

Investor presentation, May 2021

Becoming the global leader in sustainable cargo flow

Disclaimer

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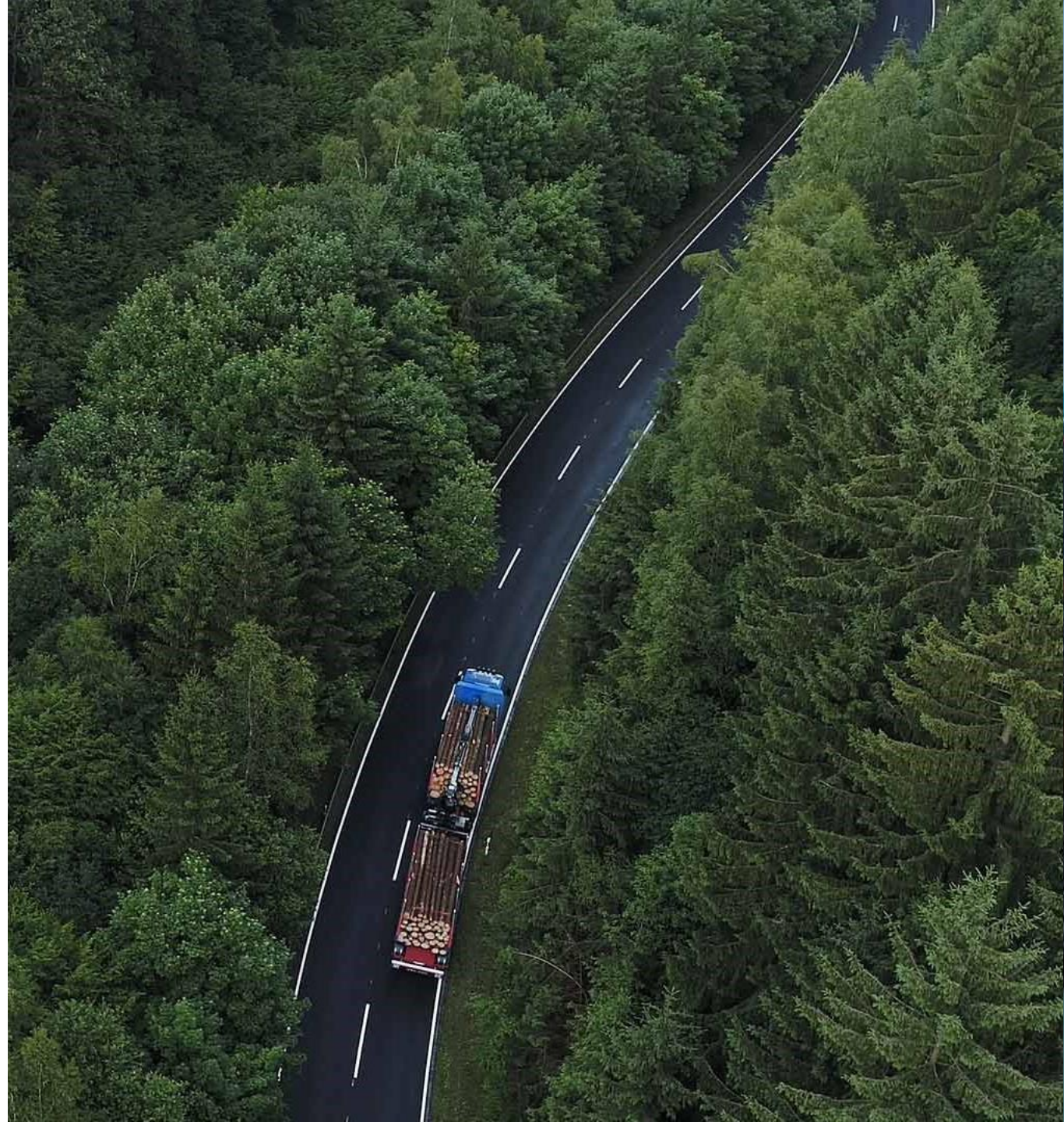
All the discussion topics presented during the session and in the attached material are still in the planning phase. The final impact on the personnel, for example on the duties of the existing employees, will be specified only after the legal requirements of each affected function/ country have been 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 [announced](#) 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 www.sustainablematerialflow.com



GLOBAL LEADER IN SUSTAINABLE CARGO FLOW

KALMAR

MACGREGOR

HIAB



MEGATRENDS

**GLOBAL GROWTH AND
ECONOMIC DEVELOPMENT**

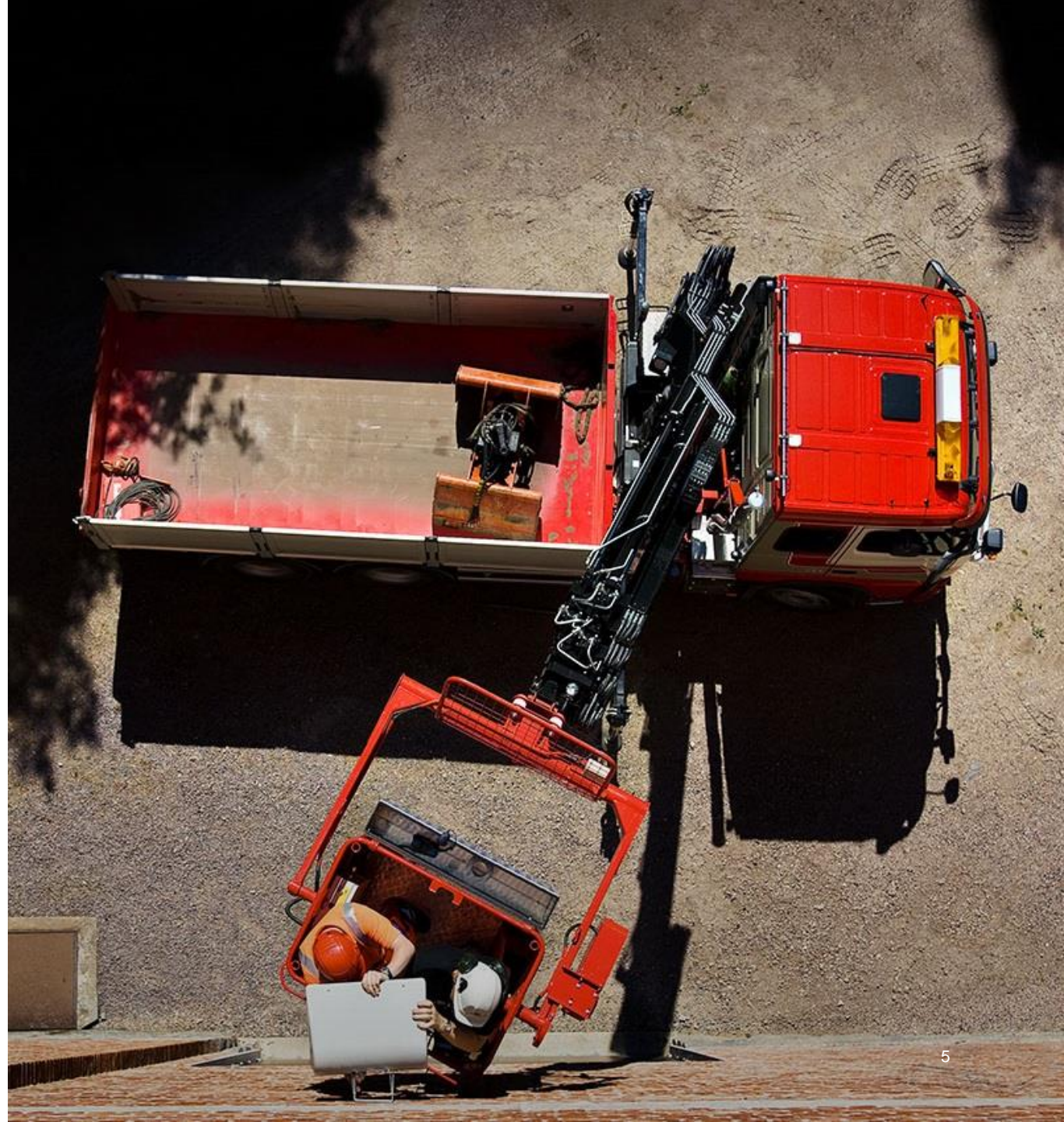
SUSTAINABILITY

DIGITALISATION

CARGOTEC

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 3,263 million
EBIT: 6.2%

Kalmar

Sales: **EUR 1,529 million**
EBIT: **7.6%** (EUR 116 million)

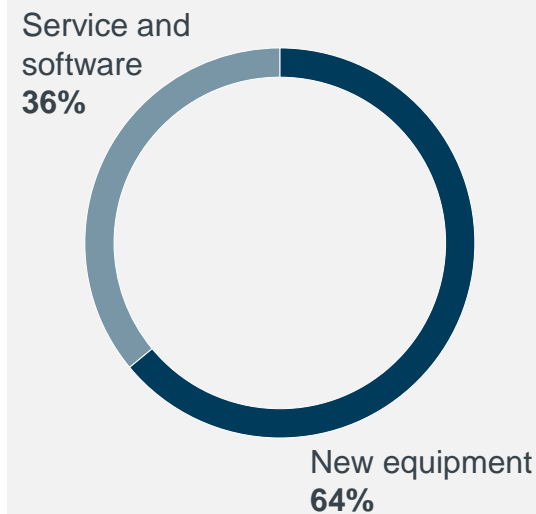
Hiab

Sales: **EUR 1,094 million**
EBIT: **11.6%** (EUR 126 million)

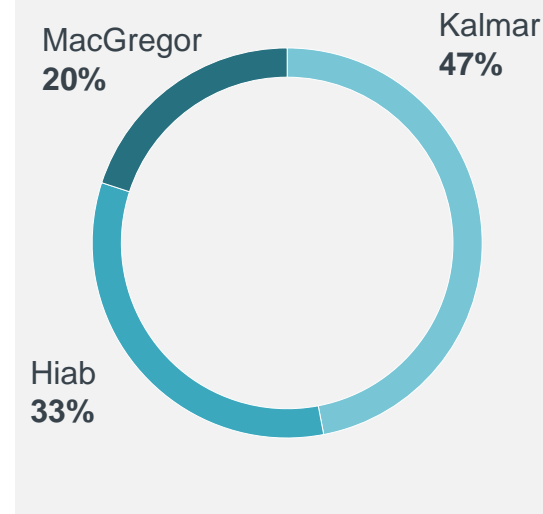
MacGregor

Sales: **EUR 642 million**
EBIT: **-0.7%** (EUR -4 million)

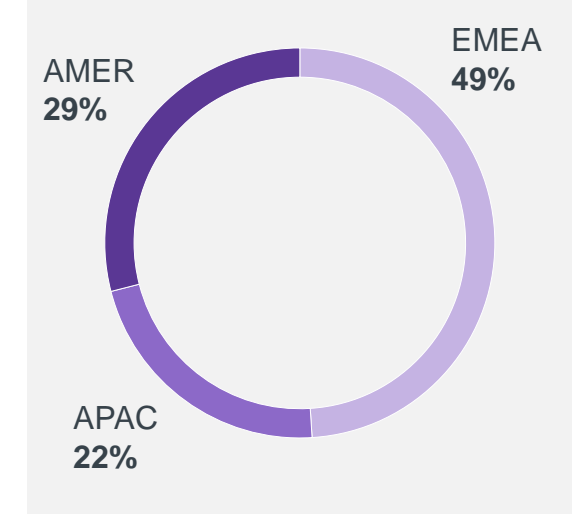
**Sales split: new
equipment vs service
and software**



**Sales by
business areas**



**Sales by
geographical area**



Strengths we are building upon

Leading market positions
in all segments

Strong brands

Loyal customers

Leading in technology

Key competitors

Cargotec is a leading player in all of its business areas

Global main competitors



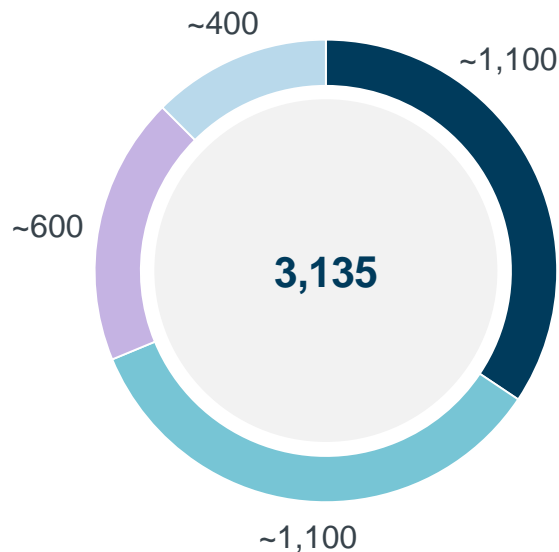
Other competitors



Currently two businesses performing well

Net sales Q1/2021, LTM*

EUR million **



Trend in orders, LTM

Profitability: comparable EBIT margin, LTM

Kalmar Automation and Projects division & Navis



Low profitability

MacGregor

-15%

2.0%

Hiab

+6%

12.7%

Kalmar mobile equipment and service (excluding Automation and Projects Division & Navis)



Low double digit

* LTM = Last 12 months

** Figures rounded to closest 100 million

Investment highlights



Investment highlights: Why invest in Cargotec?

1. 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 future automation and software 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 CARGO FLOW FOR A BETTER EVERYDAY

VISION

Global Leader in Sustainable Cargo Flow

BREAKTHROUGH OBJECTIVES

Sustainability

Profitable Growth

CONCRETE TARGET

Reduce 1 million tonnes of CO₂ equivalent by 2024

WHERE TO WIN

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

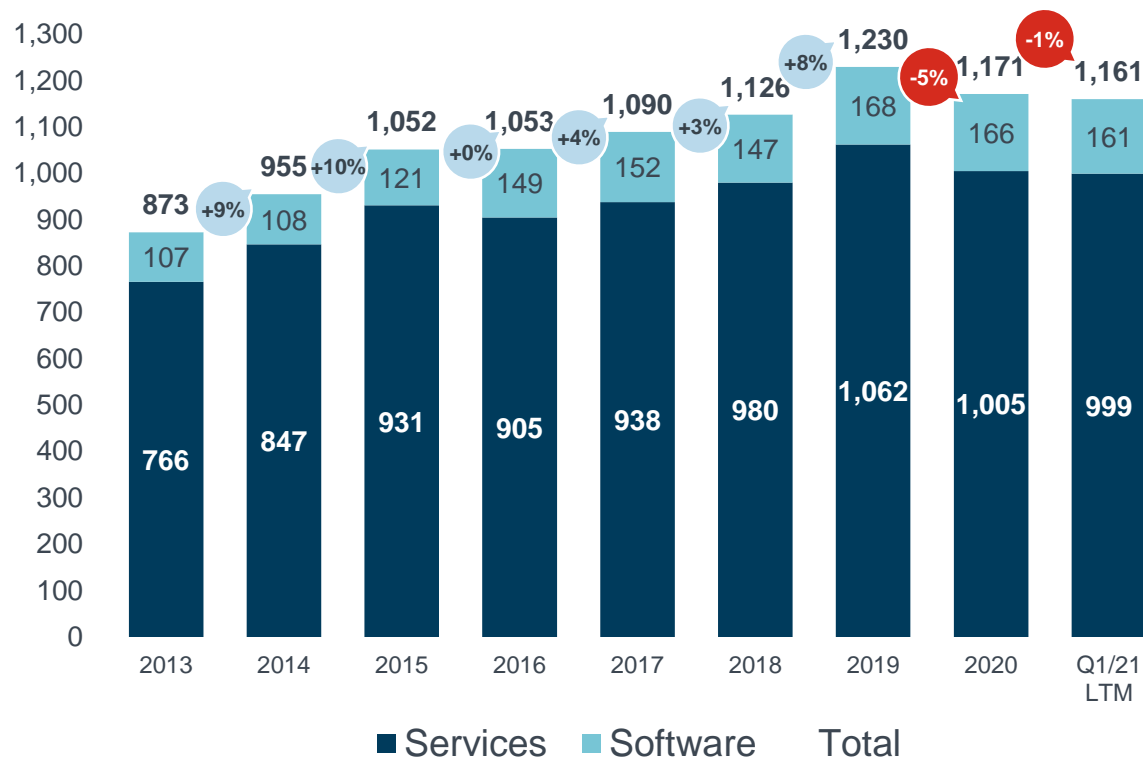
HOW WE MEASURE

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

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

Service and software* sales

MEUR



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 future automation and software 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

Significant possibility in port software:

- Container value chain is very inefficient: total value of waste and inefficiency estimated at ~EUR 17bn
- Over 50% of port software market is in-house, in long term internal solutions not competitive

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

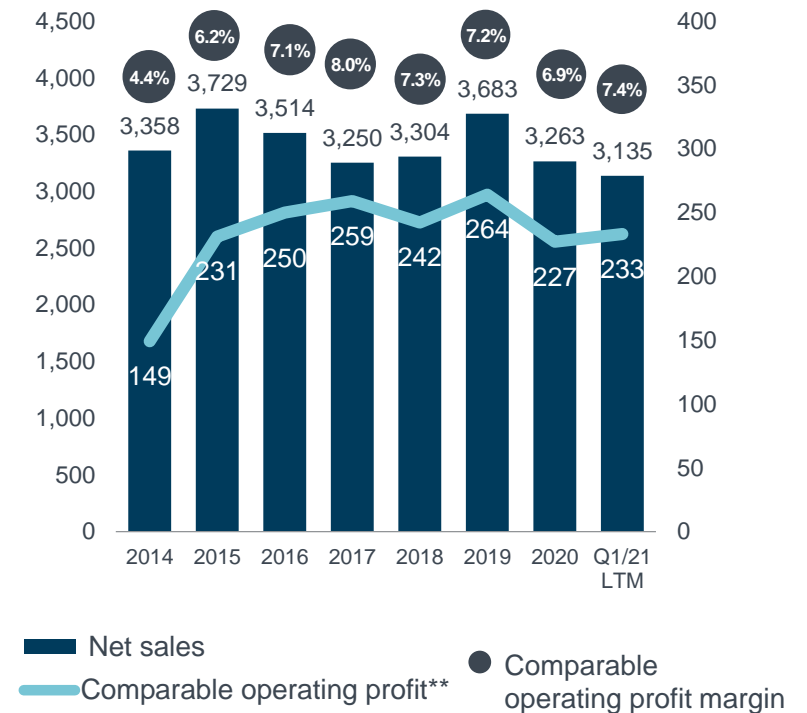
Target 10% operating profit and 15% ROCE in 3-5 years*

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



*Target announced in September 2017

**Definition changed in 2021, figures 2020=> according to the new definition

Kalmar



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

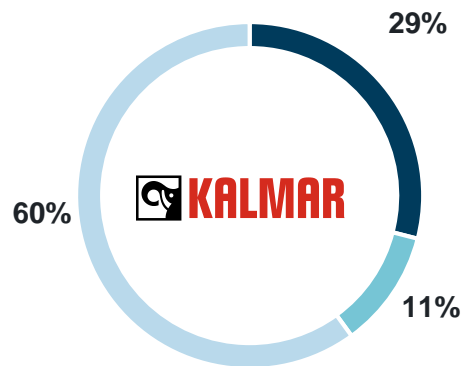
Kalmar offers cargo handling equipment and automated terminal solutions, software and services used in ports, terminals, distribution centres and various industries.

Number of personnel
5,526

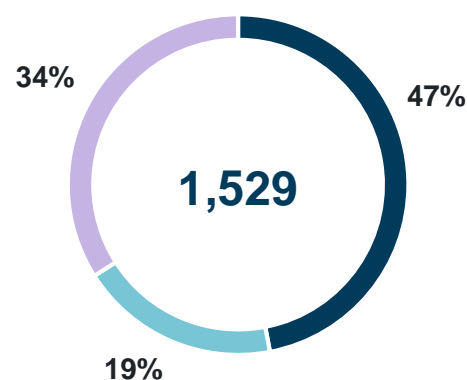
Sales
MEUR 1,529

Service and software sales
(% of sales)

Geographical sales split



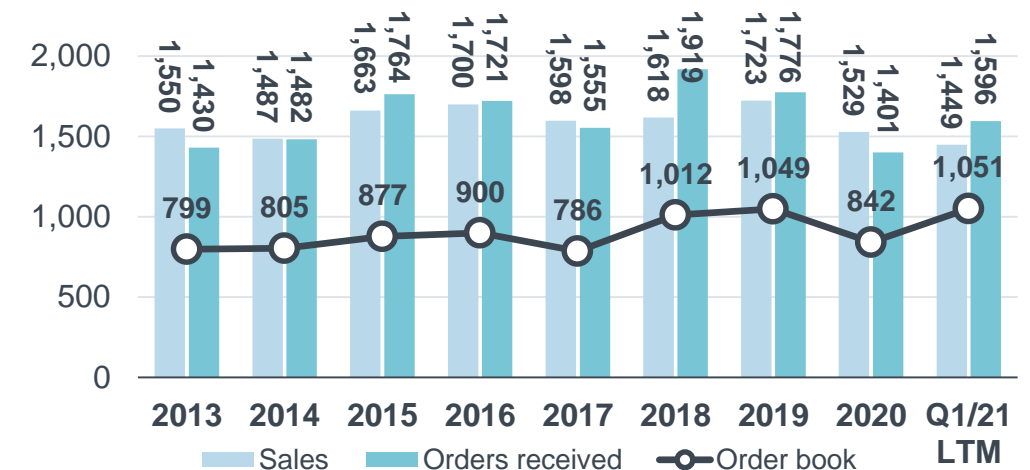
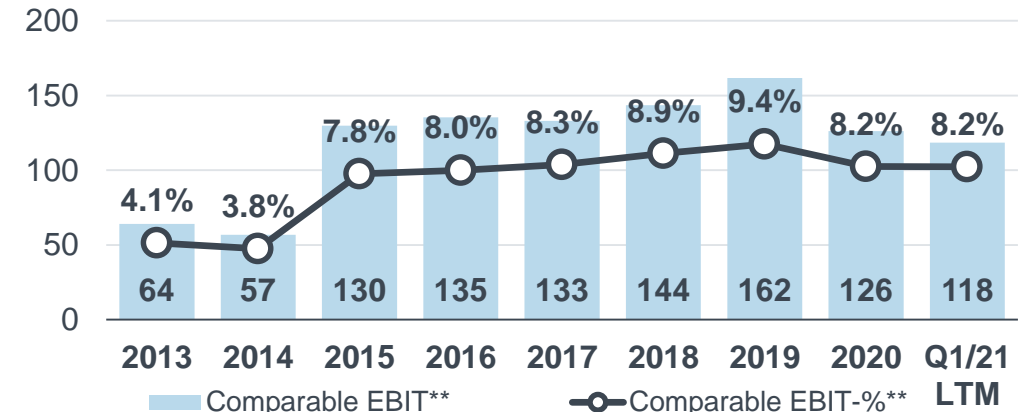
■ Service ■ Software ■ Equipment



■ EMEA ■ APAC ■ Americas

Development of historical financials

MEUR



*2020 figures

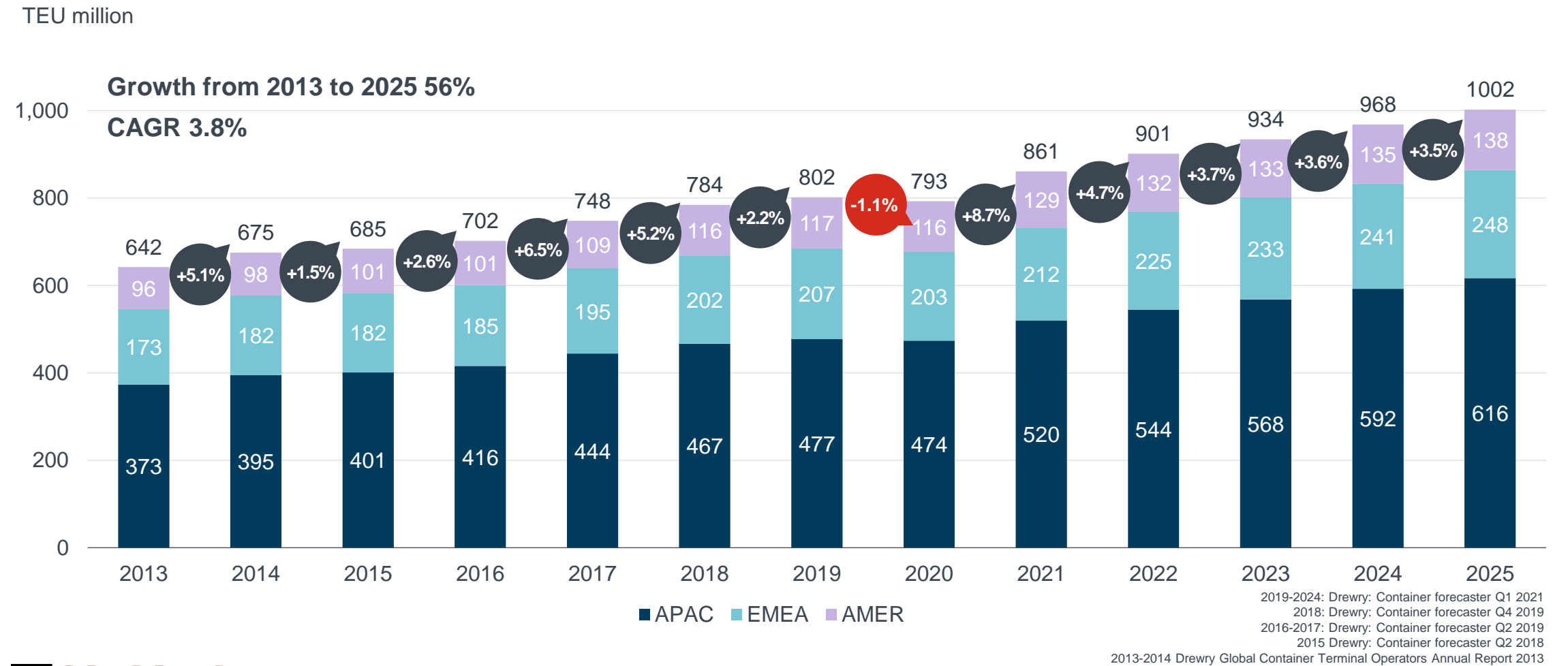
** definition changed 2021, figures 2020 onwards according to the new definition

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Container throughput is estimated to continue to grow



Kalmar provides integrated port automation solutions also after divestment of Navis

Terminal Operating System (TOS) coordinates and optimizes the planning and management of container and equipment moves

navis®

Kalmar provides integrated port automation solutions including software, services and a wide range of cargo handling equipment

 **KALMAR**

Terminal Logistic System (TLS)

Truck / Transfer area

Automated Horizontal Transportation

Automatic stacking crane (ASC) area

Quay crane area

ASC stack area

Equipment

Equipment



Robotics as an opportunity

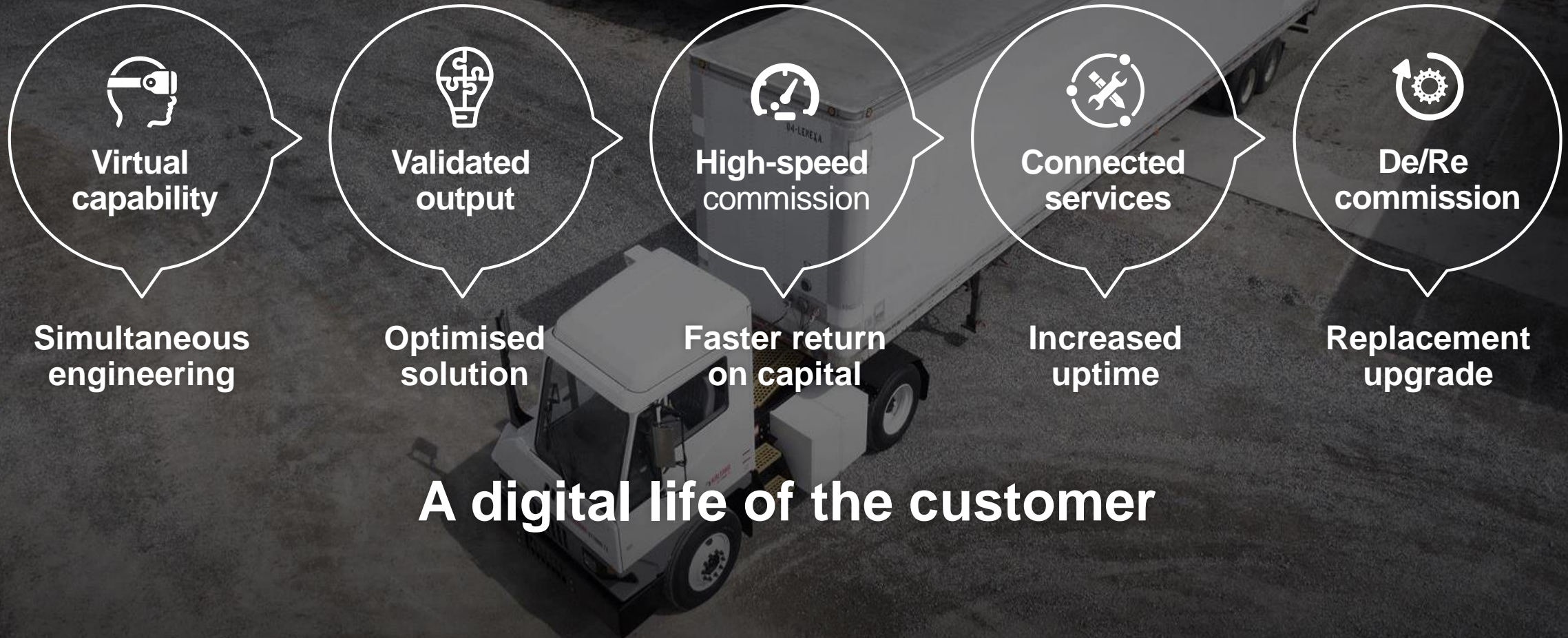
AUTOMATED SOLUTION

ROBOTICS FUNCTIONALITY

Digitalisation • Autonomous • Electrification

KALMAR EQUIPMENT

Towards new business models



Services provide our biggest medium-term growth opportunity



Equipment & Projects
20-30%



Software
20-30%



Services
3-5%

Market
share

Market
size

6B€

0.5-1B€

8B€

Hiab



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

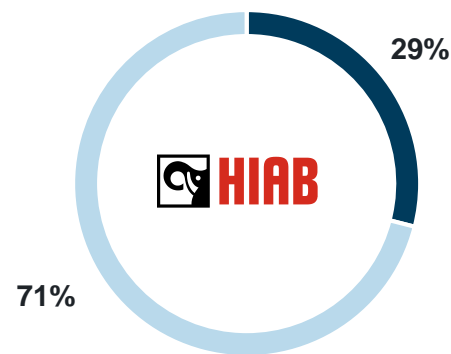
Hiab's class-leading load handling offering includes loader cranes, forestry and recycling cranes, truck mounted forklifts, skiploaders and hooklifts, and tail lifts as well as intelligent services and smart and connected solutions. Hiab's customers come from a broad range of industries and segments.

Number of personnel
3,390

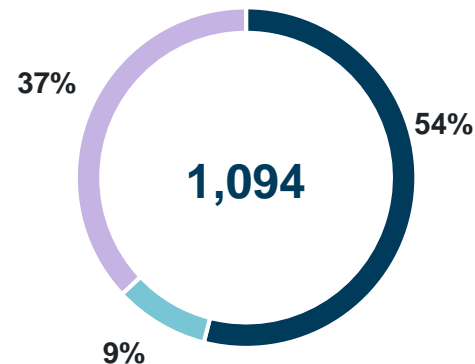
Sales
MEUR 1,094

Service sales
(% of sales)

Geographical sales split



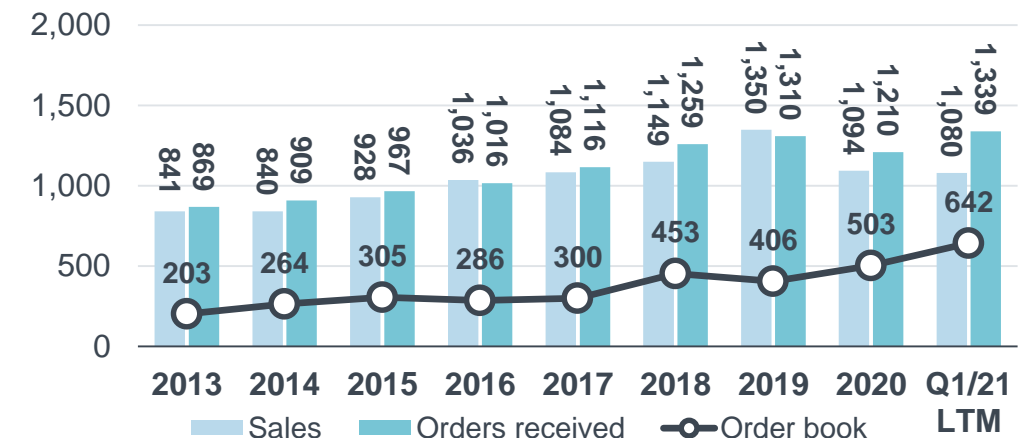
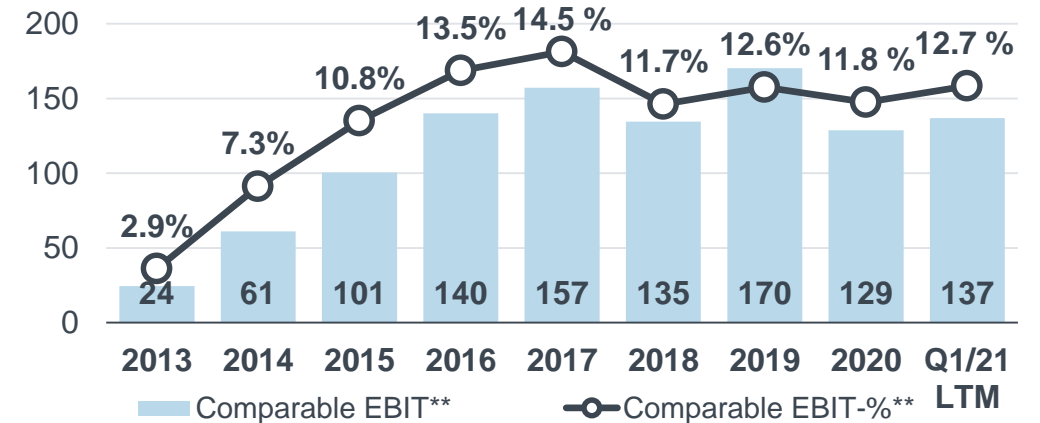
■ Service ■ Equipment



■ EMEA ■ APAC ■ Americas

Development of historical financials

MEUR



*2020 figures

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Investor presentation

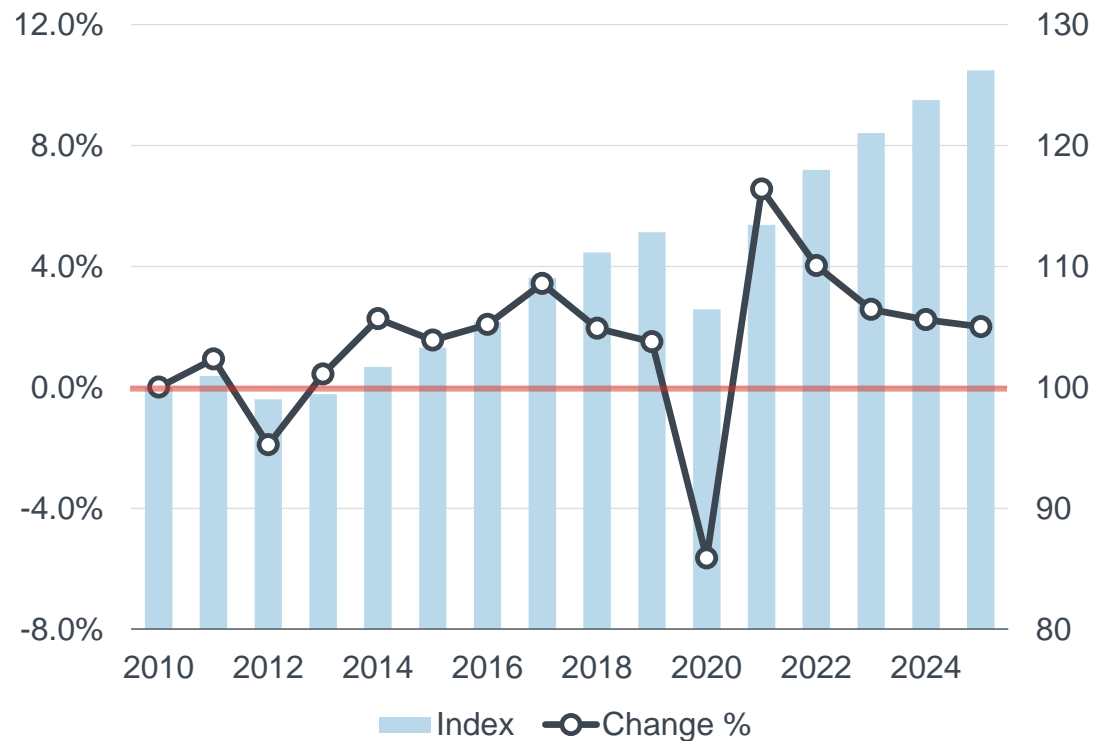
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Construction output driving growth opportunity

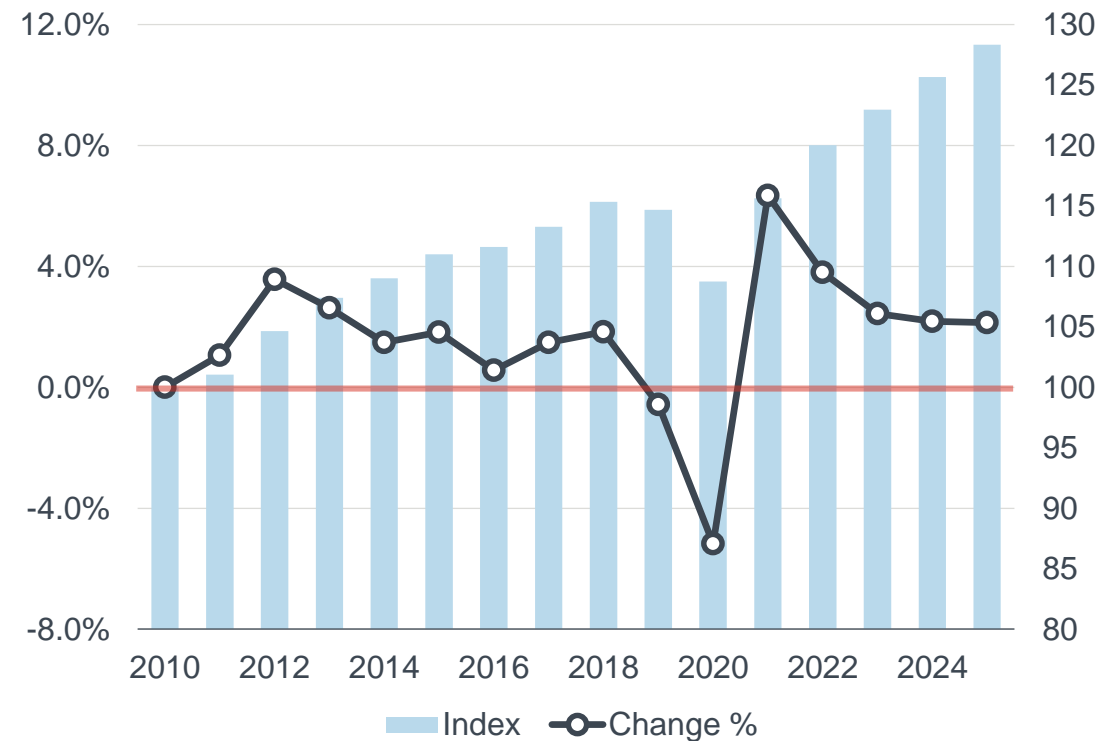
EMEA construction output

y/y change (%)








AMER construction output

y/y change (%)

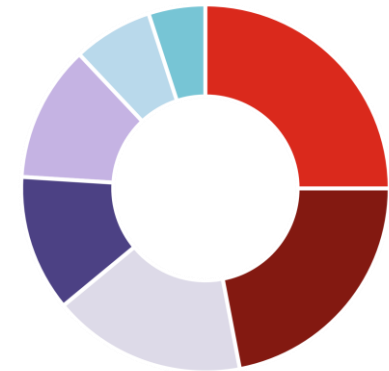


Oxford Economics: Industry output forecast
12/2020

Strong global market position and customers across diverse industries

		MARKET SIZE* (EUR billion)	KEY SEGMENTS	HIAB GLOBAL POSITION & TREND
LOADER CRANES		~1.5	Construction and Logistics	#2 ↗
TAIL LIFTS		~0.9	Retail Industry and Logistics	#2 ↗
DEMOUNTABLES		~0.6	Waste and Recycling, Defense	#1 ↗
TRUCK MOUNTED FORK LIFTS		~0.3	Construction and Logistics	#1 →
FORESTRY & RECYCLING CRANES		~0.3	Timber, Pulp, Paper & Recycling	#2 →

Industry segment indicative sales mix 2018



Most important segments

- Construction and Building Material
- Delivery Logistic
- Waste & Recycling
- Timber, Paper & Pulp
- Defense Logistic
- Road & Rail
- Other

Attractive megatrends and growth drivers

MEGA TRENDS



- **Urbanisation** and **Consumption** growth driving needs for efficiency
- **Digitalisation** and **Connectivity** enabling new **business** solutions

MARKET GROWTH



- **North America** and main **European** markets continue to grow
- **Developing markets** strong load handling equipment penetration potential

KEY SEGMENTS



- **Construction, Waste & Recycling, Logistics** and **Governmental** business segments show continued growth projection

PRODUCT OFFERING



- **New applications** market and segment growth potential
- Developing for increasing demand in **Electrification** and **Automation**

SERVICE SOLUTIONS



- 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



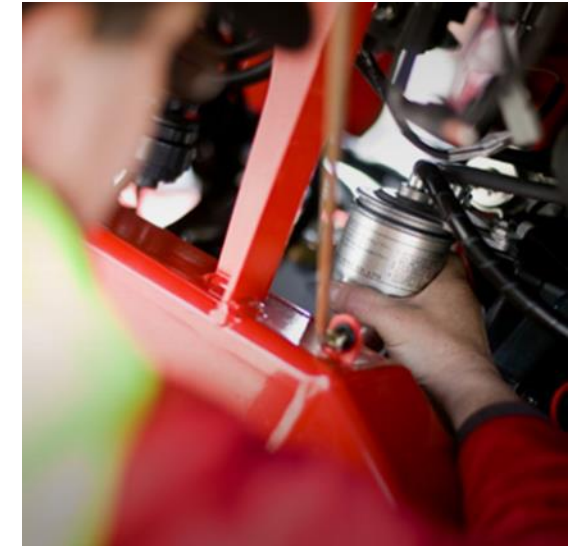
Tail lifts

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

MacGregor



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

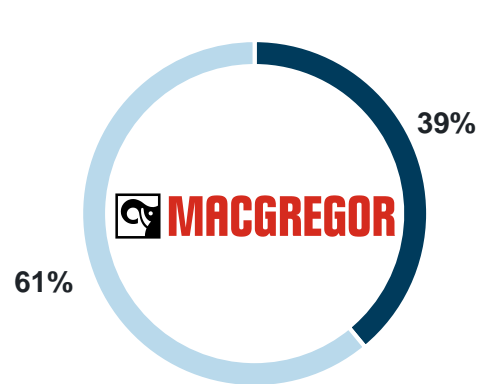
MacGregor offers engineering and lifetime service solutions for merchant cargo and passenger vessels; the offshore oil and gas and renewable energy sectors; fishing, research and marine-resource vessels; naval operations and logistics vessels, and ports and terminals.

Number of personnel
1,987

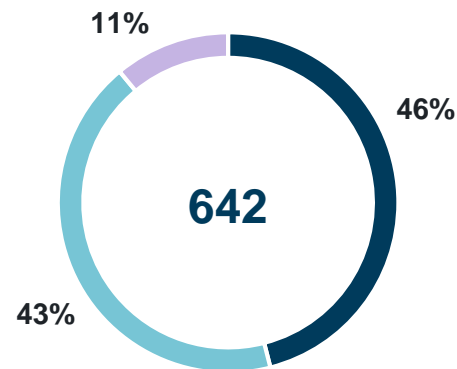
Sales
MEUR 642

Service sales
(% of sales)

Geographical sales split



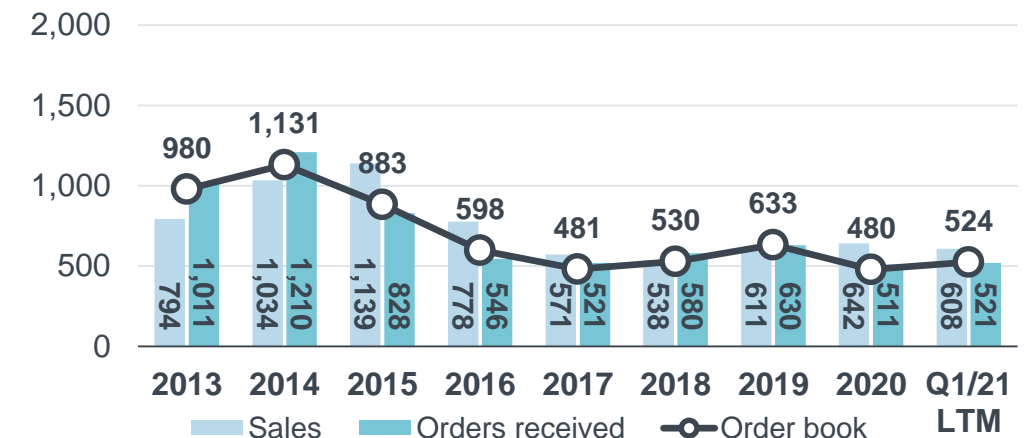
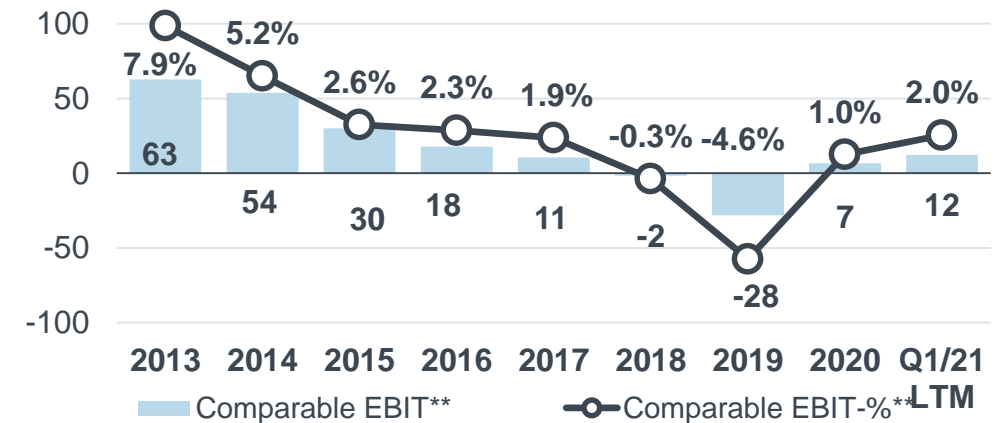
■ Service ■ Equipment



■ EMEA ■ APAC ■ Americas

Development of historical financials

MEUR



*2020 figures

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

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We are an active leader in all maritime segments

~2/3 of sales

~1/3 of sales

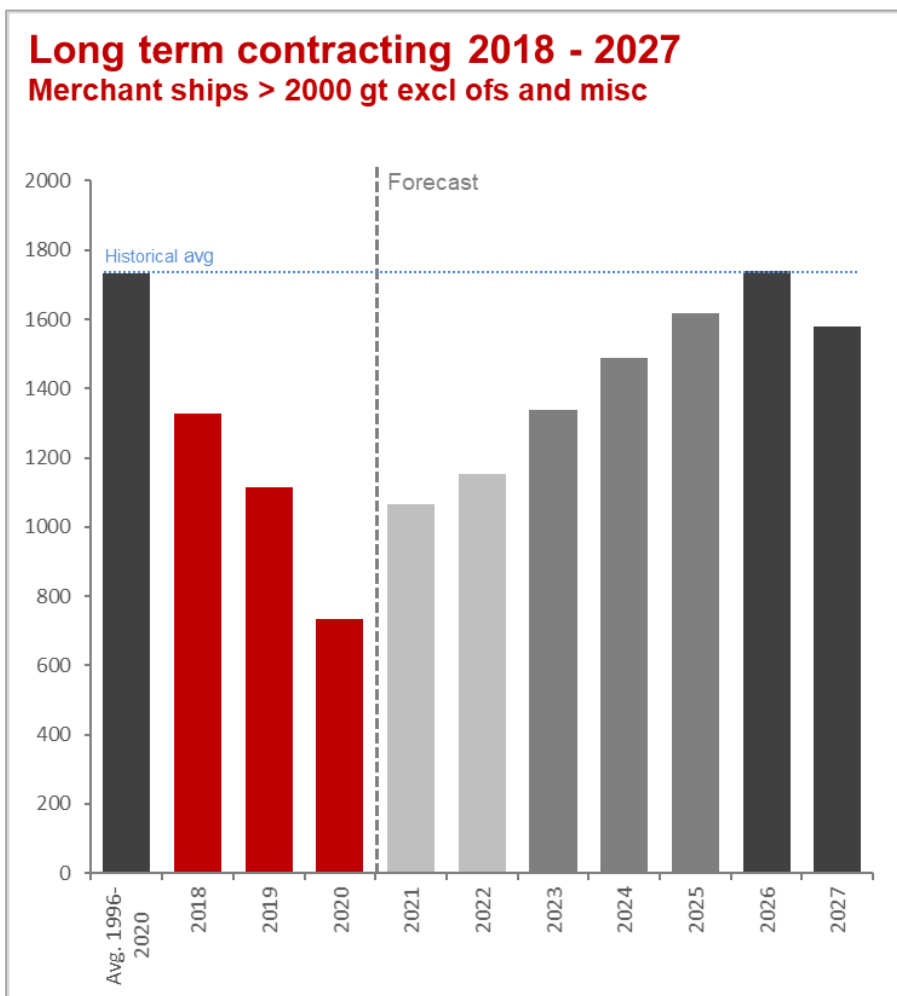
Merchant Cargo Flow	Marine People Flow	Naval Logistics and Operations	Offshore Energy	Marine Resources & Structures
MARKET POSITION #1	#1	#1-2	#1	#1-2
<ul style="list-style-type: none">▪ Container cargo▪ Bulk cargo▪ General cargo▪ Liquid cargo▪ RoRo cargo	<ul style="list-style-type: none">▪ Ferry▪ Cruise▪ Superyachts	<ul style="list-style-type: none">▪ Naval & Military Supplies Logistics▪ Naval & Military Operations Support▪ Ship-to-ship transfer	<ul style="list-style-type: none">▪ Oil & Gas▪ Renewables	<ul style="list-style-type: none">▪ Research▪ Fishery▪ Aquaculture▪ Mining

Lifecycle Services

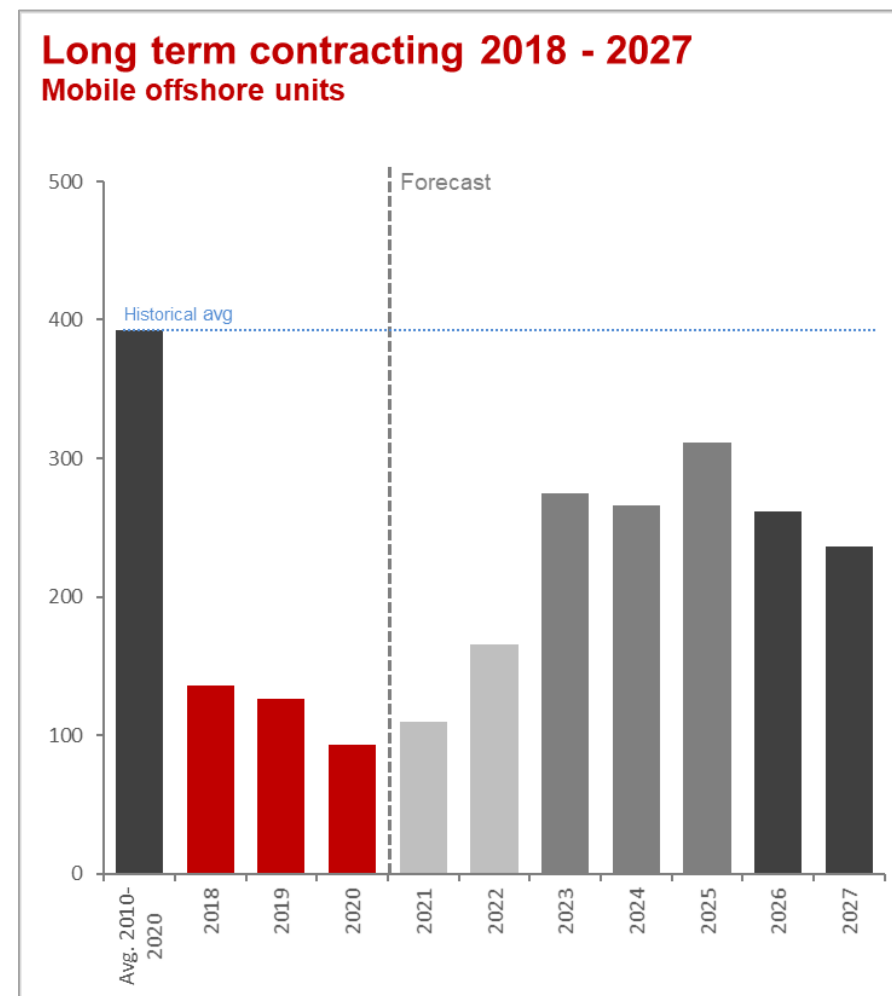


Picture: Equinor

Merchant Ships and Offshore contracting – outlook improving

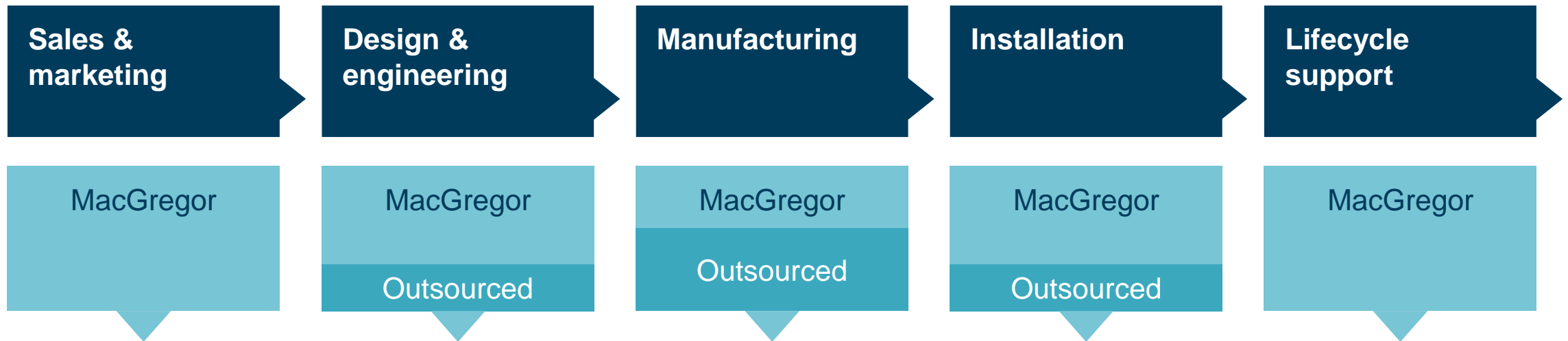


Merchant ships contracting to improve in line with accelerated fleet renewal driven by shipping decarbonisation.



Offshore wind drives ordering 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

MacGregor cost savings on track

Potential cost savings from restructuring and the TTS integration

- EUR ~20 million achieved in 2020
- EUR ~13 million in 2021
- EUR ~5 million in 2022–2024

TTS integration cost synergy components

- Roles/Positions
- Facilities
- Supply chain



Recent progress



Highlights of Q1 2021 – Profitability improved

Orders received increased by 43%

- Strong demand continued in Hiab and Kalmar's mobile equipment
- Improvement in Kalmar Automation and Projects and MacGregor

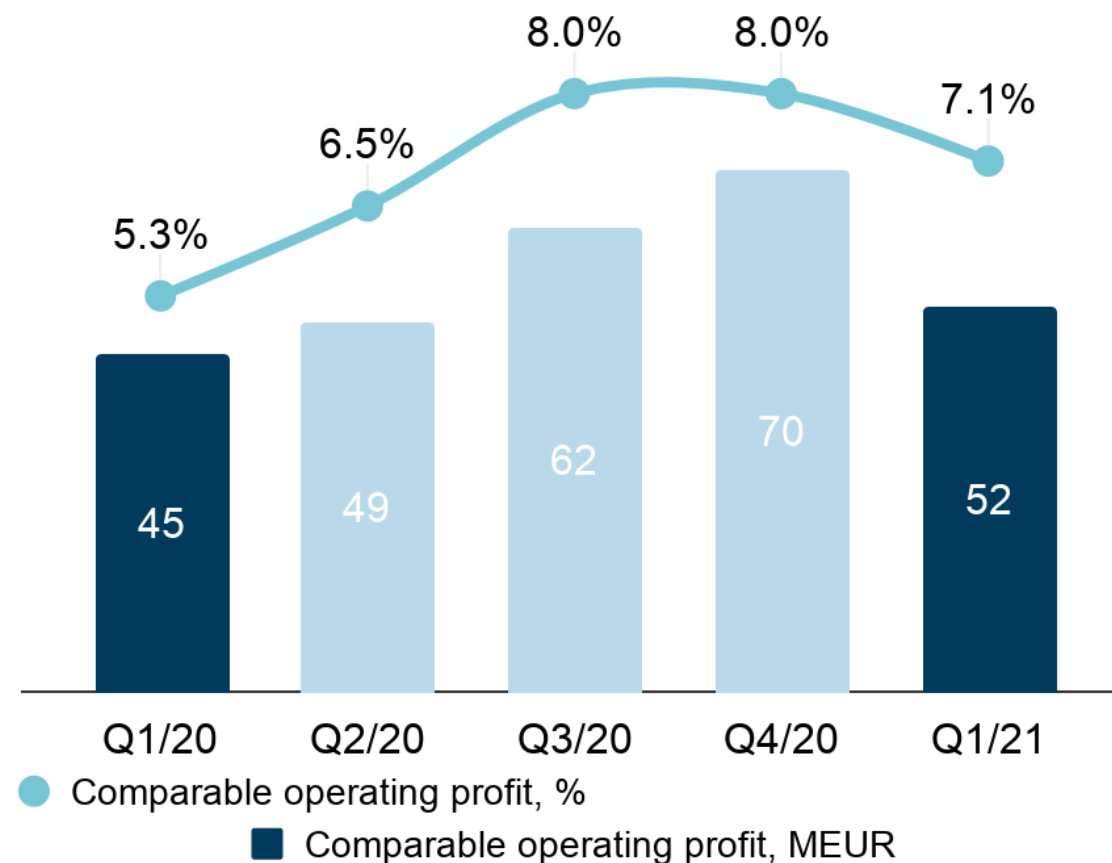
Sales decreased by 15%

- Reflects soft orders received in Q2–Q3/20
- Service sales resilient
- Share of eco portfolio 20%

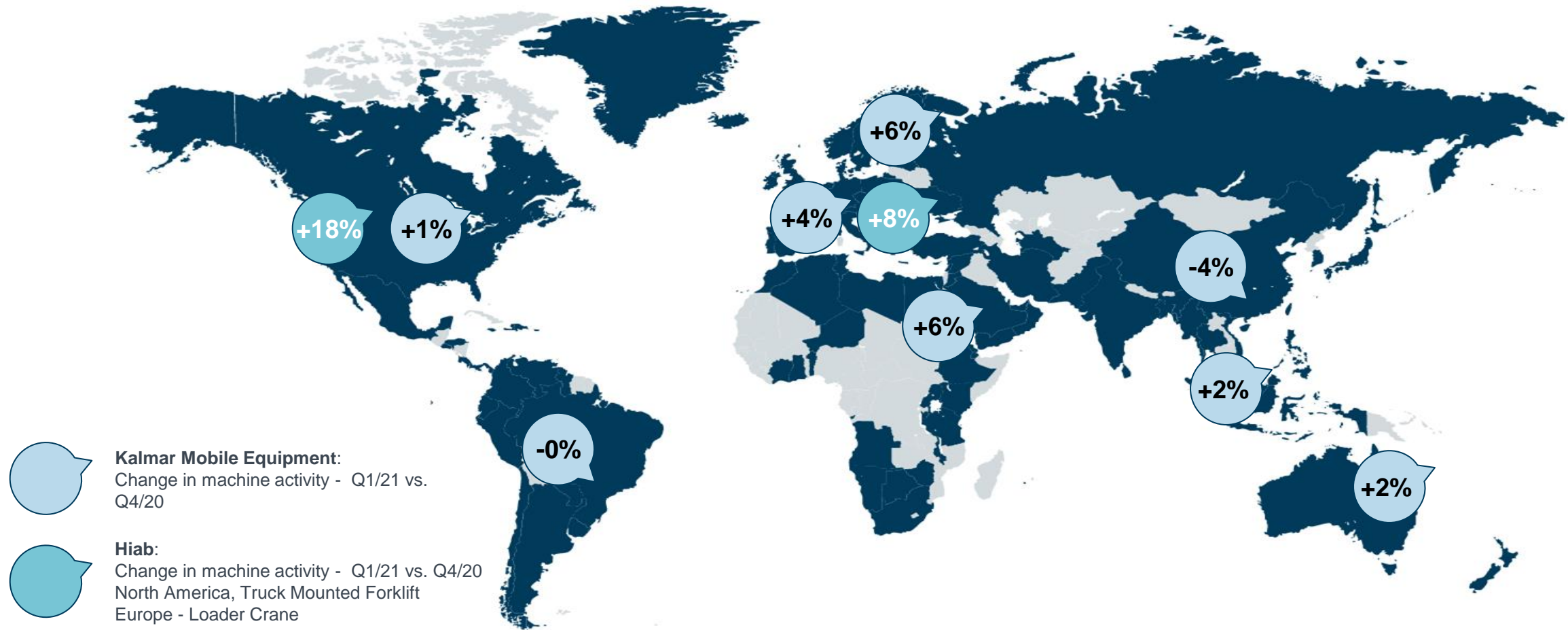
Comparable operating profit

Increased by 14%

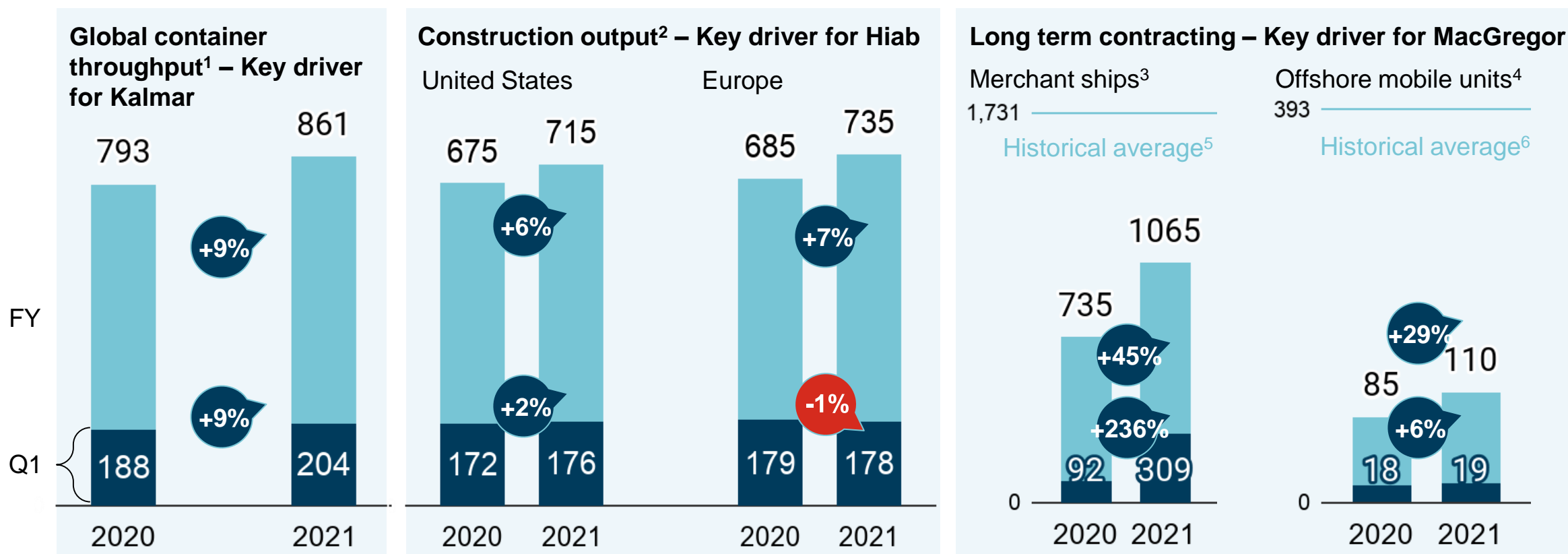
- Kalmar -8 MEUR
- Hiab +8 MEUR
- MacGregor +6 MEUR



Equipment running hours improved from the fourth quarter



Market environment - all key demand drivers improving



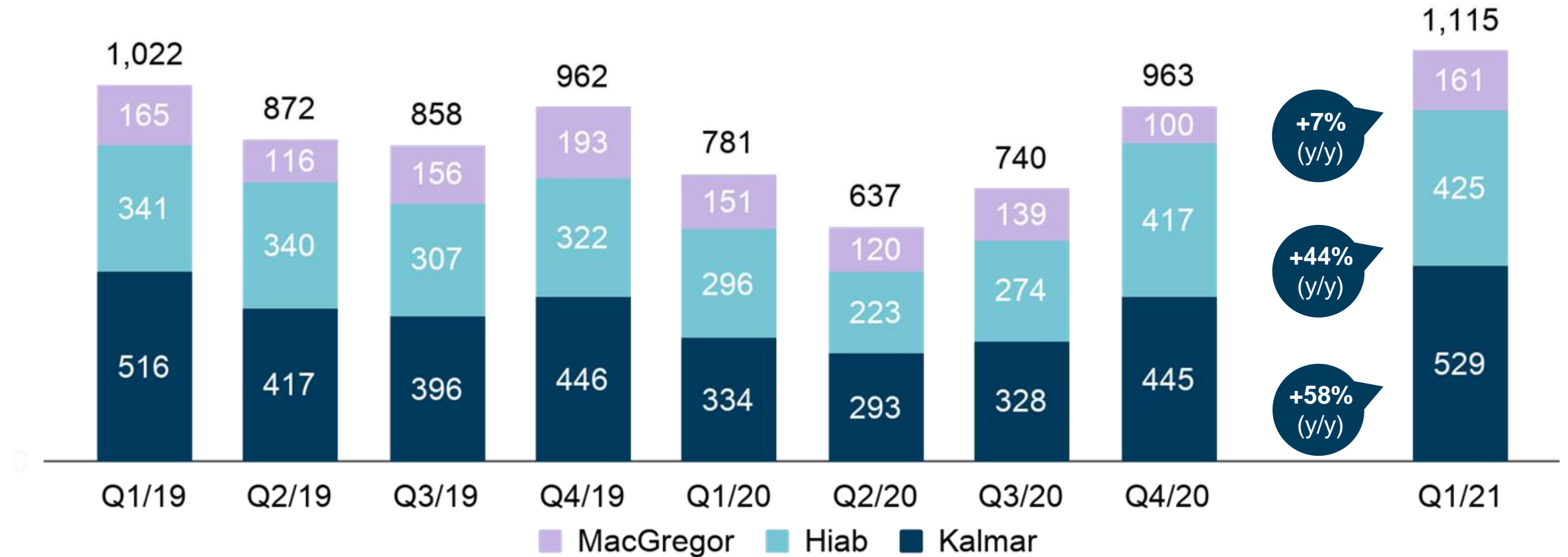
▪ Strong growth continues

▪ Growth in both US and in Europe

- Merchant ship market recovering
- Offshore market at a low level
- Rapid growth in offshore wind

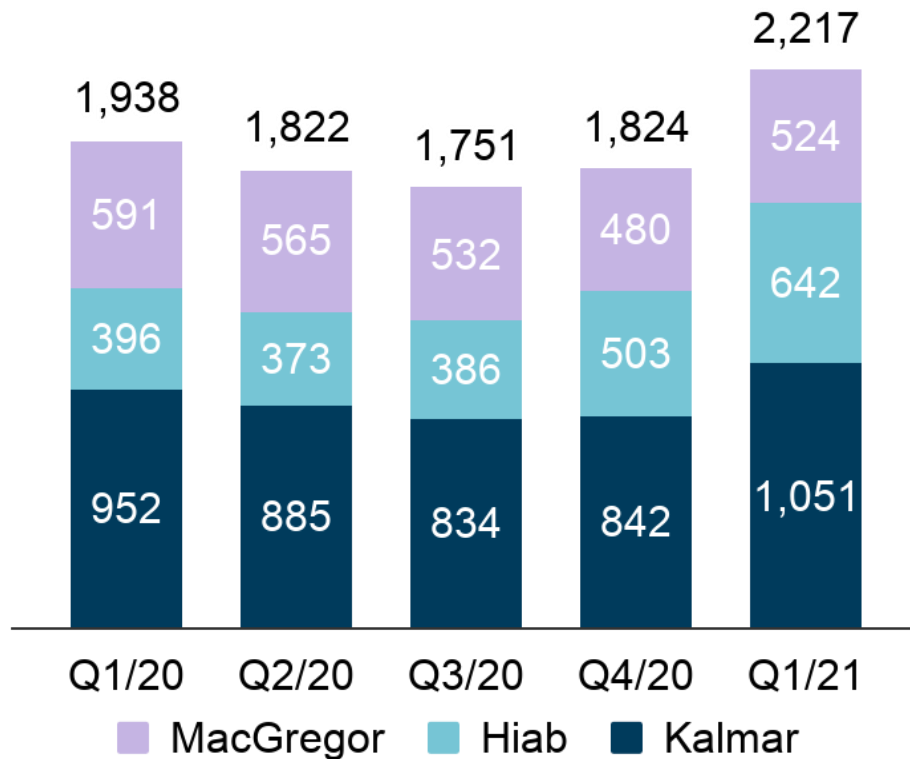
Strong orders received in all businesses

MEUR

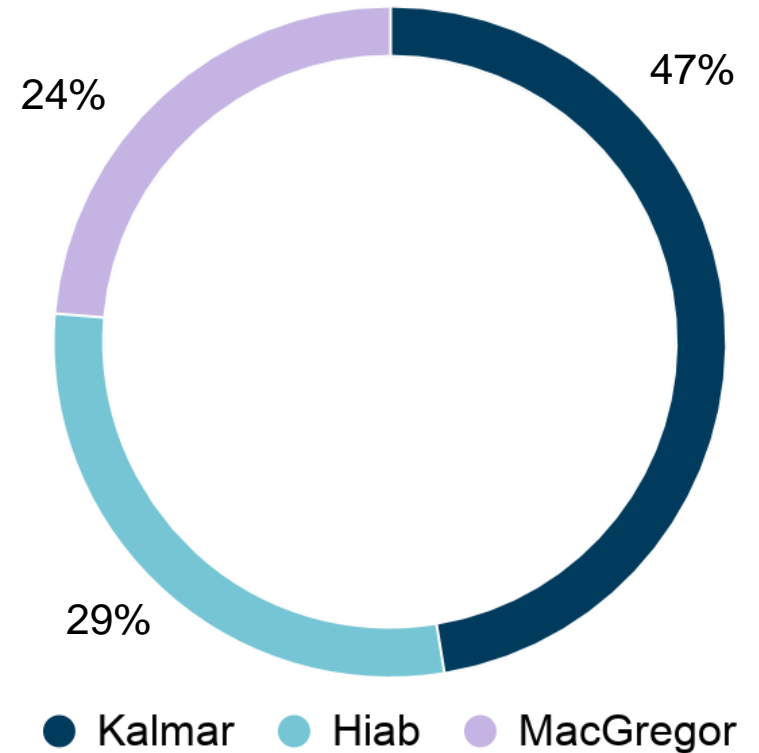


Order book increased by 22 percent driven by strong demand in Kalmar and Hiab

Order book
MEUR

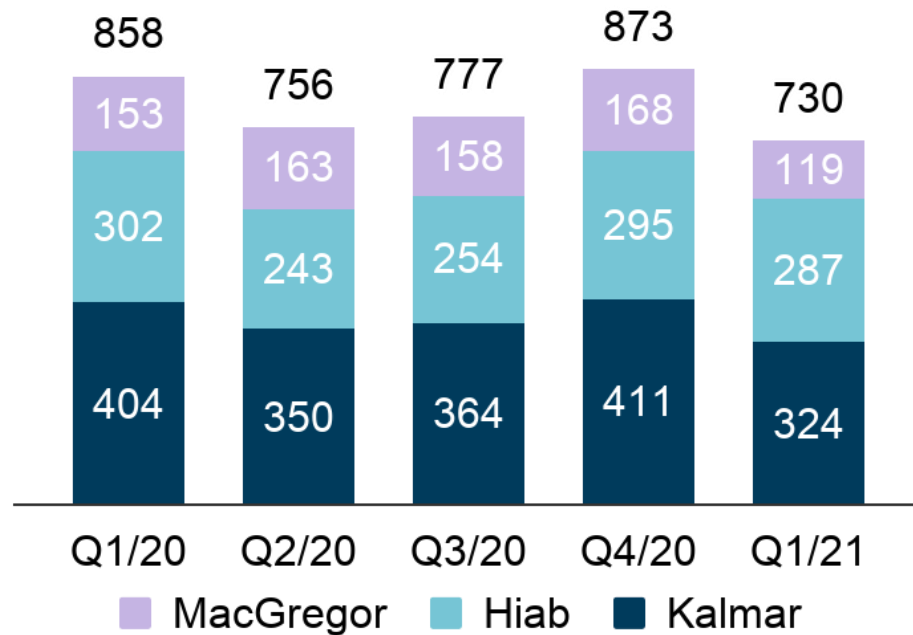


Order book by reporting
segment, 31 Mar 2021

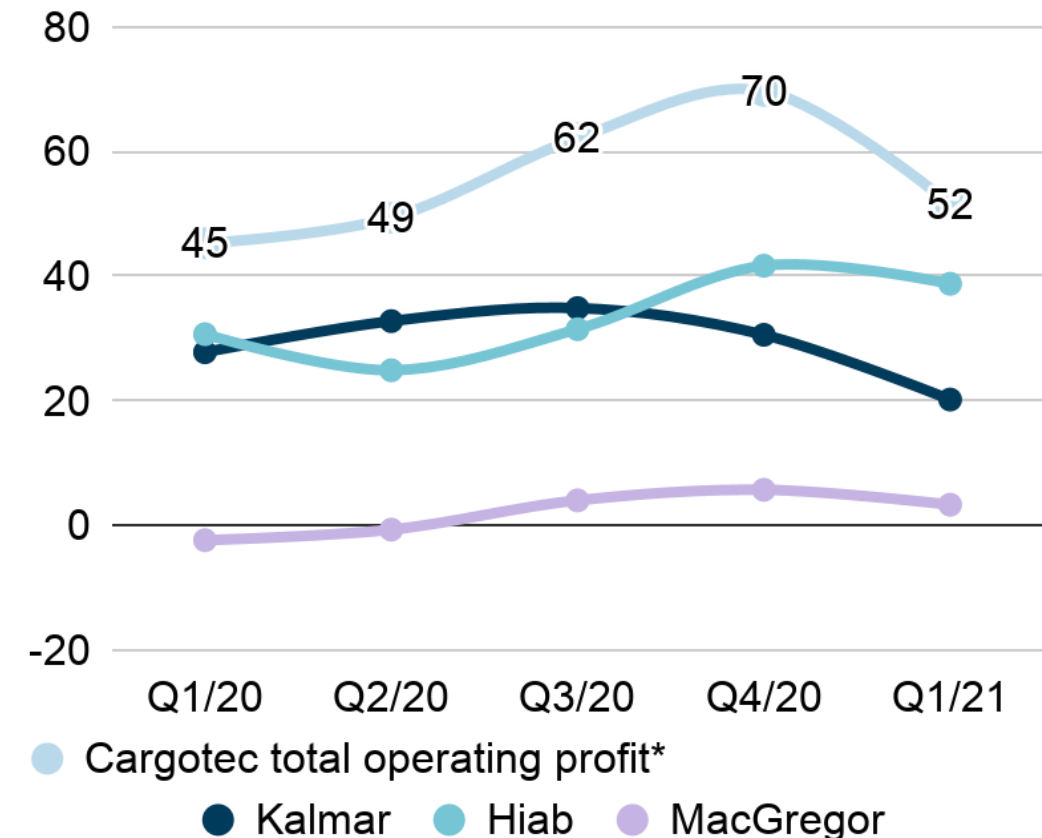


Sales burdened by low order intake in Q2–Q3/20

Sales MEUR



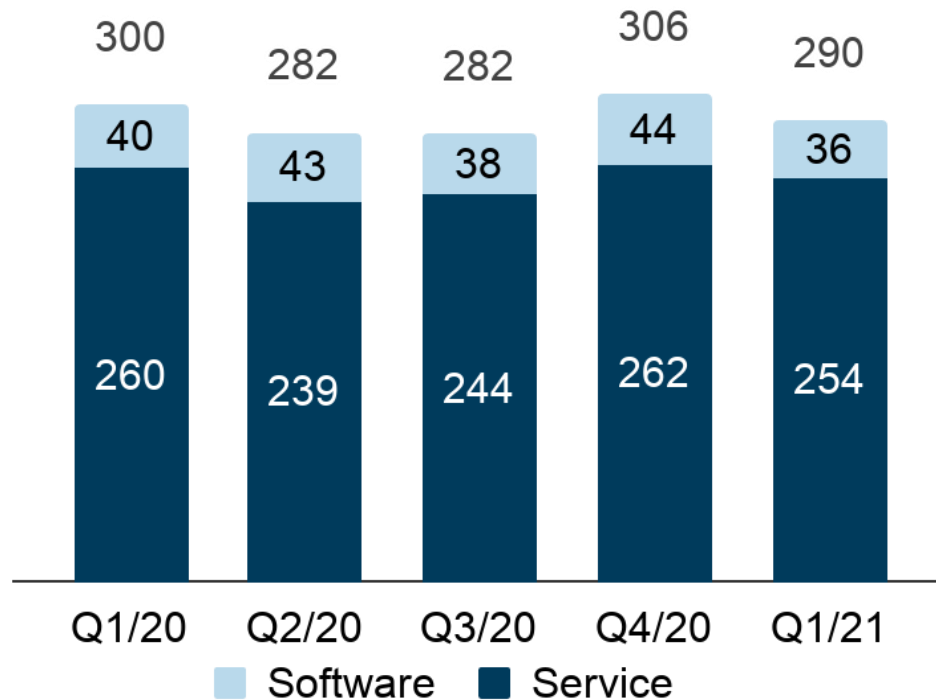
Comparable operating profit MEUR



Service orders received increased by 11%

Service and software* sales

MEUR



*Software sales defined as strategic business unit Navis and automation software

Service sales -2% in Q1/2021

- Kalmar +5%
- Hiab +1%
- MacGregor -18%

Software sales -11% in Q1/2021

Service and software 40% of total sales

Business areas

Cargotec's January-March 2021
interim report



Kalmar Q1 – Strong demand

Strong orders received driven by
Mobile Equipment

Sales decreased by 20%

- Decrease in Automation & Projects and in Mobile Equipment
- Service and software sales increased slightly

Comparable operating profit
decreased

- Lower sales

On 25 Mar, sale of Navis to Accel-KKR for EV MEUR 380 announced

MEUR	Q1/21	Q1/20	Change
Orders received	529	334	58%
Order book	1,051	952	10%
Sales	324	404	-20%
Comparable operating profit	20	28	-28%
Comparable operating profit margin	6.2%	6.9%	-70bps



Hiab Q1 – Strong demand and improved profitability

Orders received and order book surged across all product categories

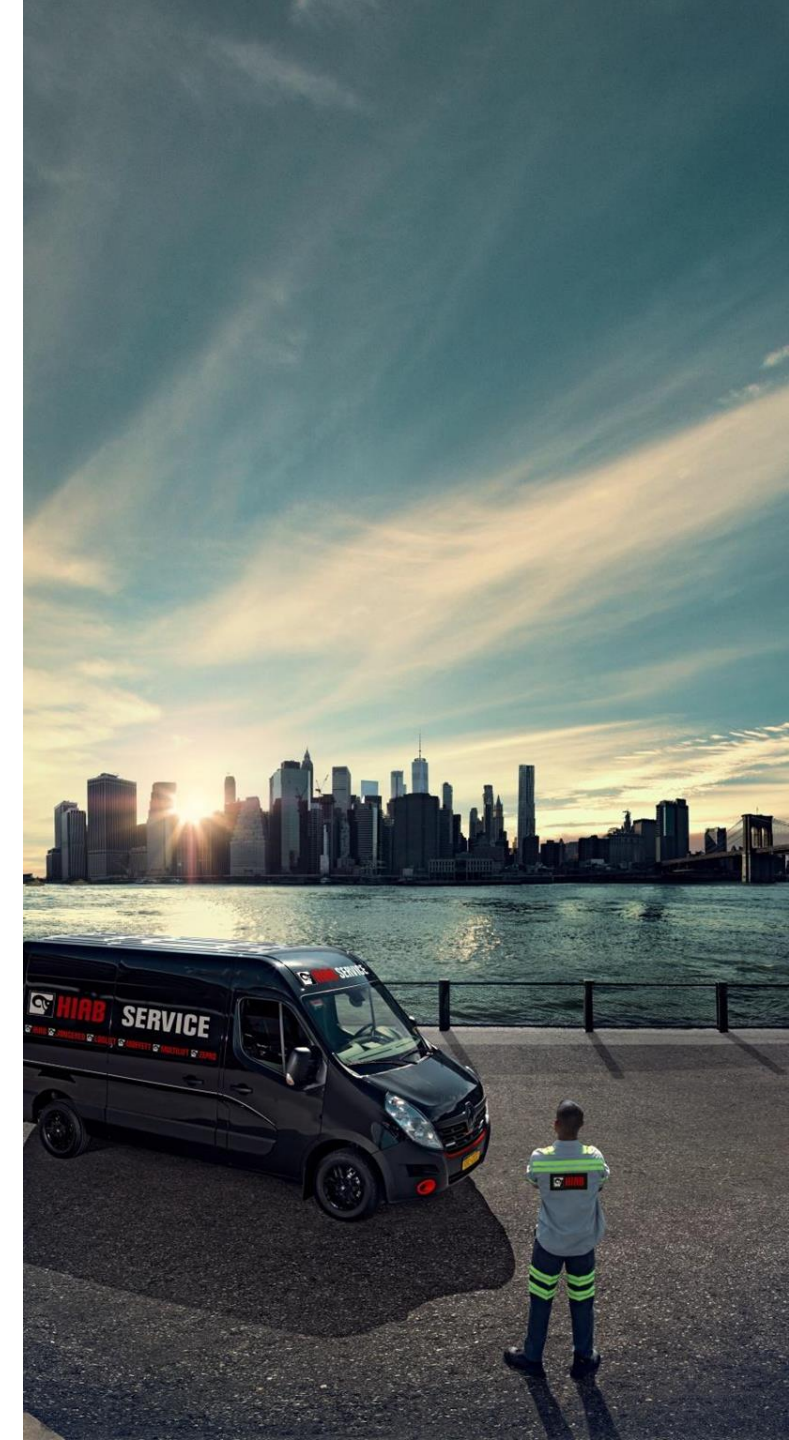
Sales decreased by 5%

- Service sales +1%

Comparable operating profit increased

- Lower fixed costs

MEUR	Q1/21	Q1/20	Change
Orders received	425	296	44%
Order book	642	396	62%
Sales	287	302	-5%
Comparable operating profit	39	31	26%
Comparable operating profit margin	13.5%	10.2%	330bps



MacGregor Q1 – Orders received and profitability increased

Orders received increased driven by Merchant vessel-related orders

Sales decreased by 22%

- Service sales -18%

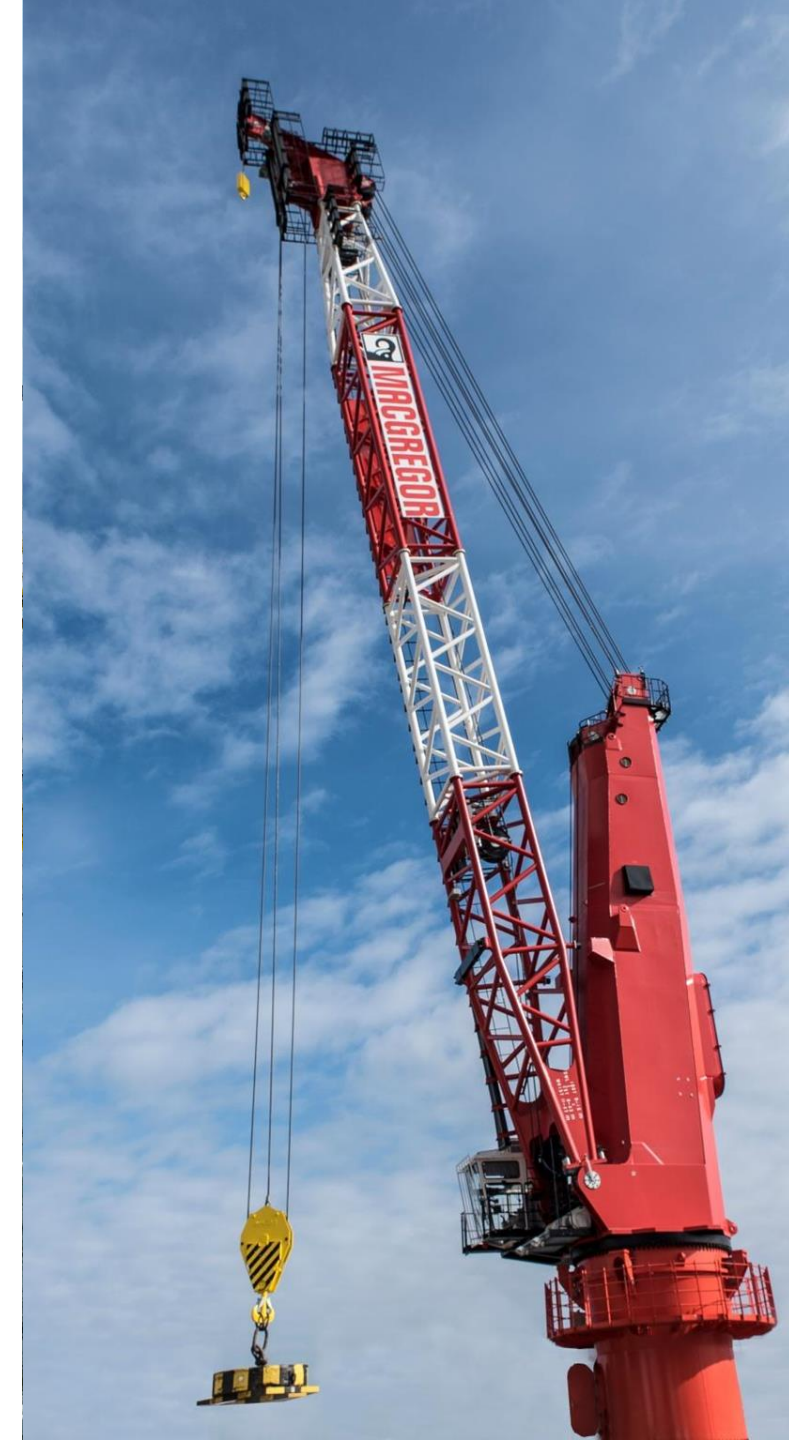
Comparable operating profit increased

- Lower costs
- Good project execution

Productivity improvements ongoing

- 13 MEUR cost savings target for 2021 on track

MEUR	Q1/21	Q1/20	Change
Orders received	161	151	7%
Order book	524	591	-11%
Sales	119	153	-22%
Comparable operating profit	3	-2	>100%
Comparable operating profit margin	2.8%	-1.6%	440bps



Financials and outlook

Cargotec's January–March 2021
interim report



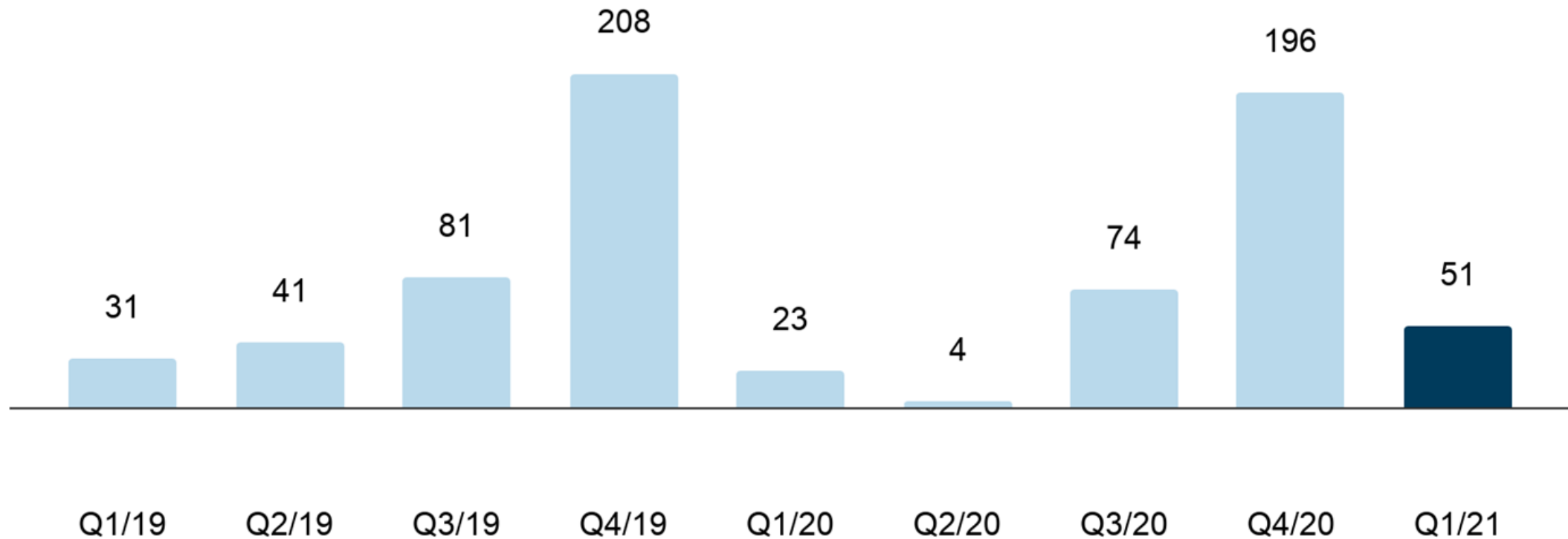
Key figures – Profitability improved

	Q1/21	Q1/20	Change
Orders received, MEUR	1,115	781	43%
Order book, MEUR	2,217	1,938	14%
Sales, MEUR	730	858	-15%
Comparable operating profit, MEUR	52	45	14%
Comparable operating profit, %	7.1%	5.3%	180bps
Items affecting comparability, MEUR	-27	-19	-44%
Operating profit, MEUR	25	26	-7%
Operating profit, %	3.4%	3.1%	30bps
Net income, MEUR	10	11	-15%
Earnings per share, EUR	0.15	0.18	-16%
Earnings per share, EUR*	0.42	0.37	12%
ROCE, %**	2.9%	6.5%	-360bps

Cash flow increased due to lower net working capital

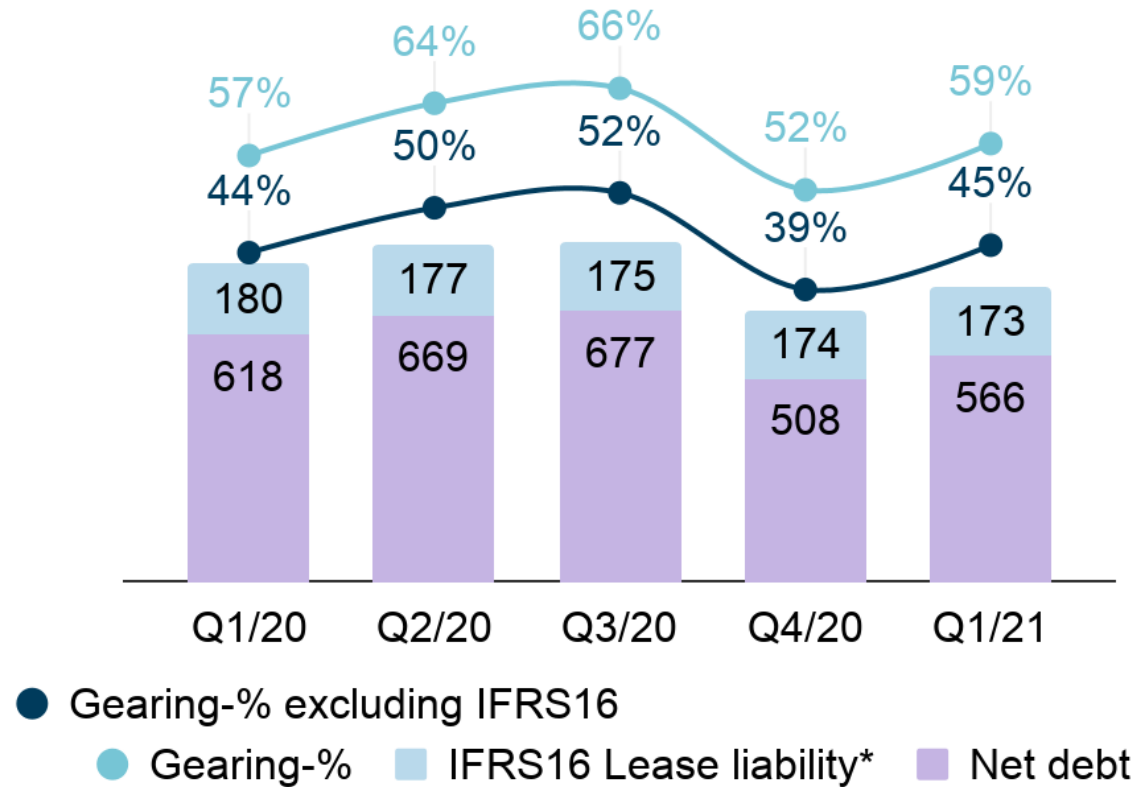
Cash flow from operations before financing items and taxes

MEUR



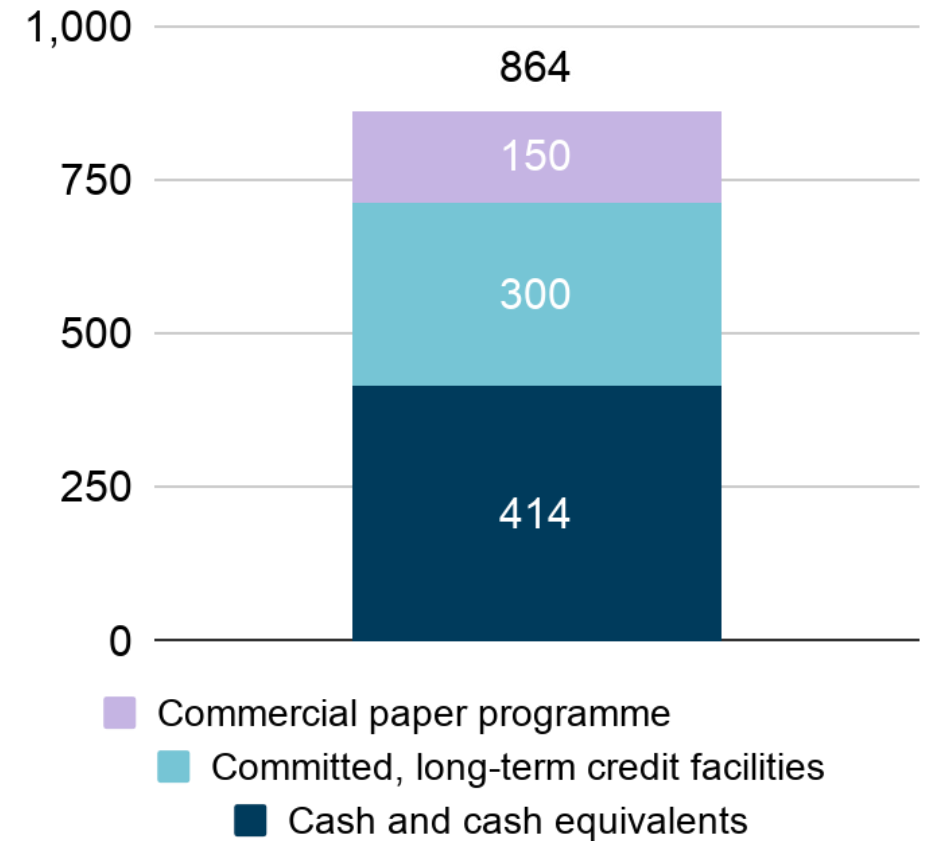
Strong financial position and liquidity

Net debt & gearing MEUR



*Cargotec adopted the IFRS 16 standard on 1 Jan 2019.

Total liquidity, 31 March 2021



Outlook for 2021

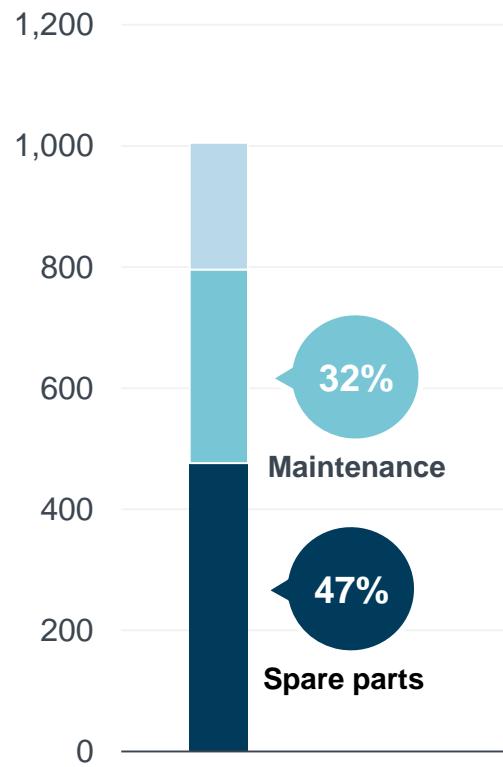
Cargotec estimates 2021 comparable operating profit to improve compared to 2020 (EUR 227* million)

*The comparable operating profit has been specified from EUR 228 million to EUR 227 million. Additional information about the comparable operating profit definition is presented in the stock exchange release published on 29 March 2021.

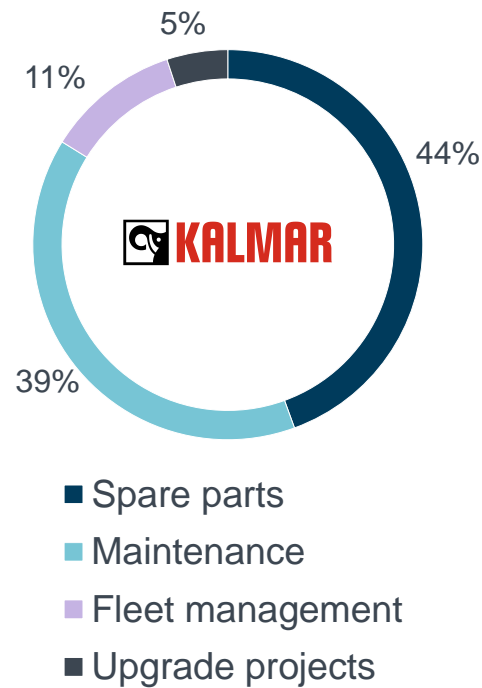


Service sales growth on track towards our targets

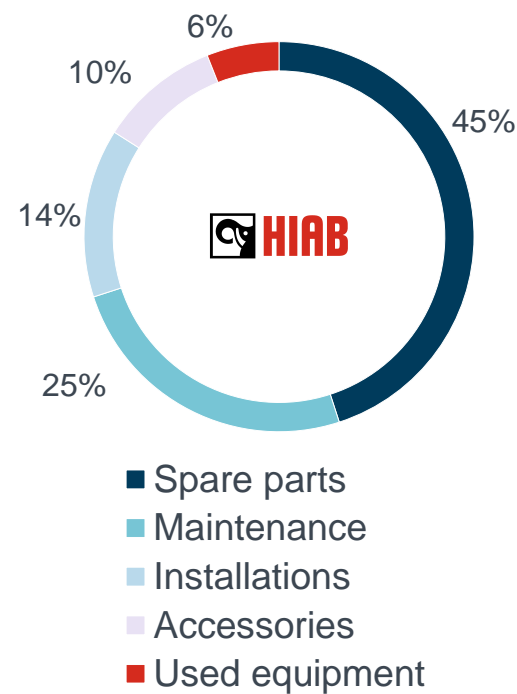
Service sales:
EUR 1,005 million
31% of total sales



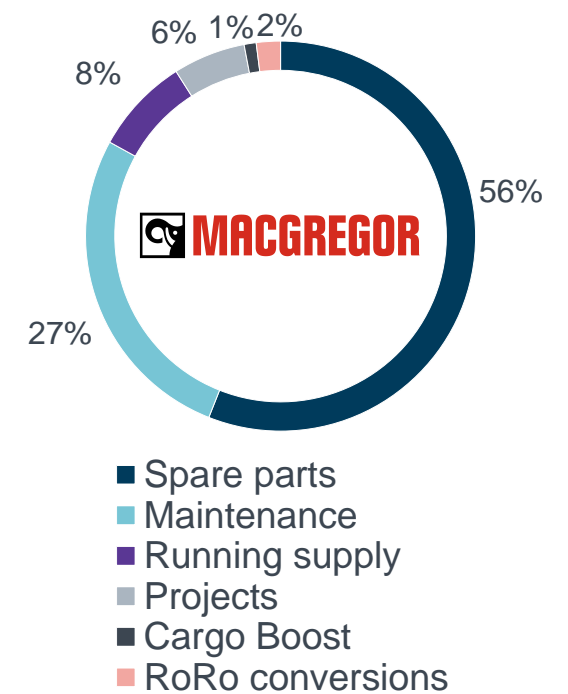
Kalmar	MEUR, %	
Service orders received	422	30%
Service sales	437	29%



Hiab	MEUR, %	
Service orders received	332	27%
Service sales	318	29%

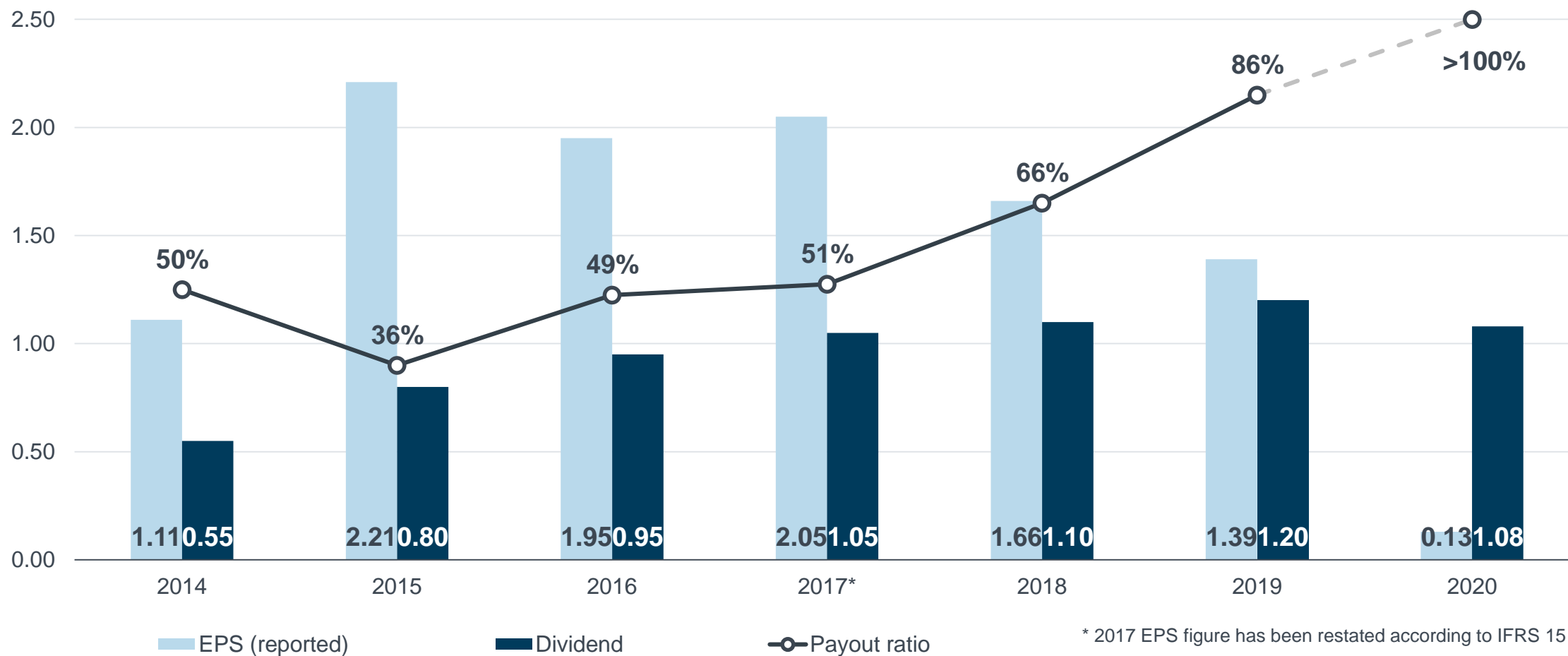


MacGregor	MEUR, %	
Service orders received	233	46%
Service sales	250	39%



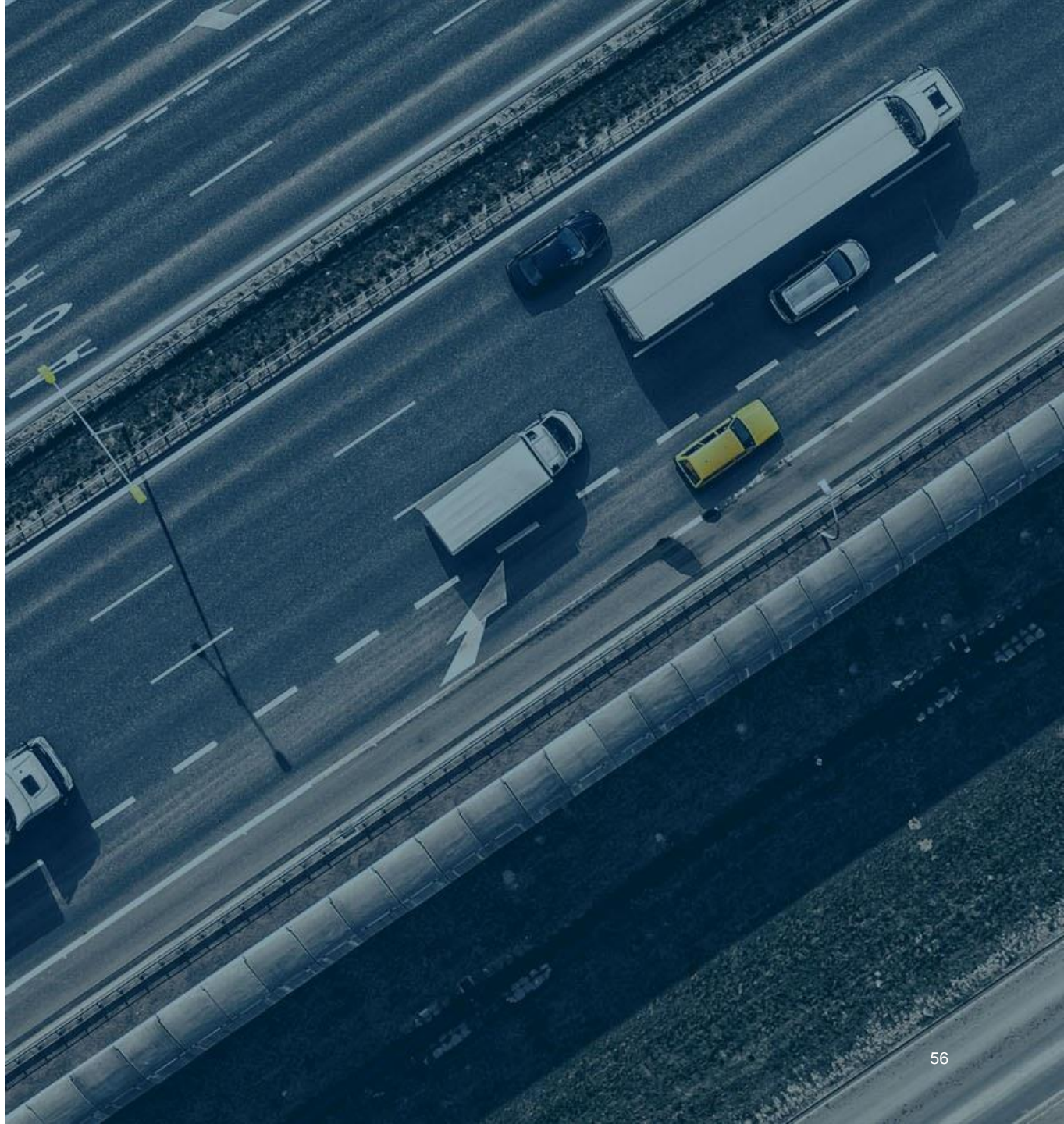
Dividend of 1.08 EUR in 2020

- Calculated from EPS excl. items affecting comparability, maximum payout ratio for 2020 is 78%



Appendix

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

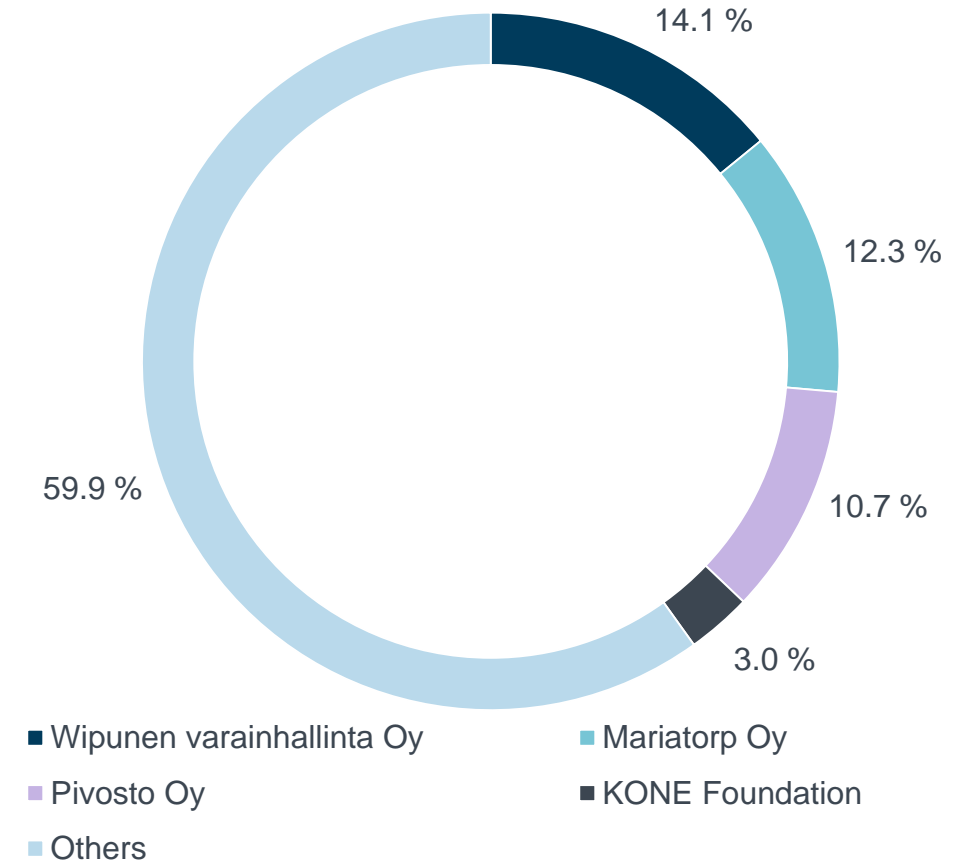


Largest shareholders

30 April 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	2.3	1.0
6.	The State Pension Fund	1.2	0.5
7.	Elo Mutual Pension Insurance Company	1.1	0.5
8.	Varma Mutual Pension Insurance Company	1.1	0.4
9.	Herlin Heikki Juho Kustaa	0.6	0.3
10.	Sigrid Jusélius Foundation	0.6	0.2
Nominee registered and non-Finnish holders		28.11%	
Total number of shareholders		35,857	

% of shares



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



Reachstacker



Straddle carrier



Loader crane



Truck-mounted forklift



Cranes



Marine self-unloaders



Terminal tractor



Container handler



Hooklift, Skiploader



Taillift



Hatch covers,
container lashings



Offshore load handling



Forklift truck



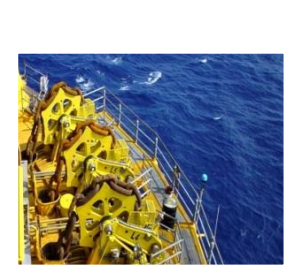
Automatic stacking crane



Recycling and forestry cranes



Deck machinery

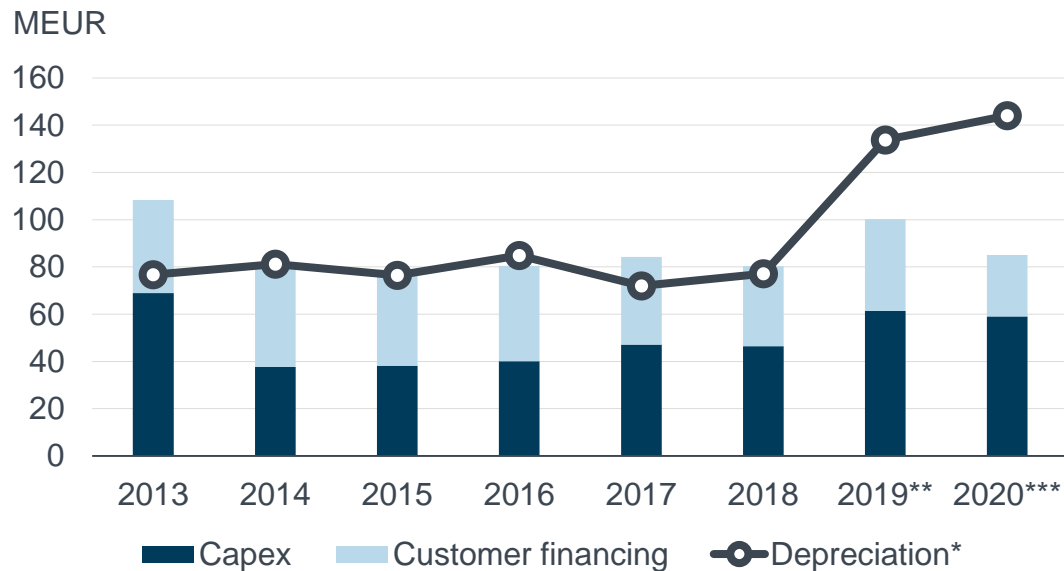


Mooring systems



Capex and R&D

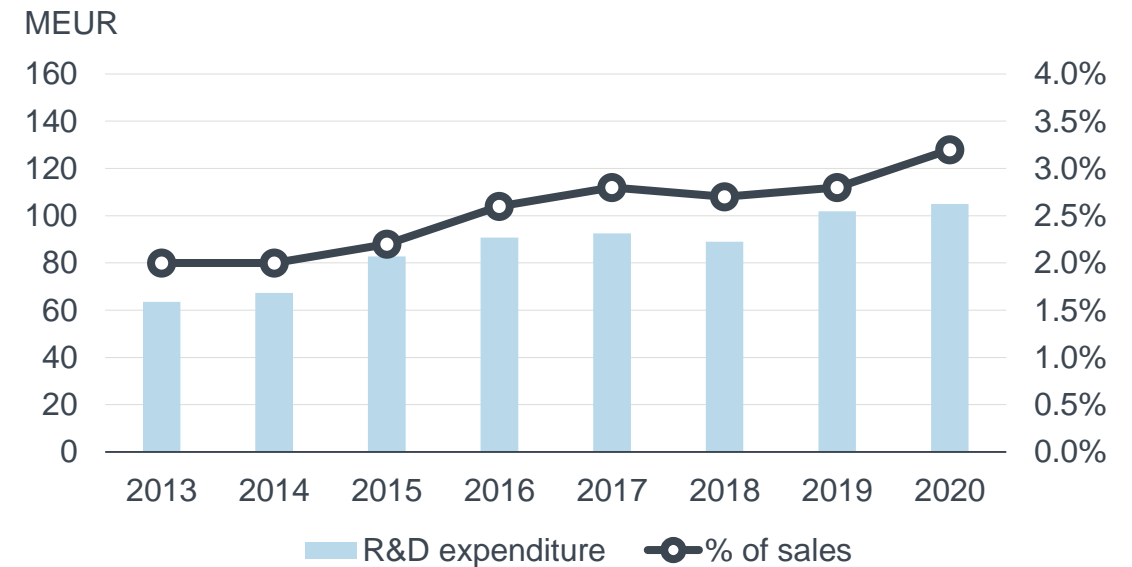
Capital expenditure



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

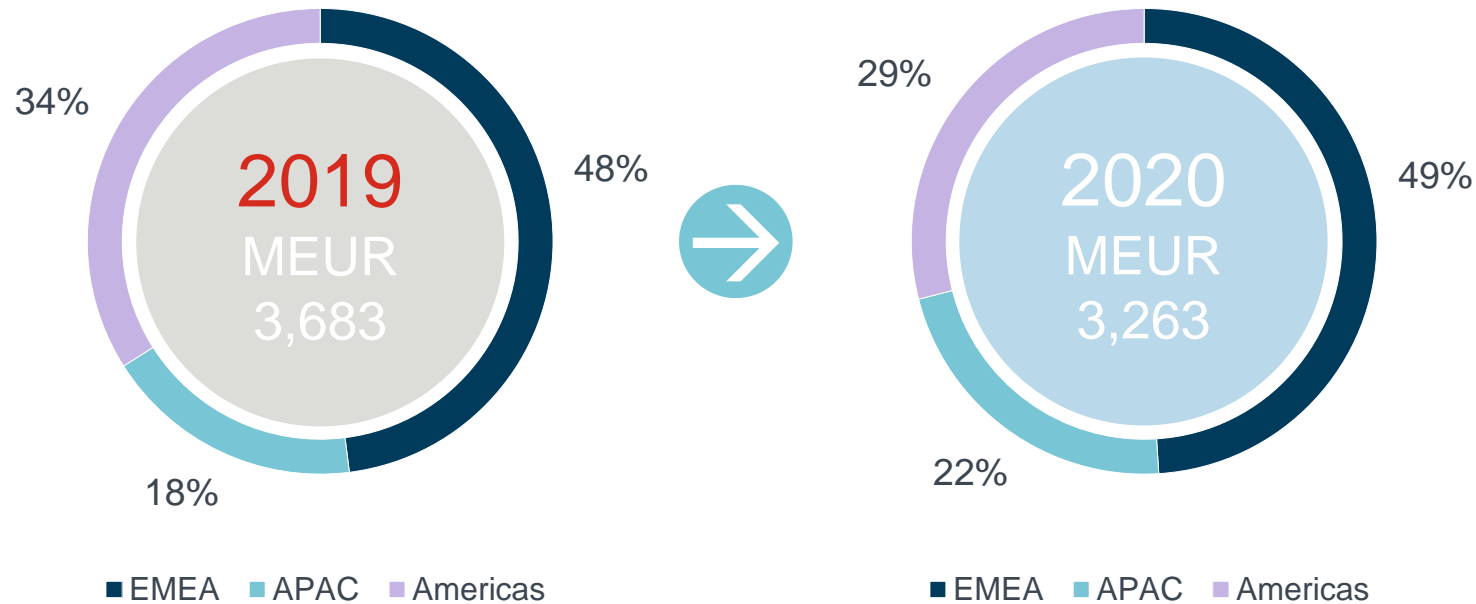
- Themes supporting our climate targets such as digitalisation, electrification and automation
- Competitiveness and cost efficiency of products

*) Including amortisations and impairments

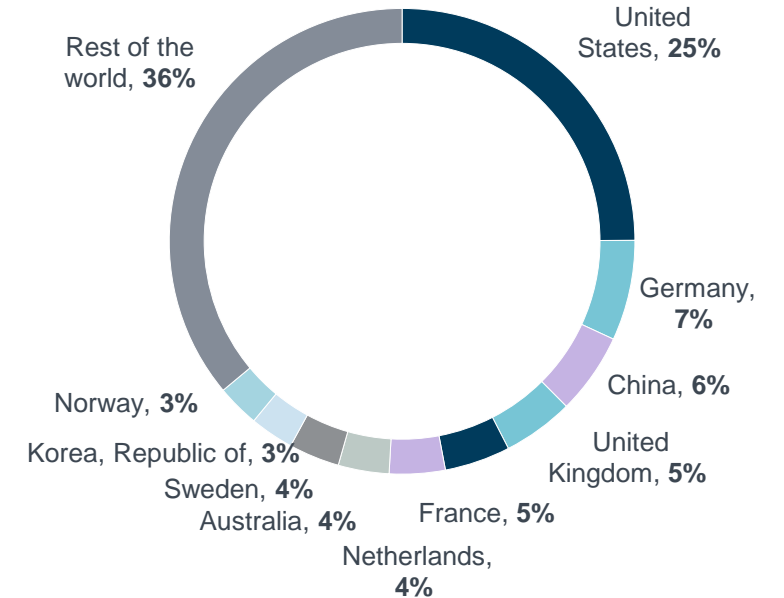
**) depreciation increased due to IFRS 16 implementation

**) depreciation includes impairments worth EUR 16 of which EUR 16 has been booked as restructuring costs

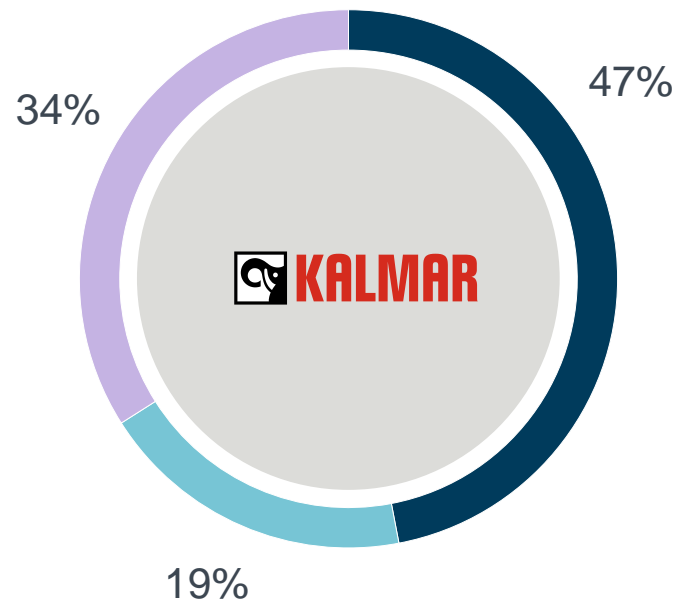
Well diversified geographical sales mix



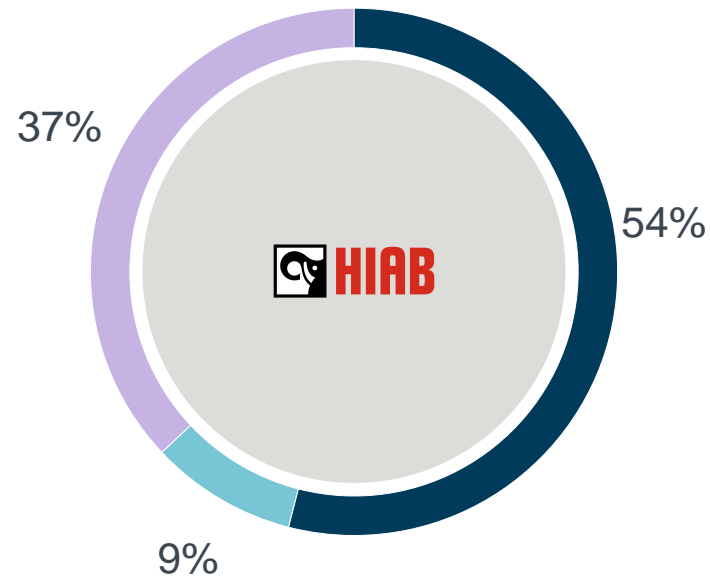
Top-10 countries by customer location



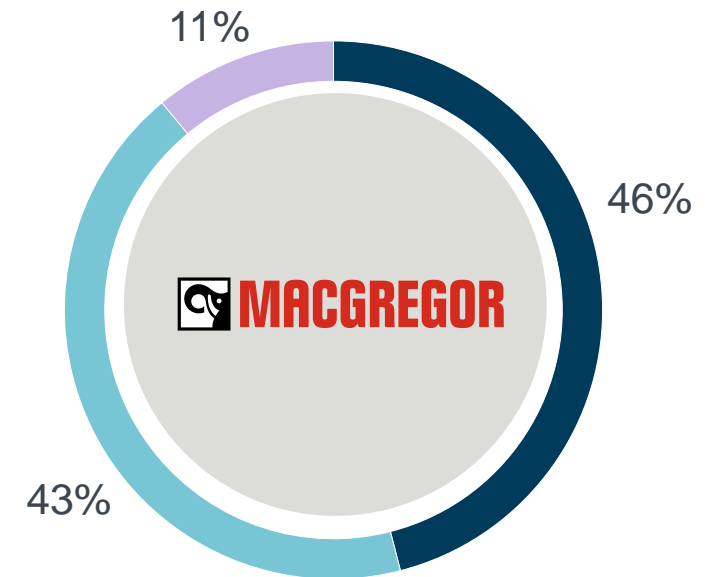
Sales by geographical segment by business area 2020



■ EMEA ■ APAC ■ Americas






■ EMEA ■ APAC ■ Americas












































■ EMEA ■ APAC ■ Americas

Cargotec's R&D and assembly sites



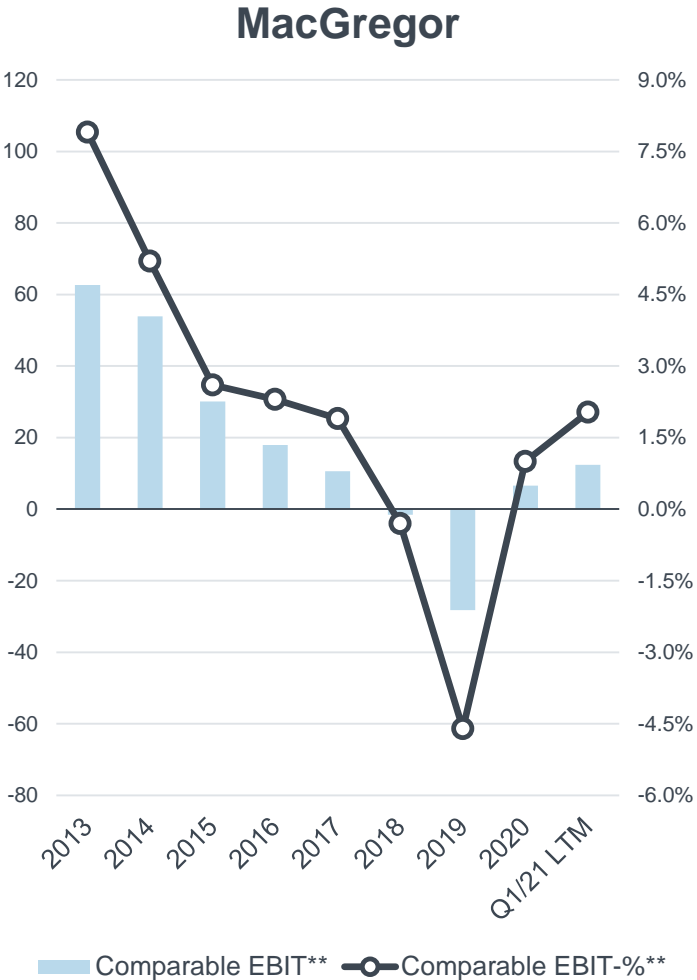
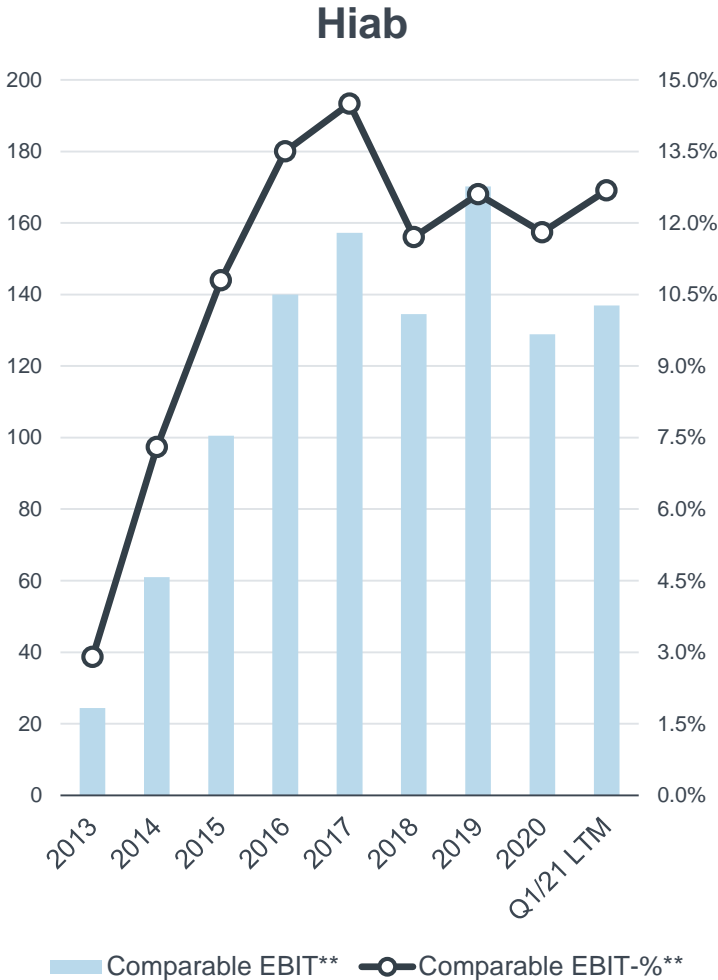
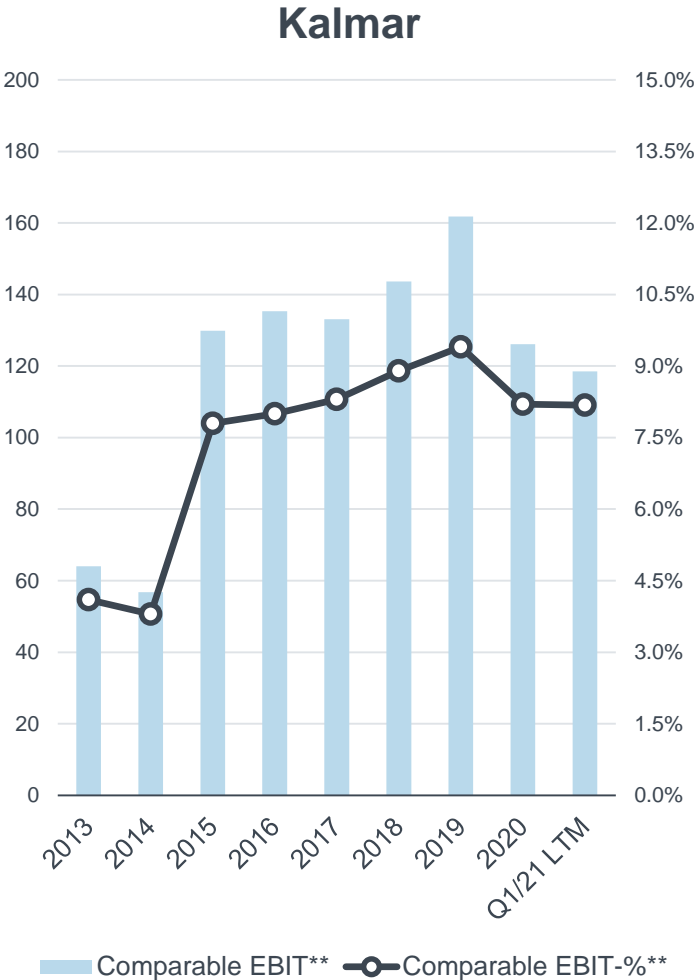
-  Assembly
-  R&D
-  Head office



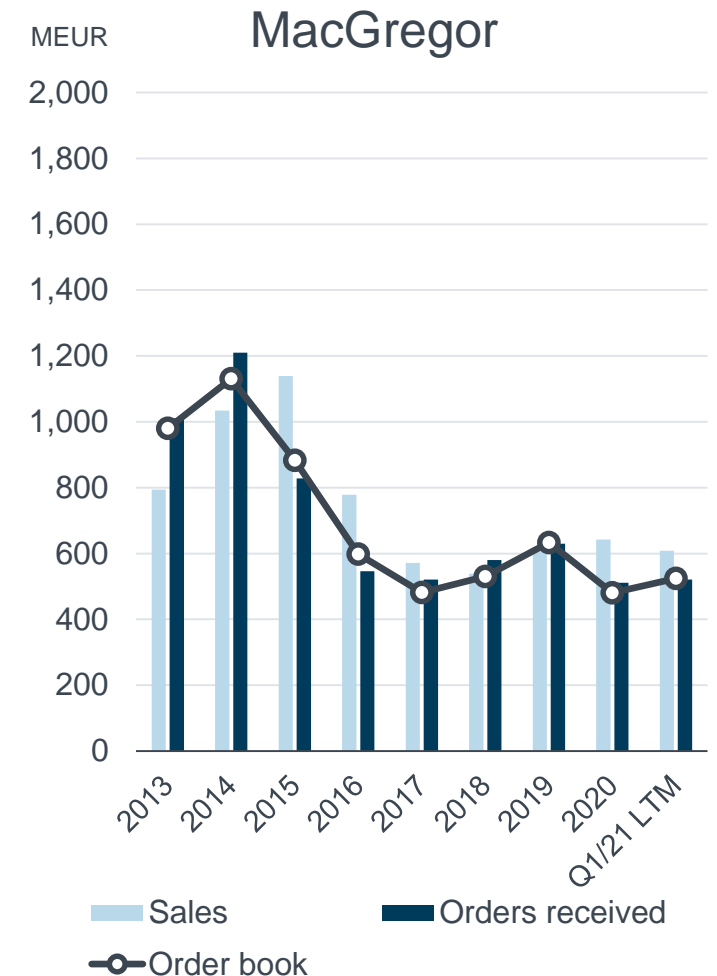
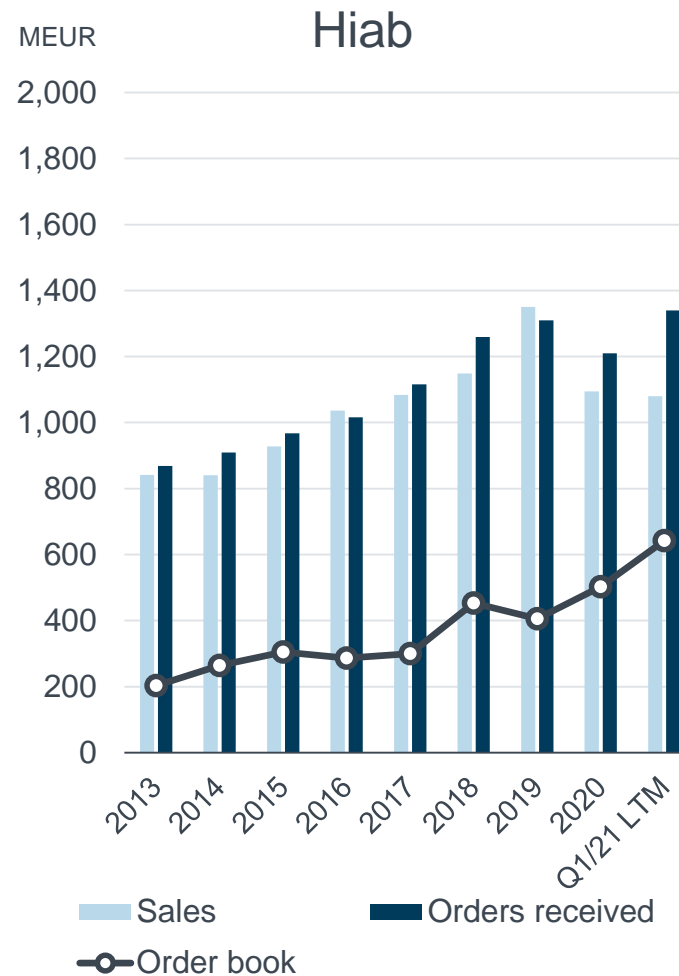
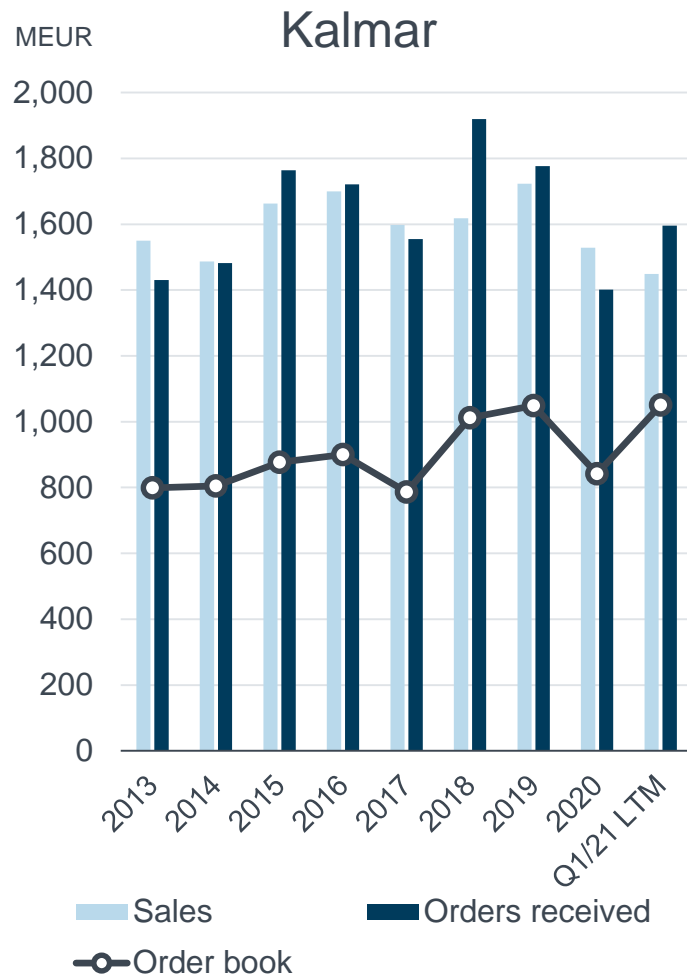
Kalmar		Hiab		MacGregor			
EMEA							
	Stargard Szczecinski, Poland			Averøy/Bodö			
Ljungby, Sweden		Bispgården, Swe			Arendal, Norway		
Stockholm, Sweden		Bologna, Italy			Bergen auf Rugen &		
Tampere, Finland		Dundalk, Ireland			Bremen, Germany		
Helsinki, Finland		Hudiksvall, Sweden			Gdansk, Poland		
		Meppel, Netherlands		Gothenburg, Sweden			
		Raisio, Finland			Hamburg, Germany		
		Taranto, Italy			Kaarina, Finland		
		Witney, UK			Kristiansand, Norway		
		Zaragoza, Spain			Rotterdam, Netherlands		
		Malmö, Sweden			Zagreb, Croatia		
				Örnsköldsvik, Sweden			
AMER							
Oakland, California		Santo Antonio da Patulha, Brazil			Seattle, Washington		
Ottawa, Kansas			Streetsboro, Ohio				
APAC*							
Chennai, India		Chungbuk, South Korea			Busan, South Korea		
Ipoh, Malaysia					Haiphong, Vietnam		
Shanghai, China					Singapore		
Singapore							

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

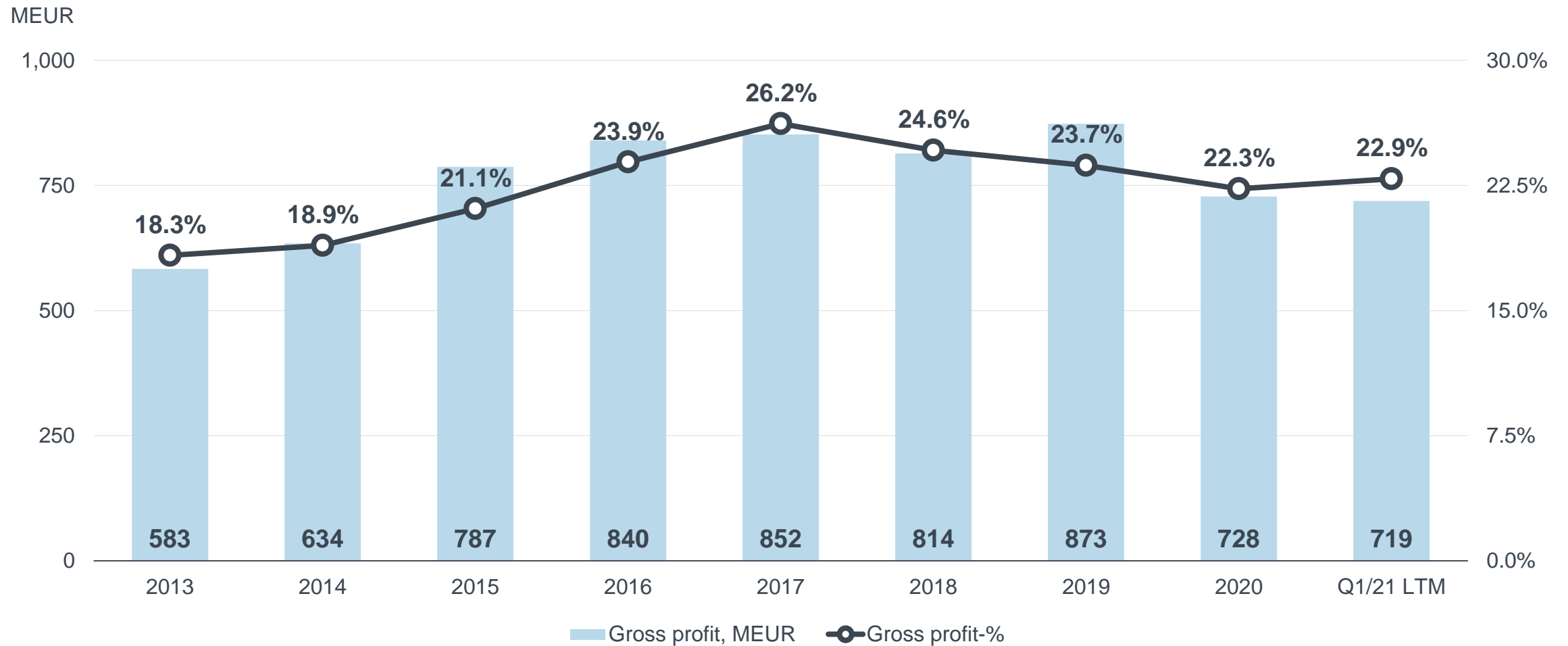
Comparable operating profit development



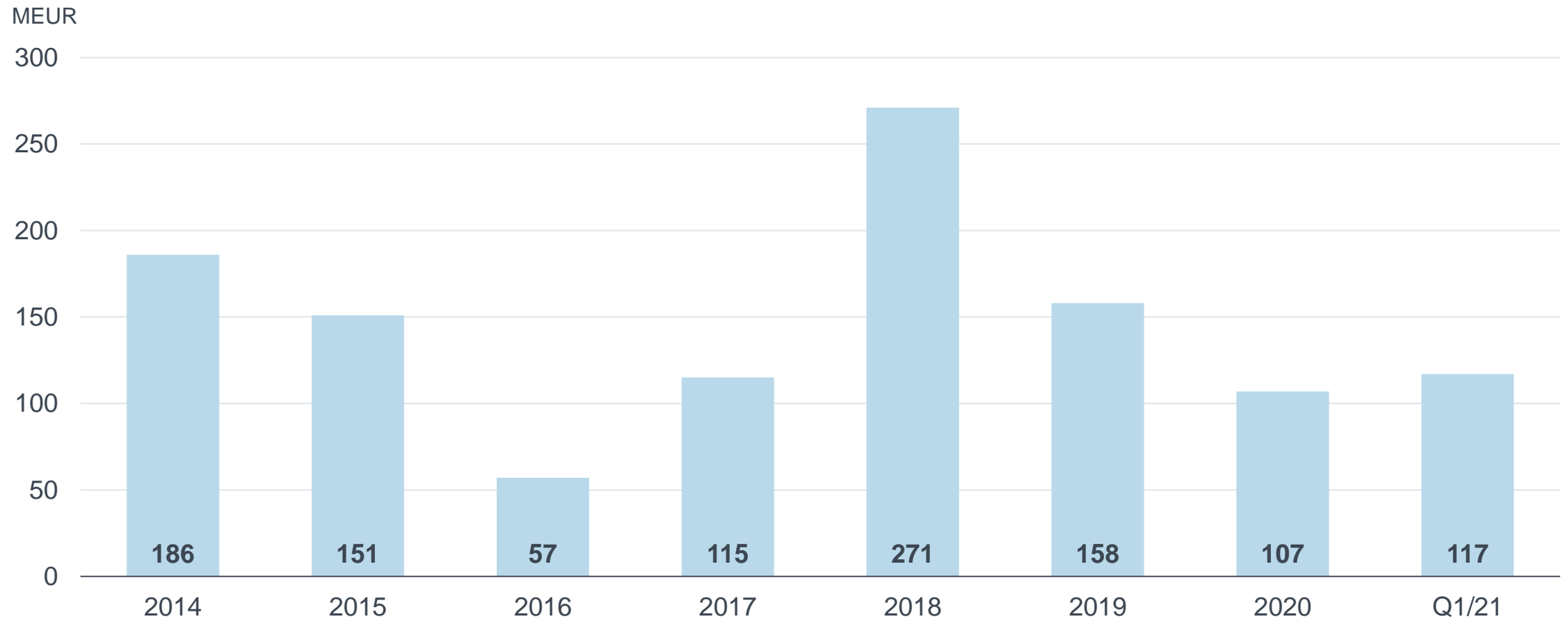
Sales and orders received development



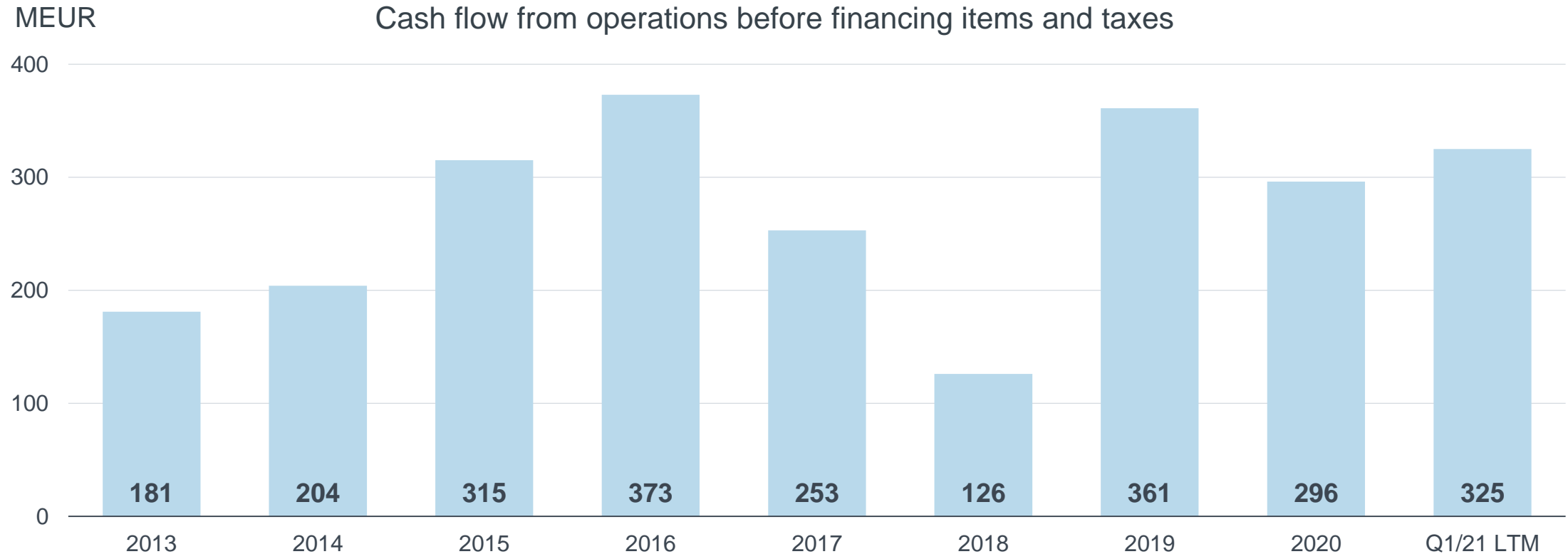
Gross profit development



Net working capital development



Strong cash flow supported by net working capital efficiency



Income statement

Q1 2021

MEUR	Note	Q1/21	Q1/20	2020
Sales	5	729.6	858.3	3,263.4
Cost of goods sold		-548.5	-668.2	-2,535.5
Gross profit		181.0	190.1	727.9
<i>Gross profit, %</i>		24.8%	22.1%	22.3%
Other operating income		16.9	10.6	48.0
Selling and marketing expenses		-46.6	-57.2	-199.5
Research and development expenses		-27.6	-29.6	-107.9
Administration expenses		-65.6	-67.2	-236.7
Restructuring costs	7	-9.7	-6.4	-131.0
Other operating expenses		-25.4	-13.2	-35.7
Costs and expenses		-157.9	-163.2	-662.9
Share of associated companies' and joint ventures' net income		1.4	-0.4	5.3
Operating profit		24.5	26.5	70.4
<i>Operating profit, %</i>		3.4%	3.1%	2.2%
Financing income		0.7	2.8	2.8
Financing expenses		-7.0	-9.6	-38.7
Income before taxes		18.3	19.7	34.5
<i>Income before taxes, %</i>		2.5%	2.3%	1.1%
Income taxes	9	-8.7	-8.4	-26.4
Net income for the period		9.6	11.3	8.1
<i>Net income for the period, %</i>		1.3%	1.3%	0.2%

Net income for the period attributable to:

Equity holders of the parent		9.6	11.4	8.1
Non-controlling interest		0.0	-0.1	-0.1
Total		9.6	11.3	8.1

Earnings per share for profit attributable to the equity holders of the parent:

Earnings per share, EUR		0.15	0.18	0.13
Diluted earnings per share, EUR		0.15	0.18	0.13

Balance sheet 31 Mar 2021

ASSETS, MEUR	Note	31 Mar 2021	31 Mar 2020	31 Dec 2020
Non-current assets				
Goodwill		955.8	1,019.5	971.9
Other intangible assets		182.1	284.8	185.8
Property, plant and equipment		422.5	471.5	429.7
Investments in associated companies and joint ventures	16	72.6	115.1	56.7
Share investments	16	32.9	0.3	37.5
Loans receivable and other interest-bearing assets*	11	18.0	27.1	18.4
Deferred tax assets		126.8	130.3	123.6
Derivative assets	12	0.0	0.0	0.1
Other non-interest-bearing assets		17.1	9.7	17.2
Total non-current assets		1,827.8	2,058.3	1,840.9
Current assets				
Inventories		649.0	760.7	579.7
Loans receivable and other interest-bearing assets*	11	4.2	1.6	4.3
Income tax receivables		25.4	23.4	25.4
Derivative assets	12	12.6	28.7	13.3
Accounts receivable and other non-interest-bearing assets		764.6	860.7	753.9
Cash and cash equivalents*	11	414.4	281.3	484.8
Total current assets		1,870.3	1,956.4	1,861.4
Assets held for sale	17	194.2	-	185.7
Total assets		3,892.3	4,014.7	3,888.0

*Included in interest-bearing net debt.

EQUITY AND LIABILITIES, MEUR	Note	31 Mar 2021	31 Mar 2020	31 Dec 2020
Equity attributable to the equity holders of the parent				
Share capital		64.3	64.3	64.3
Share premium account		98.0	98.0	98.0
Translation differences		-78.0	-77.4	-110.9
Fair value reserves		-2.3	-15.6	4.4
Reserve for invested non-restricted equity		54.0	57.4	57.4
Retained earnings		1,122.8	1,261.3	1,185.6
Total equity attributable to the equity holders of the parent		1,258.8	1,388.0	1,298.7
Non-controlling interest		2.8	2.7	2.7
Total equity		1,261.6	1,390.7	1,301.4
Non-current liabilities				
Interest-bearing liabilities*	11	778.1	924.9	1,027.4
Deferred tax liabilities		21.1	38.7	20.6
Pension obligations		115.1	106.5	115.5
Provisions		6.5	7.0	7.2
Derivative liabilities	12	0.0	0.0	0.0
Other non-interest-bearing liabilities		65.4	63.8	62.6
Total non-current liabilities		986.2	1,141.8	1,233.4
Current liabilities				
Current portion of interest-bearing liabilities*	11	385.1	70.5	136.1
Other interest-bearing liabilities*	11	5.5	112.3	19.6
Provisions		99.0	103.0	105.9
Advances received		199.0	280.5	182.7
Income tax payables		18.5	22.2	21.7
Derivative liabilities	12	20.2	23.6	19.4
Accounts payable and other non-interest-bearing liabilities		842.3	870.0	797.5
Total current liabilities		1,569.5	1,482.2	1,282.7
Liabilities directly associated with assets held for sale	17	74.9	-	70.5
Total equity and liabilities		3,892.3	4,014.7	3,888.0

*Included in interest-bearing net debt.

Cash flow statement

Q1 2021

MEUR	e	Q1/21	Q1/20	2020
Net cash flow from operating activities				
Net income for the period		9.6	11.3	8.1
Depreciation, amortisation and impairment	8	30.6	31.7	144.0
Financing items		6.2	6.8	35.9
Taxes		8.7	8.4	26.4
Change in net working capital		-4.0	-41.0	56.4
Other adjustments		0.0	5.6	25.6
Cash flow from operations before financing items and taxes		51.2	22.8	296.4
Cash flow from financing items and taxes		-32.4	-21.4	-56.4
Net cash flow from operating activities		18.8	1.4	240.0
Net cash flow from investing activities				
Acquisitions of businesses, net of cash acquired	15	4.3	-7.7	-12.1
Disposals of businesses, net of cash sold	15	-	-	2.7
Investments in associated companies and joint ventures	16	-0.6	-	-
Cash flow from investing activities, other items		-5.0	-10.3	-11.8
Net cash flow from investing activities		-1.4	-18.0	-21.3
Net cash flow from financing activities				
Treasury shares acquired		-3.4	-	-
Repayments of lease liabilities		-10.4	-10.4	-44.1
Proceeds from long-term borrowings		-	-	249.5
Repayments of long-term borrowings		-	-183.0	-251.4
Proceeds from short-term borrowings		-	75.5	98.8
Repayments of short-term borrowings		-14.1	-10.4	-106.9
Profit distribution		-61.4	-	-77.8
Net cash flow from financing activities		-89.2	-128.4	-131.8

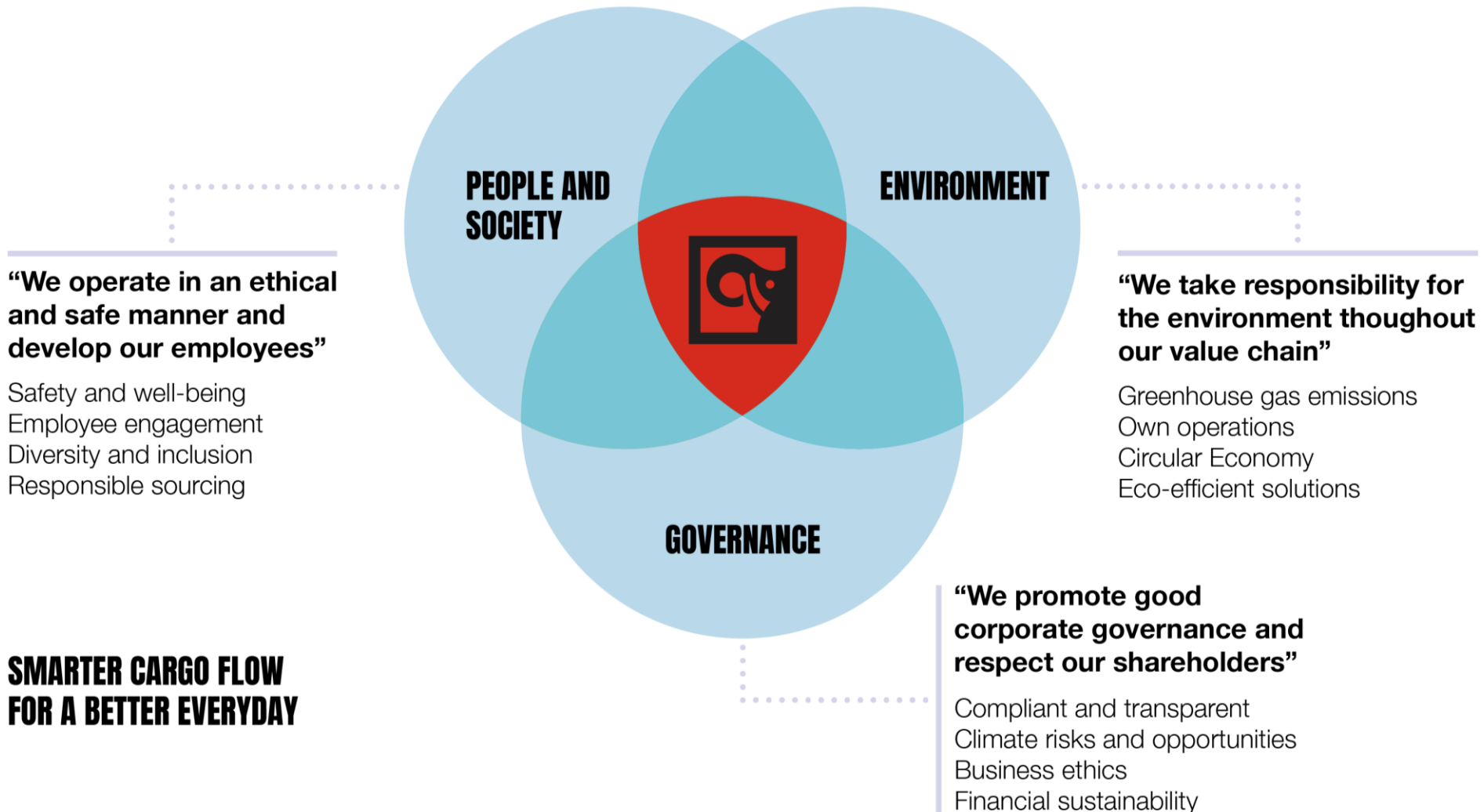
		Q1/21	Q1/20	2020 ^a
Change in cash and cash equivalents		-71.7	-145.0	86.9
Cash and cash equivalents, and bank overdrafts at the beginning of period		482.3	409.8	409.8
Effect of exchange rate changes		1.5	-4.3	-14.8
Cash and cash equivalents included in assets held for sale	17	0.3	-	0.4
Cash and cash equivalents, and bank overdrafts at the end of period		412.4	260.6	482.3
Bank overdrafts at the end of period		2.0	20.7	2.5
Cash and cash equivalents at the end of period		414.4	281.3	484.8

The notes are an integral part of the interim report.



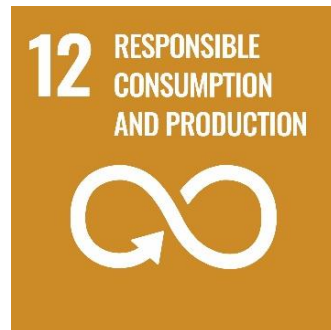
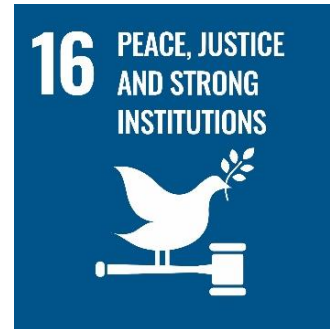
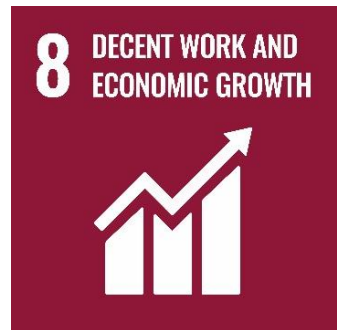
Sustainability as a driver for future growth

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

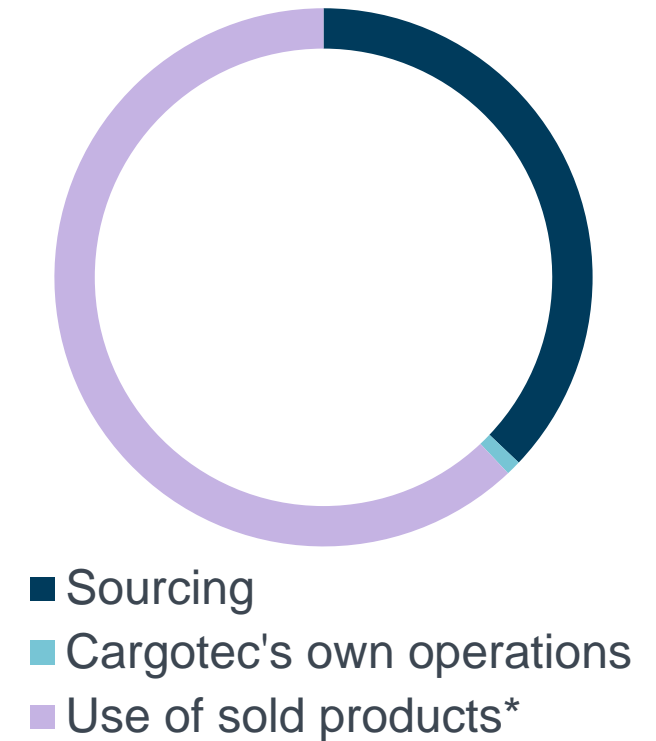


Climate solutions is our focus area in sustainability

SUSTAINABLE
DEVELOPMENT
GOALS



Greenhouse gas emissions*



LIFETIME SAVINGS OF KALMAR'S ELECTRIC TERMINAL TRACTOR

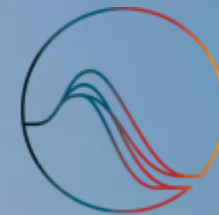
179

CARS OFF
THE ROAD FOR A YEAR



-389

TONS CO₂



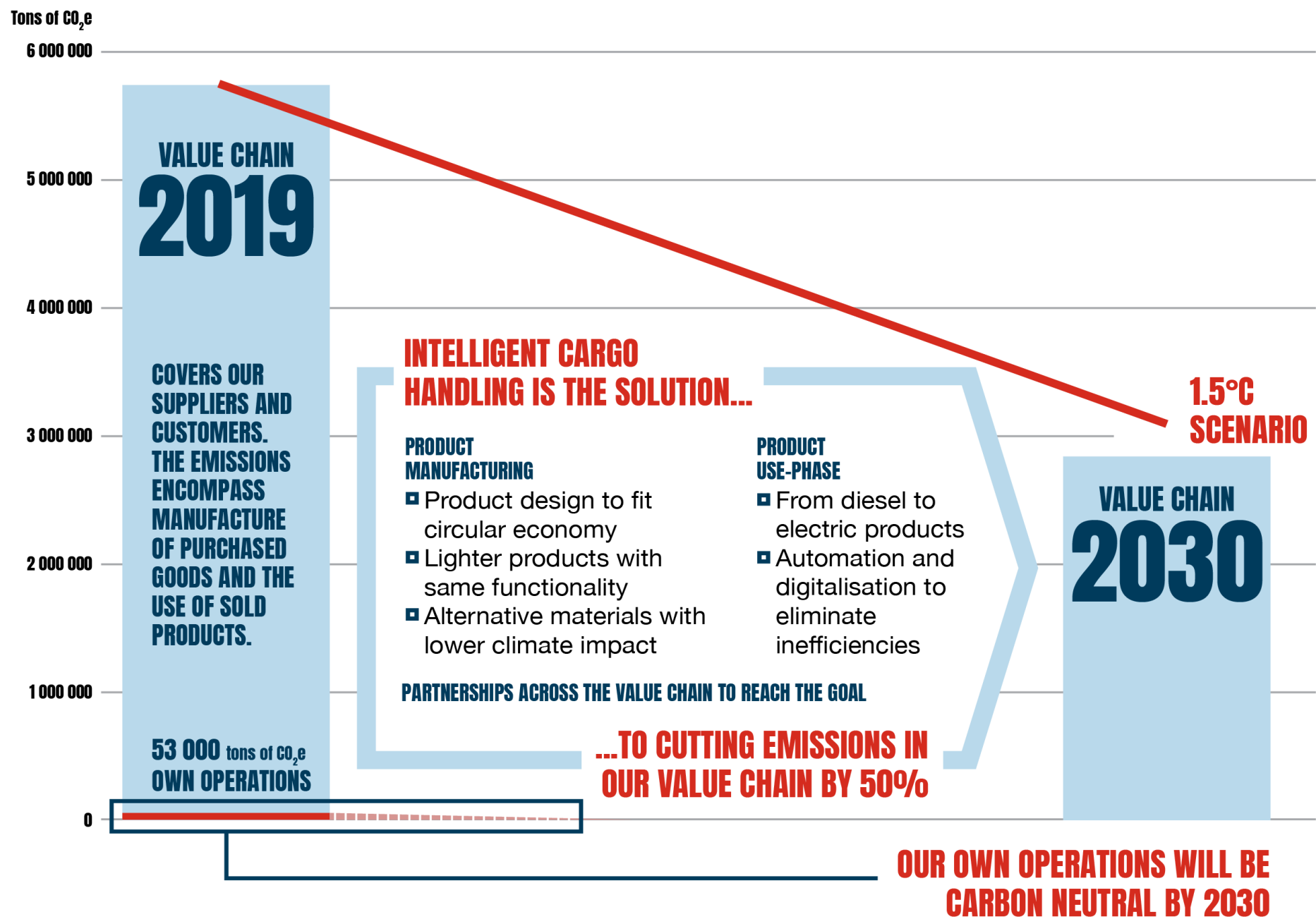
SCIENCE
BASED
TARGETS

DRIVING 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.

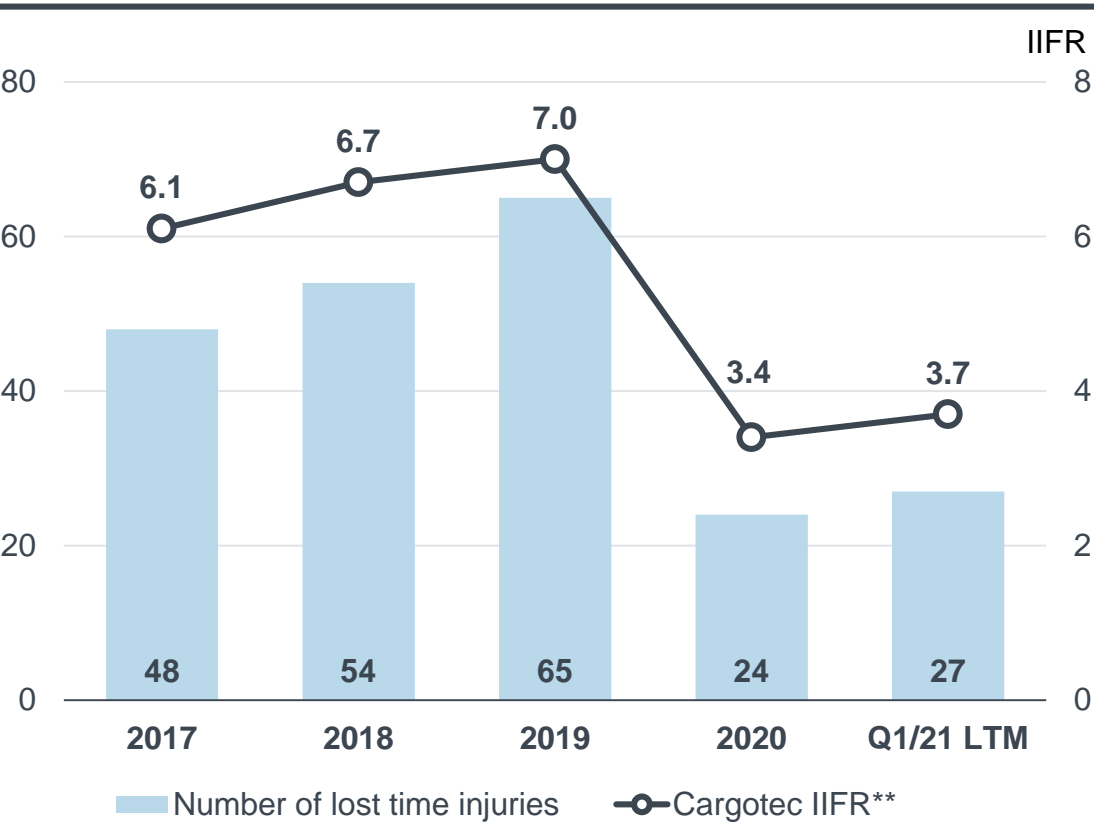
15

CARGOTEC IS COMMITTED TO THE 1.5 DEGREES CLIMATE GOAL



Eco portfolio targets double sales growth compared tradional equipment

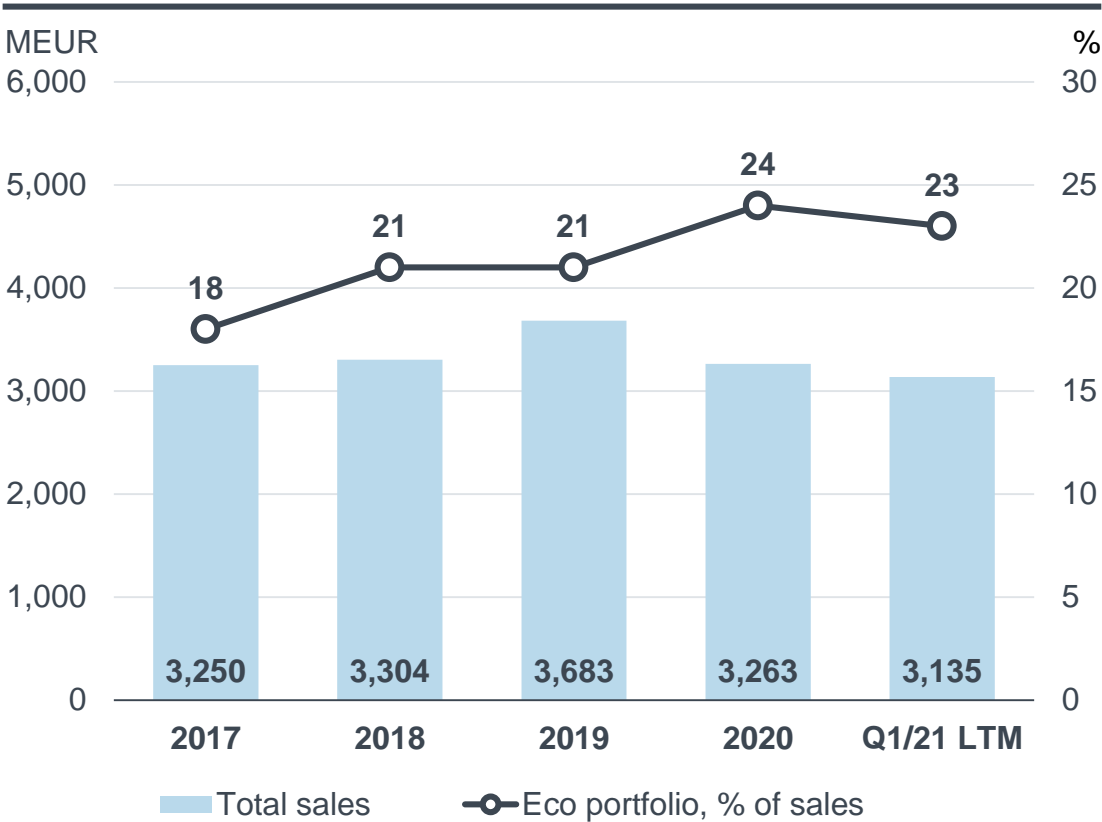
INDUSTRIAL INJURY FREQUENCY RATE*



*Cargotec assembly sites

** Number of injuries permillion worked hours

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

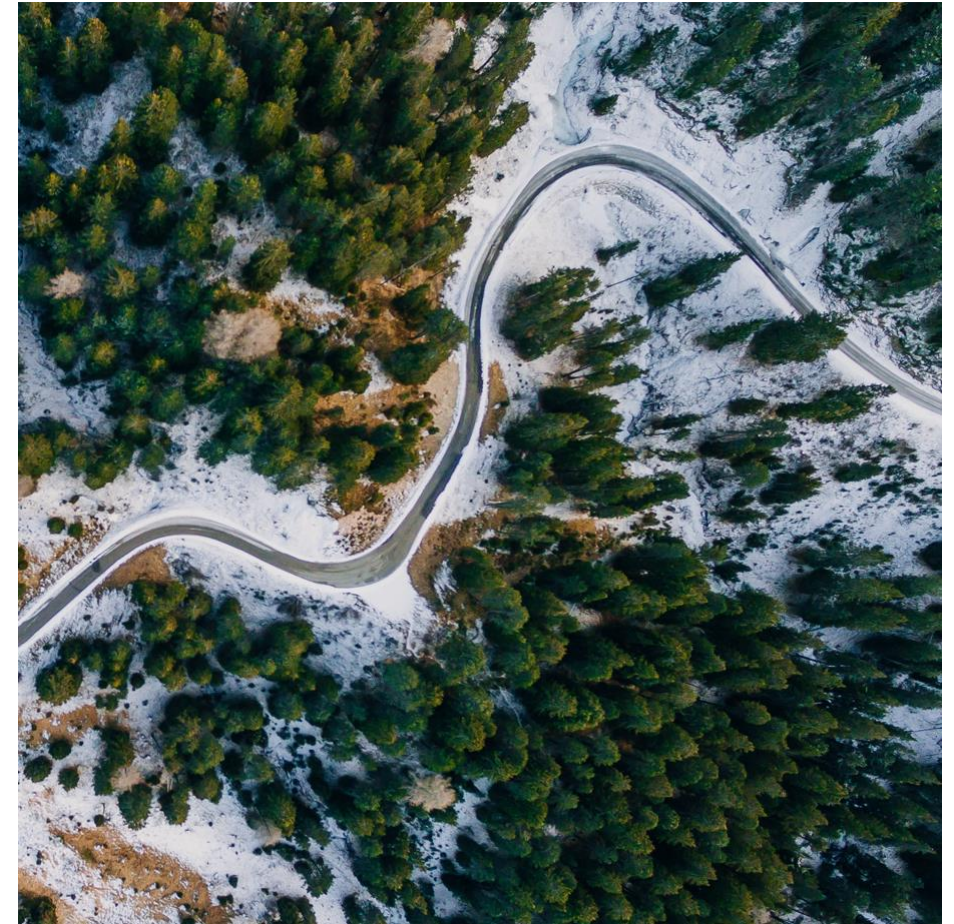
→ by trucks, sea freight emits
~3-4 times less emissions

→ by air cargo, sea freight emits
~14 times less emissions

Kalmar appendix

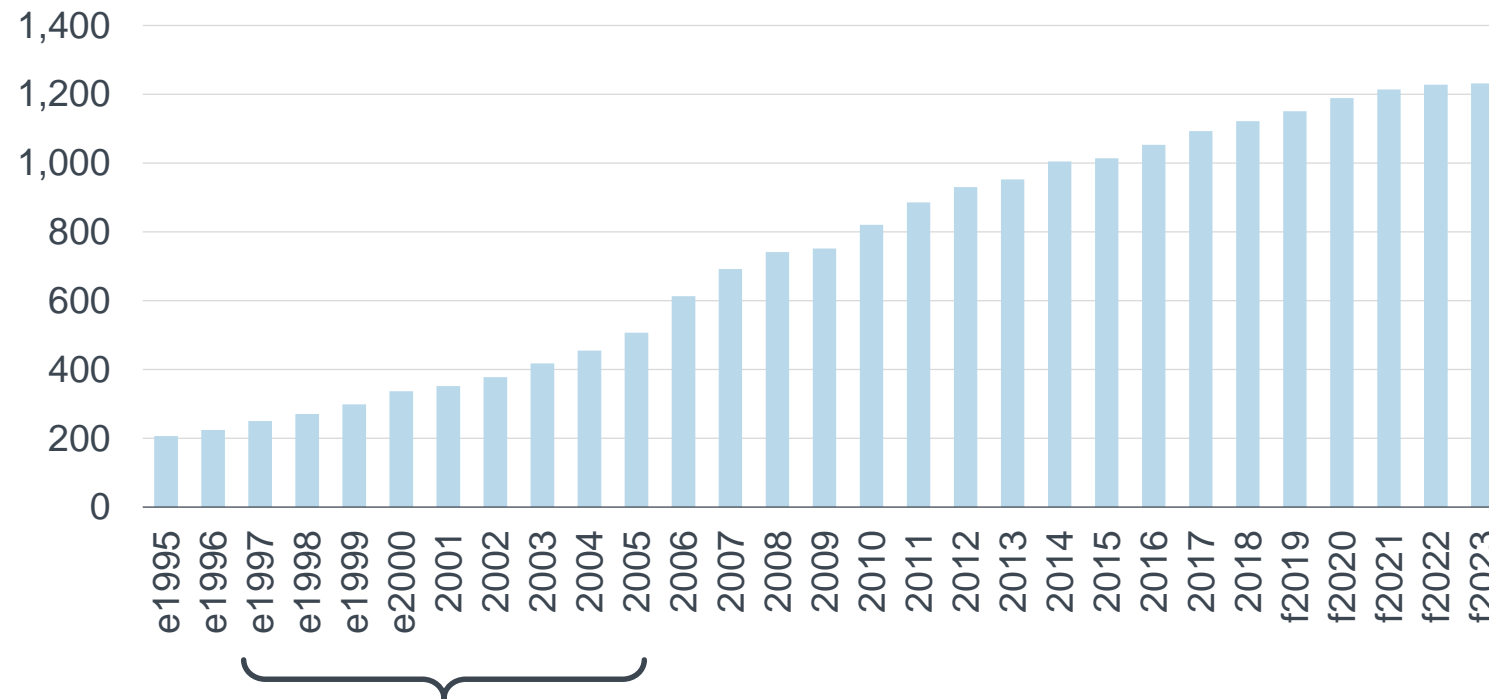
Cargotec to sell Navis software business

- In February 2020, Cargotec started the review alternative development paths of Navis business to secure best possible growth and value creation for the next development phase for Navis
- On 26 March 2021, Cargotec announced the sale of Navis to technology investment firm Accel-KKR for an EV of EUR 380 million = 3.6 x sales
- Closing is expected by the end of Q3 2021
- Approximately EUR 230 million positive impact on Cargotec's operating profit in 2021
- Cargotec's investment since 2011 has enabled Navis to become the market leader in terminal operating systems (TOS), and more than doubled revenue to MEUR 107
- Cargotec's other software business will not be sold



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



Replacement after lifetime of equipment

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

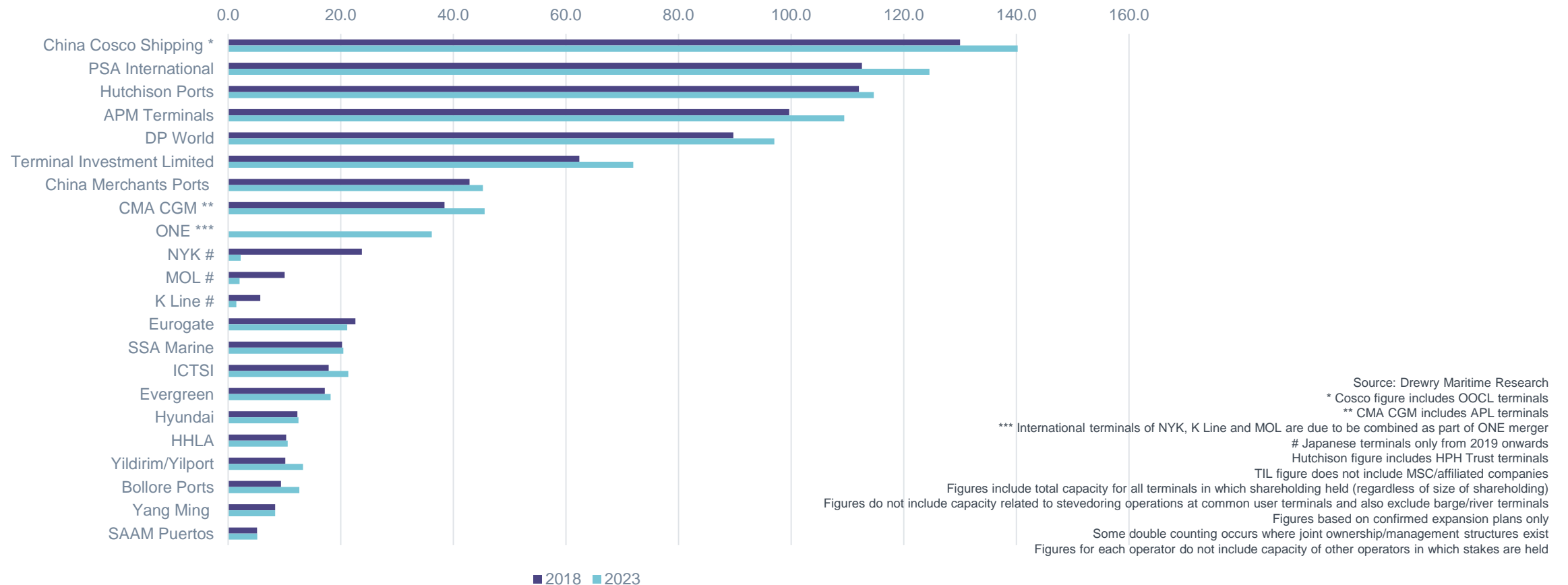
Average lifetime of type of equipment:

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

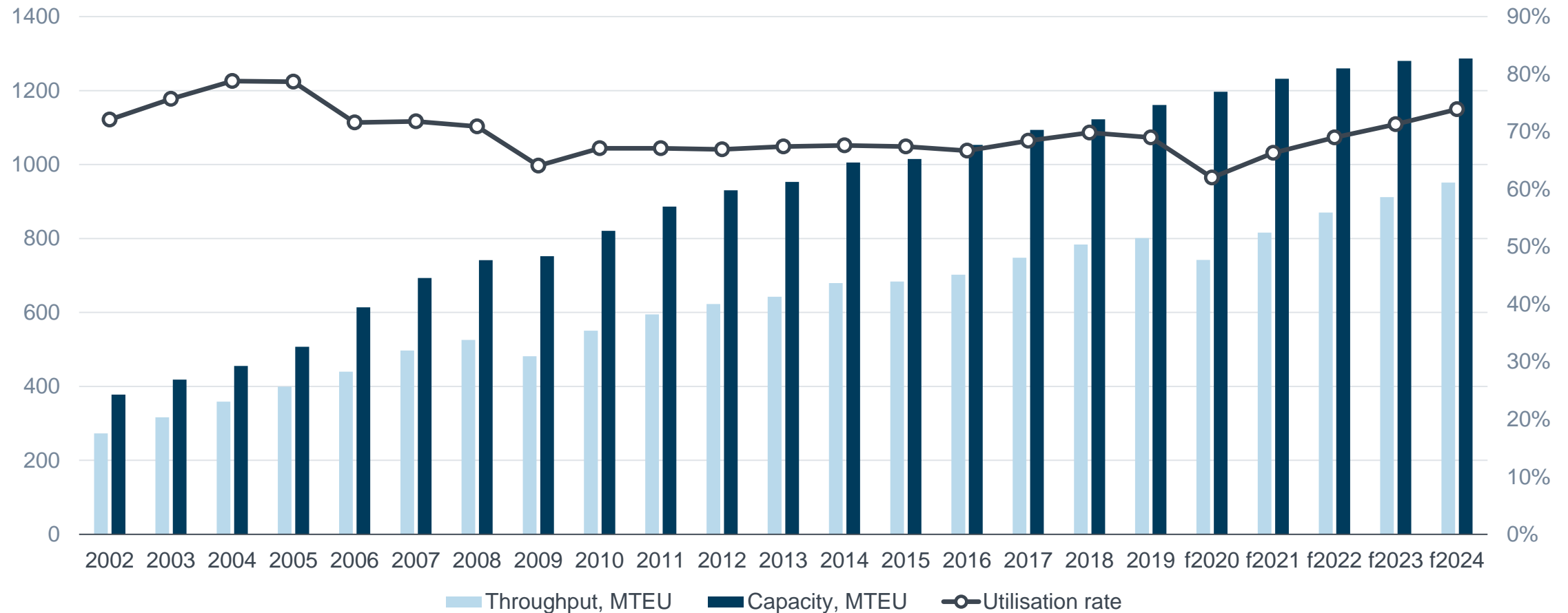
Source: Drewry reports: Global Container Terminal Operators 2001-2016 Note: 1995-2000 capacity is estimation based on the assumption that the utilisation rate has been between 70-72% in that period. 2019-2023 forecast based on Drewry's Global container terminal operators report, published in Q4/2019

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

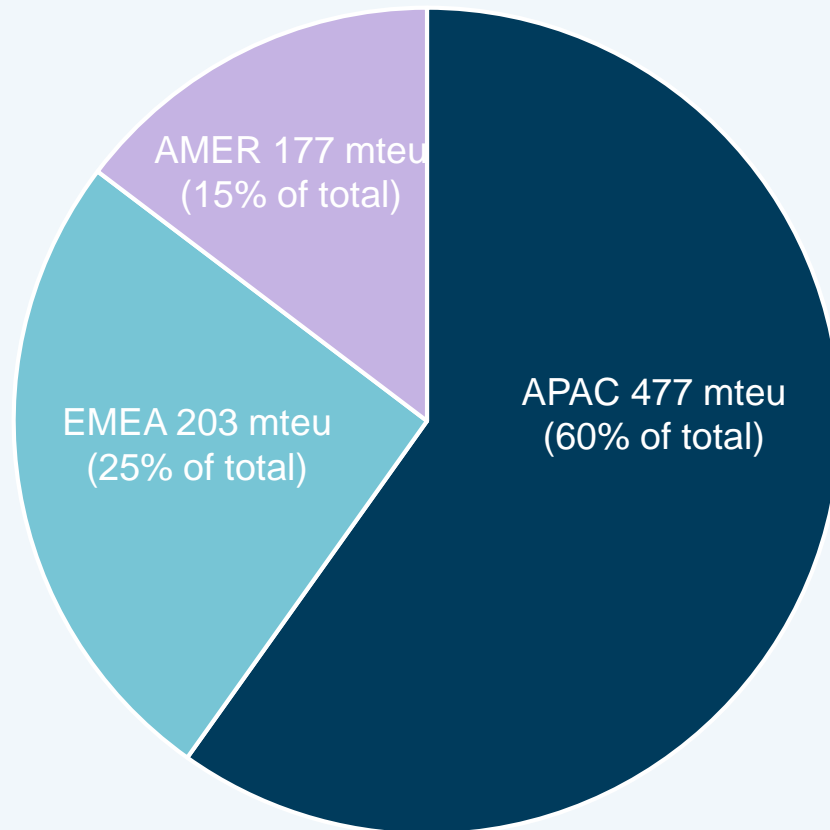
Global/international terminal operators' capacity development, 2018-2023 (MTEU)



Global container throughput and capacity development



60% of global container throughput is expected to take place in APAC in 2020



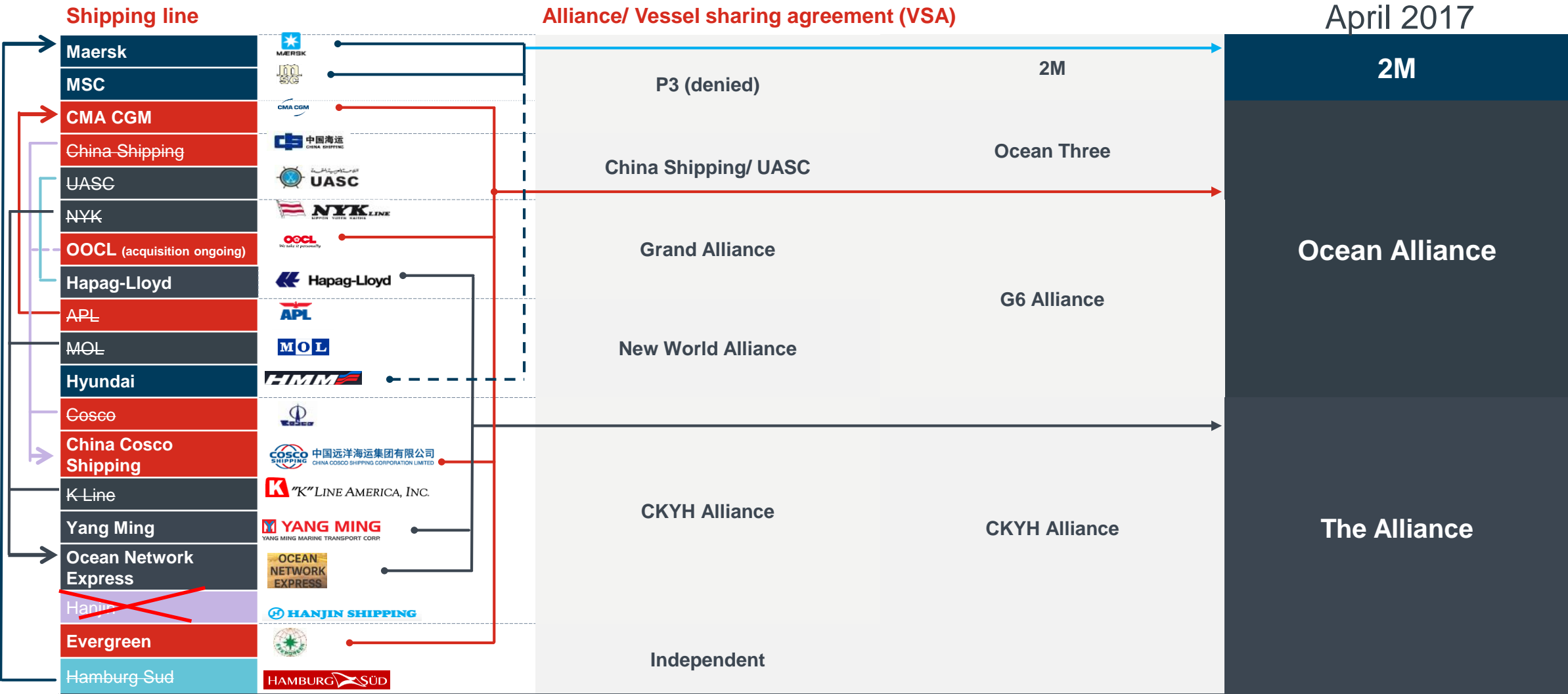
Source: Drewry container forecaster Q4 2019

Global container throughput expected to decrease 0.5% in 2020

- APAC -0.2% (-1 mteu)
- EMEA -1.3% (-3 mteu)
- AMER -0.3% (-0 mteu)

→ Drewry states that its scenario is not a "worst-case" COVID-19 scenario and that a more significant decrease is possible

Three alliances controlling about 80% of global container fleet capacity

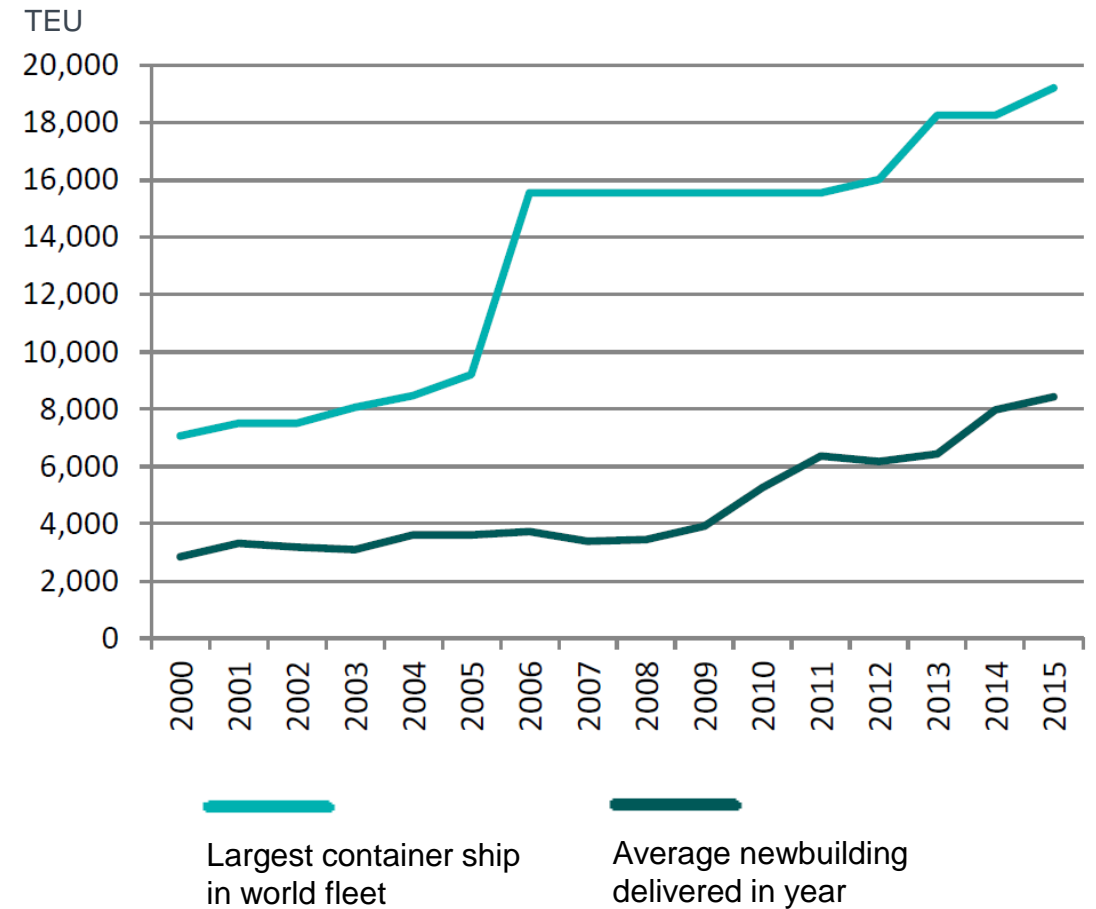


Total: 17
(9 after further
consolidations)

- The arrows indicate changes, confirmed or planned, through M&A or JV over the last 18 months. Hanjin bankrupt. Hyundai isn't currently officially part of any alliance, but formed a cooperative relationship with 2M.
- Ocean Network Express (ONE) launch April 2018.
- COSCO Shipping's planned acquisition of OOCL expected to be completed by the end of June
- Analyse excludes Zim, PIL and Wan Hai

Ship sizes increasing dramatically

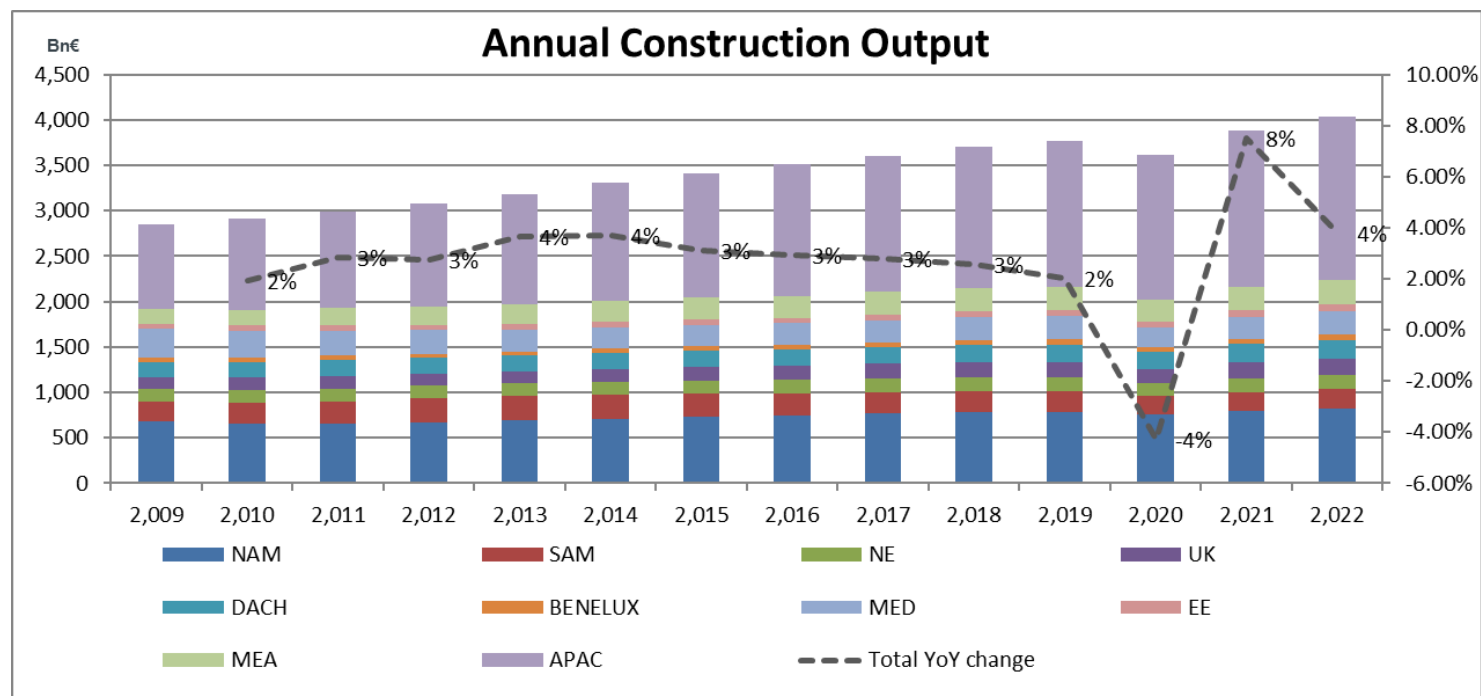
- The largest containership in the fleet has nearly tripled since 2000
- The average size of new builds doubles between 2009 and 2014



Source: Drewry November 2015

Hiab appendix

Construction output forecast

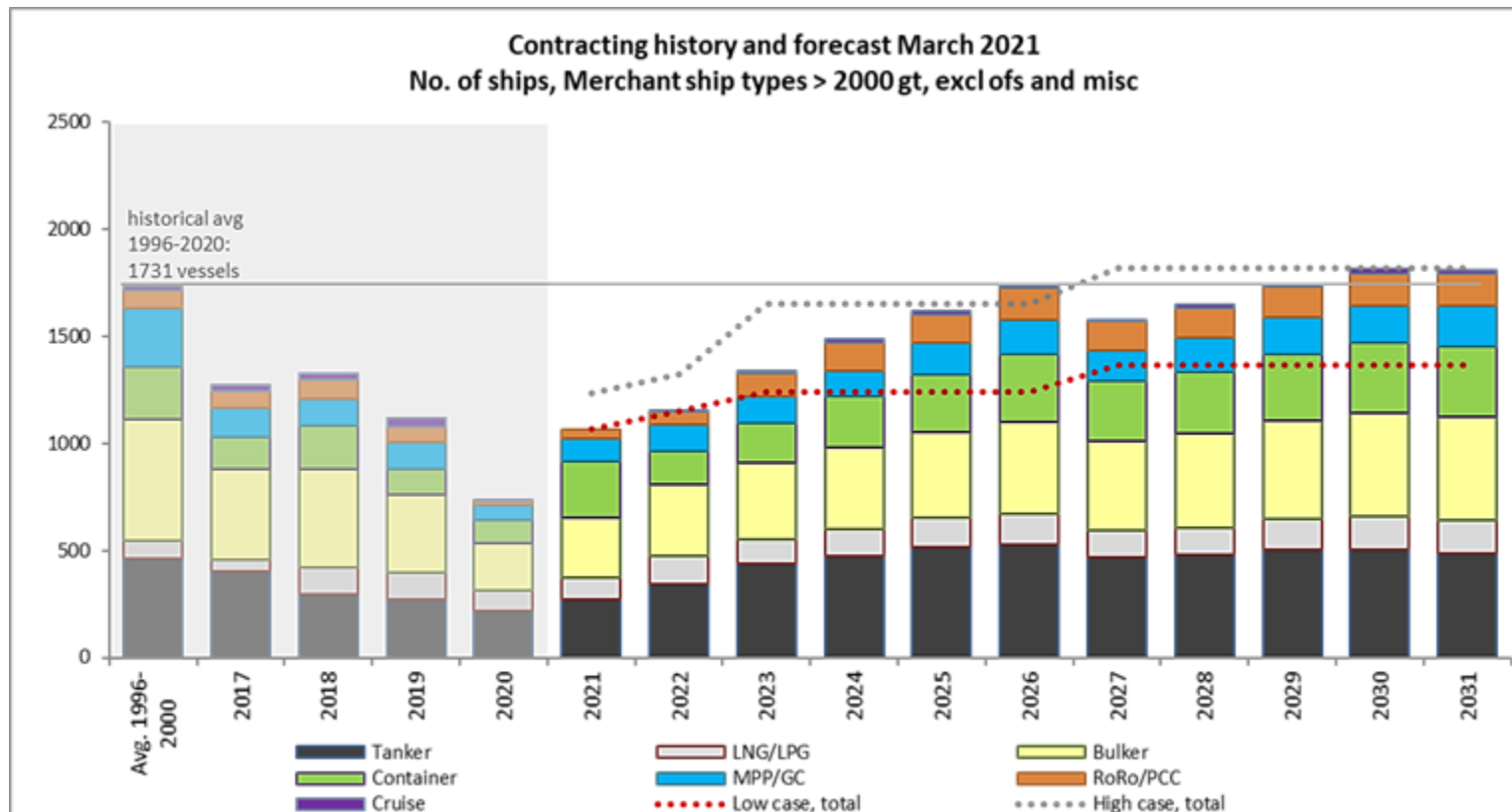


Percentage point change vs last forecast							YoY changes						
	2017	2018	2019	2020	2021	2022		2017	2018	2019	2020	2021	2022
NAM	1.2%	-0.4%	-0.8%	-5.2%	2.2%	2.8%	NAM	2.6%	2.0%	-0.1%	-2.8%	4.5%	2.8%
SAM	-0.4%	0.6%	-1.1%	-16.3%	4.0%	3.6%	SAM	-4.0%	-1.2%	-2.0%	-13.7%	7.4%	3.6%
NE	-0.2%	-1.6%	-1.9%	-7.3%	3.2%	2.2%	NE	2.6%	3.9%	1.1%	-5.3%	5.1%	2.2%
UK	-0.7%	-0.3%	0.0%	-16.2%	15.8%	3.8%	UK	6.7%	0.4%	2.2%	-14.5%	17.6%	3.8%
DACH	-1.5%	-0.7%	0.5%	0.0%	1.5%	2.2%	DACH	1.4%	2.0%	2.7%	1.5%	2.8%	2.2%
BENELUX	2.0%	-0.5%	-0.9%	-5.4%	2.8%	3.6%	BENELUX	5.1%	4.6%	4.3%	-3.9%	4.2%	3.6%
MED	-0.5%	-0.7%	0.7%	-19.7%	11.3%	6.3%	MED	2.7%	2.3%	2.9%	-17.5%	13.4%	6.3%
EE	-0.5%	-4.3%	1.1%	-7.7%	2.7%	3.9%	EE	4.2%	7.5%	5.5%	-4.6%	5.7%	3.9%
MEA	0.8%	2.4%	-0.1%	-8.1%	3.3%	5.1%	MEA	2.7%	0.5%	-0.2%	-5.2%	7.2%	5.1%
APAC	-0.1%	-0.3%	-0.9%	-4.8%	4.2%	4.0%	APAC	3.7%	3.7%	3.6%	-0.9%	8.2%	4.0%
Total	0.2%	-0.3%	-0.7%	-7.2%	4.4%	3.8%	Total	2.8%	2.6%	2.0%	-4.3%	7.5%	3.8%

MacGregor appendix

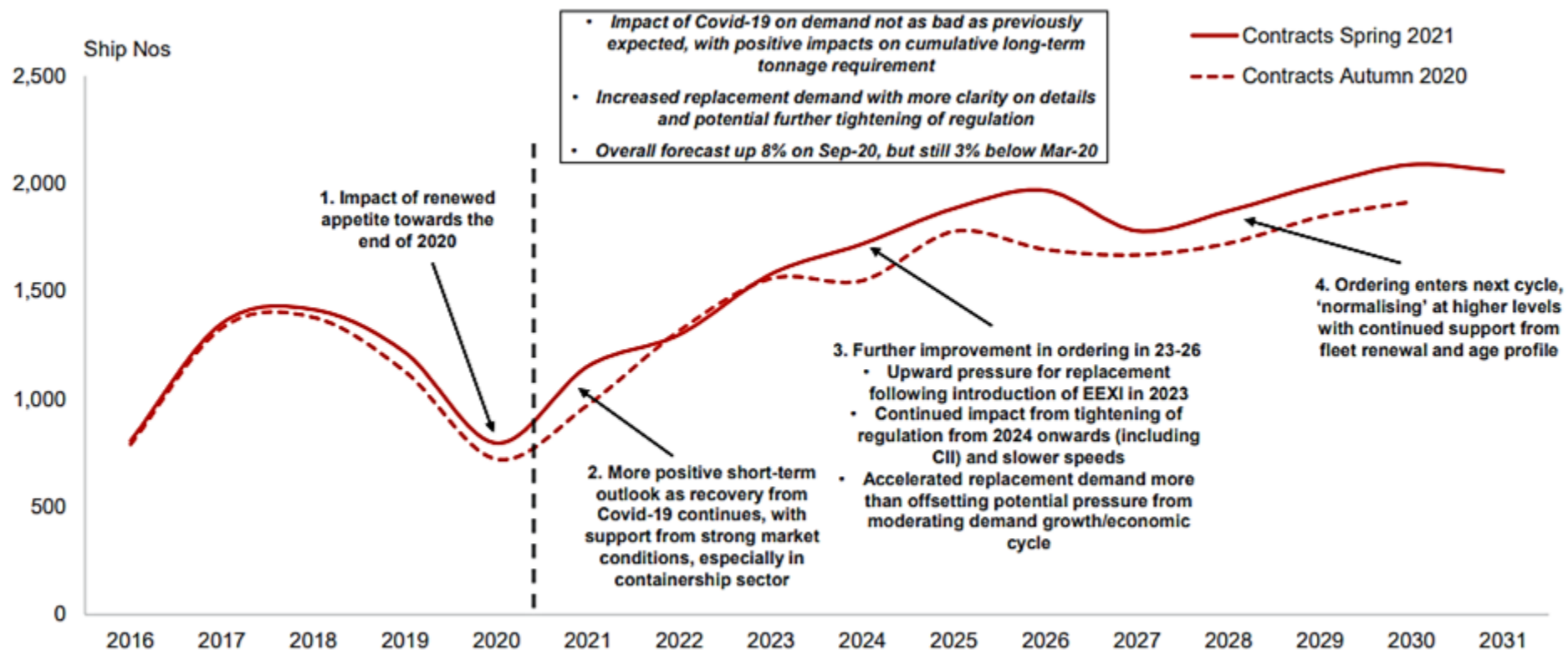
Merchant ships: Contracting forecast by shiptype (no of ships)

Merchant ship types > 2000 gt excl offshore and misc, base case



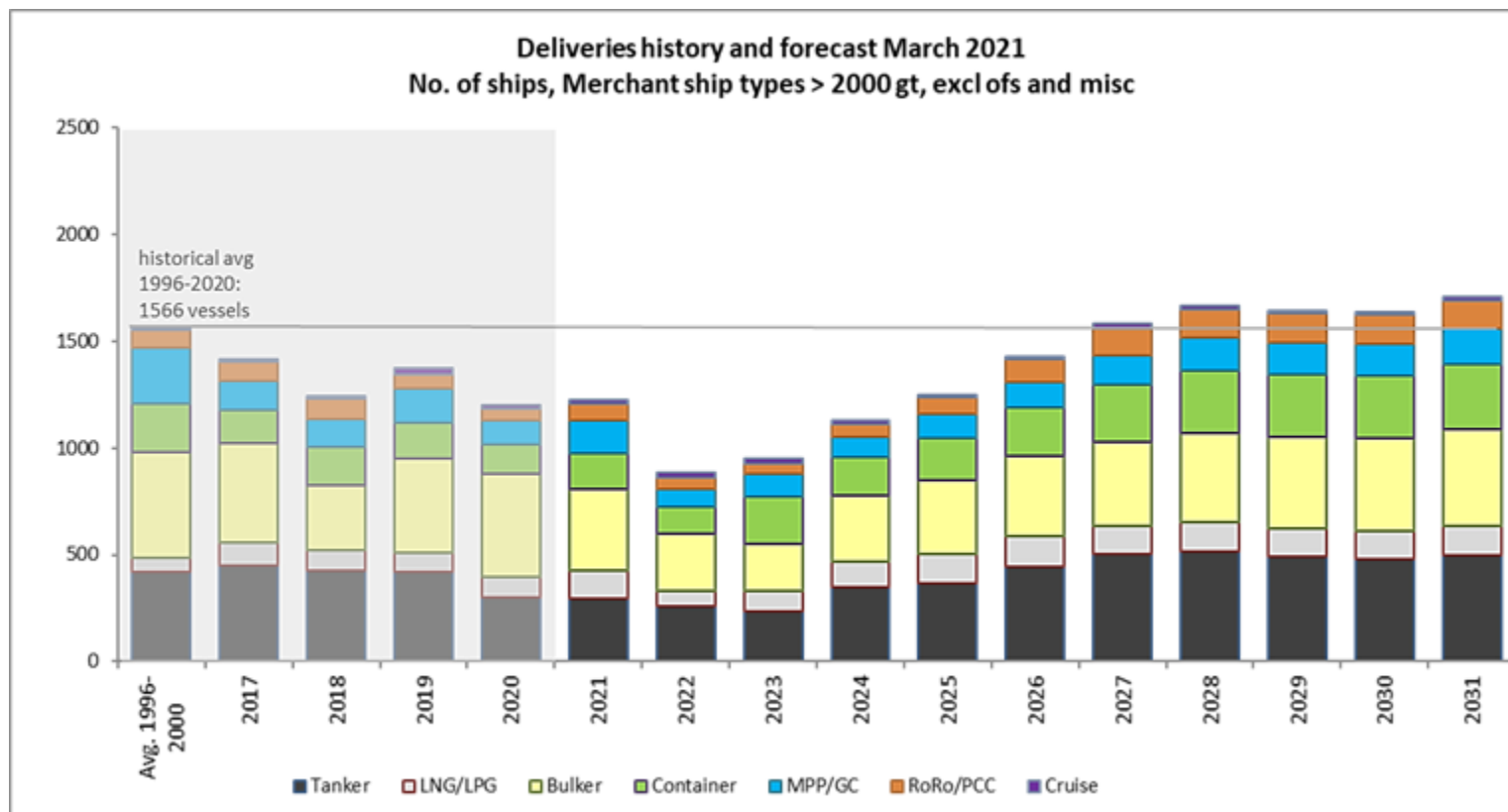
Contracting forecast upgraded from Sep 2020

Average 2021-30 up 8% or ~130 vessels p.a., but still 3% below Mar-20

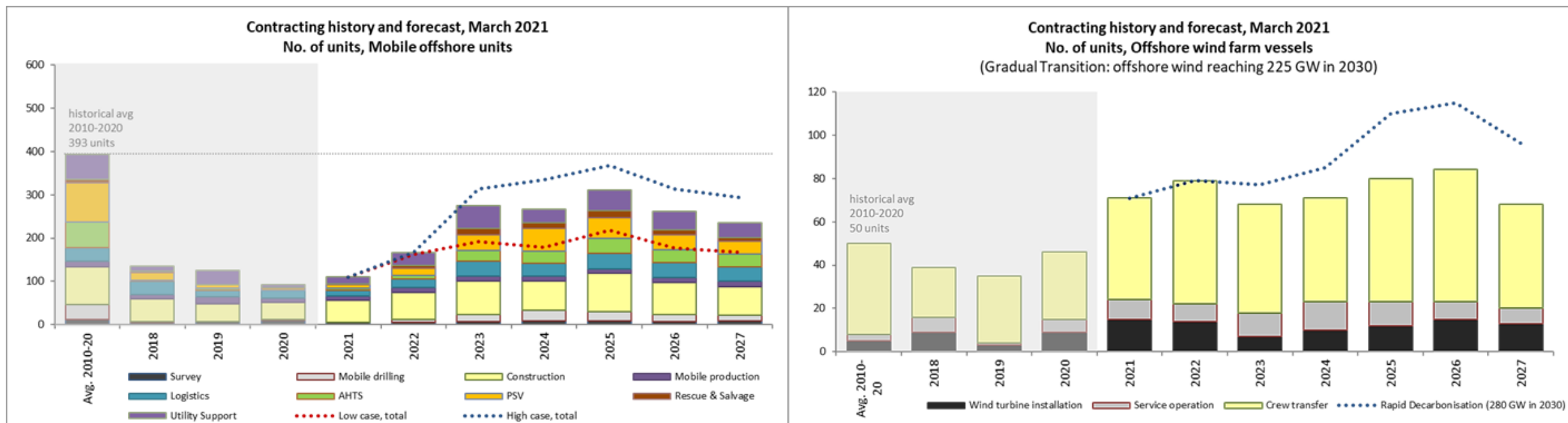


Merchant ships: Deliveries forecast by shiptype (no of ships)

Merchant ship types > 2000 gt excl offshore and misc, base case

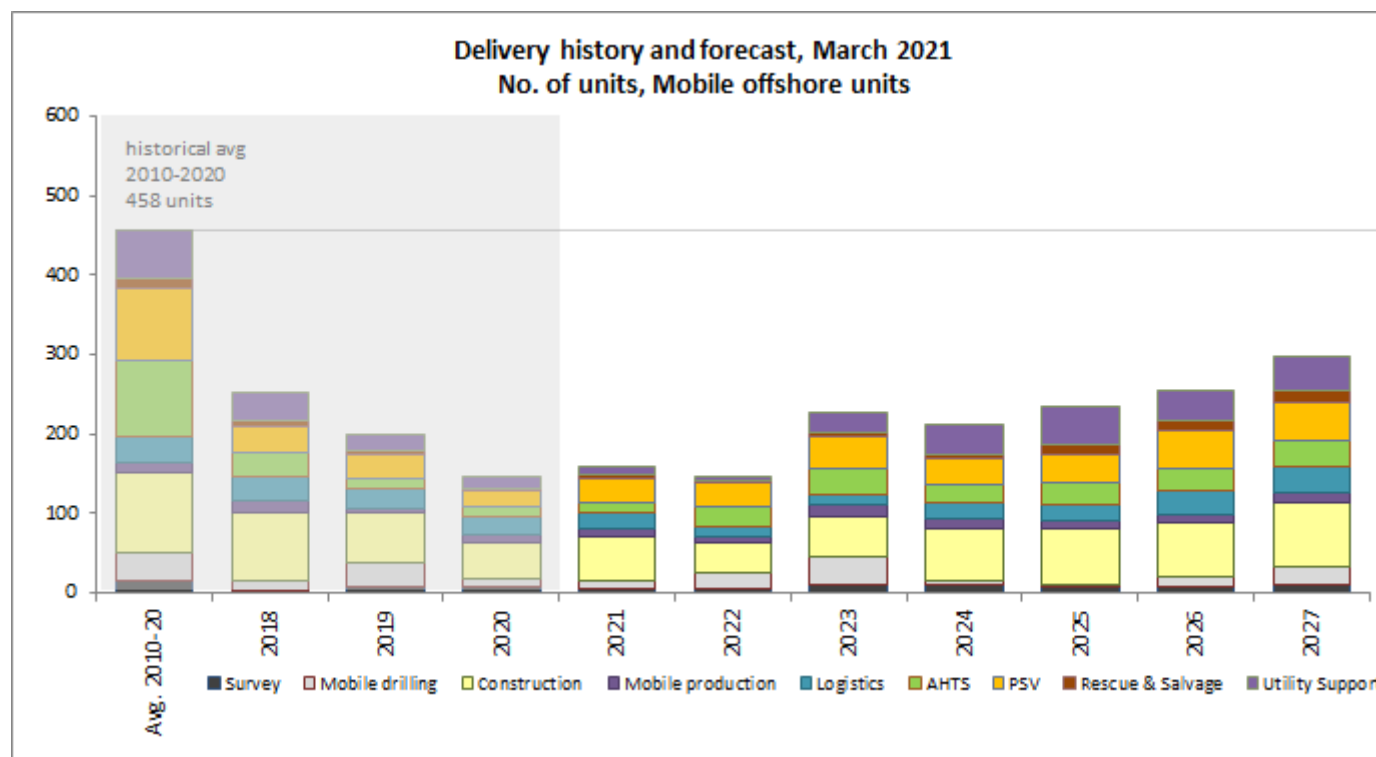


Offshore mobile units: Contracting forecast by shiptype (number of units), base case



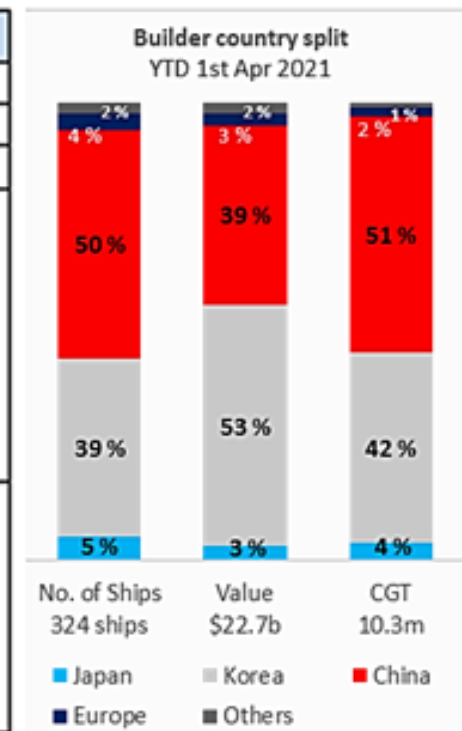
Offshore wind is expected to drive ordering of dedicated offshore wind vessels, but also a wider range of other mobile offshore units, such as crane units, cable layers, heavy lift and multipurpose vessels.

Offshore mobile units: Deliveries forecast by shiptype (number of units), base case



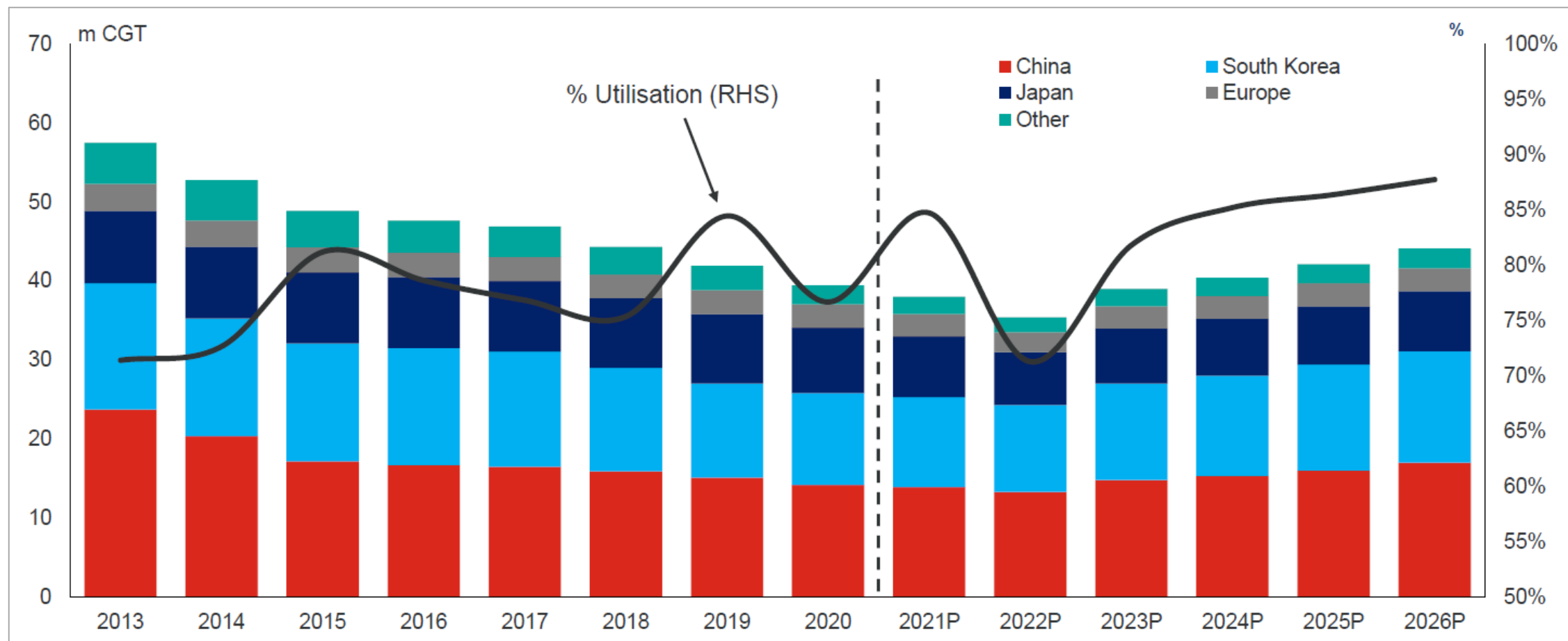
Shipbuilding – contracting ships >2000 gt/dwt

Global Contracting Activity (1st April 2021)												
	No.				Sbn				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**)	1,228	820	324	58%	80.5	47.1	22.7	93%	29.7	21.4	10.3	93%
Vessel Type												
Bulkers	367	231	37	-36%	11.2	6.2	1.1	-31%	7.2	4.1	0.7	-30%
Tankers	271	223	62	11%	12.2	10.9	3.1	14%	6.4	5.6	1.7	18%
Containerships	120	105	138	426%	6.6	7.7	11.7	513%	3.5	4.1	5.9	482%
Gas Carriers	125	97	34	40%	14.2	13.7	2.5	-26%	5.7	5.2	1.0	-20%
Offshore	84	57	14	-2%	8.2	4.4	2.7	144%	1.3	1.2	0.3	15%
Others	261	107	39	46%	28.1	4.2	1.5	46%	5.7	1.2	0.6	108%
Builder Country/Region												
China	503	398	162	63%	22.3	16.4	8.9	117%	10.1	8.8	4.3	97%
South Korea	231	192	126	163%	22.8	19.2	11.9	148%	9.8	8.6	5.3	149%
Japan	287	115	17	-41%	9.1	3.4	0.7	-16%	5.0	1.9	0.4	-24%
Europe	114	53	12	-9%	22.6	6.3	0.6	-64%	3.6	1.3	0.2	-51%
Other	93	62	7	-55%	3.6	1.7	0.5	29%	1.2	0.8	0.1	-34%



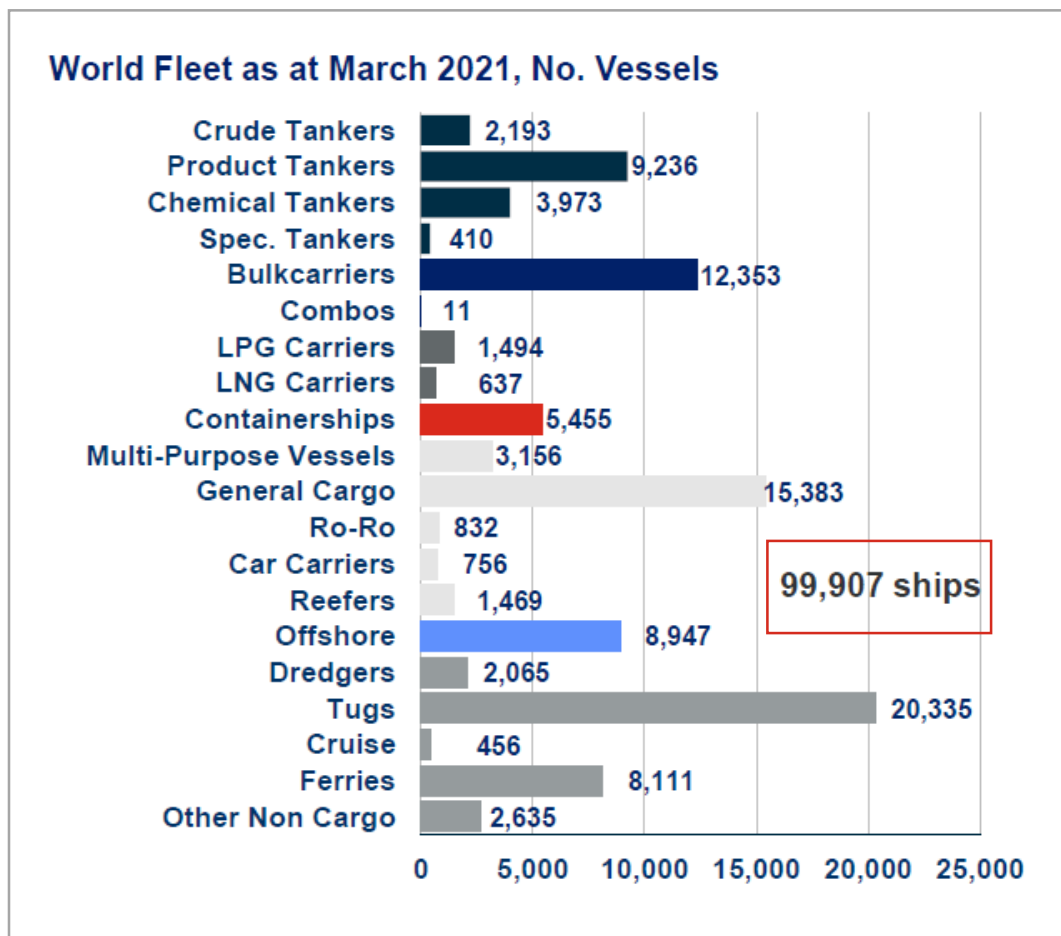
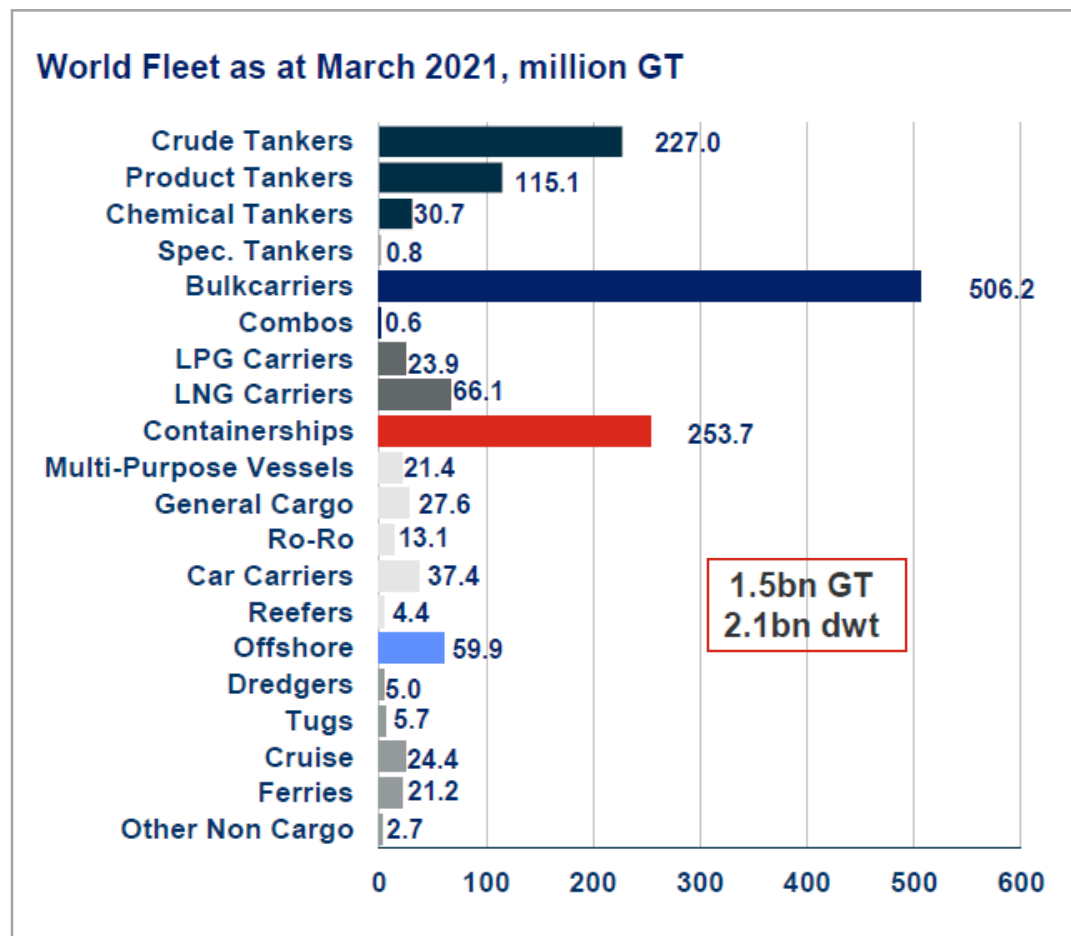
Shipbuilding capacity and utilisation scenario

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



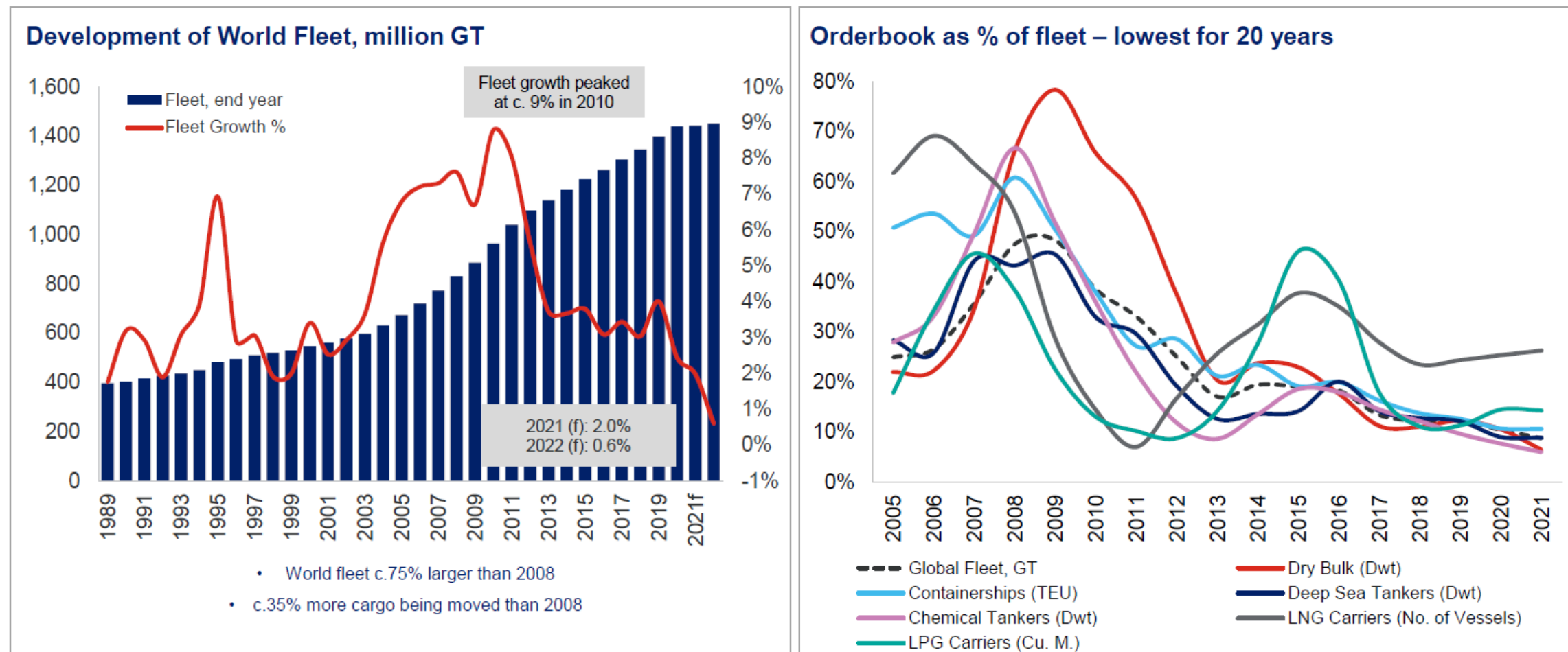
Shipping – The world fleet

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



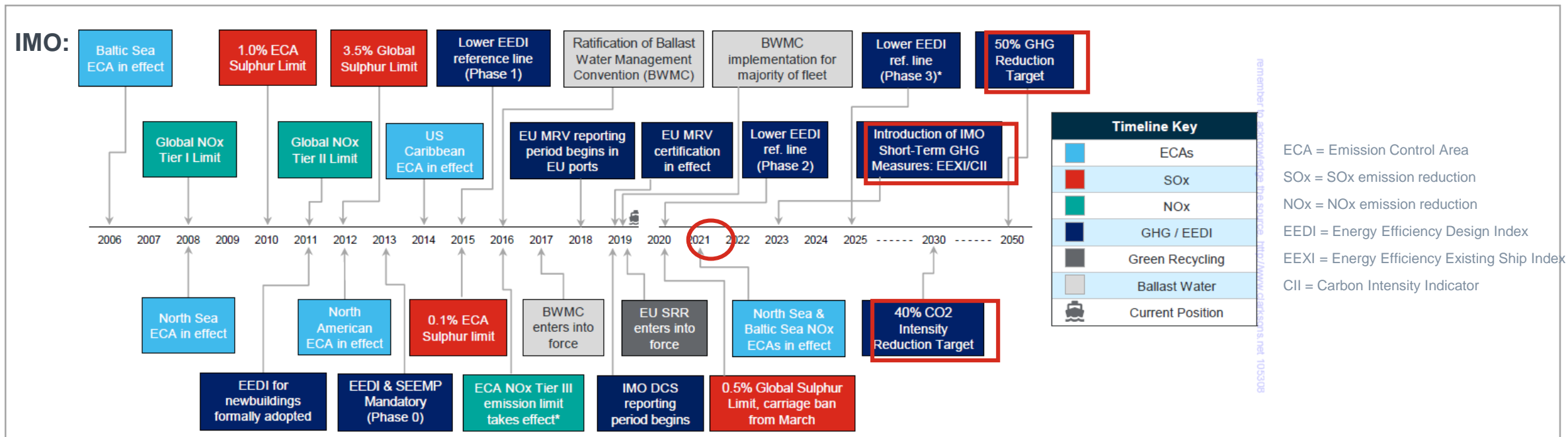
World fleet and order book development

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



Environmental regulations accelerating, focus on GHG regulation

Shipping decarbonisation high on the agenda



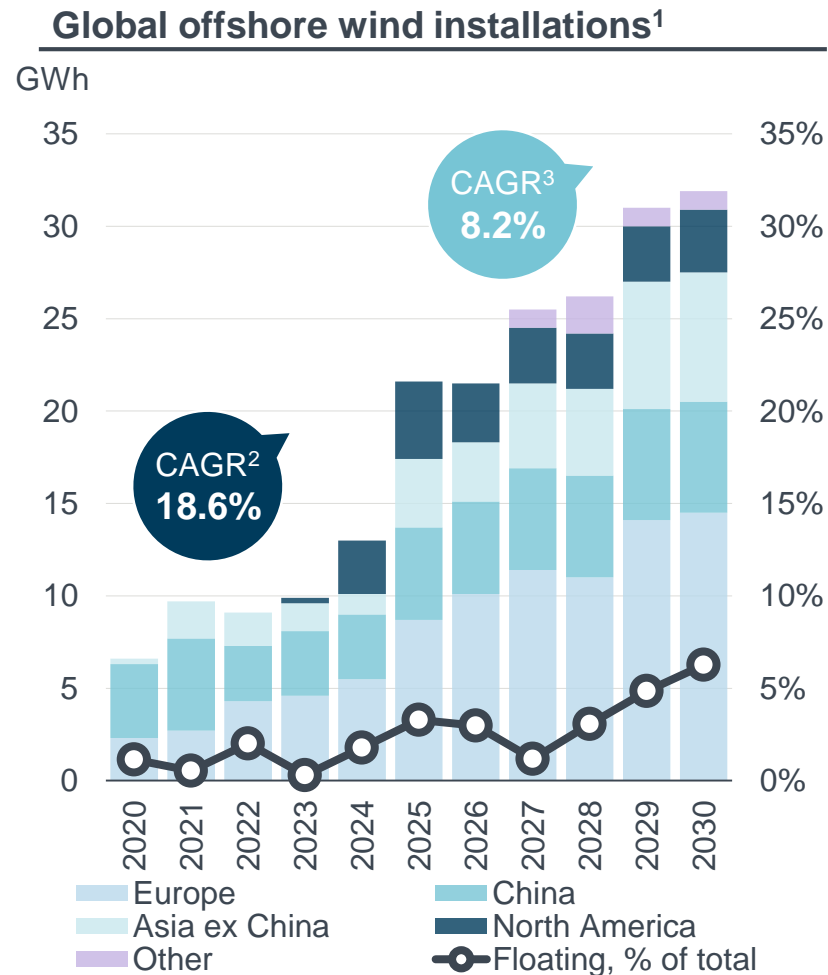
European Union Green Deal - shipping to be included in the EU ETS in 2022.

- In September 2020, the European Parliament voted for the inclusion of greenhouse gas (GHG) emissions from ships over 5,000 gross tonnes in the emissions trading system (EU ETS) by 1 January 2022. It also wants firms to cut ships' annual average CO₂ emissions by more than 40% by 2030. It also voted to include methane emissions in the monitoring and reporting obligation.
- The commission is set to announce a revision of the EU's GHG emissions reduction target for 2030 upwards from 40% to 55%. It has proposed to include intra-EU and international maritime transport in the EU ETS.
- It called for 50% of revenues from the sale of EU ETS allowances to the maritime sector to be used for an Ocean Fund, established for the period 2022-2030 to improve the energy efficiency of ships and support investment in decarbonisation.
- An additional amendment adopted would oblige the commission to propose by 31 December 2022 "additional requirements to reduce GHG emissions other than CO₂, as well as to reduce air pollutants and the discharge of wastewater, including from scrubbers, into open waters from ships". And the review should also "consider" an extension of the scope of the regulation to include ships of 400-5,000 gross tonnage.

- U.K. government considering to include shipping industry in its new carbon market.
- China looks at adding shipping to its emissions trading scheme kicked off in Feb, but after watching how EU's ETS for shipping goes before making decisions.
- US to push IMO to adopt target of absolute zero emissions by 2050

Global offshore wind market is in rapid growth

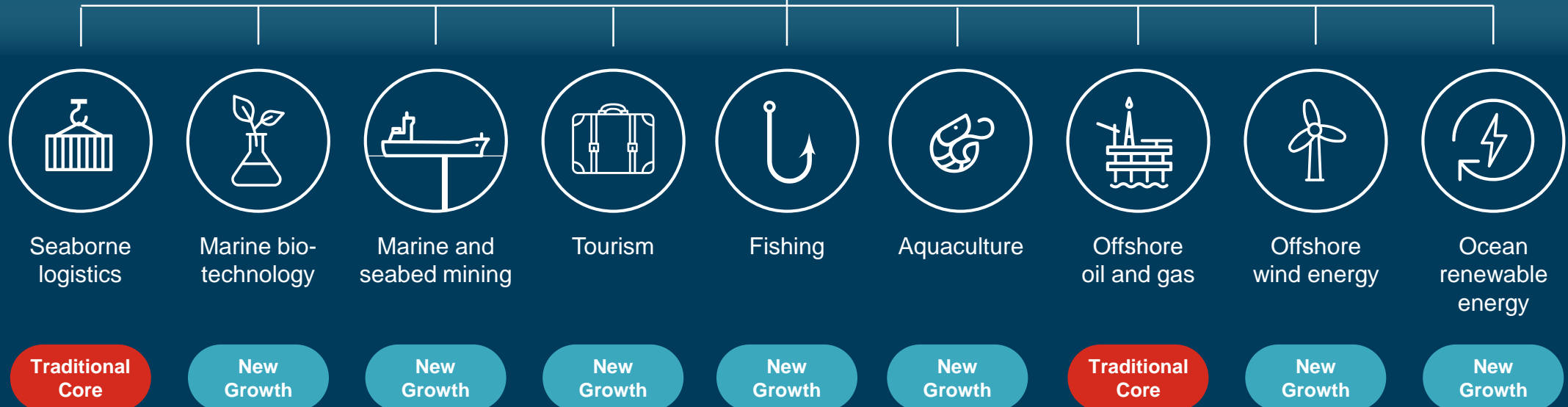
- Offshore wind related capex exceeding oil & gas by 2022⁴
- Growth drivers
 - Increasing electricity usage
 - Demand for sustainable energy
 - Affordable
 - Economic stimulus
- MacGregor focuses on installation and service vessels and is involved in floating solutions
 - Addressable market size in 2021-2030 cumutively a few billion EUR



1) GWEC Market Intelligence, June 2020
2) Compound Annual Growth Rate 2020-2024
3) Compound Annual Growth Rate 2025-2030
4) In Euro, Source: Rystad Energy research and analysis



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



For more information, call us or visit our [IR-page](#)

Upcoming IR events

23 June 2021	Q2 pre-silent call with CFO
28 July 2021	Half year financial report January–June 2021
28 October 2021	Interim report January–September 2021

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