

SEB Nordic Seminar Copenhagen

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New Cargotec: Getting fit and futureproof for profitable growth

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Kalmar ROBOTIC portfolio



Accelerated transition towards more profitable
and futureproof business started in March



We have already reached significant milestones in the new strategy

Strategic evaluation of MacGregor business



Plan to exit heavy cranes business in Kalmar



Review of operational model to support refocused group



**We want to participate
in solving global
challenges together
with our customers**



By solving our
customers' sustainability
challenges, we will



Make the industry more **sustainable**



Grow faster
than the market



Significantly
improve our
profitability

Our strategy for profitable growth centers on sustainability



Investing in innovation to be sustainability leader



Driving **increasing recurring revenues**



Actively seeking **organic and inorganic growth**



Aiming for **highest ESG standards** in our industry

Strong market positions

Leading brands

Leadership & people

Cargotec's performance targets for its core businesses

Eco portfolio: double sales growth
compared to traditional products

Sales growth faster than market¹

Reduce CO₂ emissions in our value chain²

2025: **-25%** | 2030: **-50%**

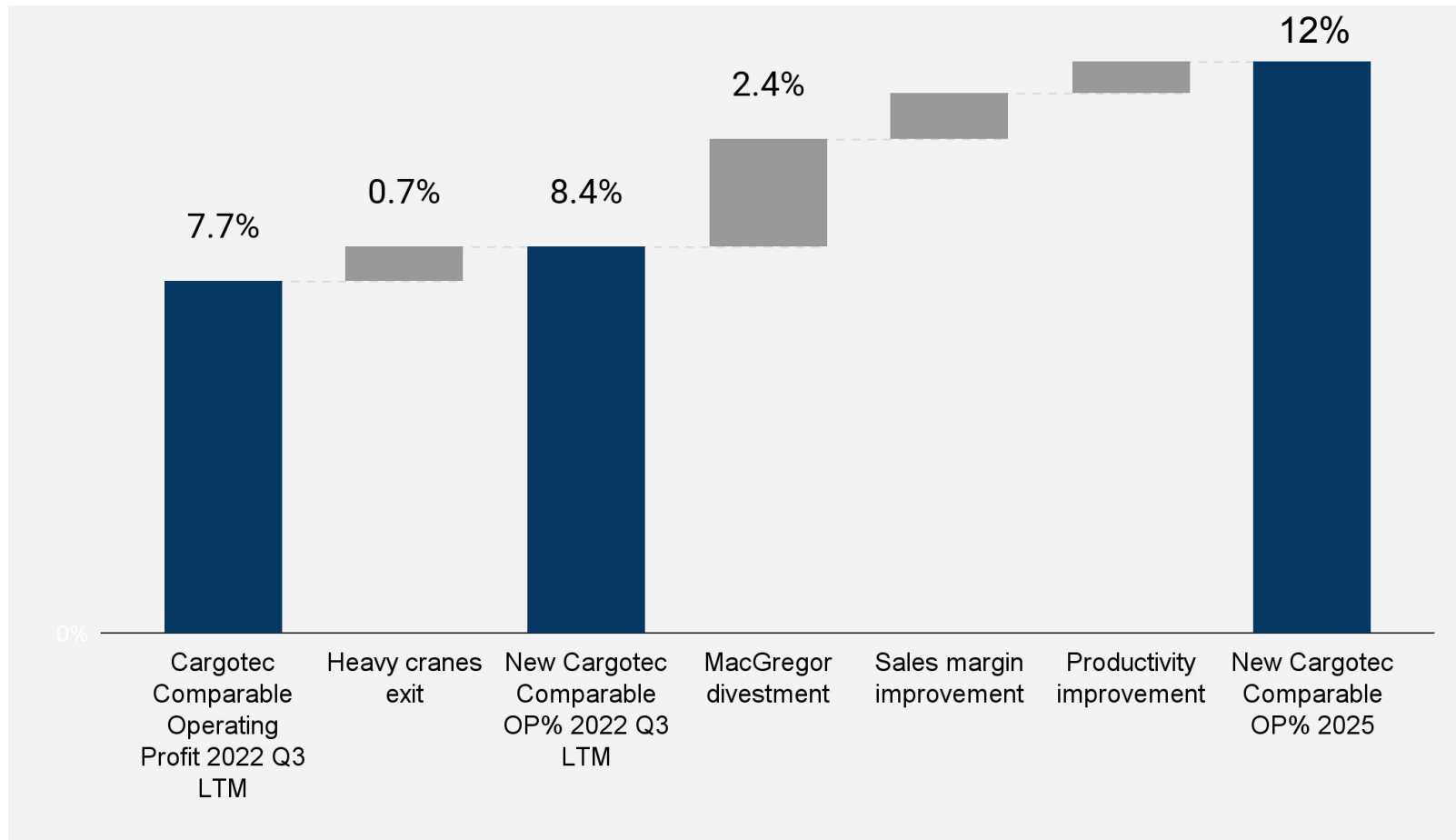
Comparable operating profit

2025: **12%** | 2030: **15%**

Growing dividend
30-50% EPS

Gearing below
50%

These are the key levers for higher performance up to 2025



Levers for higher profitability:

Sales margin improvement

- › Supply chain developments
- › Service growth (capture rates, digital solutions, eCommerce)
- › Eco portfolio sales growth

Productivity

- › Kalmar, Hiab and shared services operational excellence programs, investments in assembly operations

Focus on core businesses will take Cargotec profitability to next level

CORE BUSINESS

- SALES
3.1b€
- COMPARABLE OP
340M€ (10.8%)
- SERVICE SALES
919M€ (29%)
- ECO PORTFOLIO share
of total sales **26%**



NON-CORE BUSINESS*

- SALES
0.6b€
- COMPARABLE OP
-51M€ (-8.3%)
- SERVICE SALES
280M€ (46%)
- ECO PORTFOLIO share
of total sales **8%**

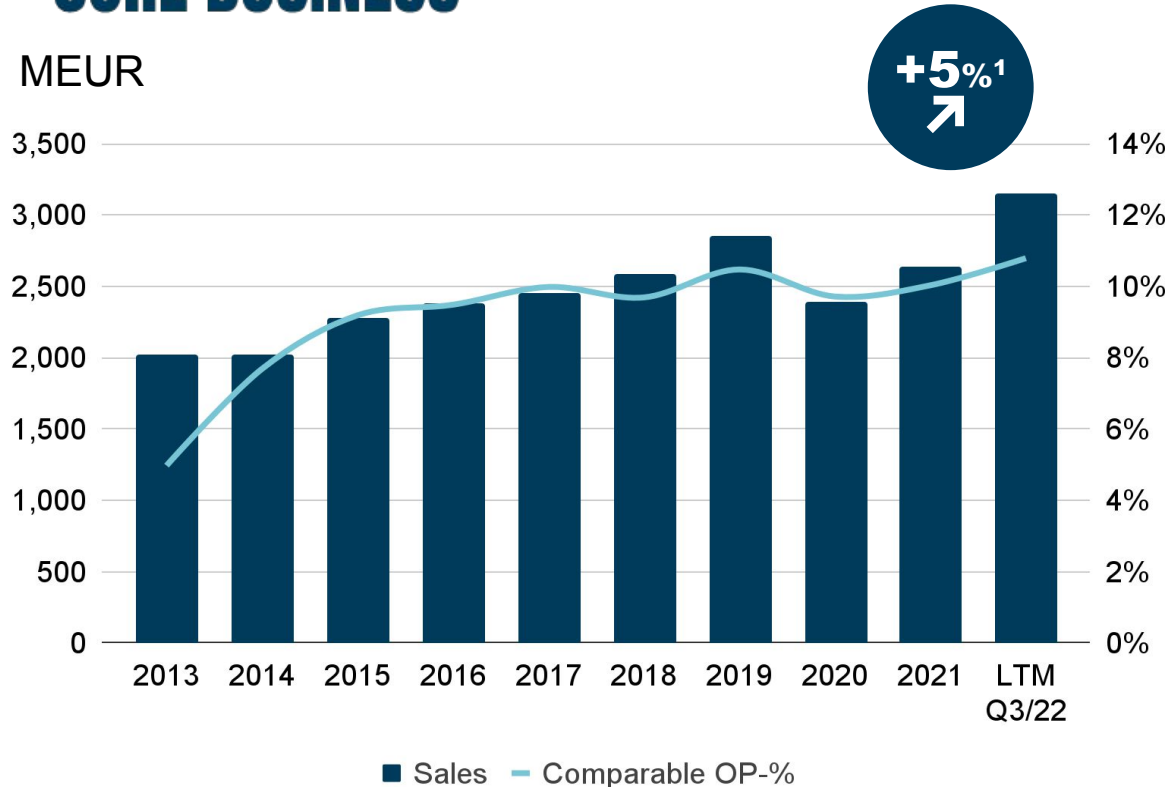


CARGOTEC TODAY

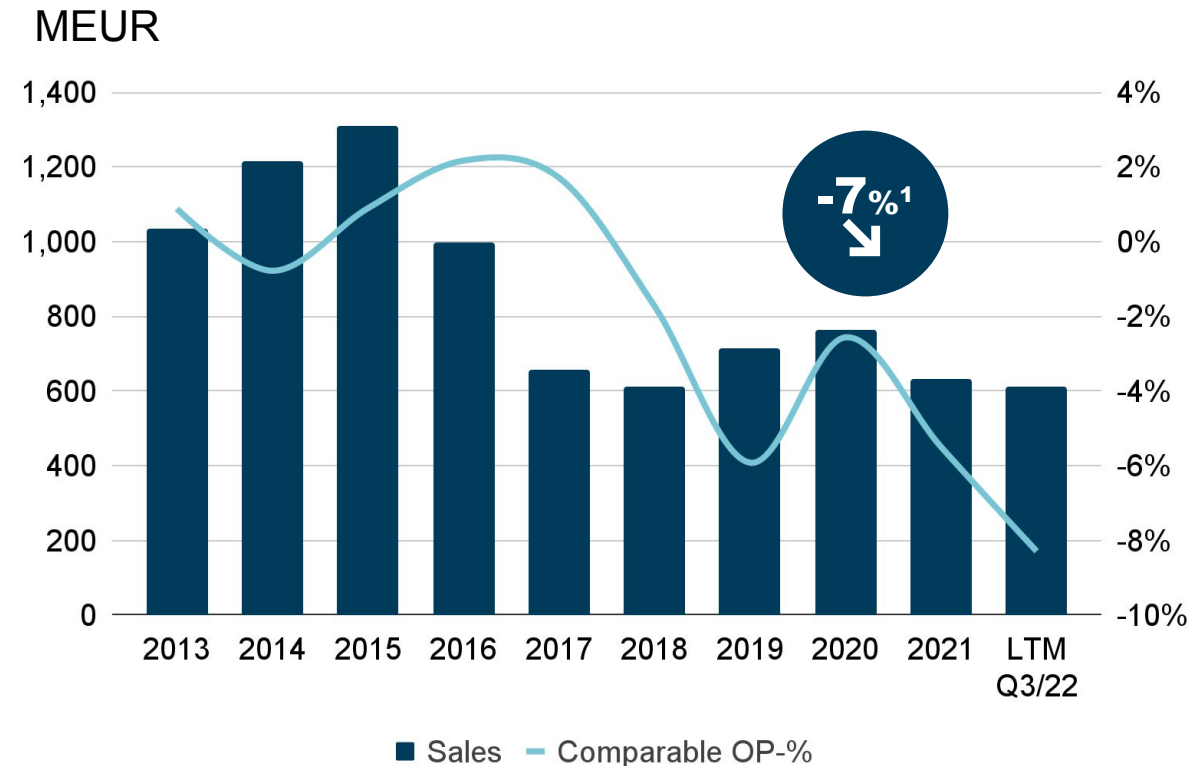
- SALES
3.7b€
- COMPARABLE OP
289M€ (7.7%)
- SERVICE SALES
1,199M€ (32%)
- ECO PORTFOLIO share
of total sales **23%**

Core businesses are growing with stable profitability...

CORE BUSINESS



NON-CORE BUSINESS*



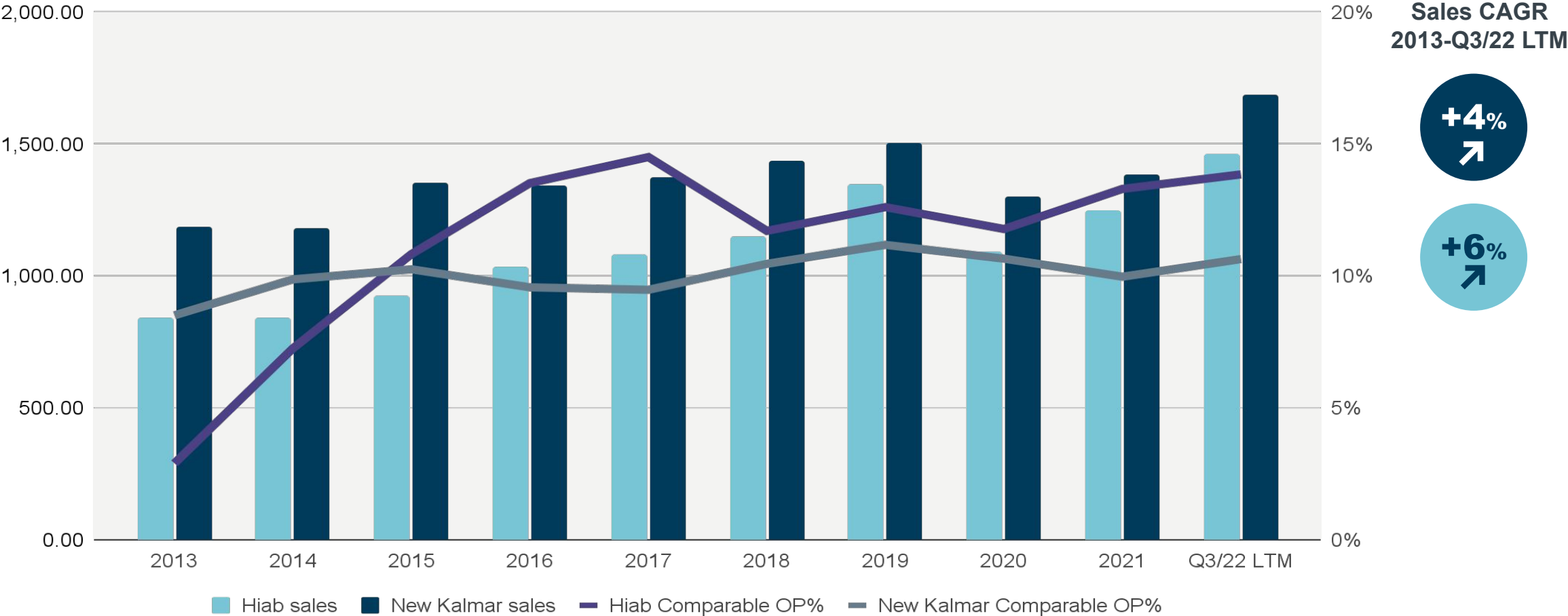
1) Sales CAGR 2013-Q3/22 LTM


*) Kalmar heavy cranes and MacGregor

All figures management estimates

...with both consistently delivering double digit profitability

MEUR





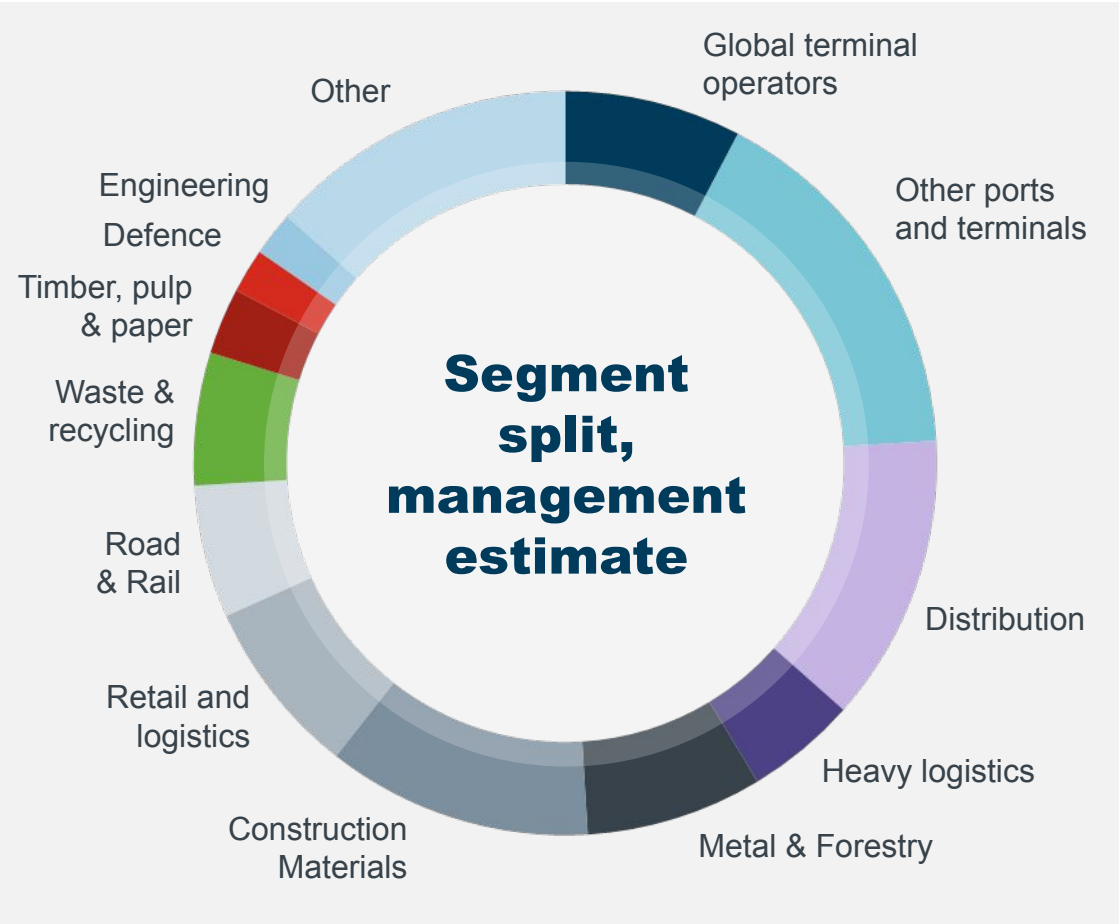
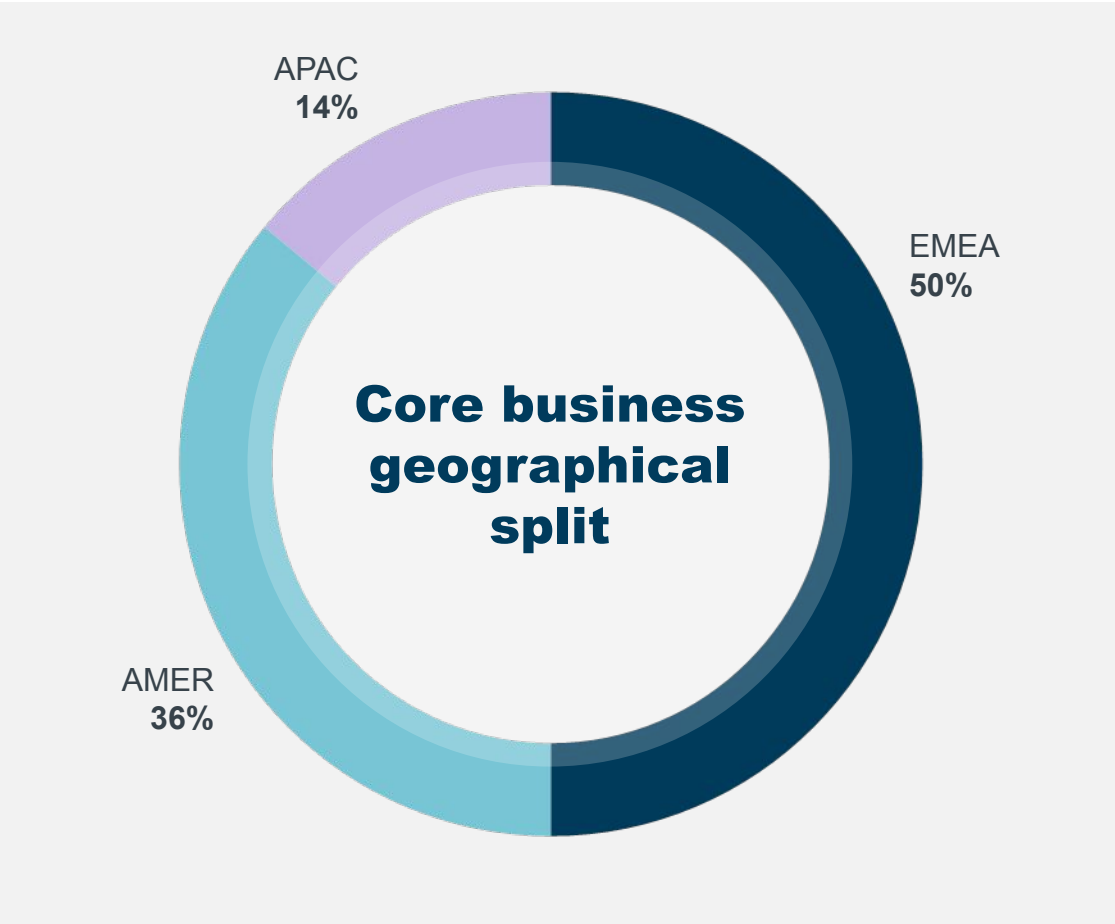
Kalmar heavy cranes exit stops significant annual losses

- Asset deal completion in Q4/2022
- Stopping significant annual losses (20M€ in 2021)
- 80M€ orderbook, 80% delivered by the end of 2023
- Expecting small negative impact in Kalmar profitability in 2023
- Last 5 year restructuring costs 43M€

MacGregor strategic evaluation completed

- MacGregor will not be part of Cargotec's portfolio in the future
- From a value creation perspective, the timing for divestment is not ideal
 - Financial market uncertainty
 - Early phase of turnaround
- Sep 2022 orderbook 861M€, supporting 2023 revenue and profitability improvement
- New Offshore restructuring program launched
 - Target 12M€ annual cost reduction
 - Majority of the reductions effective in 2023, starting from Q2 onwards
- Cargotec is expecting MacGregor's sales and comparable profit to improve in 2023 compared to 2022

Well diversified core businesses are in attractive markets and segments



We are prepared for different future scenarios

Observe early signals - monitor customer demand and equipment utilization

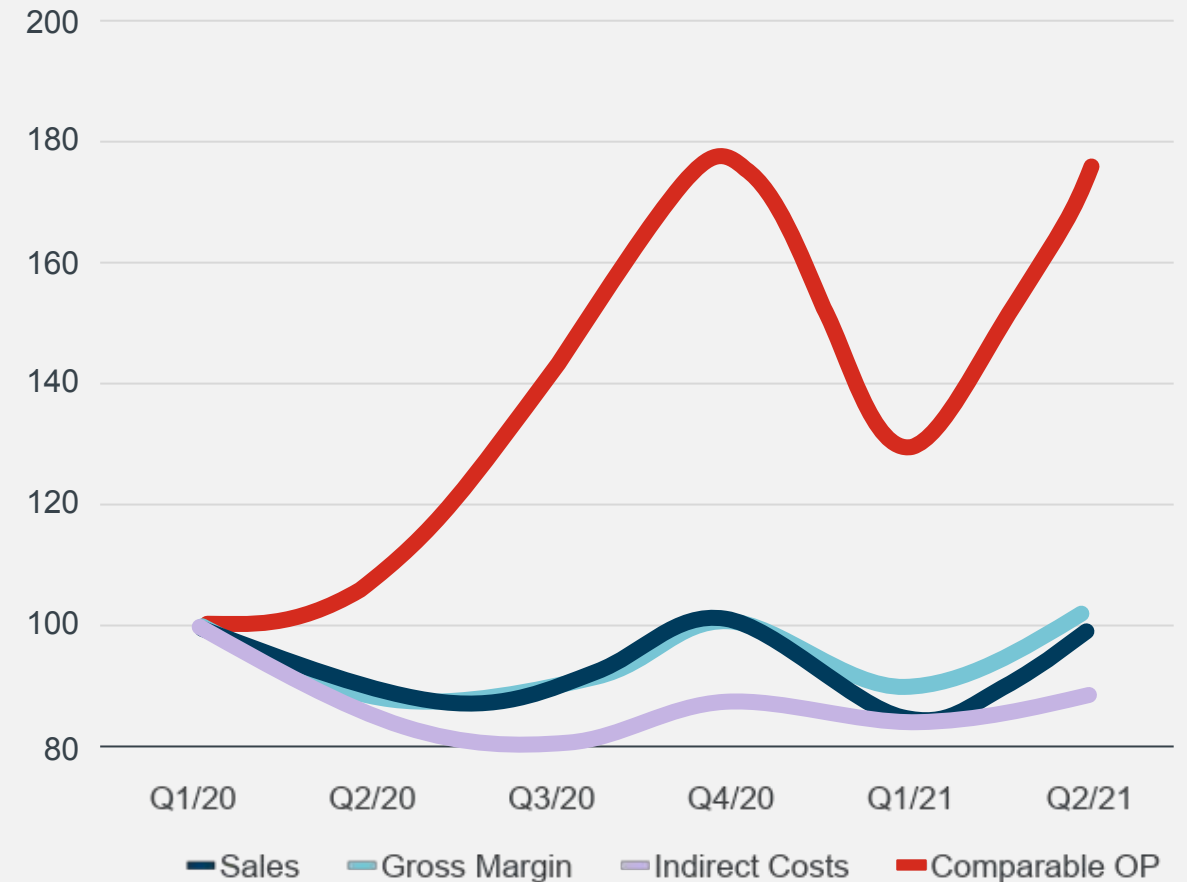
Rapid cost base adjustment enabled by scenario plans, like

- › maintaining core businesses operating profit margin above 10% with 25% sales decline

Utilize momentum for offensive actions, like M&A

Actions to reduce fixed costs reduction compensated for the lost gross margin

Index Q1/20 = 100



An investment in Cargotec is an investment in a more sustainable future

Growing by making customer's operations **more sustainable**

Business in diversified **attractive growth** segments and markets

Significant installed base for growing service business

Solid track record of delivering 5% annual growth and 10% EBIT

Dividend policy **30-50%**, growing annually

