

INDUS
HOLDING AG

INTERIM
REPORT H1

2024

Key Figures

INDUS Group

in EUR million	H1 2024	H1 2023	Q2 2024	Q2 2023
Sales	839.1	904.1	429.0	453.3
EBITDA	108.2	128.1	59.7	62.0
in % of sales	12.9	14.2	13.9	13.7
EBITA (adjusted)	73.9	94.5	42.4	45.0
in % of sales	8.8	10.5	9.9	9.9
EBIT	64.1	84.9	37.4	40.1
in % of sales	7.6	9.4	8.7	8.8
Earnings after taxes	32.1	21.7	21.8	5.7
Earnings per share*	1.21	0.80	0.83	0.20
Operating cash flow	53.3	39.2		
Cash flow from operating activities	43.9	28.4		
Cash flow from investing activities	-30.6	-12.9		
Cash flow from financing activities	-157.6	-9.2		
Free cash flow	41.2	35.2		
	June 30, 2024	Dec. 31, 2023		
Total assets	1,829.0	1,928.8		
Equity	694.8	719.7		
Equity ratio (in %)	38.0	37.3		
Working capital	494.1	466.9		
Net financial liabilities	565.3	506.2		
Cash and cash equivalents	121.7	265.8		
Portfolio companies (number as of reporting date)	44	43		

Segments

Engineering	H1 2024	H1 2023	Q2 2024	Q2 2023
Revenue with third parties	266.1	280.7	136.7	138.6
EBITA (adjusted)	19.6	31.6	9.4	13.2
in % of sales	7.4	11.3	6.9	9.5
EBIT	13.9	25.9	6.5	10.3
in % of sales	5.2	9.2	4.8	7.4
Infrastructure	H1 2024	H1 2023	Q2 2024	Q2 2023
Revenue with third parties	276.8	291.3	144.9	149.8
EBITA (adjusted)	32.6	27.6	19.8	15.7
in % of sales	11.8	9.5	13.7	10.5
EBIT	29.7	25.1	18.3	14.4
in % of sales	10.7	8.6	12.6	9.6
Materials	H1 2024	H1 2023	Q2 2024	Q2 2023
Revenue with third parties	295.8	331.5	147.2	164.7
EBITA (adjusted)	29.0	39.5	16.6	18.7
in % of sales	9.8	11.9	11.3	11.4
EBIT	27.9	38.1	16.0	18.0
in % of sales	9.4	11.5	10.9	10.9

* Earnings per share from continuing and discontinued operations

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Highlights

INDUS Group

- Development in line with expectations in a difficult environment
- Sales (EUR 839.1 million) and EBIT (EUR 64.1 million) below previous year due to economic conditions
- EBIT margin reaches 8.7% in Q2 after 6.5% in Q1
- Earnings after taxes significantly increased
- Earnings per share of EUR 1.21 up significantly on previous year (EUR 0.80)
- Strong free cash flow
- Portfolio expanded with three acquisitions in first half of year

The Segments

- Income in the Engineering segment impacted by weak demand
- EBIT and EBIT margin in Infrastructure segment up in difficult market
- EBIT margin in Materials segment higher in Q2 than previous quarters despite declining sales

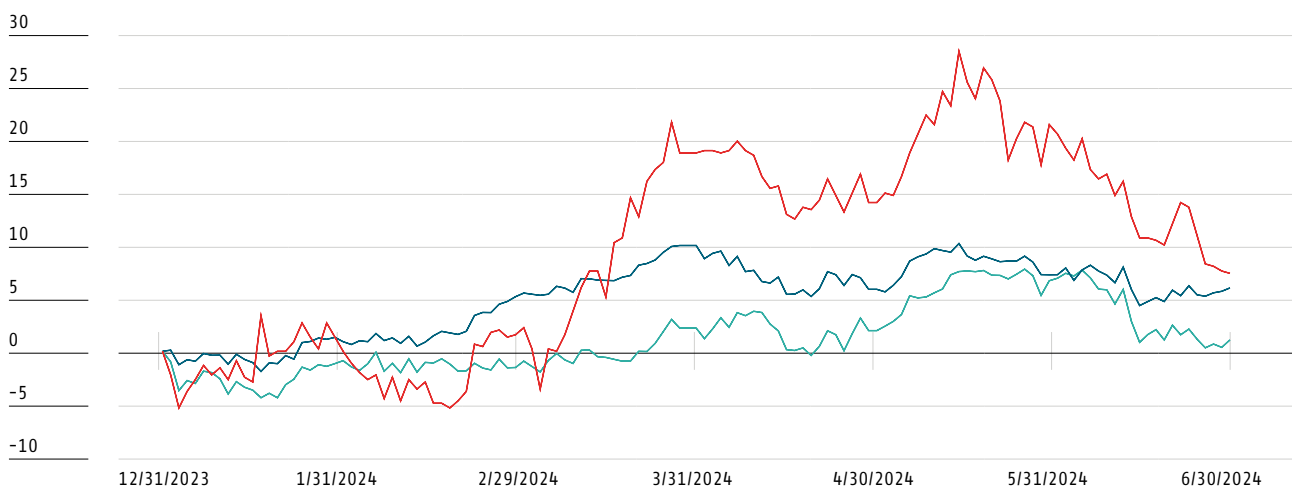
Forecast

- Outlook subdued due to slow market momentum and price pressure
- Adjusted forecast for full year: now expecting sales of EUR 1.7 billion to EUR 1.8 billion, EBIT of EUR 125 million to EUR 145 million, and EBIT margin of 7.0% to 8.0%
- Free cash flow forecast of over EUR 110 million confirmed – further acquisitions possible

INDUS Share

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

in %



Source: Bloomberg

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

Share price performance

Despite the numerous geopolitical conflicts around the world, persistently high interest rates and the generally high level of uncertainty about future economic developments, the first half of 2024 developed positively for many asset classes. Even though the DAX has gone back from its all-time high of 18,892 points in May, it still recorded an increase of 9.5% over the entire first half of the year.

The INDUS share, which recorded a gain of 1.8% in 2023 with an average daily turnover of 19,460 shares, continued to gain ground in the first half of 2024. It closed at a price of EUR 24.05 on June 30, 2024, which corresponds to an increase of 10.1%. With this development, INDUS outperformed the SDAX. The average daily turnover was 18,256 shares.

The INDUS share ranked 130 in Deutsche Börse's ranking as of June 30, 2024, compared to 147 as of December 31, 2023.

INDUS is currently rated by analysts as follows

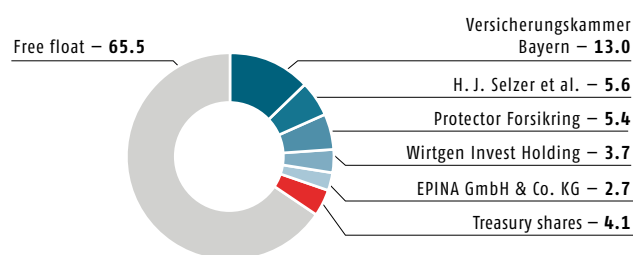
Institute	Analyst	Date	Recommendation	Target price
FMR	Dr. Mohamad Vaseghi	Apr. 2024	buy	EUR 44.30
Kepler Chevreux	Sven Sauer	Aug. 2024	hold	EUR 25.00
LBBW	Volker Stoll	Aug. 2024	hold	EUR 24.00
M.M.Warburg	Felix Ellmann	May 2024	buy	EUR 38.50
mwb research	Thomas Wissler	Aug. 2024	buy	EUR 35.00
NuWays	Christian Sandherr	Jul. 2024	buy	EUR 36.00
ODDO BHF	Klaus Breitenbach	Aug. 2024	neutral	EUR 22.00
Pareto	Zafer Rüzgar	Jul. 2024	buy	EUR 34.00

Shareholder structure of INDUS Holding AG as of May 22, 2024

INDUS has a very stable shareholder base. Our shareholders bolster our long-term corporate strategy. The German Stock Exchange defines free float as all shares not held by major shareholders (share of share capital of at least 5%). According to this definition, free float amounts to 76.0%. The total number of shares is 26,895,559. The 1,100,000 shares bought back by the company do not carry voting or dividend rights.

SHAREHOLDER STRUCTURE OF INDUS HOLDING AG AS OF MAY 22, 2024

(in %)



Source: Company information

Letter to the Shareholders

Dear Shareholders,

Smooth sailing in rough seas – this is how we can sum up the picture at the end of the first half of the year. Though an economic upturn has yet to be seen, our portfolio companies performed in line with expectations on the whole. The height of the waves varied from sector to sector. Many companies are holding back on investing. This had a significant effect on the sales of German engineering companies, as well as on the income of the INDUS Engineering segment. The Infrastructure segment performed well despite the persistently weak conditions in the construction industry. Despite a slight fall in sales, the companies significantly improved their income and margins. The Materials segment had to be measured against a very positive first half of 2023 – as expected, the portfolio companies did not manage to repeat the good figures achieved in the previous year. This was down to the high price pressure on the customer side. On a positive note, we were able to increase our EBIT margin for the Group to 8.7% in the second quarter. This was no simple feat given the current challenges the market is facing, but through systematic cost management our portfolio companies made it possible.

Our free cash flow developed well in the first six months of the year. After achieving around EUR 35 million in the first half of 2023, we have already recorded free cash flow of at least EUR 41 million in the current financial year. This is all the more remarkable as we sold a property not required for operations in 2023 – a positive one-time effect of around EUR 14 million. We have been able to achieve this strong free cash flow in the current year in particular by reducing the increase in working capital. For 2024 as a whole, we continue to anticipate strong free cash flow above EUR 110 million.

This gives us the freedom to make further purchases as planned. Several projects are now close to completion. We are confident that we will fully utilize our annual M&A budget of around EUR 70 million. We are focusing on companies that fit in well with the future fields we have identified.

Conditions remain stormy. With regard to the growth forecasts for the German economy, the more positive trends from the spring have not materialized. We were all optimistic that demand would pick back up. That has not been

the case. Our portfolio companies have also had to adjust their expectations for the second half of the year. The weakening construction machinery industry and agricultural engineering in particular are hampering development in the Infrastructure and Materials segments. For the year as a whole, we now anticipate Group sales of EUR 1.7 billion to EUR 1.8 billion and operating income (EBIT) between EUR 125 million and EUR 145 million. Given the current market conditions, these are figures we can be satisfied with. But we had set our minds on more.

In May, we were all able to come together in person again at our Annual Shareholders' Meeting – always a highlight of the year for us. Our shareholders approved all proposed resolutions with a large majority. Of particular importance was the dividend proposal of EUR 1.20 per share. This and the share buyback program carried out in the spring meant we have been able to pay out around EUR 56 million to our shareholders in the current year.

We have expanded our reporting for the half-year: The "Highlights" section provides a quick overview of key developments. In the "Share" section, we have briefly summarized the stock market performance of the INDUS share. You can find an overview of the progress we have made with our PARKOUR perform strategy program at the top of the management report. We have also reported on the order backlog and incoming orders in the Report on the Economic Situation. We hope that these new facts and figures will make it even easier for you to analyze your investment in INDUS.

Yours faithfully,

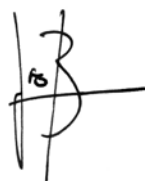
Bergisch Gladbach, August 2024



Dr. Johannes Schmidt

Rudolf Weichert

Gudrun Degenhart



Dr. Jörn Großmann



Axel Meyer

Interim Management Report

Introduction to the Group

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

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

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

The holding company drives these initiatives forward centrally with the resources required. An in-depth description of the INDUS business model, the targets and strategy of the PARKOUR perform strategy can be found in the 2023 Annual Report from page 20 onwards. These notes remain valid and unchanged.

Material changes since the last Annual Report are shown in this half-yearly report.

Strengthening the Portfolio Structure – Changes to the Portfolio in the First Half of 2024

Acquisition of GESTALT AUTOMATION

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

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

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

Acquisition of the Remaining Shares in GRIDCOM

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

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

Acquisition of COLSON X-CEL by PCL

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

The economic transfer of COLSON took place on June 5, 2024. The initial consolidation took place on June 1, 2024. COLSON has been allocated to the Engineering segment.

Acquisition of Remaining Shares in TECALEMIT Inc.

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

Driving Innovation

INDUS actively encourages the use of artificial intelligence within the Group as a central lever for innovation. The holding company started or continued several measures within the Group during the first half of 2024 under the banner of "AI Sprint". These include advanced training and potential workshops with Fraunhofer IAIS, as well as a format for internal dialogue between portfolio companies within the SIMON Group. Over 100 employees from 36 portfolio companies were involved in total. The holding company also currently supports eight AI pilot projects via the "AI Sprint" program. This option will also be available to portfolio companies in the future.

INDUS is currently supporting 17 projects within the portfolio companies via the typical innovation development bank model with total funding of EUR 5.3 million. EUR 0.8 million has been paid for innovation development in 2024 so far.

Improving Performance

During the first half of 2024, the "Improving Performance" initiative, with its focus on operational excellence and market excellence, made significant progress in developing both the strategic and financial potential of INDUS portfolio companies. The overarching objective is to achieve optimal future viability whilst also increasing the value of every single INDUS portfolio company.

Operational Excellence

Intensive production audits to establish the current state of the production processes have taken place at ten INDUS portfolio company locations in 2024 so far. Measures for continued development of the locations are determined based on these inspections, and implementation of said measures is supported and monitored.

The training of decentralized multipliers is also a fundamental component. A total of 26 employees from various portfolio companies have been trained in the principles of operational excellence. This training has led to the initiation and implementation of specific projects for reorganizing processes.

A comprehensive shop-floor management system has also been introduced in one portfolio company. This system supports cascaded monitoring of the company, leading to greater transparency and efficiency within the production process.

The implementation of digitalization projects has also continued apace. Important steps for the reintroduction and expansion of operational application systems have been carried out in seven steps as part of this. These measures lay the foundation for sustainable order processing.

Market Excellence

Support has been provided to portfolio companies in several different projects on various matters during the first half of the year. In this case potential markets are staked out and readily implementable recommendations are set out, which are continuously put into practice by the portfolio companies involved.

Support for two large-scale projects as part of the strategic alignment of individual portfolio companies is also part of this. Based on a comprehensive strategic market analysis, the focus lies on determining and implementing suitable market strategies in order to power sustainable growth and to improve our competitive position in the future.

Methodological skills within the portfolio companies are not only strengthened through joint project work, but also through the imparting of knowledge in seminars. The range of seminars is constantly being improved and adapted to suit current requirements. So far, 21 employees from various portfolio companies have already had training to this effect this year. One particular focus was to develop the success within the US market.

Striving for Sustainability

INDUS will publish a sustainability report in accordance with the CSRD for the first time in 2024. Implementation measures are in full swing. The double materiality analysis that was required has already been prepared and agreed upon with the auditor of the consolidated financial statements. The collection of new indicators, particularly in the social realm, has been put into practice in the systems.

Projects with an investment volume of around EUR 0.9 million are approved this year by the INDUS sustainability development bank at an average funding rate of 55%.

Group emissions in both Scopes 1 and 2 have fallen during the first half of the year. Emissions intensity is now calculated relative to sales, as required by the CSRD. INDUS will report on this indicator for the first time in 2024.

Employees

During the first six months of 2024, the INDUS Group companies employed on average 8,813 employees. 9,548 employees in total were employed in the same period of the previous year, 8,947 of which were part of continuing operations and 601 were part of discontinued operations.

Share Buyback Program – Acquisition of Treasury Shares

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

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

Report on the Economic Situation

Economic Conditions

Hopes of the German economy undergoing a strong recovery have not yet been satisfied in 2024. After real gross domestic product (GDP) rose by 0.2% in the first quarter compared to the previous quarter, it fell by 0.1% in the second quarter of the year. Positive trends at the start of the year became less marked, particularly in the industrial sector. In May 2024, industrial production in real terms fell considerably compared to the previous month, with an expected fall of -2.5%. Production levels only increased in energy-intensive industrial sectors as well as in the motor vehicle sector. In the less volatile three-month comparison, industrial production from March to May 2024 remained at the level of the previous three months. There were clear drops within individual sectors, however. Machinery production in the first five months of 2024 fell by 7.2% compared to the previous year, adjusted for price. According to the VDMA, exports also fell by 6.1% in real terms in the same period. Exports of machinery from Germany fell by 12.9% adjusted for price in May alone. Product sales on the German machinery market fell by 27% in the first half of the year. Order behavior also has not stabilized in a sustainable manner. Real incoming orders in the processing sector fell by 0.6% in April 2024 and are estimated to have fallen by 1.6% in May 2024 compared to the previous month. The real order backlog the processing sector was therefore slightly lower in May compared to the

previous month (-0.4%). There were also negative outliers: within the metal and electrical industry orders fell by 7% from January to May compared to the previous year. Orders from March until May in the engineering sector fell by 13% in real terms below the previous year's figure after incoming orders in May fell significantly in real terms (-27%).

Global economic activity has picked up somewhat in 2024. However, demand from third countries for German products has recently fallen. Exports to non-EU countries fell by 2.6% in June 2024, adjusted for calendar and seasonal effects, compared to May 2024. In contrast, global export conditions improved for the fifth month in succession in June 2024 according to a survey from S&P, however the PMI index for German export conditions began to lose dynamism. In particular, the European market is stumbling. In contrast, German business activities in the USA have risen although development of the US economy has been slowing down since the start of the year. In Germany, high financing costs continue to curb willingness to invest and demand. This also applies to the construction sector. Sales in the main construction sector fell by 4.5% in May 2024 in real terms compared to May 2023. On the other hand, the service sector remains slightly expansive, supported by private consumption. The overall fall in inflation also contributed to this. Compared to the same month in the previous year, the inflation rate was 2.2% in March, April and June, and 2.4% in May.

Order Situation

ORDER SITUATION

in EUR million

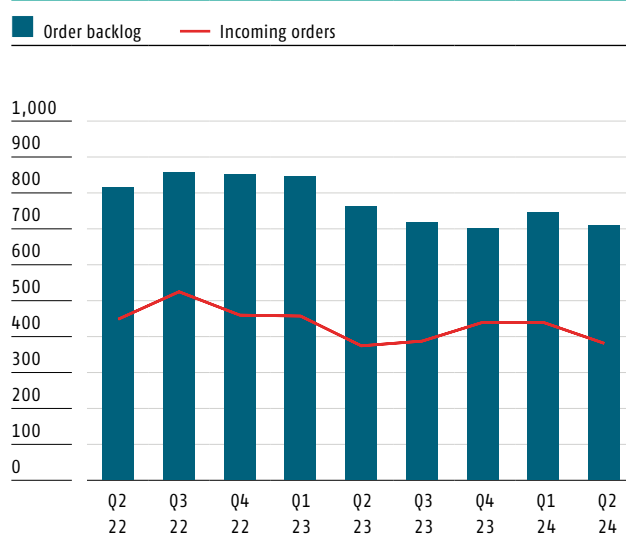
	Engineering	Infrastructure	Materials	Group
H1 2024				
Incoming orders	264.1	282.9	280.8	827.8
June 30, 2024				
Order backlog	403.9	175.0	140.7	719.6
H1 2023				
Incoming orders	258.3	272.1	308.5	838.9
December 31, 2023				
Order backlog	385.4	172.1	153.3	710.8

In the first half of 2024, **incoming orders** amounted to EUR 827.8 million and were therefore 1.3% lower than the previous year's figure (EUR 838.9 million). Incoming orders rose by 2.2% in the Engineering segment and by 4.0% in the Infrastructure segment. However, the Materials segment saw a fall of 9.0%. In the separate quarterly assessment, incoming orders for the second quarter of 2024 amounted to EUR 384.4 million compared to EUR 377.4 million in the previous year's figure for the same quarter. The trend is not pronounced for incoming orders in the second quarter of 2024. The root cause of this trend is the weak economic situation in the metal production and processing sectors.

The **order backlog** as of June 30, 2024, amounted to EUR 719.6 million and was therefore 1.2% higher than the order backlog as of December 31, 2023 (EUR 710.8 million). Within the Engineering segment the order backlog has risen by 4.8% and by 1.7% in the Infrastructure segment, whilst the order backlog in the Materials segment has fallen 8.2% compared to the end of 2023.

ORDER SITUATION

(in EUR million)



Earnings Performance of the INDUS Group

CONSOLIDATED STATEMENT OF INCOME

in EUR million

	H1 2024	H1 2023	Difference		Q2 2024	Q2 2023	Difference	
			absolute	in %			absolute	in %
Sales	839.1	904.1	-65.0	-7.2	429.0	453.3	-24.3	-5.4
Other operating income	9.7	6.4	3.3	51.6	5.9	3.2	2.7	84.4
Own work capitalized	1.8	2.0	-0.2	-10.0	0.7	0.9	-0.2	-22.2
Change in inventories	10.6	23.0	-12.4	-53.9	5.9	4.3	1.6	37.2
Overall performance	861.2	935.5	-74.3	-7.9	441.5	461.7	-20.2	-4.4
Cost of materials	-374.1	-434.1	60.0	13.8	-193.4	-213.0	19.6	9.2
Personnel expenses	-268.4	-261.0	-7.4	-2.8	-134.0	-131.7	-2.3	-1.7
Other operating expenses	-110.5	-112.3	1.8	1.6	-54.4	-55.0	0.6	1.1
EBITDA	108.2	128.1	-19.9	-15.5	59.7	62.0	-2.3	-3.7
in % of sales	12.9	14.2	-1.3 pp	-	13.9	13.7	0.2 pp	-
Depreciation/amortization	-44.1	-43.2	-0.9	-2.1	-22.3	-21.9	-0.4	-1.8
of which PPA depreciation*	-9.8	-9.6	-0.2	-2.1	-5.0	-4.9	-0.1	-2.0
of which impairment	0.0	0.0	0.0	-	0.0	0.0	0.0	-
Adjusted EBITA**	73.9	94.5	-20.6	-21.8	42.4	45.0	-2.6	-5.8
in % of sales	8.8	10.5	-1.7 pp	-	9.9	9.9	0.0 pp	-
Operating income (EBIT)	64.1	84.9	-20.8	-24.5	37.4	40.1	-2.7	-6.7
in % of sales	7.6	9.4	-1.8 pp	-	8.7	8.8	-0.1 pp	-
Financial income	-13.6	-13.9	0.3	2.2	-4.6	-6.1	1.5	24.6
Earnings before taxes from continuing operations (EBT)	50.5	71.0	-20.5	-28.9	32.8	34.0	-1.2	-3.5
Income taxes	-18.4	-23.5	5.1	21.7	-11.0	-11.4	0.4	3.5
Earnings from discontinued operations	0.0	-25.8	25.8	100.0	0.0	-16.9	16.9	100.0
Earnings after taxes	32.1	21.7	10.4	47.9	21.8	5.7	16.1	>100
of which interests attributable to non-controlling shareholders	0.5	0.3	0.2	66.7	0.3	0.3	0.0	-
of which interests attributable to INDUS shareholders	31.6	21.4	10.2	47.7	21.5	5.4	16.1	>100
Earnings per share in EUR								
from continuing operations	1.21	1.76	-0.55	-31.2	0.83	0.83	0.00	-
from discontinued operations	0.00	-0.96	0.96	100.0	0.00	-0.63	0.63	100.0
from continuing and discontinued operations	1.21	0.80	0.41	51.2	0.83	0.20	0.63	>100

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

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

Decrease in Sales Due to Economic Conditions

The INDUS portfolio companies reported sales of EUR 839.1 million in the first six months of 2024. This was EUR 65.0 million (7.2%) below the figure for the same period of the previous year.

The decrease in sales affected all three segments, and was mainly due to economic conditions. Price pressure on the customer side also had an impact on sales in the Materials segment. Inorganic growth of 0.8% was achieved as a result of the acquisitions of GESTALT AUTOMATION, GRIDCOM and COLSON during this reporting year, as well as QUICK in the previous year. The organic decrease in sales came to -8.0%.

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

In addition to the fall in sales mentioned above, the change in inventories fell by EUR 12.4 million compared to the previous year, meaning that overall performance fell by EUR 74.3 million in total. Overall performance amounted to EUR 861.2 million, compared with EUR 935.5 million in the same period of the previous year. The cost of materials fell by a disproportionate amount from EUR 434.1 million to EUR 374.1 million (-13.8%). As a result, the cost-of-materials ratio fell from 48.0% to 44.6%. Taking into account the change in inventories, the adjusted ratio in proportion to sales amounted to 43.3% compared to 45.5% in the same period of the previous year.

Personnel expenses increased by EUR 261.0 million to EUR 268.4 million – despite a reduction in business activities, and although the number of employees of continuing operations was down by 134 in a year-over-year comparison. This increase in personnel expenses (+2.8%) was, as expected, due to considerable adjustments to wages and salaries. The personnel expense ratio came to 32.0% (previous year: 28.9%). Other operating expenses fell slightly by EUR 1.8 million to EUR 110.5 million. This resulted in EBITDA of EUR 108.2 million (previous year: EUR 128.1 million).

At EUR 44.1 million depreciation and amortization was up EUR 0.9 million on the previous year (EUR 43.2 million). The depreciation and amortization line includes depreciation, amortization, impairment and PPA depreciation. Impairments were not noted either during the reporting period or during the same period of the previous year. PPA depreciation of EUR 9.8 million (previous year: EUR 9.6 million) comprises the amortization of intangible assets and depreciation of property, plant and equipment resulting from the purchase price allocation of new acquisitions.

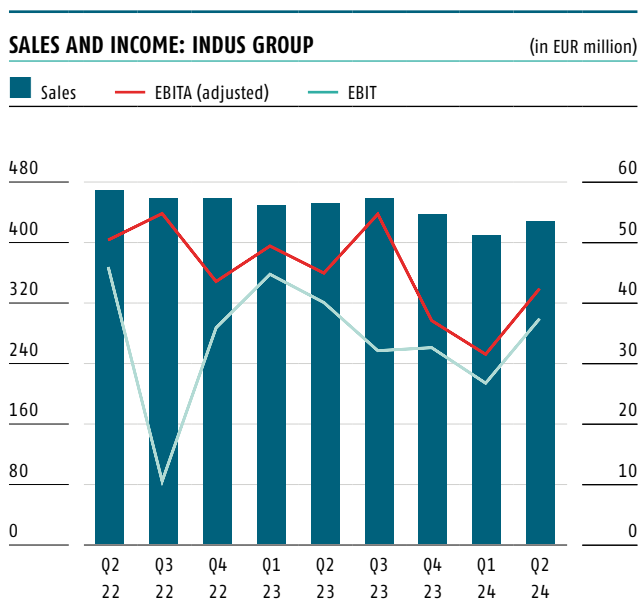
Earnings Affected by Economic Developments

Adjusted EBITA amounted to EUR 73.9 million in the reporting quarter, and EUR 94.5 million in the same period of the previous year. Adjusted EBITA is calculated from operating EBIT plus impairments and PPA depreciation. In as far as reversals are posted, these must be deducted. The margin of adjusted EBITA was 8.8% and therefore 1.7 percentage points below that of the previous year. The reduced EBITA (adjusted) reflects the continued difficult economic situation.

Operating income (EBIT) totaled EUR 64.1 million, following EUR 84.9 million in the same period of the previous year. This corresponds to a reduction of EUR 20.8 million, which, as previously mentioned, is due to the current economic situation. The EBIT margin came in at 7.6% in the reporting period, following 9.4% in the same period of the previous year.

Sales and EBIT Rise in Second Quarter

The first quarter of 2024 was weak both in terms of sales and earnings in the separate quarterly assessment. A considerable improvement has been noted in the second quarter. Sales were EUR 429.0 million and were 5.4% lower than sales in the second quarter of 2023, but EUR 18.9 million (4.6%) higher than during the first quarter of 2024. At EUR 37.4 million, operating income (EBIT) for the second quarter was down EUR 2.7 million on the figure for the same period of the previous year (EUR 40.1 million). It has risen by EUR 10.7 million compared to the first quarter of 2024. The EBIT margin of 8.7% in the second quarter was at the same level as for the same period of the previous year (8.8%) and was above the margin for the three previous individual quarters from the third quarter of 2023 up to and including the first quarter of 2024.



Earnings After Taxes Up Against Previous Year

Earnings after taxes amounted to EUR 32.1 million and were up EUR 10.4 million against the previous year's figure (EUR 21.7 million). Earnings per share amounted to EUR 1.21 for continuing operations (previous year: EUR 1.76). Earnings per share for continuing and discontinued operations are correspondingly EUR 1.21 (previous year: EUR 0.80).

Financial income amounted to EUR -13.6 million in the reporting period, compared with EUR -13.9 million in the same period of the previous year. Financial income includes net interest, income from shares accounted for using the equity method and other financial income. The valuations of interests attributable to non-controlling shareholders are reported within other financial income. A reduction in expenses of EUR 0.3 million compared to the previous year is the result from the measurement of interests attributable to non-controlling shareholders (EUR +1.4 million). In contrast, net interest has fallen by EUR 0.3 million due to higher interest rates as well as lower income from shares accounted for using the equity method (EUR -0.8 million).

At EUR 50.5 million, earnings before taxes (EBT) from continuing operations were EUR 20.5 million lower than the previous year's figure (EUR 71.0 million). Income tax expenses fell to EUR 18.4 million as against EUR 23.5 million in the previous year. The tax ratio came to 36.4% in the reporting period, following 33.1% in the same period of the previous year.

The SELZER and SCHÄFER portfolio companies, which were deconsolidated in the third quarter of the previous year, constitute discontinued operations within the meaning of IFRS 5. There were no discontinued operations or subsequent expenses in the financial year. The profit/loss for the year from discontinued operations amounted to EUR -25.8 million in the same period of the previous year.

Segment Reporting

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

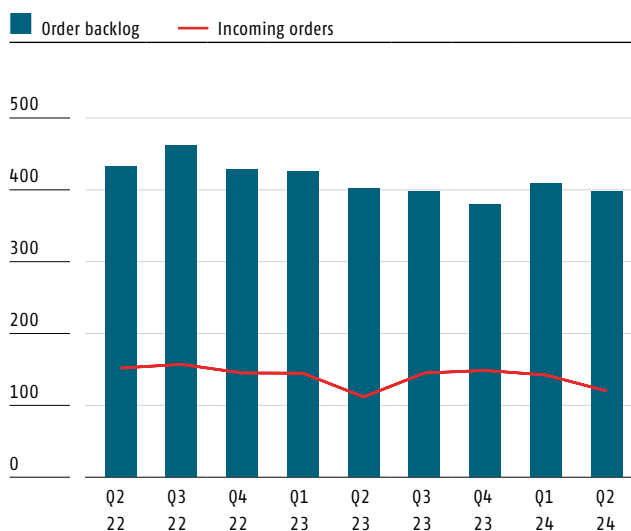
Engineering

TWO NEW ACQUISITIONS IN THE FIRST HALF OF 2024

Incoming orders in the Engineering segment amounted to EUR 264.1 million for the first half of 2024. For the same period of the previous year, incoming orders amounted to EUR 258.3 million. This increase is primarily due to increased orders for clean room systems, sorting plants and packaging machinery. The order backlog as of June 30, 2024, came to EUR 403.9 million, compared with EUR 385.4 million as of December 31, 2023.

ORDER SITUATION: ENGINEERING

(in EUR million)



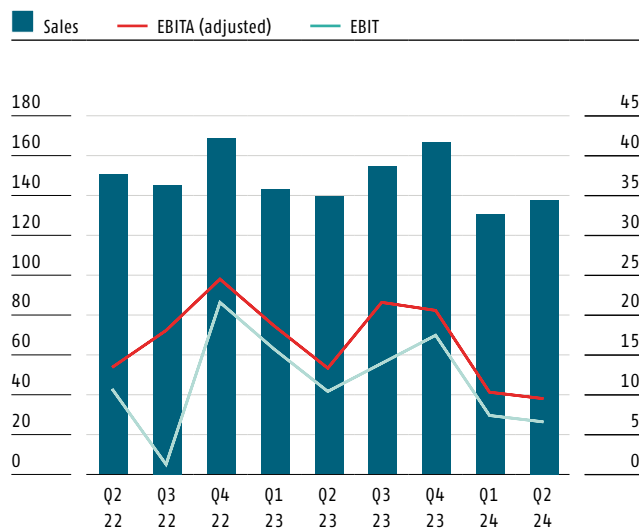
Sales in the Engineering segment amounted to EUR 266.1 million in the first half of 2024 (previous year EUR 280.7 million). Compared to the same period of the previous year, this figure fell by 5.2% (EUR 14.6 million). This decrease in sales is largely due to lower demand this year for sorting plants and packaging technology compared to the previous year. The decline in sales was 5.4% organic. In contrast, there was inorganic growth in sales of 0.2% due to the acquisitions of GESTALT AUTOMATION and COLSON.

Adjusted EBITA was EUR 19.6 million, compared with EUR 31.6 million the previous year. A fall of EUR 12.0 million is largely due to the fall in total sales as well as smaller margins. The margin of the adjusted EBITA is 7.4% (previous year: 11.3%). At EUR 13.9 million, operating income (EBIT) was lower than the EUR 25.9 million of the same period of

the previous year. The EBIT margin was 5.2% (previous year: 9.2%) and was therefore four percentage points lower than the previous year.

FINANCIAL POSITION: ENGINEERING

(in EUR million)



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

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

PCL, a subsidiary of the INDUS portfolio company HORNGROUP, bought 100% of the shares in COLSON X-Cel Ltd. (COLSON) in March 2024. The British company develops and produces industrial fittings for measurement and control engineering, such as valves, shut-off units and measurement equipment for monitoring liquids and gases. The economic transfer of COLSON took place on June 5, 2024; initial consolidation took place on June 1, 2024.

The investments of EUR 18.5 million made during the reporting period relate to the acquisitions of GESTALT AUTOMATION and COLSON as well as property, plant and equipment. Investments in property, plant and equipment of EUR 5.4 million are up EUR 0.6 million against the previous year (EUR 4.8 million).

KEY FIGURES FOR ENGINEERING

in EUR million

	H1 2024	H1 2023	Difference		Q2 2024	Q2 2023	Difference	
			absolute	in %			absolute	in %
Revenue with external third parties	266.1	280.7	-14.6	-5.2	136.7	138.6	-1.9	-1.4
EBITDA	30.1	41.8	-11.7	-28.0	14.7	18.4	-3.7	-20.1
in % of sales	11.3	14.9	-3.6 pp	-	10.8	13.3	-2.5 pp	-
Depreciation/amortization	-16.2	-15.9	-0.3	-1.9	-8.2	-8.1	-0.1	-1.2
of which PPA depreciation*	-5.7	-5.7	0.0	0.0	-2.9	-2.9	0.0	0.0
of which impairment	0.0	0.0	0.0	-	0.0	0.0	0.0	-
EBITA (adjusted)**	19.6	31.6	-12.0	-38.0	9.4	13.2	-3.8	-28.8
in % of sales	7.4	11.3	-3.9 pp	-	6.9	9.5	-2.6 pp	-
EBIT	13.9	25.9	-12.0	-46.3	6.5	10.3	-3.8	-36.9
in % of sales	5.2	9.2	-4.0 pp	-	4.8	7.4	-2.6 pp	-
Investments	18.5	4.8	13.7	>100	15.6	3.0	12.6	>100
Employees	2,936	2,824	112	4.0	2,965	2,832	133	4.7

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

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

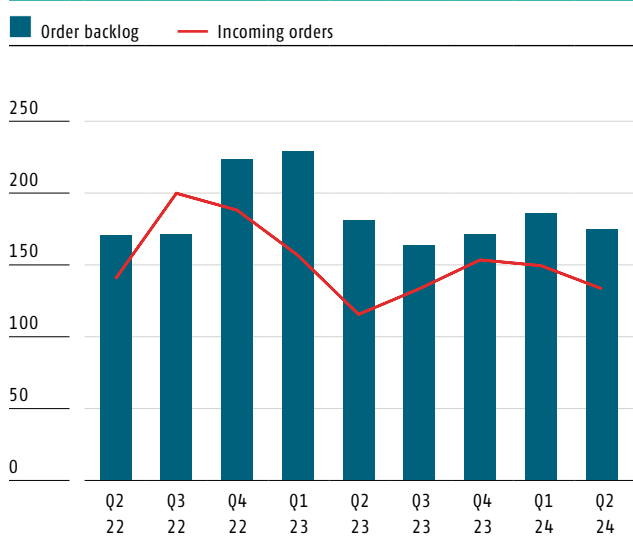
Infrastructure

EBIT AND EBIT MARGIN IMPROVED

Incoming orders for the Infrastructure segment amounted to EUR 282.9 million for the first half of 2024, compared with EUR 272.1 million in the same period of the previous year. Incoming orders in the heating and air-conditioning systems for commercial vehicles sector has risen dramatically. On the other hand, incoming orders in the market for air-conditioning devices has fallen due to the cooler than expected summer. The order backlog amounted to EUR 175.0 million as of June 30, 2024 (December 31, 2023: EUR 172.1 million).

ORDER SITUATION: INFRASTRUCTURE

(in EUR million)

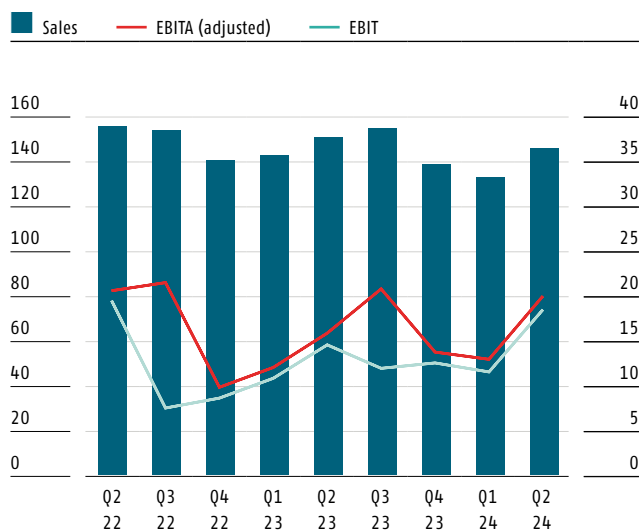


Sales in the Infrastructure segment amounted to EUR 276.8 million in the first half of the year compared to EUR 291.3 million in the previous year. Segment sales therefore fell by EUR 14.5 million, or 5.0%. In organic terms, sales fell by 7.2%. In contrast, there is inorganic sales growth of 2.2% due to the acquisition of QUICK in the previous year and GRIDCOM during the reporting period. GRIDCOM, which has been fully consolidated since March 2024, contributed EUR 5.2 million to sales in the first half of the year. The organic decline in sales mainly affected the portfolio companies that had been able to maintain a good level of sales in the previous year. Portfolio companies in the housing construction supply sector are particularly affected by the economic situation. In addition, it has also had an impact in the areas of heat pumps and air-conditioning systems for buildings. Sales of heat pumps have fallen particularly due to unclear rules regarding the funding of heat pumps and increased uncertainty amongst customers, whilst demand for air-conditioning units is less pronounced due to the cool summer.

At EUR 32.6 million, adjusted EBITA was up EUR 5.0 million on the previous year's figure (EUR 27.6 million). As sales have dropped, the margin of adjusted EBITA rose from 9.5% to 11.8%. At EUR 29.7 million, operating income (EBIT) was up by EUR 4.6 million on the previous year's figure (EUR 25.1 million). The EBIT margin came in at 10.7% (previous year: 8.6%). The improved earnings situation is particularly down to the measures for cost control that were taken, as well as a unique one-off effect from the sale of a non-controlling interest in BETOMAX for EUR 2.6 million, which was no longer considered strategic. The results for the first half of the year were affected by the insolvency of a major client in the mobile air-conditioning devices sector.

FINANCIAL POSITION: INFRASTRUCTURE

(in EUR million)



For the whole of the year we now expect a slight decrease in sales and a strong increase in operating income (EBIT). The forecast range for the EBIT margin remains between 10% and 12%.

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

Investments worth EUR 11.2 million refer to the acquisition of the remaining shares in GRIDCOM as well as investments in fixed assets (EUR 5.8 million). The previous year's figure includes the acquisition of QUICK.

KEY FIGURES FOR INFRASTRUCTURE

in EUR million

	H1 2024	H1 2023	Difference		Q2 2024	Q2 2023	Difference	
			absolute	in %			absolute	in %
Revenue with external third parties	276.8	291.3	-14.5	-5.0	144.9	149.8	-4.9	-3.3
EBITDA	43.0	37.8	5.2	13.8	25.1	20.9	4.2	20.1
in % of sales	15.5	13.0	2.5 pp	-	17.3	14.0	3.3 pp	-
Depreciation/amortization	-13.3	-12.7	-0.6	-4.7	-6.8	-6.5	-0.3	-4.6
of which PPA depreciation*	-2.9	-2.5	-0.4	-16.0	-1.5	-1.3	-0.2	-15.4
of which impairment	0.0	0.0	0.0	-	0.0	0.0	0.0	-
EBITA (adjusted)**	32.6	27.6	5.0	18.1	19.8	15.7	4.1	26.1
in % of sales	11.8	9.5	2.3 pp	-	13.7	10.5	3.2 pp	-
EBIT	29.7	25.1	4.6	18.3	18.3	14.4	3.9	27.1
in % of sales	10.7	8.6	2.1 pp	-	12.6	9.6	3.0 pp	-
Investments	11.2	15.8	-4.6	-29.1	4.0	3.2	0.8	25.0
Employees	2,847	2,947	-100	-3.4	2,842	2,963	-121	-4.1

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

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

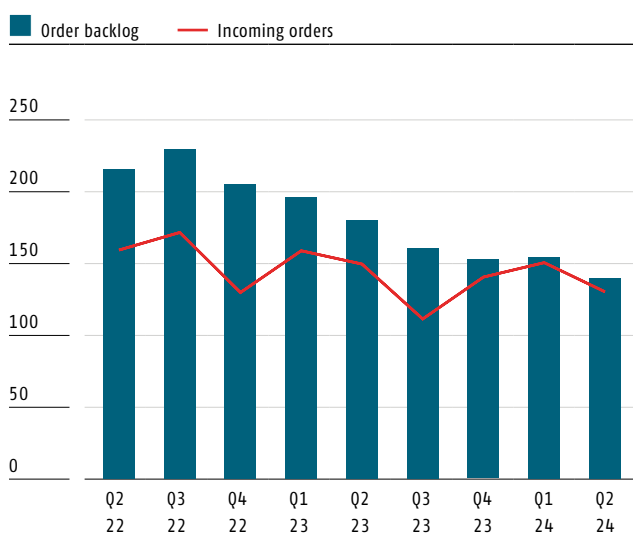
Materials

MARGINS INCREASED COMPARED TO PREVIOUS QUARTERS DESPITE DROP IN SALES

Incoming orders in the Materials segment amounted to EUR 280.8 million for the first six months of 2024 compared to EUR 308.5 million in the same period of the previous year. The economy remains weak in the Metals Technology sector, prices have fallen compared to the previous year and customers are reluctant to place orders. The order backlog as of June 30, 2024, amounted to EUR 140.7 million (December 31, 2023: EUR 153.3 million).

ORDER SITUATION: MATERIALS

(in EUR million)



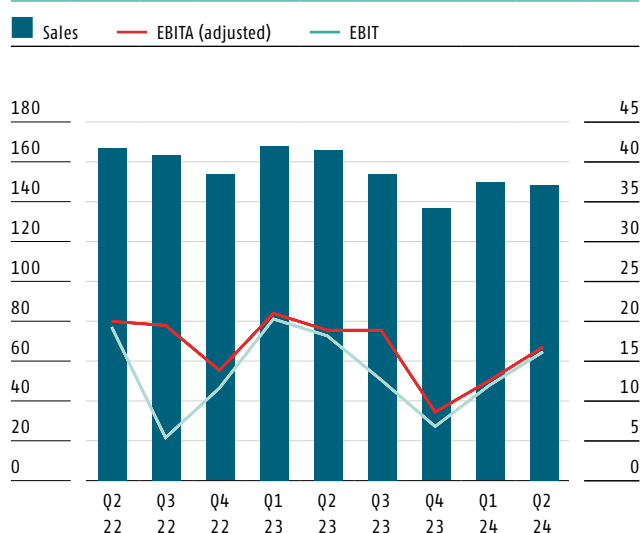
In the first half of 2024 the Materials segment generated sales of EUR 295.8 million. Sales were down 10.8% (EUR 331.5 million) on the same period of the previous year (EUR 35.7 million) on the same period of the previous year (EUR 331.5 million). The reason for this drop is the generally weak economy within the metal sector, associated caution on the part of customers when making purchases, and greater price pressure as a result. Suppliers of agricultural technology are, in particular, facing slow developments in line with general market trends. The order situation was still strong in the same period of the previous year whilst prices and earnings were good. The situation started to worsen during the second half of the year.

Adjusted EBITA was EUR 29.0 million, compared with EUR 39.5 million in the same period of the previous year. The margin of adjusted EBITA was 9.8%, as against 11.9% in the first half of 2023. The increased price pressure coupled with declining volumes is particularly evident here. Nevertheless, this development is clearly positive compared to the previous two quarters. The margin of adjusted EBITA for the separate second quarter came to 11.3% and was therefore higher than in the previous two quarters, and reached the level of the same period of the previous year (11.4%).

After deducting PPA amortization of EUR 1.1 million (previous year: EUR 1.4 million), the EBIT for the first half of the year amounted to EUR 27.9 million compared to the previous year's figure of EUR 38.1 million. The EBIT margin came in at 9.4% (previous year: 11.5%).

FINANCIAL POSITION: MATERIALS

(in EUR million)



The forecast has been amended for the whole of 2024. We now expect a decrease in sales and strongly decreased earnings. The EBIT margin is again forecast to be within a range of 7% to 9%.

Investments stood at EUR 6.2 million, on a par with the previous year (EUR 6.1 million) and were solely investments in fixed assets.

KEY FIGURES FOR MATERIALS

in EUR million

	H1 2024	H1 2023	Difference		Q2 2024	Q2 2023	Difference	
			absolute	in %			absolute	in %
Revenue with external third parties	295.8	331.5	-35.7	-10.8	147.2	164.7	-17.5	-10.6
EBITDA	41.8	52.3	-10.5	-20.1	23.0	25.1	-2.1	-8.4
in % of sales	14.1	15.8	-1.7 pp	-	15.6	15.2	0.4 pp	-
Depreciation/amortization	-13.9	-14.2	0.3	2.1	-7.0	-7.1	0.1	1.4
of which PPA depreciation*	-1.1	-1.4	0.3	21.4	-0.6	-0.7	0.1	14.3
of which impairment	0.0	0.0	0.0	-	0.0	0.0	0.0	-
EBITA (adjusted)**	29.0	39.5	-10.5	-26.6	16.6	18.7	-2.1	-11.2
in % of sales	9.8	11.9	-2.1 pp	-	11.3	11.4	-0.1 pp	-
EBIT	27.9	38.1	-10.2	-26.8	16.0	18.0	-2.0	-11.1
in % of sales	9.4	11.5	-2.1 pp	-	10.9	10.9	0.0 pp	-
Investments	6.2	6.1	0.1	1.6	4.0	3.4	0.6	17.6
Employees	2,984	3,131	-147	-4.7	2,960	3,121	-161	-5.2

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

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

Financial Position

CONSOLIDATED STATEMENT OF CASH FLOWS, CONDENSED

in EUR million

	H1 2024	H1 2023	Difference	
			absolute	in %
Earnings after taxes from continuing operations	32.1	47.5	-15.4	-32.4
Depreciation/amortization	44.1	43.2	0.9	2.1
Other non-cash changes	28.7	37.7	-9.0	-23.9
Cash-effective change in working capital	-19.2	-59.2	40.0	67.6
Change in other balance sheet items	-6.6	-7.2	0.6	8.3
Tax payments	-27.3	-22.8	-4.5	-19.7
Dividends received	1.5	0.0	1.5	-
Operating cash flow	53.3	39.2	14.1	36.0
Interest paid/interest received	-9.4	-10.8	1.4	13.0
Cash flow from operating activities	43.9	28.4	15.5	54.6
Cash outflow for investments and acquisitions	-36.2	-27.4	-8.8	-32.1
Cash inflow from the disposal of assets	5.6	14.5	-8.9	-61.4
Cash flow from investing activities	-30.6	-12.9	-17.7	<-100
Cash outflow for the acquisition of treasury shares	-25.4	0.0	-25.4	-
Dividend payment	-31.0	-21.5	-9.5	-44.2
Cash outflow from the repayment of contingent purchase price commitments	-5.1	0.0	-5.1	-
Payments related to transactions involving interests attributable to non-controlling shareholders	-0.1	0.0	-0.1	-
Dividend payments to non-controlling interests	-0.1	-0.2	0.1	50.0
Cash inflow from the raising of loans	0.1	97.0	-96.9	-99.9
Cash outflow from the repayment of loans	-86.1	-75.3	-10.8	-14.3
Cash outflow from the repayment of lease liabilities	-9.9	-9.2	-0.7	-7.6
Cash flow from financing activities	-157.6	-9.2	-148.4	<-100
Net changes in cash and cash equivalents from continuing operations	-144.3	6.3	-150.6	<-100
Net changes in cash and cash equivalents from discontinued operations	0.0	-15.1	15.1	100.0
Changes in cash and cash equivalents caused by currency exchange rates	0.2	-1.0	1.2	>100
Changes in cash and cash equivalents in connection with assets held for sale	0.0	0.9	-0.9	-100.0
Cash and cash equivalents at the beginning of the period	265.8	127.8	138.0	>100
Cash and cash equivalents at the end of the period	121.7	118.9	2.8	2.4

Statement of Cash Flows: Considerable Increase in Operating Cash Flow

Operating cash flow rose EUR 14.1 million to EUR 53.3 million in comparison with the same period of the previous year in the first half of 2024. At EUR 32.1 million, earnings after taxes from continuing operations were EUR 15.4 million lower in the reporting period than the previous year's figure of EUR 47.5 million. The increase in operating cash flow is due in particular to the EUR 40.0 million lower cash-effective increase in working capital compared to the previous year. This is essentially due to lower overall performance compared to the same period of the previous year. Partially due to lower procurement prices and improved working capital management, it has also been possible to avoid conscious stockpiling of raw materials.

Taking into account interest payments in the amount of EUR 9.4 million (previous year: EUR 10.8 million), cash flow from operating activities amounted to EUR 43.9 million (previous year: EUR 28.4 million) and was thus EUR 15.5 million higher than the previous year's figure.

At EUR 17.4 million, the cash outflow for investments in intangible assets and in property, plant and equipment was EUR 0.8 million lower than in the previous year (previous year: EUR 18.2 million). Cash outflow for investments in shares in fully consolidated companies amounted to EUR 18.5 million, covering the acquisitions of GESTALT AUTOMATION and HAUFF-Technik GRIDCOM in the first quarter, and COLSON Ltd. in the second quarter of the current financial year. The acquisition of QUICK took place during the same period of the previous year. At EUR 5.5 million, cash inflow from the disposal of assets was significantly lower than in the previous year. The previous year's figures contain the sales proceeds for a building that is no longer

required, amounting to EUR 14.4 million. The current year's figures include the sale of another portfolio company, BETOMAX, for EUR 4.8 million. Cash flow from investing activities came to EUR -30.6 million, compared with EUR -12.9 million in the previous year.

Cash flow from financing activities amounted to EUR -157.6 million (previous year: EUR -9.2 million). Alongside the steep fall in net borrowing of EUR 107.7 million, the causes of the decrease in cash outflows for acquiring treasury shares via the share buyback program amounting to EUR 25.4 million had higher dividends of EUR 1.20 per share (previous year: EUR 0.80 per share) compared to the previous year, as well as outflows for contingent purchase price liabilities amounting to EUR 5.1 million (previous year: EUR 0.0 million).

In total, net changes in cash and cash equivalents from continuing operations amounted to EUR -144.3 million in the first half of 2024, following EUR +6.3 million in the previous year. Net changes in cash and cash equivalents of EUR -15.1 million were recorded on discontinued operations in the previous year. Starting with an opening balance at the beginning of the year of EUR 265.8 million, cash and cash equivalents as of June 30, 2024, stood at EUR 121.7 million.

Free Cash Flow Exceeds the Previous Year by Around EUR 6 Million

Free cash flow is the sum of operating cash flow and cash flow from investing activities less cash outflow for investments in fully consolidated companies. Free cash flow indicates the funds available to INDUS for new acquisitions, dividend payments and debt repayments (interest and reduction of net debt).

in EUR million	H1 2024	H1 2023	Difference	
			absolute	in %
Operating cash flow from continuing operations	53.3	39.2	14.1	36.0
Cash flow from investing activities from continuing operations	-30.6	-12.9	-17.7	<-100
Cash outflow for investments for shares in fully consolidated companies	18.5	8.9	9.6	>100
Free cash flow	41.2	35.2	6.0	17.0

In the first half of the year, the INDUS Group generated free cash flow of EUR 41.2 million. Free cash flow was thus EUR 6.0 million higher than in the same period of the previous year. The increase was predominantly due to the lower cash-effective increase in working capital. The free cash flow from the previous year saw a positive one-off effect from the sale of a building amounting to EUR 14.4 million.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION, CONDENSED

in EUR million

	June 30, 2024	December 31, 2023	Difference	
			absolute	in %
ASSETS				
Non-current assets	1,023.3	1,029.2	-5.9	-0.6
Fixed assets	1,000.6	1,005.3	-4.7	-0.5
Receivables and other assets	22.7	23.9	-1.2	-5.0
Current assets	805.7	899.6	-93.9	-10.4
Inventories	453.6	429.3	24.3	5.7
Receivables and other assets	230.4	204.5	25.9	12.7
Cash and cash equivalents	121.7	265.8	-144.1	-54.2
Total assets	1,829.0	1,928.8	-99.8	-5.2
EQUITY AND LIABILITIES				
Non-current financing instruments	1,392.1	1,468.9	-76.8	-5.2
Equity	694.8	719.7	-24.9	-3.5
Borrowings	697.3	749.2	-51.9	-6.9
of which provisions	27.1	27.6	-0.5	-1.8
of which payables and deferred taxes	670.2	721.6	-51.4	-7.1
Current financing instruments	436.9	459.9	-23.0	-5.0
of which provisions	40.5	41.7	-1.2	-2.9
of which liabilities	396.4	418.2	-21.8	-5.2
Total equity and liabilities	1,829.0	1,928.8	-99.8	-5.2

Equity Ratio Increases to 38%

The INDUS Group's consolidated total assets amounted to EUR 1,829.0 million as of June 30, 2024, and were thus EUR 99.8 million lower than they were as of December 31, 2023. This reduction is due to the planned use of cash and cash equivalents (EUR -144.1 million) for the share buy-back program, payment of dividends to INDUS shareholders (EUR -31.0 million) and repayment of financial liabilities (EUR -85.0 million). At the same time there is an increase to working capital.

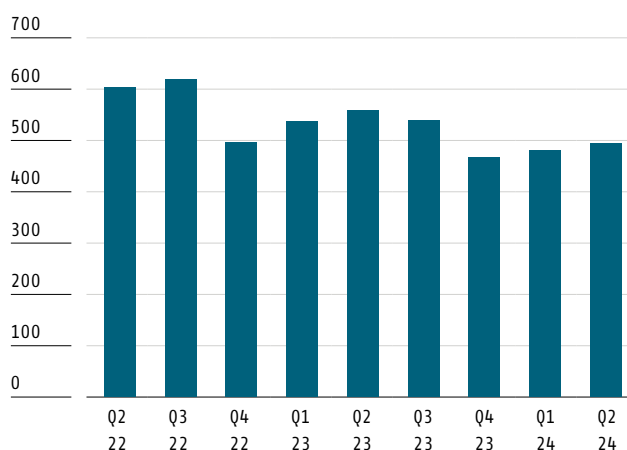
Working capital came to EUR 494.1 million as of June 30, 2024, up by EUR 27.2 million on December 31, 2023. This increase is seasonal in nature and typical when considering the course of the year, but is somewhat below the increase in the previous year. The increase relates to the increase in inventories (EUR +24.3 million) and receivables (EUR +24.7 million). This was offset by the increase in trade payables (EUR +14.7 million) and advance payments received (EUR +13.0 million).

Equity as of the reporting date came to EUR 694.8 million and was down by EUR 24.9 million on December 31, 2023. The increase in equity of EUR 31.7 million due to the profits that were acquired could not fully compensate for the reductions in equity resulting from the purchase of treasury shares (EUR -25.4 million) as well as dividends paid

to shareholders (EUR -31.0 million). Due to the significant reduction in total assets, the equity ratio as of June 30, 2024, was 0.7 percentage points better than the ratio at the end of the year (37.3%) and amounted to 38.0%.

WORKING CAPITAL

(in EUR million)



WORKING CAPITAL

in EUR million

	June 30, 2024	December 31, 2023	Difference	
			absolute	in %
Inventories	453.6	429.3	24.3	5.7
Receivables	206.0	181.3	24.7	13.6
Trade payables	-78.4	-63.7	-14.7	-23.1
Advance payments received	-36.3	-23.3	-13.0	-55.8
Contract liabilities	-50.8	-56.7	5.9	10.4
Working capital	494.1	466.9	27.2	5.8

As of June 30, 2024, there are net financial liabilities totaling EUR 565.3 million compared to EUR 506.2 million as of December 31, 2023. This means that net financial liabilities have risen by EUR 59.1 million compared to the start of the year. The causes of this are primarily the financing of this seasonal increase in working capital, the acquisition of treasury shares (EUR 25.4 million) and dividend payments (EUR 31.0 million).

NET FINANCIAL LIABILITIES

in EUR million

	June 30, 2024	December 31, 2023	Difference	
			absolute	in %
Non-current financial liabilities	566.0	618.2	-52.2	-8.4
Current financial liabilities	121.0	153.8	-32.8	-21.3
Cash and cash equivalents	-121.7	-265.8	144.1	54.2
Net financial liabilities	565.3	506.2	59.1	11.7

Opportunities and Risks

For the Opportunities and Risk Report of INDUS Holding AG, please consult the 2023 Annual Report. The company operates an efficient risk management system for early detection, comprehensive analysis, and the systematic handling of risks. The particulars of the risk management system and the

significance of individual risks are explained in the Annual Report. Therein is stated that the company does not consider itself to be exposed to any risks that might jeopardize its continued existence as a going concern.

Forecast Report

Expectations for the Economic Outlook

Economic signals are leading to the conclusion that the expected revival in the German economy will be delayed. Mild growth is expected at best for the whole of 2024, particularly due to problems in the industrial sector. The service sector should provide positive impetus, even if growth has recently been slowing down within the sector. Rising wages, a stable job market and lower inflation year-over-year means private consumption should be supported. However, more expensive services unexpectedly increased the inflation rate to 2.3% in July 2024. At the same time, consumer confidence noticeably improved in July according to GfK.

That said, the recovery in the processing sector should last longer than was expected at the start of the year. The Purchasing Managers' Index (PMI) dropped back into the recessionary range in July 2024. Survey figures from the ifo Business Climate Index also weakened in July. In the processing sector, companies have a more pessimistic view of the current situation and the coming months than they did in the spring. The trade association Verband Deutscher Maschinen- und Anlagenbau e. V. (VDMA) expects a fall of 4% in German machinery sales in real terms in 2024. Individual sectors such as construction machinery are even forecasting double-digit nominal drops in sales. Suppliers to machine tool manufacturers forecast a nominal fall in production of 7%. Stronger growth in the machinery sector is not expected until 2025. A continued downwards trend is also expected over the next few months in the M&E industry. This is reflected in the ifo survey results. The business climate amongst manufacturers of metal products became noticeably worse in July 2024. The overall subdued order intake suggests that the low demand for industrial products and construction services has not yet been overcome. The number of building permits fell 24.2% in May 2024 compared to the same month of the previous year. Single-family homes are disproportionately affected by this fall. There are differences between sectors in terms of incoming orders. In real terms, incoming orders for overground construction rose 7.0% in May 2024 compared to the previous month, whereas they fell by 5.9% in underground construction. Also, the already pessimistic ifo business climate index in the main construction sector fell slightly in July. However, current estimates are somewhat higher than the pessimistic outlook at the start of the year, as the low point in residential, overground and underground construction was in February 2024.

The construction industry association BAUINDUSTRIE expects a fall in sales in overground engineering when taking the whole year into consideration.

The International Monetary Fund expects the German economy to grow slightly by 0.2% during the course of 2024. The Kiel Institute for the World Economy also forecasts a moderate recovery of 0.2%. In the face of growing political uncertainty and trade tensions worldwide, the risk of a sluggish fight against inflation in particular is increasing. Nevertheless, the International Monetary Fund expects the world economy to grow by 3.2% in 2024.

Expected Group Performance

INDUS has recorded a decrease in sales during the first six months of the current financial year. This concerns all three segments and is mainly down to the current economic situation. Operating income (EBIT) was also below the previous year's figure. The EBIT margin was 7.6%. Development in the second quarter has been better than in the first. Both sales and contribution to income have risen. The EBIT margin was 8.7% in the second quarter compared to 6.5% in the first. Economic development in general is worse than was expected by portfolio companies in the first half of the year.

During the first half of the current financial year, sales fell in the Engineering sector by 5.2% compared to the previous year, whilst operating income (EBIT) dropped considerably. Sales are expected to decrease slightly during the whole year and operating income (EBIT) is expected to decrease considerably as a result of the general economic environment. The EBIT margin is again expected to be within a range of 6.5% to 8.5%.

In the first half of the current financial year, the Infrastructure segment continued to clearly feel the effects of the slowdown in the construction sector. Sales are down on the previous year, operating income (EBIT) has risen above the previous year's figures. There is an impact on income due to a major client in the mobile air-conditioning devices sector becoming insolvent. INDUS expects a slight decrease in sales for the whole of the year, but also anticipates a strong increase in operating income. The EBIT margin is still expected to be in a range between 10% and 12%.

In the first half of the current financial year, the Materials segment recorded lower sales compared to the first half of 2023, and the same was noted for operating income (EBIT). Weak economic development within the metal industry as

well as price pressure from customers are more pronounced than expected. INDUS now expects lower sales and considerably lower net income for the whole of 2024. The forecast for the EBIT margin is still expected to be in a range between 7% and 9%.

Operating cash flow increased significantly in the first six months of the year by EUR 14.1 million compared to the same period of the previous year. This increase is mainly due to a lower cash-effective increase in working capital in comparison with the previous year. This is essentially due to lower overall performance compared to the same period of the previous year. Partially due to lower procurement prices and improved working capital management, it has

also been possible to avoid conscious stockpiling of raw materials. Free cash flow amounted to EUR 41.2 million, which is EUR 6.0 million more than in the previous year. The previous year's figure included a positive one-time effect of EUR 14.4 million from the sale of a property not required for operations. Our forecast of free cash flow above EUR 110 million for 2024 as a whole remains unchanged.

Based on the economic development we have outlined above, we expect sales to lie between EUR 1.70 billion and EUR 1.80 billion for the whole of 2024. We expect operating income (EBIT) to be in a range of between EUR 125 million and EUR 145 million. The EBIT margin is now expected to be between 7.0% and 8.0%.

in EUR million	Actual 2023	Forecast – March 2024	Forecast – August 2024
Engineering			
Sales	599.6	slightly increasing sales	slightly decreasing sales
EBIT	57.0	decreasing income	strongly decreasing income
EBIT margin	9.5%	8% to 10%	6.5% to 8.5%
Infrastructure			
Sales	582.2	slightly increasing sales	slightly decreasing sales
EBIT	49.3	strongly increasing income	strongly increasing income
EBIT margin	8.5%	10% to 12%	10% to 12%
Materials			
Sales	619.9	slightly decreasing sales	decreasing sales
EBIT	57.3	decreasing income	strongly decreasing income
EBIT margin	9.2%	7% to 9%	7% to 9%
INDUS Group			
Sales	1,802.4	EUR 1.85 to 1.95 billion	EUR 1.70 to 1.80 billion
EBIT	149.6	EUR 145 to 165 million	EUR 125 to 145 million
EBIT margin	8.3%	7.5–8.5%	7.0–8.0%
Free cash flow	>110	>110	>110

Post-Balance Sheet Events

No events occurred between June 30, 2024, and the publication of this report on August 13, 2024, that the Board of Management expects to have a material impact on the financial position or performance of the INDUS Group.

Condensed Consolidated Interim Financial Statements

Consolidated Statement of Income

FOR THE FIRST HALF OF 2024

in EUR '000	Notes	H1 2024	H1 2023	Q2 2024	Q2 2023
REVENUE	[5]	839,097	904,084	428,987	453,278
Other operating income		9,693	6,397	5,892	3,193
Own work capitalized		1,792	2,031	658	956
Change in inventories		10,624	23,018	5,948	4,298
Cost of materials	[6]	-374,115	-434,110	-193,444	-212,958
Personnel expenses	[7]	-268,431	-261,072	-133,978	-131,758
Depreciation/amortization		-44,054	-43,190	-22,287	-21,889
Other operating expenses	[8]	-110,527	-112,285	-54,446	-55,038
OPERATING INCOME (EBIT)		64,079	84,873	37,330	40,082
Interest income		1,793	271	926	-7
Interest expense		-10,683	-8,890	-4,961	-4,755
NET INTEREST		-8,890	-8,619	-4,035	-4,762
Income from shares accounted for using the equity method		-122	639	-8	304
Other financial income		-4,555	-5,960	-534	-1,614
FINANCIAL INCOME	[9]	-13,567	-13,940	-4,577	-6,072
EARNINGS BEFORE TAXES FROM CONTINUING OPERATIONS (EBT)		50,512	70,933	32,753	34,010
Income taxes	[10]	-18,404	-23,456	-10,982	-11,450
Earnings from discontinued operations		0	-25,757	0	-16,879
EARNINGS AFTER TAXES		32,108	21,720	21,771	5,681
of which interests attributable to non-controlling shareholders		465	269	287	260
of which interests attributable to INDUS shareholders		31,643	21,451	21,484	5,421
Earnings per share (basic and diluted) in EUR					
from continuing operations	[11]	1.21	1.76	0.83	0.83
from discontinued operations	[11]	0.00	-0.96	0.00	-0.63
from continuing and discontinued operations	[11]	1.21	0.80	0.83	0.20

Consolidated Statement of Comprehensive Income

FOR THE FIRST HALF OF 2024

in EUR '000	H1 2024	H1 2023	Q2 2024	Q2 2023
EARNINGS AFTER TAXES	32,108	21,720	21,771	5,681
Actuarial gains/losses	577	-2,423	322	-1,320
Deferred taxes	-241	540	-143	274
Items not to be reclassified to profit or loss	336	-1,883	179	-1,046
Currency conversion adjustment	-419	-885	753	110
Change in the market values of hedging instruments (cash flow hedge)	-398	-676	-708	-502
Deferred taxes	63	107	112	79
Items to be reclassified to profit or loss	-754	-1,454	157	-313
OTHER COMPREHENSIVE INCOME	-418	-3,337	336	-1,359
TOTAL COMPREHENSIVE INCOME	31,690	18,383	22,107	4,322
of which interests attributable to non-controlling shareholders	479	199	297	204
of which interests attributable to INDUS shareholders	31,211	18,184	21,810	4,118

Income and expenses recorded under other comprehensive income include actuarial gains (previous year: losses) from pensions and similar obligations amounting to EUR 577 thousand (previous year: EUR -2,423 thousand). This was the result of a 0.4 percentage point increase in the interest rate for domestic pension obligations (previous year: decrease of 0.15 percentage points) and a decrease of 0.1 percentage points for foreign pensions (Switzerland) (previous year: decrease of 0.38 percentage points).

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

Consolidated Statement of Financial Position

AS OF JUNE 30, 2024

in EUR '000	Notes	June 30, 2024	Dec. 31, 2023
ASSETS			
Goodwill		401,367	395,808
Right-of-use assets from leasing/rent		71,839	73,878
Other intangible assets		167,763	164,170
Property, plant and equipment		341,002	344,428
Investment property		9,714	10,005
Financial investments		8,932	11,347
Shares accounted for using the equity method		51	5,662
Other non-current assets		3,018	2,659
Deferred taxes		19,660	21,262
Non-current assets		1,023,346	1,029,219
Inventories	[13]	453,572	429,269
Receivables	[14]	205,963	181,310
Other current assets		17,324	17,336
Current income taxes		7,110	5,799
Cash and cash equivalents		121,690	265,843
Current assets		805,659	899,557
TOTAL ASSETS		1,829,005	1,928,776
EQUITY AND LIABILITIES			
Subscribed capital		69,928	69,928
Capital reserve		318,143	318,143
Other reserves		329,855	329,866
Treasury shares		-25,370	0
Equity held by INDUS shareholders		692,556	717,937
Non-controlling interests in the equity		2,270	1,724
Equity		694,826	719,661
Pension provisions		26,444	27,009
Other non-current provisions		633	596
Non-current financial liabilities	[15]	565,994	618,162
Other non-current liabilities	[16]	49,049	48,027
Deferred taxes		55,116	55,398
Non-current liabilities		697,236	749,192
Other current provisions		40,540	41,675
Current financial liabilities	[15]	121,016	153,849
Trade payables		78,357	63,661
Other current liabilities	[16]	175,589	174,491
Current income taxes		21,441	26,247
Current liabilities		436,943	459,923
TOTAL EQUITY AND LIABILITIES		1,829,005	1,928,776

Consolidated Statement of Changes in Equity

FROM JANUARY 1 TO JUNE 30, 2024

in EUR '000	Subscribed Capital	Capital Reserve	Retained Earnings	Other Reserves	Treasury Shares	Equity Held by INDUS Shareholders	Interests Held By Non-Controlling Shareholders	Group Equity
AS OF JAN. 1, 2023	69,928	318,143	284,932	10,158		683,161	2,060	685,221
Earnings after taxes			21,451			21,451	269	21,720
Other comprehensive income				-3,267		-3,267	-70	-3,337
Total comprehensive income			21,451	-3,267		18,184	199	18,383
Dividend payment			-21,517			-21,517	-146	-21,663
AS OF JUNE 30, 2023	69,928	318,143	284,866	6,891		679,828	2,113	681,941
AS OF JAN. 1, 2024	69,928	318,143	328,507	1,359		717,937	1,724	719,661
Earnings after taxes			31,643			31,643	465	32,108
Other comprehensive income				-432		-432	14	-418
Total comprehensive income			31,643	-432		31,211	479	31,690
Transactions with non-controlling interests			-267			-267	193	-74
Change in scope of consolidation							-6	-6
Acquisition of treasury shares					-25,370	-25,370		-25,370
Dividend payment			-30,955			-30,955	-120	-31,075
AS OF JUNE 30, 2024	69,928	318,143	328,928	927	-25,370	692,556	2,270	694,826

Interests attributable to non-controlling shareholders as of June 30, 2024, primarily consist of interests attributable to non-controlling shareholders in ROLKO Group subsidiaries. Interests attributable to non-controlling shareholders for which the economic ownership of the corresponding non-controlling interests had already been transferred under reciprocal option agreements at the acquisition date are shown under other liabilities.

Consolidated Statement of Cash Flows

FOR THE FIRST HALF OF 2024

in EUR '000	H1 2024	H1 2023
Earnings after taxes from continuing operations	32,108	47,477
Depreciation/amortization of non-current assets	44,054	43,190
Income taxes	18,404	23,456
Financial income	13,567	13,940
Other non-cash transactions	-3,196	266
Changes in provisions	-1,338	-1,331
Increase (-)/decrease (+) in inventories, receivables and other assets	-39,779	-65,117
Increase (+)/decrease (-) in trade payables and other equity and liabilities	15,350	137
Income taxes received/paid	-27,319	-22,830
Dividends received	1,460	0
Operating cash flow from continuing operations	53,311	39,188
Interest paid	-11,681	-11,119
Interest received	2,303	285
Cash flow from operating activities from continuing operations	43,933	28,354
Cash outflow from investments in		
Property, plant and equipment and intangible assets	-17,400	-18,239
Financial investments and shares accounted for using the equity method	-253	-283
Shares in fully consolidated companies	-18,540	-8,851
Cash inflow from the disposal of		
Other assets	5,547	14,463
Cash flow from investing activities from continuing operations	-30,646	-12,910
Cash outflow for the acquisition of treasury shares	-25,370	0
Dividend payment	-30,955	-21,517
Cash outflow from the repayment of contingent purchase price commitments	-5,126	0
Payments related to transactions involving interests attributable to non-controlling shareholders	-74	0
Dividend payments to non-controlling interests	-120	-146
Cash inflow from the raising of loans	80	97,073
Cash outflow from the repayment of loans	-86,157	-75,322
Cash outflow from the repayment of lease liabilities	-9,853	-9,241
Cash flow from financing activities from continuing operations	-157,575	-9,153
Net changes in cash and cash equivalents from continuing operations	-144,288	6,291
Net changes in cash and cash equivalents from discontinued operations	0	-15,057
Changes in cash and cash equivalents caused by currency exchange rates	135	-1,033
Changes in cash and cash equivalents in connection with assets held for sale	0	923
Cash and cash equivalents at the beginning of the period	265,843	127,816
Cash and cash equivalents at the end of the period	121,690	118,940

Notes

Basic Principles of the Consolidated Financial Statements

[1] General Information

INDUS Holding AG, with registered office in Bergisch Gladbach, Germany, has prepared its condensed consolidated interim financial statements for the period from January 1, 2024, to June 30, 2024, in accordance with the International Financial Reporting Standards (IFRS), and their interpretation by the International Financial Reporting Standards Interpretations Committee (IFRS IC) as applicable in the European Union (EU). The consolidated financial statements are prepared in euros (EUR). Unless otherwise indicated, all amounts are stated in thousands of euros (EUR '000).

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

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

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

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

[2] Changes in Accounting Standards

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

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

[3] Scope of Consolidation

In the first half of the year, the scope of consolidation developed as follows:

SCOPE OF CONSOLIDATION

	Germany	International	GROUP
As of December 31, 2023	109	69	178
Additions to the scope of consolidation	4	4	8
Disposals from the scope of consolidation	-3	-1	-4
As of June 30, 2024	110	72	182

Additions comprise the acquisitions of GESTALT AUTOMATION, COLSON and GRIDCOM and newly founded companies. These new companies primarily included subsidiaries of the INDUS portfolio companies with locations in the USA, India and China.

[4] Company Acquisitions

COMPANY ACQUISITION AT INDUS LEVEL

GESTALT AUTOMATION:

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

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

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

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

COMPANY ACQUISITIONS BY INDUS PORTFOLIO COMPANIES

GRIDCOM

On March 11, 2024, Hauff-Technik GmbH & Co. KG, Hermingen, acquired the remaining shares in Hauff-Technik Gridcom GmbH (GRIDCOM), Rosenberg, and is now the sole shareholder of the company. GRIDCOM is a specialist for the development and production of passive components for fiber-optic infrastructure. This includes point of presence (PoP) stations, which act as main distributors and connect

central fiber-optic cables with the fiber-optic distributors in the fiber to the curb (FTTC) and fiber to the home (FTTH) areas. GRIDCOM's product portfolio also includes network distributors and fiber-optic distribution boxes required to set up the infrastructure covering the last few meters to the customer.

In 2016, Hauff-Technik acquired the first 50% of shares in GRIDCOM. GRIDCOM was included in the consolidated financial statements using the equity method until February 29, 2024. Fully consolidated since March 1, 2024, GRIDCOM is allocated to the Infrastructure segment.

The fair value of the consideration for the newly acquired shares amounted to EUR 5,933 thousand on the acquisition date.

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

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

NEW ACQUISITION: GRIDCOM

IN EUR '000

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

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

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

The reassessed intangible assets essentially comprise the client base.

GRIDCOM contributed sales amounting to EUR 5,189 thousand and operating income (EBIT) of EUR 51 thousand to income in the first half of 2024. Expenses recognized in profit and loss from the initial consolidation of GRIDCOM had a negative impact of

EUR 699 thousand on operating income (EBIT). The incidental acquisition costs were recorded in the statement of income.

COLSON X-CEL

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

The economic transfer of COLSON took place on June 5, 2024. The initial consolidation took place on June 1, 2024. COLSON has been allocated to the Engineering segment.

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

Goodwill of EUR 4,773 thousand, determined in the course of the purchase price allocation, is not tax-deductible. Goodwill is the residual amount of the total consideration less the value of the re-assessed acquired assets and assumed liabilities and does not represent the accountable potential earnings of the acquired company for the future or the expertise of the workforce.

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

NEW ACQUISITION: COLSON X-CEL

in EUR '000

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

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

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

The re-assessed intangible assets essentially comprise the client base.

COLSON contributed sales amounting to EUR 304 thousand and operating income (EBIT) of EUR -377 thousand to income in the first half of 2024. Expenses recognized in profit and loss from the initial consolidation of COLSON had a negative impact of EUR 380 thousand on operating income (EBIT). The incidental acquisition costs were recorded in the statement of income.

Notes to the Consolidated Statement of Income

[5] Revenue

Revenue of EUR 839,097 thousand includes EUR 76,946 thousand in revenue in accordance with the over time method and EUR 762,151 thousand in revenue in accordance with the point in time method.

[6] Cost of Materials

in EUR '000	H1 2024	H1 2023
Raw materials, consumables and supplies, and purchased merchandise	-326,434	-385,042
Purchased services	-47,681	-49,068
Total	-374,115	-434,110

[7] Personnel Expenses

in EUR '000	H1 2024	H1 2023
Wages and salaries	-225,878	-219,632
Social security	-40,562	-39,167
Pensions	-1,991	-2,273
Total	-268,431	-261,072

[8] Other Operating Expenses

in EUR '000	H1 2024	H1 2023
Selling expenses	-45,710	-48,194
Operating expenses	-30,557	-30,384
Administrative expenses	-29,308	-29,306
Other expenses	-4,952	-4,401
Total	-110,527	-112,285

[9] Financial Income

in EUR '000	H1 2024	H1 2023
Interest and similar income	1,793	271
Interest and similar expenses	-10,683	-8,890
Net interest	-8,890	-8,619
Income from shares accounted for using the equity method	-122	639
Interests attributable to non-controlling shareholders	-4,606	-5,980
Income from financial investments	51	20
Other financial income	-4,555	-5,960
Total	-13,567	-13,940

The “interests attributable to non-controlling shareholders” item includes an effect on income from the subsequent valuation of the contingent purchase price liabilities (call/put options) of EUR -2,425 thousand (previous year: EUR -2,981 thousand) and earnings after taxes that external entities are entitled to from shares in limited partnerships and stock corporations with call/put options.

[10] Income Taxes

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

[11] Earnings per Share

in EUR '000	H1 2024	H1 2023
Income attributable to INDUS shareholders	31,643	21,451
Income from discontinued operations	0	-25,757
Income attributable to INDUS shareholders from continuing operations	31,643	47,208
Weighted average shares outstanding (in thousands)	26,231	26,896
Earnings per share from continuing operations (in EUR)	1.21	1.76
Earnings per share from discontinued operations (in EUR)	0.00	-0.96
Earnings per share from continuing and discontinued operations (in EUR)	1.21	0.80

Notes to the Consolidated Statement of Financial Position

[12] Fixed Assets

in EUR '000	June 30, 2024	Dec. 31, 2023
Goodwill	401,367	395,808
Right-of-use assets from leasing/rent	71,839	73,878
Capitalized development costs	12,235	12,089
Customer base	107,171	100,906
IP rights, concessions, other intangible assets	48,357	51,175
Other intangible assets	167,763	164,170
Land and buildings	193,125	195,348
Technical equipment and machinery	69,328	71,452
Other equipment, factory and office equipment	63,595	62,309
Advance payments and facilities under construction	14,954	15,319
Property, plant and equipment	341,002	344,428
Investment property	9,714	10,005

The breakdown of goodwill by segments can be found under segment reporting. The scheduled annual impairment test is carried out at INDUS on September 30 of each year.

[13] Inventories

in EUR '000	June 30, 2024	Dec. 31, 2023
Raw materials, consumables, and supplies	174,019	166,616
Unfinished goods	106,431	97,388
Finished goods and goods for resale	150,361	144,113
Advance payments	22,761	21,152
Total	453,572	429,269

[14] Receivables

in EUR '000	June 30, 2024	Dec. 31, 2023
Receivables from customers	193,768	164,446
Contract receivables	12,194	16,807
Receivables from associated companies	1	57
Total	205,963	181,310

[15] Financial Liabilities

in EUR '000	June 30, 2024	Current	Non-current	Dec. 31, 2023	Current	Non-current
Liabilities to banks	293,968	94,004	199,964	340,568	96,328	244,240
Lease liabilities	75,756	22,726	53,030	77,015	18,236	58,779
Promissory note loans	317,286	4,286	313,000	354,428	39,285	315,143
Total	687,010	121,016	565,994	772,011	153,849	618,162

[16] Liabilities

Other liabilities include contingent purchase price liabilities of EUR 52,126 thousand (December 31, 2023: EUR 55,558 thousand), carried at fair value, insofar as the

non-controlling shareholders can tender shares to INDUS by terminating the Articles of Incorporation or on the basis of option agreements.

Other Disclosures

[17] Segment Reporting

SEGMENT INFORMATION BY DIVISION FOR THE FIRST HALF OF 2024

SEGMENT REPORT IN ACCORDANCE WITH IFRS 8

in EUR '000

	<u>Engineering</u>	<u>Infrastructure</u>	<u>Materials</u>	<u>Total Segments</u>	<u>Other/ Reconciliation</u>	<u>Consolidated Financial Statements</u>
H1 2024						
Revenue with external third parties	266,104	276,791	295,780	838,675	422	839,097
Revenue with other segments	985	40	132	1,157	-1,157	0
Revenue	267,089	276,831	295,912	839,832	-735	839,097
Segment earnings (EBIT)	13,853	29,668	27,855	71,376	-7,297	64,079
Income from measurement according to the equity method	0	-104	-18	-122	0	-122
Depreciation/amortization	-16,209	-13,359	-13,922	-43,490	-564	-44,054
Segment EBITDA	30,062	43,027	41,777	114,866	-6,733	108,133
Investments	18,527	11,159	6,214	35,900	40	35,940
of which company acquisitions	13,140	5,400	0	18,540	0	18,540
June 30, 2024						
Goodwill	185,786	132,285	83,296	401,367	0	401,367

	<u>Engineering</u>	<u>Infrastructure</u>	<u>Materials</u>	<u>Total Segments</u>	<u>Other/ Reconciliation</u>	<u>Consolidated Financial Statements</u>
H1 2023						
Revenue with external third parties	280,747	291,287	331,522	903,556	528	904,084
Revenue with other segments	1,190	35	63	1,288	-1,288	0
Revenue	281,937	291,322	331,585	904,844	-760	904,084
Segment earnings (EBIT)	25,914	25,081	38,052	89,047	-4,174	84,873
Income from measurement according to the equity method	0	639	0	639	0	639
Depreciation/amortization	-15,927	-12,677	-14,204	-42,808	-382	-43,190
Segment EBITDA	41,841	37,758	52,256	131,855	-3,792	128,063
Investments	4,775	15,808	6,141	26,724	366	27,090
of which company acquisitions	0	8,851	0	8,851	0	8,851
Dec. 31, 2023						
Goodwill	180,712	131,528	83,568	395,808	0	395,808

SEGMENT REPORT IN ACCORDANCE WITH IFRS 8

in EUR '000

	<u>Engineering</u>	<u>Infrastructure</u>	<u>Materials</u>	<u>Total Segments</u>	<u>Other/ Reconciliation</u>	<u>Consolidated Financial Statements</u>
Q2 2024						
Revenue with external third parties	136,736	144,852	147,195	428,783	204	428,987
Revenue with other segments	559	10	83	652	-652	0
Revenue	137,295	144,862	147,278	429,435	-448	428,987
Segment earnings (EBIT)	6,520	18,312	16,010	40,842	-3,512	37,330
Income from measurement according to the equity method	0	0	-8	-8	0	-8
Depreciation/amortization	-8,184	-6,839	-6,982	-22,005	-282	-22,287
Segment EBITDA	14,704	25,151	22,992	62,847	-3,230	59,617
Investments	15,551	3,967	3,982	23,500	17	23,517
of which company acquisitions	12,480	0	0	12,480	0	12,480

	<u>Engineering</u>	<u>Infrastructure</u>	<u>Materials</u>	<u>Total Segments</u>	<u>Other/ Reconciliation</u>	<u>Consolidated Financial Statements</u>
Q2 2023						
Revenue with external third parties	138,642	149,817	164,747	453,206	72	453,278
Revenue with other segments	554	34	48	636	-636	0
Revenue	139,196	149,851	164,795	453,842	-564	453,278
Segment earnings (EBIT)	10,356	14,399	17,908	42,663	-2,581	40,082
Income from measurement according to the equity method	0	304	0	304	0	304
Depreciation/amortization	-8,056	-6,520	-7,116	-21,692	-197	-21,889
Segment EBITDA	18,412	20,919	25,024	64,355	-2,384	61,971
Investments	3,004	3,183	3,426	9,613	139	9,752
of which company acquisitions	0	0	0	0	0	0

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

RECONCILIATION

in EUR '000

	<u>H1 2024</u>	<u>H1 2023</u>	<u>Q2 2024</u>	<u>Q2 2023</u>
Segment earnings (EBIT)	71,376	89,047	40,842	42,663
Areas not allocated incl. holding company	-7,297	-4,174	-3,512	-2,581
Financial income	-13,567	-13,940	-4,577	-6,072
Earnings before taxes	50,512	70,933	32,753	34,010

The classification of segments is based on the current status of internal reporting and corresponds to the PARKOUR perform strategy update. The segment structure has been sub-

divided into the Engineering, Infrastructure and Materials segments in line with the technological focal points. The segment information relates to continued operations.

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

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

SEGMENT INFORMATION BY REGION

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

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

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

in EUR '000	<u>Group</u>	<u>Germany</u>	<u>EU</u>	<u>Third countries</u>
H1 2024				
Revenue with external third parties	839,097	411,431	174,587	253,079
June 30, 2024				
Non-current assets, less deferred taxes and financial instruments	991,736	874,761	37,237	79,738
H1 2023				
Revenue with external third parties	904,084	460,039	174,142	269,903
Dec. 31, 2023				
Non-current assets, less deferred taxes and financial instruments	993,951	873,512	38,071	82,368

[18] Information on the Significance of Financial Instruments

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

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

FINANCIAL INSTRUMENTS

in EUR '000

	<u>Balance Sheet Value</u>	<u>Not Within the Scope of IFRS 9</u>	<u>IFRS 9 Financial Instruments</u>	<u>Of Which Measured at Fair Value</u>	<u>Of Which Measured at Amortized Cost</u>
June 30, 2024					
Financial investments	8,932	0	8,932	253	8,679
Cash and cash equivalents	121,690	0	121,690	0	121,690
Receivables	205,963	12,194	193,769	0	193,769
Other assets	20,342	10,088	10,254	818	9,436
Financial instruments: Assets	356,927	22,282	334,645	1,071	333,574
Financial liabilities	687,010	75,756	611,254	0	611,254
Trade payables	78,357	0	78,357	0	78,357
Other liabilities	224,638	124,663	99,975	52,126	47,849
Financial instruments: Equity and Liabilities	990,005	200,419	789,586	52,126	737,460
December 31, 2023					
Financial investments	11,347	0	11,347	2,500	8,847
Cash and cash equivalents	265,843	0	265,843	0	265,843
Receivables	181,310	16,808	164,502	0	164,502
Other assets	19,995	8,064	11,931	1,216	10,715
Financial instruments: Assets	478,495	24,872	453,623	3,716	449,907
Financial liabilities	772,011	77,015	694,996	0	694,996
Trade payables	63,661	0	63,661	0	63,661
Other liabilities	222,518	116,228	106,290	55,565	50,725
Financial instruments: Equity and Liabilities	1,058,190	193,243	864,947	55,565	809,382

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

FINANCIAL INSTRUMENTS BY BUSINESS MODEL IN ACC. WITH IFRS 9

in EUR '000

	June 30, 2024	Dec. 31, 2023
Financial assets measured at cost	333,574	449,907
Financial assets recognized at fair value directly in equity	253	2,500
Derivatives with hedging relationships, hedge accounting	818	1,216
Financial instruments: Assets	334,645	453,623
Financial liabilities measured at fair value through profit and loss	52,126	55,565
Financial liabilities measured at cost	737,460	809,382
Financial instruments: Equity and Liabilities	789,586	864,947

[19] Events After the Reporting Date

No events occurred between June 30, 2024, and the publication of this report on August 13, 2024, that the Board of Management expects to have a material impact on the financial position or performance of the INDUS Group.

[20] Approval for Publication

The Board of Management of INDUS Holding AG approved these IFRS interim financial statements for publication on August 12, 2024.

Bergisch Gladbach, August 12, 2024

INDUS Holding AG

The Board of Management

Dr. Johannes Schmidt

Rudolf Weichert

Gudrun Degenhart

Dr. Jörn Großmann

Axel Meyer

Further Information

Responsibility Statement

We hereby certify, to the best of our knowledge, that in accordance with the applicable accounting principles for interim reporting, the consolidated interim financial statements give a true and fair view of the financial position and financial performance of the Group, and the interim Group management report includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected performance of the Group in the remainder of the financial year.

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Financial Calendar

Date	Event
November 12, 2024	Publication of interim report on the first nine months of 2024



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

Imprint

RESPONSIBLE MEMBER OF THE BOARD OF MANAGEMENT

Dr.-Ing. Johannes Schmidt

DATE OF PUBLISHING

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

DISCLAIMER:

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

