

# Dätwyler Holding Inc.

Income Statement	F44
Balance Sheet	F45
Notes to the Financial Statements	F46
Proposed Appropriation of Retained Earnings	F51
Report of the Statutory Auditor on the Financial Statements	F52

## Income Statement

in CHF	Notes	2023	2022
Dividend income from subsidiaries	2.1	72'007'976	52'216'836
Trademark income	2.2	13'757'140	14'287'000
Reversal of provisions	2.3	489'256	66'879
Personnel expenses		-2'055'970	-1'690'949
Other operating expenses	2.4	-2'151'458	-2'520'694
<b>Income before interest and taxes</b>		<b>82'046'944</b>	<b>62'359'072</b>
Financial expenses	2.5	-9'987'693	-6'176'091
Financial income	2.6	16'719'416	12'478'817
<b>Earnings before taxes</b>		<b>88'778'667</b>	<b>68'661'798</b>
Direct taxes		-1'652'241	-1'600'385
<b>Net result</b>		<b>87'126'426</b>	<b>67'061'413</b>

*The accompanying notes are an integral part of these financial statements.*

## Balance Sheet

### Assets

in CHF	Notes	31.12.2023	31.12.2022
Cash and cash equivalents		751'444	1'150'847
Other current receivables		13'138'782	27'503'996
– Due from third parties		483'176	595'838
– Due from subsidiaries		12'655'606	26'908'158
<b>Total current assets</b>		<b>13'890'226</b>	<b>28'654'843</b>
Financial assets: Long-term receivables from subsidiaries	2.7	1'190'688'000	1'100'918'600
Investments in subsidiaries	2.8	327'678'918	327'678'918
Intangible assets: Trademarks		1	1
<b>Total non-current assets</b>		<b>1'518'366'919</b>	<b>1'428'597'519</b>
<b>Total assets</b>		<b>1'532'257'145</b>	<b>1'457'252'362</b>

### Liabilities and shareholders' equity

in CHF	Notes	31.12.2023	31.12.2022
Current liabilities third parties		2'920'873	3'770'033
Short-term interest-bearing liabilities: 0.625% Bond, repayable on 30 May 2024	2.9	150'000'000	–
Current provisions		280'000	415'000
Accrued expenses and deferred income		1'258'981	1'363'109
<b>Total current liabilities</b>		<b>154'459'854</b>	<b>5'548'143</b>
Long-term interest-bearing liabilities due to Pema Holding AG		198'000'000	154'000'000
Long-term interest-bearing liabilities: Bond, repayable on 13 July 2027	2.9	240'000'000	390'000'000
Long-term provisions		667'646	1'301'000
<b>Total long-term liabilities</b>		<b>438'667'646</b>	<b>545'301'000</b>
<b>Total liabilities</b>		<b>593'127'500</b>	<b>550'849'143</b>
Share capital	2.10	850'000	850'000
Statutory capital reserves		83'000'000	83'000'000
Statutory retained earnings		4'000'000	4'000'000
Voluntary retained earnings	2.12	305'263'318	305'263'318
Retained earnings available for distribution		546'016'327	513'289'901
– Profit carried forward		458'889'901	446'228'488
– Net result		87'126'426	67'061'413
<b>Total shareholders' equity</b>		<b>939'129'645</b>	<b>906'403'219</b>
<b>Total liabilities and shareholders' equity</b>		<b>1'532'257'145</b>	<b>1'457'252'362</b>

The accompanying notes are an integral part of these financial statements.

# Notes to the Financial Statements

## 1 / VALUATION PRINCIPLES

These Financial Statements were prepared in accordance with the provisions of the Swiss Code of Obligations concerning accounting and financial reporting standards (SCO 957 ff.). Significant balance sheet items are reported as follows.

### **Financial assets and investments in subsidiaries**

Financial assets are measured at nominal value less necessary impairment charges. Investments in subsidiaries are measured individually at purchase price less necessary impairment charges.

### **Measurement of liabilities/bonds**

Liabilities including bonds are carried at nominal value.

## 2 / EXPLANATIONS CONCERNING THE FINANCIAL STATEMENTS

Dätwyler Holding Inc. is domiciled in Altdorf.

The average number of full-time equivalents in the course of a year does not exceed ten employees.

### **2.1 / DIVIDEND INCOME FROM SUBSIDIARIES**

Dividend income from subsidiaries comprises profit distributions from subsidiaries.

### **2.2 / TRADEMARK INCOME**

The right to use the trademark Dätwyler is invoiced to subsidiaries and related companies.

### **2.3 / REVERSAL OF PROVISIONS**

In 2019, a provision for onerous contracts was charged to income. In 2023 as in the previous year, a part of this provision was reversed to income.

### **2.4 / OTHER OPERATING EXPENSES**

This item comprises Dätwyler Holding Inc.'s general costs of doing business. Dätwyler Holding Inc. has no operating costs, as these are charged in full to Alvest AG and then in turn to the subsidiaries. "Stewardship costs" (Dätwyler Holding Inc. administrative expenses) are charged to Dätwyler Holding Inc.

### **2.5 / FINANCIAL EXPENSES**

Financial expenses mainly include interest expenses for bonds, interest to Pema Holding AG, foreign currency effects, commissions and finance charges.

### **2.6 / FINANCIAL INCOME**

Financial income is derived primarily from interest-bearing assets of subsidiaries and foreign currency effects.

## **2.7 / LONG-TERM RECEIVABLES FROM SUBSIDIARIES**

These are Swiss franc and Euro denominated long-term loans receivable from subsidiaries. Foreign currency balances are fully hedged.

## **2.8 / INVESTMENTS IN SUBSIDIARIES**

Dätwyler Holding Inc.'s direct and indirect subsidiaries are disclosed in note 34 to the consolidated financial statements.

## **2.9 / BONDS**

On 15 June 2022, a 2.1% CHF 240.0 million bond was placed with a five-year term and annual interest payments starting on 13 July 2023. This bond was paid up on 13 July 2022 at an issue price of 100.035%. On 30 May 2018, a 0.625% CHF 150.0 million bond was placed at an issue price of 100.368%. Interest payments are due annually on 30 May and the bond is repayable on 30 May 2024.

## **2.10 / SHARE CAPITAL**

in CHF	31.12.2023	31.12.2022
22'000'000 registered shares at CHF 0.01 par	220'000	220'000
12'600'000 bearer shares at CHF 0.05 par	630'000	630'000
<b>Share capital</b>	<b>850'000</b>	<b>850'000</b>

Shares in Dätwyler Holding Inc. are listed on the SIX Swiss Exchange. Each registered share and each bearer share, regardless of nominal value, carries one vote at the General Meeting of Shareholders, with the exception of bearer treasury shares.

All 22'000'000 registered shares along with 5'041'465 of the total 12'600'000 bearer shares are held by Pema Holding AG, Altdorf, resulting in a percentage of capital of 55.54% and a percentage of voting shares of 78.15%.

The Board of Directors is not aware of any further shareholders or of shareholder voting pools whose interest reaches 3% of all votes.

## **2.11 / SHARE OWNERSHIP AND LONG-TERM INCENTIVE PLAN / TREASURY SHARES**

In the current year, a total of 20'320 (previous year 19'152) bearer shares were acquired by Alvest AG in two transactions. In April, 13'876 (previous year 14'416) bearer shares were acquired at the current stock exchange price of CHF 199.80 (previous year CHF 307.50) and distributed to the participants of the long-term incentive plan of the group. In June, another 6'444 (previous year 4'736) bearer shares were acquired at the current stock exchange price of CHF 220.00 (previous year CHF 230.50) and then allocated to the members of the Board of Director within the scope of the share award plan with a total value of CHF 1'417'680 (previous year CHF 1'091'648), see Remuneration Report. At the end of 2023 and 2022, no treasury shares were held.

## **2.12 / VOLUNTARY RETAINED EARNINGS**

The voluntary retained earnings represent a free reserve at the disposal of the General Meeting of Shareholders.

## **2.13 / SURETIES, GUARANTEES AND PLEDGE COMMITMENTS IN FAVOUR OF THIRD PARTIES**

On joint and several liability basis, guarantees amounting to USD 55.0 million (previous year USD 155.0 million) and lines of credit in the amount of CHF 17.9 million (previous year CHF 18.1 million) were granted to various subsidiaries, of which CHF 0.5 million (previous year CHF 0.5 million) were used. In addition, no guarantees were outstanding as of the balance sheet date (previous year CHF 3.1 million for rental commitments).

## **2.14 / JOINT AND SEVERAL LIABILITY**

Since 1 January 2009 the company has been a member of the value-added tax group under the number CHE-116.346.605 MWST. The principal member of the group is Alvest AG, Altdorf. For the term of its membership in this group, the company bears joint and several liability pursuant to Art. 15 para. 1 lit c of the VAT Act.

## **2.15 / CONTINGENT LIABILITIES**

In the normal course of business, risks arise in connection with such matters as legal disputes and pending or disputed tax assessments that could potentially lead to liabilities (contingent liabilities). The amount involved in most current cases is immaterial. Where the outcome of such cases is unclear or the risk is unquantifiable or the likelihood of an outflow of funds is unlikely, no provisions are being made. Provisions are being made where the outcome can be estimated or an outflow of funds is probable.

## 2.16 / BOARD OF DIRECTORS AND EXECUTIVE BOARD SHAREHOLDINGS

As at 31 December 2023, the individual members of the Board of Directors and Executive Management and their related parties held the following quantities of the company's equity securities:

### Board of Directors shareholdings 2023

Last name, first name	Position	Number of shares	% of voting rights	Of which blocked until				
				2024	2025	2026	2027	2028
Hälg, Paul J.	Chairman	37'539	0.108494	2'168	2'016	1'125	1'092	1'487
Fässler, Hanspeter	Vice-Chairman	14'586	0.042156	1'511	1'406	682	662	901
Breu, Jens	Member	3'588	0.010370	986	917	512	497	676
Cornaz, Claude R.	Member	4'377	0.012650	986	917	512	497	676
Fedier, Jürg	Member	7'677	0.022188	986	917	512	497	676
Hirzel, Martin	Member	1'685	0.004870	0	0	512	497	676
Huber, Gabi	Member	10'046	0.029035	986	917	512	497	676
van Walsum, Judith	Member	1'173	0.003390	0	0	0	497	676

Share type: Bearer share, nom. CHF 0.05

Voting rights per bearer share: 0.00000289%

### Executive Management shareholdings 2023

Last name, first name	Position	Number of shares	% of voting rights	Of which blocked until				
				2024	2025	2026	2027	2028
Lambrecht, Dirk	CEO	22'160	0.064046	0	0	0	0	0
Scherz, Walter	CFO	2'850	0.008237	0	0	0	0	0
Borghs, Dirk	COO	1'623	0.004691	0	0	0	0	0
Gérard, Sabrina	CSO	0	–	0	0	0	0	0
Schön, Frank	CTO	1'147	0.003315	0	0	0	0	0

Share type: Bearer share, nom. CHF 0.05

Voting rights per bearer share: 0.00000289%

## Board of Directors shareholdings 2022

Last name, first name	Position	Number of shares	% of voting rights	Of which blocked until				
				2023	2024	2025	2026	2027
Hälg, Paul J.	Chairman	36'052	0.104197	1'736	2'168	2'016	1'125	1'092
Fässler, Hanspeter	Vice-Chairman	13'685	0.039552	1'210	1'511	1'406	682	662
Breu, Jens	Member	2'912	0.008416	0	986	917	512	497
Cornaz, Claude R.	Member	3'701	0.010697	789	986	917	512	497
Fedier, Jürg	Member	7'001	0.020234	789	986	917	512	497
Hirzel, Martin	Member	1'009	0.002916	0	0	0	512	497
Huber, Gabi	Member	9'370	0.027081	789	986	917	512	497
van Walsum, Judith	Member	497	0.001436	0	0	0	0	497

Share type: Bearer share, nom. CHF 0.05

Voting rights per bearer share: 0.00000289%

## Executive Management shareholdings 2022

Last name, first name	Position	Number of shares	% of voting rights	Of which blocked until				
				2023	2024	2025	2026	2027
Lambrecht, Dirk	CEO	15'802	0.045671	0	0	0	0	0
Scherz, Walter	CFO	1'290	0.003728	250	0	0	0	0
Borghs, Dirk	COO	63	0.000182	0	0	0	0	0
Gérard, Sabrina	CSO	0	—	0	0	0	0	0
Schön, Frank	CTO	0	—	0	0	0	0	0

Share type: Bearer share, nom. CHF 0.05

Voting rights per bearer share: 0.00000289%

## 2.17 / SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

None.



## Proposed Appropriation of Retained Earnings

### Retained earnings carried forward

in CHF	2023	2022
Profit carried forward	458'889'901	446'228'488
Net result	87'126'426	67'061'413
<b>Retained earnings at disposal of General Meeting of Shareholders</b>	<b>546'016'327</b>	<b>513'289'901</b>

### Proposal of the Board of Directors on the appropriation of retained earnings

in CHF	2023  Proposal of the Board of Directors	2022  Resolution of the General Meeting of Shareholders
<b>Retained earnings at disposal of General Meeting of Shareholders</b>	<b>546'016'327</b>	<b>513'289'901</b>
Distribution of cash dividend	-54'400'000	-54'400'000
– Registered shares: CHF 0.64 (previous year CHF 0.64)	-14'080'000	-14'080'000
– Bearer shares: CHF 3.20 (previous year CHF 3.20)	-40'320'000	-40'320'000
<b>To be carried forward</b>	<b>491'616'327</b>	<b>458'889'901</b>

# Report of the Statutory Auditor on the Financial Statements



## Statutory Auditor's Report

To the General Meeting of Dätwyler Holding AG, Altdorf

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of Dätwyler Holding AG (the Company), which comprise the balance sheet as at 31 December 2023, and the income statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements (pages F44 to F50) comply with Swiss law and the Company's articles of incorporation.

#### Basis for Opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the provisions of Swiss law, together with the requirements of the Swiss audit profession and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. We have determined that there are no key audit matters to communicate in our report.

#### Other Information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements, the stand-alone financial statements of the Company, the remuneration report and our auditor's reports thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### Board of Directors' Responsibilities for the Financial Statements

The Board of Directors is responsible for the preparation of the financial statements in accordance with the provisions of Swiss law and the Company's articles of incorporation, and for such internal control as the Board of



Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

#### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Swiss law and SA-CH, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

We communicate with the Board of Directors or its relevant committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors or its relevant committee with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Board of Directors or its relevant committee, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report, unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



### Report on Other Legal and Regulatory Requirements

In accordance with article 728a para. 1 item 3 CO and PS-CH 890, we confirm that an internal control system exists, which has been designed for the preparation of financial statements according to the instructions of the Board of Directors.

We further confirm that the proposed appropriation of available earnings complies with Swiss law and the Company's articles of incorporation. We recommend that the financial statements submitted to you be approved.

KPMG AG

A handwritten signature in dark ink, appearing to read 'Toni Wattenhofer'.

Toni Wattenhofer  
Licensed Audit Expert  
Auditor in Charge

A handwritten signature in dark ink, appearing to read 'M. Gamma'.

Melanie Gamma  
Licensed Audit Expert

Zurich, 5 February 2024

KPMG AG, Badenerstrasse 172, CH-8036 Zurich

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