



# Welcome to Meier Tobler

Roger Basler, CEO  
Lukas Leuenberger, CFO

Bad Ragaz, January 10, 2024



Roger Basler  
CEO



Lukas Leuenberger  
CFO

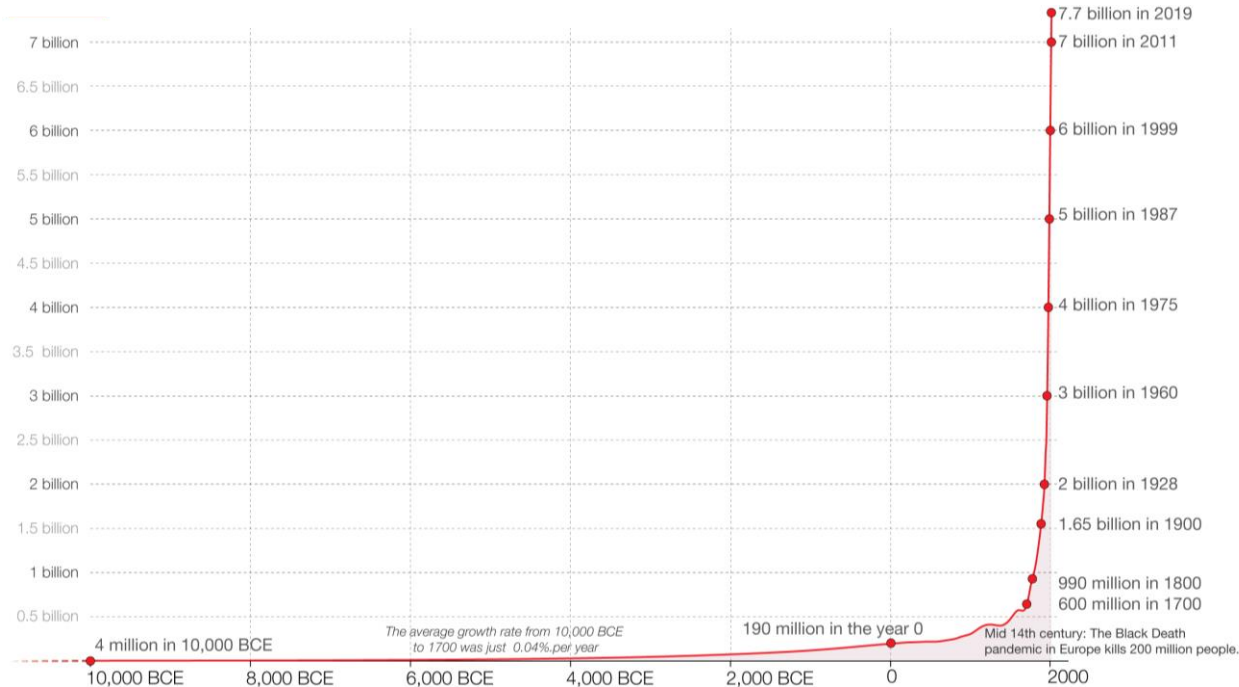
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tobler

# Our purpose

# There is no Planet B

The world's population is increasing.

[Growth in the last 12,000 years]

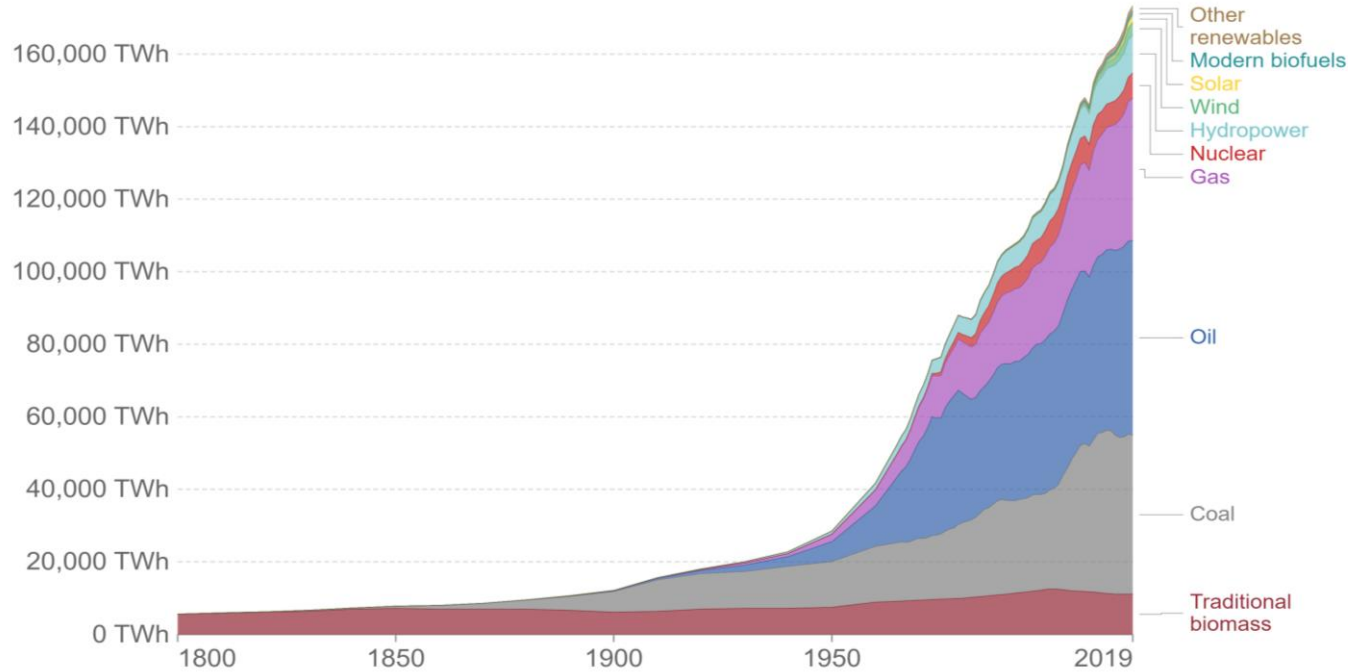


Source: <https://ourworldindata.org/world-population-growth/>

# There is no Planet B

The world's appetite for primary energy is increasing.

[Terawatt-hours: 1 TWh = 1 billion kilowatt-hours]

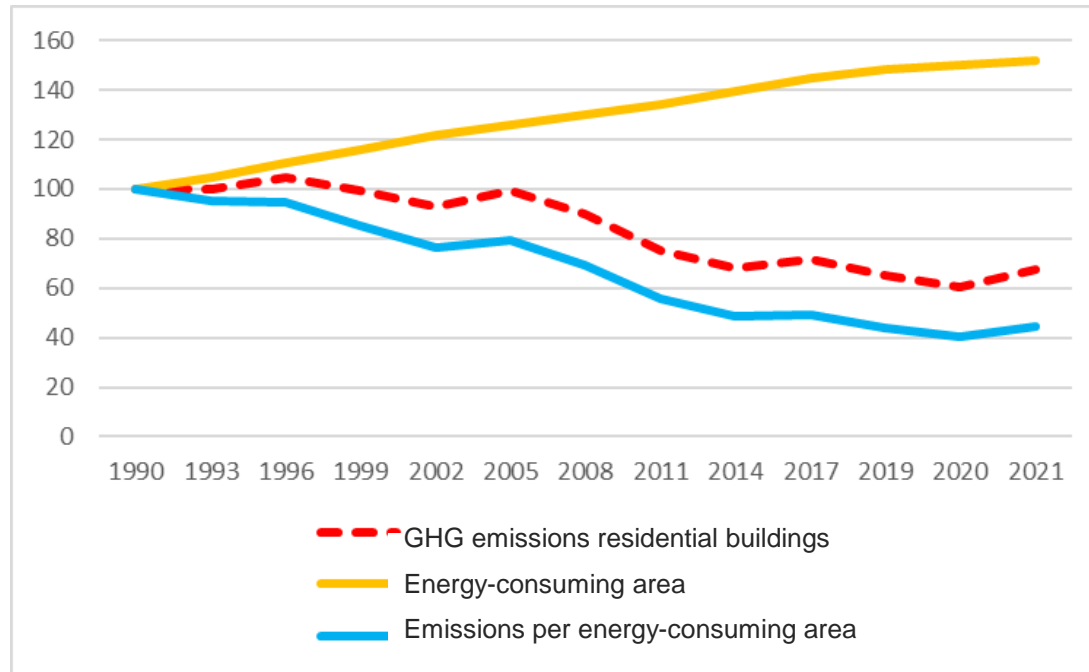


Source: Vaclav Smil and BP Statistical Review of World Energy

# CH: Greenhouse gas emissions are falling

## Building systems technology cuts emissions by half

[Index 1990 – 2021]



- Population and energy-consuming area are constantly increasing
- Greenhouse gas (GHG) emissions per energy-consuming area have more than halved since 1990

Source: Swiss FOEN 2023, Kenngrößen zur Entwicklung der Treibhausgasemissionen in der Schweiz 1990-2021

# Huge potential for renewals

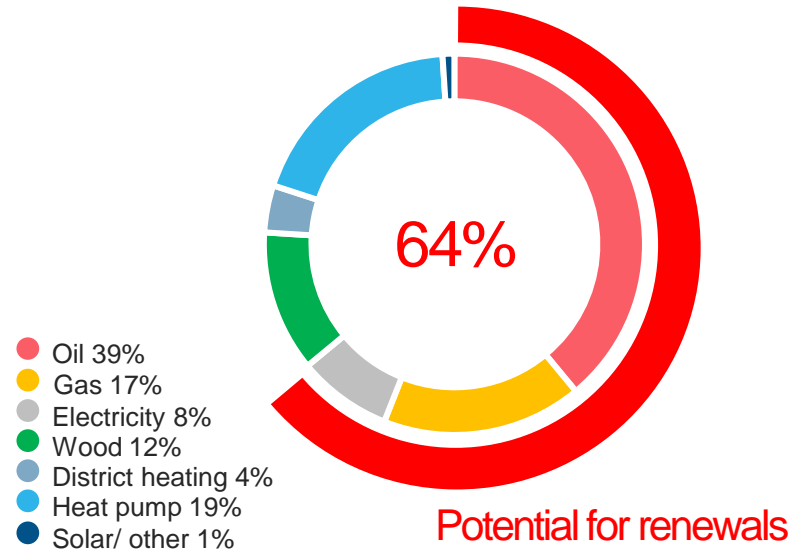
Existing buildings Switzerland: 50% older than 40 years!

## Buildings



- Single-family houses
- Multi-family houses
- Mixed commercial/residential

## Heating technology



Source: BfS 2023, Zahlenbasis 2022

# «Simply sustainable»



Goals	<ul style="list-style-type: none"> <li>Exercice ecological, social and economic responsibility out of conviction</li> </ul>								
Fields	Environment			Employees				Society	
SDG*									
Focus Areas	<ul style="list-style-type: none"> <li>Our products and solutions counteract climate change</li> <li>We deliver our products and services with minimal CO<sub>2</sub> emissions</li> <li>We treat natural resources with respect</li> </ul>			<ul style="list-style-type: none"> <li>Our employees should have opportunities for further training and development</li> <li>Diversity and equality of opportunity are a matter of course</li> <li>We care for employees' health and productivity</li> </ul>				<ul style="list-style-type: none"> <li>Our business success benefits shareholders, society and the Swiss marketplace</li> <li>Innovation and digitisation secure our long-term success</li> <li>We observe human rights and fair conditions in the supply chain</li> </ul>	
Governance	<p>We place great importance on an ethical, well-considered and legally compliant business activity</p>								

\* The 17 Sustainable Development Goals of the United Nations



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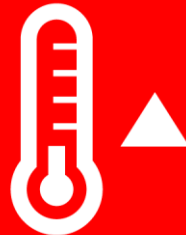
Who we are

«Simply building technology»

2022\*: 1285 employees, CHF 556 mio. net sales, CHF 52 mio. EBITDA



10 000 installation companies in the HVAC industry



260 000 property owners



Planning professionals, developers

\* Publication of 2023 business figures will take place on February 29, 2024



# Trade

## Fast rotating engine

### Strategy / focus

Further expand leading position in the market

### Key figures

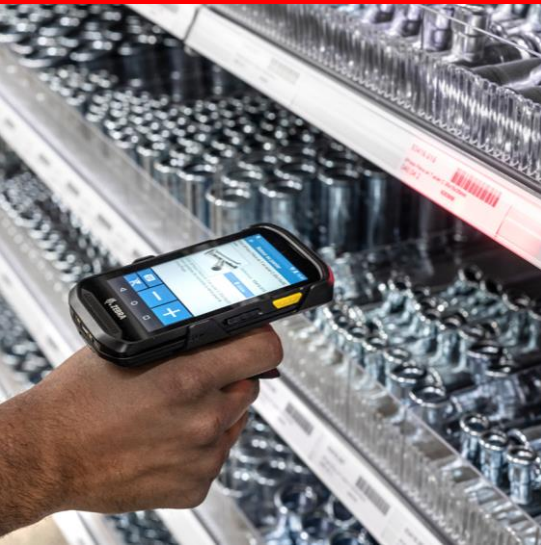
- > 32,000 articles in stock
- 2,200 deliveries daily
- 56 own delivery vehicles

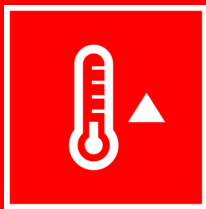
### Success factors

- Comprehensive assortment
- First-class logistics
- Customer proximity through omnichannel distribution
- High process efficiency and data competence

### Customers

- 10,000 heating, ventilation, air-conditioning and plumbing installation companies
- Largest customer < 2.6% of net sales





# Heat generation

## Still tailwind from energy transition

### Strategy / focus

Further increase market share and profitability with focus on heat pumps

### Key figures

Heat pumps grow by 21% and account for 85% of market.\*

### Success factors

- Strong brands
- Full-range assortment
- Technical competence
- Digital solutions

### Customers

- 6,000 heating installation companies
- Largest customer < 2% of net sales



\* Source GebäudeKlima Schweiz, units sold year to date Q3/2023 vs Q3/2022



# Service

## Reliable and digital

### Strategy / focus

- Transition to renewable energies
- New digital services

### Success factors

- Efficiency through strongest 24/7 service network
- Quality and competence
- Digital solutions with added value

### Key figures

- 400 service professionals throughout Switzerland
- 260,000 active installations
- Several hundred thousand service interventions p.a.

### Customers

- Private customers
- Building managers



# Climate systems

## Large-scale cooling, heating, ventilation



### Strategy / focus

Adapted customer solution  
over the entire life cycle

### Key figures

~ 500 projects with average  
520 kW

### Success factors

- Technical competence in pre-sales consulting
- Customer proximity over the entire life cycle
- Partner network

### Customers

- Large investors (e.g. data centre operators)
- 1,300 engineering consultants / planners for air conditioning



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Why  
Meier Tobler?

Why  
Meier  
Tobler?

Strong position in  
attractive market

Powerful unique  
selling  
propositions

Solid and  
responsible

Successful  
financial  
development

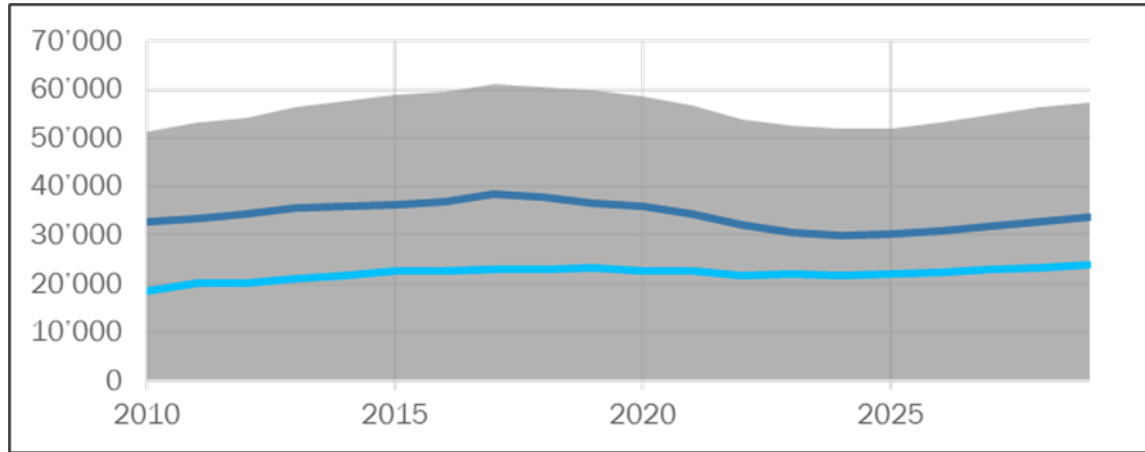


Why  
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# Market development Switzerland, building construction

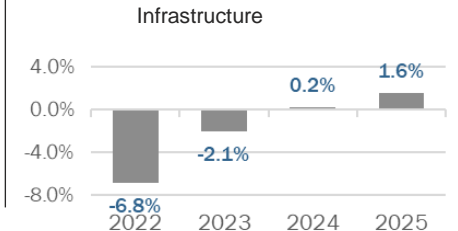
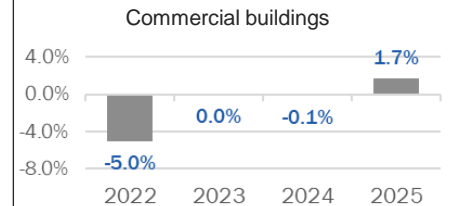
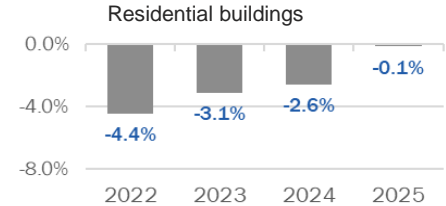
## CHF millions, real, price basis 2022



Total
  New build
  Renewal

Source: BAK Economics, construction forecast Switzerland 2023-2029, 08.2023

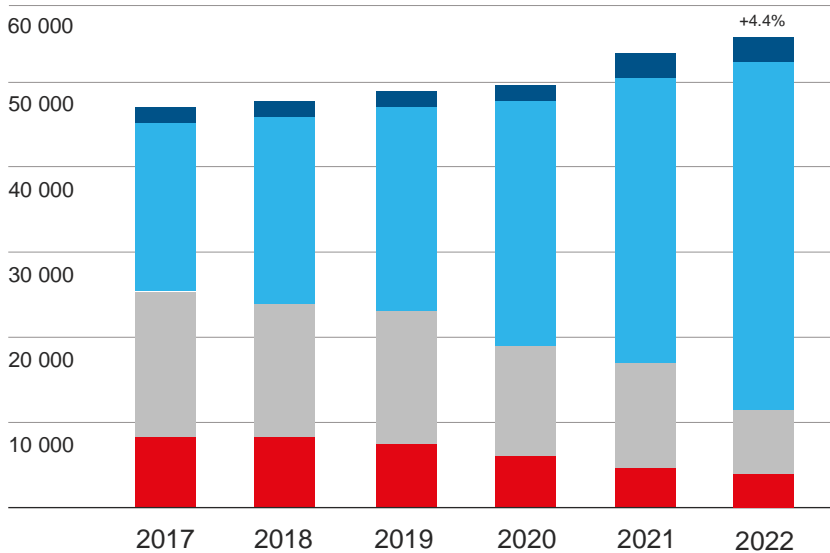
### Short-term forecast



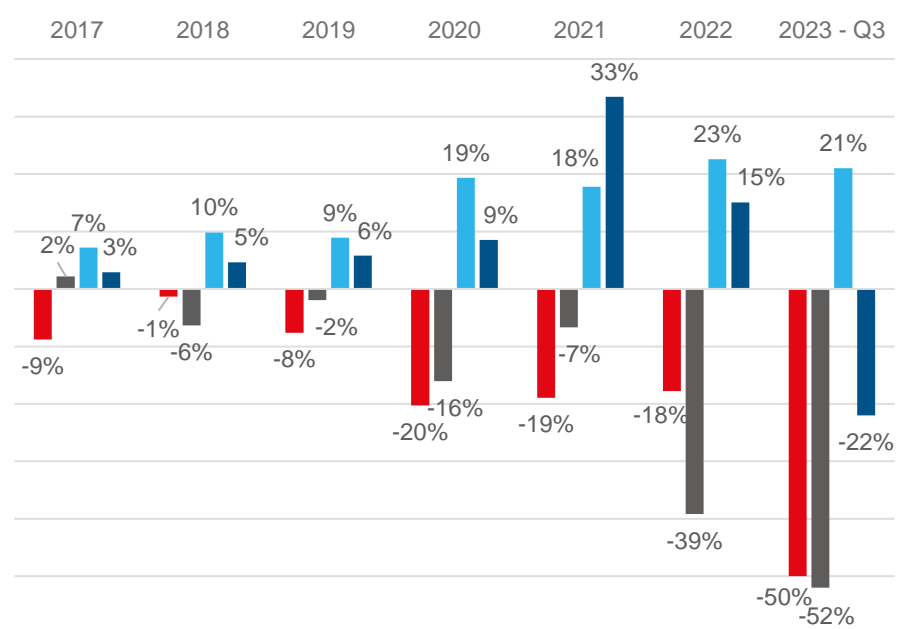
# Highly dynamic market for heat pumps

## Units sold, residential buildings, power range 5-100 kW

Market volume per year







Market development per year



# Diversification in new buildings and renewals

## As % of net sales

		New builds/ commissionings	Rebuilding/ renewal/ operation	Market position Meier Tobler
	Trade	60	40	Market leader
	Heat generation	30	70	In top 3
	Service	10	90	In top 3
	Climate systems	30	70	Market leader

Source: Meier Tobler management estimates, full year 2023

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# Strengths along the value chain

## Meier Tobler's unique selling propositions

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Product management and procurement	Sales and marketing	Order processing	Logistics	Operation and customer service
Biggest depth and breadth of assortment	<b>Omnichannel distribution network</b>	Digitised process-management along the customer journey	Flexible delivery options to match customer needs	Swiss-wide service organisation 24/7
Top brands, own brands, quality products	<b>Unbeatable customer proximity</b>	Maximum delivery capability	High-performance warehouse and transportation logistics	Large installations portfolio
Competence along the entire temperature axis	<b>Approach end-customers to generate leads</b>	Flexible price and conditions system	<b>New logistic centre since 2023</b>	Energy-optimised systems
Multi-sourcing ensures maximum availability	Partner network to installation companies			<b>SmartSolutions for remote servicing and «predictive maintenance»</b>
Years-long relationships with suppliers	Online and offline marketing power			

# Omnichannel as success factor

## Trade formats for the professional



### 47 x marché

marché cash-and-carry shops all over Switzerland



### marché24

marché open 24/7 for B2B customers



### marché@work

marché comes to the customers



### marché@box

marché on the construction site



### e-Shop

Leading e-shop with 60,000 articles, 32,000 of which have active inventory management



### Personal sales

Maximum competence in sales and tender submission



# Unbeatable customer proximity

65% reach a marché in less than 20 minutes

**47** marchés



**100** field sales and engineering consultants



**400** service professionals nationwide



**100** back office sales employees



# End-customer approach: «Lead follow-through»

## Several thousand leads for installation partners



Advertising



Configurator leads to indicative offer

[www.meiertobler.ch](http://www.meiertobler.ch)



Own call centre validates leads



Partner management



Final offer



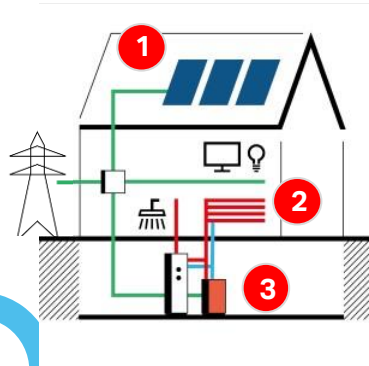
Delivery & Putting into service

Process management A-Z at Meier Tobler

Installers integrated through partner network

# SmartSolutions remote diagnosis

Made for energy saving



- 1** Energy management: SmartSolar
  - Intelligent energy management
  - Increases own consumption of solar electricity
- 2** Heat distribution : SmartComfort
  - Individual room regulation for energy-optimised comfort climate
  - Performs hydraulic balancing automatically
- 3** Heat generation : SmartGuard
  - «All-round trouble-free» heat generation
  - Remote operational optimisation and predictive maintenance
  - Around 5'000 units online (SmartGuard 1+2)

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# Solid since 1937



1937  
Walter Meier



1985  
Stock market launch



2007  
Axair, Oertli and Vescal become  
Walter Meier AG



1957  
Kurt Tobler

Meier Tobler Group AG



1999  
First «Marché» in  
Givisiez



2003  
Tobler becomes part  
of Wolseley, now  
Ferguson



2018  
Start of Meier Tobler



2020  
Marché24, open 24/7  
and always there for  
the customer

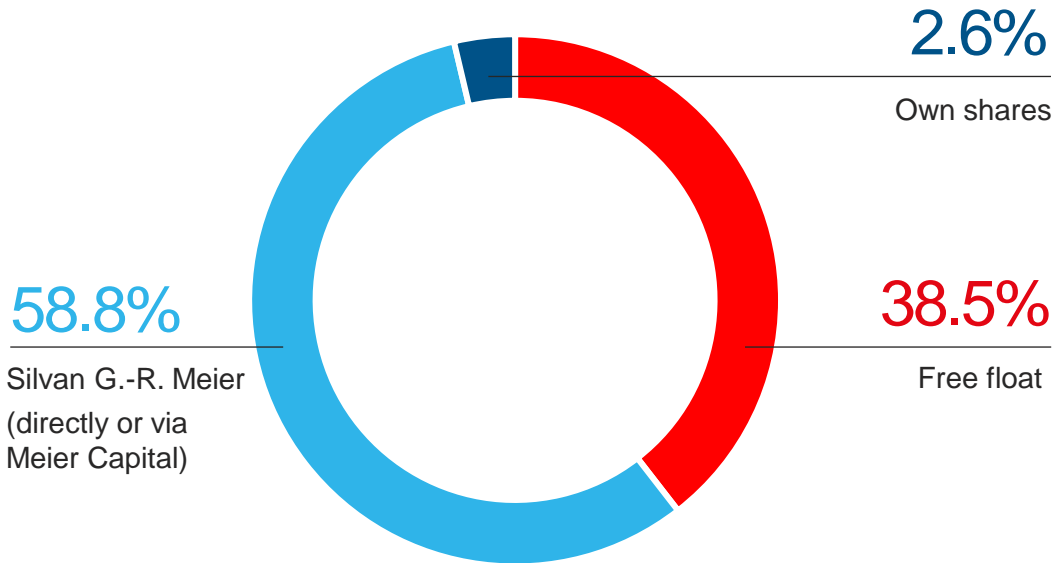


2023  
New logistic center

# Stability through anchor shareholder

## Added value for all shareholders in focus

Status 31.12.2023



- Silvan G.-R. Meier as anchor shareholder
- Free float at approx. 40%

# Free cash will be returned to shareholders

## Share repurchase programme / dividend

	2022	2023	Total
Number of shares repurchased in year	408,800	266,450	675,250
Average price/share (CHF)	26.55	42.57	32.87
<b>Value of shares repurchased in year (CHF mio.)</b>	<b>10.9</b>	<b>11.3</b>	<b>22.2</b>
Percentage of shares repurchased in year versus 11.03.22 (%)	3.4%	2.2%	5.6%
	2022	2023	
Dividend per share (CHF)	1.00	1.20	
<b>Distribution (CHF mio.)</b>	<b>11.9</b>	<b>13.8</b>	

Key parameters of current share repurchase programme:

- Start: 11 March 2022
- Max. 3 years or CHF 30 mio., whichever is reached first
- Max. 8.66 % or 1,039'90 shares, whichever is reached first, versus shares registered at 11 March 2022
- Reduction of capital and cancellation of the repurchased shares

Medium-term, strive for continuously increasing dividend to reach CHF 2 per share



# Why Meier Tobler?

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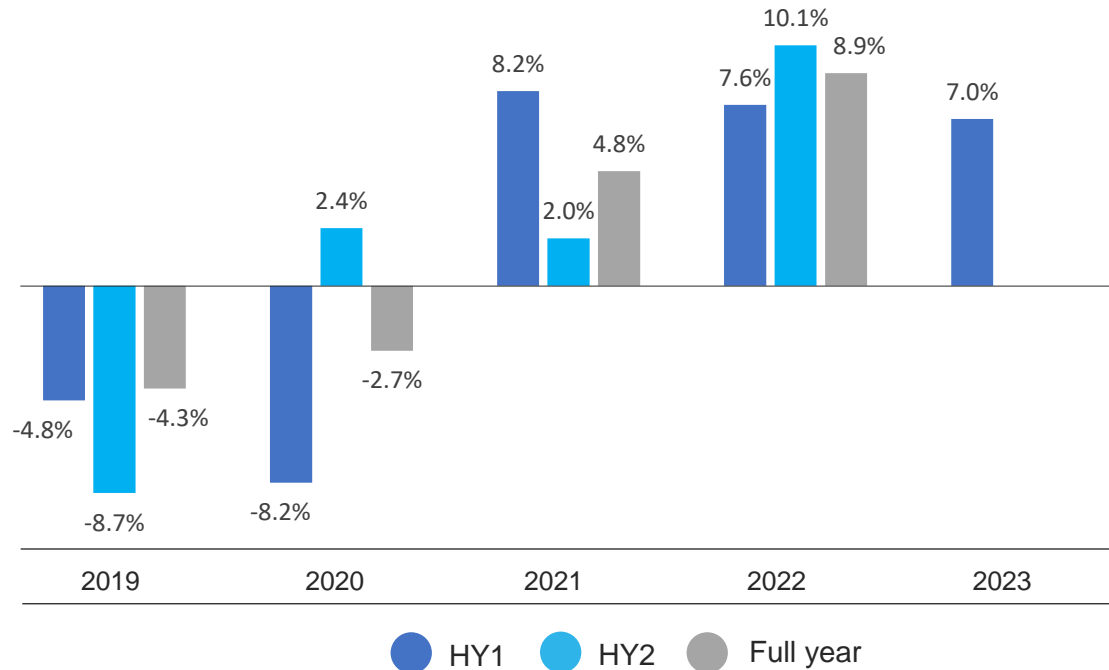
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# Since 2021 on course for growth

## Net sales growth in %



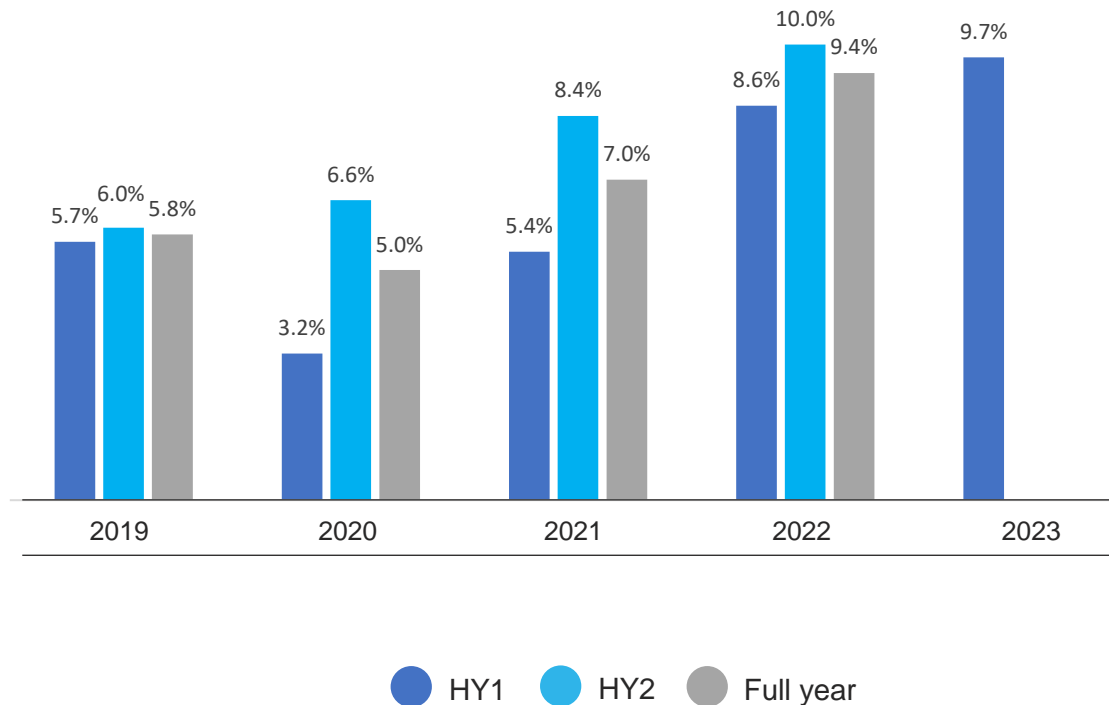
### Growth drivers since 2021:

- Increasing demand for heating renewals, especially heat pumps
- Market share gains
- Expansion of the strong position in trade

Fall in net sales in HY2 2023 expected due to delivery problems at the new logistics centre

# Continuous increase in profitability

## EBITDA margin in %



### Profitability drivers:

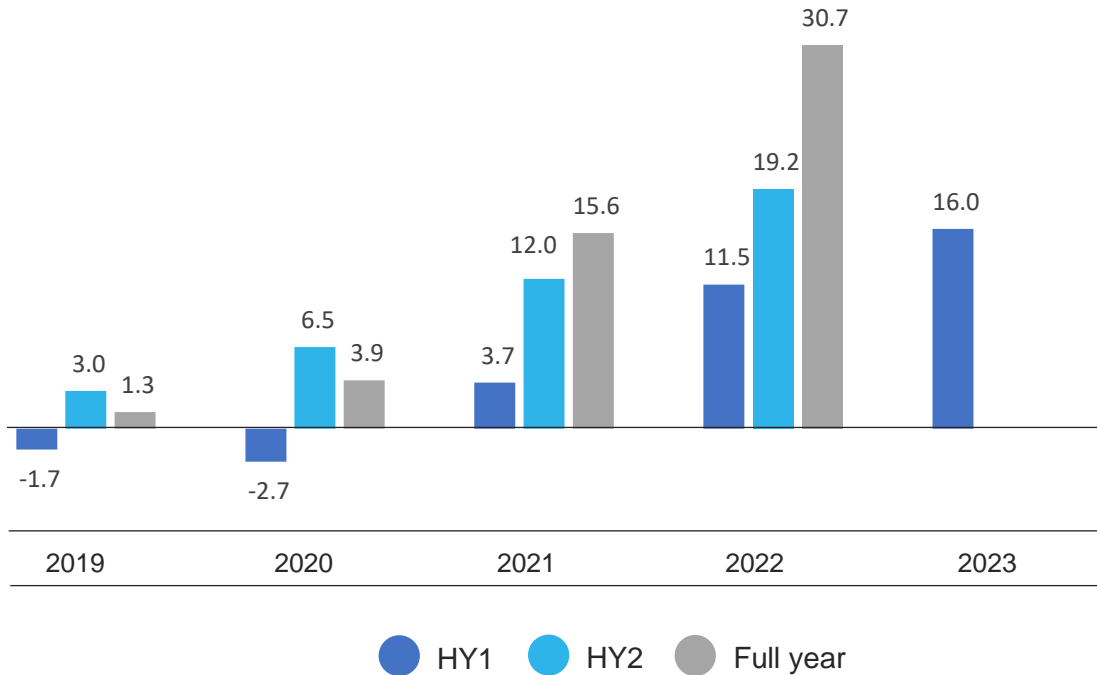
- Net sales growth (scale effects)
- Price increases consistently passed on to customers
- Increased margin on trade
- Cost discipline, efficiency gains

Second half-year generally brings increased net sales as well as higher profitability

One-time increased costs expected in HY2 2023 (DCO)

# Profit leapt in 2021 and 2022

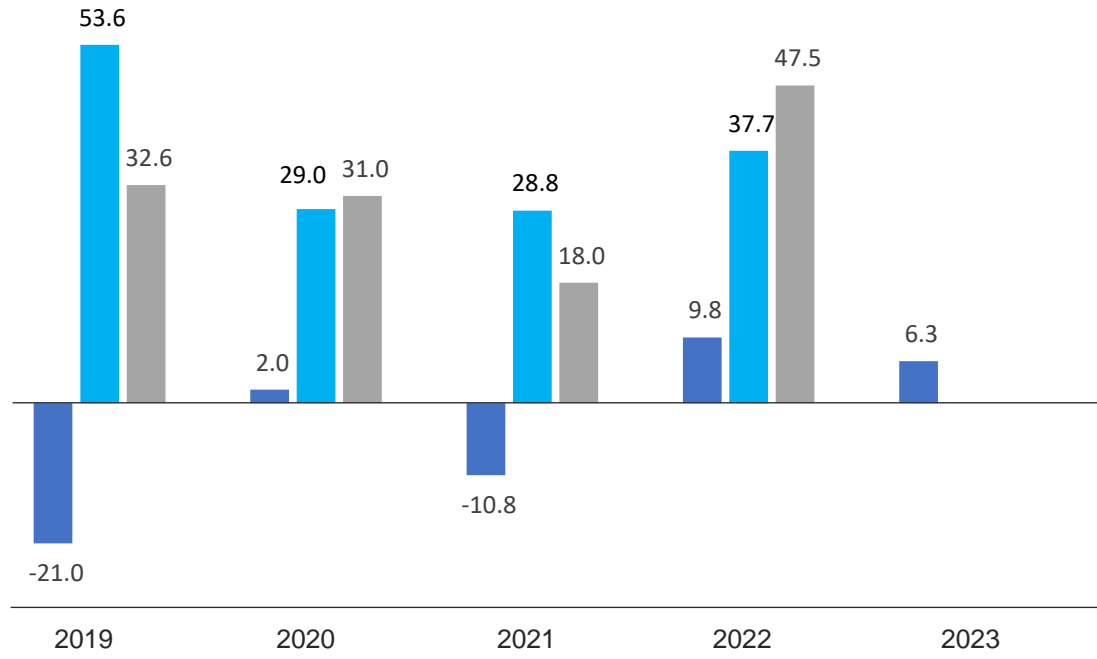
## Group net profit in CHF mio.



- Group net profit includes annual goodwill amortisation of CHF 10.1 mio. from the acquisition of Tobler (2017)
- Amortisation period: 20 years

# Higher operational cash flow

## Cash flow from operating activities CHF mio.

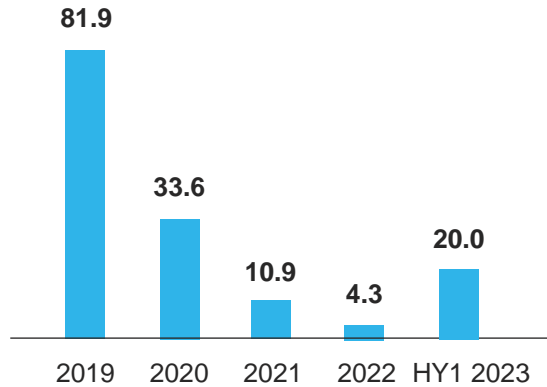


- Higher operational cash flow as basis for attractive dividend policy and share repurchase programme
- Seasonality also in cash flow: second half-year always stronger

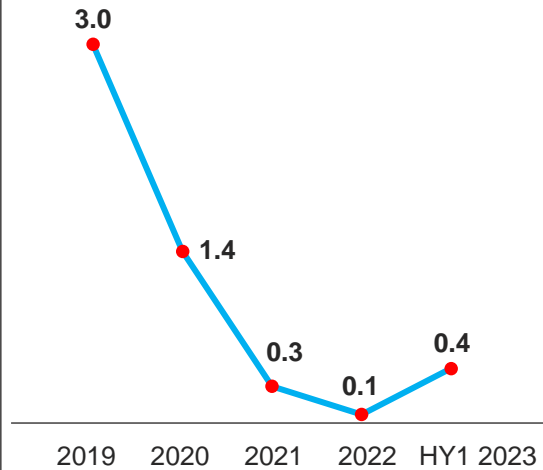
# Solid financing

## Net debt CHF mio. / debt ratio

Net debt



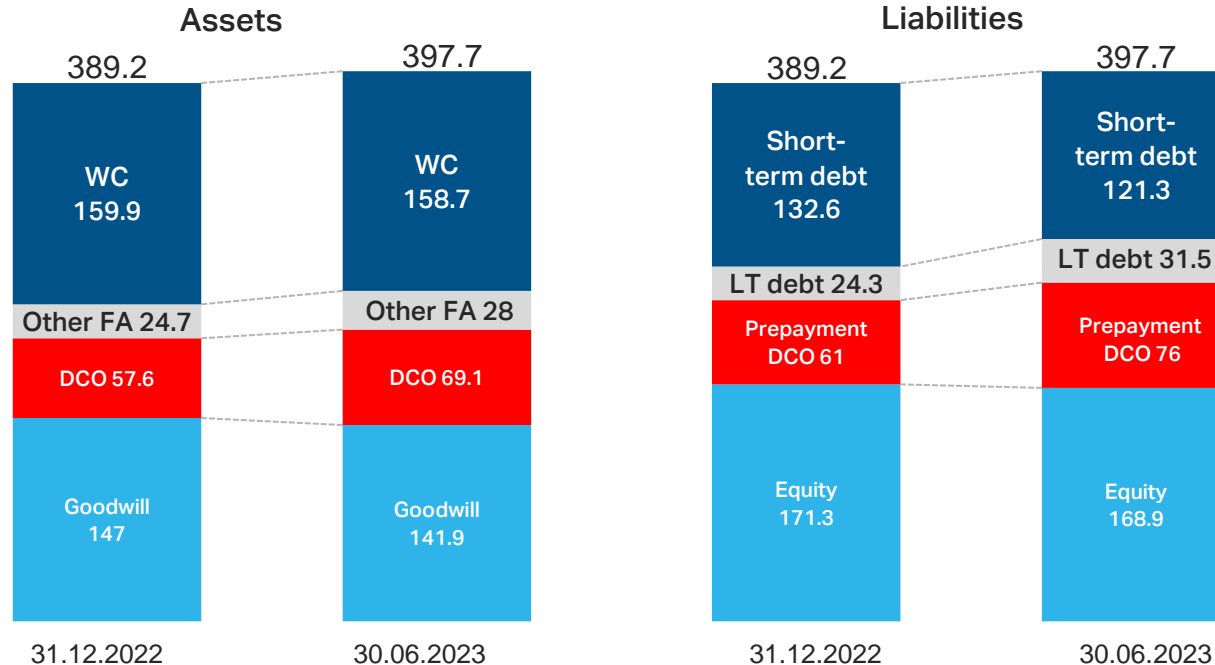
Debt ratio  
(net debt / EBITDA)



- Existing credit lines of CHF 90 mio.

# Balance-sheet expansion during DCO <sup>1)</sup> construction phase

## Balance sheet (CHF mio.)

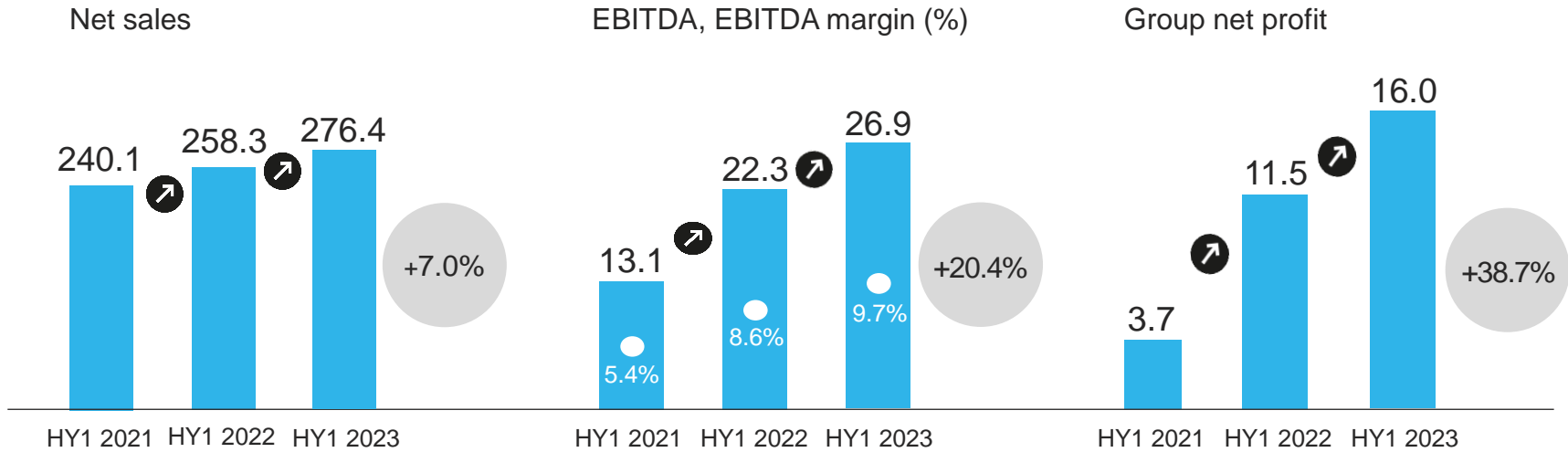


1) Oberbuchsiten Service Centre (DCO): Following transfer of ownership to SUVA in July 2023, the lease of the premises qualifies as an operating lease under Swiss Gaap FER.



# Profitable growth continued in HY1 2023

## Key figures HY1 2023 (CHF mio.)



- Positive development in all four business areas
- Dynamic renewals business, high demand for heat pumps
- Positive price effect
- Supply capability intact

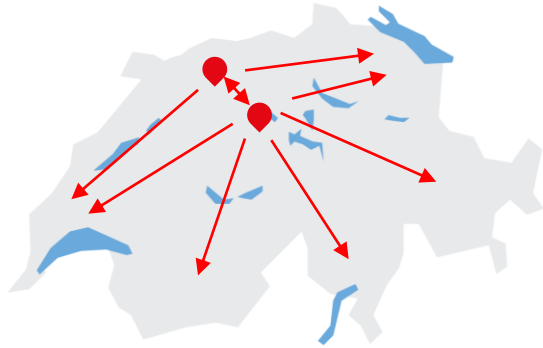
- Profitable growth (higher volumes, increased purchase prices consistently passed on to customers)
- Inflation-related increase in OPEX +2.8%

- Group net profit includes planned goodwill amortisation of CHF 5.1 mio. (6 months)

# Logistics centralised since summer 2023

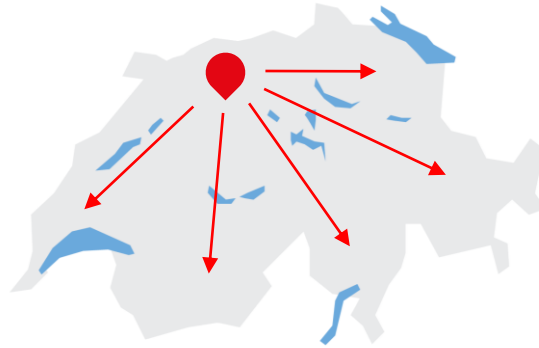
## DCO Oberbuchsitzen, canton of Solothurn

Formerly



Nebikon und  
Däniken

Since summer 2023



Oberbuchsitzen

- Replaces existing logistics centres in Nebikon and Däniken
- Simpler logistics process, delivery from a single location
- Annual cost synergies from 2024 in mid single-figure millions range (CHF)
- Financing through sale and leaseback with Suva



- Direct access to Egerkingen highway interchange
- 341,000 m<sup>3</sup> building volume equivalent to around 350 single-family houses
- 2x300 kW heat pump heats and cools using ground water
- 2 MW peak photovoltaic system on roof

# Highly automated warehouse and logistics processes

- High-bay storage system for 32,000 pallets
- Small-parts warehousing in 43,700 containers with 35 automatic manipulators
- 11 autonomous mobile robots (AMR)







- «Autostore» fully automatic small-parts storage system:
- 43,700 containers are autonomously organised by 35 robots



- Autonomous mobile robots (AMR) perform repetitive transport operations
- Orders are autonomously identified by means of QR codes
- Routes are mirrored as digital twins





- High-bay warehouse for 32,000 pallets
- Automated processes, for example fully automatic packaging system (image)

# Unexpected start-up difficulties

## Situation (Q3/2023)

- Process speed too low
  - Process stability inadequate
- Delayed / incomplete deliveries

## Measures (till end 2023)

- Multi-shift model introduced
- Cross-area task force introduced

## Result (today)

- Systems and processes are running stable
- Backlog completely processed
- Customer confidence to be regained





# Financial guidance

## Outlook

- Due to the DCO startup difficulties, the previous year's net sales, EBITDA and group net profit figures will not be attained in 2023
- Viewed from today, dividends for business year 2023 will be at least at the previous year's level, the current share repurchase programme is not endangered
- 2024 is foreseen to be no longer negatively affected by delivery problems
- Difficult to estimate how long it will take for net sales to return to their previous level

# Summary

# Summary

Strong in attractive market:  
Still potential in renewals

Powerful unique selling propositions:  
Best-in-class customer proximity and logistics



Solid with responsibility:  
Sustainable out of conviction, aiming for stable dividend

Substantial financial development:  
Further cost synergies from logistics centre (DCO) and digitalisation



Thank you for your  
questions and your interest!