A man wearing a grey cap and a green polo shirt is smiling and holding a baby. The baby is wearing a white beanie, a denim jacket, and orange pants. They are standing in front of a modern, dark-colored metal gate with vertical bars. The gate is set against a light-colored wall. A bicycle handlebar is visible on the left side of the gate. The background shows a doorway and a wall-mounted light fixture.

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

Q2 interim report 2024

Strong performance

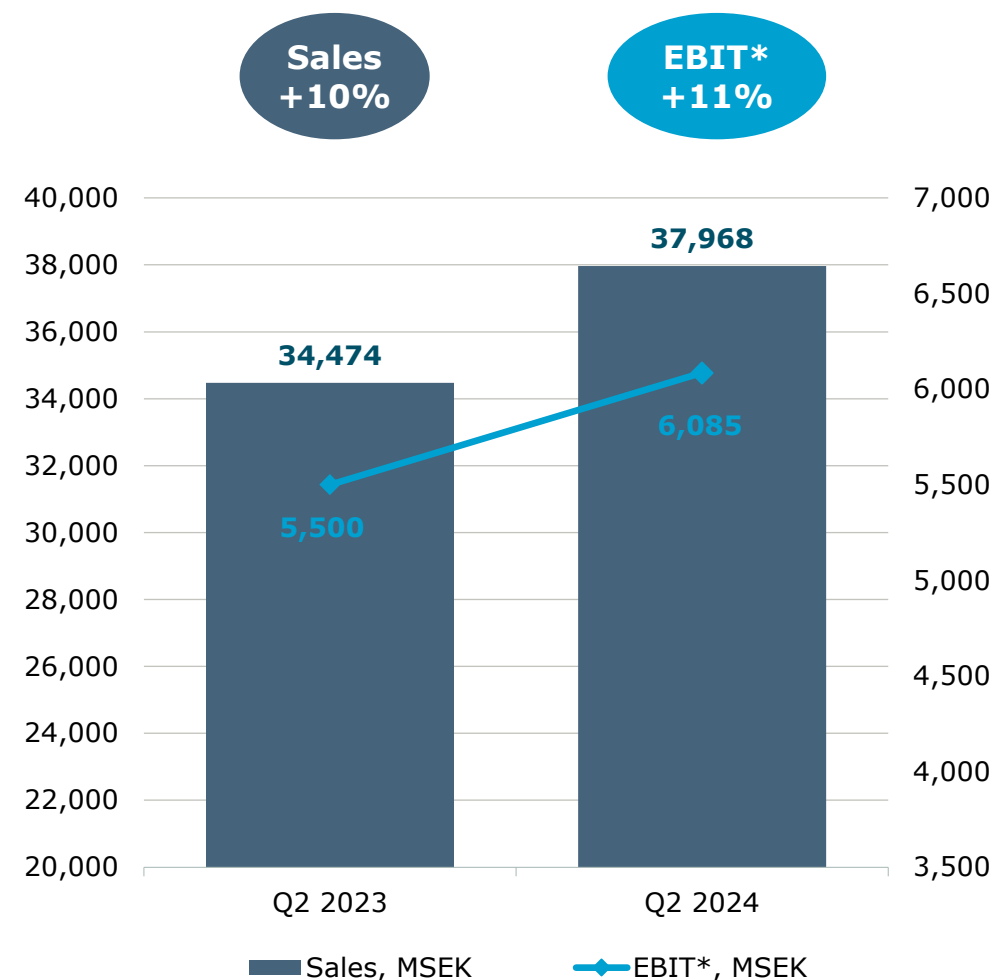
- **Negative organic sales development**
 - Good sales growth in EMEIA and Americas
 - Stable sales growth in Entrance Systems
 - Sales decline in APAC and Global Technologies
- **Strong growth through acquisitions**
- **Strong operating margin and record operating profit**
- **Excellent cash conversion**
- **High acquisition pace**
 - 8 acquisitions completed in the quarter



Q2 2024 figures in summary

- **Sales MSEK 37,968** **+10%**
 - -1% organic
 - +11% acquired and divested
 - +0% currency
- **EBITA-margin* 16.9% (16.6%)**
- **EBIT-margin* 16.0% (16.0%)**
- **EBIT* MSEK 6,085** **+11%**
- **EPS* SEK 3.54** **+5%**

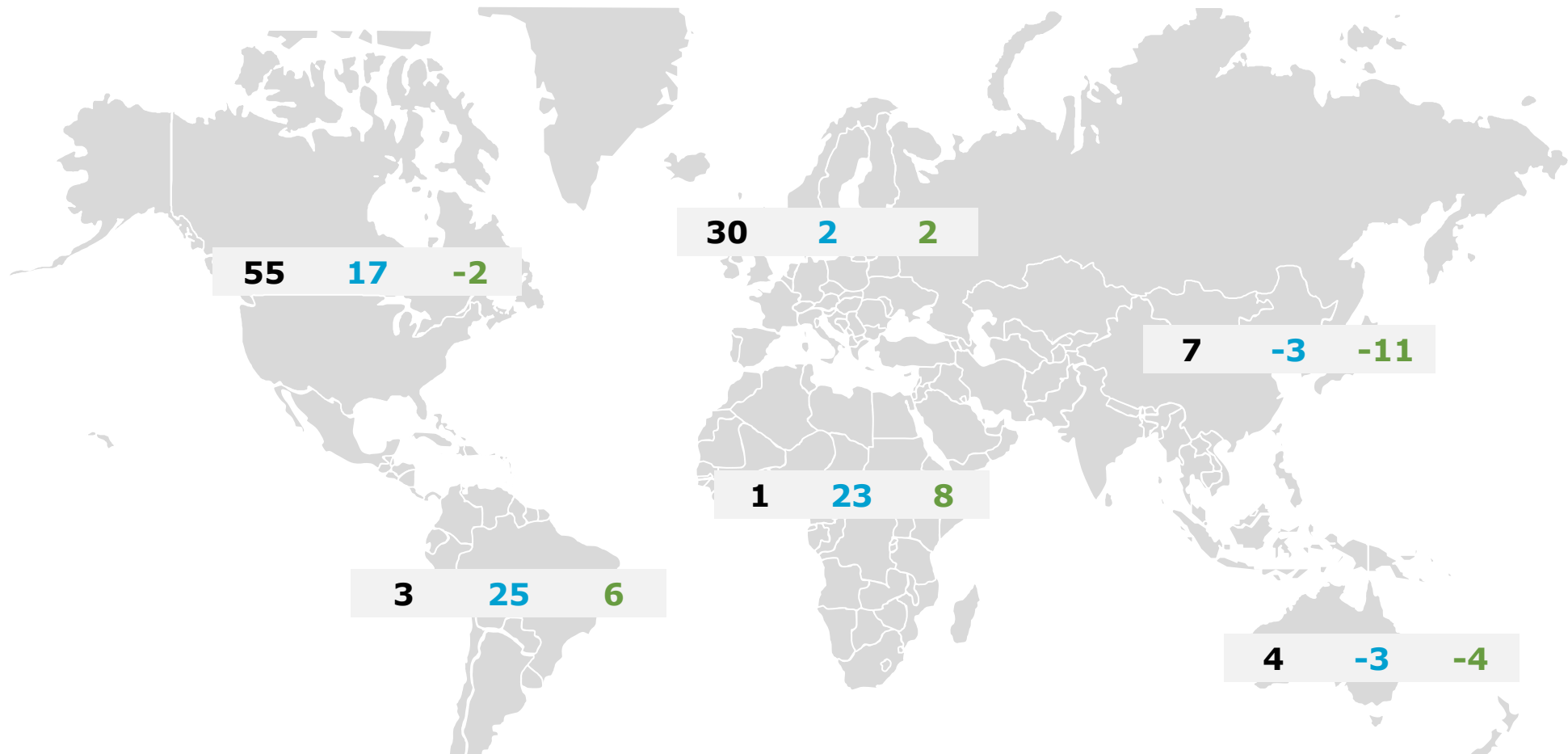
*Adjusted for items affecting comparability



Sales by region

Apr-Jun 2024

ASSA ABLOY	100	10	-1
Emerging markets	14	11	0



Share of sales, %	Change in local currencies QTD 2024 vs. QTD 2023, %	Organic change QTD 2024 vs. QTD 2023, %
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Emerging markets follow IMF's definition as per 2018-12-31

Market highlights

Project wins and achievements

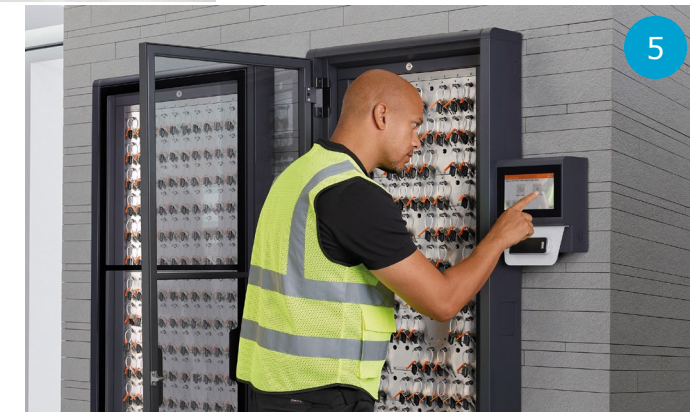
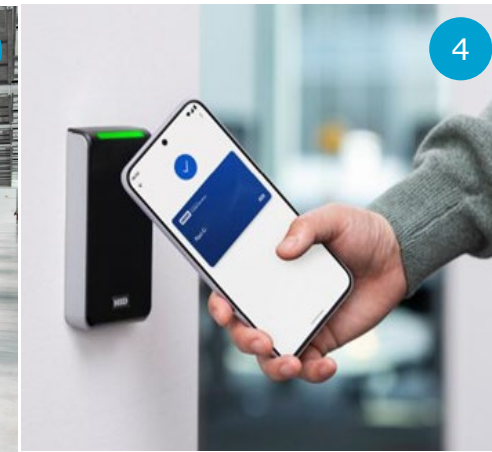
- 1 Delivered 1,200 hurricane approved garage doors made of recycled steel to a new residential development in Florida
- 2 Large Dutch bank selects our revolving doors, swing doors and security lanes for their new headquarters
- 3 A package of fire rated doors and door hardware delivered to a new data center in Sweden

Product launches

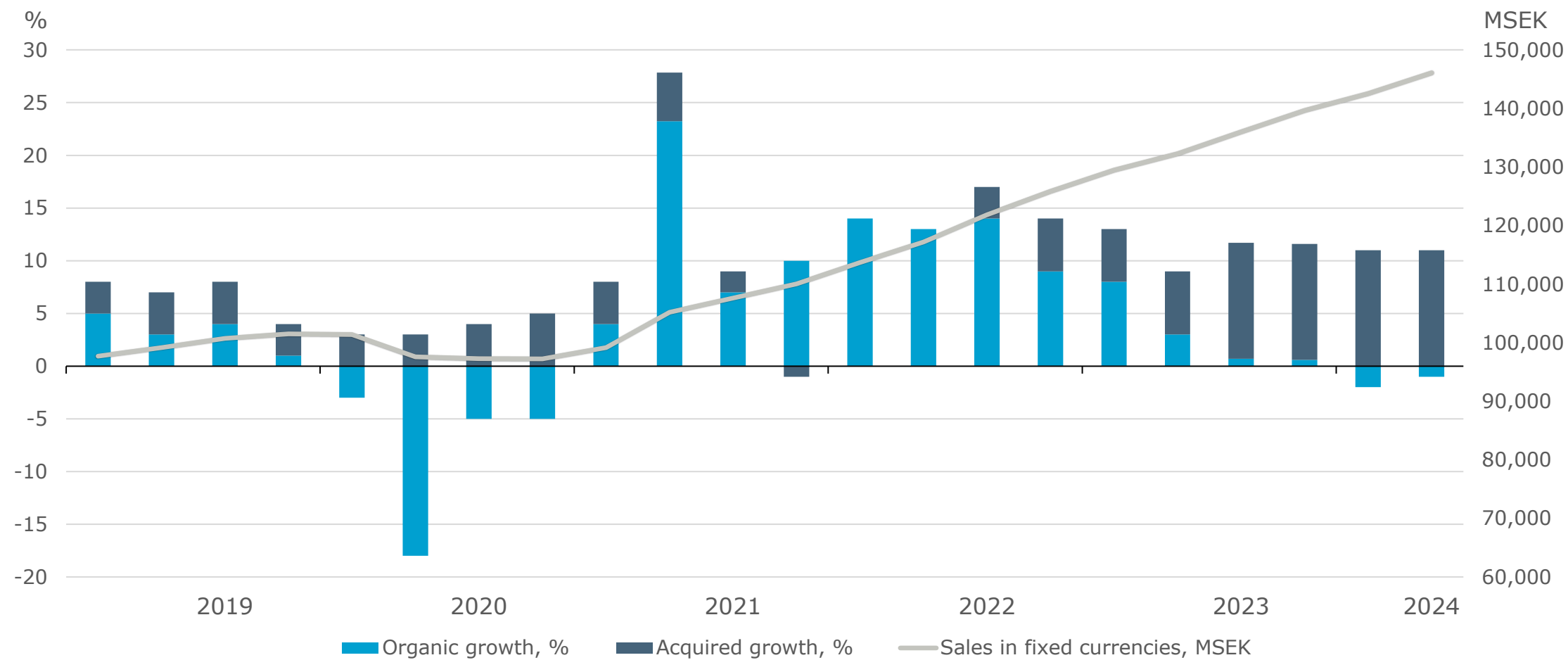
- 4 HID's mobile credentials now available in Google Wallet allowing users to access buildings, spaces and systems with Android devices

Awards

- 5 Red Dot product design awards to Expression Speedgate and Traka Touch Pro – intelligent key cabinet

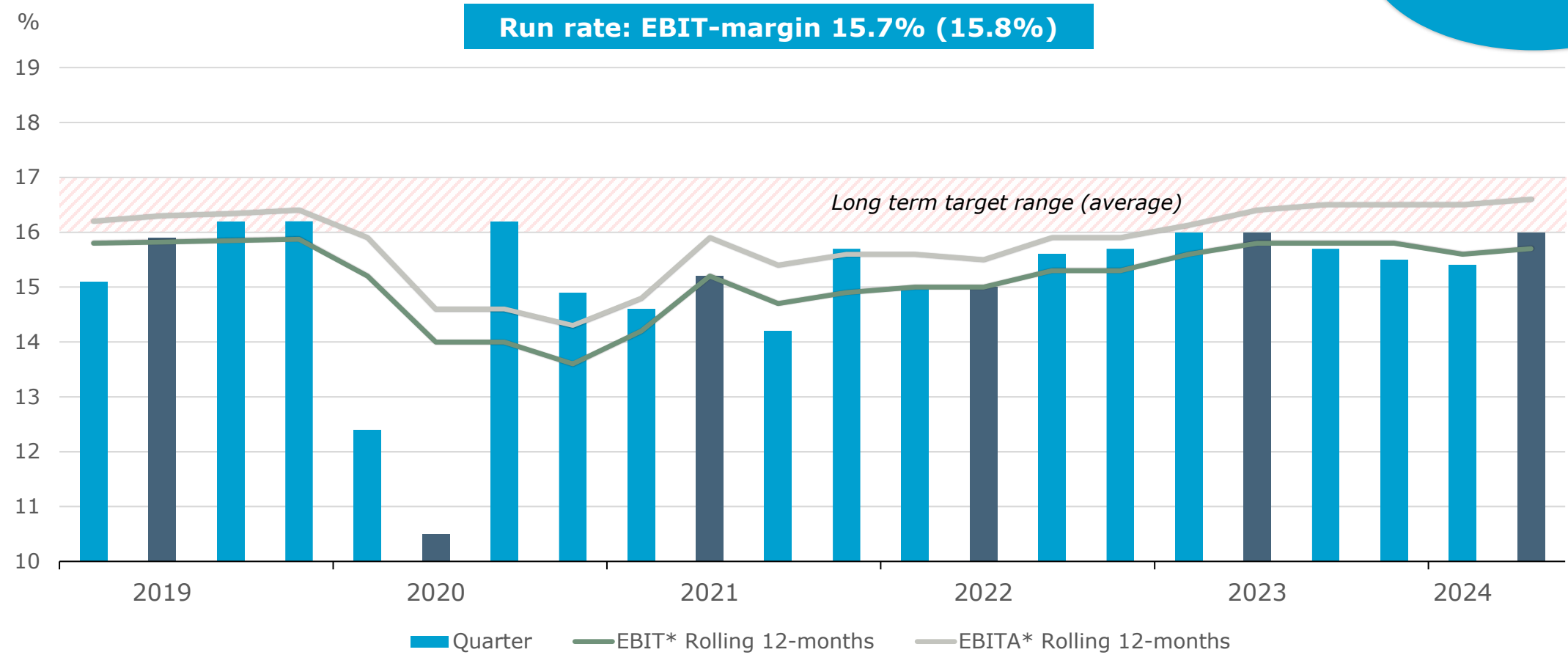


FX adjusted sales growth



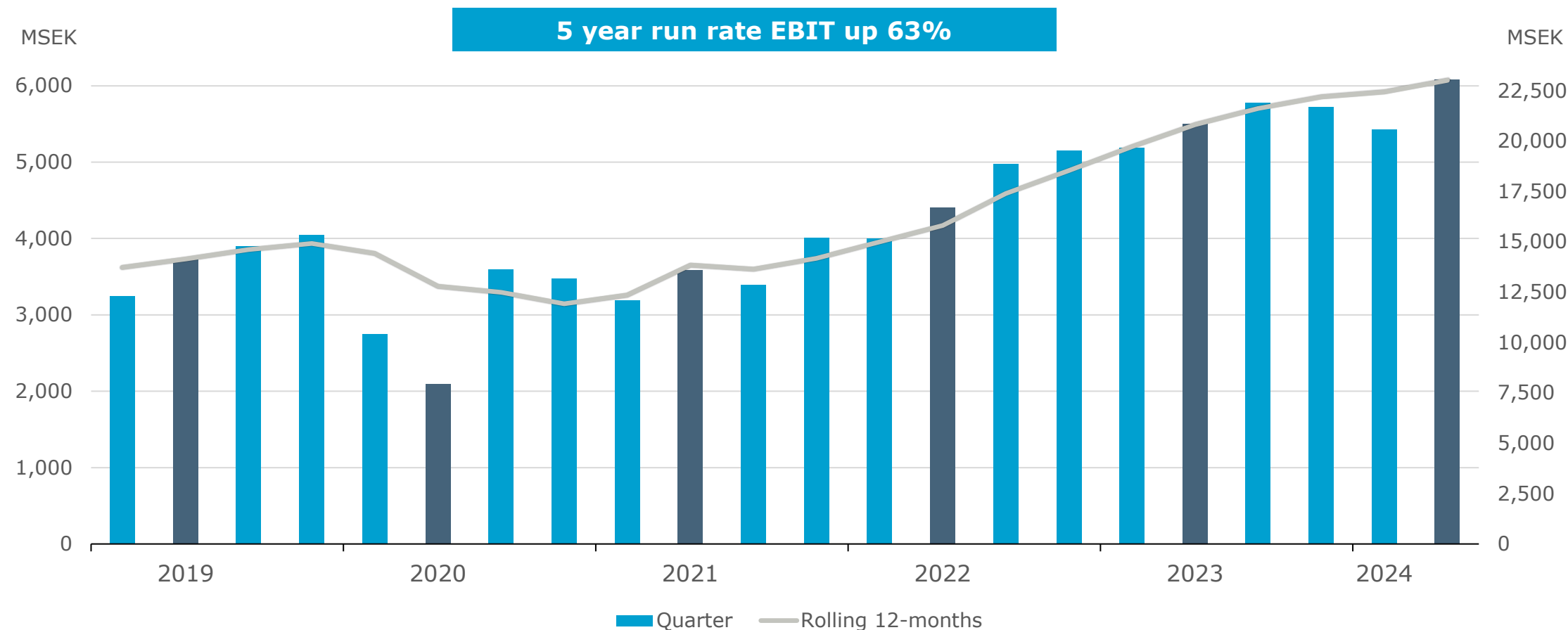
Operating margin

16.6%
EBITA-margin
run rate



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

Operating profit



Excluding items affecting comparability

Acquisitions

- **Active pipeline**

- 8 acquisitions completed in Q2
- 11 acquisitions completed in H1
- Representing annualized sales of MSEK 2,900

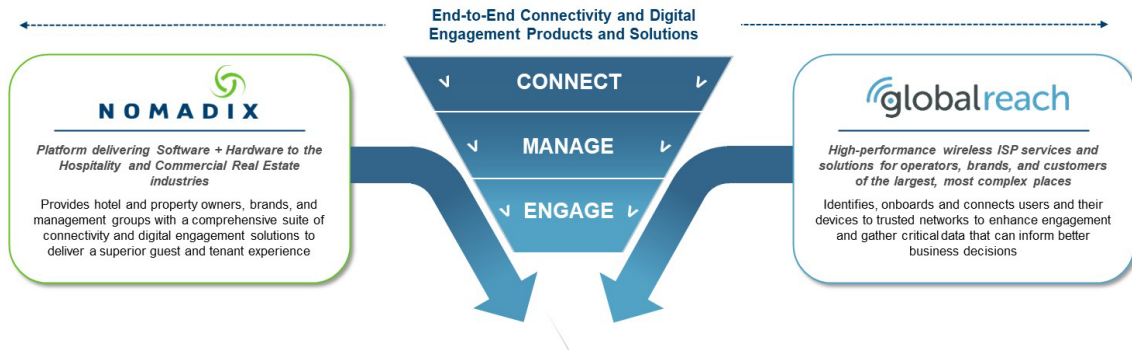


Wesko Locks



- Canadian manufacturer and supplier of electronic and specialty locks
- Complements current high-security products and solutions
- Sales of MSEK 170 in 2023
- Accretive to EPS from the start

Nomadix and Global Reach



- US and UK based providers of Wi-Fi access and engagement platform solutions for the hospitality industry
- Technological addition to hospitality business and adjacent verticals
- Sales of MSEK 300 in 2023
- Accretive to EPS from the start

Opening Solutions EMEIA

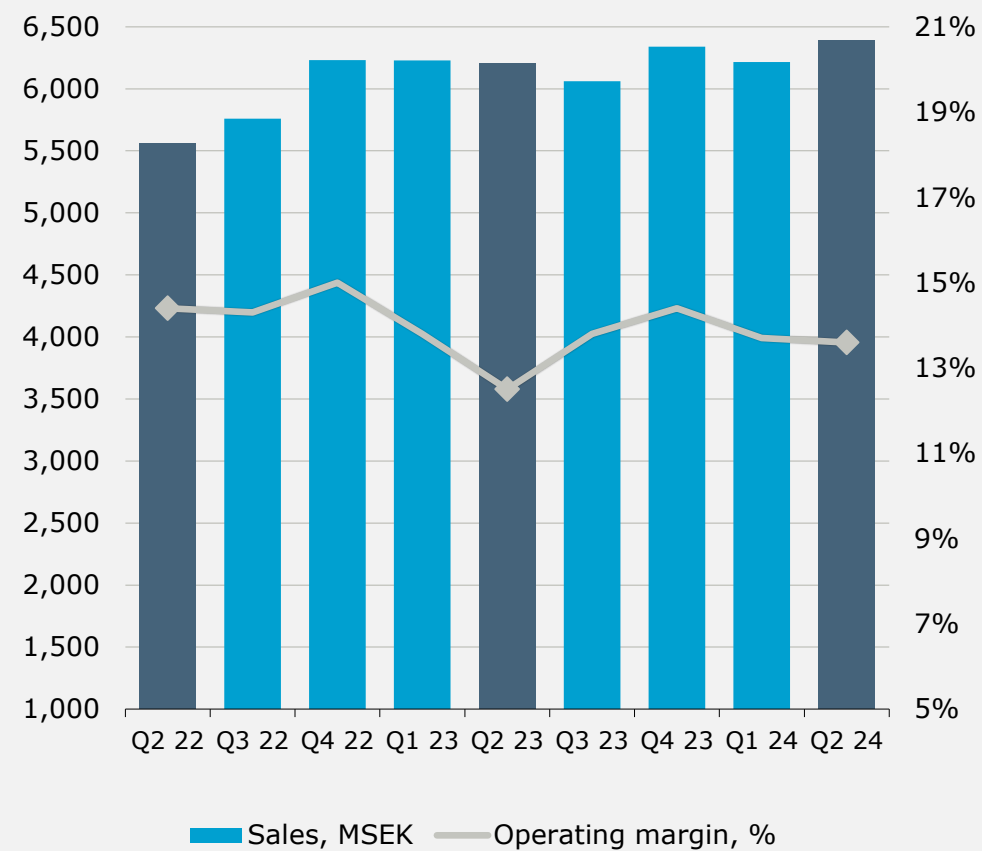
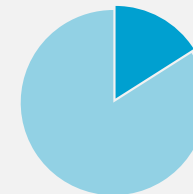
■ Organic sales 1%

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

■ Operating margin 13.6% (12.5%)

- Very strong operating leverage (+70bps) due to pricing, positive mix, lower material costs, good cost control and operational efficiencies
- FX +20bps
- M&A +20bps

16%
of Group
sales



Excluding MFP restructuring items.

Opening Solutions Americas

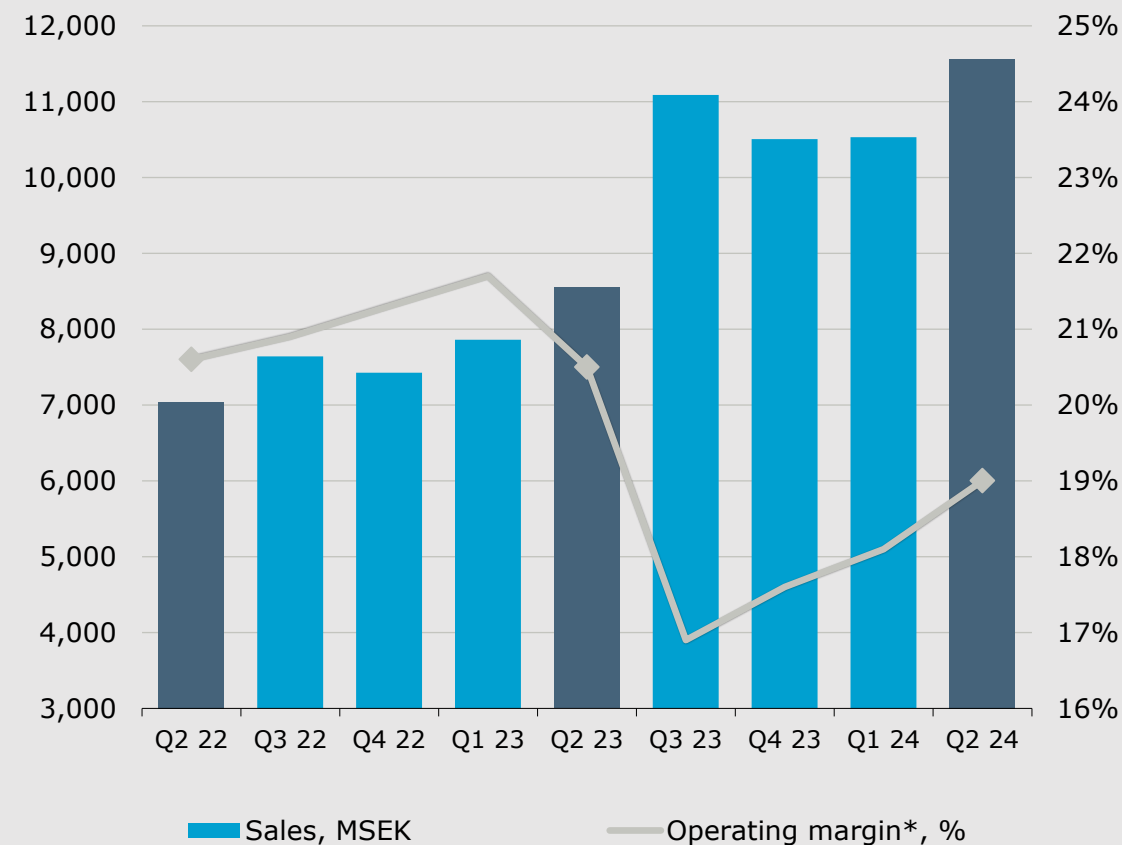
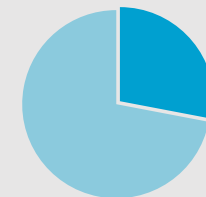
- **Organic sales 3%**

- Strong sales in North America Non-Residential and Latin America

- **Operating margin 19.0% (20.5%)**

- Stable operating leverage
- FX -10 bps
- M&A -140 bps
- HHI
 - Sales up high-single digit
 - Continued EBIT margin improvement

30% of
Group
sales



* 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

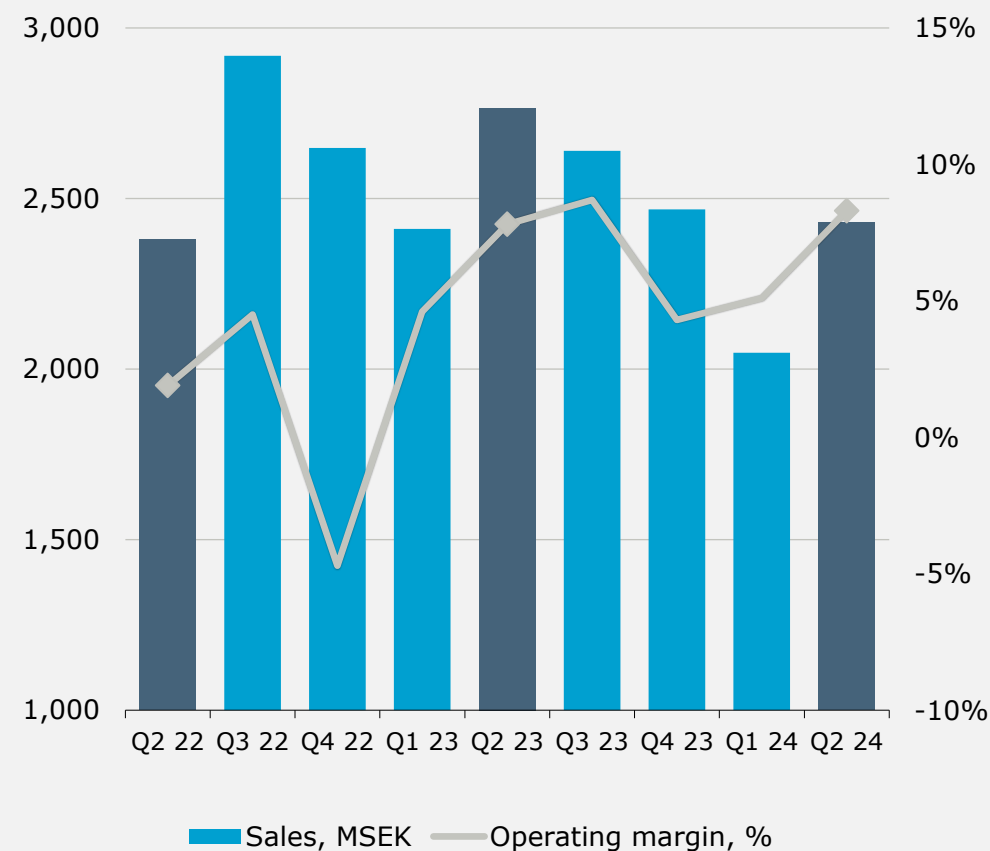
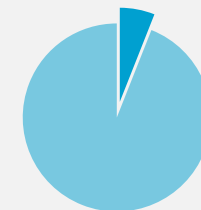
- **Organic sales -5%**

- Sales decline in Pacific, South Korea and China
- Significant sales decline in South-East Asia

- **Operating margin 8.3% (7.8%)**

- Strong volume leverage despite lower sales
- FX +60bps
 - AUD
- M&A -10bps

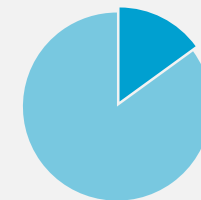
6%
of Group
sales



Excluding MFP restructuring items.

Global Technologies

15%
of Group
sales

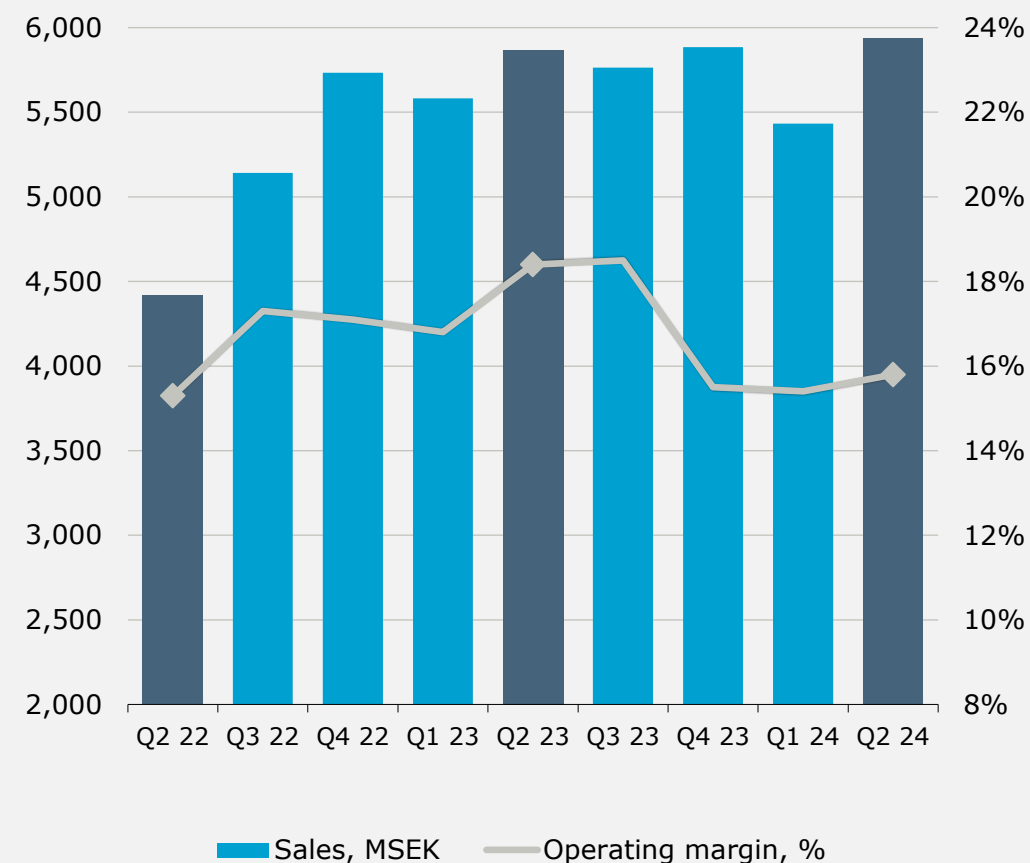


▪ Organic sales -7%

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

▪ Operating margin 15.8% (18.4%)*

- Operating dilution (-160bps) due to sales decline and negative mix
- FX neutral
- M&A -100bps
 - Four acquisitions closed in the quarter



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

Entrance Systems

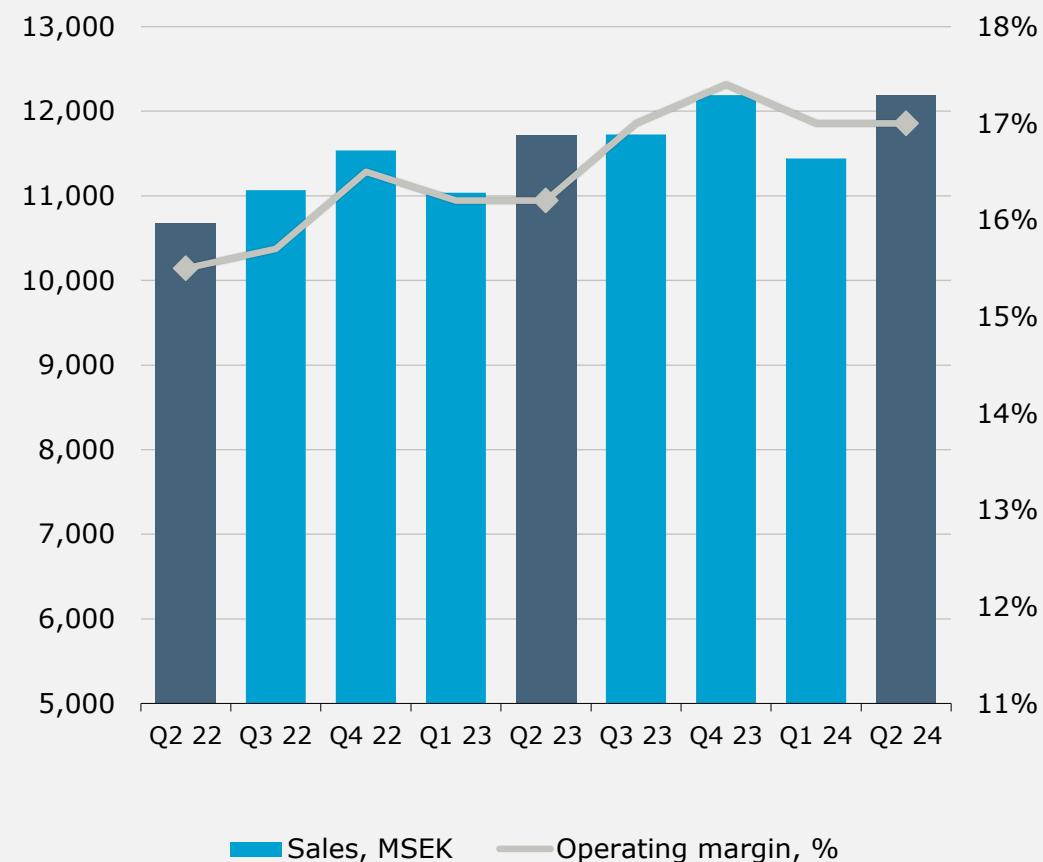
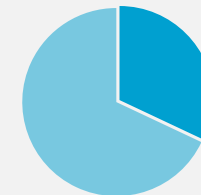
■ Organic sales 0%

- Strong sales growth in Pedestrian
- Sales decline in Perimeter Security, Residential and Industrial
- Strong sales growth in service

■ Operating margin 17.0% (16.2%)

- Strong operating leverage (80bps) driven by pricing, lower material costs, operational efficiencies and positive mix
- FX +20bps
- M&A -20bps

32%
of Group
sales



Excluding MFP restructuring items.

Financial summary

**FX & acquisition
'run-rate' effects in Q3 2024
(30 June 2024):**
SALES
 FX: -2%
 M&A: 4%

	April-June			January-June		
	2023	2024		2023	2024	
Sales	34,474	37,968	10%	66,865	73,168	9%
- Organic growth	897	-349	-1%	3,115	-1,111	-2%
- Acquired net growth	2,002	3,925	11%	3,346	7,532	11%
- FX-differences	2,109	-83	0%	4,346	-118	0%
Operating income (EBIT)	5,500	6,085	11%	10,686	11,512	8%
EBITA-margin	16.6%	16.9%	+0.3 pts	16.6%	16.6%	0.0 pts
EBIT-margin	16.0%	16.0%	0.0 pts	16.0%	15.7%	-0.3 pts
Income before tax	5,054	5,236	4%	9,898	9,852	0%
Net income	3,731	3,927	5%	7,423	7,389	0%
EPS, SEK	3.36	3.54	5%	6.68	6.65	0%
Operating cash flow	6,671	5,604	-16%	10,741	8,701	-19%
ROCE (12 months)				17.2%	14.0%	-3.2 pts

Excluding items affecting comparability

Bridge analysis – Q2 2024

MSEK	Q2 2023	Organic	Currency	Acq/div	Q2 2024
Growth	17%	-1%	0%	11%	10%
Sales	34,474	-349	-83	3,925	37,968
Operating income*	5,500	37	38	511	6,085
Operating margin, %*	16.0%	-10.5%	-45.5%	13.0%	16.0%
Dilution/accretion		0.2 pts	0.1 pts	-0.3 pts	

*Excluding items affecting comparability

Sales drivers

- Price +2% and volume -3%

Margin drivers

- Organic – lower sales offset by pricing, lower material costs, MFP and strong cost control
- Currency – small positive transactional effect
- M&A – HHI, divestments of Emtek/U.S. Smart Residential and other acquisition costs

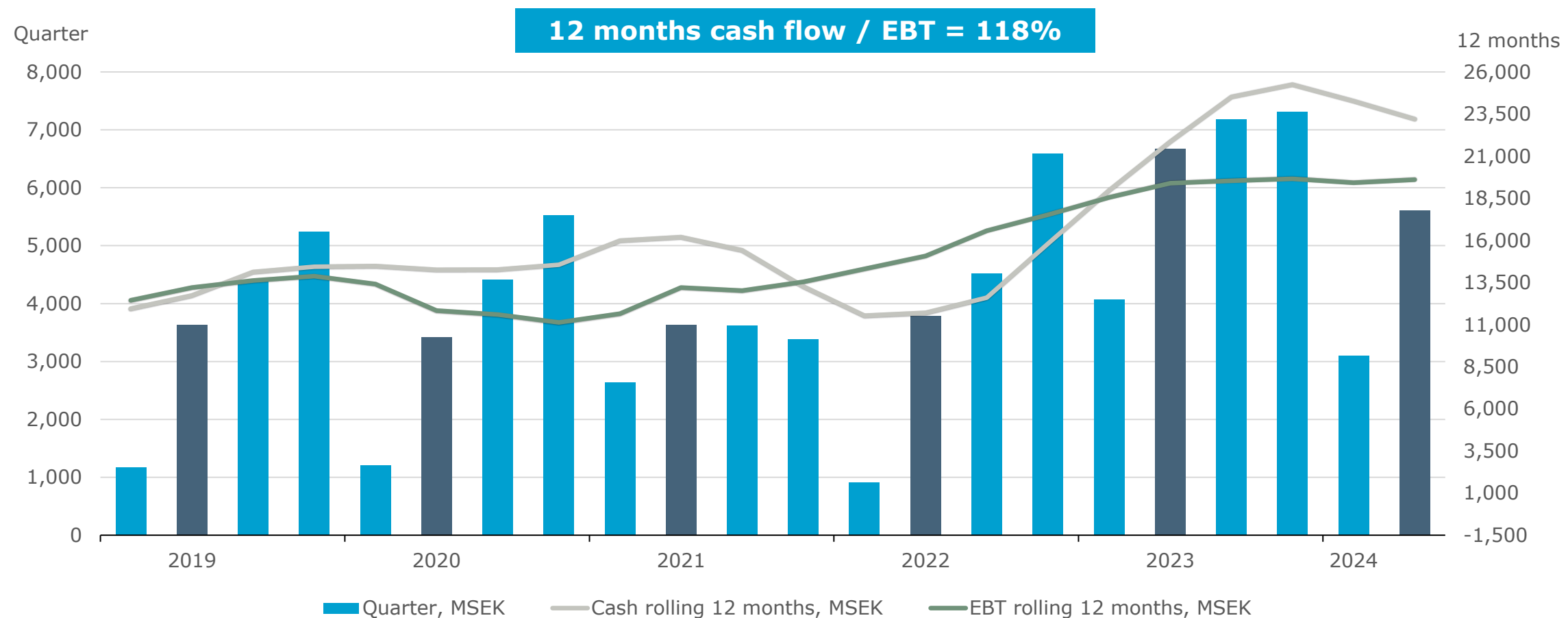
Cost breakdown as % of sales – Q2 2024

%	QTD 2023	QTD 2024 excl. acq/div	Δ	QTD 2024
Direct material	-35.2%	-32.5%	+2.7 pts	-33.6%
Conversion cost	-23.5%	-25.0%	-1.5 pts	-24.6%
Gross margin	41.3%	42.5%	+1.2 pts	41.8%
S, G & A	-25.3%	-26.1%	-0.8 pts	-25.8%
EBIT*	16.0%	16.4%	+0.4 pts	16.0%

*Excluding items affecting comparability.

- Direct material – strong 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

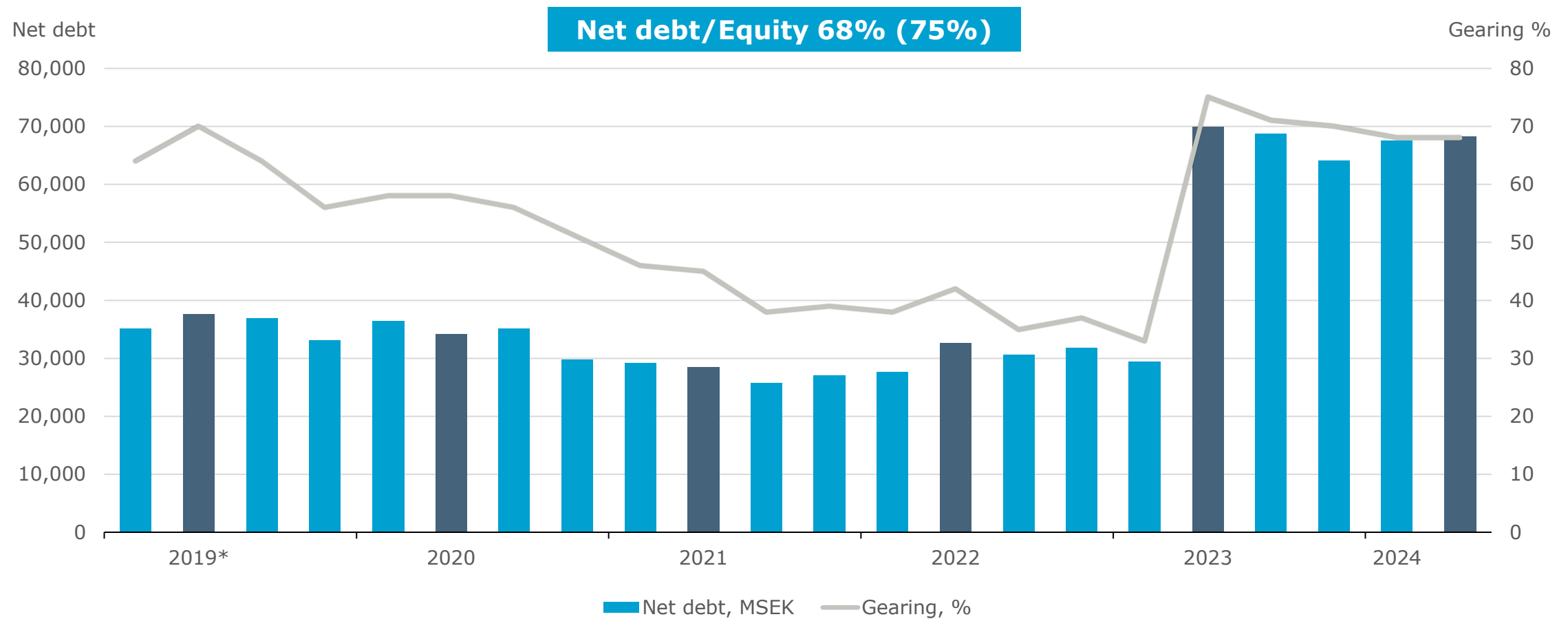
Operating cash flow, MSEK



Excluding items affecting comparability.

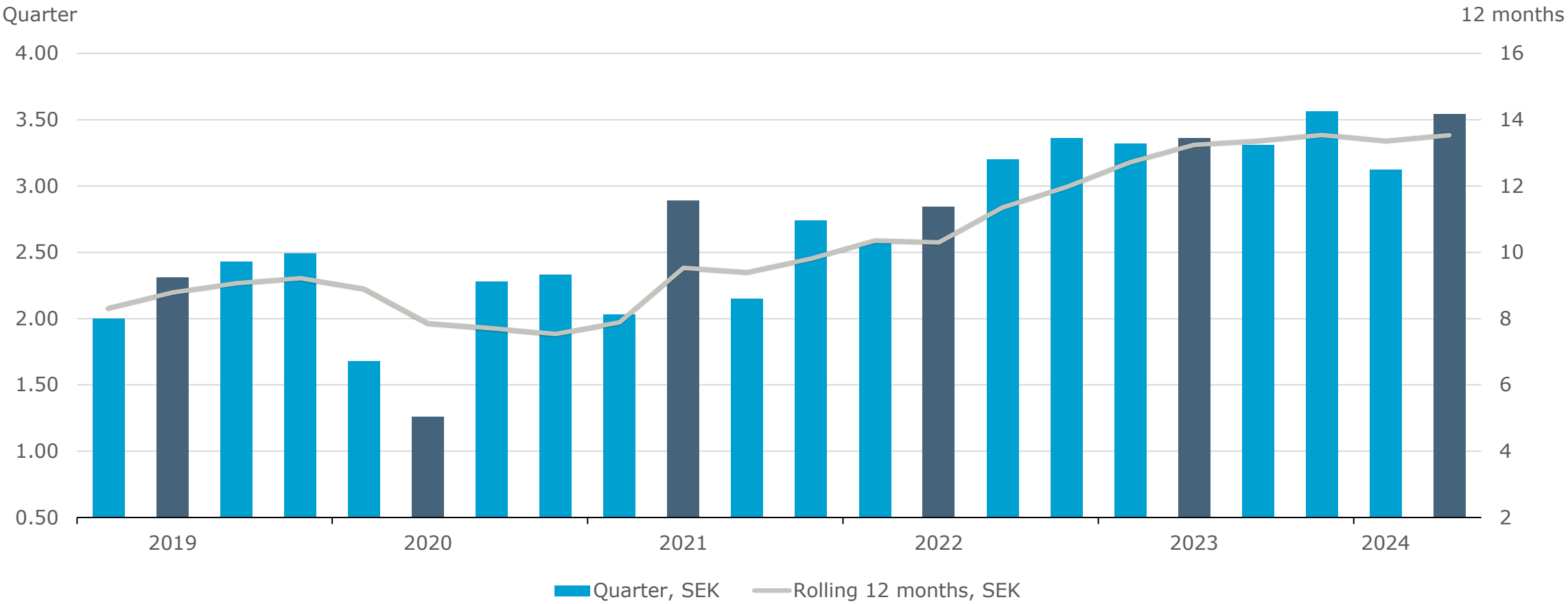
Gearing % and net debt, MSEK

Net debt/EBITDA**
2.4 (2.8)



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

Earnings per share, SEK



Excluding items affecting comparability

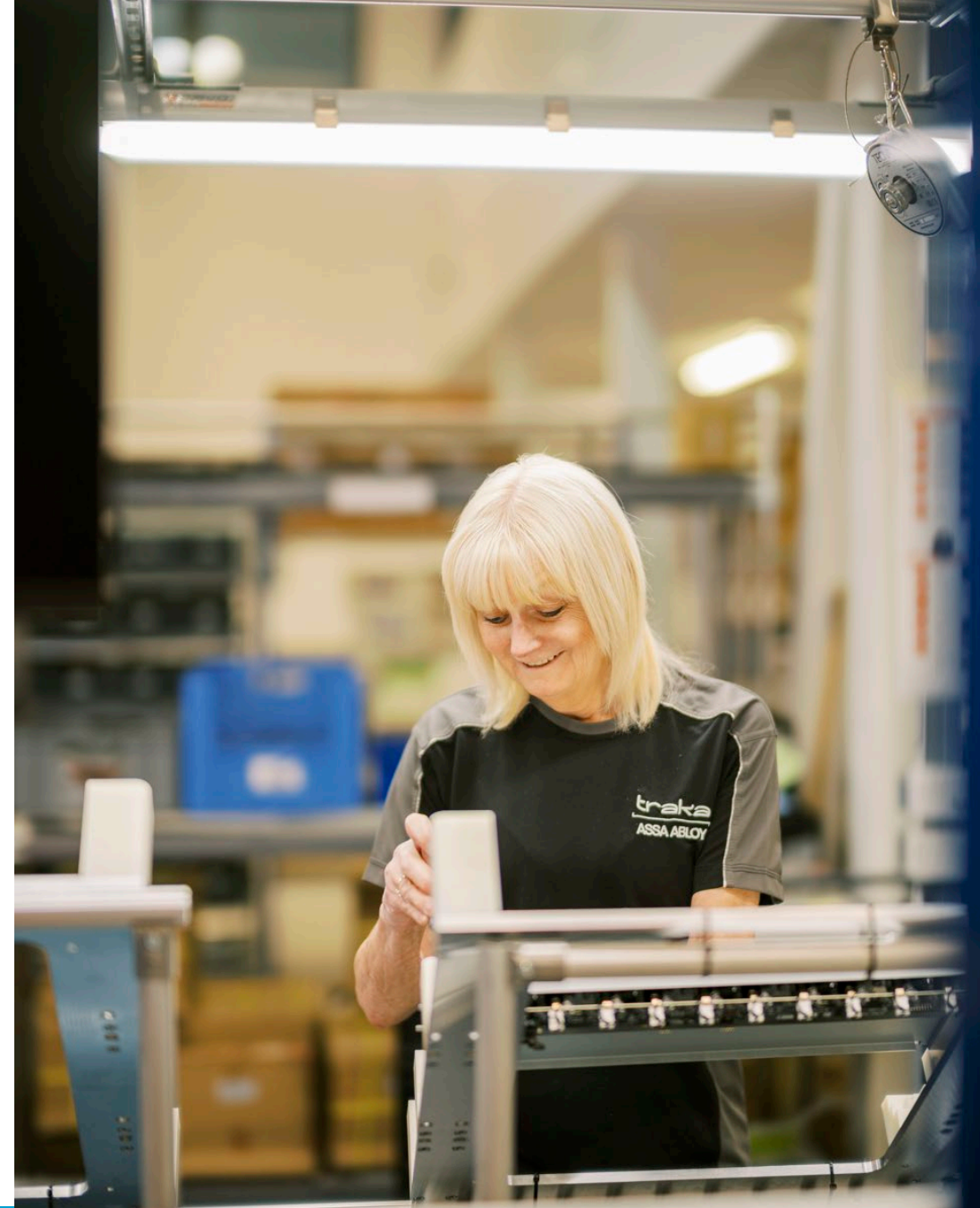
Conclusions

- **Strong profitable growth**

- Strong sales growth of 10% driven by acquisitions
- Record operating income
- Excellent cash conversion

- **Uncertain economic climate**

- Take advantage of opportunities
- Agility and efficiency





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

The image is a full-page background featuring a modern architectural structure. The left half of the image is overlaid with a semi-transparent blue filter, while the right half shows the building in its natural colors. The building has a complex, angular design with large, slanted concrete or metal panels and extensive glass facades. The sky is a clear, pale blue.

Cost breakdown as % of sales

%	QTD 2023	QTD 2024 excl. acquisitions	Δ	QTD 2024	YTD 2023	YTD 2024 excl. acquisitions	Δ	YTD 2024
Direct material	-35.2%	-32.5%	+2.7 pts	-33.6%	-35.2%	-32.5%	+2.7 pts	-33.8%
Conversion cost	-23.5%	-25.0%	-1.5 pts	-24.6%	-23.5%	-25.0%	-1.5 pts	-24.7%
Gross margin	41.3%	42.5%	+1.2 pts	41.8%	41.3%	42.5%	+1.2 pts	41.5%
S, G & A	-25.3%	-26.1%	-0.8 pts	-25.8%	-25.3%	-26.3%	-1.0 pts	-25.8%
EBIT	16.0%	16.4%	+0.4 pts	16.0%	16.0%	16.2%	+0.2 pts	15.7%

*) Excluding MFP restructuring items, impairment of goodwill and intangible assets in Global Technologies and the divestment gain of Emtek and Smart Residential business in the US and Canada.

Opening Solutions EMEIA's bridge

MSEK	Q2 2023	Organic	Currency	Acq/Div	Q2 2024
Growth	12%	1%	0%	2%	3%
Sales	6,202	87	-14	116	6,391
Operating income*	777	54	10	31	872
Operating margin, %*	12.5%	62.1%	-73.4%	26.7%	13.6%
Dilution/accretion		0.7pts	0.2pts	0.2pts	

12 months figures

Sales	24,420			25,007
EBIT*	3,392			3,475
Operating cash flow before paid interest	3,358			4,282
Cash flow/EBIT*	99%			123%

*) Excluding MFP restructuring items.

Opening Solutions Americas' bridge

MSEK	Q2 2023	Organic	Currency	Acq/Div	Q2 2024
Growth	22%	3%	-1%	33%	35%
Sales	8,549	231	-5	2,786	11,562
Operating income*	1,755	39	2	403	2,198
Operating margin, %*	20.5%	16.7%	-38.3%	14.5%	19.0%
Dilution/accretion		0.0pts	-0.1pts	-1.4pts	

12 months figures

Sales	31,477			43,693
EBIT*	6,645			7,832
Operating cash flow before paid interest	6,775			8,136
Cash flow/EBIT*	102%			104%

* Excluding items affecting comparability

Opening Solutions Asia Pacific's bridge

MSEK	Q2 2023	Organic	Currency	Acq/Div	Q2 2024
Growth	16%	-5%	-2%	-5%	-12%
Sales	2,765	-138	-55	-142	2,430
Operating income*	215	-11	12	-14	203
Operating margin, %*	7.8%	7.7%	-22.6%	10.2%	8.3%
Dilution/accretion		0.0pts	0.6pts	-0.1pts	

12 months figures

Sales	10,742			9,586
EBIT*	334			644
Operating cash flow before paid interest	691			1,240
Cash flow/EBIT*	207%			193%

*) Excluding MFP restructuring items.

Global Technologies' bridge

MSEK	Q2 2023	Organic	Currency	Acq/Div	Q2 2024
Growth	33%	-7%	-1%	9%	1%
Sales	5,869	-435	-13	519	5,939
Operating income*	1,082	-169	-3	27	937
Operating margin, %*	18.4%	38.9%	24.6%	5.2%	15.8%
Dilution/accretion		-1.6pts	0.0pts	-1.0pts	

12 months figures

Sales	22,327			23,021
EBIT*	3,893			3,751
Operating cash flow before paid interest	3,957			3,588
Cash flow/EBIT*	102%			96%

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

Entrance Systems' bridge

MSEK	Q2 2023	Organic	Currency	Acq/Div	Q2 2024
Growth	10%	0%	0%	4%	4%
Sales	11,715	-9	-15	505	12,196
Operating income*	1,899	96	16	64	2,077
Operating margin, %*	16.2%	-1,098%	-111%	12.8%	17.0%
Dilution/accretion		0.8pts	0.2pts	-0.2pts	

12 months figures

Sales	45,354			47,552
EBIT*	7,327			8,142
Operating cash flow before paid interest	8,551			10,018
Cash flow/EBIT*	117%			123%

*) Excluding MFP restructuring items.



Thank you
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ASSA ABLOY