



To the shareholder of

Value-Holdings AG

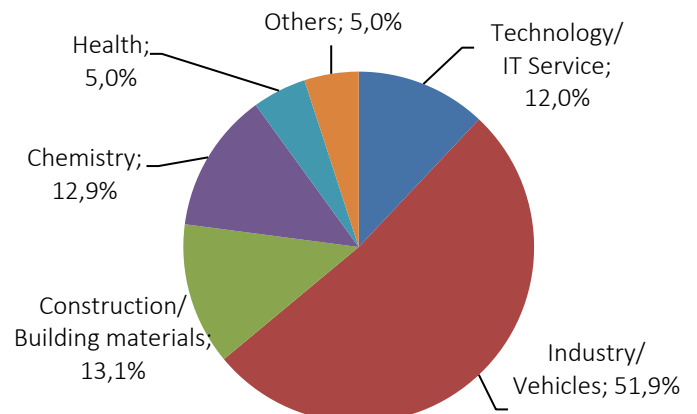
Letter to the shareholders I-2024

Dear Ladies and Gentlemen,

in the first three months of 2024, the stock markets performed similarly to last year. The major stocks recorded high price gains, with the German DAX index, for example, rising by 10.4 % to 18,492 points. In contrast, the small caps were flat. The MDAX was down -0.3 %, and the small stocks included in the Scale 30 rose by just 2.9 %. The central banks' interest rate policy and the weak economic development, particularly in Germany, continued to dominate the stock markets. The fact that inflation in Europe is falling faster than in the USA, coupled with a weak economy, could soon prompt the ECB to cut interest rates. The first rays of hope can also be seen in economic development, with orders from abroad in particular already increasing again in some sectors. Consumers' propensity to spend could also come as a positive surprise, as the high wage increases from the previous year are now significantly increasing purchasing power in the phase of falling inflation rates. This could boost the share prices of cyclical companies and consumer stocks in particular. In recent quarters, we have invested in some of these companies at very low valuations and are now looking forward to a positive performance of our portfolio.

Portfolio

The net asset value of the Value-Holdings AG portfolio increased to € 7.46 as at 31 March 2024. This corresponds to an increase of 8.9 % compared to the NAV at the end of 2023, which was € 6.85. In terms of sector weighting, two changes stand out: the portfolio share of the Technology/IT Service sector has almost halved due to the sale of Siltronic. In contrast, the weighting of the Industry/Vehicles sector has risen from just under 30 % to 52 %. This is due in particular to the strong share price increases of Traton, SAF-Holland and Kion. We have also added a new stock to the portfolio, which we will report on as soon as the target position size has been reached. The following chart shows the sector weighting of our holdings:



Result 1st quarter 2024

Figures in T€	01.01.24- 31.03.24	01.01.23- 31.03.23
Revenues	1.719	44
Cost price of sales	1.405	0
Gross profit	314	44
Other income	7	7
Dividend income	0	0
Personnel costs	-47	-40
SG&A costs	-22	-23
EBITDA	252	-12

Value-Holdings AG's revenue increased significantly in the first three months of 2024 as we sold two positions from our portfolio. As in the previous year, the revenue of T€ 1,719 includes T€ 44 in fees from our service activities. Proceeds from the sale of securities totalling T€ 1,675 largely resulted from the sale of Siltronic and Indus shares. As in the previous year, dividend and investment income was not yet recognised. Personnel costs increased to T€ 47 due to the strengthening of our team. SG&A costs remained almost unchanged at T€ 22. EBITDA for the 1st quarter totalled T€ 252 (previous year: T€ -12).

Development of the subsidiaries:

Value-Holdings International AG:

Value-Holdings International AG (VHI) increased its NAV by almost 6 % to € 3.18 per share in the first quarter. The capital gains realised already amount to T€ 260, mainly from the sale of Siltronic and Sogefi. VHI expects to realise high income in the second quarter due to the announced dividend proposals. VHI's Annual General Meeting will take place on 19 June this year. The distribution of a stable dividend of € 0.09 per share is once again on the agenda, which corresponds to a current dividend yield of around 3.1 %.

Value-Holdings Capital Partners AG:

The funds managed by VHC performed positively in the first quarter of 2024. At +9.2 %, the Value Holdings Deutschland Fund almost matched the performance of the DAX, although almost 90 % of the portfolio is invested in small caps. Their prices remained flat in the 1st quarter compared to the MDAX (-0.4 %) and the Scale 30 (+2.9 %). The Value Holdings Dividend Fund increased by 6.5 %. Although it therefore underperformed the

EuroStoxx 50 (+12.4 %), but almost reached the performance of the broader Stoxx 600 (+7.0 %).

Outlook 2024:

The stock markets have made a positive start to 2024, although the German economy continues to struggle. Investors are expecting interest rates to be cut soon, as inflationary pressure has recently eased significantly. We have already realised positive capital gains in the first few months of the new financial year and we expect high dividend income in the second quarter. Unless any unforeseen negative events disrupt our plans, we expect a very positive annual result for 2024.

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