

# Q1 2023 results

April 20, 2023

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# Key messages

## New installations (NI) markets

Weakening trend globally,  
uncertainty persists

## Order intake

Decrease in NI reflecting  
weakening global market trends,  
growth in Service and Repairs

## Revenue

Growth across all regions  
and product lines

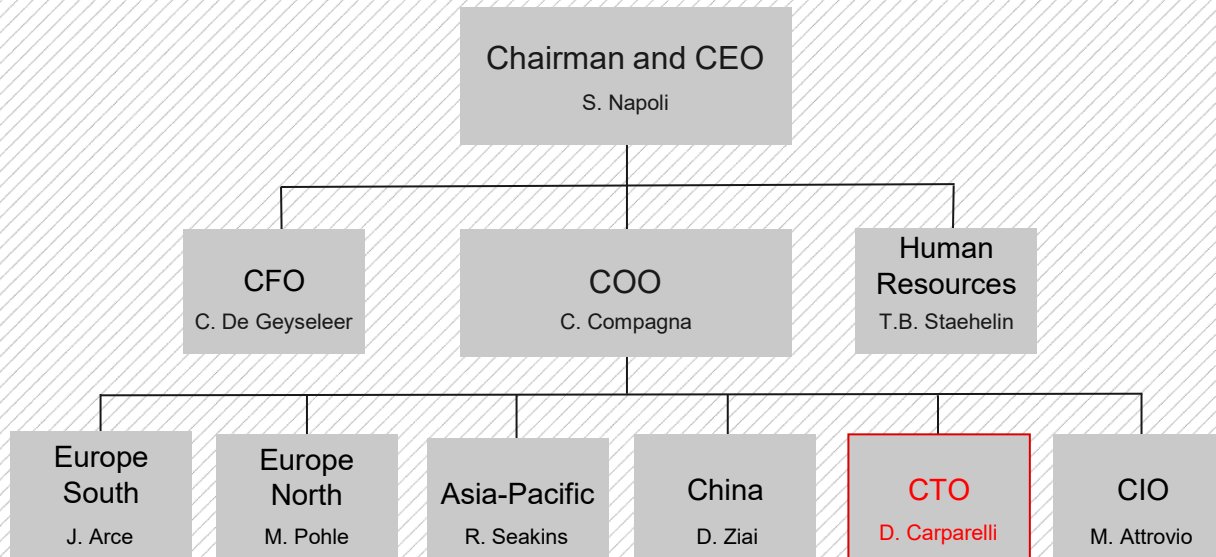
## Improved EBIT and net profit

## Progress on disciplined execution of strategic priorities

# Continued changes to the Executive Committee

New CTO as of May 1, 2023

## Group Executive Committee (as of May 1, 2023)

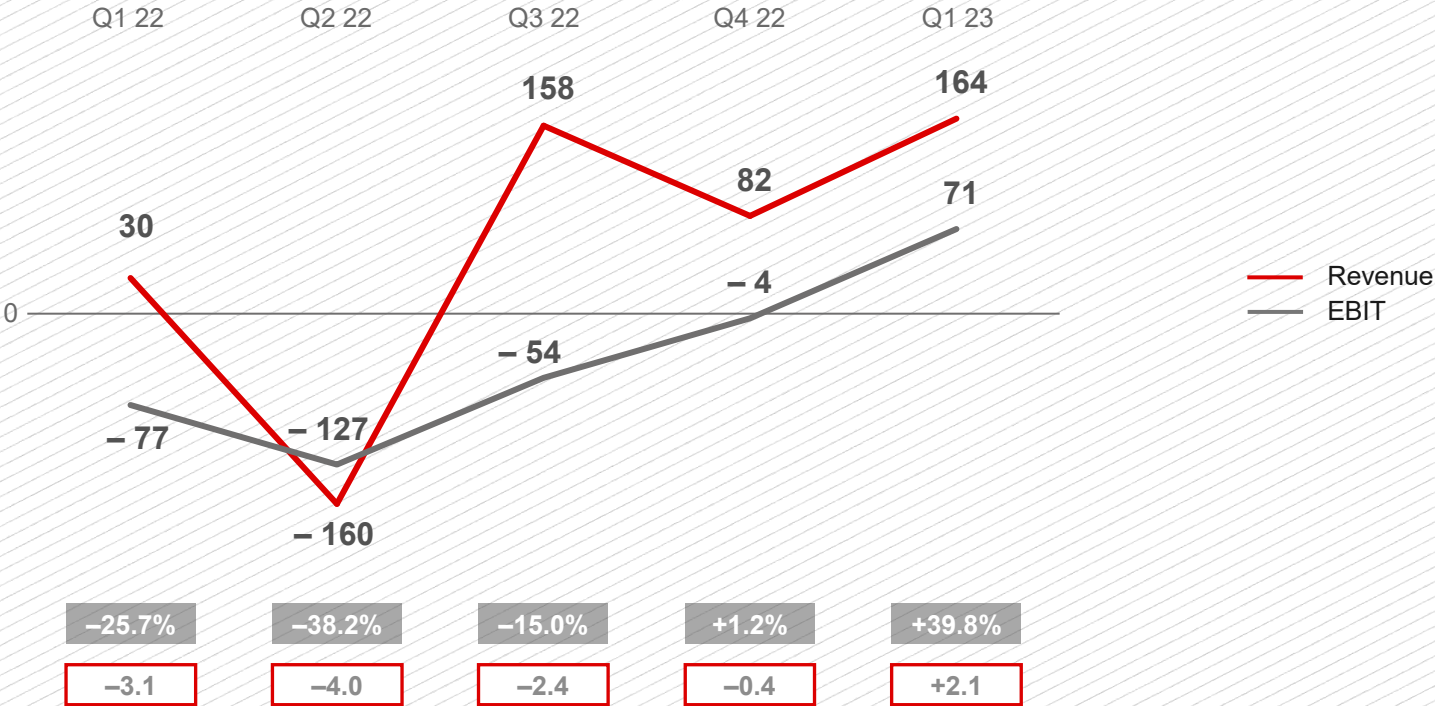


## Changes since January 2022

- Combined Chairman and CEO role
- New COO position
- New Head Asia-Pacific
- FQE removed from ExCo and lead change
- Operations removed from ExCo
- Head Americas changed and removed from ExCo
- New CFO
- Supply Chain removed from ExCo
- New CTO

# Staying the course

Year-on-year revenue and EBIT evolution (CHF million)





# Agenda

1. **Market update**
2. Financial results
3. Outlook 2023
4. Q&A

**Silvio Napoli**

Carla De Geyseler

Carla De Geyseler

Silvio Napoli/Carla De Geyseler





# Updated market outlook 2023

New Installations: China bottoming out, Europe and Americas softening.

Service and Modernization remain strong.

Units	China	APAC w/o China	Americas	EMEA	Global
New Installations	— — —	++	—	—	— —
	Decline slowing down  Recovery timing and magnitude uncertain	India: growing Southeast Asia: continued overall growth	North America: softening, especially in commercial  South America: growth slowing down	Europe: persisting demand, cost of capital increase delays new investments and brings projects on hold  Middle East/Africa: strong momentum	Weakening trend globally  Uncertainty persists
Modernization	Robust demand				++
Service	Continued growth across the regions				++

0 to <5% +	0 to > -5% —
5% to 10% ++	-5% to -10% --
>10% +++	< -10% ---

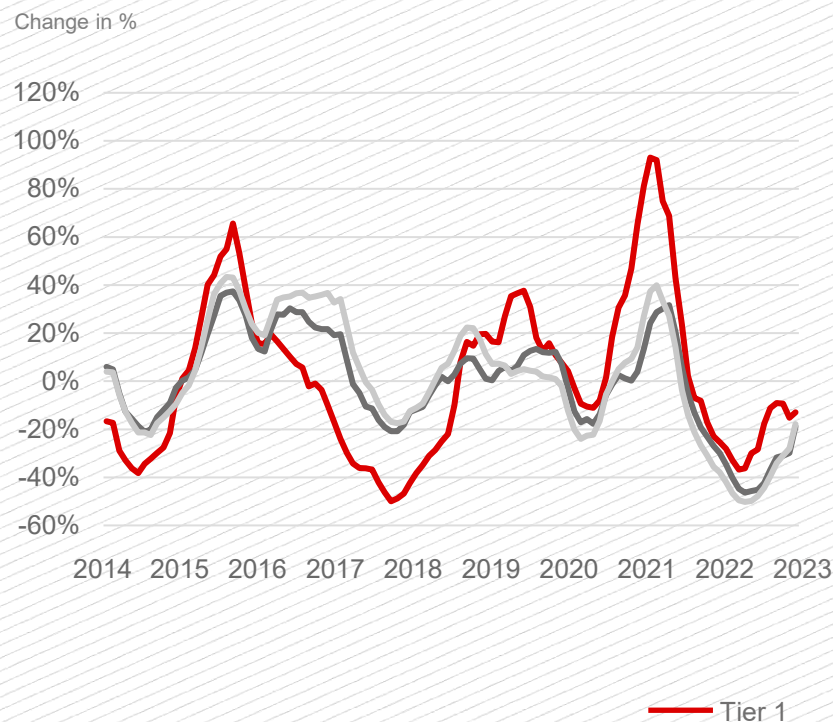
Source: Schindler estimates



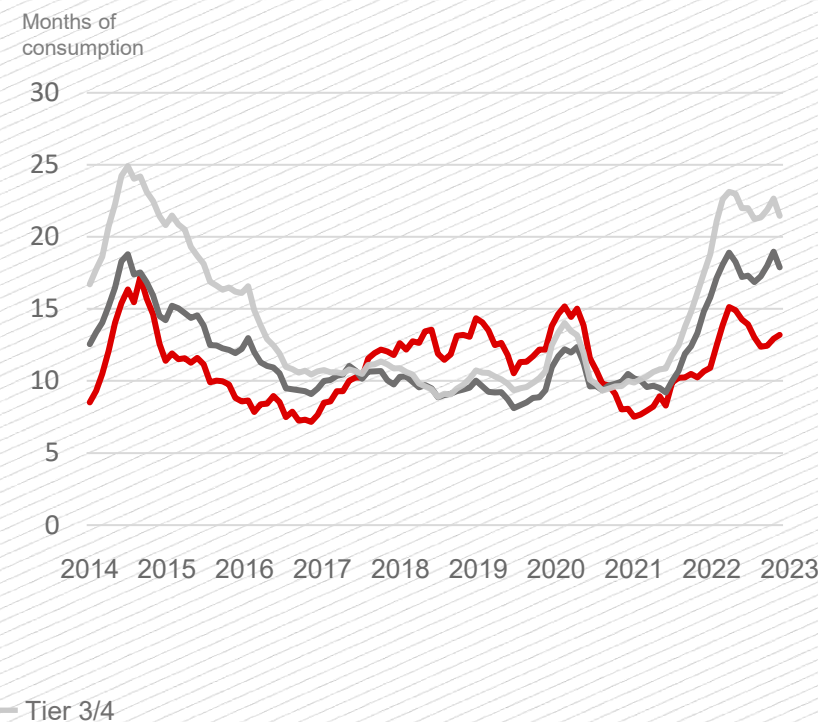
# China NI: recovery timing and magnitude uncertain

## Decline bottoming out

Floor space sold showing signs of recovery<sup>1)</sup>



Housing inventory stabilizing across city tiers<sup>2)</sup>



<sup>1)</sup> Six months moving average by city tier (source: Yiju, February 2023)  
<sup>2)</sup> Housing inventory by city tier (months of sales; source: Yiju, February 2023)





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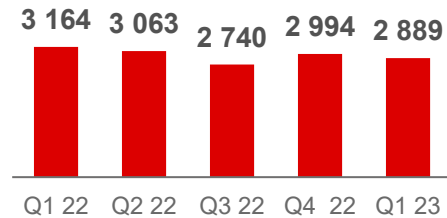
# Results in a nutshell

Revenue and profit growth, improving order intake margins

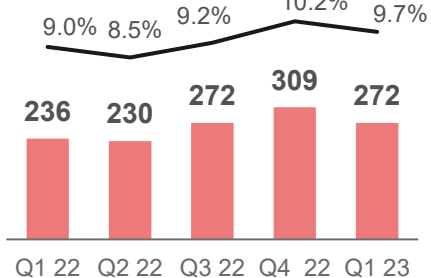
## Q1 2023 vs. Q1 2022



### Order intake slowing

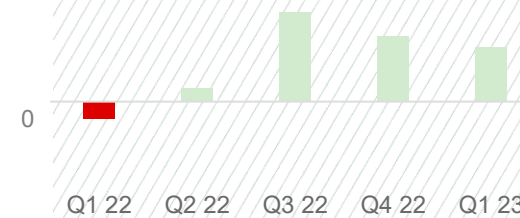


### Year-on-year EBIT adj. improvement

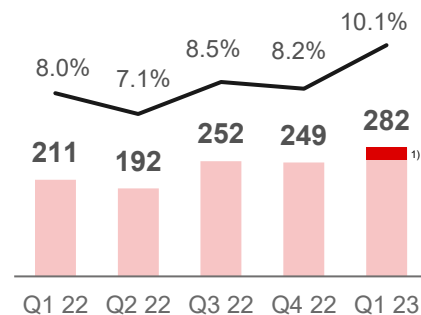


### Order intake margin up

(New Installations year-on-year margin in LC)

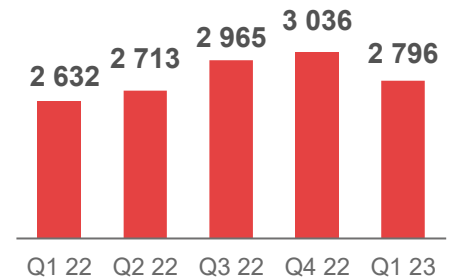


### EBIT improvement

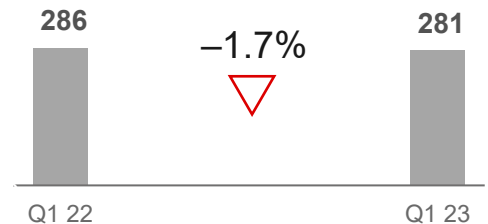


1) One-off real estate gain of CHF 26 million

### Solid year-on-year revenue development



### Operating cash flow at comparable level



# Q1 2023 key figures

## Accelerated revenue growth and profit improvement

In CHF million	Q1 2023	Q1 2022	△ %	△ % in LC
Order intake	2 889	3 164	−8.7	−5.0
<b>Revenue</b>	<b>2 796</b>	<b>2 632</b>	<b>6.2</b>	<b>10.0</b>
<b>Operating profit (EBIT)</b>	<b>282</b>	<b>211</b>	<b>33.6</b>	<b>39.8</b>
in %	10.1	8.0		
<b>Operating profit (EBIT), adjusted</b>	<b>272 <sup>1)</sup></b>	<b>236 <sup>2)</sup></b>	<b>15.3</b>	<b>20.8</b>
in %	9.7	9.0		
Financing and investing activities	−8	−23		
Profit before taxes	274	188	45.7	
Income taxes	62	44		
<b>Net profit</b>	<b>212</b>	<b>144</b>	<b>47.2</b>	
Earnings per share and participation certificate in CHF	1.84	1.24	48.4	
Cash flow from operating activities	281	286	−1.7	

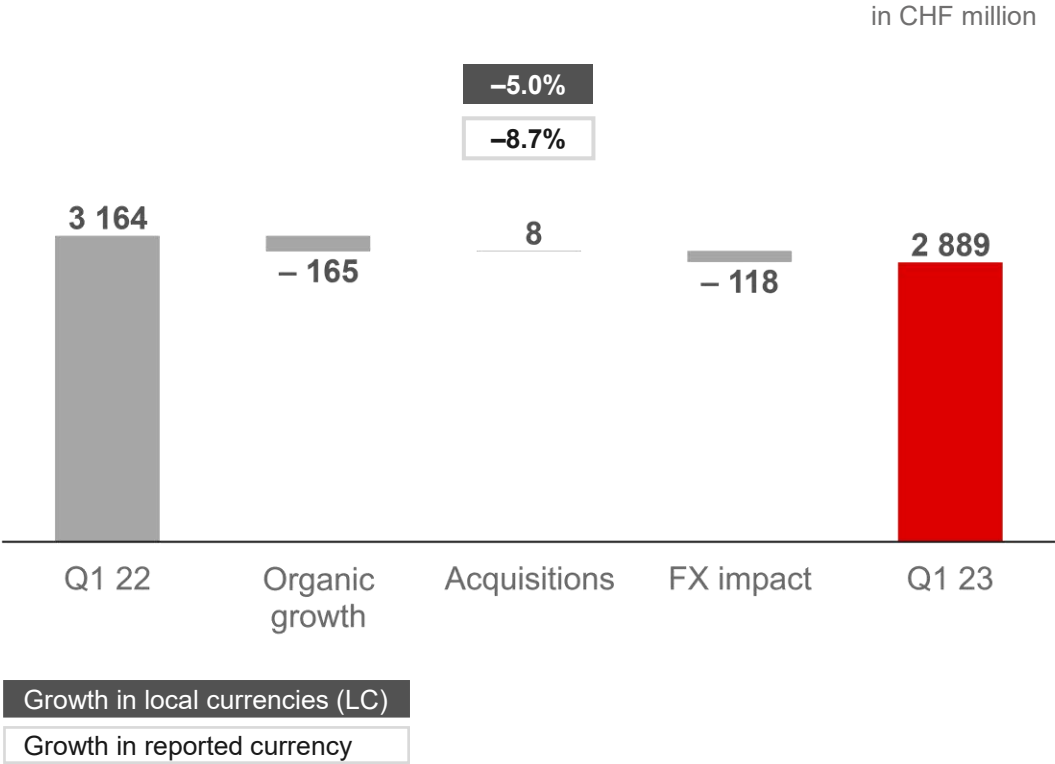
<sup>1)</sup> Adjusted for Top Speed 23 costs (CHF 9 million), restructuring costs (CHF 2 million), real estate gain (CHF-26 million), and expenses for BuildingMinds (CHF 5 million)

<sup>2)</sup> Adjusted for Top Speed 23 costs (CHF 16 million), restructuring costs (CHF 3 million), and expenses for BuildingMinds (CHF 6 million)



# Order intake

Lower NI order intake reflecting weakening global market trends



## Order intake growth Q1 2023 vs. Q1 2022

	China	APAC w/o China	Americas	EMEA	Global
<u>Value (in LC)</u>					
New Installations	---	---	---	---	---
Modernization	---	---	---	-	--
Service	++	++	++	++	++

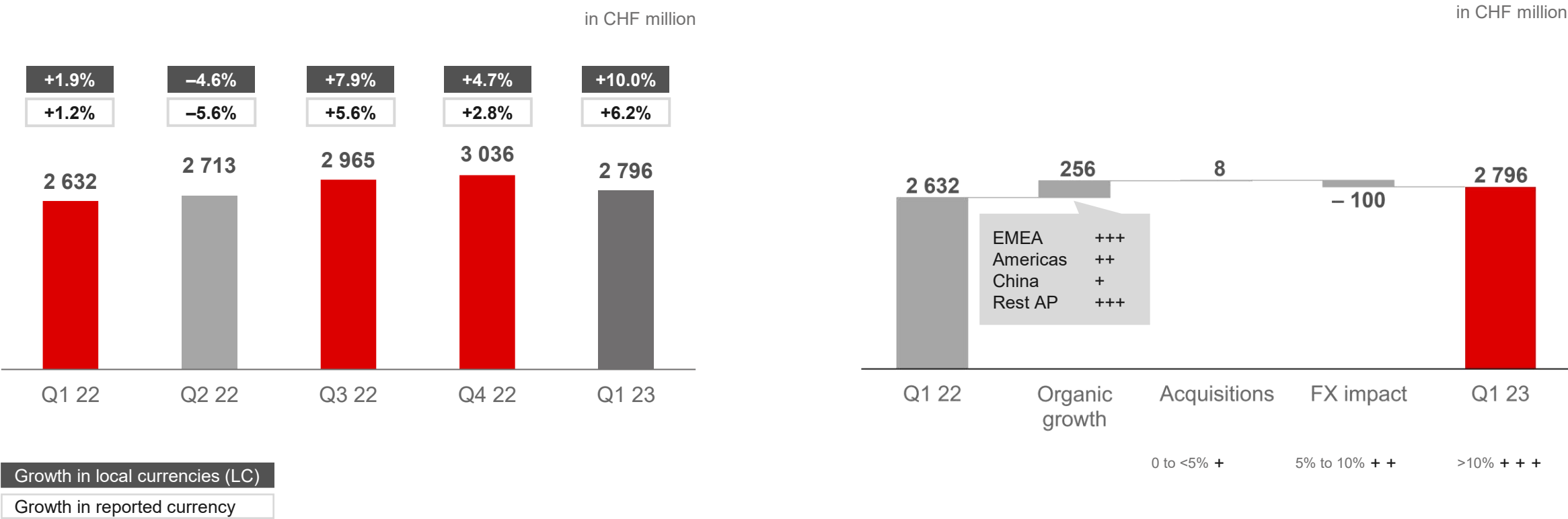
0 to <5% +  
5% to 10% ++  
>10% +++

0 to >-5% -  
-5% to -10% --  
<-10% ---



# Revenue

Positive growth trajectory continued across all regions and product lines



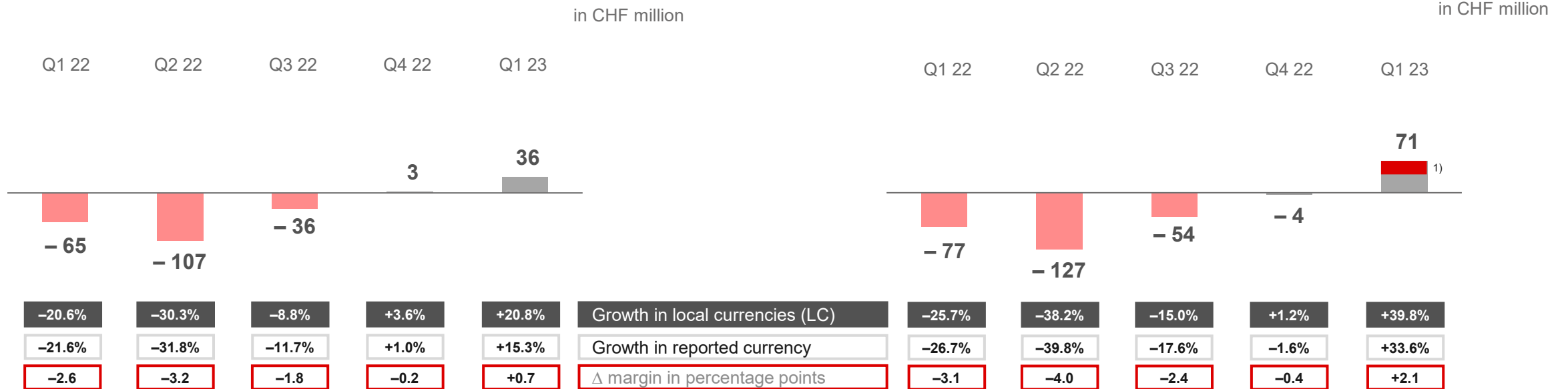


# Year-on-year EBIT adjusted and EBIT

Measures implemented fuel continued profitability improvement, supplemented by one-offs

## EBIT adj.

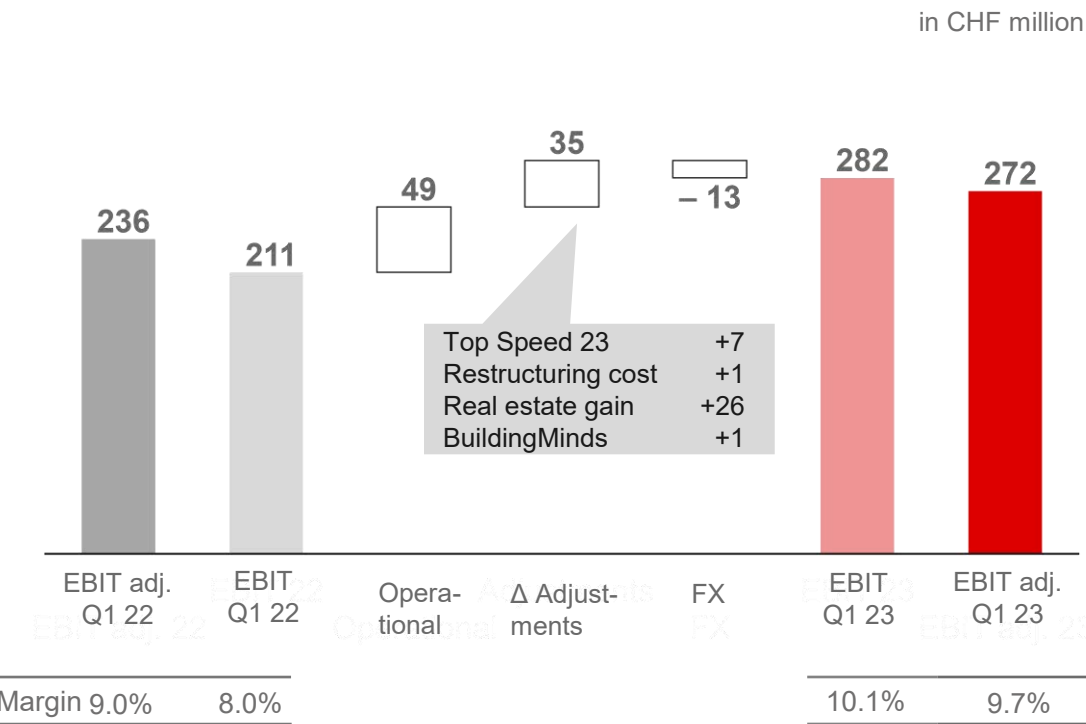
## EBIT



1) One-off real estate gain of CHF 26 million

# Year-on-year EBIT adjusted and EBIT

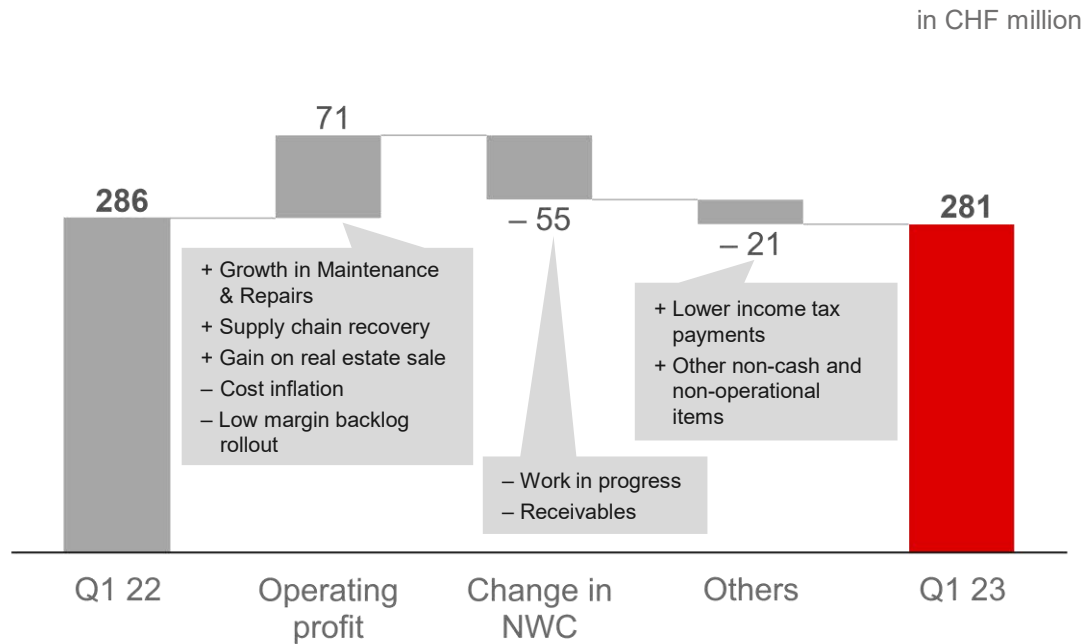
Measures result in CHF 49 million operational improvement





# Operating cash flow

Improved profitability offset by higher NWC requirements





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# Outlook 2023

## Uncertain environment

- China: Timing and magnitude of recovery uncertain
- Persisting cost inflation and labor scarcity
- Construction and real estate under pressure
- Site delays continue to affect project execution

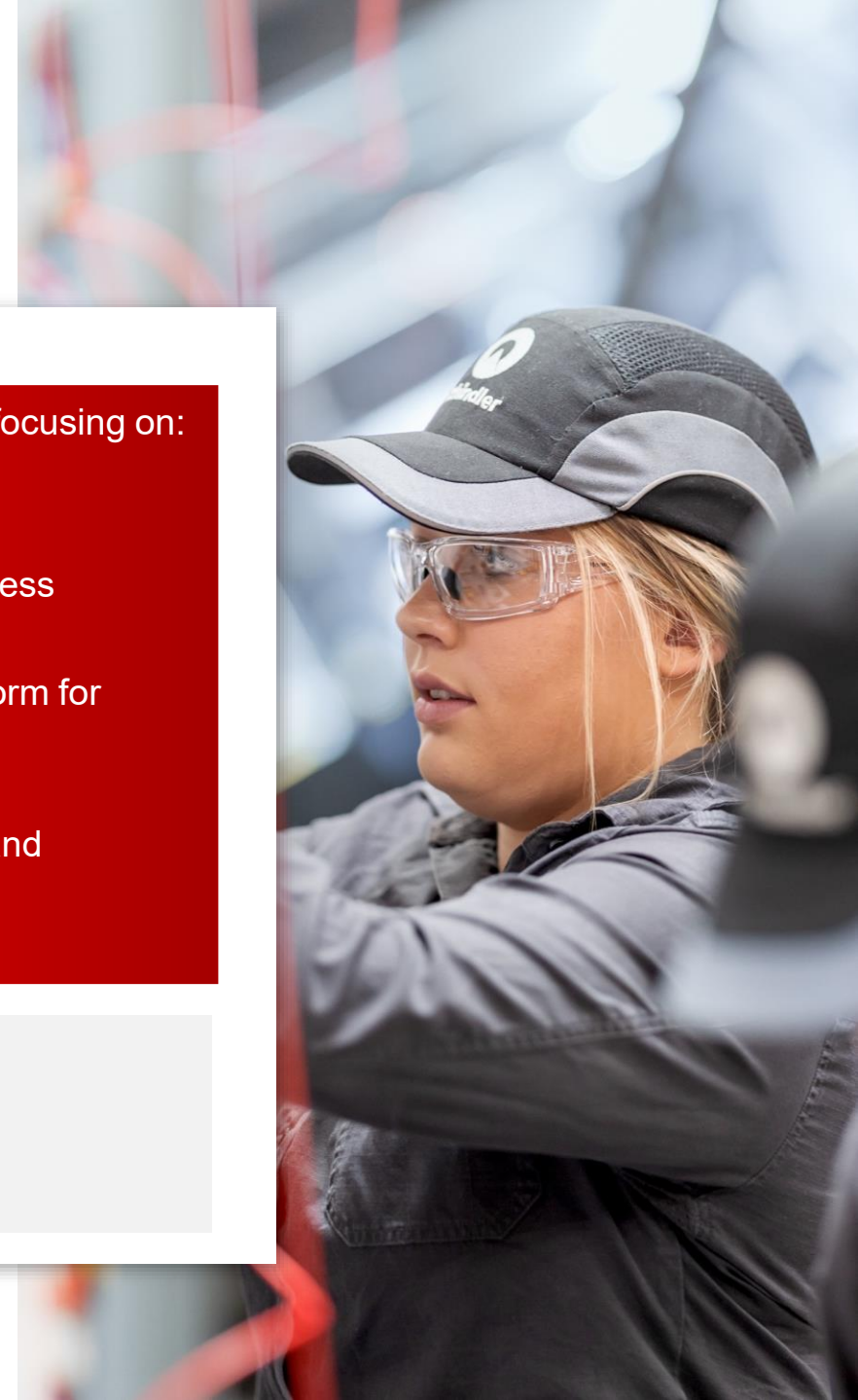
## Persistent focus

Disciplined execution of strategic priorities focusing on:

- Pricing
- Efficiency and cost reduction drive
- Supply chain and procurement effectiveness
- Net working capital management
- Re-introduction of modular elevator platform for volume market
- Frontline capacity and competence
- Differentiation based on digital services and sustainability

**Schindler outlook for 2023 remains unchanged.**

Net profit guidance to be provided with half-year results.



# Save the date:

## Schindler Technology Day

October 20, 2023, Ebikon, Switzerland





# Q&A

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# Additional charts

# Quarterly overview

## Key figures

In CHF million	2023				2022
	Q1	Q4	Q3	Q2	Q1
Order intake	2 889	2 994	2 740	3 063	3 164
<b>Revenue</b>	<b>2 796</b>	<b>3 036</b>	<b>2 965</b>	<b>2 713</b>	<b>2 632</b>
<b>Operating profit (EBIT)</b>	<b>282</b>	<b>249</b>	<b>252</b>	<b>192</b>	<b>211</b>
in %	10.1	8.2	8.5	7.1	8.0
<b>Operating profit (EBIT), adjusted</b>	<b>272</b>	<b>309</b>	<b>272</b>	<b>230</b>	<b>236</b>
in %	9.7	10.2	9.2	8.5	9.0
Financing and investing activities	–8	–21	–11	4	–23
Profit before taxes	274	228	241	196	188
Income taxes	62	50	56	44	44
<b>Net profit</b>	<b>212</b>	<b>178</b>	<b>185</b>	<b>152</b>	<b>144</b>
Cash flow from operating activities	281	312	77	13	286

# Strategic framework for disciplined execution

## Our purpose

Enhancing the quality of life in urban environments by providing the best mobility solutions across buildings

### Our ambition

- Be the preferred E&E customer choice
- Create sustainable customer value and unique user experience
- Be the preferred E&E employee choice
- Create sustainable shareholder value

### Our choices

- **Service:** Drive density  
Ramp-up digital services through connectivity and new offerings
- Foster **simplification, standardization and modularity**
- **New Installations:** Grow segments with high conversion, loyalty and margins
- **Modernization:** Focus on portfolio density with low complexity and high conversion projects
- Focus on **strategic markets**

### Our targets

- Best-in-class customer & employee NPS
- Accelerate portfolio value growth
- Drive digital revenue
- Competitive profitability
- Improve NI / MOD margins
- Gender diversity: 30% female executives by 2030
- Net zero by 2040

## Our priorities

### People



- Safety
- Culture & talent
- Frontline capacity & competence
- Effective organization
- Execution discipline & speed
- Performance management

### Product

#### New Installations

- Commodity product re-introduction
- Standard platforms
- Digital Twin

#### Modernization

- Standardization
- Modularity
- Dedicated delivery model

#### Service

- Customer-centric delivery model
- Drive portfolio connectivity
- Digital products and solutions
- Portfolio density and service efficiency



### Performance



- Pricing
- Efficiency
- Quality
- Supply chain effectiveness

### Planet



- SBTi commitment delivery
- “Green products and services”
- Industrial waste to landfill elimination



# Balance sheet

In CHF million	31.03.2023	in %	31.12.2022	in %	31.03.2022	in %
Cash and cash equivalents	2 390	19.4	2 153	18.2	2 648	22.2
Other current assets	6 199	50.5	5 956	50.5	5 356	45.0
<b>Total current assets</b>	<b>8 589</b>	<b>69.9</b>	<b>8 109</b>	<b>68.7</b>	<b>8 004</b>	<b>67.2</b>
Non-current assets	3 705	30.1	3 699	31.3	3 910	32.8
<b>Total assets</b>	<b>12 294</b>	<b>100.0</b>	<b>11 808</b>	<b>100.0</b>	<b>11 914</b>	<b>100.0</b>
Current liabilities	6 940	56.5	6 252	53.0	6 150	51.6
Non-current liabilities	1 124	9.1	1 111	9.4	1 598	13.4
<b>Total liabilities</b>	<b>8 064</b>	<b>65.6</b>	<b>7 363</b>	<b>62.4</b>	<b>7 748</b>	<b>65.0</b>
Equity	4 230	34.4	4 445	37.6	4 166	35.0
<b>Total liabilities and equity</b>	<b>12 294</b>	<b>100.0</b>	<b>11 808</b>	<b>100.0</b>	<b>11 914</b>	<b>100.0</b>
<b>Net working capital</b>	<b>– 784</b>		<b>– 741</b>		<b>–663</b>	
<b>Net liquidity</b>	<b>2 984</b>		<b>2 751</b>		<b>2 584</b>	

# Calendar 2023/2024

	2023	2024
Full year results analyst and media conference		February
Ordinary General Meeting Schindler Holding Ltd.		March 19
Publication of key figures as of March 31		April
Publication of Interim Report as of June 30	July 21	July
Publication of key figures as of September 30	October 19	October
Technology Day	October 20	

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