

Disclaimer

This presentation provides estimates on future prospects involving risk and uncertainty factors, and other factors as a result of which the performance, operation or achievements of Cargotec may substantially deviate from the estimates. Forward-looking statements relating to future prospects are subject to risks, uncertainties and assumptions, the implementation of which depends on the future business environment and other circumstances, such as the development of the coronavirus pandemic.

This presentation is to discuss Cargotec's FY 2021 results. Securities laws in the United States and in other jurisdictions restrict Cargotec from discussing or disclosing information with respect to the contemplated merger with Konecranes Plc. Information regarding the contemplated merger can be found at www.sustainablematerialflow.com. Until the completion of the merger Cargotec and Konecranes will carry out their respective businesses as separate and independent companies. The information contained in this presentation concerns only Cargotec.

The merger and the merger consideration securities have not been and will not be registered under the U.S. Securities Act, and may not be offered, sold or delivered within or into the United States, except pursuant to an applicable exemption of, or in a transaction not subject to, the U.S. Securities Act.



3 February 2022

Record orders, supply chain challenges limited sales and profitability growth

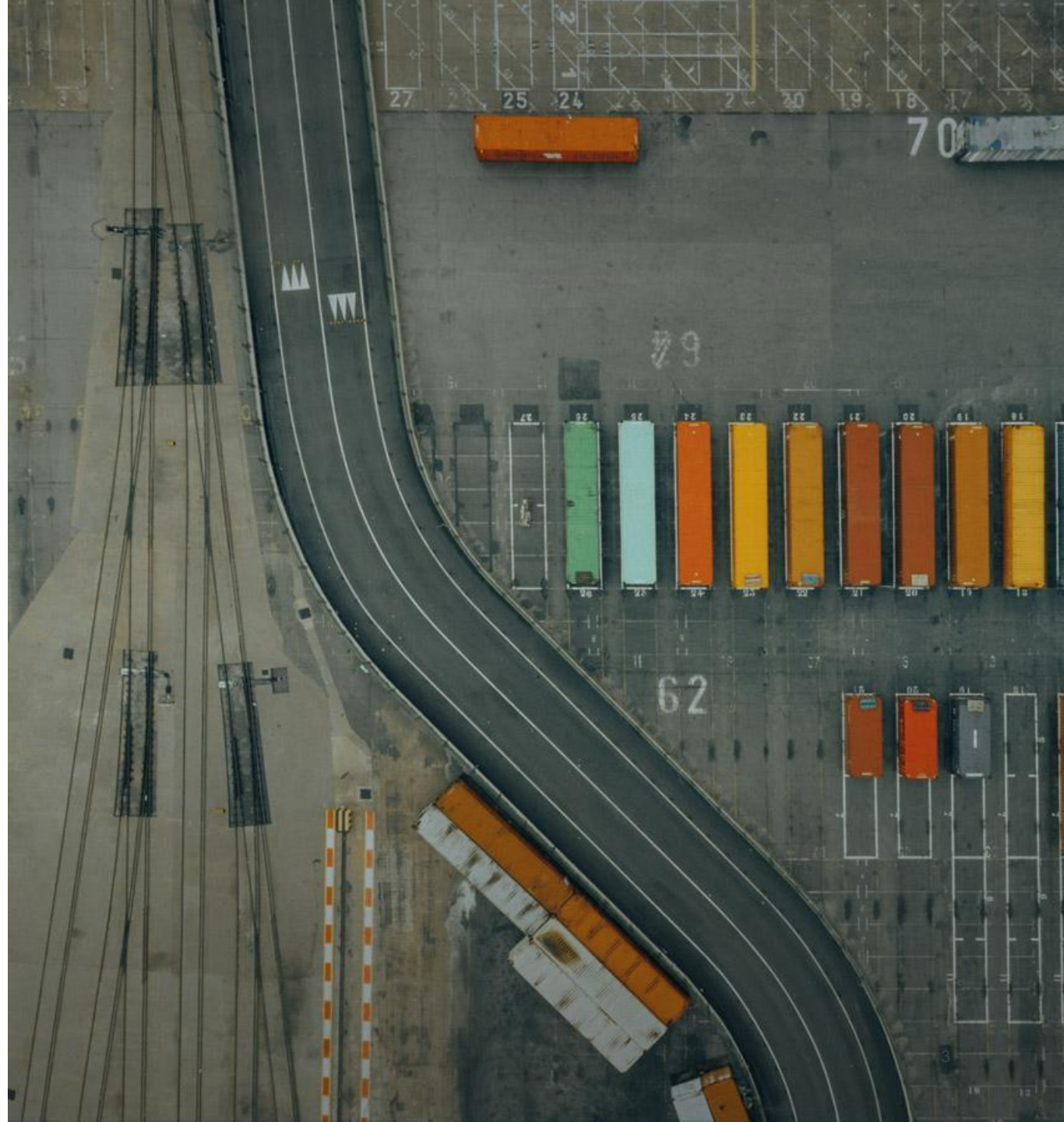
Cargotec's financial statements review 2021

Mika Vehviläinen, CEO • Mikko Puolakka, CFO

- Strong market environment in all businesses
- Record year for service business
- EUR 80 million negative delivery delay impact on sales in Q4
- Electric offering available in all product categories

Contents

- 2021 highlights
- Market environment
- Group level development
- Business areas
- Financials and outlook



Highlights of 2021 – Strong demand throughout the year, supply chain challenges continued in H2

Orders received increased by 42%

- Clear improvement in most businesses & product categories

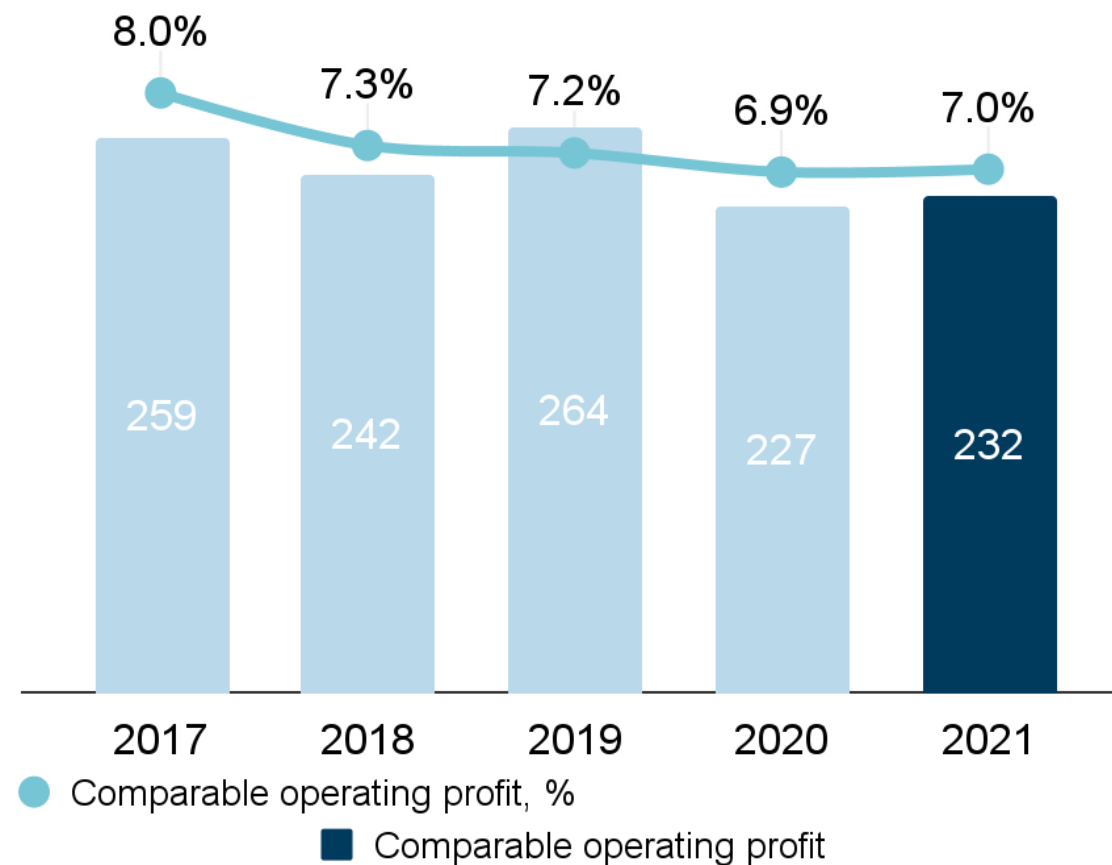
Sales increased by 2%

- Service sales increased in all businesses
- Share of eco portfolio 19%

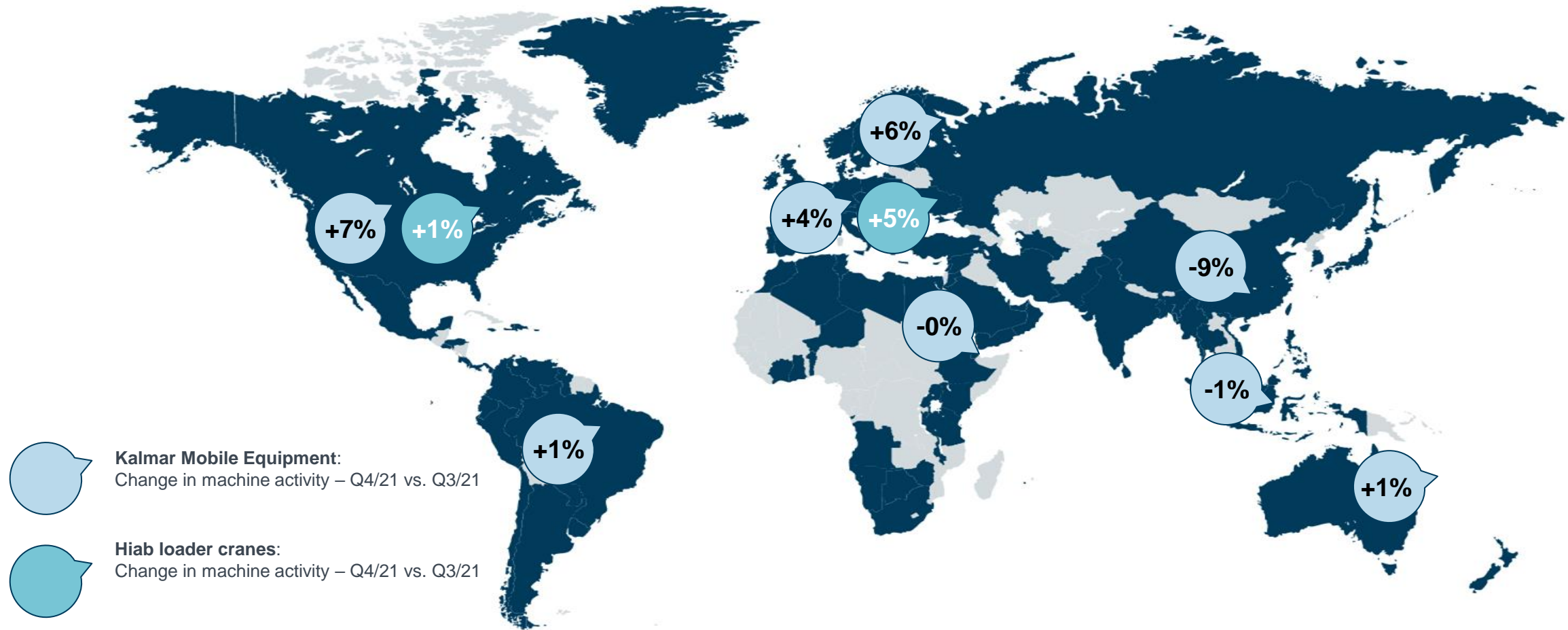
Comparable operating profit

Increased by 2%

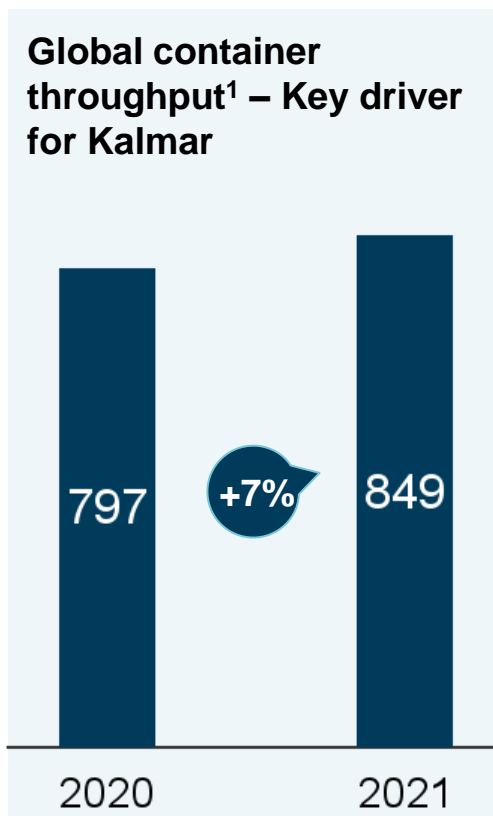
- Kalmar -6 MEUR
- Hiab +37 MEUR
- MacGregor -21 MEUR
 - One-time cost overruns related to new product developments in offshore wind energy projects



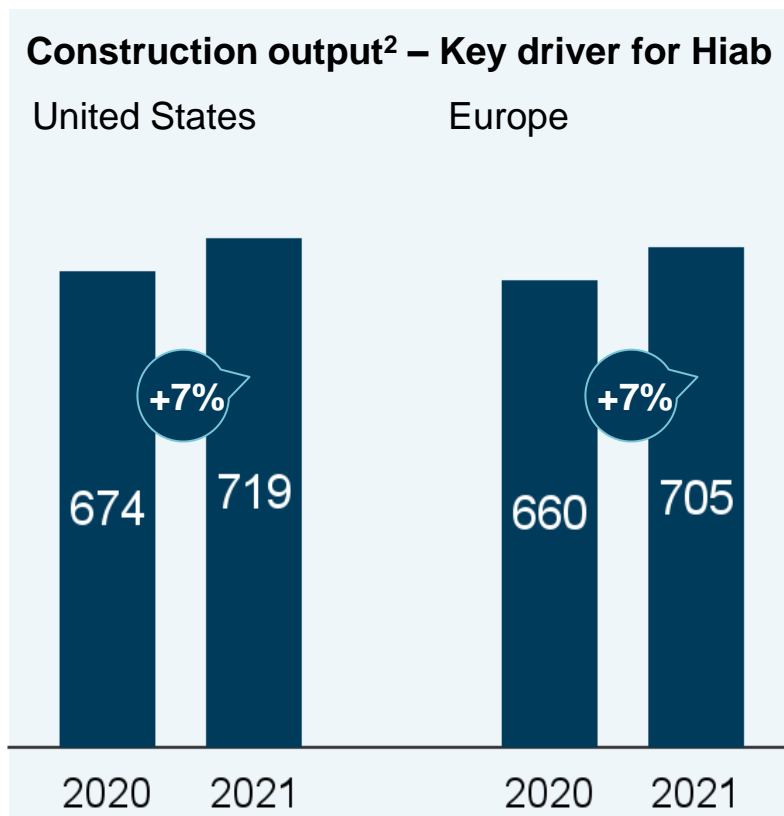
Equipment utilisation grew significantly in the main market areas



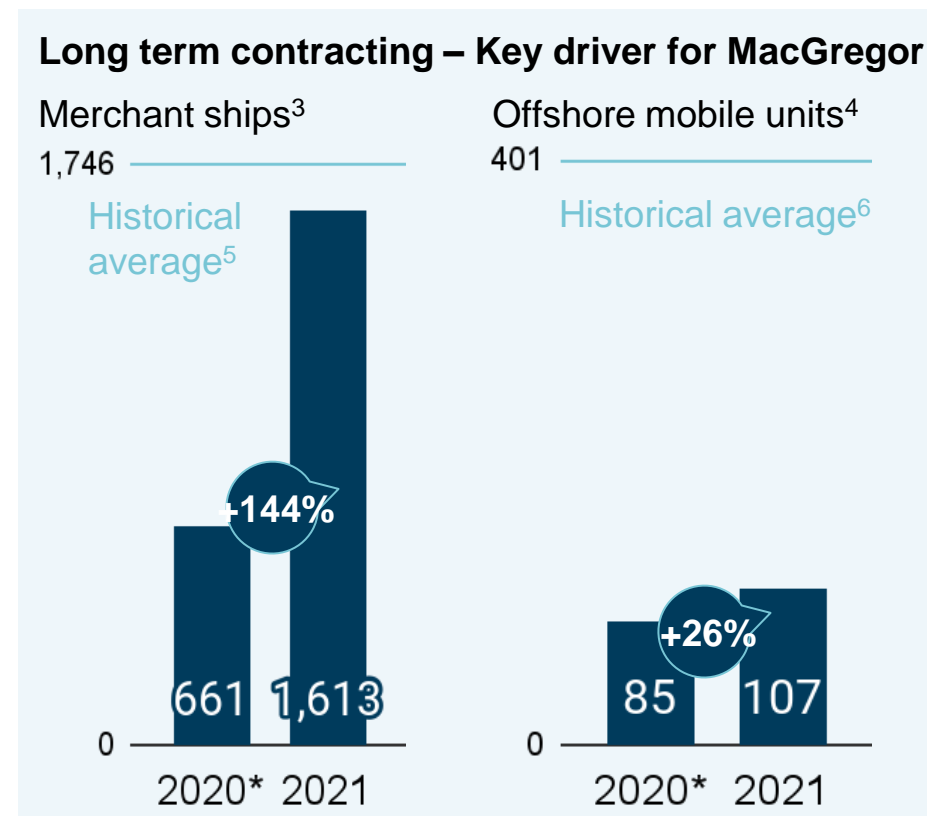
Market environment - Strong demand environment continues



- Strong growth continues



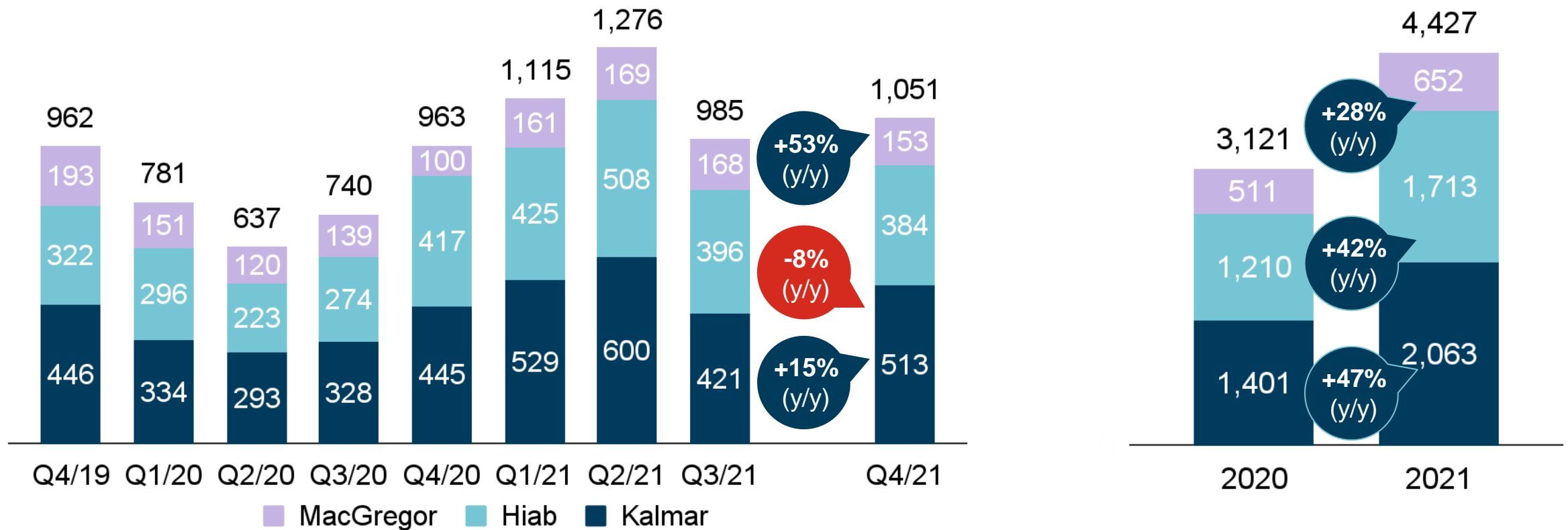
- Growth in both US and in Europe



- Newbuild order volumes rose to the highest level since 2014
- Strongest year for ship earnings since 2008
- Offshore market still at a low level

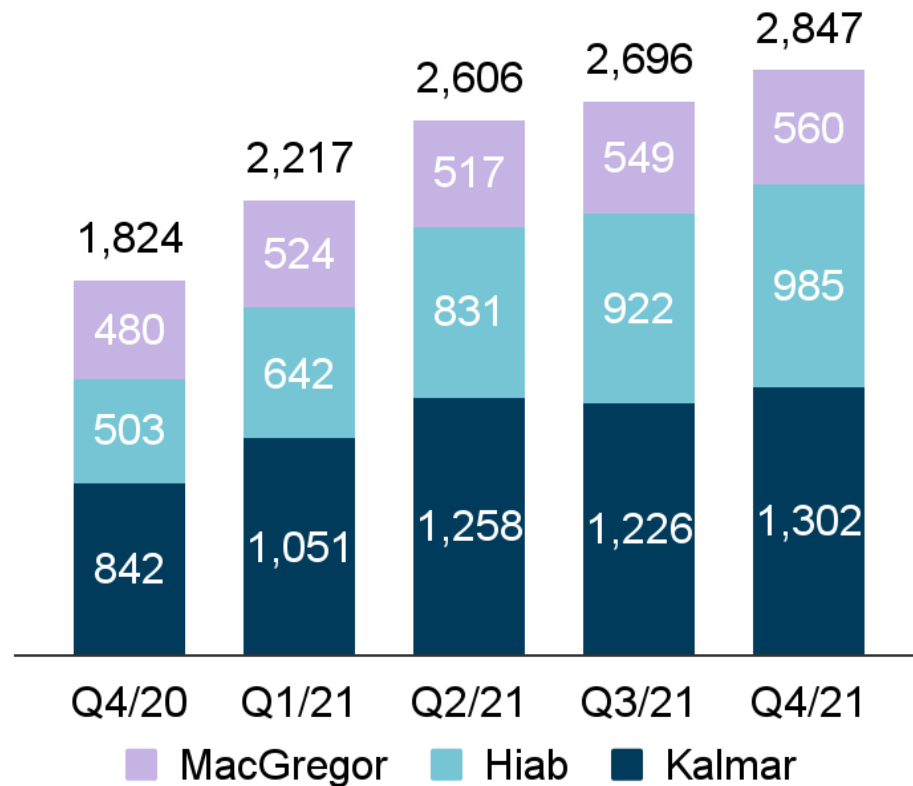
Record high orders in 2021 driven by Kalmar mobile equipment and Hiab

Orders received
MEUR

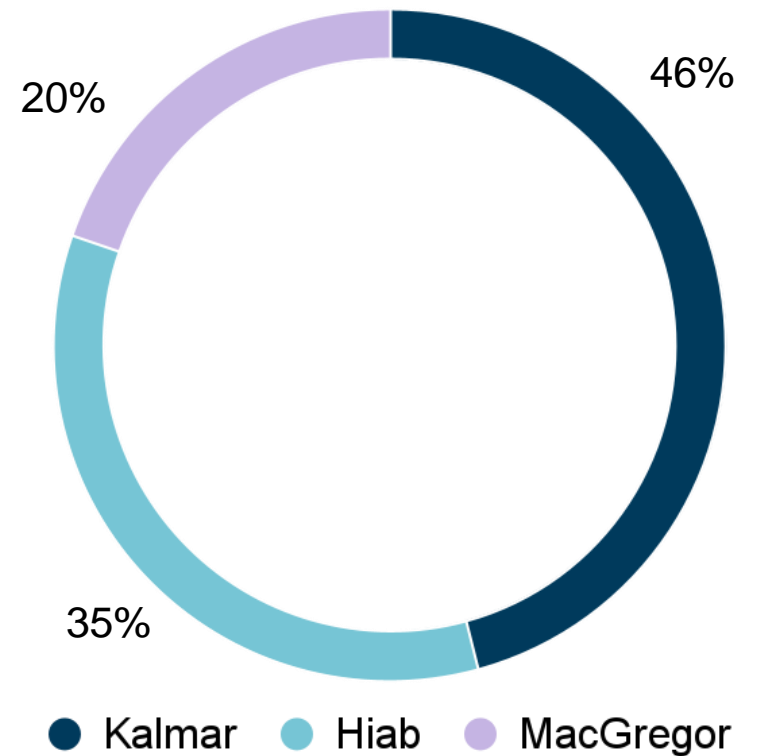


High demand and longer delivery times of short cycle equipment expanded our order book

Order book
MEUR

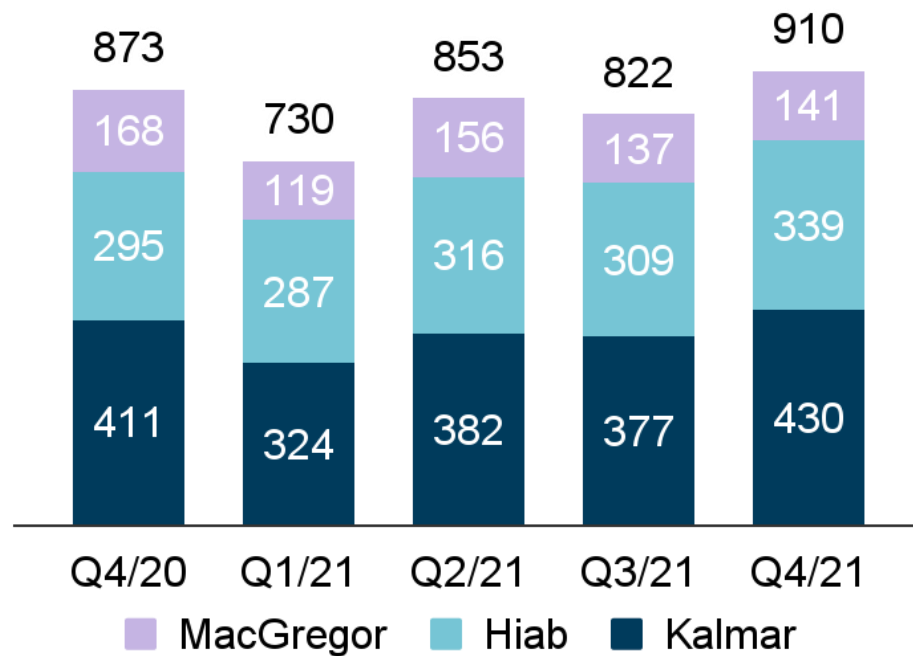


Order book by reporting
segment, 31 December 2021

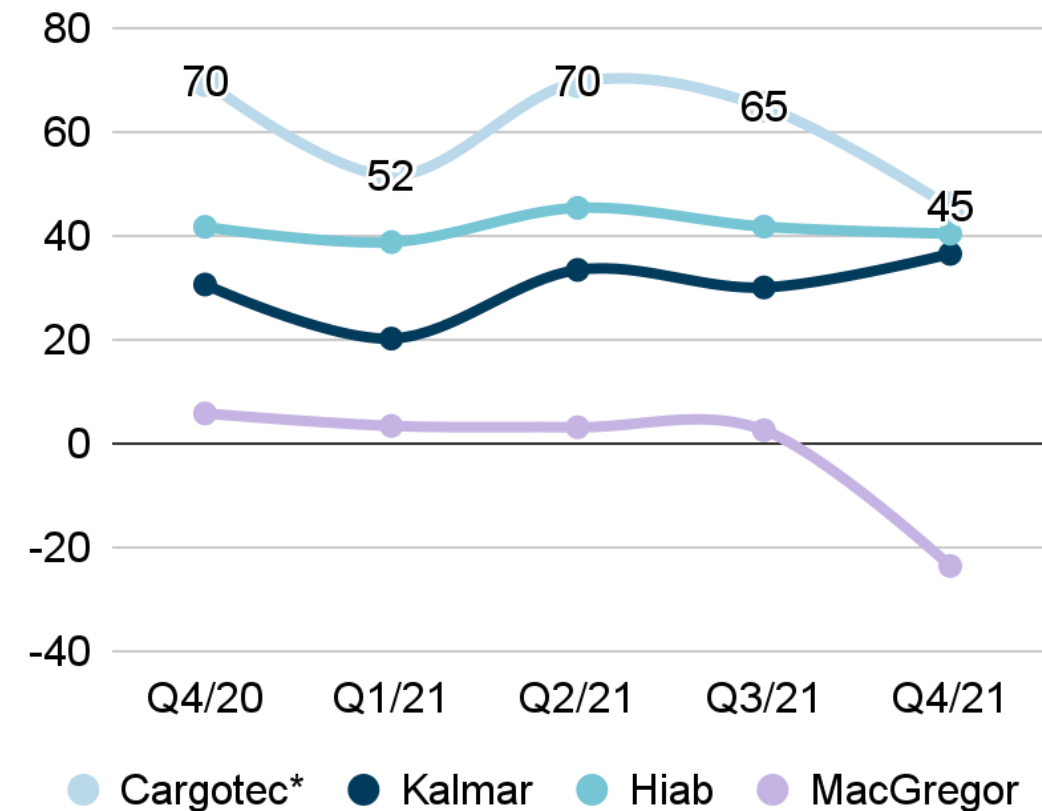


Modest growth in sales, profitability affected by supply chain challenges and MacGregor's project cost overruns

Sales MEUR



Comparable operating profit MEUR

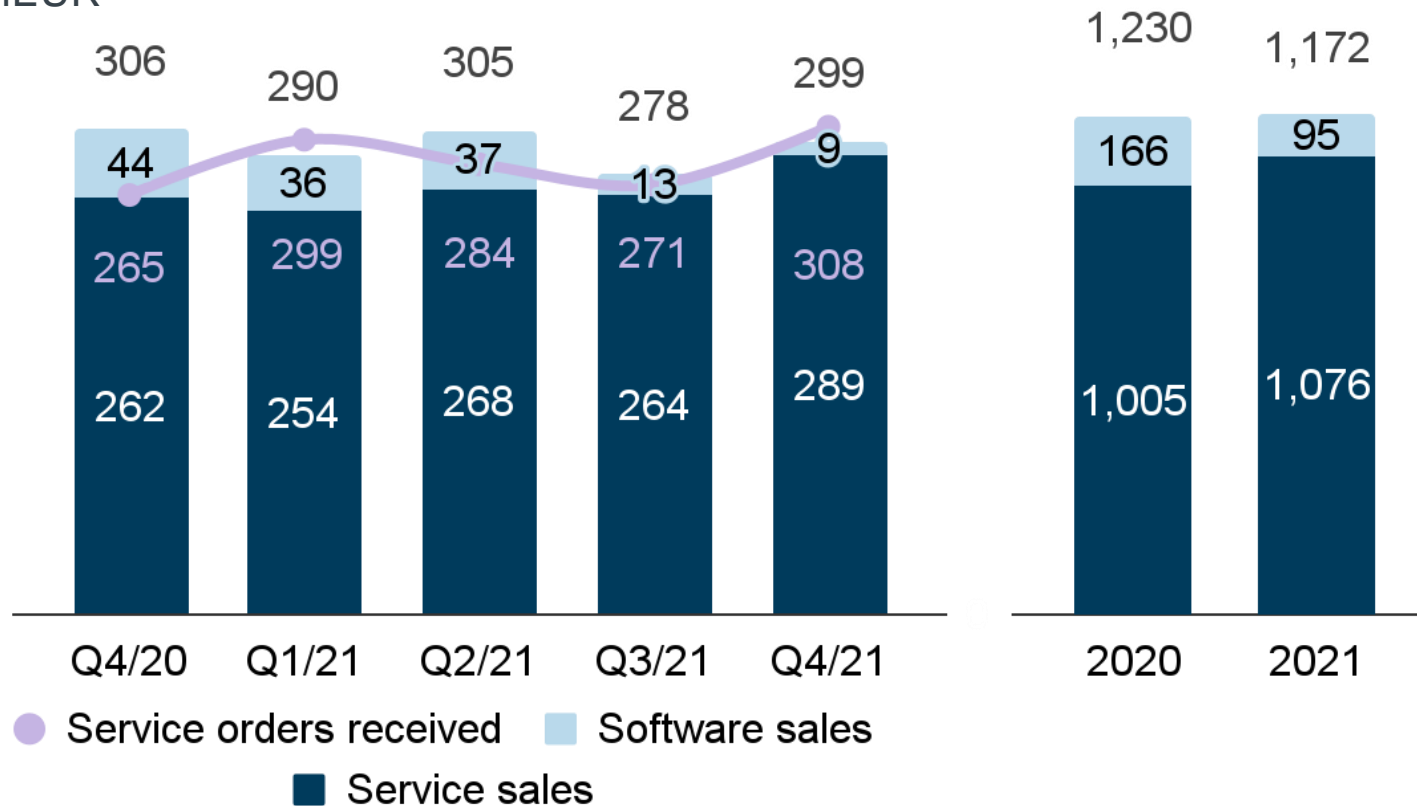


*) Including Corporate admin and support

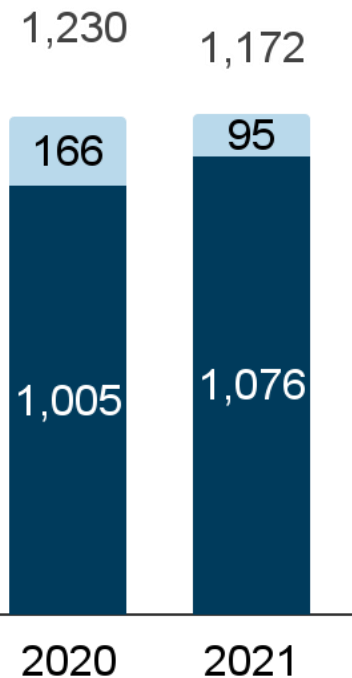
Record year in service business

Service and software* sales

MEUR



*Software sales include automation software and, until 1 July 2021, the strategic business unit Navis



Service orders received +18% in 2021

Service sales +7% in 2021

- Kalmar +7%
- Hiab +10%
- MacGregor +3%

Software sales decreased due to Navis disposal in July

Service and software 35% of total sales in 2021

Our refined strategy was published in April

PURPOSE

SMARTER CARGO FLOW FOR A BETTER EVERYDAY

VISION

Global Leader in Sustainable Cargo Flow

BREAKTHROUGH OBJECTIVES

Sustainability

Profitable Growth

CONCRETE TARGET

Reduce 1 million tonnes of CO₂ equivalent by 2024

WHERE TO WIN

Grow in core and adjacent businesses & markets
Solve customer challenges in climate change and sustainability
Invest in industry innovation and transformation
Expand lifecycle services

HOW WE MEASURE

Financial performance
Absolute CO₂ reduction
Share of sales of eco-offering
Leadership index
Customer satisfaction scores

Concrete actions in the areas where we want to win

Grow in core and adjacent businesses & markets

Hiab acquired Galfab, a US based demountables manufacturer



Solve customer challenges in climate change and sustainability

Kalmar launched three new 100% electric solutions



Invest in industry innovation and transformation

Kalmar partnered with Coast Autonomous Inc. to speed up the development of robotic solutions to the market



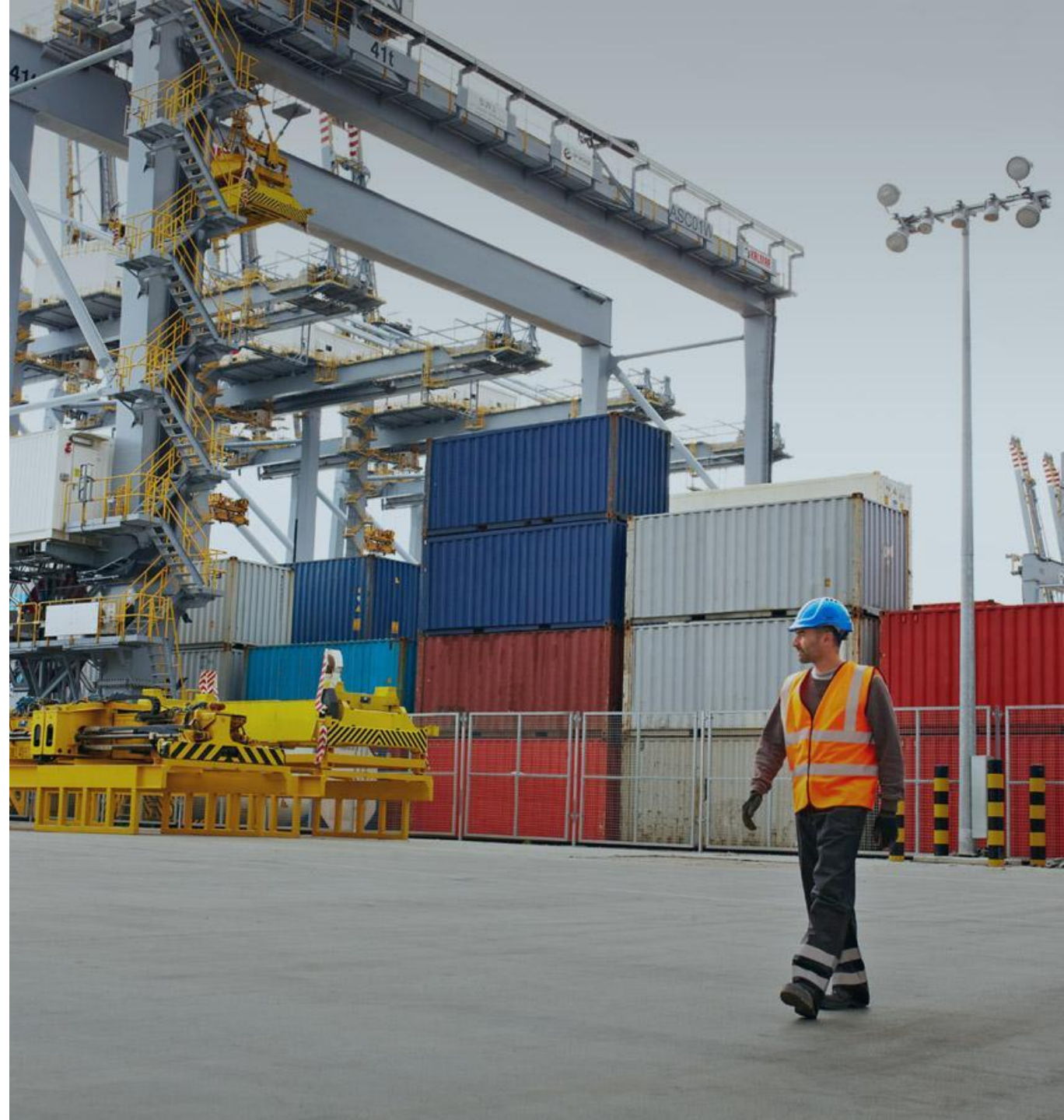
Expand lifecycle services

Record year in services, important lifecycle services contracts won



Business areas

Cargotec's financial statements
review 2021



Kalmar Q4 – Record quarter for services

Strong orders received

- Increase in automation & projects, mobile equipment and services

Sales increased by 5%

- Increase in mobile equipment and services
- Decrease in automation & projects
- EUR 30 million negative impact from component shortages and logistics issues

Comparable operating profit increased

- Higher sales
- Good project execution

MEUR	Q4/21	Q4/20	Change
Orders received	513	445	15%
Order book	1,302	842	55%
Sales	430	411	5%
Comparable operating profit	37	31	19%
Comparable operating profit margin	8.5%	7.5%	100bps



Hiab Q4 – Profitability impacted by growth-enabling investments

Strong demand continued

Sales increased by 15%

- Service sales +8%
- Supply chain challenges and truck chassis availability had EUR 50 million negative impact

Comparable operating profit decreased

- Lower productivity due to global component shortages and delivery delays
- Growth-enabling investments in services, M&A and facilities

MEUR	Q4/21	Q4/20	Change
Orders received	384	417	-8%
Order book	985	503	96%
Sales	339	295	15%
Comparable operating profit	40	42	-3%
Comparable operating profit margin	11.9%	14.1%	-220bps



MacGregor Q4 - Offshore cost overruns overshadowed the good progress

Orders received increased in merchant vessels and in services, decrease in offshore sector

Sales decreased by 16%

- Service sales +15%

Comparable operating profit decreased

- Improved result in services and in merchant vessels
- 27 MEUR one-off cost overruns in first of its kind offshore wind projects

MEUR	Q4/21	Q4/20	Change
Orders received	153	100	53%
Order book	560	480	17%
Sales	141	168	-16%
Comparable operating profit	-24	6	<-100%
Comparable operating profit margin	-16.7%	3.4%	-2010bps



Financials and outlook

Cargotec's financial statements
review 2021



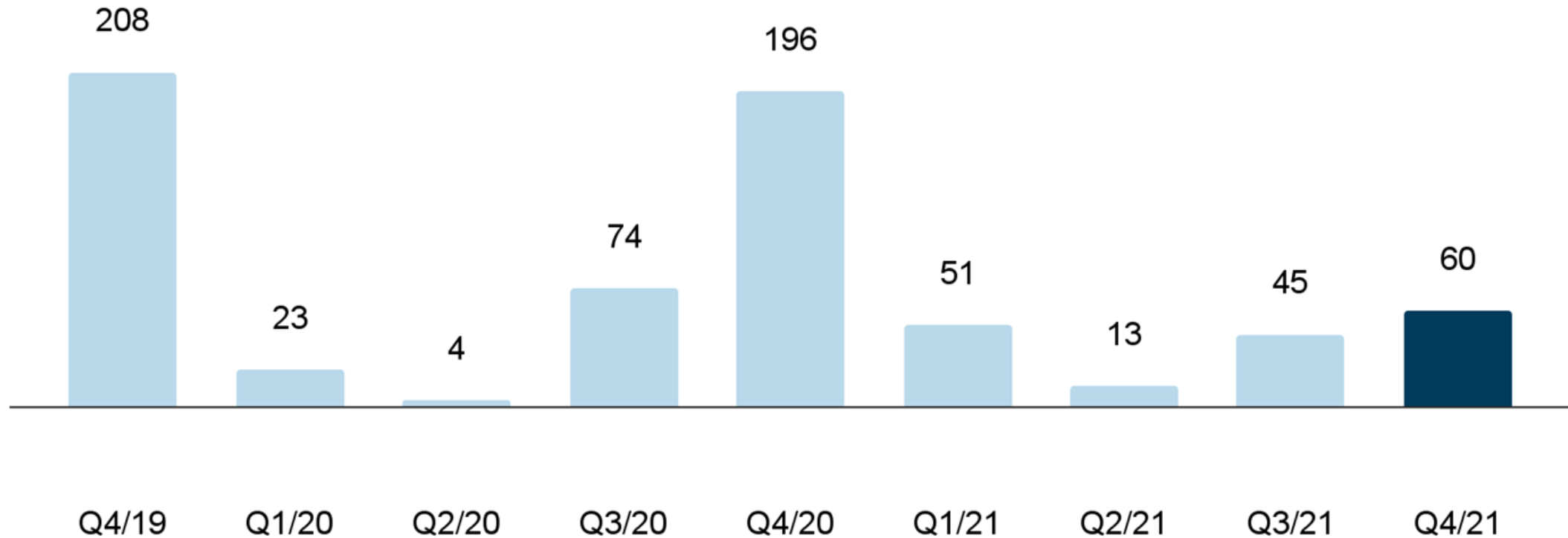
Key figures – Gain from sale of Navis business had significant impact on 2021 operating profit

	Q4/21	Q4/20	Change	2021	2020	Change
Orders received, MEUR	1,051	963	9%	4,427	3,121	42%
Order book, MEUR	2,847	1,824	56%	2,847	1,824	56%
Sales, MEUR	910	873	4%	3,315	3,263	2%
Comparable operating profit, MEUR	45	70	-35%	232	227	2%
Comparable operating profit, %	5.0%	8.0%	-300bps	7.0%	6.9%	10bps
Items affecting comparability, MEUR	-37	-52	29%	124	-156	>100%
Operating profit, MEUR	8	18	-53%	356	70	406%
Operating profit, %	0.9%	2.0%	-110bps	10.7%	2.2%	850bps
Net income, MEUR	-8	7	<-100%	247	8	>100%
Earnings per share, EUR	-0.13	0.10	<-100%	3.82	0.13	>100%
Earnings per share, EUR*	0.35	0.70	-50%	2.37	1.61	47%
ROCE, %**	14.5%	2.8%	1170bps	14.5%	2.8%	1170bps

Cash flow affected by increased inventories

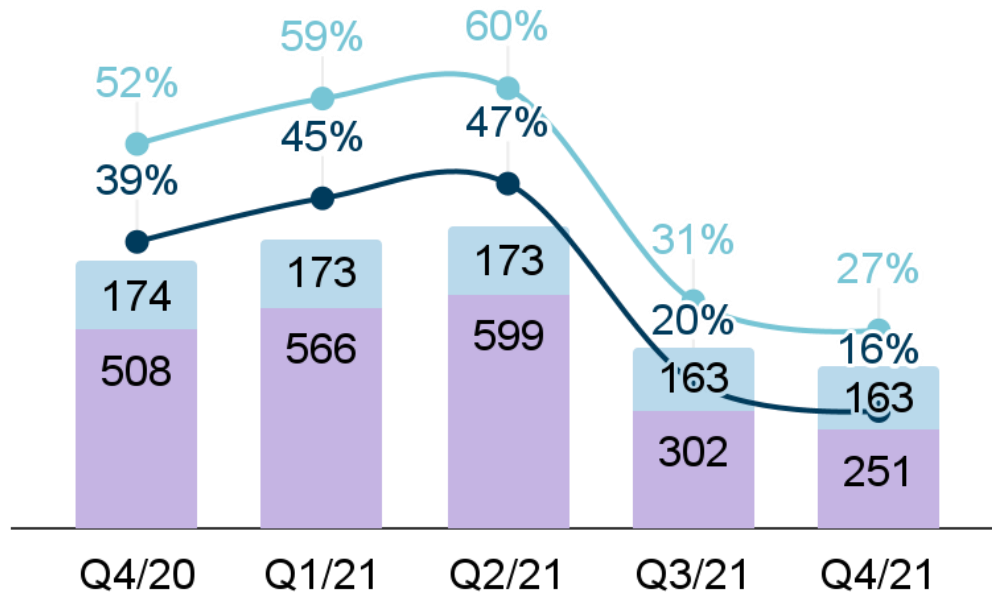
Cash flow from operations before financing items and taxes

MEUR

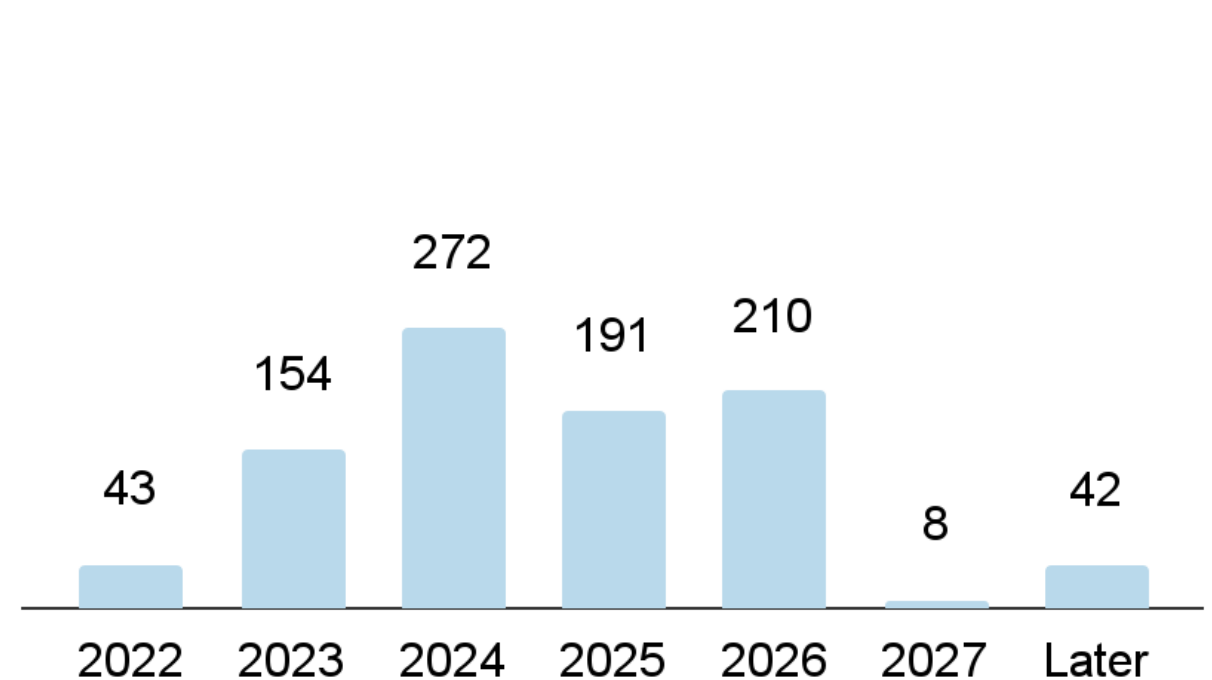


Strong financial position and balanced maturity profile

Net debt & gearing
MEUR



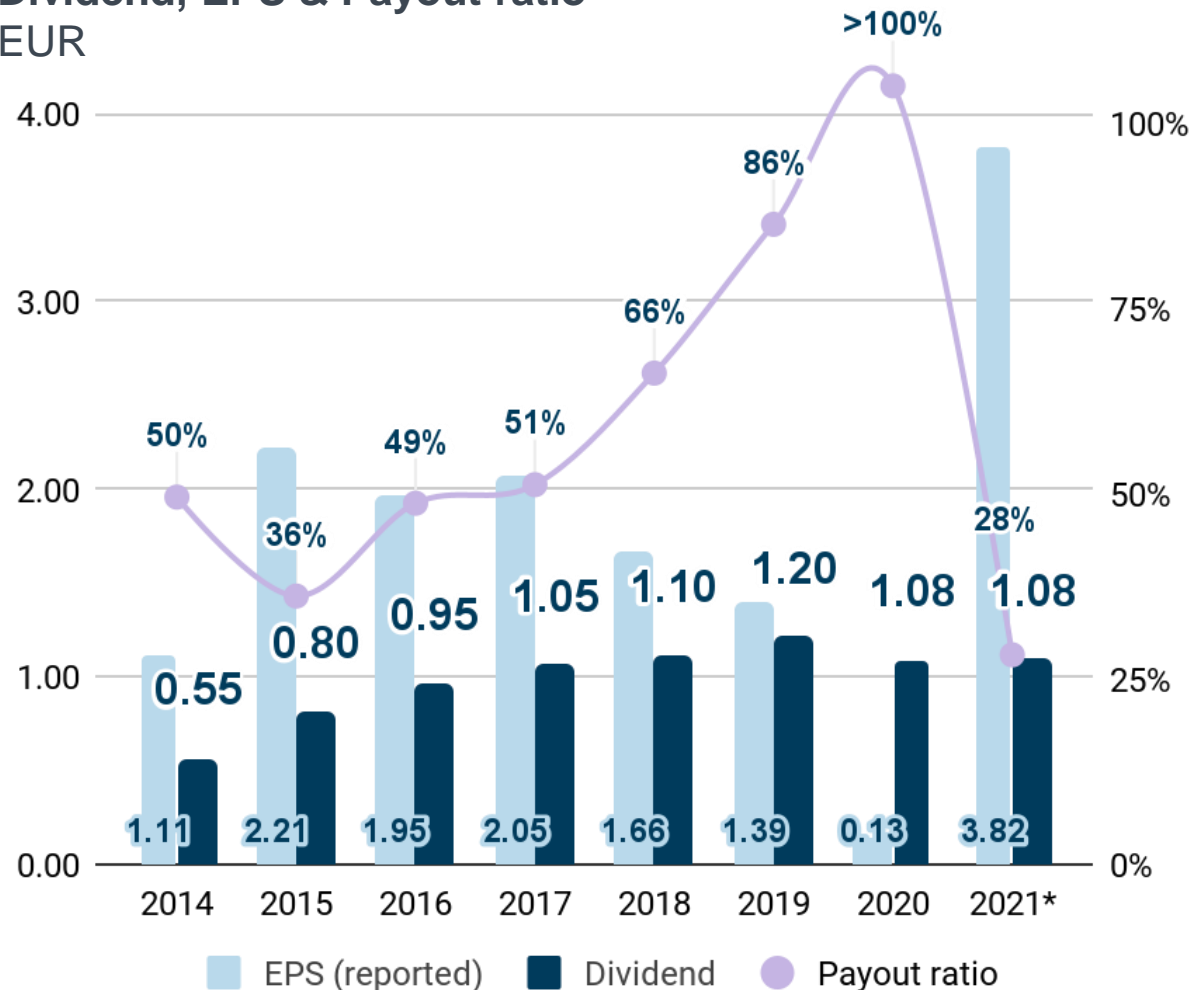
Maturity profile, 31 December 2021



- Gearing-% excluding IFRS16
- Gearing-%
- IFRS16 Lease liability*
- Net debt* excluding IFRS 16 Lease liability

Dividend proposal of 1.08 EUR in 2021

Dividend, EPS & Payout ratio
EUR



- Maximum of EUR 70 million profit distribution in the Combination agreement
- Cargotec's Board of Director's proposes to the AGM to be held on 17 March 2022:
 - Dividend of 1.08 per class B share
 - Record date 21 March 2022
 - Payment date 28 March 2022
- 2021 EPS includes gain from Navis disposal
 - Calculated from EPS excl. items affecting comparability, payout ratio for 2021 is 46%

Outlook for 2022

Cargotec estimates 2022 comparable operating profit to improve compared to 2021 (EUR 232 million)





1.5

**DEGREE
COMPANY**

Let's reduce CO₂ emissions at least 50 percent by 2030.
This is critical for limiting global warming to 1.5 degrees.

