Ad-hoc announcement pursuant to Art. 53 LR

Press release

Half-year results for 2026

Arbonia holds its own in a challenging environment with 2.3 % organic growth – with considerably higher incoming orders and order volumes than in the previous year

Arbon 25 August 2026 – In the first half-year of 2026, Arbonia achieved an organic revenue growth of 2.3 % and continued to expand its market position in numerous European markets. Incoming orders and order volumes developed particularly well and were significantly above the previous year's level at all large production plants. At the same time, the market environment was characterised by increasing material prices, as well as currency effects. This performance underscores the resilience of demand, the successful progress of the Group's geographical diversification efforts, and its strategic strength following the strategic focus on the doors business.

With the introduction of an integrated system landscape, Arbonia is creating the prerequisites for additional group synergies in purchasing, in cross-location manufacturing, as well as for the future use of data-based and AI-supported applications. The implementation of the SAP/ERP system at the German subsidiary Garant marks an important milestone on the way to an integrated European platform. The transformation was operationally more demanding than planned and had a one-off negative impact of approximately CHF 8.4 million on EBITDA compared to the prior-year period.

Against this background, Arbonia is adjusting its EBITDA guidance for the financial year 2026 but reaffirms all other guidance parameters for 2026 as well as its medium-term targets for 2029.

Financial figures for continuing operations for the First Half of 2026:

- **Revenue: CHF 318.2 million (+3.6 %, organic +2.3 %), compared to CHF 307.2 million in the previous year**
- **EBITDA with one-time effects: CHF 23.8 million (previous year CHF 27.9 million)**
- **EBITDA without one-time effects[1]: CHF 23.8 million, 7.5 % margin (previous year CHF 26.1 million, 8.5 % margin)**
- **EBIT with one-time effects: CHF –4.5 million (previous year CHF 1.1 million)**
- **EBIT without one-time effects: CHF –4.5 million (previous year CHF –0.7 million)**

1 Explanations, definitions, and reconciliations for the alternative performance key figures are found in the First Semester Financial Report 2026 on pages 21 – 23.

Digital transformation at subsidiary Garant: significant progress in stabilisation
In the first half-year of 2026, Arbonia consistently continued the digitisation and modernization of its entire business processes. At the German subsidiary Garant, the comprehensive SAP/ERP rollout led to temporary operational challenges during the introduction phase due to the high complexity of the underlying processes and interfaces as well as the very wide range of products. This primarily affected order entry, intralogistics, and production processes. Within this context, additional inventories were stocked, and production volumes were temporarily relocated to other locations within the Arbonia Group to safeguard business operations.

The temporary negative charges resulted in an estimated impact on revenue and earnings of approximately CHF 13 million and CHF 8.4 million respectively compared to the prior-year period. These effects are not reported as one-time effects (adjustments) and negatively affected not only the operative result but also the net working capital, the cash flow, and the net indebtedness in the first half-year of 2026.

Comprehensive programme of measures proves effective
To stabilise the processes and eliminate the challenges resulting from the SAP/ERP rollout, Arbonia immediately initiated a programme of measures. A task force directly controlled by Group Management is working on sustainably optimising processes through clearly defined priorities, weekly targets, and consistent, KPI-based progress monitoring. Temporary workarounds were successfully implemented to quickly bypass system gaps while simultaneously ensuring a gradual transition to standardised SAP processes.

Arbonia analysed the challenges arising over the course of the transformation and consistently eliminated their causes. Organisational and personnel measures were implemented where necessary.

The operational stabilisation is proceeding according to plan. It was possible to resolve systemic problems, stabilise order processing on a long-term basis, and largely clear the backlog of customer orders. The focus is now on winning back the trust of customers and increasing revenue. Arbonia is confident that revenue levels from Garant seen prior to the implementation will be reached again by the end of 2026.

In summary, Arbonia is dealing with considerable temporary impacts from the SAP/ERP transformation at Garant in financial year 2026. At the same time, this has laid an essential foundation for the next development phase of the group. The new system landscape will allow a stronger integration of the European production sites, additional purchasing synergies, and more efficient group-wide processes in the future. In addition, it creates the technological basis for data-driven control and the future use of AI applications.

Performance Plus strengthens competitiveness and profitability on a long-term basis
In addition to the Arbonia Excellence programme (Arbex), Arbonia launched the group-wide Performance Plus programme. The initiative includes measures for simplifying structures, optimising processes, and sustainably improving the cost basis. For 2027, savings of over CHF 5 million are expected, which are to increase to more than CHF 8 million per year by 2030.

Organic growth underscores strong market positions
In the first half-year of 2026, Arbonia reported revenue growth of 3.6 % to CHF 318.2 million compared to CHF 307.2 million in the previous year. Excluding currency and acquisition effects (organic), this resulted in a revenue growth of 2.3 %. At the same time, the introduction of the SAP/ERP system at Garant has a negative impact of approximately CHF 13 million on revenue. Business outside of Germany developed particularly well. Arbonia was able to further expand its market position in its most important European core markets and recorded above-average growth particularly in Western Europe, Central and Eastern Europe (CEE), and Switzerland. As a result, the geographical diversification of the business continued, and dependence on the German market was further reduced.
Arbonia recorded strong revenue growth of 20 %, particularly in Western Europe (Spain, France, and Portugal) and 22 % in Central and Eastern Europe. Revenue growth of 7.5 % was also recorded in

Switzerland, Arbonia's second most important market. Revenue in Germany decreased by –3.7%, primarily reflecting the impact of the transformation at Garant, which resulted in a revenue shortfall of CHF 13 million.

The Wood Solutions segment achieved organic growth of +2.9 %, while the Glass Solutions segment was able to grow organically by +0.3 %. Growth was driven in particular by a stable renovation business, the continued expansion of the commercial and project business, as well as new markets, while new residential construction activity in several core markets remained persistently low. Exchange rate effects negatively impacted revenue by –1.8 %.

The Glass Solutions segment developed particularly well. After the transformation of the past years, it was possible to improve profitability further. EBITDA rose to CHF 3.6 million from CHF 1.7 million in the same period last year, confirming the effectiveness of the implemented measures.

The operational result in the first half-year was significantly influenced by the temporary negative impact of the SAP/ERP transformation at Garant. Without these effects, the EBITDA margin would have been approximately 10 % and thus above the previous year's level. EBITDA amounted to CHF 23.8 million in the first half-year of 2026 with one-time effects, compared to CHF 27.9 million in the previous year. For Wood Solutions, this resulted in EBITDA of CHF 22.7 million, compared to CHF 28.1 million in the previous year, and for Glass Solutions EBITDA of CHF 3.6 million compared to CHF 1.7 million in the previous year. The development of Wood Solutions compared to the previous year has been significantly impacted by Garant's digital transformation. In addition, the previous year's result was influenced by a positive one-time effect in the amount of CHF 2.9 million from the sale of a non-operational property (Tubbergen).

EBITDA therefore amounted to CHF 23.8 million with and without one-time effects (previous year: CHF 26.1 million without one-time effects). The EBITDA margin without one-time effects dropped to 7.5 % from 8.5 % in the previous year (taking into account the Garant one-off effect, the margin would be 10 %). On the cost side, this development was characterised by increasing material and transport costs triggered by the war in Iran as well as inflation-driven salary increases. The currency development negatively affected the result by –1.7 %. In the first half-year of 2026, these negative effects could not yet be fully offset in the short term by higher sales prices, slightly increasing volumes, and efficiency gains from production and process optimisations. In the second half-year, the positive effect of the sales price adjustments will take full effect.

After Arbonia's focus on the doors business, the company recorded a continuous revenue increase that does not appear in the operative result due to the SAP/ERP introduction at Garant: As in the previous year, when EBITDA increased by 20 % in the second half-year of 2025 compared to the first half-year of 2025, Arbonia expects an improved second half-year due to catch-up effects and additional price increases. EBITDA increased by more than 50%, particularly in the second half of 2025 compared with the same period in the previous year.

EBIT amounted to CHF –4.5 million, compared to CHF 1.1 million the previous year. Broken down by segments, EBIT of Wood Solutions was CHF –1.0 million, compared to CHF 6.0 million in the previous year, while that of Glass Solutions was CHF –0.3 million compared to CHF –2.2 million in the previous year.

Cash flow and net indebtedness

The cash flow from operating activities amounted to CHF –24.9 million in the first half-year of 2026 compared to CHF –34.1 million in the previous year. On the one hand, this development is due to the sale of the Climate Division, which was included in the cash flow statement for two months in the previous year. On the other hand, the operational result and changes in the net working capital had a diminishing effect on the cash flow. Investments in property, plant and equipment as well as in intangible assets amounted to

CHF 11.5 million in the reporting period, and at 3.6 % of revenue they were thus well below the previous year's level of CHF 18.8 million (including discontinued operations). In the first half-year of 2026, free cash flow amounted to CHF –32.5 million, compared to CHF 618.4 million in the previous year. This development is largely due to the proceeds from the sale of the Climate Division and a non-operational property (Tubbergen) in the previous year.

Arbonia's net indebtedness amounted to CHF 184 million at the end of June 2026, compared to CHF 149 million at the end of 2025. Guarantee payments of CHF 8.0 million in connection with the sale of the Climate Division, which are to be settled by Midea, as well as tax payments of CHF 3.0 million, mainly due to tax implications arising from previous business disposals, negatively impacted the cash flow in the first half-year of 2026. In addition, net working capital increased as a result of seasonal and operational factors.

Divestment activities allow focus on the core business
In H1 '26, great progress was made in the sale of historical, non-operational assets, which allows Arbonia to focus more on the doors business and strategic development. The closing of the sale of Skyfens was successfully completed in April 2026 and will have a positive impact on the group's profitability in the future. In addition, a sale agreement was finalised in July for a property in the Greater Vienna area (AT) that is no longer required. It is expected to be completed at the end of 2026. A binding offer in the order of around CHF 20 million has been received for Arbonia's Business Center (formerly Corporate Center). The sales agreement is in the final stages of completion, meaning that a sale is expected in the second half-year of 2026. Further progress is also being made with the sale of the Russian operations. A purchase agreement has been signed for the sale. The approval process with the relevant Russian authorities is currently underway.

Guidance 2026 confirms the strategic course despite temporary negative impacts
Due to the temporary impacts from the SAP/ERP transformation at Garant, Arbonia expects EBITDA without one-time effects for the financial year 2026 to be largely on the level of the previous year (CHF 57.3 million). The previously communicated growth forecast of 15 – 20 % has been adjusted accordingly.

The adjustment of the EBITDA guidance solely reflects the temporary negative impacts of the SAP/ERP transformation at Garant. The operational development of the other companies, the strong incoming orders, the progress made in restructuring Glass Solutions, and the continued geographical diversification confirm Arbonia's strategic orientation.

The other guidance parameters for 2026 and the medium-term targets for 2029 remain unchanged. Above all, the progress in the sale of non-operating assets supports free cash flow.

Arbonia's strategic orientation is confirmed by the strong development of incoming orders and order backlog, market share gains in key European markets, progress in Glass Solutions, successful geographical diversification and the consistent implementation of its transformation programmes. The operational basis of the group was strengthened further during the reporting period. Arbonia therefore confirms its announced medium-term targets for 2029.

This press release, the key figures for the first half-year of 2026, the First Semester Financial Report 2026, and further information can be found at the website www.arbonia.com.

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Arbonia is an innovative full-range supplier in the field of interior doors made of wood, glass and metal. 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 4'000 employees work for the Arbonia Group.