

AD HOC ANNOUNCEMENT PURSUANT TO ARTICLE 53 LR

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Meier Tobler: recovery in first half of 2024 still not materialised

- **Logistics performing well again**
- **Negative impact from slow recovery in customer confidence and decline in heat pump market**
- **Revenue down 13.6 percent to CHF 238.7 million**
- **EBITDA CHF 17.1 million, a year-on-year decrease of 36.2 percent**
- **Consolidated profit amounted to CHF 8.0 million (previous year: CHF 16.0 million)**
- **Substantial improvement expected in the second half of 2024**

Meier Tobler generated net revenue of CHF 238.7 million in the first half of 2024 (previous year: CHF 276.4 million). This represents a year-on-year decline of 13.6 percent, mainly due to a sharp fall in sales volumes in the Retail business and in Heat Generation. The Retail business was still dealing with the after-effects of the logistics problems experienced in autumn 2023, while the heat pump business was hit by a sharp decline in the market. The lack of sales volume resulted in a much lower operating result at the EBITDA level. At CHF 17.1 million, EBITDA was down 36.2 percent year on year (previous year: CHF 26.9 million). The EBITDA margin fell to 7.2 percent (previous year: 9.7 percent). EBIT came to CHF 9.9 million (previous year: CHF 19.7 million), and consolidated profit for the first half of 2024 was CHF 8.0 million (previous year: CHF 16.0 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 2024, this amortisation amounted to CHF 5.2 million (previous year: CHF 5.2 million).

The **Retail business**, in which Meier Tobler has a leading position in the market with its 47 Marchés and its e-shop, saw the sharpest fall in sales as a result of the delivery problems last year. Despite extensive sales and marketing efforts, it was still not possible to restore sales volumes to the level seen before the new Service Centre came into operation. It is proving challenging to regain the customer confidence that has been lost, even though the delivery problems have been fixed and logistics are now performing well again. The sluggish trend in the Swiss construction industry is a further reason for the unsatisfactory sales performance in the Retail business. Building permits saw a change for the better in the first half, but real investment in residential construction declined once again. The consequence was rising pressure on selling prices in the market.

The **Heat Generation business** suffered from a sharp decline in the Swiss heat pump market. Demand for heat pumps has returned to normal levels after a period of exceptional conditions that lasted from early 2022 to summer 2023 and is now back at the long-term growth rate.

The **Service business** was stable as usual. Substantial investments in digital service tools meant Meier Tobler was able to sell substantially more service contracts for heat pumps, supporting the switch away from fossil heating solutions towards service offerings for heat pumps. As part of focusing on the core business, in June 2024 Meier Tobler sold Meier Tobler Lüftungshygiene AG, which was affiliated with the Service business, to the Hält Group. Meier Tobler Lüftungshygiene AG was created by acquisitions in 2009 and had developed into an independent company with 25 employees and two sites, but remained a niche business within the Meier Tobler Group.

Replacing fossil solutions with renewable energy devices is also key in the **business with Air Conditioning Systems**. The large heat pumps manufactured by Meier Tobler are particularly appropriate when both heating and cooling are needed. The first half saw new cutting-edge cooling technology equipment and precision ventilation distribution systems supplied to the watch industry.

The ongoing replacement of current ERP systems and the move to **SAP S/4HANA** aims to lay the foundations for further digitalisation by putting in place a single consistent core system with end-to-end processes. Commissioning of the new ERP system is planned for 1 January 2025.

Cash flow, net debt, equity

As a consequence of the lower operating profit, operating cash flow was down sharply year-on-year at CHF -14.5 million (previous year: CHF 6.3 million). The seasonality of the business is such that the second half always sees better income and liquidity, and Meier Tobler anticipates a significant improvement in operating cash flow in the second half of 2024. In the first half Meier Tobler repurchased 213 450 shares worth CHF 7.6 million under the buyback programme for the purposes of capital reduction and earnings accretion. In addition, in the first half of the year a dividend of CHF 1.30 per registered share or CHF 14.4 million was paid out. Half of this amount was taken from retained profit and half from capital contribution reserves. Net debt amounted to CHF 43.8 million as at 30 June 2024 (30 June 2023: CHF 20.0 million). Net debt will be substantially lower at the end of the year. Equity stood at CHF 159.5 million (30 June 2023: CHF 168.9 million), and the equity ratio was 48.3 percent (30 June 2023: 42.5 percent).

Key figures

in TCHF	01.01.-30.06. 2024	01.01.-30.06. 2023	Change as a %
Revenue	238 746	276 392	-13.6%
EBITDA	17 136	26 875	-36.2%
<i>as a % of revenue</i>	7.2	9.7	
EBIT	9 873	19 723	-49.9%
<i>as a % of revenue</i>	4.1	7.1	
Consolidated profit	8 004	15 974	-49.9%
<i>per registered share in CHF (weighted)</i>	0.72	1.39	
<i>per registered share in CHF (reference date)</i>	0.72	1.39	
Cash flow from operating activities	-14 493	6 275	
in TCHF	30.06.2024	31.12.2023	30.06.2023
Financial liabilities	52 000	21 000	24 000
Net debt	43 756	2 202	19 950
Equity	159 502	173 190	168 859
<i>as % of total assets</i>	48.3	52.0	42.5
Number of employees (FTEs)	1 264	1 260	1 268

Outlook

In the second half of the year Meier Tobler expects a considerable improvement in sales performance compared to the first half. Even so, the result for the full year 2024 will be below the level of the previous year. However, from the current perspective it will be possible to earn a dividend in line with last year and this is not at risk. More information on the fixed-price share buyback programme will be provided over the course of the third quarter.

In 2025 Meier Tobler will be in much better shape, with a totally new ERP system, centralised logistics that are running smoothly and a good position in the heat pump market. The energy transition in Switzerland is only just getting under way and the trend towards energy-efficient heating solutions should support Meier Tobler's long-term profit performance.

Further information

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Dates

31 December 2024	Closing of 2024 financial year
27 February 2025	Media and Finance Analyst Conference on the 2024 Annual Report
7 April 2025	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 2024 half-year report are available for download at meiertobler.ch/de/investoren