



Financial report

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Financial commentary

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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	Note	31/ 12/ 2025		31/ 12/ 2024	
			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	23.7	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	9.2	94 397	5.6
Total liabilities		360 166	32.9	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	67.1	946 418	55.7
Total liabilities and shareholders' equity		1 094 271	100.0	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	Note	2025	2024
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 reportable 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 Zeligstrasse (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 %	Lignis	Wood Western/ Iberia	Joro Doors	Wood DACH/ Eastern	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
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 con- tracts 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	31/ 12/ 2025			31/ 12/ 2024		
	Outstanding shares	Par value in CHF	Share capital in CHF	Outstanding shares	Par value 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	Head Office	Share Capital in million		Interest in Capital 2025	Interest in Capital 2024	Room Climate	Services
Corporate Services							
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

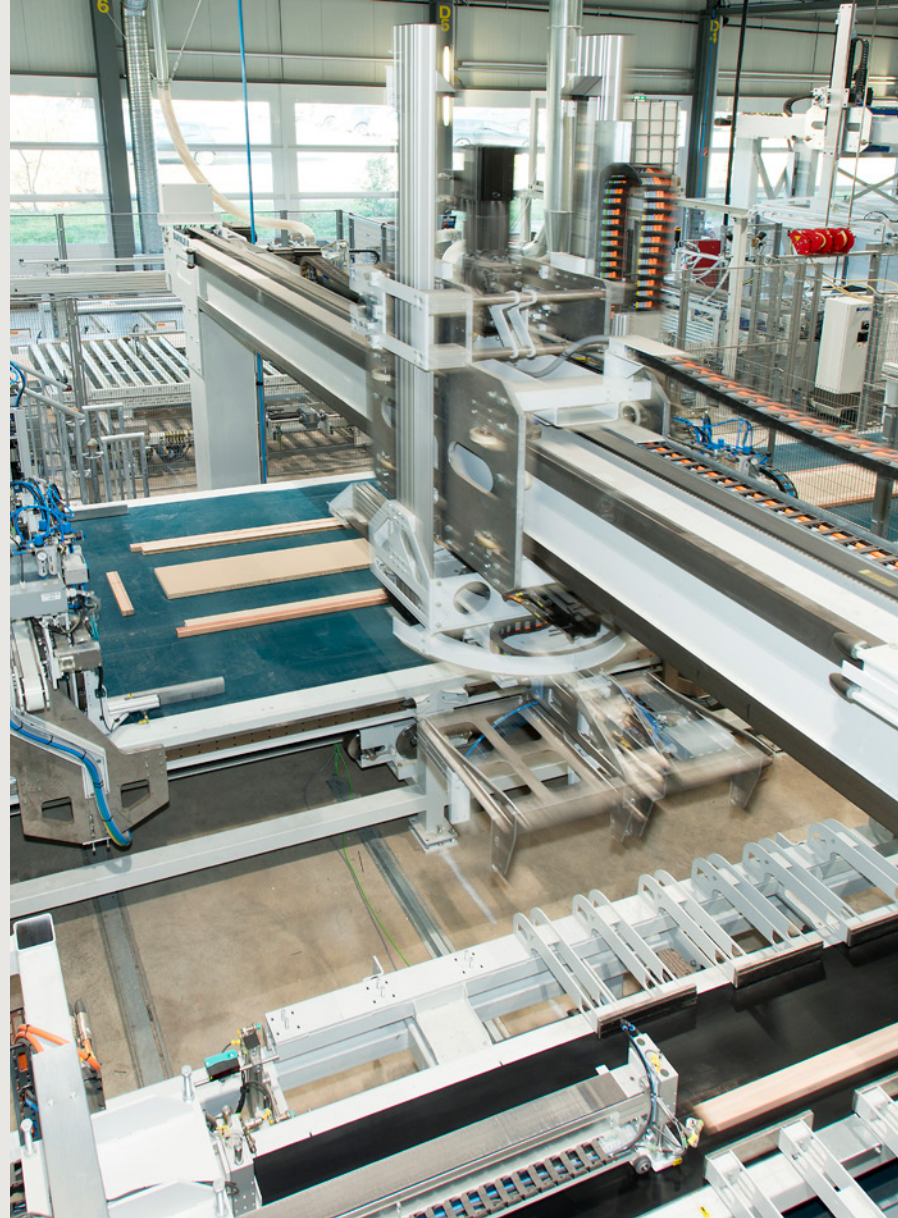
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Income Statement

in 1 000 CHF	Note		2025 in %		2024 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	Note	31/ 12/ 2025 in %	31/ 12/ 2024 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	18.3
Loans to shareholdings		227 830	589 622	
Investments	2.1	788 812	788 812	
Non-current assets		1 016 642	1 378 435	81.7
Total assets		1 128 700	1 688 143	100.0

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 Corporate 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 Beteiligung 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 Rùthener 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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