Investor presentation, February 2022

Becoming the global leader in sustainable cargo flow



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.

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 that furthermore and in all circumstances is subject to approvals of competition authorities. 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.



Merger with Konecranes

On 1 October 2020, Cargotec and Konecranes <u>announced</u> that their respective Boards of Directors have signed a combination agreement and a merger plan to combine the two companies through a merger. Read more on the merger website <u>www.sustainablematerialflow.com</u>



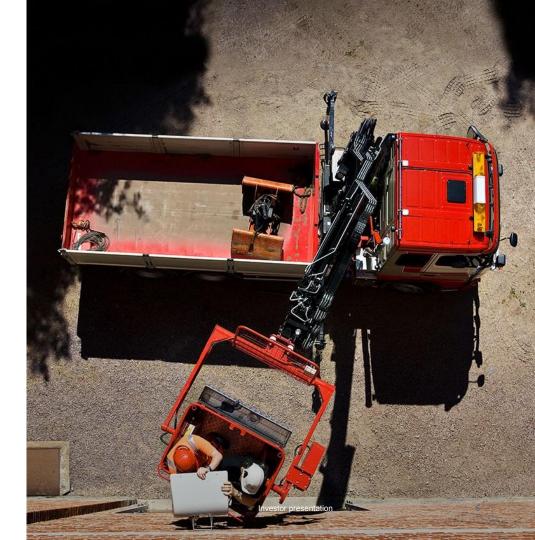




Content

- 1. Cargotec in brief
- 2. Investment highlights
- 3. Kalmar
- 4. Hiab
- 5. MacGregor
- 6. Recent progress
- 7. Appendix





Cargotec in brief





Strong global player with well-balanced business

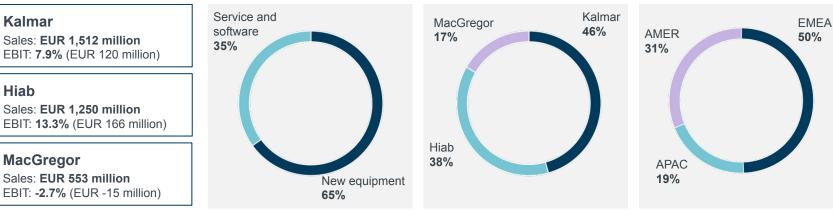
Sales: EUR 3,315 million **EBIT: 7.0%**

Kalmar

Hiab

MacGregor

Sales split: new equipment vs service and software



Sales by

business area

Strengths we are building upon Leading market positions Strong brands Loyal customers Leading in technology in all segments



Sales by

geographical area

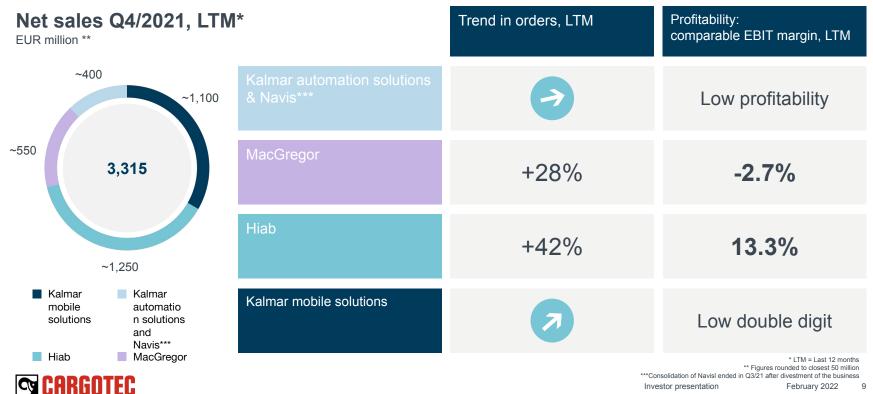
Key competitors

Cargotec is a leading player in all of its business areas





Currently two businesses performing well

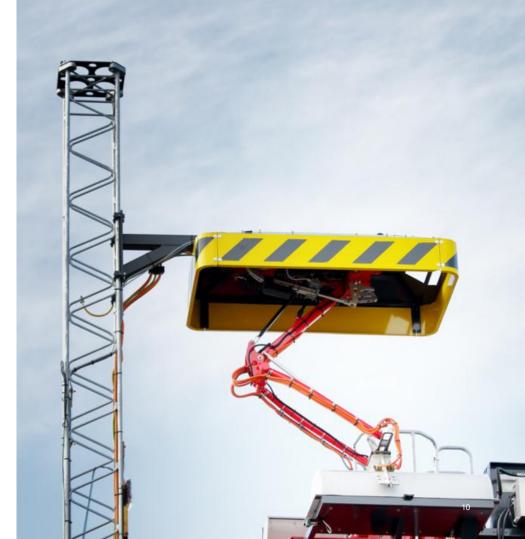


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Investment highlights





Investment highlights: Why invest in Cargotec?

- Technology leader and strong market positions, leading brands in markets with long term growth potential
- 2. Our vision is to become the global leader in sustainable cargo flow
- 3. Growing service & software business and asset-light business model are increasing stability
- 4. Capitalising global opportunities for electrification and automation growth
- 5. On track for profitability improvement and to reach financial targets



1. Technology leader and strong market positions, leading brands in markets with long term growth potential

Global megatrends

- Global growth and economic development
- Sustainability
- Digitalisation

Growth drivers

- Container throughput growth
- Construction activity
- Automation
- Digitalisation

Competitive advantages

- Strong brands
- Full automation offering
- Technology leadership

Market position

 #1 or #2 in all major segments

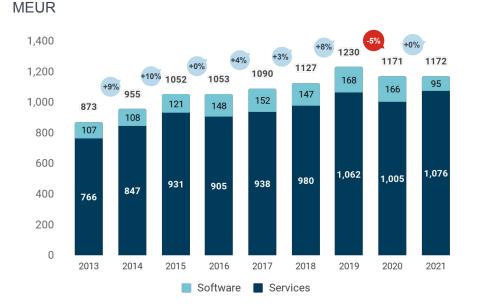
2. Our vision is to become the global leader in sustainable cargo flow

PURPOSE	SMARTER CA	SMARTER CARGO FLOW FOR A BETTER EVERYDAY				
VISION	Global	Global Leader in Sustainable Cargo Flow				
BREAKTHROUGH OBJECTIVES	Sustainabili	lity Profitable Growth				
<u>CONCRETE</u> <u>TARGET</u>	Reduce 1 m	Reduce 1 million tonnes of CO ₂ equivalent by 2024				
	WHERE TO WIN Grow in core and adjacent busin markets Solve customer challenges in clima and sustainability Invest in industry innovation and tra Expand lifecycle services	nate change ransformation				



3. Growing service & software business and asset-light business model are increasing stability

Service and software* sales



Asset-light business model with a flexible cost structure

- Kalmar and Hiab: efficient assembly operation
- MacGregor: efficient project management and engineering office: > 90% of manufacturing and 30% of design and engineering capacity outsourced
- No in-house component manufacturing

Next steps to increase service and software sales:

- Improve service offering through digital solutions
- Increase spare parts capture rates
- Boost service contract attachment rates



4. Capitalising global opportunities for electrification

Industry trends support growth in electrification:

- End-customer demand for E2E sustainability in the logistic chain
- Lower operating costs lead to lower total cost of ownership
- Environmental regulation/investments support low-emission technologies
- Safety electric vehicles create less noise and vibration during operation
- Urbanisation promotes quiet and low-emission load handling solutions
- Increasing capital market incentives to ESG-focused companies
- Electrification often precedes automation and/or robotisation
- Air quality considerations more than 90% of European ports are in or close to urban areas*

Our competitive position in electrification:

- Pioneer with market leading solutions
- Innovative & modular charging solutions complement electric machines
- Lifetime support & training for fully electric systems
- Fully electric Kalmar offering available by the end of 2021
- Complete electric Hiab MOFFETT
 offering available from 2023

Customers consider their investments carefully

- Higher initial investment
- Infrastructure limitations around charging
- Limited in-house knowledge of high voltage systems among customers

Electrification creates significant cost and emission savings

Kalmar electric medium forklift**					
83% less annual costs					
~3 years					
97% less operational emissions					
HIAB MOFFETT E-SERIES NX***					
75% CO ₂ reduction					
4 years					
80% reduction					

** Example case: Swedish customer, comparing an <u>electric medium forklift</u> against a comparable ICE forklift, both with a 5-year lease solution

*** MOFFETT e-Series (electric) compared against MOFFETT M-series (diesel)



4. Capitalising global opportunities for future automation growth

Industry trends support growth in port automation:

- Only 40 terminals (out of 1,200 terminals) are automated or semi-automated currently globally
- Ships are becoming bigger and the peak loads have become an issue
- Increasing focus on safety
- Customers require decreasing energy usage and zero emission ports
- Optimum efficiency, space utilization and reduction of costs are increasingly important
- Shortage and cost of trained and skilled labour pushes terminals to automation

Customers consider their automation decisions carefully

- Shipping line consolidation
- Utilisation rates of the existing equipment base
- Container throughput volumes
- Efficiency of the automation solutions

Automation creates significant cost savings*				
Labour costs	60% less labour costs			
Total costs	24% less costs			
Profit increase	125%			



^{*} Change when manual terminal converted into an automated operation



5. Clear plan for profitability improvement and to reach financial targets

Growth

Target to grow faster than market

- Megatrends and strong market position supporting organic growth
- M&A potential

Service and software

Targeting service and software sales 40% of net sales, minimum EUR 1.5 billion in 3-5 years*

Profitability

Target 10% operating profit and 15% ROCE in 3-5 years*

Higher service and software sales key driver for profitability improvement

Balance sheet and dividend

Target gearing < 50% and increasing dividend in the range of 30-50% of EPS, dividend paid twice a year

Sales and comparable operating profit development



Comparable operating profit margin

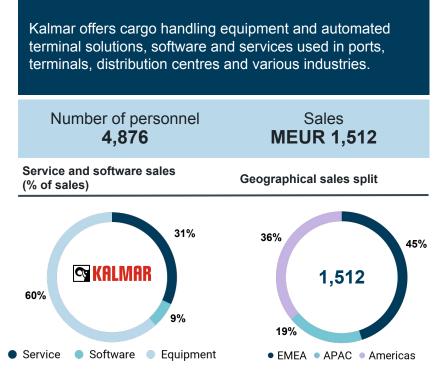


Kalmar





Kalmar is in unique position to benefit from the growth prospects in electrification and port automation



Development of historical financials



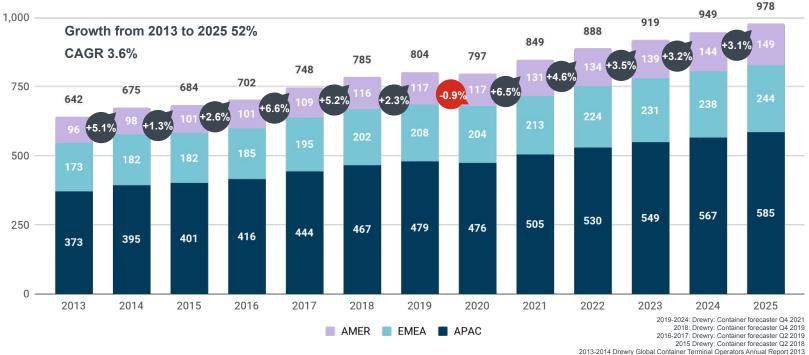




*2020 figures ** definition changed 2021, figures 2020 onwards according to the new definition

Container throughput is estimated to continue to grow

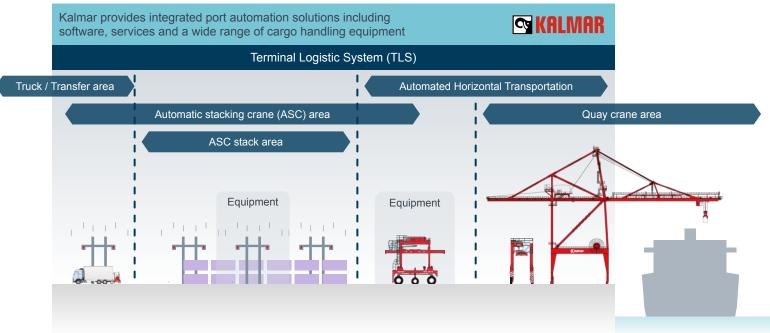
TEU million





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Kalmar provides integrated port automation solutions







Electric Reachstacker Electric Heavy Forklift Next Generation Electric Terminal Tractor

2021: Kalmar completed its fully electric portfolio



Robotics as an opportunity

AUTOMATED SOLUTION

ROBOTICS FUNCTIONALITY Digitalisation • Autonomous • Electrification

KALMAR EQUIPMENT

Investor presentation

Services provide our biggest medium-term growth opportunity

	Hurry Layer	
Market share	Equipment & Projects 20-30%	Services 3-5%
Market size	6B€	8B€



Hiab

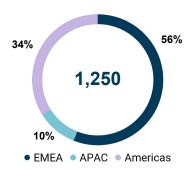




Hiab is a global market leader in on-road load handling solutions

Hiab's class-leading load handling offering includes loader cranes, forestry and recycling cranes, truck mounted forklifts, skiploaders and hooklifts, and tail lifts as well as intelligent services and smart and connected solutions. Hiab's customers come from a broad range of industries and segments. Number of personnel 3,585 Service sales (% of sales) Geographical sales split





Development of historical financials







CARGOTEC

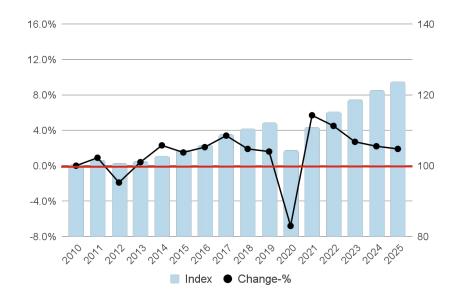


Investor presentation

Construction output driving growth opportunity

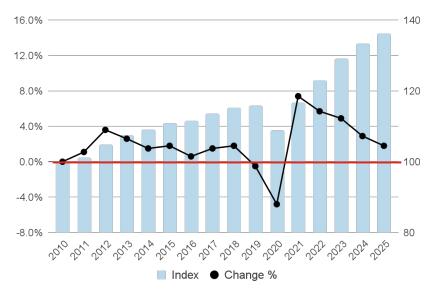
EMEA construction output

y/y change (%)



AMER construction output

y/y change (%)



Oxford Economics: Industry output forecast 12/2020



Strong global market position: One global competitor, most are focused niche players

	MARKET SIZE* (EUR billion)	KEY SEGMENTS	HIAB GLOBAL POSITION & TREND	KEY COMPETITORS
LOADER CRANES	~1.5	Construction and Logistics	#2 🕢	PALFINGER FASSI
TAIL LIFTS	~0.9	Retail Industry and Logistics	#3 🕑	DHOLLANDIA
DEMOUNTABLES	~0.6	Waste and Recycling, Defense	#1 🕢	
TRUCK MOUNTED FORKLIFTS	~0.3	Construction and Logistics	#1 🕑	
FORESTRY & RECYCLING CRANES	~0.3	Timber, Pulp, Paper & Recycling	#2 🗲	PALFINGER XKESLA



Attractive megatrends and growth drivers

MEGA-TRENDS

MARKET GROWTH

KEY SEGMENTS

PRODUCT OFFERING

SERVICE SOLUTIONS



- Urbanisation and Consumption growth driving needs for efficiency
 Digitalisation and Connectivity enabling new business solutions
- Digitalisation and Connectivity chabiling new basiness solution
- North America and main European markets continue to grow
- Developing markets strong load handling equipment penetration potential
- Construction, Waste & Recycling, Logistics and Governmental business segments show continued growth projection
 - New applications market and segment growth potential
- Developing for increasing demand in Electrification and Automation
- Growing demand for comprehensive life-cycle service offerings and tailored business solutions



Hiab's key growth drivers



Cranes

Gain market share in big loader cranes and crane core markets



Tail lifts

Enter fast growing emerging markets and standardise and globalise business model



Truck-mounted forklifts Accelerate penetration in North America and Europe



Services

Increase spare parts capture rates driven by connectivity and e-commerce



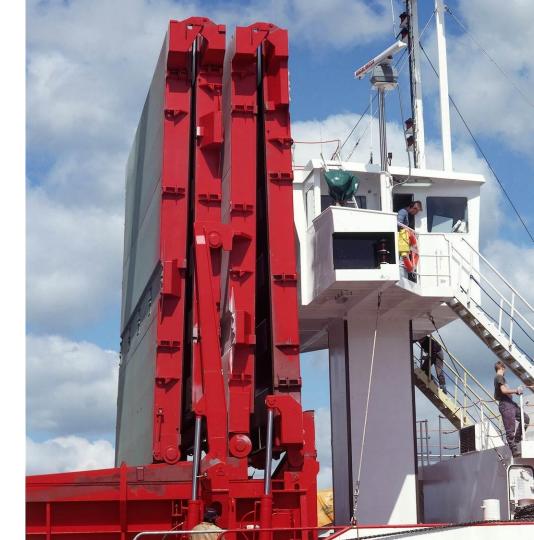
Hiab acquires US demountable manufacturer Galfab

- Announced on 21 August 2021
- A premier designer and manufacturer of waste equipment
- Adds roll-off hoist, a cable lift, to Hiab's portfolio
- Acquisition enables growth in the US and waste segment market
- Acquisition is in line with our strategy to grow from core businesses
- Galfab's sales estimate for 2021 is USD ~30 million
- Galfab equipment will now be part of Hiab's sales and service network
- Synergies come predominantly from cross selling opportunities



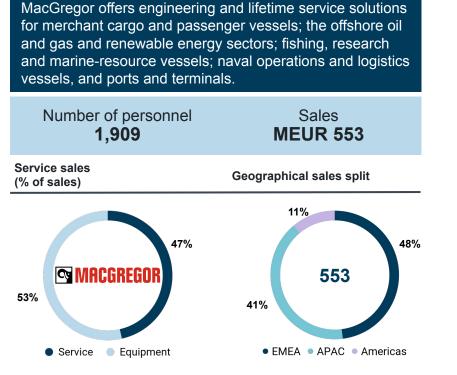


MacGregor



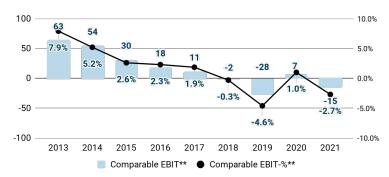


MacGregor is a world-leading provider of intelligent maritime cargo and load handling solutions



Development of historical financials







*2020 figures ** definition changed 2021, figures 2020 onwards according to the new definition

We are an active leader in all maritime segments

~2/3 of sales

~1/3 of sales







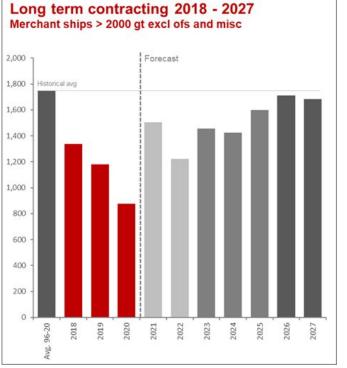


~40.000 vessels equipped with MacGregor equipment monitored online with MacGregor Vessel Map

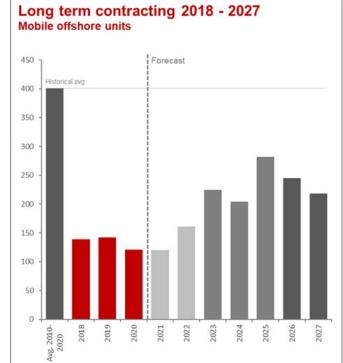




Merchant Ships and Offshore contracting outlook improving



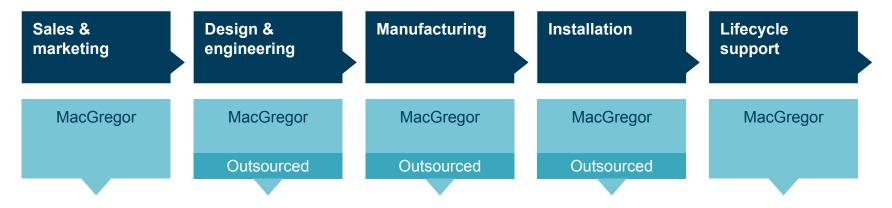
Environmental regulation with accelerating energy efficiency requirement drives merchant ships contracting



Offshore wind drives contracting of dedicated offshore wind vessels, and also a wider range of other mobile offshore units.



MacGregor's asset-light business model gives flexibility



Cost-efficient scaling 90% of manufacturing outsourced 30% of design and engineering capacity outsourced



Recent progress





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

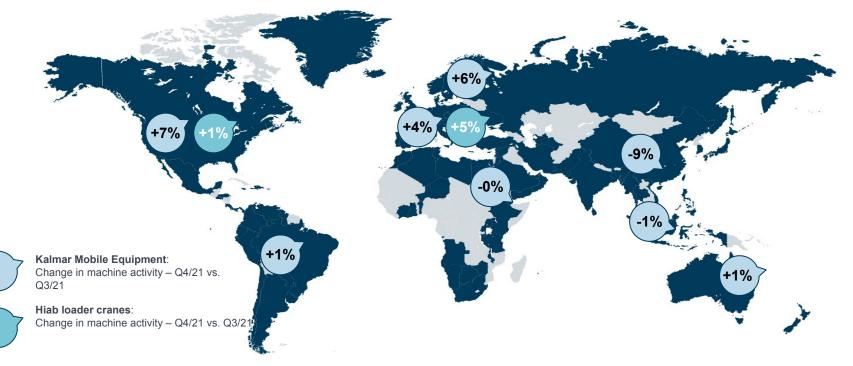
Increased by 2%

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



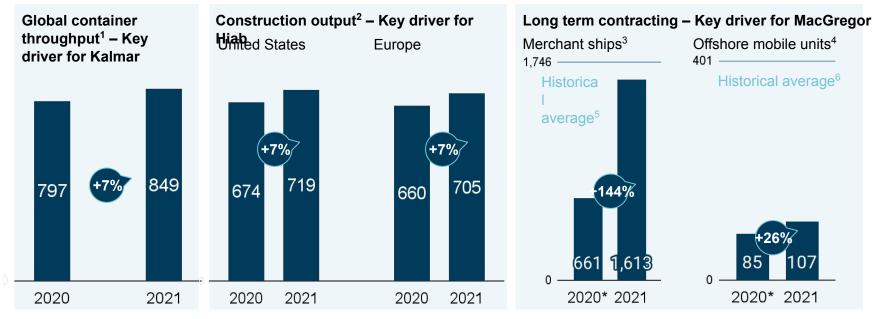


Equipment utilisation grew significantly in the main market areas





Market environment - Strong demand environment continues



 Strong growth continues

Growth in both US and in Europe

MTEU, Source: Drewry

1)

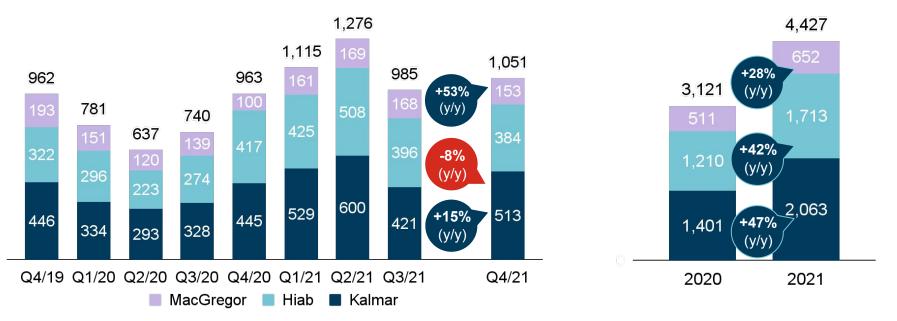
- 2) EUR billion, Source: Oxford Economics
 3) > 2 000 dwt/at (excl. ofs & misc). Source: 1
 - > 2,000 dwt/gt (excl. ofs & misc), Source: Clarkson Research

4) Source: Clarkson Research
5) Indicative 1996-2020 average
6) Indicative 2010-2020 average
*) as reported 1 Jan 2021

- Newbuild order volumes rose to the highest level since 2014
- Strongest year for ship earnings since 2008
- Offshore market still at a low level
- 41

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

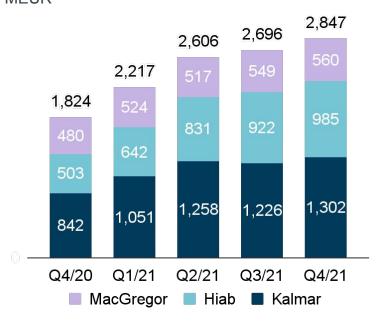
Orders received MEUR



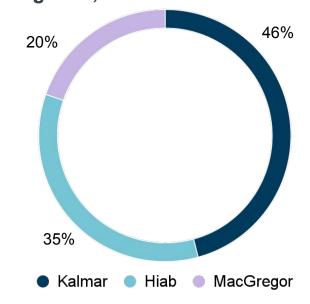


High demand and longer delivery times of short cycle equipment expanded our order book

Order book



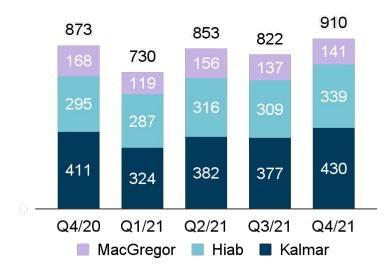
Order book by reporting segment, 31 December 2021



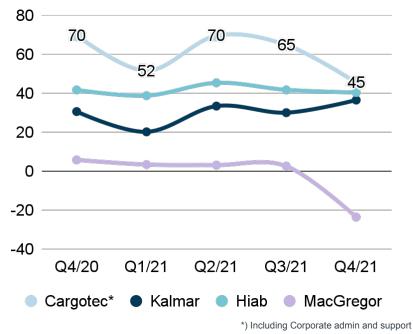


Modest growth in sales, profitability affected by supply chain challenges and MacGregor's project cost overruns

Sales MEUR



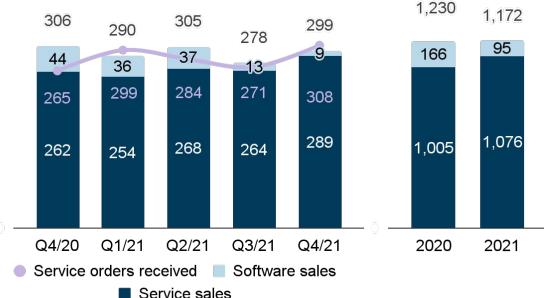
Comparable operating profit MEUR



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Record year in service business

Service and software* sales MEUR



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

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



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

CARGOTEC

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%	-2010bp s



Financials and outlook





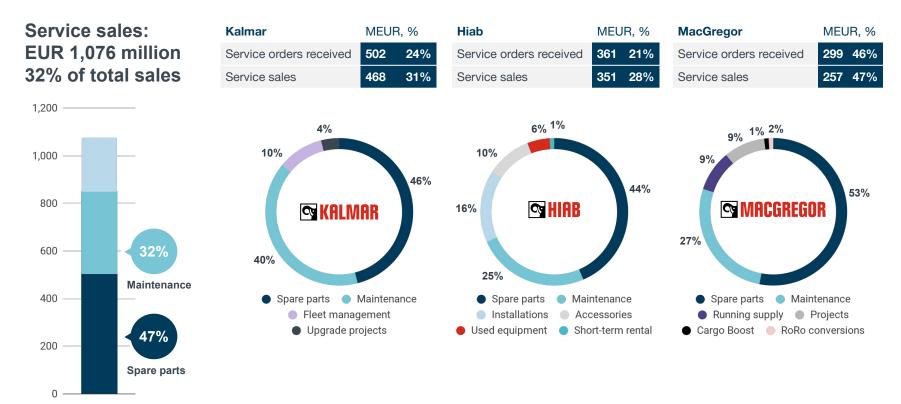
Key figures – Gain from sale of Navis business had significant impact on 2021 operating profit

	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



*) Excluding items affecting comparability and adjusted with related tax effect **) ROCE (return on capital employed), last 12 months

Service sales growth on track towards our targets

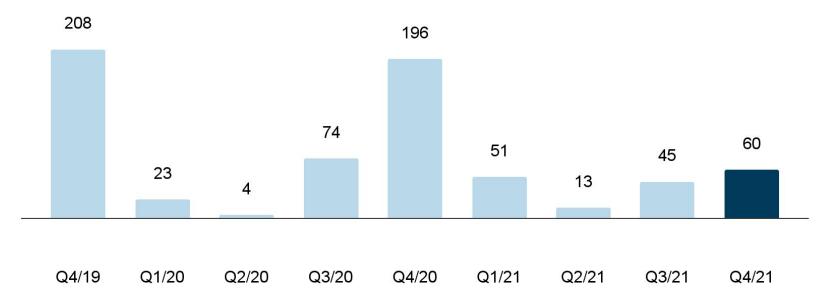




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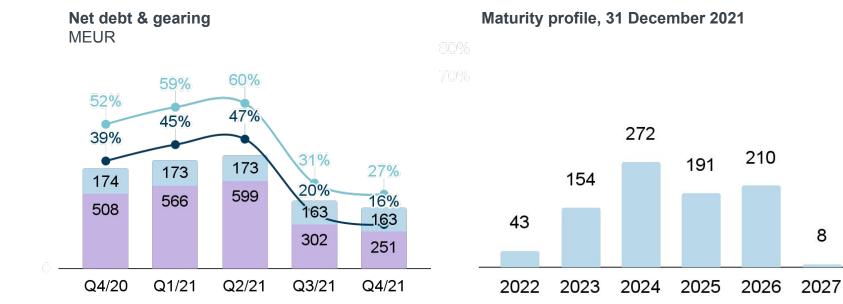
Cash flow affected by increased inventories

Cash flow from operations before financing items and taxes $\ensuremath{\mathsf{MEUR}}$





Strong financial position and balanced maturity profile



Gearing-% excluding IFRS16

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

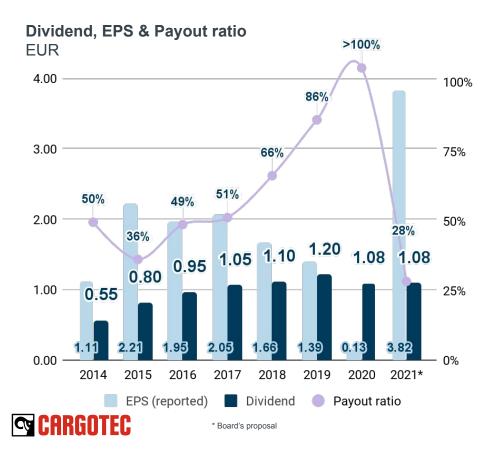


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Later

8

Dividend proposal of 1.08 EUR in 2021



- 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 EPS₄includes 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)

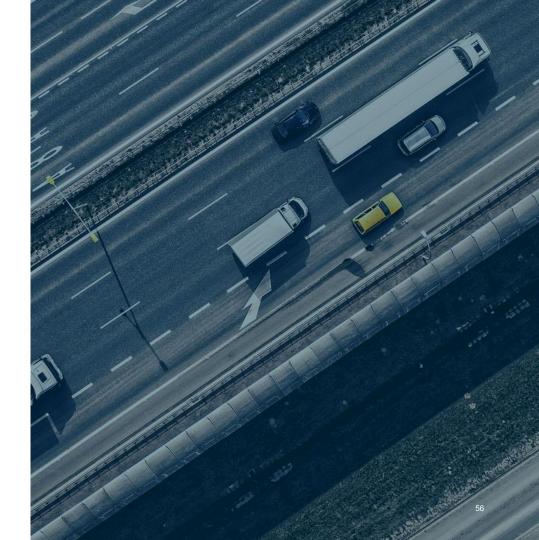




Appendix

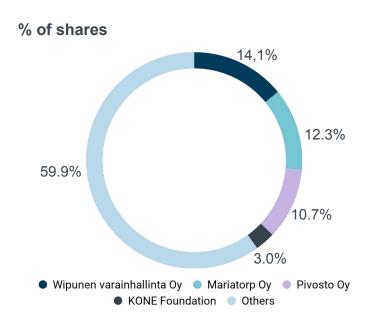
- 1. Largest shareholders and financials
- 2. Sustainability
- 3. Kalmar
- 4. Hiab
- 5. MacGregor





Largest shareholders 31 January 2021

		% of shares	% of votes
1	Wipunen varainhallinta Oy	14.1	23.7
2	Mariatorp Oy	12.3	22.9
3	Pivosto Oy	10.7	22.2
4	KONE Foundation	3.0	5.5
5	Ilmarinen Mutual Pension Insurance Company	2.1	0.9
6	Varma Mutual Pension Insurance Company	1.8	0.8
7	The State Pension Fund	1.0	0.4
8	Elo Mutual Pension Insurance Company	1.0	0.4
9	Herlin Heikki Juho Kustaa	0.6	0.3
10	OP-Finland Small Firms Fund	0.5	0.2
	Nominee registered and non-Finnish holders	27.55%	
	Total number of shareholders	39,773	



Wipunen varainhallinta Oy is a company controlled by Ilkka Herlin, Mariatorp Oy a company controlled by Heikki Herlin and Pivosto Oy a company controlled by Ilona Herlin.



Examples of our wide equipment offering

KALMAR



Reachstacker



Straddle carrier



Terminal tractor



Container handler





Loader crane



Hooklift, Skiploader



Truck-mounted forklift



Taillift



Cranes



Marine self-unloaders



Offshore load handling



Forklift truck



Automatic stacking crane



Recycling and forestry cranes



Hatch covers,

container lashings

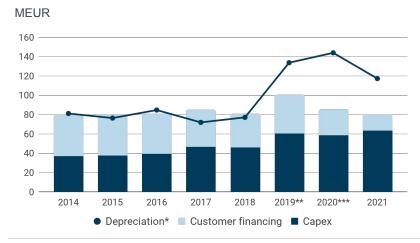
Deck machinery



Mooring systems

Capex and R&D

Capital expenditure

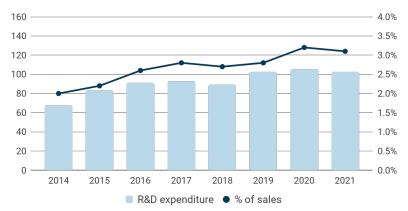


Main capex investments:

- Kalmar innovation centre in Ljungby, Sweden
- Investments in multi-assembly units in Kalmar and Hiab
- Intangible assets, such as global systems to improve efficiency in operational activities and support functions

Research and development

MEUR



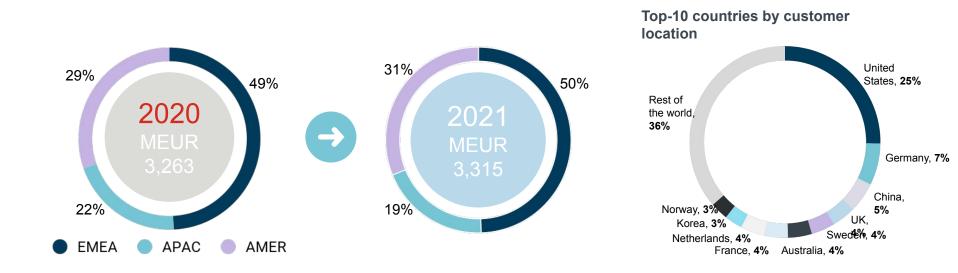
R&D investments focused on

- Themes supporting our climate targets such as digitalisation, electrification and automation
- Competitiveness and cost efficiency of products

*) Including amortisations and impairments **) depreciation increased due to IFRS 16 implementation ") depreciation includes impairments worth EUR 16 of which EUR 16 has been booked as restructuring costs

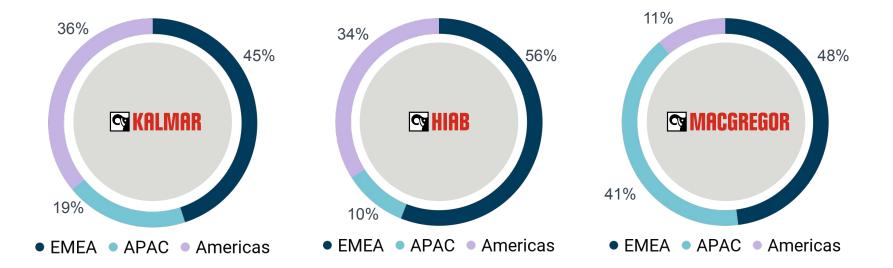


Well diversified geographical sales mix



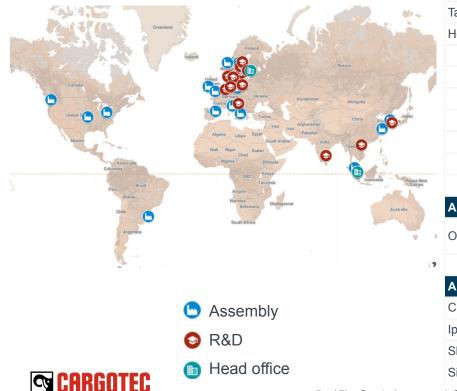


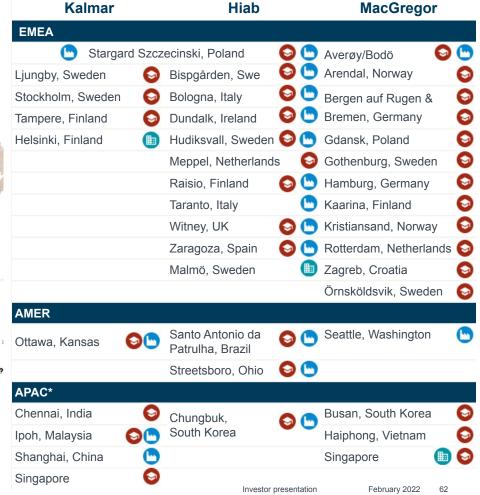
Sales by geographical segment by business area 2021





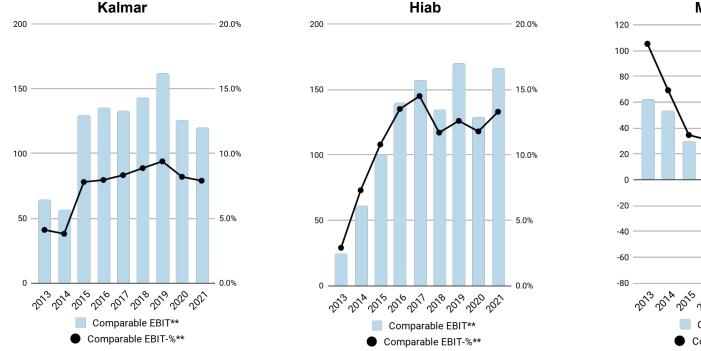
Cargotec's R&D and assembly sites

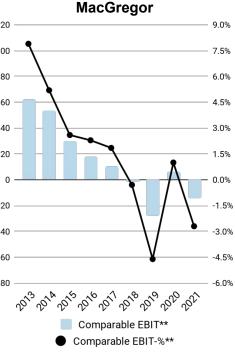




*In addition, Cargotec has presence in China through its joint ventures

Comparable operating profit development







Sales and orders received development



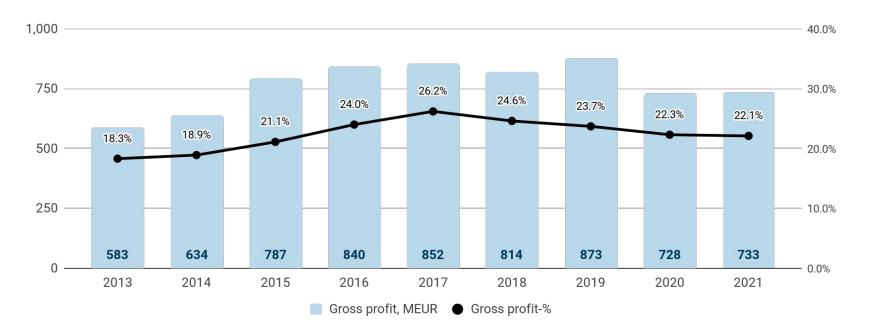


Order book

2020 202

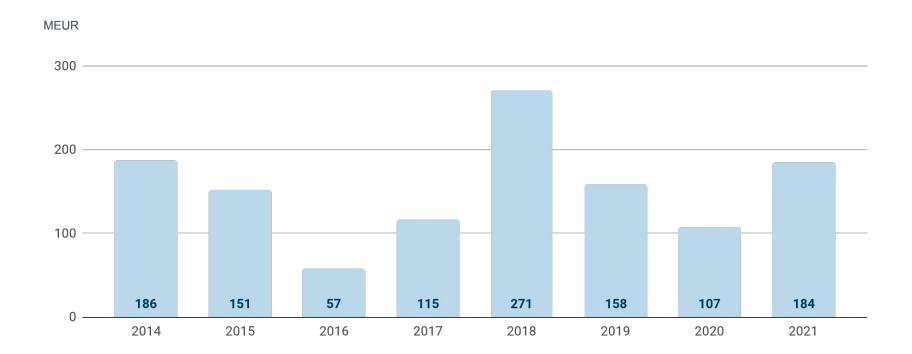
Gross profit development

MEUR



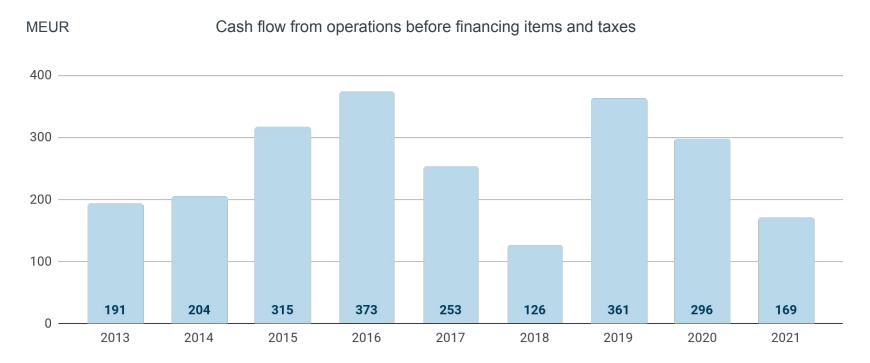


Net working capital development





Strong cash flow





Income statement Q4 2021

MEUR	Note	Q4/21	Q4/20	2021	2020
Sales	5	910.2	872.8	3 315,0	3 263,4
Cost of goods sold		-740.9	-672.4	-2 582,1	-2 535,5
Gross profit		169.3	200.4	732.9	727.9
Gross profit, %		18,6 %	23,0 %	22,1 %	22,3 %
Other operating income		12.9	8.3	294.2	48.0
Selling and marketing expenses		-50.2	-51.6	-188.4	-199.5
Research and development expenses		-25.4	-29.3	-103.9	-107.9
Administration expenses		-59.7	-60.5	-251.7	-236.7
Restructuring costs	7	-12.8	-39.9	-33.3	-131.0
Other operating expenses		-26.7	-10.6	-101.1	-35.7
Share of associated companies' and joint ventures' net income		0.9	0.7	7.0	5.3
Operating profit		8.3	17.6	355.7	70.4
Operating profit, %		0.9%	2.0%	10.7%	2.2%
Financing income		2.5	0.4	4.7	2.8
Financing expenses		-6.1	-13.4	-27.4	-38.7
Income before taxes		4.7	4.5	333.1	34.5
Income before taxes, %		0,5 %	0,5 %	10,0 %	1,1 %
Income taxes	9	-12.9	2.1	-86.4	-26.4
Net income for the period		-8.2	6.6	246.7	8.1
Net income for the period, %		-0.9%	0.8%	7.4%	0.2%
Net income for the period attributable to:					
Equity holders of the parent		-8.3	6.5	246.5	8.1
Non-controlling interest		0.1	0.1	0.2	-0.1
Total		-8.2	6.6	246.7	8.1
Earnings per share for profit attributable to the equity holders of the parent:					
Earnings per share, EUR		-0.13	0.10	3.82	0.13
Diluted earnings per share, EUR		-0.13	0.10	3.82	0.13



Balance sheet 31 December 2021

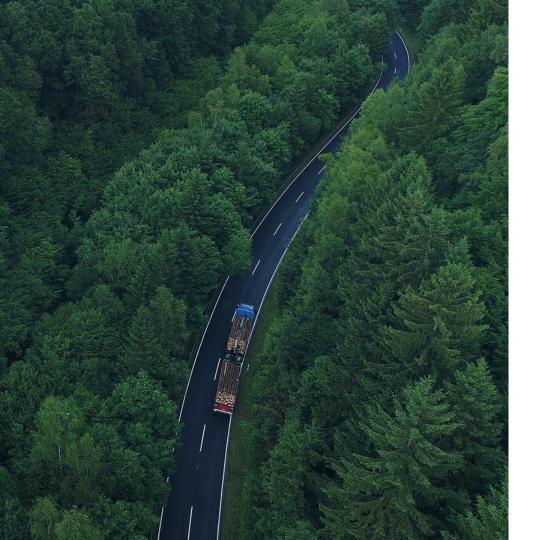
ASSETS, MEUR	Note	31 Dec 2021	31 Dec 2020
Non-current assets			
Goodwill		966.8	971.9
Other intangible assets		172.6	185.8
Property, plant and equipment		409.5	429.7
Investments in associated companies and joint ventures	16	73.7	56.7
Share investments	16	36.6	37.5
Loans receivable and other interest-bearing assets*	11	12.6	18.4
Deferred tax assets		129.7	123.6
Derivative assets	12	1.0	0.1
Other non-interest-bearing assets		8.4	17.2
Total non-current assets		1 811,0	1 840,9
Current assets			
Inventories		792.9	579.7
Loans receivable and other interest-bearing assets*	11	3.6	4.3
Income tax receivables		31.8	25.4
	12	10.8	10000
Derivative assets			13.3
Derivative assets Accounts receivable and other non-interest-bearing assets		888.3	13.3 753.9
	11	888.3 488.8	
Accounts receivable and other non-interest-bearing assets	11		753.9
Accounts receivable and other non-interest-bearing assets Cash and cash equivalents*	11	488.8	753.9 484.8

EQUITY AND LIABILITIES, MEUR	Note	31 Dec 2021	31 Dec 2020
Equity attributable to the equity holders of the parent			
Share capital		64.3	64.3
Share premium account		98.0	98.0
Translation differences		-45.2	-110.9
Fair value reserves		-7.0	4.4
Reserve for invested non-restricted equity		54.0	57.4
Retained earnings		1 380,1	1 185,6
Total equity attributable to the equity holders of the parent		1 544,3	1 298,7
Non-controlling interest		2.7	2.7
Total equity		1 547,0	1 301,4
Non-current liabilities			
Interest-bearing liabilities*	11	876.1	1 027,4
Deferred tax liabilities		26.9	20.6
Pension obligations		112.9	115.5
Provisions		6.5	7.2
Derivative liabilities	12		0.0
Other non-interest-bearing liabilities		68.3	62.6
Total non-current liabilities		1 090,6	1 233,4
Current liabilities			
Current portion of interest-bearing liabilities*	11	34.8	136.1
Other interest-bearing liabilities*	11	8.6	19.6
Provisions		103.3	105.9
Advances received		217.2	182.7
Income tax payables		37.6	21.7
Derivative liabilities	12	6.8	19.4
Accounts payable and other non-interest-bearing liabilities		981.3	797.5
Total current liabilities		1 389,6	1 282,7
Liabilities directly associated with the assets held for sale	17	-	70.5
Total equity and liabilities		4 027,3	3 888,0



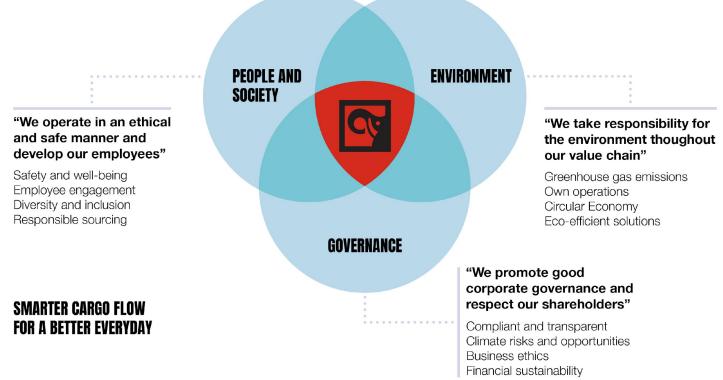
Cash flow statement Q4 2021

MEUR Net cash flow from operating activities	Note	Q4/21	Q4/20	2021	2020
Net income for the period		-8.2	6.6	246.7	8.1
Depreciation, amortisation and impairment	8	30.8	35.8	117.4	144.0
Financing items	-	3.6	13.1	22.7	35.9
Taxes	9	12.9	-2.1	86.4	26.4
Change in receivables		-28.5	9.6	-89.9	106.8
Change in payables		97.0	12.1	226.0	-149.2
Change in inventories		-49.4	122.6	-196.2	98.7
Change in net working capital		19.1	144.4	-60.1	56.4
Other adjustments Cash flow from operations before financing items and		1.5	-1.9	-243.7	25.6
taxes		59.7	195.8	169.3	296.4
Interest received		2.0	1.0	3.2	2.8
Interest paid		-4.5	-4.3	-23.8	-25.8
Dividends received		3.5	-	5.0	0.1
Other financing items		-1.7	-6.5	-20.4	-9.0
Income taxes paid		-37.9	4.3	-77.1	-24.5
Cash flow from financing items and taxes		-38.7	-5.5	-113.1	-56.4
Net cash flow from operating activities		20.9	190.3	56.2	240.0
Net cash flow from investing activities					
Acquisitions of businesses, net of cash acquired	15	-3.1	-0.3	-2.2	-12.1
Disposals of businesses, net of cash sold	15	46.3	0.7	354.5	2.7
nvestments in associated companies and joint ventures	16	-	-	-1.9	-
Investments in intangible assets and property, plant and equipment		-15.8	-12.5	-43.3	-46.7
Disposals of intangible assets and property, plant and equipment		-3.1	8.6	5.6	25.9
		14.3	7.1	21.8	8.9
Cash flow from investing activities, other items Net cash flow from investing activities		38.7	3.6	334.5	-21.3
Net cash flow from financing activities					
Freasury shares acquired				-3.4	
Repayments of lease liabilities		-10.1	-11.2	-40.6	-44.1
Proceeds from long-term borrowings		-	-	-	249.5
Repayments of long-term borrowings		-150.0	-52.8	-250.0	-251.4
Proceeds from short-term borrowings		0.8	-0.8	1.9	98.8
Repayments of short-term borrowings		0.3	-6.1	-30.5	-106.9
Profit distribution		-	-3.6	-69.8	<mark>-77.8</mark>
Net cash flow from financing activities		-159.0	-74.4	-392.4	-131.8
		6225			
Change in cash and cash equivalents		-99.4	119.5	-1.7	86.9



Sustainability as a driver for future growth

We create value for all stakeholder by being a 1.5 degree company





Climate solutions is our focus area in sustainability



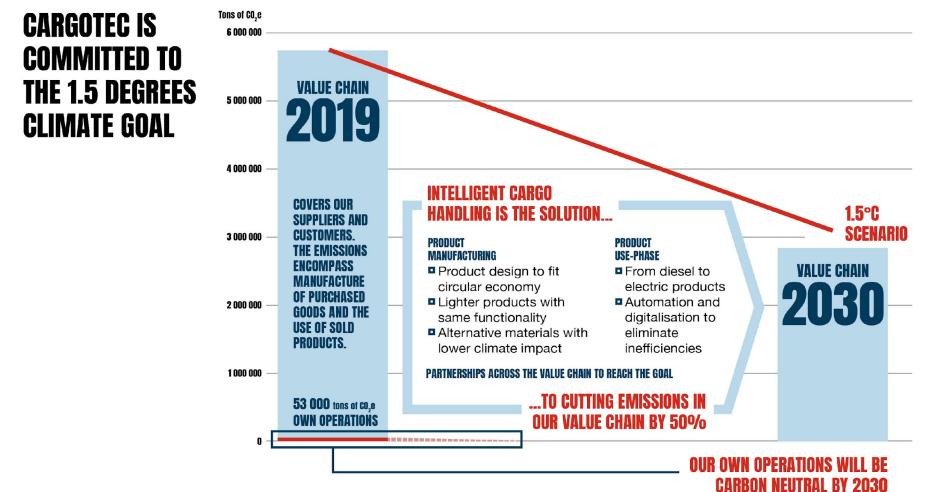




BIVING AMBITIOUS CORPORATE CLIMATE ACTION

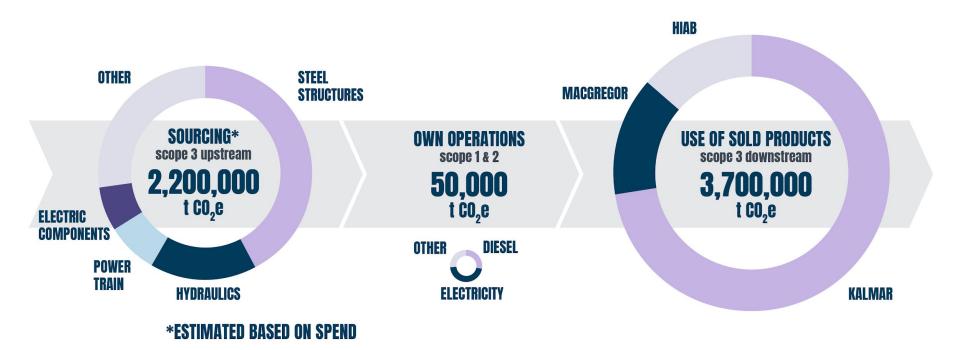
Our ambition, approved by The Science Based Targets initiative, is to reduce Cargotec's greenhouse gas emissions by 50% across all the three emission scopes by 2030, from 2019 base year. Cargotec's internal goal is to become carbon neutral in its own operations which goes beyond the required ambition level of the Science Based Targets initiative.







CARGOTEC'S CARBON FOOTPRINT 2019





Cargotec and SSAB pioneering to introduce fossil free steel in the cargo-handling industry

- SSAB is the first company to produce fossil-free steel
- Cargotec is nominated as SSAB's **preferred customer for fossil free steel** in the cargo handling industry
- Steel components are the main contributors for CO2 footprint at Cargotec's scope 3 upstream emissions
- Decarbonising steel is a concrete step towards Cargotec's ambition of to reduce CO2 emissions in the whole value chain by 50% by 2030

Benefits of fossil free steel:

- Significantly lower environmental impact
- Tightening carbon emission regulations
- Growing customer requirements and increased demand for carbon neutral products





LIFETIME SAVINGS OF KALMAR'S ELECTRIC TERMINAL TRACTOR

CARS OFF TONS CO₂ The road for a year

Eco portfolio targets double sales growth compared traditional equipment

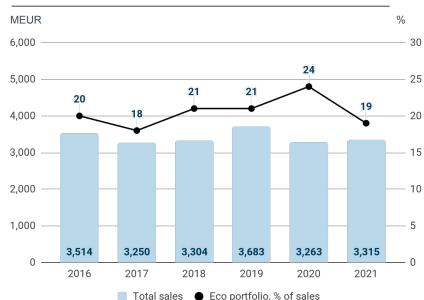
80 8.0 7.3 7.0 67 6.0 60 6.1 5.7 40 4.0 3.4 20 2.0 54 65 51 46 48 24 0.0 2017 2018 2019 2021 2016 2020 ■ Number of lost time injuries ● Cargotec IIFR**

*Cargotec assembly sites

** Number of injuries per million worked hours

INDUSTRIAL INJURY FREQUENCY RATE*

ECO PORTFOLIO







Sea Freight Transport is by far the most sustainable transport mode in terms of emissions

Compared to transportation of goods

➡ by trains, sea freight emits ~2-3 times less emissions

- → by trucks, sea freight emits
 ~3-4 times less emissions
- → by air cargo, sea freight emits
 ~14 times less emissions



Kalmar appendix



Kalmar business area consists of two strategic business units



Reachstackers



KALMAR Mobile Solutions

Empty container handlers

Terminal tractors

ECO

: All-electric versions available



Forklift trucks





Bromma spreaders



Services







Shuttle & Straddle carriers



Services



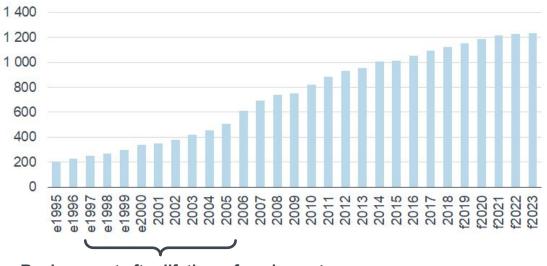
ASC, RTG, RMG, STS



Port automation

The current replacement market size for key terminal equipment is EUR 1 billion annually and the market is expected to double in the next decade

Total Capacity MTEU



The replacement market will grow in coming years, as the container terminal capacity has expanded significantly during the last two decades.

Average lifetime of type of equipment:

- STS 25 yrs
- RTG -15 yrs
- SC 8-10 yrs
- RS/ECH/TT 8 yrs

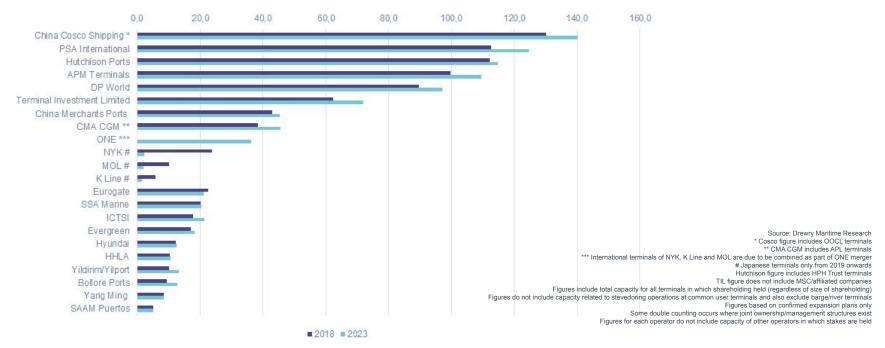
Replacement after lifetime of equipment

Source: Drewry reports: Global Container Terminal Operators 2001-2016 Note: 1995-2000 capacity is estimation based on the assumption that the utilisation rate has been between 70-72% in that period. 2019-2023 forecast based on Drewry's Global container terminal operators report, published in Q4/2019



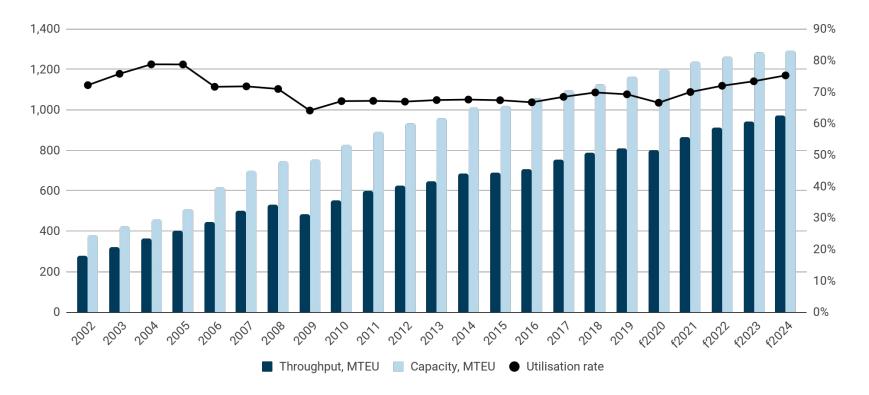
Global container terminal operators – Most capacity expected to be added by Cosco

Global/international terminal operators' capacity development, 2018-2023 (MTEU)



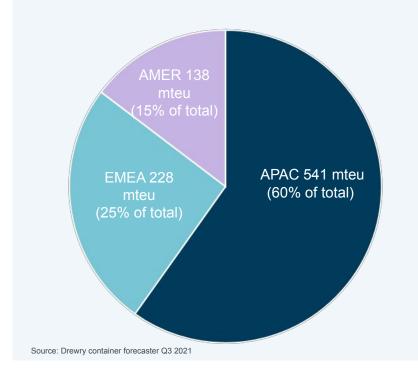


Global container throughput and capacity development





60% of global container throughput is expected to take place in APAC in 2022



Global container throughput expected to increase 5.2% in 2022 (from 2021)

- APAC 5.2% (27 mteu)
- EMEA 5.8% (13 mteu)
- AMER 4.0% (5 mteu)

→ Drewry states that supercharged transportation costs stand out as a downside risk in their scenario.

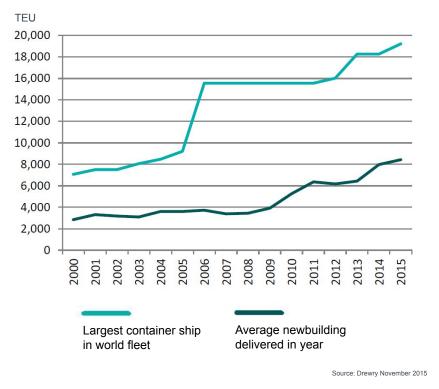


Three alliances controlling about 80% of global container fleet capacity

	Shipping line	_	Alliance/ Vessel sharing agreement	April 2017					
	Maersk MSC		P3 (denied)	2M	→ 	2М			
	CMA CGM China Shipping		China Shipping/ UASC	Ocean Three					
	OOCL (acquisition ongoing) Hapag-Lloyd		I I Grand Alliance		Ocea	Ocean Alliance			
L.	APL MOL Hyundai		New World Alliance	G6 Alliance					
	Cosco China Cosco Shipping				→				
Ļ	K Line Yang Ming Ocean Network		CKYH Alliance	CKYH Alliance	Th	e Alliance			
	Express Hergin Evergreen	express O HANJIN SHIPPING							
	Hamburg Sud	HAMBURG	Independent						
	Total: 17 (9 after further consolidations)	 The arrows indicate changes, co currently officially part of any alli Ocean Network Express (ONE) 	onfirmed or planned, through M&A or JV over the last 18 mc iance, but formed a cooperative relationship with 2M. launch April 2018.	onths. Hanjin bankrupt. Hyundai isn't					
	CARGOTE		uisition of OOCL expected to completed by the end of June	Investor presentation	Sources: Drewry, Alphaliner, Cargotec February 2022 87				

Ship sizes increasing dramatically

- The largest containership in the fleet has nearly tripled since 2000
- The average size of new builds doubles between 2009 and 2014

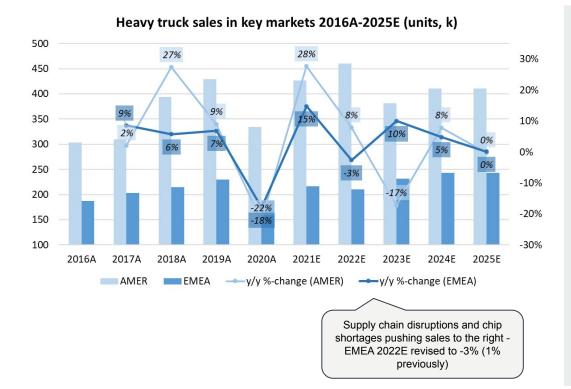




Hiab appendix



Heavy commercial truck sales bounce back during 2021E - semiconductor supply shortage impacting outlook in 2022E

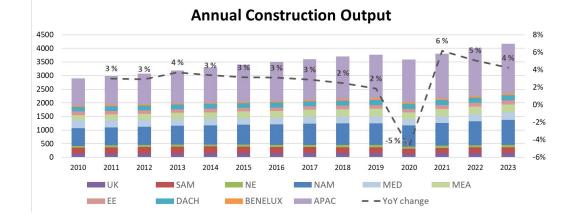


Outlook for heavy truck sales in 2022 revised down for EMEA compared to Q3 estimates

- In Europe, the upward trend has visibly slowed down in the Q3 following supply chain constraints, which resulted in shortages of trucks
- The rebound in North American truck demand is beginning to look more "W-shaped" than "V-shaped". After a remarkable surge in truck-selling rates from the bottom of the pandemic through early 2021, recent months have seen selling and registrations rates considerably re-soften, leaving yet another recovery in prospect. While the COVID-19 is somewhat to blame, it is the manufacturing capacity constraint across the industry that is proving to be the real limiter of market growth



Construction output forecast



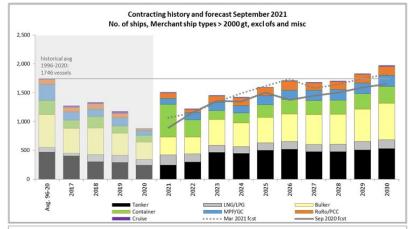
	Perc	centage p	oint char	nge vs las	t forecas	t	Year-on-year changes
	2018	2019	2020	2021	2022	2023	2019 2020 2021 2022 2023
APAC	0.0 %	0.0 %	0.1 %	-1.5 %	-1.6 %	-1.7 %	3.1 % -2.7 % 5.5 % 5.8 % 4.6 %
BENELUX	-0.3 %	-0.9 %	-1.1 %	-0.9 %	-2.3 %	-2.5 %	4.1 % -2.6 % 5.1 % 0.5 % 1.7 %
DACH	-0.1 %	-0.1 %	0.1 %	0.6 %	0.1 %	0.5 %	0.4 % 1.2 % 0.8 % 1.6 % 1.6 %
EE	0.1 %	-0.2 %	-0.3 %	0.8 %	0.3 %	0.0 %	-0.1 % -1.3 % 3.8 % 3.7 % 2.7 %
MEA	-0.4 %	-0.3 %	-0.6 %	-0.1 %	-0.8 %	-0.9 %	1.8 % -8.2 % 5.7 % 5.5 % 4.1 %
MED	-0.4 %	0.1 %	1.1 %	2.4 %	2.2 %	3.0 %	3.5 % -11.5 % 10.4 % 4.4 % 3.6 %
NAM	0.0 %	1.2 %	-0.3 %	-0.5 %	-0.6 %	-0.3 %	1.2 % -3.6 % 6.6 % 5.6 % 5.5 %
NE	0.0 %	0.1 %	0.0 %	1.7 %	1.2 %	1.0 %	0.8 % <mark>-1.4 %</mark> 2.0 % 2.6 % 1.8 %
SAM	0.0 %	0.0 %	-0.1 %	-0.3 %	-1.4 %	-2.2 %	-2.4 % -15.1 % 9.7 % 4.5 % 2.7 %
UK	-9.4 %	-11.2 %	-13.1 %	-13.7 %	-14.2 %	-13.8 %	0.1 % -15.9 % 13.1 % 5.1 % 2.8 %
Total	-0.5 %	-0.3 %	-0.6 %	-1.2 %	-1.5 %	-1.4 %	1.9 % -4.9 % 6.2 % 5.1 % 4.2 %



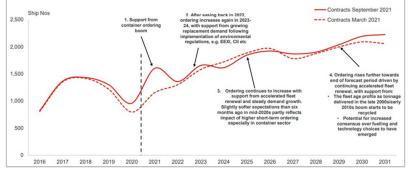
MacGregor appendix

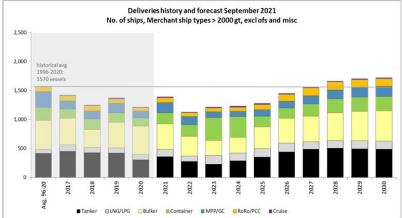


Merchant ships: Forecast by shiptype (no of ships)



Contracting forecast upgraded from March 2021



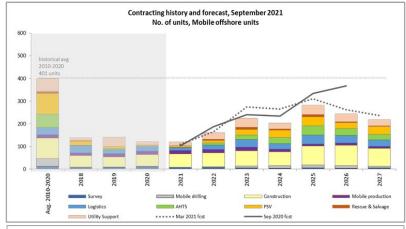


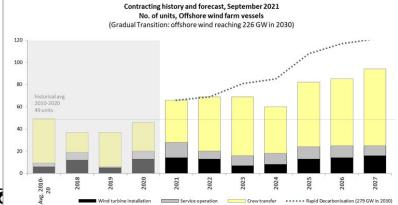
2021 full year contracting upgraded to 1505, up ~600 vessels compared to the forecast a year ago; easing back to ~1300 ships in 2022 due to higher newbuild prices, yard slot availability limited to 2024 and slowing container ship ordering. Biggest upgrades in container ships, car carriers and bulkers.

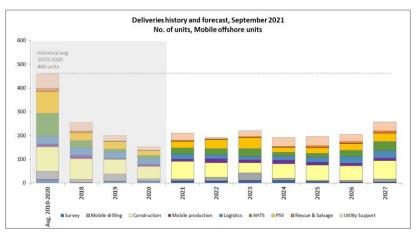
A dip in deliveries in short-term, increasing again 2023 - 2024 following recent ordering boom. In longer term deliveries expected to increase further due to accelerated fleet renewal.



Offshore mobile units: Forecast by shiptype (no of ships)







Newbuild demand for vessels servicing the offshore wind industry remains firm. Otherwise the short-term contracting outlook for offshore oil & gas related assets remains weak, excluding FPSO, despite improvement in offshore charter markets in 2021.

Offshore wind sector has generated newbuilding demand also for a wider range of construction vessel sectors; 52% of orders in 2021 have been wind-related.

Delivery levels expected to remain weak due to low contracting levels earlier.

Investor presentation February 2022

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Source: Clarkson Research, September 2021

Newbuild contracting currently dominated by China and Korea, TOP3 shipbuilding countries building positions in technology race

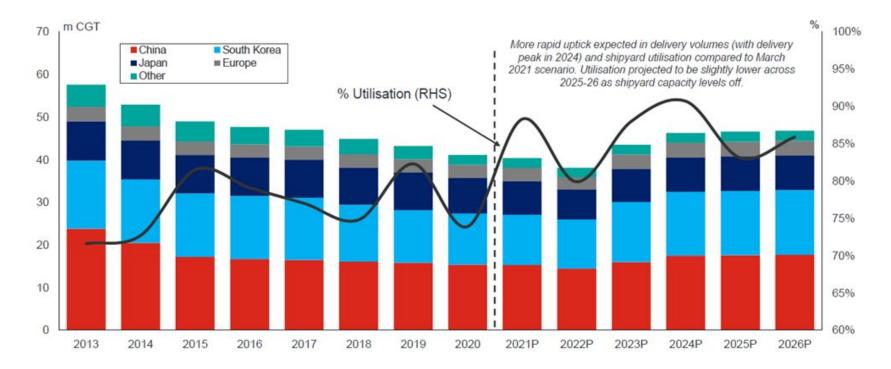
- Korea introduced 'K-Ship' program designed to build and maintain the country's leadership as the shipbuilder of premium ships. The Ministry of Trade, Industry and Energy reports that first half 2021 Korea's shipbuilders received 63% of the orders for premium ships and 66% of the orders for eco-friendly ships. The target is 75% of the market for eco-friendly ships and a 50% share in autonomous vessels by 2030.
- In China, technologically advanced ships are among the country's industrial priorities, building on national demand and supply, the strongest long-term ambitions being "smart" ships.
- Japan shipbuilding industry accelerating the development of autonomous ships with target to introduce autonomous vessels by 2025 and by 2040 to replace half of the Japanese coastal ships with crewless vessels. In 2028 Japan will introduce the first generation of emission-free ships.

Global Contractin	g Activ	ity (1	st Octo	ber 20	21)									ilder country	
		1	No.			\$bn				m. CGT				YTD 1st Oct 2021	
	2019	2020	2021ytd	%y-o-y*	2019	2020	2021ytd	%y-o-y*	2019	2020	2021ytd	%y-o-y*	3%	- 20	2%
TOTAL (>2,000 Dwt/GT**)	1,309	980	1,260	71%	81.2	50.7	85.9	126%	30.7	23.7	37.7	112%	376		270
Vessel Type															
Bulkers	385	317	287	21%	11.3	8.4	9.9	58%	7.5	5.6	5.9	39%	54%	4496	49%
Tankers	293	239	195	9%	12.3	11.3	8.8	4%	6.6	5.8	4.7	8%	347		
Containerships	123	120	470	422%	6.6	8.0	37.6	526%	3.6	4.3	17.5	440%			
Gas Carriers	125	103	143	85%	14.1	13.9	15.2	45%	5.8	5.3	6.3	59%			
Offshore	95	65	34	-30%	8.4	4.6	7.4	111%	1.3	1.2	0.8	-13%			
Others	288	136	131	28%	28.4	4.5	7.0	109%	5.9	1.4	2.4	136%	27% 43	43%	39%
Builder Country/Region				-											
China	556	469	685	95%	22.7	17.9	38.1	183%	10.7	9.8	18.5	152%	12%	8%	9%
South Korea	232	193	343	137%	22.8	19.4	36.6	151%	9.9	8.6	14.6	125%	1000		
Japan	292	190	153	7%	9.2	5.0	7.0	89%	5.2	3.0	3.4	51%	1260	Value \$85.9bn	CGT 37.7m
Europe	119	57	43	1%	22.7	6.4	2.6	-47%	3.6	1.3	0.7	-34%	Japan - Korea China Europe Othe		
Other	110	71	36	-32%	3.7	2.0	1.6	8%	1.2	0.9	0.6	-16%			urope Others



Shipbuilding capacity and utilisation scenario

Capacity projected to reach low in 2022 before uptick in line with delivery volumes

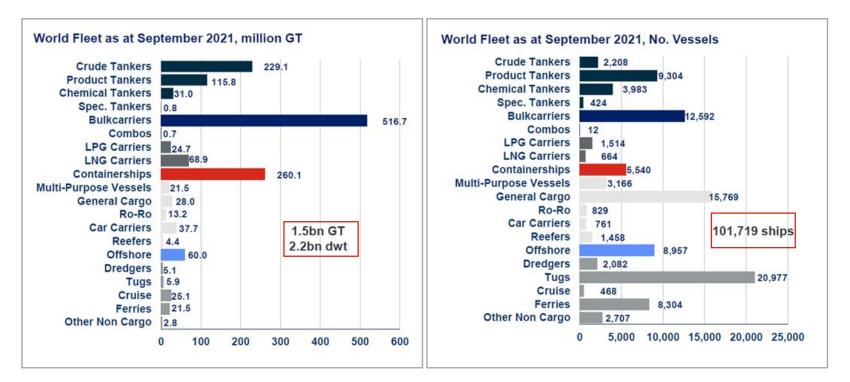




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Shipping – The world fleet

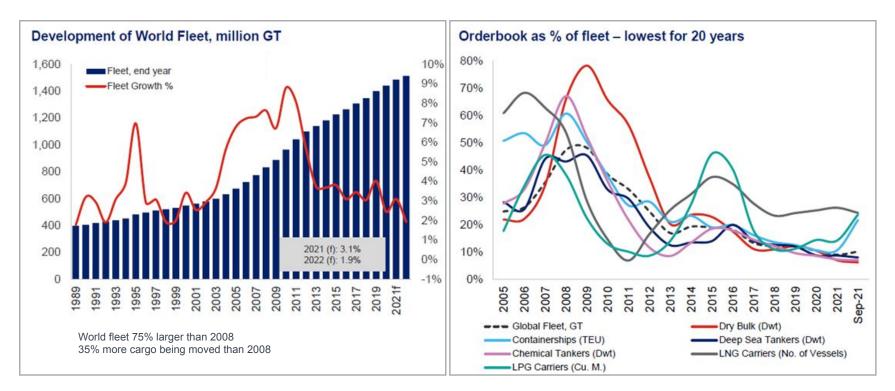
Total world fleet (>100 gt) comprises currently over 100 000 ships





World fleet and order book development

World fleet growth slow; orderbook at just 8% of the fleet





Global offshore wind market is in rapid growth

- Offshore wind related capex exceeding oil & gas by 2022⁴
- Growth drivers
 - Increasing electricity usage
 - Demand for sustainable energy
 - Affordable

- Economic stimulus
- MacGregor focuses on installation and service vessels and is involved in floating solutions
 - Addressable market size in 2021-2030 cumulatively a few billion EUR

& gas by 2022⁴

GWh

2)

3)



Compound Annual Growth Rate 2020-2025

Compound Annual Growth Rate 2026-2030



Blue Growth, aquaculture and offshore wind energy offer us new interesting growth opportunities





For more information, call us or visit our <u>IR-page</u>

Next upcoming IR events

Week 8, 2022	Annual Report 2021					
17 March 2022	AGM 2022					
27 April 2022	Q1 interim report					

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