Annual Report 2024

DKSH

Delivering Growth – in Asia and Beyond.

DKSH at a Glance

As a leading Market Expansion Services provider, we deliver growth for companies in Asia and beyond.

Our Business Units

Our Business Units focus on the fields of Healthcare, Consumer Goods, Performance Materials, and Technology, and offer a comprehensive range of Market Expansion Services to business partners in their respective areas.

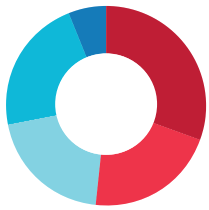
Healthcare
With a product range covering pharmaceuticals, consumer health, and over-the-counter health products, as well as medical devices, we offer services including product registration, marketing and sales, and capillary physical distribution.

Consumer Goods
Focusing on fast moving consumer goods, food services, hotel supplies, and luxury and lifestyle products, our services range from product feasibility studies to sales and marketing, and capillary physical distribution.

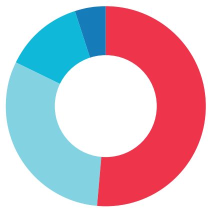
Performance Materials
We source, develop, market, and distribute a wide range of specialty chemicals and ingredients for the specialty chemicals, food and beverage, pharmaceutical, and personal care industries.

Technology
We cover a broad range of capital investment goods and analytical instruments for which we offer marketing, sales, distribution, and after-sales services.

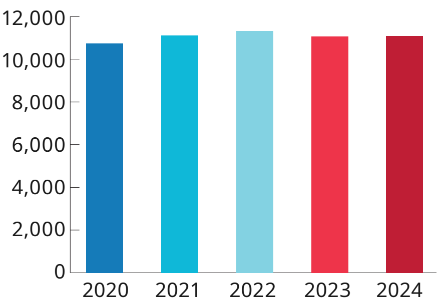
Net sales 2024 by region in %



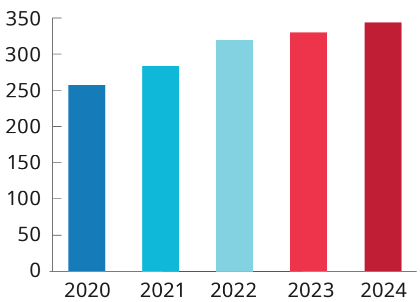
Net sales 2024 by Business Unit in %



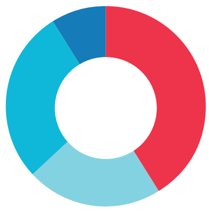
Net sales in CHF million (2020–2024)



Core EBIT in CHF million (2020–2024)



Core EBIT 2024 by Business Unit[2] in %



[1] Thereof Mainland China 2.4%.
[2] Excl. Business Unit "Other".

Contents

Letter to Shareholders

Stefan P. Butz, CEO, and Marco Gadola, Chairman

Dear shareholders,

In 2024, DKSH navigated an environment characterized by geopolitical uncertainties and macroeconomic challenges. In our markets, we observed cautious consumer sentiment, a slowly normalizing specialty chemicals market, and a persistent high demand for healthcare services. Despite these challenges, we demonstrated resilience and continued to build on our trajectory of sustainable and profitable growth.

Core EBIT (at CER, constant exchange rates) increased by 8.4% to CHF 343.1 million, highlighting the strength and scalability of our business model. Free cash flow totaled CHF 256.5 million, enabling us to accelerate our M&A strategy and to propose an increased ordinary dividend to our shareholders.

Our strategic efforts over recent years have delivered measurable success. Since 2020, we have achieved a consistent annual Core EBIT growth of 13.0% (at 2020 exchange rates), expanded our Core EBIT margin by 70 basis points, and generated more than CHF 1.2 billion in Free cash flow. During the same period, we returned more than CHF 650 million to our shareholders through dividends and executed 29 acquisitions to strengthen our portfolio.

In 2024, we established new partnerships with key clients, customers, and suppliers. One of the new partnerships worth highlighting is our largest single contract in Business Unit Healthcare with Kyowa Kirin, a Japan-based global specialty pharmaceutical company. In close collaboration with Kyowa Kirin, DKSH will provide end-to-end healthcare solutions with an emphasis on improving patient access to healthcare across six key markets to target diverse medical fields like nephrology. In addition to our strong business development activities, we have also grown through M&A, having closed four acquisitions in 2024. These initiatives have broadened our regional footprint, diversified our partner network, and enhanced our range of value-added services.

Digitalization remains high on our agenda. One of our most exciting projects in 2024 was the launch – together with Euris – of “ConnectPlus”, an advanced customer relationship management (CRM) and multi-channel engagement platform set to revolutionize healthcare distribution across Asia Pacific. This agile, data-driven solution streamlines operations by providing a 360-degree view of healthcare professionals and optimizing omnichannel strategies. In addition, we have grown our digital business by more than four times since 2019, achieving more than CHF 500 million of digitally initiated and transacted sales for the first time. This confirms DKSH’s consistent commitment to its digital strategy and the development of its performance marketing as well as eCommerce capabilities according to clients’ needs.

During 2024, we further advanced our Sustainability agenda. We continued to strengthen our social due diligence, reduced our Scope 1+2 CO_2 emissions, and report both higher numbers of women in senior leadership positions as well as increased employee engagement scores. We are proud that our sustainability achievements are recognized with an A rating in the MSCI ESG assessment.

In November 2024, DKSH held its third Capital Markets Day in London. At the event, DKSH outlined its mid-term roadmap based on the strategic priorities of growth, margin expansion, and accelerated M&A. We presented updated Business Unit strategies and communicated that we will continue to drive sustainability. Our performance reaffirms the robustness of our business model and our ability to navigate market complexities while delivering sustainable value to all stakeholders. With clear priorities and a strong financial foundation, we remain committed to achieving our mid-term objectives and driving long-term growth.

All Business Units Improved Performance

These achievements are reflected by the fact that all four Business Units increased their net sales and Core EBIT at CER compared to 2023.

Business Unit Healthcare recorded a net sales growth of 6.0% (at CER) and a stronger Core EBIT growth of 11.0% (at CER), corresponding to the fourth consecutive year of Core EBIT growth and resulting in a Core EBIT margin of 2.9% (+10 basis points). Major contributors were the strong underlying markets, the successful business expansion with both existing and new clients in key markets, the continued shift to the higher-margin Commercial Outsourcing business, as well as the continued focus on the Own Brands business. The Business Unit will continue to enhance its leading position and drive into higher-margin segments and services.

Business Unit Consumer Goods achieved a Core EBIT increase of 12.7% (at CER) and drove a net sales growth of 1.6% (at CER) to CHF 3.4 billion, aided by a combination of solid market share gains in Vietnam, Australia and New Zealand as well as a positive contribution from the beauty care acquisition (CS&Co). The focus has also been on further improving margins and scale through secondary growth engines, with a strong performance by the Own Brands business. DKSH exceeded its mid-term Core EBIT target of 2.5% reaching a Core EBIT margin of 2.6% in 2024. The Business Unit will further leverage its leadership position to drive profitable growth in Asia Pacific.

Business Unit Performance Materials recorded a net sales growth of 1.2% (at CER) in a challenging market environment, with a stronger momentum in the second half. Driven by gross margin expansion, Core EBIT in 2024 was CHF 114.0 million and grew by 2.4% (at CER) with a slightly higher Core EBIT margin of 8.1%. Core EBITA was CHF 123.3 million (+2.1% at CER) and the Core EBITA margin expanded from 8.7% to 8.8%, with a strong performance in Asia Pacific, where the Business Unit grew both its life science and industrial segments. This scalable and global business model combined with further industry consolidation potential provide future growth opportunities to the Business Unit.

Business Unit Technology delivered a strong second half of 2024, achieved net sales growth of 6.9% (at CER) and marginally increased Core EBIT by +0.6% (at CER). In a difficult macro environment, this result reflects the continued resilience and strong strategy execution, following the record performance in 2023. Business Unit Technology will continue to focus investments in its Business Lines Scientific Solutions, Semiconductor and Electronics, Precision Machinery, as well as its Consumables and Services business. At the same time, the Business Unit will continue to capitalize on market consolidation opportunities, as recently demonstrated with the acquisition of CLMO.

Proposed Dividend Increase Reflects Strong Financial Performance

In light of our solid financial results for the past fiscal year, the Board of Directors will propose an ordinary dividend of CHF 2.35 per share at the upcoming Ordinary General Meeting. This represents an increase of CHF 0.10 per share compared to the previous year, corresponding to a year-over-year growth of 4.4%. Subject to approval at the Ordinary General Meeting, the payment date for the dividend is set to start on April 2, 2025 with a record date of April 1, 2025, and an ex-dividend date of March 31, 2025. Since the listing in 2012, we will then have paid a higher ordinary dividend 12 years in a row, making DKSH one of the few Swiss companies with a track record of at least ten years of consecutive dividend increases. We also remain committed to advancing our M&A strategy to drive long-term value creation for our shareholders.

DKSH is committed to its mid-term roadmap, highlighting that its outlook for 2025 aligns with these goals. The company expects Core EBIT in 2025 to be higher than in 2024. This outlook assumes economic growth in Asia Pacific, constant exchange rates, and barring any unforeseen events. The Group remains confident about Asia Pacific's long-term potential and is well-positioned to benefit from favorable market, industry, and M&A consolidation trends.

As a leading provider of distribution services, we benefit from a deep understanding of local markets and a robust regional infrastructure. This enables us to deliver tailored solutions that meet the diverse needs of our clients and customers. We will continue to drive business development through executing our strategy, embracing digitalization, fostering cultural transformation, prioritizing sustainability, and pursuing strategic M&A opportunities, all while maintaining a focus on operational excellence.

We sincerely thank our employees for their valuable contributions and our stakeholders for their ongoing support and trust. As we enter 2025, we are especially excited to celebrate DKSH's 160th anniversary in Japan and look forward to strengthening our partnerships and achieving new milestones together.

Sincerely yours,

Marco Gadola
Chairman

Stefan P. Butz
CEO

DKSH Share Information

Share Price and Market Capitalization

in CHF	2024	2023
Share price (end of period)[1]	67.30	58.40
High[1]	69.10	80.95
Low[1]	54.00	55.30
Market capitalization in CHF millions (end of period)[1]	4,377	3,799
Dividend per share	2.35[2]	2.25

Share Information

Listing	SIX Swiss Exchange
Ticker symbol	DKSH
ISIN	CH0126673539
Swiss security number	12667353
Category	Registered shares
Number of fully paid registered shares	65,042,963
Par value	CHF 0.10

Significant Shareholders

Shareholdings in %[3]	2024
Diethelm Keller Holding AG, 8008 Zurich, Switzerland	45.0
UBS Fund Management (Switzerland) AG, Basel, Switzerland	5.0
Black Creek Investment Management Inc., Canada	3.0

[1] Source: SIX Swiss Exchange.
[2] Proposed by the Board of Directors.
[3] For details please see section Significant Shareholders of the Corporate Governance Report.

Key Figures

Consolidated Income Statement				At CER[1]
in CHF millions	2024	2023	Change in %	Change in %
Net sales	11,093.6	11,066.0	0.2	4.0
Core operating profit (EBIT)	343.1	329.9	4.0	8.4
Operating profit (EBIT)	333.9	305.9	9.2	13.9
Core profit after tax	225.7	205.0	10.1	13.9
Profit after tax	220.9	189.9	16.3	20.4
Free cash flow	256.5	282.3	(9.1)	n/a

Consolidated Statement of Financial Position		
in CHF millions	December 31, 2024	December 31, 2023
Total assets	5,848.3	5,471.2
Equity attributable to the shareholders of DKSH Holding Ltd.	1,820.6	1,686.9
Net operating capital (NOC)	1,788.0	1,692.4
Net cash	48.1	6.5
Core return on net operating capital (RONOC) (in %)	19.7	18.7
Core return on equity (ROE) (in %)	12.1	11.7

Earnings per Share		
in CHF	2024	2023
Basic earnings per share	3.31	2.80
Diluted earnings per share	3.30	2.80

Other		
	December 31, 2024	December 31, 2023
Headcount	28,063	29,040
Full-time equivalents	26,167	27,062

[1] Constant exchange rates (CER): 2024 figures converted at 2023 exchange rates.

Sustainability

We take responsibility for the environmental, social, and economic impacts of our business activities.

Our commitment to creating a sustainable future means we also manage long-term, profitable growth in a responsible manner.

Sustainability Is an Integral Part of Our Business
Sustainability is one of DKSH's five values. We take responsibility for the environmental, social, and economic impact of our business activities as determined by our materiality assessment. Our commitment to creating a sustainable future means we want to achieve long-term, profitable growth in a responsible manner. We believe sustainable value creation goes hand-in-hand with responsible governance and managing the impacts our activities have on society and the environment. Providing access to markets and products is our core activity, and creating employment opportunities is also vital. After all, our activities are guided by our purpose to enrich people's lives through our contribution to sustainable development in the markets and communities where we operate.

Sustainability Strategy
Our Group Strategy is confirmed by our highest governance body, the Board of Directors. It includes Business Unit strategies as well as functional and thematic strategic priorities. While our Business Unit strategies include specific sustainability goals, sustainability itself is one of the Group Strategy's core focus areas.

Our sustainability strategy is defined in a collaborative way. All Business Units and relevant functions work together to identify the strategic priorities and translate them into strategic initiatives, which are then implemented by the Business Units or functions. Through this method, we aim to become a more sustainable company by utilizing a decentralized approach across our various Business Units and Functions. Group Strategy and Group Sustainability oversee the sustainability strategy and review process.

Our ambition is for each Business Unit to take a proactive and competitive approach to sustainability.

Enable Our People to Flourish
Human Rights | Developing Our Talent | Embracing Diversity | Employee Engagement

Make Our Value Chains More Sustainable
Human Rights | Responsible Procurement | Environmental Stewardship

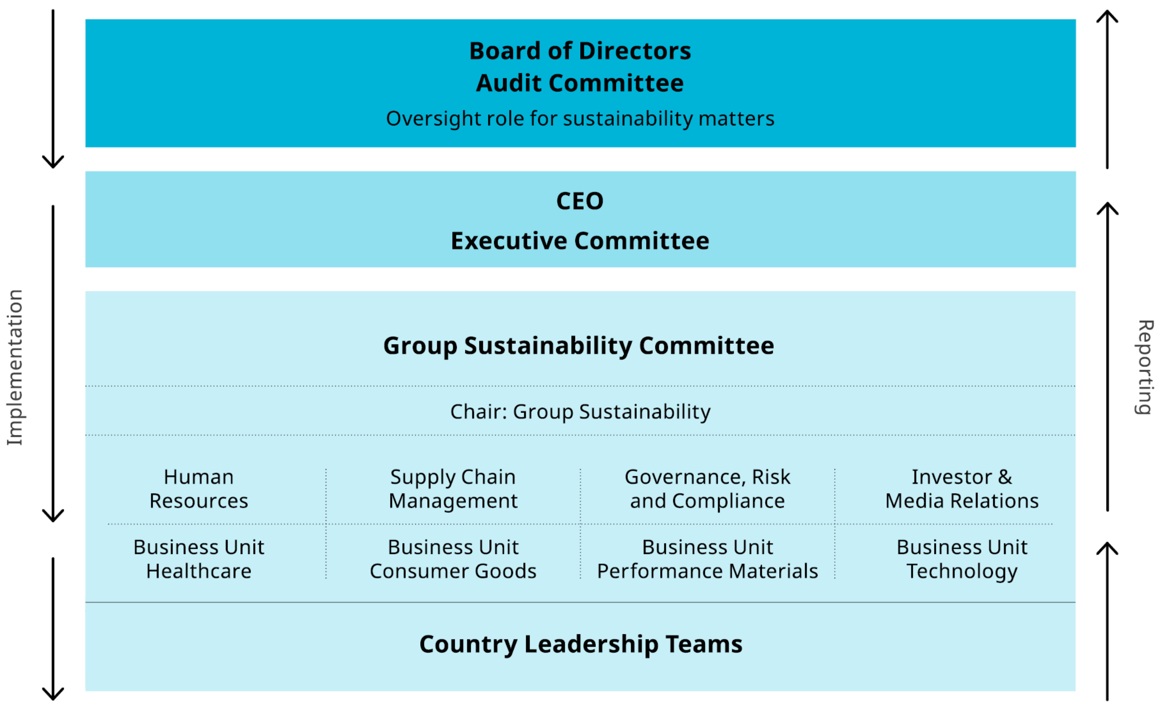
Achieve Net-Zero Emissions
Emissions Transparency | Science-Based Target | Net-Zero Operations

Make a Positive Local Impact
Community Engagement | Social Impact

Sustainability Governance
DKSH's Board of Directors (BoD) governs sustainability by approving the Group's key sustainability objectives and strategies, including climate change and human rights-related matters. It also endorses the results of the Materiality Assessment, oversees the execution of our sustainability strategy, and provides guidance on sustainability topics. Additionally, the BoD approves the annual Sustainability Report for endorsement by shareholders at the Annual General Meeting.

The Executive Committee (ExCo) is DKSH's highest executive management body and is regularly updated by the CEO on all material matters relating to sustainability. It reviews and endorses sustainability objectives and strategies proposed by Group Sustainability for approval by the BoD. DKSH's climate, environmental, social, and governance performance is one component of our ExCo's annual variable bonus, which incentivizes the achievement of our sustainability targets.

For more information regarding sustainability at DKSH please refer to the DKSH Sustainability Report 2024



Corporate Governance

In overseeing an international company operating in 36 markets, DKSH's Board of Directors has committed itself to maintaining the highest standards of integrity and transparency in its governance.

DKSH Holding Ltd. (the Company) is committed to good corporate governance standards and considers compliance with such standards as indispensable for a sustainable and valuable relationship with its stakeholders and the Group's future success. This Corporate Governance Report contains the information required by the Directive on Information Relating to Corporate Governance of the SIX Swiss Exchange valid as of December 31, 2024, and follows the Directive's structure. The Corporate Governance Report and the Compensation Report also contain the legally required disclosure of compensation and participation rights at the highest corporate level. The principles and rules of Corporate Governance as practiced by the Company are laid down in the Articles of Association and further internal regulations. These are reviewed on a regular basis by the Board of Directors of the Company.

1. Group Structure and Shareholders

Group Structure

Operational Group Structure

The operational structure of the Group corresponds to the segment reporting presented in Note 3 to the Consolidated Financial Statements:

- Healthcare
- Consumer Goods
- Performance Materials
- Technology
- Other (non-Business Unit)

Listed Companies of the Group

The Company, the ultimate holding company of the Group, has its registered office in Zurich, Switzerland, and its shares are listed on the SIX Swiss Exchange, Zurich, according to the Main Standard. On December 31, 2024, the Company's market capitalization amounted to CHF 4,377 million (65,042,963 marketable shares at CHF 67.30 per share).

On December 31, 2024, of the total of the Company's share capital on the closing date:
• the free float consisted of 35,775,233 shares = 55.0%, and
• 71,165 treasury shares

The Company's shares are traded under the symbol "DKSH", the security number is 12667353, and ISIN is CH0126673539.

DKSH Holdings (Malaysia) Berhad, of which the Company indirectly holds a 74.31% participation, has its registered office in Petaling Jaya, Selangor, Malaysia, and its shares are listed on Bursa Malaysia Securities Berhad (Main Market), Malaysia. On December 31, 2024, DKSH Holdings (Malaysia) Berhad's market capitalization amounted to MYR 788.3 million (157,658,076 ordinary shares at MYR 5.00 per share). DKSH Holdings (Malaysia) Berhad's shares are traded under the stock name "DKSH", the stock code is 5908, and ISIN is MYL5908OO008.

PT Wicaksana Overseas International Tbk, of which the Company holds a 80.88% participation as of December 31, 2024, has its registered office in Jakarta Utara, Indonesia, and its shares are listed on Indonesia Stock Exchange, Indonesia. On December 31, 2024, PT Wicaksana Overseas International Tbk's market capitalization amounted to IDR 294 billion (2,393,710,348 ordinary shares at IDR 123 per share). PT Wicaksana Overseas International Tbk's shares are traded under the stock name "WICO", the stock code is WICO, and ISIN is ID1000066301.

Significant Group Companies

The principal subsidiaries of the Group are disclosed in Note 35 to the Consolidated Financial Statements, including particulars as to the market, name of the company, registered office, share capital and the Group's shareholding in percent. Such list includes the most important subsidiaries of the Group based on (i) net sales, (ii) total assets, and (iii) FTEs.

Significant Shareholders

Under the Federal Act on Financial Market Infrastructures and Market Conduct in Securities and Derivatives Trading (FinMIA), anyone holding shares in a company listed on the SIX Swiss Exchange is required to notify the company and the SIX Swiss Exchange if their holding reaches, falls below, or exceeds the following thresholds: 3%, 5%, 10%, 15%, 20%, 25%, 33⅓%, 50%, or 66⅔% of the voting rights entered into the commercial register. Notifications must also include financial instruments, regardless of whether cash or physically settled, constituting a purchase or a sale position. Upon receipt of such notifications, the company is required to inform the public.

Cross-shareholdings

As of December 31, 2024, the Company does not have any cross-shareholdings of a reciprocal 5% of capital or voting rights with any other company.

Significant Shareholders[1]	Shareholdings in %[2]
Diethelm Keller Holding AG, 8008 Zurich, Switzerland[3]	45.0
UBS Fund Management (Switzerland) AG, Basel, Switzerland	5.0
Black Creek Investment Management Inc. ("Black Creek"), 123 Front Street, Suite 1200, M5J 2M2, Toronto, Ontario, Canada	3.0

1 Information as of December 31, 2024, according to the notification filed with SIX Swiss Exchange until and including December 31, 2024. In addition, information on disclosures by significant shareholders as to the Company under the FinMIA until and including December 31, 2024, can be found on the website of SIX Swiss Exchange under www.ser-ag.com/en/resources/notifications-market-participants/significant-shareholders.html#/.

2 According to Swiss law, shareholdings must be calculated based on the number of shares reflected in the Company's excerpt of the commercial register at the time the notification is made.

3 By virtue of a shareholders' agreement dated December 6, 2011 (as amended) (relating to the registered shares in DKH Holding AG), 14 members of the families of Andreas W. Keller and Adrian T. Keller constitute the Family Pool. Decisions of the Family Pool, in particular decisions on the voting of the shares in Diethelm Keller Group AG, are delegated to a certain Family Council, consisting of Andreas W. Keller, CH-8126 Zumikon and Adrian T. Keller, CH-8702 Zollikon. The Family Pool's indirect shareholding in DKSH Holding AG is controlled through the Family Pool's controlling stake in Diethelm Keller Group AG, Zurich, Switzerland (in which the Family Pool directly controls 7,650 registered shares, corresponding to 88.34% of the share capital and voting rights in Diethelm Keller Group AG), which in turn owns all outstanding shares and voting rights in DKH Holding AG, Zurich, Switzerland, which in turn owns all shares and voting rights in Diethelm Keller Holding AG, Zurich, Switzerland (which is the direct owner of the shares in DKSH Holding AG).

2. Capital Structure

Share Capital

As of December 31, 2024, the ordinary share capital of the Company amounts to CHF 6,504,296.30 and is divided into 65,042,963 registered shares with a nominal value of CHF 0.10 each.

Capital Band and Conditional Capital

Capital Band

As of December 31, 2024, the Company does not have any capital band.

Conditional Share Capital

As of December 31, 2024, the Company's share capital may be increased in the amount of up to CHF 28,253.70 (which would lead to a share capital in the maximum amount of CHF 6,532,550) by issuing up to 282,537 fully paid registered shares with a nominal value of CHF 0.10 each (which would equate to 0.43% of the existing share capital). Such shares may be used for the purpose of employee participation. The Board of Directors determines the issue price as well as the date of the dividend entitlement and resolves on the allocation of the shares pursuant to the relevant participation plan. Shareholders have no pre-emptive rights.

The Company's share capital may be increased in an amount not exceeding CHF 300,000 through the issuance of up to 3,000,000 fully paid-in registered shares with a par value of CHF 0.10 each through the exercise or mandatory exercise of conversion, option, subscription or other rights to acquire shares or through obligations to acquire shares, which were granted to or imposed on shareholders or third parties alone or in connection with bonds, notes, options, warrants or other securities or contractual obligations of the Company or any of its group companies (hereinafter collectively referred to as Financial Instruments).

The Board of Directors is authorized to restrict or withdraw advance subscription rights of shareholders in connection with the issuance of Financial Instruments by the Company or one of its group companies and allocate such rights to third parties, the Company or any of its group companies if the Financial Instruments are issued for the acquisition of companies, part(s) of companies or participations, for the acquisition of products, intellectual property or licenses by or for investment projects of the Company or any of its group companies, or for the financing or refinancing of any of such transactions through a placement of shares.

As of December 31, 2024, the Company's total conditional share capital amounts to 3,282,537 shares or CHF 0.33 million.

Change in Capital Over the Past Three Years

In addition to the tabular overview, information about changes in the capital during the years 2022 through 2024 is presented in Note 27 to the Consolidated Financial Statements.

Shares and Participation Certificates

As of December 31, 2024, the Company has issued 65,042,963 fully paid-in registered shares with a nominal value of CHF 0.10 each. Except for the treasury shares held by the Company (if any), each share carries one vote (subject to the relevant shareholder being registered in the share register as a shareholder with voting rights), and each share carries a dividend entitlement. As of December 31, 2024, the Company held 71,165 treasury shares.

As of December 31, 2024, the Company has not issued any non-voting equity securities, such as participation certificates (Partizipationsscheine).

Dividend-Right Certificates (Genussscheine)

As of December 31, 2024, the Company has not issued any dividend-right certificates (Genussscheine).

Limitations of Transferability and Nominee Registrations

Except for the treasury shares held by the Company (if any), each share recorded and registered under a shareholder's name in the share register of the Company entitles its holder to one vote. There are no preferential rights for individual shareholders. There are no voting right restrictions and, consequently, no exceptions were made in 2024.

The shares of the Company are issued as uncertificated securities and registered as intermediated securities. They are included in the SIX SIS clearing system. Transfers of intermediated shares, including the granting of security interests, are subject to the Federal Act on Intermediated Securities (Bucheffektengesetz). The transfer of uncertificated

Change in Capital Over the Past Three Years	2022	2023	2024
Number of shares, January 1	65,042,963	65,042,963	65,042,963
Share capital in CHF, January 1	6,504,296.30	6,504,296.30	6,504,296.30
Number of shares, change during year	0	0	0
Share capital in CHF, change during year	0	0	0
Number of shares, December 31	65,042,963	65,042,963	65,042,963
Share capital in CHF, December 31	6,504,296.30	6,504,296.30	6,504,296.30

shares is effected by a corresponding entry in the books of a bank or depositary institution following an assignment by the selling shareholder and notification of such assignment to the Company by the bank or depositary institution. The transferee must file a share registration form to be registered in the Company's share register as a shareholder with voting rights. Failing such registration, the transferee may not vote at, or participate in any General Meeting but may still receive dividends and other rights with financial value. The uncertificated shares may be transferred only with the assistance of the bank that administers the book entries of such shares for the account of the transferring shareholder.

Further, shares may be pledged only to the bank that administers the book entries of such shares for the account of the pledging shareholder; in such case, the Company needs to be notified. According to the Articles of Association, a person having acquired shares will be recorded upon request in the Company's share register as a shareholder with voting rights. The Company may refuse to record a person in the share register as a shareholder with voting rights, if such person does not expressly state that he/she has acquired the shares in his/her own name and for his/her own account, that there is no agreement on the redemption of the relevant shares and that they bear the economic risk associated with the shares.

Upon request, fiduciaries/nominees may be entered as shareholders in the share register with voting rights for shares up to a maximum of 3% of the share capital. Shares held by a fiduciary/nominee that exceed this limit may be registered in the share register with voting rights, if such fiduciary/nominee discloses to the Company the name, address, nationality, or registered office and shareholdings of any person or legal entity for whose account it is holding 0.5% or more of the share capital.

Fiduciaries/nominees who are affiliated with other fiduciaries/nominees by means of ownership structure or voting rights or that have a common management or are otherwise affiliated, are deemed one fiduciary/nominee as regards the application of such entry limitations. The Board of Directors may, at its discretion and after questioning a shareholder or nominee who is entered in the share register, remove their entry with retroactive effect as of the date of their entry if this was made based on incorrect information. The affected shareholder or fiduciary/nominee must be notified of the cancelation immediately. Legal entities, partnerships or groups of joint owners, or other groups that are related to one another through capital ownership or voting rights or have a common management or are otherwise interrelated are treated as one single shareholder.

In 2024, no such request was made, and thus no exception was made.

Convertible Bonds and Options

As of December 31, 2024, the Company has not issued any bonds that are convertible into shares, or any warrants or options to acquire shares in the Company.

3. Board of Directors

The following table provides an overview of the Company's Board of Directors (the Board of Directors) as of December 31, 2024.

Name	Function	Committee Membership	Director Since	Expiry Date
Marco Gadola	Chairman		2020	2025
Gabriel Baertschi	Member Member	Nomination and Compensation Committee Mergers and Acquisitions Committee	2023	2025
Adrian T. Keller	Member Member	Nomination and Compensation Committee Mergers and Acquisitions Committee	2002	2025
Dr. Wolfgang Baier	Member		2019	2025
Jack Clemons	Member Member	Audit Committee Mergers and Acquisitions Committee	2019	2025
Andreas W. Keller	Member		2002	2025
Prof. Dr. Annette G. Köhler	Chair	Audit Committee	2018	2025
Dr. Hans Christoph Tanner	Chair Member	Mergers and Acquisitions Committee Audit Committee	2011	2025
Eunice Zehnder-Lai	Chair	Nomination and Compensation Committee	2018	2025

Marco Gadola, Chairman

(1963, Swiss)

Marco Gadola has been a member of the Board of Directors of DKSH since January 1, 2020, and Chairman of the Board of Directors since May 2020. He was CEO of the Straumann Group from 2013 until the end of 2019. Previously, he was the Regional CEO of Asia Pacific at Panalpina from 2012 to 2013 and CFO of Panalpina from 2008 to 2012. From 2006 to 2008, he was CFO of Straumann. Before joining Straumann for the first time in 2006, he was CFO of Hero from 2001 to 2006 and before that, worked for Hilti, Sandoz International Ltd., and Swiss Bank Corporation. Marco Gadola is Chairman of the Board of Directors of Medartis Holding AG, Vice Chairman of the Board of Directors of Straumann Holding AG and member of the Board of Directors of AVAG Anlage und Verwaltungs AG and Bühler Holding AG. He is also a member of the Standortförderungskommission Baselland and Obwalden. Marco Gadola holds a degree in Business Administration and Economics from Basel University, Switzerland, and has completed various programs at the London School of Economics, UK, INSEAD, France, and IMD, Switzerland.

Gabriel Baertschi

(1974, Swiss)

Gabriel Baertschi has been a member of the Board of Directors of DKSH since March 2023 and is currently a member of the Nomination and Compensation Committee and the Mergers and Acquisitions Committee. He is CEO and Chairman of the Corporate Executive Board of Grünenthal GmbH. Prior to taking the position at Grünenthal, he worked for the AstraZeneca Group as Company President of Japan (2013 to 2016), as Company President of Germany (2010 to 2012), as Company President of Thailand (2009 to 2010), and as General Manager of Vietnam and Indochina (2006 to 2009). Prior to his appointment to the Executive Committee, Gabriel Baertschi held various strategic roles in international sales and marketing with the AstraZeneca Group. Gabriel Baertschi is a member of the Board of Directors of MedXCell SA, a Swiss-French biotech company focused on cell therapy, and RealizedCare, a digital care start-up company based in the USA. Gabriel Baertschi holds a Master of Science in Biology from the University of Neuchâtel, Switzerland. He also successfully completed the program "Leading Enterprise Transformation" at Harvard Business School, USA.

Dr. Wolfgang Baier

(1974, Austrian)

Dr. Wolfgang Baier has been a member of the Board of Directors of DKSH since 2019. He has been the Group CEO of Luxasia, a leading Asian omni-channel beauty distributor and retailer, since August 2016, and has joined the Board of Directors in November 2022. Prior to that, Dr. Wolfgang Baier was the Group CEO of the Singapore Post Group from 2011 to 2016. Previously, he worked for McKinsey & Company in Europe and Asia from 2001 to 2011, as a partner at the Singapore office, leading the Transportation and Logistics area as well as the Operations activities of McKinsey & Company in Southeast Asia. He is also Chairman of the Board of Directors of Tapouts (since January 2021) and a member of the Board of Directors of Asia Retail Concepts (since October 2017), L Beauty (since November 2017), Indosing Distribution (since September 2019), and LEAP Digi-Commerce (since November 2022). Dr. Wolfgang Baier holds a PhD in Law with distinction and a Master's degree in Law from the University of Vienna in Austria as well as a Master's degree in Business Economics from the Universities of Exeter, UK, and Graz, Austria.

Jack Clemons

(1966, Swiss/British)

Jack Clemons has been a member of the Board of Directors of DKSH since 2019 and is currently a member of the Audit Committee, and the Mergers and Acquisitions Committee. From 2006 until 2016, Jack Clemons led the Bata Group, a global manufacturer, wholesaler, and retailer of footwear and accessories, as Group CEO and, previously, as Group CFO. Bata has substantial supply chain and sales operations throughout Asia. Before joining Bata, he founded an international consulting business operating in Europe and the US from 2004 to 2006, and was CFO and COO of the Firstream Group, developing digital and physical sales channels for brands throughout Europe, from 2000 to 2004. Prior to that, he was a partner at Deloitte in France and the USA from 1995 to 2000 and led Deloitte's European Technology practice. He worked as an Audit Supervisor at Touche Ross from 1989 until 1993. Jack Clemons has been a non-executive member of the Board of Directors, and member of the Audit Committee of Banque Cantonale Vaudoise (BCV) since 2016, and an advisor to the Board of Directors of Unit8 SA. Furthermore, he is a member of the International Board of Trustees and Chairman of the Audit & Risk Committee of the World Wide Fund for Nature (WWF) since 2017. Furthermore Jack was appointed to the Board of Trustees and Chair of the Audit & Risk Committee of CIFOR-ICRAF, the global leader in sustainable forestry, in 2024. He holds a Master's degree with honours from Cambridge University, UK, and is a Fellow of the Institute of Chartered Accountants in England and Wales. He also has an MBA from INSEAD, France.

Adrian T. Keller

(1951, Swiss)

Adrian T. Keller has been a member of the Board of Directors of DKSH since 2002 and is currently a member of the Nomination and Compensation Committee and the Mergers and Acquisitions Committee. He was Chairman of DKSH from 2004 until 2017 and again from 2019 to 2020. Since 2021, he has been Vice Chairman of Diethelm Keller Group Ltd., Zurich and since 2000, Vice Chairman of the predecessor company Diethelm Keller Holding Ltd., the anchor shareholder of DKSH. Since 1991, he has been a Board member (and from 1995 on Vice Chairman) of Eduard Keller Holding, which in 2000 became Diethelm Keller Holding Ltd., Zurich. From 1990 to 1995, he was Partner at Global Reach, New York, a private investment firm. Between 1983 and 1990, he was Partner at Hoguet, Keller, Wittmann & Co., New York, a NASD-registered investment advisor and securities brokerage firm. From 1976 until 1983, he worked in international equity sales at Brown Brothers Harriman & Co., New York. In addition to holding various family business-related Board seats, Adrian Keller serves as Vice-Chairman on the Board of Directors of Bergos AG, a Swiss private bank, and is Chairman of Baur & Cie, a family real estate company. He is a Trustee of the Asia Society Global and Co-Chair of the Global Centers Committee, and Chairman of Asia Society Switzerland. Beyond that, he serves on the Board of various not for profit organizations. He studied economics at the University of St. Gallen in Switzerland and graduated with an MBA (lic. oec. HSG) cum laude in 1976.

Andreas W. Keller

(1945, Swiss)

Andreas W. Keller has been a member of the Board of Directors of DKSH since 2002. He has been Chairman of the Board of Directors of Diethelm Keller Group Ltd., Zurich, since 2021 and Chairman of the Board of Directors and the Executive Committee of Diethelm Keller Holding Ltd., Zurich, the anchor shareholder of DKSH, since 2000. Prior to the merger of Diethelm & Co. and Edward Keller Ltd. in 2000, he presided over the Boards of Directors of both these companies. From 1985 to 1993, he was a member of the Management Board of Eduard Keller Holding. Before returning to Switzerland in 1985, he served as CEO and Chairman of Diethelm Keller (USA) Ltd. in New York, after having worked at Diethelm & Co., Thailand, from 1976 to 1980. Andreas W. Keller studied law at the University of Zurich (lic. iur.) in Switzerland and graduated from the Program for Management Development (PMD) at Harvard Business School, USA.

Prof. Dr. Annette G. Köhler

(1967, German)

Prof. Dr. Annette G. Köhler has been a member of the Board of Directors of DKSH since March 2018 and currently chairs the Audit Committee. She has been holding a chair in accounting and auditing at the University of Duisburg-Essen since 2005. Previously, she taught accounting and auditing in several universities and has also worked as a research assistant and management consultant. Prof Dr. Annette G. Köhler is a member of the Supervisory Board, the Presidial Committee and Chair of the Audit Committee of Gerresheimer AG (since June 2022), a member of the Supervisory Board and Chair of the Finance and Audit Committee of DMG Mori AG (since May 2017), and a member of the Supervisory Board, Chair of the Audit and Cybersecurity Committee, and a member of the Nomination Committee of GEA Group AG (since October 2020). From 2012 to 2017, she was a member of the International Auditing and Assurance Standards Board (IAASB), New York. Prof. Dr. Annette G. Köhler holds a Master of Arts in Economics from Wayne State University in Detroit, USA, and a Diploma in Economics and Business Administration from University of Augsburg, Germany. She also holds a PhD from the University of Cologne and a Habilitation from the University of Ulm, Germany.

Dr. Hans Christoph Tanner

(1951, Swiss)

Dr. Hans Christoph Tanner has been a member of the Board of Directors of DKSH since 2011. He currently chairs the Mergers and Acquisitions Committee and is a member of the Audit Committee. He is the Executive Chairman of the Board of At Lyphe AG and a member of the Board of Qvanteq AG, Zurich, and a member of the Advisory Board of Joimax GmbH, Karlsruhe. Since January 2023, he has been an Entrepreneur in Residence of the Wyss Zurich Foundation. From 2006 until May 2016, he was CFO of Cosmo Pharmaceuticals SA, Luxembourg, from May 2016 to February 2020, Head of Transactions of Cosmo Pharmaceuticals NV, Dublin, and from 2015 to 2020, CFO of Cassiopea SpA, Lainate. From 1998 to 2002, he was with A&A Investment Management and was co-founder and member of the Board of 20 Min Holding AG and 20 Minuten Schweiz AG. Prior to this, he worked for UBS AG for 21 years, initially as a corporate banker in Madrid, Los Angeles, and Zurich, where he was the Head of Corporate Banking Asia, Australia, Africa and Southern Europe and as such a member of the Global Credit Committee. From 1992 to 1998, he then headed UBS AG's corporate finance and capital market activities in Zurich. Dr. Hans Christoph Tanner holds a degree in Economics (lic. oec. HSG) and a Doctorate in Economics from the University of St. Gallen in Switzerland.

Eunice Zehnder-Lai

(1967, Swiss/Hong Kong)

Eunice Zehnder-Lai has been a member of the Board of Directors of DKSH since March 2018 and currently chairs the Nomination and Compensation Committee. Until November 2018, Eunice Zehnder-Lai was CEO of IPM AG (Institut für Persönlichkeitsorientiertes Management). Previously, she was in the financial services industry for 20 years with LGT Capital Partners, Goldman Sachs, and Merrill Lynch in New York, London, Hong Kong, and Switzerland. She also worked for Procter & Gamble in marketing and brand management as well as for Booz & Co. in strategy consulting. Eunice Zehnder-Lai has been a member of the Board of Directors at Geberit Group (since 2017) and is currently Vice-Chairperson (since 2021). She is also a member of the Board of Directors of Julius Baer Group (since 2019). She is a Trustee of Asia Society Switzerland (since 2016) and President of the Board of Trustees of the Friends of Asia Society Switzerland Arts and Culture Foundation (since 2017). She is a Trustee of Insights for Education (since 2021), the Orpheum Foundation for the Advancement of Young Soloists (since 2022) and a Board Member of the American Swiss Foundation (since 2024). Eunice Zehnder-Lai holds a Master of Business Administration from Harvard Business School and a Bachelor of Arts degree from Harvard University, both in the USA.

Information About Managerial Positions and Significant Business Connections of Non-Executive Directors

All members of the Board of Directors are non-executive. None of the non-executive members has held a management position within the Group during the last three years.

Adrian T. Keller and Andreas W. Keller are members of the Family Pool and Family Council, as described in the section Significant Shareholders and are therefore related to Diethelm Keller Group AG, DKH Holding AG, and Diethelm Keller Holding AG, the Company's major shareholder. The Group entered into certain related party transactions for the purchase and sale of goods and services with Diethelm Keller Holding AG. Furthermore, the Group's Fantree logo is protected and owned by Diethelm Keller Holding AG. The Group is authorized to use such logo pursuant to a license agreement made between the Group company DKSH International AG and Diethelm Keller Holding AG.

No other member of the Board of Directors has any significant business connection with the Company or any other Group company. Therefore, DKSH considers all members as independent, except for Adrian T. Keller and Andreas W. Keller.

Other Activities and Functions

Any activities of the members of the Board of Directors in governing and supervisory bodies of important Swiss and foreign organizations, institutions, and foundations as well as permanent management and consultancy functions for important Swiss and foreign interest groups, and official functions and political posts that are material are stated in the Directors' biographies.

Rules in the Articles of Association on the Number of External Mandates – Permitted External Activities

According to § 24 of the Articles of Association, the members of the Board of Directors may hold a maximum of 12 additional mandates in comparable functions at other enterprises with an economic purpose, whereby mandates in companies which are controlled by the Company or which do control the Company are not subject to this limitation. No member of the Board of Directors may hold more than six such mandates in other listed companies. Mandates in separate legal entities under common control are deemed as one mandate. In the event that the maximum number of mandates is exceeded, the respective member of the Board of Directors must restore the lawful status within six months.

Elections and Terms of Office

Pursuant to § 15 of the Articles of Association and in compliance with the provisions of the Swiss Code of Obligations (CO), all members of the Board of Directors are elected for a term of one year ending upon due completion of the next Ordinary General Meeting. There are no restrictions with respect to the number of terms of service or the age of the relevant members. The elections are carried out at a General Meeting. Each member of the Board of Directors is (re-) elected individually. The year of initial election and expiry of the term of the members of the Board of Directors are shown next to their names in the table at the beginning of section 3.

Internal Organization Structure

Allocation of Tasks Within the Board of Directors

Pursuant to § 8 of the Articles of Association and in compliance with the CO, the Chairperson of the Board of Directors and the members of the Nomination and Compensation Committee are directly elected by the Ordinary General Meeting. Other than that, the Board of Directors constitutes itself. The Board of Directors has established an Audit Committee, a Nomination and Compensation Committee, and a Mergers and Acquisitions Committee (collectively, the Board Committees). The Ordinary General Meeting elects the Chairperson, and the Board of Directors elects the members of the Board Committees (other than the members of the Nomination and Compensation Committee, who are elected by the Ordinary General Meeting in compliance with the CO). The Board of Directors also appoints its Secretary, who does not need to be a member of the Board of Directors. The Chairperson presides over the Board of Directors.

Quorum and decision-making of the Board of Directors are determined by the Articles of Association and the Organizational Regulations of the Company. Any internal regulations and policies are reviewed on a regular basis to ensure their continued compliance with the Articles of Association, applicable laws, and good corporate governance. The Articles of Association can be found on the Company's website at www.dksh.com/global-en/home/investors/annual-general-meeting.

Board Committees

The Board of Directors has established an Audit Committee, a Nomination and Compensation Committee, and a Mergers and Acquisitions Committee.

Audit Committee

The Audit Committee consists of two or more members of the Board of Directors who must be non-executive and independent. Its current members are Prof. Dr. Annette Köhler (Chair), Dr. Hans Christoph Tanner, and Jack Clemons.

The Audit Committee has the following powers and duties in relation to the statutory auditors and Group auditors:

(i) reviewing and assessing the effectiveness of the statutory auditors and the Group auditors, in particular their independence from the Company. In connection therewith, it reviews in particular additional assignments given by the Company or its subsidiaries. The Audit Committee may issue binding regulations or directives in connection with such additional assignments;
(ii) reviewing and assessing the scope and plan of the audit, the examination process and the results of the audit, and

examining whether the recommendations issued by the auditors have been implemented by the Executive Committee;
(iii) reviewing the auditors' reports and discussing their contents with the auditors; and
(iv) approving the terms and conditions of the engagement of the auditors.

Also, it has the following powers and duties in relation to the internal control system (internal audit, risk management, and compliance):

(i) monitoring, reviewing, and assessing the effectiveness of the internal audit function, its professional qualifications, resources, and independence, and its cooperation with external audit;
(ii) approving the annual internal audit plan and the annual internal audit report, including the responses of the management thereto;
(iii) assessing the risk management and the procedures related thereto; and
(iv) assessing the state of compliance with laws, regulations, and internal rules and policies of the Group and the procedures related thereto.

In addition, the Audit Committee reviews, in cooperation with the auditors, the CEO and the CFO, whether the accounting principles and the financial control mechanism of the Company and its subsidiaries are appropriate in view of the size and complexity of the Group.

Furthermore, the Audit Committee has the following powers and duties in relation to the preparation of the financial statements:

(i) reviewing the annual and interim statutory and consolidated financial statements;
(ii) discussing these financial statements with the CFO and, separately, with the Group external auditor for the annual financial statements; and
(iii) making proposals to the Board of Directors with respect to the annual and interim statutory and consolidated financial statements (the responsibility for approving the annual and interim financial statements at the level of the Board of Directors remains with the Board of Directors).

Finally, the Audit Committee collects the necessary information and discusses the reporting on non-financial matters.

The Audit Committee usually holds five meetings annually. The Chairperson of the Board of Directors may take part in the meetings as a guest. Unless otherwise determined by the Audit Committee, the CFO takes part in all meetings, while the Head of Group Internal Audit is invited as a guest, whenever needed. In 2024, the lead audit partner attended three meetings of the Audit Committee. The Audit Committee's Chair reports to the other members of the Board of Directors about the topics discussed in detail and decisions made and/or to be submitted to the entire Board of Directors for approval. For an overview of the number of Audit Committee meetings, the average duration and the average attendance, please refer to the section Work Methods of the Board of Directors and its Board Committees.

Nomination and Compensation Committee

The Nomination and Compensation Committee consists of at least three members of the Board of Directors, of which the majority are non-executive and independent. Since the Ordinary General Meeting 2014, the members of the Nomination and Compensation Committee have been directly elected by the General Meeting for a one-year term. Re-election is possible. In case of vacancies, the Board of Directors shall appoint the substitutes. The Board of Directors designates one member of the Nomination and Compensation Committee as its Chair each year at the first meeting of the Board of Director's after the Ordinary General Meeting. Accordingly, its current members are Eunice Zehnder-Lai (Chair), Adrian T. Keller, and Gabriel Baertschi.

In relation to its nomination responsibility, the Nomination and Compensation Committee regularly reviews and makes proposals as to the composition of the Board of Directors and of the Executive Committee, including, but not limited to, making proposals as to vacancies in the Board of Directors and the Executive Committee and as to the appointment and dismissal of members of the Executive Committee.

As to compensation, the Nomination and Compensation Committee has the following duties and responsibilities:

(i) preparing proposals for submission to the Board of Directors on the compensation policy, including the principles for performance-related compensation and the allocation of securities, conversion or option rights, entitlements or other financial instruments for the Board of Directors and the Executive Committee;
(ii) preparing proposals for submission to the Board of Directors on the maximum aggregate compensation for the Board of Directors and the Executive Committee;
(iii) preparing proposals for submission to the Board of Directors on the specific design of the participation plans;
(iv) preparing proposals for submission to the Board of Directors on the specific design of the employment contracts of the members of the Executive Committee and conditions for termination;
(v) preparing proposals for submission to the Board of Directors on the individual compensation of the members of the Executive Committee within the scope of the Articles of Association and subject to approval by the General Meeting, including, but not limited to, the allocation and definition of compensation-relevant performance objectives and further conditions as well as the verification of the fulfillment of conditions or agreed objectives;
(vi) preparing the draft of the annual Compensation Report for submission to the Board of Directors.

In line with the principles described in the Articles of Association, the Nomination and Compensation Committee may be entrusted by the Board of Directors with additional tasks.

To perform its duties, the Nomination and Compensation Committee may also retain the support of independent third parties and remunerate them.

On invitation of the Chair, the Nomination and Compensation Committee convenes as often as business requires, but typically two to six times a year. The Board of Directors is informed by the Chair of the Nomination and Compensation Committee about all items discussed, in particular, about all decisions made within powers and duties, as described above. For an overview of the number of Nomination and Compensation Committee meetings, the average duration, and the average attendance, please refer to the section Working Methods of the Board of Directors and its Board Committees below.

Mergers and Acquisitions Committee

The Mergers and Acquisitions Committee consists of two or more members of the Board of Directors. Its current members are Dr. Hans Christoph Tanner (Chair), Jack Clemons, Adrian T. Keller, and Gabriel Baertschi.

The Merger and Acquisitions Committee has the following duties and responsibilities:

(i) preparing proposals for submission to the Board of Directors concerning merger and acquisitions transactions, including the review of such transactions proposed by the CEO;
(ii) preparing proposals for submission to the Board of Directors concerning strategic investment and divestment transactions, including the review of such transactions proposed by the CEO; and
(iii) to propose the assessment of potential acquisitions and mergers.

Working Methods of the Board of Directors and its Board Committees

According to the Organizational Regulations, the Board of Directors must meet regularly and as often as business requires.

Meetings of the Board of Directors are convened by the Chairperson of the Board of Directors or, if the Chairperson is unable to do so, by another member designated for such purposes by the Board of Directors. The notice of meetings should be given at least ten days in advance to allow the members of the Board of Directors the required preparation time. The Chairperson must also convene a meeting of the Board of Directors, generally within fourteen days, if requested to do so by any of its members in writing, by stating the reasons and the items to be placed on the agenda. In addition to the standing Board Committees, the Board of Directors may entrust some or several of its members, as individuals or as members of a Committee, with the duty to prepare and carry out its resolutions or to supervise certain matters. Such members must also keep the Board of Directors duly informed on such entrusted matters. The Audit Committee provides the Board of Directors with recommendations on sustainability-related matters, including double materiality and the annual sustainability report. Also, the Board of Directors was informed of DKSH's key sustainability-related developments during some of its regular meetings in 2024 by representatives from Group Sustainability.

The Chairperson is, inter alia, in charge of organizing and preparing the meetings of the Board of Directors (including the preparation of the agenda), chairing the meetings, ensuring the flow of information within the Board of Directors and the Group, and coordinating with the CEO the communication with the public.

Meetings of the Board of Directors may also be held by telephone conference or in another suitable way. In principle, the Board of Directors may pass resolutions when the majority of its members are present (including participation by telephone conference or in another suitable way).

The following elections, transactions, and issues must be adopted by the Board of Directors by a majority of at least two-thirds of the votes cast:

(i) determination of business policies, long-term planning, and strategy;
(ii) approval of annual planning, financial policies, and the internal control system (ICS);
(iii) submission of consolidated financial statements and dividend proposals to the General Meeting ;
(iv) enactment and amendment of the Organizational Regulations; and
(v) election and removal of the CEO.

All other decisions of the Board of Directors may be adopted by a majority of the votes cast. In case of a tie vote, the Chairperson of the relevant meeting has the casting vote. Resolutions on an item may be adopted in writing unless a member of the Board of Directors requests an oral deliberation.

Generally, the Board Committees may pass resolutions when the majority of its members are present. Resolutions of the Board Committees are adopted by a majority of the votes cast. In case of a tie, the Chair of the relevant Board Committee has the casting vote. Minutes are kept of the discussions and resolutions taken at each of the meetings of the Board of Directors and its Board Committees. The charts on the following two pages provide an overview of the attendance at the meetings of the Board of Directors and of the Board Committees of each member of the Board of Directors and of the Executive Committee, and the meeting time in 2024.

Attendance per Board Meeting through 2024

	February 15 13:30–18:00	March 26 11:45–13:00	May 30 08:00–18:00	July 15 12:00–13:00	September 5[2] 08:00–17:00 (VNM)	December 10 08:30–18:00
Marco Gadola, Chairman	•	•	•	•[1]	•	•
Gabriel Baertschi	•[1]	•	•	•[1]	•	•
Dr. Wolfgang Baier	•	•[1]	08:00-12:00[1]	•[1]	•	•
Jack Clemons	•	•	•	•[1]	•	•
Adrian T. Keller	•[1]	•	•	•[1]	•	•
Andreas W. Keller	•[1]	•	•	•[1]	•	•
Prof. Dr. Annette G. Köhler	•	•	•	•[1]	•	•
Dr. Hans Christoph Tanner	•	•	•	•[1]	•	•
Eunice Zehnder-Lai	•	•	•	•[1]	•	•

[1] Via conference call.
[2] Ho Chi Minh City.

Attendance Executive Committee Members

Stefan P. Butz	•	•	•	•[1]	•	•
Natale Capri	15:00-15:15	-	13:30-14:30 / 15:35-15:50	-	10:00-10:45	11:00-12:45[1]
Hanno Elbraechter	-	-	13:00-13:30	-	15:10-15:35	15:30-15:50[1]
Stephen Ferraby (until November 30, 2024)	-	-	14:30-15:00	-	12:00-12:30	n/a
Antoine Mangin	13:50-14:30	•[1]	10:15-16:20	-	09:50-10:30 / 13:05-13:50	16:20-16:40
Sam Oh	16:00-16:10	-	10:15-15:50 / 16:20-17:10	-	13:05-13:25 / 15.55-16.10	-
Chris Ritchie	-	-	11:00-12:00	-	13:05-13:25 / 13:50-14:25	13:45-14:45[1]
Laurent Sigismondi (until October 31, 2024)	•	•	•	•[1]	•	n/a
Bijay Singh	-	-	10:15-11:00	-	13:05-13:25 / 14:25-15:00	14:15-15:30[1]
Thomas Sul	15:00-15:15	-	13:30-14:30 / 15:35-15:50	-	10:00-10:30	11:00-12:45
Ido Wallach	•	•	•	•[1]	•	•

[1] Via conference call.

Attendance per Audit Committee Meeting through 2024

	January 11 10:00–10:25	February 15 09:15–12:15	May 29 13:30–16:30	July 15 11:00–12:00	September 3[2] 13:00–17:00 (VNM)	December 9 16:15–18:30
Prof. Dr. Annette G. Köhler	•[1]	•	•	•[1]	•	•
Dr. Hans Christoph Tanner	•[1]	•	•	•[1]	•	•
Jack Clemons	•[1]	•	•	•[1]	•	•
Marco Gadola (as guest)	•[1]	9:30-11:30	•	•[1]	•	•
Simon Zogg (as Lead auditor)	-	9:15-9:45 / 11:35-11:45	13:30-14:00	-	-	16:25-16:55

[1] Via conference call.
[2] Ho Chi Minh City.

Attendance Executive Committee Members

Stefan P. Butz	•[1]	•	•	•[1]	•	•
Stephen Ferraby (until November 30, 2024)	•[1]	-	-	-	-	n/a
Sam Oh	-	-	16:00-16:30	-	-	16:15-16:25[1]
Laurent Sigismondi (until October 31, 2024)	•[1]	•	•	•[1]	•	n/a
Ido Wallach	•[1]	•	•	•[1]	•	•

[1] Via conference call.

Attendance per Nomination and Compensation Committee Meeting through 2024

	February 15 12:15 – 13:30	**May 29** 17:15 – 18:15	**September 4**[2] 11:00 – 12:30 (VNM)	**December 9** 15:00 – 16:15
Eunice Zehnder-Lai	•	•	•	•
Gabriel Baertschi	-	•	•	•
Adrian T. Keller	•	•	•	•
Marco Gadola (as guest)	•	•	•	15:45-16:15

[2] Ho Chi Minh City.

Attendance Executive Committee Members

Stefan P. Butz	•	•	•	•
Antoine Mangin	•[1]	•	•	•
Laurent Sigismondi (until October 31, 2024)	•	•	•	n/a

[1] Via conference call.

Attendance per Merger & Acquisitions Committee Meeting through 2024

	February 15 08:30 – 09:15	**May 29** 16:30 – 17:15	**September 4**[2] 09:45 – 10:45 (VNM)	**December 9** 14:00 – 15:00
Dr. Hans Christoph Tanner	•	•	•	•
Gabriel Baertschi	-	•	•	•
Jack Clemons	•	•	•	•
Adrian T. Keller	-	•	•	•
Marco Gadola (as guest)	•	•	•	-

[2] Ho Chi Minh City.

Attendance Executive Committee Members

Stefan P. Butz	•	•	•	•
Natale Capri	-	•	•	•[1]
Stephen Ferraby (until November 30, 2024)	•[1]	•	•	n/a
Laurent Sigismondi (until October 31, 2024)	•	•	•	n/a
Thomas Sul	-	•	•	•
Ido Wallach	•	•	•	•

[1] Via conference call.

Board of Directors and Executive Committee: Areas of Responsibilities

The Board of Directors exercises the ultimate management, supervision, and control over the conduct of the Company's and the Group's business. It represents the Company and resolves all matters that are not reserved or delegated to another body of the Company. In accordance with the Articles of Association and based on the Organizational Regulations of the Company, the Board of Directors has delegated the conduct of the Company's business to the Executive Committee under the leadership of the CEO.

The Board of Directors has the following non-assignable and inalienable duties:

(i) the overall management of the Company and the Group, and the issuance of the required directives;
(ii) the determination of the organization of the Company and the Group, including the adoption and revision of the Organizational Rules, the Code of Conduct, and of any material group policy including but not limited to compliance matters;
(iii) the organization of the accounting, financial control, and financial planning systems;
(iv) the appointment and removal of the persons entrusted with executive management and representation of the Company, and determination of signatory authorities;
(v) the determination of the internal limitations as set forth in the limits of authority to the extent not delegated to the CEO;
(vi) the overall supervision of the persons entrusted with managing the Company, specifically in view of their compliance with the law, the Articles of Association, the Organizational Rules, other applicable regulations, and directives given by the Board of Directors;
(vii) the preparation of the Annual Report;
(viii) the preparation of the Compensation Report and the resolution on the maximum aggregate compensation for annual approval by the General Meeting separately for the Board and the Executive Committee in accordance with § 19 and § 28 of the Articles of Association;
(ix) if applicable, the preparation of the report on non-financial matters pursuant to Art. 964c CO and other reports as required by law;
(x) the preparation of the General Meetings and the implementation of its resolutions;
(xi) the filing of an application for a debt restructuring moratorium and the notification of the court in the event that the Company is overindebted;
(xii) the resolutions on changes to the share capital, insofar as this is within the competence of the Board of Directors, the statement of changes to the capital, the preparation of the capital increase report and the implementation of amendments to the Articles of Association.

The Executive Committee, under the leadership of the CEO, is entrusted with all other powers and duties (except the powers attributed to the General Meeting by law and the Articles of Association), including the preparation and implementation of the resolutions of the Board of Directors and the management of the Company and the Group.

The CEO leads the Executive Committee and has, inter alia, the following powers and duties with the right to delegate the performance and implementation of such CEO duties further:

(i) the establishment of a management organization, including an Executive Committee that enables each of the Company and the Group to effectively operate its business in accordance with the strategy approved by the Board of Directors;
(ii) the management and supervision of the day-to-day business of the Company and the Group;
(iii) the communication to the public;
(iv) the issuance of internal rules and regulations for the management – including rules for the organization of the Executive Committee and the preparation, calling and presiding of the meetings of the Executive Committee – and the operations of the Group, to the extent that this is not the responsibility of the Board of Directors;
(v) the provision of all information and documents necessary to the Board of Directors;
(vi) the implementation of the resolutions passed by the Board of Directors or the Board Committees;
(vii) the proposal to the Board of Directors of transactions to be approved by the Board;
(viii) the appointment and dismissal of members of the Executive Committee (except the CFO) upon prior consultation with the NCC;
(ix) the appointment and removal of the top managers other than members of the Executive Committee;
(x) the implementation of Group policies including but not limited to compliance matters and of the limits of authority and determination/implementation of amendments thereto, to the extent that such amendments relate to functions directly or indirectly subordinated to the CEO.

Information and Control Instruments vis-à-vis the Executive Committee

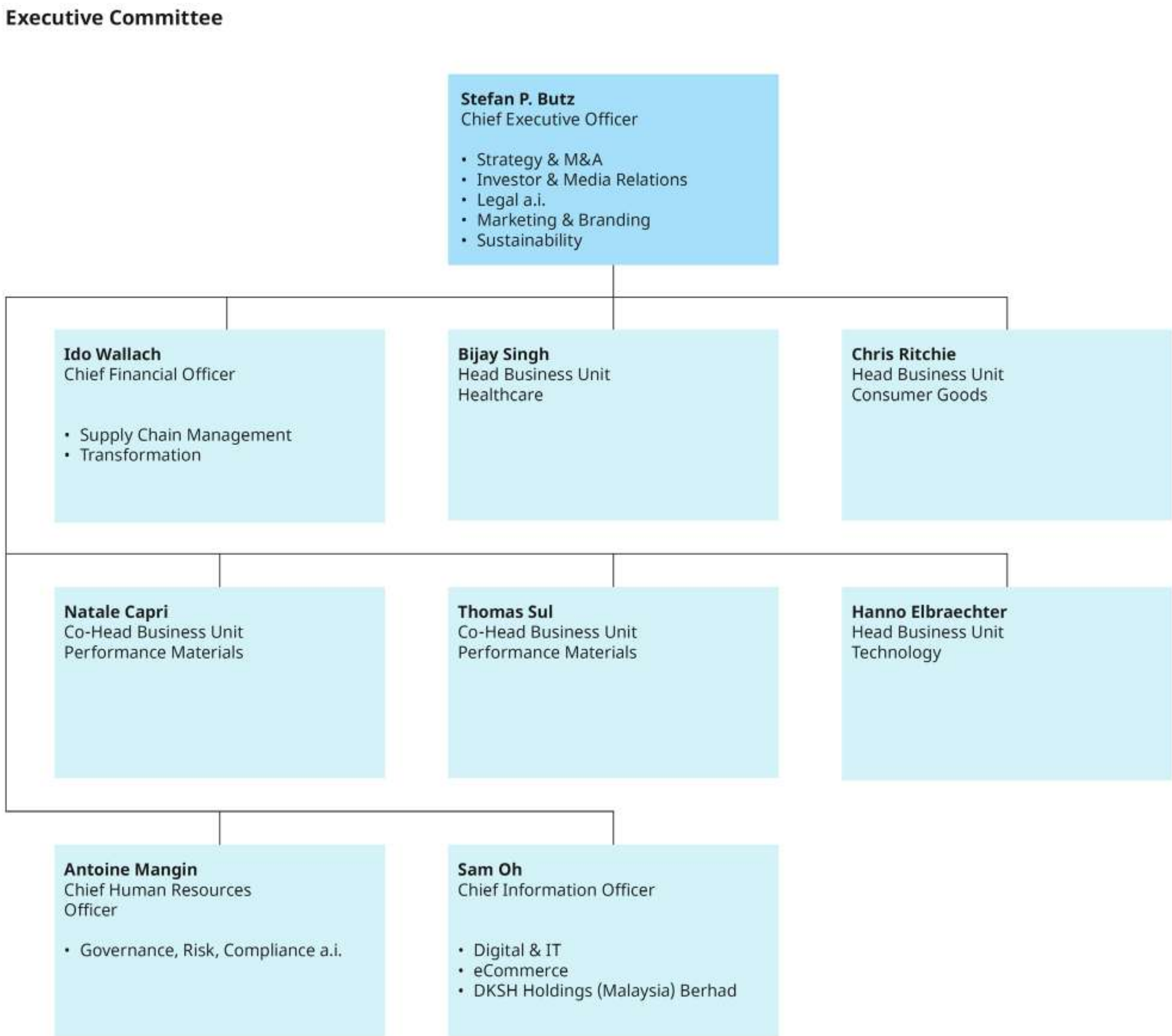
The Board of Directors recognizes the importance of being fully informed on material matters that may have an impact on the Company and/or the Group. It supervises the Executive Committee and controls and monitors the Executive Committee's and the Group's performance through reporting and controlling processes, and the Board Committees.

The Board of Directors receives a monthly financial report generated by the Company's management information system. The report comprises consolidated financial information and includes an income statement, statement of financial position, and cash flow statement, including management performance comments by Business Units and communication of key issues. Members of the Executive Committee may attend meetings of the Board of Directors, if required, and the CFO attends meetings of the Audit Committee.

The Audit Committee defines and evaluates the most important risks of the Group in a process based on a detailed risk catalog. As a general principle, risks are assessed, monitored, and mitigated in a decentralized manner where risks originate, i.e. directly in the business or in the various functional streams, such as Finance, Supply Chain, IT, Human Resources (HR), Legal and Compliance. A centralized risk management function actively supports the Audit Committee by focusing on key strategic risks for the Group and its Business Units. These risks are periodically reviewed jointly with the Executive Committee or Business Unit management and reported to the Audit Committee. Additionally, risk management processes are installed in all major market organizations, with a perspective on the local platforms that enable and support the various businesses in a market. Based on the evaluation, a detailed catalog of measures for the most important risks is presented to the Audit Committee in its last meeting of the respective business year, which evaluates the risk matrix resolving a catalog of measures. The most important risks, along with possible measures to prevent and minimize potential damage, are presented to the Board of Directors for consideration and decision making.

Group Internal Audit, the external auditors, and the Governance, Risk, and Compliance function support the Board of Directors in exercising its supervisory and control functions. The Group Internal Audit function reports directly to the Chairperson of the Board of Directors and the Audit Committee and comprises auditors who travel on a pan-Asian and European basis, completing audit assignments allocated by the Audit Committee. Group Internal Audit presents update reports in each meeting of the Audit Committee. The compliance function reports to the General Counsel and comprises compliance professionals who develop compliance policies, monitor reports regarding compliance matters, and conduct investigations into compliance matters.

Organizational Chart of the Executive Committee as per 31.12.2024



Stefan P. Butz, CEO

(1968, German)

Stefan P. Butz joined DKSH as a member of the Executive Committee in January 2017, before becoming CEO in March 2017. From 2013, Stefan P. Butz was the Chief Executive Industry & COO Europe/China with the Intertek Group Plc in London, UK. The company ranks among the leading global enterprises in the worldwide quality assurance industry. He joined Intertek in 2008 as Group Executive Vice President and was initially responsible for setting up its Industry and Assurance division, as well as for Strategy, Mergers & Acquisitions, and Marketing. Before that, he worked at TÜV Süd, one of the world's largest testing, certification, and inspection companies, as Head Corporate Development from 2000, and then from 2002 as CEO & President of the North American operations, headquartered in Boston. Stefan P. Butz began his career as a Management Consultant and worked at Accenture Strategy in Munich for many years. Stefan P. Butz holds a Master's degree in Business Administration (Dipl.-Kfm., Honors) from the University of Bayreuth, Germany. He has also completed executive programs at Harvard and Wharton, both in the USA.

Ido Wallach, CFO

(1975, Israeli/Italian)

Ido Wallach joined DKSH in November 2019 as Vice President Group Controlling, based in Singapore. Since July 1, 2021, he has been Chief Financial Officer (CFO) and Member of the Executive Committee. In addition to Finance, Ido is also responsible for Supply Chain Management and Transformation within DKSH. Ido has more than 25 years of extensive experience in finance and capital markets spanning Eu-rope (including Switzerland), Asia, and North America. Before joining DKSH, he was CFO at Keter from 2016 until 2019 and prior to that, he has held finance leadership positions at L'Oréal (2007-2016), P&G (2002-2006), and EY (1999-2000). Since August 2024, he is a member of the Board of Directors of aCommerce Group Public Company Limited and of aCommerce Group Limited. Ido Wallach holds an MBA from SDA Bocconi School of Management in Milan, Italy, and a Bachelor of Economics from University College London, UK.

Bijay Singh

(1964, Canadian)

Bijay Singh joined DKSH as Vice President, Global Business Development for Business Unit Healthcare in July 2015. He was designated Head Business Unit Healthcare and member of the Executive Committee in July 2017. Bijay Singh has over 30 years of experience in the healthcare industry. From 2004 to 2015, he held various senior positions at Novartis, a leading global Swiss healthcare company. Prior to 2004, he worked in various positions for Eli Lilly in Asia from 1997 to 2003 and in the United States from 1993 to 1996, as well as for two global audit companies between 1987 and 1991. He has lived and worked on four continents and amassed over 20 years of work experience in the healthcare field across Asia. Bijay Singh holds a Bachelor of Business Administration (Hons) from Simon Fraser University, Canada, and a Master’s degree in Business Administration from Stanford University, USA.

Chris Ritchie

(1972, Canadian)

Chris Ritchie joined DKSH as Head Business Unit Consumer Goods and member of the Executive Committee in August 2023. Chris has over 29 years of experience in the consumer goods industry. Prior to joining DKSH, he was Chief Global Business Officer of Sazerac, a leading privately held American spirit company, where he oversaw the Operating Units in Europe, India, and Asia Pacific for the last four years. From 2016 to 2019, he was General Manager at Reckitt Benckiser, responsible for the growth market Philippines. Prior to that, from 2007 to 2016, he held various General Manager and Director positions at SABMiller in Asia, Europe, and Americas, including Managing Director of SABMiller Vietnam. From 1995 to 2006, he held regional and global marketing roles at P&G. Throughout his career, Chris has driven growth, route-to-market, and built strong teams, especially in developing markets. Chris holds a Bachelor's degree in Economics from Queen's University in Kingston, Canada.

Natale Capri

(1970, Italian)

Natale Capri has been Co-Head Business Unit Performance Materials and a member of the DKSH Executive Committee since November 2013. Natale Capri joined the Milan office of DKSH in 1998 as a Sales Manager for Italy, where from 2001 to 2005, he was responsible for European and American Imaging and Electronic Chemicals. From 2006, he also headed the European Business Line Specialty Chemicals and thereafter, in 2011, became Global Vice President Business Line Specialty Chemicals. Additionally, he held the role of Head DKSH India from 2007 to 2011. Still today, he acts as Managing Director of DKSH Italy. Prior to DKSH, he worked for the Italian chemical Group Lamberti from 1995 to 1998. Natale Capri holds a Master's degree in Organic Chemistry from the Milan University and an MBA from SDA Bocconi School of Management, both in Italy.

Thomas Sul

(1965, German/Dutch)

Thomas Sul has been Co-Head Business Unit Performance Materials and a member of the DKSH Executive Committee since November 2013. He joined DKSH in Germany in 1996 as a Sales Manager in Specialty Chemicals. To this day, he acts as Managing Director of DKSH GmbH, Germany. From 2003 to 2007, he was a Global Business Line Manager in Specialty Chemicals and thereafter, Vice President Europe. Before that, he worked for Beiersdorf AG as a Market and Product Manager from 1990 to 1996. Thomas Sul is a member of the Board of the OstAsienVerein (OAV), where he heads the Philippines Country Board. Thomas Sul holds a Master's degree in Business Administration (Dipl.-Kfm.) from the University of Kiel, Germany.

Hanno Elbraechter

(1980, German)

Hanno Elbraechter has been Head Business Unit Technology and a member of the Executive Committee since September 2014. Before joining DKSH, he spent more than ten years at Deckel Maho Gildemeister (DMG) from 2004 to 2014 and was appointed as CEO Asia of DMG in 2009. He has been a member of the Board of Directors at Datacolor AG since November 2018. Hanno Elbraechter graduated from the Ecole de Management (ESC) de Bordeaux, France, and University of Applied Sciences Muenster, Germany.

Antoine Mangin

(1976, French)

Antoine Mangin has been Chief Human Resources Officer of DKSH since June 2020. As such, he ensures that DKSH's talents and capabilities as well as the organisation remains fit for the future, in line with the strategic business direction. He is also responsible for the setup and effectiveness of local market management teams, evolving DKSH's culture, and for modernizing the employee experience. Antoine Mangin brings more than 25 years of extensive Human Resources experience across Europe and Asia with organizations such as Mars Inc, L'Oréal, and Renault. He holds a Master's degree in Human Resources from the University of Paris and a Bachelor's degree in Political Science from the University of Strasbourg, both in France.

Sam Oh

(1966, Korean/American)

Sam Oh joined DKSH in February 2021 as Chief Information Officer. He has been appointed as a member of the Executive Committee in March 2022. Sam Oh has been pivotal in the further develop-ment of the Group-wide digital and IT strategy and accelerated the company's digital transformation. He also oversees DKSH's Corporate Shared Service Center (CSSC), which comprises the global IT hub and Business Process Operations with over 500 employees. Since August 2023, he has also been responsible for e-commerce. Furthermore, he serves as Chairman of the Board for DKSH Holdings (Malaysia) Berhad since November 2024. Sam Oh brings over 25 years of work experience gained at Tesco, Fujistu, and Dairy Farm International, across Asia and the USA. He has been a member of the Board of Directors of aCommerce Group Public Company Limited since August 2023. Sam Oh holds a Bachelor’s degree in Mathematics and Computer Science from the University of California, San Diego, USA.

4. Executive Committee

As of December 31, 2024, the Executive Committee (Geschäftsleitung) is composed of the following members: The CEO, the CFO, the Business Unit Heads, and the Function Heads (Chief Human Resources Officer and Chief Information Officer).

Other Activities and Functions

Any activities of members of the Executive Committee in governing and supervisory bodies of important Swiss and foreign organizations, institutions, and foundations as well as permanent management and consultancy functions for important Swiss and foreign interest groups, and official functions, and political posts, that are material are stated in each of the managers' biographies.

External Mandates

Pursuant to § 30 of the Articles of Association, the members of the Executive Committee may hold a maximum of five additional mandates in comparable functions at other enterprises with an economic purpose, whereby mandates in companies which are controlled by the Company or which do control the Company shall not count. No member of the Executive Committee may hold more than two such mandates in other listed companies. Mandates in different legal entities, which are under common control, are deemed as one mandate. In the event that the maximum number of mandates is exceeded, the respective member of the Executive Committee must restore the lawful status within six months.

Management Contracts

The Company has not entered into any management contract with any third party.

5. Compensation

For details regarding the compensation and shareholdings of the members of the Board of Directors and of the Executive Committee, please refer to the Compensation Report.

6. Shareholders' Participation Rights

Voting Right Restrictions and Representation

The voting right may be exercised only if the shareholder (as owner, usufructuary or nominee) is recorded on a specific day (record date) as a voting shareholder in the share register of the Company. Any shareholder with voting rights may be represented by their legal representative, the independent proxy, or, if authorized in writing, by a third party who does not have to be a shareholder. The Company recognizes only one representative per share. The Board of Directors determines the requirements concerning powers of attorney and instructions in accordance with the legal provisions and can issue regulations to this effect. There are no preferential rights for individual shareholders and no voting restrictions. Treasury shares held by the Company do not entitle the holder to vote.

There are no voting right restrictions. Therefore, there are no procedures or conditions for canceling restrictions and no rules on making exceptions to them. Consequently, no such exceptions were made in 2024, provided, however, that for the discharge of the members of the Board of Directors and of the Executive Committee, shareholders who take part in the Company's management in any manner do not have voting rights.

There are no statutory group clauses other than in relation to the rules applicable to nominees. For limitations of transferability and nominee registrations, see section Limitations of Transferability and Nominee Registrations.

Independent Shareholder Representative

The General Meeting elects the Independent Shareholder Representative. Natural or legal persons or partnerships may be elected. The term of office of the Independent Shareholder Representative ends with the closure of the next Ordinary General Meeting. Re-election is possible.

If the Company does not have an Independent Shareholder Representative, or if the Independent Shareholder Representative is not able to perform his/her duties, the Board of Directors may appoint one for the next or current General Meeting. Unless a shareholder expressly issues an instruction to the contrary, the proxies and voting instructions retain their validity for the new Independent Shareholder Representative.

The Independent Shareholder Representative may be represented at the General Meeting by auxiliary people. They remain entirely responsible for performing their duties. The Independent Shareholder Representative is obliged to exercise the voting rights assigned to him/her by the shareholders in accordance with their instructions. If he/she does not receive any instructions, he/she abstains from voting.

The Board of Directors determines the procedure and the conditions for the assignment of proxies and instructions to

Independent Shareholder Representatives in relation to a General Meeting.

The Board of Directors shall ensure that the shareholders have the opportunity to issue to the Independent Shareholder Representative:

(i) voting instructions on any motion concerning agenda items included in the invitation;
(ii) general voting instructions on agenda items that have not been pre-announced and new agenda items pursuant to Art. 704b CO;
(iii) proxies and instructions also electronically.

Proxies and instructions may only be given to the Independent Shareholder Representative for the forthcoming General Meeting. The Board of Directors is authorized to waive the requirement for a qualified electronic signature either fully or partially. The general or implied instruction of a shareholder to the Independent Shareholder Representative to vote in favor of the motions of the Board of Directors is permitted. This also applies to motions, which have not been pre-announced in the invitation of the General Meeting.

Statutory Quorum

Unless stipulated otherwise by mandatory legal provisions, the General Meeting passes its resolutions and carries out its votes based on the majority of the votes represented.

The Chairperson determines whether votes are to be open, electronic or in writing, unless one or more shareholders who together hold at least 5% of the votes represented request a written or electronic vote.

Convocation of the General Meeting of Shareholders

General Meetings of shareholders are convened by the Board of Directors by way of a single announcement pursuant to § 37 of the Articles of Association at least 20 calendar days before the relevant meeting. The convocation of a General Meeting may be requested by one or more shareholders who together represent at least 5% of the share capital or votes.

Inclusion of Items on the Agenda

Shareholders who represent shares of at least 0.5% of the share capital or votes may request that items be put on the agenda. This request must be submitted to the Board of Directors in writing, along with the respective motions, at least 45 calendar days before the relevant General Meeting.

Registrations in the Share Register

In the invitation to the General Meeting, the Board of Directors states the applicable record date by which shareholders must be registered in the share register to be eligible to participate in and vote at the meeting. In recent years, the Company has set the record date between eleven to sixteen working days before the General Meeting.

7. Change of Control and Defense Measures

Duty to Make an Offer

A purchaser of shares in the Company must submit a public takeover offer, pursuant to the Articles 135 and 163 FinMIA and § 6 of the Articles of Association, if it exceeds the threshold of 49% of the voting rights in the Company (opting-up).

Clauses on Changes of Control

There are no change of control clauses (which would be triggered in the event of a direct or indirect change of control in the Company) in favor of the members of the Board of Directors, the Executive Committee or any other senior manager or officer.

The contracts of employment with the members of the Executive Committee may have a fixed or indefinite term. The maximum duration for fixed-term contracts and the maximum notice period for contracts of an indefinite term shall be twelve months (§ 27 of the Articles of Association).

In case of an ordinary termination, all such members of the Executive Committee would be entitled to the fixed salary throughout the remainder of the applicable termination period. Furthermore, all such members of the Executive Committee may be entitled to annual variable pay, timely prorated, if applicable, in accordance with the principles, as explained in the Compensation Report.

Transparency on non-financial Matters

The Board of Directors has prepared a separate sustainability report that is subject to approval by the Ordinary General Meeting.

8. Statutory Auditors

Duration of Mandate and Term of Office of the Lead Auditor

The re-election of Ernst & Young AG, Zurich (EY), as the external statutory auditor of the Company as well as the Group auditor for the business year 2024, was confirmed at the Ordinary General Meeting in 2024, with the declaration of acceptance dated February 20, 2024. The appointment of the auditor is for one year and is renewed annually. EY have been the auditors of the Company for fourteen years, with Mr. Simon Zogg acting as its Lead Partner since year-end 2019.

Auditing Fees

The fees charged for auditing services for the year 2024 amounted to CHF 3.3 million.

Additional Fees

In addition to the auditing fees mentioned above, the statutory auditors charged an amount of CHF 0.6 million in 2024. This included tax services and other audit-related services in various markets.

Additional Fees EY – 2024	Sum of Fee Quote in CHF
Tax related	70,100
Audit related	152,900
HR related	5,000
Consulting related	342,400
Grand Total	**570,400**

Informational Instruments Pertaining to an External Audit

The Audit Committee evaluates the performance, fees, and independence of the auditors each year according to the following criteria:

(i) quality of the Management Letter;
(ii) global coverage and coordination of the audit instructions;
(iii) meeting the deadlines required to allow the annual results' media release to be published on the scheduled date;
(iv) benchmark analysis of the audit fees; and
(v) independence as defined by relevant rules of the Swiss Federal Act on the Licensing and Oversight of Auditors (AOA).

The Audit Committee discusses and reviews the scope of the audits and the feedback resulting therefrom. Based on this information, it determines changes and improvements as necessary. For further information on the responsibilities of the Audit Committee with respect to the external auditors, please refer to the section Internal Organization Structure.

Audit-related and material non-audit-related services (e.g. tax services and other consulting services) that are provided by the auditors must be approved in advance by the Audit Committee. In the business year, the auditors had various contacts with members of the Executive Committee and particularly the Chief Financial Officer, whom the auditors met several times during the business year. The purpose of such meetings was to report on selected topics, such as preparation of meetings with the Audit Committee and status updates on half-year review and full-year closing.

In the business year, the auditors attended three meetings with the Audit Committee and other informal meetings to provide status updates on audit matters and the collaboration with the Group Internal Audit function of the Company to report on the review of the half-year results and the audit of the year-end closing, to assess their own independence and, if required, obtain approvals from the Audit Committee regarding non-audit-related assignments.

9. Information Policy

The Group is committed to ensuring a consistent and transparent information policy that meets the needs of the media, analysts, investors, and other stakeholders. The Company's objective is to provide financial and business information about the Company's and the Group's historical record, current performance, and future prospects that fulfill the best practice standards in reporting. The Company's official publication medium is the Swiss Official Gazette of Commerce (Schweizerisches Handelsamtsblatt).

The Group publishes financial results on a semi-annual basis. The annual results are generally released in February and the half-year results in July.

The Group has established a website at www.dksh.com to ensure a rapid and equitable distribution of information. The Group's website has a section fully dedicated to Investor Relations: www.dksh.com/investors. Media releases, presentations, webcasts, and financial reports are available online under this section.

For the distribution of ad-hoc notices, DKSH maintains push and pull services, in accordance with applicable laws and regulations, accessible on the Company's website at www.dksh.com/global-en/home/media/news.

Representatives of the Group also regularly meet with the financial community at conferences, roadshows as well as one-on-one meetings. A calendar of upcoming events, such as the publication of the annual and half-year results, media conferences, and analyst calls as well as the General Meeting of shareholders is available online at www.dksh.com/financial-calendar.

Management transactions made in 2024 by qualifying members of the Executive Committee or other senior managers, which are required to be disclosed by the Group and published by the SIX Swiss Exchange, may be found at www.ser-ag.com/en/resources/notifications-market-participants/management-transactions.html#/.

The Group acknowledges and complies with the rules regarding information and reporting specified under the Directive on Regular Reporting Obligations for Issuers of Equity Securities, Bonds, Conversion Rights, Derivatives, and Collective Investment Schemes issued by SIX Swiss Exchange.

10. Quiet Periods (General Blackout Periods)

Pursuant to Article 3.5.2 of the Group's Policy on Insider Trading, no Insider[1] shall trade in DKSH Securities[2] (irrespective of whether or not the Insider has Insider Information[3]) during the period beginning ten calendar days before the beginning of any financial reporting period of the Group and ending on (and including) the business day following the public release of financial performance data for such financial reporting period.

Shareholders may direct investor relations inquiries to:

DKSH Holding Ltd.
Wiesenstrasse 8, 8034 Zurich, Switzerland
+41 44 386 72 72
investors@dksh.com

1 "Insider" means each member of the Company's Board of Directors and the Executive Committee, any other person having a leading position in the Company or any company controlling or controlled by it and any person with intended access to Insider Information such as persons with a special relationship with the Company, e.g. its auditors, consultants or attorneys, or any employee or agent of DKSH designated, from time to time, by the Chairperson of the Company's Board of Directors (the "Chairperson"), the Chief Executive Officer ("CEO"), the Head Corporate Affairs & Strategic Investments or the General Counsel of the Company and each member of the Board of Directors and the executive management of those major shareholders which are represented on the Board of Directors of DKSH.
2 "DKSH Securities" means (i) shares in the Company or any of its listed subsidiaries, (ii) financial instruments which relate to shares in the Company or any of its listed subsidiaries as underlying (e.g. conversion, purchase or sale rights including OTC instruments).
3 "Insider information" means confidential, price-relevant information relating to the Company or any of its group companies.

Compensation Report

DKSH creates a leading organization by consistently attracting, developing, and rewarding the best possible professionals and specialists within its dynamic and complex business environment.

The Compensation Report provides an overview of DKSH's remuneration principles and programs as well as information about the method of determination of compensation. Further, this report includes details around the compensation of the members of the Board of Directors and of the Executive Committee related to the business year 2024.

This report is written in accordance with the provisions of the Swiss Code of Obligations (CO), the Directive on Information relating to Corporate Governance (DCG) issued by the SIX Swiss Exchange as well as the principles of the Swiss Code of Best Practice for Corporate Governance of economiesuisse.

1. Compensation Governance

Authority for decisions related to compensation are governed by the Articles of Association and the Organizational Regulations of DKSH Holding Ltd.

As determined in the Articles of Association and in the Organizational Regulations of DKSH Holding Ltd., the Nomination and Compensation Committee supports the Board of Directors in the fulfillment of its duties and responsibilities in relation to compensation, including:

(i) preparing proposals for submission to the Board of Directors on the compensation policy, including the principles for performance-related compensation and the allocation of securities, conversion or option rights, entitlements, or other financial instruments for the Board of Directors and the Executive Committee;

(ii) preparing proposals for submission to the Board of Directors on the maximum aggregate compensation for the Board of Directors and the Executive Committee pursuant to § 19 and § 28 of the Articles of Association;

(iii) preparing proposals for submission to the Board of Directors on the specific design of the participation plans pursuant to § 28 of the Articles of Association;

(iv) preparing proposals for submission to the Board of Directors on the specific design of the employment contracts of the members of the Executive Committee and the conditions for termination;

(v) preparing proposals for submission to the Board of Directors on the individual compensation of the members of the Executive Committee within the scope of the Articles of Association and subject to approval by the General Meeting, including, but not limited to, the allocation and definition of compensation-relevant performance objectives and further conditions as well as the verification of the fulfilment of conditions or agreed objectives;

(vi) preparing the draft of the annual Compensation Report for submission to the Board of Directors. According to the statutory law and current Articles of Association the Compensation Report shall be submitted to the General Meeting for a consultative vote.

Tasks	CEO	NCC	Board	AGM
Individual election of the members of the NCC and of the Board of Directors			proposes	approves
Compensation policy and principles, in line with the provisions of the Articles of Association		proposes	approves	
Maximum aggregate amount of compensation for the Board of Directors and for the Executive Committee		proposes	proposes	approves
Individual compensation of members of the Board of Directors		proposes	approves	
Individual compensation of the CEO		proposes	approves	
Individual compensation of the other members of the Executive Committee	proposes	reviews	approves	
Compensation report		proposes	approves	consultative vote

In the business year 2024, the Nomination and Compensation Committee held four meetings. The main focus of the first and the last meeting of the year was on the compensation and the compensation structure of the members of the Executive Committee and the aggregate amounts of compensation of the members of the Executive Committee and the Board of Directors. The focus of the other two meetings was on HR strategy and succession planning.

Rules in the Articles of Association on Compensation

As required by law, the Articles of Association of DKSH Holding Ltd. have been revised in 2023 and approved by the shareholders at the Ordinary General Meeting 2023. The Articles of Association include the following provisions on compensation:

(i) Performance-related compensation: The short-term performance-related compensation plans are based on performance criteria, which include the performance of the DKSH Group and/or its sub-divisions and/or individual objectives. Achievement of objectives is generally measured in the one-year period to which the short-term plan applies. The Board of Directors, assisted by the Nomination and Compensation Committee, determines the performance criteria, the objectives, and the degree of objective achievement. The long-term, performance-related compensation plans are based on performance criteria, which relate to DKSH Group's strategic objectives (e.g. financial objectives, shareholder return, and/or other benchmarks). The achievement of objectives is generally measured in three-year periods. The amount of the long-term compensation pay-out is limited. The long-term performance-related compensation may be paid in cash, in the form of share-based compensation (such as restricted or unrestricted shares, entitlements, or subscription rights on shares) or comparable instruments, other benefits, or in specie. The Board of Directors, assisted by the Nomination and Compensation Committee, determines the conditions for the design, the definitive entitlement (vesting), the blocking period, the vesting and the forfeiture of the compensation granted. These conditions may provide for the extension, accelerated vesting, or other requirements concerning the allocation, acquisition, or forfeiture of rights as a result of certain pre-defined events such as the termination of the employment or of the mandate. The Board of Directors determines the evaluation criteria for the individual compensation on the basis of the principles applying to the preparation of the Compensation Report.

(ii) Duration of employment contracts, loans, credit facilities, and post-employment benefits: The Company (or companies controlled by it) may enter into contracts with members of the Board of Directors as to their compensation for a fixed term of one year. Similarly, the contracts of employment with the members of the Executive Committee may have a fixed or indefinite term, while the maximum duration for such fixed-term contracts and the maximum notice period for contracts of an indefinite term shall be twelve months. The Company (or its subsidiaries) may, to the extent permissible by law, compensate members of the Board of Directors and of the Executive Committee for any disadvantages resulting from legal proceedings or settlements relating to their activities on behalf of the Company or subsidiaries, advance corresponding payments, and take out relevant insurance policies. Such payments are not deemed to be compensation, loans, or credits. In addition, the Company (and its subsidiaries) may offer members of the Executive Committee retirement benefits (such as pensions, the purchase of health insurance policies, and so forth) outside of the occupational pension scheme and pay these out after their departure. Such retirement benefits outside of the occupational pension scheme may not exceed CHF 850,000 a year. The employment contracts of members of the Executive Committee may provide for post-contractual non-competition undertakings up to a maximum of twelve months, whereby neither the compensation for non-competition may not exceed the timely pro-rated fixed annual compensation prior to termination nor the average of the compensation of the last three business years.

(iii) Vote on pay: Concerning the approval of compensation amounts by the Ordinary General Meeting, the total amount of compensation for the Board of Directors shall be approved annually by the Ordinary General Meeting in a binding vote for their following term of office, while the maximum amount of compensation of the Executive Committee shall be approved in the same manner for the following business year. If the Ordinary General Meeting rejects the proposal of the Board of Directors for the maximum aggregate compensation of the Board of Directors and/or of the Executive Committee, the Board of Directors shall decide on how to proceed. In particular, the Board of Directors may convene an Extraordinary General Meeting for the purpose of submitting a new compensation proposal or determine compensation for the current business year on an interim basis subject to subsequent approval by the next Ordinary General Meeting. The Board of Directors may also split motions for approval by submitting motions concerning individual compensation elements, shorter time periods or a smaller circle of persons. The Board of Directors may continue to pay out compensation to the individual members of the Board of Directors or members of the Executive Committee subject to claw-back rights, as may be required by mandatory law. There shall be an additional amount of 30% of the maximum aggregate compensation already approved for the Executive Committee for the relevant compensation period, available for all members of the Executive Committee being appointed after the Ordinary General Meeting, which already resolved the maximum aggregate compensation for the Executive Committee. This additional amount applies separately for each compensation period for which approval has been granted by the Ordinary General Meeting. The Ordinary General Meeting is not required to approve the actual additional amount used. The additional amount may also be used as compensation for disadvantages relating to the change of position (in cash or in the form of share-based compensation).

2. Compensation Philosophy and Principles

To ensure DKSH's success in a highly competitive global business environment with a focus on Asia and beyond, it is vital to attract, develop, and retain internationally-oriented, successful, and engaged employees. The compensation principles are designed to:

The ultimate goal of effective compensation is to strengthen the Group's leading industry position for the benefit of the Company's business partners, clients, and customers, while delivering the expected returns to shareholders of the Company.

The Group's compensation philosophy is to optimize DKSH's ability to attract the best-fit people, motivate a high-performance culture, and retain people whose skills and capabilities enable DKSH to meet the business objectives and future ambitions, by providing overall compensation in line with relevant competitors, however with greater weight given to variable compensation; hence rewarding excellent results with above-market total compensation packages and placing more compensation at risk. This is in line with the compensation principle of linking compensation to performance and rewarding those who contribute most to the operating performance and earning power of the Group.

DKSH regularly reviews the remuneration of its executives, including that of the members of the Executive Committee. This includes regular participation, every two years, in benchmark studies on comparable functions in other industrial companies. In 2024, a detailed analysis of the remuneration of the members of the Executive Committee was carried out and benchmarked against published market data to determine the target remuneration levels of the members of the Executive Committee for the business year 2024. While many different factors (such as the individual role, experience in the role and contribution, company performance and affordability) are considered to determine remuneration levels, the policy of DKSH is to provide a target remuneration that is in principle positioned around the market median.

Regarding the remuneration of the Board of Directors, the system and amount are reviewed periodically by the Nomination and Compensation Committee. The remuneration analysis was conducted based on a peer group of industrial companies with comparable market capitalization, sales, and employee numbers.

3. Compensation Components for Members of the Board of Directors

To ensure the independence of the Board of Directors in its supervisory function, the members of the Board of Directors, including the Chairperson, are entitled to a fixed base fee for their services, paid in cash (as well as allowances and social security contributions). Each Chair and each member of the Audit Committee, the Nomination and Compensation Committee, and the Mergers and Acquisitions Committee is entitled to an additional committee fee.

in CHF/year, in cash	Chairman	Member
Full Board	750,000	150,000
Audit Committee	75,000	50,000
Nomination and Compensation Committee	50,000	30,000
Mergers and Acquisitions Committee	25,000	25,000

In addition, the members of the Board of Directors are reimbursed (incl. through an allowance) for all reasonable cash expenses that are incurred by them in the discharge of their duties, including expenses for traveling to and from Board meetings, committee meetings and General Meetings of the shareholders of the Company. Payments are made in Swiss Francs.

4. Compensation Components for Members of the Executive Committee

The actual compensation effectively paid out in a given year to members of the Executive Committee depends on individual as well as the Company's performance. Individual performance is assessed through an annual performance management process: Company and individual performance objectives are approved at the beginning of the business year and achievements against those objectives are assessed after year-end. The performance appraisal is the basis for determination of the actual compensation.

The compensation for members of the Executive Committee consists of a fixed element (annual fixed salary), a variable element (annual variable pay and a long-term incentive), and employee benefits. Depending on their role, members of the Executive Committee are currently eligible for the following compensation elements:

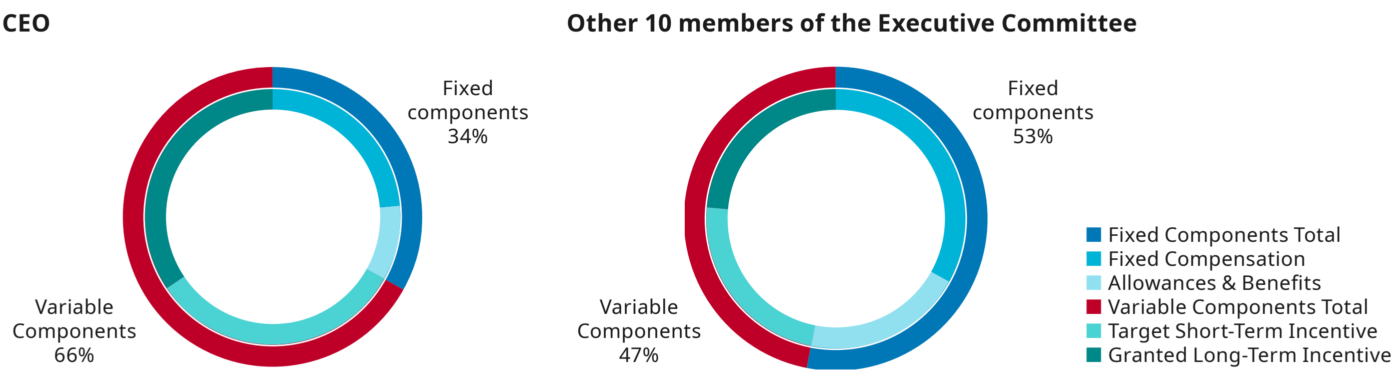
(i) annual fixed salary;
(ii) annual variable pay (AVP);
(iii) long-term incentive (LTIP); and
(iv) other employee benefits.

Furthermore, the Board of Directors may choose to issue non-recurring multi-year incentives with steep performance hurdles to selected executives in addition to LTIP. To date, no such incentive has materialized.

Composition of Fixed and Variable Elements

The DKSH compensation structure is designed to focus on pay-for-performance and long-term growth. As such, a higher proportion of compensation for the CEO and Members of the Executive Committee is variable and dependent on the achievement of long-term goals. This is 66% for the CEO and 47% on average for the Members of the Executive Management, in each case based on the total target remuneration. This ensures that compensation is strongly linked to the delivery of tangible results that drive growth and sustainability of the business.

Pay Mix

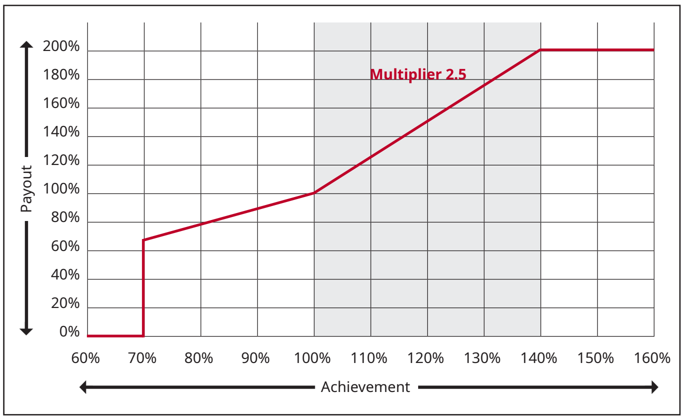


Annual Fixed Salary

The annual fixed salary for each member of the Executive Committee is determined once a year by the Board of Directors upon prior recommendation of the Nomination and Compensation Committee and after prior consultation with the CEO. For this purpose, the market level for the respective position, individual qualifications and experience, and the prevailing local labor market conditions (e.g. for a member of the Executive Committee based in Zurich, Swiss labor market conditions, for those based in Asia, pan-Asian and local labor conditions) are taken into account, together with the overall performance assessment of each member of the Executive Committee.

Annual Variable Pay (AVP)

For members of the Executive Committee, the annual variable pay is directly linked to the achievement of financial, non-financial/functional, and Environmental, Social and Governance (ESG) Key Performance Indicators (KPIs). Financial KPIs are set, inter alia, on Business Unit level for Earnings before Interest and Taxes (EBIT) and Net Operating Capital (NOC), and on Group level for Return on Net Operating Capital (RONOC, twelve months average) and EBIT. The AVP is derived from these KPIs following a predefined formula that is regularly reviewed by the Nomination and Compensation Committee and determined and approved by the Board of Directors. The KPIs weightings that define the variable compensation for members of the Executive Committee are individually set for each member. The performance of each KPI is assessed individually against pre-determined targets and is expressed in a target achievement range corresponding to a payout percentage from 0% to 200% and then combined according to their assigned KPI weightings. For performance achievements below 70% against target, no pay-out is made. For achievements above 100% of target, the AVP performance factor is based on a 1:2.5 pay-out curve, whereby a 1% deviation in realization versus target leads to a 2.5% change in pay-out. The pay-out for the AVP is capped at a maximum of CHF 5.0 million for the CEO, at a maximum of CHF 1.5 million for the CFO and at 200% of target for all other members of the Executive Committee.



For the CEO and the CFO, the Financial KPI includes Profit After Tax (PAT) and RONOC achievements on Group level. For Business Unit Heads, the Financial KPI includes EBIT and NOC days achievements on Business Unit level (55% to 60%, and 15% to 20%, respectively), and EBIT achievements on Group level (20%). For other Function Heads, the Financial KPI includes 60% to 80% EBIT achievements on Group level as well as EBIT and digital sales achievements on Business Unit level. All Executive Committee members' AVP includes ESG KPI achievements of 5%. Non-financial/functional KPI achievements are 5% for the CEO and CFO, and up to 35% for other Function Heads. ESG KPIs are based on the DKSH Sustainability Index Score for the year and includes relevant ratings gathered from ten external agencies with such ratings equally weighted. Sustainability is an integral part of DKSH and by incorporating this into our short-term incentive plan, we reinforce our dedication to managing the environmental, social and economic impact of our business activities responsibly.

Overview of Performance KPIs and Respective Weighting

				CEO and CFO	BU Heads	Function Heads
Annual Variable Pay ("AVP")	Group Performance	Financial KPIs	**PAT Group Achievement**	90%	–	–
			RONOC Group Achievement	–	–	–
			EBIT Group Achievement		20%	60% to 80%
		ESG KPIs	**ESG Index**	5%	5%	5%
	Business Unit Performance	Financial KPIs	**EBIT BU Achievement**	–	55% to 60%	–
			NOC Days BU Achievement	–	15% to 20%	–
	Functional Performance	Quantitative and Qualitative KPIs	**Functional Achievement**	5%	–	15% to 35%

For the business year 2024, Group performance which is measured by the achievement of PAT, RONOC, EBIT and ESG ranged from 93.8% to 100.8%. Business Unit performance measured by the achievement of Business Unit specific EBIT and NOC Days ranged from 84.8% to 109.2% and Functional achievement ranged from 100.0% to 134.7%. Consequently, the overall AVP payout percentage for business year 2024 ranges from 90.1% to 100.7% for members of the Executive Committee.

In the business year 2024, the AVP for individual members of the Executive Committee ranged from 11.2% to 38.9% of their total compensation. On average, AVP in 2024 for all members of the Executive Committee was 25.4% of the total compensation. This entrepreneurial approach ensures the alignment of the interests of the CEO and the members of the Executive Committee to create sustainable value for the Company, its shareholders, and its business partners.

KPIs	Threshold	Target	Cap[1]	Achievement %	Payout %[2]
Group Performance					
Group PAT Achievement				100.0%	99.9%
Group RONOC Achievement				100.8%	100.8%
Group EBIT Achievement				93.8%	93.8%
ESG Achievement				100.1%	100.3%
Business Unit Performance					
BU EBIT Achievement				84.8% – 97.8%	84.8% – 97.8%
BU NOC Days Achievement				98.5% – 109.2%	98.5% – 123.0%
Functional Performance					
Functional Achievement				100.0% – 134.7%	100.0% – 137.5%
2024 Payout				90.1% – 100.2%	90.1% – 100.7%
	70% **85%**	**100%** **125%**	**150%** **175%** **200%**		

[1] Pay-out is capped at a maximum of CHF 5.0 million and CHF 1.5 million for the CEO and CFO, respectively, and 200% of target for all other members of the Executive Committee.

[2] Payout curve not applicable to all members of the Executive Committee to the same degree.

Long-Term Incentive Plan (LTIP)

The Long-Term Incentive Plan was introduced in 2015. Its purpose is to ensure long-term value creation for the Company by providing eligible key managers[1] of the DKSH Group with the possibility to become shareholders of the Company, to participate in the long-term success and prosperity of the DKSH Group, and to further align long-term interests of the key managers and the DKSH Group.

Every business year, a number of performance share units (PSUs) shall be granted to eligible key managers by, and at the full discretion of the Board of Directors; the number of PSUs is individually defined for each key manager and is derived using our variable pay targets. This approach integrates our broader pay-for-performance philosophy, which emphasizes variable pay as a key component. It is designed to directly link employee's earnings to performance and the company's success, ensuring that overall variable pay constitutes a comparable portion of the overall compensation structure for each individual. In principle, each PSU is an entitlement to a maximum of 1.5 shares of the Company, provided certain performance targets are achieved during the three-year performance cycle. In case the performance does not reach certain pre-determined thresholds after three years, no shares of the Company will vest under the LTIP. In the performance cycle 2024 to 2026, 111 eligible key managers participate in the LTIP. Of the 111 eligible key managers, 68% are Senior Management employees and the remaining 32% are other key managers. This makes up to 77% of the Senior Management who are eligible for LTIP. LTIP grants for the 2024 to 2026 performance cycle range from CHF 150,000 to CHF 400,000 for the Executive Committee members (excluding CEO) and from CHF 5,000 to CHF 135,000 for all other eligible key managers.

Under the current performance cycle 2024 to 2026, a total of 69,147 PSUs were granted to the current members of the Executive Committee. These PSUs will vest in March 2027, contingent upon the terms of the LTIP Plan Rules including the participant's continued employment and the group achievements of EBIT, RONOC and share price development during the performance cycle 2024 to 2026.

For PSUs vested in 2024 (performance cycle 2021 to 2023), the final vesting multiple was 0.88. The original 42,897 PSUs granted to the current members of the Executive Committee converted into 37,754 DKSH shares (42,897 PSUs multiplied by the vesting multiple of 0.88, rounded up to the nearest whole share), amounting to a vesting value of CHF 2.4 million.

[1] Key managers are typically responsible for the company's results with potential EBIT contribution or hold/manage responsibilities that are linked to the strategic interest of DKSH.

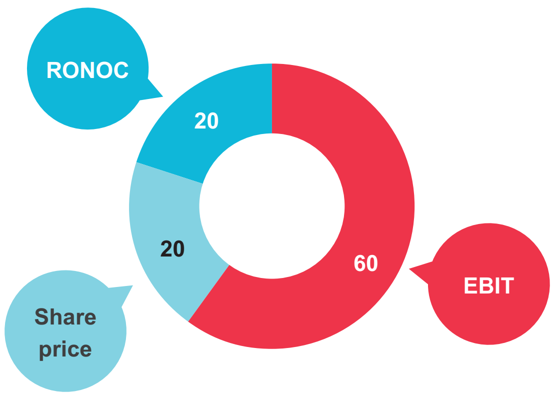
Overview of LTIP Vested in 2024 and Outstanding PSU Grants for Current Members of the Executive Committee[1]

	Number of PSUs Granted	Total Value at Grant[3] (CHF)	Vesting Multiple	Number of Shares Vesting	Total Value at Vesting (CHF)
2021–2023[2]	42,897	2,990,000	0.88	37,754	2,414,368
2022–2024	42,032	3,290,000	To Be Determined	To Be Determined	To Be Determined
2023–2025	49,627	3,492,000	To Be Determined	To Be Determined	To Be Determined
2024–2026	69,147	3,890,000	To Be Determined	To Be Determined	To Be Determined

1 Current Members of the Executive Committee as of December 31, 2024.
2 Vested in March 2024.
3 Calculated using the fair value at grant.

The Company's long-term performance plan for the performance cycle 2024 to 2026 is gauged by a 60% weighting linked to the EBIT of DKSH Group, as reported in the Company's last Annual Report prior to the end of the three-year performance cycle, a 20% weighting linked to the share price measured as the average of the 20 days' closing share price prior to the end of the three-year performance cycle, and a 20% weighting linked to the RONOC (monthly average) of the DKSH Group in the business year prior to the end of the three-year performance cycle (jointly the Vesting Multiple). At the end of a three-year performance cycle, the number of PSUs vesting shall be calculated by multiplying the number of granted PSUs per key manager with the Vesting Multiple.

Weighted Percentage of LTIP Criteria
(2024–2026 Performance Cycle)



Furthermore, shares may be allocated only following the end of a three-year performance cycle subject to pre-determined performance conditions. If a key manager terminates her/his employment contract during a performance cycle or if the employment contract is terminated by the employer for cause, the PSUs shall lapse without any compensation.

If the employment contract of a key manager is terminated due to a key manager's disability, death, early retirement, retirement, or otherwise by DKSH without cause, or if a fixed-term contract expires, the unvested PSUs of the key manager shall be adjusted pro rata based on the number of days elapsed between the first date of the performance cycle and the "date of termination" compared with the full performance cycle, rounded up to the nearest full number of PSUs. The cancelled PSUs shall be deemed forfeited, without any right for compensation, on the date of termination.

In case of death, disability, or retirement, the PSUs that remain outstanding after the pro-rating shall vest on the date of termination, and the Vesting Multiple shall be 1.00. In all other situations, the PSUs that remain outstanding after the pro-rating shall continue to vest pursuant to the original vesting schedule and subject to achievement of the performance targets. The LTIP is paid out in the form of DKSH shares, unless the participant elects upon grant to have only 70% of her/his LTIP payout paid out in DKSH shares and 30% in cash with the view of offering flexibility for tax purposes.

Other Employee Benefits

Other employee benefits are market-specific and structured in accordance with local practice and local legal requirements. The Group regularly reviews its benefit coverage locally and assesses its programs in this area with the support of selected vendors.

Two members of the Executive Committee are covered by the pension scheme applicable to all employees with a Swiss employment contract. In addition, they are covered in a top-up pension scheme. Five members of the Executive Committee are covered under an expatriate offshore pension plan and four members of the Executive Committee are covered by local pension plans in their markets.

5. Compensation Board of Directors and Executive Committee

For the year 2024, the members of the Board of Directors received the following compensation:

in CHF thousands	Function	Director fees (Cash)	Compensation for Commit-tees (Cash)	Allowances/ Social Security Contribution[2]	Total[3]
Marco Gadola	Chairman	710[1]	0	53	763
Gabriel Baertschi	Member	150	55	7	212
Dr. Wolfgang Baier	Member	150	0	13	163
Jack Clemons	Member	123[1]	75	40	238
Adrian T. Keller	Member	150	55	7	212
Andreas W. Keller	Member	150	0	7	157
Prof. Dr. Annette G. Köhler	Member	150	75	7	232
Dr. Hans Christoph Tanner	Member	150	75	7	232
Eunice Zehnder-Lai	Member	127[1]	50	37	214
Total		**1,860**	**385**	**178**	**2,423**

[1] The amount for director fees reflects the total director fees minus pension fund contributions (BVG) paid by the employer.
[2] In compliance with the Ordinance, mandatory employer social security contributions of CHF 25,200, which provide a right to the maximum future insured government benefit, are included. The total mandatory amount paid by the Company or its affiliates to Swiss governmental social security systems is CHF 134,600.
[3] All amounts are gross amounts (i.e. before deduction of social security and income tax due by the members).

For the year 2023, the members of the Board of Directors received the following compensation:

in CHF thousands	Function	Director fees (Cash)	Compensation for Commit-tees (Cash)	Allowances/ Social Security Contribution[1]	Total[2]
Marco Gadola	Chairman	710[1]	0	51	761
Gabriel Baertschi (as of March 16, 2023)	Member	113	41	4	158
Dr. Wolfgang Baier	Member	150	0	11	161
Jack Clemons	Member	123[1]	75	38	236
Adrian T. Keller	Member	150	55	5	210
Andreas W. Keller	Member	150	0	5	155
Prof. Dr. Annette G. Köhler	Member	150	75	5	230
Dr. Hans Christoph Tanner	Member	150	83	5	238
Eunice Zehnder-Lai	Member	127[1]	50	34	211
Total		**1,823**	**379**	**158**	**2,360**

[1] The amount for director fees reflects the total director fees minus pension fund contributions (BVG) paid by the employer.
[2] In compliance with law, mandatory employer social security contributions of CHF 25,200, which provide a right to the maximum future insured government benefit, are included. The total mandatory amount paid by the Company or its affiliates to Swiss governmental social security systems is CHF 132,300.
[3] All amounts are gross amounts (i.e. before deduction of social security and income tax due by the members).

For the year 2024, the members of the Executive Committee received the following compensation:

in CHF thousands	Stefan P. Butz CEO[1]	Other 10 members of the Executive Committee	Total[2]
Fixed Compensation	1,000	3,514	4,514
Annual Variable Pay (AVP) – Cash	1,319	2,419	3,738
Value of performance share units at grant (LTIP)	1,450	2,486	3,936
Allowances	114	1,388	1,502
Pension/Social security contribution[3]	289	724	1,013
Total	**4,172**	**10,531**	**14,703**

[1] Highest individual total compensation in 2024.
[2] All amounts are gross amounts (i.e. before deduction of social security and income tax due by the executives). They include remuneration paid to Laurent Sigismondi (01.01. - 31.10.2024) and Stephen Ferraby (01.01. - 30.11.2024).
[3] In compliance with the Ordinance, mandatory employer social security contributions of CHF 11,600 which provide a right to the maximum future insured government benefit, are included. The total mandatory amount paid by the Company or its affiliates to Swiss governmental social security systems is CHF 292,200.

For the year 2023, the members of the Executive Committee received the following compensation:

in CHF thousands	Stefan P. Butz CEO[1]	Other 12 members of the Executive Committee	Total[2]
Fixed Compensation	1,000	3,676	4,676
Annual Variable Pay (AVP) – Cash[3]	1,112	2,331	3,443
Value of performance share units at grant (LTIP)	1,250	2,835	4,085
Allowances	120	1,215	1,335
Pension/Social security contribution[4]	337	637	974
Total	**3,819**	**10,694**	**14,513**

[1] Highest individual total compensation in 2023.
[2] All amounts are gross amounts (i.e., before deduction of social security and income tax due by the executives). They include the remuneration paid to Terry Seremetis (01.01.–30.06.2023), Chris Ritchie (17.08.–31.12.2023) and Martin Frech (01.01.–31.12.2023).
[3] On February 15, 2024, the Board of Directors approved a change in the performance measurement of the 2023 AVP by not considering the costs of the discontinuation of the non-profitable and non-core fashion retail business in 2023. These adjustments resulted in an additional AVP payment to members of the Executive Committee in the total amount of CHF 96,872, which is included in this table.
[4] In compliance with law, mandatory employer social security contributions of CHF 18,900, which provide a right to the maximum future insured government benefit, are included. The total mandatory amount paid by the Company or its affiliates to Swiss governmental social security systems is CHF 390,900.

Compensation to Former Members of the Board of Directors and the Executive Committee

During 2024, a compensation of CHF 7,507 has been paid to a former member of the Executive Committee. Other than that, no compensation has been paid to either former members of the Board of Directors or former members of the Executive Committee. In 2023, no such compensation has been paid to either former members of the Board of Directors or former members of the Executive Committee.

6. Shareholdings of the Board of Directors and the Executive Committee

Participations

The following tables provide information on the ownership of registered shares in the Company by the members of the Board of Directors and by the members of the Executive Committee as of December 31, 2024, and as of December 31, 2023, respectively.

Share Ownership Requirements for Members of the Executive Committee

Each member of the Executive Committee is required to own at least a minimum multiple of his annual fixed salary in DKSH shares or (vested/unvested) DKSH PSUs within three years of hire, promotion, or introduction of this requirement, as follows: CEO 300% of annual fixed salary, CFO 200% of annual fixed salary, all other members of the Executive Committee 100% of the annual fixed salary. In the event of a substantial rise or drop in the share price, the Board of Directors may, at its discretion, amend that time period accordingly. The determination also includes DKSH shares that are owned directly or indirectly by persons closely linked to a member of the Executive Committee. The Nomination and Compensation Committee reviews compliance with the share ownership guideline on an annual basis. During 2024 all members of the Executive Committee fulfilled the share ownership requirements.

Shareholdings by members of the Board of Directors:

Number of shares held	2024	2023
Marco Gadola	12,800	11,300
Dr. Wolfgang Baier	-	-
Jack Clemons	1,000	1,000
Adrian T. Keller	58,026	58,026
Andreas W. Keller	18,366	18,366
Prof. Dr. Annette G. Köhler	150	150
Dr. Hans Christoph Tanner	1,166	1,166
Eunice Zehnder-Lai	1,600	1,600
Gabriel Baertschi	-	-
Total	**93,108**	**91,608**

Shareholdings by members of the Executive Committee:

Number of shares held	Shares	Unvested PSUs[1]	2024	2023
Stefan P. Butz	113,889	59,507	173,396	149,773
Natale Capri	16,545	14,878	31,423	28,692
Hanno Elbraechter	5,356	5,722	11,078	8,583
Stephen Ferraby[2]	n/a	n/a	n/a	26,508
Martin Frech[3]	n/a	n/a	n/a	11,506
Antoine Mangin	8,171	13,618	21,789	16,442
Sam Oh	2,526	12,257	14,783	9,972
Laurent Sigismondi[4]	n/a	n/a	n/a	10,221
Bijay Singh	24,368	18,615	42,983	36,561
Thomas Sul	17,526	12,639	30,165	28,987
Ido Wallach	3,484	16,059	19,543	12,673
Chris Ritchie	0	7,511	7,511	1,734
Total	**191,865**	**160,806**	**352,671**	**341,652**

1 Granted unvested PSUs see description of LTIP.
2 The employment contract of Stephen Ferraby has been terminated on November 30, 2024.
3 The employment contract of Martin Frech has been terminated on December 31, 2023.
4 The employment contract of Laurent Sigismondi has been terminated on October 31, 2024.

Stock Ownership Requirements
(multiple of annual fixed salary, in %)

7. Additional Fees, Compensation, and Loans

Apart from the benefits listed in this Compensation Report, no other compensation was provided in the year under review and also in 2023 – either directly or via consultancy companies – to the executive and non-executive members of the Board of Directors or to the members of the Executive Committee. In addition, as of December 31, 2023, and as of December 31, 2024, no loans, advances, or credits had been granted by the Group or by any of its subsidiaries to the members of the Board of Directors, or members of the Executive Committee, and their related parties respectively.

8. External Mandates of the Members of the Board of Directors and of the Executive Committee

According to Article 734e CO, all the functions of the members of the Board of Directors and the Executive Committee in other companies need to be specified and disclosed in accordance with Article 626 para. 2 cipher 1 CO. According to § 24 of the Articles of Association, the members of the Board of Directors may hold a maximum of 12 additional mandates in comparable functions at other enterprises with an economic purpose, whereby mandates in companies which are controlled by DKSH or which do control DKSH are not subject to this limitation. No member of the Board of Directors may hold more than six such mandates in other listed companies. Mandates in different legal entities that are under joint control or same beneficial ownership are deemed as one mandate. In the event that the maximum number of mandates is exceeded, the respective member of the Board of Directors must restore the lawful status within six months. Unless specifically indicated, the information regarding external mandates applies for 2023 and 2024.

Members of the Board with external mandates

	Listed Companies	Non-listed Companies, Organizations, Institutions, or Foundations
Marco Gadola	• Chairman of the Board of Directors, Medartis Holding AG • Vice Chairman (since April 2024) / Member (until April 2024) of the Board of Directors, Straumann Holding AG • Vice Chairman of the Board of Directors, MCH Group AG (until April 2024)	• Member of the Board of Directors, Bühler Holding AG • Chairman of the Board of Directors, WS Audiology Denmark A/S (until February 2024) • Member of the Board of Directors, AVAG Anlage und Verwaltungs AG • Member, Standortförderungskommission Baselland • Member, Standortförderungskommission Obwalden
Gabriel Baertschi		• Member of the Board of Directors, MedXCell SA • CEO and Chairman of the Corporate Executive Board, Grünenthal GmbH • Member of the Board of Directors, RealizedCare
Dr. Wolfgang Baier		• Member of the Board of Directors and CEO, Luxasia Group Pte. Ltd. • Member of the Board of Directors, L Beauty Pte. Ltd. • Member of the Board of Directors, Indosing Distribution Private Limited • Member of the Board of Directors, Asia Retail Concepts Pte. Ltd. • Member of the Board of Directors, LEAP DigiCommerce Pte. Ltd. • Chairman of the Board of Directors, Tapouts Inc
Jack Clemons	• Member of the Board of Directors and Member of the Audit Committee, Banque Cantonale Vaudoise	• International Trustee and Chairman of the Audit and Risk Committee, World Wide Fund for Nature (WWF) • Global Trustee and Chair of the Audit & Risk Committee, CIFOR-ICRAF (since December 2024) • Advisor to the Board of Directors, Unit8 SA • Fellow, Institute of Chartered Accountants in England & Wales (ICAEW)
Adrian T. Keller		• Vice-Chairman of the Board of Directors, Diethelm Keller Holding Ltd. • Vice-Chairman of the Board of Directors, Diethelm Keller Group Ltd. • Vice-Chairman of the Board of Directors, Bergos AG • Member of the Board of Directors, Tonhalle Gesellschaft • Chairman of the Board of Directors, Baur & Cie • Member of the Executive Committee, Swiss American Foundation • Chairman of the Foundation Board, Asia Society Switzerland • Trustee and Co-Chair of the Global Centers Committee, Asia Society Global • Member of the Global Leadership Council, Right To Play • Member of the Advisory Board, University of St. Gallen
Andreas W. Keller		• Chairman of the Board of Directors and the Executive Committee, Diethelm Keller Holding Ltd. • Chairman of the Board of Directors, Diethelm Keller Group Ltd.
Prof. Dr. Annette G. Köhler	• Member of the Supervisory Board and Chair of the Finance and Audit Committee, DMG Mori AG • Member of the Supervisory Board, Chair of the Audit and Cybersecurity Committee and Member of the Nomination Committee, GEA Group AG • Member of the Supervisory Board, Chair of the Audit Committee and Member of the Presidial Committee (since June 2024), Gerresheimer AG	• Member of the Advisory Committee, German Auditor Oversight Body
Dr. Hans Christoph Tanner	• Member of the Board of Directors, Paion AG (until March 2024)	• Member of the Beirat, Joimax GmbH • Member of the Board of Directors, Qvantec AG • Executive Chairman of the Board, At Lyphe AG (since February 2024) • Entrepreneur in Residence, Wyss Zurich
Eunice Zehnder-Lai	• Vice-Chairperson, Geberit AG • Member of the Board of Directors, Julius Bär Group Ltd.	• Member of the Board of Trustees, Asia Society Switzerland • President of the Board of Trustees, Friends of Asia Society Switzerland Arts & Culture Foundation • Global Trustee, Asia Society (until October 2024) • Member of the Board of Trustees, Insights for Education • Member of the Board of Trustees, Orpheum Foundation for the Advancement of Young Soloists • Member of the Board, American Swiss Foundation (since March 2024)

Pursuant to § 30 of the Articles of Association, the members of the Executive Committee may hold a maximum of five additional mandates in comparable functions at other enterprises with an economic purpose, whereby mandates in companies which are controlled by DKSH or which do control DKSH are not subject to this limitation. No member of the Executive Committee may hold more than two such mandates in other listed companies. Mandates in different legal entities that are under joint control or same beneficial ownership, are deemed as one mandate. In the event that the maximum number of mandates is exceeded, the respective member of the Executive Committee must restore the lawful status within six months. Unless specifically indicated, the information regarding external mandates applies for 2023 and 2024.

Members of the Executive Committee with external mandates

	Listed companies	Non-listed Companies, Organizations, Institutions, or Foundations
Hanno Elbraechter	• Member of the Board of Directors, Datacolor AG	
Sam Oh	• Chairman of the Board of Directors, DKSH Holdings (Malaysia) Berhad (since November 2024)	• Member of the Board of Directors, aCommerce Group Public Company Limited
Thomas Sul		• Member of the Board, OstAsienVerein
Ido Wallach		• Member of the Board of Directors, aCommerce Group Public Company Limited (since August 2024) • Member of the Board of Directors, aCommerce Group Limited (since August 2024)

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To the General Meeting of
DKSH Holding Ltd., Zurich

Zurich, February 11, 2025

Report of the statutory auditor on the audit of the compensation report

Opinion
We have audited the compensation report of DKSH Holding Ltd. (the Company) for the year ended December 31, 2024. The audit was limited to the information pursuant to Art. 734a-734f of the Swiss Code of Obligations (CO) in paragraphs 5 to 8 of the compensation report.

In our opinion, the information pursuant to Art. 734a-734f CO in the compensation report complies 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 compensation report" section of our report. We are independent of the Company in accordance with the provisions of Swiss law and 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.

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 paragraphs 5 to 8 in the compensation report, the consolidated financial statements, the stand-alone financial statements and our auditor's reports thereon.

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

In connection with our audit of the compensation report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the audited financial information in the compensation report 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 compensation report
The Board of Directors is responsible for the preparation of a compensation report 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 a compensation report that is free from material misstatement, whether due to fraud or error. It is also responsible for designing the remuneration system and defining individual remuneration packages.

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Auditor's responsibilities for the audit of the compensation report
Our objectives are to obtain reasonable assurance about whether the information pursuant to Art. 734a-734f CO is 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 this compensation report.

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 in the compensation report, 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.

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 to 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.

Ernst & Young Ltd

Simon Zogg Licensed audit expert (Auditor in charge)	Patrick Meier Licensed audit expert

Management's Discussion & Analysis

The management review of the Group outlines an in-depth analysis of the financial year 2024 and provides an outlook for DKSH's future.

Summary

Based on the resilience of our business model and our diligent strategy execution, DKSH reports strong Core EBIT growth with all four Business Units reporting increased Net sales and Core EBIT at constant exchange rates (CER).

Net sales reached CHF 11.1 billion (+4.0% at CER), Core EBIT grew to CHF 343.1 million (+8.4% at CER), and Free cash flow was CHF 256.5 million. The Core EBIT margin expanded by more than 10 basis points in a challenging market environment.

Organic growth is key for DKSH that it complements with M&A. In 2024, DKSH successfully closed four acquisitions.

In Business Unit Performance Materials, DKSH announced in April to expand its Life Science business by acquiring Elite Organic Sdn. Bhd. in Malaysia. With this transaction, DKSH Performance Materials expanded its capabilities in the attractive pharmaceuticals, foods, and nutraceutical markets, and strengthened its position as a leading specialty chemicals and ingredients distributor in Asia Pacific. In addition, DKSH acquired Euroingredientes in Portugal to establish a strategic footprint in the food market with a unique product portfolio of food ingredients and nutraceuticals. Through the acquisition of Euroingredientes, DKSH Performance Materials secured a well-established business with more than 20 years of experience as a reliable supplier, offering a unique product portfolio.

In Business Unit Healthcare, DKSH announced in early 2024 that it signed an agreement to acquire Medipharm Sdn Bhd, one of the leading pharmaceutical and medical devices distributors in Brunei. With this acquisition, DKSH Healthcare grew its business in line with the strategy to expand its footprint in the Asia Pacific region.

In Business Unit Technology, DKSH extended its Semiconductor & Electronics and Scientific Solutions business lines with the acquisition of CLMO Technology Bhd (CLMO). CLMO is headquartered in Malaysia and provides services across the entire value chain of its clients and customers, including pre-sales consulting, sale and customization of equipment and accessories as well as spare parts, installation and commissioning, service training, technical support and maintenance of equipment, and calibration.

Acquisitions will continue to be a crucial part of DKSH's strategy as they provide access to attractive business segments and expand DKSH's market position across its Business Units.

DKSH reports record Core EBIT and strong Cash conversion in 2024

Driven by accelerated growth in the second half of the year, Net sales reached CHF 11.1 billion (4.0% at CER) and Core EBIT amounted to CHF 343.1 million (8.4% at CER), resulting in a Core EBIT margin increase of more than 10 basis points to 3.1%. Organic growth contributed the most with 3.1%, acquisitions added 0.9%, and exchange rates -3.8% due to the appreciation of the Swiss franc.

All four Business Units improved their performance with positive Net Sales and Core EBIT growth at CER. Accordingly, the Group's Core EBIT margin reached 3.1% compared to 3.0% in 2023.

All Business Units Improved Performance

Business Unit Healthcare

Business Unit Healthcare recorded a net sales growth of 6.0% (at CER) and a stronger Core EBIT growth of 11.0% (at CER), corresponding to the fourth consecutive year of Core EBIT growth and resulting in a Core EBIT margin of 2.9% (+10 basis points). Major contributors were the strong underlying markets, the successful business expansion with both existing and new clients in key markets, the continued shift to the higher-margin Commercial Outsourcing business, as well as the continued focus on the Own Brands business. The Business Unit will continue to enhance its leading position and drive into higher-margin segments and services.

Business Unit Consumer Goods

Business Unit Consumer Goods achieved a Core EBIT increase of 12.7% (at CER) and drove a net sales growth of 1.6% (at CER) to CHF 3.4 billion, aided by a combination of solid market share gains in Vietnam, Australia and New Zealand as well as a positive contribution from the beauty care acquisition (CS&Co). The focus has also been on further improving margins and scale through secondary growth engines, with a strong performance by the Own Brands business. DKSH exceeded its mid-term Core EBIT target of 2.5% reaching a Core EBIT margin of 2.6% in 2024. The Business Unit will further leverage its leadership position to drive profitable growth in Asia Pacific.

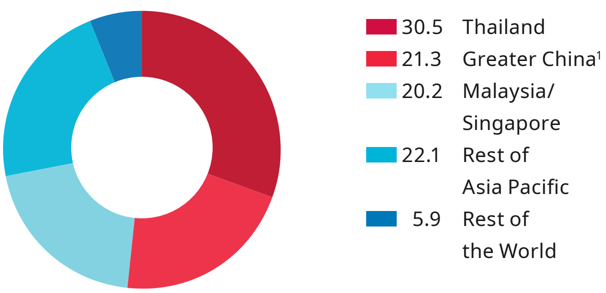
Business Unit Performance Materials

Business Unit Performance Materials recorded a net sales growth of 1.2% (at CER) in a challenging market environment, with a stronger momentum in the second half. Driven by gross margin expansion, Core EBIT in 2024 was CHF 114.0 million and grew by 2.4% (at CER) with a slightly higher Core EBIT margin of 8.1%. Core EBITA was CHF 123.3 million (+2.1% at CER) and the Core EBITA margin expanded from 8.7% to 8.8%, with a strong performance in Asia Pacific, where the Business Unit grew both its life science and industrial segments. This scalable and global business model combined with further industry consolidation potential provide future growth opportunities to the Business Unit.

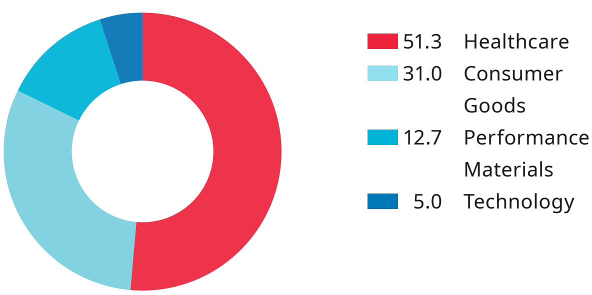
Business Unit Technology

Business Unit Technology delivered a strong second half of 2024, achieved net sales growth of 6.9% (at CER) and marginally increased Core EBIT by +0.6% (at CER). In a difficult macro environment, this result reflects the continued resilience and strong strategy execution, following the record performance in 2023. Business Unit Technology will continue to focus investments in its Business Lines Scientific Solutions, Semiconductor and Electronics, Precision Machinery, as well as its Consumables and Services business. At the same time, the Business Unit will continue to capitalize on market consolidation opportunities, as recently demonstrated with the acquisition of CLMO.

Net sales 2024 by region in %



Net sales 2024 by Business Unit in %



[1] Thereof Mainland China 2.4%.

Other (Non-Business Unit)

Other Core EBIT reached CHF -63.0 million in 2024 from CHF -60.5 million in 2023. Other EBIT was CHF -64.2 million and includes a fair value adjustment related to employee benefit expenses of CHF 1.2 million (2023: CHF 0.9 million). These figures reflect costs which have not been allocated to the Business Units.

Regional Performance

At CER, Net sales in DKSH's largest market, Thailand, grew mid-single digit mainly thanks to strong growth in Business Unit Healthcare, Consumer Goods and Performance Materials. Net sales in the Greater China region increased low-single digit. Net sales in Malaysia and Singapore grew mid-single digit due to growth with existing and new clients. The Rest of Asia Pacific grew low-single digit, and the Rest of the World declined slightly.

Group				At CER[1]
in CHF millions	2024	2023	Change in %	Change in %
Net sales	11,093.6	11,066.0	0.2	4.0
Core operating profit (EBIT)	343.1	329.9	4.0	8.4

Healthcare				At CER[1]
in CHF millions	2024	2023	Change in %	Change in %
Net sales	5,697.2	5,578.2	2.1	6.0
Core operating profit (EBIT)	167.3	155.9	7.3	11.0

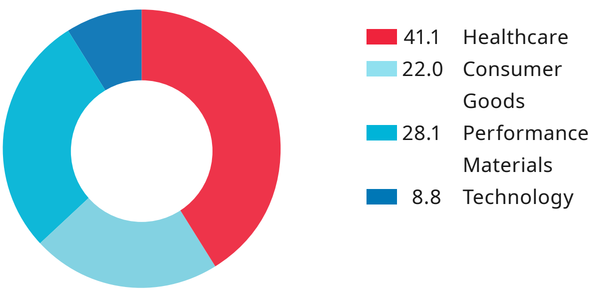
Consumer Goods				At CER[1]
in CHF millions	2024	2023	Change in %	Change in %
Net sales	3,443.2	3,515.5	(2.1)	1.6
Core operating profit (EBIT)	89.2	82.5	8.1	12.7

Performance Materials				At CER[1]
in CHF millions	2024	2023	Change in %	Change in %
Net sales	1,404.8	1,439.7	(2.4)	1.2
Core operating profit (EBIT)	114.0	116.0	(1.7)	2.4

Technology				At CER[1]
in CHF millions	2024	2023	Change in %	Change in %
Net sales	549.3	532.6	3.1	6.9
Core operating profit (EBIT)	35.6	36.0	(1.1)	0.6

[1] Constant exchange rates (CER): 2024 figures converted at 2023 exchange rates.

Core EBIT 2024 by Business Unit[2] in %



[2] Excl. Business Unit "Other".

Cash Flow Generation[1]

The Free cash flow slightly decreased to CHF 256.5 million, representing a Cash conversion of 113.6% compared to 137.7% in 2023. The DKSH Group overachieved its mid-term Cash conversion target of more than 90%.

DKSH operates an asset-light business model where distribution centers are typically leased and most of the transportation is outsourced to third parties. Accordingly, Capital expenditures (Capex) remained at a low level of CHF 36.8 million (0.3% of Net sales) in 2024, a similar rate as in 2023 (CHF 37.5 million or 0.3% of Net sales).

Core return on equity (ROE) reached 12.1% (11.7% in 2023) and Core return on net operating capital (RONOC) was 19.7% (18.7% in 2023).

Continued Strong Balance Sheet[1]

In 2024, DKSH used its cash flow primarily to fund four acquisitions, to distribute CHF 146.1 million as dividend payment and for the repayment of current and non-current borrowings. Accordingly, the Net cash position by the end of 2024 stood higher at CHF 48.1 million, compared to a Net cash position of CHF 6.5 million at the end of 2023.

Outlook

DKSH is committed to its mid-term roadmap, highlighting that its outlook for 2025 aligns with these goals. The company expects Core EBIT in 2025 to be higher than in 2024. This outlook assumes economic growth in Asia Pacific, constant exchange rates, and barring any unforeseen events. The Group remains confident about Asia Pacific's long-term potential and is well-positioned to benefit from favorable market, industry, and M&A consolidation trends.

[1] For the definition of Alternative Performance Measures, please refer to DKSH Annual Report 2024, page 50 onwards.

Definitions and Financial Details

In the Annual Report, media releases, and other communication to external stakeholders, DKSH uses financial performance measures which are not defined by IFRS Accounting Standards. These measures are used by management to assess the performance of the Group. Some of these measures, like Operating profit (EBIT), are defined by a reconciliation in the sections of the Annual Report where they appear. The other main alternative performance measures used by DKSH are defined and/or reconciled below.

Organic Growth

Organic growth is the difference between current and previous reporting period excluding Mergers & Acquisitions (M&A) and Foreign exchange effects (FX).

Mergers & Acquisitions

M&A includes the impact of the businesses acquired in the current and previous reporting period.

Foreign Exchange Effects

FX is the difference between current period reported figures at current versus previous period exchange rates.

The reconciliation between Net sales of current and previous reporting period as per Consolidated Income Statement is as follows:

2024 by Business Unit in CHF millions	**2024**	**Organic**	**M&A**	**FX**	**2023**
Healthcare	5,697.2	298.6	37.9	(217.5)	5,578.2
Consumer Goods	3,443.2	33.6	24.3	(130.2)	3,515.5
Performance Materials	1,404.8	12.4	5.0	(52.3)	1,439.7
Technology	549.3	(0.3)	37.0	(20.0)	532.6
Other/Elimination	(0.9)	(0.9)	-	-	-
Group Total	**11,093.6**	**343.4**	**104.2**	**(420.0)**	**11,066.0**
in % of 2023		3.1	0.9	(3.8)	

2023 by Business Unit in CHF millions	**2023**	**Organic**	**M&A**	**FX**	**2022**
Healthcare	5,578.2	347.4	18.1	(424.2)	5,636.9
Consumer Goods	3,515.5	70.2	10.5	(273.9)	3,708.7
Performance Materials	1,439.7	(98.5)	188.0	(111.2)	1,461.4
Technology	532.6	39.1	24.8	(44.5)	513.2
Group Total	**11,066.0**	**358.2**	**241.4**	**(853.8)**	**11,320.2**
in % of 2022		3.2	2.1	(7.5)	

Core Operating Profit (EBIT) and Core EBITA

The reconciliation from Operating profit (EBIT), reconciled in the Consolidated Income Statement, to Core operating profit (EBIT) and Core EBITA is as follows:

2024 by Business Unit in CHF millions	**Operating profit (EBIT)**	**Goodwill impairment and write-offs**	**Fair value adjustment related to employee benefit expenses**	**Legal case settlement**	**Core operating profit (EBIT)**	**Amortization**	**Core EBITA**
Healthcare	167.1	-	-	0.2	167.3	6.1	173.4
Consumer Goods	81.4	6.2	-	1.6	89.2	2.6	91.8
Performance Materials	114.0	-	-	-	114.0	9.3	123.3
Technology	35.6	-	-	-	35.6	2.3	37.9
Other/Elimination	(64.2)	-	1.2	-	(63.0)	1.4	(61.6)
Group Total	**333.9**	**6.2**	**1.2**	**1.8**	**343.1**	**21.7**	**364.8**

Goodwill impairment is included in Depreciation, amortization and impairment, write-offs are included in Other operating expenses in the Consolidated Income Statement.

The fair value adjustment related to employee benefit expenses is included in Employee benefit expenses in the Consolidated Income Statement.

The legal case settlement is included in Other operating expenses in the Consolidated Income Statement.

2023 by Business Unit in CHF millions	Operating profit (EBIT)	Discontinuation of fashion retail business	Goodwill impairment	Fair value adjustment related to employee benefit expenses	Share of result in associates	Core operating profit (EBIT)	Amortization	Core EBITA
Healthcare	155.9	-	-	-	-	155.9	5.4	161.3
Consumer Goods	66.9	11.7	3.9	-	-	82.5	4.4	86.9
Performance Materials	116.0	-	-	-	-	116.0	9.6	125.6
Technology	36.0	-	-	-	-	36.0	3.1	39.1
Other/Elimination	(68.9)	-	-	0.9	7.5	(60.5)	1.9	(58.6)
Group Total	**305.9**	**11.7**	**3.9**	**0.9**	**7.5**	**329.9**	**24.4**	**354.3**

Discontinuation of fashion retail business represents the operational loss and is included in Net sales (CHF 4.1 million), Goods and materials purchased and consumables used (CHF 6.7 million), Employee benefit expenses (CHF 3.5 million), Depreciation, amortization and impairments (CHF 1.1 million) and Other expenses (CHF 4.6 million) in the Consolidated Income Statement.

Goodwill impairment is included in Depreciation, amortization and impairment in the Consolidated Income Statement.

The fair value adjustment related to employee benefit expenses is included in Employee benefit expenses in the Consolidated Income Statement.

The share of results in associates relates to the Group's share of FVTPL revaluation losses of an associate's outstanding convertible loan of CHF 3.3 million and an impairment charge of CHF 4.2 million included in the equity method of accounting.

Core Operating Profit (EBIT) and Core Operating Profit Before Amortization (EBITA) margin:

Defined as Core operating profit (EBIT) divided by Net sales, respectively Core operating profit before amortization (EBITA) divided by Net sales.

Core Profit After Tax

The reconciliation from Profit after tax in the Consolidated Income Statement, to Core profit after tax is as follows:

in CHF millions	2024	2023
Profit after tax	220.9	189.9
Goodwill impairment and write-offs	6.2	3.9
Legal case settlement	1.8	-
Expense/(Income) from financial instruments	1.8	(8.0)
Loss on sale of subsidiaries	1.7	2.0
Fair value adjustment related to employee benefit expenses	1.2	0.9
Discontinuation of fashion retail business	-	9.8
Share of result in associates	-	7.5
Revaluation of contingent consideration liabilities	(7.9)	(1.0)
Core profit after tax	**225.7**	**205.0**

The expense/(income) from financial instruments is included in the Net finance result in the Consolidated Income Statement.

Loss on sale of subsidiaries is included in the Consolidated Income Statement.

Discontinuation of fashion retail business are adjusted for the applicable tax rate in the jurisdiction where the costs are incurred.

Revaluation of contingent consideration liabilities is included in the Net finance result in the Consolidated Income Statement.

Free Cash Flow

The reconciliation from Net cash flows from operating activities in the Consolidated Cash Flow Statement to Free cash flow is as follows:

in CHF millions	2024	2023
Net cash flows from operating activities	362.9	393.1
Repayment leases	(69.6)	(73.3)
Purchase of property, plant and equipment	(33.7)	(30.7)
Purchase of intangible assets	(7.9)	(21.6)
Purchase trademarks/licences and contract assets	4.8	14.8
Free cash flow	**256.5**	**282.3**

Cash Conversion

Cash conversion is calculated as Free cash flow as percentage of Core profit after tax:

in CHF millions	2024	2023
Free cash flow	256.5	282.3
Core profit after tax	225.7	205.0
Cash conversion	**113.6%**	**137.7%**

Net Operating Capital (NOC)

Net operating capital is the capital invested in the business and is calculated from the Consolidated Statement of Financial Position as follows:

in CHF millions	2024	2023	2022
Total assets	5,848.3	5,471.2	5,878.7
Financial assets	(43.9)	(39.0)	(31.4)
Cash and cash equivalents	(609.1)	(687.2)	(636.4)
Total liabilities	(3,968.3)	(3,733.3)	(4,052.4)
Current borrowings	234.5	211.9	155.3
Non-current borrowings	326.5	468.8	523.4
Net operating capital (NOC)	**1,788.0**	**1,692.4**	**1,837.2**

Core Return on Net Operating Capital (RONOC)

Core return on net operating capital is calculated from the Consolidated Income Statement and the Consolidated Statement of Financial Position as follows:

in CHF millions	2024	2023	2022
Core Operating profit (EBIT)	343.1	329.9	-
Net operating capital (NOC)	1,788.0	1,692.4	1,837.2
Average NOC current and previous period	1,740.2	1,764.8	-
Core return on net operating capital (RONOC)[1]	**19.7%**	**18.7%**	**-**

[1] In 2023, The Group changed the definition from Return on net operating Capital to Core return on net operating capital to reflect the underlying performance.

Core Return on Equity (ROE)

The Core return on equity is calculated from the Consolidated Income Statement and the Consolidated Statement of Financial Position as follows:

in CHF millions	2024	2023
Core profit after tax	225.7	205.0
Non-controlling interest	6.1	7.9
Core profit attributable to the shareholders of DKSH Holding Ltd.	**219.6**	**197.1**
Equity attributable to the shareholders of DKSH Holding Ltd.	1,820.6	1,686.9
Core return on equity (ROE)[1]	**12.1%**	**11.7%**

[1] In 2023, The Group changed the definition from Return on equity to Core return on equity to reflect the underlying performance.

Equity Ratio

The Equity ratio is calculated from the Consolidated Statement of Financial Position as follows:

in CHF millions	2024	2023
Total equity	1,880.0	1,737.9
Total assets	5,848.3	5,471.2
Equity ratio	**32.1%**	**31.8%**

Net Cash

The reconciliation from Cash and cash equivalents in the Consolidated Statement of Financial Position to Net cash is as follows:

in CHF millions	2024	2023
Cash and cash equivalents	609.1	687.2
Current borrowings	(234.5)	(211.9)
Non-current borrowings	(326.5)	(468.8)
Net cash	**48.1**	**6.5**

Consolidated Financial Statements DKSH Group

Consolidated Income Statement

in CHF millions [1]	Notes	2024	2023
Net sales	4	11,093.6	11,066.0
Other income	5	15.1	22.7
Goods and materials purchased and consumables used		(9,449.5)	(9,418.4)
Employee benefit expenses	6	(746.0)	(755.8)
Depreciation, amortization and impairment	15/17/18	(126.6)	(132.1)
Other operating expenses	7	(455.9)	(470.8)
Share of profit and loss of associates and joint ventures	19/20	3.2	(5.7)
Operating profit (EBIT)		**333.9**	**305.9**
Financial income	8	18.6	14.8
Financial expense	8	(37.6)	(54.4)
Loss on sale of shareholdings	30/32	(1.7)	(2.0)
Profit before tax		**313.2**	**264.3**
Income tax expenses	9	(92.3)	(74.4)
Profit after tax		**220.9**	**189.9**
Attributable to			
Shareholders of DKSH Holding Ltd.		214.8	182.0
Non-controlling interest		6.1	7.9
Earnings per share for profit attributable to the shareholders of DKSH Holding Ltd.			
Basic earnings per share	28	3.31	2.80
Diluted earnings per share	28	3.30	2.80

[1] Except for earnings per share (in CHF).

Consolidated Statement of Comprehensive Income

in CHF millions	2024	2023
Profit after tax	**220.9**	**189.9**
Other comprehensive income		
Currency translation differences	57.5	(152.2)
Items that may be reclassified to profit or loss	**57.5**	**(152.2)**
Remeasurements on defined benefit plans, net of tax of CHF 0.8 million in current and CHF 1.9 million in prior period	(1.1)	7.4
Items that will not be reclassified to profit or loss	**(1.1)**	**7.4**
Other comprehensive income	**56.4**	**(144.8)**
Total comprehensive income	**277.3**	**45.1**
Attributable to		
Shareholders of DKSH Holding Ltd.	266.8	49.2
Non-controlling interest	10.5	(4.1)

Consolidated Statement of Financial Position

in CHF millions at December 31	Notes	2024	2023
Cash and cash equivalents	10	609.1	687.2
Trade receivables	11	1,964.6	1,840.7
Inventories	13	1,334.6	1,138.0
Prepaid expenses and contract assets	14	43.2	32.0
Other receivables	16	392.7	330.9
Current income tax receivables		37.3	36.5
Assets classified as held for sale[1]	32	9.8	-
Current assets		**4,391.3**	**4,065.3**
Intangible assets	15	819.6	785.6
Property, plant and equipment	17	147.9	143.6
Right-of-use assets	18	261.2	261.5
Financial assets	12	43.9	39.0
Investments in associates and joint ventures[1]	19/20	105.1	98.2
Retirement benefit assets	26	21.4	22.9
Deferred tax assets	21	57.9	55.1
Non-current assets		**1,457.0**	**1,405.9**
Total assets		**5,848.3**	**5,471.2**
Borrowings	22	234.5	211.9
Lease liabilities	18	60.0	54.2
Trade payables		2,318.2	2,025.3
Current income tax liabilities		75.3	55.8
Other payables, accrued expenses and contract liabilities	23	615.3	566.8
Current provisions	24	1.1	1.5
Liabilities classified as held for sale	32	1.3	-
Current liabilities		**3,305.7**	**2,915.5**
Borrowings	22	326.5	468.8
Lease liabilities	18	218.8	223.3
Other non-current liabilities		49.6	62.9
Deferred tax liabilities	21	30.5	28.3
Non-current provisions	24	7.1	6.6
Retirement benefit obligations	26	30.1	27.9
Non-current liabilities		**662.6**	**817.8**
Total liabilities		**3,968.3**	**3,733.3**
Share capital		6.5	6.5
Reserves and retained earnings		1,814.1	1,680.4
Equity attributable to the shareholders of DKSH Holding Ltd.		**1,820.6**	**1,686.9**
Non-controlling interest		**59.4**	**51.0**
Total equity		**1,880.0**	**1,737.9**
Total equity and liabilities		**5,848.3**	**5,471.2**

[1] In 2024, the investment in Bovet has been reclassed from Assets classfied as held for sale to Investments in associates and joint ventures. The previous period has been restated (Note 19).

Consolidated Statement of Changes in Equity

in CHF millions	Share capital	Treasury shares[1]	Currency translation	Other reserves	Retained earnings	Total equity attributable to shareholders of DKSH Holding Ltd.	Non-controlling interest	Total equity
As of January 1, 2023	**6.5**	**(7.0)**	**(346.1)**	**234.2**	**1,870.9**	**1,758.5**	**67.8**	**1,826.3**
Profit after tax	-	-	-	-	182.0	182.0	7.9	189.9
Other comprehensive income	-	-	(140.2)	-	7.4	(132.8)	(12.0)	(144.8)
Total comprehensive income	**-**	**-**	**(140.2)**	**-**	**189.4**	**49.2**	**(4.1)**	**45.1**
Change in ownership[2]	-	-	-	-	-	-	(3.9)	(3.9)
Purchase of treasury shares	-	(6.2)	-	-	-	(6.2)	-	(6.2)
Vested share-based payment awards	-	6.4	-	-	(6.4)	-	-	-
Share-based payments	-	-	-	-	3.7	3.7	-	3.7
Dividend	-	-	-	-	(139.6)	(139.6)	(5.1)	(144.7)
Changes related to put options for non-controlling interests	-	-	0.2	-	21.1	21.3	(3.7)	17.6
As of December 31, 2023	**6.5**	**(6.8)**	**(486.1)**	**234.2**	**1,939.1**	**1,686.9**	**51.0**	**1,737.9**
Profit after tax	-	-	-	-	214.8	214.8	6.1	220.9
Other comprehensive income	-	-	53.1	-	(1.1)	52.0	4.4	56.4
Total comprehensive income	**-**	**-**	**53.1**	**-**	**213.7**	**266.8**	**10.5**	**277.3**
Purchase of treasury shares	-	(3.1)	-	-	-	(3.1)	-	(3.1)
Vested share-based payment awards	-	5.3	-	-	(5.3)	-	-	-
Share-based payments	-	-	-	-	3.4	3.4	-	3.4
Dividend	-	-	-	-	(146.1)	(146.1)	(1.6)	(147.7)
Changes related to put options for non-controlling interests	-	-	-	-	12.7	12.7	(0.5)	12.2
As of December 31, 2024	**6.5**	**(4.6)**	**(433.0)**	**234.2**	**2,017.5**	**1,820.6**	**59.4**	**1,880.0**

[1] Treasury share transactions (Note 27).
[2] Relates to the disposal of the Group's interest in DKSH Smollan Fieldmarketing businesses in Malaysia, Thailand, Taiwan and Vietnam (Note 30).

Consolidated Cash Flow Statement

in CHF millions	Notes	2024	2023
Profit before tax		**313.2**	**264.3**
Non-cash adjustments			
Depreciation, amortization and impairment on			
Property, plant and equipment	17	31.2	31.8
Intangible assets	15	25.4	28.3
Right-of-use assets	18	70.0	72.0
Share-based payment transaction expense	29	3.8	3.8
Gain/Loss on sale of tangible assets and intangible assets	5/7	1.2	0.1
Financial income	8	(18.6)	(14.8)
Financial expense	8	37.6	54.4
Share of profit and loss of associates and joint ventures	19/20	(3.2)	5.7
Loss on sale of shareholdings	30/32	1.7	2.0
Change in provisions and other non-current liabilities		(2.4)	0.4
Change in other non-current assets		1.0	(1.0)
Working capital adjustments			
(Increase)/decrease in trade and other receivables and prepayments		(63.2)	7.8
(Increase)/decrease in inventories		(133.1)	16.5
Increase in trade and other payables		193.6	31.6
Interest received		9.1	5.1
Interest paid		(31.9)	(37.7)
Income taxes paid		(74.7)	(81.2)
Dividend received from associates and joint ventures		2.2	4.0
Net cash flows from operating activities		**362.9**	**393.1**
Proceeds from sale of property, plant and equipment		3.9	1.7
Purchase of property, plant and equipment		(33.7)	(30.7)
Purchase of intangible assets[1]		(7.9)	(21.6)
Purchase of financial assets / loans granted		(3.4)	(3.1)
Acquisition of subsidiaries net of cash	30	(34.5)	(62.1)
Disposal of subsidiaries net of cash	30	-	(0.7)
Net cash flows from/used in investing activities		**(75.6)**	**(116.5)**

[1] Includes payments of CHF 4.8 million in 2024 and CHF 14.8 million in 2023 relating to the acquisitions of client contracts and trademarks respectively (Note 15).

in CHF millions	Notes	2024	2023
Proceeds from current and non-current borrowings	22	536.6	818.7
Repayment of current and non-current borrowings	22	(677.5)	(779.7)
Repayment leases	18	(69.6)	(73.3)
Settlements relating to put options for non-controlling interests[1]		(2.9)	-
Dividend paid	27	(146.1)	(139.6)
Dividend paid to non-controlling interest		(1.6)	(5.1)
Purchase of treasury shares	27	(3.1)	(6.2)
Net cash flows from/used in financing activities		**(364.2)**	**(185.2)**
Cash and cash equivalents, as of January 1		**687.2**	**636.4**
Effect of exchange rate changes		(1.2)	(40.6)
Net increase/(decrease) in cash and cash equivalents		(76.5)	91.4
Cash and cash equivalents, as of December 31		**609.5**	**687.2**

[1] Relates to the acquisition of Hahn Healthcare in 2021.

Notes to the Consolidated Financial Statements

1. General Information

DKSH (the "Group") is a Market Expansion Services Group with a focus on Asia. DKSH helps other companies and brands to grow their business in new or existing markets with 26,167 specialized staff (2023: 27,062).

The Group offers any combination of sourcing, market insights, marketing and sales, eCommerce, distribution and logistics as well as after-sales services. It provides business partners with expertise as well as on-the-ground logistics based on a comprehensive network of unique size and depth.

Business activities are organized into four specialized Business Units that mirror the Group's fields of expertise: Healthcare, Consumer Goods, Performance Materials and Technology.

DKSH Holding Ltd. is the parent company of DKSH Group. Its shares are listed on the SIX Swiss Exchange. The address of its registered office is Wiesenstrasse 8, 8008 Zurich, Switzerland.

The consolidated financial statements of the Group as of December 31, 2024, were approved by the Board of Directors on February 11, 2025, and are subject to approval by the Ordinary General Meeting of shareholders on March 27, 2025.

2. Accounting Policies

The principal accounting policies adopted in the preparation of these consolidated financial statements are set out below:

Basis of Preparation

The consolidated financial statements are prepared in accordance with and comply with IFRS Accounting Standards. The financial statements have been prepared on an accrual basis and under the historical cost convention, as modified by the revaluation of certain financial assets, and financial liabilities (including derivative instruments) at fair value. All amounts are in millions of Swiss francs unless otherwise stated.

(a) Consolidation

Subsidiaries are consolidated from the date on which control is transferred to the Group and are no longer consolidated from the date that control ceases. All intercompany transactions, balances and unrealized gains and losses on transactions between Group companies are eliminated on consolidation. The difference of the cost of an acquisition of non-controlling interest over the carrying amounts of net assets acquired is recognized directly in equity.

A listing of the Group's principal subsidiaries is set out in Note 35. The financial effect of the acquisitions and disposals is shown in Note 30.

Business Combinations and Related Goodwill

The cost of an acquisition is measured as the fair value of the consideration given, including contingent consideration liabilities and the fair value of any previous equity interest. Acquisition-related costs are expensed as incurred.

The excess of the cost of an acquisition over the fair value of the net identifiable assets, liabilities and contingent liabilities acquired is capitalized. If the cost of an acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognized directly in other income in the income statement.

With regards to business combinations, put option and call option agreements relating to the shares held by the non-controlling shareholders are entered from time to time. If the Group has acquired a present ownership interest as part of a business combination, the present value of the redemption amount of the put option is recognized as a financial liability with any excess over the carrying amount of the non-controlling interest recognized as goodwill. In such case, the non-controlling interest is deemed to have been acquired at the acquisition date and therefore any excess arising should follow the accounting treatment as in a business combination acquiring full shares of the target company. Subsequent value changes of the financial liability classified at amortized cost are recognized in the statement of income and no earnings are attributed to the non-controlling interest. If the Group has not acquired a present ownership interest as part of a business combination, the non-controlling interest continues to receive an allocation of profit or loss and is reclassified as a financial liability at each reporting date as if the acquisition took place at that date. Any excess over the reclassified carrying amount of the non-controlling interest and subsequent value changes of the financial liability are recognized directly in retained earnings.

(b) Investments in Associates and Joint Ventures

Associates are entities over which the Group has significant influence.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The Group's investments in its associates and joint ventures are accounted for by using the equity method. Under the equity method, the investment in an associate or a joint venture is initially recognized at cost. The carrying amount of the investment is adjusted by recognizing changes in the Group's share of net assets of the associate or joint venture since the acquisition date. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is neither amortized nor individually tested for impairment.

When there has been a change directly recognized in the equity of the associate or joint venture, the Group recognizes its share of these changes, if applicable, in the statement of changes in equity. Unrealized gains and losses resulting from transactions between the Group and the associate or joint venture are eliminated to the extent of the interest in the associate or joint venture.

The Group's share of profit or loss of an associate or a joint venture is reported in operating profit and represents profit or loss after tax and non-controlling interests in the subsidiaries of the associate or joint venture. The financial statements of the associate or joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

At each reporting date, the Group determines whether there is objective evidence that the investment in the associate or joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value, then recognizes the loss as Share of profit and loss of associates and joint ventures in the Consolidated income statement.

Upon loss of significant influence over the associate or joint control over the joint venture and it becomes a financial asset, the Group measures and recognizes any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognized in profit or loss.

(c) Financial Assets

Financial assets at fair value through profit or loss (FVTPL) include financial assets for short-term purposes, derivative financial instruments, convertible loans and other equity securities not irrevocably designated as at fair value through other comprehensive income (OCI) on initial recognition. Such instruments are initially recognized at fair value on the date on which they are acquired and are subsequently measured at fair value. Derivative assets are included in other receivables, and derivative liabilities are included in other payables and accrued expenses in the statement of financial position as they are generally expected to be realized within twelve months of the financial reporting date.

Financial assets measured at amortized cost are financial assets held to collect contractual cash flows comprising solely principal and interest payments. This represents the most significant measurement category for the Group and it comprises cash and cash equivalents, trade receivables and other financial receivables and loans. These assets are initially recognized at fair value plus transaction cost with the exception of trade receivables that are measured at the transaction price.

After initial recognition these financial assets are measured at amortized cost using the effective interest rate method and are subject to impairment using the expected credit loss model. The Group applies the simplified approach, which allows expected lifetime losses to be recognized for trade receivables using a provision matrix. The provision matrix is based on the Group's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. These provisions represent the difference between the trade receivables gross carrying amount and the estimated net collectible amounts. Trade receivables are written off against the provision account when there is an official announcement of liquidation or bankruptcy confirming that the receivable will not be collected.

(d) Derivatives and Hedging

The Group uses derivative financial instruments such as forward currency contracts to hedge its risks associated with foreign currency fluctuations.

Such instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently measured at fair value. Any gains or losses arising from changes in fair value on derivatives during the year are taken to the income statement. Additionally, the Group designates some forward contracts as hedges of net investments in foreign operations. Gains and losses from these contracts are recorded directly in other comprehensive income and will be recycled to the income statement on disposal of the underlying investment.

The Group does not enter into any derivatives without underlying exposure.

(e) Foreign Currency Translation
The Group's financial statements are presented in Swiss francs (CHF), which is also the parent's functional currency. Income statements of foreign entities are translated into CHF at the average exchange rates for the year, while the statements of financial position are translated at the year-end exchange rates as of December 31. Exchange differences arising from the translation of the net investment in foreign subsidiaries and associated undertakings, and of borrowings that hedge such investments, are included in other comprehensive income. On disposal of a foreign entity, the accumulated exchange differences are recognized in the income statement as part of the gain or loss on sale.

Foreign currency transactions are accounted for at the exchange rates prevailing at the date of the transactions. Gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognized in the income statement. Non-monetary items are carried at historical cost using the spot rate at acquisition.

(f) Intangible Assets
Expenditure to acquire distribution contracts, patents, trademarks and licenses is capitalized and amortized using the straight-line method over their useful lives, not exceeding 20 years.

Software licenses are capitalized on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortized using the straight-line method over their estimated useful lives (3 to 10 years).

(g) Property, Plant, and Equipment
Property, plant and equipment is initially recorded at cost. The Group applies the straight-line depreciation method.

Such tangible fixed assets are depreciated to their residual values over their estimated useful life as follows:

Buildings	25 to 35 years
Machinery/tools, furniture/fixtures	5 to 10 years
IT/communication	3 to 5 years
Vehicles	5 years

Leasehold improvements are depreciated over the shorter of their useful life and the remainder of the non-cancellable lease term.

(h) Impairment of Assets
Goodwill
Goodwill is tested for impairment at least annually and upon the occurrence of an indication of impairment. The impairment tests are performed annually at the same time each year at the cash-generating unit (CGU) level. The Group defines its CGUs based on the way that it monitors economic benefits from the acquired goodwill and intangibles. The impairment tests are performed by comparing the carrying value of the assets of these CGUs with their recoverable amount. The recoverable amount is the greater of the fair value less cost of disposal and value-in-use. Generally, the Group starts with a value-in-use calculation based on the future projected free cash flows discounted at an appropriate pre-tax rate of return. The discount rate reflects the current assessment of the time value of money and the risks specific to the CGUs (essentially country risks).

Impairment of Property, Plant and Equipment, Right-of-use Assets and Finite-life Intangible Assets
Consideration is given at each financial reporting date determining whether there is any indication of impairment of the carrying amount of the Group's property, plant and equipment, right-of-use assets and finite-life intangible assets. If any indication exists, an asset's or CGUs recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the fair value less costs of disposal and value-in-use. In assessing the value-in-use, the estimated future cash flows are discounted to their present value based on a country-specific discount of the country where the assets are located, adjusted for risks specific to the asset.

(i) Leases
At inception of a contract, the Group assesses whether the contract is, or contains, a lease.

The Group recognizes right-of-use assets at the commencement date of the lease. Right-of-use assets are initially measured at cost, and subsequently at cost less any accumulated depreciation and impairment losses and adjusted for certain remeasurement of the lease liabilities. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognized right-of-use assets are depreciated on a straight-line basis over the lease term. Right-of-use assets are subject to impairment.

The Group initially recognizes lease liabilities measured at the present value of lease payments that are not paid at the commencement date, discounted using the incremental borrowing rate where the rate implicit in the lease is not readily determinable. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognized as expense in the period in which the event or condition that triggers the payment occurs.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

The Group's property leases principally relating to warehouse, office and shop facilities typically include an initial non-cancellable period with an option to renew for an additional fixed period.

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it reasonably certain not to be exercised.

The Group applies judgement in evaluating whether it is reasonably certain to exercise the option to renew. All relevant factors that create an economic incentive for it to exercise the renewal are considered. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control that could affect the exercise.

Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

(j) Inventories
Inventories are stated at the lower of cost or net realizable value. Cost is determined based on the weighted average cost method. The cost of finished goods and work in progress includes raw materials, direct labor, other direct costs and related production overheads, but excludes interest expense.

Net realizable value is the estimate of the selling price in the ordinary course of business, less the costs of completion and selling expenses. A provision is established for slow moving and scrap items on stock.

(k) Borrowings
Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortized cost using the effective interest rate method; any difference between proceeds (net of transaction costs) and the redemption value is recognized in the income statement over the period of the borrowings.

Borrowings are classified as current unless the liability matures only after twelve months after the reporting date, or the Group has, at the reporting date, the right to defer settlement of the liability for at least twelve months after the reporting date.

(l) Share-based Payments
The Group has equity- and partially cash-settled share-based compensation plans, under which it receives services from qualifying employees. The employee services received in exchange for the grant of the equity-settled payments are measured at the fair value of the equity instruments granted and are recognized as expenses, with a corresponding increase in equity over the period that the employees become unconditionally entitled to the awards. For the cash-settled part of the plans the Group records a liability respectively. The fair values of share-based payment plans are measured at the grant date using a Monte Carlo simulation and for cash-settled plans at each reporting date until settled.

(m) Employee Benefits
The Group operates a number of defined benefit pension plans in various countries.

The cost of providing benefits under the defined benefit plans is determined using the projected unit credit method.

Remeasurements, comprising actuarial gains and losses, the effect of the asset ceiling and the return on plan assets (excluding net interest), are recognized immediately in the statement of financial position with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to the income statement in subsequent periods.

The Group recognizes the following changes in the net defined benefit obligation under "expenses for defined benefit pension plans" in employee benefit expenses:

- Service costs comprising current service costs, past service costs, gains and losses on curtailments and non-routine settlements
- Net interest cost

Termination benefits are payable when employment is terminated before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. Benefits falling due more than twelve months after financial reporting date are discounted to present value.

Provisions and accruals are also made for the estimated liability for annual leave and long-service leave as a result of services rendered by employees up to the financial reporting date.

(n) Current and Deferred Income Taxes
Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date.

Deferred income tax is provided, using the liability method, on all temporary differences arising between the tax bases of assets and liabilities and their carrying values for financial reporting purposes. Currently enacted or substantively enacted tax rates are used to determine deferred income tax.

Deferred tax assets relating to the carryforward of unused tax losses are recognized to the extent that it is probable that future taxable profit will be available and against which the unused tax losses can be utilized.

Deferred tax liabilities for withholding taxes (WHT) are recognized for subsidiaries in situations where the income is to be paid out as dividend in the foreseeable future and for undistributed earnings of unconsolidated companies to the extent that these withholding taxes are not expected to be refundable or deductible.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority.

(o) Revenue Recognition
The Group's sales are generated from the distribution of healthcare products and consumer goods, trading of technology and performance material products and from rendering of services. Revenue is recognized when a contractual promise to a customer has been fulfilled by transferring control over the promised goods or services, principally at the time of shipment to or receipt of the products by the customer, or over time when the services are performed. The Group's contractual promises generally represent one performance obligation. However, if a contract includes more than one performance obligation, the consideration is allocated based on the stand-alone selling prices of the individual performance obligations. The amount of revenue recognized is based on the expected consideration in exchange for the goods and services, taking into account contractually defined terms (e.g. trade discounts, cash discounts and volume rebates) and excluding taxes or duty.

In the Business Units Consumer Goods and Healthcare, the Group enters into contracts with its suppliers for the distribution of products. Under these contracts, the Group might also provide procurement, marketing, sales, warehousing, logistics and collection services. The Group assesses on a contract-by-contract basis whether it is acting as a principal or agent. In some cases, the Group might not be considered the party primarily responsible for fulfilling the promise to the customer to provide the products, and/or might not have inventory risk before specified equipment has been transferred to the customer and/or might not have discretion in establishing the price for the specified equipment. In limited cases where the Group is acting as an agent, only the margin on sale, the fees or commissions earned are recorded in net sales.

(p) Segment Reporting
The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Executive Committee, which makes strategic and key operating decisions. No segments have been aggregated to a reporting segment.

(q) Changes in Accounting Policy and Disclosures
New and Amended IFRS Accounting Standards as of January 1, 2024
The accounting policies adopted are consistent with those of the previous financial year, except for the following new and amended IFRS Accounting Standards and International Financial Reporting Interpretations Committee (IFRIC) interpretations and annual improvements that need to be applied for annual periods beginning January 1, 2024:

Several amendments to existing standards apply for the first time in 2024, but do not have a material impact on the consolidated financial statements of the Group.

Amendments to IAS 7 and IFRS 7 "Supplier Finance Arrangements»: The amendments clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk. The Group has no engagement with supplier finance arrangements and therefore the amendments had no impact on the consolidated financial statements.

Amendments to IFRS 16: «Lease Liability in a Sale and Leaseback»: The amendments specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains. The amendments had no impact on the Group's consolidated financial statements.

Amendments to IAS 1: «Classification of Liabilities as Current or Non-current»: The amendments specify the requirements for classifying liabilities as current or non-current and clarify:

• What is meant by a right to defer settlement
• That a right to defer must exist at the end of the reporting period
• That classification is unaffected by the likelihood that an entity will exercise its deferral right
• That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification.

In addition, a requirement has been introduced whereby an entity must disclose when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months. The amendments had no material impact on the Group's consolidated financial statements.

The Group has not applied the new standards and interpretations and amendments to existing standards that are not yet effective.
IFRS 18 "Presentation and Disclosure in Financial Statements": IFRS 18 replaces IAS 1 Presentation of Financial Statements. IFRS 18 introduces new requirements for presentation within the Consolidated income statement, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new. It also requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements (PFS) and the notes. In addition, narrow-scope amendments have been made to IAS 7 Statement of Cash Flows, which include changing the starting point for determining cash flows from operations under the indirect method, from 'profit or loss' to 'operating profit or loss' and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards. IFRS 18, and the amendments to the other standards, is effective for reporting periods beginning on or after 1 January 2027. IFRS 18 will apply retrospectively. The Group is reviewing the effect the amendments will have on the Group's consolidated financial statements.

Other new and amended accounting standards are not expected to have a material impact on the Groups consolidated financial statements. This includes introduction of IFRS 19 “subsidiaries without Public Accountability: Disclosures”, Amendments to IFRS 9 and IFRS 7 “Classification and Measurement of Financial Instruments” and annual improvements to IFRS Accounting Standards - Volume 11.

As a result of the IFRIC agenda decision 2024 on segment reporting the Group has added the line Goods and materials purchased and consumables used to its segment disclosures in Note 3.

(r) Critical Accounting Estimates and Assumptions
The presentation of the consolidated financial statements in accordance with IFRS Accounting Standards requires the use of estimates. Certain areas that are particularly subject to evaluation and in which management’s assumptions and estimates are of critical importance for the consolidated financial statements are mentioned below:

(i) Impairment Testing of Goodwill
The Group tests goodwill are based on value-in-use calculations. The most critical assumptions for this calculation are the estimated cash flows during the forecast period and the discount rate applied.

(ii) Income Taxes
The Group is obliged to pay income taxes in numerous jurisdictions. Significant judgment is required in determining the worldwide provision for income taxes. For any uncertain tax position, a current or deferred tax liability or receivable is recognized based on detailed assessment of the tax risk. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current income tax and deferred tax liabilities in the period in which such determination is made (Note 9).

(iii) Retirement Benefit Obligations
The present value of the pension obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions will impact the carrying amount of the retirement benefit assets or obligations (Note 26).

(iv) Measurement of Fair Value
A number of the Group’s accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

Further information about the assumptions made in measuring fair values is included in Note 30 Acquisitions and disposals and Note 33 Financial instruments.

(s) Exchange Rates Applied

The financial statements of foreign subsidiaries are drawn up in local currency and translated into Swiss francs for consolidation purposes. The following most significant exchange rates were applied:

	Statement of financial position year-end rates	Statement of financial position year-end rates	Income statement average rates	Income statement average rates
Currency	**2024**	**2023**	**2024**	**2023**
1 AUD	0.570	0.574	0.583	0.597
1 CNY	0.122	0.118	0.122	0.127
1 EUR	0.939	0.930	0.956	0.972
1 GBP	1.128	1.072	1.125	1.117
1 HKD	0.112	0.108	0.113	0.115
100 JPY	0.567	0.595	0.583	0.639
100 KRW	0.063	0.065	0.065	0.069
100 MMK	0.024	0.031	0.025	0.043
1 MYR	0.198	0.183	0.191	0.197
1 PHP	0.015	0.015	0.015	0.016
1 SGD	0.655	0.638	0.659	0.669
1 THB	0.026	0.025	0.025	0.026
1 TWD	0.027	0.027	0.027	0.029
1 USD	0.867	0.841	0.879	0.898
1,000 VND	0.034	0.035	0.035	0.038

3. Segment Information

2024 by Business Unit

in CHF millions	Healthcare	Consumer Goods	Performance Materials	Technology	Other / Elimination	Total
Sale of goods	5,554.1	3,293.9	1,399.0	507.0	-	10,754.0
Other services	143.1	149.3	5.8	42.3	(0.9)	339.6
Net sales	**5,697.2**	**3,443.2**	**1,404.8**	**549.3**	**(0.9)**	**11,093.6**
Goods and materials purchased and consumables used	5,134.0	2,838.7	1,086.3	390.5	-	9,449.5
Operating profit (EBIT)	167.1	81.4	114.0	35.6	(64.2)	333.9
Additions of property, plant and equipment	9.4	8.4	2.5	5.9	7.5	33.7
Additions of intangible assets	6.3	0.5	1.8	-	0.1	8.7
Depreciation, amortization and impairment	36.8	45.4	16.8	10.0	17.6	126.6
of which impairment	-	3.7	-	-	-	3.7
of which right-of-use assets	18.5	32.3	4.4	3.1	11.7	70.0
Investments in associates and joint ventures	-	-	0.4	10.8	93.9	105.1
Share of profit and loss of associates and joint ventures	-	-	-	5.3	(2.1)	3.2
Number of employees (full-time equivalents)	7,850	12,509	1,696	1,806	2,306	26,167

2024 country information

in CHF millions	Net sales third parties[1]	Non-current assets[2]
Thailand	3,389.9	154.0
Malaysia	1,589.3	126.3
Taiwan	1,178.2	70.3
Hong Kong	851.1	23.1
Australia	385.6	144.1
Switzerland (domicile)	145.6	142.1
United States	133.5	247.8
Other countries	3,420.4	426.1
Group Total	**11,093.6**	**1,333.8**

[1] Net sales of an individual country are allocated based on the entities located in the respective country.
[2] Non-current assets exclude financial assets, deferred tax assets and retirement benefit assets.

2023 by Business Unit

in CHF millions	Healthcare	Consumer Goods	Performance Materials	Technology	Other / Elimination	Total
Sale of goods	5,433.5	3,328.2	1,433.6	498.1	-	10,693.4
Other services	144.7	187.3	6.1	34.5	-	372.6
Net sales	**5,578.2**	**3,515.5**	**1,439.7**	**532.6**	**-**	**11,066.0**
Goods and materials purchased and consumables used	5,042.5	2,870.7	1,125.7	379.5	-	9,418.4
Operating profit (EBIT)	155.9	66.9	116.0	36.0	(68.9)	305.9
Additions of property, plant and equipment	9.3	7.0	2.1	7.2	5.9	31.5
Additions of intangible assets	16.6	1.3	1.3	-	2.0	21.2
Depreciation and amortization	37.2	50.4	14.7	9.7	20.1	132.1
of which impairment	-	4.5	-	-	-	4.5
of which right-of-use assets	19.4	34.2	2.6	2.4	13.4	72.0
Investments in associates and joint ventures	-	-	0.4	7.5	90.3	98.2
Share of profit and loss of associates and joint ventures[1]	-	-	-	4.6	(10.3)	(5.7)
Number of employees (full-time equivalents)	8,029	13,287	1,570	1,748	2,428	27,062

[1] An impairment of CHF 4.2 million relating to the investment in aCommerce (Note 19) is included in Other.

2023 country information

in CHF millions	Net sales third parties[1]	Non-current assets[2]
Thailand	3,331.0	150.3
Malaysia	1,507.4	93.1
Taiwan	1,141.5	68.4
Hong Kong	877.5	29.2
Australia	347.3	148.6
Switzerland (domicile)	148.9	138.8
United States	136.5	236.2
Other countries	3,575.9	424.3
Group Total	**11,066.0**	**1,288.9**

[1] Net sales of an individual country are allocated based on the entities located in the respective country.
[2] Non-current assets exclude financial assets, deferred tax assets and retirement benefit assets.

The Group is organized on a worldwide basis into four Business Units that reflect the operating segments according to IFRS 8:

DKSH Business Unit Healthcare is the leading Market Expansion Services provider for healthcare companies seeking to grow their business in Asia. Custom-made offerings comprise registration, regulatory services, market entry studies, importation, customs clearance, marketing and sales, physical distribution, invoicing and cash collection. Products available through DKSH Healthcare include ethical pharmaceuticals, consumer health and over-the-counter (OTC) products, as well as medical devices.

DKSH Business Unit Consumer Goods is Asia's leading Market Expansion Services provider with a focus on fast moving consumer goods, food services, luxury goods and lifestyle products, as well as hair and skin cosmetics. The Business Unit's comprehensive Market Expansion Services extend from product feasibility studies and registration to importation, customs clearance, marketing and merchandising, sales, warehousing, physical distribution, invoicing, cash collection and after-sales services.

DKSH Business Unit Performance Materials is a leading specialty chemicals distributor and provider of Market Expansion Services for performance materials, covering Europe, North America and the whole of Asia Pacific. The Business Unit sources, markets and distributes a wide range of specialty chemicals and ingredients for pharmaceutical, personal care, food & beverage, as well as various industrial applications.

DKSH Business Unit Technology is the leading provider of Market Expansion Services covering a broad range of capital investment goods and analytical instruments. The Business Unit offers total solutions in the areas of infrastructure, industrial materials and supplies, precision and textile machinery, semiconductors, photovoltaic and electronics, agriculture, hospitality as well as specialized industrial applications.

"Other" includes Corporate Center functions, including management, finance, administration and IT. Some costs of "Other" are charged to the Business Units, and the allocation is based on specific allocation keys set up in management service agreements between the corporate entities and the subsidiaries. The unallocated costs are reflected in the operating result (EBIT) in "Other."

There are generally very limited transactions between the Business Units and between the regions. The majority of costs relating to a given Business Unit/region are directly incurred by the segment/region to which they relate. Country central costs such as administration and IT are allocated to the Business Units.

4. Net Sales

Net sales by category:

in CHF millions	2024	2023
Sale of goods	10,754.0	10,693.4
Other services	339.6	372.6
Net sales	**11,093.6**	**11,066.0**

5. Other Income

In 2024, Other Income amounts to CHF 15.1 million (2023: CHF 22.7 million). Other Income includes transactions which are not directly related to the Group's sale of products or rendering of services (e.g. supplier compensation, government grants, gain on sale of tangible and intangible assets etc.).

6. Employee Benefit Expenses

in CHF millions	2024	2023
Salaries and bonuses	535.0	537.5
Temporary staff	44.2	44.9
Sales and other commissions	41.5	47.1
Social security costs	34.6	35.3
Expenses for defined contribution pension plans	24.1	24.1
Staff welfare	17.9	14.8
Transport, commuting and housing	13.0	13.6
Staff health insurance and medical expenses	11.8	10.2
Recruitment, staff training and retrenchment	9.3	12.6
Expenses for defined benefit pension plans (Note 26)	6.4	5.2
Other personnel expenses	8.2	10.5
Total employee benefit expenses	**746.0**	**755.8**
Number of employees (full-time equivalents)	**26,167**	**27,062**

7. Other Operating Expenses

in CHF millions	2024	2023
Logistics and distribution costs	178.1	190.3
Selling costs	89.2	82.5
Travel and entertainment	38.6	42.1
Information technology	36.3	34.1
Consulting, legal and audit services	18.6	17.5
Maintenance, facility services and office supplies	17.8	17.4
Utilities	14.5	15.0
Insurance and bank charges	12.4	12.4
Expense for short-term leases, low-value assets and variable lease payments	12.2	15.3
Communication	11.5	11.3
Tax on capital and others	6.1	6.7
Subscriptions and membership fees and donations	4.4	3.9
Fees and royalties	2.9	3.3
Directors and shareholders fees	2.5	2.5
Loss on sale of tangible and intangible assets	0.8	1.1
Other	10.0	15.4
Total other operating expenses	**455.9**	**470.8**

8. Net Finance Result

in CHF millions	2024	2023
Interest income on bank deposits	9.1	5.0
Income from financial instruments [1]	-	8.0
Income from revaluation of contingent consideration liabilities	9.5	1.8
Financial income	**18.6**	**14.8**
Net foreign exchange result	(2.0)	(15.1)
Interest expenses on bank borrowings	(20.3)	(26.0)
Interest expenses on lease liabilities	(11.9)	(12.5)
Expense from financial instruments [1]	(1.8)	-
Expense from revaluation of contingent consideration liabilities	(1.6)	(0.8)
Financial expenses	**(37.6)**	**(54.4)**
Net finance result	**(19.0)**	**(39.6)**

[1] Fair value change of convertible loans (Note 33).

9. Income Tax Expenses

in CHF millions	2024	2023
Current income tax	90.7	79.5
Adjustments in respect of current income tax of previous years	1.6	2.2
Deferred tax	-	(7.3)
Total income tax expenses	**92.3**	**74.4**

The income tax expense of the Group differs from the amount that would arise applying the applicable income tax rate as follows:

in CHF millions	2024	2023
Profit before tax	313.2	264.3
Applicable income tax based on 21.7% (2023: 22.0%)	67.5	58.0
Tax effects relating to prior years	1.6	2.2
Impact of tax rate changes	(1.6)	(0.4)
Tax effects of WHT/foreign tax not recoverable	14.8	6.0
Tax effect on non-deductible expenses	7.6	3.4
Tax effect of income that is not taxable	(3.6)	(3.8)
Tax effects related to tax losses and tax credits	5.0	4.4
Others	1.0	4.6
Total income tax expenses	**92.3**	**74.4**

The applicable income tax rate is the weighted average of the tax rates of the respective individual tax jurisdictions. Due to the different weights of the results of the Group companies and respective local tax rates, the calculated income tax rate has changed.

As a multinational group with a turnover exceeding EUR 750.0 million, DKSH is in scope of the Pillar Two Model Rules (BEPS) that were issued by the OECD. The Pillar Two Model Rules were brought into law by a significant number of jurisdictions in 2023 and took effect beginning 2024. Switzerland implemented Pillar Two by means of a constitutional amendment and a related Ordinance that is applicable starting January 1, 2024. In 2024, Switzerland only levies a Qualified Domestic Minimum Top-up Tax (QDMTT) whilst the application of the Income Inclusion Rule (IIR) was deferred to 2025.

The Group assessed its exposure to BEPS Pillar 2 top-up taxes and prepared an analysis of the application of the Transitional Safe Harbor Rules based on qualified Country-by-Country Reporting Data. The Group concluded that in 2024, at least one of the three Transitional Safe Harbor tests is fulfilled in each jurisdiction and that no material top-up taxes are due in 2024.

The Group has applied the temporary mandatory relief from deferred tax accounting for the impacts of the top-up tax and accounts for it as current tax when it is incurred.

10. Cash and Cash Equivalents

in CHF millions	2024	2023
Cash at bank and on hand	485.7	574.1
Short-term deposits	123.4	113.1
Total cash and cash equivalents	**609.1**	**687.2**

11. Trade Receivables

The aging of trade receivables is as follows:

in CHF millions	Not overdue	Up to 3 months overdue	Between 3 and 6 months overdue	Between 6 and 9 months overdue	Between 9 and 12 months overdue	More than 12 months overdue	Total
As of December 31, 2024							
Loss rate	0.1%	1.0%	7.5%	20.6%	64.3%	100.0%	
Total trade receivable - gross	1,813.6	125.9	17.3	13.1	2.8	8.0	1,980.7
Loss allowance	(1.0)	(1.3)	(1.3)	(2.7)	(1.8)	(8.0)	(16.1)
Total trade receivable - net							**1,964.6**
As of December 31, 2023							
Loss rate	0.1%	1.1%	6.5%	24.3%	52.4%	100.0%	
Total trade receivable - gross	1,659.1	153.4	26.3	7.0	2.1	5.8	1,853.7
Loss allowance	(1.0)	(1.7)	(1.7)	(1.7)	(1.1)	(5.8)	(13.0)
Total trade receivable - net							**1,840.7**

Movements on the Group loss allowance of trade receivables are as follows:

in CHF millions	2024	2023
As of January 1	**13.0**	**15.6**
Loss allowance	8.0	3.7
Receivables written off	(5.7)	(4.8)
Exchange differences	0.8	(1.5)
As of December 31	**16.1**	**13.0**

The expense for loss allowance is included in selling costs as part of other operating expenses.

12. Financial Assets

in CHF millions	2024	2023
Deposits to third parties	20.7	19.0
Convertible loan at fair value through profit and loss[1]	16.4	17.0
Loans to associates[1]	6.8	3.0
Total financial assets	**43.9**	**39.0**

[1] Relates to aCommerce (Note 19).

Details of financial assets at fair value are as follows:

in CHF millions	Fair value through profit and loss
As of January 1, 2023	**10.3**
Fair value change[1]	8.0
Exchange differences	(1.3)
As of December 31, 2023	**17.0**
Fair value change[1]	(1.8)
Exchange differences	1.2
As of December 31, 2024	**16.4**

[1] Revaluation of the convertible loan at fair value through profit and loss (Note 19 and Note 33).

13. Inventories

in CHF millions	2024	2023
Raw materials	21.7	24.9
Work in progress	4.6	4.6
Finished goods	1,347.5	1,151.4
Total inventories - gross	**1,373.8**	**1,180.9**
Provision for obsolete and slow moving stock	(39.2)	(42.9)
Total inventories	**1,334.6**	**1,138.0**

Details of change in impairment for inventories:

in CHF millions	2024	2023
As of January 1	**42.9**	**39.7**
Increase in provision for inventories	16.5	41.2
Unused amount reversed	(14.9)	(27.7)
Utilized during the year	(6.2)	(6.4)
Exchange differences	0.9	(3.9)
As of December 31	**39.2**	**42.9**

14. Prepaid Expenses and Contract Assets

in CHF millions	2024	2023
Prepaid expenses	19.4	23.5
Contract assets	23.8	8.5
Total prepaid expenses and contract assets	**43.2**	**32.0**

Contract assets primarily relate to the Group’s rights to consideration for projects completed but not billed due to the final acceptance of the customer being outstanding. There was no impact on contract assets as a result of acquisitions. The contract assets are transferred to receivables when the rights become unconditional. This usually occurs when the Group is entitled to issue an invoice to the customer.

15. Intangible Assets

in CHF millions	Trademarks	Client contracts	Software, Others[1]	Goodwill	Total
Cost					
As of January 1, 2023	**101.8**	**202.5**	**76.7**	**596.2**	**977.2**
Additions	15.0	1.2	5.0	-	21.2
Reclassifications	1.6	-	(1.6)	-	-
Acquisitions[2]	-	11.8	0.8	19.0	31.6
Disposals	-	(2.0)	(1.3)	(4.0)	(7.3)
Exchange differences	(5.5)	(16.5)	(9.1)	(45.2)	(76.3)
As of December 31, 2023	**112.9**	**197.0**	**70.5**	**566.0**	**946.4**
Accumulated amortization and impairments					
As of January 1, 2023	**(41.2)**	**(50.0)**	**(54.8)**	**(5.8)**	**(151.8)**
Amortization	(3.9)	(16.5)	(4.0)	-	(24.4)
Impairments	-	-	-	(3.9)	(3.9)
Disposals	-	2.0	1.0	2.9	5.9
Exchange differences	0.8	5.1	6.9	0.6	13.4
As of December 31, 2023	**(44.3)**	**(59.4)**	**(50.9)**	**(6.2)**	**(160.8)**
Net book value					
As of January 1, 2023	**60.6**	**152.5**	**21.9**	**590.4**	**825.4**
As of December 31, 2023	**68.6**	**137.6**	**19.6**	**559.8**	**785.6**
Cost					
As of January 1, 2024	**112.9**	**197.0**	**70.5**	**566.0**	**946.4**
Additions	-	5.7	3.0	-	8.7
Reclassifications[3]	-	-	-	(2.4)	(2.4)
Acquisitions	-	10.2	-	15.1	25.3
Disposals	(0.1)	-	(3.8)	(1.4)	(5.3)
Exchange differences	2.9	8.7	4.6	19.5	35.7
As of December 31, 2024	**115.7**	**221.6**	**74.3**	**596.8**	**1,008.4**
Accumulated amortization and impairments					
As of January 1, 2024	**(44.3)**	**(59.4)**	**(50.9)**	**(6.2)**	**(160.8)**
Amortization	(4.3)	(14.0)	(3.4)	-	(21.7)
Impairments	-	-	-	(3.7)	(3.7)
Disposals	-	-	3.7	-	3.7
Exchange differences	(0.5)	(2.3)	(3.5)	-	(6.3)
As of December 31, 2024	**(49.1)**	**(75.7)**	**(54.1)**	**(9.9)**	**(188.8)**
Net book value					
As of January 1, 2024	**68.6**	**137.6**	**19.6**	**559.8**	**785.6**
As of December 31, 2024	**66.6**	**145.9**	**20.2**	**586.9**	**819.6**

[1] Principally relates to software and intangible assets under construction.
[2] Includes a reduction of goodwill relating to acquisitions in 2022 of CHF 7.8 million (Note 30).
[3] Reclassifications to Assets classified as held for sale.

The Group has no intangible assets with indefinite useful lives as of December 31, 2024, and December 31, 2023, other than Goodwill.

Assessment and alignment of CGU for goodwill impairment test

As of January 1, 2024, the Group has reassessed the CGUs to align with the current management structure. When applicable, a relative value approach was applied to reallocate goodwill between CGUs. Most CGUs have been renamed, except for certain standalone businesses. The CGUs are principally represented by the business activities of each BU per respective country.

The recoverable amount of a CGU is determined based on value-in-use calculations. These calculations use free cash flow projections for the next five years based on financial budgets and economic growth rates approved by the Executive Committee.

The following key assumptions for value-in-use calculations were applied in 2024:

in CHF millions	Country	Year of acquisition	Goodwill amount	Pre-tax discount rates[1]	Growth rates[1]
Cash-generating unit					
Performance Materials			**318.6**		
North America	USA, Canada	2022	163.8	13.3%	2.1%
Europe	various	2002–2022	66.8	12.2%	1.6%
Refarmed Group	Switzerland	2022	47.2	9.9%	1.2%
Australia	Australia	2011–2022	29.2	15.8%	2.5%
Japan	Japan	2002	11.6	11.8%	2.0%
Consumer Goods			**115.5**		
Malaysia	Malaysia	2019	69.1	14.7%	2.1%
Australia	Australia	2020–2021	17.5	15.3%	2.5%
New Zealand	New Zealand	2011–2023	11.4	15.9%	2.0%
Crossmark	Australia	2020	11.1	15.3%	2.5%
Singapore	Singapore	2019	6.4	12.2%	2.0%
Technology			**74.9**		
Singapore	Singapore	2002–2022	23.5	12.2%	2.0%
Thailand	Thailand	2019	12.9	12.5%	2.0%
Australia, New Zealand	Australia, New Zealand	2012–2023	11.2	15.7%	2.5%
Malaysia	Malaysia	2024	7.6	14.7%	2.1%
Korea	Korea	2021	7.4	13.5%	2.0%
China, Hong Kong	China, Hong Kong	2002	6.7	12.2%	2.0%
Indonesia	Indonesia	2013	5.6	17.4%	2.5%
Healthcare			**53.8**		
Australia	Australia	2021–2023	47.9	15.0%	2.5%
Cambodia	Cambodia	2017	5.9	21.2%	3.0%
Others			**24.1**		
Other CGUs	Various	2002–2024	24.1	11.0–18.1%	1.5–4.0%
Total			**586.9**		

[1] Weighted average of Denmark, France, Germany, Great Britain, Italy, Netherlands, Spain and Switzerland.

The Group has recalculated the recoverable amount of its cash-generating units (CGUs). A full impairment of goodwill resulted in a loss of CHF 3.7 million in Indonesia (previously Wicaksana) in the Business Unit Consumer Goods (2023 a partial impairment of goodwill was recognized). The impairment test resulted in a recoverable amount for Indonesia of CHF 23.5 million (2023: CHF 31.1 million) applying a discount rate of 16.1% (2023: 16.8%) respectively.

The outcome of impairment testing is sensitive to variations in estimates and assumptions. Variations in estimates and assumptions have the following effect on the recoverable amount calculations (all else equal):

- A 1% point increase in the discount rate would result in an impairment of CHF 7.5 million of which CHF 6.3 million relates to Indonesia (Consumer Goods) and CHF 1.2 million to Australia (Consumer Goods).
- Lowered revenue projections for 2025 and thereafter by 10% would result in an impairment of CHF 7.1 million of which CHF 5.8 million relates to Indonesia (Consumer Goods) and CHF 1.3 million to Australia (Consumer Goods).
- Reduced projections of EBIT by 5% during forecast period 2025–2029 would result in an impairment of CHF 5.4 million of which CHF 5.1 million relates to Indonesia (Consumer Goods) and CHF 0.3 million to Australia (Consumer Goods).

The following key assumptions for value-in-use calculations were applied in 2023:

in CHF millions	Country	Year of acquisition	Goodwill amount	Pre-tax discount rates	Growth rates
Cash-generating unit					
Performance Materials			**300.8**		
Terra Firma	United States	2022	152.5	14.3%	2.1%
Refarmed Group	Switzerland	2022	47.2	10.8%	1.0%
SACOA	Australia	2022	27.3	16.8%	2.6%
Siber Hegner	Various	2002	23.5	13.0%	1.6%
Zeus	Spain, Portugal	2013	13.8	14.8%	1.7%
Georg Breuer	Germany	2022	11.6	13.8%	2.0%
Dasico & Jennow	Denmark	2009–2015	9.9	13.5%	2.0%
Staerkle & Nagler	Switzerland	2012	9.4	10.8%	1.0%
HTBA	Spain	2021	5.6	14.8%	1.7%
Consumer Goods			**108.3**		
Auric	Malaysia	2019	62.8	14.8%	2.4%
CTD	Australia	2019	17.8	16.0%	2.6%
Crossmark	Australia	2020	11.0	16.0%	2.6%
CS&Company[1]	New Zealand	2023	6.9	17.3%	2.0%
Auric	Singapore	2019	6.2	13.0%	2.0%
Wicaksana	Indonesia	2017	3.6	16.8%	2.5%
Technology			**72.2**		
DNIV	Singapore	2022	22.2	13.0%	2.0%
SPC	Thailand	2019	11.9	12.9%	2.0%
Siber Hegner	Various	2002	10.1	13.3%	2.0%
Bio-Strategy[1]	Australia	2023	9.8	16.0%	2.6%
Bosung	Korea	2021	7.8	13.6%	2.0%
Primatek	Indonesia	2013	5.4	18.3%	2.5%
Electcables	Australia	2012	5.0	16.6%	2.6%
Healthcare			**54.4**		
Hahn	Australia	2021	38.8	16.0%	2.6%
Partizan[1]	Australia	2023	10.1	16.0%	2.6%
Europ	Cambodia	2017	5.5	21.5%	3.0%
Others			**24.1**		
Other CGUs	Various	2002–2022	24.1	10.6–18.5%	1.1–4.0%
Total			**559.8**		

[1] Acquired in 2023.

Based on the annual goodwill impairment test, the Group recognized a partial impairment of goodwill relating to its CGU Wicaksana recognizing a loss of CHF 3.9 million in the Business Unit Consumer Goods in 2023. The updated cash flow projections relating to the CGU reflected a decreased demand leading to the impairment. The impairment test resulted in a recoverable amount for Wicaksana of CHF 31.1 million applying a discount rate of 16.8% (2022: 16.7%) respectively.

The outcome of impairment testing is sensitive to variations in estimates and assumptions. Variations in estimates and assumptions have the following effect on the recoverable amount calculations (all else equal):

For the CGU Wicaksana an increase in the discount rate of 1% point would lead to an impairment of CHF 7.5 million, a lowered revenue projections for 2024 and thereafter by 10% would result in an impairment of CHF 6.2 million and reduced projections of EBIT by 5% during forecast period 2024-2028 would result in an impairment of CHF 6.2 million.

All other CGUs, an increase in the discount rate of 1% point, a lowered revenue projections for 2024 and thereafter by 10% and reduced projections of EBIT by 5% during forecast period 2024-2028 would not have any impairment effect on the recoverable amount calculations.

16. Other Receivables

in CHF millions	**2024**	**2023**
Supplier accounts receivables	246.6	203.0
VAT and other taxes receivables	66.9	60.8
Advances and deposits	65.1	57.2
Derivative financial instruments	8.1	5.8
Other	6.0	4.1
Total other receivables	**392.7**	**330.9**

17. Property, Plant, and Equipment

in CHF millions	Land, buildings/ leasehold [1]	Machinery/ tools	Furniture/ fixtures	IT/ comm-unication	Vehicles	Assets under construction	Total
Cost							
As of January 1, 2023	**122.0**	**71.6**	**88.9**	**55.3**	**9.5**	**12.1**	**359.4**
Additions	6.6	9.5	5.0	5.8	0.6	4.0	31.5
Reclassifications	9.5	0.7	0.5	1.6	-	(12.3)	-
Acquisitions	1.0	2.7	0.8	0.5	-	-	5.0
Divestments	-	-	(0.4)	(0.6)	-	-	(1.0)
Disposals	(3.2)	(3.2)	(6.0)	(5.0)	(2.8)	-	(20.2)
Exchange differences	(16.6)	(8.1)	(9.5)	(6.5)	(0.9)	(0.7)	(42.3)
As of December 31, 2023	**119.3**	**73.2**	**79.3**	**51.1**	**6.4**	**3.1**	**332.4**
Accumulated depreciation and impairments							
As of January 1, 2023	**(40.7)**	**(46.5)**	**(65.0)**	**(44.7)**	**(7.9)**	**-**	**(204.8)**
Depreciation	(8.3)	(8.5)	(7.8)	(6.0)	(0.6)	-	(31.2)
Impairments	(0.2)	(0.1)	(0.3)	-	-	-	(0.6)
Divestments	-	-	0.1	0.5	-	-	0.6
Disposals	2.5	2.5	5.9	4.1	2.7	-	17.7
Exchange differences	9.7	5.5	8.3	5.2	0.8	-	29.5
As of December 31, 2023	**(37.0)**	**(47.1)**	**(58.8)**	**(40.9)**	**(5.0)**	**-**	**(188.8)**
Net book value							
As of January 1, 2023	**81.3**	**25.1**	**23.9**	**10.6**	**1.6**	**12.1**	**154.6**
As of December 31, 2023	**82.3**	**26.1**	**20.5**	**10.2**	**1.4**	**3.1**	**143.6**

Cost							
As of January 1, 2024	**119.3**	**73.2**	**79.3**	**51.1**	**6.4**	**3.1**	**332.4**
Additions	4.2	10.6	4.8	6.5	0.5	7.1	33.7
Reclassifications [2]	3.6	0.3	1.1	0.3	-	(5.9)	(0.6)
Acquisitions	-	0.4	0.2	-	0.1	0.4	1.1
Disposals	(7.3)	(8.9)	(12.0)	(4.8)	(1.1)	-	(34.1)
Exchange differences	2.5	3.5	4.8	3.1	0.3	0.1	14.3
As of December 31, 2024	**122.3**	**79.1**	**78.2**	**56.2**	**6.2**	**4.8**	**346.8**
Accumulated depreciation and impairments							
As of January 1, 2024	**(37.0)**	**(47.1)**	**(58.8)**	**(40.9)**	**(5.0)**	**-**	**(188.8)**
Depreciation	(8.7)	(8.9)	(7.0)	(6.1)	(0.5)	-	(31.2)
Reclassifications [2]	-	0.2	0.2	-	0.1	-	0.5
Disposals	5.3	7.2	11.5	4.8	0.8	-	29.6
Exchange differences	0.1	(2.4)	(3.8)	(2.6)	(0.3)	-	(9.0)
As of December 31, 2024	**(40.3)**	**(51.0)**	**(57.9)**	**(44.8)**	**(4.9)**	**-**	**(198.9)**
Net book value							
As of January 1, 2024	**82.3**	**26.1**	**20.5**	**10.2**	**1.4**	**3.1**	**143.6**
As of December 31, 2024	**82.0**	**28.1**	**20.3**	**11.4**	**1.3**	**4.8**	**147.9**

[1] Includes CHF 26.5 million as per December 31, 2024 (2023: CHF 32.3 million) of land which is not depreciated.
[2] Reclassifications of CHF 0.6 million (at Cost) and CHF 0.5 million (depreciation) to Assets classified as held for sale.

No bank borrowings are secured with assets of property, plant and equipment as of December 31, 2024 and 2023.

18. Leases

The Group has lease contracts for various items of property, vehicles and equipment used in its operations. Leases of properties generally have lease terms between 3 and 15 years, while motor vehicles and equipment generally have lease terms between 3 and 5 years. The Group's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Group is restricted from assigning and subleasing the leased assets and therefore income from leasing is insignificant. There are several lease contracts that include extension and termination options and variable lease payments. Some leases provide for additional rent payments that are based on changes in local price indices.

The table below analyzes the carrying amounts of right-of use assets recognized and the movements during the periods:

in CHF millions	Properties	Vehicles	Equipment	Total
As of January 1, 2023	**304.7**	**9.8**	**2.9**	**317.4**
Depreciation	(66.7)	(3.9)	(1.4)	(72.0)
Additions	36.5	3.2	0.9	40.6
Acquisitions	4.1	-	-	4.1
Divestments	(0.4)	-	-	(0.4)
Exchange differences	(27.1)	(0.9)	(0.2)	(28.2)
As of December 31, 2023	**251.1**	**8.2**	**2.2**	**261.5**
Depreciation	(64.8)	(4.0)	(1.2)	(70.0)
Additions	52.4	5.5	0.4	58.3
Acquisitions	0.1	-	-	0.1
Exchange differences	10.9	0.3	0.1	11.3
As of December 31, 2024	**249.7**	**10.0**	**1.5**	**261.2**

The table below shows the carrying amounts of lease liabilities and the movements during the periods:

in CHF millions	Total
As of January 1, 2023	**333.9**
Additions	40.6
Acquisitions	4.1
Divestments	(0.4)
Accretion of interest	12.5
Repayments of lease liabilities and interest payments	(86.2)
Exchange differences	(27.4)
As of December 31, 2023	**277.5**
Additions	58.3
Acquisitions	0.1
Accretion of interest	11.9
Repayments of lease liabilities and interest payments	(81.9)
Exchange differences	12.9
As of December 31, 2024	**278.8**
thereof current lease liabilities:	
As of December 31, 2023	54.2
As of December 31, 2024	60.0

The maturity analysis of lease liabilities is disclosed in Note 33.

Amounts recognized in the income statement are as follows:

in CHF millions	2024	2023
Depreciation expense of right-of use assets	(70.0)	(72.0)
Interest expense on lease liabilities	(11.9)	(12.5)
Expense relating to short-term leases	(10.0)	(12.5)
Expenses relating to leases of low-value assets	(0.1)	(2.6)
Variable lease payments	(2.1)	(0.2)
Total amount recognised in the income statement	**(94.1)**	**(99.8)**

The Group had total cash outflows for leases of CHF 94.1 million in 2024 (2023: CHF 101.1 million). The Group had non-cash additions to right-of-use assets and lease liabilities of CHF 58.3 million in 2024 (2023: CHF 40.6 million). The future cash outflows relating to leases that have not yet commenced are as follows:

in CHF millions	2023	2023
Not later than 1 year	3.4	0.7
Later than 1 year and not later than 5 years	10.2	2.5
Total commitments not yet commenced	**13.6**	**3.2**

19. Investments in Associates

The investments in associates are as follows:

Company Ownership in %	Country of incorporation	2024	2023
Bovet Fleurier SA, Plan-les-Ouates	Switzerland	25.0	25.0
Kulara Holdings Pte Ltd., Singapore	Singapore	30.0	30.0
aCommerce Group Ltd., Hong Kong	Hong Kong	21.5	21.5

The Group's share of net assets and results for the year relating to associates, included in the consolidated statement of financial position and income statement, are as follows:

in CHF millions	aCommerce	Other associates	Total
As of January 1, 2023[1]	**81.1**	**26.2**	**107.3**
Share of results[2]	(11.2)	0.9	(10.3)
Exchange differences	(7.3)	(1.1)	(8.4)
At December 31, 2023	**62.6**	**26.0**	**88.6**
Share of results	(3.1)	1.0	(2.1)
Exchange differences	5.5	0.7	6.2
At December 31, 2024	**65.0**	**27.7**	**92.7**

1 Upon further delay of the sales process the investment in Bovet has been reclassified to Investments in associates. For the previous period, CHF 18.0 million has been restated from Assets classified as held for sale to Investments in associates and joint ventures. There is no restatement of the Consolidated Income Statement based on materiality assessment.
2 Includes an impairment charge of CHF 4.2 million.

aCommerce represents an omnichannel e-commerce enabler and provides B2C solutions for e-commerce in Southeast Asia. Services include online store and brand management, digital marketing, customer service management, supply chain management & fulfillment. aCommerce helps brands sell online through e-commerce platforms & other online channels. aCommerce is a B2C service provider for the Group in Southeast Asia.

In addition to the equity investment in aCommerce, the Group has also investments in convertible loan and secured loan (Note 12). As per December 31, 2024, no triggering event for impairment has been identified as aCommerce significantly improved the operational performance resulting in improved financial position.

In 2023, following an unplanned additional need of financing and the related restructuring of aCommerce, management identified a triggering event for impairment and performed an impairment test in accordance with the requirements of IAS 36. The recoverable amount was determined based on the fair value less cost of disposal applying different possible scenarios. Amongst various scenarios, two relevant scenarios were identified, and probability weighted (50:50): A trade sale in 2024 or a trade sale in 2025. The valuation was determined based on aCommerce's revenue forecast and market multiples determined by management applying peer information. Based on the Group's assessment an impairment charge of CHF 4.2 million relating to the investment in aCommerce was recognised and presented in the line item «Share of profit and loss of associates and joint ventures» in the Consolidated income statement. The investment is part of Other/Elimination in the Segment information. The scenarios applied were based on observable revenue multiples (Level 3 input) ranging from 0.8 to 1.0. The discount rate applied was 13.5%. Sensitivity to forecasted revenue scenarios (low: range 0.6 to 0.8) and (high: range 0.9 to 1.1) would lead to an impairment of CHF 20.1 million and CHF 1.8 million respectively. The revaluation of the Group's investment in convertible loans and secured loans, measured at FVPL, resulted in a gain of CHF 8.0 million in 2023 recorded in the Financial income. The secured loan remained unchanged (Note 12).

Summarized financial information of aCommerce:

in CHF millions	2024	2023
Current assets	59.6	62.8
Non-current assets	24.5	21.9
Total assets	**84.1**	**84.7**
Current liabilities	(92.0)	(81.6)
Non-current liabilities	(72.8)	(71.5)
Total liabilities	**(164.8)**	**(153.1)**
Total equity	**(80.7)**	**(68.4)**
Net sales	263.4	230.3
Loss after tax	(13.3)	(31.4)
Other comprehensive income	(0.8)	(2.0)
Total comprehensive income	**(14.1)**	**(33.4)**
Reconciliation of the carrying amount		
in CHF millions	2024	2023
Share held by the Group in the equity of aCommerce	(17.3)	(14.8)
Goodwill and other intangible assets	82.3	77.4
Carrying amount of aCommerce	65.0	62.6

20. Interest in Joint Ventures

The Group's interests in joint ventures are as follows:

Company Ownership in %	**Country of incorporation**	2024	2023
Cummins Diethelm Ltd., Bangkok	Thailand	50.0	50.0
Cummins DKSH Vietnam LLC, Ho Chi Minh City	Vietnam	50.0	50.0
Cummins DKSH (Singapore) Pte Ltd., Singapore	Singapore	50.0	50.0
Cummins DKSH (Myanmar), Yangon	Myanmar	50.0	50.0
DKSH Klingelnberg Service Ltd., Shanghai	China	50.0	50.0

The Group's share of net asset and profit for the year relating to joint ventures, included in the consolidated statement of financial position and income statement, are as follows:

in CHF millions	2024	2023
Group's share of net assets	12.4	9.6
Group's share of profit for the year	5.3	4.6

21. Deferred Income Tax

Deferred tax assets and liabilities are recognized in the statement of financial position as follows:

in CHF millions	2024	2023
Deferred tax assets (net)	57.9	55.1
Deferred tax liabilities (net)	(30.5)	(28.3)
Net deferred tax assets	**27.4**	**26.8**

Deferred tax assets (gross):

in CHF millions	2024	2023
As of January 1	**129.0**	**137.3**
Credited/(charged) to the income statement	3.5	1.2
Credited/(charged) to other comprehensive income	0.5	0.5
Acquisitions/divestments	-	1.3
Exchange differences	6.3	(11.3)
As of December 31	**139.3**	**129.0**

Deferred tax assets (gross) relating to:

in CHF millions	2024	2023
Trade receivables	39.4	33.9
Inventories	7.6	8.0
Property, plant and equipment	4.1	3.5
Intangible assets	4.7	5.8
Other assets	3.1	1.5
Employee benefits	4.2	4.1
Lease liabilities	40.6	38.4
Provisions and other liabilites	21.0	18.9
Tax loss carryforwards and tax credits	14.6	14.9
Total deferred tax assets	**139.3**	**129.0**

The Group recognized deferred tax assets (net) of CHF 6.6 million (2023: CHF 5.7 million) regarding entities recording a net loss in current and/or previous period. The Group expects to recover the deferred tax assets (net) in future periods.

Deferred tax liabilities (gross):

in CHF millions	2024	2023
As of January 1	**102.2**	**110.5**
Charged/(credited) to the income statement	3.5	(6.1)
Charged/(credited) to other comprehensive income	(0.3)	2.5
Acquisitions/divestments	2.0	3.5
Exchange differences	4.5	(8.2)
As of December 31	**111.9**	**102.2**

Deferred tax liabilities (gross) relating to:

in CHF millions	2024	2023
Inventories	5.2	4.7
Property, plant and equipment	1.6	2.3
Intangible assets	21.1	18.7
Employee benefits	3.8	4.4
Right-of-use assets	38.4	36.0
Other assets	3.5	3.4
Provisions, other liabilies and undistributed profits	38.3	32.7
Total deferred tax liabilities	**111.9**	**102.2**

The Group has recognized deferred tax liabilities with regards to temporary differences associated with its investments in subsidiaries, associates and joint ventures of CHF 7.2 million (2023: CHF 5.9 million) due to expected distribution in the foreseeable future. The temporary differences associated with investments in the Group's subsidiaries and joint ventures, for which no distribution in foreseeable future is expected and therefore no deferred tax liability has been recognized in the periods presented, aggregate to CHF 287.9 million (2023: CHF 298.4 million).

Deferred tax assets relating to tax loss carryforwards are recognized to the extent that realization of the related tax benefit with future taxable profits is probable. The Group did not recognize deferred tax assets related to accumulated losses amounting to CHF 64.6 million (2023: CHF 49.1 million) that can be carried forward against future taxable income. These tax losses will expire as follows:

in CHF millions	2024	2023
Expiring next year	2.2	5.7
Expiring in 2 years	6.9	5.1
Expiring in 3 years	6.4	7.4
Expiring in 4 years	12.0	5.9
Expiring in 5 years	16.6	11.8
Expiring later than 5 years	3.4	2.5
No expiry	17.1	10.7
Total unrecognized tax losses	**64.6**	**49.1**

22. Borrowings

in CHF millions	2024	2023
Current		
Bank overdraft	1.6	4.5
Bank borrowings	185.8	162.2
Bankers acceptance and promissory notes	47.1	45.2
Total borrowings current	**234.5**	**211.9**
Non-current		
Bank loans	326.5	468.8
Total borrowings non-current	**326.5**	**468.8**
Total borrowings current and non-current	**561.0**	**680.7**
Weighted average effective interest rates on borrowings	3.4%	3.5%

As of December 31, 2024, the Group has undrawn committed and uncommitted bank borrowings and guarantee facilities amounting to CHF 1,126.4 million (2023: CHF 909.0 million). Bank loans and borrowings are entered into locally by subsidiaries, at commercial terms prevailing in the local environment and some are subject to standard financial and non-financial covenants. The Group is in compliance with these covenants, and they are not expected to affect the classification of the bank borrowings within the next twelve months.

The table below analyzes the cash and non-cash changes of current and non-current borrowings:

in CHF millions	2024	2023
As of January 1	**680.7**	**678.7**
Cash flows		
Net proceeds/repayments	(140.9)	39.0
Non-cash changes		
Exchange differences	21.2	(37.0)
As of December 31	**561.0**	**680.7**

The cash and non-cash changes of lease liabilities are included in Note 18 and the financing cash flows for leases are presented separately as repayment of leases in the cash flow statement.

23. Other Payables, Accrued Expenses and Contract Liabilities

in CHF millions	2024	2023
Accrued selling and promotion expenses and rebates	105.0	82.8
Prepayments and deposits received[1]	89.2	90.3
Accrued expenses employees	86.9	86.7
VAT and other tax payables	85.0	74.5
Accrued expenses and payables advertising and promotion suppliers	73.4	57.6
Accrued expenses third parties[2]	41.6	35.3
Payables distribution and logistics suppliers	21.5	21.0
Contingent consideration liabilities	14.5	18.8
Derivative liabilities	12.2	8.0
Accrued commission and interest	11.8	11.0
Contract liabilities	11.0	10.3
Accrued expenses freight logistics and distribution cost	9.8	11.9
Payables for repair and maintenance and tangible assets	8.1	7.1
Deferred purchase consideration	-	1.8
Other non-trade payables[3]	45.3	49.7
Total other payables and accrued expenses	**615.3**	**566.8**

[1] Included in prepayments and deposits are prepayments of CHF 79.1 million (2023: CHF 77.3 million) received from customers and CHF 8.1 million (2023: CHF 10.2 million) received from suppliers.
[2] Included in accrued expenses third parties are legal and consulting expenses of CHF 4.0 million (2023: CHF 2.7 million) and rental of CHF 1.4 million (2023: 1.1 million).
[3] Included in other payables are CHF 16.6 million (2023: CHF 6.2 million) of invoices to come relating to non-trade items recieved.

Contract liabilities relate to the advance consideration received from customers prior to the Group transferring control of products. Due to the nature of the Group's business operating cycles, amounts included in contract liabilities as at financial year end are expected to be recognized as revenue during the subsequent financial year.

24. Provisions

in CHF millions	Product warranty	Employee entitlements	Others	Total
Current and non-current				
As of January 1, 2024	**0.7**	**4.6**	**2.8**	**8.1**
Additions	0.1	0.7	0.3	1.1
Unused amount reversed	-	(0.3)	(0.5)	(0.8)
Utilized in current year	-	(0.4)	-	(0.4)
Exchange differences	-	0.1	0.1	0.2
As of December 31, 2024	**0.8**	**4.7**	**2.7**	**8.2**
thereof:				
Current provisions	0.8	0.2	0.1	1.1

Product Warranty

The Group issues warranties on certain products and undertakes to repair or replace items that fail to perform satisfactorily. A provision has been recognized at the year-end for expected warranty claims based on past experience of the level of repairs and returns.

Employee Entitlements

Employee entitlements refer to termination or long-term employee benefits and are calculated on the basis of local labor laws of the respective countries. The amounts provided for are calculated using the average wage and years of service. The timing of cash outflow is uncertain.

25. Contingencies

As of December 31, 2024, the Group has outstanding corporate guarantees of CHF 6.6 million (2023: CHF 6.2 million) in favor of joint ventures. The Group considers that it is not probable that an outflow of resources embodying economic benefits will be required to settle these guarantees. Therefore, no amount has been recognized in the statement of financial position.

26. Retirement Benefit Assets and Obligations

Defined Benefit Plans in Switzerland

According to the Swiss pension law (BVG), pension plans are to be managed by independent, legally autonomous units. Contributions to the plan are paid by the employees and the employer. In addition, the company pays risk contributions, which are used to finance benefits paid out in the event of death and disability, as well as to finance retirement benefits and survivors' bridging pensions. The benefits of the plan participants include retirement benefits and disability, death and survivor pensions. The plan provides a lifetime pension to members at the retirement age of 65. At retirement, a portion or the full amount can be taken as a lump sum payment. The amount of pension payable is calculated based on the conversion rate applied on the accumulated savings balance of the individual plan participant's pension account at the retirement date. The accumulated savings balance on the pension account is based on the employee and employer contributions that have been made to the pension account of each individual plan participant, as well as the interest accrued on the accumulated balance. According to Swiss pension law, a temporary limited underfunding is permitted. However, the Pension Foundation Board is required to take the necessary measures to ensure that full funding can be expected to be restored within a period up to a maximum of ten years. The Swiss pension plan has a technical funding ratio under Swiss pension law of 114.5% (provisional) as of December 31, 2024 (2023: 110.7%).

Defined Benefit Plans in Other Countries

Defined Benefit Plan in Japan

The defined benefit plan in Japan is managed by an independent, legally autonomous unit according to Japanese law. The defined benefit pension plan covers about one third of the employees in Japan and will not enroll any more employees. Contributions to the plan are paid by the employer only. The benefits of the plan participants include retirement benefits, death and survivor pensions. The plan provides a ten-year pension to members at the retirement age of 62. At retirement, the employee can choose either a lump sum payment or a ten-year pension (pension option is available only for employees with more than 15 years of service). The accumulated savings balance on the pension account is based on the employer contributions that have been made to the pension account of each individual plan participant, as well as the interest accrued on the accumulated balance. A temporary limited underfunding is permitted. If the pension plan is underfunded, the monthly contribution amounts are increased starting at the beginning of the following year. The pension plan has a technical funding ratio of 139.0% as of December 31, 2024 (2023: 135.0%).

Defined Benefit Plan in Taiwan

The pension plan covers all employees. Contributions to the plan are paid by the employees and the employer. The benefits of the plan participants include retirement benefits. The plan provides a lifetime pension to members at retirement age of 65 years. At retirement, a portion or the full amount can be taken as a lump sum payment. The accumulated savings balance, which corresponds to the pension payable, is based on the contributory salary percentages of each individual plan participant, as well as the interest accrued on the accumulated balances.

Defined Benefit Plan in Philippines

The defined benefit plan in the Philippines is governed under the Philippine statute covering pension mandates and exceeds the minimum benefit requirements under Philippine labor law. The plan is managed by a separate autonomous unit. The pension plan covers all employees. Contributions to the plan are paid by the employer. Contributions cover benefits paid out in the event of retirement, death, illness or disability. The plan provides a lump sum payment to members at the retirement age of 60. The amount of pension payable is calculated based on the conversion rate of final salary and years in service at the retirement date. There is no provision for funding levels under Philippine law. As of December 31, 2024 and 2023, respectively, the pension fund had a net surplus.

Defined Benefit Plan in Thailand

The individual pension payable is calculated based on the employee's length of service under the severance pay plan and for the gratuity pay plan, applicable for employees with employment commencement date before October 1, 2017, one-quarter of the last month's basic salary times the number of service years for each full year served. The maximum number of accumulating service years under the severance pay plan is limited to 20 years. The benefits of the plan participants include retirement benefits and retrenchment. The plan provides a lump sum payment based on the last drawn basic monthly salary at the retirement age from 55 to 60 years. According to local law, no funding of the pension liability is required.

The expenses for defined benefit plans recognized in the income statement are as follows:

in CHF millions	2024	2023
Current service costs	6.3	5.6
Past service costs	-	(0.3)
Net interest cost	0.1	(0.1)
Expense for defined benefit pension plans	**6.4**	**5.2**

The funded and unfunded defined benefit obligations are as follows:

in CHF millions	2024	2023
Defined benefit obligations	(156.6)	(153.2)
thereof unfunded	(20.3)	(18.3)
Fair value of plan assets	148.4	148.8
Funded status	**(8.2)**	**(4.4)**
Impact of minimum funding requirement/asset ceiling	(0.5)	(0.6)
Net retirement benefit obligations recognized in the statement of financial position	**(8.7)**	**(5.0)**
Retirement benefit assets recognized in the statement of financial position	21.4	22.9
Retirement benefit obligations recognized in the statement of financial position	30.1	27.9

As of December 31, 2024, pension plans in Japan, the Philippines and the principal plan in Switzerland were in a surplus situation and other pension plans in Switzerland were in a deficit situation. The pension plan in Thailand does not include a funding requirement and the plan in Taiwan requires only partial funding.

in CHF millions	2024	2023
Switzerland		
Defined benefit obligations	(122.2)	(120.1)
Fair value of plan assets	134.2	134.4
Funded status	**12.0**	**14.3**
Other countries		
Defined benefit obligations	(34.4)	(33.1)
thereof unfunded	(20.3)	(18.3)
Fair value of plan assets	14.2	14.4
Funded status	**(20.2)**	**(18.7)**

The movement in present value of the defined benefit obligations are as follows:

in CHF millions	2024	2023
As of January 1	**153.2**	**141.0**
Current service cost	6.4	5.6
Past service cost	-	(0.3)
Interest cost	2.7	3.3
Remeasurements included in other comprehensive income		
Actuarial (gain)/loss from the effect of changes in demographic assumptions	-	(0.2)
Actuarial (gain)/loss from the effect of changes in financial assumptions	7.5	12.1
Actuarial (gain)/loss from the effect of experience adjustments	(0.9)	2.7
Employee contributions	2.1	2.0
Benefits paid	(16.6)	(9.3)
Settlement payments	(0.1)	-
Acquisitions	0.2	(0.3)
Exchange differences	2.1	(3.4)
As of December 31	**156.6**	**153.2**

The movement in the fair value of plan assets is as follows:

in CHF millions	2024	2023
As of January 1	**148.8**	**142.9**
Interest income	2.6	3.4
Remeasurements included in other comprehensive income		
Return on plan assets (excluding interest income)	4.7	5.3
Employee contributions	2.1	2.0
Employer contributions	3.5	4.0
Benefits paid	(13.6)	(6.6)
Settlement payments	(0.1)	-
Exchange differences	0.4	(2.2)
As of December 31	**148.4**	**148.8**

The Group expects to contribute CHF 3.5 million to its defined benefit pension plans in 2024 (2023: CHF 3.7 million).

Plan assets are composed as follows:

in CHF millions	2024	2023
Cash	7.2	5.8
Investments quoted in active markets		
Equity funds	37.3	32.1
Fixed-income funds	50.1	63.9
Real Estate funds	35.2	29.8
Corporate bonds	3.1	2.7
Unquoted investments		
Equity investments	1.1	1.3
Debt investments	3.3	3.0
Real estate	11.1	10.2
Total	**148.4**	**148.8**

Pension plan assets include a property, occupied by the Group, with a market value of CHF 3.7 million (2023: 3.9 million) in the current and previous period in the Philippines.

The principal actuarial assumptions used are as follows:

in %	2024	2023
Switzerland		
Discount rate		
Active	1.00	1.50
Retired	1.00	1.50
Future salary increases	1.5	1.5
Mortality (Mortality tables)	BVG 2020 CMI 1.25	BVG 2020 CMI 1.25
Other countries		
Discount rate	1.4–7.2	1.0–6.9
Future salary increases	2.5–4.0	2.5–4.0
Future pension increases	1.4–1.8	1.2–2.5

Assumptions regarding future mortality experience are set based on advice from actuaries, published statistics and experience in each country. For the pension plans in Switzerland, the Group applies Continues Mortality Improvement (CMI) and a long-term rate of 1.25% is used for the longevity improvements.

The life expectancy post retirement as at December 31, 2024, is as follows:

in years	2024	2023
Switzerland		
Male	24.1	23.9
Female	25.6	25.5

The sensitivity of the defined benefit obligations to changes of significant assumptions as at December 31, 2024, is as follows:

in CHF millions	2024	2023
Switzerland		
Discount rate (increase)/decrease by 0.5%	(8.1)/7.2	(7.0)/7.5
Rate of salary increase/(decrease) by 0.5%	1.0/(0.9)	0.8/(1.2)
Rate of pension increase/(decrease) by 0.5%	5.2/(4.8)	1.6/(7.8)
Life expectancy increase/(decrease) by 1 year	4.1/(4.2)	3.9/(4.1)

The weighted average duration of the defined benefit plan obligations as December 31, 2024, is 15.1 years (2023: 14.7 years).

27. Equity, Share Capital and Treasury Shares

	Nominal value in CHF	Total number of shares
As of January 1, 2023	**0.1**	**65,042,963**
As of December 31, 2023 and January 1, 2024	0.1	65,042,963
As of December 31, 2024	**0.1**	**65,042,963**

In 2024 and 2023, the Group had no changes in its share capital.

An ordinary dividend of CHF 2.25 per common registered share was paid in 2024 (2023: CHF 2.15 ordinary dividend). Total dividend payments amounted to CHF 146.1 million (2023: CHF 139.6 million).

The total authorized number of shares as of December 31, 2024, of DKSH Holding Ltd. is 65,042,963 (2023: 65,042,963) with a par value of CHF 0.10 per share. All issued shares are fully paid in. In 2024 the Group purchased 50,000 treasury shares for an amount of CHF 3.1 million. The Group used 71,811 treasury shares (CHF 5.3 million) for vested share-based payment awards. The Group holds 71,165 treasury shares as of December 31, 2024 (2023: 92,976).

The Ordinary General Meeting held on March 16, 2023, approved the Board of Directors' proposal to increase conditional share capital by 3,000,000 shares or CHF 0.3 million. As of December 31, 2024, the Company's conditional share capital amounts to 3,282,537 shares (2023: 3,282,537 shares) or CHF 0.33 million (2023: CHF 0.33 million).

At the Ordinary General Meeting scheduled for March 27, 2025, a CHF 2.35 dividend is to be proposed in respect of 2024 (2023: CHF 2.25 ordinary dividend per registered shares). These financial statements do not reflect this dividend payable, which will be accounted for in shareholders' equity as an appropriation of retained earnings in the year ending December 31, 2025. Dividends payables are not accounted for until they have been ratified at the Ordinary General Meeting.

Other reserves and retained earnings include statutory restricted reserves of CHF 135.3 million as of December 31, 2024 (2023: CHF 134.8 million).

28. Earnings per Share

The following reflects the data used in the basic and diluted earnings per share computations for the years ending December 31, 2024, and 2023:

in CHF millions	2024	2023
Profit after tax attributable to the shareholders of the DKSH Holding Ltd.	214.8	182.0
Weighted average number of outstanding shares during the year	64,966,745	64,956,986
Dilutive shares	121,808	82,737
Adjusted weighted number of shares applicable to diluted earnings per share	65,088,553	65,039,723

There have been no other material transactions involving outstanding shares between the financial reporting date and the date of completion of these financial statements.

29. Share-based Payments

Long-term Incentive Plan (LTIP)

Every year performance share units (PSU) are granted to eligible key managers by, and at the full discretion of, the Board of Directors to provide eligible key managers of the DKSH Group with the opportunity to become shareholders of the Company, to participate in the future long-term success and prosperity of the DKSH Group and to further align long-term interests of the key managers and the DKSH Group. Each PSU is an entitlement to a maximum of 1.5 shares of the Company, provided certain performance targets are achieved during the three-year performance period and subject to the eligible managers remaining in service. In case certain predetermined performance thresholds are not met after three years, no shares of the Company will vest under the LTIP. At the end of a three-year performance period, the number of PSU's vesting is calculated by multiplying the number of PSU's granted with the vesting multiple. 60.0% of the vesting multiple is linked to the EBIT and 20.0% of the vesting multiple is linked to the Return on net operating capital (RONOC), both of the DKSH Group as reported in the Company's last annual report prior to the end of the three-year performance period. 20.0% of the vesting multiple depends on the share price measured as the average of the 20 days' closing share price prior to the end of the three-year performance period. The share price condition (e.g. market condition) has been factored into the grant date fair values using a Monte Carlo Simulation. The PSUs granted in 2022 are equity settled. The PSUs granted in 2023 and 2024 are generally equity settled with a minor part cash settled. For the cash settled part the Group records a liability.

Year	Number of PSUs granted	Fair Value of PSUs[1]
2023	100,052	70.37
2024	123,581	56.26

[1] in CHF.

The total expense recognized for the period relating to share-based payment transactions amounted to CHF 3.8 million (2023: CHF 3.8 million) of which CHF 3.4 million is recorded against equity and CHF 0.4 million is recorded as a liability in Other non-current liabilities in the Consolidated Statement of Financial Position.

30. Acquisitions and Disposals

Acquisitions

During the business year 2024, the Group acquired the following businesses:

Business	Country of incorporation	Equity interest acquired	Effective date	Employees (FTEs)
Medipharm Sdn. Bhd.	Brunei	100%	March 1, 2024	31
Elite Organic Sdn. Bhd.	Malaysia	100%	April 30, 2024	10
Euroingredientes lda.	Portugal	Asset deal	September 30, 2024	6
CLMO Technology Sdn. Bhd.	Malaysia	100%	December 27, 2024	45

Effective March 1, 2024, the Group purchased the shares of Medipharm Sdn. Bhd., a privately held business based in Brunei. Medipharm represents a pharmaceutical and medical devices distributor in the local market of Brunei. From the date of acquisition, the business of Medipharm contributed net sales amounting to CHF 34.1 million and a profit after tax of CHF 2.1 million. Assuming the business had been acquired as of January 1, 2024, the contribution to net sales would have been CHF 40.9 million with a corresponding profit after tax of CHF 2.6 million.

Effective April 30, 2024, the Group purchased the shares of Elite Organic Sdn. Bhd., a privately held business based in Malaysia. Elite Organic represents a distributor of performance materials and provides value-added ingredients and services to the pharmaceutical, food, and nutraceutical industries in the territory of Malaysia. From the date of acquisition, the business of Elite Organic contributed net sales amounting to CHF 4.2 million and a profit after tax of CHF 0.5 million. Assuming the business had been acquired as of January 1, 2024, the contribution to net sales would have been CHF 6.4 million with a corresponding profit after tax of CHF 0.8 million.

Effective September 30, 2024, the Group purchased the business of Euroingredientes lda., a privately held business based in Portugal via asset deal. Euroingredientes represents a distributor of performance materials and provides certified high-quality ingredients into various areas of the food industry such as dairy products, beverages, as well as bread and bakery in the Portuguese market. From the date of acquisition, the business of Euroingredientes contributed net sales amounting to CHF 0.8 million and a profit after tax of CHF 0.1 million. Assuming the business had been acquired as of January 1, 2024, the contribution to net sales would have been CHF 3.3 million with a corresponding profit after tax of CHF 0.3 million.

Effective December 27, 2024, the group purchased the shares of CLMO Technology Sdn. Bhd., a privately held business based in Malaysia. CLMO represents a distributor of calibration and test laboratory equipment and services for the semiconductor, automotive, oil & gas industry as well as academia and research institutions in the local markets of Malaysia and Vietnam. Assuming the business had been acquired as of January 1, 2024, the contribution to net sales would have been CHF 8.5 million with a corresponding profit after tax of CHF 1.4 million.

Purchase consideration for Medipharm, Elite Organic, Euroingredientes and CLMO of CHF 11.0 million, CHF 6.4 million, CHF 1.0 million and CHF 10.4 million has been paid in cash in 2024.

For Medipharm, Elite Organic, Euroingredientes and CLMO contingent consideration of CHF 4.9 million, CHF 1.3 million, CHF 0.3 million and CHF 4.4 million has been recorded as part of the purchase price allocation in 2024.

The goodwill of CHF 15.1 million relates to synergies and footprint improvements. None of the goodwill is expected to be deductible for income tax purposes

An insignificant amount of external transaction cost has been expensed as incurred under Other operating expenses.

The contingent considerations are recorded at the acquisition date fair value based on the best estimate of future payments discounted with the appropriate interest rate reflecting the risk inherent in the arrangement. For all four acquisitions the contingent considerations are split into a payment after year one and year two depending on the separate business performance (EBITDA) during the first and second year following the closing of the transaction. For Medipharm and Elite Organic, Euroingredientes and CLMO the payments are contingent on the retention of key suppliers. The share purchase agreement of Medipharm includes an additional payment after year two depending on the continuation of the business relationship with specific key suppliers while respective payment for Elite Organic is conditional on an accelerated EBITDA achievement of the continuation of the business relationship with one key supplier. The purchase prices for Medipharm and Elite Organic and CLMO are capped at CHF 22.2 million, CHF 9.2 million and CHF 16.1 million respectively.

The allocation of the purchase price was based upon a preliminary valuation, and the estimates and assumptions used are subject to change within the one-year measurement period.

Refer to Note 33 for further information on the determination and sensitivity of fair value.

The fair value of the identifiable assets and liabilities relating to the acquisitions:

in CHF millions	Total fair value recognized on the acquisitions of Medipharm, Elite Organic, Euroingredientes and CLMO
Assets	
Cash and cash equivalents	6.0
Trade receivables	7.8
Inventories	6.4
Other current assets	0.5
Intangible assets	10.3
Property, plant and equipment	1.2
Right-of-use assets	0.1
Liabilities	
Trade payables	(4.4)
Other current liabilities	(1.2)
Lease liabilities	(0.1)
Deferred tax liabilities	(2.0)
Net assets acquired	**24.6**
Goodwill on acquisitions	15.1
Purchase consideration	**39.7**
Contingent consideration	(10.9)
Purchase consideration paid in cash	**28.8**
Cash and cash equivalents acquired	6.0
Net cash outflow	**22.8**
Payments relating to acqusitions of previous years	11.7
Acquisition of subsidiaries net of cash	**34.5**

The finalization of the purchase price allocations for the businesses acquired in 2023 resulted in no material adjustments. During 2024, the Group settled the deferred purchase consideration net of the closing payment adjustment for Bio Strategy of CHF 1.3 million.

In 2024, the Group has settled earnouts relating to the acquisitions of Refarmed, Georg Breuer, Medworkz and Partizan for an amount of CHF 5.3 million, CHF 2.5 million, CHF 0.3 million and CHF 2.3 million respectively.

Relating to the acquisitions of Refarmed, DNIV, Georg Breuer, Medworkz and Medipharm net income from revaluation of the contingent considerations liabilities of CHF 7.9 million was recorded.

Disposals

During the business year 2024, the Group did not dispose any businesses.

Prior Year Acquisitions
During the business year 2023, the Group acquired the following businesses:

Effective September 29, 2023, the Group purchased the shares of Partizan Worldwide Pty limited, a privately held business, based in Australia. The Partizan business represent a patient solution provider in the Australian healthcare sector and offers services such as in-home nursing and tele-health services, health coaching, support to highly specialized drugs and new medication, health technology and software development and provision of data or insights to support clinical decisions.

Total purchase price consideration is divided into 70.0% cash payment at closing and 30.0% earn outs. Purchase consideration for Partizan of CHF 10.9 million has been paid in cash in 2023. Contingent consideration liabilities with a fair value of CHF 4.3 million based on target achievement were recognized at the acquisition date. Payments are contingent on the achievement of normalized EBITDA targets of the acquired business for the first and second 12-month period starting from the closing date. Total purchase price includes a cap at CHF 25.2 million and the contingent considerations are limited at a floor of 80.0% normalized EBITDA target. Below this floor earn out payments would be nil.

Effective October 2, 2023, the Group purchased the shares of CS Company Ltd, a privately held business. The CS&Co. business, based New Zealand, represents a multi-brand distributor of beauty products.

Purchase consideration for CS&Co. of CHF 21.5 million has been paid in cash in 2023.

Effective December 1, 2023, the Group purchased the Bio-Strategy Group via share deal, a privately held business, based in Australia and New Zealand. The Bio-Strategy business represents a distributor of scientific instruments in Australia and New Zealand.

Purchase consideration for Bio-Strategy of CHF 17.2 million has been paid in cash in 2023.

The goodwill of CHF 26.8 million relates to synergies and footprint improvements. None of the goodwill is expected to be deductible for income tax purposes.

An amount of CHF 1.2 million of external transaction cost has been expensed as incurred under Other operating expenses.

The finalization of the purchase price allocation in 2024 did no result in any significant adjustment.

Refer to Note 33 for further information on the determination and sensitivity of fair value.

The final fair value of the identifiable assets and liabilities relating to the following acquisitions:

in CHF millions	Total fair value recognized on acquisition of Partizan Worldwide Pty Ltd.	Total fair value recognized on acquisition of CS Company Ltd.	Total fair value recognized on acquisition of Bio-Strategy Group	Total fair value recognized on acquisitions
Assets				
Cash and cash equivalents	0.5	1.8	2.0	4.3
Trade receivables	1.0	4.2	7.0	12.2
Inventories	-	6.0	7.5	13.5
Other current assets	-	0.4	0.6	1.0
Intangible assets	5.4	3.6	3.6	12.6
Property, plant and equipment	-	1.8	0.6	2.4
Right-of-use assets	0.1	1.8	2.2	4.1
Deferred tax assets	0.1	-	1.4	1.5
Liabilities				
Trade payables	0.1	1.2	6.6	7.9
Other current liabilities	0.6	1.0	3.0	4.6
Contract liabilities	-	-	2.4	2.4
Lease liabilities	0.1	1.8	2.2	4.1
Deferred tax liabilities	1.3	0.9	1.5	3.7
Net assets acquired	**5.1**	**14.8**	**9.1**	**19.8**
Goodwill on acquisitions	10.1	6.8	9.9	26.8
Purchase consideration	**15.2**	**21.5**	**19.0**	**55.7**
Contingent consideration	(4.3)	-	-	(4.3)
Deferred consideration	-	-	(1.8)	(1.8)
Purchase consideration paid in cash	**10.9**	**21.5**	**17.2**	**49.6**
Cash and cash equivalents acquired	0.5	1.8	2.0	4.3
Net cash outflow for current year acquisitions	**(10.4)**	**(19.7)**	**(15.2)**	**(45.3)**
Payments relating to acqusitions of previous years				(16.8)
Acquisition of subsidiaries net of cash				**(62.1)**

Prior Year Disposals

In 2023, the Group disposed its interest in DKSH Smollan Fieldmarketing businesses in Malaysia, Thailand, Taiwan and Vietnam to the minority shareholder partner Smollan. Upon disposal, the Group has derecognized principally net working capital of CHF 9.2 million (including cash and cash equivalents of CHF 4.9 million), goodwill of CHF 1.1 million and non-controlling interest of CHF 3.9 million. Based on a sales price of CHF 4.2 million the Group has recorded a loss on sale of business of CHF 2.0 million (including recycling of currency translation adjustments of CHF 0.9 million).

31. Related Party Transactions

The following transactions and balances were with related parties in 2024:

in CHF millions	Shareholders	Associates	Joint ventures	Total
Income statement				
Sales of goods and services	-	31.7	0.4	32.1
Purchases of goods and services	-	6.4	0.1	6.5
Depreciation expenses of right-of-use assets	0.9	-	-	0.9
Fees & royalties	0.4	-	-	0.4
Statement of financial position				
Trade Receivables	-	4.6	-	4.6
Other receivables and prepayments	-	-	0.1	0.1
Loans to related parties	-	23.5	-	23.5
Right-of-use assets	1.8	-	-	1.8
Other payables	0.1	-	-	0.1
Lease liabilities	1.9	-	-	1.9

The following transactions and balances were with related parties in 2023:

in CHF millions	Shareholders	Associates	Joint ventures	Total
Income statement				
Sales of goods and services	-	20.1	1.2	21.3
Purchases of goods and services	-	2.6	-	2.6
Depreciation expenses of right-of-use assets	0.9	-	-	0.9
Fees & royalties	0.4	-	-	0.4
Interest received	-	0.3	-	0.3
Statement of financial position				
Trade Receivables	-	3.9	-	3.9
Other receivables and prepayments	-	-	0.1	0.1
Loans to related parties	-	20.0	-	20.0
Right-of-use assets	1.4	-	-	1.4
Other payables	0.1	-	-	0.1
Lease liabilities	1.4	-	-	1.4

The total remuneration recognized as an expense in the reporting period for the Executive Committee and Board of Directors is as follows:

in CHF millions	2024	2023
Executive Committee	13.5	13.3
Board of Directors	2.5	2.5

The total remuneration recognized as an expense in the reporting period for the Executive Committee includes short-term employee benefits of CHF 8.3 million (2023: CHF 8.1 million), including both salary and incentive-based compensation, share-based compensation expenses of CHF 2.4 million (2023: CHF 2.3 million), post-employment benefits of CHF 0.8 million (2023: CHF 0.8 million), and long-term employee benefits of CHF 2.3 million (2023: CHF 2.1 million).

The total remuneration recognized as employee benefit expenses in the reporting period for the Board of Directors is CHF 2.5 million (2023: CHF 2.5 million). As of December 31, 2024 and 2023, no loans or any other commitments were outstanding to members of the Board of Directors and Executive Committee (refer to Note 29 for more details regarding share-based payments).

32. Commitments / Assets and Liabilities Classified as Held for Sale

On December 14, 2024, the Group signed the share purchase agreement to dispose the cable business in Australia. As per December 31, 2024, the net assets of the business have been classified as Assets and Liabilities held for sale. The remeasurement to fair value less cost of disposal resulted in a loss of CHF 1.7 million recorded under loss on sale of shareholdings. The transaction is expected to close end of February 2025. Upon closing of the transaction, the Group expects to record losses of CHF 6.1 million from recycling of cumulative translation adjustments in financial expense.

33. Financial Instruments

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance of the Group. The Group uses derivative financial instruments to hedge certain exposures. The subsidiaries enter into financial derivative contracts with either Group Treasury or a local external financial counterparty. Group Treasury, in turn, covers its net exposure from these transactions with external financial counterparties.

Group Treasury holds responsibility for overseeing financial risk management together with the local finance organizations in line with the Group Treasury policy. The policy provides written principles for overall financial risk management as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, equity risk, credit risk, liquidity risk, funding strategy and structure, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

(i) Foreign Exchange Risk

The Group is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to Euro, US Dollar and Japanese Yen. Foreign exchange risk arises from commercial transactions and recognized monetary assets and liabilities.

Foreign Exchange Risk on Commercial Transactions

Foreign exchange risk arises when committed future cash flows from commercial transactions are denominated in a currency that is not the subsidiary's functional currency. The Group companies are required to hedge their foreign exchange risk exposure arising from foreign currency cash flows that are not naturally offset by a simultaneous opposite commercial transaction in the same currency or mitigated in another way against their functional currency.

Focusing on the overall economics, rather than accounting effects of currency movements will result in timing and valuation differences between the hedge, which is taken out as the economic transaction is closed, and the underlying exposure. Furthermore, the focus on committed transactions means that the policy does not protect the local subsidiary from the potential commercial or competitive effect of medium- and longer-term shifts in exchange rates. The Group does not hold or issue derivative financial instruments for trading purposes and is not a party to leveraged instruments.

The total notional amount (outstanding gross settlement risk) and positive market value of forward FX contracts were as follows:

in CHF millions	Notional amount	Notional amount	Positive market value	Positive market value
	2024	2023	2024	2023
AA- or higher	242.8	175.6	3.9	0.9
A+, A or A-	527.9	517.0	4.1	4.9
BBB+, BBB or BBB-	3.8	2.2	0.1	-
Total	**774.5**	**694.8**	**8.1**	**5.8**

For derivatives revalued through income statement, the Group recorded a net gain of CHF 0.6 million (2023: net gain of CHF 29.8 million) within the net foreign exchange result to recognize the change in the fair values.

These gains and losses on derivative instruments offset the financial position revaluation of financial assets and liabilities.

In 2024, the Group recorded a net loss of CHF 2.5 million (2023: net loss of CHF 45.0 million) from revaluation of financial position items.

in CHF millions	2024	2023
Current assets	8.1	5.8
Current liabilities	(12.2)	(8.0)
Net fair value of foreign exchange contracts	**(4.1)**	**(2.2)**
Swiss Franc equivalent notional amount of derivative financial instruments	774.5	694.8

The derivative assets and liabilities relating to foreign exchange risk on commercial transactions have been included in other receivables and other payables and accrued expenses in the statement of financial position. The amount of derivative assets of CHF 8.3 million as of December 31, 2024 (2023: CHF 5.9 million) represents the Group's exposure to credit risk from derivative financial instruments.

Foreign Exchange Risk on Other Transactions
Foreign exchange risk arises from committed future cash flows of transactions, such as dividends, acquisitions or disposals, which are denominated in a currency that is not the entity's functional currency. The Group's policy is that Group companies are required to hedge their foreign exchange risk exposure arising from such foreign currency cash flows.

Foreign Exchange Risk on Monetary assets and Liabilities
Foreign exchange risk arises when recognized monetary assets or liabilities are denominated in a currency that is not the entity's functional currency. Group companies are not authorized to borrow or hold cash in a currency other than their functional currency unless such borrowings or cash holdings are the result of short-term liquidity management, regulatory restrictions or market inefficiencies.

Foreign Currency Sensitivity
The following tables demonstrate the sensitivity to a reasonably possible change in USD, EUR and JPY exchange rates, with all other variables held constant. The impact on the Group's profit before tax is due to changes in carrying amount of monetary assets and liabilities including foreign currency derivatives. The Group's exposure to foreign currency changes for all other currencies is not material.

Currency	Change foreign currency exchange rate	2024	2023
USD	+5%/–5%	2.6/(2.6)	5.6/(5.6)
EUR	+5%/–5%	3.6/(3.6)	2.6/(2.6)
JPY	+5%/–5%	(1.0)/1.0	0.1/(0.1)

(ii) Interest Rate Risk
The Group's income and operating cash flows are fairly independent of changes in market interest rates. The Group's cash is subject to changes in interest rates as the majority is contracted short-term at floating interest rates.

In terms of borrowing, the treasury policy dictates that, to the extent that the Group is in a net debt position, the external debt with a remaining tenor of over 12 months should at least amount to 66.6% of the maximum forecast net debt over the next 12 months period. Of the long-term debt, at least 50.0% has to be held in fixed interest instruments, which can be achieved using interest rate derivatives. However, given the low level of financial leverage, changes in interest rates do not have a significant impact on the financial standing of the Group.

As of December 31, 2024, if interest rates on variable interest-bearing borrowings had been 0.5% higher with all other variables held constant that the Group assumes to be reasonably possible, and the higher interest rates are applied to those borrowings as of December 31, pre-tax profit for the year would have been CHF 1.4 million (2023: CHF 2.0 million) lower. Assuming the higher interest rates increase the yield on interest-bearing cash and financial assets, the impact of the higher interest rates on the Group's pre-tax profit for the year will be offset by the increased income from these instruments. If interest rates on interest-bearing cash and financial assets had been 0.5% higher with all other variables held constant, and the higher interest rates are applied to the interest-bearing cash and financial assets as of December 31, 2024, pre-tax profit for the year would have been CHF 3.0 million (2023: CHF 3.4 million) higher.

(iii) Credit Risk

The Group is exposed to counterparty credit risk on financial instruments such as cash and cash equivalents, derivative assets and trade receivables.

The Group is not exposed to concentrations of credit risks on its cash and cash equivalents or derivatives. Derivative counterparties and cash transactions are limited to high-credit-quality financial institutions.

Cash and Cash Equivalents

Excess cash in operating entities is used either to reduce current bank borrowings, to deposit at the Corporate Center or to invest in short-term deposits.

The total cash balances of the Group are with institutions with the following ratings:

in CHF millions	2024	2023
AA- or higher	66.5	57.6
A+, A or A-	452.1	508.6
BBB+, BBB or BBB-	49.4	51.6
Non-investment grade/unrated	41.1	69.4
Total	**609.1**	**687.2**

Trade Receivables

Trade receivables are subject to credit limits, control and approval procedures in all the affiliated companies. Customer specific credit limits are set and monitored on an ongoing basis. The debtors are mainly internationally acting customers with own local entities with business activities in the wholesale sector and governmental institutions. None of these customers exceed 10.0% of total accounts receivable.

(iv) Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying businesses, the Group aims to maintain flexibility in funding by keeping credit lines and cash resources available.

The Corporate Center holds a strategic liquidity reserve consisting of either cash and/or undrawn committed credit facilities. As of December 31, 2024, this strategic reserve amounted to CHF 354.2 million (2023: CHF 428.5 million) consisting of cash and the undrawn CHF 150.0 million five-year committed credit facility maturing on June 7, 2028.

in CHF millions	2024	2023
Centrally held cash and cash equivalents	204.2	278.5
Committed credit facility	150.0	150.0
Total	**354.2**	**428.5**

The table below analyses the Group's financial liabilities as per financial reporting date. The amounts disclosed refer to the maturity of the contractual undiscounted cash flows until maturity date (including contractually agreed interest payments).

in CHF millions	Up to 1 month or on demand	1–3 months	3–12 months	1–5 years	More than 5 years	Total Cash Flows	Carrying value
As of December 31, 2024							
Borrowings	35.9	108.9	98.7	345.2	-	588.7	561.0
Trade and other payables	1,403.7	685.9	392.7	-	-	2,482.3	2,482.3
Lease liabilities	5.5	10.6	49.6	145.2	81.4	292.3	278.8
Contingent considerations	-	0.5	21.0	2.2	-	23.7	23.4
Liabilities related to put options for non-controlling interests	-	-	-	36.4	-	36.4	32.7
Total	**1,445.1**	**805.9**	**562.0**	**529.0**	**81.4**	**3,423.4**	**3,378.2**
As of December 31, 2023							
Borrowings	97.4	50.8	77.9	491.2	-	717.3	680.7
Trade and other payables	1,025.5	793.0	364.1	-	-	2,182.6	2,182.6
Lease liabilities	6.0	11.3	52.0	162.2	86.2	317.7	277.5
Contingent considerations	-	2.5	16.4	11.2	-	30.1	29.7
Liabilites related to put options for non-controlling interests	-	-	-	52.2	-	52.2	44.8
Total	**1,128.8**	**857.6**	**510.4**	**716.8**	**86.2**	**3,299.9**	**3,215.3**

The table below analyses the maturity of the Group's derivative financial instruments as per financial reporting date.

The amounts disclosed, refer to the contractual undiscounted cash flows until maturity date that will be settled on a gross basis.

in CHF millions	Up to 1 month or on demand	1–3 months	3–12 months	1–5 years	Over 5 years	Total
As of December 31, 2024						
Forward FX contracts						
Outflow	(300.5)	(257.0)	(217.4)	-	-	(774.9)
Inflow	300.9	256.7	217.0	-	-	774.6
As of December 31, 2023						
Forward FX contracts						
Outflow	(273.7)	(218.4)	(192.1)	(7.2)	-	(691.4)
Inflow	276.3	218.6	192.8	7.1	-	694.8

(v) Fair Value

The table below analyzes financial assets and liabilities by measurement category. In case of recurring fair value measurements, the specific fair value level is indicated. The different fair value levels are defined as follows:

- Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Group reflects the current bid price
- Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates; and
- Level 3: One or more of the significant inputs is not based on observable market data.

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

There were no transfers between levels 1, 2 and 3 for recurring fair value measurements during the year. The group's policy is to recognize transfers into and out of fair value hierarchy levels as at the end of the reporting period.

in CHF millions	Level	2024	2023
Financial assets at fair value through profit and loss			
Derivative assets	2	8.1	5.8
Convertible loan	3	16.4	17.0
Total		**24.5**	**22.8**
Financial assets at amortized cost			
Cash and cash equivalents[1]		609.1	687.2
Trade receivables [1]		1,964.6	1,840.7
Other receivables[1 2]		333.3	264.3
Deposits to third party[1]		20.7	19.0
Loans to associates[1]		6.8	3.0
Total		**2,934.5**	**2,814.2**
Total financial assets		**2,959.0**	**2,837.0**
Financial liabilities at fair value through profit and loss			
Contingent consideration liabilities	3	23.4	29.7
Derivative liabilities	2	12.2	8.0
Total		**35.6**	**37.7**
Financial liabilities at amortized cost			
Borrowings[1]		561.0	680.7
Lease liabilities[4]		278.8	277.5
Liabilities related to put options of non-controlling interests[5]		32.7	44.8
Trade payables[1]		2,318.2	2,025.3
Other payables[1 3]		164.1	157.4
Total		**3,354.8**	**3,185.7**
Total financial liabilities		**3,390.4**	**3,223.4**

1 Carrying amount is a resonable approximation for fair value.
2 Excluding VAT and other tax receivables and derivative financial instruments.
3 Excluding VAT and other tax payables, derivative liabilities.
4 No fair value disclosure required.
5 Included in other non-current liabilities.

Measurement of Fair Values
The Group's financial instruments for which Level 2 and Level 3 fair values are determined as per below valuation techniques and specific unobservable inputs.

The forward exchange contracts represent Level 2 in the fair value hierarchy and are classified as financial instruments at fair value through profit or loss. The fair value is determined using the discounting method applying the zero-coupon curve at the financial reporting date.

During previous years, the Group subscribed to convertible loans for a total of CHF 8.8 million of aCommerce Group Ltd. (the Group's equity investment is accounted as investment in associates). The convertible loan assets are classified as financial instruments at fair value through profit and loss (Note 12) and revaluation in 2024 resulted in a loss of CHF 1.8 million (2023: gain of CHF 8 million) recognized in the net finance result. If risk free rate would be higher/lower by 1.0%, holding all variables constant, the fair value would be higher/lower by CHF 0.1 million. If timing of exit event is postponed by 6 months, holding all variables constant, the fair value would be lower by CHF 0.4 million.

As at December 31, 2023, the Group performed an impairment test for its investments in aCommerce (Note 19) triggered by additional need of financing and restructuring. The recoverable amount was determined based on fair value less cost of disposal applying different possible scenarios. Amongst various scenarios, two relevant scenarios were identified, and probability weighted (50:50): A trade sale in 2024 or a trade sale in 2025. The valuation was determined based on aCommerce's revenue forecast and market multiples determined by management applying peer information. The waterfall payout of the estimated net present value of proceeds was then allocated to the carrying amount of the individual instruments (secured and convertible debt and equity investment). The scenarios applied were based on observable revenue multiples (Level 3 input) ranging from 0.8 to 1.0. The discount rate applied was 13.5%. Due to the specific waterfall structure, sensitivity to forecasted revenue scenarios (lower range) and (higher range) did not have any impact on the valuation of the convertible loans.

The contingent considerations represent Level 3 in the fair value hierarchy and are classified as financial liabilities at fair value through profit or loss. The contingent consideration liabilities as per December 31, 2024, of CHF 23.4 million principally relate to the following acquisitions.

Medipharm: At acquisition date in 2024, the Group has estimated the normalized EBITDA targets (significant unobservable inputs) for the 12-month periods ending December 31, 2024, and 2025 and has determined that the target amount of EBITDA would be achieved and therefore target consideration would be payable. In addition, the Group has recorded the maximum amount for the additional payment after two years as it assessed retention of specific clients to be 100.0% achieved. The estimated future cashflows have been discounted to present value (Level 2 input). If the normalized EBITDA is higher/lower by 10.0%, holding all other variables constant, the fair value would be higher/lower by CHF 0.5 million. As per December 31, 2024, the Group has recorded contingent consideration liabilities for Medipharm of CHF 6.2 million (at acquisition date: CHF 4.9 million). The Group recorded a loss from revaluation of the contingent consideration liabilities of CHF 1.3 million in the financial result as the performance in 2024 indicates an estimated achievement of over 130.0% versus target achievement of 100.0%.

Elite Organics: At acquisition date in 2024, the Group has estimated the normalized EBITDA targets (significant unobservable inputs) for the 12-month periods following April 30 2024, and 2025 and has determined that the target amount of EBITDA would be achieved and therefore target consideration would be payable. In addition, the Group has determined the amount based on accelerated EBITDA will not become payable as it is not deemed probable this condition will be met. The estimated future cashflows have been discounted to present value (Level 2 input). If the normalized EBITDA is higher/lower by 10.0%, holding all other variables constant, the fair value would be higher/lower by CHF 0.5 million. As per December 31, 2024, the Group has recorded contingent consideration liabilities for Elite Organics of CHF 1.3 million (at acquisition date CHF 1.3 million).

CLMO: At acquisition date in 2024, the Group has estimated the normalized EBITDA targets (significant unobservable inputs) for the 12-month periods following December 27, 2024, and 2025 and has determined that the target amount of EBITDA would be achieved and therefore target consideration would be payable. The estimated future cashflows have been discounted to present value (Level 2 input). If the normalized EBITDA is higher/lower by 10.0%, holding all other variables constant, the fair value would be higher/lower by CHF 0.4 million. If the earnout achievement would be below 80% the contingent consideration payment would be nil. As per December 31, 2024, the Group has recorded contingent consideration liabilities for CLMO of CHF 4.4 million (at acquisition date CHF 4.4 million).

Partizan: At acquisition date in 2023, the Group has estimated the normalized EBITDA targets (significant unobservable inputs) for the 12-month periods following September 29, 2023, and 2024 and has determined that the target amount of EBITDA would be achieved and therefore target consideration would be payable. The estimated future cashflows have been discounted to present value (Level 2 input). If the normalized EBITDA is higher/lower by 10.0%, holding all other variables constant, the fair value would be higher/lower by CHF 0.2 million. Based on the business performance in 2024 the Group assesses the target earnout amount will be achieved. As per December 31, 2024, the Group has recorded contingent consideration liabilities for Partizan of CHF 2.1 million (December 31, 2024: CHF 4.2 million). The Group has settled contingent consideration for Partizan of CHF 2.3 million and assessed no revaluation of the contingent consideration to be required.

Refarmed: At acquisition date in 2022, the Group estimated the normalized EBITDA targets (significant unobservable inputs) for the 12-month periods following July 1, 2022, 2023 and 2024 and has determined that 120.0% of the target amount of EBITDA would be achieved and therefore 120.0% of target consideration would be payable. The estimated future cashflows were discounted to present value (Level 2 input). In 2024, the Group has paid the second earnout based on last year's estimate and reduced the last earnout to 85.0% achievement rate. As per December 31, 2024, the Group has recorded contingent consideration liabilities for Refarmed of CHF 4.6 million (December 31, 2023: CHF 12.4 million). In 2024, the Group has settled contingent consideration for Refarmed of CHF 5.3 million and recorded an income from revaluation of the contingent consideration liabilities of CHF 2.5 million in the financial result.

DNIV: At acquisition date in 2022, the Group estimated the normalized EBITDA targets (significant unobservable inputs) for the 12-month periods following July 1, 2022 and 2023 and has determined that the target amount of EBITDA would be achieved and therefore target consideration would be payable. The estimated future cashflows were discounted to present value (Level 2 input). In 2024, the Group has postponed the second earnout period by one year. If the normalized EBITDA is higher/lower by 10.0%, holding all other variables constant, the fair value would be higher/lower by CHF 0.7 million. As per December 31, 2024, the Group has recorded contingent consideration liabilities for DNIV of CHF 1.0 million (December 31, 2023: 6.8 CHF million). The Group has not settled any contingent consideration for DNIV in 2024 and recorded an income from revaluation of the contingent consideration liabilities of CHF 6.3 million in the financial result.

Georg Breuer: At acquisition date in 2022, the Group estimated the normalized EBITDA targets (significant unobservable inputs) for the 12-month periods following August 31, 2022 and 2023 and has determined that the target amount of EBITDA would be achieved and therefore target consideration would be payable. The estimated future cashflows were discounted to present value (Level 2 input). In addition, the earnout agreement includes a supplier target (retention of specific supplier). If such supplier would be lost during respective earn out period, the earnout amount respective earnout amount would be nil. The Group has paid the first earnout in January 2024 principally as per original estimate and maintained the second earnout estimate. If the normalized EBITDA is higher/lower by 10.0%, holding all other variables constant, the fair value would be higher/lower by CHF 0.3 million. As per December 31, 2024, the Group has recorded contingent consideration liabilities for Georg Breuer of CHF 2.9 million (December 31, 2023: CHF 5.0 million). In 2024, the Group has settled contingent consideration for Georg Breuer of CHF 2.5 million and recorded a loss from revaluation of the contingent consideration liabilities of CHF 0.3 million in the financial result.

Reconciliation of Level 3 Fair Values
The following table shows a reconciliation from the opening balances to the closing balances for Level 3 fair values:

in CHF millions	Convertible loan	Contingent consideration
As of January 1, 2023	**10.3**	**46.4**
Additions / Acquisitions	-	4.3
Settlements	-	(19.0)
Fair value changes	8.0	(1.0)
Exchange differences	(1.3)	(1.0)
As of December 31, 2023	**17.0**	**29.7**
Additions / Acquisitions	-	10.9
Settlements	-	(10.4)
Fair value changes	(1.8)	(7.9)
Exchange differences	1.2	1.1
As of December 31, 2024	**16.4**	**23.4**

(vi) Capital Risk Management
The Group's capital includes share capital, reserves, retained earnings and borrowings. The capital of the Group as of December 31, 2024, is CHF 2,381.7 million (2023: CHF 2,367.6 million). The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Group monitors capital on the basis of asset-to-equity ratio and total debt-to-capitalization ratio. The asset-to-equity ratio is calculated as total assets divided by total equity. The total debt-to-capitalization ratio is calculated as total borrowings divided by the sum of borrowings and equity attributable to the shareholders of the Group. The ratios as of December 31, 2024 and 2023, were as follows:

	2024	2023
Asset-to-equity	2.9	3.1
Total debt-to-capitalization	23.6%	28.8%

Covenants that require the Group to maintain certain agreed financial ratios are managed locally for subsidiary borrowings and by Group Treasury for Group-level borrowings. As of December 31, 2024, and for the entire financial year 2024, the Group did not have any breaches of such loan agreements.

34. Events After Financial Reporting Date
There are no significant events after the financial position date.

35. Principal Subsidiaries as of December 31, 2024

Company name	Currency	Capital in thousands	Ownership and voting rights in %
Holding and management companies			
DKSH International Performance Materials Ltd., Zurich	CHF	500	100
DKSH China Holding Ltd., Hong Kong [1]	HKD	20,000	100
DKSH Corporate Shared Services Center Sdn. Bhd., Kuala Lumpur [1]	MYR	5,000	100
DKSH Holdings (Asia) Sdn Bhd., Kuala Lumpur [1]	MYR	30,000	100
DKSH Holdings (Malaysia) Bhd., Petaling Jaya	MYR	500,000	74.31
DKSH Management Malaysia Sdn Bhd, Kuala Lumpur	MYR	1,600	100
DKSH Holding Philippines Inc., Manila [1]	USD	212	99
DKSH Holding (S) Pte Ltd., Singapore [1]	SGD	83,703	100
DKSH Management Pte Ltd., Singapore [1]	SGD	2,000	100
DKSH Management (Thailand) Ltd., Bangkok [1]	THB	10,000	100
Hahn Healthcare Holdings Pty Ltd., Sydney	AUD	10	100
DKSH Smollan Field Marketing Pte. Ltd., Singapore	SGD	1,020	51
Ulfur Ltd., Malta	EUR	2,000	100
Operating companies			
Switzerland			
DKSH Switzerland Ltd., Zurich [1]	CHF	20,000	100
DKSH International Ltd., Zurich [1]	CHF	700	100
Diethelm & Co Ltd., Zurich [1]	CHF	3,000	100
Medinova Ltd., Zurich [1]	CHF	250	100
Refarmed Chemicals Ltd., Lugano	CHF	100	100
Asia			
DKSH Australia Pty Ltd., Hallam [1]	AUD	35,465	100
DKSH Grocery Connect Pty Ltd., Sydney	AUD	2	100
DKSH Performance Materials Operations Australia Pty Ltd., Melbourne	AUD	48,182	100
DKSH Agrisolutions Pty Ltd., Melbourne	AUD	1,400	100
Crossmark Australia Pty Ltd., Sydney [2]	AUD	15,694	100
Sales Team Providers Pty Ltd., Sydney	AUD	-	100
DKSH Hong Kong Ltd., Hong Kong [1]	HKD	100,000	100
PT DKSH (Indonesia), Jakarta	IDR	180,755,650	100
PT Wicaksana Overseas International Tbk, Jakarta [1]	IDR	707,271,162	80.88
DKSH Market Expansion Services, Jakarta [1]	IDR	9,990,000	100
DKSH India Pvt. Ltd., Bombay-Mumbai	INR	100,000	100
DKSH Japan K.K., Tokyo	JPY	1,600,000	100
DKSH Market Expansion Services Japan K.K., Tokyo [1]	JPY	700,100	100
DKSH (Cambodia) Ltd., Phnom Penh [1]	KHR	4,320,000	100
DKSH Korea Ltd., Seoul [1]	KRW	30,000,000	100
Bosung Scientific Co. Ltd., Seoul	KRW	50,000	100
DKSH Performance Materials Korea Ltd., Seoul	KRW	9,000,000	100
DKSH (Myanmar) Ltd., Yangon [1]	MMK	10,000	100
DKSH Services Ltd., Yangon [1]	MMK	1,929,921	100
The Glory Medicine Ltd., Macao	MOP	120,000	100

Company name	Currency	Capital in thousands	Ownership and voting rights in %
Asia (continued)			
DKSH Malaysia Sdn. Bhd., Petaling Jaya	MYR	50,000	74.31
DKSH Technology Sdn. Bhd., Kuala Lumpur [1]	MYR	5,000	100
The Famous Amos Chocolate Chip Cookie Corp (M) Sdn Bhd., Petaling Jaya	MYR	1,000	74.31
DKSH Luxury & Lifestyle (Malaysia) Sdn. Bhd., Kuala Lumpur [1]	MYR	335	100
DKSH Food Services (Malaysia) Sdn Bhd., Kuala Lumpur	MYR	1,000	100
DKSH New Zealand Ltd., Auckland [1]	NZD	26,230	100
C S Company Limited, Auckland	NZD	100	100
Edward Keller (Philippines) Inc., Manila	PHP	500,000	100
DKSH Philippines Inc., Manila	PHP	80,000	100
DKSH Market Expansion Services, Taguig City [1]	PHP	12,000	100
DKSH Singapore Pte Ltd., Singapore	SGD	20,998	100
Favorex Pte Ltd., Singapore	SGD	500	100
DKSH (Thailand) Ltd., Bangkok [1]	THB	200,000	75.55
The United Drug (1996) Co. Ltd., Bangkok [1]	THB	40,000	75.55
Diethelm Keller Logistics Ltd., Bangkok	THB	6,000	100
DKSH Technology Limited, Bangkok	THB	3,000	99.99
DKSH Performance Materials (Thailand) Ltd., Bangkok	THB	20,000	100
DKSH Taiwan Ltd., Taipei [1]	TWD	300,000	100
DKSH Supply Chain Solutions (Taiwan) Ltd., Tao Yuan County	TWD	500,000	100
United International Drug Co. Ltd., Taipei [1]	TWD	5,000	100
Good Health Solutions International Co. Ltd., Taipei [1]	TWD	5,000	100
DKSH Vietnam Co. Ltd., Binh Duong [1]	USD	3,300	100

Company name	Currency	Capital in thousands	Ownership and voting rights in %
Asia (continued)			
DKSH Technology Co. Ltd (VND), Ho Chi Minh City [1]	USD	3,146	100
DKSH Pharma Vietnam Co, Ltd., Binh Duong	USD	500	100
DKSH Shanghai Ltd., Shanghai [1]	USD	200	100
DKSH (Shanghai) International Trade Ltd., Shanghai [1]	CNY	15,000	100
DKSH Performance Materials China Ltd., Shanghai	CNY	60,000	100
DKSH Laos Company Ltd. (LAK), Vientiane	USD	400	100
DKSH Performance Materials Vietnam Co Ltd., Ho Chi Minh City	USD	400	100
Europe			
DKSH Nordic A/S, Birkerod	DKK	500	100
DKSH France S.A., Miribel	EUR	2,400	100
DKSH GmbH, Hamburg	EUR	3,068	100
DKSH Luxury and Lifestyle Europe GmbH, Pforzheim [1]	EUR	5,000	100
DKSH Marketing Services Spain S.A.U., Barcelona	EUR	648	100
North America			
DKSH North America Inc., Baltimore	USD	500	100
DKSH Premium Brand Distribution Inc., Dover [1]	USD	750	100
DKSH USA LLC., Maryland (MD)	USD	-	82.44
DKSH Canada Corp., Toronto	USD	15,500	82.44

[1] Direct investments of DKSH Holding Ltd., Zurich.
[2] Investment of DKSH Smollan Field Marketing, Singapore.

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To the General Meeting of
DKSH Holding Ltd., Zurich

Zurich, February 11, 2025

Report of the statutory auditor

Report on the audit of the consolidated financial statements

Opinion
We have audited the consolidated financial statements of DKSH Holding Ltd. and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at December 31, 2024, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the consolidated financial statements (pages 55 to 120) give a true and fair view of the consolidated financial position of the Group as at December 31, 2024 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards and comply with Swiss law.

Basis for opinion
We conducted our audit in accordance with Swiss law, International Standards on Auditing (ISA) 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 consolidated financial statements” section of our report. We are independent of the Group in accordance with the provisions of Swiss law, together with the requirements of the Swiss audit profession, as well as those of the International Ethics Standards Board for Accountants’ *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code), 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 consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the “Auditor's responsibilities for the audit of the consolidated financial statements” section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the consolidated financial statements.

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Revenue recognition

Risk	Total net sales for the business year 2024 amount to CHF 11’093.6 million. Based on its business model, DKSH has different streams of revenues arising from different types of contracts with its customers. This requires contracts to be assessed regarding timing of revenue recognition and regarding gross/net accounting. The corresponding accounting policy is discussed in Note 2 (o) to the consolidated financial statements. Assessing whether an entity acts as a principal and accounts for a sales transaction on a gross basis or whether it acts as an agent of another party and therefore recognizes revenue on a net basis requires an analysis of various factors and involves significant judgment.
Our audit response	We evaluated Management’s controls around the revenue recognition process and performed analytical review procedures in order to identify any material new revenue streams. On a sample basis, we reviewed agreements for unusual contract terms and agreed amounts recognized to underlying customer contracts, focusing on correct timing of revenue recognition and appropriate presentation (gross vs. net) based on Management’s assessment regarding the principal vs. agent definition. Our audit procedures did not lead to any reservations concerning the recognition, measurement and presentation of the net sales.

Goodwill

Risk	As at December 31, 2024 DKSH reported CHF 586.9 million of goodwill. The carrying values of goodwill and other assets allocated to a cash-generating unit (CGU) are dependent on future cash flows. The determination of the recoverable amount is based on these cash flows and other assumptions such as discount rate and growth rate. The annual impairment testing process is complex, contains judgmental elements and includes assumptions that are affected by expected future market conditions. There is a risk that future cash flows may differ from estimated values. The assumptions, sensitivities and results of the impairment tests performed are disclosed in Note 15 to the consolidated financial statements.
Our audit response	We involved our valuation specialists in the audit of significant assumptions and methods that were used by Management, such as discount rates for each CGU and the valuation model applied to determine the recoverable amount of the CGUs. Furthermore, we evaluated DKSH’s controls around the annual impairment test and tested related expected future cash flows and growth rates for each CGU. We assessed whether projected future cash flows were based on the strategic plan of the company as prepared by Management and approved by the Executive Board of the Group. We also assessed whether the disclosures of the assumptions applied and their sensitivity to the results of the impairment test in the notes to the financial statements are in compliance with IFRS Accounting Standards. Our audit procedures did not lead to any reservations relating to goodwill.

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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, the compensation report and our auditor’s reports thereon.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated 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 consolidated financial statements

The Board of Directors is responsible for the preparation of the consolidated financial statements, which give a true and fair view in accordance with IFRS Accounting Standards and the provisions of Swiss law, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors is responsible for assessing the Group’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 Group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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, ISA 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 consolidated financial statements.

A further description of our responsibilities for the audit of the consolidated financial statements is located on EXPERTsuisse’s website at: https://www.expertsuisse.ch/en/audit-report. This description forms an integral part of our report.

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Report on other legal and regulatory requirements

In accordance with Art. 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 the consolidated financial statements according to the instructions of the Board of Directors.

We recommend that the consolidated financial statements submitted to you be approved.

Ernst & Young Ltd

Simon Zogg Licensed audit expert (Auditor in charge)	Patrick Meier Licensed audit expert

Financial Statements DKSH Holding Ltd.

Income Statement

in CHF millions	Notes	2024	2023
Dividend income		128.7	119.0
Profit from sale of investments		-	7.6
Management fees income	2	48.8	47.7
Other operating income		0.1	0.2
Personnel expenses		(19.4)	(16.1)
Management fees expenses	2	(44.3)	(37.4)
Other operating expenses		(16.6)	(15.7)
Depreciation and valuation adjustments on non-current assets	6	(11.7)	(30.3)
Financial income		11.7	12.6
Financial expenses		(2.1)	(2.1)
Profit before tax		**95.2**	**85.5**
Income taxes		-	-
Profit after tax		**95.2**	**85.5**

Statement of Financial Position

in CHF millions	Notes	2024	2023
Cash and cash equivalents		110.3	100.7
Other receivables			
from third parties		0.9	0.4
from group companies		427.9	465.8
Accrued income and prepaid expenses			
from third parties		0.3	0.5
from group companies		2.4	3.4
Investment held for sale		-	18.0
Current assets		**541.8**	**588.8**
Investments	6	368.1	350.7
Other non-current assets		0.1	0.2
Non-current assets		**368.2**	**350.9**
Total assets		**910.0**	**939.7**
Interest bearing loans		40.0	-
Other Payables			
from third parties		1.3	1.0
from group companies		13.9	3.8
Deferred income and accrued expenses		14.8	10.0
Current liabilities		**70.0**	**14.8**
Interest bearing loans		-	40.0
Other long-term liabilities		3.8	-
Non-current liabilities		**3.8**	**40.0**
Total liabilities		**73.8**	**54.8**
Share capital	5	6.5	6.5
Legal reserves from capital contribution		2.8	2.8
Legal reserves from retained earnings		96.6	96.6
Treasury shares	5	(4.6)	(6.8)
Retained earnings		639.7	700.3
Profit after tax		95.2	85.5
Total equity		**836.2**	**884.9**
Total equity and liabilities		**910.0**	**939.7**

Notes to the Financial Statements

1. General

The financial statements of DKSH Holding Ltd. (the “Company”) have been prepared in accordance with the provisions of the Swiss Law on Accounting and Financial Reporting (32nd title of the Swiss Code of Obligations). Where not prescribed by law, the significant accounting and valuation principles applied as described below:

Investments
The investments are recognized at the lower of cost or fair value, using generally accepted valuation principles.

Share-Based Payments
An accrual, for share-based payment on the expected number of shares to be delivered in the future is recognized.

Treasury Shares
Treasury shares are recognized at acquisition cost and deducted from equity.

Leases
Leases are recognized in the income statement at the time of the payment.

2. Management Fees

DKSH Holding Ltd. bears the costs of services such as management, information technology, license fees, administrative and legal services provided by different group companies. These costs, as well as additional services provided by corporate level (such as group accounting, human resources, legal services, media relations, communication, and other back-office services), are subsequently charged to the individual group companies.

3. Number of Employees

The number of full-time positions did not exceed 50 employees, during the current and previous period.

4. Contingent Liabilities and Leases

The total of guarantees and commitments in favor of third parties and joint ventures amounted to CHF 262.4 million (2023: CHF 248.2 million) as of December 31, 2024.

DKSH Holding Ltd. is part of the value-added tax group of its Swiss subsidiaries and therefore has joint and several responsibilities toward the Swiss Tax Authority.

Committed lease contract maturity table

in CHF millions	2024	2023
Up to 12 months	0.4	0.3
Over 12 months	0.1	0.5

5. Equity

Share Capital

	Nominal value in CHF	Registered shares	Nominal value in CHF
Balance as of January 1, 2024	**0.1**	**65,042,963**	**6,504,296**
Balance as of December 31, 2024	**0.1**	**65,042,963**	**6,504,296**

Treasury shares

	Number of shares	Total carrying amount[1]
Balance as of January 1, 2023	**91,777**	**7,051**
Acquisitions	85,000	6,184
Allocations to employees	(83,801)	(6,449)
Balance as of December 31, 2023	**92,976**	**6,786**
Acquisitions	50,000	3,102
Allocations to employees	(71,811)	(5,253)
Balance as of December 31, 2024	**71,165**	**4,635**

[1] In CHF thousands.

Share-based Payments

Performance share units (PSU) are granted to eligible key managers by, and at the full discretion of, the Board of Directors.

Number of PSUs allocated for the period 2024-2026	**2024**	**2023**
Executive Committee employed by DKSH Holding Ltd.	30,396	24,018
Other employees of DKSH Holding Ltd.	3,379	2,774
Total	**33,775**	**26,792**

6. Investments

in CHF millions	2023	2023
Balance as of January 1, 2024	**350.7**	**357.1**
Increase	29.1	24.2
Decrease	-	(0.3)
Valuation adjustment	(11.7)	(30.3)
Balance as of December 31, 2024	**368.1**	**350.7**

The direct and principal indirect investments held by DKSH Holding Ltd. as of December 31, 2024:

Company name	Currency	Capital in thousands	Ownership and voting rights in %
Holding and management companies			
DKSH International Performance Materials Ltd., Zurich	CHF	500	100
DKSH China Holding Ltd., Hong Kong [1]	HKD	20,000	100
DKSH Corporate Shared Services Center Sdn. Bhd., Kuala Lumpur [1]	MYR	5,000	100
DKSH Holdings (Asia) Sdn Bhd., Kuala Lumpur [1]	MYR	30,000	100
DKSH Holdings (Malaysia) Bhd., Petaling Jaya	MYR	500,000	74.31
DKSH Management Malaysia Sdn Bhd, Kuala Lumpur	MYR	1,600	100
DKSH Holding Philippines Inc., Manila [1]	USD	212	99
DKSH Holding (S) Pte Ltd., Singapore [1]	SGD	83,703	100
DKSH Management Pte Ltd., Singapore [1]	SGD	2,000	100
DKSH Management (Thailand) Ltd., Bangkok [1]	THB	10,000	100
Hahn Healthcare Holdings Pty Ltd., Sydney	AUD	10	100
DKSH Smollan Field Marketing Pte. Ltd., Singapore	SGD	1,020	51
Ulfur Ltd., Malta	EUR	2,000	100
Operating companies			
Switzerland			
DKSH Switzerland Ltd., Zurich [1]	CHF	20,000	100
DKSH International Ltd., Zurich [1]	CHF	700	100
Diethelm & Co Ltd., Zurich [1]	CHF	3,000	100
Medinova Ltd., Zurich [1]	CHF	250	100
Refarmed Chemicals Ltd., Lugano	CHF	100	100
Asia			
DKSH Australia Pty Ltd., Hallam [1]	AUD	35,465	100
DKSH Grocery Connect Pty Ltd., Sydney	AUD	2	100
DKSH Performance Materials Operations Australia Pty Ltd., Melbourne	AUD	48,182	100
DKSH Agrisolutions Pty Ltd., Melbourne	AUD	1,400	100
Crossmark Australia Pty Ltd., Sydney[2]	AUD	15,694	100
Sales Team Providers Pty Ltd., Sydney	AUD	-	100
DKSH Hong Kong Ltd., Hong Kong [1]	HKD	100,000	100
PT DKSH (Indonesia), Jakarta	IDR	180,755,650	100
PT Wicaksana Overseas International Tbk, Jakarta [1]	IDR	707,271,162	80.88
DKSH Market Expansion Services, Jakarta[1]	IDR	9,990,000	100
DKSH India Pvt. Ltd., Bombay-Mumbai	INR	100,000	100
DKSH Japan K.K., Tokyo	JPY	1,600,000	100
DKSH Market Expansion Services Japan K.K., Tokyo [1]	JPY	700,100	100
DKSH (Cambodia) Ltd., Phnom Penh [1]	KHR	4,320,000	100
DKSH Korea Ltd., Seoul [1]	KRW	30,000,000	100
Bosung Scientific Co. Ltd., Seoul	KRW	50,000	100
DKSH Performance Materials Korea Ltd., Seoul	KRW	9,000,000	100
DKSH (Myanmar) Ltd., Yangon [1]	MMK	10,000	100
DKSH Services Ltd., Yangon [1]	MMK	1,929,921	100
The Glory Medicine Ltd., Macao	MOP	120,000	100

Company name	Currency	Capital in thousands	Ownership and voting rights in %
Asia (continued)			
DKSH Malaysia Sdn. Bhd., Petaling Jaya	MYR	50,000	74.31
DKSH Technology Sdn. Bhd., Kuala Lumpur [1]	MYR	5,000	100
The Famous Amos Chocolate Chip Cookie Corp (M) Sdn Bhd., Petaling Jaya	MYR	1,000	74.31
DKSH Luxury & Lifestyle (Malaysia) Sdn. Bhd., Kuala Lumpur [1]	MYR	335	100
DKSH Food Services (Malaysia) Sdn Bhd., Kuala Lumpur	MYR	1,000	100
DKSH New Zealand Ltd., Auckland [1]	NZD	26,230	100
C S Company Limited, Auckland	NZD	100	100
Edward Keller (Philippines) Inc., Manila	PHP	500,000	100
DKSH Philippines Inc., Manila	PHP	80,000	100
DKSH Market Expansion Services, Taguig City[1]	PHP	12,000	100
DKSH Singapore Pte Ltd., Singapore	SGD	20,998	100
Favorex Pte Ltd., Singapore	SGD	500	100
DKSH (Thailand) Ltd., Bangkok [1]	THB	200,000	75.55
The United Drug (1996) Co. Ltd., Bangkok [1]	THB	40,000	75.55
Diethelm Keller Logistics Ltd., Bangkok	THB	6,000	100
DKSH Technology Limited, Bangkok	THB	3,000	99.99
DKSH Performance Materials (Thailand) Ltd., Bangkok	THB	20,000	100
DKSH Taiwan Ltd., Taipei [1]	TWD	300,000	100
DKSH Supply Chain Solutions (Taiwan) Ltd., Tao Yuan County	TWD	500,000	100
United International Drug Co. Ltd., Taipei [1]	TWD	5,000	100
Good Health Solutions International Co. Ltd., Taipei [1]	TWD	5,000	100
DKSH Vietnam Co. Ltd., Binh Duong [1]	USD	3,300	100

Company name	Currency	Capital in thousands	Ownership and voting rights in %
Asia (continued)			
DKSH Technology Co. Ltd (VND), Ho Chi Minh City [1]	USD	3,146	100
DKSH Pharma Vietnam Co, Ltd., Binh Duong	USD	500	100
DKSH Shanghai Ltd., Shanghai [1]	USD	200	100
DKSH (Shanghai) International Trade Ltd., Shanghai [1]	CNY	15,000	100
DKSH Performance Materials China Ltd., Shanghai	CNY	60,000	100
DKSH Laos Company Ltd. (LAK), Vientiane	USD	400	100
DKSH Performance Materials Vietnam Co Ltd., Ho Chi Minh City	USD	400	100
Europe			
DKSH Nordic A/S, Birkerod	DKK	500	100
DKSH France S.A., Miribel	EUR	2,400	100
DKSH GmbH, Hamburg	EUR	3,068	100
DKSH Luxury and Lifestyle Europe GmbH, Pforzheim [1]	EUR	5,000	100
DKSH Marketing Services Spain S.A.U., Barcelona	EUR	648	100
North America			
DKSH North America Inc., Baltimore	USD	500	100
DKSH Premium Brand Distribution Inc., Dover [1]	USD	750	100
DKSH USA LLC., Maryland (MD)	USD	-	82.44
DKSH Canada Corp., Toronto	USD	15,500	82.44

1 Direct investments of DKSH Holding Ltd., Zurich.
2 Investment of DKSH Smollan Field Marketing, Singapore.

Proposal Appropriation of Available Earnings

The Board of Directors proposes the following appropriation of available earnings at the Ordinary General Meeting:

in CHF	2024
Retained earnings	
Retained earnings brought forward	639,698,774
Retained earnings as of December 31, 2024	**639,698,774**
Profit after tax	95,161,619
Total available earnings	**734,860,393**
Distribution of an ordinary dividend of CHF 2.35 per registered share[1]	152,850,963
To be carried forward	582,009,430

[1] The total dividend amount covers all outstanding shares (as per December 31, 2024: 65,042,963 shares). However, shares held in treasury on the date of the dividend declaration are not eligible for dividend payments.
As a consequence, and if required, the reported total dividend amount will be adjusted accordingly.

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To the General Meeting of
DKSH Holding Ltd., Zurich

Zurich, February 11, 2025

Report of the statutory auditor

Report on the audit of the financial statements

Opinion
We have audited the financial statements of DKSH Holding Ltd. (the Company), which comprise the statement of financial position as at December 31, 2024 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 126 to 133) 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 and 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. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For the matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the "Auditor's responsibilities for the audit of the financial statements" section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matter below, provide the basis for our audit opinion on the financial statements.

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Valuation of investments

Risk	DKSH Holding Ltd. is the parent company of DKSH Group. As at December 31, 2024 investments amount to CHF 368.1 million and represent 40% of total assets. Corresponding disclosure can be found in Notes 1 and 6 to the financial statements. The Company assessed that the carrying amount of the investments is supported by their value-in-use calculation – amongst other methods – on the basis of budgeted future cash flows. Due to the significance of the carrying values for investments and the judgment involved in performing the value-in-use calculation, this matter was considered significant to our audit.
Our audit response	We assessed the valuation methods and input parameters used by Management and reperformed the value-in-use calculation for the investments. In addition, we assessed investments for impairment and presentation and disclosure requirements. Our audit procedures did not lead to any reservations concerning the valuation of the investments.

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, the compensation 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.

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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.

A further description of our responsibilities for the audit of the financial statements is located on EXPERTsuisse's website at: https://www.expertsuisse.ch/en/audit-report. This description forms an integral part of our report.

Report on other legal and regulatory requirements

In accordance with Art. 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 the financial statements according to the instructions of the Board of Directors.

Based on our audit in accordance with Art. 728a para. 1 item 2 CO, we confirm that the proposal of the Board of Directors complies with Swiss law and the Company's articles of incorporation. We recommend that the financial statements submitted to you be approved.

Ernst & Young Ltd

Simon Zogg Licensed audit expert (Auditor in charge)	Patrick Meier Licensed audit expert

Disclaimer

This publication may contain forward-looking statements that can be identified by words such as “expected,” “estimated,” “planned,” “potential” or similar expressions as to DKSH’s expectations concerning future developments of its business, products and the markets in which it operates and the political, economic, financial, legal and regulatory environment. A number of risks, uncertainties and other important internal and external factors could cause actual developments and results to-differ materially from DKSH’s expectations or other statements expressed in such forward-looking statements. These factors include, but are not limited to, future developments in the markets in which DKSH operates or to which it is exposed; the effect of possible political, economic, financial, legal and regulatory developments; changes in accounting standards or policies, and accounting determinations or interpretations affecting the recognition of revenue, gain or loss, the valuation of goodwill and other matters; and DKSH’s ability to retain and attract key employees. In addition, DKSH’s business and financial performance could be affected by other factors identified in its past and future filings and reports, including those filed with SIX Swiss Exchange. DKSH does not undertake any obligation to update or amend its forward-looking statements contained in this publication as a result of new information, future events, or otherwise. DKSH’s consolidated financial statements are prepared in accordance with IFRS Accounting Standards and presented in Swiss francs. DKSH also uses certain non-IFRS financial measures, such as NOC, Core RONOC, Core ROE, EBIT margin, Free cash flow or Net cash/(debt). DKSH uses these non-IFRS financial measures as supplemental indicators of its operating performance and financial position. These measures do not have any standardized meaning prescribed by IFRS and should not be viewed as alternatives to measures of operating or financial performance calculated in accordance with IFRS.

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