

AD HOC ANNOUNCEMENT PURSUANT TO ARTICLE 53 LR

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Meier Tobler continues its profitable growth in the first half of 2023

- **Revenue growth of 7.0 percent to CHF 276.4 million**
- **EBITDA of CHF 26.9 million, an increase of 20.4 percent year-on-year**
- **Consolidated profit up to CHF 16.0 million (previous year: CHF 11.5 million)**
- **Challenging environment and increased costs expected for second half**

Meier Tobler generated net revenue of CHF 276.4 million in the first half of 2023 (previous year: CHF 258.3 million), which equates to a year-on-year increase of 7.0 percent. All four divisions developed positively. A key basis for this growth was the ongoing momentum in heating system renovations. The sale of heat pumps once again saw double-digit percentage growth in the first half of the year. At CHF 26.9 million, EBITDA was up 20.4 percent year on year (first half of 2022: CHF 22.3 million). The EBITDA margin rose to 9.7 percent (previous year: 8.6 percent). EBIT came to CHF 19.7 million (previous year: CHF 14.9 million), and consolidated profit for the first half of 2023 was up 38.7 percent to CHF 16.0 million (previous year: CHF 11.5 million). EBIT and consolidated profit are reduced by the annual non-cash goodwill amortisation from the acquisition of Tobler Haustechnik AG in 2017. Meier Tobler is amortising this goodwill on a straight-line basis through profit and loss over a period of 20 years. In the first half of 2023, this amortisation amounted to CHF 5.1 million (previous year: CHF 5.1 million).

The **Retail business**, in which Meier Tobler has a leading position in the market with its 47 Marchés and its e-shop, generated slightly higher revenue in the first half of the year due to price increases. In the second quarter, retail volume cooled noticeably as a result of the decline in new construction activity.

The **Heat Generation** business once again expanded significantly, achieving double-digit percentage revenue growth. With the energy transition in full swing, the business with heating system renovations remains very dynamic. While the number of heat pumps sold increased markedly, the decline in sales of oil and gas heating systems once again accelerated considerably. Fossil-fuel heating systems are only being installed in exceptional cases. The situation in the supply chains eased somewhat, but remains challenging. High stock levels helped to keep delivery capacity at a good level.

The **Service business** benefited from the strong rise in the number of heat pumps going into operation in the first half of the year, enabling it to overcompensate for the revenue falls resulting from the gradual reduction in the network of fossil-fuel systems. In May 2023, Meier Tobler launched SmartGuard 2.0, a complete overhaul of the existing SmartGuard solution. Now included in all Meier Tobler heat pumps, the exclusive online diagnostics and control tool is mainly responsible for ensuring reliable and energy-efficient operation.

The business with **Air Conditioning Systems** closed the first half slightly higher than at the same point last year. Alongside the successful completion of large projects, such as the delivery of two, 3.4 MW absorber refrigeration systems to Shoppi Tivoli, Switzerland's largest shopping centre, the business with energy-efficient, comfort air-conditioning devices performed particularly well.

The construction of the new **Service Centre** in Oberbuchsiten in the canton of Solothurn was completed according to plan in the first half of 2023. The building was transferred to the new owner Suva in July 2023. Meier Tobler is now renting the building on a long-term basis. Operations at the new Service Centre are currently being ramped up on a step-by-step basis, while the two previous logistics sites at Däniken and Nebikon are gradually being decommissioned. From an operational perspective, the new Service Centre uses state-of-the-art technology, such as fully automated high-bay and small-parts warehouses and autonomous mobile robots. The 12 000 m² photovoltaic system with an output of 2 MWp was already connected to the network in April 2023. It supplies electricity both for internal consumption and for around 350 households. Additional costs will be incurred in the second half of 2023 due to the relocation and the need for parallel operation. From 2024 onwards, it will then be possible to cut operating costs thanks to the merger of the logistics activities.

A further major project is the replacement of the existing ERP systems and the switchover to **SAP S/4HANA**. Setting up the new IT platform is a challenging task, but it is going according to plan. When the new system goes into operation in 2024, it will lead to increased efficiency thanks to continuous, end-to-end processes as well as forming the basis for further digitalisation steps.

Cash flow, net debt, equity

Meier Tobler generated operating cash flow of CHF 6.3 million in the first half of the year (previous year: CHF 9.8 million). The decline on the previous year's figure is due to increased tax payments in the first six months of 2023. As part of the current share buyback programme, 110 000 registered shares were purchased at an average price of CHF 47.26 per share for the purposes of capital reduction and earnings accretion in the first half of 2023. In addition, a dividend of CHF 1.20 per registered share or CHF 13.8 million was paid out. Half of this amount was taken from retained earnings and half from capital contribution reserves. Net debt amounted to CHF 20.0 million as at 30 June 2023 (30 June 2022: CHF 24.4 million). Equity stood at CHF 168.9 million (30 June 2022: CHF 159.1 million), and the equity ratio was 42.5 percent (30 June 2022: 43.3 percent).

Key figures

in TCHF	01.01.-30.06.	01.01.-30.06.	Change as a %
	2023	2022	
Revenue	276 392	258 323	7.0%
EBITDA	26 875	22 328	20.4%
<i>as a % of revenue</i>	9.7	8.6	
EBIT	19 723	14 850	32.8%
<i>as a % of revenue</i>	7.1	5.7	
Consolidated profit	15 974	11 521	38.7%
<i>per registered share in CHF (weighted)</i>	1.39	0.97	43.3%
<i>per registered share in CHF (reference date)</i>	1.39	0.98	41.8%
Cash flow from operating activities	6 275	9 825	
in TCHF	30.06.2023	31.12.2022	30.06.2022
Financial liabilities	24 000	18 000	40 550
Net debt	19 950	4 295	24 414
Equity	168 859	171 326	159 056
<i>as % of total assets</i>	42.5	44.0	43.3
Number of employees (FTEs)	1 268	1 258	1 254

Outlook

Meier Tobler expects to see a further slowdown in the construction market over the next few months, especially for new-builds. In addition, the high figures from the same period in 2022 will make it difficult to increase revenue any further in the second half of the year. On the cost side, one-off additional costs will be incurred in the second half in connection with the parallel operation of the logistics sites. Higher personnel costs resulting from a general salary increase as of 1 July 2023 will also have an impact. Against this backdrop, Meier Tobler expects results to remain stable at best in the second half of 2023.

Nevertheless, Meier Tobler anticipates slight year-on-year growth in terms of EBITDA and net profit for the full year 2023 thanks to the strong first half.

Over the medium term, Meier Tobler believes it is in a good position to make a significant contribution to the energy transition in Switzerland and anticipates revenue growth that is at least in line with the market. From 2024 onwards, Meier Tobler also expects that the completion of the two large internal projects will bring further significant operational improvements, which will make it possible to keep the EBITDA margin at a high level despite the inflation-related increase in overheads.

Further information

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Dates

31 December 2023	Closing of 2023 financial year
29 February 2024	Media and Finance Analyst Conference on the 2023 Annual Report
9 April 2024	Annual General Meeting

Meier Tobler is a provider of building technology systems that focuses on the Swiss market. The company was founded in 1937 and now employs some 1 300 people. Shares in Meier Tobler are listed on the SIX Swiss Exchange (symbol MTG).

This ad hoc announcement and the 2023 half-year report are available for download at meiertobler.ch/de/investoren.