



To the shareholder
of Value-Holdings AG

Letter to the shareholders II-2025

Dear Ladies and Gentlemen,

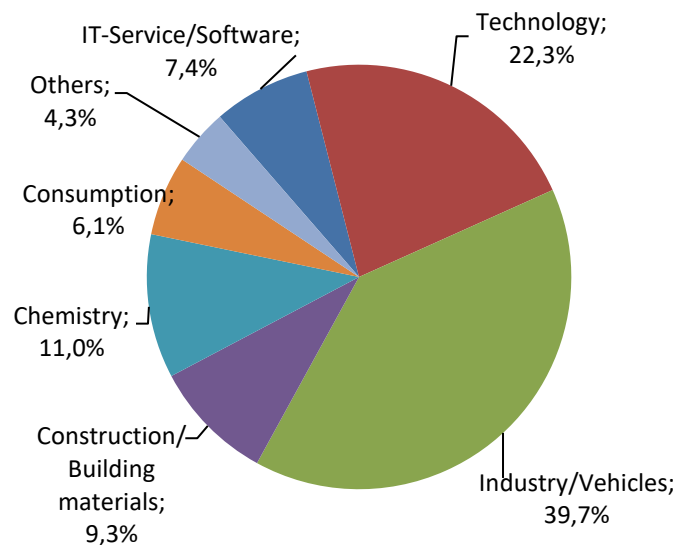
the upward trend on the German stock markets was interrupted in April by U.S. President Trump's announcement of high tariffs. As a result, the DAX gave up all the gains from the first quarter and fell by almost 4,000 points to 19,700. However, not only export-oriented companies were affected by the decline, as a strict tariff system would put a strain on the overall economy. When Trump, under pressure from American business leaders, partially withdrew the announced tariffs or initiated negotiations with the affected countries, the markets quickly recovered, and the DAX rose to new highs of around 24,300 points by early June.

The intensified conflict between Israel and Iran only weighed on the markets briefly. By the end of the first half of the year, the DAX closed at 23,910 points, up 20,1 %.

The new German government has swiftly implemented its promised policy shift. Companies can now depreciate 30 % of investments in the first year, and the corporate tax rate will be reduced starting in 2028. A special fund of 500 billion € is being allocated for increased investments in rail infrastructure, construction, and digitalization. This particularly benefits smaller companies, as their share of revenue generated within Germany is typically significantly higher than that of large corporations.

Portfolio

The net asset value (NAV) of the Value-Holdings AG portfolio was 8,48 € as of 30 June 2025. This represents an increase of 23,1 % compared to the NAV at the end of 2024, which was 6,89 €. In the second quarter, we added Sixt to our portfolio, which led to an increase in the "Other" category. In the "Construction/Building Materials" sector, we reduced our position in Sto and instead invested in Hornbach. The weighting of technology companies and the "Industry/Vehicles" sector increased due to strong price gains in several stocks within these areas. The following chart shows the sector allocation of our holdings:



Result 2nd quarter 2025

Figures in T€	01.01.25- 30.06.25	01.01.24- 30.06.24
Revenues	1.102	3.149
Cost price of sales	766	2.621
Gross profit	336	528
Other income	15	15
Dividend income	459	396
Personnel costs	-94	-95
SG&A costs	-76	-80
EBITDA	640	764

In the first half of 2025, Value-Holdings AG generated revenues of 1.102 T€. This includes 86 T€ in service income and 1.016 T€ from the sale of securities. The only complete sale was Jungheinrich, which we had only purchased in January and from which we were able to realize pleasing profits after a rapid and strong share price increase within just a few months. In addition, we partially sold several positions to reduce their portfolio weighting. Dividend and investment income rose significantly compared to the previous year, reaching 459 T€. Administrative expenses slightly declined, with personnel costs remaining nearly unchanged at 94 T€, while SG&A costs decreased more noticeably to 76 T€. EBITDA for the first half of the year stands at 640 T€ (prior year: 764 T€)

Development of the subsidiaries:

Value-Holdings International AG:
Value-Holdings International AG also looks back on a successful first half of 2025. The NAV increased by 24,0 % in the first six months — including the dividend paid in June — reaching 3,53 €. After four new investments in the first quarter, VHI acquired a stake in Gesco SE during the second quarter. Gesco is positioned as a holding company for small and medium-sized enterprises, with a product portfolio ranging from special-purpose machinery and loading arms to medical technology. Due to its regional operations primarily in Germany, GESCO is expected to benefit disproportionately from an economic recovery in the German market. At the Annual General Meeting of Value-Holdings International AG on 11 June 2025, all agenda items were unanimously approved — including the payment of an unchanged dividend of 0,09 € per share.

Value-Holdings Capital Partners AG:

The two funds managed by VHC continued to gain in the second quarter. The Value-Holdings Deutschland Fund is up 20,9 % after six months, while the Value-Holdings Dividenden Fund has achieved a gain of 18,8 %. Both funds outperformed their respective benchmarks — the DAX (+20,1 %) and the EURO STOXX 50 (+10,4 %). There were only minor reallocations within the portfolio of the Value-Holdings Deutschland Fund, such as the sale of Jungheinrich after a rapid and very strong share price increase. In contrast, the new fund manager of the Value-Holdings Dividenden Fund, Alexander Dominicus, made further adjustments and completely sold holdings such as BIC, Polytec, and Mercedes. These sales created liquidity for investments in companies with sustainable growth prospects and rising dividends.

Outlook 2024:

In the first half of the year, we were already able to achieve a pleasing result, despite having realized only a few profits so far. The investment program launched by the new government has given a significant boost to the share prices of German small- and mid-cap companies, as they now expect solid growth prospects for the coming years. Several positions in our portfolio have risen considerably and are now approaching their fair value. If the positive trend in share prices continues in the coming weeks, we expect to be able to realize substantial capital gains. However, this also depends on external factors. The unpredictable trade policy of U.S. President Trump — in addition to general political risks — remains a threat that could send markets into a downturn. Nonetheless, we remain hopeful that a solution to the trade conflict can be found that will not further burden the global economy. If so, we are confident that we will be able to achieve a strong result again in 2025.

Value-Holdings AG Postfach 25 10 54, 86015 Augsburg Bahnhofstr. 30, 86150 Augsburg Phone +49 (0)821/575394, Fax: 0821/574575 www.value-holdings.de info@value-holdings.de Registered in Augsburg, HRB 64 CEO: Georg Geiger Chairman of Board of Directors: Ludwig Lehmann
--