



# CEO's review

Philippe Delorme, President and CEO  
Ilkka Hara, CFO

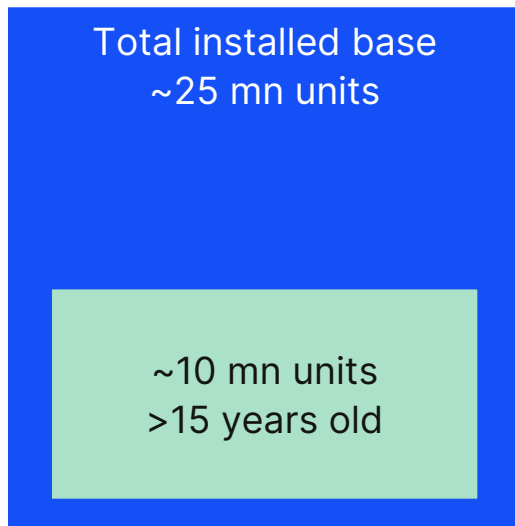
5 MARCH 2025

KONE ANNUAL GENERAL MEETING

Dedicated to  
People Flow™

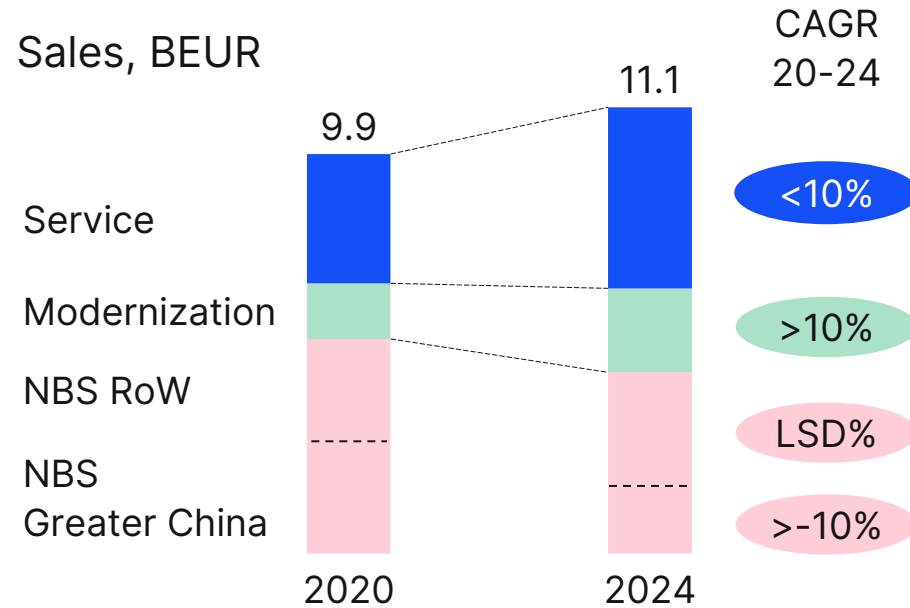
# KONE is accelerating its transformation towards Service and Modernization as markets are shifting

Elevator and escalator market value >80 BEUR



KONE

Sales, BEUR



60% of sales and 90% of profit from Service and Modernization, a highly resilient business

# KONE's year 2024

## Resilience

~10% growth in Service and Modernization sales and >10% growth in orders outside China

## Profitable growth

Growth in earnings and consistent improvement in adjusted EBIT margin

## Rise to lead

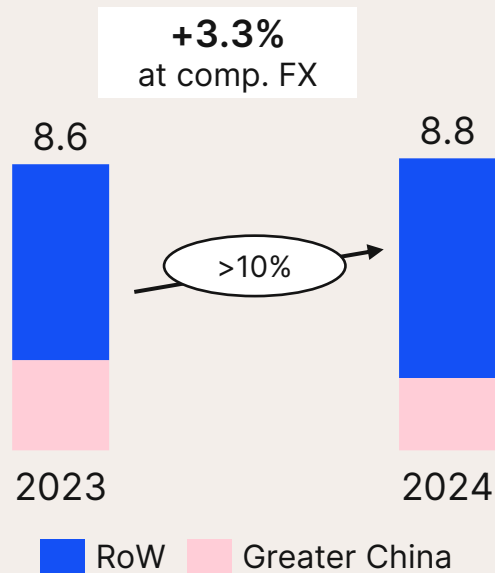
Strong support and excitement for new strategy – executing at full speed



# 2024 financial highlights

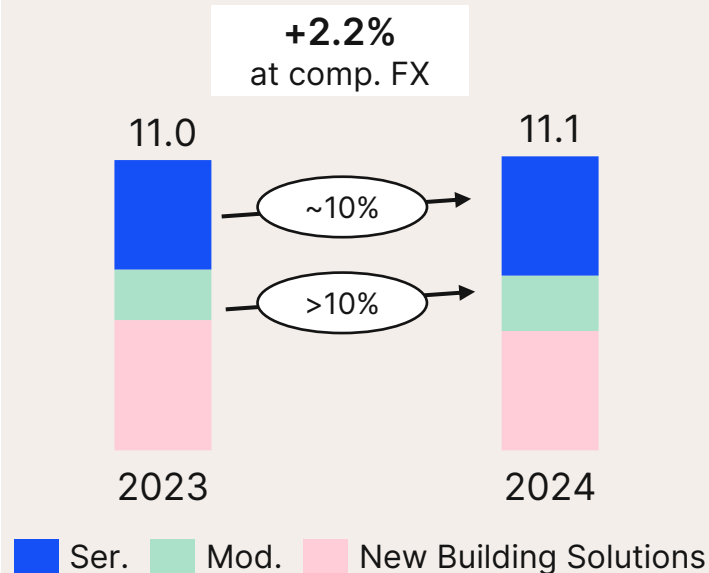
Orders increased in three of four Areas, offsetting headwinds from China

Orders received, EUR bn



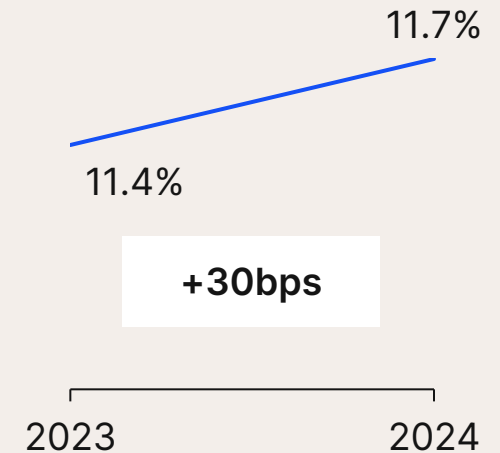
Sales growth driven by Service and Modernization

Sales, EUR bn



Continued improvement in adjusted EBIT-%

Adjusted EBIT margin, % of sales



# Rise to lead

#1 for Employees & Customers • Innovation & Sustainability • Growth & Profitability



Accelerate Digital



Drive Modernization



Win Residential



Cut Carbon

Easiest to work for and work with



# Bringing new innovations to market



## KONE High-Rise MiniSpace DX with UltraRope

- Significantly lower carbon footprint and more floor space for developers



## Renewed KONE MonoSpace 100 DX

- Strengthening cost-competitiveness in low-rise residential



## Industrializing our partial modernization approach

- Cost-effective, eco-efficient solution with minimal disturbance at site

# Exciting customer references across the world

Modernization



Milan Metro, Milan, Italy

Modernization



Convention and Sport Facilities,  
City of San Antonio, Texas, U.S.

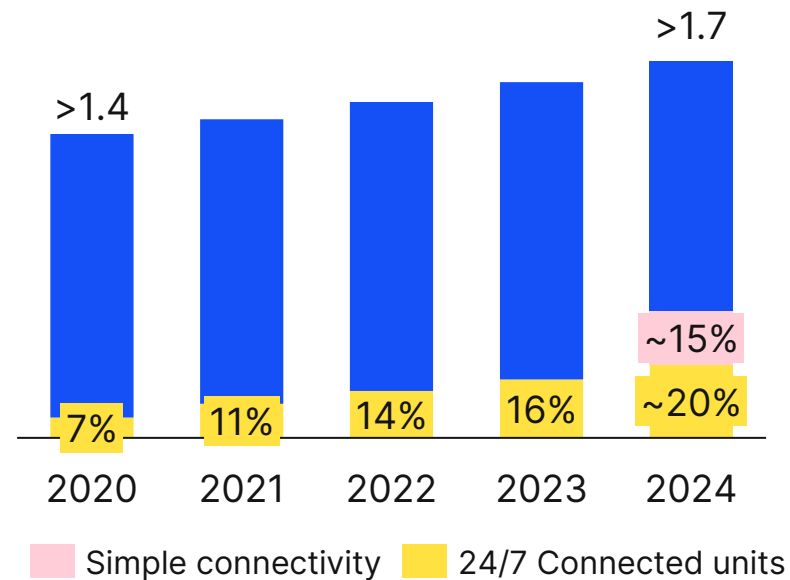
New Building Solutions



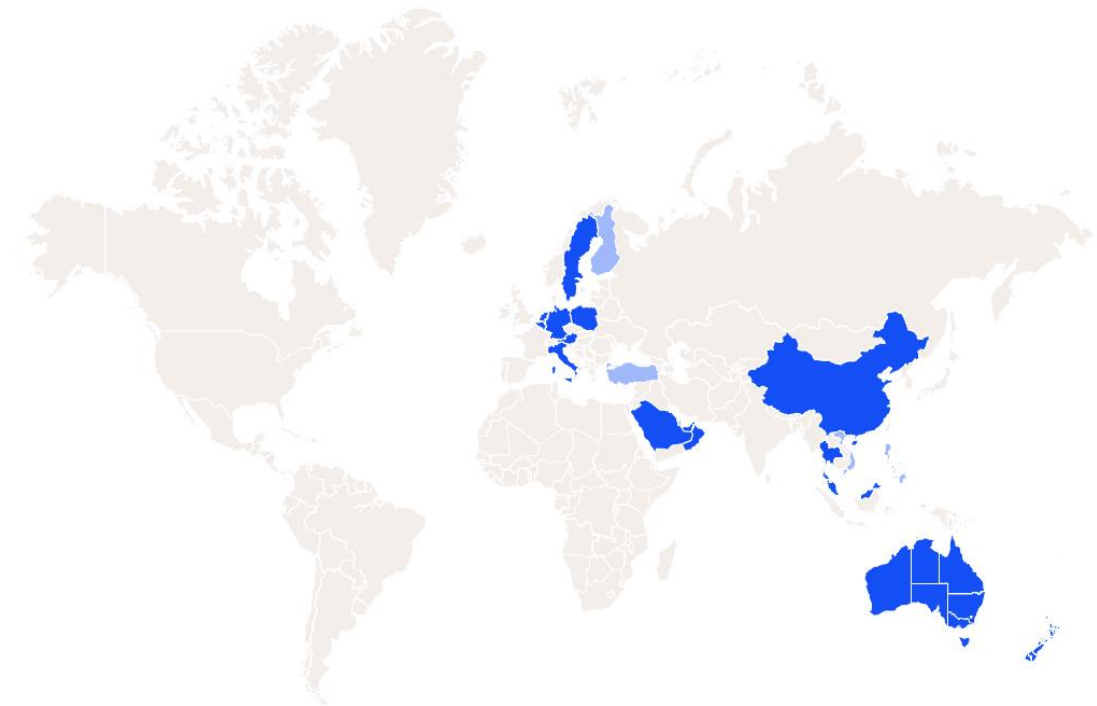
Burj Binghatti Jacob & Co  
Residences, Dubai, UAE

# Driving customer value and productivity with digital service offering

Service base connectivity increasing  
Units in service base, mn



Rollout of field productivity enhancing solutions accelerating



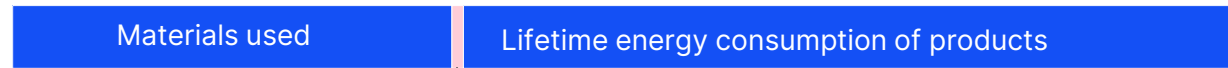
- Dynamic maintenance planning live
- Dynamic maintenance planning go-live in Q1



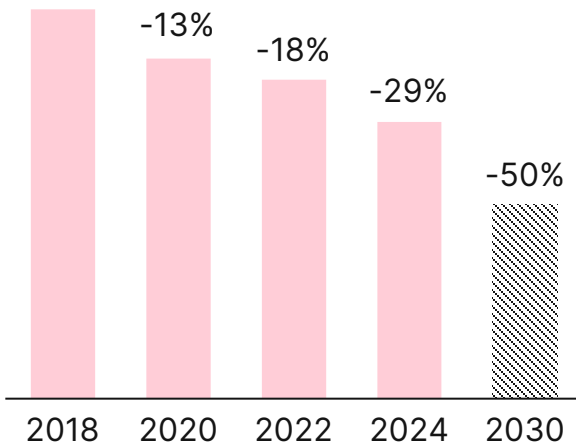
# Strengthening our position as a leader in sustainability

## On track to reaching our climate pledge

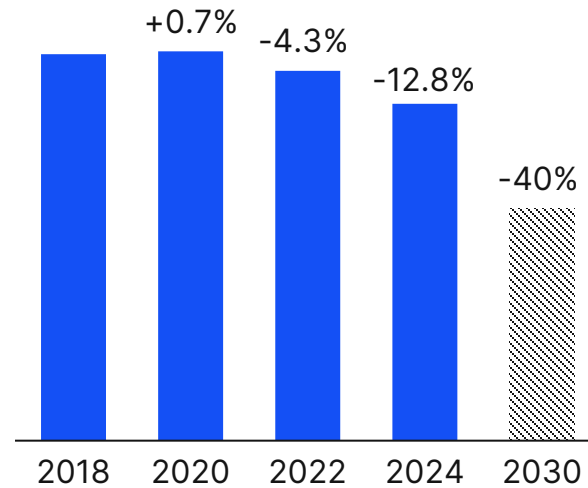
### KONE's carbon footprint



### Scope 1 & 2 absolute emissions\*



### Scope 3 emissions relative to products ordered\*\*



\* Compared to 2018, SBTi baseline

\*\* Includes emissions related to our products' materials (purchased goods and services) and lifetime energy consumption (use of sold products), compared to 2018, SBTi baseline

## Recognitions for our sustainability leadership



Sustainability Statement, compiled according to the Corporate Sustainability Reporting Directive (CSRD), published in February 2025

# Market development and financials

# Market environment in 2024 – 11 of 12 end markets stable or growing

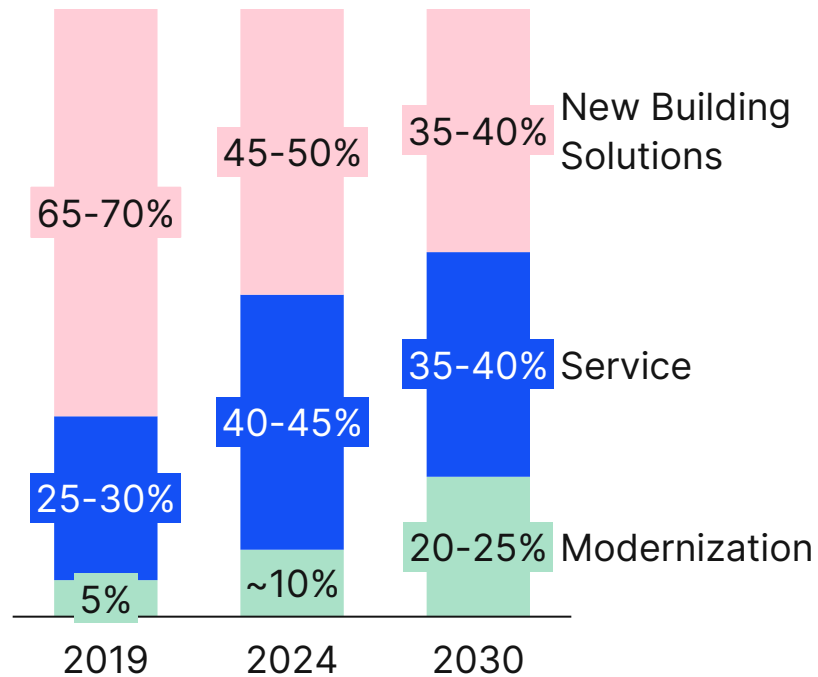
	North America	Europe	APMEA	China
<b>New Building Solutions</b> in units	+	stable	+++	---
<b>Service</b> in units	+	+	++	++
<b>Modernization</b> in monetary value	+++	++	+++	+++

- **New Building Solutions** markets stable or growing outside China
- China market dynamics changing as new construction remains weak and service and modernization growth continues
- **Service and Modernization** grew in all regions

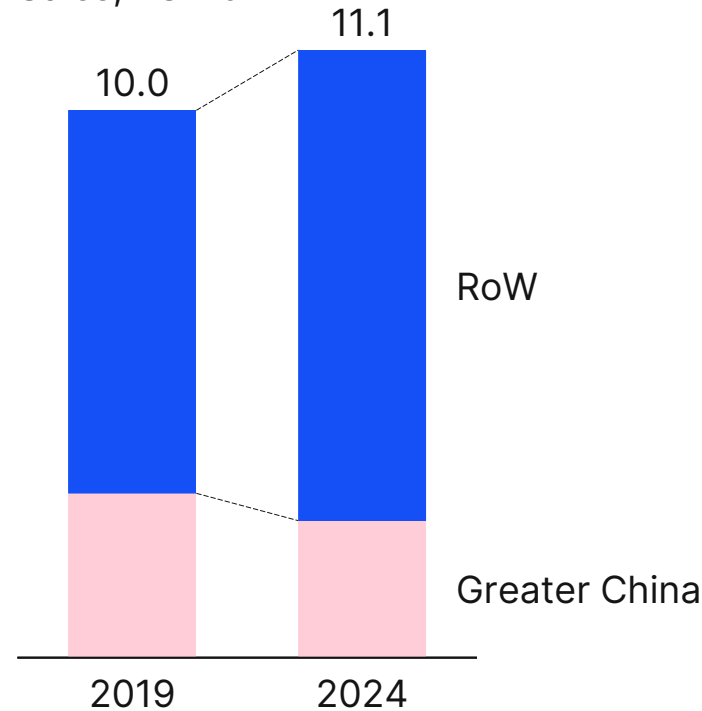
--- Significant decline (>10%), -- Clear decline (5-10%), - Slight decline (<5%), Stable, + Slight growth (<5%), ++ Clear growth (5-10%), +++ Significant growth (>10%).  
The development of the operating environment compared to the corresponding period last year. Based on KONE's estimate.

# KONE's business in China rebalancing to Service and Modernization

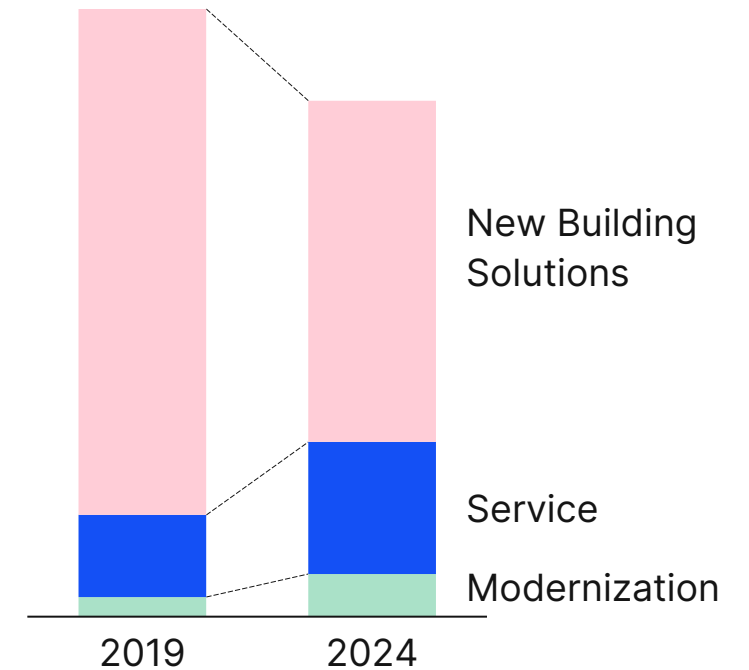
Service and Modernization represents approximately half of China's E&E market  
Monetary value



KONE's China exposure has decreased...  
Sales, EUR bn



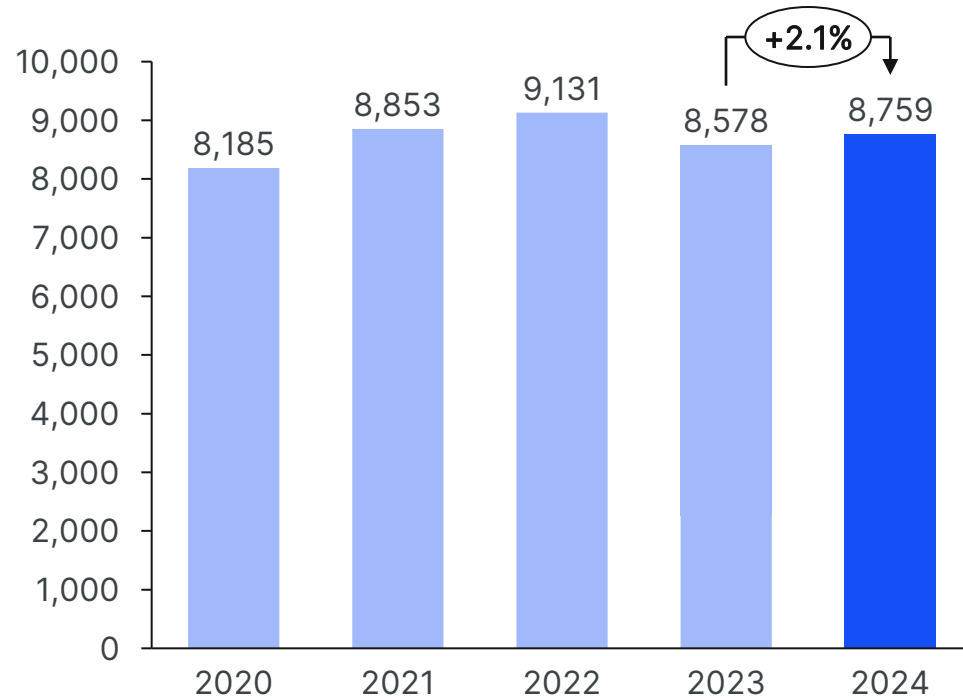
... and Service and Modernization are growing within the business mix  
Greater China sales, EUR bn



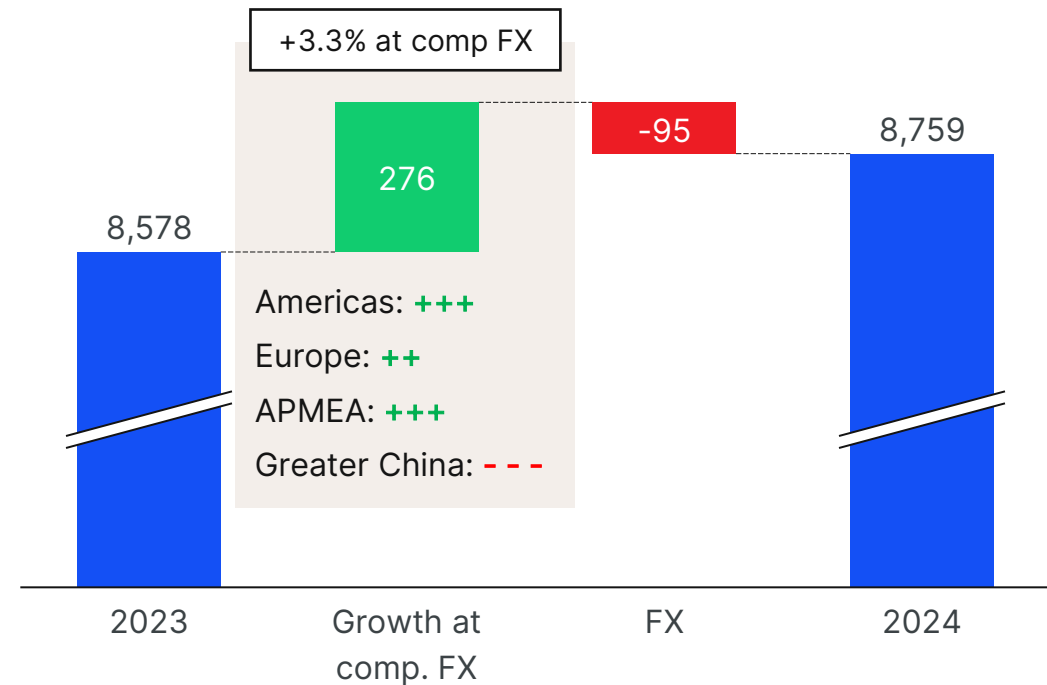
# Strong order growth in three out of four Areas, New Building Solutions in China remained a headwind

Orders received

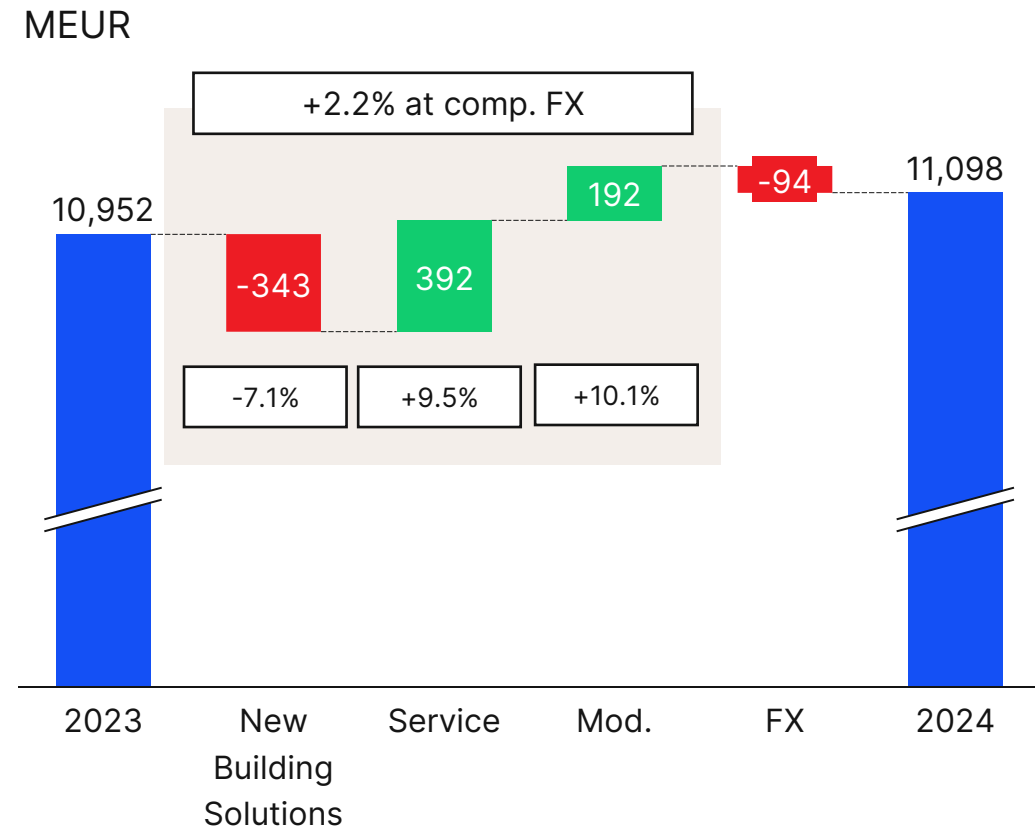
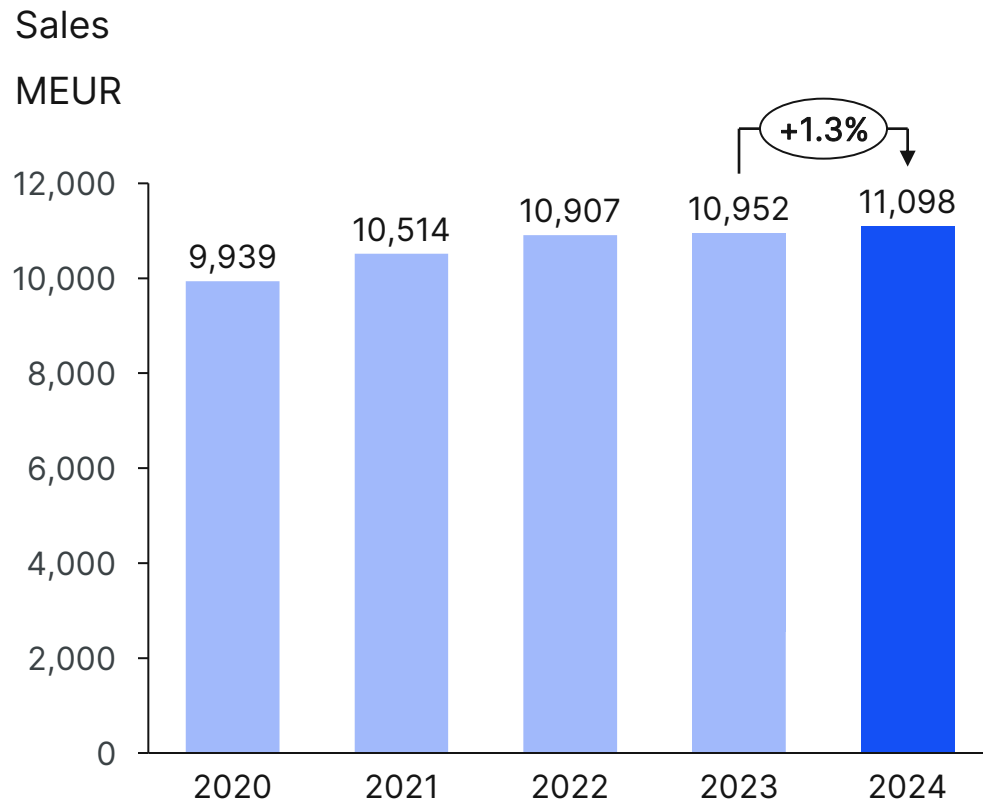
MEUR



MEUR

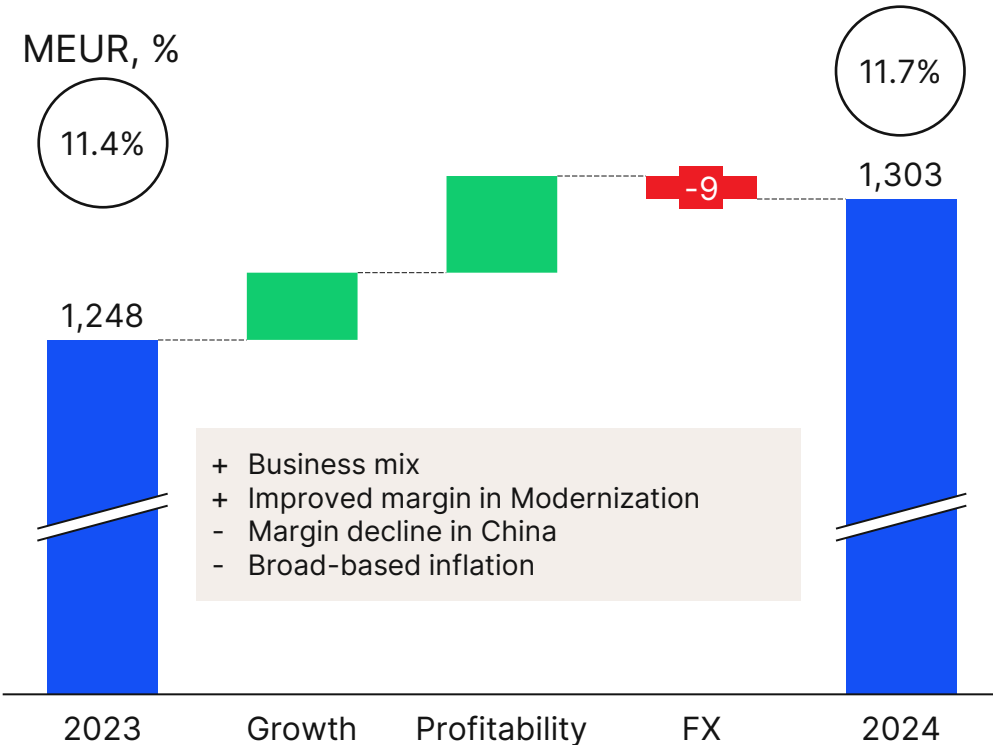
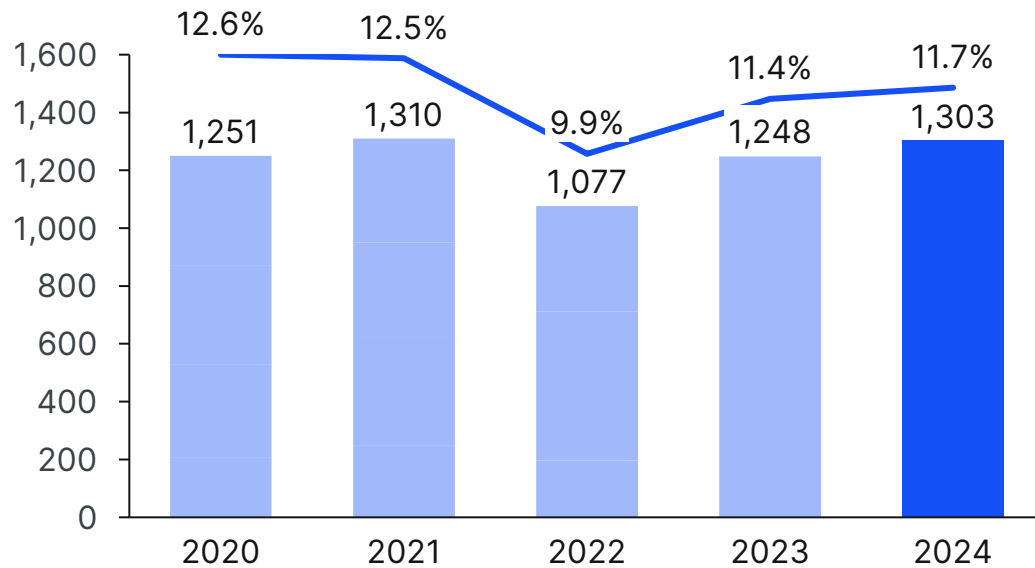


# Sales growth driven by Service and Modernization



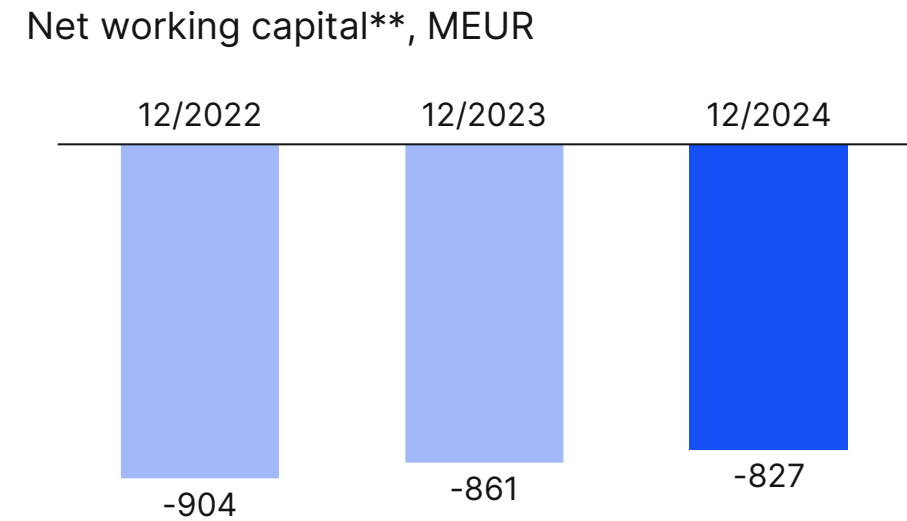
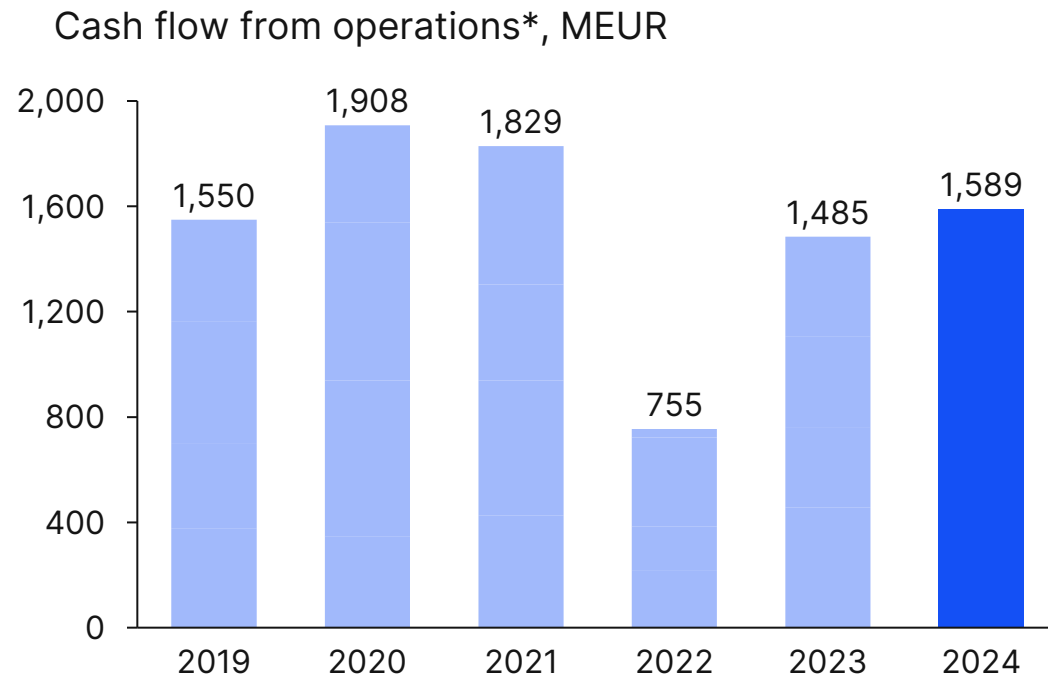
# Eight consecutive quarter of profitability improvement

Adjusted EBIT\*  
MEUR, %



\*KONE presents adjusted EBIT as an alternative performance measure to enhance comparability of business performance between reporting periods. In 2024, items affecting comparability amounted to EUR 54 million including EUR 36 million restructuring costs and EUR 18 million expensed development costs as a result of redirecting development activities in alignment with KONE's new strategy.

# Solid growth in cash flow



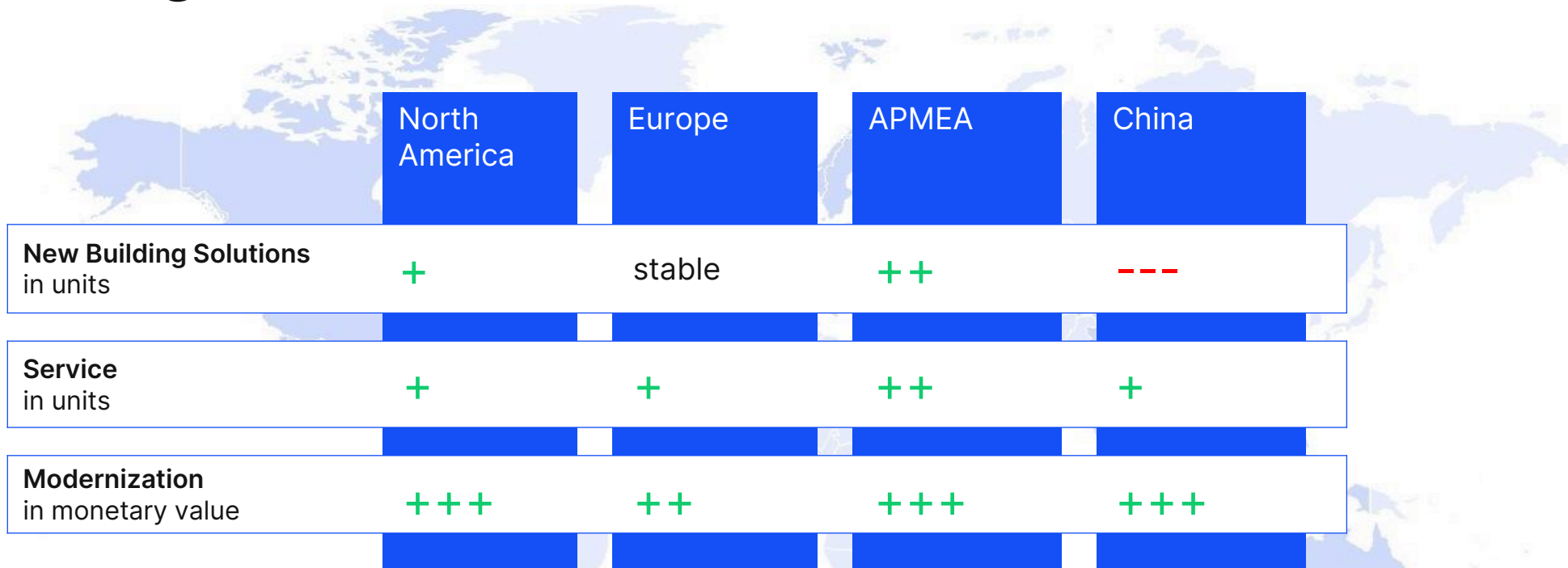
\* Before financing items and taxes

\*\* Including financing items and taxes



# Outlook and priorities for 2025

# Market outlook for 2025 – opportunities in all regions

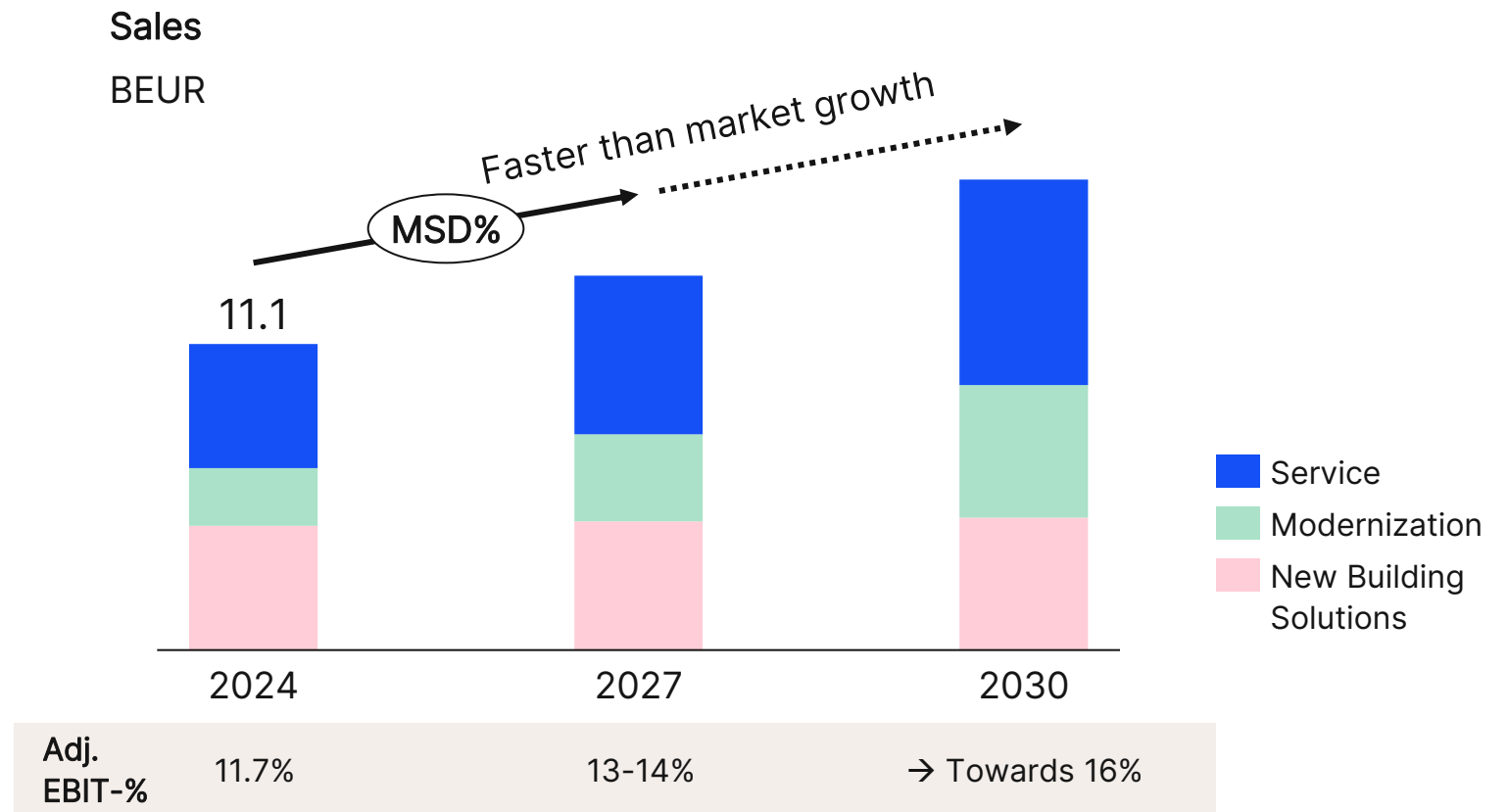


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 The development of the operating environment compared to the corresponding period last year. Based on KONE's estimate.

# On track to reaching our mid-term financial targets

## Business outlook 2025

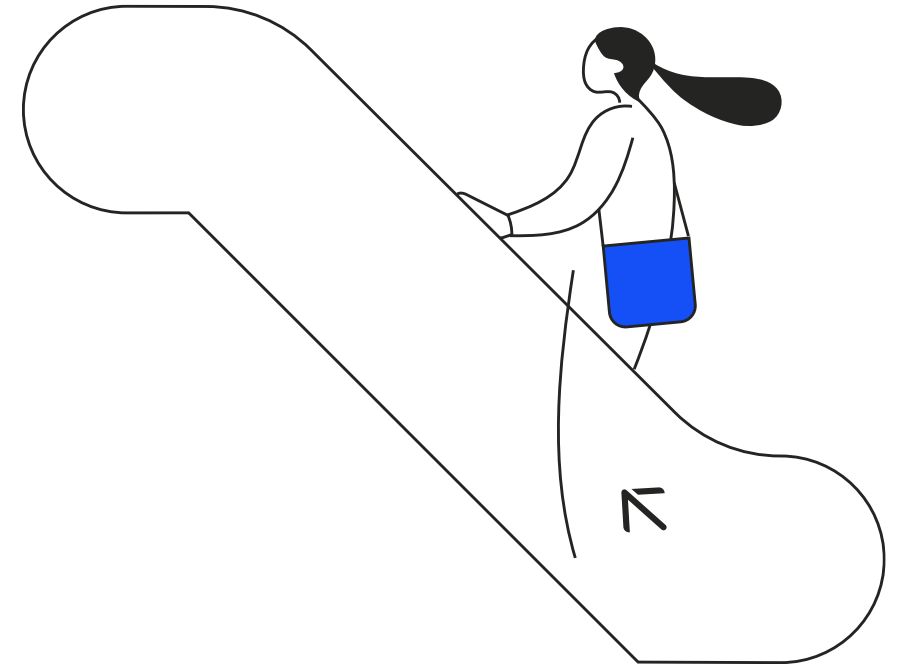
- KONE expects its sales to grow slightly at comparable exchange rates
- The adjusted EBIT margin is expected to continue to improve



# Delivering on our ambition to lead the industry

## Key priorities for 2025

- Accelerate customer driven **innovations**
- Scale and accelerate the digital transformation in **Service** and further industrialize our approach in **Modernization**
- Focus on cash, margin and balanced business mix in **China**
- Drive **performance initiatives** in sales and operations and procurement efficiency



# Summary

- Strong growth in Service and Modernization showing resilience
- Executing new strategy 'Rise' at full speed
- On track to delivering on our targets



# KONE

