Ad hoc announcement pursuant to Art. 53 LR

Annual results 2024

Convincing operating results in a challenging environment

Geberit AG, Rapperswil-Jona, 6 March 2025

Once again, an extremely challenging year is behind the Geberit Group. However, despite a strong decline in the building construction industry in Europe, sales and sales volumes were increased. The major success of the recently launched products on the market was very pleasing in this regard. Operating margins were only slightly below the previous year's level. As a result, it was also possible to absorb most of the impacts of the continued high wage inflation and – compared to most currencies – a significantly stronger Swiss franc. Based on the strategic stability, all important, larger investment projects were carried out as planned. All in all, this is reference to the structural and financial strength of the Geberit Group as well as the resilience of its business model. This enabled the company to further expand and strengthen the market position as leading supplier of sanitary products. In 2024, net sales reached the previous year's level at CHF 3,085 million. Adjusted for negative currency effects, the increase was +2.5%. Operating cashflow (EBITDA) fell by 0.9% to CHF 913 million. However, after currency adjustments this corresponded to an increase of 2.7%. The EBITDA margin decreased by 30 basis points to 29.6%; after currency adjustments, it reached the level of the previous year. Net income decreased by 3.2% to CHF 597 million, corresponding to a return on net sales of 19.4%. The reason for the marked decline compared to the operating results was the significantly higher tax rate, which was primarily driven by the OECD minimum taxation law in force since 2024. Earnings per share decreased slightly by 1.8% to CHF 18.06.

Sales growth despite strong decline in market environment

As already announced on 16 January 2025, currency-adjusted net sales in 2024 increased by 2.5%. Net sales in Swiss francs reached the previous year's level at CHF 3,085 million.

The European markets continued to suffer the most from the very challenging conditions for the sanitary industry. Nevertheless, currency-adjusted net sales in Europe increased by +1.9% in 2024. Outside Europe, positive increases were achieved in the Middle East/Africa (+17.1%), America (+3.0%) and the Far East/Pacific (+0.2%). By product area, currency-adjusted net sales of installation and flushing systems rose by 4.8%, while the increases for piping systems and bathroom systems were 1.3% and 1.1% respectively.

Convincing operating results
Results in 2024 were impacted by the unfavourable currency situation. However, after currency adjustments, the operating results and earnings per share developed positively. While net income was negatively impacted by the higher tax rate due to the OECD minimum taxation law, it still reached the previous year's level in local currencies. Despite the extremely challenging market environment, operating margins were only slightly below the previous year's level. The higher sales volumes and lower direct material costs compared to the previous year had a positive impact. In contrast, the high levels of wage inflation in many countries had a negative impact. Furthermore, investments were made in various projects to strengthen the company's market position. These included growth initiatives in selected developing markets, marketing expenses for the launch of new products and for celebrating the 150th anniversary of the Geberit Group, plus various digitalisation and IT projects.

Overall, operating cashflow (EBITDA) fell by 0.9% to CHF 913 million. However, after currency adjustments this corresponded to an increase of 2.7%. The EBITDA margin decreased by 30 basis points to 29.6%; after currency adjustments, it reached the level of the previous year. Operating profit (EBIT) decreased by 0.9% to CHF 762 million (currency-adjusted +3.2%), corresponding to an EBIT margin of 24.7% (previous year 24.9%). Net income decreased by 3.2% to CHF 597 million (currency-adjusted -0.2%), corresponding to a return on net sales of 19.4% (previous year 20.0%). The reason for the marked decline in net income compared to the operating results was the significantly higher tax rate, which was primarily driven by the OECD minimum taxation law in force since 2024. In terms of earnings per share, the positive effects of the share buyback programmes led to a smaller decline compared to the development of net income. Accordingly, earnings per share decreased slightly by 1.8% to CHF 18.06 (previous year CHF 18.39); in local currencies, this figure increased by 1.3%.

Free cashflow down slightly
Free cashflow decreased by 2.0% to CHF 613 million. The lower operating cashflow and a negative year-on-year development in net working capital were only partially compensated for by the lower investment volume. The free cashflow margin reached 19.9% (previous year 20.3%). CHF 540 million, or 88% of the free cashflow, was distributed to shareholders during the reporting year as part of the dividend payment and the share buyback programmes.

Continued strong financial foundation
The healthy levels of free cashflow and debt allowed the attractive dividend policy and the share buyback programme to be continued while also maintaining the strong financial foundation of the Group.

Total assets increased from CHF 3,556 million to CHF 3,641 million. Liquid funds increased from CHF 357 million to CHF 408 million. In addition, the Group had access to an undrawn, firmly committed operating credit line for the operating business of CHF 500 million. Debt increased from CHF 1,321 million in the previous year to CHF 1,373 million. Overall, net debt remained at the previous year's level at CHF 965 million at the end of 2024. Net working capital increased by CHF 30 million year-on-year to CHF 225 million. Property, plant and equipment increased from CHF 976 million to CHF 1,045 million, while goodwill and intangible assets fell from CHF 1,340 million to CHF 1,332 million. The ratio of net debt to equity (gearing) increased from 73.1% in the previous year to 74.1%. The equity ratio decreased to 35.8% (previous year 37.1%). The ratio of net debt to EBITDA increased slightly to 1.1x (previous year 1.0x). Based on average equity, the return on equity (ROE) was 45.5% (previous year 44.6%). Average invested operating capital, comprising net working capital, property, plant and equipment, goodwill and intangible assets, amounted to CHF 2,707 million at the end of 2024 (previous year CHF 2,724 million). The return on invested capital (ROIC) decreased to 23.0% (previous year 23.6%), mainly due to the higher tax rate driven by the OECD minimum taxation law in force since 2024.

Strategic stability despite difficult-to-predict marketing demand
Investments in property, plant and equipment and intangible assets amounted to CHF 182 million in 2024, which is CHF 15 million or 7.6% less than in the previous year. As a percentage of net sales, the investment ratio was 5.9% (previous year 6.4%). The lower investments were due to a planned reduction in the volume of strategic plant expansions compared to the previous year. However, based on our strategic stability, all important, larger investment projects were carried out as planned.

In the production sites, an increase in productivity of 3% was reached. This increase was achieved primarily through measures aimed at improving efficiency. As market demand was difficult to predict, a high degree of operational flexibility continued to be required. With this in mind, processes were further optimised at all plants and the energy and material efficiency increased, while investments were made in the future of the plants and their capacities for handling future growth as part of strategic stability measures. In the ceramic production network, the implementation of the specialisation strategy was continued and, at the same time, the further automation of individual production processes was promoted.

Number of employees increased
At the end of 2024, the Geberit Group employed a total of 11,110 people worldwide. This corresponds to an increase of 163 employees or +1.5% compared to the previous year. The increase is due to capacity adjustments in production and logistics as a result of the higher volumes compared to the previous year, as well as various growth initiatives in developing markets.

Innovation as the foundation for future growth
Geberit’s innovative strength, which is above average for the sector, is founded on its own, wide-ranging research and development activities. In the reporting year, a total of CHF 74 million (previous year CHF 70 million) – or 2.4% of net sales – was invested in the development and improvement of products, processes and technologies. Additionally, as part of the investments in property, plant and equipment and intangible assets, considerable sums were invested in tools and equipment for the production of newly developed products. In the reporting year, 33 patents were applied for, in the last five years a total of 163 patents.

Eco-efficiency continuously improved

The absolute environmental impact of the Geberit Group increased by 2.4% in 2024 due to volume-related reasons. Currency-adjusted net sales increased by 2.5% in the same period. In contrast, the relative environmental impact (eco-efficiency; calculated from environmental impact in relation to currency-adjusted net sales) remained stable. Since the integration of the energy-intensive ceramics production in 2015, eco-efficiency has improved by 62.6%, corresponding to an average annual improvement of 10.3%. Geberit therefore remains on course to achieve its long-term target of an average improvement of 5% per year

Continued attractive distribution policy

As in previous years, the attractive distribution policy will be maintained. A dividend increase of 0.8% to CHF 12.80 will therefore be proposed to the General Meeting. The payout ratio of 72.5% of net income is just above the 50% to 70% corridor defined by the Board of Directors.

In 2024, CHF 419 million was distributed to shareholders as part of the dividend payment. As part of the concluded and of the ongoing share buyback programme, a total of 230,095 shares were acquired at a sum of CHF 121 million in the reporting year. As a result, CHF 540 million, or 88% of the free cashflow, was distributed to shareholders as part of the dividend payment and the share buyback programmes in 2024, which equates to 3.0% of Geberit's market capitalisation as of 31 December 2024. Over the last five years, around CHF 3.3 billion has been paid back to shareholders in the form of distributions or share buybacks, which corresponds to 100.6% of the free cashflow in this period.

Outlook 2025

Geopolitical risks and the associated macroeconomic uncertainties have increased further. At the same time, developments such as artificial intelligence will continue to accelerate technological change. Overall, the global economy will face considerable uncertainties in 2025. While Europe is facing subdued growth prospects, possible additional US tariffs could have a negative impact on economic development in the US and on the global economy. In particular, the central banks' forecasted interest rate cuts could come under pressure due to inflation fears. These geopolitical and macroeconomic risks are leading to corresponding uncertainties in the building construction industry.

Despite the uncertain environment, demand in the building construction industry is expected to stabilise overall during the course of 2025 after the sharp declines since mid-2022.

Regardless of the market environment, Geberit's focus in 2025 will again be on implementing various strategic initiatives, including the following:

- the further expansion of the piping business with the newly launched products FlowFit, Mapress Therm and SuperTube,
- the shower toilet business, driven mainly by the entry-level model AquaClean Alba launched in 2024,
- the consistent advancement of dedicated growth initiatives outside Europe, and
- the optimisation of the ceramics plants through the specialisation strategy.

Both the Board of Directors and the Group Executive Board are convinced that the Geberit Group is very well equipped and positioned to meet current and upcoming opportunities and challenges. This assessment is based on the stable and long-term strategy, the proven business model with strong customer relationships and the industry-leading financial stability.

For further information, please contact:
Geberit AG
Schachenstrasse 77, CH-8645 Jona

Christian Buhl, CEO	Tel. +41 (0)55 221 63 46
Tobias Knechtle, CFO	Tel. +41 (0)55 221 66 39
Roman Sidler, Corporate Communications & IR	Tel. +41 (0)55 221 69 47

About Geberit

The globally operating Geberit Group is a European leader in the field of sanitary products and celebrated its 150th anniversary in 2024. Geberit operates with a strong local presence in most European countries, providing unique added value when it comes to sanitary technology and bathroom ceramics. The production network encompasses 26 production facilities, of which 4 are located overseas. The Group is headquartered in Rapperswil-Jona, Switzerland. With around 11,000 employees in approximately 50 countries, Geberit generated net sales of CHF 3.1 billion in 2024. The Geberit shares are listed on the SIX Swiss Exchange and have been included in the SMI (Swiss Market Index) since 2012.

Key financial figures as of 31 December 2024

Millions of CHF	**1.1. – 31.12.2024**	**1.1. – 31.12.2023**
Net sales	3,085	3,084
Change in %	+0.1	-9.1
Change in %, currency-adjusted	+2.5	-4.8
Operating cashflow (EBITDA)	913	921
Change in %	-0.9	+1.4
Margin in % of net sales	29.6	29.9
Operating profit (EBIT)	762	769
Change in %	-0.9	+1.8
Margin in % of net sales	24.7	24.9
Net income	597	617
Change in %	-3.2	-12.6
Margin in % of net sales	19.4	20.0
Earnings per share (CHF)	18.06	18.39
Change in %	-1.8	-10.2
	31.12.2024	**31.12.2023**
Equity	1,302	1,320
Equity ratio in %	35,8	37.1
Net debt	965	965
Number of employees (FTE)	11,110	10,947

Please visit our website www.geberit.com as well as our online Annual Report on www.geberit.com/annualreport for additional information.