

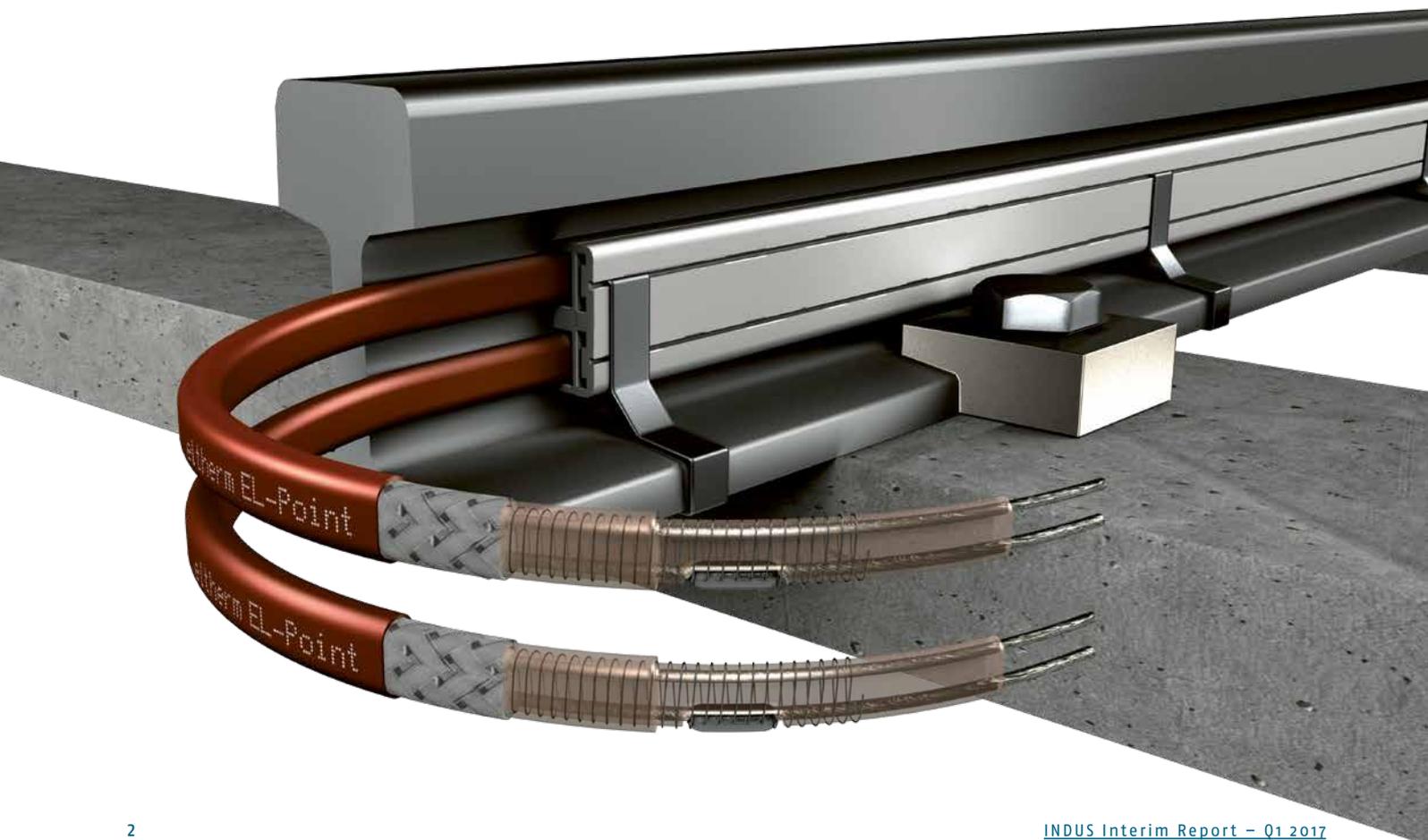


Q1 2017
INDUS Holding AG

[INDUS]

WE INVEST
WHERE THE FUTURE IS

—
GREENTEC



Current megatrends play a prominent role when it comes to defining the strategic thrust of companies in the INDUS Group. They are one of the crucial factors that determine where our portfolio companies will be able to earn money in the future. The field of "green" technologies is among those of relevance to future developments, one in which we are seeing the emergence not only of new markets with excellent prospects for growth. Industries already established in existing application areas also will be making extensive adjustments as they adapt to new environmentally-oriented technological requirements.

POLITICS AND THE MARKET ARE SENDING THE ECONOMY CLEAR SIGNALS

As populations and economies grow, the consumption of natural resources is increasing at a rapid pace. Apart from the industrialized countries, it is increasingly the newly industrialized and developing countries that are contributing to this trend. As a consequence, important basic resources such as water are becoming ever scarcer and more expensive, and so too are fossil fuels. The resulting impact on the environment is becoming stronger as well. Increasing levels of emissions and pollutants threaten to upset the ecological balance, and they are adversely affecting public health, to say nothing of their other ill effects.

In many advanced countries policymakers have already reacted to these developments by imposing considerably more stringent requirements on industries and their products. Even newly-industrialized China, a country of key economic importance, has by now set out on a distinctly GreenTec course, sending signals to the competition in

the process. The German automotive industry, for example, has noted with alarm that it has long since fallen behind its Asian competitors in its bid to claim the label of "lead nation for e-mobility".

WANTED: NEW SOLUTIONS WITH AN UPDATED PACKAGE OF BENEFITS

Primarily as a result of the trend towards digitalization, the industrial sector is currently undergoing such a radical upheaval that the field of green technologies is generally perceived as just one of a number of other important topics. The expected market figures are in fact exorbitant, however. In 2013 the global volume of the GreenTec markets amounted to EUR 2.536 billion. According to Roland Berger's calculations, their global market volume can be expected to increase to EUR 5.385 billion by 2025.

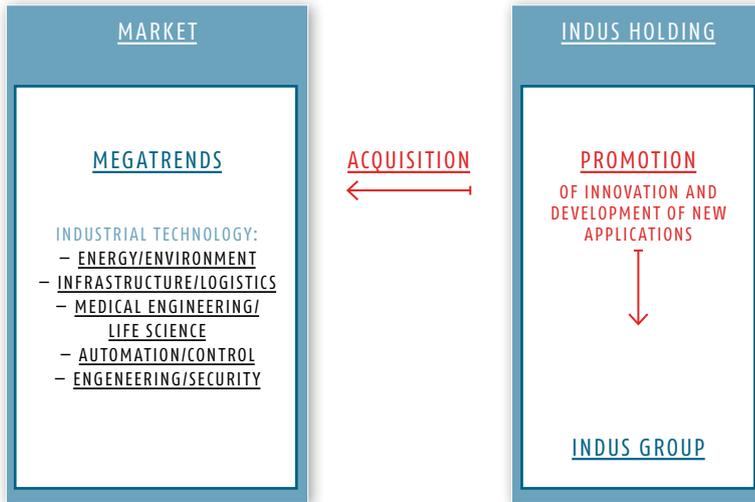
Experts are predicting that energy efficiency, sustainable mobility, efficiency in the use of raw and other materials, environmentally friendly production and energy storage and distribution are the segments that will experience especially strong growth. The drivers of this development include customers who make their buying decisions with a heightened awareness of environmental issues. For manufacturers this means that both industrial and private customers must be appealed to with new packages of benefits.



GAINING AND SECURING MARKET ACCESS WITH INVESTMENTS

At INDUS we focus on green technologies from two angles. Firstly, as a target sector for acquisitions. We are actively looking for companies whose business operations emphasize the market segments of environmental and energy technology. Secondly, we are specifically encouraging the GreenTec-oriented development activities of our existing portfolio companies, whose objectives may be to establish new technologies or to develop new application fields and markets.

WITH EL-POINT FROM ELTHERM,
MORE THAN 30% ENERGY IS
SAVED COMPARED TO
CONVENTIONAL HEATING
SYSTEMS.



ALREADY ON A GOOD PATH IN TERMS OF ENVIRONMENTAL AND ENERGY TECHNOLOGY

Our portfolio companies are already seizing to good effect the opportunities the greentec market offers. Their achievements are currently to be seen particularly in the fields of energy efficiency, conservation of resources, and environmentally friendly products.

For REMKO, a specialist in the heating, ventilation, and air conditioning of buildings, the energy efficiency of its products is a key strategic topic. In March 2017 the company first introduced its new “SQW” heat pump series at the ISH trade show. This device makes it possible to heat and air condition apartment buildings, office buildings, hotels and commercial real estate without the use of fossil fuels. The ArtStyle heat pump is already successfully in use and, owing to its high efficiency rating (“A++”) and unique design, has even

been awarded the “Product of the Year” award. By consistently focusing on the factor of sustainable energy efficiency, REMKO has secured clear competitive advantages for itself in the marketplace.

IEF-Werner, a manufacturer of automation systems and components, uses the modern technological possibilities to increase process efficiency, thereby lowering its customers’ operating costs. It dispenses with pneumatics in the structural design of its systems. Products such as the ecoSTACK palletizer make do without pressurized air, a highly energy- and therefore cost-intensive operating medium. At the same time, the company uses its application-specific knowledge to transform available data into value-added information. By using this information it is able to improve resource efficiency in plant operation and to increase the service life of systems and components, in some cases even through re-use. This is

expertise that IEF-Werner has developed in part through participation in joint European research projects.

ELTHERM, a specialist in electric heat tracing systems, has developed for its railroad customers the highly efficient EL-Point point heating system, which features impressively low power consumption and an equally impressive long service life. Because of its highly efficient heat transfer from heating cable to point rails, EL-Point can save more than 30% of the energy required for traditional point heating systems. Use of EL-Point not only lowers operating costs but is also easy on the environment. The system is currently undergoing Deutsche Bahn’s approval procedure. The required field tests have confirmed the energy saving potential of EL-Point as calculated in simulations and laboratory tests.

„OUR PORTFOLIO COMPANIES ARE ALREADY SEIZING TO GOOD EFFECT THE OPPORTUNITIES THE GREENTEC MARKET OFFERS.“

Dr. Johannes Schmidt



THE IEF PALLETIZER
ecoSTACK WORKS
COMPLETELY WITHOUT
COMPRESSED AIR.

Things are currently happening in the greentec field in some of the Group's other portfolio companies as well. The climate systems specialist AURORA, with its highly efficient energy management systems and lightweight products, is supporting solutions that considerably reduce the energy needs of electric buses. AURORA is contributing to the development of the urban mobility of the future.

Without a doubt, the number of green technology solutions coming onto the market from within the INDUS Group will continue to rise. And it is only a matter of time before the next company joins our portfolio.



REMKO'S NEW SQW HEAT PUMP
SERIES – "CAMURA" DESIGN
LINE – WITH AN OUTPUT
BETWEEN 32 AND 350 KW