

INDUS

Report of the Board of Management on Agenda Item 8 pursuant to Section 203 (2) sentence 2 and Section 186 (4) sentence 2 of the German Stock Corporation Act (AktG)

Regarding Agenda Item 8 of the Annual Shareholders' Meeting, the Board of Management and the Supervisory Board propose to create a new Authorized Capital 2026 and thereby completely replace the existing Authorized Capital 2021. Pursuant to Section 203 (2) sentence 2 and Section 186 (4) sentence 2 of the German Stock Corporation Act (AktG), the Board of Management submits this report on the reasons for the exclusion of subscription rights, which forms an integral part of the invitation to the Annual Shareholders' Meeting. The report will be available online at www.indus.eu/investors/shareholders-meeting/ as of the date of the notice convening the Annual Shareholder' Meeting. The report is hereby published as follows:

The Authorized Capital 2026 is intended to enable the company to act quickly and flexibly and to allow the Board of Management, with the approval of the Supervisory Board, to better respond to short-term financing requirements arising from the implementation of strategic decisions, as well as to maintain options for responding to market conditions in a manner that minimizes impact on the share price.

When utilizing the Authorized Capital 2026, shareholders generally have subscription rights. However, the proposed resolution provides that, when utilizing the Authorized Capital 2026, the Board of Management is authorized, with the approval of the Supervisory Board, to exclude subscription rights in certain cases.

First, the proposed authorization provides that the Board of Management may, with the approval of the Supervisory Board, exclude subscription rights for fractional amounts. Such a reasonable and market-consistent exclusion of subscription rights for any fractional amounts serves to enable the utilization of the authorization in round amounts and thus ensure easier processing. The potential dilution effect for shareholders is minimal due to the restriction to fractional amounts.

Furthermore, the Board of Management, with the approval of the Supervisory Board, should be able to exclude shareholders' subscription rights in the case of cash capital increases if the new shares are issued at a price that is not significantly below the market price of the company's already listed shares. When determining the issue price, the company will endeavor, taking current market conditions into account, to keep any discount to the market price as low as possible. The sale price and thus the proceeds accruing to the company for the new shares will be based on the market price of the already listed shares and will not fall significantly below the current market price, presumably by no more than 3%, but in any case by no more than 5%. This option to exclude subscription rights is intended to enable the company to take advantage of favorable short-term market conditions and opportunities, while achieving the highest possible and thereby achieve the greatest possible strengthening of equity. Experience shows that such a

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capital increase, due to the ability to act more quickly, leads to a higher inflow of funds than a comparable capital increase with shareholders' subscription rights. It is therefore in the well-understood interest of the company and the shareholders. While this does result in a reduction in the relative ownership stake and the relative voting rights of existing shareholders. However, shareholders who wish to maintain their relative ownership stake and relative voting rights have the option of acquiring the necessary number of shares on the stock exchange.

This option to exclude subscription rights is limited to a maximum of 10% of the share capital. Although the German Future Financing Act (ZuFinG), has raised the statutory upper limit for the simplified exclusion of subscription rights in Section 186 (3) sentence 4 of the German Stock Corporation Act (AktG) from the previous 10% to 20% of the share capital, the proposed resolution by the Board of Management and Supervisory Board, however, deliberately does not make full use of this expanded statutory framework, but instead limits the volume to up to 10% of the share capital. The amount of the share capital at the time the authorization takes effect through the entry of the amendment to the Articles of Association in the Commercial Register, or, if this amount is lower, the amount of the share capital at the time this authorization is exercised. If, during the term of this authorization and until it is fully utilized, other authorizations are exercised to issue or sell shares of the company or to issue rights that entitle or oblige the holder to subscribe for shares of the company, and the subscription right is excluded pursuant to or in accordance with Section 186 (3) sentence 4 of the German Stock Corporation Act (AktG), this shall be counted toward the aforementioned 10% limit.

The Board of Management shall further be authorized, within the scope of the Authorized Capital 2026 and with the approval of the Supervisory Board, to exclude shareholders' subscription rights in the event of capital increases against contributions in kind for the granting shares for the purpose of (including indirect) acquiring companies, parts of companies, interests in companies, or other assets, including rights and claims, or in the context of business combinations. This authorization to exclude subscription rights is intended to enable such an acquisition, including in exchange for the granting of shares of the company. The company operates in a global competitive environment. It must be able to act quickly and flexibly on national and international markets at all times in the interests of its shareholders. This includes, in particular, the option to acquire companies, parts of companies, interests therein, or other assets, including claims against the company, to improve its competitive position. Practice shows that the owners of attractive acquisition targets often demand the provision of voting shares in the acquiring company as consideration for a sale. In order to be able to acquire such companies, the company must have the option to grant its own shares as consideration. Although an exclusion of subscription rights results in a reduction of the existing shareholders' relative ownership stake and relative voting rights in each case, However, if unrestricted subscription rights were granted, the acquisition of companies, parts of companies, interests in companies, or other assets, including rights and claims, or in the context of business combinations in exchange for shares would not be possible, and the benefits sought for the company and its shareholders through such acquisitions would not be achievable. The Board of Management will carefully examine in each individual case whether such an acquisition in exchange for shares is in the best interests of the company. Only if this condition is met will the Supervisory Board grant its required approval.

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Finally, it should be possible to exclude shareholders' subscription rights in favor of holders of convertible bonds and bonds with warrants. The rationale behind the proposed option to exclude subscription rights in favor of holders of convertible and option bonds is that, in accordance with market practice, conversion and option terms regularly include provisions stipulating that, in the event of an offering to the company's shareholders for new shares, the conversion or option price must be reduced in accordance with a dilution protection formula if the holders of the conversion or option rights are not granted subscription rights to shares to the extent to which they would be entitled following the exercise of their conversion or option rights or the fulfillment of any conversion obligation. The option to exclude subscription rights proposed here gives the Board of Management the choice between these two alternatives in such situations.

The issuance of new shares with the exclusion of subscription rights may, pursuant to the authorizations described above, only take place if the total of these new shares does not exceed 10% of the share capital as of the effective date of the authorization upon entry of the amendment to the Articles of Association in the Commercial Register or, if the latter figure is lower, at the time this authorization is exercised. This limits the total scope of a share issuance without subscription rights. In this way, shareholders are additionally protected against potential dilution of their existing holdings. A set-off clause ensures that the 10% limit of the share capital is not exceeded by (additionally) other authorizations to issue shares of the company or to issue rights that entitle or oblige the holder to subscribe for shares of the company are exercised, thereby excluding shareholders' subscription rights.

There are currently no specific plans to utilize the Authorized Capital 2026. In any case, the Board of Management will carefully examine whether the utilization of the Authorized Capital 2026 is in the interest of the company and thus of the shareholders. The Board of Management will report to the Annual Shareholders' Meeting on any utilization of Authorized Capital 2026 as well as on the specific reasons for any exclusion of subscription rights.

Bergisch Gladbach, April 2026

INDUS Holding Aktiengesellschaft
Board of Management