

HALF-YEAR REPORT

1 JANUARY – 30 JUNE 2023



Performance

KEY FIGURES

	JAN-JUN 2023 € THOU.	JAN-JUN 2022 € THOU.	CHANGE € THOU.
Revenue	49,084	45,443	+ 3,641
Gross profit	41,277	36,596	+ 4,681
Personnel expenses	32,535	28,573	+ 3,962
EBIT	659	1,133	-474
Consolidated net result	418	648	-230

FINANCIAL PERFORMANCE

IVU continues growth trajectory in fiscal 2023. Revenue rose by 8% year-on-year to €49,084 thousand (2022: €45,443 thousand) and gross profit has climbed by 13% to €41,277 thousand (2022: €36,596 thousand).

On average over the first six months, personnel capacity was up by 13% to 766 FTE (2022: 678) and staff costs increased by 14% to €32,535 thousand (2022: €28,573 thousand).

The increase in depreciation by €835 thousand to €2,214 thousand (2022: €1,379 thousand) results from intangible assets activated as part of the acquisition of LBW GmbH.

Other operating expenses are higher than in the same period of the previous year, in particular due to a renewed increase in travel activities and trade fair events, as well as higher operating costs for the IT infrastructure as a result of growth.

The operating result of 659 T€ (2022: €1,133 thousand) is below the previous year's level and in line with IVU's typical seasonal business performance.

IVU's operating cash flow amounts to €4,571 thousand (2022: €-1,732 thousand). This was as a result of the year-on-year change in receivables and other assets. The cash flow from financing activities takes into account the acquisition of treasury shares at €337 thousand in the first six months of 2023. In the previous

year, the cash flow for investing activities includes payments for the acquisition of two equity investments.

IVU solutions continue to be in high demand. The current total commissions of €109 million for the year 2023 cover more than 90% of the planned annual revenue for the current financial year.

OUTLOOK

IVU is well positioned in terms of its personnel, technology and its financial resources: high liquidity, good orders on hand and rising recurring revenue.

For fiscal 2023, we are still assuming consolidated revenue of more than €120 million (actual 2022: €113.2 million), a gross profit in excess of €95 million (actual 2022: €90.6 million) and EBIT of more than €15 million (actual 2022: €14.9 million).

Important projects

IVU AG wins major contract from Swiss Federal Railways SBB

With the "Integrated Production Planning" project, Swiss Federal Railways SBB is establishing a new basis for planning, optimising, and dispatching the key resources of rolling stock and personnel for the entire passenger transport sector. The standard product IVU.rail, which is already used by numerous railway companies worldwide, will be used for this purpose. In an international tender process, IVU Traffic Technologies AG was able to win the contract. The cooperation is designed for the long term. The planned framework agreement with a term of 8 years (with the option of extension for a further 10 years) covers the licensing, implementation, and maintenance of IVU.rail.

Stadtwerke Solingen use IVU.suite

Stadtwerke Solingen (SWS) is now using the integrated complete solution IVU.suite including IVU's on-board computers IVU.ticket.box. SWS thereby uses operational control, ticketing, and passenger information from a single source and can uniformly control the city's entire bus transport. Every year, Stadtwerke Solingen transports over 24 million passengers. With IVU.suite - fully hosted in IVU.cloud - SWS can control its 116 vehicles in the best possible way and at the same time standardise ticketing and passenger information. This means that the SWS control centre has an overview of the locations of its buses at all times and can communicate quickly and easily with the drivers via a VoIP-based voice radio system as needed.

SWEG relies on the integrated rail control centre from IVU.rail

Following the successful introduction of scheduling and dispatch, Südwestdeutsche Landesverkehrs GmbH (SWEG) now also implements the seamlessly connected software system Integrated Rail Control Centre from IVU.rail in its rail control centres in Offenburg (Ortenau district) and Gammertingen (Sigmaringen district). This enables the transport company to keep its passengers up to date with real-time information at all times and to react quickly in the event of changes or disruptions at short notice. Already in 2022, the SWEG launched a long-term strategic partnership with IVU to modernise its entire bus and rail transport. All operational systems are operated by IVU in IVU.cloud.

IVU Italia consolidates market position

The IVU Italia subsidiary has moved into new premises in Rome with a view of St. Peter's Basilica to ensure the best possible working atmosphere for the now more than 30 employees. This continues IVU's success story in Italy. Since public transport is in the fast lane here, more and more regions are relying on IVU.suite. For example, Trenitalia plans and schedules its Frecciarossa high-speed trains with IVU.rail. Italian transport companies control their buses and trains from South Tyrol to Sicily with IVU.suite's complete system. In recent years, IVU Italia has been able to acquire numerous new users such as Autolinee Toscane, the underground in Milan, and Troiani Bus in Rome and Terni.

Personnel

PERSONNEL

IVU's business topics have momentum - and we need a lot of bright minds for that: As of 30.6.2023, 945 people are employed at IVU AG, which is 120 more than a year ago. Personnel capacity in the first half of the year 2023 has increased compared to the same period last year by 13% to 766 FTE (Full-time equivalent). To further expand our market position, we are also investing in additional employees for product development and project work in the current fiscal year.

	2023	2022	CHANGE
Number of employees as at 30 June	945	825	+15%
Personnel capacity ¹ 1 January - 30 June	766	678	+13%

¹ Personnel capacity refers to the calculated number of full-time employees (full-time equivalent – FTE).

The labour market for IT professionals remains competitive. So far, IVU has succeeded in continuing to grow as planned and attracting the best minds. In addition to an attractive salary package, IVU is appreciated for its exciting work and friendly work atmosphere – coupled with IT solutions that help public transport and thus contribute towards climate protection and liveable towns and cities.

OWN SHARES

Since 2 June 2023, IVU has been carrying out a share buyback programme, in which a total of 21,107 own shares were acquired for a total price of € 334 thousand by 30 June 2023. This is equivalent to 0.12% of IVU Traffic Technologies AG's share capital.

The resolution was based on the authorisation granted by the Annual General Meeting on 29 May 2019 to acquire shares in the company for any purpose permitted by section 71(1) no. 8 of the *Aktiengesetz* (AktG – German Stock Corporation Act) until 28 May 2024. In particular, this also includes using the shares to serve Executive Board remuneration and employee participation programmes.

The shares were acquired by a credit institution commissioned by the company exclusively on the stock exchange (XETRA trading). Detailed information can be found on the company's website at <https://www.ivu.com/investors/share>.

Under the long-term incentive plan, which ended on 31st December 2022, the Executive Board members received, among other things, shares in the company as a further variable remuneration component. Depending on the positive development of the company and a certain target price in Q4 2022, a total of 92,127 shares were transferred to the Executive Board members. The shares were transferred in Q1 2023.

RISKS

The risks are described on pages 51 to 52 of the 2022 annual report. There are no new risks.

Income

CONSOLIDATED INCOME STATEMENT

1 JANUARY TO 30 JUNE 2023

	Q2-2023 € THOU.	Q2-2022 € THOU.	JAN-JUN 2023 € THOU.	JAN-JUN 2022 € THOU.
Sales revenues	26,352	25,644	49,084	45,443
Other operating income	181	192	832	435
Cost of materials	-5,122	-4,760	-8,639	-9,282
Gross profit	21,411	21,076	41,277	36,596
Personnel expenses	-16,473	-16,024	-32,535	-28,573
Depreciation and amortisation on non-current assets	-1,085	-736	-2,214	-1,379
Other operating expenses	-2,779	-2,768	-5,869	-5,511
Operating results (EBIT)	1,074	1,548	659	1,133
Financial income	208	0	363	0
Financial expenses	-78	-81	-157	-143
Result from investments accounted for using the equity method	-179	-61	-179	-61
Pre-tax profit (EBT)	1,025	1,406	686	929
Actual Income taxes	-355	-366	-400	-417
Deferred taxes	-18	-1	132	136
CONSOLIDATED NET RESULT	652	1,039	418	648

Total shares (in thousands)	17,719	17,719
Earnings per share (diluted)	0.04	0.04
Weighted average shares outstanding (in thousands)	17,581	17,541
Earnings per share (basic)	0.04	0.04

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

1 JANUARY TO 30 JUNE 2023

	JAN-JUN 2023 € THOU.	JAN-JUN 2022 € THOU.
Consolidated net result	418	648
Currency translation	29	21
Items that may be reclassified subsequently to profit or loss	29	21
Other comprehensive income after taxes	29	21
CONSOLIDATED TOTAL COMPREHENSIVE INCOME AFTER TAXES	447	669

Balance sheet

CONSOLIDATED BALANCE SHEET AS AT 30 JUNE 2023

ASSETS	30 JUN 2023 € THOU.	31 DEC 2022 € THOU.
A. Current assets		
1. Cash and cash equivalents	21,639	23,051
2. Current trade receivables	23,485	31,815
3. Current receivables from joint ventures	7	0
4. Contract assets	14,824	10,999
5. Inventories	5,939	4,271
6. Other current assets	29,986	30,085
Total current assets	95,880	100,221
B. Non-current assets		
1. Tangible fixed assets	1,883	1,850
2. Intangible assets	26,956	27,510
3. Financial assets	471	650
4. Rights of use	9,023	9,620
5. Deferred taxes	91	91
Total non-current assets	38,424	39,721
TOTAL ASSETS	134,304	139,942

LIABILITIES	30 JUN 2023	31 DEC 2022
	€ THOU.	€ THOU.
A. Current liabilities		
1. Current trade payables	2,183	4,748
2. Contract liabilities	21,078	11,867
3. Current leasing liabilities	1,377	1,574
4. Provisions	9,872	11,225
5. Tax liabilities	2,239	2,340
6. Other current liabilities	11,442	17,084
Total current liabilities	48,191	48,838
B. Non-current liabilities		
1. Leasing liabilities	8,036	8,377
2. Deferred taxes	4,437	4,568
3. Provisions for pensions	3,447	3,490
Total non-current liabilities	15,920	16,435
C. Equity		
1. Share capital	17,719	17,719
2. Additional paid-in capital	805	1,792
3. Revenue reserve	53,903	59,455
4. Other components of equity	-17	-46
5. Own shares	-2,217	-4,251
Total equity	70,193	74,669
TOTAL LIABILITIES	134,304	139,942

Equity

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

1 JANUARY 2022 TO 30 JUNE 2023

	SHARE CAPITAL € THOU.	CAPITAL RESERVE € THOU.	REVENUE RESERVE € THOU.	OTHER RE- SERVES € THOU.	FOREIGN EXCHANGE RECONCIL- ING ITEM € THOU.	OWN SHARE AT ACQUI- SION COST € THOU.	TOTAL € THOU.
As at 1 January 2022	17,719	1,307	53,181	-1,065	109	-3,375	67,876
Consolidated net result 2022	0	0	10,132	0	0	0	10,132
Other comprehensive income, net of tax	0	0	0	863	47	0	910
Consolidated recognised results after tax	0	0	10,132	863	47	0	11,042
Acquisition of own shares	0	0	0	0	0	-4,395	-4,395
Use of own shares	0	146	0	0	0	3,519	3,665
Addition to share-based Executive Board remuneration	0	339	0	0	0	0	339
Dividend distribution (€0.22 per share)	0	0	-3,858	0	0	0	-3,858
AS AT 31 DECEMBER 2022	17,719	1,792	59,455	-202	156	-4,251	74,669
As at 1 January 2023	17,719	1,792	59,455	-202	156	-4,251	74,669
Consolidated net result 1 Jan - 30 Jun 2023	0	0	418	0	0	0	418
Other comprehensive income, net of tax	0	0	0	0	29	0	29
Consolidated recognised results after tax	0	0	418	0	29	0	447
Acquisition of own shares	0	0	0	0	0	-337	-337
Use of own shares	0	-1,071	-1,742	0	0	2,371	-442
Addition to share-based Executive Board remuneration	0	84	0	0	0	0	84
Dividend distribution (€0.24 per share)	0	0	-4,228	0	0	0	-4,228
AS AT 30 JUNE 2023	17,719	805	53,903	-202	185	-2,217	70,193

Cash flows

CONSOLIDATED STATEMENT OF CASH FLOWS 1 JAN TO 30 JUN 2023

	JAN-JUN 2023	JAN-JUN 2022
	€ THOU.	€ THOU.
1. Operating activities		
Group earnings before income tax of the period	686	929
Depreciation on non-current assets	2,214	1,379
Change in provisions	-1,396	-1,004
Net interest income	-206	143
Equity-settled share-based payment	-358	1,105
Other non-cash expenses / income	0	227
Share of profit of joint ventures	179	61
Change of items of working capital and borrowings		
Inventories	-1,668	369
Receivables and other assets	5,235	-4,616
Liabilities (without provisions)	1,004	-77
Interest paid / Guarantee commissions	-74	-79
Income taxes paid	-1,045	-169
Cash flow from operating activities	4,571	-1,732
2. Investing activities		
Outflows for investments in non-current assets	-857	-1,157
Einzahlungen aus Abgängen des Sachanlagevermögens	4	3
Payments for the acquisition of shares in associated companies	0	-11,122
Payments for the acquisition of minority interests	0	-251
Interest received	363	0
Cash flow from investing activities	-490	-12,527
3. Financing activities		
Acquisition of own shares	-337	-2,943
Payments for the repayment of leasing liabilities	-928	-829
Payment of dividends	-4,228	-3,858
Cash flow from financing activities	-5,493	-7,630
4. Cash and cash equivalents		
Net change in cash and cash equivalents	-1,412	-21,889
Consolidation-related change in cash and cash equivalents	0	311
Cash and cash equivalents at beginning of period	23,051	41,460
CASH AND CASH EQUIVALENTS AT END OF PERIOD	21,639	19,882

Remarks

ACCOUNTING AND VALUATION PRINCIPLES

The accounting and valuation principles used in the half-year financial report as at 30 June 2023 are the same as those used in preparing the consolidated financial statements for fiscal 2022.

SEASONALITY OF BUSINESS OPERATIONS

The business activities of the IVU Group are subject to seasonal effects. These relate to maintenance invoicing in the first quarter and higher project billing in the fourth quarter of the fiscal year.

DECLARATION PURSUANT TO §115 PARA. 5 SENTENCE 6 WPHG

This half-year financial report was not subjected to an auditor's inspection.

TRANSACTIONS WITH RELATED INDIVIDUALS AND COMPANIES

Martin Müller-Elschner, Chairman of the Executive Board, received 7,151 IVU shares as part of his variable remuneration in the reporting period and holds 292,113 IVU shares as at 30 June 2023.

Leon Struijk, Vice Chairman of the Executive Board, received 6,397 IVU shares as part of his variable remuneration and acquired 340 IVU shares on the market in the reporting period; he thus holds 63,000 IVU shares as at 30 June 2023.

Matthias Rust, member of the Executive Board, received 5,165 IVU shares as part of his variable remuneration in the reporting period and holds 58,324 IVU shares as at 30 June 2023.

The variable Executive Board remuneration in the form of shares mentioned here does not include the previously presented fulfilment of the Long-Term Incentive Plan.

RESPONSIBILITY STATEMENT OF THE LEGAL REPRESENTATIVES

To the best of our knowledge, and in accordance with the applicable reporting principles, the half-year financial report gives a true and fair view of the net assets, financial position and results of operations of the Group. It 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.

Berlin, 23 August 2023

THE EXECUTIVE BOARD



Martin Müller-Elschner



Leon Struijk



Matthias Rust

Financial calendar

FINANCIAL CALENDAR

WEDNESDAY, 23 AUGUST 2023

Half-year financial report 2023

WEDNESDAY, 22 NOVEMBER 2023

Quarterly Report Q3-2023

THURSDAY, 21 MARCH 2024

Annual Report 2023

TUESDAY, 28 MAY 2024

Quarterly Report Q1-2024

WEDNESDAY, 29 MAY 2024

Annual General Meeting

WEDNESDAY, 29 AUGUST 2024

Half-year financial report 2024

The half-year financial report of IVU AG satisfies the key requirements of the *Wertpapierhandelsgesetz* (WpHG – German Securities Trading Act) and, in accordance with section 115 WpHG, contains condensed interim consolidated financial statements, an interim Group management report and a responsibility statement. The half-year financial report should be read in conjunction with the 2022 annual report, which comprehensively presents IVU AG's business activities and explains the financial performance indicators used.

IMPRINT

Publisher

IVU Traffic Technologies AG

This report can be downloaded as PDF file at www.ivu.com.

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