

PRESS RELEASE

TK Elevator reports record financial results for FY 2023/2024 with €9.3 billion sales and €1.5 billion adjusted EBITDA

- Sales up 7% organically, stable or up across all business lines and business units globally, driven by continued strong service growth and double-digit growth in Modernization and Americas business.
- Continued strong strategic momentum with increasing emphasis on Service and Modernization which now comprises 62% of revenue.
- New installation sales remained stable in a challenging market with share gains driven by the eco-efficient and digitally native EOX platform.
- Adjusted EBITDA grew to €1.5 billion, an increase of more than €150 million year-on-year, driven by strong service and modernization performance and operating leverage; EBITDA margin expanded by more than one percentage point to around 16%.
- Improved adjusted EBITDA over €300 million in two years, an increase of adjusted EBITDA margin of over two percentage points in the same period.
- Generated continued positive free cash flow with total liquidity exceeding €1.2 billion.

Düsseldorf, December 23, 2024 – TK Elevator (TKE), a global leader in vertical transportation and urban mobility, achieved strong strategic and operational progress in its fiscal year 2023/2024 resulting in significant top line and profitability growth. Through disciplined commercial actions and operational rigor, the company significantly strengthened its margin profile. Continued cost discipline led to a new all-time low for the company's SG&A ratio.

TK Elevator CEO Uday Yadav said, "In the last year, our teams achieved another set of record financial results. TKE's multi-dimensional transformation continues, and we are positioning the company to further unlock value in the future. As we make significant strategic and operational changes inside the company, our purpose remains unchanged: Improving the quality of urban life around the world through our passion for moving people."

Increased emphasis on Service and Modernization growth

The growing and aging installed base continued to drive structural service and modernization demand globally. TKE strategically increased emphasis on these market segments across all regions. The group registered service growth at an FX adjusted rate of 8% and finished the year recording 15 consecutive quarters of organic service sales growth. Moreover, the group accelerated modernization sales growth to an FX adjusted rate of 19%, a new annual high, with seven consecutive quarters of double-digit growth.

TK Elevator has invested in targeted service and modernization solutions and strengthened its unique resources and capabilities. This includes growing its global International Technical Services network, investing in innovative digital solutions, expanding its state-of-the-art spare parts supply chain and launching Universal Service by TK Elevator, a unique value proposition that draws on TKE's leading multi-brand capabilities to redefine service excellence, drive service growth and unlock

further productivity gains. The company also achieved promising results with its digital-first service delivery pilot in North America which aims to enhance customer experience and value.

Driving profitable new installation growth based on innovation, resilient supply chain and world-class manufacturing

The new eco-efficient, digitally native EOX elevator platform is driving the holistic transformation of TKE's product portfolio, global supply chain, manufacturing competitiveness, installation and service processes, and customer experience. The innovation continues to gain market share with increased penetration in the targeted high-volume, low- and mid-rise residential segments of the market. Order intake for EOX increased throughout the year, doubling year on year in the final fiscal quarter, representing approximately 75% and 40% of total elevator units ordered in Europe and Americas, respectively.

Significant progress implementing company-wide business system

To drive growth and best-in-class performance, the company launched the comprehensive, proprietary TK Elevator branch excellence assessment process, benchmarking against elite performers on process maturity, leadership strength, and results. Over 85% of targeted branches across 60 countries have been assessed during the fiscal year.

ABOUT TK ELEVATOR

TK Elevator (TKE) is a global leader in vertical transportation and urban mobility. We provide engineering that keeps the world moving, from design to installation and maintenance on any brand of elevators, escalators, walkways, lifts, passenger boarding bridges, stairlifts, platform lifts and home elevators – any place and any time. With our digital solutions like AGILE and the IoT platform, MAX, there are no longer any limits to urban mobility. TK Elevator became independent following its separation from the thyssenkrupp group in 2020. The company achieved sales of €9.3 billion in fiscal year 2023/2024. With around 50,000 employees, 25,000 service technicians and over 1,000 support centers globally, we are moved by what moves people. TKE – Move Beyond.

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