

A white truck with a crane arm is lifting a red object. The truck is parked on a paved surface. The crane arm is extended upwards and to the right, holding a red object. The truck's rear door is open. The background shows a cloudy sky and some trees.

# Comparable operating profit margin improved in all business areas

Cargotec's Interim Report January–March 2024

- Casimir Lindholm, CEO • Mikko Puolakka, CFO
- Scott Phillips, President Hiab
- Sami Niiranen, President Kalmar

- Sequentially stable demand in Hiab and Kalmar
- MacGregor's merchant and services businesses' good performance continued, challenges remain in offshore projects
- Strong cash flow of EUR 174 million
- Demerger is progressing according to the plan

# Disclaimer

The following applies to this presentation, the oral presentation of the information in this presentation by Cargotec Corporation (the “Company” or “Cargotec”) or any person on behalf of the Company, and any question-and-answer session that follows the oral presentation (collectively, the “Information”). In accessing the Information, you agree to be bound by the following terms and conditions.

This presentation does not constitute an offer of or an invitation by or on behalf of Cargotec, or any other person, to purchase any securities.

The Information includes “forward-looking statements” that are based on present plans, estimates, projections and expectations and are not guarantees of future performance. They are based on certain expectations and assumptions, which, even though they seem to be reasonable at present, may turn out to be incorrect. Shareholders should not rely on these forward-looking statements. Numerous factors may cause the actual results of operations or financial condition of Cargotec, Kalmar, MacGregor or Hiab to differ materially from those expressed or implied in the forward-looking statements. Information in this presentation, including but not limited to forward-looking statements, applies only as of the date of this presentation and is not intended to give any assurances as to future results.

The Information includes estimates relating to the benefits expected to arise from the planned partial demerger, which are based on a number of assumptions and judgments. The assumptions relating to the estimated benefits arising from the planned partial demerger are inherently uncertain and are subject to a wide variety of significant business, economic, regulatory and competitive risks and uncertainties that could cause the actual benefits arising from the planned partial demerger to differ materially from the estimates in this presentation. Further, there can be no certainty that the planned partial demerger will be completed in the manner and timeframe described in this presentation, or at all. All the discussion topics presented during the session and in the attached material are still in the planning phase. The final impact on the personnel, for example on the duties of the existing employees, will be specified only after the legal requirements of each affected function / country have been fulfilled in full, including possible informing and/or negotiation obligations in each function / country.

# Contents

- Update on planned separation of Kalmar and Hiab
- Group level development
- Business areas
- Financials and outlook
- Q&A



# Separation of Kalmar and Hiab is progressing according to the plan and supported by the main owners

Demerger plan approved on 1 February

Consent received from the bondholders

Sami Niiranen started as Kalmar's president on 1 April

Cargotec and Kalmar Boards proposed

Kalmar is proposed to have a shareholder's nomination Board

Kalmar is reported as discontinued operations as of Q1/24

Prospectus is planned to be published in May



# Proposed members of Cargotec Board of Directors



**Eric Alström**  
b. 1966



**Raija-Leena Hankonen-Nybm**  
b. 1960



**Ilkka Herlin**  
b. 1959



**Jukka Moisio**  
b. 1961



**Tuija Pohjolainen-Hiltunen**  
b. 1966



**Ritva Sotamaa**  
b. 1963



**Luca Sra**  
b. 1971

# Proposed members of Kalmar Board of Directors



**Lars Engström**  
b. 1963



**Jaakko Eskola**  
b. 1958



**Marcus Hedblom**  
b. 1970



**Teresa Kemppe-Vasama**  
b. 1970



**Vesa Laisi**  
b. 1957



**Sari Pohjonen**  
b. 1966

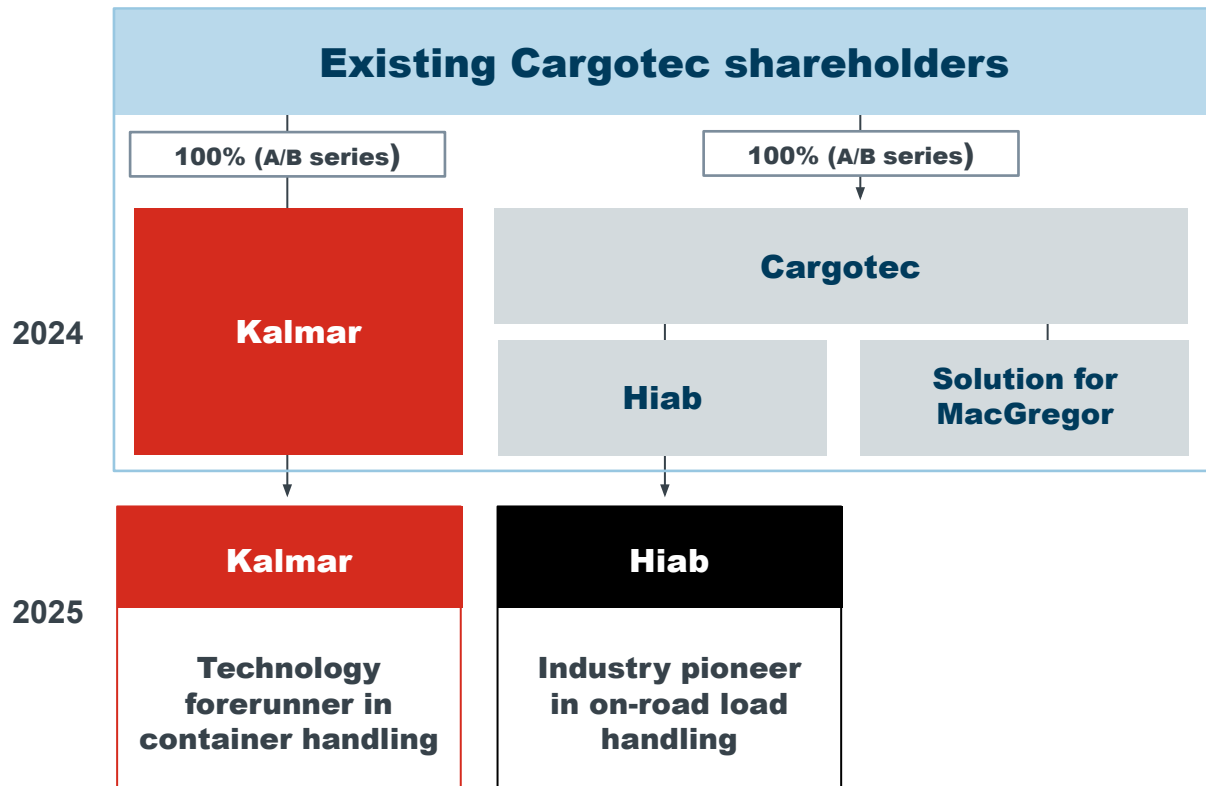


**Emilia Torttila-Miettinen**  
b. 1979

# Structure of the planned transaction

Post transaction (and MacGregor solution) Kalmar and Hiab would be separate standalone businesses

## Envisaged structure post demerger



### Listing and ownership

- Planned Kalmar listing on Nasdaq Helsinki on 1 July 2024
- Kalmar fully owned by shareholders – no direct ownership by Cargotec

### High transaction certainty

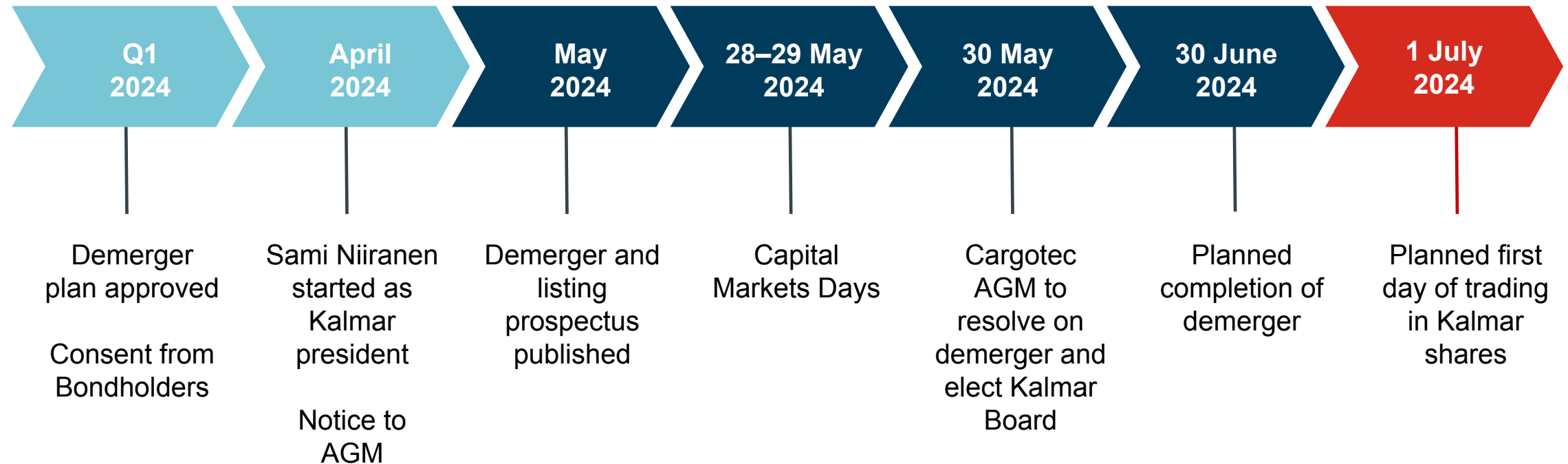
- No investments required from shareholders
- No proceeds needed by Cargotec
- Limited dependence on capital markets

### Conditions precedent

- Shareholder approval
- Major shareholders have indicated their support

# Preliminary timeline for the demerger and listing of Kalmar\*

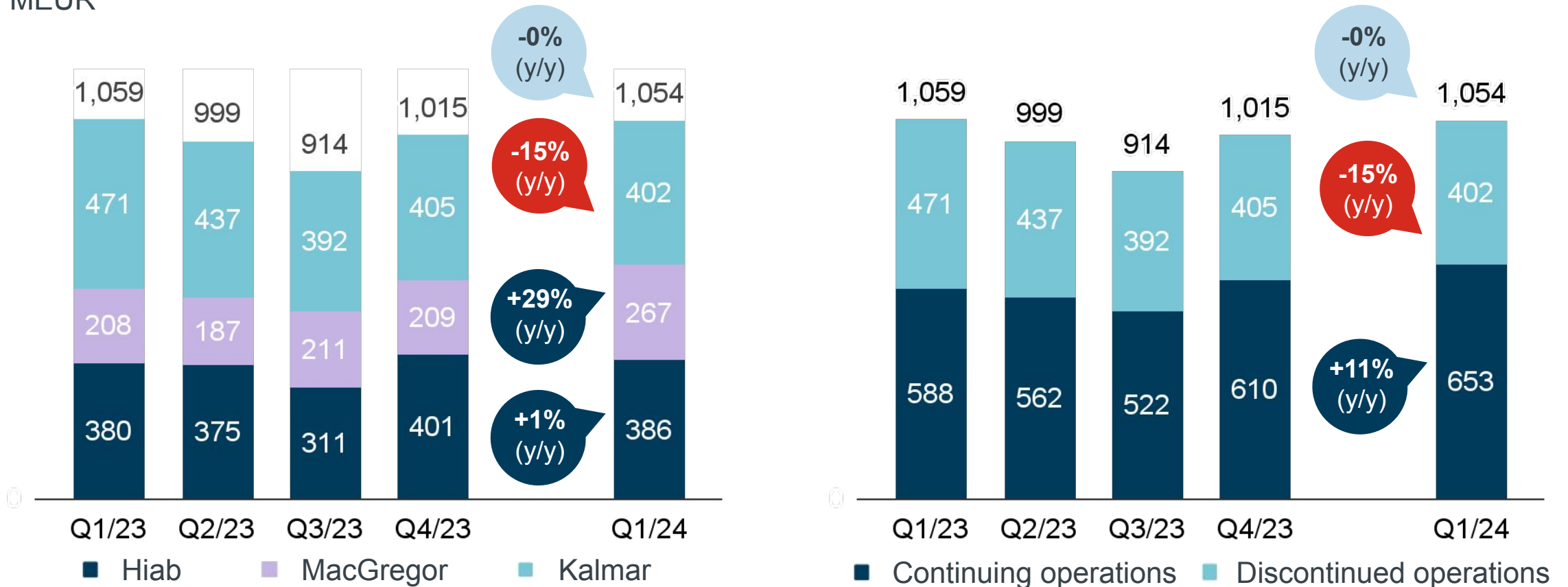
Provided the shareholders decide to proceed with the process





# Hiab and Kalmar orders sequentially stable, MacGregor increased

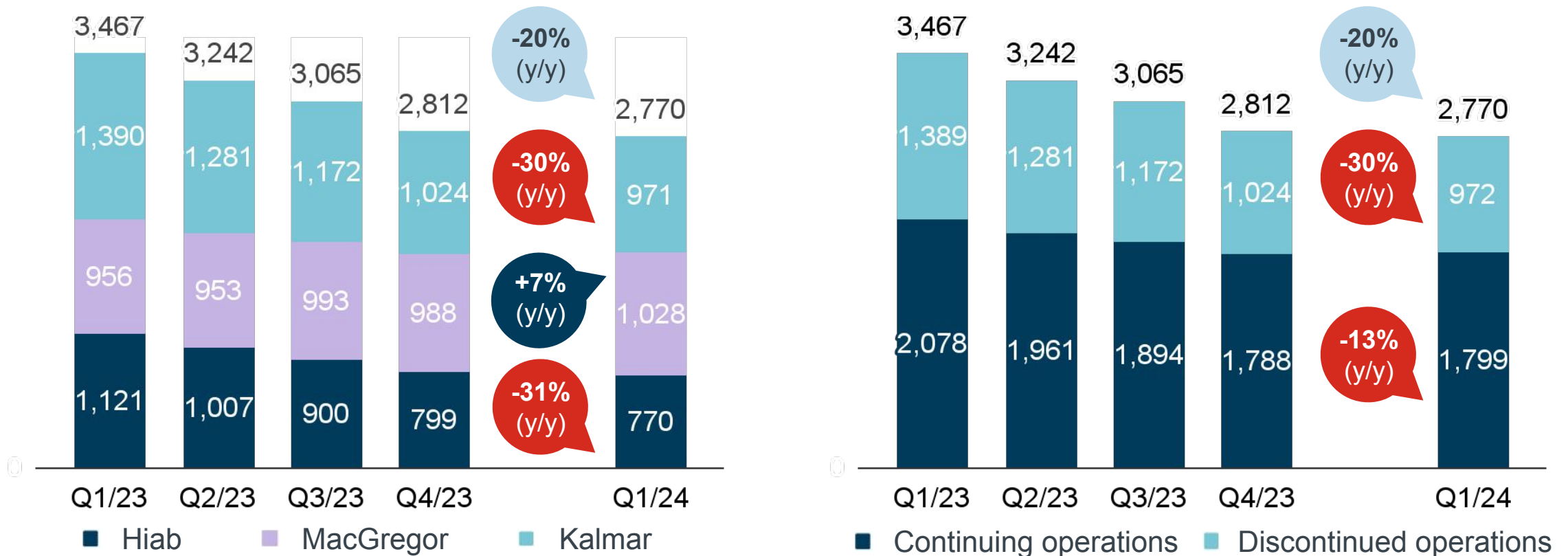
Orders received  
MEUR



# Hiab and Kalmar have adjusted cost structures to current order books, MacGregor grew

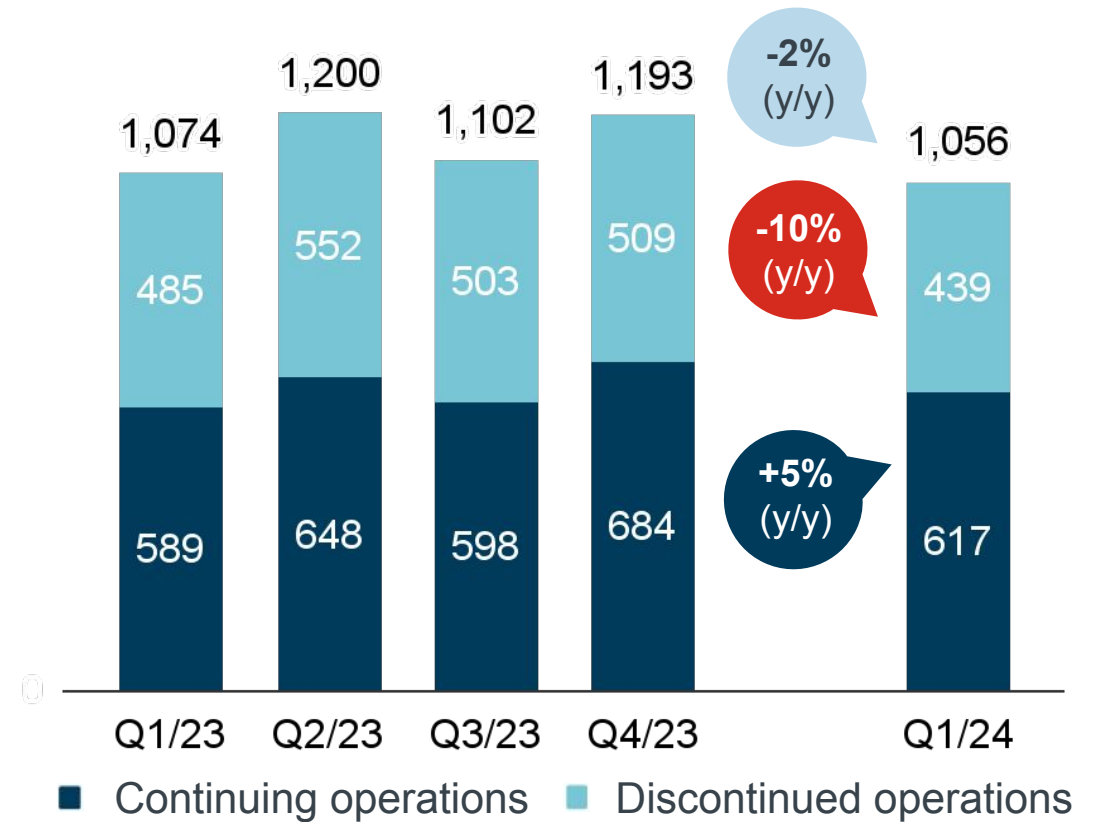
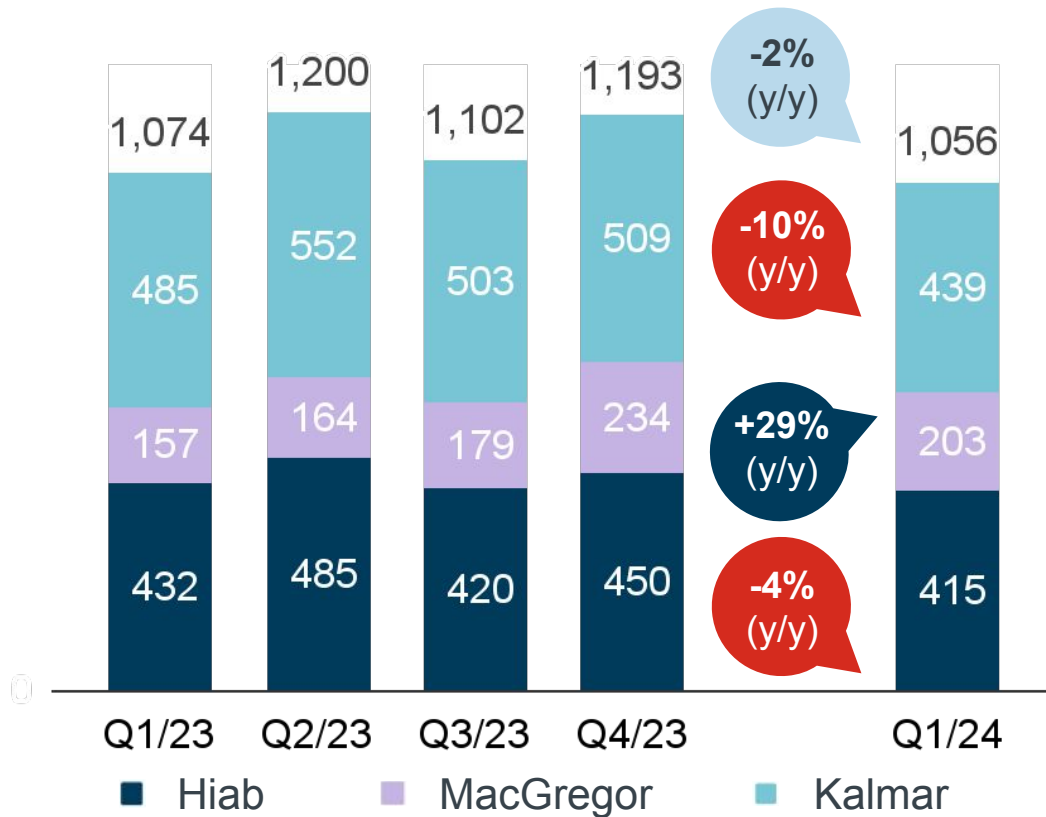
## Order book

MEUR



# Kalmar and Hiab sales lower due to order book development, MacGregor sales continued to increase

Sales  
MEUR



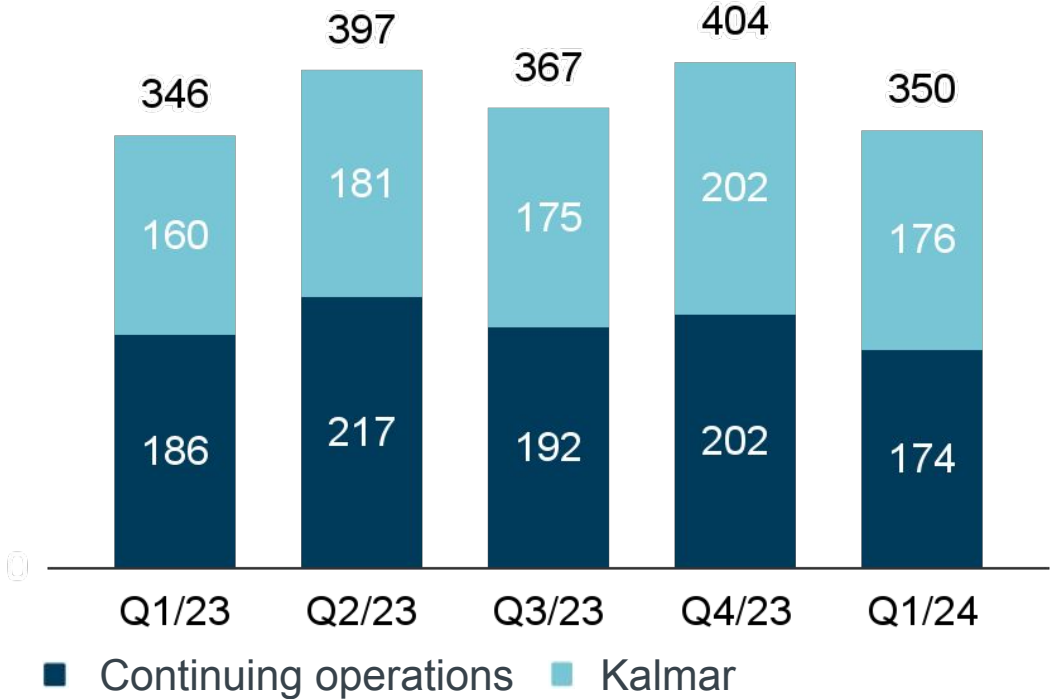
# Cargotec's total eco portfolio sales and share of sales grew

Cargotec total Eco portfolio sales +1% in Q1/24

Eco portfolio share sales

- 33% of Cargotec total (32%)
- 28% of Continuing operations (32%)
- 40% of Kalmar (33%)

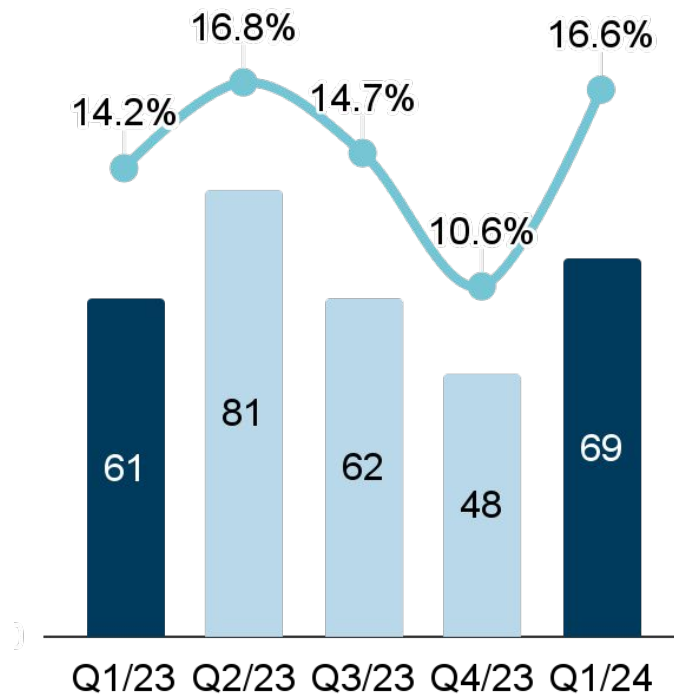
### Eco portfolio sales MEUR



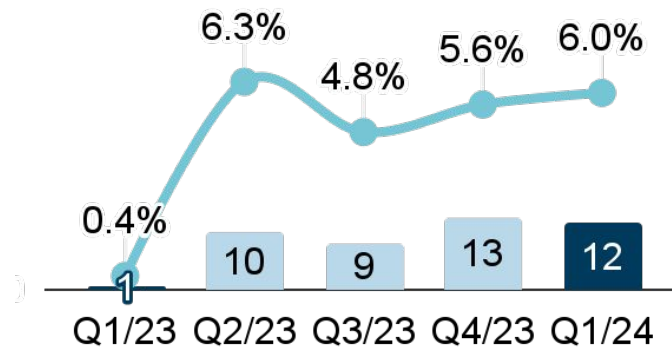
# Comparable operating profit margin improved in all business areas

## Comparable operating profit, MEUR and comparable operating profit margin

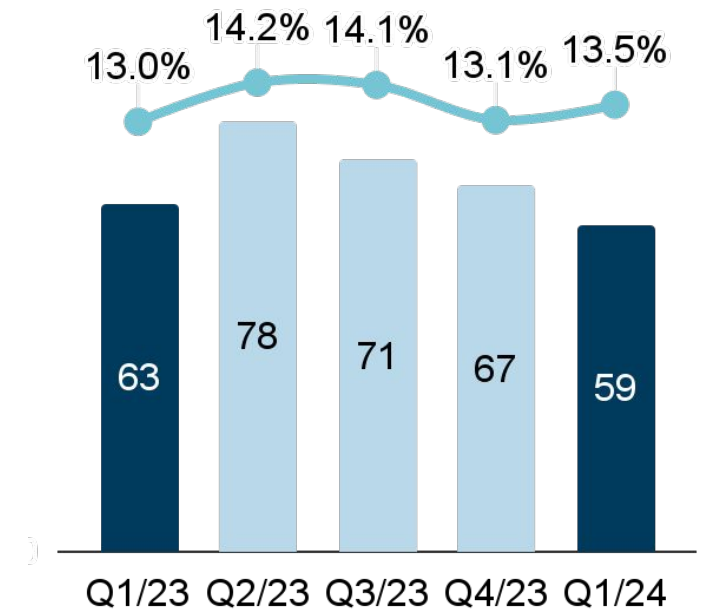
Hiab



MacGregor



Kalmar



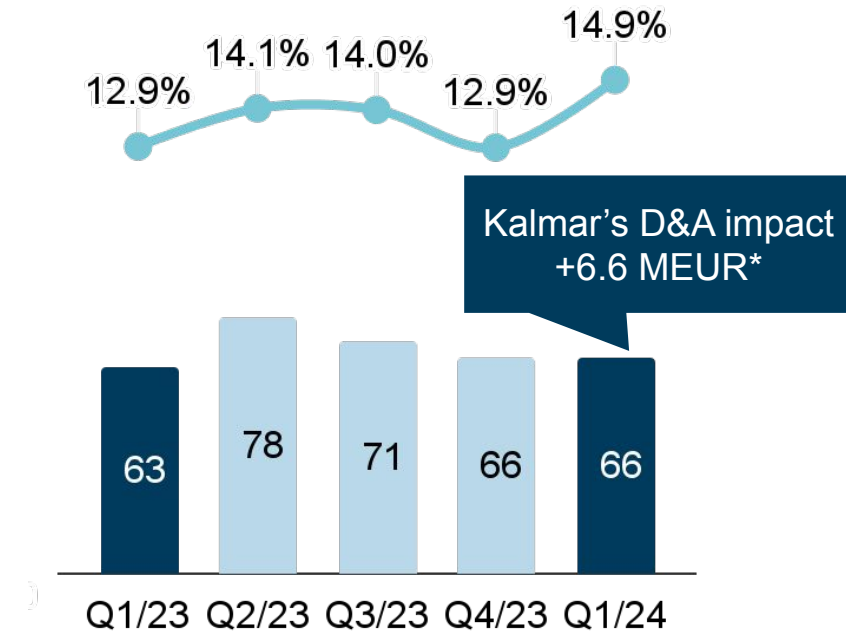
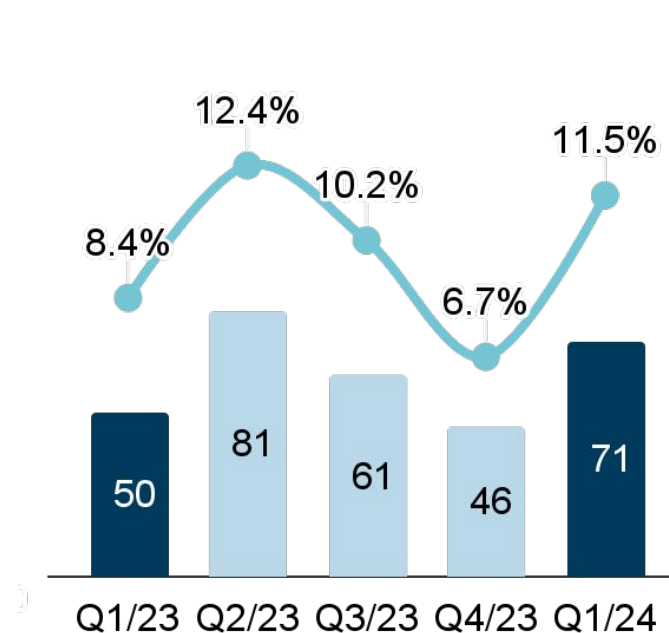
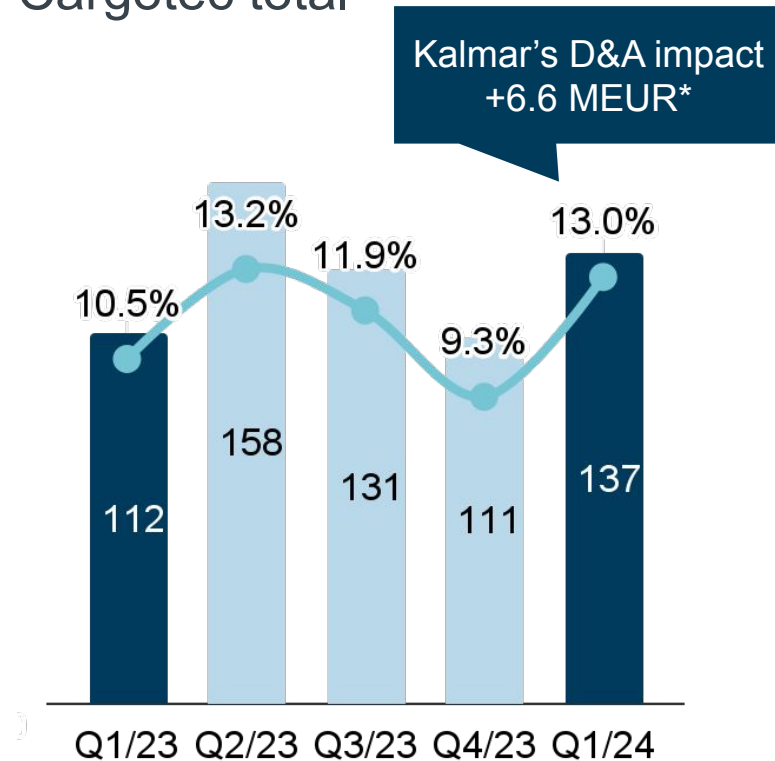
# All-time high first quarter comparable operating profit supported by EUR 60 million annual cost saving actions

Comparable operating profit, MEUR and comparable operating profit margin

Cargotec total

Continuing operations

Discontinued operations



\*Due to Kalmar business area's classification as discontinued operations, suspended depreciation and amortisation starting from 1 February 2024 had a positive EUR 6.6 million impact on the presented result figures before taxes and EUR 4.9 million positive impact on the result after taxes. Comparative information is not restated accordingly.

# Cost saving actions successfully executed

October 2023 announcement

Updated plan as most of the cost actions are taken

Fixed cost saving actions to target 50 MEUR annual savings in 2024 compared to 2023

- 10 MEUR in the group functions
- 20 MEUR in Kalmar
- 20 MEUR in Hiab

EUR 60 million annual savings planned to be achieved

- 10 MEUR in the group functions
- 30 MEUR in Kalmar as a business area
- 20 MEUR in Hiab as a business area

MacGregor restructuring to target 9 MEUR annual savings in 2024 compared to 2023

EUR 10 million annual cost savings planned to be achieved in Offshore and MacGregor HQ



# Business areas



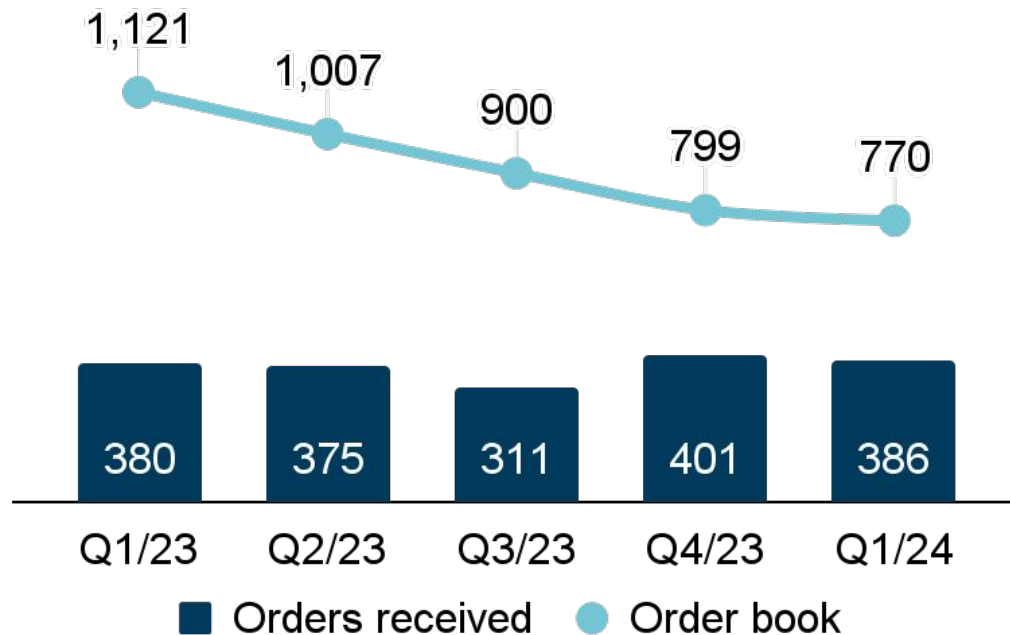
Hiab Q1/24

# Improved comparable operating profit

- **Stable demand**
- **Decline in sales reflecting lower order book**
- **Cash flow increased**

# Stable order intake sixth quarter in a row

Orders received and order book  
MEUR

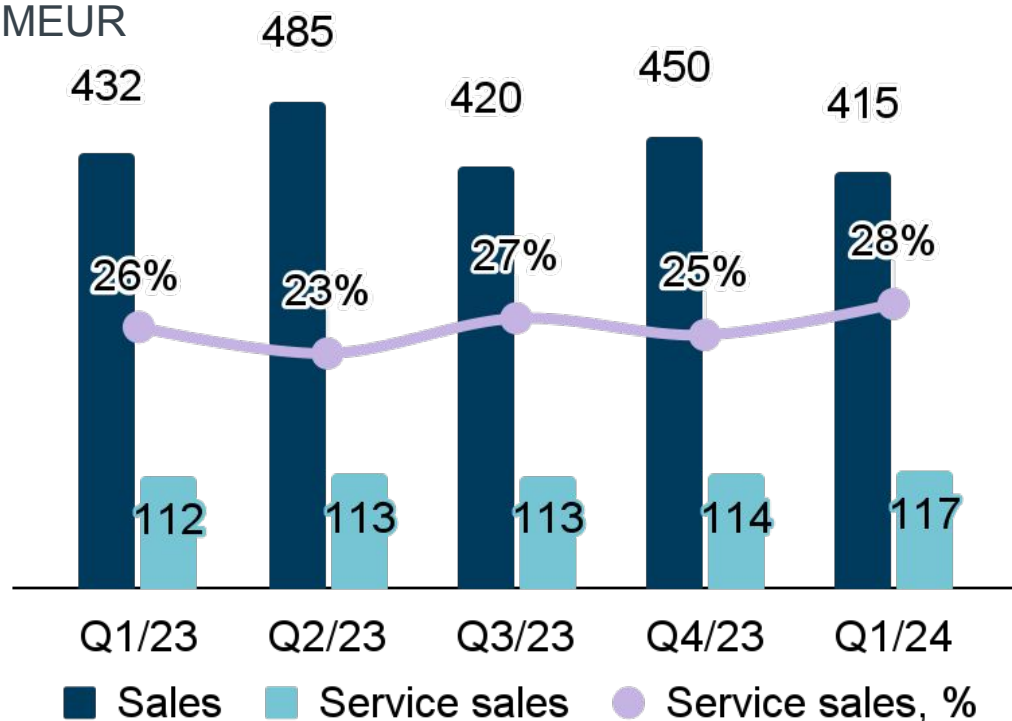


MEUR	Q1/24	Q1/23	Change
Orders received	386	380	1%
Order book	770	1,121	-31%

- High interest rates continue to drive delayed decision making
- Loader crane orders improved and included a large order for wind segment

# Sales decreased slightly while service sales continued to grow

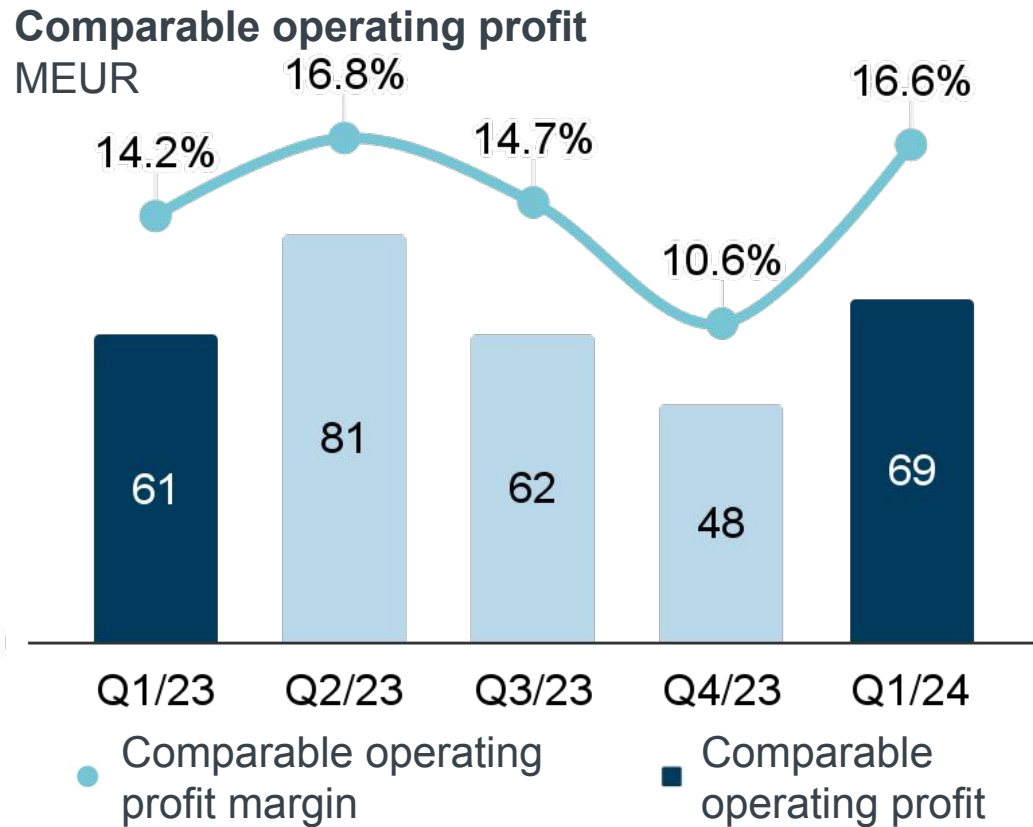
Sales and Service sales  
MEUR



MEUR	Q1/24	Q1/23	Change
Sales	415	432	-4%
Service sales	117	112	4%
Service sales, %	28%	26%	200 bps

- Decline in sales reflects lower order book
- Service sales increased
- Supply chain continues to improve with a strong focus on supplier development and capacity planning

# Comparable operating profit increased despite lower sales



MEUR	Q1/24	Q1/23	Change
Comparable operating profit	69	61	12%
Comparable operating profit margin	16.6%	14.2%	240 bps

- Successful management of inflationary pressures and tight cost control
- Cash flow increased

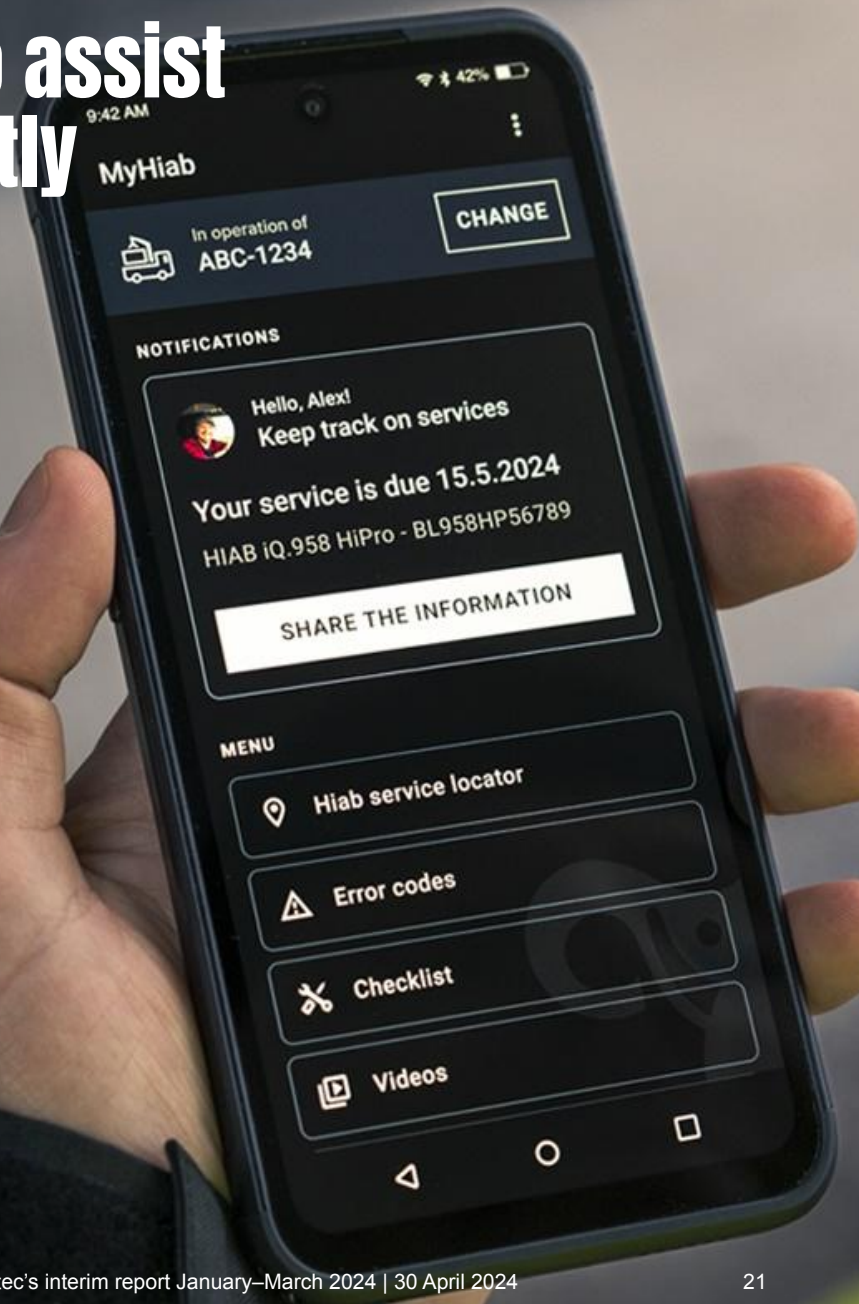
# MyHiab app is a digital companion designed to assist operators to manage daily tasks more efficiently

Quick access to key features and essential equipment information for better daily planning and problem-solving

- ✓ **New digital channel to Hiab support**
- ✓ **Easier issue recovery**
- ✓ **Service reminders**

**MyHiab app** establishes a direct digital communication channel between Hiab and end-users.

- Improving business intelligence and data
- Creating service opportunities by activating customer base





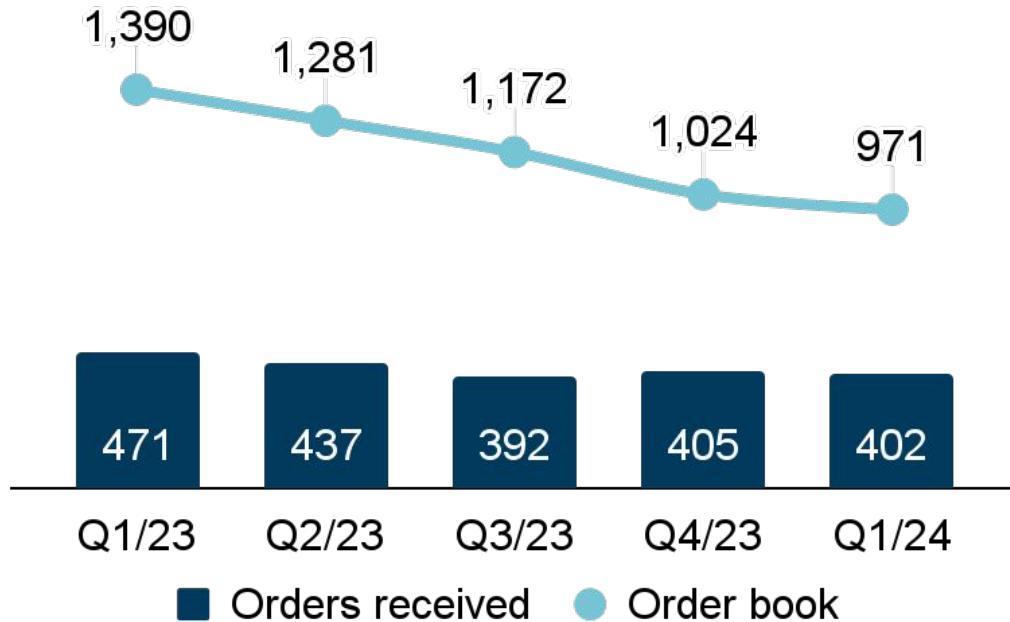
Kalmar Q1/24

# Continued strong profitability

- Sequentially stable demand
- Strong cash flow
- Successful execution of cost savings programme

# Sequentially stable demand in orders received

Orders received and order book  
MEUR

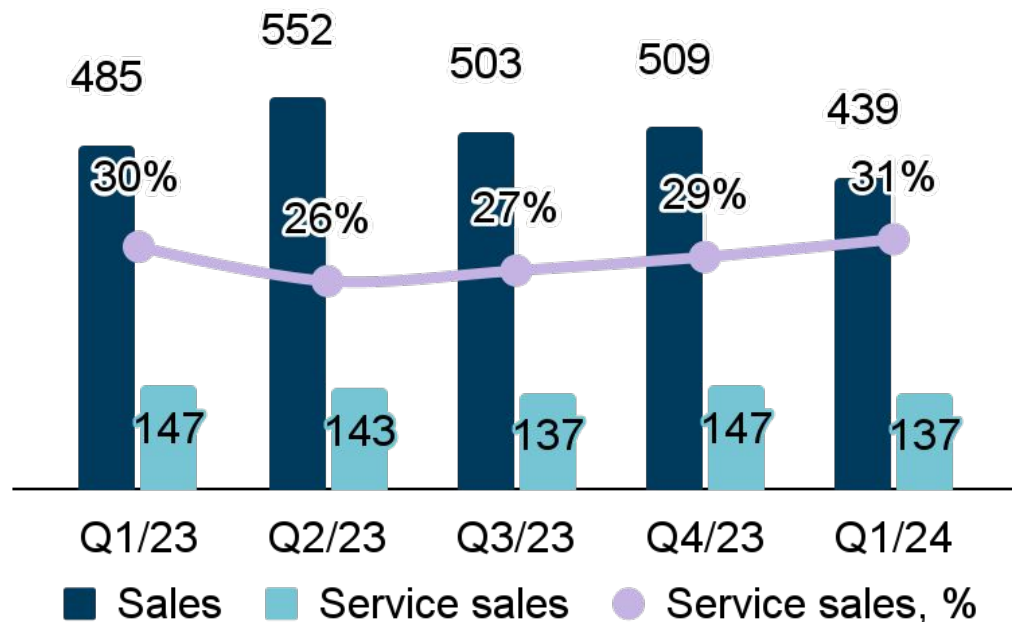


MEUR	Q1/24	Q1/23	Change
Orders received	402	471	-15%
Order book	971	1,390	-30%

- Underlying demand drivers slightly mixed. Continued good demand in mobile equipment used in industries and small- and mid-sized terminals
- Delayed decision making in orders of larger equipment
- Destocking in distribution customer segment still ongoing

# Sales impacted by lower order intake in H2/2023

Sales and Service sales  
MEUR



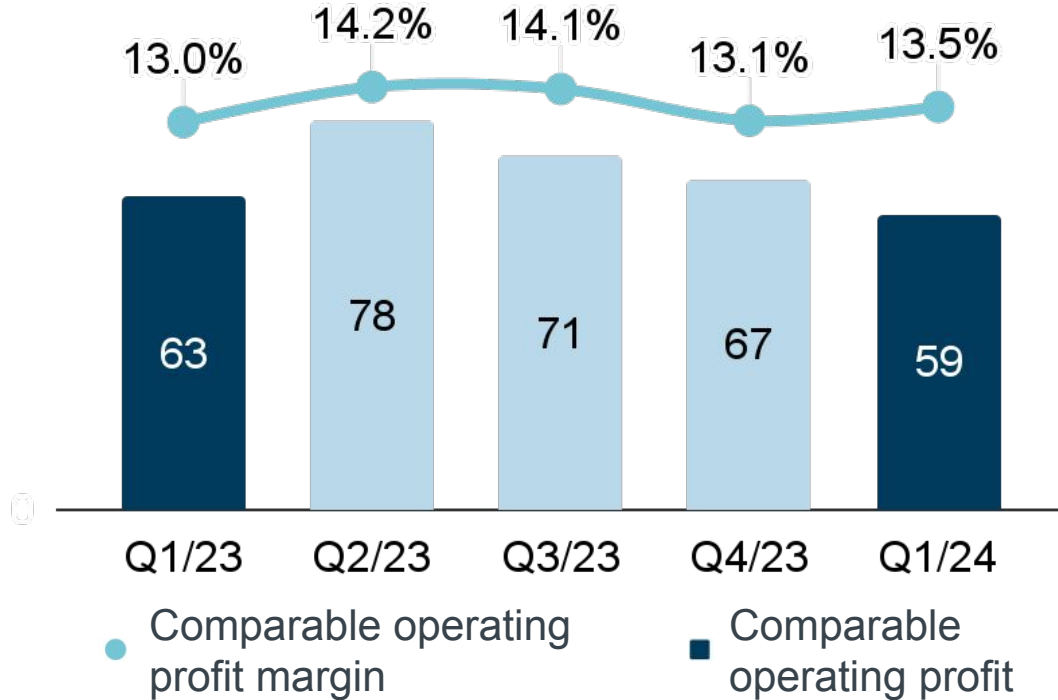
MEUR	Q1/24	Q1/23	Change
Sales	439	485	-10%
Service sales	137	147	-7%
Service sales, %	31%	30%	100 bps

- Lower order intake visible in sales
- Eco Portfolio sales improved 10% y-o-y
- Strong cash flow



# Strong profitability driven by continued improvements in commercial and operational excellence

Comparable operating profit  
MEUR



MEUR	Q1/24	Q1/23	Change
Comparable operating profit	59	63	-6%
Comparable operating profit margin	13.5%	13.0%	50 bps

- Lower sales offset by cost saving actions
- Cost saving programme successfully executed
- Fixed costs savings supporting margin improvement

# MacGregor Q1 – Merchant and service businesses continued to perform well

Orders received increased

- Strong market momentum in merchant continued
- One major order ~50 MEUR

Sales increased by 30%

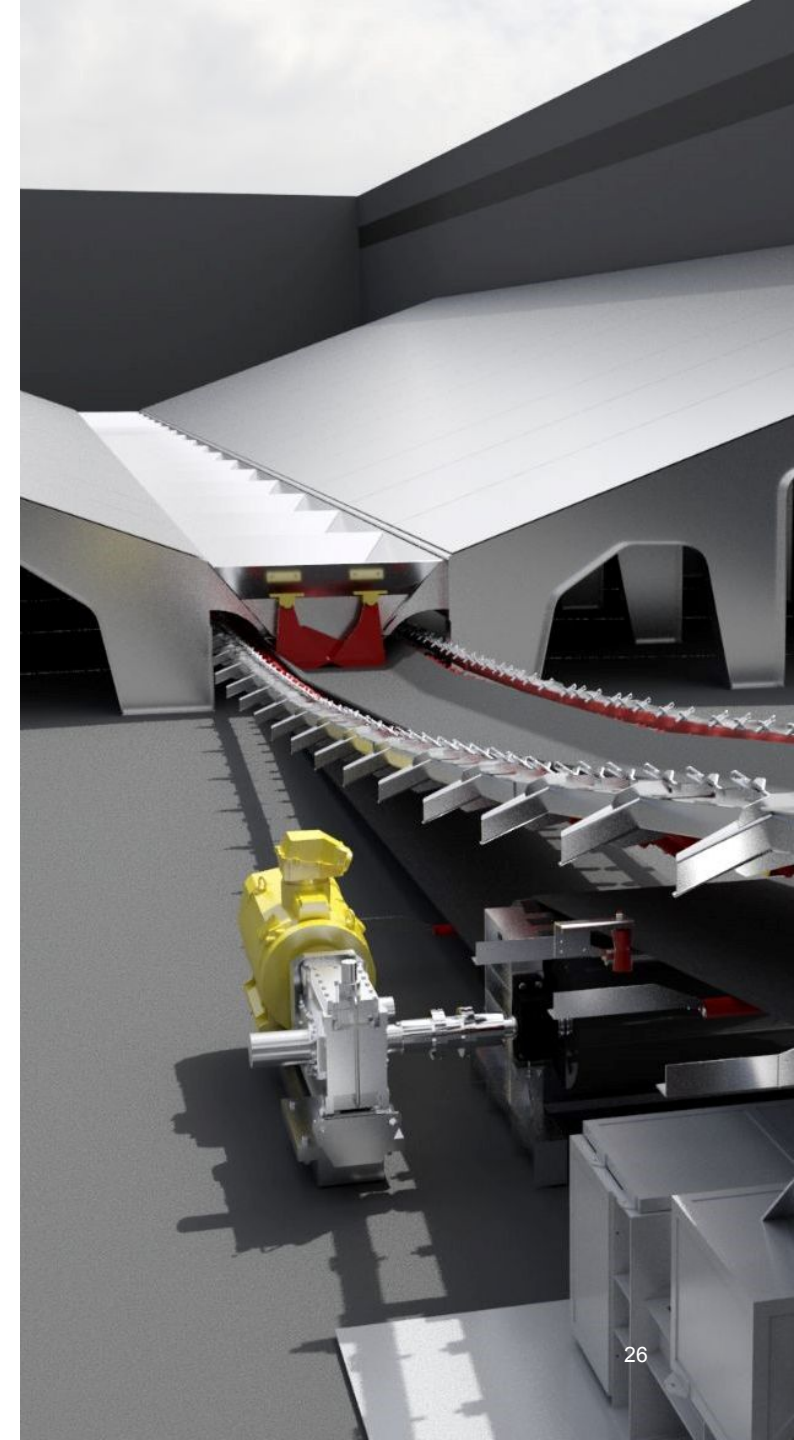
- Service sales +2%

Comparable operating profit increased

- Higher sales in merchant business

Dispute related to a monopile installation vessel project and challenges in ~10 smaller historical offshore projects

MEUR	Q1/24	Q1/23	Change
Orders received	<b>267</b>	208	29%
Order book	<b>1,028</b>	956	8%
Sales	<b>203</b>	157	29%
Service sales, %	<b>44%</b>	56%	-1200 bps
Comparable operating profit*	<b>12</b>	1	>100%
Comparable operating profit margin	<b>6.0%</b>	0.4%	560 bps





# Financials and outlook

# Principles for discontinued operations reporting

Kalmar Segment P&L		Discontinued Operations P&L
Order intake	=	Order Intake
Sales	=	Sales
Comparable Operating Profit	≠	Comparable Operating profit + Stopped depreciation 6.6M€ - Group discontinued overheads 0.5M€
Operating Profit	≠	Operating Profit - All Demerger related non-recurring costs

- Kalmar’s assets and liabilities are presented as assets held for distribution in Balance sheet on a separate line, discontinued operations do not include equity
- Discontinued operations does not represent standalone Kalmar from P&L or Balance Sheet perspective
- Segment reporting unchanged
- Discontinued operations presented in note 17, further information about Kalmar carve-out financials in prospectus



# Discontinued operations is added to income statement as one item

## Consolidated statement of income

MEUR	Note	Q1/24	Q1/23	2023
<b>Sales</b>	5	<b>617.3</b>	<b>588.8</b>	<b>2,519.4</b>
Cost of goods sold		-459.3	-455.9	-1,923.0
<b>Gross profit</b>		<b>158.0</b>	<b>132.9</b>	<b>596.5</b>
Gross profit, %		25.6%	22.6%	23.7%
Selling and marketing expenses		-29.6	-30.8	-128.0
Research and development expenses		-11.7	-10.3	-44.4
Administration expenses		-48.0	-47.7	-198.2
Restructuring costs	7	-1.4	-3.3	-13.4
Other operating income		0.7	1.9	8.7
Other operating expenses		0.5	-1.0	12.7
Share of associated companies' and joint ventures' net result		1.2	0.0	2.1
<b>Operating profit</b>		<b>69.7</b>	<b>41.7</b>	<b>236.0</b>
Operating profit, %		11.3%	7.1%	9.4%
Finance income		4.3	1.3	7.0
Finance expenses		-5.8	-7.5	-23.5
<b>Profit before taxes</b>		<b>68.2</b>	<b>35.4</b>	<b>219.5</b>
Profit before taxes, %		11.1%	6.0%	8.7%
Income taxes	9	-21.2	-11.7	-57.1
<b>Profit for the period, continuing operations</b>		<b>47.1</b>	<b>23.7</b>	<b>162.4</b>
Profit for the period, discontinued operations	17	34.2	48.9	186.2
<b>Profit for the period</b>		<b>81.2</b>	<b>72.6</b>	<b>348.7</b>
Profit for the period, %		13.2%	12.3%	13.8%
<b>Profit for the period attributable to:</b>				
Shareholders of the parent company		81.1	72.7	346.9
Non-controlling interest		0.1	-0.1	1.8
<b>Total</b>		<b>81.2</b>	<b>72.6</b>	<b>348.7</b>

Discontinued operations profit as part of Cargotec's income statement



# Key financial figures

	Cargotec total			Continuing operations		
	Q1/24	Q1/23	Change	Q1/24	Q1/23	Change
Orders received, MEUR	<b>1,054</b>	1,059	0%	<b>653</b>	588	11%
Order book, MEUR	<b>2,770</b>	3,467	-20%	<b>1,799</b>	2,078	-13%
Sales, MEUR	<b>1,056</b>	1,074	-2%	<b>617</b>	589	5%
Comparable operating profit, MEUR	<b>137</b>	112	22%	<b>71</b>	50	43%
Comparable operating profit, %	<b>13.0%</b>	10.5%	250bps	<b>11.5%</b>	8.4%	310bps
Items affecting comparability, MEUR	<b>-17</b>	-8	<-100%	<b>-2</b>	-8	-81%
Operating profit, MEUR	<b>120</b>	104	15%	<b>70</b>	42	67%
Operating profit, %	<b>11.3%</b>	9.7%	160bps	<b>11.3%</b>	7.1%	420bps
Profit for period, MEUR	<b>81</b>	73	12%	<b>47</b>	24	98%
Basic earnings per share, EUR	<b>1.26</b>	1.13	12%	<b>0.73</b>	0.37	98%
Earnings per share, EUR*	<b>1.51</b>	1.23	23%	-	-	-
ROCE, %**	<b>21.1%</b>	7.5%	1360bps	-	-	-

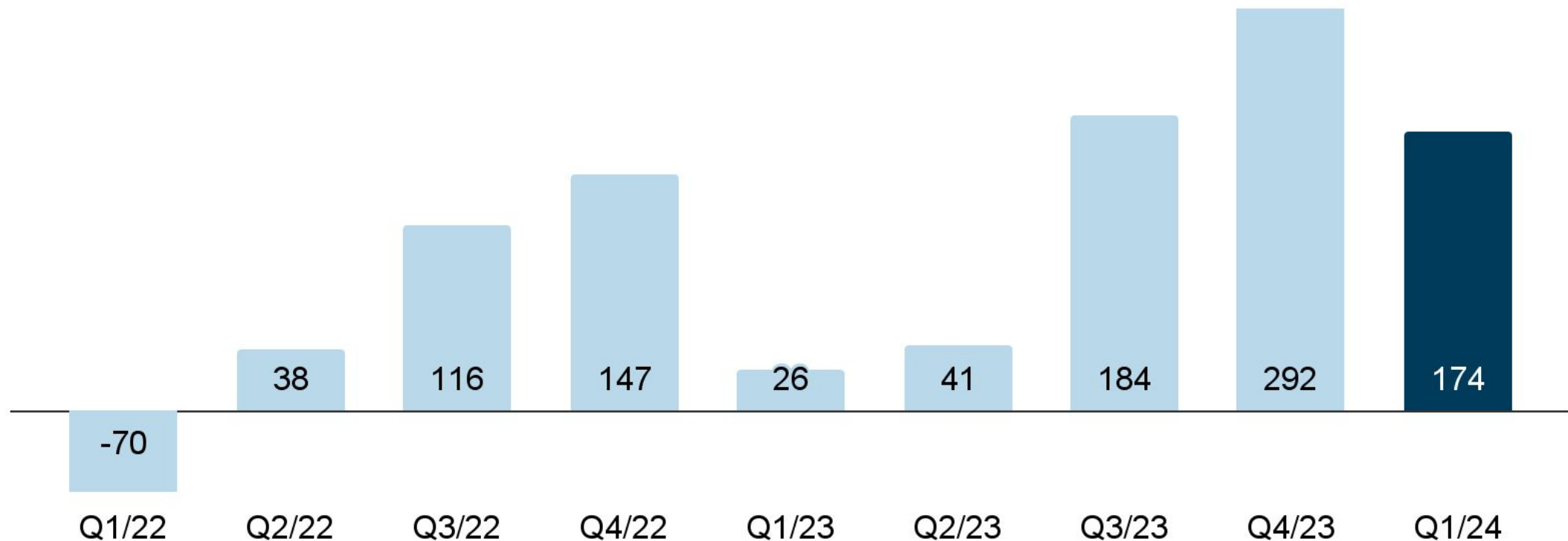
Due to Kalmar business area's classification as discontinued operations, suspended depreciation and amortisation starting from 1 February 2024 had a positive EUR 6.6 million impact on the presented result figures before taxes and EUR 4.9 million positive impact on the result after taxes. Comparative information is not restated accordingly.

\*) Excluding items affecting comparability and adjusted with related tax effect

\*\*\*) ROCE (return on capital employed), last 12 months

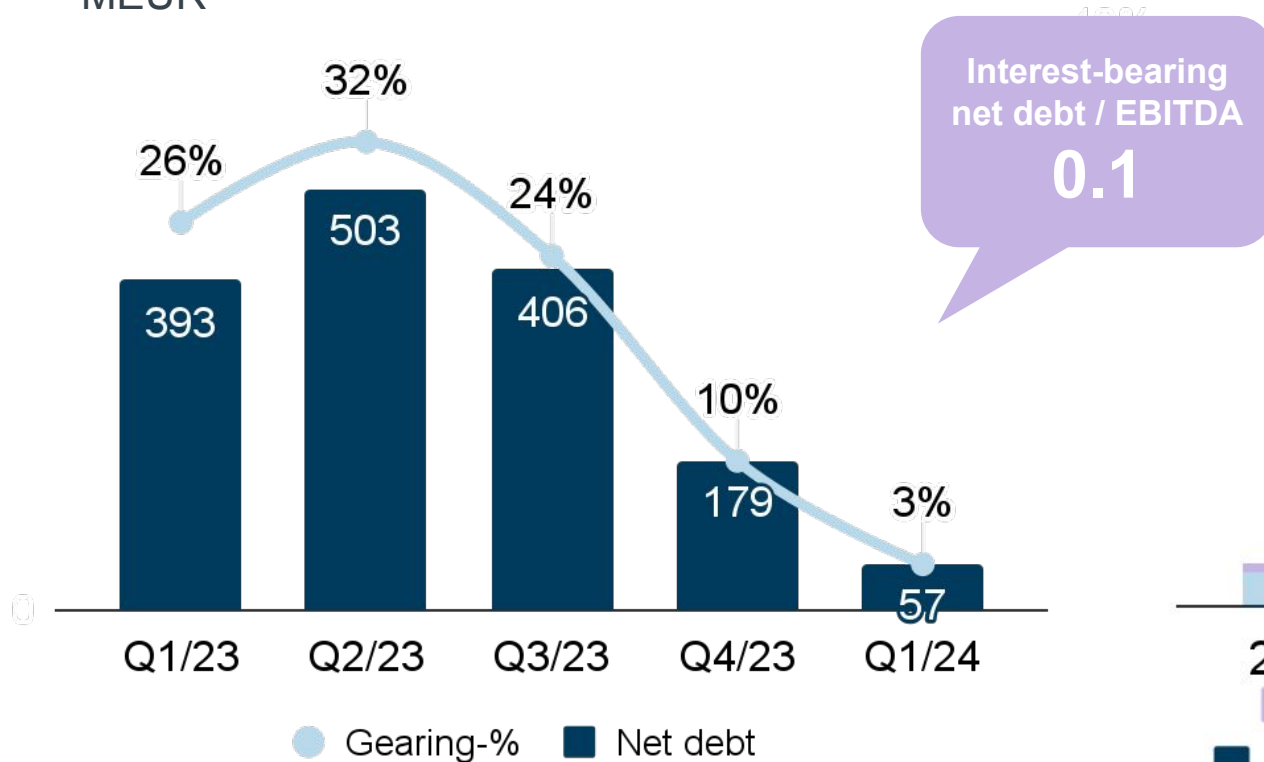
# Strong cash flow in Q1 driven by high profitability and reduction of net working capital in Kalmar & MacGregor

Cash flow from operations before finance items and taxes, Cargotec total  
MEUR

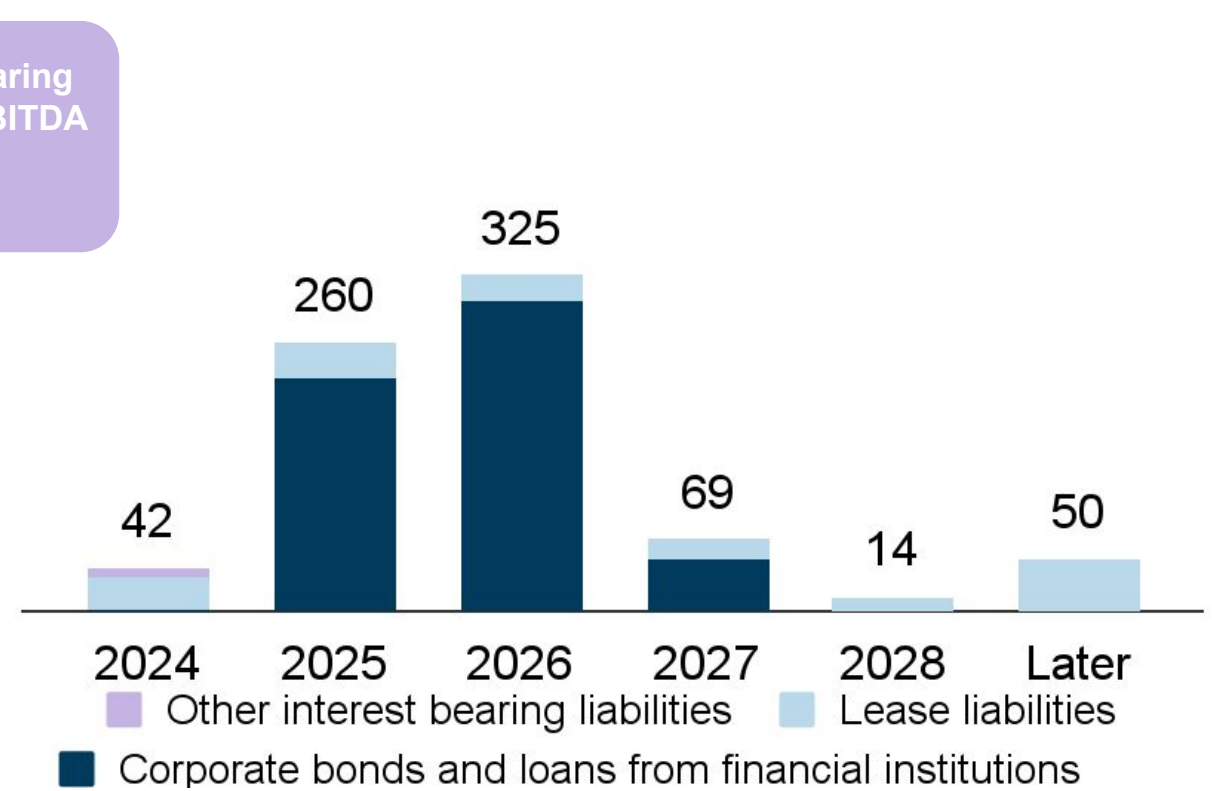


# Strong balance sheet and balanced maturity profile

Net debt & gearing  
MEUR



Maturity profile, 31 March 2024





# Outlook for 2024 unchanged

Cargotec estimates<sup>1</sup>:

Hiab's comparable operating profit margin in 2024 to be above 12%

Kalmar's comparable operating profit margin in 2024 to be above 11%

MacGregor's comparable operating profit in 2024 to improve from 2023 (EUR 33 million)

- 1) The business area 2024 profitability outlook is presented using the same principles which are applied in the 2023 external financial reporting.



# CAPITAL MARKETS DAY 2024

28–29 May 2024

Helsinki, Finland

[cargotec.com/cmd24](https://cargotec.com/cmd24)



