



2 February 2023

Record year for Kalmar and Hiab

Cargotec's Financial Statements Review 2022

Mika Vehviläinen, CEO • Mikko Puolakka, CFO

- All-time high orders, sales and comparable operating profit
- Record high service and eco portfolio sales
- MacGregor's portfolio rationalisation had significant negative impact on operating profit

Disclaimer

Although forward-looking statements contained in this presentation are based upon what management of the company believes are reasonable assumptions, there can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. These statements are not guarantees of future performance and undue reliance should not be placed on them. The company undertakes no obligation to update forward-looking statements if circumstances or management's estimates or opinions should change except as required by applicable securities laws.

All the discussion topics presented during the session and in the attached material are still in the planning phase. The final impact on the personnel, for example on the duties of the existing employees, will be specified only after the legal requirements of each affected function/ country have been fulfilled in full, including possible informing and/or negotiation obligations in each function / country.

Contents

- 2022 highlights
- Market environment
- Group level development
- Business areas
- Financials and outlook



Highlights of 2022 – Core businesses' comparable operating profit increased to EUR 388 million

Orders received increased by 10%

- Strong orders in all businesses

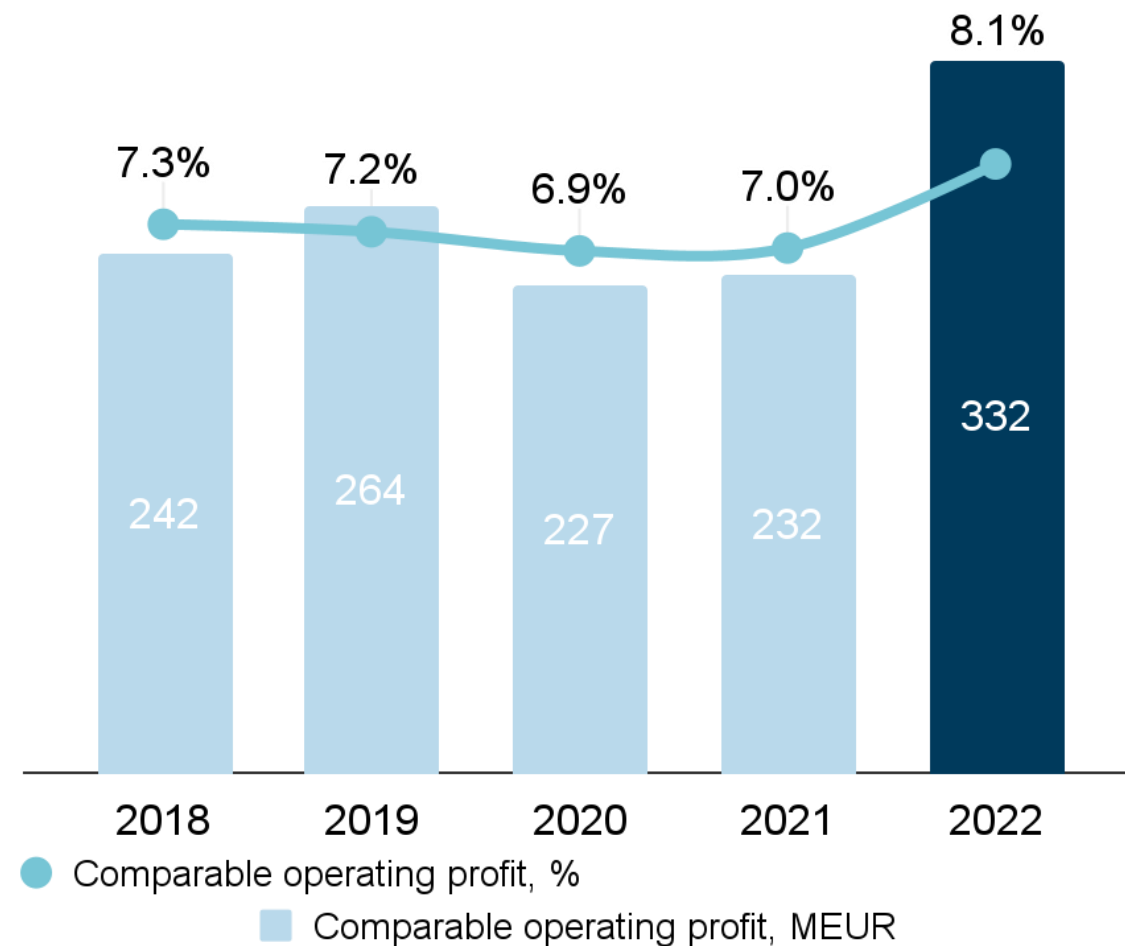
Sales increased by 23%

- Service sales increased by 17%
- Eco portfolio increased by 54%

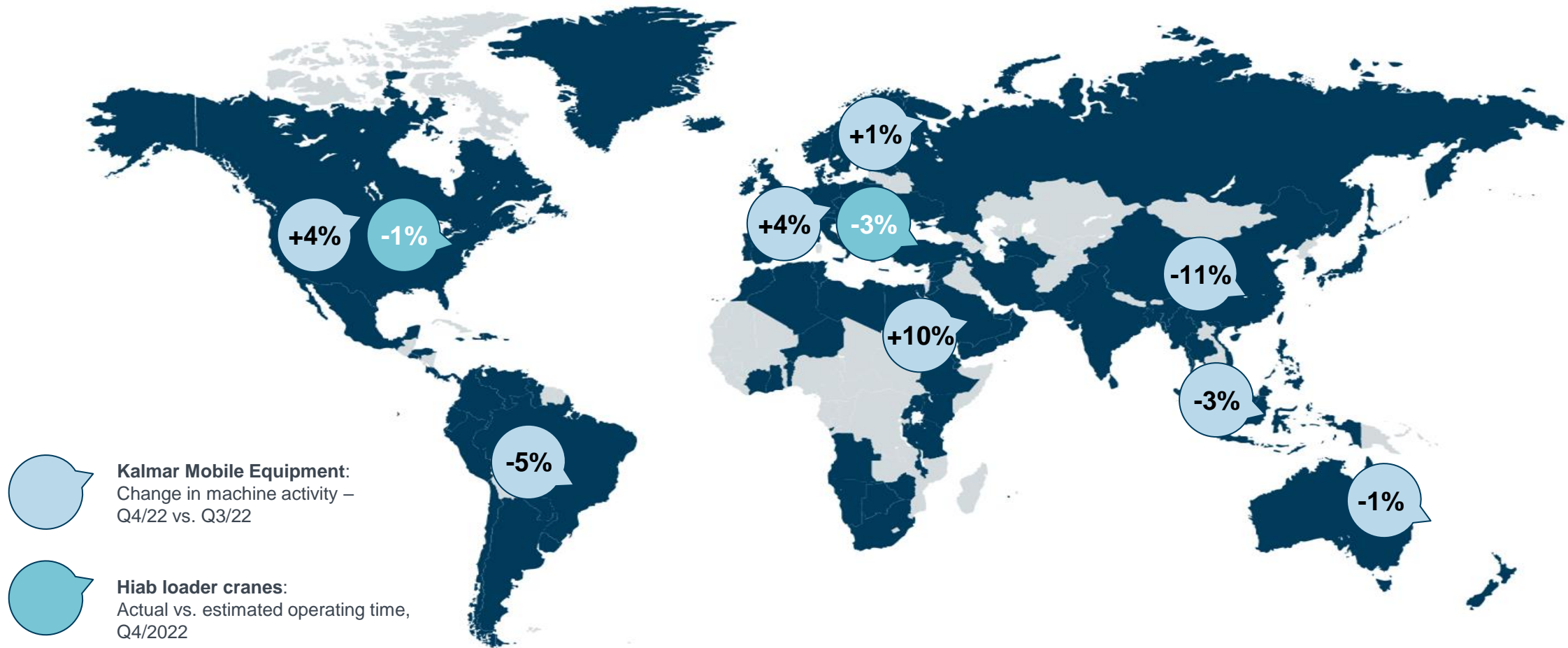
Comparable operating profit

increased by 43%

- Kalmar +70 MEUR
- Hiab +58 MEUR
- MacGregor -21 MEUR



Equipment activity remained at a high level

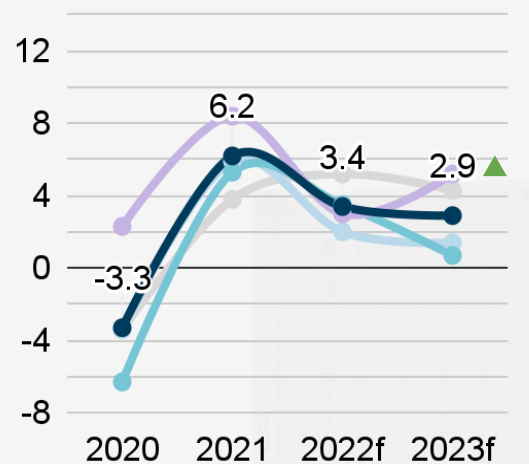


Market environment

Slower growth expected for 2023



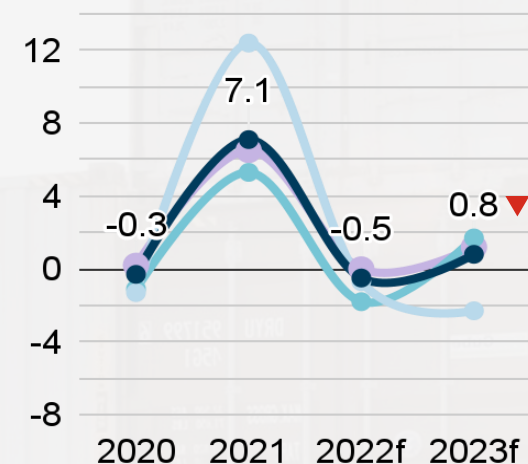
GDP growth¹, %



● Global ● US ● Euro area
● China ● ASEAN 5*

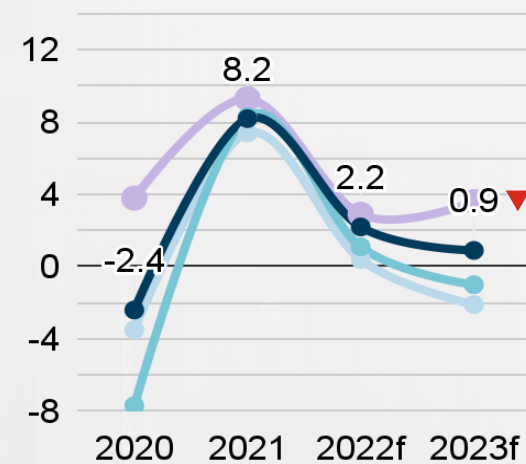
*ASEAN 5: Indonesia, Malaysia, Philippines, Thailand, Vietnam.

Container throughput growth², %



● Global ● EMEA ● AMER
● APAC

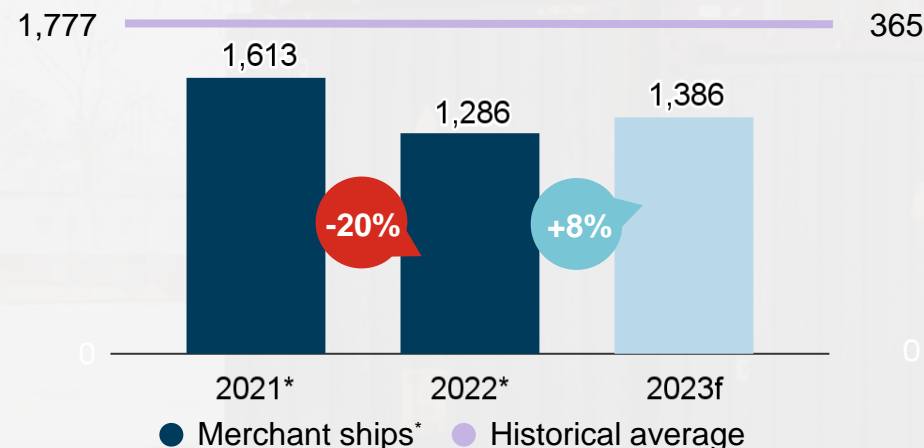
Manufacturing output growth³, %



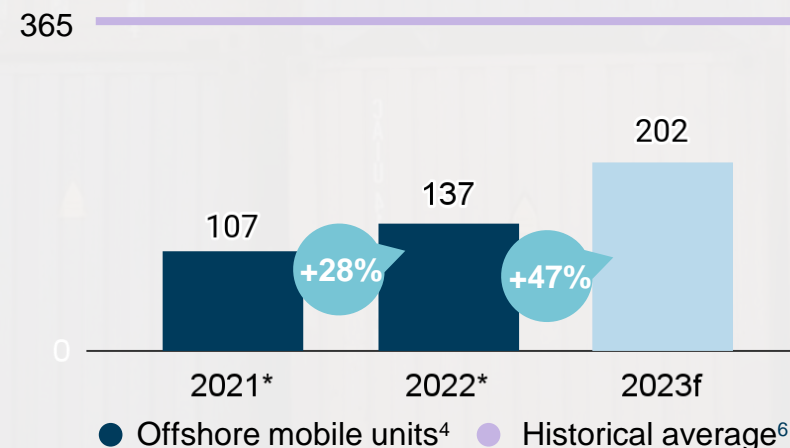
● Global ● US ● Euro area
● China

Change direction since last quarter ▲ ▼

Long term contracting⁴ – Key driver for MacGregor



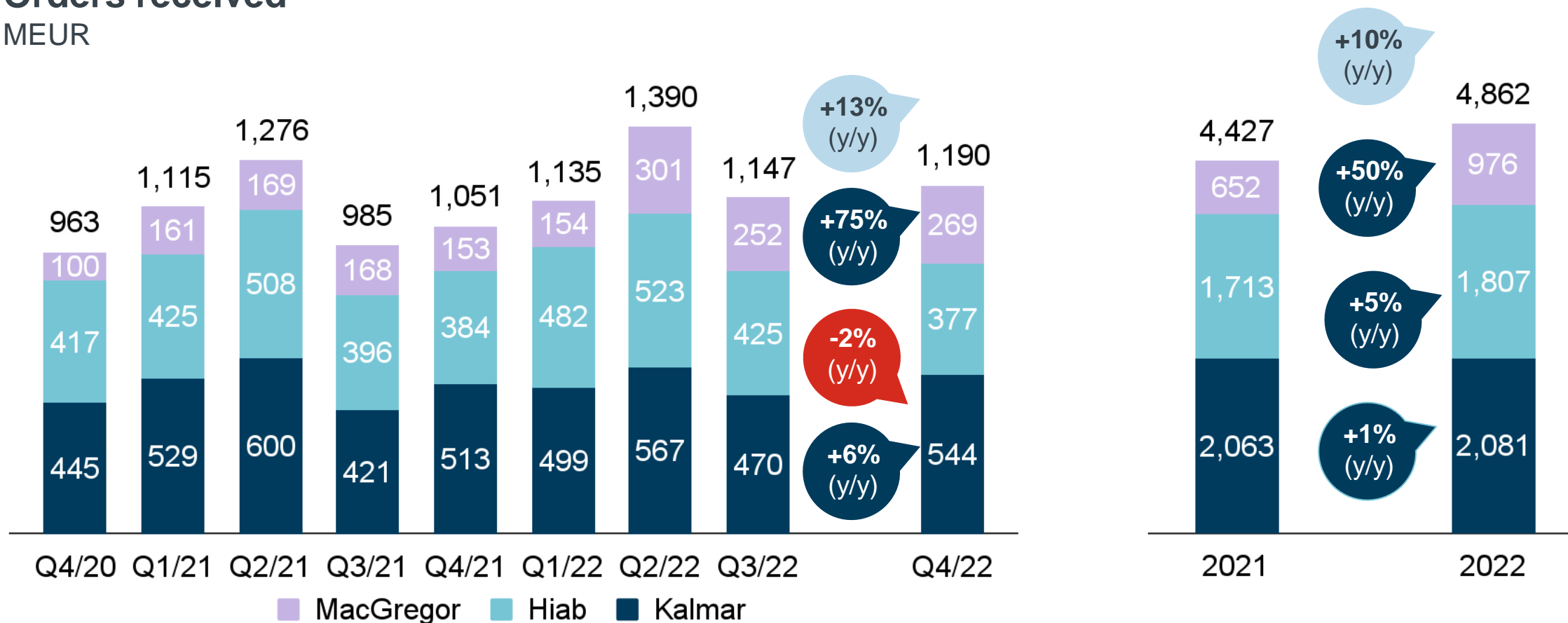
*Excluding late registrations



1.IMF, 2.Drewry, 3.Oxford Economics Global Sector Outlook Q3/2022, 4.Clarkson

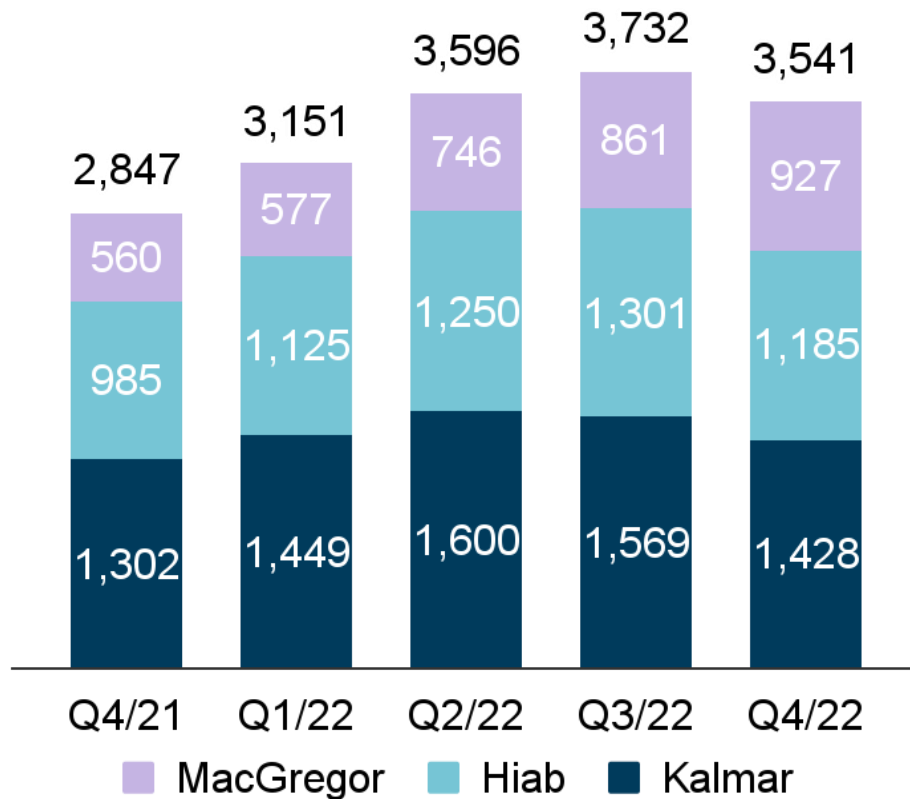
Orders received increased in all businesses in 2022

Orders received MEUR

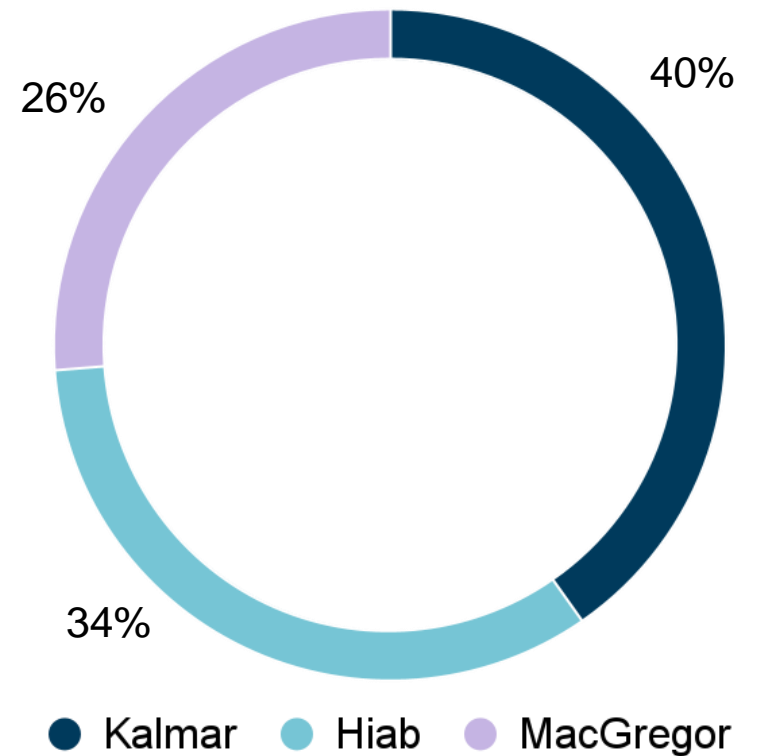


We enter into 2023 with a strong order book in all business areas

Order book
MEUR

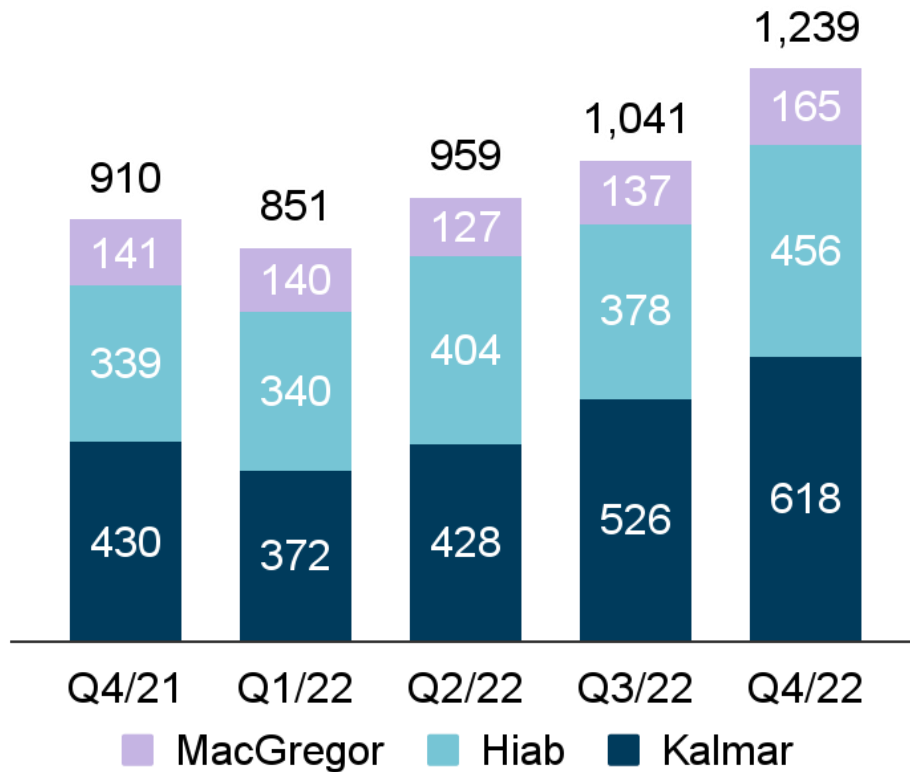


Order book by reporting segment, 31 December 2022

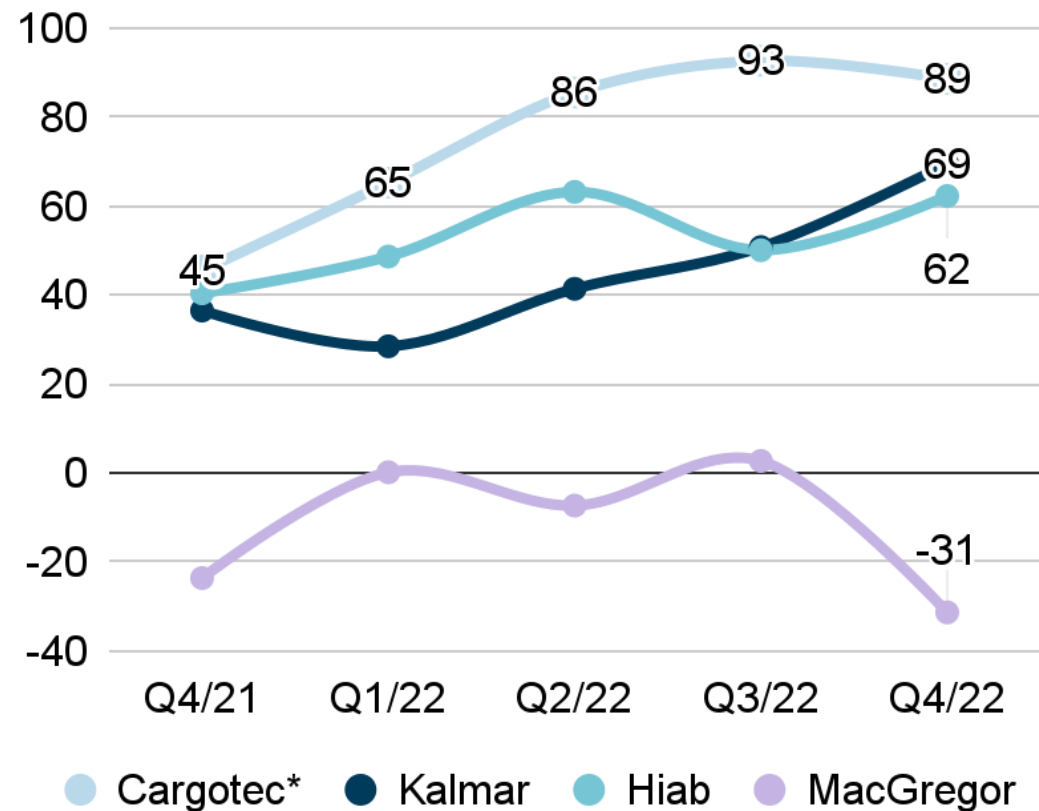


Record high sales and strong comparable operating profit growth in the core businesses

Sales MEUR



Comparable operating profit MEUR



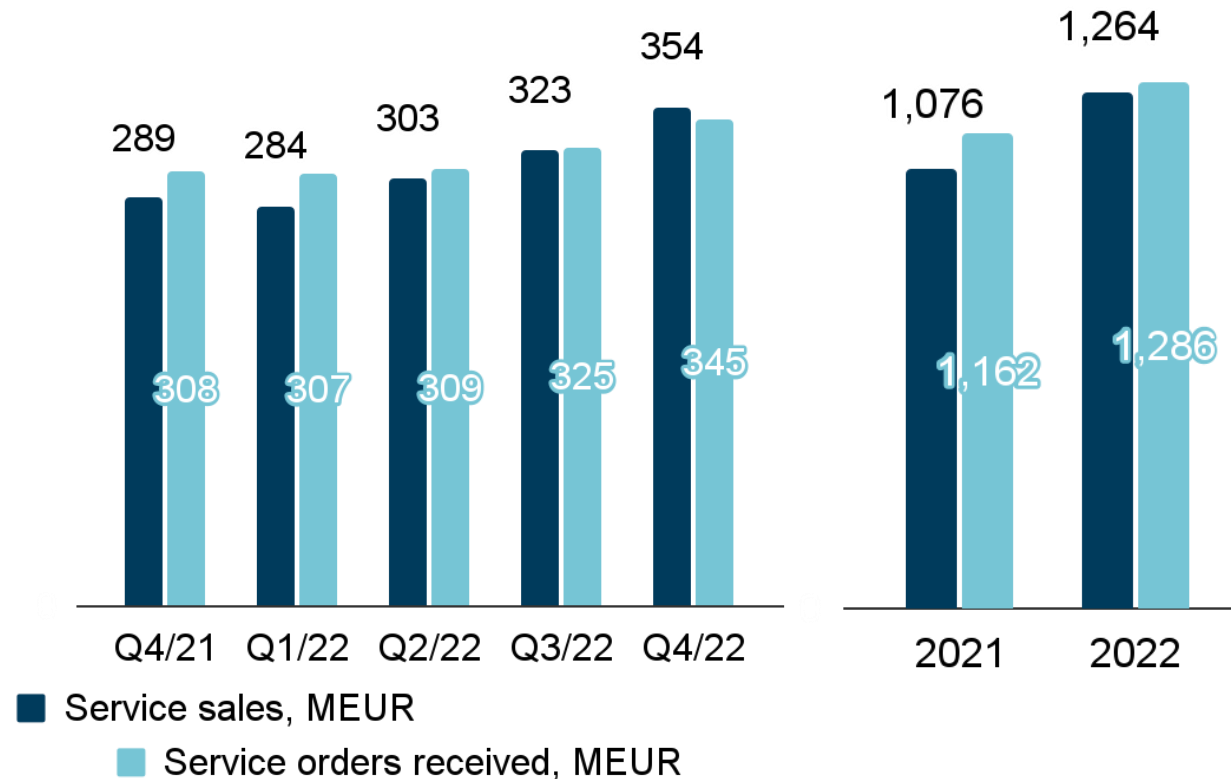
Excellent performance in service business continued

Service orders received +11%
in 2022

Service sales +17% in 2022

- Kalmar +18%
- Hiab +17%
- MacGregor +17%

Service share 31% of total
sales in 2022



Growing by solving customers sustainability challenges



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

Step change in resilience and financial performance

Market leading technology and services driving growth



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

Kalmar announced a collaboration to develop a hydrogen powered Ottawa TT.



Kalmar signed a comprehensive five-year service agreement with a Swedish steel producer



Hiab acquired Olsbergs, technology leader in high performance controllers and valves



Cargotec signs 330 MEUR sustainability - linked revolving credit facility



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%



Business areas

Kalmar Q4 – Record quarter

Demand continued at a high level

Sales increased by 44%

- Service sales +15%
- Supply chain challenges continued

Comparable operating profit increased

- Higher sales

New Kalmar's* comparable operating profit was 12.5%

MEUR	Q4/22	Q4/21	Change
Orders received	544	513	6%
Order book	1,428	1,302	10%
Sales	618	430	44%
Service sales, %	24%	30%	-600 bps
Comparable operating profit	69	37	90%
Comparable operating profit margin	11.2%	8.5%	280 bps



Hiab Q4 – Strong performance continued with record sales

Demand continued at a high level

Sales increased by 35%

- Service sales +27%
- Supply chain and truck chassis availability challenges continue

Comparable operating profit increased

- Higher sales

MEUR	Q4/22	Q4/21	Change
Orders received	377	384	-2%
Order book	1,185	985	20%
Sales	456	339	35%
Service sales, %	25%	26%	-100 bps
Comparable operating profit	62	40	54%
Comparable operating profit margin	13.7%	11.9%	180 bps



MacGregor Q4 – Order book surged close to EUR 1 billion

Orders received surged

- Driven by increase in merchant vessels

Sales increased by 17%

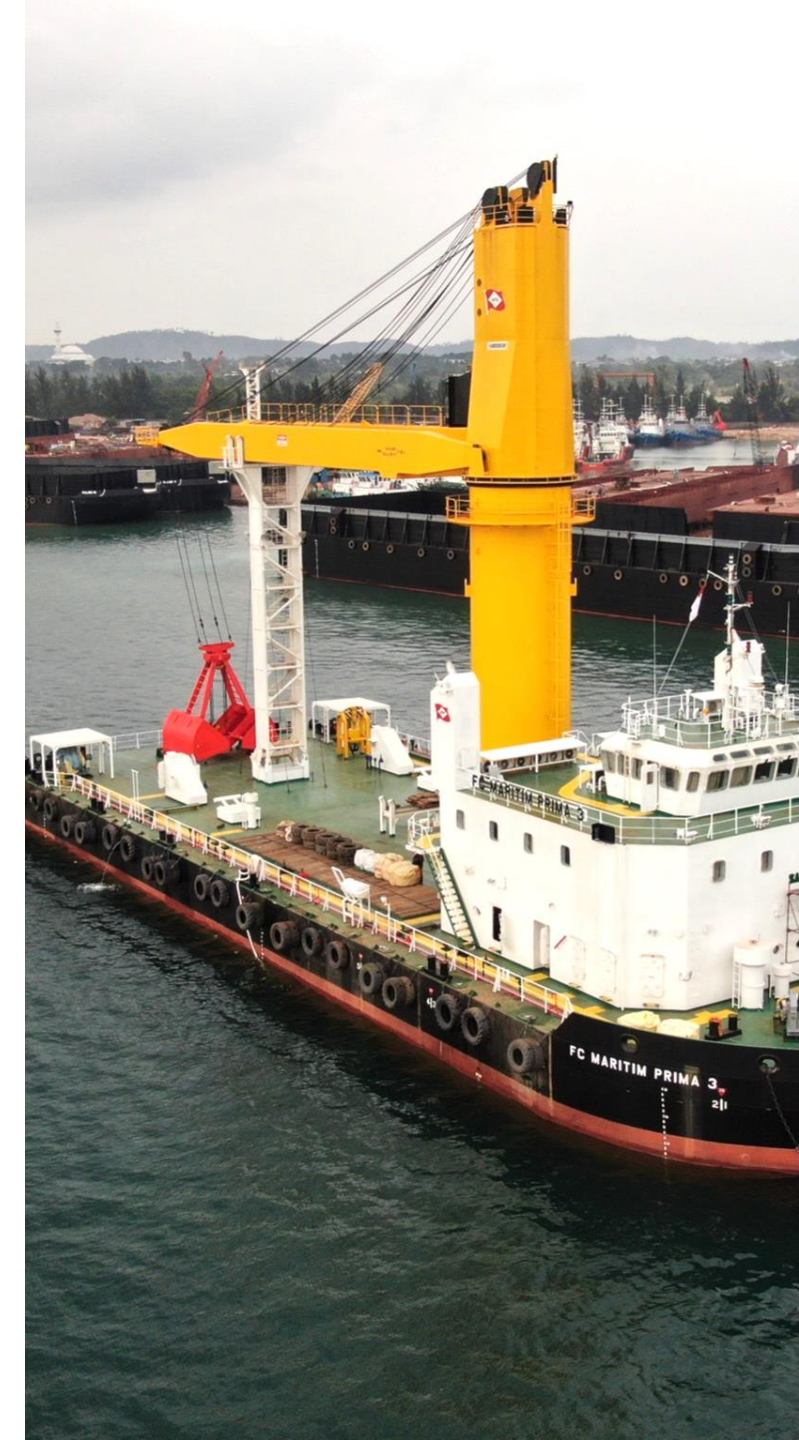
- Service sales +30%

Comparable operating profit decreased

- Offshore business booked a loss of 36 MEUR

Significant one-off costs associated with portfolio rationalisation

MEUR	Q4/22	Q4/21	Change
Orders received	269	153	75%
Order book	927	560	65%
Sales	165	141	17%
Service sales, %	55%	49%	600 bps
Comparable operating profit	-31	-24	-33%
Comparable operating profit margin	-19.0%	-16.7%	-230 bps



We have taken further steps to strengthen MacGregor profitability in 2023

Merchant and Service

Merchant and Service divisions delivered solid profitability in 2022 and continue to grow supported by the strong order intake in 2022

Offshore

Actions

- Downsizing the Offshore organisation
- Streamlining product portfolio, like exiting Fishery & Research new build business, and certain mooring solutions

Outcome in 2023

- Planned headcount reduction by 160
 - Planned annualized savings 19M€ of which 14M€ in 2023
-
- 12M€ Offshore headcount reduction
 - 25M€ Purchase price allocation writeoff related to businesses to be exited
 - 63M€ goodwill impairment

Financials and outlook

Financial highlights of 2022

3,541

MEUR

Strong
order book

43%

Comparable
operating profit
increase from
2021

23

MEUR

Net result

964

MEUR

Eco portfolio sales

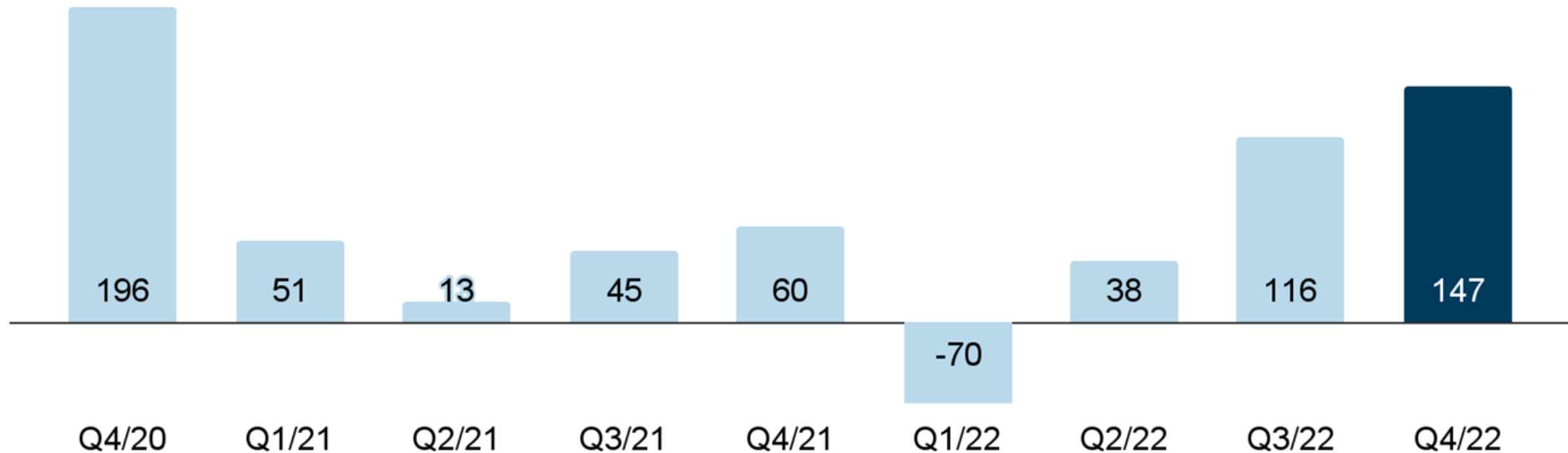
11.3%

Core businesses*
comparable
operating profit
margin

Reduction in inventories supported our operative cash flow in Q4

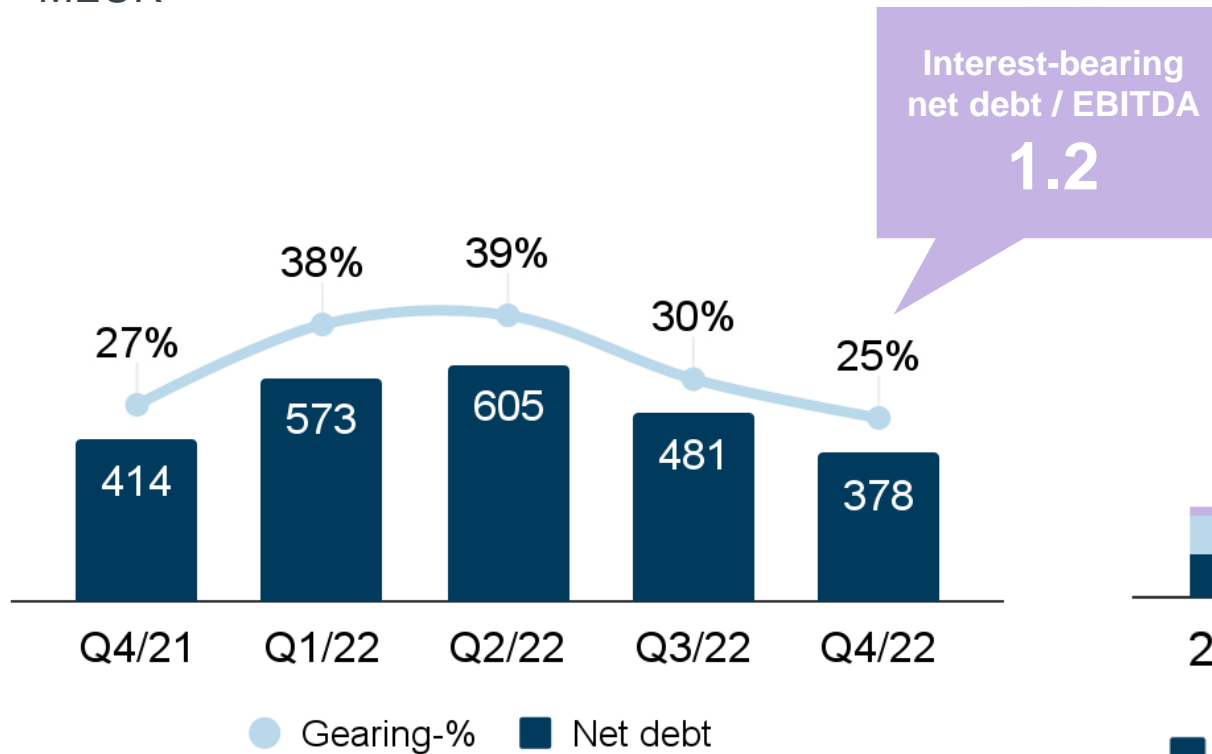
Cash flow from operations before financing items and taxes

MEUR

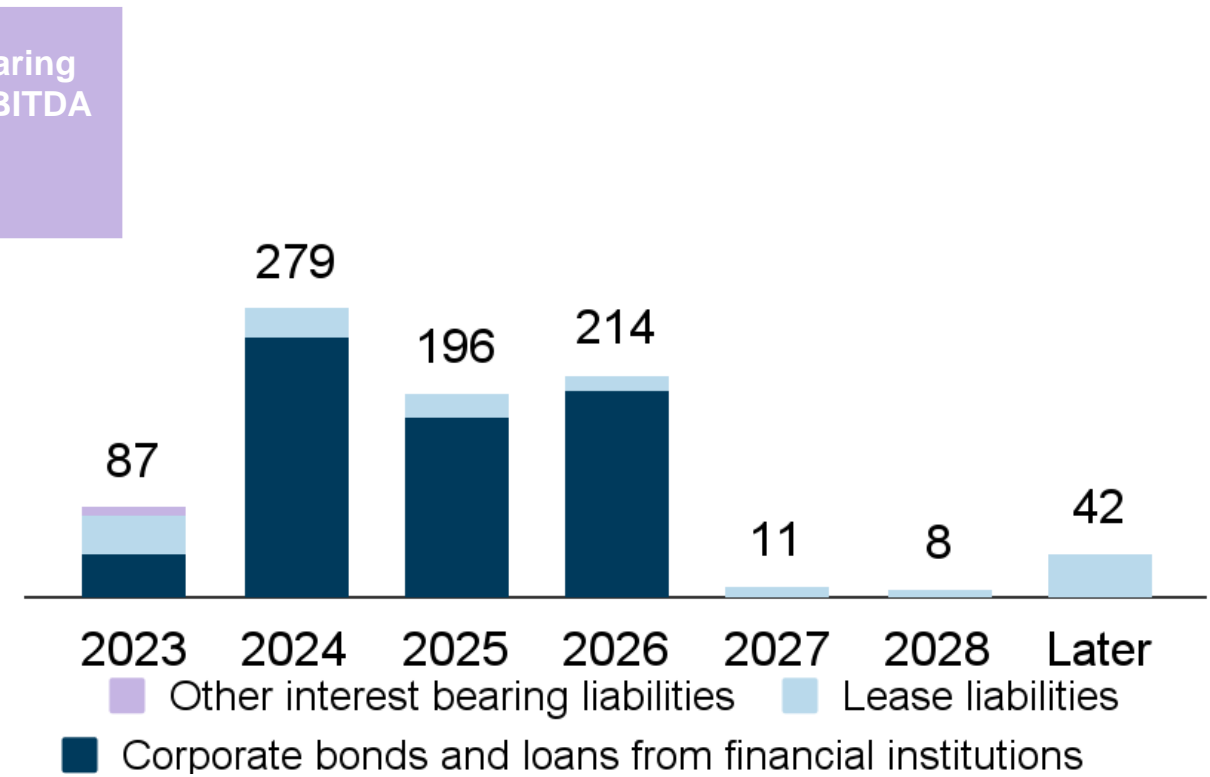


Gearing improvement driven by good cash flow

Net debt & gearing
MEUR

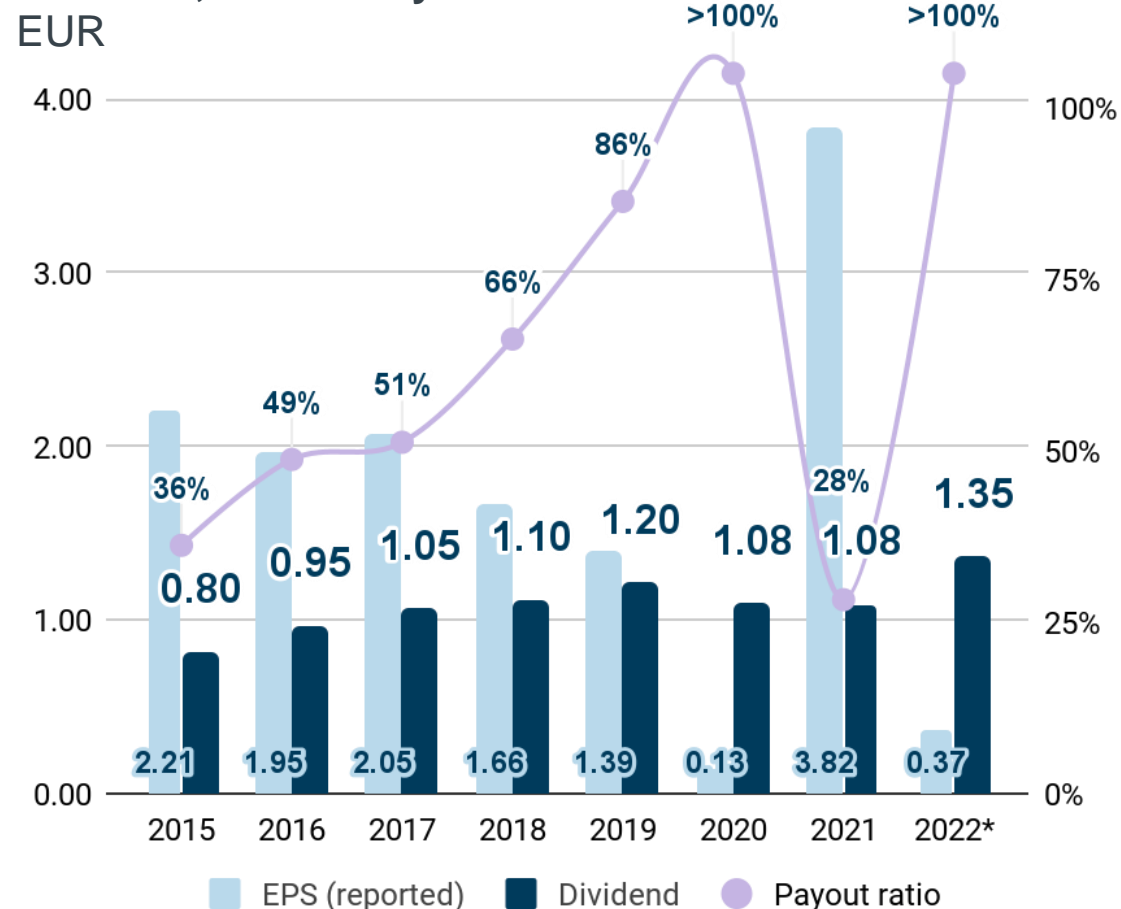


Maturity profile, 31 December 2022



Cargotec aims for growing dividend of 30-50% of EPS

Dividend, EPS & Payout ratio



- Cargotec's Board of Directors dividend proposal for AGM to be held on 23 March 2023:
 - Dividend of 1.35 per class B share
 - Record date 27 March 2023
 - Payment date 4 April 2023
- EPS excl. items affecting comparability was 3.37
- Calculated from EPS excl. items affecting comparability, payout ratio for 2022 is 40%

Outlook for 2023

Cargotec estimates its core businesses'¹ 2023 comparable operating profit to improve from 2022 (EUR 384² million) and MacGregor's comparable operating profit in 2023 to be positive (EUR -47² million)³

- 1) Core businesses = Hiab + Kalmar excluding heavy port cranes and including all group costs
- 2) Cargotec changed the definition of the alternative performance measure comparable operating profit starting from 1 January 2023. The restated comparable operating profit will also include the impacts of the purchase price allocation, which amounted to EUR 4 million in the core business and EUR 12 million in MacGregor in 2022. Comparison figure has been calculated based on the new definition. Restatement for 2022 figures will be published before Q1/23 result announcement.
- 3) Cargotec's outlook for 2023 does not include the comparable operating profit of Kalmar heavy cranes business which will be discontinued





A photograph of two men working on a green Cargotec machine. The man on the left is older, wearing glasses and a high-visibility vest over a dark long-sleeved shirt. The man on the right is younger, wearing a dark jacket with red accents. They are both looking at a laptop screen that is part of the machine's controls. The machine is green and has 'KTK' and 'EV' visible on it. The background shows a paved area and a grassy hill under a blue sky.

Appendix

Key figures of 2022

	Q4/22	Q4/21	Change	2022	2021	Change
Orders received, MEUR	1,190	1,051	13%	4,862	4,427	10%
Order book, MEUR	3,541	2,847	24%	3,541	2,847	24%
Sales, MEUR	1,239	910	36%	4,089	3,315	23%
Comparable operating profit, MEUR	89	45	95%	332	232	44%
Comparable operating profit, %	7.2%	5.0%	220bps	8.1%	7.0%	110bps
Items affecting comparability, MEUR	-117	-37	<-100%	-226	124	<-100%
Operating profit, MEUR	-29	8	<-100%	106	356	-70%
Operating profit, %	-2.3%	0.9%	-320bps	2.6%	10.7%	-810bps
Net income, MEUR	-68	-8	<-100%	23	247	-91%
Basic earnings per share, EUR	-1.04	-0.13	<-100%	0.37	3.82	-90%
Earnings per share, EUR*	1.01	0.37	>100%	3.37	2.37	42%
ROCE, %**	4.6%	14.5%	-990bps	4.6%	14.5%	-990bps