



## **Zehnder Group on its way to becoming a leading international provider of indoor climate solutions**

**One-off effects due to the accelerated transformation into an innovative system specialist and service provider will impact the results for the 2024 financial year – but positive momentum in the second half of the year**

- **Group sales decreased by 7% to EUR 705.8 million**
- **Operating result (EBIT) totaled EUR 14.1 million (–76%), corresponding to an EBIT margin of 2.0% and a net loss of EUR –2.4 million**
- **One-off costs for strategic measures to sustainably optimise profitability and impairments amounted to EUR 35.9 million**
- **Adjusted EBIT<sup>1</sup> before one-off effects of EUR 50.1 million (–21% compared to previous year), corresponding to an EBIT margin of 7.1%**
- **Cash flow from operating activities of EUR 60.6 million (–31% compared to previous year)**
- **Proposal of a dividend of CHF 1.00 per registered share A (previous year: 1.30 CHF)**
- **Implementation of important measures according to plan like the acquisition of Siber, production optimisations in China and Switzerland, and the expansion of the Gränichen site into a centre of excellence for indoor climate solutions**
- **For the first time, ventilation segment with a 60% share of total sales in reporting year**
- **Confirmation of medium-term targets of average annual sales growth of 5% and an EBIT margin of 9–11%**

Gränichen (CH), 26 February 2025: Zehnder Group (SIX: ZEHN), a leading international provider of complete solutions for a comfortable, energy-efficient and healthy indoor climate, reached sales of EUR 705.8 million (previous year: EUR 762.1 million) in the 2024 financial year, and therefore 7% (organically – 9%<sup>1</sup>) less than in the previous year. The Siber acquisition in Spain contributed positively with a 2% increase in sales, while the sale of the Climate Ceiling Solutions division resulted in a 1% sales decline. The past financial year was characterised by a combination of geopolitical and economic uncertainties. As a result, there was significantly less construction and renovation activity in some of our key markets. This led to lower sales in the ventilation and radiator segment in the 2024 financial year.

### **Resilient operating result in a weak market environment**

In the 2024 financial year, Zehnder Group achieved an operating result after one-off costs (EBIT) of EUR 14.1 million (–76%), which corresponds to an EBIT margin of 2.0%. In 2024, strategic measures were implemented to sustainably reduce costs and increase efficiency. Overall, the one-off effects amounted to EUR 35.9 million for the disposal of the Climate Ceiling Solutions business, the relocation of radiator production from Gränichen (CH) to Vaux-Andigny (FR), the impairment of the production plant in Dachang (CN), value adjustments on trade receivables due to the ongoing real estate crisis in China, and further organisational and restructuring measures. At EUR 50.1 million, adjusted EBIT<sup>1</sup> was down 21% on the previous year, corresponding to an adjusted EBIT margin of 7.1% (previous year: 8.3%). In the second half of the year, the adjusted EBIT margin improved to 7.6% (previous year: 6.7%).

Net loss totaled EUR –2.4 million due to high one-off costs (previous year: net profit of EUR 44.6 million). Cash flow from operating activities decreased by 31% to EUR 60.6 million in the 2024 financial year (previous year: EUR 87.8 million) due to a lower profitability.

## **Ventilation sales with organic growth in the second half of the year**

Total sales in the ventilation segment fell by 4% (organically –8%) to EUR 424.2 million in 2024. The acquisition of Siber in Spain made a positive contribution of 4% to ventilation sales. In the second half of the year, ventilation sales rose organically by 3%. In both the indoor ventilation and heat exchanger divisions, sales fell significantly in the full year 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 for the first time, a relative increase of two percentage points compared to the previous year.

In the EMEA region (Europe, Middle East and Africa), ventilation sales declined by 2% (organically –8%) to EUR 328.4 million (previous year: EUR 336.2 million). This development was largely due to the decrease in new residential construction activity in the 2024 financial year, which in turn was attributable to a lower inclination to invest. The markets in Germany and Belgium recorded the most significant decline in sales due to the sharp fall in new construction activity there. Further growth was seen in the UK following the introduction of favourable building regulations.

At EUR 71.1 million (previous year: EUR 69.1 million), sales in North America were slightly above the previous year's level (+3%). In Canada particularly, the key interest rate cuts led to a revival in the construction market. The ventilation segment's relative share of total sales in North America rose by five percentage points to 65%.

In the Asia-Pacific region, sales fell by 31% to EUR 24.7 million (previous year: EUR 35.8 million). In the wake of the ongoing property crisis, the Chinese market in particular suffered a decline in demand in the ventilation segment.

## **Robust operating result in the ventilation segment**

In the ventilation segment, adjusted EBIT<sup>1</sup> fell by 17% to EUR 44.4 million in the 2024 financial year (previous year: EUR 53.5 million). The adjusted EBIT margin was 10.5%. Despite lower sales, investments were maintained to further strengthen ventilation as a growth segment. Value adjustments on receivables in China and restructuring of the heat exchanger business in Europe led to one-off costs of EUR 7.0 million. EBIT after one-off costs in the ventilation segment totaled EUR 37.4 million, corresponding to an EBIT margin of 8.8%.

## **Radiator sales significantly influenced by slowdown in renovations**

The radiator segment generated sales of EUR 281.6 million in the 2024 financial 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.

In line with this development, we adjusted our production capacities in response to actual demand. The decision was made to discontinue radiator production in Switzerland and relocate it to the existing plant in France. We also outsourced radiator production at our plant in Dachang in China. This activity will continue to operate as a trading business in the future. Radiator sales accounted for 40% of Zehnder Group's total sales during the reporting year, corresponding to a decrease of two 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. In a challenging economic environment, demand shifted in part towards lower-priced products. In France, political uncertainty has increased purchasing restraint. Contrary to this trend, the Netherlands and Spain recorded slight increases in sales along a positive economic development.

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. The 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). This slight decline in sales is largely due to the continuing weakness of the construction sector in China.

### **Lower capacity utilisation reduces EBIT significantly in the radiator segment**

In the radiator segment, adjusted EBIT fell by 40% to EUR 5.7 million during the reporting period (previous year: EUR 9.4 million). Lower volumes resulted in lower capacity utilisation. The adjusted EBIT margin was 2.0% (previous year: 2.9%). EBIT after one-off costs fell to EUR –23.2 million in the 2024 financial year (previous year: EUR 7.2 million).

### **Accelerated transformation into the leading international supplier of indoor climate systems**

Throughout the 2024 financial year, Zehnder Group implemented several strategically important measures to further strengthen the Group's profile as a solution provider for indoor climate systems. The measures enacted consistently aim at future growth and improved profitability.

On 11 July 2024, Zehnder Group completed the acquisition of Siber, a leading residential ventilation provider in Spain to strengthen its market position in Southern Europe. Siber commands broad market access in Spain and Portugal, focusing on complete ventilation systems for new-build apartment blocks. The integration of Siber ideally complements our product portfolio with mid-priced products and offers further synergy potential. Specifically, this acquisition enables us to sustainably expand our activities in the important growth markets in Southern and Eastern Europe.

The production network is being further optimised through the outsourcing of radiator production in China and the planned consolidation of flat tube radiator production in France. Following the closure of the radiator production division, the Gränichen site will be expanded as a centre of excellence for indoor climate solutions. Key focus areas will include the growing service and maintenance business.

### **Proposed dividend 2024**

At the Annual General Meeting on 3 April 2025, the Board of Directors will propose the distribution of a dividend of CHF 1.00 (previous year: CHF 1.30) per registered share A, taking into account the results of the 2024 financial year.

### **Outlook for the 2025 financial year**

Key interest rates in North America and Europe have fallen over the course of 2024. We therefore expect construction industry activity in some target markets to stabilise further, albeit at a moderate level. Some uncertainties in markets such as Germany and France will remain in the ongoing year. At the same time, we can see that the low point has been overcome in various markets. Zehnder Group plans to communicate its outlook for the year when it publishes its half-year figures for 2025.

With the measures implemented and the investments made in the 2024 financial year, we have taken important steps to accelerate our transformation into the leading international provider of indoor climate solutions. Not least because of this, Zehnder Group is well positioned to benefit from the growth opportunities that present themselves. With our focused strategy, targeted investments in innovation and sustainability, tailwinds from beneficial megatrends and consistent cost control,

we aim to further strengthen our market position and achieve our medium-term targets of average annual sales growth of 5% and an EBIT margin of 9–11%.

<sup>1</sup>Alternative Performance Measures (APM) are key figures that are not defined under Swiss GAAP FER. For this reason, comparability with similar figures from other companies may be limited. Zehnder Group uses APMs as performance indicators for internal and external reporting to stakeholders. Further information on the APM can be found in the English Annual Report 2024, available under the link below.

The complete Annual Report 2024 in English as well as the Management Report for the 2024 financial year in German are available on our website at:

<https://www.zehndergroup.com/en/investor-relations/reports-presentations>

Annex: Five-year overview 2020-2024

## Next dates to note

Annual General Meeting 2025	3 April 2025
Six-month Report 2025	25 July 2025
Sales for 2025	16 January 2026
Integrated Annual Report 2025 and Media/Analyst Conference 2026	26 February 2026
Annual General Meeting 2026	19 March 2026

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This media release is published in German and English. The German version is binding.  
For further information about the Zehnder Group, please visit [www.zehndergroup.com](http://www.zehndergroup.com).

## Company profile

Zehnder Group provides world-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 2024 financial year, 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

### Five-year overview

		2024	2023	2022	2021	2020
<b>Sales</b>	EUR million	<b>705.8</b>	<b>762.1</b>	<b>812.5</b>	<b>697.1</b>	<b>617.7</b>
Change from prior year	%	- 7.4	- 6.2	16.6	12.9	- 4.1
<b>EBITDA adjusted<sup>1</sup></b>	EUR million	<b>77.0</b>	<b>87.6</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>
	% of sales	10.9	11.5	-	-	-
<b>EBITDA<sup>1</sup></b>	EUR million	<b>55.3</b>	<b>84.8</b>	<b>95.3</b>	<b>92.1</b>	<b>74.8</b>
	% of sales	7.8	11.1	11.7	13.2	12.1
<b>EBIT adjusted<sup>1</sup></b>	EUR million	<b>50.1</b>	<b>63.0</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>
	% of sales	7.1	8.3	-	-	-
<b>EBIT</b>	EUR million	<b>14.1</b>	<b>60.2</b>	<b>71.4</b>	<b>69.1</b>	<b>50.5</b>
Change from prior year	%	- 76.5	- 15.7	3.2	36.8	20.1
	% of sales	2.0	7.9	8.8	9.9	8.2
<b>Net profit/(loss)<sup>2</sup></b>	EUR million	<b>- 2.4</b>	<b>44.6</b>	<b>56.7</b>	<b>60.3</b>	<b>39.9</b>
Change from prior year	%	n/a	- 21.3	- 5.9	51.2	24.9
	% of sales	- 0.3	5.9	7.0	8.6	6.5
<b>Cash flow from operating activities</b>	EUR million	<b>60.6</b>	<b>87.8</b>	<b>59.3</b>	<b>79.9</b>	<b>95.3</b>
	% of sales	8.6	11.5	7.3	11.5	15.4
<b>Research &amp; development expenses</b>	EUR million	<b>- 25.3</b>	<b>- 25.5</b>	<b>- 24.7</b>	<b>- 21.4</b>	<b>- 18.2</b>
	% of sales	- 3.6	- 3.3	- 3.0	- 3.1	- 2.9
<b>Investments in property, plant and equipment &amp; intangible assets</b>	EUR million	<b>17.0</b>	<b>23.1</b>	<b>27.1</b>	<b>21.9</b>	<b>16.7</b>
<b>Depreciation, amortisation &amp; impairment</b>	EUR million	<b>- 41.1</b>	<b>- 24.6</b>	<b>- 23.9</b>	<b>- 22.9</b>	<b>- 24.3</b>
<b>Total assets</b>	EUR million	<b>476.7</b>	<b>516.8</b>	<b>532.8</b>	<b>553.3</b>	<b>498.6</b>
<b>Non-current assets</b>	EUR million	<b>211.5</b>	<b>226.4</b>	<b>228.6</b>	<b>208.5</b>	<b>198.9</b>
<b>ROCE<sup>1</sup></b>	%	<b>15.4</b>	<b>17.9</b>	<b>18.9</b>	<b>22.6</b>	<b>17.0</b>
<b>Net liquidity/(net debt)<sup>1</sup></b>	EUR million	<b>- 11.8</b>	<b>70.8</b>	<b>45.4</b>	<b>123.2</b>	<b>96.4</b>
<b>Shareholders' equity<sup>2</sup></b>	EUR million	<b>241.5</b>	<b>347.3</b>	<b>340.8</b>	<b>364.4</b>	<b>326.9</b>
	% of total assets	50.7	67.2	64.0	65.9	65.6
<b>Number of employees</b>	Ø full-time equivalents	<b>3,559</b>	<b>3,772</b>	<b>3,827</b>	<b>3,554</b>	<b>3,340</b>
<b>Dividends<sup>3</sup></b>	CHF million	<b>11.2</b>	<b>15.3</b>	<b>21.1</b>	<b>21.1</b>	<b>14.7</b>
<b>Net profit per registered share A<sup>4</sup></b>	EUR	<b>0.15</b>	<b>3.84</b>	<b>4.84</b>	<b>5.13</b>	<b>3.34</b>
<b>Dividend per registered share A<sup>3</sup></b>	CHF	<b>1.00</b>	<b>1.30</b>	<b>1.80</b>	<b>1.80</b>	<b>1.25</b>
<b>Payout ratio</b>	%	<b>-</b>	<b>35</b>	<b>37</b>	<b>33</b>	<b>35</b>
<b>Market closing price registered share A</b>	CHF	<b>45.20</b>	<b>53.50</b>	<b>55.80</b>	<b>93.10</b>	<b>59.10</b>
<b>Market capitalisation<sup>5</sup></b>	CHF million	<b>418.9</b>	<b>521.9</b>	<b>544.4</b>	<b>908.3</b>	<b>576.6</b>
<b>Total market capitalisation<sup>6</sup></b>	CHF million	<b>508.4</b>	<b>627.9</b>	<b>654.9</b>	<b>1,092.6</b>	<b>693.6</b>

<sup>1</sup> For alternative performance measures, please refer to the Annual Report 2024.

<sup>2</sup> Including minority interests

<sup>3</sup> For 2024 as proposed by the Board of Directors

<sup>4</sup> Excluding minority interests

<sup>5</sup> Market value of all listed registered shares A at year end, excluding value of unlisted registered shares B

<sup>6</sup> Registered shares A and B; registered shares B recognised at one fifth of the price of the registered share A at year end