



IMPORTANT BUSINESS TRANSACTIONS IN THE THIRD QUARTER 2025



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Economic situation

Resilience in turbulent times – robustness through international diversification

During the third quarter of 2025, geopolitical conflicts, protectionism and climate disasters weighed on the global economy. Consequently, the International Monetary Fund (IMF) is expecting a decline in global growth for 2025 and 2026. In this environment, init's business model has proven robust and resilient. Encouraging growth was achieved in terms of revenue, earnings and order intake. Despite global uncertainties, the Management Board continues to expect the annual targets set in July to be met.

However, unresolved trade and customs conflicts, renewed armed conflicts in the Middle East, unpredictable key players in world politics and natural disasters caused by climate change remain a concern. Rather than decreasing, the risk factors for predictable economic development have increased in the third quarter of the current financial year. The International Monetary Fund (IMF) has also noted in its latest forecast that globally accepted rules and long-standing principles governing the global economy are being called into question and are subject to increasingly rapid change.

According to the IMF, global growth is expected to slow from 3.3 per cent in 2024 to 3.2 per cent in 2025 and 3.1 per cent in 2026. This reflects the prevailing uncertainty caused by increasingly protectionist tendencies in the exchange of goods between major economic blocs such as China, Europe and the USA. Growth of around 0.5 per cent is now forecast for advanced economies in 2025/26, while growth in the United States is expected to slow to 2.0 per cent.

Economic actors must therefore prepare for an environment characterised by stronger protectionism and ongoing political uncertainty. Further escalation of protectionist measures, including non-tariff trade



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barriers, could lead to postponed investments, disrupted supply chains and failed productivity growth targets of fiscal policy programmes. Since the end of the reporting period, a new source of uncertainty has emerged in the form of the limited availability of semiconductor chips and rare earths as industrial raw materials in Europe. The IMF therefore advises countries to undertake reforms without delay to strengthen their resilience to shocks in the global economic landscape. In particular, investment in digitalisation should be doubled to boost resilience and growth prospects.

The digitalisation of workflows and processes has always been init's core competence. Based on a comprehensive, integrated product portfolio tailored to the needs of its customers - transport companies worldwide - and on customer relationships developed through over 1,400 projects in all climate zones on four continents, init's business model has proven to be highly robust in this environment.

Despite this challenging environment, init recorded revenue growth of almost 34 per cent in the third quarter and increased EBIT to EUR 8.6 million. Cash conversion remains solid. init's global, integrated and thus diversified approach clearly leads to a high degree of resilience. Some slight weaknesses in individual smaller scale business activities were offset by growth in large-scale projects, particularly in North America. In order to further increase this resilience and improve long-term profitability, the management is currently working on further structural and process improvement.

Orders

In the third quarter, init acquired new orders with a total volume of EUR 64.3m (Q3 2024: EUR 57.3m). Significant momentum came from follow-up orders from major customers in North America. Incoming orders for the third quarter are EUR 7.0m above previous year's level. Cumulated analysis shows decreased incoming orders of EUR 215.1m as at 30 September 2025; a reduction of EUR 147.2m compared to the historically strong figure in the previous year (30 September 2024: EUR 362.3m), which was characterised by orders for two major projects (MARTA and Tfl) in the first quarter 2024.

As a result of strong performance in major projects and the depreciation of the US dollar, the order backlog decreased by around EUR 50.9m compared to the previous year (30 September 2024: EUR 392.5m) to EUR 341.6m as at 30 September 2025.

Changes in the basis of consolidation

There have been no changes to the basis of consolidation until 30 September 2025.

In the same quarter of the previous year, the DILAX group was consolidated for the first time.

Financial performance, financial position and cash flows

Traditionally, over the course of the financial year, the init group's revenue distribution fluctuates, with the first three quarters generally being weaker in terms of revenue and the fourth quarter being the strongest.

In the third quarter of 2025, the init group generated revenues of EUR 85.1m (Q3 2024: EUR 63.6m). In nominal terms, this represents an increase of 33.8 per cent. The DILAX group was acquired on 6th September 2024, meaning revenues in Q3 of the previous year were only included pro rata.

As a result, revenues in the first nine months of the year totalled EUR 226.9m, marking an increase of around 27.4 per cent compared to previous year's figure (EUR 178.1m). Overall, the management continues to assume that the forecast will be achieved.



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Breakdown of revenues by region on a nine-month view:

in million EUR	01/01-30/09/2025	%	01/01-30/09/2024	%
Germany	69.0	30.4	61.3	34.4
Rest of Europe	54.8	24.2	38.8	21.8
North America	86.6	38.2	63.4	35.6
Other countries (Australia, UAE)	16.5	7.2	14.6	8.2
Total	226.9	100.0	178.1	100.0

Revenues based on customer's location.

Gross profit in the third quarter of 2025 amounted to EUR 32.8m (Q3 2024: EUR 22.2m). The gross margin of 38.6 per cent is above the previous year's level of 35.0 per cent. This is mainly due to an improved business mix significantly influenced by strong follow-up deliveries compared with the previous year. This was compounded by catch-up effects from previous quarters. The cumulative gross profit of EUR 81.8m is above the previous year's level (30 September 2024: EUR 60.9m).

Sales and administrative expenses in Q3 2025 amounted to EUR 18.7m (Q3 2024: EUR 14.6m). The cost increases are primarily due to the acquisition and initial consolidation of the DILAX group, as well as higher personnel costs resulting from inflation and increased headcount as well as rising costs for digital tools and IT security. As at 30 September 2025, sales and administrative expenses totalled to EUR 53.5m (30 September 2024: EUR 41.8m), around EUR 11.7 m higher than the previous year.

Research and development expenses in the third quarter of 2025 amounted to EUR 5.3m (Q3 2024: EUR 3.8m). In addition, EUR 3.6m were capitalised as development costs in the third quarter of 2025 (Q3 2024: EUR 3.0m). In the first three quarters of 2025, research and development expenses amounted to EUR 14.4m, around EUR 4.6m above the previous year's level of EUR 9.8m. An additional EUR 10.5m were capitalised as development costs during the year (previous year: EUR 7.6m). In the current financial year, 11.0 per cent of revenues were invested in research and development.

Foreign exchange losses amounted to EUR -0.4m (Q3 2024: EUR 0.8m foreign exchange gain) in the third quarter of 2025. As at 30 September 2025, accumulated foreign exchange gains amounted to EUR 0.4m (30 September 2024: EUR 0.6m). The movement is mainly related to unrealised exchange rate gains and losses from the valuation of receivables and liabilities as well as inventories in foreign currencies. This was largely due to the weakening of the US dollar at the reporting date compared to the previous quarter.

Earnings before interest and tax (EBIT) for the third quarter of 2025 amounted to EUR 8.7m (Q3 2024: EUR 5.0m) and increased to EUR 15.2m as at 30 September 2025 (30 September 2024: EUR 11.7m). In addition to the increase in revenue, the rise in the quarter was mainly driven by the aforementioned effects on gross profit and a disproportionately low increase in sales and administrative expenses. EBIT for the third quarter is in line with management's expectations. Management continues to expect that the targets set in the full-year 2025 forecast will be achieved.

Net interest income (balance of interest income and interest expense) amounted to EUR -0.9m in the third quarter 2025 (Q3 2024: EUR -0.8m) and has deteriorated on both a quarterly and a year-to-date basis (30 September 2025: EUR -2.2m; 30 September 2024: EUR -1.7m) due to an increased average credit volume. The credit volume has especially increased due to DILAX group acquisition financing.



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Net profit for the third quarter of 2025 amounts to EUR 5.4m (Q3 2024: EUR 3.3m). As at 30 September 2025, the accumulated profit is EUR 9.1m (30 September 2024: EUR 7.9m). This corresponds to earnings per share of EUR 0.94 (30 September 2024: EUR 0.82).

Total comprehensive income for the third quarter of 2025 amounted to EUR 5.3m (Q3 2024: EUR 0.7m). As at 30 September 2025 it decreased to EUR 3.0m (30 September 2024: EUR 7.8m) mainly as a result of lower net income and losses from currency translation of foreign group companies, mainly USD related, recognised directly in equity.

Cash flow from operating activities in the third quarter of 2025 amounted to EUR 8.2m (Q3 2024: EUR 8.1m). Compared to the same period of the previous year, cash flow increased significantly to EUR 33.3m (30 September 2024: EUR 8.0m). The cumulative increase in the operating cash flow is primarily due to advance payments received from major projects, as well as higher net profit and increased non-cash depreciation and amortisation expenses.

Cash flow from investing activities in the third quarter 2025 amounted to EUR - 4.2m (Q3 2024: EUR - 12.1m). As at 30 September 2025, cash flow from investing activities amounted to EUR - 13.6m (30 September 2024: EUR - 19.3m). The change is mainly due to the acquisition of the DILAX group which had a cash impact last year. However, this was offset by the expansion of development services for internally generated software.

Cash flow from financing activities in the third quarter 2025 amounted to EUR 1.3m (Q3 2024: EUR 18.3m). As at 30 September 2025, cash flow from financing activities amounted to EUR -7.9m (30 September 2024: EUR 21.6m) and beside the dividend payment, mainly includes the raising of short-term euro loans and the repayment of existing loans. In the previous year the acquisition financing of the DILAX group in particular led to a high cash inflow.

Equity amounted to EUR 129.3m, which is lower than at the end of the year (31 December 2024: EUR 134.3m). In addition to the dividend payment, negative foreign exchange translation effects in other comprehensive income led to a reduction in equity. Consequently, the **equity ratio** fell to 40.6 per cent compared to the end of the year (31 December 2024: 42.9 per cent).

Personnel

In the first nine months of 2025, the init group counted on average 1,560 employees (30 September 2024: 1,307) including temporary workers, research assistants, and students doing thesis work. 286 employees were employed on a part-time basis (30 September 2024: 255).

In light of the current volatile global economic situation, and in order to support the group's sustainable growth, job vacancies were reviewed individually and filled with careful consideration of costs and productivity.

Number of employees by region on a nine-month view:

	01/01/-30/09/2025	01/01/-30/09/2024
Germany	1,206	1,012
Rest of Europe	153	109
North America	174	160
Other countries	27	26
Total	1,560	1,307



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Opportunities and risks

The opportunities and risks that could have a significant influence on the net assets, financial position and results of operations of the init group are presented in our Annual Report 2024 on pages 56 et seqq. and in particular from p. 63 et seq. onwards. The opportunities and risks described in the Annual Report 2024 essentially continue to exist unchanged.

In line with the IMF's perspective (see above), the init group still sees considerable uncertainty regarding development in the coming months, which could have a particular impact on the award of contracts in tenders.

All risks are regularly analysed and appropriate measures are initiated or precautions taken. In our opinion, there are no risks that are capable of jeopardising the continued existence of the company.

Forecast and outlook

After the first nine months of the 2025 financial year, the init group is on track to meet its annual targets. The key figures achieved in the third quarter provide a solid foundation for this, and the Management Board anticipates further catch-up effects in the fourth quarter, which is usually the strongest in terms of earnings and revenue. We are maintaining our **revenue target** for the 2025 financial year at **EUR 340– 370 million**. Operating earnings before interest and taxes (**EBIT**) are expected to amount to **EUR 32–35 million**.

Based on the current situation, as outlined in the section on macroeconomic and sector-specific developments in the annual report and half-year report, we anticipate further opportunities to provide our customers with new technologies and IT solutions in the future. The demand for intelligent solutions in this area has been strengthened by climate policy goals, continued demographic change and the resulting global shortage of skilled workers.

init will continue to strongly focus on research and development activities in order to further advance current trends such as digital transformation, electromobility, transport networking, and autonomous driving. We see considerable potential for further growth in this technological development, boosted by investment programmes for climate-friendly transport infrastructure launched in Germany, the European Union and the US. We are confident that the positive business development we have already set in motion will continue, as these programmes are likely to generate additional momentum. However, the precise timing of entry is currently more difficult to predict, given the significant political fluctuations, particularly in the US.

Additional information

This quarterly statement and the information contained therein are unaudited.

Overall, we still see major uncertainty in the development of the economy over the next few months, which could have a particular impact on the awarding of contracts in tenders.

The actual results in terms of revenue and EBIT may differ substantially from the forecasted figures if new risk factors occur or assumptions about planning prove to be incorrect.



IMPORTANT BUSINESS TRANSACTIONS IN THE THIRD QUARTER 2025

CONSOLIDATED INCOME STATEMENT

from 1 January 2025 to 30 September 2025 (IFRS) with comparative values (unaudited)

EUR'000	01/07 to 30/09/2025	01/07 to 30/09/2024	01/01 to 30/09/2025	01/01 to 30/09/2024
Revenue	85,116	63,632	226,881	178,124
Cost of sales	-52,267	-41,385	-145,032	-117,245
Gross profit	32,849	22,247	81,849	60,879
Sales and marketing expenses	-8,996	-7,472	-26,307	-21,852
General administrative expense	-9,707	-7,176	-27,238	-19,979
Research and development expenses	-5,279	-3,842	-14,397	-9,829
Other operating income	320	561	1,312	2,299
Other operating expenses	-143	-128	-446	-405
Foreign currency gains and losses	-389	817	387	617
Earnings before interest and taxes (EBIT)	8,655	5,007	15,160	11,730
Interest income	80	52	192	311
Interest expenses	-1,001	-834	-2,411	-1,976
Earnings before taxes (EBT)	7,734	4,225	12,941	10,065
Income taxes	-2,285	-904	-3,821	-2,155
Net profit	5,449	3,321	9,120	7,910
thereof attributable to equity holders of parent company	5,453	3,323	9,327	8,139
thereof non-controlling interests	-4	-2	-207	-229
Earnings and diluted earnings per share in EUR	0.55	0.34	0.94	0.82
Average number of floating shares	9,931,034	9,876,143	9,912,994	9,916,315

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

from 1 January 2025 to 30 September 2025 (IFRS) with comparative values (unaudited)

EUR'000	01/07 to 30/09/2025	01/07 to 30/09/2024	01/01 to 30/09/2025	01/01 to 30/09/2024
Net income	5,449	3,321	9,120	7,910
Items to be reclassified to the income statement:				
Net gains (+) / losses (-) on currency translation	-121	-2,659	-6,132	-155
Total other comprehensive Income	-121	-2,659	-6,132	-155
Total comprehensive Income	5,328	662	2,988	7,755
thereof attributable to equity holders of the parent company	5,332	664	3,195	7,984
thereof non-controlling interests	-4	-2	-207	-229



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CONSOLIDATED BALANCE SHEET

as of 30 September 2025 (IFRS) with comparative values (unaudited)

EUR'000	30/09/2025	30/09/2024	31/12/2024
Cash and cash equivalents	33,335	37,713	23,523
Marketable securities and bonds	27	30	30
Trade accounts receivable	39,286	35,426	47,803
Contract assets	44,543	39,016	39,929
Receivables from related companies	2	7	40
Inventories	52,297	58,708	57,213
Income tax receivable	3,447	438	2,753
Other current assets	7,258	5,525	6,674
Current assets, total	180,195	176,863	177,965
Property, plant and equipment and right-of-use assets	67,015	69,730	70,912
Investment property	1,118	1,332	1,124
Goodwill	13,326	18,708	13,326
Other intangible assets	50,645	36,918	44,105
Interests in associated companies	727	634	929
Deferred tax assets	3,315	3,093	2,538
Other non-current assets	2,523	2,340	2,133
Non-current assets, total	138,669	132,755	135,067
Assets, total	318,864	309,618	313,032
Bank loans	49,077	49,176	39,418
Trade accounts payable	10,664	11,554	13,580
Contract liabilities	31,046	25,928	20,392
Advance payments received	4,151	1,578	1,597
Income tax payable	2,322	0	3,615
Provisions	3,580	5,301	4,319
Lease liabilities	5,471	4,949	5,020
Other liabilities	19,232	15,972	19,661
Current liabilities, total	125,543	114,458	107,602
Bank loans	24,790	31,794	29,973
Deferred tax liabilities	7,116	7,640	7,440
Pensions accrued and similar obligations	7,806	8,508	7,807
Provisions	1,949	2,052	1,748
Lease liabilities	22,331	23,510	24,150
Other non-current liabilities	0	128	0
Non-current liabilities, total	63,992	73,632	71,118
Liabilities, total	189,535	188,090	178,720
Attributable to equity holders of the parent company			
Subscribed capital	10,040	10,040	10,040
Additional paid-in capital	6,226	5,936	7,734
Treasury shares	-2,970	-4,463	-4,463
Surplus reserves and consolidated unappropriated profit	117,168	107,458	115,798
Other reserves	-1,055	2,378	5,076
	129,409	121,349	134,185
Non-controlling interests	-80	179	127
Shareholders' equity, total	129,329	121,528	134,312
Liabilities and shareholders' equity, total	318,864	309,618	313,032



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CONSOLIDATED CASHFLOW STATEMENT

from 1 January 2025 to 30 September 2025(IFRS) with comparative values (unaudited)

EUR '000	01/01 to 30/09/2025	01/01 to 30/09/2024
Cash flow from operating activities		
Net income	9,120	7,910
Depreciation	12,315	9,655
Result on the disposal of fixed assets	-87	22
Change in provisions and accruals	-405	43
Change in inventories	2,411	-7,260
Change in trade accounts receivable and contract assets	-1,878	-8,945
Change in other assets, not provided by / used in investing or financing activities	-1,994	2,344
Change in trade accounts payable	-1,429	-1,189
Change in advanced payments received and contract liabilities	15,628	7,769
Change in other liabilities, not provided by / used in investing or financing activities	243	-4,236
Amount of other non-cash income and expenses	-635	1,914
Net cash from operating activities	33,289	8,027
Cash flow from investing activities		
Payments received on disposal of tangible fixed assets	280	67
Investments in property, plant and equipment	-3,201	-4,749
Investments in other intangible assets	-10,894	-7,658
Investment in subsidiaries less acquired cash	0	-7,136
Investment in associated companies	201	143
Securities	2	2
Net cash flows used in investing activities	-13,612	-19,331
Cash flow from financing activities		
Dividend paid out	-7,938	-6,913
Payments received from bank loans	27,646	44,856
Redemption of bank loans	-23,169	-12,691
Payment of repayment portion of lease liabilities	-4,464	-3,308
Interest payment from lease liabilities	0	-306
Net cash flows used in financing activities	-7,925	21,638
Net effects of currency translation and consolidation changes in cash and cash equivalents	-1,940	76
Decrease in cash and cash equivalents	9,812	10,410
Cash and cash equivalents at the beginning of the period	23,523	27,303
Cash and cash equivalents at the end of the period	33,335	37,713



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FINANCIAL CALENDAR 2025/2026

Q4

13 November

Publication Quarterly Statement 3/2025

25 November, 5:50 p.m.

**Equity Forum presentation in Frankfurt
on main stage**

Q1

19 March 2026

Publication Annual Report 2025

Q2

13 May 2026

Publication Quarterly Statement 1/2026

21 May 2026

Shareholders' Meeting 2026 in Karlsruhe