

Results as of September 30, 2022

October 20, 2022

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Agenda

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| 1. Market update | Silvio Napoli |
| 2. Update on challenges | Silvio Napoli |
| 3. Update on Top Speed 23 program | Silvio Napoli |
| 4. Operational priorities | Silvio Napoli |
| 5. Financial results as of September 30, 2022 | Carla De Geyseler |
| 6. Outlook for 2022 | Carla De Geyseler |
| 7. Q&A | Silvio Napoli/Carla De Geyseler/
Marco Hasler |

Market outlook 2022

NI: China contracting, RoW slowing down after solid H1, Maintenance and Modernization growing across all regions

Market growth (units)	China	APAC w/o China	Americas	EMEA	Global
New Installations (NI)	○○○	○○	○○	○	○○○
	<ul style="list-style-type: none"> ▪ Lockdown impact ▪ Real estate crisis ▪ Overcapacity 	<ul style="list-style-type: none"> ▪ India: growing ▪ Others: recovering 	<ul style="list-style-type: none"> ▪ North America: solid ▪ South America: softening 	<ul style="list-style-type: none"> ▪ Europe: slowing ▪ Middle East/ Africa: growing 	Contracting as a result of China situation
Existing Installations	Maintenance continues to grow, uptake in Modernization				○○

○ <5% ○○ 5% to <10% ○○○ >10%
 negative ○ | ○ positive

Source: Schindler market data

Update on challenges



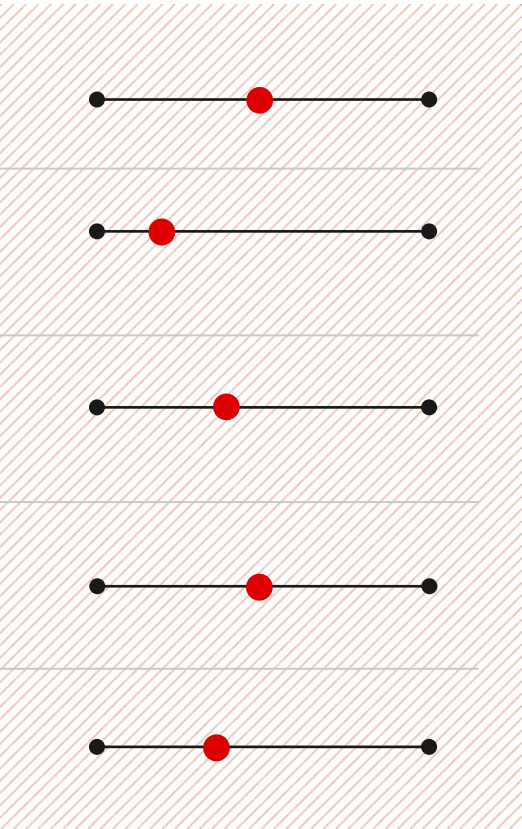
Stabilized margin drop

Progress, working through backlog and legacy issues

Challenges

- #1: Dealing with foreign exchange burden
- #2: Regaining competitive New Installations margins
- #3: Resolving supply chain disruptions
- #4: Streamlining product portfolio complexity
- #5: Adjusting for China market contraction

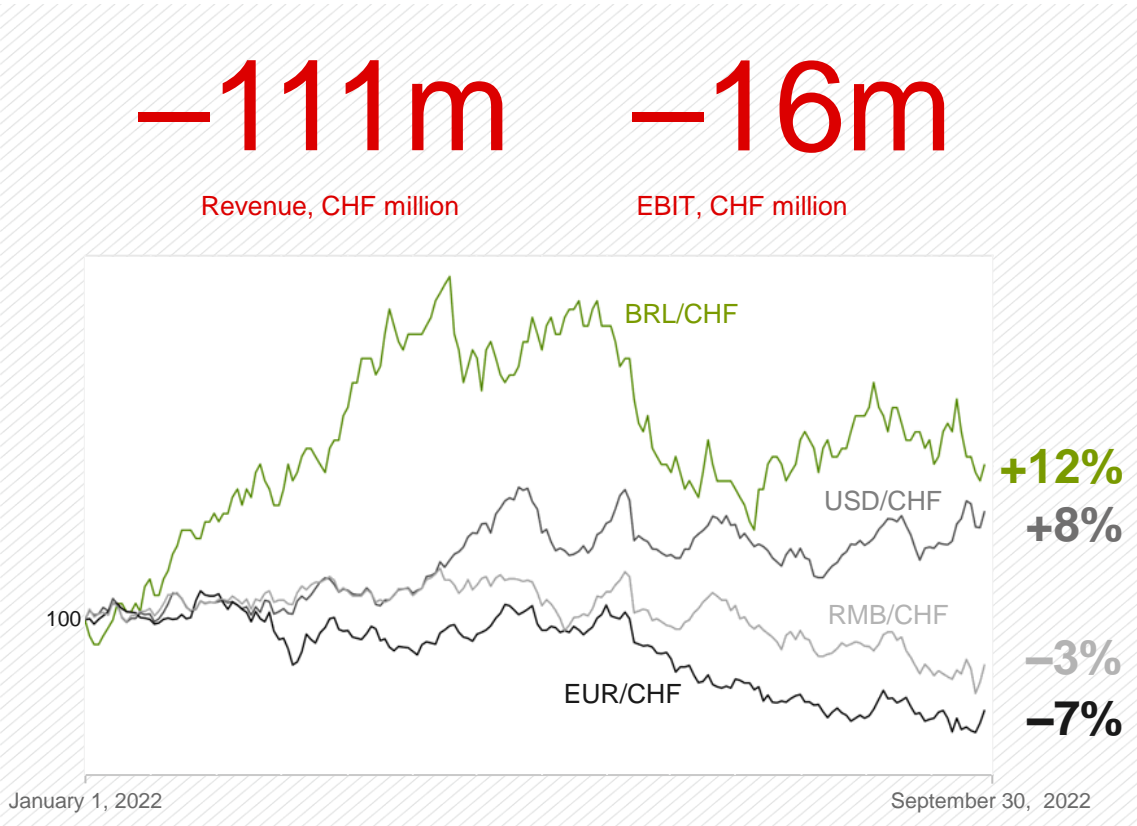
Progress



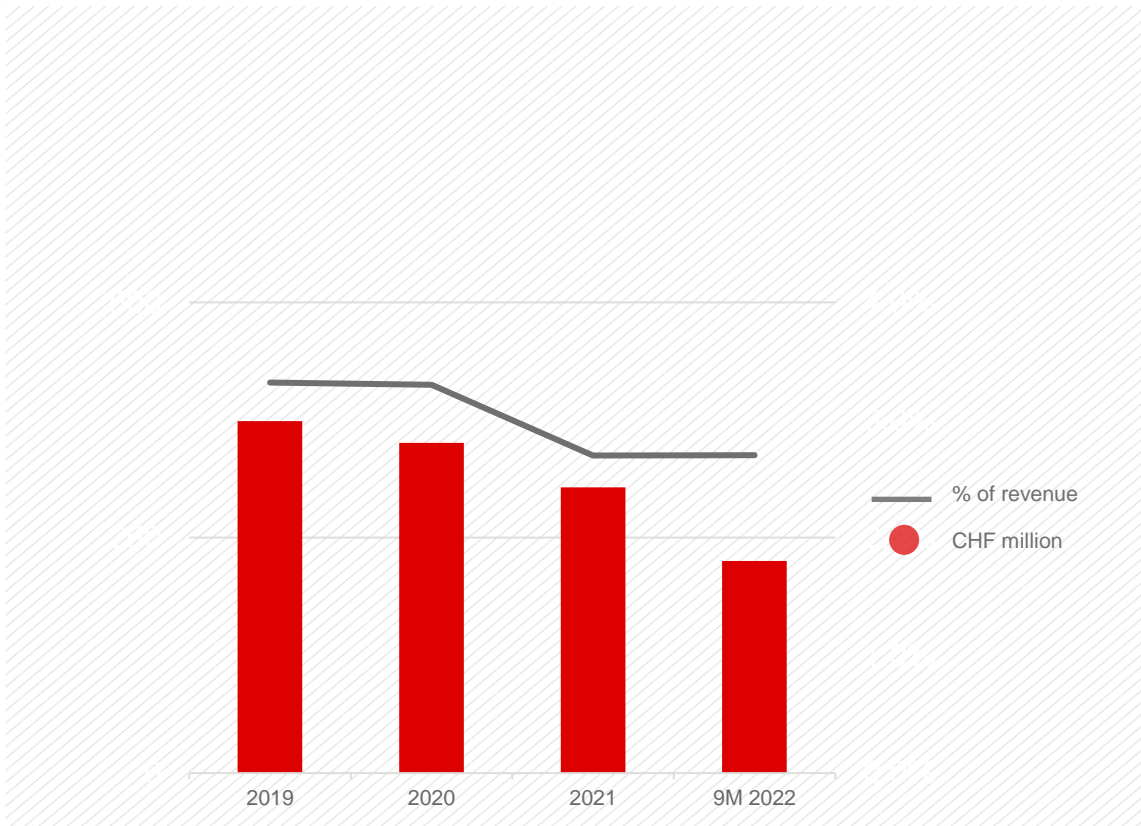
Challenge #1: dealing with foreign exchange burden

Swiss franc strength offsets USD and BRL recoveries

Impact on revenue and EBIT (YTD)

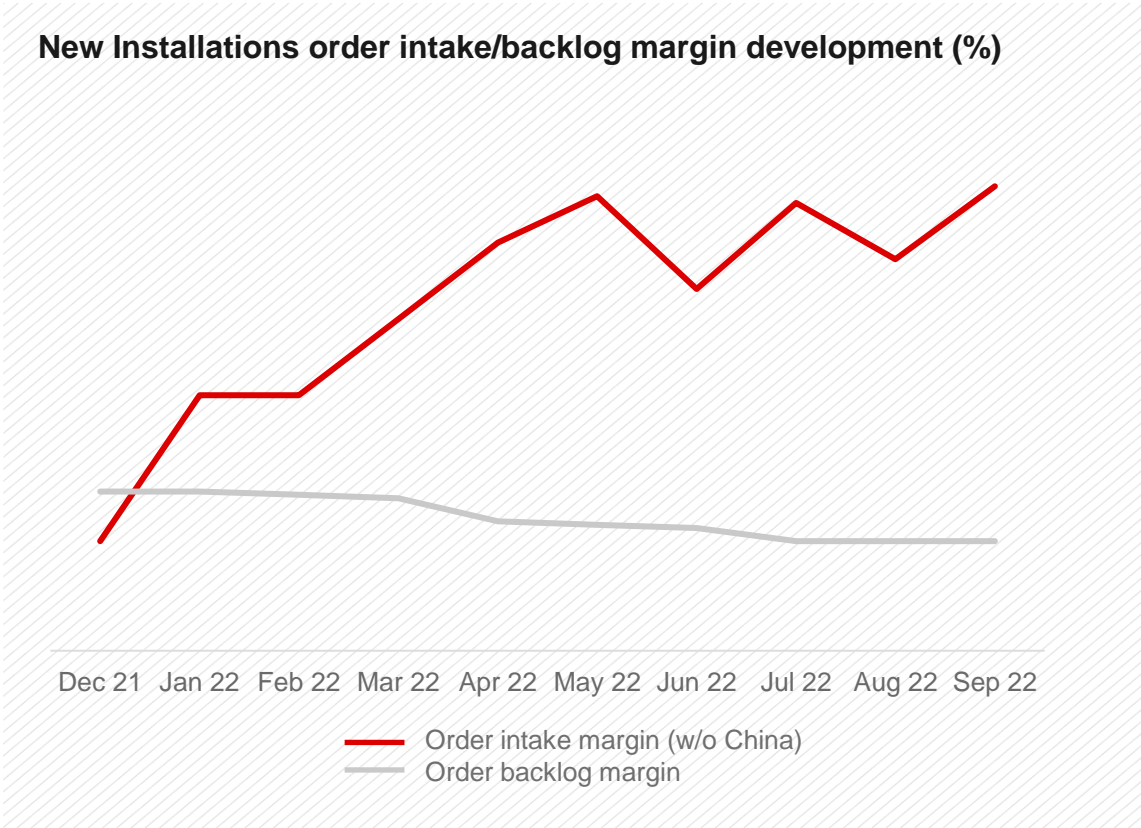
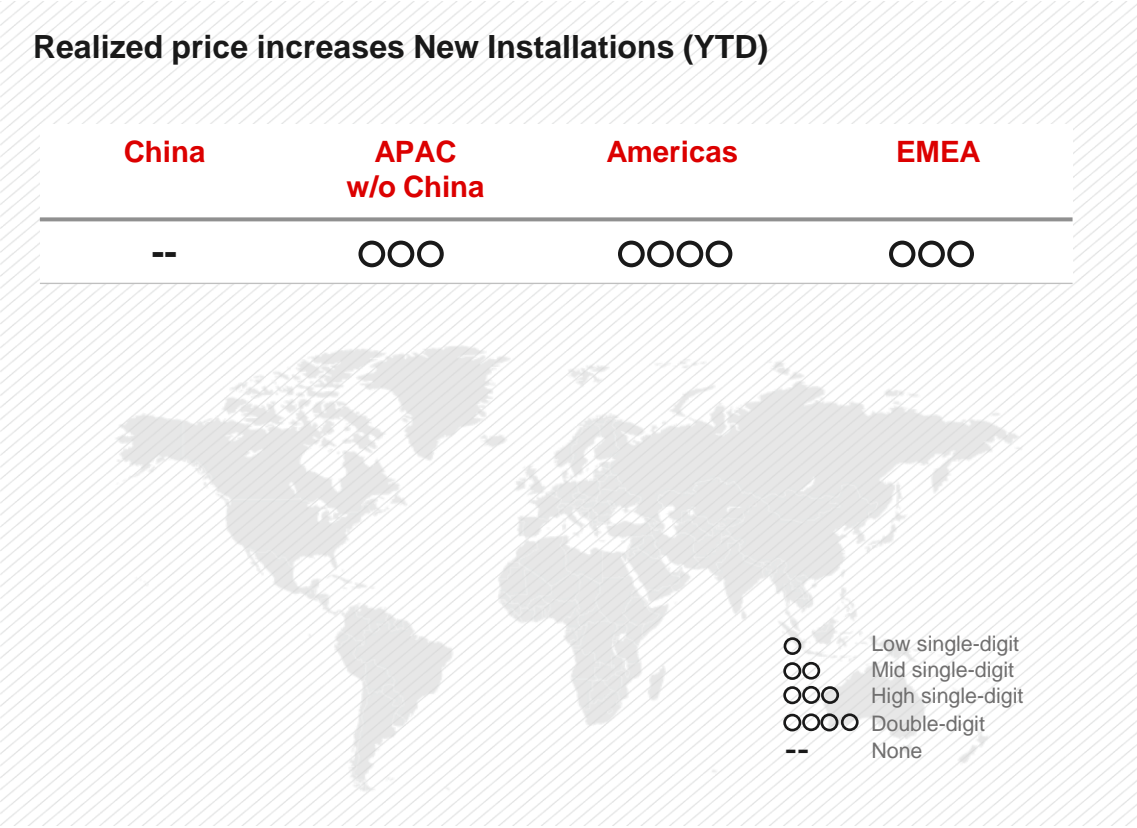


Focus on efficiency: Swiss based headquarters costs



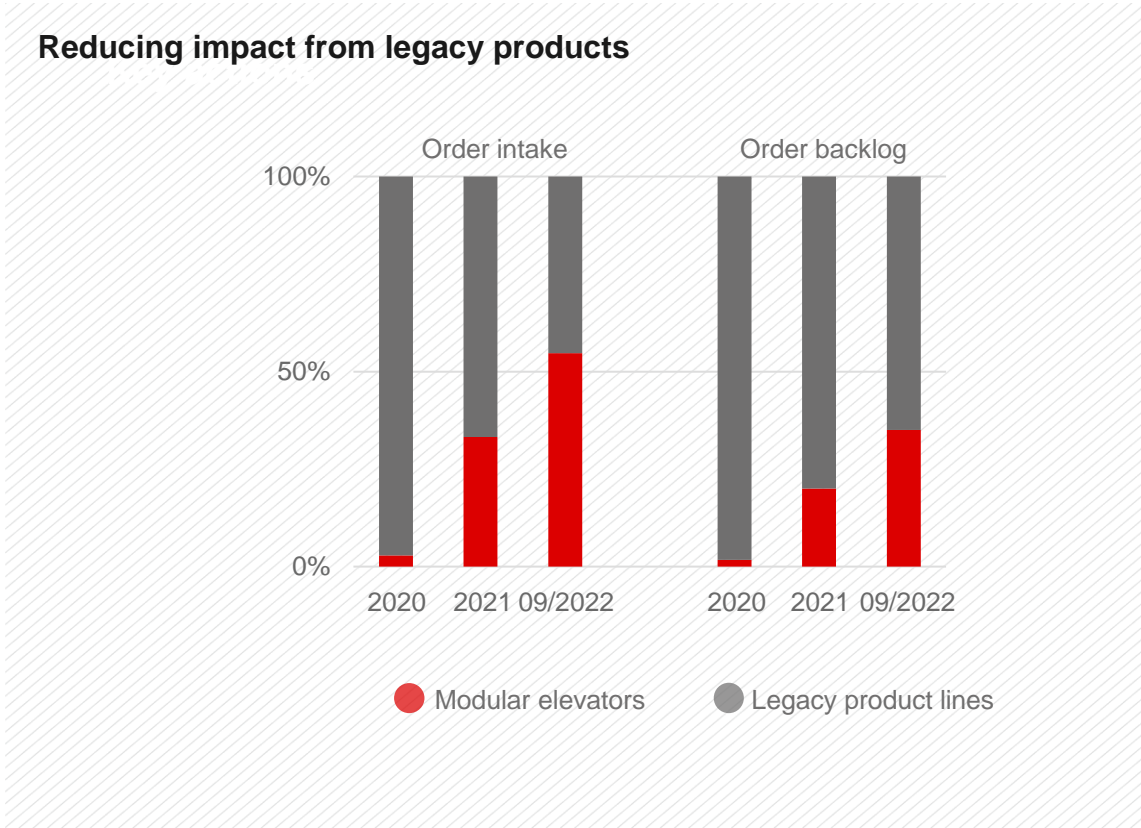
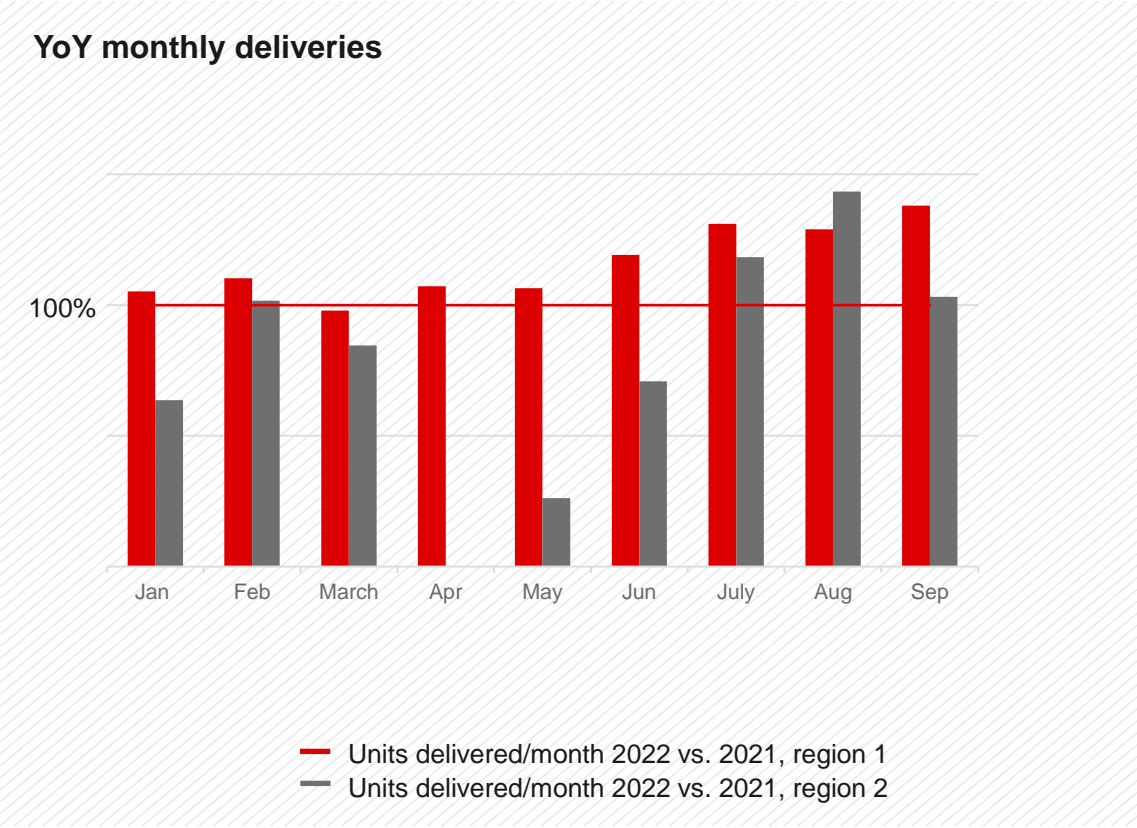
Challenge #2: regaining competitive NI margins

Positive order intake margin development, backlog still affecting results



Challenge #3 and #4: supply chain/product complexity

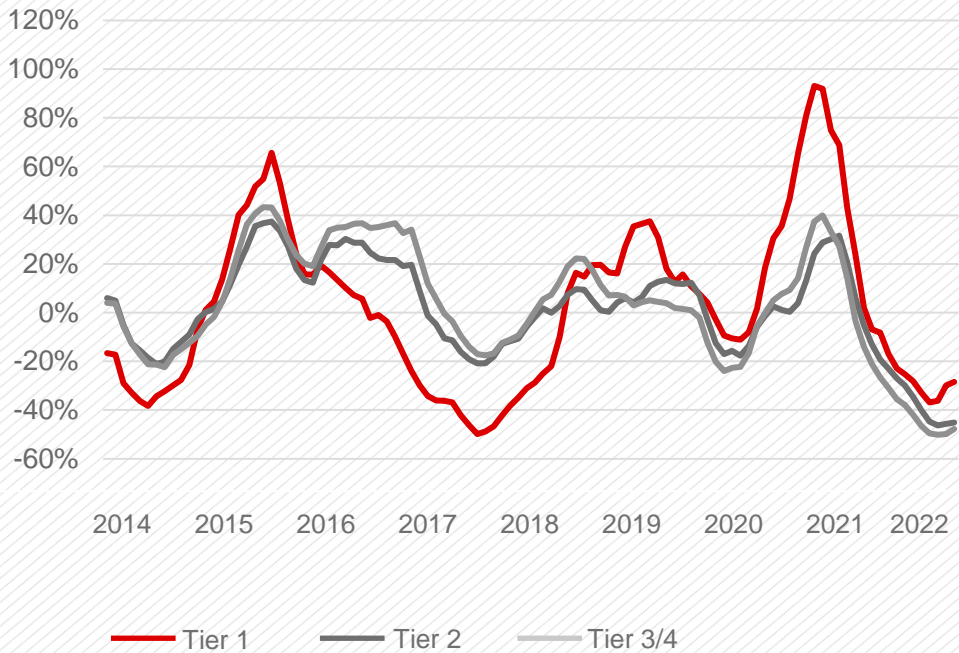
Production ramping up, legacy product impact phasing out, microchips shortage affecting deliveries



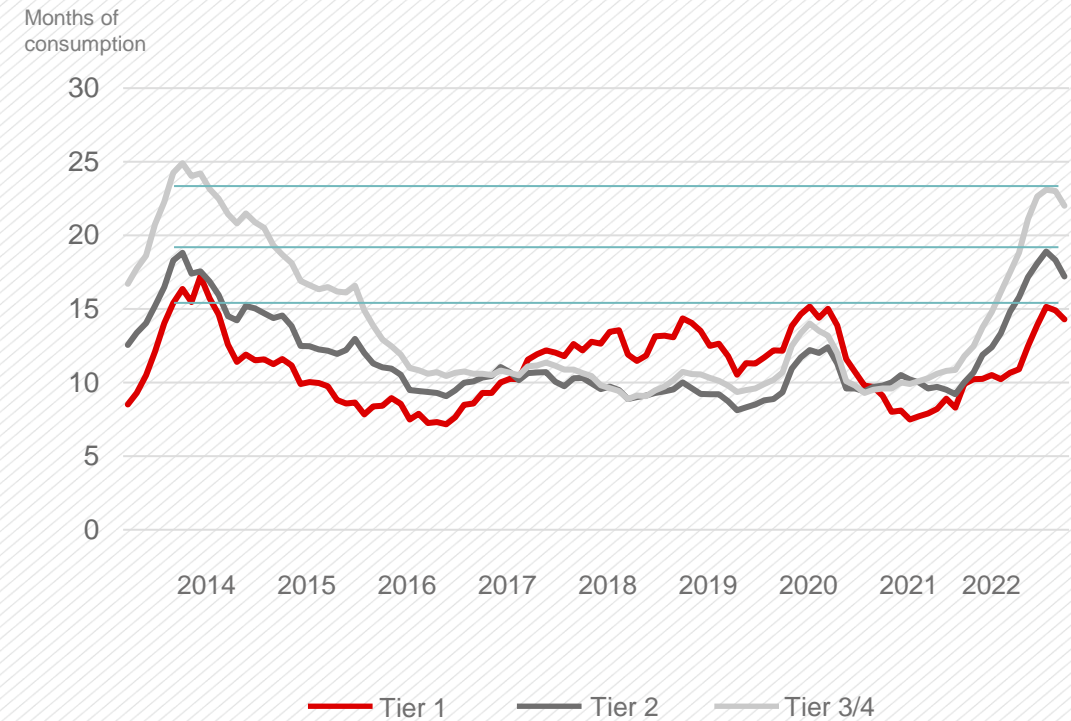
Challenge #5: adjusting for China market contraction

Inventory at 2014 peak levels

Floor space sold further declined across all city tiers¹⁾



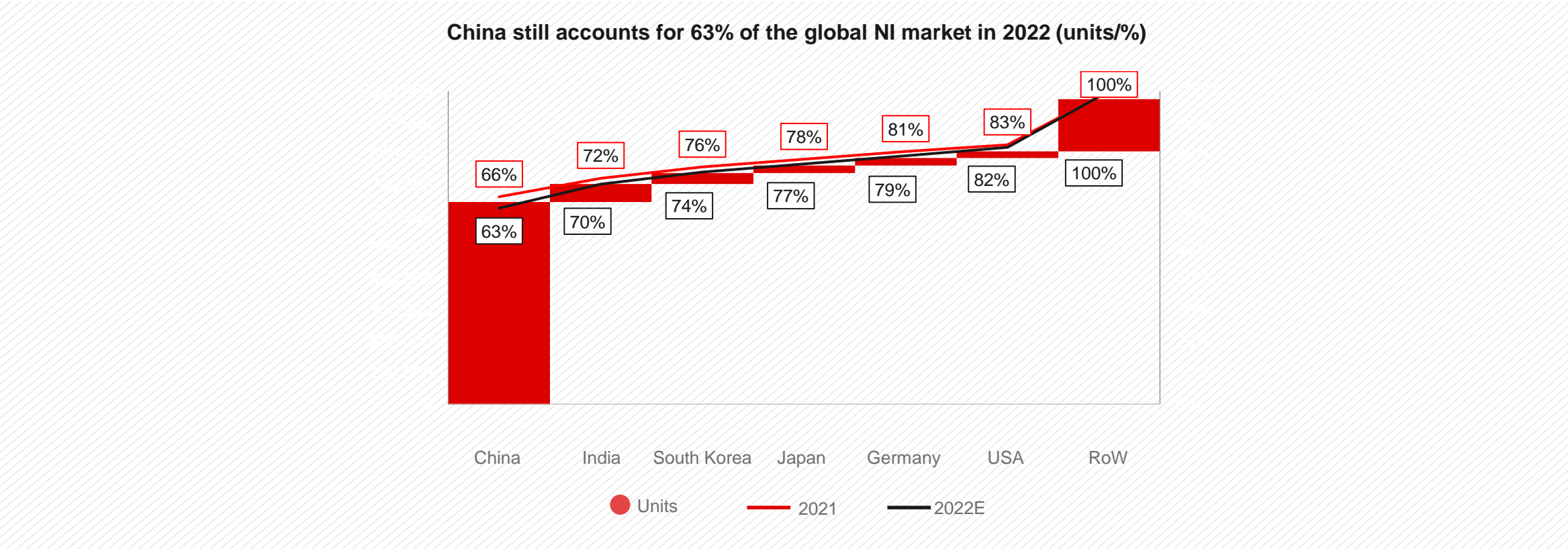
Housing inventory²⁾



¹⁾ Six months average by city tier (August 2022)
²⁾ Housing inventory by city tier (months of sales, August 2022)



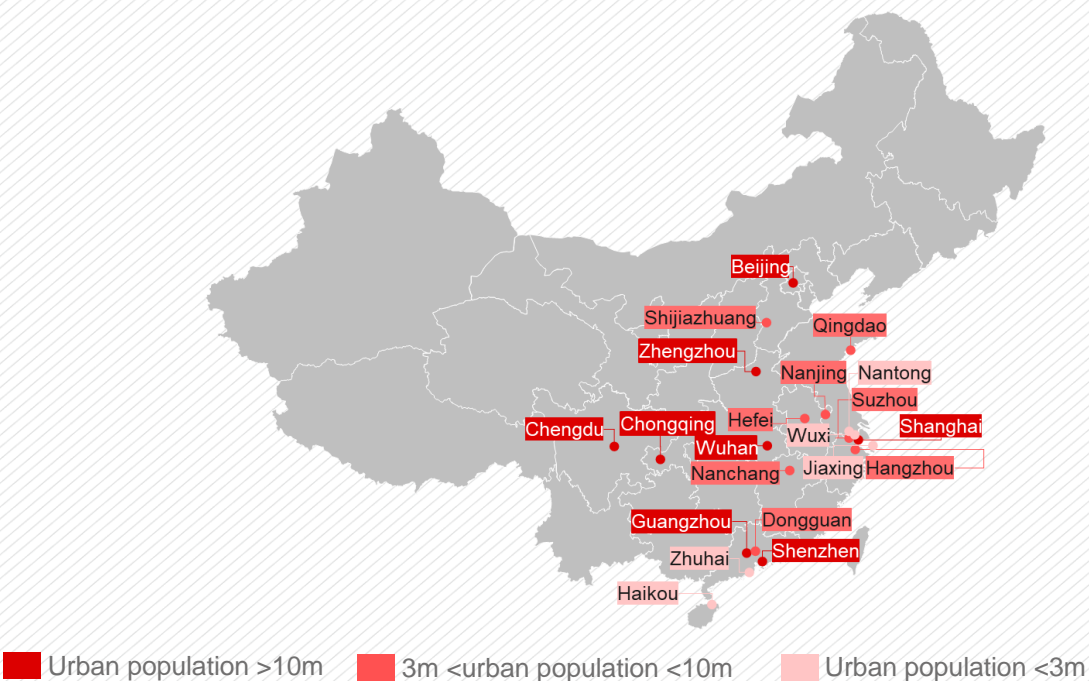
China remains the largest New Installations market



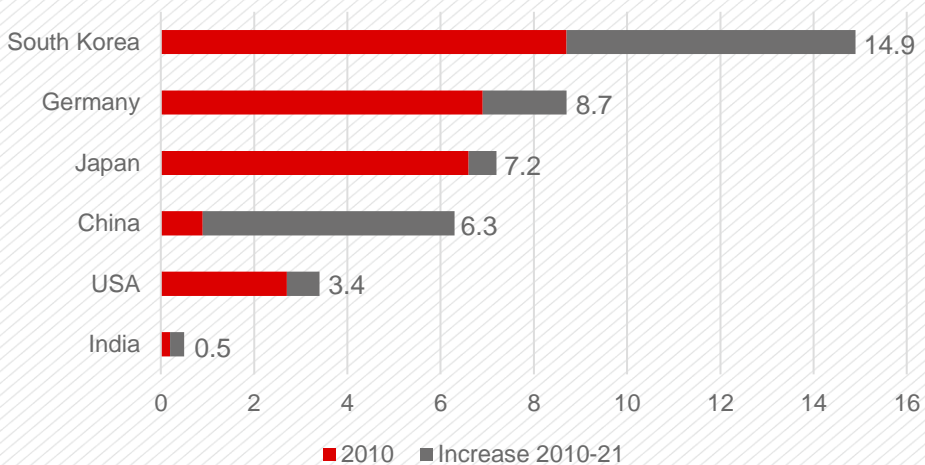
China outlook: continued urbanization driving market

Strategic focus on profitable growth with density potential

Mainland cities with highest growth potential by tier



Elevator density 2021 (# of installed units per 1 000 people)

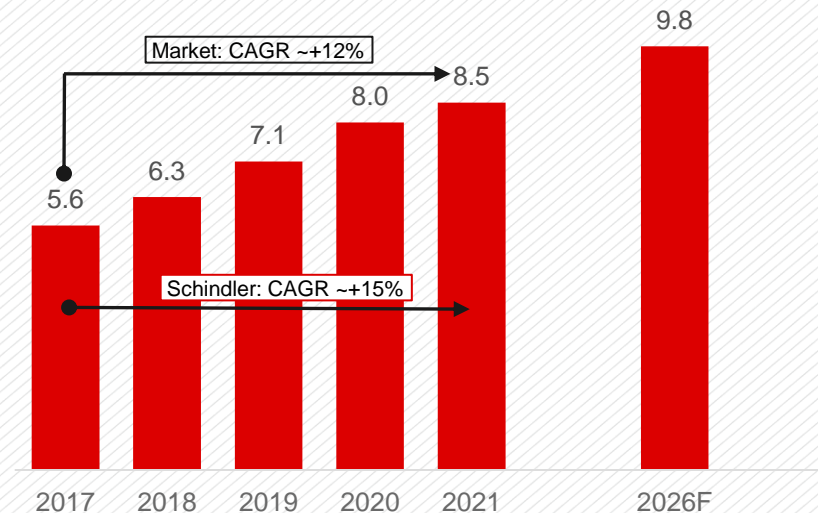


China outlook: unique Service and Modernization opportunities

Focus on organic growth and Modernization

China E&E installed base approaching 50% of the world's total

million units



Approach

Service opportunity

- Support authorities in enhancing passenger safety via remote monitoring
- Promote connectivity and digital services
- Drive differentiation via digital performance-based maintenance
- Recapture Schindler units under third-party maintenance
- Acquisition of independent service companies and dual brand consolidation

Modernization opportunity

Up to 1.5m units between 12 and 20 years of age

- New product lines based on new modular platform
- Sustainability driven solutions to reduce CO₂ footprint of buildings

Update on Top Speed 23 program



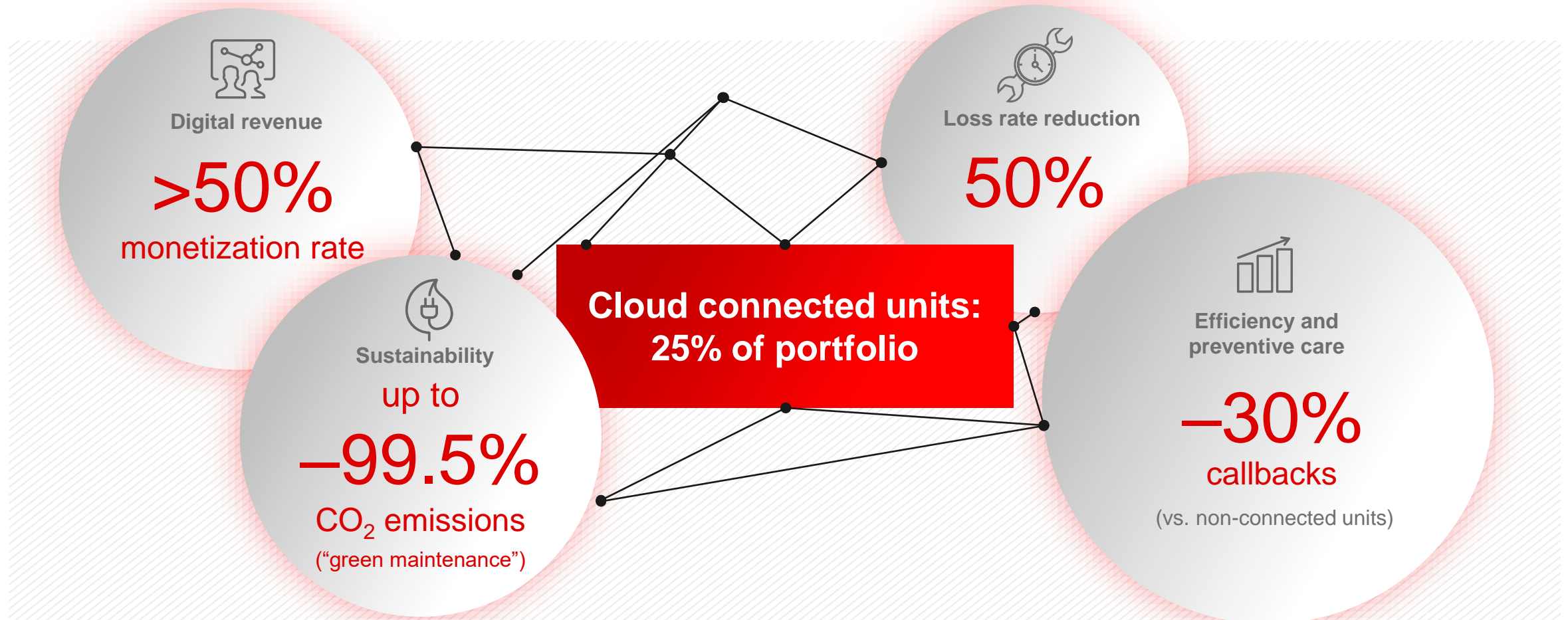
Top Speed 23 program

Re-aligning with operational priorities

Core initiatives	Status	Progress vs. target	EBIT impact (from year)
New Installations growth in selected strategic markets	Re-focus on profitable New Installations growth		
Portfolio growth/investments in mass connectivity	25% of portfolio cloud connected, digital revenue gaining traction		
Sustainable Modernization solutions	Roll-out of standard MOD solutions, refocus on China market opportunity and profitability		
Digital Twin	Escalators: factory and R&D in completion; Elevators: in pilot phase	 	
Product innovation for selected markets/segments	Cost competitive solutions for strategic markets		
Procurement excellence	New operating model roll-out		

Top Speed 23: portfolio growth/investments in mass connectivity

Business model proven and ramping up



Top Speed 23: mass connectivity investments paying off

New “Green Maintenance”: up to 99.5% CO₂ reduction

External certification by TÜV Rheinland



Supporting customers to reduce CO₂ emissions

Smart services



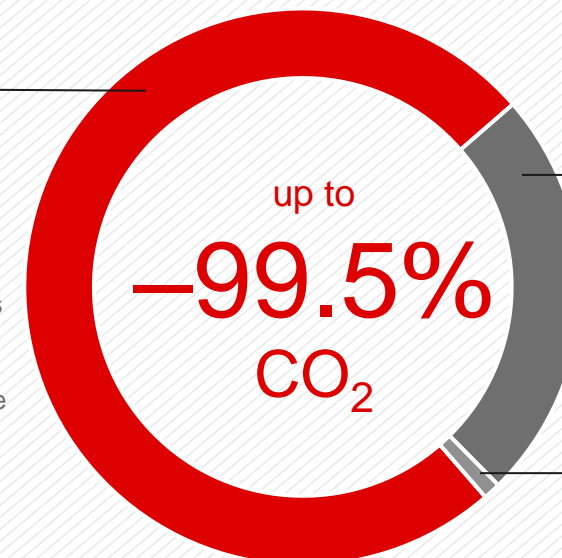
Remote maintenance



Less physical visits



Higher uptime



e-fleet



Others

Operational priorities



Our priorities



Financial results as of September 30, 2022



Results in a nutshell

- Measures implemented starting to pay off
- Order intake: focus shift from volume to value and margin
- Revenue recovery in third quarter
- Profitability starting to recover
- Complex mix of challenges continues to be addressed
- Outlook confirmed



Key figures as of September 30, 2022 (July to September)

Solid revenue and margin recovery

In CHF million	Q3 2022	Q3 2021	△ %	△% in LC
Order intake	2 740	2 995	−8.5	−5.9
Revenue	2 965	2 807	5.6	7.9
Operating profit (EBIT)	252	306	−17.6	−15.0
in %	8.5	10.9		
Operating profit (EBIT), adjusted	272¹⁾	308²⁾	−11.7	−8.8
in %	9.2	11.0		
Financing and investing activities	−11	−7		
Profit before taxes	241	299	−19.4	
Income taxes	56	65		
Net profit	185	234	−20.9	
Earnings per share and participation certificate in CHF	1.59	2.06	−22.8	
Cash flow from operating activities	77	237	−67.5	

¹⁾ Adjusted for Top Speed 23 costs (CHF 12 million), restructuring costs (CHF 3 million), and expenses for BuildingMinds (CHF 5 million)

²⁾ Adjusted for Top Speed 23 costs (CHF 12 million), restructuring costs (CHF 5 million), real estate gains (CHF −21 million), and expenses for BuildingMinds (CHF 6 million)

Key figures as of September 30, 2022 (January to September)

Growth and performance impacted by situation in China

In CHF million	9M 2022	9M 2021	△ %	△% in LC
Order intake	8 967	9 038	−0.8	0.7
Revenue	8 310	8 282	0.3	1.7
Operating profit (EBIT)	655	913	−28.3	−26.5
in %	7.9	11.0		
Operating profit (EBIT), adjusted	738¹⁾	946²⁾	−22.0	−20.2
in %	8.9	11.4		
Financing and investing activities	−30	−31		
Profit before taxes	625	882	−29.1	
Income taxes	144	193		
Net profit	481	689	−30.2	
Earnings per share and participation certificate in CHF	4.13	6.06	−31.8	
Cash flow from operating activities	376	958	−60.8	

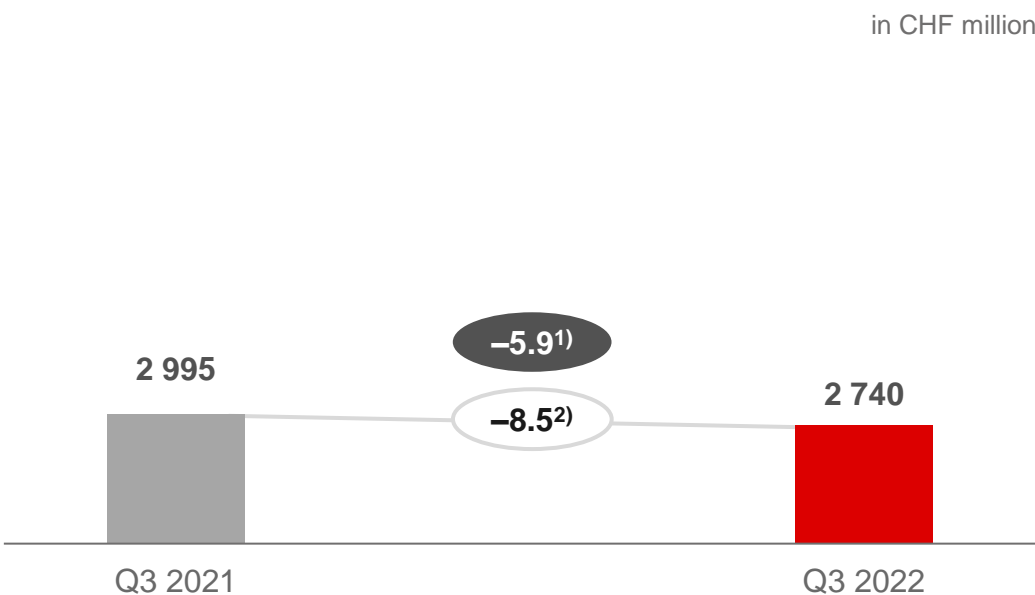
¹⁾ Adjusted for Top Speed 23 costs (CHF 43 million), restructuring costs (CHF 23 million), and expenses for BuildingMinds (CHF 17 million)

²⁾ Adjusted for Top Speed 23 costs (CHF 16 million), restructuring costs (CHF 20 million), real estate gains (CHF −21 million), and expenses for BuildingMinds (CHF 18 million)

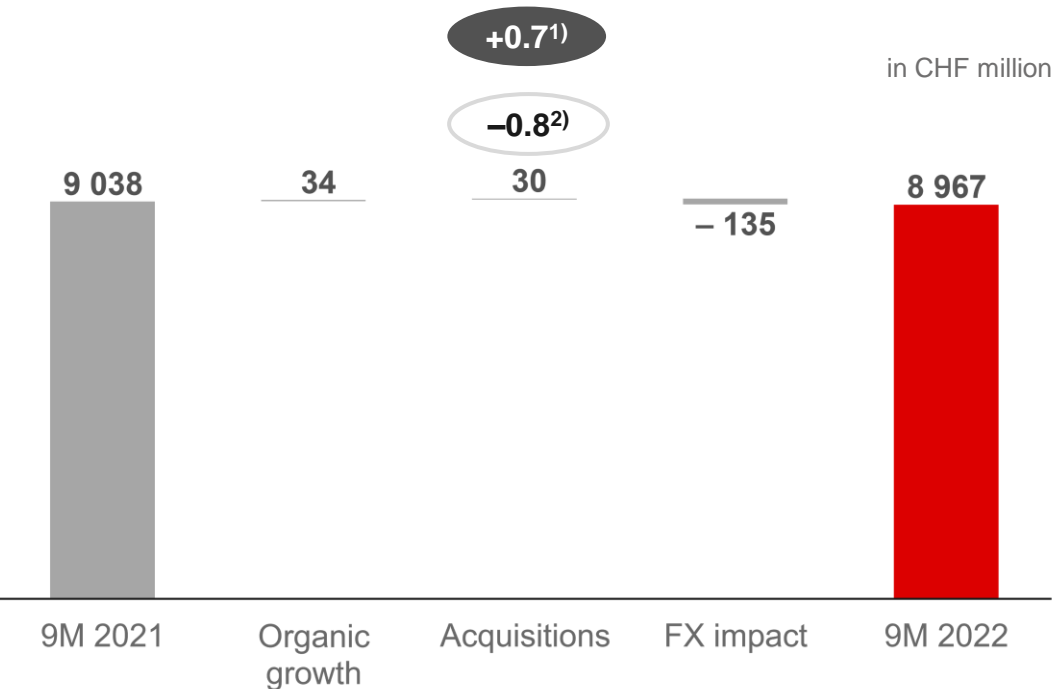
Order intake development

Under pressure against continued margin improvement

Third quarter



9M 2022



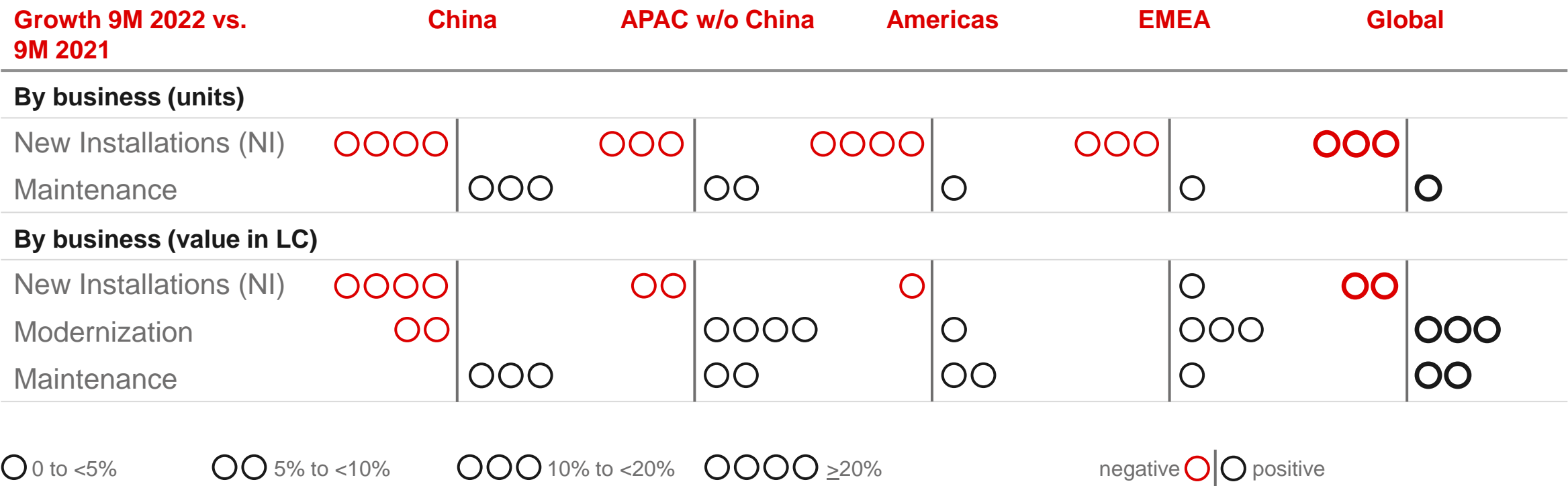
1) Growth in local currencies vs. previous year, in %

2) Growth vs. previous year, in %



Order intake: focus shift from volume to value and margin

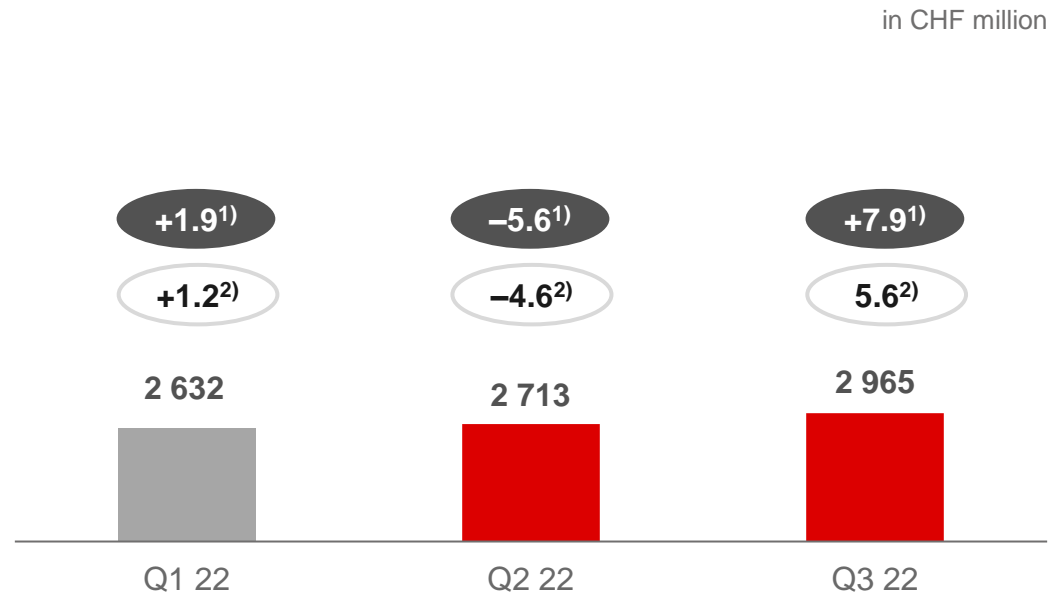
Modernization and Maintenance offsetting drop in New Installations



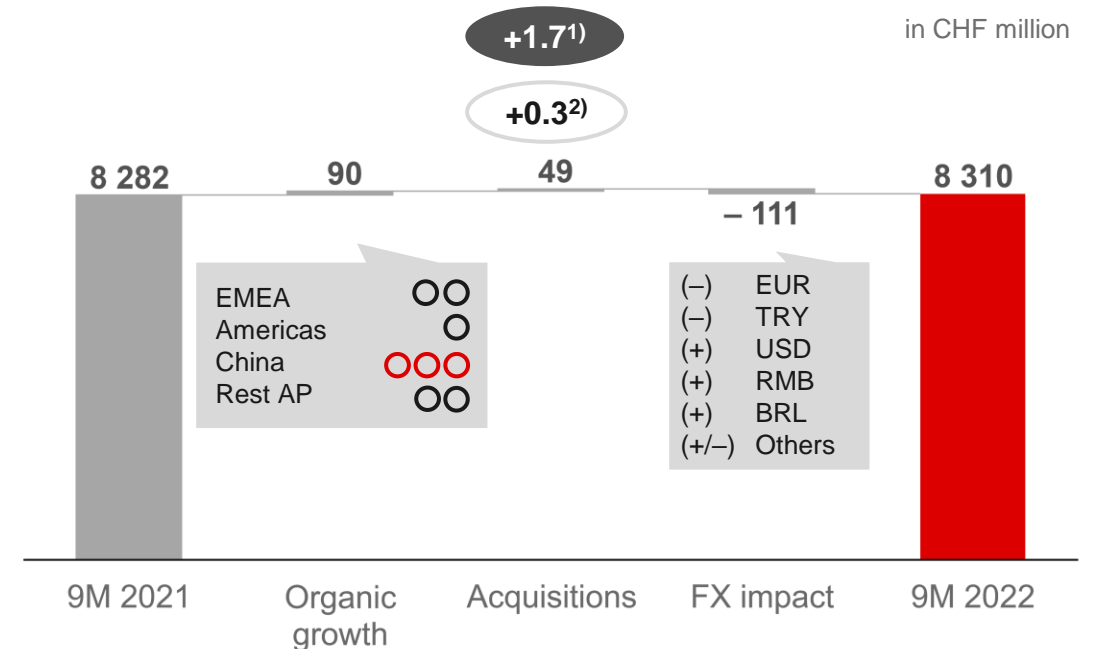
Revenue development

Recovery in the third quarter with growth across all regions and product lines

Quarterly development 2022



9M 2022



○ <5% ○○ 5% to <10% ○○○ 10% to <20% ○○○○ ≥20% negative ○ positive

1) Growth in local currencies vs. previous year, in %

2) Growth vs. previous year, in %

EBIT adjusted and EBIT development

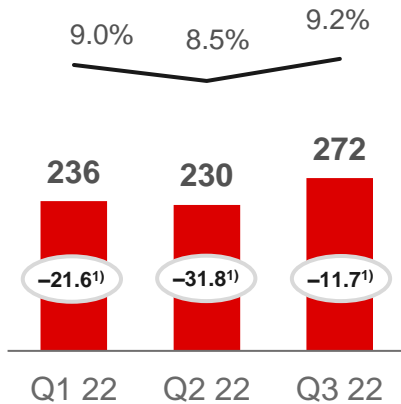
Measures initiated throughout the year starting to pay off

Quarterly development 2022

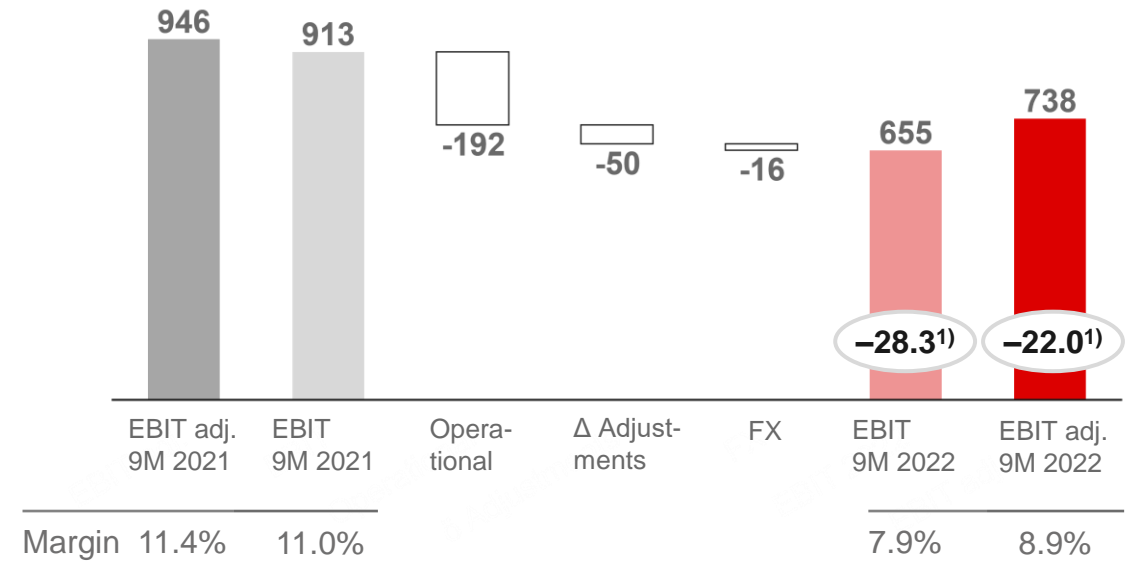
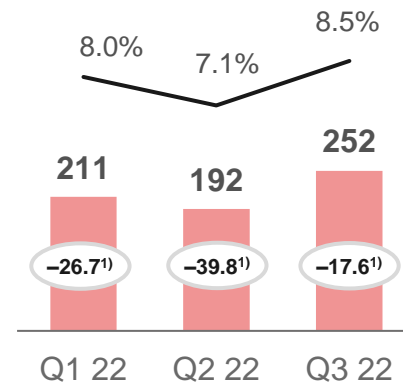
9M 2022

in CHF million

EBIT adjusted/margin



EBIT/margin



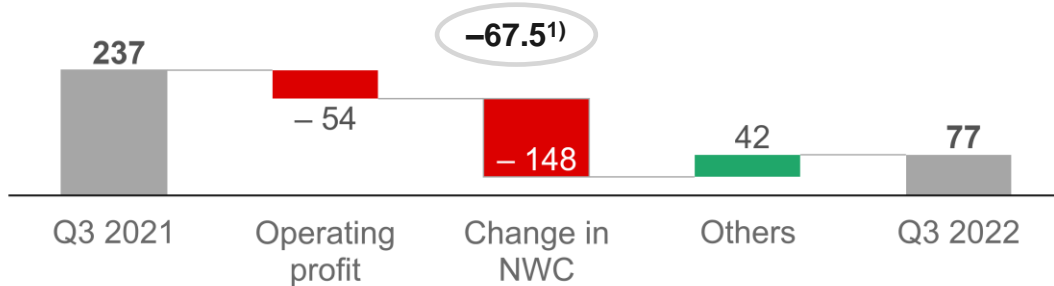
1) Growth vs. previous year, in %

Operating cash flow development

Reduced as a result of lower operating profit and increased net working capital requirements

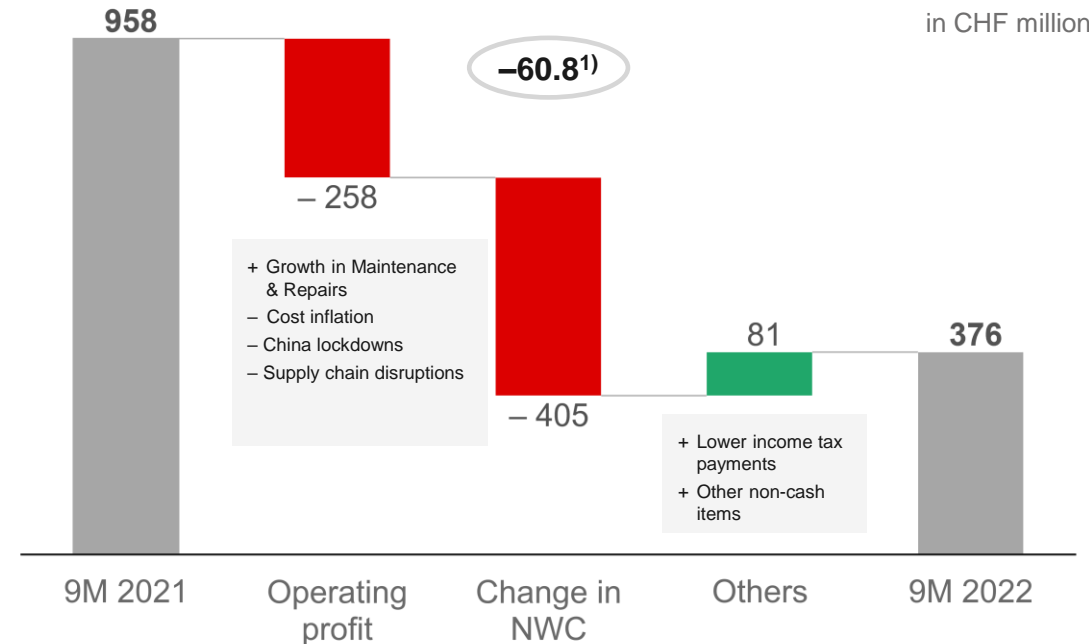
Third quarter

in CHF million



9M 2022

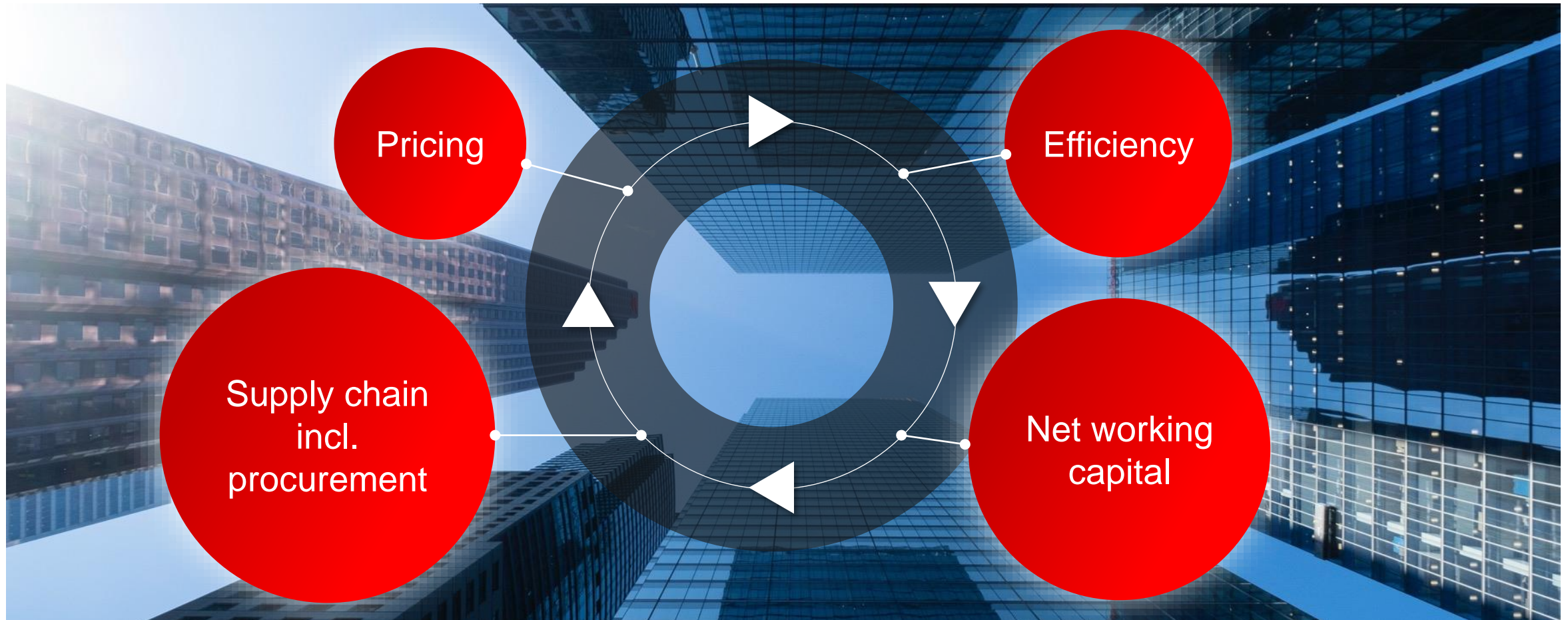
in CHF million



1) Growth in %

Four CFO focus areas

Concentration on performance improvement



Outlook for 2022



Outlook for 2022

As of October 20, 2022

Business environment

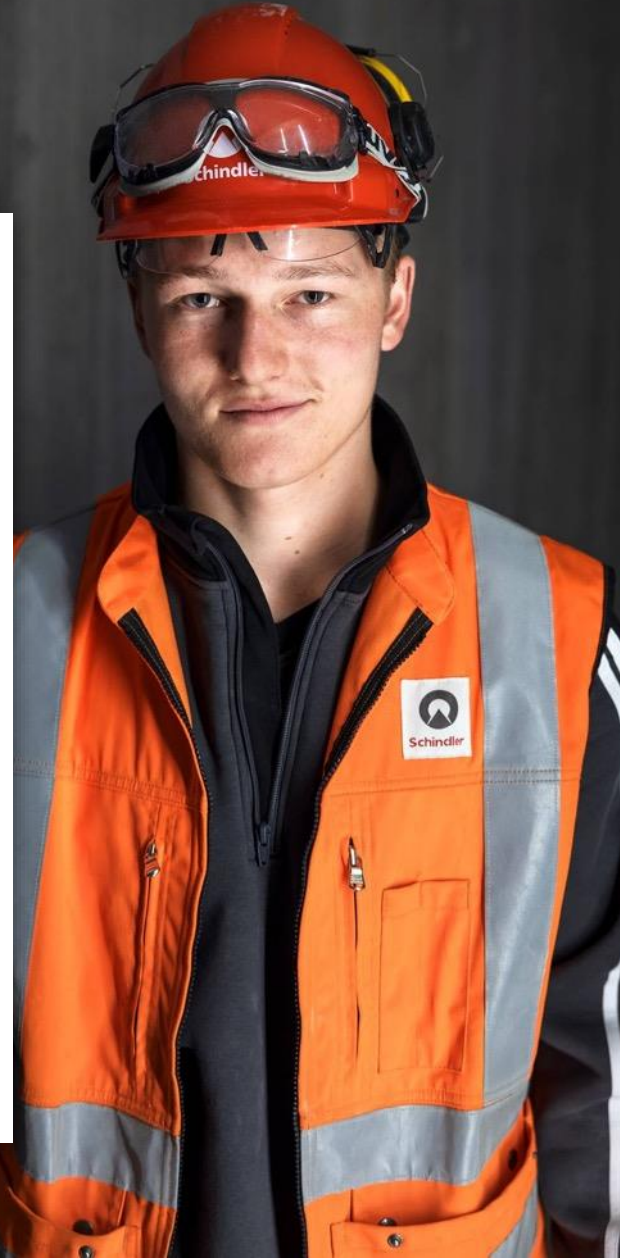
- China market contracting, RoW slowing growth
- Labor and component shortages, construction site delays
- Material inflation pressure easing, labor inflation rising
- Supply chain issues to continue
- Foreign exchange volatility and persisting pressure

Key actions

- Price increases across all regions and product lines
- Accelerated measures to streamline product offering
- Clean-up backlog
- Supply chain turnaround
- Efficiency drive
 - Material
 - Labor
 - Structure and overhead
- Net working capital focus

Schindler outlook for 2022

- Assuming no further lockdowns and no other unexpected events, Schindler foresees revenue growth for the full year 2022 between 0% to +2% in local currencies
- Net profit guidance confirmed to reach between CHF 620 million and CHF 660 million



Results as of September 30, 2022

October 20, 2022

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Additional charts

Quarterly overview

Key figures

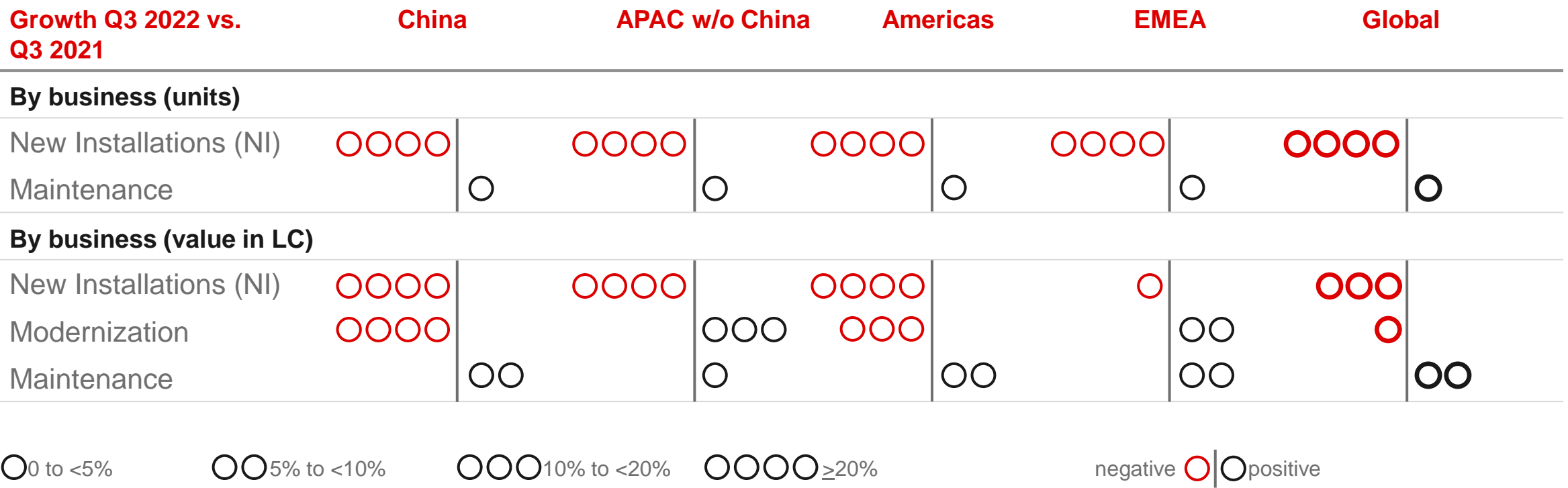
In CHF million			2022				2021
	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Order intake	2 740	3 063	3 164	3 128	2 995	3 106	2 937
Revenue	2 965	2 713	2 632	2 954	2 807	2 873	2 602
Operating profit (EBIT)	252	192	211	253	306	319	288
in %	8.5	7.1	8.0	8.6	10.9	11.1	11.1
Operating profit (EBIT), adjusted	272	230	236	306	308	337	301
in %	9.2	8.5	9.0	10.4	11.0	11.7	11.6
Financing and investing activities	-11	4	-23	-11	-7	-11	-13
Profit before taxes	241	196	188	242	299	308	275
Income taxes	56	44	44	50	65	66	62
Net profit	185	152	144	192	234	242	213
Cash flow from operating activities	77	13	286	356	237	264	457

Balance sheet

In CHF million	30.09.2022	in %	31.12.2021	in %	30.09.2021	in %
Cash and cash equivalents	2 095	17.9	2 841	23.7	2 674	22.9
Other current assets	5 948	50.8	5 436	45.4	5 226	44.8
Total current assets	8 043	68.7	8 277	69.1	7 900	67.7
Non-current assets	3 663	31.3	3 697	30.9	3 767	32.3
Total assets	11 706	100.0	11 974	100.0	11 667	100.0
Current liabilities	6 250	53.4	5 955	49.7	5 733	49.2
Non-current liabilities	1 185	10.1	1 589	13.3	1 437	12.3
Total liabilities	7 435	63.5	7 544	63.0	7 170	61.5
Equity	4 271	36.5	4 430	37.0	4 497	38.5
Total liabilities and equity	11 706	100.0	11 974	100.0	11 667	100.0
Net working capital	– 663		–1 055		–982	
Net liquidity	2 584		3 027		2 883	

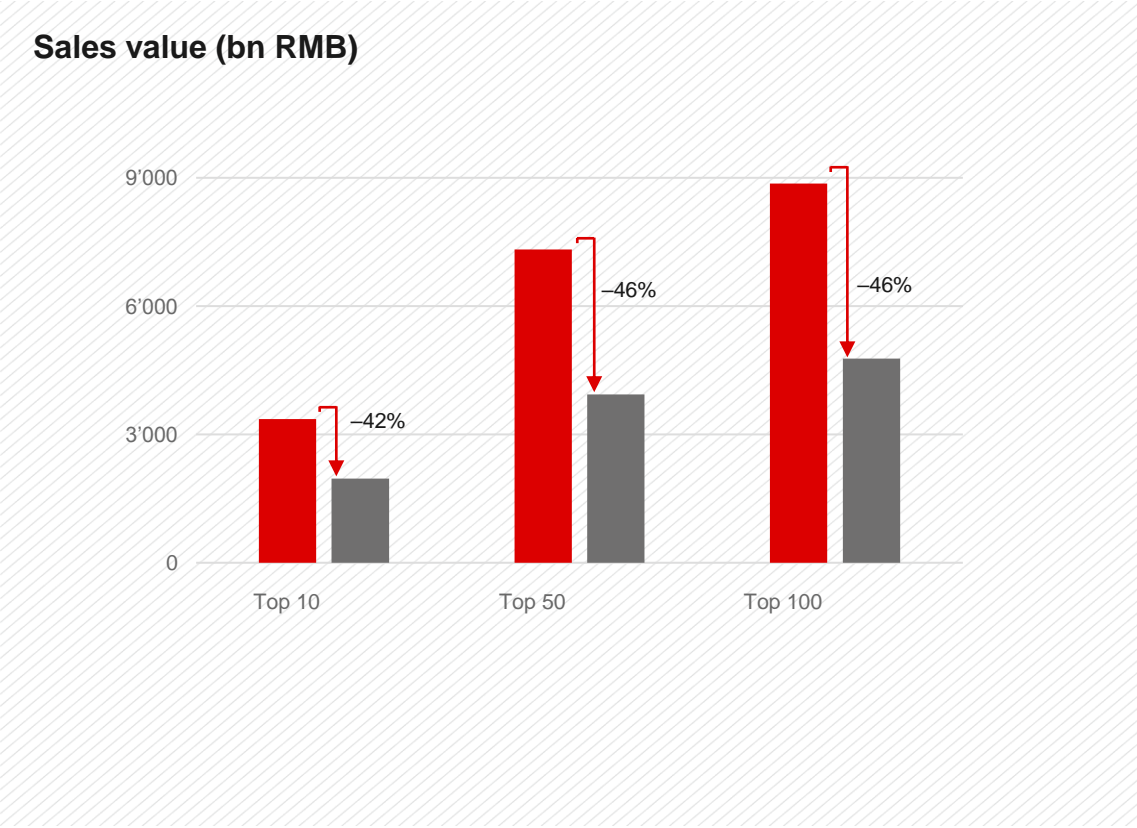
Order intake growth by region and product line (3rd quarter)

Growth in Existing Installations couldn't offset sharp New Installations decline

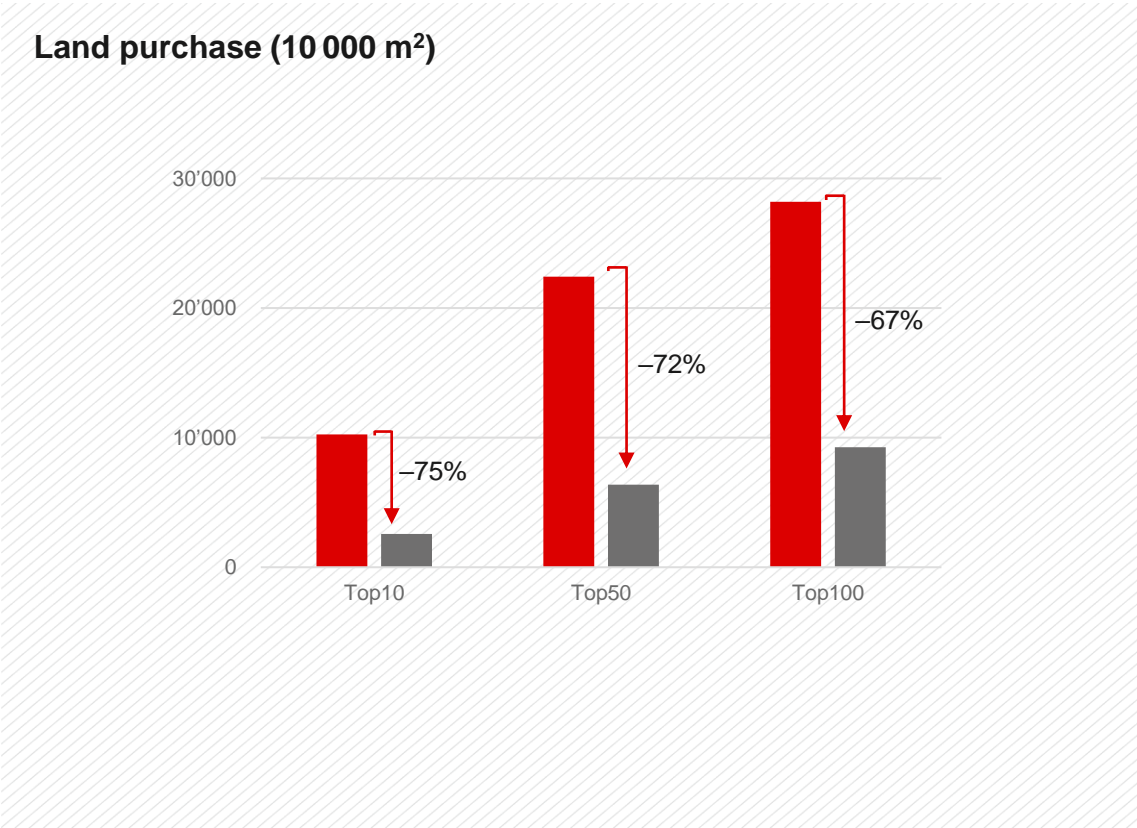


Challenge #5: adjusting for China market contraction

Top 100 developers: land purchases and sales significantly down



Source: CREIS, August 2022 vs. August 2021



Financial calendar 2023

Full year results media conference	February 22
Ordinary General Meeting Schindler Holding Ltd.	March 28
Publication of key figures as of March 31	April
Publication of Interim Report as of June 30	July
Publication of key figures as of September 30	October

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