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. To the left of the gate, there is a black light fixture on the wall. The overall scene is bright and sunny.

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

Q3 interim report 2024

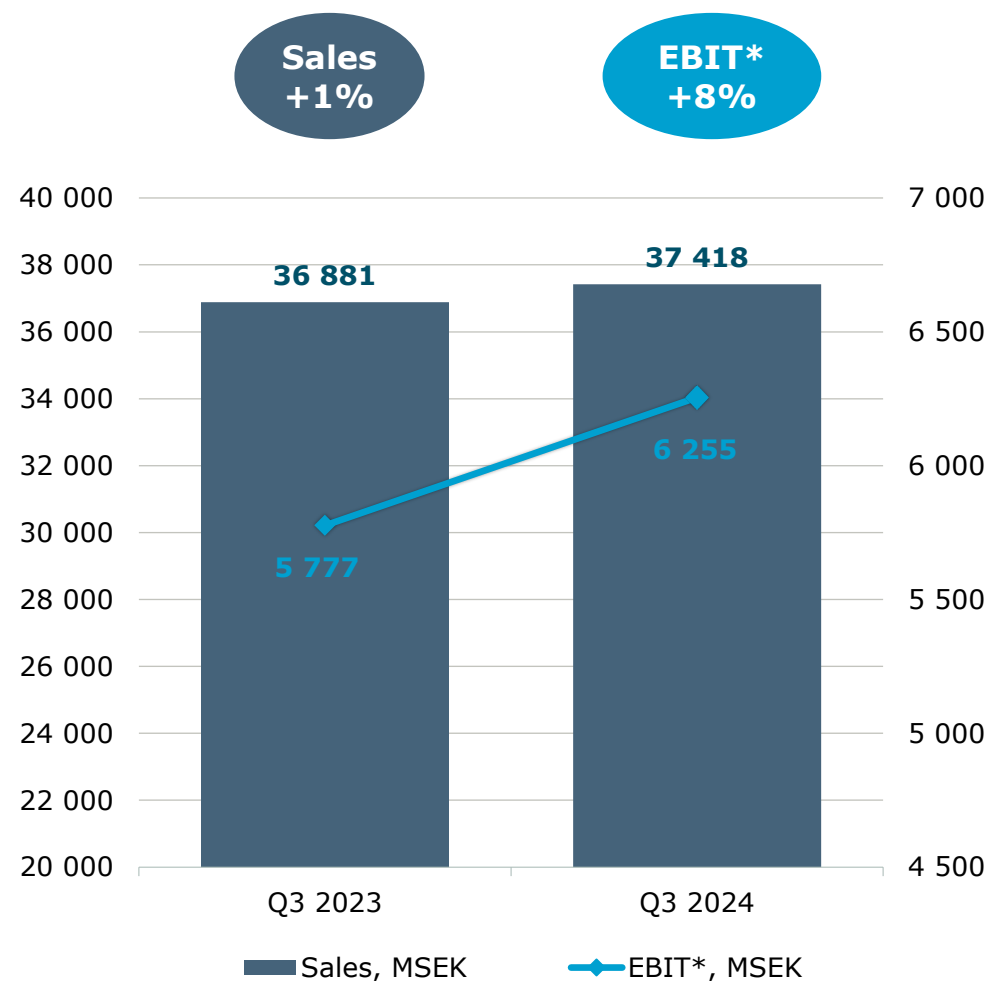
Record operating profit

- **Small positive organic sales growth**
 - Good sales growth in Americas and Global Technologies
 - Stable sales growth in EMEIA
 - Sales decline in Entrance Systems and APAC
- **Strong operating margin and record operating profit**
- **Excellent cash conversion**
 - 118% cash conversion
- **High acquisition pace**
 - 7 acquisitions completed in the quarter



Q3 2024 figures in summary

- **Sales MSEK 37,418** **+1%**
 - Small positive organic growth
 - +4% acquired and divested
 - -3% currency
- **EBITA-margin* 17.7% (16.7%)**
- **EBIT-margin* 16.7% (15.7%)**
- **EBIT* MSEK 6,255** **+8%**
- **EPS* SEK 3.63** **+10%**

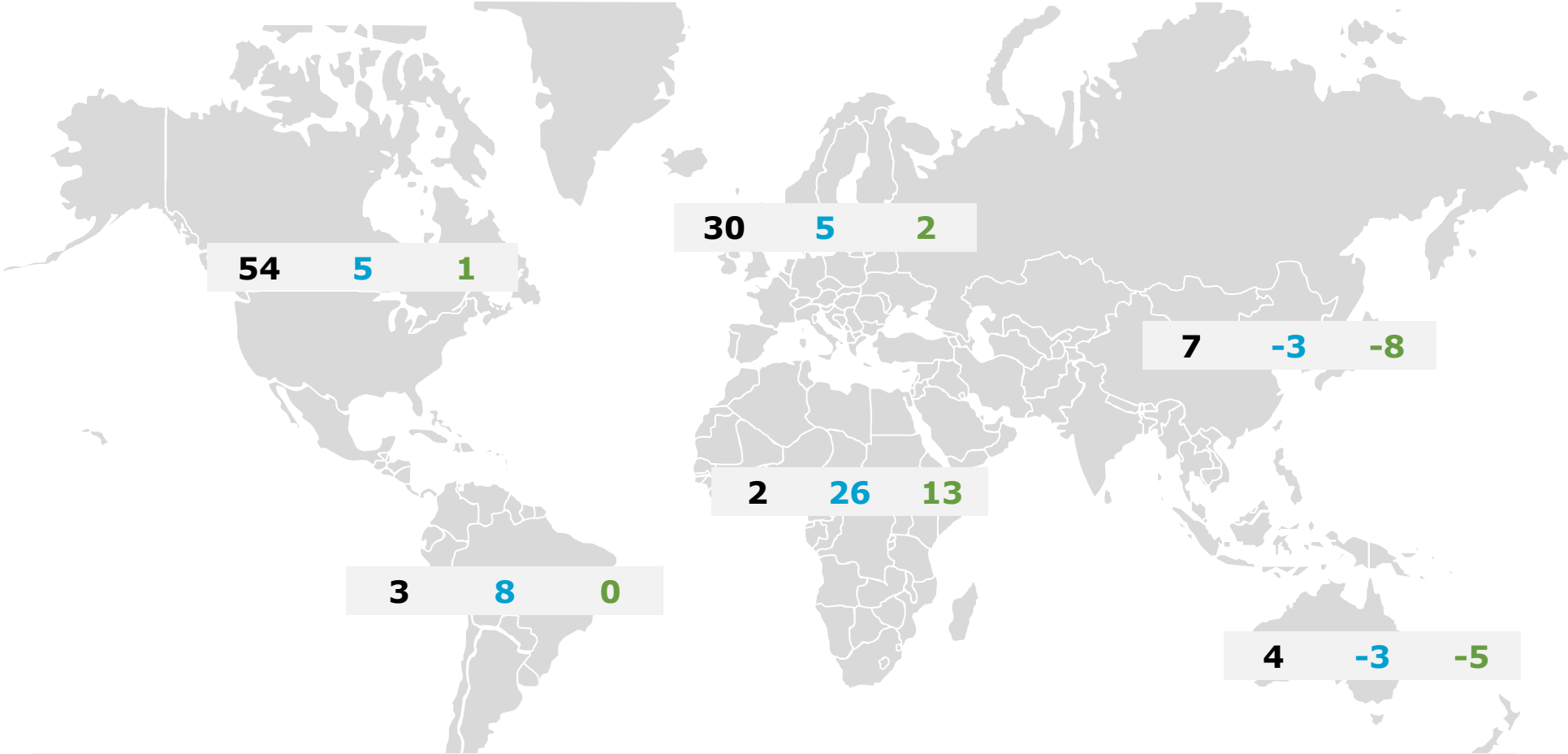


*Excluding items affecting comparability

Sales by region

Jul-Sep 2024

ASSA ABLOY	100	5	0
Emerging markets	14	2	-3



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

Q3 2024 Market highlights

Project wins and achievements

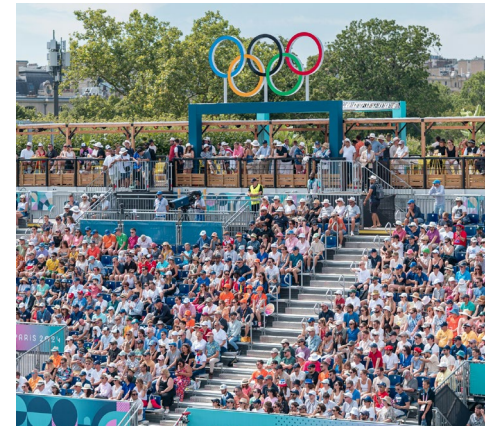
- 30 000 locks, handles and cylinders installed at the Olympic village in Paris
- Dock levelers and doors to Europe's largest logistics center
- Workforce management solution with 20,000 badges for major construction site in the US
- Complete solution for 19,000 openings to South Korea's largest residential apartment complex
- Technical partnership with Boston Dynamics to bring access control to Spot security robots

Product launches

- Yale Smart Keypad 2 – upgrades Linus Smart Lock and other smart door products with fingerprint and code entry
- Kwikset UNITE™ mobile enabled wireless smart locks for multifamily properties

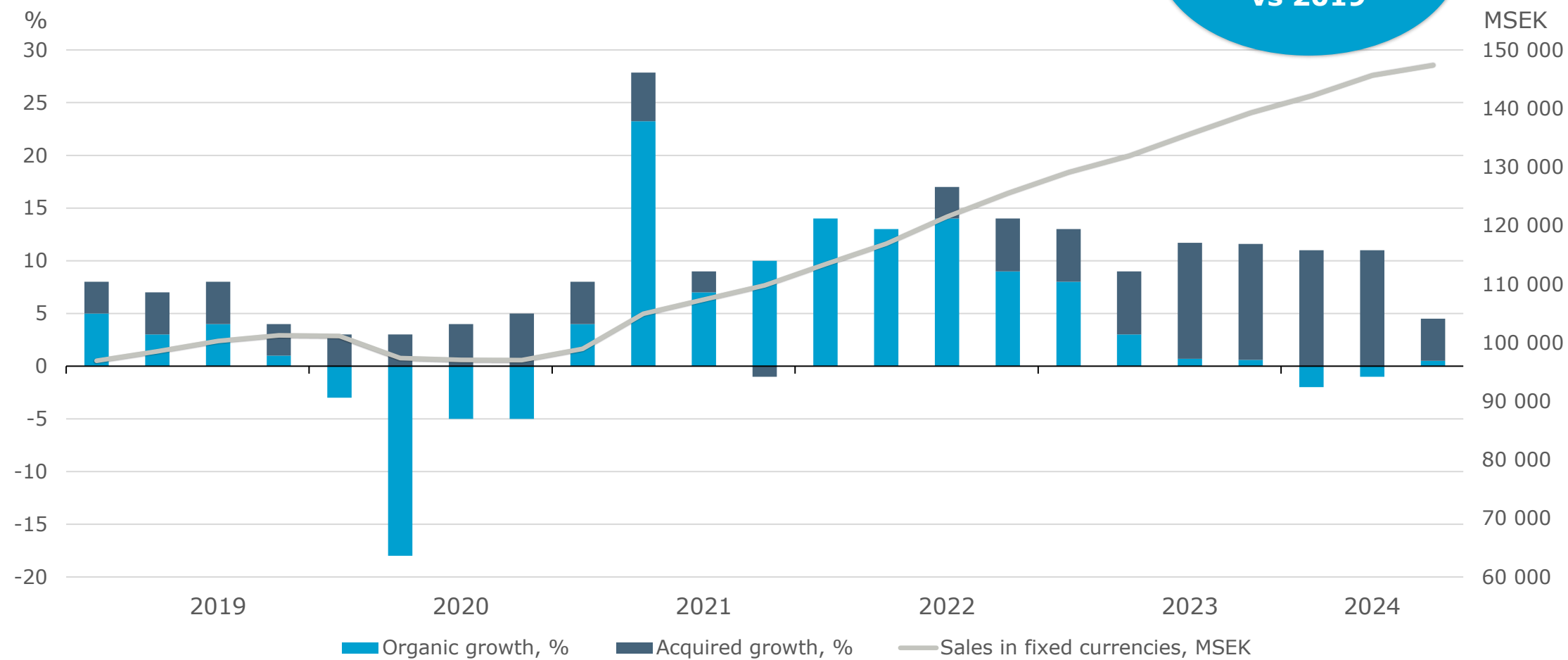
Awards

- Voted most valued brand in their market: ABLOY in Finland and Fichet in France
- ControlID wins King's Excellence Award (India) and Secure Campus Award (USA)



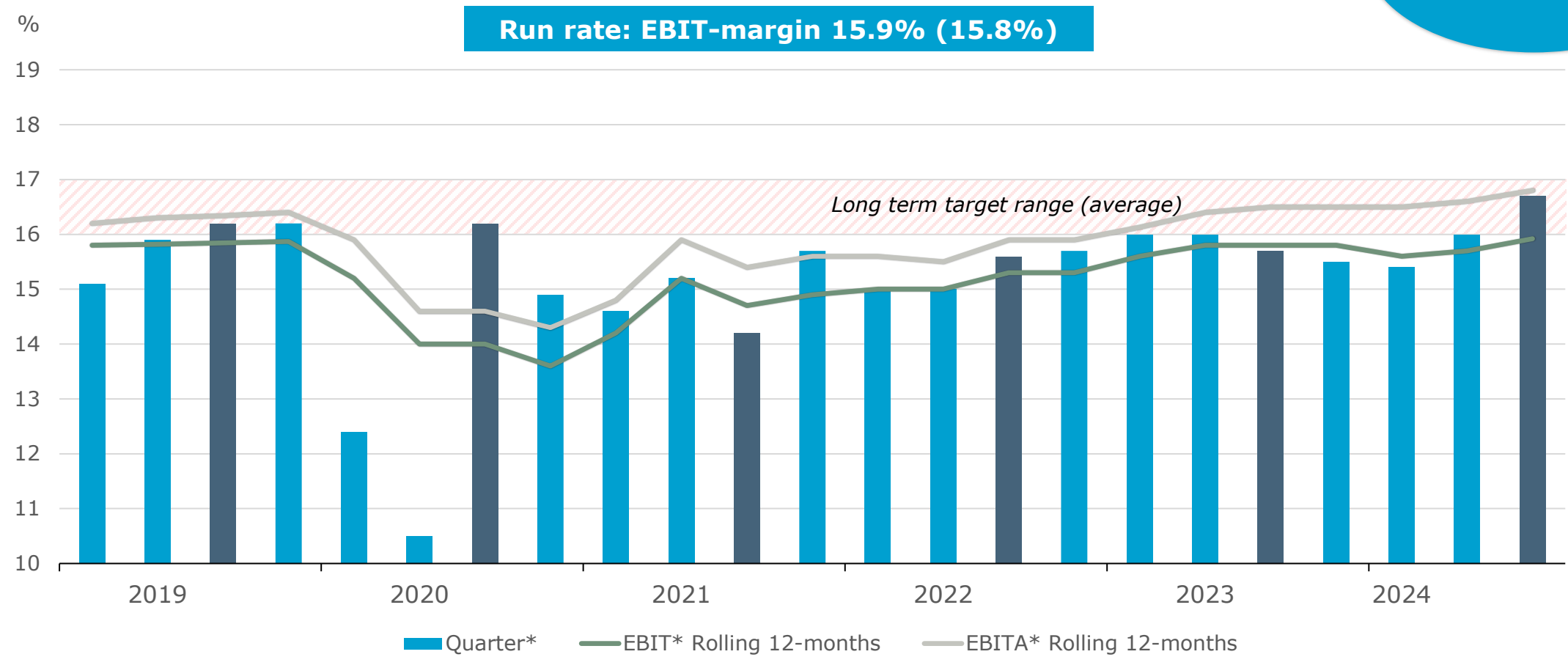
FX adjusted sales growth

Sales R12M
+46%
vs 2019



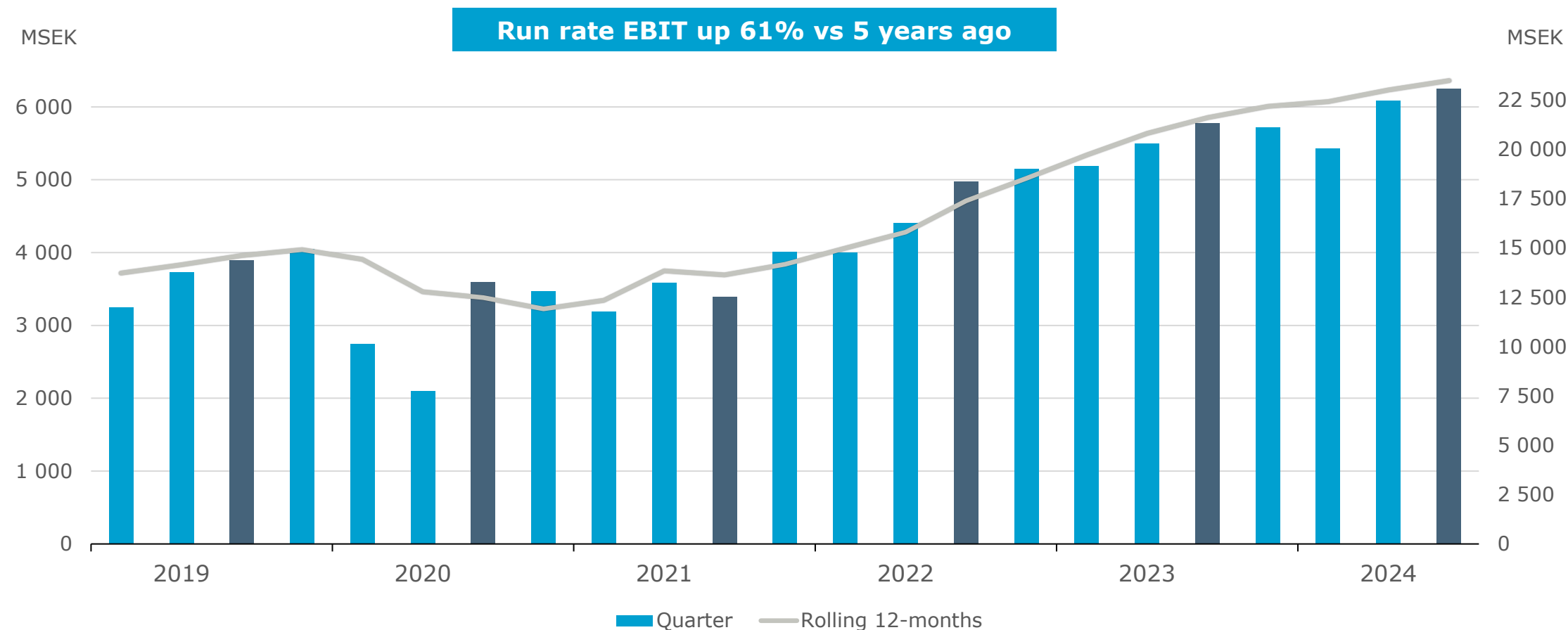
Operating margin

16.8%
EBITA-margin
run rate



* Excluding items affecting comparability, restructuring items and impairment of intangible assets.

Operating profit



* Excluding items affecting comparability, restructuring items and impairment of intangible assets.

Acquisitions

- **Active pipeline**

- 7 acquisitions completed in Q3
- 18 acquisitions completed as of September 2024
 - Representing annualized sales of MSEK ~7,000

- **Divestment of Citizen ID**

- Citizen ID, transaction expected to close during Q1 2025
- Divested annualized sales of MSEK 1,300





- US technology solutions business
- Complements technology portfolio and strengthens digital offering
- Sales of MSEK 170 in 2023
- Dilutive to EPS from the start



- An international leading provider of access management solutions
- Enhances and complements current offering with Entrance Systems
- Sales of MSEK 3,500 in 2023
- Small dilutive effect to EPS from the start

Opening Solutions EMEIA

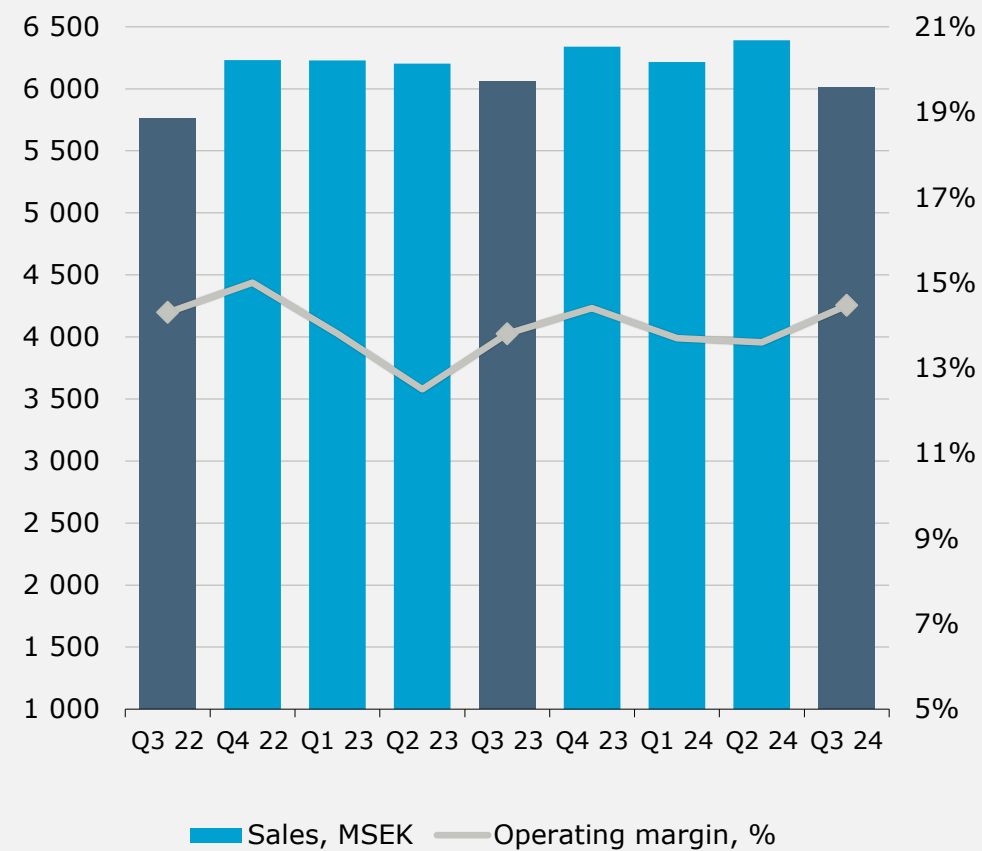
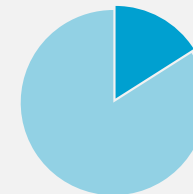
▪ Organic sales 1%

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

▪ Operating margin* 14.5% (13.8%)

- Stable (0bps) operating leverage
- FX +50bps
 - Stronger SEK
- M&A +20bps

16%
of Group
sales



*Excluding non-recurring items

Excluding MFP and non-recurring items.

Opening Solutions Americas

▪ Organic sales 4%

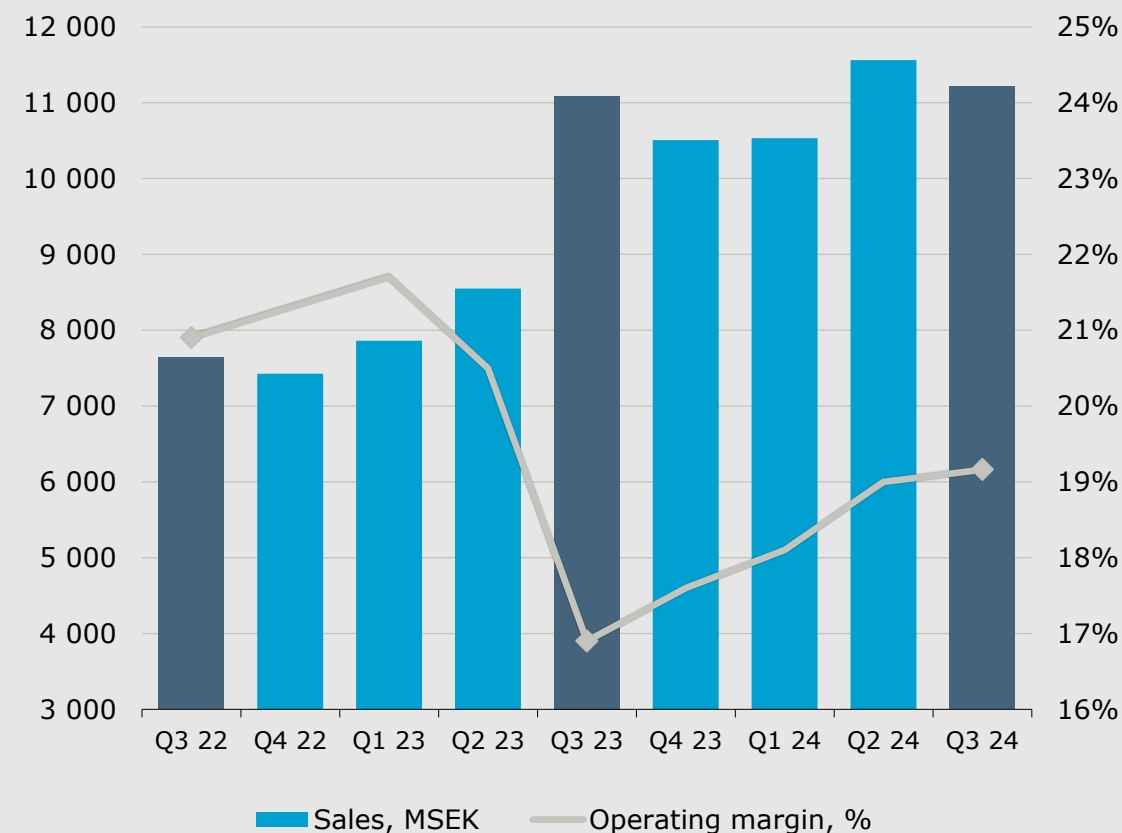
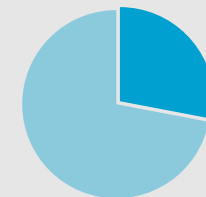
- Very strong sales growth in Latin America
- Strong sales growth in North America non-residential
- Stable sales in North America residential

▪ Operating margin* 19.2% (16.9%)

- Strong operating leverage (+80bps) driven by price/cost and continued margin improvement in North America residential
- FX -10 bps
- M&A +160 bps
 - MSEK 205 year-over-year effects in HHI

*Excluding non-recurring items

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

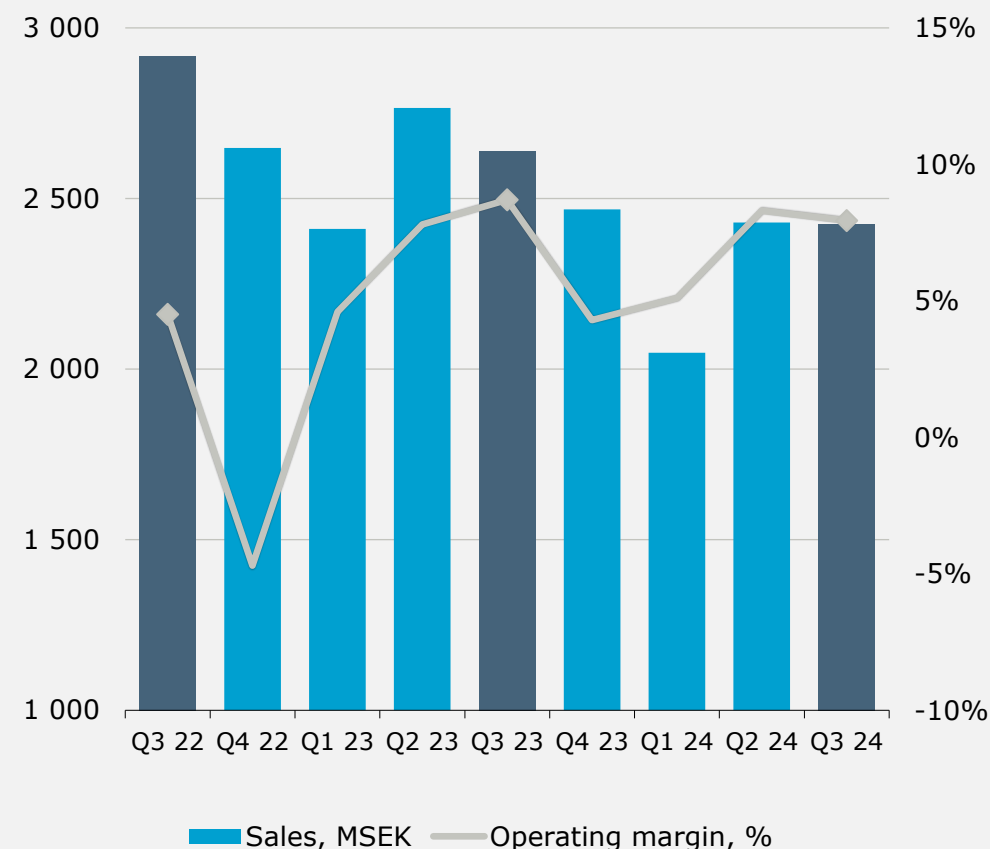
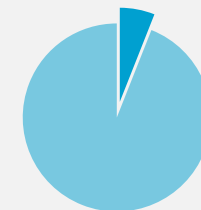
■ Organic sales -6%

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

■ Operating margin* 7.9% (8.7%)

- Dilution (-80bps) due to lower sales, partially offset by efficiency improvements
- FX and M&A stable

6%
of Group
sales

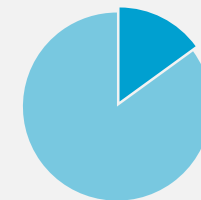


*Excluding non-recurring items

Excluding MFP and non-recurring items.

Global Technologies

17%
of Group
sales

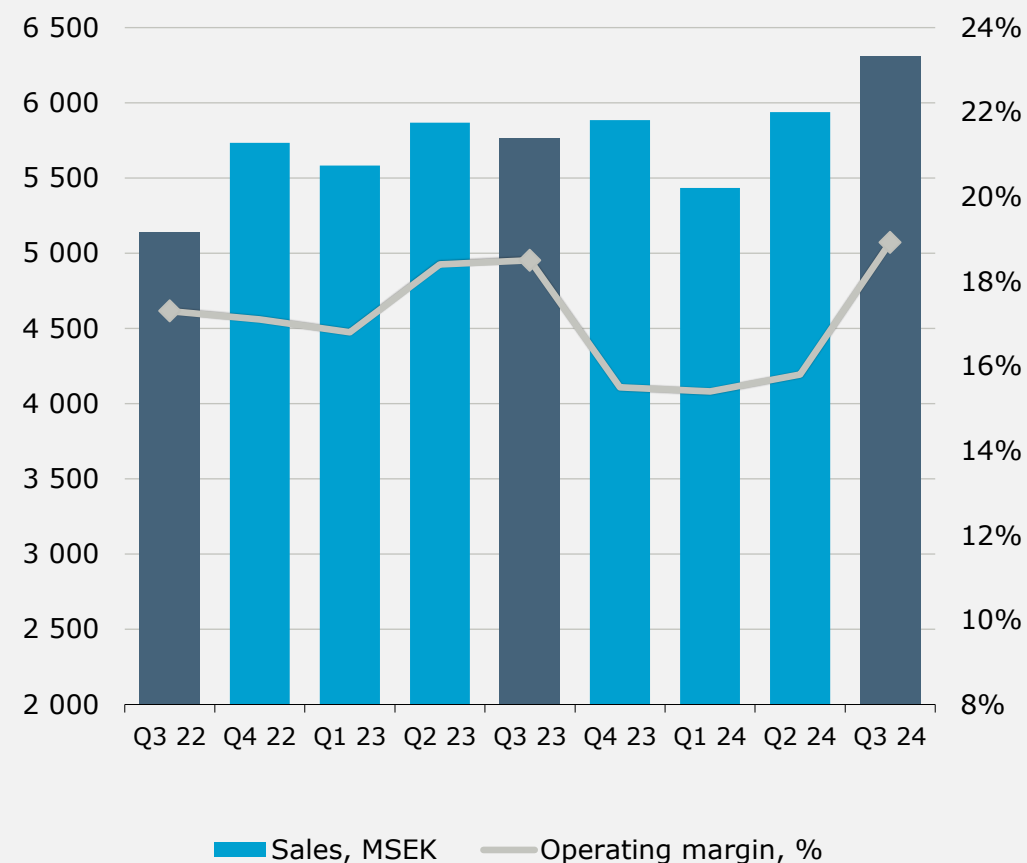


- **Organic sales +2%**

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

- **Operating margin 18.9% (18.5%)**

- Very strong operating leverage (+110bps) driven by positive mix and price/cost
- FX -30bps
- M&A -40bps
 - Two acquisitions closed in the quarter



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

Entrance Systems

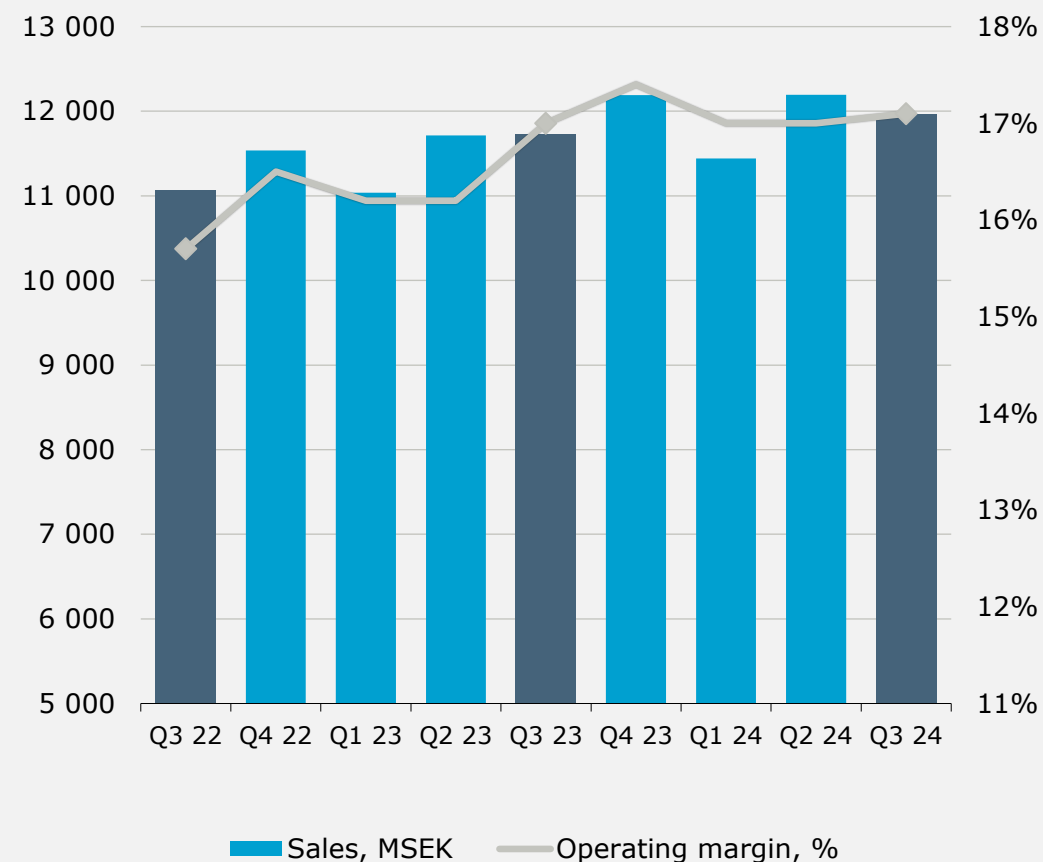
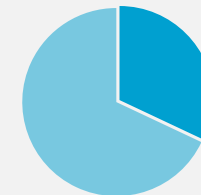
- **Organic sales -2%**

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

- **Operating margin 17.1% (17.0%)**

- Very strong operating leverage (+110bps) driven by positive mix and price/cost
- FX +10bps
- M&A -110bps
 - SKIDATA

32%
of Group
sales



Excluding MFP restructuring items.

Financial summary

**FX & acquisition
'run-rate' effects in Q4 2024
(30 Sep 2024):**
SALES
 FX: -3%
 M&A: 5%

	July-September*			January-September*		
	2023	2024		2023	2024	
Sales	36,881	37,418	1%	103,746	110,586	7%
- Organic growth	144	91	0%	3,259	-1,020	-1%
- Acquired net growth	3,733	1,579	4%	7,079	9,111	9%
- FX-differences	1,184	-1,133	-3%	5,530	-1,251	-1%
Operating income (EBIT)	5,777	6,255	8%	16,462	17,767	8%
EBITA-margin	16.7%	17.7%	1.0 pts	16.6%	17.0%	0.4 pts
EBIT-margin	15.7%	16.7%	1.0 pts	15.9%	16.1%	0.2 pts
Income before tax	4,876	5,377	10%	14,774	15,229	3%
Net income	3,656	4,033	10%	11,079	11,442	3%
EPS, SEK	3.31	3.63	10%	9.99	10.28	3%
Operating cash flow	7,177	6,341	-12%	17,918	15,042	-16%
ROCE (12 months)				16.3%	14.2%	-2.1 pts

*Excluding items affecting comparability

Bridge analysis – Q3 2024

MSEK	Q3 2023	Organic	Currency	Acq/div	Q3 2024
Growth	16%	0%	-3%	4%	1%
Sales	36,881	91	-1,133	1,579	37,418
Operating income*	5,777	348	-194	325	6,255
Operating margin, %*	15.7%	382.1%	17.2%	20.6%	16.7%
Dilution/accretion		0.9 pts	-0.1 pts	0.2 pts	

*Excluding items affecting comparability

Sales drivers

- Price +1% and volume -1%

Margin drivers

- Organic – strong accretive effect driven by price realization, lower material costs, MFP and cost control
- Currency – weaker USD
- M&A – positive year-over-year effects from the HHI transaction partly offset by dilution from SKIDATA, Level Lock and other acquisitions

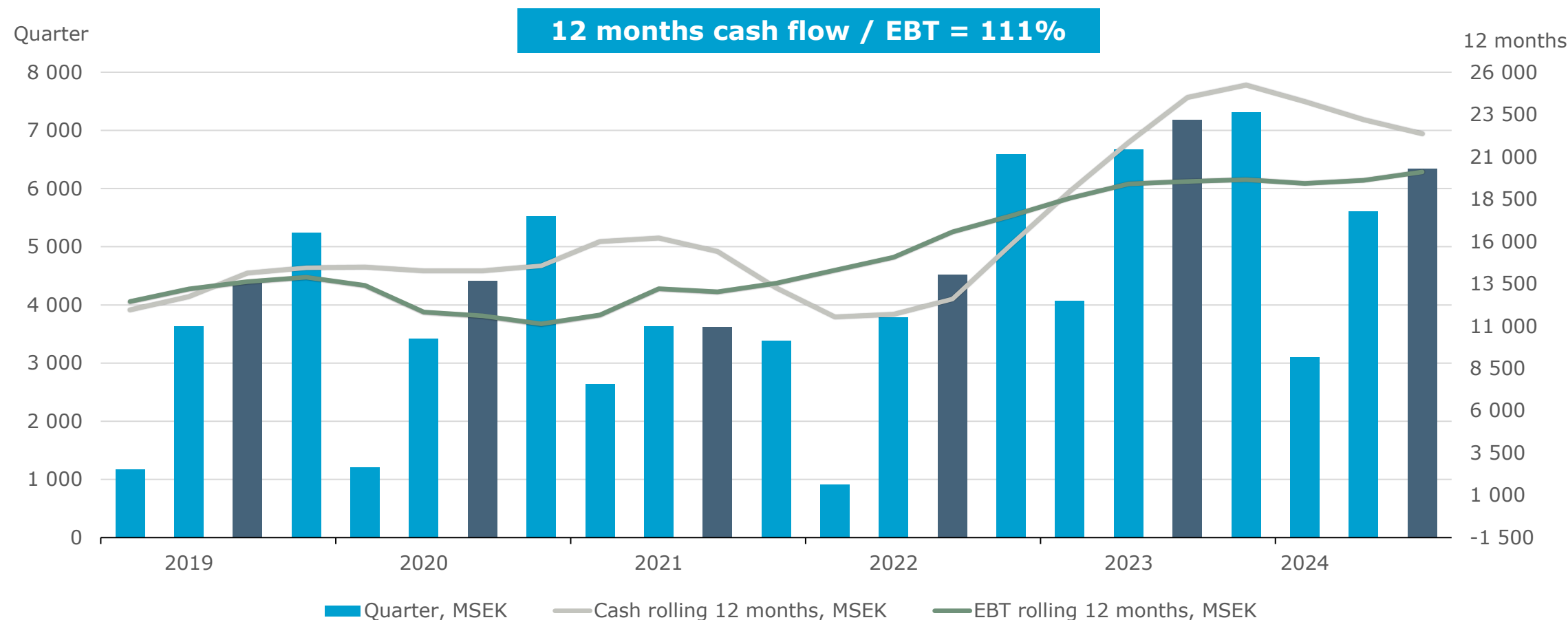
Cost breakdown as % of sales – Q3 2024

%	QTD 2023	QTD 2024 excl. acq/div	Δ	QTD 2024
Direct material	-35.9%	-33.5%	+2.4 pts	-33.7%
Conversion cost	-23.1%	-24.4%	-1.3 pts	-24.2%
Gross margin	41.0%	42.1%	+1.1 pts	42.1%
S, G & A	-25.3%	-25.6%	-0.3 pts	-25.4%
EBIT*	15.7%	16.5%	+0.8 pts	16.7%

*Excluding items affecting comparability.

- Direct material – strong positive mix effect (~100bps), lower material costs and price realization
- Conversion cost – inflation and higher wage costs
- S, G & A – inflation and investments in R&D and the sales organization

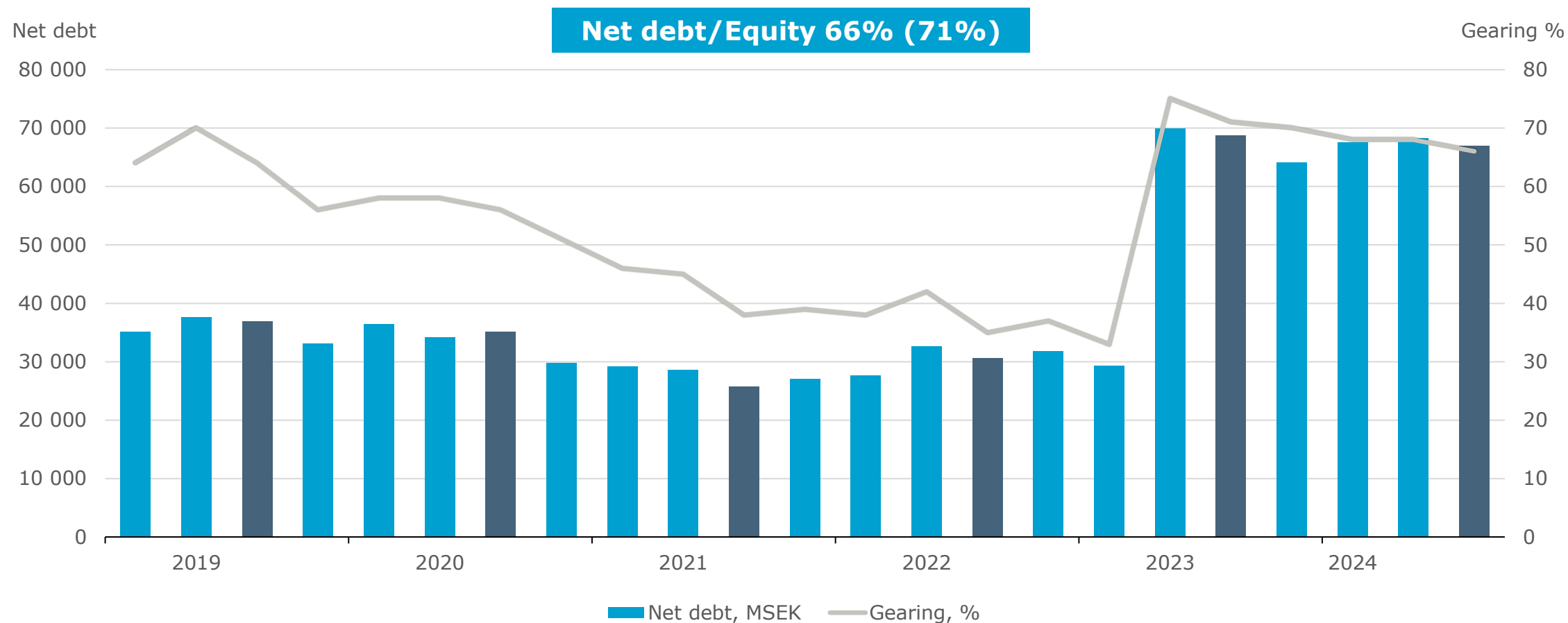
Operating cash flow, MSEK



Excluding items affecting comparability.

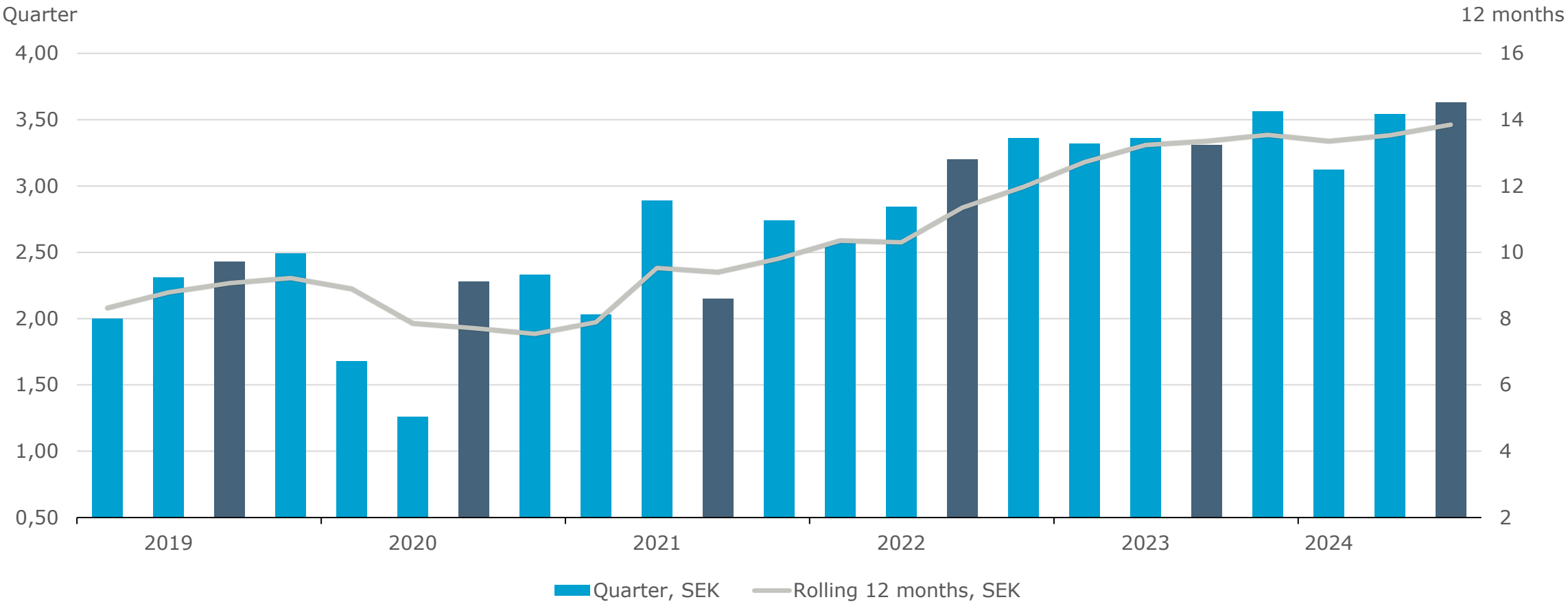
Gearing % and net debt, MSEK

Net debt/EBITDA*
2.3 (2.6)



* Excluding items affecting comparability.

Earnings per share, SEK



Excluding items affecting comparability



Conclusions

- **Strong sales growth**
 - Currency adjusted sales growth of 5%
 - Record operating income
 - Excellent cash conversion
- **EBIT-margin run rate of 15.9%**
- **Uncertain economic climate**
 - Take advantage of opportunities
 - Agility and efficiency
 - Lower interest rates



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 horizontal composition. The left half is a solid blue gradient. The right half is a photograph of a modern building. The building features large, angled concrete columns that create a series of deep, triangular voids. The facade is composed of a grid of small, square panels, some of which are glass, allowing light to filter through. The sky is a clear, pale blue.

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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	-35.9%	-33.5%	+2.4 pts	-33.7%	-35.5%	-32.9%	+2.6 pts	-33.7%
Conversion cost	-23.1%	-24.4%	-1.3 pts	-24.2%	-23.3%	-24.7%	-1.4 pts	-24.6%
Gross margin	41.0%	42.1%	+1.1 pts	42.1%	41.2%	42.4%	+1.2 pts	41.7%
S, G & A	-25.3%	-25.6%	-0.3 pts	-25.4%	-25.3%	-26.1%	-0.8 pts	-25.6%
EBIT*	15.7%	16.5%	+0.8 pts	16.7%	15.9%	16.3%	+0.4 pts	16.1%

*Excluding items affecting comparability.

Opening Solutions EMEIA's bridge

MSEK	Q3 2023	Organic	Currency	Acq/Div	Q3 2024
Growth	5%	1%	-3%	1%	-1%
Sales	6,061	32	-144	61	6,010
Operating income*	838	7	5	19	869
Operating margin, %*	13.8%	21.7%	-3.2%	31.9%	14.5%
Dilution/accretion		0.0pts	0.5pts	0.2pts	

12 months figures

Sales	24,723			24,956
EBIT*	3,406			3,506
Operating cash flow before paid interest	3,673			4,117
Cash flow/EBIT*	108%			117%

* Excluding items affecting comparability

Opening Solutions Americas' bridge

MSEK	Q3 2023	Organic	Currency	Acq/Div	Q3 2024
Growth	45%	4%	-4%	1%	1%
Sales	11,091	396	-419	146	11,214
Operating income*	1,870	158	-89	210	2,149
Operating margin, %*	16.9%	39.8%	21.3%	144.1%	19.2%
Dilution/accretion		0.8pts	-0.1pts	1.6pts	

12 months figures

Sales	34,927			43,816
EBIT*	6,915			8,111
Operating cash flow before paid interest	7,971			7,668
Cash flow/EBIT*	115%			95%

* Excluding items affecting comparability

Opening Solutions Asia Pacific's bridge

MSEK	Q3 2023	Organic	Currency	Acq/Div	Q3 2024
Growth	-10%	-6%	-2%	0%	-8%
Sales	2,640	-146	-71	2	2,425
Operating income*	229	-32	-5	0	193
Operating margin, %*	8.7%	22.2%	6.4%	10.3%	7.9%
Dilution/accretion		-0.8pts	0.0pts	0.0pts	

12 months figures

Sales	10,465			9,371
EBIT*	430			607
Operating cash flow before paid interest	845			1,163
Cash flow/EBIT*	196%			192%

* Excluding items affecting comparability

Global Technologies' bridge

MSEK	Q3 2023	Organic	Currency	Acq/Div	Q3 2024
Growth	12%	2%	-3%	11%	10%
Sales	5,763	120	-175	604	6,313
Operating income*	1,065	89	-51	91	1,195
Operating margin, %*	18.5%	74.2%	29.1%	15.1%	18.9%
Dilution/accretion		1.1pts	-0.3pts	-0.4pts	

12 months figures

Sales	22,948			23,571
EBIT*	4,068			3,880
Operating cash flow before paid interest	4,328			3,853
Cash flow/EBIT*	106%			99%

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

Entrance Systems' bridge

MSEK	Q3 2023	Organic	Currency	Acq/Div	Q3 2024
Growth	6%	-2%	-3%	7%	2%
Sales	11,725	-182	-338	768	11,973
Operating income*	1,995	102	-54	4	2,047
Operating margin, %*	17.0%	-56.0%	16.0%	0.5%	17.1%
Dilution/accretion		1.1pts	0.1pts	-1.1pts	

12 months figures

Sales	46,012		47,800
EBIT*	7,587		8,194
Operating cash flow before paid interest	9,919		9,849
Cash flow/EBIT*	131%		120%

* Excluding items affecting comparability



Thank you
assaabloy.com

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