

20 November 2024

Commercial

Capital Markets Day 2024



Steve Bewick
Chief Commercial Officer

Commercial organization under new operating model with sharpened strategic focus

Key Changes & Achievements



Facts & Figures

New CCO role: responsible for all Access Solutions markets and directly reporting to the CEO

Market structure streamlined to **5+2 core markets +3 RoW market clusters**

Good top line, margin and orderbook development, initially supported by effective price realization and more recently switching to improved volumes

Sharpened strategic focus

2.4bn

Net sales
(CHF, FY 2023/24)

+4.9%

Organic growth
(FY 2023/24)

Commercial

Key priorities going forward

1 Profitable organic growth

2 Commercial transformation



Strengthen our vertical approach

Currently strong presence in



AIRPORTS



HOSPITALS



INDUSTRIAL & OFFICES



HOSPITALITY (US)

...and big potential in



DATA CENTERS



MULTIHOUSING



HOSPITALITY (GLOBAL)



UTILITIES, SPORTS &...

Commercial

Focus on selected verticals – e.g. grow hospitality globally

Guest preferences shifting toward seamless, Touchless Experiences

Reimagining guest experiences with smart, secure solutions

22%

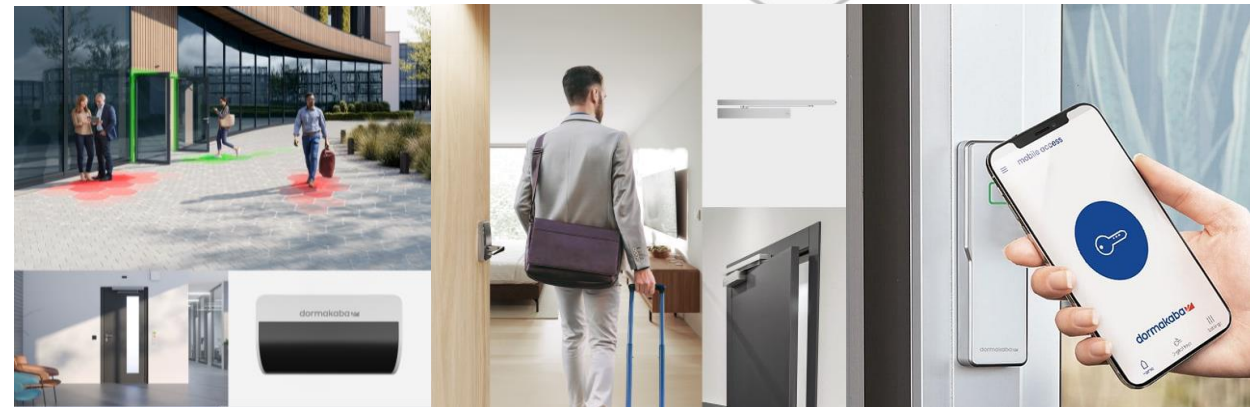
Hospitality, CAGR 2023-33

>13m

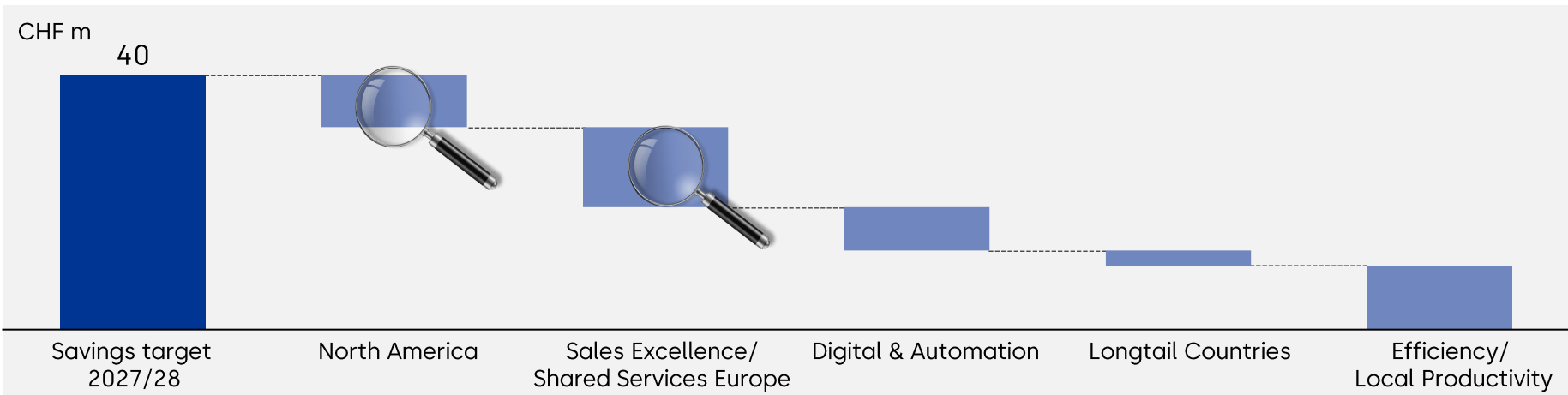
Mobile keys downloaded (Hilton, 2023)

80%

Hotels plan and implement energy usage reduction initiatives



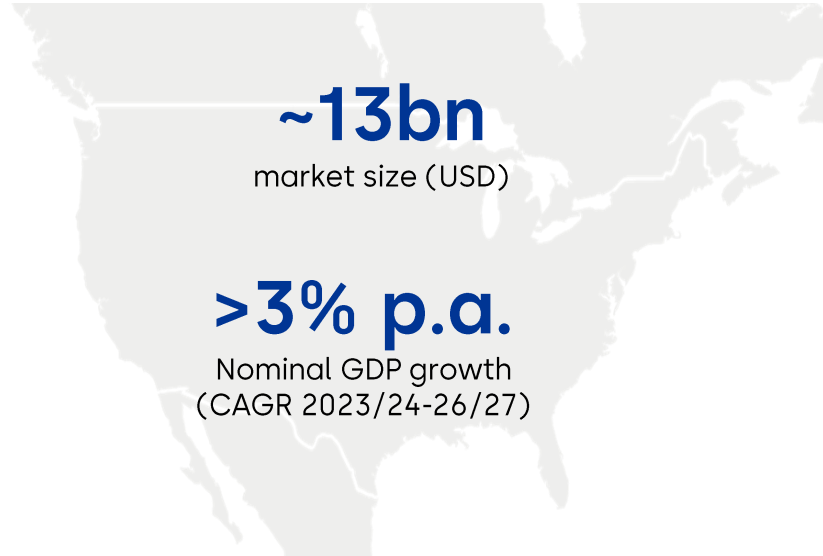
Commercial transformation to deliver additional CHF 40m savings



One-off implementation cost:
CHF 60m
until 2027/28

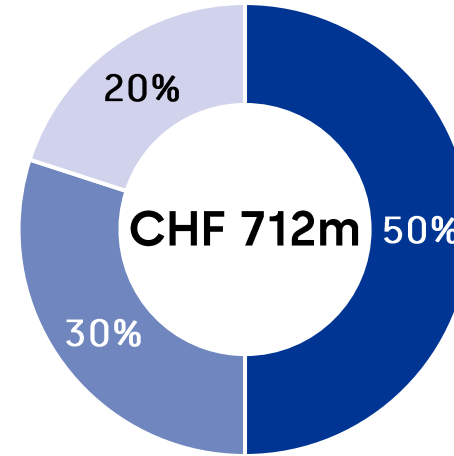
North America – single biggest market with attractive profitability

Access Solutions market, North America



- Single largest geographic market for Access Solutions with strong profit pools
- Presence strongly driven by acquisitions
- Today #3 market position with a sizeable Access Hardware business and a strong position in Hospitality

Net sales 2023/24



■ Access Hardware ■ Access Control ■ Access Automatics

Customers like about us

- High quality & reliable products
- Trusted partner
- Strong customer service



Clear ambition to grow above the market

Net sales ambition:
GDP growth +2% p.a.
over next 3 years

1 Focus on selected markets and distributors

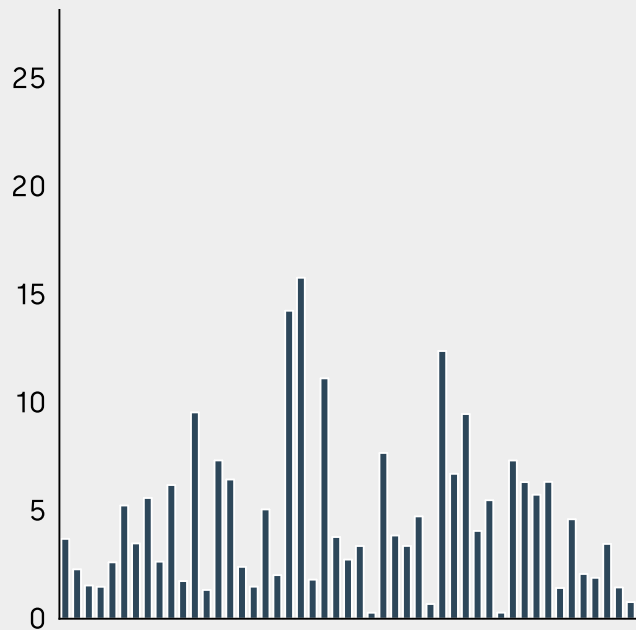
2 Improve commercial productivity



Through adjusted Access Hardware Solutions sales model and focus on selected markets & distributors...

1 Refocus on 30-40 MSAs

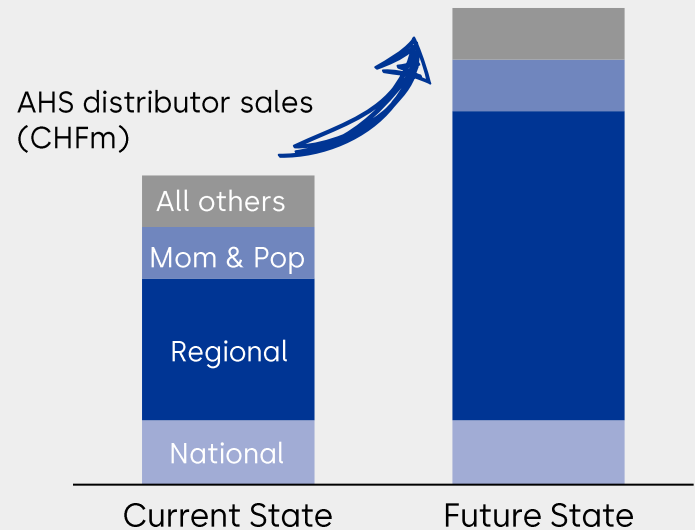
dormakaba % share in top 50 MSAs



MSAs, sorted by market size (CHF), descending order
MSA = Metropolitan statistical area

2 Scale-up regional distributors

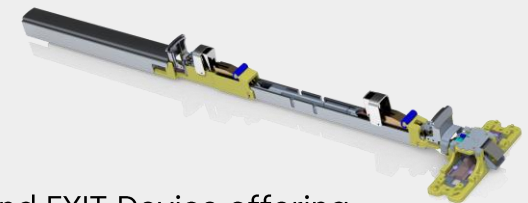
	National	Regional	Mom & Pop
Average AHS wallet	High	Medium	Low
Average SoW	Low	Medium	High
# of type in top 300	~25	~175	~100



3 Tailored product portfolio



CORMAX+



Extend EXIT Device offering

...and improvement of commercial productivity by simplifying and automating elements of customers' journey



Specification & EntriWorX

Increase specification
Use of EntriWorX 360 & BIM
to replace manual work
allowing for process
efficiencies & cost savings

Order entry

Automate and streamline
the order entry process

Customer portal

Improve customer portal to
see real-time order status,
lead time, product info,
pricing, adjust or cancel
orders, start returns, and
check warranty status

Quote process

Quote process simplification
reduce avg. time an
estimator spends quoting
by simplify the existing CPQ
process

Integrated project coordination tools

Project management
software, integrated with
ERP, to automate task
management and
streamline activities

Incremental costs for additional revenue to be offset by **commercial productivity improvements**

Significant progress in specification, ramping up specification globally



Specifiers

Resources

Building up specification resources



Tools & Systems

EntriWorX Planning 360 & BIM

Integrated and coherent set of tools developed



Global Specification Center

Support & Service

Global specification center opened in India



Communication & Engagement

Architects Connect & Campaigns

Yearly summit initiated with leading global architects



North America since 2021/22:

57
+45%

No. of specifiers

~150m
+94%

Total sales specified (CHF)

~30m
4x

Total specifications won (CHF)

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Four Frankfurt: example of successful specification & EntriWorX usecase

Direct Sales

- > 1.000 Access control hardware units, EntriWorX components & software
- 10 sensor gates

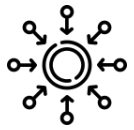
Indirect sales via Door Manufacturer

- 500 mechanical locks
- >3.400 mechanical and electrical door closer
- 150 Hotel locks



Shared business services as key enablers to deliver on the commercial vision...

dormakaba Business Services (dbs) VISION



CENTRALIZE AND AUTOMATE transactional operational tasks to optimize efficiency and cost



Support sales frontline with **INSIGHTS & SERVICES** that fuel decisions and growth based on specialized business or technical capabilities



FOCUS CUSTOMER-CENTRIC activities that create value and growth within front-line teams



Captive SSC leveraging existing dbs infrastructure in Sofia, Bulgaria



Shift then lift approach, i.e. shift first, then optimize to ensure process stability



Sofia

...and to unlock capacity of frontline sales teams

Scope & activities

- Unlock **customer-centric**, frontline capacities
- **Labor arbitrage & efficiency**
- Enhanced **customer experience**

Highest Potential

- Order management & invoicing
- Contact center / customer service
- Quote management

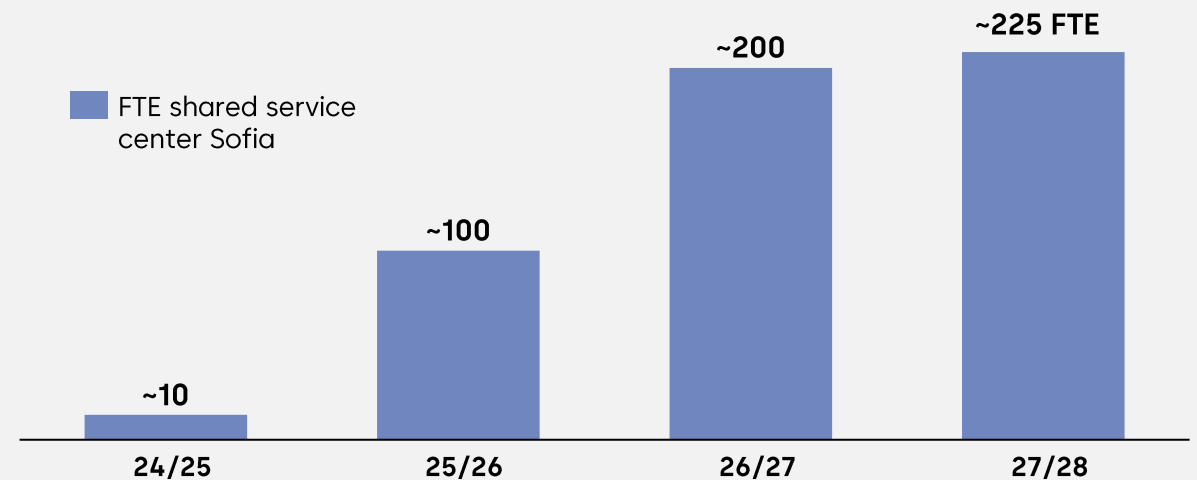
Medium Potential

- Inside and remote sales, incl. lead & opportunity management
- Analytics & reporting

Lower Potential

- Dispatching technicians (activity planning / basic project mgmt.)

Implementation timeline



Commercial transformation to fuel additional profitable growth

- **Continue our growth trajectory**
- **Enhance customer centricity**
- **Net sales ambition North America:
GDP growth +2% p.a. over next 3 years**
- **Savings of CHF 40m by FY 2027/28**



Strategic focus of the transformation is strengthening our US business and globally driving sales efficiency, improving customer experience and ease of doing business

Thank you

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