

Six-month Report

20

23

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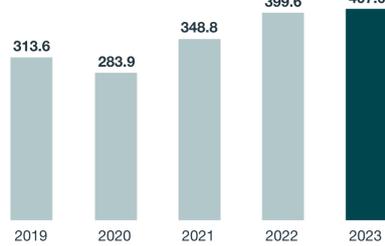
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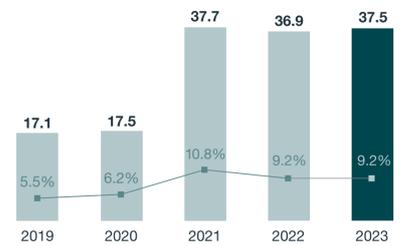
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Key figures 1st half-year

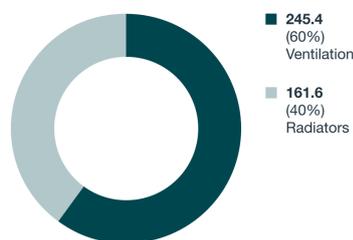
Sales
EUR million



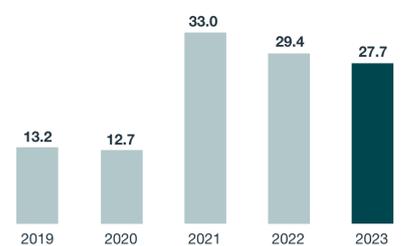
EBIT
EUR million, % of sales



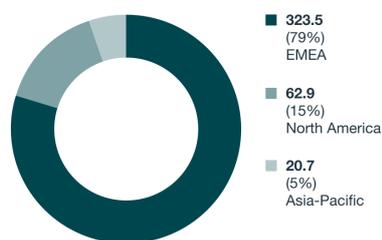
Sales by segment
2023, EUR million



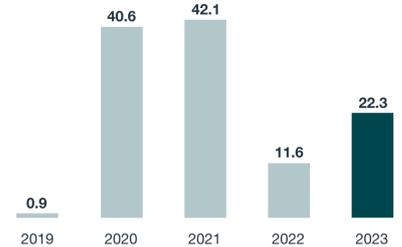
Net profit
EUR million



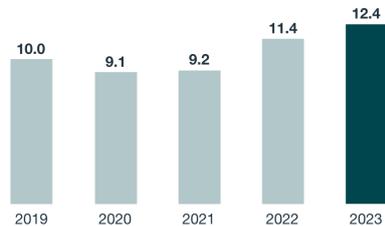
Sales by region
2023, EUR million



Cash flow from operating activities
EUR million



Investments in property, plant and equipment & intangible assets
EUR million



Share price development
1 January to 30 June 2023, %



		1 st half-year 2023	1 st half-year 2022	Change from prior year in %
Sales	EUR million	407.0	399.6	1.8
EBITDA¹	EUR million	49.5	48.3	2.4
	% of sales	12.2	12.1	
EBIT	EUR million	37.5	36.9	1.6
	% of sales	9.2	9.2	
Net profit²	EUR million	27.7	29.4	-6.0
	% of sales	6.8	7.4	
Cash flow from operating activities	EUR million	22.3	11.6	92.8
Investments in property, plant and equipment & intangible assets	EUR million	12.4	11.4	9.0
Depreciation & amortisation	EUR million	12.0	11.4	5.0
Total assets	EUR million	537.6	562.7	-4.5
Non-current assets	EUR million	226.9	230.4	-1.5
Net liquidity/(net debt)¹	EUR million	24.3	23.3	4.1
Total equity	EUR million	336.0	327.7	2.5
	% of total assets	62.5	58.2	
Number of employees	Ø full-time equivalents	3,865	3,772	2.5
Market closing price registered share A	CHF	72.40	56.50	28.1
Registered shares A (CHF 0.05 par value)	Units	9,756,000	9,756,000	-
Own shares	Ø Units	418,771	216,426	93.5
Registered shares B (not listed; CHF 0.01 par value)	Units	9,900,000	9,900,000	-
Non-diluted net profit per registered share A²	EUR	2.39	2.46	-2.9
Shareholders' equity per registered share A²	EUR	28.2	26.8	5.2

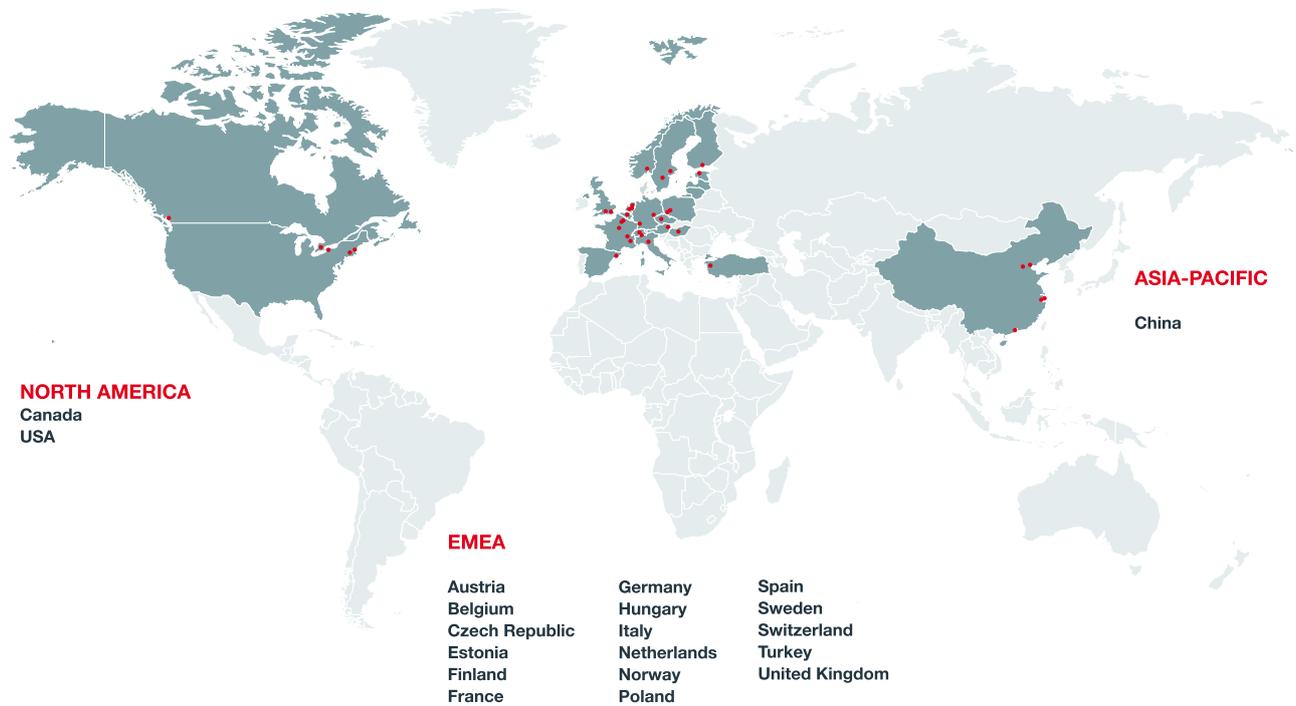
1 For further information please refer to: [Alternative performance measures](#)

2 Excluding minority interests

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 2022, Zehnder Group had about 4,000 employees and achieved sales of EUR 812 million. The company is listed on the SIX Swiss Exchange (symbol: ZEHN, number: 27 653 461). The unlisted registered shares B are held directly or indirectly by the Zehnder family and persons closely associated with them.

Locations



Another solid business result in the first half of 2023 in a challenging environment

Zehnder Group increased its sales by 2% to EUR 407.0 million in the first half of 2023. The Group's operating result (EBIT) rose by 2% to EUR 37.5 million. The corresponding margin of 9.2% is at the level of the previous year. An improvement in the supply chain situation in the ventilation segment together with targeted cost savings and structural adjustments could counterbalance the volume decline in radiators. Net income amounted to EUR 27.7 million (previous year: EUR 29.4 million).



Dear shareholders,

The first half of 2023 features a mixed picture of the overall economic situation and its impact on the individual segments of Zehnder Group. On the one hand, the supply chain situation in the ventilation segment eased over the course of the past few months – with the exception of some isolated delays in electronic components. As a result, accumulated orders were largely reduced. The better availability led to a more stable and thus predictable price situation in terms of raw materials and components. On the other hand, persistently high inflation rates and increased interest rates weighed on economic development and thus on the entire construction industry. As a result, some markets are facing a very substantial decline in the planning permits granted for new buildings, particularly in Europe. In addition, the challenging macroeconomic situation had a negative impact on the renovation business and thus on demand for radiators. Zehnder Group started to introduce cost-cutting measures at an early stage. Thanks to differentiated cost management in conjunction with selective structural adjustments, it was still possible to achieve a small profit in the radiator

segment. All in all, Zehnder Group can again report a solid business result in the first half of 2023.

Better supply capability drove ventilation sales

Zehnder Group increased its sales by 2% to EUR 407.0 million in the first half of 2023 (organically -1%¹). Acquisitions from the previous year contributed 3% to sales growth. Foreign exchange effects had a slightly negative impact of around -1% on consolidated sales.

For the first time in its history, Zehnder Group achieved 60% of total sales in the ventilation segment. The share of sales in the radiator segment was 40%. This corresponds to an increase in the share of ventilation sales in the Group's total sales of 5 percentage points compared with the same period in the previous year.

“For the first time in its history, Zehnder Group achieved 60% of total sales in the ventilation segment.”

Sales in the ventilation segment increased by 12% (of which 7% was organic) to EUR 245.4 million in the first half of 2023. The most recent acquisitions contributed 6% to sales growth, while currency effects had a slightly negative impact of -1%. The enhanced component availability led to improved delivery capability, particularly in the area of residential ventilation. Consequently, production volumes of ventilation units were increased and the backlog of orders accumulated due to a lack of components was largely reduced. At the same time, higher interest rates and the persistently high level of inflation over recent months have led to a drop in planning permits granted for new buildings in numerous European countries.

EUR 189.4 million (previous year: EUR 174.8 million) of the total sales in the ventilation segment were generated in the EMEA region (Europe, Middle East and Africa). Sales in the Netherlands, Belgium and France were particularly positive. With sales of EUR 38.8 million (previous year: EUR 25.3 million), the ventilation segment in North America developed very dynamically. Business there benefited from high levels of demand, particularly for residential ventilation, and from the acquisition of Airia in Canada in 2022. The Asia-Pacific region accounted for EUR 17.2 million (previous year: EUR 19.7 million) of sales. The reason for this decline in sales was largely due to ongoing low levels of demand in China, where the economy continued to be impacted by weak construction activity.

“The increase in component availability led to improved delivery capability, particularly in the area of residential ventilation. Consequently, production volumes of ventilation units were increased and the backlog of orders accumulated due to a lack of components was largely reduced.”

¹ For more information, see: [Alternative performance measures](#).

Significant volume decline for radiators

The radiator segment recorded sales of EUR 161.6 million in the first half of 2023. This corresponds to a decline in sales of 10% (-10% organically). The sharp decline in volumes was partially offset by higher prices. Weakening

purchasing power due to increased financing costs and persistently high levels of inflation have led to a decline in demand. This development had a negative impact on the renovation business and led to a significant overall decline in volumes in the radiator segment. Another factor behind poorer sales performance in the radiator segment was the uncertainty surrounding the specific form of government incentive schemes for the replacement of fossil fuels for heating in Germany, which has led to consumer restraint.

Zehnder Group responded quickly to the change in economic situation and significantly reduced its production capacities accordingly. The decision was taken to reduce the numbers of temporary employees and shifts throughout the Group. Reduced working hours were introduced selectively in Switzerland and France, while the workforce was reduced in Turkey and production was partially outsourced in China.

EUR 134.1 million (previous year: EUR 156.5 million) of total sales in the radiator segment came from the EMEA region (Europe, Middle East and Africa). The decline in sales of radiators was particularly pronounced in the UK due to the economic slowdown there. The important markets of France, Germany and Italy were also affected by significant volume declines. By contrast, sales in Switzerland continued to develop positively. Sales of radiant ceiling panels in Germany were again very encouraging, supported by the government-subsidised switch to heating using renewable energies, e.g., heat pumps. In North America, sales increased to a total of EUR 24.1 million (previous year: EUR 20.0 million), driven by very good levels of demand in Canada and the USA in both the residential and commercial segments. In the Asia-Pacific region, sales amounted to EUR 3.5 million (previous year: EUR 3.3 million) and were roughly on a par with the previous year.

Stable operating margin in a challenging market environment

The operating result (EBIT) in the first six months of 2023 amounted to EUR 37.5 million and was thus 2% above the figure for the period during the previous year. The EBIT margin of 9.2% was at the same level of the previous year. Cost increases due to higher levels of inflation were largely passed on to customers. At the same time, Zehnder Group is pursuing a proactive pricing policy and differentiated cost management in this challenging market environment. In this way, it was possible to implement cost reductions and efficiency improvements in many areas.

“Zehnder Group is pursuing a proactive pricing policy and differentiated cost management in this challenging market environment.”

In the ventilation segment, the EBIT rose to EUR 36.1 million in the first half of 2023 (previous year: EUR 29.1 million). This corresponds to an increase of 24% compared to the previous year. The EBIT margin increased by 1.5 percentage points to 14.7%. The gradual resolution of global supply problems and the associated improvement in delivery capability had a positive impact on profitability – as did the cost-related price increases.

In the radiator segment, the EBIT fell to EUR 1.4 million in the first half of 2023 (previous year: EUR 7.8 million). The EBIT margin thus decreased to 0.9% (previous year: 4.4%). This was mainly due to the decline in order volumes in Europe and China in view of the difficult economic environment and the associated lower production capacity utilisation. Furthermore, the challenging climate ceilings business continued to weigh on earnings. Targeted cost-saving

measures were implemented consistently in the radiator segment. These resulted in restructuring costs of 1.7 Mio. EUR in the first half of the year.

The tax rate during the reporting period was 23% (previous year: 21%). Net income for the first half of 2023 amounted to EUR 27.7 million (previous year: EUR 29.4 million).

Targeted investments in innovations and infrastructure

Expenditure in research and development increased by 8% to EUR 12.8 million in the first half of 2023. With the successful launch of new products in the ventilation systems segment, Zehnder Group is underlining its aspiration to provide its customers with a comfortable, energy-efficient and healthy indoor climate with the help of innovations. The aerodynamic ComfoVar Aero airflow controller is a compact and very innovative actuator head module that has recently been offered on the market in Switzerland and the Netherlands. The unique aerodynamic valve shape allows for highly precise airflow control with low noise emissions, which is possible for use in both new building and refurbishment projects. Another innovation for a comfortable indoor climate is the combination of a new or existing Zehnder ComfoAir Q ventilation system with the Zehnder ComfoClime Cool air tempering unit. In addition to the Zehnder ventilation system, the Zehnder ComfoClime Cool air tempering unit is used to pre-temper and dehumidify the room air and provides a pleasant, cool climate on hot summer days in an energy-efficient manner. As well as the cooling mode, fresh air can be heated to a comfortable temperature in winter, thus saving heating energy.

In the first half of 2023, the Zehnder Group invested EUR 12.4 million (previous year: EUR 11.4 million) in tangible and intangible assets. The move to the new "Center of Climate" in Lahr (DE) in spring 2023 went according to plan. The first events including sales staff and customers were held in the new premises. At the same time, the relocation of the production facility in Lenham, UK to Maidstone, to new energy-efficient premises was completed successfully.

Increased cash flow from operating activities

Cash flow from operating activities increased to EUR 22.3 million (previous year: EUR 11.6 million) in the first half of 2023. The increase is mainly due to the lower build-up of trade receivables compared with the previous year's period. In the same period, Zehnder Group repurchased its own shares and paid dividends for the 2022 financial year. Net liquidity¹ amounted to EUR 24.3 million at the end of June 2023 (previous year: EUR 23.3 million). Equity was at EUR 336.0 million (previous year: EUR 327.7 million), corresponding to a continued high equity ratio of 62% (previous year: 58%).

As part of the ongoing share buyback programme, Zehnder Group bought back 98,250 listed registered shares A for a total price of EUR 7.1 million in the first half of 2023. In addition, the Group acquired a further 44,500 listed registered shares A for a total of EUR 3.3 million, which are earmarked for employee participation programmes.

"In 2021, we launched a share buyback programme for a maximum of 487,800 registered shares A over a maximum period of three years for the purpose of capital reduction. By the end of June 2023, we had bought back 435,182 shares."

¹ For more information, see: [Alternative performance measures](#).

Consistent pursuit of strategy bears fruit

Zehnder Group continues to consistently pursue its differentiated strategy of “growth for ventilation - harvest for radiators”. The acquisition of Airia in Canada in spring 2022 successfully drove the expansion of the ventilation business in North America in the first half of 2023 too. Consequently, the share of North American ventilation sales increased to around 62% (previous year: 56%).

This differentiated strategic approach to investing in profitable growth is supported by targeted measures in the areas of sustainability and digitalisation. As an international specialist for energy-efficient indoor climate solutions, sustainability for Zehnder Group means that we work in a resource-efficient manner along the entire value chain, reduce emissions and offer our customers environmentally friendly products for the best indoor climate. With the publication of the 2022 Sustainability Report at the end of June 2023, we presented targets, strategies and measures for the continued development of our sustainability profile. The fact that the content of the report is based on the internationally recognised standards of the Global Reporting Initiative (GRI) is an important step on the way to fact-based and transparent measurement of our impact on the environment and society. Zehnder Group also officially committed to the science-based targets of the Science Based Targets initiative (SBTi) at the beginning of June 2023. With this project, Zehnder Group is supporting the 1.5-degree target of the Paris Agreement and plans to systematically expand its commitment to climate protection.

In the area of digitalisation, we were also able to drive forward our strategy with the aim of further expanding our range with digital products and services. The first website relaunches of various country websites were successfully completed during the first half of 2023. The modern website, combined with optimised navigation and a mobile view, make it easier for customers to access content on the country websites more quickly. The new product pages also provide a better product experience and underline Zehnder's aspiration to be a modern premium solution provider for indoor air quality. At the same time, our ComfoPlan+ planning software was also extended. This helps customers to create ventilation concepts even more quickly, more easily and in a more user-friendly manner in accordance with country-specific calculation standards, including a suitable list of materials.

In the radiator segment, Zehnder Group occupies a strong market position, particularly in the areas of bathroom radiators and multi-column radiators. The focus is on optimising production processes and thus increasing productivity. Furthermore, development competencies in the field of electronics are being expanded with the aim of ensuring a strong position of the radiator business in the future.

Outlook for the 2023 financial year and medium-term targets

Due to the current economic situation, Zehnder Group expects that high levels of inflation and rising interest rates will continue to affect the number of planning permits granted for new buildings and renovation projects for customers. It is currently difficult to gauge when the new building and renovation business will recover. Against this background, Zehnder Group continues to expect a challenging market development. Consequently, Zehnder Group expects sales for the full year 2023 between EUR 780 million and EUR 820 million, and an EBIT margin of around 8% of sales.

In the long term, growth prospects remain positive, particularly in the ventilation segment. New building regulations for better insulated buildings, the increasing demand for energy-saving and efficient climate control solutions, and the desire for healthy indoor air quality, together with the still low penetration rates in various countries, are fuelling growth – especially in the ventilation segment. Therefore, the medium-term targets of average annual sales growth of 5% and an EBIT margin of 9%-11% remain unchanged.

“The medium-term targets remain unchanged: average annual sales growth of 5% and an EBIT margin of 9%-11%.”

Thank you to our stakeholders

On behalf of the Board of Directors and the Executive Committee, we would like to express our gratitude and appreciation to our employees for their continued commitment and our customers for their loyalty.

We would also like to thank our suppliers and business partners for their fantastic cooperation.

Finally, we would like to thank you, our valued shareholders, for your continued loyalty and your confidence in our successful future.

Yours sincerely,



Dr Hans-Peter Zehnder
Chairman of the Board of Directors



Matthias Huenerwadel
Chairman of the Group Executive
Committee, CEO

Consolidated balance sheet

EUR million	30 June 2023	31 December 2022	30 June 2022
Assets			
Liquid assets	52.5	55.1	61.8
Trade accounts receivable	122.8	120.3	140.4
Other receivables	19.2	22.2	22.4
Inventories	108.0	100.0	99.7
Prepayments	1.9	1.6	2.9
Accrued income	6.4	4.9	5.0
Current assets	310.8	304.2	332.3
Property, plant and equipment	203.1	203.9	203.5
Financial assets	17.2	17.9	19.6
Intangible assets	6.6	6.8	7.2
Non-current assets	226.9	228.6	230.4
Total assets	537.6	532.8	562.7
Liabilities & shareholders' equity			
Short-term financial liabilities	22.7	2.1	27.3
Trade accounts payable	50.3	51.6	56.0
Other short-term liabilities	26.5	30.8	32.9
Short-term provisions	7.7	7.5	9.2
Accruals and deferred income	66.6	70.1	72.4
Current liabilities	173.8	162.0	197.8
Long-term financial liabilities	5.5	7.7	11.1
Other long-term liabilities	0.6	0.6	0.6
Long-term provisions	21.7	21.7	25.6
Non-current liabilities	27.8	30.0	37.3
Total liabilities	201.7	192.0	235.1
Share capital	0.4	0.4	0.4
Capital reserves	33.6	33.6	33.6
Own shares	-33.2	-27.8	-21.6
Retained earnings	318.0	316.9	296.2
Equity attributable to shareholders of Zehnder Group AG	318.7	323.1	308.5
Minority interests	17.3	17.7	19.1
Total equity	336.0	340.8	327.7
Total liabilities & equity	537.6	532.8	562.7

Consolidated income statement

EUR million	1 st half-year 2023	1 st half-year 2022	Change from prior year in %
Sales	407.0	399.6	1.8
Changes in inventories	1.9	1.7	
Own work capitalised	1.4	0.9	
Other operating income	2.1	2.6	
Cost of materials	-155.7	-161.0	
Personnel costs	-129.6	-119.6	
Depreciation of property, plant and equipment	-11.5	-11.1	
Amortisation of intangible assets	-0.5	-0.3	
Other operating expenses	-77.5	-75.8	
Operating result (EBIT)	37.5	36.9	1.6
Financial result	-1.6	0.2	
Earnings before taxes	36.0	37.1	-3.1
Income taxes	-8.3	-7.7	
Net profit	27.7	29.4	-6.0
Attributable to:			
- shareholders of Zehnder Group AG	27.0	28.4	
- minority interests	0.6	1.1	
Non-diluted net profit excluding minority interests per registered share A (EUR)	2.39	2.46	-2.9
Diluted net profit excluding minority interests per registered share A (EUR)	2.38	2.46	-3.2
Non-diluted net profit excluding minority interests per registered share B (EUR)	0.48	0.49	-2.9
Diluted net profit excluding minority interests per registered share B (EUR)	0.48	0.49	-3.2

Consolidated cash flow statement

EUR million	1 st half-year 2023	1 st half-year 2022
Net profit	27.7	29.4
Depreciation and amortisation of property, plant and equipment	11.5	11.1
Depreciation and amortisation of intangible assets	0.5	0.3
Other non-cash changes	3.8	3.8
(Gain)/loss on disposals of non-current assets	-0.1	-0.1
(Increase)/decrease in trade accounts receivable	-4.3	-25.6
(Increase)/decrease in other receivables, prepayments and accrued income	0.8	-5.4
(Increase)/decrease in inventories	-11.1	-14.7
Increase/(decrease) in trade accounts payable	-0.5	8.5
Increase/(decrease) in other short-term liabilities, accruals and deferred income	-6.9	3.4
Increase/(decrease) in provisions	0.5	-0.1
(Increase)/decrease in deferred tax assets	0.4	1.0
Cash flow from operating activities	22.3	11.6
Investments in property, plant and equipment	-12.1	-10.9
Investments in intangible assets	-0.3	-0.5
Investments in subsidiaries	-0.1	-61.7
Divestment of property, plant and equipment	0.1	0.2
Cash flow from investing activities	-12.4	-72.8
Dividends paid to shareholders	-21.6	-20.2
Dividends paid to minority shareholders	-	-0.9
Purchase of own shares	-10.6	-15.9
Sale of own shares	2.7	1.8
Increase/(decrease) in short-term financial liabilities	19.1	21.1
Increase/(decrease) in long-term financial liabilities	-0.8	-1.9
Increase/(decrease) in other liabilities	0.0	-0.1
Cash flow from financing activities	-11.2	-16.2
Currency effects	-1.4	2.9
Increase/(decrease) in liquid assets	-2.7	-74.6
Liquid assets at 1.1.	55.1	136.4
Liquid assets at 30.6.	52.5	61.8
Increase/(decrease)	-2.7	-74.6

Consolidated statement of changes in equity

EUR million	Share capital	Capital reserves	Own shares	Retained earnings			Equity attributable to shareholders of Zehnder Group AG	Minority interests	Total equity
				Goodwill offset	Other retained earnings	Translation differences			
Equity at 1.1.2023	0.4	33.6	-27.8	-187.0	509.7	-5.7	323.1	17.7	340.8
Purchase of own shares	-	-	-10.4	-	-	-	-10.4	-	-10.4
Sale of own shares	-	-	5.0	-	-1.1	-	3.9	-	3.9
Share-based compensation									
- Transfers	-	-	-	-	-0.8	-	-0.8	-	-0.8
- Granted	-	-	-	-	0.5	-	0.5	-	0.5
Net profit	-	-	-	-	27.0	-	27.0	0.6	27.7
Netted goodwill	-	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-21.6	-	-21.6	-	-21.6
Currency effects	-	-	-	-	-	-3.0	-3.0	-1.1	-4.1
Equity at 30.6.2023	0.4	33.6	-33.2	-187.0	513.8	-8.7	318.7	17.3	336.0
Equity at 1.1.2022	0.4	33.6	-7.5	-149.5	473.3	-4.3	346.0	18.4	364.4
Purchase of own shares	-	-	-16.0	-	-	-	-16.0	-	-16.0
Sale of own shares	-	-	1.8	-	0.9	-	2.7	-	2.7
Share-based compensation									
- Transfers	-	-	-	-	-0.5	-	-0.5	-	-0.5
- Granted	-	-	-	-	0.4	-	0.4	-	0.4
Net profit	-	-	-	-	28.4	-	28.4	1.1	29.4
Netted goodwill	-	-	-	-36.6	-	-	-36.6	-	-36.6
Dividends	-	-	-	-	-20.2	-	-20.2	-0.9	-21.1
Currency effects	-	-	-	-	-	4.3	4.3	0.6	4.9
Equity at 30.6.2022	0.4	33.6	-21.6	-186.1	482.2	0.1	308.5	19.1	327.7

Segment reporting

		Ventilation	Radiators	Total
1st half-year 2023				
Sales	EUR million	245.4	161.6	407.0
EBIT	EUR million	36.1	1.4	37.5
	% of sales	14.7	0.9	9.2
Number of employees	Ø full-time equivalents	1,971	1,895	3,865
1st half-year 2022				
Sales	EUR million	219.9	179.8	399.6
EBIT	EUR million	29.1	7.8	36.9
	% of sales	13.2	4.4	9.2
Number of employees	Ø full-time equivalents	1,732	2,040	3,772

Sales by region and segment

		1 st half-year 2023	1 st half-year 2023 in %	1 st half-year 2022	1 st half-year 2022 in %
Ventilation EMEA	EUR million	189.4	46.5	174.8	43.7
	Change from prior year in %	8.3		13.9	
Ventilation North America	EUR million	38.8	9.5	25.3	6.3
	Change from prior year in %	53.2		179.2	
Ventilation Asia-Pacific	EUR million	17.2	4.2	19.7	4.9
	Change from prior year in %	-12.8		-0.4	
Total ventilation segment	EUR million	245.4	60.3	219.9	55.0
	Change from prior year in %	11.6		20.5	
Radiators EMEA	EUR million	134.1	32.9	156.5	39.2
	Change from prior year in %	-14.3		8.3	
Radiators North America	EUR million	24.1	5.9	20.0	5.0
	Change from prior year in %	20.1		22.5	
Radiators Asia-Pacific	EUR million	3.5	0.8	3.3	0.8
	Change from prior year in %	5.7		-39.9	
Total radiator segment	EUR million	161.6	39.7	179.8	45.0
	Change from prior year in %	-10.1		8.1	
Total region EMEA	EUR million	323.5	79.5	331.3	82.9
	Change from prior year in %	-2.4		11.1	
Total region North America	EUR million	62.9	15.5	45.4	11.4
	Change from prior year in %	38.6		78.4	
Total region Asia-Pacific	EUR million	20.7	5.1	23.0	5.8
	Change from prior year in %	-10.2		-8.9	
Total	EUR million	407.0	100.0	399.6	100.0
	Change from prior year in %	1.8		14.6	

Notes to the interim financial statements

Consolidation, accounting and valuation principles

The unaudited consolidated interim report for the first six months of 2023 was drawn up in line with the provisions of Swiss GAAP FER 31. This Six-month Report is intended to be read in conjunction with the 2022 Annual Report. The error correction disclosed therein was adopted. The consolidation, accounting and valuation principles published in the 2022 Annual Report have been applied consistently in preparing this interim report.

Consolidation scope

The consolidation scope was changed in the first half of 2023 as follows:

- Merger of Ventener AB with Zehnder Group Nordic AB on 2 March 2023 in Sweden;
- Sale of OOO "Zehnder GmbH" as per 27 April 2023 in Russia.

Events after the balance sheet date

Between the balance sheet date and the publication of this Six-month Report, no significant events requiring disclosure occurred.

Alternative performance measures

In this Six-month Report, the Zehnder Group reports financial key figures that are not defined according to Swiss GAAP FER. These alternative performance measures are intended to aid the management team as well as analysts and investors in forming a clearer understanding of the Group's performance.

The following definitions and calculation bases of the Zehnder Group may differ from those employed by other companies.

Alternative performance measure	Definition	Calculation basis/reconciliation (in EUR million)	1 st half-year 2023	1 st half-year 2022
Organic sales growth	The organic sales growth measures the growth that the Group is able to achieve on its own. Organic sales equate to sales that have been adjusted for acquisition effects and have taken place at constant exchange rates.	Sales	407.0	399.6
		Currency effects	2.8	-7.5
		Acquisition effects	-12.7	-25.0
		Organic sales	397.1	367.1
		Organic sales growth/(decline) in %	-0.6	5.3
EBITDA	Earnings before interest, taxes, depreciation and amortisation (EBITDA) is a key figure used to measure the performance of the Group.	Operating result (EBIT)	37.5	36.9
		Depreciation of property, plant and equipment	11.5	11.1
		Amortisation of intangible assets	0.5	0.3
		EBITDA	49.5	48.3
Net liquidity/(net debt)	Net liquidity or debt is a key figure used to measure the Group's financial liquidity or debt.	Liquid assets	52.5	61.8
		Short-term financial liabilities	-22.7	-27.3
		Long-term financial liabilities	-5.5	-11.1
		Net liquidity/(net debt)	24.3	23.3

Further information for investors

Contact

Zehnder Group AG
Investor Relations
Moortalstrasse 1
5722 Gränichen (Switzerland)

Phone +41 62 855 1521
investor-relations@zehndergroup.com
www.zehndergroup.com

Registered share A

Valor number	27 653 461
SIX	ZEHN
Bloomberg	ZEHN SW
Reuters	ZEHN S

In accordance with Art. 10 of the Articles of Association, the opting out clause applies.

Registered share B (unlisted)

Valor number	13 312 654
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Company calendar

End of business year	31.12.2023
Sales for 2023	19.1.2024
Annual Report 2023 and Media/Analyst Conference 2024	28.2.2024
Annual General Meeting 2024	11.4.2024
Six-month Report 2024	26.7.2024

News and reports, as well as this Six-month Report, are available in German and English. The German version is binding.

News are published under www.zehndergroup.com/en/news.

Reports and presentations are published under www.zehndergroup.com/en/investor-relations/reports-and-presentations.