

INDUS
HOLDING AG

INTERIM
REPORT Q1

2024

[INDUS]

Key Figures

in EUR million	Q1 2024	Q1 2023
Sales	410.1	450.8
EBITDA	48.5	66.1
in % of sales	11.8	14.7
Adjusted EBITA	31.5	49.5
in % of sales	7.7	11.0
EBIT	26.7	44.8
in % of sales	6.5	9.9
Earnings after taxes	10.3	16.0
Earnings per share*	0.38	0.60
Operating cash flow	12.1	1.5
Cash flow from operating activities	10.1	-1.0
Cash flow from investing activities	-12.1	-2.9
Cash flow from financing activities	-52.4	-1.2
Free cash flow	6.1	7.5
	March 31, 2024	December 31, 2023
Total assets	1,903.0	1,928.8
Equity	703.7	719.7
Equity ratio (in %)	37.0	37.3
Working capital	481.4	466.9
Net financial liabilities	546.5	506.2
Cash and cash equivalents	211.3	265.8
Portfolio companies (number as of reporting date)	44	43

* Earnings per share from continuing and discontinued operations

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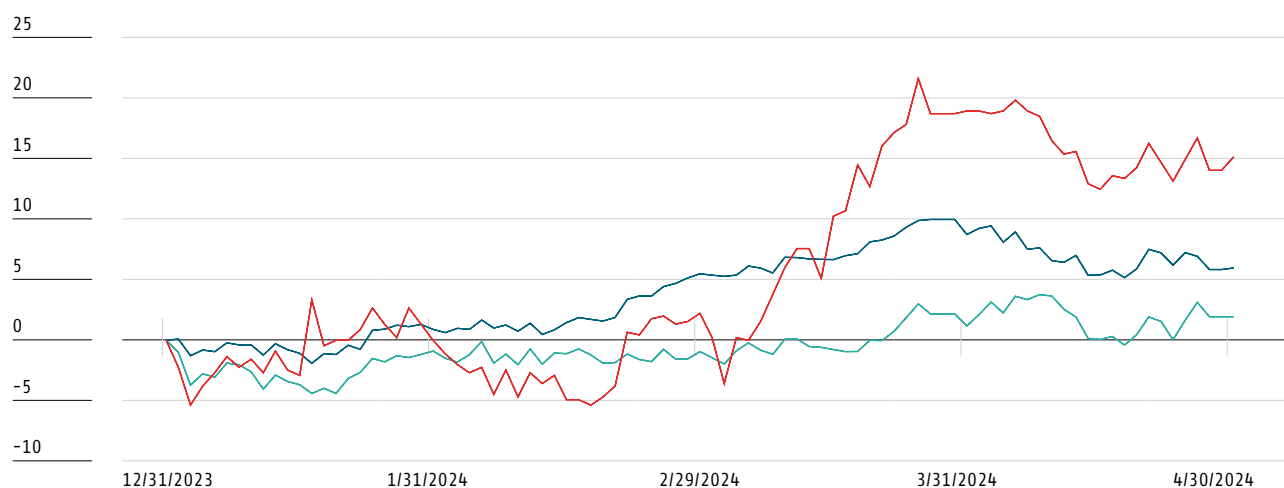
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INDUS generates sales of EUR 410 million and EBIT of EUR 26.7 million in first quarter of 2024

- Weak economy dampens development, as expected
- Guidance confirmed
- Portfolio strengthened through three complementary acquisitions

SHARE PRICE PERFORMANCE OF THE INDUS SHARE JANUARY TO APRIL 2024 EXCL. DIVIDENDS

in %



Source: Bloomberg

— INDUS Holding AG — DAX Price Index — SDAX Price Index

Letter to the Shareholders

Dear Shareholders, Dear Readers,

As expected, the new financial year did not start off as well as the previous year did. We had already taken the ongoing difficult macroeconomic conditions into account in our planning. As a result, we are sticking to our guidance for the year as a whole. And we are continuing to grow. Our M&A pipeline is looking very healthy, and we have already completed several complementary acquisitions.

The weakness of the economy can be seen in the development of sales and EBIT, with fewer orders received in the Engineering and Materials segments. There was also massive price pressure from customers in the Materials segment. On a positive note, the companies in the Infrastructure segment were able to generate a slight increase in EBIT despite lower sales. This is where the optimization programs introduced last year are coming into play.

In the face of the weak economy, our companies are working closely with the Board of Management members responsible for the segments and the holding company's investment controlling department to adjust cost structures. With their purchasing organizations, our portfolio companies were able to reduce material costs at an above-average level compared to sales. However, personnel expenses increased in line with the steep rise in wages and salaries despite lower employee numbers.

The German economy is expected to pick up from the middle of the year. Our portfolio companies are also expecting a significantly stronger second half of the year. Our guidance for the year as a whole remains unchanged, with sales of EUR 1.85 billion to EUR 1.95 billion and EBIT in the range of EUR 145 million to EUR 165 million.

Operating cash flow and free cash flow were solid in the first quarter, and the seasonal increase in working capital was below the previous year's figure. When comparing the figures with the same quarter of the previous year, it is important to note that we sold a property in 2023 that was no longer required for operations. This led to a positive one-time effect on free cash flow of EUR 14.4 million.

In 2024 we intend to invest EUR 70 million in acquisitions. With the growth acquisition of GESTALT AUTOMATION and the complementary acquisitions of

GRIDCOM and COLSON, we have made a good start to the year. On top of this, we acquired the remaining shares in our successful American subsidiary TECALEMIT Inc. Long may it continue! We have a robust acquisition pipeline filled with attractive targets that align strongly with the future topics we have identified. Fortunately for us, prices have fallen significantly recently.

We concluded our share buyback program on a successful note in the first quarter. As planned, we bought back 1.1 million shares at a price of EUR 23 per share. Additionally, we have the scope to pay an attractive dividend. The Board of Management and Supervisory Board are proposing a dividend of EUR 1.20 per share to you, our shareholders. If this proposal is approved by the Annual General Meeting, you will receive around EUR 56 million from share buybacks and dividends in the 2024 financial year.

Our Annual General Meeting will take place in person at the Cologne Exhibition Center on May 22, 2024. We are very much looking forward to seeing you there. This is a format we are fond of, and we greatly value the opportunity for face-to-face interaction with our guests.

We are continuing to work hard on making 2024 another successful year. The overall economic environment remains very challenging, particularly in Germany – but our agile SME portfolio companies will triumph over these challenges too.

Thank you for your confidence in us at INDUS. We appreciate your loyalty.

Yours faithfully,

Bergisch Gladbach, May 2024

Dr. Johannes Schmidt

Rudolf Weichert

Gudrun Degenhart

Dr. Jörn Großmann

Axel Meyer

Interim Management Report

Performance of the INDUS Group in the First Three Months of 2024

CONSOLIDATED STATEMENT OF INCOME

in EUR million

	Q1 2024	Q1 2023	Difference	
			absolute	in %
Sales	410.1	450.8	-40.7	-9.0
Other operating income	3.8	3.2	0.6	18.8
Own work capitalized	1.1	1.1	0.0	0.0
Change in inventories	4.7	18.7	-14.0	-74.9
Overall performance	419.7	473.8	-54.1	-11.4
Cost of materials	-180.7	-221.2	40.5	18.3
Personnel expenses	-134.4	-129.3	-5.1	-3.9
Other operating expenses	-56.1	-57.2	1.1	1.9
EBITDA	48.5	66.1	-17.6	-26.6
in % of sales	11.8	14.7	-2.8 pp	-
Depreciation/amortization	-21.8	-21.3	-0.5	-2.3
of which PPA depreciation*	-4.8	-4.7	-0.1	-2.1
of which impairment	0.0	0.0	0.0	-
Adjusted EBITA**	31.5	49.5	-18.0	-36.4
in % of sales	7.7	11.0	-3.3 pp	-
Operating income (EBIT)	26.7	44.8	-18.1	-40.4
in % of sales	6.5	9.9	-3.4 pp	-
Financial income	-9.0	-7.9	-1.1	-13.9
Earnings before taxes (EBT)	17.7	36.9	-19.2	-52.0
Income taxes	-7.4	-12.0	4.6	38.3
Earnings from discontinued operations	0.0	-8.9	8.9	100.0
Earnings after taxes	10.3	16.0	-5.7	-35.6
of which interests attributable to non-controlling shareholders	0.2	0.0	0.2	-
of which interests attributable to INDUS shareholders	10.1	16.0	-5.9	-36.9
Earnings per share in EUR				
from continuing operations	0.38	0.93	-0.55	-59.1
from discontinued operations	0.00	-0.33	0.33	100.0
from continuing and discontinued operations	0.38	0.60	-0.22	-36.7

* The term PPA depreciation includes depreciation on assets on purchase price allocations.

** The term EBITA (adjusted) includes the operating income (EBIT) plus PPA depreciation and impairments.

Decrease in Sales due to Economic Conditions

The INDUS portfolio companies reported sales of EUR 410.1 million in the first three months of 2024. This was EUR 40.7 million (9.0%) lower than in the same period of the previous year.

The decrease in sales affected all three segments, and was mainly due to economic conditions. Business activity was also particularly dynamic in the same quarter of the previous year. The new acquisitions of GESTALT AUTOMATION and GRIDCOM in the reporting year and QUICK in the previous year resulted in inorganic growth of 0.6%. The organic decrease in sales came to 9.6%.

In addition to the decline in sales described above, the change in inventories fell by EUR 14.0 million, resulting in a decrease in total operating performance of EUR 54.1 million. The overall performance amounted to EUR 419.7 million, compared with EUR 473.8 million in the same period of the previous year. The cost of materials decreased disproportionately sharply from EUR 221.2 million to EUR 180.7 million (-18.3%). The cost-of-materials ratio declined accordingly from 49.1% to 44.1%. Taking into account the change in inventories, the adjusted ratio in proportion to sales amounted to 42.9% compared to 44.9% in the same period of the previous year.

Despite the decline in business activity, personnel expenses rose from EUR 129.3 million to EUR 134.4 million. As expected, this increase (+3.9%) was the result of significant adjustments to wages and salaries. The number of employees at the continuing operations companies fell by 118 compared to the previous year. The personnel expense ratio came to 32.8% (previous year: 28.7%). Other operating expenses fell slightly by EUR 1.1 million to EUR 56.1 million. This resulted in EBITDA of EUR 48.5 million (previous year: EUR 66.1 million).

Depreciation and amortization amounted to EUR 21.8 million, on a par with the previous year's level (EUR 21.3 million). The depreciation and amortization line includes depreciation, amortization, impairment and PPA depreciation. No impairment losses were recorded in the current quarter or in the same quarter of the previous year. PPA depreciation of EUR 4.8 million (previous year: EUR 4.7 million) comprises the amortization of intangible assets and depreciation of property, plant and equipment resulting from the purchase price allocation of new acquisitions.

Adjusted EBITA and EBIT Impacted by Economic Developments

Adjusted EBITA amounted to EUR 31.5 million in the quarter under review, compared with EUR 49.5 million in the same period of the previous year. Adjusted EBITA is calculated from operating EBIT plus impairments and PPA depreciation. In as far as reversals are posted, these must be deducted. The margin of adjusted EBITA amounts to 7.7% and is thus 3.3 percentage points below that of the comparative previous year period. The fall in adjusted EBITA reflects the general economic conditions.

Operating income (EBIT) totaled EUR 26.7 million, following EUR 44.8 million in the same period of the previous year. This corresponds to a reduction of EUR 18.1 million, which, as mentioned above, stems from the current economic conditions. The EBIT margin came in at 6.5% in the reporting period, following 9.9% in the same period of the previous year.

Financial income amounted to EUR -9.0 million in the reporting period, compared with EUR -7.9 million in the same period of the previous year. Financial income includes net interest, income from shares accounted for using the equity method and other financial income. The valuations of interests attributable to non-controlling shareholders are reported within other financial income. The increase in expenses of EUR 1.1 million compared to the previous year is due to the increase in interest expense (EUR +1.6 million).

At EUR 17.7 million, earnings before taxes (EBT) were EUR 19.2 million below the previous year's figure (EUR 36.9 million). Income tax expenses fell to EUR 7.4 million as against EUR 12.0 million in the previous year. The tax ratio came to 41.8%, following 32.5% in the same period of the previous year.

Discontinued Operations Deconsolidated in Q3/2023

The SELZER and SCHÄFER portfolio companies, which were deconsolidated in the third quarter of the previous year, constitute discontinued operations within the meaning of IFRS 5. There were no discontinued operations or subsequent expenses in the financial year. Income from discontinued operations amounted to EUR -8.9 million in the same period of the previous year.

Fall in Earnings After Taxes

Earnings after taxes amounted to EUR 10.3 million and were down EUR 5.7 million on the previous year's figure (EUR 16.0 million). Earnings per share amounted to EUR 0.38 for continuing operations (previous year: EUR 0.93).

Employees

During the first three months of 2024, the INDUS Group companies employed 8,813 employees on average. A total of 9,537 people were employed in the previous year. Of this number, 8,931 people were employed in the continuing operations and 606 in the discontinued operations.

Acquisition of GESTALT AUTOMATION

INDUS Holding AG acquired the business operations of Gestalt Robotics, now trading as GESTALT AUTOMATION, in March 2024. The Berlin-based company develops individual AI-based automation solutions for industrial applications. The solution portfolio comprises image processing and control technology based on artificial intelligence. This includes solutions such as visual quality assessment and visual asset tracking, autonomous navigation for mobile transport systems, and adaptive and collaborative robotics and assistance systems. The typical fields of application are assembly, mobility and laboratory automation.

With the PARKOUR perform strategy update, INDUS has identified the future field of automation as a key area for further growth. GESTALT AUTOMATION focuses on industrial automation, and complements the investment portfolio in this future field.

GESTALT AUTOMATION joined the INDUS Group on March 1, 2024, and was allocated to the Engineering segment.

Acquisition of the Remaining Shares in GRIDCOM

On March 11, 2024, HAUFF-TECHNIK GmbH & Co. KG, Hermaringen, acquired the remaining shares in Hauff-Technik Gridcom GmbH (GRIDCOM), Rosenberg, and is now the sole shareholder of the company. GRIDCOM is a specialist for the development and production of passive components for fiber optic infrastructure. This includes point of presence (PoP) stations, which act as main distributors and connect central fiber optic cables with the fiber optic distributors in the fiber to the curb (FTTC) and fiber to the home (FTTH) areas. GRIDCOM's product portfolio also includes network distributors and fiber-optic distribution boxes required to set up the infrastructure covering the last few meters to the customer.

In October 2016, Hauff-Technik acquired the first 50% of shares in GRIDCOM. GRIDCOM is allocated to the Infrastructure segment. The economic transfer (closing) took place on March 12, 2024. The consolidation took place on March 1, 2024.

Acquisition of COLSON X-CEL by PCL

Pneumatic Components Ltd (PCL), a subsidiary of the INDUS portfolio company HORNGROUP, purchased 100% of the shares in COLSON X-Cel Ltd. in March 2024. The British company, based in Rotherham, South Yorkshire, develops and produces industrial valves for measurement and control engineering, including valves, shut-off units and measuring devices for controlling liquids and gases.

The economic transition of COLSON is expected to be finalized in May 2024. The initial consolidation will take place thereafter.

Acquisition of Remaining Shares in TECALEMIT Inc.

In March 2024, HORNGROUP Holding GmbH & Co. KG acquired the remaining 15% of shares in the US company TECALEMIT Inc., Delaware, from the company's founder. TECALEMIT Inc. has been fully consolidated in the consolidated financial statements since December 2021. TECALEMIT Inc. is allocated to the Engineering segment.

Share Buyback Program – Acquisition of Treasury Shares

Through a publicly announced share buyback program from February 22 to March 1, 2024, INDUS Holding AG acquired 1,100,000 of its own no-par-value shares, representing 4.09% of the share capital. The shares were acquired at a price of EUR 23.00 per share. The volume of the buyback offer was therefore EUR 25,300,000. The acquisition incurred incidental costs of around EUR 0.1 million. The payment was made on March 13, 2024.

The treasury shares do not carry voting or dividend rights and are deducted from equity as a treasury item in the INDUS consolidated financial statements.

Segment Reporting

INDUS breaks down its investment portfolio into three operating segments: Engineering, Infrastructure and Materials. As of March 31, 2024, the investment portfolio encompassed 44 operating units.

Engineering

New Acquisition in the Field of Artificial Intelligence

The portfolio companies in the Engineering segment generated sales of EUR 129.4 million in the first three months of the 2024 financial year (previous year: EUR 142.1 million). As compared to the same period of the previous year, sales fell by EUR 12.7 million (8.9%). The decline in sales is primarily due to weaker business in the sorting systems and packaging technology segments compared to the previous year.

Adjusted EBITA was EUR 10.2 million, compared with EUR 18.5 million the previous year. The decline of EUR 8.3 million is mainly due to lower sales and a change in the sales mix compared to the same quarter of the previous

year with slightly lower margins. Increasing contributions to sales with slightly higher margins on average are expected for the rest of the year, particularly in the second half of the year.

Operating income (EBIT) totaled EUR 7.3 million, following EUR 15.6 million in the same period of the previous year.

We therefore still anticipate a slight rise in sales and a decline in operating income (EBIT) for the full year. The EBIT margin is expected to be within a range of 8% to 10%.

INDUS acquired GESTALT AUTOMATION in March 2024. GESTALT AUTOMATION develops AI-based automation solutions for industrial applications and complements the INDUS portfolio in the automation & assembly technological division. The company has been part of the INDUS Group since March 1, 2024.

The investments of EUR 3.0 million made during the reporting period relate to the acquisition of GESTALT AUTOMATION and property, plant and equipment. The acquisition of property, plant and equipment in the amount of EUR 2.3 million is up EUR 0.5 million on the previous year (EUR 1.8 million).

KEY FIGURES FOR ENGINEERING

in EUR million

	Q1 2024	Q1 2023	Difference	
			absolute	in %
Revenue with external third parties	129.4	142.1	-12.7	-8.9
EBITDA	15.3	23.4	-8.1	-34.6
in % of sales	11.8	16.5	4.7 pp	-
Depreciation/amortization	-8.0	-7.8	-0.2	-2.6
of which PPA depreciation	-2.9	-2.9	0.0	0.0
of which impairment	0.0	0.0	0.0	-
EBITA (adjusted)**	10.2	18.5	-8.3	-44.9
in % of sales	7.9	13.0	5.1 pp	-
EBIT	7.3	15.6	-8.3	-53.2
in % of sales	5.6	11.0	-5.4 pp	-
Investments	3.0	1.8	1.2	66.7
Employees	2,907	2,817	90	3.2

* The term PPA depreciation includes depreciation on assets from purchase price allocations.

** The term EBITA (adjusted) includes the operating income (EBIT) plus PPA depreciation and impairments.

Infrastructure

EBIT Margin Up One Percentage Point on the Previous Year

Sales in the Infrastructure segment amounted to EUR 131.9 million in the first quarter, following EUR 141.5 million in the same period of the previous year. Segment sales were EUR 9.6 million (6.8%) down on the previous year. This decline in sales mainly affected the portfolio companies, which had been able to maintain a good level of sales in the previous year. The heat pump sector and building construction suppliers have been hit particularly hard by the economic slowdown this quarter. Heat pump business has declined significantly, particularly due to the lack of transparency around regulations on heat pump subsidies and the resulting uncertainty among customers. GRIDCOM, which was fully consolidated for the first time in March 2024, generated sales of EUR 1.3 million in the first quarter.

Segment performance is in line with expectations. Business activity is usually somewhat lower in the Infrastructure segment in the winter months than in the rest of the year due to the effect of the weather on the construction industry. Sales in the Infrastructure segment will therefore continue to rise in the coming quarters.

At EUR 12.8 million, adjusted EBITA was up EUR 1.0 million on the previous year's figure (EUR 11.8 million). The cost control measures that have been implemented are having a positive impact, with the margin of adjusted EBITA rising from 8.3% to 9.7% despite lower sales.

At EUR 11.4 million, operating income (EBIT) was up EUR 0.7 million on the previous year's figure (EUR 10.7 million). The EBIT margin came in at 8.6% (previous year: 7.6%).

We therefore continue to anticipate a slight rise in sales and a significant rise in operating income (EBIT) for the full year. The forecast range for the EBIT margin remains between 10% and 12%.

In March of the current financial year, HAUFF-TECHNIK GmbH & Co. KG, Hermaringen, acquired the remaining 50% of shares in Hauff-Technik Gridcom GmbH (GRIDCOM), Rosenberg, a specialist for the development and production of passive components for fiber optic infrastructure. GRIDCOM has been fully included in the INDUS consolidated financial statements since March 1, 2024.

Investments amounting to EUR 7.2 million related to the acquisition of the remaining shares in GRIDCOM and investments in property, plant and equipment amounting to EUR 1.8 million. The previous year's figure includes the acquisition of QUICK.

KEY FIGURES FOR INFRASTRUCTURE

in EUR million

	Q1 2024	Q1 2023	Difference	
			absolute	in %
Revenue with external third parties	131.9	141.5	-9.6	-6.8
EBITDA	17.9	16.8	1.1	6.5
in % of sales	13.6	11.9	1.7 pp	-
Depreciation/amortization	-6.5	-6.1	-0.4	-6.6
of which PPA depreciation	-1.4	-1.1	-0.3	-27.3
of which impairment	0.0	0.0	0.0	-
EBITA (adjusted)**	12.8	11.8	1.0	8.5
in % of sales	9.7	8.3	1.4 pp	-
EBIT	11.4	10.7	0.7	6.5
in % of sales	8.6	7.6	1.0 pp	-
Investments	7.2	12.6	-5.4	-42.9
Employees	2,852	2,931	-79	-2.7

* The term PPA depreciation includes depreciation on assets from purchase price allocations.

** The term EBITA (adjusted) includes the operating income (EBIT) plus PPA depreciation and impairments.

Materials

Significantly Calmer Business Activity

The Materials segment generated sales of EUR 148.6 million in the first three months of 2024. At EUR 18.2 million, sales were below the figure for the same period of the previous year. This is due to the weakening economy and the associated reluctance on the part of customers. Companies in the metal processing sector are particularly affected by this. The segment's portfolio companies are feeling massive price pressure from customers. Furthermore, business is currently very weak in the supply sector for agricultural technology. In contrast, order volumes in the Metals Technology division were still buoyant in the same period of the previous year and the earnings situation was good. The situation weakened over the remainder of the previous year and there was a recovery in the first quarter of 2024 compared to the last quarter of the previous year.

Adjusted EBITA was EUR 12.4 million, compared with EUR 20.8 million in the same period of the previous year. The margin of adjusted EBITA was 8.3%, as against 12.5% in the first quarter of 2023. The increased price pressure coupled with declining volumes is particularly evident here.

After deducting PPA depreciation of EUR 0.6 million (previous year: EUR 0.7 million), EBIT amounted to EUR 11.8 million compared to EUR 20.1 million in the previous year. The EBIT margin came in at 7.9% (previous year: 12.1%).

The forecast for 2024 as a whole is unchanged. We continue to expect a slight decline in sales and a fall in earnings. The EBIT margin is expected to remain between 7% and 9%.

At EUR 2.2 million, investments were EUR 0.5 million lower than in the same period of the previous year and related exclusively to property, plant and equipment.

KEY FIGURES FOR MATERIALS

in EUR million

	Q1 2024	Q1 2023	Difference	
			absolute	in %
Revenue with external third parties	148.6	166.8	-18.2	-10.9
EBITDA	18.8	27.2	-8.4	-30.9
in % of sales	12.7	16.3	-3.6 pp	-
Depreciation/amortization	-7.0	-7.1	0.1	1.4
of which PPA depreciation	-0.6	-0.7	0.1	14.3
of which impairment	0.0	0.0	0.0	-
EBITA (adjusted)**	12.4	20.8	-8.4	-40.4
in % of sales	8.3	12.5	-4.2 pp	-
EBIT	11.8	20.1	-8.3	-41.3
in % of sales	7.9	12.1	-4.2 pp	-
Investments	2.2	2.7	-0.5	-18.5
Employees	3,009	3,140	-131.0	-4.2

* The term PPA depreciation includes depreciation on assets from purchase price allocations.

** The term EBITA (adjusted) includes the operating income (EBIT) plus PPA depreciation and impairments.

Financial Position

CONSOLIDATED STATEMENT OF CASH FLOWS, CONDENSED

in EUR million

	Q1 2024	Q1 2023	Difference	
			absolute	in %
Earnings after taxes from continuing operations	10.3	24.9	-14.6	-58.6
Depreciation/amortization	21.8	21.3	0.5	2.3
Other non-cash changes	16.3	19.6	-3.3	-16.8
Cash-effective change in working capital	-9.0	-41.6	32.6	78.4
Change in other balance sheet items	-17.2	-13.0	-4.2	-32.3
Tax payments	-11.6	-9.7	-1.9	-19.6
Dividends received	1.5	0.0	1.5	-
Operating cash flow	12.1	1.5	10.6	>100
Interest	-2.0	-2.5	0.5	20.0
Cash flow from operating activities	10.1	-1.0	11.1	>100
Cash outflow for investments and acquisitions	-12.5	-17.4	4.9	28.2
Cash inflow from the disposal of assets	0.4	14.5	-14.1	-97.2
Cash flow from investing activities	-12.1	-2.9	-9.2	<-100
Cash outflow for the acquisition of treasury shares	-25.4	0.0	-25.4	-
Cash outflow from the repayment of contingent purchase price commitments	-5.2	0.0	-5.2	-
Payments related to transactions involving interests attributable to non-controlling shareholders	-0.1	0.0	-0.1	-
Dividend payments to non-controlling interests	-0.1	-0.2	0.1	50.0
Cash inflow from the raising of loans	0.1	23.3	-23.2	-99.6
Cash outflow from the repayment of loans	-16.9	-19.4	2.5	12.9
Cash outflow from the repayment of lease liabilities	-4.8	-4.9	0.1	2.0
Cash flow from financing activities	-52.4	-1.2	-51.2	<-100
Net changes in cash and cash equivalents from continuing operations	-54.4	-5.1	-49.3	<-100
Net changes in cash and cash equivalents from discontinued operations	0.0	-9.0	9.0	100.0
Changes in cash and cash equivalents caused by currency exchange rates	-0.1	-0.4	0.3	75.0
Changes in cash and cash equivalents in connection with assets held for sale	0.0	3.3	-3.3	-100.0
Cash and cash equivalents at the beginning of the period	265.8	127.8	138.0	>100
Cash and cash equivalents at the end of the period	211.3	116.6	94.7	81.2

Statement of Cash Flows: Considerable Increase in Operating Cash Flow

Operating cash flow rose EUR 10.6 million to EUR 12.1 million in comparison with the same period of the previous year in the first three months of 2024. At EUR 10.3 million, earnings after taxes from the continuing operations in the reporting period were EUR 14.6 million lower than the previous year's figure (EUR 24.9 million). The increase in operating

cash flow is due to a lower cash-effective increase in working capital, particularly in comparison with the previous year, of EUR 32.6 million. This is mainly due to the lower total operating performance compared to the same quarter of the previous year. Lower procurement prices, the stabilization of supply chains and better working capital management have made it possible to avoid deliberately stockpiling raw materials.

Taking into account interest payments in the amount of EUR 2.0 million (previous year: EUR 2.5 million), cash flow from operating activities amounted to EUR 10.1 million (previous year: EUR -1.0 million) and was thus EUR 11.1 million higher than the previous year's figure.

At EUR -6.4 million, the cash outflow for investments in intangible assets and in property, plant and equipment was EUR 2.1 million lower than in the previous year (previous year: EUR 8.5 million). Cash outflow for investment in shares in fully consolidated companies amounted to EUR 6.1 million in respect of the acquisitions of GESTALT AUTOMATION and Hauff-Technik GRIDCOM. The acquisition of QUICK was completed in the same period of the previous year. At EUR 0.4 million, cash inflow from the disposal of assets was significantly lower than in the previous year. The previous year includes the proceeds from the sale of a property that is no longer required in the amount of EUR 14.4 million. Cash flow from investing activities came to EUR -12.1 million, compared with EUR -2.9 million in the previous year.

Cash flow from financing activities amounted to EUR -52.4 million (previous year: EUR -1.2 million). In addition to the sharp reduction in net borrowing of EUR 23.2 million, the reasons for the decline were the payment of EUR 25.4 million for the acquisition of treasury shares under the share buyback program and the payment of contingent purchase price liabilities of EUR 5.2 million.

In total, net changes in cash and cash equivalents from continuing operations amounted to EUR -54.4 million in the first three months of 2024 following EUR -5.1 million

in the previous year. In the previous year, the discontinued operations accounted for net changes in cash and cash equivalents of EUR -9.0 million. Starting with an opening balance at the beginning of the year of EUR 265.8 million, cash and cash equivalents as of March 31, 2024, stood at EUR 211.3 million.

Free Cash Flow Slightly Below Previous Year

Free cash flow is the sum of operating cash flow and cash flow from investing activities less cash outflow for investments in fully consolidated companies.

Free cash flow indicates the funds available to INDUS for new acquisitions, dividend payments and debt repayments (interest and reduction of net debt).

In the first three months of the year, the INDUS Group generated free cash flow of EUR 6.1 million. Free cash flow was thus EUR 1.4 million lower than in the same period of the previous year.

A one-time effect from the sale of a building in the amount of EUR 14.4 million is included in the previous year's free cash flow. Adjusted for this one-time effect, free cash flow in the current year would be significantly higher than in the same quarter of the previous year.

The free cash flow was used to finance interest payments (EUR 2.0 million) and the repayment of lease liabilities (EUR 4.8 million). New acquisitions in the financial year amounting to EUR 6.1 million were financed from the previous year's high free cash flow.

in EUR million	Q1 2024	Q1 2023	Difference	
			absolute	in %
Operating cash flow from continuing operations	12.1	1.5	10.6	>100
Cash flow from investing activities from continuing operations	-12.1	-2.9	-9.2	<-100
Cash outflow for investments for shares in fully consolidated companies	6.1	8.9	-2.8	-31.5
Free cash flow	6.1	7.5	-1.4	-18.7

CONSOLIDATED STATEMENT OF FINANCIAL POSITION, CONDENSED

in EUR million

	March 31, 2024	December 31, 2023	Difference	
			absolute	in %
ASSETS				
Non-current assets	1,020.8	1,029.2	-8.4	-0.8
Fixed assets	998.6	1,005.3	-6.7	-0.7
Receivables and other assets	22.2	23.9	-1.7	-7.1
Current assets	882.2	899.6	-17.4	-1.9
Inventories	446.5	429.3	17.2	4.0
Receivables and other assets	224.4	204.5	19.9	9.7
Cash and cash equivalents	211.3	265.8	-54.5	-20.5
Total assets	1,903.0	1,928.8	-25.8	-1.3
EQUITY AND LIABILITIES				
Non-current financial instruments	1,432.4	1,468.9	-36.5	-2.5
Equity	703.7	719.7	-16.0	-2.2
Borrowings	728.7	749.2	-20.5	-2.7
of which provisions	27.4	27.6	-0.2	-0.7
of which payables and deferred taxes	701.3	721.6	-20.3	-2.8
Current financing instruments	470.6	459.9	10.7	2.3
of which provisions	36.6	41.7	-5.1	-12.2
of which liabilities	434.0	418.2	15.8	3.8
Total equity and liabilities	1,903.0	1,928.8	-25.8	-1.3

Equity Ratio Down Slightly After Share Buyback

The INDUS Group's consolidated total assets amounted to EUR 1,903.0 million as of March 31, 2024, and were thus EUR 25.8 million lower than they were as of December 31, 2023. The reduction is due to the scheduled use of cash and cash equivalents (EUR -54.5 million) for a share buyback program and the repayment of financial liabilities. The increase in working capital had the opposite effect.

Working capital came to EUR 481.4 million as of March 31, 2024, up by EUR 14.5 million on December 31, 2023. The increase is seasonal and typical for the first quarter. The increase relates to the increase in inventories (EUR +17.2 million) and receivables (EUR +17.6 million). The increase in trade payables (EUR +12.1 million), advance payments received (EUR +5.6 million) and contract liabilities (EUR +2.6 million) had an offsetting effect.

The EUR 54.5 million decrease in cash and cash equivalents is related to the acquisition of treasury shares through the share buyback program (EUR -25.4 million), the scheduled repayment of financial liabilities (EUR -21.7 million) and the financing of working capital.

Equity amounted to EUR 703.7 million as of the reporting date, EUR 16.0 million lower than on December 31, 2023. The profits generated of EUR 10.3 million were mainly offset by the acquisition of treasury shares (EUR -25.4 million) and other comprehensive income (EUR -0.8 million). As of March 31, 2024, the equity ratio was 37.0%, 0.3 percentage points lower than at the end of the year (37.3%), due to the effects mentioned above.

WORKING CAPITAL

in EUR million

	March 31, 2024	December 31, 2023	Difference	
			absolute	in %
Inventories	446.5	429.3	17.2	4.0
Receivables	198.9	181.3	17.6	9.7
Trade payables	-75.8	-63.7	-12.1	-19.0
Advance payments received	-28.9	-23.3	-5.6	-24.0
Contract liabilities	-59.3	-56.7	-2.6	-4.6
Working capital	481.4	466.9	14.5	3.1

As of March 31, 2024, net financial liabilities amounted to EUR 546.5 million, compared to EUR 506.2 million as of December 31, 2023. Net financial liabilities have therefore increased by EUR 40.3 million as against the beginning of the year. The increase is attributable to the planned reduction

in cash and cash equivalents for the acquisition of treasury shares from the share buyback program (EUR -25.4 million) and for the financing of the working capital increase in the first quarter.

NET FINANCIAL LIABILITIES

in EUR million

	March 31, 2024	December 31, 2023	Difference	
			absolute	in %
Non-current financial liabilities	598.4	618.2	-19.8	-3.2
Current financial liabilities	159.4	153.8	5.6	3.6
Cash and cash equivalents	-211.3	-265.8	54.5	20.5
Net financial liabilities	546.5	506.2	40.3	8.0

Opportunities and Risks

For the Opportunities and Risk Report of INDUS Holding AG, please consult the 2023 Annual Report. The company operates an efficient risk management system for early detection, comprehensive analysis, and the systematic handling of risks. The particulars of the risk management system and the significance of individual risks are explained in the Annual Report. Therein is stated that the company does not consider itself to be exposed to any risks that might jeopardize its continued existence as a going concern.

Outlook

The German economy has recently experienced a slight upturn. With industrial production up somewhat, and slightly higher goods exports and investments in construction, real gross domestic product (GDP) grew by 0.2% in the first quarter of 2024 compared to the previous quarter. The inflation rate continued to fall year-over-year and came to 2.2% in March, and is expected to remain at 2.2% in April 2024. Economic sentiment also improved, and in April 2024 the ifo Business Climate Index rose for the third time in a row. The Purchasing Managers' Index Flash PMI rose above the 50 mark and was back in growth territory for the first time.

Nevertheless, economic conditions remain unfavorable, particularly for the manufacturing industry. While the service sector has recently seen strong growth, German industry remained in recession despite a more optimistic baseline assessment. Economic development is being held back by high financing costs, continued uncertainty surrounding economic policy and the resulting low willingness to invest. The slight increase in industrial production in January and February 2024 was predominantly due to isolated recoveries in energy-intensive industries. In a less volatile three-month comparison, production fell by 0.5% between December 2023 and February 2024. The real order backlog in the manufacturing sector declined by -0.2% in February 2024 in comparison with the previous month and by -5.8% in comparison with the same month of the previous year. The range remained at 7.0 months, however. Order behavior remains cautious. In the Engineering sector, for example, real incoming orders fell by 10% in both January and February 2024. International demand in this segment remains flat, and although international business has bottomed out, there are no signs of a turnaround.

Housing construction also continues to be weak. In February 2024, real incoming orders in the main construction sector rose slightly by +1.8% compared to the previous

month, but remained almost constant in building construction at +0.5%. In February 2024, building permits for apartments were 18.3% below the previous year, with 35.1% fewer new single family homes approved between January and February 2024. The construction sector as a whole is suffering from weak demand, although this was cushioned by the mild winter. Warm weather in February meant a sharp rise in construction output. However, this weather-related one-time effect cannot be sustained.

Consequently, 2024 will remain a challenging year for German industry, even though it appears to have bottomed out. The second half of the year in particular is expected to see a recovery in the economy. The ifo Business Climate Index for April 2024 showed brighter expectations for companies in both the manufacturing and construction sectors. However, the potential escalation of the wars in the Middle East and Ukraine pose a clear downside risk. Energy prices, for example, have recently risen significantly. With energy prices and wages increasing, the inflation rate is also likely to rise again slightly from May. The International Monetary Fund expects the German economy to grow by 0.2% over the year as a whole. This puts Germany at the bottom of the international league table. The global economy is expected to grow by 3.2% in 2024.

INDUS recorded a decline in sales in the first three months of the current financial year. This concerns all three segments and is mainly down to the current economic situation. Operating income (EBIT) was also below the previous year's figure. The EBIT margin was 6.5%. Overall, performance in the first quarter of the current financial year is in line with planning. It should be noted that the planning for 2024 as a whole assumes a significantly stronger second half of the year compared to the first half, in line with general expectations for macroeconomic development over the course of 2024.

In the first quarter of the current financial year, sales in the Engineering segment were down on the previous year, and operating income (EBIT) also fell. A slight rise in sales and a decline in EBIT are still forecast for the full year. The EBIT margin is expected to be within a range of 8% to 10%.

In the first quarter of the current financial year, the Infrastructure segment continued to clearly feel the effects of the slowdown in the construction sector. Sales were down on the previous year, and operating income (EBIT) was up on the previous year. We therefore continue to anticipate a slight rise in sales and a significant rise in operating income for the full year. The forecast range for the EBIT margin remains between 10% and 12%.

In the first quarter of the current financial year, the Materials segment generated lower sales compared to the first quarter of the previous year, while operating income (EBIT) also fell. We therefore still anticipate a slight decline in sales and a decline in income for 2024 as a whole. The forecast range remains unchanged at between 7% and 9%.

Operating cash flow climbed considerably in the first three months of the year. This is due to a markedly lower cash-effective increase in working capital in comparison with the previous year. Free cash flow amounted to EUR 6.1 million, which is EUR 1.4 million less than in the previous year. The previous year's figure included a positive one-time effect of EUR 14.4 million from the sale of a property not required for operations. Our forecast of free cash flow above EUR 110 million for 2024 as a whole remains unchanged.

We still predict sales of between EUR 1.85 billion and EUR 1.95 billion for 2024 as a whole. We expect operating income (EBIT) to be in a range of EUR 145 million to EUR 165 million, with an EBIT margin of 7.5% to 8.5%.

Condensed Consolidated Interim Financial Statements

Consolidated Statement of Income

FOR THE FIRST QUARTER OF 2024

in EUR '000	Notes	Q1 2024	Q1 2023
REVENUE		410,110	450,806
Other operating income		3,801	3,204
Own work capitalized		1,134	1,075
Change in inventories		4,676	18,720
Cost of materials	[4]	-180,671	-221,152
Personnel expenses	[5]	-134,453	-129,314
Depreciation/amortization		-21,766	-21,301
Other operating expenses	[6]	-56,082	-57,247
OPERATING INCOME (EBIT)		26,749	44,791
Interest income		867	278
Interest expense		-5,722	-4,135
NET INTEREST		-4,855	-3,857
Income from shares accounted for using the equity method		-114	335
Other financial income		-4,022	-4,346
FINANCIAL INCOME	[7]	-8,991	-7,868
EARNINGS BEFORE TAXES (EBT)		17,758	36,923
Income taxes	[8]	-7,422	-12,006
Earnings from discontinued operations		0	-8,878
EARNINGS AFTER TAXES		10,336	16,039
of which interests attributable to non-controlling shareholders		178	9
of which attributable to INDUS shareholders		10,158	16,030
Earnings per share (basic and diluted) in EUR			
from continuing operations	[9]	0.38	0.93
from discontinued operations	[9]	0.00	-0.33
from continuing and discontinued operations	[9]	0.38	0.60

Consolidated Statement of Comprehensive Income

FOR THE FIRST FIRST QUARTER OF 2024

in EUR '000	Q1 2024	Q1 2023
EARNINGS AFTER TAXES	10,336	16,039
Actuarial gains/losses	255	-1,103
Deferred taxes	-98	266
Items not to be reclassified to profit or loss	157	-837
Currency conversion adjustment	-1,172	-995
Change in the market values of hedging instruments (cash flow hedge)	310	-174
Deferred taxes	-49	28
Items to be reclassified to profit or loss	-911	-1,141
OTHER COMPREHENSIVE INCOME	-754	-1,978
TOTAL COMPREHENSIVE INCOME	9,582	14,061
of which interests attributable to non-controlling shareholders	182	-5
of which interests attributable to INDUS shareholders	9,400	14,066

Income and expenses recorded under other comprehensive income include actuarial gains (previous year: losses) from pensions and similar obligations amounting to EUR 255 thousand (previous year: EUR -1,103 thousand). This was the result of a 0.05 percentage point increase in the interest rate for domestic pension obligations (previous year: decrease of 0.15 percentage points) and a decrease of 0.03 percentage points for foreign pensions (Switzerland) (previous year: decrease of 0.14 percentage points).

Income from currency conversion is derived primarily from the converted financial statements of consolidated international subsidiaries. The change in the market value of derivative financial instruments was the result of interest rate swaps transacted by the holding company to hedge against interest rate movements.

Consolidated Statement of Financial Position

AS OF MARCH 31, 2024

in EUR '000	Notes	March 31, 2024	December 31, 2023
ASSETS			
Goodwill		396,437	395,808
Right-of-use assets from leasing/rent		73,519	73,878
Other intangible assets		166,102	164,170
Property, plant and equipment		341,438	344,428
Investment property		9,909	10,005
Financial investments		11,150	11,347
Shares accounted for using the equity method		59	5,662
Other non-current assets		2,993	2,659
Deferred taxes		19,215	21,262
Non-current assets		1,020,822	1,029,219
Inventories	[10]	446,491	429,269
Receivables	[11]	198,860	181,310
Other current assets		19,385	17,336
Current income taxes		6,177	5,799
Cash and cash equivalents		211,278	265,843
Current assets		882,191	899,557
TOTAL ASSETS		1,903,013	1,928,776
EQUITY AND LIABILITIES			
Subscribed capital		69,928	69,928
Capital reserve		318,143	318,143
Other reserves		338,999	329,866
Treasury shares		-25,370	0
Equity held by INDUS shareholders		701,700	717,937
Non-controlling interests in the equity		1,974	1,724
Equity		703,674	719,661
Pension provisions		26,730	27,009
Other non-current provisions		635	596
Non-current financial liabilities	[12]	598,393	618,162
Other non-current liabilities	[13]	48,536	48,027
Deferred taxes		54,418	55,398
Non-current liabilities		728,712	749,192
Other current provisions		36,584	41,675
Current financial liabilities	[12]	159,399	153,849
Trade payables		75,805	63,661
Other current liabilities	[13]	175,125	174,491
Current income taxes		23,714	26,247
Current liabilities		470,627	459,923
TOTAL EQUITY AND LIABILITIES		1,903,013	1,928,776

Consolidated Statement of Changes in Equity

FROM JANUARY 1 TO MARCH 31, 2024

in EUR '000	Subscribed Capital	Capital Reserve	Retained Earnings	Other Reserves	Treasury Shares	Equity Held by INDUS Shareholders	Interests Held by Non-Controlling Shareholders	Group Equity
AS OF JANUARY 1, 2023	69,928	318,143	284,932	10,158	0	683,161	2,060	685,221
Earnings after taxes			16,030			16,030	9	16,039
Other comprehensive income				-1,964		-1,964	-14	-1,978
Total comprehensive income			16,030	-1,964		14,066	-5	14,061
Dividend payment							-147	-147
AS OF MARCH 31, 2023	69,928	318,143	300,962	8,194	0	697,227	1,908	699,135
AS OF JANUARY 1, 2024	69,928	318,143	328,507	1,359	0	717,937	1,724	719,661
Earnings after taxes			10,158			10,158	178	10,336
Other comprehensive income				-758		-758	4	-754
Total comprehensive income			10,158	-758		9,400	182	9,582
Transactions with non-controlling interests			-267			-267	193	-74
Change in scope of consolidation							-5	-5
Acquisition of treasury shares					-25,370	-25,370		-25,370
Dividend payment							-120	-120
AS OF MARCH. 31, 2024	69,928	318,143	338,398	601	-25,370	701,700	1,974	703,674

Interests attributable to non-controlling shareholders as of March 31, 2024, primarily consist of interests attributable to non-controlling shareholders in ROLKO Group subsidiaries. Interests attributable to non-controlling shareholders for which the economic ownership of the corresponding non-controlling interests had already been transferred under reciprocal option agreements at the acquisition date, are shown under other liabilities.

Consolidated Statement of Cash Flows

FOR THE FIRST QUARTER OF 2024

in EUR '000	Q1 2024	Q1 2023
Earnings after taxes from continuing operations	10,336	24,917
Depreciation/amortization of non-current assets	21,766	21,301
Income taxes	7,422	12,006
Financial income	8,991	7,868
Other non-cash transactions	7	-259
Changes in provisions	-5,250	-6,001
Increase (-)/decrease (+) in inventories, receivables and other assets	-29,981	-53,430
Increase (+)/decrease (-) in trade payables and other equity and liabilities	8,992	4,833
Income taxes received/paid	-11,624	-9,754
Dividends received	1,460	0
Operating cash flow from continuing operations	12,119	1,481
Interest paid	-3,372	-2,763
Interest received	1,377	285
Cash flow from operating activities from continuing operations	10,124	-997
Cash outflow from investments in		
Property, plant and equipment and intangible assets	-6,363	-8,487
Financial investments and shares accounted for using the equity method	-100	-100
Shares in fully consolidated companies	-6,060	-8,851
Cash inflow from the disposal of		
Other assets	336	14,463
Cash flow from investing activities from continuing operations	-12,187	-2,975
Cash outflow for the acquisition of treasury shares	-25,370	0
Cash outflow from the repayment of contingent purchase price commitments	-5,139	0
Payments related to transactions involving interests attributable to non-controlling shareholders	-74	0
Dividend payments to non-controlling interests	-120	-147
Cash inflow from the raising of loans	80	23,308
Cash outflow from the repayment of loans	-16,940	-19,422
Cash outflow from the repayment of lease liabilities	-4,797	-4,913
Cash flow from financing activities from continuing operations	-52,360	-1,174
Net changes in cash and cash equivalents from continuing operations	-54,423	-5,146
Net changes in cash and cash equivalents from discontinued operations	0	-8,970
Changes in cash and cash equivalents caused by currency exchange rates	-142	-381
Changes in cash and cash equivalents in connection with assets held for sale	0	3,292
Cash and cash equivalents at the beginning of the period	265,843	127,816
Cash and cash equivalents at the end of the period	211,278	116,611

Notes

Basic Principles of the Consolidated Financial Statements

[1] General Information

INDUS Holding AG, with registered office in Bergisch Gladbach, Germany, has prepared its condensed consolidated interim financial statements for the period from January 1, 2024, to March 31, 2024, in accordance with the International Financial Reporting Standards (IFRS), and their interpretation by the International Financial Reporting Standards Interpretations Committee (IFRS IC) as applicable in the European Union (EU). The consolidated financial statements are prepared in euros (EUR). Unless otherwise indicated, all amounts are stated in thousands of euros (EUR '000).

These interim financial statements have been prepared in accordance with IAS 34 in condensed form. The interim report has been neither audited nor subjected to perusal or review by an auditor.

New obligatory standards are reported on separately in the section “Changes in Accounting Standards.” Otherwise, the same accounting methods have been applied as in the consolidated financial statements for the 2023 financial year, where they are described in detail. Since these interim financial statements do not provide the full scope of information found in the annual financial statements, these financial statements should be considered within the context of the last annual financial statements.

In the Board of Management’s view, this quarterly report includes all usual current adjustments necessary for the proper presentation of the Group’s financial position and financial performance. The results achieved in the first three months of 2024 do not necessarily allow predictions to be made regarding future business performance.

Preparation of the consolidated financial statements is influenced by accounting and valuation principles and requires assumptions and estimates that have an impact on the recognized value of assets, liabilities, and contingent liabilities, and on income and expenses. When estimates are made regarding the future, actual values may differ from the estimates. If the original basis for the estimates changes, the statement of the items in question is adjusted through profit and loss.

[2] Changes in Accounting Standards

All obligatory accounting standards in effect as of the 2024 financial year have been implemented in the interim financial statements at hand.

The application of new standards has had no material effect on the presentation of the financial position and financial performance of INDUS Holding AG.

[3] Company Acquisitions

COMPANY ACQUISITIONS AT INDUS LEVEL

In March 2024, INDUS Holding AG acquired the assets of Gestalt Robotics as part of an asset deal. The company develops individual AI-based automation solutions for industrial applications. The solution portfolio comprises image processing and control technology based on artificial intelligence. This includes solutions such as visual quality assessment and visual asset tracking, autonomous navigation for mobile transport systems, adaptive and collaborative robotics, and assistance systems. The typical fields of application are assembly, mobility and laboratory automation.

With the PARKOUR perform strategy update, INDUS has identified the future field of automation as a key area for further growth. The company, which is now operating under the name GESTALT AUTOMATION and focuses on industrial automation, complements the investment portfolio in this future field.

GESTALT AUTOMATION joined the INDUS Group on March 1, 2024, and was allocated to the Engineering segment.

The fair value of the total consideration amounted to EUR 660 thousand on the acquisition date.

COMPANY ACQUISITIONS BY INDUS PORTFOLIO COMPANIES

On March 11, 2024, HAUFF-TECHNIK GmbH & Co. KG, Hermaringen, acquired the remaining shares in Hauff-Technik Gridcom GmbH (GRIDCOM), Rosenberg, and is now the sole shareholder of the company. GRIDCOM is a specialist for the development and production of passive components for fiber optic infrastructure. This includes point of presence (PoP) stations, which act as main distributors and connect central fiber optic cables with the fiber optic distributors in the fiber to the curb (FTTC) and fiber to the home (FTTH) areas. GRIDCOM’s product portfolio also includes network distributors and fiber-optic distribution

boxes required to set up the infrastructure covering the last few meters to the customer.

In October 2016, HAUFF-TECHNIK acquired the first 50% of shares in GRIDCOM. GRIDCOM was included in the consolidated financial statements using the equity method until February 29, 2024. Fully consolidated since March 1, 2024, GRIDCOM is allocated to the Infrastructure segment. The fair value of the consideration for the newly acquired shares amounted to EUR 5,933 thousand on the acquisition date.

Goodwill of EUR 1,109 thousand, determined in the course of the purchase price allocation, is not tax-deductible. Goodwill is the residual amount of the total consideration less the value of the re-assessed acquired assets and assumed liabilities and does not represent the accountable potential earnings of the acquired company for the future or the expertise of the personnel.

In the preliminary purchase price allocation, the acquired assets and liabilities have been calculated as follows:

COMPANY ACQUISITION: GRIDCOM

in EUR '000

	Carrying Amount at Time of Acquisition	Reassessment	Additions to Consolidated Statement of Financial Position
Goodwill	0	1,109	1,109
Other intangible assets	1,784	6,419	8,203
Property, plant and equipment	1,843	662	2,505
Inventories	2,635	1,097	3,732
Receivables	2,709	0	2,709
Other assets*	595	0	595
Cash and cash equivalents	533	0	533
Total assets	10,099	9,287	19,386
Other provisions	80	0	80
Financial liabilities	1,725	0	1,725
Trade payables	995	0	995
Other equity and liabilities**	3,993	2,210	6,203
Total liabilities	6,793	2,210	9,003

* Other assets: other non-current assets, other current assets, deferred taxes, current income taxes

** Other equity and liabilities: other non-current liabilities, other current liabilities, deferred taxes, current income taxes

The reassessed intangible assets essentially comprise the client base.

GRIDCOM contributed sales amounting to EUR 1,351 thousand and operating income (EBIT) of EUR 129 thousand to income in the first quarter of 2024. Expenses recognized in profit and loss from the initial consolidation of GRIDCOM had a negative impact of EUR -202 thousand on operating income (EBIT). The incidental acquisition costs were recorded in the statement of income.

Notes to the Consolidated Statement of Income

[4] Cost of Materials

in EUR '000	Q1 2024	Q1 2023
Raw materials, consumables and supplies, and purchased merchandise	-160,962	-194,249
Purchased services	-19,709	-26,903
Total	-180,671	-221,152

[5] Personnel Expenses

in EUR '000	Q1 2024	Q1 2023
Wages and salaries	-113,537	-108,962
Social security	-19,898	-19,202
Pensions	-1,018	-1,150
Total	-134,453	-129,314

[6] Other Operating Expenses

in EUR '000	Q1 2024	Q1 2023
Selling expenses	-22,264	-24,412
Operating expenses	-15,608	-15,806
Administrative expenses	-14,407	-15,053
Other expenses	-3,803	-1,976
Total	-56,082	-57,247

[7] Financial Income

in EUR '000	Q1 2024	Q1 2023
Interest and similar income	867	278
Interest and similar expenses	-5,722	-4,135
Net interest	-4,855	-3,857
Income from shares accounted for using the equity method	-114	335
Interests attributable to non-controlling shareholders	-4,046	-4,354
Income from financial investments	24	8
Other financial income	-4,022	-4,346
Total	-8,991	-7,868

The “interests attributable to non-controlling shareholders” item includes an effect on income from the subsequent valuation of the contingent purchase price liabilities (call/put options) of EUR -2,898 thousand (previous year: EUR -2,506 thousand) and earnings after taxes that external entities are entitled to from shares in limited partnerships and stock corporations with call/put options.

[8] Income Taxes

The income tax expense in the interim financial statements is calculated based on the assumptions currently used for tax planning purposes.

[9] Earnings per Share

in EUR '000	Q1 2024	Q1 2023
Income attributable to INDUS shareholders	10,158	16,030
Income from discontinued operations	0	-8,878
Income attributable to INDUS shareholders from discontinued operations	10,158	24,908
Weighted average shares outstanding (in thousands)	26,666	26,896
Earnings per share from continuing operations (in EUR)	0.38	0.93
Earnings per share from discontinued operations (in EUR)	0.00	-0.33
Earnings per share from continuing and discontinued operations (in EUR)	0.38	0.60

Notes to the Consolidated Statement of Financial Position

[10] Inventories

in EUR '000	<u>March 31, 2024</u>	<u>December 31, 2023</u>
Raw materials, consumables, and supplies	171,561	166,616
Unfinished goods	104,519	97,388
Finished goods and goods for resale	144,021	144,113
Advance payments	26,390	21,152
Total	446,491	429,269

[11] Receivables

in EUR '000	<u>March 31, 2024</u>	<u>December 31, 2023</u>
Receivables from customers	185,173	164,446
Contract receivables	13,674	16,807
Receivables from associated companies	13	57
Total	198,860	181,310

[12] Financial Liabilities

in EUR '000	<u>March 31, 2024</u>	<u>Current</u>	<u>Non-current</u>	<u>December 31, 2023</u>	<u>Current</u>	<u>Non-current</u>
Liabilities to banks	325,952	101,695	224,257	340,568	96,328	244,240
Lease liabilities	77,412	18,419	58,993	77,015	18,236	58,779
Promissory note loans	354,428	39,285	315,143	354,428	39,285	315,143
Total	757,792	159,399	598,393	772,011	153,849	618,162

[13] Liabilities

Other liabilities include contingent purchase price liabilities of EUR 52,562 thousand (Dec. 31, 2023: EUR 55,558 thousand), carried at fair value, insofar as the non-controlling shareholders can tender shares to INDUS by terminating the Articles of Incorporation or on the basis of option agreements.

Other Disclosures

[14] Segment Reporting

SEGMENT INFORMATION BY DIVISION FOR THE FIRST QUARTER OF 2024

SEGMENT REPORT IN ACCORDANCE WITH IFRS 8

in EUR '000

	<u>Engineering</u>	<u>Infrastructure</u>	<u>Materials</u>	<u>Total Segments</u>	<u>Other/ Reconciliation</u>	<u>Consolidated Financial Statements</u>
Q1 2024						
Revenue with external third parties	129,368	131,939	148,585	409,892	218	410,110
Revenue with other segments	425	30	50	505	-505	0
Revenue	129,793	131,969	148,635	410,397	-287	410,110
Segment earnings (EBIT)	7,333	11,356	11,845	30,534	-3,785	26,749
Income from measurement according to the equity method	0	-104	-10	-114	0	-114
Depreciation/amortization	-8,025	-6,520	-6,940	-21,485	-281	-21,766
Segment EBITDA	15,358	17,876	18,785	52,019	-3,504	48,515
Investments	2,976	7,192	2,232	12,400	23	12,423
of which company acquisitions	660	5,400	0	6,060	0	6,060

	<u>Engineering</u>	<u>Infrastructure</u>	<u>Materials</u>	<u>Total Segments</u>	<u>Other/ Reconciliation</u>	<u>Consolidated Financial Statements</u>
Q1 2023						
Revenue with external third parties	142,105	141,470	166,775	450,350	456	450,806
Revenue with other segments	636	1	15	652	-652	0
Revenue	142,741	141,471	166,790	451,002	-196	450,806
Segment earnings (EBIT)	15,558	10,682	20,144	46,384	-1,593	44,791
Income from measurement according to the equity method	0	335	0	335	0	335
Depreciation/amortization	-7,871	-6,157	-7,088	-21,116	-185	-21,301
Segment EBITDA	23,429	16,839	27,232	67,500	-1,408	66,092
Investments	1,771	12,625	2,715	17,111	227	17,338
of which company acquisitions	0	8,851	0	8,851	0	8,851

The table below reconciles the total operating results of segment reporting with the earnings before taxes in the consolidated statement of income:

RECONCILIATION	in EUR '000	
	Q1 2024	Q1 2023
Segment earnings (EBIT)	30,534	46,384
Areas not allocated incl. holding company	-3,785	-1,593
Financial income	-8,991	-7,868
Earnings before taxes	17,758	36,923

The classification of segments is based on the current status of internal reporting and corresponds to the PARKOUR perform strategy update. The segment structure has been subdivided into the Engineering, Infrastructure and Materials segments in line with the technological focal points. The segment information relates to continued operations.

The reconciliations contain the figures of the holding company, the non-operating units not allocated to any segment, and consolidations.

The key control variable for the segments is operating income (EBIT) as defined in the consolidated financial statements. The information pertaining to the segments has been ascertained in compliance with the reporting and valuation methods that were applied in the preparation of the consolidated financial statements. Transfer prices between segments are based on arm's-length prices to the extent that they can be established in a reliable manner and are otherwise determined on the basis of the cost-plus pricing method.

SEGMENT INFORMATION BY REGION

The breakdown of sales by region relates to our selling markets. Owing to the diversity of our foreign activities, a further breakdown by country would not be meaningful since no country other than Germany accounts for 10% of Group sales.

Non-current assets, less deferred taxes and financial instruments, are based on the registered offices of the companies concerned. Further differentiation would not be useful since the majority of companies are based in Germany.

Owing to the diversification policy at INDUS, there were no individual product or service groups and no individual customers that accounted for more than 10% of sales.

in EUR '000	Group	Germany	EU	Third Countries
Q1 2024				
Revenue with external third parties	410,110	203,503	91,334	115,273
March 31, 2024				
Non-current assets, less deferred taxes and financial instruments	987,464	883,431	37,553	66,480
Q1 2023				
Revenue with external third parties	450,806	235,614	85,350	129,842
December 31, 2023				
Non-current assets, less deferred taxes and financial instruments	993,951	873,512	38,071	82,368

[15] Information on the Significance of Financial Instruments

The table below shows the carrying amounts of the financial instruments. The fair value of a financial instrument is the price that would be paid in an orderly transaction between

market participants for the sale of an asset or transfer of a liability on the measurement date.

FINANCIAL INSTRUMENTS

in EUR '000

	<u>Balance Sheet Value</u>	<u>Not Within the Scope of IFRS 9</u>	<u>IFRS 9 Financial Instruments</u>	<u>Of Which Measured at Fair Value</u>	<u>Of Which Measured at Amortized Cost</u>
March 31, 2024					
Financial investments	11,150	0	11,150	2,500	8,650
Cash and cash equivalents	211,278	0	211,278	0	211,278
Receivables	198,860	13,674	185,186	0	185,186
Other assets	22,378	10,437	11,941	1,526	10,415
Financial instruments: ASSETS	443,666	24,111	419,555	4,026	415,529
Financial liabilities	757,792	0	757,792	0	757,792
Trade payables	75,805	0	75,805	0	75,805
Other liabilities	223,661	126,234	97,427	52,562	44,865
Financial instruments: EQUITY AND LIABILITIES	1,057,258	126,234	931,024	52,562	878,462
December 31, 2023					
Financial investments	11,347	0	11,347	2,500	8,847
Cash and cash equivalents	265,843	0	265,843	0	265,843
Receivables	181,310	16,808	164,502	0	164,502
Other assets	19,995	8,064	11,931	1,216	10,715
Financial instruments: ASSETS	478,495	24,872	453,623	3,716	449,907
Financial liabilities	772,011	77,015	694,996	0	694,996
Trade payables	63,661	0	63,661	0	63,661
Other liabilities	222,518	116,228	106,290	55,565	50,725
Financial instruments: EQUITY AND LIABILITIES	1,058,190	193,243	864,947	55,565	809,382

Available-for-sale financial instruments are fundamentally long-term financial investments for which no pricing on an active market is available and the fair value of which cannot be reliably determined. These are carried at cost.

FINANCIAL INSTRUMENTS BY BUSINESS MODEL IN ACC. WITH IFRS 9

in EUR '000

	March 31, 2024	December 31, 2023
Financial assets measured at cost	415,529	449,907
Financial assets recognized at fair value directly in equity	2,500	2,500
Derivatives with hedging relationships, hedge accounting	1,526	1,216
Financial instruments: ASSETS	419,555	453,623
Financial liabilities measured at fair value through profit and loss	52,562	55,565
Financial liabilities measured at cost	878,462	809,382
Financial instruments: EQUITY AND LIABILITIES	931,024	864,947

[16] Approval for Publication

The Board of Management of INDUS Holding AG approved these IFRS interim financial statements for publication on May 13, 2024.

Bergisch Gladbach, May 13, 2024

INDUS Holding AG

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Financial Calendar

Date	Event
May 22, 2024	Annual Shareholders' Meeting 2024, Cologne
August 13, 2024	Publication of interim report on the first half of 2024
November 12, 2024	Publication of interim report on the first nine months of 2024



Find the INDUS financial calendar and dates for corporate events at www.indus.de/en/investor-relations/financial-calendar

Imprint

RESPONSIBLE MEMBER OF THE BOARD OF MANAGEMENT

Dr.-Ing. Johannes Schmidt

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This interim report is also available in German. Only the German version of the interim report is legally binding.

DISCLAIMER:

This interim report contains forward-looking statements based on assumptions and estimates made by the Board of Management of INDUS Holding AG. Although the Board of Management is of the opinion that these assumptions and estimates are accurate, they are subject to certain risks and uncertainty. Actual future results may deviate substantially from these assumptions and estimates due to a variety of factors. These factors include changes in the general economic situation, the business, economic and competitive situation, foreign exchange and interest rates, and the legal setting. INDUS Holding AG shall not be held liable for the future development and actual future results being in line with the assumptions and estimates included in this interim report. Assumptions and estimates made in this interim report will not be updated.

