-2,866**	**3,560**
Total cash flow	**-7,633**	**4,146**
Cash and cash equivalents at start of period	-285	-6,959
Impact of changes in exchange rates on cash and cash equivalents held in foreign currencies	-27	130
Cash and cash equivalents at end of period	**-7,945**	**-2,683**

Consolidated Statement of Changes in Equity

of InTiCa Systems AG in accordance with IFRS for the period from January 1 to September 30, 2021

	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
As of January 1, 2020	**4,287**	**-64**	**15,389**	**-929**	**-714**	**17,969**
Net result 9M 2020	0	0	0	-1,060	0	-1,060
Other comprehensive income, after taxes 9M 2020	0	0	0	0	-1,628	-1,628
Total comprehensive income for 9M 2020	0	0	0	-1,060	-1,628	-2,688
As of September 30, 2020	**4,287**	**-64**	**15,389**	**-1,989**	**-2,342**	**15,281**
As of January 1, 2021	**4,287**	**-64**	**15,389**	**-1,047**	**-1,677**	**16,888**
Net result 9M 2021	0	0	0	1,871	0	1,871
Other comprehensive income, after taxes 9M 2021	0	0	0	0	564	564
Total comprehensive income for 9M 2021	0	0	0	1,871	564	2,435
As of September 30, 2021	**4,287**	**-64**	**15,389**	**824**	**-1,113**	**19,323**

Notes to the Consolidated Interim Financial Statements

for the period from January 1 to September 30, 2021

Accounting based on the International Financial Reporting Standards (IFRS)

The consolidated interim financial statements of InTiCa Systems AG as of September 30, 2021, 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 2020, 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 nine-month period ending on September 30, 2021. Comparative data refer to the consolidated financial statements as of December 31, 2020, or the consolidated interim financial statements as of September 30, 2020. 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 2020. 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. Compared with 9M 2020, there has been no change in the scope of consolidation of InTiCa Systems AG.

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:

	Closing rates		
	Sep 30, 2021	Dec 31, 2020	Sep 30, 2020
	EUR 1	EUR 1	EUR 1
Czech Republic	CZK 25.495	CZK 26.245	CZK 27.210
USA	USD 1.157	USD 1.228	USD 1.171
Mexico	MXN 23.532	MXN 24.405	MXN 26.337

	Average rates		
	Sep 30, 2021	Dec 31, 2020	Sep 30, 2020
	EUR 1	EUR 1	EUR 1
Czech Republic	CZK 25.735	CZK 26.444	CZK 26.373
USA	USD 1.196	USD 1.142	USD 1.125
Mexico	MXN 24.157	MXN 24.482	MXN 24.532

Segment information

The notes to the consolidated financial statements in the annual report for 2020 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, 2020.

In response to the increase in applications for our products and the increasing industrialization of the Group, in the reporting period InTiCa decided to rename the Automotive Technology and Industrial Electronics segments “Automotive” and “Industry & Infrastructure”. This has not affected the allocation of Group sales between the segments.

Consolidated income statement

Group sales rose to EUR 75,531 thousand in the first nine months of 2021, up from EUR 46,662 thousand in 9M 2020. There was an increase in sales in both the Automotive segment and the Industry & Infrastructure segment. EBITDA improved from EUR 3,639 thousand to EUR 7,228 thousand. Group net income was EUR 1,871 thousand in the reporting period, compared with minus EUR 1,060 thousand in the first nine months 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 32% as of September 30, 2021 (December 31, 2020: 32%) shows that the company is still soundly financed.

The net cash flow for operating activities was minus EUR 2,232 thousand in the first nine months of 2021 (9M 2020: EUR 1,906 thousand). The total cash flow in the reporting period was minus EUR 7,633 thousand (9M 2020: EUR 4,146 thousand). Cash and cash equivalents therefore declined from minus EUR 285 thousand as of December 31, 2020 to minus EUR 7,945 thousand as of September 30, 2021. Equity and liabilities changed as follows in the reporting period: equity increased to EUR 19,323 thousand (December 31, 2020: EUR 16,888 thousand), whereas non-current liabilities decreased to EUR 17,680 thousand (December 31, 2020: EUR 19.578 thousand). At the same time, current liabilities rose to EUR 23,486 thousand (December 31, 2020: EUR 16,849 thousand). On the assets side of the balance sheet, non-current assets declined to EUR 27,934 thousand (December 31, 2020: EUR 29,087 thousand), while current assets increased to EUR 32,555 thousand (December 31, 2020: EUR 24,228 thousand).

Events after the reporting date

No material events have occurred since the reporting date on September 30, 2021.

German Corporate Governanace 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, 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%. Mr. Thorsten Wagner (Germany) and Dr. Diekmann (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 September 30, 2021, InTiCa Systems AG still had treasury stock amounting to 64,430 shares (September 30, 2020: 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 1.6 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 September 30, 2021
Segment sales and segment earnings

Segment	Automotive Technology		Industrial Electronics		Total	
in EUR ´000	**9M 2021**	9M 2020	**9M 2021**	9M 2020	**9M 2021**	9M 2020
Sales	**57,317**	34,547	**18,214**	12,115	**75,531**	46,662
EBIT	**1,944**	-559	**968**	-36	**2,912**	-595

Key financial figures	**9M 2021 EUR ´000 or %**	**9M 2020 EUR ´000 or %**	**Change 2021 vs. 2020**
EBITDA	**7,228**	3,639	+98.6%
Net margin	**2.5%**	-2.3%	
Pre-tax margin	**3.3%**	-2.3%	
Material cost ratio (in terms of total output)	**65.3%**	60.2%	
Personnel cost ratio	**21.3%**	22.0%	
EBIT margin	**3.9%**	-1.3%	
Gross profit margin	**35.7%**	38.8%	

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, November 17, 2021

The Board of Directors

Dr. Gregor Wasle
Chairman of the
Board of Directors

Günther Kneidinger
Member of the
Board of Directors

Financial Calendar 2021

November 18, 2021	Publication of Interim Financial Statements for Q3 2021
December 8, 2021	Presentation at the Munich Capital Market Conference 2021
December 31, 2021	End of the financial year

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