2024

ANNUAL REPORT

Intelligent solutions for the ecological transformation

Key Figures of InTiCa Systems

The Group

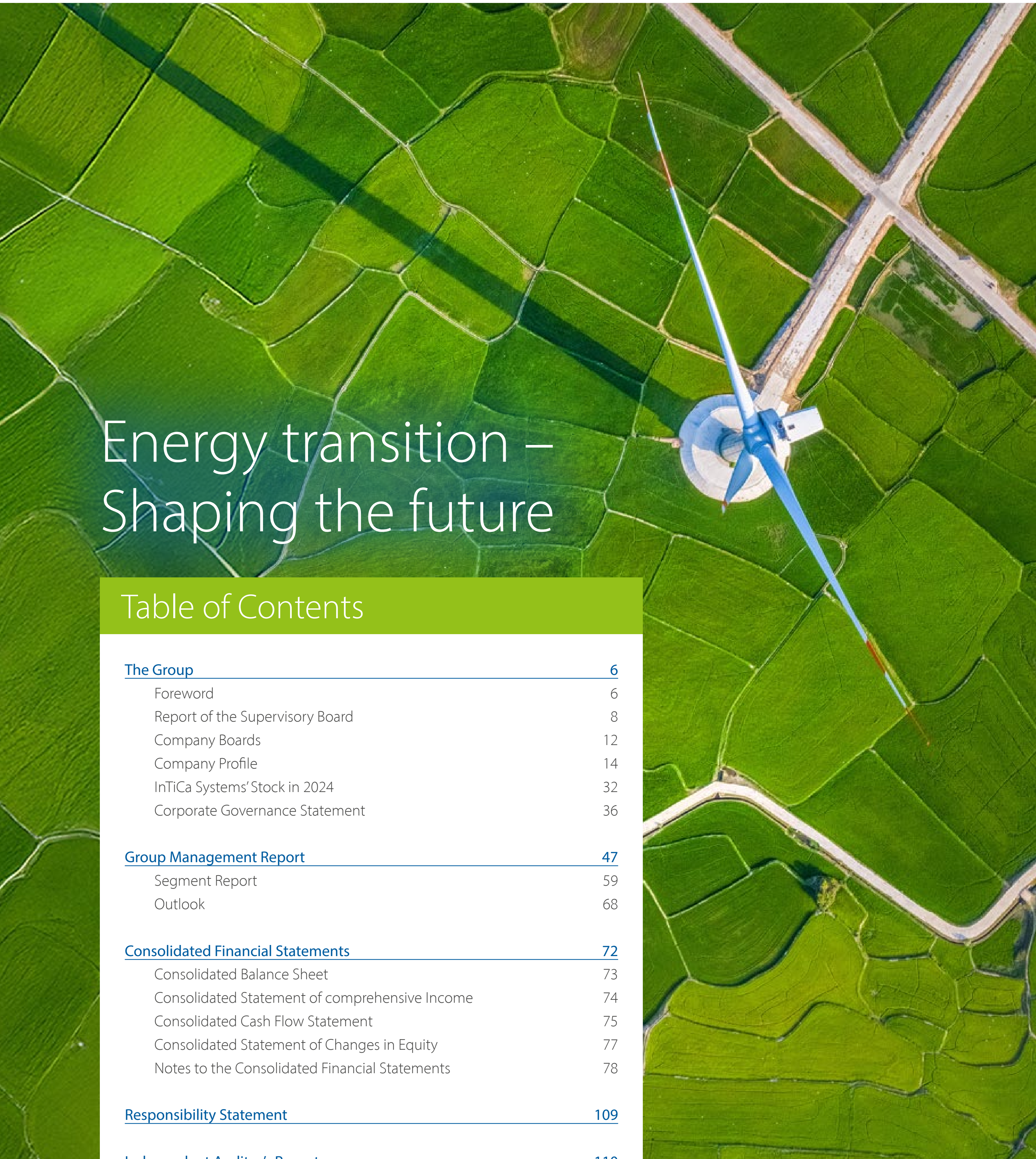
	Dec. 31, 2022 EUR ´000	Dec. 31, 2023 EUR ´000	Dec. 31, 2024 EUR ´000	Change in %
Sales	90,739	86,876	70,604	-18.7%
Net margin	1.8%	-1.3%	-3.3%	-
EBITDA	8,370	6,520	6,053	-7.2%
EBIT	2,345	270	-556	-
EBT	1,724	-1,244	-2,423	-
Net profit (loss)	1,615	-1,128	-2,309	-
Earnings per share (diluted/basic in EUR)	0.38	-0.27	-0.55	-
Cash flow total	1,338	4,631	1,019	-78.0%
Net cash flow from operating activities	7,420	1,553	6,208	299.7%
Capital expenditure	9,480	6,636	3,130	-52.8%

	Dec. 31, 2022 EUR ´000	Dec. 31, 2023 EUR ´000	Dec. 31, 2024 EUR ´000	Change in %
Total assets	65,418	67,722	59,829	-11.7%
Equity	21,969	20,827	17,822	-14.4%
Equity ratio	34%	31%	30%	-
Employees incl. agency staff (number as of closing date)	847	761	571	-25.0%

The Stock

	2022	2023	2024	(March 31) 2025
Closing price (in EUR)	8.00	6.40	2.02	2.46
Period high (in EUR)	12.70	8.60	6.40	4.22
Period low (in EUR)	7.50	4.95	1.58	1.76
Market capitalization at end of period (in EUR million)	34.30	27.44	8.66	10.55
Number of shares	4,287,000	4,287,000	4,287,000	4,287,000

The stock prices are closing prices on XETRA®.



Energy transition – Shaping the future

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GROUP

The InTiCa Systems‘ Group Foreword

Dear shareholders, employees and business associates,

Mercedes has withdrawn its guidance for the 2025 financial year as a reliable assessment of business development is not currently possible: the uncertainty caused by US tariff policy is too high. This unusual step essentially says everything about the challenge that has been confronting German industry and especially the automotive industry for a long time. OEMs sales problems have also been affecting their suppliers for some time. That applies to both tier 1 suppliers such as ZF, Bosch and Conti and mid-sized enterprises like InTiCa Systems.

Our performance in 2024 is evidence of that. Order deferrals and cancellation of order offtake were a recurrent pattern. As a result, our sales and earnings figures had to be downgraded considerably during the year. Following poor business at the end of the year, Group sales came to EUR 70.6 million, which was at the bottom end of the revised forecast. The loss was held in check by successful price negotiations and action to cut costs. Without the currency translation losses, which do not impact cash flows, the effect of these measures would have been more visible than the EBIT of minus EUR 0.6 million suggests. Our improved, clearly positive operating cash flow can also be considered a success.

Apart from the macroeconomic challenges, what were the specific reasons for the unsatisfactory overall performance in the reporting period? In the Mobility segment, it was attributable without a doubt to the sluggish development of sales of electric cars and the rollout of the charging infrastructure. The withdrawal of subsidies in Germany had a negative effect on the entire European market and the German OEMs hardly benefited from booming demand in China. InTiCa Systems' expectations were impacted, above all, by the delayed start-up of a new product for a key customer, which would have compensated for the negative trends.

The pressure on European suppliers of inverters for the solar/photovoltaics market almost exceeded the pressure on automotive producers in 2024. Here too, the existential challenges faced by European companies was due to Asian competitors, many of which benefited from state subsidies. At InTiCa Systems this was visible in a considerable drop in order offtake in the reporting period compared with the original plans. Other reasons for the unfulfilled expectations in the Industry & Infrastructure segment were a new customer, whose medium-capacity charging points did not achieve the anticipated for market acceptance in 2024.

How have we responded to these challenges? To start with, we immediately took successful steps to cut costs. These included reducing inventories, sustained optimization of production workflows, improved quality management, adjusting personnel capacity to reflect the order situation and short-time working at our site in Passau. Thanks to intensive negotiations with suppliers and customers, we were largely able to avoid price rises for raw materials and lower selling prices.

Strategic measures were at least equally important. InTiCa Systems has core competencies in the development of inductive technologies that are urgently needed for the transformation and electrification of key areas of industry. By increasingly positioning these core competencies in related markets, we aim to reduce our dependence on individual market segments. The most visible expression of this strategy was renaming our Automotive segment the Mobility segment. In addition to our established automotive customers, we have also been addressing the commercial vehicles, special vehicles and rail sectors since mid-2024. In the Industry & Infrastructure segment, the "Tailored Solutions" business area, which was set up at the end of 2023, is intended to generate new business that can be scaled up for our production facilities.

Rising demand shows that this approach is promising. Technical plastic parts in Mexico, antennas for commercial vehicles and components for e-bikes and marine engines are just some examples of current customer projects. We also see potential in areas such as robotics and defence, although the entry barriers in these sectors are high. Overall, we can see a gradual recovery with positive impetus coming from various sectors outside our core areas of business. The situation is expected to continue to stabilize in the coming months, opening up new opportunities.

We want to benefit from them. However, we are also aware that this will not happen overnight. Development orders have to lead to continuous order offtake and small-scale series have to develop into mid-sized series. Only then will our strategic decisions be reflected in sales and earnings. We want to take further steps towards this in 2025.

Unlike many other players in our sector, this will enable us to survive international competition and, at the same time, reduce pressure on liquidity in the current financial year. That is especially important because prudent liquidity management is vital in the present market conditions. We are therefore continuing to negotiate intensively with our customers on solutions for the transfer of raw materials for which a use is not foreseeable in the short term. The one-off compensation payment from a major customer makes us confident that we will reach amicable settlements with other customers.

According to media reports, Holger Klein, CEO of ZF, has described the present situation as a "perfect storm". Until it abates, we are remaining cautious in our guidance. In the first quarter, sales and orders on hand were lower than in the prior-year period and so far there have been further fluctuations and deferrals of order offtake in the second quarter. Looking ahead to the second half of the year, we see positive tendencies, but reliable planning is difficult. Our sales expectation of between EUR 66.0 million and EUR 72.0 million for the full year is around the 2024 level. For EBIT we aim to return to positive territory, with a forecast range of minus EUR 0.5 million to EUR 1.5 million.

We would like to thank our shareholders for their support and trust in these challenging times. We also thank our business associates for their good cooperation and, naturally, our employees at all our locations. InTiCa Systems stands for innovation for the future and their hard work and ideas are the basis for that.

InTiCa Systems SE
Passau, May 2025

Yours

Dr. Gregor Wasle
Chairman of the Board of Directors

Bernhard Griesbeck
Member of the Board of Directors

GROUP

Report of the Supervisory Board on fiscal 2024

Dear shareholders,

In fiscal 2024, the Supervisory Board performed the tasks imposed on it by law, the articles of incorporation and the rules of procedure, regularly advised the Board of Directors on the management of the company and monitored and supervised its management activities. The yardsticks for oversight were the lawfulness, correctness, cost-effectiveness and expediency of the management of the company and the Group.

Cooperation with the Board of Directors

The Board of Directors gave the Supervisory Board detailed information and reasons for all business transactions and other matters requiring the approval of the Supervisory Board in compliance with the law, articles of incorporation or rules of procedure, and obtained the necessary consent. The Board of Directors provided continuous, comprehensive and timely information to the Supervisory Board either verbally or in writing.

The Board of Directors' reports to the Supervisory Board centred principally on planning, business development and the business situation of InTiCa Systems SE and its subsidiaries, including the risk situation, control and risk management, compliance and transactions of especial importance for the company. The Board of Directors outlined the discrepancy between the business planning and actual performance, together with explanations, and informed the Supervisory Board of the planned corrective action. The content and scope of the reporting by the Board of Directors met the demands made by the Supervisory Board. Alongside these reports, the Supervisory Board requested supplementary information from the Board of Directors. The Board of Directors was available at meetings of the Supervisory Board to provide explanations and answer questions asked by the Supervisory Board. The Board of Directors and Supervisory Board used the meetings to agree on the strategic focus of the company and review the implementation of the strategy at regular intervals.

The Chairman of the Supervisory Board also received extensive information between meetings. Thus, the strategy, current business situation and business trends as well as control and risk management at InTiCa Systems SE were discussed regularly by the Chairman of the Board of Directors and the Chairman of the Supervisory Board.

The Board of Directors notified the Chairman of the Supervisory Board without delay of important events that were of material significance for an assessment of the company's situation and development.

In particular, the Board of Directors and Supervisory Board have continued to maintain very close and constant contact about the strategic development of the business, the implications for the company of changing global market trends in general and in the sales markets for InTiCa Systems' products in particular, the and major troublespots such as the Middle East and the war in Ukraine, measures to protect employees, customers and suppliers, and the scope to prevent and mitigate the consequences of critical influencing factors. The potential influence on the company's overall strategy and any necessary adjustments were constantly discussed.

Advisory and supervisory activities

As part of its supervisory activities, the Supervisory Board satisfied itself that the Board of Directors conducted the management of the company in a correct and lawful manner. In 2024, the Supervisory Board examined, in particular, the company's strategic alignment, business potential and business development. This included intensive discussion of key markets, product groups and future-oriented technologies. Particular attention was paid to e-solutions and e-mobility.

In the light of the aforementioned prevailing challenges in 2024, the Board of Directors and Supervisory Board looked very intensively at these issues, appropriate action, and the risks to be considered, along with risk mitigation. That included continuously adjusting the financing strategy. To this end, the Supervisory Board received timely and extensive information on the current situation of the Group and its companies, and all business operations and necessary activities of material importance for the Group's profitability and liquidity. Production and sales planning and the strategic development of the Group were also discussed regularly with the Board of Directors.

Corporate Governance

In the reporting period, the Supervisory Board also examined the implementation of the German Corporate Governance Code at InTiCa Systems. The required declaration of conformity pursuant to sec. 161 German Companies Act (AktG) was adopted by the Board of Directors and the Supervisory Board on January 30, 2024 and is permanently available on the company's website. There were no conflicts of interest on the Supervisory Board in the reporting period.

The members of the Supervisory Board independently undertake the training required to perform their duties, for example, with respect to changes in the legal framework and new, future-oriented technologies, with appropriate support from the company.

Further information on corporate governance can be found in the corporate governance statement pursuant to sec. 289f and sec. 315d German Commercial Code (HGB), including the corporate governance report.

Composition of the Supervisory Board

In the reporting period the Supervisory Board members were Mr. Udo Zimmer (Chairman), Mr. Werner Paletschek (Deputy Chairman) and Mr. Christian Fürst.

Since the Supervisory Board has only three members, all relevant matters are always discussed by the full Supervisory Board. The Supervisory Board has established an Audit Committee in compliance with the statutory requirements. The members are the three members of the Supervisory Board. The Supervisory Board and Audit Committee also held regular meetings without the Board of Directors. In addition, the Supervisory Board has not established any committees.

Meetings of the Supervisory Board and the Audit Committee

With the exception of the meetings on July 24, 2024 and December 2, 2024, all members of the Supervisory Board took part in all meetings of the Supervisory Board and the Audit Committee. Mr. Christian Fürst was excused from the meetings on July 24, 2024 and December 2, 2024.

The dates of the meetings and main issues addressed are outlined below:

February 23, 2024: Meeting of the Supervisory Board without the Board of Directors – Evaluation of the company's management model and discussion of the existing remuneration system.

March 1, 2024: Discussion of the status of the annual financial statements for 2023; presentation of the current business situation in 2024; report on current sales projects and detailed look at customers; report on the current status of the ongoing development of the strategy; examination of the development of financing and liquidity; status report on the introduction of SAP; report on the site in Ukraine.

April 5, 2024 and April 6, 2024: Meeting of the Supervisory Board on April 5 and strategy meeting of the Supervisory Board and Board of Directors on April 6; status of the consolidated and separate financial statements for 2023; report on the current business situation in 2024; status report on sales and customer development; financing and liquidity; discussion of topics related to capital markets legislation.

May 28, 2024: Report by the auditor Rödl & Partner on the annual financial statements for 2023.

June 6, 2024: Adoption and approval of the consolidated and separate financial statements for 2023.

June 14, 2024: Discussion of the current business performance in 2024; status report on sales relating to material customer projects; report on the development of financing and liquidity; discussion of preparations for the audit of the annual financial statements for 2024; change and adjustment of the responsibilities of the Management Board; discussion of external image and changes to the segments.

July 24, 2024: Meeting of the Supervisory Board on the ongoing development in the 2024 financial year; report on the sites in Mexico and Ukraine and their business performance; financing and liquidity.

October 25, 2024: Discussion of the current business performance in 2024; report on the status of budget planning for 2025 by the Board of Directors; status of material sales developments; assessment of the development of financing and liquidity; discussion of the preparations for the audit of the annual financial statements for 2024 and ESG reporting; status of SAP following the go-live.

December 2, 2024: Discussion and evaluation of the budget for 2025; status report on the current business performance in 2024; assessment of the development of financing and liquidity; status report on the audit of the annual financial statements for 2024 and ESG reporting; status of the court appointment of the auditor for 2024; status report on SAP.

Annual financial statements of the company and the Group

The General Meeting of InTiCa Systems SE in 2024 did not adopt a resolution on the appointment of the auditor for the annual financial statements of the company and the consolidated financial statements. The auditor originally proposed to the General Meeting for election as the auditor for the financial statements of the company and consolidated financial statements for the 2024 financial year, Rödl & Partner GmbH Wirtschaftsprüfungsgesellschaft, Nuremberg ("Rödl & Partner"), which was employed as the auditor for the 2023 financial year, notified the company at short notice that it would no longer be available as auditor for the 2024 financial year. In accordance with sec. 318 paragraph 4 sentence 1 of the German Commercial Code (HGB), on December 2, 2024, the Board of Directors therefore filed a request with the responsible District Court in Passau to appoint Baker Tilly GmbH & Co. KG Wirtschaftsprüfungsgesellschaft, Nuremberg branch (subsequently referred to as "Baker Tilly") as the auditor for the annual financial statements of the company and the consolidated financial statements for 2024. In its decision of January 3, 2025, Passau District Court appointed Baker Tilly as the auditor of the company's annual financial statements and consolidated financial statements for 2025 in accordance with sec. 318 paragraph 4 sentence 1 HGB. The Supervisory Board awarded the audit contract on this basis.

The annual financial statements and management report of InTiCa Systems SE for the fiscal year from January 1 to December 31, 2024, prepared in accordance with the provisions of the German Commercial Code (HGB), were audited by Baker Tilly GmbH & Co. KG Wirtschaftsprüfungsgesellschaft, Nuremberg branch, which has awarded an unqualified opinion. An unqualified opinion has also been awarded to the consolidated annual financial statements and management report for the Group as of December 31, 2024, which were drawn up on the basis of the International Financial Reporting Standards (IFRS), as applicable for use in the EU, and supplemented by further explanations.

At its meeting on May 13, 2025, the Supervisory Board – simultaneously exercising its function as the Audit Committee with identical members – discussed the provisional figures for the annual financial statements of the company and the Group for 2024 in the presence of the auditor. At a further meeting on May 26, 2025, the Supervisory Board discussed the annual financial statements for the company, the consolidated annual financial statements and the management reports for InTiCa Systems SE and the Group, all of which have received unqualified audit opinions, this report of the Supervisory Board to the General Meeting, and the corporate governance statement pursuant to sec. 289 f and sec. 315d of the German Commercial Code (HGB), including the corporate governance report. To prepare for this, the members of the Supervisory Board received extensive documentation, in some cases as draft versions, including the annual report with the consolidated financial statements prepared in accordance with the IFRS, the annual financial statements of InTiCa Systems SE, the management reports for InTiCa Systems SE and the Group, the corporate governance statement, the remuneration report, and the audit reports prepared by the auditor on the financial statements for the company and the Group and the management reports.

The Supervisory Board examined these documents in detail and discussed them intensively in the presence of the auditor, who reported on the key findings of the audit and was available for further questions and information. Following the conclusion of its own examination, the Supervisory Board agreed with the audit findings on the annual financial statements and the consolidated annual financial statements, established that it had no objections to raise, and approved the financial statements and management reports prepared by the Board of Directors. The annual financial statements of InTiCa Systems SE for 2024 are thus adopted. The Supervisory Board also adopted the present report of the Supervisory Board, the remuneration report and the corporate governance statement pursuant to sec. 289f and sec. 315d of the German Commercial Code (HGB), including the corporate governance report, in the present version.

The Supervisory Board would like to thank the Board of Directors and the employees of the InTiCa Systems Group for their performance and high level of commitment in 2024. It would also like to express its special thanks to the customers and business partners of InTiCa Systems SE for their trust and good collaboration. The Supervisory Board wishes the company all the best for its future development.

InTiCa Systems SE
Passau, May 26, 2025

The Supervisory Board

Udo Zimmer
Chairman

Taking responsibility together

CORPORATE OFFICERS

from left to right:

Christian Fürst

Member of the Supervisory Board
Business administration graduate
Passau

- 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 Bachl GmbH & Co. KG

Werner Paletschek

Deputy Chairman of the Supervisory Board
Business administration graduate
Fürstenzell

- Managing Director of OWP Brillen GmbH

Gregor Wasle

Chairman of the Board of Directors
Engineering graduate

Bernhard Griesbeck

Member of the Board of Directors
Business administration graduate

Udo Zimmer

Chairman of the Supervisory Board
Business administration graduate
Rottach-Egern

- Managing Director of GUBOR Schokoladen GmbH, Hans Riegelein GmbH & Co. KG and Rübezahl Schokoladen GmbH & Co. KG
- Member of the Supervisory Board of VIA Optronics AG

Where InTiCa Systems and its customers are located

Company Profile

Passau
GERMANY

Head office & Technology Center

» Sales and production development & samples and pre-serial production

» Employees: 79*

Prachatice
CZECH REPUBLIC

Production facility

» Modern production facility with high degree of vertical integration, secure processes and technologies

» Employees: 289 (including 7 temporary workers)*

Silao
MEXICO

Production facility

» Production of a first small-scale series in Q4/2016

» Employees: 138*

Bila Tserkva
UKRAINE

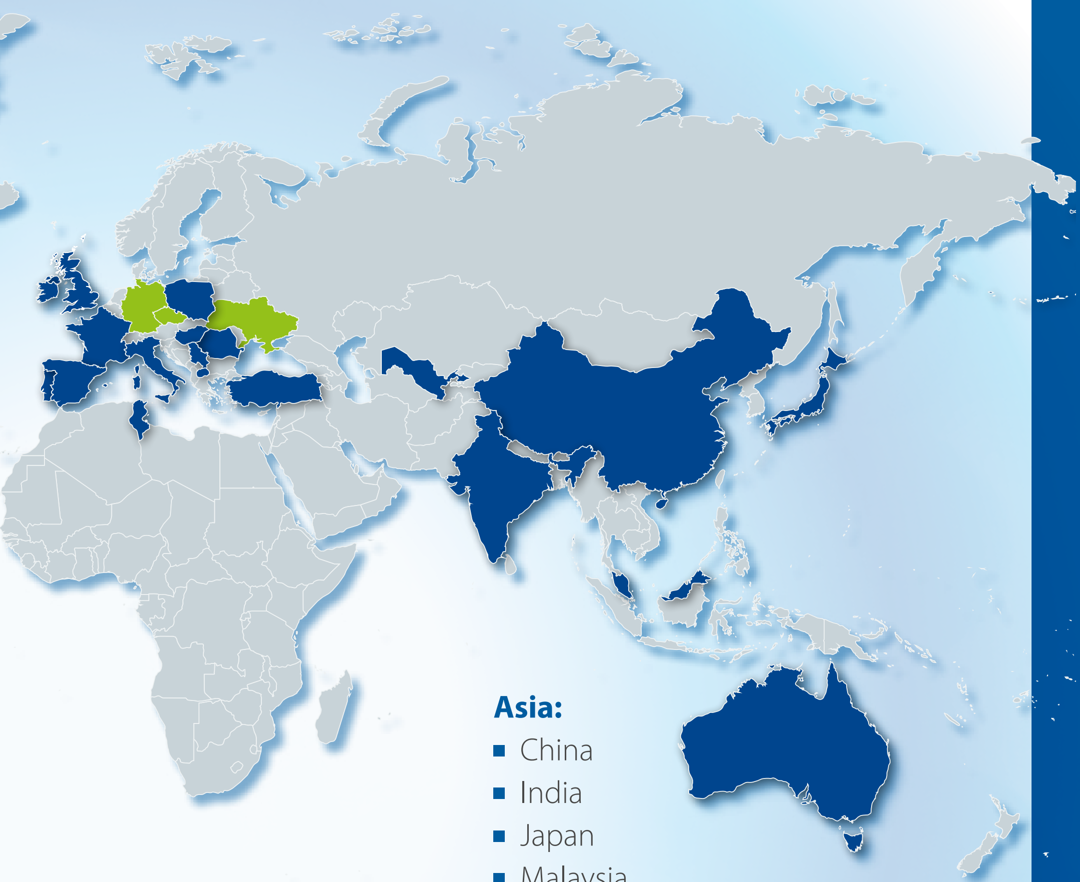
Production facility

» Ongoing test phase and ramp-up production for selected products since Q1/2023

» Employees: 50*

* Number of Employees: March 31, 2025

Europe:
- Czech Republic
- France
- Germany
- Hungary
- Ireland
- Italy
- North Macedonia
- Poland
- Portugal
- Romania
- Serbia
- Spain
- United Kingdom



Asia:
- China
- India
- Japan
- Malaysia
- Turkey
- Uzbekistan

Africa:
- Tunesia

Australia

Our strategy and targets

- The customer is at the heart of our endeavours.
- We are world class in the development and production of inductive components and mechatronic systems.
- Our actions focus on the quality and profitability of our products and services.
- We strive for healthy and measured product diversification and internationalization.
- We offer our customers high-quality and technically advanced products.
- We are committed to a continuous process of innovation and renewal.
- With our skilled and competent employees, we shape perspectives and secure the future.
- Environmental protection and environmental management are key corporate and management tasks.

Technology Center

Company Profile

Innovation at its Best: THE TECHNOLOGY CENTER

Since its foundation in 2015, the Technology Center has been a vital part of the InTiCa Group, serving as an incubator for innovation and efficiency across various domains. Spanning 2.220 square meters and powered by a dedicated team of 20 employees, the building houses an impressive range of specialist departments, including sample and small series production, product and process development, measurement technology, testing and validation, logistics and, since 2021, an in-house mechanical workshop.

Currently, InTiCa Systems is focused on the dynamic growth of its **"Tailored Solutions"** division, which specializes in developing and producing custom-made solutions for clients.

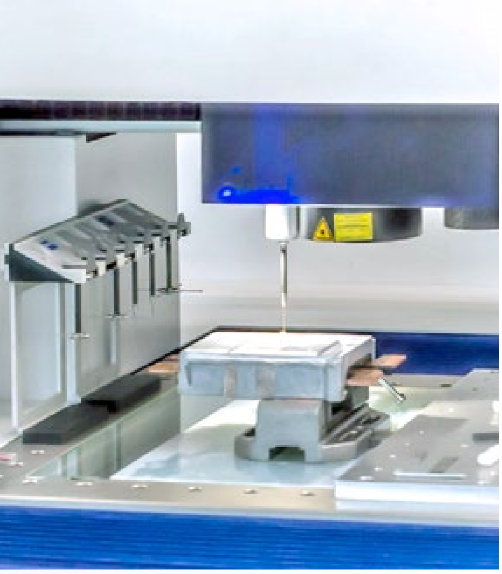
Tailored Solutions: Custom Innovation

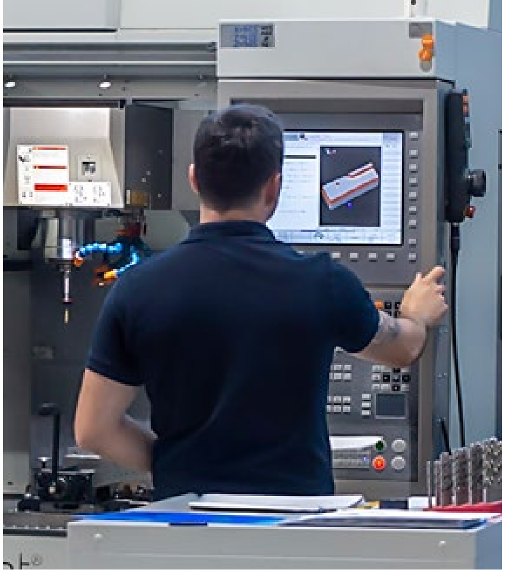
The Technology Center's tailored product solutions exemplify unmatched flexibility and customer focus:

- From Prototype to Series Production: Delivering products starting from a quantity of just one.
- Custom Development: Products precisely aligned with customer specifications, even exceeding DIN 41300 standards.
- Proven Expertise: Decades of experience in inductive components.

Global Strength

With production facilities in Czechia, Mexico, and Ukraine, InTiCa Systems ensures efficient large-scale manufacturing.





Impressive Services

The "Tailored Solutions" division offers a comprehensive portfolio of services, including:

- Testing & Sizing: EMC filters, transformers, chokes, and electromechanical assemblies.
- State-of-the-Art Technologies: 3D design, partial discharge and loss measurements, high-voltage, and surge testing.
- Contract Encapsulation: Automated vacuum encapsulation systems for PU and epoxy materials.

Customer Benefits at a Glance

- Rapid Response Times: Quotes delivered within a maximum of 5 business days.
- Short Delivery Times: Ideal for small quantities and customized projects.
- Unparalleled Flexibility: Adaptable to scheduling changes, partial deliveries, and framework orders.

Cutting-Edge Processes and Tools

How does the "Tailored Solutions" team deliver excellence for their customers?

- Automated quote generation and streamlined costing processes.
- Access to standardized raw material databases.
- A passionate and flexible team dedicated to crafting innovative solutions for customers.

Looking Ahead

The success and potential of InTiCa Systems' "Tailored Solutions" are reflected in its growing team. Since its inception at the end of 2023, the department has already expanded from 6 to 8 team members, with further personnel growth planned in response to positive order intake.

Additionally, the integration of a 3D printing station in 2023 has significantly enhanced the flexibility of development processes, enabling prototype production in record time.

The Technology Center stands as a beacon of forward-thinking innovation and a commitment to fulfilling customer needs with cutting-edge technology. Together, we shape the future – step by step, innovation by innovation.

E-Mobility

Customer-specific solutions

InTiCa Systems' core business is focused on the Mobility segment, where the company specializes in the development and production of actuators, sensors, power electronics and drive technology in motor vehicles. Customer orders in this business segment show a clear trend towards electric and hybrid mobility.

MARKET SEGMENTS

The range of products offered in the Mobility sector is characterized by a wide variety of different components, of which onboard chargers, stator coils, EMC filters, inverters and components for battery management are particularly relevant for the growing field of e-mobility.

InTiCa Systems develops highly specific solutions for its customers in the Automotive sector within all five of its product groups. It so happens that InTiCa Systems products and technologies are installed in all relevant vehicle classes worldwide, from small cars to premium vehicles, by well-known European and American manufacturers.

InTiCa Systems already owes well over 50% of its turnover to the field of hybrid and electric mobility. This sector, which is forecast to continue growing strongly, is considered one of the three key technologies in the automotive industry of the future, besides partially and fully autonomous driving and digital connectivity.

Industry & Infrastructure

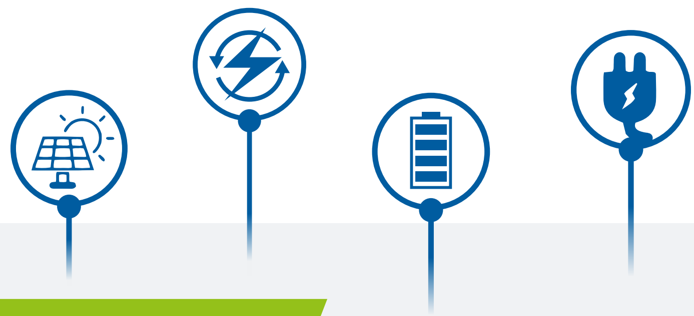
Customer-specific solutions

In its second market segment, Industry & Infrastructure, the product landscape is characterized by high-quality, customer-specific inductive components, mechatronic modules and system solutions for renewable energy sources (solar), as well as automation and drive technology. In these areas, too, InTiCa Systems' commitment to development results in competent solutions tailored to specific requirements.

MARKET SEGMENTS

The converter and inverter technology is based on the ability of inductive components to convert solar energy into grid-connected electricity and has always been the heart of the Industry & Infrastructure segment. InTiCa Systems uses this technology, which benefits many of its future-oriented products, to increase its global market presence in power transfer, noise suppression and coils and filters. The portfolio is complemented by the expertise of InTiCa Systems' team in the fields of power electronics and automation and drive technology.

In the Industry & Infrastructure segment, the field of e-solutions is particularly important for product applications for inverters, smart metering, energy storage systems and electric charging systems. The use of synergies between the Industry & Infrastructure and Automotive segments thereby offers the potential to align the topics of e-solutions and e-mobility, for example by combining e-vehicles with a modern e-charging infrastructure.



Key technologies
for business areas of the future

By addressing global megatrends, InTiCa Systems SE has identified essential key technologies and declared them to be strategic priorities. These key technologies of the future such as electromobility, energy storage, energy management systems and safety technology are, quite literally, the key to success for InTiCa Systems and are therefore being worked on intensively.

For InTiCa Systems, the term "e-solutions" encompasses the technological expertise and the intelligent interaction between the generation, storage, control and use of energy, providing the big picture for the company's strategic roadmap. Today, InTiCa Systems already covers an increasingly broad portfolio of product fields, from power electronics for e-generation, through EMC filters for e-storage solutions, to system solutions for hybrid and electromobility for energy use, which is to be expanded in the future.

ENERGY GENERATION

Useful energy can be obtained from various energy sources, such as PV systems or wind power plants, which are also referred to as energy carriers.

However, the raw form of the extracted electrical energy is not yet suitable for feeding into the power grid. Therefore, devices are required that perform this conversion as efficiently as possible.

ENERGY CONVERSION

In order to make the energy generated by PV systems or other carriers usable for everyday life, so-called inverters are needed. These are electrical devices that convert DC voltage into AC voltage.

In the field of energy conversion, InTiCa Systems develops and supplies components not only for inverters, but also for chargers in electric cars (so-called onboard chargers), charging columns, charging boosters (to charge an 800V e-car at a 400V charging column) and other voltage converters.

ENERGY STORAGE

The increasing use of renewable energies driven by environmental and climate protection considerations is leading to a growing global market for energy storage applications.

New integrated devices for energy storage, energy conversion and intelligent energy management form the heart of an independent, decentralized energy supply. As with inverters, components from InTiCa Systems are also used in this field of application.

ENERGY USAGE

InTiCa Systems' complex solutions for energy usage can be found in (plug-in) hybrid as well as in e-machines, e.g. in the form of stator windings of various designs.

Another key product group for everyday energy use are EMC filters, which ensure that interference does not occur when different electronic components are operated in parallel.

InTiCa Systems can cover the entire product cycle, from electrical dimensioning and design to series delivery.

Business areas overview

Automotive & Commercial

In the "Automotive & Commercial" sector, InTiCa Systems supplies the mobility segment with innovative system solutions. Our developments help make vehicles more efficient, safer and more sustainable – across both passenger and commercial transport.

As a reliable partner in a dynamic market, we actively support the global shift toward electrified and connected mobility concepts.

Rail & Multi-Purpose

InTiCa Systems provides solutions for railway and a wide range of special mobility applications. Our systems stand for reliability, efficiency and durability – even under demanding conditions.

With strong innovation and technological expertise, we support our customers in advancing modern transport and industrial applications.

Business areas overview

Renewable energy

In the "Renewable Energy" sector, InTiCa Systems contributes to the global energy transition. Our technological solutions enable the efficient use of renewable energy sources – especially in solar power.

We support the development of sustainable energy systems and actively contribute to climate protection.

Environmental

Through our "Environmental" applications, InTiCa Systems is committed to a sustainable future. Our technologies are used in environmental protection systems and promote resource conservation, efficiency and environmental compatibility.

We contribute to creating a cleaner and more livable world.

Healthcare

In the "Healthcare" sector, InTiCa Systems supports the development of modern medical technologies. Our solutions contribute to improving diagnostics, treatment and patient care.

With strong quality and innovation, we help shape the future of healthcare.

Robotics

In the "Robotics" sector, InTiCa Systems provides modern system solutions for automated processes. Our technologies support future-oriented applications in industry and everyday life, enabling greater efficiency, precision and flexibility.

In doing so, we open up new possibilities for automation in modern production and everyday environments.

Controlling motion

Actuators & Sensors

The term actuator normally refers to the use of electrical energy to generate a movement or deflection. Actuators are used in many technical applications, for example in drive technology, valve technology and locking systems.

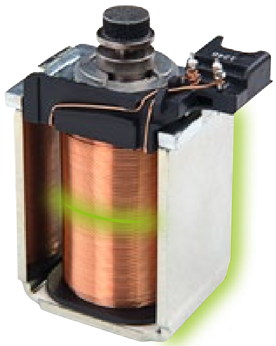
InTiCa Systems specializes in the production of various types of actuator coils, which can be used in a wide range of applications in measurement control and regulation technology.

In the field of sensors, InTiCa Systems focuses primarily on low-frequency (LF) antennas and immobilizers for vehicles. LF antennas are a key component in keyless entry/go systems, which allow drivers to open the car door and start the engine without having to press a button. Immobilizers are another group of sensor products. Together with a transponder and the associated control unit, the immobilizer prevents the engine being started without authorization.

Application examples

Steering and chassis regulation, transmission,
fuel management, oil circuit and valve control,
power cut-off systems; Antenna and transponder
technology for security, comfort, and connectivity,
solutions ranging from immobilizers and NFC charging
to tire pressure monitoring

Power supply isolation for valve applications



Solenoid for gear selector switch

Actuator coils for adaptive chassis control

Actuator coil for fuel cell valve

Filter module e-axis

Filter module e-axis

Filter module for DC-DC converters

Filter module e-axis

Electromagnetic compatibility

EMC Filters

The rising number of appliances that produce and use energy is increasing demand for EMC filters for electromagnetic suppression. Unwanted interference between appliances can degrade performance of the power supply and onboard systems. Therefore, it has to be suppressed to prevent unwanted disruption. Inductive properties combined with capacitors are the most common type of EMC filter.

InTiCa Systems is already seen as a development partner, producer and system supplier of EMC filters.

Demand for energy sources and electrical and electronic devices will continue to increase in the future, creating rising demand for EMC filters.

Application examples

EMC filters for electric vehicles (EV),
hybrid drives (PHEV / MHEV),
hydrogen drives, battery systems,
e-axles and transmissions,
filter assemblies for energy storage systems,
filter modules for charging systems,
filter modules for industrial applications,
common mode chokes in all common designs

Increasing efficiency

Transformers & Chokes

Transformers and chokes are essential components in electronic technology, focusing on the efficient transfer and regulation of electrical energy. The main products include high-frequency power transformers, inductors, and filtering chokes used in various applications such as inverters, charging systems and power supplies.

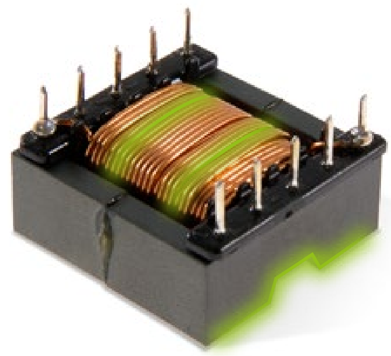
These products can convert voltage levels, power and electric currents. Transformers and chokes are important components in power electronics which typically comprise an electrical control unit, an inverter and a DC converter.

Power electronics have become more important as a result of progress in microelectronics and the associated improvement in control and regulation technology. For example, power electronics are found in power drivetrains in all hybrid and electric vehicles.

Application examples

Transformers and chokes for Onboard Charging Systems,
power transformers for DC-DC converters,
planar transformers for hybrid applications,
AC filter chokes, boost converter,
boost chokes, high frequency transformers,
inductor modules for solar inverters,
energy storages and high-power DC chargers

Common-Mode-Choke



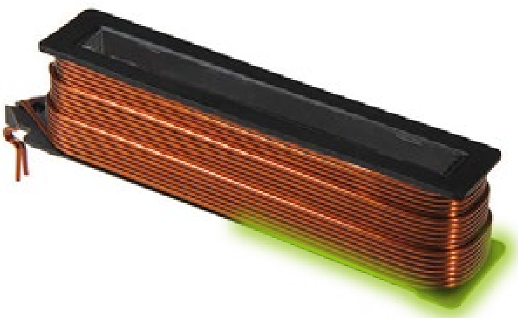
Transformer

Choke module for inverters

Choke module

Stator for turbocharger motor

Stator for electric motor



Stator slip-on coil for hybrid application with coil

Overmolded stator coil for hybrid application

Electromagnetic transformation

Electric Machines

Electric machines are essential components in various high-performance applications, including several types of vehicles and industrial drive systems. A wide variety of different designs and electrical solutions are available. InTiCa Systems' focus is on continuously reducing size and weight while maximizing performance and minimizing costs.

Development and production at InTiCa Systems meet the highest quality and functional requirements to ensure that products can withstand the most extreme environmental conditions.

InTiCa System offers complete electric machines and machines parts such as stator coils, stators and rotors.

Application examples

Electric Machines, stator modules, stator coils and rotors for hybrid and electric vehicles (automotive, commercial, multi-purpose, e-bike, ...);
Industrial applications, e.g. pumps, actuators for butterfly valves, floor-borne vehicles, machine drives;
Overmolded stators and single-coils for single-tooth stators, stator teeth with flat-wire high-edge winding for axial flux machines

Precision in shape

Plastics

InTiCa Systems offers comprehensive expertise in plastics, covering the entire development process from design and material selection to tooling, simulation (such as Mold Flow analysis), testing, and validation. This ensures high-precision injection-molded components that meet the highest standards in performance, durability, and cost efficiency for mobility and industrial applications.

Plastics are produced for many different demanding applications, including the encapsulation of technical coils, housings, and connectors. Our expertise includes overmolding plastic coils with windings, cables, metal components, ferrites, and internal capacitors. Additionally, InTiCa Systems provides customized solutions with separate granulate colors and specialized materials for thin-walled, lightweight designs.

Application examples

Molding of technical coils, housings and connectors;
Overmolding of plastic coils with winding, cables, metal components, ferrites and winded coils with internal capacitors;
Molding of tight housing with exact wall thickness along the complete length; Molding of technical coils with no bending according the complete length; separate granulate colors; Thin plastic wall and special granulate

Coilformer Push'n'Drive Sealed

Tube Adjusting Tool

Bezel Sunload

Door Panel

STOCK

InTiCa Systems' Stock in 2024

Performance of shares in InTiCa Systems[1]

Following a positive year on the stock market in 2023, the markets continued their upward trend in 2024. Although the DAX had dropped to a low for the reporting period of 16,431.69 points by mid-January, by the end of March it was about 10% higher than at the start of the year. Following a temporary correction in April, pleasing quarterly figures and the prospect of an interest-rate cut by the ECB led to a rally on the markets in early May. Having traded sideways at around 18,500 points for a long time, the DAX surprisingly dropped by more than 6% in August. The reasons for this were fears of recession in the USA and the geopolitical tension in the Middle East. The impact was exacerbated by automated sales. However, this was followed by a rapid rebound and the DAX topped 19,000 points for the first time on September 19. The index then traded sideways for several weeks, before embarking on a year-end rally at the end of November, rising to a high for the year of 20,426.27 points on December 12. Following a slight downturn, the DAX closed the year at 19,909.14 points on December 30, a rise of 18.4% compared with the previous year's closing level. The gain on the TecDAX was considerably lower at 2.4% and the DAXsector Technology dropped 18.8% year-on-year.

Analogously to other technology stocks, shares in InTiCa Systems were unable to benefit from the positive overall market trend in the reporting period. Having ended 2023 at EUR 6.40, shares in InTiCa Systems traded sideways in a range of EUR 6.00 to EUR 6.50 in the first weeks of 2024. At their highest point, the XETRA closing price was EUR 6.40. From mid-January to end-February the share price fell steadily and only stabilized again at the beginning of March. In the following months, it traded in a range of EUR 3.50 to EUR 4.00. In early September the share suffered a further setback to a level of EUR 3.00. Following a brief period moving sideways, the share fell again from mid-October, dropping to EUR 1.58 on November 22, which was the lowest price in the reporting period. This was followed by a steep upward trend to over EUR 2.50. The share price then slipped back slightly again at year-end. The closing price for the period in XETRA trading was EUR 2.02 on December 30, 2024.

InTiCa Systems' market capitalization therefore decreased to around EUR 8.7 million as of year-end 2024 (December 31, 2023: EUR 27.4 million). For the first time, the most important trading exchange for shares in InTiCa Systems in 2024 was the Berlin Tradegate Exchange, which accounted for around 56% of trading in the share, followed by the XETRA electronic trading platform, which accounted for roughly 32% and Börse Stuttgart, which accounted for slightly more than 10%.

[1] Price data based on XETRA®, source: Bloomberg

The average trading volume was 60,338 shares per month (2023: 21,993 shares per month). As in the past, market-making to support the liquidity and tradability of shares in InTiCa Systems in the fully electronic XETRA trading system operated by Deutsche Börse AG was provided by BankM.

Shares in InTiCa Systems	2024	2023
Year high (XETRA® closing price)	6.40	8.60
Year low (XETRA® closing price)	1.58	4.95
Market capitalization at year end in EUR million	8.7	27.4

Closing prices	2024	2023	Change
Shares in InTiCa Systems (XETRA®)	2.02	6.40	-68.4%
DAX	19,909.14	16,751.64	+18.4%
TecDAX	3,417.15	3,337.41	+2.4%
DAXsector Technology	1,721.28	2,120.38	-18.8%

Investor Relations

InTiCa Systems' Investor Relations department is the company's interface to the capital market. It is responsible for ensuring open communication with shareholders, potential investors and all other interested members of the financial community. The focus is on providing full and transparent information for the community to further strengthen confidence in the company and its shares and contribute to realistic expectations. The Board of Directors therefore personally seeks direct contact with relevant members of the financial community.

The Board of Directors of InTiCa Systems SE provides shareholders and members of the public with timely information on the company's business development through regular reporting. In compliance with the statutory requirements for companies listed in the Prime Standard, InTiCa Systems SE provides extensive quarterly reports, which are published in English as well as German. In line with the ad-hoc disclosure regulations, the markets are notified of the main corporate events in ad-hoc or corporate news releases.

In addition, experienced capital market analysts comment on our business performance and the most important announcements, and issue estimates on the future development of InTiCa Systems SE. The research reports they publish are available on the Investor Relations section of InTiCa Systems' website (www.intica-systems.com). In addition to these reports, the Investor Relations section contains all relevant information on the stock, a financial calendar detailing all key dates, an archive of obligatory disclosures and news releases, information on corporate governance and all information on past and upcoming General Meetings of InTiCa Systems SE.

In the 2024 financial year, 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 2023 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/Bilanzpressekonferenzen [available in German only]. The presentation given at the virtual Annual General Meeting on July 24, 2024 is also available on the website. At the AGM, shareholders were able to inform themselves about fiscal 2023 and the current situation at InTiCa Systems SE.

The homepage contains contact details and a contact form for those wishing to establish direct contact with the Investor Relations department. The Investor Relations department and Board of Directors of InTiCa Systems SE are available for any questions from private and institutional investors, analysts and financial journalists.

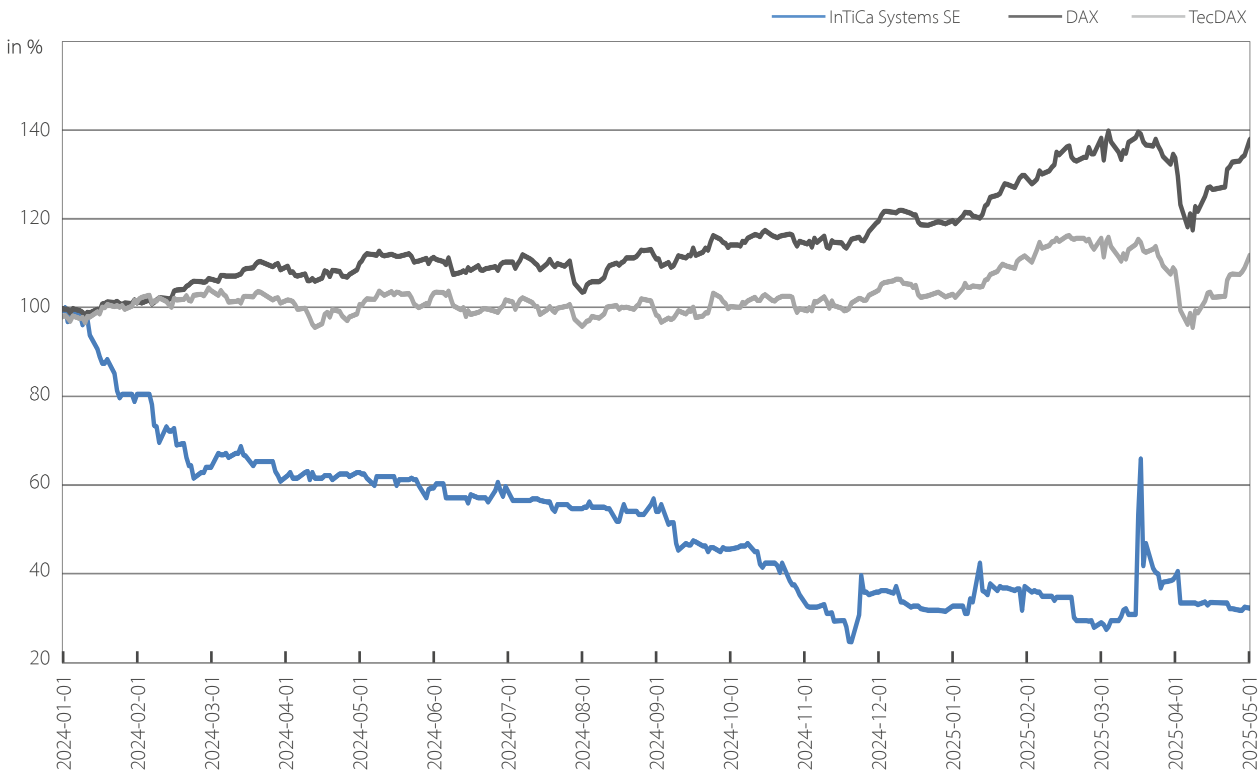
Key data on the share

ISIN	DE0005874846
WKN	587 484
Stock market symbol	IS7
Bloomberg ticker symbol	IS7:GR
Reuters ticker symbol	IS7G.DE
No. of shares	4,287,000
Trading segment	Regulated market, Prime Standard
Trading exchanges	XETRA®, Frankfurt, Hamburg, Berlin, Munich, Stuttgart, Düsseldorf
Designated sponsor	BankM AG
Research coverage	SMC-Research

Shareholder structure

The principal shareholders as of December 31, 2024:	Shareholding:
Dr. Axel Diekmann	over 30%
Thorsten Wagner	over 25%
Tom Hiss	over 5%
Treasury stock	1.5%
Management	less than 1%

Performance of shares in InTiCa Systems



Investor Relations

Spot on the investor

CORPORATE GOVERNANCE STATEMENT

including the Corporate Governance Report

The corporate governance statement for InTiCa Systems SE and the InTiCa Systems Group, which is required by sec. 289f and sec. 315d of the German Commercial Code (HGB), including the corporate governance report, is available on the internet at www.intica-systems.com in the section Investor Relations/Corporate Governance.

Corporate governance statement pursuant to sec. 289f of the German Commercial Code and consolidated corporate governance statement pursuant to sec 315d of the German Commercial Code for the 2024 financial year

In the corporate governance statement pursuant to sec. 289f of the German Commercial Code (HGB) and the consolidated corporate governance statement pursuant to sec 315d of the German Commercial Code, the Board of Directors and Supervisory Board provide information on the principal elements of corporate governance for InTiCa Systems SE and the Group. In addition to the annual declaration of conformity in conformance with sec. 161 of the German Companies Act (AktG), the statements include relevant information on corporate management practices and further aspects of corporate governance, especially a description of how the Board of Directors and Supervisory Board work.

Declaration of Conformity

On January 30, 2025, the Board of Directors and Supervisory Board of InTiCa Systems SE issued the following declaration of conformity pursuant to sec.161 of the German Companies Act (AktG):

1. Since it issued its last declaration of conformity on January 30, 2024, the company has complied with the recommendations of the German Corporate Governance Code (**GCGC**) in the version of April 28, 2022, apart from the following exceptions:

» Recommendations B.5 and C.2 GCGC (appointments to the Board of Directors and Supervisory Board)

Decisions on suitable candidates for appointment as members of the Supervisory Board or Board of Directors are taken on a purely objective basis in accordance with German legislation on diversity. No age limits are set for the members of the Board of Directors (Recommendation B.5 GCGC) and the Supervisory Board (Recommendation C.2 GCGC), so no age limits are disclosed in the corporate governance statement. In compliance with the articles of incorporation, members of the Board of Directors and Supervisory Board are appointed for a maximum term of office of five years. The Board of Directors and Supervisory Board believe it makes sense for the bodies responsible for appointments to examine each candidate's age at the time of initial appointment or renewed appointment and that they should be free to appoint older candidates with relevant professional or other experience without being tied to rigid age limits. However, the Supervisory Board will only nominate candidates for election by the General Meeting who have not reached the age of 70 at the start of their term of office.

» Recommendations D.1, D.2, D.3 sentence 5 and D.4 GCGC (rules of procedure and committees of the Supervisory Board)

The Supervisory Board has not adopted rules of procedure and published these on its website (Recommendation D.1 GCGC) because the provisions of the law and the articles of incorporation have proven sufficient. Apart from the mandatory Audit Committee, the Supervisory Board has not established any committees (Recommendations D.2 and D.4 GCGC). The company's Supervisory Board has three members. Since it is a legal requirement that any committee that takes decisions must also have at least three members, the establishment of committees that are not mandatory by law is neither necessary nor expedient. However, in conformance with sec. 107 paragraph 4 sentence 1 of the German Companies Act (AktG), the Supervisory Board has established the mandatory Audit Committee pursuant to sec. 107 paragraph 3 sentence 2 AktG. In accordance with sec. 107 paragraph 4 sentence 2 AktG, the Audit Committee comprises all members of the Supervisory Board because the company's Supervisory Board comprises three members. Contrary to Recommendation D.3 sentence 5 GCGC, which states that the Chair of the Supervisory Board shall not chair the Audit Committee, the Chairman of the company's Supervisory Board also chairs the Audit Committee. In the Supervisory Board's view, in a Supervisory Board composed of three members, all of whom are identical with the members of the Audit Committee, it is not expedient to separate the chairmanship of the Supervisory Board and the Audit Committee; rather if the same person chairs the Supervisory Board and the Audit Committee, this ensures fast, appropriate and efficient performance of their duties.

» Recommendation F.2 GCGC (publication of interim financial reports and consolidated financial statements)

The consolidated financial statements and the Group Management Report are not expected to be published within 90 days following the end of the financial year, and the mandatory interim financial information is not expected to be publicly accessible with 45 days after the end of the reporting period. The company cannot guarantee that it can meet the deadlines recommended by the Corporate Governance Code in view of the need to include its foreign subsidiaries in the consolidated financial statements and the mandatory interim financial information. The consolidated financial statements will, however, be available at the latest four months after the end of the financial year, while the mandatory interim financial information will be published within two months from the end of the reporting period and thus within the statutory deadlines. The Board of Directors and Supervisory Board consider this to be adequate.

» Recommendations G.7 sentence 1 and G.9 GCGC (performance criteria and target achievement for long-term variable remuneration)

According to the remuneration system for the members of the Board of Directors adopted by the Supervisory Board, the long-term variable remuneration is calculated on the basis of the EBIT margin of the InTiCa Systems Group by applying a specific bonus factor to their annual base salary. Accordingly, for the long-term variable remuneration, the Supervisory Board does not set specific performance criteria for the upcoming financial year which are then used to calculate the variable remuneration components after the end of the financial year depending on achievement of the target. Rather, the level of the long-term variable remuneration is determined using a purely mathematical formula and, unlike the short-term variable remuneration, is not contingent upon the achievement of certain pre-defined performance criteria. To this extent, the Supervisory Board does not define specific performance criteria for all variable compensation components that are then used to determine the amount to be paid. The Supervisory Board considers the purely mathematical calculation of the long-term variable remuneration to be a suitable method because it ensures that the long-term remuneration of all members of the Board of Directors is incentivized in the same way.

» Recommendation G.10 sentence 1 GCGC (granting of long-term variable remuneration)

The long-term variable remuneration is paid out to the members of the Board of Directors in cash and not predominantly invested in company shares or granted as share-based remuneration. In the opinion of the Supervisory Board, structuring long-term variable remuneration as a share-based model is not currently expedient. In view of the very low trading volume of shares in InTiCa Systems, the correspondingly low liquidity of the share price and – given the company's present shareholder structure – the relatively small "genuine" free float, the share price is not a suitable performance criterion for measuring long-term remuneration. In particular, the stock market price of shares in InTiCa Systems does not permit meaningful comparison with listed peer group companies. Specifically, the Supervisory Board considers that stock market pricing reflecting the positive or negative development of the company is not available to determine the long-term variable remuneration component. Accordingly, the Supervisory Board considers that granting long-term variable remuneration in the form of shares or corresponding share-based payment is not currently expedient.

» Recommendation G.10 sentence 2 GCGC (accessibility of long-term variable remuneration)

The long-term variable remuneration is paid out in three different tranches of 50%, 30% and 20%, with payment of each tranche being made shortly after approval by the Supervisory Board of the annual financial statements for the company and the consolidated annual financial statements for the relevant financial year (reference year) and the following and subsequent financial year, insofar as the EBIT margin of the InTiCa Systems Group has not deteriorated by more than 25% compared with the reference year. The long-term variable remuneration granted to members of the Board of Directors is therefore not accessible to them only after a period of four years. Rather, payment of the amounts stated normally takes place over a period of about two years. The Supervisory Board considers the phased multi-year payment as appropriate for performance-oriented, sustainable management of the company and the goal of creating value, especially for the company's employees and shareholders. This applies in particular given the circumstance that disbursement of half of the long-term variable remuneration is contingent on the circumstance that there is not a significant deterioration in the Group's earnings position in the defined period.

» Recommendation G.12 GCGC (disbursement of remaining variable remuneration components following termination of a contract)

If a member of the Board of Directors leaves the board during a year, any outstanding long-term variable remuneration components will be paid shortly after approval by the Supervisory Board of the annual financial statements of the company and the consolidated financial statements for the year in which the member leaves the Board of Directors, provided that the EBIT margin of the InTiCa Systems Group in the year in which the member leaves the Board of Directors has not deteriorated by more than 25% compared with the reference year. The Supervisory Board considers this to be expedient because the incentivization effect of the long-term variable remuneration lapses when the member leaves, because from this date the member no longer has any influence on the earnings situation of the InTiCa Systems Group, which would otherwise form the basis for the payment of any remaining amounts.

2. The company will continue to comply with the recommendations of the GCGC with the exception of the deviations outlined above. However, with regard to the deviation from recommendation C.2 of the GCGC (age limit for members of the Supervisory Board), in future the Supervisory Board will not be continuing its previous practice of only nominating candidates for election to the Supervisory Board at the Annual General Meeting who have not reached the age of 70 at the start of their term of office. With regard to the upcoming elections, the Supervisory Board therefore wishes to reserve the option of using the specific professional and general experience of older candidates – even if they are over 70.

Relevant disclosures on corporate management practices

Compliance with the corporate governance guidelines, especially the recommendations of the German Corporate Governance Code, is a key basis for responsible, value-driven management of InTiCa Systems SE and the InTiCa Systems Group, and forms the basis for efficient collaboration between the Board of Directors and Supervisory Board, and for ensuring transparent reporting and implementing a functioning risk management system.

Through direct contact with customers, InTiCa Systems always keeps an eye on new markets and changing requirements. By linking its core competencies across all business segments, the company is able to constantly develop new products for a wide variety of business areas and market requirements. Satisfied customers, long-term business relationships and market-driven future-oriented products are the company's priorities. Quality is implemented by all employees through the way in which they think and act in their day-to-day work.

Ensuring a sustained rise in the value of the company is the guiding principle for the members of the Board of Directors and Supervisory Board of InTiCa Systems SE. Securing the confidence of investors and other stakeholders in effective and transparent management is a matter of prime significance. The aim of InTiCa Systems' investor relations activities is to achieve the level of transparency expected by the capital markets and give shareholders a true and fair view of the company. In keeping with the principle of fair disclosure, all shareholders and major target groups are treated equally in terms of the provision of information. The underlying rule is providing the company's owners with timely and reliable information on major events at their company. This is ensured, in particular, through the company's website and the publication media prescribed by law. Transparency also constitutes an opportunity to gain new investors from Germany and other countries. The Board of Directors and Supervisory Board therefore constantly strive to optimize communication to ensure a sustained and appropriate valuation of the company's stock.

Description of how the Board of Directors and Supervisory Board work

InTiCa Systems SE has a dual management and supervisory system. This comprises a Board of Directors as the executive body and a Supervisory Board as the oversight body. The Supervisory Board and Board of Directors work together closely and trustfully for the benefit of the company.

The Board of Directors is responsible for the company's strategic focus, general management of the company, budget planning, and defining and overseeing the operating segments. It ensures that there is an appropriate and effective internal control system and risk management system (compliance management system) reflecting the scope of the company's business activities and its risk situation. Systematic control and risk management as part of value-driven corporate management ensures timely identification, analysis and evaluation of risks and optimization of risk positions.

The Board of Directors and Supervisory Board maintain regular contact. The Board of Directors provides the Supervisory Board with full and timely information on the development of the company, its current position, current risks and how they progress. It discusses and agrees the strategy with the Board of Directors. Progress in implementing strategic planning and possible deviations from the plans are reported to the Supervisory Board. Major decisions require the approval of the Supervisory Board. The Board of Directors also informs the Supervisory Board of the management of risks and opportunities in the Group.

The Supervisory Board oversees the work of the Board of Directors and is directly integrated into decisions of fundamental importance for the company. The Supervisory Board receives written monthly reports on the company's financial position, assets and results of operations. It also receives a detailed explanation of any discrepancy between the planned and actual business development. Further, the Chairman of the Supervisory Board is informed directly and regularly of the current situation, important business events and significant upcoming decisions.

The Supervisory Board has established an Audit Committee, comprising all of the Supervisory Board members, because the company's Supervisory Board is composed of three people. Therefore, the members of the Audit Committee are Mr. Udo Zimmer, Mr. Werner Paletschek and Mr. Christian Fürst. The Chairman of the Supervisory Board, Mr. Udo Zimmer, also chairs the Audit Committee to ensure rapid, expedient and efficient performance of its duties. The Audit Committee addresses in particular the review of the accounting, the monitoring of the accounting process, the effectiveness of the internal control system, the risk management system, the internal audit system, the audit of the financial statements and compliance. All members of the Supervisory Board and the Audit Committee are familiar with the sector in which the company operates. The German Companies Act specifies that at least one member of the Supervisory Board and the Audit Committee must have expertise in the field of accounting and at least one further member of the Supervisory Board and the Audit Committee must have expertise in the field of auditing. According to the German Corporate Governance Code, the expertise in the field of accounting should consist of special knowledge and experience in the application of accounting principles and internal control and risk management systems, and the expertise in the field of auditing should consist of special knowledge and experience in the auditing of financial statements. Accounting and auditing also include sustainability reporting and its audit and assurance. The Supervisory Board and the Audit Committee include at least one member with expertise in the field of auditing – the Chairman of the Supervisory Board and the Audit Committee, Mr. Udo Zimmer – and at least one further member with expertise in the field of accounting – Mr. Werner Paletschek. As a business administration graduate with many years' professional experience in the management of listed and private-sector companies, including holding positions as Chief Financial Officer and membership of supervisory boards, Mr. Zimmer has special knowledge and experience of auditing. As a business administration graduate with many years' professional experience, gained as a member of the company's Supervisory Board and as a managing director, Mr. Paletschek contributes special knowledge and experience in the application of accounting principles and internal control and risk management systems to the company. In their respective fields, both Mr. Zimmer and Mr. Paletschek have special knowledge and experience of sustainability reporting and its auditing and assurance thanks to their long-standing membership of the company's Supervisory Board. The German Corporate Governance Code recommends that the Chairman of the Audit Committee should have appropriate experience in at least one to the two areas and be independent. The Chairman of the Audit Committee, Mr. Udo Zimmer, fulfils these requirements. As outlined above, Mr. Zimmer's knowledge of auditing is derived in particular from his training and many years of professional experience in this field.

The company's Supervisory Board has not established any other committees apart from the Audit Committee. The Board of Directors regularly attends meetings of the Supervisory Board and, where applicable, the Audit Committee, provides written and oral reports on individual items on the agenda and preparatory papers, and answers the questions of the Supervisory Board or Audit Committee members.

In conformance with the German Companies Act (AktG) and Council Regulation (EC) No. 2157/2001 of October 8, 2001 on a Statute for a European Company (SE) ("SE Regulation"), the Supervisory Board appoints the members of the Board of Directors. In accordance with sec. 6 of InTiCa System SE's articles of incorporation, the Supervisory Board determines the number of members of the Board of Directors; according to the articles of incorporation, the Board of Directors comprises one or more persons. The Supervisory Board can appoint one member of the Board of Directors as Chairman of the Board of Directors. The Supervisory Board drafts rules of procedure and a business allocation plan for the Board of Directors. In addition to the types of business set out in sec. 7 paragraph 2 of the articles of incorporation of InTiCa Systems SE, the rules of procedure contain a list of further business activities for which approval has to be obtained. The Supervisory Board decides whether the members of the Board of Directors should attend meetings of the Supervisory Board. The Chairman of the Supervisory Board outlines the work of the Supervisory Board in its annual report to the shareholders and at the Annual General Meeting.

A D&O insurance policy has been taken out for the Board of Directors and Supervisory Board – with a statutory deductible for the members of the Board of Directors.

Targets for the proportion of women on the Board of Directors and Supervisory Board and the management levels below the Board of Directors

Sec. 76 paragraph 4 and sec. 111 paragraph 5 of the German Companies Act (AktG) specify that targets must be set for the proportion of women on the Supervisory Board and Board of Directors and at the two management levels below the Board of Directors.

Target for the proportion of women on the Supervisory Board

The Supervisory Board of InTiCa Systems SE currently comprises three male members. In its resolution of March 6, 2024, the Supervisory Board set the target for female members of the Supervisory Board at 0% – as in the past. This target applies until March 6, 2030. The present composition of the Supervisory Board meets this target.

The main considerations behind the Supervisory Board's decision on this target are as follows:

The principal objective when selecting members of the Supervisory Board is to ensure the Supervisory Board is best able to perform its supervisory and advisory tasks in the interests of the company. The key factors determining the selection of members of the Supervisory Board are therefore their qualifications, professional suitability, experience and competence, as well as their personal attributes. Every member of the Supervisory Board should have knowledge that furthers this objective and thus serves the interests of the company. Further, the knowledge and abilities of the members of the Supervisory Board should be complementary to ensure optimal performance of its duties and the broadest possible specialist knowledge. Therefore, it is necessary to weigh up the various interests carefully in each case to decide which requirements and qualities are most suitable for the performance of these tasks from the company's viewpoint and should thus be given priority. The key factors for appointments to the Supervisory Board are ensuring that the personal qualities, qualifications, professional suitability, experience and competence of the Supervisory Board members optimally benefit the company and allow optimal performance of the supervisory and advisory functions of the Supervisory Board.

In the opinion of the Supervisory Board, the present Supervisory Board members fulfil these requirements. When and insofar as it is necessary to submit proposals for Supervisory Board candidates to the General Meeting, the Supervisory Board will consider carefully whether suitable male or female candidates are available. In selecting candidates, the Supervisory Board will give precedence to qualifications, professional suitability, experience and competence. Accordingly, setting a specific target for the percentage of women on the Supervisory Board that is greater than zero could mean that it is no longer possible, in the best interests of the company, to select candidates primarily on the basis of the key criteria of qualifications, professional suitability, experience and competence. The target for the proportion of women on the Supervisory Board should therefore remain at 0%.

Target for the proportion of women on the Board of Directors

The Board of Directors of InTiCa Systems SE currently comprises two male members. In its resolution of March 6, 2025, the Supervisory Board set the target for female members of the Board of Directors at 0% – as in the past. This target applies until March 6, 2030. The present composition of the Board of Directors meets this target.

The main considerations behind the Supervisory Board's decision on this target are as follows:

The principal objective when selecting members of the Board of Directors is to ensure the Board of Directors is best able to perform its managerial tasks in the interests of the company. The key factors determining the selection of members of the Board of Directors are therefore their qualifications, professional suitability, experience and competence, as well as their personal attributes. Every member of the Board of Directors should have knowledge that furthers this objective and thus serves the interests of the company. Further, the knowledge and abilities of the members of the Board of Directors should be complementary to ensure optimal performance of its duties and the broadest possible specialist knowledge.

In the opinion of the Supervisory Board, the present members of the Board of Directors fulfil these requirements. In view of this, the Supervisory Board sees no reason for a change. Accordingly, setting a specific target for the percentage of women on the Board of Directors that is greater than zero could mean that it is no longer possible, in the best interests of the company, to select candidates primarily on the basis of the key criteria of qualifications, professional suitability, experience and competence. The target for the proportion of women on the Board of Directors should therefore remain at 0%.

Target for the proportion of women at the management levels below the Board of Directors

At InTiCa Systems SE, the two management levels below the Board of Directors comprise senior management and heads of department. In its resolution of March 13, 2025, the Board of Directors set the target for the proportion of women in senior management at 0%; for the proportion of female heads of department, it set a target of 7.7%. These targets apply until March 13, 2030. The present proportion of women at of these management levels meets these targets.

The main considerations behind the Board of Director's decision on these targets are as follows:

From the perspective of the Board of Directors, the principal objective when selecting employees at the management levels below the Board of Directors is that the manager can perform their managerial tasks in the best interests of the company. The key factors determining the selection of managers are therefore their qualifications, professional suitability, experience and competence, as well as their personal attributes. Every manager should have knowledge that furthers this objective and thus serves the interests of the company. Moreover, when filling vacancies, the Board of Directors has a legal obligation to prevent or eliminate disadvantages arising from race, ethnic origin, gender, religion or philosophy, disability, age, and sexual identity. Therefore, appointments to management positions are made entirely on the basis of qualifications, professional suitability, experience and competence, taking into account the personal attributes of each candidate.

If a target for the percentage of female managers were to be set above the present targets of 0% (for senior management) and 7.7% (for heads of department), this could mean that the aforementioned criteria would take second place to gender as selection criteria, although in the view of Board of Directors applying qualifications, professional suitability, experience and competence as selection criteria ensure the best possible appointment to the vacancy. Targets for the percentage of female managers at the aforementioned management levels should therefore keep on matching the current quotas (0% and 7.7%). Notwithstanding this, the Board of Directors constantly strives for appropriate involvement of women when filling vacancies, assuming equal qualifications, professional suitability, skills and expertise.

Diversity concept

The Board of Directors and the Supervisory Board as a whole must have the knowledge, skills and professional experience required for the proper performance of their tasks and obligations in compliance with the law and the articles of incorporation.

The selection of candidates for the Board of Directors and Supervisory Board therefore depends first and foremost on their qualifications, professional suitability, experience and skills. Other attributes such as age, gender, educational or professional background, nationality and religion, international experience, etc. are taken into account in principle, but, in the event of doubt, are considered secondary from the viewpoint of the Supervisory Board, and are only relevant if there are several candidates with absolutely comparable qualifications, professional suitability, experience and skills, taking into account all bans on discrimination; therefore the company is in conformance with the relevant recommendations of the German Corporate Governance Code. The purpose of this concept and of the composition of the Board of Directors and Supervisory Board is to ensure that the personal aptitude, qualifications, professional suitability, experience and skills of the members of the Board of Directors and Supervisory Board permit optimum performance of their duties.

As in the past, if and when proposals have to be made on the composition of the Supervisory Board and new appointments to the Board of Directors, careful attention will be paid to the candidates that best meet these criteria. The company complied with the applicable diversity concept in 2024.

Within this framework, the Supervisory Board ensures long-term succession planning in consultation with the Board of Directors. In addition to the statutory requirements and the recommendations of the German Corporate Governance Code, in the search for candidates for the Board of Directors the specific selection criteria are the personal aptitude of the candidate and their qualifications, professional suitability, experience and skills. Where necessary, the Supervisory Board may draw on the support of external consultants.

Corporate Governance Report

Objectives for the composition of the Supervisory Board

On March 6, 2025, the Supervisory Board amended its resolution on the specific objectives for its composition as follows:

Profile of skills and expertise for the collective Supervisory Board

The Supervisory Board as a whole must have all knowledge, abilities and professional experience required for the proper performance of its tasks and obligations under the law and the articles of incorporation. To ensure this, as a rule there must be at least one member of the Supervisory Board with a sound knowledge and experience of overseeing publicly listed companies with international operations, industrial business, the development of corporate strategies, the field of research and development, production, marketing, sales and digitalization, the company's main markets, accounting and auditing, the area of corporate governance and compliance and the sustainability issues of significance for the company (ESG, CSR, sustainability and safety).

Specific objectives for the composition of the Supervisory Board

The principal objective for the selection of candidates for the Supervisory Board is to ensure the Supervisory Board is best able to perform its supervisory and advisory tasks in the interests of the company. The key factors determining the selection of members of the Supervisory Board are therefore first and foremost their qualifications, professional suitability, experience and competence. Each member of the Supervisory Board should have the knowledge required to foster this objective and thus serve the company, for example, through specific knowledge and experience of the sectors and areas of technology in which the company operates and of corporate management, strategy, sales, law, finance and taxation. Further, the knowledge and abilities of the members of the Supervisory Board should be complementary to ensure optimal performance of its duties and the broadest possible specialist knowledge.

Taking into account the above criteria and, in particular, the following criteria set out in the Corporate Governance Code, it is necessary to weigh up the various interests carefully in each case to decide which requirements and qualities are most suitable for the performance of these tasks from the company's viewpoint and should thus be given priority.

» International activities

The company is based in Germany and has subsidiaries in the Czech Republic, Mexico and Ukraine. Further, the goal is to make the company more international in the future, both in terms of sales volumes and on the procurement and production side. To enable the members of the Supervisory Board to perform their duties, especially the supervision and evaluation of decisions and processes, an in-depth knowledge of the German and European legal and economic framework is required, together with a basic knowledge of international legal and economic conditions.

» Conflicts of interest

When making proposals to the General Meeting for elections to the Supervisory Board, the Supervisory Board will make sure that conflicts of interest are ruled out. Further, in this context, the company complies with the recommendation in section E of the German Corporate Governance Code.

» Number of independent Supervisory Board members

The Supervisory Board considers it appropriate – particularly given the company's ownership structure – if it has at least one independent member within the meaning of sec. C.6 of the German Corporate Governance Code.

» Diversity

Alongside qualifications, professional suitability, experience and competence, which form the key criteria, other attributes such as age, gender, educational or professional background, nationality, religion, international experience, etc. are taken into account in principle. However, in the opinion of the Supervisory Board they are considered to be secondary and are only taken into account, after considering all bans on disadvantage and insofar as is compatible with the German Corporate Governance Code, in the event that there are several candidates who are absolutely equal in terms of their qualifications, professional suitability, experience and competence. The key factors for appointments to the Supervisory Board are ensuring that the personal qualities, qualifications, professional suitability, experience and competence of the Supervisory Board members benefit the company and allow optimal performance of the supervisory and advisory functions of the Supervisory Board.

If and insofar as the Supervisory Board is required to make proposals to the General Meeting on the composition of the Supervisory Board, it will carefully examine whether there are suitable female or male candidates. In selecting candidates, the Supervisory Board will give precedence to personal attributes, qualifications, professional suitability, experience and competence.

» Sustainability

The members of the Supervisory Board must have expertise in the sustainability issues of significance for the company. In particular, they must be able to oversee how environmental and social sustainability are taken into account in the company's strategic focus and further corporate planning. This includes, among others, the areas of ESG (environmental, social, governance) and CSR (corporate social responsibility).

The present composition of the Supervisory Board meets the objectives of the resolution of March 6, 2025 set out above and the corresponding earlier resolution of March 23, 2018. The Supervisory Board, which is comprised exclusively of shareholder representatives, considers it appropriate if at least one shareholder representative is an independent member within the meaning of the German Corporate Governance Code. All three present members of the Supervisory Board, Mr. Zimmer, Mr. Paletschek and Mr. Fürst, are shareholder representatives and are independent members within the meaning of this provision. This remains valid even in view of the fact that all present members of the Supervisory Board have now been members of the Supervisory Board for more than twelve years. In the opinion of the Supervisory Board, no conclusions can be drawn about the dependence or independence of individual members simply from their period of service on the Supervisory Board. Moreover, in the opinion of the Supervisory Board, being a member of the Supervisory Board for many years on its own does not result in the loss of independence of the Supervisory Board member. On the contrary the company can and should benefit to the full from the experience and expertise of long-standing Supervisory Board members. Furthermore, to date there have not been any indications of a lack of independence by Mr. Paletschek, Mr. Fürst, or Mr. Zimmer especially as Mr. Paletschek, Mr. Fürst and Mr. Zimmer do not have any personal or business relationship with InTiCa Systems SE or the Board of Directors which could give rise to a material and not merely temporary conflict of interests.

Proposals put to the General Meeting by the Supervisory Board should take account of the objectives set out above and, at the same time, the profile of skills and expertise for the Supervisory Board as a whole. The status of implementation of the specific targets set by the Supervisory Board for its composition and the profile of skills and expertise for the entire Supervisory Board, which takes the diversity concept into account, are disclosed here in the form of a qualification matrix:

		Udo Zimmer	Werner Paletschek	Christian Fürst
Period of service	Member since:	July 2012	August 2010	August 2010
Personal suitability	Independence:	✓	✓	✓
Diversity	Year of birth:	1962	1968	1964
	Gender:	male	male	male
	Nationality	German	German	German
International activities	German and European legal/business environment (in-depth knowledge):	✓	✓	✓
	International legal/economic environment (basic knowledge):	✓	✓	✓
Professional suitability	Oversight of listed/international companies:	✓	✓	✓
	Industrial business:	✓	✓	✓
	Sectors/areas of technology:	✓	✓	✓
	Corporate management:	✓	✓	✓
	Corporate strategy:	✓	✓	✓
	Research/development:	✓	✓	✓
	Production:	✓	✓	✓
	Marketing:	✓	✓	✓
	Sales:	✓	✓	✓
	Digitalization:	✓	✓	✓
	Key markets	✓	✓	✓
	Accounting:	✓	✓	✓
	Auditing:	✓	✓	✓
	Corporate governance/compliance:	✓	✓	✓
	Law:	✓	✓	✓
	Financing:	✓	✓	✓
	Taxes:	✓	✓	✓
	Sustainability (including ESG and CSR):	✓	✓	✓

Members of the Board of Directors of InTiCa Systems SE

During the 2024 financial year and the period up to the present report, there were the following changes to the members of the Board of Directors.

Mr. Günther Kneidinger, formerly a member of the Board of Directors, left the board by mutual agreement on September 30, 2023. The employment contract with Mr. Kneidinger was terminated by mutual consent as of January 31, 2024. Until the appointment of a successor, responsibility for Mr. Kneidinger's tasks was assumed by the Chairman of the Board of Directors, Dr. Gregor Wasle. With effect from January 15, 2024, Mr. Bernhard Griesbeck was appointed as a new member of the Board of Directors. Since then, the Board of Directors has once again comprised two members: Mr. Griesbeck and the Chairman of the Board of Directors, Dr. Wasle.

Mr. Griesbeck has been appointed for the period to the end of January 14, 2027; his employment contract ends on this date. The Chairman of the Board of Directors, Dr. Wasle, had previously been appointed as a member and Chairman of the company's Board of Directors until the end of December 31, 2024; his employment contract ran until the same date. In its resolution of June 28, 2024, the Supervisory Board extended the appointment of Dr. Wasle and reappointed him as a member and Chairman of the Board of Directors from January 1, 2025 until the end of December 31, 2027. In accordance with this, a new employment contract was concluded with Dr. Wasle for the duration of his renewed appointment as a member and Chairman of the Board of Directors for the period up to December 31, 2027.

Members of the Board of Directors in 2024	Appointed from / to	Responsibilities	Further offices
Dr. Gregor Wasle, date of birth August 14, 1971	January 1, 2015 to December 31, 2027	Chairman of the Board of Directors	None
Bernhard Griesbeck, date of birth September 16, 1978	January 15, 2024 to January 14, 2027	Member of the Board of Directors	None

Age limit for members of the Board of Directors

For the reasons set out in the declaration of conformity, no age limit is set for the members of the Board of Directors.

Members of the Supervisory Board of InTiCa Systems SE

There were no changes to the composition of the Supervisory Board in the 2024 financial year:

Members of the Supervisory Board in 2024	Appointed from / to	Function on Supervisory Board	Seats on other Supervisory Boards and comparable supervisory bodies
Udo Zimmer, business administration graduate, Managing Director of GUBOR Schokoladen GmbH, Dettingen unter Teck; der Hans Riegelein GmbH & Co. KG, Cadolzburg and Rübezahl Schokoladen GmbH & Co. KG, Dettingen unter Teck	Appointed on July 15, 2020 for the period until the end of the General Meeting that resolves on ratification of the actions for the 2024 financial year (probably the Annual General Meeting 2025) (member of the Supervisory Board since July 2012)	Chairman of the Supervisory Board, Chairman of the Supervisory Board's Audit Committee	Member of the Supervisory Board of VIA Optronics AG and Chairman of the Audit Committee
Werner Paletschek, business administration graduate, Managing Director of OWP Brillen GmbH, Passau	Appointed on July 15, 2020 for the period until the end of the General Meeting that resolves on ratification of the actions for the 2024 financial year (probably the Annual General Meeting 2025) (member of the Supervisory Board since August 2010)	Deputy Chairman of the Supervisory Board, Deputy Chairman of the Supervisory Board's Audit Committee	None
Christian Fürst, business administration graduate, Managing Partner of ziel management consulting gmbh, Passau Managing Partner of Fürst Reisen GmbH & Co. KG, Hutthurm	Appointed on July 15, 2020 for the period until the end of the General Meeting that resolves on ratification of the actions for the 2024 financial year (probably the Annual General Meeting 2025) (member of the Supervisory Board since August 2010)	Member of the Supervisory Board	Chairman of the Supervisory Board of Electrovac AG Advisory Board of Eberspächer Gruppe GmbH & Co. KG Advisory Board of Karl Bachl GmbH & Co. KG

Age limit for members of the Supervisory Board

For the reasons set out in the declaration of conformity, no age limit is set for the members of the Supervisory Board.

Self-assessment by the Supervisory Board

At its meetings, the Supervisory Board regularly reviews how effectively it performs its duties. It also undertakes a critical review of how it performs its duties. The most recent extensive formal review was undertaken by the Supervisory Board in April 2025. The review was based on various individual questions, especially questions on the procedures within the Supervisory Board and the information flows between the members of the Supervisory Board and between the Supervisory Board and the Board of Directors, particularly with regard to the special challenges caused by changing global market trends, general geopolitical developments and major hotspots such as the Middle East and the war in Ukraine. The results of the self-assessment were discussed in detail at a meeting of the Supervisory Board.

Remuneration

In 2021, the Supervisory Board adopted a resolution, for the first time, on the remuneration system for the members of the Board of Directors of InTiCa Systems AG (the **"Board of Directors' remuneration system 2021"**) as required by sec. 87a paragraph 1 sentence 1 of the German Companies Act (AktG) and presented this to the company's Annual General Meeting on July 16, 2021 for approval. The Annual General Meeting approved the Board of Directors' remuneration system 2021 with the necessary majority. For more detailed information on the Board of Directors' remuneration system 2021, please refer, in particular, to the invitation to the company's Annual General Meeting of July 16, 2021, item 6 and section II of the invitation. The invitation to the company's Annual General meeting on July 16, 2021 is available on the company's website at https://intica-systems.com/de/investor-relations/hauptversammlung [available in German only]. The Board of Directors' remuneration system 2021 remains in effect unchanged for the members the Board of Directors following the change of the company's legal status to a European Company (Societas Europaea /SE).

The employment contracts of the current members of the Board of Directors, Dr. Wasle and Mr. Griesbeck, comply with the Board of Directors' remuneration system 2021; this also applies to the former employment contract with Mr. Kneidinger, who was formerly a member of the Board of Directors. Accordingly, the members of the Board of Directors who held office in the 2024 financial year – the Chairman of the Board of Directors, Dr. Wasle, and Mr. Griesbeck – received the contractually agreed fixed base salary and fringe benefits as set out in their employment contracts. In addition, the contracts provide/provided for short-term and long-term variable remuneration components linked to certain financial and non-financial performance criteria. However, in the severance agreement with the former member of the Board of Directors, Mr. Kneidinger, who left the board as of the end of September 30, 2023, it was agreed that Mr. Kneidinger would have no claim to payment of short-term or long-term variable remuneration for the 2023 financial year (or subsequent years).

In accordance with sec. 120a paragraph 1 sentence 1 of the German Companies Act (AktG), the General Meeting of a publicly listed company is required to adopt a resolution in the event of every major change, and at least every four years, approving of the remuneration system for the members of the Board of Directors as submitted by the Supervisory Board. Therefore, at the Annual General Meeting in the 2025 financial year, a renewed resolution on the remuneration system for the members of the Board of Directors is necessary. A resolution confirming the remuneration system applied to date is permitted. The Supervisory Board of InTiCa Systems SE intends to submit the present Board of Directors' remuneration system 2021 to the company's Annual General Meeting in 2025 for confirmation.

The Annual General Meeting of the company on July 16, 2021 also passed a resolution on a remuneration system for the members of the Supervisory Board of InTiCa Systems AG (the **"Supervisory Board remuneration system 2021"**) and a corresponding new version of sec. 11 of the articles of incorporation of InTiCa Systems AG, with effect from January 1, 2022. For more detailed information on the Supervisory Board remuneration system 2021, please refer, in particular, to the invitation to the company's Annual General Meeting of July 16, 2021, item 7 and section III of the invitation. The invitation to the company's Annual General meeting on July 16, 2021 is available on the company's website at https://intica-systems.com/de/investor-relations/hauptversammlung [available in German only].

The Supervisory Board remuneration system 2021 remains in effect unchanged for the members the Supervisory Board following the change of the company's legal status to a European Company (Societas Europaea /SE). The content of sec. 11 of the articles of incorporation of InTiCa Systems AG was taken over unchanged as sec. 12 of the articles of incorporation of InTiCa Systems SE. On this basis, during the 2024 financial year, the members of the Supervisory Board received remuneration for their work comprising fixed remuneration and attendance fees.

In accordance with sec. 113 paragraph 3 sentence 1 of the German Companies Act (AktG), the General Meeting of a publicly listed company is required to adopt a resolution at least every four years on the remuneration of the members of the Supervisory Board. Therefore, at the Annual General Meeting in the 2025 financial year, a renewed resolution on the remuneration system for the members of the Supervisory Board is necessary. A resolution confirming the remuneration applied to date is permitted. The Supervisory Board of InTiCa Systems SE intends to submit the present Supervisory Board remuneration system 2021 to the company's Annual General Meeting in 2025 for confirmation.

Further details of the individual remuneration granted and due to the present and former members of the company's Board of Directors and Supervisory Board in the 2024 financial year are presented and explained clearly and understandably in the Remuneration Report 2024 of InTiCa Systems SE. The Remuneration Report 2024 can be downloaded from the company's website at www.intica-systems.com in the section Investor Relations/Corporate Governance. The remuneration systems for the Board of Directors and Supervisory Board are reviewed regularly.

Passau, March 27, 2025

Supervisory Board	Board of Directors
Udo Zimmer	Dr. Gregor Wasle
Werner Paletschek	Bernhard Griesbeck
Christian Fürst	

GROUP MANAGEMENT REPORT

for the period from January 1 to December 31, 2024

The Group management report should be read in conjunction with the consolidated financial statements for the Group and the Notes to the consolidated financial statements. The following comments are based on a range of information, which is set out in detail in the Notes. In addition, the management report contains forward-looking statements, i.e. statements based on specific assumptions and the current plans, estimates and forecasts derived from those assumptions. Forward-looking statements are only valid at the time at which they are made. The Board of Directors of InTiCa Systems SE has no obligation to revise and/or publish a revision of the forward-looking statements underlying this document in the event of new information. Forward-looking statements are always exposed to risks and uncertainties. The Board of Directors of InTiCa Systems SE hereby points out that a large number of factors could lead to substantial differences in attainment of these objectives. The principal factors are outlined in detail in section 4 "Risk management and risk report".

Group management report for the period from January 1 to December 31, 2024

1. Basic information on the Group

1.1 Business activities

As one of the leading European suppliers, InTiCa Systems specializes in the development, production and marketing of inductive components, passive analogue switches and mechatronic assemblies. Its products and solutions are based on high-tech inductivity. The Group is divided into the Mobility (formerly Automotive) and Industry & Infrastructure segments. In the assessment of the Board of Directors, both rank among the market and technology leaders. In July 2024, InTiCa Systems decided on a strategic expansion of its product portfolio and to extend its expertise as a solution provider to further market areas.

InTiCa Systems makes clever use of the electromagnetic properties of coils. Through a magnetic field, they produce electric voltage in their windings or, conversely, generate a magnetic field if electric voltage is applied. These versatile properties are used in a variety of applications, for example power generation using the effect of a magnetic field in electric motors, shielding and suppression of electromagnetic interference in EMC filters, modification of currents in voltage conversion, modulation and filtering, non-contact data transmission in products such as antennas and transponders, and the generation of energy or electric power by movement in a magnetic field.

A significant advantage of these passive inductive components is that they do not require any additional energy source such as mains current or a battery. Moreover, they are extremely reliable and have little exposure to wear and tear. Thanks to specialization, InTiCa Systems can offer its customers precise and unique solutions for their individual applications. InTiCa Systems develops custom-tailored products and components from the initial vision to industrial implementation.

The technological expertise and smart interaction of generating, storing, managing and using electrical energy play a central role in the Group's strategic roadmap. InTiCa Systems already serves an increasingly broad spectrum of product areas for hybrid and electric mobility and energy use – from power electronics for e-generation, through EMC filters for e-storage solutions to system solutions. These products are referred to collectively as e-solutions and cover aspects of both of the segments outlined below.

1.1.1 Mobility (formerly Automotive)

In the Mobility segment, the focus is on developing and manufacturing components in the areas of power electronics, electric machinery, stators, EMC filters, actuators and sensors. These key technologies are used in all common vehicle classes, so well-known European, American and Asian automotive producers and their system suppliers around the world value InTiCa Systems' extensive expertise and use its products. InTiCa Systems recognizes the wide-ranging opportunities offered by e-mobility and hybrid technologies and actively utilizes this potential. New developments such as EMC filter systems for electric vehicles, charging infrastructure, stator systems for mild hybrids and plug-in hybrids, electric motors for two-wheelers, and planar transformers for battery management systems are opening up a promising future-oriented area of business for the company and growing potential to generate revenue. Therefore, it is important to offer customers intelligent solutions that can optimize the energy efficiency and performance of their products.

Alongside the established automotive business, which comprises advanced solutions for the automotive industry, including e-mobility and autonomous driving, the Mobility segment includes innovative electronic components for commercial vehicles, buses, motorcycles and e-bikes. Innovative solutions from InTiCa Systems could also be used in special vehicles for the construction and agricultural sectors and in various types of trailers. In addition, the company plans to address railways as a new target market. The introduction of the name Mobility more accurately reflects the segment's range of activities. The renamed Mobility segment comprises the previous Automotive business in its entirety, preserving the comparability and continuity of the segment data.

1.1.2 Industry & Infrastructure

Alongside its Mobility segment, InTiCa System operates in the Industry & Infrastructure segment where it focuses on technology for inverters, charging technology, frequency converters and EMC filters. Inductive components and systems are used to convert solar energy into power that can be fed into the grid and for electric noise suppression. InTiCa Systems' combination of specialist knowledge and extensive experience of transformers, chokes and filters as well as of coils and actuators offers customers significant benefits. Examples are the optimized balance between size and efficiency.

Based on its specific expertise in inductivity, in 2023 InTiCa Systems started to set up a speciality products business under the name "Tailored Solutions" within the Industry & Infrastructure segment. The aim is to develop a hub for new business that can be scaled up for the production facilities. At the same time, the high-margin small-scale series business should help to raise the overall profitability of the Group. Ongoing research geared to new development approaches in the Industry & Infrastructure segment is a tried-and-tested strategy to expand the product range and address a wide range of sectors and applications. By expanding its activities into the infrastructure sector, InTiCa Systems aims to participate in key market developments in charging and storage infrastructure and energy generation. Synergies between the Industry & Infrastructure and Mobility segments are used to significantly increase the product and customer base.

1.2 Corporate structure

In addition to the parent company, InTiCa Systems SE, Passau, Germany, the following companies are included in the consolidated financial statements:

- InTiCa Systems s.r.o., Prachatice, Czech Republic
- Sistemas Mecatrónicos InTiCa S.A.P.I. de C.V., Silao, Mexico
- InTiCa Systems TOV, Bila Tserkva, Ukraine

The subsidiaries in the Czech Republic and Ukraine are wholly owned companies, while InTiCa Systems SE holds 99% of shares 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. There was no change in the scope of consolidation of InTiCa Systems SE compared with 2023.

1.3 Management system

To defend its technological leadership and improve its market position, InTiCa Systems uses a constantly adjusted strategy process. Multi-year masterplans have been drawn up for the Mobility segment and the Industry & Infrastructure segment. Each masterplan is continuously developed and aligned to new conditions and is consistently put into practice. A critical review of the strategy is undertaken every year in order to keep pace with the dynamic changes in the market and customer requirements. In addition to focusing on key economic targets, priority is given to carefully designed opportunity and risk management. Special attention is paid to geopolitical changes, rising market expectations, the need for innovation and technological progress and the performance parameters in international competition. Stringent cost management and continuously optimizing the value chain by constantly increasing productivity are also important. In our view, these ongoing endeavours in all areas of business form the basis for the company's special culture.

The key financial indicators used to manage the InTiCa Systems Group and the two segments are segment sales, Group EBIT and the Group EBIT margin and orders on hand.

The material cost ratio, the equity ratio and the non-financial indicators outlined below are also considered to be performance indicators, but are not used for the primary management of the company.

Section 3.5 contains further details of the financial performance indicators (section 3.5.1) and the non-financial performance indicators (section 3.5.2). They are used for internal management of the Group and are reported to the Board of Directors in a monthly report.

1.4 Research and development

In line with the strategic direction of the Board of Directors, InTiCa Systems is synonymous with innovation and precision. Its experienced team of developers and manufacturing technologists translates product visions into innovative, marketable solutions, focusing at all times on the most efficient solutions for the specific application. This extensive, long-standing expertise is the basis for developing new products and gaining access to new application opportunities. The company's innovative capability is the key to its success.

An ongoing improvement process optimizes the competitiveness of products and production processes. Customers' positive response and appreciation of InTiCa Systems' product range, competitiveness and ability to implement individual solutions are reflected in the level of customer satisfaction.

2. Non-financial statement[1]

This section contains the non-financial statement of InTiCa Systems SE pursuant to sec. 315b paragraphs 1 and 3 of the German Commercial Code (HGB). A framework based on sec. 289d of the German Commercial Code was not used. An extensive description of InTiCa Systems' business model and products can be found in section 1 of the consolidated management report under "Basic information on the Group". In accordance with the statutory requirements, InTiCa Systems SE reports on those aspects that are necessary for an understanding of its business performance, results of operations and corporate situation and the impact of its business activities on society and the environment. The non-financial performance indicators that are not addressed in the non-financial statement and non-financial risk factors are outlined in the management report in sections 3.5.2 "Non-financial performance indicators" and 4.2 "Internal control system and risk management relating to the reporting process".

2.1 Responsible corporate management and compliance, including anti-corruption and anti-bribery measures

In the course of its international business operations, InTiCa Systems is exposed to a wide range of legal requirements. Compliance with these legal requirements is the basis for responsible, sustainable and successful corporate management. All staff are aware that unlawful behaviour can cause lasting damage to the company's reputation and market position as well as serious economic damage. For this reason, the actions of the Board of Directors and Supervisory Board of InTiCa Systems SE are rooted in the principles of transparent, responsible and value-based corporate management. In addition, alongside laws and other regulations such as the German Corporate Governance Code, the regulatory framework in which the company operates includes the internal control and risk management system, internal compliance management (including the compliance directive), the internal Code of Conduct and the related company policies on specific issues. The corporate governance statement and the corporate governance report by the Board of Directors and Supervisory Board of InTiCa Systems SE and the report on the EU Taxonomy are available for download from the company's homepage. The Code of Conduct and the compliance directive provide guidance for the company and its employees on correct conduct with regard to legal and ethical challenges in their daily work. Furthermore, they are designed to help avoid corrupt conduct. The Code of Conduct and the compliance directive contain binding rules on various topics such as anti-corruption, fair competition and social aspects such as tolerance and respect. The Code of Conduct and the compliance directive have been approved by the Board of Directors and all managing directors and distributed to employees.

[1] This section is outside the scope of the audit.

To ensure compliance with the applicable laws, InTiCa Systems has established Group-wide compliance management covering anti-corruption, avoiding conflicts of interest, preventing money laundering, working with customers and suppliers, dealing with gifts and invitations, occupational safety, environmental protection and data privacy. A key element in compliance management is the Compliance Officer, who sees his role as being an independent and objective advisor. His task is to protect the company from financial and reputational damage, and to protect the management and all employees from personal liability issues. He responds to internal and external allegations, clarifies the position, taking into account the principle of proportionality, issues recommendations on optimizing in-house workflows and regularly shares information with other areas, especially risk management. Compliance management is reviewed regularly as a basis for continuous optimization.

In addition, InTiCa Systems SE has an internal control and risk management system to ensure that risks are handled responsibly. This allows timely identification of Group-wide risks and market trends, enabling the Board of Directors to respond promptly to relevant changes in the risk profile. All departments are included in the risk management system, allowing full risk monitoring of all areas of the company, including monitoring potential risks relating to non-financial issues.

The basis for the internal control and risk management system was developed with the support of external specialists and the system and its effectiveness are monitored continuously using an internal management review process, which takes account of the different management levels. An internal risk analysis, which covers all of the company's material business processes, is performed once every calendar year. The most recent risk management version is submitted to the Supervisory Board once a year for its assessment and opinion. As at the reporting date, no findings had been identified that restrict the appropriateness or effectiveness of the internal control and risk management system.

2.2 InTiCa Systems and the environment

InTiCa Systems is actively committed to environmental protection. The principle is that both InTiCa Systems' products and environmentally friendly manufacturing within the company should make a fundamental contribution to environmental compatibility and sustainability. The environmental policy enshrines the Board of Directors' commitment to ensuring compliance with all relevant legislation, avoiding environmental impact, and continually improving InTiCa Systems' environmental profile. It thus forms the framework for establishing and evaluating environmental targets. The environmental policy is applicable Group-wide.

Environmental protection at InTiCa Systems covers energy, gas, water and waste and is based on the legal requirements, which are met in full. InTiCa Systems' explicit intention is to avoid environmental impacts wherever possible and to minimize them if they are unavoidable. Therefore, the environmental management is specifically included in its integrated management system. The environmental management system is monitored regularly in accordance with the requirements of DIN ISO 14001 and validated by an external certification body. The Prachatice production site has met these requirements in full since 2010 and validation was obtained for InTiCa Systems' headquarters in Passau, including the new technology centre, at the beginning of 2017. The site in Mexico has had equivalent validation since 2016. The Ukraine site has been certified as conforming with ISO 9001 since June 2024.

» Environmental management process

In accordance with DIN ISO 14001, the environmental management process at InTiCa Systems is based on the PDCA (Plan-Do-Check-Act) cycle. In line with this, selected workflows are subject to continuous planning, management, monitoring and improvement.

Constant repetition of the following steps is designed to bring about a continuous improvement:

- **Plan:** As an example, consumption data for energy, water, oil and gas are compiled annually to identify potential for improvement. The first priority is to set a target for those areas where sensible improvements can be achieved at reasonable cost.
- **Do:** Site-specific measures are implemented to achieve the targets efficiently.
- **Check:** Target attainment and planned targets are checked by comparing the target and actual situation.
- **Act:** Interim checks are carried out during the measurement period to assess attainment of the target. If the target is unlikely to be met, a check is performed on whether the basic conditions and framework need to be altered. In this way, adjustments can be made during the entire period in order to meet the target.

InTiCa Systems also expects its suppliers to meet its high in-house standards of environmental protection. Under the company's general procurement terms, all contractual partners are required to observe the applicable environmental laws and standards in the provision of their goods and services. Further, environmentally conscious provision of goods and services is important to InTiCa Systems. Specifically, this comprises selecting environment-friendly, recyclable materials, low-emission and low-pollutant delivery, products that can easily be dismantled, and energy and resource-saving products and processes. In addition, all contractual partners are required to give an undertaking that they will observe the bans or ceilings as well as the following regulations

- REACH Regulation (EC) No. 1907/2006, as adopted in Germany through the prohibited chemicals ordinance (Chemikalien-Verbotsverordnung)
- RoHS Directive 2011/65/EU
- Responsible Minerals Initiative (CMRT and EMRT)
- Global Automotive Declarable Substance List (GADSL)

as amended from time to time and the applicable regulations on the use of safety data sheets in accordance with EU Directive 91-155/EEC.

» Resource efficiency

InTiCa Systems continuously strives to optimize the environmental profile of its sites. When purchasing new and replacement equipment for its sites, it therefore gives priority to high technological standards and resource-efficient machinery. The budget for this is managed centrally by headquarters. To identify and realize scope to raise efficiency, since 2015 InTiCa Systems has continuously restructured and optimized its workflows in line with the principles of lean management.

The principles of lean management are applied when designing production processes and take account of material and energy efficiency.

Retrospective analysis and evaluation of existing production plants is performed as appropriate. On this basis, the production machinery at all sites is gradually being replaced by new, state-of-the-art solutions with a lower environmental impact.

InTiCa Systems is validated under IATF 16949, among other standards. The role of this management system is to achieve an effective improvement in systems and process quality, identify errors and risks in the production process and supply chain, eliminate their causes and check the efficacy of the corrective and preventive measures introduced in order to cut manufacturing costs and raise customer satisfaction. The focus is on minimizing risks and avoiding errors.

2.3 Working at InTiCa Systems

» Skilled staff

Qualified, high-performing and loyal staff are the basis for the success of the InTiCa Systems Group and actively shape its corporate policy. Therefore ensuring appropriate deployment of staff is one of the principal tasks of the Board of Directors. Established rules for vocational and ongoing training ensure that employees are highly trained so that they can meet the demands made on them both now and in the future. High-quality products and developments and competent advice for customers are key elements in the Group's success so it is particularly important to ensure that it has sufficient qualified staff for the future. Therefore, InTiCa Systems trains apprentices and generally hires them when they have completed their training.

InTiCa Systems values the diversity of personal attributes, talents and performance within its workforce. The company's future viability depends to a large extent on how this diversity, which can be a source of valuable synergies, is fostered and used. As a company that operates internationally, cultural diversity is a defining element of InTiCa Systems' corporate culture. With a view to equal opportunities for men and women, when filling vacancies attention is paid to a balanced representation of both genders wherever possible. However, priority is always given to the personal and professional qualifications of the candidates rather than their gender.

The system also includes specific motivation and improvement programmes and opportunities to play an active part in shaping the company.

» Employee rights and occupational safety

InTiCa Systems observes local laws and pays attention to the rights of its employees throughout the Group. It safeguards their safety by complying with the customary standards. The company accepts the principle of equal treatment and takes action in accordance with employment law to deal with breaches of the German General Equality Act (AGG). With regard to the safety of employees, high priority is given to avoiding accidents and emergency situations and to making contingency plans.

If there is nevertheless an accident, the causes are investigated at the production site by local production managers and subsequently discussed with the production management team to raise the awareness of the local team and define appropriate preventive measures. The best possible protection is achieved by trustful collaboration with employees, as their knowledge and experience are the basis for a continuous improvement in occupational safety. The occupational safety committee holds meetings with all delegates at the company's headquarters four times a year and monitors all necessary action.

2.4 Respect for human rights

Protecting human rights is important to InTiCa Systems. As a matter of principle, the company does not tolerate child, youth or forced labour, either at its own sites or in business relationships with third parties.

In line with the principles of good corporate governance, achieving economic targets is not the sole factor of importance; attention is also paid to how they are achieved. The commitment to balancing economic performance and ethical responsibility is reflected in company policy and in the Code of Conduct, which is designed to give employees, in particular, guidance on correct conduct with regard to legal and ethical challenges. Therefore, it includes rules for the treatment of each other and third parties and sets out requirements for tolerance, respect and non-discrimination.

2.5 InTiCa Systems' social commitment

Social commitment has always had a firm place in InTiCa Systems' corporate culture and values. Therefore, the company supports education and science, social welfare, the arts and sport through donations and sponsorship.

Following its practice in the past years, in 2024 InTiCa Systems SE once again refrained from presenting Christmas gifts to its customers and donated the resulting savings to the Lukas-Kern children's home. The Lukas-Kern home is an institution in Passau that takes in children and young people whose families are in difficulties. InTiCa Systems sees an enormous need to provide continued regional support.

3. Economic report

3.1 General economic conditions[2]

The global economy continued its very moderate momentum in 2024, expanding by 3.2% (2023: +3.3%). While the global economy lost momentum in the spring, according to the Kiel Institute for the World Economy (IfW Kiel), it only grew slightly faster in the third and fourth quarters. Nevertheless, global industrial output and global trade in goods picked up towards the end of the year. However, purchases of inventories in advance of possible increases in trade tariffs played a part in this. Despite the ongoing geopolitical uncertainties, the oil price basically trended downwards from spring 2024. By contrast, prices for non-fuel raw materials moved in the opposite direction. The core inflation rate (excluding energy and food) therefore remained high at around 3%.

Regionally, emerging market economies picked up during the year. This was mainly due to an upturn in China (+5.0%) and India. In Latin America (+1.9%), Argentina reported strong production growth, while the Brazilian economy weakened appreciably as a consequence of high interest rates and GDP declined significantly in Mexico. Overall, economic momentum in the advanced economies weakened. In particular, the previously strong expansion in the United States slowed slightly (+2.8%), not least due to destocking. In the euro zone (+0.8%), the rise in production declined perceptibly, partly due to one-off factors.

The German economy (-0.2%) was unable to lift itself out of recession in 2024 and once again lost considerable ground compared with other major European countries. Industrial output, in particular, continued its sharp decline. At the last count, value added was lower than it had been for almost four years and capacity utilization is still below the low point of earlier recessionary phases. In addition to economic influences, an improvement in economic development was hampered by structural factors. Moreover, economic weakness, negative business expectations and restrictive financing conditions are holding back private investment. Despite a significant increase in state activity, overall, there was a sharp fall in investment in machinery, appliances and vehicles in 2024.

In a phase of persistently moderate momentum – IfW Kiel is only projecting very moderate expansion of the global economy this year – the global economy is confronted with far higher uncertainty. The new US administration's customs policy threatens to dampen global trade to a significant extent and to disrupt established value chains. The expected decline in inflation to around the target of 2% is likely to prove sluggish and monetary policy easing could be less than had previously been assumed. At the same time, greater impetus is coming from financial policy, not least because many countries are stepping up defence spending considerably in view of the altered geopolitical constellation. However, to give the economy a real boost, especially in Germany, structural reforms are needed in parallel with this.

[2] Source: Kieler Konjunkturberichte - Weltwirtschaft im Frühjahr 2025: https://www.ifw-kiel.de/fileadmin/Dateiverwaltung/IfW-Publications/fis-import/abf832ab-051e-4e64-a39c-d483bf10930b-KKB_121_2025-Q1_Welt.pdf

3.2 Market and market environment

3.2.1 Mobility (formerly Automotive) [3]

The global economic weakness is having a particularly adverse effect on the automotive sector. Consumers in major markets are exhibiting a clear reluctance to buy. As a result of high inflation and the rise in interest rates, many consumers are deferring purchase decisions or refraining completely from purchases. Nevertheless, according to the provisional figures published by the German Automotive Industry Association (VDA), there was a slight increase in new registrations on the international automotive markets in 2024 (+3%).

A high proportion of this global growth was in China, which continued to increase its role as the most important car market, with an above-average rise in new registrations (+6%). By contrast, the rise in unit sales in 2024 was weak in the USA (+2%) and Europe (+1%). In Germany, the market actually declined slightly to 2.8 million new registrations (-1%). Production stagnated: 4.1 million cars were produced, the same number as in the previous year. Germany exported nearly 3.2 million cars (+2%). Despite zero growth in foreign order intake, exports therefore increased slightly. Domestic orders (+12%) were up considerably compared with the weak prior year.

Looking at electric vehicles, the picture in Germany was divided in 2024. Production increased to a record of 1.35 million electric cars (+7%). Therefore one in three cars produced in Germany was electric. However, there was a significant drop in new registrations of electric vehicles (-18%). While abolition of subsidies in Germany had a negative effect on the entire European market, demand for electric vehicles was booming in China and the USA thanks to state incentives. China was not only by far the largest producer of electric cars (12.5 million in the reporting period), according to the latest figures from the Rho Motion market research institute, almost two-thirds of new electric cars were registered in China.

The strong competition from China, the threat of new US tariffs, high energy prices and excessive bureaucracy in Germany are putting considerable pressure on the country's automotive industry. The business climate index for the sector was -34.7 points at year-end – a strong sign of crisis. Sentiment on both the business situation and business expectations is equally negative. Many companies consider that orders on hand are inadequate for full capacity utilization. Therefore, more companies than in the past are talking about cutting jobs and want to cancel, delay or relocate investment. Producers and suppliers are faced with the need to adapt to new market conditions and, at the same time, drive forward the transition to electric vehicles.

3.2.2 Industry & Infrastructure[4]

The past year was very difficult for the German electrical/electronics and digital industry. The sector reported declines in all relevant indicators. Based on preliminary figures from the German sector association ZVEI, price-adjusted production fell by 9.1% in 2024 and was therefore below the autumn forecast of -7%. Nominal revenues fell by 6.2% in the reporting period. Aggregate sector sales therefore amounted to EUR 223.2 billion in FY 2024. There was a drop in both business with domestic partners (-6.7% to EUR 106.9 billion) and revenue generated with foreign customers (-5.8% to EUR 116.3 billion).

Even exports were affected by the negative trend. Aggregate sector exports declined for the first time since 2020, dropping to EUR 246.4 billion, a year-on-year decrease of 3.5%. According to ZVEI, the biggest export market in 2024 was once again China (-1.8% at EUR 25.1 billion), followed by the USA (-0.2% to EUR 24.8 billion), France (-5.6% to EUR 16.3 billion) and the Netherlands (-8.2% to EUR 14.9 billion). Looking at the Top 20 importers, the only countries that registered growth were Spain (+0.9% to EUR 9.0 billion) and India (+3.4% to EUR 3.1 billion). Since global growth was positive, unlike the situation in Germany, Germany's share fell further.

Business sentiment in the German electrical/electronics and digital industry was therefore correspondingly poor at year-end. Overall, it was -23.6 points in December, with companies proving slightly more negative on business expectations (-28.3 points) than on the business climate (-18.8 points). Companies' production plans were negative in all segments apart from measurement technology and process automation. Order intake fell by 9.6% overall in 2024. The drop in domestic orders (-12.9%) was higher than the drop in orders from foreign customers (-6.6%). Across the sector, 54% of companies are currently affected by a shortage of orders.

ZVEI considers that the problems are structural as well as cyclical: Germany is too overregulated and too expensive. Bureaucracy is a particular problem for companies in the sector. Nine out of ten companies consider that it hampers innovation and in some cases planned investments are not implemented because the bureaucratic workload is too high. Therefore, the aim must be to restore international competitiveness because the electrification, digitalization and automation megatrends are still fully intact and could generate new economic momentum.

[3] https://www.vda.de/dam/jcr:28187e83-049f-4fe3-8f2e-c5605ee293b9/Pressematerial_VDA-Jahres-Pressekonferenz_2025?mode=view
https://www.vda.de/de/presse/Pressemeldungen/2025/250106_PM_Nationale_PM_Pkw-Produktion_in_Deutschland_im_Dezember_2024
https://www.vda.de/de/presse/Pressemeldungen/2025/250205_PM_Nationale_PM_Pkw-Produktion_in_Deutschland_im_Januar_2025
https://www.ifo.de/fakten/2025-01-09/stimmung-der-autoindustrie-abermals-gefallen

[4] ZVEI Pressemitteilung vom 10.02.2025: https://www.zvei.org/presse-medien/pressebereich/deutsche-elektro-und-digitalindustrie-wartet-weiterhin-auf-konjunkturimpulse
ZVEI Pressemitteilung vom 21.02.2025: https://www.zvei.org/presse-medien/pressebereich/elektro-und-digitalindustrie-exportiert-2024-weniger
ZVEI Pressemitteilung vom 29.01.2025: https://www.zvei.org/presse-medien/pressebereich/noch-keine-trendumkehr-fuer-elektro-und-digitalindustrie-in-sicht
Ifo Geschäftsklima Dezember 2024: https://www.zvei.org/fileadmin/user_upload/Presse_und_Medien/Publikationen/Regelmaessige_Publikationen/Geschaeftsklima/Geschaeftsklima_Dezember_2024.pdf
https://www.zvei.org/fileadmin/user_upload/Presse_und_Medien/Pressebereich/2025-017-DEI-Import-Export/Top-11-20-Exportabnehmer_PI_17_2025.jpg

3.3 Significant events in the reporting period

The Supervisory Board of InTiCa Systems SE appointed Mr. Bernhard Griesbeck to the company's Board of Directors with effect from January 15, 2024. He succeeded the long-standing board member Mr. Günther Kneidinger, who left the Board of Directors by mutual agreement on September 30, 2023.

On July 18, InTiCa Systems SE announced that it was changing the name of its Automotive segment to Mobility. This strategic decision highlights the company's future-oriented vision and paves the way to access new markets. The introduction of the name Mobility more accurately reflects the segment's range of activities, which are outlined in section 1.1.1. The renamed Mobility segment comprises the previous Automotive business in its entirety, preserving the comparability and continuity of the segment data.

On October 24, 2024, InTiCa Systems SE revised its forecast for the 2024 financial year. It previously assumed that the Group would report sales of between EUR 80.0 million and EUR 95.0 million and a positive EBIT margin at the lower end of the 0% to 2.5% range. The sales range was reduced to between EUR 70.0 million and EUR 75.0 million, with EBIT expected to be negative. The revised guidance was due to the continued negative business environment in both the Mobility segment and the Industry & Infrastructure segment. In the short term, the new business areas addressed could not offset the noticeable drop in order offtake by automotive customers in the third quarter of 2024 and the considerable reduction in demand in the photovoltaics and charging points sectors compared with the budget. Despite optimization of inventories and cost savings, the lower sales held back EBIT.

No other events of special significance occurred after the reporting report that are expected to have a material effect on the Group's assets, financial position and results of operations.

3.4 Earnings, asset and financial position

3.4.1 Overall position

Overall, the 2024 financial year was considerably weaker than originally anticipated. The automotive industry continued to battle with the challenges of the transformation and European suppliers of inverters for the solar and photovoltaics market were still exposed to significant pressure from Asian competitors. Macroeconomic uncertainty remained high, resulting in the deferral of many new projects. In contrast, the duration of established projects was extended. Moreover, the signals relating to the strategic expansion of the product portfolio, which was decided in mid-2024, are positive. Interesting new orders were acquired from various sectors and some have already been implemented. Nevertheless, the volumes were still too low to offset the restraint in established areas of business.

At year-end, Group sales were EUR 70.6 million (2023: EUR 86.9 million). That was well below the original forecast and at the lower end of the revised range. In particular, the Industry & Infrastructure segment posted a sharp decline compared with the high prior-year level. Alongside competitive pressure from Asia, this was attributable to the fact that market acceptance of medium-capacity charging points was below expectations in the reporting period. This had a visible effect on a new customer's product and consequently on InTiCa Systems' sales. In the Mobility segment, the delayed start-up of a new product for a major customer had a negative impact. One particularly positive factor was demand for technical plastic parts at the Mexico site.

On the earnings side, the drop in sales increased the existing pressure on margins. However, this was successfully mitigated by extensive cost-cutting measures and continuous process optimization. The material cost ratio was reduced substantially in the reporting period thanks to a more efficient product mix and the one-off compensation payment from a large customer for cancelled orders (negotiations with other customers are ongoing). The gross margin and EBITDA margin therefore improved year-on-year. By contrast, EBIT slipped into negative territory due to the adverse impact of non-cash currency effects. EBIT was minus EUR 0.6 million (2023: EUR 0.3 million), so the loss was slightly lower than predicted in the revised guidance.

The loss for the period increased the pressure on liquidity, which was already suffering from the deferral and cancellation of orders at short notice, which makes planning of materials and warehousing more difficult. Consequently, liquidity management has very high priority. Intensive price negotiations were held with suppliers and customers, inventories were reduced and capital expenditure was scaled back as planned. The operating cash flow was clearly positive at EUR 6.2 million in the reporting period, a significant improvement compared with the previous year (2023: EUR 1.6 million). Cash and cash equivalents totalled EUR 1.9 million on December 31, 2024 (December 31, 2023: EUR 0.9 million). As of the reporting date, undrawn overdraft facilities of EUR 3.3 million were available. Since the equity ratio is 29.8%, the Board of Directors considers that the Group is still soundly financed.

Overall, InTiCa Systems' situation in the reporting period was clouded by the challenges of the present business environment. The operational and strategic measures that have been introduced are starting to have an effect, so the Board of Directors considers that the Group is well-positioned to emerge strengthened from the present phase.

3.4.2 Earnings position

» Sales

Group sales declined by 18.7% year-on-year to EUR 70.6 million in 2024 (2023: EUR 86.9 million). Sales thus were at the lower end of the most recent forecast range of EUR 70.0 million to 75.0 million. The Industry & Infrastructure segment in particular saw significant postponements or even cancellation of orders by some customers in the reporting period. Compared to the very strong prior-year period, this resulted in a 39.4% decline in sales to EUR 15.4 million (2023: EUR 25.5 million). Demand in the Mobility segment was also significantly lower during the year. Overall, segment sales dropped by 10.2% year-on-year to EUR 55.2 million (2023: EUR 61.4 million).

» Expenses

Expenses for raw materials and supplies amounted to EUR 38.1 million in the reporting period (2023: EUR 55.0 million). Due to the disproportionate decline, the ratio of material costs to total output was 55.2%, which was clearly below the prior-year level (2023: 61.3%). Alongside cost-cutting measures and the ongoing optimization of production workflows, this was mainly due to a less material-intensive product mix and a compensation payment from a larger customer. The personnel expense ratio (including agency staff) was stable at 25.4% (2023: 25.4%). Other operating expenses decreased from EUR 12.3 million in the prior-year period to EUR 10.4 million. Expenses for agency staff included in the other operating expenses fell to EUR 0.7 million (2023: EUR 2.8 million). Depreciation of property, plant and equipment and amortization of intangible assets amounted to EUR 6.6 million in 2024 (2023: EUR 6.3 million).

» Research and development

In the reporting period, spending on research and development was EUR 2.9 million, which was 4.1% of sales (2023: EUR 2.9 million / 3.4% of sales). Development work focused principally on new products in the e-solutions business and on innovative solutions for the newly defined business areas. Examples are antennas for commercial vehicles and components for two-wheelers in the Mobility segment and linear stators in the Tailored Solutions area of the Industry & Infrastructure segment. EUR 2.2 million was expensed directly for development work (2023: EUR 2.0 million) and the remaining EUR 0.7 million (2023: EUR 0.9 million) was capitalized. The capitalization rate was therefore 24.2% (2023: 30.9%). Amortization of self-created intangible assets was EUR 1.0 million in the reporting period (2023: EUR 1.1 million).

» Earnings

The gross profit decreased disproportionately to EUR 30.9 million in the reporting period (2023: EUR 34.7 million) with the gross profit increasing from 40.0% to 43.8%. EBITDA (earnings before interest, taxes, depreciation and amortization) was down 7.2% year-on-year at EUR 6.1 million (2023: EUR 6.5 million). As the percentage decline was lower than the fall in sales, the EBITDA margin nevertheless improved to 8.6% in the reporting period (2023: 7.5%).

As a result of considerable negative currency effects, which did not affect cash flows, EBIT (earnings before interest and taxes) slipped into negative territory as forecast. At minus EUR 0.6 million (2023: positive EBIT of EUR 0.3 million), it was somewhat better than the revised forecast range of minus EUR 1.0 million to minus EUR 2.0 million. The measures introduced to reduce costs are becoming increasingly visible. At segment level, Mobility reported EBIT of minus EUR 1.3 million in the reporting period (2023: minus EUR 1.3 million) and the Industry & Infrastructure segment reported EBIT of EUR 0.7 million (2023: EUR 1.6 million). The Mobility segment therefore generated an EBIT margin of -2.4% (2023: -2.1%). The EBIT margin in the Industry & Infrastructure segment was 4.8% (2023: 6.2%). It should be noted that most of the expenses arose from exchange rate differences assigned to the Mobility segment.

The financial result was minus EUR 1.9 million in the reporting period (2023: minus EUR 1.5 million), reflecting the increased use of overdraft facilities (as at December 31, 2024, EUR 16.6 million of the EUR 19.9 million overdraft facilities available had been drawn) and the increase in interest expense. As in the previous year, financial expenses were not offset by any significant financial income.

The pre-tax loss was EUR 2.4 million in the reporting period (2023: pre-tax loss of EUR 1.2 million). Taking into account tax revenue of EUR 0.1 million (2023: EUR 0.1 million), the Group posted a net loss of EUR 2.3 million (2023: net loss of EUR 1.1 million). Earnings per share were therefore minus EUR 0.55 (2023: minus EUR 0.27).

As a result of currency translation losses of EUR 0.7 million (2023: losses of EUR 14 thousand) from the translation of foreign business operations, total comprehensive income was minus EUR 3.0 million in 2024 (2023: minus EUR 1.1 million).

3.4.3 Asset position

» Capital structure

Total assets decreased from EUR 67.7 million in 2023 to EUR 59.8 million as of December 31, 2024. On the assets side, non-current assets decreased significantly due to lower capital expenditure. Current assets also declined significantly, mainly due to the decrease in inventories and trade receivables. On the liabilities side, equity decreased due to the loss for the period. Non-current liabilities also decreased significantly, while current liabilities remained at the prior-year level. The equity ratio dropped slightly to 29.8% as of December 31, 2024 (December 31, 2023: 30.8%).

The principles of financial management are outlined in section 3.4.5 "Financial management".

» Non-current assets

Non-current assets decreased to EUR 33.0 million as of December 31, 2024 (December 31, 2023: EUR 37.0 million), as property, plant and equipment declined from EUR 29.5 million to EUR 25.4 million due to lower capital expenditure. Intangible assets were EUR 5.1 million (December 31, 2023: EUR 5.1 million) and deferred taxes were EUR 2.4 million (December 31, 2023: EUR 2.4 million), the same level as at year-end 2023.

» Current assets

Current assets decreased to EUR 26.8 million as of December 31, 2024 (December 31, 2023: EUR 30.7 million). This was mainly attributable to the drop in inventories as of the reporting date to EUR 15.9 million (December 31, 2023: EUR 18.7 million). Trade receivables also fell from EUR 7.7 million to EUR 6.4 million, tax receivables decreased from EUR 1.2 million to EUR 0.8 million and other current receivables dropped from EUR 1.5 million to EUR 1.0 million. By contrast, other financial assets increased slightly from EUR 0.6 million to EUR 0.8 million. Cash and cash equivalents totalled EUR 1.9 million on December 31, 2024 (December 31, 2023: EUR 0.9 million).

» Non-current liabilities

Non-current liabilities decreased to EUR 12.2 million as of December 31, 2024 (December 31, 2023: EUR 17.1 million). Since repayments of loans significantly exceeded new borrowing, non-current liabilities to banks decreased to EUR 6.8 million (December 31, 2023: EUR 11.0 million). The liabilities to banks comprised fixed-interest loans with remaining terms of up to seven years and three floating-rate loans with a remaining term of up to four years. Interest rates on non-current financial liabilities are between 0.95% and 5.33%. Other non-current financial liabilities also decreased slightly to EUR 3.5 million (December 31, 2023: EUR 4.3 million), while deferred taxes at year-end 2024 were slightly above the prior-year level at EUR 1.9 million (December 31, 2023: EUR 1.8 million).

» Current liabilities

At EUR 29.8 million, current liabilities remained at the same level as at the end of the previous year (December 31, 2023: EUR 29.8 million). There was a rise in financial liabilities from EUR 18.1 million to EUR 21.3 million and other current provisions increased from EUR 1.3 million to EUR 1.5 million. By contrast, trade payables decreased from EUR 5.1 million to EUR 3.3 million, tax liabilities fell to EUR 37 thousand (December 31, 2023: EUR 0.4 million), other current financial liabilities declined to EUR 2.2 million (December 30, 2023: EUR 3.0 million) and other current liabilities dropped to EUR 1.6 million (December 31, 2023: EUR 2.0 million).

» Equity

Equity decreased to EUR 17.8 million as of December 31, 2024 (December 31, 2023: EUR 20.8 million). This was attributable to the decrease in the profit reserve from EUR 1.4 million to minus EUR 0.9 million due to the loss for the period. In addition, the currency translation reserve changed from minus EUR 0.2 million to minus EUR 0.9 million. The capital stock of EUR 4.3 million, treasury shares of EUR 64 thousand and capital reserve of EUR 15.4 million were constant in the reporting period.

3.4.4 Financial position

» Liquidity and cash flow statement

Despite the net loss, the net cash inflow from operating activities was clearly positive at EUR 6.2 million in 2024, a significant improvement compared to the previous year (2023: EUR 1.6 million). Working capital in particular improved in the reporting period due to the reduction in inventories and trade receivables. The net foreign currency loss (2023: net foreign currency gain) also had a noticeable effect. Excluding tax expense and interest payments, there was a cash inflow from operating activities of EUR 8.1 million (2023: EUR 4.1 million).

The net cash outflow for investing activities was EUR 3.1 million in the reporting period (2023: outflow of EUR 6.6 million). Investment in intangible assets amounted to EUR 1.2 million (2023: EUR 1.9 million) and investment in property, plant and equipment was EUR 1.9 million (2023: EUR 4.7 million). Cash inflows from the disposal of property, plant and equipment amounted to EUR 49 thousand in 2024 (2023: EUR 27 thousand). No interest was received (2023: EUR 6 thousand).

The net cash outflow for financing activities was EUR 2.1 million in the reporting period (2023: inflow of EUR 9.7 million). In the reporting period, cash inflows of EUR 0.6 million from a project-related loan (2023: EUR 3.2 million) were offset by cash outflows of EUR 5.1 million for the repayment of loans (2023: EUR 5.2 million) and EUR 1.2 million for lease payments (2023: EUR 1.3 million). The eurocredit of EUR 1.5 million obtained in 2024 by converting part of an overdraft facility was repaid as planned in December 2024. In view of the ongoing use of the overdraft facilities, the facilities drawn are now allocated to financing activities rather than to cash and cash equivalents. In the 2023 financial year, the overdraft of EUR 13,027 thousand was reclassified from cash and cash equivalents to the cash flow from financing activities; in the 2024 financial year, the additional drawing of EUR 3,588 thousand is also reported in the cash flow from financing activities.

This resulted in a total positive cash flow of EUR 1.0 million in the reporting period (2023: EUR 4.6 million). Cash and cash equivalents totalled EUR 1.9 million on December 31, 2024 (December 31, 2023: EUR 0.9 million). On the reporting date, InTiCa Systems had assured, undrawn credit facilities of EUR 3.3 million.

» Capital expenditure

Capital expenditure totalled EUR 3.1 million in the reporting period (2023: EUR 6.6 million). EUR 1.9 million (2023: EUR 4.7 million) of this amount was invested in property, plant and equipment, and EUR 1.2 million (2023: EUR 1.9 million) was invested in intangible assets. Given the measures taken in recent years and the continued uncertainty with regard to volumes in the present market conditions, capital expenditure was therefore reduced significantly in the reporting period, as planned. Investments focused primarily on an order received for higher quantities of an actuator coil for chassis systems in the Czech Republic and expanding production capacity for functional plastics components in Mexico. In addition, plants were required for the speciality products business.

Gaining and expanding a leading market position in a future-oriented industry like e-solutions requires constant investment. However, in light of the measures taken in recent years and the continued uncertainty with regard to volumes in the present market conditions, a further significant reduction in capital expenditure is planned for the present financial year. Based on the investment plan, expenditure of between EUR 1.0 million and EUR 1.5 million is planned for property, plant and equipment. Capital expenditure will be confined exclusively to new projects with corresponding sales volumes and a positive return on investment, for example, components for electrical equipment such as e-bikes and marine engines.

» Employees

The headcount amounted to 571 as of December 31, 2024 (December 31, 2023: 761). This figure includes 7 agency staff (December 31, 2023: 50). Expenses of EUR 0.7 million (2023: EUR 2.8 million) for agency staff are included in other operating expenses. The personnel expense ratio, including expenses for agency staff, was stable at 25.4% (2023: 25.4%). On average, the Group had 646 employees (including agency staff) in the reporting period (2023: 831) As announced, the number of employees was thus aligned to the lower level of orders on hand. In addition to the lower order offtake, the reduction in the number of employees is also attributable to the enormous effort made in recent years to adapt to changing market conditions and the skills shortage. Successful lean management, optimized processes and products with a high degree of automation permit a leaner overhead structure.

3.4.5 Financial management

The central objective of financial management at InTiCa Systems is to ensure sufficient liquidity reserves at all times, minimize financial risk and secure financial flexibility.

The segments' operating business and the resulting cash inflows are the Group's main source of liquidity. Operational planning is based on a long-term liquidity forecast. The short and medium-term forecasts are updated periodically.

InTiCa Systems includes all consolidated subsidiaries in this planning process. Surplus funding within the Group is distributed to those areas that require it by the Finance department at the parent company in order to reduce external funding requirements and optimize net interest expense. To secure its liquidity position, InTiCa Systems also uses various internal and external financing instruments such as credit agreements and factoring, which form the basis for short and medium-term financing, and leasing. As a result of the company's capital base and the constant revision and adaptation of financing arrangements, the Board of Directors is of the opinion that the main preconditions for financing have been met.

3.5 Financial and non-financial performance indicators

The Board of Directors mainly uses the following primary financial and non-financial indicators to manage the Group and its development (see section 1.3). In this context, great value is placed on sustainable development of the Group. The exact presentation of the Group's earnings, net assets and financial position can be found in section 3.4 "Earnings, asset and financial position."

3.5.1 Financial performance indicators

» Sales

Group sales decreased 18.7% year-on-year to EUR 70.6 million (2023: EUR 86.9 million). Sales were therefore within the revised forecast range of EUR 70.0 million to EUR 75.0 million. Sales revenues are reported net of products returned by customers, discounts and similar deductions.

Segment sales were well below the original expectations at EUR 55.2 million in the Mobility segment and EUR 15.4 million in the Industry & Infrastructure segment. Delayed product start-ups by customers were a major factor in this. For instance, a major customer of the Mobility segment and a new customer of the Industry & Infrastructure segment significantly reduced their order offtake compared with the original budget.

» EBIT and EBIT margin

The EBIT margin comprises earnings before interest and taxes (EBIT) divided by sales. In 2024, EBIT was minus EUR 0.6 million (2023: EUR 0.3 million) so no EBIT margin is reported (2023: 0.3%). While the original forecast could not be achieved due to the reduction in sales and non-cash currency effects, EBIT slightly exceeded the revised guidance of between minus EUR 1.0 million and minus EUR 2.0 million.

» Orders on hand

Orders on hand reflect customers' requirements for a period of 18 months. As of December 31, 2024, orders on hand amounted to EUR 77.3 million and were thus well below the previous year's level (December 31, 2023: EUR 99.3 million). 92% of orders were for the Mobility segment (2023: 82%). Given the global economic weakness, especially in the automotive sector, orders on hand fell short of the forecast of EUR 85.0 million. In principle, the Board of Directors sees orders on hand as an indicator of future business development.

The material cost ratio, equity ratio and the non-financial indicators set out below are also considered to be performance indicators, but are not used as key performance indicators for the primary management of the Group.

» Material cost ratio

The material cost ratio is derived from the cost of materials divided by total output. The material cost ratio decreased significantly from 61.3% in the previous year to 55.2%. This was principally attributable to successful cost-cutting measures, continuous process optimization, a more efficient product mix and the one-off compensation payment from a large customer for cancelled orders. Moreover, as a result of intensive negotiations with suppliers and customers, it was largely possible to avoid price rises for raw materials and reductions in selling prices.

» Equity ratio

The equity ratio comprises the ratio of equity capital to total capital (= total assets). Due to the net loss for the period, the equity ratio decreased from 30.8% to 29.8%. Overall, the Board of Directors still considers the equity ratio to be solid.

3.5.2 Non-financial performance indicators

» Customer and product portfolio and vertical integration

A diversified customer and product portfolio is very important for the company. Where possible, the Board of Directors manages business to avoid risks such as high dependence on individual products or customers, and excessive diversification involving disproportionate additional costs.

Vertical integration is kept at a high level (> 90%) through the company's own production facilities in Prachatice (Czech Republic), Silao (Mexico) and Bila Tserkva (Ukraine). The company strives to obtain higher margins by correspondingly broad value added, profound process expertise and the resulting improvement in benefits for customers.

In keeping with this goal, in 2023 the company started to build up a speciality product business in the Industry & Infrastructure segment. Based on InTiCa Systems' specific expertise in the field of inductivity, the intention is to address additional market segments such as special vehicles, industrial plant and medical technology in the future. Compared with large-scale serial business, the speciality products business commands above-average margins. The situation is similar as regards the decision taken in 2024 to extend the Mobility segment's expertise as a solution provider to further markets such as commercial vehicles, special vehicles and railways. The Group's strategic focus is designed to safeguard know-how, reduce production costs, increase flexibility and decrease dependence on individual customers and products.

» Research and development

Addressing key technologies of the future such as e-mobility, energy storage, energy management systems and safety technology helps InTiCa Systems extend its product portfolio to meet future requirements so that it can convince customers in the long term of its expertise as a solution provider. The development of innovative new products is essential, in particular, as a basis for healthy business development.

InTiCa Systems regards itself providing an all-round innovation and product development process. From product design through the application-oriented selection of materials and modern simulation technologies to advanced testing and validation methods, the team of InTiCa Systems is involved from the initial idea to commercialization, including support throughout the entire life cycle. Where expedient, safeguarding innovations by securing protected rights plays a vital role in this.

With its competent in-house team of developers and production technologists, InTiCa Systems helps customers find the most efficient solutions for their individual needs and transform ideas into innovative and marketable products. Teamwork between sales and engineering is an important basis for acquiring new contracts and enables InTiCa Systems to gain relevant development and serial production orders. The principal performance indicators for research and development are the time required in the tender process for the preliminary technical design, feasibility studies and initial production concepts.

3.6 Segment report

On the product side, the Group is divided into a number of product and volume sales areas (primary segment).

Segment	Mobility		Industry & Infrastructure		Total	
in EUR ’000	2024	2023	2024	2023	2024	2023
Sales	55,174	61,423	15,430	25,453	70,604	86,876
EBIT	-1,299	-1,308	743	1,578	-556	270
EBIT margin	-2.4%	-2.1%	4.8%	6.2%	-	0.3%
Orders on hand	71,409	81,368	5,966	17,930	77,375	99,298

The Group draws a geographical distinction between Germany and other countries (secondary segment).

	Germany		Other countries		Total	
in EUR ’000	2024	2023	2024	2023	2024	2023
Sales	33,115	43,320	37,489	43,556	70,604	86,876
Allocated segment assets	18,730	20,710	34,243	40,307	52,973	61,017
Average no. of employees	86	86	560	745	646	831
of which agency staff	0	0	19	90	19	90

A full description of the segments and details of segment performance can be found in sections 1.1 "Business activities" and 3.2 "Market and market environment" in this management report.

3.7 Remuneration system of the Board of Directors and Supervisory Board

For a more detailed description of the remuneration system for the Board of Directors and Supervisory Board, see the Remuneration Report, which can be downloaded from the company's website at www.intica-systems.com in the section Investor Relations/Corporate Governance.

3.8 Corporate governance statement pursuant to sec. 289f and sec. 315d HGB

The corporate governance statement for InTiCa Systems SE and the InTiCa Systems Group, which is required by sec. 289f and sec. 315d of the German Commercial Code (HGB), including the corporate governance report, is available on the internet at www.intica-systems.com in the section Investor Relations/Corporate Governance. It is printed on page 36 et seq. of the Annual Report and is also available on the internet at www.intica-systems.com in the section Investor Relations/Corporate Governance.

3.9 Other information

» Composition of the capital stock

The capital stock of InTiCa Systems SE 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 voting rights and the transfer of shares

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.

» Shareholdings exceeding 10% of the voting rights

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%. Dr. Axel Diekmann (Germany) and Mr. Thorsten Wagner (Germany) have direct and indirect interests in the company's capital exceeding 10% of the voting rights.

» Shares with special rights according rights of control

There are no shares in InTiCa Systems SE with special rights according rights of control.

» Methods of controlling voting rights where employees hold shares in the company and do not directly exercise their right of control

InTiCa Systems SE has not issued any shares that allow direct exercise of control rights.

» Statutory provisions and regulations in the articles of incorporation on the appointment and dismissal of members of the Board of Directors and changes to the articles of incorporation

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 2022/1 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.

» Authorization of the Board of Directors to issue or buy back shares

On the basis of the resolution of the Annual General Meeting of July 15, 2022, the Board of Directors is authorized to increase the capital stock with the Supervisory Board's consent, in one or more tranches, up to July 14, 2027, 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 2022). 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 December 31, 2024, InTiCa Systems SE still had treasury stock amounting to 64,430 shares (December 31, 2023: 64,430).

On the basis of a resolution adopted by the Annual General Meeting on July 15, 2022, the company is authorized, up to July 14, 2027, 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.

» Principal agreements entered into by the company that are governed by provisions on a change of control resulting from a takeover bid

InTiCa Systems SE has loans amounting to EUR 0.4 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 3 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.

» Compensation agreements entered into by the company with members of the Board of Directors or employees in the event of a takeover bid

There are no compensation agreements with either members of the Board of Directors or employees relating to a takeover bid.

4. Risk management and risk report

4.1 Monitoring, control and risk management

InTiCa Systems' business is exposed to a large number of risks that are inseparably linked to entrepreneurial activity. According to the internal definition, risks constitute the possibility of the occurrence of events that could adversely affect the economic situation of InTiCa Systems. Such risks are countered by adequate opportunities. InTiCa Systems uses management systems to ensure timely identification, evaluation and management of risks. The company's risk management is not based on a generally accepted basic concept.

The monitoring, analysis and evaluation of risks through a monitoring system are essential elements in the management and oversight regulations set out in sec. 91 paragraph 2 of the German Companies Act (AktG). Further, the German Commercial Code (HGB) requires a report on the company's future development and the related risks and opportunities.

In compliance with sec. 91 paragraph 3 of the German Companies Act (AktG), potential risks are entered in an internal control system and a risk management system installed at the company, analysed and classified on the basis of their probability of occurrence and potential damage. Neither categoric exclusion nor fundamental avoidance of specific risks is planned.

» Appropriateness and effectiveness of the entire internal control system and the risk management system[5]

The main characteristics of the entire internal control system and the risk management system can be described as follows: Business activities are examined for opportunities and risks at planning meetings and, on the basis of the findings, targets are derived. The attainment of these targets is monitored by a controlling system and a reporting system. These systems provide a variety of indicators on, for example, the following key aspects: sales and earnings trends, orders on hand and inventories, gross profit, consumption of materials and production defects, personnel, liquidity and investments. The Board of Directors can access each report via the IT system and initiate appropriate counteraction.

Risk potential is updated regularly by senior managers. A monthly overview of risk potential is derived from the wide range of individual data entered. The risks are derived from the present business activities of the segments and sub-segments and corporate targets. The Board of Directors discusses the facts presented immediately or at its next meeting. The systematization and monitoring of risks in this way includes regular documentation of the entire control, risk management and early warning system and checking that it is effective and fit for purpose.

The Board of Directors undertakes comprehensive monitoring of the appropriateness and effectiveness of the internal control system and risk management system. It regularly and continuously monitors and assesses the efficiency of these systems. Specifically, the Board of Directors continuously strives to refine the established systems, identify and eliminate vulnerabilities in the systems and optimize the systems and related processes. If potential for improvement is identified, the Board of Directors is notified and modifications are implemented without delay. The purpose is always to enhance the effectiveness and efficiency of corporate and risk management and to meet the demands made on the appropriateness and effectiveness of the systems.

[5] The declaration relating to Recommendation A.5 of the German Corporate Governance Codes was not included in the audit of the present (Group) Management Report

We did not encounter any issues that would give rise to doubts about the appropriateness and effectiveness of the overall internal control system and risk management system. Nevertheless, given the constraints on any internal control and risk management system, there cannot be an absolute guarantee of the appropriateness and effectiveness of such systems. Systems that are reported to be appropriate and effective could be exposed to inherent restrictions. Accordingly, it is not possible to guarantee full prevention of any non-compliance with processes and/or the actual occurrence of risks.

4.2 Internal control system and risk management relating to the accounting process

The accounting process is controlled by the parent company through the Group-wide Finance and Accounting, Controlling and Investor Relations departments. Functions and responsibilities in these areas are clearly separated/assigned and there are mutual control processes to ensure a continuous exchange of information. The internal control system for financial accounting is based on defined preventive and supervisory control mechanisms such as systematic and manual checking, and on predefined approval procedures, especially by appointing functions and compliance with guidelines. Appropriate IT precautions are in place to protect the financial systems used from unauthorized access. Financial accounting systems only use standard software. Uniform accounting is ensured by using qualified and experienced staff or external specialists, combined with internal policies and the application of standardized reporting formats. The guidelines and reporting formats are determined by the Board of Directors of the parent company and compliance is monitored continuously by employees in the Finance department. Alongside technical checks by the system, manual and analytical checks are performed. External experts such as auditors and lawyers are consulted on changes and complex accounting issues.

The internal control and risk management system relating to the accounting process is fully integrated into the Group's quality assurance process.

4.3 Risks

The global geopolitical tension intensified further in 2024. The most visible conflicts were the ongoing war in Ukraine and the unpredictable conflict in the Middle East. Uncertainty regarding economic policy also remains high in view of the customs policy announced by the Trump administration and the fact that the focus of the new German government has not yet been defined. The related impacts entail considerable risks for the global economy and the development of InTiCa Systems' business in 2025. Alongside the negative effects on sales markets, the procurement markets, in particular, are adversely affected by the disruption to supply chains, sanctions and restrictions on freight traffic. Moreover, there is a risk of a renewed rise in energy prices and inflation. Consequently, the potential negative effects on the company's assets, financial position and results of operations still have to be monitored closely in 2025, so that timely counteraction can be taken. Risks for InTiCa Systems relate, inter alia, to volume trends in conjunction with the solvency of key customers, disruption of production, the availability of personnel, procurement markets for raw materials and semi-finished products and, in particular, supply chains. It is currently not possible to predict to what extent the Group will be affected by these factors. Accordingly, InTiCa Systems is constantly required to apply appropriate measures and countermeasures and to adapt to changing conditions and overall circumstances.

The principal risks to InTiCa Systems' business are described below:

» Market risks

InTiCa Systems' two segments are exposed to different market requirements and thus to different market risks. The Mobility segment is currently dominated principally by the transformation to e-mobility, connectivity and autonomous driving. Together with the prevailing geopolitical and trade policy tensions, and the uncertain economic developments in core markets, this transformation process is causing instability in supply chains and uncertain planning, which could significantly dampen or affect the necessary growth. Uncertainty could result in delays in market and product launches, which could affect InTiCa Systems' components. In addition, the Mobility segment is exposed to ongoing sector-related economic risks. In 2024, InTiCa Systems took a strategic decision to expand its product portfolio and extend it expertise as a solution provider to further areas of the market. While the European car industry will be exposed to significant competitive pressure from Asia and high volatility in the foreseeable future as a result of the difficult transformation process, other areas such as commercial vehicles, special vehicles and rolling stock for railways should have far less exposure to such competition. It is not clear whether the global downturn in conventional vehicle technologies will be positively offset by new product areas such as the increased introduction of electric and hybrid vehicles. This situation is being monitored closely.

The Industry & Infrastructure segment is also affected principally by the geopolitical situation and the weak economic development and thus policy and/or strategic decisions by some major customers. Since the customer base in this segment is considerably smaller, individual market fluctuations cannot be countered so effectively. Moreover, competition is continuing to increase, especially as a result of Asian companies entering the market. To strengthen its market position, InTiCa Systems focuses on proprietary developments. In addition, it started to set up a speciality product business in 2023. In the mid-term, InTiCa Systems sees potential for mid-sized series. Compared with large-scale serial business, the speciality products business commands above-average margins. To alleviate the high volatility of order offtake in both segments, InTiCa Systems strives for close consultation with customers.

» Customer dependence

The sales split between the segments is as follows: Mobility 78.1%, Industry & Infrastructure 21.9%. Within each segment, the proportion of sales generated with the largest customers is as follows: Mobility 20%, Industry & Infrastructure 31%. If one or both of the segments were to lose major customers and be unable to replace them with equivalent new customers, this could have a significantly adverse effect on InTiCa Systems' business and liquidity situation. This applies in particular if individual customers, which belong to the same Group, fail to perform as this could also have a negative impact on such a Group's overall demand for the products of InTiCa Systems. InTiCa Systems works continuously to diversify its customer structure and extend its established expertise to further market segments and counteract customer dependency. Alongside the present Mobility business, since 2024 InTiCa Systems has also offered solutions and electronic components for commercial vehicles, buses, two-wheelers, special construction and agricultural vehicles and various types of trailers. Within the Industry & Infrastructure segment, InTiCa Systems follows a similar strategy, having started to build up a speciality products business for markets such as medical technology, industrial plant and speciality vehicles. This strategy has been corroborated by a rising number of enquiries and success in securing initial orders.

» Dependence on suppliers

InTiCa Systems requires a variety of raw materials and supplies for its production activities, e.g. plastics granulates, copper and other metals for electroplating. There is a risk that production workflows could be affected if suppliers fail to meet their delivery obligations or do not meet them on time, or if InTiCa Systems is unable to procure the raw materials it needs on the market in the necessary quantities or at the required time. The disruption to production workflows could mean that InTiCa Systems is unable to meet its own delivery obligations in full or on time. That could jeopardize customer relationships and result in claims for compensation, which in turn adversely affect the assets, liabilities, financial position and profit or loss of the Group.

Defined inventory reserves are therefore essential to safeguard the reliability of supply. In particular, there are very few suppliers of high-quality plastics granulates and precursors for electroplating. Recently, supply chains and the availability of materials were essentially stable. However, the unresolved tariff conflicts could cause renewed disruption. The Board of Directors of InTiCa Systems SE endeavours to minimize the risk of dependence on suppliers through long-term production planning and by using the widest possible number of suppliers. Alternative sourcing of raw materials and semi-finished products is examined very carefully. New suppliers, especially of cores and copper wire, increase competition, which is beneficial for InTiCa Systems. In addition, InTiCa Systems endeavours to raise selling prices to offset the rise in the price of materials. Understandably, however, this is only successful in some cases and generally involves a time lag.

» Technological risks

With the introduction and extension of power electronics, EMC filter technology and coils for stator systems for the vehicle industry, the company considers that it is well-positioned, especially with regard to electromobility and hybrid technology. The company has invested considerably in the development of business in e-mobility, taking into account certain risks, in order to enter this market at an early stage and build a market position with the relevant technology. Power electronics, sensors and actuators are also used in industrial electronics applications and remain important technologies. They are continuously being developed and new findings are being integrated to improve them. Overall, as of now the Board of Directors does not see any significant technological risk for the Mobility segment or the Industry & Infrastructure segment.

» IT risks

Stable and functioning IT systems are the basis for InTiCa Systems' business processes. The annual risk analysis includes an evaluation of the IT systems. The focus is on servers, including backup systems, access rights, external access, mobile device management, the use of software, identification of malware, firewall systems, cyberattacks and, finally, contingency plans. With a view to a possible cyberattack, the systems are being upgraded with an external service provider and steps are being taken to ensure adequate insurance. In particular, the cybersecurity threat is considered to be a growing risk. Periodic training and awareness-raising is provided for employees as necessary and data protection instruction is carried out annually with an external consultant. In collaboration with the data protection officers, the Group pays attention to compliance with all laws and regulations.

» Personnel risks

At the Group's headquarters in Passau, Germany, there is a risk that it will not be possible to find highly qualified staff to fill vacancies and that key employees, especially sales and research and development personnel, could leave the company as a result of the good labour market situation. InTiCa Systems counters this risk through a varied and interesting working environment, an attractive remuneration system, social benefits and a wide range of vocational and further training offers. The entire InTiCa Systems Group therefore strives to position itself as an attractive, future-oriented employer with opportunities for advancement and job security.

In the current opinion of the Board of Directors, there is adequate availability of qualified personnel for the international sites. At the same time, wages are rising significantly in the respective locations, as a result of the very good capacity utilization. Efforts are being made to counter this development by offering attractive remuneration models, benefits and training. Using agency staff is vital and reflects the order situation. In some cases, it is possible to transfer employees from staffing agencies to permanent contracts with the company. Finally, the labour market is constantly and closely monitored to ensure timely decisions and a timely response. In addition, InTiCa Systems has made a substantial effort in the area of lean production and will continue to drive forward process optimization. The shift in the product portfolio to products with a higher degree of automation also reduces personnel risks.

» Liquidity risk

By nature, InTiCa Systems' business involves high liquidity requirements. Although interest rates have dropped slightly since summer 2024, they are still far higher than in recent years. The interest rates for the loans drawn by InTiCa Systems are linked to reference rates such as Euribor or the euro short-term rate. While these have been trending downward in recent months, some banks have raised their risk premiums.

InTiCa Systems has taken extensive steps to minimize the pressure on liquidity insofar as possible. In response the improvement in reliability of supply, inventories and warehousing have been reduced considerably. Other ways of optimizing inventories are increasing the frequency of deliveries from suppliers and reducing upfront production of finished goods. Moreover, receivables management has been stepped up and ongoing negotiations are being held with customers on the return or payment for raw materials and supplies relating to orders that have been cancelled or deferred. Savings in procurement and at production sites, scaling back investments to focus on necessary customer projects and permanently optimizing inventories are further measures to protect liquidity.

As of December 31, 2024, InTiCa Systems had nine fixed-interest loans totalling EUR 9.8 million with residual terms of between 1 and 7 years. In addition, in the past years three floating-rate loans have been concluded in the Czech Republic. These had a carrying amount of EUR 1.6 million as of December 31, 2024 and residual terms of between 1 and 4 years. These loans are used to secure liquidity. In December 2024, a euro loan of EUR 1.5 million was repatriated to the overdraft facilities. At year end, InTiCa Systems had assured credit lines of EUR 19.9 million. EUR 16.6 million of this amount was drawn as of the reporting date. Further, the company has cash and cash equivalents of EUR 1.9 million. Liquidity is constantly adapted and optimized in line with market trends and the development of order offtake. In May 2025, an additional limit was agreed with a trade credit insurer so that receivables from a major customer could again be sold in full to the existing factor. Consequently, InTiCa Systems is exposed to liquidity risks resulting from possible consequences for the Group's factoring volume in the event of a deterioration in the creditworthiness of customers.

» Currency risk

The main currency risk for InTiCa Systems comprises the operating costs of its production facilities in the Czech Republic, Mexico and Ukraine, plus some customer contracts in US dollars. Following previous practice no euro/US dollar currency hedging was undertaken as the difference between procurement and sales in US dollars was not material. The future risk of appreciation of the Mexican peso mainly relates to higher wage costs.

InTiCa Systems' production facility in the Czech Republic sources goods from the euro zone. All deliveries are made on a euro basis, either to InTiCa Systems SE or to external manufacturers who undertake further processing steps. The primary currency risk with regard to the Czech koruna therefore relates to local wages and overheads and the liabilities of the Czech subsidiary to InTiCa Systems SE. The risk comprises appreciation of the Czech koruna and the related increase in wage costs for production personnel. In 2024, several currency forwards (financial derivatives) were concluded to hedge the Group against exchange rate fluctuations.

In addition, there are currency risks relating to translation of foreign subsidiaries' (euro) liabilities to and (euro) receivables from the parent company. However, these do not affect the Group's cash flows. Depending on the development of the exchange rates of the Czech koruna, the Mexican peso and the Ukrainian hryvnia versus the euro, this could result in – possibly considerable – book losses or book gains in the financial statements of the subsidiaries.

» Interest rate risk

The economic weakness and lower inflation prompted the European Central Bank (ECB) to reduce interest rates in several steps starting in summer 2024. However, the escalation of the tariff conflicts and rising state spending could fuel inflation again, brining the interest rate turnaround to an end. The company's exposure to the risk of short-term changes in interest rates on its large loans is limited as the remaining term of the loans is between 2 and 7 years. Apart from three loans with variable interest rates and residual terms of between 1 and 4 years, all debt is based on fixed, customary market interest rates. However, interest income is dependent on short-term money market trends and there is thus a risk that only low interest income will be earned if rates fall. A capital investment guideline has therefore been issued to document this conservative investment strategy. No interest income was generated in the reporting period.

» Credit risk (default risk)

A credit risk arises if a customer does not meet its contractual commitments. To counter this risk, as a matter of principle, the company undertakes extensive reviews of its customers' credit standing and engages in intensive receivables management, which is steadily being improved. Nevertheless, it cannot be ruled out that customers of InTiCa Systems could unexpectedly become insolvent. In view of the increasingly diversified customer base, the risk associated with individual customers is becoming less significant.

Moreover, it should be noted that an economic downturn and a possible decline in volume sales entail a significant sector risk, especially in the cyclical automotive sector, which is a central market for InTiCa Systems.

Looking at the markets covered by the Industry & Infrastructure segment, the European solar industry is still exposed to significant competitive pressure from Asia. It cannot be ruled out that strategic customers of InTiCa Systems could get into financial difficulties in the future. The management specifically monitors this sector and especially the main customers.

To reduce the credit risk, InTiCa Systems uses factoring for three customers. As of December 31, 2024, receivables of EUR 6.3 million had been sold through factoring (2023: EUR 4.9 million). In addition, InTiCa Systems has had credit insurance for goods since 2015 to protect it against material defaults on trade receivables.

A deterioration in the creditworthiness of customers could have a direct impact on the Group's factoring volume. That would significantly increase InTiCa Systems' exposure to default and liquidity risks.

» Risks relating to non-financial aspects

At present, there are no material risks that have or could have serious negative effects on the aspects outlined in section 2.

4.4 Overall statement on the risk situation

Apart from the present geopolitical and trade policy situation, which is very difficult to forecast (e.g. the war in Ukraine, customs conflict), the Board of Directors considers that, in principle, the overall risks are limited and calculable. Based on the information currently available, apart from the liquidity risk, according to a careful assessment by the Board of Management, at present no further material individual risks are visible that would have to be classified as a threat to the company's existence.

The material individual risks are assessed on the basis of probability of occurrence and the potential impact before consideration of countermeasures on the Group's assets, financial position and results of operations (in EUR thousand), using the following criteria:

Probability of occurrence	
Unlikely	Probability of occurrence: 0% to 25%
Possible	Probability of occurrence: 26% to 75%
Probable	Probability of occurrence: 76% to 100%

Impact	
Low	EUR 0 to EUR 500 thousand
Medium	EUR 500 thousand to EUR 1,000 thousand
High	> EUR 1,000 thousand

The risks outlined above can be classified on this basis:

Risks	Probability of occurrence	Change vs. previous year	Impact	Change vs. previous year
Market risks	Possible	Unchanged	High	Unchanged
Customer dependence	Possible	Unchanged	High	Unchanged
Dependence on suppliers	Possible	Unchanged	High	Unchanged
Technological risks	Unlikely	Unchanged	Medium	Unchanged
Personnel risks	Possible	Unchanged	Medium	Unchanged
Liquidity risk	Possible	Unchanged	High	Unchanged
Currency risk	Possible	Unchanged	Medium	Unchanged
Interest rate risk	Possible	Unchanged	Low	Unchanged
Credit risk (default risk)	Possible	Unchanged	High	Increased

Since the cash flow from operating activities was positive and the company has a good equity base, from the present viewpoint and insofar as foreseeable, the Board of Directors rates the aggregate position as regards individual risks to the development of the Group as positive.

Extending the product portfolio and introducing new e-solutions products, the capacity increases required for this, and the continuous expansion of our production site in Mexico and the USMCA market are regarded as key factors for positive sales and earnings trends in the future. The increasing diversification and internationalization of markets play a central role in this.

5. Opportunities and management of opportunities

5.1 Management of opportunities

There are extensive new opportunities for InTiCa Systems, especially as a result of the global transformation of the vehicle industry and new technologies and areas of application in markets of relevance for the Industry & Infrastructure segment. This potential needs to be identified, evaluated and utilized for the company. InTiCa Systems does not have a dedicated system to manage opportunities.

Moreover, opportunities are not quantified. Analysing opportunities falls within the remit of the Board of Directors. The strategic focus of the Group and the operating measures taken are based on its analysis of opportunities. Besides, opportunities always involve risks. The role of risk management is to evaluate such risks and minimize them insofar as possible. InTiCa Systems strives to achieve a balance between opportunities and risks.

The next section outlines the most significant opportunities for InTiCa Systems. However, these are only an excerpt from the opportunities that arise. Further, the assessment of opportunities is subject to continuous change as the relevant markets and technological conditions are constantly changing. This can also generate new opportunities.

5.2 Opportunities

» Continued repositioning as a systems supplier

As it repositions itself as a solution provider, InTiCa Systems is continuing to focus on achieving an equilibrium between product diversification and internationalization and recognizes the extensive opportunities arising from the process of innovation and renewal throughout the company. Precisely this openness to change is proving a trump card in collaboration with customers. Thanks to its enormous flexibility as a component and systems supplier, the company is increasingly taking on more responsible tasks such as the development of entire systems. These solutions form the essential added value for customers, and ultimately for OEMs (original equipment manufacturers) and end-consumers. Trust, reliability and a responsible approach to customers and employees characterize InTiCa Systems' long-term customer relationships and form the basis for the future development of the company's business base. By continuously extending vertical integration and building up development and manufacturing expertise, InTiCa Systems is able to generate higher margins and secure long-term business.

» Key technologies for e-mobility

Hybridization and electrification, autonomous driving and the networking and digitalization of vehicles are seen as key technologies for the automotive industry, both now and in the future. InTiCa Systems' product groups already give it a foothold in all three areas, with products such as stator coils for hybrid drives, EMC filters for electric vehicles, stationary battery storage solutions and actuators for a wide range of applications. The diverse key components produced by InTiCa Systems for well-known systems suppliers and OEMs are used in an increasingly wide range of vehicle brands. This is made possible by InTiCa Systems' close collaboration with OEMs and their suppliers.

The progressive market penetration of keyless entry/go systems, power electronics components and further mechatronic and inductive assemblies offer opportunities for sales growth at InTiCa Systems, which is positioned as a specialist in these product and technology segments. Its products are used by the leading international automobile producers in both premium and volume models and, increasingly, in other classes of vehicles and industrial applications.

» Energy management for industrial electronics

Developments in the vehicle industry act as a stimulus for the Industry & Infrastructure segment and vice versa. In this respect, InTiCa Systems considers that it is driven more by product expertise than by the respective segment. Concrete synergies do not simply result from the successful transfer of know-how from filter technology for the vehicle industry to industrial applications; there are also synergies relating to future stationary battery and charging points, which will benefit the development of sales in the Industry & Infrastructure segment. Even though the European photovoltaic industry came under pressure from changes to subsidy programmes and increasing competition from Asia in the reporting period, the industry is a key element for sustainable energy generation throughout the world in the future. In the medium to long term this is driving forward the business with components and modules for inverters and converters to transform solar power into electricity for the grid. Essentially, the rollout of charging infrastructure in Europe is also making progress. InTiCa Systems has a product for DC charging systems in the 50 kW range. The customer has started to commercialize this system and it now has to become established on the market. Building on its specific expertise in inductivity, InTiCa Systems has been building up a speciality product range for various markets in its Industry & Infrastructure segment since 2023. The products are currently being developed and built for the first customers at the Technology Centre in Passau. Medium-sized serial production at the production locations is also conceivable in the future.

» High customer retention in the automotive industry

InTiCa Systems focuses on being a world-class player in the global competition to develop and manufacture inductive components and mechatronic systems. The Group, which sees itself as a specialist for its customers in these areas, is driving its corporate development forward in a sustainable manner in accordance with this high standard. To acquire well-known national and international systems suppliers (and OEMs) in the automotive industry as customers, InTiCa Systems uses a proactive approach and collaborative cooperation. Longer-term orders and strong value retention are evidence of the high degree of customer satisfaction with InTiCa Systems' product quality, technological expertise and flexibility. That provides the necessary basis for uncomplicated and rapid placement of new developments on the market and increases global competitiveness.

» Development and manufacturing expertise

From our point of view, InTiCa Systems' team of experts has specialist know-how in development and manufacturing, combined with many years of experience. In our opinion, as well as paving the way for InTiCa Systems' success, this allows the company to respond quickly and specifically to customers' requirements and to rapidly come up with optimum, individual solutions to new problems. Continuous internal transfer of knowledge and experience, especially in the area of technology, leverages cross-segment and cross-departmental synergies. These are used in the development of future-oriented products and solutions such as components for electric and hybrid vehicles, a future-oriented business area which will be an increasing focus of InTiCa Systems' activities in the next few years. From the perspective of the Board of Directors, the development unit's focus on key future technologies underpins InTiCa Systems' strong position in inductive components, passive analogue switches and mechatronic modules.

» Expansion of international business

To achieve its twin targets of growing sales and expanding its customer base, InTiCa Systems also strives to expand its international presence. Building and extending new and existing distribution and production alliances are geared to establishing InTiCa Systems internationally in the long term. The internationalization process started in 2014, with a focus on the North American region. In 2015, a new production site was established in Mexico. Production of the first small-scale series for automotive customers came on stream there at the end of 2016. Production started on a complete serial line in 2017 and was continuously ramped up between 2018 and 2024. Local orders from the USMCA region are increasingly being secured. Further production sites are under consideration for the medium term. The search for a site in eastern Europe led the company to Ukraine due to its well-qualified workers, the available infrastructure and the wage level. In view of the difficult situation caused by the Russian invasion, no significant business activities had started at the site in Bila Tserkva by the end of 2022. After carefully weighing up the opportunities and risks, it was decided to gradually commence production at the site in Ukraine at the start of 2023, especially of products for the photovoltaics industry. This location has developed very positively in terms of staff training, production, productivity, quality and general workflows. Problematic aspects are logistics, due to very long waiting times at the borders, and the low availability of skilled workers. The development of the Ukrainian subsidiary is being monitored very closely due to the ongoing war. In parallel with this, the search of an alternative location in eastern Europe is continuing.

5.3 Management assessment of the overall risk and opportunity situation

From the perspective of the Board of Directors, the Mobility and Industry & Infrastructure segments, coupled with InTiCa Systems' specific core competencies, currently offer the Group sufficient potential to generate sustainable growth in the future. However, InTiCa Systems needs to actively embrace the process of transformation, especially in respect of the essential issues relating to e-solutions.

Taking an aggregate view of the opportunities and risks, without the current geopolitical situation, which is very difficult to forecast, (e.g. the war in Ukraine, customs conflict), in principle, the Board of Directors would still come to an positive assessment. The present and identified risks would essentially be classified as manageable. Taking the above factors into consideration, however, the 2025 financial year involves further exceptional risks that cannot be ignored. At the date of preparation of the annual report, it was therefore not possible to conclusively estimate the medium to long-term impact on the further development of the Group. The Group's operating management is taking a risk-aware approach, and has taken extensive measures to mitigate the potential risks.

Based on the present order situation, in principle, there is no material uncertainty about the ability of the Group to continue to operate as a going concern. Consequently, from the present viewpoint there is no identifiable threat to its continued existence. That said, the medium to long-term effects of the various geopolitical crises and the specific global economic developments on business development still cannot be estimated in full. InTiCa Systems therefore has to assume that the constantly changing situation and developments could have an unforeseeable impact on its future performance. It is not possible to rule out a shift in the placement of orders or deferral of projects for which contracts have already been awarded, logistics bottlenecks or, for example, supply chain problems as well as other unforeseen events. If the negative effects on procurement and volume sales continue for a prolonged period and the procurement and volume situation does not normalize, the above risk assessment would have to be re-evaluated.

A deterioration in the creditworthiness of customers could have a direct impact on the Group's factoring volume. That would significantly increase InTiCa Systems' exposure to default and liquidity risks. It therefore remains to be seen how the situation develops. Consequently, corresponding default and liquidity risks cannot be ruled out.

With the exception of the factors referred to repeatedly above, the risks arising from geopolitical developments, market, customer and product developments and production relationships, which could have a negative impact on InTiCa Systems' business, have been taken into account in this report and are basically considered to be containable and controllable. In line with this assessment, in the opinion of the Board of Directors, following careful assessment, no material risks have currently been identified that could jeopardize the future existence of the Group.

6. Outlook

Growth opportunities for InTiCa Systems comprise developing, manufacturing and marketing innovative products that offer customers clear additional benefits that set them apart from competing products. A strong customer focus combined with the ability to drive forward product developments fast and effectively through new manufacturing technologies is the key prerequisite for using the growth prospects offered by the market. In e-solutions, in particular, the Board of Directors sees further substantial growth potential for InTiCa Systems. The forecasts for 2025 are outlined below.

6.1 Segment trends

» Mobility (formerly Automotive)[6]

The automotive industry is going through the biggest transformation in its history. The switch from combustion engines to alternative technologies, digitalization and sustainable production all have to be achieved simultaneously. Moreover, they have to be achieved in a situation where economic and geopolitical changes and uncertainties and high raw material and logistics prices are weighing on the international automotive markets. In view of the massive challenges, sector growth is only likely to be moderate in 2025. The German Automotive Industry Association (VDA) forecasts that the global car market will increase by 2% to 80.4 million vehicles. The most important markets are basically moving in tandem: The Chinese market should grow by 1% to 23.2 million cars, the US market by 2% to 16.2 million light vehicles and the European market (EU 27, EFTA & UK) also by 2% to 13.2 million new registrations.

For the German market, the VDA is predicting slight growth of 1% in new registration to around 2.8 million vehicles. That is still about a quarter less than the pre-crisis level of 2019. German car production is also forecast to grow by 1% (to 4.15 million vehicles), while exports are expected to rise by 2% to 3.2 million units, giving an export quota of 77%. The expected rise in foreign production of German brands is 2% (to 9.7 million cars). While the economic weakness is continuing to act as brake, the main driver is the regulation on fleet-wide carbon emissions. The number of new registrations of electric cars should rise by 53% in 2025, with both battery electric vehicles

[6] VDA Pressemitteilung vom 21.01.2025: https://www.vda.de/de/presse/Pressemeldungen/2025/250121_PM_Jahrespressekonferenz_2025_DE
VDA Pressemitteilung vom 05.03.2025: https://www.vda.de/de/presse/Pressemeldungen/2025/250305_PM_Nationale_PM_Pkw-Produktion_in_Deutschland_im_Februar_2025
VDA Pressemitteilung vom 14.03.2025: https://www.vda.de/de/presse/Pressemeldungen/2025/250314_PM_VDA-Umfrage_im_automobilen_Mittelstand
Ifo Geschäftsklima März 2025: https://www.ifo.de/fakten/2025-03-05/autoindustrie-etwas-optimistischer
https://www.vda.de/dam/jcr:28187e83-049f-4fe3-8f2e-c5605ee293b9/Pressematerial_VDA-Jahres-Pressekonferenz_2025?mode=view
https://www.bmv.de/DE/Themen/Mobilitaet/Klimaschutz-im-Verkehr/Personenkraftwagen/personenkraftwagen.html

(+75%) and plug-in hybrids (+8%) contributing to this. The VDA is predicting a new production record with output of around 1.7 million electric cars in Germany, strengthening the country's position as the world's second largest location for the manufacture of electric cars. That would be an increase of 24% compared with 2024 (BEV: +30%, PHEV: +2%).

In the first two months of 2025, the German car market was below expectations. New registrations were down 5% year-on-year in January and February. By contrast, production increased by 3% because exports rose by 5% in the same period. Overall, however, both domestic and foreign orders fell by 6% in January and February. Hardly surprisingly, the picture for electric car market was considerably better: While the prior-year figures were extremely low due to the withdrawal of the environmentally-driven subsidy, so far in 2025 new registrations of electric cars have increased by 36% (BEV: +41%, PHEV: +29%). The climate in the sector improved in March, but remained significantly negative at -34.8 points. Business expectations are slightly less negative than the current situation and there was a big leap in export expectations.

The risk of global trade war has increased further since the last survey. That would be an enormous blow for the automobile industry. 86% of SMEs in the sector assume that they would be directly or indirectly affected by the tariffs. More than half (57%) of those affected also anticipate a negative effect on sales and profits. 25% fear disruption of supply chains and supplier networks and 17% are considering relocating their sites and production capacity. There is still the hope that the EU and USA will ultimately reach agreement on a solution, as they did during President Trump's first term. However, the results of the survey make it clear that the uncertainty is having a tangible impact on companies' strategic planning and risk management.

Regardless of the criticism of important local conditions such as bureaucracy, energy prices, financing conditions and taxes, the sector is determined to develop the future of mobility and to export. At any rate, German automotive producers and suppliers are redoubling their efforts and intend to invest around EUR 320 billion in R&D worldwide between 2025 and 2029. In addition, investment of around EUR 220 billion is planned for property, plant and equipment, especially at their sites. The focus is on the transformation, especially e-mobility – including battery technology, autonomous driving and digitalization. The aim is for there to be 15 million fully electric vehicles on the road in Germany by 2030. The German manufacturers aim for a significant rise in the number of vehicles produced by then. Which markets they serve and where the vehicles are produced will depend on the overall framework.

Similarly, InTiCa Systems sees the transition to new drives, connectivity and autonomous driving as both a challenge and a big opportunity. The Group positioned itself early on as a solution provider with innovative products for onboard chargers, stator coils, EMC filters, inverters and battery management components. It has invested consistently and purposefully in product and process development, installed complex production technology and successfully started industrial-scale production of several serial products. It still assumes very positive offtake volumes for stator elements for mild hybrid vehicles. Moreover, production of the new line of antennas, which started in 2024, is generating stable sales. There are also individual follow-on projects for chassis products. However, demand for actuators is very volatile overall and depends on market conditions. For example, volumes at the Mexico site recently had to be reduced considerably.

Generally, the automotive industry is facing further challenges. Products and components for fully electric vehicles are at risk from high competition from Asia in the volume business. The weakness of German premium producers is also affecting InTiCa Systems. The strategic expansion into additional markets such as commercial vehicles, special vehicles and the rail sector is therefore especially important. Rising enquiries show that InTiCa Systems' core competences are becoming established in other areas. For example, technical plastic parts are opening up market opportunities with positive future prospects in Mexico. Initial orders have been received for antennas for commercial vehicles and there are increasing enquiries from the electric machine sector, for example, for components for e-bikes and marine engines. This is attributable to InTiCa Systems' expertise in coil technology for electric machinery. In principle, InTiCa Systems also sees opportunities in robotics and defence, but the entry barriers in these sectors are high.

Taking into account the specific opportunities and challenges, the Board of Directors expects segment sales of around EUR 61 million to EUR 65 million in 2025.

» Industry & Infrastructure[7]

Driven by the electrification and digitalization growth trends, the electrical/electronics and digital industry posted above-average growth for a long time. The outlook for the current year is ambivalent: On the one hand, the momentum from electrification and digitalization remains high. On the other hand, the economic situation remains challenging and there is enormous uncertainty in global trade relations. The sector association ZVEI therefore assumes that real output will contract by 2% during this year. The trend at the beginning of the year provides further grounds for caution. In January, price-adjusted production was down 3.7% year-on-year.

[7] ZVEI Konjunkturbarometer März 2025: https://www.zvei.org/fileadmin/user_upload/Presse_und_Medien/Publikationen/2025/Maerz/ZVEI-Konjunkturbarometer_Maerz_2025/ZVEI-Konjunkturbarometer-Maerz-2025.pdf
ZVEI Pressemitteilung vom 31.03.2025: https://www.zvei.org/presse-medien/pressebereich/elektro-und-digitalindustrie-herausfordernde-konjunktur-trotz-intakter-megatrends
ZVEI Pressemitteilung vom 18.03.2025: https://www.zvei.org/presse-medien/pressebereich/zvei-zum-sondervermoegen-mittel-gezielt-in-zukunftsinvestitionen-lenken

On the positive side, driven by foreign demand orders have picked up for the first time in the past six months (+1.7%). That is reflected in the business climate. Although the assessment of the situation and expectations are still negative on balance, the trend pointed clearly upward in February. In line with this, in March 2025 German electrical and electronic companies revised their production plans upward from +2 to +12 points. However, the net balance of employment plans remains clearly negative at -18 points.

Irrespective of the short-term trend, the fundamental growth drivers remain intact. The defined climate targets can only be achieved with the aid of decentralized energy generation with storage, consumption-based distribution, coupling with alternative energy sources such as photovoltaics, efficient energy systems such as heat pumps, and e-mobility. Russia's war in Ukraine has highlighted the security-policy dimension of the energy system and the need for restructuring and electrification based on renewable resources.

There was a significant rise in both the number of electric charging points (+33%) and the storage capacity of commercial and large-scale storage facilities (+45%) in 2024. This shows that the trend to electrification is continuing despite the challenging conditions. The special funding approved by the German government should play a part in strengthening the infrastructure for electrification and digitalization. At the same time, the planned reduction in the tax on electricity and a cap on network tariffs should facilitate investment in climate-friendly technologies.

Demand for InTiCa Systems' products for the photovoltaics industry, for example inductive components and mechatronic assemblies, is therefore set to remain significant in 2025. However, European suppliers of inverters for the solar/photovoltaics market are still exposed to high pressure from Asian competitors. To strengthen its market position, InTiCa Systems focuses on proprietary developments and a speciality product business. The basis is InTiCa Systems' specific expertise in inductive elements.

Although the establishment of "Tailored Solutions", which started in 2023, has been slightly less dynamic than planned, it has already gained interesting new orders for various sectors, many of which have been realized. For example, follow-on orders for linear stators have been secured with prospects for the next ten years. The establishment of this unit will continue in 2025 and an external partner has been secured to strengthen sales activities. Several new projects are in the offing, but are only expected to start in future periods. InTiCa Systems sees potential for mid-sized series in the future. Compared with large-scale serial business, the speciality products business commands above-average margins. In the short term, however, demand for "tailored solutions" cannot offset the significant decline in the established product areas in the Industry & Infrastructure segment.

Taking into account the specific opportunities and risks, the Board of Directors expects this segment to report sales of between EUR 5 million and EUR 7 million in 2025.

6.2 Order situation

At the end of the first quarter 2025, orders on hand were below the prior-year level at EUR 79.9 million (March 31, 2024: EUR 86.1 million). 92% of orders were for the Mobility segment (Q1 2024: 89%), where orders on hand are currently slightly lower than budgeted. While existing projects have been extended, considerable restraint is still evident with regard to new developments. As a result, projects are being cancelled or put on hold. In particular, the US administration's erratic customs policy is contributing to the uncertainty and could result in retaliation, especially by China. Consequently, corrections to the level of orders on hand cannot be ruled out and order offtake remains extremely volatile. While some orders that had been deferred were called off in the first quarter, to date order offtake in the second quarter has been below expectations. At present, it is not possible to estimate the extent of order offtake by customers in the remainder of the year. The Group currently assumes that orders on hand will be between EUR 80.0 million and EUR 85.0 million at year-end 2025.

6.3 Earnings, asset and financial position

The macroeconomic environment is still dominated by numerous risk factors. The German economy is suffering from considerable structural problems that are unlikely to diminish in the short term. Consequently, the economic experts at IfW Kiel currently see few signs of a significant economic upswing and forecast that the German economy will stagnate in 2025. The new government's expansionary fiscal policy is unlikely to provide significant impetus for GDP until next year. Moreover, only moderate global growth is expected. In particular, the major geopolitical and trade policy uncertainties are weighing on companies.

So far, InTiCa Systems has not been directly affected by US tariff policy. At the Mexico site, the strategy of increasingly focusing on local orders is having an effect. However, it is to be expected that the potential impact on customers could have a knock-on effect on InTiCa Systems. Moreover, disruption could adversely affect supply chains, which have recently been stable, leading to a rise in the price of materials. At the beginning of the year, InTiCa Systems was able to negotiate price reductions with suppliers. That was particularly important because at present it is hardly possible to raise prices with customers. At least it has so far been largely possible to avoid price cuts in negotiations with OEMs and tier 1 suppliers.

To improve the margin situation despite the uncertain sales situation, the Group-wide cost-cutting measures are continuing in 2025. They include extensive improvements in indirect personnel expenses, productivity improvements in production areas and further sustained optimization of logistics and inventories. Personnel capacity is being aligned with the order situation insofar as possible and at present staff at the Passau site are still working short-time.

With a view to future liquidity planning, the Group maintains close and constant contact with banks and other lenders. From the present perspective, capital expenditure will be kept at a total of between EUR 1 million and EUR 1.5 million, focusing on new projects with corresponding sales potential and an adequate return on investment. At the same time, inventories are being optimized by increasing the frequency of deliveries from suppliers and reducing upfront production of finished goods. Moreover, receivables management has been stepped up and ongoing negotiations are being held with customers on the return or payment for raw materials and supplies relating to orders that have been cancelled or deferred.

The challenging start to 2025 shows that adapting to the new market conditions will be a lengthy process. Although order call-offs postponed at year-end 2024 were taken up in the first quarter of 2025, based on the provisional unaudited figures, Group sales were EUR 17.1 million in the first three months of 2025, which was well below the level reported in the prior-year period (Q1 2024: EUR 20.1 million). On the earnings side, EBIT is expected to come in at around minus EUR 0.5 million in the first quarter of 2025 (Q1 2024: EUR 0.4 million). In the second quarter too, there have so far been further noticeable fluctuations and deferrals of order offtake. Looking ahead to the second half of the year, the order book for the third quarter is well-filled but it is not currently possible to give any reliable information about the fourth quarter.

In the medium term, the new German government and its planned investment drive should bring a boost to the areas served by InTiCa Systems. However, it remains to be seen how the investment funding develops and which technologies and markets it is channelled to. The Board of Directors considers that, as a solution provider that is not dependent on individual products but has long-standing expertise in key areas of technology as the basis for its future business development, InTiCa Systems is basically well-positioned to exploit the opportunities that arise and to benefit from an improvement in the operating framework.

Product innovations should also help drive internationalization and gain access to additional markets in the future. Demand for InTiCa Systems' development expertise remains high and, in both segments, a significant proportion of new orders are for new e-solutions products. The electrification of key areas of the economy therefore remains a key growth driver for InTiCa Systems. By extending its product portfolio to further market areas with a focus on innovative e-solutions, the aim is to compensate for market weaknesses in established areas so the Group is basically well-positioned to participate in rising demand.

At present, the Board of Directors assumes for 2025 that, taking into account the ongoing high uncertainty, Group sales will be between EUR 66.0 million and EUR 72.0 million, while the EBIT will be between minus EUR 0.5 million and EUR 1.5 million, corresponding to an EBIT margin between -0,8% and 2.1%. Where possible, the material cost ratio should be optimized further in both segments and the equity ratio should remain stable. The assumptions underlying the forecast for 2025 are that the cyclical trend will not deteriorate further, the geopolitical and trade policy conflicts will not escalate further and no new conflicts emerge. However, unforeseeable negative effects could affect suppliers, have a direct impact on InTiCa Systems, or affect its customers, resulting in an inability to meet or fully meet expectations.

Passau, May 26, 2025

The Board of Directors

Dr. Gregor Wasle
Chairman of the Board of Directors

Bernhard Griesbeck
Member of the Board of Directors

GROUP
Consolidated Financial Statements

Consolidated Balance Sheet

of InTiCa Systems SE in accordance with IFRS

as at December 31, 2024

Assets

	Note	Dec. 31, 2024 EUR ´000	Dec. 31, 2023 EUR ´000
Non-current assets			
Intangible assets	14	5,144	5,142
Property, plant and equipment	13.1	25,438	29,525
Deferred taxes	10.3	2,402	2,371
Total non-current assets		32,984	37,038
Current Assets			
Inventories	17	15,942	18,693
Trade receivables	18	6,449	7,728
Tax assets	10.2	813	1,182
Other financial assets	16.1	792	625
Other current receivables	16.2	998	1,510
Cash and cash equivalents	31	1,851	946
Total current assets		26,845	30,684
Total assets		59,829	67,722

Equity and liabilities

	Note	Dec. 31, 2024 EUR ´000	Dec. 31, 2023 EUR ´000
Equity			
Capital Stock	19	4,287	4,287
Treasury Stock	19	-64	-64
General capital reserve	20	15,389	15,389
Profit reserve	21	1,479	1,479
Profit/loss carryforwards	21	-77	1,051
Consolidated net loss	21	-2,309	-1,128
Currency translation reserve	22	-883	-187
Total equity		17,822	20,827
Non-current liabilities			
Financial liabilities	23	6,827	10,958
Other financial liabilities	29.2; 33	3,500	4,346
Deferred taxes	10.3	1,861	1,770
Total non-current liabilities		12,188	17,074
Current liabilities			
Other current liabilities	24	1,469	1,272
Tax liabilities		37	375
Financial liabilities	23	21,283	18,081
Trade payables	25; 29.2	3,286	5,127
Other financial liabilities	26; 29.2	2,156	2,983
Other current liabilities	27	1,588	1,983
Total current liabilities		29,819	29,821
Total equity and liabilities		59,829	67,722
Equity ratio		29.8%	30.8%

Consolidated statement of comprehensive income

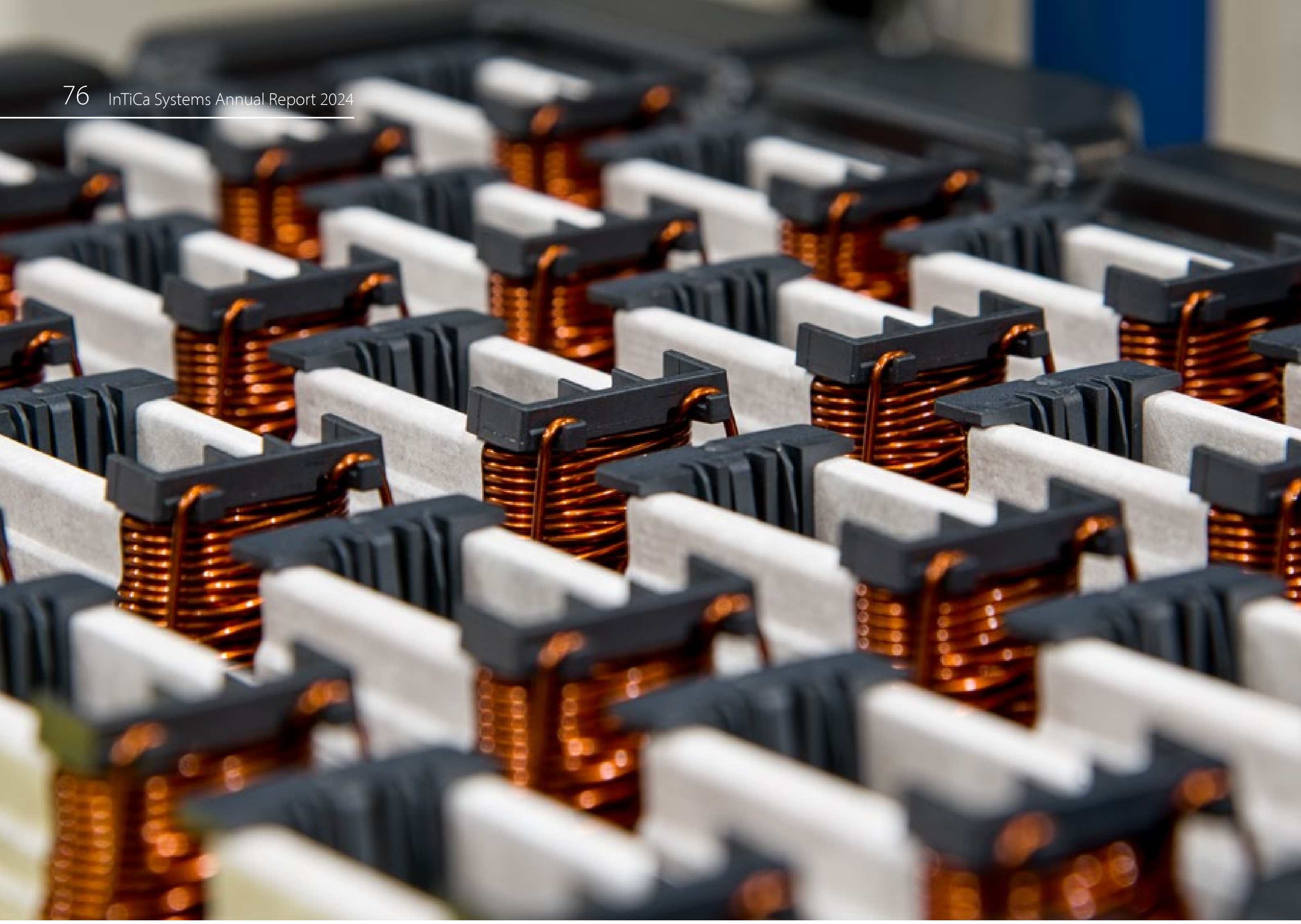
of InTiCa Systems SE in accordance with IFRS
for the period from January 1 to December 31, 2024

	Note	Fiscal year EUR ´000	Previous year EUR ´000
Sales	5; 6.2	**70,604**	**86,876**
Other operating income	7	2,750	3,317
Change in finished goods and work in process	17	-2,216	1,917
Other own work capitalized		673	958
Raw materials and supplies		38,148	55,018
Personnel expense	11.3	17,245	19,269
Depreciation and amortization	11.1; 13.1; 14	6,609	6,250
Other expenses	7	10,365	12,261
Operating profit (EBIT)		**-556**	**270**
Cost of financing	9	1,867	1,520
Other financial income	8	0	6
Pre-tax profit/loss		**-2,423**	**-1,244**
Income taxes	10.1	-114	-116
Consolidated net profit/loss		**-2,309**	**-1,128**
Other comprehensive income, after taxes			
Items that will subsequently be reclassified to profit or loss if specific conditions are met:			
Exchange differences from the translation of foreign operations	22	-696	-14
Other comprehensive income, after taxes		**-696**	**-14**
Total comprehensive income		**-3,005**	**-1,142**
Earnings per share (diluted/basic in EUR)	12	-0.55	-0.27

Consolidated Cash Flow Statement

of InTiCa Systems SE in accordance with IFRS/IAS for the period from January 1 to December 31, 2024

	Note	Fiscal year EUR ´000	Previous year EUR ´000
Cash flow from operating activities			
Consolidated net income/loss for the period		-2,309	-1,128
Income tax expense recognised in income	10.1	-114	-116
Cash outflow for borrowing costs	9	1,867	1,520
Income from financial investments recognized in income	8	0	-6
Depreciation and amortization of non-current assets	11.1	6,609	6,250
Non-cash transactions		565	-656
Increase/decrease in assets not attributable to financing or investing activities			
Inventories	17	2,750	-1.548
Trade receivables	18	1,279	1,868
Other assets		396	-184
Increase/decrease in liabilities not attributable to financing or investing activities			
Other current Provisions	24	197	-1,099
Trade payables	25; 29.2	-1,841	-2,498
Other liabilities		-1,320	1,745
Cash and cash equivalents from operating activities		8,079	4,148
Income tax receipts/payments		-4	-1,107
Cash outflow for interest payments		-1,867	-1,488
Net cash flow from operating activities		6,208	1,553
Cash flow from investing activities			
Interest income		0	6
Cash inflow from the disposal of property, plant and equipment		49	27
Cash outflow for intangible assets	14	-1,187	-1,925
Cash outflow for property, plant and equipment	13; 33	-1,943	-4,711
Net cash flow from investing activities		-3,081	-6,603
Cash flow from financing activities			
Cash inflow from loans	34	610	3,169
Cash outflow for loan repayment installments	34	-5,127	-5,228
Cash inflow from the use of overdraft facilities	31; 34	3,588	13,027
Repayments from the redemption of finance leases	33; 34	-1,179	-1,287
Net cash flow from financing activities		-2,108	9,681
Total cash flow		1,019	4,631
Cash and cash equivalents at start of period	31	946	-3,800
Impact of changes in exchange rates on cash and cash equivalents held in foreign currencies		-114	115
Cash and cash equivalents at end of period	31	1,851	946



Stator coils

for hybrid technology

Consolidated Statement of Changes in Equity

for InTiCa Systems SE according with IFRS
for the period from January 1, 2023 to December 31, 2024

	Capital stock EUR ´000	Treasury stock EUR ´000	Capital reserve EUR ´000	Profit reserve EUR ´000	Profit/loss carry-forwards EUR ´000	Consoli-dated net income EUR ´000	Currency trans-lation reserve EUR ´000	Total equity EUR ´000
Note	19	19	20	21	21	21	22	29.1
As at January 1, 2023	4,287	-64	15,389	1,479	2,666	-1,615	-173	21,969
Consolidated net income 2023	0	0	0	0	0	-1,128	0	-1,128
Other comprehensive income, after taxes	0	0	0	0	0	0	-14	-14
Total comprehensive income 2023	0	0	0	0	0	-1,128	-14	-1,142
Transfer of consolidated net profit/loss to profit/loss carryforward	0	0	0	0	-1,615	1,615	0	0
As at December 31, 2023	4,287	-64	15,389	1,479	1,051	-1,128	-187	20,827
As at January 1, 2024	4,287	-64	15,389	1,479	1,051	-1,128	-187	20,827
Consolidated net income 2024	0	0	0	0	0	-2,309	0	-2,309
Other comprehensive income, after taxes	0	0	0	0	0	0	-696	-696
Total comprehensive income 2024	0	0	0	0	0	-2,309	-696	-3,005
Transfer of consolidated net profit/loss to profit/loss carryforward	0	0	0	0	-1,128	1,128	0	0
As at December 31, 2024	4,287	-64	15,389	1,479	-77	-2,309	-883	17,822

NOTES

Notes to the Consolidated Financial Statements of InTiCa Systems SE for fiscal 2024

1. General information

InTiCa Systems AG was established on August 16, 2000. The change of legal form to InTiCa Systems SE was completed on March 10, 2023 and thus became formally effective. The company is registered in the Commercial Register at the District Court of Passau (HRB 12097). The company has been listed in the Prime Standard on the Frankfurt stock exchange since November 8, 2004 (ISIN DE0005874846, ticker symbol IS7).

The company's registered office is in Passau, Germany. Its address is InTiCa Systems SE, Spitalhofstrasse 94, 94032 Passau, Germany. The company has stakes in a company in the Czech Republic, a company in Mexico and a company in Ukraine. The principal activities of the company and its subsidiaries are described in Note 6 "Segment information" and Note 15 "Subsidiaries".

2. Application of new and amended standards

2.1 Standards, interpretations and amendments to standards and interpretations that were applied for the first time in the reporting period

The following standards, amendments to standards and interpretations were applied for the first time in the reporting period.

Initial application in the reporting period

Standard	Title
Amendments to IFRS 16	Lease Liability in a Sale and Leaseback
Amendments to IAS 1	Classification of Liabilities as Current or Non-current including the deferral of the mandatory effective date published in July 2020 and the presentation of covenants published in October 2022
Amendments to IAS 7 Statement of Cash Flows & IFRS 7	Financial Instruments: Disclosures "Supplier Finance Arrangements"

The amendments to IAS 1 relate to the classification of liabilities as current or non-current for presentation on the balance sheet. The amendment has no material impact at InTiCa Systems.

The amendments to the other standards did not have a material effect on the present consolidated financial statements.

2.2 New and revised standards and interpretations published but not yet applied

» New and amended standards and interpretations that have been endorsed by the EU

The following new and amended standards and interpretations have been endorsed by the EU and are applicable for financial years beginning on or after January 1, 2025:

New and amended standards and interpretations endorsed by the EU for financial years beginning on or after January 1, 2025:

Standard	Title	Mandatory application for financial years beginning on or after
Amendments to IAS 21	Effect of Changes in Exchange Rates	January 1, 2025

InTiCa Systems SE will only apply the above standards from the mandatory date for initial application. Based on the analyses performed to date, they will not have a material impact on accounting and valuation in future financial years.

» New and amended standards and interpretations that have not yet been endorsed by the EU

The following changes that become effective in the coming years have not yet been endorsed by the EU:

New and amended standards and interpretations that have not yet been endorsed by the EU

Standard	Title	Mandatory application for financial years beginning on or after
IFRS 19	Subsidiaries without Public Accountability: Disclosures	January 1, 2027
IFRS 18	Presentation and Disclosure in Financial Statements	January 1, 2027
Annual Improvements to IFRSs with amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10, IAS 7		January 1, 2026
Amendments to IFRS 9 and IFRS 7	Amendments to the Classification and Measurement of Financial Instruments	January 1, 2026

InTiCa Systems SE will only apply the above standards from the mandatory date for initial application. The impact of the new and amended standards that have not yet been endorsed by the EU is constantly evaluated. From the above standards, IFRS 18 will probably result in changes to the presentation and disclosures in the notes in the consolidated financial statements.

3. Principal accounting policies and valuation methods

3.1 Declaration of conformance

The consolidated financial statements have been prepared in conformance with the International Financial Reporting Standards, as applicable for use in the European Union, and the supplementary commercial law provisions in accordance with sec. 315e paragraph 1 of the German Commercial Code (HGB).

3.2 Basis of preparation of the consolidated financial statements

The consolidated financial statements have been drawn up on the basis of historical acquisition or production costs, with the exception of derivative financial instruments, which are measured at fair value. Historical acquisition or production costs are generally based on the fair value of the consideration paid for the asset. The fair value is the price that could be achieved in an orderly transaction between market participants on the reporting date for the sale of an asset or that would have to be paid for the transfer of a liability. This applies irrespective whether the price is directly observable or is estimated using a valuation method. However, it does not apply for valuation methods that are similar to but do not correspond to the fair value, for example, net realizable value as per IAS 2 "Inventories" or value in use as per IAS 36 "Impairment of Assets". The principal accounting policies and valuation methods are outlined below. Where amounts are stated in thousands of euros (EUR '000) individual items or transactions may be subject to rounding differences of +/-1. The accounting policies are the same as those applied in previous years.

The company's financial year is the calendar year.

3.3 Principles of consolidation

The consolidated financial statements comprise the financial statements of the parent company and any business entities under its control. Control exists when the parent company can exercise power over its subsidiaries, obtains variable returns from its shareholding and can influence such returns through its power over the entity. The financial statements of all consolidated companies are prepared as of the closing date for the consolidated financial statements.

Where necessary, the annual financial statements of subsidiaries are adapted to the accounting policies and valuation methods used at Group level.

All intragroup business transactions, balances, profits and losses are fully eliminated in the consolidation process.

In addition to the parent company in Passau, Germany, InTiCa Systems SE, the following companies are included in the consolidated financial statements: InTiCa Systems s.r.o., Czech Republic, Sistemas Mecatrónicos InTiCa S.A.P.I. de C.V., Mexico and InTiCa Systems TOV, Ukraine, see Note 15.

3.4 Business combinations

So far, InTiCa Systems has not undertaken any business combinations. All of the parent company's present business operations were acquired by establishing new entities through cash-based capital contributions.

3.5 Revenue recognition

The Group generates revenue from contracts with customers as defined in IFRS 15 in the following areas (see also 6.5):

- The sale of small-signal electronics
- The sale of power electronics
- The sale of mechatronic components and systems
- Other (especially the sale of tools and materials)

Sales are measured at the amount of the consideration that the Group expects to receive from a contract with a customer. The Group recognizes revenue when control of the product or service is transferred to the customer. Revenue from the sale of goods therefore has to be recognized when the goods are delivered to the customer. Delivery has taken place when the goods have been shipped to the customer, the risks of obsolescence and loss have been transferred to the customer, and the customer has either accepted the goods in accordance with the contract of sale, the acceptance date has lapsed, or the Group has objective evidence that all acceptance criteria have been fulfilled. The criteria for recognizing revenue from the sale of goods over a period of time are not met because, prior to delivery, there is no enforceable right to payment for the work performed and/or there may be an alternative use. Moreover, the production process for the individual goods covers a short period of time and delivery of the goods produced takes place shortly after receipt of the customer order.

When a contractual party has satisfied the contractual performance obligations, the company must recognize a contract asset or a contract liability, depending on whether the company has satisfied its performance obligation or the customer has paid the consideration. No contract assets were recognized in the reporting period or the previous year. The contract liabilities relate entirely to advance payments received.

The structure of the terms of payment comprises (pro rata) advance payments as well as the customary payment terms of up to a maximum of 120 days.

Warranty obligations do not go beyond the legal obligations.

3.6 Leases

A lease is a contract that conveys the right to use an asset (right-of-use asset) for a period of time in exchange for consideration. InTiCa Systems therefore accounts for leases where it is the lessee by recognizing the right-of-use assets and liabilities for the associated payment obligations (lease liabilities). The right-of-use asset is measured at the present value of the future lease payments and subsequently depreciated over the useful life of the underlying asset or the lease term. The lease liability is measured at the present value of the lease payments to be made over the term of the lease. For subsequent recognition, the carrying amount is increased by the applicable borrowing rate and reduced by lease payments made. The lease payments of the InTiCa Systems Group are discounted using the lessee's incremental borrowing rate.

When determining the lease term, the management takes into account all facts and circumstances that offer an economic incentive to exercise extension options or not to exercise termination options. The periods relating to extension or termination options are only included in the lease term if it is reasonably certain that the extension option will be exercised or the termination option will not be exercised.

The Group makes use of the following practical expedients when applying IFRS 16:

- for leases where the lease term ends within 12 months of the date of initial application, the Group has not recognized either right-of-use assets or lease liabilities;
- for leases where the underlying asset is of low value (< EUR 5 thousand), the Group has not recognized either right-of-use assets or lease liabilities;
- in the measurement of the right-of-use asset at the date of initial application, the Group did not take account of the initial direct costs; and
- the Group determined the lease term retrospectively when it initially applied IFRS 16.

The right-of-use assets are measured at cost of acquisition, which is comprised of the following items (as applicable):

- the lease liability
- any lease payments made at or before the commencement date, less any lease incentives received
- any initial direct costs
- dismantling obligations

The right-of-use assets are subsequently measured net of depreciation, which is calculated using the straight-line basis. Based on the probable lease term, the depreciation periods applied for the Group are 3-11 years.

The lease liabilities comprise the following lease payments (as applicable):

- fixed payments less any lease incentives receivable
- variable lease payments that depend on an index or interest rate
- amounts expected to be payable under residual value guarantees
- extension or termination options
- the exercise price of a purchase option if exercise is considered reasonably certain
- payments of penalties for terminating the lease if the lease term reflects the lessee exercising an option to terminate the lease.

For further information on the effects on the Group, please see Note 33.

3.7 Foreign currencies

The consolidated financial statements are drawn up using the functional currency principle. The functional currency of the parent company is the euro (EUR). This is also the currency used to present the consolidated financial statements.

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. On each reporting date, monetary items in foreign currencies are translated at the applicable exchange rate on the reporting date. Non-monetary foreign currency items that are recognized at fair value are translated at the exchange rates that were valid on the date on which the fair value was calculated. Non-monetary items that are recognized at the cost of acquisition or production are translated at the exchange rate on the date on which they are first included in the financial statements.

Translation differences arising from monetary items are recognized in profit or loss in the period in which they occur. This does not apply to translation differences relating to receivables or payables from/to a foreign business operation where fulfilment is neither planned nor probable (and that are consequently part of a net investment in the foreign business operation). These are initially recognized in other comprehensive income and reclassified from equity to profit or loss in the event of divestment.

When preparing the consolidated 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 average exchange rate for the fiscal year. If a foreign business operation is divested, all accumulated translation differences from this business operation that are attributable to the Group are reclassified to profit or loss.

The following exchange rates were used for the consolidated financial statements:

Country	Closing rates		Average rates	
	2024	2023	2024	2023
Czech Republic	EUR 1/ CZK 25.185	EUR 1/ CZK 24.725	EUR 1/ CZK 25.119	EUR 1/ CZK 24.007
USA	USD 1.039	USD 1.108	USD 1.082	USD 1.081
Mexico	MXN 20.987	MXN 18.665	MXN 19.871	MXN 19.177
Ukraine	UAH 43.927	UAH 42.208	UAH 43.459	UAH 39.562

3.8 Taxation

Income tax expense represents the sum of current tax expense and deferred taxes.

» Current taxes

Current taxes are determined on the basis of taxable income for the year. Taxable income differs from the net profit shown in the consolidated statement of profit and loss due to income and expenses that will be taxable or tax-deductible in future periods or will never be taxable or tax-deductible. The Group's current tax liability is calculated on the basis of tax rates applicable on the reporting date or which will become applicable shortly after the reporting date.

» Deferred taxes

Deferred taxes are recognized for the differences between the carrying amount of assets and liabilities in the consolidated financial statements and the corresponding valuation used to calculate taxable income for the fiscal authorities. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are recognized if it is probable that sufficient taxable profit will be available to utilize the tax-deductible temporary differences. Such deferred tax assets and liabilities are not recognized if the temporary differences relating to the initial recognition of assets or liabilities result from events that do not affect taxable income or the net profit. Deferred tax assets are only offset against deferred tax liabilities if the tax creditors are identical.

The carrying amount of deferred taxes is tested annually as of the reporting date and an impairment write-down is recognized if it is no longer probable that sufficient taxable income will be available to realize the asset either in full or partially. Deferred tax assets and liabilities are calculated on the basis of the anticipated tax rates (and tax legislation) that are expected to be applicable at the date of performance of the liability or realization of the asset. The valuation of deferred tax assets and liabilities reflects the tax implications that would arise if the liability were to be settled or the asset realized in the manner expected by the Group as of the reporting date.

» Current and deferred taxes for the reporting period

Current and deferred taxes are recognized in profit or loss unless they relate to items recognized either in other comprehensive income or directly in equity. In such cases, the current and deferred taxes are also recognized in other comprehensive income or in equity.

3.9 Earnings per share

Basic earnings per share are calculated by dividing the proportion of the earnings attributable to shareholders by the average number of shares outstanding in the financial year, excluding treasury stock held by the company itself. At present, the company does not have any equity instruments with dilutive potential.

3.10 Property, plant and equipment

Property, plant and equipment are recognized at acquisition or production cost – excluding ongoing maintenance expenses – less accumulated depreciation and accumulated impairment write-downs. These costs include the costs of replacing parts of such assets at the time when such costs are incurred, providing that the recognition criteria are met.

The procurement process for machinery and tools normally takes a maximum of 6 months so this does not give rise to any qualifying assets that would require capitalization of borrowing costs.

The carrying amounts of the property, plant and equipment are tested for impairment as soon as there are indications that they may exceed the recoverable amount.

Property, plant and equipment are derecognized at the date of disposal or written down to the lower recoverable amount if no further economic benefit is expected from the continued use or sale of the asset. Gains or losses resulting from derecognition of the asset are calculated from the difference between the net proceeds from the sale of the asset and its carrying amount and recognized in the statement of profit or loss for the period in which the asset is derecognized.

The residual values of assets, their useful lives and the depreciation method are reviewed at the end of each fiscal year and adjusted where necessary.

Assets are depreciated over the following useful lives using the straight-line method:

- Equipment, plant and office buildings 10 - 30 years
- Technical facilities and machines 5 - 8 years
- Vehicles, other facilities, furniture and office equipment 3 - 14 years

Land is not depreciated. The costs of major overhauls are included in the carrying amount of the asset providing that the recognition criteria are met.

3.11 Intangible assets

» Intangible assets acquired separately

Intangible assets acquired separately are recognized at acquisition cost less accumulated amortization and impairment write-downs. The acquisition cost is the acquisition price less rebates and discounts and less any directly attributable cost of preparing the asset for its intended use. Intangible assets are amortized over their expected useful life using the straight-line method and amortization is charged to income. The expected useful life of intangible assets and the amortization method are reviewed at the end of each fiscal year and any revised estimates are recognized prospectively. The useful lives of intangible assets vary between 3 and 8 years.

» Self-created intangible assets – research and development expenses

Research costs are expensed in the period in which they are incurred.

Self-created intangible assets resulting from development work are expensed if, and only if, it can be demonstrated that all the following criteria are met:

- completion of the intangible asset so that it will be available for use is technically feasible
- the company intends to complete and use the intangible asset
- the company has the ability to use the asset
- the way in which the intangible asset can be used to generate probable future economic benefits can be demonstrated
- adequate technical, financial and other resources are available to complete the development work and use the intangible asset
- the expenditure attributable to the intangible asset during its development can be measured reliably.

The amount initially capitalized for a self-created intangible asset is the expense incurred from the date on which the intangible asset fulfils these conditions. If a self-created intangible asset cannot be capitalized, the development costs are expensed in the period in which they are incurred.

Normally, the production process takes place in such a limited period that there is no justification for capitalizing borrowing costs since the uninterrupted development period is less than 12 months.

In our opinion, there are no qualifying intangible assets as defined in IAS 23.7.

In subsequent periods, self-created intangible assets are carried at cost less accumulated amortization and impairment write-downs in the same way as intangible assets acquired separately. The useful life varies between 3 and 6 years and amortization is recognized using the straight-line method.

Intangible assets are derecognized at the date of disposal or written down to the lower recoverable amount if no further economic benefit is expected from their continued use. The profit or loss resulting from the derecognition of an intangible asset, valued as the difference between the net proceeds and the carrying amount of the asset, is recognized as of the date of derecognition of the asset.

3.12 Impairment of property, plant and equipment and intangible assets

The Group tests the carrying amounts of property, plant and equipment and intangible assets for indications of impairment as of every reporting date. If such indications are identified, the recoverable amount of the asset is estimated to establish the scope of the potential impairment write-down. If it is not possible to estimate the recoverable amount for an individual asset, the recoverable amount is estimated for the cash generating unit to which the asset belongs. If an appropriate and stable basis can be determined for allocation, shared assets are allocated among the cash generating units. If this is not possible, they are allocated to the smallest group of cash generating units for which an appropriate and stable allocation basis can be determined.

Self-created intangible assets, including those that are not yet available for use, are tested for impairment at least once a year or if there are indications of possible impairment.

The recoverable amount is the higher of the asset's fair value less costs to sell and its value in use. To determine the value in use, the estimated future cash inflows are discounted using the pre-tax discount rate. The pre-tax discount rate takes account of the present market assessment of the time value of money and the risks inherent in the asset, insofar as this is not already taken into account in the estimates of future cash flows.

If the estimated recoverable amount of an asset is below its carrying amount, the carrying amount is written down to the recoverable amount. The impairment write-down is immediately recognized in income. If an impairment write-down is subsequently reversed, the carrying amount of the asset is increased to the new estimate of its recoverable amount. However, the carrying amount may not exceed the carrying amount of the assets if they had not been impaired in previous years. The reversal is recognized directly in income.

3.13 Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of the asset until completion of substantially all activities necessary to prepare it for use or sale. Qualifying assets are assets that necessarily take a substantial period of time to prepare for their intended use or sale.

The Group regards a period of more than 12 months as a substantial period of time.

Income earned from the interim investment of funds borrowed until they are spent on the qualifying asset is deducted from the capitalized borrowing costs.

At present, there are no cases where this is applicable. All other borrowing costs are recognized as an expense in the period in which they are incurred.

3.14 Inventories

Inventories are carried at the lower of cost of acquisition or production cost and net realizable value. The cost of acquisition or production of inventories is measured using the FIFO (first-in first-out) method. As well as specific costs, production costs contain an appropriate share of production overheads. If necessary, a write-down would be made for a reduction in the net realizable value.

The net realizable value is the estimated price that can be obtained in normal business conditions less the estimated production and selling expenses.

Write-downs are made for obsolete and slow-moving inventories. If the reasons for the write-downs are no longer applicable, a corresponding write-up is recognized.

3.15 Provisions

Provisions are established for all legal and substantive liabilities to third parties as of the balance sheet date, where these relate to past events that will probably lead to an outflow of resources in the future and a reliable estimate can be made of the level of such outflows. They represent uncertain liabilities that are determined on the basis of the best estimate. Provisions with a term of more than one year are discounted using market interest rates that reflect the risk and period until performance.

3.16 Financial assets

Financial assets are recognized when a company in the Group becomes a counterparty to the financial instrument.

Trade receivables are initially recognized at the transaction price and subsequently measured at amortized cost after deduction of impairment losses.

As specified in IFRS 15 "Revenue from Contracts with Customers", the transaction price is the amount of consideration to which the entity expects to be entitled in exchange for delivery of the goods or provision of the services to the customer, excluding amounts collected on behalf of third parties.

To determine the impairment write-downs for trade receivables, the Group uniformly applies the simplified approach of determining the lifetime expected credit losses on the receivables in accordance with IFRS 9 "Financial Instruments". For this purpose, trade receivables are aggregated in suitable groups with common credit risk attributes. The expected credit losses are calculated with the aid of a matrix, which shows the age structure of the receivables and reflects the probability of default of individual maturity bands for receivables on the basis of past credit losses and future-oriented factors. The probability of default expressed as a percentage is reviewed regularly to check that it is still applicable. Insofar as there are objective indications of a reduction in creditworthiness in respect of trade receivables relating to a specific customer, a more detailed analysis of the customer's specific credit risk is performed and an individual impairment write-down is recognized for the trade receivables from this specific customer. If there is credit insurance, this is taken into account in the amount of the impairment write-down.

With the exception of the financial derivatives specified below, other assets are initially measured at fair value taking into account transaction costs and subsequently measured at amortized cost, after deduction of impairment losses.

Financial derivatives that are not designated as part of a hedging relationship are initially recognized at fair value through profit or loss (FVTPL). Financial assets in this category are also measured at fair value at the end of every reporting period and any gains and/or losses resulting from changes in the fair value are recognized in profit or loss, except if they are part of a designated hedging relationship. The profit and/or loss on the financial asset is recognized in the statement of comprehensive income in "other operating income" or "other operating expenses". The procedures used to determine fair value are outlined Note 29.2.

The classification of other financial assets is based on the business model used to manage the financial assets and the cash flows from the financial assets. In the Group, financial assets are held exclusively within a business model whose objective is to hold them until maturity in order to collect the contractual cash flows. Consequently, other financial assets, apart from the financial derivatives outlined above, are normally measured at amortized cost. The "trading" business model and the category "at fair value through other comprehensive income" (FVTOCI) are not used.

Financial assets are recognized and derecognized on the trade date if they are financial instruments that are delivered within the standard period for the relevant market.

A financial asset has to be derecognized when:
(a) the contractual rights to the cash flows from the financial asset expire, or
(b) the contractual asset is transferred and the entity does not retain the risks and rewards of ownership of the financial asset.

All recognized financial assets are subsequently measured in their entirety either at amortized cost or at fair value, depending on the classification of the financial assets set out above.

3.17 Financial liabilities

Financial liabilities are measured at cost of acquisition, taking transaction costs into account, and subsequently measured at amortized cost, with the exception of derivative financial instruments, which are measured at fair value. Non-interest-bearing and low-interest liabilities with terms of at least one year are measured at present value on the basis of a market-oriented discount rate and interest is recognized until the repayment amount is due. For information on the recognition of financial liabilities from leases, see Note 3.6.

The Group does not use the categories "at fair value through profit or loss" (FVTPL) or "at fair value through other comprehensive income" (FVTOCI) for financial liabilities.

Current financial liabilities also contain the portion of non-current loans and lease liabilities that is due within at most one year.

3.18 Security provided

The Group has provided security for liabilities to banks through blanket assignments (see Note 18) and machinery in Prachatice (see Note 13). In the light of the present economic trend, utilization of this security is not deemed to be probable.

3.19 Cash and balances on bank accounts

These are measured at amortized cost. They comprise cash, bank balances that can be withdrawn at any time, and other highly liquid current financial assets with a maturity of maximum three months as of the date of acquisition.

Cash and balances on bank accounts are subject to the impairment rules of IFRS 9 "Financial Instruments". The Board of Directors monitors the credit risk of these financial instruments in the light of the economic situation and the external credit risk of other financial institutions. The credit risk is classified as immaterial due to their short maturities and credit rating.

3.20 Financial derivatives

» Derivatives concluded

The Group uses derivative financial instruments to manage its exchange rate risk (currency forwards). Derivatives are initially measured at fair value at the date of conclusion of the contract. Subsequently, they are measured at fair value as of every reporting date. The gain or loss resulting from measurement is recognized immediately in profit or loss, unless the derivative is designated as a hedging instrument in a hedging relationship and the hedging relationship is therefore effective.

A derivative with a positive fair value is recognized as a financial asset, while a derivative with a negative fair value is recognized as a financial liability. Derivatives are not offset in the consolidated balance sheet, unless the Group has both a legally enforceable right and the intention to offset them. The impact on the assets, financial position and results of operations is outlined in Note 29.2. A derivative is presented as a non-current asset or a non-current liability if the remaining term of the financial instrument is more than 12 months and it is not expected to realized or closed out in this period. The remaining derivatives are recognized as current assets or current liabilities.

» Accounting for hedging relationships

The Group can designate certain derivatives as hedging instruments in cash flow hedges. Hedging of the currency risks of firm commitments are accounted for as cash flow hedges.

In these cases, the hedging relationship between the hedged item and the hedging instrument, including the risk management objectives and the underlying hedging strategy, are documented at the start of the hedging relationship. Further, the effectiveness of the designated hedging instrument in offsetting changes in the cash flows from the hedged item, based on the hedged risk, is documented both at the start of the hedging relationship and during the hedging relationship. The hedging relationship is effective if it meets all of the following effectiveness criteria:

- there is an economic relationship between the hedged item and the hedging instrument;
- the effect of credit risk does not dominate the value changes that result from that economic relationship;
- the hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the entity actually hedges and the quantity of the hedging instrument that the entity actually uses to hedge that quantity of hedged item.

The effective portion of the changes in the fair value of derivatives and other qualifying hedging instruments that are suitable for hedging cash flows and are designated as cash flow hedges is recognized in other comprehensive income. Amounts that were previously recognized in other comprehensive income and accumulated in equity are reclassified to the statement of profit and loss in the periods in which the hedged item affects the statement of profit and loss; they are reclassified to the same profit and loss items as the hedged item.

As in the previous year, as of the reporting date, December 31, 2024, there were no derivatives designated as hedging instruments.

3.21 Government grants

Government grants are not recognized until it is sufficiently certain that the Group will meet the related conditions and the grants will actually be made.

Government grants are recognized in the consolidated statement of profit and loss in the periods in which the Group recognizes the expenses that the grants are designed to offset. Government grants that compensate for expenses or losses already incurred or that constitute immediate financial support without any related expense in the future are recognized in the statement of profit and loss in the period in which the related claim arises.

3.22 Disclosures on the going concern assumption

Based on the present order situation and the most recent applicable liquidity planning, there is no material uncertainty about the ability of the Group to continue to operate as a going concern. Consequently, from the present viewpoint there is no threat to its continued existence, especially given the additional limit agreed with a trade credit insurer in May 2025, which means that receivables from a major customer can once again be sold in full to the existing factor.

4. Principal sources of estimation uncertainty

In the application of the accounting policies outlined in Note 3, the Board of Directors is required to assess facts, draw up estimates and make assumptions relating to the carrying amount of assets and liabilities where these cannot be obtained from other sources. Such estimates and the underlying assumptions are based on past experience and other factors deemed to be of relevance. The actual values may differ from the estimates.

The assumptions underlying such estimates are reviewed regularly. Where changes to such estimates only affect one period, they are recognized for this period only. If the change relates to the present and subsequent reporting periods, they are reflected in the present and following periods.

» Principal sources of estimation uncertainty

This section outlines the main future-oriented assumptions and other major sources of estimation uncertainty as of the balance sheet date, insofar as they involve a material risk that a substantial adjustment might have to be made to the valuation of assets and liabilities within the following fiscal year.

» Self-created intangible assets

The Board of Directors decides on the basis of the progress of the project whether the criteria for recognition set out in IAS 38 are fulfilled. The cost of production is determined on the basis of the wage costs of the employees involved, separate lists of materials and general overhead allocations. Borrowing costs are not included because customer requirements mean that the production process normally takes less than 12 months.

During the fiscal year, the Board of Directors once again tested intangible assets produced by the Group's development department for impairment. The self-created intangible assets were carried in the consolidated balance sheet at EUR 2.8 million as of December 31, 2024 (2023: EUR 3.0 million).

Overall, projects proceeded satisfactorily and customer resonance has also confirmed previous estimates made by the management of the expected future revenues. On the basis of an impairment test, the Board of Directors has come to the conclusion that the carrying amounts of assets will be realized in full, despite the possibility of lower revenues. Adjustments will be made in subsequent fiscal years if the future market situation/demand from customers suggests that such adjustments are necessary. For information on impairment write-downs on intangible assets recognized in individual cases in the fiscal year, see Note 14.

» Leases – Estimating the lessee's incremental borrowing rate

The Group cannot readily determine the interest rate implicit in leases. It therefore measures lease liabilities using the incremental borrowing rate. This is the rate of interest that the Group would have to pay to borrow over a similar term, and with similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The Group estimates the incremental borrowing rate using observable inputs, where such inputs are available, and also has to make certain company-specific estimates.

» Leases – Estimating the lease term

Some leases, especially for real estate, contain extension and termination options. When determining the lease term, the Board of Directors considers all relevant facts and circumstances that create an economic incentive to exercise or not to exercise the options to extend or terminate the lease. Any changes in the lease term are only taken into account if it is reasonably certain that the extension or termination options will be exercised or will not be exercised. This results in remeasurement of the lease liability and a corresponding adjustment of the right-of-use asset outside of profit or loss.

» Taxes

Taxes are determined on the basis of the applicable local tax laws and the associated administrative practices. In view of their complexity, there is a possibility of different interpretations by the taxpayer and the fiscal authorities. Different interpretations of tax laws can result in retrospective tax payments for past years. These are included in the assessment on the basis of estimates by the Board of Directors.

Recognition of deferred taxes, especially for tax loss carryforwards, requires estimates and assumptions about future tax planning strategies, and the timing and level of future taxable income. For this purpose, taxable income is estimated from the relevant planning data. This takes into account past earnings and expected future business trends. When companies make a loss, deferred tax assets can only be recognized for loss carryforwards if it can be assumed that there is a high probability that positive earnings will be generated in the future to allow utilization of the tax loss carryforwards.

5. Sales

The table shows the Group's sales split:

	2024 in EUR '000		2023 in EUR '000	
	Mobility	Industry & Infrastructure	Mobility	Industry & Infrastructure
Revenues from trading	1,600	250	4,611	800
Revenues from production	53,574	15,180	56,812	24,653
Total revenues from the sale of goods	**55,174**	**15,430**	**61,423**	**25,453**

Revenues from trading relate to goods where little or no processing was undertaken. In contrast, revenues from production comprise the sale of goods that have undergone a material production process. All revenues recognized result from contracts with customers. The performance obligations cover all products in the Group's product spectrum. InTiCa Systems recognizes sales at a point in time. As evidence of the satisfaction of performance obligations, InTiCa Systems uses the customary international trade terms ("Incoterms"). All groups of Incoterms are used and product-specific allocation is not possible. Alongside the customary payment terms of up to a maximum of 120 days from satisfaction of the performance obligation, (pro rata) advance payments are used to structure payment terms. Advance payments relate exclusively to the supply of tools.

6. Segment information

6.1 Products that generate revenues for the reportable segments

Under IFRS 8, business segments are defined on the basis of internal reporting to the company's chief operating decision maker in order to allocate resources between the segments and assess their profitability. The information reported to the Board of Directors as the responsible management body for the purpose of allocating resources among the company's business segments and assessing their profitability normally relates to the type of goods produced. The production sites are in Prachatice (Czech Republic), Silao (Mexico) and Bila Tserkva (Ukraine).

» Mobility

The Mobility segment develops, designs and produces systems and solutions for sensor technology, electronic controls and network topologies. Most products are manufactured entirely by the Group, with production operations spanning plastics processing, coils, soldering, welding, testing, casting and assembly. This segment's customers are suppliers to all well-known automotive brands.

» Industry & Infrastructure

InTiCa Systems' Industry & Infrastructure segment specializes in both developing and manufacturing high-quality, custom-tailored inductive components, mechatronic modules and system solutions for regenerative energy sources (solar power), and automation and drive technology. In addition, this segment includes products for transmission technology and high-frequency engineering and cable applications.

6.2 Segment sales and segment result

The accounting and valuation methods used by the reportable segments are identical to those used by the Group as outlined in Note 3. The segment result shows each segment's EBIT. EBIT is reported to the company's chief operating decision maker as a basis for decisions on the allocation of resources to each segment and for assessing its profitability.

	Segment sales		Segment result	
	2024 in EUR '000	2023 in EUR '000	2024 in EUR '000	2023 in EUR '000
Mobility	55,174	61,423	-1,299	-1,308
Industry & Infrastructure	15,430	25,453	743	1,578
Total	**70,604**	**86,876**	**-556**	**270**
Income and expenses relating to assets not allocated to any segment			0	0
Interest income			0	6
Interest expense			-1,867	-1,520
Financial result			**-1,867**	**-1,514**
Income before taxes			-2,423	-1,244

The sales revenues presented above comprise revenues from transactions with external customers. There were no intersegment transactions in either the reporting period or the previous year.

6.3 Segment assets and liabilities

	Dec. 31, 2024 in EUR '000	Dec. 31, 2023 in EUR '000
Mobility	45,069	48,555
Industry & Infrastructure	7,904	12,533
Total	**52,973**	**61,088**
Assets not allocated to any segment	6,856	6,634
Total consolidated assets	**59,829**	**67,722**

For the purpose of monitoring profitability and allocating resources between the segments, the company's chief operating decision maker monitors the tangible, intangible and financial assets allocated to each segment. Assets are allocated to the segments, with the exception of the following items:

	Dec. 31, 2024 in EUR '000	Dec. 31, 2023 in EUR '000
Cash and cash equivalents	1,851	946
Other current receivables	998	1,510
Other financial assets	792	625
Tax receivables	813	1,182
Deferred taxes	2,402	2,371
Total	**6,856**	**6,634**

Liabilities are not allocated among the segments.

The figure for inventories contains total impairment write-downs of EUR 375 thousand (2023: EUR 355 thousand); for further details see Note 17.

6.4 Other segment information

	Depreciation, amortization and impairment write-downs		of which impairment write-downs	Additions to non-current assets	
	Dec. 31, 2024 in EUR '000	Dec. 31, 2023 in EUR '000	Dec. 31, 2024 in EUR '000	Dec. 31, 2024 in EUR '000	Dec. 31, 2023 in EUR '000
Mobility	5,465	4,944	0	2,960	7,391
Industry & Infrastructure	1,144	1,306	0	659	1,924
Total	**6,609**	**6,250**	**0**	**3,619**	**9,315**

The total depreciation, amortization and impairment write-downs include impairment charges of EUR 0 thousand (2023: EUR 106 thousand) on intangible assets. For information on impairment write-downs on self-created intangible assets see Note 14.

6.5 Sales generated by the principal products

The sales split between the Group's principal products is as follows:

	2024 in EUR '000	2023 in EUR '000
Power electronics	33,388	47,507
Mechatronic components and systems	33,308	30,016
Other	3,908	9,353
Total	**70,604**	**86,876**

For information on the timing of revenue recognition, please see Note 3.5.

6.6 Geographical information

The Group's principal geographical segmentation comprises Germany and other countries.

	Sales revenues from transactions with external customers		Non-current assets	
	2024 in EUR '000	2023 in EUR '000	31.12.2024 in EUR '000	31.12.2023 in EUR '000
Germany	33,115	43,320	9,126	9,431
Other countries	37,489	43,556	21,456	25,236
thereof Serbia	11,170	9,560	0	0
thereof Mexico	6,666	4,729	6,025	7,514
thereof Ireland	4,166	6,113	0	0
Total	**70,604**	**86,876**	**30,582**	**34,667**
Assets not allocated to any segment			2,402	2,371
Non-current assets, total			32,984	37,038

The data on sales are based on the location of the customer. Serbia is the country where the highest foreign sales revenues are generated. The data on non-current segment assets outside Germany relate to the company's production facilities in the Czech Republic, Mexico and Ukraine. EUR 14,952 thousand of this amount comprises assets at the site in the Czech Republic (2023: EUR 17,350 thousand).

6.7 Information on major customers

The Group's three (2023: two) largest customers accounted for around EUR 11,170 thousand (2023: EUR 9,560 thousand), EUR 9,561 thousand (2023: EUR 8,807 thousand) and EUR 7,807 thousand of direct sales of products respectively. That was 15.8% (2023: 11.0%), 13.5% (2023: 10.1%) and 11.1% of total sales. These are customers of the Mobility (2023: Automotive) segment. In both 2024 and 2023, the other customers were broadly diversified and each accounted for an average of less than 10% of total sales.

7. Other operating income and expenses

Other operating income	Dec. 31, 2024 in EUR '000	Dec. 31, 2023 in EUR '000
Gains from foreign currency translation	1,992	3,032
Other	758	285
Total	**2,750**	**3,317**

The other operating income contains EUR 388 thousand from the quota awarded from the insolvency estates of two customers.

Other operating expenses	Dec. 31, 2024 in EUR '000	Dec. 31, 2023 in EUR '000
Exchange losses	2,881	2,765
Cost of premises	1,239	895
Insurance premiums, contributions, levies	461	458
Vehicle expenses	248	212
Advertising costs, travel expenses	488	763
Delivery costs	772	907
Maintenance and repairs	903	922
Agency staff	708	2,796
Legal and consultancy expenses	451	395
Other operating expenses	2,214	2,148
Total	**10,365**	**12,261**

8. Other financial income

	Dec. 31, 2024 in EUR '000	Dec. 31, 2023 in EUR '000
Interest income from balances on bank accounts	0	6
Total	**0**	**6**

9. Financial expenses

	Dec. 31, 2024 in EUR '000	Dec. 31, 2023 in EUR '000
Interest on overdrafts and bank loans	1,601	1,349
Interest on obligations relating to finance leases	266	171
Total	**1,867**	**1,520**

Breakdown of expenses for financial liabilities by valuation class:

	Dec. 31, 2024 in EUR '000	Dec. 31, 2023 in EUR '000
Financial liabilities measured at amortized cost	1,601	1,349

10. Income taxes

10.1 Income taxes recognized in the statement of profit or loss

	Dec. 31, 2024 in EUR '000	Dec. 31, 2023 in EUR '000
Current tax expense	37	285
Deferred taxes	-151	-401
Total	**-114**	**-116**

The following reconciliation shows a breakdown of tax expense among income items in the fiscal year:

	Dec. 31, 2024 in EUR '000	Dec. 31, 2023 in EUR '000
Income before taxes	-2,423	-1,244
Expected tax income (2023: tax income)	-723	-371
Impact of non-tax-deductible operating expenses	62	179
Impact of tax loss carryforwards and different tax rates applied to subsidiaries in different tax jurisdictions (including deferred taxes)	545	33
Other	2	43
Recognized tax income (2023: tax income)	**-114**	**-116**

The tax rate used for the above reconciliation for 2024 and 2023 is the tax rate of 29.83% (2023: 29.83%) payable by companies in Germany on taxable income in accordance with the applicable tax legislation.

10.2 Current claims for tax refunds

	Dec. 31, 2024 in EUR '000	Dec. 31, 2023 in EUR '000
Current claims for tax refunds	813	1,182

The current claims for tax refunds comprise claims on tax authorities for income taxes where advance payments were too high.

10.3 Deferred taxes

	Dec. 31, 2024 in EUR '000	Dec. 31, 2023 in EUR '000
Deferred tax assets	2,402	2,371
Deferred tax liabilities	1,861	1,770
Total	**541**	**601**

2024	Initial balance in EUR '000	Recognized in profit or loss in EUR '000	Recognized in other compre-hensive income in EUR '000	Recognized directly in equity in EUR '000	End balance in EUR '000
Deferred tax assets					
Property, plant and equipment	9	27	0	0	36
Inventories	0	0	0	0	0
Trade receivables	18	2	0	0	20
Provisions	9	9	0	0	18
Other financial liabilities	1,333	-172	0	0	1,161
Tax losses	2,091	216	0	0	2,307
Other	244	0	-223	0	21
Deferred tax assets before netting	**3,704**	**82**	**-223**	**0**	**3,563**
Netting	**-1,333**	**172**	**0**	**0**	**-1,161**
Deferred tax assets after netting	**2,371**	**254**	**-223**	**0**	**2,402**
Deferred tax liabilities					
Intangible assets	937	-86	0	0	851
Property, plant and equipment	2,041	17	0	0	2,058
Inventories	8	0	0	0	8
Other	117	0	-12	0	105
Deferred tax liabilities before netting	**3,103**	**-69**	**-12**	**0**	**3,022**
Netting	**-1,333**	**172**	**0**	**0**	**-1,161**
Deferred tax liabilities after netting	**1,770**	**103**	**-12**	**0**	**1,861**
Total	**601**	**151**	**-211**	**0**	**541**
2023					
Deferred tax assets					
Property, plant and equipment	9	0	0	0	9
Inventories	0	0	0	0	0
Trade receivables	23	-5	0	0	18
Provisions	22	-13	0	0	9
Other financial liabilities	1,591	-258	0	0	1,333
Tax losses	1,683	408	0	0	2,091
Other	54	0	190	0	244
Deferred tax assets before netting	**3,382**	**132**	**190**	**0**	**3,704**
Netting	**-1,591**	**258**	**0**	**0**	**-1,333**
Deferred tax assets after netting	**1,791**	**390**	**190**	**0**	**2,371**
Deferred tax liabilities					
Intangible assets	962	-25	0	0	937
Property, plant and equipment	2,286	-245	0	0	2,041
Inventories	8	0			8
Other	133	0	-16	0	117
Deferred tax liabilities before netting	**3,389**	**-270**	**-16**	**0**	**3,103**
Netting	**-1,591**	**258**	**0**	**0**	**-1,333**
Deferred tax liabilities after netting	**1,798**	**-12**	**-16**	**0**	**1,770**
Total	**-7**	**402**	**206**	**0**	**601**

The tax loss carryforwards to which deferred tax assets refer relate to start-up losses at the Mexican subsidiary and loss carryforwards at the parent company in Germany. Based on the economic situation and the positive planning data for both companies, the deferred tax assets recognized for loss carryforwards are expected to be used within 5 years and before the loss carryforwards expire.

10.4 Unrecognized deferred tax assets

The following table shows the unrecognized deferred tax assets as of the reporting date:

in EUR '000	Dec. 31, 2024		Dec. 31, 2023	
Unrecognized deferred taxes	Gross	tax effect	Gross	tax effect
Tax-deductible temporary differences	-	-	-	-
Unutilized tax loss carryforwards	3,938	587	-	-
Unrecognized deferred tax assets	**-**	**587**	**-**	**-**

The unrecognized tax loss carryforwards result mainly from Germany and do not expire.

No deferred taxes were recognized for "outside basis differences" of about EUR 0.1 million (2023: EUR 0.2 million), because the company is not planning to divest its shares in associated companies and these transactions would in any case be allocated to the tax-exempt operations.

11. Net income

11.1 Depreciation, amortization and impairment write-downs

	Dec. 31, 2024 in EUR '000	Dec. 31, 2023 in EUR '000
Impairment write-downs on property, plant and equipment	0	0
Depreciation of property, plant and equipment	5,425	5,114
Impairment write-downs on intangible assets	0	106
Amortization of intangible assets	1,184	1,029
Total	**6,609**	**6,250**

For information on impairment write-downs on intangible assets in the fiscal year, see Note 14.

11.2 Research and development costs expensed immediately

	Dec. 31, 2024 in EUR '000	Dec. 31, 2023 in EUR '000
Research and development costs expensed in the fiscal year	2,218	2,024

11.3 Personnel-related expenses

	Dec. 31, 2024 in EUR '000	Dec. 31, 2023 in EUR '000
Wages and salaries	13,284	14,806
Social security expenses	3,211	3,598
Pension expenses	4	17
Other	746	848
Total	**17,245**	**19,269**

12. Earnings per share

Earnings and the weighted average number of ordinary shares used to calculate basic and diluted earnings per share are shown below:

	Dec. 31, 2024	Dec. 31, 2023
Consolidated net profit/loss	-2,309	-1,128
Weighted average ordinary shares (in thousand units)	4,223	4,223
Earnings per share (in EUR)	**-0.55**	**-0.27**

The weighted average number of ordinary shares takes account of the purchase/sale of treasury stock (Note 19).

No treasury shares were purchased or sold in the reporting period or the previous year, so no there were no dilutive effects.

13. Non-current assets

13.1 Property, plant and equipment

Change in non-current assets in the period January 1, 2023 to December 31, 2024

InTiCa Systems Group

In EUR '000	Land and buildings	Technical equipment and machinery	Other facilities, furniture and office equipment	Advance payments and construction in process	Total
Cost of acquisition or production					
As at January 1, 2023	13,755	51,211	3,717	5,046	73,729
Additions	2,569	1,152	625	3,045	7,391
Transfers	0	5,848	373	-6,221	0
Disposals	-1,596	-1,672	-300	0	-3,568
Translation differences	-24	-28	90	-60	-22
As at December 31, 2023 / January 1, 2024	**14,704**	**56,511**	**4,505**	**1,810**	**77,530**
Additions	308	1,213	406	505	2,432
Transfers	241	1,944	-183	-2,002	0
Disposals	-117	-2,298	-240	0	-2,655
Translation differences	-406	-1,715	-129	-43	-2,293
As at December 31, 2024	**14,730**	**55,655**	**4,359**	**270**	**75,014**
Depreciation					
As at January 1, 2023	6,777	37,395	2,707	0	46,879
Depreciation	1,070	3,485	559	0	5,114
Impairment write-downs	0	0	0	0	0
Write-ups	0	0	0	0	0
Transfers	0	0	0	0	0
Disposals	-1,596	-1,653	-300	0	-3,549
Translation differences	-2	-489	52	0	-439
As at December 31, 2023 / January 1, 2024	**6,249**	**38,738**	**3,018**	**0**	**48,005**
Depreciation	1,062	3,864	499	0	5,425
Impairment write-downs	0	0	0	0	0
Write-ups	0	0	0	0	0
Transfers	169	-7	-162	0	0
Disposals	-117	-2,256	-240	0	-2,613
Translation differences	-246	-912	-83	0	-1,241
As at December 31, 2024	**7,117**	**39,427**	**3,032**	**0**	**49,576**
Balance sheet value as at December 31, 2024	**7,613**	**16,228**	**1,327**	**270**	**25,438**
Balance sheet value as at December 31, 2023	8,455	17,773	1,487	1,810	29,525

Most additions of property, plant and equipment comprised capital expenditures for expansion. EUR 418 thousand (2023: EUR 1,714 thousand) comprised additions of construction in process.

Assets pledged as security

Machinery at the Prachatice site with a carrying amount of EUR 5,574 thousand (2023: EUR 6,255 thousand) has been pledged as security for liabilities to banks.

13.2 Right-of-use assets

Development of right-of-use assets from January 1, 2023 to December 31, 2024
InTiCa Systems Group – IFRS 16

In EUR '000	Land and buildings	Technical equipment and machinery	Other facilities, furniture and office equipment	Total
Cost of acquisition or production				
As at January 1, 2023	3,984	3,263	407	7,654
Additions	2,526	0	154	2,680
Transfers	0	0	0	0
Disposals	-1,589	0	-91	-1,680
Translation differences	202	0	7	209
As at December 31, 2023 / January 1, 2024	**5,123**	**3,263**	**477**	**8,863**
Additions	264	0	255	489
Transfers	0	0	0	0
Disposals	-115	0	-185	-300
Translation differences	-242	0	-8	-250
As at December 31, 2024	**5,030**	**3,263**	**509**	**8,802**
Depreciation				
As at January 1, 2023	2,250	1,125	205	3,580
Depreciation	713	327	128	1,168
Impairment write-downs	0	0	0	0
Write-ups	0	0	0	0
Transfers	0	0	0	0
Disposals	-1,589	0	-91	-1,680
Translation differences	105	0	2	107
As at December 31, 2023 / January 1, 2024	**1,479**	**1,452**	**244**	**3,175**
Depreciation	683	326	140	1,149
Impairment write-downs	0	0	0	0
Write-ups	0	0	0	0
Transfers	0	0	0	0
Disposals	-115	0	-185	-300
Translation differences	-168	0	-3	-171
As at December 31, 2024	**1,879**	**1,778**	**196**	**3,853**
Balance sheet value as at December 31, 2024	**3,151**	**1,485**	**313**	**4,949**
Balance sheet value as at December 31, 2023	3,644	1,811	233	5,688

For further information on leases, see Note 33.

14. Intangible assets

Change in non-current assets in the period January 1, 2023 to December 31, 2024

InTiCa Systems Group

In EUR '000	Self-created intangible assets	Other intangible assets	Total
Cost of acquisition or production			
As at January 1, 2023	11,016	1,853	12,869
Additions	907	1,018	1,925
Transfers	0	0	0
Disposals	-476	-8	-484
Translation differences	0	2	2
As at December 31, 2023 / January 1, 2024	**11,447**	**2,865**	**14,312**
Additions	708	479	1,187
Transfers	0	0	0
Disposals	-286	0	-286
Translation differences	0	-12	-12
As at December 31, 2024	**11,869**	**3,332**	**15,201**
Amortization			
As at January 1, 2023	7,794	723	8,517
Amortization	981	49	1,030
Impairment write-downs	106	0	106
Write-ups	0	0	0
Transfers	0	0	0
Disposals	-476	-8	-484
Translation differences	0	1	1
As at December 31, 2023 / January 1, 2024	**8,405**	**765**	**9,170**
Amortization	995	189	1,184
Impairment write-downs	0	0	0
Write-ups	0	0	0
Transfers	0	0	0
Disposals	-286	0	-286
Translation differences	0	-11	-11
As at December 31, 2024	**9,114**	**943**	**10,057**
Balance sheet value as at December 31, 2024	**2,755**	**2,389**	**5,144**
Balance sheet value as at December 31, 2023	3,042	2,100	5,142

Where the underlying projects have not been completed or no sales have been generated, self-created intangible assets (carrying amount EUR 663 thousand in 2024; 2023: EUR 701 thousand) are not yet subject to amortization.

Impairment write-downs in 2024

For development projects, the amortization recognized in the statement of profit and loss includes impairment write-downs of EUR 0 thousand (2023: EUR 106 thousand). The carrying amounts of the development projects were written down entirely because a positive net realizable value was not expected, even in the event of sale of the projects.

15. Subsidiaries

Details of subsidiaries as of December 31, 2024 are presented below:

Name of subsidiary	Head office	Stake in %	Voting rights in %	Main business activity
InTiCa Systems s.r.o.	Prachatice, Czech Republic	100	100	Production
(2023:		100	100	)
Sistemas Mecatrónicos InTiCa S.A.P.I. de C.V.	Silao, Mexico	100	100	Production
(2023:		100	100	)
InTiCa Systems TOV	Bila Tserkva, Ukraine	100	100	Production
(2023:		0	0	)

99% of the Mexican subsidiary is held directly and 1% is held indirectly.

16. Other financial assets and other receivables

16.1 Other financial assets

	Dec. 31, 2024 in EUR '000	Dec. 31, 2023 in EUR '000
Financial assets measured at fair value through profit or loss	0	49
Other financial assets recognized at amortized cost	792	576
Total	**792**	**625**
Non-current	0	0
Current	792	625
Total	**792**	**625**

16.2 Other current receivables

	Dec. 31, 2024 in EUR '000	Dec. 31, 2023 in EUR '000
Deferred charges	132	202
Advance payments made	628	209
Current tax receivables	238	1,099
Total	**998**	**1,510**

Unlike the line item "tax assets" in the balance sheet, the current tax receivables are claims to value-added tax refunds.

17. Inventories

	Dec. 31, 2024 in EUR '000	Dec. 31, 2023 in EUR '000
Raw materials and supplies	10,729	11,263
Work in process	432	968
Finished goods	4,781	6,462
Total	**15,942**	**18,693**

Total impairment write-downs on inventories recognized in profit and loss amounted to EUR 375 thousand (2023: EUR 355 thousand). They comprised EUR 288 thousand (2023: EUR 140 thousand) in the Mobility segment, and EUR 87 thousand (2023: EUR 215 thousand) in the Industry & Infrastructure segment. As of the reporting date the carrying amount of these inventories was EUR 495 thousand (2023: EUR 335 thousand). The write-downs in the financial year are contained in other comprehensive income and comprise EUR 48 thousand (2023: EUR 76 thousand) in "Change in inventories of finished goods and work in process" and EUR 327 thousand (2023: EUR 279 thousand) in "Raw materials and supplies".

18. Trade receivables

	Dec. 31, 2024 in EUR '000	Dec. 31, 2023 in EUR '000
Trade receivables	6,659	7,871
Impairment write-downs	-210	-143
Total	**6,449**	**7,728**

InTiCa Systems uses the simplified approach permitted by IFRS 9 to measure expected credit losses. On this basis, the lifetime expected credit losses are calculated for all trade receivables. To measure the expected credit losses, receivables from customers are aggregated on the basis of common credit risk attributes and days past due. Payment profiles are generated for sales in the past 36 months. These also include defaults in these past periods. The historic loss ratios derived in this way are then adjusted using present and future-oriented data. Macroeconomic factors and customers' individual creditworthiness criteria are also taken into account. If there is credit insurance, this is taken into account in the amount of the impairment write-down.

Trade receivables where the principal opportunities and risks were transferred to a forfaiter under a master forfaiting agreement were fully derecognized. Temporary security for the amount of the receivables and past-due payment is retained by the forfaiter when the receivables are sold and refunded on receipt of payment from the customer. The purchase price discount on the receivables derecognized as of December 31 (2024: EUR 7,254 thousand; 2023: EUR 5,759 thousand) was EUR 725 thousand as of December 31, 2024 (2023: EUR 576 thousand) and is recognized at amortized cost in other financial assets. The maximum expected credit loss corresponds to the carrying amount.

In this way, the following impairment write-downs were determined:

Dec. 31, 2024	Expected loss ratio	Gross carrying amount of receivables in EUR '000	Impairment write-down in EUR '000
Not due	0.10%	4,177	4
1-30 days past due	1.00%	1,076	11
31-60 days past due	1.50%	242	4
61-90 days past due	3.50%	181	6
More than 90 days past due	5.50%	817	45
Total		6,493	70

Dec. 31, 2023	Expected loss ratio	Gross carrying amount of receivables in EUR '000	Impairment write-down in EUR '000
Not due	0.10%	5,793	6
1-30 days past due	1.00%	813	8
31-60 days past due	1.50%	245	3
61-90 days past due	3.50%	220	8
More than 90 days past due	5.50%	651	36
Total		7,722	61

In addition, (individual) impairment write-downs of EUR 140 thousand (2023: EUR 82 thousand) were recognized for the Mexico site in 2024.

Trade receivables are derecognized when it is estimated with reasonable assurance that they can no longer be collected. Indicators of reasonable assurance that receivables cannot be collected include, for claims that are more than 150 days past due, either that no agreement has been made with the debtor on a repayment plan, or that payments under a repayment plan are no longer being made.

Impairment write-downs on trade receivables are presented as other operating expense (net) in the operating result. In subsequent periods, any payments received for amounts that were previously written down are recognized in other operating income.

in EUR million			Trade receivables
	Credit-impaired	Not credit-impaired	Total
Total impairment write-downs as of January 1, 2023	0	78	78
Additions	82	0	82
Utilization and foreign currency effects	0	0	0
Reversals	0	-17	-17
Impairment write-downs as of Dec. 31, 2023/Jan.1, 2024	82	61	143
Additions	58	9	67
Utilization and foreign currency effects	0	0	0
Reversals	0	0	0
Impairment write-downs as of Dec. 31, 2024	140	70	210

To secure credit lines totalling EUR 12.0 million (2023: EUR 12.0 million), a blanket assignment has been made. This comprises the parent company's trade receivables. As of the reporting date, the carrying amount of the receivables was EUR 3.0 million (2023: EUR 4.4 million).

19. Capital stock

Capital stock and ordinary shares	Dec. 31, 2024 in EUR '000	Dec. 31, 2023 in EUR '000
4,287,000 fully paid-up ordinary shares	4,287	4,287
64,430 treasury shares (treasury stock)	-64	-64
Total	**4,223**	**4,223**

Treasury stock	Dec. 31, 2024 in EUR '000	% of capital stock	Dec. 31, 2023 in EUR '000	% of capital stock
Status at start of year	64	1.493	64	1.493
Shares sold (nominal capital)	0	0	0	0
Shares repurchased	0	0	0	0
Total	**64**	**1.493**	**64**	**1.493**

The fully paid-up ordinary shares have a theoretical nominal value of EUR 1. Each share confers one voting right and all shares are eligible for dividend payments.

The Board of Directors is authorized by a resolution of the Annual General Meeting of July 15, 2022 to increase the capital stock with the Supervisory Board's consent, up to July 14, 2027, through one or more issues, 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 2022).

20. General capital reserve

	Dec. 31, 2024 in EUR '000	Dec. 31, 2023 in EUR '000
Status at start of year	15,389	15,389
Sale of treasury stock	0	0
Pro rata net profit	0	0
Total	**15,389**	**15,389**

The general capital reserve includes premiums from the issue of shares.

21. Profit reserve

	Dec. 31, 2024 in EUR '000	Dec. 31, 2023 in EUR '000
Status at start of year	1,402	2,530
Consolidated net profit/loss	-2,309	-1,128
Total	**-907**	**1,402**

The profit reserve contains statutory profit reserves of EUR 51 thousand (2023: EUR 51 thousand), other profit reserves of EUR 1,428 thousand (2023: EUR 1,428 thousand), the loss carryforward of EUR 77 thousand (2023: profit carryforward of EUR 1,051) and the consolidated net loss of EUR 2,309 thousand (2023: EUR 1,128 thousand).

22. Currency translation reserve

	Dec. 31, 2024 in EUR '000	Dec. 31, 2023 in EUR '000
Status at start of year	-187	-173
Translation of foreign business operations	-696	-14
Total	**-883**	**-187**

Translation differences arising from translation from the functional currency of foreign business operations to the Group's reporting currency (EUR) are recognized directly in the currency translation reserve.

23. Financial liabilities

	Dec. 31, 2024 in EUR '000	Dec. 31, 2023 in EUR '000
Unsecured – recognized at amortized cost		
Overdrafts	0	8
Loans	3,469	5,399
Secured – recognized at amortized cost		
Overdrafts	16,615	13,019
Loans	8,026	10,613
Total	**28,110**	**29,039**
Current	21,283	18,081
Non-current	6,827	10,958
Total	**28,110**	**29,039**

EUR 5,650 thousand (2023: EUR 4,673 thousand) of the secured overdrafts relate to the Czech subsidiary and are secured by a guarantee from InTiCa Systems SE. EUR 1,891 thousand (2023: EUR 2,578 thousand) of the non-current loans are secured by a guarantee from InTiCa Systems s.r.o. for the German parent company.

Summary of financing agreements: Overdrafts are subject to variable interest during the year. Interest on loans is 3.46% - 9.57% p.a. (2023: 4.45% - 7.30% p.a.).

Non-current loans incur interest at a fixed rate averaging 2.77% p.a. (2023: 2.73% p.a.). Variable interest was agreed for three (2023: four) non-current loans totalling EUR 1,646 thousand (2023: EUR 2,911 thousand). As of December 31, 2024, interest on loans was 3.85% - 5.53% p.a. (2023: 4.86% - 5.53% p.a.).

24. Provisions

	Jan. 1, 2024 in EUR '000	Utilized in EUR '000	Reversed in EUR '000	Additions in EUR '000	Dec. 31, 2024 in EUR '000
Trade-related commitments (i)	98	98	0	0	0
Personnel expense (ii)	483	483	0	395	395
Other (iii)	691	79	40	502	1,074
Total	**1,272**	**660**	**40**	**897**	**1,469**

(i) In 2023, provisions for trade-related commitments comprised, among others, provisions for expected invoices that were not included in other financial liabilities; these provisions were utilized in 2024.

(ii) The provisions for personnel expense include, among other things, provisions for anniversaries and other personnel-related costs.

(iii) In 2023 and 2024, the other provisions comprised costs for retention obligations, provisions for warranties and provisions for expected credit notes.

EUR 1,469 thousand (2023: EUR 1,272 thousand) of the provisions presented above are current provisions; cash outflows within the next 12 months are considered probable.

25. Trade payables

Average payment terms of 14-60 days are granted for the purchase of certain goods. No interest is charged for this. The Group has financial risk management arrangements in place to ensure that all payables are settled within the term granted. In addition, wherever possible the payment terms for raw material suppliers have been adjusted to match customers' payment terms.

26. Other financial liabilities

	Dec. 31, 2024 in EUR '000	Dec. 31, 2023 in EUR '000
At amortized cost		
Other financial liabilities	1,321	1,790
Lease liabilities	1,241	1,193
Total	**2,562**	**2,983**

The other financial liabilities are mainly liabilities for outstanding invoices, which were considerably higher than in the previous year on the reporting date.

For further details of lease liabilities, see Note 33.

27. Other current liabilities

	Dec. 31, 2024 in EUR '000	Dec. 31, 2023 in EUR '000
Accrued expenses	0	0
Contract liabilities	484	515
Other liabilities	456	456
Personnel-related liabilities	648	1,012
Total	**1,588**	**1,983**

The contract liabilities relate to entirely to advance payments received on contracts with customers as defined in IFRS 15.

These changed as follows in the reporting period and the previous year:

Contract liabilities	Dec. 31, 2024 in EUR '000	Dec. 31, 2023 in EUR '000
As of January 1	515	994
Derecognition due to revenue recognition	-418	-994
New advance payments received	387	515
Changes in exchange rates	0	0
As of December 31	**484**	**515**

28. Liabilities relating to finance leases

Please refer to the comments in Note 3.6.

29. Financial instruments

29.1 Capital risk management

The Group manages its equity and debt with the clear aim of optimizing the income, costs and assets of the individual companies in the Group to ensure sustained profitability and sound balance sheet structures. Financial leveraging capacity, sufficient liquidity at all times, and a clear focus on cash-related ratios and management indicators play an important role in ensuring this, in keeping with the Group's strategic focus and long-term objectives.

This ensures that all Group companies are able to operate on the going concern principle. In addition, authorized capital ensures that the Group has the flexibility to raise further equity capital in order to utilize future market opportunities.

The Group's capital structure comprises interest-bearing financial liabilities, cash and cash equivalents and equity. The equity comprises paid-in shares, the general capital reserve, the profit reserve and the currency translation reserve.

The Group's risk management regularly reviews the development of the capital structure. In this context, increasing attention is paid to net financial debt as well as to the equity ratio. The ratio of net financial debt to EBITDA (EBITDA = the operating result (EBIT) including depreciation, amortization and impairment losses) is calculated. Thus, further optimal development requires very strong financing capacity (EBITDA) as a basis for the ability to raise debt.

EBIT was minus EUR 0.6 million, which was slightly better than the revised forecast as of October 24, 2024 and November 29, 2024 of between minus EUR 1.0 million and minus EUR 2.0 million. For 2025, EBIT of between minus EUR 0.5 and EUR 1.5 million is anticipated, with a solid equity ratio.

The equity ratio, net debt ratio and EBITDA are shown in the table:

	Dec. 31, 2024 in EUR '000	Dec. 31, 2023 in EUR '000
Equity	17,822	20,827
Total assets	59,829	67,722
Equity ratio	29.8%	30.8%
Interest-bearing financial liabilities	28,110	29,039
Cash and cash equivalents	1,851	946
Net financial debt	**26,259**	**28,093**
EBIT	-556	270
Depreciation, amortization and impairment write-downs	6,609	6,250
EBITDA	6,053	6,520
Net financial debt/EBITDA	**4.34**	**4.31**

29.2 Supplementary disclosures on financial instruments

	IFRS 9 valuation categories	Carrying amount Dec. 31, 2024 in EUR '000	Carrying amount Dec. 31, 2023 in EUR '000
Financial assets			
Cash on hand and bank balances	AC [1]	1,851	946
Trade receivables	AC [1]	6,449	7,728
Other financial assets (derivatives)	FVTPL [2]	0	49
Other financial assets	AC [1]	792	576
Total		**9,092**	**9,299**
Financial liabilities			
Financial liabilities	AC [1]	28,110	29,039
Trade payables	AC [1]	3,286	5,127
Other financial liabilities (derivatives)	FVTPL [2]	1	0
Other financial liabilities	AC [1]	5,654	7,329
Total		**37,051**	**41,495**

[1] AC = at amortized cost
[2] FVTPL = at fair value through profit and loss

The above table shows the classes of financial instruments (based on their type and attributes), the carrying amounts of the financial instruments and the fair values of the financial instruments (except for financial instruments whose carrying amount corresponds to their fair value).

Cash and cash equivalents, trade receivables and other financial assets (AC) have short maturities. Therefore, the carrying amount on the reporting date is an approximation of their fair value. In the case of receivables, the nominal value is used, after applying deductions for default risks based on the simplified expected credit losses model.

Current liabilities to banks can be called at any time. Therefore, the carrying amount on the reporting date is an approximation of their fair value. The non-current liabilities to banks are mainly fixed-interest loans. The majority of non-current liabilities to banks were agreed on the basis of the prevailing conditions in the reporting period. They are carried at the repayment amount, which is an approximation of their fair value.

Trade payables and other current financial liabilities have short remaining terms; the amount recognized is therefore an approximation of the fair value. The carrying amounts of the other non-current financial liabilities also correspond in most cases to their fair values.

The financial assets measured at fair value through profit or loss are derivatives (currency forwards) that have not been designated as hedging instruments. The financial assets measured at amortized cost comprise all miscellaneous financial assets.

The Group has concluded netting arrangements with a bank in connection with several currency forwards. These were as follows as at the reporting date:

- Nominal amount: EUR 1,200 thousand (2023: EUR 900 thousand)
- Fair value: EUR 1,199 thousand (2023: EUR 949 thousand)
- Net loss: EUR 1 thousand (2023: net gain of EUR 49 thousand)

The derivatives concluded by the Group (currency forwards) are normally measured at fair value and are all allocated to hierarchy level 2. The fair value measurement of these derivatives is derived by applying a valuation method using inputs that are observable in the market. The fair value is determined using the quoted forward rates as of the reporting date and net present value calculations based on yield curves with high creditworthiness in the corresponding currencies.

For further information on financial derivatives, see Note 3.20.

Fair value measurement is divided into the following levels (fair value hierarchy). Allocation is dependent on the availability of observable inputs and the significance of these parameters for the determination of fair value:

- Level 1 measurement is based on quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 measurement is based on inputs other than quoted prices included in level 1 that are directly observable for the asset or liability or can be derived indirectly from other prices.
- Level 3 measurements are derived from valuation models using inputs that are unobservable on the market.

29.3 Financial risk management

Financial risk management comprises monitoring and managing the financial risks associated with the Group's operating units through internal risk reporting, which analyses the level and extent of risk factors. Risk factors comprise market risk (including the risk of changes in exchange rates, prices and interest rates), default risk and liquidity risk.

The Group endeavours to minimize the impact of these risks through its risk management system. A detailed description of the risk management system can be found in the Management Report.

» Exchange-rate risks

Certain business transactions undertaken by the Group are denominated in foreign currencies, namely in USD, CZK, MXN and UAH. Risks relating to the CZK arise during the year in connection with the settlement of receivables and liabilities relating to transactions cross-charged between InTiCa Systems SE and its Czech subsidiary and the netting of receivables and liabilities in the consolidation of liabilities. Converting liabilities first into a non-current loan (treated as a net investment in a foreign operation) and subsequently into equity (capital reserve) has reduced the risks and the volatility of the Group's net profit by reducing the balance of open items as it ensures more timely settlement of liabilities.

In the reporting period, the Group concluded currency forwards to hedge the exchange rate from EUR to CZK. The aim of these transactions is to hedge fluctuations in exchange rates. The Group exchanges EUR for CZK at a fixed exchange rate on the trade date. The transactions were not designated as hedging instruments and are therefore recognized at fair value through profit or loss. See also the comments in Notes 3.16, 3.20, 7 and 29.2.

The following table shows the sensitivity of open items in USD to a rise or fall in the euro on the relevant reporting date and the sensitivity of the CZK, the MXN and the UAH based on the net amount calculated as of the relevant reporting date as a result of debt consolidation.

	Nominal amount as of Dec. 31, 2024 in EUR '000	Earnings impact 2024 in EUR '000	Nominal amount as of Dec. 31, 2023 in EUR '000	Earnings impact 2023 in EUR '000
Change in USD (+/-10%)	2,825	272	2,222	201
Change in CZK (+/-3.5%)	9,807	343	7,432	260
Change in MXN (+/-3.5%)	10,938	383	11,040	386
Change in UAH (+/-3.5%)	524	31	966	34

» Risk of changes in interest rates

Fixed interest rates have been agreed for the vast majority of the Group's interestbearing receivables and liabilities. Changes in market interest rates would only have an impact if the financial instruments were recognized at fair value. Since this is not the case, the financial instruments bearing fixed interest rates do not entail a risk of changes in interest rates within the meaning of IFRS 7.

Sensitivity analyses were performed for liabilities with variable interest rates. The results were as follows: if the market interest rate had been 100 basis points higher (lower) as of December 31, 2024, the result would have been EUR 183 thousand lower (higher).

» Price risks

The Group did not have any equity interests or securities classified as held for trading on the reporting date. Consequently, it was not exposed to any share price risk as of this date.

» Risk of default

Default risk is the risk that the Group will incur a loss if a contractual party fails to perform its contractual obligation. This results in a risk of full or partial default on contractually agreed payments. The main credit default risks relate to trade receivables. To minimize the risk of loss resulting from non-performance of obligations, the management stipulates that business relationships may only be entered into with creditworthy contractual parties. Regular customer reviews are conducted to ensure this. Current transactions are monitored continuously and the aggregate exposure arising from such transactions is managed by setting limits for each contractual party. In addition, continuous credit analyses are carried out on the financial status of receivables.

The Group is not exposed to any material default risks from a single contractual party or a group of contractual parties with similar characteristics. The maximum default risk is the carrying amount of trade receivables after recognition of impairment write-downs, see Note 18.

For all other assets subject to the impairment model set out in IFRS 9.5.5, there are no material expected credit losses and the maximum default risk corresponds to their carrying amounts.

» Liquidity risk

The Group manages its liquidity risk through appropriate reserves, credit lines with banks and other credit facilities and continuous monitoring of forecast and actual cash flows. This is complemented by matching the maturity profile of financial assets and liabilities. The following list shows additional and drawn credit lines available to the Group to reduce future liquidity risk.

	Dec. 31, 2024 in EUR '000	Dec. 31, 2023 in EUR '000
Credit lines		
Amounts drawn	16,615	13,019
Undrawn amounts	3,285	6,881
Total	**19,900**	**19,900**

The following overview shows the term to maturity of the Group's non-derivative financial liabilities. The table is based on undiscounted cash flows relating to financial liabilities, based on the earliest date on which the Group is required to make payments. The table shows both interest and repayments of principal.

	up to 1 year in EUR '000	1 – 5 years in EUR '000	over 5 years in EUR '000	Total in EUR '000
2024				
Variable-interest financial liabilities	18,354	948	0	19,302
Fixed-interest financial liabilities	4,165	5,822	312	10,299
Lease liabilities	1,241	2,686	814	4,741
Other financial liabilities	1,321	0	0	1,321
Total	**25,081**	**9,456**	**1,126**	**35,663**
2023				
Variable-interest financial liabilities	15,202	1,763	0	16,965
Fixed-interest financial liabilities	4,112	9,204	497	13,813
Lease liabilities	1,193	3,349	997	5,539
Other financial liabilities	1,790	0	0	1,790
Total	**22,297**	**14,316**	**1,494**	**38,107**

For information on lease liabilities, see Note 33.

30. Related party transactions

Related parties within the meaning of IAS 24 are companies or natural persons and their close relatives that could exert influence over InTiCa Systems SE and its subsidiaries or that are controlled, jointly controlled or significantly influenced by InTiCa Systems SE or its subsidiaries.

» Related entities

When preparing the consolidated financial statements, intragroup transactions and outstanding balances with consolidated subsidiaries are eliminated. There are no non-consolidated subsidiaries.

» Related persons

Persons in key positions at the company are the members of the Board of Directors and Supervisory Board of InTiCa Systems SE and their close relatives; their agreed remuneration is outlined below.

30.1 The Board of Directors

- Dr. Gregor Wasle
  engineering graduate (Chairman of the Management Board)
  Strategy, investor relations, R&D, production, finance, human resources and IT
- Bernhard Griesbeck
  business administration graduate
  (Member of the Board of Directors since January 15, 2024)
  Sales, logistics, quality management

30.2 Supervisory Board

- Udo Zimmer
  Chairman of the Supervisory Board, Rottach-Egern
  Managing Director of GUBOR Schokoladen GmbH,
  Hans Riegelein GmbH & Co. KG, and
  Rübezahl Schokoladen GmbH & Co. KG
  Member of the Supervisory Board of VIA Optronics AG
- Werner Paletschek
  Deputy Chairman of the Supervisory Board, Fürstenzell
  Managing Director of OWP Brillen GmbH
- Christian Fürst
  Member of the Supervisory Board, Passau
  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 Bachl GmbH & Co. KG

30.3 Remuneration of the Board of Directors and the Supervisory Board

» Remuneration of the Board of Directors

The total remuneration of the Board of Directors in the 2024 fiscal year was EUR 476 thousand (2023: EUR 504 thousand). In addition, the Board of Directors was awarded short-term variable remuneration in the form of a bonus payment of EUR 48 thousand for 2024. This is recognized in other current liabilities.

The total remuneration (including severance payment) of the former member of the Board of Directors, Mr. Günther Kneidinger, was EUR 220 thousand in 2024; this amount was, however, included in other current liabilities in 2023.

» Remuneration of the Supervisory Board

The total remuneration of the Supervisory Board in the 2024 financial year was EUR 69 thousand (2023: EUR 66 thousand). EUR 24 thousand of this amount was paid out in 2025. The remainder is recognized in other liabilities.

For a more detailed description of the remuneration system for the Board of Directors and Supervisory Board, see the Remuneration Report, which is available on the company's website at www.intica-systems.com in the section Investor Relations/Corporate Governance.

30.4 Share ownership

» Shareholdings by members of the Board of Directors and Supervisory Board (including related parties)

No member of the Board of Directors or the Supervisory Board holds shares in InTiCa Systems SE representing 1% or more of the capital stock. Moreover, the total shares in InTiCa Systems SE held by all members of the Board of Directors and Supervisory Board amount to less than 1% of the issued shares.

» Major shareholders

	Shareholding in %	
	Dec. 31, 2024	Dec. 31, 2023
Dr. Axel Diekmann (indirectly through PRINTad Verlags-GmbH as direct shareholder)	more than 30	more than 30
Thorsten Wagner (indirectly through Global Derivative Trading GmbH as direct shareholder)	more than 25	more than 25
Tom Hiss (indirectly through Ludic GmbH as direct shareholder)	more than 5	more than 5
InTiCa Systems SE	1.5	1.5

Apart from those outlined above, there were no further reportable transactions or related party relationships in 2024.

31. Cash and cash equivalents

The cash and cash equivalents shown in the cash flow statement comprise cash on hand, balances on bank accounts and investments in money market instruments, less outstanding overdrafts. In view of the ongoing use of overdraft facilities, in accordance with IAS 7.8 the facilities drawn are now allocated to financing activities rather than to cash and cash equivalents. In the 2023 financial year, the overdraft of EUR 13,027 thousand was reclassified from cash and cash equivalents to the cash flow from financing activities; in the 2024 financial year, the additional drawing of EUR 3,588 thousand is also reported in the cash flow from financing activities.

	Dec. 31, 2024 in EUR '000	Dec. 31, 2023 in EUR '000
Cash and balances on bank accounts	1,851	946

In the reporting period, there were no significant cash and cash equivalents that the company could not dispose of. The fair value of cash and cash equivalents corresponds to the carrying amount.

32. Payment obligations

	Dec. 31, 2024 in EUR '000	Dec. 31, 2023 in EUR '000
Commitments to acquire property, plant and equipment	442	880

33. Leases

Due to application of IFRS 16 since January 1, 2019, right-of-use assets and corresponding lease liabilities were recognized for buildings, production facilities, furniture and other operating equipment leased in the reporting period. See also the information on the accounting and valuation methods (Note 3.6). The lease terms are between 3 and 11 years. The Group was not party to any leases as lessor. Information on leases where the Group is the lessee is presented below.

Property, plant and equipment contain right-of-use assets for the following leased assets:

Right-of-use assets (carrying amount)	Dec. 31, 2024 in EUR '000	Dec. 31, 2023 in EUR '000
Land, land rights and buildings, including buildings on leased land	3,151	3,644
Technical facilities and machines	1,485	1,811
Other facilities, furniture and office equipment	313	233
Total	4,949	5,688

In 2024, additions of right-of-use assets totalling EUR 489 thousand (2023: 2,680 thousand) were recognized. EUR 264 thousand of this amount resulted from the modification of two rent contracts in Passau and Ukraine. The rent contract in Passau was extended until 2027.

The outstanding (undiscounted) lease payments are due as follows:

Due date of lease payments in EUR '000	Up to 1 year	Between 1 and 5 years	More than 5 years	Total
2024				
Lease payments	1,444	3,018	1,264	5,726
2023				
Lease payments	1,470	3,599	1,613	6,682

The total cash outflows for leases in 2024 (including interest) were EUR 1,363 thousand (2023: EUR 1,489 thousand)

As of December 31, 2024, lease liabilities with a term of less than one year totalling EUR 1,241 thousand (2023: EUR 1,193 thousand) were recognized in other current financial liabilities. Lease liabilities totalling EUR 3,500 thousand (2023: EUR 4,347 thousand) (term >1 year) were recognized in other non-current financial liabilities.

Depreciation of right-of-use assets related to the following groups of assets:

Depreciation of right-of-use assets	Dec. 31, 2024 in EUR '000	Dec. 31, 2023 in EUR '000
Land, land rights and buildings, including buildings on leased land	683	713
Technical facilities and machines	326	327
Other facilities, furniture and office equipment	140	128
Total	1,149	1,168

Interest expense for leases recognized in accordance with IFRS 16 amounted to EUR 266 thousand in 2024 (2023: EUR 170 thousand).

In connection with leases where the Group is lessee the following amounts were also recognized in the statement of profit or loss:

Income effect from leases	Dec. 31, 2024 in EUR '000	Dec. 31, 2023 in EUR '000
Expenses for short-term leases with a term of more than one and maximum 12 months	20	20
Expenses for leases with underlying assets of low value (excluding short-term leases)	0	0
Total	20	20

34. Change in financial liabilities

Cash and non-cash changes in financial liabilities:

in EUR '000	Liabilities to banks	Lease liabilities	Financing liabilities
2024			
January 1	29,039	5,539	34,578
Changes affecting cash flows	-929	-1,179	-2,108
thereof cash inflow from borrowing	*610*	*0*	*0*
thereof cash inflow from loan repayments	*-5,127*	*0*	*0*
thereof change in the utilization of overdraft facilities	*3,588*	*0*	*0*
Non-cash changes	0	489	489
Changes due to exchange rates	0	-109	-109
Changes in the scope of consolidation	0	0	0
December 31	28,110	4,740	32,850
2023			
January 1	25,106	4,016	29,122
Changes affecting cash flows	3,933	-1,287	2,646
thereof cash inflow from borrowing	*3,169*	*0*	*0*
thereof cash inflow from loan repayments	*-5,228*	*0*	*0*
thereof change in the utilization of overdraft facilities	*5,992*	*0*	*0*
Non-cash changes	0	2,679	2,679
Changes due to exchange rates	0	131	131
Changes in the scope of consolidation	0	0	0
December 31	29,039	5,539	34,578

35. Defined-contribution pension plans

The Group's employees belong to a state pension plan which is managed by the state authorities ("statutory pension insurance"). The parent company and subsidiaries are required to pay a certain percentage of personnel expense into the pension plan to fund benefits. The only obligation relating to this pension plan is the payment of these defined contributions. In addition, voluntary premiums are paid to insurance companies for some employees and the Board of Directors. The expenses of EUR 2,066 thousand (2023: EUR 2,289 thousand) recognized in the consolidated statement of profit or loss comprise the Group's contributions to these pension plans on the basis of the agreed contributions.

36. Events after the reporting date

In March 2025, the trade credit insurance limit for a major customer was reduced. As a result, an additional limit had to be negotiated with a different trade credit insurer so that the receivables could again be sold in full to the existing factor.

No other events of special significance occurred after the reporting date that are expected to have a material effect on the Group's assets, financial position and results of operations.

37. Disclosures

The consolidated financial statements were approved for publication by the Board of Directors on May 26, 2025.

In 2024, InTiCa Systems SE did not receive notifications in accordance with sec. 20 paragraph 1 or paragraph 4 of the German Companies Act (AktG) or sec. 33 paragraph 1 or paragraph 2 of the German Securities Trading Act (WpHG).

38. Staff

The average number of employees in 2024 was 627 (2023: 740).

	Dec. 31, 2024	Dec. 31, 2023
Salaried employees	127	141
Industrial employees	428	591
Trainees	4	5
Low-wage part-time staff	5	4
Total	**564**	**741**

39. Auditor's fees

The following fees for services rendered by the auditor were charged to expenses in the fiscal year:

	Dec. 31, 2024 in EUR '000	Dec. 31, 2023 in EUR '000
Audit services for the fiscal year	240	85
Other services for the fiscal year	0	0
Total	**240**	**85**

The audit fees principally comprise fees for the audit of the consolidated financial statements and the financial statements of the parent company.

40. German Corporate Governance Code

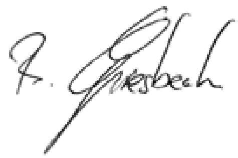
The Board of Directors and Supervisory Board of InTiCa Systems SE issue a declaration of the extent to which they comply with and have complied with the recommendations of the Government Commission on the German Corporate Governance Code published by the Federal Ministry of Justice in the electronic Federal Gazette.

The declaration of conformity is part of the corporate governance statement and is permanently available to investors in the Investor Relations/Corporate Governance section of the company's website: www.intica-systems.com.

Passau, May 26, 2025

The Board of Directors

Dr. Gregor Wasle
Chairman of the Board of Directors



Bernhard Griesbeck
Member of the Board of Directors

RESPONSIBILITY

Responsibility Statement

We hereby declare that, to the best of our knowledge and in accordance with the applicable reporting principles, the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group and that the 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, May 26, 2025

The Board of Directors

Dr. Gregor Wasle
Chairman of the Board of Directors

Bernhard Griesbeck
Member of the Board of Directors

AUDITOR'S REPORT

Independent auditor's report

To InTiCa Systems SE

Audit opinions

We have audited the consolidated financial statements of InTiCa Systems SE and its subsidiaries (the Group), comprising the consolidated balance sheet as of January 31, 2024, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the financial year from January 1, 2024 to December 31, 2024, as well as the notes to the consolidated financial statements, including significant disclosures on accounting policies. In addition, we have audited the Group management report of InTiCa Systems SE for the financial year from January 1, 2024 to December 31, 2024. In accordance with German legislation, we have not audited the content of the Group management report listed under other information.

In our opinion, based the knowledge obtained in the audit:

- the attached consolidated financial statements comply in all material respects with the IFRS Accounting Standards (hereinafter referred to as "IFRS Accounting Standards") issued by the International Accounting Standards Board (IASB), as adopted by the EU, and the additional requirements of German law to be applied in accordance with Section 315e Paragraph 1 of the German Commercial Code (HGB), and give a true and fair view of the Group's assets and financial position as of December 31, 2024 and the results of operations for the financial year from January 1, 2024 to December 31, 2024 in accordance with these requirements, and

- the attached Group management report as a whole gives an appropriate view of the Group's position. In all material respects, the consolidated management report is consistent with the consolidated financial statements, complies with the German legal requirements and appropriately presents the opportunities and risks of future development. Our audit opinion on the Group management report does not include the content of the components of the Group management report in the section headed other information.

In accordance with Section 322 Paragraph 3 Sentence 1 of the German Commercial Code (HGB), we declare that our audit did not lead to any reservations regarding the propriety of the consolidated financial statements and the Group management report.

Basis for the audit opinions

We conducted our audit of the consolidated financial statements and the Group management report in accordance with Section 317 of the German Commercial Code and the EU Audit Regulation (no. 537/2014; subsequently referred to as the "EU Audit Regulation") and in compliance with the German generally accepted standards for the audit of financial statements promulgated by the Institute of Public Auditors in Germany (IDW). Our responsibilities under these requirements and principles are set out in the section "Auditor's responsibility for the audit of the consolidated financial statements and the Group management report" in our auditor's report. We are independent of the Group companies in accordance with European law and German commercial and professional law and have fulfilled our other German professional responsibilities in accordance with these requirements. In addition, in accordance with Article 10 Paragraph 2 (f) of the EU Audit Regulation, we declare that we have not provided any prohibited non-audit services pursuant to Article 5 Paragraph 1 of the EU Audit Regulation. In our opinion, the audit evidence we obtained is sufficient and appropriate to provide a basis for our audit opinions on the consolidated financial statements and the Group management report.

Key audit matters in the audit the consolidated financial statements

Key audit matters are those matters that, in our professional judgement, were most significant in our audit of the consolidated financial statements for the financial year from January 1, 2024 to December 31, 2024. These were addressed in the context of our audit of the consolidated financial statements as a whole and in forming our audit opinion thereon; we do not provide a separate audit opinion on these matters.

In our opinion, the following were the most significant matters in our audit:

Existence and accrual of revenue from the sale of developed components

Our presentation of the key audit matters is structured as follows:

1. Audit matter and problems addressed
2. Audit approach and findings
3. Reference to further information

The key audit matters are outlined below:

Existence and accrual of revenue from the sale of developed components

1. The consolidated financial statements of InTiCa Systems SE report total sales revenues of EUR 70.6 million in the 2024 financial year. These mainly include revenues from the sale of components, which are based on in-house developments by InTiCa Systems SE. In addition, revenues from the sale of tools required for production, development work and sample components are also recognized to a smaller extent. InTiCa Systems SE recognizes revenue from the sale of components in accordance with IFRS 15 "Revenue from contracts with customers" when the transfer of a promised asset to a customer satisfies a performance obligation. An asset is considered to be transferred when the customer obtains control of the asset. This takes place at the point in time when the products are delivered in accordance with the contractually agreed acceptance conditions (especially Incoterms). In view of the different contractual agreements and large number of business transactions in the final weeks before the reporting date, there is a risk with regard to the financial statements that revenue recognized for the past year will be too high and thus incorrectly assigned to the reporting period. Sales revenue is a key management parameter from the perspective of external users of the financial statements so this aspect is particularly significant in the context of our audit.

2. To address this risk, we performed, among others, the following audit procedures:

- We gained an understanding of the sales process and the structure and implementation of internal controls on order acceptance, the dispatch of goods and invoicing.
- Furthermore, we gained an overview of the material types of contract, evaluated the assessment of the company's legal representatives with regard to the method of revenue recognition (over time versus at a point in time) and compared them with the criteria set out in IFRS 15.
- To examine the existence of realized revenue, in the context of our exclusively evidence-based audit procedures, we used random samples selected on the basis of a mathematical/statistical method to obtain evidence (especially contracts/orders, external proof of delivery and invoices) of the existence and accrual of sales revenues. In this way, we were able to examine whether the corresponding dispatch of goods and transfer of risk had taken place.

- In addition, we assessed the correct assignment of sales revenues to the period by comparing the invoices with the associated contracts/orders and external proof of delivery based on the agreed Incoterms. The basis for this were sales recognized in December 2024, selected using a mathematical/statistical model.
- According to the results of our audit, the methods used by InTiCa Systems SE for the recognition and accrual of sales revenues are appropriate.

3. The company's disclosures on revenue are contained in the notes to the consolidated financial statements in note 3.5 "Revenue recognition" and note 5. "Sales".

Other information

The legal representatives or the Supervisory Board are responsible for the other information. The other information comprises:

- the report of the Supervisory Board,
- the section headed "Appropriateness and effectiveness of the entire internal control system and the risk management system" in the Group management report,
- the Remuneration Report pursuant to Section 162 of the German Companies Act (AktG), which is referred to in the Group management report,
- the Responsibility Statement on the consolidated financial statements, pursuant to Section 297 Paragraph 2 Sentence 4 of the German Commercial Code (HGB), and the Responsibility Statement on the Group management report, pursuant to Section 315 Paragraph 1 Sentence 5 HGB,
- the separate non-financial statement for the Group which is included in the Group management report,
- the corporate governance statement pursuant to Section 289f of the German Commercial Code (HGB) in conjunction with Section 315d HGB, referred to in the Group management report
- the information contained in the Group management report that does not constitute part of the management report and is flagged as unaudited.

The other information also comprises the annual report made available to us. The other information does not comprise the annual financial statements of the company and the consolidated financial statements, the audited content of the disclosures in the combined management report and our audit opinions thereon.

Our audit opinions on the consolidated financial statements and consolidated management report do not cover the other information; accordingly, we do not express an audit opinion or any other form of audit conclusion thereon.

In connection with our audit, our responsibility is to read the above-mentioned other information and evaluate whether the other information

- is materially inconsistent with the consolidated financial statements, the disclosures in the audited content of the management report or our knowledge obtained in the audit, or
- otherwise appears to be materially misstated.

Responsibility of the legal representatives and Supervisory Board for the consolidated financial statements and the Group management report

The legal representatives are responsible for preparing consolidated financial statements that comply in all material respects with the IFRS Accounting Standards as adopted by the EU and the additional requirements of German law to be applied in accordance with Section 315e Paragraph 1 of the German Commercial Code (HGB) and for ensuring that the consolidated financial statements give a true and fair view of the assets, financial position and results of operations of the Group in accordance with these requirements. Furthermore, the legal representatives are responsible for the internal controls they have defined as necessary to allow preparation of consolidated financial statements that are free from material misstatements due to fraud (i.e. manipulation of financial accounting or misappropriation of assets) or error.

In preparing the consolidated financial statements, the legal representatives are responsible for assessing the Group's ability to continue to operate as a going concern. Furthermore, they are responsible for disclosing any pertinent issues relating to the going concern assumption. In addition, they are responsible for using the going concern principle of accounting unless the intention is to liquidate the company or to cease to operate or there is no realistic alternative but to do so.

The legal representatives are also responsible for preparing the Group management report, which as a whole gives an appropriate view of the Group's position and is consistent in all material respects with the consolidated financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. Furthermore, the legal representatives are responsible for implementing the safeguards and measures (systems) they consider to be necessary to allow the preparation of a Group management report in compliance with the applicable German legal requirements and for ensuring they are able to provide sufficient appropriate evidence for the statements made in the Group management report.

The Supervisory Board is responsible for overseeing the Group's accounting process for the preparation of the consolidated financial statements and the Group management report.

Auditor's responsibility for the audit of the consolidated financial statements and the Group management report

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatements due to fraud or error, and whether the Group management report as a whole gives an appropriate view of the Group's position and is consistent in all material respects with knowledge obtained in our audit, complies with German legal requirements and appropriately presents the opportunities and risks of future development, and to issue an auditor's report that includes our audit opinions on the consolidated financial statements and the Group management report.

Reasonable assurance is a high level assurance, but not a guarantee, that an audit conducted in accordance with Section 317 of the German Commercial Code (HGB) and the EU Audit Regulation, taking into account the German generally accepted standards for the audit of financial statements promulgated by the Institute of Public Auditors in Germany (IDW), will always detect any material misstatement. Misstatements may result from fraud or error and are regarded as material if, either individually or in aggregate, they could reasonably be expected to influence economic decisions by users taken on the basis of these consolidated financial statements or this Group management report.

During the audit, we exercise the necessary professional judgement and maintain a critical attitude. In addition

- we identify and assess the risks of material misstatements in the consolidated financial statements and Group management report due to fraud or error, plan and perform the audit as a response to these risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinions. The risk that a material misstatement resulting from fraud will not be detected is higher than the risk that a material misstatement resulting from errors will not be detected, because fraud may involve collusion, forgery, intentional omissions, misrepresentations or overriding internal controls.
- we gain an understanding of the internal controls of relevance for the audit of the consolidated financial statements and the safeguards and measures of relevance to the audit of the Group management report, in order to plan audit procedures that are appropriate in the given circumstances, but not for the purpose of expressing an audit opinion on the efficacy of the Group's internal controls or these precautions and measures.
- we assess the appropriateness of the accounting policies applied by the legal representatives, the reasonableness of the estimates made by the legal representatives and the associated disclosures.

- we draw conclusions about the appropriateness of the going concern principle of accounting used by the legal representatives and, on the basis of the audit evidence, about whether there is any material uncertainty regarding the events or circumstances that could give rise to significant doubt about the ability of the Group to continue as a going concern. If we come to the conclusion that there is a material uncertainty, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements and the Group management report or, if these disclosures are inappropriate, to modify our audit opinion. We draw our conclusions on the basis of the audit evidence obtained up to the date of our auditor's report. Future events or circumstances may, however, prevent the Group continuing to do business.
- we assess the presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements present the underlying business transactions and events in a manner such that consolidated financial statements give a true and fair view of the assets, financial position and results of operations of the Group in accordance with the IFRS Accounting Standards adopted by the EU and the additional requirements of German law in accordance with Section 315e Paragraph 1 of the German Commercial Code (HGB).
- we obtain sufficient appropriate audit evidence regarding the accounting information on the companies or business operations within the Group to give audit opinions on the consolidated financial statements and Group management report. We are responsible for directing, supervising and performing the audit of the consolidated financial statements. We bear sole responsibility for our audit opinions.
- we assess the consistency of the Group management report with the consolidated financial statements, its compliance with the law and the view it presents of the Group's position.
- we perform our audit procedures on the forward-looking statements made by the legal representatives in the Group management report. On the basis of sufficient appropriate audit evidence, we examine, in particular, the significant assumptions underlying the forward-looking statements by the legal representatives and assess whether the forward-looking statements have been derived correctly from these assumptions. We do not express a separate audit opinion on the forward-looking statements or the underlying assumptions. There is a significant and unavoidable risk that future events could deviate materially from the forward-looking statements.

We communicate the planned scope and timing of the audit and significant audit findings, including any significant shortcomings in internal controls identified during the audit, with those charged with governance.

We provide those charged with governance with a declaration that we have observed the relevant requirements on independence and discuss with them all relationships and other matters that may reasonably be assumed to affect our independence and, where relevant, the action taken or safeguards applied to eliminate matters that may affect our independence.

Based on the matters discussed with those charged with governance, we determine the matters that were of most significance for the audit of the consolidated financial statements for the present reporting period and that are therefore the key audit matters. We describe these issues in our auditor's report, unless law or regulation precludes public disclosure of the matter.

OTHER LEGAL AND REGULATORY REQUIREMENTS

Assurance report in accordance with Section 317 Paragraph 3a of the German Commercial Code (HGB) on the electronic reproduction of the consolidated financial statements and Group management report to be prepared for publication purposes

Assurance opinion

We have performed an assurance engagement in accordance with Section 317 Paragraph 3a of the German Commercial Code (HGB) to obtain reasonable assurance about whether reproduction of the consolidated financial statements and the Group management report (subsequently referred to as the ESEF documents) contained in the attached file „391200OHW2F5WI2XCQ46-2024-12-31-0-de.zip" and prepared for publication purposes complies in all material respects with the requirements of Section 328 Paragraph 1 of the German Commercial Code (HGB) for the electronic reporting format ("ESEF format"). In accordance with German legal requirements, this assurance engagement only extends to the conversion of the information contained in the consolidated financial statements and the Group management report into the ESEF format and therefore relates neither to the information contained in this reproduction nor to any other information contained in the above-mentioned electronic file. Furthermore, in accordance with these requirements, our assurance engagement does not extend to the voluntary disclosures made by the company in individual notes to the consolidated financial statements.

In our opinion, the reproduction of the consolidated financial statements and the Group management report provided in the above-mentioned electronic file and prepared for publication purposes complies in all material respects with the requirements of Section 328 Paragraph 1 of the German Commercial Code (HGB) for the electronic reporting format. We do not express any opinion on the information contained in the reproduction, nor on any other information contained in the above-mentioned electronic file, beyond this reasonable assurance opinion and our audit opinions on the accompanying consolidated financial statements and the accompanying Group management report for the financial year from January 1, 2024 to December 31, 2024 contained in the "Report on the audit of the consolidated financial statements and the Group management report" above.

Reasons for the assurance opinion

We conducted our assurance engagement on the reproduction of the consolidated financial statements and the consolidated management report provided in the above-mentioned electronic file in accordance with Section 317 Paragraph 3a of the German Commercial Code (HGB) and the IDW Assurance Standard: Assurance in accordance with Section 317 Paragraph 3a HGB on the Electronic Reproduction of Financial Statements and Management Reports Prepared for Publication Purposes (ED IDW AsS 410 (06.2022)). Accordingly, our responsibilities are described below in the section "Responsibility of the corporate auditor for the assurance engagement on the ESEF documents". Our audit firm has applied the IDW Standard on Quality Management: Requirements for Quality Management in the Audit Firm (IDW QMS 1).

Responsibility of the legal representatives and Supervisory Board for the ESEF documents

The company's legal representatives are responsible for the preparation of the ESEF documents, including the electronic reproduction of the consolidated financial statements and the Group management report in accordance with Section 328 Paragraph 1 Sentence 4 No. 1 of the German Commercial Code (HGB) and for the tagging of the consolidated financial statements in accordance with Section 328 Paragraph 1 Sentence 4 No. 2 HGB.

In addition, the company's legal representatives are responsible for the internal controls they consider necessary to enable the preparation of ESEF documents that are free from material non-compliance with the requirements of Section 328 Paragraph 1 HGB for the electronic reporting format – whether intentional or unintentional.

The Supervisory Board is responsible for overseeing the preparation of the ESEF documents as part of the financial reporting process.

Responsibility of the corporate auditor for the assurance engagement on the ESEF documents

Our objective is to obtain reasonable assurance about whether the ESEF documents are free from material non-compliance with the requirements of Section 328 Paragraph 1 of the German Commercial Code (HGB) – whether intentional or unintentional. During the audit, we exercise the necessary professional judgement and maintain a critical attitude. In addition

- we identify and assess the risks of material non-compliance with the requirements of Section 328 Paragraph 1 HGB, whether intentional or unintentional, plan and perform the assurance procedures as a response to these risks and obtain evidence that is sufficient and appropriate to provide a basis for our assurance opinion.
- we gain an understanding of the internal controls of relevance for the assurance engagement on the ESEF documents in order to plan assurance procedures that are appropriate in the given circumstances, but not for the purpose of expressing an assurance opinion on the efficacy of these controls.
- we evaluate the technical validity of the ESEF documents, i.e. whether the provided file containing the ESEF documents meets the requirements of the Commission Delegated Regulation (EU) 2019/815 on the technical specification for this file, in the version valid on the reporting date.
- we evaluate whether the ESEF documents enable an XHTML reproduction with content equivalent to the audited consolidated financial statements and the audited Group management report.
- we evaluate whether the tagging of the ESEF documents with Inline XBRL technology (iXBRL) in accordance with Articles 4 and 6 of the Delegated Regulation (EU) 2019/815, in the version applicable as of the reporting date, enables an appropriate and complete machine-readable XBRL copy of the XHTML reproduction.

Further information pursuant to Article 10 of the EU Audit Regulation

We were appointed as the auditor of the financial statements by Passau District Court on January 3, 2025. We are engaged as the auditor for InTiCa Systems SE for the first time.

We declare that the audit opinions contained in this auditor's report are consistent with the additional report to the Supervisory Board pursuant to Article 11 of the EU Audit Regulation.

OTHER MATTER – USE OF THE AUDITOR'S REPORT

Our auditor's report must always be read together with the audited consolidated financial statements, the audited Group management report, and the ESEF documents examined. The consolidated financial statements and Group management report converted to the ESEF format – including the versions to be entered in the company register – are merely electronic renderings of the audited consolidated financial statements and the audited Group management report and do not take their place. In particular, the ESEF report and our assurance opinion contained therein are to be used solely together with the examined ESEF documents provided in electronic form.

RESPONSIBLE AUDITOR

The auditor responsible for the audit is Dr. Joachim Schroff.

Nuremberg, May 26, 2025

Baker Tilly GmbH & Co. KG
Wirtschaftsprüfungsgesellschaft

Prof. Edenhofer	Dr. Schroff
Wirtschaftsprüfer (German public auditor)	Wirtschaftsprüfer (German public auditor)

GLOSSARY

Technical Glossary

Antennas

Antennas in the sense of RFID technology are sender as well as receiver antennas on the basis of winding technology (inductive components or coils).

Automation technology

Automation technology aims at making a machine or plant work completely autonomous and independent of human input. The closer you get at reaching this goal, the higher is the degree of automation. Often human staff is needed for supervision, supplies, conveyance of finished goods, maintenance, and similar jobs. Automation technology addresses the most diverse issues of building and plant automation, e.g. measuring, controlling, monitoring, defect analysis, and the optimization of process sequences.

Coil

See under "inductive components" or "inductors".

Filter

See under "inductive components"; electronic component for the separation of different signal sources.

Hybrid vehicles

Hybrid vehicles are cars containing at least two transducers and two installed energy storage systems for the purpose of powering the vehicle. Transducers are for instance electric motors and Otto and Diesel engines, energy storage systems are for instance batteries and gas tanks.

Inductors, Coil
Inductors are inductive components in the realm of electrical engineering and electronics. The terms inductor and solenoid or coil are not clearly defined and used synonymously.

Inductive components
Inductive components usually consist of a ferrite core, a plastic coil body and copper wire for the transmission, filtering, and sending or receiving of electric signals. They are functional independent of external energy input.

Inductivity, High-tech inductivity
Inductivity is an electric property of an energized electric conductor due to the environing magnetic field created by the current flow. It describes the ratio between the magnetic flux linked with the conductor and the current flowing through the conductor.

Internet
The term was initially derived from "interconnecting network", i. e. a network that connects separate networks with each other. Today the internet consists of an immense number of regional and local networks all over the world, together creating the "networks' network". The internet applies a uniform addressing scheme as well as TCP/IP-protocols for the transfer of data. Initially this global digital network used to primarily interconnect computers in research centers.

Inverter
An inverter is an electronic device converting direct voltage into alternating voltage or direct current into alternating current. Depending on the circuit, inverters can come equipped for the generation of single-phase alternating current or threephase alternating current (rotary current).

Keyless Entry, Keyless Go
New technology for locking and unlocking vehicles; instead of a key there is only a chip card that exchanges signals with the vehicle. As soon as the card holder approaches the car or touches the door handles, the door will open. The motor is started by touching a pushbutton or starter button.

RFID
Radio Frequency Identification; wireless transmission system for the detection of objects.

Sensor
A sensor is a technological component that is able to detect certain physical or chemical properties (e.g. thermal radiation, temperature, humidity, pressure, sound, brightness, or acceleration) and/or the material condition or texture of its environment with respect to quality or quantity, as a measurand. These factors are detected by the use of physical or chemical effects and transformed into other processible quantities (mostly electric signals).

Financial Calendar 2025

May 27, 2025	Publication of the annual report for 2024
May 27, 2025	Press conference / conference call
May 28, 2025	Publication of the interim financial statements for Q1 2025
July 08, 2025	Annual General Meeting in Passau
August 8, 2025	Publication of the interim financial statements for H1 2025
November 25, 2025	Publication of the interim financial statements for Q3 2025
December 31, 2025	End of the 2025 financial year

Design and realisation: creativpartner Agentur für Werbung und Marketing GmbH, Vilshofen a. d. Donau, www.creativpartner.com

Thank you for your confidence
in our company

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