



Annual report

A photograph of a blue door with a black handle, slightly ajar, revealing a blurred interior space with warm lighting and people in the background.

2025

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Group management report

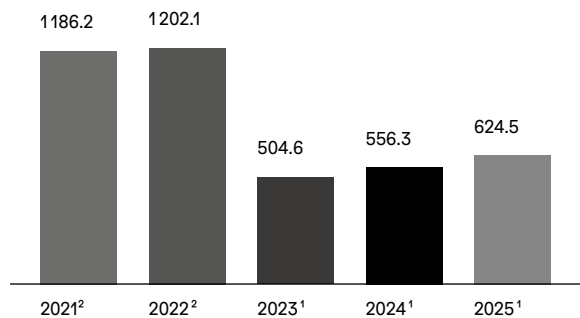
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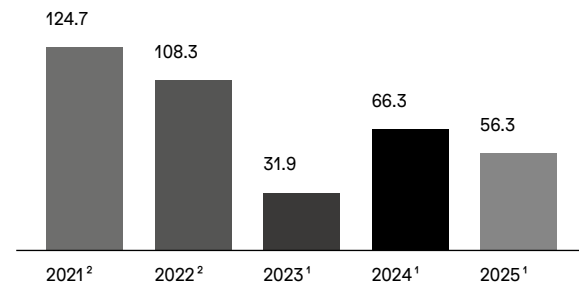


Key figures

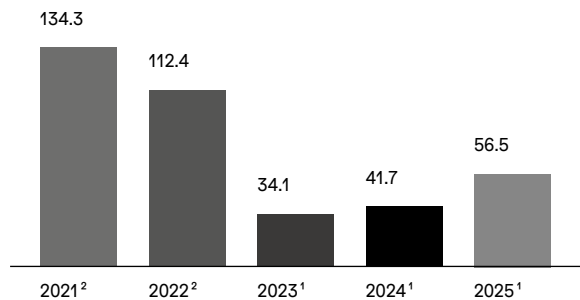
Net revenues



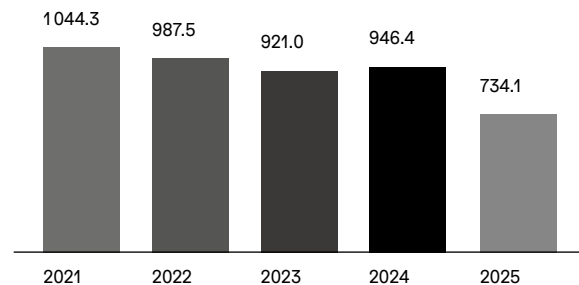
EBITDA with one-time effects



EBITDA without one-time effects



Shareholders' equity



¹ Continuing operations (excl. Climate Division)

² Continuing and discontinued operations (incl. Climate Division, without Windows Division)



Key figures 2021 – 2025

in CHF million	2025 ¹	2024 ¹	2023 ¹	2022 ²	2021 ²
Net revenues	624.5	556.3	504.6	1202.1	1186.2
EBITDA ³	56.3	66.3	31.9	108.3	124.7
EBIT ³	–2.4	16.9	–8.7	37.0	53.3
Group result ³	–9.8	2.7	–14.1	20.7	27.5
Total assets	1094.3	1700.2	1482.6	1519.5	1623.3
Shareholders' equity	734.1	946.4	921.0	987.5	1044.3
in % of total assets	67.1	55.7	62.1	65.0	64.3
Net cash / debt	149.1	357.0	208.8	184.4	–93.2
Cash flow from operating activities	1.7	41.3	101.0	–25.8	92.8
Free cash flow	605.1	–121.3	2.4	–245.5	252.7
Capex	43.5	50.1	59.1	174.5	149.1
Average headcount in FTE	3878	3535	3126	6532	6177

¹ Continuing operations (without Climate Division)² Incl. discontinued operations (Climate Division), without Windows Division³ With one-time effects

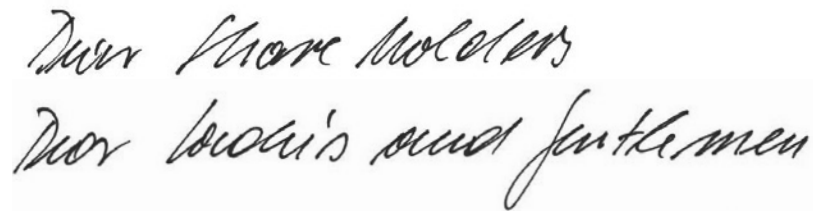
Information for investors

	2025	2024	2023	2022	2021
Share price on 31.12. in CHF	5.3	11.18	9.6	12.9	20.6
Market capitalisation in CHF million ⁴	365.4	776.7	669.0	896.2	1 431.1
Earnings per share in CHF	1.9 ⁷	0.1	–0.3	0.3	2.0 ⁵
Price / earnings ratio per share ⁴	2.8	93.8	–38.7	46.5	10.3 ⁵
Gross dividend per share in CHF	0.00	1.83 ⁶	0.00 ⁶	0.30	0.30

⁴ Calculated on the basis of the share price on 31 December⁵ 2021 includes the proceeds from the sale of the Windows Division⁶ Combined dividend for the 2023 financial year of CHF 0.30 and the 2024 financial year of CHF 0.33 were paid out. Additional distribution of a special dividend of CHF 1.20 and nominal value repayment of CHF 4.00. All distributions totalled CHF 5.83.⁷ 2021 includes the proceeds from the sale of the Climate Division



Letter to the shareholders



Following the closing of the sale of the Climate Division in 2025, Arbonia AG has successfully refocused its efforts on the doors business. In addition to the strategic acquisitions of Dimoldura (ES) and Lignis (CZ), which had already taken place in the 2024 financial year, Cicomol (PT) and RZB (D) were acquired in the past financial year. Cicomol is the Portuguese market leader, while RZB is a specialist in special metal frames.

The focus on doors also involves a new branding for Arbonia. The new branding comes in connection with the focused strategy for the doors business under the title "ArboniaOne" (see chapter "Strategy"). With this strategy, Arbonia has set itself the objective of becoming the leading door manufacturer in all of Europe, which previously primarily applied to Central Europe and the domestic market of Switzerland. This strategy focuses on the Arbonia brand, which is to unite the entire product portfolio of the subsidiaries in order to provide Arbonia's customers with a comprehensive, holistic product and brand experience in the future.

Operationally, Arbonia's 2025 financial year continued to be significantly affected by the weak development of the European construction industry, above all in Central Europe. Instead of decreasing, political uncertainties tended to increase, affecting the development of the construction industry as well due to the wait-and-see attitude of many builders. Nevertheless, there were also some rays of hope that were encouraging for the future: On the one hand, there was an increase in building permits in Europe's largest construction industry: Germany. On the other hand, financing costs fell, making construction a more attractive investment again, especially in times of uncertainty. In addition, Arbonia tapped into an attractive and growing market on the Iberian Peninsula with the acquisitions of Dimoldura (ES) in the previous year and Cicomol (PT) in this financial year.



Furthermore, the acquisitions of Lignis (CZ) and RZB (Rüthener Zargenbau; D) contributed to geographical diversification and increased vertical integration ([see chapter "Acquisitions"](#)).

Finance

In the 2025 financial year, Arbonia AG was able to increase revenue by 12.3 % to CHF 624.5 million; however, an increase of 3.7 % resulted organically (adjusted for currency and acquisition effects). Adjusted EBITDA was increased +35.4 % from CHF 41.7 million to CHF 56.5 million. The adjusted EBITDA margin thusly increased from 7.5 % to 9.0 %. As the previous year 2024 was characterised by positive one-time effects, mainly resulting from the sale of a non-operational property (CHF 24.6 million), the EBITDA including one-time effects decreased in financial year 2025 from CHF 66.3 million to CHF 56.3 million. This corresponds to a decrease of the EBITDA margin from 11.9 % to 9.0 % ([see chapter "Reconciliation Group and Segments from IFRS-result"](#)). EBIT without one-time effects reached CHF 1.7 million in financial year 2025, this after CHF -7.7 million in the previous year, which means that the adjusted EBIT margin was increased from -1.4 % to 0.3 %. EBIT including one-time effects was CHF -2.4 million (CHF 16.9 million in the previous year). Due to positive one-time effects of the previous year, the EBIT margin decreased from 3.0 % to -0.4 %. The group result without one-time effects increased from CHF -18.6 million to CHF -5.6 million. Group result from continuing operations including the one-time effects discussed, decreased from CHF 2.7 million to CHF -9.8 million.

Market environment

In 2025, construction activity continued to be hampered by high economic uncertainty in various markets ([see chapter](#)

["Market overview"](#)), causing demand pressure to continuously increase. Together with improving financing conditions, this should cause construction activity to recover in many Arbonia markets starting in the year 2026.

The development of the construction industry in **Germany** and **Switzerland** was characterised by high costs and limited new construction activity in 2025, while renovations and public investments provided stability. For 2026, a slight recovery is expected in both countries, supported by falling interest rates, a high housing demand, and subsidy programmes.

The development of the construction industry differed significantly in Spain, France, and Portugal in 2025: **Spain** was dynamic with strong residential construction and a high demand for sustainable solutions, while **France** and **Portugal** were sustained by renovations and subsidy programmes but suffered from high costs and a shortage of skilled workers. A moderate increase is expected in all three countries for 2026, supported by falling interest rates, government subsidies, and a continued high demand for sustainable and high-quality solutions.

The development of the construction industry in Poland and Czechia differed in 2025: **Poland** showed initial signs of recovery thanks to falling interest rates and subsidy programmes, while the **Czech Republic** suffered from high costs and permitting issues, with renovations and public infrastructure providing stability. A moderate recovery is expected in both countries for 2026, sustained by renovations, public investments, and a gradual rebound in residential construction.

Operational update

Arbonia has been able to hold its own well in the outlined challenging market environment, thanks to strong business performance in the renovation market. Further progress has also been made in the project business ([see chapter "Operational update"](#)).

In 2025, the **DACH region** was strongly influenced by strategic initiatives in the areas of digitisation, production, sustainability and brand presence. At Garant, the focus was particularly on the introduction of SAP S/4HANA and at Prüm and Garant on the rollout of dealer software DOORIT, which standardised and digitalised processes. Investments in energy efficiency, productivity and infrastructure also improved delivery capabilities and future-proofing. RWD Schlatter made its mark with product innovations and trade fair presence and, like the the Arbonia project business, was able to further expand its strong position in that segment. The Glass product group, which operates primarily in the DACH markets, implemented measures to optimise its structural and procedural organisation. At the same time, efficiency potential was systematically leveraged and the foundation was laid for significantly higher productivity, for example through optimised and automated material transport.

In **Central Eastern Europe** (CEE), Invado (PL) performed particularly well and consolidated its role as a strategic production and distribution partner within Arbonia. Exclusive laminate coating technology enabled clear differentiation and expansion of the market position in France, while at the same time achieving sustainable growth in the DIY segment. In addition, a new brand strengthened the specialist retail segment. Lignis (CZ) recorded very positive business



development with order books already full for 2026, driven by a strong international project business. Investments in a new production layout, capacities and machinery are laying the foundation for further growth in the project business and hotel segment.

The **Western and Southern Europe (WSE)** region performed well overall in the reporting year. Dimoldura (ES) benefited in particular from its strong position in the renovation market, growth with existing customers and geographical diversification, supported by targeted investments in efficiency. Rozière (FR) was able to hold its ground in France despite a declining market, gain market share and improve its earnings power by streamlining its portfolio; its integration into Arbonia has been completed. The acquisition of Cicomol (PT) further strengthened the region strategically, particularly through the expansion of the premium and specialist retail segment and expected sales synergies in Spain, Portugal and France.

The Wood product group was particularly successful and able to expand its market shares in the renovation business. This helped to compensate for the continuing weakness in the new residential construction market in Central Europe. In addition, the price increase announced in the spring had a positive effect, counteracting cost inflation.

The Glass product group also faces continuing weak demand from new construction; due to its greater exposure to this, the 2025 financial year proved even more challenging. Although an increase in customer terms and conditions was announced here too over the course of the year, however the compensating effect was less pronounced due to notice periods. Because of the weak demand for this product

group, measures were taken to adjust production capacities, which also resulted in personnel adjustments.

The expansion of project business has paid off for both product groups. On the one hand, demand in this segment has declined significantly less in recent years. Among other things, this is due to different customer groups. On the other hand, orders from new customers can generate sales for both wood and glass products, for instance. At the same time, new business can be generated in the other product group with existing customers. Properties in project business in the 2025 financial year include, for example, the Fairmont Golden Prague (CZ), The Florentin in Frankfurt am Main (D), and the Mama Shelter in Zurich (CH). Arbonia Next, the first Arbonia-specific trade fair and convention in March 2025, also contributed to these successes, as it was the first time the full breadth of the product range could be presented to customers. At Arbonia Next, valuable contacts were made, and, above all, orders were discussed and finalised directly on site ([see chapter "Arbonia Next"](#)).

Sustainability

In line with Arbonia's focus, the sustainability strategy was also adapted and realigned during the reporting year. This is based on a double materiality analysis, which was developed with various internal and external stakeholders in preparation for the Corporate Sustainability Reporting Directive (CSRD). This analysis examined, from two perspectives, the environmental, social, and governance issues where Arbonia has positive and negative external impacts, as well as the opportunities and risks it faces due to external circumstances.

To address areas where negative impacts and risks can be minimised and opportunities realised, targets were developed for the identified material issues. Emission reductions through increased use of renewable energy and efficiency savings across all business processes remain important. For example, during the reporting year, Garant in Ichtershausen (D) became the second company in the Group to commission a large biomass CHP plant, which can cover its entire heat demand and a large portion of its electricity consumption. RWD Schlatter is also achieving energy savings at its Roggwil (CH) site through a roof renovation that includes the installation of photovoltaic systems. With its portfolio of wooden doors, Arbonia also contributes to reducing emissions in the construction industry, as wood binds CO₂ during tree growth and stores it throughout the product's lifespan. A solid data foundation is important for specifically identifying areas for action. For this reason, the company is expanding the information density at various points in the value-added chain, including information on the environmental impact of manufactured products, the precise composition of purchased goods, and suppliers as a whole. At the same time, the company aims to support the development of its employees as the driving force behind its success and to consistently support their health and safety.

This year's sustainability report ([see chapter "Sustainability report"](#)) includes the acquisitions from last year for the first time, namely Dimoldura including its subsidiary Rozière, as well as Lignis. The key figures from the previous year are therefore not directly comparable with those for the 2025 financial year. The sustainability strategy will be successively applied to fully integrated companies.



Outlook

Building permits in Arbonia's core markets, particularly in residential construction in Germany, Spain and Switzerland, have shown a positive trend in recent months. At the same time, with the exception of Switzerland, financing costs have not fallen further, but they now appear to be accepted by the market and are therefore being factored into the planning of new projects. This is particularly evident in the rising number of building permits for single-family and multi-family homes. In addition, the savings of private households have risen steadily to record levels in recent years due to economic uncertainties. This segment of residential construction is of interest to Arbonia, as more doors are installed in an average house than in a single flat. These economic rays of hope are complemented by megatrends, these are structural demand drivers for further growth in building construction and residential construction ([see chapter "Megatrends"](#)). Based on these developments, we expect a gradual recovery in the construction industry in 2026, although this is likely to gain momentum only in the second half of 2026 and at the latest at the turn of 2026/2027 due to the delay between permit issue and the start of construction.

However, we have used the period of economic uncertainty in recent years to expand the geographical reach of the new Arbonia on the one hand, and on the other hand to achieve significant advances in automation and productivity through investment. In addition, measures such as the organic expansion of the project business and supporting acquisitions in the same sales channel have been implemented. As a result, Arbonia is optimally positioned to benefit disproportionately from the economic recovery.

Alexander von Witzleben

Chairman of the Board of Directors

Claudius Moor

CEO



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About Arbonia

We are at home between rooms. After all, in the transition from one room to another, one finds inspiration, movement, and great deal of openness. We invite you to come with us – between rooms. We are Arbonia. We are open to aspiration.

Arbonia is the European market leader for interior doors made of wood and glass

We are a leading manufacturer of interior doors in Europe. We produce a wide range of products, from standard interior doors and shower enclosures to premium products that have been specially and specifically developed for hospitals, office and entertainment buildings as well as luxury hotels.

Our products are found in both residential and commercial buildings and are used in new construction as well as in renovation. We produce our innovative, durable wood and glass solutions with maximum resource conservation while taking ecological aspects into consideration.

Through our work in the emissions-intensive building sector, we aim to actively contribute to more environmentally friendly construction and living, for example, through the targeted use of wood and its ability to store CO₂ during its use phase. At the same time, we are continuously working to further optimise our processes to increase efficiency and conserve natural resources.



In addition to our own subsidiaries, Arbonia holds a minority stake in each of its strategic partners Griffwerk (17.2 %) and KIWI (49.9 %). We are developing our markets together with these partners for high-quality door handles and digital access systems.

Arbonia is publicly listed, and its shares are traded on the Swiss stock exchange SIX. Arbonia employs approximately 3 800 people, and its main production facilities are located in Germany, Poland, Spain, Portugal, the Czech Republic and Switzerland.

Wood product group

The Wood product group produces and sells interior doors made of wood in Southwestern, Central, and Eastern European markets. It occupies a leading position in all of its core markets. Through targeted investments for increasing efficiency and expanding capacity, its modern and productive production plants, innovative sales channels, and market-leading profitability further position it for success. On the one hand, this allows it to gain additional market shares and further consolidate its market position, and on the other hand to profit from the forthcoming upswing of the construction industry. Furthermore, the Wood product group stands for the highest quality, design diversity, and sustainability throughout the entire value-added chain. With strong brands, Arbonia offers a comprehensive range of door solutions for residential and the project business. Thanks to continuous product innovations ([see chapter "Linoleum doors"](#)), digital sales solutions, and a clear focus on customer needs, we are setting new standards in the industry. Sustainable materials, energy-efficient production processes, and future-oriented technologies contribute to the consistent implementation of environmental responsibility.

In this way, Arbonia is positioning itself as a reliable partner for high-quality wood products – today and in the future.

Glass product group

The Glass product group produces and sells glass doors, partition systems, and glass shower enclosures, mainly in the DACH region (Germany, Austria, and Switzerland). It holds a leading market position in its core markets, impressing customers with high-quality products featuring clever mechanisms and customised solutions ([see chapter "References"](#)). Thanks to modern manufacturing technologies and continuous innovation, Arbonia offers versatile solutions for residential and the project business that combine functionality, design, and comfort. With its strong brands Arbonia stands for precise craftsmanship, aesthetic design, and durable materials. Furthermore, the product group relies on sustainable production processes, energy-efficient technologies, and recyclable glass products. Close cooperation with architects, planners, and specialist partners results in individual solutions that meet the highest standards of quality, safety, and design. This positions Arbonia as a leading provider of high-quality glass products for interior design – innovative, sustainable, and customer-focused.



The Arbonia brand

We are one of the world's leading interior brands for room solutions made of wood, glass, and metal. Our products and solutions integrate comfortably, stylishly, and securely into public spaces as well as private homes. We strive to offer the optimal solution for every requirement. Arbonia is a door promise – and more.

One brand – many possibilities, that is our message. Arbonia is visible not only as a holding company but also as a product, a solution partner, and a service provider for every architectural challenge.

Premium. Sustainable. Excellent. Individual.

Today, we comprise 16 companies and two shareholdings, always offering solutions with the same commitment, the same service orientation, the same quality, functionality, and design for the respective target group and solution. We provide "one face to the customer" and yet go far beyond that with our entire portfolio.

Our self-image is characterised by a premium standard, regardless of the segment. Whether entry-level or luxury – we always offer a premium solution. We see the door as a spatial solution, a functional element, and an integral part of the interior design concept. Whether made of glass, metal, or wood – we strive to make life comfortable, stylish, and safe at home and in public spaces.





Strategy

Arbonia One

Arbonia aims for a market leadership position in Europe, not limited to the amount of revenue only, but encompassing all aspects of the business model. This includes delivery performance, innovation, quality, process costs, customer service, sustainability, a comprehensive product catalogue, digitisation, employee satisfaction, brand awareness, and, last but not least, profitability and cash flow. Arbonia thus places customers and their satisfaction at the heart of its strategy, in order to fulfil its vision of becoming the most sought-after door brand with its comprehensive product brand, "Arbonia".

The Arbonia umbrella brand combines the expertise and products of all brands to offer customers a unique service throughout the entire product lifecycle, all from a single source with a single point of contact. This includes everything from planning support and production implementation to on-site service and end-of-life replacement of our products.

By involving designers and architects, Arbonia aims to further support the design and conception of doors, thereby shaping architecture and the understanding of doors as a space-connecting element. Arbonia benefits from its 140-year history, during which it has consistently produced innovative masterpieces that meet the highest standards in both design and technology. This is achieved by combining a passion for innovation with outstanding craftsmanship and excellent material quality in its doors, shower enclosures, and partition wall systems. As a unique provider of a com-

prehensive product portfolio from a single source, Arbonia can offer its end customers as well as its contract clients unparalleled creative freedom. As independent design elements, Arbonia doors are intended to make homes and the public spaces they occupy more comfortable, secure, and simultaneously modern and elegant.



All of this is made possible by state-of-the-art, digitised, and well invested production facilities ([see chapter "Technology and Innovation"](#)) with sufficient spare capacity to disproportionately benefit from a recovery in the development of the construction industry. For this purpose, Arbonia has invested extensively in digital sales tools and the underlying system architecture (DOORIT, SAP, MES/MOTIS etc.), as well as in modern machinery.

Investments in sustainable production, including the use of production waste for energy generation, further support this strategy. At the same time, the company is investing heavily in its own energy production using photovoltaics, enabling Arbonia to reduce energy costs, thereby becoming

less dependent on fluctuating energy prices and sustainably lowering its CO₂ footprint ([see chapter "Sustainability report/Energy"](#)).

This strategy is supported by a complementary acquisition strategy, which, like the rest of the strategy, aims to reduce dependence on individual markets and thus better benefit from the growth of diverse markets. In addition to this geographical expansion, which has several prominent examples such as the acquisitions of the Spanish market leader Dimoldura, the Czech property specialist Lignis (in financial year 2024), and the Portuguese company Cicomol (in financial year 2025), the acquisition goals also include increasing the vertical integration (acquisition of Rütthener Zargenbau in 2025), and diversifying sales channels ([see chapter "Acquisitions"](#)). Dimoldura is also a good example of the latter, as it generates a significant revenue share in the DIY (do-it-yourself or home improvement) segment.



Operational update 2025

DACH (Germany, Austria, Switzerland)

The year 2025 began for the DACH region in March with the in-house Arbonia Next25 congress in Erfurt ([D, see chapter "Arbonia Next"](#)). Arbonia thus established a new platform that strengthens exchange within the industry and offers additional added value for partners and customers. An 11-day event, congress, networking meeting, training, key-notes and after-work party for more than 2 000 visitors from the commercial project business. A repeat of this successful format is planned for 2027.

Garant (D) made significant progress in the areas of digitalisation, process efficiency and infrastructure in the reporting year. A key milestone is the introduction of SAP S/4HANA ([see chapter "Highlights/SAP"](#)), which creates a future-proof IT basis and significantly improves the integration and transparency of our business processes. The Prüm (D) site is scheduled for a later phase of the rollout. At the same time, the rollout of the DOORIT software was advanced at Prüm and Garant. This software is part of the gradual development of our cooperation with our distribution partners.

Significant investments were also made in the areas of production and sustainability. The commissioning of the CHP plant at Garant represents a significant step towards increasing energy efficiency and reducing emissions. A new door press has expanded production capacity and sustainably increased the site's performance. In addition, a significant improvement in the delivery rate has been achieved at the two large plants, which has noticeably increased reliability for customers and partners. Finally, the purchase of a plot

of land adjacent to the Garant production facility has created important conditions for future growth and long-term site development.

In the reporting year, RWD Schlatter (RWDS) (CH) also placed a targeted emphasis on product innovation, brand presence and reference projects. At the HOLZ trade fair, the Olive Wood Door Design was presented as a high-quality design product that impressed with its exclusive veneer wood look and high design quality. LINOLEA ([see chapter "Linoleum doors"](#)) was another important new product launch that is being actively promoted both at the German locations and in Switzerland.

In the area of reference projects, RWDS was able to realise several prestigious projects. These include the winter quarter of Circus Knie ([see chapter "References"](#)). Particularly noteworthy is the childrens hospital in Zurich (CH), a significant prestige project that won the Swiss Arc Award in the Education & Health category.

The Arbonia project business has earned itself a leading position as a supplier in the upmarket hospitality sector. Many well-known hotel chains throughout Europe request Arbonia's solution concepts. For example, the project business was commissioned to equip the Mandarin Oriental in Vienna (AT) with door and glass solutions, as well as the Europäischer Hof in Baden Baden (DE), the Kimpton and Florentin in Frankfurt (DE) and the Ruby hotel chain.

The Glass product group, which primarily operates in the DACH region, consistently focused on further developing its operational performance and on structural and strategic adjustments. At the same time, the restructuring process

that had been initiated continued to be successfully pursued. In addition to consistent cost management, this included, in particular, optimisations in the structural and procedural organisation, which systematically leveraged efficiency potential and sustainably strengthened competitiveness.

At Kermi Duschdesign, the switch to line production, the establishment of an automated small parts warehouse and the expansion of autonomous material transport created the central foundations for higher productivity and improved delivery performance ([see chapter "Automation and Industry 4.0"](#)). At the same time, organisational structures were adapted, the export business was realigned and the product portfolio was further refined. In addition, cost structures were reviewed and optimised. Price adjustments were necessary to take account of the significant increase in material costs, particularly for glass.

Interwand invested in modernising its processing technology and optimised its internal material flow. In addition, the organisational structure was adapted and continuity in corporate management was ensured with an internal succession solution.

At Arbonia Glassysteme (AGS), the focus was on digitalisation and automation, including the introduction of an online configurator, the partial automation of order entry and the commissioning of a new glass processing plant. Here, too, targeted structural and cost measures supported further stabilisation and improved results.



WSE (Western and Southern Europe)

The region South and Western Europe (WSE) performed very well overall in the reporting year. In Spain, Dimoldura continues to be clearly positioned in the residential renovation market, which accounts for around 90 % of its business. Although growth rates in this segment are around 4.5 %, which is below those for new residential construction (6.9 %), Dimoldura still managed to achieve above-average growth in the market. Growth was driven in particular by close cooperation with the largest existing customers. In addition, the company recorded strong growth in Portugal and successfully entered the Greek market. The customer base was further strengthened with the acquisition of a new major customer.

Significant investments were made at the operational level: a new edging machine and a CNC machine were successfully commissioned at Quintanar (ES). Further capacity and efficiency increases are planned for 2026 with the installation of a new press and painting line at the Lalin (ES) site. The integration of Dimoldura into Arbonia was also successfully completed in the reporting year.

Rozière (FR) was able to hold its own in a challenging market environment and increase sales despite declining markets, indicating a gain in market share. In France, a decline of -5.7 % in new residential construction and -0.3 % in residential renovation is expected for 2025. The portfolio streamlining carried out in the reporting year led to noticeable efficiency gains and strengthened earnings power. Rozière is now also fully integrated into Arbonia.

The Portuguese company Cicomol, acquired in October 2025, will strengthen the WSE region in future. Cicomol's Portuguese market complements Arbonia's existing sales markets, with high growth prospects in both new construction and renovation. Cicomol is the market leader in Portugal, particularly in the area of premium design and special doors and CPL interior doors and frames. In addition, the acquisition of Cicomol will give Arbonia a stronger foothold in the specialist trade in Portugal. Arbonia also expects to achieve sales synergies in Spain, Portugal and France by expanding Dimoldura's strong presence with white lacquer doors and, in the DIY sector, with CPL doors and frames from Cicomol ([see chapter "Highlights/Acquisitions"](#)).

CEE (Central Eastern Europe)

In the reporting year, Invado (PL) strengthened its role as a strategic production and distribution partner within Arbonia. Through the French Arbonia company Rozière, Invado successfully distributes laminate doors on the French market. The laminate coating technology is manufactured exclusively by Invado, enabling clear differentiation and the targeted expansion of market presence in France, with the technological and design uniqueness secured by copyright in the long term. At the same time, Invado recorded sustained growth in the DIY segment. This was achieved both by intensifying existing customer relationships and by expanding cooperation with other DIY chains outside Poland. To continue this development, the same successful product portfolio is to be extended to other countries. This will consolidate Invado's position as a reliable supplier of standardised, high-volume door solutions. With the introduction of the new semi-premium brand Akurat in the Belgium-Poland distribution channel, Invado is also tapping into a high-

er-margin segment of the specialist retail trade. The brand was developed in close collaboration with a designer and influencer and is specifically aimed at design-oriented customer segments.

Lignis (CZ) can look back on very positive business development and already has a full order book for the current 2026 financial year. A key growth driver is the close and successful cooperation with Arbonia project business, particularly in the international project business. References include Ruby Hotels in Vienna and Malta, with further Ruby Hotels and additional projects currently in the implementation. These references underscore Lignis' high level of expertise in the demanding commercial and hotel segment.

In order to meet rising demand, extensive investments have been made in the production infrastructure. These include adjustments to the production layout, the expansion of the production hall to increase capacity, and the modernisation of the machinery, particularly in the areas of veneer and steel processing. Lignis is thus structurally and technologically prepared for further growth and increasing volumes.



Market environment

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Megatrends

Megatrends are long-term, profound developments that sustainably shape the economy, society, and technology. These trends unfold over decades and influence how people live, work, and reside. For the construction and interior design industry, and therefore for Arbonia as well, this presents crucial opportunities and challenges. The trends of urbanisation, housing shortages, and demographic change are particularly relevant, as they significantly change the design, use, and requirements of living spaces. Arbonia responds to these developments with innovative door, shower, and partition wall solutions that combine functionality, design, and sustainability.

Urbanisation

The continuing urbanisation of Europe is a consequence of the increasing number of people who want to live in urban areas. This leads to a continuous increase in the demand for living space, while the available space per person decreases at the same time. Compact, multifunctional living concepts are therefore gaining in importance, and the demands on design, functionality, and quality are increasing. For us as Arbonia, this means that doors are not only seen as partitions but as an integral part of modern spatial concepts. Sliding doors and other space-saving doors, acoustically optimised models, and individually customisable designs contribute to making optimal use of limited living space while simultaneously creating a comfortable living environment. Another aspect of urbanisation is the steadily increasing demand for public services such as schools and other educational institutions, hospitals, and medical practices, as well as the growing need for hotels and administrative buildings. Arbonia addresses this by expanding its project business, which serves precisely these target groups and provides customised solutions and technical doors that are particularly robust for use in kindergartens or offer radiation protection for X-ray rooms, for example ([see chapter "Lino-leum doors"](#)).



Shortage of housing

As a consequence of continuing urbanisation, the persistent housing shortage in cities has steadily increased, necessitating more efficient, faster, and more cost-effective construction projects. Serial and modular construction is becoming more important for meeting this high demand. This requires two things: time and cost-efficient installation solutions, as well as a high availability of these solutions. With state-of-the-art production facilities that can quickly respond to peak demand and offer significantly reduced production lead times, thanks to their automation, Arbonia is the ideal partner for serial and modular construction. On the product side, Arbonia also offers standardised, easy-to-install door solutions that combine quality, durability, and aesthetics for this. These products help builders and planners to construct economically without compromising on design, sound installation, or functionality.

Demographic change

Demographic change is transforming the way people live. An ageing population and new lifestyles are leading to increased demand for accessible, safe, and comfortable door systems. Arbonia is responding to this with sophisticated solutions that are easy to use, offer security and are aesthetically pleasing. One example of simplified operation is the strategic partnership with Griffwerk GmbH, whose smart-2lock locking system combines ease of use with high-quality design. The sliding doors offered by Arbonia also contribute to accessibility. For showering, Arbonia also offers modern and future-proof solutions that allow easy access to the shower area without compromising on design or functionality. In this way, Arbonia doors help ensure that living spaces remain accessible, functional, and future-proof for all generations.

Another ongoing demographic trend is the steady increase in single-person households. For example, data analyses show that the proportion of unmarried or single people has increased worldwide over the past 30 years, most significantly in Europe, East Asia, and Latin America. This has consequences for both the use and the shortage of housing: On the one hand, the same population will logically require a greater number of apartments if the majority of people live alone. On the other hand, the number of apartments with fewer rooms is steadily increasing. In Germany, for example, the proportion of apartments with fewer than three rooms has increased by more than 75 % since 2009.

Use of living space

The use of living space is increasingly developing in the direction of flexibility, efficiency, and individuality. Rooms are being used in more versatile ways to merge living, working and leisure. Doors play a central role in this: They create places of retreat, allow privacy and structure the space. Arbonia supports this development with a wide range of high-quality interior doors that combine functionality, design, and comfort. At the same time, digitisation is also impacting the design of living spaces. Arbonia has a shareholding in KIWI.KI GmbH, a provider of digital access systems primarily used in residential developments and housing companies. This digital access system allows temporary access to buildings for trades people, food delivery drivers, prospective tenants, and real estate agents. Of course, the locking system can also be integrated into a smart home system. With this and other innovative products, the company makes a significant contribution to modern and needs-based living space design.



Our markets 2025

Construction activity in several European countries continues to be hampered by high economic uncertainty, which is coupled with ever-increasing demand pressure. Along with improving financing conditions, this should lead to a recovery in construction activity in many Arbonia markets, beginning in 2026.

Germany

The German construction sector remained under pressure in 2025. High costs, driven by only slowly declining financing costs and high material and ancillary construction costs, led to a further decline in new residential construction and a lingering economic weakness, causing the market environment to remain challenging. Residential construction remained significantly below the long-term average, while the renovation market was supported by energy efficiency refurbishments and public subsidy programmes. Non-residential construction developed unevenly: Demand for new office and commercial buildings remained weak, while public investments in education and healthcare provided stability. A slight recovery is expected for 2026, supported by falling interest rates and a renewed willingness to invest, which is also reflected in the increasing number of building permits, although the necessary and announced regulatory relief is still pending. Meanwhile, Arbonia is leveraging its strengths in the replacement and project business. Thanks to high quality, reliable delivery times, and customised solutions, we can expand our market position further and secure additional market shares.



Switzerland

Despite the challenging economic environment, the Swiss construction industry remained generally stable in 2025. While high construction costs, material shortages, and the continuing shortage of skilled workers continued to weigh on construction activity, the moderate inflation and interest rate cuts had a positive impact. The renovation sector also benefited from energy efficiency subsidies and the trend toward sustainable building materials. Demand in residential construction remained solid, although it was hampered by high land prices, land scarcity, objections and regulatory requirements. Non-residential construction was limited, while infrastructure investments in the energy and transportation sectors had a stabilising effect. Due to the limited new construction activity of recent years, the vacancy rate for residential properties in Switzerland has fallen to around 1.0 %. A slight recovery is expected for the coming year, driven by strong demand for scarce housing and favourable financing conditions. Arbonia is well positioned in this environment, particularly with its RWD Schlatter and Bekon-Koralle brands. Local manufacturing, efficient logistics, and a focus on premium solutions make it possible to achieve stable returns despite limited market dynamics, to retain customers in the long term, and to create additional added value through quality and sustainability.

Spain

After several years of moderate growth, the Spanish construction industry showed signs of dynamism in 2025. Residential construction grew strongly due to rising prices, high demand, and a wider supply. Demand for sustainable solutions remained high, supported by EU-funded subsidy programmes. At the same time, a shortage of capacity and skilled workers (in installation) is emerging, hindering both

new construction and, currently, renovations in particular. Non-residential construction presents a mixed picture: Logistics and tourism projects provided positive impetus, while office construction, in particular, remains weaker. With the acquisition of Dimoldura and Cicomol, Arbonia has built a strong market position on the Iberian Peninsula and is now among the leading providers of wooden interior doors, especially in renovation. With its specialised production plants and a clear focus on customer needs, Arbonia can achieve further growth and efficiency gains in this dynamic environment.

France

The development of the French construction industry remained reserved in 2025. High but stable interest rates and rising prices dampened new residential construction, while renovations remained stable thanks to government energy efficiency programmes. The market environment was characterised by a strong focus on sustainable renovations and higher-quality materials. Public investment, particularly in education and healthcare, provided some underlying momentum, while non-residential construction as a whole stagnated. Arbonia, with its Rozière brand, is well established in the specialist trade and impresses with its quality, design, and sustainability. Despite price pressure and challenging business environment, the company is able to successfully maintain its position thanks to its clear positioning in the premium segment and to benefit from the increasing demand for high-quality, durable products. At the same time, a significant increase in new residential construction is expected for 2026, driven by falling interest rates, government subsidies, and a dynamic real estate market.

Portugal

The Portuguese construction industry remained a key driver of national economic growth in 2025, although the pace slowed compared to the previous year. Residential construction was hampered by high construction costs, lengthy permitting phases, and a shortage of skilled workers, while continuing renovations benefited from subsidies and EU funding. Construction activity increasingly focused on urban centres and the renovation of existing buildings. In Portugal, Arbonia leveraged Dimoldura's strong market position and Cicomol, acquired during the financial year, to serve the market efficiently and realise synergies in production and sales. High-quality products, short delivery times, and reliable quality enable the company to gain additional market shares and thus benefit from the dynamic growth of the Portuguese market.

Poland

Poland saw a recovery in 2025 following the previous year's slowdown. Falling interest rates and increased lending led to an improved market environment. In the second half of 2025, signs of a recovery in residential construction became more pronounced, while the renovation market benefited from government subsidy programmes and increased demand for energy-efficient solutions. Outside of residential construction, demand in building construction remained subdued, but EU funding provided impetus for a recovery in this market segment. Arbonia operates a modern and efficient production site in Poland, which services as a hub for the Eastern European market and exports to Western Europe. Despite currency risks and rising personnel costs, growing construction activity, increasing the project business coupled with a strong order situation in the export segment offer attractive growth opportunities for the coming years.



Furthermore, a broader market recovery, supported by public investments and greater dynamism in renovations, is expected starting in 2026.

Czech Republic

The Czech construction industry remained restrained overall in 2025 and continues to be hampered by structural problems: High construction costs and interest rates as well as permitting issues dampened demand. New residential construction stagnated, while the renovation market benefited from subsidy programmes and increased energy price awareness. Non-residential construction developed in a differential manner: Logistics and production buildings increased, as did public infrastructure (hospitals, schools, etc.), while office and commercial construction suffered from weak domestic demand. With Lignis, Arbonia has a solid foundation in the project and technical doors business and is well positioned to benefit from the growing demand for high-quality interior design and project solutions. The increasing professionalisation of the market and the focus on quality and sustainability open up additional growth potential in the long term. For 2026, growth is expected primarily in the already expanding market segments of renovation, public infrastructure, and new construction in metropolitan areas, while the latter segment is also expected to experience broader growth again starting in 2027.



Capital market

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The Arbonia story

Arbonia is the market leader in interior doors in Europe.

With a broad production network from Portugal to Spain, France, Switzerland, Germany, the Czech Republic, and Poland, Arbonia has become a leading European manufacturer of interior solutions. This network provides not only a deep understanding of the markets and their specific characteristics but also the opportunity to benefit from the higher growth dynamics of individual markets. In turn, this allows us to expand our market-leading position in mature markets while simultaneously seizing growth opportunities in adjacent markets. This is made possible by our extensive product range, from entry-level and standard doors to premium solutions for hospitals, offices, leisure facilities, and hotels. Our core competence lies in doors and frames made of wood, glass, and metal, as well as shower solutions and room partitioning systems. The focus is always on the customer: We offer high-quality products through DIY stores and partner networks and are continuously expanding our successful project business, which provides architects and project developers with customised solutions and comprehensive service from planning to maintenance.

As a door specialist, we have a clear focus: with a leading, industrially scaled production footprint in Europe, comprised of a few large, automated production plants ([see chapter "Automation and Industry 4.0"](#)). Our business model is simple and easily understandable – as an integrated full-range supplier, we offer a consistent, high-quality product portfolio. At the same time, our clear and regular communication ensures operational transparency, making our perfor-

mance drivers readily comprehensible. This focus, simplicity, and transparency together form a compelling investment case with attractive potential in the pan-European door market.

In recent years, we have invested approximately EUR 300 million in expanding and modernising our production sites and a further EUR 200 million in acquisitions to strengthen our presence in new markets. As a result, we now operate state-of-the-art, sustainable production plants and are able to offer our broad product range throughout Europe. Our highly automated, efficient, and digitised production enables us to generate high margins. At the same time, it makes our business model less vulnerable to economic downturns and secures our competitiveness despite the continuing shortage of skilled workers. Today, we can produce a significantly higher volume of goods with the same number of employees, while the existing capacities in our large, automated production plants are not fully utilised, thus offering considerable growth potential. In addition to economies of scale in production, the efficient processes in our production plants allow us to continuously improve our sustainability performance: For example, a large portion of the energy we need is now already generated in-house, partly from production waste such as wood shavings. In our manufacturing, we rely on wood, a renewable and regionally available raw material, and on FSC® and PEFC certification ([see chapter "Sustainability report/Energy"](#)).

Local manufacturing additionally allows our customers to benefit from significantly shorter delivery times, a key competitive advantage that has helped us gain increasing market shares in recent years. In addition to its product portfolio, Arbonia impresses with its comprehensive solution exper-

tise and innovations. These include the introduction of digital twins, accessible via QR code, providing residents, installers, and us with easy access to essential product features, enabling preventative maintenance and efficient service. We offer our customers state-of-the-art digital access systems that provide building managers, tradespeople, and residents with easy access.

Our excellent positioning is underscored by the high barriers to market entry: Investment costs and delivery times for new production facilities have increased significantly, posing an obstacle for competitors. At the same time, we have been able to reduce our dependence on the German market from approximately 65 % to around 50 %. This geographic diversification in Europe is one of the three pillars of our acquisition strategy, which also aims to complement our product portfolio and expand our vertical integration.

Based on the consistent implementation of our strategy, we achieved revenue of CHF 624.5 million and adjusted EBITDA of CHF 56.5 million in financial year 2025. This corresponds to a 3.7 % organic revenue growth compared to the previous year. Despite the challenging environment, we were able to increase our EBITDA margin by 1.5 percentage points to 9.0 %. This was achieved in a challenging environment, particularly in the glass sector, which was successfully restructured to reduce costs and prepare for a market recovery. Additional sales will have a disproportionately positive impact on the result due to our modern, highly scalable production, as our production capacities are not yet fully utilised. This is due to the economic slowdown in the construction sector, especially in Germany. In contrast, we have successfully expanded our project business in the past years, so that the relevant production sites are now operat-



ing at full capacity.

The mid-term guidance remains unchanged, with Arbonia merely supplementing it with a statement on Free Cashflow. By the end of financial year 2029, we aim to increase our revenue to CHF 820–850 million and further improve profitability, achieving an EBITDA margin of 14–15 %. Following the high investments of the past years, our future investment level will be significantly lower. This will allow us to sustainably strengthen our cash flow, enabling us to reach a level of CHF 55–65 million Free Cashflow at the end of the planning horizon. Together with reduced net indebtedness and interest expenses, this will allow us to pay progressive dividends in the future, 50 % of which will be exempt from withholding tax. Our dividend policy aims to distribute at least 30 % of Arbonia AG's net income to shareholders, up to a maximum of 50 % of Free Cashflow.

With modern production, a strong capital structure, and a clear growth strategy, Arbonia is ideally positioned for the future, both for organic growth and selective acquisitions to further expand its market leadership in Europe. We are convinced that this clear focus will create sustainable value for our investors.

Arbonia is a focused, growth-oriented, margin-improving European market leader in the door, shower, and room solutions sector, distinguished by strategic expansion, technological leadership, operational efficiency and clear capital allocation.



The Arbonia share

In February 2025, Arbonia completed the sale of its Climate Division, further strengthening the company's strategic focus on its profitable doors business. The resulting balance sheet strengthening and reduction in net indebtedness increase flexibility for future growth initiative. Thus, in 2025, Arbonia consistently implemented its capital market strategy, which is based on transparency, sustainable growth, and a clear focus on its profitable doors business.

At the beginning of the year, Arbonia's share price initially developed in line with the relevant benchmark indices, but subsequently outperformed them as the closing of the sale of the Climate Division became apparent and was completed. In this context, the share reached its high point for the year of CHF 13.08 (+17.0 %) on 18 February 2025. Following the publication of the 2024 annual results, however, the share suffered a significant setback and fell below the prices at the start of the year. This was primarily due to the disappointing second half of 2024.

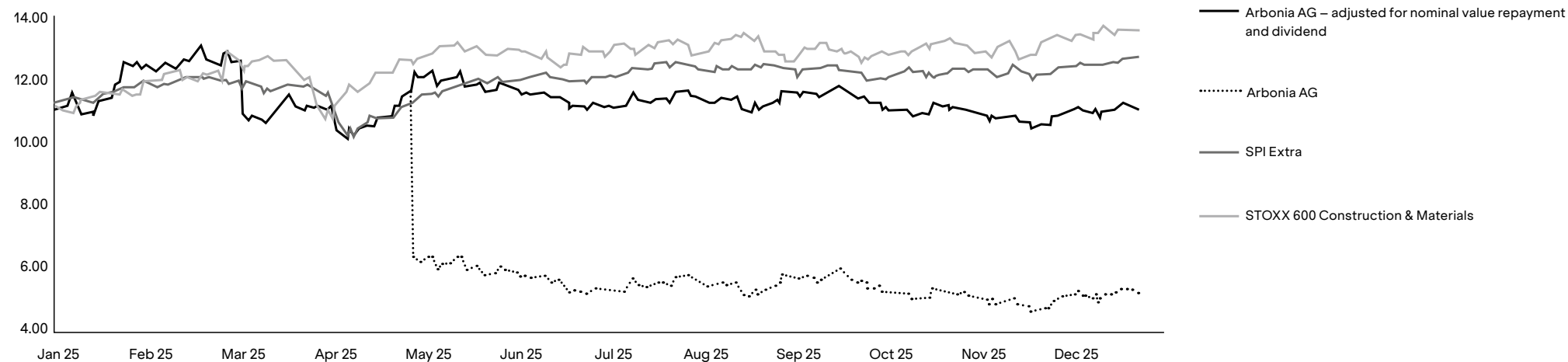
At the Annual General Meeting held on 25 April 2025, the shareholders of Arbonia AG approved a total distribution of CHF 5.83 per share. This comprises a dividend of CHF 0.30 per share for the 2023 financial year and a dividend of CHF 0.33 per share for the 2024 financial year, each consisting of half from retained earnings and half from capital contribution reserves. In addition, the shareholders approved a special dividend of CHF 1.20 per share in connection with their participation in the proceeds from the sale of the Climate Division, also consisting of half from retained earnings and capital contribution reserves. Furthermore, a nomi-

nal-value repayment of CHF 4.00 per share was made, reducing the nominal value of the share from CHF 4.20 to CHF 0.20. The ex-dividend date was 29 April 2025, and the payment was made on 5 May 2025. On the day of the Annual General Meeting, 25 April 2025, the Arbonia share price was CHF 11.46. As usual, the Arbonia share price opened two days after the Annual General Meeting adjusted for the entire distribution of CHF 5.83 per share (reference price CHF 5.77) and closed the day at CHF 6.42.

During the remainder of the first half-year, the Arbonia share price trended downward. This was likely due, on the one hand, to the continued weak development of the construction industry and the ongoing economic and geopolitical uncertainties. On the other hand, the very weak quarterly results of a competitor weighed on sentiment in the sector and fuelled concerns that Arbonia might also have come under pressure in the first quarter of 2025. As a consequence, the share closed the first half-year at a price of CHF 5.31, corresponding to a price performance of -52.5 % (including distributions). Adjusted for the distributions, the performance was virtually stable at -0.4 %.

In the third quarter, the Arbonia share largely followed the overall market trend, experiencing a slight decline. Temporary share price increases – triggered by positive analyst comments and news reporting – were quickly corrected. The weak market environment and negative industry news, which led to increased volatility, had a negative impact. Following a positive analyst comment at the end of August, the share briefly rose to over CHF 6.00 on high trading volume before falling back towards the end of the quarter.

In the last quarter of the year, however, the share tended to move sideways, roughly following market trends. In November, though, the Arbonia share price temporarily fell below the threshold of CHF 5.00 after the index provider MSCI announced that it would no longer include Arbonia in the Small Cap segment, but rather as a Micro Cap due to the reduced market capitalisation resulting from the distribution. Consequently, funds based on this had to sell their shares, while other institutional investors bought in. As a result, trading volume increased sharply during this phase, and the share recovered, ultimately closing the year at a price of CHF 5.26. This corresponds to a share price performance of -53.0 %; adjusted for the distributions, the price declined by -0.8 %.



Further information

ISIN	Securities number	Bloomberg code	Refinitiv code
CH0110240600	11024060	ARBN SW	ARBNO.S
Listed shares:	69 473 243	Nominal value:	CHF 0.20



Investor relations activities

Arbonia fosters an open and transparent dialogue with investors and analysts. Through regular financial reports, roadshows, and presentations, the company communicates its strategic orientation and business development. One example of this is the Capital Markets Day 2025, where Arbonia unveiled its new, focused door strategy and presented its medium-term targets up to 2029. Arbonia's medium-term targets up to 2029 are defined as follows: Revenue is expected to be in the range of CHF 820 million to CHF 850 million. The EBITDA margin is projected to be between 14 % and 15 % in 2029. Depreciation and amortisation are expected to be between 6.0 % to 6.5 % of revenue, which will have a positive impact on the tax burden. The already low level of net working capital (8.5 % of pro-forma net revenue as of 31 December 2024) is expected to increase only slightly in proportion to revenue. Investments (Capex) are being continuously reduced and are normalising to below 4 % of sales.

In the reporting year, discussions with the capital market focused particularly on explaining the deal structure in connection with the sale of the Climate Division, assessing the competitive environment and the strategic realignment in the doors business, as well as the impact of building permits and mortgage rates on construction activity. This open communication strengthened investor trust and contributed to a better understanding of Arbonia's long-term strategy.

Positive analyst opinions

Analyst ratings confirm Arbonia's positive performance and underscore trust in the company's strategic direction. The ratings show clear support for the focused door strategy and the improved operational performance. The majority of analysts see further potential for the share and are optimistic about the company's future development. This positive market response helps to strengthen investor trust and sustainably increase the attractiveness of the Arbonia share. The average price target of analysts is CHF 7.30 (as of 31 December 2025), with recommendations predominantly being "Buy" or "Hold".



Additional information for investors

	2025	2024	2023	2022	2021
Number of shares					
Registered par value from 25.04.2025 CHF 0.20	69 473 243				
Registered par value from 25.04.2025 CHF 0.20 average number	69 402 966				
Registered par value until 25.04.2025 CHF 4.20		69 473 243	69 473 243	69 473 243	69 473 243
Registered par value until 25.04.2025 CHF 4.20 average number		69 427 041	69 090 808	68 946 385	69 163 962
Stock market prices in CHF					
Highest	13.1	13.5	13.7	22.9	21.5
Lowest	4.5	10.2	7.1	10.5	13.6
Year-end price (31/12)	5.3	11.2	9.6	12.9	20.6
Stock market capitalisation in CHF million (31/12)	365.4	776.7	669.0	896.2	1 431.1
Per share data					
Gross dividend in CHF	0.00	1.83	0.00	0.30	0.30
Pay-out ratio (in % of Group earnings)	0.0	1 534.6	0.0	108.1	15.0
Group earnings in CHF ¹	1.9	0.1	– 0.3	0.3	2.0
Cash flow from operating activities in CHF	0.0	0.6	1.5	– 0.4	1.3
Shareholders' equity in CHF	10.6	13.6	13.3	14.3	15.1
Price/earnings ratio (highest) ¹	6.9	113.4	– 55.0	82.5	10.7
Price/earnings ratio (lowest) ¹	2.4	85.4	– 28.5	37.8	6.8
Price/earnings ratio (31/12) ¹	2.8	93.8	– 38.7	46.5	10.3
Price/cash flow ratio (highest)	549.4	22.7	9.4	– 61.3	16.0
Price/cash flow ratio (lowest)	189.5	17.1	4.9	– 28.1	10.2
Price/cash flow ratio (31/12)	220.6	18.8	6.6	– 34.5	15.4

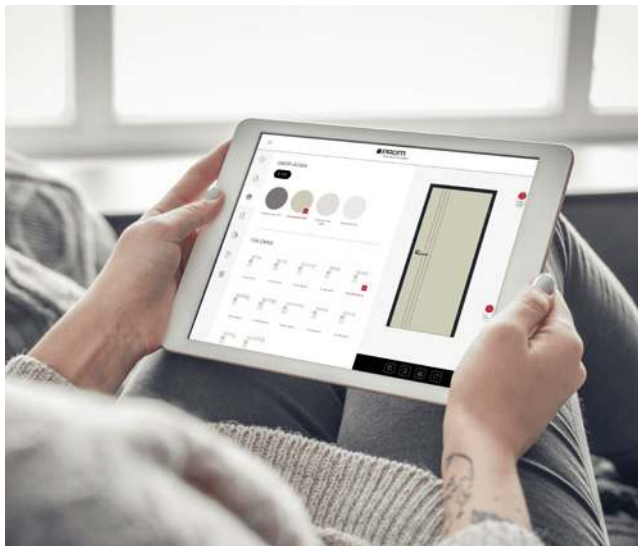
¹ 2025 includes the disposal gain for the Climate Division, 2021 includes the disposal gain for the Windows Division



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Technology and innovations

Arbonia consistently relies on state-of-the-art technologies and innovative production processes to increase manufacturing efficiency, ensure product quality despite the continuing shortage of skilled workers, and simultaneously optimise the margin. Our production plants, including sites integrated through acquisitions in 2025, are optimally equipped. With the finalised investments, we have created a high-performance basis for flexible and efficient production processes that are aligned with our customers' needs. A key component of our innovation strategy is the digital configurator, which significantly reduces the workload for customer

projects and allows the precise integration of individual requirements into the planning process. This way, specific requests can be considered early on and implemented seamlessly, from planning and production to delivery.

In addition, we are driving digital transformation by expanding our SAP systems. Standardized structures and networked processes create transparency, accelerate decision-making, and strengthen efficiency along the entire value-added chain.

Overall, it is clear that technology, innovation, and digitisation are key drivers of Arbonia's competitiveness. They enable us to efficiently manufacture high-quality products, optimally serve customer needs, and ensure profitable growth in the long term.

SAP

With the introduction of SAP as the underlying system architecture at Garant, we are taking a significant step forward in networking both within and among production plants. Following Invado's SAP implementation, the transition at Garant took place on 1 January 2026, enabling, among other things, a completely digital production process, from order entry and production planning to production, logistics, the construction site and final invoicing. The unified system landscape eliminates interfaces and associated potential sources of error, which will also have a positive impact on the already high levels of customer satisfaction and delivery reliability.

With the replacement and standardisation of the systems with SAP at Prüm, which is scheduled for a later phase of the rollout, the major production plants will have a completely

uniform system landscape. On the one hand, this will promote the exchange of experience among the production plants. On the other hand, it will allow for the transfer or consolidation of similar orders from different production plants into a single production plant, thereby reducing setup times and further increasing productivity.





Automation and Industry 4.0

Arbonia is consistently focusing on digitisation and automation to make production more efficient, flexible, and resource-conserving. The intelligent networking of machines, IT systems, and production facilities allows for real-time process monitoring, early detection of bottlenecks, and proactive maintenance planning. Modern control systems allow precise planning, reduce downtime, and increase overall equipment effectiveness. At the same time, Arbonia invests in employee training to ensure optimal use of digital technologies. This secures the company's future-proof, efficient, and sustainable production.

In the 2025 reporting year, the AGILOX system at Kermi Duschdesign, among other initiatives, marked another step toward automating and increasing the efficiency of our production. This autonomous driving system handles internal transport, efficiently connecting individual production stations. In this way, components can be transported independently and reliably, while manual paths are reduced, positively impacting both productivity and workplace safety. This ensures a smooth flow of materials.





Products

Linoleum doors

Together with our partner Forbo, we presented the new LINOLEA product line at Arbonia Next25 ([see chapter "Arbonia Next25"](#)): linoleum doors. These doors impress not only with their high-quality aesthetics and warm feel, but also with their sustainability.

Since the linoleum consists of 94 % bio-based raw materials and thus binds CO₂, its production is highly sustainable. The linoleum, which is largely made of linseed oil, wood flour, limestone, and resin, binds more climate-damaging gases than are released during its production (-1.9 kg of CO₂e), earning it the "climate positive" label. The long lifespan of the linoleum door also contributes to its sustainability, thanks to the premium edge with zero joint technology, which pro-

TECTS the door edge from wear and damage. Furthermore, the linoleum consists of approximately 30 % recycled raw materials and can be returned to the recycling loop at the end of its lifespan.

In use, the linoleum door impresses with its durable, easy-care, and antibacterial surface, making it an ideal product for educational institutions (childcare facilities and schools) as well as for use in hospitals. With its high-quality feel, matt surface, without visible fingerprints, it is also ideal for use in food industry, hotels, retirement homes, or medical practices and laboratories. The linoleum door also impresses with a wide range of colours.

Fire protection doors

In the field of fire and smoke protection, Arbonia sets new standards in safety, quality, and design with its high-quality functional doors. The doors meet all relevant fire and smoke protection classes (EI30–EI90, S₂₀₀) and are suitable for residential, office and industrial buildings. Their modular design allows them to be combined with soundproofing, burglar protection and accessibility features as needed.

A special quality feature is the cooperation of RWD Schlatter and their certified testing facility, which allows a rapid development, testing, and certification of new systems. Sustainability also plays a central role: Arbonia uses PEFC or FSC® certified wood and resource-conserving production processes. Every door is clearly marked and fully traceable.

Arbonia fire protection doors thus stand for safety, innovation, sustainability and Swiss precision, contributing to safe, future-proof buildings.





Kermi EXTRA

With its special EXTRA programme, offering a wide range of possibilities thanks to a large selection of high-quality materials, Kermi Duschdesign focused on the topic of progressive individualisation in 2025. This special programme offers builders a wide range of design options to customise showers to their personal preferences. In addition, a variety of surfaces are available, including brushed metallic finishes, contributing to a modern and sophisticated look.

A glimpse into the future of showering

At Arbonia Next25 ([see chapter "Arbonia Next"](#)), Kermi Duschdesign presented itself with a completely new trade fair concept and unveiled groundbreaking shower innovations to the public for the first time. Combined with a novel operating concept, the three presented visionary studies provided an impressive outlook on the future of showering.





Acquisitions

With the acquisition of 100 % of Cicomol SA, Arbonia has further extended its geographical reach. The takeover of the Portuguese market leader was finalised in autumn 2025 and expands access to markets on the Iberian Peninsula. Cicomol complements Arbonia's product portfolio on the Iberian Peninsula, which previously consisted largely of white lacquered doors, with CPL doors and frames. Furthermore, Dimoldura's strong position in the DIY sector complements Cicomol's expertise in the design and special doors segment for specialist trade and project business, leading Arbonia to anticipate strong synergies in sales in Portugal, Spain, and France.

With a modern production facility (PT) and attractive margins, the acquisition of Cicomol will increase both margins and value for Arbonia.

The acquisition of R  thener Zargenbau (D), also finalised in autumn 2025, will contribute to increasing the vertical integration of Arbonia's products. Arbonia can now manufacture special metal door frames in-house, instead of sourcing them externally. In addition to these economic advantages and combined with an attractive margin, such metal door frames are popular in the project business, for example, in large residential developments, hospitals, dormitories, and schools. This allows Arbonia to further expand its expertise in this segment.

The acquisition is also margin and value accretive since its finalisation.





Arbonia Next25

Arbonia Next25 was a unique industry event: a combination of trade fair, convention, networking, and other relevant construction topics, aimed at everyone involved in the construction industry. Representatives from the carpentry trade, specialist trade, architecture, planning, project development, and general contracting were present in Erfurt to benefit from this unique exchange of ideas and inspiration. Each day of the two-week event focused on a different topic and was enriched by high-calibre panel discussions and presentations, including topics such as sustainability, serviced apartments, design and function, and the future of construction.

In addition to our customers and partners, Arbonia was also able to impressively demonstrate its solution expertise and, above all, its economic performance to the press, investors, analysts, and other representatives of the capital market at Arbonia Next.

At Arbonia Next25, visitors were able to see all Arbonia brands as well as the partners Griffwerk and Kiwi under one roof for the first time, impressively demonstrating Arbonia's wide product and solution expertise: It can meet all economic and sustainable requirements of the construction industry quickly and segment-specifically.



References

Aesthetics and functionality in Zurich Children's Hospital

With the construction of the new children's hospital in Zurich, we were able to impressively demonstrate that aesthetically pleasing and functionally sophisticated solutions can go hand in hand. In addition to doors for patient rooms, we supplied functional doors for the entire spectrum of fire and sound protection, climate and radiation protection, as well as for securing escape routes. Of the approximately 1 200 doors, 700 were equipped with impact-resistant polyurethane edges and seamlessly sealed, ensuring exceptional durability.



Special dimensions and fire protection in winter quarters

Not only are the shows of the Swiss National Circus impressive, we also supplied doors with impressive dimensions for their new winter quarters. These included custom-made smoke and fire protection doors, thermal and climate control doors and matching steel frames. All of this in impressive dimensions: large passages of 3 000 mm x 2 400 mm while maintaining all technical requirements – no problem.

Design and function in the Hôtel de la Cigogne

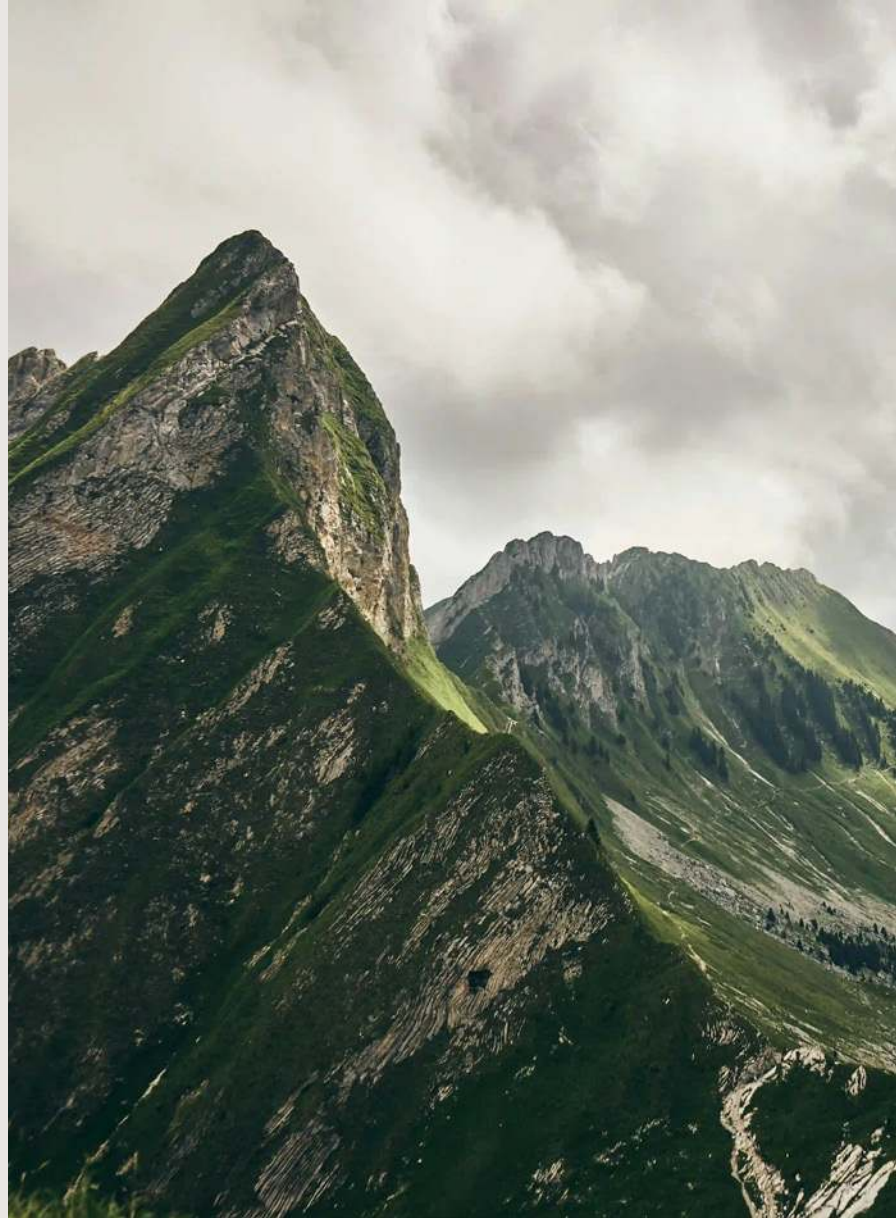
During the renovation of the historic 16th-century building, we were able to demonstrate our expertise in customised solutions within an architecturally demanding environment. During the renovation in 2024, the shower stalls were precisely integrated into niches of the building structure, creating a real eye-catcher. Elegantly presented and perfectly fitted.





Sustainability report

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CEO on the sustainability strategy

Claudius Moor, CEO of Arbonia, provides an insight into the further development process of the sustainability strategy in 2025. He explains the structure that guided this process, the ambitious goals that the company set itself, and the role wood as a material plays in Arbonia's understanding of sustainability.

Why was the sustainability strategy significantly enhanced?

Certain steps towards more sustainability happen "quite naturally" at our company. On the one hand, our wood products actively help lower emissions in the construction sector, and on the other hand, issues such as energy savings and renewable energy sources or the interests of our employees are always present. However, with the growth of Arbonia and the integration of additional companies, these approaches are no longer sufficient to implement sustainability consistently, measurably, and controllably across the group. A harmonised structure is needed to make different processes, degrees of maturity, and views comparable. That is why our sustainability strategy was further developed – to provide guidance for all subsidiaries as well as for our employees.

Why is Arbonia preparing for the Corporate Sustainability Reporting Directive (CSRD)?

Even though the scope of the CSRD has recently shifted for Arbonia, it is not our intention to wait until sustainability becomes mandatory. The preparations for the CSRD help us to embed sustainability even more deeply into our processes. Because we consider the structure of the CSRD extremely useful, we have already implemented the steps of double materiality analysis as a basic element as well as the development of corresponding targets. In terms of reporting, we are gradually moving closer to the EU standard in order to be able to report in full compliance in the years to come.

What do the new targets entail?

In principle, targets were developed for all important topics in cooperation with people in human resources, procurement, product development, or operations



"Sustainability is not just an obligation; it is an integral part of our doors."

– Claudius Moor, CEO of Arbonia



(editor's note: [see list of all newly set targets](#)). One goal is to further reduce the carbon footprint of our doors over their entire life cycle. Here, we can already take action during product development, as the choice of materials plays an important role. In addition, we are increasingly relying on supporting frameworks or standards. For example, management systems for energy as well as occupational health and safety in accordance with ISO standards are to be introduced on a broad scale. Next year, we will also develop science-based climate targets in accordance with the Science Based Targets initiative (SBTi), which will also include indirect emissions in the upstream and downstream value chain. This makes cooperation with partners such as suppliers or logistics service providers increasingly important for implementing emission reductions together. At the same time, we aim to provide our employees with a safe and supportive work environment, which is why we are investing further in health protection, occupational safety, and training programs to also help reduce staff turnover.

Keyword: material selection. What role does wood play in the sustainability strategy?

Many of our doors are made from wood, a unique raw material that is natural, renewable, locally sourced, and capable of storing CO₂ (editor's note: [see info box on the wood lifecycle](#)). We regard wood as a key to climate-friendly products and a forward-looking transformation of construction in the emissions-intensive building sector. However, this is only possible if forests are managed responsibly and the supply chain is well-organised. We also bear responsibility here, as

poor management practices can harm forests and compromise their essential functions. In addition, climate change and its consequences, such as extreme weather events and pest infestations, have a negative impact on forests. Therefore, sustainable procurement is crucial and the reason why we have set ourselves the target of consistent chain of custody certification in accordance with FSC® and PEFC and will continuously improve the general due diligence obligations in respect to supplier management.

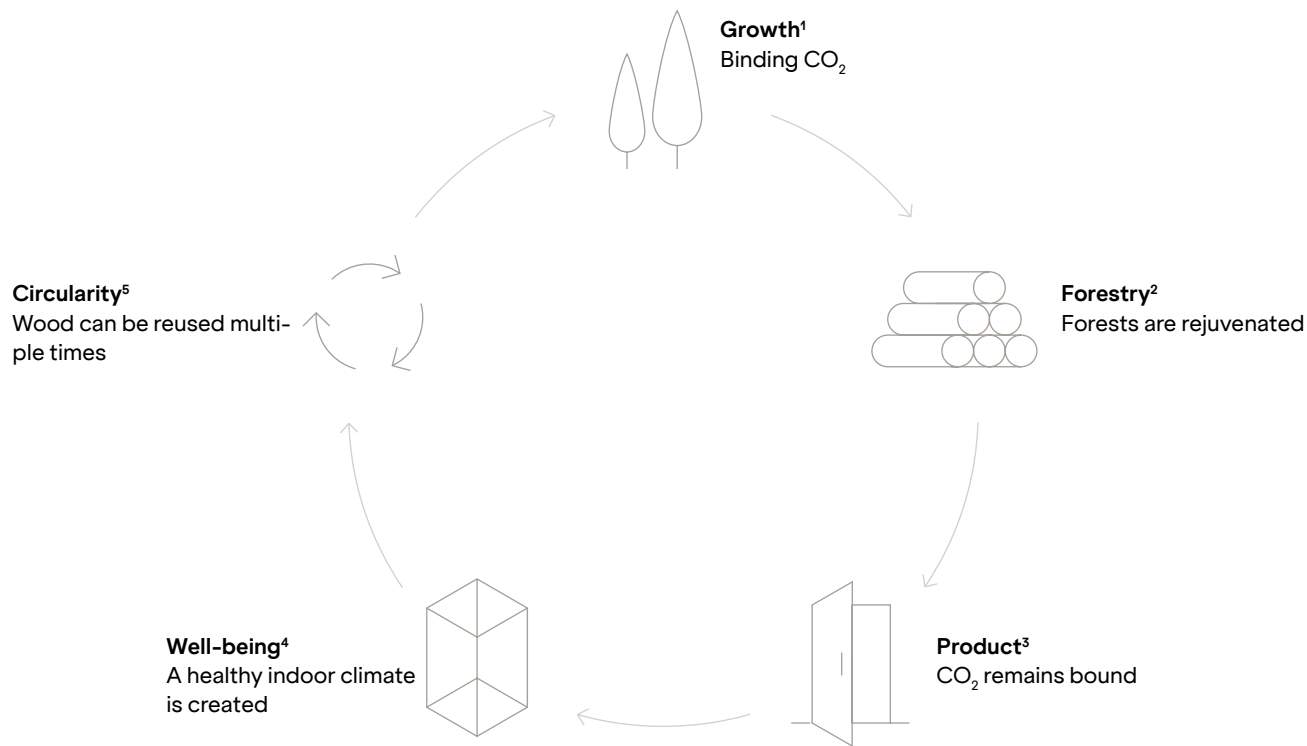
What steps are planned next?

To further anchor our sustainability strategy within the company, the targets now have to be communicated to the entire Group and all employees in a way that is understandable, motivating, and action-oriented. The coming months will focus on the concrete planning of measures, including the introduction of key performance indicators, so that we not only set goals but also drive their implementation in a measurable way.



Wood lifecycle

Wood's many advantages highlight its role in shaping the buildings of tomorrow:



¹Growth and CO₂ binding: As it grows, wood absorbs CO₂ from the atmosphere and stores it within its biomass. Between 0.7 and 0.9 tonnes of CO₂ are stored per cubic metre of wood in this way.

²Wood harvesting and reforestation: In responsible forestry, as many trees are planted as are felled, ensuring the long-term preservation of our forests. Young trees have an even greater capacity to store CO₂ as they grow than older trees.

³Product and CO₂ storage: As long a wood product exists, the stored CO₂ also remains captured.

⁴Well-being: Wood in interiors contributes to a healthy indoor climate and can have a calming effect.

⁵Circularity: Wood can be reused multiple times. When material reuse is no longer possible, it can be used for energy recovery.



Targets

Climate change

Introduce physical climate risks at site level into the risk management process by 2026.

Have SBTi-validated targets set by 2026.

Establishment of an energy management system in accordance with ISO 50001 at all production sites wherever possible and appropriate by 2030.

Coverage of 80 % of revenue with life cycle assessments by 2026, with refinement at product level by 2028.

Obtain or request carbon footprint of purchased direct materials by 2028.

Biodiversity and ecosystems

Wood Solutions only: Changeover to water-based paints wherever possible and appropriate for the life cycle of the affected machines.

Wood Solutions only: FSC® and/or PEFC certifications throughout all companies by 2030.

Annual reforestation programme(s) involving at least 3 000 new plantings with local forestry organisations by 2028.

Resource use and circular economy

Obtain or request recycling rates of purchased direct materials by 2028.

Increase recyclable share of sales products to 90 % on average by 2030.

Changeover to recyclable or environmentally friendly packaging materials wherever possible and appropriate by 2030.

Annual reduction of waste by 3 % relative to revenue year-on-year by 2030.

Reduce share of hazardous and non-hazardous waste for landfill to 2 % by 2030.



Targets

Own workforce

Implement annual performance and development reviews for 100 % of white collar employees and 50 % of blue collar employees by 2028.

Availability of further training options for all employees (white and blue collar) by 2030.

Training (online or in-person) on discrimination, violence, and harassment for 100 % of employees by 2028.

Establishment of an occupational health and safety management system in accordance with ISO 45001 at all production sites wherever possible and appropriate by 2030.

Reduce gross turnover rate to 10 % by 2030.

Business conduct

Raising awareness among all employees about the Code of Conduct by 2026.

Compliance management processes in place at Group level by 2030.

Application of the purchasing manual (including supplier selection and evaluation) by 2026.

Implement ESG ratings for 70 % of the direct purchasing volume by 2028.

Process for supplier audits present by 2030.



Preface

Dear Readers

At the beginning of the financial year 2025, the focus was on integrating the companies Dimoldura, Rozière, and Lignis, which were acquired during the previous year, in respect to sustainability. Discussions were held with the management teams and selected specialist departments of these companies. The sustainability strategy, including the issues important to Arbonia and the set targets, was presented and compared with the current status of acquisitions. In particular, the annual key figure collection for the present report was introduced.

In previous years, sustainability key figures were collected and consolidated by an external consulting firm. In order to implement this and other steps in conjunction with the reporting in our own sustainability department in the future, an operating system for sustainability management was procured during the reporting year.

Due to regulatory changes, Arbonia is not subject to a reporting obligation under the European Union's Corporate Sustainability Reporting Directive (CSRD) in the current reporting year. Nevertheless, this standard, based on a double materiality analysis and uniform reporting requirements, provides a structure that we would like to adopt in the interest of transparent sustainability communication. Convinced that this as an opportunity to further develop our sustainability strategy, and not because of mandatory requirements, Arbonia has continued preparations for the

CSRD and, with this report, presents its first attempt at aligning with the EU standard.

The results of the double materiality analysis finalised in the reporting year once again showed materiality in the areas of climate change, resource use and circular economy, workers in our own companies and in the value chain, as well as business conduct. Beyond the topics previously addressed, biodiversity and ecosystems have now also been identified as relevant to our business. This was especially due to the raw materials such as wood, steel, and aluminium required for production, the extraction of which can negatively affect ecosystem functions such as soil quality. Arbonia is also reliant on wood and forests, whose resilience is increasingly at risk due to climate change and unsustainable management practices.

On the basis of these sustainability topics relevant to us, workshops were held with experts and specialist departments in the reporting year to develop effective goals. Discussions with employees from human resources, procurement, product development, and operations yielded 23 targets within the topics of environment, social issues, and governance. The next steps in the further development of Arbonia's sustainability strategy are clear internal communication to guide all employees and specialist departments to a common understanding and vision as well as the development of targeted measures, which will be afforded priority next year.

This report provides a transparent overview of our advanced strategy and our progress in sustainable corporate development. We would like to express our sincere thanks to our shareholders, partners, customers, and employees. Your trust, dedication, and collaboration make it possible for us to drive economic growth in alignment with environmental stewardship and social responsibility.

Claudius Moor
CEO

Uwe Schiller
CFO

Markus Hütt
COO



Report profile

With this sustainability report, Arbonia is, for the sixth consecutive year, providing information on the non-financial aspects of its operations. The report covers the period from 1 January to 31 December 2025, and was published on 3 March 2026.

The sustainability report is based on the GRI standards and also aligns with the European Sustainability Reporting Standards (ESRS) for the first time. With the aim of reporting completely in accordance with the ESRS in the future, initial structural adaptations have been made, and corresponding data points have been included in this report. This report also meets the Swiss requirements for non-financial transparency (Article 964a ff. of the Swiss Code of Obligations).

The double materiality analysis conducted from 2024 to 2025 serves as the basis for reporting and defines the topics to be presented in the areas of environment, social issues, and governance for Arbonia. Management approaches, strategies, targets, and key figures are presented for each relevant topic, while specific measures are described at individual company level. This report includes Dimoldura for the first time, many of these company-specific measures relate to Dimoldura in order to illustrate its current status in terms of sustainability.

Arbonia prepares the sustainability report on a consolidated basis. The scope of consolidation is the same as that used for financial reporting and is presented in the tables below. During the course of the reporting year, Arbonia acquired the companies Cicomol in Portugal and R  thener Zargenbau in Germany. Since these companies remained part of the integration process during the reporting year, they will not be included until the next sustainability report.

The upstream and downstream value chain of Arbonia was included especially in the double materiality analysis process, namely the assessment of impacts, risks, and opportunities. Following an internal review, upstream and downstream external stakeholders were also surveyed on material topics. As a result, corresponding targets, measures, and reviews are being implemented.

The time horizons defined in ESRS 1 paragraph 6.2 correspond in principle to those of Arbonia.

The sustainability report was prepared on behalf of Group Management and approved by the Board of Directors. It is not subject to external review. The publication of a machine-readable report cannot be implemented yet for the current reporting year, since not all of the technical standards and internal systems required for this are available.

Contact

Arbonia AG
Sustainability management
Department of Corporate Communications & Investor Relations
esg@arbonia.com



Production companies

Company	Site	Segment	Manufactured products
Arbonia Glassysteme GmbH	Deggendorf (D)	Glass Solutions	Construction glass
Bekon-Koralle AG	Dagmersellen (CH)	Glass Solutions	Shower enclosures
Cicomol SA	Seiça (PT)	Wood Solutions	Interior doors and frames
Dimoldura Ibéria S.L.	Lalín (ES), Quintanar (ES), Etxarren (ES), Iruztzun (ES), Carregal do Sal (PT)	Wood Solutions	Interior doors and frames
Garant Türen und Zargen GmbH	Amt Wachsenburg (D)	Wood Solutions	Interior doors and frames
Interwand GmbH	Dörzbach (D)	Glass Solutions	Wall systems
Invado Sp.z o.o.	Ciasna (PL)	Wood Solutions	Interior doors and frames
Joro Türen GmbH	Renchen (D)	Wood Solutions	Functional doors and frames
Kermi Duschdesign GmbH	Plattling (D)	Glass Solutions	Shower enclosures
Lignis s.r.o.	Koryčany (CZ)	Wood Solutions	Interior doors, functional doors, and frames
Prüm-Türenwerk GmbH	Weinsheim (D)	Wood Solutions	Interior doors and functional doors
Rozière SAS	Bertholène (FR) , Bozouls (FR)	Wood Solutions	Interior doors
Rüthener Zargenbau GmnH	Rüthen-Hemmern (D)	Wood Solutions	Frames
RWD Schlatter AG	Roggwil (CH)	Wood Solutions	Functional doors
TPO Holz-Systeme GmbH	Leutershausen (D)	Wood Solutions	Interior doors, functional doors, and frames

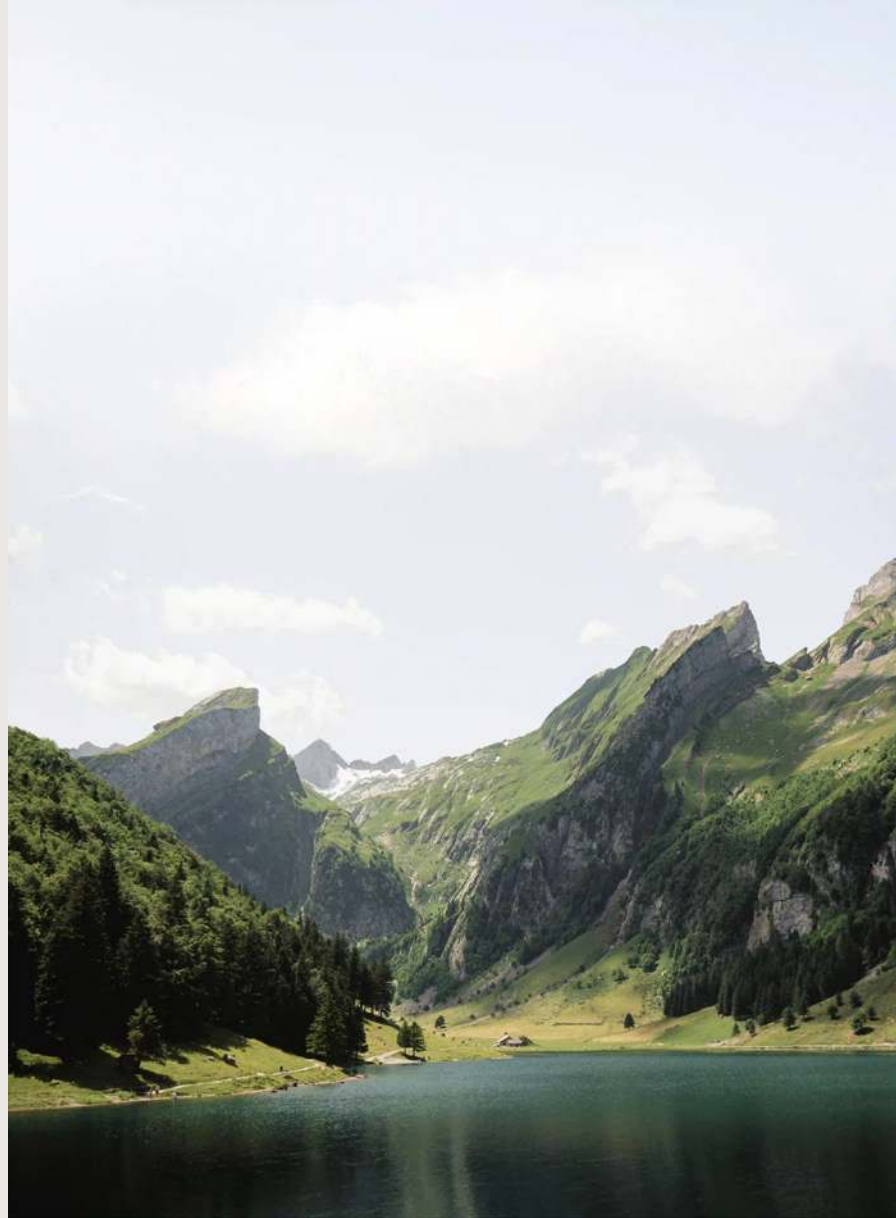
Administration and distribution companies

Company	Site	Segment	Type of site
Arbonia AG	Arbon (CH)	Group	Holding
Arbonia Doors Suisse AG	Arbon (CH)	Wood Solutions	Administration, sales
Arbonia Doors GmbH	Erfurt (D)	Wood Solutions	Administration, sales
Arbonia Duschdesign Suisse AG	Arbon (CH)	Glass Solutions	Sales
Arbonia Management AG	Arbon (CH)	Group	Administration
Baduscho Dusch- und Badeeinrichtungen Produktions- u. Vertriebsgesellschaft mbH	Margarethen am Moos (AT)	Glass Solutions	Sales



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Sustainability governance

Group structure

Arbonia is organised decentrally and has a holding structure. Group Management consists of the CEO, the COO, and the CFO. The responsibility for the operational business lies with the companies and their respective management board.

The Board of Directors is responsible for Arbonia's long-term strategy and its annual review, with the strategy being developed and pursued together with Group Management. The control and monitoring of related efforts within the Group is the responsibility of the CFO, who develops the sustainability strategy including corresponding targets together with sustainability management. Sustainability management coordinates the Group-wide integration of the determined strategy. The departments responsible for ESG topics and the companies plan and are responsible for its implementation in coordination with the Group functions.

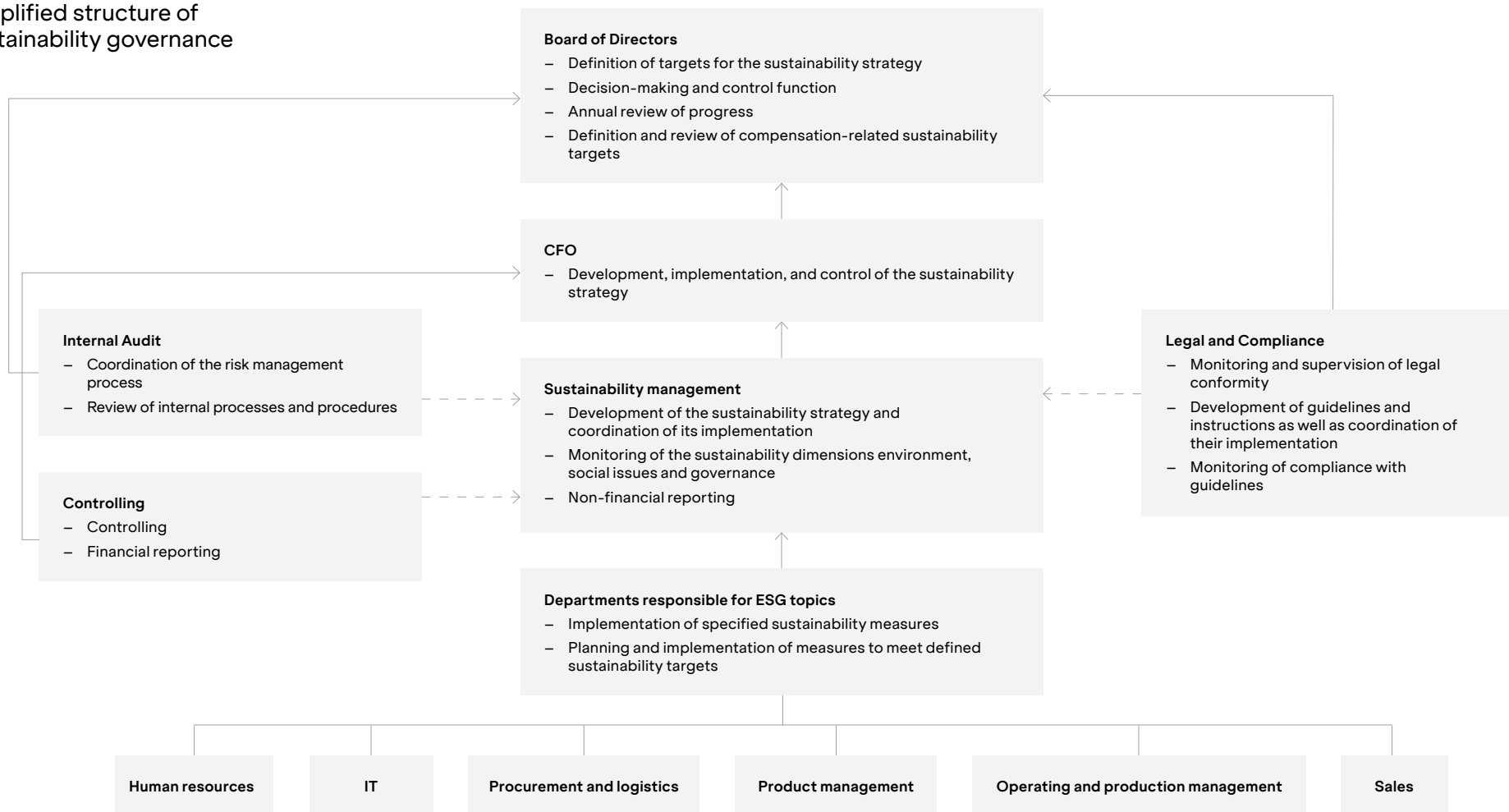
As the highest supervisory and management body of Arbonia, the Board of Directors is responsible for decisions, checks set goals through performance assessments, and monitors risks. The risks determined in the risk management process ([see chapter on risk management](#)), in particular the sustainability topics based on material impacts, risks, and opportunities, are presented to the Audit Committee as well as the Board of Directors. Internal Audit is responsible for monitoring compliance with laws and international standards, the Code of Conduct, and internal instructions as well as internal processes and procedures. In addition, it coordinates the risk management process. The Board of Directors is also informed about the audit reports on risks and planned

measures prepared by Internal Audit. The same reports are provided to the external auditors. The Board of Directors is also continuously involved in the framework of due diligence for potential acquisitions.

In 2025, the Board of Directors was reduced from eight to five members. The Board of Directors is not completely independent. There is no representation of the company's own employees or other staff. The Board of Directors consists of 100 % male members. Topic-related investigations are ordered or external consulting services are brought in as needed. Detailed information on the members of the Board of Directors can be found in the [Corporate Governance report](#). When positions on the Board of Directors are filled in the future, aspects such as diversity of professional expertise, gender and age groups will be given greater consideration.



Simplified structure of sustainability governance





Due diligence

Arbonia strives to apply the necessary due diligence across all its business processes, which can be divided into the six elements listed below. How these elements are implemented is shown with page references.

Reporting system and remedy⁶

Establishment and maintenance of the system for reporting negative impacts and taking remedial measures if necessary.

Monitoring and reporting⁵

Check the effectiveness of due diligence steps and transparently communicate them along with the annual sustainability report.

Corporate principles¹

Definition of due diligence and incorporation into corporate policy.

¹ Pages [65](#), [76](#), [85](#), [91](#), [101](#), [104](#) and [108](#)

² Pages [65–67](#), [76–78](#), [85](#), [91–92](#), [94–96](#), [101–102](#), [104–105](#) and [107–110](#)

³ Pages [68–70](#), [79–80](#), [86–88](#), [94–96](#), [102](#), [106–107](#) and [110](#)

⁴ Pages [68–70](#), [79–80](#), [86–88](#), [94–96](#), [102](#), [106–107](#) and [109–110](#)

⁵ Pages [71–75](#), [80–84](#), [88–89](#), [97–100](#), [102](#), [107](#) and [110](#)

⁶ Pages [102](#), [106–107](#) and [110](#)

Risk assessments²

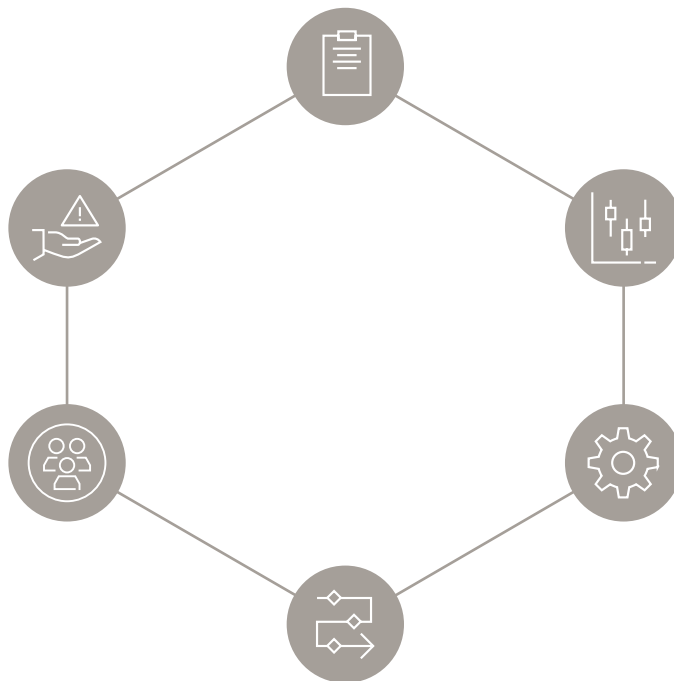
Analyse, evaluate, and prioritise actual as well as potential negative impacts regarding human rights and the environment.

Risk minimisation³

Develop and implement measures that mitigate or prevent determined risks.

Embedding in processes⁴

Integrate due diligence into existing corporate processes.





Risk management

Arbonia carries out its risk management process, which is based on the assessment of risk scenarios, on an annual basis. A total of 26 such scenarios represent strategic, operational, and external risks for Arbonia and are summarised in a risk catalogue that is continually updated. While the entire process is coordinated by Internal Audit, the relevant executives of the Group are involved in the assessment of the risk scenarios. The involved persons assess both the probability of occurrence and the extent of damage for all scenarios in the risk catalogue. As part of the assessment, the risk exposures are presented in a matrix. The results are validated and consolidated through comparison with the previous year. In addition, the risk profile is presented to both the Audit Committee and the Board of Directors. Responsible persons and measures for mitigation are defined for each identified risk. A status report provides information on whether the respective measures are planned, proposed, in implementation, finalised, or represent an ongoing process. The status report is integrated into a risk management tool that continuously monitors the risk exposure and the status of measures internally.

On the one hand, the sustainability risk assessments carried out in the reporting year are based on a higher-level ESG risk scenario, which describes the financial impacts of non-compliance with sustainability issues in particular. On the other hand, material topics from the 2023 materiality analysis and climate risks according to the 2024 TCFD report are integrated into existing scenarios and therefore reviewed as well.

The risks assessed in the reporting year differ from those of the previous year in individual details or in their sequence. From Arbonia's perspective, the highest risks are found in the development of the construction sector (external), IT (operational), subsidiaries/acquisitions/impairment (strategic), and raw materials/other materials (external).

Next year, the risk catalogue is to be revised again in order to give greater consideration to the material topics identified in the current double materiality analysis, among other things.

Compensation system

As part of the variable compensation for Group Management, there is a target to reduce the absolute greenhouse gas emissions from Scope 1 and 2 by $\geq 5\%$ compared to 2024. This remuneration accounts for 10% of the nominal bonus. Currently, no other sustainability-related targets are integrated into the compensation policy.



Sustainability strategy

Business strategy

Arbonia is an innovative full-range supplier in the area of interior doors made of wood, glass, and metal. The company, which is listed on the SIX Swiss Exchange, is active as a leading supplier in Western, Central, and Eastern Europe with its own distribution companies. Its business activities focus on the responsible use of raw materials to transform them into valuable products.

Sustainability is part of the overall business strategy. To promote sustainable development, Arbonia continuously invests in the further development of its product portfolio, the optimisation of production processes, employee development, ensuring responsible corporate governance, and strengthening long-term partnerships. Based on the topics relevant to Arbonia, which were defined through a double materiality analysis, according targets have been set in the areas of environment, social issues, and governance. These targets are intended to minimise negative impacts or risks as well as to strengthen positive impacts and opportunities.

Corporate principles are set out in various directives that apply to the entire Group. The Head of Compliance regularly checks that these internal documents are up to date, which may result in changes being made. The following table provides an overview of the existing directives, their purpose or content, and the highest level of Arbonia that is responsible for implementing each directive. The internal availability of the total of seven existing main national languages (including English) and their external availability are also set out. Reference is furthermore made to the following report chapters in accordance with ESRS, which refer to the mentioned directives.



Directive	Content/purpose	Responsi- bility	Availability	Report chapter
Anti-corruption – Instructions on gifts – Sponsoring instructions – Instructions regarding intermediaries, distributors, and merchants	Prevention of corruption, especially sponsoring, gifts and invitations or bribery	CEO	Intranet (in seven languages, sponsoring instructions in German and English), website (only anti-corruption)	Corporate culture
Code of Conduct – Code of Conduct for blue collar workers	Standards concerning own employees, human rights, business relationships, environment, handling of resources	CEO	Intranet (in seven languages), website	Own workforce, workers in the value chain, corporate culture, management of supplier relationships
Code of Conduct for suppliers	Standards between Arbonia and its suppliers concerning operating activities, human rights, environment	Head of Supply Chain Management	Shared directly with procurement managers (in German and English), website	Workers in the value chain, management of supplier relationships
Data protection – Rights of affected persons – Data breach policy – Explanation for employees	Protection and handling of personal data and notification in the case of violations	CEO	Intranet (in seven languages), website (only data protection)	Corporate culture
Insider trading	Prevention of insider trading and market manipulation	CEO	Intranet (in German)	–
Internet instructions	Use and monitoring of Intranet and e-mail traffic, telephone calls, and access to an employee's user account	CEO	Intranet (in seven languages)	–
Kick-back payments	Provisions on refunds of amounts between contract parties and on commission payments	CEO	Intranet (in seven languages)	–
Reporting obligation for management transactions	Compliance with stock exchange reporting obligation for transactions involving equity interests	CEO	Intranet (in German and English)	–
Product safety and product liability	Ensuring product safety and facilitating the movement of goods	CEO	Intranet (in seven languages), website	–
Guideline for sustainable procurement	ESG standards for strategic and operational procurement practices	Head of Supply Chain Management	Shared with strategic procurement of Wood Solutions (in German)	Workers in the value chain, management of supplier relationships
Protection against sexual harassment, bullying, and discrimination at the workplace	Definition of and procedures for dealing with sexual harassment, bullying, or discrimination	CEO	Intranet (in seven languages), website	Own workforce
Social networks	Responsible use of social networks	CEO	Intranet (in seven languages)	–
Dealing with AI-based tools	Use of software programs, systems, or applications based on artificial intelligence	Group CIO, Head of Compliance	Intranet (in seven languages)	–



Directive	Content/purpose	Responsi- bility	Availability	Report chapter
Resources and waste policy	Handling of resource conservation and waste reduction	CEO	Intranet (in four languages), website	Resource use and circular economy
Water policy	Handling of water extraction and disposal	CEO	Intranet (in four languages), website	Resource use and circular economy
Environmental policy	Obligations concerning resource conservation and environmental performance	CEO	Intranet (in German and English), website	Climate change, biodiversity and ecosystems
Competition directive	Fair and performance-based behaviour in competition	CEO	Intranet (in four languages)	–
Whistleblowing	Reporting procedure for unlawful behaviour or violations of the Code of Conduct	CEO	Intranet (in five languages)	Own workforce, corporate culture



As a member of the United Nations Global Compact, Arbonia is committed to its ten principles and obtains valuable insights in the area of corporate sustainability by participating in various learning and exchange formats. It also supports the agreement of the Paris Climate Conference and the Green Deal of the EU, which are used as a basis for minimising global warming. In the previous reporting year, Arbonia committed itself to short- and long-term emission reductions in line with the Net Zero Standard of the SBTi.

With the current EcoVadis rating in the areas of environment, labor and human rights, ethics, and sustainable procurement, Arbonia scored 75 out of 100 possible points, earning a silver medal and placing among the top 10 % of all companies rated by EcoVadis. This result represents a significant improvement on last year's rating (overall score of 62 out of 100) and reinforces the company's commitment to further development and improvement in the area of sustainability.

Arbonia supports the Sustainable Development Goals (SDGs) of the United Nations especially in four areas.



Decent work and economic growth

Arbonia strives for a dynamic, open corporate culture and places great importance on a pleasant, appreciative, and supportive working environment with attractive working conditions. As regional employers, the companies of Arbonia are an important economic factor in the respective regions.



Industry, innovation, and infrastructure

With a product portfolio that is as environmentally friendly as possible, Arbonia can make a positive contribution in the emission-intensive construction industry. Its production sites rely on innovative technologies designed to conserve resources.



Responsible consumption and production

In procurement, increased attention is being paid to the sustainability aspects of supplier products as well as supplier companies. The manufacture of products is subject to forward-looking resource management, which aims to save both materials and energy.



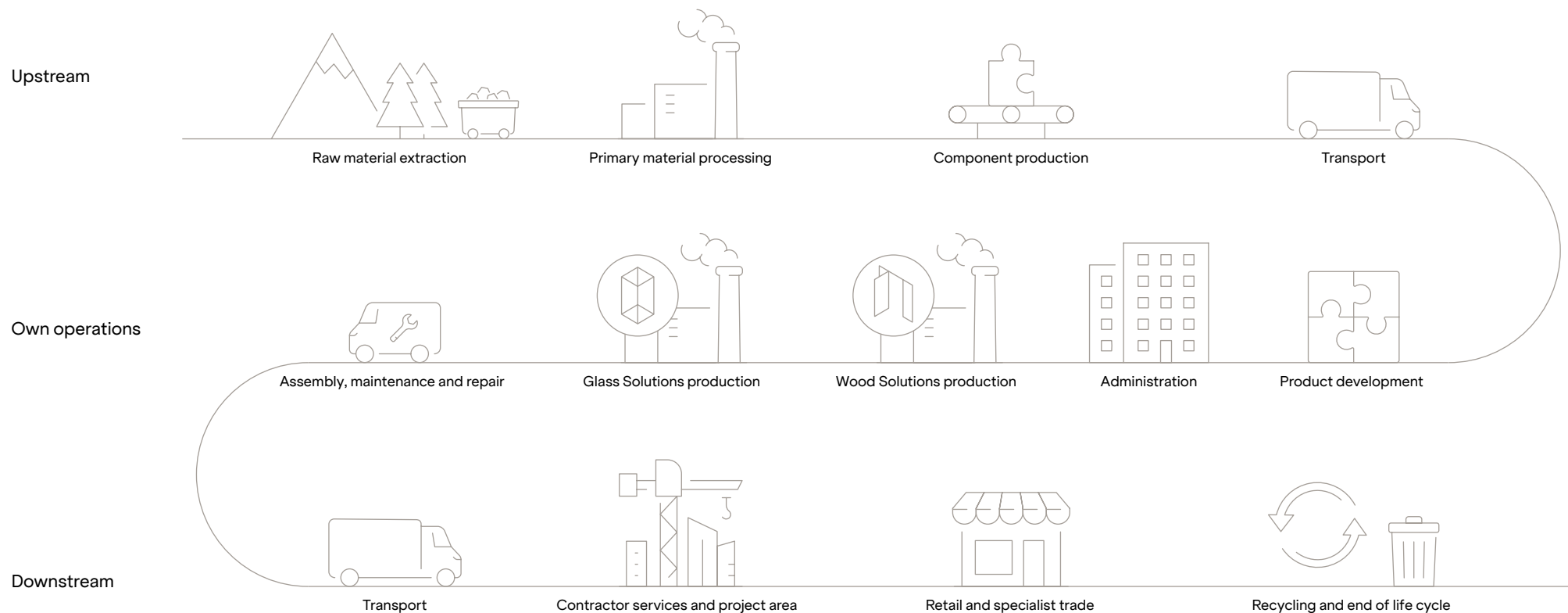
Climate action

Some production sites rely on biomass combined heat and power plants (BMCHP) or photovoltaic systems, which reduce their own emissions and also supply third parties with renewable energy to a certain extent. In addition, increases in efficiency are being sought along all business processes.



Value chain

The following simplified diagram shows the processes and activities that contribute to Arbonia's value creation. An overview of the entire value chain is the basis for the sustainability strategy, including the double materiality analysis.





The main raw materials used in the production within Wood Solutions and Glass Solutions are wood, including veneers, wood-based materials, and pulp, metals such as steel or aluminium, glass, plastics, and chemical products such as resins, varnishes, and adhesives. The materials produced from these are mainly sourced from suppliers based in EU or EFTA countries and are therefore transported by road to Arbonia's production sites.

Research and development for Wood Solutions products are managed centrally on the one hand and supplemented by dedicated departments in some companies on the other. Wood Solutions companies manufacture interior doors, functional doors, special doors, solid wood doors, frames, mouldings and edging. Product development for Glass Solutions takes place in individual companies and, in some cases, jointly across multiple companies. The portfolio includes products such as shower enclosures, glass doors, architectural glass, wall systems and fittings. Production always includes the steps of quality control, packaging and storage. The company's own activities do not culminate in marketing and sales but are supplemented by assembly and various services such as maintenance or repair work. These are carried out either independently by the companies or by Arbonia's central service department.

Arbonia's main European markets are in the contractor services and project sector as well as retail and specialist trade. In B2B business, Arbonia works with construction companies, architecture, interior design and planning firms, property developers, hotels and companies in the hospitality industry. Authorities and organisations such as schools and hospitals are important public sector customers. Arbonia products are also sold by DIY stores and specialist retailers for doors and shower fittings. Arbonia has no direct contact with end consumers such as private households, hotel guests, patients, students, or businesses. After their useful life, some of the products are dismantled by Arbonia and recycled or disposed of accordingly. In most cases, however, it is unclear how the products are handled at the end of their life.



Stakeholders

Continuous dialogue with all stakeholders who have a significant influence on Arbonia's economic, environmental, and social goals is extremely important. Open and honest communication creates new perspectives and trust, which in turn strengthen business activities. The following table shows the relevant stakeholders, how they are involved, and their concerns.

Stakeholders	Form of involvement	Concerns
Employees	Employee and personal meetings, employee surveys, Intranet, employee representatives, trade unions	Work environment, employment conditions, occupational safety, business strategy
Customers	Customer surveys, personal meetings	Product quality, product life cycle, sustainability performance
Shareholders and investors	General Meeting, representation by Board of Directors, roadshows, conferences, personal meetings	Economic performance, future prospects, business strategy, sustainability performance
Analysts and rating agencies	Roadshows, conferences, press releases, personal meetings	Economic performance, future prospects, business strategy, sustainability performance
Public authorities	Approval processes, notifications and reports, inspections, controls	Compliance with legal requirements, transparency
Civil society	Personal meetings, sponsoring	Job security, noise and emission protection, promotion of cultural life
Business partners (such as suppliers, service providers and associations)	Supplier surveys, personal discussions	Product quality, due diligence, information exchange
Media	Press releases, website, articles	Company information



Double materiality analysis

Arbonia conducted a double materiality analysis to examine the actual and potential positive and negative impacts of its business activities on the environment and society (inside-out perspective) as well as the risks and opportunities posed by the external environment to its business (outside-in perspective). The process of the double materiality analysis was carried out in four phases from autumn 2024 to summer 2025 and was conducted with the auditing firm KPMG.

1. Defining the scope of the analysis

All companies with their operational processes as well as the entire upstream and downstream value chain of Arbonia were included in the analysis.

2. Identification of impacts, risks, and opportunities (IROs)

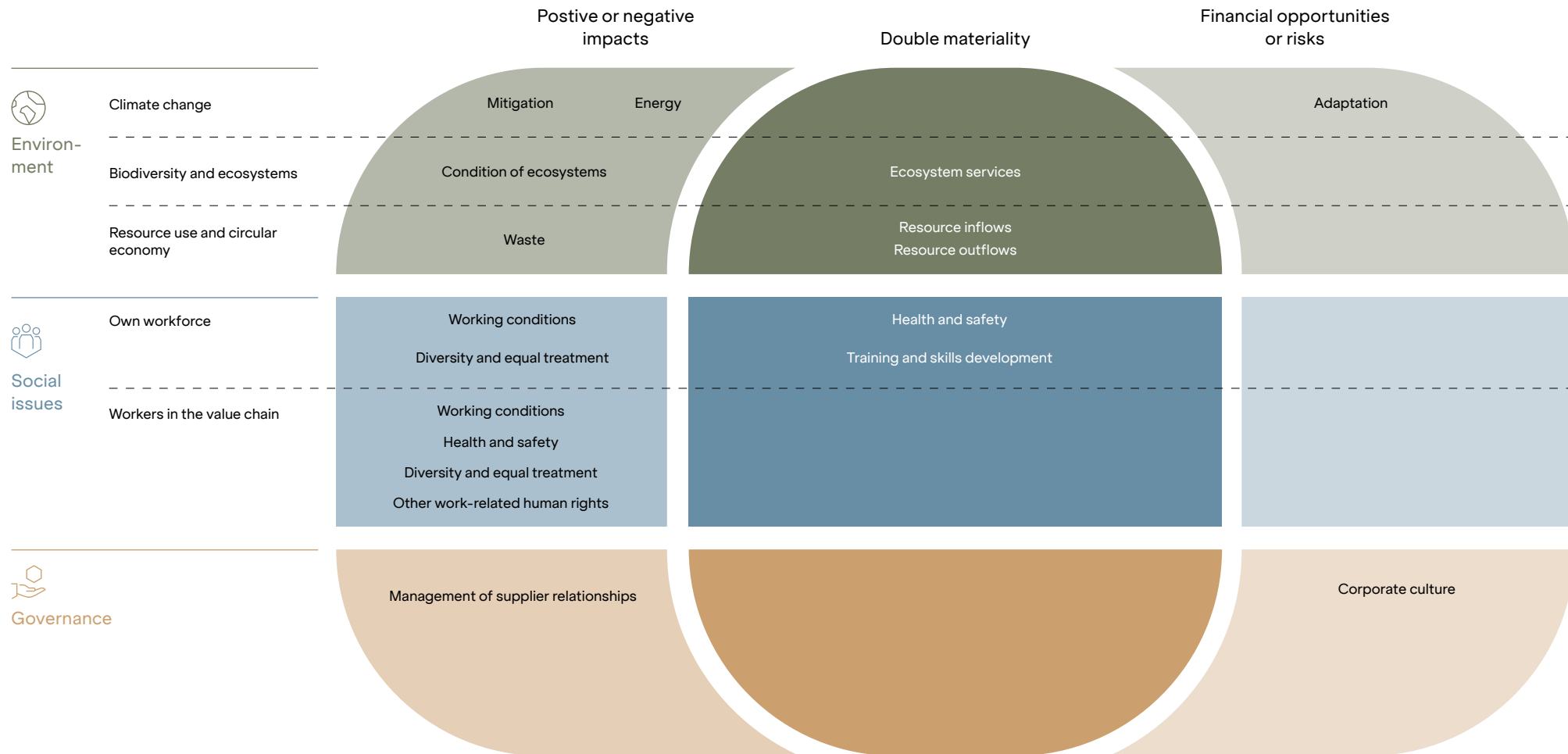
Various internal information and external data sources were brought in to create a comprehensive list of IROs specific to Arbonia.

3. Assessment of IROs

Internal specialists from human resources, procurement, product development, environmental, health and occupational protection, Internal Audit and sustainability assessed the identified IROs. Impacts were assessed in terms of magnitude, scope, and irreversibility, while financial impacts were assessed in terms of their magnitude and probability. Values were then calculated from this that express the material assessment of each respective topic.

4. Validation

The preliminary results regarding the material topics were submitted to the CFO for review. In addition, over 40 external stakeholders, such as suppliers, customers, and analysts, indicated in a survey how material they considered sustainability issues to be for Arbonia. Following these validation steps, the material topics were approved by the CFO and the Board of Directors.





The following list shows the impacts and financial influences of Arbonia defined as material based on the double materiality analysis and the ESRS.

E1 Climate change

Topics	Description of impacts and financial influences	Place of effect	Status
Adaptation	⬇ Damage to own infrastructure or power failures in connection with extreme weather events lead to production shortage.	Own operations	
Mitigation	⬆ An increased share of renewable energies in operational consumption contributes to mitigating climate change, expansion of self-produced energy (through PV systems and BMCHP), and the purchase of electricity from renewable sources.	Own operations	Actual
Mitigation	⬇ Emissions (CO ₂ e) that are caused by own operational activities, including emissions from production, from the use of production facilities, and from company buildings.	Own operations	Actual
Mitigation	⬇ Emissions (CO ₂ e) in the upstream supply chain caused by purchased materials.	Upstream	Actual
Mitigation	⬇ Emissions (CO ₂ e) that are caused in the downstream value chain, for example, through product transport and at the end of the product life cycle.	Downstream	Actual
Energy	⬇ Energy consumption during the extraction and processing of purchased goods.	Upstream	Actual

⬆ Positive impact
⬇ Negative impact
⬆ Opportunity for financial influences
⬇ Risk to financial influences



E4 Biodiversity and ecosystems

Topics	Description of impacts and financial influences	Place of effect	Status
Condition of ecosystems	— Contribution to the impairment of ecosystems through land degradation. The extraction of wood and metals can lead to erosion and loss of soil fertility, which impairs the regenerative capacity of plants and can disrupt food webs.	Upstream	Actual
Ecosystem services	↓ Dependence on the raw material wood and thus on the ecosystem services provided by forests. Due to climate change and the decline in biodiversity, the resilience of forests is threatened, resulting in a risk of timber shortage.	Upstream and own operations	
Ecosystem services	— Contribution to the impairment of ecosystem functions and resources as a result of raw material extraction in the upstream value chain, in particular through the alteration of natural habitats.	Upstream	Actual

⊕ Positive impact ⊖ Negative impact ⊕ Opportunity for financial influences ⊖ Risk to financial influences

E5 Resource use and circular economy

Topics	Description of impacts and financial influences	Place of effect	Status
Resource inflows	— High consumption of non-renewable resources for the production of the products.	Own operations	Actual
Resource inflows	↓ Insufficient availability of resources, but also losses in revenue, as products cannot be manufactured when raw materials are scarce.	Upstream	
Resource inflows	↓ Rising raw material prices due to increased energy and freight costs.	Upstream	
Resource outflows	— Low product cycles due to obstacles in product design and the market.	Downstream	Actual
Resource outflows	↓ Increased costs due to future transition to recyclable design.	Own operations	
Waste	— High waste volume during the manufacturing processes.	Own operations	Actual

⊕ Positive impact ⊖ Negative impact ⊕ Opportunity for financial influences ⊖ Risk to financial influences

**S1 Own workforce**

Topics	Description of impacts and financial influences	Place of effect	Status
Working conditions	+ Provide employees with a secure job and thus the security of maintaining their standard of life.	Own operations	Actual
Health and safety	+ Occupational safety and health protection for employees through prevention and health promotion to prevent or reduce diseases as well as physical and psychological stress.	Own operations	Actual
Health and safety	– Work environment that can negatively affect the safety and health of the company's own workforce.	Own operations	Potential
Health and safety	↓ Loss or difficulty in recruiting employees, as well as legal and reputational consequences due to work-related health and safety incidents within the company's own workforce.	Own operations	
Training and skills development	+ Regular performance reviews and career development opportunities for employees.	Own operations	Actual
Training and skills development	↑ Professional development opportunities for employees, which can lead to higher employee satisfaction and attractiveness as an employer.	Own operations	
Training and skills development	↑ Professional development for employees can build up a company's internal know-how for long-term success and ensure quality assurance through qualified employees.	Own operations	
Diversity and equal treatment	– Negative impacts on the physical and/or mental well-being of employees due to violence and harassment in the workplace.	Own operations	Potential
+ Positive impact – Negative impact ↑ Opportunity for financial influences ↓ Risk to financial influences			

**S2 Workers in the value chain**

Topics	Description of impacts and financial influences	Place of effect	Status
Working conditions	⊖ Negative impacts on the long-term financial security of employees in the value chain who are employed with temporary contracts and/or non-guaranteed working hours.	Upstream and downstream	Potential
Working conditions	⊖ Payment of a wage that does not adequately meet the needs of employees in the supply chain and their families, taking into account the economic and social conditions of the country.	Upstream and downstream	Potential
Health and safety	⊖ Work environment that can negatively impact the safety and health of employees in the value chain.	Upstream and downstream	Potential
Diversity and equal treatment	⊖ Negative impacts on the physical and/or mental well-being of employees in the value chain due to violence and harassment in the workplace.	Upstream and downstream	Potential
Other work-related human rights	⊖ Cases of human rights violations related to child labour within the value chain.	Upstream and downstream	Potential
Other work-related human rights	⊖ Presence of labour or a service within the value chain that is demanded of a person under threat of penalty and for which the person has not voluntarily made themselves available.	Upstream and downstream	Potential

Positive impact
 Negative impact
 Opportunity for financial influences
 Risk to financial influences

G1 Business conduct

Topics	Description of impacts and financial influences	Place of effect	Status
Corporate culture	⬇ Loss of business relationships or regulatory sanctions due to inadequate company-wide compliance and sustainability culture.	Own operations	
Management of supplier relationships	⊖ Insufficiently structured supplier management (selection, support, monitoring) with regard to ESG criteria.	Own operations	Actual

Positive impact
 Negative impact
 Opportunity for financial influences
 Risk to financial influences



Environment

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Climate change

Concepts

As most companies, Arbonia contributes to climate change through its business and therefore has a responsibility to mitigate it, which can also constitute a positive development in the emissions-intensive building sector. Adaptations to climate change impacts also have to be taken into account.

The responsibility for topics and risk management in relation to climate changes follows the structure presented under [sustainability governance](#). As part of the variable compensation for Group Management, there is a target to reduce the absolute greenhouse gas emissions.

Arbonia has adopted a specific environmental policy ([see chapter on business strategy](#)) in which it commits to reducing energy consumption, developing products with lower environmental impacts or considering environmental aspects along the supply chain, among other things.

E1 Topics		Description of impacts and financial influences	Place of effect	Status
Adaptation	⬇️	Damage to own infrastructure or power failures in connection with extreme weather events lead to production shortage.	Own operations	
Mitigation	⬆️	An increased share of renewable energies in operational consumption contributes to mitigating climate change, expansion of self-produced energy (through PV systems and BMCHP), and the purchase of electricity from renewable sources.	Own operations	Actual
Mitigation	⬇️	Emissions (CO ₂ e) that are caused by own operational activities, including emissions from production, from the use of production facilities, and from company buildings.	Own operations	Actual
Mitigation	⬇️	Emissions (CO ₂ e) in the upstream supply chain caused by purchased materials.	Upstream	Actual
Mitigation	⬇️	Emissions (CO ₂ e) that are caused in the downstream value chain, for example, through product transport and at the end of the product life cycle.	Downstream	Actual
Energy	⬇️	Energy consumption during the extraction and processing of purchased goods.	Upstream	Actual
⬆️ Positive impact ⬇️ Negative impact ⬆️ Opportunity for financial influences ⬇️ Risk to financial influences				

In the interest of responsible growth, Arbonia's climate strategy primarily focuses on reducing greenhouse gas emissions emitted from its business activities. For Scope 1 and 2, there is a reduction target that is to be achieved through optimisations in product design and in production itself, for example, through energy-efficient technologies or the production and use of renewable energy. Scope 3 accounts for a significant portion of Arbonia's total emissions, which is why the target will be extended to this area in the future as well, allowing for targeted measures in the upstream and downstream value chain. Even though achieving the 1.5 degree target of the Paris Climate Agreement ap-

pears increasingly unrealistic, this target is the basis of the company's own decarbonisation efforts. To update and expand the climate targets, there is a commitment to short- and long-term emission reductions in line with the Net Zero Standard of SBTi, whereby corresponding targets with the base year 2025 will be developed in the next reporting year.



A climate transition plan is not yet available in the reporting year. This is to be developed during 2026 as part of the submission and validation of the SBTi targets.

Risks and opportunities in connection with climate change are analysed in accordance with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). For this purpose, all company locations were examined for physical risks for the first time in the reporting year, based on analyses by Munich Re. The scenario "SSP2/RCP4.5", developed by the Intergovernmental Panel on Climate Change (IPCC) and incorporating socioeconomic factors, was chosen as the reference scenario due to its depiction of a moderate development, in the consideration of the current time and the year 2050. This scenario assumes, among other things, moderate population growth, unequal income developments, and moderate environmental degradation, with CO₂ emissions remaining at current levels until 2050 and then decreasing until 2100 without reaching net zero, and a global temperature increase of between 2.1°C and 3.5°C. The following risks are relevant to Arbonia:

Subsidence

Gradual subsidence or sudden ground collapse are hazards that currently exist at 33.3% of production sites, increasing to 42.9% in 2050, as well as at currently 37.5% of distribution and administration sites, increasing to 50% in 25 years. Interwand will face a particularly high risk in 2050. Such events can occur either due to natural processes resulting from seasonal fluctuations in soil moisture and water balance or due to anthropogenic influences such as groundwater extraction.

Precipitation stress

Heavy precipitation, exacerbated by increased humidity due to global warming, maximises the risk of floods, among other things. These can have devastating consequences for living organisms, ecosystems, and infrastructure. Both today and in 25 years, the Dimoldura sites in Carregal do Sal are assessed to be at high risk and those in Lalín at very high risk. In addition, the headquarters and RWD Schlatter in Switzerland will also be at high risk of precipitation stress in 2050.

River flood

In the current reporting year, company sites that may be affected by river flooding in 50-year recurrence intervals include the production sites Bekon-Koralle and Interwand as well as the distribution site Baduscho. In 2050, Dimoldura in Etxarren will also face such a high risk of river flooding.

Cold stress

Climate change is altering both maximum and minimum temperatures, which impacts people, infrastructure, and the biosphere. In 2025, 57.1% of the production sites were categorized as being at high risk for cold stress, and by 2050, this will still apply to 47.6%. Today, with the exception of one site in Spain, all distribution and administration companies are located in areas with a high risk of cold. With the expected temperature changes by 2050, another distribution site will be dropped from the high-risk category.

Heat stress

Climate change is causing more intense and more frequent heat conditions, which damage human health and ecosystems as well as infrastructure. While the risks in this regard are in the low or normal range for all Arbonia sites in the reporting year, a high risk will develop for Dimoldura in Quintanar by 2050.

Drought stress

The risk of droughts and dry periods is in the low or normal range for all sites in the current reporting year. However, by 2050, the Rozière sites in France, as well as almost all Dimoldura sites in Spain and Portugal, are at high risk, with the site in Quintanar even facing a very high risk.

Fire weather stress

Fires cause CO₂ emissions, thus exacerbating climate change, destroying habitats of plants, animals, and people, and endangering health through released pollutants. At the Dimoldura production in Quintanar, the risk of atmospheric conditions influencing a wildfire will increase from currently high to very high by 2050.

Water scarcity

A deficit of fresh water threatens human livelihoods and prevents protective ecosystem contributions. Currently, the Dimoldura site in Quintanar and the Invado site in Ciasna are in the high-risk range. No risk classification model exists for 2050.



Taking into account the site-specific physical climate risks, the risks and opportunities that could have financial impacts on the company in connection with climate change were updated for Arbonia. The following analysis of climate-related opportunities and risks is based on recognised scenarios of the IPCC and the International Energy Agency (IEA). Two scenarios for global warming up to the year 2100 were examined, corresponding to warming of 1.5°C and 2.1°C to 3.5°C respectively. The climate-related impacts on Arbonia can be divided into four categories:

- Physical risks encompass direct impacts due to climate changes such as drought, water shortage, heat, heavy rainfall, and sea-level rise. The probability of occurrence and extent are increasing as a result of climate change. Possible consequences are damage to buildings, plants, or infrastructure.
- Physical opportunities result from long-term climate changes. Companies can benefit from this by offering products or services that are adapted to changing climate conditions, for example.
- Transitory risks describe indirect effects resulting from the decarbonisation of the economy. This involves a tightening of emissions trading, stricter energy or efficiency regulations, changing market conditions, and technological progress.
- Transitory opportunities result from the decarbonisation of the economy. Changing the product portfolio, future-oriented market positioning, and optimising operational processes can create competitive advantages.

While physical climate risks at the site level are newly integrated into risk management and will undergo annual reviews starting in 2026, the otherwise described climate-related impacts are already linked to existing risk scenarios.

Category	1.5°C scenario	2.1°C to 3.5°C scenario
Physical risks acute	Damage to infrastructure as well as production interruptions due to subsidence of ground, flooding, cold stress or fires	
Physical risks chronic	Costs for adapting infrastructure to climate changes as well as increased electricity costs for cooling and air conditioning due to high temperatures	
Physical opportunities	Increased demand for products that contribute to a pleasant indoor climate (for example, thermally insulated doors)	Increased demand for functional doors (for example, fire doors)
Transitory market risks	Impacts of the emission targets and their achievement on financial evaluations and reputation	–
Transitory political/legal risks	Increased costs for the fulfillment of legal requirements	–
Transitory market opportunities	Increased demand for products due to a more sustainable business model and thus improved environmental performance of customers	–



Targets

- Introduce physical climate risks at site level into the risk management process by 2026.
- Annual reduction of operational CO₂e emissions from Scope 1 and 2 of 4.2% by 2035 (compared to the reference year 2020). (Will be replaced by SBTi target from 2026 on.)
- Have SBTi-validated targets set by 2026.
- Establishment of an energy management system in accordance with ISO 50001 at all production sites wherever possible and appropriate by 2030.
- Coverage of 80% of revenue with life cycle assessments by 2026, with refinement at product level by 2028.
- Obtain or request carbon footprint of purchased direct materials by 2028.

This year's site analysis of climate risks has increased awareness of these impacts on Arbonia, which is why they are to be permanently integrated into the risk management process.

Arbonia aims to operate with the lowest possible emissions across its entire value chain and has thus far pursued an average annual reduction of its operational CO₂ emissions from Scope 1 and 2 of 4.2% by 2035 (compared to the reference year 2020). Greenhouse gas emissions from Scope 3 will now also be included in the targets, which is why Arbonia intends to set short- and long-term emission reduction targets in accordance with the SBTi Net Zero Standard in the next reporting year.

To support these reduction targets, a systematic energy management system according to ISO 50001 will be implemented in the companies, provided this is not already the

case and is feasible and practical. Exclusions from implementing the certified energy management system may be justified, for example, by the size of the company and thus the required personnel resources for certification, as well as by its relevance to the overall greenhouse gas balance. Arbonia Glassysteme, Garant, Kermi Duschdesign and Prüm are currently certified according to ISO 50001.

Life cycle assessments are becoming increasingly relevant for Arbonia, both as a source of information on areas for action and for cooperation with stakeholders. Therefore, the current project of environmental product declarations based on the principle of averages for each product group will be expanded to the individual product level in the future.

To improve their own greenhouse gas balance with more accurate data and ultimately to be able to plan measures, all suppliers of direct materials will be asked to provide CO₂ calculations for the traded products and encouraged to do so subsequently, if necessary. In the current reporting year, selected suppliers of Wood Solutions were contacted for the first time.

The targets were developed in line with the environmental policy and the obligations contained therein. Measures specifically aligned with these targets will be defined during 2026. Unless otherwise mentioned, the targets apply to all Arbonia companies. Measures mandated by regulations are not considered sustainability targets; Arbonia's targets deliberately exceed legal requirements. Global objectives and strategic directions, however, were taken into account as far as possible when the targets were set.

Measures

Scope 1 and 2

To reduce emissions from Arbonia's own operations (Scope 1 and 2), various operational processes are being addressed.

On the one hand, product development is to increasingly take environmental impacts, such as CO₂ emissions, into account. For this purpose, a project to create Environmental Product Declarations (EPDs) was launched in the reporting year. Data was collected on three product groups – interior doors, wall systems, and shower enclosures – as the basis for calculations. The result, in the form of three average EPDs, is expected at the beginning of 2026. The underlying data and calculations can subsequently be used to consider emission values or other environmental impacts in various phases of the planned product life cycle during the development or improvement of doors. Furthermore, the information in the EPDs will allow customers to make increasingly informed decisions regarding product selection and thus their own indirect environmental impacts.

In production, continuous efforts are made to improve energy efficiency, whether through process optimisations, improvements to machinery and technologies or energy-efficient renovations. Energy efficiency is a major factor, especially when modernising production lines and peripheral equipment, because, for example, electricity consumption can be significantly reduced through higher machine efficiency. Preventive maintenance and continuous maintenance of the infrastructure, optimisation of manufacturing control, and precise planning of shutdowns are further key levers for saving energy. Attention is also paid to the use of energy-saving technology in new buildings and renovations at the operating sites. Furthermore, the in-house generation of renewable energy



is essential for Arbonia. Photovoltaic systems or BMCHP, which generate electricity and heat from the company's own production waste, are used at various sites.

Certification in accordance with ISO 50001 supports a structured energy management system. This international standard requires, among other things, comprehensive monitoring of energy key figures, which fosters greater awareness of consumption and requires savings targets. Continuous and detailed energy data allows potential weaknesses to be identified and targeted measures to be derived. Arbonia Glassysteme, Garant, Kermi Duschdesign, and Prüm have such energy management systems.

To reduce further environmental impacts, Kermi Duschdesign and RWD Schlatter as well as individual Dimoldura sites have established an environmental management system in accordance with ISO 14001 and regularly undergo corresponding audits.

E-mobility is to be further promoted in the future. Individual locations have electric vehicles in their fleet as well as electrically operated utility vehicles in use. In addition, electrical charging stations have been installed for employees and third parties in some places. Depending on the region and fleet vehicle usage, factors such as very long distances and the resulting charging time have hindered a widespread introduction of electric vehicles. However, a test will be carried out in the next reporting year to determine whether this assessment is still valid or whether more electric vehicles should be added to the fleet in the future.

At the Portuguese site of Dimoldura, several cutting and slitting machines were replaced in 2025, thereby reducing energy consumption, material waste, and personnel requirements. In addition, the adhesive application process was modified so that the adhesive is now heated and applied in a closed loop, which reduces energy consumption and significantly decreases adhesive waste. As a third measure, the start-up time of a regenerative afterburner system was shortened, and LPG consumption was significantly reduced without affecting the treatment of volatile organic compounds. Furthermore, in the paint shop, the covers of the tunnel ovens were replaced, reducing heat loss and solvent emissions, which corresponds to annual savings of approximately 9 t CO₂.

At Dimoldura in Lalín, the biomass boiler was replaced in the reporting year. Additionally, a new machine was introduced that eliminates the previously necessary priming process for the production of grooved doors, as the grooves are now formed without any unevenness that would require sealing. At the same time, the machine increases output by four doors per minute and makes the entire process more efficient compared to the previous milling method.

In 2025, Invado replaced its old production line for block door frames with a new system with a 7 kW lower nominal output. To increase efficiency, the grate of a small boiler, used primarily in summer for hot water and the drying room for wooden boards, was renovated. The larger boiler is operated exclusively during periods of increased heat demand, mainly in winter, thus reducing the consumption of electricity and wood chips. Internal

transport using electric forklifts was further expanded at Invado during the reporting year. Tests were also carried out to evaluate the replacement of the remaining large diesel and LPG forklifts.

In the reporting year, Lignis commissioned a new gluing machine that increases production capacity and thus simultaneously reduces the energy consumption per door. Wood waste is burned to generate the required heat. A new extraction system with warm air recirculation into the production facilities was installed. As a step towards electromobility, Lignis is acquiring new hybrid vehicles.

Prüm can generate electricity and heat with its new BMCHP by burning wood residues. Electricity is primarily required for on-site consumption, but some is fed into the public grid. The plant can cover the entire heat demand and also supply two neighbouring businesses. In addition, comprehensive monthly analyses of key figures and the resulting optimised utilisation have led to energy savings without any investment at all. As of November 2025, the energy consumption per unit was 13.64 kWh/unit, compared to 14.57 kWh/unit in 2024.

The BMCHP at Garant was still in the commissioning phase during the reporting year and therefore did not yet generate regular energy. In the next reporting year, an annual electricity production of approximately 10 000 MWh and coverage of the entire heat demand are expected. Energy savings were also achieved through various process optimisations as well as the replacement of a press line and fluorescent tubes.



At Interwand, the focus in 2025 was primarily on reducing the distances travelled to customers in logistics. For this purpose, regional construction sites were consolidated, reducing the number of individual trips required by technicians, and the project managers were assigned to regions to efficiently coordinate their appointments. Additionally, lamps in the administration and production building were replaced.

The energy source for heating at TPO was changed from fuel oil to wood during the reporting year.

Arbonia Glassysteme enabled the use of residual heat from a compressor in 2025, resulting in annual savings of approximately 15 000 l of fuel oil. Furthermore, the new insulation on the precomposite furnace will save approximately 23 MWh per year. Energy savings also resulted from optimising the treatment of demineralised water used in production processes, upgrading a drier, and installing a new roof seal.

Kermi Duschdesign was able to save approximately 35% of the natural gas required for heating by optimising the heating control system. Diesel savings were achieved by reducing the number of pool vehicles by approximately 60% and by replacing approximately 50% of diesel forklifts by electric forklifts.

Scope 3

A large portion of Arbonia's total emissions are indirect greenhouse gas emissions in the upstream and downstream value chain (Scope 3). In order to pursue a reduction path on a scientific basis, a commitment was made to SBTi and thus to short- and long-term emission reduction in accordance with the Net-Zero Standard of the initiative in 2024.

To develop relevant targets based on a solid data foundation, the focus in the reporting year was on improving both the scope and accuracy of the Scope 3 data. Categories previously omitted due to their lower relevance were included for the first time. These newly considered categories include business travel, the further processing of sold products, the use of sold products, the end-of-life treatment of sold products, downstream leased assets, and investments. Thus, all Scope 3 categories in which emissions are generated are recorded, starting with the current reporting year. While financial or weight-related factors were previously used to calculate emissions from purchased goods, inquiries with the most important suppliers yielded some product-specific CO₂ footprints. Other service providers, such as waste disposal companies and freight forwarders, were also contacted to request existing specific emission factors or to raise their awareness of these factors for the future. Cooperation with suppliers and service providers, initially regarding the data base and further regarding emission reductions, is becoming increasingly important for Arbonia. Furthermore, a new employee survey regarding commuting was carried out during the reporting year, with over 700 people participating across all companies. This allows for a more realistic estimate of average commuting emissions per employee.

Emission reductions in the transport and logistics sector are supported by the ongoing digitisation of Arbonia, among other things. Together with the consolidation of route planning, this enables more energy-efficient logistics by optimising routes, consolidating trips, and avoiding unnecessary empty runs. Comprehensive planning tools play a central role in this process.

To encourage savings with private employee transportation, carpooling was promoted at Dimoldura in Carregal do Sal during the reporting year by organising shifts in a way that facilitates shared travel.

In the reporting year, Prüm and Garant carried out initial tests with electric trucks in cooperation with a freight forwarder. Following this initial success, unresolved issues regarding the charging infrastructure are to be addressed during 2026 in order to rely on electrified transport in the future.



Key figures

Greenhouse gas emissions via the scopes

The following table presents Arbonia's greenhouse gas balance. This includes direct energy and process emissions from fuels (Scope 1), emissions from purchased electricity and heat (Scope 2) as well as upstream and downstream emissions (Scope 3). The calculation of the greenhouse gas balance follows the guidelines of the Greenhouse Gas Protocol. With the new operating system for sustainability management, some of the emission factors used to calculate the greenhouse gas balance differed from those used in previous years.

In the reporting year, the target of reducing Scope 1 and 2 operational CO₂ emissions by 4.2% on an acquisition-adjusted basis would have been achieved with a reduction of 8.8%. However, with the first-time inclusion of the acquired companies Dimoldura, Rozière, and Lignis, absolute Scope 1 and 2 emissions rose by 5.3%. Operational greenhouse gas emissions in relation to net revenues fell from 0.053 in 2024 to 0.043 in 2025.

Scope 3 emissions have changed compared to the last reporting year, partly due to the refinement and expansion of this year's data collection. Previously, only the most relevant Scope 3 categories were reported, but this was expanded to include all categories in the reporting year.

The reduction in Category 1 emissions is mainly due to the first-time use of product-specific emission factors from some suppliers, which are generally lower than the emission factors used previously. Category 2 emissions, on the other hand, rose significantly, as all investments were now taken into account and no threshold value was set (in the previous year, investments above CHF 10 000 were considered). For category 7, the emission factors were updated on the basis of an employee survey conducted in 2025, which yielded higher values than the previous calculation basis.

in t CO ₂ e	2025	2024	2023
Scope 1 (location-based)^{1,2}	4 388	5 437	5 336
Own heat production (wood chips/shavings)	986	1 340	1 428
Natural gas	750	686	654
Fuel oil	310	221	314
Diesel	1 949	3 001	2 809
Petrol	133	65	33
Liquified petroleum gas (LPG)	260	124	98
Scope 1 emissions from regulated emissions trading systems in %	0	0	0
Scope 2 (location-based)²	22 756	17 511	19 082
Electricity	22 752	17 511	19 082
Heat	4	0	0
Scope 2 (market-based)	22 431	20 029	22 428
Electricity	22 427	20 029	22 428
Heat	4	0	0
Greenhouse gas emissions (Scope 1 – 2) (market-based)	26 819	25 466	27 764
Greenhouse gas emissions (Scope 1 – 2) in kg CO₂e / CHF net revenue	0.043	0.053	0.056

¹Biogenic CO₂ emissions are reported outside of the scopes according to the GHG Protocol and amounted to 31 521 t of CO₂e in 2025 and 31 341 t of CO₂e in 2024 in Scope 1.

²Emission factors used: Association of Issuing Bodies (2023, 2024), Comprehensive Environmental Data Archive (2022), Deutsche Bahn (2023), Ecoinvent 3.11, European Environment Agency (EEA), Global Logistics Emissions Council Framework (2024), IEA (2021, 2023), UK Government (2020–2025), German Federal Environment Agency (2021, 2022), Austrian Federal Environment Agency (2023), US EPA (2023).



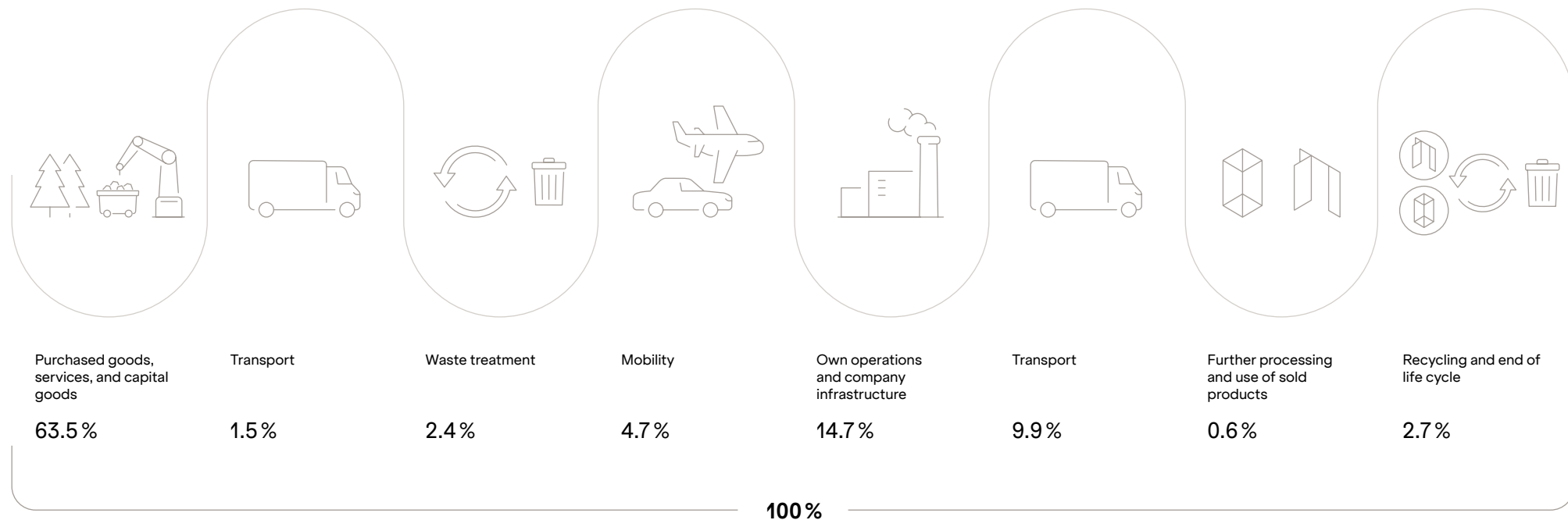
in t CO ₂ e	2025	2024	2023
Scope 3^{2,3}	199 276	189 095	136 175
Category 1: Purchased goods and services	83 995	127 362	98 644
Category 2: Capital goods	59 568	10 851	2 075
Category 3: Upstream fuel- and energy-related emissions	6 361	5 517	5 242
Category 4: Upstream transportation and distribution	3 358	27 051	2 995
Category 5: Waste generated in operations	5 520	4 065	4 529
Category 6: Business travel	516	–	–
Category 7: Employee commuting	10 147	5 411	5 635
Category 9: Downstream transportation and distribution	22 358	8 838	17 055
Category 10: Processing of sold products	1 260	–	–
Category 11: Use of sold products	1	–	–
Category 12: End-of-life treatment of sold products ⁴	6 153	–	–
Category 15: Investments	39	–	–
Greenhouse gas emissions (Scope 1–3)	226 095	214 561	163 939
Greenhouse gas emissions (Scope 1–3) in kg CO₂e/CHF net revenue	0.365	0.450	0.329

³In Scope 3, the administration and distribution companies are not taken into account, with the exception of categories 6 and 7, since their contribution to Arbonia's total emissions is estimated to be negligible due to the nature of their activities. Emissions of categories 8 (upstream leased assets) as well as 13 (downstream leased assets) are already included in Scope 1 and 2, which is why they are not reported here. Category 14 (franchise operations) is omitted, since there are no such activities, and no emissions are therefore generated.

⁴Biogenic CO₂ emissions are reported outside of the scopes according to the GHG Protocol and amounted to 279 578 t of CO₂e in Scope 3 category 12.



The following representation illustrates the climate-related impacts as percentages along Arbonia's value chain.





Stage in the value chain	Description of the stage	Scope
Purchased goods, services, and capital goods	Emissions from the manufacture and provision of purchased goods and services as well as capital goods that were procured in the reporting year.	3.1, 3.2
Transport	Emissions from the transport and distribution of purchased goods between suppliers, logistics service providers, and own locations.	3.4
Waste treatment	Emissions from the treatment and disposal of waste that occurs in own operations but is recovered, recycled, or disposed of by third parties.	3.5
Mobility	Emissions from business travel and from employees commuting between their place of residence and workplace.	3.6, 3.7
Own operations and company infrastructure	Direct and indirect emissions from own business activities, including production, administration, energy consumption, energy-related upstream chain emissions, leased assets, as well as emissions from shareholdings and investments.	1, 2, 3.3, 3.8, 3.13, 3.15
Transport	Emissions from the transport and distribution of sold products from one's own company to customers.	3.9
Further processing and use of sold products	Emissions from the further processing of sold products by third parties as well as from their use over the entire utilisation period.	3.10, 3.11
Recycling and end of life cycle	Emissions from the treatment and disposal of sold products at the end of their life cycle.	3.12



Energy

The energy consumption is broken down according to energy sources in the following.

in MWh	2025	2024	2023
Fossil energy¹	41 946	54 095	56 030
Coal and coal products	0	0	0
Crude oil and petroleum products	1 044	852	1 208
Natural gas	4 067	3 380	3 220
Other fossil energy	9 433	11 928	10 976
Procurement of electricity, heat, steam, or cooling from fossil energy	27 402	37 935	40 626
Nuclear energy^{1,2}	8 903	–	–
Renewable energy^{1,3}	120 141	105 967	108 237
Own production of non-renewable energy	0	0	0
Own production of renewable energy⁴	93 924	95 886	102 675

¹For three companies, the location-based approach was used for calculation because market-based information was not available.

²Nuclear energy was not explicitly disclosed in 2024 and 2023.

³Includes both purchased and self-produced energy.

⁴Of the self-produced electricity, 1 489 MWh was fed into the public grid. Of the self-produced heat, 2 097 MWh was supplied to neighboring third-party companies.



Biodiversity and ecosystems

Concepts

Arbonia indirectly influences biodiversity and ecosystems, especially in the upstream value chain, such as in the extraction of timber, iron ore, bauxite, or quartz sand. At the same time, Arbonia depends on functioning ecosystem contributions. For example, when the resilience of forests is weakened due to improper management or climate-related stressors, diseases and pest infestations increase. As a consequence, or due to habitat transformation, species relevant to the stability and functionality of ecosystems can be endangered. In forests this affects pollinating insects, soil organisms and tree species, for example. When forest ecosystems are no longer intact and lose their ecological functionality, wood is at risk as a relevant raw material.

The topic of biodiversity and ecosystems is embedded according to the structure presented under [sustainability governance](#).

Arbonia's environmental policy ([see chapter on business strategy](#)) stipulates that the protection of biodiversity, as well as the prevention of deforestation, forest degradation, or the conversion of natural ecosystems, is pursued throughout the entire value chain. The policy addresses the traceability of products that have actual or potential impacts on biodiversity and ecosystems by prioritising the use of materials with proven environmental performance and considering environmental aspects along the supply chain. A commitment to the general reduction of environmental impacts is also established, which is specifically based on the eighth target of the Kunming-Montreal Global Biodiver-

sity Framework. This target states that the impacts of climate change and ocean acidification are minimising biodiversity and that its resilience should therefore be strengthened through mitigation, adaptation, and disaster preparedness measures. This is achieved through nature-based solutions and ecosystem-based approaches among other things, taking into account potential conflicts of interest between climate protection measures and biodiversity by minimising negative impacts on biodiversity and promoting positive impacts. Arbonia's environmental policy applies to its relationships with business partners, and due diligence obligations include assessing suppliers in this regard. However, aspects related to biodiversity are not yet integrated into the supplier Code of Conduct, and no audits are currently conducted. An update to the supplier Code of Conduct is planned for 2026.



E4 Topics	Description of impacts and financial influences	Place of effect	Status
Condition of ecosystems	➔ Contribution to the impairment of ecosystems through land degradation. The extraction of wood and metals can lead to erosion and loss of soil fertility, which impairs the regenerative capacity of plants and can destroy food webs.	Upstream	Actual
Ecosystem services	⬇ Dependence on the raw material wood and thus on the ecosystem services provided by forests. Due to climate change and the decline in biodiversity, the resilience of forests is threatened, resulting in a risk of timber shortage.	Upstream and own operations	
Ecosystem services	➔ Contribution to the impairment of ecosystem functions and resources as a result of raw material extraction in the upstream value chain, in particular through the alteration of natural habitats.	Upstream	Actual

⬆ Positive impact ➔ Negative impact ⬆ Opportunity for financial influences ⬇ Risk to financial influences

There is currently no transition plan in relation to biodiversity and ecosystems.



An analysis of physical biodiversity risks was carried out for all Arbonia production sites based on the WWF Risk Filter Suite v2.0. The Biodiversity Risk Filter methodology is based on publicly available global datasets and aggregates this information into site risk profiles. The following biodiversity risks are relevant for Arbonia:

Water availability

Water availability refers to the physical abundance or scarcity of fresh water resources. All Dimoldura sites are located in an area with a high or very high risk regarding water availability. Invado is also at high risk.

Forest productivity and distance to markets

This indicator describes the total potential sustainable timber supply, as well as the accessibility and availability of infrastructure for subsequent transport to markets. Approximately 40 % of the companies within Wood Solutions have a local timber supply that is at risk.

Condition of the soil

This describes whether the soil can perform basic functions that are beneficial to both humans and ecosystems, based on the organic carbon content of the soil. The soil at the Dimoldura site in Quintanar is classified in the high-risk category in regard to its condition.

Air quality

The air quality indicates whether the air is suitable for people and ecosystems. At Invado, there is a high risk that this is not the case.

Condition of ecosystems

This indicator shows whether the natural environment at a site is intact and interconnected. The sites of joro and Rozière in Bertholène show an increased risk to the well maintained condition of the ecosystems there.

Landslides

Landslides caused by rain or earthquakes could be prevented by intact ecosystems. One third of Arbonia's sites are potentially at high risk of being affected by landslides. This impacts companies in Switzerland as well as in Spain, Portugal, and France.

Forest fires

As the climate risk analysis has already shown, Dimoldura's site in Quintanar is located in a high-risk area for forest fires. Functioning ecosystems could prevent fires here too.

Loss of forest cover

Globally, around half the world's original forests have disappeared. Habitat loss is one of the greatest threats to biodiversity and the main cause of species extinction. Sixteen of Arbonia's eighteen production sites have a high or very high risk of negative consequences from forest loss.

Environmental pollution

This indicator is based on the environmental pollution from nutrients, pesticides, plastics, and air. Environmental pollution is a major factor in the alteration of biodiversity and ecosystems in all biomes. All production sites are located in areas that pose a high or very high risk to ecosystems from pollution.

The identified impacts and risks located in the upstream value chain affect all Arbonia companies. The risk of timber losses as a consequence, however, relates to companies in the Wood Solutions product group.

Arbonia operates exclusively in Central Europe and does not utilise genetic resources from other countries or the traditional knowledge of indigenous peoples. There are currently no direct legal obligations regarding access or benefit sharing, and no additional voluntary measures have been implemented.

Targets

- Wood Solutions only: Changeover to water-based paints wherever possible and appropriate for the life cycle of the affected machines.
- Wood Solutions only: FSC® and/or PEFC certifications throughout all companies by 2030.
- Annual reforestation programme(s) involving at least 3000 new plantings with local forestry organisations by 2028.



Solvent-based paints can pollute soils, water bodies and the air, thereby damaging various ecosystems. Individual companies are already transitioning to water-based coatings, and a corresponding target is being set to ensure this transition is continued in a binding manner. This transition always requires adapting the affected machinery; either paint lines need to be extended or entire machines replaced. Depending on the age of the machines, immediate replacement is considered disproportionate, which is why the transition should be in line with the machine's life cycle.

The most sustainable possible sourcing of wood products is essential. Irresponsible forest management can damage the forest ecosystem and thus impair its future performance, on which Arbonia depends. Therefore, companies within the Wood Solutions sector should, if they have not already done so and where feasible and practical, obtain chain of custody certification according to FSC® and PEFC, which includes external assessing of sustainable forest management. Depending on the company's size and personnel resources, either the more complex FSC® or the more efficient PEFC process will be pursued. Companies with existing certifications can be found in [the annex](#).

To support reforestation in the local forest where Arbonia primarily sources its timber, the Group plans to implement projects to plant a total of 3000 trees annually. In the current reporting year, approximately 800 trees were planted.

These targets were developed in line with the environmental policy and the obligations contained therein, but not based on scientific consensus. Specific measures aligned with the objectives will be defined during 2026. Measures mandated by regulations are not considered sustainability targets; Arbonia's targets deliberately exceed legal requirements. Global objectives and strategic directions, however, were taken into account as far as possible when the targets were set.

Measures

Group-wide measures

Biodiversity and ecosystems were defined as a new material topic in the reporting year, meaning that no target-driven measures are being implemented yet. In the next reporting year, awareness-raising and training on this topic will be carried out initially, in order to plan measures with the relevant departments in a following step.

However, certain practices already pursued within the companies also aim to protect biodiversity. For example, in the area of Wood Solutions, a continuous transition from solvent-based to water-based coating materials has been pursued for some time. To establish a binding framework for this, such a transition has been included as a target. At the same time, efforts are continually being made to reduce chemical consumption, for example, through recovery techniques.

resulting in lower air emissions. At the same time, solvent was replaced, meaning less material is needed per door. The Dimoldura sites in Navarra have also modified their painting process to use solid paint products with as little solvent as possible for certain product types and to recycle the paint, thereby halving paint consumption.

At Invado, only water-based paints are used. Acetone thinners, solvent-based stains, and other volatile substances were removed from the paint shop during the reporting year.

Rozière is continuously working to eliminate solvents. Despite various tests, there are currently still two surfaces that require solvent-based surface treatments for quality reasons. However, a complete elimination of solvents is expected within the next few years through close cooperation with the supplier.

Compensatory measures

Reforestation projects in the regions surrounding production sites are supported to compensate for local timber sourcing and to carry out plantings that are ecologically beneficial for the respective forest, together with local forestry organisations. This contributes to the preservation of stable and biodiverse forest ecosystems while also binding CO₂ in the long term.

The priming process at Dimoldura in Lalin was adapted in 2025 so that more doors are now treated simultaneously in painting booths instead of in a robotic spraying process. This reduces paint and solvent consumption,



As a compensatory measure, Prüm facilitated the re-creation of a mixed deciduous forest with an area of 12 567 m² several years ago and is financially supporting the necessary maintenance until 2050. With the aim of raising awareness, each first-year apprentice at Prüm plants a native tree on the company premises starting this reporting year, a measure that will be continued by new apprentices in the coming years. Invado works systematically with the local community to support tree planting along local roads. Garant planted 800 trees through a planting campaign in the reporting year.

Arbonia companies may have potential negative impacts on nearby protected areas through their business activities. A site-specific impact analysis is not available, but possible impacts could include, for example, land use and sealing of the sites, emissions into air and water, as well as noise or traffic volume.

Key figures

The following table provides an overview of all Arbonia production sites and biodiversity-sensitive areas located within a radius of 5 km linear distance. Biodiversity-sensitive areas include international, European, or national designated protected areas, as well as areas of particular importance for the conservation of biodiversity, among others.

For the analysis, geodata from the World Database on Protected Areas (WDPA) and the Key Biodiversity Areas (KBA) directory were used. Where available, protected areas are classified according to the international categories of the International Union for Conservation of Nature (IUCN), which divides protected areas into standardised categories based on their primary conservation objectives. KBAs and Natura 2000 sites do not have an IUCN classification, as they are not protected area categories in the strict sense, but rather politically or scientifically defined networks of areas with specific conservation objectives.



Company	Site	Area type	Area name	Classification
Arbonia Glassysteme	Deggendorf (D)	Nature reserve	Deggendorfer Himmelreich	IV
		Special Protection Area (Birds Directive)	Donau zwischen Straubing und Vilshofen	None (Natura 2000)
		Special Areas of Conservation (Habitats Directive)	Donauauen zwischen Straubing und Vilshofen	None (Natura 2000)
		Key Biodiversity Area	Donautal: Regensburg - Vilshofen	None (KBA)
		Special Areas of Conservation (Habitats Directive)	Extensivwiesen östlich Deggendorf	None (Natura 2000)
		Key Biodiversity Area	Isar-Tal: Gottfrieding - Plattling einschliesslich Isar-Mündungsbereich	None (KBA)
		Landscape Protection Area	LSG "Bayerischer Wald"	V
		Special Areas of Conservation (Habitats Directive)	Wiesen und Triften um Rohrmünz, Grafling und Frath	None (Natura 2000)
Bekon-Koralle	Dagmersellen (CH)	Forest Reserves	AHI Einweg / ehemalige Kiesgrube Stockacher/Wickisgraben	None
		Federal Inventory of Dry Grasslands and Pastures of National Importance	Bonsbrig	IV
		Federal Inventory of Amphibian Spawning Areas of National Importance	Haldengutweiher	IV
		Forest Reserves	Ölberg	None
		Federal Inventory of Fenlands of National Importance	Uffikoner Moos	IV
		Federal Inventory of Amphibian Spawning Areas of National Importance	Uffikonermoos	IV
		Private Nature Reserves	Weihermatte	None
Dimoldura	Lalín (ES)	Natural Monument	Fraga de Catasós	III
		Special Areas of Conservation (Habitats Directive)	Serra do Candán	None (Natura 2000)
Dimoldura	Quintanar (ES)	Key Biodiversity Area	Complejo Lagunar de Pedro Muñoz – Manjavacas	None (KBA)
		Special Areas of Conservation (Habitats Directive)	Humedales de La Mancha	None (Natura 2000)
		Special Protection Area (Birds Directive)	Humedales de La Mancha	None (Natura 2000)
Dimoldura	Etxarren (ES) and Iruztzun (ES)	Special Areas of Conservation (Habitats Directive)	Sierra de Aralar	None (Natura 2000)
		Key Biodiversity Area	Sierras de Lokiz, Urbasa y Andía	None (KBA)
		Natural Park	Sierras de Urbasa y Andía	V
		Special Areas of Conservation (Habitats Directive)	Urbasa y Andia	None (Natura 2000)
Dimoldura	Carregal do Sal (PT)	Site of Community Importance (Habitats Directive)	Rio Paiva	None (Natura 2000)
		Site of Community Importance (Habitats Directive)	Serras da Freita e Arada	None (Natura 2000)



Company	Site	Area type	Area name	Classification
Garant	Amt Wachsenburg (D)	Special Areas of Conservation (Habitats Directive)	Apfelstädtäue zwischen Wechmar and Neudietendorf	None (Natura 2000)
		Nature Reserve	Apfelstädter Ried	IV
		Landscape Protection Area	Drei Gleichen	V
		Special Areas of Conservation (Habitats Directive)	Drei Gleichen	None (Natura 2000)
		Special Areas of Conservation (Habitats Directive)	Molsdorfer Schlosspark	None (Natura 2000)
		Special Protection Area (Birds Directive)	Ohrdruffer Muschelkalkplatte und Apfelstädtäue	None (Natura 2000)
		Nature Reserve	Schlossleite	IV
		Nature Reserve	Wachsenburg	IV
Interwand	Dörzbach (D)	Landscape Protection Area	Bad Mergentheim	V
		Key Biodiversity Area	Jagst mit Seitentälern	None (KBA)
		Special Areas of Conservation (Habitats Directive)	Jagsttal Dörzbach - Krautheim	None (Natura 2000)
		Landscape Protection Area	Jagsttal mit Nebentälern und angrenzenden Gebieten zwischen Kreisgrenze Schwäbisch Hall und Gemeindegrenze Krautheim/Schöntal	V
		Special Areas of Conservation (Habitats Directive)	Westlicher Taubergrund	None (Natura 2000)
Invado	Ciasna (PL)	Nature Reserve	Cisy koło Sierakowa	IV
		Landscape Park	Park Krajobrazowy Lasy nad Górną Liswartą	V
joro	Renchen (D)	Special Protection Area (Birds Directive)	Kammbach-Niederung	None (Natura 2000)
		Special Protection Area (Birds Directive)	Korker Wald	None (Natura 2000)
		Key Biodiversity Area	Korker Wald	None (KBA)
		Special Areas of Conservation (Habitats Directive)	Östliches Hanauer Land	None (Natura 2000)
		Special Protection Area (Birds Directive)	Renchniederung	None (Natura 2000)
		Key Biodiversity Area	Renchniederung	None (KBA)



Company	Site	Area type	Area name	Classification
Kermi Duschdesign	Plattling (D)	Special Protection Area (Birds Directive)	Donau zwischen Straubing und Vilshofen	None (Natura 2000)
		Special Areas of Conservation (Habitats Directive)	Donauauen zwischen Straubing und Vilshofen	None (Natura 2000)
		Key Biodiversity Area	Donautal: Regensburg - Vilshofen	None (KBA)
		Key Biodiversity Area	Isar-Tal: Gottfrieding - Plattling einschliesslich Isar-Mündungsbereich	None (KBA)
		Nature Reserve	Isarmündung	IV
		Special Areas of Conservation (Habitats Directive))	Isarmündung	None (Natura 2000)
		Special Protection Area (Birds Directive)	Isarmündung	None (Natura 2000)
		Landscape Protection Area	Schutz von Landschaftsteilen an der Isar und deren Mündungsgebiet im Landkreis Deggendorf (LSG "Untere Isar")	V
Lignis	Koryčany (CZ)	Natural Monument	Bralová	IV
		Special Areas of Conservation (Habitats Directive)	Chřiby	None (Natura 2000)
		Natural Monument	Kuče	IV
		Nature Reserve	Moravské lúky	IV
		Nature Reserve	Ocásek	IV
		Nature Reserve	Podsedky	IV
		Nature Reserve	Stará Hráz	IV
		National Nature Reserve	Strabišov–Oulehla	IV
		Site of Community Importance (Habitats Directive)	Strabišov – Oulehla	None (Natura 2000)
Prüm	Weinsheim (D)	Special Areas of Conservation (Habitats Directive)	Duppacher Rücken	None (Natura 2000)
		Landscape Protection Area	Naturpark Nordeifel	V
		Nature Reserve	Niesenberg bei Weinsheim	IV
		Key Biodiversity Area	Schneifel	None (KBA)
		Nature Reserve	Schönecker Schweiz	IV
		Special Areas of Conservation (Habitats Directive)	Schönecker Schweiz	None (Natura 2000)
Rozière	Bertholène (FR) and Bozouls (FR)	Special Areas of Conservation (Habitats Directive)	Vieux arbres de la haute vallée de l'Aveyron et des abords du Causse Comtal	



Company	Site	Area type	Area name	Classification
RWD Schlatter	Roggwil (CH)	Federal Inventory of Amphibian Spawning Areas of National Importance	Huebermoos	IV
		Federal Inventory of Fenlands of National Importance	Huebermoos	IV
		Private Nature Reserves	Huebermoos	None
		Federal Inventory of Amphibian Spawning Areas of National Importance	Kiesgrube Schuppis	IV
		Federal Inventory of Fenlands of National Importance	Luxburger Bucht	IV
		Federal Inventory of Reserves for Waterbirds and Migratory Birds of International and National Importance	Rorschacher Bucht / Arbon (SG)	IV
TPO	Leutershausen (D)	Key Biodiversity Area	Altmühltal: Treuchtlingen – Leutershausen with Altmühlsee	None (KBA)
		Special Protection Area (Birds Directive)	Altmühltal mit Brunst-Schwaigau und Altmühlsee	None (Natura 2000)
		Special Areas of Conservation (Habitats Directive)	Hutungen am Rother Berg und um Lehrberg	None (Natura 2000)
		Landscape Protection Area	LSG innerhalb des Naturparks Frankenhöhe (ehemals Schutzzone)	V
		Special Areas of Conservation (Habitats Directive)	Obere Altmühl mit Brunst-Schwaigau und Wiesmet	None (Natura 2000)
		Special Areas of Conservation (Habitats Directive)	Tierweiher bei Hinterholz und Weiher am Aubühl	None (Natura 2000)



Resource use and circular economy

Concepts

For a manufacturing company, the responsible use of both finite and renewable resources is a duty. To reduce environmental impacts, resource consumption should be minimised while used materials are simultaneously kept in circulation for as long as possible. Today, the progressive overexploitation of natural resources is already leading to significant ecological and social challenges on a global level, manifested by rising emissions, biodiversity loss, and increasing geopolitical tensions. From Arbonia's perspective, resource scarcity can lead to price increases, supply bottlenecks, and production outages. A circular economy requires a fundamental shift in thinking, which also demands increased personnel and financial investment, in addition to a necessary market foundation.

Within the company, the topic of resource use and circular economy is located according to the structure shown under [sustainability governance](#).

For the entire Arbonia company, there is a policy for handling resources and waste, as well as for water management ([see chapter on business strategy](#)). The former provides a guideline for the consistent separation of operational waste, mandates a review of production with regard to resource-saving measures, and requires the measurement of waste volume. The water policy outlines efforts related to conservation, pollution prevention, monitoring, and raising awareness of the issue.

E5 Topics	Description of impacts and financial influences	Place of effect	Status
Resource inflows	⊖ High consumption of non-renewable resources for the production of the products.	Own operations	Actual
Resource inflows	⬇ Insufficient availability of resources, but also losses in revenue, as products cannot be manufactured when raw materials are scarce.	Upstream	
Resource inflows	⬇ Rising raw material prices due to increased energy and freight costs.	Upstream	
Resource outflows	⊖ Low product cycles due to obstacles in product design and the market.	Downstream	Actual
Resource outflows	⬇ Increased costs due to future transition to recyclable design.	Own operations	
Waste	⊖ High waste volume during the manufacturing processes.	Own operations	Actual
⊕ Positive impact ⊖ Negative impact ⬆ Opportunity for financial influences ⬇ Risk to financial influences			



Promoting a circular economy requires close cooperation with suppliers to ensure the use of products with the lowest possible environmental impacts while meeting the required quality standards. Proactive resource management ensures the efficient use of both material and energy resources and minimises waste. Legal compliance, quality, and product safety are central pillars in all production processes. Extending product lifespans conserves resources, a principle supported by Arbonia from product development and production to after-sales service.

During production, manufacturing with as few errors as possible contributes to reducing waste and resource depletion. At the end of a product's life cycle, Arbonia strives to reuse materials as much as possible, either through its own offers or within the customer's sphere of responsibility.

Targets

- Obtain or request recycling rates of purchased direct materials by 2028.
- Increase recyclable share of sales products to 90 % on average by 2030.
- Changeover to recyclable or environmentally friendly packaging materials wherever possible and appropriate by 2030.
- Annual reduction of waste by 3 % relative to revenue year-on-year by 2030.
- Reduce share of hazardous and non-hazardous waste for landfill to 2 % by 2030.

By 2030, Arbonia aims to achieve an average product recyclability of 90 %. Currently, the proportion of recycled materials in products sourced from suppliers is largely unknown. To proactively counteract the consumption of non-renewable resources and reduce the need for primary raw materials, the current situation will first be assessed using supplier data and supplemented with information from product development.

Efforts to replace packaging, moving away from plastics and towards alternatives made from renewable or recyclable materials, are defined in a target statement. However, if functional requirements for product protection or transport safety are not met, no change will be forced for quality and damage prevention reasons.

Waste reduction is intended to be a continuous process. Arbonia has set itself the goal of reducing the amount of waste relative to revenue by 3 % annually compared to the previous year. Landfilling represents the last and worst disposal option, as raw materials are permanently removed from the cycle and ecological risks such as groundwater contamination exist. Therefore, the landfill share of waste is to be reduced from currently 2.49 % to a maximum of 2 % by 2030.

The targets were developed in line with the policies for waste as well as for water and the obligations contained therein. Measures specifically aligned with these objectives will be defined during 2026. Unless otherwise mentioned, the targets apply to all Arbonia companies. Measures mandated by regulations are not considered sustainability targets; Arbonia's targets deliberately exceed legal requirements. Global objectives and strategic directions, however,

were taken into account as far as possible when the targets were set.

Measures

Conservation of resources

Conservation of resources is central to the development of new products as well as to the improvement of existing ones, whereby the use of production waste, used and identical parts, and recycled materials is also reviewed. In the Wood Solutions product group, the company is continuously seeking products with higher proportions of recycled materials, which is achieved through communication with suppliers and production testing. As the proportion of recycled wood increases, quality values decrease, meaning that the required specifications often cannot be met in testing. Furthermore, a shortage of recycled materials is observed. These two aspects make the availability of suitable alternative materials a challenge.

To conserve and minimise resources, the company also relies on proactive resource management, which aims to save both materials and energy. This is supported and continuously improved by digital solutions for planning and tracking production processes.

At the interface between the company and the market, product management and product development assume responsibility for product conformity. This ensures that new customer requirements and legal regulations or standards are implemented. The specialist department assigns responsibilities within the company, defines quality assurance requirements, and regulates labelling obligations, including the corresponding certifications for technical conformity. The quality assurance department of the respective



company monitors the materials used in manufacturing, oversees production control, and inspects the manufactured parts. Additionally, it ensures the safety and health of (end) customers and manages the handling of problematic components such as hazardous chemicals.

The use of low-emission materials in manufactured products is of great importance to both Arbonia and its customers to prevent environmental and human health risks. Numerous products undergo pollutant testing and are certified according to the guidelines of eco-INITIAT. The entire production volume of both Prüm and Garant is covered by such certificates. In the Glass Solutions product group, the use of pollutant-containing materials such as chromium or lead has been completely eliminated in both product development and ongoing production since the current reporting year.

The durability of products is decisive since it conserves resources, reduces waste and minimises the need for frequent replacement, contributing to a lower environmental impact. Key factors are the continuous optimisation of the quality management system and production methods, the modernisation of the machinery as well as the careful selection of suppliers with the highest standards. These efforts are complemented by various Arbonia service solutions. Customers are supported during the construction phase, and the value of the manufactured products is maintained. This includes maintenance instructions, maintenance work, and repairs, for example.

The product range of Rozière consists of PEFC-certified oak or spruce wood. Rozière is the only Arbonia company that manufactures entirely from solid wood components. The production process is based on the three-layer principle. The less attractive parts of the tree are used for the core of the door, while the most attractive parts are used for the door faces and the frame. Parts that cannot be used for the door are used for energy recovery. Rozière doors come with a 30-year guarantee and are made of wood with durable veneers, allowing them to be sanded and repainted as needed throughout their entire life. Since the end of 2023, two doors made from recycled chalet cladding wood have also been available on the market. Following intensive advertisement, these have been among Rozière's twelve best-selling models since 2025.

Over the course of the year, Garant was able to reduce the material thickness of its protective panels, resulting in a material reduction of approximately 27 %.

At Garant, Prüm, RWD Schlatter, and joro, production waste from the manufacture of car seats and wallpaper is used as the inner layer for sound insulated doors. This material meets high sound insulation requirements and allows for the use of recycled materials.

Interwand was able to commission its automated bar processing centre during the reporting year, reducing aluminium waste by approximately 10 %, which corresponds to annual savings of 7 t.

Arbonia Glassysteme implemented a project in the reporting year that will reduce its demand for demineralised water by approximately 70 % by replacing its old edging machine with a grinding machine and restructuring its water treatment system.

In 2025, Kermi Duschdesign achieved its goal of eliminating pollutant-containing materials from its existing production. For this purpose, lead-containing brass parts were replaced with lead-free alternatives and brass attachments replaced with aluminium and ABS.

Waste management

A reduction in waste and the associated direct and indirect costs is a general objective. A near-perfect production saves resources. For this reason, scrap and defect costs are continuously monitored, and corresponding improvements are initiated. Waste generated during operations is consistently separated, pretreated where necessary, and recycled wherever possible.

In addition to resource savings, Arbonia strives to keep reusable materials in circulation as long as possible. For example, in Glass Solutions, all returned showers are inspected and resold if possible when the quality allows it. Otherwise, valuable parts are disassembled and reused. Glass and aluminium, the main materials used in Arbonia's Glass Solutions, are highly suitable for material recycling. However, Arbonia has no insight into or control over what happens to the shower enclosures after their service life, even though it sometimes offers dismantling services.



At Dimoldura in Portugal, the paint and paint sludge generated during cleaning of the systems is recovered, filtered, processed and reintroduced into the process. Only if the level of contamination precludes reuse will it be disposed of as hazardous waste.

Rozière is a member of a construction industry organisation that organises the reuse, sorting, and recycling of materials for sustainable and responsible waste management. For every door, frame, and panel sold, Rozière makes a contribution to support this organisation's work. The site also has a recycling system for wastewater containing coating residues. This system separates the water from the sludge and reuses it in the cleaning process, significantly reducing the amount of sludge requiring disposal.

Prüm no longer sends polystyrene waste to waste treatment facilities but returns it to the supplier, who then reuses it in their production processes.

Key figures

Resource inflows

The important raw materials and components that flow into the manufacturing of Arbonia products are qualitatively described in the following table, categorised by material type. The majority of these materials are based on raw materials such as wood, metals, glass, plastics and chemical products. A quantification in amounts is not currently possible, as the supply chains are heterogeneous and there is no uniform, systematic data collection within the Group.

Material category	Examples/details
Wood	Sawn timber, solid wood profiles
Panels	Sound insulation, climate composite, HDF/MDF/DSP, solid chipboard, tubular chipboard
Door components	Fillings, honeycomb inner layers, frames
Door leaves	Standard, wet room, fire protection, steel
Edges	CPL/melamine, plastic PP/ABS, veneers
Surface coverings	CPL, laminates, foils, veneers
Door frame	Steel, blind/block frame/mullion/closed frames, frame components
Door bolts	MDF, LVL/LSL, multiplex, solid wood
Adhesives	Dispersion, hot melt adhesives, silicones
Paints and varnishes	Paints, stains, additives
Fittings	Hinges, connecting elements, lever handle sets/fittings GGT wood, door closers, locks, strike plates, sliding sets, electrical components, edge protection, fitting/small parts
Seals	Fold, floor, adhesive, fire protection foaming agent
Glass	All-glass door, glass panel
Aluminium profiles	Aluminium profiles
Profile strips	Strips, glass frames
Packaging	Cardboard, foils, bags, EPS, foams, adhesive tape
Labelling material	Labelling material



Waste

The main waste streams of Arbonia comprise production and operational waste from the areas of wood, metals, glass, plastics, and chemical products. This includes, among other things, wood and industrial wood residues, iron and steel scrap, mixed metals, mixed glass, aluminium profiles, as well as films and plastics. Hazardous waste includes, for example, paint and varnish sludge, aqueous rinsing and washing liquids, adhesive waste, filter and absorbent materials, machine and lubricating oils, fluorescent tubes, aerosol cans containing hazardous gases, boiler ash, and slag. Waste is avoided, reused, or recycled wherever possible. Otherwise, proper disposal is ensured; in particular, hazardous waste is disposed of safely in accordance with legal requirements.

In the previous years, key figures for waste were broken down into commercial waste and hazardous waste, classified according to recycling, incineration or landfill, and reported in terms of volume. According to the current categorisation, a comparison between 2024 and 2023 is only possible on the level of non-hazardous or hazardous waste, but not with regard to treatment methods. Due to its negligible volume, the waste generated by Arbonia's administrative and distribution companies is not included in the following key figures.

The significant increase in non-hazardous waste is due to the fact that, for the first time in the reporting year, the company's own wood waste for wood-fired heating systems or BMCHP was consistently taken into account.

in t	2025	2024	2023
Non-hazardous waste	36 086	16 059	17 183
Recovered waste – reuse	0	–	–
Recovered waste – recycling	7 455	–	–
Recovered waste – other recovery	309	–	–
Disposed waste – thermal disposal	27 490	–	–
Disposed waste – landfill	626	–	–
Disposed waste – other disposal	12	–	–
Waste – unknown final destination	194	–	–
Hazardous waste	1 021	972	868
Recovered waste – reuse	0	–	–
Recovered waste – recycling	102	–	–
Recovered waste – other recovery	5	–	–
Disposed waste – thermal disposal	334	–	–
Disposed waste – landfill	298	–	–
Disposed waste – other disposal	251	–	–
Waste – unknown final destination	31	–	–

Water

Although water is not a major issue for Arbonia, the consumption in the companies is continuously monitored and presented in consolidated form in this report.

The reduction from 2024 to 2025 can be explained by the completion of construction work, which was very water-intensive in previous years.

in m³	2025	2024	2023
Water consumption	90 380	124 378	125 051



Social issues

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Own workforce

Concepts

The employees of Arbonia are the driving force behind the company's continued development. At the same time, they act as ambassadors for its values. When employees are provided with a job that promotes their personal and professional development, supports their health, and ensures occupational safety, it has a positive impact on their lives. In contrast, a work environment that impairs employees' mental or physical well-being can have severe consequences for them. Happy and healthy employees are also in Arbonia's interest, allowing the company to retain employees in the long term, prevent production losses, and avoid legal and reputational consequences due to deficiencies.

The responsibility for issues and risks in connection with the company's own workforce is shown in the structure presented under [sustainability governance](#). Furthermore, the HR managers of the individual companies as well as of the Group are responsible for advancing the corporate culture within the workforce. Reporting is to the Group functions or to the management board. Occupational safety and health protection are the responsibility of specific safety personnel, production managers, and managing directors within the companies, as well as the HR managers of the Group and the works councils.

The Code of Conduct defines the responsibility towards employees, including respectful cooperation, employee development, as well as health and occupational safety. Specific regulations on human trafficking, forced labour, and child labour are not included, since there is no relevant risk

for such practices due to the locations being exclusively in Switzerland and the European Union as well as the strict labour and social law conditions. Within the Group, there is a prohibition against discrimination. The directive on protection against sexual harassment, bullying, and discrimination at the workplace provides a framework for equal opportunity and practiced diversity while regulating the procedure in the event of any incidents. In addition to this, the whistleblowing directive plays an important role. All issued guidelines take into account the interests of the company's own workforce. The aforementioned directives are listed in detail in the chapter on [business strategy](#).



S1 Topics		Description of impacts and financial influences	Place of effect	Status
Working conditions	+	Provide employees with a secure job and thus the security of maintaining their standard of life.	Own operations	Actual
Health and safety	+	Occupational safety and health protection for employees through prevention and health promotion to prevent or reduce illnesses as well as physical and psychological stress.	Own operations	Actual
Health and safety	-	Work environment that can negatively affect the safety and health of the company's own workforce.	Own operations	Potential
Health and safety	↓	Loss of or difficulty in recruiting employees, as well as legal and reputational consequences due to work-related health and safety incidents within the company's own workforce.	Own operations	
Training and skills development	+	Regular performance reviews and career development opportunities for employees.	Own operations	Actual
Training and skills development	↑	Professional development opportunities for employees, which can lead to higher employee satisfaction and attractiveness as an employer.	Own operations	
Training and skills development	↑	Professional training for employees can build up a company's internal know-how for long-term success and ensure quality assurance through qualified employees.	Own operations	
Diversity and equal treatment	-	Negative impacts on the physical and/or mental well-being of employees due to violence and harassment in the workplace.	Own operations	Potential
+ Positive impact - Negative impact ↑ Opportunity for financial influences ↓ Risk to financial influences				



An attractive work environment promotes employee motivation and satisfaction. This increases competitiveness and is reflected in a low employee turnover rate and long-term employee retention. The attractiveness of the company locations as future-oriented workplaces with modern facilities is to be permanently secured in order to maintain employee retention and bundle long-term experience. An inclusive corporate culture is promoted, in which all employees are treated equally regardless of sex, gender identity, ethnicity, social background, age, sexual orientation, health, political orientation, religious beliefs or other characteristics. Values such as equal opportunity, non-discrimination and equal treatment are given top priority. The close cooperation with employee representatives in all countries is a decisive factor for business success.

Arbonia's safety and health culture encompasses the prevention of accidents and injury, a continuous risk analysis with derived measures, as well as proactive health promotion at the workplace. This aims to prevent accidents and illnesses, reduce physical and mental stress and decrease absences.

Personnel work aims to utilise and embed potential in the company, which is why investments are made in training, development, and career opportunities. This is becoming increasingly important in times of skilled worker shortages.

Employees are encouraged to report any violations of the corporate principles or other abuses in connection with Arbonia's operating activities. Information on Arbonia's whistleblowing system can be found in the descriptions of the concept and measures under [corporate culture](#).

Targets

- Implement annual performance and development reviews for 100 % of white collar employees and 50 % of blue collar employees by 2028.
- Availability of further training options for all employees (white and blue collar) by 2030.
- Training (online or in-person) on discrimination, violence, and harassment for 100 % of employees by 2028.
- Establishment of an occupational health and safety management system in accordance with ISO 45001 at all production sites wherever possible and appropriate by 2030.
- Reduce gross turnover rate to 10 % by 2030.

Regular performance and development reviews between employees and supervisors are important for evaluating employee satisfaction as well as deriving any further development potentials and taking corresponding measures. While some companies already carry out such reviews with all employees on an annual basis, this has not been established in other companies yet. For this reason, all office staff as well as half of all production employees are to receive a performance review meeting each year. In 2025, an average of 52.2 % of employees had such a review meeting.

Professional training increases employee satisfaction as well as internal expertise, which is why suitable professional training opportunities should be available to all employees without exception in the future. Supervisors will decide together with the employee whether such training is appropriate and should be pursued in each individual case.

To ensure that all employees are aware of the forms of discrimination, violence, and harassment in the workplace, are able to react quickly when they occur, and are aware of Arbonia's support services, regular information sessions on these topics are important. The aim is for all employees to receive training on definitions, case studies, and recommended actions, either in person or online. The validity period is to be defined for each type of training.

Although Arbonia has clear concepts for health and occupational safety, practical implementation across the Group is not always at the same level, particularly in the case of acquisitions. To achieve harmonisation and external auditing in this regard, a structured health and occupational safety management system in accordance with ISO 45001 is to be established at the production sites. Exemptions from the introduction of this certification can be justified, for example, due to the size of the company and thus the personnel resources available for certification, provided that the requirements of the ISO standard are still met. Currently, no company is certified according to ISO 45001.

The gross employee turnover rate (including retirements) as an indicator for employee retention at Arbonia is to be decreased to 10 % by 2030 through various measures in the area of working conditions, training and skills development, as well as health and safety. In the current reporting year, this figure was 11.1 %.



The targets were formulated in accordance with the Code of Conduct and the directive on protection against sexual harassment, bullying, and discrimination at the workplace. Measures specifically aligned with these targets will be defined during 2026. Unless otherwise stated, the targets apply to all Arbonia companies. Measures mandated by regulations are not considered sustainability targets; Arbonia's targets deliberately exceed legal requirements. Global objectives and strategic directions, however, were taken into account as far as possible when setting the targets.

Measures

Working conditions

Jobs are offered with as much flexibility as possible, including full-time and part-time models. Production jobs are less affected by this due to their operational requirements. Arbonia places value on regular employment but also relies on temporary contracts during peak production periods or holiday absences. For personnel recruitment of junior staff, Arbonia companies organise trade fair appearances as well as sponsoring and utilise social media. Although the labour market is regulated somewhat differently in each country, the overarching guidelines of the Group apply at all Arbonia locations. Before every hiring, the age of potential employees is verified in accordance with EU labour laws, and protective measures are always guaranteed. Legal regulations regarding maximum working hours and overtime are strictly observed.

The employer brand was strengthened through social media in the reporting year, with systematic implementation at the Group level that also includes the individual companies. Care is taken to reach a wide range of target groups.

Arbonia's compensation system is based on the conviction that a company's success depends significantly on the quality of work and the engagement of its employees. It aims to attract and retain employees with the necessary skills and qualities and to motivate them to provide a consistently high level of performance. The compensation structure is designed according to standard market practices, and a comparison with other internationally operating companies of comparable size is conducted periodically. Individual Arbonia companies have their salary levels regularly reviewed by an external service provider and adjust compensation in the event of significant deviations.

Arbonia and its companies maintain a constructive partnership with regional employee representatives and trade unions. Regular meetings between company management and employee representatives take place across the Group. The Dimoldura site in Portugal is an exception, as it employs no unionized staff and has no formal representation through union structures, although its employees are covered by general employment contracts. In Switzerland, the general employment contracts for the machinery, electrical, and metal industries apply to all companies, unless other mandatory general employment contracts are in effect. Most German companies are bound by company-specific or industry-specific collective bargaining agreements. The relevant terms and conditions are transparently accessible to employees via notices, screens, or the intranet. Arbonia offers employees of companies bound by collective bargaining agreements additional benefits, such as discounts on insurance or travel, to ensure attractive compensation above the industry standard. In companies not bound by collective bargaining agreements, the compensation of the core workforce is significantly above the statutory minimum wage.

In addition to employee representatives and trade unions, the interests of employees are collected in internal surveys or employee interviews. The right to freedom of association and collective bargaining is fully respected. There are works councils in all companies except for joro and TPO, as these each have fewer than 30 employees. The interests of these employees are taken into account in a different way.

Beyond an employee satisfaction survey, a systematic process based on employee evaluations was introduced at the Dimoldura site in Portugal in 2025. This process focuses on performance orientation, professional development, and team building. The results identified performance areas, training needs, and other areas for improvement in various areas and functions, which have now been incorporated into a training program. During the reporting year, adjustments were also made to working hours, enabling a better work-life balance and shift swapping for employees. Furthermore, the integration of people with disabilities or physical limitations continued through the adaptation of functions and suitable working conditions.

Employee surveys at the Spanish Dimoldura locations focused particularly on employee satisfaction and psychosocial well-being during the reporting year. Measures derived from these surveys will be implemented at the beginning of 2026.

For Rozière, two officers were appointed during the reporting year to receive harassment reports. One is an employee at the company, while the other is a member of the French Social and Economic Committee.



Training and skills development

Employee reviews, performance assessments, and feedback are used to identify knowledge and skills gaps in order to plan subsequent learning measures. Professional development of employees is supported through internal and external professional training programmes, with Arbonia contributing to the costs depending on the benefit to the work. Initiatives for talent development exist to strengthen internal development opportunities. Beyond technical professional training, courses to enhance methodological skills, educational leave, career advancement qualifications, language courses, sales and trade fair training, and project management are offered. Training rooms and exhibitions at the production sites provide employees with the opportunity to learn about the manufacturing processes as well as the product applications.

Apprenticeships or internships can be carried out at many production and administrative locations. Preliminary introductory opportunities are also offered. At some locations, dual study programmes are also available to provide practical support to young academics. These options are increasingly promoted in the area of social media recruiting. In addition, school visits to trade fairs are organized. Potential applicants can also be recruited through co-operation with schools, universities of applied sciences, and universities, whether via project work or dual study programmes.

In the reporting year, Arbonia held its first in-house trade fair under the name Arbonia NEXT, at which a future day and career day were organised for potential future employees. During this two-week fair, Garant, Prüm, and Kermit Duschdesign also provided training sessions regarding their products, services, and technical information.

During the reporting year, a student trainee at Garant investigated as part of her bachelor's thesis which communication and incentive strategies are most effective in promoting more sustainable employee behaviour at Arbonia. She provided recommendations regarding internal communication, opportunities for integration in daily work, employee participation, and incentives, which are to be implemented in the future.

Beyond mandatory training, Rozière employees are encouraged to utilise the French personal professional training account, which also allows for professional training outside the immediate company context.

Health and safety

To prevent accidents, injuries, and work-related illnesses, internal employee training courses are carried out at the companies, with risk avoidance and occupational health as key topics. Supervisors also receive training on the prevention and early detection of health risks for their employees in regular courses. Furthermore, Arbonia annually invests in ergonomic workstations and work-facilitating machinery, such as lifting equipment. Operational processes are continuously analysed internally to identify risks to health and occupational safety and to implement appropriate countermeasures. If accidents occur, they are investigated immedi-

ately, and necessary steps are taken to minimise the risk of accidents in the future.

Arbonia offers company health programmes. The company health management system includes specific measures to promote health and minimise non-occupational accidents as well. Examples include courses on stress management, first aid courses, preventive medical check-ups, company medical care, psychological offers, or subsidies for sports. Corresponding employee surveys are used to compare the measures with the needs of the workforce.

Various committees of the companies (occupational safety committee, health working group, works council committee, occupational health and safety protection) hold regular meetings or inspections to analyse the current situation and develop suitable measures. Arbonia also promises its customers to maintain the highest standards in respect to occupational safety in every work contract. External business partners who work on the business premises of Arbonia apply the same safety rules.

In addition to internal reviews and measures, Arbonia also relies on regular feedback from external bodies for target achievement. Important feedback on potential improvements is obtained through site visits by occupational safety inspectors and trade unions, as well as through external safety audits. Regular checks of working conditions and machinery are carried out with regard to occupational safety, including workplace environment tests (e.g. regarding noise), workplace risk assessments, and medical examinations.



A tailored integration management system allows employees with health impairments to return to the workplace. While companies based in Germany are subject to a legal obligation, individual regulations are discussed and implemented with affected employees in Switzerland. At other companies, commissions consisting of employer and employee representatives are used to develop joint solutions for restoring the ability to work and securing jobs.

In addition to safety training, Dimoldura in Portugal updated a risk assessment of all production areas and shared the results with the employees concerned. The implementation of thermal imaging cameras is currently being examined. These cameras would be used in sensitive areas such as dust extraction systems and paint lines and integrated into the fire alarm system. This would allow potential fires to be detected early and extinguished quickly. Mental health is being addressed, particularly through awareness campaigns. During the reporting year, the HR department maintained active contact with the various departments. The aim was to build trust, create a dialogue and identify signs of stress, demotivation, or emotional overload early on, enabling the implementation of countermeasures.

Medical examinations were carried out at all Dimoldura locations in Spain during the reporting year. These included assessments of constrained postures, physical and psych-social stress, noise, vibrations, and chemicals, as well as examinations related to working at heights and on machinery. Individual recommendations were provided for all of these points. In 2025, a telephone-based medical and psychological counselling

service was also introduced, which is available to all employees around the clock.

In 2025, Interwand acquired a lifting device in the area of panel processing as well as adjustable assembly tables for frame and door leaf assembly, which are intended to minimise the physical strain on production employees.

During 2025, exoskeletons designed to reduce physical strain were tested at Arbonia Glassysteme. However, the employees rejected them after the test phase.

At Garant, however, exoskeletons were introduced in the warehouse over the course of the reporting year.

Bekon-Koralle relies on a cooperation with the Swiss Insurance Company for occupational safety and health training. In the reporting year, training was carried out on the topic of "tripping accidents". Awareness of accident prevention is raised through posters and flyers.



Key figures

Working conditions

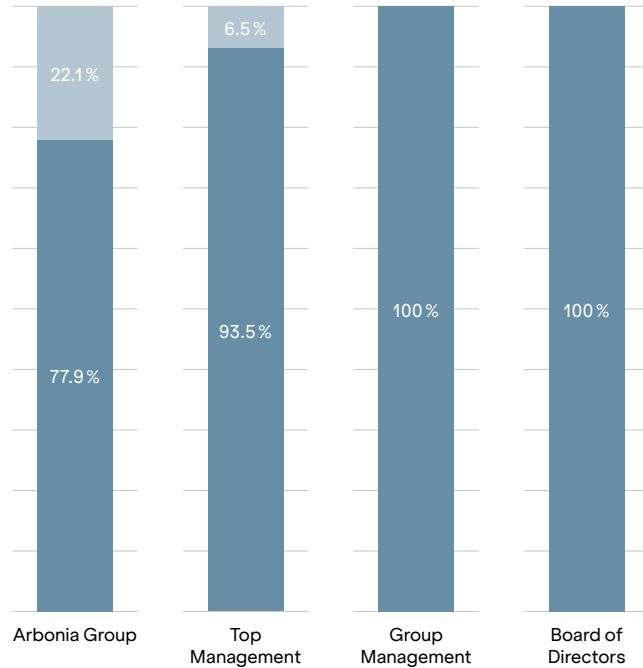
The following overviews present the composition of the workforce as well as selected work-related key figures.

	2025	2024	2023
Employees in full-time equivalent	3 619	2 828	2 945
Non-binary	0	–	–
Male	2 867	–	–
Female	752	–	–
Employees permanently employed	3 574	2 951	3 052
Non-binary	0	0	0
Male	2 798	2 300	2 370
Female	776	651	682
Employees temporary employed¹	206	–	–
Non-binary	0	–	–
Male	146	–	–
Female	60	–	–
Employees without guaranteed working hours	15	–	–
Non-employee workers	266	52	43
Employees with disabilities	46	–	–
Employees entitled to family leave	62	–	–
Gross employee turnover in %	11.1	12.5	16
Employment period in years	11.1	12.3	12.1

¹ In 2024 and 2023, employees were not reported according to permanent or fixed-term employment contracts, which is why persons with both types of employment contracts are listed as permanent employees.

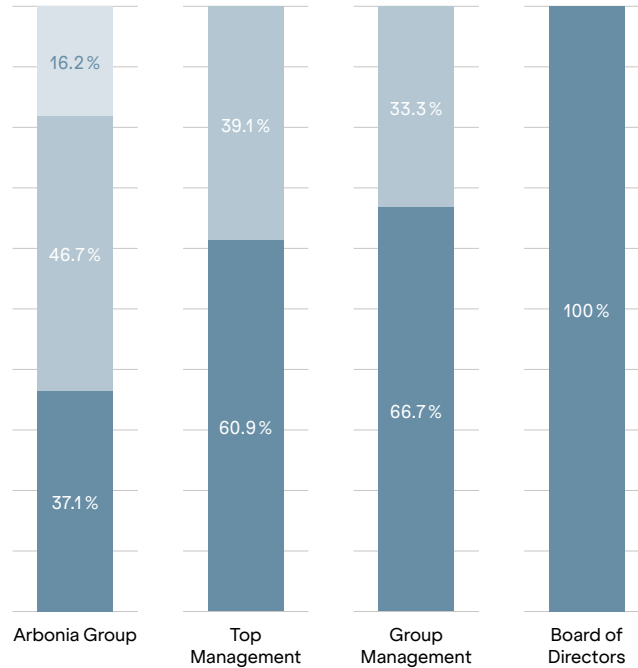


Diversity according to gender



Women Men

Age structure



<30 30 – 50 >50

As of 31 December 2025, an average of 89.8 % of employees were represented by employee representatives such as works councils, staff councils, or trade union members. Several collective agreements are in place within the company, for example in the wood and plastics industry and the carpentry trade. As of the reporting date, 66.9 % of employees were in an employment relationship subject to a collective agreement.

In the reporting year, there was one case of discrimination due to sex, race or ethnic origin, nationality, religion or ideology, disability, age, sexual orientation, or other relevant form of discrimination, including harassment. No human rights violations, with the exception of discrimination cases, were determined in connection with the company's own workforce. No fines, penalties, or compensation payments were incurred in connection with the reported incident of human rights violations or discrimination.



Training and skills development

The following table gives an insight into the implemented performance and development review meetings between employees and supervisors as well as the average time spent on vocational and professional training per employee.

	2025	2024	2023
Employees with employee review meeting	52.2 %	–	–
Non-binary	0	–	–
Male	48.7 %	–	–
Female	64.8 %	–	–
Vocational and professional training per employee in hours	7.8	3	1.7
Non-binary	0	–	–
Male	6.6	–	–
Female	12.0	–	–



Health and safety

Key figures for occupational safety and health are shown in the following.

	2025	2024	2023
Employees under management system for occupational safety and health	91.7 %	92.9 %	94.8 %
Minor accidents per 200 000 working hours	1.5	3.3	5.2
Severe accidents per 200 000 working hours	5.3	4.2	5.2
Total work accidents	203	142	207
Lost days per 200 000 working hours	156.8	65.9	113.9
Deaths due to work-related accidents	0	0	0
Deaths due to work-related illnesses	0	0	0
Work-related illnesses	2	–	–
Absence rate	7.1 %	7.0 %	6.3 %



Workers in the value chain

Concepts

Arbonia bears responsibility for the employees in its value chain and, in cooperation with its suppliers, it aims to strengthen appropriate, safe, and healthy working conditions and prevent human rights violations such as child labour or forced labour. Negative impacts on employees pose risks to Arbonia in the form of legal consequences or reputational damage.

The guideline for sustainable procurement and the supplier Code of Conduct define obligations and implementation steps regarding workers in the value chain, taking their interests into account. Information on these internal documents can be found in the chapter on [business strategy](#) as well as in the concept description from [management of supplier relationships](#). Policies on human rights do not currently exist.

The topic of workers in the value chain is embedded in the company according to the structure described under [sustainability governance](#).

S2 Topics	Description of impacts and financial influences	Place of effect	Status
Working conditions	⊖ Negative impacts on the long-term financial security of employees in the value chain who are employed with temporary contracts and/or non-guaranteed working hours.	Upstream and downstream	Potential
Working conditions	⊖ Payment of a wage that does not adequately meet the needs of employees in the supply chain and their families, taking into account the economic and social conditions of the country.	Upstream and downstream	Potential
Health and safety	⊖ Work environment that can negatively impact the safety and health of employees in the value chain.	Upstream and downstream	Potential
Diversity and equal treatment	⊖ Negative impacts on the physical and/or mental well-being of employees in the value chain due to violence and harassment in the workplace.	Upstream and downstream	Potential
Other work-related human rights	⊖ Cases of human rights violations in connection with child labour within the value chain.	Upstream and downstream	Potential
Other work-related human rights	⊖ Presence of labour or a service within the value chain that is demanded of a person under threat of penalty and for which the person has not voluntarily made themselves available.	Upstream and downstream	Potential

⊕ Positive impact ⊖ Negative impact ⊕ Opportunity for financial influences ⊖ Risk to financial influences



Targets

The targets that are intended to prevent or mitigate negative impacts and risks for workers in the value chain are described under [management of supplier relationships](#).

Measures

The due diligence measures described under [management of supplier relationships](#) also include workers in the value chain. Risk assessments using EcoVadis are narrowed down and carried out based on purchasing volume. However, suppliers from countries with an increased risk regarding freedom, child labour, and modern slavery according to internationally recognized risk indicators are screened regardless of the level of purchasing volume. For suppliers of Swiss companies, the origins of all purchased products are queried in accordance with the Swiss Ordinance on Due Diligence and Transparency in relation to Child Labour. This allows for a comparison with UNICEF's "Children's Rights in the Workplace Index" and thus a risk assessment based on the countries of origin. Not all suppliers were able to provide this information in the reporting year, which is why further efforts will be made to improve supply chain transparency in the future.

Arbonia is not in any direct contact with employees of the value chain. The whistleblower reporting systems on the Arbonia website or on the websites of its companies are open to anyone who wishes to report abuses among employees in the value chain ([see chapter on corporate culture](#)), regardless of whether the whistleblower is the employee themselves or another person. After received reports are reviewed, appropriate measures, including redress, are initiated. No evidence or risks regarding human rights or other abuses among workers in the value chain were identified during the reporting year.

Key figures

Currently, there are no key figures that quantitatively reflect negative impacts or risks concerning employees in the value chain. No human rights violations in connection with workers in the value chain were identified during the reporting year.



Governance

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Corporate culture

Concepts

For Arbonia, law-abiding and ethical business practices constitute the foundation for responsible corporate governance and thus a future-proof company. This includes compliance with laws and rights, as well as self-imposed principles, for example, regarding internal cooperation, dealing with business partners or other third parties, and the environment. The company is committed to strictly rejecting all forms of fraud and actively taking measures to prevent deliberate deception and obtaining unlawful advantages. Potential offences relate to violations of the Code of Conduct, such as corruption, embezzlement, violations of competition and antitrust laws or violations of data protection policies. Consequences can include regulatory sanctions and reputational damage. In all countries where it operates, Arbonia adheres to the United Nations Universal Declaration of Human Rights, the UN Convention on the Elimination of All Forms of Discrimination against Women, the UN Convention on the Rights of the Child, and the ten principles of the UN Global Compact.

The responsibility for topics and risk management in relation to corporate governance follows the structure shown under [sustainability governance](#).

The Code of Conduct describes Arbonia's principles for responsible corporate governance. Its topicality and relevance are ensured by the Board of Directors and the Head of Compliance, while the compliance officers of the companies are responsible for its implementation and are reviewed by Internal Audit. Recognising its economic, ecological, and social responsibility, in its Code of Conduct Arbonia commits in particular:

- to implement ethical business practices in relation to competition or data protection,
- to comply with environmental protection standards and to use resources with consideration,
- to ensure equal opportunities as well as the health and occupational safety of employees,
- to respect human rights, with particular regard to child labour,
- to co-operate with suppliers who have committed to sustainable operating activities and who fulfil their social responsibility.

In addition to the Code of Conduct, there is a supplement to the Code of Conduct specifically intended for production employees. This supplement contains more detailed regulations for production, such as use of resources, occupational safety and environmental protection. Topics such as competition law are not included.

What is more, there are various directives that supplement or describe topics of the Code of Conduct ([see chapter on business strategy](#)) in detail. The anti-corruption directive, for example, is based on the United Nations Convention against Corruption and includes additional instructions on gifts, sponsorships, and dealings with intermediaries, distributors, and dealers. Whistleblowers, both within and outside of Arbonia, are an important element for ensuring compliance with all obligations and preventing or redressing damage to the company and third parties at an early stage in the event of any violations. A whistleblowing directive exists to protect whistleblowers who report violations of the Code of Conduct or the directives that concretise the Code of Conduct, as well as other forms of misconduct. Whistleblowers may not be subjected to disciplinary, labour law, or other measures that could negatively impact them as a result of their reporting. The directive also defines the handling of submitted reports and is based on the EU Whistleblower Directive and the national regulations of the individual EU member states.

Violations in the areas of corruption and competition/anti-trust law as well as in the area of data protection pose the greatest risks to the Arbonia Group. These risks thus particularly affect employees in the areas of procurement, finance, IT, human resources, marketing, sales, compliance, and management.



G1 Topic	Description of impacts and financial influences	Place of effect	Status
Corporate culture	 Loss of business relationships or regulatory sanctions due to inadequate company-wide compliance and sustainability culture.	Own operations	
 Positive impact  Negative impact  Opportunity for financial influences  Risk to financial influences			

Data protection and cybersecurity

Arbonia operates a Group-wide information security management system (ISMS) and regularly reviews its security approach as part of an updated information security strategy. Risks in the area of information technology are incorporated in risk management and partially covered by insurance. Audits and controls ensure the effectiveness of IT standards.

Employees are regularly trained to be aware of data protection and cybersecurity. Participation in the Group-wide awareness programme remains at a consistently high level of around 95%. Measures such as security monitoring, regular penetration tests, and a Group-wide incident response management serve to detect and prevent cyber attacks early on.

Various binding instructions exist in accordance with the ISMS. Data protection and cybersecurity are an integral part of the corporate culture and are continuously improved. The Group-wide validity of the measures is ensured through regular risk management meetings and annual GIRC audits.

Financial integrity

In regard to tax policy, Arbonia is committed to a co-operative and transparent relationship with the tax authorities in all countries in which it is active and thus pays taxes. In doing so, it follows all established processes, guidelines, and communication channels in order to promote a constructive dialogue and strengthen the compliance together. Arbonia prohibits any form of tax evasion through transfer pricing. It ensures that its transfer prices correspond to the international guidelines, especially the OECD guidelines. It also consciously refrains from using tax havens in order to ensure that it fully meets its tax obligation from its business activities in other countries.

Arbonia is committed to preventing all forms of money laundering and will not engage in any business relationships that could serve to conceal the origin, ownership, or destination of illegal funds. Neither direct nor indirect business activities are to be misused to integrate illegal funds into the legitimate economic cycle.

Politics and lobbying

Arbonia's business practices are free from political influences, and it does not pursue any political interests. Political contributions are prohibited in principle, although a justified exception may be authorised by Group Management.

In the reporting year, there were numerous developments at the EU level regarding sustainability regulations. Arbonia provided feedback during the consultation process for the revised ESRS, generally supporting the proposed amendments. Arbonia was also actively involved in discussions concerning the EU Deforestation Regulation (EUDR) through one of its industry associations.

Arbonia is indirectly involved in lobbying through its membership in associations and their representation of interests for the industry. At the same time, it ensures that these activities are in line with its ethical standards. Financial contributions are limited to the membership fees of the associations.

Targets

- Raising awareness among all employees about the Code of Conduct by 2026.
- Compliance management processes in place at Group level by 2030.

To ensure that all employees adhere to the Code of Conduct, its contents must be known and always present. Raising awareness and providing training on the contents and obligations are therefore essential. This has already been pursued for some time through e-learning courses, onboarding information sessions, and information events at the companies. However, since gaps in implementation have



been identified, and acquisitions require focusing on an appropriate introduction to Arbonia's standards, the goal for the coming reporting year is to raise awareness among all employees. Following the establishment of validity periods for information dissemination and training, formats for refreshing the contents will also be planned.

As Arbonia grows, standardised processes are becoming increasingly important to ensure compliance across all areas, since different procedures increase the risk of violations and reduce implementation efficiency. Therefore, compliance management processes are to be established over the next few years to ensure harmonised communication, implementation, and monitoring of relevant regulatory requirements throughout the entire Group.

The goals were formulated in accordance with the existing directives. Measures specifically aligned with these targets will be defined during 2026. Measures mandated by regulations are not considered sustainability targets; Arbonia's targets deliberately exceed legal requirements. Global objectives and strategic directions, however, were taken into account as far as possible when setting the objectives.

Measures

Code of Conduct and whistleblower reporting system

Every employee is responsible for complying with the Code of Conduct, including the supplement to the Code of Conduct for production employees. All employees sign the Code of Conduct upon joining Arbonia and commit to upholding the company's values as well as its ethical and social principles. To further communicate the contents of the Code of Conduct and specific topics within it, various compliance

e-learning courses are offered for office staff. The following courses are currently available:

- Compliance principles: Includes the core topics of the Code of Conduct and delves deeper into individual, more detailed instructions and topics such as conflicts of interest, insider trading, and corruption. Shared with all office staff.
- Cybersecurity: Raises awareness of various IT security risks, such as the detection of phishing attacks. Shared with all office staff.
- Data protection: Explains which data is subject to legal protection, how the rules are applied, and the consequences of violations. Shared with all office staff.
- Fair competition: Provides a comprehensive overview on the topic of antitrust law and practical case studies concerning conduct, agreements, and decisions. Shared with employees in purchasing and sales.
- Fair supply chains: Raising awareness of human rights and modern slavery in a work context as well as motivating employees to make their own contribution and take responsibility. Shared with employees in purchasing.

The supplement to the Code of Conduct, specifically intended for production employees, is displayed in the factory halls in the form of posters and explained to production employees in a training video.

Internal Audit ensures that all companies are regularly reviewed for the functionality, regularity, security, and efficiency of their internal processes and procedures. This includes verifying compliance with specific requirements of the Code of Conduct and confirming that all new employees have signed the Code of Conduct. The Board of Directors receives an internal audit report on this. Larger companies

are ideally audited every two years, while smaller companies are audited at least every three years. An on-site audit typically lasts one week, with appropriate preparations made beforehand. Audits are generally carried out by one person, although external support is brought in for more complex cases. Additional audits, such as those conducted through the whistleblower reporting system, may also be carried out.

Employees who observe violations of the legal obligations are requested to report them to the internal or external reporting points. Internal reporting bodies include the CEOs of Wood Solutions and Glass Solutions, the managing directors of the companies, the Head of Compliance and Internal Audit. External whistleblower reporting systems can be found on the Arbonia website as well as on the websites of the companies, and reports can be submitted either via online form or by mail. Reports can be made anonymously or with personal data, and all disclosed information is treated confidentially. Individuals who report misconduct in good faith receive Arbonia's full support and are protected from sanctions. The Board of Directors is informed of all whistleblowing reports received within the Group as well as the associated investigations and any initiated measures.

Prevention of corruption and bribery

Arbonia implements a risk-based approach to corruption prevention. Relevant business partners are vetted by purchasing and sales, including an assessment of country-specific risks using the Corruption Perceptions Index (CPI) and a comparison with international sanction and embargo lists. To ensure the effectiveness of these controls, Internal Audit carries out regular reviews.



For particularly high-risk roles, such as members of the Board of Directors or Group Management, no special anti-corruption measures or training is carried out. However, they participate in the regular e-learning courses on compliance principles.

Due diligence

The necessary measures relating to the German Supply Chain Due Diligence Act (LkSG) for affected companies in Germany and the Ordinance on Due Diligence and Transparency (VSoTR) for Swiss companies were implemented in this financial year as well. The due diligence steps carried out did not reveal any suspected cases relating to the environment or any justified or obvious suspected cases of child labour. The requirement to disclose the countries of origin of purchased products could not be met for all suppliers, as information could sometimes not be traced back to the first stage of the supply chain. Improving traceability within the supply chain is therefore a key objective for the next reporting year. With regard to purchased conflict minerals and metals, the statutory thresholds for reporting obligations were not exceeded, and the Swiss companies are therefore exempt from the due diligence and reporting requirements.

Key figures

The percentage of invited employees who complete the compliance e-learning courses is a performance indicator. During the reporting year, the companies acquired in 2024, Dimoldura, Lignis, and Rozière, had not yet been familiarised with the e-learning platform and are therefore not included in the following table. Instead, the focus was on training new employees of the companies already integrated into the learning portal and expanding the course on data protection to include all office staff.

	2025
Compliance principles	60.5 %
Cybersecurity	95.5 %
Data protection	79.2 %
Fair competition	81.4 %
Fair supply chains	82.8 %

In the reporting year, one whistleblowing incident was reported via e-mail at the Group level. Due to vague details regarding the situations or individuals involved, follow-up inquiries were necessary to investigate the report. These inquiries remained unanswered for several months, preventing an investigation from being initiated. It should be noted that incidents reported within the company are not systematically recorded, and the key figure only considers reports received by the Group.

In the reporting year, there were neither confirmed cases of corruption, nor were sanctions imposed due to cases of non-compliance.



Management of supplier relationships

Concepts

Arbonia impacts people and the environment through its purchased products and services, and therefore the greatest human rights risks and the majority of total emissions occur within its supply chain. The company is responsible for a supplier management that systematically considers sustainability criteria and aims to ensure lawful and fair working conditions for people in the upstream value chain and to avoid environmental pollution. Arbonia faces liability and reputational risks from direct or indirect suppliers who violate these criteria. These risks are exacerbated by a lack of transparency on the part of suppliers. In the transport and logistics area, risks such as climate-related supply chain disruptions and delivery delays can occur. Additionally, there is a general risk of rising procurement costs. A well-structured supply chain regarding sustainability mitigates these risks and creates innovation by promoting the development of new management and production methods.

Under sustainability governance the responsibilities regarding topics and risk management in the supply chain are described.

The guideline for sustainable procurement and the supplier Code of Conduct (see chapter on business strategy) present obligations and implementation steps regarding the management of supplier relationships. The sustainable procurement guideline, which has been in place since 2023, aims to design Arbonia's strategic and operational procurement practices in line with relevant ESG standards and to outline the steps for implementing these principles at the

same time. To-date, this document has been shared with strategic purchasing of Wood Solutions and is only available in German. Next year, the guideline will be translated and distributed within Glass Solutions and local purchasing departments. The supplier Code of Conduct sets guidelines for the cooperation between Arbonia and its companies with their external partners and suppliers. It includes the key principles for suppliers' operating activities and their dealings with human rights, in particular regarding child labour and forced labour, working conditions, safety and health regulations, environmental protection regulations and with regard to ethically business conduct. This encompasses all employees of the value chain. The supplier Code of Conduct is a subject of new business relationships and Arbonia's purchase orders.



G1 Topic	Description of impacts and financial influences	Place of effect	Status
Management of supplier relationships	 Insufficiently structured supplier management (selection, support, monitoring) in relation to ESG criteria.	Own operations	Actual
 Positive impact  Negative impact  Opportunity for financial influences  Risk to financial influences			

Due diligence is crucial for monitoring risks of negative impacts on society or the environment from business relationships and, if necessary, initiating mitigating or remedial measures. To this end, an internal purchasing manual will provide a binding basis for an economical, compliant, and responsible procurement process throughout all of Arbonia in the future. Strategic purchasing, which implements Group-wide measures for managing supplier relationships, is being gradually expanded. All procurement employees will also be made aware of and receive training on sustainability issues in purchasing. Business relationships within the European Economic Area in particular provide a foundation for transparent and lawful supplier relationships, which is why proximity to suppliers is preferred and encouraged.

Targets

- Application of the purchasing manual (including supplier selection and evaluation) by 2026.
- Implement ESG ratings for 70 % of the direct purchasing volume by 2028.
- Process for supplier audits present by 2030.

The purchasing manual developed during 2025 is to be implemented in the entire Group from January until the end of 2026. This aims to achieve a structured supplier management that systematically integrates sustainability criteria in the selection, support, and monitoring of suppliers.

As part of its due diligence, Arbonia assesses its suppliers based on ESG criteria for risk analysis using EcoVadis. Suppliers of direct materials and those with the highest purchasing volumes were invited to participate in EcoVadis and motivated. In the coming years, EcoVadis or comparable assessments are to be expanded to 70 % of the direct purchasing volume, as of 2025, this value was 60.4 %.

Trustworthy relationships with suppliers are central for Arbonia. Nevertheless, in addition to self-assessments and external evaluations of selected business aspects, Arbonia strives to conduct its own supplier audits. On-site audits allow for the clarification of potential misunderstandings, the early detection of risks, the identification of improvement opportunities, and the effective coordination of joint measures. Currently, no supplier audits are being carried out. Therefore, a process is to be developed by 2030 that defines the prerequisites and concrete implementation steps for carrying out such audits.

The targets were developed in accordance with the guideline for sustainable procurement and the supplier Code of Conduct. Measures specifically aligned with these objectives will be defined during 2026. The goals apply to all Arbonia companies. Measures mandated by regulations are not considered sustainability objectives; Arbonia's targets deliberately exceed legal requirements. Global goals and strategic directions, however, were taken into account as far as possible when the objectives were set.

Measures

Due diligence

Measures relating to human rights and environmental due diligence build on the company's principles, which are set out in the Code of Conduct, the sustainable procurement guideline, and the supplier Code of Conduct.

Risk assessments are intended to make the actual and negative impacts on people or the environment of suppliers tangible. To incorporate external risk assessments into the analysis, Arbonia uses EcoVadis ratings of its suppliers. Currently, suppliers of direct goods with a sales volume of CHF 0.3 million or more are invited and encouraged to participate in an assessment. In the reporting year, suppliers of indirect goods were also contacted for this for the first time. If a supplier declines an EcoVadis rating, comparable evidence can be accepted. This risk analysis is to be continuously expanded to include suppliers of both direct and indirect products and services. Discussions with suppliers regarding sustainability services also take place on an ad-hoc basis. Arbonia does not currently conduct supplier audits to identify potential risks. However, if supplier visits do occur, they are usually at the beginning of a potential new business relationship to gain a deeper understanding of



their value creation and production processes. In this case, the focus is primarily on technical rather than social aspects that directly affect employees.

If the described assessments reveal risks, or if there is a specific indication of human rights violations or environmental pollution, suitable measures will be developed or implemented to mitigate or prevent them. Ideally, these measures should be taken in cooperation with the supplier to bring about a genuine improvement of the situation. Terminating a business relationship is considered a last resort, as the negative impact would likely persist.

The whistleblower reporting systems on the Arbonia website or on the websites of its companies are open to anyone who wishes to report misconduct concerning Arbonia's business relationships or supply chain ([see chapter on corporate culture](#)). After received reports are reviewed, appropriate measures, including remedy, are initiated.

Purchasing manual

The purchasing manual, developed in 2025, standardises tasks, processes, and responsibilities along the entire procurement cycle and applies to all business areas of Arbonia. In addition to standardising the procurement process, the manual prescribes criteria and procedures for selecting and evaluating suppliers with regard to environmental, social, and governance aspects. Sustainability criteria thus become a systematic basis for decision-making in business relationships.

Strategic purchasing

The expansion of category management will continue. Among other things, it sets the framework for strategic purchasing and establishes company-wide agreements with suppliers. Furthermore, it continuously collects and evaluates market information to address potential risks in the supply chain at an early stage. The category managers also ensure compliance with the guideline for sustainable procurement and the application of the supplier Code of Conduct.

Skills development

The relevance of procurement and its impacts on society and the environment is conveyed through internal skill development. On the one hand, sustainability management holds meetings with employees from purchasing to inform them about important topics and necessary steps. On the other hand, learning courses from the EcoVadis Academy or the UN Global Compact Academy, as well as compliance e-learning on the topic of fair supply chains, are available.

Proximity to suppliers

Arbonia prefers to work with suppliers from the European Economic Area and ideally with local companies, thereby establishing high standards in regard to environmental and social criteria. In particular, indirect goods, such as tools and equipment, consulting, or rents, are generally sourced within the region of the respective companies. This improves control over production methods compared to partnering with suppliers from distant regions. However, for economic reasons, certain products or services are occasionally sourced from outside the European Economic Area.

Currently, an engagement to improving the sustainability performance of suppliers is only understood in the context of cooperation with EcoVadis, whose assessment results show suppliers potential areas for improvement.

Key figures

One performance indicator used to quantitatively describe supplier management is the proportion of production volume for which suppliers provide evidence of an EcoVadis or comparable sustainability assessment. In the reporting year, 60.4 % of the direct goods purchase volume was covered by such risk assessments (previous year 54.2 %). Across procurement of direct as well as indirect goods, this corresponds to a coverage of 48.4 % (previous year 29.6 %).

Regarding close supplier relationships, Arbonia sources well over 99 % (previous year 99 %) of its total procurement volume from EU or EFTA countries. In the reporting year, 94.8 % (previous year 86.7 %) of the purchasing volume was sourced from suppliers in countries where Arbonia had its own locations.



Annex

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→ PEFC-certified companies	125





Indices

Index of the Swiss Code of Obligations

The following overview compares material topics of Arbonia with the concerns of the Swiss Code of Obligations, Article 964a ff. and refers to the pages that deal with the topics.

Material topic of Arbonia	Allocation according to Code of Obligations	Pages
Climate change	Environmental concerns	<u>65 – 75</u>
Biodiversity and ecosystems	Environmental concerns	<u>76 – 84</u>
Resource use and circular economy	Environmental concerns	<u>85 – 89</u>
Own workforce	Worker's concerns	<u>91 – 100</u>
Workers in the value chain	Social concerns; respect for human rights; due diligence and transparency in relation to minerals and metals from conflict-affected areas and child labour	<u>101 – 102, 107 – 110</u>
Business conduct	Environmental concerns; social concerns; anti-corruption measures; respect for human rights; due diligence and transparency in relation to minerals and metals from conflict-affected areas and child labour	<u>104 – 110</u>



GRI index

This sustainability report has been prepared in accordance with the GRI Standards, applying GRI 1: Foundation 2021 but not a sector standard. The reporting covers the period from 1 January to 31 December 2025.

Standard/disclosure	Pages	Comment/reason for omission
General Disclosures		
GRI 2: General Disclosures 2021		
1. The organization and its reporting practices		
2-1: Organizational details	<u>44 – 45</u>	
2-2: Entities included in the organization's sustainability reporting	<u>45</u>	
2-3: Reporting period, frequency and contact point	<u>44</u>	
2-4: Restatements of information	<u>44</u>	
2-5: External assurance	<u>44</u>	
2. Activities and workers		
2-6: Activities, value chain and other business relationships	<u>51, 55 – 57</u>	
2-7: Employees	<u>97 – 98</u>	
2-8: Workers who are not employees	<u>97</u>	
3. Governance		
2-9: Governance structure and composition	<u>127 – 144</u>	
2-10: Nomination and selection of the highest regulatory body	<u>135</u>	
2-11: Chair of the highest regulatory body	<u>47</u>	
2-12: Role of the highest regulatory body in overseeing the management of impacts	<u>47, 50</u>	
2-13: Delegation of responsibility for managing impacts	<u>47</u>	



Standard/disclosure	Pages	Comment/reason for omission
2-14: Role of the highest governance body in sustainability reporting	44, 47	
2-15: Conflicts of interest	127 – 144	
2-16: Communication of critical concerns	50, 104 – 107	
2-17: Collective knowledge of the highest governance body	47	
2-18: Evaluation of the performance of the highest governance body	43, 47, 57, 94, 96, 98	
2-19: Remuneration policies	146 – 166	
2-20: Process to determine remuneration	146 – 166	
2-21: Annual total compensation ratio		Restrictions due to confidentiality obligations: Individual salaries of workers are protected as confidential information and their disclosure, even for the purpose of statistical analyses, remains restricted accordingly.
4. Strategy, policies and practices		
2-22: Statement on sustainable development strategy	43	
2-23: Policy commitments	104 – 109	
2-24: Embedding policy commitments	104 – 109	
2-25: Processes to remediate negative impacts	50, 104, 106 – 107	
2-26: Mechanisms for seeking advice and raising concerns	104 – 107	
2-27: Compliance with laws and regulations	104 – 107	
2-28: Membership associations	57, 105	
5. Stakeholder engagement		
2-29: Approach to stakeholder engagement	57	
2-30: Collective bargaining agreements	94, 98	



Standard/disclosure	Pages	Comment/reason for omission
Material Topics		
GRI 3: Material Topics 2021		
3-1: Process to determine material topics	<u>58 – 63</u>	
3-2: List of material topics	<u>59</u>	
Climate change		
GRI 3: Material Topics 2021		
3-3: Management of material topics	<u>65 – 70</u>	
GRI 302: Energy 2016		
302-1: Energy consumption within the organization	<u>71, 73 – 75</u>	
302-2: Energy consumption outside of the organization	<u>72 – 74</u>	
302-3: Energy intensity	<u>71 – 72</u>	
302-4: Reduction of energy consumption	<u>71 – 72, 75</u>	
GRI 305: Emissions 2016		
305-1: Direct (Scope 1) GHG emissions	<u>71</u>	
305-2: Energy indirect (Scope 2) GHG emissions	<u>71</u>	
305-3: Other indirect (Scope 3) GHG emissions	<u>72</u>	
305-4: GHG emissions intensity	<u>71 – 72</u>	
305-5: Reduction of GHG emissions	<u>71 – 72</u>	
Biodiversity and ecosystems		
GRI 3: Material Topics 2021		
3-3: Management of material topics	<u>76 – 80</u>	
GRI 101: Biodiversity 2024		
101-1: Policies to halt and reverse biodiversity loss	<u>76</u>	
101-2: Management of biodiversity impacts	<u>76 – 78</u>	
101-3: Access and benefit-sharing	<u>78</u>	
101-4: Identification of biodiversity impacts	<u>77 – 78</u>	
101-5: Locations with biodiversity impacts	<u>80 – 84</u>	Hectare information is missing and will be added in the next report.
Resource use and circular economy		
GRI 3: Material Topics 2021		
3-3: Management of material topics	<u>85 – 88</u>	



Standard/disclosure	Pages	Comment/reason for omission
GRI 306: Waste 2020		
306-3: Waste generated	89	
Own workforce		
GRI 3: Material Topics 2021		
3-3: Management of material topics	91 – 96	
GRI 401: Employment 2016		
401-1: New employee hires and employee turnover	97	
GRI 405: Diversity and Equal Opportunity 2016		
405-1: Diversity of governance bodies and employees	97 – 98	
GRI 404: Training and Education 2016		
404-1: Average hours of training per year per employee	99	
404-2: Programmes for upgrading employee skills and transition assistance programs	95	
404-3: Percentage of employees receiving regular performance and career development reviews	99	
GRI 403: Occupational Health and Safety 2018		
403-1: Occupational health and safety management system	93 – 94, 100	
403-2: Hazard identification, risk assessment, and incident investigation	95 – 96	
403-3: Occupational health services	95 – 96	
403-4: Worker participation, consultation, and communication on occupational health and safety	95 – 96	
403-5: Worker training on occupational health and safety	95 – 96	
403-6: Promotion of worker health	95 – 96	
403-7: Prevention and mitigation of occupational health and safety impacts directly linked to business relationships	95 – 96	
403-8: Workers covered by an occupational health and safety management system	100	
403-9: Work-related injuries	100	



Standard/disclosure	Pages	Comment/reason for omission
Workers in the value chain		
GRI 3: Material Topics 2021		
3-3: Management of material topics	101 – 102 , 106 – 110	
GRI 408: Child Labour 2016		
408-1: Operations and suppliers at significant risk for incidents of child labour	107 , 109 – 110	
GRI 409: Forced or Compulsory Labour 2016		
409-1: Operations and suppliers at significant risk for incidents of forced or compulsory labour	107 , 109 – 110	
Business conduct		
GRI 3: Material Topics 2021		
3-3: Management of material topics	104 – 110	
GRI 204: Procurement Practices 2016		
204-1: Proportion of spending on local suppliers	110	
GRI 308: Supplier Environmental Assessment 2016		
308-1: New suppliers that were screened using environmental criteria	110	
GRI 414: Supplier Social Assessment 2016		
414-1: New suppliers that were screened using social criteria	110	



ESRS index

This index lists ESRS standards (version dated 3 December 2025) that are part of the report, including references to the corresponding pages. Standards that have not yet been taken into account in the current reporting year are not listed.

Standard/disclosure		Pages
ESRS 2	General Disclosures	
BP-1	Basis for preparation of the sustainability statement	44 – 45
GOV-1	The role of the administrative, management, and supervisory bodies	47
GOV-2	Integration of sustainability-related performance in incentive schemes	50
GOV-3	Statement on due diligence	49
GOV-4	Risk management and internal controls over sustainability reporting	50
SBM-1	Strategy, business model and value chain	51 – 56
SBM-2	Interests and views of stakeholders	57
IRO-1	Description of the process to identify and assess material impacts, risks and opportunities and material information to be reported	58 – 63



Standard/disclosure		Pages
ESRS E1	Climate change	
ESRS 2 GDR-P	General disclosure requirement for policies	<u>52 – 53, 65</u>
ESRS 2 GDR-T	General disclosure requirement for targets	<u>68</u>
E1-1	Transition plan for climate change mitigation	<u>66</u>
E1-2	Identification of climate-related risks and scenario analysis	<u>66 – 67</u>
E1-4	Policies related to climate change mitigation and adaptation	<u>65</u>
E1-5	Actions and resources in relation to climate change mitigation and adaptation	<u>68 – 70</u>
E1-6	Targets related to climate change	<u>68</u>
E1-7	Energy consumption and mix	<u>75</u>
E1-8	Gross scope 1, 2, 3 GHG emission	<u>71 – 74</u>
ESRS E4	Biodiversity and ecosystems	
ESRS 2 GDR-P	General disclosure requirement for policies	<u>52 – 53, 76</u>
ESRS 2 GDR-T	General disclosure requirement for targets	<u>78 – 79</u>
E4-1	Biodiversity and ecosystems transition plan	<u>77</u>
E4-2	Policies related to biodiversity and ecosystems	<u>76 – 78, 80 – 84</u>
E4-3	Actions and resources related to biodiversity and ecosystems	<u>79 – 80</u>
E4-4	Targets related to biodiversity and ecosystems	<u>78 – 79</u>
E4-5	Metrics related to biodiversity and ecosystems change	<u>78, 80 – 84</u>



Standard/disclosure		Pages
ESRS E5	Resource use and circular economy	
ESRS 2 GDR-P	General disclosure requirement for policies	<u>52 – 53, 85</u>
ESRS 2 GDR-T	General disclosure requirement for targets	<u>86</u>
E5-1	Policies related to resource use and circular economy	<u>85 – 86</u>
E5-2	Actions and resources related to resource use and circular economy	<u>86 – 88</u>
E5-3	Targets related to resource use and circular economy	<u>86</u>
ESRS S1	Own workforce	
ESRS 2 GDR-P	General disclosure requirement for policies	<u>52 – 53, 91</u>
ESRS 2 GDR-T	General disclosure requirement for targets	<u>93 – 94</u>
S1-1	Policies related to own workforce	<u>91 – 93</u>
S1-2	Engagement with own workforce and workers' representatives, existence of channels for own workforce to raise concerns or needs and approaches to remedy	<u>93 – 94</u>
S1-3	Actions and resources related to own workforce	<u>94 – 96</u>
S1-4	Targets related to own workforce	<u>93 – 94</u>
S1-5	Characteristics of the undertaking's employees	<u>97 – 98</u>
S1-6	Characteristics of non-employees in the undertaking's own workforce	<u>97</u>
S1-7	Collective bargaining coverage and social dialogue	<u>98</u>
S1-8	Diversity metrics	<u>97 – 98</u>
S1-11	Persons with disabilities	<u>97</u>
S1-12	Training and skills development metrics	<u>99</u>
S1-13	Health and safety metrics	<u>100</u>



Standard/disclosure		Pages
S1-14	Work-life balance metrics	97
S1-16	Incidents of discrimination and other human rights incidents	98
ESRS S2	Workers in the value chain	
ESRS 2 GDR-P	General disclosure requirement for policies	52 – 53, 101, 108
ESRS 2 GDR-T	General disclosure requirement for targets	102, 109
S2-1	Policies related to workers in the value chain	101, 108 – 109
S2-2	Engagement with workers in the value chain, existence of channels for workers in the value chain to raise concerns or needs and approaches to remedy	102
S2-3	Actions and resources related to workers in the value chain	102, 109 – 110
S2-4	Targets related to workers in the value chain	102, 109
ESRS G1	Business conduct	
ESRS 2 GDR-P	General disclosure requirement for policies	52 – 53, 104, 108
ESRS 2 GDR-T	General disclosure requirement for targets	105 – 106, 109
G1-1	Policies related to business conduct	104 – 105, 108 – 109
G1-2	Actions related to business conduct	106 – 107, 109 – 110
G1-3	Targets related to business conduct	105 – 106, 109
G1-4	Metrics related to corruption or bribery	107
G1-5	Metrics related to political influence, including lobbying activities	105



Glossary

B2B – Business to business: Refers to business relationships and transactions between two companies.

BMCHP – Biomass combined heat and power plant: Generates electrical energy by burning solid biomass such as wood chips. A BMCHP plant also provides heat which can be used as district heat, local heat, or process heat.

CPI – Corruption Perceptions Index: A global index from Transparency International that measures the perceived level of corruption in the public sector of countries. It serves as a guide for companies to assess country and supply chain risks.

CSRD – Corporate Sustainability Reporting Directive: Directive of the European Union that requires companies to report detailed and standardised information on environmental, social, and governance aspects.

EcoVadis: A platform that provides holistic assessments in the area of sustainability (environment, labour and human rights, ethics, and sustainable procurement). This gives companies a better understanding of their own performance in these areas. In addition, companies can also access assessments of their suppliers via this platform and thereby obtain a more comprehensive picture of their sustainability performance.

EPD – Environmental Product Declaration: Verification of detailed information on the environmental impact of a product or a service over its entire life cycle, based on international standards.

ESG – Environment, Social, Governance: Refers to the three central areas of sustainability: environment, social issues, and governance, according to which companies assess and manage their responsibility and performance.

ESRS – European Sustainability Reporting Standards: Binding reporting standards of the European Union that were introduced in the framework of the CSRD. They define how companies have to disclose their environmental, social, and governance aspects.

EUDR – EU Deforestation Regulation: An EU regulation to prevent products associated with deforestation or forest degradation from entering the EU market. Companies must prove that certain raw materials, such as wood, come from deforestation-free supply chains.

FSC® – Forest Stewardship Council: An international certification system for more sustainable forestry. Its chain of custody (CoC) certification ensures that timber is fully traceable throughout the entire supply chain and actually comes from responsibly managed sources.

GITC – General IT Controls: Comprehensive IT controls that ensure the reliability, security, and integrity of IT systems.

Greenhouse Gas (GHG) Protocol Initiative: A partnership of different companies, NGOs, and governments. The initiative is coordinated by the World Resources Institute (WRI) and the World Business Council for Sustainable Development (WBCSD). The goal of the initiative is to develop internationally recognised standards for greenhouse gas accounting.

GRI – Global Reporting Initiative: Voluntary standard for preparing sustainability reports on economic, ecological, and social impacts.

IEA – International Energy Agency: A cooperation platform in the area of research, development, market introduction, and application of energy technologies.

IPCC – Intergovernmental Panel on Climate Change: The intergovernmental panel of the United Nations, which evaluates the state of climate research and summarises it in periodic reports. Its scenarios and findings form the basis for global climate policy and science-based climate targets.

IROs – Impacts, Risks and Opportunities: An ESRS-related system for determining the material impacts of a company, as well as its risks and opportunities along environmental, social, and governance issues. Basis for materiality analysis according to CSRD.



ISMS – Information Security Management System: A structured management system for controlling, monitoring, and improving information security in a company.

ISO – International Organization for Standardization: Provision of international standards that help to improve the quality and safety of goods and services and ultimately facilitate trade between countries and companies.

IUCN – International Union for Conservation of Nature: International nature conservation organisation which, among other things, has developed a globally recognised classification system for protected areas based on their respective conservation objectives.

KBAs – Key Biodiversity Areas: Areas of global importance for the conservation of biological diversity, identified on the basis of scientific criteria such as species richness, endemism, or threat status.

LkSG – Act on Corporate Due Diligence in Supply Chains: German federal law for controlling the economic action of companies based in or active in Germany by subjecting them to due diligence regarding human rights and environmental protection within their supply chains.

Natura 2000: European network of protected areas in accordance with the Birds and Habitats Directives. The aim is the long-term conservation of endangered species and habitats within the European Union.

OECD – Organisation for Economic Co-operation and Development: An international organisation that promotes economic cooperation and develops standards for responsible corporate governance, sustainable supply chains and compliance.

PEFC – Programme for the Endorsement of Forest Certification Schemes: A global certification system for promoting sustainable forestry. Chain of custody (CoC) certification ensures the traceable, verified transfer of wood from certified forests across all processing stages.

SBTi – Science Based Targets initiative: An initiative of various organisations for the determination and review of scientific targets for the reduction of greenhouse gas emissions. It specifies how much and how quickly a company has to reduce its greenhouse gas emissions to limit global warming to less than 1.5 °C in line with the Paris Agreement.

Scopes: To distinguish between direct and indirect emission sources, the GHG Protocol defines three areas of validity for reporting and accounting for greenhouse gases:

- **Scope 1:** Emissions caused directly by a company.
- **Scope 2:** Indirect emissions from purchased energy such as electricity, steam, district heating, or district cooling.
- **Scope 3:** Indirect emissions that occur along the value chain.

SDGs – Sustainable Development Goals: The 17 goals for sustainable development are political objectives of the United Nations (UN) that aim to ensure sustainable development on an economic, social, as well as ecological level worldwide. With the Agenda 2030, all UN member states and Switzerland have committed to achieving these objectives by 2030.

SSP2-/RCP4.5: A climate scenario used by the IPCC that combines a "medium" societal development (SSP2) with a moderate global emission trajectory (RCP4.5). It often serves as a reference path for climate risk analyses.

TCFD – Task Force on Climate-related Financial Disclosures: A globally recognised standard for the disclosure of climate-related risks, opportunities, and strategies of companies.

Transition plan: A strategic roadmap for climate or biodiversity that describes how a company intends to gradually reduce its emissions or minimise negative impacts on biodiversity.

UN Global Compact: Initiative of the United Nations for sustainable and responsible corporate governance. Member companies commit to observing ten principles in the areas of human rights, labour standards, the environment, and anti-corruption measures.

UNICEF – United Nations Children's Fund: The children's fund of the United Nations, which implements programmes worldwide to protect and promote the rights of children.



VSoTr – Ordinance on Due Diligence and Transparency in relation to Minerals and Metals from Conflict-Affected Areas and Child Labour:

A Swiss ordinance governing the due diligence and reporting obligations to be observed by companies in accordance with Articles 964j–964l of the Swiss Code of Obligations with regard to minerals and metals from conflict-affected and high-risk areas and child labour.

WDPA – World Database on Protected Areas: Global database containing spatial information on officially designated protected areas worldwide. It serves as a central reference for the analysis of protected areas.



FSC®-certified companies

Company	Site	License code	Certificate code
Arbonia Doors AG	Arbon (CH)	FSC® C188065	SQS-COC-101343
Cicomol SA	Seiça (PT)	FSC® C135869	SGSCH-COC-100023
Dimoldura Group	Lalín (ES), Quintanar (ES), Etxarren (ES), Irurtzun (ES), Carregal do Sal (PT)	FSC® C135877	BMC-COC-006245
Garant Türen und Zargen GmbH	Amt Wachsenburg (D)	FSC® C114283	TUVDC-COC-100677
Invado Sp.z o.o.	Ciasna (PL)	FSC® C005006	PBN-COC-015584
Prüm-Türenwerk GmbH	Weinsheim (D)	FSC® C114007	TUVDC-COC-100620
RWD Schlatter AG	Roggwil (CH)	FSC® C014712	SQS-COC-100126

PEFC-certified companies

Company	Site	License code	Certificate code
Arbonia Doors AG	Arbon (CH)	PEFC/15-31-0152	SQS-PEFC-COC-47316
Dimoldura Group	Lalín (ES), Quintanar (ES), Etxarren (ES), Irurtzun (ES), Carregal do Sal (PT)	PEFC/14-35-00366	BMC-PEFC-COC-00321
Garant Türen und Zargen GmbH	Amt Wachsenburg (D)	PEFC/04-31-2110	DINC-PEFC-COC-000677
Invado Sp.z o.o.	Ciasna (PL)	PEFC/32-31-162	PBN-PEFC-COC-015584
Joro Türen GmbH	Renchen (D)	PEFC/04-31-2313	DINC-PEFC-COC-000963
Prüm-Türenwerk GmbH	Weinsheim (D)	PEFC/04-31-2057	DINC-PEFC-COC-000620
Rozière SAS	Bozouls (FR)	PEFC/10-31-662	QUAL-PEFC-COC-05069
RWD Schlatter AG	Roggwil (CH)	PEFC/15-31-0132	SQS-PEFC-COC-46364
TPO Holz-Systeme GmbH	Leutershausen (D)	PEFC/04-31-2313	DINC-PEFC-COC-000963



Corporate Governance report

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Corporate Governance report

This report complies with the guideline concerning information on corporate governance (RLCG) of 2 December 2025 of the SIX Exchange Regulation. Unless otherwise indicated, the disclosures apply as of 31 December 2025.



1. Group structure and shareholder base

1.1. Group structure

Board of Directors

Alexander von Witzleben
Chairman of the Board of Directors

Peter Barandun
Vice Chairman

Markus Oppliger

Michael Pieper

Thomas Lozser

Group Management

Claudius Moor
CEO

Uwe Schiller
CFO

Markus Hütt
COO

1.1.1. Operational Group structure

As of 31 December 2025, the operational Group structure of Arbonia AG comprises the Wood and Glass solutions business with the product groups "Wood" and "Glass".

As of 31 December 2025, Arbonia Group Management comprises the Chief Executive Officer ("CEO"), the Chief Financial Officer ("CFO") and the Chief Operating Officer ("COO"). Group Management is supported by Corporate Functions.

Alexander von Witzleben resigned as Executive Chairman of the Board of Directors as of 31 December 2024 and since then, has been serving as Chairman of the Board of Directors. Claudius Moor was appointed CEO of the Arbonia Group as of 1 January 2025.

The financial reporting is done in line with IFRS on the basis of the above divisional structure. The completion of the sale (closing) of the Climate division to Midea Electrics Netherlands B.V. took place on 26 February 2025.

1.1.2. Scope of consolidation

The scope of consolidation of Arbonia AG, headquartered in Arbon TG ("Arbonia" or the "company") comprises the Group companies listed in the financial report on [page 243–244](#) (collectively the "Group"). The name, registered office, and share capital of the Group companies, as well as the interests held by the Group, are also detailed on these pages. Arbonia shares are listed at the SIX Swiss Exchange in Zurich under securities number 11 024 060 (ISIN CH0110240600). Information about market capitalisation can be found in the Supplementary Information for Investors on [page 28](#). Other than Arbonia, none of the other Group companies included in the scope of consolidation are listed at any stock exchange in Switzerland or abroad.



1.2. Major shareholders

	31 December 2025		31 December 2024
	Voting and capital shares In %	Shareholding notification	Voting and capital shares In %
Artemis Beteiligungen I AG	22.58	17 December 2016	22.57
Leo Looser	3.03	17 April 2019	3.03
UBS Fund Management AG	6.47	7 May 2024	6.47

On 17 December 2016, Artemis Beteiligungen I AG, which is controlled by Michael Pieper, reported a shareholding of 20.02 % (www.ser-ag.com/en/resources/notifications-market-participants/significant-shareholders.html). As of 31 December 2024, the shareholding of Artemis Beteiligungen I AG amounts to 22.58 %.

On 7 May 2024, UBS Fund Management (Switzerland) AG reported a shareholding of 6.469 % (www.ser-ag.com/en/resources/notifications-market-participants/significant-shareholders.html).

Arbonia is not aware of any shareholders' agreements among its shareholders.

1.3. Cross-shareholdings

No cross-shareholdings of more than 5 % of the votes or the capital exist between Arbonia and other companies.

2. Capital structure

2.1. Capital

As of 31 December 2025, the ordinary capital of Arbonia is CHF 13 894 648.60, the conditional capital for convertible bonds and options, option rights, and similar forms of financing is CHF 2 760 000, and the conditional capital for rights of employees and members of the Board of Directors for the acquisition of shares is CHF 2 100 000. The capital band has a lower threshold of CHF 12 514 648.60 and an upper threshold of CHF 16 654 648.60. The company has no authorised capital. Finally, the company has not issued any participation certificates or dividend right certificates, and there are no convertible bonds or options issued by Arbonia AG outstanding.

The ordinary capital is detailed in point 48 of the notes to the consolidated financial statements on [page 227](#).

	Quantity	Nominal value	Share capital
Registered shares 31 December 2024	69 473 243	4.20	291 787 620.60
Registered shares 31 December 2025	69 473 243	0.20	13 894 648.60

2.2. Capital band and conditional capital

Capital band

The capital band has a lower threshold of CHF 12 514 648.60 and an upper threshold of CHF 16 654 648.60. Accordingly, the capital may currently be increased by 13 800 000 registered shares with a nominal value of CHF 0.20 per share and decreased by CHF 6 900 000 registered shares with a nomi-

nal value of CHF 0.20. The nominal value may be reduced to no less than CHF 0.18. The capital band is valid until 20 April 2028.

In certain circumstances, the Board of Directors can exclude the subscription right of shareholders in whole or part in favour of third parties. Shares can be issued in one or multiple stages.

The capital band and conditional capital are available on an alternative instead of a cumulative basis. If new shares are issued based on the capital band, the conditional capital shall also decrease by the same amount as the capital band.

The capital band was not used in 2025.

Conditional capital

The share capital can be increased for financing purposes (convertible bonds and options, option rights, and similar forms of financing) by a maximum of CHF 2 760 000 by issuing a maximum of 13 800 000 registered shares with a nominal value of CHF 0.20 each, which shall be fully paid up. The share capital can be increased for employee participation purposes by a maximum of CHF 420 000 by issuing a maximum of 2 100 000 registered shares with a nominal value of CHF 0.20 each, which shall be fully paid up. These registered shares are to be issued upon exercise of option rights granted in conjunction with convertible bonds, bonds with option rights, or similar forms of financing offered by Arbonia or one of its subsidiaries. Shareholders' subscription rights are excluded.



If new shares are issued based on the conditional capital, the capital band shall also decrease by the same amount as the conditional capital.

The conditional capital was not used in 2024.

Group of beneficiaries, conditions, and modalities

The group of beneficiaries and the conditions and modalities for issuing shares from the capital band and the conditional capital are described in Article 3a, Article 3b, and Article 3c of the Articles of Association (including with reference to Article 5 of the Articles of Association). The Articles of Association are available at www.arbonia.com/en/investors/corporate-governance.

2.3. Changes in capital

After the General meeting of 25 April 2025 approved the nominal value reduction of CHF 4.00 to CHF 0.20, the share capital is CHF 13 894 648.60, which is fully paid and divided into 69 473 243 shares with a nominal value of CHF 0.20 each. Apart from this, it remained unchanged for the previous three reporting years (2022 – 2024).

2.4. Shares and participation certificates

The company has issued 69 473 243 registered shares at a nominal value of CHF 0.20. Each registered share grants the same entitlement to receive dividends and represents one vote at the General Meeting. No preferential rights have been granted. The company has not issued any participation certificates.

2.5. Dividend right certificates

The company has not issued any dividend right certificates.

2.6. Limitations on transferability and nominee registrations

2.6.1. Limitations on transferability

On request, purchasers and beneficiaries of registered shares are registered in the share register as shareholders with voting rights if they expressly declare that they have purchased and will maintain the shares in their own name and for their own account.

2.6.2. Granting of exceptions

The company's Articles of Association do not permit any exceptions to the rules described above in 2.6.1. Accordingly, the Board of Directors did not grant any exceptions in the reporting year.

2.6.3. Nominee registrations

Nominees are persons who, on applying for registration, do not explicitly declare that they hold the shares for their own account and with whom the Board of Directors has signed an agreement to this effect. No nominee is entered in the share register with voting rights for more than 3 % of the registered share capital entered in the Commercial Register. Beyond this limit, a nominee is only entered in the share register with voting rights insofar as he or she discloses the names, addresses, and shareholdings of the persons for whose account he or she holds 0.5 % or more of the registered share capital entered in the share register. In the event of such a disclosure, the nominee concerned is entered in the share register with voting rights up to a maximum of 8 % of the registered share capital entered in the Commercial Register.

2.6.4. Procedure and requirements for limitations on transferability

Under Article 13 (7) of the Articles of Association (www.arbonia.com/en/investors/corporate-governance), limitations on the transferability of registered shares require the approval of at least two thirds of the voting shares represented and the majority of the nominal share values represented.

2.7. Convertible bonds and options

There are no outstanding convertible bonds or options issued by Arbonia.

3. Board of Directors

The Board of Directors of Arbonia consists of experts who cover all key subject areas of Arbonia as a focused building components supplier. The Board of Directors attaches due importance to the diversity of the body, reflecting one of the Group's corporate principles. The Board of Directors does not meet the recommended quota for women at present. There were no vacancies to fill in the reporting year or in previous years, which is the reason why continuity in the existing composition was prioritised. In general, professional qualifications are the main focus for all new appointments. The aim for future new appointments is to take the statutory gender guidelines into account.

3.1. Members of the Board of Directors

As of 31 December 2025, the Board of Directors consisted of the following members:



Alexander von Witzleben

1963, German citizen, resident in Erlenbach ZH, degree in business management, from 17 April 2015 to 30 June 2015 Chairman of the Board of Directors, from 1 July 2015 to 22 April 2022 Chairman and delegate of the Board of Directors as well as interim CEO, and from 22 April 2022 to 31 December 2024 Executive Chairman of the Board of Directors (see 3.5). As of 1 January 2025 Chairman of the Board of Directors. 1990–1993 KPMG Deutsche Treuhand Gesellschaft, Munich (D); 1993–1995 Head of Central Finance/Controlling JENOPTIK AG, Jena (D); 1996–2003 member of the Board of Directors, CFO, JENOPTIK AG, Jena (D); 2003–2007 Chairman of the Board of Directors, CEO, JENOPTIK AG, Jena (D); 2007–2008 member of the Board of Directors of Franz Haniel & Cie. GmbH, Duisburg (D); since 2009 Chairman of the Board of Directors of Feintool International Holding AG, Lyss and interim CEO in 2009. Alexander von Witzleben was a member of the management board of Arbonia on an interim basis until 22 April 2022. Aside from this, he has no material business relationships with Arbonia or its Group companies.

Other activities and vested interests: member of the Board of Directors of KAEFER SE & Co. KG, Bremen (D); Chairman of the supervisory board of VERBIO SE, Leipzig (D); member of the supervisory board of Siegwerk Druckfarben AG & Co. KGaA, Siegburg (D); member of the Board of Directors of Innoviz Technologies Ltd, Nitzba (IL).



Peter Barandun

1964, Swiss citizen, resident in Einsiedeln SZ, Executive MBA HSG, since 17 April 2015 non-executive Vice Chairman of the Board of Directors (2014–2015 non-executive member of the Board of Directors). 1995–1996 Head of Sales Switzerland/member of the management board of Bauknecht AG, Lenzburg; 1996–2002 Managing Director of the divisions Electrolux and Zanussi Electrolux AG, Zurich; since 2002 CEO of Electrolux Switzerland/Chairman of the Board of Directors of Electrolux AG, Zurich. Peter Barandun has never been part of the management board of Arbonia or one of its Group companies. He has no material business relationships with Arbonia or its Group companies.

Other activities and vested interests: Chairman of the Board of Directors of Electrolux AG, Zurich ZH; Vice Chairman of FEA (Swiss Association of the Domestic and Industrial Electrical Appliances), Zurich ZH; President of the Presidium of the Swiss-Ski association, Worblaufen near Bern BE.



Markus Oppliger

1959, Swiss citizen, resident in Wangs SG, Swiss cert. expert in accounting and controlling, Swiss cert. auditor, non-executive member of the Board of Directors since 19 April 2013. 1978–1983 Prefera Treuhandgesellschaft Sargans; 1983–1988 Bank in Liechtenstein/Prince of Liechtenstein Foundation; 1989–2013 at Ernst & Young, from 1996 partner and from 2009 Quality & Risk Management Leader of the Advisory Services of Ernst & Young GSA (Germany, Switzerland, Austria); since 2013 various consulting mandates as an independent management consultant and owner of Oppliger Management Consulting. Markus Oppliger has never been part of the management board of Arbonia or one of its Group companies. He has no material business relationships with Arbonia or its Group companies.

Other activities and vested interests: Chairman of the Board of Directors of Pizolbahnen AG, Bad Ragaz SG; judge at the commercial court in the canton of St. Gallen for the term of office 2023/2029; member of the Board of Directors of St. Gallisch-Appenzellische Kraftwerke AG, St. Gallen SG; member of the Board of Directors of Heidiland Tourismus AG, Bad Ragaz SG; active as a consultant to various companies, whereby his consulting activities do not present any conflicts of interest with the Arbonia Group.



Michael Pieper

1946, Swiss citizen, resident in Hergiswil NW, lic. oec. HSG, since 17 April 2015 non-executive member of the Board of Directors. Since 1989 owner and CEO of the Franke/Artemis Group; 1989–2012 CEO of the Franke Group, since 2013 CEO of the Artemis Holding AG and its worldwide group companies. Michael Pieper controls the largest shareholder in Arbonia (see 1.2). Michael Pieper has never been part of the management board of Arbonia or one of its Group companies. He has no material business relationships with Arbonia or its Group companies.

Other activities and vested interests: member of the Board of Directors of Franke Holding AG, Aarburg AG; member of the Board of Directors of BERGOS AG, Zurich ZH; Vice Chairman of the Board of Directors of Forbo Holding AG, Baar ZG; member of the Board of Directors of Autoneum Holding AG, Winterthur ZH; member of the Board of Directors of Reppisch-Werke AG; Dietikon ZH; member of the supervisory board of Duravit AG, Hornberg (D); member of the Advisory Board South of Deutsche Bank AG, Frankfurt am Main (D).



Thomas Lozser

1961, Swiss and US citizen, resident in Novi, Michigan (USA), degree in engineering from ETH, MBA, since 13 December 2016 non-executive member of the Board of Directors. 1988–1992 various leadership positions at MPI International, Rochester Hills, Michigan (USA); 1992–1998 General Manager/President, Kautex Textron, Avilla, Indiana (USA); 1998–2000 Senior Vice President Operations, Kautex Textron, Troy, Michigan (USA); 2000–2002 President and shareholder, Magnetic USA Inc., Olney, Illinois (USA); following the takeover by SKF USA Inc. 2002–2005 Vice President Sales Linear Technology, SKF USA Inc. Bethlehem, Pennsylvania (USA); 2005–2010 CEO of the Coatings business unit at the former Looser Group, Arbon; independent entrepreneur since 2010. Thomas Lozser has never been part of the management board of Arbonia. He has no material business relationships with Arbonia or its Group companies.

Other activities and vested interests: member of the Board of Directors of I&W Engineering AG, Rapperswil-Jona SG; board observer of Helvetica Capital AG, Zurich ZH; active as a consultant to various companies, whereby his consulting activities do not present any conflict of interest with the Arbonia Group.

After the sale of the Climate division, the Board of directors decided to reduce the number of its members from previously eight to five members. Therefore, the term of its members Heinz Haller, Peter E. Bodmer and Dr. Carsten Voigtländer ended on 25 April 2025.



The members of the Board of Directors have a wide variety of competences that enable them to execute their mandate in the highest governance body of Arbonia.

	Alexander von Witzleben	Peter Barandun	Markus Oppliger	Michael Pieper	Thomas Lozser
Management experience	x	x	x	x	x
Finance, audit, risk management	x		x	x	x
Compliance, regulations, legal	x		x		
Capital market, M&A	x		x	x	x
Competencies in related industrial sectors	x	x	x	x	x
Sector-specific experience	x	x	x	x	x
International business experience	x	x	x	x	x
Digitisation, technologies		x	x		
Strategy, transformation processes	x	x		x	x
Human resources, compensation	x	x	x	x	x
Environment, social issues, governance			x	x	
Anchor shareholder representative	x			x	x



3.2. Number of permitted mandates

Members of the Board of Directors may have a maximum of 16 mandates outside the Group, of which no more than 5 may be with listed companies and no more than 8 with companies subject to regular auditing (including the 5 listed companies). Additionally, members of Board of Directors may exercise a maximum of 5 mandates for charitable organisations. For the calculation of the maximum number of mandates, the mandate as Chairperson of the Board of Directors at a company subject to regular auditing counts as two mandates.¹ Mandates at different companies belonging to the same corporate group count as one mandate. More details on the regulation for the number of permitted mandates can be found in Article 29 of the Articles of Association (www.arbonia.com/en/investors/corporate-governance).

¹ However, the mandate as Chairperson of the supervisory board only counts as one mandate.

* The election took place on 1 November 2016 and the assumption of office took place on 13 December 2016.

3.3. Election and term of office

The Chairperson of the Board of Directors and the other members of the Board of Directors are individually elected by the General Meeting for a term of office of one year. The members of the Board of Directors may be re-elected. The terms of office of the current members of the Board of Directors are as follows:

Board of Directors	Year of birth	First election	End of the term of office
Alexander von Witzleben, Chairman	1963	2015	2026
Peter Barandun, Vice Chairman	1964	2014	2026
Markus Oppliger	1959	2013	2026
Michael Pieper	1946	2015	2026
Thomas Lozser	1961	13 December 2016*	2026

3.4. Internal organisation

3.4.1. Allocation of tasks within the Board of Directors

Alexander von Witzleben has been Chairman of the Board of Directors since 1 January 2025; the Vice Chairman is Peter Barandun. Markus Oppliger acts as Lead Director. The Board of Directors is supported by an audit committee and a Nomination and Compensation Committee.

3.4.2. Committees of the Board of Directors

The duties, responsibilities, and working procedures of the committees are laid down in the by-laws (www.arbonia.com/en/investors/corporate-governance). The Board of Directors appoints the members of the committees, with the exception of the Compensation Committee, whose members are elected by the General Meeting. The Chairpersons of the committees are appointed by the Board of Directors.

3.4.2.1. Audit committee

The audit committee is convened by the Chairperson as often as business requires, but at least three times a year. It consists of three members. All three members of the audit committee are non-executive and one member is independent. All members of the audit committee have experience in finance and accounting.

The audit committee reviews the effectiveness of the external and internal auditors, the internal control system including risk management, the compliance with standards from a financial and legal perspective, the accounting system, the financial reports, as well as the performance, fees, and independence of the external auditors. It draws up a recommendation to the Board of Directors regarding the submission of the financial statements to the General Meeting. Within the scope of these duties, the audit committee has comprehensive rights of inspection and information. It may order investigations and involve external consultants.

Internal Audit reports to the audit committee as an independent, Group-wide auditing and monitoring body (see 3.6 below). The audit committee is authorised to make decisions regarding the tasks entrusted to it, provided that the respective matter does not concern a non-delegable and inalienable duty of the Board of Directors pursuant to Article 716a of the Swiss Code of Obligations. The committee may submit issues within the scope of its decision-making powers to the Board of Directors.



The committee consists of the following members:

- Markus Oppliger, Chairman
- Alexander von Witzleben
- Thomas Lozser

The audit committee met a total of four times during the reporting year; three of these meetings were ordinary and one was extraordinary. The extraordinary meeting was held as video conference. The members of Group Management attended all meetings. Both the external statutory auditor and internal audit attended all the three ordinary meetings. At each following meeting of all members of the Board of Directors, the Chairman reports on the findings and resolutions of the audit committee. The three ordinary meetings of the audit committee lasted 2.5 hours on average, and the extraordinary meetings lasted one hour. The attendance rate was 100 % for all four meetings. In the reporting year, in addition to the annually recurring topics, the audit committee focused on various aspects of the sale of the Climate Division as well as the adaptation of the internal reporting processes relevant to the new organisation of Arbonia.

3.4.2.2. Nomination and Compensation Committee

The members of the Compensation Committee were elected by the General Meeting, which took place on 25 April 2025. The members of the Compensation Committee also carry out the duties of the Nomination Committee. All members of the Nomination and Compensation Committee are non-executive and two are independent.

The Nomination and Compensation Committee is convened by the Chairperson of the Committee as often as business requires, but normally two to three times a year. The Nomination and Compensation Committee gives the Board of

Directors recommendations regarding the Group's salary policy and compensation system, among other things. The Nomination and Compensation Committee determines the salaries of the individual members of Group Management. It approves, in principle, bonus programmes and profit-sharing schemes for employees as well as pension fund solutions and benefit plans. The Nomination and Compensation Committee is also responsible for the preparation of the Compensation Report and the request to all members of the Board of Directors for approval of the compensation of the members of the Board of Directors and Group Management for the attention of the General Meeting. Furthermore, the Nomination and Compensation Committee determines the principles for the selection of candidates for election to the Board of Directors and Group Management. It identifies suitable candidates for the Board of Directors and Group Management and conducts the requisite selection procedures. The Nomination and Compensation Committee also determines the principles for the management and development of the members of the Board of Directors and Group Management. It evaluates the performance of the members of Group Management. In the reporting year, the Nomination and Compensation Committee focused on the annually recurring topics in connection with compensation.

Essentially, the Nomination and Compensation Committee performs a supporting and preparatory role to the benefit of all members of the Board of Directors.

The Nomination and Compensation Committee is only authorised to make decisions regarding the tasks expressly delegated to it under the Group's regulation of powers. All members of the Board of Directors decide on matters not expressly delegated to the Nomination and Compensation

Committee under the regulation of powers. The committee may submit issues within the scope of its decision-making powers to the Board of Directors.

The Nomination and Compensation Committee consists of the following members:

- Peter Barandun, Chairman
- Alexander von Witzleben
- Markus Oppliger

During the reporting year, the Nomination and Compensation Committee held two ordinary meetings and two extraordinary meetings. The two ordinary meetings and two extraordinary meeting lasted one hour each, the extraordinary meetings were held as videoconferences. The attendance rate was 100 % for all meetings. The members of Group Management attended the two ordinary meetings. At each following meeting of all members of the Board of Directors, the Chairman reports on the findings and resolutions of the Nomination and Compensation Committee. The meeting minutes of the Nomination and Compensation Committee are provided to all members of the Board of Directors for inspection.



3.4.3. Working procedures of the Board of Directors

The Chairperson convenes the Board of Directors as often as business requires, but at least four times a year. During the reporting year, the Board of Directors met for five ordinary and two extraordinary meetings. The ordinary meetings normally lasted half or a full day and took place physically. The two extraordinary meetings were held as videoconferences and lasted one hour on average. In the reporting year, the Board of Directors also passed one resolution by circular letter. All five ordinary meetings and two extraordinary meetings were attended by all members of the Board of Directors.

In the reporting year, the Board of Directors performed its duties directly. The members of Group Management also attended the five ordinary and one of the two extraordinary meetings. Managers are regularly invited to meetings to discuss issues that fall within their field of responsibility or scope of activities.

3.5. Regulation of powers

The Board of Directors is responsible for guiding, supervising, and monitoring management. It represents the company externally and attends to all matters that are not transferred to another body within the company on the basis of legislation, Articles of Association, or regulations.

The Board of Directors enacts the necessary regulations, instructions, and guidelines and establishes the organisational structure and risk policy.

The main duties of the Board of Directors are:

- Guidance of the Group and issuing of necessary instructions;
- Establishment of the Group's organisational structure;
- Appointment and dismissal of persons entrusted with management and representation;
- Supervision of persons entrusted with management, specifically with regard to compliance with legislation, Articles of Association, regulations, and instructions;
- Structuring of the accounting system, financial control, and financial planning;
- Preparation of the Annual Report and the Compensation Report, as well as preparation for the General Meeting and implementation of its resolutions;
- Preparation of compensation requests for the General Meeting;
- Determination of the capital structure of the company;
- Issue of bonds, participation certificates, convertible bonds, options, as well as determination of the terms and conditions;
- Determination of the strategy of the company, and the subsidiaries;
- Decisions concerning investments, joint ventures, real estate, and shareholdings, where these are of particular importance to the company and exceed a certain level;
- Annual risk assessment for the company;
- Submission of a request for a composition moratorium and notification of the court in the event of over-indebtedness.

The division of powers between the Board of Directors and Group Management is set out in detail in the by-laws (www.arbonia.com/en/investors/corporate-governance) and in the regulation of powers. Unless otherwise stated in legislation, the Articles of Association, or the by-laws, the Board of Directors otherwise delegates management entirely to Group Management, headed by the of the Board of Directors, pursuant to Article 2.5 of the by-laws (www.arbonia.com/en/investors/corporate-governance).

The CEO is responsible for convening and chairing meetings of the Group Management. The CEO leads the Group Management in accordance with the resolutions of the Board of Directors with a view to achieving the budget and medium-term planning as well as the strategic goals. The other two members of the Group Management report directly to the CEO.

Additionally, the Group Management participates in the so called Business review meetings. Business review meetings cover topics including the current course of business and ongoing issues in the areas of marketing & sales, operations, purchasing, research & development, as well as mergers & acquisitions. At the business review meetings, any proposals that the divisions intend to submit to Group Management and, where appropriate, the Board of Directors are discussed in advance.



3.6. Information and control instruments vis-à-vis the management board

Through various channels, the Board of Directors is regularly updated on the activities of Group Management and the companies activities. The management information system (MIS) provides the members of the Board of Directors with key information about the financial and income situation of the Group on a monthly basis. The CEO reports regularly to the Board of Directors at ordinary Board of Directors meetings and without delay in the event of extraordinary developments. The members of Group Management regularly attend ordinary and extraordinary meetings of the Board of Directors and report on the course of business in their areas. As a rule, the members of the Board of Directors may request any additional information required to carry out their tasks.

The external statutory auditor provides the audit committee with information on the main findings of the audit. Where required, the Chairperson of the audit committee also informs the other members of the Board of Directors regarding his or her findings.

The principal role of Internal Audit is to monitor processes and structures throughout the Group. Internal Audit is also responsible for the risk management process. Internal Audit summarises the audits it is to carry out in an annual audit plan. This audit plan also incorporates the risks identified in the framework of the risk management process that is performed every year. The audit plan is approved by the audit committee. The audit committee also assigns special audit assignments to Internal Audit as and when required. The respective audit findings are discussed with the audit committee and communicated to the Board of Directors in writ-

ing. Internal Audit provided the members of the Board of Directors with nine audit reports during the reporting year. If material risks are identified, measures are defined to reduce them. Internal Audit adopts a systematic approach to monitoring risks and measures, and carries out its work in accordance with the international standards governing internal auditors' professional duties. It regularly reports to the audit committee and Board of Directors on the scale of risks and any changes to the risk situation as well as the status of measures implemented. The Board of Directors received a total of four written reports on the implementation of measures during the reporting year. The external auditors also have access to all audit reports and the reports from the ongoing monitoring of risks and measures. Additionally, Internal Audit issued three status reports informing the audit committee and the Board of Directors about the key findings from the audits and the current status of the internal control system (ICS).

Furthermore, the audit committee and Board of Directors are informed about the results of the risk management process.

The audit committee is also informed about incoming whistleblowing reports. Reports of this nature are handled by three internal contacts at Group level and, in line with the EU Whistleblowing Directive and its implementation in the respective national law of the affected EU member states, contacts within the individual Group companies. All Arbonia employees are requested to report any violations of the Code of Conduct of which they become aware (www.arbonia.com/en/investors/corporate-governance).



4. Group Management

4.1. Members of Group Management

As of 31 December 2025, Group Management consisted of the following members:



Claudius Moor

1983, Swiss citizen, Master in Information, Media, and Technology Management, University of St. Gallen (HSG).

CEO of the Doors Division from 2020–2024 as well as 2019–2023 Managing Director Sales & Marketing at Prüm and Garant; 2017–2020 member of the Doors Division management; 2015–2017 Head of Group Strategy and Company Development; 2010–2015 business consultant and project manager at The Boston Consulting Group.

Other activities and vested interests: Chairman of the advisory board of KIWI.KI Berlin (D); member of the advisory board of Griffwerk GmbH, Blaustein (D).

Claudius Moor has been CEO of Arbonia AG since January 2025.



Uwe Schiller

1967, German and Swiss citizen, B.Sc. and Ph.D., Sheffield Hallam University, Great Britain.

2022–2024 Group CFO Eraneos Group, Zurich; 1999–2021 various positions at Sunrise Communications AG, Zurich: most recently 2020–2021 Chief Financial Officer, 2012–2020 Head of Finance, Accounting, and Investor Relations, 2010–2012 Head of Treasury and Investor Relations, 2007–2010 Head of Corporate Controlling; 1996–1999 development engineer at Philips Semiconductors, Zurich.

Further activities and vested interests: Member of the foundation board of Quellenhof-Stiftung, Winterthur ZH.

Uwe Schiller has been CFO of Arbonia AG since October 2024.



Markus Hütt

1963, German citizen, studies of Business administration, University of Applied Sciences Wiesbaden (D)

2020–2025 Co-CEO of the Arbonia's Doors Division and Head of Business Unit Glass Solutions; 2013–2020 CEO JELD-WEN Central Europe; 2010–2013 Managing director JELD-WEN Deutschland GmbH & Co. KG; 2008–2010 Managing director VIGOUR GmbH (Cordes und Graefe Group); 2007–2008 Head of Sales and Marketing Vieler GmbH & Co. KG; 2002–2007 Head of Sales and Marketing KEUCO GmbH & Co. KG; 1994–2002 Department manager barrier-free living HEWI Heinrich Wilke GmbH; 1990–1994 Product management B. Braun Melsungen AG.

Further activities and vested interests: Member of advisory board of Förderkreis der GGT, Gesellschaft für Gerontechnik in Iserlohn (D).

Markus Hütt has been COO of Arbonia AG since March 2025.



4.2. Number of permitted mandates

Members of Group Management may have a maximum of five mandates outside the Group, of which no more than one may be with a listed company and no more than two with companies subject to regular auditing (including the one listed company). More details on the regulation of the number of permitted mandates can be found in Article 29 of the Articles of Association (www.arbonia.com/en/investors/corporate-governance).

4.3. Management contracts

Arbonia has not signed any management contracts with companies or natural persons outside the Group.

5. Compensation, shareholdings, and loans

5.1. Content and determination procedure for compensation and the shareholding programmes

The basis and elements of compensation and the shareholding programmes as well as the procedure for their determination are presented in the Compensation Report ([pages 153 – 159](#)).

5.2. Principles of performance-related compensation, the allocation of shares, and the determination of the additional amount

Members of Group Management receive variable compensation, which depends on particular success criteria. The variable compensation can include a cash portion and a portion in temporarily blocked shares pursuant to the share-

based payment programme (see Article 22 (1) and (2) of the Articles of Association, www.arbonia.com/en/investors/corporate-governance).

The variable compensation depends on the company results. The success criteria must be determined by the Board of Directors taking the position and responsibility of the recipient into account on the motion of the Compensation Committee. They include corporate and/or personal goals. At the beginning of each financial year, the Board of Directors determines the corporate and/or personal goals. The target achievement is evaluated by the Compensation Committee after the financial year has ended and is determined by the Board of Directors upon request. A bonus amount is determined in individual agreements. In the case of full target achievement, 100 % of the bonus amount stipulated in an individual agreement is paid out. If the targets are exceeded, the variable compensation may exceed the bonus amount agreed in individual contracts up to a maximum amount. If the target achievement is below a particular threshold, no variable compensation is paid at all. The variable compensation is up to 150 % of the fixed compensation (see Article 24 (1) of the Articles of Association, www.arbonia.com/en/investors/corporate-governance).

According to Article 23 and Article 24 (2) of the Articles of Association (www.arbonia.com/en/investors/corporate-governance), the Board of Directors is authorised to award additional compensation to a member of Group Management in special situations. This is based on corporate and/or personal targets related to the special situation.

The Board of Directors determines the details of the allocation of shares to the members of the Board of Directors and Group Management in a share-based payment programme. Article 25 of the Articles of Association contains information on what the share-based payment programme covers (www.arbonia.com/en/investors/corporate-governance).

An additional amount is available for the compensation of newly appointed members of Group Management or members of the Board of Directors who take on new management tasks corresponding to a member of Group Management¹ if the compensation already approved for the period involved is insufficient. This additional amount may not exceed 80 % of the approved total compensation for Group Management for the person who is in charge of management and 40 % each for every other person entrusted with management tasks for the period involved. This regulation can be found in Article 27 of the Articles of Association (www.arbonia.com/en/investors/corporate-governance).

5.3. Loans, credit, and pension benefits

According to the regulation in Article 26 of the Articles of Association, Arbonia does not grant the members of the Board of Directors and Group Management any loans, credit, or pension benefits outside the occupational pension scheme or securities. Exempt from this are advances of social security and tax charges for persons subject to withholding tax (www.arbonia.com/en/investors/corporate-governance).

¹ In the reporting year, no members of the Board of Directors took on tasks corresponding to a member of Group management



5.4. Rules concerning voting at the General Meeting on compensation

Based on Article 23 (2) of the Articles of Association, the Board of Directors allows the General Meeting to approve the maximum compensation of the Board of Directors for the year of office ending at the corresponding General Meeting as well as the maximum fixed and variable compensation for Group Management for the past financial year retrospectively. Every year, the Board of Directors submits the Compensation Report for the past financial year to the General Meeting for consultative (non-binding) approval. More details on compensation voting can be found in Article 23 of the Articles of Association (www.arbonia.com/en/investors/corporate-governance).

6. Shareholders' participation right

The Articles of Association do not contain any regulations that deviate from the law with regard to participation in the General Meeting and the exercise of voting rights. Each share registered in the share register entitles the holder to one vote. Every shareholder may be represented at the General Meeting by a proxy furnishing written power of attorney or by the independent proxy (with written or electronic power of attorney).

According to the regulation in Article 12 (4) of the Articles of Association, the Board of Directors determines the requirements for the power of attorney and instructions for the independent proxy. Under this regulation, the Board of Directors is also entitled to determine the requirements for

electronic voting (www.arbonia.com/en/investors/corporate-governance).

According to Article 10 (5) of the Articles of Association, the General Meeting may be held at one or multiple locations at the same time; the Board of Directors may make provision for shareholders unable to attend the General Meeting in person to exercise their rights using electronic means. According to Article 10 (6) of the Articles of Association, the General Meeting may also be held exclusively using electronic means (including phone, videoconference, or other audiovisual or electronic means of communication) rather than at a specific location. The Board of Directors regulates the use of these electronic means and ensures that the identities of the participants are known, the votes in the meeting are transmitted immediately, each participant is able to submit motions and participate in the discussion, and the voting results cannot be falsified (www.arbonia.com/en/investors/corporate-governance).

6.1. Statutory quorums

Under Article 12 (6) of the Articles of Association, in the event of votes which do not produce a result in the first round, the relative majority decide in the second round. Apart from this, the Articles of Association do not contain any regulations that deviate from the law (www.arbonia.com/en/investors/corporate-governance).

6.2. Convocation of the General Meeting

The Articles of Association do not contain any regulations that deviate from the law. According to Article 9 (3) of the Articles of Association, the Board of Directors must issue invitations to Extraordinary General Meetings if shareholders who alone or collectively represent at least 5 % of the share capital or votes request a convocation in writing, specifying the agenda items and motions (www.arbonia.com/en/investors/corporate-governance).

6.3. Inclusion of items on the agenda

According to Article 9 (4) of the Articles of Association, shareholders who alone or collectively represent at least 0.5 % of the share capital or votes may (jointly) request the inclusion of items on the agenda. The inclusion of items on the agenda must be requested in writing at least 40 days before the meeting, with the agenda items and motions specified. Under the same conditions, shareholders may request that motions relating to agenda items are included in the convocation.

6.4. Entries in the share register

When sending invitations to the General Meeting, the Board of Directors will announce the date up to which entries can be made in the share register with regard to participation in the General Meeting. The invitation to the General Meeting, stating this date, will be published on the Arbonia website no later than 20 days before the General Meeting and can be accessed via the following link: www.arbonia.com/en/investors/publications.



7. Change of control and defence measures

7.1. Duty to make an offer

A purchaser of company shares must make a public offer as stipulated by Article 135 (1) of the Swiss Federal Act on Financial Market Infrastructures and Market Conduct in Securities and Derivatives Trading (FinfraG). There is no opting-out clause (Art. 125 (3) and (4) of the FinfraG) or opting-up clause (Art. 135 (1) of the FinfraG).

7.2. Change-of-control clauses

Arbonia has no agreements or plans for the benefit of members of the Board of Directors and/or Group Management or other members of senior management that contain change-of-control clauses. However, the share-based payment programme for members of Group Management and the Board of Directors allows the Board of Directors to cancel the vesting period for the transfer of the granted shares in the event of a change of control.

8. Statutory auditors

8.1. Duration of the mandate and term of office of the lead auditor

8.1.1. Date of assumption of the existing mandate

On 28 April 2017, the General Meeting elected KPMG AG, St. Gallen, as the new statutory auditor. They audited the 2025 Financial Statements and the consolidated financial statement of Arbonia.

8.1.2. Assumption of office of the lead auditor

David Grass has held the position of lead auditor since 19 April 2024.

8.2. Auditing fees

In 2025, the various statutory auditors billed a total of CHF 1 006 000 (previous year: CHF 1 412 000) for auditing the Financial Statements and consolidated financial statement of Arbonia and the Financial Statements of the Group companies. Of this amount, the statutory auditor KPMG AG accounted for CHF 870 000 (previous year: CHF 1 254 000) in 2025.

8.3. Additional fees

In 2025, the statutory auditor KPMG AG and other auditors of Group companies billed CHF 292 000 (previous year: CHF 437 000) for additional services, of which CHF 226 000 (previous year: CHF 303 000) was attributable to KPMG AG. Of the additional services performed by KPMG AG in 2025, CHF 187 000 was for tax advice and CHF 39 000 was for other services.

8.4. Informational instruments pertaining to the external auditors

In the reporting year, the external auditors attended three ordinary meetings of the audit committee. The audit committee monitors the qualification, independence, and performance of the external statutory auditors on behalf of the Board of Directors and reports to the Board of Directors on its findings. In the reporting year, the audit committee oversaw the activities of the external statutory auditors by having the reports on the Financial Statements, the consolidated financial statement, and the comprehensive report explained directly by the statutory auditors (see 3.4.2.1.). The

external and internal auditors also regularly discuss the methodology and further development of the internal control system (ICS). The internal and external auditors closely cooperate in the assessment of the existence of the ICS under Article 728a of the Swiss Code of Obligations and the evaluation of the effectiveness and efficiency of the ICS. The following factors are considered in the choice of external auditors: professional expertise, international network (representation in the relevant countries), value for money, industry experience, as well as the continuity and rapid availability of the audit team.

At the request of the external statutory auditor, the audit committee approves the audit fees and reviews them in light of developments in the previous year and an assessment of performance to ensure that they are appropriate. In accordance with the legal requirements, the external auditors' lead auditor is rotated at least once every seven years.

9. Information policy

Arbonia pursues an open information policy towards the public and financial markets, based on the principles set out in the SIX Exchange Regulation listing rules and directives and in the Swiss Code of Best Practice for Corporate Governance. Through the annual report, Arbonia provides information about business performance, organisation, and strategy. Integral parts of the annual report are the management report starting on [page 2](#), the sustainability report including the reporting on non-financial matters starting on [page 37](#), and the Compensation Report starting on [page 145](#). Arbonia's First Semester Financial Report contains the consolidated income statement, the statement of compre-



hensive income, the balance sheet, the cash flow statement, and the statement of changes in equity. In the reporting year, Arbonia published eight press releases. In addition to this, Arbonia provides comprehensive information on its operating activities at its annual financial media and analyst conference. Arbonia also fosters dialogue with investors and the media at special events and roadshows.

Arbonia's contact details are as follows:

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Amriswilerstrasse 50, 9320 Arbon, Switzerland
T +41 71 447 41 41
holding@arbonia.com

All company information is available on the website www.arbonia.com. Interested parties can subscribe to press releases at www.arbonia.com/en/media-releases, and Arbonia publications can be ordered at www.arbonia.com/en/investors/publications. All published press releases can be viewed at www.arbonia.com/en/media-releases.

The calendar of events is provided on [page 268](#) of the annual report and on the Arbonia website at www.arbonia.com/en/investors/events.

10. Blackout periods

Arbonia regulates the ordinary and extraordinary blackout periods in the Guidelines for the Prevention of Insider Trading and Market Manipulation. The ordinary blackout periods are ordered before the publication of the net earnings for the year and the half-year results respectively. The members of the Board of Directors, Group Management, including their assistants as well as all other employees who have access to the financial figures of Arbonia, in particular employees in the areas of Group Controlling, Finance, Investor Relations, Corporate Communications, and the General Secretariat, are informed via e-mail of 1.) the beginning of a vesting period, 2.) its duration, 3.) the trading ban on Arbonia securities, and 4.) the prohibition against providing tips to third parties. A total of approximately 45 persons are affected by the ordinary vesting periods. The vesting period in respect to the publication of the net earnings for the year starts on the Friday before Christmas and lasts up to and including the day of publication. The vesting period in respect to the half-year results begins on 30 June and lasts up to and including the day of publication. In the reporting year, no exceptions to these rules were granted.



Compensation report

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Compensation report

This Compensation report presents the compensation governance, the principles of the compensation system, as well as the structure of the compensation of the Board of Directors and Group Management of Arbonia AG (in the following "Arbonia").

In addition, this report contains information on 1.) the compensation of the Board of Directors and Group Management in the financial year 2025, 2.) the roles with economic purpose that the members of the Board of Directors and Group Management exercise at other companies, and 3.) the shareholding rights held by the members of the Board of Directors and Group Management.

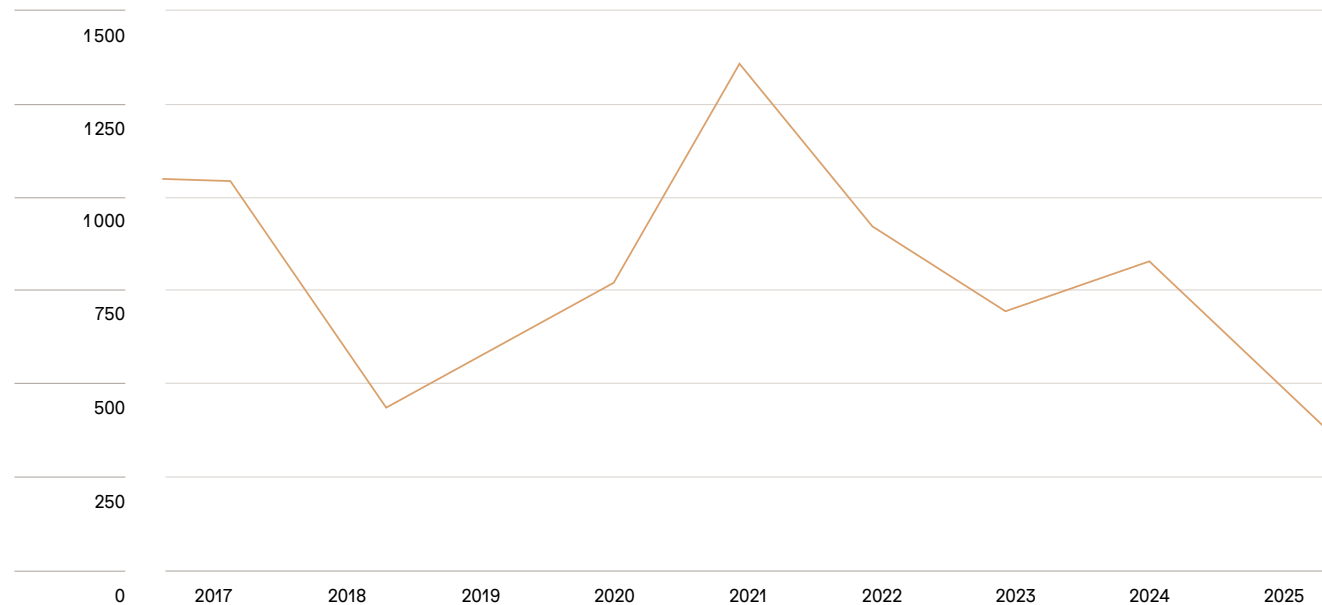
The Compensation Report has been compiled in accordance with the regulations on compensation at companies whose shares are listed at a stock exchange in the Swiss law that supplements the Swiss Civil Code (Part Five: Code of Obligations) in the fourth section on corporate law (in the following "Code of Obligations") and the directive on information relating to corporate governance (RLCG) of 29 June 2022 of the SIX Exchange Regulation. The information relates to the reporting year 2025 unless otherwise indicated.

The statutory auditor has audited the 2025 Compensation Report for compliance with legal provisions and the Articles of Association. The audit report is found on pages 167 – 169.



Stock market capitalisation

in CHF million as of 31 December



Motions to the 2026 General Meeting

in 1 000 CHF

Total compensation in year of office 2025 / 2026
Board of Directors

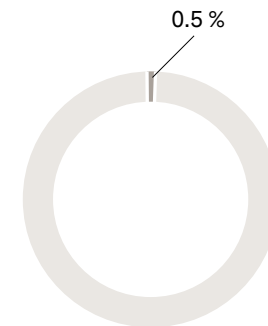
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Total compensation in financial year 2025
Group Management

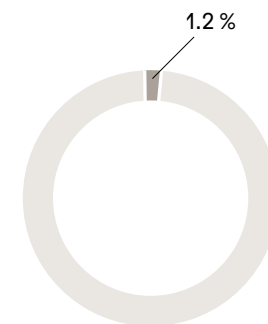
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Total compensation in financial year 2025¹

Share of the total costs of the Group²



Share of the personnel expenses of the Group



¹ Members of the Board of Directors and Group Management
In relation to the costs from continuing and discontinued operations

² Personnel costs, material costs, other expenses



1. Governance

1.1. Composition of the Nomination and Compensation Committee

According to Article 19 of the Articles of Association of Arbonia (www.arbonia.com/en/investors/corporate-governance; in the following "Articles of Association") and the by-laws (www.arbonia.com/en/investors/corporate-governance), the Nomination and Compensation Committee is comprised of two or more members.

The members of the Nomination and Compensation Committee are elected by the General Meeting for one year of office. The Chairperson of the Nomination and Compensation Committee is appointed by the Board of Directors at the request of the committee members.

At the ordinary General Meeting of 25 April 2025, Peter Barandun and Alexander von Witzleben were re-elected as members of the Nomination and Compensation Committee. As a new member, Markus Oppliger was elected to the Nomination and Compensation Committee. At the constituent meeting of the Board of Directors on the same day, Peter Barandun was in turn appointed Chairman of the Nomination and Compensation Committee.

In the year of office 2025/2026, the Nomination and Compensation Committee was composed as follows:

Members	Roles
Peter Barandun	– Chairman of the Nomination and Compensation Committee – Vice Chairman of the Board of Directors
Alexander von Witzleben	– Member of the Nomination and Compensation Committee – Member of the audit committee – Chairman of the Board of Directors
Markus Oppliger	– Member of the Nomination and Compensation Committee – Chairman of the audit committee – Member of the Board of Directors

All members of the Nomination and Compensation Committee are non-executive members of the Board of Directors. The Chairman as well as another member of the Nomination and Compensation Committee are independent board members. Alexander von Witzleben was the delegate of the Board of Directors and interim CEO until 22 April 2022. After 22 April 2022 until 31 December 2024, Alexander von Witzleben held the office of Executive Chairman of the Board of Directors. Since 1 January 2025, Alexander von Witzleben has exclusively been Chairman of the Board of Directors.



1.2. Responsibilities

The Nomination and Compensation Committee is responsible for the Group's compensation policy, especially at the top corporate level. In addition, the committee assists the Board of Directors in identifying and selecting candidates for the Board of Directors and Group Management. The duties and competencies of the Nomination and Compensation Committee are set out in the Articles of Association (www.arbonia.com/en/investors/corporate-governance), in the by-laws (www.arbonia.com/en/investors/corporate-governance), as well as in the regulation of powers. The committee submits motions for decision to the Board of Directors and makes proposals and recommendations.

The tasks of the Nomination and Compensation Committee include, i. a.:

- Periodic review of the salary policy and the compensation system
- Annual review of the compensation of the Board of Directors and Group Management
- Assessment of the performance of the members of Group Management
- Identification of candidates for the Board of Directors and Group Management
- Determining the principles for the management and development of the members of the Board of Directors and Group Management
- Approval of bonus programmes and employee participation plans, as well as pension fund solutions and pension plans in principle
- Determining measures to ensure compliance with legal gender quotas

The responsibilities for the most important compensation issues on the level of the General Meeting, the Board of Directors, and the Nomination and Compensation Committee are shown in the following table:

Topic	General Meeting	Board of Directors	Nomination and Compensation Committee
Development and periodic review of the salary policy and the compensation system		Decision	Motion
Determination of a bonus and share-based payment programme		Decision	Motion
Determination of the compensation of the Board of Directors (Chairperson, Vice Chairperson, members of the Board of Directors, committee Chairpersons, committee members)		Decision	Motion
Individual determination of the compensation of the Chairperson of the Board of Directors and the members of Group Management		Decision	Motion
Determination of the bonus targets for the current financial year		Decision	Motion
Individual assessment of the performance of the members of Group Management, and determination of the variable compensation based on the degree of target achievement		Decision	Motion
Retrospective approval of the total compensation of the Board of Directors and Group Management	Decision	Motion to the General Meeting	Motion
Compensation Report	Consultative voting	Motion to the General Meeting	Motion



1.3. Meetings, information policy, and abstention regulations

The Nomination and Compensation Committee convenes as often as necessary; however, at least twice a year. In the reporting year, the members of the Nomination and Compensation Committee met for two ordinary meetings and one extraordinary meeting. The latter was held as a video-conference. The two ordinary meetings lasted for 60 minutes each, and the extraordinary meeting lasted for 40 minutes. The attendance rate was 100 % for all three meetings.

In the reporting year, the Nomination and Compensation Committee focused on the annually recurring topics in connection with compensation. As in the previous year, the achievement of the legal gender quotas was a permanent item on the agenda of the Nomination and Compensation Committee.

Members of the Board of Directors not on the committee are informed by the Chairperson of the Nomination and Compensation Committee about the current topics as well as important resolutions and measures at the subsequent meeting of all members of the Board of Directors. The minutes of the meetings of the Nomination and Compensation Committee can be viewed by the entire Board of Directors.

The members of the Group Management are normally invited to the meetings of the Nomination and Compensation Committee, whereby they take on an advisory role. The members of the Group Management attended the two ordinary meetings in the reporting year. The Chairperson of the Nomination and Compensation Committee can invite further managers to the meetings if necessary.

In any case, managers and any other persons present leave the meeting room when their performance or compensation is being discussed.

1.4. Involvement of the shareholders

Arbonia transparently fulfils the legal disclosure requirements to the full extent and transparently discloses its governance in compensation issues, the compensation principles, the compensation system, as well as the specific implementation in the respective reporting year in the Compensation Report. Every year, the Board of Directors submits the Compensation Report to the shareholders in accordance with Article 23 (7) of the Articles of Association (www.arbonia.com/en/investors/corporate-governance) at the ordinary General Meeting for consultative (non-binding) approval.

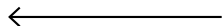
In addition to the Compensation Report, the Board of Directors submits the total compensation of the members of the Board of Directors and Group Management to the General Meeting for approval, as specified in Article 735 of the Code of Obligations and in Article 23 of the Articles of Association (www.arbonia.com/en/investoren/corporate-governance). The two compensation votes take place retrospectively; in other words, the shareholders approve on the one hand the total amount of compensation of the members of the Board of Directors for the year of office ending at the corresponding General Meeting and on the other hand the total amount of compensation of the members of Group Management for the financial year preceding the corresponding General Meeting.



Vote on the total compensation of the members of the Board of Directors

Year of office
25 April 2025 to
24 April 2026

Retrospective
vote on the total compen-
sation of the members
of the Board of Directors
for the year of office
2025/2026



Compensation
vote at the General
Meeting 2026

In the past, the shareholders have always approved the two compensation votes as well as the above-mentioned Compensation Report and thereby expressed their positive opinion of the compensation policy practised by Arbonia.

The ordinary General Meeting on 25 April 2025 approved the 2024 Compensation Report with 71.95 % of the votes, the total compensation of the members of the Board of Directors for the 2024 / 2025 year of office with 87.76 % of the votes, and the total compensation of the members of Group Management for the 2024 financial year with 72.99 % of the votes.

Vote on the total compensation of the members of Group Management

Financial year from
1 January 2025 to
31 December 2025

Retrospective
vote on the total compen-
sation of the members
of Group Management for
the 2025 financial year



Compensation
vote at the ordinary
General
Meeting 2026



2. Principles of the compensation system

2.1. Principles and statutory anchoring

The compensation system and the structure of the occupational pension scheme (see 4.6) are based on the conviction that a company's success considerably depends on the quality of work and the dedication of its personnel. Arbonia aims to use its compensation system and the total compensation paid on this basis to attract and retain people with the necessary skills and qualities and to motivate them to provide a consistently high level of performance. The compensation system is designed to ensure that the interests of top managers are consistent with the interests of the Group and the interests of the shareholders.

According to the requirements of the Code of Obligations, the Articles of Association (www.arbonia.com/en/investors/corporate-governance) contain important principles of the compensation system in regard to the compensation of the Board of Directors as well as of Group Management:

Articles of Association	Principle
Article 22 (1)	Compensation of the Board of Directors Members of the Board of Directors receive fixed compensation. If members of the Board of Directors take on management tasks corresponding to a member of Group Management – for example, if the Chairperson does so when taking charge of management – they normally receive additional variable compensation. The fixed compensation and variable compensation can include a cash portion and a portion in temporarily blocked shares pursuant to the share-based payment programme.
Article 22 (2)	Compensation of Group Management Members of Group Management normally receive fixed as well as variable compensation. The fixed and variable compensation can include a cash portion and a portion in temporarily blocked shares in accordance with the share-based payment programme.
Article 24 (1)	Variable compensation The variable compensation depends on the company results. The success criteria comprise business-related and / or personal targets. Section 1: At the beginning of each financial year, the Board of Directors determines the corporate and / or personal goals. The target achievement is evaluated by the Compensation Committee after the financial year has ended and is determined by the Board of Directors upon request. Section 2: A bonus amount is determined in individual agreements. In the case of full target achievement, 100 % of the bonus amount agreed in individual contracts is paid out. If the targets are exceeded, the variable compensation may exceed the bonus amount agreed in individual contracts up to a maximum amount. If the target achievement is below a particular threshold, no variable compensation is paid at all. Section 3: The variable compensation is a maximum of 150 % of the fixed compensation.
Article 23 and Article 24 (2)	According to Article 23 and Article 24 (2) of the Articles of Association, the Board of Directors is authorised to award additional compensation in special situations.

(www.arbonia.com/en/investors/corporate-governance)



2.2. Benchmarking and external consultants

Arbonia regularly reviews the compensation of its managers, including that of the members of Group Management.

At the end of 2020, Arbonia commissioned HCM International AG with two analyses. One analysis concerned the compensation of the members of Group Management, with the exception of the compensation of the CEO, and the other analysis concerned the compensation of the CEO. The two analyses were respectively carried out on the basis of a comparison group with industrial companies domiciled in Switzerland with a similar stock market capitalisation and a comparison group with industrial companies domiciled in Switzerland with a similar revenue. The comparison group with a similar stock market capitalisation included the following industrial companies: Interroll, Schweiter, Kardex, Bobst, Komax, Burckhardt, Implenla, Rieter, Phoenix, Burkhälter, Zehnder, Von Roll, and Feintool. The comparison group with a similar revenue included the following industrial companies: Stadler Rail, Bucher, Geberit, Dormakaba, OC Oerlikon, SFS Group, Bobst, Conzzeta, Schweiter, Daetwyler, Rieter, Phoenix, Zehnder, Belimo, and Feintool. Together with other publicly available data, these analyses served as the basis for determining compensation, with the respective employee's individual role, qualification for and experience in this role, and contribution to corporate success also taken into account. Arbonia constantly endeavours to determine compensation in the range of the market median. With the exception of these two mandates, HCM International AG did not receive any other mandate from Arbonia.

In 2018, Arbonia commissioned Korn Ferry to carry out a role evaluation for management and key Group functions using the Hay role evaluation system. Based on the job grades, the included roles were compared on a country-specific basis with comparable roles at international companies in the Hay databases. With the exception of this mandate, Korn Ferry did not receive any other mandate from Arbonia.

3. Compensation of the Board of Directors

3.1. Fee of the Board of Directors

3.1.1. Fixed compensation and lump-sum allowances

The members of the Board of Directors receive a fee in the form of fixed compensation for their work for the Board of Directors. The members of the Nomination and Compensation Committee and the audit committee receive an additional fee for their committee work, which is also paid in the form of fixed compensation.

The fee – for the members of the Board of Directors as well as for the members of the committees – consists of a cash portion and a portion in the form of shares blocked for four years (in the following "blocked shares"). The share portion is at least 50 % of the fee. Members of the Board of Directors and members of the committees who have their tax residence in Switzerland can receive the remaining 50 % of the fee either entirely in cash or up to 30 % in shares and the rest in cash.

Specified fee payment

min. 50 % of the fee in blocked shares

max. 50 % of the fee in cash

Optional increase in the share portion up to a maximum of 80%

max. 80 % of the fee in blocked shares

min. 20 % of the fee in cash

For members of the Board of Directors who have their tax residence outside of Switzerland – but within the European Union or the European Economic Area (EEA) – the share portion is also at least 50 % of the fee. With respect to the remaining 50 % of the fee, the percentage that can be paid out in shares instead of in cash is limited to a maximum of 15 %. Therefore, at most 65 % of the fee can be received in the form of shares, whereby 35 % of the fee is paid out in cash in this case.

Members of the Board of Directors who have their tax residence outside of Switzerland, the European Union, or the European Economic Area (EEA) are paid the entire fee in cash. In the reporting year, one member of the Board of Directors was paid the entire fee in cash for this reason.

The legal contributions to social security are deducted from the cash portion of the fee.



Alexander von Witzleben waives a fee for his work as a member of the Nomination and Compensation Committee and the audit committee.

In addition to the fixed compensation (fee), the members of the Board of Directors receive lump-sum allowances. These allowances cover minor expenses and travel costs within Switzerland and are included in the reported "Other compensation" in the table under 5.2. Costs of overseas trips and overnight stays are borne by the company.

In the 2025 financial year, the structure and amount of the fee of the Board of Directors as well as the amount of the lump-sum allowances were as follows:

Role	Compensation in CHF	Payment form
Chairperson	240 000	In cash and blocked shares
Vice Chairperson	80 000	In cash and blocked shares
Member of the Board of Directors	60 000	In cash and blocked shares
Chairperson of the NCC ¹ / AC ²	20 000	In cash and blocked shares
Member of the CC / AC	10 000	In cash and blocked shares
Lump-sum allowances of Chairperson	15 000	In cash
Lump-sum allowances of members resident in Switzerland	6 000	In cash
Lump-sum allowances of members resident outside of Switzerland	12 000	In cash

¹ NCC = Nomination and Compensation Committee

² AC = audit committee



The members of the Board of Directors do not receive any attendance fees. No additional compensation is paid for the preparation and attendance of the ordinary and extraordinary meetings of the Board of Directors, the Nomination and Compensation Committee, and the audit committee. No signing bonuses or termination benefits are paid to the members of the Board of Directors.

The members of the Board of Directors are not insured in the benefit plan of Arbonia.

3.1.2. Variable compensation

The members of the Board of Directors, including the members of the Nomination and Compensation Committee and the audit committee, do not receive any variable compensation.

3.1.3. Services and in-kind benefits as well as privileges

The members of the Board of Directors do not receive any services or in-kind benefits. Like employees, however, they can benefit from discounts when purchasing Arbonia products.

3.1.4. Board Member Share Plan

Making the Board of Directors take their fees in the form of restricted shares is designed to ensure that the incentive system is consistent with the long-term prosperity of the company, encourages a management philosophy which takes due account of risk, and reflects shareholder interests.

The Board of Directors determines the details of the allocation of shares to the members of the Board of Directors in a share-based payment programme in accordance with Article 25 of the Articles of Association (www.arbonia.com/en/investors/corporate-governance).

According to the Board Member Share Plan approved by the Board of Directors, the number of shares is determined based on their fair market value. The calculation of the fair market value starts two trading days after the "ex-dividend" date, if the General meeting has approved an ordinary dividend or another distribution, or two trading days after the General Meeting. The VWAP is calculated daily for 20 trading days based on the volume-weighted average share price. The fair market value results from the average of the VWAPs of these 20 trading days. From the fair market value a discount of 20 % is then deducted for the four-year vesting period of the shares.

The allocation of the shares takes place after the record date for the dividend payment but must take place by 40 days after the General Meeting at the latest. The shares allocated in this way carry all associated rights. However, they are subject to a vesting period of four years, during which they may not be sold.

In the event that a member departs the Board of Directors, the vesting period remains in effect, although it is at the discretion of the Board of Directors to lift the vesting period. In the event that a member departs the Board of Directors due to invalidity or death, the vesting period is automatically lifted.

In the event of a change of control, it is at the discretion of the Board of Directors to decide whether to maintain the vesting period or lift it.

There is no option programme for members of the Board of Directors.

3.2. Compensation for restraint of competition

No member of the Board of Directors received compensation for restraint of competition in lieu of a competition prohibition in the reporting year.



4. Compensation structure of Group Management

4.1. Overview

Compensation paid to members of Group Management consists of the following components:

Articles of Association	Form of compensation
Article 22 (2)	Fixed compensation
Article 24 (1)	Variable compensation based on the nominal bonus agreed in individual contracts
Where appropriate, compensation according to Article 23 and Article 24 (2) of the Articles of Association	In special situations

www.arbonia.com/en/investors/corporate-governance

4.2. Fixed compensation

The members of Group Management receive fixed compensation.

The amount of the variable compensation depends on the achievement of financial targets and a sustainability target.

The fixed compensation of the members of Group Management is paid exclusively in cash.

4.3. Variable compensation

The members of Group Management receive variable compensation based on the nominal bonus agreed in individual contracts. 50 % of this is a cash portion and 50 % is a portion in shares blocked for four years.

The nominal bonus agreed in individual contracts that is paid upon 100 % target achievement is a maximum of 70 % of the fixed compensation.



In the course of reorganising the Arbonia Group, the targets at the Group level were adjusted in the reporting year. The following key performance indicators (KPIs) will now be used as a percentage of the nominal bonus, weighted as follows:

Targets	Weighting in percentages of the nominal bonus	
		Group
EBITDA margin		25 %
Free cash flow		20 %
Group result		15 %
Reduction Holding / Corp. Services costs		15 %
Organic growth		15 %
ESG (sustainability target) ¹		10 %

¹ The sustainability target includes a specified target for the reduction of greenhouse gas emissions in kgCO₂e.

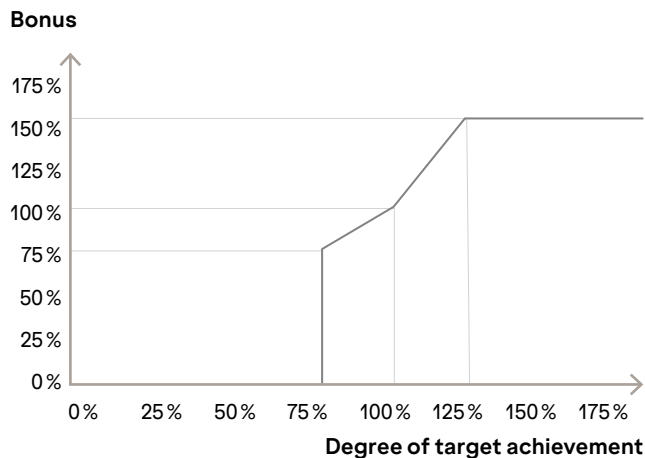


Each financial target and the sustainability target is assigned a particular percentage of the nominal bonus (100 %). The weighting of the individual targets as a percentage of the nominal bonus varies and is given in the above table.

At the request of the Nomination and Compensation Committee, the Board of Directors determines an expected target value for each financial target and for the sustainability target at the beginning of each financial year. With respect to the financial targets, the value is based on the budget approved by the Board of Directors for the corresponding financial year.

Upon conclusion of the financial year or upon presentation of the reviewed annual results, the financial targets are assessed according to their effective degree of target achievement. The degree to which the sustainability target has been achieved is also determined. When 100 % of all targets have been achieved, a member of Group Management receives the nominal bonus agreed in the individual contract. In the best case, 125 % of the expected target value of a target can be achieved. In the case of 125 % target achievement, a pro rata share based on 150 % of the nominal bonus is paid out for the corresponding target value – according to its percentage share of the nominal bonus and its weighting. As a general rule, failure to meet at least 75 % of a target will mean that the degree of target achievement of the corresponding target is rated as 0 %.

The highest variable compensation that was achieved in the reporting year is 60 % of the fixed compensation of the corresponding member of Group Management.



100 % corresponds to the nominal bonus agreed in individual contracts

4.4. Special compensation

According to Article 23 and Article 24 (2) of the Articles of Association (www.arbonia.com/en/investors/corporate-governance), the Board of Directors is authorized to award additional compensation to a member of Group Management in special situations. This can be paid out in cash or in the form of shares blocked for four years. In the reporting year, the member of Group Management that stepped down at the end of February was awarded a special bonus in connection with a project in which the corresponding member of Group Management took on tasks that were not part of this member's area of responsibility and involved extraordinary and additional work.

4.5. Lump-sum allowances, services and in-kind benefits, as well as privileges

Several members of Group Management receive lump-sum allowances amounting to CHF 21 600 per year.

The members of Group Management are provided with a company vehicle and a mobile phone. The private use of the company car is offset for members of Group Management according to the tax regulations applicable in the respective country.

Like all other employees, the members of Group Management can benefit from various employee privileges, e.g. a 20 % discount on REKA cheques up to CHF 600 (only members with Swiss employment contracts) or discounts on the purchase of Arbonia products.



4.6. Pension

Group Management members with Swiss employment contracts are insured under the basic plan and the senior management plan within Arbonia's pension scheme. The Arbonia senior management pension scheme covers the fixed salary not covered under the basic scheme and 80 % of the contractual nominal bonus against old age, death, and invalidity risks. According to the Swiss Occupational Pensions Act (OPA), the maximum salary including bonus to be considered is limited to CHF 907 200 (as of 1 January 2025, corresponds to 10 times the upper limit amount specified by the OPA), and the insured salary including bonus portion is limited to CHF 635 760 (as of 1 January 2025). The employer contribution is the same for all three available schemes and amounts to 25 % of the insured salary (according to the regulations, in force since 1 April 2025). The member of Group Management with a German employment contract has a pension solution with a German insurance company.

4.7. Arbonia Group Share Plan

The Board of Directors determines the details of the allocation of shares to the members of Group Management in a share-based payment programme in accordance with Article 25 of the Articles of Association (www.arbonia.com/en/investors/corporate-governance).

According to the Board Member Share Plan approved by the Board of Directors, the number of shares is determined based on their fair market value. The calculation of the fair market value starts two trading days after the "ex-dividend" date, if the General meeting has approved an ordinary dividend or another distribution, or two trading days after the General Meeting. The VWAP is calculated daily for 20 trading days based on the volume-weighted average share price.

The fair market value results from the average of the VWAPs of these 20 trading days. From the fair market value a discount of 20 % is then deducted for the four-year vesting period of the shares.

The allocation of the shares takes place after the record date for the dividend payment but must take place by 40 days after the General Meeting at the latest. The shares allocated in this way carry all associated rights. However, they are subject to a vesting period of four years, during which they may not be sold.

In the event that the employment contract is terminated, the vesting period remains in effect; it is at the discretion of the Board of Directors to lift the vesting period where appropriate. If the employment relationship ends due to the attainment of retirement age, the vesting period is automatically cancelled. The vesting period is also automatically cancelled in the event that the employment relationship is terminated due to invalidity or death. In the event of a change of control, it is at the discretion of the Board of Directors to decide whether to maintain the vesting period or lift it.

There is no option programme for members of Group Management.

4.8. Terms and conditions of employment

The employment contracts of the members of Group Management have been concluded for an unlimited term and with a notice period of six months. All employment contracts contain a claw-back clause according to which the members of Group Management have to pay back compensation that has been paid to them in whole or in part but has not been approved by the General Meeting. No member of Group

Management is entitled to a signing bonus, termination benefit, or compensation due to a change of control ("golden parachute").

4.9. Compensation for restraint of competition

No member of Group Management received compensation for restraint of competition in lieu of a competition prohibition in the reporting year.

5. Compensation of the Board of Directors for the year 2025 (audited)

5.1. Changes in the Board of Directors

After the sale of the Climate Division, three members of the Board of Directors have chosen not to stand for re-election at the General Meeting on 25 April 2025. Therefore, the Board of Directors was reduced to five members during the reporting year. As previously, Alexander von Witzleben held the office of Chairman of the Board of Directors in the reporting year. Peter Barandun was the Vice Chairman of the Board of Directors, as before.

The total compensation of the Board of Directors has changed compared to the previous year, due to the reduction in the numbers of members.



5.2. Table

in 1000 CHF									2025
	Roles exercised in 2025	Fee – in cash	Fee – in shares	Annual salary – in cash	Variable compensation – in cash	Variable compensation – in shares	Pension costs ¹	Other compensation ²	Total
Alexander von Witzleben	Chairman of BD Member of AC ³ Member of NCC ⁴	120	150				29	15	314
Peter Barandun ⁵	Vice Chairman Chairman of NCC	20	100				0	6	126
Markus Oppliger	Member Chairman of AC Member NCC as of 26 April 2025	43	54				5	6	108
Michael Pieper	Member	12	60				4	6	82
Thomas Lozser	Member Member AC as of 26 April 2025	67	0				5	12	83
Peter E. Bodmer ⁶	Member until 25 April 2025 Member of AC until 25 April 2025	5	23				0	2	30
Heinz Haller	Member until 25 April 2025 Member of NCC until 25 April 2025	5	23				1	2	31
Carsten Voigtländer	Member until 25 April 2025	7	16				0	4	27
Total compensation to members of the Board of Directors		278	427	0	0	0	43	53	801

¹ Employer contributions to social insurance policies, occupational pension schemes, and accident and health insurance policies

² Comprises lump-sum allowances, private use of the company car / car allowance and other services and in-kind benefits.

³ AC = audit committee

⁴ NCC = Nomination and Compensation Committee

⁵ The compensation paid to Peter Barandun for the term of office 2025 / 2026 is paid to Peter Barandun AG, which is responsible for the deduction and payment of social contributions.

⁶ The compensation paid to Peter E. Bodmer for the term of office 2024 / 2025 has been paid to Beka-Küsnacht AG, which is responsible for the deduction and payment of social contributions.



in 1000 CHF									2024
	Roles exercised in 2024	Fee – in cash	Fee – in shares	Annual salary – in cash	Variable compensation – in cash ¹	Variable compensation – in shares ¹	Pension costs ²	Other compensation ³	Total
Alexander von Witzleben ⁴	Exec. CBD ⁵ Member of AC ⁶ Member of NCC ⁷	120	150	900	370	213	364	35	2 152
Peter Barandun ⁸	Vice Chairman Chairman of NCC	20	100				0	6	126
Peter E. Bodmer ⁹	Member Member of AC	14	70				0	6	90
Markus Oppliger	Member Chairman of AC	40	50				6	6	102
Heinz Haller	Member Member of NCC	14	70				4	6	94
Michael Pieper	Member	12	60				3	6	81
Thomas Lozser	Member	60	0				5	12	77
Carsten Voigtländer	Member	21	49				0	12	82
Total compensation to members of the Board of Directors		301	549	900	370	213	382	89	2 803

¹ The amount of the variable compensation – in respect of both the cash portion and the share portion – depends on the degree of achievement of the financial targets set for the 2024 financial year.

² Employer contributions to social insurance policies, occupational pension schemes, and accident and health insurance policies

³ Comprises lump-sum allowances, private use of the company car / car allowance and other services and in-kind benefits.

⁴ The compensation paid to Alexander von Witzleben in 2024 as Executive Chairman of the Board of Directors is included in this table. Further we refer to figure 3.2.5. and 5.1.

⁵ Exec. CBD = Executive Chairman of the Board of Directors

⁶ AC = audit committee

⁷ NVA = Nominations- und Vergütungsausschuss

⁸ The compensation paid to Peter Barandun for the term of office 2024 / 2025 has been paid to Peter Barandun AG, which is responsible for the deduction and payment of social contributions.

⁹ The compensation paid to Peter E. Bodmer for the term of office 2024 / 2025 has been paid to Beka-Küsnacht AG, which is responsible for the deduction and payment of social contributions.

Compensation paid to former members of the Board of Directors

In 2025 as well as in 2024, no direct or indirect compensation was paid to former members of the Board of Directors in connection with their previous governing body activity.

Compensation paid to persons close to members of the Board of Directors

In 2025 as well as in 2024, no direct or indirect compensation was paid to persons close to current or previous members of the Board of Directors.

6. Compensation of Group Management for the year 2025 (audited)

6.1. Changes in Group Management

The personnel composition of Group Management changed in the reporting year compared to the previous year. As of 28 February 2025, Alexander Kaiss, CEO Climate, left the Arbonia Group and therefore retired from Group Management. Markus Hütt (COO) has been a member of Group Management as of 1 March 2025.

The total compensation of Group Management has increased slightly. This increase is due to the special compensation laid out under figure 4.4.

6.2. Table

in 1000 CHF		2025		2024
	Group Management ¹	of this paid to Claudius Moor, CEO	Group Management ¹	of this paid to Alexander Kaiss, CEO Climate
Annual salary (cash)	1 078	450	1 007	332
Annual salary (shares)				
Annual salary (cash) ²	644	102	719	495
Variable compensation (shares)	276	127	121	0
Pension costs ³	322	175	307	34
Other compensation ⁴	72	32	73	12
Total	2 392	885	2 227	874
Number of members	3 ⁵		3 ⁵	

Compensation paid to former members of Group Management

In 2025 as well as in 2024, no direct or indirect compensation was paid to former members of Group Management in connection with their previous governing body activity.

Compensation paid to persons close to members of Group Management

In 2025 as well as in 2024, no direct or indirect compensation was paid to persons close to current or former members of Group Management.

¹ The compensation of Markus Hütt (COO) and Alexander Kaiss (former CEO Climate) is paid in euros. The exchange rate used is 0.94 for 2025 and 0.95 for 2024.

² Also includes special compensation for 2025 and 2024 (c.f 4.4)

³ Employer contributions to social insurance policies, occupational pension schemes, and accident and health insurance policies

⁴ Comprises lump-sum allowances, private use of the company car/car allowance, and other services and in-kind benefits

⁵ Contains the former CEO Climate until 28 February 2025 and Markus Hütt as of 1 March 2025 in 2025, and the former Group CFO until 30 September 2024 and the new CFO (Uwe Schiller) as of 1 October 2024



7. Loans and credit (audited)

According to Article 26 of the Articles of Association (www.arbonia.com/en/investors/corporate-governance), no loans, credit, or pension benefits outside the occupational pension scheme or collateral are granted to the members of the Board of Directors and Group Management. Exempt from this are advances of social security and tax charges for persons subject to withholding tax. This exemption was not exercised by any member of the Board of Directors or Group Management in the reporting year.

As of 31 December 2025 and as of 31 December 2024, there were no loans or credit to current or former members of the Board of Directors and Group Management or to persons close to current or former members of the Board of Directors and Group Management.

8. Roles of the members of the Board of Directors at other companies with economic purpose (audited)

According to Article 29 of the Articles of Association (www.arbonia.com/en/investors/corporate-governance), members of the Board of Directors may have a maximum of 16 mandates outside the Group, of which no more than 5 may be with listed companies and no more than 8 with companies subject to regular auditing (including the 5 listed companies). When calculating the maximum number of mandates, the mandate as Chairperson of the Board of Directors at a company subject to regular auditing counts as two mandates.¹ Mandates at different companies belonging to the same corporate group count as one mandate.

As of 31 December 2025, the members of the Board of Directors exercised the following roles with economic purpose at other companies:

Alexander von Witzleben

Member of the Board of Directors of KAEFER SE & Co. KG; Chairman of the supervisory board of VERBIO SE; member of the supervisory board of Siegwark Druckfarben AG & Co. KGaA; member of the advisory board of C. Illies & Co. GmbH & Co. KG, member of the Board of Directors of Innoviz Technologies Ltd.²

Peter Barandun

Chairman of the Board of Directors of Electrolux AG; Vice President of FEA (Swiss Association of the Domestic and Industrial Electrical Appliances); member of the Board of Directors of Peter Barandun AG; Managing Director of Sulegi Immobiliarias Scrl; Co-president of the Presidium of the "Swiss-Ski" Swiss ski association.

Markus Oppliger

Chairman of the Board of Directors of the subsidiary Pizol Gastro und Sport AG of Pizolbahnen AG, at which he is also Chairman of the Board of Directors²; member of the Board of Directors and Chairman of the finance and audit committee of St. Gallisch-Appenzellische Kraftwerke AG; member of the Board of Directors of Heidiland Tourismus AG; owner of Oppliger Management Consulting.

Michael Pieper

Chairman of the Board of Directors of the subsidiary Centinox B AG as well as CEO of the subsidiary Artemis Holding AG as well as member of the Boards of Directors of the subsidiaries Franke Holding AG, Artemis Real Estate Holding AG, Artemis Beteiligungen I AG, Artemis Beteiligungen III AG, Artemis Beteiligungen V AG, and Franke Technology and Trademark Ltd. of Centinox Holding AG, at which he is also Chairman of the Board of Directors²; Vice Chairman of the Board of Directors and member of the compensation committee of Forbo Holding AG; member of the Board of Directors of Autoneum AG; member of the Board of Directors of

¹ However, the mandate as Chairperson of the supervisory board only counts as one mandate.

² count as one mandate each (same corporate group) according to Article 29 (5) of the Articles of Association.



BERGOS AG; member of the Board of Directors of Rep-pisch-Werke AG; member of the supervisory board of Duravit AG; Deputy Chairman of the supervisory board of Ettlin Aktiengesellschaft; member of the "South" advisory board of Deutsche Bank AG.³

Thomas Lozser

Board observer of Helvetica Capital AG; member of the Board of Directors of Palatine Hill Wealth Management; member of the Board of Directors of Aventine Hill Risk Management; member of the Board of Directors of I&W Engineering AG.

9. Roles of the members of Group Management at other companies with economic purpose (audited)

According to Article 29 of the Articles of Association (www.arbonia.com/en/investors/corporate-governance), members of Group Management may have a maximum of 5 mandates outside the Group, of which no more than 1 may be with a listed company and no more than 2 with companies subject to regular auditing (including the one listed company). For the calculation of the maximum number of mandates, the mandate as Chairperson of the Board of Directors at a company subject to regular auditing counts as two mandates. Mandates at different companies belonging to the same corporate group count as one mandate.

As of 31 December 2025, the members of the Board of Directors exercised the following roles with economic purpose at other companies:

Claudius Moor⁴

Chairman of the advisory board of KIWI.KI GmbH; member of the advisory board of Griffwerk GmbH.

Uwe Schiller⁴

Member of the foundation board of the Quellenhof-Stiftung.

Markus Hütt

–

³ The number of mandates according to Article 29 of the Articles of Association is exceeded.

⁴ The mandates already listed in the previous year have remained the same.



10. Shareholdings as of 31 December 2025 (audited)

The current members of the Board of Directors and Group Management (including persons close to them) held the following number of shares as of 31 December 2025:

	31 December 2025	31 December 2024
	Number of registered shares	Number of registered shares
Alexander von Witzleben (Chairman of the BD) ¹	1 575 293	1 205 712
Peter Barandun (BD member)	107 094	87 899
Markus Oppliger (BD member)	56 289	46 692
Michael Pieper (BD member)	15 690 401	15 678 884
Thomas Lozser (BD member)	566 074	526 074
Claudius Moor (Group Management)	99 750	33 107
Uwe Schiller (Group Management)	20 799	3 000
Markus Hütt (Group Management) as of 1 March 2025	11 610	6 556
Total	18 127 310	17 587 924

¹ The reported share portfolio includes 300 000 put options that were written by the relevant member of the Board of Directors. Due to their economic effect, these positions are reported as shareholdings in accordance with the relevant disclosure regulations.



Report of the Statutory Auditor

To the General Meeting of Arbonia AG, Arbon

Report on the Audit of the Compensation Report

Opinion

We have audited the Compensation Report of Arbonia AG (the Company) for the year ended 31 December 2025. The audit was limited to the information pursuant to Art. 734a-734f of the Swiss Code of Obligations (CO) in the sections 5 to 10 on pages 159 to 166 of the Compensation Report.

In our opinion, the information pursuant to Art. 734a-734f CO in the Compensation Report complies with Swiss law and the Company's articles of incorporation.

Basis for Opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the "Auditor's Responsibilities for the Audit of the Compensation Report" section of our report. We are independent of the Company in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession. We have also fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the tables marked "audited" in the Compensation Report, the consolidated financial statements, the stand-alone financial statements and our auditor's reports thereon.

Our opinion on the Compensation Report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Compensation Report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the audited financial information in the Compensation Report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



Board of Directors' Responsibilities for the Compensation Report

The Board of Directors is responsible for the preparation of a Compensation Report in accordance with the provisions of Swiss law and the Company's articles of incorporation, and for such internal control as the Board of Directors determines is necessary to enable the preparation of a Compensation Report that is free from material misstatement, whether due to fraud or error. The Board of Directors is also responsible for designing the remuneration system and defining individual remuneration packages.

Auditor's Responsibilities for the Audit of the Compensation Report

Our objectives are to obtain reasonable assurance about whether the information pursuant to Art. 734a-734f CO is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Compensation Report.

As part of an audit in accordance with Swiss law and SA-CH, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement in the Compensation Report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.

We communicate with the Board of Directors or its relevant committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors or its relevant committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.



Report on other legal and regulatory requirements

We draw attention to the fact that one member of the Board of Directors has not complied as at balance sheet date with Art. 29 of the Company's articles of incorporation regarding the maximum number of mandates outside the Group. In this context, we refer to the disclosure in footnote 3 on page 165 of the Compensation Report.

KPMG AG

David Grass
Licensed Audit Expert
Auditor in Charge

Nicolas Wuffli
Licensed Audit Expert

St. Gallen, 2 March 2026

KPMG AG, Bogenstrasse 7, CH-9001 St. Gallen

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Financial commentary

Uwe Schiller (CFO)

Dear Readers

The structure of Arbonia's consolidated financial statements for the 2025 financial year remains unchanged. The sale of the Climate division was completed at the end of February 2025, which means that the results for the first two months are reported as discontinued operations.

Comparability with the previous year is generally given. Nevertheless, it should be noted that following the closing of the sale of the Climate division on 26 February 2025, the balance sheet and cashflow statement include significant adjustment items as well as the proceeds from the sale and their distribution to shareholders. In addition, the financial performance for the reporting year was influenced both by the first-time full consolidation of the companies acquired in previous years and by further acquisitions in the 2025 financial year. Furthermore, transaction- and integration-related effects had a selective impact on earnings and cashflow.

General

The 2025 financial year was characterised by Arbonia's focus on its position as one of Europe's leading door manufacturers. Arbonia continues to operate in a challenging market environment in the European construction sector. New residential construction activity remained at a low level overall in the markets relevant to Arbonia. This was due in particular to the continued high financing costs at the beginning of the year, ongoing cost pressures in the construction industry and structural uncertainties in the real estate sector. In the course of the year, there was a slight recovery in individual markets, particularly in the renovation sector. The trend of previous years, with a sharp reduction in wholesale inventories, did not continue, but a sustained upturn in demand was delayed. Price adjustments in the current year,



together with a slight increase in volume, had a stabilising effect on sales. In comparison, the project business performed significantly better and made an increasingly important contribution to the increase in sales.

On the cost side, there was some relief compared with previous years, particularly in terms of energy and certain material costs. By contrast, rising wage costs due to inflation and a shortage of skilled workers continued to have a negative impact. In addition, structural costs in production and logistics, partly as a result of the current tendency towards small-scale production, in which economies of scale from the highly efficient production layout did not come into full effect, led to sustained cost pressure. Arbonia responded to this environment with consistent cost management and targeted measures to further increase operational efficiency.

In the financial year 2025 Arbonia completed two strategy-aligned acquisitions (Cicomol and RZB).

Overall, Arbonia's production capacities were not fully utilised in the reporting year. At the same time, investments made in recent years in modern and highly automated production facilities enabled capacities to be flexibly adjusted to market demand. Efficiency gains from automation, process optimisation and the ongoing digitalisation of production and sales processes had a stabilising effect on operational development.

In terms of currency, the 2025 financial year was characterised by increased volatility. The weakening of the Euro against the Swiss franc by 1.2 % in 2025, as well as other Eastern European currencies, led to negative currency effects on sales and earnings. These effects were partially

offset by natural hedging mechanisms, but could not be completely avoided. Tax expense for the 2025 financial year amounted to CHF 2.6 million, corresponding to an effective tax rate of -36.7 %. Deviations from the theoretical tax rate (21.6 %) resulted in particular from different national tax rates, non-capitalised losses, value adjustments on deferred tax assets and tax effects in connection with disposal of assets and one-time effects.

Income statement

In the 2025 financial year, Arbonia generated net revenues of CHF 624.5 million. Compared to the previous year (CHF 556.3 million), this represents a change of 12.3 %. This development is mainly attributable to the volume changes described above and contributions from acquisitions. Adjusted for currency and acquisition effects, net revenues grew by 3.7 % compared to the same period of the previous year.

EBITDA amounted to CHF 56.3 million in the reporting year (previous year: CHF 66.3 million), corresponding to an EBITDA margin of 9.0 % (previous year: 11.9 %). In the previous year, this was significantly influenced by positive special effects of CHF 24.6 million at EBITDA level, mainly from the proceeds of a property sale. Adjusted for special items amounting to CHF -0.2 million resulting from another property sale, the restructuring of the Glass product group and acquisition costs, adjusted EBITDA for the 2025 financial year amounted to CHF 56.5 million (previous year: CHF 41.7 million). The adjusted EBITDA margin increased from 7.5 % in the previous year to 9.0 %. The development of EBITDA was influenced by the challenging market environment, rising personnel expenses and efficiency gains from production and process optimisations.

Depreciation and amortisation amounted to CHF 58.7 million in the financial year and, as expected, were above the previous year's level (CHF 49.4 million). The increase is mainly attributable to the high level of investment in recent years, amortisation of intangible assets from acquisitions amounting to CHF 16.8 million, and impairment (one-time effect) on the Business Center Arbon (formerly Corporate Center) amounting to CHF 4.0 million. EBIT amounted to CHF -2.4 million (previous year: CHF 16.9 million). Adjusted EBIT, adjusted for the aforementioned one-time effects, reached CHF 1.7 million (previous year: CHF -7.7 million). Earnings before taxes amounted to CHF -7.1 million (previous year: CHF 8.1 million); adjusted for one-time effects, earnings before taxes reached CHF -3.0 million, compared to CHF -16.4 million in the previous year. After taking income taxes into account, consolidated net income from continuing operations amounted to CHF -9.8 million (previous year: CHF 2.7 million), corresponding to earnings per share of CHF -0.14 (previous year: CHF 0.04 per share).

Net working capital

Net working capital at the end of the 2025 financial year amounted to CHF 47 million. Compared to the previous year (CHF 51 million), this represents a change of CHF 4 million. The main reasons for the reduction are the tax indemnity booked from the Kermi-split, the deferred purchase price payment for Cicomol and the realisation of the deal contingent forward from the sale of the Climate division. Operating net working capital, as part of current assets, increased from CHF 83 million in the previous year to CHF 96 million at the end of 2025. This development is mainly attributable to sales growth, changes in inventories in connection with the introduction of SAP at Garant, lower investments and acquisition-related effects amounting to CHF 4 million. In order to



be able to deliver during the SAP go-live phase at the beginning of 2026, Garant created an inventory of goods to ensure delivery capability during the machine downtime.

Cash flow

Cashflow from operating activities amounted to CHF 1.7 million in the 2025 financial year (previous year: CHF 41.3 million). This development was particularly influenced by the sale of the Climate division, which is included in full in the previous year's figure and for two months in 2025 in accordance with applicable reporting standards. In addition, the operating result, changes in net working capital and income taxes paid in the amount of CHF 7.9 million as well as interest paid in the amount of CHF 6.8 million influenced cashflow.

Investments in property, plant and equipment and intangible assets amounted to CHF 45.6 million in the reporting year, which was below the previous year's level (CHF 74.4 million). In addition, CHF 22.9 million (previous year: CHF 107.4 million) was spent on acquisitions.

Free cashflow amounted to CHF 605.0 million in the 2025 financial year (previous year: CHF -121.3 million) and was significantly influenced by the proceeds from the sale of the Climate division, while the previous year's figure was significantly influenced by acquisitions (Dimoldura and Lignis).

Balance sheet and net indebtedness

Arbonia's total assets amounted to CHF 1 094.3 million at the end of 2025 (previous year: CHF 1 700.2 million). Shareholders' equity amounted to CHF 734.1 million (previous year: CHF 946.4 million), corresponding to an equity ratio of 67.1 % (previous year: 55.7 %).

Net debt at the end of the 2025 financial year amounted to CHF 149 million. Compared to the previous year (CHF 357 million), this represents a change of CHF 208 million. The decline is mainly attributable to the proceeds from the sale of the Climate division, while acquisition payments and distributions to shareholders had an offsetting effect.



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Consolidated Income Statement

in 1 000 CHF			2025		2024
	Note		in %		in %
Continuing operations					
Net revenues	31	624 517	100.0	556 308	100.0
Other operating income		9 279	1.5	36 353	6.5
Capitalised own services		3 113	0.5	5 185	0.9
Changes in inventories of semi-finished and finished goods		3 536	0.6	– 615	– 0.1
Cost of material and goods		– 247 993	– 39.7	– 215 957	– 38.8
Personnel expenses		– 222 779	– 35.7	– 209 702	– 37.7
Other operating expenses		– 113 388	– 18.2	– 105 301	– 18.9
EBITDA	31	56 286	9.0	66 271	11.9
Depreciation, amortisation and impairments	37, 38, 39, 40	– 41 912	– 6.7	– 33 328	– 6.0
Amortisation of intangible assets from acquisitions	40	– 16 790	– 2.7	– 16 032	– 2.9
EBIT	31	– 2 416	– 0.4	16 912	3.0
Financial income	51	3 396	0.5	4 736	0.9
Financial expenses	51	– 8 126	– 1.3	– 13 500	– 2.4
Group result before income tax	31	– 7 146	– 1.1	8 148	1.5
Income tax expense	52	– 2 620	– 0.4	– 5 400	– 1.0
Group result from continuing operations	31	– 9 766	– 1.6	2 748	0.5
Group result from discontinued operations after taxes	36	141 633	22.7	5 531	1.0
Group result		131 867	21.1	8 279	1.5
Attributable to:					
Shareholders of Arbonia AG		131 867		8 279	
Earnings per share from continuing operations in CHF	48	– 0.14		0.04	
Earnings per share from discontinued operations in CHF	48	2.04		0.08	
Earnings per share in CHF	48	1.90		0.12	
Basic and diluted earnings are identical.					

The notes on [pages 182 to 244](#) are an integral part of these consolidated financial statements.



Consolidated Statement of Comprehensive Income

in 1 000 CHF	2025	2024
Group result	131 867	8 279
Other comprehensive income		
Items that will not be reclassified to income statement		
Remeasurements of employee benefit obligations	12 300	5 436
Deferred tax effect	– 1 922	– 988
Total items that will not be reclassified to income statement	10 377	4 448
Items that may be reclassified subsequently to income statement		
Fair value adjustments on cash flow hedges	404	14 036
Cost of hedging	– 1 249	– 8 851
Results from cash flow hedges transferred to the income statement	– 4 340	
Currency translation differences	– 4 562	6 124
Cumulative currency translation differences transferred to the income statement	60 002	
Total items that may be reclassified subsequently to income statement	50 255	11 309
Total other comprehensive income after taxes	60 632	15 757
Total comprehensive income	192 499	24 036
Attributable to:		
Shareholders of Arbonia AG	192 499	24 036
Total comprehensive income from continuing operations	– 7 483	15 571
Total comprehensive income from discontinued operations	199 982	8 465

The notes on [pages 182 to 244](#) are an integral part of these consolidated financial statements.

Consolidated Balance Sheet

in 1 000 CHF		31/ 12/ 2025		31/ 12/ 2024	
	Note	in %		in %	
Assets					
Cash and cash equivalents	32	26 841		23 639	
Accounts receivable	33	52 173		46 072	
Other current assets		6 103		11 931	
Inventories	34	84 965		75 779	
Contract assets	33	13 600		11 417	
Deferred expenses		4 637		4 535	
Current income tax receivables		1 483		6 489	
Assets held for sale	36	4 168		646 453	
Current assets		193 970	17.7	826 315	48.6
Property, plant and equipment	37	417 661		432 204	
Right-of-use assets	38	27 590		18 833	
Investment property	39	14 600		4 072	
Intangible assets	40	166 553		163 186	
Goodwill	40	198 683		189 830	
Deferred income tax assets	46	12 622		14 916	
Capitalised pension surplus	47	38 670		27 217	
Investments in associated companies and other financial assets	35	23 922		23 608	
Non-current assets		900 301	82.3	873 866	51.4
Total assets		1 094 271	100.0	1 700 181	100.0



in 1 000 CHF		31/ 12/ 2025	31/ 12/ 2024	
	Note	in %	in %	
Liabilities and shareholders' equity				
Accounts payable		48 318	45 126	
Contract liabilities	33	6 179	5 545	
Other liabilities		20 743	12 405	
Financial debts	42	135 486	337 731	
Lease liabilities	55	4 529	4 133	
Accruals and deferred income		30 223	30 105	
Current income tax liabilities		6 436	9 004	
Provisions	45	3 597	3 042	
Liabilities associated with assets held for sale	36	4 168	212 275	
Current liabilities		259 679	659 366	38.8
Financial debts	42	16 257	17 447	
Lease liabilities	55	23 283	15 182	
Other liabilities		3 536	144	
Provisions	45	3 905	4 947	
Deferred income tax liabilities	46	42 061	43 725	
Employee benefit obligations	47	11 445	12 952	
Non-current liabilities		100 487	94 397	5.6
Total liabilities		360 166	753 763	44.3
Share capital	48	13 894	291 787	
Share premium		412 440	475 751	
Treasury shares	49	– 10	– 274	
Other reserves	50	– 124 740	– 174 995	
Retained earnings		432 521	354 149	
Shareholders' equity		734 105	946 418	55.7
Total liabilities and shareholders' equity		1 094 271	1 700 181	100.0

The notes on [pages 182 to 244](#) are an integral part of these consolidated financial statements.



Consolidated Statement of Cash Flows

in 1 000 CHF		2025	2024
	Note		
Group result		131 867	8 279
Depreciation, amortisation and impairments	37, 38, 39, 40	70 245	72 117
Profit/loss on disposal of non-current assets/subsidiaries	36, 37, 38	– 169 100	– 28 610
Changes in non-cash transactions	55	– 5 145	5 467
Net interest expense		6 090	14 856
Income tax expense		5 557	15 862
Changes in working capital	55	– 41 245	2 912
Changes in current liabilities	55	17 273	– 15 584
Interest paid		– 6 807	– 14 103
Interest received		799	415
Income tax paid		– 7 879	– 20 269
Cash flows from operating activities - net		1 655	41 342
To investment activities			
Purchases of property, plant and equipment	37	– 32 744	– 55 570
Purchases of investment properties	39		– 13
Purchases of intangible assets	40	– 12 816	– 18 805
Acquisition of subsidiaries (net of cash acquired)	41	– 22 904	– 107 432
Issuance of financial assets	35	– 192	– 585
From divestment activities			
Proceeds from sale of property, plant and equipment	37	507	624
Proceeds from sale of investment properties	39	6 257	19 051
Proceeds from sale of intangible assets		25	40
Proceeds from sale of subsidiaries/businesses (net of cash disposed)	36	665 255	
Repayment of financial assets		3	4
Cash flows from investing activities - net		603 391	– 162 686



in 1 000 CHF		2025	2024
	Note		
From financing activities			
Proceeds from financial debts	42, 55	243 664	208 561
To financing activities			
Repayments of financial debts	42, 55	– 445 661	– 68 167
Lease liability payments	55	– 5 765	– 9 383
Nominal value repayment	48	– 276 768	
Dividend and distribution from capital contribution reserves		– 126 622	
Purchase of treasury shares	49	– 2 887	– 1 075
Cash flows from financing activities - net		– 614 039	129 936
Effects of translation differences on cash and cash equivalents		268	– 297
Change in cash and cash equivalents		– 8 725	8 295
Reconciliation of change in cash and cash equivalents			
Cash and cash equivalents as of 01/01 continuing operations	32	23 639	17 160
Cash and cash equivalents as of 01/01 discontinued operations	36	15 572	13 756
Cash and cash equivalents as of 31/12 continuing operations	32	26 841	23 639
Cash and cash equivalents as of 31/12 discontinued operations	36	3 645	15 572
Change in cash and cash equivalents		– 8 725	8 295

The notes on [pages 182 to 244](#) are an integral part of these consolidated financial statements.



Consolidated Statement of Changes in Equity

in 1 000 CHF	Note	Share capital	Share premium	Treasury shares	Other reserves	Retained earnings	Total share-holders' equity
Balance at 01/ 01/ 2024		291 787	475 751	– 1 389	– 186 304	341 126	920 971
Group result						8 279	8 279
Total other comprehensive income after taxes	50				11 309	4 448	15 757
Total comprehensive income					11 309	12 727	24 036
Changes in treasury shares	49			– 67		– 1	– 68
Share based payments	56			1 182		297	1 479
Total transactions with owners				1 115		296	1 411
Balance at 31/ 12/ 2024		291 787	475 751	– 274	– 174 995	354 149	946 418
Group result						131 867	131 867
Total other comprehensive income after taxes	50				50 255	10 377	60 632
Total comprehensive income					50 255	142 244	192 499
Nominal value repayment		– 277 893				1 125	– 276 768
Distribution from capital contribution reserves and dividend			– 63 311			– 63 311	– 126 622
Changes in treasury shares	49			– 2 177		– 376	– 2 553
Share based payments	56			2 441		– 1 310	1 131
Total transactions with owners		– 277 893	– 63 311	264		– 63 872	– 404 812
Balance at 31/ 12/ 2025		13 894	412 440	– 10	– 124 740	432 521	734 105

The notes on [pages 182 to 244](#) are an integral part of these consolidated financial statements.



Notes to the Consolidated Financial Statements

A Accounting principles

1. General information

Arbonia Group (Arbonia) is an innovative full-range supplier for interior doors made of wood, glass and metal. With production sites in Switzerland, Germany, Poland, Spain, Portugal, France and the Czech Republic, Arbonia and its major brands Arbonia, Dimoldura, Garant, Invado, Kermi, Koralle, Prüm and RWD Schlatter have a strong market position in Western, Central and Eastern Europe.

On 18 April 2024, a contract was signed between Arbonia and Midea Electrics Netherlands B.V., a company of Midea Group for the sale of the Climate business. The closing of the transaction took place on 26 February 2025 ([see note 36](#)).

The ultimate parent company, Arbonia AG is a corporation organised under Swiss law incorporated and domiciled at Amriswilerstrasse 50, CH-9320 Arbon (Canton Thurgau). Arbonia AG is listed on the SIX Swiss Exchange in Zurich under the valor number 11024060 / ISIN CH0110240600.

These consolidated financial statements have been approved for issue by the Board of Directors of Arbonia AG on 2 March 2026 and require approval from the Annual General Meeting on 24 April 2026. The publication of the consolidated financial statements occurred on 3 March 2026 at the media and analyst conference.

2. General principles and basis of preparation

The consolidated financial statements of Arbonia have been prepared in accordance with IFRS Accounting Standards.

The preparation of financial statements in accordance with IFRS requires the use of certain critical accounting estimates and assumptions. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. Areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements, are disclosed in [note 30](#).

Amendments to significant published standards

The accounting policies adopted in the preparation of the annual consolidated financial statements are consistent with those used in the preparation of the annual consolidated financial statements for the year ended 31 December 2024.

The new or amended standards had no material impact on the Group's financial statements.

Published standards that are not yet effective nor adopted early

IFRS 18 - Presentation and disclosure in financial statements

IFRS 18 will replace IAS 1 «Presentation of financial statements» and applies for annual reporting periods beginning on or after 1 January 2027. The new standard introduces the following key new requirements:

- Entities are required to classify all income and expenses in the income statement into five categories: the operating, investing, financing, income tax and discontinued operations category. Entities are also required to present two newly defined subtotals «operating result» and «result before financing and income tax». Entities' net result will not change.
- Management-defined performance measures (MPMs) are disclosed in a single note in the financial statements.
- Enhanced guidance is provided on how to group information in the financial statements.

In addition, entities are required to use operating result as the starting point for the cash flow statement when presenting cash flows from operating activities using the indirect method.

The introduction of IFRS 18 will have an impact on Arbonia's reporting. Arbonia is currently analysing the impact of the new standard, particularly with regard to the structure of the income statement and cash flow statement.

The remaining published but as of the balance sheet date not yet effective new standards and interpretations will not have a material impact on the Group's financial statements.



3. Reporting entity

The consolidated financial statements are based on the financial statements of the individual Group companies prepared as of 31 December. Subsidiaries are fully consolidated from the date on which control is transferred to Arbonia (generally where the interest in votes and share capital is more than 50%). They are deconsolidated from the date that control ceases.

Investments in associated companies, over which Arbonia exercises significant influence but does not control, are initially recognised at cost. The cost comprises the share in net assets and a possible goodwill. After the date of acquisition, the investment is accounted for using the equity method. A significant influence is generally assumed by a shareholding of between 20% to 50% of the voting rights.

The following material changes occurred in the Group:

In the financial year 2025

- As of 26 February 2025, Arbonia sold the Climate Division ([see note 36](#)).
- As of 15 September 2025, Brugman Radiatorenfabriek BV, NL-Tubbergen, was liquidated.
- As of 9 October 2025, Arbonia acquired 100% of Rütthener Zargenbau GmbH, DE-Rüthen ([see note 41](#)).
- As of 15 October 2025, Arbonia acquired 100% of Cicomol S.A., PT-Seiça ([see note 41](#)).

In the financial year 2024

- As of 16 May 2024, Arbonia acquired 100% of Dimoldura Group, ES-Toledo ([see note 41](#)).
- As of 1 July 2024, Arbonia acquired 100% of Lignis s.r.o., CZ-Koryčany ([see note 41](#)).

An overview of the material Group companies is included in [note 60](#).

4. Full consolidation

In line with the full consolidation method, 100% of all balance sheet and income statement items are included in the consolidated financial statements. Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated.

5. Capital consolidation

Subsidiaries are fully consolidated from the date on which control is transferred to Arbonia. The acquisition method of accounting is used to account for the acquisition of subsidiaries. The cost of an acquisition is measured at the fair value of the assets given and liabilities incurred or assumed at the date of exchange. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. Contingent considerations are measured at fair value and are included in the purchase price. Subsequent changes to the fair value of the contingent consideration are recognised in the income statement unless the consideration is an equity instrument. Directly attributable acquisition-related costs are expensed.

Companies which are sold are deconsolidated from the date that control ceases. The difference between the consideration received and the net assets is recognised in the income statement as other operating income / expenses.

**B Summary of material accounting policy information****6. Material accounting policy information**

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below, from notes 7 to 29.

These consolidated financial statements are based on the annual financial statements of the Group companies prepared in accordance with the Group's uniform accounting policies. Balance sheet items are generally stated at cost as modified by the revaluation of financial instruments at fair value through profit or loss. Assets held for sale and disposal groups are measured at the lower of its carrying amount and fair value less costs to sell. Investments in associated companies are measured at cost at the time of acquisition and subsequently at the proportionate share of equity.

7. Foreign currency translation**Functional and presentation currency**

Items included in the financial statements of each Group company are measured using the currency of the primary economic environment in which the company operates (the functional currency). The consolidated financial statements are presented in Swiss francs (CHF).

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rate prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

Group companies

The results and financial position of all the Group companies that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

Assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet. Income and expenses for each income statement as well as the cash flow statements are translated at average exchange rates. All resulting exchange differences are recognised as a separate component of other comprehensive income under other reserves.

Exchange differences arising on intercompany loans of an equity nature that essentially form part of the company's net investment in the foreign entity are classified in other comprehensive income.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and are translated at the closing rate.

When a foreign operation is sold or liquidated, exchange differences that were recorded in other comprehensive income are recognised in the income statement.

The following foreign currency rates have been applied:

Currency	Unit	2025		2024	
		Year-end rate	Average rate	Year-end rate	Average rate
EUR	1	0.9314	0.9383	0.9412	0.9496
CZK	100	3.8416	3.7960	3.7371	3.7755
PLN	100	22.0361	22.0837	22.0267	22.0364
RUB	100	1.0081	0.9692	0.8851	0.9411

8. Maturities

Assets realised or consumed within 12 months in the ordinary course of business or held for trading purposes are classified as current assets. All other assets are classified as non-current assets.

Liabilities to be redeemed in the ordinary course of business, held primarily for the purpose of trading, falling due within 12 months from the balance sheet date or do not have an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date are classified as current liabilities. All other liabilities are classified as non-current liabilities. If a binding commitment to extend an expiring financial liability has been received as of the balance sheet date, the new maturity is also taken into account in the classification.



9. Financial instruments

Financial assets of Arbonia are divided into the following categories: (1) Financial assets measured at amortised cost (FA AC) and (2) Financial assets for hedge instruments.

At each balance sheet date, financial assets (debt securities) that are not measured at fair value through profit or loss are assessed for expected credit losses. Indications that the creditworthiness of assets is impaired include financial difficulties, breaches of contract and possible bankruptcy of the contracting party. A default with respect to a financial asset exists if it appears unlikely that the contracting party will meet its contractual payments to the Group in full. If loans or receivables have been impaired, the company continues to enforce the receivable to recover it. Financial assets are written-off as soon as there is no reasonable expectation of recovery. Among the indicators that there is no reasonable expectation of recovery is the bankruptcy of the counterparty.

Financial liabilities of Arbonia comprise financial liabilities measured at amortised cost (FL AC).

Financial assets and financial liabilities are normally reported on a gross basis. They are only reported on a net basis if there is at presence a right of offset and an intent to settle on a net basis.

10. Derivative financial instruments

The Group uses derivative financial instruments to minimise interest rate and commodity price risks resulting from operational business and financial transactions. Derivatives are measured at fair value and disclosed in the balance sheet as other current assets or other current liabilities.

11. Fair value estimation of financial instruments

The fair value of financial instruments traded in active markets (such as publicly traded derivatives and securities) is based on quoted market prices at the balance sheet date. The quoted market price used for financial assets is the current bid price, for financial liabilities the current asking price.

The fair value of financial instruments that are not traded in an active market is determined by using appropriate valuation techniques, e.g. comparison with similar at arm's length transactions, valuation using the discounted cash flow method or other established valuation methods.

Financial instruments measured at fair value are disclosed under the following hierarchy:

- Level 1 – quoted prices in active markets for identical assets or liabilities.
- Level 2 – inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly (derived from prices).
- Level 3 – unobservable market data.

12. Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with post and banks, other short-term highly liquid investments with original maturities not exceeding three months. Cash and cash equivalents are subject to the impairment provisions of IFRS 9, but as the expected losses are completely insignificant, no impairment losses have been recognised.

13. Receivables and contract assets

Accounts receivable and other current assets are measured at amortised cost using the effective interest method, less provision for impairment. Accounts receivable and contract assets are regularly monitored and expected credit defaults assessed. The expected losses are estimated as part of the determination of specific allowances. The assessment is based both on historical experience and on current circumstances, as well as on forward-looking information. This includes an assessment of the expected business and economic conditions as well as the future financial performance of the contracting party. Collateral received is taken into account when calculating the provision for impairment. Impairment losses on receivables are recognised using an allowance account.

**14. Inventories**

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted average cost method based on normal operating capacity. It excludes borrowing costs. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses. Claimed cash discounts are treated as a reduction of cost. Items with a low turnover rate are depreciated and obsolete items are fully written off.

15. Assets held for sale and associated liabilities

Non-current assets or a disposal group held for sale and liabilities associated with assets held for sale are classified as such if their carrying amount will be recovered principally through a sale transaction, not through continuing use. For this to be the case, the successful sale must be highly probable, an active search for a buyer is taking place and the asset must be available for immediate sale in its present condition. For the sale to be highly probable, management must be committed to a plan to sell the asset, the offer price of the asset is reasonable in relation to its current fair value and the sale is expected to be completed within one year. The assets are stated at the lower of carrying amount and fair value less costs to sell. Potential impairments are directly recorded within the income statement. Starting from the date of reclassification to this category, depreciation is ceased.

16. Discontinued operations

A discontinued operation is a component of an entity that either has been disposed of, or is classified as held for sale and represents a separate major line of business or geographical area of operations. Such a component comprises operations and cash flows that can be clearly distinguished, operationally and for financial reporting purposes, from the rest of the entity. The classification as discontinued operations occurs on the disposal of the operation or at an earlier point in time, provided the operation meets the criteria for the classification as held for sale. Discontinued operations are disclosed separately in the income statement and previous comparative periods are restated accordingly. However previous year's balance sheet is not restated.

17. Property, plant and equipment

Land is stated at cost. Buildings, plant, machinery and other equipment are stated at cost less depreciation. Depreciation is calculated using the straight-line method based on estimated useful lives as stipulated under [note 21](#).

Impairments ([see also note 20](#)) are separately disclosed under accumulated depreciation. Repair and maintenance costs are expensed.

18. Investment property

Investment property, principally comprising land and buildings, is held for long-term rental yields or appreciation and only an insignificant portion is used for operational purposes. Investment property is carried at cost less accumulated depreciation and any accumulated impairment losses. Depreciation is calculated using the straight-line method.

The fair value of investment property, which is required for disclosure purposes, is determined using the discounted cash flow method. Based on attainable net rental income (gross rental income minus operating costs and future refurbishment costs), the discounted cash flows are calculated for the next 10 years with a residual value for the time thereafter. The fair value of undeveloped land is determined by considering current local market conditions.

19. Intangible assets

Intangible assets include goodwill, which represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary including contingent liabilities at the date of acquisition. Goodwill is seen as an intangible asset with an indefinite useful life. Impairment on goodwill ([see note 20](#)) is separately disclosed under accumulated impairment losses.



Intangible assets comprise computer software and licenses at costs incurred. They are measured at cost less accumulated amortisation, calculated using the straight-line method based on estimated useful lives as stipulated under [note 21](#).

Intangible assets acquired in a business combination (brands, technologies, client relationships, distribution channels, etc.) are carried at fair value less accumulated amortisation, calculated using the straight-line method based on estimated useful lives as stipulated under [note 21](#).

Expenses relating to research activities are directly charged to the income statement in the period in which they are incurred. Development costs are capitalised at acquisition cost or production cost and reported under intangible assets if all criteria under IAS 38 have been met on a cumulative basis, including evidence of technical and economic feasibility, evidence of expected future economic benefit and attributability of costs and their reliable valuation. They are amortised over the expected useful life on the basis specified in [note 21](#). Development costs not meeting the criteria under IAS 38 are directly charged to the income statement in the period in which they are incurred.

20. Impairment of assets

The recoverability of property, plant and equipment, right-of-use assets, investment properties, goodwill and other intangible assets is reviewed whenever events or changes in circumstances indicate that the carrying amounts may be overstated. Intangible assets that have an indefinite useful life, such as goodwill, are tested annually for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of its fair value less costs to sell and its value in use. The value in use is based on discounted future cash flows. The applied discount rate is a pre-tax rate using the weighted average cost of capital (WACC) method. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units – CGU).

21. Estimated useful lives

Asset categories	main category	Useful lives (in years)
Office buildings	Land and buildings	35 – 60
Factory buildings	Land and buildings	25 – 40
Investment properties – buildings	Investment properties – buildings	25 – 50
Production machinery	Plant and machinery	8 – 20
Transport and storage equipment	Plant and machinery	8 – 15
Tools and moulds	Plant and machinery	5
IT-hardware	Plant and machinery	up to 5
Vehicles	Other equipment	5 – 10
Office furniture and equipment	Other equipment	up to 5
Software/-licenses	Software/-licenses	up to 8
Capitalised development costs	Other intangible assets	up to 5
Other intangible assets	Other intangible assets	up to 5
Intangible assets from business combinations		
– Customer relationships	Customer relationships	7 – 20
– Brands, technologies	Brands, Technologies	10 – 20
– Distribution channels	Other intangible assets from business combinations	10 – 20
– Order backlog	Other intangible assets from business combinations	up to 2

Land is not systematically depreciated.



22. Provisions

Provisions are recognised only when Arbonia has a present legal or constructive obligation as a result of past events, the amount has been reliably estimated and it is more likely than not that an outflow of resources will be required to settle the obligation.

Provisions for restructuring are only recognised when costs for such a programme can be reliably estimated by virtue of a detailed formal plan and Arbonia has a legal or constructive obligation or has raised a valid expectation in those affected.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation. The increase in provision due to passage of time is recognised as interest expense.

23. Employee benefit obligations

Arbonia manages various pension plans within Switzerland and abroad. The plans are funded through payments to trustee-administered funds or insurance companies or are unfunded arrangements.

Based on their characteristics the pension plans qualify under IAS 19 as defined benefit plans.

The liability recognised in the balance sheet to pay future retirement benefits is determined using the projected unit credit method, which is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets. If the fair value of plan assets exceeds the present value of the defined benefit obligation, a pension surplus will only be recognised taking the asset ceiling into account. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality bonds. Actuarial valuations are carried out on a regular basis by independent actuaries. Components of defined benefit costs are service cost, net interest result and remeasurement of pension obligations. Service cost includes the increase in current service cost, past service cost (plan amendments or curtailments) and settlements and is reported under personnel expenses. The net interest result is calculated on the net amount of the defined benefit obligation and plan assets using the discount rate and is reported in the financial result. The remeasurement of pension benefit obligations include actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions and is recognised immediately in the statement of comprehensive income in other comprehensive income. Likewise, this position includes the return on plan assets (without interest income) and asset ceiling effects.

24. Financial debts

Current and non-current financial debts consist of promissory note loans, syndicated loans, bank loans and mortgages. Financial debts are initially recognised at fair value, net of transaction costs incurred. They are subsequently stated at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the financial debt, using the effective interest method.

25. Leases

The lease liability is initially measured at the present value of future lease payments during the non-cancellable period of the lease. Arbonia uses incremental borrowing rates as discount rates. On initial measurement, the right-of-use asset corresponds to the lease liability plus any dismantling costs, initial direct costs and advance payments. The right-of-use asset is depreciated on a straight-line basis over the shorter of the useful life and the lease term. If it is intended to exercise a purchase option at the end of the contract period, the asset is depreciated over its useful life.

If the expected lease payments change, e.g. in the case of payments based on an index or due to new estimates regarding contractual options, the lease liability is remeasured and adjusted against the right-of-use asset.



Arbonia uses the optional exemption not to recognise short-term and low-value leases in the balance sheet, but to recognise the corresponding lease payments as an expense on a straight-line basis over the lease term.

26. Deferred income tax

Deferred taxes are recognised using the liability method. In accordance with this method, the income tax effects of temporary differences between the intra-group and tax balance sheet values are recognised as non-current liabilities or non-current assets. Deferred income tax is determined using tax rates that have been enacted by the balance sheet date. Deferred taxes on temporary differences are not recognised for (1) goodwill that is not deductible for tax purposes, (2) transactions resulting from the initial recognition of assets or liabilities that affect neither the taxable profit nor the profit for the year and do not result from business combinations, and (3) investments in subsidiaries, provided that the timing of the reversal can be controlled by Arbonia and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred income tax assets including unused tax loss carry-forwards are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

The book value of capitalised deferred income tax assets is assessed for impairment at each balance sheet date and a loss is recognised in case of insufficient future taxable profit.

27. Share based payment

Members of the Board of Directors and Group Management as well as certain employees participate in a share based payment plan. The fair value of the equity compensation instruments granted to employees is estimated at the grant date and recorded over the service period to the income statement as personnel expenses with a corresponding offsetting entry to equity.

28. Shareholders' equity

The share premium relates to the Company going public back in 1988 and the capital increases in 2007, 2009, 2015, 2016 and 2017 reduced by previous distributions. Retained earnings include also remeasurements of employee benefit obligations.

Treasury shares are deducted from shareholders' equity. The cost of these treasury shares and the consideration received from the sale of these instruments (net of transaction cost and taxes) are recorded directly in shareholders' equity.

The other reserves include currency effects due to the translation of the financial statements of foreign Group companies and on intercompany loans of an equity nature. In 2024, the valuation of the Deal Contingent Forward (incl. cost of hedging) concluded in 2024 was also included in other reserves. Upon the closing of the sale of Climate Division, the cumulative result from other reserves was transferred to the income statement in the reporting year.

29. Income statement

Net revenue

The wood product group generates its sales by selling interior and functional doors in a wide variety of designs and configurations. The glass product group generates its sales through the sale of shower areas, shower enclosures and shower stalls for individual bathroom situations.

Contracts within the glass product group may include several different products which qualify as separate performance obligations. The performance obligation is generally fulfilled when the customer has received delivery. The individual products of a contract are delivered at the same time. It is therefore not necessary to allocate the transaction price to the individual performance obligations. At the time of delivery the invoice is issued and hence a recognition of a contract asset is not required. Revenue is therefore recognized at a point in time.

In the short-term series production (resale / commercial business) of the wood product group, the transactions always consist of one single performance obligation. The performance obligation is fulfilled when the customer has received the delivery. As a result of that, an invoice is issued and hence recognition of a contract asset is not required.

The variable considerations can be reliably measured at the time the performance obligation is fulfilled and are taken into account as sales deductions. Payment periods customary in the industry are granted unless special payment periods have been agreed. There is therefore no financing component.



In addition to short-term series production, the wood product group is also active in the project business. The project business is characterised by long-term contracts which partially have a duration of over one year. The products are made to measure, have no alternative use, Arbonia has an enforceable right to payment and the orders therefore fulfil the criteria for revenue recognition over time. The performance obligation is progressively satisfied over the period of the provided services (planning, production, assembly, acceptance) using the cost-to-cost method. Under the cost-to-cost method, the stage of completion is measured based on the ratio of costs incurred to date to the total budgeted costs. Revenue is recognised in proportion to the contract costs incurred. Therefore, revenue is recognised over the term of a contract. The allocation of the transaction price to separate performance obligations is not required because of the existence of only one performance obligation in the project business. Variable considerations such as discounts or construction rebates which can be measured reliably are deducted from the transaction price at the beginning of the contract term. In this way, these revenue reductions can be realised proportionally to the revenue recognition over the contract term. For reasons of materiality, it is not necessary to adjust the consideration for the time value of money or to measure non-cash consideration. If revenue is recognised as mentioned before, but the expected amount of consideration has not yet been invoiced, then a contract asset is recognised due to the conditional right to consideration. Accounts receivable from project business are recognised when the right to the consideration becomes unconditional. The right becomes unconditional when an acceptance protocol is signed and accordingly the invoice is issued to the customer. Payment periods customary in the industry are granted unless special payment periods have been

agreed. The contract liability relates to contracts whose partial payments exceed the stage of completion or the revenue already recognised respectively, on a net contract-by-contract basis. Contract liabilities are recognised as revenue when the contractual performance obligation has been satisfied. Based on the analysed order durations, there are no significant financing components. The treatment of loss-making contracts occurs regardless of the stage of completion by recognising a provision amounting to the total contract loss resulting from the total budgeted costs not covered by the total amount of the transaction price.

Net revenues are reported net of sales or value-added taxes and are shown net of sales deductions.

If significant costs are incurred in the course of initiating or fulfilling a contract with a customer, these are capitalised.

The assessment of right of return, refund and similar obligations is not necessary as they do not constitute an integral part of Arbonia's business.

Revenues from contracts with customers are broken down by category in the segment reporting. Segment reporting also shows a breakdown of revenues recognised at a point in time and satisfied over time.

Other operating income

Other operating income is recognised when the service has been rendered and comprises amongst others proceeds from the sale of scrap metal, service income, rental income, insurance benefits and gains on the sale of property, plant and equipment and investment property.

EBITDA

EBITDA shows earnings before financial results, tax, depreciation and amortisation on non-current assets.

EBITA

EBITA shows earnings before financial results, tax and amortisation of intangible assets from acquisitions.

EBIT

EBIT shows earnings before financial results and tax.

Financial income

Financial income comprises amongst others interest income, minority share from associated companies and foreign exchange gains. Interest income is recognised on a time-proportion basis using the effective interest method. Foreign exchange gains and losses are shown on a net basis.

Financial expenses

Financial expenses primarily include interest expenses and bank charges. Interest expenses are recognised using the effective interest method.



30. Significant accounting judgments, estimates and assumptions

All estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Arbonia makes judgments, estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, not always equal the related actual results. The judgments, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Revenue recognition

In project business, sales are realised over a period of time. Arbonia determines the stage of completion by using the cost-to-cost method. In Arbonia's opinion, this method best depicts the transfer of control of the products to the customer. Under the cost-to-cost method, the stage of completion is measured based on the ratio of costs incurred to date to the total budgeted costs. Changes due to post calculations and actively managed project controlling are taken into account when determining the stage of completion. Such changes in estimates are recognised prospectively. Revenue is recognised proportionally as costs are incurred. If the expected margin cannot be measured reliably, then revenue is recognised only in the amount of costs incurred.

Inventory provision

In order to determine the adequacy of the inventory provision, factors such as expected sales prices, inventory turnover and coverage days of inventory are considered. As of 31 December 2025, the carrying amount of inventory was at CHF 85.0 million. Therein a provision for inventories of CHF 6.8 million is included. A falling market demand or falling sales prices could lead to additional provisions needed. For further information on the inventory provision, [see note 34](#).

Useful lives for property, plant and equipment

Arbonia has a significant amount of its assets invested in property, plant and equipment. As of 31 December 2025, the carrying amount of property, plant and equipment totalled CHF 417.7 million. At the time of the purchase useful lives for such assets are based on estimates, as technical obsolescence or competition could lead to shorter useful lives than initially anticipated. Therefore the determination of useful lives is based on stringent standards and thereafter continuously reviewed and if necessary adjusted. A change in estimate could impact the level of future depreciation charges. For further information on property, plant and equipment, [see note 37](#).

Estimated impairment of goodwill

As of 31 December 2025, the carrying amount of goodwill was at CHF 198.7 million. Arbonia tests at least annually whether goodwill has suffered any impairment, in accordance with the accounting policy stated in [note 20](#). The recoverable amounts of cash-generating units have been determined based on value in use calculations. These calculations require the use of estimates such as expected future cash flows, margins, discount rates and growth rates. These estimates could change or differ from the actual outcome and therefore lead to additional impairments. For further information on goodwill, [see note 40](#).

Intangible assets acquired in a business combination

Brands, technologies, client relationships and distribution channels are amortised over their estimated useful lives. At initial recognition, assumptions and estimates must be made about the expected cash flows such as sales prices, margins, discount rates, attrition rates of clients and technological development which of course are exposed to some uncertainties. As of 31 December 2025, the carrying amount of intangible assets acquired in a business combination amounted to CHF 114.7 million. For further information on such acquired intangible assets, [see note 40](#).



Provisions

Provisions are recognised based on the criteria as set out under [note 22](#). As of 31 December 2025, the carrying amount of the provisions totalled CHF 7.5 million. In estimating the amount of provision, assumptions are used and depending on the outcome of the various business transactions, the actual cash outflow and its timing could significantly differ from the booked provision. For further information on provisions, [see note 45](#).

Employee benefit obligations

Employee benefit obligations for defined benefit plans are based on actuarial valuations, which use statistical calculations and actuarial assumptions ([see note 23](#)). Such assumptions include amongst others future salary and pension increases, probable turnover rates as well as life expectancy of plan participants. The assumptions underlying these calculations are dependent on a number of prospective factors, therefore actual results could significantly differ from the original valuations and as a consequence impact the carrying amount of capitalised pension surplus and employee benefit obligation. As of 31 December 2025, the overfunding amounted to CHF 27.2 million, thereof CHF 38.7 million recorded in the balance sheet as capitalised pension surplus and CHF 11.4 million as employee benefit obligation. For further information on employee benefit obligation, [see note 47](#).

Income taxes

Arbonia is subject to income taxes in numerous jurisdictions. Significant judgment is required in determining the world-wide liability for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Arbonia recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will become due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax in the period in which such determination is made. Deferred tax assets, including those on tax loss carryforwards and expected tax credits, are only recognised if it is probable that they can be used by future taxable profits. The assessment of the recoverability of those deferred tax assets is therefore based on estimates, which could differ from actual results and consequently lead to valuation allowances. As of 31 December 2025, the carrying amount of deferred tax assets before offsetting totalled CHF 24.6 million. For further information on income taxes, [see notes 46 and 52](#).



C Explanation to certain positions of the consolidated financial statements

31. Segment information

With the sales of the Climate business Arbonia will focus on its doors business in future, which remains as the only re-portable business segment. Corporate Services is not allocated to any business segment and is reported separately accordingly.

For the monitoring and assessment of the financial performance, EBITDA, EBITA and EBIT are pivotal key measures. However, Group Management and the Board of Directors also are provided with financial data down to the line item «result after income tax». The segment applies the same accounting policies as the Group. Purchases, sales and services between the segment and Corporate Services are entered into under normal commercial terms and conditions that would also be available to unrelated third parties. Income and expenses between the segment and Corporate Services are eliminated and disclosed in «Eliminations».

Segment assets and liabilities include all assets, liabilities and intercompany transactions.

Doors

Arbonia is an innovative full-range supplier for interior doors made of wood, glass and metal. The range includes a wide variety of products, from standard interior doors, room dividers, and shower enclosures to premium products that have been specially and specifically developed for hospitals, office and entertainment buildings as well as luxury hotels. The products are used in new construction and renovation projects alike. The production sites are located in Germany, Poland, Spain, Portugal, Czechia, France and Switzerland.

Corporate Services

Corporate Services mainly consists of service, finance, real estate and investment companies. These companies provide their services almost entirely to Group companies.



in 1 000 CHF					2025
	Doors	Total reportable segments	Corporate Services	Eliminations	Total Group
Sales with third parties at point in time	560 586	560 586	2 275		562 861
Sales with third parties over time	61 656	61 656			61 656
Sales with Corporate Services	20	20		– 20	
Net revenues	622 262	622 262	2 275	– 20	624 517
Segment results I (EBITDA)	61 789	61 789	– 5 503		56 286
in % of net revenues	9.9	9.9			9.0
Depreciation and amortisation	– 36 111	– 36 111	– 1 778		– 37 889
Impairment property, plant and equipment and investment properties	– 57	– 57	– 3 966		– 4 023
Segment results II (EBITA)	25 621	25 621	– 11 247		14 374
in % of net revenues	4.1	4.1			2.3
Amortisation of intangible assets from acquisitions	– 16 789	– 16 789			– 16 789
Segment results III (EBIT)	8 832	8 832	– 11 247		– 2 416
in % of net revenues	1.4	1.4			– 0.4
Interest income	304	304	17 441	– 16 769	976
Interest expenses	– 19 514	– 19 514	– 3 495	16 188	– 6 821
Minority share from associated companies	542	542			542
Other financial result	– 3 490	– 3 490	4 612	– 549	573
Result before income tax	– 13 326	– 13 326	7 311	– 1 130	– 7 146
Income tax expense	4 094	4 094	– 6 714		– 2 620
Result after income tax	– 9 232	– 9 232	596	– 1 130	– 9 766
Average number of employees	3 787	3 787	91		3 878
Total assets from continuing operations	1 033 386	1 033 386	743 767	– 687 050	1 090 103
thereof associated companies	23 328	23 328			23 328
Total liabilities from continuing operations	608 403	608 403	171 159	– 423 564	355 998
Purchases of property, plant and equipment, right-of-use assets, investment properties and intangible assets	53 845	53 845	1 724		55 569

The impairment in Corporate Services relates to impairments on the Business Center (formerly Corporate Center) in CH-Arbon due to the change in use of the property and the expected future cash flows (see notes 37 and 39).



in 1 000 CHF					2024
	Doors	Total reportable segments	Corporate Services	Eliminations	Total Group
Sales with third parties at point in time	496 581	496 581	2 539		499 120
Sales with third parties over time	57 188	57 188			57 188
Net revenues	553 769	553 769	2 539		556 308
Segment results I (EBITDA)	48 573	48 573	17 698		66 271
in % of net revenues	8.8	8.8			11.9
Depreciation and amortisation	– 31 254	– 31 254	– 2 111		– 33 365
Reversal of impairment on property, plant and equipment			37		37
Segment results II (EBITA)	17 319	17 319	15 624		32 943
in % of net revenues	3.1	3.1			5.9
Amortisation of intangible assets from acquisitions	– 16 032	– 16 032			– 16 032
Segment results III (EBIT)	1 288	1 288	15 624		16 912
in % of net revenues	0.2	0.2			3.0
Interest income	659	659	19 780	– 19 915	524
Interest expenses	– 21 609	– 21 609	– 10 308	19 879	– 12 038
Minority share from associated companies	224	224			224
Other financial result	– 2 651	– 2 651	9 180	– 4 003	2 526
Result before income tax	– 22 089	– 22 089	34 276	– 4 039	8 148
Income tax expense	5 718	5 718	– 11 118		– 5 400
Result after income tax	– 16 371	– 16 371	23 158	– 4 039	2 748
Average number of employees	3 447	3 447	88		3 535
Total assets from continuing operations	983 639	983 639	1 044 750	– 974 661	1 053 728
thereof associated companies	23 030	23 030			23 030
Total liabilities from continuing operations	575 969	575 969	367 487	– 401 968	541 488
Purchases of property, plant and equipment, right-of-use assets, investment properties and intangible assets	52 399	52 399	703		53 102

**Information about geographical areas**

in 1 000 CHF					2025
	Switzerland	Germany	Spain	Other Countries	Total
Net revenues	116 207	305 786	72 888	129 636	624 517
Property, plant and equipment, right-of-use assets, investment properties, intangible assets, goodwill and investments in associated companies	97 317	548 621	96 678	105 799	848 415
in 1 000 CHF					2024
	Switzerland	Germany	Spain	Other Countries	Total
Net revenues	110 768	298 289	44 170	103 081	556 308
Property, plant and equipment, right-of-use assets, investment properties, intangible assets, goodwill and investments in associated companies	103 771	539 059	97 985	90 340	831 155

Major customers

Arbonia has no customer who generates more than 10% of the Group's net revenues (see also paragraph credit default risk in [note 53](#)).

32. Cash and cash equivalents

Cash and cash equivalents are denominated in the following currencies:

in 1 000 CHF	31/ 12/ 2025	31/ 12/ 2024
CHF	4 524	7 051
EUR	19 961	12 680
PLN	1 412	1 298
CZK	721	2 373
Other currencies	223	237
Total	26 841	23 639

33. Accounts receivable / contract balances**Accounts receivable**

in 1 000 CHF	31/ 12/ 2025	31/ 12/ 2024
Accounts receivable	56 914	49 929
Allowance for accounts receivable	– 4 741	– 3 857
Total	52 173	46 072
thereof accounts receivable project business	3 003	6 656

The allowance for accounts receivable includes expected credit losses and cash discounts.

The ageing analysis is as follows:

in 1 000 CHF	31/ 12/ 2025	31/ 12/ 2024
Not yet due	40 745	40 574
Overdue up to 30 days	6 632	3 911
Overdue more than 30, less than 60 days	2 511	128
Overdue more than 60, less than 90 days	920	179
Overdue more than 90, less than 180 days	1 192	901
Overdue more than 180, less than 360 days	170	188
Overdue more than 360 days	2	193
Total accounts receivable, net	52 173	46 072

Outstanding accounts receivable amounting to CHF 19.6 million (2024: CHF 19.3 million) were secured and mainly consist of credit insurances. No allowances are made on the secured receivables.



The expected credit losses on accounts receivable developed as follows:

in 1 000 CHF	2025	2024
Balance at 01/ 01	– 2 080	– 1 886
Foreign exchange differences	1	6
Changes in scope of consolidation	– 813	– 362
Additional allowances	– 303	– 184
Used during year	364	191
Unused amounts reversed	96	155
Balance at 31/ 12	– 2 735	– 2 080

Contract balance

in 1 000 CHF	31/ 12/ 2025	31/ 12/ 2024
Contract assets project business	13 600	11 417
Total contract assets	13 600	11 417
Contract liabilities project business	3 797	4 115
Other advance payments by customers	2 382	1 430
Total contract liabilities	6 179	5 545

The contract balances project business result from Arbonia's longer-term contracts. Revenues recognised over the term of a contract are shown as contract assets. Contract assets are presented on a net contract-by-contract basis, e.g. less the received partial payments. As soon as the acceptance protocol is signed, the final invoice is issued and the items are transferred to accounts receivable. The movement in the contract assets is as follows:

in 1 000 CHF	2025	2024
Balance at 01/ 01	11 417	7 068
Reclassification of contract assets existing at the beginning of the period to accounts receivable	– 3 054	– 1 134
Revenue recognition on projects in progress as of the balance sheet date based on percentage of completion	24 592	23 675
Offset against contract liabilities due to partial payments received	– 19 355	– 18 192
Balance at 31/ 12	13 600	11 417

The contract liabilities project business relate to contracts whose partial payments exceed the stage of completion. Contract liabilities are recognised as revenue when the contractual performance obligation has been satisfied. The movement in the contract liabilities project business is as follows:

in 1 000 CHF	2025	2024
Balance at 01/ 01	4 115	6 413
Revenue recognised from amounts included in the contract liabilities at the beginning of the period	– 3 042	– 4 857
Partial payments received for projects in progress at the balance sheet date	22 079	20 751
Offset against contract assets	– 19 355	– 18 192
Balance at 31/ 12	3 797	4 115

In 2025, there were no known default risks and therefore no need for specific allowances on contract assets. The expected credit losses are estimated to be insignificant and therefore no allowance was made.

There have been no general changes in the timeframe until an enforceable right for consideration or a performance obligation is fulfilled.



The expected revenues to be recognised on the current order backlog are as follows:

in 1 000 CHF	within 1 year	in 1-2 years	after 2 years
Revenues expected to be recognised on uncompleted order backlog as at 31/ 12/ 2025	35 961	2 153	
Revenues expected to be recognised on uncompleted order backlog as at 31/ 12/ 2024	30 722	2 097	3 940

These amounts only include contracts of project business with an expected original duration of more than one year.

34. Inventories

in 1 000 CHF	31/ 12/ 2025	31/ 12/ 2024
Raw material and supplies	47 959	42 259
Semi-finished and finished goods	34 794	31 425
Goods purchased for resale	2 197	2 074
Prepayments	15	21
Total	84 965	75 779

A provision of CHF 6.8 million (2024: CHF 6.1 million) has been provided for obsolete and slow-moving items and is deducted from inventories. 2025 and 2024, there are no material inventories written down to the net realisable value and no material write-downs to net realisable value were recorded.

35. Financial assets

in 1 000 CHF	31/ 12/ 2025	31/ 12/ 2024
Investments in associated companies > 20 % < 50 %	23 328	23 030
Other financial assets	594	578
Total	23 922	23 608

Although Arbonia holds less than 20% of the ownership interest and voting control of Griffwerk, which it acquired in 2023, Arbonia has the ability to exercise significant influence. This influence results, among other things, from the shareholding, the active participation of the representatives provided by Arbonia in the shareholders' meeting and in the advisory board of Griffwerk as well as from the cooperation agreement concluded with Griffwerk. The investment in Griffwerk is consequently valued using the equity method.

Associated companies

in 1 000 CHF	2025	2024
Balance at 01/ 01	23 030	22 497
Foreign exchange differences	– 244	309
Minority share from associated companies	542	224
Balance at 31/ 12	23 328	23 030

Subsequently, the financial information of the associated companies are disclosed in condensed form.

Associated companies – Balance sheet

in 1 000 CHF	31/ 12/ 2025	31/ 12/ 2024
Current assets	36 438	35 833
Non-current assets	7 656	3 387
Total assets	44 094	39 221
Current liabilities	8 402	9 187
Shareholders' equity	35 692	30 034
Total liabilities and shareholders' equity	44 094	39 221

Associated companies – Income statement

in 1 000 CHF	2025	2024
Net revenues	37 165	36 648
Results after taxes	5 305	4 741

Business transactions with associated companies

in 1 000 CHF	2025	2024
Sale of goods and services	743	395
Purchase of goods and services	719	308
Receivables at balance sheet date	32	7



36. Non-current assets held for sale and discontinued operations

On 18 April 2024, a contract was signed between Arbonia and Midea Electrics Netherlands B.V., a company of Midea Group for the sale of the Climate business. The closing of the transaction took place on 26 February 2025. In accordance with IFRS 5, Arbonia reported the Climate Division as of 31 December 2024 as discontinued operations. In the consolidated balance sheet as of 31 December 2024, assets and liabilities of the discontinued operations Climate were disclosed in the respective held for sale asset and liability positions. The location in Russia (AFG RUS), which was not part of this transaction, is recognised as a discontinued operation due to the continued intention to sell, as was already the case as at 31 December 2024.

Assets held for sale and discontinued operations

in 1 000 CHF	31/ 12/ 2025	31/ 12/ 2024
Cash and cash equivalents	3 646	15 572
Receivables and other assets	523	102 399
Inventories and contract assets		131 121
Deferred expenses		1 862
Financial assets		627
Property, plant and equipment and right-of-use assets		284 995
Intangible assets and goodwill		98 163
Deferred income tax assets		3 584
Capitalised pension surplus		8 131
Total	4 168	646 453

Liabilities associated with assets held for sale and discontinued operations

in 1 000 CHF	31/ 12/ 2025	31/ 12/ 2024
Liabilities	3 836	96 802
Financial debts and lease liabilities		21 750
Accruals and deferred income	243	26 562
Provisions	90	8 103
Deferred income tax liabilities		27 528
Employee benefit obligations		31 530
Total	4 168	212 275

Sold operations 2025

Divestment Climate

in 1 000 CHF	26/ 02/ 2025
Assets	
Cash and cash equivalents	36 134
Receivables and other assets	127 686
Inventories and contract assets	128 112
Deferred expenses	1 602
Financial assets	14
Property, plant and equipment and right-of-use assets	286 631
Intangible assets and goodwill	98 713
Deferred income tax assets	2 708
Capitalised pension surplus	6 129
Financial assets	789
Total assets	688 518

Liabilities	
Liabilities	84 801
Financial debts and lease liabilities	21 205
Accruals and deferred income	39 922
Provisions	7 981
Deferred income tax liabilities	27 835
Employee benefit obligations	31 420
Total liabilities	213 164
Net assets	475 354
Cash consideration received	701 389
Profit on disposal before currency translation differences	226 035
Currency translation differences transferred to the income statement	– 60 002
Profit on disposal	166 034
The cash flow from this transaction is as follows:	
Cash consideration received	701 389
Cash and cash equivalents disposed	– 36 134
Net cash inflow from the transaction	665 255



The sale of the Climate business on 26 February 2025 resulted in a profit on disposal before currency translation differences of CHF 226.0 million. The sale resulted in total cumulative currency translation differences of CHF -60.0 million, which were transferred from equity to the income statement. The resulting net amount of CHF 166.0 million is eliminated in the cash flow statement under the item profit/loss on disposal of non-current assets/subsidiaries.

The profit on disposal and the cash consideration received include the cumulative gain of CHF 4.3 million from the deal contingent forward concluded in 2024 ([see note 54](#)).

Result from discontinued operations

in 1 000 CHF	2025	2024
Net revenues	96 604	563 156
Other operating income and capitalised own services	2 444	14 841
Changes in inventories of semi-finished and finished goods	3 169	2 987
Cost of material and goods	- 50 163	- 280 655
Personnel expenses	- 36 492	- 160 647
Other operating expenses	- 24 695	- 95 934
EBITDA	- 9 133	43 748
Depreciation, amortisation and impairments	- 11 543	- 22 758
EBIT	- 20 676	20 991
Financial result	- 788	- 4 999
Result from discontinued operations before income tax	- 21 464	15 992

Income tax expense	- 622	- 10 461
Result from discontinued operations	- 22 086	5 531
Profit on disposal before currency translation differences	226 035	
Currency translation differences transferred to the income statement	- 60 002	
Income tax expense on the profit on disposal	- 2 314	
Net result from discontinued operations	141 633	5 531

Discontinued operations include the results of AFG RUS in full and those of the Climate business in full for 2024 and for 2025 up to the date of sale.

The result includes sales costs totalling CHF 12.7 million (2024: CHF 3.3 million) for the sale of Climate business, of which CHF 5.1 million is included in personnel expenses, CHF 6.7 million (2024: CHF 3.3 million) in other operating expenses and CHF 0.9 million in the financial result.

The revaluation of assets held for sale and adjustment to the lower of carrying amount and fair value less costs to sell of AFG RUS resulted in additional impairments in the amount of CHF 11.5 million (2024: CHF 21.1 million).

In the consolidated cash flow statement, the cash flows from the discontinued operations are included, however, subsequently condensed and shown separately below. Neither the cash inflows nor the sales costs from the divested business are included in the below table.

Cash flow from discontinued operations

in 1 000 CHF	2025	2024
Cash flows from operating activities	- 18 301	3 943
Cash flows from investing activities	- 2 258	- 24 187
Cash flows from financing activities	- 771	- 7 069

As of 31 December 2025, other comprehensive income includes cumulative expenses in connection with discontinued operations totalling around CHF 25 million (2024: CHF 78 million).

**37. Property, plant and equipment**

in 1 000 CHF

	Land and buildings	Plant and machinery	Other equipment	Prepayments and assets under construction	Total
Net book value at 01/ 01/ 2024	156 861	110 113	6 003	120 163	393 140
Cost					
Balance at 01/ 01/ 2024	182 749	169 277	19 971	120 163	492 159
Foreign exchange differences	1 101	1 775	176	1 743	4 795
Change in scope of consolidation	9 587	5 605	509	723	16 424
Additions	780	6 786	1 254	26 896	35 716
Disposals	– 14	– 4 205	– 822	– 56	– 5 097
Reclassification to/from assets held for sale	24 835	– 2 517	– 5 418	– 2 126	14 773
Reclassifications	4 207	31 859	106	– 35 987	185
Balance at 31/ 12/ 2024	223 245	208 580	15 776	111 356	558 956
Foreign exchange differences	– 1 208	– 2 066	– 55	– 700	– 4 029
Change in scope of consolidation	3 886	880	141	676	5 583
Additions	2 379	8 008	1 527	19 206	31 120
Disposals	– 61	– 3 094	– 2 102	– 138	– 5 395
Reclassifications	– 11 670	66 100	1 124	– 73 956	– 18 402
Balance at 31/ 12/ 2025	216 571	278 408	16 411	56 444	567 833

The reclassifications in land and buildings include the Business Center (formerly Corporate Center) in CH-Arbon. In the reporting year, the previously owner-occupied vacant space was fully leased to third parties. As a result of the change in use, the part of the Business Center that will be held to earn rentals and is not owner-occupied was classified as an investment property and transferred accordingly. In connection with this reorganisation, the property was revalued, which led to an impairment. The recoverable amount was estimated on the basis of its value in use and a discount rate of 4.6% was applied.

Kermi GmbH was active for both the Doors Division (Glass) and the Climate Division. Due to the planned sale of the Climate Division, Glass business was carved out in 2024. The carve-out and the final contract negotiations with the buyer led to adjustments in the allocation of assets between continuing and discontinued operations. These shifts were recognised as reclassification to assets held for sale in 2024. The reclassification in land and buildings relates to the transfer of the land and factory building in Plattling to the Doors Division.



in 1 000 CHF

	Land and buildings	Plant and machinery	Other equipment	Prepayments and assets under construction	Total
Accumulated depreciation					
Balance at 01/ 01/ 2024	25 887	59 164	13 968		99 019
Foreign exchange differences	76	648	136		860
Depreciation	6 505	17 314	1 654		25 473
Reversal of impairment		– 37			– 37
Disposals		– 4 155	– 712		– 4 867
Reclassification to/from assets held for sale	12 268	– 1 923	– 4 154		6 191
Reclassifications		85	27		112
Balance at 31/ 12/ 2024	44 736	71 097	10 918		126 751
Foreign exchange differences	– 281	– 562	– 34		– 877
Depreciation	5 826	20 650	1 924		28 400
Impairment	1 071	57			1 128
Disposals	– 59	– 3 066	– 1 874		– 4 999
Reclassifications	– 412	150	30		– 232
Balance at 31/ 12/ 2025	50 881	88 326	10 964		150 171
Net book value at 31/ 12/ 2024	178 508	137 483	4 857	111 356	432 204
Net book value at 31/ 12/ 2025	165 689	190 082	5 446	56 444	417 661

No borrowing costs were capitalised in 2025 and 2024.

Capital commitments

As of the balance sheet date, Arbonia had entered into the following capital commitments for the purchase of property, plant and equipment and intangible assets:

in 1 000 CHF	31/ 12/ 2025	31/ 12/ 2024
Property, plant and equipment	11 591	13 132
Intangible assets	501	247
Total	12 092	13 379

**38. Leasing**

Arbonia leases various assets, including buildings, machinery, vehicles, tools and IT equipment. The lease conditions are negotiated individually and contain a variety of different conditions. The rights-of-use assets in connection with these leases are as follows:

in 1 000 CHF

	Right-of-use land and buildings	Right-of-use plant and machinery	Right-of-use other equipment	Total
Net book value at 01/ 01/ 2024	5 648	725	1 829	8 202
Cost				
Balance at 01/ 01/ 2024	9 064	1 155	4 343	14 562
Foreign exchange differences	– 198	– 59	33	– 224
Change in scope of consolidation	7 361	1 748	345	9 454
Additions	476	1 167	1 475	3 118
Disposals and remeasurements	793	– 41	– 1 016	– 264
Reclassification to/from assets held for sale	116	– 139	331	308
Reclassifications		210	– 388	– 178
Balance at 31/ 12/ 2024	17 612	4 041	5 123	26 776
Foreign exchange differences	– 171	– 82	– 48	– 301
Change in scope of consolidation	1 576		190	1 766
Additions	4 190	6 257	1 683	12 130
Disposals and remeasurements	– 487	– 322	– 1 069	– 1 878
Reclassifications			– 176	– 176
Balance at 31/ 12/ 2025	22 720	9 894	5 703	38 317



in 1 000 CHF

	Right-of-use land and buildings	Right-of-use plant and machinery	Right-of-use other equipment	Total
Accumulated depreciation				
Balance at 01/ 01/ 2024	3 416	430	2 514	6 360
Foreign exchange differences	29	1	21	51
Depreciation	1 686	684	1 459	3 829
Disposals	– 983	– 36	– 1 093	– 2 112
Reclassification to/ from assets held for sale		– 98	91	– 7
Reclassifications		22	– 200	– 178
Balance at 31/ 12/ 2024	4 148	1 003	2 792	7 943
Foreign exchange differences	– 39	– 14	– 25	– 78
Depreciation	2 197	898	1 532	4 627
Disposals	– 137	– 319	– 1 133	– 1 589
Reclassifications			– 176	– 176
Balance at 31/ 12/ 2025	6 169	1 568	2 990	10 727
Net book value at 31/ 12/ 2024	13 464	3 037	2 332	18 833
Net book value at 31/ 12/ 2025	16 551	8 325	2 714	27 590

Other operating expenses include the following expenses in connection with leases:

in 1 000 CHF	2025	2024
Expenses relating to short-term leases	883	710
Expenses relating to leases of low-value assets (excluding short-term leases)	359	370
Expenses for variable lease payments	148	132
Total	1 390	1 212

Total cash outflows for leases amounted to CHF 9.4 million in 2025 (2024: CHF 14.6 million). Of this amount, CHF 7.4 million (2024: CHF 5.4 million) was attributable to continuing operations.

Lease agreements may contain renewal options. The determination of the lease term of these leases requires judgement. As of 31 December 2025, possible future cash outflows of CHF 1.0 million (2024: CHF 0.0 million) were not included in the lease liability as it was not reasonably certain that the lease agreements will be renewed.

**39. Investment property**

in 1 000 CHF

	Investment property – land	Investment property – buildings	Total
Net book value at 01/ 01/ 2024	1 103	4 197	5 300
Cost			
Balance at 01/ 01/ 2024	1 602	27 012	28 614
Foreign exchange differences	55	3	58
Additions		13	13
Disposals	– 1 675	– 27 028	– 28 703
Reclassification assets held for sale	3 925	243	4 168
Balance at 31/ 12/ 2024	3 907	243	4 150
Foreign exchange differences	– 12	– 1	– 13
Disposals	– 3 895	– 246	– 4 141
Reclassifications	5 379	13 146	18 525
Balance at 31/ 12/ 2025	5 379	13 142	18 521
Accumulated depreciation			
Balance at 01/ 01/ 2024	499	22 815	23 314
Depreciation		220	220
Disposals	– 498	– 23 032	– 23 530
Reclassification assets held for sale	35	39	74
Balance at 31/ 12/ 2024	36	42	78
Depreciation		622	622
Impairment		2 895	2 895
Disposals	– 36	– 46	– 82
Reclassifications		408	408
Balance at 31/ 12/ 2025		3 921	3 921
Net book value at 31/ 12/ 2024	3 871	201	4 072
Net book value at 31/ 12/ 2025	5 379	9 221	14 600
Fair values of investment properties at 31/ 12/ 2024			5 664
Fair values of investment properties at 31/ 12/ 2025			14 600

Rental income from investment properties amounted to CHF 0.9 million (2024: CHF 1.2 million) and is included in other operating income. Related direct operating expenses were CHF 0.7 million (2024: CHF 0.1 million) and are included in other operating expenses.

The reclassifications and impairment in 2025 relate to the Business Center (formerly Corporate Center) in CH-Arbon (see note 37).

In the second quarter of 2025, Arbonia sold the non-operating property of Brugman Radiatorenfabriek BV in the Netherlands. This resulted in a gain on disposal of CHF 2.9 million, which is included in the income statement under other operating income. The cash inflow of CHF 6.3 million is included in the cash flow statement under proceeds from sale of investment properties.

In the second quarter of 2024, Arbonia sold the non-operating property Zelgstrasse (Arbon). This resulted in a gain on disposal of CHF 28.8 million, which was included in the income statement under other operating income. The cash inflow of CHF 19.0 million was included in the cash flow statement under proceeds from sale of investment properties. At the same time, the mortgage of CHF 14.9 million was repaid and deducted directly from the sales price by the bank.

The fair values of investment properties are, in the hierarchy according to IFRS 13, assigned to level 3 for non-observable market data, since they are calculated on the basis of estimates that have been determined by independent external valuers and internal assessments.

**40. Intangible assets**

in 1 000 CHF

	Brands	Customer relationships	Technologies	Other intangible assets from business combinations	Software/-licenses	Other intangible assets	Total	Goodwill
Net book value at 01/ 01/ 2024	26 716	42 444	4 115		31 109	2 107	106 491	146 123
Cost								
Balance at 01/ 01/ 2024	57 638	92 818	5 185	4 617	46 995	3 274	210 527	154 223
Foreign exchange differences	264	– 529	71	– 67	542	22	303	492
Change in scope of consolidation	14 130	45 935		2 888	206		63 159	43 215
Additions					14 102	154	14 256	
Disposals					– 451		– 451	
Reclassification to assets held for sale					– 2 211		– 2 211	
Reclassifications					– 51	88	37	
Balance at 31/ 12/ 2024	72 032	138 224	5 256	7 438	59 132	3 538	285 620	197 930
Foreign exchange differences	– 544	– 897	– 55	2	– 471	– 19	– 1 984	– 1 457
Change in scope of consolidation	2 549	10 127		518	28	34	13 256	10 310
Additions					12 011	309	12 320	
Disposals					– 767	– 105	– 872	
Reclassifications					37	17	54	
Balance at 31/ 12/ 2025	74 037	147 454	5 201	7 958	69 970	3 774	308 394	206 783



in 1 000 CHF

	Brands	Customer relationships	Technologies	Other intangible assets from business combinations	Software/ -licenses	Other intangible assets	Total	Goodwill
Accumulated amortisation								
Balance at 01/ 01/ 2024	30 922	50 374	1 070	4 617	15 886	1 167	104 036	8 100
Foreign exchange differences	359	525	11	12	145	1	1 053	
Amortisation	4 900	8 513	454	2 165	3 442	401	19 875	
Disposals					– 450		– 450	
Reclassification to assets held for sale					– 2 080		– 2 080	
Balance at 31/ 12/ 2024	36 181	59 412	1 535	6 794	16 943	1 569	122 434	8 100
Foreign exchange differences	– 298	– 380	– 19	– 12	– 76	– 4	– 789	
Amortisation	5 403	9 858	449	1 079	3 704	536	21 029	
Disposals					– 729	– 104	– 833	
Reclassifications					18	– 18		
Balance at 31/ 12/ 2025	41 286	68 890	1 965	7 861	19 860	1 979	141 841	8 100
Net book value at 31/ 12/ 2024	35 851	78 812	3 721	644	42 189	1 969	163 186	189 830
Net book value at 31/ 12/ 2025	32 751	78 564	3 236	97	50 110	1 795	166 553	198 683

Expenses for research and development in the amount of CHF 5.2 million (2024: CHF 3.2 million) have been charged to the income statement, since they did not fulfil the capitalisation criteria. The additions to other intangible assets consist of CHF 0.2 million (2024: CHF 0.1 million) of own development costs and CHF 0.1 million (2024: CHF 0.1 million) of purchased or acquired items.

**Goodwill**

As of 31 December 2025 goodwill from business combinations is allocated to the Group's five cash-generating units (CGUs) Lignis, Wood Western/ Iberia (formerly Dimoldura), Joro Doors, Wood DACH/ Eastern (formerly Wood Solutions) and Glass (formerly Glass Solutions). The movements of the carrying amounts of goodwill were as follows:

in 1 000 CHF

	Lignis	Wood Western/ Iberia	Joro Doors	Wood DACH/ Eastern	Glass	Total
Balance at 01/ 01/ 2024			10 896	120 580	14 647	146 123
Acquisition	4 368	38 847				43 215
Foreign exchange differences	– 127	– 1 488	150	1 957		492
Balance at 31/ 12/ 2024	4 241	37 359	11 046	122 537	14 647	189 830
Acquisition		10 310				10 310
Foreign exchange differences	119	– 369	– 115	– 1 092		– 1 457
Balance at 31/ 12/ 2025	4 360	47 300	10 931	121 445	14 647	198 683

**Goodwill impairment tests 2025**

The recoverability of goodwill is assessed annually towards year-end or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

The recoverable amount is the higher of its value in use and its fair value less costs to sell.

The recoverable amount of the CGUs was determined based on value in use calculations. These calculations used cash flow projections which, with the exception of the CGU Wood Solutions, cover a five-year period. Cash flows beyond the five-year period were extrapolated using estimated growth rates.

The underlying financial data consisting of one budget year and four plan years form part of the Group's medium term plan approved by the Board of Directors in autumn 2025 and were used for the impairment tests.

The value in use calculation for the annual 2025 impairment tests assumed the following key assumptions:

in %		Wood Western/ Iberia	Wood DACH/ Eastern		
	Lignis	Joro Doors	Glass		
Budgeted gross margin	65.8	52.8	69.5	59.8	73.7
Eternal growth rate	2.5	2.1	1.5	2.0	1.8
Discount rate	12.3	13.2	13.0	11.4	11.3

Budgeted gross margins are based on expectations for the market development and initiated optimisation measures. The eternal growth rates used are consistent with the forecasts included in industry reports. The discount rates used are pre-tax and reflect specific risks relating to the relevant CGUs.

A time horizon of ten years was used for CGU Wood DACH/ Eastern, consisting of a budget year and four planning years with a subsequent reconciliation of a further five years to the residual values. The slump in construction activity, particularly in Germany, led to a drop in demand for doors. Due to this slump in demand, the completed, highly automated plant of the future in Germany will only reach full value creation and corresponding capacity utilisation after the first five planning years, meaning that five additional years have been used.

Based on a reasonably possible change in the key assumptions, sensitivity analyses were calculated in 2025 on higher discount rates, lower than actually expected EBITDAs, lower gross margins and lower eternal growth rates which only led to a possible impairment at the CGU Wood DACH/ Eastern.

Other key assumptions for the impairment test of the CGU Wood DACH/ Eastern included an annual average growth rate of 5.9% until 2030 and 4.7% until 2035 as well as an EBITDA margin development to 15.8% until 2030 and to 17.6% until 2035.

The estimated recoverable amount of CGU Wood DACH/ Eastern exceeds its carrying amount by CHF 98 million (2024: CHF 81 million). If the discount rate were increased from 11.4% to 12.9%, the calculated value would be equal to its carrying amount. A reduction in the budgeted gross margin from 59.8% to 55.8% would have led to an impairment of CHF 81 million. If the budgeted gross margin were decreased from 59.8% to 57.7%, the calculated value would be equal to its carrying amount. A 20% reduction in EBITDA would lead to an impairment of CHF 45 million. At a reduction of 13.7% in EBITDA, the calculated value would be equal to its carrying amount. A 20% reduction in EBITDA and a simultaneous reduction of eternal growth from 2.0% to 1.5% would lead to an impairment of CHF 64 million. At a reduction of 12.2% in EBITDA and an eternal growth of 1.75%, the recoverable amount was equal to its carrying amount.



Goodwill impairment tests 2024

The value in use calculation for the annual 2024 impairment tests assumed the following key assumptions:

in %	Lignis	Dimoldura	Joro Doors	Wood Solutions	Glass Solutions
Budgeted gross margin	64.8	52.6	69.8	58.4	74.5
Eternal growth rate	2.0	1.5	1.8	2.0	1.8
Discount rate	11.4	12.5	11.6	10.4	10.5

Budgeted gross margins were determined based on expectations for the market development and initiated optimisation measures. The eternal growth rates used were consistent with the forecasts included in industry reports. The discount rates used were pre-tax and reflected specific risks relating to the relevant CGUs.

A planning horizon of ten years was used for CGU Wood Solutions, consisting of a budget year and four planning years with a subsequent reconciliation of a further five years to the residual values. The slump in construction activity, particularly in Germany, led to a drop in demand for doors. Due to this slump in demand, the highly automated plant of the future in Germany, which is currently being completed, will only reach full value creation and corresponding capacity utilisation after the first five planning years, meaning that five additional planning years have been used.

Based on a reasonably possible change in the key assumptions, sensitivity analyses were calculated in 2024 on higher discount rates, lower than actually expected EBITDAs, lower gross margins and lower eternal growth rates which only led to a possible impairment at the CGU Wood Solutions.

Other key assumptions for the impairment test of the CGU Wood Solutions included an annual average growth rate of 6.2% until 2029 and 5.0% until 2034 as well as an EBITDA margin development of 13.9% until 2029 and 16.0% until 2034.

If the discount rate had been increased from 10.4% to 11.4%, the calculated value would have been equal to its carrying amount. A reduction in the budgeted gross margin from 58.4% to 51.4% would have led to an impairment of CHF 47 million. A 20% reduction in EBITDA would have led to an impairment of CHF 45 million. With a 13.3% reduction in EBITDA, the calculated value would be equal to its carrying amount. A 20% reduction in EBITDA with a simultaneous reduction in eternal growth from 2.0% to 1.5% would have led to an impairment of CHF 70 million. In the event of a 11.6% reduction in EBITDA and an eternal growth rate of 1.75%, the calculated value would be equal to its carrying amount.



41. Acquisitions

The following fair value of assets and liabilities had arisen from acquisitions as mentioned under note 3:

Acquisitions 2025

Rüthener Zargenbau GmbH

in 1 000 CHF	Fair Value
Assets	
Cash and cash equivalents	192
Accounts receivable	374
Other current assets	37
Inventories	516
Current income tax receivables	19
Property, plant and equipment	2 646
Right-of-use assets	162
Intangible assets	1 078
Total assets	5 024
Liabilities	
Accounts payable	91
Other liabilities	171
Financial debts	666
Lease liabilities	162
Accruals and deferred income	197
Current income tax liabilities	15
Provisions	19
Deferred income tax liabilities	3
Total liabilities	1 324
Net assets acquired	3 700

Cost of acquisition	
Purchase price in cash	2 992
Purchase price in equity instruments	336
Deferred purchase price	372
Total cost of acquisition	3 700
Net cash outflow was as follows:	
Purchase price	2 992
Cash and cash equivalents acquired	– 192
Repayment of shareholder loans	666
Net cash outflow on acquisition	3 466

As of 9 October 2025, Arbonia acquired 100% of Rüthener Zargenbau GmbH, DE-Rüthen. Rüthener Zargenbau specialises in custom metal door frames in Germany, which are used in commercial properties, particularly hospitals, schools, dormitories, etc. In the past, Arbonia purchased most of its metal frames externally. The purchase price amounted to CHF 3.7 million and CHF 0.7 million for the repayment of shareholder loans, of which a total of CHF 3.7 million was paid in cash and CHF 0.3 million in Arbonia shares. The deferred purchase price of CHF 0.4 million will be paid in two equal instalments in 2026 and 2027. From the date of acquisition, Rüthener Zargenbau contributed CHF 1.4 million in net revenues and CHF 0.03 million in profit to the Group. Had the acquisition taken place on 1 January 2025, net revenues for the reporting period would have been CHF 5.2 million and profit would have been CHF 0.2 million. The gross carrying amount of accounts receivables amounted to CHF 0.4 million, and no receivables were considered uncollectable. The acquisition-related costs amounted to CHF 0.1 million and are included in operating expenses in 2025.

Cicomol S.A.

in 1 000 CHF	Fair Value
Assets	
Cash and cash equivalents	3 475
Accounts receivable	2 914
Other current assets	56
Inventories	2 094
Property, plant and equipment	2 935
Right-of-use assets	1 605
Intangible assets	12 177
Financial assets	13
Total assets	25 270
Liabilities	
Accounts payable	695
Contract liabilities	510
Other liabilities	429
Lease liabilities	1 621
Accruals and deferred income	487
Current income tax liabilities	246
Deferred income tax liabilities	3 095
Total liabilities	7 083
Net assets acquired	18 187
Goodwill	10 310
Purchase consideration	28 498
Cost of acquisition	
Purchase price in cash	21 991
Deferred purchase price	6 507
Total cost of acquisition	28 498

**Net cash outflow was as follows:**

Purchase price	21 991
Cash and cash equivalents acquired	– 3 475
Net cash outflow on acquisition	18 516

As of 15 October 2025, Arbonia acquired 100% of Cicomol S.A., PT-Seiça. Cicomol has a strong market position particularly in the area of premium design and special doors and CPL interior doors and frames. Cicomol's Portuguese market complements Arbonia's existing sales markets, with high growth prospects in both new construction and renovation. The purchase price amounted to CHF 28.5 million, of which a total of CHF 22.0 million was paid in cash. The deferred purchase price of CHF 6.5 million will be paid in two equal instalments in July 2026 and April 2027. From the date of acquisition, Cicomol contributed CHF 3.5 million in net revenues and CHF 0.8 million in profit to the Group. Had the acquisition taken place on 1 January 2025, net revenues for the reporting period would have been CHF 13.9 million and profit, including amortisation charges on intangible assets from acquisitions, would have been CHF 2.8 million. The gross carrying amount of accounts receivables amounted to CHF 3.7 million, of which CHF 0.8 million were considered uncollectable. The acquisition-related costs amounted to CHF 0.3 million and are included in operating expenses in 2025. The goodwill from this acquisition was due to the fact that certain intangible assets did not meet the criteria of IFRS 3 "business combinations" for the recognition as intangible assets at the date of acquisition. Goodwill contains the expected synergy potential within the segment Doors. In particular, Arbonia expects to achieve sales synergies in Spain, Portugal and France by expanding Dimoldura's strong presence with white lacquer doors and, in the DIY sector, with CPL doors and frames from Cicomol. The goodwill also includes the know-how of the workforce.

In 2025, deferred purchase price payments for CICSA and Interwand of CHF 0.9 million were due and paid.

Acquisitions 2024**Dimoldura Gruppe**

in 1 000 CHF	Fair Value
Assets	
Cash and cash equivalents	3 422
Accounts receivable	17 750
Other current assets	679
Inventories	22 559
Current income tax receivables	116
Property, plant and equipment	10 821
Right-of-use assets	9 178
Intangible assets	54 806
Deferred income tax assets	172
Financial assets	215
Total assets	119 719
Liabilities	
Accounts payable	18 744
Other liabilities	4 301
Financial debts	18 491
Lease liabilities	9 176
Current income tax liabilities	2 879
Provisions	104
Deferred income tax liabilities	13 969
Employee benefit obligations	547
Total liabilities	68 210
Net assets acquired	51 508

Goodwill	38 847
Purchase consideration	90 355

Net cash outflow was as follows:

Purchase price	90 355
Cash and cash equivalents acquired	– 3 422
Net cash outflow on acquisition	86 933

As of 16 May 2024, Arbonia had acquired 100% of Dimoldura Group, ES-Toledo. Dimoldura is the market leader in the area of wooden interior doors in Spain and is also active with a strong market presence in Portugal and France. The markets of Dimoldura therefore complement the existing sales markets of the Doors segment. Arbonia is additionally expanding its presence in the contractor services business and DIY business. The purchase price in cash amounted to CHF 90.4 million. From the date of acquisition, Dimoldura Group contributed CHF 70.3 million in net revenues for 2024 and CHF 0.8 million in profit for 2024 to the Group. Had the acquisition taken place on 1 January 2024, net revenues for 2024 would have been CHF 112.0 million and profit, including amortisation charges on intangible assets from acquisitions, would have been CHF 2.5 million. The gross carrying amount of accounts receivables amounted to CHF 18.0 million, of which CHF 0.3 million were considered uncollectable. The acquisition-related costs amounted to CHF 1.2 million and are included in operating expenses in 2024. The goodwill from this acquisition was due to the fact that certain intangible assets did not meet the criteria of IFRS 3 "business combinations" for the recognition as intangible assets at the date of acquisition. Goodwill contains the expected synergy potential within the Doors segment. With the acquisition of Dimoldura Group, Arbonia is expanding its geographical presence and gaining access to southern Europe, a market in which Arbonia was hardly active and present before the transac-



tion. In addition to new markets and greater geographical coverage, Arbonia is also expanding its product portfolio, which it can offer to existing and new customers. The goodwill also includes the know-how of the workforce.

Lignis s.r.o.

in 1 000 CHF	Fair Value
Assets	
Cash and cash equivalents	989
Accounts receivable	4 436
Other current assets	176
Inventories	1 405
Deferred expenses	33
Property, plant and equipment	5 603
Right-of-use assets	277
Intangible assets	8 353
Total assets	21 273
Liabilities	
Accounts payable	607
Other liabilities	272
Financial debts	1 070
Lease liabilities	277
Accruals and deferred income	462
Current income tax liabilities	112
Provisions	39
Deferred income tax liabilities	2 147
Total liabilities	4 986
Net assets acquired	16 286
Goodwill	4 368
Purchase consideration	20 654

Cost of acquisition

Purchase price in cash	19 647
Purchase price in equity instruments	1 008
Total cost of acquisition	20 654

Net cash outflow was as follows:

Purchase price	19 647
Cash and cash equivalents acquired	– 989
Net cash outflow on acquisition	18 657

As of 1 July 2024, Arbonia had acquired 100% of Lignis s.r.o., CZ-Koryčany. Lignis is a specialist for functional doors and serves the contractor services business incl. assembly. Lignis is the only door manufacturer in Czechia that can provide the entire product portfolio from standard doors to functional doors made of wood and metal. This acquisition will make Arbonia the second-largest provider in Czechia and Slovakia. The purchase price amounted to CHF 20.7 million, of which CHF 19.7 million was paid in cash and CHF 1.0 million in Arbonia shares. From the date of acquisition, Lignis contributed CHF 6.6 million in net revenues for 2024 and CHF 0.2 million in profit for 2024 to the Group. Had the acquisition taken place on 1 January 2024, net revenues for 2024 would have been CHF 13.0 million and profit, including amortisation charges on intangible assets from acquisitions, would have been CHF 0.3 million. The gross carrying amount of accounts receivables amounted to CHF 4.5 million, of which CHF 0.1 million were considered uncollectable. The acquisition-related costs amounted to CHF 0.3 million and are included in operating expenses in 2024. The goodwill from this acquisition was due to the fact that certain intangible assets did not meet the criteria of IFRS 3 "business combinations" for the recognition as intangible assets at the date

of acquisition. Goodwill mainly contains the expected synergy potential within the segment Doors. The goodwill also includes the know-how of the workforce.

In 2024, deferred purchase price payments for Joro, CICSA and Interwand of CHF 1.8 million were due and paid.

**42. Financial debts**

On 3 November 2020, Arbonia had entered into a syndicated loan with a credit line of CHF 250 million. This loan, arranged with a consortium of domestic and foreign banks, has a term of five years, with the option to extend the agreement twice for one year each. The first extension option was exercised in 2021 and the second in 2022, so that the term now runs until 2027. Due to the sale of Climate Division, the syndicated loan was reduced to a credit line of CHF 150 million in the first half of 2025 and increased to CHF 200 million in December 2025.

In 2024 Arbonia had taken out a bridge loan of EUR 100 million to finance acquisitions. EUR 80 million of this loan was utilised. Following the sale of the Climate Division, it was repaid in full.

On 20 April 2025, the penultimate tranche of the promissory note loan in the amount of EUR 55 million was repaid.

The financial debts are comprised of the following:

in 1 000 CHF	31/ 12/ 2025	31/ 12/ 2024
Promissory note loan	9 314	61 178
Syndicated loan	125 491	198 824
Bridge loan		75 296
Bank loans	10 704	11 918
Bank borrowings	6 234	7 962
Total	151 743	355 178

The syndicated loan contains the leverage ratio as covenant. In the event of non-compliance, the banks may at any time at their option, declare the amounts then outstanding to be immediately due and payable. Arbonia was in compliance with the covenant in 2025 and 2024.

The maturities of the financial debts are as follows:

in 1 000 CHF	31/ 12/ 2025	31/ 12/ 2024
within 1 year	135 486	337 731
between 1 and 5 years	15 982	17 447
after 5 years	275	
Total	151 743	355 178

The effective interest rates for the financial debts at the balance sheet date were as follows:

	31/ 12/ 2025	
	CHF	EUR
Financial debts	1.9%	3.1%

	31/ 12/ 2024	
	CHF	EUR
Financial debts	2.6%	3.9%

The syndicated loan and the bank borrowings, as well as the majority of bank loans have variable interest rates, whereas the promissory note loan has fixed interest rates.

The breakdown for the financial debts by currency was as follows:

in 1 000 CHF	31/ 12/ 2025	31/ 12/ 2024
CHF	105 000	180 005
EUR	46 743	175 173
Total	151 743	355 178

**43. Financial instruments**

The contractually agreed undiscounted interest payments and repayments of the non-derivative financial liabilities and the derivatives with a cash outflow are as follows:

in 1 000 CHF							31/ 12/ 2025
	Book value	Contractual cash flows	up to 6 months	7 to 12 months	between 1 and 2 years	between 2 and 5 years	after 5 years
Non-derivative financial instruments							
Accounts payable	48 318	48 318	48 318				
Other liabilities (without derivatives)	7 360	7 671	470	3 652	3 549		
Lease liabilities	27 812	34 811	2 980	2 757	4 730	8 862	15 482
Accruals and deferred income	19 937	19 937	19 192	745			
Financial debts	151 743	153 221	134 667	1 789	3 601	12 877	287
Total	255 170	263 958	205 627	8 943	11 880	21 739	15 769

in 1 000 CHF							31/ 12/ 2024
	Book value	Contractual cash flows	up to 6 months	7 to 12 months	between 1 and 2 years	between 2 and 5 years	after 5 years
Non-derivative financial instruments							
Accounts payable	45 126	45 126	45 126				
Other liabilities (without derivatives)	1 110	1 110	532	578			
Lease liabilities	19 315	22 654	2 868	2 166	3 654	5 915	8 051
Accruals and deferred income	21 312	21 312	21 130	182			
Financial debts	355 178	358 008	337 907	1 855	5 505	12 311	430
Total	442 041	448 210	407 563	4 781	9 159	18 226	8 481

Amounts in foreign currency were each translated at the respective year-end rate. Variable interest payments arising from financial instruments were calculated using the conditions prevailing at the balance sheet date. Financial liabilities

which can be repaid at any time are always assigned to the earliest possible time period.

**44. Additional disclosures on financial instruments**

The relation between the relevant balance sheet items and the measurement categories in accordance with IFRS 9 and the disclosure of fair values of financial instruments is shown in the following table. The table does not contain information on fair value for financial assets and financial liabilities that are not measured at fair value if the carrying amount is a reasonable approximation of fair value. Similarly, no information is required on the fair value of lease liabilities.

in 1 000 CHF	FA AC	FL AC	Book value	31/ 12/ 2025 Fair Value Level 2
Cash and cash equivalents	26 841		26 841	
Accounts receivable	52 173		52 173	
Other current assets (without derivatives)	434		434	
Deferred expenses	3 182		3 182	
Other financial assets	594		594	
Assets	83 225		83 225	
Accounts payable		48 318	48 318	
Other liabilities (without derivatives)		7 360	7 360	
Lease liabilities		27 812	27 812	
Accruals and deferred income		19 937	19 937	
Promissory note loan		9 314	9 314	9 080
Syndicated loan		125 491	125 491	
Bank loans		10 704	10 704	
Bank borrowings		6 234	6 234	
Liabilities		255 171	255 171	



in 1 000 CHF

31/ 12/ 2024

	FA Hedge instruments	FA AC	FL AC	Book value		Fair Value
					Level 2	Level 3
Cash and cash equivalents		23 639		23 639		
Accounts receivable		46 072		46 072		
Derivative financial instruments	5 185			5 185		5 185
Other current assets (without derivatives)		408		408		
Deferred expenses		2 463		2 463		
Other financial assets		578		578		
Assets	5 185	73 160		78 345		
Accounts payable			45 126	45 126		
Other liabilities (without derivatives)			1 110	1 110		
Lease liabilities			19 315	19 315		
Accruals and deferred income			21 312	21 312		
Promissory note loan			61 178	61 178	60 846	
Syndicated loan			198 824	198 824		
Bridge loan			75 296	75 296		
Bank loans			11 918	11 918		
Bank borrowings			7 962	7 962		
Liabilities			442 040	442 040		

Abbreviations in the header of this table are explained in note 9 "Financial Instruments" on [page 185](#).

The fair value of financial liabilities is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments. The fair value of financial debts is allocated to level 2 in the hierarchy.

The derivative financial instruments in 2024 relate to the Deal Contingent Forward concluded in 2024 ([see note 54](#)). The fair value was determined by the bank with which the transaction was entered into. The instrument was allocated to hierarchy level 3. The valuation was based on factors observable on the market such as forward rates, yield curves and volatilities. In addition, the probability of occurrence of the planned sale of the Climate Division was taken into account as a non-observable factor. Upon the closing of the sale of Climate Division, the cumulative gain of CHF 4.3

million was transferred from other comprehensive income to the income statement ([see note 36/ 50](#)). In 2024, no gains / losses resulted from level 3 financial instruments.

In 2025 and 2024, no reclassifications occurred between the levels.

**45. Provisions**

in 1 000 CHF

	Warranty	Personnel	Restructuring	Onerous contracts project business	Other provisions	Total
Balance at 01/ 01/ 2024	2 789	4 629	515		326	8 259
Foreign exchange differences	28	63	11		9	111
Change in scope of consolidation	38				105	143
Additional provisions	1 397	911	119		76	2 503
Used during the year	– 1 363	– 1 189	– 506		– 143	– 3 201
Unused amounts reversed	– 241	– 155				– 396
Reclassification liabilities associated with assets held for sale					571	571
Balance at 31/ 12/ 2024	2 648	4 259	139		944	7 990
Foreign exchange differences	– 16	– 39	– 7		– 4	– 66
Change in scope of consolidation	19					19
Additional provisions	1 470	1 070	834	124	249	3 747
Used during the year	– 1 102	– 1 278	– 138		– 188	– 2 706
Unused amounts reversed	– 562	– 58		– 13	– 849	– 1 482
Balance at 31/ 12/ 2025	2 457	3 954	828	111	152	7 502
thereof current at 31/ 12/ 2024	2 128	570	139		205	3 042
thereof current at 31/ 12/ 2025	1 938	604	828	111	116	3 597



The current provisions are expected to be fully utilised during 2026. The non-current provisions are expected to be utilised as follows:

in 1 000 CHF

	Warranty	Personnel	Restructuring	Onerous contracts project business	Other provisions	Total
between 1 and 5 years	519	2 774			36	3 329
after 5 years		576				576

Warranty

Warranty provisions are assessed for each order individually. In case of a high volume of orders, such an individual assessment might be impractical and standard rates are applied based on past experience.

Personnel

Personnel provisions comprise mainly provisions for partial retirements.

Restructuring

The restructuring provision relate to structural adjustments and ongoing optimisation programmes.

Other provisions

Other provisions include costs for environmental risks, legal claims and various risks that could arise in the normal course of business.

**46. Deferred income taxes**

Deferred tax assets and liabilities arise due to differences between the group valuation and tax valuation in the following balance sheet items:

in 1 000 CHF		31/ 12/ 2025		31/ 12/ 2024
	Deferred tax assets	Deferred tax liabilities	Deferred tax assets	Deferred tax liabilities
Assets				
Accounts receivable	1 085	91	1 046	53
Other current assets		87		40
Inventories	429	258	851	98
Property, plant and equipment and right-of-use assets	1 705	14 761	1 827	13 080
Investment property				120
Intangible assets	4 253	29 060	5 048	31 802
Capitalised pension surplus and financial assets	136	6 164	147	12 498
Liabilities				
Current liabilities	3 583	2 978	1 123	4 795
Non-current liabilities	5 398	340	6 243	1 615
Current and non-current provisions	107	281	368	185
Employee benefit obligations	908		1 358	
Deferred taxes from timing differences	17 604	54 020	18 011	64 286
Deferred tax assets derived from tax loss carryforwards	17 842		31 690	
Valuation allowance	– 10 865		– 14 224	
Net deferred taxes from timing differences	24 581	54 020	35 477	64 286
Offset of deferred tax assets and liabilities	– 11 959	– 11 959	– 20 561	– 20 561
Total deferred taxes	12 622	42 061	14 916	43 725



From the capitalised pension surplus and employee benefit obligations, CHF 2.2 million (2024: CHF 0.5 million) of deferred taxes from continuing operations were recorded in comprehensive income. All other changes of assets and liabilities in the amount of CHF -5.1 million (2024: CHF -4.3 million) were recorded through the income statement. The most significant items of this amount were temporary differences on intangible assets from acquisitions, amounting to CHF -2.8 million (2024: CHF -3.3 million), CHF -1.1 million (2024: CHF 0.9 million) on current financial liabilities, CHF -0.5 million on changes in tax rates and CHF 0.3 million (2024: CHF -2.1 million) on impairment or capitalisation of tax loss carryforwards.

Deferred income tax assets are recognised for tax loss carryforwards, to the extent that the realisation of the related tax benefit through future taxable profits is probable.

There are temporary differences totalling CHF 67.3 million (2024: CHF 28.2 million) in conjunction with investments in subsidiaries for which Arbonia has not recorded deferred tax liabilities based on the exemption provisions of IAS 12. There are no deductible temporary differences for both 2025 and 2024 on which no deferred tax assets have been recognised.

Activity in the deferred income tax account on a net basis is as follows:

in 1 000 CHF	2025	2024
Balance at 01/01	28 809	25 475
Change in scope of consolidation	3 098	15 944
Changes to other comprehensive income	2 216	476
Changes to the income statement	- 4 994	- 4 255
Reclassification to assets held for sale		- 31
Reclassification to liabilities associated with assets held for sale	423	- 8 540
Foreign exchange differences	- 113	- 260
Balance at 31/12	29 439	28 809

The CHF -8.5 million recognised in the reclassification to liabilities associated with assets held for sale in 2024 relates to the carve-out of Glass business of Kermi GmbH ([see also note 37](#)).

Unrecognised tax loss carryforwards in 1 000 CHF	31/ 12/ 2025	31/ 12/ 2024
Tax loss carryforwards	77 426	181 286
thereof recognised as deferred taxes	- 27 206	- 94 647
Unrecognised tax loss carryforwards	50 220	86 639
Portion expiring:		
between 1 and 5 years	5 192	647
after 5 years	45 028	85 992
Total	50 220	86 639
Tax effect on unrecognised tax loss carryforwards	10 865	14 224
thereof pertaining to tax rates below 15.0%	2 159	9 804
thereof pertaining to tax rates between 15.0% and 20.0%	1 173	306
thereof pertaining to tax rates between 20.1% and 25.0%	611	661
thereof pertaining to tax rates between 25.1% and 30.0%	6 922	3 453



47. Employee benefit obligations

Pension plans in Switzerland

The Swiss pension plans are governed by the Swiss Federal Law on Occupational Retirement, Survivors' and Disability Pension Plans (BVG), aiming to safeguard the employees against the risks of old age, death and disability. There are semi-autonomous pension plans, that is, the foundations fully bear the risk of age itself. The risks of disability and death are reinsured entirely (congruent reinsurance) or partially (stop-loss insurance) with Swiss insurance companies. The plans give plan participants a choice regarding the annual amount of contribution payments. The employees' contributions are determined as a percentage of the insured salary and are deducted monthly. The retirement pension is calculated by multiplying the retirement capital at the retirement age with the then applicable regulatory conversion rate. Plan participants can also draw all or part of the retirement pension as a lump sum. Death and disability benefits are set as a percentage of the insured salary.

The Board of Trustees are by law the supreme governing body of the foundation. The duties of the trustees are set out in the BVG and the regulations of the foundations. The Board of Trustees exercises the overall direction and has overall responsibility. It is composed in accordance with the legal provisions of an equal number of employer and employee representatives, provided the foundation offers BVG-related pension plans.

The actuarial risks of old age, death and disability as well as the investment risks are primarily borne by the foundations. If certain duties are transferred to third parties, they assume the associated risks (insurance companies, external administrator etc.).

An unfavourable development of the semi-autonomous and autonomous foundations can lead to an underfunding of the affected foundation as stipulated by the BVG. The BVG allows a temporary underfunding but the Board of Trustees has to take the necessary remedial measures to remedy the underfunding within a maximum of ten years. Additional employer and employee contributions could be incurred in case the Swiss pension plan has a significant underfunding as per BVG. In such cases, the risk is borne by employers and employees alike and the employer is legally not obliged to accept more than 50% of the additional contributions.

The investment strategy of the Swiss pension plans follows BVG, including the rules and regulations for the diversification of plan assets. The security assessment of the investments takes place in the semi-autonomous foundations in evaluating total assets and liabilities as well as the structure and the expected development of the insured population.

Pension plans in Germany

The occupational pension provision in Germany is subject to the pension law. The method of the direct commitment was elected for the German pension plans. To fund these pension plans for future benefit payments, pension provisions are recorded in accordance with the relevant regulations. The employer has made commitments to the employees under certain benefit arrangements. The pension plans are defined benefit plans and provide current and former employees benefits in the event of reaching the retirement age, in case of disability, or death. The respective benefits become due at maturity and are paid directly by the company to the beneficiaries.



The following amounts are included in the consolidated financial statements:

in 1 000 CHF	31/ 12/ 2025	31/ 12/ 2024
Present value of funded obligations	104 086	104 499
Fair value of plan assets	142 755	131 716
Overfunding	– 38 670	– 27 218
Present value of unfunded obligations	11 445	12 952
Liability (net) recognised in the balance sheet	– 27 224	– 14 265
thereof recorded as employee benefit obligations	11 445	12 952
thereof recorded as capitalised pension surplus	– 38 670	– 27 218

The movement in the defined benefit obligation over the year is as follows:

in 1 000 CHF	2025	2024
Balance at 01/01	117 450	110 592
Changes in scope of consolidation		547
Interest cost	1 434	2 003
Current service cost	3 708	3 395
Contributions by plan participants	2 181	2 175
Benefits paid	– 4 196	– 5 430
Actuarial gains/losses arising from changes in financial assumptions	– 4 996	3 942
Actuarial losses/gains arising from experience adjustments	3 880	– 658
Settlements/partial liquidation	– 3 019	
Administration cost	60	51
Reclassification liabilities associated with assets held for sale	– 849	691
Foreign exchange differences	– 124	142
Balance at 31/12	115 530	117 450
thereof for active members	82 905	83 898
thereof for pensioners	30 954	31 426
thereof for deferred members	1 672	2 127

The movement in the fair value of plan assets over the year is as follows:

in 1 000 CHF	2025	2024
Balance at 01/01	131 715	123 403
Interest income	1 271	1 734
Return on plan assets excl. interest income	11 153	6 294
Contributions by the employer	2 418	3 032
Contributions by plan participants	2 181	2 175
Benefits paid	– 4 196	– 5 430
Settlements/partial liquidation	– 2 972	
Reclassification assets held for sale	1 184	506
Balance at 31/12	142 754	131 715



The remeasurements of employee benefit obligations in other comprehensive income are as follows:

in 1 000 CHF	2025	2024
Actuarial gains/losses	– 3 621	3 283
Actuarial losses/gains from discontinued operations	2 700	– 1 010
Return on plan assets excl. interest income	– 11 378	– 7 709
Remeasurements of employee benefit obligations	– 12 300	– 5 436
thereof from discontinued operations	2 050	– 2 297

The amounts recognised in the income statement are as follows:

in 1 000 CHF	2025	2024
Current service cost	3 708	3 395
Net interest result	163	268
Administration cost	60	51
Settlements/partial liquidation	– 47	
Net charges for defined benefit plans	3 884	3 715
thereof recorded under personnel expenses from continuing operations	3 721	3 446
thereof recorded under financial results from continuing operations	163	268

The principal actuarial assumptions used were as follows:

Weighted average	2025	2024
Switzerland		
Discount rate at 31/12	1.3%	1.0%
Future salary increases	1.0%	2.0%
Future pension increases	0.0%	0.0%
Mortality tables	BVG 2020 GT	BVG 2020 GT
Germany		
Discount rate at 31/12	4.4%	3.6%
Future salary increases	2.5%	2.6%
Future pension increases	1.9%	2.0%
Mortality tables	HB 2018 GT	HB 2018 GT



The sensitivity of employee benefit obligations due to changes of principal assumptions are as follows:

Impact on employee benefit obligations	Change in assumption	2025	2024
Discount rate	– 0.25%	3 701	4 096
	+ 0.25%	– 3 484	– 3 838
Salary increases	– 0.25%	– 527	– 563
	+ 0.25%	525	561
Life expectancy	+ 1 year	2 203	2 314
	– 1 year	– 2 247	– 2 349
Service cost 2026 with discount rate	+ 0.25%	– 199	– 219

The weighted average duration of employee benefit obligations is 12.8 years (2024: 13.9 years).

The sensitivity analysis above is based on a change in an assumption while all other assumptions remain unchanged. In reality, this is unlikely to happen, because certain assumptions correlate. In the calculation of sensitivities of pension benefit obligations with the principal actuarial assumptions, the same method was applied (present value of the defined benefit obligation is calculated using the projected unit credit method at year-end) as for the calculation of the pension liability in these consolidated financial statements.



Plan assets at fair value consist of:

in 1 000 CHF	31/12/2025			31/12/2024		
	quoted	unquoted	Total	quoted	unquoted	Total
Cash and cash equivalents		4 475	4 475		5 735	5 735
Equity instruments	55 179		55 179	45 801		45 801
Debt instruments	29 944		29 944	26 106		26 106
Real estate	8 644	36 888	45 532	6 523	40 276	46 799
Others		7 624	7 624		7 274	7 274
Total plan assets	93 767	48 987	142 754	78 430	53 285	131 715

The category "Others" contains assets from full insurance contracts that have been terminated some years ago and are therefore expiring.

The expected maturity profile of benefit payments for unfunded plans is as follows:

in 1 000 CHF	up to 1 year	between 1 and 2 years	between 2 and 5 years	next 5 years
Benefit payments	379	408	1 446	3 194

Expected contributions to pension plans for the year 2026 amount to CHF 4.5 million (2025: CHF 5.3 million), of which CHF 2.3 million (2025: CHF 3.1 million) are attributable to the employer.



48. Share capital

The capital structure is as follows:

Category	Outstanding shares	Par value in CHF	31/ 12/ 2025	Outstanding shares	Par value in CHF	31/ 12/ 2024
			Share capital in CHF			Share capital in CHF
Registered shares	69 473 243	0.20	13 894 649	69 473 243	4.20	291 787 621

The dividend or repayment approved and paid out per share amounted to CHF 1.83 for the reporting year, divided into CHF 0.30 for the 2023 financial year, CHF 0.33 for the 2024 financial year and CHF 1.20 as an extraordinary distribution.

On 25 April 2025, the Annual General Meeting of Arbonia AG passed the following resolutions, among others:

Reduction of the nominal value of the share from CHF 4.20 by a nominal amount of CHF 4.00 to CHF 0.20 and distribution of the entire nominal amount of CHF 277'892'972, by which the capital reduction from CHF 291'787'620.60 to a new CHF 13'894'648.60 occurs, to the shareholders. The nominal value repayment took place on 5 May 2025.

Authorisation of the Board of Directors until 20 April 2028 to increase the share capital in one or more steps to a maximum of CHF 16'654'648.60 (upper limit) by issuing a maximum of 13'800'000 registered shares with a nominal value of CHF 0.20 and to reduce the share capital in one or more steps to no less than CHF 12'514'648.60 (lower limit), either by cancelling no more than 6'900'000 registered shares with a par value of CHF 0.20 each or by reducing the par value to no less than CHF 0.18. A reduction and a re-increase may take place simultaneously.



Basis for calculating Group earnings per share	2025	2024
Group earnings from continuing operations after non-controlling interests (in 1 000 CHF)	– 9 766	2 748
Group earnings from discontinued operations after non-controlling interests (in 1 000 CHF)	141 633	5 531
Group earnings for the year (in 1 000 CHF)	131 867	8 279
Outstanding shares (average)	69 473 243	69 473 243
Less treasury shares (average)	– 70 277	– 46 202
Average number of shares outstanding for the calculation	69 402 966	69 427 041

There were no dilutive effects impacting the calculation.

**49. Treasury shares**

	2025			2024		
	Ø market value in CHF	Number of shares	Amount in 1 000 CHF	Ø market value in CHF	Number of shares	Amount in 1 000 CHF
Balance at 01/01	12.85	21 358	274	11.37	122 141	1 389
Transfer for share based payments	11.09	– 220 141	– 2 441	11.38	– 103 844	– 1 182
Delivery for acquisition of businesses	10.66	– 65 225	– 695	12.61	– 79 973	– 1 008
Purchase	10.90	265 000	2 887	12.95	83 034	1 075
Reclassification to retained earnings			– 15			
Balance at 31/12	9.74	992	10	12.85	21 358	274

The delivery of treasury shares in 2025 for the purchase of Rütthener Zargenbau GmbH was recognised at the average price of CHF 10.66 per share, the fair value at the time of purchase was CHF 5.11 per share (see note 41). The delivery of treasury shares in 2024 for the purchase of Lignis s.r.o. was recognised at the average price of CHF 12.61 per share, the fair value at the time of purchase was CHF 12.60 per share.

**50. Other comprehensive income and other reserves**

The movements in other comprehensive income after taxes were as follows:

in 1 000 CHF	31/ 12/ 2025			31/ 12/ 2024		
	Other reserves	Retained earnings	Total other comprehensive income	Other reserves	Retained earnings	Total other comprehensive income
Remeasurements of employee benefit obligations		12 300	12 300		5 436	5 436
Deferred tax effect		– 1 922	– 1 922		– 988	– 988
Total items that will not be reclassified to income statement		10 377	10 377		4 448	4 448
Fair value adjustments from hedge accounting	404		404	14 036		14 036
Cost of hedging	– 1 249		– 1 249	– 8 851		– 8 851
Results from cash flow hedges transferred to the income statement	– 4 340		– 4 340			
Currency translation differences	– 4 562		– 4 562	6 124		6 124
Cumulative currency translation differences transferred to the income statement	60 002		60 002			
Total items that may be subsequently reclassified to income statement	50 255		50 255	11 309		11 309
Other comprehensive income after taxes	50 255	10 377	60 632	11 309	4 448	15 757

The fair value adjustments from hedge accounting and the cost of hedging relate to the Deal Contingent Forward concluded in 2024. Upon the closing of the sale of Climate Division, the cumulative gain was transferred from other reserves to the income statement (see note 54).

**Other reserves**

in 1 000 CHF	Hedging reserve	Currency translation	Total
Balance at 31/ 12/ 2023		– 186 304	– 186 304
Fair value adjustments from hedge accounting	14 036		14 036
Cost of hedging	– 8 851		– 8 851
Currency translation differences		6 124	6 124
Balance at 31/ 12/ 2024	5 185	– 180 180	– 174 995
Fair value adjustments from hedge accounting	404		404
Cost of hedging	– 1 249		– 1 249
Results from cash flow hedges transferred to the income statement	– 4 340		– 4 340
Currency translation differences		55 440	55 440
Balance at 31/ 12/ 2025		– 124 740	– 124 740

**51. Financial results**

in 1 000 CHF	2025	2024
Financial income		
Bank and other interest	699	179
Interest on net pension surplus	276	345
Total interest income	975	524
Impact of exchange rate fluctuations	1 867	3 731
Gains derivative financial instruments	6	
Minority share from associated companies	542	224
Other financial income	6	257
Total other financial income	2 421	4 212
Total financial income	3 396	4 736
Financial expenses		
Bank and other interest	1 673	1 735
Interest on leases	1 173	689
Interest on non-current financial debts and syndicated loan	3 479	8 935
Interest on net employee benefit obligations	439	612
Compounding of liabilities	58	67
Total interest expenses	6 822	12 038
Bank charges and other financial expenses	1 304	1 462
Total other financial expenses	1 304	1 462
Total financial expenses	8 126	13 500
Total net financial results	– 4 730	– 8 764



The classification of the financial result of financial instruments into the categories according to IFRS 9 is as follows:

in 1 000 CHF	2025	2024
Total interest income from financial assets measured at amortised cost (FA AC)	699	179
Total interest expenses from financial liabilities measured at amortised cost (FL AC)	6 383	11 426
Net gain from financial assets/ liabilities measured at fair value through profit or loss (FA/ FL FVTPL)	6	
Finance costs recognised in financial expenses from financial assets/ liabilities measured at amortised cost (FA/ FL AC)	1 288	1 400

52. Income taxes

in 1 000 CHF	2025	2024
Current income taxes	7 614	9 655
Changes in deferred income taxes	– 4 994	– 4 255
Total	2 620	5 400



The tax on Group earnings before tax differs from the theoretical amount that would arise using the weighted average tax rate applicable to earnings before tax of the consolidated companies as follows:

in 1 000 CHF	2025	2024
Earnings before income tax	– 7 146	8 148
Weighted average tax rate in %	21.6	19.7
Expected tax income/expense	– 1 546	1 609
Income tax reconciliation		
Effect of recognising loss-making entities in absolute figures	– 2 209	– 3 405
Effect of utilisation of previously unrecognised tax losses	– 2 107	
Effect of not capitalised losses for the year	1 866	5 220
Effect of non-tax-deductible expenses and non-taxable income	2 908	359
Effect of income and expenses taxed at special rates	237	1 218
Effect of tax charges related to prior years	300	6
Effect of tax rate changes	– 367	275
Change in unrecognised deferred tax assets	3 582	
Other items	– 44	118
Effective tax expense	2 620	5 400
Effective tax rate in %	– 36.7	66.3

The Group's applicable tax rate represents the weighted average of the statutory corporate tax rates, prevailing in the tax jurisdictions in which the Group companies operate.

There were no significant changes to the local tax rates compared to 2024.



Global minimum tax

In December 2021, the OECD published model rules to introduce a global minimum tax rate of 15% for large multinational corporations (so-called Pillar Two model rules). Based on the OECD recommendations, a number of countries, including Switzerland, have already enacted the corresponding legislation.

Arbonia will be subject to the Pillar Two rules and will make use of the temporary simplifications, the so-called Safe Harbour Rules. Compliance with the Safe Harbour criteria exempts the taxpayer from the full application of the Pillar Two rules, which means, among other things, that a Pillar Two income tax of zero can be assumed in these countries. Arbonia has carried out the Safe Harbour calculations for the 2024 and 2025 financial year for all countries in which it operates. Based on these calculations and the current interpretation of the Safe Harbour regulations, Arbonia currently assumes that it will meet the Safe Harbour criteria in almost all countries. The analyses carried out also show that even in countries where the Safe Harbour criteria are not met, no Pillar Two income taxes should be payable.

53. Financial risk management

Risk management principles

Arbonia has a centralised risk management system. The risk management process is carried out as stated in the internal guidelines. Any potential and material risks have been identified and quantified according to the likelihood, damage to reputation and impact. Overall, no potential risks have been identified in the business year, which could lead to material adjustments of net assets, the financial position and results of operations of the consolidated financial statements of Arbonia.

Due to its international business activities, the Group is subject to various financial risks, such as credit, liquidity and other market risks. The principal goal of risk management activities is to minimise financial risks to the continued existence (liquidity and default risks) and profitability (currency, interest rate fluctuation, price risks) while ensuring adequate solvency at any time. Risk minimisation does not mean to completely eliminate but rather to control financial risks in an economically useful manner within an identified framework. Depending on their assessment, the Group uses derivative and non-derivative financial instruments to hedge certain risks. To minimise financial default risks, derivative financial instruments are only entered into with banks which are specifically defined in the treasury policy.

There are financial management guidelines and principles within the Group that regulate the handling of currency, interest rate fluctuation, commodity and credit risks, the use of derivative and non-derivative financial instruments as well as the management of liquid funds not required for operations. The risk management guidelines adopted by the

Board of Directors are implemented centrally by group treasury.

The Group's financial resources are not used for speculation purposes. The derivatives used aim to hedge underlying transactions.

Credit default risk

Credit risks arise from the possibility that the counterparty of a transaction might not be able or willing to meet its obligations. The credit risk relates to financial assets ([see note 44](#)) as well as to contract assets ([see note 33](#)).

The credit or default risk in relation to receivables and contract assets is controlled by the individual subsidiaries on a decentralised basis and limited through the assignment of credit limits on the basis of systematic and regular credit ratings. Corresponding guidelines are in place within the Group aiming at an ongoing control and value adjustment of open positions. Due to the broad diversification of the customer portfolio into various business segments and geographic regions but also the possibility to create construction tradesman's liens or the use of credit insurance, the credit risk is limited. The 10 largest debtors of Arbonia's continuing operations as of the balance sheet date accounted for a share of 30.1% (2024: 28.9%) of existing trade receivables. The 10 largest customers of continuing operations generated 20.2% (2024: 26.4%) of the Group's net revenues in the reporting year.



To minimise financial default risks, cash and cash equivalents, fixed-term deposits and derivative financial instruments are only deposited or entered into with banks which are specifically defined in the treasury policy. The three largest banks accounted for 42% / 15% / 9% of total liquid funds as of the balance sheet date (2024: 44% / 30% / 5%).

The maximum credit risk corresponds to the book values or fair values of financial assets reported in [note 44](#) and the book values of the contract assets reported in [note 33](#). If applicable, these include derivative financial instruments having a positive fair value.

Liquidity risk

The liquidity risk arises from the fact that the Group might not be in a position to obtain the funds required to meet the obligations assumed in connection with financial instruments on the relevant due dates.

The cash, investments, financing and redemptions are managed and controlled on an ongoing basis by group treasury. The standard policy involves financial structures with matching maturities and currencies for each individual subsidiary. Scheduled cash requirements for the planning horizon must be secured under facility agreements or internal funding within the Group and / or via banks. By means of rolling monthly cash flow forecasts over a planning horizon of 12 months, the future cash development is forecasted in order to take measures in due time in the event of an excess coverage or shortfall. Arbonia monitors its liquidity risk with the aid of a consolidated liquidity plan, taking into account additional funding sources, e.g. undrawn credit limits. As Arbonia is subject to seasonal fluctuations, cash decreases early in the year but normally rises again in the second half of the year.

The available liquidity as of the balance sheet date (continuing and discontinued operations) is shown below:

in 1 000 CHF	31/ 12/ 2025	31/ 12/ 2024
Cash and cash equivalents	30 486	39 211
+ undrawn credit facilities	77 507	64 686
Total available liquidity	107 993	103 897

The syndicated loan taken out in 2020 includes the leverage ratio as covenant. If such covenant are not complied with, the banks may demand immediate redemption of their share. In 2025 and 2024, Arbonia complied with the covenant.

The contractually agreed maturities of financial liabilities within the meaning of IFRS 7 are set forth in [note 43](#).

Market risk

(a) Currency risk

Due to the Group's international focus, there are currency risks based on exchange rate fluctuations of various currencies. In the case of Arbonia, these mainly relate to the EUR, PLN, CZK and RUB.

A currency risk arises from transactions that are not settled in the functional currency of the Group companies. Group companies can hedge their net risk position for the period of the risk horizon with hedging transactions at Group Treasury. Arbonia's risk position equals the sum of the subsidiaries' net risk positions and is hedged by the group treasury with external counterparties using currency forward contracts of the relevant foreign currency. The hedging ratio depends on the maturity and currency risk exposure and is determined on a case by case basis.

In 2024, Arbonia entered into a CHF/ EUR Deal Contingent Forward for a nominal amount of EUR 400 million to hedge the foreign currency risks on a portion of the expected cash inflow in connection with the sale of the Climate Division. Arbonia applied hedge accounting in accordance with IFRS 9 for this transaction ([see note 54](#)).

Translation differences (translation risks) also arise from the consolidation in CHF of the financial statements of foreign subsidiaries prepared in foreign currencies. Translation affects the amount of earnings and comprehensive income. The major risk to the Group in connection with translation differences relates to the EUR. The effects of such exchange rate fluctuations on significant net investments are as much as possible hedged by means of natural hedges with liabilities in this currency.



For the description of market risks, IFRS 7 requires sensitivity analyses showing the effects of realistic currency fluctuations on Group earnings and shareholders' equity. These effects are calculated on the basis of financial instruments existing as of the balance sheet date. In this context, it is assumed that all other variables remain unchanged. Translation risks arising from the translation of foreign subsidiaries are not included in the following table.

A 5% increase (decrease) of the EUR against the CHF (2024: 5%), a 5% increase (decrease) of the CZK against the CHF (2024: 5%), a 5% increase (decrease) of the PLN against the CHF (2024: 5%) or a 5% increase (decrease) of the RUB against the CHF (2024: 5%) would have the following effects on Arbonia's Group result as of the balance sheet date:

in 1 000 CHF	31/ 12/ 2025			
	EUR/CHF	CZK/CHF	PLN/CHF	RUB/CHF
Assumed change	5.0%	5.0%	5.0%	5.0%
Impact of an increase on group result	1 959	39	1 001	148
Impact of a decrease on group result	– 1 959	– 39	– 1 001	– 148

in 1 000 CHF	31/ 12/ 2024			
	EUR/CHF	CZK/CHF	PLN/CHF	RUB/CHF
Assumed change	5.0%	5.0%	5.0%	5.0%
Impact of an increase on group result	1 499	821	842	130
Impact of a decrease on group result	– 1 499	– 821	– 842	– 130

(b) Interest rate risk

Interest rate risks arise from interest rate fluctuations which may have a negative effect on the Group's asset and earnings position. Interest rate fluctuations result in changes in interest income and expenses relating to interest-bearing assets and liabilities. In addition, they may also affect the fair value of certain financial assets, liabilities and financial instruments, as set forth below under "Market risks".

Group companies are exclusively funded via group treasury on terms in line with the market and on a decentralised basis only in exceptional cases and with the prior approval of the CFO. Excess cash is also invested via group treasury (with the exception of Russia). The standard policy for the Group as well as for subsidiaries is that interest-bearing financial transactions in terms of capital commitment and fixed interest rates must always meet the underlying requirements. Derivative financial instruments, such as interest rate swaps or interest rate options, are used on a case-by-case basis by group treasury and only upon consultation with or according to the instruction of CFO.

For the description of interest fluctuation risks, IFRS 7 requires sensitivity analyses showing the effects of realistic fluctuations in market interest rates on Group earnings and shareholders' equity. These effects are calculated on the basis of financial instruments existing as of the balance sheet date. In this context, it is assumed that all other variables remain unchanged and that the balance of financial instruments as of the balance sheet date is representative of the entire year. Fixed-rate financial instruments valued at amortised cost are not subject to interest rate fluctuation risks within the meaning of IFRS 7.

An increase (decrease) in the market interest level as of the balance sheet date by 50 basis points for CHF interest rates (2024: 50 basis points) or by 50 basis points for EUR interest rates (2024: 50 basis points) would have the effects set forth below on Group result from continuing operations of Arbonia:

in 1 000 CHF	31/ 12/ 2025	
	CHF interest rate	EUR interest rate
Assumed change in basis points	50	50
Variable interest-bearing financial instruments		
Impact of an increase on group result from continuing operations	– 433	– 67
Impact of a decrease on group result from continuing operations	433	67

in 1 000 CHF	31/ 12/ 2024	
	CHF interest rate	EUR interest rate
Assumed change in basis points	50	50
Variable interest-bearing financial instruments		
Impact of an increase on group result	– 745	– 422
Impact of a decrease on group result	745	422

**(c) Other market risks****Fair value risk**

Changes in fair values of financial assets, liabilities or financial instruments may affect the Group's asset and earnings position.

For the description of market risks, IFRS 7 requires sensitivity analyses showing the effects of a reasonable potential change in risk variables, such as market prices, indices, etc., on prices of financial instruments, on the Group's earnings and shareholders' equity.

Equity management

The objective of Arbonia is a strong equity base to secure the Group's future development. A sustainable equity ratio of between 45% and 55% is the goal. The shareholders' equity corresponds to an equity ratio of 67.1% as of the balance sheet date (2024: 55.7%). The increase in the equity ratio is primarily attributable to the decline in total assets resulting from the sale of Climate Division.

With regard to the maximum amount still available for the creation of new share capital through a conditional and / or authorised capital increase, [see note 48](#).

Arbonia is not governed by any regulatory authorities with respect to minimum capital requirements.

54. Derivative financial instruments

The following table shows the fair values of the derivative financial instruments recognised in the balance sheet as of the balance sheet date:

in 1 000 CHF	31/ 12/ 2025	31/ 12/ 2024
Forward foreign exchange contracts with cash flow hedges		5 185

The foreign currency risks on part of the expected cash inflow in connection with the sale of Climate Division were hedged in 2024 with a transaction-related CHF/ EUR foreign currency forward (Deal Contingent Forward) with a nominal value of EUR 400 million. This derivative financial instrument is included in the consolidated balance sheet 2024 under other current assets. The effectiveness of the hedging relationship was assessed at the time the contract with UBS Switzerland AG was concluded on 2 May 2024 and on an ongoing basis. Maturity, currency and nominal amount match the hedged transaction, resulting in a hedge ratio of 1:1. Arbonia had designated the spot component of this instrument as hedge accounting and recognised the changes in fair value through other comprehensive income. The fair value adjustments amount to CHF 0.4 million (2024: CHF 14.0 million) ([see note 50](#)). The forward component and the deal contingent premium were recognised as cost of hedging in other comprehensive income and amount to CHF -1.2 million (2024: CHF -8.9 million) ([see note 50](#)). No ineffectiveness was recognised in connection with the Deal Contingent Forward. Possible causes of ineffectiveness include the

credit risk of the counterparty (UBS), the change in the timing of the hedged transaction and the contingency component contained in the hedging instrument.

Upon the closing of the sale of Climate Division, the cumulative gain of CHF 4.3 million of this instrument was transferred from other comprehensive income to the income statement ([see note 36/ 50](#)). In 2024, no gains / losses resulted from this instruments in the income statement.

As at the balance sheet date, there are no financial instruments measured at fair value.

**55. Additional information on the cash flow statements**

in 1 000 CHF	2025	2024
Changes in non-cash transactions		
Additional/reversed provisions	3 566	5 595
Changes in capitalised pension surplus/employee benefit obligations	1 085	– 738
Share based payments	1 131	1 479
Minority share from associated companies	– 542	– 224
Other non-cash effects	– 10 385	– 645
Total changes in non-cash transactions	– 5 145	5 467
Changes in working capital		
Changes in accounts receivable	– 32 527	7 583
Changes in inventories	– 11 476	3 508
Changes in contract assets project business	– 1 954	– 5 902
Changes in other working capital items	4 712	– 2 277
Total changes in working capital	– 41 245	2 912
Changes in liabilities		
Changes in accounts payable	3 671	– 7 131
Changes in contract liabilities	– 555	7 003
Used provisions	– 3 449	– 15 917
Changes in other current liabilities	17 606	461
Total changes in liabilities	17 273	– 15 584



in 1 000 CHF	Current and non-current financial debts
Balance at 31/ 12/ 2023	209 272
Foreign exchange differences	– 880
Proceeds from financial debts	208 908
Repayments of financial debts	– 67 280
Repayment of mortgage by purchase price offsetting	– 14 895
Non-cash foreign exchange effects	473
Balance at 31/ 12/ 2024	355 178
Foreign exchange differences	– 151
Proceeds from financial debts	243 664
Repayments of financial debts	– 445 849
Non-cash foreign exchange effects	– 1 100
Balance at 31/ 12/ 2025	151 743

in 1 000 CHF	Lease liabilities
Balance at 31/ 12/ 2023	8 311
Foreign exchange differences	– 273
Change in scope of consolidation	9 453
Lease additions	3 118
Lease liability payments	– 3 548
Lease disposals and remeasurements	1 853
Reclassification liabilities associated with assets held for sale	401
Balance at 31/ 12/ 2024	19 315
Foreign exchange differences	– 227
Change in scope of consolidation	1 783
Lease additions	12 130
Lease liability payments	– 4 807
Lease disposals and remeasurements	– 382
Balance at 31/ 12/ 2025	27 812

**56. Share based payments**

For Group Management and certain other employees a share based payment plan exists. As part of this plan, Group Management members receive 50% (2024: 50%) and the other employees between 20% and 35% (2024: between 20% and 35%) of their bonus in shares. This equity-settled variable remuneration is measured at fair value and recognised as an increase in equity. The determination of the number of shares is based on the volume weighted average share price of 20 trading days, less a 20% discount for the restriction period. These shares granted have a restriction period of four years. A share based payment plan also exists for members of the Board of Directors. Under this plan, members receive a minimum of 50% of their compensation in shares. This plan has the same features as the one for Group Management.

In 2025, Group Management and certain other employees received for their work in the year 2024 a total of 114'811 shares (2024: 42'636 shares) at a fair value of CHF 0.7 million (2024: CHF 0.5 million) and CHF 6.48 per share respectively (2024: CHF 11.79). The members of the Board of Directors received for their work from 19 April 2024 up to the Annual General Meeting on 25 April 2025 a total of 105'330 shares (2024: 61'208 shares) at a fair value of CHF 0.7 million (2024: CHF 0.7 million) and CHF 6.48 per share respectively (2024: CHF 11.79).

Personnel expenses in 2025 for share based payments totalled CHF 1.0 million (2024: CHF 1.3 million).

57. Related party transactions

Members of the Board of Directors and Group Management were compensated as follows:

in 1 000 CHF	2025	2024
Salaries and other short-term employee benefits	2 126	3 460
Share based payments	703	882
Pension and social security contributions	365	689
Total	3 194	5 031

The detailed disclosures regarding executive remuneration required by Swiss law are included in the compensation report on [pages 159 to 163](#).



The following transactions were carried out with related parties and the following balances were outstanding as of the balance sheet date respectively:

in 1 000 CHF	2025			31/ 12/ 2025
	Purchase of services	Sale of goods	Purchase of goods	Balance on receivables
Key management personnel	2			
Other related parties		1 420	2	
Total	2	1 420	2	

in 1 000 CHF	2024			31/ 12/ 2024
	Purchase of services	Sale of goods	Purchase of goods	Balance on receivables
Key management personnel	1		2	
Other related parties	225	4 071	92	182
Total	226	4 071	94	182

The sale of goods in 2025 and 2024 mainly relates to Arbonia products purchased at market prices by companies in which a former non-executive member of the Board of Directors is a member of the Board of Directors. There were no guarantees granted as of the balance sheet date. Furthermore no provisions were required for receivables. Transactions and outstanding balances with associated companies are disclosed in [note 35](#).

Major shareholders as of 31 December 2025 are disclosed in the notes to the 2025 financial statements of Arbonia AG on [page 258](#).

58. Contingencies

There were no contingencies.

59. Events after the balance sheet date

No events occurred between the balance sheet date and the date of this report which could have a significant influence on the 2025 consolidated financial statements.

**60. Subsidiaries**

Company	Head Office	Share Capital in million		Interest in Capital 2025	Interest in Capital 2024	Doors	Shower Stalls/ Divider walls	Services
Doors								
Arbonia Doors Suisse AG	Arbon, CH	0.250	CHF	100%	100%	■		●
RWD Schlatter AG	Roggwil, CH	2.000	CHF	100%	100%	▲		
Arbonia Duschdesign Suisse AG	Arbon, CH	0.100	CHF	100%	100%		▲	
Bekon-Koralle AG	Dagmersellen, CH	1.000	CHF	100%	100%		▲	
Baduscho Vertriebs GmbH	Margarethen am Moos, AT	0.036	EUR	100%	100%		■	
Lignis s.r.o.	Koryčany, CZ	1.000	CZK	100%	100%	▲		
Garant Türen- und Zargen GmbH	Amt Wachsenburg, DE	0.100	EUR	100%	100%	▲		
Joro Türen GmbH	Renchen, DE	0.125	EUR	100%	100%	▲		
Prüm-Türenwerk GmbH	Weinsheim, DE	3.500	EUR	100%	100%	▲		
Rüthener Zargenbau GmbH	Rüthen, DE	0.025	EUR	100%		▲		
TPO Holz-Systeme GmbH	Leutershausen, DE	0.025	EUR	100%	100%	▲		
Griffwerk GmbH	Blaustein, DE	0.100	EUR	17.2%	17.2%	▲		
KIWI-KI GmbH	Berlin, DE	0.096	EUR	49.9%	49.9%	▲		●
Arbonia Doors GmbH	Erfurt, DE	0.025	EUR	100%	100%			●
Arbonia Glassysteme GmbH	Deggendorf, DE	1.278	EUR	100%	100%		▲	
Interwand GmbH	Dörzbach, DE	0.520	EUR	100%	100%		▲	
Kermi Duschdesign GmbH	Plattling, DE	2.070	EUR	100%	100%		■	
Dimoldura Ibérica S.L.	Toledo, ES	0.003	EUR	100%	100%	▲		
Rozière S.A.S.	Bozouls, FR	1.624	EUR	100%	100%	▲		
Cicomol S.A.	Seiça, PT	0.085	EUR	100%		▲		
Dimoldura - Molduras E Componentes S.A.	Carregal do Sal, PT	1.000	EUR	100%	100%	▲		
Invado Sp.z o.o.	Ciasna, PL	20.000	PLN	100%	100%	▲		
Lignis Slovakia s.r.o.	Bratislava, SK	0.005	EUR	100%	100%			●

- ▲ Production / Sales
● Services / Finances
■ Trade



Company		Share Capital in million		Interest in Capital 2025	Interest in Capital 2024	Room Climate	Services
Corporate Services	Head Office						
Arbonia AG	Arbon, CH	13.894	CHF				●
AFG International AG	Arbon, CH	1.000	CHF	100%	100%		●
Arbonia Schweiz AG	Arbon, CH	1.000	CHF	100%	100%		●
AFG Immobilien AG	Arbon, CH	1.000	CHF	100%	100%		●
Arbonia Management AG	Arbon, CH	0.250	CHF	100%	100%		●
Arbonia Deutschland GmbH	Plattling, DE	0.511	EUR	100%	100%		●
DWA Beteiligungsgesellschaft mbH	Magdeburg, DE	0.025	EUR	100%	100%		●
Skyfens Sp.z o.o.	Lublin, PL	13.005	PLN	100%	100%		▲
AFG RUS	Moskau, RU	454.5	RUB	100%	100%	▲	

- ▲ Production / Sales
- Services / Finances
- Trade



Statutory Auditor's Report

To the General Meeting of Arbonia AG, Arbon

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Arbonia AG and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2025, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the consolidated financial statements (pages 175 to 244) give a true and fair view of the consolidated financial position of the Group as at 31 December 2025, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards and comply with Swiss law.

Basis for Opinion

We conducted our audit in accordance with Swiss law, International Standards on Auditing (ISA) and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are independent of the Group in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession that are relevant to audits of the financial statements of public interest entities, as well as those of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), as applicable to audits of financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Key Audit Matters



VALUATION OF GOODWILL WOOD DACH/EASTERN

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



VALUATION OF GOODWILL WOOD DACH/EASTERN

Key Audit Matter

As at 31 December 2025, the carrying amount of the goodwill Wood DACH/Eastern amounts to CHF 121.4 million.

Management assesses the valuation of goodwill based on a value in use calculation for the relevant cash generating unit ("CGU").

The impairment test for this item requires significant management judgment with regards to cash flow forecasts, margin, growth rate as well as the discount rate, and is therefore a key area of audit focus.

Our response

Our procedures included, amongst others, evaluating the methodical and mathematical accuracy of the model used for the impairment tests, the appropriateness of the assumptions used, and the methodology used by management to prepare cash flow forecasts. We used our own valuation specialists to support our procedures.

Amongst others, we performed the following audit procedures:

- Assessing the forecasting accuracy by back-testing historical forecasts to actual results;
- comparing projected cash flows with the latest forecasts by management and with the business plan approved by the board of directors;
- challenging the robustness of the key assumptions used to determine the recoverable amount, including forecast cash flows, margin, growth rate and the discount rate by comparing them with publicly available data and our understanding of the commercial prospects of the relevant CGU;
- review of the sensitivity analyses performed.

We also considered the appropriateness of disclosures in the consolidated financial statements in relation to sensitivities regarding the impairment testing of goodwill.

For further information on goodwill refer to the following:

- Note 19 „Intangible assets“, page 186
- Note 20 „Impairment of assets“, page 187
- Note 30 „Significant accounting judgments, estimates and assumptions“, paragraphs „Estimated impairment of goodwill“, page 191
- Note 40 „Intangible assets“, page 206



Other Information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements, the stand-alone financial statements of the company, the compensation report and our auditor's reports thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Board of Directors' Responsibilities for the Consolidated Financial Statements

The Board of Directors is responsible for the preparation of the consolidated financial statements, which give a true and fair view in accordance with IFRS Accounting Standards and the provisions of Swiss law, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law, ISA and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.



As part of an audit in accordance with Swiss law, ISA and SA-CH, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors or its relevant committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors or its relevant committee with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated to the Board of Directors or its relevant committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report, unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



Report on Other Legal and Regulatory Requirements

In accordance with Art. 728a para. 1 item 3 CO and PS-CH 890, we confirm that an internal control system exists, which has been designed for the preparation of the consolidated financial statements according to the instructions of the Board of Directors.

We recommend that the consolidated financial statements submitted to you be approved.

KPMG AG

David Grass
Licensed Audit Expert
Auditor in Charge

Nicolas Wuffli
Licensed Audit Expert

St. Gallen, 2 March 2026

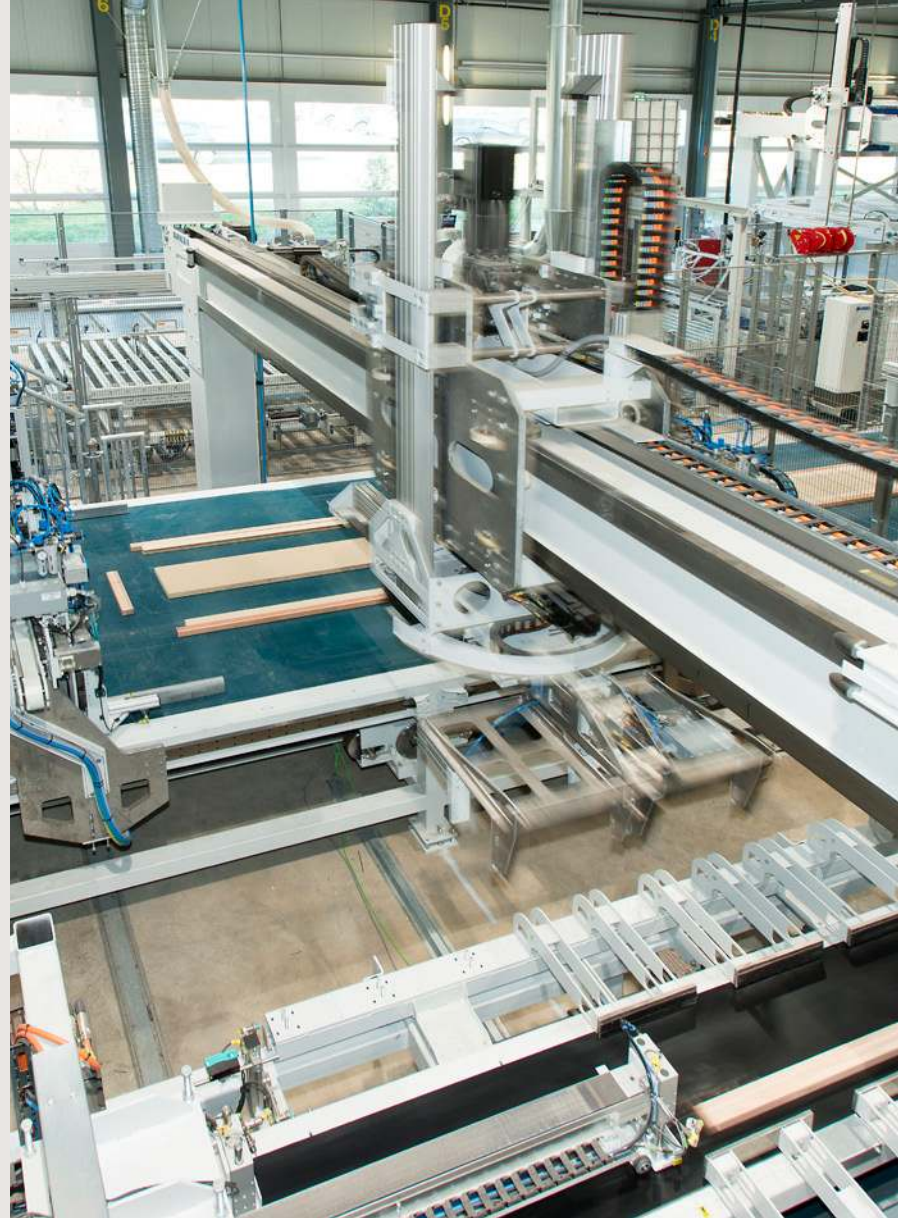
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Financial Statements Arbonia AG

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Income Statement

in 1 000 CHF			2025		2024
	Note		in %		in %
Dividend income		21 600		16 030	
Financial income	2.7	34 039		27 349	
Other operating income		1		1	
Total income		55 639	100.0	43 380	100.0
Financial expenses	2.8	– 7 208	– 13.0	– 20 651	– 47.6
Personnel expenses		– 1 093	– 2.0	– 970	– 2.2
Other operating expenses	2.9	– 2 759	– 5.0	– 4 409	– 10.2
Taxes		– 3 871	– 7.0	– 1 124	– 2.6
Total expenses		– 14 931	– 26.8	– 27 155	– 62.6
Net profit		40 709	73.2	16 225	37.4

The notes on [pages 254 to 259](#) are an integral part of these financial statements.



Balance sheet

in 1 000 CHF		31/ 12/ 2025	31/ 12/ 2024
	Note	in %	in %
Assets			
Cash and cash equivalents		16 282	17 253
Other receivables			
Third parties		20	196
Shareholdings		95 726	292 230
Deferred expenses		29	29
Current assets		112 057	309 708
Loans to shareholdings		227 830	589 622
Investments	2.1	788 812	788 812
Non-current assets		1 016 642	1 378 435
Total assets		1 128 700	1 688 143

The notes on [pages 254 to 259](#) are an integral part of these financial statements.



in 1 000 CHF		31/ 12/ 2025		31/ 12/ 2024	
	Note	in %		in %	
Liabilities and shareholders' equity					
Accounts payable					
Third parties		47		1 503	
Shareholdings				1 688	
Interest bearing liabilities	2.2				
Bank loans		125 491		276 494	
Promissory note loan				64 669	
Shareholdings		300 048		277 237	
Other liabilities					
Third parties		11		6	
Accruals and deferred income		2 854		2 489	
Current liabilities		428 451	38.0	624 087	37.0
Interest bearing liabilities	2.3				
Promissory note loan		11 758		11 758	
Non-current liabilities		11 758	1.0	11 758	0.7
Total liabilities		440 209	39.0	635 845	37.7
Share capital	2.4	13 895		291 788	
Legal capital reserves					
Capital contribution reserve	2.5	369 260		432 571	
Other capital reserves		42 812		42 812	
Voluntary reserves					
Free reserves		10 945		11 217	
Treasury shares	2.6	– 5		– 274	
Balance sheet earnings					
Retained earnings		210 875		257 960	
Net profit		40 709		16 225	
Shareholders' equity		688 491	61.0	1 052 298	62.3
Total liabilities and shareholders' equity		1 128 700	100.0	1 688 143	100.0

The notes on [pages 254 to 259](#) are an integral part of these financial statements.



Notes to the Financial Statements

1. Accounting policies

1.1. General information

These financial statements 2025 were prepared under the provisions of the Swiss accounting law (32nd title of the Swiss Code of Obligations).

Since Arbonia AG prepares consolidated financial statements in accordance with a recognised financial reporting standard (International Financial Reporting Standards), the company is not disclosing in accordance with the statutory provisions the audit fees and is not presenting a cash flow statement and a management report.

1.2. Other current receivables

Other current receivables from shareholdings are short term loans, which are accounted for at nominal value and for which if necessary, individual specific valuation allowances have been booked.

1.3. Financial assets

Financial assets consist of long-term loans to shareholdings and are valued at cost reduced by required impairments. Loans denominated in foreign currencies are converted at the current closing rate. Unrealised exchange losses are recorded immediately whereas unrealised exchange gains are not recorded (imparity principle).

1.4. Treasury shares

Treasury shares are recognised at acquisition date at cost as a negative item in equity. In a subsequent sale or delivery in the context of the share based payments, profit or loss arising from the sale of treasury shares is recognised directly in equity under voluntary reserves.

1.5. Share based payments

A share based payment plan exists for members of the Board of Directors. Under this plan, members receive a minimum of 50% of their compensation in shares. The determination of the number of shares is based on the volume weighted average share price of 20 trading days, less a 20% discount for the restriction period. These shares granted have a restriction period of four years. The fair value of the equity compensation instruments is determined at the grant date and recorded to the income statement as personnel expenses with a corresponding offsetting entry to equity.

1.6. Interest bearing liabilities

Interest bearing liabilities are accounted for at nominal value. Long-term loans denominated in foreign currencies are converted at the current closing rate. Unrealised exchange losses are recorded immediately whereas unrealised exchange gains are not recorded (imparity principle).



2. Information and notes to the financial statements

2.1. Investments

Company	31/ 12/ 2025		31/ 12/ 2024	
	Share capital in 1 000 CHF	Capital and voting interest in %	Share capital in 1 000 CHF	Capital and voting interest in %
Arbonia Schweiz AG, Arbon	1 000	100.00%	1 000	100.00%
AFG International AG, Arbon	1 000	100.00%	1 000	100.00%
Arbonia Management AG, Arbon (merged with Arbonia Services AG)			250	100.00%
Arbonia Management AG, Arbon (formerly Arbonia Services AG)	250	100.00%	250	100.00%

All subsidiaries directly or indirectly held by Arbonia AG are disclosed in note 60 in the notes to the consolidated financial statements of Arbonia Group.



2.2. Current interest bearing liabilities

in 1 000 CHF	31/ 12/ 2025	31/ 12/ 2024
Bank loans – syndicated loan	125 491	198 824
Bridge loan		77 670
Promissory note loan		64 669
Loans to shareholdings	300 048	277 237
Total	425 539	618 400

On 3 November 2020, Arbonia had entered into a syndicated loan with a credit line of CHF 250 million. This loan, arranged with a consortium of domestic and foreign banks, has a term of five years, with the option to extend the agreement twice for one year each. The first extension option was exercised in 2021 and the second in 2022, so that the term now runs until 2027. Due to the sale of Climate Division, the syndicated loan was reduced to a credit line of CHF 150 million in the first half of 2025 and increased to CHF 200 million in December 2025.

In 2024 Arbonia had taken out a bridge loan of EUR 100 million to finance acquisitions. EUR 80 million of this loan was utilised. Following the sale of the Climate Division, it was repaid in full.

On 20 April 2025, the penultimate tranche of the promissory note loan in the amount of EUR 55 million was repaid.

2.3. Non-current interest bearing liabilities

in 1 000 CHF	31/ 12/ 2025	31/ 12/ 2024
Promissory note loan	11 758	11 758
Total	11 758	11 758

Maturity structure

in 1 000 CHF	31/ 12/ 2025	31/ 12/ 2024
Within 5 years	11 758	11 758
Total	11 758	11 758

2.4. Share capital

Refer to [note 48](#) in the notes to the consolidated financial statements of Arbonia Group.

2.5. Capital contribution reserve

The capital contribution reserve includes the premium from the capital increases in 2007, 2009, 2015, 2016 and 2017 reduced by previous distributions.

The distribution from capital contribution reserve is fiscally treated like a redemption of share capital. The Swiss Federal Tax Administration (FTA) has confirmed the disclosed capital contribution reserve (balance as of 31 December 2024) as capital contribution within the meaning of article 5 para. 1bis VStG.



2.6. Treasury shares

	2025			2024		
	Ø market value in CHF	Number of shares	Amount in 1 000 CHF	Ø market value in CHF	Number of shares	Amount in 1 000 CHF
Balance at 01/ 01	13	21 358	274	11	122 141	1 391
Purchase	11	265 000	2 887	13	83 034	1 075
Nominal value repayment			– 1 125			
Transfer for share based payments	6	– 220 141	– 1 427	12	– 103 844	– 1 257
Sale	7	– 65 225	– 444	13	– 79 973	– 1 009
Gain (+) / loss (–)			– 160			73
Balance at 31/ 12	5	992	5	13	21 358	274

2.7. Financial income

Financial income totals CHF 34.0 million (2024: CHF 27.3 million) and consists mainly of interest income on loans to shareholdings and foreign currency exchange gains.

2.8. Financial expenses

Financial expenses totals CHF 7.2 million (2024: CHF 20.7 million) and consists mainly of bank interest.



2.9. Other operating expenses

in 1 000 CHF	2025	2024
Administrative costs	2 440	4 047
Consultancy and audit fees	296	352
Other operating expenses	23	11
Total	2 759	4 409

3. Other disclosures

3.1. Guarantees, warranty obligations and collateral in favour of third parties

The following guarantees were issued for the companies listed below:

		31/ 12/ 2025	31/ 12/ 2024
UBS AG			
in favor of AFG International AG	in 1 000 EUR	7 335	
in favour of Joro Türen GmbH	in 1 000 CHF	163	163
in favor of Termovent Komerc d.o.o.	in 1 000 CHF		12 988
in favour of Kermi Duschdesign GmbH	in 1 000 CHF		60
UniCredit Bank			
in favor of Termovent Komerc d.o.o.	in 1 000 EUR	17 112	18 679
in favour of Kermi Duschdesign GmbH	in 1 000 EUR	350	300
in favour of TPO Holz-Systeme GmbH	in 1 000 EUR	104	100
in favour of Arbonia Doors GmbH	in 1 000 EUR	15	15
in favour of Arbonia AG	in 1 000 EUR	2	2
in favour of Kermi GmbH	in 1 000 EUR		366
in favour of Kermi sp. z o.o.	in 1 000 EUR		135

3.2. Contingent liabilities

A joint and several liability exists towards the affiliated subsidiaries under the cash pooling agreement with UniCredit Bank AG and UBS Switzerland AG.

3.3. Major shareholders

	31/ 12/ 2025	31/ 12/ 2024
	Voting and capital interest	Voting and capital interest
Artemis Beteiligungen I AG	22.58%	22.57%

3.4. Off-balance sheet transactions

in 1 000 CHF	31/ 12/ 2024	
	Contract value	Replacement value positive
Forward foreign exchange contracts	376 480	5 185
Total financial instruments	376 480	5 185

The foreign currency risks on part of the expected cash inflow in connection with the sale of Climate Division were hedged in 2024 with a transaction-related CHF/ EUR foreign currency forward (Deal Contingent Forward) with a nominal value of EUR 400 million. Maturity, currency and nominal amount matched the hedged transaction. The valuation of the derivative as of 31 December 2024 amounted to CHF 5.2 million. As this is a hedge transaction, it is not measured at fair value but disclosed in the notes. Upon the closing of the sale of Climate, the cumulative gain from this instrument amounting to CHF 4.3 million was recognised in the income statement.

3.5. Headcount in full-time equivalents

Arbonia AG does not employ any staff.

**3.6. Disclosure of participation rights**

The Board of Directors, Group Management and employees were granted the following participation rights:

	31/ 12/ 2025		31/ 12/ 2024	
	Number of registered shares	Amount in 1 000 CHF	Number of registered shares	Amount in 1 000 CHF
Allocated to the Board of Directors and Group Management	174 365	1 130	79 260	959
Allocated to employees	45 776	297	24 584	297
Total	220 141	1 427	103 844	1 257



Proposal of the Board of Directors

The Board of Directors will propose at the Annual General Meeting of the shareholders on 24 April 2026 the following:

Appropriation of Retained Earnings

in 1 000 CHF	2025	2024
Retained earnings carried forward from previous year	210 617	257 960
Plus undistributed dividends from treasury shares	257	
Subtotal	210 875	257 960
Net profit for the year	40 709	16 225
Retained earnings	251 583	274 185
Distribution of a dividend ¹ for the financial year 2023		– 10 421
Distribution of a dividend ¹ for the financial year 2024		– 11 463
Distribution of an extraordinary dividend ¹		– 41 684
Retained earnings carried forward	251 583	210 617

¹ No distribution/ repayment for treasury shares at the time of payment

Repayment of capital contribution reserve

in 1 000 CHF	2025	2024
Carry forward from previous year	369 003	432 571
Plus non repayment for treasury shares	257	
Withholding tax free repayment ¹ for the financial year 2023		– 10 421
Withholding tax free repayment ¹ for the financial year 2024		– 11 463
Withholding tax free extraordinary repayment ¹		– 41 684
Capital contribution reserve carried forward	369 260	369 003



Statutory Auditor's Report

To the General Meeting of Arbonia AG, Arbon

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Arbonia AG (the Company), which comprise the balance sheet as at 31 December 2025, and the income statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements (pages 251 to 259) comply with Swiss law and the Company's articles of incorporation.

Basis for Opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession that are relevant to audits of the financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. We have determined that there are no key audit matters to communicate in our report.

Other Information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements, the stand-alone financial statements of the Company, the compensation report and our auditor's reports thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



Board of Directors' Responsibilities for the Financial Statements

The Board of Directors is responsible for the preparation of the financial statements in accordance with the provisions of Swiss law and the Company's articles of incorporation, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Swiss law and SA-CH, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

We communicate with the Board of Directors or its relevant committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



We also provide the Board of Directors or its relevant committee with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated to the Board of Directors or its relevant committee, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report, unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In accordance with Art. 728a para. 1 item 3 CO and PS-CH 890, we confirm that an internal control system exists, which has been designed for the preparation of the financial statements according to the instructions of the Board of Directors.

Based on our audit in accordance with Art. 728a para. 1 item 2 CO, we confirm that the proposal of the Board of Directors complies with Swiss law and the Company's articles of incorporation. We recommend that the financial statements submitted to you be approved.

KPMG AG

David Grass
Licensed Audit Expert
Auditor in Charge

Nicolas Wuffli
Licensed Audit Expert

St. Gallen, 2 March 2026

KPMG AG, Bogenstrasse 7, CH-9001 St. Gallen

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Annex

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Alternative Performance Measures

Arbonia uses alternative performance measures (APM) as guidance measures for both internal reporting to management and external reporting to stakeholders. The APM used by Arbonia have not been prepared in accordance with IFRS accounting policies and are discussed in detail below. The APM serve as supplementary information components and should therefore always be read and interpreted in conjunction with the consolidated financial statements prepared in accordance with IFRS. The APM used by Arbonia do not necessarily agree with the same or similar titled measures of other or comparable companies.

EBITDA without one-time effects / adjusted

The elimination of one-time effects provides an adjusted and thus better comparable presentation of the operating result over time. Discontinued operations as defined by IFRS 5 are not included. The following one-time effects are eliminated by Arbonia:

- Costs resulting from creation of provisions or income resulting from reversal of provisions for restructurings and reorganisation as well as closure costs
- Ramp-up costs for new production sites
- Consultancy and integration costs from acquisitions
- Consultancy costs with greater cost implications for acquisitions that did not materialise
- Consultancy costs from disposal of subsidiaries
- Gains and losses from sale of properties and associated companies

- Real estate development costs
- Costs in connection with personnel changes / leave of absence in Group and Senior management

EBITA without one-time effects / adjusted

- Impairments
- Reversal of impairments

EBIT without one-time effects / adjusted

- Impairments on intangible assets from acquisitions

Group result before income tax without one-time effects / adjusted

- Impairments and reversal of impairments on loans granted

Group result after taxes without one-time effects / adjusted

- Tax effect on one-time effects
- Tax consequences from disposal of subsidiaries

Acquisition and currency adjusted growth (organic growth)

Acquisition and currency adjusted growth excludes effects from acquisitions and disposals of companies and currency effects.

In the acquisition adjusted growth, revenues of the acquired companies are eliminated in the year of acquisition. For companies acquired in the previous year, revenues of the current year are included for the same period as in the previous year. Discontinued operations within the meaning of IFRS 5 are eliminated.

In the currency adjusted growth, revenues of the current year in the functional currency of the respective company are translated at the average exchange rates of the same previous year period.

Net debt

Current and non-current financial debts plus current and non-current lease liabilities minus cash and cash equivalents.

Leverage ratio

Net debt divided by EBITDA.

Free cash flow

Cash flow from operating and investing activities.

Capital expenditures

Maintenance and expansion capital expenditures.



Reconciliation Group and Segments from IFRS-result to result without one-time effects / Adjusted

in 1 000 CHF											2025
		IFRS	%	Consultancy and integration costs from acquisitions	Costs for restructurings and reorganisation	Impairment on Business Center (previously Corpo- rate Center)	Gain on sale of investment property	Various	Tax effects on one-time effects	without one-time effects/ adjusted	%
Doors	EBITDA	61 789	9.9		2 203					63 992	10.3
	EBITA	25 621	4.1							27 824	4.5
	EBIT	8 832	1.4							11 035	1.8
Corporate Services	EBITDA	– 5 503		409			– 2 852	414		– 7 532	
	EBITA	– 11 247				3 966				– 9 310	
	EBIT	– 11 247								– 9 310	
Group	Net revenues	624 517	100.0							624 517	100.0
	Other operating income	9 279	1.5				– 2 852			6 427	1.0
	Capitalised own services	3 113	0.5							3 113	0.5
	Changes in inventories of semi-finished and finished goods	3 536	0.6							3 536	0.6
	Cost of material and goods	– 247 993	– 39.7							– 247 993	– 39.7
	Personnel expenses	– 222 779	– 35.7		1 789			414		– 220 576	– 35.3
	Other operating expenses	– 113 388	– 18.2	409	414					– 112 565	– 18.0
	EBITDA	56 286	9.0							56 460	9.0
	Depreciation, amortisation and impairments	– 41 912	– 6.7			3 966				– 37 946	– 6.1
	EBITA	14 374	2.3							18 514	3.0
	Amortisation of intangible assets from acquisitions	– 16 790	– 2.7							– 16 790	– 2.7
	EBIT	– 2 416	– 0.4							1 724	0.3
	Financial income	3 396	0.5							3 396	0.5
	Financial expenses	– 8 126	– 1.3							– 8 126	– 1.3
	Group result before income tax	– 7 146	– 1.1							– 3 006	– 0.5
	Income tax expense	– 2 620	– 0.4						22	– 2 598	– 0.4
	Group result from continuing operations	– 9 766	– 1.6							– 5 604	– 0.9

Presentation of the respective one-time effects on the immediate result line without disclosure of the impact on the subsequent line items.



Reconciliation Group and Segments from IFRS-result to result without one-time effects / Adjusted

in 1 000 CHF										2024
		IFRS	%	Consultancy and integration costs from acquisitions	Costs for restructurings and reorganisation	Gain on sale of investment property	Costs in connection with changes in Group management	Tax effects on one-time effects	without one-time effects/adjusted	%
Doors	EBITDA	48 573	8.8	474	2 150				51 197	9.2
	EBITA	17 319	3.1						19 943	3.6
	EBIT	1 288	0.2						3 912	0.7
Corporate Services	EBITDA	17 698		773	64	– 28 777	737		– 9 505	
	EBITA	15 624							– 11 579	
	EBIT	15 624							– 11 579	
Group	Net revenues	556 308	100.0						556 308	100.0
	Other operating income	36 353	6.5			– 28 777			7 576	1.4
	Capitalised own services	5 185	0.9						5 185	0.9
	Changes in inventories of semi-finished and finished goods	– 615	– 0.1						– 615	– 0.1
	Cost of material and goods	– 215 957	– 38.8						– 215 957	– 38.8
	Personnel expenses	– 209 702	– 37.7		1 548		737		– 207 417	– 37.3
	Other operating expenses	– 105 301	– 18.9	1 247	666				– 103 388	– 18.6
	EBITDA	66 271	11.9						41 692	7.5
	Depreciation, amortisation and impairments	– 33 328	– 6.0						– 33 328	– 6.0
	EBITA	32 943	5.9						8 364	1.5
	Amortisation of intangible assets from acquisitions	– 16 032	– 2.9						– 16 032	– 2.9
	EBIT	16 912	3.0						– 7 668	– 1.4
	Financial income	4 736	0.9						4 736	0.9
	Financial expenses	– 13 500	– 2.4						– 13 500	– 2.4
	Group result before income tax	8 148	1.5						– 16 431	– 3.0
	Income tax expense	– 5 400	– 1.0					3 193	– 2 207	– 0.4
	Group result from continuing operations	2 748	0.5						– 18 638	– 3.4

Presentation of the respective one-time effects on the immediate result line without disclosure of the impact on the subsequent line items.



Dates

24. April 2026

39. Annual General Meeting

25. August 2026

Publication of first semester results 2026

2. March 2027

Financial media orientation and Analysts' conference
on the 2026 financial year (Annual results incl. revenues)

30. April 2027

40. Annual General Meeting



Glossary

Cash flow Positive or negative surplus cash arising from commercial activity, measured over a certain period. Cash flow can be used to evaluate how financially strong a company is.

Cash flow from operating activities Describes the liquid funds generated by the business activity in a given period. The operating cash flow includes the net income for the year, changes in depreciation, amortization, provisions and current assets.

Closing The completion of a business transaction, especially in the case of mergers, takeovers, contract conclusions, through the final signature and implementation of the agreement.

CPL or Continuous Pressure Laminate Refers to a laminate material that is pressed together under constant pressure and is both easy to maintain and durable. Also possible: **HPL or High Pressure Laminate**, that means a laminate manufactured under high pressure.

Digital access systems This refers to door locking systems that use digital encryption instead of a key and are usually opened by means of a coded key card or mobile phone.

Domestic consumption The consumption of goods and services within a country or a region, not involving foreign trade (export and import).

EBIT Earnings Before Interests and Taxes A company's operating results before interest and taxes are taken into account.

EBIT margin Indicates EBIT in relation to revenue.

EBITDA Earnings Before Interests and Taxes, Depreciations and Amortisation A company's operating results before interest, taxes, depreciation and amortisation are taken into account. EBITDA is one of the most meaningful figures in evaluating a company's earning power.

EBITDA margin Indicates EBITDA in relation to revenue.

Edging technology Procedures and techniques for processing, finishing, or sealing edges with materials such as wood, glass, or metal, to improve their functionality and aesthetics.

Equity ratio Indicates the shareholders' equity in relation to total capital. It is used to assess a company's financial capacity and stability. If the equity ratio is high, you can assume that the company is less dependent on third-party funds.

Free cash flow The operating cash flow minus cash flow from investing activities; illustrates how much cash remains free for shareholder dividends and / or any repayment of debt financing that may be required.

Market capitalisation A company's stock market value. It is calculated using the number of shares x the current share price.

MES or Manufacturing Execution System Refers to a computer-based system for controlling and optimising production processes. Forms the interface between enterprise resource planning (ERP) systems and machine control.

Net debt The total that remains when cash and cash equivalents are deducted from non-current liabilities. This expresses how much money would be needed to repay loans if the liquid assets were already used up and the company had to liquidate fixed and current assets.

Pro forma consolidation Financial representation of a company that shows a hypothetical consolidation (inclusion) of subsidiaries or acquisitions as if these were already completely integrated at the time of reporting or throughout the entire reporting period.

Project business Distribution channel through which building contractors directly negotiate and place orders with manufacturers for individual (construction) projects with large order volumes.

Value chain The value-added chain describes the sequence of all manufacturing and marketing stages for a product: from the production of the raw material, through processing and transport, to trade and consumption by end users.

Volume-weighted average price (VWAP) Indicates the volume-weighted average price of a security in a given period.



History

In **1874**, Franz Josef Forster opened a coppersmith's shop producing hot-water bottles, cookware and other receptacles. The company changed its name to Hermann Forster AG in 1922. By this time, it was manufacturing steel tubes.

In **1904**, Karl Schnitzler set up a factory to make heat exchangers under the Arbonia brand.

In **1954**, Arbonia AG was established.

In **1973**, the majority of the shares in Hermann Forster AG were transferred to Arbonia AG, which had been wholly owned by Jakob Züllig since 1959. The Arbonia-Forster Group comprised Hermann Forster AG (steel tubes technology, kitchens and refrigeration equipment), Arbonia AG (radiators and heaters), Asta AG (road transport) and Buhler-Regina AG (embroidery supplies).

In **1987**, AFG Arbonia-Forster-Holding AG was registered with the commercial register with CHF 30 million in share capital. A year later, the company was listed on the stock exchange.

In **1999**, Jakob Züllig, majority shareholder and Chairman of the Board of Directors, died. Prolux Heizkörper AG was bought in the same year.

In **2001**, AFG took over the German company Kermi GmbH, which provided a major boost for its radiator and shower stall business.

In **2003**, the Züllig estate sold its majority interest to Dr Edgar Oehler, the new CEO and Chairman of the Board of Directors.

In **2004**, there were three acquisitions: Bruno Piatti AG, Dietlikon ZH (CH); EgoKiefer AG, Altstätten SG (CH); and Spedition Gächter GmbH, Stachen-Arbon TG (CH).

In **2005**, there followed a further acquisition: in September, AFG acquired Miele Kitchens, based in Warendorf (D), from the German company Miele & Cie. KG, based in Gütersloh (D).

In **2006**, the Group acquired Schmidlin ASCO Swiss AG, Zwingen BL. The company specialises in underfloor convectors which, alongside their conventional heating function, can also be used for cooling.

In **2007**, AFG acquired STI Surface Technologies International Holding AG, Steinach SG (CH) and RWD Schlatter AG, Roggwil SG (CH). In September, AFG acquired the British company Aqualux Products Holdings Ltd.

In **2008**, AFG took over Slovaktual s.r.o., Slovakia's leading windows manufacturer. In October, AFG set up a new Asia Pacific regional branch with headquarters in Shanghai (CN).

In **2009**, AFG presented its new Warendorf brand of kitchens. This represents the successor to the Miele Kitchens (Miele Die Küche) brand.

In **2010**, shareholders at AFG's ordinary General Meeting approved the abolition of the hitherto unequal weighting of registered shares and bearer shares, introducing a single class of registered shares.

In **2011**, Edgar Oehler was succeeded as Chairman of the Board of Directors by Paul Witschi on 29 April and as CEO by Daniel Frutig on 1 June.

In **2012**, AFG sold its transport and logistics business Asta, its British subsidiary Aqualux and the German company Warendorf. With the acquisition of the Polish window manufacturer Dobroplast, it focused on expanding one of its core business areas.

In **2013**, AFG intensified its focus on its core business based on building envelope and interior. It sold off Forster Refrigeration Technology as well as Forster Precision Steel Tubes.

In **2014**, the AFG kitchen business and the STI Group were sold. AFG acquired Sabiana, a market leader in commercial heating, ventilation and air-conditioning. Artemis Beteiligungen I AG, led by Michael Pieper, became AFG's new main shareholder.

In **2015**, the General Meeting elected Alexander von Witzleben as the new Chairman of the Board of Directors. In July, he also assumed the role of interim CEO. In August, the Board of Directors decided to relocate the production plants to other European countries as a result of significant pressure from competition. The Eastern German window manufacturer Wertbau GmbH was also acquired in August. As part of a capital increase carried out with the aim of strengthening the Group's financial standing, Artemis Beteiligungen I AG reaffirmed its commitment to the Group and, by the end of the year, had increased its stake to just under 28 %.



In **2016**, AFG acquired the Koralle Group, a specialist in sanitary facilities. The move marks an expansion of the Building Technology Division's product range and will help it enhance its position in the core markets of Switzerland, Germany and Austria with a lasting effect. In September, AFG announced the takeover of the Looser Group, which is also active in the building supply business and consists of two main arms: doors (Prüm, Garant and Invado) and industrial services (Conducta). This transaction represents an important step in AFG's efforts to achieve its strategic goal of becoming a leading European building supplier. As part of this transaction, AFG Arbonia-Forster-Holding AG was renamed Arbonia AG.

In **2017**, Arbonia's takeover of the Looser Group can come to a successful conclusion. Looser's Coatings business is sold in full in the first half of the year. In November, Arbonia is also selling Looser's Conducta Group. With the sale of the Profile Systems Business Unit in December, Arbonia will continue to focus on its three core areas of building technology, windows and doors. Following the split of the Building Technology Division in January 2018, this will become four core areas: HVAC, sanitary equipment, windows and doors.

In **2018**, Arbonia is taking an active part in the European market consolidation process in the area of design and steel panel radiators by acquiring the Belgian company Vasco Group for its Heating, Ventilation and Air Conditioning Division. The acquisition will expand its geographical footprint and strengthen the division's range of products.

2019 stands for the Arbonia Group's commitment to development and optimization of its business models. The restructuring phase begun in 2015 is completed this year. In

January, the company founds ARBONIA DIGITAL. This independently operating subsidiary pursues the goal of working together with the divisions to create digital solutions, services and business models that focus on customers and their needs. Also in January, the Doors Division, together with the Berlin-based PropTech company KIWI GmbH, presents a fully integrated, digital access solution for residential entrance doors for the first time at the BAU trade fair in Munich. In October, Arbonia opens its new production site for panel radiators in Russia, which will enable the HVAC Division to achieve further growth in Eastern European markets, especially in Russia.

2020 is a successful year for Arbonia, although it is challenging due to the COVID 19 pandemic. Arbonia continues to focus on the relevant drivers of energy efficiency, urbanisation, digitalisation and automation. It is continuing to push ahead with the expansion and modernisation of its production capacities in all divisions and at all locations.

In **2021**, Arbonia is focusing on accelerating the further development of its two divisions, Heating, Ventilation and Air Conditioning (HVAC) and Doors, primarily through organic growth but also through acquisitions. The former Sanitary Equipment Division is being integrated into the Doors Division at the beginning of July and the Windows Division is being sold.

2022 is a challenging year due to material price increases, the energy crisis, supply bottlenecks and the strength of the Swiss franc. However, Arbonia continues to focus on the further development of modern products for energy-efficient and self-sufficient buildings, such as heat pumps, ventilation systems, underfloor heating and battery storage.

In the doors segment, the new door frame plant in Prüm (D) opened, and the construction of the new logistics centre in Roggwil (CH) will shorten delivery times for customers in Switzerland. In July, Arbonia acquires the German company joro türen GmbH, a manufacturer of special project doors. In December, it signs the purchase agreement for the Portuguese HVAC distribution company Cirelius S.A. in order to increase its activities in Portugal and Spain.

In **2023**, Arbonia's core markets, in particular Germany, Benelux and Eastern Europe, suffered from high construction costs and interest rate increases. As a cost-cutting measure, the Climate Division has announced that it will relocate the production capacity of design radiators from the Belgian Vasco production site in Dilsen (BE) to its highly automated plant in Stříbro (CZ). The new door plant of the future in Prüm (DE) where the new combined heat and power plant is currently being ramped up, demonstrates how productivity and ecological aspects can be harmonised.

In **2024** Arbonia announced the sale of the Climate Division to Midea Electrics Netherlands B.V., a company of the Chinese Midea Group. As a consequence, Arbonia will be focusing on the doors business in future. To strengthen this business area, the Spanish market leader Dimoldura and the Czech specialist for the project business Lignis are being acquired. The sale of a property in Zelgstrasse in Arbon (CH) is also a further step in the announced reduction of non-operating properties.

In **2025** Arbonia completed the sale of the Climate Division and distributed the majority of the proceeds of the sale to shareholders. With the focussing on the Doors business the inter-company exhibition Arbonia Next25 was launched,



where amongst others the new Corporate Identity was revealed. The Portugese market leader Cicomol and the German producer of steel door frames RÜthener Zargenbau (RZB) were acquired to strengthen the business. With the sale of a plot of land in the Netherlands, the announced reduction of non-operating assets has also been continued.



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