

Media release

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Ad hoc announcement pursuant to Art. 53 LR

dormakaba has signed agreement to divest its Mesker business

dormakaba has signed an agreement to divest its hollow metal doors business Mesker to the key principals of Trimco and Metal Manufacturing Industries (MMI). The transaction will enable management to focus on dormakaba's access solutions offering, an important step in the turnaround of the company's Americas core business. The parties have agreed to not disclose financial details of the transaction. However, the transaction will trigger around CHF 64 million negative impact on net profit mostly due to goodwill impairment. In addition, as the transaction has no material impact on the company's cash flow, the Board of Directors of dormakaba has decided not to consider the transaction when determining the dividend for the ongoing financial year 2021/22.

Rümlang, 2 May 2022 – dormakaba has signed an agreement to divest its Mesker hollow metal doors business to the key principals of Trimco and Metal Manufacturing Industries (MMI). Both Trimco and MMI are well-established players in the Americas market with deep industry experience. US-based Trimco is a recognized leader in the North American market for innovating, designing, and manufacturing architectural hardware solutions. MMI is the premier hollow metal doors and frames manufacturer in the Mexican market, exporting its products to Central and South America. The transaction will include 300 employees who will be taken on by the new owners.

Says Jim-Heng Lee, CEO dormakaba: "This divestment will enable our Region Americas to focus on our core business. It is an important step for the turnaround of the Americas core business and thus for the implementation of our growth strategy. We are pleased that we have found new owners with the specialized expertise needed for the Mesker business to thrive."

The transaction will have a negative impact on net profit of around CHF 64 million mostly due to goodwill impairment. As this divestment affects the comparability, it will be excluded from adjusted EBITDA, adjusted EBIT and its margins. As the transaction has no material impact on the company's cash flow, the Board of Directors has decided not to consider it when determining the dividend for the ongoing financial year 2021/22. Both parties have agreed to not disclose further financial details of the transaction. The transaction is expected to be closed the latest by the end of the current financial year (30 June 2022).

dormakaba acquired Mesker in 2016. The Design Hardware brand acquired with the Mesker business was separated and profitably integrated into the main Americas business. The remaining hollow metal doors business has had a negative impact on the financial performance of Region Americas for some years; in the first half-year of financial year 2021/22 it diluted the adjusted EBITDA margin of AS AMER by 230 basis points and of dormakaba Group by 60 basis points.

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dormakaba Group

dormakaba makes access in life smart and secure. As one of the top three companies in the industry, dormakaba is the trusted partner for products, solutions, and services for access to buildings and rooms from a single source. With strong brands in its portfolio, the company and its numerous cooperation partners are represented in over 130 countries worldwide.

dormakaba is listed on the SIX Swiss exchange, is headquartered in Rümlang (Zurich/Switzerland) and generated a turnover of CHF 2.5 billion with around 15,000 employees in financial year 2020/21.

SIX Swiss Exchange: DOKA

Further information about dormakaba Group on www.dormakabagroup.com/en

Insights and inspiration from the world of access on <https://blog.dormakaba.com>

News on financials, products and innovations of dormakaba Group on <https://newsroom.dormakaba.com>

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