

Buy

Target price € 32.45 (€ 32.25)
Share price* € 22.85 (+ 1,1%)

*Closing price XETRA (14 August 2025)

CHART

SHAREHOLDER STRUCTURE

Free float	62.0%
Versicherungskammer Bayern	10.3%
H.J. Selzer et al.	5.8%
Protector Forsikring	5.6%
Wirtgen Invest Holding	3.8%
Volkswagen Stiftung	3.1%
Prof.Dr.-ing. E.h. Friedhelm Loh	3.1%
EPINA GmbH & Co. KG	2.7%
Treasury shares	3.5%

BASIC DATA

Number of shares (in millions)	25.8
Market capitalisation (in € million)	576.6
Trading volume (Ø-100 days; in k€)	1,180.0
52-week high (in €)	28.40
52-week low (in €)	19.50

ANALYSTS

Daniel Großjohann
dg@parmantiercie.com

Thomas Schießle
ts@parmantiercie.com

CONTACT

Parmantier & CIE. Research
Hungener Straße 6
60389 Frankfurt/Main


INDUS Holding AG

WKN: 620010 / ISIN: DE0006200108 / Bloomberg: INH:GR


Q2 revenues exceed market estimates, further revenue growth expected in H2 – outlook for 2025 confirmed

The **Q2 figures** (revenues: €434.2 million (+1.2%); **adjusted EBITA**: €31.2 million (-26.4%)) already exceeded market expectations and the previous year's figures **in terms of revenue**. We expect the revenue momentum shown, driven by economic and seasonal effects, to continue in the H2 quarters – with **disproportionately strong earnings growth**. Uncertainties regarding tariffs are diminishing and the investment climate is already improving, at least in some areas. From 2026 onwards, the **infrastructure package** and the new German government's so-called '**growth booster**' should then take effect. We continue to expect an economic recovery that will also continue in 2026. Based on our estimates, INDUS remains attractively valued with a **2025 P/E ratio of 10.1** and a **dividend yield of over 5%**.

Order situation. The increase in consolidated **order intake** (€901.4 million; +8.9%) was mainly driven by the **Engineering segment** (+25%), but order intake in the other two segments also improved slightly. The **order backlog** as of 30 June 2025 was €665.2 million, up 4.5% on 31 December 2024. The **book-to-bill ratio** was **1.08**.

Acquisitions. INDUS has made five add-on acquisitions so far this year. The US company **METFAB** Engineering Inc. (annual sales: around €7 million), acquired in Q2, focuses on stainless steel solutions and has a long-standing customer relationship with the acquiring INDUS subsidiary **M.Braun**, which is expanding its value-added depth with the acquisition. **TRIGOSYS**, a specialist in customised formwork solutions for reinforced concrete construction (annual sales: approx. €4.5 million), complements the product portfolio of the acquiring company **BETOMAX**.

Outlook: For the **2025 financial year**, INDUS continues to plan for **sales** of between **€1.70 billion and €1.85 billion**, with **adjusted EBITA** expected to be between **€130 million and €165 million**. This corresponds to an **adjusted EBITA margin** of between 7.5% and 9%. **FCF** is expected to exceed €90 million.

FY 31.12.; in million euros	(23-27e)	2023	2024	2025e	2026e	2027e
Turnover	3.2%	1,802.43	1,721.80	1,760.54	1,892.58	2,043.98
EBITDA	3.2%	258.13	226.12	220.95	265.91	293.31
EBITDA margin, %		14.3%	13.1%	12.6%	14.0%	14.3%
Adjusted EBITA	4.7%	188.08	153.68	155.25	199.20	226.02
Adj. EBITA margin, %		10.4%	8.9%	8.8%	10.5%	11.1%
Consolidated earnings	13.0%	55.44	53.71	56.87	78.94	90.48
EPS, in euros	15.2%	2.06	2.07	2.28	3.17	3.63
Dividend per share, in euros	7.4%	1.20	1.20	1.21	1.41	1.60
EV/Sales		0.66	0.66	0.66	0.61	0.57
EV/EBITDA		5.0	5.2	5.2	4.3	3.9
P/E RATIO		11.6	10.5	10.1	7.3	6.4

Source: INDUS Holding AG, PCR



INVESTMENT THESES

INDUS Holding AG (INDUS) pursues a long-term "buy, hold and develop" approach and has an **actively managed and diversified portfolio of medium-sized companies** positioned along various megatrends and **technology competencies**. This makes INDUS shares one of the few opportunities for diversified investment in medium-sized companies.

INDUS pursues an investor-friendly **capital market strategy**. This includes a high level of **transparency in capital market communications, share buybacks** and a **shareholder-friendly dividend policy** backed by a long history. INDUS has paid a dividend every fiscal year **for over 25 years – even in the economically challenging years** after 2000, during the financial crisis and in the COVID-19 pandemic years. On a long-term average, between 40% and 50% of INDUS Holding AG's net profit is to be distributed. In 2024, INDUS distributed over €70 million to shareholders via two share buybacks (total volume: €41.7 million) and the dividend (volume: €31 million), while still increasing its equity ratio to 38.7% (2023: 37.3%). In March 2025, 1.1 million of the repurchased shares were cancelled, which had a positive effect on the value per share.

The EMPOWERING MITTELSTAND growth strategy is designed to open up growth opportunities for SME investments in the current macroeconomic environment (persistent weak overall economic **growth** in the domestic market; protectionist tendencies) that would be more difficult for individual SMEs to exploit (e.g. through support in the use of AI or foreign expansion supported by sister companies). The implementation of the growth strategy will not only lead to a **significant increase in sales** to around €3 billion by 2030, but will also contribute to a **disproportionate increase in earnings**. EPS could more than double compared to 2024.

INDUS is making great progress in terms of its **sustainability goals**, with Scope 1 & 2 emissions being reduced more than planned in 2024. However, the **local-for-local approach** should not be viewed primarily in this context, even though it supports the sustainability goals. Rather, it represents the company's commitment to growing with its customers and exploiting market opportunities as they arise. For example, INDUS (through its US locations) is participating in the ongoing reindustrialisation of North America and creating **natural resilience against protectionist measures** (tariffs). However, Chinese export controls (as a countermeasure to US tariff policy) have had a negative impact on well-established supply chains at the BETEK subsidiary.

According to our estimates, INDUS has a **P/E ratio of 10.1 for 2025**, with a **dividend yield of over 5%**. Fundamentally, INDUS therefore **remains attractively valued**, while leading economic indicators point to an imminent economic recovery in its home market of Germany.



Economic and macro environment

The customs agreement between the EU and the US has **removed** some **uncertainty from the market**. The investment climate is already improving, which is likely due in part to the German government's **infrastructure programme** and its "growth booster" ("tax-funded investment programme to strengthen Germany as a business location"). Although both are not expected to have a direct impact on sales and margins until 2026, **leading indicators** such as the ifo business climate are already picking up. The **ifo business climate index rose slightly every month** from January 2025 (86.3) to reach a value of 88.6 in July – but this is still below the long-term average.

Segment developments in H1 2025

The **Engineering segment** recorded a 2.4% decline in revenue to €259.7 million in H1, with organic growth contributing -7.5%. In terms of **order intake**, however, H1 was very successful with growth of 25.2%, with many of the new orders coming from the more long-term **plant engineering business**. The adj. EBITA also improved. While H1 was still 18.9% below the previous year's figure at €15.9 million, this was already slightly exceeded in Q2 (€9.5 million vs. €9.4 million). A **slight increase in sales** is expected for 2025, while **adjusted EBITA** is **now** expected to remain **at the previous year's level** and the corresponding margin at 9% to 11% (9.7% in 2024).

In June 2025, the wholly owned INDUS subsidiary **M.BRAUN** acquired the US company **METFAB Engineering Inc.** (annual revenue €7 million; 40 employees), a long-standing M.BRAUN supplier specialising in customised stainless steel solutions. In addition to M.BRAUN, METFAB also supplies other customers in the aerospace, automotive, medical technology and consumer electronics industries.

The **Infrastructure segment** increased **revenue** in H1 by 5.5% to €292.1 million, with Q2 showing stronger growth of 7.5%. **Adjusted EBITA**, which was still below the previous year's figures due to higher costs, among other things, also made the larger contribution in Q2 at €16.5 million (Q1: €10 million). Intense competition is currently preventing the full passing on of increased costs, but this could change in the coming quarters as a result of larger infrastructure projects. **Moderate increases in revenue** and **adjusted EBITA** are still expected for the full year 2025, with the adjusted EBITA margin expected to be between 10% and 12% after 11.4% in the previous year.

In July 2025, **TRIGOSYS GmbH** was acquired by **BETOMAX**, a wholly owned subsidiary of INDUS. TRIGOSYS, a specialist in customised formwork for reinforced concrete construction, has 26 employees and generates annual revenue of around €4.5 million. Given its positioning, the company is likely to benefit particularly from **the infrastructure package**.

The **Material Solutions segment** remained 3.9% below the previous year's figure in H1 with **sales** of €284.4 million, while Q2 was still 3.6% below the Q2 figure for 2024. **Adjusted EBITA** in the first half of the year was 20.3% below the previous year's figure. Among other things, higher costs for tungsten-containing precursors (see below) meant that the adjusted EBITA margin in Q2 (7.3%) was below the half-year figure (8.1%) – and thus developed contrary to the other two segments. For the Materials Solutions segment, INDUS now expects a **slight decline in sales** and a **sharp drop in adjusted EBITA** in 2025, **with the adjusted EBITA margin** expected to be between 5.5% and 7.5% (2024: 8.8%).



BETEK (Materials Solutions): Tungsten-containing intermediate products

INDUS subsidiary **BETEK** (segment: Materials Solutions) was severely affected by the Chinese export controls on tungsten (imposed as a countermeasure to US tariffs). China **is now granting** export licences again **for certain quantities of tungsten-containing intermediate products**, which has eased the situation somewhat for the BETEK subsidiary, which is dependent on these products, and secured **supplies at least until 2025**. **Recycling** as a form of material procurement has already been used and is now becoming even more attractive economically in view of the significant increase in tungsten prices.



Financial figures

Income statement (in million euros)	2023	2024	2025e	2026e	2026e
Sales revenue	1,802.431	1,721.796	1,760.536	1,892.577	2,043.983
Own work capitalised	5.375	4.004	4.094	4.401	4.753
Other operating income	20.617	27.824	28.450	30.584	33.030
Change in inventories	-17.088	-7.286	-7.450	-8.009	-8.649
Total operating performance	1,811.335	1,746.338	1,785.631	1,919.553	2,073.117
Cost of materials	-801.416	-757.026	-775.902	-810.604	-872.361
Personnel expenses	-521.537	-536.914	-546.337	-582.415	-625.967
Other operating expenses	-230.253	-226.281	-242.444	-260.628	-281.478
EBITDA	258.129	226.117	220.948	265.907	293.311
Depreciation (excl. PPA)	-70.048	-72.442	-65.697	-66.705	-67.290
Adjusted EBITA	188.081	153.675	155.251	199.201	226.021
PPA	-19.200	-20.300	-23.211	-28.870	-35.931
Impairment losses	-19.320	-6.700	0.000	0.000	0.000
EBIT	149.561	126.675	132.040	170.332	190.090
Financial result	-9.841	-30.590	-30.304	-29.826	-29.306
Pre-tax result	139.720	96.085	101.736	140.506	160.785
Taxes	-55.767	-41.384	-43.876	-60.578	-69.317
Result from discontinued operations	-27.839	0.000	0.000	0.000	0.000
Net income before minority interests	56.114	54.701	57.861	79.928	91.467
Minority interests	-0.677	-0.992	-0.992	-0.992	-0.992
Net profit for the year	55.437	53.709	56.869	78.936	90.475
Number of shares (outstanding)	26.896	25.957	24.892	24.892	24.892
Number of shares (total)	26.896	26.896	25.796	25.796	25.796
EPS (outstanding shares)	2.06	2.07	2.28	3.17	3.63
EPS (total shares)	2.06	2.00	2.20	3.06	3.51
DPS	1.20	1.20	1.21	1.41	1.60

Source: Company information (history)/PCR (forecast)

Cash flow statement (in million euros)	2023	2024	2025e	2026e	2026e
Cash flow from operating activities	217.66	143.68	136.51	137.10	150.50
Cash flow from investing activities	-50.083	-65.368	-79.048	-86.452	-92.928
Cash flow from financing activities	-0.501	-199.879	-37.275	-31.119	-36.252
Change in cash and cash equivalents	167.073	-121.565	20.191	19.526	21.322
Cash and cash equiv. end of the period	265.843	145.151	165.342	184.868	206.190

Source: Company information (history)/PCR (forecast)



Balance sheet (in million euros)	2023	2024	2025e	2026e	2026e
Fixed assets	1,005.298	1,020.326	1,010.467	1,001.344	991.051
Intangible assets	633.856	661.750	662.350	663.850	666.350
Property, plant and equipment	344.428	341.047	330.588	319.965	307.172
Financial assets	27.014	17.529	17.529	17.529	17.529
Current assets	899.557	769.927	803.523	868.738	942.449
Inventories	429.269	410.533	419.770	451.253	487.353
Trade receivables	181.310	185.245	189.413	203.619	219.909
Other receivables	23.135	28.998	28.998	28.998	28.998
Cash and securities	265.843	145.151	165.342	184.868	206.190
Other assets	23.921	16.576	16.576	16.576	16.576
Total assets	1,928.776	1,806.829	1,830.566	1,886.657	1,950.076
Shareholders' equity	719.661	699.998	720.718	769.671	825.043
Reserves	717.937	697.543	717.271	765.232	819.612
Minority interests	1.724	2.455	3.447	4.439	5.431
Accrued liabilities	69.280	71.036	72.368	73.764	75.227
Accounts payable	1,058.190	959.705	961.390	967.132	973.716
Interest-bearing liabilities	772.011	686.593	686.593	686.593	686.593
Liabilities from trade payables	63.661	74.874	76.559	82.301	88.885
Other non-interest-bearing liabilities	222.518	198.238	198.238	198.238	198.238
Other liabilities Other liabilities	81.645	76.090	76.090	76.090	76.090
Total liabilities	1,928.776	1,806.829	1,830.566	1,886.657	1,950.076

Source: Company information (history)/PCR (forecast)



Overview of key figures	2023	2024	2025e	2026e	2026e
Key valuation figures					
EV/Sales	0.66	0.66	0.66	0.61	0.57
EV/EBITDA	4.96	5.21	5.23	4.34	3.94
EV/EBIT	7.93	9.03	8.74	6.78	6.08
P/E RATIO	11.64	10.52	10.11	7.29	6.36
Price/book value	0.90	0.81	0.80	0.75	0.70
Profitability ratios in %					
Gross margin	56.0%	57.5%	57.4%	58.6%	58.7%
EBITDA margin	13.2%	12.7%	12.6%	14.1%	14.4%
EBIT margin	8.3%	7.4%	7.5%	9.0%	9.3%
Pre-tax margin	7.8%	5.6%	5.8%	7.4%	7.9%
Net margin	3.1%	3.1%	3.2%	4.2%	4.4%
ROE	7.9%	7.7%	8.2%	10.7%	11.5%
ROCE	11.5%	10.5%	10.7%	13.2%	14.1%
Key productivity figures					
Turnover/employee (in € thousand)	201.9	198.9	195.5	202.5	218.7
Net revenue/employee (in € thousand)	6.21	6.20	6.31	8.45	9.68
Number of employees	8,929	8,657	9,007	9,347	9,347
Key financial figures					
Equity ratio	37.3%	38.7%	39.4%	40.8%	42.3%
Dividend yield	5.0%	5.7%	5.4%	6.3%	7.1%
Other key figures					
Cash flow per share	7.03	5.72	5.71	6.77	7.57
Free cash flow per share	5.12	4.22	3.69	4.60	5.23
Working capital/sales (in %)	30.3%	30.3%	30.3%	30.3%	30.3%
Depreciation/sales (in %)	3.9%	4.2%	3.7%	3.5%	3.3%
Tax rate (in %)	39.9%	43.1%	43.1%	43.1%	43.1%
<i>Source: PCR</i>					



DISCLAIMER

LEGAL NOTICE

This research report ("Investment Recommendation") was prepared by Parmantier & Cie. Research, with contributions from Mr. Grossjohann, and is distributed solely by Parmantier & Cie. Research. It is intended only for the recipient and may not be shared with other entities, even if they are part of the same corporate group, without prior written consent. The report contains selected information and makes no claim to completeness. The investment recommendation is based on publicly available information ("Information"), which is considered correct and complete. However, Parmantier & Cie. Research does not verify or guarantee the accuracy or completeness of this information. Any potential errors or omissions do not create liability for Parmantier & Cie. Research, which assumes no liability for direct, indirect, or consequential damages.

In particular, Parmantier & Cie. Research accepts no responsibility for the accuracy of statements, forecasts, or other content in this investment recommendation concerning the analyzed companies, their subsidiaries, strategies, economic conditions, market and competitive positions, regulatory frameworks, and similar factors. While care has been taken in preparing this report, errors or omissions cannot be excluded. Parmantier & Cie. Research, including its partners and employees, accepts no liability for the accuracy or completeness of statements, estimates, or conclusions derived from the provided information in this investment recommendation.

To the extent this investment recommendation is provided as part of an existing contractual relationship (e.g., financial advisory services), Parmantier & Cie. Research's liability is limited to cases of gross negligence or intentional misconduct. In cases of breach of essential obligations, liability is limited to simple negligence but is restricted to foreseeable and typical damages in all cases. This investment recommendation does not constitute an offer or solicitation to buy or sell securities.

Partners, managing directors, or employees of Parmantier & Cie. Research or its subsidiaries may hold responsible positions, such as supervisory board mandates, in the companies mentioned in this report. The opinions expressed in this investment recommendation may change without notice and reflect the personal view of the research analyst. Unless otherwise stated, no part of the research analyst's compensation is directly or indirectly related to the recommendations or opinions contained in this report. All rights reserved.

Note on Publication History (according to § 4 Abs. 4 Punkt 4 FinAnV):

This report represents the first publication under the new company name Parmantier & Cie. Research, which was previously operating under the name Frankfurt Main Research. All previous research reports published under Frankfurt Main Research remain valid and can be considered part of the ongoing publication history. The change of name has no impact on the quality and continuity of the analyses and reports we produce.

Company	Analysts	Date	Recommendation	Target price
INDUS Holding AG	D.Grossjohann; T.Schiessle	28.08.2024	Buy	€ 35.40
INDUS Holding AG	D.Grossjohann; T.Schiessle	18.11.2024	Buy	€ 34.30
INDUS Holding AG	D.Grossjohann; T.Schiessle	25.02.2025	Buy	€ 34.30



INDUS Holding AG	D.Grossjohann; T.Schiessle	28.03.2025	Buy	€ 35.50
INDUS Holding AG	D.Grossjohann; T.Schiessle	19.05.2025	Buy	€ 32.25
INDUS Holding AG	D.Grossjohann; T.Schiessle	15.08.2025	Buy	€ 32.45

COPYRIGHT NOTICE

This work, including all its components, is protected by copyright. Any use beyond the limits set by copyright law is prohibited without prior permission and may result in legal penalties. This includes reproduction, translation, microfilming, as well as storage or processing in electronic systems, whether in whole or in part.

DISCLOSURE ACCORDING TO §85 OF THE SECURITIES TRADING ACT (WPHG), MAR, AND MIFID II INCLUDING DELEGATED REGULATION (EU) 2016/958 AND (EU) 2017/565

The valuation underlying the investment recommendation of the analyzed company is based on generally accepted fundamental analysis methods, such as DCF models, free cash flow value potential, NAV, peer group comparisons, or sum-of-the-parts models (see also <http://www.parmantiercie.com/disclaimer>). The results of this valuation are adjusted based on the analyst's assessment of the expected investor sentiment and its potential impact on stock prices.

Regardless of the valuation methods used, there is a risk that the target price may not be reached due to unforeseen factors such as changes in demand, management, technology, economic conditions, interest rates, operating and material costs, competitive pressure, regulatory frameworks, exchange rates, tax policies, and other factors. Additional risks may arise from investments in foreign markets and instruments, generally resulting from exchange rate fluctuations or political and social changes.

This comment reflects the author's opinion at the time of preparation. A change in the underlying fundamental data may make the valuation inaccurate. There is no obligation to update this comment within a specific timeframe.

Internal and organizational measures have been implemented to avoid or mitigate conflicts of interest. These measures ensure that information exchanges that could lead to conflicts of interest for Parmantier & Cie. Research concerning the analyzed issuers or their financial instruments are avoided. The analysts of Parmantier & Cie. Research receive no direct or indirect compensation from Parmantier & Cie. Research's investment banking activities or from any company within the Parmantier & Cie. Group.

SOURCES

All data and consensus estimates were sourced from external providers of stock market information, unless otherwise stated. Parmantier & Cie. Research assumes no responsibility for the accuracy of such information.

RESEARCH

Additional Information for U.S. Customers

This research report ("Report") is a product of Parmantier & Cie. Research. The analysts responsible for the report are employees of Parmantier & Cie. Research or work with independent research firms. The analysts are based outside the United States and are not associated with a U.S.-regulated broker-dealer, and therefore are not subject to the oversight of a U.S.-regulated broker-dealer.

This report is distributed in the United States solely to "Major U.S. Institutional Investors" under Rule 15a-6 of the U.S. Securities Exchange Act of 1934 by CIC. Any person who is not a Major U.S. Institutional



Investor should not rely on this communication. The distribution of this report in the United States does not constitute an endorsement of any opinion expressed in this report or a recommendation to enter into any transactions in the securities discussed.

Parmantier & Cie. Research holds positions in listed and non-listed companies, including potential long positions in the stocks analyzed in this report.

CONFLICTS OF INTEREST & DISCLOSURE

This research report was prepared by Parmantier & Cie. Research. The opinions and recommendations expressed in this report are based on publicly available information and internal analyses and evaluations. However, it is important to note that Parmantier & Cie. Research, its affiliates, directors, employees, or others involved in the preparation or dissemination of this report may have conflicts of interest.

1. **Ownership of Securities:** Parmantier & Cie. Research and/or its affiliates and employees may hold positions in the securities mentioned in this report at the time of publication.
2. **Market Activities:** Parmantier & Cie. Research and/or its affiliates may have acted as market makers for the securities mentioned in this report in the last 12 months.
3. **Corporate Relationships:** Parmantier & Cie. Research may have provided or be currently providing investment banking services, underwriting services, or other services to the companies mentioned in this report in the last 12 months.
4. **Compensation:** The compensation of analysts and other employees of Parmantier & Cie. Research may be directly or indirectly linked to trading profits, investment banking, or other business activities of Parmantier & Cie. Research.
5. **Analyst Obligations:** The analyst or analysts who prepared this report may have personal relationships with the companies analyzed in this report.
6. **Independence:** The opinions expressed in this report reflect the views of Parmantier & Cie. Research analysts, formulated independently of the interests of Parmantier & Cie. Research. Analysts do not receive compensation directly tied to the specific recommendations or views expressed in this report.

This report was published on 15.08.2025. The closing price indicated in the report is based on data from XETRA as of 14.08.2025.

Note: This report has been prepared in both German and English. In the event of any discrepancies or differences in interpretation between the two versions, the German version shall prevail as the authoritative and relevant version.

