

# Invitation to the Annual Shareholders' Meeting

## to be held as a virtual Annual Shareholders' Meeting

**INDUS Holding**  
**Aktiengesellschaft,**  
**Bergisch Gladbach**



# Key Figures 2020

in EUR million	2020	2019	2018
Sales	1,558.6	1,742.8	1,710.8
EBITDA	157.7	225.7	218.1
EBIT before impairment	65.7	135.2	150.5
EBIT margin before impairment (in %)	4.2	7.8	8.8
Impairments*	40.6	17.3	16.1
EBIT	25.1	117.9	134.4
EBIT margin (in %)	1.6	6.8	7.9
Group net income for the year (earnings after taxes)	-26.9	60.1	71.2
Operating cash flow	174.4	167.7	96.0
Cash flow from operating activities	155.2	147.3	74.7
Cash flow from investing activities	-52.4	-76.2	-98.3
Cash flow from financing activities	-42.0	-46.1	-2.8
Number of shares	24,450,509	24,450,509	24,450,509
Earnings per share (in EUR)	-1.10	2.43	2.90
Cash flow per share (in EUR)	6.35	6.02	3.05
Dividend per share (in EUR)	0.80**	0.80	1.50
Dividend yield (in %)	2.5**	2.1	3.8
Payout ratio (in %)	54.6**	24.6	48.0
	<u>DEC. 31, 2020</u>	<u>DEC. 31, 2019</u>	<u>DEC. 31, 2018</u>
Total assets	1,728.8	1,808.2	1,720.0
Equity	676.4	727.7	709.8
Equity ratio (in %)	39.1	40.2	41.3
Working capital	410.5	478.3	472.1
Net debt	518.9	546.2	482.8
Cash and cash equivalents	194.7	135.1	109.6
Total assets of INDUS Holding AG	1,650.1	1,593.0	1,551.3
Equity of INDUS Holding AG	950.0	934.7	893.5
Equity ratio INDUS Holding AG (in %)	57.6	58.7	57.6
Portfolio companies (number as of Dec. 31)	46	47	45
Employees within the Group (on average)	10,654	10,856	10,714

\* Impairments of goodwill and property, plant, and equipment

\*\* Subject to approval at Annual Shareholders' Meeting on May 26, 2021

# Invitation to the Annual Shareholders' Meeting to be held as a virtual Annual Shareholders' Meeting

## INDUS Holding Aktiengesellschaft, Bergisch Gladbach

WKN 620 010/ISIN DE0006200108

We hereby invite our shareholders to our 30th Annual Shareholders' Meeting, which will take place on Wednesday, May 26, 2021, at 10:30 a.m. (CEST) exclusively as a virtual Annual Shareholders' Meeting, without the option for shareholders or their voting proxies (with the exception of proxies appointed by the company) to attend in person.

### **Virtual Annual Shareholders' Meeting without shareholders or their proxies attending in person**

In light of the current situation in relation to the continuing COVID-19 pandemic, the Board of Management has decided, with the consent of the Supervisory Board and in accordance with Section 1 (1) and (2) in conjunction with Section 7 (1) of the Act on Measures in Company, Cooperative, Association, Foundation and Home Ownership Law to Combat the Effects of the COVID-19 Pandemic of March 27, 2020, last amended by the Act on the Further

Shortening of Residual Debt Exemption Proceedings and the Adaptation of Pandemic-related Provisions in Company, Cooperative, Association and Foundation Law as well as Rental and Leasing Law of December 22, 2020 ("COVID-19-G"), to hold the Annual Shareholders' Meeting as a virtual Annual Shareholders' Meeting, without the option for shareholders or their proxies (with the exception of voting proxies appointed by the company) to attend in person, and to enable the shareholders to exercise their voting rights via electronic communication (postal voting) or through power of proxy. The entire Annual Shareholders' Meeting will be broadcast live over the internet with video and audio via the password-protected online Annual Shareholders' Meeting service at

[www.indus.de/en/investor-relations/shareholders-meeting](http://www.indus.de/en/investor-relations/shareholders-meeting).

Further details on how the company will conduct this year's Annual Shareholders' Meeting as a virtual Annual Shareholders' Meeting are provided under "III. Further information on convocation." The location of the Annual Shareholders' Meeting for the purposes of the German Stock Corporation Act (AktG) is the Rheinsaal room on the second floor of Congress-Centrum Nord, Koelnmesse, Deutz-Mülheimer Strasse 111, 50679 Cologne, Germany.

# I. Agenda

1. **Presentation of the approved annual financial statements for INDUS Holding Aktiengesellschaft, the approved consolidated financial statements and combined management report for INDUS Holding Aktiengesellschaft and the Group, along with the Board of Management's explanatory report on the disclosures pursuant to Section 289a and Section 315a of the German Commercial Code (HGB) and the Supervisory Board's report, as well as the separate non-financial group management report, each for the financial year from January 1, 2020, to December 31, 2020**

The aforementioned documents will be available online at [www.indus.de/en/investor-relations/shareholders-meeting](http://www.indus.de/en/investor-relations/shareholders-meeting) beginning on the date on which the Annual Shareholders' Meeting is convened. They will also be available at the aforementioned web page during the Annual Shareholders' Meeting, where they will be explained.

In accordance with the statutory provisions, no resolution is to be passed for Agenda Item 1, as the Supervisory Board has approved the annual and consolidated financial statements, meaning that the annual financial statements have been adopted.

2. **Resolution on the appropriation of the balance sheet profit for 2020**

The Board of Management and Supervisory Board propose to appropriate the balance sheet profit for the 2020 financial year in the amount of EUR 35,841,974.12 as follows:

Payment of a dividend of EUR 0.80 per dividend-bearing share (26,895,559):	EUR 21,516,447.20
Transfer to other retained earnings:	EUR 14,000,000.00
Profit carried forward:	EUR 325,526.92
	<hr/>
Balance sheet profit:	EUR 35,841,974.12

In accordance with Section 58 (4) Sentence 2 AktG, the entitlement to the dividend shall fall due on the third business day following the Annual Shareholders' Meeting, i.e. Monday, May 31, 2021.

3. **Resolution on the ratification of the actions of the members of the Board of Management for the 2020 financial year**

The Board of Management and the Supervisory Board propose that the actions of the sitting members of the Board of Management during the 2020 financial year be ratified for the 2020 financial year.

4. **Resolution on the ratification of the actions of the members of the Supervisory Board for the 2020 financial year**

The Board of Management and the Supervisory Board propose that the actions of the sitting members of the Supervisory Board during the 2020 year be ratified for the 2020 financial year.

5. **Resolution on the appointment of the auditor of the separate and consolidated financial statements for the 2021 financial year**

On the basis of the recommendation of the Audit Committee, the Supervisory Board proposes appointing Ebner Stolz GmbH & Co. KG, Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft, Stuttgart, Cologne branch, as the external auditor for the company and the Group for the 2021 financial year.

In accordance with Article 16 (2) of Regulation (EU) No. 537/2014 of the European Parliament and the Council of 16 April 2014 on specific requirements regarding the statutory audit of public-interest entities and repealing Decision No. 2005/909/EC of the Commission (EU Audit Regulation), the Audit Committee has stated that its recommendation is free from influence by a third party and that no clause of the kind referred to in Article 16 (6) restricting its selection options has been imposed upon it.

Before submitting this proposal, the Supervisory Board obtained from Ebner Stolz GmbH & Co. KG Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft, Stuttgart, Cologne branch, a confirmation of its impartiality. Ebner Stolz GmbH & Co. KG Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft, Stuttgart, Cologne branch, was first appointed as an external auditor for the company and the Group in the 2013 financial year. Mr. Nikolaus Krenzel has been the head auditor responsible since 2020.

#### **6. Resolution on the ratification of the compensation system for the members of the Board of Management**

In accordance with Section 120a (1) AktG, the Annual Shareholders' Meeting of a listed company must decide on the ratification of the compensation system for the members of the Board of Management presented to the Supervisory Board at least every four years, but also each time there is a significant change to this system. This provision was newly introduced with the Act on the Implementation of the Second EU Shareholders' Rights Directive (ARUG II) and must be considered no later than during the implementation of the Annual Shareholders' Meetings taking place after December 31, 2020, in accordance with Section 26j (1) Sentence 1 of the Introductory Act to the German Stock Corporation Act (EGAktG). With regard to these changes in the German Stock Corporation Act (AktG), the Supervisory Board of INDUS Holding AG decided on a new compensation system for the members of the Board of Management of INDUS Holding AG at its meeting on December 9, 2020, in accordance with Section 87a AktG. In view of this, a resolution must be passed at the INDUS Holding AG Annual Shareholders' Meeting on May 26, 2021, concerning the ratification of the compensation system for the members of the Board of Management presented by the Supervisory Board. The compensation system for the members of the Board of Management

is described below in detail under Section II. 1. This description is also available online at

[www.indus.de/en/about-indus/corporate-governance](http://www.indus.de/en/about-indus/corporate-governance).

The Supervisory Board proposes ratifying the compensation system for the members of the Board of Management that was approved by the Supervisory Board with effect from January 1, 2021.

#### **7. Resolution on the approval of compensation and the compensation system for the members of the Supervisory Board**

In accordance with Section 113 (3) AktG, the Annual Shareholders' Meeting of a listed company must pass a resolution at least every four years concerning the compensation for members of the Board of Management, whereby a resolution confirming the compensation is permissible. This provision was newly introduced with ARUG II and the first resolution must be passed no later than at the end of the first Annual Shareholders' Meeting following December 31, 2020, in accordance with Section 26j (1) Sentence 1 EGAktG. The compensation being paid to the INDUS Holding AG Supervisory Board is currently regulated in Section 16 of the Articles of Incorporation of the company and was agreed at the company's extraordinary General Shareholders' Meeting on November 29, 2018. The compensation takes the form of a fixed salary plus attendance fees. This will remain unchanged in the future, as will the amount of compensation paid to the members of the Supervisory Board. However, some minor clarifications will be made as part of a revision of the Articles of Incorporation.

**a) Resolution on the amendment of Section 16 of the Articles of Incorporation**

The Board of Management and Supervisory Board therefore propose that Section 16 of the Articles of Incorporation be reworded as follows:

**“Section 16 – Remuneration**

1. In addition to the reimbursement of their out-of-pocket expenses incurred in performing their duties in the relevant financial year ended, all Supervisory Board members receive basic compensation of EUR 30,000.00 as well as an attendance fee of EUR 3,000.00 per meeting. The same applies to telephone, video or web conferences or conferences via similar means of communication. The Chairman receives double the two aforementioned sums, and his deputy receives one-and-a-half times these amounts. The basic remuneration and the attendance fees fall due at the end of the financial year. Members of the Supervisory Board who have not been members of the Supervisory Board or who have not held the position of Chairman or Deputy Chairman for the entire financial year are only entitled to basic remuneration on a pro rata basis.
2. Each member of a Supervisory Board committee shall receive remuneration in the amount of EUR 5,000.00 in addition to the reimbursement of their out-of-pocket expenses incurred in performing their duties in the relevant financial year ended. The chairman of the committee receives double the aforementioned sum. The remuneration falls due at the end of the financial year. Committee members who have not been members of the committee or who have not held the position of Chairman for the entire financial year are only entitled to remuneration on a pro rata basis. The aforementioned provisions do not apply to the committee pursuant to Section 27 (3) of the German Co-Determination Act (MitbestG).

3. The company can take out D&O liability insurance for the Supervisory Board members in an appropriate amount to cover the statutory liability relating to Supervisory Board activities. The insurance premium shall be borne by the company.”

**b) Resolution on the ratification of the compensation for members of the Supervisory Board**

After an in-depth review, the Board of Management and the Supervisory Board have concluded that the existing compensation regulations for the members of the Board of Management and those compensation regulations for the members of the Supervisory Board applicable under Section 16 following the entry of the amendment to the Articles of Incorporation approved under item a) serve the business interests of INDUS Holding AG and are appropriate, that the compensation system for the members of the Supervisory Board on which the provision of the Articles of Incorporation is based complies with the regulatory requirements and takes into account the requirements of the German Corporate Governance Code (GCGC).

The members of the Supervisory Board receive a fixed annual salary plus attendance fees. The payment of a fixed salary corresponds to the standard practice in the majority of comparable listed companies and has been proven. The fixed compensation reinforces the impartiality of the members of the Supervisory Board in the performance of their supervisory duties and therefore contributes indirectly to the long-term development of the company. The company also considers this fixed component of the compensation without any variable performance-related compensation elements appropriate because the workload of the members of the Supervisory Board increases when the company finds itself in a difficult position, and in such situations, there are no disincentives as arise if there were a possibility that the compensation could be reduced. The fixed salary model also corresponds

to Suggestion G.18 Sentence 1 of the GCGC. Furthermore, in accordance with Recommendation G.17 of the GCGC, the increased time input of the Chairman and Deputy Chairman of the Supervisory Board as well as the chairman and the members of the relevant committees is taken appropriately into account through corresponding additional compensation. The Chairman of the Supervisory Board receives double the basic compensation of an ordinary member of the Supervisory Board, and his deputy receives one-and-a-half times this amount. Work on a committee is also rewarded with additional compensation, whereby the chairman of the committee again receives double the compensation of an ordinary committee member. In addition, the members of the Supervisory Board are paid attendance fees, including for meetings taking place as telephone, video or internet conferences or via comparable means of communication. The Supervisory Board Chairman is also paid double the attendance fee and his deputy one-and-a-half times the fee in these cases.

The basic compensation and the attendance fees for work as part of the Supervisory Board or on a committee are each payable at the end of a financial year. Members of the Supervisory Board who have not been part of the Supervisory Board or committee or held the Chairmanship thereof for a full financial year shall be paid the basic compensation on a pro rata temporis basis. The members of the Supervisory Board are included in a pecuniary loss liability insurance policy for executive body members, the premiums for which are paid by INDUS Holding AG.

The amount and form of the compensation for members of the Supervisory Board are in line with market conditions – particularly also with regard to the compensation paid to the Supervisory Board members of other listed companies in Germany – and ensure that the company is and will remain in a position to attract and retain highly qualified can-

didates for the Supervisory Board. This is essential to enabling the Supervisory Board to perform its advisory and supervisory activities to the best of its ability.

The compensation for the Supervisory Board will be reviewed regularly, but at least every four years, at the meetings of the entire Supervisory Board and by the Board of Management. The compensation (and the compensation system) for the Supervisory Board will be presented to the Annual Shareholders' Meeting for resolution in the event of planned changes, and otherwise every four years.

The Board of Management and the Supervisory Board propose that the compensation for members of the Supervisory Board of the company be confirmed and ratified as described above, in accordance with Section 16 of the Articles of Incorporation as amended by item a), including the Supervisory Board compensation system on which it is based.

#### **8. Resolution on the repeal of the Authorized Capital 2019 and the creation of a new Authorized Capital 2021 and on a corresponding amendment to the Articles of Incorporation**

The Authorized Capital 2019 is regulated in Section 6 of the company's Articles of Incorporation. The authorization of the Board of Management set forth therein is time-limited and shall expire on May 28, 2024. After partial use of the Authorized Capital 2019 as a result of the capital increase decided by the Board of Management and the Supervisory Board on March 25, 2021, with a simplified exclusion of subscription rights (see the report of the Supervisory Board published under item II. 2. following this invitation to the Annual Shareholders' Meeting), the remaining authorized capital is EUR 25,428,530.49. In order to afford the company the greatest possible flexibility now and in the future, a new Authorized Capital 2021 will be established and will completely replace the existing Authorized Capital 2019.

The Board of Management and the Supervisory Board therefore propose that the following resolution be passed:

The existing Authorized Capital 2019 will be rescinded.

The Board of Management is authorized, with the Supervisory Board's approval, to increase the company's capital stock in the period up until May 25, 2026, once or several times, by a total of up to EUR 34,964,225.52 in return for cash and/or non-cash contributions (including mixed non-cash contributions) by issuing up to 13,447,779 new registered no-par-value shares (Authorized Capital 2021) and, in doing so, to set a start date for profit sharing that deviates from that set out by law, including with retroactive effect from a financial year that has already passed insofar as no resolution has been adopted as yet on the profit for this financial year that has already passed. Shareholders will generally be given subscription rights. The new shares can also be issued to one or several credit institutions or other companies named in Section 186 (5) Sentence 1 AktG subject to the obligation to offer them to the shareholders (indirect subscription rights) or also partially by means of an indirect subscription right (for example to entitled shareholders who have submitted a commitment agreement in advance), or otherwise granted by means of an indirect subscription right in accordance with Section 186 (5) AktG.

However, the Board of Management shall be authorized, with the Supervisory Board's approval, to exclude shareholders' statutory subscription rights in the following cases:

- to avoid fractional amounts;
- in the event of a capital increase through cash contributions if the issue price of the new shares issued to the exclusion of the subscription right in accordance with Section 186 (3) Sentence 4 AktG does not fall significantly below the stock

exchange price, and the new shares issued to the exclusion of the subscription right in accordance with Section 186 (3) Sentence 4 AktG do not exceed 10% of the existing capital stock at the time the Authorized Capital 2021 is entered in the Commercial Register or, where this sum is lower, 10% of the existing capital stock at the time the new shares are issued. Shares that were sold or issued, or are to be issued, on the basis of other authorizations during the term of this authorization, in direct application or in mutatis mutandis application of Section 186(3) Sentence 4 AktG excluding subscription rights, shall count towards this limit;

- in the event of a capital increase through non-cash contributions, particularly for the purposes of acquiring companies, company divisions, shares in companies or other assets including receivables against the company; and also
- to grant the holders of conversion or option rights relating to shares in the company/corresponding conversion or option obligations a subscription right, to offset dilutions, to the extent that would be available to them as shareholders following their exercise of these rights/fulfillment of these obligations.

The total number of shares issued or to be issued to the exclusion of subscription rights owing to one of these authorizations may not exceed 10% of the capital stock at the time at which the authorization is exercised; this limit shall include shares sold or issued or to be issued to the exclusion of subscription rights owing to a different authorization during the term of this authorization.

The Board of Management is authorized to determine the further details of the capital increase and its implementation, particularly the content of the share rights and the conditions concerning the issuing of shares including the issue price. The Supervisory Board is authorized to change the wording of the Articles of Incorporation to reflect the respective capital increase from the authorized capital.



Section 6 of the Articles of Incorporation shall be fully replaced with the following provision:

### Section 6 – Authorized Capital

1. The Board of Management is authorized, with the Supervisory Board's approval, to increase the company's capital stock in the period up until May 25, 2026, once or in several installments, by a total of up to EUR 34,964,225.52 in return for cash and/or non-cash contributions (including mixed non-cash contributions) by issuing up to 13,447,779 new registered no-par-value shares (Authorized Capital 2021) and, in doing so, to set a start date for profit sharing that deviates from that set out by law, also with retroactive effect from a financial year that has already passed insofar as no resolution has been passed as yet on the profit for this financial year that has already passed. Shareholders will generally be given subscription rights. The new shares can also be issued to one or several financial institutions or other companies stated in Section 186 (5) Sentence 1 AktG, provided that such institutions or companies undertake to offer them to the shareholders (indirect subscription rights), or can also be granted in part by way of direct subscription rights (for example to shareholders with subscription rights who have entered into a fixed subscription agreement in advance) or otherwise by way of indirect subscription rights pursuant to Section 186 (5) AktG. However, the Board of Management is authorized, with the Supervisory Board's approval, to exclude shareholders' statutory subscription rights in the following cases:

- to avoid fractional shares;
- in the event of a capital increase through cash contributions, if the issue price of the new shares issued excluding subscription rights pursuant to Section 186 (3) Sentence 4 AktG is not significantly below the stock market price and the aggregate number of the new shares issued excluding subscription rights pursuant to Section 186 (3)

Sentence 4 AktG does not exceed 10% of the capital stock existing at the time the Authorized Capital 2021 is entered in the Commercial Register or, if this amount is lower, 10% of the capital stock existing at the time of issue of the new shares. Shares that were sold or issued, or are to be issued, on the basis of other authorizations during the term of this authorization, in direct application or in application *mutatis mutandis* of Section 186 (3) Sentence 4 AktG excluding subscription rights, shall count towards this limit;

- in cases involving a capital increase through non-cash contributions, in particular for the purposes of acquiring companies, company divisions, investing in companies or other assets, including claims against the company; and
- to grant the holders of conversion or option rights relating to shares in the company/corresponding conversion or option obligations a subscription right, to offset dilutions, to the extent that would be available to them as shareholders following their exercise of these rights/fulfillment of these obligations.

2. The aggregate number of shares issued or to be issued, excluding subscription rights, on the basis of one of these authorizations must not exceed 10% of the capital stock at the time at which this authorization is exercised; shares that were sold or issued, or are to be issued, on the basis of other authorizations during the term of this authorization, excluding subscription rights, shall count towards this limit.

3. The Board of Management is authorized, with the Supervisory Board's approval, to decide on the additional details of the capital increase and its implementation, in particular on the content of the share rights and the terms and conditions of the share issue, including the issue amount.

4. The Supervisory Board is authorized to amend the version of the Articles of Incorporation in accordance with the scope of the capital increase using the authorized capital in question.

### 9. Resolution on the rewording of the Articles of Incorporation

During the course of an editorial review and revision of the Articles of Incorporation, a large number of minor changes have arisen which affect only the wording or the linguistic form. These changes are as follows:

Sections 1 (1), 2 (2), 3 (1) and 5 of the Articles of Incorporation are to be amended. A new Paragraph 2 is to be added to Section 8, which provides for a standard retirement age for members of the Board of Management in accordance with Recommendation B.5 of the GCGC; this was previously regulated by a corresponding resolution of the Supervisory Board of the company. Section 9 is to be amended with respect to the authorization to issue rules of procedure for the Board of Management. Furthermore, for the purposes of better classification, attendance at Supervisory Board meetings by members of the Board of Management is now to be regulated in Section 13 and slightly amended. A change is to be made to Section 10 (2) for the purposes of clarification and another in Section 10 (5) for the linguistic simplification of the regulations. Changes to the wording are also planned in Section 11 (2) and (4). Some amendments are also planned to Section 13 (2) and Section 14 (1), (2) and (3) on meetings and resolutions of the Supervisory Board in order to also incorporate new communication media with respect to resolutions. Changes to Section 18 (1), (2) and (3) as well as Section 20 (4) of the previous version of the Articles of Incorporation are also planned for greater linguistic clarity. The proposed amendment to Section 19 (1) concerning proof of share ownership and the removal of Section 21 (6) are based on changes to ARUG II which still need to be implemented within the Articles of Incorporation.

The authorization of the Board of Management in Section 19 (2) of the Articles of Incorporation to facilitate shareholder participation and the exercising of rights through electronic communication is to no longer exclude the right to object to resolutions of the Annual Shareholders' Meeting. Furthermore, this section is to clarify that the members of the Board of Management and the members of the Supervisory Board should generally attend the Annual Shareholders' Meeting in person. Due to current developments and in view of any considerations by the legislator to possibly continue to permit virtual Annual Shareholders' Meetings without physical attendance by shareholders even beyond 2021 under specific conditions, such decisions may not only be taken by the Board of Management and the Supervisory Board, but must also be based on legitimation and authorization by the party responsible for drafting the Articles of Incorporation. This authorization will be proposed in the Section 19 (3) that is to be newly added. In using such authorization, the company will take into account all the legal conditions for this and shall publish the process and the conditions for participating in an exclusively virtual meeting at the time such a meeting is convened. Virtual Annual Shareholders' Meetings without physical shareholder attendance should not be standard practice.

The aim of the amendment to Section 19 (3) of the previous version of the Articles of Incorporation is to achieve simplification. With regard to Recommendation C.15 Sentence 1 GCGC, the express permission of voting on a list basis for the Supervisory Board is to be removed from Section 20 (3) of the Articles of Incorporation. For the purposes of better classification, Section 21 (7) of the Articles of Incorporation is to be moved to Section 20 as Paragraph 4.

The complete revised version of the Articles of Incorporation including the amendment under Agenda Item 7 to Section 16 of the Articles of Incorporation on the compensation paid to members of the Supervisory Board and the amendment under Agenda Item 8 to Section 6 of the Articles of Incorporation on the authorized capital is as follows:

# Articles of Incorporation of INDUS Holding AG

## I. General Provisions

### Section 1

#### Company and Corporate Domicile

1. The company bears the name “INDUS Holding Aktiengesellschaft.”
2. Its corporate domicile is Bergisch Gladbach.

### Section 2

#### Purpose of the Company

1. The purpose of the company is to invest in all kinds of other companies.
2. The company is entitled to engage in any activities which are conducive to the company purpose.

### Section 3

#### Disclosures

1. Company disclosures shall be made exclusively in the German Federal Gazette unless mandatory provisions of law prescribe a different method of publication.
2. Within the parameters of the law, the company is authorized to furnish its shareholders with information by means of remote data transmission.

## II. Capital Stock and Shares

### Section 4

#### Amount and Composition of the Capital Stock

1. The company has capital stock of EUR 69,928,453.64 (in words: sixty-nine million nine hundred and twenty-eight thousand four hundred and fifty-three euros and sixty-four cents).
2. It is divided into 26,895,559 shares (no-par-value shares).

### Section 5

#### Type of Shares and Share Documents

1. The shares shall be made out to the bearer. If, in the event of a capital increase, the resolution on the capital increase does not specify which shares are to be issued, they shall be made out to the bearer.
2. A shareholder's entitlement to his/her shares being evidenced is excluded to the extent permitted by law and to the extent that such evidence is not required under the rules of the stock market on which the share is listed. The company is entitled, but not obligated, to replace previously issued share documents with new no-par-value share documents and to declare all share documents previously issued as null and void.

## Section 6

### Authorized Capital

1. The Board of Management is authorized, with the Supervisory Board's approval, to increase the company's capital stock in the period up until May 25, 2026, once or in several installments, by a total of up to EUR 34,964,225.52 in return for cash and/or non-cash contributions (including mixed non-cash contributions) by issuing up to 13,447,779 new registered no-par-value shares (Authorized Capital 2021) and, in doing so, to set a start date for profit sharing that deviates from that set out by law, also with retroactive effect from a financial year that has already passed insofar as no resolution has been passed as yet on the profit for this financial year that has already passed. Shareholders will generally be given subscription rights. The new shares can also be issued to one or several financial institutions or other companies stated in Section 186 (5) Sentence 1 AktG, provided that such institutions or companies undertake to offer them to the shareholders (indirect subscription rights), or can also be granted in part by way of direct subscription rights (for example to shareholders with subscription rights who have entered into a fixed subscription agreement in advance) or otherwise by way of indirect subscription rights pursuant to Section 186 (5) AktG. However, the Board of Management is authorized, with the Supervisory Board's approval, to exclude shareholders' statutory subscription rights in the following cases:
  - to avoid fractional shares;
  - in the event of a capital increase through cash contributions, if the issue price of the new shares issued excluding subscription rights pursuant to Section 186 (3) Sentence 4 AktG is not significantly below the stock market price and the aggregate number of the new shares issued excluding subscription rights pursuant to Section 186 (3) Sentence 4 AktG does not exceed 10% of the capital stock existing at the time the Authorized Capital 2021 is entered in the Commercial Register or, if this amount is lower, 10% of the capital stock existing at the time of issue of the new shares. Shares that were sold or issued, or are to be issued, on the basis of other authorizations during the term of this authorization, in direct application or in application mutatis mutandis of Section 186 (3) Sentence 4 AktG excluding subscription rights, shall count towards this limit;
  - in cases involving a capital increase through non-cash contributions, in particular for the purposes of acquiring companies, company divisions, investing in companies or other assets, including claims against the company; and
  - to grant the holders of conversion or option rights relating to shares in the company/corresponding conversion or option obligations a subscription right, to offset dilutions, to the extent that would be available to them as shareholders following their exercise of these rights/fulfillment of these obligations.
2. The aggregate number of shares issued or to be issued, excluding subscription rights, on the basis of one of these authorizations must not exceed 10% of the capital stock at the time at which this authorization is exercised; shares that were sold or issued, or are to be issued, on the basis of other authorizations during the term of this authorization, excluding subscription rights, shall count towards this limit.
3. The Board of Management is authorized, with the Supervisory Board's approval, to decide on the additional details of the capital increase and its implementation, in particular on the content of the share rights and the terms and conditions of the share issue, including the issue amount.
4. The Supervisory Board is authorized to amend

the version of the Articles of Incorporation in accordance with the scope of the capital increase using the authorized capital in question.

### Section 7

#### Contingent Capital

1. The company's capital stock has been conditionally increased by up to EUR 11,700,000.04, divided into up to 4,500,000 no-par-value bearer shares (Contingent Capital 2018). The contingent capital increase will only be performed insofar as
  - a) the owners or creditors of convertible bonds or bonds with warrants which are issued by the company between May 24, 2018, and May 23, 2023, on the basis of the authorization granted to the Board of Management by the Ordinary Shareholders' Meeting, exercise their option or conversion rights, or
  - b) the obligors under convertible bonds and/or bonds with warrants, which are issued by the company between May 24, 2018 and May 23, 2023 on the basis of the authorization granted to the Board of Management by the Ordinary Shareholders' Meeting, fulfill their option or conversion obligation; and
  - c) insofar as the contingent capital is required in accordance with the conditions of the convertible bonds or bonds with warrants.
2. The new shares shall be issued at the option or convertible price to be determined in accordance with the above authorization. The new shares shall carry dividend rights starting with the financial year in which they are created as a result of the exercise of option or conversion rights or the satisfaction of option and/or conversion obligations; if legally permissible, the Board of Management may, with the consent of the Supervisory Board, stipulate that, in deviation

from the above and from Section 60 (2) AktG, the new shares be eligible for dividend also for a past financial year. The Supervisory Board is authorized to modify the wording of the company's Articles of Incorporation in accordance with the respective degree of utilization of the Contingent Capital 2018 and after expiration of all option and/or conversion periods.

## III. Board of Management

### Section 8

#### Composition and Representation

1. The Board of Management comprises at least two people. Above and beyond this, the Supervisory Board shall determine the number of members of the Board of Management.
2. As a rule, the members of the Board of Management should not be more than 67 years old.
3. Members of the Board of Management shall be appointed and dismissed by the Supervisory Board. The Supervisory Board may appoint a member of the Board of Management as Chairman of the Board of Management and another member as Deputy Chairman of the Board of Management.
4. The company shall be represented by two members of the Board of Management or by one member of the Board of Management together with an authorized signatory; Section 112 AktG shall remain unaffected.
5. The Supervisory Board is authorized to appoint individual members of the Board of Management as the sole representative of the company and/or to grant them the authority to engage in legal transactions on behalf of the company and as the representative of a third party.

### Section 9 Management

The Board of Management shall conduct the business in accordance with the law, the Articles of Incorporation and rules of procedure for the Board of Management, which are issued by the Supervisory Board. The Board of Management is to manage the company on its own responsibility. All issues of fundamental or material importance shall be decided upon by a majority vote of the participating members of the full Board of Management. If the Board of Management consists of more than two people and a member is appointed as Chairman of the Board of Management, said member shall cast the deciding vote in the event that there is a tied vote in the Board of Management's resolution.

## IV. Supervisory Board

### Section 10 Composition and Term of Office

1. The Supervisory Board comprises twelve members, six of whom are elected by the Annual Shareholders' Meeting and six by the employees in accordance with the provisions set out in the German Co-Determination Act (MitbestG).
2. The Supervisory Board members representing the shareholders are appointed for a period up to the conclusion of the Annual Shareholders' Meeting which formally approves the actions of the Supervisory Board in the fourth financial year since the commencement of a member's term of office. The financial year in which the term of office commences shall not be included in this period. Supervisory Board members may be reappointed. The Annual Shareholders' Meeting can stipulate a shorter term of office for Supervisory Board members representing the shareholders when they are elected. A by-election for Supervisory Board members who have left the Supervisory Board prematurely shall be held for the remaining term of office of the Supervisory Board member who has left, unless otherwise resolved by the Annual Shareholders' Meeting.
3. Only individuals who have not yet reached the age of 70 on the day of the Annual Shareholders' Meeting at which the members of the Supervisory Board are elected are eligible for election; this also applies to the election of substitute members.
4. Supervisory Board members who are appointed by the Annual Shareholders' Meeting without having been nominated may be dismissed before the completion of their term of office. A resolution to this effect must be passed by a majority vote of at least three-quarters of the votes cast.
5. Substitute members can be elected at the same time as the Supervisory Board members to be elected by the Annual Shareholders' Meeting. In the event of the premature departure of a Supervisory Board member, they shall take his/her place for the period until the election of a new Supervisory Board member in an order to be determined at the time of their election, but for no longer than the remaining term of office of the departing Supervisory Board member. If the by-election for a member of the Supervisory Board who left prematurely should result in the departure of a substitute member who took his/her place, the resolution on the by-election requires a majority of three-quarters of the votes cast. If the substitute member who left as a result of the by-election had been appointed for several specific Supervisory Board members representing the shareholders, his/her position as substitute member shall be revived. The election of the substitute members of the Supervisory Board representing the employees shall be in accordance with the provisions set out in the German Co-Determination Act (MitbestG).
6. All members of the Supervisory Board and all substitute members may retire from office with one month's notice by submitting a written declaration to the Board of Management and

by notifying the Chairman of the Supervisory Board. This shall not affect the right of resignation for cause.

### Section 11

#### Chairman and Deputy

1. A Supervisory Board meeting for which no special invitation is issued shall be held subsequent to the Annual Shareholders' Meeting at which the Supervisory Board members representing the shareholders were elected. At said meeting, the Supervisory Board shall appoint a Chairman and a Deputy Chairman from among its members for the term of office specified in Section 10 (2) of these Articles of Incorporation under the direction of the oldest member in terms of age pursuant to Section 27 MitbestG.
2. Should the Chairman or Deputy Chairman retire from office prematurely, the Supervisory Board shall hold a new election for the vacant position for the remainder of the term of office of the retiring member without delay.
3. If the Deputy Chairman steps in because the Chairman is unavailable, the Deputy Chairman shall have the same rights as the Chairman, with the exception of the second vote to which the Chairman is entitled under the German Co-Determination Act.
4. Declarations of intent of the Supervisory Board shall be made by the Chairman on behalf of the Board. The Chairman of the Supervisory Board is authorized to make the declarations of intent and take the measures, on behalf of the Supervisory Board, that are required to implement the resolutions passed by the Supervisory Board. The Chairman is authorized to accept declarations made to the Supervisory Board.

### Section 12

#### Rules of Procedure

The Supervisory Board shall adopt its own rules of procedure within the framework of the statutory provisions and these Articles of Incorporation.

### Section 13

#### Meetings and convocation

1. Meetings of the Supervisory Board shall be convened by the Chairman, and the members shall be notified of the items on the agenda with notice of at least 14 days. The day on which the invitation is sent and the day of the meeting shall not count towards this notice period. This period of notice may be curtailed in urgent cases if the Chairman establishes that the matter is urgent and refers to such urgency in the notice convening the meeting. Likewise in urgent cases, there must be a period of at least three days between a meeting being convened and the date of the meeting. The venue of the meeting shall be determined by the Chairman. Meetings may be convened in writing, by fax, by telephone, or by any other standard means of communication (e.g. email). The Supervisory Board can set out further details in its rules of procedure.
2. The Supervisory Board should endeavor to hold a meeting every quarter and must hold two meetings per half-year. As a rule, meetings should be held with the personal participation of the Supervisory Board members (meetings with personal attendance). In addition, meetings can also be held via telephone, video or web conference or similar means of communication by order of the Chairman, and must be held in such a way that merely individual Supervisory Board members are connected via these means of communication.
3. The members of the Board of Management shall generally attend the meetings of the Supervisory Board unless the Chairman of the Supervisory Board decides otherwise or the Supervisory Board resolves otherwise. The Supervisory Board should meet regularly without the Board of Management.

**Section 14****Passing of Resolutions**

1. The Supervisory Board shall constitute a quorum only if all of its members have been invited to a meeting and at least half of all the members of which it comprises partake in the passing of the resolutions. Participation in a meeting also includes participation using telephone, video or web conference or via similar means of communication. A member also participates in the passing of a resolution if he or she abstains from voting. Absent Supervisory Board members can take part in Supervisory Board votes at meetings by having their votes submitted by other Supervisory Board members to whom they have transmitted these votes in writing, by fax or by electronic means of telecommunication with a qualified signature. The Supervisory Board can set out further details in its rules of procedure.
2. Unless stipulated otherwise by law as a mandatory requirement or by these Articles of Incorporation, resolutions of the Supervisory Board shall be passed on the basis of a simple majority of the votes cast. In the event of a tied vote, the members shall vote again on the same issue. If this vote is likewise tied, the Chairman of the Supervisory Board shall be awarded an additional, deciding vote. Section 108 (3) AktG shall also apply to the additional vote. In all other respects, Section 14 (1) Sentence 4 of the Articles of Incorporation shall apply accordingly. The Deputy Chairman is not entitled to this additional vote.
3. Resolutions may also be passed outside meetings by votes submitted or conducted in writing, by fax, by telephone or by means of electronic media, as well as by a combination of all the aforementioned methods of resolution if prescribed by the Chairman of the Supervisory Board with an appropriate period of notice. Objections may be raised to this form of passing resolutions by the other members of the Supervisory Board only in justified exceptional cases. The Supervisory Board can set out further details

in its rules of procedure.

4. The advice of experts and informants may be sought in relation to individual items of the agenda.
5. Minutes shall be taken of the proceedings and resolutions of the Supervisory Board and shall be signed by the Chairman of the Supervisory Board. The minutes shall specify the date and venue of the meeting, those present at the meeting, the items on the agenda, the essence of the proceedings, and the resolutions of the Supervisory Board.

**Section 15****Committees**

1. The Supervisory Board is authorized to delegate individual tasks for which it is responsible to committees or individual Board members insofar as permitted by law. The rules of procedure of the Supervisory Board set out further details in this regard.
2. In any case, the Supervisory Board shall set up the committee to be formed pursuant to Section 27 (3) MitbestG immediately after the election of the Chairman of the Supervisory Board and the Deputy Chairman. In addition to the Chairman of the Supervisory Board and the Deputy Chairman, this committee also includes one member representing the shareholders and one employee representative.

**Section 16****Remuneration**

1. In addition to the reimbursement of their out-of-pocket expenses incurred in performing their duties in the relevant financial year ended, all Supervisory Board members receive basic compensation of EUR 30,000.00 as well as an attendance fee of EUR 3,000.00 per meeting. The same applies to telephone, video or web conferences or conferences via similar means of communication. The Chairman receives double the two aforementioned sums, and his deputy



receives one-and-a-half times these amounts. The basic remuneration and the attendance fees fall due at the end of the financial year. Members of the Supervisory Board who have not been members of the Supervisory Board or who have not held the position of Chairman or Deputy Chairman for the entire financial year are only entitled to basic remuneration on a pro rata basis.

2. Each member of a Supervisory Board committee shall receive remuneration in the amount of EUR 5,000.00 in addition to the reimbursement of their out-of-pocket expenses incurred in performing their duties in the relevant financial year ended. The chairman of the committee receives double the aforementioned sum. The remuneration falls due at the end of the financial year. Committee members who have not been members of the committee or who have not held the position of Chairman for the entire financial year are only entitled to remuneration on a pro rata basis. The aforementioned provisions do not apply to the committee pursuant to Section 27 (3) MitbestG.
3. The company can take out D&O liability insurance for the Supervisory Board members in an appropriate amount to cover the statutory liability relating to Supervisory Board activities. The insurance premium shall be borne by the company.

#### Section 17

##### Amendments to the Articles of Incorporation

The Supervisory Board is authorized to make amendments to the Articles of Incorporation that relate to its wording only.

## V. Annual Shareholders' Meeting

#### Section 18

##### Convocation and Venue

1. The Ordinary Shareholders' Meeting shall be held within the first eight months of each financial year. Extraordinary shareholders' meetings can be convened as often as appears necessary in the interests of the company.
2. The Annual Shareholders' Meeting shall be convened by the Board of Management or, in cases stipulated by law, by the Supervisory Board. Unless a shorter period is permitted by law, notification of the meeting must be given at least 30 days prior to the date by which the shareholders are required to register their attendance. The day of the convocation shall not be included in this period of notice.
3. The Annual Shareholders' Meeting shall be held at the company's domicile or at a location within a radius of 100 km (62.14 mi) of Bergisch Gladbach.

#### Section 19

##### Participation in the Annual Shareholders' Meeting

1. Shareholders shall be entitled to attend the Annual Shareholders' Meeting and exercise their voting rights only if their registration and their proof of eligibility for participation have been received at the company's address stated in the convocation no less than six days prior to the Annual Shareholders' Meeting. The day upon which a registration is received and the date of the Annual Shareholders' Meeting shall not be included in the calculation of this period. Special evidence of the shareholding issued by the last intermediary in text form (Section 126b of the German Civil Code (BGB)) in German or English pursuant to Section 67c (3) AktG shall suffice as proof of entitlement to attend the Annual Share-

holders' Meeting or to exercise voting rights. Evidence of a shareholder's entitlement must relate to the start of the twenty-first day prior to the Annual Shareholders' Meeting.

2. The Board of Management is authorized to make arrangements for shareholders to participate in the Annual Shareholders' Meeting without themselves or a proxy being present at the venue and for said shareholders to exercise one or all of their rights either wholly or in part by means of electronic communication. Details shall be included in the convocation of the Annual Shareholders' Meeting. The Board of Management is authorized to make arrangements for shareholders to vote in writing or by means of electronic communication (postal vote) also without attending the meeting. The members of the Board of Management and of the Supervisory Board shall personally attend the Annual Shareholders' Meeting.
3. To the extent legally permissible, the Board of Management is authorized, with the consent of the Supervisory Board, to decide that an Annual Shareholders' Meeting may also be held as a virtual Annual Shareholders' Meeting, without the physical presence of the shareholders and their proxies, in compliance with the statutory requirements.
4. Details of how to register attendance shall be included in the convocation.

## Section 20

### Chair of the Annual Shareholders' Meeting, Shareholders' Right to Ask Questions and Speak

1. The Annual Shareholders' Meeting shall be chaired by the Chairman of the Supervisory Board or, if he is prevented from doing so, by another Supervisory Board member to be appointed by him. If the Chairman of the Supervisory Board has not appointed another Supervisory Board member, or if both he and the other Supervisory Board member appointed by him are prevented from attending, the chair of the meeting shall

be elected by the Supervisory Board members representing the shareholders who are present at the meeting. If no election is achieved in this manner, the chair of the meeting shall be elected by the Annual Shareholders' Meeting under the direction of the shareholder or shareholder representative who represents the most votes at the Annual Shareholders' Meeting.

2. The chair of the meeting determines the order in which the items on the agenda are addressed, the order in which the speakers are to appear, and the nature, order and form of the votes.
3. The chair of the meeting can, as appropriate, limit the time allocated to the shareholders' right to speak and ask questions. At the beginning or during the course of the Annual Shareholders' Meeting, the chair can, in particular, specify the duration of the entire meeting proceedings, the discussion of the individual items on the agenda, the total time available for speaking and asking questions, as well as the time available to individual speakers for speaking and asking questions as appropriate. The chair may also order the early closure of the list of speakers and the end of the debate.
4. The Board of Management is authorized to take the decision that the Annual Shareholders' Meeting may be audiovisually broadcast, either wholly or in part.

## Section 21

### Voting Rights and Resolutions

1. Each share entitles the holder to one vote.
2. Voting rights are not allocated until the shareholder has contributed to the capital stock in full.
3. The resolutions of the Annual Shareholders' Meeting shall be passed with a simple majority of the votes cast and, insofar as an equity majority is required, with a simple majority of the capital stock represented when the resolution is passed, unless stipulated otherwise by law or by the Articles of Incorporation.
4. Voting rights may be exercised by proxy. Powers

of attorney must be granted, revoked, and evidenced in writing (Section 126b BGB), unless stipulated otherwise by law. Evidence of a power of attorney may be submitted to the company by means of electronic communication to be determined by the Board of Management. Details shall be included in the convocation of the Annual Shareholders' Meeting.

5. If a shareholder authorizes more than one person to attend the Annual Shareholders' Meeting and exercise his/her voting rights on his/her behalf, the company is entitled to reject one or more of said persons.

## VI. Financial Year, Accounting, Appropriation of Profits

### Section 22

#### Financial Year, Annual Financial Statements and Consolidated Financial Statements

1. The financial year is equal to the calendar year.
2. The Board of Management is required to prepare the annual financial statements, the management report, the consolidated financial statements and the Group management report for the preceding financial year within the first three months of each financial year and submit them without delay to the Supervisory Board and the auditor for examination. It shall also submit the proposal for the appropriation of the balance sheet profit to the Supervisory Board for examination.

### Section 23

#### Statutory Reserves

If the Board of Management and the Supervisory Board approve the annual financial statements, they are authorized to transfer more than half of the annual net profit to other earnings reserves in accor-

dance with Section 266 (3) HGB. Sums of money which must be allocated to statutory reserves and a loss carryforward must first be subtracted from the annual net profit.

### Section 24

#### Appropriation of Retained Earnings

1. Unless determined otherwise by the Annual Shareholders' Meeting, the balance sheet profit shall be distributed to the shareholders in accordance with their participation in the share capital. In the event of an increase in the share capital, the profit participation of the new shares may be determined by way of derogation from Section 60 (2) Sentence 3 AktG.
2. Dividend warrants which have not been redeemed within four years of the end of the calendar year in which payment was due are forfeited to the benefit of the company.

The Board of Management and Supervisory Board propose that the amendments to the Articles of Incorporation outlined in this Agenda Item 9 be ratified so that the Articles of Incorporation – including the amendment to Section 16 of the Articles of Incorporation proposed under Agenda Item 7 and the amendment to Section 6 of the Articles of Incorporation proposed under Agenda Item 8 – are reissued as the revised version printed above.

## II. Further Explanations, Reports and Appendices

### 1. Description of the compensation system for the members of the Board of Management (Agenda Item 6)

# System for compensation of members of the Board of Management

in accordance with  
Section 87a AktG

## Preamble

In December 2020, the Supervisory Board of INDUS Holding Aktiengesellschaft (hereinafter "INDUS") approved the compensation system for members of the Board of Management that is outlined below. The system took effect on January 1, 2021. This compensation system implements the amended legal provisions governing compensation paid to the Board of Management in accordance with ARUG II. The system also takes into account the recommendations of the government commission for the German Corporate Governance Code as amended on December 16, 2019, which was published in the German Federal Gazette on March 20, 2020.

The outline of the main features of the compensation system is followed by a description of the process involved in the development, implementation and review of the compensation system. The individual compensation elements and the defined maximum compensation amounts are then explained. This is followed by an explanation of the option to reduce or claw back variable components of the compensation. Finally, the rules concerning the term and termination of service contracts for members of the Management Board are presented.

## I. Principles for the Compensation System for Members of the Board of Management of INDUS

The INDUS Supervisory Board has defined the following principles for the compensation system for members of the company's Board of Management:

### Strategic focus

The compensation system should promote the implementation of the PARKOUR business strategy. The core objectives of PARKOUR include profitable growth between now and 2025, aimed at achieving Group sales of significantly more than EUR 2 billion with an EBIT margin of at least 10%. The compensation system should therefore be designed to ensure that incentives are defined for members of the Board of Management that are oriented towards this overall company strategy.

### Performance orientation

The compensation system should be performance-oriented. The target total compensation should therefore consist of fixed and variable performance-related components, whereby the variable components should make up a significant proportion of the target total compensation in the event that all objectives are achieved. The ancillary benefits agreed for the respective member of the Board of Management must also be taken into consideration. The individual compensation of a member of the Board of Management should be proportionate to their duties and performance and the company's

position, and should not exceed the standard compensation without good reason.

## Focus on long-term and sustainable company development

The compensation system should promote the sustainable, long-term development of the company. The long-term components of the compensation which arise from the achievement of long-term objectives should therefore exceed the short-term components of the compensation which arise from the achievement of short-term objectives. Furthermore, the compensation system should include a sustainability component that requires the achievement of concrete targets in promoting sustainable actions by the company – such as the implementation of the greenhouse gas reduction target arising from the Federal Climate Change Act (KSG).

## Capital market orientation

The variable performance-related components of the compensation should be predominantly share-based. If share-based long-term compensation is in place, the activities of the members of the Board of Management should be focused on the long-term positive development of the company and the total shareholder return (TSR). The inclusion of the TSR in particular should carry substantial weight in determining the company dividend payments for the incentivization of the Board of Management.

## Clarity and comprehensibility

The compensation system should be designed and explained such that it is clear and comprehensible.

The diagram below is a schematic representation of the fixed salary as well as the short- and long-term components of the compensation system for the members of the INDUS Board of Management.

→ G 001

### COMPONENTS OF THE COMPENSATION SYSTEM

G 001

Compensation components	Share of target compensation		Maximum compensation
<p><b>Long-term (LTI)</b> 4-year performance</p> <p>&gt; Share-based as a Virtual Performance Share Plan</p>	<p><b>External target:</b> 50%</p> <p>Outperformance TSR SDAX</p> <hr/> <p><b>Internal targets:</b> 50%</p> <p>– Compound annual growth rate (25%)</p> <p>– EBIT margin (25%)</p> <hr/> <p><b>EBIT target:</b> ≤80%</p>	<p>23–28%</p>	
<p><b>Short-term (STI)</b> 1-year performance</p>	<p><b>Strategic objectives and sustainability targets:</b> ≥20%</p>	<p>20–25%</p>	
<p><b>Fixed</b> Fixed annual salary plus ancillary benefits</p>		<p>50–55%</p>	↑
<p>Pension or early retirement schemes</p>		<p>0%</p>	

The compensation system complies with the provisions set forth in the German Stock Corporation Act (AktG) as amended in ARUG II of December 12, 2019 (Federal Law Gazette Section I 2019 No. 50, of December 19, 2019). It enables the Supervisory Board to attract qualified members of the Board of Management for the company, to respond with flexibility to any organizational changes, and to take even extraordinary developments adequately into account.

## II. Process for defining, Implementing and Reviewing the Compensation System

In accordance with Section 87a (1) Sentence 1 AktG, the Supervisory Board shall approve the compensation system and the amounts of the various compensation elements including the maximum compensation for the individual members of the Board of Management (Section 87a (1) Sentence 2 (1) AktG). To this end, the staff committee shall prepare the resolutions of the Supervisory Board concerning the compensation system as well as the compensation for each individual member of the Board of Management.

Following a preparatory analysis by the staff committee, the Supervisory Board shall regularly review the appropriateness of the compensation system as a whole and also with respect to the individual components of the compensation as well as the amounts of the individual compensation paid to members of the Board of Management:

- It shall assess whether the concrete total compensation amounts and the components of the compensation paid to members of the Board of Management are appropriate in relation to other companies (horizontal comparison). To this end, the Supervisory Board shall compare the target total remuneration and the components of the compensation paid to the individual members of the Board of Management with a comparative group of other listed companies that it selects (peer group comparison). The selection of the peer group shall be based on the six criteria outlined below. → G 002

- The Supervisory Board shall also assess the appropriateness of the total compensation amounts paid to the members of the Board of Management within the company (vertical comparison). In this respect, it shall consider both the relationship between the target total direct compensation for the individual members of the Board of Management and the average total direct compensation of the upper management – in this case, the compensation paid to the managing directors of the portfolio companies – and the relationship between it and the average total compensation paid to the entire staff in Germany (excluding trainees). The total direct compensation consists of the basic compensation and one- and multi-year variable components of the compensation.

- In assessing the appropriateness of the concrete total compensation, the Supervisory Board shall also consider the development of the relationships outlined above over a period of at least three years.

If necessary, the Supervisory Board shall consult an external compensation consultant to develop and review the compensation system as a whole and

also with respect to individual compensation components and the amount of compensation paid to individual members of the Board of Management. The Supervisory Board shall ensure that any such consultants are independent from the Board of Management and the company, and shall request that they submit a Statement of Independence to confirm this.

The Supervisory Board shall submit the compensation system it has approved to the Annual Shareholders' Meeting for ratification. The compensation system shall be resubmitted to the Annual Shareholders' Meeting for ratification whenever any significant changes are made, but at least every four years.

If the Annual Shareholders' Meeting does not ratify the respective system submitted for approval, the Supervisory Board shall submit a revised compensation system to the next Annual Shareholders' Meeting for ratification. If doing so, it will explain all significant changes and provide an overview of the extent to which the votes and comments of the shareholders have been taken into account with regard to the compensation system and the compensation reports.

The present compensation system will apply retrospectively as of January 1, 2021, to all members of the Board of Management whose term will extend beyond June 30, 2021, and to all new service contracts for members of the Board of Management or service contracts for members of the Board of Management that are to be extended, as well as for all reappointments.

## CRITERIA FOR SELECTION OF PEER GROUP

G 002

Peer group	Description of dimensions considered
1 Company size	Companies of a comparable size with respect to multiple size parameters (sales, employees, stock market value)
2 Industry	Direct competitors or companies from other industries with comparable core characteristics (particularly engineering)
3 Country	Companies from the same country or a comparable region with a similar regulatory and corporate governance environment
4 Legal form	Companies with similar legal forms (AG/PLC, SE)
5 Capital market orientation	Companies with a comparable capital market orientation (stock exchange listing, legal consequences, disclosure requirements, external reference groups, etc.)
6 Complexity/internationality	Comparable business model complexity and international focus

The peer group companies should be comparable to INDUS in as many dimensions as possible

## III. Description of the Compensation System

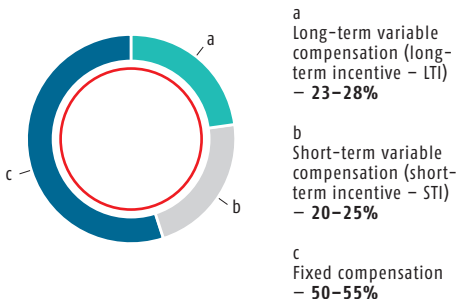
### A. Compensation components (Section 87a (1) Sentence 2 (3) and Section 87a (1) Sentence 2 (4) AktG)

#### 1. OVERVIEW AND RELATIVE PROPORTIONS OF THE INDIVIDUAL COMPONENTS IN RELATION TO THE TARGET TOTAL COMPENSATION

The total compensation paid to the members of the Board of Management is comprised of fixed and variable components. The fixed annual salary and the ancillary benefits are the fixed components. Variable components include the short-term variable components (short-term incentive – STI) and the long-term variable components (long-term incentive – LTI). No pension or early retirement schemes are in place.

THE SHARE OF THE FIXED SALARY  
IS A MAXIMUM OF 55%

G 003



The target values for the variable components of the compensation as part of new service contracts for members of the Board of Management must be selected such that the variable components of the compensation make up at least 45% of the target total remuneration if targets are fully achieved. The target for the LTI must be higher than the target for the STI. The compensation structure is outlined in the diagram below. → G 003

In individual cases for existing Board of Management service contracts, it is permissible to fall a small number of percentage points short of the minimum value for the variable components of the compensation for reasons connected with the compensation history.

#### 2. FIXED COMPONENTS OF THE COMPENSATION

##### a. Fixed annual salary

The fixed annual salary is a set cash compensation amount based on the year as a whole, which is paid out in twelve equal monthly installments.

##### b. Ancillary benefits

Every member of the Board of Management is provided with a company car, personal use of which is also permitted. In addition, all members of the Board of Management receive a subsidy towards their health and nursing care insurance. The members of the Board of Management are covered by the Group accident insurance policy.

#### 3. VARIABLE COMPONENTS OF THE COMPENSATION

##### a. Short-term variable compensation (short-term incentive – STI)

The STI is a performance-based variable component of the compensation with a one-year assessment basis. The STI provides the compensation for the yearly contribution of the members of the Board of Management to achieving the operational



targets defined by the Supervisory Board and in ensuring sustainable company development. The STI is comprised of one portion rewarding the achievement of financial targets and one rewarding the achievement of non-financial targets in relation to sustainability and strategy. The share of non-financial targets in the overall STI target should be at least 20%. → G 004

The financial and non-financial targets shall be defined by the Supervisory Board at the beginning of each respective financial year after preparation by

the staff committee. The targets defined shall not be changed over the course of the year.

**i. Financial targets**

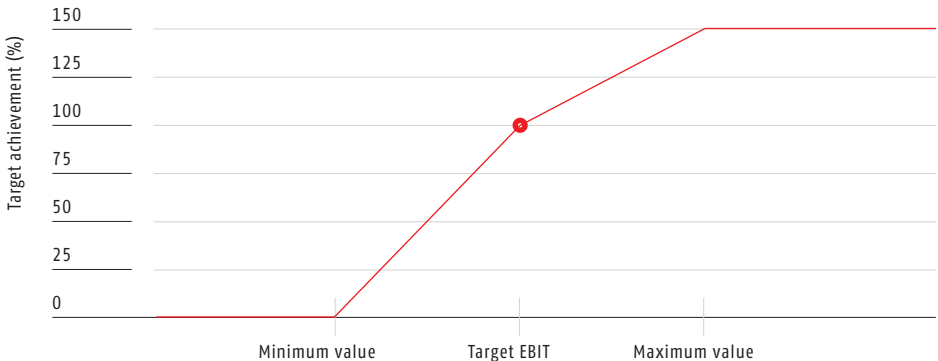
This part of the STI is based on Group earnings before taxes and interest (consolidated EBIT before impairments of goodwill). The target EBIT shall be defined annually by the Supervisory Board for the respective following year after the Board of Management has submitted its corporate planning process documents. Target achievement shall be measured by means of a bonus curve comparing the value actually achieved with the target EBIT. → G 005

**THE VARIABLE ANNUAL COMPENSATION INCLUDES THE ACHIEVEMENT OF NON-FINANCIAL TARGETS G 004**



**STI: THE TARGET EBIT IS DEFINED ANNUALLY BY THE SUPERVISORY BOARD**

G 005



If the actual value falls below a minimum value defined by the Supervisory Board, this variable remuneration shall be omitted. If the actual value exceeds a maximum value defined by the Supervisory Board, payment shall be limited to 150% of the target for this STI component.

#### ii. Non-financial targets

This part of the STI is measured based on the achievement of non-financial targets derived from the PARKOUR company strategy and the company sustainability strategy by the Supervisory Board, following preparation by the staff committee and defined annually for the respective following year. Strategy-based targets shall follow the “Driving innovation” and “Improving performance” strategic goals; possible indicators in this respect include the following:

- Results of projects supported by the INDUS innovation development bank
- Results of improvement projects connected with “Operational Excellence – Production” activities
- Results of improvement projects connected with “Operational Excellence – Business Development, Strategic Marketing, Sales and Pricing” activities

With regard to the sustainability strategy, the focus over the coming years will be on implementation of the greenhouse gas reduction targets in accordance with the Federal Climate Change Act (KSG).

The maximum payment amount permitted for the non-financial targets is also 150% of the target for this STI component. If the non-financial targets are not achieved, this variable remuneration is omitted.

#### iii. Payment terms

Target achievement for the financial and non-financial targets shall be determined by the Supervisory

Board within the first three months of the financial year following the remuneration year, after preparation by the staff committee. The amounts to be paid out will then be calculated. These amounts shall be payable by April 30 of the financial year following the respective remuneration-specific year.

If a member of the Board of Management has not worked for the company for a full financial year, the STI shall be paid proportionately to the time worked and paid out on the payment date specified above.

No STI shall be paid out for the year in which the termination or revocation occurs if the employment of a member of the Board of Management ends as a result of termination by the company for compelling reasons in accordance with Section 626 German Civil Code (BGB) or due to the termination of a contract where their appointment as a member of the Management Board is revoked by the company in accordance with Section 84 (3) Sentence 1 German Stock Corporation Act (AktG) (“bad leaver” case). The same shall apply to the period between the revocation of their appointment and the termination of their contract if the latter falls in the year following the revocation.

#### b. Long-term variable compensation (long-term incentive – LTI)

The long-term variable compensation (long-term incentive – LTI) is intended to encourage members of the Board of Management to strive for the sustainable, long-term development of the company. The LTI is a share-based payment.

It takes the form of a Virtual Performance Share Plan (VPSP). The VPSP is based on a four-year performance period beginning at the start of a respective financial year. At the beginning of a performance period, the members of the Board of Management are allocated virtual shares (performance share

unit – PSU). The number of PSUs allocated at the beginning of the performance period is calculated by dividing the individual LTI target by the share price at the time of allocation. The share price at the time of allocation is the average closing price in the Frankfurt Stock Exchange’s XETRA trading system (or a comparable successor system) for the past 40 days of trading. → G 006

The number of PSUs allocated may be changed across the performance period on the basis of a bonus factor if the external and performance targets defined by the Supervisory Board for the performance period are achieved. If performance falls short of the targets, the bonus factor shall be less than 100% and the number of PSUs allocated shall be reduced accordingly and may even be omitted completely if the shortfall is significant. If the performance targets are exceeded, the bonus factor shall be over 100% and the number of PSUs allocated shall increase accordingly. The final number of PSUs allocated at the end of the performance period

shall be limited to 150% of the number of PSUs allocated at the start of the performance period.

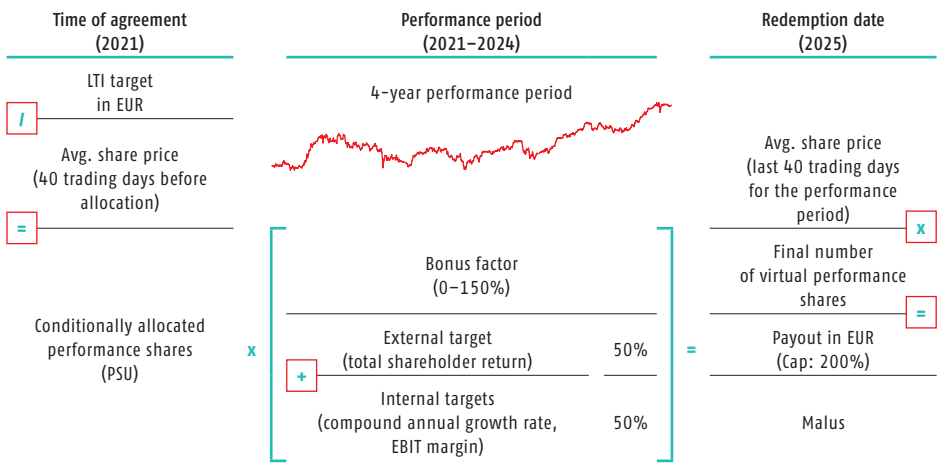
Following preparation by the staff committee, the Supervisory Board shall define the external and internal performance targets for the respective performance period at the beginning of that performance period. These targets shall not be changed over the course of a performance period.

**i. External performance target – TSR outperformance**

The outperformance of the total shareholder return (TSR) for INDUS shares compared to the TSR for the SDAX is used as an external performance target. The share-based payment of the LTI and the form of the external performance target help to align interests between members of the Board of Management and shareholders. In particular, the TSR ensures that the company’s dividend payments carry considerable weight in the incentivization of the Board of Management.

**LTI: INCENTIVIZATION IS SHARE-BASED**

G 006



The TSR is a commonly used parameter on the capital market, which can be checked directly in conventional market information systems (e.g. Bloomberg). An outperformance of 0% corresponds to a target achievement of one hundred percent – in this case, the TSR for the INDUS share has developed exactly in parallel to the SDAX. If outperformance is -25% or lower, target achievement is 0%; if outperformance is at least 50%, target achievement is limited to 150%. → G 007

The bonus factor for the LTI includes 50% of the target achievement for the external performance target.

#### ii. Internal performance target – compound annual growth rate and EBIT margin

The internal performance target is intended to promote the implementation of the PARKOUR business strategy. The core objectives of PARKOUR include profitable growth between now and 2025, aimed at achieving Group sales of significantly more

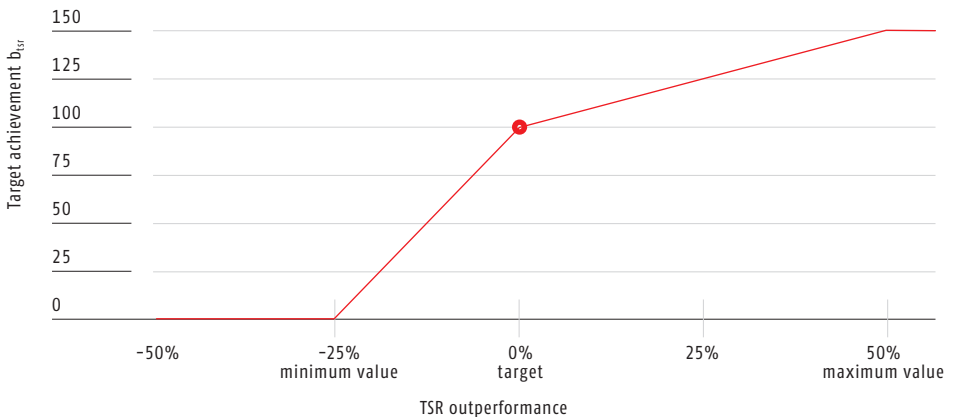
than EUR 2 billion with an EBIT margin of at least 10%. As a result, the average compound annual growth rate and the development of the EBIT margin over the LTI performance period are used as partial targets for the internal performance target:

— In order to calculate the target achievement, **the compound annual growth rate (CAGR)** over the performance period is compared with a target value defined by the Supervisory Board. If the CAGR corresponds to the target, target achievement is 100%. If the CAGR is lower than the minimum value defined by the Supervisory Board, target achievement is 0%. If the CAGR is greater than the maximum value defined by the Supervisory Board, target achievement is limited to 150%. → G 008

— **The average EBIT margin** during the performance period is compared with a target value defined by the Supervisory Board for the performance period. If the average EBIT margin

### LTI: THE SHARE PERFORMANCE CRITERION ALIGNS INTERESTS BETWEEN THE BOARD OF MANAGEMENT AND SHAREHOLDERS

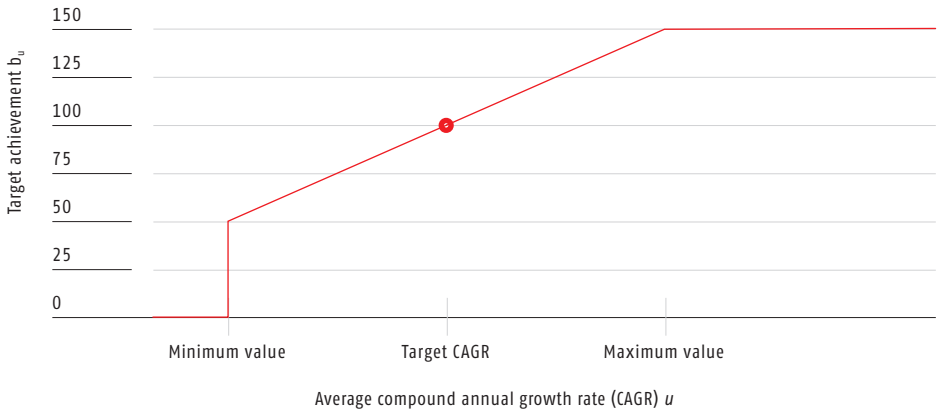
G 007



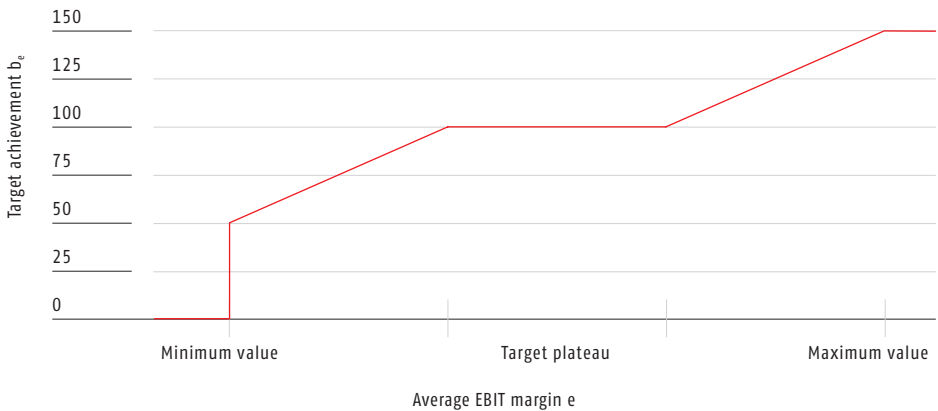
matches the target, target achievement is 100%. If the average EBIT margin is lower than the minimum value defined by the Supervisory Board, target achievement is 0%. If the average

EBIT margin is greater than the maximum value defined by the Supervisory Board, target achievement is limited to 150%. → G 009

**ITI: THE COMPOUND ANNUAL GROWTH CRITERION INCENTIVIZES THE PARKOUR GROWTH TARGET G 008**



**ITI: THE EBIT MARGIN CRITERION INCENTIVIZES THE PARKOUR PROFITABILITY TARGET G 009**



The bonus factor for the LTI includes 25% of target achievement for the two partial internal performance targets.

### iii. Payment terms

At the end of the performance period of an LTI installment that is due to be paid out, the Supervisory Board shall calculate the number of PSUs earned and the applicable average closing price within the first three months of the financial year following the performance period, after preparation by the staff committee. PSUs earned over the performance period shall be paid out in cash. The amount paid out shall be calculated by multiplying the final number of PSUs earned by the average closing price of the INDUS share in the Frankfurt Stock Exchange's XETRA trading system (or a successor system) for the last 40 days of trading for the respective performance period.

The payout shall be limited to no more than 200% of the LTI target.

The LTI shall be payable after the next regular payment round following ratification of the INDUS Holding AG consolidated financial statements for the last financial year of the respective performance period.

### iv. Other regulations: termination of employment, and capital and structuring measures

If the employment of a member of the Board of Management ends as a result of termination by the company for compelling reasons in accordance with Section 626 German Civil Code (BGB) or due to the termination of a contract where their appointment as a member of the Board of Management is revoked by the company in accordance with Section 84 (3) Sentence 1 AktG, all LTI installments from those performance periods that are still ongoing at the time the employment relationship is terminated shall be forfeited ("bad leaver" case).

If the employment of a member of the Board of Management ends and it is not a "bad leaver" case, the PSUs allocated for the performance period that began at the start of the year in which the member resigns shall be reduced retrospectively with regard to the time at which they were allocated pro rata temporis on the basis of the full months worked in that year in relation to a full year. The member of the Board of Management shall receive payments for the reduced number of PSUs in accordance with the provisions set forth in the VPSP. The LTI installments for any other performance periods ongoing upon termination of the employment relationship shall be paid out in accordance with the provisions set forth in the VPSP without change, except in "bad leaver" cases.

If a member of the Board of Management begins working for the company mid-year, the PSUs for the year in which their employment begins shall be allocated pro rata temporis based on the full months they have worked in relation to a full year.

The VPSP includes regulations governing capital and other structuring measures (e.g. capital increase, conversion) that allow the number of PSUs allocated to be adjusted accordingly.

## B. Maximum compensation (Section 87a (1) Sentence 2 (1) AktG)

Regardless of whether it is to be paid during the current financial year or at a later time, the total compensation to be paid to the members of the Board of Management for a financial year (sum of all compensation amounts applicable for the financial year in question including fixed annual salary, ancillary benefits and variable remuneration) shall be limited to an individual maximum amount (“maximum compensation”). The individual maximum amount is calculated by totaling the fixed annual salary, a flat rate of no more than EUR 80,000 for ancillary benefits, 150% of the STI target and 200% of the LTI target for the respective member of the Board of Management.

On the date this compensation system was submitted for ratification in the Annual Shareholders’ Meeting on May 26, 2021, the individual maximum compensation amounts were as follows:

- EUR 1,680,000 for the Chairman of the Board
- EUR 1,160,000 for the ordinary members of the Board of Management.

## C. Options for INDUS Holding AG to claw back variable components of the compen- sation (Section 87a (1) Sentence 2 (6) AktG)

In the event of a serious dereliction of duty by a member of the Board of Management, the Supervisory Board may, at its discretion in accordance with the conditions set out below and depending on the severity of the dereliction of duty, either reduce or completely eliminate the entitlement of the member of the Board of Management to the payment of LTI installments for performance periods that were ongoing at the time the dereliction of duty became known. The condition set forth in Section 93 AktG shall be decisive with respect to the assessment of the dereliction of duty.

The reduction or elimination of an LTI installment shall always be subject to the condition that a dereliction of duty has occurred that is sufficiently serious to warrant intervention in the variable remuneration of the member of the Board of Management. In particular, these include derelictions of executive duty by the member of the Board of Management that would justify dismissal for compelling reasons or the exercising of the special right to terminate the employment contract.

The Supervisory Board may also reduce or eliminate the entitlement to payment of LTI installments if the employment of the member of the Board of Management affected has already ended at the time the clawback decision is taken.

## D. Legal transactions pertaining to compensation (Section 87a (1) Sentence 2 (8) AktG)

### 1. TERMS AND CONDITIONS FOR THE COMPLETION OF LEGAL TRANSACTIONS RELATED TO COMPENSATION, INCLUDING THE RESPECTIVE NOTICE PERIODS (NO. 8a)

The initial appointment of a member of the Board of Management shall always be for a period of three years. Service contracts for members of the Board of Management shall generally end at the end of the term indicated without the need to submit notice. However, if the member of the Board of Management is dismissed in accordance with Section 84 (3) Sentence 1 AktG or if the member of the Board of Management resigns their position prematurely and unilaterally for compelling reasons, the service contract shall automatically end after the expiration of a notice period that must be calculated as outlined in Section 622 (1) and (2) BGB. In such cases, the notice period shall begin upon receipt of the notice of dismissal or notice of resignation by the respective party to whom the notice is addressed (member of the Board of Management or Supervisory Board). If a member of the Board of Management is reappointed, a new service contract shall be concluded with the respective Board of Management member.

The appointment of the individual as a member of the Board of Management and the corresponding service contract shall end upon expiry of the month/year in which the member of the Board of Management reaches the age of 67.

Where the service contract of a member of the Board of Management is terminated, the member of the Board of Management shall be paid the variable components of the compensation payable for

the period up until the termination of the contract in accordance with the targets originally agreed and the contractually arranged payment terms (see III.A.3.a.iii and III.A.3.b.iv).

In the event of illness, the member of the Board of Management shall be paid their full salary for a period of six months, but not beyond the termination of their service contract. The member of the Board of Management must ensure that any amounts received from health insurance funds or insurance policies in the form of sick pay, sickness benefits or pension payments are deducted from these payments unless such benefits are based solely on their own contributions. After these six months have elapsed, the member of the Board of Management shall, for a further six months but not beyond the termination of their service contract, receive a subsidy towards social insurance benefits or private healthcare in an amount that covers the difference between these benefits and the member's fixed net salary.

In the event of the death of the member of the Board of Management during the term of their service agreement, the company shall pay their fixed salary for a total of six months beyond the month of their death, but not beyond the termination of their service contract.

### 2. COMPENSATION FOR DISMISSAL (NO. 8b)

In the event of premature termination of the service contract, the Supervisory Board shall not agree any payments exceeding the value of two annual salaries and the value of the compensation for the remainder of the service contract (severance payment cap).

All fixed and variable components of the compensation must be included when determining the annual salary. The fixed annual salary for the contract year in which the service agreement is terminated shall



apply. The short-term incentive shall be applied – proportionately where appropriate – in the amount for the financial year preceding the termination of the service contract.

No severance shall be agreed if the employment of a member of the Board of Management ends as the result of termination by the company for compelling reasons in accordance with Section 626 German Civil Code (BGB) or due to the termination of a contract where their appointment as a member of the Board of Management is revoked by the company in accordance with Section 84 (3) Sentence 1 AktG (“bad leaver” case).

In the event that the composition of the Supervisory Board changes significantly, causing a substantial change (change of control) with respect to the current long-term company strategy (“buy, hold & develop” principle), the relevant member of the Board of Management shall be entitled to exercise their special right to terminate their service contract throughout the year following the change of control. The same shall apply if a member of the Board of Management is dismissed within a year of the change of control without compelling reasons pursuant to Section 626 BGB. If the member of the Board of Management exercises this right to resign, the company shall pay the member of the Board of Management a severance payment in the amount of the fixed salary for two years, but no more than the fixed salary that the member of the Board of Management would have received from the time their notice of resignation took effect until the planned end of their contract (i.e. without having resigned). The calculation of the severance payment shall be based on the fixed salary for the contract year in which the notice of resignation or dismissal was received.

### 3. PENSION AND EARLY RETIREMENT SCHEMES (NO. 8c)

No pension or early retirement schemes are in place at INDUS.

### 4. ASSUMPTION OF SUPERVISORY BOARD OR OTHER COMPARABLE ROLES

In the event that a member of the Board of Management assumes Supervisory Board roles or other comparable roles within the Group, the resultant compensation shall be offset against the corresponding compensation they are paid as a member of the INDUS Board of Management.

The assumption of Supervisory Board or other comparable roles outside of the Group by a member of the Board of Management must first be approved by the Supervisory Board. In such cases, the Supervisory Board shall decide whether and to what extent the resultant compensation shall be offset against the individual’s compensation as a member of the INDUS Board of Management.

## E. Limitation of variable components of the compensation (Section 87 (1) Sentence 3 AktG) and reduction of compensation (Section 87 (2) AktG)

In the event of extraordinary developments during the ongoing financial year, the Supervisory Board may, at its reasonable discretion, limit target achievement for the STI components at the expense of the members of the Board of Management. In such cases, the Supervisory Board shall also be entitled to limit the allocation of the PSUs and/or the LTI amount paid out at its reasonable discretion.

In the event that the position of the company worsens after the definition of the compensation amounts to the extent that the continued payment of this compensation would be unreasonable for the company, the Supervisory Board can reduce the compensation to an appropriate level.

## IV. Disclosure

INDUS publishes details of the compensation paid to the Board of Management annually in the legally required compensation report.

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## 2. Written report by the Board of Management for the Annual Shareholders' Meeting on the partial use of the Authorized Capital 2019 in March 2021 to the exclusion of subscription rights

The Board of Management drafted the following written report on the partial use of the Authorized Capital 2019 in March 2021 to the exclusion of subscription rights, which can be accessed online at

<https://indus.de/en/investor-relations/shareholders-meeting>.

Based on the resolutions of the Board of Management and the Supervisory Board of March 25, 2021, the Authorized Capital 2019 (Section 6 of the Articles of Incorporation) was partially used in March 2021 in the amount of EUR 6,357,130.02. The shareholders' subscription rights were excluded as part of the capital stock increase, which took effect when its implementation was recorded in the Commercial Register of the District Court of Cologne on March 26, 2021. As part of this capital increase, the capital stock of the company, amounting to EUR 63,571,323.62, was increased through cash contributions by EUR 6,357,130.02 to EUR 69,928,453.64 by the issuing of 2,445,050 new no-par-value bearer shares, each with a proportionate amount of around EUR 2.60 in the capital stock and with a dividend entitlement from January 1, 2020 (the "New Shares"). The share of the capital stock represented by the New Shares is almost 10% of the existing capital stock of the company on the date the authorization is entered into the Commercial Register, i.e. June 11, 2019, and that on the date at which this authorization was exercised, i.e. March 25, 2021; the extent of the capital increase is

therefore lower than the limit of 10%, in accordance with Section 6 of the Articles of Incorporation and Section 186 (3) Sentence 4 AktG.

The New Shares were subscribed by COMMERZ-BANK Aktiengesellschaft, Frankfurt, subject to the obligation to place the New Shares with selected investors and stockholders without prospectus as part of an accelerated bookbuilding process at a placement price that is not significantly lower than the stock exchange price (Sections 203 (1) Sentence 1, 186 (3) Sentence 4 AktG). In this context, various institutional investors were invited to submit corresponding purchase offers. The goal was to place the shares at as small a markdown as possible from the stock exchange price in order to generate the maximum issue proceeds possible in the interest of the company and the shareholders. This goal was achieved. The New Shares were placed at a price of EUR 34.90 per no-par-value share.

The New Shares were placed without prospectus on March 30, 2021, for trade on the regulated market and also within the sub-segment of the regulated market with additional post-admission obligations (Prime Standard) of the Frankfurt Stock Exchange as well as on the regulated market on the Düsseldorf Stock Exchange and included in the respective existing listing on March 31, 2021. The first trading day for the New Shares was March 31, 2021. The gross issuing proceeds of the capital increase amount to around EUR 85.3 million. The net proceeds from the capital increase will allow the company further scope for future acquisitions in defined growth industries while maintaining stable balance sheet ratios and strengthening the equity and liquidity bases.

When setting the price, the provisions set forth in Sections 203 (1) Sentence 1 and 186 (3) Sentence 4 AktG were taken into account, compliance with which is prescribed by the Authorized Capital 2019

for the (simplified) exclusion of subscription rights in the event of a capital increase through cash contributions comprising up to 10% of the capital stock. Accordingly, the price for the new shares must not fall significantly below the stock exchange price for shares in the company. The set placement price of EUR 34.90 per New Share represents a markdown of around 4.8% on the volume-weighted average price of EUR 36.66 indicated in the XETRA trading system for the last five trading days before the date the price was set. The markdown on the last share closing price of EUR 36.70 in the XETRA trading system is around 4.9%. Accordingly, the markdown is within the range generally considered permissible for falling short of the stock exchange price in an insignificant manner.

With the exclusion of subscription rights of the shareholders, the company exercised an option legally provided for in Sections 203 (1) Sentence 1 and 186 (3) Sentence 4 AktG for the exclusion of subscription rights in the event of cash capital increases by companies whose shares are traded on a stock exchange. An exclusion of subscription rights of this kind was necessary in this case in order to rapidly, flexibly and in a cost-effective manner exploit the market situation at the time of the partial use of the Authorized Capital 2019, which was considered favorable for a capital measure of this kind by the Board of Management and the Supervisory Board, and to be able to generate the maximum possible issue proceeds through setting a price that was close to the market value. The subscription period of at least two weeks required when granting subscription rights (Section 186 (1) Sentence 2 AktG) would not have allowed for a rapid response to current market conditions.

In addition, the final subscription price must be announced at least three days before the subscription period has elapsed when granting subscription rights (Section 186 (2) Sentence 2 AktG). Due to

the long period between the setting of the price and the completion of the capital increase as well as the volatility of the stock markets, there is a higher risk of market changes and changes in the share price than in the case of an allocation of shares without subscription rights. A successful placement as part of a capital increase with subscription rights would therefore have necessitated a corresponding safety margin reduction on the current stock exchange price when setting the price, giving rise to conditions that were not in line with the market. For the aforementioned reasons, the exclusion of subscription rights was in the interests of the company.

Setting a price that was close to the current stock exchange price and limiting the scope of the New Shares issued under the exclusion of subscription rights to almost 10% of the capital stock to date also ensured that the interests of the shareholders were appropriately safeguarded. This is because with regard to the liquid stock exchange, the shareholders essentially had the option to maintain their relative shares in the company through acquisitions via the stock exchange under comparable conditions. Issuing the New Shares at a price that was close to the current stock exchange price also ensured that the capital increase was not associated with any appreciable dilution of the shareholders' stock ownership.

Based on the above considerations, the exclusion of subscription rights that was performed in compliance with the provisions of the Authorized Capital 2019 during its partial utilization was overall reasonable and justified. The New Shares were issued with profit participation rights from January 1, 2020. Accordingly, when issued, the New Shares were already authorized with the same profit participation rights as the existing shares. This meant that it was not necessary to allocate the New Shares a separate securities identifier for the period up until this year's Annual Shareholders' Meeting. This

made it possible to avoid the low trading liquidity of the New Shares that would be expected in the event of a stock exchange trade with a separate securities identifier, which otherwise would have impeded the marketing of the New Shares and could also have led to price reductions and therefore also lower gross issuing proceeds.

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### 3. Written report by the Board of Management in accordance with Sections 203 (2) Sentence 2 and 186 (4) Sentence 2 AktG concerning the reasons for the authorization of the Board of Management to exclude the shareholders' subscription rights with respect to the use of the Authorized Capital 2021 (Agenda Item 8)

With respect to Agenda Item 8 of the Annual Shareholders' Meeting, the Board of Management and the Supervisory Board propose establishing a new Authorized Capital 2021, which would then fully replace the existing Authorized Capital 2019. In accordance with Sections 203 (2) Sentence 2 and 186 (4) Sentence 2 AktG, the Board of Management has prepared this report concerning the reasons for the exclusion of subscription rights. The report forms part of the invitation to the Annual Shareholders' Meeting. The report can be viewed online at

[www.indus.de/en/investor-relations/shareholders-meeting](http://www.indus.de/en/investor-relations/shareholders-meeting)

from the day on which the meeting is convened.

The report will be published as follows:

The Authorized Capital 2021 is intended to allow the company to act in a flexible manner and to enable the Board of Management to respond better to financing requirements for the implementation of strategic decisions arising in the short term with the approval of the Supervisory Board, and to retain options to respond to market conditions in a manner that protects the share price.

With regard to the use of the Authorized Capital 2021, the shareholders will, in principle, have subscription rights in the case of cash capital increases. However, the proposed authorization provides for the Board of Management to be able to exclude subscription rights for fractional amounts with the approval of the Supervisory Board. A practical, market-compliant exclusion of subscription rights of this kind for fractional amounts serves to facilitate the exercising of this authorization by means of round figures and thereby ensures simplified transactions. The potential dilution effect for shareholders is minimal as the exclusion of subscription rights is limited to fractional amounts.

In addition, the Board of Management will be able to exclude the shareholders' subscription rights with the approval of the Supervisory Board in the case of cash capital increases if the new shares are issued at a price that does not fall significantly below the stock exchange price for those shares in the company that are already admitted. In setting the issue price, the company will – taking into account the current market conditions – endeavor to keep any markdowns on the stock exchange price to a minimum. This option for the exclusion of subscription rights should enable the company to exploit short-term favorable stock exchange situations and market opportunities, thereby achieving the maximum possible issue price and ensuring the greatest possible strengthening of its equity by

setting a price that is in line with the market. Due to the ability to act more quickly, a capital increase of this kind yields a greater cash flow than a comparable capital increase that includes shareholders' subscription rights. Accordingly, it is in the well-understood interests of both the company and the shareholders. Although it does result in a reduction of the relative participation rate and the relative voting rights of the existing shareholders, shareholders who wish to retain their relative participation rates and relative voting rights can acquire the necessary number of shares via the stock market in order to do so.

This option for the exclusion of subscription rights is limited to a maximum share of 10% in the capital stock. Shares that were sold or issued, or are to be issued, on the basis of other authorizations during the term of this authorization, in direct application or in *mutatis mutandis* application of Section 186 (3) Sentence 4 AktG excluding subscription rights, shall count towards this limit.

Under the Authorized Capital 2021, the Board of Management is to be authorized, with the approval of the Supervisory Board, to exclude the shareholders' subscription rights in the case of a capital increase through non-cash contributions for the granting of shares in order to acquire companies, company divisions, shares in companies or other assets including receivables against the company. This authorization for the exclusion of subscription rights is intended to allow for a corresponding acquisition, including against the granting of shares in the company. The company competes on a global level. It must always be in a position to act quickly and with flexibility on the national and international markets in the interests of its shareholders. In particular, this includes the option to acquire companies, company divisions, shares in companies or other assets, including receivables against the company, in order to improve its competitive position.

Practice shows that owners of attractive acquisition objects often demand the issuing of shares in the acquiring company that carry voting rights as a consideration. In order to be able to acquire companies such as these, the company must have the option to grant treasury shares as a consideration. Although the exclusion of subscription rights does result in a reduction of the relative participation rate and the relative voting rights of the existing shareholders, if unlimited subscription rights were granted, the acquisition of companies, company divisions, shares in companies or other assets, including receivables against the company, would not be possible and the advantages pursued for the company and its shareholders would not be attainable. In individual cases, the Board of Management will review whether such an acquisition in return for shares is in the well-understood interests of the company. The Supervisory Board will only grant its necessary approval if this is the case.

### III. Further Information on Convocation

#### 1. Total number of shares and voting rights on the date on which the Annual Shareholders' Meeting is convened

The capital stock of INDUS Holding AG in the amount of EUR 69,928,453.64 is divided into 26,895,559 registered no-par-value shares at the time of this convocation notice. Every share issued provides one vote. At the time of convocation of the meeting, the company does not hold any treasury shares. The total number of shares and voting rights on the date on which the Annual Shareholders' Meeting is convened is 26,895,559.

There are no different share classes.

#### 2. Conducting the Annual Shareholders' Meeting as a virtual Annual Shareholders' Meeting without the option for shareholders or their proxies to attend in person; online service

With the consent of the company's Supervisory Board and on the basis of the resolution of the Board of Management, the company's Annual Shareholders' Meeting will be held as a virtual Annual Shareholders' Meeting without the option for shareholders or their proxies (with the exception of voting proxies appointed by the company) to attend in person in accordance with Section 1 (1) and (2) COVID-19-G.

**With respect to the organization of the Annual Shareholders' Meeting as a virtual meeting, we kindly request that shareholders pay particular attention once again this year to the instructions below concerning registration for the Annual Shareholders' Meeting, and exercising**

**voting rights as well as other shareholders' rights.**

The location of the meeting for the purposes of the German Stock Corporation Act (AktG) is the Rhein-saal room on the second floor of Congress-Centrum Nord Koelnmesse, Deutz-Mülheimer Strasse 111, 50679 Cologne, Germany. The chair of the meeting, members of the Board of Management and members of the Supervisory Board, the notary responsible for taking the minutes and the proxies appointed by the company will be physically present here during the Annual Shareholders' Meeting.

The organization of the Annual Shareholders' Meeting as a virtual Annual Shareholders' Meeting will give rise to some changes in the processes of the Annual Shareholders' Meeting and in terms of the shareholders' rights. In particular, shareholders and their proxies may **not** attend the virtual Annual Shareholders' Meeting at the meeting venue.

Video and audio of the entire Annual Shareholders' Meeting will be broadcast on **May 26, 2021, from 10:30 a.m. (CEST)** via the company's password-protected online service at

[www.indus.de/investor-relations/shareholders-meeting](http://www.indus.de/investor-relations/shareholders-meeting).

Only those shareholders, or their proxies, who have duly registered as described below (see 3. "Conditions for exercising shareholder rights in relation to the virtual Annual Shareholders' Meeting") will be able to follow the video and audio broadcast of the entire Annual Shareholders' Meeting via the company's online service.

Shareholders or their proxies shall exercise their voting rights exclusively by means of postal voting or through authorizing and instructing the voting proxies appointed by the company. Shareholders

may also submit questions via the company's online service, and those shareholders who have exercised their voting rights may also use the online service to object to resolutions of the Annual Shareholders' Meeting for the record.

It is not possible to exercise shareholder rights in any other way at the virtual Annual Shareholders' Meeting. In particular, physical attendance by shareholders and their proxies is not permitted, with the exception of the proxies appointed by the company who are bound by the instructions issued to them. The video and audio broadcasting of the Annual Shareholders' Meeting and the granting of voting rights, as well as the right to ask questions and raise objections, also do not entitle shareholders and proxies to participate in the Annual Shareholders' Meeting as defined in stock corporation law via electronic communication within the meaning of Section 118 (1) Sentence 2 AktG (no electronic participation).

Duly registered shareholders and their proxies can access the online service at

[www.indus.de/en/investor-relations/shareholders-meeting](http://www.indus.de/en/investor-relations/shareholders-meeting)

from **May 5, 2021, 12 midnight (CEST)**. In order to use the company's online service, shareholders and their proxies have to log in using their access card number and the access code they received with their access card; these are provided to shareholders after correct and timely registration as outlined below. The various options for exercising shareholder rights in relation to the virtual Annual Shareholders' Meeting will then appear in the user interface within the company's online service. Shareholders can find further details on the use of the company's online service and the terms and conditions of registration and use in the information sheet available on the site.

### 3. Conditions for exercising shareholder rights in relation to the virtual Annual Shareholders' Meeting

Only those shareholders who in a timely manner prior to the Annual Shareholders' Meeting have registered with the company in written or electronic form ("text form") in German or English and furnished proof of their authorization to exercise shareholder rights are entitled to exercise voting rights and other available shareholder rights in relation to the virtual Annual Shareholders' Meeting.

Special proof of such rights drawn up in text form (Section 126b of the German Civil Code (BGB)) in German or English by the last intermediary in accordance with Section 67c (3) AktG is considered a sufficient form of proof. The **proof of shareholding** must relate to the beginning of the twenty-first day before the Annual Shareholders' Meeting, i.e. **Wednesday, May 5, 2021, 12 midnight (CEST)** ("record date"). The proof of shareholdings and the registration must be received by the company no later than **Wednesday, May 19, 2021, 12 midnight (CEST)** using one of the following contact options:

**INDUS Holding AG**  
c/o C-HV AG  
Gewerbepark 10  
92289 Ursensollen, Germany  
or  
**Fax: +49 (0)9628 9299 871**  
or  
**Email: [anmeldestelle@c-hv.com](mailto:anmeldestelle@c-hv.com)**

Following due receipt of the registration and the special proof of shareholdings by the company, the shareholders will be sent – instead of the usual entry tickets – access cards including personal access details (access card number and access code) for the company's online service so that they can exercise their shareholder rights in relation to the virtual Annual Shareholders' Meeting. We recommend



that our shareholders contact the institution maintaining their securities accounts in a timely manner in order to ensure that they can provide proper proof from the last intermediary to the company in good time in accordance with Section 67c (3) AktG.

#### 4. Importance of the record date

With respect to the company, only those individuals who were shareholders of the company on the record date and who furnished corresponding proof of this status in a timely manner will be considered shareholders for the purposes of exercising shareholder rights in relation to the virtual Annual Shareholders' Meeting. Changes in shareholdings after the record date are irrelevant in this respect. This means that shareholders who did not purchase their shares until after the record date can only exercise their shareholder rights in relation to the virtual Annual Shareholders' Meeting if they are authorized to do so by the seller. Shareholders who have duly registered and furnished proof are entitled to exercise their shareholder rights in relation to the virtual Annual Shareholders' Meeting even if they sell their shares after the record date. The record date shall not be connected with any blocking of the saleability of the shares. The record date also has no relevance for any dividend entitlements that may exist.

#### 5. Procedure for casting a postal vote

Shareholders may exercise their voting rights in text form (Section 126b BGB) or by means of electronic communication ("postal vote"), even without tuning into the video and audio stream of the virtual Annual Shareholders' Meeting. They must have duly registered and provided proper proof of their shareholding in order to be able to do so (see 3. "Conditions for exercising shareholder rights in relation to the virtual Annual Shareholders' Meeting"). Postal votes may be cast via mail, fax or email. A postal voting form is available to shareholders to this end; this is printed on the access card for the company's online service, which will

be sent to shareholders after they have registered in a timely manner and observing the applicable formal requirements referred to above. Corresponding forms are also available online at

[www.indus.de/en/investor-relations/shareholders-meeting](http://www.indus.de/en/investor-relations/shareholders-meeting).

For organizational reasons, the postal votes cast via mail, fax or email using the postal voting form must be received by the company no later than **May 25, 2021, 12 midnight (CEST)** using one of the following contact options:

**INDUS Holding AG**  
**c/o C-HV AG**  
**Gewerbepark 10**  
**92289 Ursensollen, Germany**  
or  
**Fax: +49 (0)9628 9299 871**  
or  
**Email: [anmeldestelle@c-hv.com](mailto:anmeldestelle@c-hv.com)**

Postal votes may also be cast via the company's online service at

[www.indus.de/en/investor-relations/shareholders-meeting](http://www.indus.de/en/investor-relations/shareholders-meeting).

Shareholders may cast their votes via the company's online service from **May 5, 2021, 12 midnight (CEST)** until voting has ended in the virtual Annual Shareholders' Meeting on **May 26, 2021**. Votes cast via mail, fax or email or using the company's online services can be changed or revoked until voting at the virtual Annual Shareholders' Meeting on May 26, 2021, ends. Shareholders can find details on voting via the company's online service in the information sheet and terms and conditions of use available on the site.

If the voting right is exercised for one and the same share using both the company's online service and via mail, fax or email, or via a proxy to whom instructions have been issued, only the vote cast using the company's online service will be treated as binding, irrespective of the order in which the company receives these votes.

If the postal vote does not contain an explicit or unambiguous vote on a particular agenda item, this will be considered an abstention for this agenda item. If an agenda item is to involve votes on individual matters without this having been announced prior to the Annual Shareholders' Meeting, then a vote on this agenda item as a whole will also be deemed to be a corresponding vote for each aspect to be voted on individually.

Postal voting is only permitted for those motions and vote proposals for which proposals have been made by the Board of Management and/or the Supervisory Board pursuant to Section 124 (3) AktG or by shareholders in accordance with Sections 122 (2), 126 and 127 AktG, which have been announced with this notice of the meeting or at a later stage.

Further information on postal votes is detailed on the access card for the company's online service, which will be sent to shareholders who have duly registered and is also available online at

[www.indus.de/en/investor-relations/shareholders-meeting](http://www.indus.de/en/investor-relations/shareholders-meeting).

## 6. Procedure for voting through proxies

Shareholders can also opt to have their shareholder rights in relation to the virtual Annual Shareholders' Meeting exercised through a proxy, e.g., an intermediary, an association of shareholders, a consultant on voting rights, another person deemed to be of equivalent status to them according to Section 135 (8) AktG, or another person of their choosing. If the shareholder grants a proxy to more than one person, the company is entitled to turn away one or more of those persons.

Proxies shall also not be entitled to attend the Annual Shareholders' Meeting in person. They may only exercise the voting rights on behalf of the shareholder they are representing within the scope of their respective authorization by means of postal voting or through (sub-)authorization of the proxies appointed by the company who are bound by the instructions issued to them.

If the proxy is not granted to an intermediary, a shareholder association, a consultant on voting rights or a person deemed to be of equivalent status to them according to Section 135 (8) AktG, then the granting of the proxy, its revocation, and the proof of proxy to be presented to the company must be in text form (Section 126b BGB) or via the entry form on the company's online service, which is available at

[www.indus.de/en/investor-relations/shareholders-meeting](http://www.indus.de/en/investor-relations/shareholders-meeting).

The statutory provisions, and particularly Section 135 AktG, shall apply with regard to the granting of proxies to intermediaries, shareholder associations, consultants on voting rights and persons deemed to be of equivalent status to them according to Section 135 (8) AktG. If a proxy is to be granted to an intermediary, a shareholder association, a consultant on voting rights or a person deemed to be of

equivalent status to them according to Section 135 (8) AktG, the person to be authorized may demand a specific form of authorization, as these proxy holders must record their proxies in verifiable form in accordance with Section 135 (1) sentences 2 and 3 AktG, the statement of proxy must be complete and must only contain the statement connected with exercising the voting rights. Should a shareholder wish to grant a proxy to an intermediary, a shareholder association, a consultant on voting rights or another person deemed to be of equivalent status to them according to Section 135 (8) AktG, it is strongly advised that the shareholder confer with such persons on the form of the proxy.

A form that can be used for granting a proxy is printed on the access card for the company's online service and will be sent to shareholders once they have registered in a timely manner and observing the applicable formal requirements referred to above. The form for granting a proxy is also available for download online at

[www.indus.de/en/investor-relations/shareholders-meeting](http://www.indus.de/en/investor-relations/shareholders-meeting).

The granting of a proxy can be declared to the proxy or to the company, or corresponding proof can be submitted to the company. For organizational reasons, the **granting of a proxy, its revocation, and the proof of proxy/its revocation to be presented to the company**, if being submitted in text form (Section 126b BGB), must be received by the company no later than **May 25, 2021, 12 midnight (CEST)** using one of the following contact options:

**INDUS Holding AG**  
c/o C-HV AG  
**Gewerbepark 10**  
**92289 Ursensollen, Germany**  
or  
**Fax: +49 (0)9628 9299 871**  
or  
**Email: [anmeldestelle@c-hv.com](mailto:anmeldestelle@c-hv.com)**

A proxy can also be granted and revoked using the entry form via the company's online service, which is available at

[www.indus.de/en/investor-relations/shareholders-meeting](http://www.indus.de/en/investor-relations/shareholders-meeting)

until voting at the virtual Annual Shareholders' Meeting on May 26, 2021, ends. Until voting at the virtual Annual Shareholders' Meeting on May 26, 2021, ends, it is also possible to revoke or amend a proxy previously granted in text form (Section 126b BGB) or via the online service. If proxy is granted – in a timely manner in each case – both in text form (Section 126b BGB) and via the company's online service, only the proxy granted using the online service will be treated as binding, irrespective of the order in which the company receives these grants of proxy. Shareholders can find details on the granting of proxies and the revocation of proxies that have previously been granted using the entry form on the online service in the information sheet and terms and conditions of use available on the site.

The exercise of shareholder rights in relation to the virtual Annual Shareholders' Meeting using the company's online service via a proxy requires the proxy to receive an access card number and a new access code from the shareholder. The use of the access details by the proxy is also deemed to be proof of proxy, and no further proof of proxy has to be presented to the company in text form.

Even in the event that a proxy is granted, registration and proof of shareholdings must be submitted in a timely manner and observing the applicable formal requirements in accordance with the provisions set out above (see 3. “Conditions for exercising shareholder rights in relation to the virtual Annual Shareholders’ Meeting”).

### 7. Process for voting by proxies appointed by the company

Including in the context of the virtual Annual Shareholders’ Meeting, we offer our shareholders the option of being represented by proxies appointed by the company, who exercise the voting right based exclusively on the instructions issued by the shareholder concerned. In addition to the proxy, these proxies of the company must also be issued with instructions on how to exercise the voting right. They do not exercise the voting right at their own discretion, but rather based exclusively on the instructions issued by the shareholder. If the instructions issued are not explicit, or if they are contradictory or unclear, the proxies appointed by the company will abstain from voting on the agenda items concerned; this also always applies to unexpected motions. If an agenda item is to involve votes on individual matters without this having been announced prior to the Annual Shareholders’ Meeting, then an instruction issued for this agenda item as a whole will also be deemed to be a corresponding instruction for each aspect to be voted on individually, provided that it is not amended or revoked. Please note that the proxies appointed by the company do not accept any instructions to request to speak, ask questions, submit motions, lodge objections against resolutions of the Annual Shareholders’ Meeting or make any other statements for the record, either before the Annual Shareholders’ Meeting or during the Annual Shareholders’ Meeting, and that – with the exception of exercising voting rights – they do not exercise any other shareholder rights.

The granting of a proxy to proxies appointed by the company, as well as all instructions, must be issued in text form (Section 126b BGB) or using the entry form via the company’s online service, which is available at

[www.indus.de/en/investor-relations/shareholders-meeting](http://www.indus.de/en/investor-relations/shareholders-meeting).

The same applies to any amendments to, or the revocation of, the proxy or instructions. The form for granting a proxy and issuing instructions to the company’s proxies, together with the corresponding explanatory information, is printed on the access card for the company’s online service, which will be sent to shareholders after they have registered in a timely manner and observing the applicable formal requirements referred to above. These documents are also available online for download from

[www.indus.de/en/investor-relations/shareholders-meeting](http://www.indus.de/en/investor-relations/shareholders-meeting).

For organizational reasons, the granting of a proxy to the proxies appointed by the company, the issue of instructions, and their revocation must be received by the company no later than **May 25, 2021, 12 midnight (CEST)**, where submitted in text form (Section 126b BGB), using one of the following contact options:

**INDUS Holding AG**  
c/o C-HV AG  
**Gewerbepark 10**  
**92289 Ursensollen**  
or  
**Fax: +49 (0)9628 9299 871**  
or  
**Email: [anmeldestelle@c-hv.com](mailto:anmeldestelle@c-hv.com)**

A proxy can also be granted and revoked using the entry form via the company's online service, which is available at

[www.indus.de/en/investor-relations/shareholders-meeting](http://www.indus.de/en/investor-relations/shareholders-meeting)

**until voting** at the virtual Annual Shareholders' Meeting on May 26, 2021, ends. The company's online service provides an "Issue proxy and instructions to proxies" button for this purpose. Until voting at the virtual Annual Shareholders' Meeting on May 26, 2021, ends, it is also possible to revoke or amend a proxy previously granted in text form (Section 126b BGB) or via the online service. If a proxy, including instructions issued to the company's proxies, is granted – in a timely manner in each case – both in text form (Section 126b BGB) and via the company's online service, only the proxy granted and instructions issued using the company's online service will be treated as binding, irrespective of the order in which the company receives these grants of proxy/notices on instructions issued. Shareholders can find details on the granting of proxies, including instructions issued to the company's proxies, and the revocation of proxies that have previously been granted using the entry form on the company's online service in the information sheet and terms and conditions of use available on the site.

When proxies appointed by the company, who are bound by the instructions issued to them, are so authorized, they must be instructed in all instances as to how the voting rights delegated to them are to be exercised. Without such instructions, the authorization is invalid. Even in the event that a proxy is granted to a proxy appointed by the company, registration and proof of shareholdings must be submitted in a timely manner and observing the applicable formal requirements in accordance with the provisions set out above (see 3. "Conditions for

exercising shareholder rights in relation to the virtual Annual Shareholders' Meeting").

Voting and the granting of proxies is only permitted for those motions and vote proposals for which proposals have been made by the Board of Management and/or the Supervisory Board pursuant to Section 124 (3) AktG, or by shareholders in accordance with Sections 122 (2), 126 and 127 AktG, and announced with this notice of the meeting or at a later stage.

#### **8. Right of duly registered shareholders to ask questions via electronic communication in accordance with Section 1 (2) Sentence 1 no. 3, Sentence 2 COVID-19-G**

Duly registered shareholders have the right to ask questions via electronic communication (Section 1 (2) Sentence 1 no. 3, Sentence 2 COVID-19-G). In accordance with Section 1 (2) Sentence 2 COVID-19-G and with the approval of the Supervisory Board, the Board of Management has stipulated that shareholders do not have the right to ask questions at the virtual Annual Shareholders' Meeting itself. Instead, questions must be submitted by shareholders or their proxies no later than **May 24, 2021, 12 midnight (CEST)** exclusively via the online input form at

[www.indus.de/en/investor-relations/shareholders-meeting](http://www.indus.de/en/investor-relations/shareholders-meeting).

Questions submitted in any other way or after this deadline will not be considered.

Authorized intermediaries, shareholder associations, consultants on voting rights and persons deemed to be of equivalent status to them according to Section 135 (8) AktG may also submit questions by electronic means provided that they respect the deadline specified above. The company will provide them with a corresponding option for submitting questions on request.

In accordance with Section 1 (2) Sentence 2 COVID-19-G, the Board of Management will decide at its own due discretion how it will respond to questions. When responding to questions during the Annual Shareholders' Meeting or if questions and answers are published in advance on the company website, the company will only disclose the names of the persons submitting the questions if these persons expressly request it when submitting their questions.

Beyond this right to ask questions, shareholders do not have any right to information pursuant to Section 131 AktG, nor are they entitled to speak or ask questions at or during the virtual Annual Shareholders' Meeting.

**9. Shareholders' rights under Section 122 (2),  
Section 126 (1), Section 127 AktG, Section 1 (2)  
Sentence 3 COVID-19-G**

Shareholders have the following rights, among others, in relation to the virtual Annual Shareholders' Meeting in accordance with Section 122 (2), Section 126 (1) and Section 127 AktG. Further details can be found on the company's website at

[www.indus.de/en/investor-relations/shareholders-meeting](http://www.indus.de/en/investor-relations/shareholders-meeting).

**a. Request for additions to the agenda**

Shareholders whose shares, when combined, correspond to one-twentieth of the capital stock or a proportionate amount of EUR 500,000.00 are entitled

pursuant to Section 122 (2) AktG to request that items be placed on the agenda and announced.

Each new item must be accompanied by a justification or a draft resolution. Requests made by shareholders for additions to the agenda in accordance with Section 122 (2) AktG must be addressed in writing (Section 126 (1) BGB) or in electronic form (Section 126a BGB) to the Board of Management and must be received by the company **no later than April 25, 2021, 12 midnight (CEST)**. Please address any such requests to the Board of Management at the following address:

**INDUS Holding AG**  
– Board of Management –  
**Kölner Strasse 32**  
**51429 Bergisch Gladbach**  
**Germany**  
**investor.relations@indus.de**

Pursuant to Section 122 (2) in conjunction with Section 122 (1) AktG, the shareholders making the request must prove that they have held the required number of shares for at least 90 days prior to receipt of the request, and that they will continue to hold the shares until the Board of Management has made a decision on the request; Section 70 AktG shall apply for the calculation of the period of shareholding; Section 121 (7) AktG must be applied accordingly when calculating the deadline.

Additions to the agenda to be announced will be published in the German Federal Gazette immediately after the request has been received, and will be forwarded for publication to media that can be expected to disseminate the information throughout the entire European Union.

The additions will also be announced on the company's website at

[www.indus.de/en/investor-relations/shareholders-meeting](http://www.indus.de/en/investor-relations/shareholders-meeting)

and will be communicated to the shareholders.

Any admissible motion for a resolution submitted together with the duly submitted request for additions to the agenda will be addressed at the virtual Annual Shareholders' Meeting as if it had been submitted at the Annual Shareholders' Meeting.

#### **b. Counter-motions and vote proposals**

In addition, shareholders can submit counter-motions in response to the proposals of the Board of Management and/or Supervisory Board in respect of specific agenda items, as well as vote proposals, to the company. Counter-motions to be made available must be accompanied by a justification. Counter-motions, vote proposals, and other inquiries made by shareholders regarding the Annual Shareholders' Meeting must be addressed exclusively to:

**INDUS Holding AG**  
**c/o C-HV AG**  
**Gewerbepark 10**  
**92289 Ursensollen, Germany**  
 or  
**Fax: +49 (0)9628 9229 871**  
 or  
**Email: [anmeldestelle@c-hv.com](mailto:anmeldestelle@c-hv.com)**

We will publish any counter-motions and vote proposals made by shareholders that are to be made available, including the name of the shareholder, as well as justifications that are to be made available, at

[www.indus.de/en/investor-relations/shareholders-meeting](http://www.indus.de/en/investor-relations/shareholders-meeting).

Counter-motions and vote proposals relating to items on this agenda received at the above address, or by fax or email, by **Tuesday, May 11, 2021, 12**

**midnight (CEST)** will be considered. Any comments made by the management will also be published at the internet address referred to above.

No counter-motions or vote proposals can be made during the virtual Annual Shareholders' Meeting. In accordance with Section 1 Section 122 (2) Sentence 3 COVID-19-G, any counter-motions and vote proposals to be made available pursuant to Sections 126 and 127 AktG will be addressed at the virtual Annual Shareholders' Meeting as if they had been submitted at the Annual Shareholders' Meeting, provided that the shareholder submitting the counter-motion or making the vote proposal has duly registered for the Annual Shareholders' Meeting and submitted proof of their shareholdings as described above (see 3. "Conditions for exercising shareholder rights in relation to the virtual Annual Shareholders' Meeting").

#### **10. Objecting to resolutions of the Annual Shareholders' Meeting pursuant to Section 245 AktG, Section 1 Section 122 (2) Sentence 1 no. 4 COVID-19-G**

By way of derogation from Section 245 no. 1 AktG, duly registered shareholders or their proxies can, from the start of the virtual Annual Shareholders' Meeting until it closes via the company's password-protected online service, with the requirement to appear in person at the Annual Shareholders' Meeting being waived, use the company's online service at

[www.indus.de/en/investor-relations/shareholders-meeting](http://www.indus.de/en/investor-relations/shareholders-meeting)

to object to resolutions of the Annual Shareholders' Meeting on the record. The company's online service provides an "Object to resolutions of the Annual Shareholders' Meeting" button for this purpose. An objection will only be taken into account if the voting right was exercised in accordance with the provisions set out above.

### 11. Times specified in this convocation

All times specified in this convocation are in Central European Summer Time (CEST). This corresponds to coordinated universal time (UTC) as follows: UTC = CEST minus two hours.

### 12. Publication in the German Federal Gazette, information and documents concerning the Annual Shareholders' Meeting, information on the company's website

This convocation of the Annual Shareholders' Meeting was published in the German Federal Gazette on April 14, 2021. The convocation and an overview with the details in accordance with Section 125 AktG in conjunction with Article 4 and Table 3 of the Annex of the Commission Implementing Regulation (EU) 2018/1212, the other legally required details and explanations including the information specified in Section 124a AktG and more in-depth explanations concerning the aforementioned shareholders' rights can be accessed and downloaded on the company website at

[www.indus.de/en/investor-relations/shareholders-meeting](http://www.indus.de/en/investor-relations/shareholders-meeting).

The results of the votes on the agenda items will also be published on the company website after the Annual Shareholders' Meeting. You can also find information on the website on how to use the online service to access a statement about the counting of votes in accordance with Section 129 Section 122 (5) AktG within a month after the day on which the Annual Shareholders' Meeting took place.

As an additional service, INDUS Holding Aktiengesellschaft also offers its shareholders the opportunity to request that a copy of the aforementioned documents be sent to them free of charge. All of the aforementioned documents will be displayed for viewing by shareholders on the business premises of the company at its registered office at 32 Kölner Strasse, 51429 Bergisch Gladbach, Germany, from the date on which convocation is issued.

### 13. Data protection information

You can find information on the processing of personal data in connection with our virtual Annual Shareholders' Meeting on the company's website at

[www.indus.de/en/investor-relations/shareholders-meeting](http://www.indus.de/en/investor-relations/shareholders-meeting).

Bergisch Gladbach, April 2021  
INDUS Holding Aktiengesellschaft  
The Board of Management



## Information on the internet

You will find specific information about the company's shares and the earnings performance of INDUS Holding AG on our website at [www.indus.de/en](http://www.indus.de/en) under the heading Investor Relations. Annual and interim reports of INDUS Holding AG can be accessed there as well. You will

also find the latest news, presentations, summaries of performance indicators, market price information and additional services on the website: [www.indus.de/en/investor-relations](http://www.indus.de/en/investor-relations)

## Financial Calendar

Date	Event
May 12, 2021	Publication of interim report on the first quarter of 2021
May 26, 2021	Annual Shareholders' Meeting 2021
August 11, 2021	Publication of interim report on the first half of 2021
November 11, 2021	Publication of interim report on the first nine months of 2021

## Contact

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**INDUS HOLDING AG**  
Kölner Straße 32  
51429 Bergisch Gladbach

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[www.indus.de](http://www.indus.de)



An online version of the INDUS Annual Report is now available. Please scan the QR code or go to [www.reporting.indus.de/en](http://www.reporting.indus.de/en)

