

Ad hoc announcement pursuant to Art. 53 LR

Quarterly report as of 31 March 2022

Very strong sales growth under challenging conditions

Geberit AG, Rapperswil-Jona, 4 May 2022

The Geberit Group posted good results in a very challenging environment in the first quarter of 2022. The challenges in the supply chains were successfully overcome. While the first quarter of 2022 saw extremely strong sales growth, there were also negative currency effects, plus massive price increases for raw materials, energy and transport that were partially offset through sales price increases. Consolidated net sales increased by 7.8% to CHF 980 million in the first quarter of 2022. Adjusted for currency effects, the increase even came to 13.0%. Results in local currencies saw increases on all levels. However, in Swiss francs, operating cashflow (EBITDA) fell by 3.7% to CHF 303 million. At 30.9%, the EBITDA margin again reached a very pleasing level. The decline in the operating result and a financial result in line with the level seen in the previous year led to a decrease in net income of 5.3% to CHF 220 million, corresponding to a return on net sales of 22.5%. By comparison, earnings per share saw a less than proportional decrease of 3.7% to CHF 6.29 due to the positive impact of the share buyback programme. In contrast, earnings per share increased by 3.7% in local currencies. Following the conclusion of the ongoing share buyback programme, it is also planned to start a new programme where shares amounting to a maximum of CHF 650 million will be repurchased over a maximum period of two years.

In the first quarter of 2022, net sales for the Geberit Group increased by 7.8% to CHF 980 million. This increase was impacted by negative currency effects of CHF 48 million, which reduced net sales by 5.2%. Adjusted for currency effects, this resulted in a substantial increase of 13.0%, which means that the pace of growth was once again significantly higher compared to the second half of the previous year despite the strong basis for comparison. This growth is again significantly above normal levels, and was due to sales price increases – which contributed to around half of the sales growth – and positive volume effects. The positive volume effects are down to the continuing strong demand in the construction industry and pull-forward effects in view of further upcoming price increases. Despite the considerable challenges along the supply chains, the Group was for the most part able to safeguard product availability in the first three months of 2022.

In currency-adjusted terms, net sales in Europe grew by 13.0%, in the Far East/Pacific by 20.2%, in the Middle East/Africa by 14.9% and in America by 4.5%. The war in Ukraine did not have a material impact on sales development in the first quarter of the year. In the product areas, Piping Systems increased by 19.3%, Installation and Flushing Systems by 14.4% and Bathroom Systems by 5.5%.

The massive price increases for raw materials (+24% in currency-adjusted terms compared to the same period of the previous year), energy (+94%) and transport were partially offset through sales price increases. Negative currency effects and tariff-related increases in personnel expenses also had a negative impact on results. In the first quarter of 2022, results in local currencies increased at all levels. In contrast, results in Swiss francs saw a drop due to negative currency effects. Operating cashflow (EBITDA) decreased by 3.7% to CHF 303 million, which corresponds to an EBITDA margin that remains at a very pleasing 30.9% (previous year 34.6%). Adjusted for negative foreign currency effects, the EBITDA saw an increase of 2.5%. Operating profit (EBIT) fell by 5.0% to CHF 263 million, corresponding to an EBIT margin of 26.8% (previous year 30.4%). The decline in the operating result and a financial result in line with the level seen in the previous year led to a decrease in net income of

5.3% to CHF 220 million, corresponding to a return on net sales of 22.5% (previous year 25.6%). By comparison, earnings per share saw a less than proportional decrease of 3.7% to CHF 6.29 due to the positive impact of the share buyback programme. In contrast, earnings per share increased by 3.7% in local currencies.

The forecasts for the current year have not changed significantly since the announcement of the full-year results for 2021 last March. The demand in the construction industry remains strong, both in residential and commercial construction and in new buildings and renovations. An outlook is not being provided at this particular time as the significantly increased geopolitical risks and ongoing uncertainties in relation to the COVID-19 pandemic make it very difficult to do so. In particular, risks in the supply chains have dramatically increased since the outbreak of war in Ukraine, which will lead to further rapid increases in raw material prices. Raw material prices relevant to Geberit are expected to rise further in the second quarter compared to the first quarter of 2022 at around 10%, a figure that is significantly up on previous quarters. The unprecedented cost inflation will lead to major increases in sales prices towards the middle of the year.

Based on the very healthy financial foundation of the Group, the Board of Directors has also decided to repurchase shares amounting to a maximum of CHF 650 million as part of a new share buyback programme running for a maximum period of two years. The new programme is planned to start in the third quarter at the latest once the ongoing programme has been concluded.

Management remains convinced that Geberit is very well equipped and positioned to meet current challenges in order to emerge stronger from this environment of high uncertainty and risk.

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About Geberit

The globally operating Geberit Group is a European leader in the field of sanitary products. 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 12,000 employees in approximately 50 countries, Geberit generated net sales of CHF 3.5 billion in 2021. 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 March 2022

Millions of CHF	1/1 – 31/03/2022	1/1 – 31/03/2021
Net sales	980	910
Change in %	+7.8	+14.0
Change in %, currency-adjusted	+13.0	+13.0
Operating cashflow (EBITDA)	303	315
Change in %	-3.7	+21.1
Margin in % of net sales	30.9	34.6
Operating profit (EBIT)	263	276
Change in %	-5.0	+23.6
Margin in % of net sales	26.8	30.4
Net income	220	233
Change in %	-5.3	+26.7
Margin in % of net sales	22.5	25.6
Earnings per share (CHF)	6.29	6.53
Change in %	-3.7	+28.0
	31/03/2022	31/12/2021
Equity	1873	1988
Equity ratio in %	49.2	52.7
Net debt	607	273
Number of employees	11,865	11,809

Please visit our website www.geberit.com for additional information.