

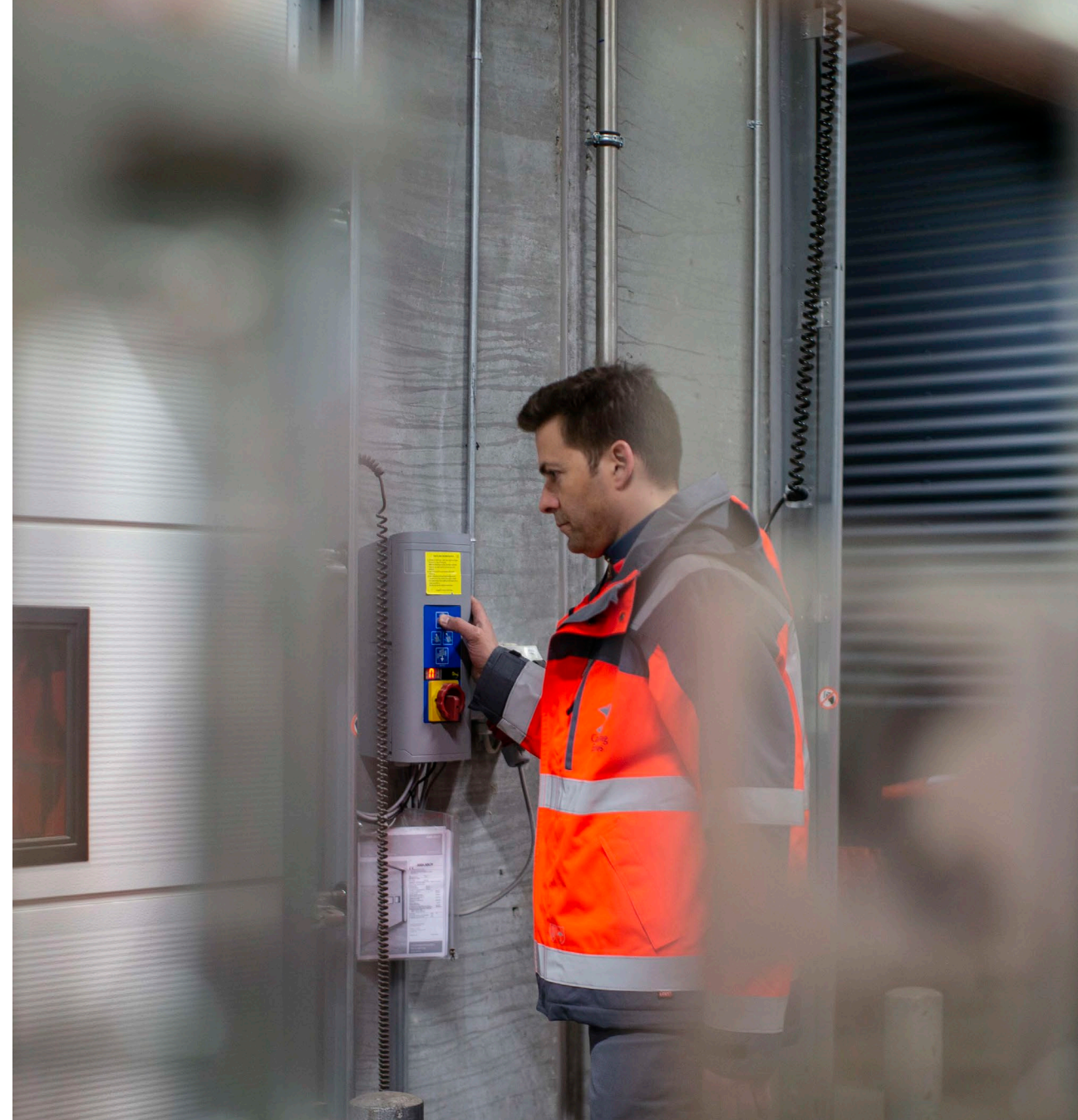
The ASSA ABLOY Group is the global leader in access solutions. Every day we help people feel safe, secure and experience a more open world.

ASSA ABLOY

Q1 interim report 2024

Strong execution in a challenging market

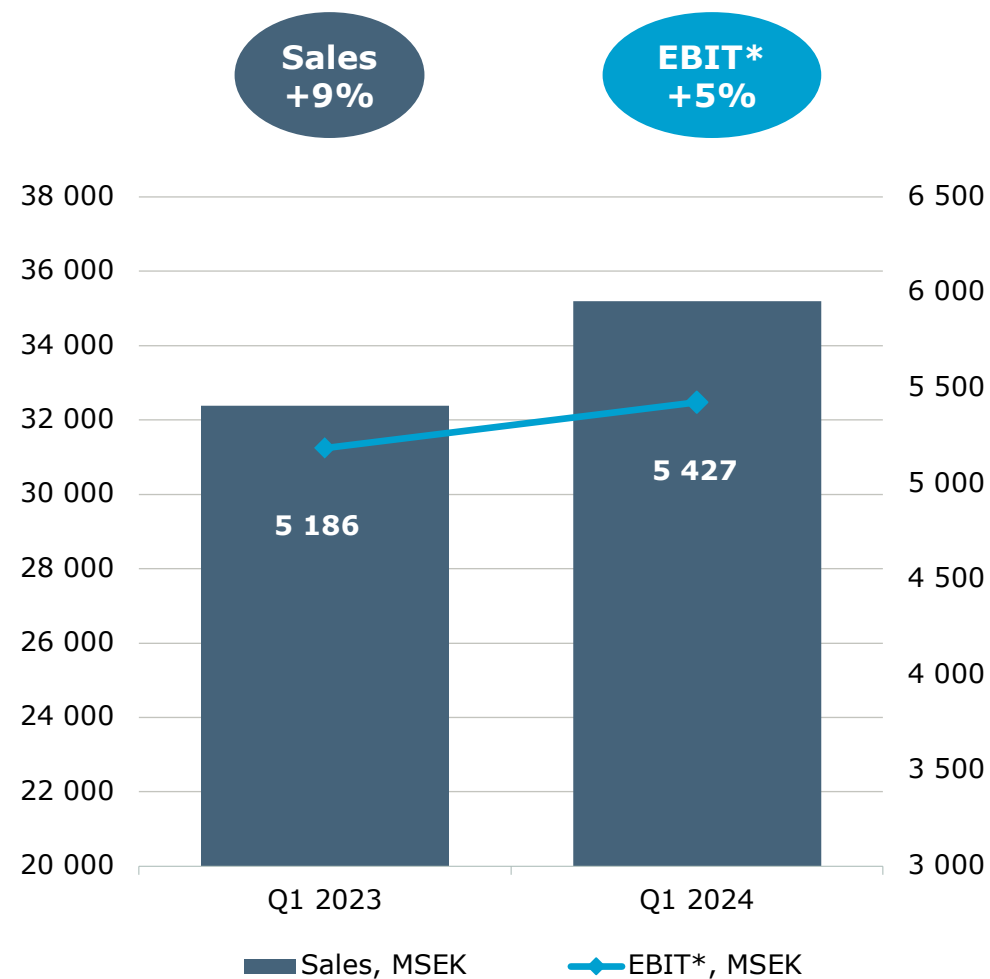
- **Sales affected by three fewer working days in March**
 - Stable sales in Entrance Systems
 - Sales decline in Americas, EMEIA, APAC and Global Technologies
- **Operating income and margin improvement**
 - Price realization
 - Cost actions
 - Lower direct material costs
- **Seasonally strong cash conversion**
- **Continued solid acquisition pace**
 - 3 acquisitions signed in the quarter



Q1 2024 figures in summary

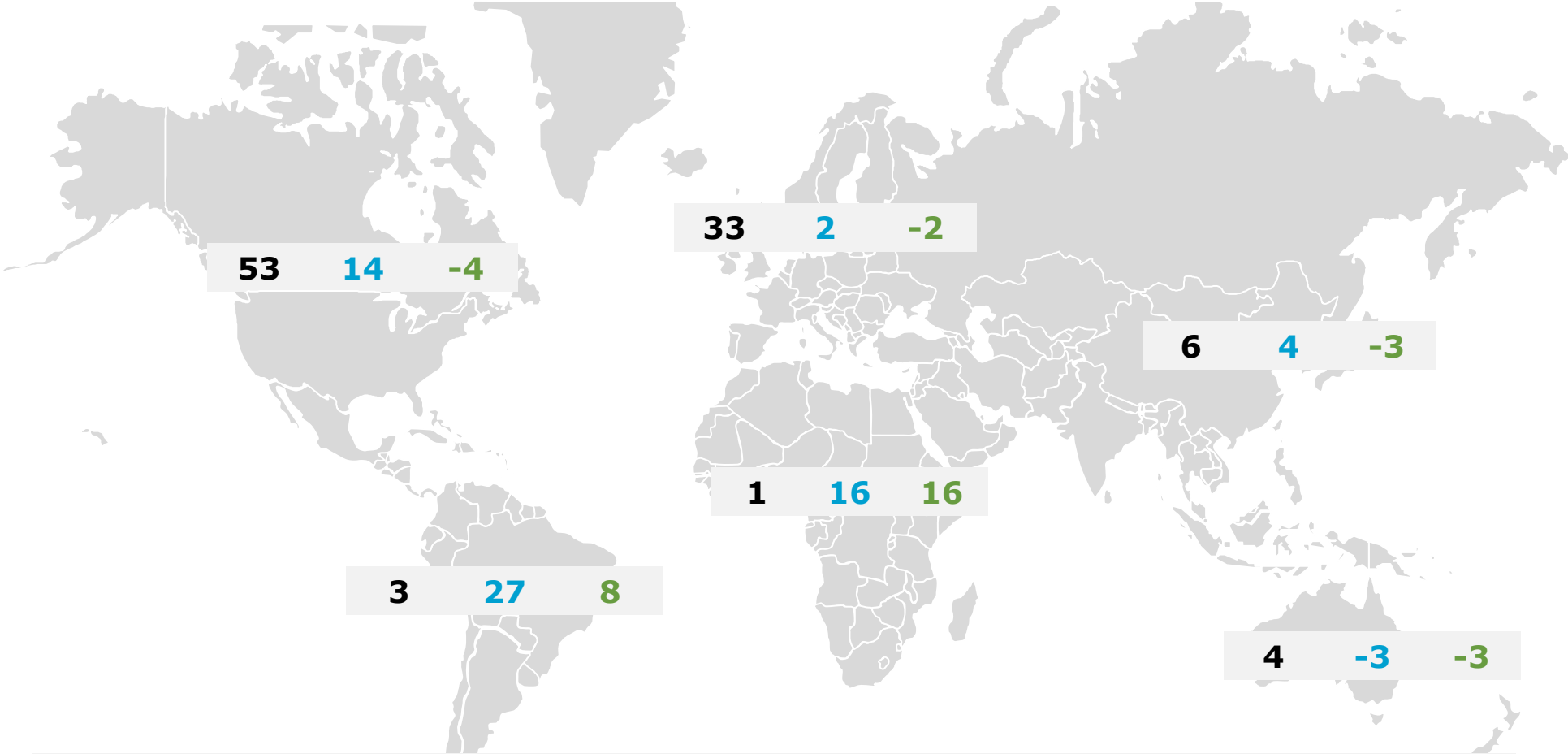
- **Sales MSEK 35,200** **+9%**
 - -2% organic
 - +11% acquired and divested
 - +0% currency
- **EBITA-margin* 16.3% (16.6%)**
- **EBIT-margin* 15.4% (16.0%)**
- **EBIT* MSEK 5,427** **+5%**
- **EPS* SEK 3.12** **-6%**

*Adjusted for items affecting comparability.



Sales by region Jan-Mar 2024

ASSA ABLOY	100	9	-2
Emerging markets	13	12	5



Share of sales, %	Change in local currencies QTD 2023 vs. QTD 2022, %	Organic change QTD 2023 vs. QTD 2022, %
--------------------------	--	--

Emerging markets follows IMF's definition as per 2018-12-31

Q1 2024 Market highlights

Project wins and achievements

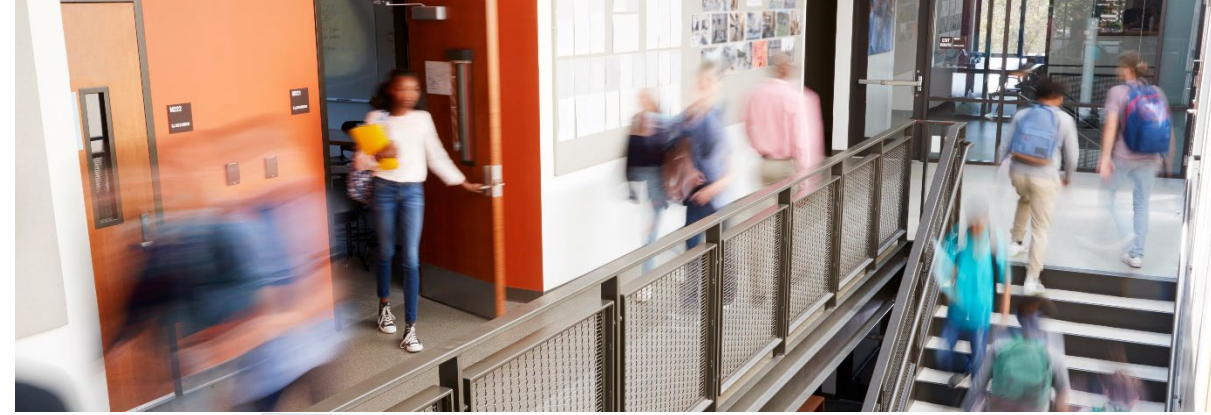
- Loading dock solutions delivered to three large distribution and logistics facilities in the US and Europe
- One million Yale Doorman sold in the Nordic countries since launch in 2011
- Large US public university selects electronic access control package

Product launches

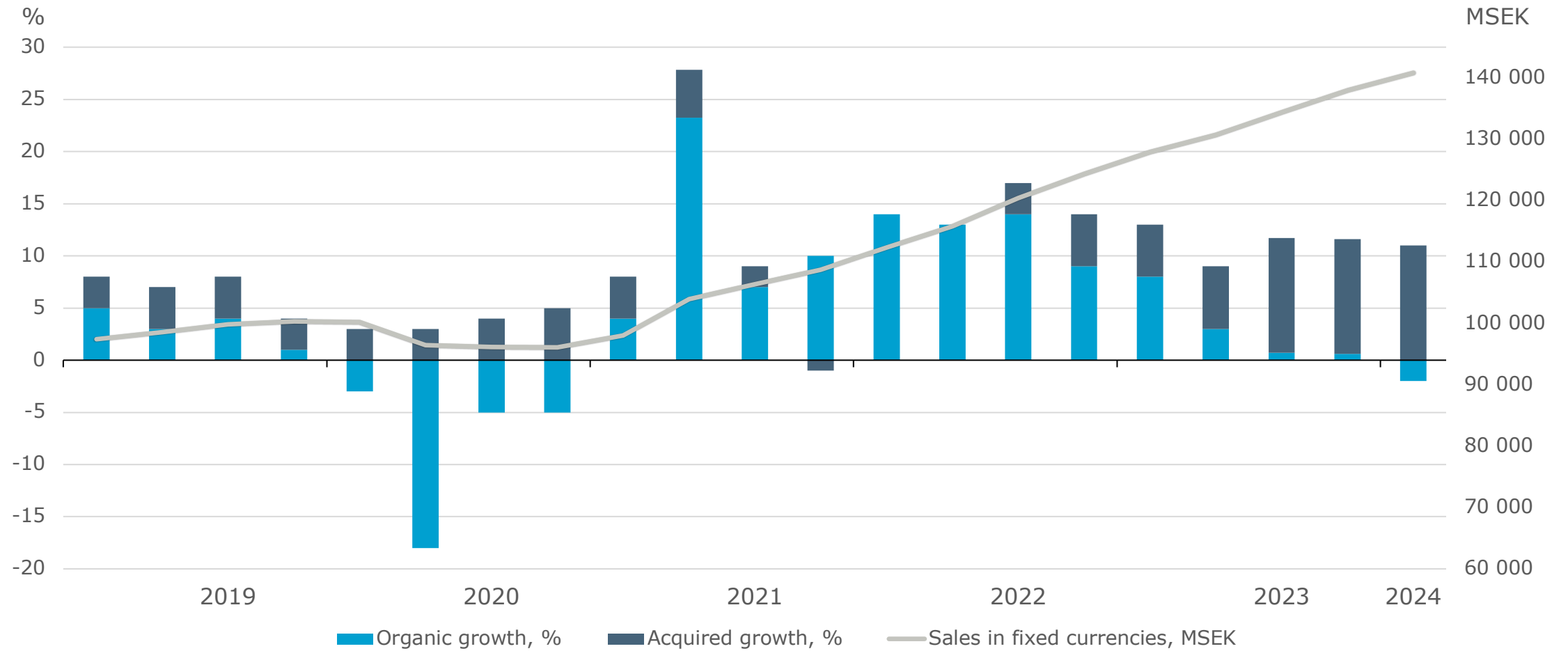
- Yale Durus – a smart lock fitted within a door, offering full functionality on any door style, launched in Sweden
- Twin X – a keying system for high security environments with new innovative features for the Australian market
- HID's identification system with facial recognition integrated with self-check-in kiosks for use in airports, hospitals, hotels etc.

Awards

- iF Design awards to the Expression Speedgate series and Yale's smart video doorbell, smart outdoor and indoor cameras
- Two awards won during ISC West 2024: Control iD's iDFace won the Biometrics category and Centrios won best Access Control Software

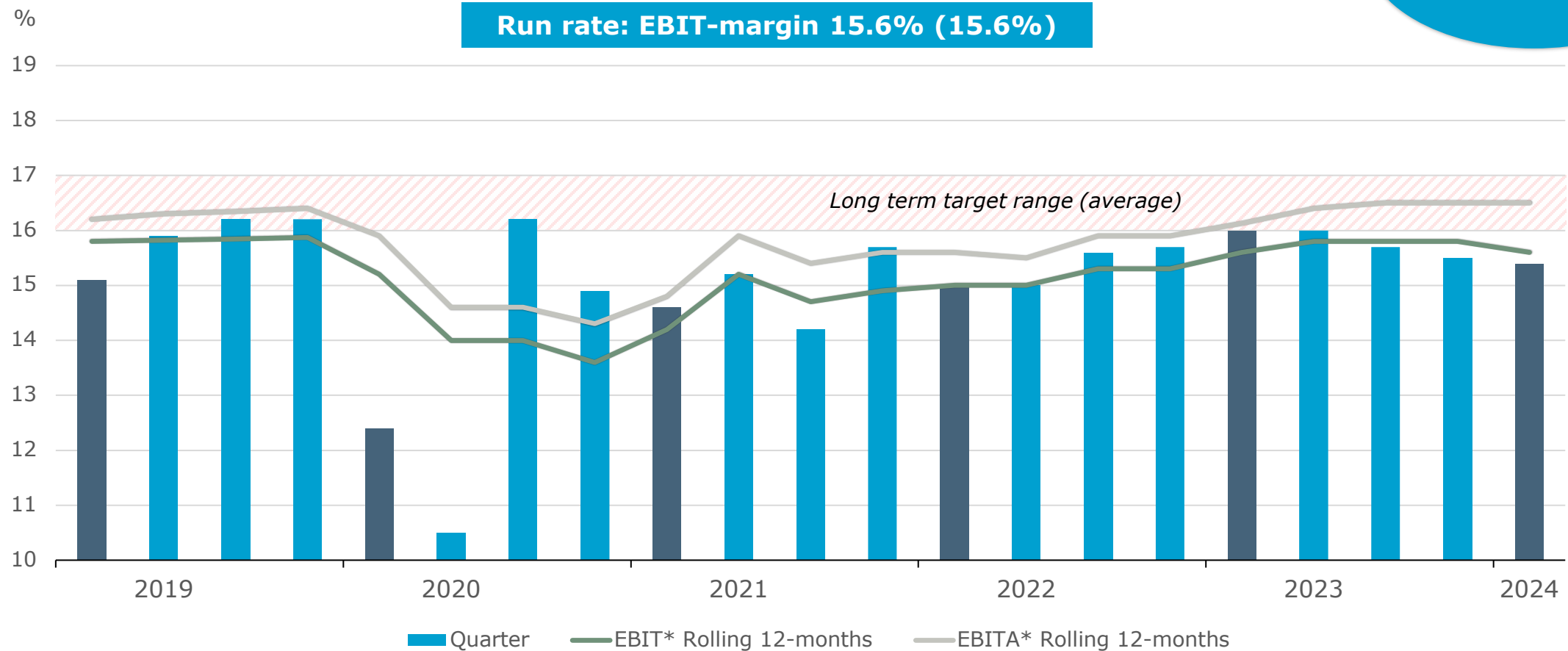


FX adjusted sales growth



Operating margin

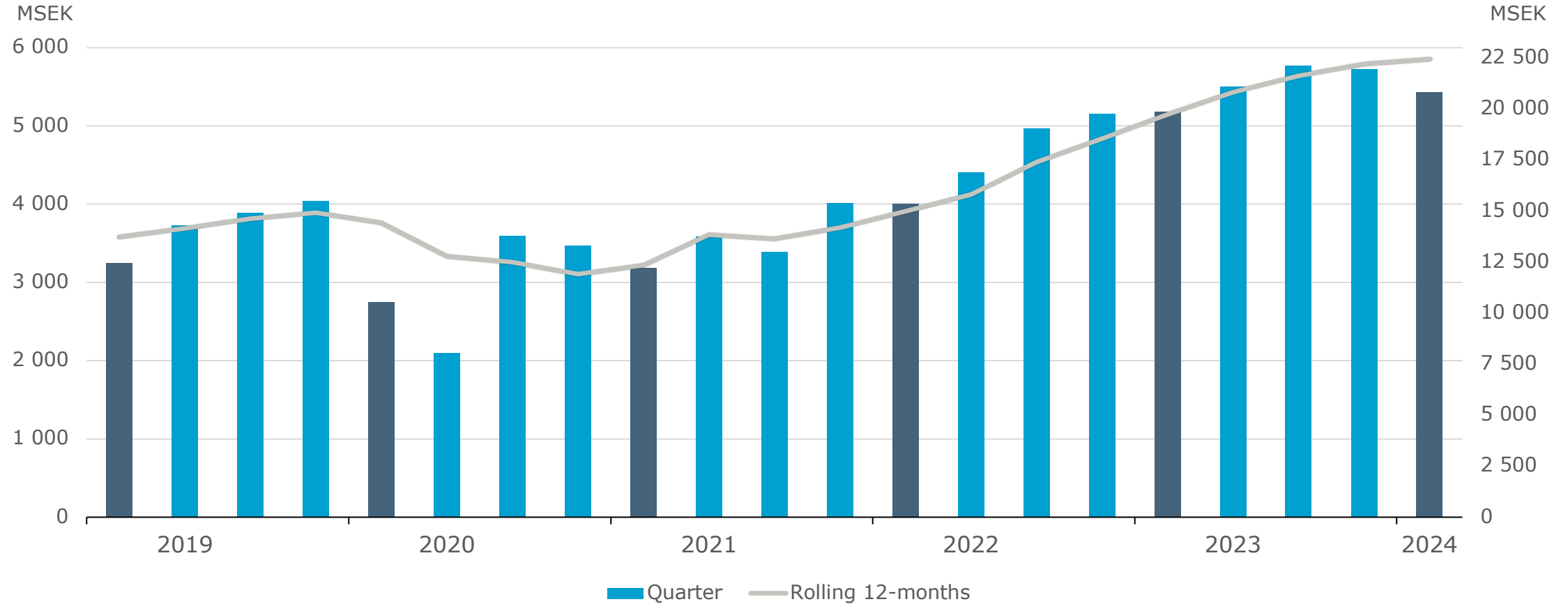
16.5%
EBITA-margin
run rate



*) Operating margin before amortization of intangible assets recognized in business combinations.
Excluding items affecting comparability

Operating profit

**Record high
Q1 EBIT**



Excluding items affecting comparability

Acquisitions

- **Active pipeline**
 - 3 acquisitions signed in Q1
 - Representing annualized sales of MSEK 2,000



Integrated Warehouse Solutions



- A US manufacturer of loading dock equipment
- Complementary product offering and branding to the existing product portfolio
- Sales of MSEK 1,850 in 2023
- Accretive to EPS from the start



Opening Solutions EMEIA

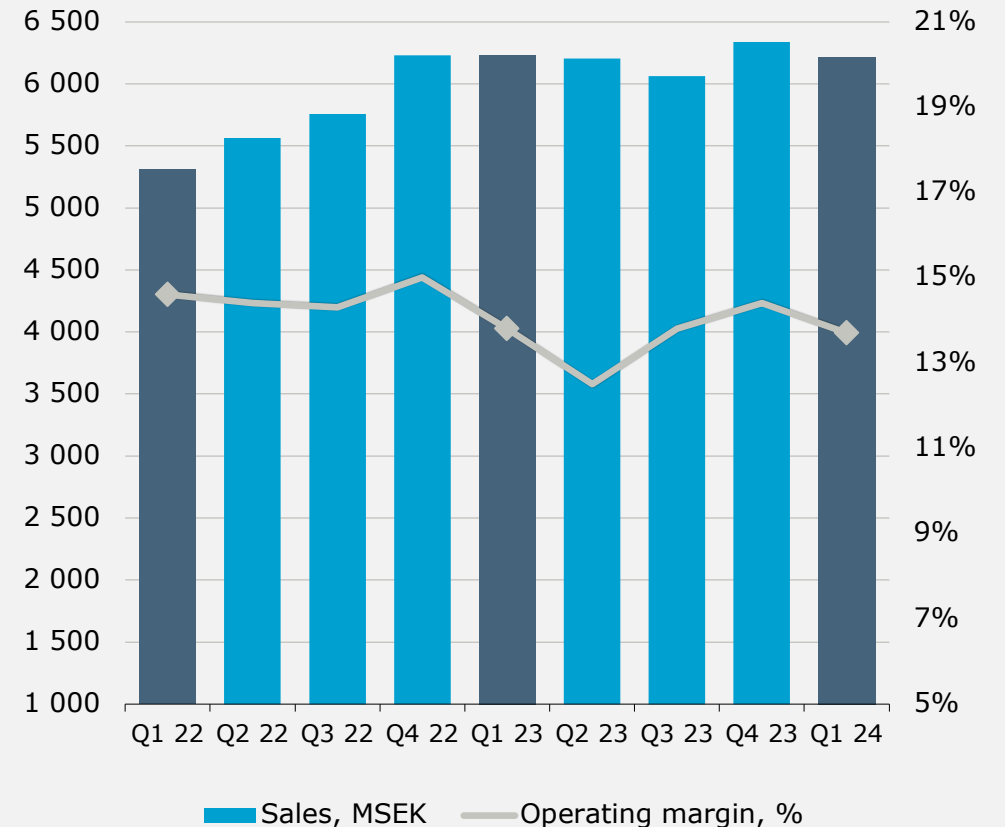
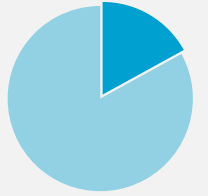
- **Organic sales -3%**

- Strong growth in Middle East/India/Africa
- Stable sales in South Europe
- Sales decline Central Europe, the Nordics and the UK/Ireland

- **Operating margin 13.7% (13.8%)**

- Operating dilution (-50bps) due to sales decline and negative mix mostly offset by pricing, lower material costs, good cost control and operational efficiencies
- FX +20bps
- M&A +20bps

17%
of Group
sales

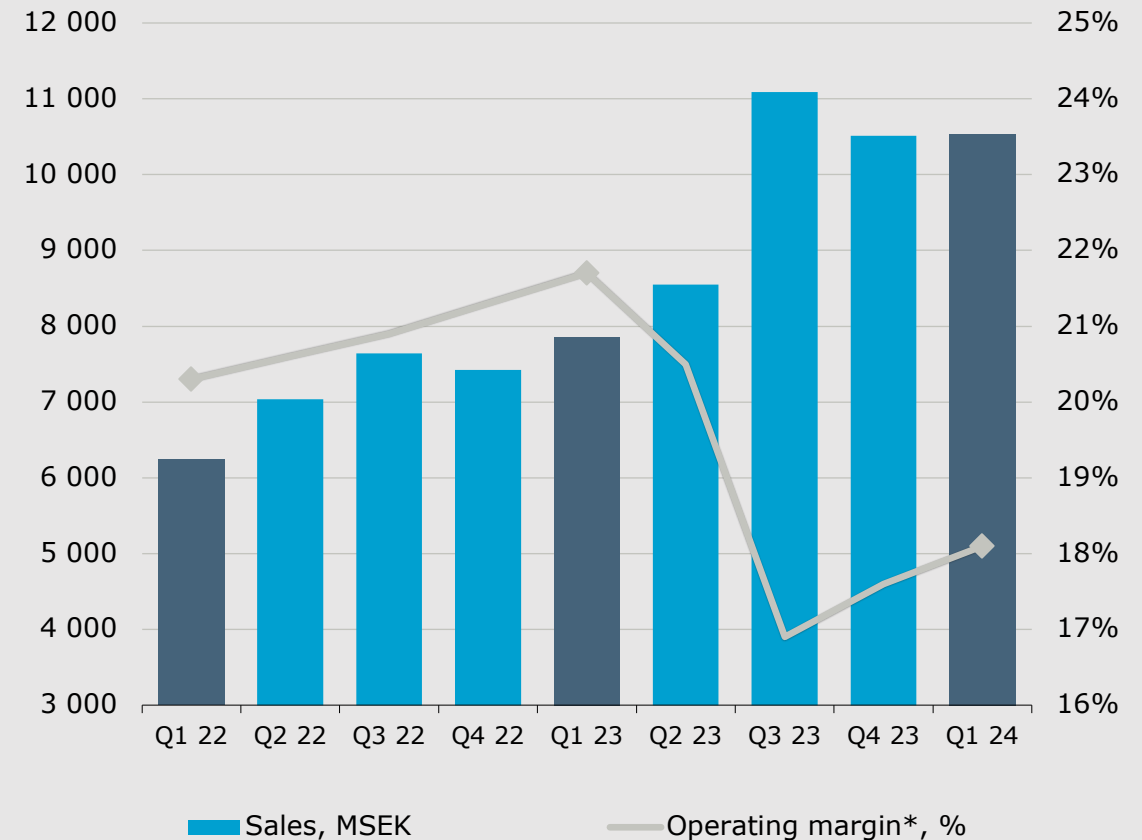
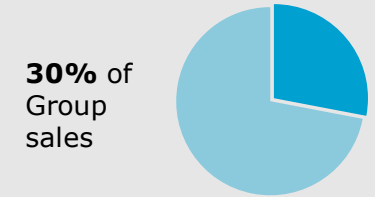


Excluding MFP restructuring items.

Opening Solutions Americas

- **Organic sales -1%**
 - Stable sales in North America Non-Residential and Latin America
 - Significant sales decline in US Residential

- **Operating margin 18.1% (21.7%)**
 - Operating dilution (-30bps) due to sales decline partly offset by lower material costs and operational efficiencies
 - FX -20 bps
 - M&A -310 bps
 - HHI
 - Sales down mid-single digit
 - Continued EBIT margin improvement



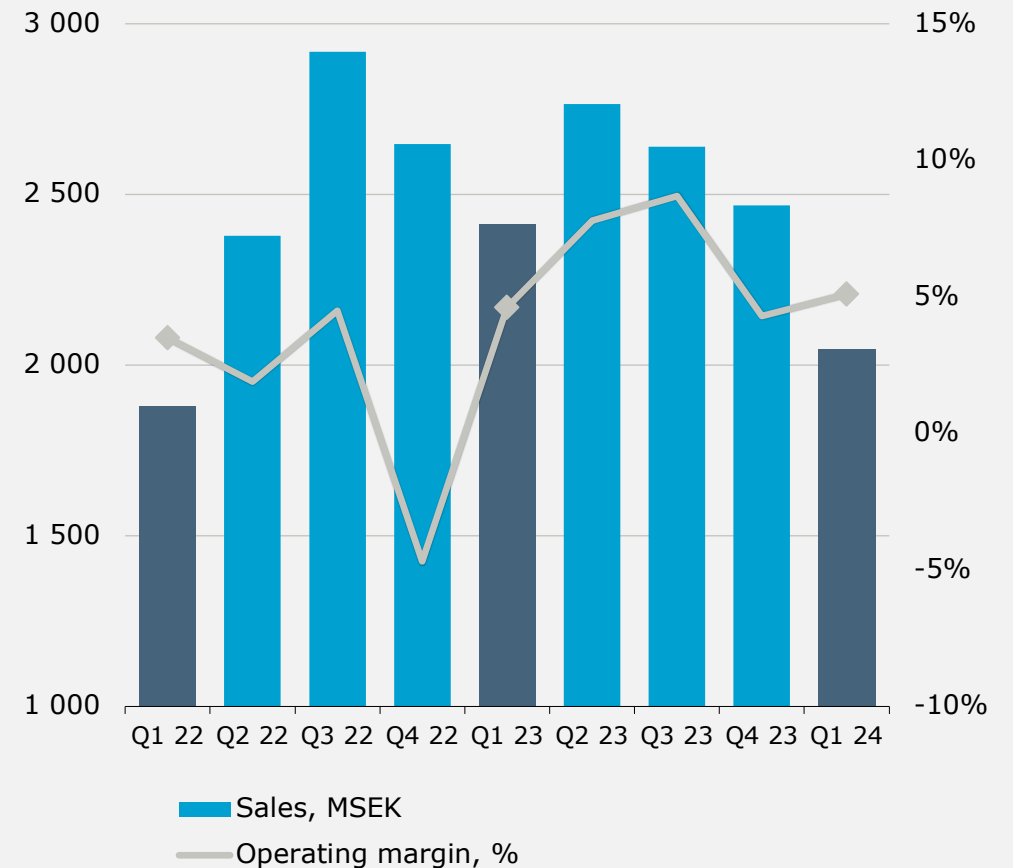
* Excluding MFP restructuring items and costs related to inventory valuation in HHI, amounting to MSEK 350 in Q3 2023 and MSEK 116 in Q4 2023 as well as gains and exit costs related to the divestment of Emtex and the Smart Residential business in the US and Canada.

Opening Solutions Asia Pacific

- **Organic sales -3%**
 - Good sales growth in South-East Asia
 - Sales decline in Pacific, South Korea and China

- **Operating margin 5.1% (4.6%)**
 - Very strong operating leverage (+40bps) due to pricing, positive mix, lower material cost and cost actions
 - FX +60bps
 - Weaker VND
 - M&A -50bps
 - Divestment of smart residential factory in Vietnam to Fortune Brands (HHI transaction)

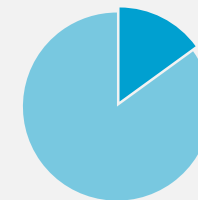
5%
of Group
sales



Excluding MFP restructuring items.

Global Technologies

15%
of Group
sales

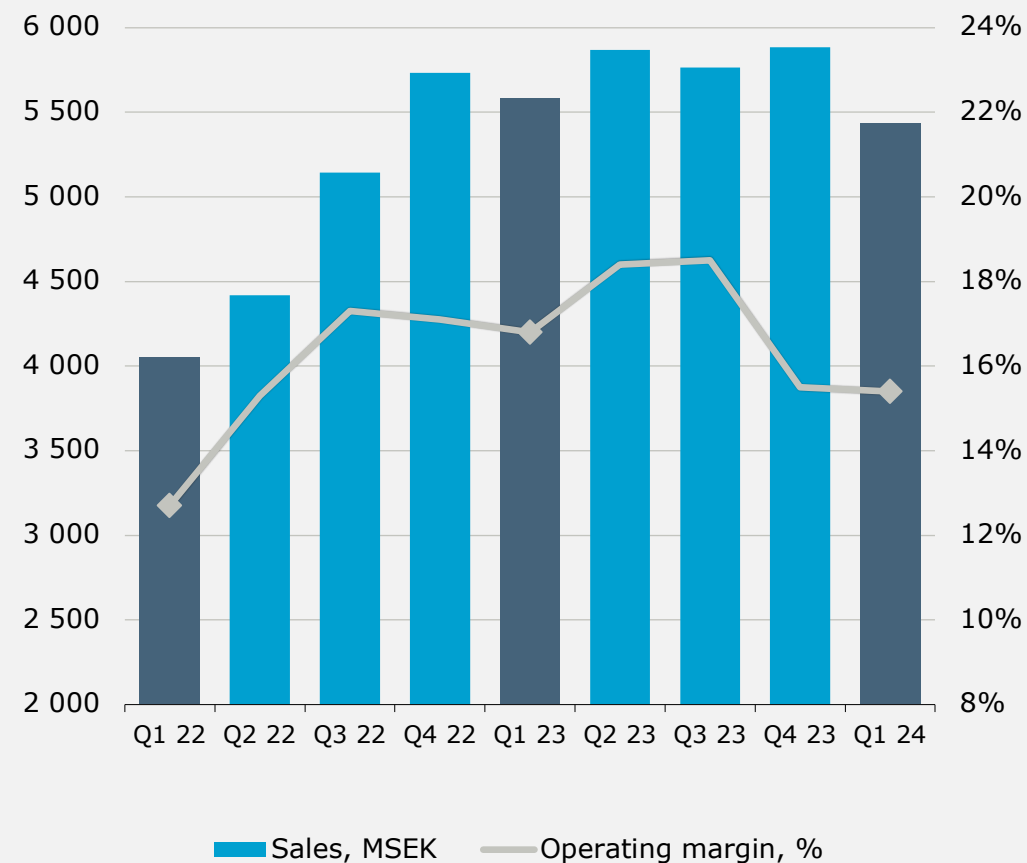


Organic sales -9%

- Strong sales growth Citizen ID and Identity & Access Solutions
- Sales decline in Identification Technology, Secure Issuance and Extended Access
- Significant sales decline in Physical Access Control
- Strong sales growth in Global Solutions

Operating margin 15.4% (16.8%)

- Operating dilution (-110bps) due to sales decline and negative mix strongly offset by pricing and operational efficiencies
- FX -10bps
- M&A -20bps



* Excluding MFP restructuring items and in Q2 2023 impairment of goodwill and intangible assets

Entrance Systems

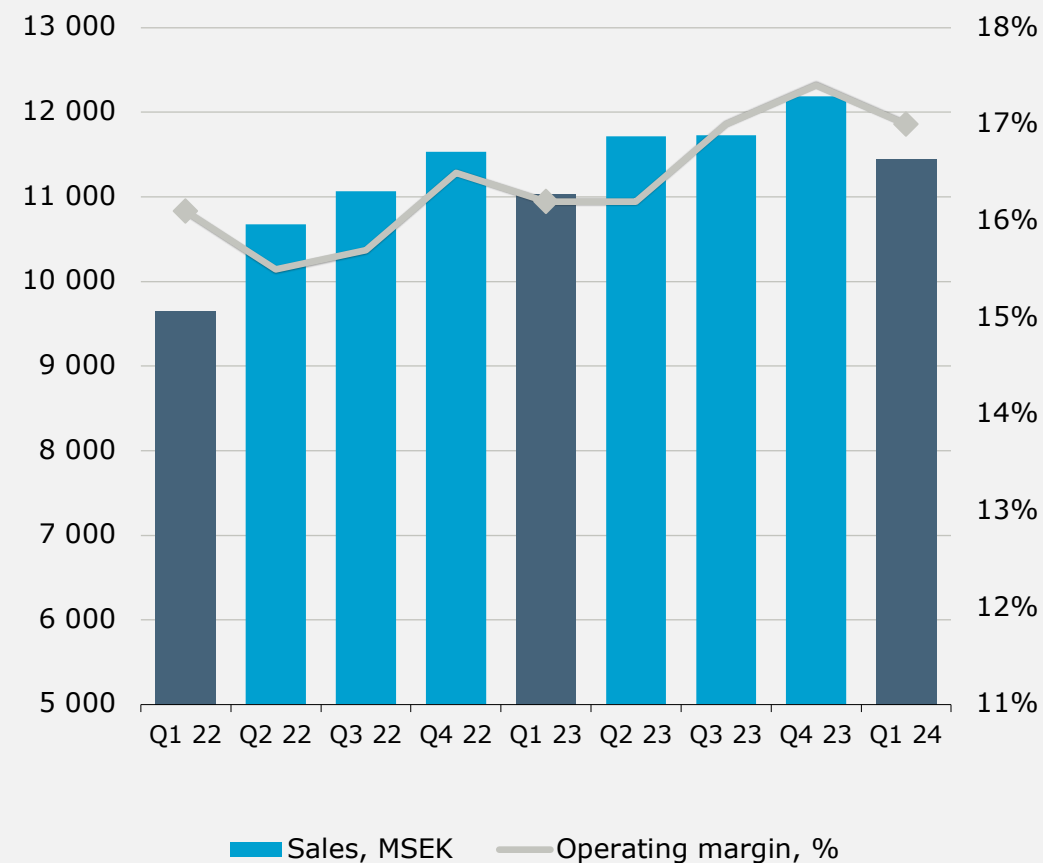
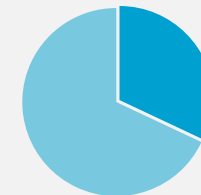
- **Organic sales +0%**

- Very strong sales growth in Perimeter Security
- Strong sales growth in Pedestrian
- Sales decline in Industrial and Residential
- Good growth in service

- **Operating margin 17.0% (16.2%)**

- Strong operating leverage (70bps) driven by pricing, lower material costs, operational efficiencies and positive mix
- FX +20bps
- M&A -10bps

32%
of Group
sales



Excluding MFP restructuring items.

Financial summary

**FX & acquisition
'run-rate' effects in Q2 2024
(31 March 2024):**
SALES
 FX: -1%
 M&A: 12%

		January - March	
	2023	2024*	
Sales	32,391	35,200	9%
- Organic growth	2,218	-762	-2%
- Acquired net growth	1,344	3,607	11%
- FX-differences	2,237	-35	0%
Operating income (EBIT)*	5,186	5,427	5%
EBITA-margin*	16.6%	16.3%	-0.3 pts
EBIT-margin*	16.0%	15.4%	-0.6 pts
Income before tax*	4,843	4,616	-5%
Net income*	3,692	3,462	-6%
EPS, SEK*	3.32	3.12	-6%
Operating cash flow	4,069	3,096	-24%
ROCE (12 months)	17.4%	14.6%	-2.8 pts

*) Excluding items affecting comparability

Bridge analysis – Q1 2024

MSEK	Q1 2023	Organic	Currency	Acq/div	Q1 2024
Growth	22%	-2%	0%	11%	9%
Sales	32,391	-762	-35	3,607	35,200
Operating income*	5,186	-175	54	362	5,427
Operating margin, %*	16.0%	23%	153%	10%	15.4%
Dilution/accretion		-0.2 pts	0.2 pts	-0.6 pts	

*Excluding items affecting comparability

Sales drivers

- Price +2% and volume -4%

Margin drivers

- Strong operational execution – lower sales partly offset by pricing, lower material costs, MFP and short-term cost measures
- Currency – no material effects
- M&A – HHI, divestments of Emtek/U.S. Smart Residential and other acquisition costs

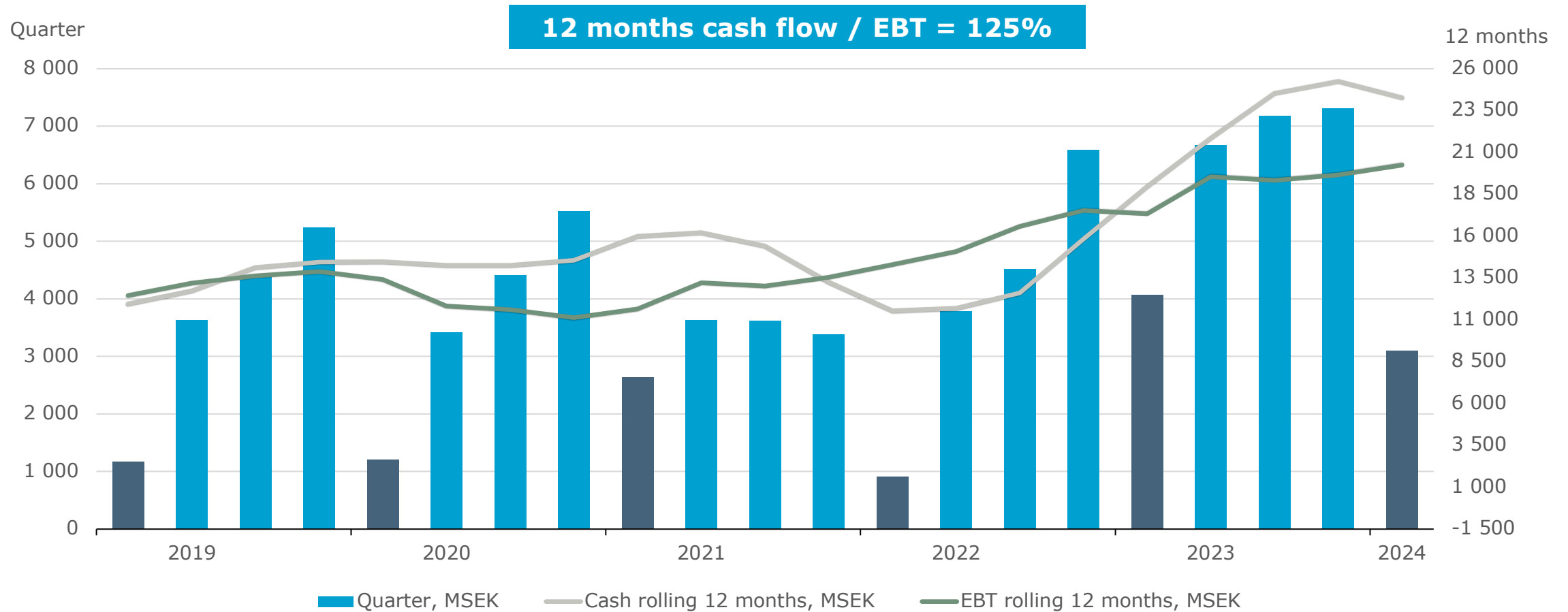
Cost breakdown as % of sales – Q1 2024

%	QTD 2023	QTD 2024 excl. acq/div	Δ	QTD 2024
Direct material	-35.2%	-32.6%	+2.6 pts	-33.9%
Conversion cost	-23.5%	-25.0%	-1.5 pts	-24.8%
Gross margin	41.3%	42.4%	+1.1 pts	41.3%
S, G & A	-25.3%	-26.4%	-1.1 pts	-25.9%
EBIT*	16.0%	16.0%	0 pts	15.4%

*Excluding items affecting comparability.

- Direct material – positive mix effect, lower material costs and price realization
- Conversion cost – lower sales and higher wage costs
- S, G & A – lower sales, inflation and investments in R&D and the sales organization

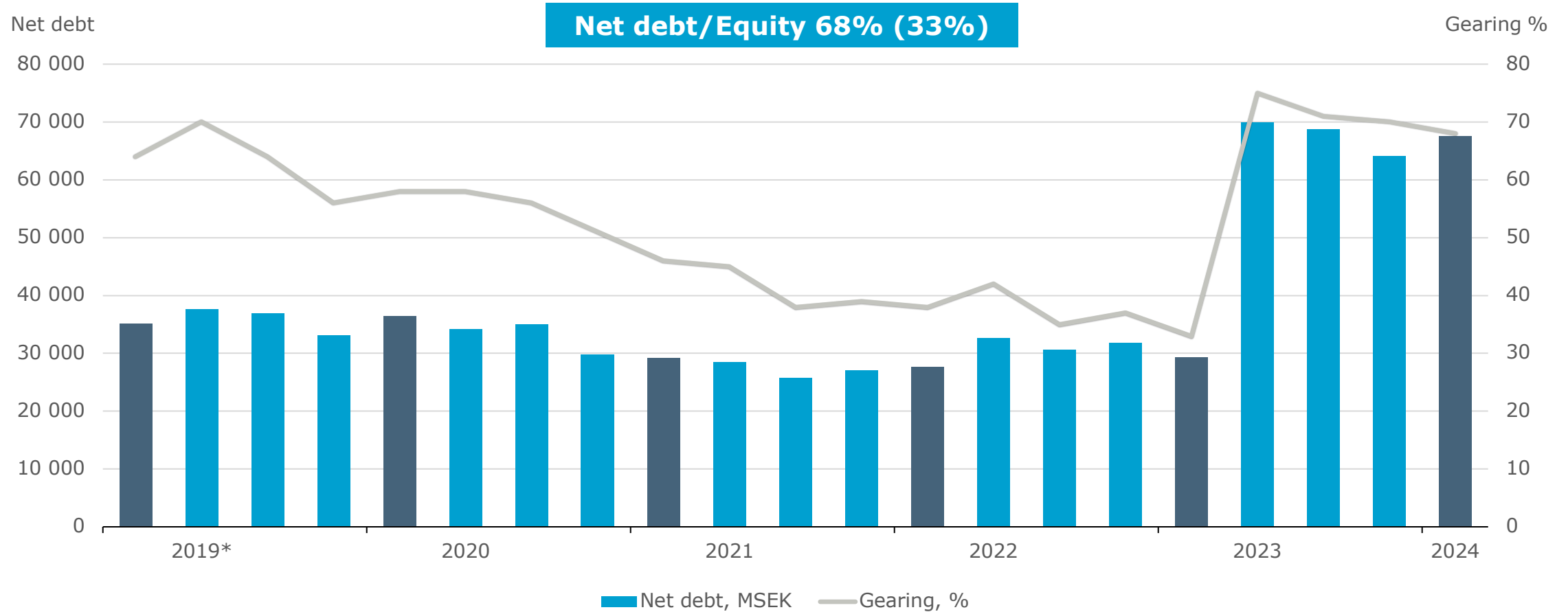
Operating cash flow, MSEK



Excluding items affecting comparability.

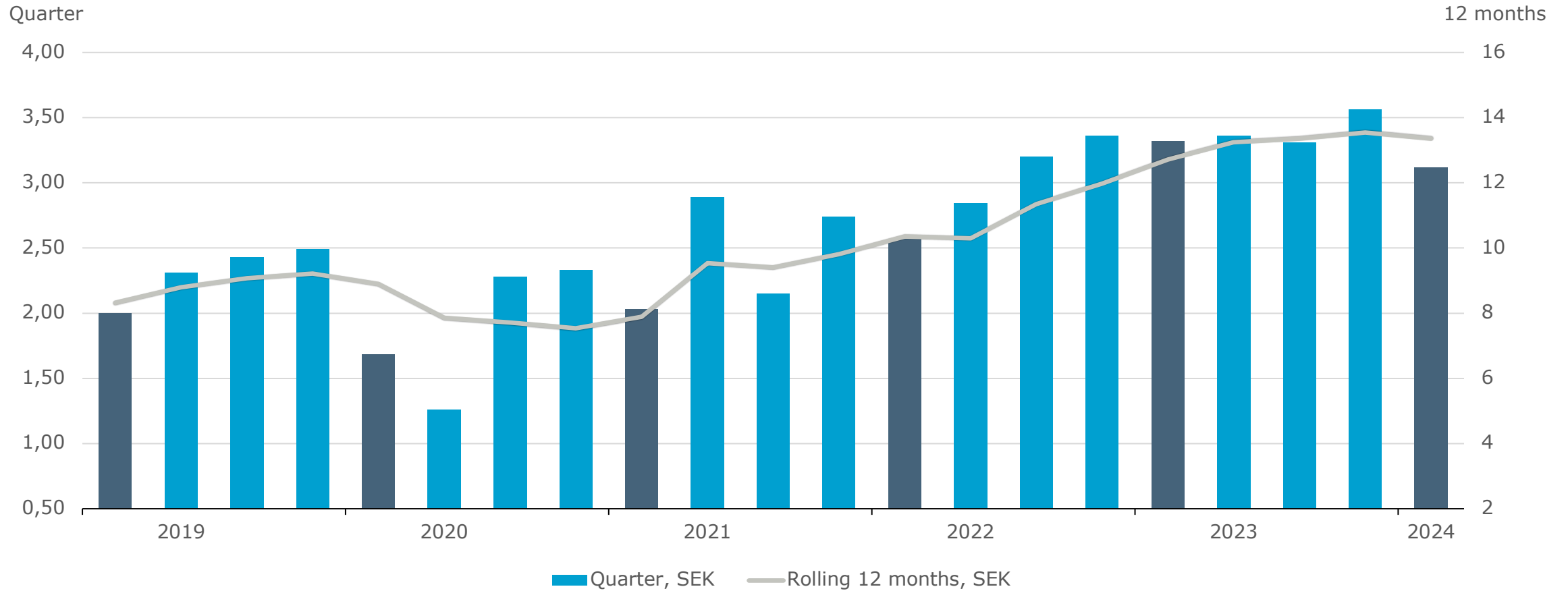
Gearing % and net debt, MSEK

Net debt/EBITDA**
2.4 (1.2)



*) IFRS 16 effect on net debt SEK 3.7 bn.
**) Excluding items affecting comparability.

Earnings per share, SEK



Excluding items affecting comparability



Conclusions

- **Strong execution in a challenging market**
 - Negative organic sales
 - Three working days less in March
 - Net acquired growth of 11%
 - Record-high underlying Q1-margin
- **Uncertain economic climate**
 - Take advantage of opportunities
 - Agility and efficiency
- **CMD 14-15 May 2024 in Prague/Rychnov**
 - Register to the CMD [here](#)
 - Last registration day: 30 April



Q&A

The ASSA ABLOY Group is the global leader in access solutions. Every day we help people feel safe, secure and experience a more open world.

Appendix



Experience a safer and more open world

ASSA ABLOY

Cost breakdown as % of sales

%	QTD 2023	QTD 2024 excl. acq/div	Δ	QTD 2024
Direct material	-35.2%	-32.6%	+2.6 pts	-33.9%
Conversion cost	-23.5%	-25.0%	-1.5 pts	-24.8%
Gross margin	41.3%	42.4%	+1.1 pts	41.3%
S, G & A	-25.3%	-26.4%	-1.1 pts	-25.9%
EBIT*	16.0%	16.0%	0 pts	15.4%

Excluding MFP restructuring items

Opening Solutions EMEIA's bridge

MSEK	Q1 2023	Organic	Currency	Acq/Div	Q1 2024
Growth	17%	-3%	1%	2%	0%
Sales	6,229	-203	45	145	6,216
Operating income*	858	-62	22	32	850
Operating margin, %*	13.8%	30.6%	49.0%	22.1%	13.7%
Dilution/accretion		-0.5%	0.2%	0.2%	

12 months figures

Sales	23,778				24,818
EBIT*	3,417				3,380
Operating cash flow before paid interest	3,179				4,224
Cash flow/EBIT*	93%				125%

*) Excluding MFP restructuring items.

Opening Solutions Americas' bridge

MSEK	Q1 2023	Organic	Currency	Acq/Div	Q1 2024
Growth	26%	-1%	0%	35%	34%
Sales	7,861	-75	11	2,735	10,532
Operating income*	1,707	-49	0	253	1,910
Operating margin, %*	21.7%	65.8%	-0.8%	9.2%	18.1%
Dilution/accretion		-0.3%	-0.2%	-3.1%	

12 months figures

Sales	29,964				40,680
EBIT*	6,341				7,389
Operating cash flow before paid interest	5,992				8,021
Cash flow/EBIT*	94%				109%

* Excluding items affecting comparability

Opening Solutions Asia Pacific's bridge

MSEK	Q1 2023	Organic	Currency	Acq/Div	Q1 2024
Growth	28%	-3%	-3%	-9%	-15%
Sales	2,411	-68	-84	-211	2,048
Operating income*	111	5	11	-22	105
Operating margin, %*	4.6%	-7.5%	-13.4%	10.3%	5.1%
Dilution/accretion		0.4%	0.6%	-0.5%	

12 months figures

Sales	10,356				9,921
EBIT*	163				657
Operating cash flow before paid interest	428				1,424
Cash flow/EBIT*	263%				217%

*) Excluding MFP restructuring items.

Global Technologies' bridge

MSEK	Q1 2023	Organic	Currency	Acq/Div	Q1 2024
Growth	38%	-9%	0%	6%	-3%
Sales	5,582	-480	-22	354	5,433
Operating income*	939	-138	-5	43	839
Operating margin, %*	16.8%	28.6%	22.3%	12.0%	15.4%
Dilution/accretion		-1.1%	-0.1%	-0.2%	

12 months figures

Sales	20,875				22,951
EBIT*	3,488				3,896
Operating cash flow before paid interest	3,249				4,010
Cash flow/EBIT*	93%				103%

*) Excluding MFP restructuring items and impairment of goodwill and intangible assets.

Entrance Systems' bridge

MSEK	Q1 2023	Organic	Currency	Acq/Div	Q1 2024
Growth	14%	0%	1%	3%	4%
Sales	11,037	36	-2	372	11,442
Operating income*	1,786	83	19	56	1,944
Operating margin, %*	16.2%	232.9%	-919.0%	15.1%	17.0%
Dilution/accretion		0.7%	0.2%	-0.1%	

12 months figures

Sales	44,312				47,071
EBIT*	7,078				7,965
Operating cash flow before paid interest	7,339				10,161
Cash flow/EBIT*	104%				128%

*) Excluding MFP restructuring items.



Thank you

assaabloy.com

Experience a safer and more open world

ASSA ABLOY