



#### **Disclaimer**

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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.

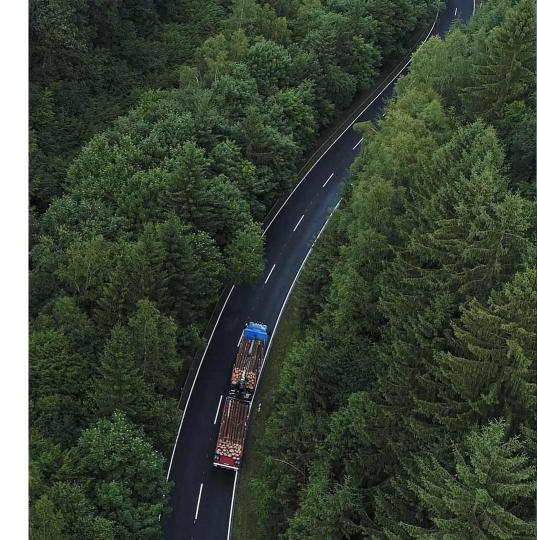
The merger and the merger consideration securities have not been and will not be registered under the U.S. Securities Act, and may not be offered, sold or delivered within or into the United States, except pursuant to an applicable exemption of, or in a transaction not subject to, the U.S. Securities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



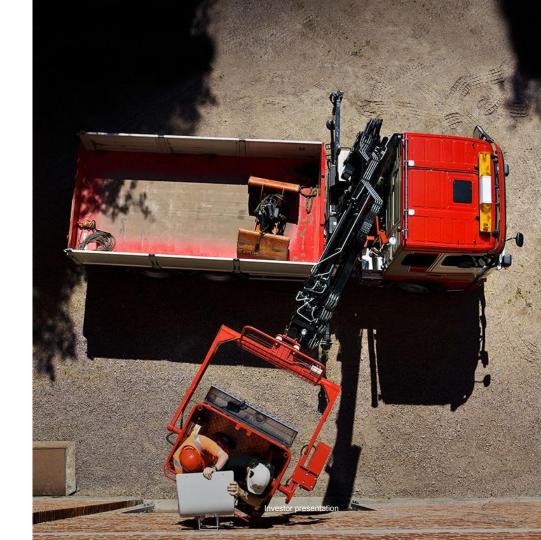




### Content

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





#### Strong global player with well-balanced business

Sales:

EUR 3,315 million

**EBIT: 7.0%** 

#### Kalmar

Sales: **EUR 1,512 million**EBIT: **7.9%** (EUR 120 million)

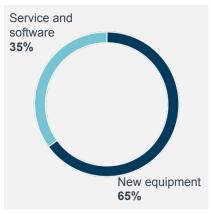
#### Hiab

Sales: **EUR 1,250 million**EBIT: **13.3%** (EUR 166 million)

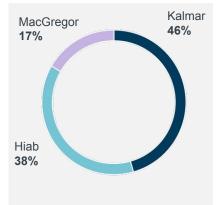
#### MacGregor

Sales: **EUR 553 million** EBIT: **-2.7%** (EUR -15 million)

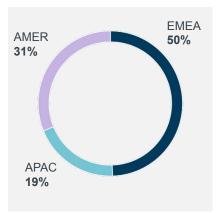
## Sales split: new equipment vs service and software



### Sales by business area



### Sales by geographical area



#### Strengths we are building upon

Leading market positions in all segments

Strong brands

Loyal customers

Leading in technology



EBIT = Comparable operating profit

#### **Key competitors**

Cargotec is a leading player in all of its business areas







Global main competitors

















Other competitors





























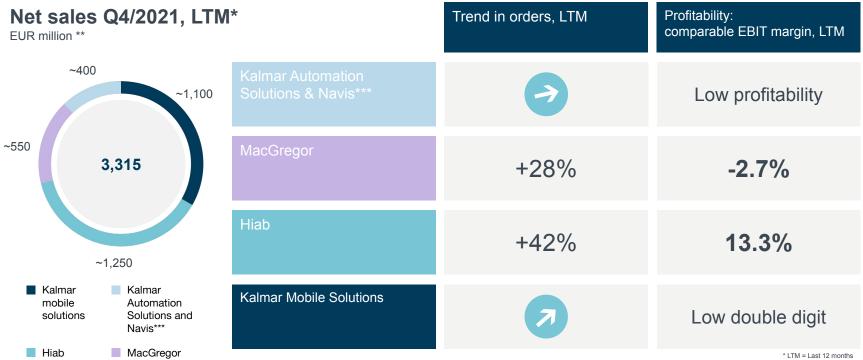






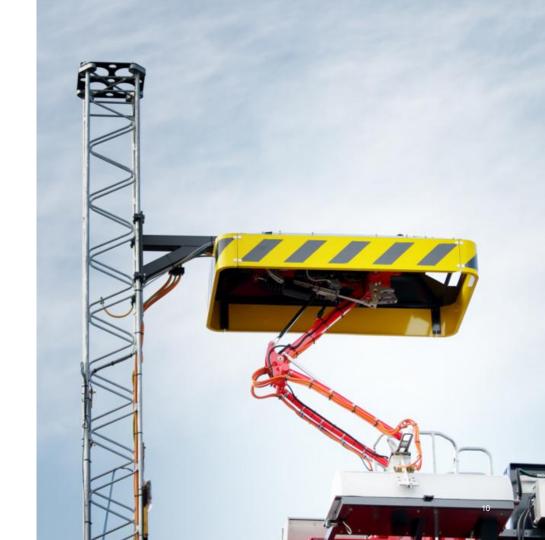


### **Currently two businesses performing well**





# **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** 

**VISION** 

BREAKTHROUGH OBJECTIVES

CONCRETE TARGET

SMARTER CARGO FLOW FOR A BETTER EVERYDAY

Global Leader in Sustainable Cargo Flow

Sustainability

**Profitable Growth** 

Reduce 1 million tonnes of CO<sub>2</sub> 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**

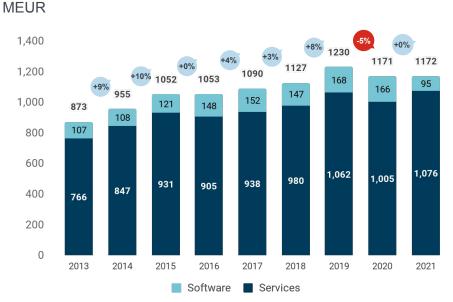
Financial performance
Absolute CO2 reduction
Share of sales of eco-offering
Leadership index
Customer satisfaction scores



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

#### Service and software\* sales

#### MELIB



### 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
---------------------------------

Fuel/electricity costs 83% less annual costs

ROI ~3 years

GHG emissions 97% less operational

emissions

#### **HIAB MOFFETT E-SERIES NX\*\*\***

Emissions 75% CO<sub>2</sub> reduction

ROI 4 years

Operating costs 80% reduction



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

<sup>\*\*\*</sup> 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**

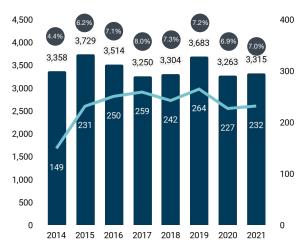
Target 10% operating profit and 15% ROCE in 3-5 years\*

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



- Net sales Comparable operating profit
- Comparable operating profit margin



### **Kalmar**





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

Kalmar offers cargo handling equipment and automated terminal solutions, software and services used in ports, terminals, distribution centres and various industries.

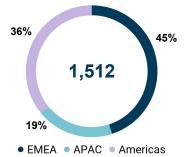
Number of personnel **4,876** 

Sales MEUR 1,512

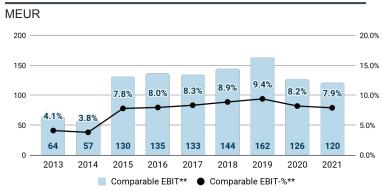
Service and software sales (% of sales)

Geographical sales split





#### **Development of historical financials**



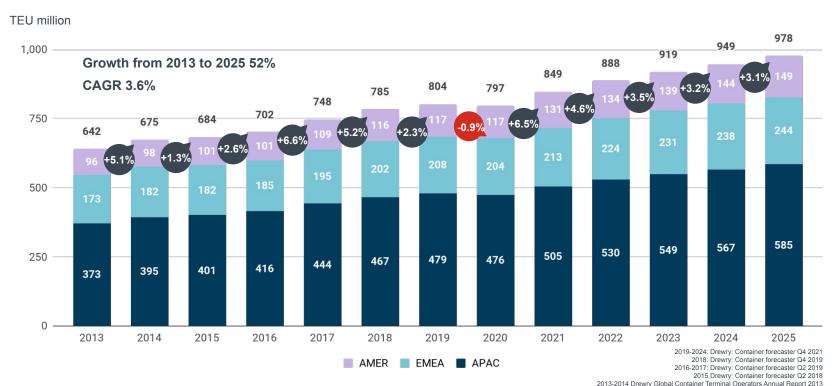




\*2020 figures

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

### Container throughput is estimated to continue to grow

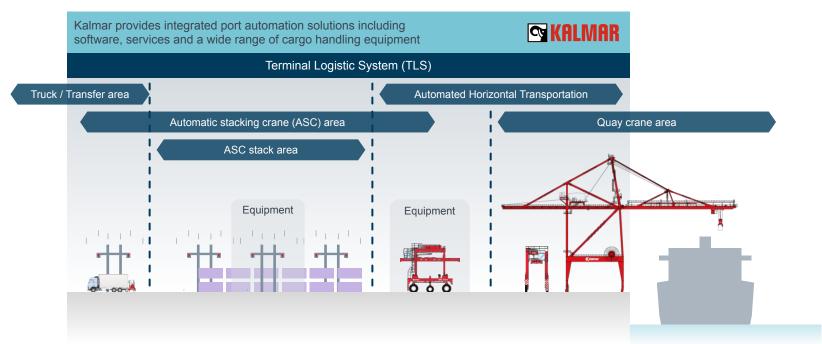




Investor presentation

20

### Kalmar provides integrated port automation solutions











Electric Reachstacker

Electric Heavy Forklift

Next Generation Electric Terminal Tractor

### 2021: Kalmar completed its fully electric portfolio





### Services provide our biggest medium-term growth opportunity



Market share

**Equipment & Projects** 

20-30%



Services

3-5%

Market

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.

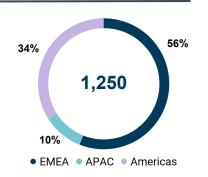
Number of personnel **3,585** 

Sales MEUR 1,250

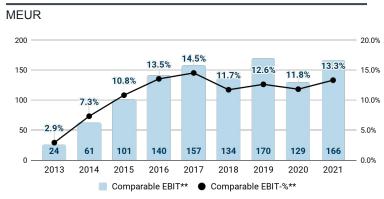
Service sales (% of sales)

Geographical sales split





#### **Development of historical financials**







\*2020 figures

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

### Construction output driving growth opportunity

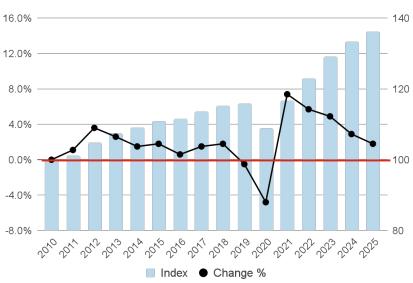
#### **EMEA** construction output

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	<b>a</b>	PALFINGER FASSI
TAIL LIFTS	~0.9	Retail Industry and Logistics	#3	•	MAXON° DHOLLANDIA
DEMOUNTABLES	~0.6	Waste and Recycling, Defense	#1	<b>a</b>	PALFINGER MEHER
TRUCK MOUNTED FORKLIFTS	~0.3	Construction and Logistics	#1	•	PALFINGER TERBERG KINGLIFTER
FORESTRY & RECYCLING CRANES	~0.3	Timber, Pulp, Paper & Recycling	#2	•	PALFINGER <b>XKESLA</b>



#### 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
- 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

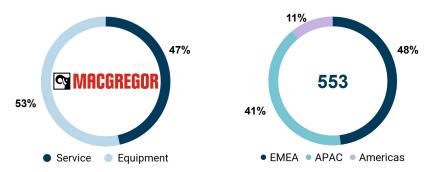
MacGregor offers engineering and lifetime service solutions for merchant cargo and passenger vessels; the offshore oil and gas and renewable energy sectors; fishing, research and marine-resource vessels; naval operations and logistics vessels, and ports and terminals.

Number of personnel 1,909

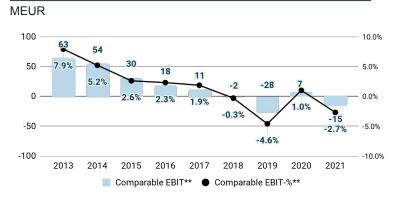
Sales MEUR 553

Service sales (% of sales)

Geographical sales split











\*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

Merchant Cargo Flow





- Container cargo
- Bulk cargo
- General cargo
- Liquid cargo
- RoRo cargo

Marine People Flow



- Ferry
- Cruise
- Superyachts

Naval Logistics and Operations

#1-2

- Naval & Military
   Supplies Logistics
- Naval & Military Operations Support
- Ship-to-ship
   Transfer

Offshore Energy



Marine Resources & Structures

**#1-2** 

- Oil & Gas
- Renewables

- Research
- Fishery
- Aquaculture
- Mining

Lifecycle Services



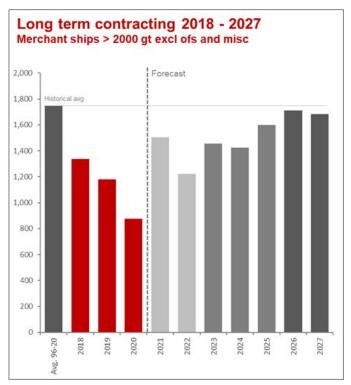


## ~40.000 vessels equipped with MacGregor equipment monitored online with MacGregor Vessel Map

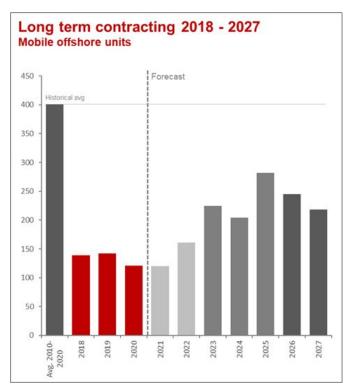




#### Merchant Ships and Offshore contracting outlook improving



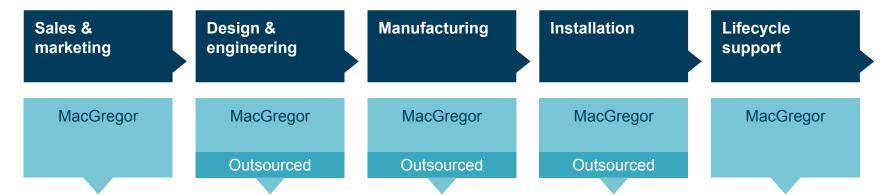
Environmental regulation with accelerating energy efficiency requirement drives merchant ships contracting



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 scaling90% of manufacturing outsourced30% 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

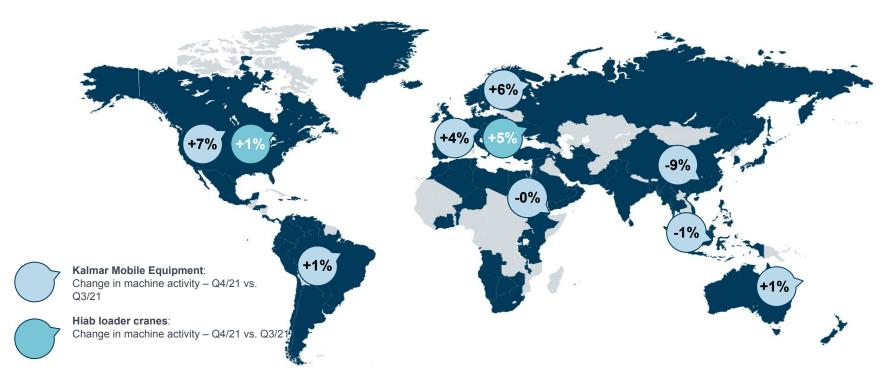
Increased by 2%

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



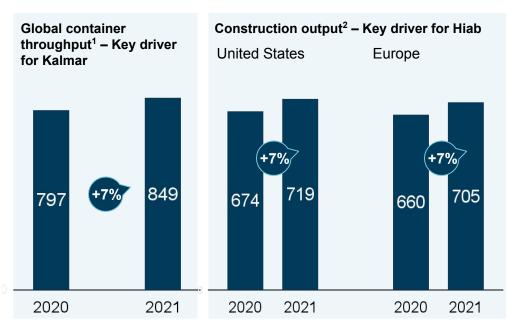


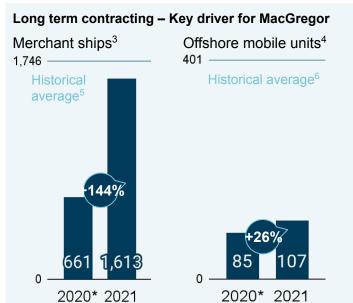
### Equipment utilisation grew significantly in the main market areas





### Market environment - Strong demand environment continues





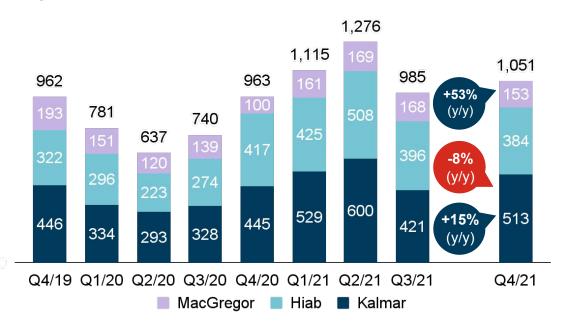
Strong growth continues

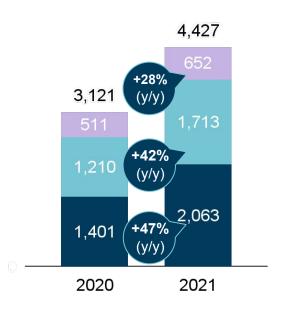
- Growth in both US and in Europe
- MTEU, Source: Drewry
- EUR billion, Source: Oxford Economics
- > 2,000 dwt/gt (excl. ofs & misc), Source: Clarkson Research
- 4) Source: Clarkson Research
- 5) Indicative 1996-2020 average 6) Indicative 2010-2020 average \*) as reported 1 Jan 2021
- Newbuild order volumes rose to the highest level since 2014
- Strongest year for ship earnings since 2008
- Offshore market still at a low level

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

#### **Orders received**

**MEUR** 

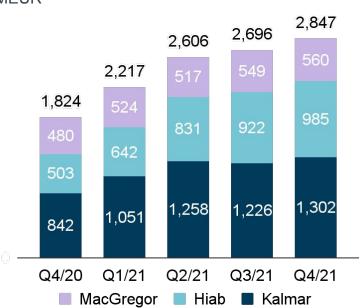




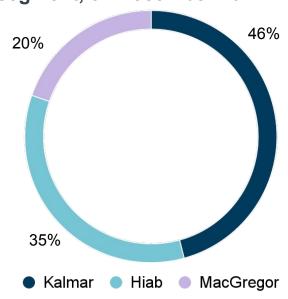


### High demand and longer delivery times of short cycle equipment expanded our order book





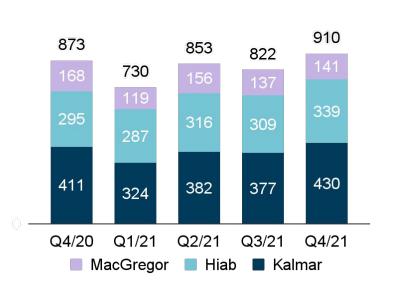
### Order book by reporting segment, 31 December 2021



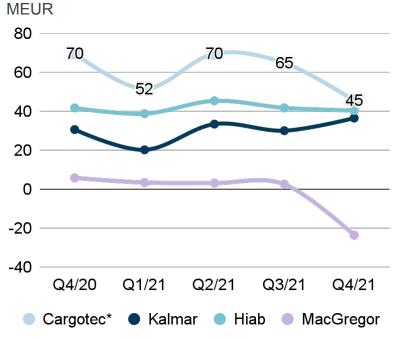


### Modest growth in sales, profitability affected by supply chain challenges and MacGregor's project cost overruns





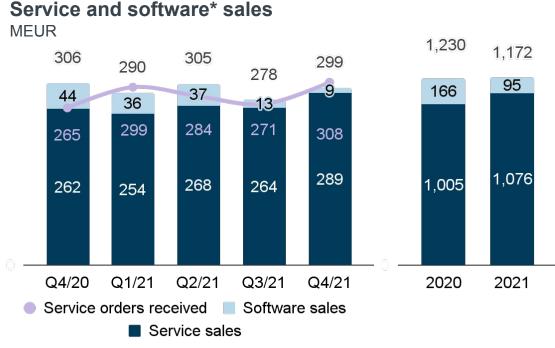
#### Comparable operating profit





\*) Including Corporate admin and support

#### Record year in service business



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

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Cy	CA	R	G		T	EC

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%	-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



<sup>\*)</sup> Excluding items affecting comparability and adjusted with related tax effect

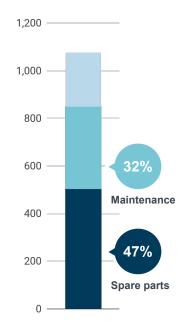
#### Service sales growth on track towards our targets

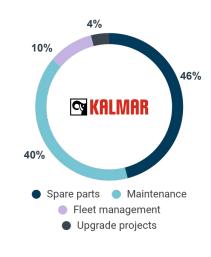
#### Service sales: EUR 1,076 million 32% of total sales

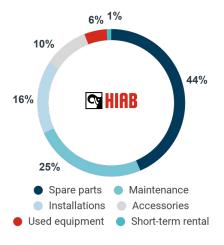


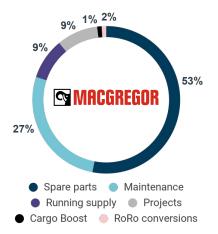
Hiab	MEUR, %		
Service orders received	361	21%	
Service sales	351	28%	

MacGregor	MEUR, %
Service orders received	299 46%
Service sales	257 47%



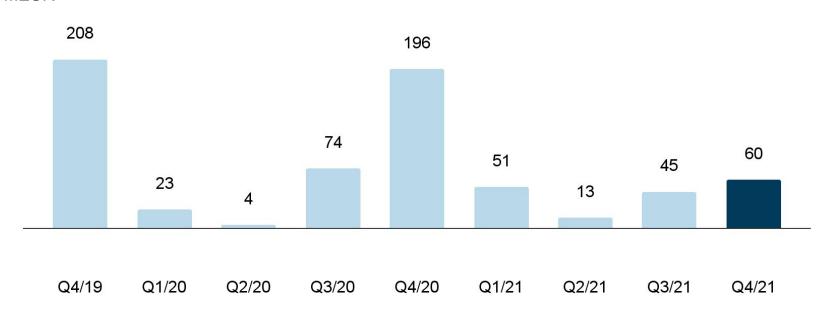






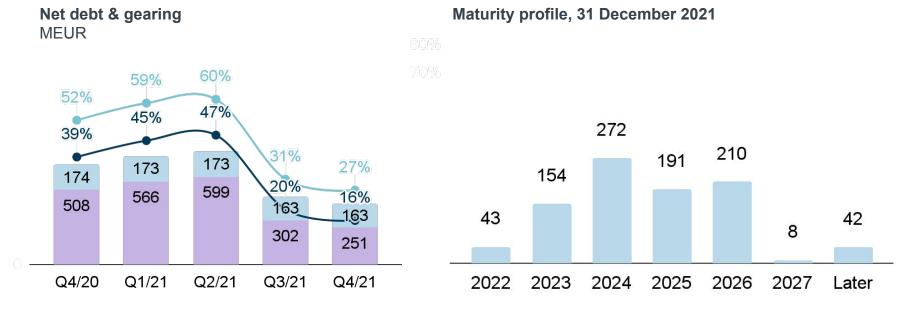
#### Cash flow affected by increased inventories

**Cash flow from operations before financing items and taxes**MEUR





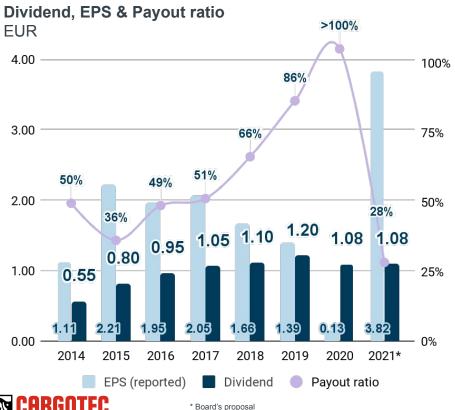
#### Strong financial position and balanced maturity profile



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



#### 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 EPS includes gain from Navis disposal
  - Calculated from FPS excl. items affecting comparability, payout ratio for 2021 is 46%



#### Outlook for 2022

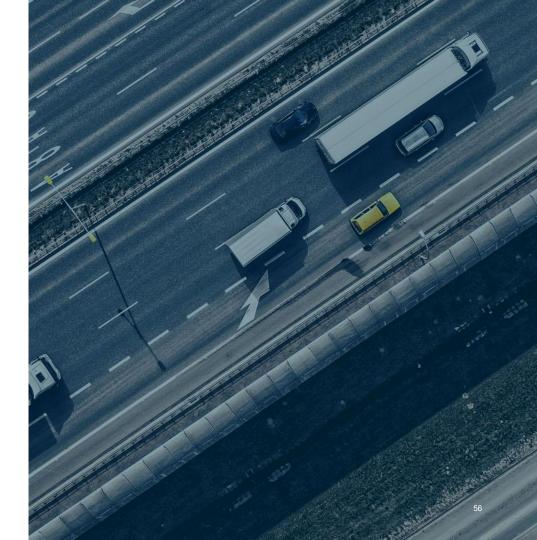
Cargotec estimates 2022 comparable operating profit to improve compared to 2021 (EUR 232 million)





### **Appendix**

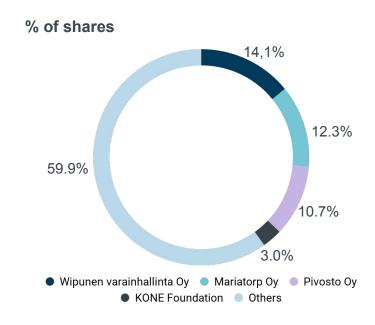
- 1. Largest shareholders and financials
- 2. Sustainability
- 3. Kalmar
- 4. Hiab
- 5. MacGregor





### Largest shareholders 31 February 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	Varma Mutual Pension Insurance Company	1.8	0.8
6	Ilmarinen Mutual Pension Insurance Company	1.7	0.7
7	The State Pension Fund	1.0	0.4
8	Elo Mutual Pension Insurance Company	0.9	0.4
9	Herlin Heikki Juho Kustaa	0.6	0.3
10	Sigrid Jusélius Foundation	0.5	0.2
	Nominee registered and non-Finnish holders	27.68%	
	Total number of shareholders	40,291	





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**

#### **SKALMAR**



Reachstacker



Terminal tractor



Straddle carrier



Container handler



Automatic stacking crane





Loader crane



Hooklift, Skiploader



Truck-mounted forklift



Taillift



**MACGREGOR** 

Cranes



Marine self-unloaders



Hatch covers, container lashings



Offshore load handling



Deck machinery



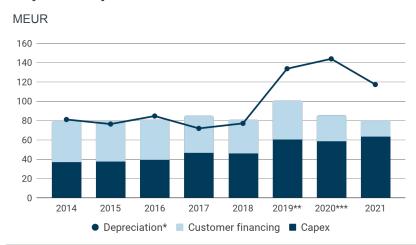
Mooring systems





#### 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



#### R&D investments focused on

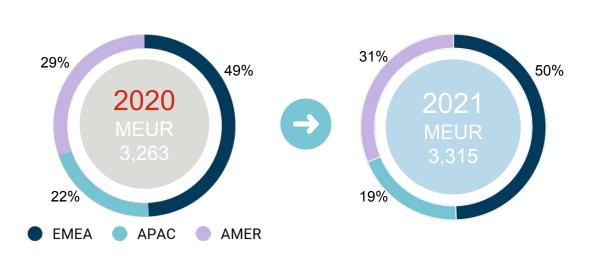
- Themes supporting our climate targets such as digitalisation, electrification and automation
- Competitiveness and cost efficiency of products

\*) Including amortisations and impairments
\*\*) depreciation increased due to IFRS 16 implementation

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



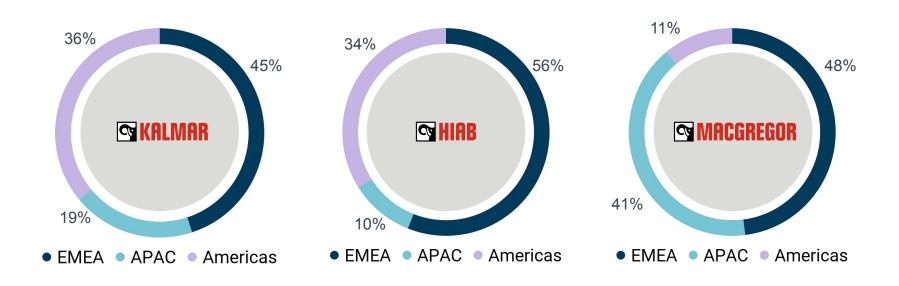
#### Well diversified geographical sales mix







#### Sales by geographical segment by business area 2021





### Cargotec's R&D and assembly sites





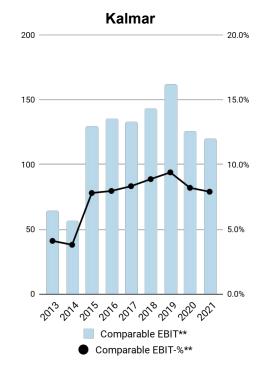


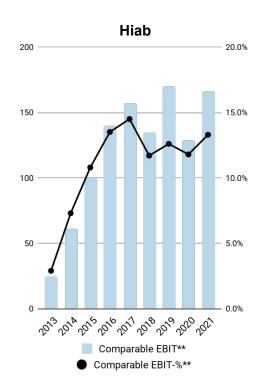


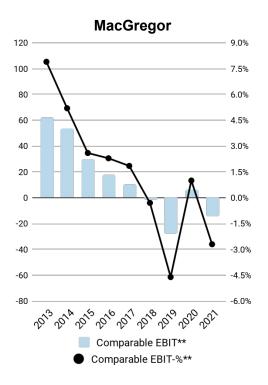




#### Comparable operating profit development



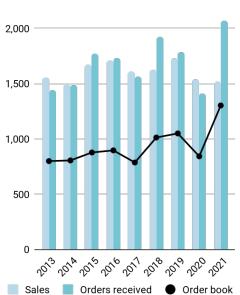




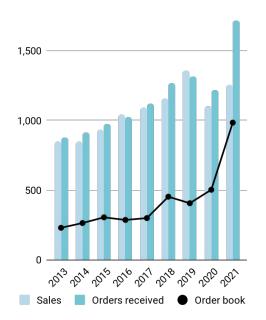


#### Sales and orders received development









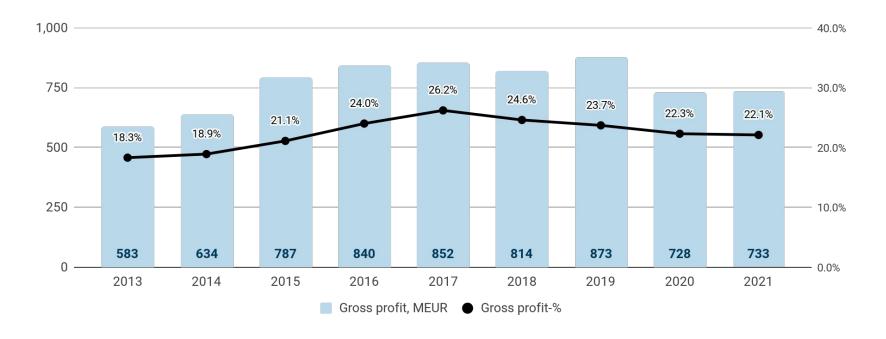






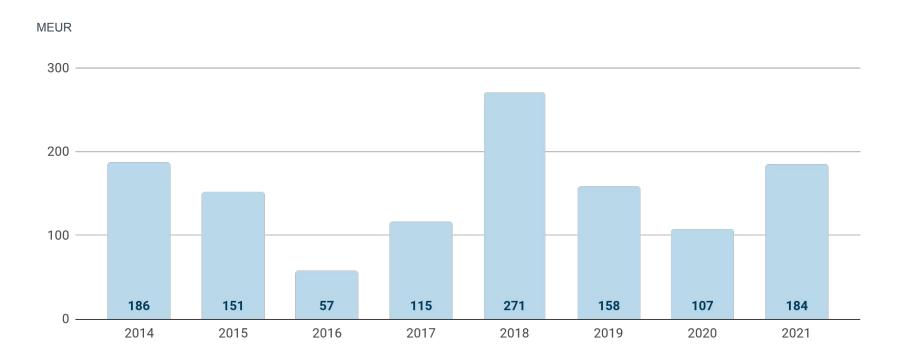
#### **Gross profit development**

**MEUR** 



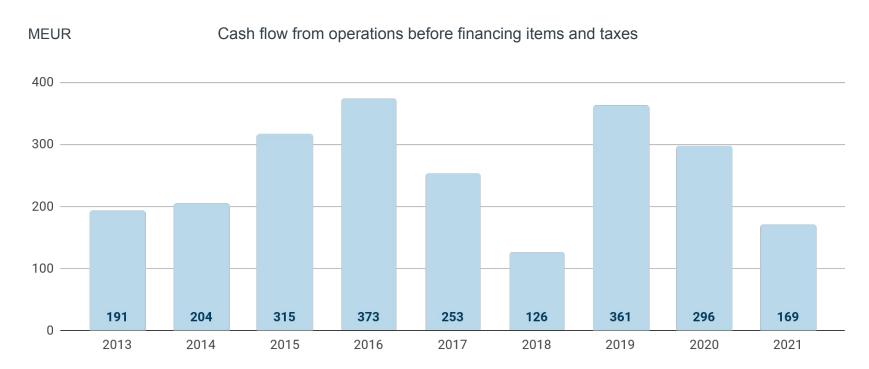


#### **Net working capital development**





#### 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



Investor presentation March 2022

#### **Balance sheet 31 December 2021**

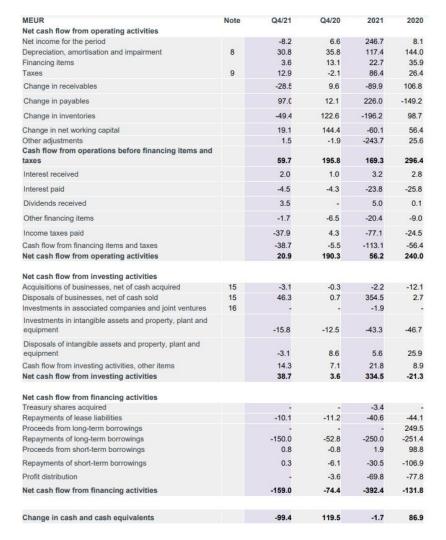
			ALDON SECURITION OF PRINCIPLE	1
ASSETS, MEUR	Note	31 Dec 2021	31 Dec 2020	
Non-current assets				
Goodwill		966.8	971.9	
Other intangible assets		172.6	185.8	
Property, plant and equipment		409.5	429.7	
Investments in associated companies and joint ventures	16	73.7	56.7	
Share investments	16	36.6	37.5	
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	1
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	5
Derivative assets	12	10.8	13.3	(
Accounts receivable and other non-interest-bearing assets		888.3	753.9	
Cash and cash equivalents*	11	488.8	484.8	
Total current assets		2 216,3	1 861,4	
Assets held for sale	17	-	185.7	
Total assets				

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

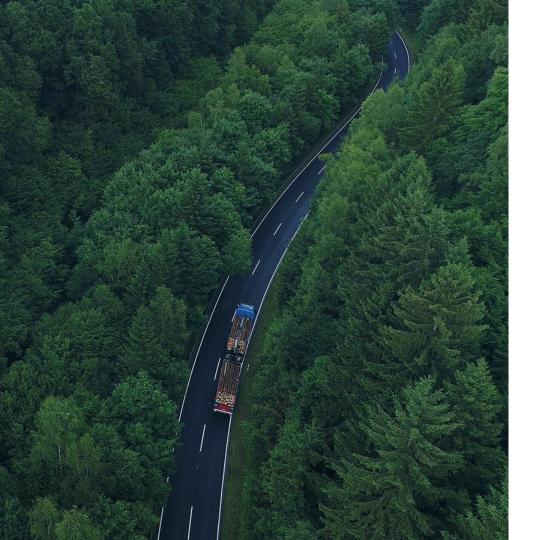


Investor presentation March 2022

### Cash flow statement Q4 2021

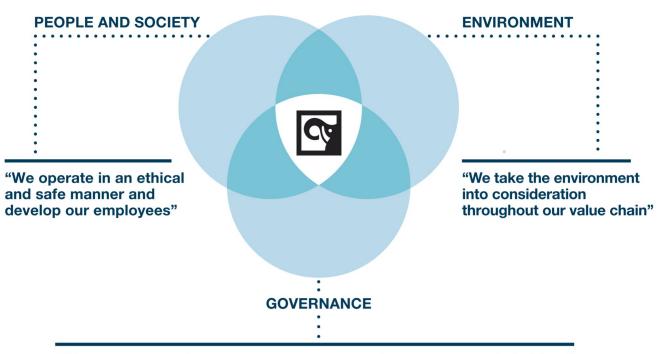






# Sustainability as a driver for future growth

### We create value for all stakeholders by being a 1.5 degree company



"We promote good corporate governance and respect our stakeholders"



### Climate solutions is our focus area in sustainability



**DECENT WORK AND** 

FCONOMIC GROWTH











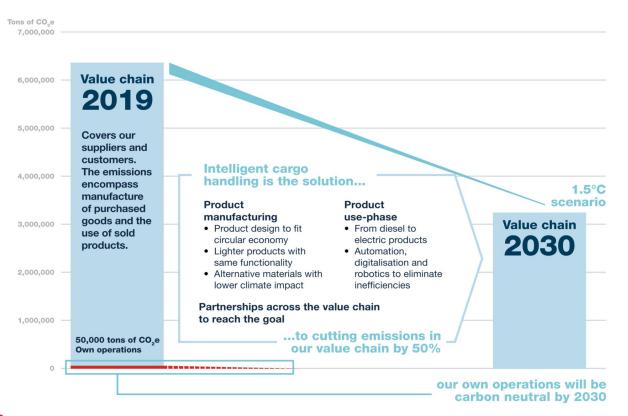


Our ambition, approved by **The Science Based Targets** initiative, is to reduce Cargotec's greenhouse gas emissions by 50% across all the three emission scopes by 2030, from 2019 base year. Cargotec's internal goal is to become carbon neutral in its own operations which goes beyond the required ambition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





### Cargotec is committed to the 1.5 degrees climate goal





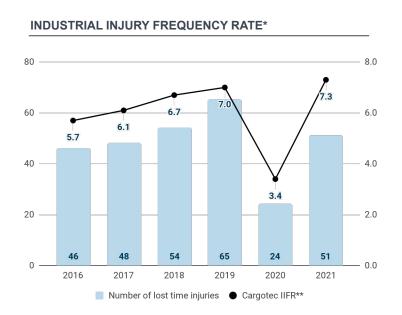
### Cargotec's carbon footprint 2019 (baseline)

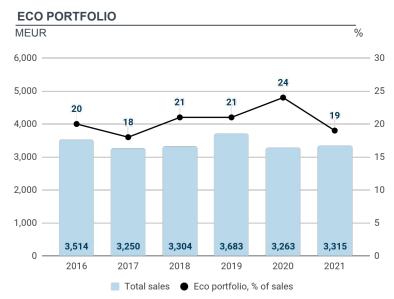


<sup>\*</sup> Estimated based on spend



# Employee favorability increased, while safety performance was a disappointment





### **Compass Employee Engagement survey**

Overall favourability of all answers in 2021 improved\*\*\*





<sup>\*</sup>Cargotec assembly sites

<sup>\*\*</sup> Number of injuries per million worked hours

<sup>\*\*\*</sup> Compass-survey, overall favourability, 2020: 73%

# 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







TASOFF TONS CO2
THE ROAD FOR A YEAR



# 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

Forklift trucks



**Empty container** handlers



Bromma spreaders



Terminal tractors





Services



**KALMAR** Automation Solutions



Shuttle & Straddle carriers



Services



ASC, RTG, RMG, STS



Port automation

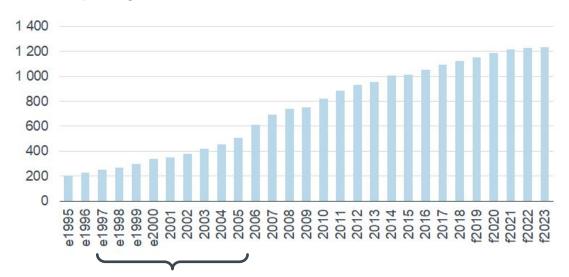


ECO

Examples of product offering

# 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

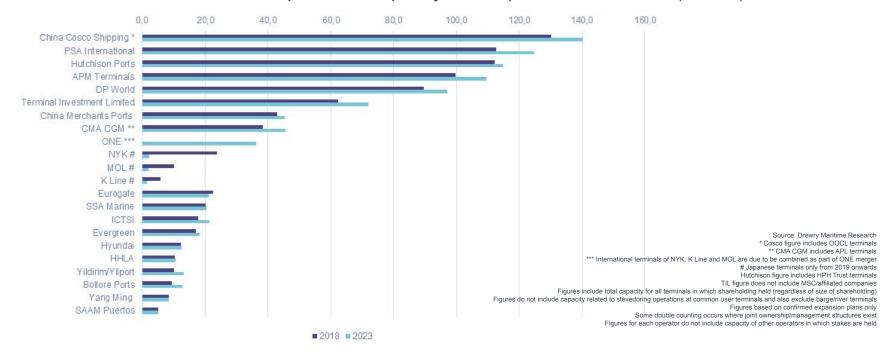
Replacement after lifetime of equipment



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

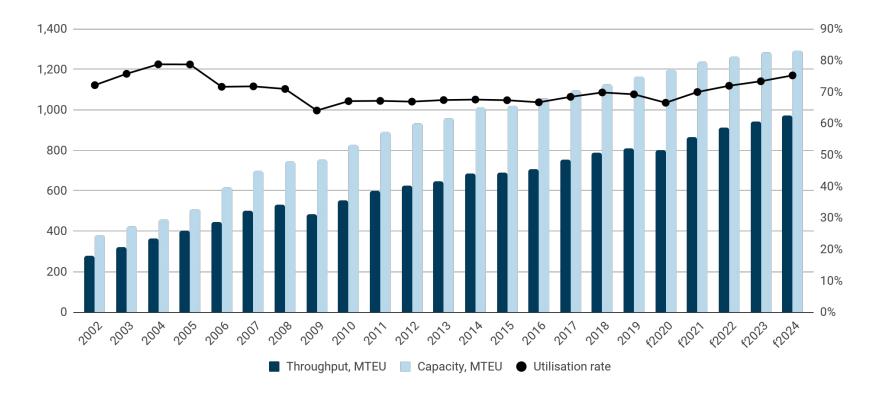
# Global container terminal operators – Most capacity expected to be added by Cosco

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



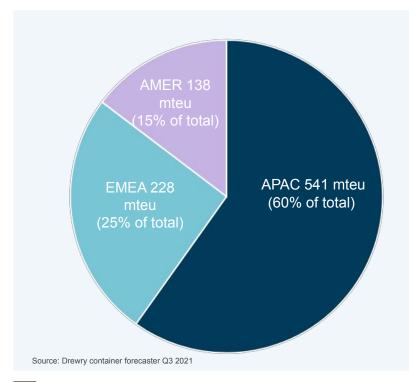


### Global container throughput and capacity development





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



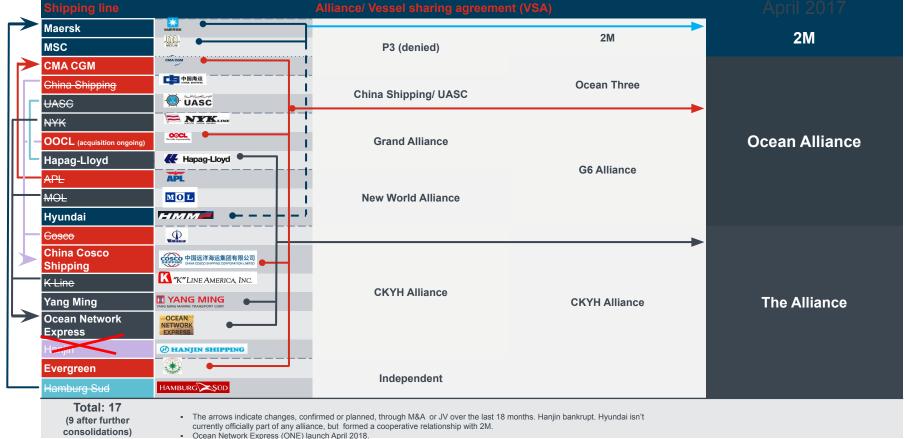
Global container throughput expected to increase 5.2% in 2022 (from 2021)

- 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



COSCO Shipping's planned acquisition of OOCL expected to completed by the end of June

Analyse excludes Zim, PIL and Wan Hai

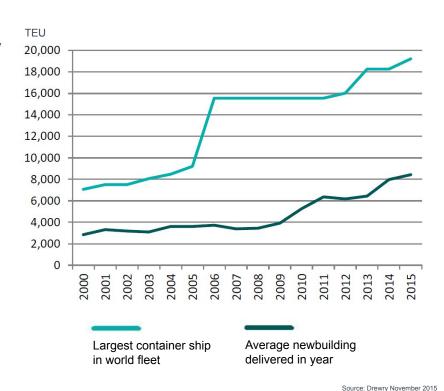
Sources: Drewry, Alphaliner, Cargotec

Investor presentation

March 2022

### 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



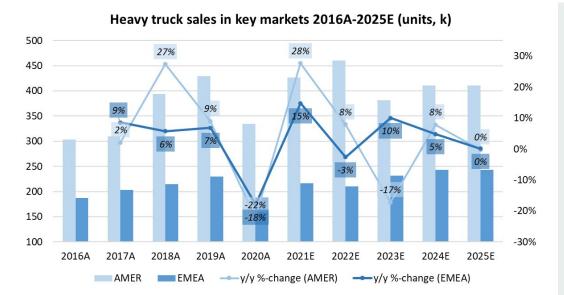




### Hiab appendix



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



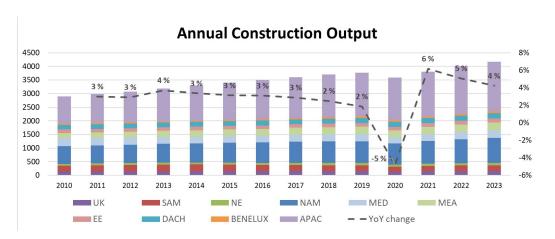
Supply chain disruptions and chip shortages pushing sales to the right -EMEA 2022E revised to -3% (1% previously)

### 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**



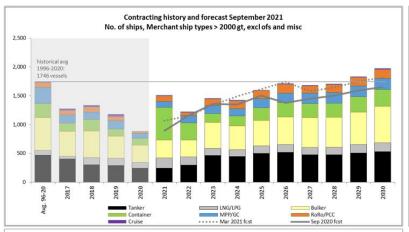
	Pero	centage p	oint char	nge vs las	t forecas	t	Year-on-year changes				
	2018	2019	2020	2021	2022	2023	2019 2020 2021 2022 2023				
APAC	0.0 %	0.0 %	0.1 %	-1.5 %	-1.6 %	-1.7 %	3.1 % -2.7 % 5.5 % 5.8 % 4.6 %				
BENELUX	-0.3 %	-0.9 %	-1.1 %	-0.9 %	-2.3 %	-2.5 %	4.1 % -2.6 % 5.1 % 0.5 % 1.7 %				
DACH	-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 % -1.4 % 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 %				

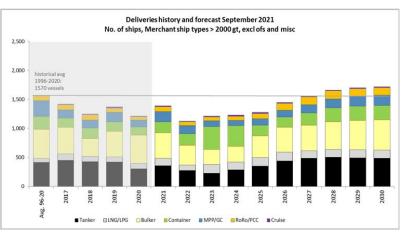


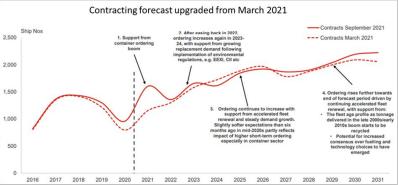
## MacGregor appendix



### Merchant ships: Forecast by shiptype (no of ships)





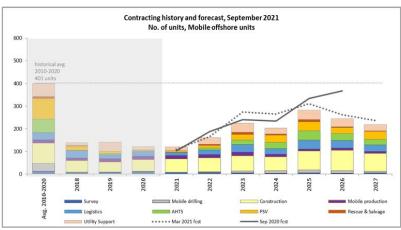


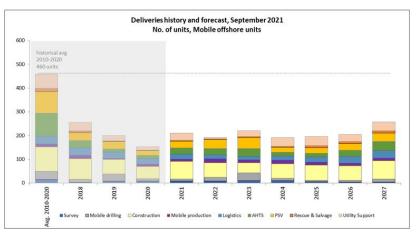
2021 full year contracting upgraded to 1505, up ~600 vessels compared to the forecast a year ago; easing back to ~1300 ships in 2022 due to higher newbuild prices, yard slot availability limited to 2024 and slowing container ship ordering. Biggest upgrades in container ships, car carriers and bulkers.

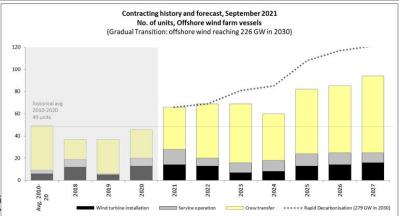
A dip in deliveries in short-term, increasing again 2023 - 2024 following recent ordering boom. In longer term deliveries expected to increase further due to accelerated fleet renewal



### 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.

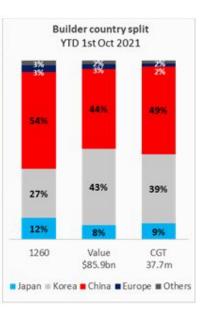
Offshore wind sector has generated newbuilding demand also for a wider range of construction vessel sectors; 52% of orders in 2021 have been wind-related.

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

### 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.

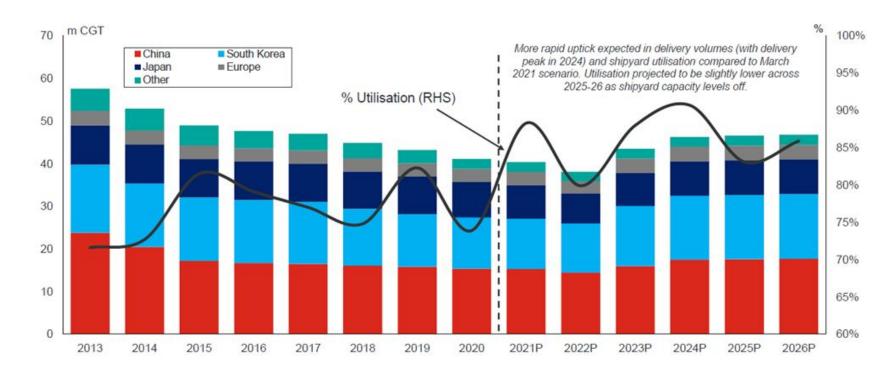
Global Contracting Activity (1st October 2021)												
	No.				\$bn				m. CGT			
	2019	2020	2021ytd	%y-o-y*	2019	2020	2021ytd	%y-o-y*	2019	2020	2021ytd	%y-o-y*
TOTAL (>2,000 Dwt/GT**)	1,309	980	1,260	71%	81.2	50.7	85.9	126%	30.7	23.7	37.7	112%
Vessel Type												
Bulkers	385	317	287	21%	11.3	8.4	9.9	58%	7.5	5.6	5.9	39%
Tankers	293	239	195	9%	12.3	11.3	8.8	4%	6.6	5.8	4.7	8%
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%
<b>Builder Country/Region</b>												
China	556	469	685	95%	22.7	17.9	38.1	183%	10.7	9.8	18.5	152%
South Korea	232	193	343	137%	22.8	19.4	36.6	151%	9.9	8.6	14.6	125%
Japan	292	190	153	7%	9.2	5.0	7.0	89%	5.2	3.0	3.4	51%
Europe	119	57	43	1%	22.7	6.4	2.6	-47%	3.6	1.3	0.7	-34%
Other	110	71	36	-32%	3.7	2.0	1.6	8%	1.2	0.9	0.6	-16%





### Shipbuilding capacity and utilisation scenario

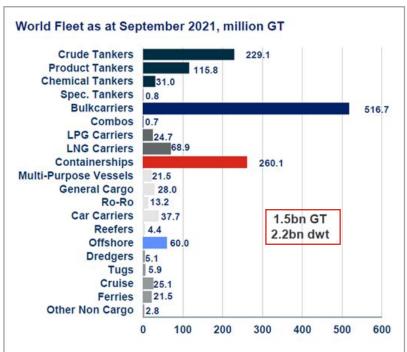
Capacity projected to reach low in 2022 before uptick in line with delivery volumes

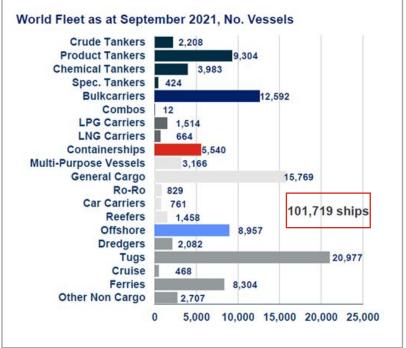




### Shipping – The world fleet

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

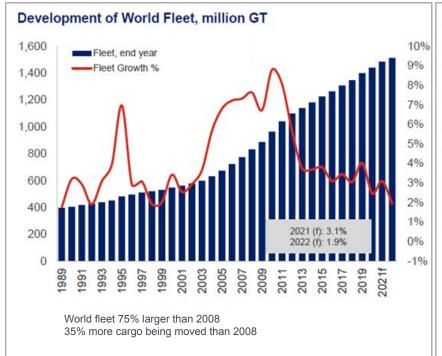


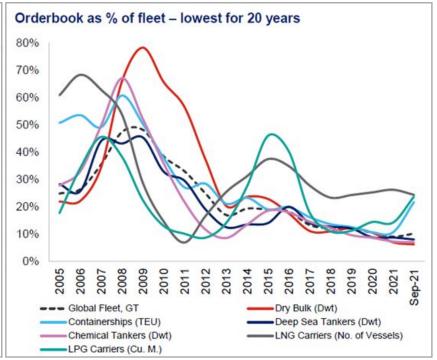




### World fleet and order book development

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 2022<sup>4</sup>
- 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

#### Global offshore wind installations

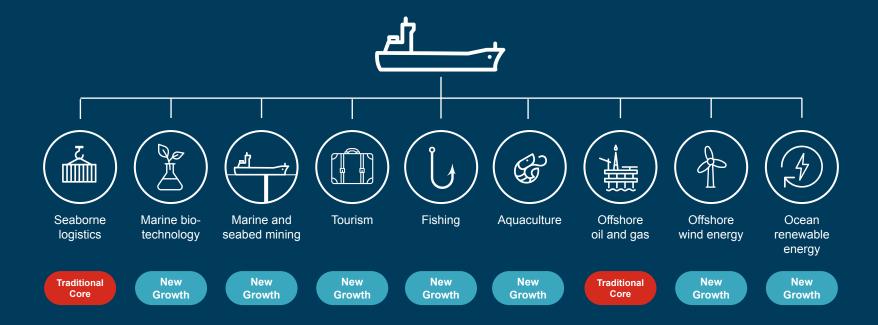


- GWEC Market Intelligence, September 2021
- ) Compound Annual Growth Rate 2020-2025 Compound Annual Growth Rate 2026-2030





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



Investor presentation March 2022

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

#### Next upcoming IR events

17 March 2022	AGM 2022
27 April 2022	Q1 interim report

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