

INDUS Share

The 2021 Stock Market Year: Benign, Despite the Ongoing Pandemic, Supply Bottlenecks and Inflation Worries

Capital markets were dominated again by the coronavirus pandemic in 2021. A sudden rise in inflation rates and supply shortages around the world also caused the global economic recovery to lose momentum. New mutations in the coronavirus had an additional adverse impact on the economic situation.

Despite the now familiar supply shortages, the DAX reached several highs between January and April. The DAX was expanded from 30 to 40 companies in the reporting year and reached a new high of 16,290 points in mid-November. In the recovery that began in December investors focused on cyclical shares in the automotive and aviation sectors, as well as on the index heavyweights. DAX closed the year at 15,884.86 and so only slightly below the 16,000 mark, which represents an increase of 16% over the year.

The euro fell against the US dollar over the course of the year due to the different monetary policies pursued by the respective central banks. Whereas the Federal Reserve is reducing its bond purchases and signaling interest rate increases, the ECB is standing by its loose monetary policy. The Fed's less generous monetary policy boosted the US dollar accordingly, putting pressure on the euro.

The INDUS share: Capital Increase in March 2021

The INDUS share traded at around EUR 33.50 from the start of the year until early March. It reached a high of EUR 37.30 on March 18, 2021, followed by an unusually high daily trading volume of 67,529 shares on March 19, 2021.

INDUS completed a capital increase without subscription rights on March 26, 2021. A total of 2,445,050 new shares were issued at a price of EUR 34.90 as part of an accelerated book building and sold to long-term institutional investors, including family offices in Germany. Following the capital increase there are now 26,895,559 shares, compared with 24,450,509 on the previous year's reporting date.

From late March 2021 until the middle of the year the INDUS share settled down at around EUR 35 and moved sideways thereafter. A tentative new high was reached at EUR 37.20 on August 11, 2021, but it did not make it as the

KEY SHARE DATA	(in EUR)		
	2021	2020	2019
Earnings per share Group	1.78	-1.10	2.43
Cash flow per share Group	4.43	6.35	6.02
Dividend per share ¹	1.05	0.80	0.80
Dividend yield in % ¹	3.2	2.5	2.1
Distribution in EUR million ¹	28.2	19.6	19.6
Highest closing price for the year ² (3/18/2021)	37.30	40.45	47.45
Lowest closing price for the year ² (11/29/2021)	29.40	21.40	31.45
Final closing price for the year ²	32.75	32.10	38.85
Market capitalization ³ in EUR million	880.81	784.85	949.90
Average daily trading volume in number of shares	15,110	28,585	21,940

1) Subject to approval at Annual Shareholders' Meeting expected on May 31, 2022

2) XETRA closing price

3) As of reporting date, based on complete capital stock of 26,895,559 shares

INDUS SHARE DATA

WKN/ISIN	620010/DE0006200108
Stock exchange code	INH.DE
Share class	No-par-value shares
Stock exchanges	XETRA, Düsseldorf, Frankfurt (regulated market), Berlin, Hamburg, Hanover, Munich, Stuttgart
Market segment/Index	Prime Standard/SDAX
Designated sponsors	Hauck Aufhäuser Lampe, ICF und ODDO BHF
Subscribed capital	EUR 69,928,453.64
Authorized capital 2021	EUR 34,964,225.52
Number of shares	26,895,559

closing price for the day. Trading volumes were also not so significant as at the end of the first the first quarter

In the final quarter the share price fell from EUR 35.85 on November 8, 2021, to a low for the year of EUR 29.40 on November 29, 2021, before recovering to EUR 32.75 at year-end in moderate trading. In particular the press release on the acquisition of Heiber + Schröder Maschinenbau GmbH announced on December 17, 2021, prompted the share price to recover amid the highest daily trading volume of the year at 76,687 shares.

Over the full year the INDUS share therefore closed at the same level as the previous year or up +2%, whereas the SDAX index rose by 11% over the year. The MDAX was up by as much as +14% year-over-year.

Liquidity of the Share: Reduction in the Reporting Year

The liquidity of the INDUS share fell sharply in the reporting year. On average, according to the statistics of the German Stock Exchange, 21,244 shares were traded per day on XETRA and the German regional exchanges during the financial year. In 2020 the average trading volume was 28,585 shares a day. XETRA and regional German stock markets accounted for a good 74% of trading volume, according to Bloomberg, which was a similar percentage to prior years.

Stable Shareholder Structure with Many Institutional Investors

After the capital increase the largest shareholder in INDUS Holding AG remains Versicherungskammer Bayern in Munich. In line with its long-term capital investment strategy, it holds 17.7% of the capital stock (according to the Board of Management's knowledge). The other anchor is formed by a group of private investors who are represented jointly. The spokesman for the group of proxy shareholders is Hans Joachim Selzer of Driedorf, Germany. This group holds 5.7% of INDUS shares, according to its own statements. The capital increase on March 26, 2021, revealed a 3.7% stake held by WIRTGEN Invest Holding, Neustadt (Wied). Epina GmbH & Co. KG, Gütersloh, became one of INDUS Holding AG's larger shareholders in November 2017. The rest of the company's share capital (70.2%) is held by a broad range of investors. INDUS Holding AG currently does not hold any treasury shares.

Proposed Dividend of EUR 1.05 per Share

INDUS practices a stable dividend policy. Shareholders participate in company profits through regular dividend distributions. The dividend distribution generally depends on the net profit for the year. The dividend policy provides that at least 50% of profits are to be reinvested in the company and up to 50% distributed.

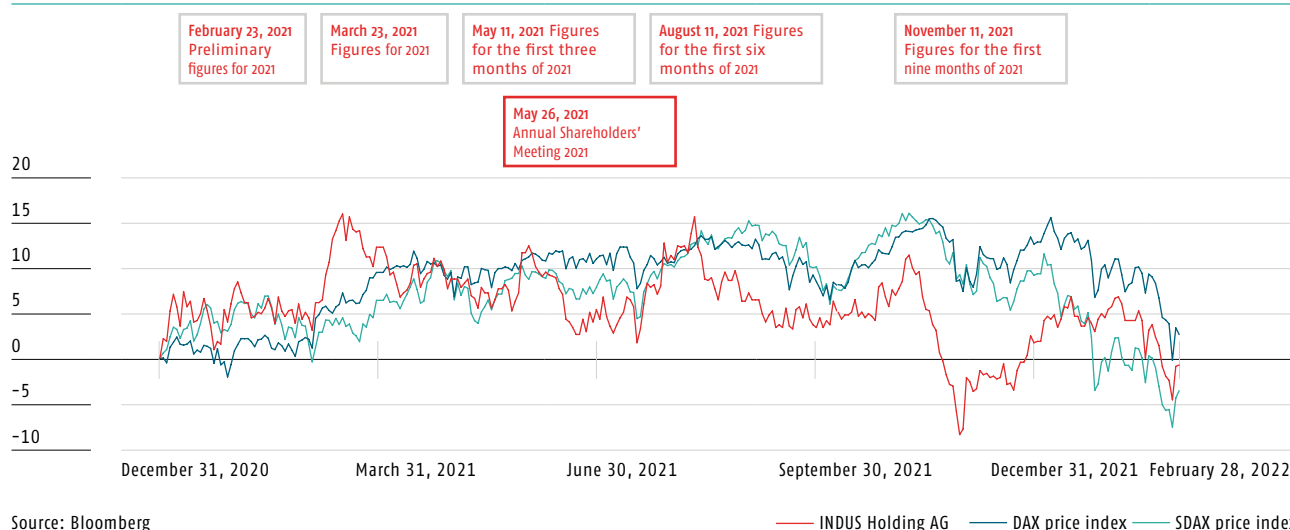
As of December 31, 2021, the holding company had EUR 54.5 million in balance sheet profit. The Board of Management and the Supervisory Board will therefore propose a dividend payment of EUR 1.05 per share (previous year: EUR 0.80) to the Annual Shareholders' Meeting. This represents a distribution of EUR 28.2 million and a dividend ratio of 51.9%.

INDUS share has potential

- FMR (EUR 42.50) – Hold
- GSC Research (EUR 43.00) – Buy
- Hauck Aufhäuser Lampe (EUR 56.00) – Buy
- HSBC (EUR 46.00) – Buy
- LBBW (EUR 45.00) – Buy
- M.M.Warburg (EUR 40.00) – Buy

SHARE PRICE PERFORMANCE OF THE INDUS SHARE 2021 EXCL. DIVIDEND

(in %)



Investor Relations Work: New Formats Address New Investor Groups; Second Annual Shareholders' Meeting to be Held Virtually

Marketing activities for the INDUS share were still affected by the coronavirus restrictions in 2021, with face-to-face events such as road shows, sales force briefings, conferences and site visits all severely limited. At the same time it was more difficult to market the INDUS share and take part in road shows and conferences. INDUS attended ten (previous year: 11) road show and conference events in 2021. INDUS also took part in a sustainability road show for the first time.

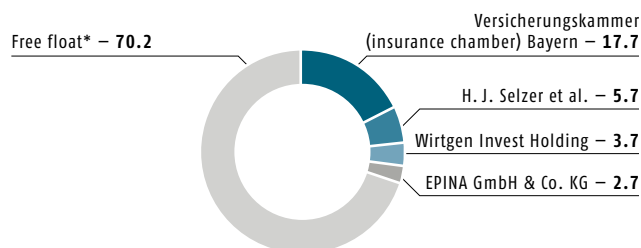
INDUS plans to expand its marketing activities in future, with an analyst day at a portfolio company, for example, and a capital markets day in 2022 to explain how the PARKOUR strategy is evolving.

In view of the existing pandemic restrictions INDUS held the Annual Shareholders' Meeting on May 26, 2021, as a virtual event in the Cologne Exhibition Center for the second time. A total of 57% of voting shares were present and some 300 participants (shareholders and guests) followed the AGM online.

INDUS Holding AG had greater contact with private investors in the reporting year and continues to maintain personal dialog outside the Annual Shareholders' Meeting via DSW investor forums and face-to-face meetings. Interested investors can stay abreast of current events through the INDUS newsletter.

SHAREHOLDER STRUCTURE OF INDUS HOLDING AG AS OF 12/31/2021

in %



* 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 76.6%.

Following entry of the capital increase in the commercial register on March 26, 2021, the total number of voting rights now amounts to 26,895,559 shares.

Source: Company information

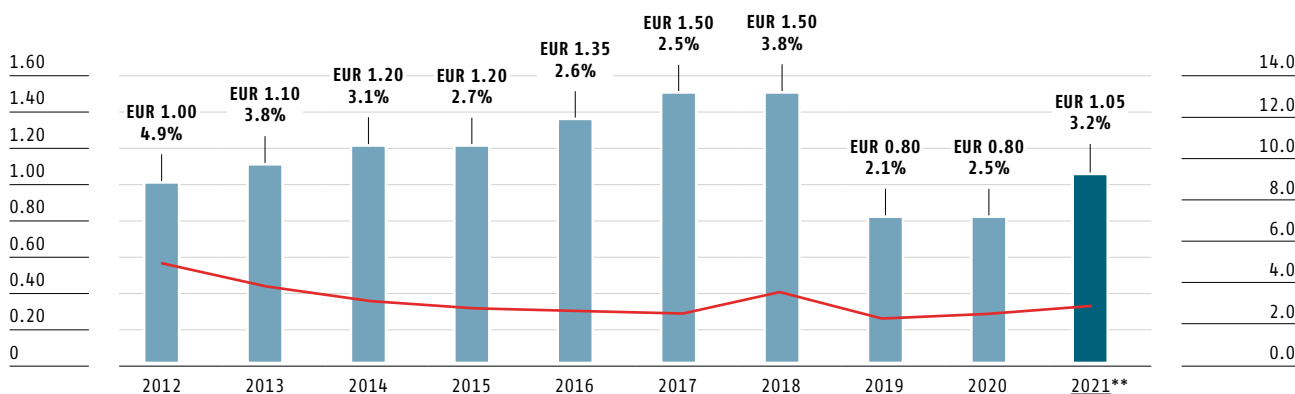
By actively cultivating relations with the capital markets, INDUS underscores its commitment to transparent and regular communication. The financial calendar on the inside cover of the Annual Report provides an overview of the most important dates for the current financial year. It is regularly updated and is also available on the company's website. [The dates planned for 2022 and additional IR information can be found at www.indus.de/en/investor-relations/financial-calendar](http://www.indus.de/en/investor-relations/financial-calendar)

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DIVIDEND PER SHARE* AND DIVIDEND YIELD 2012 TO 2021

(in EUR/%)



* Dividend payment for the respective financial year

** Subject to approval at Annual Shareholders' Meeting expected on May 31, 2022

— Dividend yield