

Press release

Dussmann Group achieves Record Sales of over 3 billion Euros in its Anniversary Year 2023

- Service company increases Group sales by 9.0 % to more than €3 billion in 2023
- Facility management business, particularly in Germany, Italy, and Luxembourg, drives the Group's growth
- Kursana demonstrates resilience during care crisis
- New joint venture Code Blue by Dussmann offers companies protection before, during and after cyberattacks
- With the new Group strategy "Road to 2030", Dussmann Group sets the course for future growth

Berlin, May 15, 2024 - In the financial year 2023, Dussmann Group achieved sales of more than €3 billion for the first time. This corresponds to a sales growth of 9.0 % in the 60th anniversary year of the service company founded in 1963. "This is essentially organic growth, which in 2023 was mainly driven by strong growth in the facility management business in Germany, Italy, and Luxembourg", said Wolf-Dieter Adlhoch, CEO of Dussmann Group, at the annual press conference in Berlin.

One of the main challenges for Dussmann Group was the current situation in the German care sector. This also had an impact on Kursana, the care provider belonging to Dussmann Group, which nevertheless weathered the crisis in the care sector relatively well. It was also noticeable that a number of major projects in the Technical Solutions division were completed in 2022, which provided a very high basis for comparison - new major projects are currently being implemented but will not yet have an impact on earnings in 2023. Essentially, these two factors at Group level resulted in an EBITDA margin of 4.4 % in 2023, below the very high level of the previous year (2022: 6.1 %).

“In the 2023 financial year, we achieved a solid result in a challenging economic environment. In the facility management and food services business, we increased sales across all regions. We further strengthened our technical footprint, including through targeted acquisitions and investments,” says Adlhoch.

Joint Venture for Cyber Security Solutions

In September 2023, Dussmann Group founded the joint venture Code Blue by Dussmann. Thereby, the company, which has been providing physical security services for 35 years, is expanding its range of services to include cyber security solutions and now also offers its clients protection before, during and after cyberattacks. The Israeli partner Code Blue Ltd. specializes in cyber crisis management and has already successfully handled numerous complex international cyberattacks. With the increase in threats and attacks, the need for comprehensive IT security solutions is growing worldwide.

Development of Sales in the Business Divisions

In the financial year 2023, **Dussmann Group** increased its consolidated Group sales from €2.8 billion to €3.0 billion, an increase of 9.0 %. As expected, the EBITDA margin of 4.4 % was below the very high level of the previous year (6.1 %).

The **Dussmann** division, which combines Integrated Facility Management, Food Services and Technical Solutions, increased its sales by 10.5 % to €2.5 billion, which corresponds to 81.9 % of total sales (2022: €2.3 billion). The Dussmann Facility Management (FM) and Food Services divisions accounted for a total of €2.1 billion, which represents an increase in sales of 13.7 % (2022: €1.9 billion). The German facility management business benefited from major integrated facility management contracts. These include contracts for a large international retail company and the Bosch Group as well as contracts in the logistics sector. Business in Italy was again particularly successful. The Dussmann Technical Solutions division, in which Dussmann

Group has pooled its specialists for plant engineering and technical services since 2019, accounted for €375 million in sales (2022: €393 million). The successful business could not be fully reflected in sales and earnings according to the Commercial Code of Germany (HGB) due to major contracts that extend over several years but have not yet been completed. Operating performance continued to grow as a result of strong business development with clients in the pharmaceutical industry and with data centers. A similar development had already taken place in 2022/2023.

Despite a challenging market environment and difficult regulatory conditions, the **Care & Kids** division, which provides care and nursing services for the elderly (Kursana) and all-day care for children (Dussmann KulturKindergarten and Kinder, Kinder), increased its sales to €505 million, slightly above the previous year's level (previous year: €496 million). The division thus contributed 16.7 % to the Group's total sales in 2023.

Dussmann das KulturKaufhaus also achieved record sales in 2023 with an increase in sales of 13.2 % to €43 million (2022: €38 million). This growth is attributable to the online shop, the B2B business and sales in the stationary trade.

The number of employees of Dussmann Group worldwide increased from 66,000 to 68,200 in 21 countries at the end of 2023. A further 850 people worked in the joint ventures with Dussmann participation.

Dussmann Group is currently involved in the initiative "We stand for values." More than 30 German companies are jointly calling on their employees to take part in the upcoming European elections, emphasizing the value of European unification and of diversity, openness and tolerance for the economy and its companies.

New Group Strategy: From "Next Level" to "Road to 2030"

Following the successful implementation of the "Next Level" strategy since 2018 and the increase in sales from around €2 billion (2018) to over €3 billion in 2023, Dussmann Group is currently setting its strategic course for the coming years. A key objective of

“Next Level” was to expand the technical footprint, also through acquisitions. In addition to the major acquisition of the STS Group in 2019 and the associated establishment of a unit for technical plant engineering and technical services (Dussmann Technical Solutions), this also includes the recent takeover of the business activities of Speidel GmbH, a provider of electrical and communications technology, and automatic Klein GmbH, a provider of industrial process automation. Dussmann Group has also acquired a stake in neogramm, a specialist for industrial digitalization. Technical services now account for over 20 % of Group sales.

Five years after the establishment of “Next Level”, Dussmann is currently rolling out its new Group strategy “Road to 2030”, which will show the family business the way forward for the next five years.

“With ‘Road to 2030’, we remain on a clear course as the leading full-service and solution partner of choice for our clients, especially in challenging times. We will remain a family business with the three pillars of Dussmann, Care & Kids and media retail. We will continue to provide our clients with solutions that are consistently oriented towards the megatrends of our time. Bold entrepreneurial spirit, innovation and, above all, the people who work for us will continue to be the basis for our profitable and sustainable growth in the future,” says Adlhoch.

An exemplary starting point for the new group strategy is the orientation of the service company towards further, often supra-regional contracts in Integrated Facility Management (IFM). As a service provider, Dussmann also sees great opportunities in handling the increasing number of regulations in connection with ESG reporting obligations for its clients in facility management and relieving them of complexity. Catherine von Fürstenberg-Dussmann, Chairwoman of the Board of Trustees of Dussmann Group, said at the annual press conference: “Many of our clients are struggling with the bureaucratic expenditure in Germany. One example of excessive

bureaucracy is the extensive ESG reporting requirements that affect most of our clients. To tackle climate change, sustainability must be clearly on the agenda - but ESG reporting should be organized efficiently and intelligently.”

Sustainability has been an integral part of the Dussmann Group`s corporate strategy since 2018. It has been a participating company in the UN Global Compact - the world's largest initiative for sustainable and responsible corporate governance - since 2023 and has once again been awarded the platinum medal by EcoVadis.

Start to 2024: Acquisitions & New Orders in a Challenging Environment

To further increase its technical footprint, Dussmann Group acquired further technology specialists in the first months of 2024. In February 2024, Dussmann Technical Solutions expanded its market position in refrigeration and air conditioning technology and building management systems in Northern Germany with the acquisition of the family-owned company Clausen Systemkühlung, based near Hamburg. Dussmann Technical Solutions accelerated its strategic growth in the process industry with the acquisition of all shares in regelmatic GmbH in February 2024. regelmatic GmbH, with its 140 employees, is a full-service provider of electrical, measurement and control technology and thus perfectly complements the Europe-wide activities of Dussmann Technical Solutions in plant engineering.

In 2023 and the first months of 2024, Dussmann Group has won numerous large facility management contracts. For the next six years, Dussmann will provide the Bosch Group with integrated facility management services for a large part of its European real estate portfolio, including numerous production sites. In addition to the 50 properties in Germany which have been managed since the summer of 2022, a further 39 Bosch properties in Austria, Italy and Switzerland will be added after winning the international tender. In July 2023, Dussmann and a partner took over responsibility for facility management at around 200 locations for Hamburger

Sparkasse AG (Haspa) in Germany. In Italy, Dussmann took over the cleaning and maintenance of 38 museums in Tuscany. In Austria, Dussmann won the technology group voestalpine as a client in 2023 and is responsible for industrial, special and maintenance cleaning on an area of 40,000 square meters at the Leoben-Donawitz plant.

In the food services sector, Dussmann won the new catering tender for the Deutscher Bundestag. Starting in January 2024 and for the next five years, Dussmann will operate six catering facilities and a conference service there.

Germany's largest media department store, Dussmann das KulturKaufhaus, has opened a new logistics and warehouse center in Berlin-Pankow in March 2024. This move strengthens Dussmann's stationary sales business as well as its B2B and online business.

Stable Framework Conditions Necessary for the Care Sector

In view of the demographic developments, Dussmann Group is also very interested in creating new care facilities. In February 2024, the second Kursana Quartier opened in Nauen, Brandenburg, offering all forms of living and care under one roof.

However, Dussmann Group CEO Wolf-Dieter Adlhoch is calling for binding and reliable framework conditions to be able to create more places for the care of the elderly in the future in order to meet the increasing demand. According to Adlhoch, Dussmann Group is particularly concerned about the unresolved issue of refinancing cost increases.

Dussmann Group is cautiously optimistic for the current business year. "Our financial strength and the distribution of risks across several business divisions and regions are an advantage in view of the great challenges facing the global economy. Nevertheless, we are not isolated from the general economy", says Adlhoch.

Development of consolidated Group sales and EBITDA margin

	2022	Share of sales	2023	Share of sales	Change	
	million €	%	million €	%	million €	%
Consolidated Group sales	2,780	100.0	3,029	100.0	249	9.0
Dussmann FM & Food Services	1,853	66.7	2,106	69.5	253	13.7
Dussmann Technical Solutions	393	14.1	375	12.4	-18	-4.6
Care & Kids	496	17.8	505	16.7	9	1.8
KulturKaufhaus	38	1.4	43	1.4	5	13.2
<hr/>						
Germany	1,150	41.4	1,315	43.4	165	14.3
International	1,630	58.6	1,714	56.6	84	5.2
<hr/>						
EBITDA margin on consolidated Group sales in %	6.1		4.4			

Differences in the totals are due to rounding differences.

Contact persons:

Dr. Markus Talanow

Head of Group Communications

Phone +49 30 20251787

markus.talanow@dussmanngroup.com

Michaela Mehls

Press spokesperson

Phone +49 30 2025 2525

michaela.mehls@dussmanngroup.com

About the Dussmann Group

At the Dussmann Group, 68,200 people work across 21 countries, contributing their ideas and passion for people. The Berlin-based service company posted Group sales of €3 billion across its three divisions in 2023. The largest of the divisions, Dussmann, provides solutions born of its passion for facility management, food services, and technical solutions. Dussmann Facility Management combines all of the services involved in integrated facility management, with a high proportion of the work performed in-

house within the organization: building cleaning, security services, building technology, electrical and communications technology, and charging solutions for electric vehicles. Dussmann Food Services offers diverse and sustainable dining concepts for children, employees, patients, and residents of senior facilities, all with warm hospitality. Dussmann Technical Solutions encompasses all of the business units involved in technical plant and systems engineering and technical services. They offer solutions spanning the entire life cycle of systems and buildings, from planning and installation to commissioning, service, and repairs in the fields of electrical engineering, automation technology, cooling, refrigeration and air conditioning technology, and elevator technology. Joint venture Code Blue by Dussmann provides cybersecurity solutions to protect companies before, during, and after cyberattacks. The Care & Kids division operates the Kursana brand, providing care for seniors, and the Dussmann KulturKindergarten brand, which provides child care for working parents. The family-run Dussmann Group also operates Germany's largest media store, Dussmann das KulturKaufhaus, which is located in Berlin.