

Ad-hoc announcement pursuant to Art. 53 LR

Press release

Sale of the Climate Division completed

Arbon, 27 February 2025 – The sale of the Climate Division to Midea Electrics Netherlands B.V., a company of the Midea Group, which was announced on 18 April 2024, was completed yesterday, 26 February 2025. This has established the conditions for voting not only on the usual agenda items and motions of the Board of Directors but also on the use of funds from the transaction at the Annual General Meeting on 25 April 2025.

In conjunction with the closing, Alexander Kaiss, CEO of the sold Climate Division, will also be stepping down from Group Management of the Arbonia Group. At the same time, Markus Hütt, COO and simultaneously responsible for the Glass Solutions Business Unit, will be joining Group Management.

With the completion of the transaction, Arbonia's strategy is focusing on the doors business invested in over the last few years. Thanks to its strong balance sheet with a high equity ratio and reduced debt, the strategic flexibility for the further development of Arbonia is ensured. It is working towards the goal of expanding its position as the European market leader for doors.

The EU Commission completed its antitrust review of the divestment of the Climate Division at the end of January 2025 and approved the transaction without conditions or requirements. The closing took place yesterday, 26 February 2025. **The proceeds from the sale of the Climate Division amount to EUR 742 million.** The sale of the Climate division will result in a book profit in the low three-digit million range. Further information in connection with the closing will be provided at the annual media conference on March 4, 2025.

Participation in the sales proceeds and General Meeting

The Board of Directors intends to distribute a large portion of the achieved sales price to the shareholders of Arbonia AG. A portion of the sales proceeds will be used to repay the bridging loan for the acquisitions of Dimoldura (ES) and Lignis (CZ), which have already been finalised. These acquisitions have allowed Arbonia to successfully diversify its product portfolio as well as its end markets. Another portion will be used to reduce debt.

As a result, the Annual General Meeting will be convened on 25 April 2025, in compliance with the statutory deadlines. In addition to the ordinary agenda items, the Board of Directors will submit further motions to the General Meeting for the shareholders to participate in the proceeds:

Reduction of the nominal share value

The Board of Directors will propose to the General Meeting a reduction in the nominal value of the share from CHF 4.20 to CHF 0.20. The difference from the capital reduction of CHF 277.9 million or CHF 4.00 per

share will be distributed to the shareholders. Since this is a nominal value repayment, it will take place without withholding tax.

The nominal value repayment requires that a notice to creditors be published in the SOGC.

Dividend for the 2023 financial year

The Board of Directors will furthermore propose to the General Meeting that a dividend of CHF 0.30 be distributed for the 2023 financial year. It is intended that 50 % of the dividends will be repaid from contributions from share premiums, and this 50 % will therefore be exempt from withholding tax.

Special dividend

At the Annual General Meeting, the Board of Directors will also propose a special dividend of CHF 1.20 to replace the announced share buyback programme. It is intended that 50% of the special dividend will also be repaid from contributions from capital reserves; this 50% is therefore exempt from withholding tax.

Dividend for the 2024 financial year

In addition, the Board of Directors will propose to the General Meeting a dividend of CHF 0.33 for the 2024 financial year at the Annual General Meeting. It is intended that 50 % of the dividends will be repaid from contributions from share premiums, and this 50 % will therefore be exempt from withholding tax.

Overall, the Board of Directors will therefore propose to the General Meeting that a total of CHF 5.83 per share be distributed to the shareholders and, as stated at the signing in April 2024, will return CHF 405 million of the sales proceeds. The distribution will take place at the latest 2 weeks after approval by the General Meeting and entry in the commercial register.

Election of the members of the Board of Directors

The Arbonia Board of Directors will also nominate five members of the General Meeting for election or re-election until the next General Meeting in April 2026. In addition to Mr von Witzleben as Chairman, the Board of Directors nominates the members Peter Barandun, Thomas Lozser, Markus Oppliger, and Michael Pieper, thereby reducing the number of members of the Board of Directors from eight to five. This reduces the costs for the Board of Directors and Group Management. Furthermore, Alexander von Witzleben will serve his last term of office.

Change in Group Management

Upon completion of the transaction, the new structure of Arbonia consists of the former Doors Division with its Wood Solutions and Glass Solutions Business Units as well as a lean group management. Consequently, Alexander Kaiss will step down from Group Management after the closing of the sale of the Climate Division. Group Management will continue to consist of three members: Claudius Moor as CEO, Uwe Schiller as CFO, as well as now Markus Hütt as COO and responsible for the Glass Solutions Business Unit at the same time.

The Board of Directors of Arbonia would like to thank Alexander Kaiss for his extraordinarily successful work as Head of the Climate Division focusing on plant relocations, acquisitions, and subsequent integrations as well as the successful operational management of the business during the long transitional period between signing and closing. At the same time, management would like to thank him for his valuable instinct for empowering and promoting people.

Alexander Kaiss and his team played a crucial role in transforming the Climate Division from a pure radiator manufacturer to a leading European supplier of products in the heating, ventilation, and air-conditioning technology segments of its markets.

The Board of Directors of Arbonia would also like to thank all employees of the Climate Division for their dedication and commitment. They have all significantly contributed to the success of the Climate Division. The Board of Directors wishes the employees all the best for the future.

Further information on the financial impact of the sale of the Climate Division as well as an outlook on the operational performance (current trading) of the new Arbonia will be announced at the financial media conference on 4 March 2025, while details on the strategy and medium-term planning of the new Arbonia will follow on Capital Markets Day on 27 March 2025. A roadshow is planned shortly afterwards.

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This press release and more information about Arbonia can be found online at www.arbonia.com.

Arbonia is an innovative full-range supplier in the field of interior doors made of wood and glass. The company, which is listed on the SIX Swiss Exchange, is active as a leading supplier in Western, Central, and Eastern Europe with its own distribution companies. Its main production sites are located in Switzerland, Germany, Poland, Spain, Czech Republic, Portugal, and France. A total of around 3,700 employees work for the Arbonia Group.