



# Capitalizing on the Retrofit Opportunity

**BELIMO Holding AG**

**Belimo Capital Markets Day 2023, September 6**



# Agenda



1

## **Welcoming Remarks and Review 1<sup>st</sup> Half-Year Results**

Dr. Markus Schürch, CFO

2

## **The Potential of Existing Buildings**

Lars van der Haegen, CEO

3

## **Planner's Perspective on Retrofit Projects**

Magnus Willers, CEO Jobst Willers Engineering AG

4

## **"The Atrium" Tour / Coffeebreak**

M. Manfredi, Global Real Estate Manager / M. Hediger, Lead Idea Mgmt

5

## **Building Owner's Perspective on Retrofit Projects**

Urs Baumann, CIO Swiss Prime Site AG

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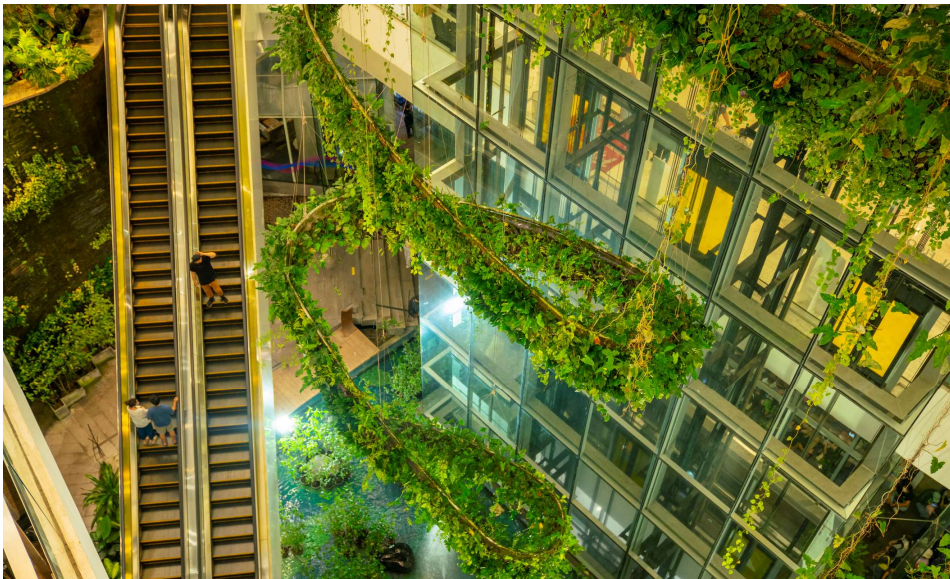
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**Building Owner's Perspective on Retrofit Projects**  
Urs Baumann, CIO Swiss Prime Site AG

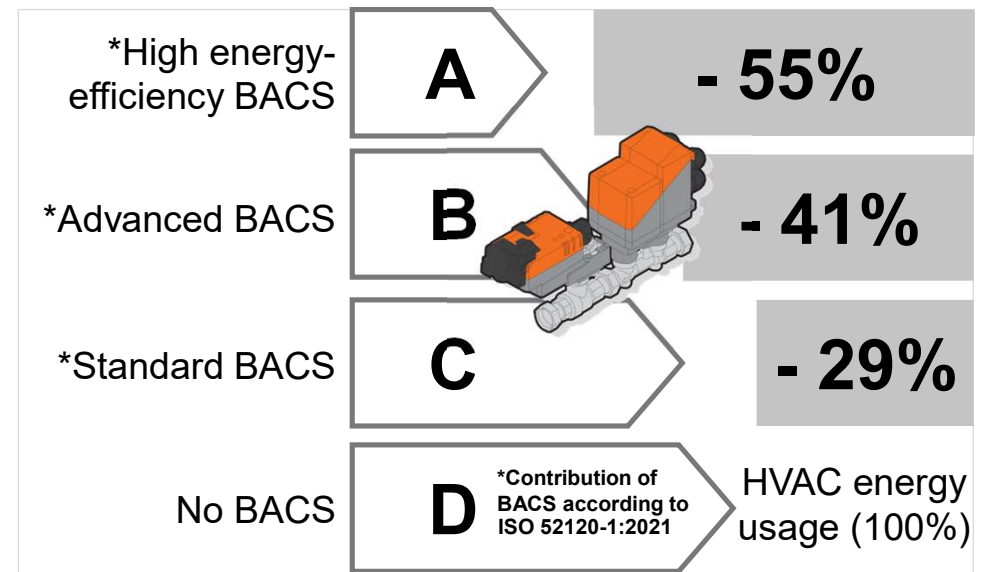
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# Welcoming Remarks

## Today Addressing the Challenges of Tomorrow



HVAC systems are responsible for **~16%** of global energy consumption. The largest lever lies in the existing building population, as it represent **~98%** of buildings globally.



Building Automation, Controls and Building Management (BACS), of which smart field devices are a key component, can reduce HVAC energy usage by as much as **55%**.

# Review 1<sup>st</sup> Half-Year Results



Belimo Capital Markets Day 2023, September 6



# Review 1<sup>st</sup> Half-Year Results

## Successfully Driving Top- and Bottom-Line Growth



### Net Sales



- **Strong net sales growth** of +12.4% in LC; in CHF +7.7% to CHF 448.4 million.
- **Americas** with strong sales growth contribution – growth of +14.9% in LC by defending market share gains.

### Operating Result



- **Increased EBIT of CHF 84.7 million** and EBIT-margin of 18.9% despite adverse FX movements.
- **Operating cash flow of CHF 72.7 million** or +56.4% vs. HY1 2022, which saw increased safety stocks.

### The Bigger Picture



- Strong growth of **Control Valves** (+20.5% in LC) and high demand for high value pressure independent (PI) solutions.
- **Refurbishment** activity pick up to add to further growth potential of the Group.

# Review 1<sup>st</sup> Half-Year Results

## Overview of Net Sales in HY1 2023



Net Sales Development

**Net Sales**  
in CHF million

**448.4**



**Net Sales Growth**  
in CHF (in %, HY1)

**7.7**

**Net Sales Growth**  
in LC (in %, HY1)

**12.4**

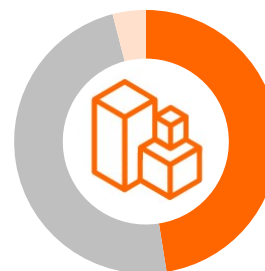
Regions & Business Lines

**Net Sales by Regions<sup>1)</sup>**



- 45.0% EMEA
- 43.1% Americas
- 11.8% Asia Pacific

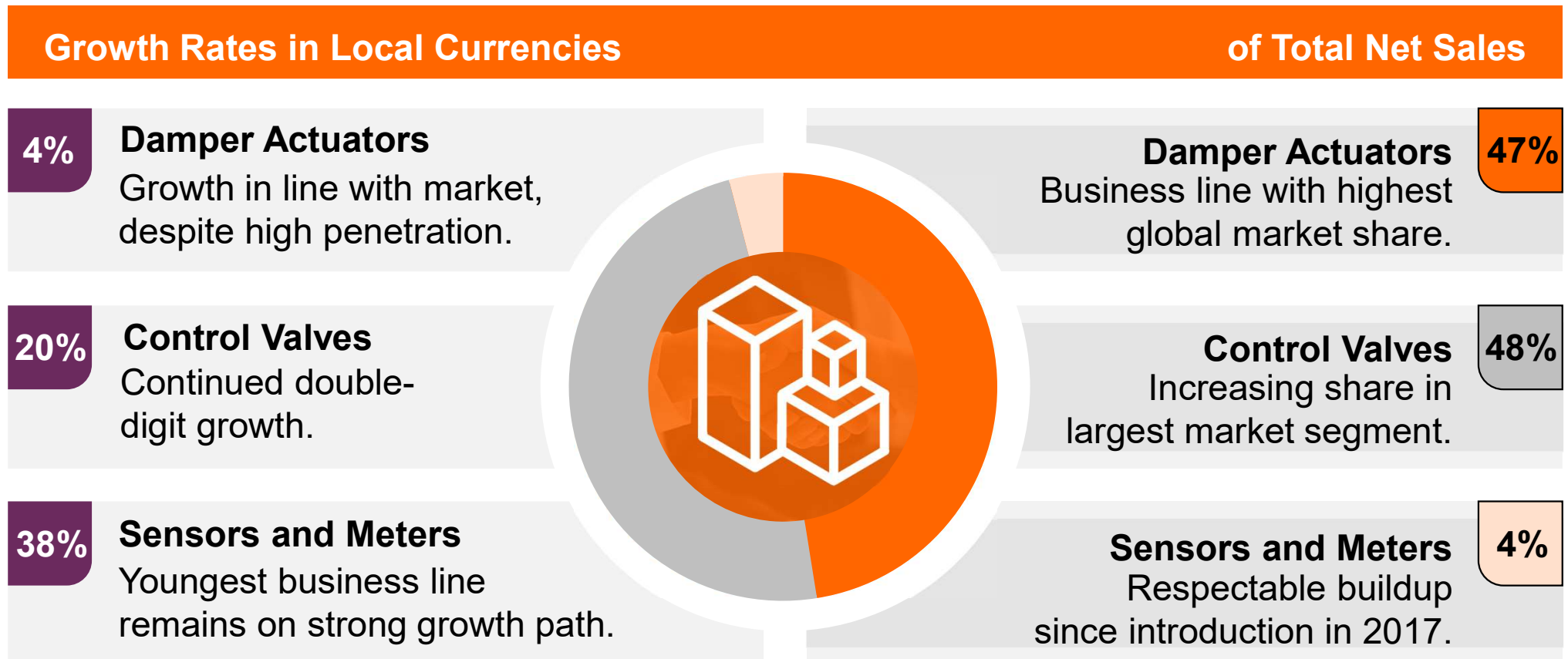
**Net Sales by Business Lines<sup>1)</sup>**



- 47.5% Damper Actuators
- 48.5% Control Valves
- 4.1% Sensors and Meters

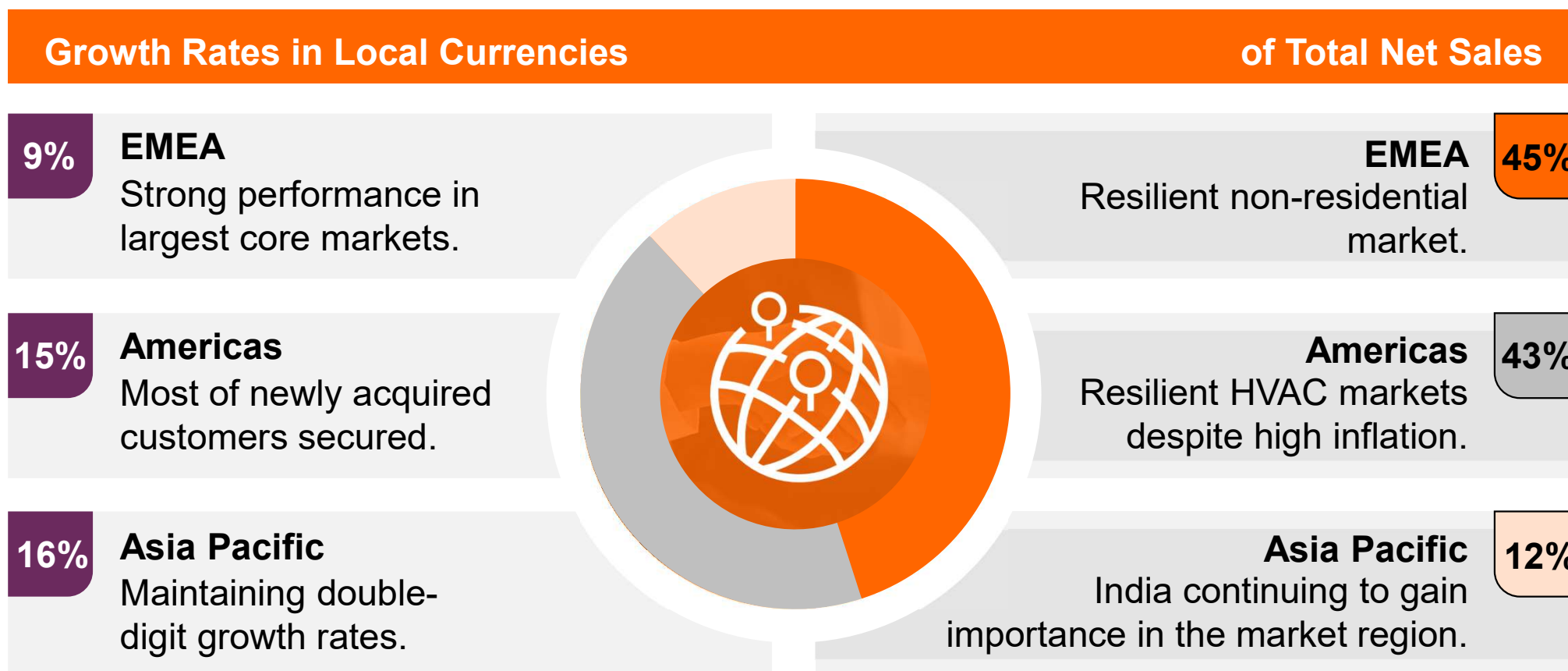
# Review 1<sup>st</sup> Half-Year Results

## Net Sales by Business Lines



# Review 1<sup>st</sup> Half-Year Results

## Net Sales by Market Regions



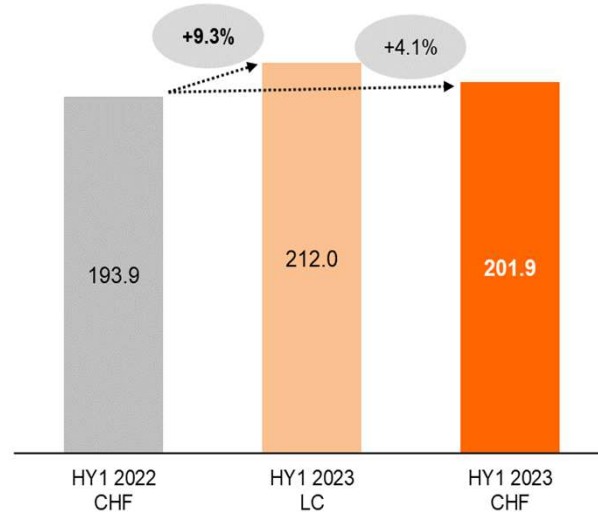
# Review 1<sup>st</sup> Half-Year Results

## Net Sales by Market Regions



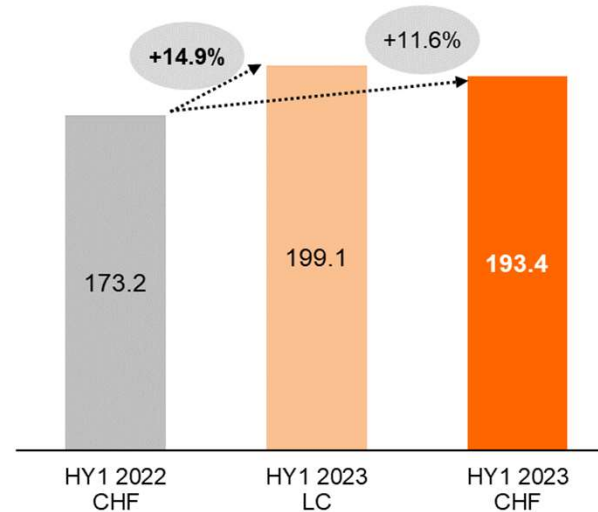
in CHF million, LC adjusted at previous year rates

### EMEA



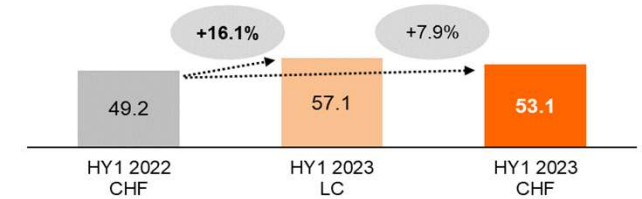
- **Solid sales performance** of 9.3% in LC in all largest markets; benefiting from picking up retrofit business.
- **Germany:** Trend to electrification following the energy crisis leading to replacements of fossil-fueled boilers by heat pumps.

### Americas



- **Net sales growth** of 14.9% in LC as most newly won customers secured.
- Strong demand in **data center** market and many large-scale factory projects under way in the **semi-conductor** and **electric vehicle industry**.

### Asia Pacific



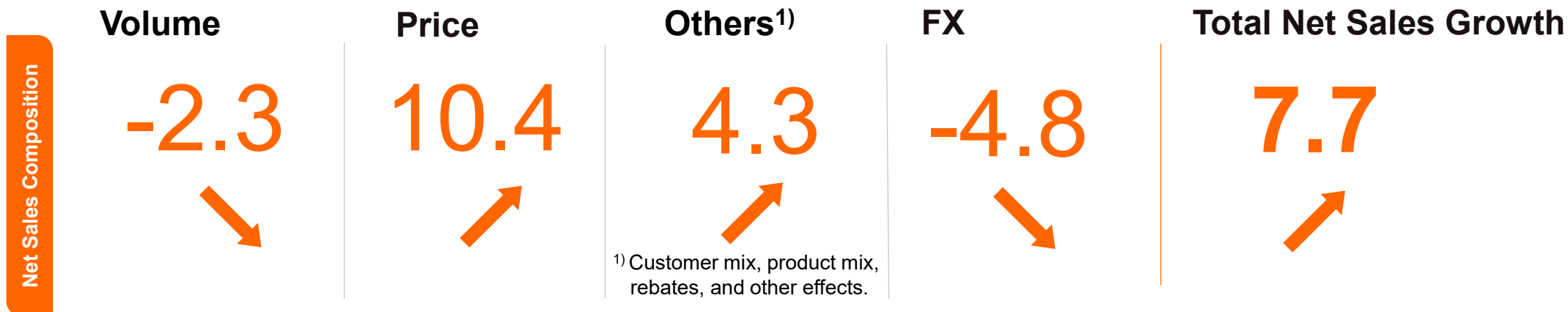
- Above Group-average net sales growth of 16.1% in LC thanks to **India** compensating for slow China growth amid its flourishing HVAC business.
- Increasingly more buildings constructed according to domestic or international **green building standards**.

# Review 1<sup>st</sup> Half-Year Results

## Net Sales Bridge in CHF



in % for the HY1 2023 – compared to HY1 2022



➔ **Negative volume effect** due to supply chain normalization mostly impacting the high-volume OEM business.

➔ **Positive mix effect** as more higher-value field devices – i.e., pressure-independent products such as the Belimo Energy Valve™ – are being sold into picking up retrofit projects.

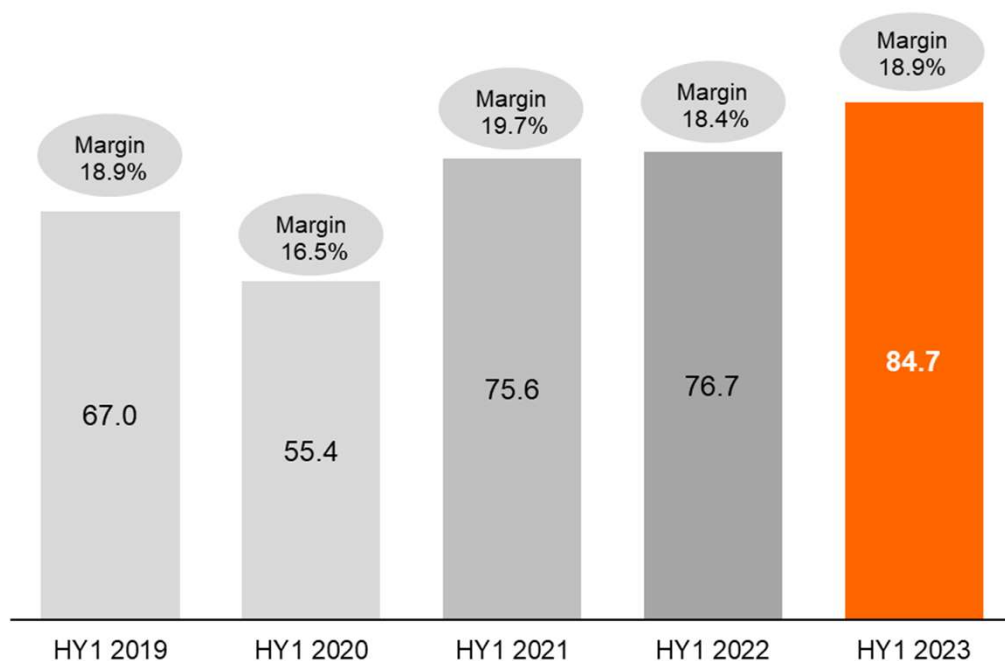
# Review 1<sup>st</sup> Half-Year Results

## Improved Operational Results



### EBIT

in CHF million



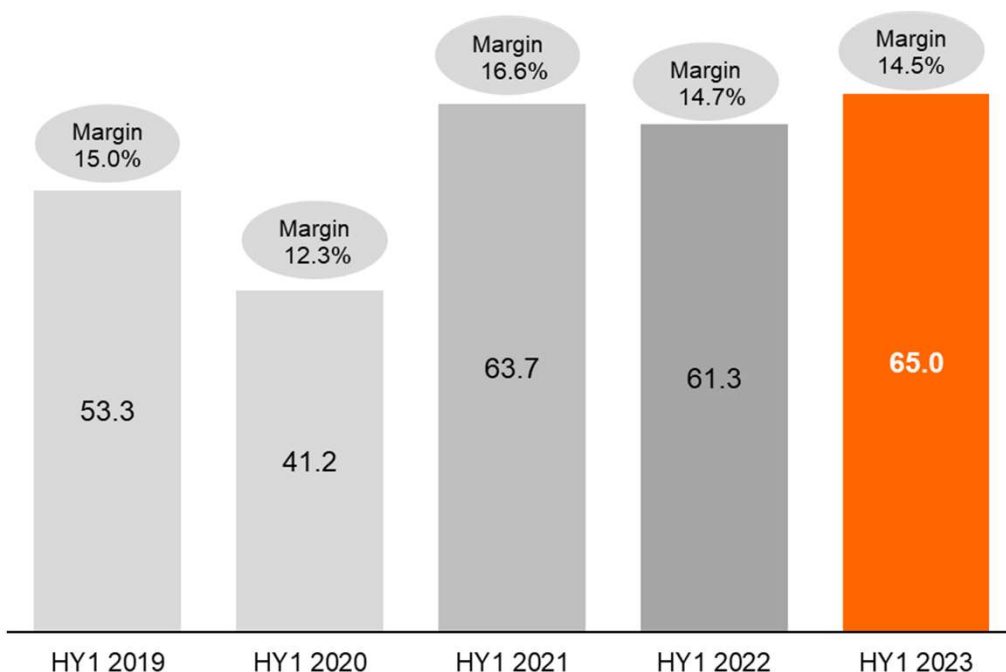
- EBIT rose to **CHF 84.7 million or 18.9%** of sales (PY CHF 76.7 million; 18.4% EBIT-Margin).
- **Price adjustments** compensated for inflation-triggered higher input costs.
- Expanding workforce in-line with long-term growth strategy.

# Review 1<sup>st</sup> Half-Year Results

## Financial Result Impacting Net Income



### Net Income in CHF million



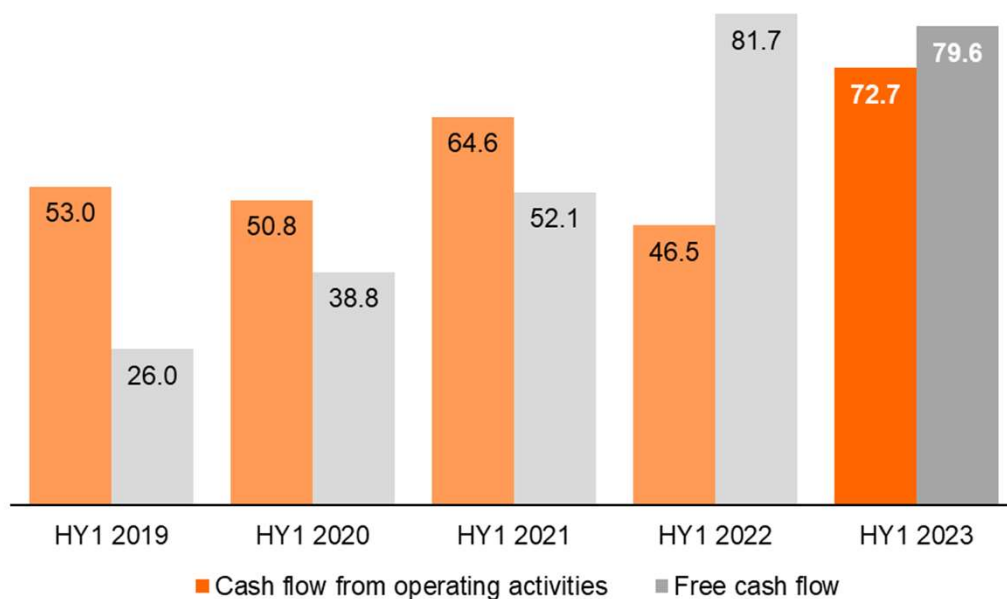
- **Net income** of CHF 65.0 million, 6.0% above PY (CHF 61.3 million); 14.5% of net sales.
- **Higher FX losses** of CHF -2.9 million due to volatile currency development (PY CHF -1.3 million) and **higher interest expenses**.
- Increased earnings per share (EPS) of CHF 5.29 (PY CHF 4.99).

# Review 1<sup>st</sup> Half-Year Results

## Successfully Reducing Inventories



### Cash Flow in CHF million



- **Operating cash flow** of CHF 72.7 million (PY CHF 46.5 million) back to more normalized levels after seeing increased safety stocks in 2022.
- **Free cash flow** of CHF 79.6 million (PY CHF 81.7 million), affected by a divestment of term deposits of CHF 25.0 million (PY divestment of CHF 60.0 million).

# Review 1<sup>st</sup> Half-Year Results

## Outlook: Sales Growth at Five-Year Average

### Sales Growth

- Solid business outlook for the rest of 2023. Slower relative growth in HY2 2023 due to strong comparison period.

### Risks

- Uncertainty about the direction of the global economy, signs of recession and higher interest rates.

### Profitability

- Full year EBIT margin likely to be impacted by lower HY2 sales due to short December.
- Belimo pursues its long-term growth strategy and invests in strategic initiatives and capacity expansion.



# Review 1<sup>st</sup> Half-Year Results

## Outlook by Market Region



### Americas

Solid market demand and sales expected but lower relative growth due to exceptional H2 2022 (supply chain driven market share gains).

### EMEA

Stable demand in HY2 2023 throughout the market region.

### Asia Pacific

- Strong sales development expected outside of China.
- China: Sales expected to increase somewhat.

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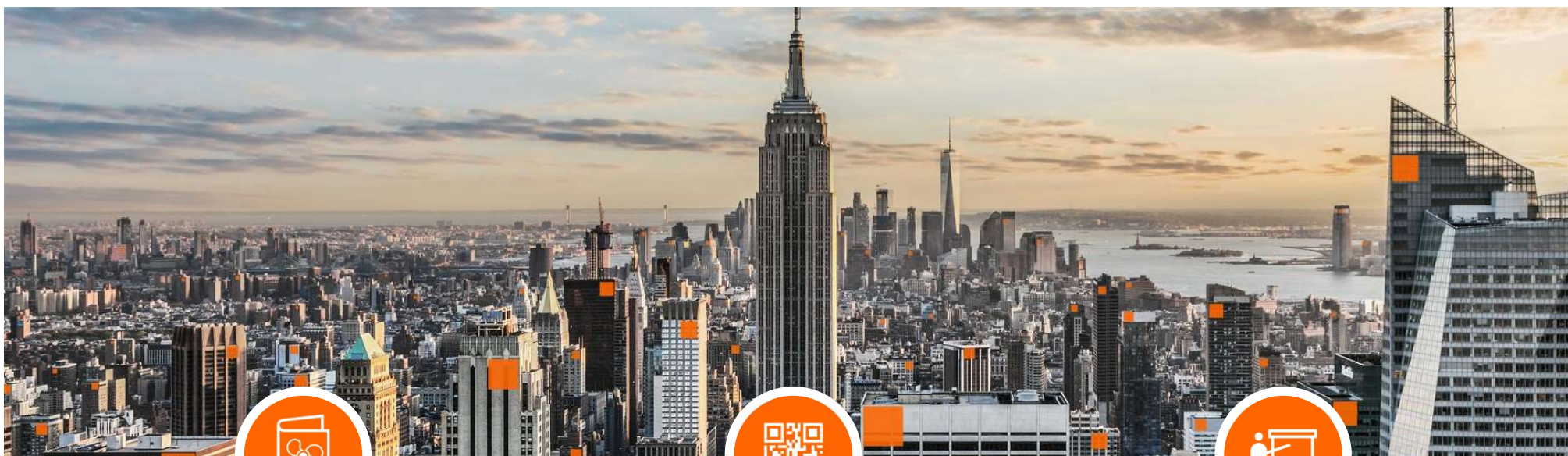
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## **Building Owner's Perspective on Retrofit Projects**

Urs Baumann, CIO Swiss Prime Site AG

# The Potential of Existing Buildings

## Overview



### 1. Regulatory Drivers



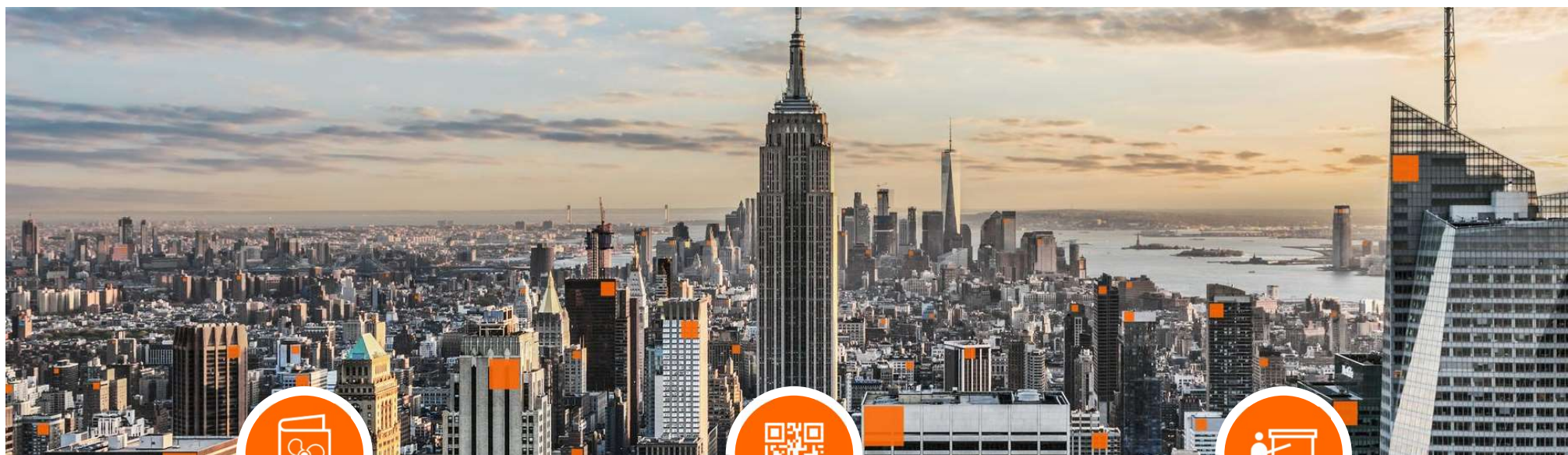
### 2. Technology Drivers



### 3. Strategic Initiative RetroFIT+

# The Potential of Existing Buildings

## Regulatory Drivers



### 1. Regulatory Drivers



### 2. Technology Drivers



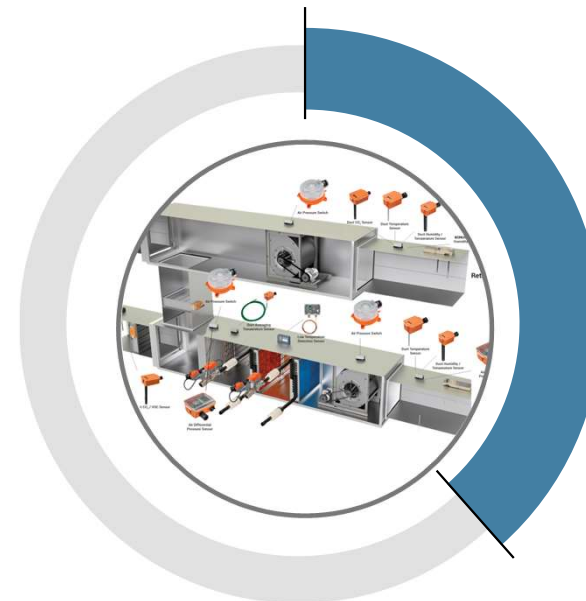
### 3. Strategic Initiative RetroFIT+

# The Potential of Existing Buildings

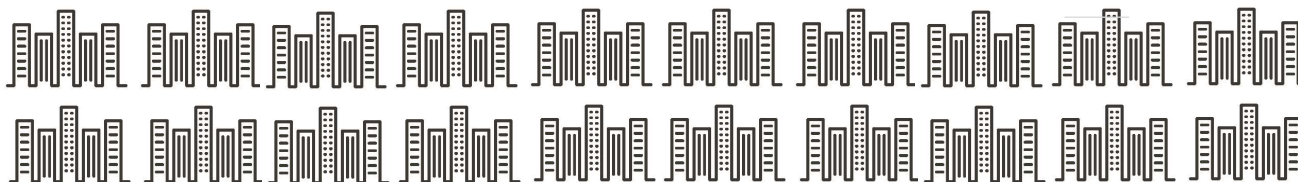
## Regulatory Drivers: Why HVAC Efficiency in Existing Buildings Matters



**40%**  
of worldwide  
energy  
consumption  
can be  
attributed to  
buildings



**40%**  
of the energy  
used in  
buildings is  
used for HVAC



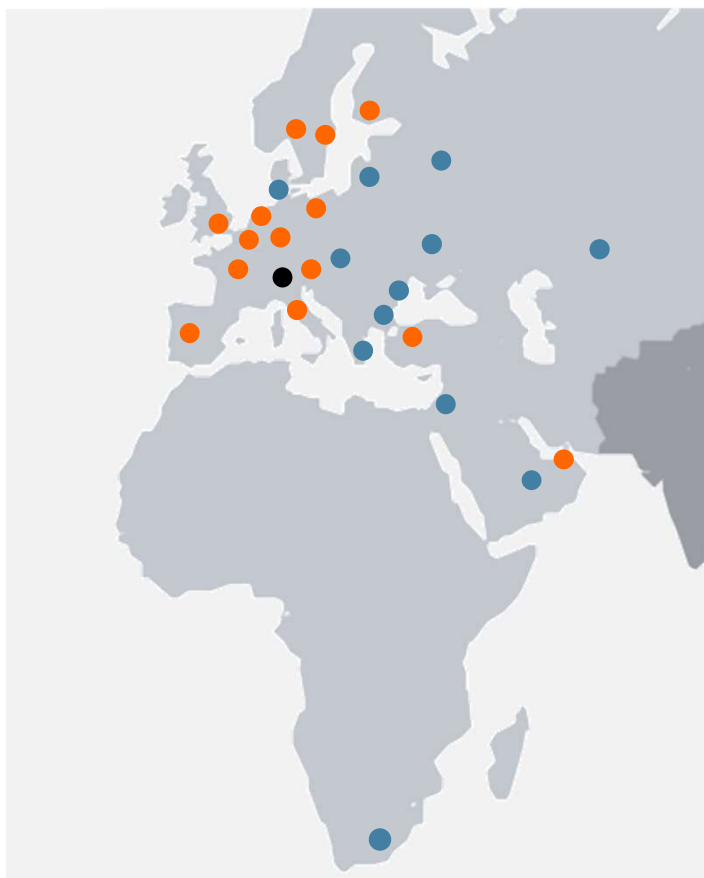
Existing Buildings

 ~ **2%**

new buildings per year

# The Potential of Existing Buildings

## Regulatory Drivers: EMEA Market Region



### EU Green Deal

- Currently, only **0.6%** of buildings are fully renovated p.a.
- EU wants to break down barriers to renovation with policy instruments, funding and technical assistance to fully **renovate at least 3%** of buildings until 2030.

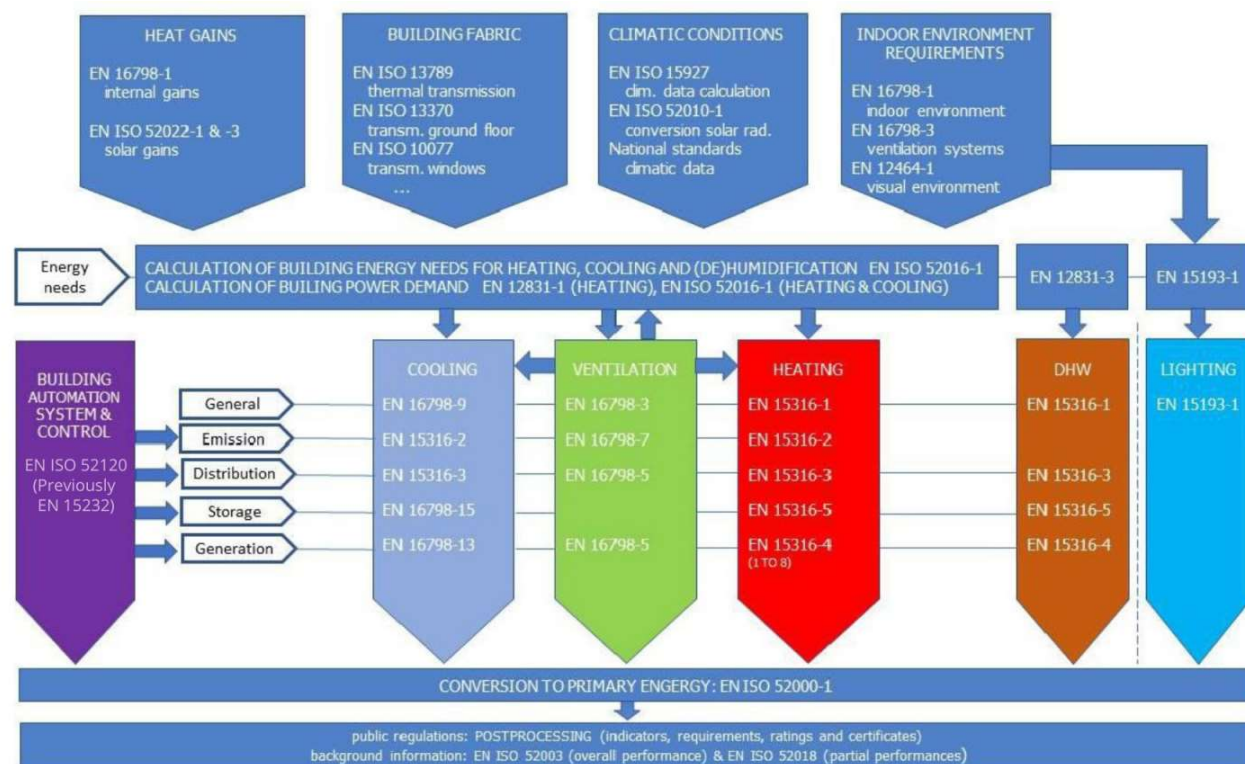
### EPBD

- The revised Energy Performance of Buildings Directive (EPBD) will make installation of BACS mandatory in non-residential buildings with heating or cooling load >290 kW and a subsequent **threshold reduction to 70 kW** by 2030.

# The Potential of Existing Buildings

## Regulatory Drivers: EMEA Market Region – the New EN ISO 52120-1:2022

“Energy performance of buildings: Contribution of building automation, controls and building management”



- Dynamic hydronic balancing functions for heating and cooling distribution have been added.
- Demand-based control function for supply air flow control at the room level dependent on the air quality demand with measurement of CO<sub>2</sub>, VOC, etc. are required.
- Minimum BAC function type requirements now is normative and no more only informative.

# The Potential of Existing Buildings

## Regulatory Drivers: Americas Market Region



- The **US Inflation Reduction Act (IRA)** with its funding and the way it incentivizes a more sustainable approach to construction will generally support continued growth of the HVAC market in the US.
- Also the **Bipartisan Infrastructure Law**, foreseeing major investments in transportation infrastructure and the largest investment in clean energy infrastructure in American history, will aid to the HVAC market growth.
- **Various local carbon-reduction and energy efficiency incentives**, such as the NYC Climate Mobilisation Act, accelerate HVAC-focused energy efficiency investments in their jurisdictions.

# The Potential of Existing Buildings

## Regulatory Drivers: Asia Pacific Market Region



Rather than widespread legislation, **the Asia Pacific market region** is seeing a push on standards driven by industry associations – of which some might evolve into legislative requirements. Noteworthy examples include, among others:

- **Singapore:** BCA Green Mark
- **Hong Kong:** Hong Kong Green Building Council BEAM Plus
- **Japan:** CASBEE
- **China:** 3 star green building
- **Vietnam:** Lotus rating
- **Australia:** NABERS



BCA GREEN MARK



VGBC Vietnam Green Building Council  
Hội đồng Công trình xanh Việt Nam



# The Potential of Existing Buildings

## Technology Drivers



**1. Regulatory Drivers**



**2. Technology Drivers**



**3. Strategic Initiative  
RetroFIT+**

# The Potential of Existing Buildings

## Technology Drivers: The Example of Commercial Reversible Heat Pumps

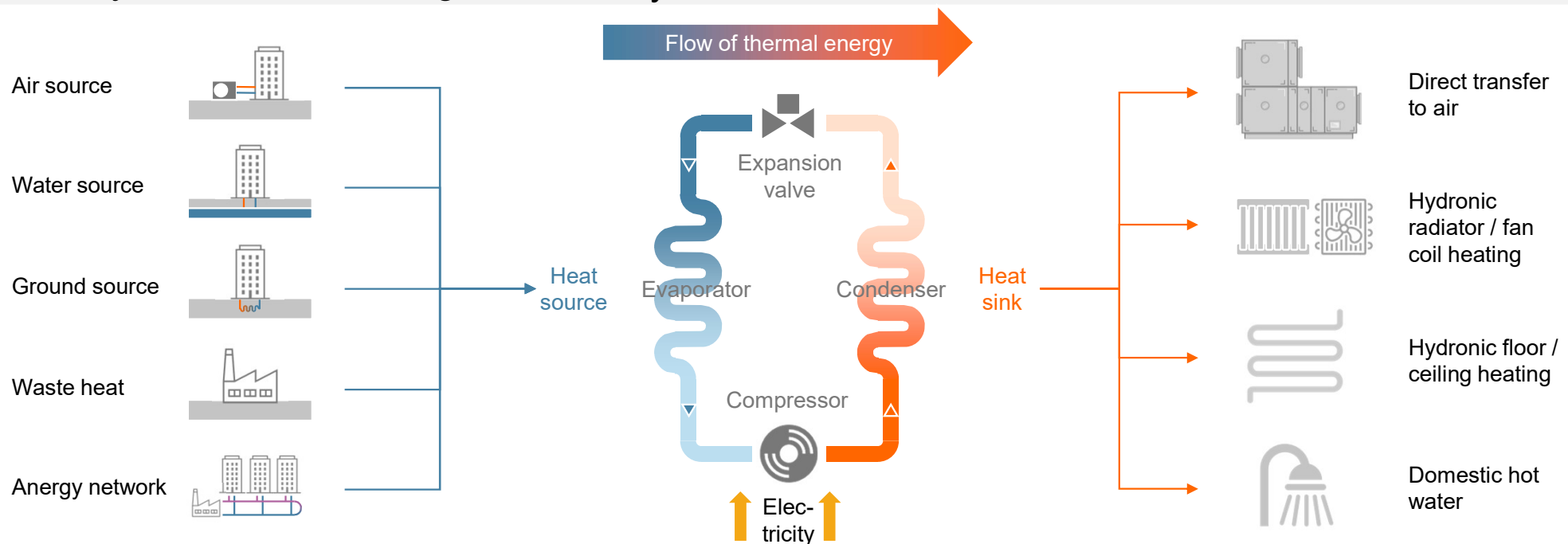


- Heating/cooling of buildings responsible for **16% of global energy related GHG emissions**.
- Depending on power generation mix, heat pumps can save ~80% of CO<sub>2</sub>e / kWh comp. to traditional fossil-fueled boilers.
- Path to net zero requires >2x capacity provided by heat pumps by 2030.
- The ten warmest years in history have all occurred since 2010.
- **Cooling degree days projected to increase by ~25%** by 2050.
- Total amount of commercial buildings floor area cooled is expected to rise from 65% to 85%; biggest increases in Indonesia and Mexico.
- **Increased awareness for IAQ** (82% of millennials feeling safer in offices with real-time information).
- Updated standards and guidelines with IAQ-focus (ASHRAE 62.1-2022, ISO 52120-1:2022).
- Growing number of building certifications and frameworks focusing on IAQ (WELL, RESET AIR, ALDREN).
- Installed solar PV capacity has grown 20x since 2010.
- **PV helps to lower the cost of meeting peak cooling load.**
- With decreasing feed-in tariffs, self-consumption for cooling becomes increasingly attractive.
- **Countless policies support the replacement** of fossil-fueled boilers with heat pumps globally, prominent examples include:
  - EPBD in Europe
  - IRA in the US
  - Dual Carbon Target in China.

# The Potential of Existing Buildings

## Technology Drivers: The Principle of a Reversible Heat Pump

1. A heat pump **extracts heat** from environmental sources, not directly useable for heating, ...
2. ... **amplifies** the heat, relying on the “refrigerant cycle”, and ...
3. ... transfers it to the **heat sink**, making the heat useable for different heating applications.

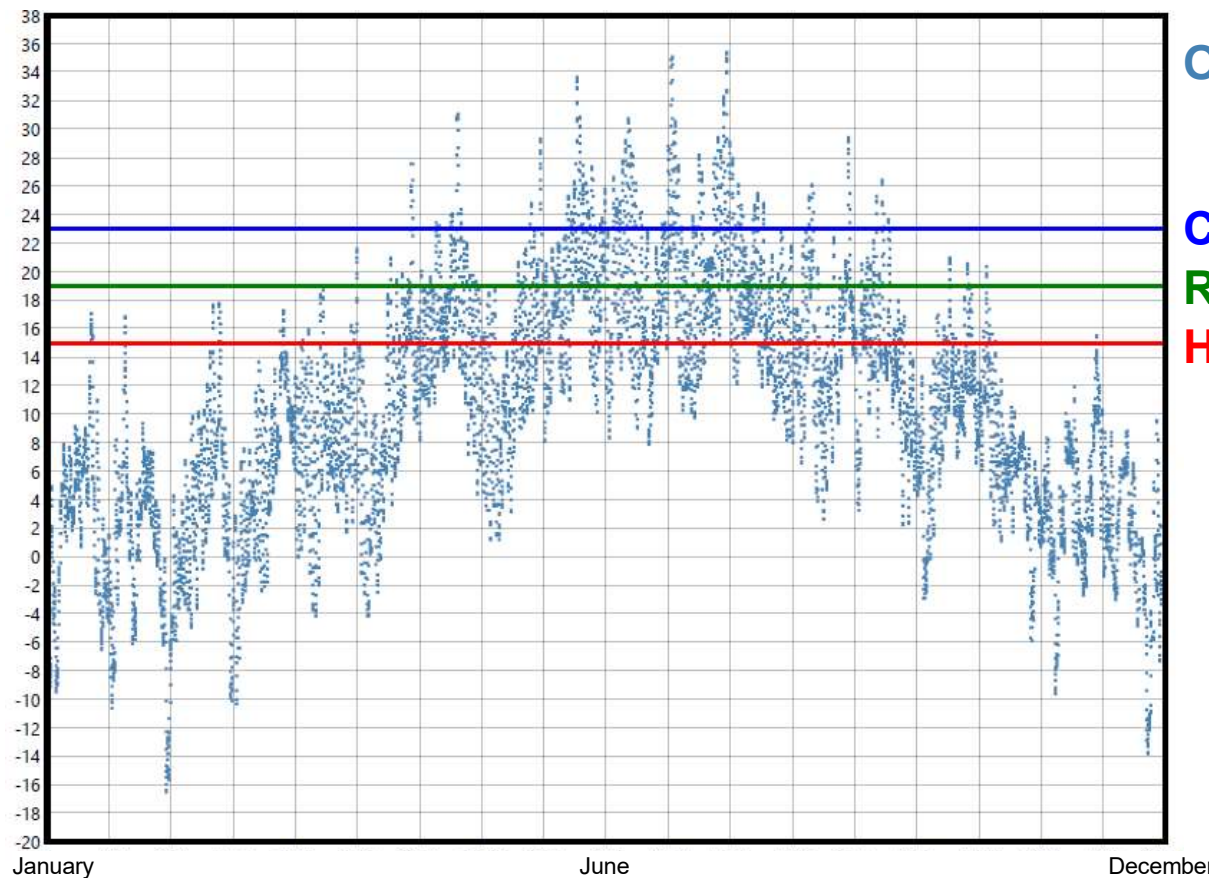


# The Potential of Existing Buildings

Technology Drivers: Energy Efficiency with Largest Impact in Winter



Heating Degree Days in Zürich



Outside temp. (°C)

Cooling limit temp. (°C)

Room temp. (°C)

Heating limit temp. (°C)

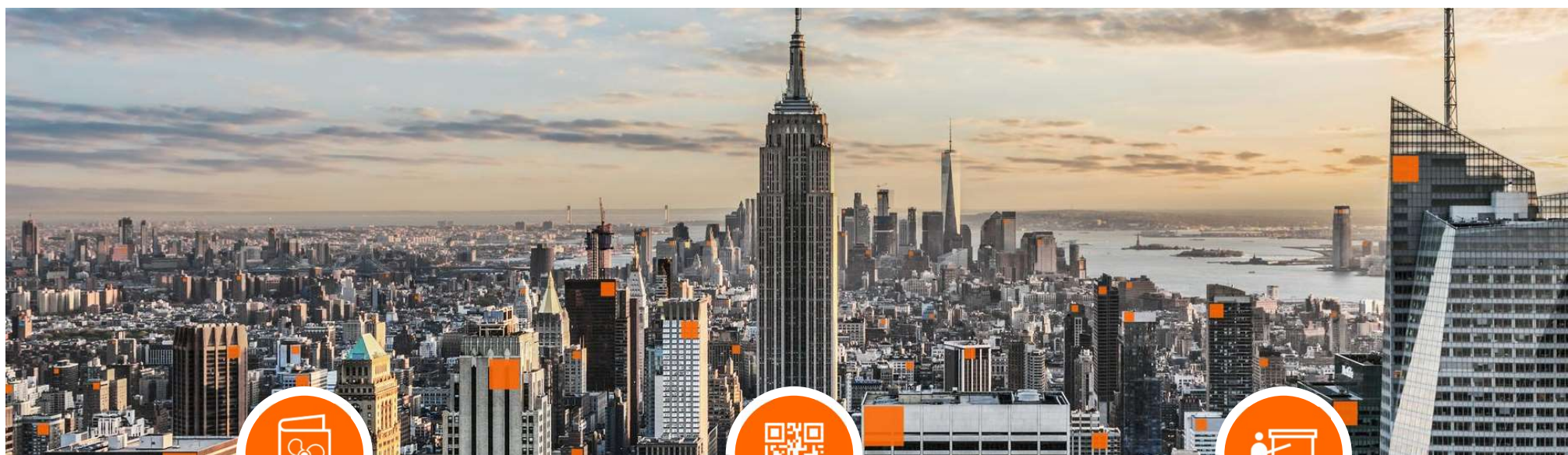
# The Potential of Existing Buildings

## Technology Drivers: Which Renovation Pays Off the Most?



# The Potential of Existing Buildings

## Strategic Initiative RetroFIT+



**1. Regulatory Drivers**



**2. Technology Drivers**



**3. Strategic Initiative  
RetroFIT+**

# The Potential of Existing Buildings

## Strategic Initiative RetroFIT+: Strategy Brush Up



### Customer Value

#### RetroFIT+

Accelerate the renewal of the installed base (retrofit).

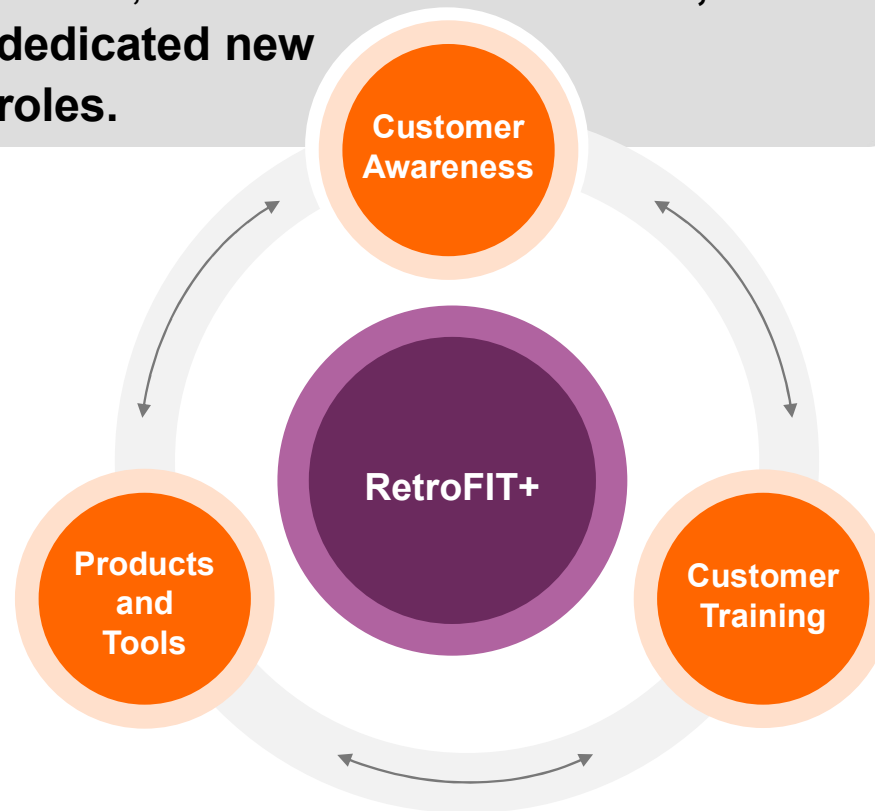
#### Grow Asia Pacific

Ensure market leadership in the fastest growing market.

#### Digital Customer Experience

Innovate our customers' experience.

To resolve **customer bottlenecks** in renovation, we focus on **3 main areas**, with **3 dedicated new roles**.



### Solution Leadership

#### Damper Actuators and Control Valves

Grow business and expand Market leadership.

#### Sensors and Meters

Expand range of comfort, energy, and safety sensors, and increase market share.

#### Digital Ecosystem

Enable seamless access to device data.

# The Potential of Existing Buildings

## Strategic Initiative RetroFIT+: Three Dedicated New Roles



**RetroFIT+ Business Development Manager**



**RetroFIT+ Application Specialist**

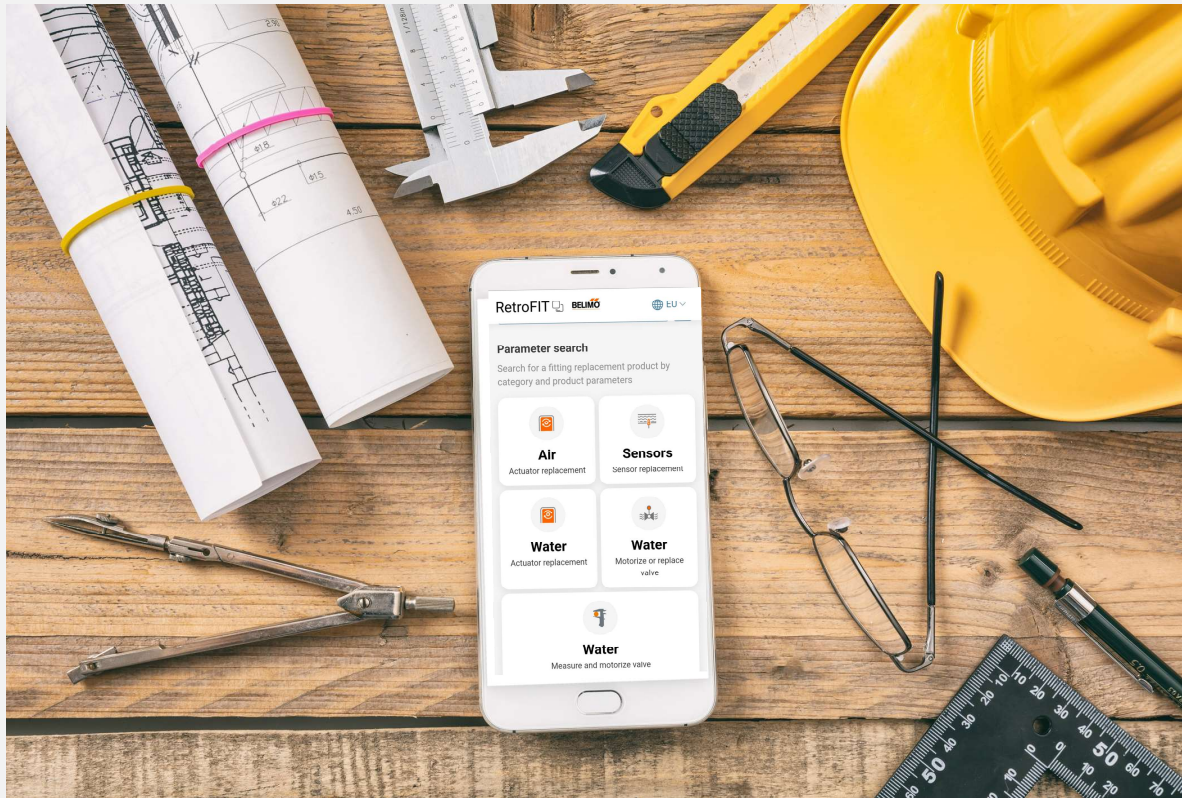


**RetroFIT+ Product Manager**



# The Potential of Existing Buildings

## Strategic Initiative RetroFIT+: Products and Tools



### The Belimo RetroFIT+ App

- Allows customers to specifically **replace outdated or defective field devices**.
- Our customers can find the right replacement to **modernize their installation**.
- They can **plan complete RetroFIT+ projects** as easily and efficiently as never before.

# The Potential of Existing Buildings

## Strategic Initiative RetroFIT+: Products and Tools



- The result of the analysis is an **assessment report** that includes an investment and savings estimation.
- This serves as a **decision basis for a retrofit project**.



Rhätische Bahn, Landquart

### Report - Energy Saving Estimation

Rhätische Bahn RhB  
Sample street  
CH - 7302 Landquart

Date  
00.02.2023

BELIMO Automation AG  
info@belimo.ch, www.belimo.eu



#### 01 Building Information

##### Building Information

Annual energy consumption heating	tbd kWh	Energy cost heat	tbd € / kWh
Annual energy consumption cooling	tbd kWh	Energy cost cooling	tbd € / kWh
Annual energy consumption electricity	tbd kWh	Energy cost electricity	tbd € / kWh

**Notes**  
Exact numbers were not available. Therefore any subsequent saving estimation calculations will be relative numbers.

#### 02 Savings potential based on standard ISO 52.120

##### Savings potential based on standard ISO 52.120

##### Building management system evaluation

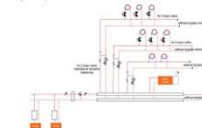
1.3 Control of distribution network hot water temperature (supply or return)	➡
1.3 Control of distribution network hot water temperature (supply or return) AHU	➡
1.4 Control of distribution pumps in network	➡
1.4a Hydraulic balancing heating distribution (including contribution to the balancing to the emission side)	➡
1.4 / 1.7 Heat generator control	➡

**Comments**  
All the distribution is controlled by EV injection circuit installed. Balancing is already done.

#### 03.1

##### Scheme - current situation

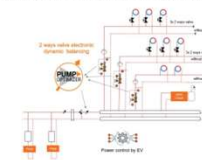
All controls are following the mechanical HVAC controls independent about. Main pump is controlled by pump controller by a thermal pressure sensor.



#### 03.2

##### Scheme - future situation

1. Some saving can be achieved without changing the installation.
2. Implement a pump optimization function to the BMS.
3. Change from variable temperature control to load demand control (Programming only).



#### 03 Main modification

##### Main modification

Best solution  
Energy saving

Best solution  
Energy saving

Best solution  
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# Engineering for a better world.

100+

Engineers & Designers

13

Nations

5

Offices

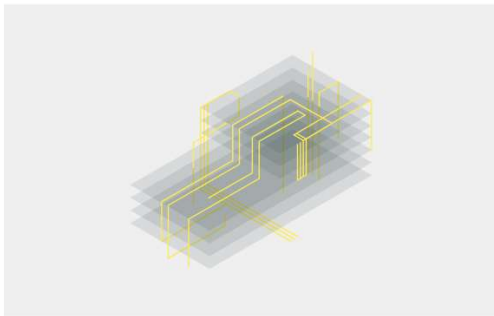
Zurich  
Rheinfelden  
Bern  
Wrocław  
Shanghai

1989

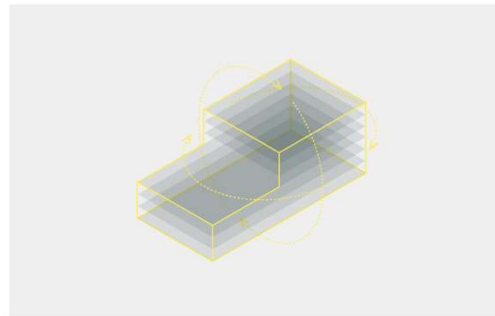
2nd Generation  
Family Business



# Focusing on the Life Sciences Industry since 1989



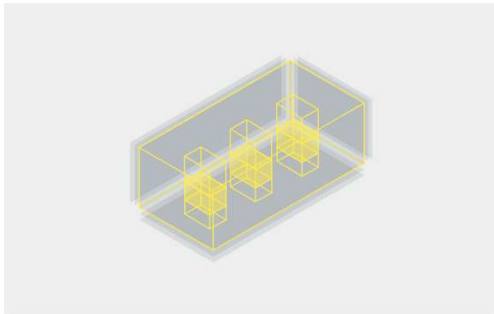
Building Technology



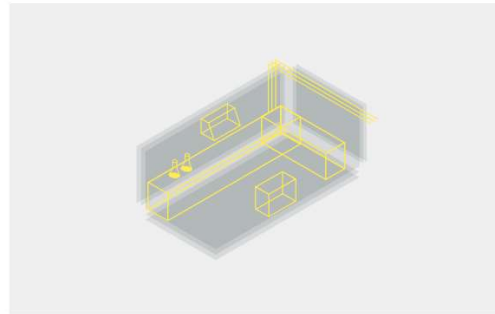
General Planning



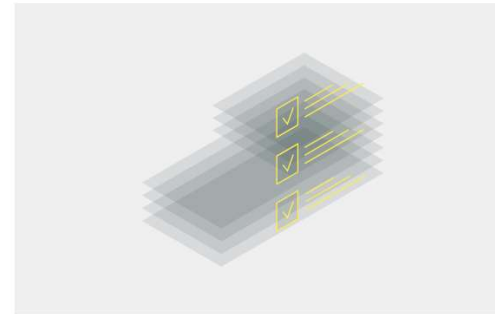
Digital Building



Cleanroom



Lab



GMP

Willers is an international engineering company for high-tech buildings and infrastructure. As a family business we think in terms of generations - in our relationships and in our solutions.

**WILLERS**

# Decoding the DNA of Retrofit Projects:

## The Fine Art of Construction

Managing Expectations, User  
Requirements Specifications, Quality,  
Timeline, and Cost.

**WILLERS**

# Case Study Office Building „Schader“ Zurich

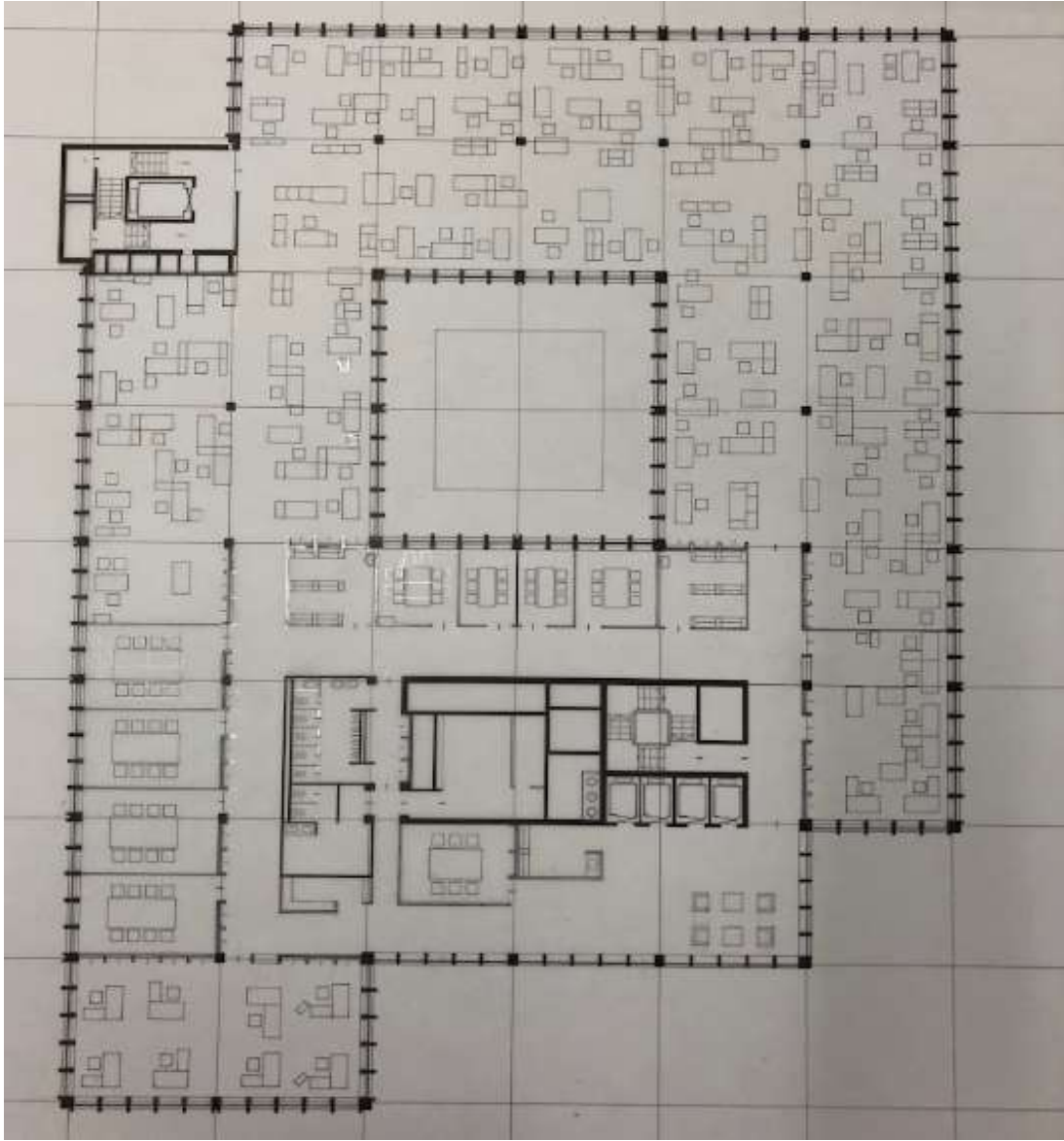


Belimo Capital Markets Day 2023

Picture: Nachlass Jacques Schader, GTA-Archiv, ETH Zürich

- Urban development and original framing of architecture
- Potential heritage protection
- Tying the original logic of the building with modern needs
- Structure, building services, and automation
- Energy efficiency and decarbonization

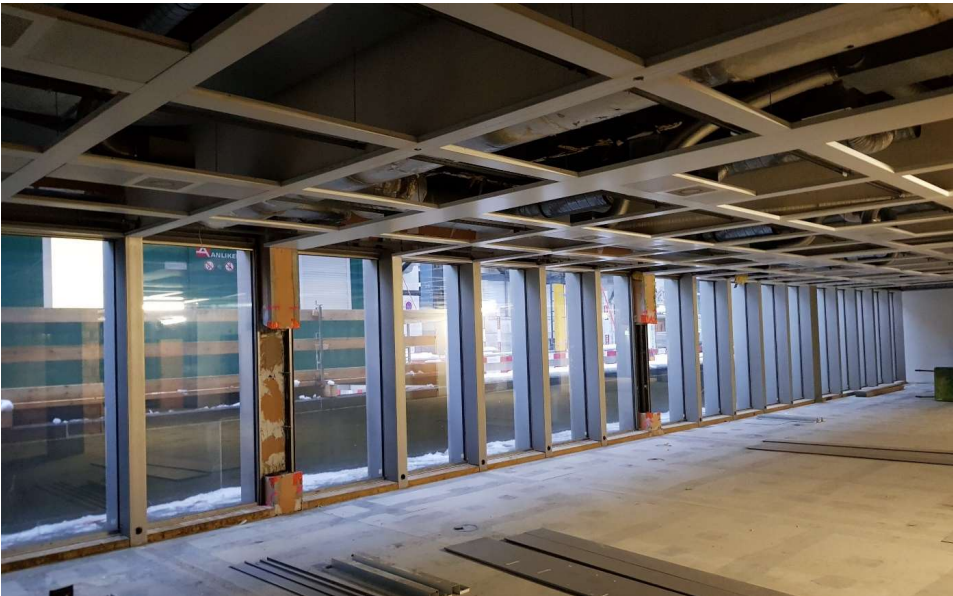
**WILLERS**



Pictures: Nachlass Jacques Schader, GTA-Archiv, ETH Zürich



# Case Study Office Building „Schader“ Zurich



Heritage protected suspended ceiling



Ceiling mockup and lab testing

# Upgraded Regulation and Building Code pose additional Challenges to Retrofit Projects



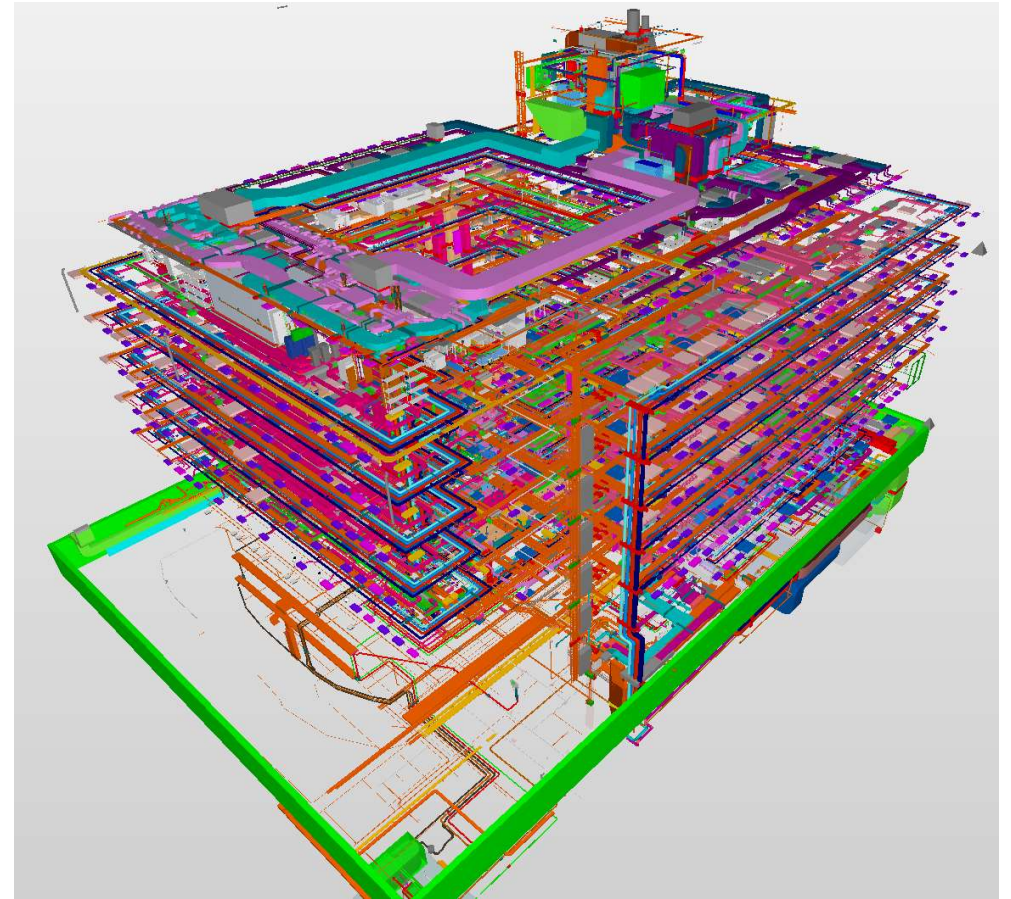
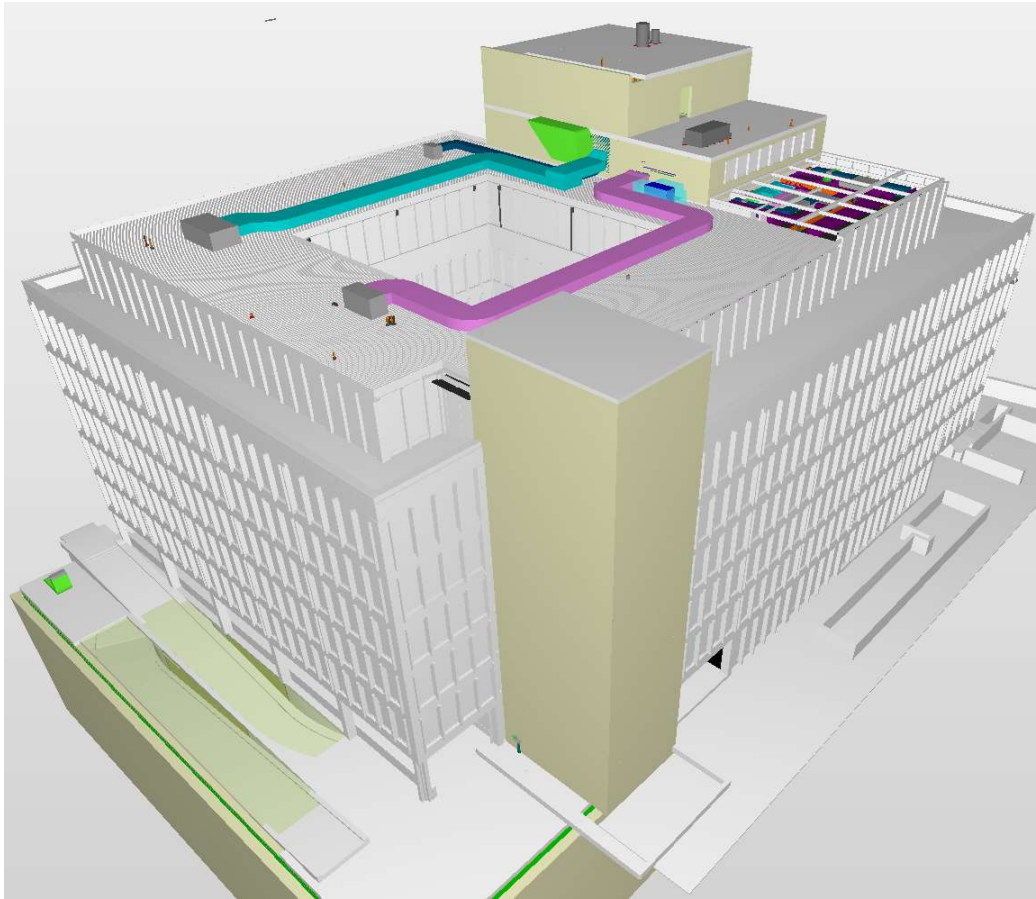
Size of ducts as tradeoff between energy efficiency and spatial coordination



Spatial Coordination

# Building Information Modeling (BIM) and Digital Twin

## Reducing Complexity



# Collaborative and Data Driven Approach is the only viable Path for complex Retrofits

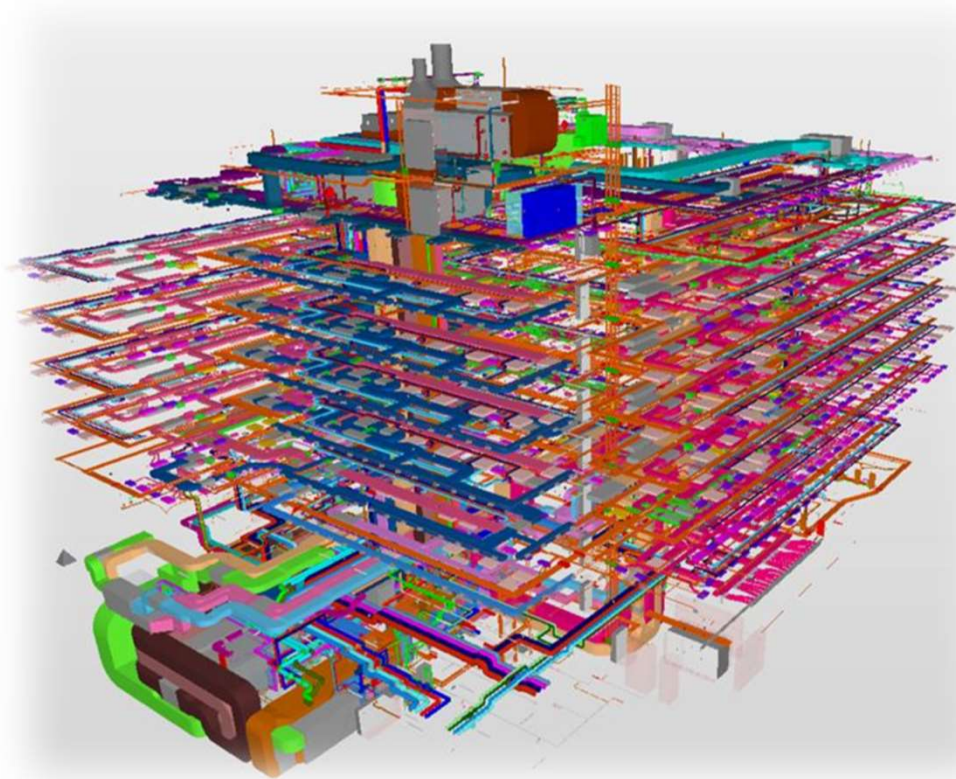
BIM2FM-Approach

Model-based Tendering

HVAC-BMS Designer

Digital Building Consultant

Master-Systems-Integrator

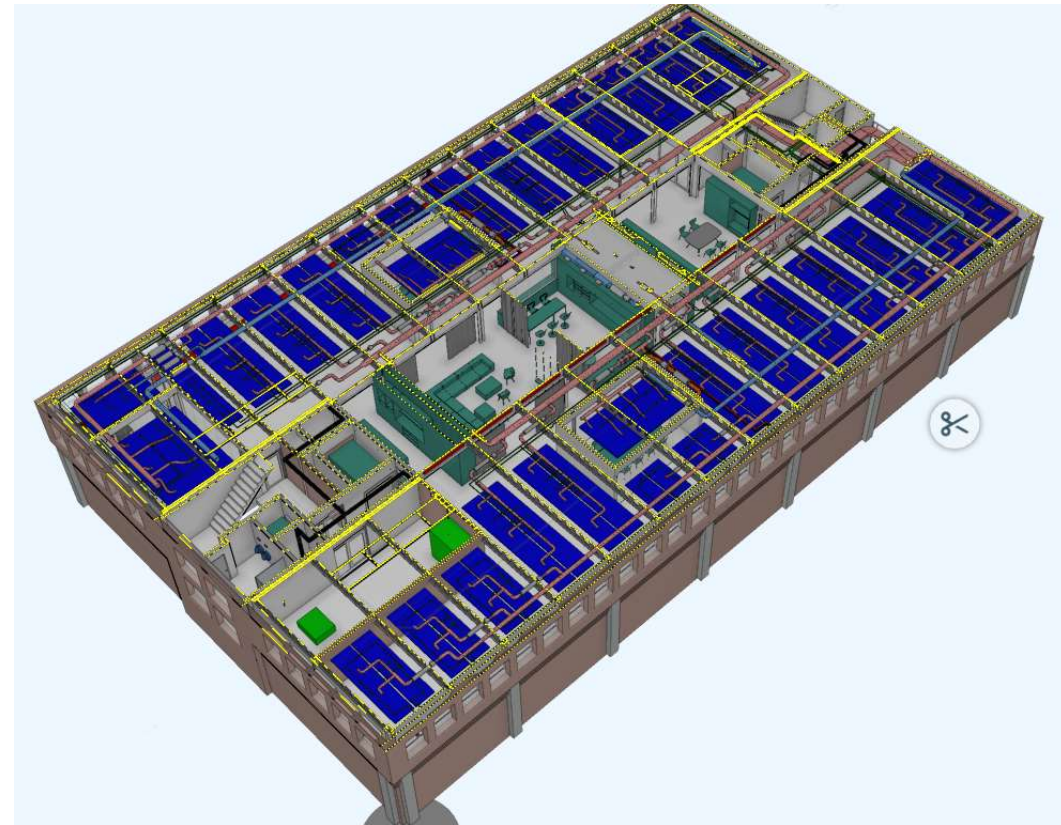
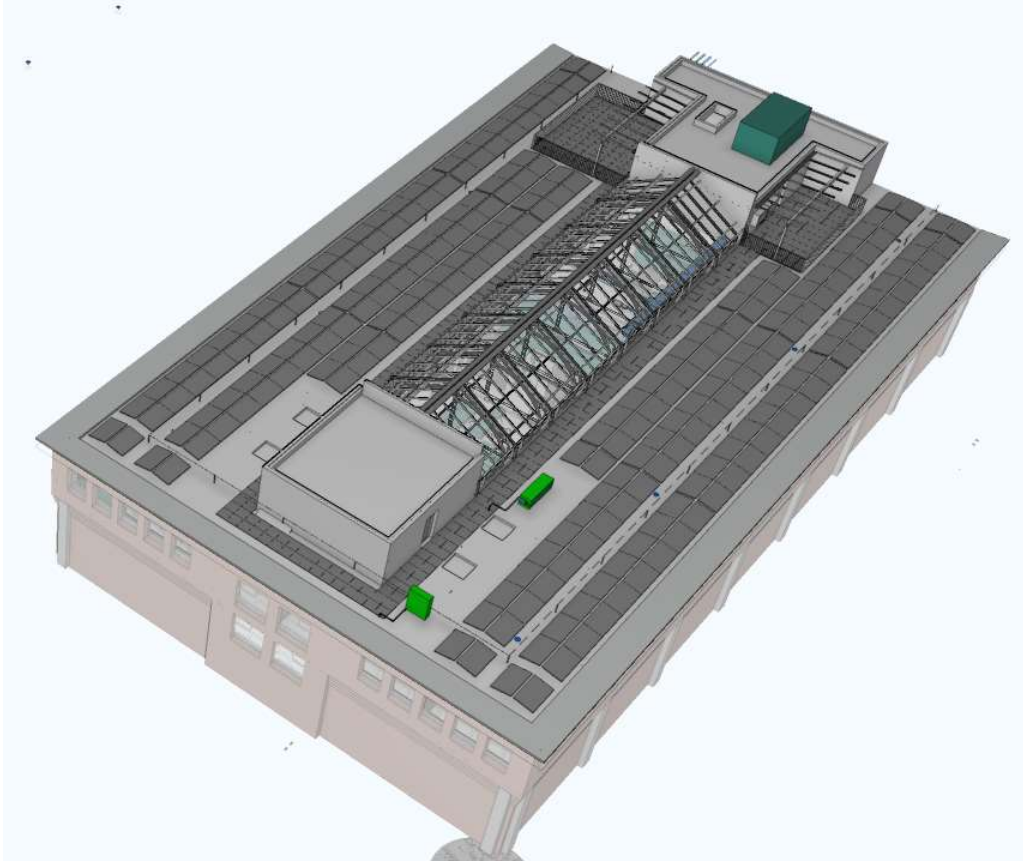


Number of Field Devices

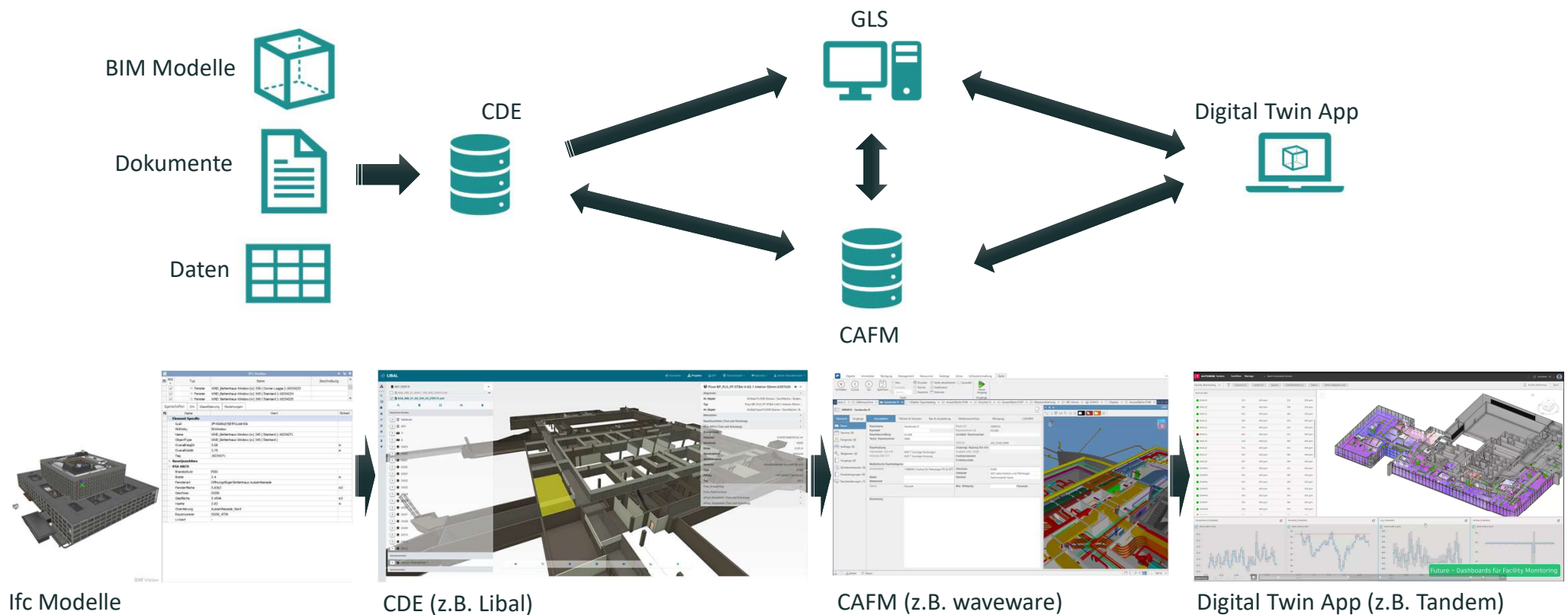
HVAC 1'200

Electrical 2'700

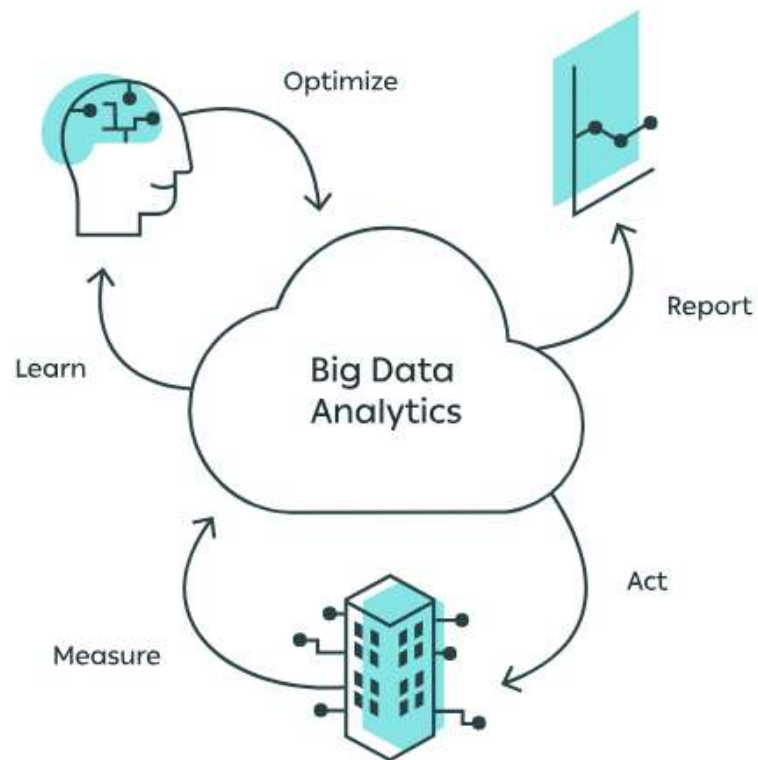
Sanitary 100



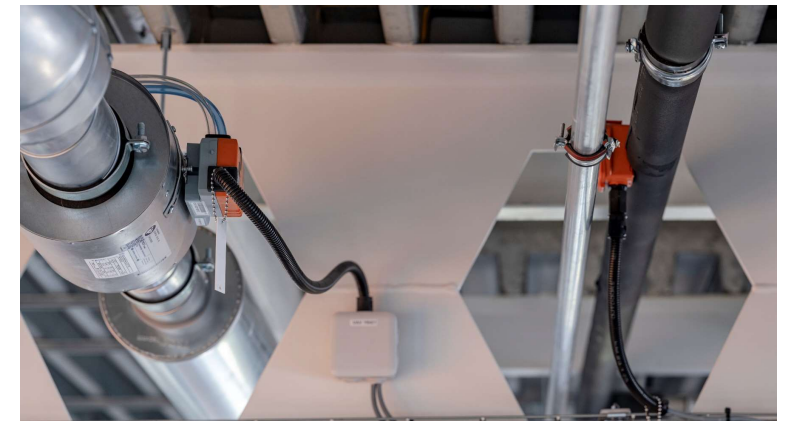
# BIM2FM and Digital Twin Applications will disrupt the Design and Operation of Buildings



# IoT and Cloud drive the Digitization of Buildings



# Digitization and Construction Management must work Hand-in-Hand **Interdisciplinary Skill: Design and Technology**



**WILLERS**

# Skilled Talent for Construction is irreplaceable



Belimo Capital Markets Day 2023

**WILLERS**

## Summary

# Retrofit Projects: The Fine Art of Construction

- The **complexity** of retrofit projects is vastly underestimated. This is the main reason why cost estimations for retrofits are by far less accurate.
- Successful retrofits are always the product of close and seamless **collaboration** of client, designers, engineers, contractors and suppliers.
- **Belimo's regional application consultants** tie loose ends in the collaboration of clients, designer & engineers, contractors and FM.
- Retrofit market is a "**Quality first**" market. The negative consequences of second-rate BMS technology offset potential cost savings.
- **Opportunity** for Belimo: IoT and cloud for large retrofit projects.
- The fate of any retrofit project is settled on the construction site: **A skilled workforce is irreplaceable.**

**WILLERS**

# Leading Technology, Regional Application Consultants ... and **Orange**



# Agenda



1

## **Welcoming Remarks and Review 1<sup>st</sup> Half-Year Results**

Dr. Markus Schürch, CFO

2

## **The Potential of Existing Buildings**

Lars van der Haegen, CEO

3

## **Planner's Perspective on Retrofit Projects**

Magnus Willers, CEO Jobst Willers Engineering AG

4

## **"The Atrium" Tour / Coffeebreak**

M. Manfredi, Global Real Estate Manager / M. Hediger, Lead Idea Mgmt

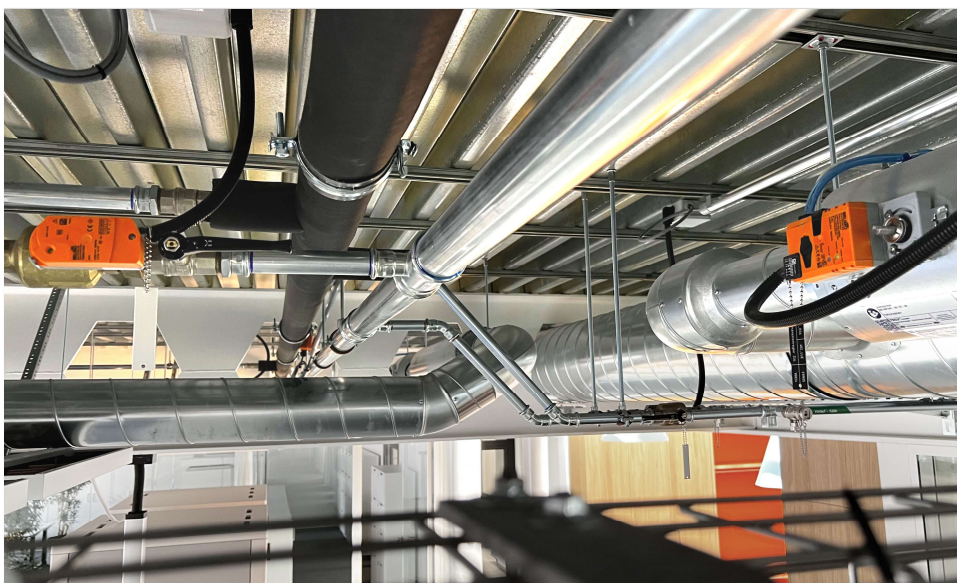
5

## **Building Owner's Perspective on Retrofit Projects**

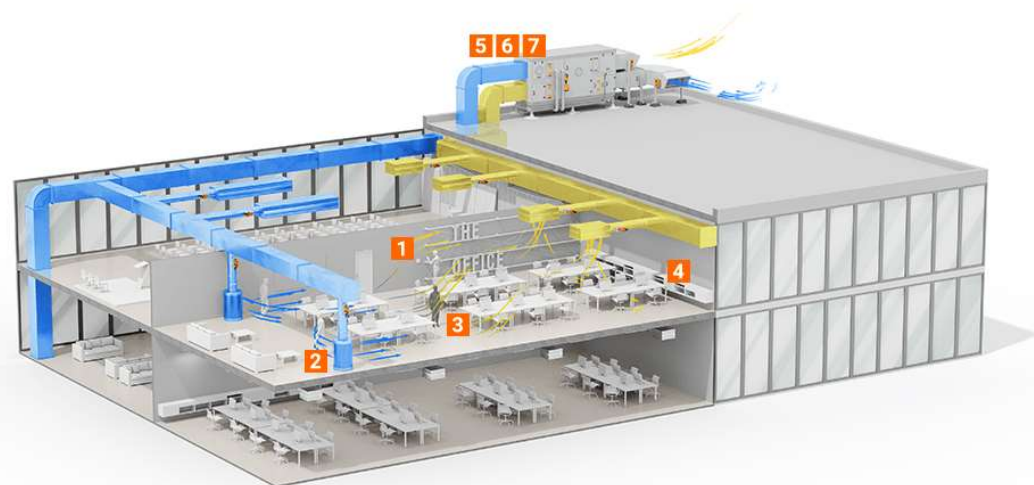
Urs Baumann, CIO Swiss Prime Site AG

## "The Atrium" Tour

### A Successful RetroFIT+ Project Focusing on Energy Efficiency and IAQ



Significant **energy efficiency** gains could be achieved by retrofitting the existing ventilation system with **water-cooled chilled ceilings** featuring integrated air outlets.



"The Atrium" RetroFIT+ project put a great focus on the **Seven Essentials of a Healthy Building**, featuring volumetric flow of supply and extract air depending on the CO<sub>2</sub> levels.

# Agenda



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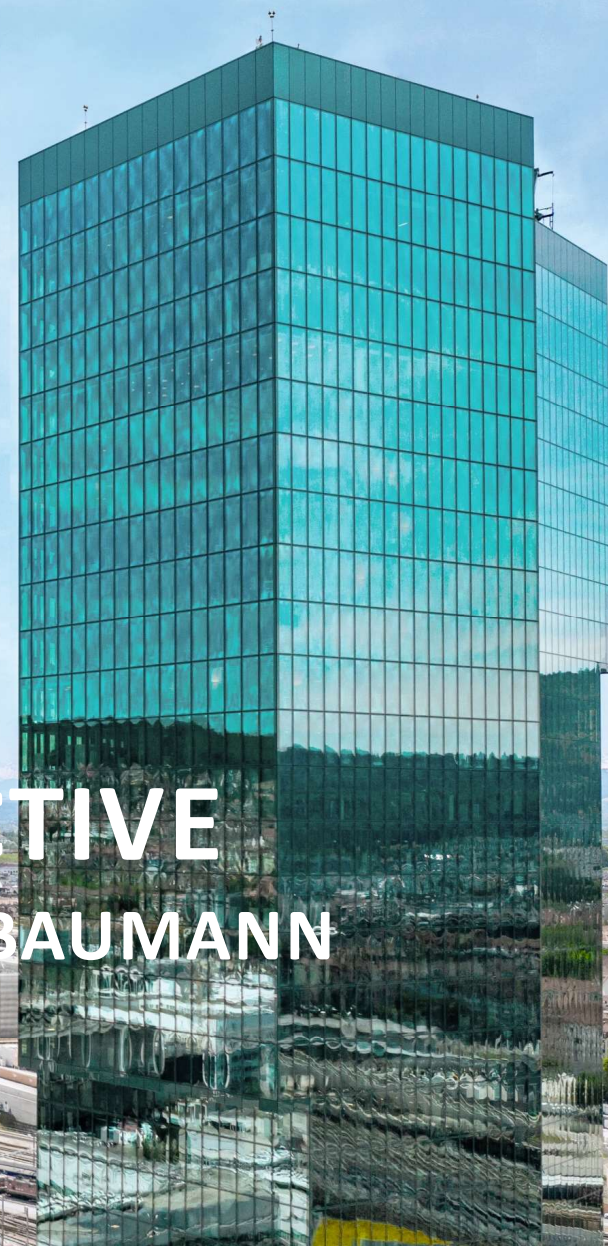


SWISS PRIME SITE

# BUILDING OWNER'S PERSPECTIVE

## SWISS PRIME SITE IMMOBILIEN AG | URS BAUMANN

HINWIL, SEPTEMBER 2023



## Speaker



### Urs Baumann

Chief Investment Officer

Member of the Executive Board

Business: +41 58 317 17 59

Mobile: +41 79 699 63 89

[urs.baumann@sps.swiss](mailto:urs.baumann@sps.swiss)

## Short CV

Since April 2021, Urs Baumann is Chief Investment Officer of Swiss Prime Site Immobilien AG. He joined Swiss Prime Site AG in 2016 as Head Sustainability & Innovation and was nominated Head Development in 2018.

From 2002 to 2007, he worked in various architecture firms in Baden, Dublin and Zürich. From 2007 to 2016, Urs Baumann worked for Implenia Schweiz AG – initially in project management and since 2008 in various managerial capacities for the project development business.

Education: Dipl. Architect, Executive MBA

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## Zurich Office

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Prime Tower  
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CH-8005 Zurich

## Geneva Office

Swiss Prime Site AG  
Rue du Rhône 54  
CH-1204 Geneva

# Largest listed real estate company in Switzerland

**#1**  
Landlord in  
Switzerland

**CHF 13.1 bn**  
Portfolio value

**CHF 8.2 bn**  
Assets under  
Management

**168**  
Properties

**CHF 437 m**  
Rental income

**CHF 47 m**  
Fee related  
earnings

**Top 20%**  
of GRESB <sup>1</sup>

**5.2 y**  
WAULT

**365%**  
Total return  
since IPO

**CHF 348 m**  
EBIT

**CHF 2.2 bn**  
Development  
pipeline

**4.2%**  
Dividend yield <sup>2</sup>



<sup>1</sup> peer comparison (4<sup>th</sup> of 20). Note: Figures per June 2023 or Last Twelve Months; share related data per August 18<sup>th</sup> 2023

<sup>2</sup> Dividend for 2022 (based on share price as of December 31<sup>st</sup> 2022)

# Success story since 1999

Foundation  
Real estate company

Expansion of business model  
to include additional service levels

Structure  
Asset Management

Focus  
on core business



# Portfolio focus on business centres and larger properties

**CHF 13.1 bn**

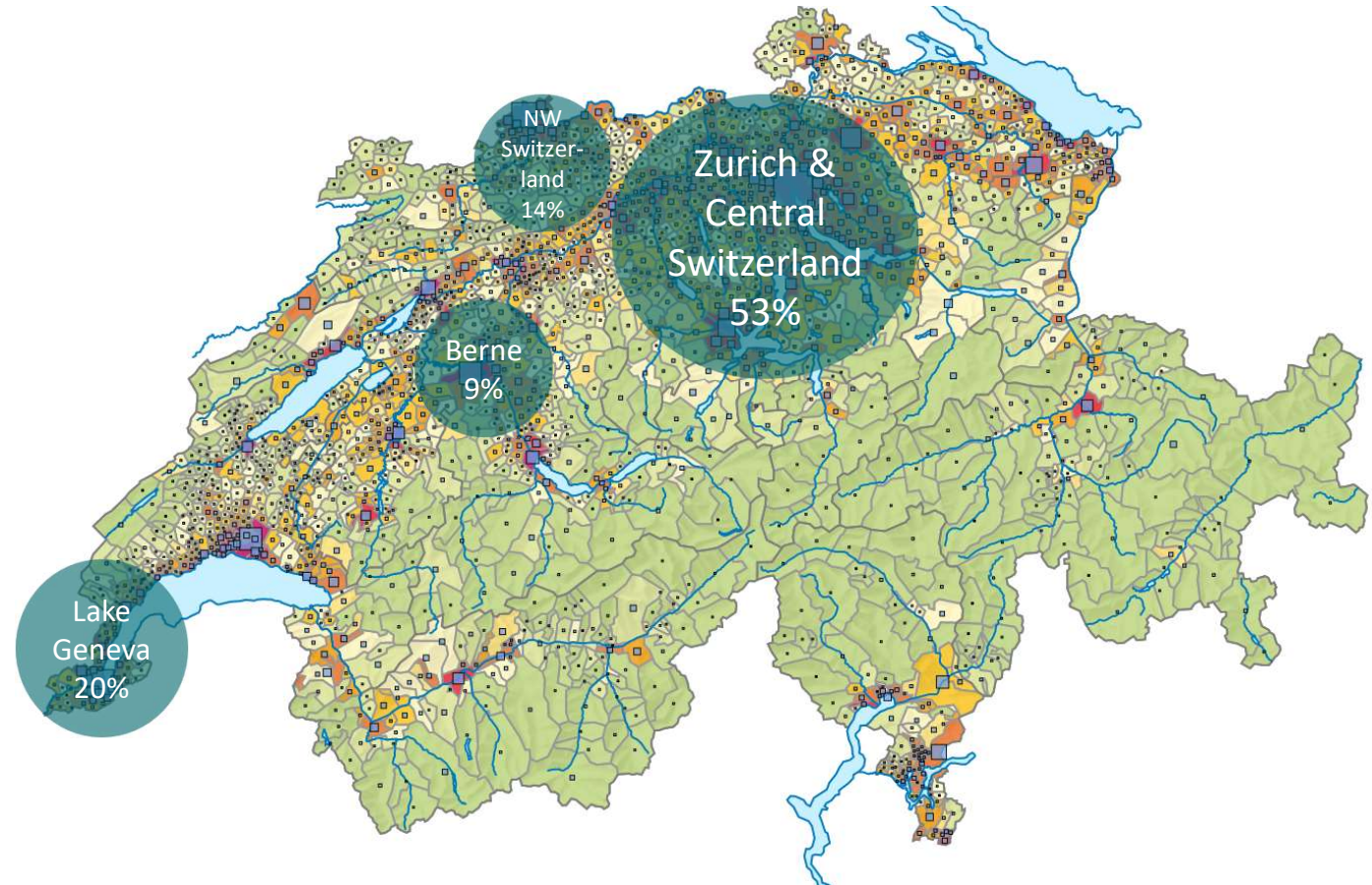
Property portfolio  
(FY 2022: CHF 13.1 billion)

**168**

Number of properties  
(FY 2022: 176)

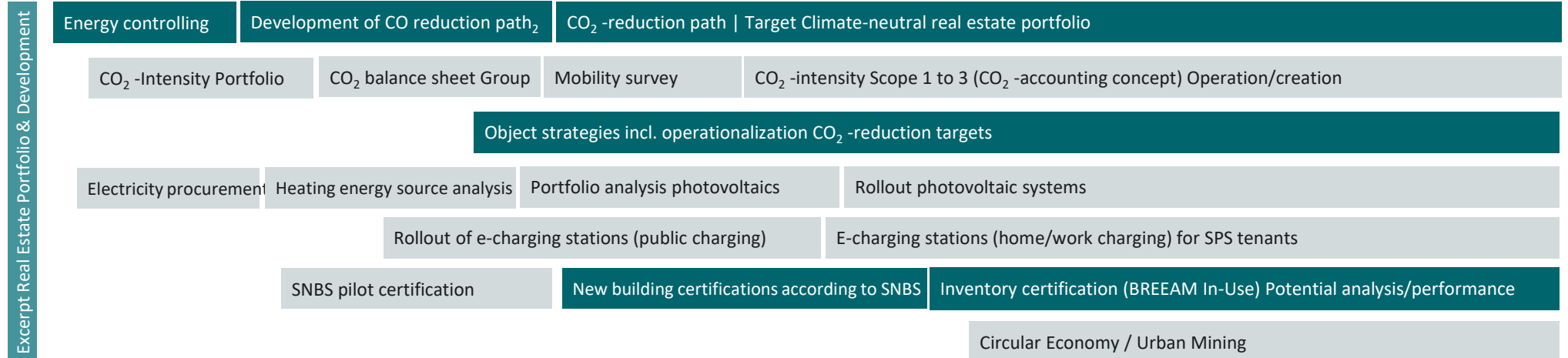
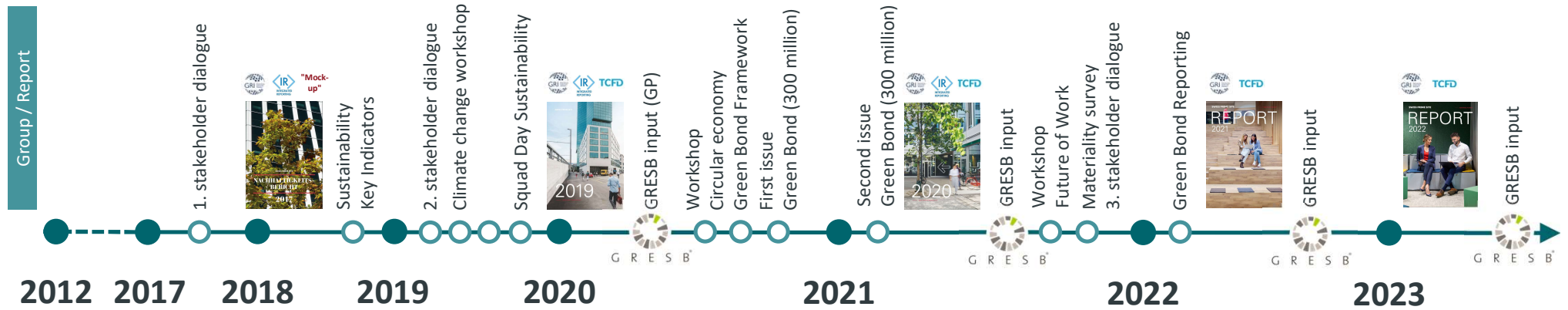
**1.7 million m<sup>2</sup>**

Rental space  
(stable)



Map source: admin.ch

# Committed to sustainability



# Investments with a focus on optimizing the real estate portfolio

## Potential of energy-efficient construction projects

### Optimization of the Building Shell



#### Improve energy efficiency

The first step is often to improve the energy efficiency of the building. This can be achieved by better insulation of the walls, roof and floor. High-quality insulation materials with a low environmental impact should be preferred.

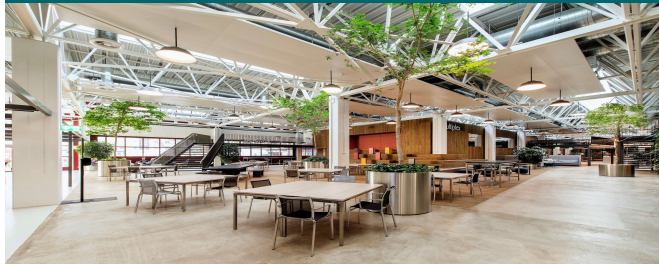
#### Renew windows and doors

Replacing old, leaky windows and doors with energy-efficient models with multiple glazing can reduce heat loss.

#### Use renewable energy

Installing solar energy systems, such as solar thermal or photovoltaic, can help meet the building's energy needs from renewable sources.

### Optimization of the Building Systems



#### Heating optimization and renewal

The optimization of the heating system can significantly reduce energy consumption. The aim is to use efficient boilers, heat pumps or district heating.

#### Improve ventilation systems

Improving ventilation systems can help reduce energy consumption and increase air quality in the building. The aim is to use efficient ventilation systems with heat recovery to further reduce the heating demand.

#### Cooling optimization and efficiency

The integration of passive cooling concepts, such as the use of solar shading, thermal insulation and natural ventilation, can reduce the need for mechanical cooling.

### Optimization of the Building Operation



#### Energy management and monitoring

Energy management systems record and analyse the energy consumption of heating, cooling, lighting and other systems. This makes it possible to identify deviations from normal consumption patterns and detect energy wastage.

#### Operational optimization and training

Ongoing training for the building management team can ensure that all systems are used optimally and that energy-efficient behaviour is encouraged.

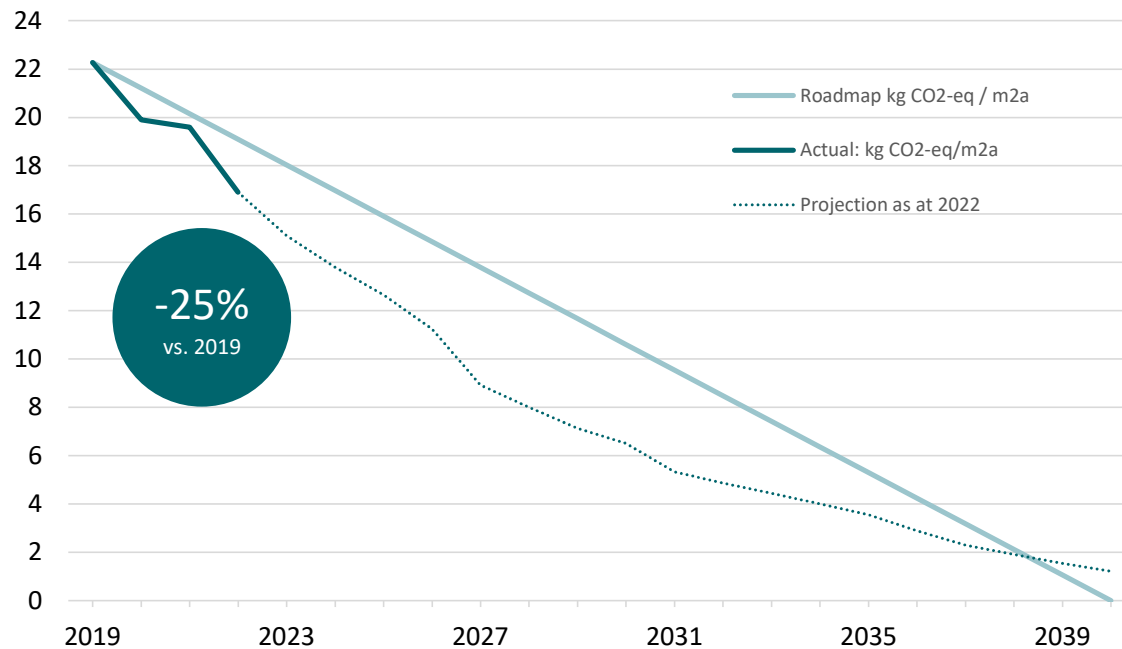
#### Maintenance and regular inspections

Timely identification and correction of irregularities helps to reduce energy consumption and lower CO<sub>2</sub> emissions.

# Climate neutrality in our property portfolio by 2040

## CO<sub>2</sub>-Reduction Path

in kg CO<sub>2</sub>-eq/m<sup>2</sup>a



## Milestones in 2023

- Replacement of heating with renewable energy in Geneva, Rue du Rhône and Route de Malagnou
- Purchase of climate-neutral district heating consumption from 1.8.2023 for 8 properties in Basel
- Portfolio additions from developments (Richterswil, Gartenstrasse 7)
- Roll-out of implementation of green leases in portfolio and future development of operational optimisation (BO Academy with operators)

## Milestones in 2024

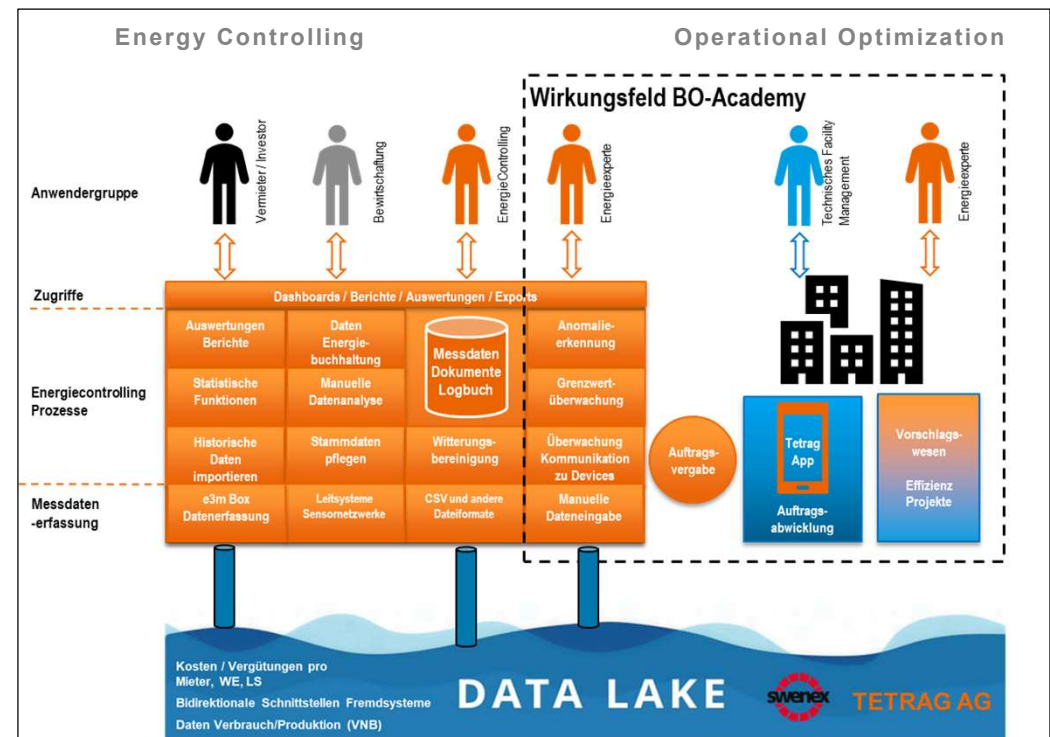
- Heating replacement (in implementation)
  - St. Gallen, Shopping Arena      new district heating
  - Zollikofen, Industriestr. 21      new heat pump
- Portfolio additions from developments (completion 2023)
  - Lancy, Alto Pont Rouge      SNBS
  - Zürich, Müllerstrasse      SNBS
- Development projects in implementation
  - Zürich, Destination Jelvoli      SGNI
  - Uster, Poststrasse 14/20      SNBS

# Energy controlling & operational optimization in cooperation

## Cooperation based on partnership

EC/BO as a core component for over 20 years

- Energy controlling & operational optimization (ger. EC/BO) as interaction of different partners
  - Asset Management: Swiss Prime Site Immobilien AG
  - Property Management: Wincasa AG
  - Facility Management: Bouygues, ISS, Vebego, Equans
  - Energy controlling: Tetrag
  - Data Lake / Sources: Smart meters, building management system, direct measurements
- Data lake as the basis for energy controlling, from which strategic and operational optimization takes place. Data sources include smart meters, building management systems, and direct measurements.
- The goal on the part of ownership is the unification of all values on a target system, which leads to stringent operational value creation.
- Targeted property renovations lead to lower operating costs, improved service levels for tenants and optimized sustainability performance



# Significant progress in our sustainability strategy

1

## Certification Strategy

- Development projects are planned and built according to the Swiss Sustainable Building Standard (SNBS) or an equivalent standard
- Existing buildings are certified according to "BREEAM In-Use"
- 75% of the usable area already certified

~ 100%  
of space by end of 2023  
2022: 75%

2

## Climate Neutrality 2040

- Energy and resource management
- Building strategy "CO<sub>2</sub> reduction path" (replacement of fossil heating systems, efficient building envelopes, etc.)
- Renewable energy procurement
- Generation and use of own renewable energy (PV systems etc.)

-25%  
emissions vs. 2019  
2022: 16.9 kgCO<sub>2</sub>/m<sup>2</sup>a

3

## Circular Economy

- Renovation of existing buildings Müllerstrasse and Route de Meyrin according to the principles of circular economy
- Resource-oriented construction
  - Modernization of the Messeturm Basel (Cradle to cradle)
  - New wood hybrid buildings (maaglive, BERN 131 etc.)

First signatory  
KREISLAUFORIENTIERTES  
BAUEN  
CHARTA  
©

4

## Green Finance Framework

- All new financing as "green", use for
  1. green real estate
  2. Energy efficiency
  3. renewable energy
- Supports the path toward climate neutrality in 2040 through financial incentives
- External validation

CHF 275 m  
Financed in H1 at 1.625%

# Committed to sustainability - Together with the customer

## The Green Lease

Implementation of common sustainability goals

The “Green Lease” project is intended to achieve an important aspect of the sustainability goals. The aim is to take action where most emissions occur in the life cycle of a property - at the user's premises.



Green Lease Contract

Qualification  
for economic  
aspects

Measuring  
impacts on  
sustainability



Qualitative



Quantitative



Statement SPS

Life cycle  
assessment of  
property portfolio

Energy controlling  
and operational  
optimization



Life cycle assessment  
for all buildings and  
subsidiaries



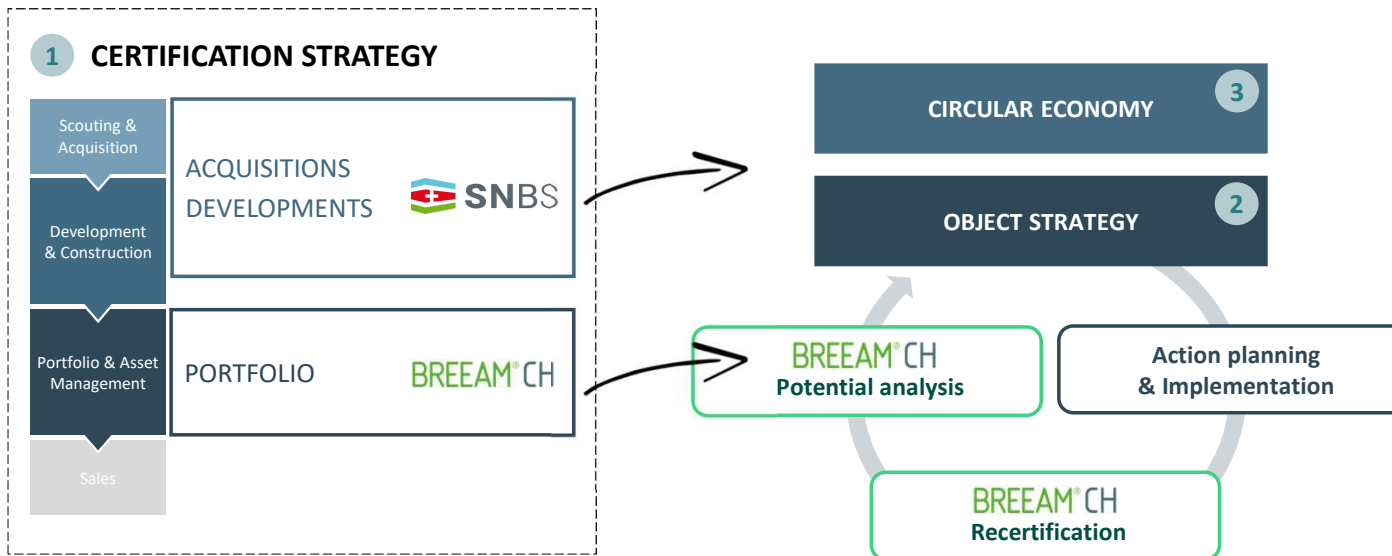
Federal Energy  
Strategy 2050

Switzerland  
**CO<sub>2</sub> neutral**  
until 2050

Swiss building  
park **< 65 KWh**  
until 2050



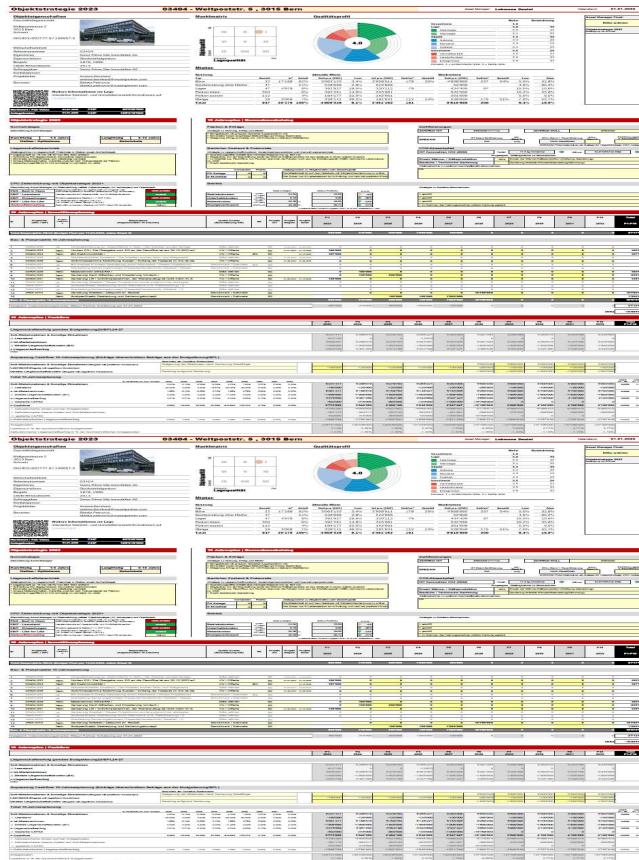
# Consistent increase in ESG performance



SPS ESG Ratings	+
GRESB Score "Standing Investment"	+
GRESB Score "Standing Development"	+
Certification level Portfolio	+
Green Finance Portfolio	4 +
CO <sub>2</sub> reduction path (reduction)	+

**INCREASE ESG PERFORMANCE**

# Integral property strategies with a focus on ESG performance



## Property Strategy & Investment Planning

Planning instruments in asset management

- Definition of **object strategies** and derivation of operational **measures**
  - **Planning horizon**: short-term planning 1-5 years | long-term planning 6-10 years
  - **Norm Strategies**: Hold / Optimize, Develop or Sell.
  - **Space & Yields**: Strategy on utilization, yield and tenant structure
  - **Building condition**: strategy on property condition, renovations & utilization potentials
  - **Certifications & CO<sub>2</sub> reduction**: Certification strategy and CO<sub>2</sub> reduction
  - **Operation**: strategy on operating, maintenance, ancillary costs and energy consumption
- Development of **decision bases** for **investment planning** over 10 years

Portfolio management by means of a dedicated standard strategy per property

+

Financial planning for cash flow and change in value returns

+

Indication of capital requirements for green finance portfolio

+

Certification level portfolio and CO<sub>2</sub> reduction

+

**PERFORMANCE ENHANCEMENT AT THE OBJECT LEVEL**

# Financial value creation through retrofit (CAPEX)

## Advantages of retrofits

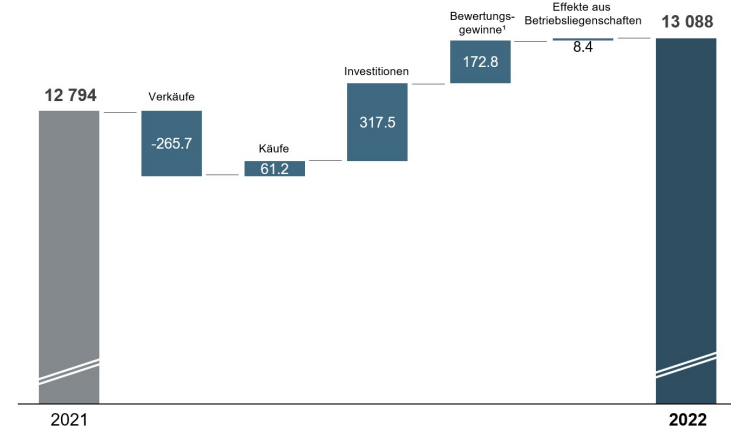
In Real Estate valuation

### Ergebnisse

	Ann. % Soll	Perioden   Reale Cashflows										Exit 01.01.2032
		1	2	3	4	5	6	7	8	9	10	
Erträge		01.01.2022 -31.12.2022	01.01.2023 -31.12.2023	01.01.2024 -31.12.2024	01.01.2025 -31.12.2025	01.01.2026 -31.12.2026	01.01.2027 -31.12.2027	01.01.2028 -31.12.2028	01.01.2029 -31.12.2029	01.01.2030 -31.12.2030	01.01.2031 -31.12.2031	
Bruttoertrag (Soll)	100.0%	6'954'745	6'992'059	6'979'624	6'956'666	7'138'122	7'229'003	7'229'010	7'229'010	7'229'010	7'229'010	7'229'010
Soll-Mieterträge	100.0%	6'954'745	6'992'059	6'979'624	6'956'666	7'138'122	7'229'003	7'229'010	7'229'010	7'229'010	7'229'010	7'229'010
Weitere Erträge	0.0%	0	0	0	0	0	0	0	0	0	0	0
Ertragsminderungen	4.3%	732	867	7'359	10'642	3'384'268	271'088	271'088	271'088	271'088	271'088	271'088
<b>Bruttoertrag (Ist)</b>	<b>95.7%</b>	<b>6'954'014</b>	<b>6'991'192</b>	<b>6'972'264</b>	<b>6'946'024</b>	<b>3'753'854</b>	<b>6'957'916</b>	<b>6'957'922</b>	<b>6'957'922</b>	<b>6'957'922</b>	<b>6'957'922</b>	<b>6'957'922</b>
<b>Kosten</b>												
Betriebskosten	5.6%	410'000	410'000	410'000	410'000	410'000	400'000	400'000	400'000	400'000	400'000	400'000
Instandhaltung	3.7%	160'000	160'000	160'000	160'000	160'000	275'000	275'000	275'000	275'000	275'000	275'000
Instandsetzung	17.2%	1'027'191	0	0	0	2'800'000	0	0	0	0	0	1'428'736
Managementkosten	0.0%	0	0	0	0	0	0	0	0	0	0	0
<b>Total Kosten</b>	<b>26.5%</b>	<b>1'597'191</b>	<b>570'000</b>	<b>570'000</b>	<b>570'000</b>	<b>3'370'000</b>	<b>675'000</b>	<b>675'000</b>	<b>675'000</b>	<b>675'000</b>	<b>675'000</b>	<b>2'103'736</b>
<b>Total Nettoertrag</b>	<b>69.3%</b>	<b>5'356'823</b>	<b>6'421'192</b>	<b>6'402'264</b>	<b>6'376'024</b>	<b>383'854</b>	<b>6'282'916</b>	<b>6'282'922</b>	<b>6'282'922</b>	<b>6'282'922</b>	<b>6'282'922</b>	<b>4'854'186</b>
<b>Marktwert per Periodenbeginn</b>												
Bruttorendite p.a.	2.75%	252'864'230	252'498'094	251'048'771	249'589'610	248'127'798	252'692'058	251'384'038	250'049'851	248'688'980	247'300'892	245'885'042
Nettorendite nach Instandsetzung p.a.	2.12%	2.75%	2.77%	2.78%	2.79%	2.88%	2.88%	2.88%	2.89%	2.91%	2.92%	2.94%
Wertänderungsrendite p.a.	-0.14%	2.54%	2.54%	2.55%	2.55%	0.15%	2.49%	2.50%	2.51%	2.53%	2.54%	1.97%
Total Return p.a.	1.97%	-0.57%	-0.57%	-0.58%	-0.59%	1.84%	-0.52%	-0.53%	-0.54%	-0.56%	-0.57%	

Target ROI > Net property return

### GROWTH PROPERTY PORTFOLIO (FAIR VALUE) in CHF Mio.



<sup>1</sup> Differenz zur Erfolgsrechnung aus Neubewertung der Nutzungsrechte aus Baurechten.  
<sup>2</sup> Gemäss Wüest Partner.

- Improved cash flows due to cost sensitivity and cost control
- Positive "valuation effects" due to minimized risks, long-term property perspective (leasing) and improved ESG performance
- Long-term appreciation and strengthening of the corporate balance sheet
  - Asset side: Resilient and promising properties
  - Liabilities side: Possibility of refinancing by means of Green Finance Portfolio

Belimo Capital Markets Day 2023

As of 01.01.2023

## Key takeaways

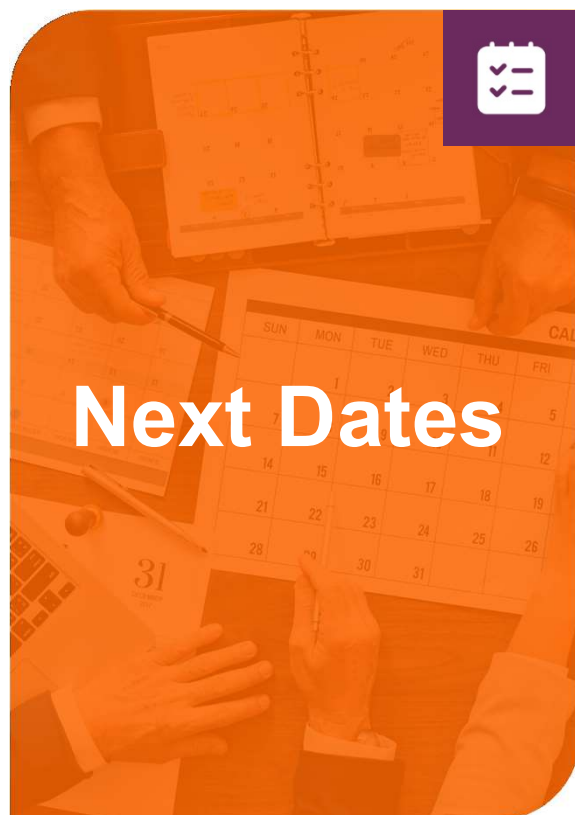
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- Building Owner wants to maintain and increase value for building / tenants' willingness to pay
- Building Owner as well as tenant want to reach CO<sub>2</sub> reduction targets
- Performance data is the key to success in achieving goals such as CO<sub>2</sub> reduction or building certifications

**The real estate portfolio  
of Swiss Prime Site Immobilien is  
climate-neutral by 2040.**

**Promised.**

# Publications and Agenda



## **Publication of Sales 2023**

January 22, 2024

## **Publication of Annual Report 2023**

March 4, 2024

## **Annual General Meeting 2024**

March 25, 2024

## **Ex-Dividend Date**

March 27, 2024

## **Dividend Payment**

April 2, 2024

## **Publication of Semiannual Report 2024**

July 22, 2024

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This presentation contains comments relating to future developments which are based on assumptions and estimates of BELIMO Holding AG. Although the Company assumes the expectations of these forward-looking statements to be realistic, they contain risks. These can lead to the actual results being significantly different from the forward-looking statements.

Various factors may cause actual results to differ materially in the future from those reflected in forward-looking statements contained in this report, among others:

- changes in the economic and business environment
- exchange rate and interest rate changes
- the introduction of competing products
- inadequate acceptance of new products or services
- changes in the business strategy

BELIMO Holding AG neither plans nor commits itself to keep these prospective comments up to date.

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