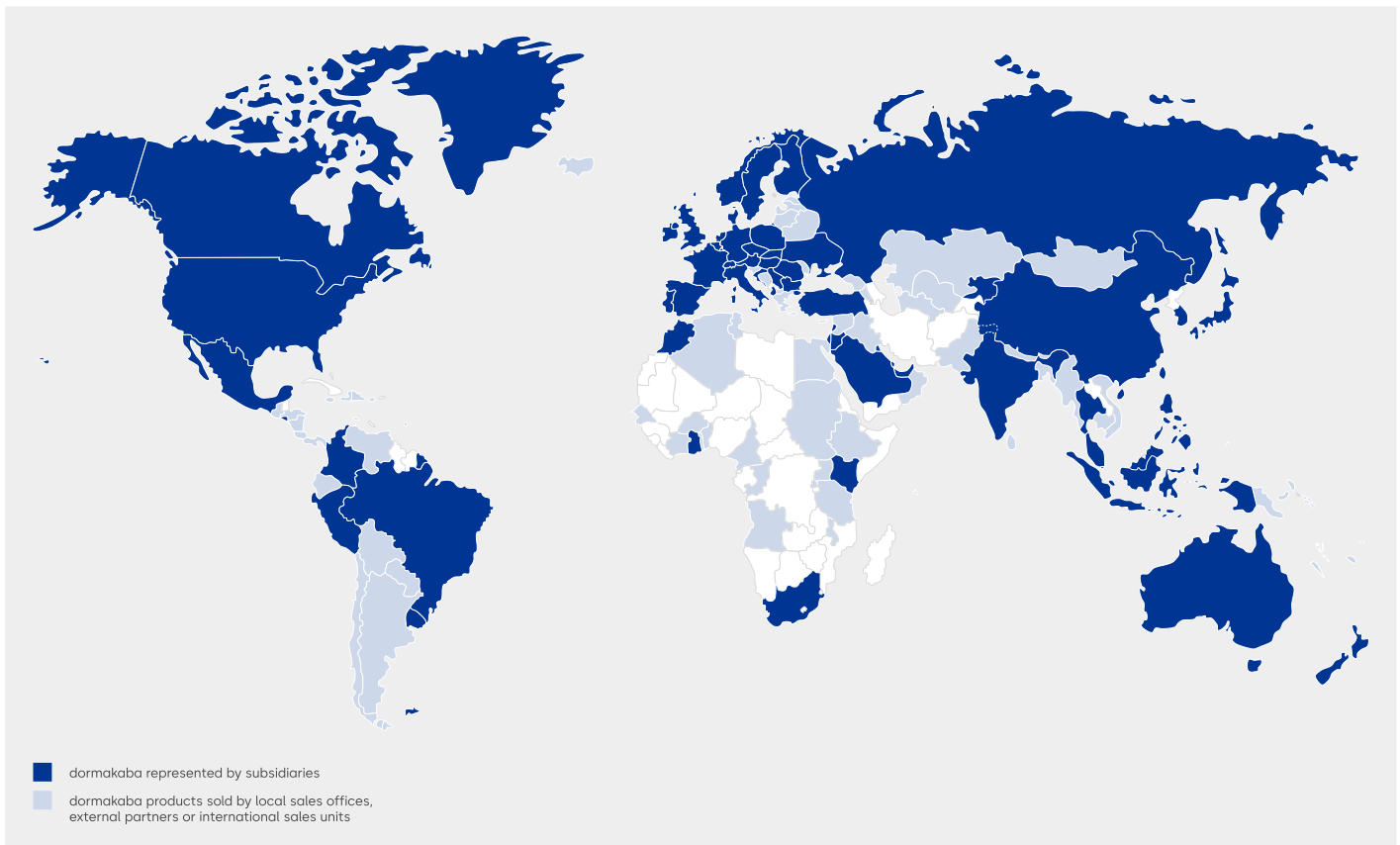


# 2022/23 in brief

- Net sales of CHF 2,848.8 million, growth of 3.3%
- Organic sales growth of 8.4%
- Adjusted EBITDA increased by 3.4% to CHF 384.8 million with an adjusted EBITDA margin of 13.5%
- Net profit of CHF 88.5 million
- Operating cash flow margin increased to 10.1%
- Dividend proposal of CHF 9.50 per share

## dormakaba worldwide



# Region Americas

Region Americas is comprised of the former segment Access Solutions AMER (AS AMER). All figures were consolidated according to the operating model valid until and including 30 June 2023.

Region Americas achieved total sales of CHF 781.8 million in the financial year 2022/23 (previous year: CHF 744.7 million). Organic sales growth was a strong 10.5%, with accelerated growth in the second half. Pricing contributed 7.8% to sales growth, offsetting inflationary pressure. The increase was driven by double-digit growth in the US, which benefited from a catch-up in price realization and strong volume growth contributions, notably from vertical markets for electronic airport, multi-housing, and hospitality security solutions.

All Product Clusters contributed to the top-line development except for Door Closers (excluding recently launched innovations such as the EHD9000). The Lodging business experienced strong growth across retrofit projects in hospitality and new construction installations in multi-housing, where dormakaba gained market share. Despite a decline in the crypto-currency ATM market, the Safe Locks business contributed strongly to the Region's overall growth. While the supply chain normalized and freight issues abated, the operating environment remained challenging due to labor availability challenges in the US. Electronic Access & Data recovered from the impact of historic scarcity of electronic components over the past few years, and now enjoys more normal supply conditions.

In the financial year 2022/23 dormakaba launched three major innovations in the Americas, supporting its focus on core product offerings:

- The Lyazon multifamily housing access integration platform, enabling API-based interoperability between the leading property technology offerings and dormakaba's Saffire multifamily housing system
- The BEST EHD9000 door closer: dormakaba's global door closer body platform in a region-specific housing with market leading features for installation ease, and exceptional product durability
- The Alvarado Argus V60 optical sensor barrier, enabling physical sensor barrier access control in spaces that were previously un-addressable due to space constraints (e.g., elevator lobbies)

All three new products were featured in the prestigious ISC West innovation showcase, with the EHD9000 and Alvarado Argus V60 winning awards. These innovations contributed to the strong regional result in financial year 2022/23 and set the ground for continued growth of dormakaba's latest market offerings.

Adjusted EBITDA improved to CHF 145.7 million (previous year: CHF 130.2 million) resulting in an adjusted EBITDA margin of 18.6% (previous year: 17.5%). The margin was positively impacted by price realizations which offset inflation, including higher costs for services and personnel. Additionally, dormakaba realized efficiencies in the sales process, thanks to an internal reorganization executed early in the fiscal year which reallocated territory and solution sales resources to improve customer reach and internal processing effectiveness.

As part of its execution of the Shape4Growth strategy, Region Americas increased investment in specification writers, whose number was increased during the year, and tools to support their market success. Total specification writing and specification output per FTE increased significantly in the year.

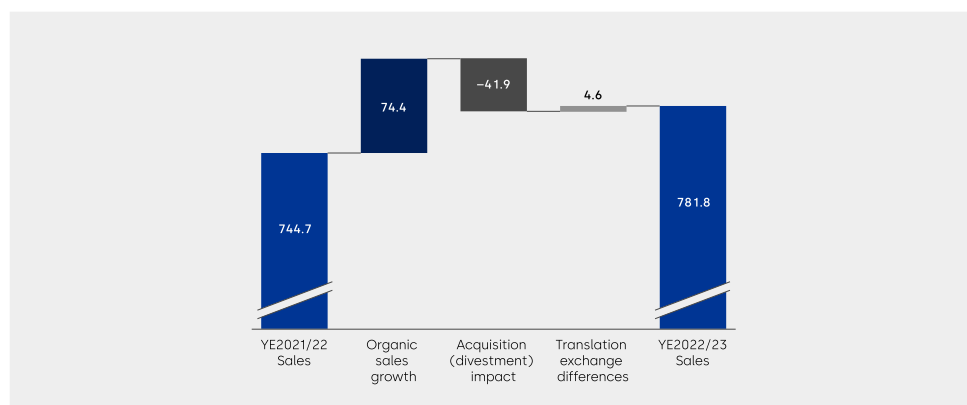
Overall sales showed good volume growth, with the second half of the financial year contributing strongly. The positive effects on margins more than offset inflationary pressures and a one-time inventory cost. Region Americas saw a substantial improvement in profitability in the second half-year of 200 basis points (vs first half-year 2022/23).

## Key figures – Region Americas

CHF million, except where indicated	Financial year ended 30.06.2023		Financial year ended 30.06.2022 (restated) <sup>1</sup>		Change on previous year in %
		%		%	
Net sales third parties	772.2		736.8		4.8
Intercompany sales	9.6		7.9		
<b>Total segment sales</b>	<b>781.8</b>		<b>744.7</b>		<b>5.0</b>
Change in segment sales	37.1	5.0	72.7	10.8	
Of which translation exchange differences	4.6	0.6	17.2	2.6	
Of which acquisition impact	0.0	0.0	0.0	0.0	
Of which divestment impact	-41.9	-5.6	-1.3	-0.2	
<b>Of which organic sales growth</b>	<b>74.4</b>	<b>10.5</b>	<b>56.8</b>	<b>8.3</b>	
<b>Adjusted EBITDA (Operating profit before depreciation and amortization)</b>	<b>145.7</b>	<b>18.6</b>	<b>130.2</b>	<b>17.5</b>	<b>11.9</b>
Average number of full-time equivalent employees	1,534		1,730		

<sup>1</sup> dormakaba changed the Group internal accounting principles for IT cost allocation. To enable a fair comparison with the current year, the prior-year disclosures have been restated. Please refer to the chapter 5.1 of the notes to the consolidated financial statements of the Annual Report 2022/23 of dormakaba.

## Sales (CHF million) – Region Americas



# Region Asia Pacific

Region Asia Pacific comprises the former segment Access Solutions Asia Pacific (AS APAC) and the Market Middle East which used to be a part of the former segment Access Solution Europe Middle East & Africa (AS EMEA). All figures were consolidated according to the operating model valid until and including 30 June 2023.

Region Asia Pacific achieved total sales of CHF 572.2 million in the 2022/23 financial year compared to CHF 574.0 million in the previous year. Organic sales growth was CHF 12.1 million, a 2.2% year-on-year increase. Organic growth was secured by good growth in the Pacific market (including growth in the RELBDA business); additionally, airport projects in China and India supported overall sales. The project business in India showed strong sales in the first half of the financial year. The Asian OEM business recorded a decrease in orders in the second half-year, impacting regional sales. Overall, the second half-year was weaker in sales than the very good first half of 2022/23.

All major markets contributed to growth. India, Pacific, and the Middle East continued to post strong double-digit growth. Greater China recorded a substantial decline in sales, still being impacted by post Covid-19 effects. Door Hardware, Entrance Systems, Lodging Systems, and Mechanical Key Systems recorded double-digit growth.

Total adjusted EBITDA decreased to CHF 92.6 million (previous year: CHF 101.2 million), with an adjusted EBITDA margin of 16.2% (previous year: 17.6%). While the region showed good price realization, volumes stagnated. Margins benefited from a slightly better product mix resulting from decreased OEM sales; however, plant outputs in Asia Pacific decreased. This led to a negative impact on EBITDA as costs could not be reduced quickly enough to fully offset the volume drop.

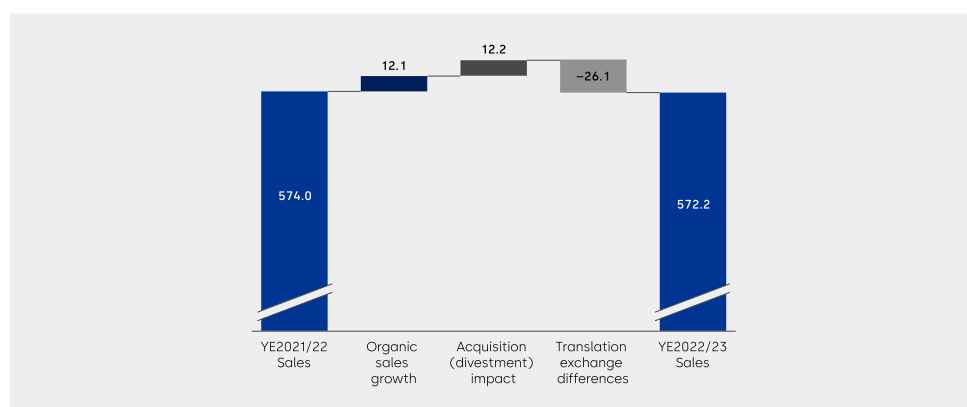
From 1 July 2023 onwards, the OEM business of Wah Yuet (CN) and THLM (TW) will be reported in the Key & Wall Solutions and OEM segment.

## Key figures – Region Asia Pacific

CHF million, except where indicated	Financial year ended 30.06.2023		Financial year ended 30.06.2022 (restated) <sup>1</sup>		Change on previous year in %
		%		%	
Net sales third parties	542.5		543.1		-0.1
Intercompany sales	29.7		30.9		
<b>Total segment sales</b>	<b>572.2</b>		<b>574.0</b>		<b>-0.3</b>
Change in segment sales	-1.8	-0.3	111.9	24.2	
Of which translation exchange differences	-26.1	-4.5	5.9	1.3	
Of which acquisition impact	12.2	2.2	55.8	12.0	
Of which divestment impact	0.0	0.0	-2.4	-0.5	
<b>Of which organic sales growth</b>	<b>12.1</b>	<b>2.2</b>	<b>52.6</b>	<b>11.3</b>	
<b>Adjusted EBITDA (Operating profit before depreciation and amortization)</b>	<b>92.6</b>	<b>16.2</b>	<b>101.2</b>	<b>17.6</b>	<b>-8.5</b>
Average number of full-time equivalent employees	3,561		3,527		

<sup>1</sup> dormakaba changed the Group internal accounting principles for IT cost allocation. To enable a fair comparison with the current year, the prior-year disclosures have been restated. Please refer to the chapter 5.1 of the notes to the consolidated financial statements of the Annual Report 2022/23 of dormakaba.

## Sales (CHF million) – Region Asia Pacific



# Region Europe & Africa

Region Europe & Africa is comprised of the former segments AS EMEA and AS DACH excluding the Market Middle East. All figures were consolidated according to the operating model valid until and including 30 June 2023.

Europe & Africa achieved total sales of CHF 1,166.5 million for the 2022/23 financial year (up 1.9% from CHF 1,144.5 million in 2021/22 financial year). Sales growth was substantially up in the second half of 2022/23, driven equally by volume and pricing. Organic sales growth of 8.0% was driven by a strong price increase realization of 5.6%.

All major markets contributed to the development of organic growth, which was mainly driven by the performances of core markets including Germany with double-digit growth, and Switzerland and UK & Ireland with mid-single-digit growth. Netherlands and Italy also achieved double-digit growth rates. Netherlands benefited from a weaker base in the past financial year.

Sales growth in France and Sub-Sahara Africa was lower, due to a lack of large projects compared to the previous year in addition to partial destocking activities of door closers in France and weaker underlying macro-economic conditions within Sub-Sahara Africa. As a consequence, and in line with dormakaba's Shape4Growth strategy, the legal entity in Kenya is currently in the process of being closed. The market will be served through an export model.

Entrance Systems recorded double-digit growth. Lodging Systems and Mechanical Key Systems also contributed to growth. Door Hardware, in particular door closers, were below prior-year level partially due to destocking in some European channels.

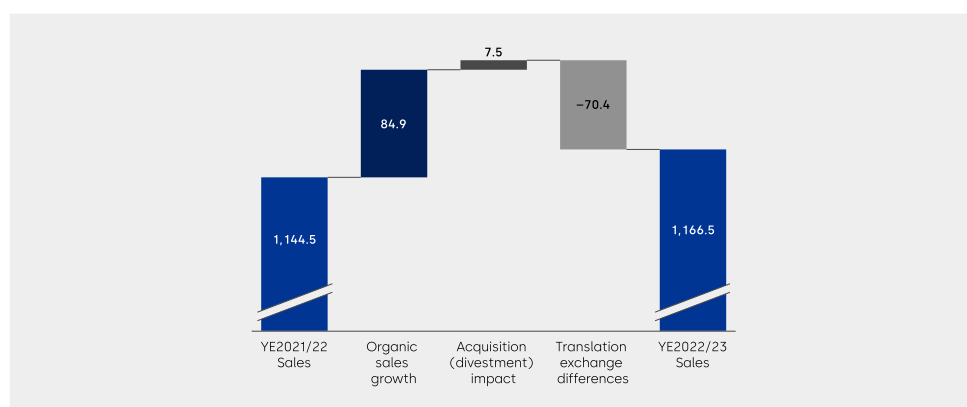
Adjusted EBITDA was CHF 219.8 million, translating to a margin of 18.8% putting it 150 basis points below the 2021/22 financial year. The benefit of overall strong price realization, which offset inflationary pressure and additional cost control measures, could not cover the negative contribution from the plants. This negative impact was mainly driven by a lower global demand for Door Hardware in the financial year 2022/23.

## Key figures – Region Europe & Africa

CHF million, except where indicated	Financial year ended 30.06.2023		Financial year ended 30.06.2022 (restated) <sup>1</sup>		Change on previous year in %
		%		%	
Net sales third parties	1,152.5		1,125.7		2.4
Intercompany sales	14.0		18.8		
<b>Total segment sales</b>	<b>1,166.5</b>		<b>1,144.5</b>		<b>1.9</b>
Change in segment sales	22.0	1.9	38.7	3.5	
Of which translation exchange differences	-70.4	-6.1	-25.6	-2.3	
Of which acquisition impact	21.7	2.0	34.6	3.3	
Of which divestment impact	-14.2	-1.2	-32.4	-2.9	
<b>Of which organic sales growth</b>	<b>84.9</b>	<b>8.0</b>	<b>62.1</b>	<b>5.9</b>	
<b>Adjusted EBITDA (Operating profit before depreciation and amortization)</b>	<b>219.8</b>	<b>18.8</b>	<b>232.6</b>	<b>20.3</b>	<b>-5.5</b>
Average number of full-time equivalent employees	4,093		3,932		

<sup>1</sup> dormakaba changed the Group internal accounting principles for IT cost allocation. To enable a fair comparison with the current year, the prior-year disclosures have been restated. Please refer to the chapter 5.1 of the notes to the consolidated financial statements of the Annual Report 2022/23 of dormakaba.

## Sales (CHF million) – Region Europe & Africa



# Key & Wall Solutions

In the financial year 2022/23, Key & Wall Solutions generated total sales of CHF 395.0 million (previous year: CHF 364.1 million). The segment grew organically by 12.1% for the full year, exceeding the growth rate of the prior year (5.7%).

Both Business Units the Key Systems and Movable Walls recorded good financial performances in the reporting period. Key Systems grew 3.9% organically, showing good demand in the Keys and Automotive Solutions business lines, while Key Cutting Machines recorded lower demand in major markets compared to the financial year 2021/22.

Sales for the Business Unit Movable Walls recorded double-digit growth in the financial year 2022/23. The improvement was mainly driven by a good conversion into sales of a Covid-related project backlog, in addition to strong market share gains in the US and excellent price realization throughout all regions. Consequently, organic growth for the full financial year was 24.0% (previous year: -0.6%).

Adjusted EBITDA for Key & Wall Solutions substantially improved during the year as well, at CHF 71.1 million for the full financial year compared to CHF 50.3 million for 2021/22 (a gain of 41.4%). The adjusted EBITDA margin increased by 420 basis points for the full year 2022/23 to 18.0% (previous year: 13.8%).

The adjusted EBITDA of the Business Unit Key Systems increased to 16.2% (previous year: 15.3%). The Business Unit was able to offset inflationary pressures with higher sale prices.

The adjusted Movable Walls Business Unit EBITDA margin increased significantly due to strong growth in profitable US market sales. The Business Unit was able to leverage the changed competitive landscape. As a result, adjusted EBITDA increased significantly by 860 basis points to 20.2% (previous year: 11.6%).

From 1 July 2023, the Key & Wall Solutions business segment integrated dormakaba's OEM (original equipment manufacturer) production operating under the new name Key & Wall Solutions and OEM. This will allow dormakaba to harvest synergies in the area of OEM manufacturing by leveraging the existing global experience in the Key & Wall Solutions segment stemming from the automotive business line.

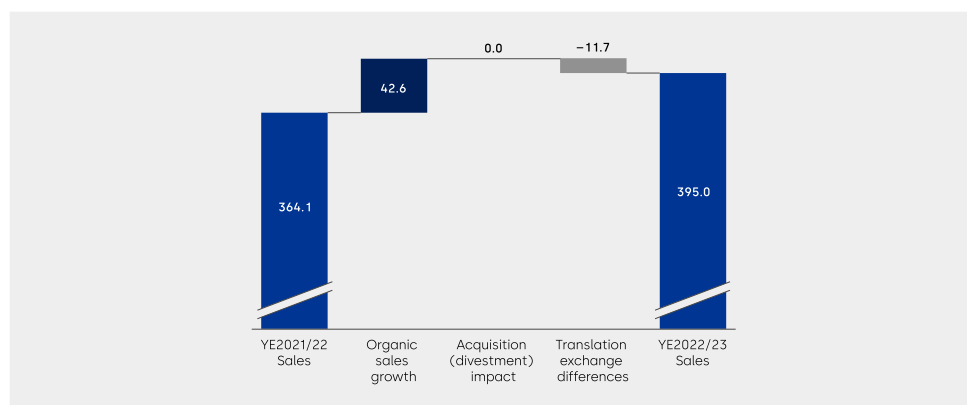


## Key figures – Key & Wall Solutions

CHF million, except where indicated	Financial year ended 30.06.2023		Financial year ended 30.06.2022 (restated) <sup>1</sup>		Change on previous year in %
		%		%	
Net sales third parties	381.6		351.3		8.6
Intercompany sales	13.4		12.8		
<b>Total segment sales</b>	<b>395.0</b>		<b>364.1</b>		<b>8.5</b>
Change in segment sales	30.9	8.5	19.3	5.6	
Of which translation exchange differences	-11.7	-3.2	-0.2	-0.1	
Of which acquisition impact	0.0	0.0	0.0	0.0	
Of which divestment impact	0.0	0.0	0.0	0.0	
<b>Of which organic sales growth</b>	<b>42.6</b>	<b>12.1</b>	<b>19.5</b>	<b>5.7</b>	
<b>Adjusted EBITDA (Operating profit before depreciation and amortization)</b>	<b>71.1</b>	<b>18.0</b>	<b>50.3</b>	<b>13.8</b>	<b>41.4</b>
Average number of full-time equivalent employees	1,905		1,918		

<sup>1</sup> dormakaba changed the Group internal accounting principles for IT cost allocation. To enable a fair comparison with the current year, the prior-year disclosures have been restated. Please refer to the chapter 5.1 of the notes to the consolidated financial statements of the Annual Report 2022/23 of dormakaba.

## Sales (CHF million) – Key & Wall Solutions



# Outlook

## Market development and geographies

Despite the level of uncertainty that arose over the course of 2022/23, relating in particular to inflation and the effects stemming from the ongoing war in Ukraine, dormakaba expects macro-economic factors to remain stable for the commercial construction industry.

In the 2023/24 financial year, the company expects continued organic growth in the Americas based on healthy order intake, a strong order book, and continued pricing activities. Growth will be further supported by increased focus on specification, strong project pipelines with major brands, and a beneficial market development in K-12 education, Government, Multi-housing and Hospitality verticals.

For Region Asia Pacific, the company expects moderate growth in the financial year 2023/24. China will eventually emerge from the negative impacts resulting from Covid-19 and related strict policies and is expected to return gradually to normal growth of business. The Pacific market has a strong pipeline and predicts continued growth in healthcare supported by a strong commercial market with refurbishments and repurposing of buildings. India will continue its focus on infrastructure development supported by strong economic growth indicators.

The uncertain economic environment in Europe limits forward visibility. However, the outlook across Europe & Africa remains broadly positive with order intake surpassing sales revenue during the year, resulting in a high single-digit increase of orders at hand. As Germany, Switzerland, and UK & Ireland represent three of the five focus countries, they will benefit from additional initiatives under the transformation program, announced on 3 July 2023, adding to the ongoing initiatives of sales excellence, price realization, and consolidation of smaller countries as well as operational efficiency gains. Talent acquisition remains a significant issue in many European markets which could hinder dormakaba's ability to capitalize on the healthy order book and pipeline.

Key & Wall Solutions and OEM expects continued organic sales growth in 2023/24 based on a good order intake and backlog. The order book of Movable Walls shows a strong backlog in Europe and the Americas, remaining at a record level. Key Systems sees weak demand for Key Cutting Machines which may continue in the foreseeable future. Overall, the segment expects Business Unit Key Systems to remain stable and Business Unit Movable Walls to continue growing.

The company therefore expects that 2023/24 financial year will show organic growth in line with its mid-term target range of 3-5% along with a continuation of the sequential improvement in its adjusted EBITDA margin.