

INDUS
HOLDING AG

INTERIM
REPORT Q3

2024

[INDUS]

Key Figures

INDUS Group

in EUR million	Q1–Q3 2024	Q1–Q3 2023	Q3 2024	Q3 2023
Sales	1,282.2	1,363.8	443.1	459.7
EBITDA	169.5	200.6	61.3	72.6
in % of sales	13.2	14.7	13.8	15.8
EBITA (adjusted)	117.6	149.2	43.7	54.8
in % of sales	9.2	10.9	9.9	11.9
EBIT	95.9	116.9	31.8	32.1
in % of sales	7.5	8.6	7.2	7.0
Earnings after taxes	50.0	43.4	17.9	21.7
Earnings per share*	1.89	1.60	0.68	0.79
Operating cash flow	92.8	128.7		
Cash flow from operating activities	79.6	114.3		
Cash flow from investing activities	-51.9	-31.5		
Cash flow from financing activities	-148.8	-41.2		
Free cash flow	71.9	106.1		
	Sep. 30, 2024	Dec. 31, 2023		
Total assets	1,867.2	1,928.8		
Equity	708.2	719.7		
Equity ratio (in %)	37.9	37.3		
Working capital	505.6	466.9		
Net financial liabilities	562.8	506.2		
Cash and cash equivalents	144.5	265.8		
Portfolio companies (number as of reporting date)	44	43		

Segments

Engineering	Q1–Q3 2024	Q1–Q3 2023	Q3 2024	Q3 2023
Revenue with third parties	418.6	434.2	152.5	153.4
EBITA (adjusted)	36.4	53.1	16.8	21.5
in % of sales	8.7	12.2	11.0	14.0
EBIT	27.6	39.7	13.7	13.8
in % of sales	6.6	9.1	9.0	9.0
Infrastructure	Q1–Q3 2024	Q1–Q3 2023	Q3 2024	Q3 2023
Revenue with third parties	425.2	444.7	148.4	153.4
EBITA (adjusted)	53.2	48.2	20.5	20.6
in % of sales	12.5	10.8	13.8	13.4
EBIT	43.5	36.9	13.8	11.8
in % of sales	10.2	8.3	9.3	7.7
Materials	Q1–Q3 2024	Q1–Q3 2023	Q3 2024	Q3 2023
Revenue with third parties	437.8	484.4	142.0	152.8
EBITA (adjusted)	41.5	58.1	12.6	18.7
in % of sales	9.5	12.0	8.9	12.2
EBIT	38.3	50.5	10.5	12.5
in % of sales	8.7	10.4	7.4	8.2

* Earnings per share from continuing and discontinued operations

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Highlights

INDUS Group

- Sales (EUR 1,282.2 million) and EBIT (EUR 95.9 million) below previous year as expected due to economic conditions
- Sales and adjusted EBITA higher in third quarter than in previous quarters
- At EUR 50.0 million, earnings after taxes significantly up on previous year (EUR 43.4 million)
- Free cash flow developing as expected (EUR 71.9 million)
- Fourth acquisition in 2024: ship equipment supplier DECKMA to strengthen Engineering segment

The Segments

- Engineering: increase in sales and income in the third quarter, EBIT margin at 9% in the third quarter
- Infrastructure: EBIT and EBIT margin up on previous year, despite weak economy
- Materials: high competitive and price pressure, EBIT margin at 8.7% after first nine months

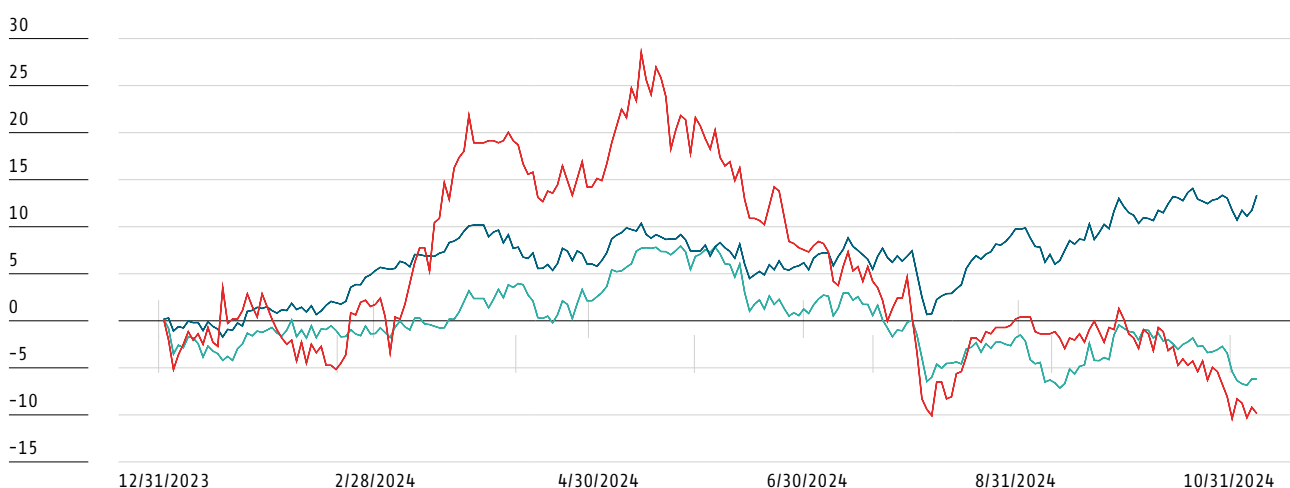
Forecast

- Unchanged sales forecast of between EUR 1.70 billion to EUR 1.80 billion at end of year
- Impairment of EUR 6.7 million – EBIT now expected to be between EUR 115 million and EUR 125 million
- Free cash flow still forecast to exceed EUR 110 million

INDUS Share

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

in %



Source: Bloomberg

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

Letter to the Shareholders

Dear Shareholders,

The macroeconomic environment remained challenging in the third quarter of 2024. The momentum needed to revive the economy is missing across the board. Nevertheless, our portfolio companies are on track and performing as expected overall.

On a positive note, companies in the Engineering segment were able to generate significantly higher sales and contributions to income in comparison with the first two quarters. We can be satisfied with the EBIT margin of 9% considering the prevailing conditions. The Infrastructure segment also performed well and significantly raised its EBIT and EBIT margin in the first nine months compared with the previous year, despite a clear decline in sales due to the weak economy in the construction sector. The situation in the Materials segment remains challenging. Competitive and price pressure is rising and, in particular, the overall conditions in the agricultural and construction technology field are difficult. As a result, segment sales were again down against the previous year in the third quarter. Supported by cost-lowering measures, the EBIT margin came to 8.7% after the first nine months.

During the annual impairment testing carried out at the end of September we recognized impairments amounting to EUR 6.7 million in the Infrastructure and Materials segments. The Group's EBIT margin at the end of the third quarter was almost on a par with the first half of 2024, despite these impairments. As an indicator solely for the development of operations, the adjusted EBITA margin improved from 8.8% to 9.2% compared to the first half of the year. This shows that the portfolio companies have adapted well to the difficult external circumstances.

We continue to anticipate Group sales of between EUR 1.7 billion and EUR 1.8 billion for 2024 as a whole. As a consequence of the weak economy and the impairments recognized in this quarter, we have adjusted the forecast

for EBIT and now expect between EUR 115 million and EUR 125 million. We still expect the EBIT margin to range between 7% and 8%.

After the first nine months, free cash flow amounted to approximately EUR 72 million. As part of this, working capital was up around EUR 10 million on the first half of the year, as is seasonal and typical for the third quarter. We will see a reverse in this development in the fourth quarter, so we continue to expect free cash flow above EUR 110 million.

With the acquisition of DECKMA in August 2024 we were able to successfully complete our second growth acquisition following the acquisition of GESTALT AUTOMATION at the beginning of the year. Together with the complementary additions of GRIDCOM and COLSON, we have already acquired four companies this year. More interesting companies are in the M&A pipeline.

2024 is rapidly drawing to a close. It is already clear that a number of geopolitical and macroeconomic challenges again await us in 2025. We are currently working intensively on the further development of our strategy. Luckily, we have a solid foundation to build on, as the third quarter proves.

We'd like to thank you for placing your trust in us. We hope you have a relaxing run-up to Christmas and a great start to the new year.

Bergisch Gladbach, November 2024

Dr. Johannes Schmidt Rudolf Weichert Gudrun Degenhart

Dr. Jörn Großmann Axel Meyer

Interim Management Report

Introduction to the Group

INDUS buys and develops SMEs that have a clear focus on industrial technology, and is one of the leading specialists for sustainable business investment and development in the SME sector of the German speaking countries.

With its PARKOUR perform strategy program, INDUS has developed four strategic initiatives to manage its portfolio companies:

- Strengthening the Portfolio Structure
- Driving Innovation
- Improving Performance
- Striving for Sustainability

The holding company drives these initiatives forward centrally with the resources required. An in-depth description of the INDUS business model, the targets and strategy of the PARKOUR perform strategy can be found in the 2023 Annual Report from page 20 onwards and an update in the 2024 half-year report from page 4.

Only the 2024 changes to the portfolio are provided in this quarterly report.

Strengthening the Portfolio Structure – Changes in the First Nine Months of 2024

Acquisition of GESTALT AUTOMATION

In March 2024, INDUS Holding AG acquired Gestalt Robotics, now operating as GESTALT AUTOMATION. The Berlin-based company develops individual AI-based solutions for industrial automation. 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. As GESTALT AUTOMATION focuses on industrial automation, it strengthens 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 DECKMA

On August 28, 2024, INDUS Holding AG acquired 75% of the shares in DECKMA Decksmaschinen und Automation Vertriebsgesellschaft mbH, Rosengarten, Germany. DECKMA is a technical ship equipment systems provider specializing in lighting and fire alarm systems, corrosion protection technology and automation solutions that supplies clients in the shipbuilding and offshore industry, such as manufacturers of cruise ships, commercial vessels and large yachts. With the acquisition of DECKMA, INDUS also indirectly gained a 33% stake in NEXTCORR Ltd. in the UK. The company provides marine growth prevention and corrosion protection systems for ships.

DECKMA joined the INDUS Group on September 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, Hermingen, 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.

HAUFF-Technik acquired the first 50% of GRIDCOM in 2016. GRIDCOM is allocated to the Infrastructure segment. The economic transfer (closing) took place on March 12, 2024. Consolidation took place from March 1, 2024.

Acquisition of COLSON X-CEL by PCL

Pneumatic Components Ltd. (PCL), a subsidiary of the INDUS portfolio company HORNGROUP, bought 100% of the shares in COLSON X-Cel Ltd. (COLSON) 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 transfer of COLSON took place on June 5, 2024. The initial consolidation took place on June 1, 2024. COLSON has been allocated to the Engineering segment.

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.

Employees

During the first nine months of 2024, the INDUS Group companies employed on average 8,796 employees. 9,460 employees in total were employed in the same period of the previous year, 8,942 of which were part of continuing operations and 518 were part of discontinued operations.

Share Buyback Program – Acquisition of Treasury Shares

As a result of the publicly announced share buyback program from February 22, 2024, to March 1, 2024, INDUS Holding AG has purchased 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. Ancillary costs of around EUR 0.1 million arose during acquisition. 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.

Report on the Economic Situation

Economic Conditions

After gross domestic product (GDP) declined by 0.3% in the second quarter compared to the previous quarter, economic output in the third quarter slightly exceeded expectation with growth of 0.2%. The German economy has not overcome the downturn yet though; between June and August, industrial production was 1.3% lower than in the previous three-month period. The upturn in production in August (up 2.9% on the previous month), thanks mainly to growth in the automotive industry, could not compensate for the sharp decline in July (down 2.9% on the previous month). In light of the ongoing high cost of financing and strong uncertainty regarding further financial performance, demand, particularly for industrial goods, remains weak. Following considerable growth in the real volume of new orders in the manufacturing sector in July (up 3.9% on the previous month), a decline of 5.8% is expected in August. Orders for industrial goods dropped by 8.6%. New orders in the metal and electrical engineering industries saw a sharp drop of 7.2% in August. Weak domestic demand in particular is having an impact. The recovery of foreign demand is also slowing again, despite overall growth on the global market. The adjusted figures for exports came in at 1.7% higher than in the previous month in July and 1.3% in August. Exports to non-EU countries declined by 0.2% in July against the previous month and 1.1% in August. A decline of 4.7% is expected in September. The real order backlog in the manufacturing sector was 4.7% down year-over-year in August 2024.

In the main construction sector, sales in the first eight months of 2024 declined 1.1% in real terms as compared to the previous year. Ongoing rising prices and the high costs of financing are negatively impacting demand. Construction costs for residential buildings were 3.1% higher than in the previous year in August 2024.

Although the service sector likely shored up the economy, consumption is still lacking momentum. Moreover, while real incomes are increasing overall and the labor market remains largely stable, above-average savings rates and high inflation rates in the service sector are halting development. In contrast to the general drop in inflation, with the rate in September 2024 coming in at 1.6% year-over-year, prices for services have climbed at an above average rate. The GfK Consumer Climate Index has shown signs of recovery from September onwards, however.

Order Situation

ORDER SITUATION

in EUR million

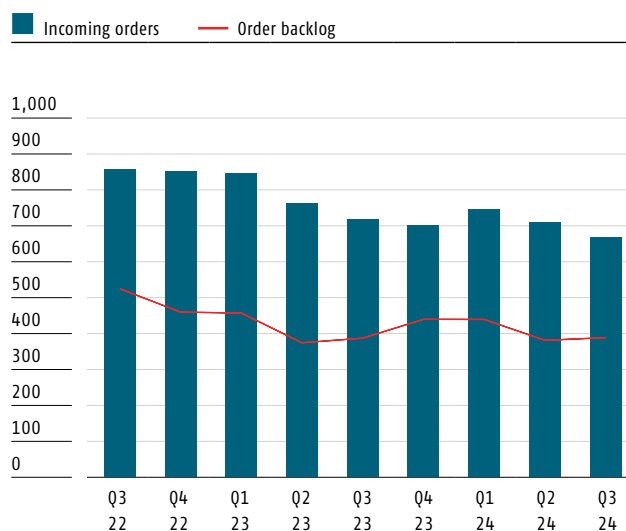
	Engineering	Infrastructure	Materials	Group
Q1-Q3 2024				
Incoming orders	398.1	417.2	404.5	1,219.8
September 30, 2024				
Order backlog	394.3	163.6	120.0	677.9
Q1-Q3 2023				
Incoming orders	404.4	405.4	419.7	1,229.5
December 31, 2023				
Order backlog	385.4	172.1	153.3	710.8

In the first nine months of 2024, **incoming orders** amounted to EUR 1,219.8 million and were therefore 0.8% lower than the previous year's figure (EUR 1,229.5 million). Incoming orders rose by 1.6% in the Engineering segment and by 2.9% in the Infrastructure segment. However, the Materials segment saw a fall of 3.6%. In the third quarter alone, incoming orders in 2024 stood at EUR 392.0 million, putting the figure slightly above the previous year's figure (EUR 390.6 million). Looking at the quarterly trends, incoming orders were quite low in the third quarter of 2024, but higher than in the second quarter of 2024. The root cause of this trend is the weak economic situation in the metal production and processing sectors.

The **order backlog** as of September 30, 2024, amounted to EUR 677.9 million and was therefore 4.6% lower than in the previous year (EUR 710.8 million). The order backlog in the Engineering segment rose 2.3%, while the order backlog in the Infrastructure and Materials segments fell by 4.9% and 21.7% respectively in comparison with the end of 2023.

ORDER SITUATION

(in EUR million)



Earnings Performance of the INDUS Group

CONSOLIDATED STATEMENT OF INCOME

in EUR million

	Q1-Q3 2024	Q1-Q3 2023	Difference		Q3 2024	Q3 2023	Difference	
			absolute	in %			absolute	in %
Sales	1,282.2	1,363.8	-81.6	-6.0	443.1	459.7	-16.6	-3.6
Other operating income	12.4	10.6	1.8	17.0	2.7	4.2	-1.5	-35.7
Own work capitalized	2.6	3.5	-0.9	-25.7	0.8	1.5	-0.7	-46.7
Change in inventories	4.7	6.5	-1.8	-27.7	-5.9	-16.5	10.6	64.2
Overall performance	1,301.9	1,384.4	-82.5	-6.0	440.7	448.9	-8.2	-1.8
Cost of materials	-568.8	-626.0	57.2	9.1	-194.7	-191.9	-2.8	-1.5
Personnel expenses	-397.8	-389.7	-8.1	-2.1	-129.4	-128.6	-0.8	-0.6
Other operating expenses	-165.8	-168.1	2.3	1.4	-55.3	-55.8	0.5	0.9
EBITDA	169.5	200.6	-31.1	-15.5	61.3	72.6	-11.3	-15.6
in % of sales	13.2	14.7	-1.5 pp	-	13.8	15.8	-2.0 pp	-
Depreciation/amortization	-73.6	-83.7	10.1	12.1	-29.5	-40.5	11.0	27.2
of which PPA depreciation*	-15.0	-14.7	-0.3	-2.0	-5.2	-5.1	-0.1	-2.0
of which impairment	-6.7	-17.6	10.9	61.9	-6.7	-17.6	10.9	61.9
Adjusted EBITA**	117.6	149.2	-31.6	-21.2	43.7	54.8	-11.1	-20.3
in % of sales	9.2	10.9	-1.7 pp	-	9.9	11.9	-2.0 pp	-
Operating income (EBIT)	95.9	116.9	-21.0	-18.0	31.8	32.1	-0.3	-0.9
in % of sales	7.5	8.6	-1.1 pp	-	7.2	7.0	0.2 pp	-
Financial income	-19.1	-13.7	-5.4	-39.4	-5.5	0.3	-5.8	<-100
Earnings before taxes from continuing operations (EBT)	76.8	103.2	-26.4	-25.6	26.3	32.4	-6.1	-18.8
Income taxes	-26.8	-32.0	5.2	16.2	-8.4	-8.6	0.2	2.3
Earnings from discontinued operations	0.0	-27.8	27.8	100.0	0.0	-2.1	2.1	100.0
Earnings after taxes	50.0	43.4	6.6	15.2	17.9	21.7	-3.8	-17.5
of which interests attributable to non-controlling shareholders	0.8	0.5	0.3	60.0	0.3	0.2	0.1	-
of which interests attributable to INDUS shareholders	49.2	42.9	6.3	14.7	17.6	21.5	-3.9	-18.1
Earnings per share in EUR								
from continuing operations	1.89	2.63	-0.74	-28.1	0.68	0.87	-0.19	-21.8
from discontinued operations	0.00	-1.03	1.03	100.0	0.00	-0.08	0.08	100.0
from continuing and discontinued operations	1.89	1.60	0.29	18.1	0.68	0.79	-0.11	-13.9

* 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.

Decrease in Sales Due to Economic Conditions

INDUS portfolio companies generated sales of EUR 1,282.2 million in the first nine months of 2024. This was 6.0% (EUR 81.6 million) less than in the previous year.

The decline in sales related to all three segments and was primarily due to economic factors. Price pressure from customers also had a negative impact on the Materials segment. Inorganic growth of 1.1% was achieved, however, as a result of the acquisitions of GESTALT AUTOMATION, DECKMA, GRIDCOM, and COLSON during this reporting year, as well as QUICK in the previous year. Organic decrease in sales was 7.1%.

Other operating income also contains a unique one-time effect from the sale of a non-controlling interest in BETOMAX for EUR 2.6 million, which was no longer considered strategic.

Taking into account own work capitalized (-0.9% in comparison with the same quarter of the previous year) and the change in inventories (EUR -1.8 million in comparison with the same quarter of the previous year), overall performance declined by EUR 82.5 million (6.0%). The overall performance in the first nine months of 2024 amounted to EUR 1,301.9 million compared with EUR 1,384.4 million in the same period of the previous year. The cost of materials fell disproportionately from EUR 626.0 million to EUR 568.8 million (-9.1%). As a result, the cost-of-materials ratio fell from 45.9% to 44.4%. Taking into account the change in inventories, the adjusted ratio in proportion to sales amounted to 44.0% compared to 45.4% in the same period of the previous year.

Personnel expenses increased from EUR 389.7 million to EUR 397.8 million, despite a drop in operating activities and 146 fewer people in the number of employees. Personnel expenses (+2.1%) increased as expected due to significant rises in wages and salaries. The personnel expense ratio came in at 31.0% (same quarter of the previous year: 28.6%). Other operating expenses fell slightly by EUR 2.3 million to EUR 165.8 million. This resulted in EBITDA of EUR 169.5 million (previous year: EUR 200.6 million).

At EUR 73.6 million depreciation and amortization was down EUR 10.1 million on the previous year (EUR 83.7 million). The depreciation/amortization line includes depreciation/amortization on a systematic basis, impairment and PPA depreciation. Impairments totaled EUR 6.7 million (previous year: EUR 17.6 million). Impairment was determined on goodwill and intangible assets during annual impairment testing in the reporting year. This was due to lower future earnings prospects. One portfolio company in the Infrastructure segment and one portfolio

company in the Materials segment were affected (previous year: portfolio companies in all segments). PPA depreciation of EUR 15.0 million (previous year: EUR 14.7 million) comprises the depreciation and amortization of property plant, and equipment and intangible assets resulting from the purchase price allocation of new acquisitions.

Earnings Affected by Economic Developments

Adjusted EBITA amounted to EUR 117.6 million in the reporting period, and EUR 149.2 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 was 9.2% and therefore 1.7 percentage points below that of the previous year. The reduced EBITA (adjusted) reflects the continued difficult economic situation.

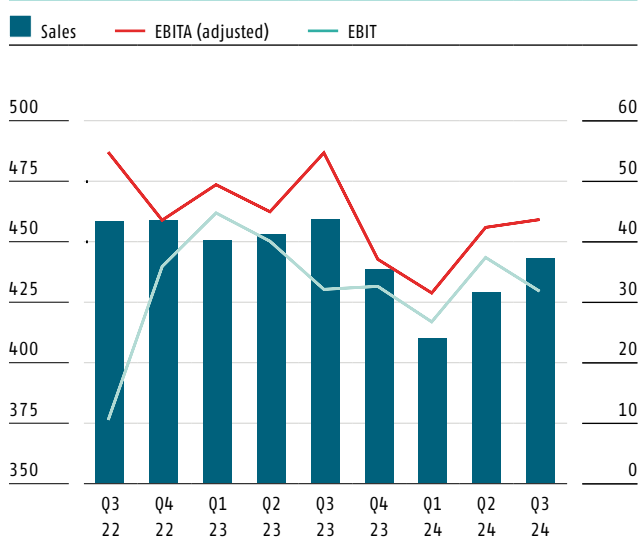
Operating income (EBIT) totaled EUR 95.9 million, following EUR 116.9 million in the same period of the previous year. This corresponds to a reduction of EUR 21.0 million. The main reason for this was the current economic situation. The EBIT margin came in at 7.5% in the reporting period, following 8.6% in the same period of the previous year.

Sales and Adjusted EBITA Rise in Third Quarter

Following a weak start in 2024, both in terms of sales and income, a significant recovery occurred in both the second and third quarters. Sales in the third quarter amounted to EUR 443.1 million, which was 3.6% lower than in the same quarter of 2023, but higher than in the first two quarters of 2024. Adjusted EBITA in the third quarter amounted to EUR 43.7 million and was thus also lower year-over-year (EUR 54.8 million) but higher than in the first two quarters of 2024.

SALES AND EARNINGS PERFORMANCE OF THE INDUS GROUP

(in EUR million)



Earnings After Taxes Up Against Previous Year

Earnings after taxes amounted to EUR 50.0 million and were up EUR 6.6 million against the previous year's figure (EUR 43.4 million). Earnings per share for continuing operations came to EUR 1.89 (previous year: EUR 2.63). Earnings per share for continuing and discontinued operations are correspondingly EUR 1.89 (previous year: EUR 1.60).

Financial income amounted to EUR -19.1 million in the reporting period, compared with EUR -13.7 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 EUR 5.4 million increase in financial expenses in comparison with the previous year was due to the measurement of interests attributable to non-controlling shareholders (EUR -3.3 million), the reduction in net interest due to higher interest rates (EUR -1.4 million), and the lower income from shares accounted for using the equity method (EUR -0.7 million).

At EUR 76.8 million, earnings before taxes (EBT) from continuing operations were EUR 26.4 million lower than the previous year's figure (EUR 103.2 million). Income tax expenses fell to EUR 26.8 million as against EUR 32.0 million in the previous year. The tax ratio came to 34.9% in the reporting period, following 31.0% in the same period of the previous year.

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. The profit/loss for the year from discontinued operations amounted to EUR -27.8 million in the same period of the previous year.

Segment Reporting

INDUS breaks down its investment portfolio into three operating segments: Engineering, Infrastructure and Materials. As of September 30, 2024, our investment portfolio encompassed 44 operating units.

Engineering

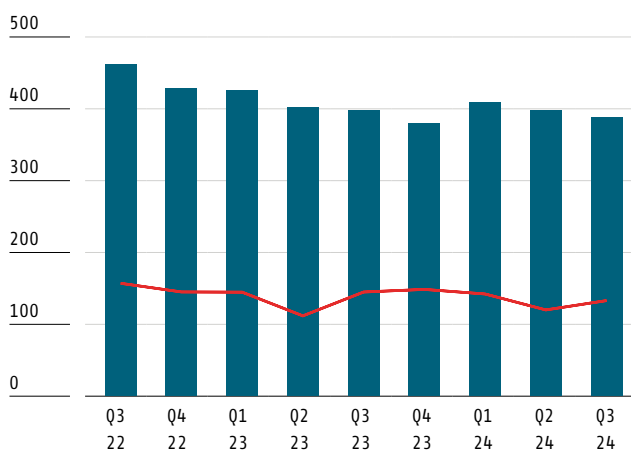
THREE NEW ACQUISITIONS IN 2024

Incoming orders in the Engineering segment amounted to EUR 398.1 million for the first nine months of 2024. In the same period of the previous year, incoming orders were similar at EUR 404.4 million. The order backlog as of September 30, 2024, came to EUR 394.3 million, compared with EUR 385.4 million as of December 31, 2023.

ORDER SITUATION: ENGINEERING

(in EUR million)

■ Order backlog — Incoming orders



Sales in the Engineering segment amounted to EUR 418.6 million in the first nine months of 2024 (previous year: EUR 434.2 million). This corresponds to a decrease of 3.6% or EUR 15.6 million in comparison with the previous year. Inorganic growth in sales of 0.6% was generated with the acquisition of GESTALT AUTOMATION, DECKMA and COLSON during the financial year. This was offset by an organic decline in sales of 4.2%. The organic decline in sales was primarily due to weaker business in the sorting plants, clean room systems and packaging technology segments compared to the previous year.

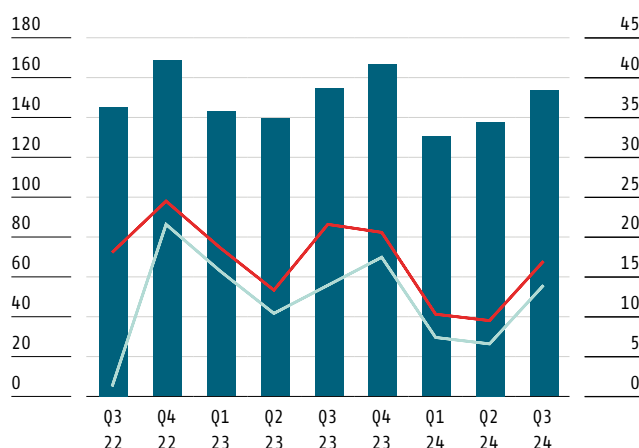
Adjusted EBITA was EUR 36.4 million, compared with EUR 53.1 million the previous year. A fall of EUR 16.7 million is largely due to the fall in total sales as well as smaller margins. The margin of the adjusted EBITA is 8.7% (previous year: 12.2%). Operating income (EBIT) totaled EUR 27.6 million, following EUR 39.7 million in the same period of the previous year. The EBIT margin was

6.6% (previous year: 9.1%) and was therefore 2.5 percentage points lower than the previous year.

FINANCIAL POSITION: ENGINEERING

(in EUR million)

■ Sales — EBITA (adjusted) — EBIT



Looking at the quarters in 2024 individually, both the highest contribution to sales and the highest contribution to income were generated in the third quarter. EBIT of EUR 13.7 million was on a par with the figure achieved in the same quarter of the previous year. At 9%, the EBIT margin for the third quarter was significantly higher than the margin in the first two quarters of 5.6% and 4.8% respectively.

Increased contributions to sales with higher margins on average in comparison with the first nine months are expected in the Engineering segment for the rest of the financial year. Nevertheless, based on economic developments for the whole year, we continue to expect a slight decrease in sales and a strong decrease in operating income (EBIT) compared to 2023. The EBIT margin is expected to be within a range of 6.5% to 8.5%.

INDUS acquired GESTALT AUTOMATION in March 2024. GESTALT AUTOMATION develops AI-based solutions for industrial automation and complements the INDUS portfolio in the Automation & Assembly Technology division. The company has been part of the INDUS Group since March 1, 2024. Due to strategic repositioning, GESTALT AUTOMATION will make a negative contribution to income in the 2024 financial year.

On August 28, 2024, INDUS Holding AG acquired 75% of the shares in DECKMA Decksmaschinen und Automation Vertriebsgesellschaft mbH, Rosengarten, Germany. The initial consolidation took place on September 1, 2024. DECKMA is a technical ship equipment systems provider specializing in lighting and fire alarm systems, corrosion protection technology and automation solutions for ships.

PCL, a subsidiary of the INDUS portfolio company HORNGROUP, bought 100% of the shares in COLSON X-Cel Ltd. (COLSON) in March 2024. The British company

develops and produces industrial fittings for measurement and control engineering, such as valves, shut-off units and measurement equipment for monitoring liquids and gases. The economic transfer of COLSON took place on June 5, 2024; initial consolidation took place on June 1, 2024.

The investments of EUR 34.9 million made during the reporting period relate to the acquisitions of GESTALT AUTOMATION, DECKMA and COLSON as well as property, plant and equipment. Investments in property, plant and equipment of EUR 9.3 million are up EUR 2.1 million against the previous year (EUR 7.2 million).

KEY FIGURES FOR ENGINEERING

in EUR million

	Q1-Q3 2024	Q1-Q3 2023	Difference		Q3 2024	Q3 2023	Difference	
			absolute	in %			absolute	in %
Revenue with external third parties	418.6	434.2	-15.6	-3.6	152.5	153.4	-0.9	-0.6
EBITDA	52.3	68.3	-16.0	-23.4	22.2	26.5	-4.3	-16.2
in % of sales	12.5	15.7	-3.2 pp	-	14.6	17.3	-2.7 pp	-
Depreciation/amortization	-24.7	-28.6	3.9	13.6	-8.5	-12.7	4.2	33.1
of which PPA depreciation*	-8.8	-8.6	-0.2	-2.3	-3.1	-2.9	-0.2	-6.9
of which impairment	0.0	-4.8	4.8	100.0	0.0	-4.8	4.8	100.0
EBITA (adjusted)**	36.4	53.1	-16.7	-31.5	16.8	21.5	-4.7	-21.9
in % of sales	8.7	12.2	-3.5 pp	-	11.0	14.0	-3.0 pp	-
EBIT	27.6	39.7	-12.1	-30.5	13.7	13.8	-0.1	-0.7
in % of sales	6.6	9.1	-2.5 pp	-	9.0	9.0	0.0 pp	-
Investments	34.9	7.2	27.7	>100	15.6	2.4	13.2	>100
Employees	2,951	2,832	119	4.2	2,982	2,846	136	4.8

* 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.

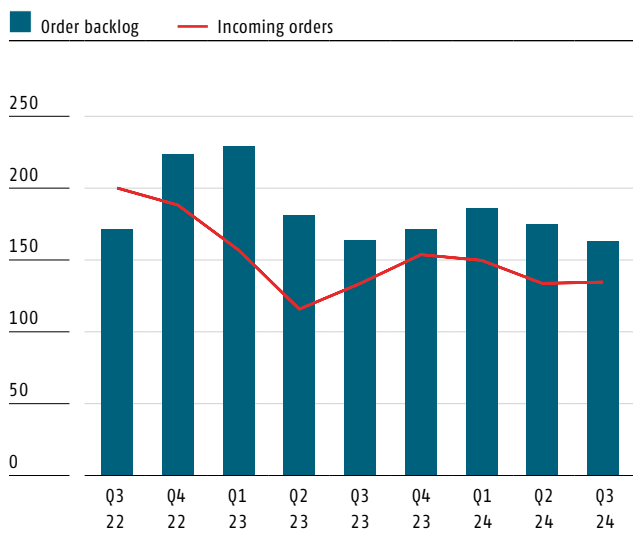
Infrastructure

OPERATING INCOME (EBIT) UP ON PREVIOUS YEAR

Incoming orders for the Infrastructure segment amounted to EUR 417.2 million for the first nine months of 2024, compared with EUR 405.4 million in the same period of the previous year. The order backlog amounted to EUR 163.6 million as of September 30, 2024 (December 31, 2023: EUR 172.1 million).

ORDER SITUATION: INFRASTRUCTURE

(in EUR million)



Sales in the Infrastructure segment amounted to EUR 425.2 million in the first nine months, following EUR 444.7 million in the same period of the previous year. Segment sales therefore fell by EUR 19.5 million, or 4.4%. Sales declined organically by 7.3%. The acquisition of QUICK in the previous year and GRIDCOM in the reporting period led to inorganic growth in sales of 2.9% in the reporting period.

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) in Rosenberg, which is a specialist in the development and production of passive components for fiberoptic infrastructure. Full inclusion of GRIDCOM within the INDUS consolidated financial statements has been in place since March 1, 2024. GRIDCOM has contributed EUR 8.4 million to sales in the first nine months of the year.

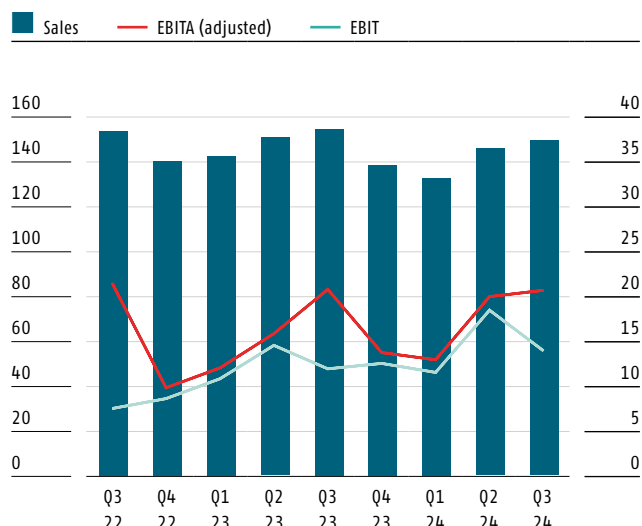
The organic decline in sales mainly affected the portfolio companies that had reported plenty of business momentum in the previous year. Portfolio companies in the housing construction supply sector were particularly affected by the economic decline in sales. Other impacts were reported in the heat pump and air conditioning business for buildings. The summer, with only brief periods of hot weather, saw demand fall for air conditioners for the construction industry. Heat pump business declined significantly, primarily

due to the lack of transparency around regulations on heat pump subsidies and the resulting uncertainty among customers.

At EUR 53.2 million, adjusted EBITA was up EUR 5.0 million on the previous year's figure (EUR 48.2 million). Despite a drop in sales, the adjusted EBITA margin rose from 10.8% to 12.5%. Impairment was recognized on goodwill amounting to EUR 5.2 million at one portfolio company in the segment due to lower projected future cash flows (previous year: impairments at two portfolio companies amounting to EUR 7.5 million). At EUR 43.5 million, operating income (EBIT) was up by EUR 6.6 million on the previous year's figure (EUR 36.9 million). The EBIT margin came in at 10.2% (previous year: 8.3%). Measures to control costs in particular have had a positive impact on the earnings situation. A unique one-time effect from the sale of a non-controlling interest in BETOMAX for EUR 2.6 million, which was no longer considered strategic, also had a positive impact. The insolvency of a major client in the mobile air-conditioning devices sector had a negative impact.

FINANCIAL POSITION: INFRASTRUCTURE

(in EUR million)



For the whole of the year we continue to expect a slight decrease in sales and a slight increase in operating income (EBIT) due to impairment (previously: strong increase). The forecast range for the EBIT margin is now between 9% and 11% (previously between 10% and 12%).

Investments worth EUR 14.5 million refer to the acquisition of the remaining shares in GRIDCOM as well as investments in fixed assets (EUR 9.1 million). The figure in the previous year included EUR 26.8 million for the acquisition of QUICK.

KEY FIGURES FOR INFRASTRUCTURE

in EUR million

	Q1-03 2024	Q1-03 2023	Difference		Q3 2024	Q3 2023	Difference	
			absolute	in %			absolute	in %
Revenue with external third parties	425.2	444.7	-19.5	-4.4	148.4	153.4	-5.0	-3.3
EBITDA	69.0	63.5	5.5	8.7	26.0	25.8	0.2	0.8
in % of sales	16.2	14.3	1.9 pp	-	17.5	16.8	0.7 pp	-
Depreciation/amortization	-25.5	-26.6	1.1	4.1	-12.2	-14.0	1.8	12.9
of which PPA depreciation*	-4.5	-3.8	-0.7	-18.4	-1.5	-1.3	-0.2	-15.4
of which impairment	-5.2	-7.5	2.3	30.7	-5.2	-7.5	2.3	30.7
EBITA (adjusted)**	53.2	48.2	5.0	10.4	20.5	20.6	-0.1	-0.5
in % of sales	12.5	10.8	1.7 pp	-	13.8	13.4	0.4 pp	-
EBIT	43.5	36.9	6.6	17.9	13.8	11.8	2.0	16.9
in % of sales	10.2	8.3	1.9 pp	-	9.3	7.7	1.6 pp	-
Investments	14.5	26.8	-12.3	-45.9	3.4	11.0	-7.6	-69.1
Employees	2,840	2,943	-103	-3.5	2,826	2,934	-108	-3.7

* 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.

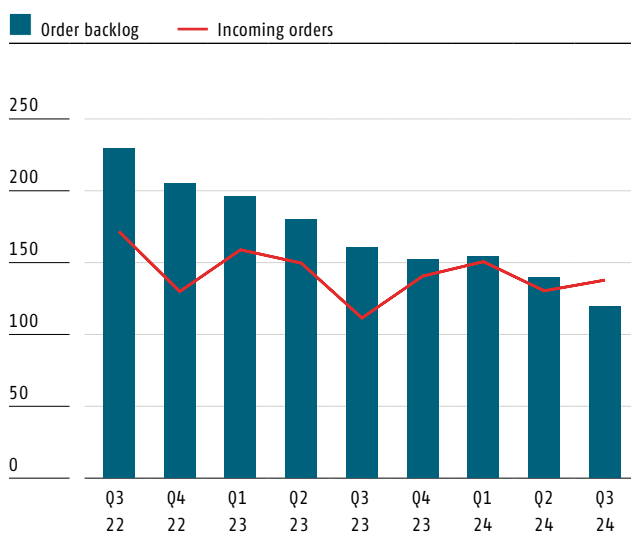
Materials

DECREASE IN VOLUMES AND PRICES IN THE METAL PROCESSING COMPANIES DUE TO ECONOMIC CONDITIONS

Incoming orders in the Materials segment amounted to EUR 404.5 million for the first nine months of 2024 compared to EUR 419.7 million in the same period of the previous year. The order backlog as of September 30, 2024, amounted to EUR 120.0 million (December 31, 2023: EUR 153.3 million). The general order situation in the Metals Technology field is declining. Agricultural and construction technology continue to be particularly affected, although the decline is slowing down. Medical technology is having an offsetting effect.

ORDER SITUATION: MATERIALS

(in EUR million)



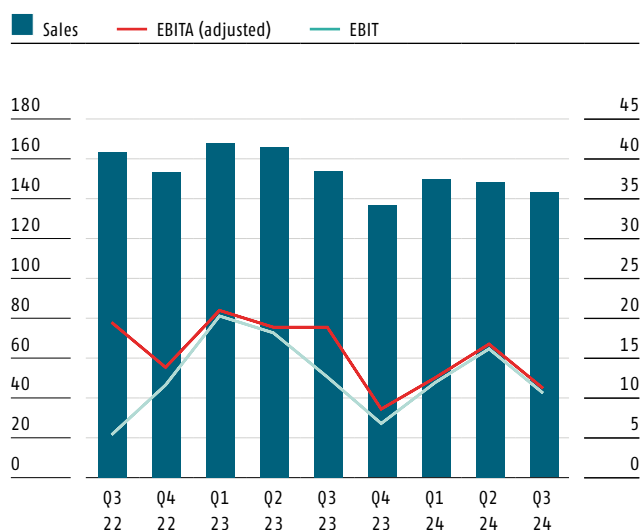
In the first nine months of 2024, the Materials segment generated sales of EUR 437.8 million. Sales were down 9.6% (EUR 46.6 million) on the same period of the previous year (EUR 484.4 million). The ongoing weak economy in the metals industry and the resulting reticence among customers was the prime driver in the decline in volumes. Higher competitive and price pressure also had an impact. Suppliers of agricultural and construction technology are, in particular, facing slow developments currently in line with general market trends. The general order situation was still strong in the same period of the previous year whilst prices and earnings were better. A downturn was noticeable from the third quarter of 2023. Due to demand, the field of Medical Engineering/Life Sciences is offsetting these developments somewhat, whereby price pressure is common due to strained budgets.

Adjusted EBITA was EUR 41.5 million, compared with EUR 58.1 million in the same period of the previous year. The adjusted EBITA margin was 9.5%, as against 12.0% in the same period of the previous year. The decline in volumes and somewhat weaker prices had a noticeable impact in this area. Cost lowering programs had an offsetting effect. The adjusted EBITA margin for the third quarter alone was 8.9%, 3.3 percentage points below the previous year's figure.

After deducting PPA depreciation of EUR 1.7 million (previous year: EUR 2.3 million) and impairments resulting from the annual impairment testing as of September 30 of EUR 1.5 million (previous year: EUR 5.3 million) EBIT amounts to EUR 38.3 million in the reporting period in comparison with EUR 50.5 million in the same period of the previous year. The EBIT margin came in at 8.7% (previous year: 10.4%).

FINANCIAL POSITION: MATERIALS

(in EUR million)



The forecast for 2024 as a whole is unchanged from the half-year report. We now expect a decrease in sales and strongly decreased earnings. The EBIT margin is again forecast to be within a range of 7% to 9%.

Investments stood at EUR 9.8 million, below the previous year (EUR 11.3 million) and were solely investments in fixed assets.

KEY FIGURES FOR MATERIALS

in EUR million

	Q1-Q3 2024	Q1-Q3 2023	Difference		Q3 2024	Q3 2023	Difference	
			absolute	in %			absolute	in %
Revenue with external third parties	437.8	484.4	-46.6	-9.6	142.0	152.8	-10.8	-7.1
EBITDA	60.8	78.2	-17.4	-22.3	19.0	26.0	-7.0	-26.9
in % of sales	13.9	16.1	-2.2 pp	-	13.4	17.0	-3.6 pp	-
Depreciation/amortization	-22.5	-27.7	5.2	18.8	-8.6	-13.5	4.9	36.3
of which PPA depreciation*	-1.7	-2.3	0.6	26.1	-0.6	-0.9	0.3	33.3
of which impairment	-1.5	-5.3	3.8	71.7	-1.5	-5.3	3.8	71.7
EBITA (adjusted)**	41.5	58.1	-16.6	-28.6	12.6	18.7	-6.1	-32.6
in % of sales	9.5	12.0	-2.5 pp	-	8.9	12.2	-3.3 pp	-
EBIT	38.3	50.5	-12.2	-24.2	10.5	12.5	-2.0	-16.0
in % of sales	8.7	10.4	-1.7 pp	-	7.4	8.2	-0.8 pp	-
Investments	9.8	11.3	-1.5	-13.3	3.6	5.2	-1.6	-30.8
Employees	2,959	3,122	-163.0	-5.2	2,908	3,105	-197.0	-6.3

* 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-Q3 2024	Q1-Q3 2023	Difference	
			absolute	in %
Earnings after taxes from continuing operations	50.0	71.2	-21.2	-29.8
Depreciation/amortization	73.6	83.7	-10.1	-12.1
Other non-cash changes	43.9	46.0	-2.1	-4.6
Cash-effective change in working capital	-26.5	-70.1	43.6	62.2
Change in other balance sheet items	-13.6	31.4	-45.0	<-100
Tax payments	-36.1	-33.5	-2.6	-7.8
Dividends received	1.5	0.0	1.5	-
Operating cash flow	92.8	128.7	-35.9	-27.9
Interest paid/interest received	-13.2	-14.4	1.2	8.3
Cash flow from operating activities	79.6	114.3	-34.7	-30.4
Cash outflow for investments and acquisitions	-60.0	-46.0	-14.0	-30.4
Cash inflow from the disposal of assets	8.1	14.5	-6.4	-44.1
Cash flow from investing activities	-51.9	-31.5	-20.4	-64.8
Cash outflow for the acquisition of treasury shares	-25.4	0.0	-25.4	-
Dividend payment	-31.0	-21.5	-9.5	-44.2
Cash outflow from the repayment of contingent purchase price commitments	-5.1	0.0	-5.1	-
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	-0.4	0.3	75.0
Cash inflow from the raising of loans	35.2	97.8	-62.6	-64.0
Cash outflow from the repayment of loans	-107.2	-103.3	-3.9	-3.8
Cash outflow from the repayment of lease liabilities	-15.1	-13.8	-1.3	-9.4
Cash flow from financing activities	-148.8	-41.2	-107.6	<-100
Net changes in cash and cash equivalents from continuing operations	-121.1	41.6	-162.7	<-100
Net changes in cash and cash equivalents from discontinued operations	0.0	-20.3	20.3	100.0
Changes in cash and cash equivalents caused by currency exchange rates	-0.2	-0.6	0.4	66.7
Changes in cash and cash equivalents in connection with assets held for sale	0.0	2.2	-2.2	-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	144.5	150.7	-6.2	-4.1

Operating Cash Flow Down on Previous Year

After the first nine months of the 2024 financial year, operating cash flow came to EUR 92.8 million compared with EUR 128.7 million in the previous year and was thus EUR 35.9 million lower year-over-year. Profit after tax for continuing operations plus depreciation and amortization and other non-cash expenses were EUR 33.4 million below the same period of the previous year. In comparison with the previous year, the cash-effective increase in working capital was EUR 43.6 million lower. This was essentially due to lower overall performance compared to the same period of the previous year. This positive effect in working capital was compensated by the higher increase in other balance sheet items (EUR 45.0 million) in comparison with the previous year.

Taking into account interest payments in the amount of EUR 13.2 million (previous year: EUR 14.4 million), cash flow from operating activities amounted to EUR 79.6 million (previous year: EUR 114.3 million) and was thus EUR 34.7 million lower than the previous year's figure.

At EUR 28.3 million, the cash outflow for investments in intangible assets and in property, plant and equipment was EUR 8.9 million lower than in the previous year (previous year: EUR 36.9 million). Cash outflow for investments in shares in fully consolidated companies amounted to EUR 31.0 million, covering the acquisitions of GESTALT AUTOMATION and GRIDCOM in the first quarter, COLSON Ltd. in the second quarter, and DECKMA in the current quarter. The acquisition of QUICK took place during the same period of the previous year (EUR 8.9 million). Cash outflow for investments in financial investments and shares measured according to the equity method amounted to EUR 0.7 million (previous year: EUR 0.3 million). At EUR 8.1 million, cash inflow from the disposal of assets was significantly lower than in the previous year. The previous

year's figures contain the sales proceeds for a building that is no longer required, amounting to EUR 14.4 million. The current year's figures include the sale of another portfolio company, BETOMAX, for EUR 4.8 million. Cash flow from investing activities totaled EUR -51.9 million, compared with EUR -31.5 million in the previous year.

At EUR -148.8 million, cash flow from financing activities was up by EUR -107.6 million on the same period of the previous year (EUR -41.2 million). Alongside the steep fall in net borrowing of EUR 66.5 million, the decrease was due to outflows for acquiring treasury shares via the share buyback program amounting to EUR 25.4 million, a EUR 9.5 million year-over-year increase in dividend payments (EUR 1.20 per share in comparison with EUR 0.80 per share in the previous year), as well as outflows for contingent purchase price liabilities amounting to EUR 5.1 million (previous year: EUR 0.0 million).

In total, net changes in cash and cash equivalents from continuing operations amounted to EUR -121.1 million in the first nine months of 2024 following EUR 41.6 million in the previous year. In the previous year, the discontinued operations accounted for net changes in cash and cash equivalents of EUR -20.3 million. Starting with an opening balance at the beginning of the year of EUR 265.8 million, cash and cash equivalents as of September 30, 2024, stood at EUR 150.7 million.

Free Cash Flow in Line with Expectations

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 EUR million	Q1-Q3 2024	Q1-Q3 2023	Difference	
			absolute	in %
Operating cash flow from continuing operations	92.8	128.7	-35.9	-27.9
Cash flow from investing activities from continuing operations	-51.9	-31.5	-20.4	-64.8
Cash outflow for investments for shares in fully consolidated companies	31.0	8.9	22.1	>100
Free cash flow	71.9	106.1	-34.2	-32.2

In the first nine months of the year, the INDUS Group generated free cash flow of EUR 71.9 million. Free cash flow for the financial year has developed in line with expectations. Free cash flow was EUR 34.2 million higher in the previous

year, mainly due to materially better earnings. A one-time effect from the sale of a building in the amount of EUR 14.4 million was also included in the previous year's free cash flow.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION, CONDENSED

in EUR million

	September 30, 2024	December 31, 2023	Difference	
			absolute	in %
ASSETS				
Non-current assets	1,031.1	1,029.2	1.9	0.2
Fixed assets	1,006.9	1,005.3	1.6	0.2
Receivables and other assets	24.2	23.9	0.3	1.3
Current assets	836.1	899.6	-63.5	-7.1
Inventories	451.2	429.3	21.9	5.1
Receivables and other assets	236.6	204.5	32.1	15.7
Cash and cash equivalents	144.5	265.8	-121.3	-45.6
Assets held for sale	3.8	0.0	3.8	-
Total assets	1,867.2	1,928.8	-61.6	-3.2
EQUITY AND LIABILITIES				
Non-current financing instruments	1,378.4	1,468.9	-90.5	-6.2
Equity	708.2	719.7	-11.5	-1.6
Borrowings	670.2	749.2	-79.0	-10.5
of which provisions	29.1	27.6	1.5	5.4
of which payables and deferred taxes	641.1	721.6	-80.5	-11.2
Current financing instruments	488.8	459.9	28.9	6.3
of which provisions	45.7	41.7	4.0	9.6
of which liabilities	443.1	418.2	24.9	6.0
Total equity and liabilities	1,867.2	1,928.8	-61.6	-3.2

Increase in Borrowings and Slight Rise in Equity Ratio

The INDUS Group's consolidated total assets amounted to EUR 1,867.2 million as of September 30, 2024, and were thus EUR 61.6 million lower than they were as of December 31, 2023. This reduction is particularly due to the planned use of cash and cash equivalents (EUR -121.3 million) for the share buyback program, payment of dividends to INDUS shareholders (EUR -31.0 million) and a reduction in financial liabilities (EUR -64.7 million). An increase in working capital in particular had the opposite effect.

Working capital came to EUR 505.6 million as of September 30, 2024, up by EUR 38.7 million on December 31, 2023. This increase is seasonal in nature and typical when considering the course of the year, but was below the increase in the previous year. The increase relates to

the increase in inventories (EUR +21.9 million), receivables (EUR 28.5 million) and a decrease in contract liabilities (EUR -19.9 million). This was offset by the increase in trade payables (EUR +17.0 million) and advance payments received (EUR +14.6 million).

Equity as of the reporting date came to EUR 708.2 million and was down by EUR 11.5 million on December 31, 2023. The increase in equity of EUR 50.0 million due to the profits that were acquired could not fully compensate for the reductions in equity resulting from the purchase of treasury shares (EUR -25.4 million) as well as dividends paid to shareholders (EUR -31.0 million). As of September 30, 2024, the equity ratio was 37.9%, 0.6 percentage points higher than at the end of 2023 (37.3%), due to the reduction in total assets.

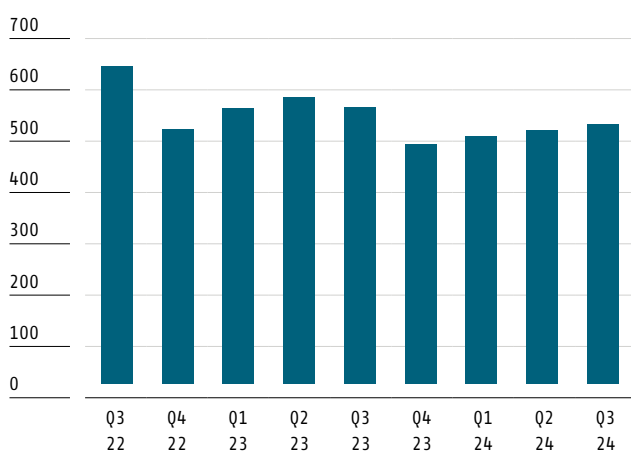
WORKING CAPITAL

in EUR million

	September 30, 2024	December 31, 2023	Difference	
			absolute	in %
Inventories	451.2	429.3	21.9	5.1
Receivables	209.8	181.3	28.5	15.7
Trade payables	-80.7	-63.7	-17.0	-26.7
Advance payments received	-37.9	-23.3	-14.6	-62.7
Contract liabilities	-36.8	-56.7	19.9	35.1
Working capital	505.6	466.9	38.7	8.3

WORKING CAPITAL

(in EUR million)



As of September 30, 2024, there are net financial liabilities totaling EUR 562.8 million compared to EUR 506.2 million as of December 31, 2023. This means that net financial liabilities have risen by EUR 56.6 million compared to the start of the year. The causes of this are primarily the financing of this seasonal increase in working capital, the acquisition of treasury shares (EUR 25.4 million) and dividend payments (EUR 31.0 million).

NET FINANCIAL LIABILITIES

in EUR million

	September 30, 2024	December 31, 2023	Difference	
			absolute	in %
Non-current financial liabilities	548.7	618.2	-69.5	-11.2
Current financial liabilities	158.6	153.8	4.8	3.1
Cash and cash equivalents	-144.5	-265.8	121.3	45.6
Net financial liabilities	562.8	506.2	56.6	11.2

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.

Forecast Report

Expectations for the Economic Outlook

Although no long-lasting recession across the board is to be expected, there is also no prospect of a significant revival of the economy by 2024 either. In light of the mixed signals coming from the services and retail industries, we don't expect any real momentum from private consumption. The situation on the labor market, which has been robust to date, is likely to deteriorate somewhat in the coming months. In addition, recent higher energy commodity prices are likely to lead to a slight rise in inflation. The rate of inflation for October is expected to be 2.0%. Along with domestic demand, international demand is also showing signs of weakness: The Purchasing Managers' Index (PMI) for German exports hit an eight-month low in October 2024. The German selling market in particular is experiencing a downturn, while the United States is still boosting demand for German products.

Early indicators have shown positive signals recently: The PMI climbed to 48.4 points in October, which is still significantly below the growth threshold of 50 points, however. The ZEW's economic expectations also climbed in October, while recovery continued from September to October according to the GfK Consumer Climate Index. In addition, following four consecutive drops, the ifo Business Climate Index also rose again for the first time in October 2024. Looking at the detail however still shows a mixed picture: In the manufacturing sector expectations are looking up overall, despite a deterioration in the assessment of the business situation. Engineers are more optimistic about the current business situation than they were a month ago, but still more pessimistic than in summer 2024. Manufacturers of metal products consider the situation and prospects to be brighter than in August and September. In contrast, the ifo Business Climate Index dropped in October for companies in the material manufacturing and processing industries. Companies in the main construction sector had weaker economic outlooks, but are more optimistic about the current situation. Real incoming orders in the main construction sector climbed 14.2% in August in comparison with July due to major contracts. In July, incoming orders were 5.9% down on the previous month.

Despite occasional signs of recovery offering hope that the worst is over, the structural difficulties in Germany as a place of business – such as above-average energy costs, red tape and a shortage of skilled workers – are impacting Ger-

man industries' competitiveness on the international markets. The construction sector too is struggling with ongoing weak demand. 19.3% fewer building permits for homes were approved between January and August 2024 than in the same period of the previous year. The German Federal Government expects a slight decrease in German economic output (-0.2%) for 2024 and a moderate upturn (+1.1%) for 2025 in its fall forecast. The ifo Institute has lowered its economic forecast for the current year to 0.0% and 0.9% for 2025. The International Monetary Fund (IMF) also expects stagnation in 2024 and a slight recovery (+0.8%) in 2025. The outlook in certain sectors is more pessimistic however: The trade association Verband Deutscher Maschinen- und Anlagenbau e. V. (VDMA) expects a real decline in sales of 8% in the current year. The construction machinery group within the trade association Verband Deutscher Maschinen- und Anlagenbau e. V. (VDMA) anticipates a 15% to 20% decline against the previous year. The IMF still anticipates growth of 3.2% for the global economy in 2024, whereby higher expectations than in summer for the U.S. economy virtually balance out the weaker forecasts for Germany and Japan.

Expected Group Performance

INDUS has recorded a decrease in sales during the first nine 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 7.5%. Contribution to sales was higher in the third quarter than in the first two quarters of 2024. Adjusted EBIT was also higher than in the first two quarters. Impairment recognized as a result of annual impairment testing of EUR 6.7 million had a negative impact on income. EBIT in the third quarter of 2024 came to EUR 31.8 million and was lower than in the second quarter due to impairments, but despite the weak economic situation remained on a par with the third quarter of 2023. The EBIT margin for the individual quarter came to 7.2% and 7.5% for the first nine months.

During the reporting period, sales in the Engineering sector fell by 3.6% compared to the previous year, whilst operating income (EBIT) fell by 12.1%. As expected, both sales and the contribution to income climbed significantly in comparison with the first two quarters of 2024. We there-

fore still anticipate a slight decline in sales and a significant fall in operating income (EBIT) for the full year. The EBIT margin is expected to be within a range of 6.5% to 8.5%.

Sales declined in the Infrastructure segment compared with the previous year, while operating income (EBIT) rose year-over-year. There was an impact on income due to a major client in the mobile air-conditioning devices sector becoming insolvent. For the whole of the year, INDUS continues to expect a slight decrease in sales and a slight increase in operating income (EBIT) primarily due to impairment (previously: strong increase). The forecast range for the EBIT margin is now between 9% and 11% (previously between 10% and 12%).

The Materials segment generated lower sales and a lower operating income (EBIT) in the first nine months of the current financial year in comparison with 2023. Weak economic development within the metal industry as well as price pressure from customers are the driving factors here. INDUS continues to expect lower sales and considerably

lower net income for the whole of 2024. The forecast for the EBIT margin is still expected to be in a range between 7% and 9%.

Operating cash flow decreased in the first nine months of the year by EUR 35.9 million compared to the same period of the previous year. The decline is essentially due to lower overall performance compared to the same period of the previous year. Free cash flow amounted to EUR 71.9 million, which is EUR 34.2 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 1.70 billion and EUR 1.80 billion for 2024 as a whole. Due primarily to impairments, we expect operating income (EBIT) to be in a range of between EUR 115 million and EUR 125 million. The EBIT margin is still expected to be between 7.0% and 8.0%.

in EUR million	Actual 2023	Forecast – August 2024	Forecast – November 2024
Engineering			
Sales	599.6	slightly decreasing sales	slightly decreasing sales
EBIT	57.0	strongly decreasing income	strongly decreasing income
EBIT margin	9.5%	6.5% to 8.5%	6.5% to 8.5%
Infrastructure			
Sales	582.2	slightly decreasing sales	slightly decreasing sales
EBIT	49.3	strongly increasing income	slightly increasing income
EBIT margin	8.5%	10% to 12%	9% to 11%
Materials			
Sales	619.9	decreasing sales	decreasing sales
EBIT	57.3	strongly decreasing income	strongly decreasing income
EBIT margin	9.2%	7% to 9%	7% to 9%
INDUS Group			
Sales	1,802.4	EUR 1.70 billion to EUR 1.80 billion	EUR 1.70 billion to EUR 1.80 billion
EBIT	149.6	EUR 125 million to EUR 145 million	EUR 115 million to EUR 125 million
EBIT margin	8.3%	7.0% to 8.0%	7.0% to 8.0%
Free cash flow	>110	>110	>110

Post-Balance Sheet Events

No events occurred between September 30, 2024, and the publication of this report on November 11, 2024, that require any material changes to be made to the financial position and financial performance laid out in this quarterly report.

Condensed Consolidated Interim Financial Statements

Consolidated Statement of Income

FOR THE FIRST NINE MONTHS OF 2024

in EUR '000	Notes	Q1-03 2024	Q1-03 2023	Q3 2024	Q3 2023
REVENUE		1,282,152	1,363,822	443,055	459,738
Other operating income		12,412	10,578	2,719	4,181
Own work capitalized		2,611	3,523	819	1,493
Change in inventories		4,731	6,530	-5,892	-16,489
Cost of materials	[4]	-568,825	-626,040	-194,711	-191,930
Personnel expenses	[5]	-397,786	-389,697	-129,356	-128,625
Depreciation/amortization	[6]	-73,588	-83,668	-29,535	-40,478
Other operating expenses	[7]	-165,807	-168,123	-55,279	-55,838
OPERATING INCOME (EBIT)		95,900	116,925	31,820	32,052
Interest income		2,452	410	659	139
Interest expense		-17,007	-13,527	-6,323	-4,637
NET INTEREST		-14,555	-13,117	-5,664	-4,498
Income from shares accounted for using the equity method		-122	620	0	-20
Other financial income		-4,427	-1,184	128	4,777
FINANCIAL INCOME	[8]	-19,104	-13,681	-5,536	259
EARNINGS BEFORE TAXES FROM CONTINUING OPERATIONS (EBT)		76,796	103,244	26,284	32,311
Income taxes	[9]	-26,817	-32,042	-8,414	-8,586
Earnings from discontinued operations		0	-27,823	0	-2,066
EARNINGS AFTER TAXES		49,979	43,379	17,870	21,659
of which interests attributable to non-controlling shareholders		802	504	337	235
of which interests attributable to INDUS shareholders		49,177	42,875	17,533	21,424
Earnings per share (basic and diluted) in EUR					
from continuing operations	[10]	1.89	2.63	0.68	0.87
from discontinued operations	[10]	0.00	-1.03	0.00	-0.08
from continuing and discontinued operations	[10]	1.89	1.60	0.68	0.79

Consolidated Statement of Comprehensive Income

FOR THE FIRST NINE MONTHS OF 2024

in EUR '000	01-03 2024	01-03 2023	Q3 2024	Q3 2023
EARNINGS AFTER TAXES	49,979	43,379	17,870	21,659
Actuarial gains/losses	-1,383	-621	-1,960	1,802
Deferred taxes	209	26	450	-514
Items not to be reclassified to profit or loss	-1,174	-595	-1,510	1,288
Currency conversion adjustment	-1,372	1,336	-953	2,221
Change in the market values of hedging instruments (cash flow hedge)	-2,772	-1,141	-2,374	-465
Deferred taxes	438	181	375	74
Items to be reclassified to profit or loss	-3,706	376	-2,952	1,830
OTHER COMPREHENSIVE INCOME	-4,880	-219	-4,462	3,118
TOTAL COMPREHENSIVE INCOME	45,099	43,160	13,408	24,777
of which interests attributable to non-controlling shareholders	808	454	329	255
of which interests attributable to INDUS shareholders	44,291	42,706	13,079	24,522

Income and expenses recorded under other comprehensive income include actuarial losses from pensions and similar obligations amounting to EUR -1,383 thousand (previous year: EUR -621 thousand). These losses were due to changes in the interest rate for pension obligations. The interest rate for domestic pension obligations increased by 0.2 percentage points (previous year: decrease of 0.30 percentage points), while the interest rate for foreign pensions (Switzerland) declined by 0.41 percentage points (previous year: decrease of 0.27 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 SEPTEMBER 30, 2024

in EUR '000	Notes	September 30, 2024	December 31, 2023
ASSETS			
Goodwill	[11]	404,862	395,808
Right-of-use assets from leasing/rent		75,586	73,878
Other intangible assets		171,451	164,170
Property, plant and equipment		335,893	344,428
Investment property		9,075	10,005
Financial investments		9,665	11,347
Shares accounted for using the equity method		408	5,662
Other non-current assets		2,986	2,659
Deferred taxes		21,192	21,262
Non-current assets		1,031,118	1,029,219
Inventories	[12]	451,216	429,269
Receivables	[13]	209,838	181,310
Other current assets		19,720	17,336
Current income taxes		7,039	5,799
Cash and cash equivalents		144,455	265,843
Assets held for sale		3,843	0
Current assets		836,111	899,557
TOTAL ASSETS		1,867,229	1,928,776
EQUITY AND LIABILITIES			
Subscribed capital		69,928	69,928
Capital reserve		318,143	318,143
Other reserves		342,935	329,866
Treasury shares		-25,370	0
Equity held by INDUS shareholders		705,636	717,937
Non-controlling interests in the equity		2,599	1,724
Equity		708,235	719,661
Pension provisions		28,475	27,009
Other non-current provisions		633	596
Non-current financial liabilities	[14]	548,672	618,162
Other non-current liabilities	[15]	37,420	48,027
Deferred taxes		55,014	55,398
Non-current liabilities		670,214	749,192
Other current provisions		45,725	41,675
Current financial liabilities	[14]	158,588	153,849
Trade payables		80,737	63,661
Other current liabilities	[15]	178,635	174,491
Current income taxes		25,095	26,247
Current liabilities		488,780	459,923
TOTAL EQUITY AND LIABILITIES		1,867,229	1,928,776

Consolidated Statement of Changes in Equity

FROM JANUARY 1 TO SEPTEMBER 30, 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		683,161	2,060	685,221
Earnings after taxes			42,875			42,875	504	43,379
Other comprehensive income				-169		-169	-50	-219
Total comprehensive income			42,875	-169		42,706	454	43,160
Reclassification			68	-68				
Dividend payment			-21,517			-21,517	-395	-21,912
As of September 30, 2023	69,928	318,143	306,358	9,921		704,350	2,119	706,469
As of January 1, 2024	69,928	318,143	328,507	1,359		717,937	1,724	719,661
Earnings after taxes			49,177			49,177	802	49,979
Other comprehensive income				-4,886		-4,886	6	-4,880
Total comprehensive income			49,177	-4,886		44,291	808	45,099
Transactions involving interests attributable to non-controlling shareholders			-267			-267	193	-74
Change in scope of consolidation							-6	-6
Acquisition of treasury shares					-25,370	-25,370		-25,370
Dividend payment			-30,955			-30,955	-120	-31,075
As of September 30, 2024	69,928	318,143	346,462	-3,527	-25,370	705,636	2,599	708,235

Interests attributable to non-controlling shareholders as of September 30, 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 NINE MONTHS OF 2024

in EUR '000	01-03 2024	Q1-Q3 2023
Earnings after taxes from continuing operations	49,979	71,202
Depreciation/amortization of non-current assets	73,588	83,668
Income taxes	26,817	32,042
Financial income	19,104	13,681
Other non-cash transactions	-1,981	363
Changes in provisions	3,646	4,679
Increase (-)/decrease (+) in inventories, receivables and other assets	-39,432	-45,603
Increase (+)/decrease (-) in trade payables and other equity and liabilities	-4,262	2,240
Income taxes received/paid	-36,129	-33,535
Dividends received	1,460	0
Operating cash flow from continuing operations	92,790	128,737
Interest paid	-16,168	-14,849
Interest received	2,962	431
Cash flow from operating activities from continuing operations	79,584	114,319
Cash outflow from investments in		
Property, plant and equipment and intangible assets	-28,253	-36,844
Financial investments and shares accounted for using the equity method	-707	-283
Shares in fully consolidated companies	-31,006	-8,851
Cash inflow from the disposal of		
Other assets	8,060	14,463
Cash flow from investing activities from continuing operations	-51,906	-31,515
Cash outflow for the acquisition of treasury shares	-25,370	0
Dividend payment	-30,955	-21,517
Cash outflow from the repayment of contingent purchase price commitments	-5,126	0
Payments related to transactions involving interests attributable to non-controlling shareholders	-74	0
Dividend payments to non-controlling interests	-120	-395
Cash inflow from the raising of loans	35,232	97,789
Cash outflow from the repayment of loans	-107,285	-103,329
Cash outflow from the repayment of lease liabilities	-15,089	-13,809
Cash flow from financing activities from continuing operations	-148,787	-41,261
Net changes in cash and cash equivalents from continuing operations	-121,109	41,543
Net changes in cash and cash equivalents from discontinued operations	0	-20,264
Changes in cash and cash equivalents caused by currency exchange rates	-279	-615
Changes in cash and cash equivalents in connection with assets held for sale	0	2,195
Cash and cash equivalents at the beginning of the period	265,843	127,816
Cash and cash equivalents at the end of the period	144,455	150,675

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 September 30, 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 nine months 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

GESTALT AUTOMATION

In March 2024, INDUS Holding AG acquired the assets of Gestalt Robotics as part of an asset deal. The company develops individual, AI-based solutions for industrial automation. 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.

DECKMA

On August 28, 2024, INDUS Holding AG acquired 75% of the shares in DECKMA Decksmaschinen und Automation Vertriebsgesellschaft mbH, Rosengarten, Germany. DECKMA is a technical ship equipment systems provider specializing in lighting and fire alarm systems, corrosion protection technology and automation solutions that supplies clients in the shipbuilding and offshore industry, such as manufacturers of cruise ships, commercial vessels and large yachts. With the acquisition of DECKMA, INDUS also gained an indirect 33% stake in NEXTCORR Ltd. in the UK. The company provides marine growth prevention and corrosion protection systems for ships.

DECKMA joined the INDUS Group on September 1, 2024, and was allocated to the Engineering segment.

The fair value of the total consideration amounted to EUR 20,451 thousand on the acquisition date. This consists of a cash component in the amount of EUR 14,850 thou-

sand and contingent purchase price payments in the amount of EUR 5,601 thousand, which was measured at fair value. The contingent purchase price payments consist of call/put options on non-controlling interests, an earn-out clause and a preliminary cash & debt-free balance. The cash component was paid on August 28, 2024. The amount of the contingent purchase price commitment is determined on the basis of EBIT multiples and a forecast of the future-relevant EBIT.

Goodwill of EUR 8,303 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 reassessed 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 workforce.

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

NEW ACQUISITION: DECKMA

in EUR '000

	Carrying Amount at Time of Acquisition	Reassessment	Additions to Consolidated Statement of Financial Position
Goodwill	0	8,303	8,303
Other intangible assets	100	9,922	10,022
Property, plant and equipment	1,587	1,018	2,605
Financial investments	190	446	636
Inventories	4,166	300	4,466
Receivables	659	0	659
Other assets*	365	0	365
Cash and cash equivalents	2,384	0	2,384
Total assets	9,451	19,989	29,440
Other provisions	192	0	192
Financial liabilities	629	0	629
Trade payables	913	0	913
Other equity and liabilities**	3,942	3,313	7,255
Total liabilities	5,676	3,313	8,989

* 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.

DECKMA contributed sales amounting to EUR 498 thousand and operating income (EBIT) of EUR -794 thousand to income in the first nine months of 2024. Expenses recognized in profit and loss from the

initial consolidation of DECKMA had a negative impact of EUR 385 thousand on operating income (EBIT). The incidental acquisition costs were recorded in the statement of income.

COMPANY ACQUISITIONS BY INDUS PORTFOLIO COMPANIES

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 2016, HAUFF-TECHNIK acquired the first 50% of shares in GRIDCOM. GRIDCOM was included in the con-

solidated financial statements using the equity method until February 29, 2024. GRIDCOM has been fully consolidated since March 1, 2024, and 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 reassessed 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 workforce.

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

NEW 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 8,448 thousand and operating income (EBIT) of EUR 304 thousand to income in the first nine months of 2024. Expenses recognized in profit and loss from the initial consolidation of GRIDCOM had a negative impact of EUR 906 thousand on operating income (EBIT). The incidental acquisition costs were recorded in the statement of income.

COLSON X-CEL

Pneumatic Components Ltd. (PCL), a subsidiary of the INDUS portfolio company HORNGROUP, purchased 100% of the shares in COLSON X-Cel Ltd. (COLSON) 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 transfer of COLSON took place on June 5, 2024. COLSON has been allocated to the Engineering segment.

The fair value of the consideration for the newly acquired shares amounted to EUR 14,747 thousand on the acquisition date.

Goodwill of EUR 4,773 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 reassessed 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 workforce.

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

NEW ACQUISITION: COLSON X-CEL

in EUR '000

	Carrying Amount at Time of Acquisition	Reassessment	Additions to Consolidated Statement of Financial Position
Goodwill	0	4,773	4,773
Other intangible assets	0	5,546	5,546
Property, plant and equipment	822	597	1,419
Inventories	1,059	779	1,838
Receivables	1,150	0	1,150
Other assets*	70	0	70
Cash and cash equivalents	2,267	0	2,267
Total assets	5,368	11,695	17,063
Trade payables	385	0	385
Other equity and liabilities**	201	1,730	1,931
Total liabilities	586	1,730	2,316

* 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.

COLSON contributed sales amounting to EUR 1,420 thousand and operating income (EBIT) of EUR -644 thousand to income in the first nine months of 2024. Expenses recognized in profit and loss from the initial consolidation of COLSON had a negative impact of EUR -756 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-Q3 2024	Q1-Q3 2023
Raw materials, consumables and supplies, and purchased merchandise	-490,278	-554,675
Purchased services	-78,547	-71,365
Total	-568,825	-626,040

[5] Personnel Expenses

in EUR '000	Q1-Q3 2024	Q1-Q3 2023
Wages and salaries	-333,943	-327,605
Social security	-60,813	-58,685
Pensions	-3,030	-3,407
Total	-397,786	-389,697

[6] Depreciation/Amortization

The depreciation/amortization line includes depreciation/amortization on a systematic basis, depreciation due to purchase price allocation (PPA depreciation), and impairment.

in EUR '000	Q1-Q3 2024	Q1-Q3 2023
Depreciation/amortization on a systematic basis	-51,863	-51,347
PPA depreciation	-14,978	-14,719
Impairment	-6,747	-17,602
Total	-73,588	-83,668

Impairment losses of EUR 6,747 thousand (previous year: impairment losses of EUR 17,602 thousand as of September 30) were recognized in the current financial year following the impairment test as of September 30, 2024. In the reporting year, impairment of EUR 5,247 thousand was recognized on goodwill and in the amount of EUR 1,500 thousand on intangible assets. In the previous year, goodwill was impacted in the amount of EUR 12,501 thousand, property, plant and equipment in the amount of EUR 4,263 thousand, and intangible assets in the amount of EUR 838 thousand. Impairment in the reporting year impacted the Infrastructure segment in the amount of EUR 5,247 thousand and the Materials segment in the amount of EUR 1,500 thousand (previous year: Engineering EUR 4,792 thousand,

Infrastructure EUR 7,509 thousand, Materials EUR 5,301 thousand).

For further information on the impairment test, see [11].

[7] Other Operating Expenses

in EUR '000	Q1-Q3 2024	Q1-Q3 2023
Selling expenses	-67,666	-71,125
Operating expenses	-43,934	-44,340
Administrative expenses	-44,385	-44,542
Other expenses	-9,822	-8,116
Total	-165,807	-168,123

[8] Financial Income

in EUR '000	Q1-Q3 2024	Q1-Q3 2023
Interest and similar income	2,452	410
Interest and similar expenses	-17,007	-13,527
Net interest	-14,555	-13,117
Income from shares accounted for using the equity method	-122	620
Interests attributable to non-controlling shareholders	-4,507	-1,215
Income from financial investments	80	31
Other financial income	-4,427	-1,184
Total	-19,104	-13,681

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 -1,354 thousand (previous year: EUR 3,862 thousand) and earnings after taxes that external entities are entitled to from shares in limited partnerships and stock corporations with call/put options.

Notes to the Consolidated Statement of Financial Position

[9] Income Taxes

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

[10] Earnings per Share

in EUR '000	Q1-Q3 2024	Q1-Q3 2023
Income attributable to INDUS shareholders	49,177	42,875
Income from discontinued operations	0	-27,823
Income attributable to INDUS shareholders from discontinued operations	49,177	70,698
Weighted average shares outstanding (in thousands)	26,085	26,896
Earnings per share from continuing operations (in EUR)	1.89	2.63
Earnings per share from discontinued operations (in EUR)	0.00	-1.03
Earnings per share from continuing and discontinued operations (in EUR)	1.89	1.60

[11] Annual Impairment Test as of September 30, 2024

The annual impairment test for all goodwill was performed as of September 30, 2024. The latest projections were available from all portfolio companies for the purposes of this test. The planning assumptions take into account both current knowledge and historical developments.

In accordance with the detailed planning periods of usually three years, future cash flows are extrapolated with a global growth rate of 1.0% (previous year: 1.0%). The payments determined in this manner are discounted using capital cost rates. These are based on risk-free interest rates of 2.5% (previous year: 2.62%), a market risk premium of 7.00% (previous year: 7.00%) and segment-specific beta coefficients derived by a peer group and borrowing rates. The following pre-tax cost of capital rates were applied: Infrastructure 12.4% (previous year: 12.5%), Engineering 11.9% (previous year: 12.8%), Materials 12.1% and 12.2% (previous year: 12.3% and 12.6%).

The annual impairment test resulted in impairment losses of EUR 6,747 thousand (previous year: EUR 17,602 thousand). Of this amount, EUR 5,247 thousand related to goodwill and EUR 1,500 thousand to intangible assets (previous year: goodwill EUR 12,501 thousand, property, plant and equipment EUR 4,263 thousand, intangible assets EUR 838 thousand).

[12] Inventories

in EUR '000	September 30, 2024	December 31, 2023
Raw materials, consumables, and supplies	176,776	166,616
Unfinished goods	102,287	97,388
Finished goods and goods for resale	150,179	144,113
Advance payments	21,974	21,152
Total	451,216	429,269

[13] Receivables

in EUR '000	<u>September 30, 2024</u>	<u>December 31, 2023</u>
Receivables from customers	195,735	164,446
Contract receivables	14,089	16,807
Receivables from associated companies	14	57
Total	209,838	181,310

[14] Financial Liabilities

in EUR '000	<u>September 30, 2024</u>	<u>Current</u>	<u>Non-current</u>	<u>December 31, 2023</u>	<u>Current</u>	<u>Non-current</u>
Liabilities to banks	310,474	98,082	212,392	340,568	96,328	244,240
Lease liabilities	79,500	22,220	57,280	77,015	18,236	58,779
Promissory note loans	317,286	38,286	279,000	354,428	39,285	315,143
Total	707,260	158,588	548,672	772,011	153,849	618,162

[15] Liabilities

Other liabilities include contingent purchase price liabilities of EUR 57,621 thousand (December 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

[16] Segment Reporting

SEGMENT INFORMATION BY DIVISION FOR THE FIRST NINE MONTHS 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-Q3 2024						
Revenue with external third parties	418,566	425,169	437,791	1,281,526	626	1,282,152
Revenue with other segments	1,453	48	230	1,731	-1,731	0
Revenue	420,019	425,217	438,021	1,283,257	-1,105	1,282,152
Segment earnings (EBIT)	27,599	43,474	38,306	109,379	-13,479	95,900
Income from measurement according to the equity method	0	-104	-18	-122	0	-122
Depreciation/amortization	-24,704	-25,552	-22,485	-72,741	-847	-73,588
of which impairment	0	-5,247	-1,500	-6,747	0	-6,747
Segment EBITDA	52,303	69,026	60,791	182,120	-12,632	169,488
Investments	34,886	14,519	9,800	59,205	54	59,259
of which company acquisitions	25,606	5,400	0	31,006	0	31,006
September 30, 2024						
Goodwill	194,351	127,217	83,294	404,862	0	404,862

	<u>Engineering</u>	<u>Infrastructure</u>	<u>Materials</u>	<u>Total Segments</u>	<u>Other/ Reconciliation</u>	<u>Consolidated Financial Statements</u>
Q1-Q3 2023						
Revenue with external third parties	434,159	444,714	484,350	1,363,223	599	1,363,822
Revenue with other segments	1,760	36	48	1,844	-1,844	0
Revenue	435,919	444,750	484,398	1,365,067	-1,245	1,363,822
Segment earnings (EBIT)	39,664	36,869	50,507	127,040	-10,115	116,925
Income from measurement according to the equity method	0	620	0	620	0	620
Depreciation/amortization	-28,630	-26,652	-27,733	-83,015	-653	-83,668
of which impairment	-4,792	-7,509	-5,301	-17,602	0	-17,602
Segment EBITDA	68,294	63,521	78,240	210,055	-9,462	200,593
Investments	7,221	26,807	11,292	45,320	375	45,695
of which company acquisitions	0	8,851	0	8,851	0	8,851
December 31, 2023						
Goodwill	180,712	131,528	83,568	395,808	0	395,808

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>
Q3 2024						
Revenue with external third parties	152,462	148,378	142,011	442,851	204	443,055
Revenue with other segments	468	8	98	574	-574	0
Revenue	152,930	148,386	142,109	443,425	-370	443,055
Segment earnings (EBIT)	13,746	13,805	10,451	38,002	-6,182	31,820
Income from measurement according to the equity method	0	0	0	0	0	0
Depreciation/amortization	-8,494	-12,193	-8,563	-29,250	-285	-29,535
of which impairment	0	-5,247	-1,500	-6,747	0	-6,747
Segment EBITDA	22,240	25,998	19,014	67,252	-5,897	61,355
Investments	16,359	3,360	3,586	23,305	14	23,319
of which company acquisitions	12,466	0	0	12,466	0	12,466

	<u>Engineering</u>	<u>Infrastructure</u>	<u>Materials</u>	<u>Total Segments</u>	<u>Other/ Reconciliation</u>	<u>Consolidated Financial Statements</u>
Q3 2023						
Revenue with external third parties	153,411	153,426	152,828	459,665	73	459,738
Revenue with other segments	570	1	-15	556	-556	0
Revenue	153,981	153,427	152,813	460,221	-483	459,738
Segment earnings (EBIT)	13,750	11,788	12,455	37,993	-5,941	32,052
Income from measurement according to the equity method	0	-20	0	-20	0	-20
Depreciation/amortization	-12,703	-13,975	-13,529	-40,207	-271	-40,478
of which impairment	-4,792	-7,509	-5,301	-17,602	0	-17,602
Segment EBITDA	26,453	25,763	25,984	78,200	-5,670	72,530
Investments	2,446	10,999	5,151	18,596	9	18,605
of which company acquisitions	0	0	0	0	0	0

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-Q3 2024	Q1-Q3 2023	Q3 2024	Q3 2023
Segment earnings (EBIT)	109,379	127,040	38,002	37,993
Areas not allocated incl. holding company	-13,479	-10,115	-6,182	-5,941
Financial income	-19,104	-13,681	-5,536	258
Earnings before taxes from continuing operations (EBT)	76,796	103,244	26,284	32,310

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 continuing 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-Q3 2024				
Revenue with external third parties	1,282,152	632,068	254,920	395,164
September 30, 2024				
Non-current assets, less deferred taxes and financial instruments	997,275	881,928	36,675	78,672
Q1-Q3 2023				
Revenue with external third parties	1,363,822	688,510	262,503	412,809
December 31, 2023				
Non-current assets, less deferred taxes and financial instruments	993,951	873,512	38,071	82,368

[17] 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>
September 30, 2024					
Financial investments	9,665	0	9,665	889	8,776
Cash and cash equivalents	144,455	0	144,455	0	144,455
Receivables	209,838	14,089	195,749	0	195,749
Other assets	22,706	14,249	8,457	0	8,457
Financial instruments: Assets	386,664	28,338	358,326	889	357,437
Financial liabilities	707,260	79,500	627,760	0	627,760
Trade payables	80,737	0	80,737	0	80,737
Other liabilities	216,055	105,995	110,060	59,178	50,882
Financial instruments: Equity and liabilities	1,004,052	185,495	818,557	59,178	759,379
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 valued at cost.

**FINANCIAL INSTRUMENTS BY BUSINESS MODEL
IN ACC. WITH IFRS 9**

in EUR '000

	September 30, 2024	December 31, 2023
Financial assets measured at cost	357,437	449,907
Financial assets recognized at fair value directly in equity	889	2,500
Derivatives with hedging relationships, hedge accounting	0	1,216
Financial instruments: Assets	358,326	453,623
Financial liabilities measured at fair value through profit and loss	59,178	55,565
Financial liabilities measured at cost	759,379	809,382
Financial instruments: Equity and liabilities	818,557	864,947

[18] Events After the Reporting Date

No events occurred between September 30, 2024, and the publication of this report on November 11, 2024, that require any material changes to be made to the financial position and financial performance laid out in this quarterly report.

[19] Approval for Publication

The Board of Management of INDUS Holding AG approved these IFRS interim financial statements for publication on November 10, 2024.

Bergisch Gladbach, November 10, 2024
INDUS Holding AG

The Board of Management

Dr. Johannes Schmidt

Rudolf Weichert

Gudrun Degenhart

Dr. Jörn Großmann

Axel Meyer

Contact

CONTACT

Nina Wolf
Public Relations
Phone: +49 (0)2204/40 00-73
Email: presse@indus.de

Dafne Sanac
Investor Relations
Phone: +49 (0)2204/40 00-32
Email: investor.relations@indus.de

INDUS HOLDING AG
Kölner Straße 32
51429 Bergisch Gladbach

P.O. Box 10 03 53
51403 Bergisch Gladbach

Phone: +49(0)2204/40 00-0
Fax: +49 (0)2204/40 00-20
Email: indus@indus.de

www.indus.de/en



Financial Calendar

Date	Event
November 25–27, 2024	Deutsches Eigenkapitalforum, Frankfurt am Main
February 20, 2025	Publication of preliminary figures for 2024
March 24, 2025	Publication of the annual report for 2024
March 25, 2025	Capital Markets Day, Frankfurt am Main
May 14, 2025	Publication of interim report on the first three months of 2025
May 27, 2025	Annual Shareholders' Meeting 2025, Cologne
August 12, 2025	Publication of interim report on the first half of 2025
November 12, 2025	Publication of interim report on the first nine months of 2025



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.

