



Current market environment leads to lower sales at Zehnder Group

- **Zehnder Group sales fell by 7% to EUR 705.8 million in 2024. Geopolitical and economic uncertainty as well as high construction costs led to a decline in construction and renovation activities**
- **Sales in the ventilation segment decreased by 4% to EUR 424.2 million, influenced by the decrease in new residential construction. The Siber acquisition contributed positively, adding 4% to ventilation sales**
- **In the radiator segment, sales fell by 12% to EUR 281.6 million, primarily due to the decline in renovation activities**

Graenichen, Switzerland, 17 January 2025: Zehnder Group (SIX: ZEHN), a leading international provider of complete solutions for a comfortable, energy-efficient and healthy indoor climate, generated sales of EUR 705.8 million in the 2024 financial year (unaudited; previous year: EUR 762.1 million), representing a decrease of 7% (organically –9%) compared to the prior year. The Siber acquisition in Spain contributed positively with a 2% increase in sales, while the sale of the Climate Ceiling Solutions division led to a 1% decline. The financial year was characterised by a combination of geopolitical and economic uncertainty as well as high construction costs. As a result, there was a significant decrease in construction and renovation activities in our key markets. This led to lower sales in the ventilation and radiator segment in the 2024 financial year.

Weak new construction activity led to lower ventilation sales

Total sales in the ventilation segment fell by 4% (organically –8%) to EUR 424.2 million in 2024. The acquisition of Siber in Spain contributed positively, adding 4% to ventilation sales and strengthening growth in Southern Europe. In both the residential ventilation and heat exchanger divisions, sales fell significantly due to the decline in new residential construction. By contrast, sales of industrial air cleaning solutions increased once again. During the reporting year, the ventilation segment accounted for 60% of the Group's total sales, a relative increase of 2 percentage points compared to the previous year.

The EMEA region (Europe, Middle East and Africa) achieved a 2% (organically –8%) lower ventilation sales of EUR 328.4 million (previous year: EUR 336.2 million). The markets in Germany and Belgium recorded the most significant decline in sales due to the sharp fall in new construction activity there. At EUR 71.1 million (previous year: EUR 69.1 million), sales in North America were slightly above the previous year's level (+3%). The ventilation segment's relative share of total sales in North America rose by 5 percentage points to 65%. In the Asia-Pacific region, sales fell by 31% to EUR 24.7 million (previous year: EUR 35.8 million).

Radiator turnover significantly influenced by slowdown in renovations

The radiator segment generated sales of EUR 281.6 million in the 2024 fiscal year, down 12% (organically –10%) on the previous year's sales of EUR 321.0 million. Renovation activities involving radiator replacement fell significantly in most markets in the 2024 financial year. Radiator sales accounted for 40% of the Zehnder Group's total sales during the reporting year, corresponding to a decrease of 2 percentage points compared to the previous year.

In the EMEA region, sales in the radiator segment fell by 12% to EUR 235.9 million (previous year: EUR 268.2 million). The two most important markets, France and Germany, recorded the largest declines in sales. Contrary to this trend, the Netherlands and Spain recorded slight increases in sales. In the North America region, radiator sales fell by 15% to EUR 38.5 million (previous year: EUR 45.5 million). High inventory levels in the distribution chain led to lower demand in the USA in

the first half of 2024. This situation began to recover in the second half of the year. The Asia-Pacific region reported a 1% decline in radiator revenue, totalling EUR 7.2 million (previous year: EUR 7.2 million).

Details of sales in 2024 according to region and segment (unaudited) can be found in the annex. The full annual financial statements for 2024 will be published on 26 February 2025 and will be available on our website via the following link:
www.zehndergroup.com/en/investor-relations/releases

Next dates to note

Annual Report 2024 and Media/Analyst Conference 2025
Annual General Meeting 2025
Six-month Report 2025

26 February 2025
3 April 2025
25 July 2025

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For further information about the Zehnder Group, please visit www.zehndergroup.com.

Company profile

Zehnder Group provides worldwide leading solutions for a comfortable, energy-efficient and healthy indoor climate. The products and services of the Group include heating, cooling, indoor ventilation and air cleaning. The Group develops and manufactures its products at its own factories in Europe, China, and North America. In the financial year of 2023, the Zehnder Group had about 3500 employees and achieved sales of EUR 706 million. The company is listed on the SIX Swiss Exchange (symbol: ZEHN, number: 27 653 461). The unlisted registered shares B are held by Graneco AG, which is controlled by the Zehnder families.

Cautionary note regarding forward-looking statements

This media release may contain certain forward-looking statements relating to Zehnder Group's future business, development, and economic performance. Such statements may be subject to a number of risks, uncertainties and other important factors, such as but not limited to force majeure, competitive pressures, legislative and regulatory developments, global, macroeconomic and political trends, Zehnder Group's ability to attract and retain the employees that are necessary to generate revenues and to manage its businesses, fluctuations in currency exchange rates and general financial market conditions, changes in accounting standards or policies, delay or inability in obtaining approvals from authorities, technical developments, litigation or adverse publicity and news coverage, each of which could cause actual development and results to differ materially from the statements made in this media release. Zehnder Group assumes no obligation to update or alter forward-looking statements whether as a result of new information, future events or otherwise.

Annex to ad hoc announcement pursuant to Art. 53 LR

Sales by regions and segments in 2024 (unaudited)

EUR million		2023			2024			Change from prior year %			
		HY1	HY2	Total	HY1	HY2	Total	HY1	HY2	Total	Organic
Ventilation EMEA	EUR million	189.4	146.9	336.2	157.8	170.7	328.4	- 17%	16%	- 2%	- 8%
Change from HY1 to HY2	%		- 22%			8%					
Ventilation North America	EUR million	38.8	30.3	69.1	34.7	36.4	71.1	- 11%	20%	3%	4%
Change from HY1 to HY2	%		- 22%			5%					
Ventilation Asia-Pacific	EUR million	17.2	18.6	35.8	11.8	12.9	24.7	- 32%	- 30%	- 31%	- 30%
Change from HY1 to HY2	%		8%			10%					
Total ventilation segment	EUR million	245.4	195.7	441.1	204.2	220.0	424.2	- 17%	12%	- 4%	- 8%
Change from HY1 to HY2	%		- 20%			8%					
Radiators EMEA	EUR million	134.1	134.1	268.2	119.4	116.5	235.9	- 11%	- 13%	- 12%	- 9%
Change from HY1 to HY2	%		0%			- 2%					
Radiators North America	EUR million	24.1	21.5	45.5	18.1	20.4	38.5	- 25%	- 5%	- 15%	- 15%
Change from HY1 to HY2	%		- 11%			13%					
Radiators Asia-Pacific	EUR million	3.5	3.8	7.2	3.0	4.2	7.2	- 13%	10%	- 1%	1%
Change from HY1 to HY2	%		10%			40%					
Total radiator segment	EUR million	161.6	159.4	321.0	140.5	141.1	281.6	- 13%	- 11%	- 12%	- 10%
Change from HY1 to HY2	%		- 1%			0%					
Total region EMEA	EUR million	323.5	281.0	604.5	277.2	287.1	564.3	- 14%	2%	- 7%	- 9%
Change from HY1 to HY2	%		- 13%			4%					
Total region North America	EUR million	62.9	51.8	114.6	52.8	56.8	109.6	- 16%	10%	- 4%	- 3%
Change from HY1 to HY2	%		- 18%			8%					
Total region Asia-Pacific	EUR million	20.7	22.4	43.0	14.8	17.1	31.9	- 28%	- 24%	- 26%	- 24%
Change from HY1 to HY2	%		8%			16%					
Total Zehnder Group	EUR million	407.0	355.1	762.1	344.7	361.1	705.8	- 15%	2%	- 7%	- 9%
Change from HY1 to HY2	%		- 13%			5%					

Alternative performance measures

This media release contains the financial parameter “organic sales growth”, which is not defined according to Swiss GAAP FER. This alternative performance measure is intended to aid the management team as well as analysts and investors in forming a clearer understanding of the Group’s performance. The Zehnder Group uses the following definition and calculation basis, which may differ from those employed by other companies.

The organic sales growth measures the growth that the Group is able to achieve on its own. The term organic sales refers to the sales adjusted for acquisitions and divestments at constant exchange rates. In 2024, the net effect of acquisitions and divestments amounted to EUR 8.4 million. The foreign currency effect amounted to EUR 0.5 million while organic sales decline amounted to -8.7% or EUR -65.2 million.