

Media and Finance Analyst Conference on the 2022 Annual Report

Roger Basler, CEO
Lukas Leuenberger, CFO

15 February 2023



Roger Basler
CEO

Meier Tobler



Lukas Leuenberger
CFO

Welcome!

Review of 2022



- Sales turnover 556 million (+ 8.9 %)
- EBITDA 52.1 million (+ 45 %)
- Profit 30.7 million (~ 2x)

Agenda

1. 2022 highlights
2. 2022 annual report
3. Outlook

Tailwind 2022: Extraordinary factors

- Boom in demand: “Transition away from oil and gas!”
- MuKE Energy Act extended and effective
- Stable construction market
- Currency and price movement
- The strategy takes effect.

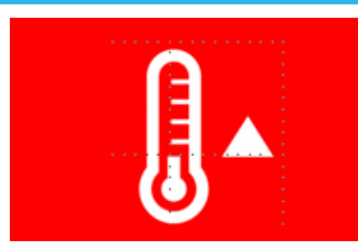
"Simply building technology"

2022: 1,258 employees (FTE), CHF 556 million turnover, CHF 52 million EBITDA



10,000 installation companies in the HVAC industry

Fast & everywhere
Digitalisation



Networking,
Customer proximity,
Digital systems



260,000 property
owners

Decarbonisation
Digitalisation



Planning professionals,
developers

AC installed in more
places, Large heat
pumps for heating-
/cooling-networks

Business
area

Customers

Trends



Trade

Fast rotating engine

2022 highlights

- High availability in a difficult environment
- "marché@work":
639 active customers
(Previous year: 293)
- "marché@box":
8 containers operational
on construction sites
(previous year: 3)
- Construction of new
logistics centre (DCO) on
target
- First electric truck
operational

Strategy / focus

Further expand leading position in the market

Key figures

- >32,000 items in stock
- 2,200 daily deliveries
- 56 trucks owned

Customers

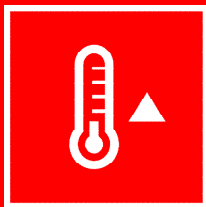
- 10,000 installation firms
HVAC
- Largest customer <2.4 %
of total sales

New logistics centre in Oberbuchsitzen (DCO)

Construction work on target, operational from July 2023

- Highly automated warehouses
- High bay warehouses with space for 32,000 pallets
- Small parts warehouse with 43,700 containers
- Building services: 2x300 kW thermal pumps heat and cool using groundwater
- Photovoltaic systems covers internal consumption and supplies an additional 400 households with electricity (2 MW peak)





Heat generation

Tailwind from energy transition

2022 highlights

- Heat pumps grow above the market
- Profit Market share
- Configurator: 80,000 visitors generated
18,000 validated leads
- Product pipeline full

Strategy / focus

- Further increase market share and profit
- Focus on heat pumps with R290 (Oertli + Bosch)

Key figures

Heat generator market +4.4%,
including heat pumps +23%

Customers

- 6,000 heating installation firms
- Largest customer <1.5% of total sales



New: Oertli LAN33 heat pump, positioned externally

Range focusing on renewable energies



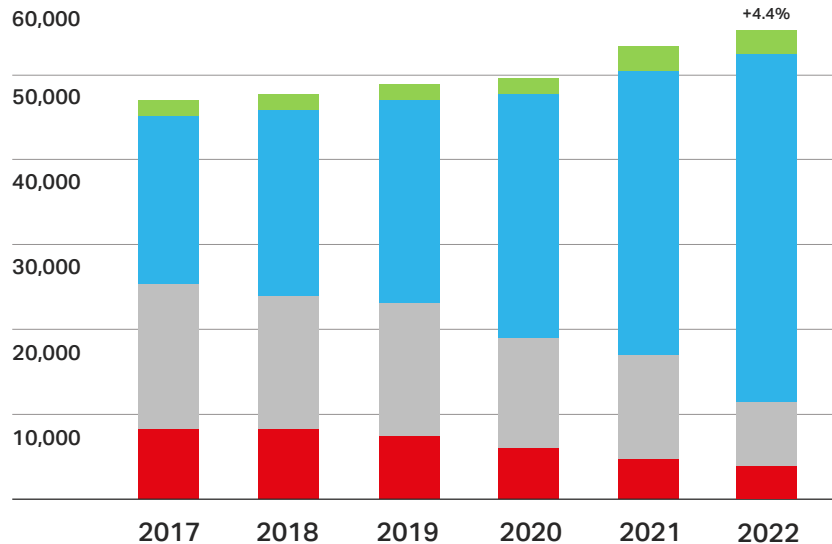
Oertli LAN33TPR:
Air to water heat pump,
positioned externally, for
new and renovated
buildings

- Natural coolant R290 propane (GWP 3)
- Efficiency category A++
- Reversible, heats and cools
- Output up to 20 kW/device
- Compact dimensions
- SmartSolutions ready

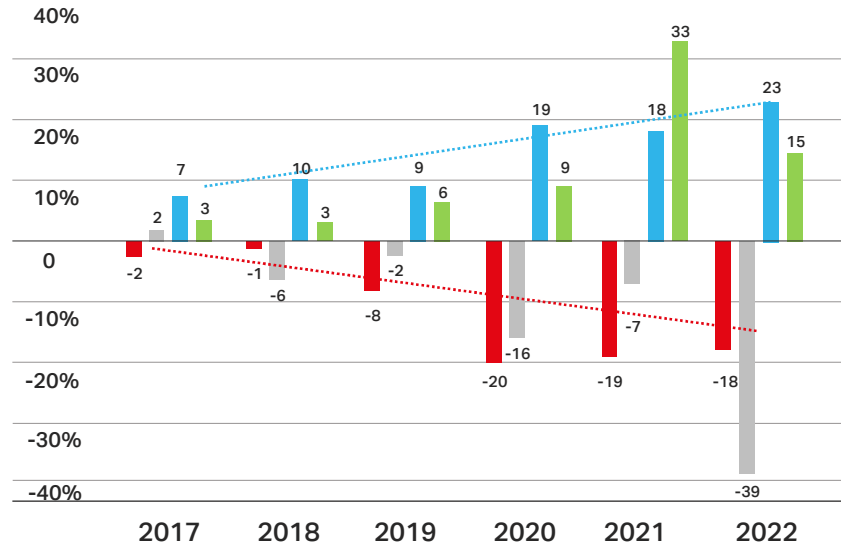
Strong market dynamics for heat pumps

Units sold, residential buildings, output 5–100 kW

Market volume per year



Changes in the market per year



Oil Gas Heat pumps Wood

Source: Market research by GebäudeKlima Schweiz

Meier Tobler



Service

Reliable and digital

2022 highlights

- Approx. 4,400 installations are online for SmartGuard 1.0
- 30 % of SmartGuard interventions are carried out "remotely"
- SmartSolutions development complete
- Retraining of service professionals from fossil fuel to heat pumps gains momentum

Strategy / focus

- SmartGuard 2.0
"go live" April 2023

Key figures

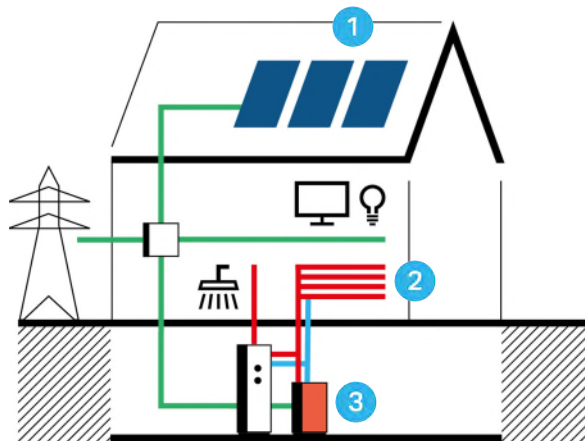
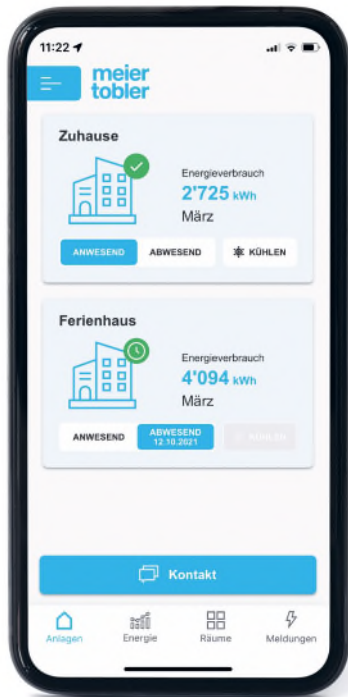
- 400 service professionals nationwide in Switzerland
- 260,000 active installations

Customers

- Private customers
- Property agencies

SmartSolutions: Simple remote diagnostics tool

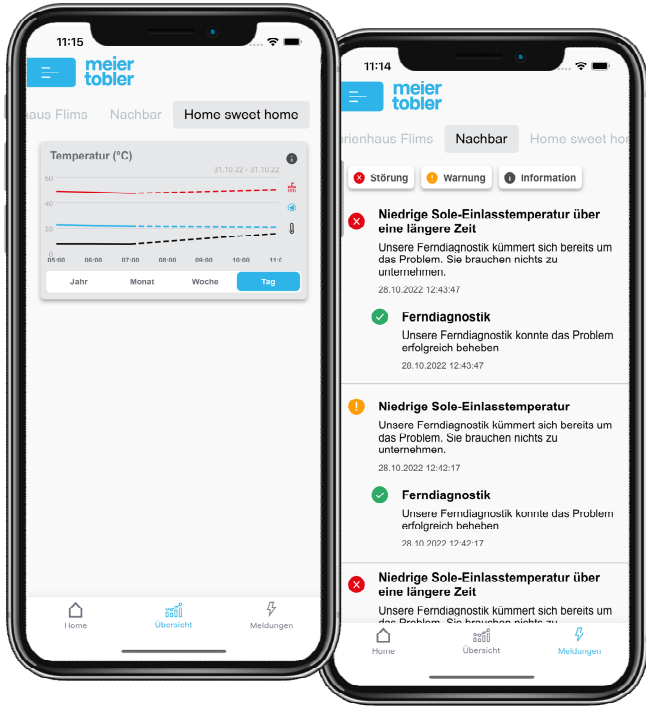
Digitalisation saves energy



- 1 Energy management: SmartSolar
 - Intelligent energy management
 - Increases own consumption of solar electricity
- 2 Heat distribution: SmartComfort
 - Underfloor heating control for energy-optimised, comfort indoor climate
 - Performs hydraulic balancing automatically
- 3 Heat generation: SmartGuard
 - "All-round trouble-free"
 - Remote operational optimisation and predictive maintenance

SmartSolutions:

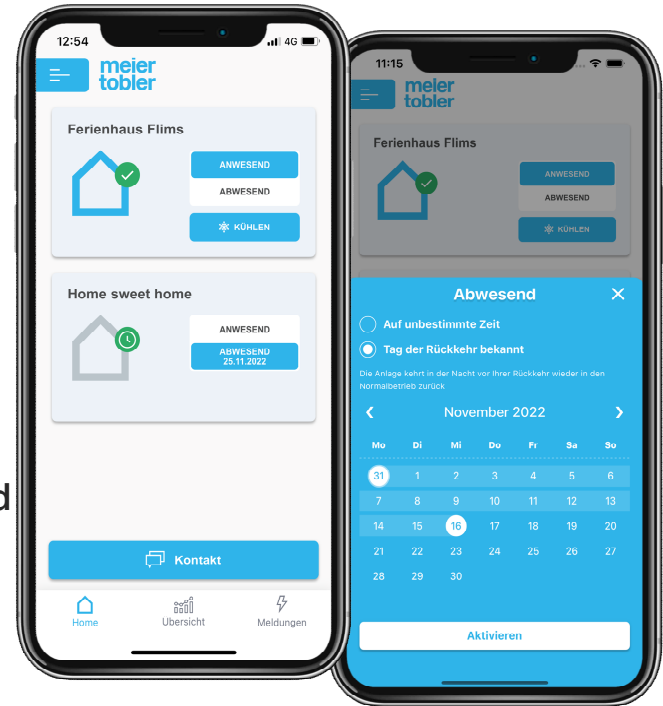
Comfort through digitalisation



Full control
in the app:

Temperature
progression
and proactive
troubleshooting

Operating status and
absence reduction





Climate systems

"Large-scale" cooling, heating and ventilation

2022 highlights

- Double-digit growth
- Propane and ammonia gas natural coolants: We are ready!
- Expansion of partner network for air-conditioning
- Green Datacenter AG: energy-efficient air-conditioning cabinets delivered, with follow-up order in 2023

Strategy / focus

- Solution over the entire life cycle
- Natural coolant
- District heating

Key figures

Approx. 480 projects
averaging 520 kW

Customers

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



Air-conditioning systems over the entire life cycle

New installation at Orolux in Le Noirmont



Permanent process cooling and air conditioning, 24/7

- Redundant systems
- Predictive maintenance with SmartGuard Pro
- 30XWP, 1× 400 kW and 1× 300 kW refrigeration system carrier
- Waste heat from refrigeration system heats the building
- AxAir low-noise heat exchanger for summer

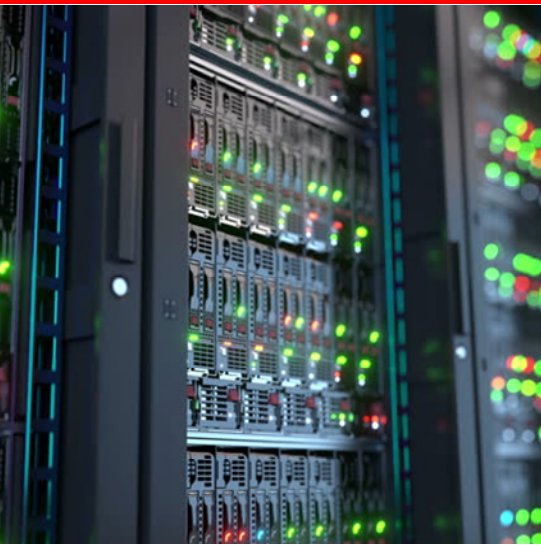
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Investment in digitalisation

Processes close to customers

2022 highlights

- SmartSolutions: In-house development ready!
- "OASIS" SAP S/4Hana: Implementation on track
- Fully automated DCO:
 - High bay warehouse
 - Small parts warehouse
 - 11 AMR
- Augmented Reality: Application test for training

Strategy / focus

- End-to-end processes digitalised

Key figures

- SAP S/4Hana go live: 2024
- SmartSolutions go live: April 2023

AMR takes over auxiliary work

Autonomous mobile robot

- Carries pallets from A to B or from C to D fully automated
- Optimises transport independently and avoids empty runs
- Bypasses obstacles and operates with maximum safety



Augmented reality within training

Impart knowledge faster

- Training module prototype with AR “Heat pump-boiler commissioning”
- Collaboration with Rimon Technologies, ETH Zurich spin-off
- Aim: Learn efficiently with AR and interactive handbooks
- Large potential, high level of acceptance



"Simply sustainable"

Building technology – significantly supporting the achievement of climate goals



Goals	<ul style="list-style-type: none">Assuming responsibility in ecological, social and economic terms out of convictionSecuring Meier Tobler's commercial future		
Fields	Environment	Employees	Society
SDG*	<div>7 BEZAHLBARE UND SAUBERE ENERGIE</div> <div>12 NACHHALTIGE/R KONSUM UND PRODUKTION</div> <div>13 MASSNAHMEN ZUM KLIMASCHUTZ</div>	<div>3 GESUNDHEIT UND WOHLERGEHEN</div> <div>4 HOCHWERTIGE BILDUNG</div> <div>5 GESCHLECHTER-GLEICHHEIT</div> <div>8 MENSCHENWÜRDIGE ARBEIT UND WIRTSCHAFTSWACHSTUM</div>	<div>4 HOCHWERTIGE BILDUNG</div> <div>8 MENSCHENWÜRDIGE ARBEIT UND WIRTSCHAFTSWACHSTUM</div>
Measures	<ul style="list-style-type: none">Reduce CO₂ in solutions soldVehicle fleet goes electricBuildings protect the environment	<ul style="list-style-type: none">Training and educationDiversity and equal opportunityPromoting health and performance	<ul style="list-style-type: none">Economic success contributing to welfare, education and progressFair conditions and respect for human rights across the supply chain

* The UN's 17 Sustainable Development Goals

"Simply sustainable"

Examples of implemented measures



"Simply sustainable"

Examples of implemented measures



Pay equity isn't just a promise but a reality.

Tap water instead of bottled mineral water.

**Electromobility:
60 vehicles ordered,
Investment in charging
infrastructure.**

Our service professionals are trained on internal practical training courses in "Renewable heating".



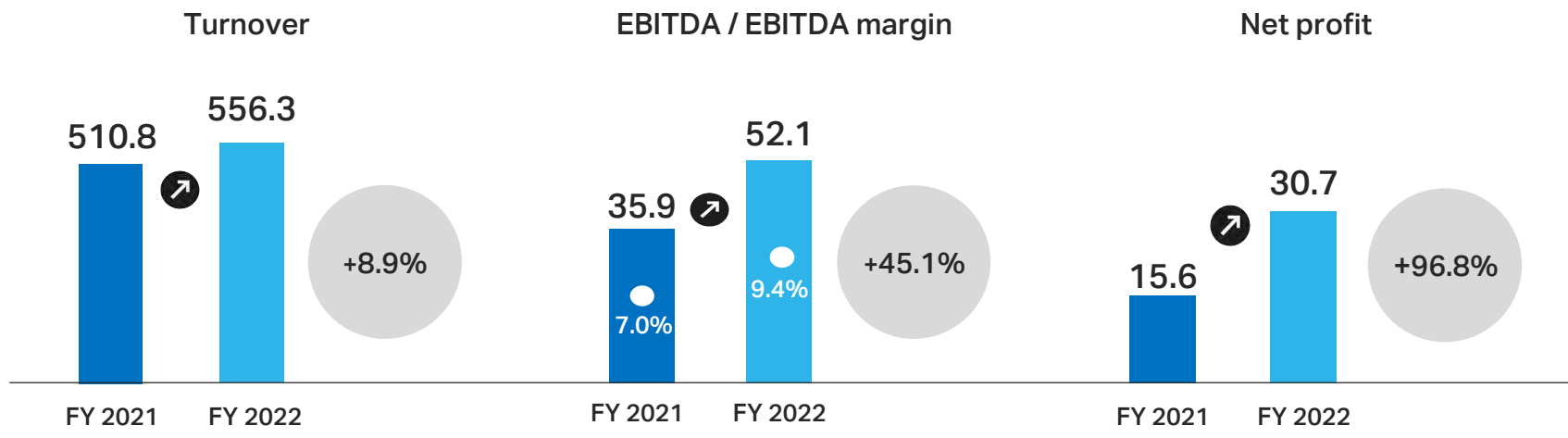
Through our “Simply building services”, we are supporting the energy transition. Alongside our installation professionals, planners and end customers.

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2022 – a successful financial year

Key figures (CHF million)



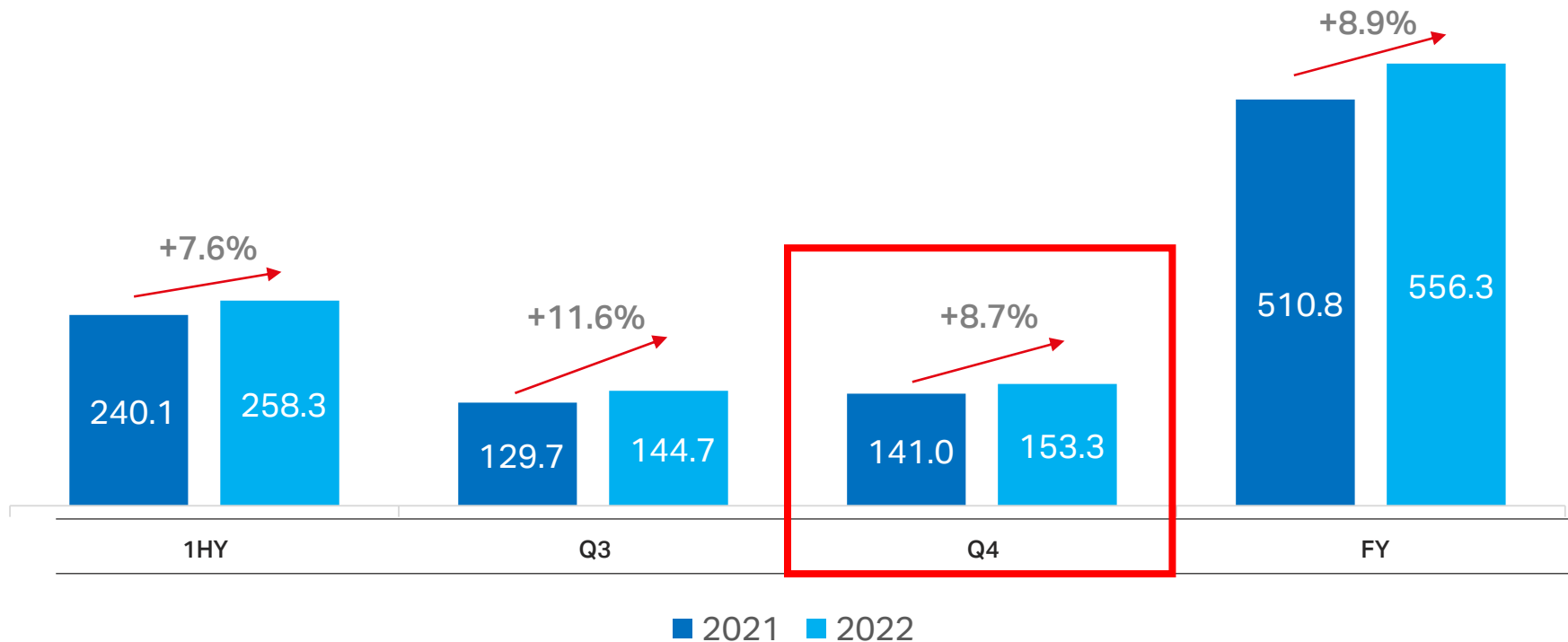
- High demand for heat pumps
- Delivery capabilities intact
- Sales price increase

- EBITDA margin 9.4%
- Revenue-driven economies of scale
- Passing on increased purchase prices and transport costs
- Cost discipline

- Net profit nearly doubled

Continued growth in Q4/2022

Key figures (CHF million)



Revenue-driven increase in gross profit

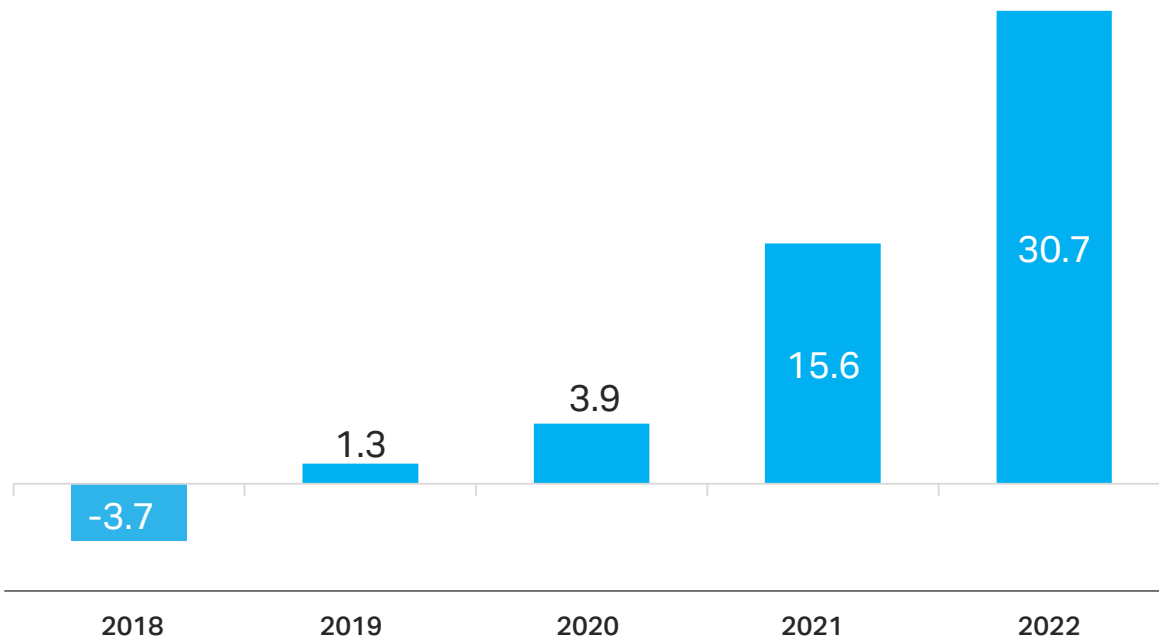
Income statement (CHF million)

		2022	2021	Variable (%)
net turnover		556.3	510.8	8.9%
Cost of materials	①	-296.6	-270.2	9.8%
Gross profit		259.7	240.6	7.9%
Other operating income	②	0.5	0.9	-44.4%
Personnel costs	③	-142.3	-142.4	-0.1%
Other operating expenses		-65.8	-63.2	4.1%
EBITDA		52.1	35.9	45.1%
Depreciation of fixed assets	④	-4.4	-4.8	-8.3%
Goodwill depreciation		-10.3	-10.3	0.0%
EBIT	⑤	37.4	20.7	80.7%
Financial result	⑥	-0.9	-1.5	-40.0%
Tax on income		-5.8	-3.6	61.1%
Net profit (12.)	②	30.7	18.6	65.8%

- ① Positive volume and price effects
- ② Stable personnel costs, slightly declining FTEs
- ③ In-house trade fairs (Expo+) and higher fuel costs
- ④ Annual goodwill depreciation
- ⑤ Significant reduction in financial expenses due to changes to financing
- ⑥ Tax rates unchanged compared to the previous year. Operating companies 15.1%, corporate 9.2%

Another jump in profits in FY 2022

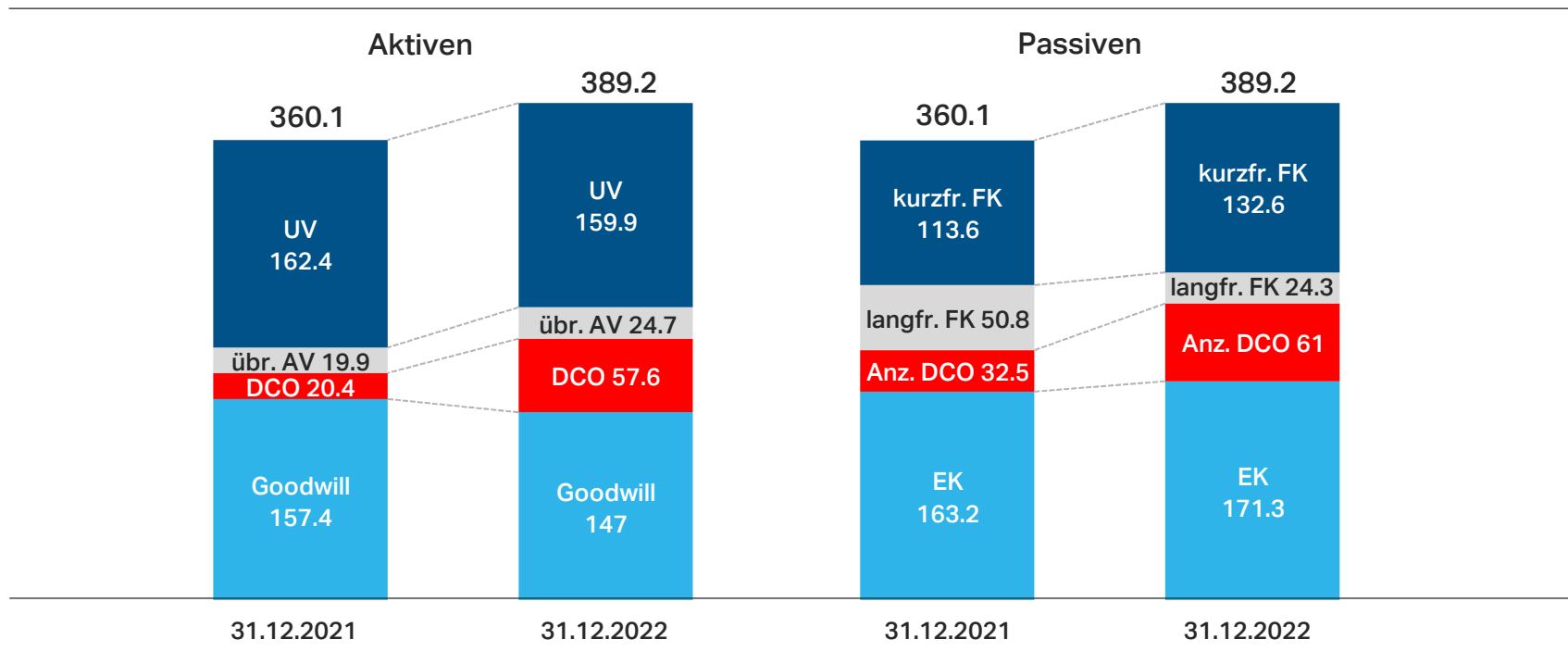
Net profit (continuing business operations) (CHF million)



- Disproportionate growth in net profit due to the absence of extraordinary factors (post-merger, cyberattacks, Covid-19) and lower financing costs
- Net profit includes goodwill depreciation of CHF 10.3 million

Balance sheet expansion during construction of DCO ¹⁾

Balance sheet (CHF million)



1) Oberbuchsiten Logistics Centre (DCO): After the transfer of ownership to SUVA (summer 2023), the property or the lease agreement will qualify as an operating lease in accordance with Swiss GAAP FER.

Increased balance sheet total due to construction of DCO

Balance sheet – assets (CHF million)

	31.12.22	31.12.21
Cash and cash equivalents ①	13.7	33.7
Receivables from goods and services	58.7	50.0
Inventories ②	74.4	66.0
Other current assets	13.1	12.7
Current assets	159.9	162.4
Fixed assets	11.0	10.4
Commercial properties under construction ③	57.6	20.4
Intangible assets ④	11.1	7.5
Goodwill ⑤	147.0	157.4
Other intangible fixed assets	2.6	2.0
Intangible fixed assets	229.3	197.7
	389.2	360.1

- ① Optimisation of cash and cash equivalents due to higher flexibility in financing
- ② Price increases and deliberate building of stock to assure delivery capabilities
- ③ Investment in construction of the new Oberbuchsiten logistics centre (DCO)
- ④ Activation of costs for new ERP (SAP S4/Hana)
- ⑤ Goodwill from Tobler Haustechnik (remaining depreciation period of 14 years)

Equity ratio of 44%

Balance sheet – liabilities (CHF million)

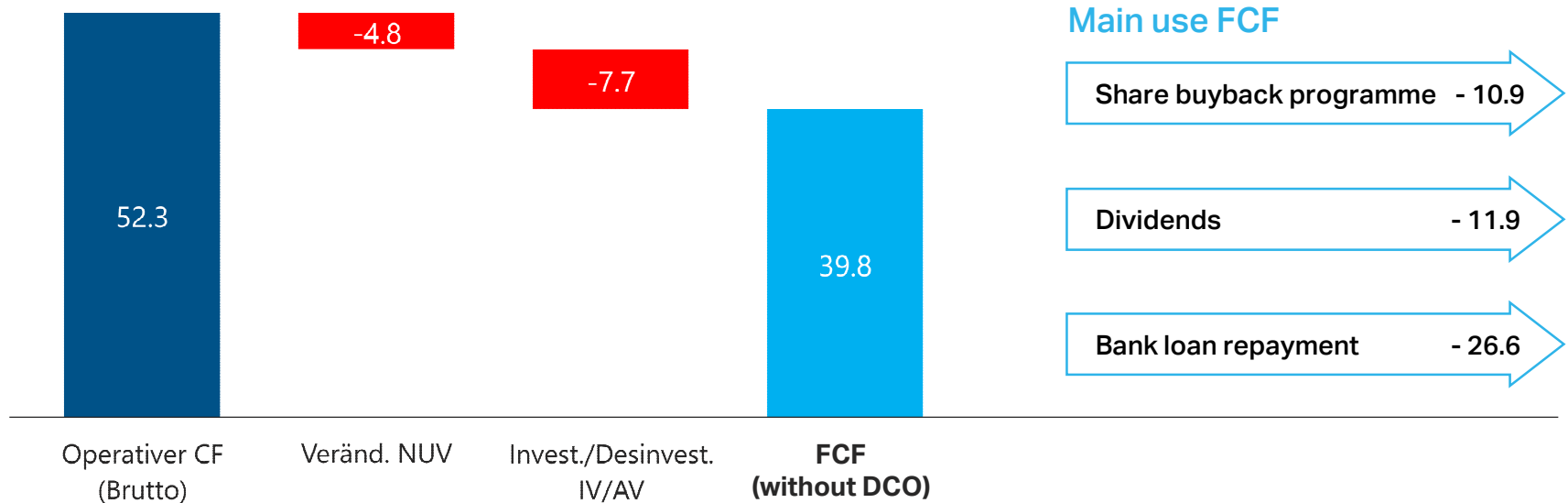
	31.12.22	31.12.21
Financial liabilities	–	–
Liabilities from sales and services	33.9	25.9
Advance payments for DCO (under construction) ②	61.0	–
Other current liabilities	98.7	87.7
Short-term debt	193.6	113.6
Financial liabilities ①	18.0	44.6
Advance payments for DCO (under construction) ②	–	32.5
Other long-term liabilities	6.3	6.2
Long-term debt	24.3	83.3
Debt capital	217.9	196.9
Equity capital ③	171.3	163.2
	389.2	360.1
<i>Net debt</i> ①	4.3	10.9

- ① More flexible financing allows repayment of bank loans. Debt-equity ratio (Net debt/ EBITDA): 0.1× (Previous year: 0.3×)
- ② Investor advance payments for construction of the Oberbuchsitzen logistics centre (DCO)
- ③ Equity ratio 44.1% (previous year 45.3%)

Free cash flow allows dividend payouts to shareholders

Free cashflow (FCF) 2022, without cash flows DCO under construction¹⁾

(CHF million)



1) The new Oberbuchsiten logistics centre (DCO) is pre-financed by SUVA as the investor.

High operating cash flow

Cash flow statement (CHF million)

		2022	2021	
Cash flow from operations (gross)	①	52.3	36.0	① Increased operating cash flow due to improved results
Change to net current assets	②	-4.8	-17.9	② Revenue-driven increase in NUV or deliberate build-up of inventory
Cash flow from operations (net)		47.5	18.1	
Investments in fixed assets		-2.4	-6.0	
Investments in intangible assets	③	-5.4	-3.4	③ New ERP (SAP S4/Hana)
Investments DCO under construction	④	-38.0	-16.6	④ Construction costs of DCO or advance investor payments (SUVA)
Divestments of fixed assets		0.1	0.5	
Cash flow from investment activity		-45.7	-25.5	
Repayment of financial liabilities	⑤	-26.6	-22.7	⑤ Bank loan repayment
Advance payments for DCO under construction	④	28.5	32.5	⑥ Including share buyback programme CHF 10.9 million
Acquisition of own shares	⑥	-11.4	-1.4	
Dividends	⑦	-11.9	0.0	⑦ Dividend payment (CHF 1.00 per share)
Other items		-0.4	-0.9	
Cash flow from financing activity		-21.8	7.5	
Change in cash and cash equivalents		-20.0	-	

Share buyback programme

2022 buybacks

	2022
Number of shares repurchased (per share)	408,800
Ø price/share (CHF)	26.55
Own shares repurchased (CHF)	10.9 million
Number of shares repurchased (%)	3.4%

Disproportionate increase in earnings per share

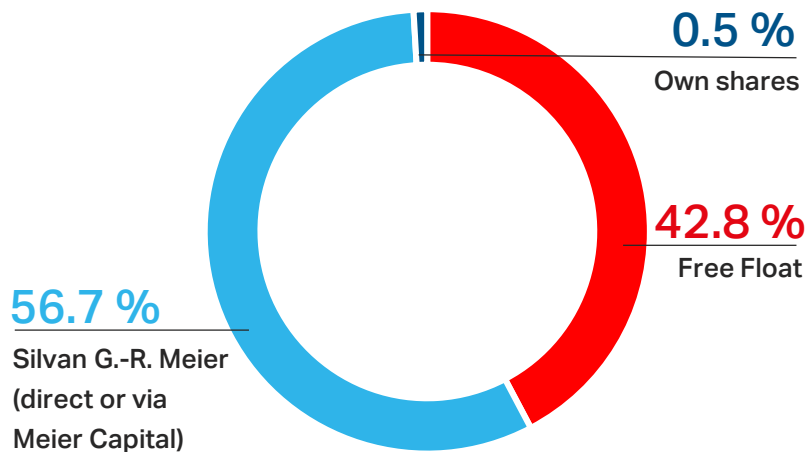
	2022	2021	%
Consolidated profit (TCHF)	30,672	15,641	+96.1%
Profit per share (weighted)	2.60	1.31	+98.5%
Profit per share (reference date)	2.65	1.31	+102.3%

Benchmarks for the current share buyback programme

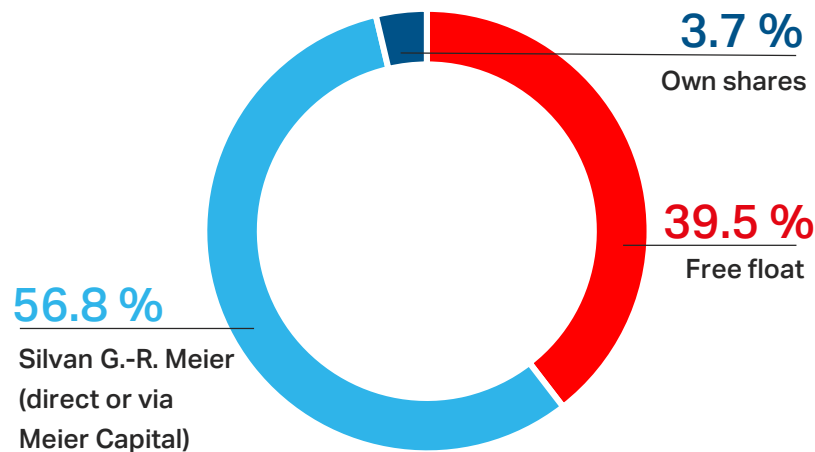
- Begins: 11.3.22
- max. 3 years
- max. CHF 30 million
- max. 8.66% or 1,039,290 shares
- Motion to general meeting of 13.03.2023:
Capital reduction and cancellation of the repurchased shares

Free float approx. 40 %

Shareholder structure



31.12.2021



31.12.2022

Motion to general meeting of 13.03.2023: Capital reduction and cancellation of the repurchased shares

Dividend increase of 20 centimes

Dividend proposal: CHF 1.20 per share

Appropriation of balance sheet profit

	2022	2021
Annual profit Meier Tobler Group AG	4.1	4.7
Carry forward from the previous year	50.1	51.4
Annual profit Meier Tobler Group AG	54.2	56.1
./. Cash dividend of CHF 0.60 (2021: CHF 0.50)	- 7.2	- 6.0
Balance to be carried forward to new account	47.0	50.1

- Dividend request of CHF 1.20 per share
- Half from retained earnings and half from capital contribution reserves

Use of reserves from capital contributions

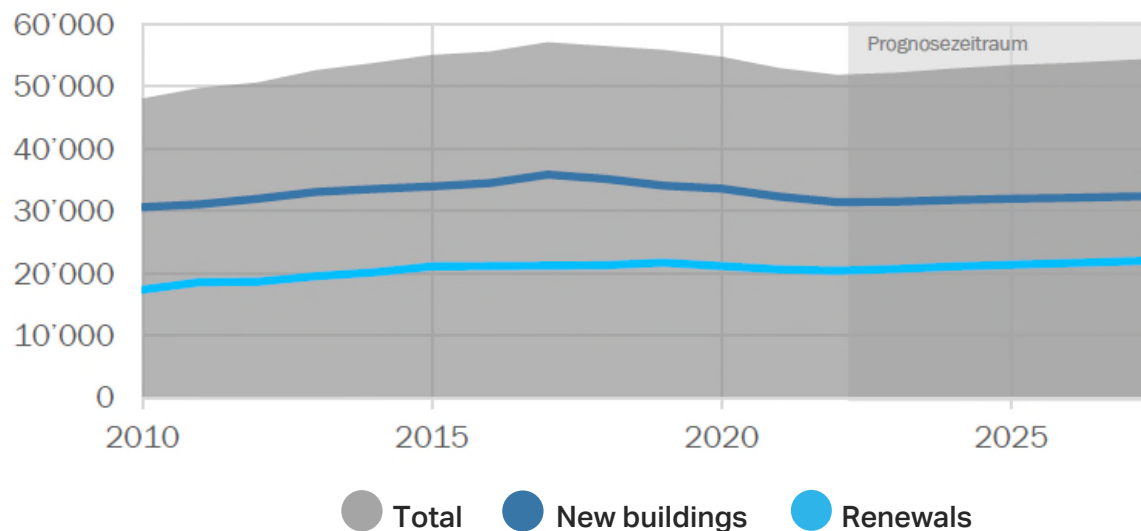
	2022	2021
Capital contribution reserves	129.3	135.3
./. Distribution from capital reserves of CHF 0.60 (2021: CHF 0.50)	- 7.2	- 6.0
Capital contribution reserves after distribution	122.1	129.3

Agenda

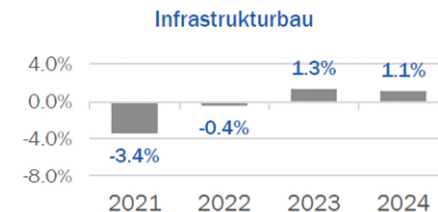
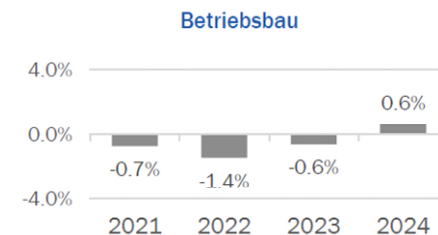
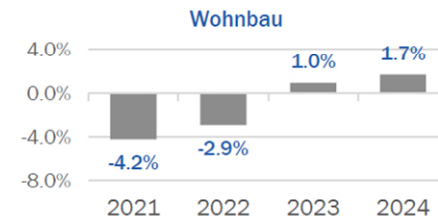
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3. **Outlook**

Market development CH, building construction expenditure

Real, price basis for 2020 (CHF million)



Short-term prognosis

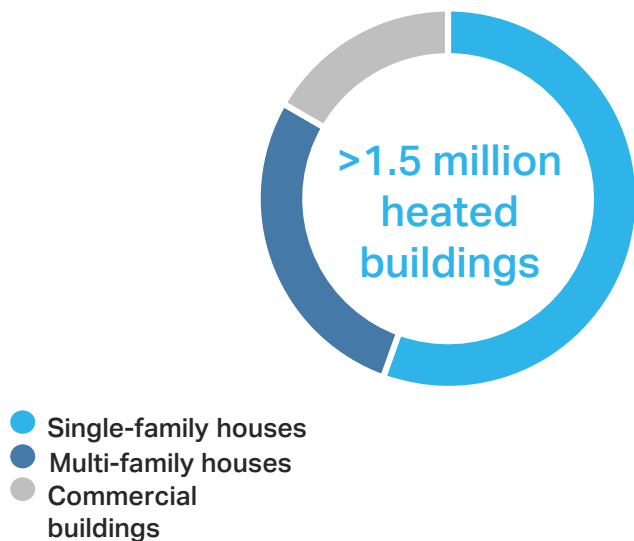


Source: BAK Economics, Bauprognose Schweiz (Switzerland Construction Prognosis) 2021-2027, 11.2022
[Meier Tobler](#)

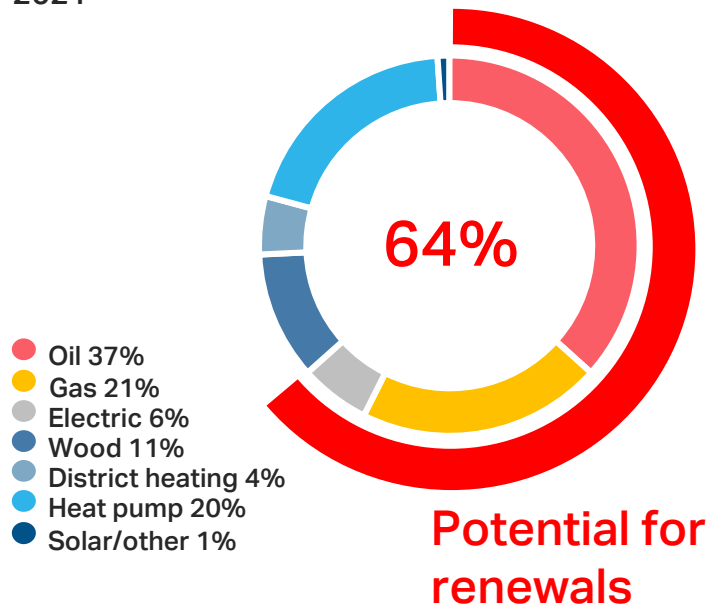
Huge potential for renewals

Swiss building stock: 50% are older than 40 years!

Building stock 2021



Heating technology distribution 2021



Source: BfS, BFE, Meier Tobler Hochrechnung (projection)

Basis

- Construction market stable, renewal market dynamic
- Energy transition and digitalisation trends continue
- 1 million buildings with renewal potential

- Geopolitical and interest rate uncertainty
- Procurement volatile

Outlook

- 2023 operational burdens high due to DCO and SAP S/4Hana
- Aim to achieve results of the same level as previous year for 2023
- Medium-term sales growth at least in line with the market
- From 2024 onwards, significant operational improvements will enable the EBITDA margin to be maintained at a high level, despite higher overheads due to inflation
- Continue share buyback, steadily increase dividend to previous level of CHF 2.00

Summary

**Strong in
an attractive market:
Great potential from
renewals**

**Important USPs:
Best-in-class
customer proximity
and logistics**



**Strong in corporate
responsibility:
Sustainable through
conviction, stable
dividend targeted**

**Making strong financial
progress:
Further cost synergies
from DCO**

Thank you for your interest.

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