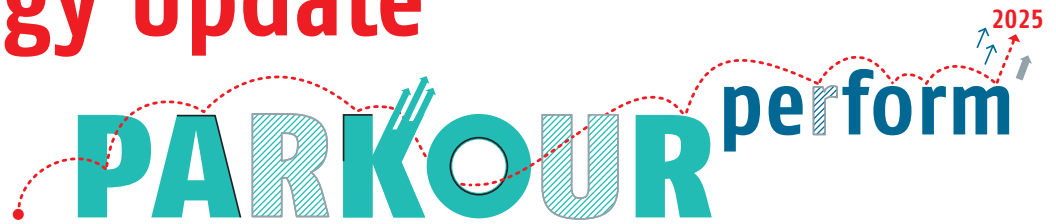


Strategy Update



We are repositioning our strategy in 2023: We will be expanding INDUS' strengths with three future-oriented segments, new segment management, and value-oriented management. PARKOUR perform sets out the path for the successful development of our portfolio with clear technological focal points. We will be focusing on future fields in industrial technology and our 2025 targets.

Focusing on Megatrends and Future Fields

The market environment for our portfolio companies is in a state of constant change. This makes it all the more important to recognize trends early and exploit market opportunities. The megatrends of sustainability, digitalization, mobility, and urbanization as well as demographics and health are important drivers for our portfolio. The future fields derived from these trends point the way for our companies.

Three Segments, One Focus

We are concentrating on the three promising segments **Engineering, Infrastructure, and Materials**. This gives us a clear structure and allows us to expand our strength of diversification in areas where we already excel – highly specialized **industrial technology** and in attractive niches of the markets. The Board of Management is adjusting the

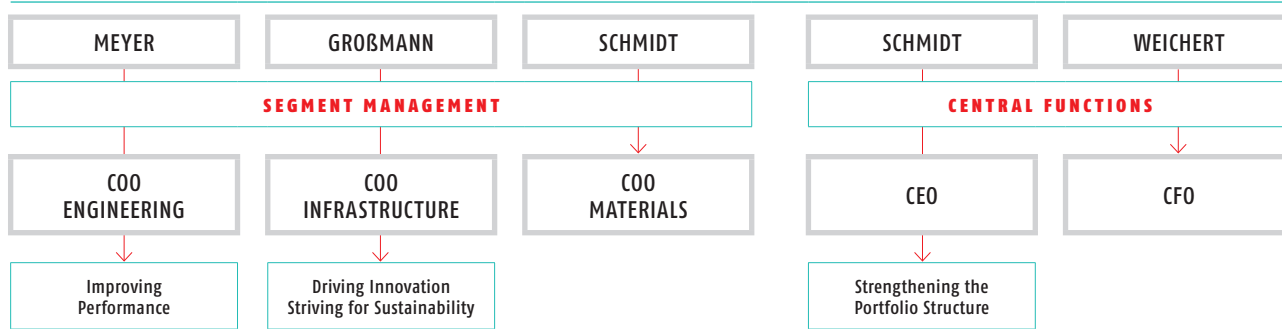
portfolio to remove automotive technology companies that have been making losses for a number of years. The portfolio companies in the former Medical Engineering/Life Science segments, with their skills in materials for medical disposables and aids, will be assigned to the Materials segment.

One Board Member, One Segment

With the new **segment management**, we will intensify support for our portfolio companies: One member of the Board of Management will manage one segment. With their industry expertise, the member of the Board of Management responsible will work even more closely with the portfolio companies, promote dialogue between the segment's companies, set the development path according to the future fields, and develop the segment through organic and inorganic growth. The main functions of Chairman of the Board and Chief Financial Officer will be separated from segment management.



NEW SEGMENT MANAGEMENT



More Transparency, More Focus on Value

Free cash flow will be introduced as an additional key figure and key control variable. This will increase transparency regarding the funds available to the Group and our scope for further acquisitions, dividend distribution, debt reduction, and interest payments. The free cash flow will also show the contribution made by a segment and boost the value-oriented management of the Group.

Buy, Hold & Develop Remains the Focus

The further development of our SME portfolio companies remains our driving force. Our four strategic initiatives, “Strengthening the Portfolio Structure,” “Driving Innovation,” “Improving Performance,” and “Striving for Sustainability” are the foundation for achieving this. Each member of the Board of Management will push forward “their” initiative as a cross-sectional topic throughout the Group.

The INDUS portfolio will grow continually with two to three acquisitions each year. The acquisition process will focus on the predefined future fields. We promise the companies that join us that we will help them grow as technology and niche specialists.

Clear Targets

We have updated our medium-term goals for 2025: **Profitable growth, boosting value**, and a **balanced portfolio structure** continue to provide the framework as the overarching targets.

To achieve these targets, we will actively support the INDUS portfolio companies to become the next generation of SMEs. Our motto: **We are shaping the future with SMEs.**

Medium-term Goals for 2025

Portfolio Strengthening:

Megatrends and innovations determine the performance of the portfolio companies

Sales Significantly Above EUR 2 Billion:

Organic & supported by regular acquisitions

EBIT Margin Above 10%:

Long-term, reliable target achievement

Value-based Management:

Free cash flow as a key performance indicator will be made transparent in the future

Regular Dividends:

Up to 50% of profits distributed

Striving for Sustainability:

All portfolio companies will pursue a measurable sustainability agenda

What Makes the INDUS Share Attractive

Our portfolio ...

- is focused on technology-oriented industrial companies in the SME sector of the German speaking countries.
- is diverse and oriented toward clearly defined future fields.
- is actively developed, growing profitably, and enables the payment of regular dividends.
- creates access to an attractive asset class that cannot be directly invested in through the capital market.
- reflects our sustainable, long-sighted corporate strategy.
- preserves and develops the life’s work of SME entrepreneurs.

You can find out more about our strategy in our magazine

[IN]spiring Progress 2023 | perform