



Press Release

INDUS publishes unaudited and preliminary figures for financial year 2022

- **Continuing operations with good performance**
- **Adjustment of accounting as consequence of PARKOUR perform strategy update**
- **One-time charge due to reclassification of three portfolio companies as discontinued operations**

Bergisch Gladbach, 23 February 2023 – As of 1 January 2023, the INDUS Group reorganized itself into three segments – Engineering, Infrastructure and Materials – in accordance with the **PARKOUR perform** strategy update presented in December 2022. In the process, the Board of Management decided which businesses have good prospects and will therefore be continued under the INDUS umbrella. It was also decided to discontinue the former Automotive Technology segment. SCHÄFER and SELZER shall be sold in the current fiscal year. Against the background of this reorganization, the continuing and discontinued operations are therefore presented separately below. All information below is based on the Group's preliminary, unaudited figures for 2022.

The continuing operations in the portfolio of INDUS Holding AG showed a good operating performance in 2022; the portfolio companies in these segments increased their sales by 10.4% to EUR 1.80 billion (previous year: EUR 1.63 billion). Operating income (EBIT) before impairment losses stood at EUR 176.5 million (previous year: EUR 168.1 million), with the corresponding EBIT margin at 9.8% (previous year: 10.3%). "Despite the challenging macroeconomic environment, the portfolio companies have shown a really strong performance," says Dr. Johannes Schmidt, Chairman of the Board of Management of the INDUS Group.

EBIT after impairment losses amounts to EUR 133.7 million (previous year: EUR 165.6 million), with the corresponding EBIT margin at 7.4% (previous year: 10.1%). In the context of the strategy update, the board of Management decided to sell SCHÄFER and SELZER by the end of 2023. At the end of the financial year 2022, the P&L items of SMA as well as of SCHÄFER and SELZER were reclassified into discontinued operations. SMA was deconsolidated as the company filed for insolvency proceedings. As part of the reclassification, the assets assigned to the three portfolio companies also had to be revalued. In the financial year 2022, sales of the discontinued operations amounted to around EUR 110 million, while earnings after taxes

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of the discontinued operations stood at EUR -123.9 million. Earnings after taxes for the Group as a whole amounted to EUR -51.0 million (previous year: EUR 47.6 million).

“The reclassification of the three companies into discontinued operations is the logical consequence of the decision to discontinue the Automotive Technology companies that had been making losses for years,” says Dr. Johannes Schmidt. “This frees INDUS from high losses in the automotive sector and has allowed us to reflect the revaluation of the reclassified companies in the financial year 2022.”

It was possible to reduce working capital noticeably at the end of 2022, so that the operating cash flow (of the continuing operations) stood at EUR 137.1 million (previous year: EUR 177.7 million).

The Construction/Infrastructure, Engineering, and Metals Technology segments again showed a very gratifying performance for the year 2022 as a whole. Most of the portfolio companies in these three segments were able to increase their sales and operating income (EBIT) before impairment losses very strongly. In the Medical Engineering/Life Science segment, there was still only little scope for passing on costs, while regulatory expenses remained high. The Automotive Technology segment (excluding the discontinued operations) was adversely affected by a shortage of electronics, delays in the ramp-up of mass production and the effects of the Russia-Ukraine war in 2022.

INDUS invested approx. EUR 113.3 million in the portfolio in 2022. These consist of investments at the portfolio companies as well as the acquisitions of HEIBER + SCHRÖDER and the HELD Group – both to strengthen the new Engineering segment.

Net debt increased primarily due to the fact that working capital picked up in the full year 2022. At 2.3 years at the end of the year, the debt repayment period, i.e. the relation between net debt and EBITDA (of the continuing operations), was below the target range of 2.5 years. The equity ratio declined primarily because of the high non-cash value adjustments from the revaluation of the companies reclassified into discontinued operations and the impairment



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losses resulting from the scheduled impairment tests and stood at 36.3%, which is below the 40% target.

“The repositioning now completed makes us optimistic for the year 2023,” says Dr. Johannes Schmidt. “Going forward, we will focus our portfolio on highly specialized industrial technology in attractive market niches. This is reflected in the continuing operations. We can now take off from this strong basis.”

The full financial statements for the financial year 2022 including the forecast for the financial year 2023 will be published on the company’s website on 23 March 2023. For the 2023 financial calendar, visit www.indus.de.

About INDUS Holding AG:

Established in 1989 and headquartered in Bergisch Gladbach, INDUS Holding AG is a leading specialist for sustainable corporate development in the German-speaking SME sector. As a value-oriented holding company with clear technology priorities, INDUS actively supports its currently 47 portfolio companies in their long-term development. INDUS acquires two to three highly specialized and future-proof industrial engineering companies in the Infrastructure, Materials and Engineering segments per year. Since 1995, INDUS Holding AG has been listed in the Prime Standard of the Frankfurt Stock Exchange (DE0006200108); in 2022, the Group generated sales of around 1.8 billion euros. For more information on INDUS, visit www.indus.de.