

A man with short brown hair, wearing a high-visibility yellow-green safety vest over a dark shirt, is looking down at a large green object, possibly a piece of machinery or a container. The background is blurred, showing other people and structures.

20 July 2022

# Record quarter

Cargotec's January–June 2022 half year report  
Mika Vehviläinen, CEO • Mikko Puolakka, CFO

- All-time high comparable operating profit
- Record quarter for services and Hiab
- Orders received and order book at a new record
- Supply chain challenges and market uncertainty are expected to continue

# Disclaimer

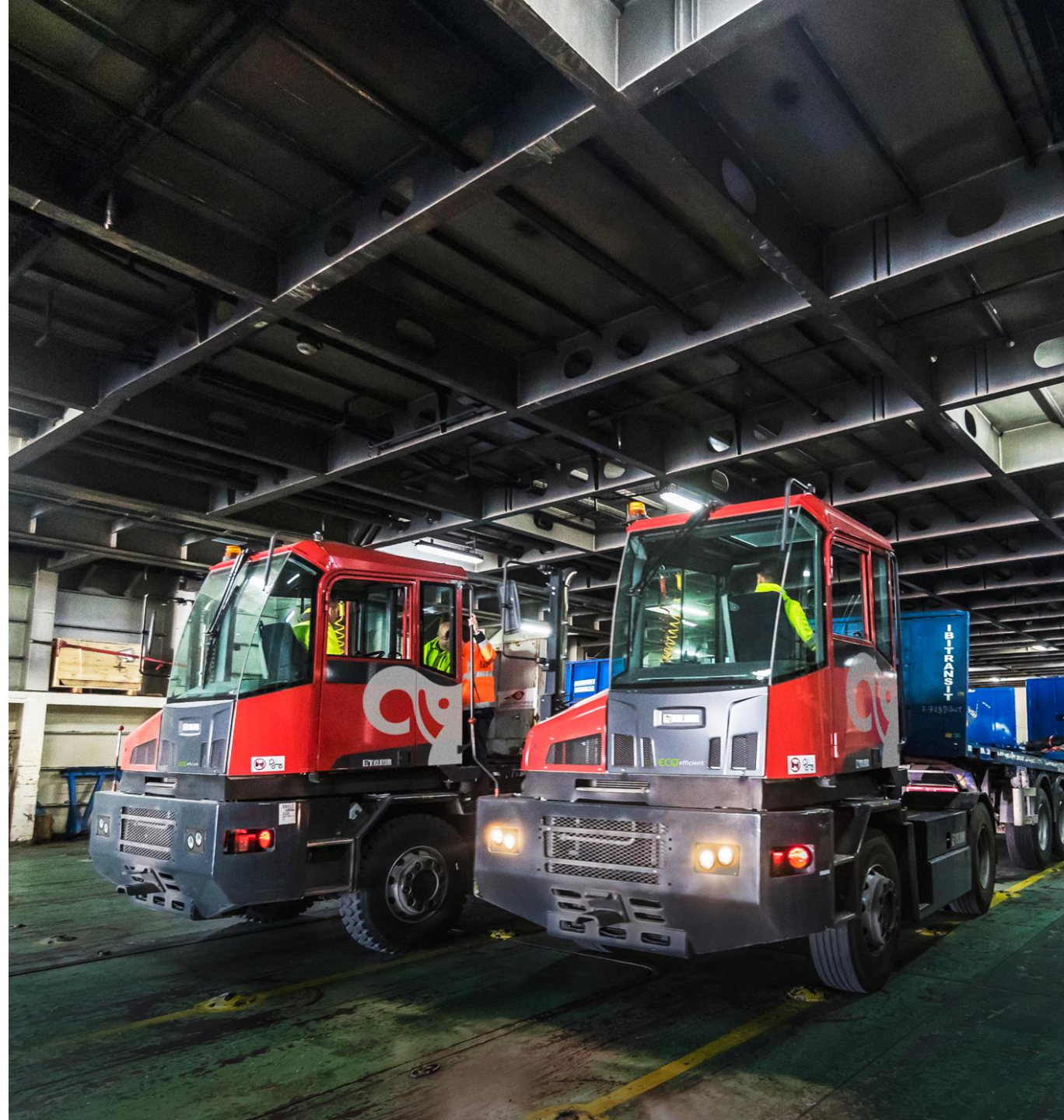
Although forward-looking statements contained in this presentation are based upon what management of the company believes are reasonable assumptions, there can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. These statements are not guarantees of future performance and undue reliance should not be placed on them. The company undertakes no obligation to update forward-looking statements if circumstances or management's estimates or opinions should change except as required by applicable securities laws.

All the discussion topics presented during the session and in the attached material are still in the planning phase. The final impact on the personnel, for example on the duties of the existing employees, will be specified only after the legal requirements of each affected function/ country have been fulfilled in full, including possible informing and/or negotiation obligations in each function / country.



# Contents

- Q2/22 highlights
- Market environment
- Group level development
- Business areas
- Financials and outlook



# Highlights of Q2/22 – All-time high comparable operating profit and margin

**Orders received** increased by 9%

- Strong orders in all businesses
- MacGregor orders +78%

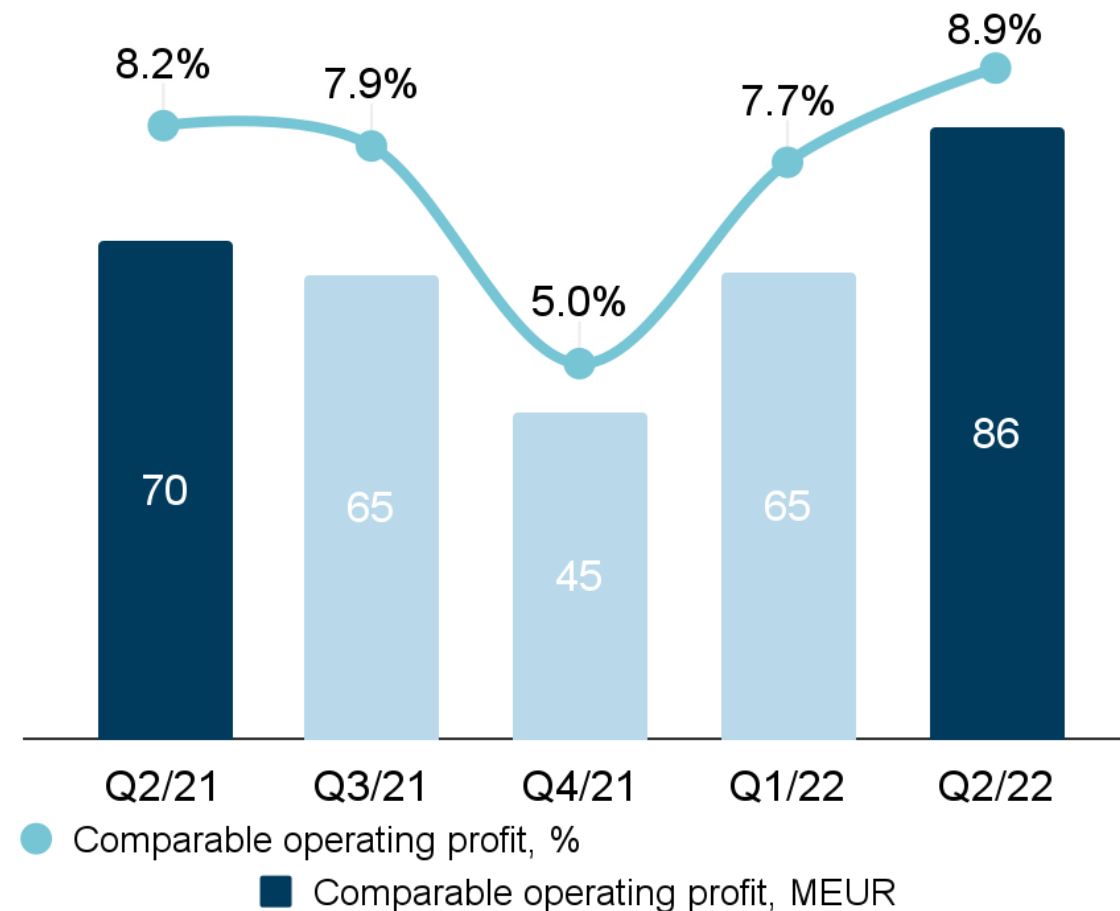
**Sales** increased by 12%

- Driven by core businesses
- Service sales increased by 13%
- Eco portfolio sales increased by 25% to 23% of total sales

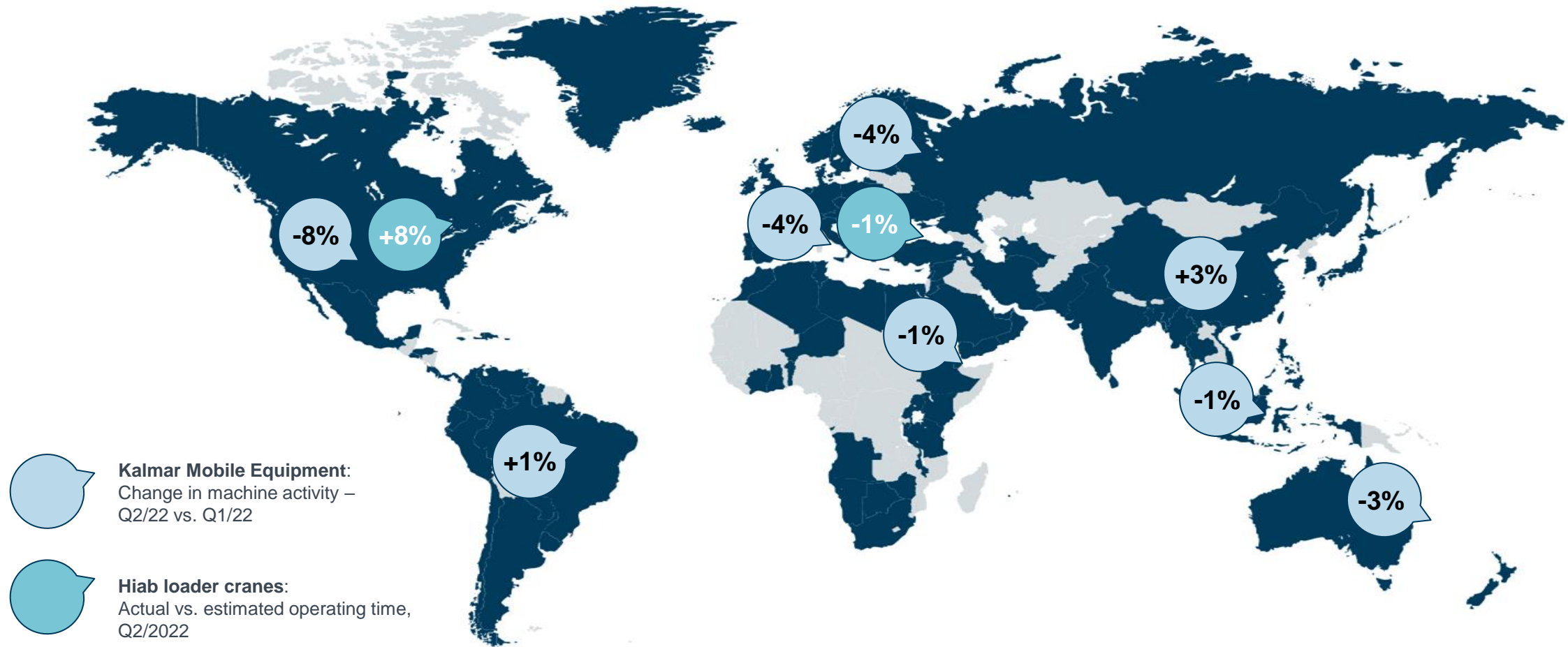
**Comparable operating profit**

increased by 23%

- Kalmar +8 MEUR
- Hiab +18 MEUR
- MacGregor -10 MEUR



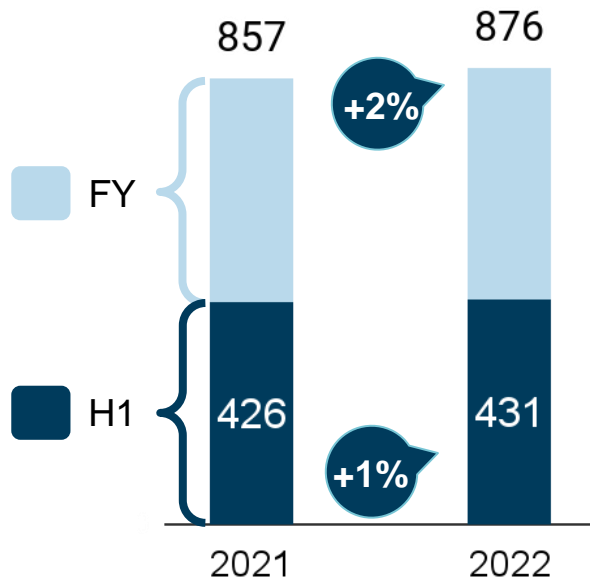
# Equipment running hours started to stabilise





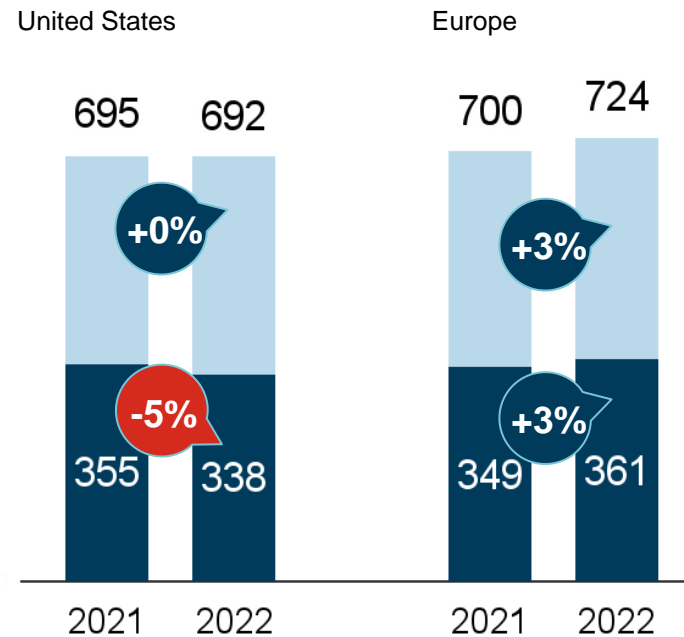
# Market environment - slower growth, economic uncertainty increasing

Global container throughput<sup>1</sup> –  
Key driver for Kalmar



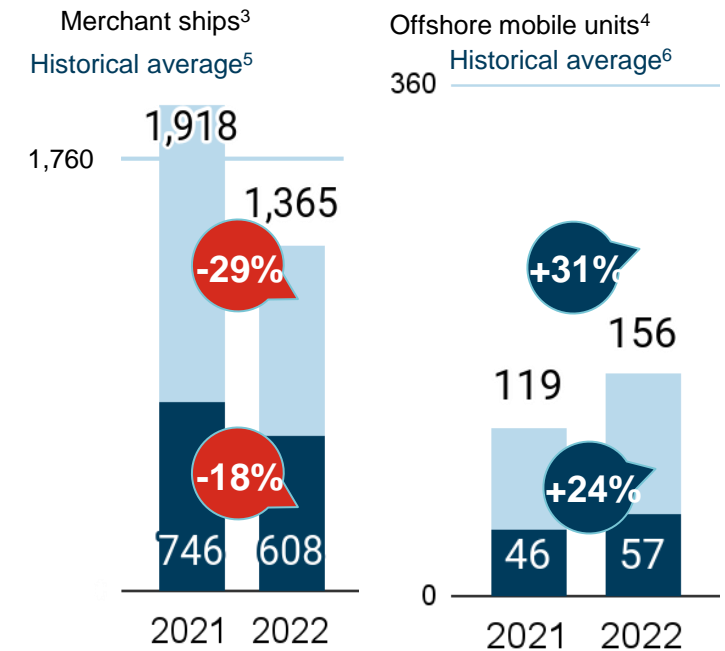
- Modest growth continues

Construction output<sup>2</sup> –  
Key driver for Hiab



- Modest growth expected for 2022

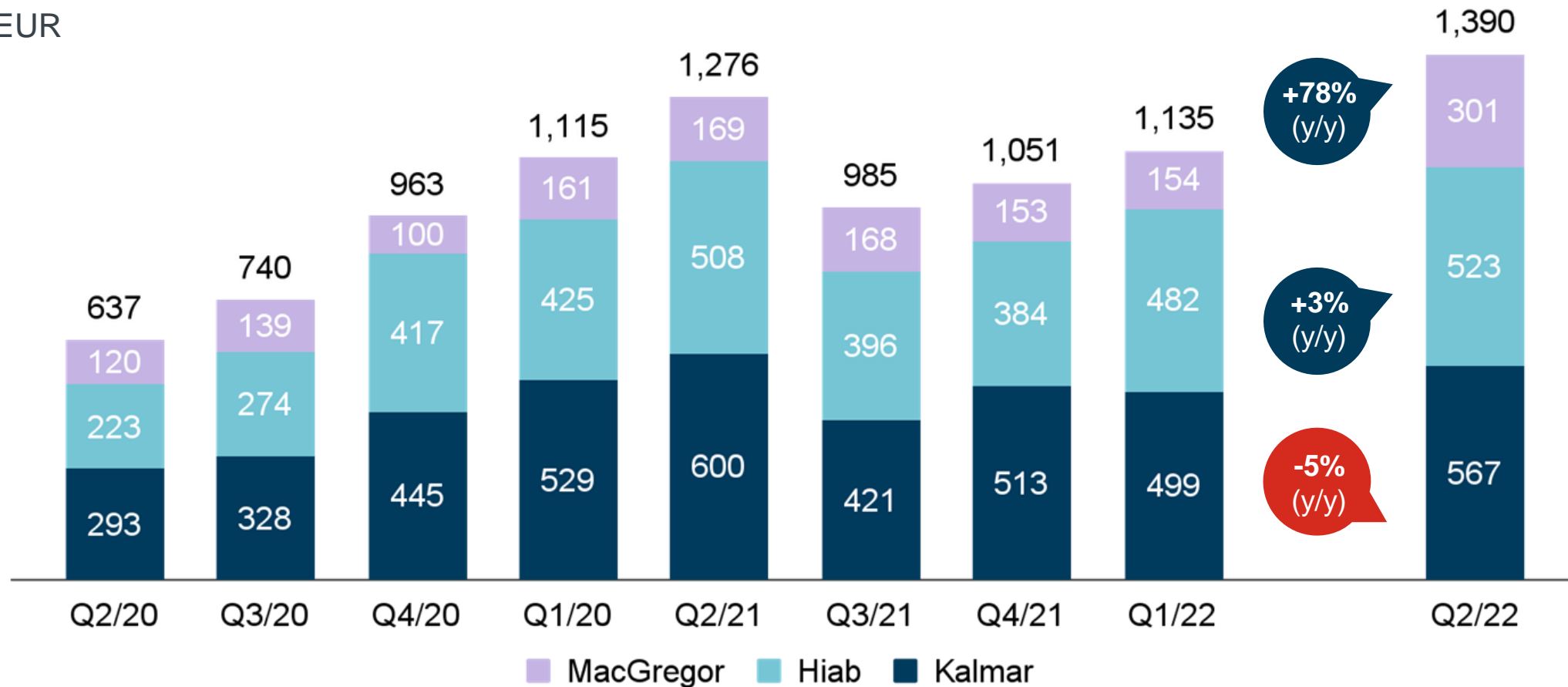
Long term contracting –  
Key driver for MacGregor



- Positive market outlook despite decline in merchant vessel contracting

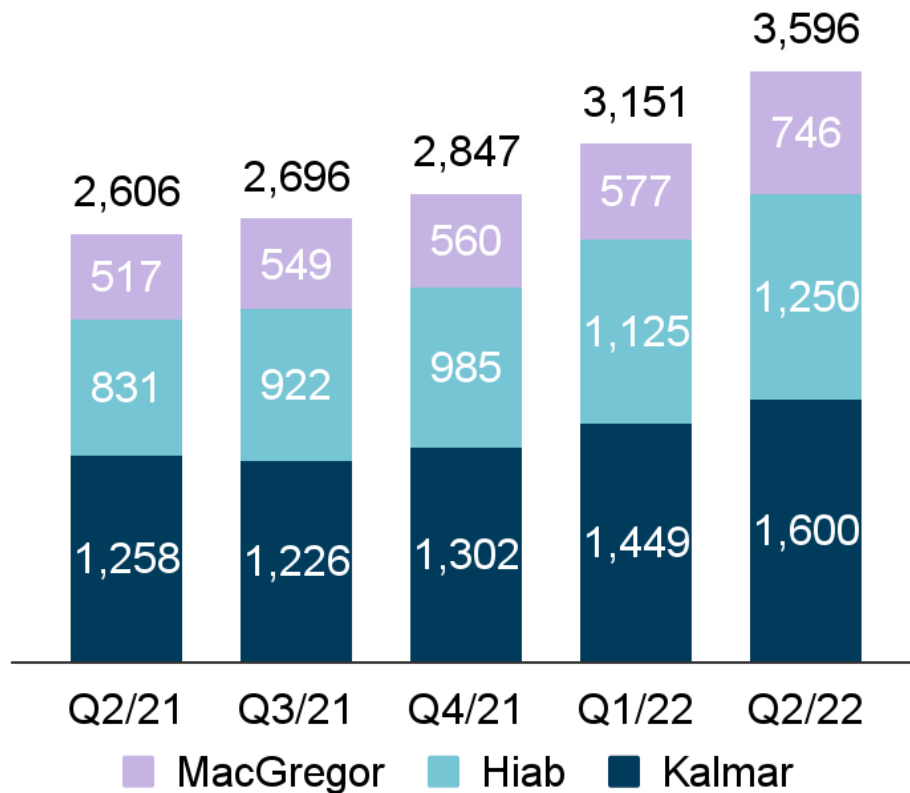
# Orders received improved to a new record level

Orders received  
MEUR

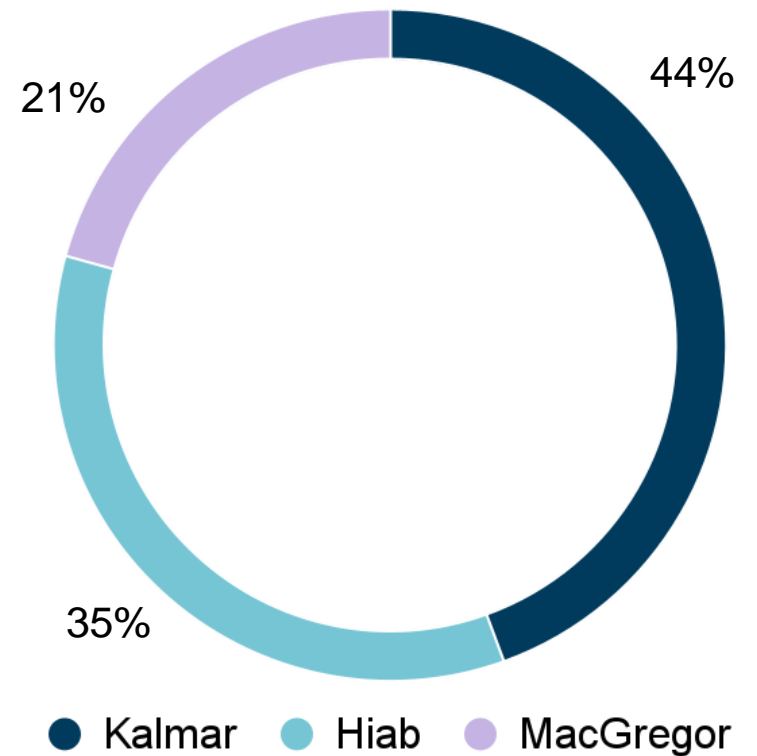


# Order book at all-time high level

Order book  
MEUR



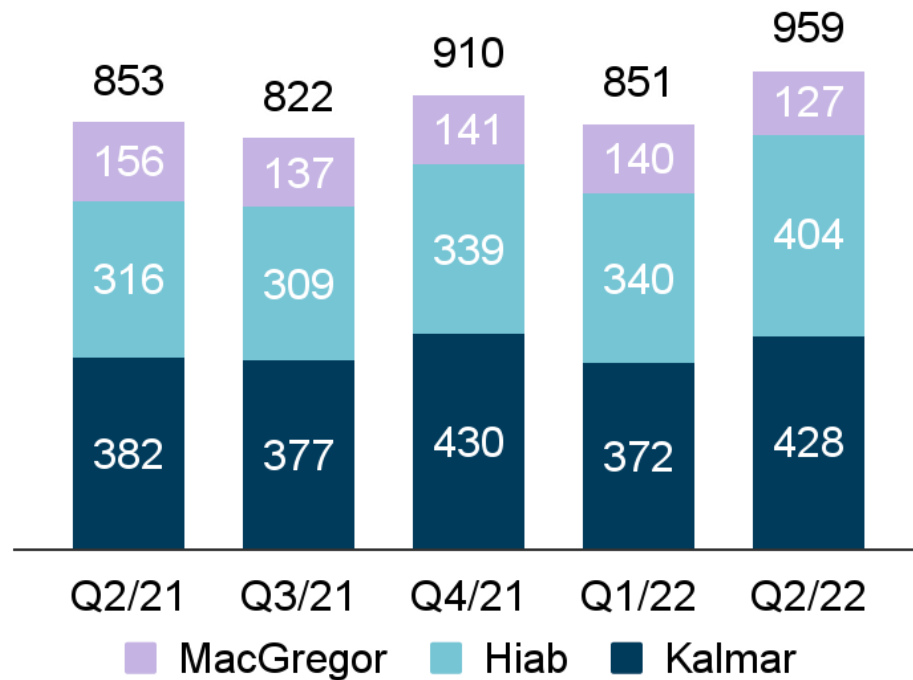
Order book by reporting  
segment, 30 June 2022



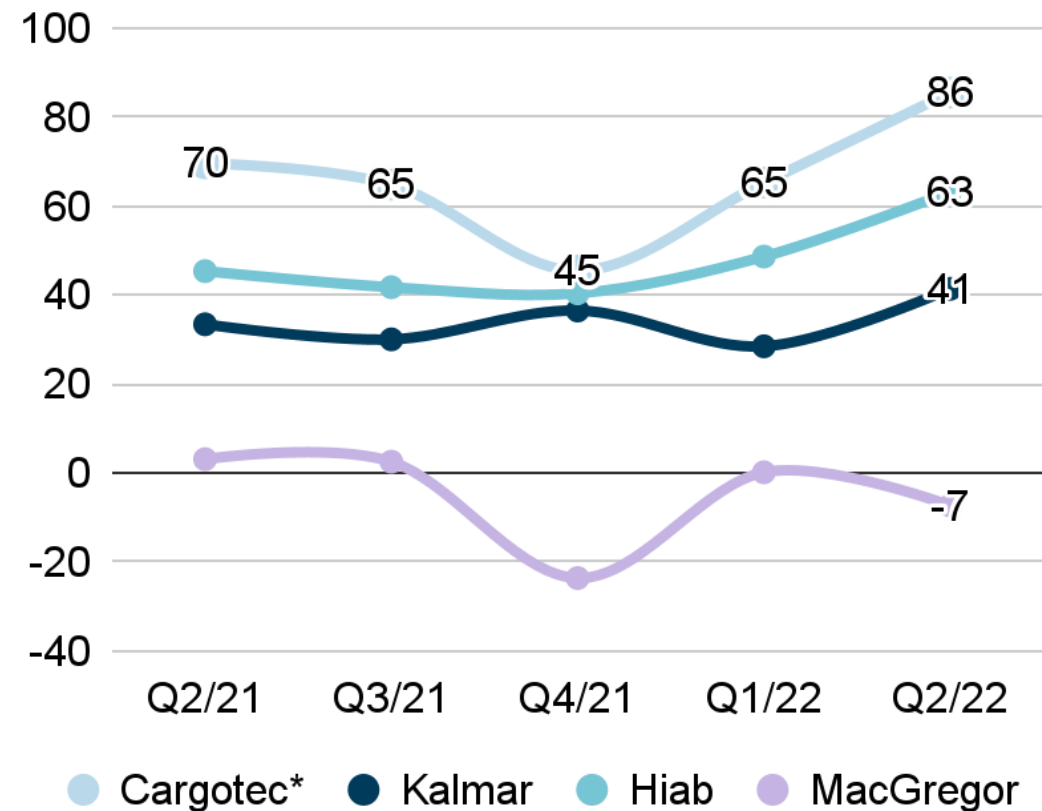


# Excellent development in Hiab and Kalmar partly offset by declined sales and profitability in MacGregor

## Sales MEUR



## Comparable operating profit MEUR



\*) Including Corporate admin and support

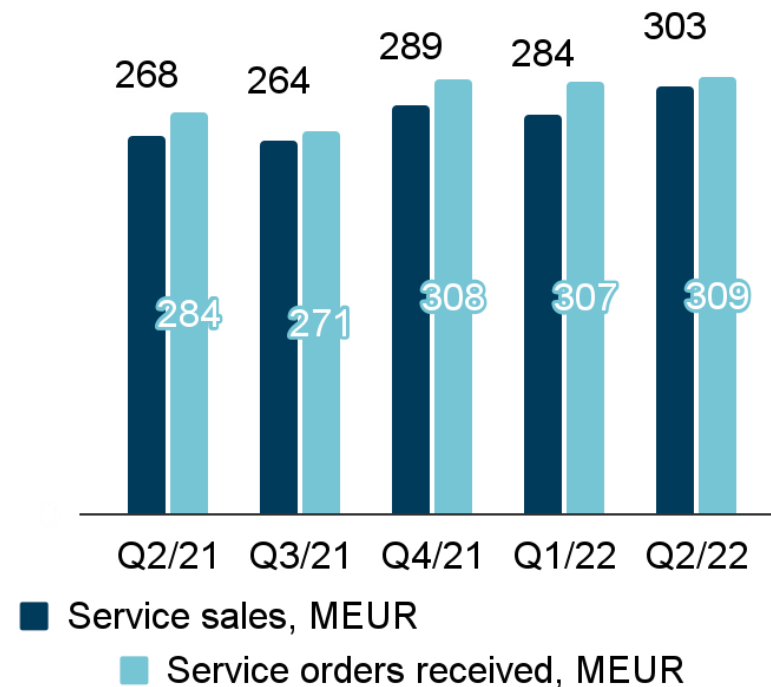
# Continued growth in service business

Service orders received +9%

Service sales +13%

- Kalmar +22%
- Hiab +10%
- MacGregor +1%

Service share 32% of total sales





# 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 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



# Kalmar ROBOTIC portfolio

We will support our customers with  
lifecycle services as well as  
market leading equipment and technology





# Planned strategic actions within next 9 months

Strategic evaluation of MacGregor business

On going

Plan to exit heavy cranes business in Kalmar

Agreement signed

Review of operational model to support refocused group

On going

Capital allocation priorities:

Accelerating  
M&A  
pipeline

Continuing R&D  
investments in  
Electrification, Robotics  
and Digitalisation

Maintaining strong focus  
on Mission Climate  
actions



# Kalmar's plan to focus towards mobile equipment is progressing

Plan to combine Kalmar Mobile Solutions and Automation Solutions announced

Agreement to move Heavy Cranes related IPRs and assets to RCI in China\*

RCI is currently Kalmar's OEM for Heavy Cranes

Crane automation and services to remain in Kalmar

Kalmar to remain responsible for existing customer contracts

~40 local Kalmar employees in China are estimated to move over to RIC\*

Estimated restructuring costs:  
25 MEUR in Q2  
+  
11 MEUR in Q3



# Market leading technology and services driving growth

## Grow in core and adjacent businesses & markets

Kalmar expands its Ottawa plant to address growing demand for electrically powered terminal tractors



## Solve customer challenges in climate change and sustainability

Repeat orders for 23 semi-automated Kalmar hybrid shuttle carriers and 62 Kalmar Hybrid AutoStrads from APMT



## Invest in industry innovation and transformation

Multiple energy-saving, environment-friendly product launches, e.g. EFFER loader cranes



## Expand lifecycle services

Kalmar light electric forklift trucks and a five-year Kalmar Complete Care service package to Sweden







# Business areas



# Kalmar Q2 – Strong development in the core businesses

## Strong demand continued

- Large shuttle & straddle carrier orders
- Robust mobile equipment demand
- Temporary closed TT order book due to long lead times

## Sales increased by 12%

- Increase in core equipment
- Service sales +22%
- Supply chain challenges continue

## Comparable operating profit increased

- Higher mobile equipment sales
- Stable project execution

MEUR	Q2/22	Q2/21	Change
Orders received	567	600	-5%
Order book	1,600	1,258	27%
Sales	428	382	12%
Service sales, %	32%	29%	300 bps
Comparable operating profit	41	33	24%
Comparable operating profit margin	9.7%	8.8%	90 bps



# Hiab Q2 – Record quarter

Strong demand continued

- Highest quarter in Hiab's history

Sales increased by 28%

- Record high sales
- Service sales +10%
- Supply chain and truck chassis availability challenges continue

Comparable operating profit increased

- Higher sales
- Effective commercial and supply chain execution

MEUR	Q2/22	Q2/21	Change
Orders received	523	508	3%
Order book	1,250	831	50%
Sales	404	316	28%
Service sales, %	25%	29%	-400 bps
Comparable operating profit	63	45	39%
Comparable operating profit margin	15.6%	14.4%	120 bps





# MacGregor Q2 – Highest orders received since Q4/2014

## Orders received surged

- Driven by increase in merchant vessels

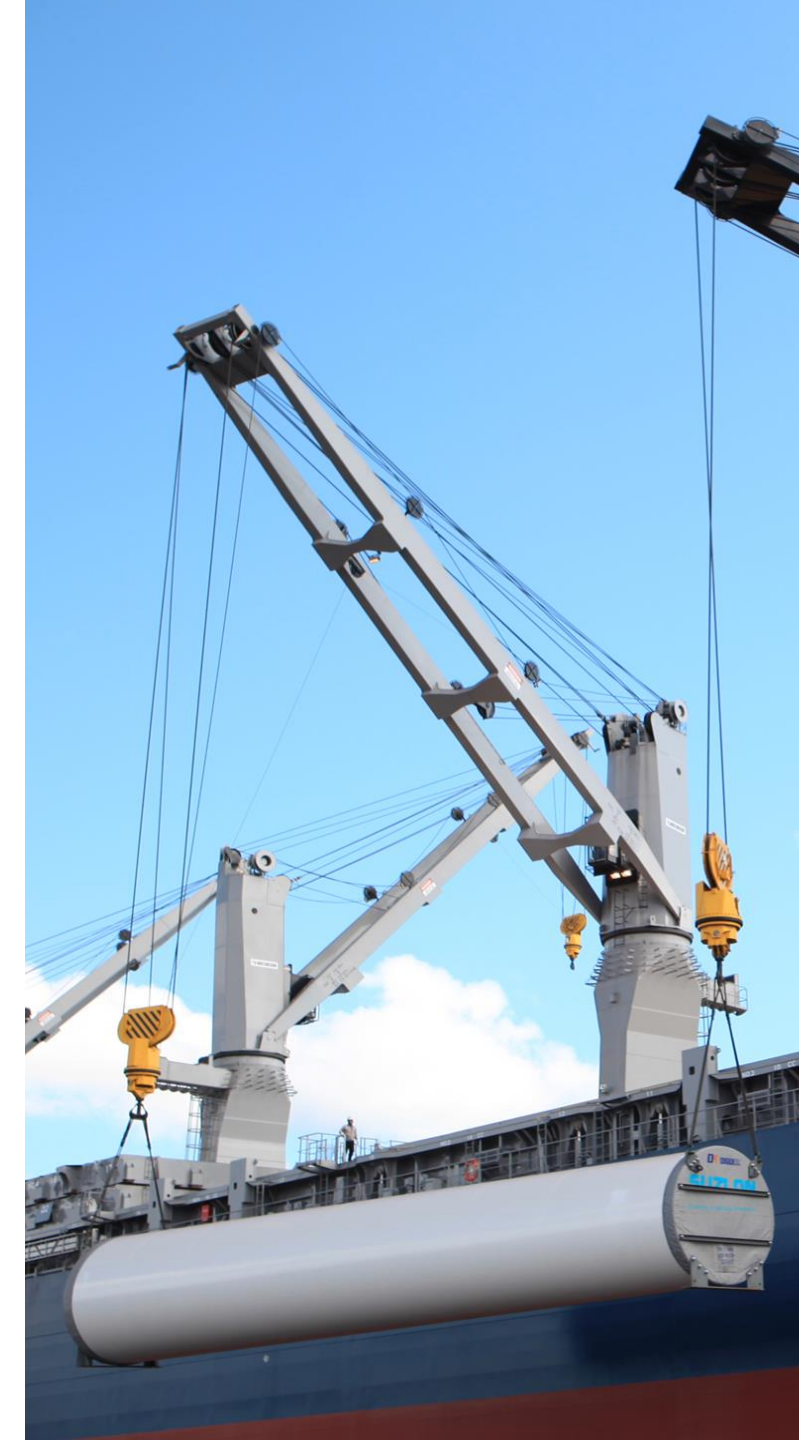
## Sales decreased

- Slight increase in services
- Decrease in merchant vessels and in offshore sector

## Comparable operating profit decreased

- Investments in offshore wind
- Cost overruns in single pioneering offshore wind projects
- Low sales in offshore business
- Delays in spare part deliveries

MEUR	Q2/22	Q2/21	Change
Orders received	301	169	78%
Order book	746	517	44%
Sales	127	156	-19%
Service sales, %	54%	43%	1100 bps
Comparable operating profit	-7	3	<-100%
Comparable operating profit margin	-5.8%	2.0%	-780 bps





An aerial photograph of a large port facility. In the foreground, several large container ships are docked at the pier, with their decks covered in colorful shipping containers. Numerous yellow and blue gantry cranes are positioned along the quay to load and unload the ships. The middle ground shows a vast area filled with stacks of containers. In the background, the sea is filled with many smaller ships, and a long pier extends into the water.

# Financials and outlook



# Financial highlights

**3,596**

**MEUR**

Record order  
book

**24%**

H1/22 comparable  
operating profit  
increase from  
H1/21

**-38**MEUR

Items affecting  
comparability in  
Q2 of which 25  
MEUR is related  
to planned heavy  
cranes exit

**62**MEUR

H1/22 net income,  
75% increase  
from H1/21

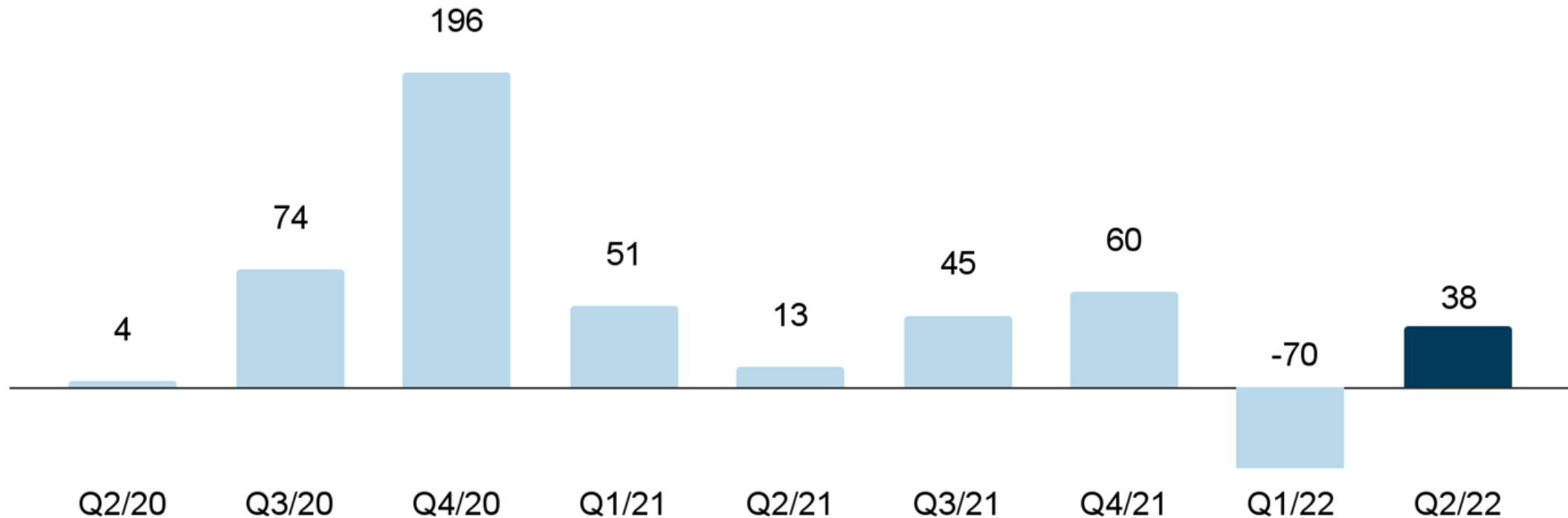
**12%**

Core businesses\*  
comparable  
operating profit  
margin in Q2

# Positive operative cash flow despite continued increase in net working capital

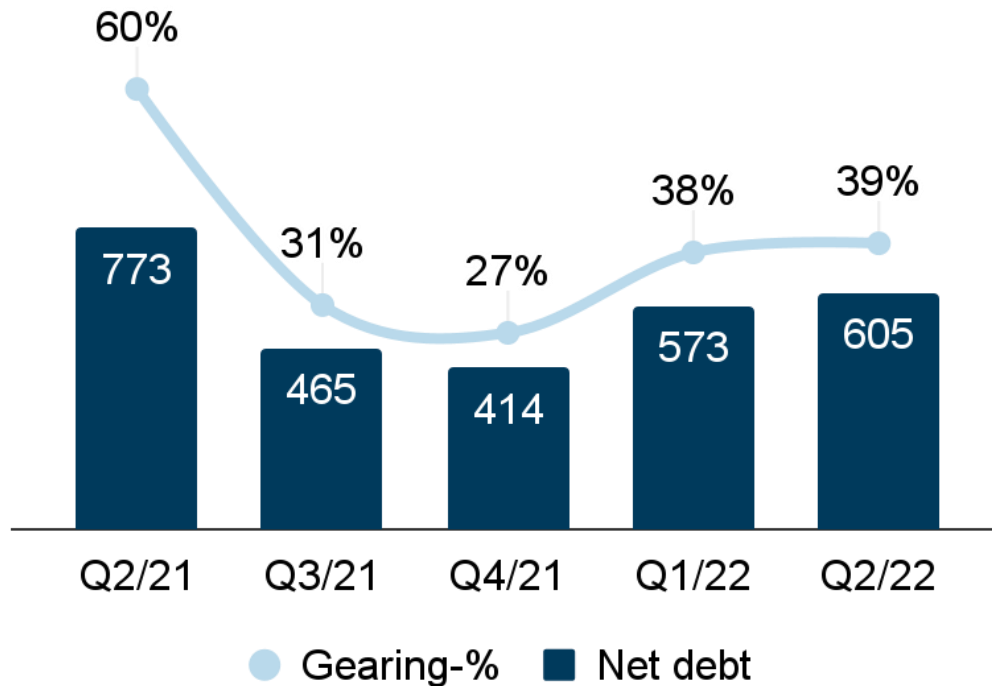
Cash flow from operations before financing items and taxes

MEUR

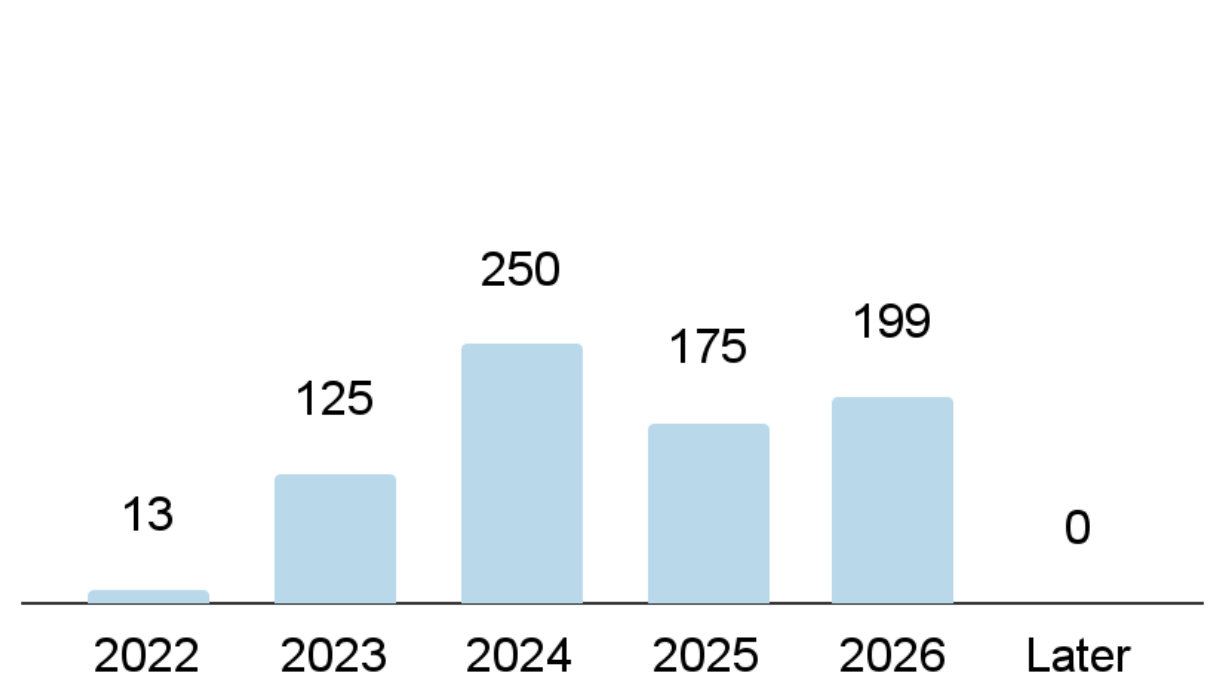


# Strong balance sheet and balanced maturity profile

Net debt & gearing  
MEUR



Maturity profile, 30 June 2022





# Outlook for 2022 unchanged

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







# **CAPITAL MARKETS DAY 2022**

15 November, 2022

Helsinki, Finland

[cargotec.com/cmd22](https://cargotec.com/cmd22)







# Appendix

# Key figures – Half year comparable operating profit 24% higher than in 2021

	Q2/22	Q2/21	Change	Q1-Q2/22	Q1-Q2/21	Change
Orders received, MEUR	<b>1,390</b>	1,276	9%	<b>2,525</b>	2,392	6%
Order book, MEUR	<b>3,596</b>	2,606	38%	<b>3,596</b>	2,606	38%
Sales, MEUR	<b>959</b>	853	12%	<b>1,810</b>	1,583	14%
Comparable operating profit, MEUR	<b>86</b>	70	23%	<b>151</b>	121	24%
Comparable operating profit, %	<b>8.9%</b>	8.2%	70bps	<b>8.3%</b>	7.7%	60bps
Items affecting comparability, MEUR	<b>-38</b>	-25	-53%	<b>-66</b>	-52	-27%
Operating profit, MEUR	<b>47</b>	45	6%	<b>85</b>	69	23%
Operating profit, %	<b>5.0%</b>	5.2%	-20bps	<b>4.7%</b>	4.4%	30bps
Net income, MEUR	<b>41</b>	26	58%	<b>62</b>	35	75%
Earnings per share, EUR	<b>0.64</b>	0.40	59%	<b>0.97</b>	0.55	76%
Earnings per share, EUR*	<b>0.82</b>	0.67	22%	<b>1.45</b>	1.09	33%
ROCE, %**	<b>15.2%</b>	5.3%	990bps	<b>15.2%</b>	5.3%	990bps