



Investor presentation, September 2021

Becoming the global leader in sustainable cargo flow

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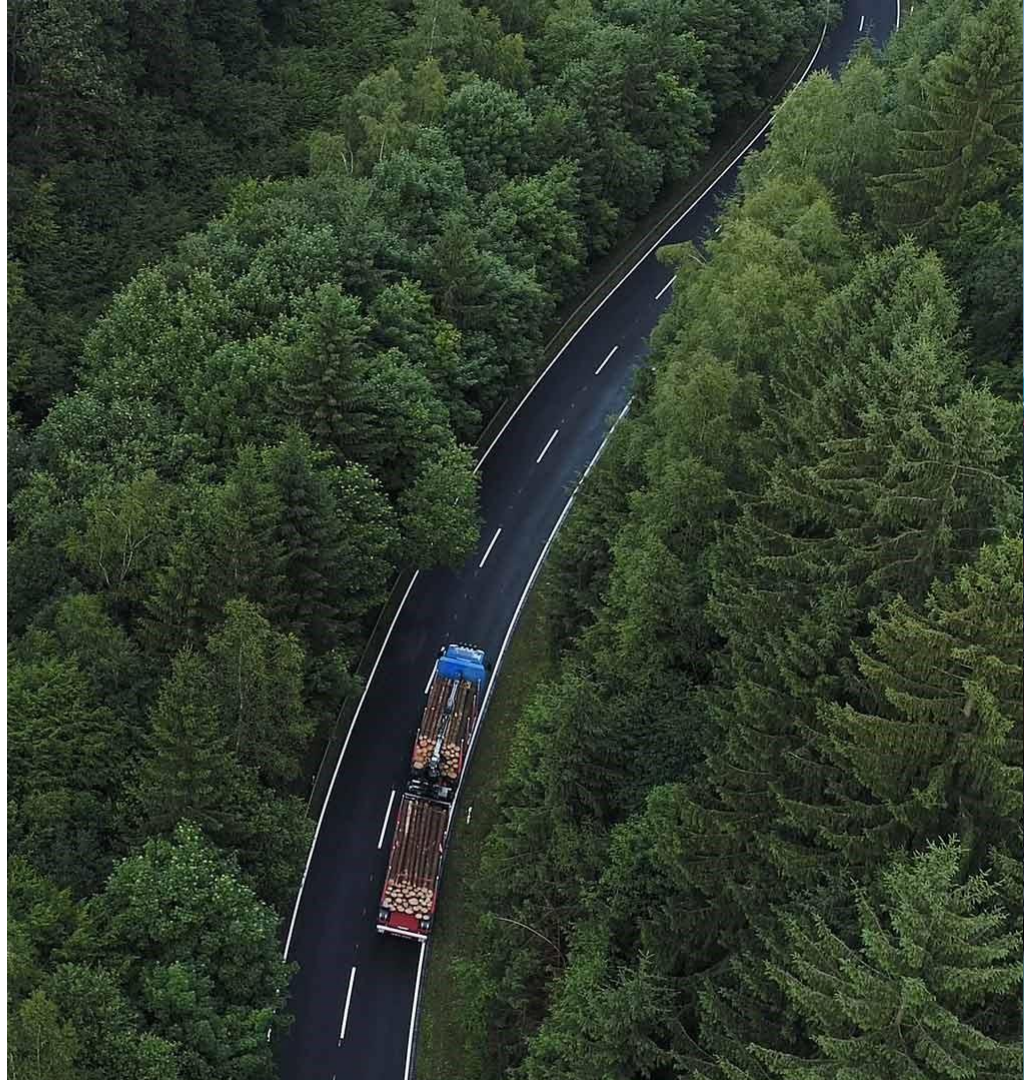
All the discussion topics presented during the session and in the attached material are still in the planning phase. The final impact on the personnel, for example on the duties of the existing employees, will be specified only after the legal requirements of each affected function/ country have been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

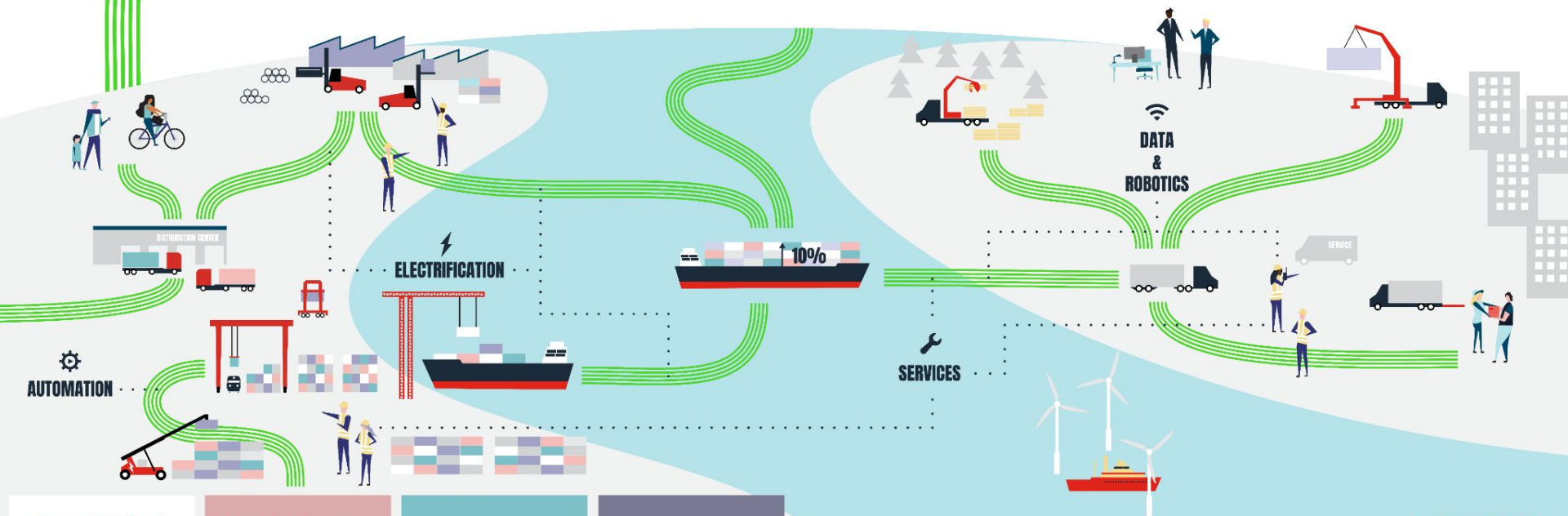


GLOBAL LEADER IN SUSTAINABLE CARGO FLOW

KALMAR

MACGREGOR

HIAB



MEGATRENDS

GLOBAL GROWTH AND
ECONOMIC DEVELOPMENT

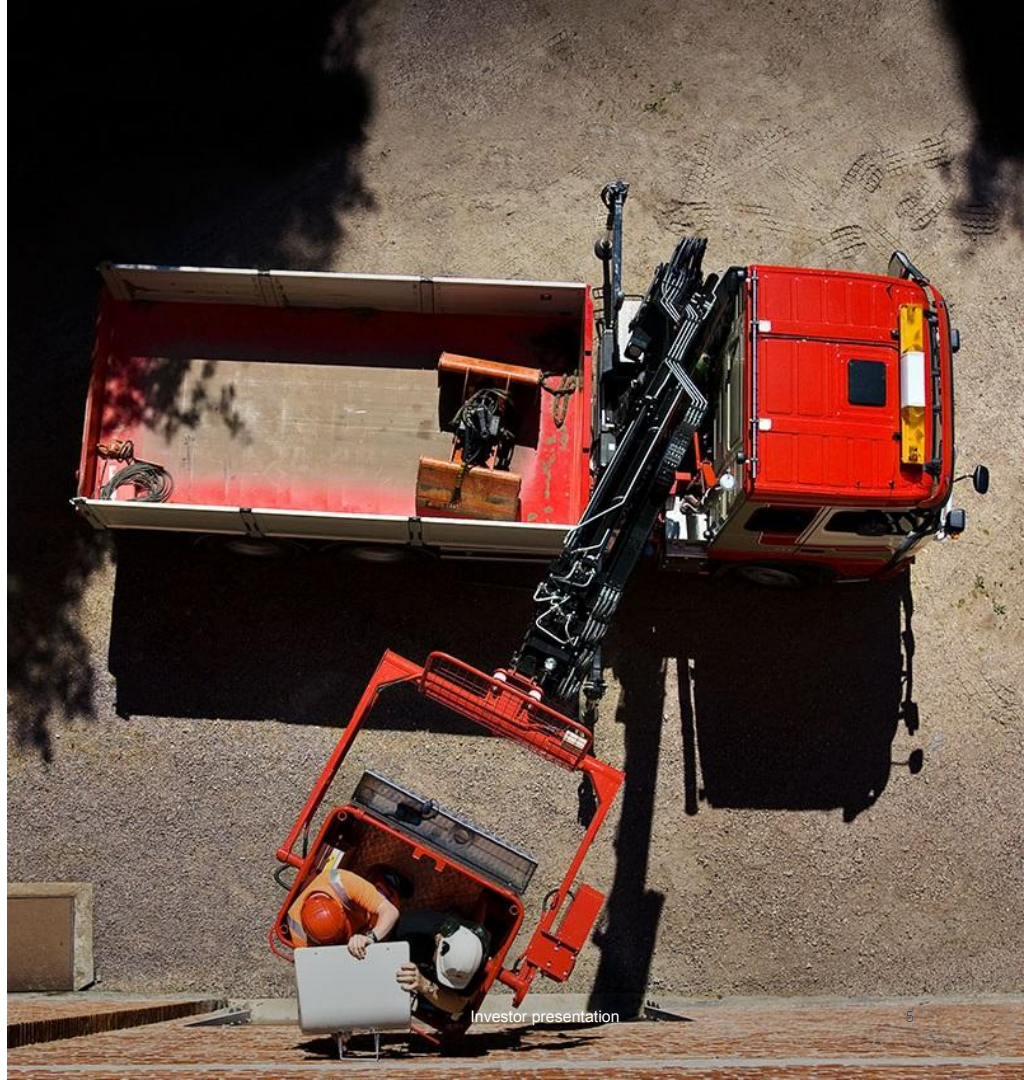
SUSTAINABILITY

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: 6.9%

Kalmar

Sales: **EUR 1,529 million**
EBIT: **8.2%** (EUR 126 million)

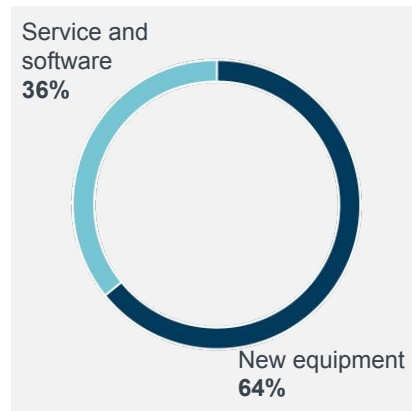
Hiab

Sales: **EUR 1,094 million**
EBIT: **11.8%** (EUR 129 million)

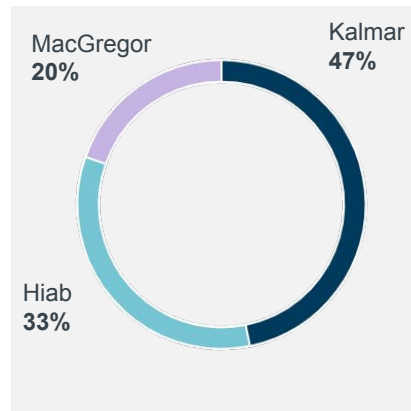
MacGregor

Sales: **EUR 642 million**
EBIT: **1.0%** (EUR 7 million)

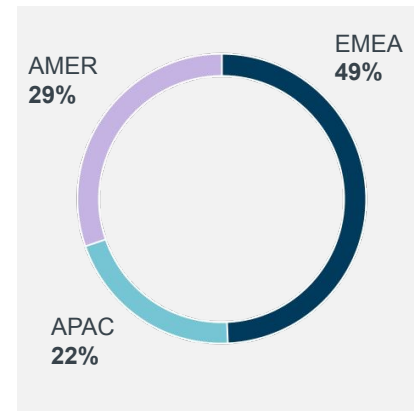
**Sales split: new
equipment vs service
and software**



**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

Key competitors

Cargotec is a leading player in all of its business areas



Global main competitors



KONGSBERG

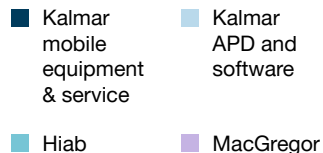
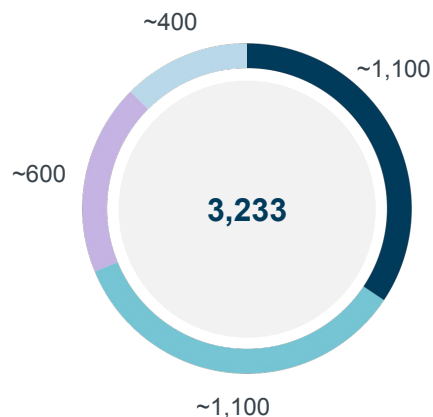
Other competitors



Currently two businesses performing well

Net sales Q2/2021, LTM*

EUR million **



Trend in orders, LTM

Profitability: comparable EBIT margin, LTM

Kalmar Automation and Projects division & Navis***



Low profitability

MacGregor

-8%

2.7%

Hiab

+41%

13.7%

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



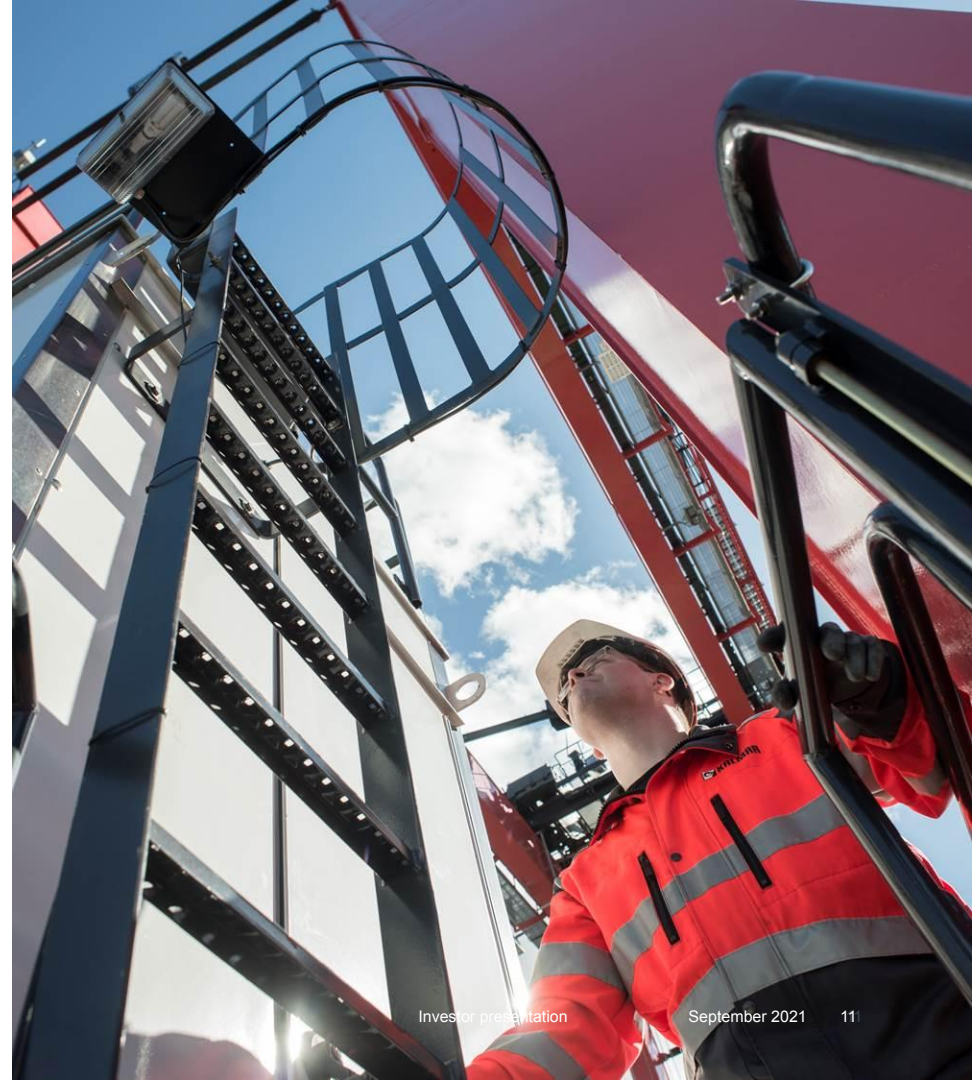
Low double digit

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 electrification and automation growth
5. On track for profitability improvement and to reach financial targets



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

Global megatrends

- Global growth and economic development
- Sustainability
- Digitalisation

Growth drivers

- Container throughput growth
- Construction activity
- Automation
- Digitalisation

Competitive advantages

- Strong brands
- Full automation offering
- Technology leadership

Market position

- #1 or #2 in all major segments

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

PURPOSE

SMARTER 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

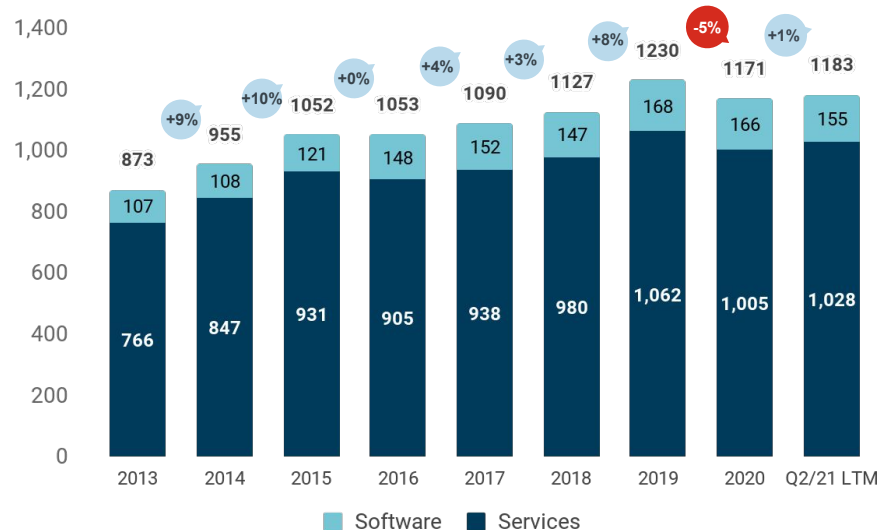
Leadership index

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 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 ₂ reduction
ROI	4 years
Operating costs	80% reduction

** Example case: Swedish customer, comparing an [electric medium forklift](#) against a comparable ICE forklift, both with a 5-year lease solution

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

4. Capitalising global opportunities for future automation growth

Industry trends support growth in port automation:

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

Customers consider their automation decisions carefully

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

Automation creates significant cost savings*

Labour costs	60% less labour costs
Total costs	24% less costs
Profit increase	125%



* Change when manual terminal converted into an automated operation

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

Growth

Target to grow faster than market

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

Service and software

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

Profitability

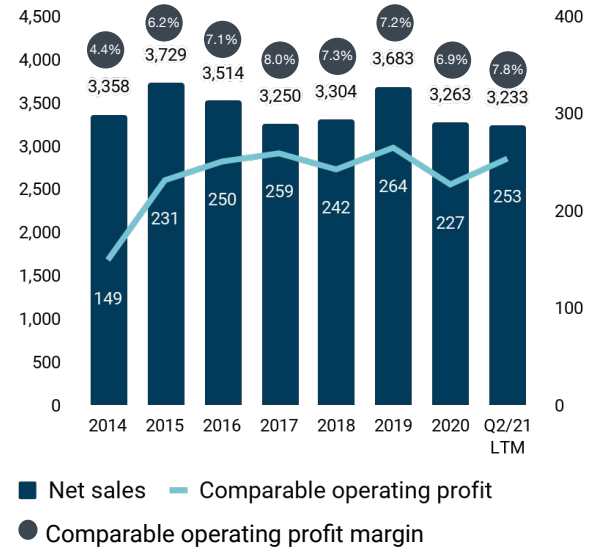
Target 10% operating profit and 15% ROCE in 3-5 years*

Higher service and software sales key driver for profitability improvement

Balance sheet and dividend

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

Sales and comparable operating profit development



Kalmar



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

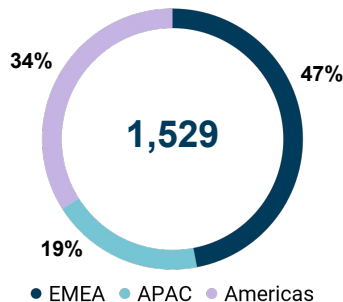
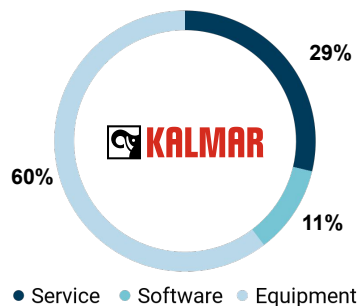
Kalmar offers cargo handling equipment and automated terminal solutions, software and services used in ports, terminals, distribution centres and various industries.

Number of personnel
5,526

Sales
MEUR 1,529

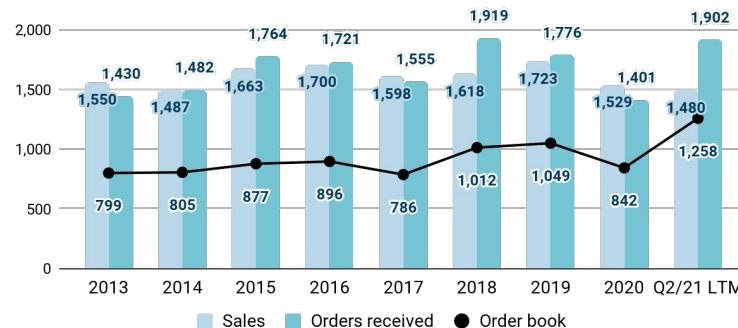
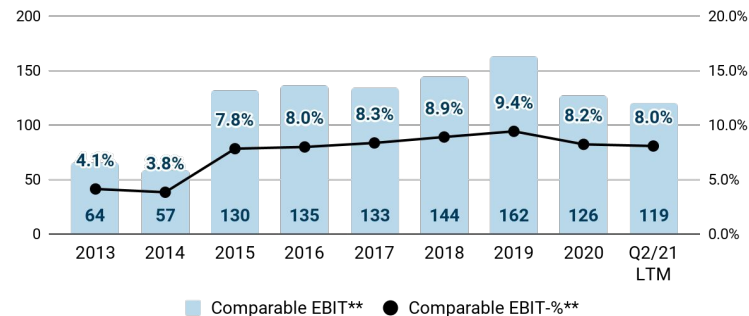
Service and software sales
(% of sales)

Geographical sales split



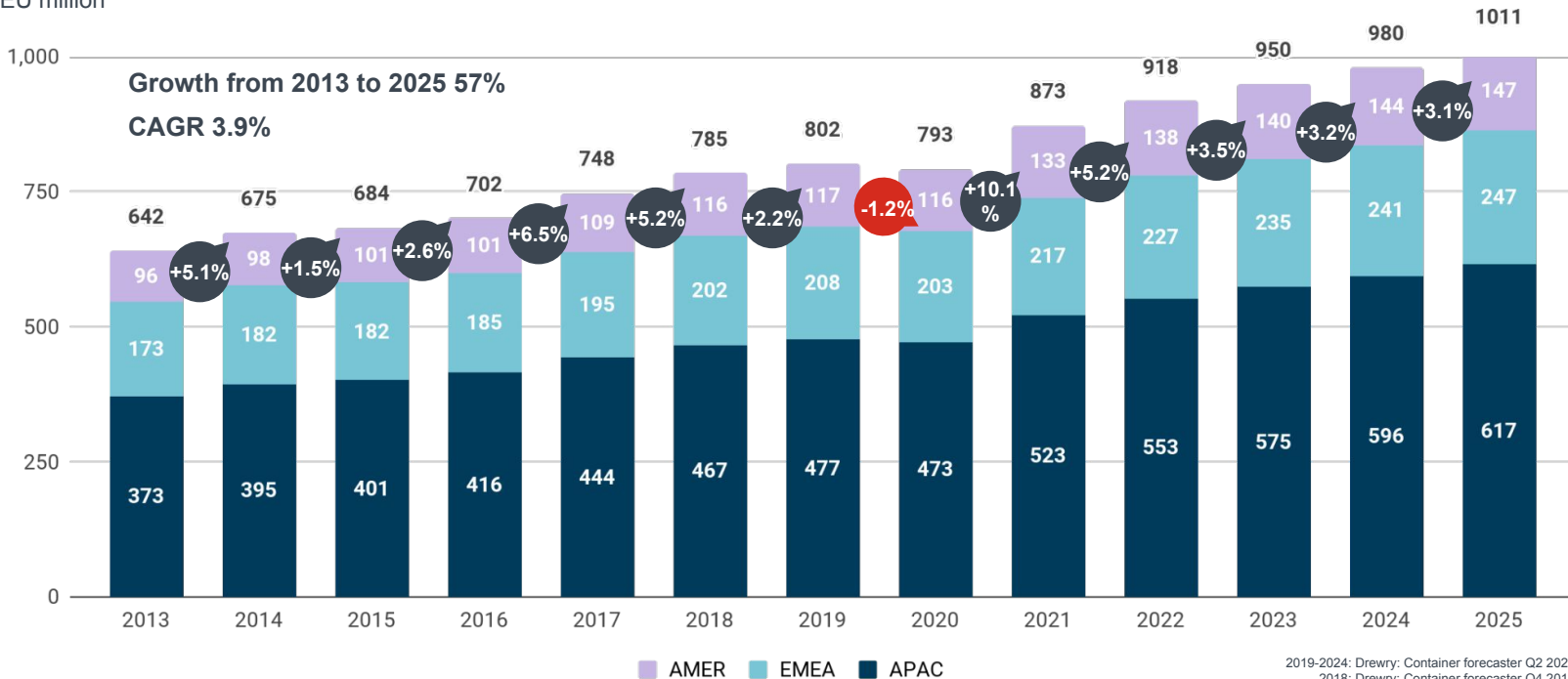
Development of historical financials

MEUR

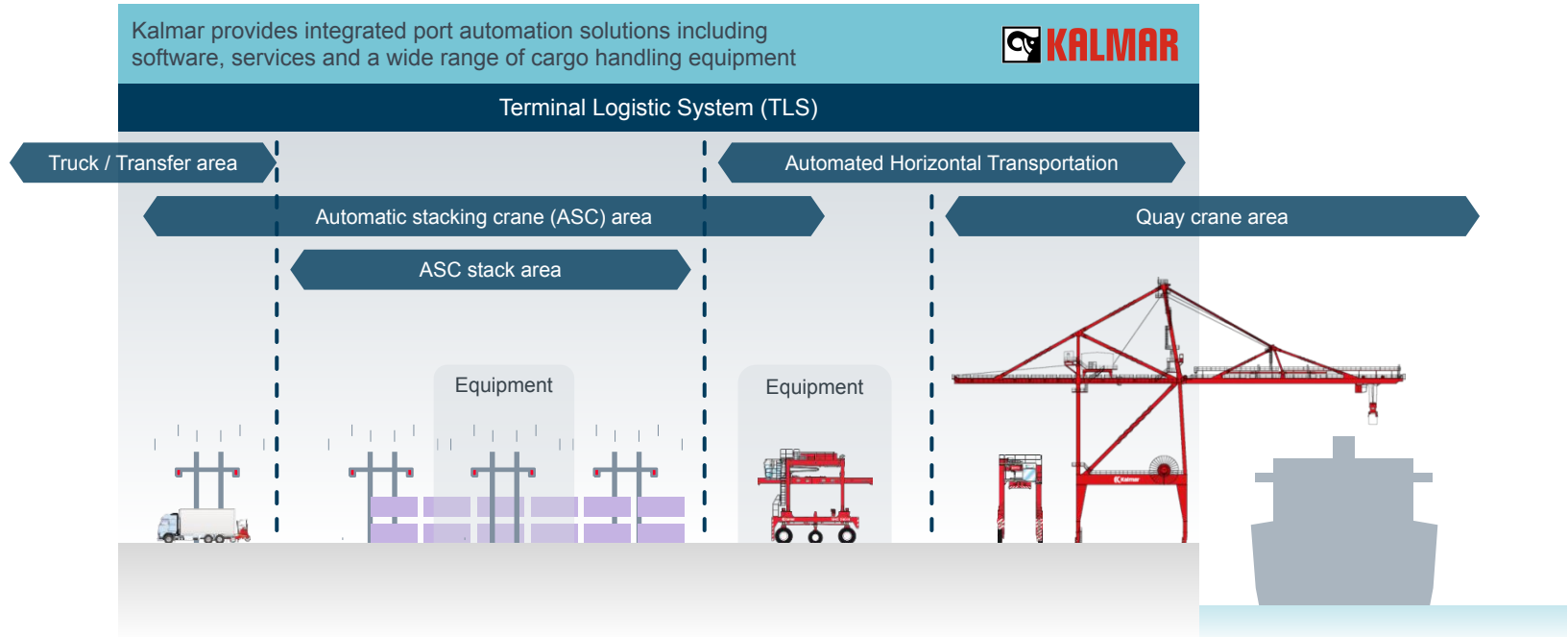


Container throughput is estimated to continue to grow

TEU million



Kalmar provides integrated port automation solutions





Electric Empty
Container Handler



Electric
Reachstacker



Electric Heavy
Forklift



Next Generation
Electric Terminal
Tractor

22

2021: Kalmar introduces a fully **electric** portfolio.

A red KALMAR automated truck is parked in a paved industrial yard. In the background, a large white DB Schenker container is being lifted by a crane. The scene is set against a clear blue sky with some light clouds. The truck has a large windshield and a driver's cabin. The container has the DB Schenker logo and text on its side.

Robotics as an opportunity

AUTOMATED SOLUTION

ROBOTICS FUNCTIONALITY

Digitalisation • Autonomous • Electrification

KALMAR EQUIPMENT

Towards new business models



**Virtual
capability**

**Simultaneous
engineering**



**Validated
output**

**Optimised
solution**



**High-speed
commission**

**Faster return
on capital**



**Connected
services**

**Increased
uptime**

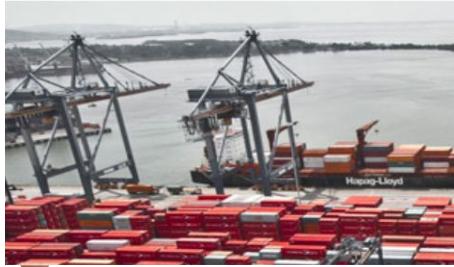


**De/Re
commission**

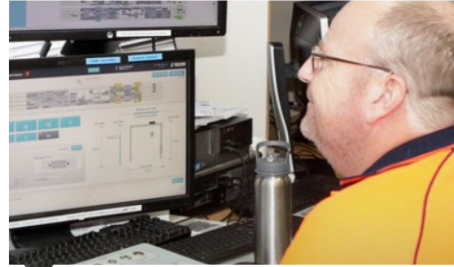
**Replacement
upgrade**

A digital life of the customer

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

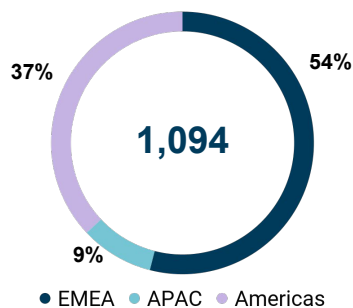
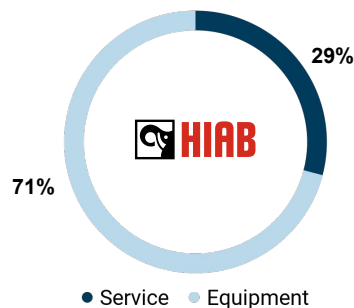
Hiab's class-leading load handling offering includes loader cranes, forestry and recycling cranes, truck mounted forklifts, skiploaders and hooklifts, and tail lifts as well as intelligent services and smart and connected solutions. Hiab's customers come from a broad range of industries and segments.

Number of personnel
3,390

Sales
MEUR 1,094

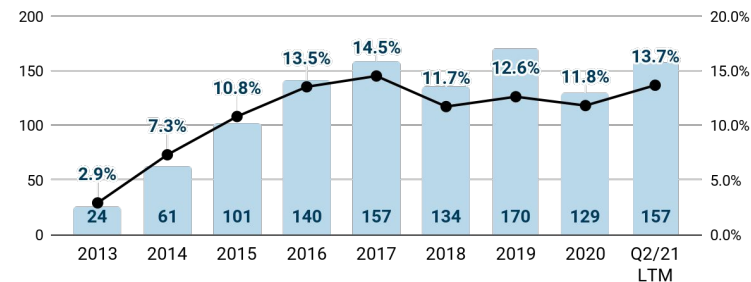
Service sales
(% of sales)

Geographical sales split



Development of historical financials

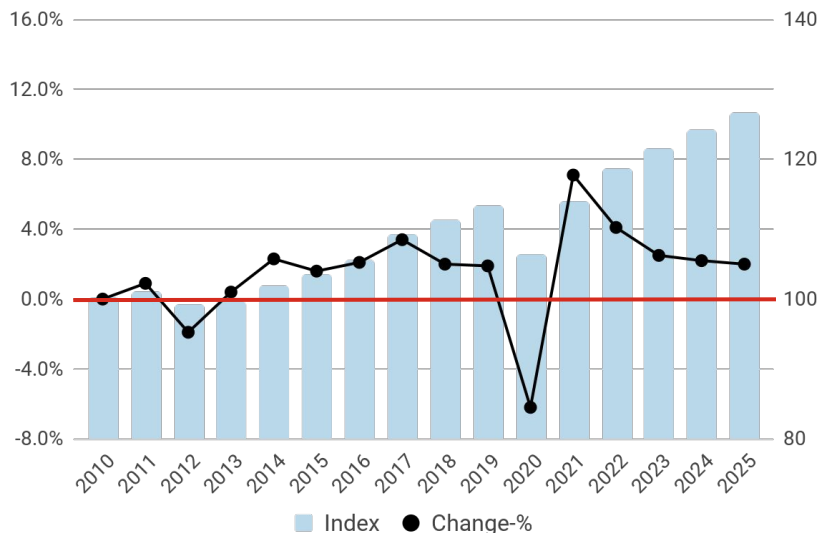
MEUR



Construction output driving growth opportunity

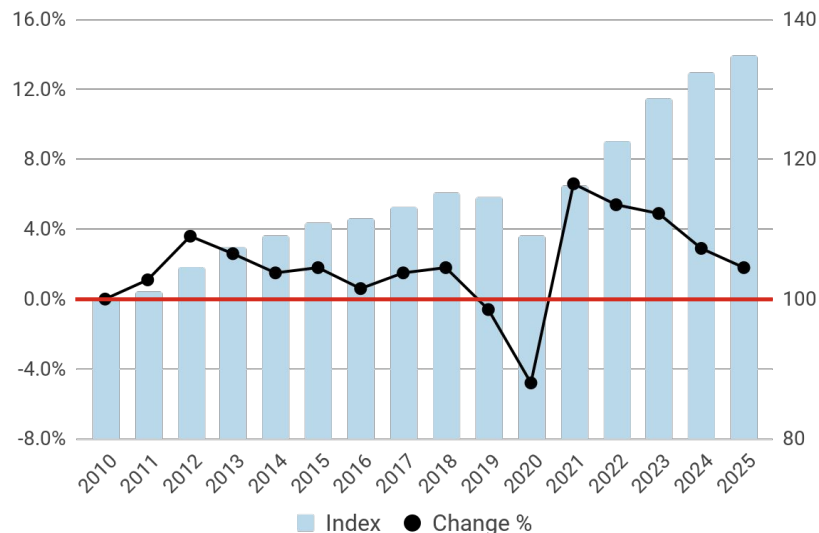
EMEA construction output

y/y change (%)










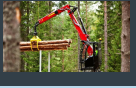

AMER construction output

y/y change (%)

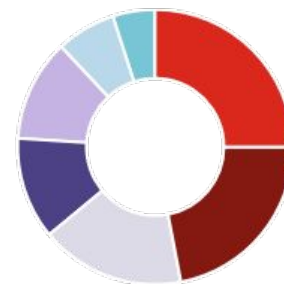


Oxford Economics: Industry output forecast
6/2020








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



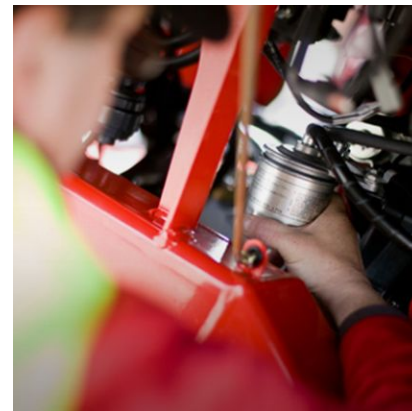
Tail lifts

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

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, closing expected in Q3/21
- 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

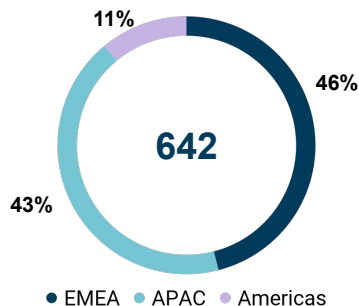
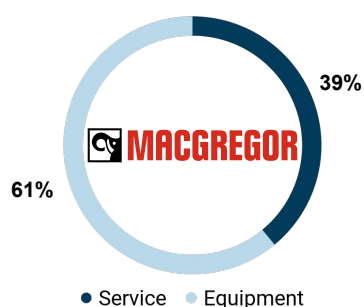
MacGregor offers engineering and lifetime service solutions for merchant cargo and passenger vessels; the offshore oil and gas and renewable energy sectors; fishing, research and marine-resource vessels; naval operations and logistics vessels, and ports and terminals.

Number of personnel
1,987

Sales
MEUR 642

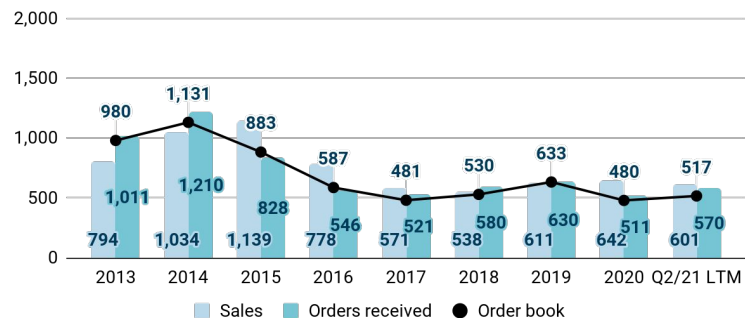
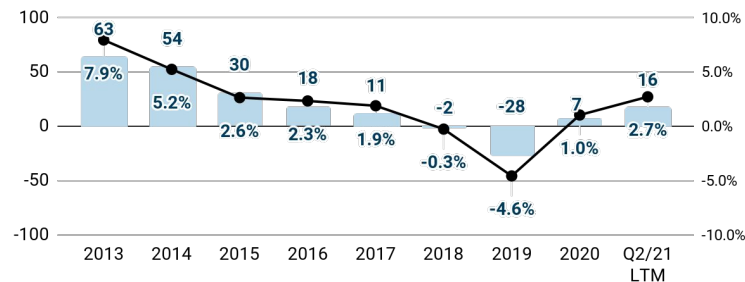
Service sales
(% of sales)

Geographical sales split



Development of historical financials

MEUR



We are an active leader in all maritime segments

~2/3 of sales

~1/3 of sales

Merchant
Cargo Flow

**MARKET
POSITION**

#1

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

Marine
People Flow

#1

- Ferry
- Cruise
- Superyachts

Naval Logistics
and Operations

#1-2

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

Offshore
Energy

#1

- Oil & Gas
- Renewables

Marine Resources
& Structures

#1-2

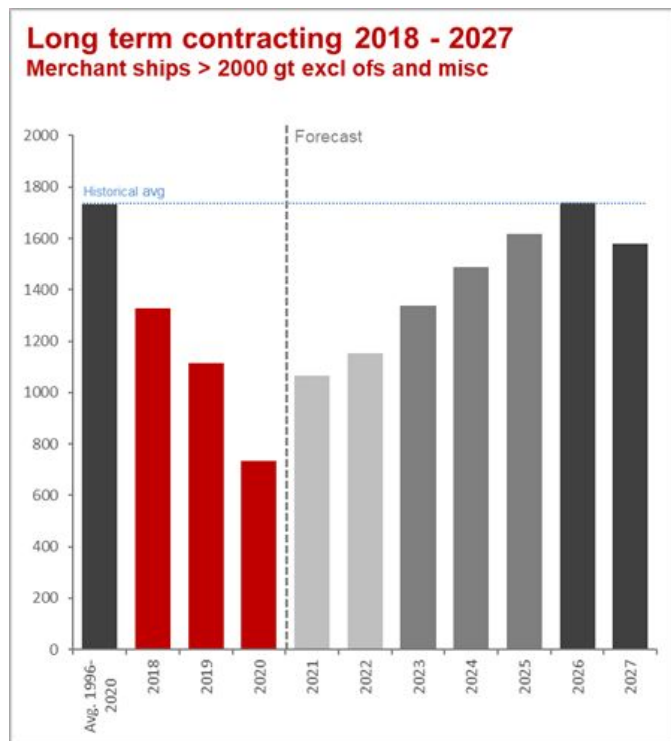
- Research
- Fishery
- Aquaculture
- Mining

Lifecycle Services

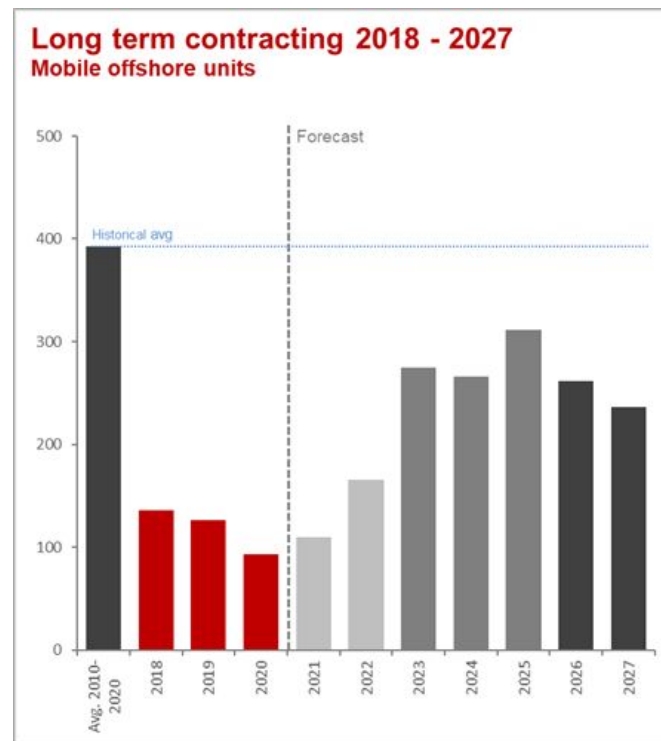


Picture: Equinor

Merchant Ships and Offshore contracting – outlook improving

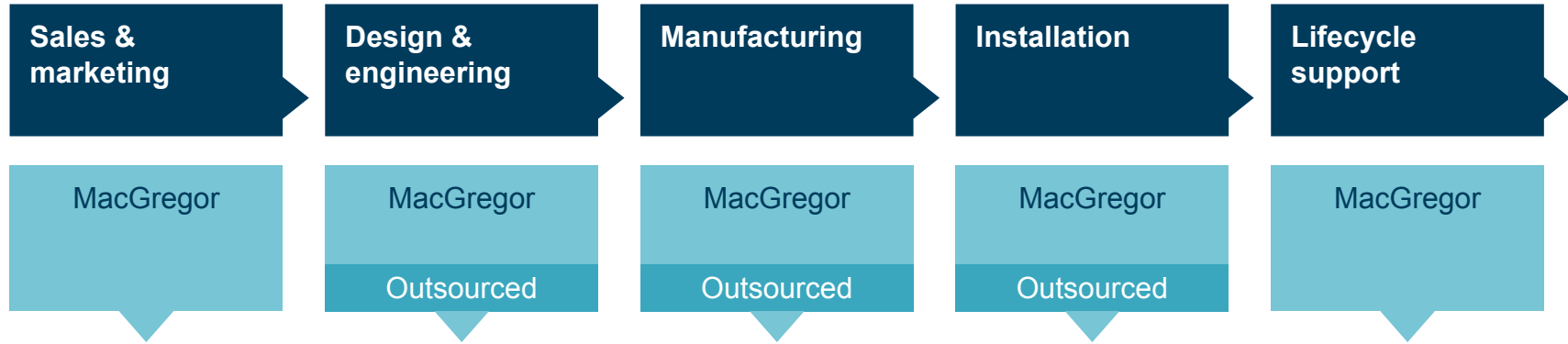


Merchant ships contracting to improve in line with accelerated fleet renewal driven by shipping decarbonisation.



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

Highlights of Q2 2021 – Comparable operating profit improved driven by strong Hiab performance

Orders received doubled

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

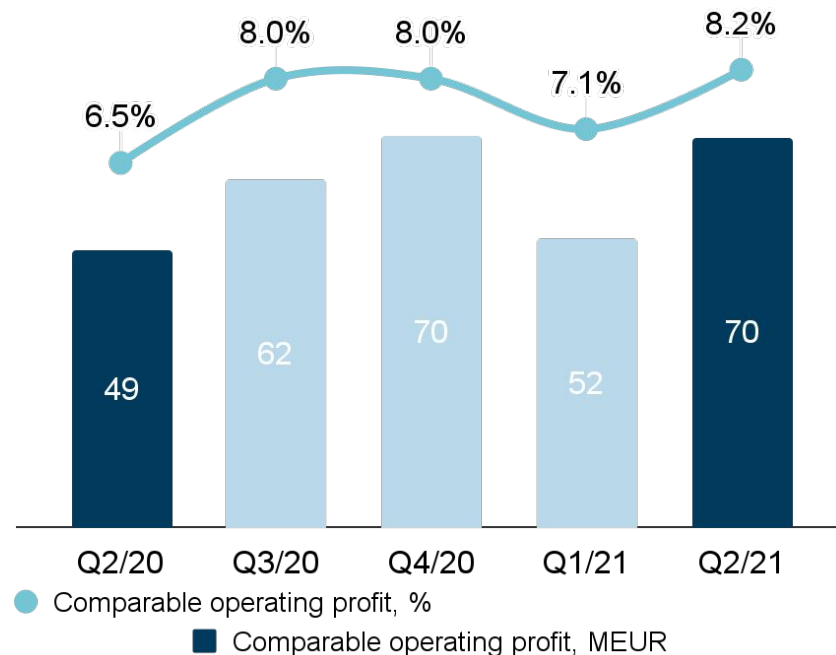
Sales increased by 13%

- Service sales increased in all businesses
- Share of eco portfolio 20%

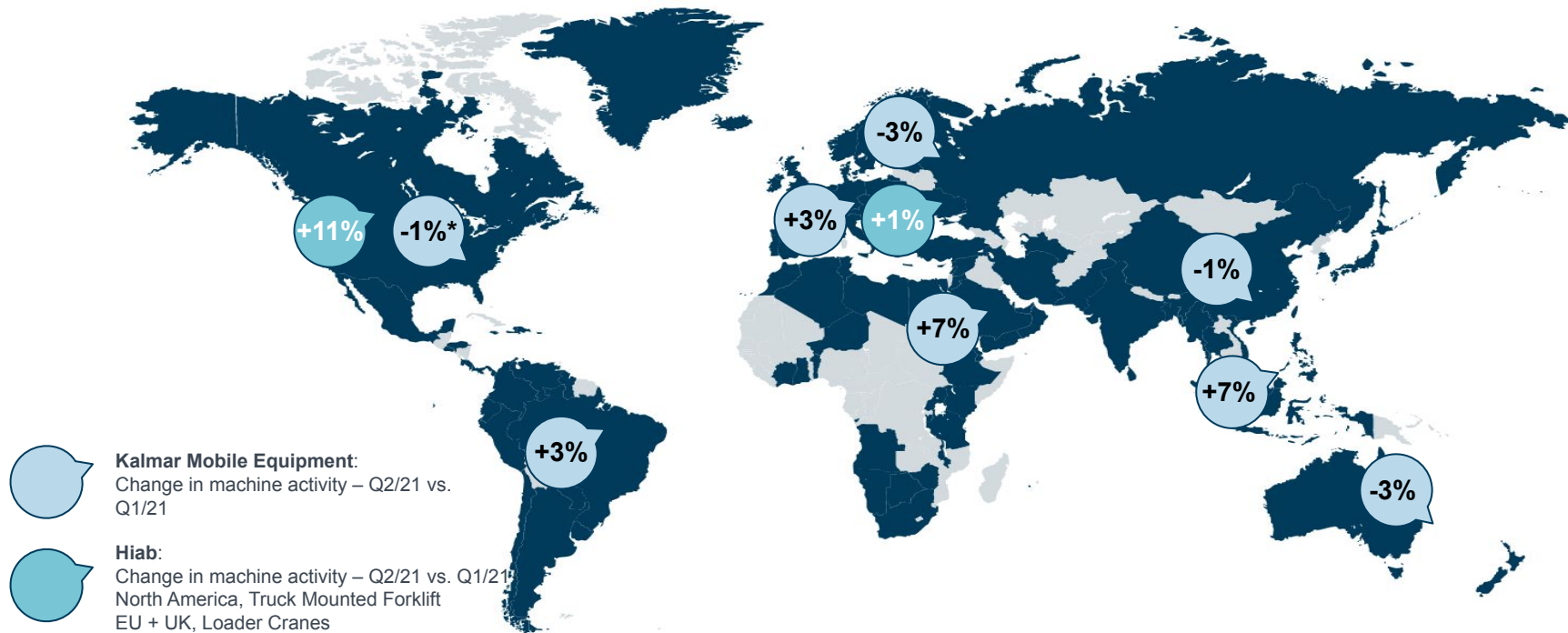
Comparable operating profit

Increased by 41%

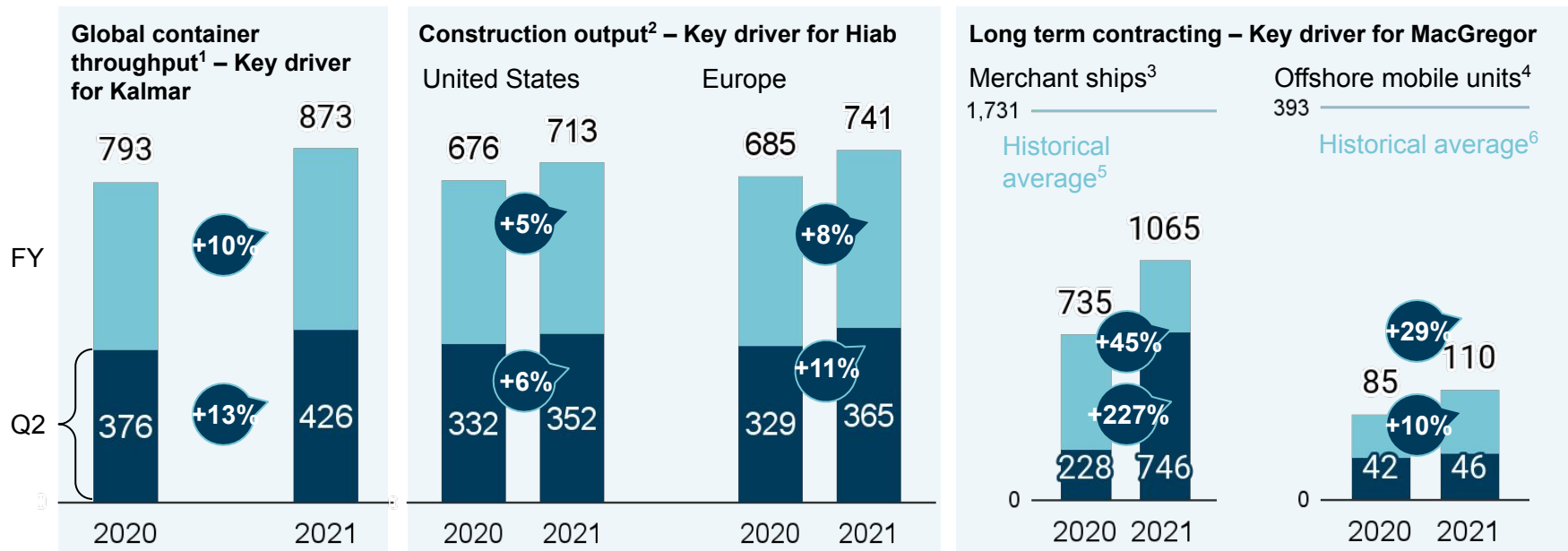
- Kalmar +1 MEUR
- Hiab +20 MEUR
- MacGregor +4 MEUR



Equipment running hours stabilising



Market environment - Strong growth in all demand drivers



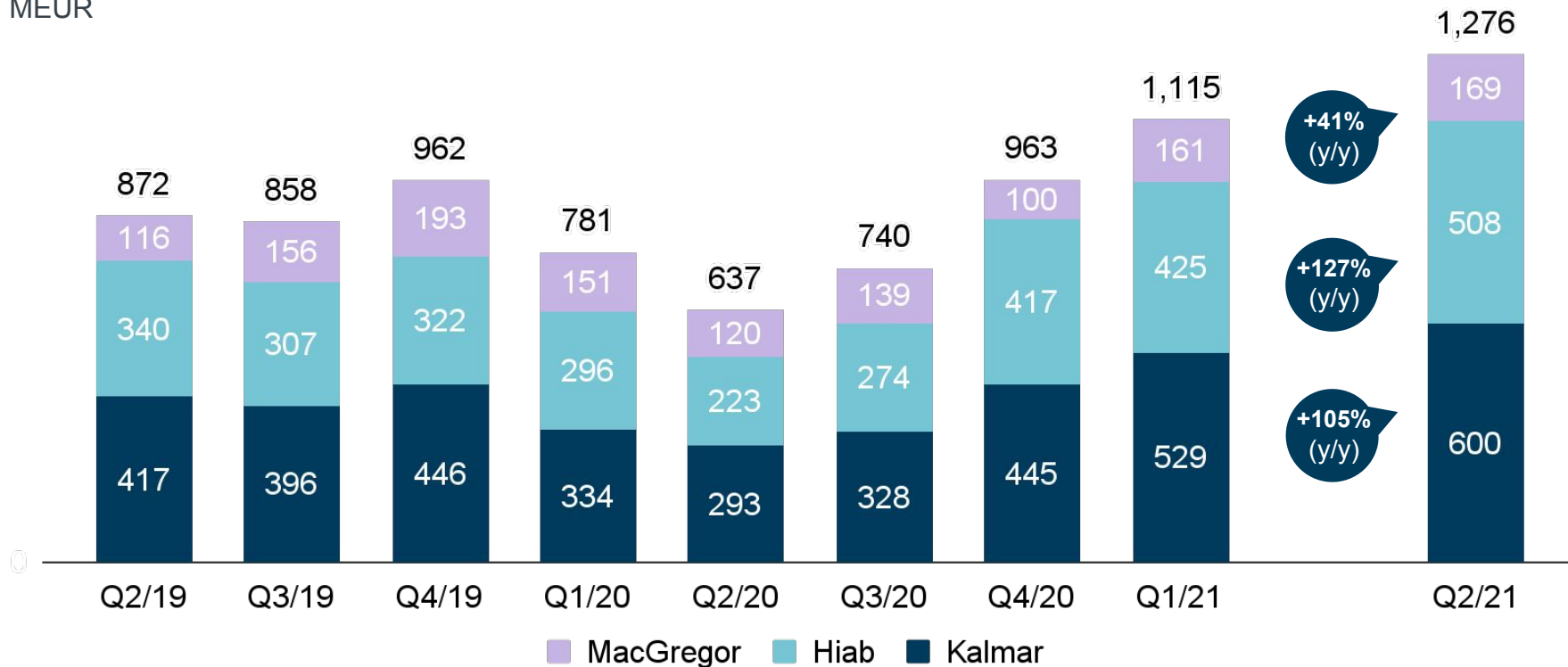
▪ Strong growth continues

▪ Growth in both US and in Europe

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

Record-breaking quarter in orders received in Kalmar and Hiab

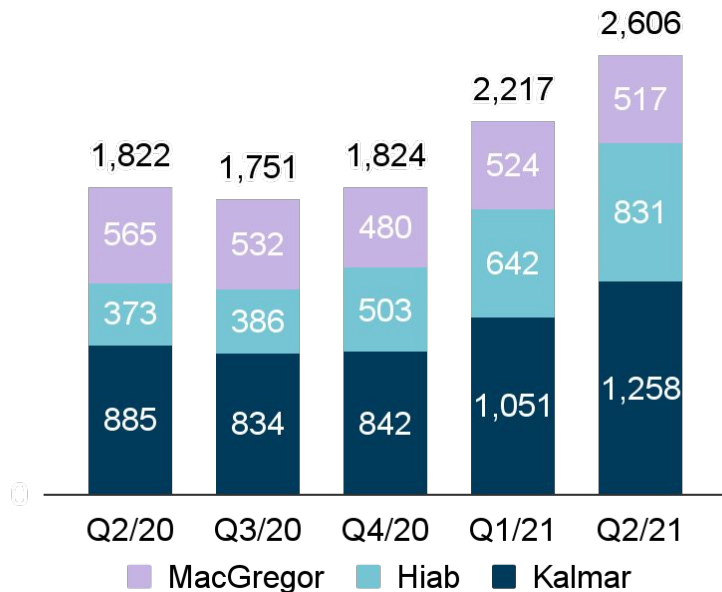
MEUR



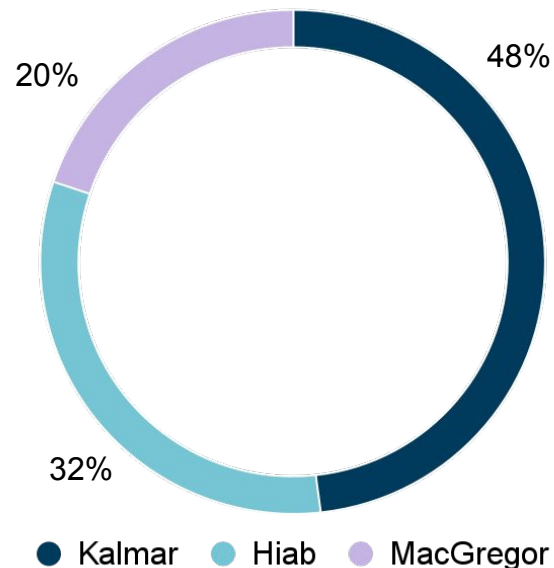
Strong order book in our most profitable segments

Order book

MEUR

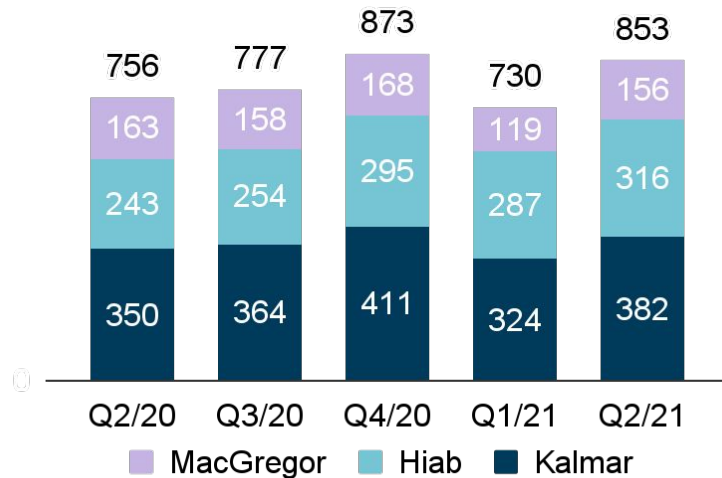


Order book by reporting segment, 30 June 2021

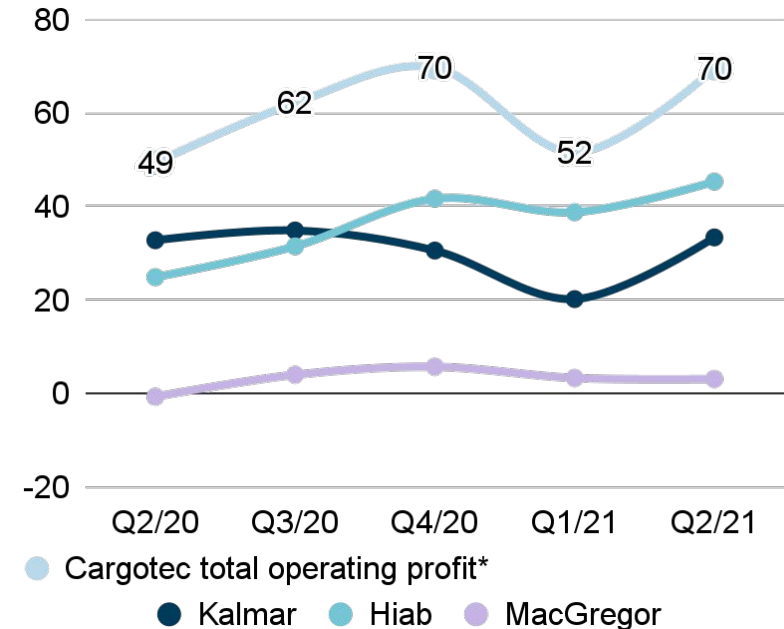


Sales and comparable operating profit improved

Sales MEUR



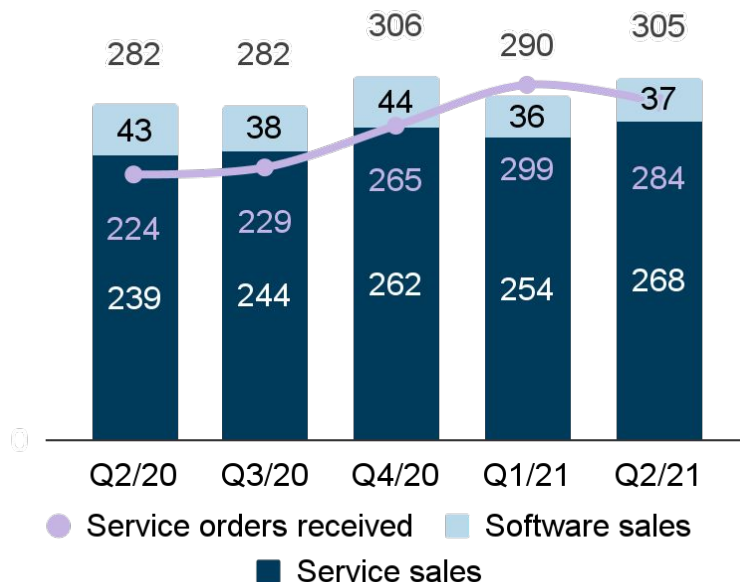
Comparable operating profit MEUR



Service sales increased in all business areas

Service and software* sales

MEUR



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

Service orders received +27%

Software orders received +26%

Service sales +12%

- Kalmar +5%
- Hiab +25%
- MacGregor +10%

Software sales -15%

Service and software 36% of total sales

Business areas

Cargotec's January–June 2021 half
year report



Kalmar Q2 – Strong demand in mobile equipment

Strong orders received driven by Mobile Equipment

Sales increased by 9%

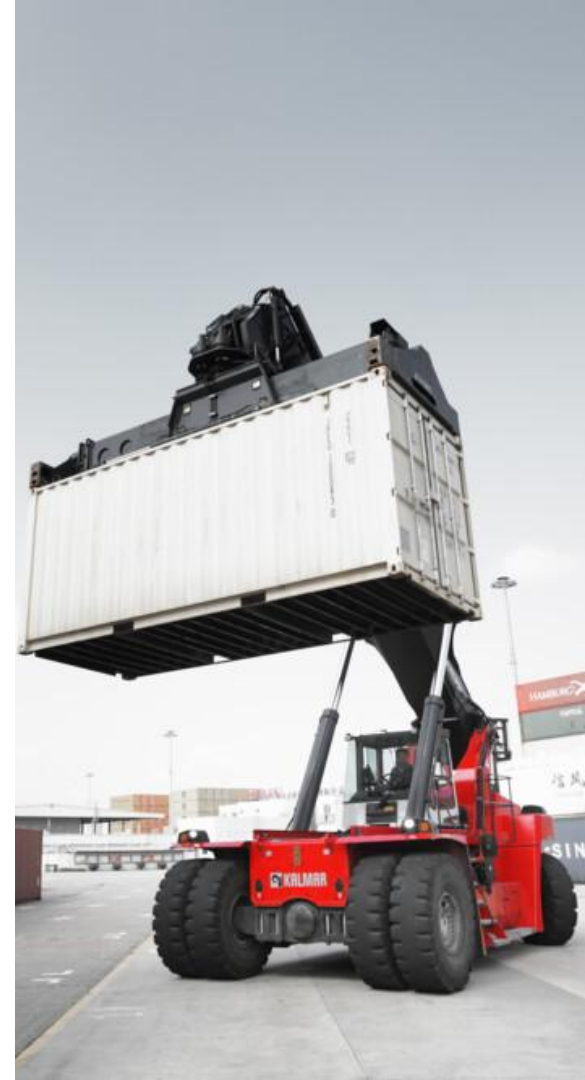
- Increase in Mobile Equipment and services
- Decrease in Automation & Projects and in software

Comparable operating profit stable

- Higher sales
- Lower Navis result
- Additional costs due to supply chain challenges
- Higher freight and component costs
- Accelerated R&D investments

MEUR	Q2/21	Q2/20	Change
Orders received	600	293	105%
Order book	1,258	885	42%
Sales	382	350	9%
Comparable operating profit	33	33	2%
Comparable operating profit margin	8.8%	9.4%	-60bps

On 1 July, sale of Navis to Accel-KKR for EV MEUR 380 completed



Hiab Q2 – Excellent quarter

Orders received and order book surged across all product categories and regions

Sales increased by 30%

- Service sales +25%

Comparable operating profit increased

- Higher sales

MEUR	Q2/21	Q2/20	Change
Orders received	508	223	127%
Order book	831	373	123%
Sales	316	243	30%
Comparable operating profit	45	25	82%
Comparable operating profit margin	14.4%	10.3%	410bps



MacGregor Q2 - Positive development in the container ship market

Orders received increased in merchant vessels, offshore vessels and services

Sales decreased by 4%

- Service sales +10%

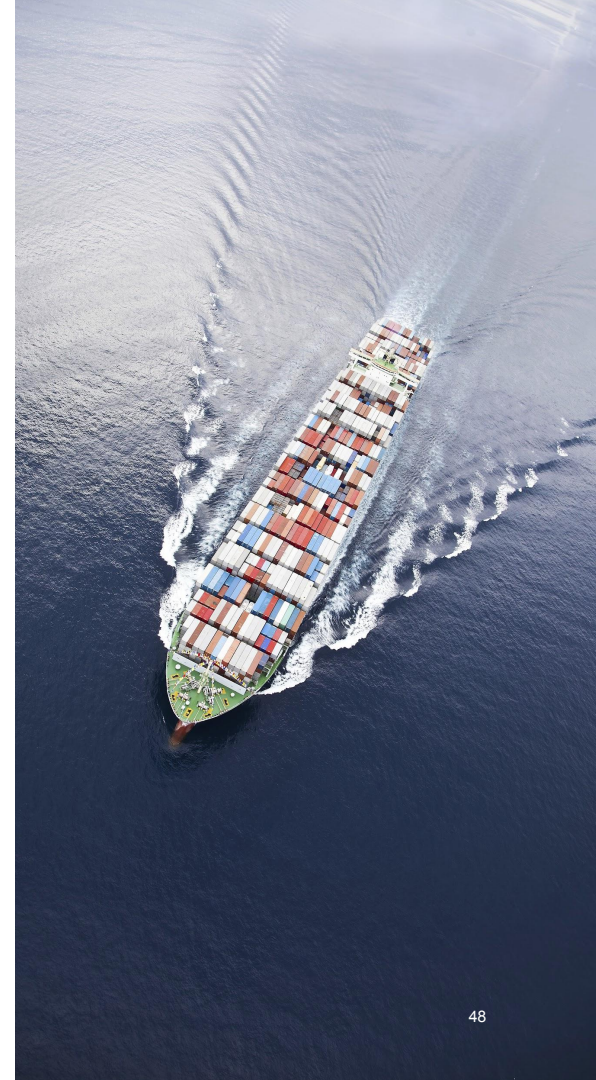
Comparable operating profit increased

- Higher share of services
- Cost saving actions

Productivity improvements ongoing

- 13 MEUR cost savings target for 2021 on track

MEUR	Q2/21	Q2/20	Change
Orders received	169	120	41%
Order book	517	565	-9%
Sales	156	163	-4%
Comparable operating profit	3	-1	>100%
Comparable operating profit margin	2.0%	-0.4%	240bps



Financials and outlook

Cargotec's January–June 2021 half
year report



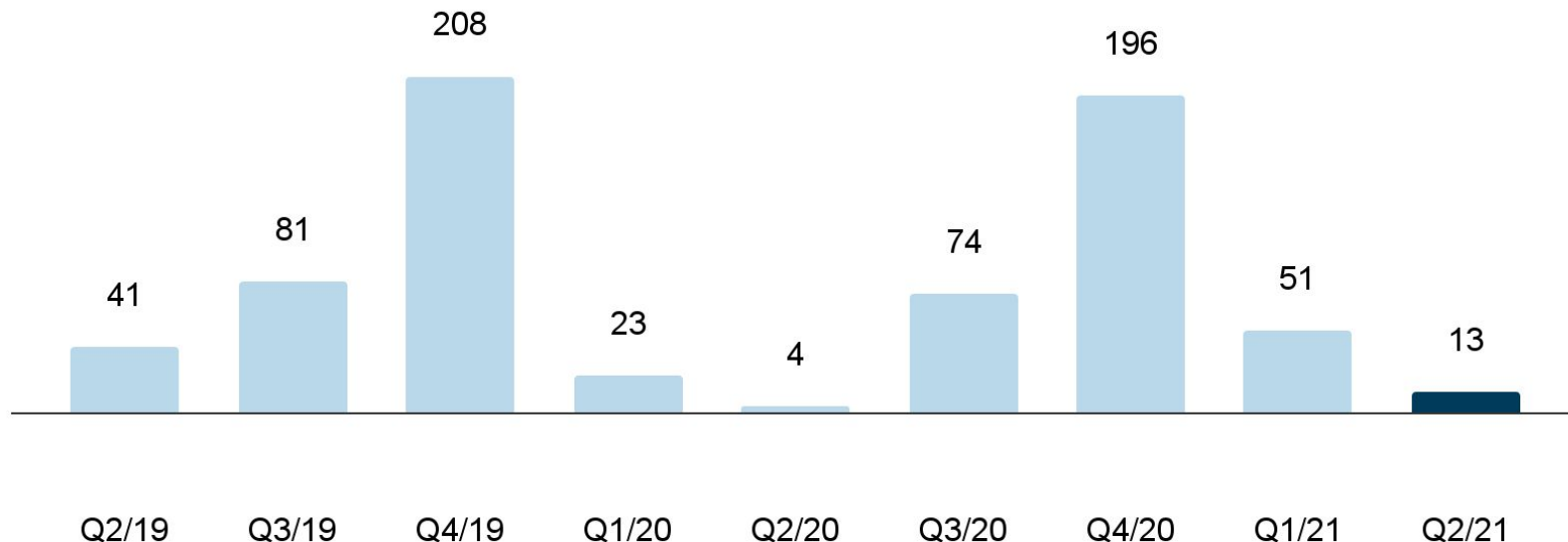
Key figures – Operating profit improved significantly

	Q2/21	Q2/20	Change	Q1-Q2/21	Q1-Q2/20	Change
Orders received, MEUR	1,276	637	>100%	2,392	1,417	69%
Order book, MEUR	2,606	1,822	43%	2,606	1,822	43%
Sales, MEUR	853	756	13%	1,583	1,614	-2%
Comparable operating profit, MEUR	70	49	41%	121	95	28%
Comparable operating profit, %	8.2%	6.5%	170bps	7.7%	5.9%	180bps
Items affecting comparability, MEUR	-25	-69	64%	-52	-88	41%
Operating profit, MEUR	45	-20	>100%	69	7	>100%
Operating profit, %	5.2%	-2.6%	780bps	4.4%	0.4%	390bps
Net income, MEUR	26	-37	>100%	35	-25	>100%
Earnings per share, EUR	0.40	-0.56	>100%	0.55	-0.39	>100%
Earnings per share, EUR*	0.67	-0.30	>100%	1.09	0.07	>100%
ROCE, %**	5.3%	3.4%	190bps	5.3%	3.4%	190bps

Increasing volumes affected cash flow

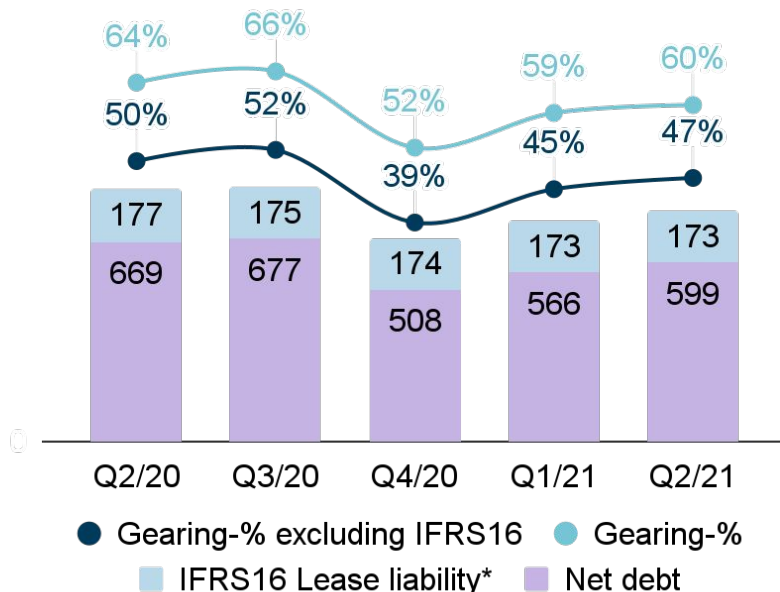
Cash flow from operations before financing items and taxes

MEUR

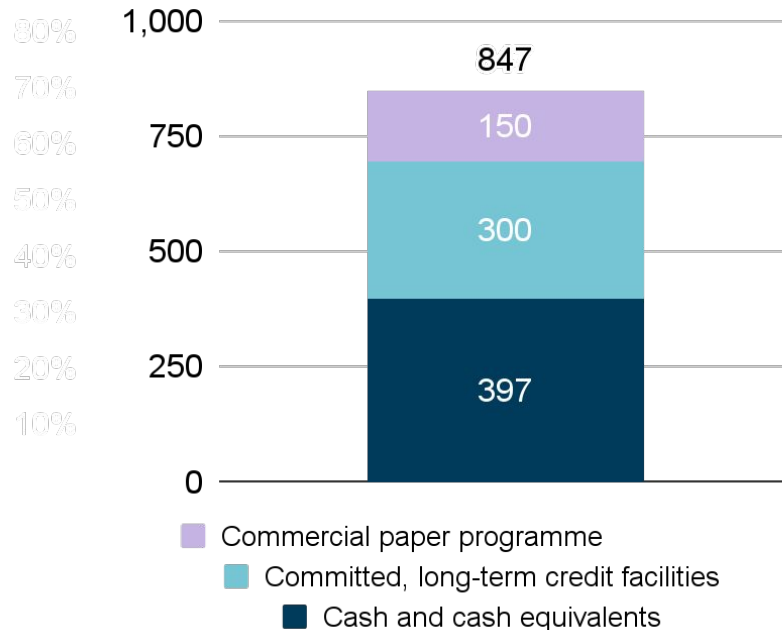


Strong financial position and liquidity

Net debt & gearing
MEUR



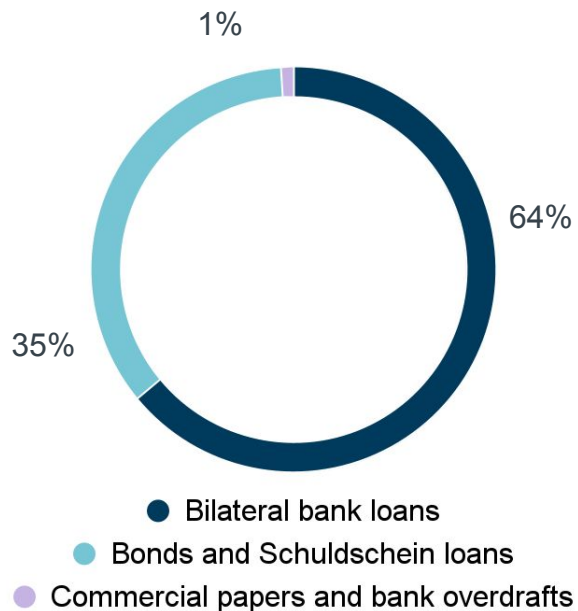
Total liquidity, 30 June 2021



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

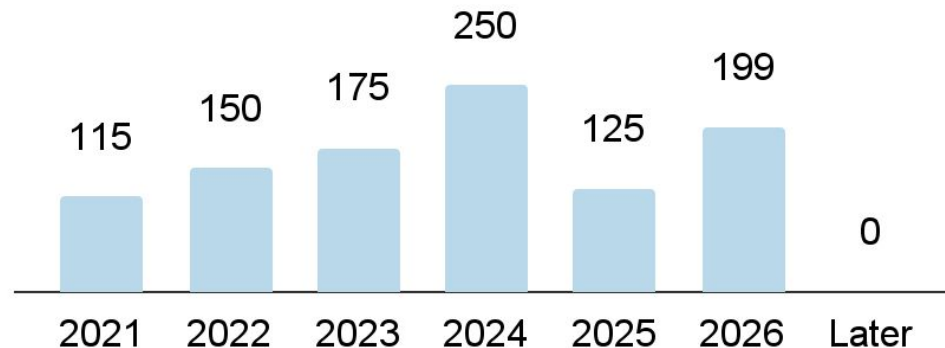
Balanced debt portfolio

Loan structure, 30 June 2021



Repayment schedule of interest-bearing liabilities

MEUR



Outlook for 2021

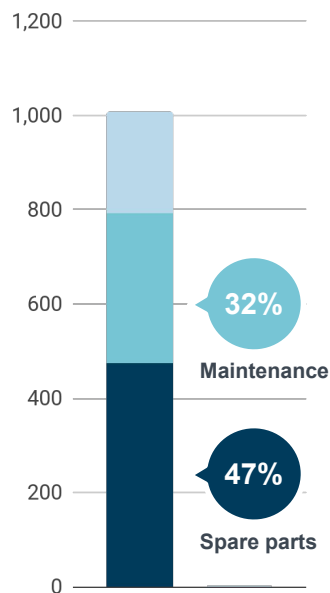
Cargotec estimates 2021 comparable operating profit to improve compared to 2020 (EUR 227* million)

*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.

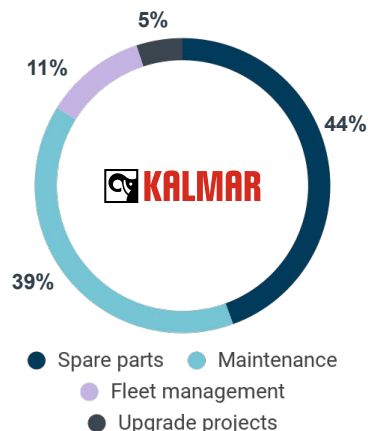


Service sales growth on track towards our targets

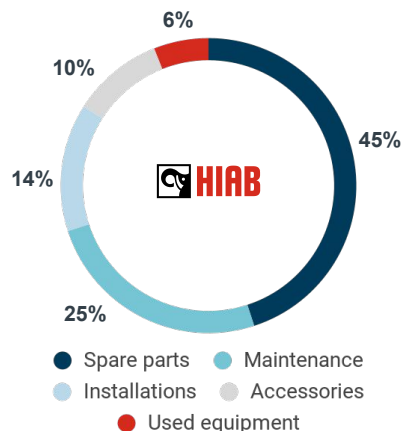
Service sales:
EUR 1,005 million
31% of total sales



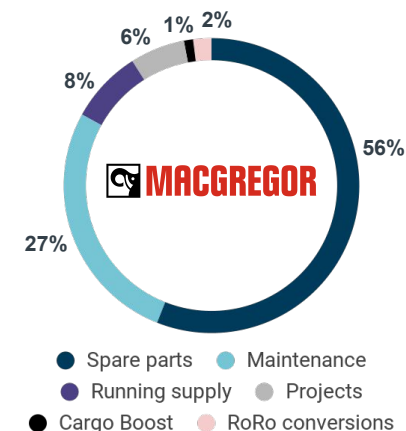
Kalmar	MEUR, %	
Service orders received	422	30%
Service sales	437	29%



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

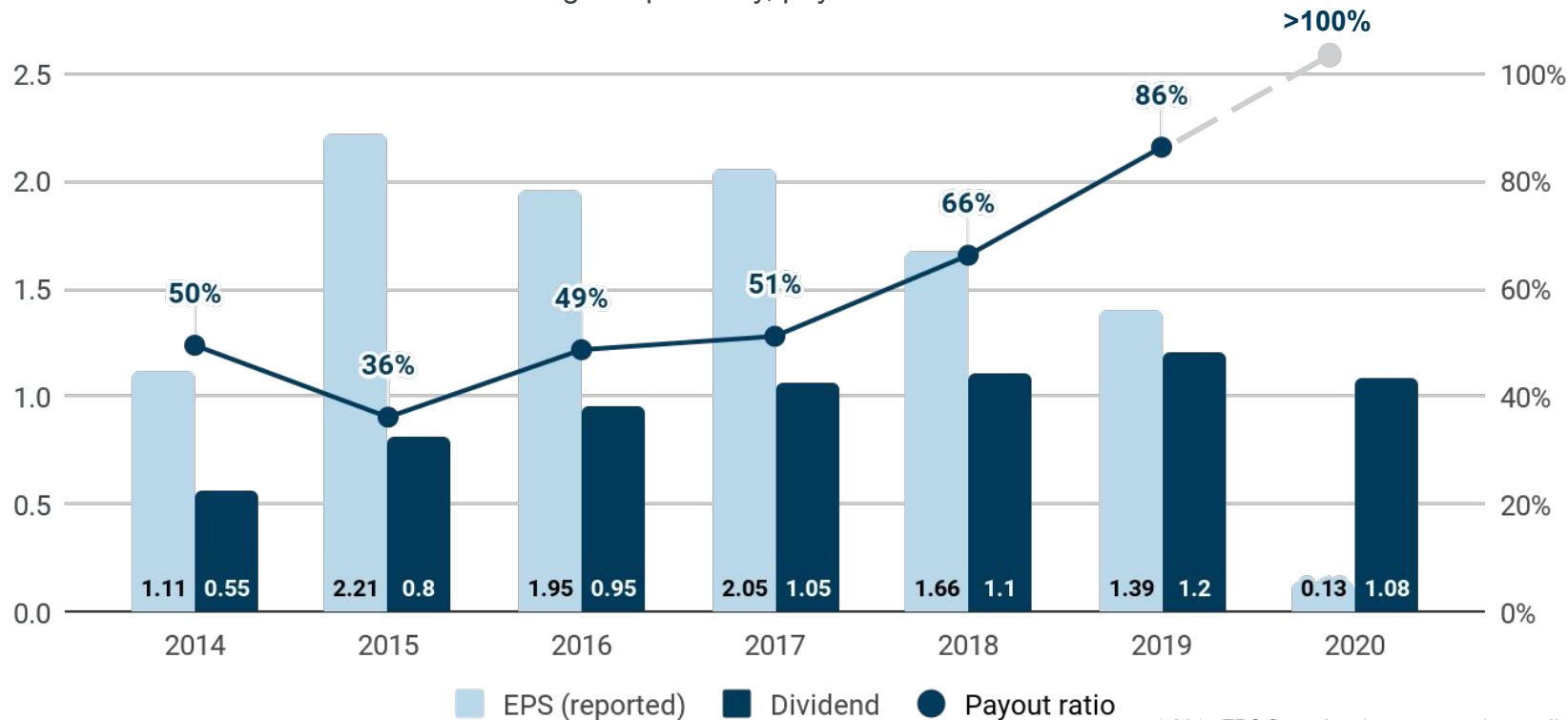


MacGregor	MEUR, %	
Service orders received	233	46%
Service sales	250	39%



Dividend of 1.08 EUR in 2020

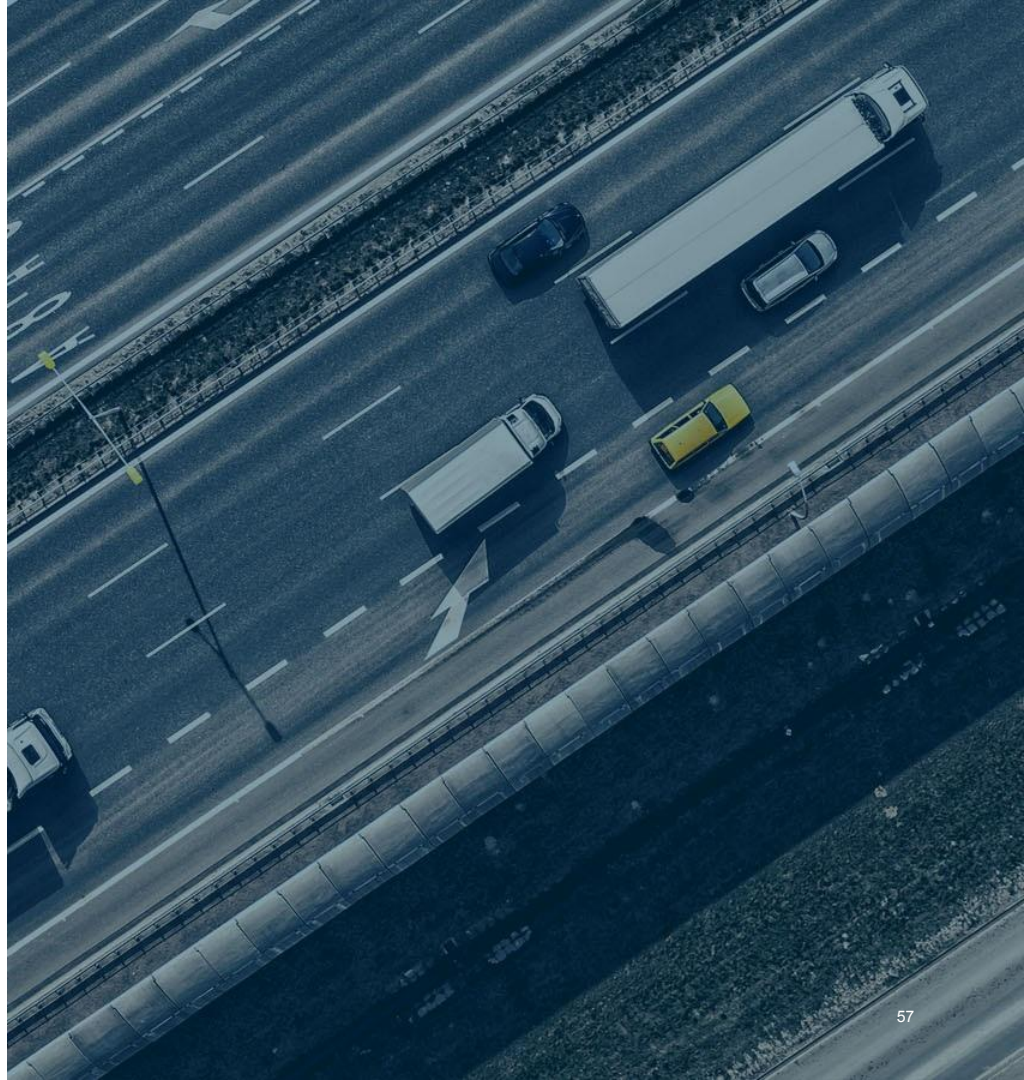
- Calculated from EPS excl. items affecting comparability, payout ratio for 2020 is 78%



* 2017 EPS figure has been restated according to IFRS 15

Appendix

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

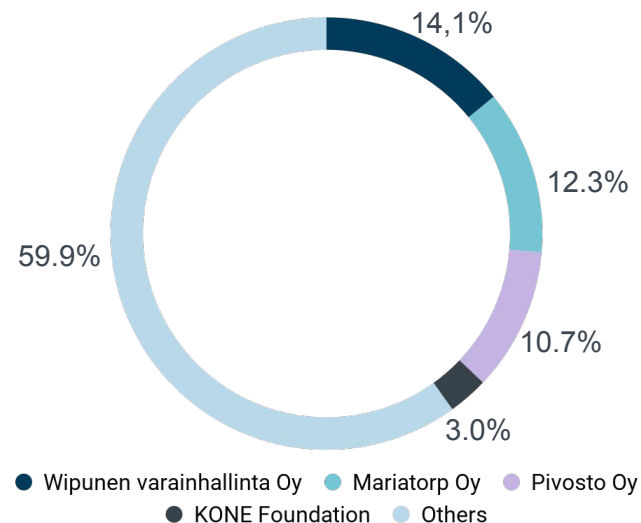


Largest shareholders

31 August 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	5.5
5	Ilmarinen Mutual Pension Insurance Company	2.1	0.9
6	The State Pension Fund	1.2	0.5
7	Varma Mutual Pension Insurance Company	1.2	0.5
8	Elo Mutual Pension Insurance Company	1.0	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		28.19%	
Total number of shareholders		38,891	

% 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



Terminal tractor



Container handler



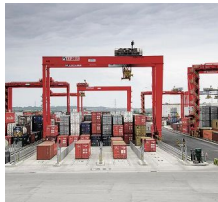
Hooklift, Skiploader



Taillift



Forklift truck



Automatic stacking crane



Recycling and forestry cranes



Cranes



Marine self-unloaders



Hatch covers,
container lashings



Offshore load handling



Deck machinery

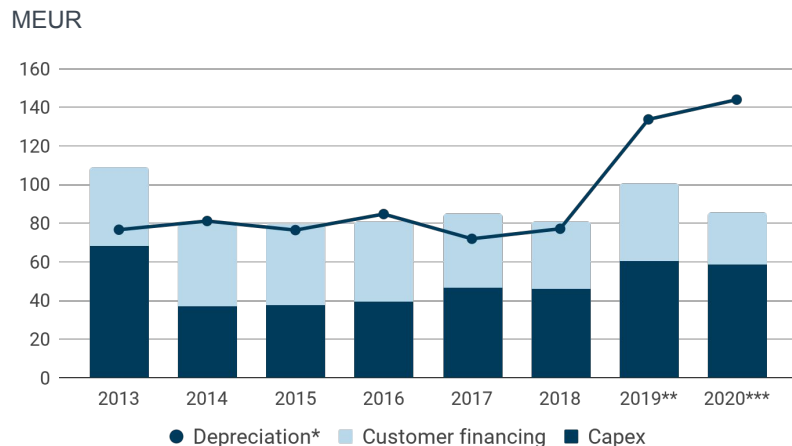


Mooring systems



Capex and R&D

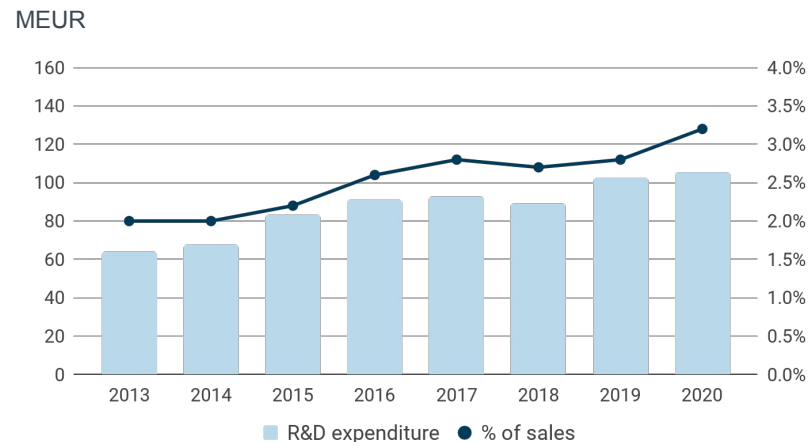
Capital expenditure



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

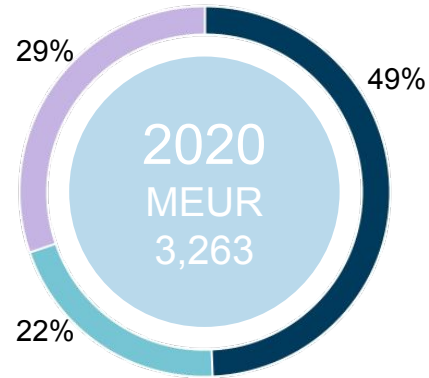
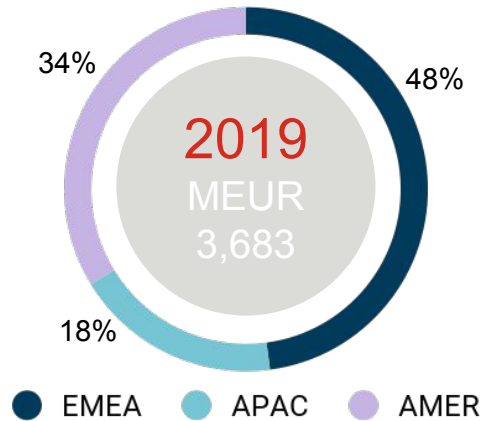
- Themes supporting our climate targets such as digitalisation, electrification and automation
- Competitiveness and cost efficiency of products

*) Including amortisations and impairments

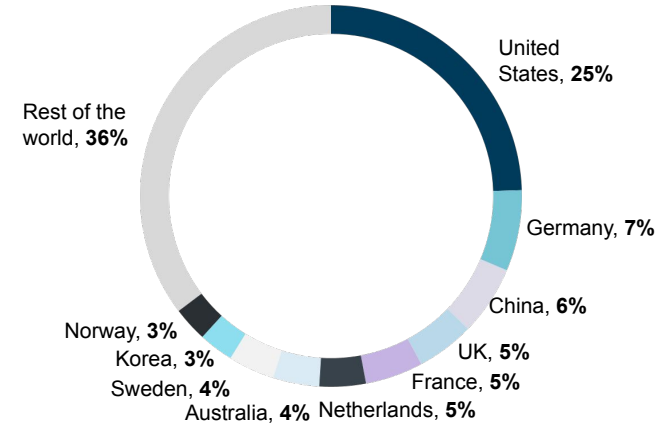
**) depreciation increased due to IFRS 16 implementation

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

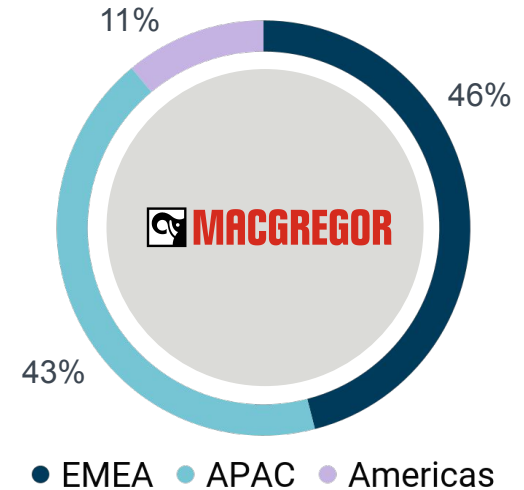
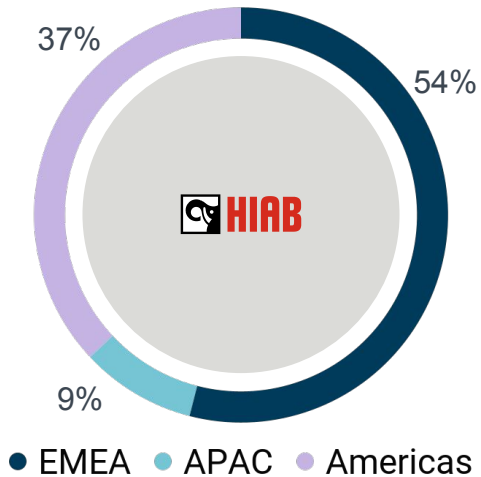
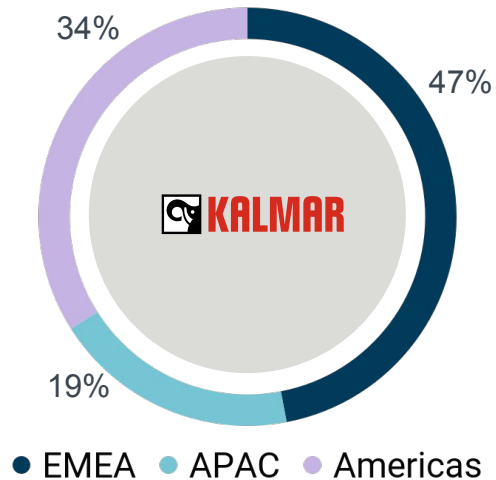
Well diversified geographical sales mix



Top-10 countries by customer location






Sales by geographical segment by business area 2020



Cargotec's R&D and assembly sites



-  Assembly
-  R&D
-  Head office








































Kalmar









Hiab

MacGregor












EMEA

 Stargard Szczecinski, Poland		 Averøy/Bodø			
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

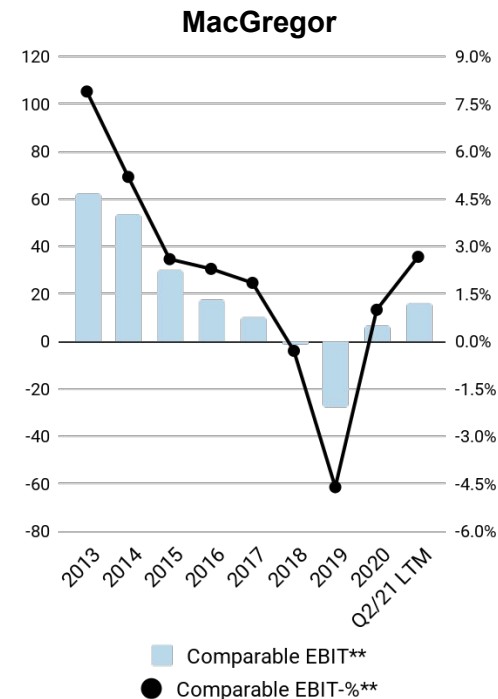
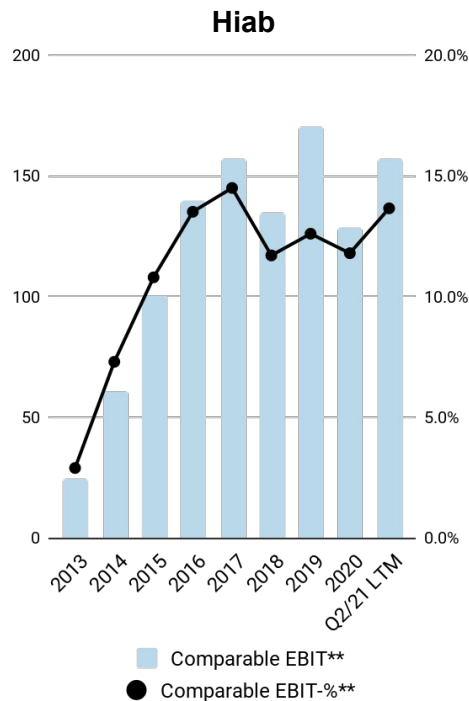
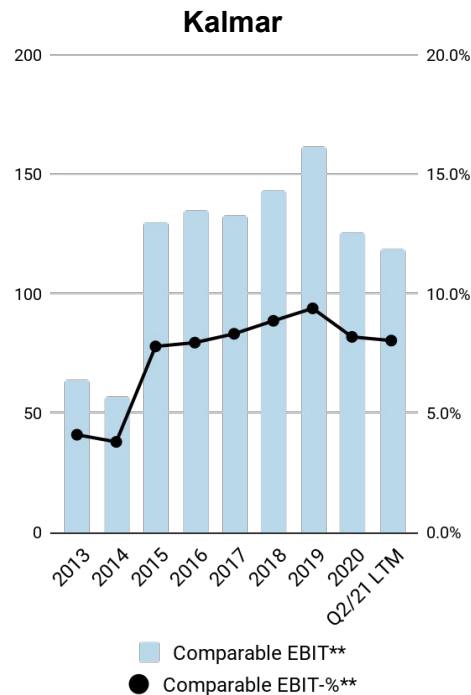
Oakland, California	 Santo Antonio da Patrulha, Brazil	  Seattle, Washington	
Ottawa, Kansas	  Streetsboro, Ohio	 	

APAC*

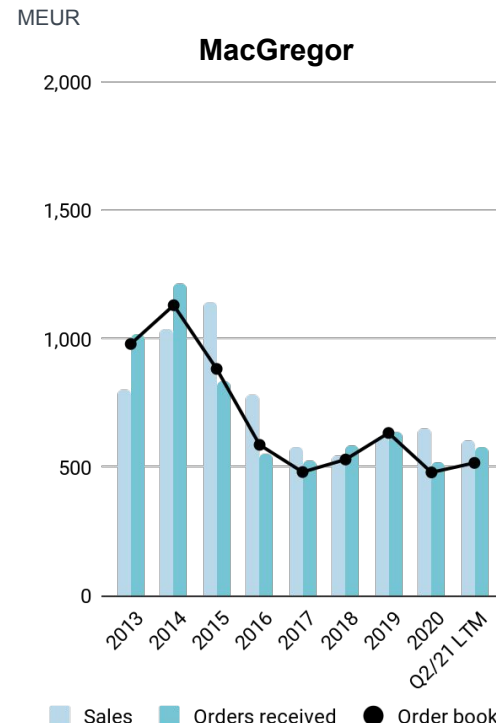
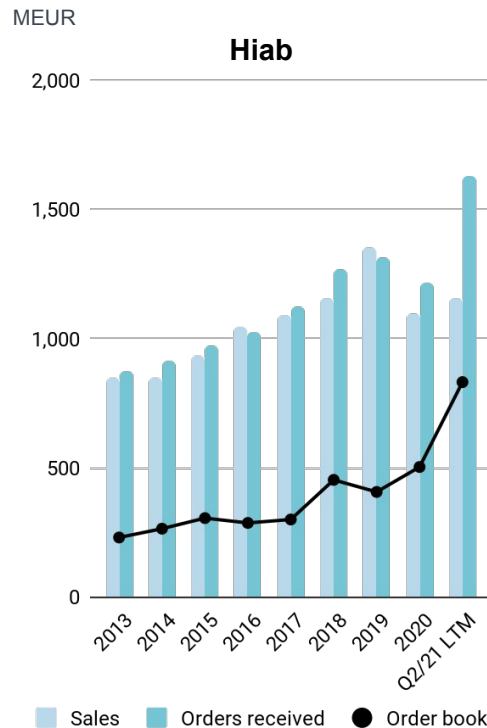
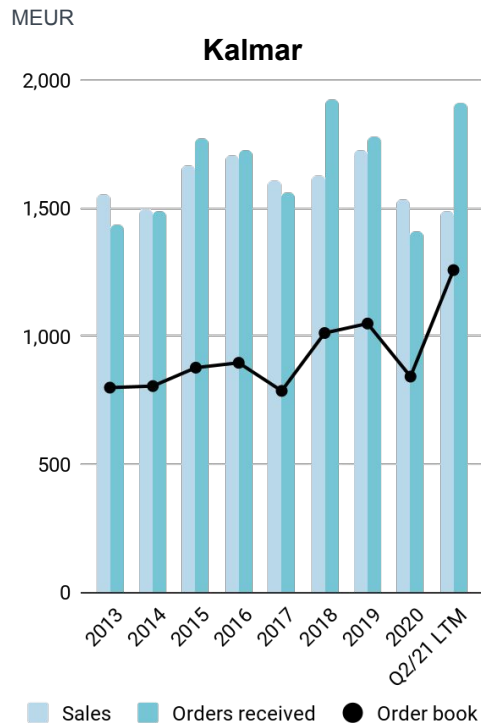
Chennai, India	 Chungbuk, South Korea	  Busan, South Korea	
Ipoh, Malaysia	  Haiphong, Vietnam		
Shanghai, China		Singapore	 
Singapore			

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

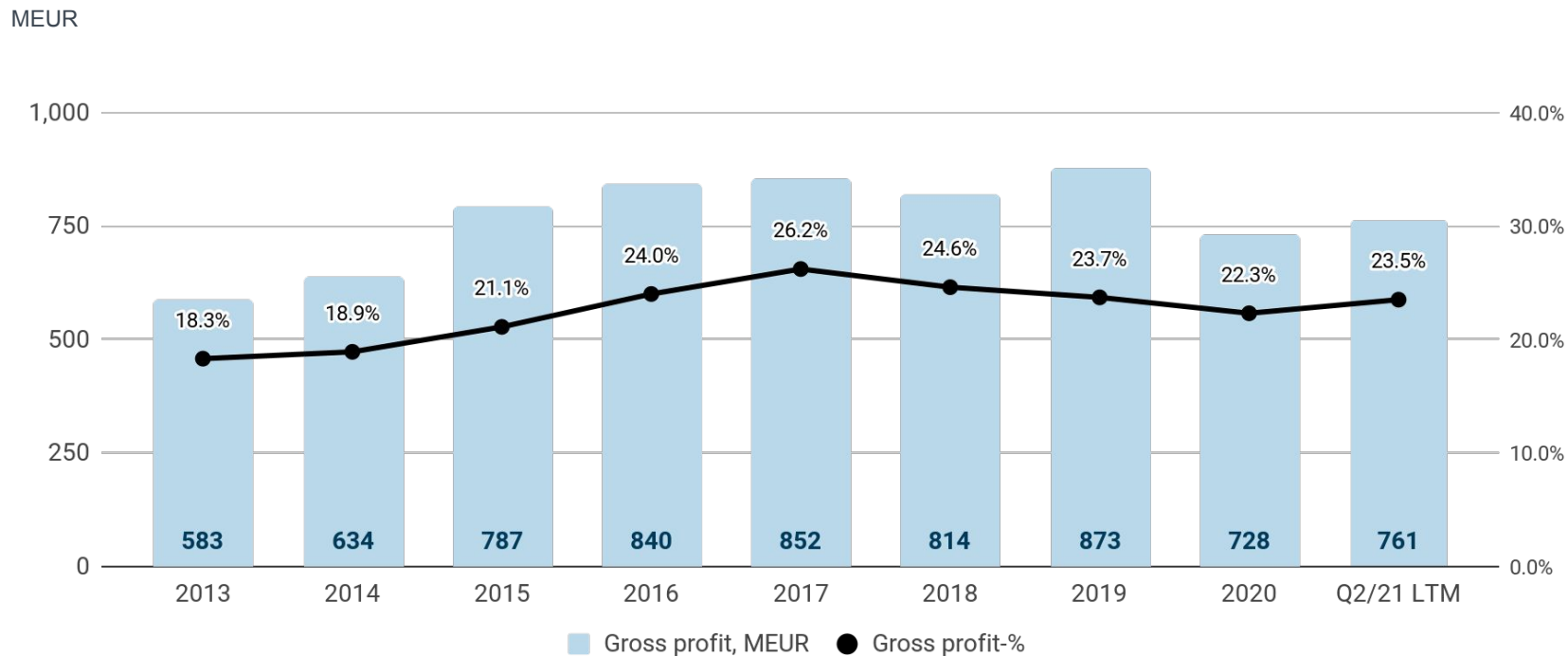
Comparable operating profit development



Sales and orders received development

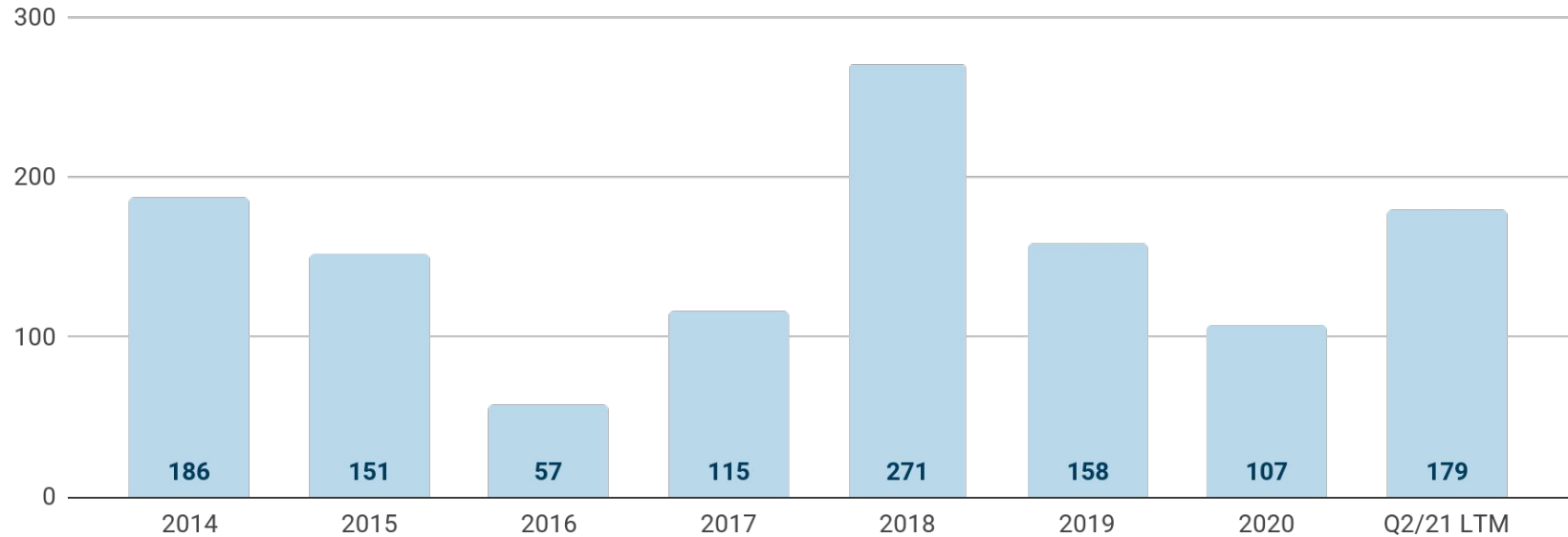


Gross profit development

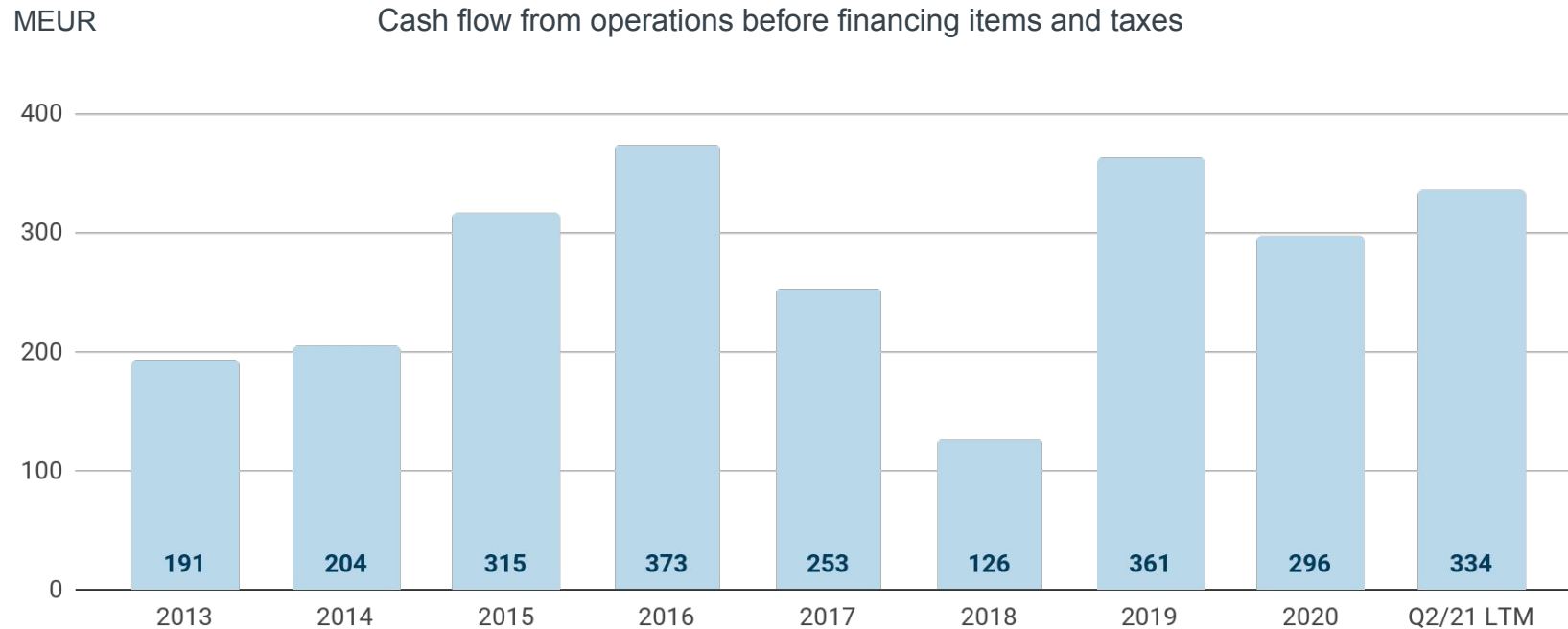


Net working capital development

MEUR



Strong cash flow



Income statement

Q2 2021

MEUR	Note	Q2/21	Q2/20	Q1-Q2/21	Q1-Q2/20	2020
Sales	5	853.2	755.8	1,582.8	1,614.0	3,263.4
Cost of goods sold		-648.5	-592.9	-1,197.0	-1,261.1	-2,535.5
Gross profit		204.7	162.9	385.7	353.0	727.9
Gross profit, %		24.0 %	21.6 %	24.4 %	21.9 %	22.3 %
Other operating income		12.8	15.9	29.7	26.4	48.0
Selling and marketing expenses		-49.2	-46.2	-95.8	-103.4	-199.5
Research and development expenses		-29.8	-26.8	-57.4	-56.4	-107.9
Administration expenses		-67.1	-52.2	-132.7	-119.4	-236.7
Restructuring costs	7	-6.7	-72.1	-16.4	-78.5	-131.0
Other operating expenses		-22.0	-3.9	-47.5	-17.1	-35.7
Costs and expenses		-162.1	-185.3	-320.1	-348.5	-662.9
Share of associated companies' and joint ventures' net income		2.2	2.9	3.6	2.4	5.3
Operating profit		44.8	-19.5	69.3	7.0	70.4
Operating profit, %		5.2 %	-2.6 %	4.4 %	0.4 %	2.2 %
Financing income		0.4	-0.6	1.2	2.2	2.8
Financing expenses		-7.7	-8.0	-14.7	-17.5	-38.7
Income before taxes		37.5	-28.1	55.8	-8.4	34.5
Income before taxes, %		4.4 %	-3.7 %	3.5 %	-0.5 %	1.1 %
Income taxes	9	-11.7	-8.4	-20.4	-16.8	-26.4
Net income for the period		25.8	-36.5	35.4	-25.1	8.1
Net income for the period, %		3.0 %	-4.8 %	2.2 %	-1.6 %	0.2 %

Net income for the period attributable to:

Equity holders of the parent		25.7	-36.3	35.4	-25.0	8.1
Non-controlling interest		0.1	-0.1	0.1	-0.2	-0.1
Total		25.8	-36.5	35.4	-25.1	8.1

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

Earnings per share, EUR		0.40	-0.56	0.55	-0.39	0.13
Diluted earnings per share, EUR		0.40	-0.56	0.55	-0.39	0.13

Balance sheet 30 June 2021

					EQUITY AND LIABILITIES, MEUR			
					Note	30 Jun 2021	30 Jun 2020	31 Dec 2020
ASSETS, MEUR					Equity attributable to the equity holders of the parent			
Non-current assets					Share capital	64.3	64.3	64.3
Goodwill		954.2	1,036.7	971.9	Share premium account	98.0	98.0	98.0
Other intangible assets		176.7	276.3	185.8	Translation differences	-81.2	-70.3	-110.9
Property, plant and equipment		418.7	454.6	429.7	Fair value reserves	-0.2	-8.8	4.4
Investments in associated companies and joint ventures	16	76.3	53.7	56.7	Reserve for invested non-restricted equity	54.0	57.4	57.4
Share investments	16	33.4	30.0	37.5	Retained earnings	1,149.6	1,182.7	1,185.6
Loans receivable and other interest-bearing assets*	11	12.2	27.2	18.4	Total equity attributable to the equity holders of the parent	1,284.5	1,323.3	1,298.7
Deferred tax assets		125.6	128.1	123.6	Non-controlling interest	2.5	2.5	2.7
Derivative assets	12	0.0	0.0	0.1	Total equity	1,287.0	1,325.8	1,301.4
Other non-interest-bearing assets		17.6	13.3	17.2	Non-current liabilities			
Total non-current assets		1,814.7	2,019.9	1,840.9	Interest-bearing liabilities*	11	881.2	1,155.4
Current assets					Deferred tax liabilities		20.8	37.0
Inventories		705.4	763.8	579.7	Pension obligations		113.1	110.4
Loans receivable and other interest-bearing assets*	11	3.2	1.5	4.3	Provisions		6.4	5.9
Income tax receivables		29.6	22.3	25.4	Derivative liabilities	12	0.0	0.3
Derivative assets	12	7.4	7.9	13.3	Other non-interest-bearing liabilities		66.8	61.0
Accounts receivable and other non-interest-bearing assets		800.9	782.7	753.9	Total non-current liabilities		1,088.3	1,370.0
Cash and cash equivalents*	11	397.2	445.3	484.8	Current liabilities			
Total current assets		1,943.7	2,023.6	2,047.1	Current portion of interest-bearing liabilities*	11	285.5	71.0
Assets held for sale					Other interest-bearing liabilities*	11	15.1	93.9
17	191.2	-	185.7		Provisions		90.7	105.9
Total assets					Advances received		196.9	283.0
	3,949.7	4,043.5	3,888.0		Income tax payables		19.9	23.8
					Derivative liabilities	12	11.4	9.0
					Accounts payable and other non-interest-bearing liabilities		881.0	761.1
					Total current liabilities		1,500.6	1,347.7
					Liabilities directly associated with assets held for sale	17	73.7	-
					Total equity and liabilities		3,949.7	4,043.5
								3,888.0

Cash flow statement

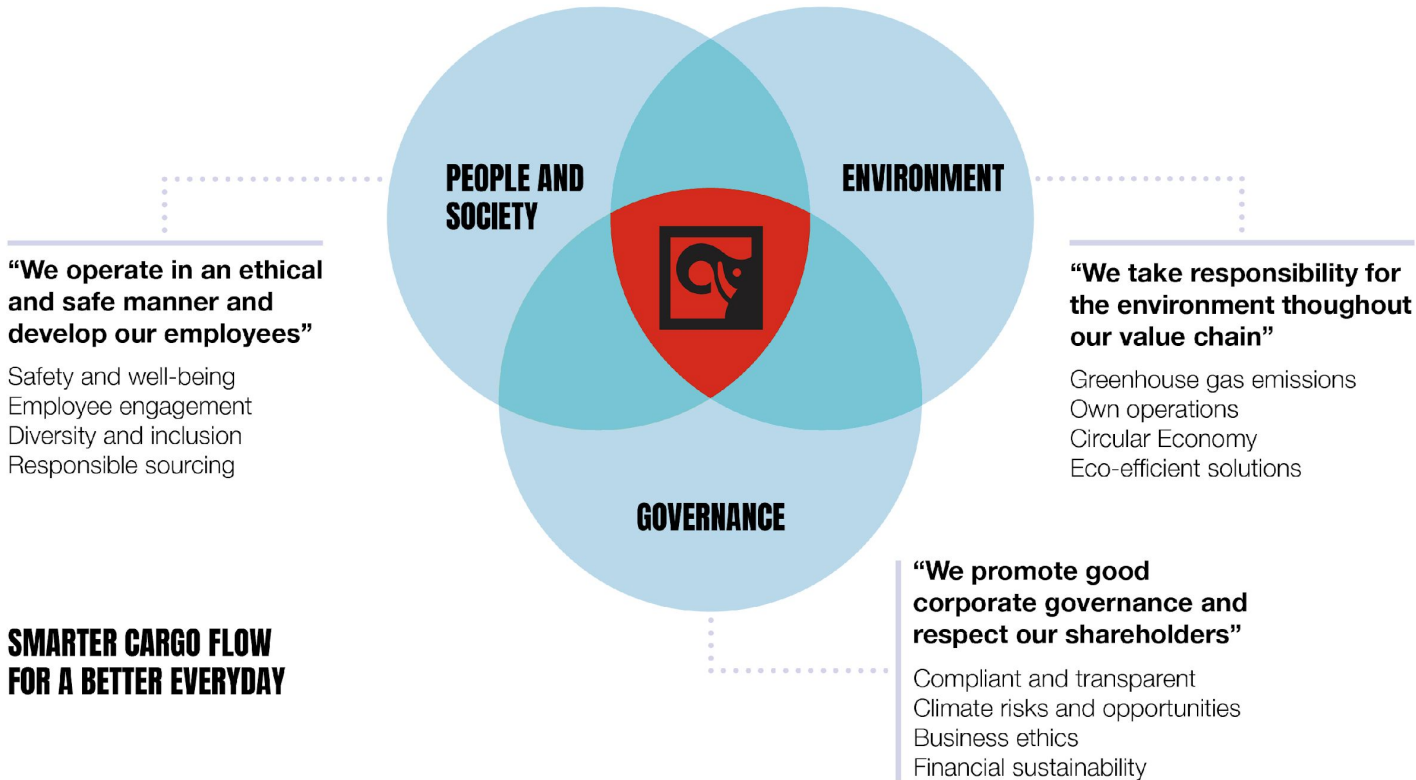
Q2 2021

MEUR	Note	Q2/21	Q2/20	Q1-Q2/21	Q1-Q2/20	2020
Net cash flow from operating activities						
Net income for the period		25.8	-36.5	35.4	-25.1	8.1
Depreciation, amortisation and impairment	8	28.6	43.1	59.2	74.8	144.0
Financing items		7.3	8.5	13.5	15.3	35.9
Taxes	9	11.7	8.4	20.4	16.8	26.4
Change in net working capital		-58.5	-44.1	-62.5	-85.1	56.4
Other adjustments		-1.8	24.1	-1.8	29.7	25.6
Cash flow from operations before financing items and taxes		13.1	3.6	64.3	26.4	296.4
Cash flow from financing items and taxes		-21.6	-8.9	-54.0	-30.2	-56.4
Net cash flow from operating activities		-8.5	-5.2	10.3	-3.8	240.0
Net cash flow from investing activities						
Acquisitions of businesses, net of cash acquired	15	-1.0	-3.9	3.3	-11.6	-12.1
Disposals of businesses, net of cash sold	15	0.3	1.4	0.3	1.4	2.7
Investments in associated companies and joint ventures	16	-1.3	-	-1.9	-	-
Cash flow from investing activities, other items		2.4	0.1	-2.6	-10.2	-11.8
Net cash flow from investing activities		0.4	-2.4	-1.0	-20.4	-21.3
Net cash flow from financing activities						
Treasury shares acquired		-	-	-3.4	-	-
Repayments of lease liabilities		-10.4	-11.6	-20.9	-22.0	-44.1
Proceeds from long-term borrowings		-	249.5	-	249.5	249.5
Repayments of long-term borrowings		-	-15.6	-	-198.6	-251.4
Proceeds from short-term borrowings		3.6	6.5	3.6	82.0	98.8
Repayments of short-term borrowings		2.1	-20.2	-11.9	-30.7	-106.9
Profit distribution		-8.5	-35.2	-69.8	-35.2	-77.8
Net cash flow from financing activities		-13.2	173.5	-102.4	45.2	-131.8
Change in cash and cash equivalents		-21.3	165.9	-93.0	20.9	86.9
Cash and cash equivalents, and bank overdrafts at the beginning of period		412.4	260.6	482.3	409.8	409.8
Effect of exchange rate changes		0.4	2.4	1.9	-1.8	-14.8
Cash and cash equivalents included in assets held for sale	17	0.0	-	0.2	-	0.4
Cash and cash equivalents, and bank overdrafts at the end of period		391.5	429.0	391.5	429.0	482.3
Bank overdrafts at the end of period		5.8	16.4	5.8	16.4	2.5
Cash and cash equivalents at the end of period		397.2	445.3	397.2	445.3	484.8



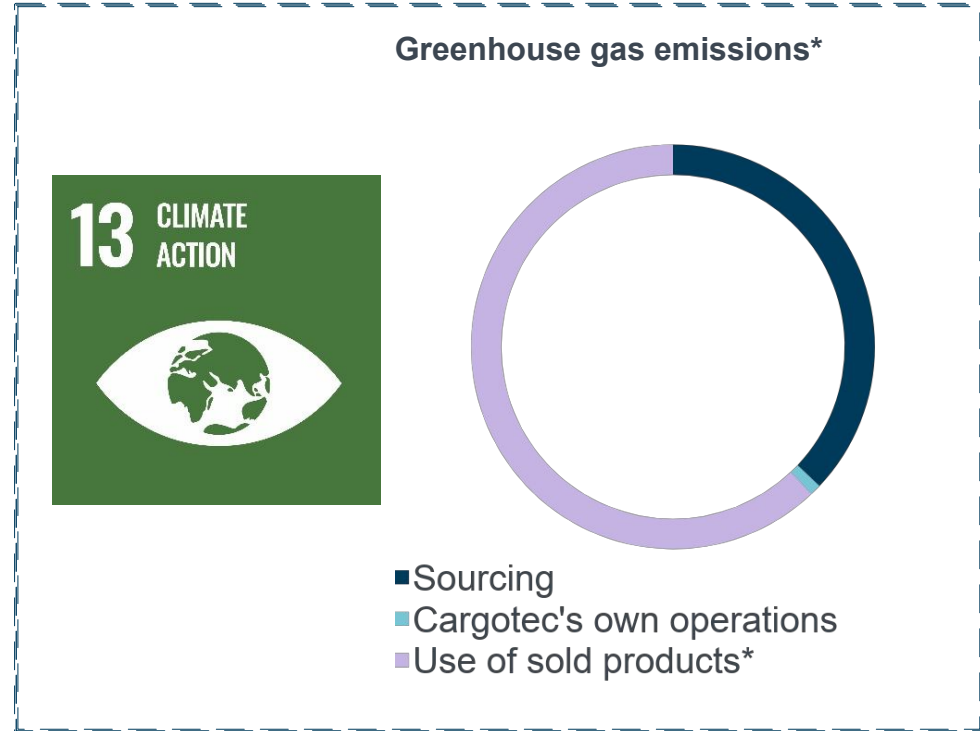
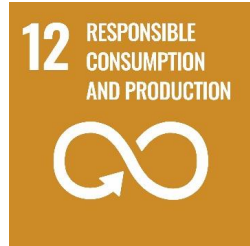
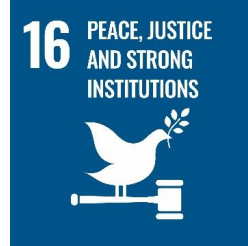
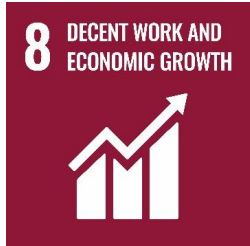
Sustainability as a driver for future growth

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



Climate solutions is our focus area in sustainability

SUSTAINABLE DEVELOPMENT GOALS



LIFETIME SAVINGS OF KALMAR'S ELECTRIC TERMINAL TRACTOR

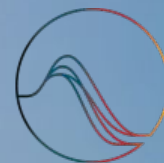
179

**CARS OFF
THE ROAD FOR A YEAR**



-389

TONS CO₂



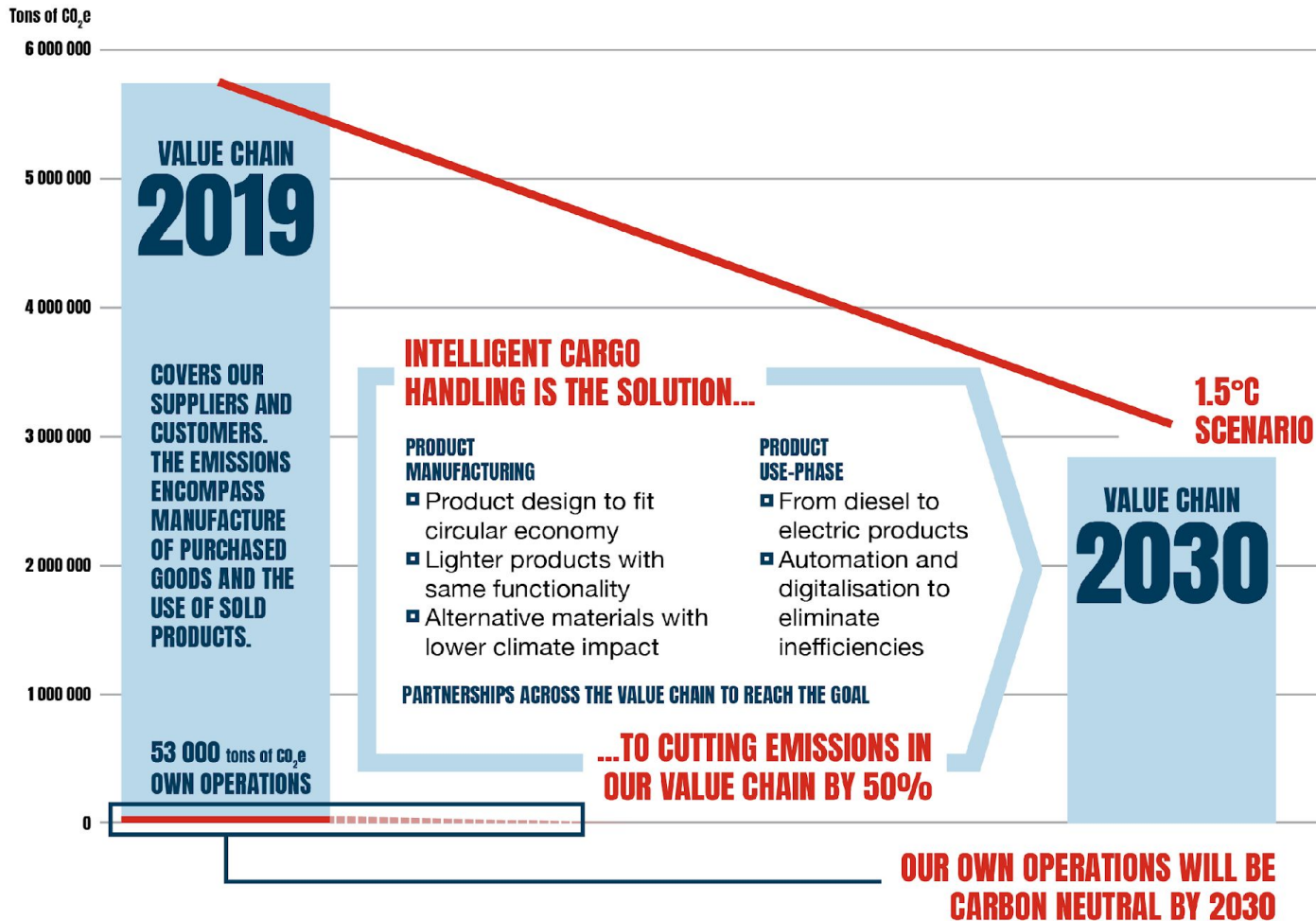
SCIENCE
BASED
TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

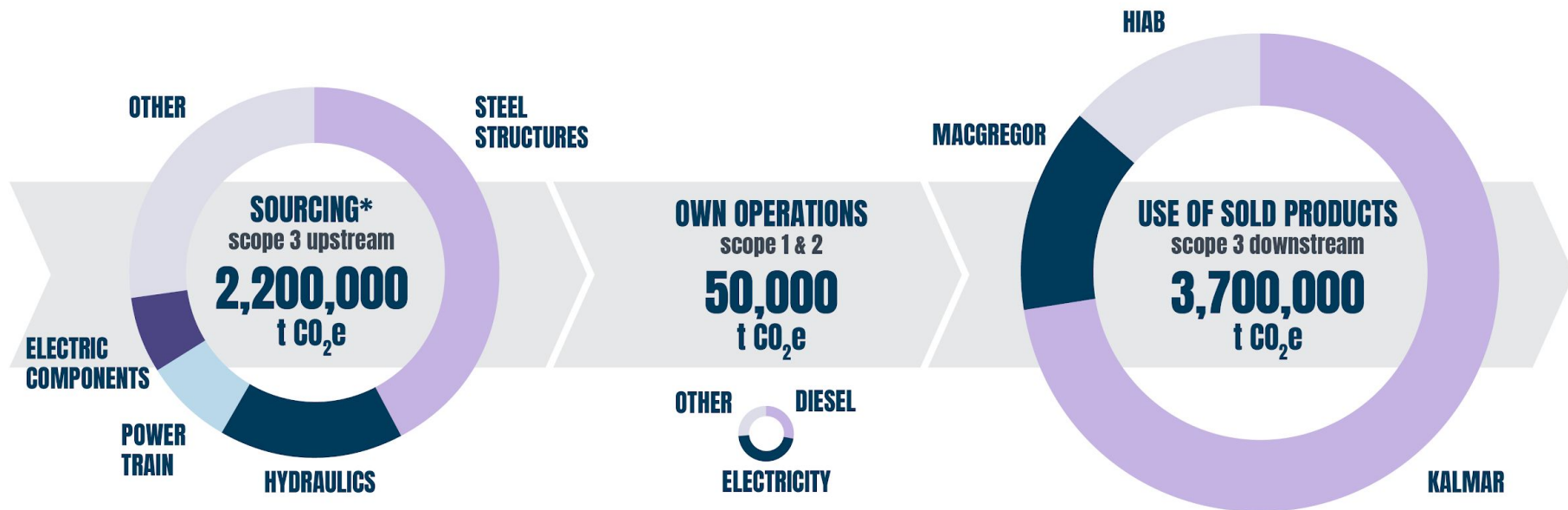
15

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



***ESTIMATED BASED ON SPEND**

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





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

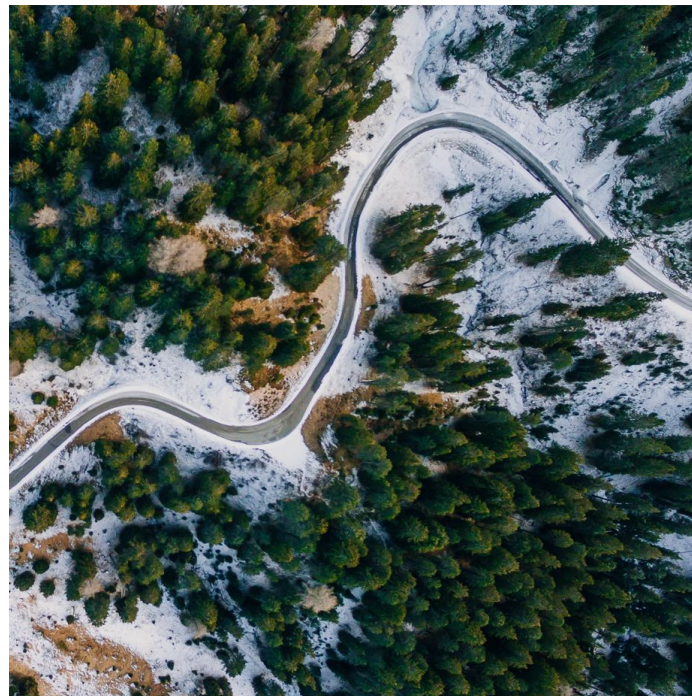
→ by trucks, sea freight emits
~3-4 times less emissions

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

Kalmar appendix

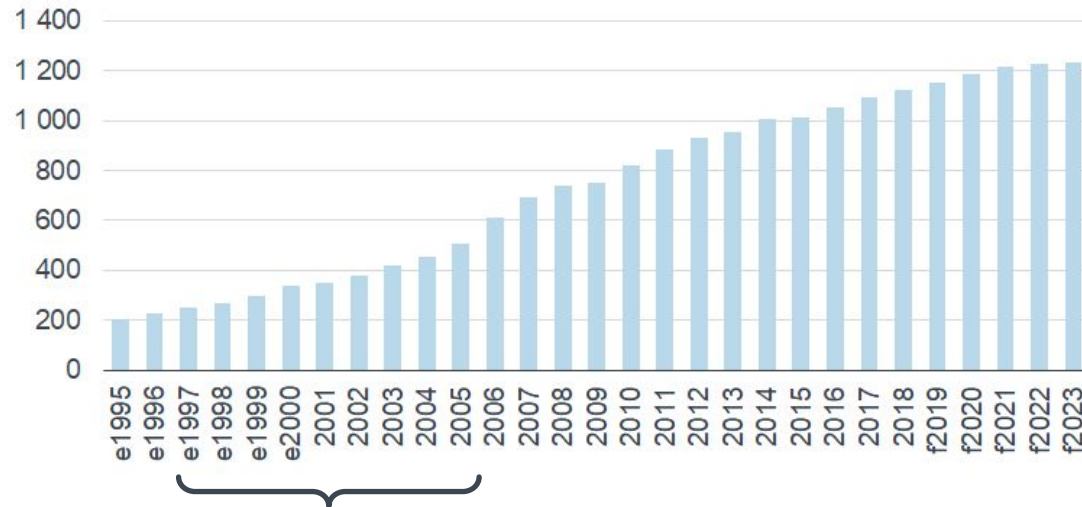
Cargotec to sell Navis software business

- 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
- As of 1 July 2021, Navis results are no longer consolidated into Cargotec financials
- Approximately EUR 240 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.

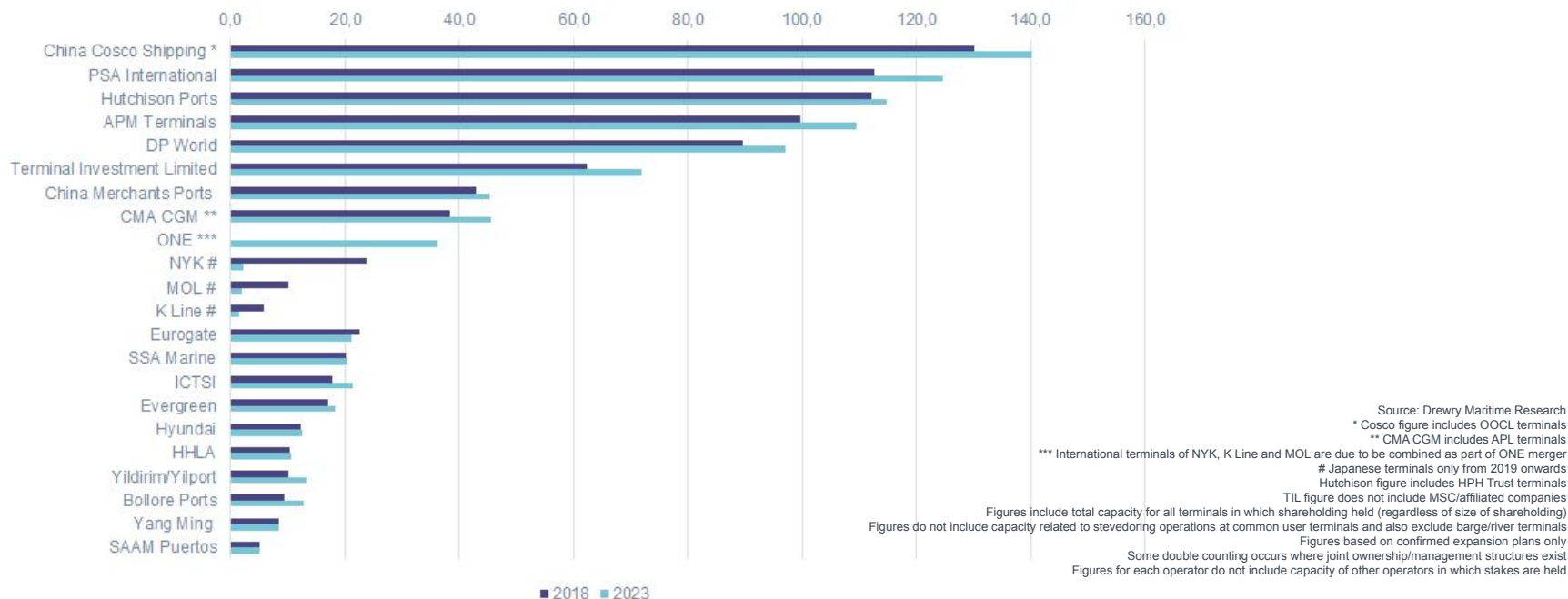
Average lifetime of type of equipment:

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

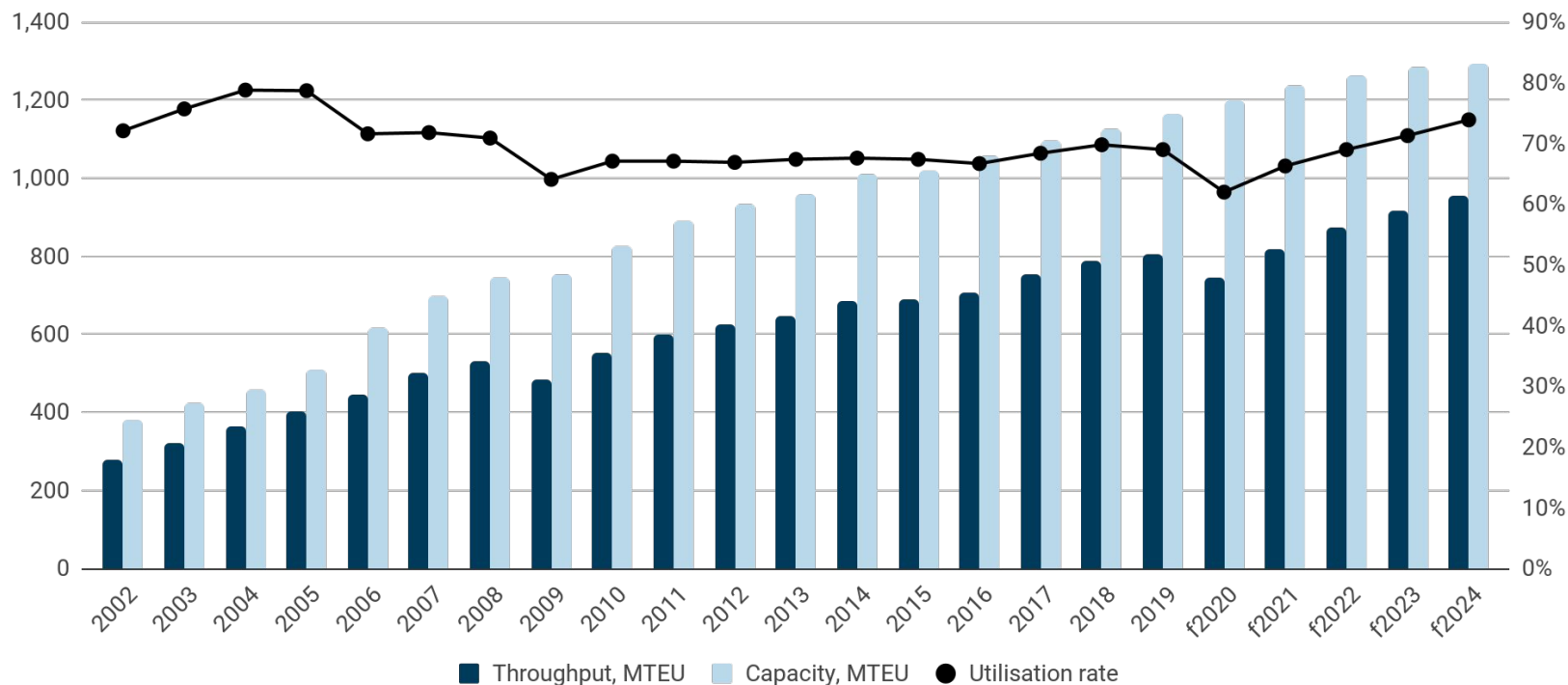
Source: Drewry reports: Global Container Terminal Operators 2001-2016 Note: 1995-2000 capacity is estimation based on the assumption that the utilisation rate has been between 70-72% in that period. 2019-2023 forecast based on Drewry's Global container terminal operators report, published in Q4/2019

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

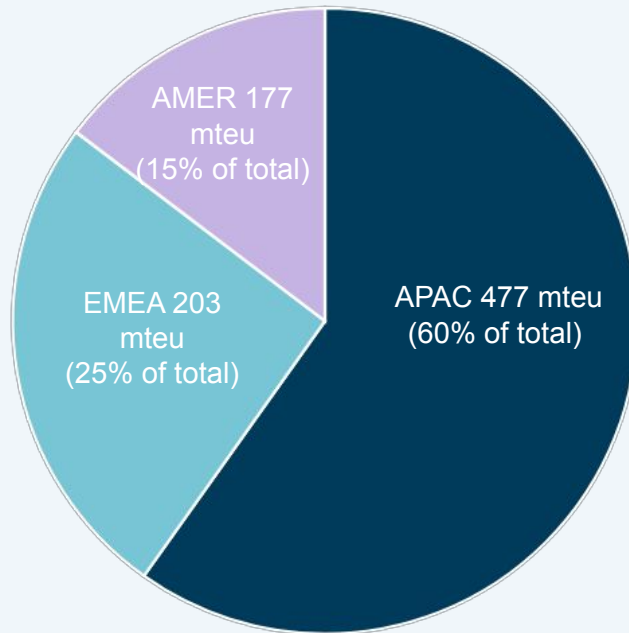
Global/international terminal operators' capacity development, 2018-2023 (MTEU)



Global container throughput and capacity development



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



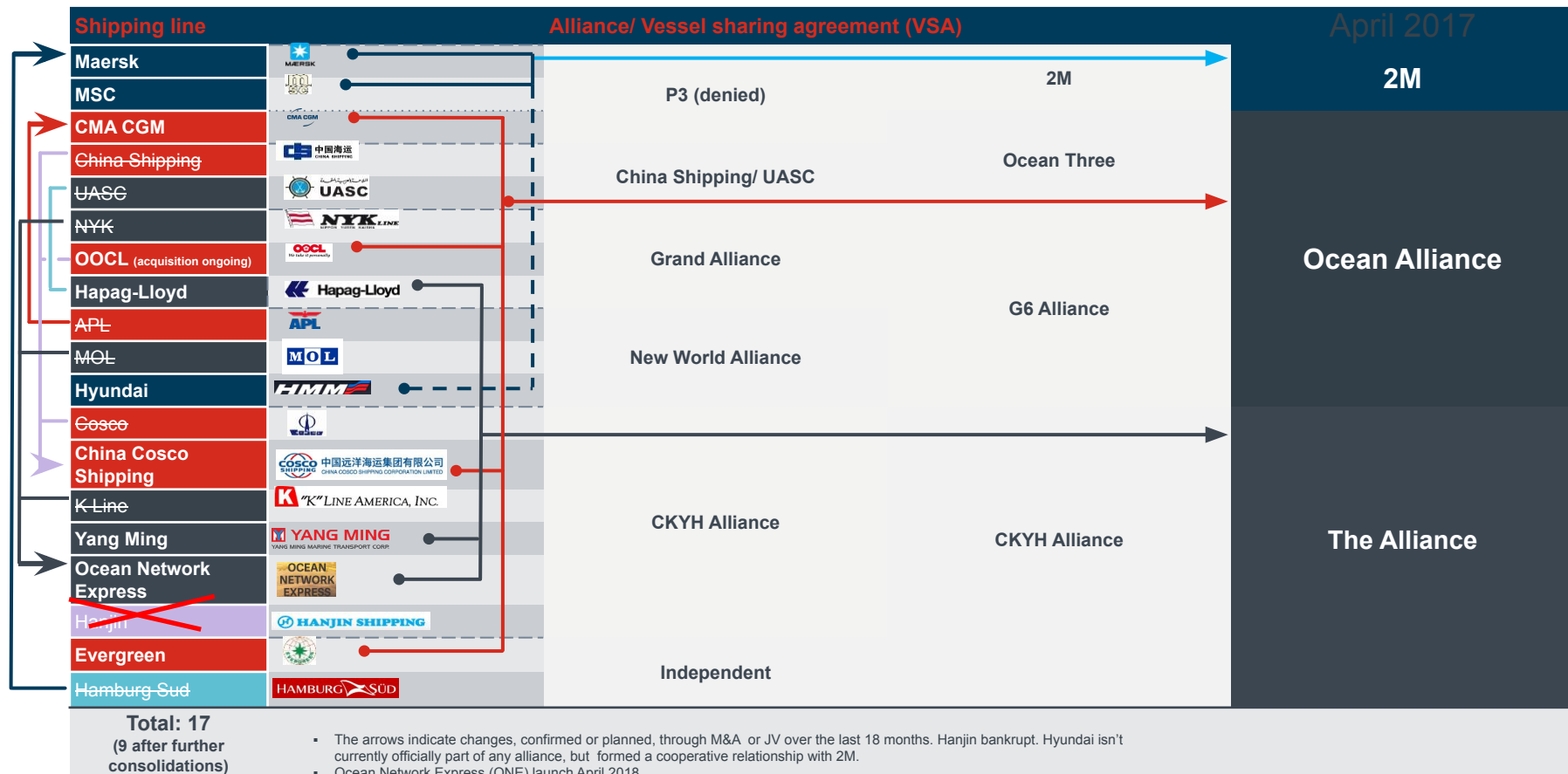
Source: Drewry container forecaster Q4 2019

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)

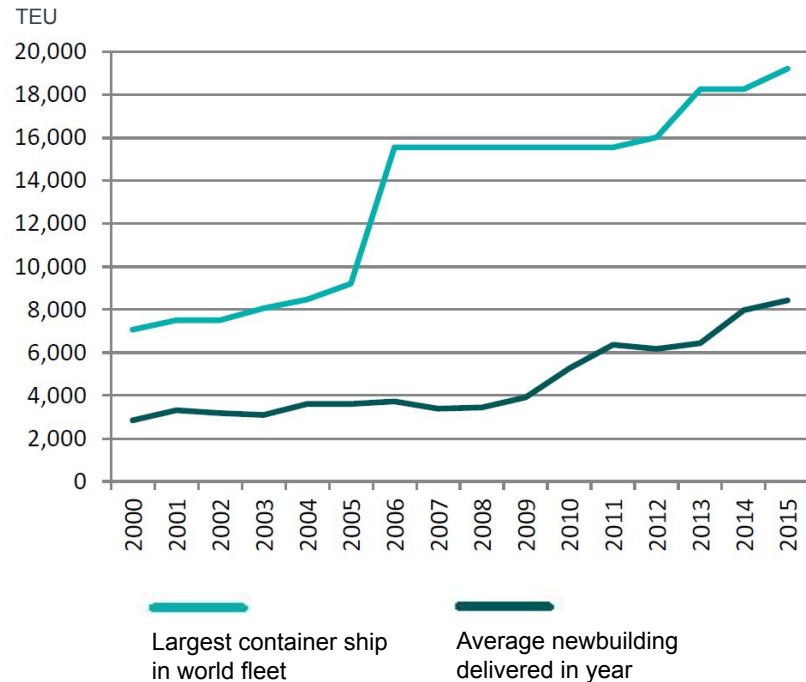
→ Drewry states that its scenario is not a "worst-case" COVID-19 scenario and that a more significant decrease is possible

Three alliances controlling about 80% of global container fleet capacity



Ship sizes increasing dramatically

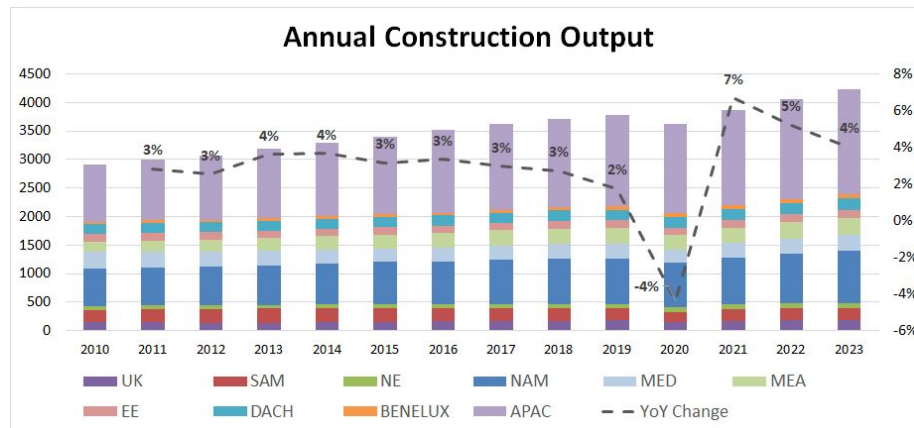
- The largest container ship in the fleet has nearly tripled since 2000
- The average size of new builds doubles between 2009 and 2014



Source: Drewry November 2015

Hiab appendix

Construction output forecast

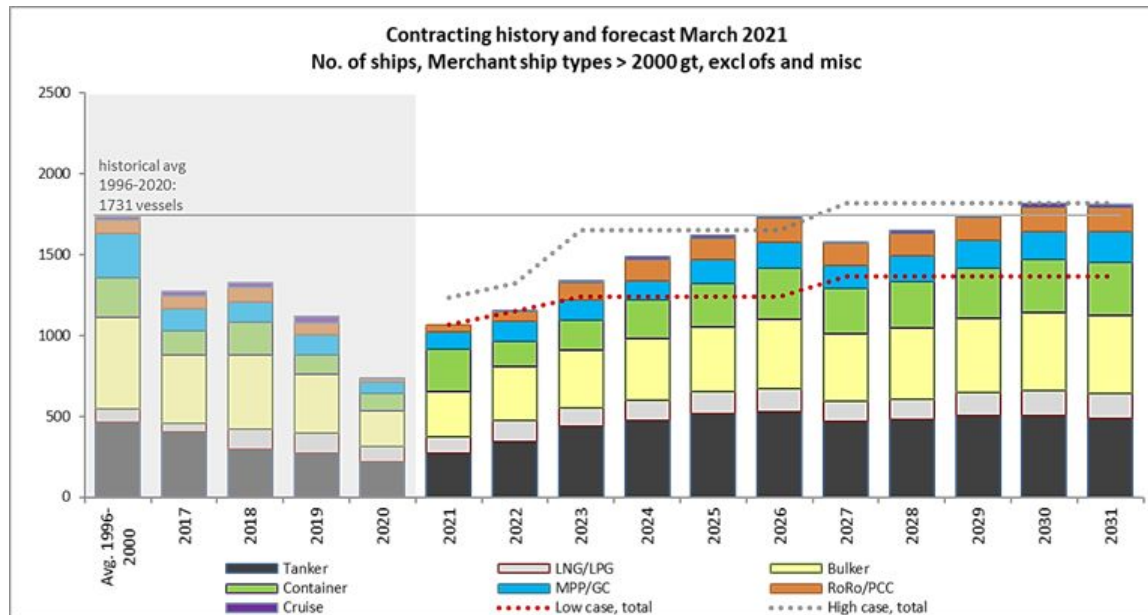


Percentage point change vs last forecast							YoY Changes					
	2018	2019	2020	2021	2022	2023		2019	2020	2021	2022	2023
NAM	0.0%	0.0%	0.2%	0.3%	2.3%	5.3%	NAM	0.0%	-2.1%	5.8%	5.6%	5.3%
SAM	-0.2%	-0.1%	1.3%	1.8%	1.6%	2.0%	SAM	-2.4%	-15.0%	10.0%	4.6%	3.5%
NE	0.0%	0.0%	0.0%	-0.8%	-0.8%	-0.9%	NE	1.6%	-1.2%	2.7%	2.6%	1.7%
UK	0.0%	0.0%	-1.5%	-0.1%	-0.8%	-1.3%	UK	2.0%	-14.0%	14.1%	3.5%	1.6%
DACH	0.0%	0.0%	0.5%	-0.4%	0.1%	0.0%	DACH	2.8%	1.1%	1.7%	2.3%	1.1%
BENELUX	0.0%	0.0%	0.2%	2.7%	1.7%	1.7%	BENELUX	4.4%	-2.4%	5.1%	2.3%	2.0%
MED	0.0%	0.0%	0.4%	1.9%	1.6%	1.6%	MED	2.9%	-11.6%	11.7%	4.9%	2.5%
EE	-0.3%	-1.1%	-0.3%	-0.4%	-0.2%	-0.2%	EE	0.2%	-0.8%	3.3%	4.0%	2.9%
MEA	0.3%	2.3%	-0.4%	0.0%	0.9%	0.9%	MEA	1.0%	-6.3%	6.9%	5.8%	4.1%
APAC	0.0%	0.0%	0.6%	-1.7%	-1.1%	-1.2%	APAC	3.1%	-2.7%	6.5%	5.9%	4.6%
Total	0.0%	0.1%	0.3%	-0.5%	0.2%	0.8%	Total	1.7%	-4.4%	6.7%	5.2%	4.0%

MacGregor appendix

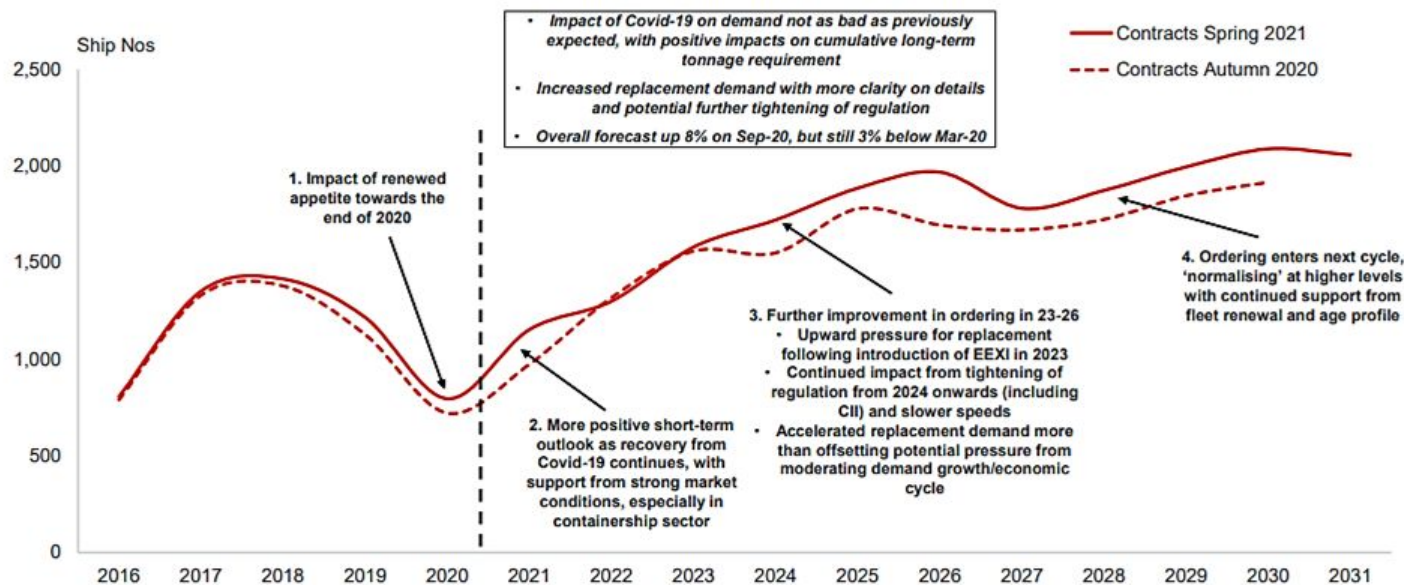
Merchant ships: Contracting forecast by shiptype (no of ships)

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



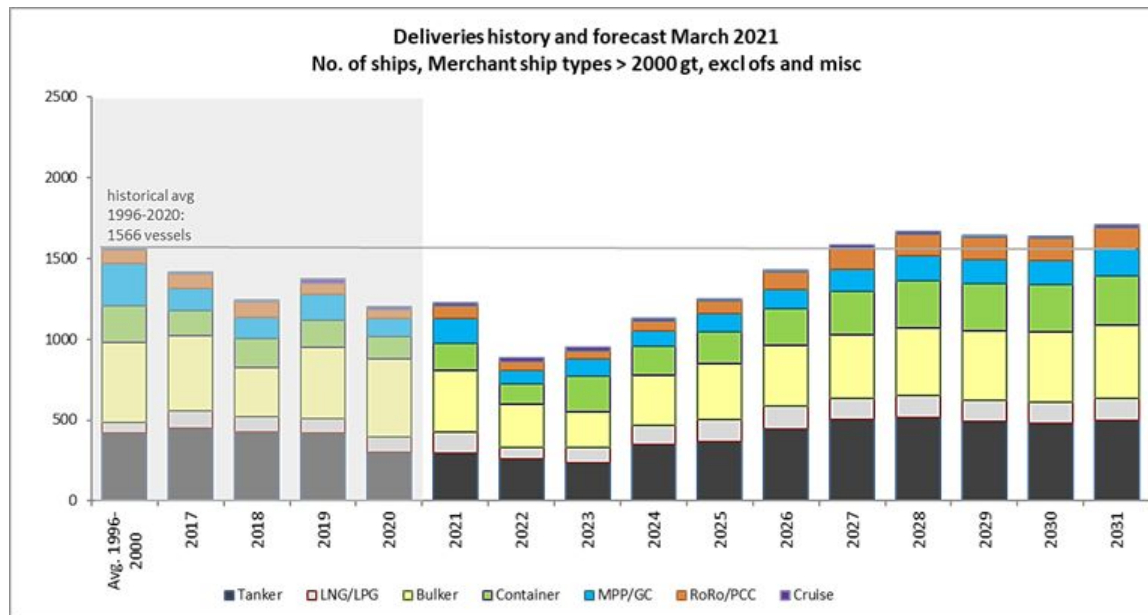
Contracting forecast upgraded from Sep 2020

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

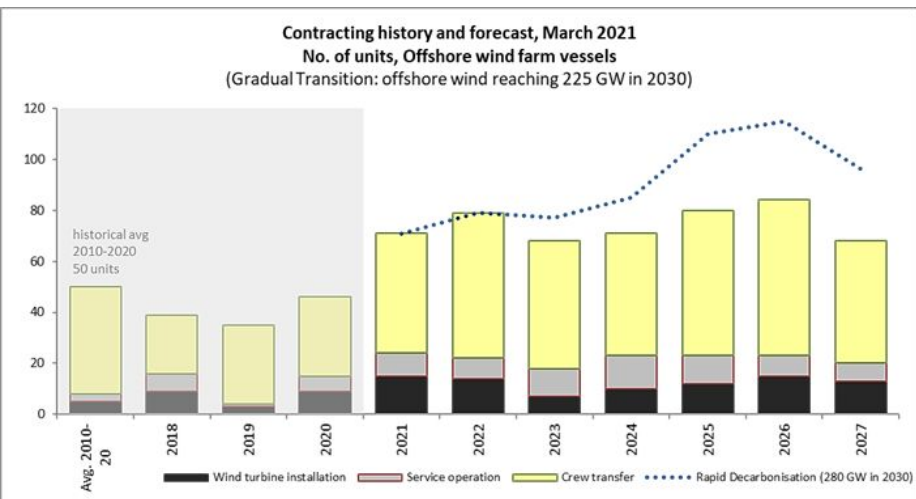
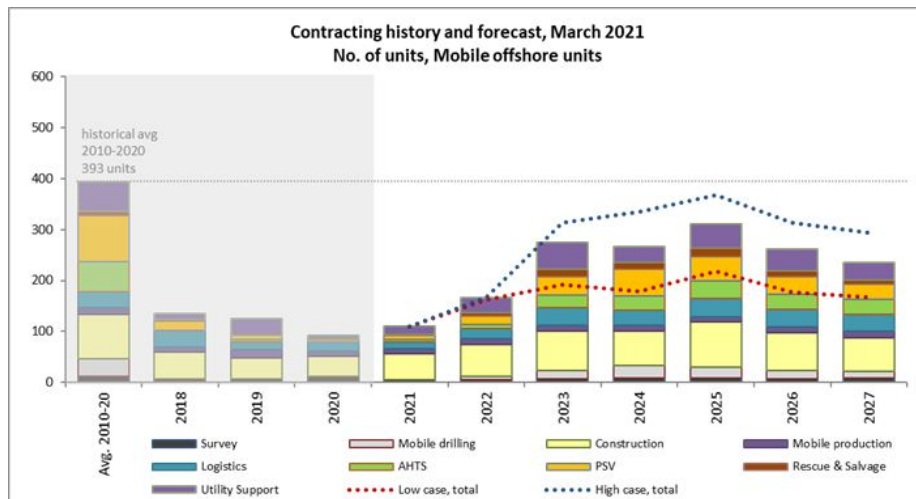


Merchant ships: Deliveries forecast by shiptype (no of ships)

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

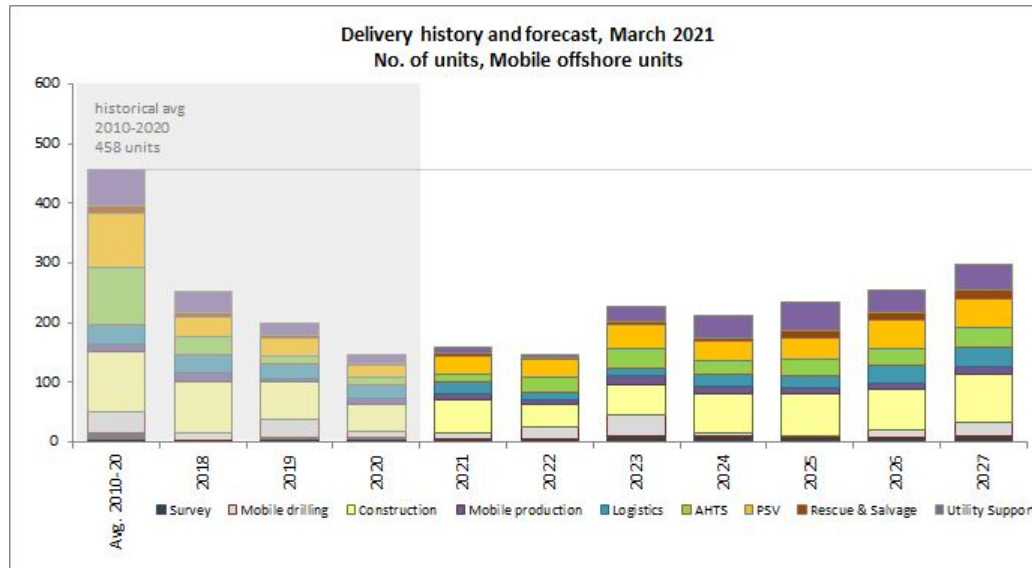


Offshore mobile units: Contracting forecast by shiptype (number of units), base case



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

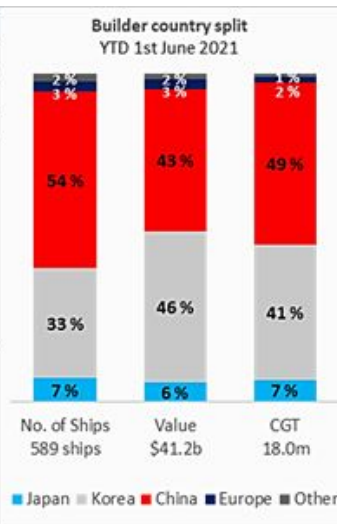


New ship investments recovering from 2020 low levels, especially container ships; China and South Korea yards dominate shipbuilding

- **Merchant (>2000 dwt/gt, excl. ofs and misc.) contracting total 746 new contracts ytd 1st July**, annualised 1492 vs March fcst 1065. Chinese and South Korean yards continue to dominate new contracting with 85% share. Contracting ytd by shiptype: 317 container ship (154 > 8000 teu), 120 bulker, 144 tanker and 97 gas carrier.
- **Offshore mobile unit contracting 46 new contracts ytd 1st July**, new contracts in June included two WTIV at COSCO HI for Cadeler, 2 SOVs at Shanghai Zhenhua for Shanghai Electric, a FPSO at DSME for Petrobras and two FLNG conversions in the US.
- **HHI-DSME merger still pending, deadline extended by another three months**
 - European Union's (EU) antitrust regulator has not yet resumed its review of the proposed merger between South Korea's two leading shipbuilders, putting its decision on hold for nearly a year. The approval by the EU has been considered as crucial for the merger, as a big part of customers for HHI and DSME are European shipping firms.
 - As of June, China, Kazakhstan and Singapore gave green light to the deal, but approval still pending from Japan, EU and South Korea.

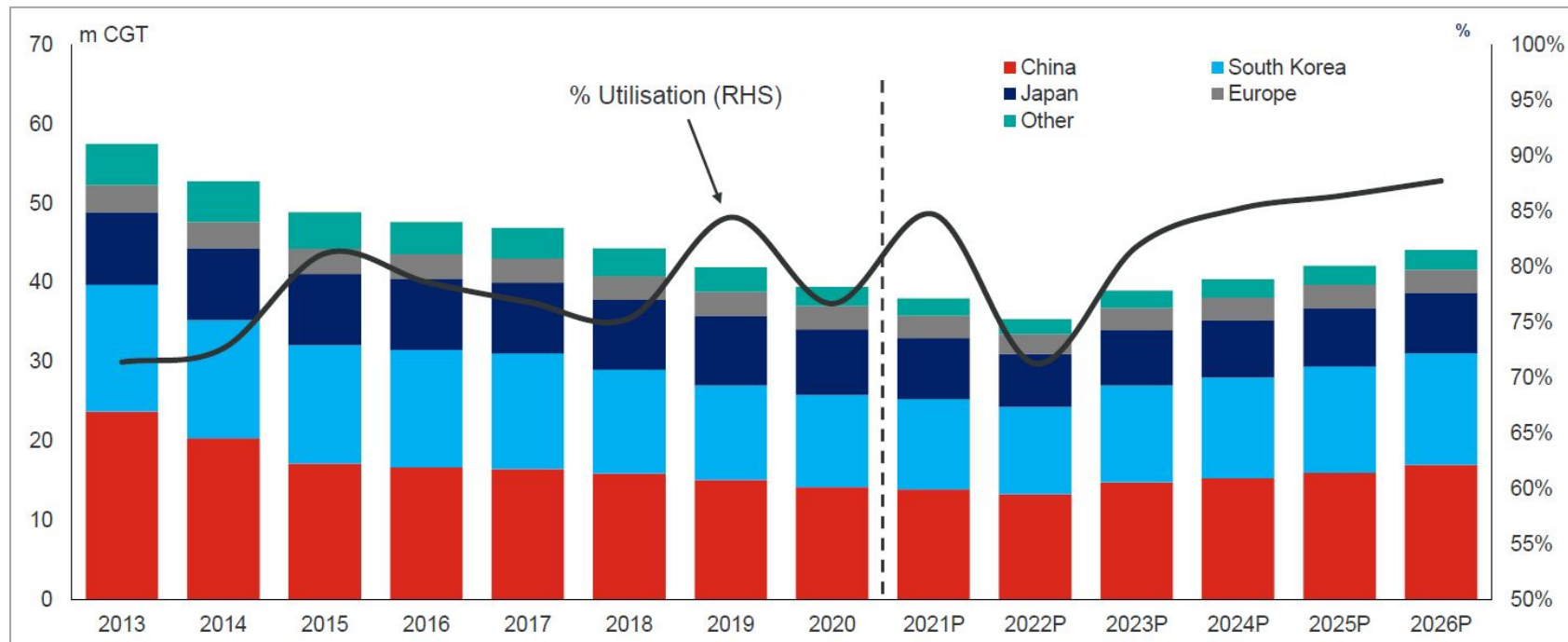
Global Contracting Activity (1st June 2021)

	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**)	1,262	884	589	60%	80.7	48.5	41.2	104%	30.1	22.2	18.0	95%
Vessel Type												
Bulkers	381	267	99	-11%	11.4	7.1	3.1	6%	7.4	4.8	2.0	3%
Tankers	279	225	104	11%	12.2	11.0	5.1	10%	6.4	5.6	2.6	13%
Containerships	122	112	239	412%	6.6	7.8	19.3	496%	3.5	4.2	9.6	456%
Gas Carriers	125	99	75	82%	14.1	13.7	5.7	-1%	5.7	5.2	2.2	4%
Offshore	88	63	23	-12%	8.3	4.6	5.6	194%	1.3	1.2	0.5	9%
Others	267	118	49	0%	28.1	4.3	2.4	32%	5.7	1.3	0.9	68%
Builder Country/Region												
China	529	420	317	81%	22.5	16.8	17.8	154%	10.3	9.1	8.8	134%
South Korea	231	192	196	145%	22.8	19.3	18.9	136%	9.8	8.6	7.3	106%
Japan	292	147	43	-30%	9.2	4.1	2.4	39%	5.1	2.4	1.2	24%
Europe	116	54	19	-16%	22.6	6.3	1.2	-54%	3.6	1.3	0.3	-37%
Other	94	71	14	-53%	3.6	2.0	0.8	-1%	1.2	0.9	0.2	-36%



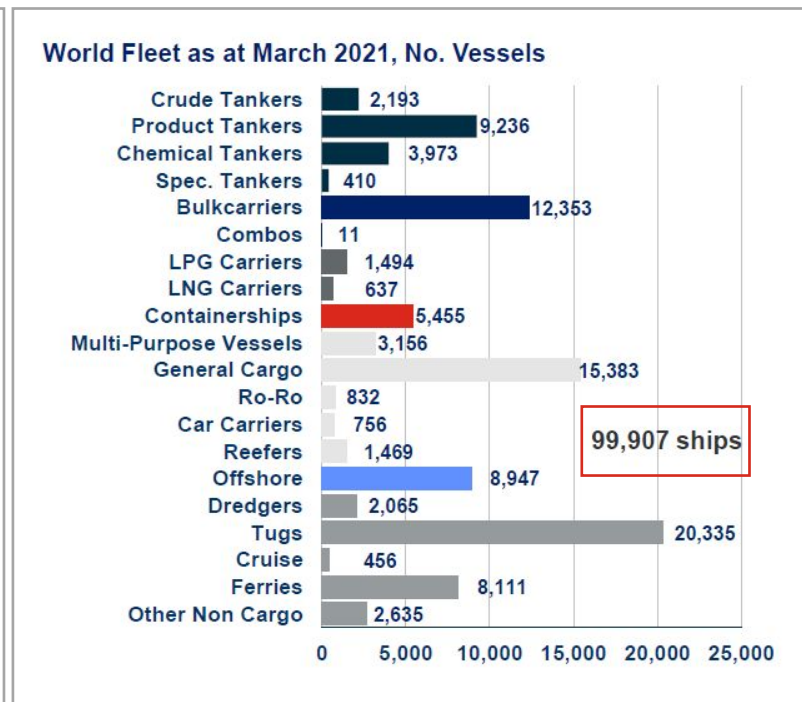
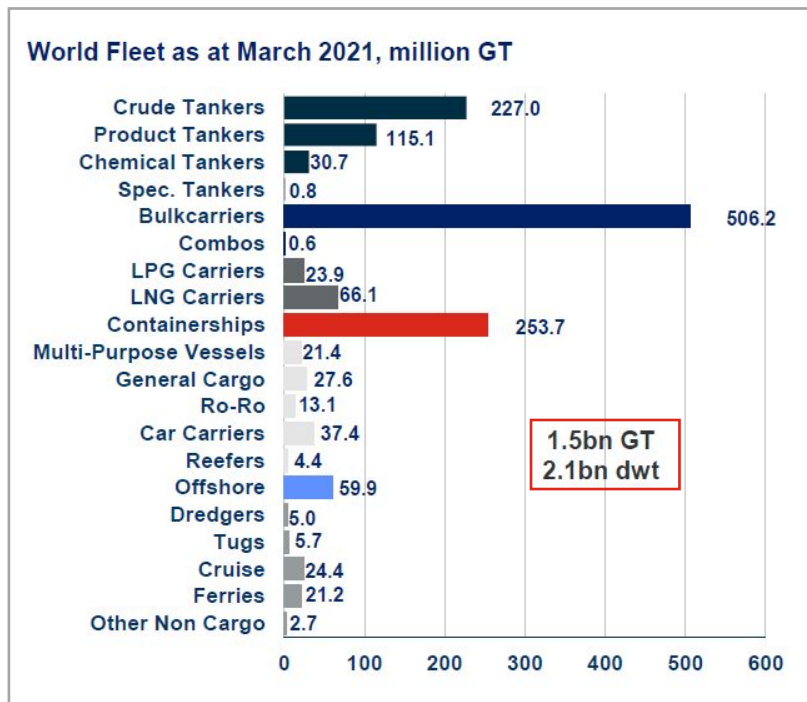
Shipbuilding capacity and utilisation scenario

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



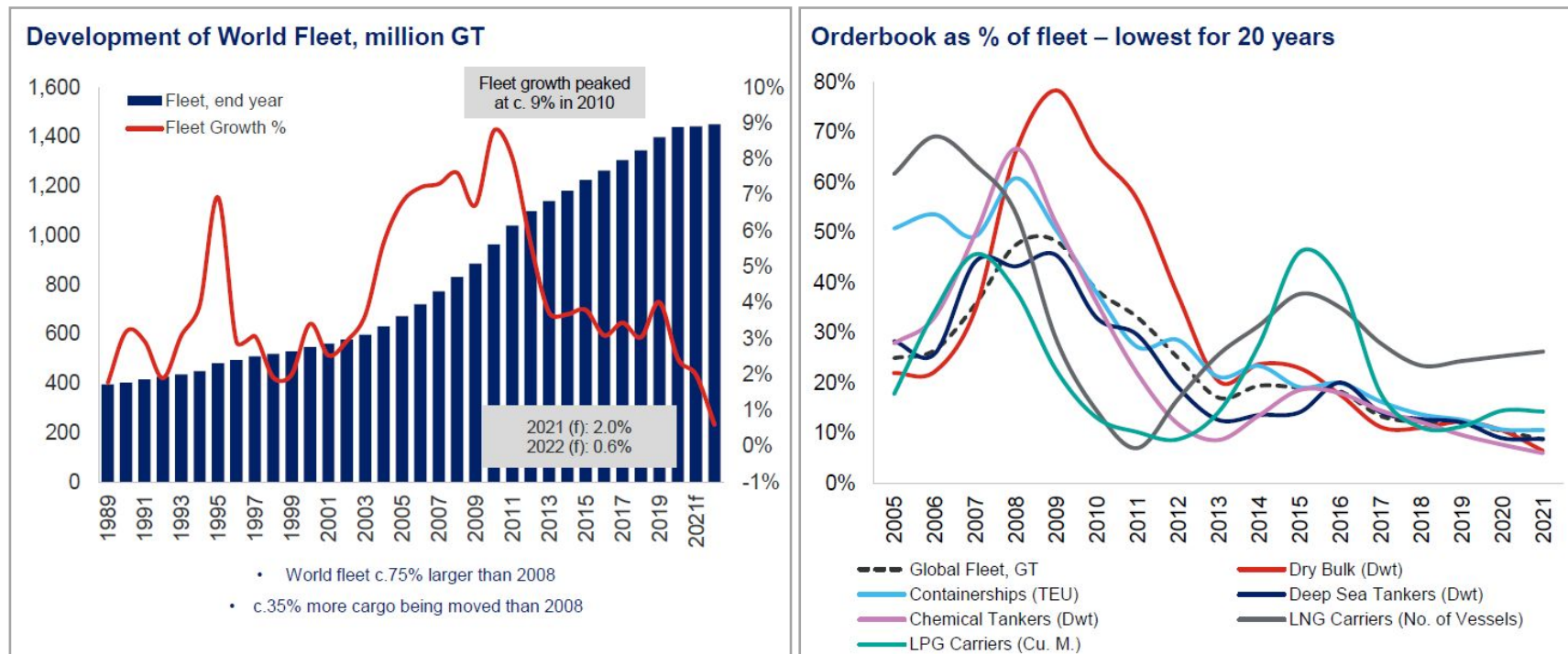
Shipping – The world fleet

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



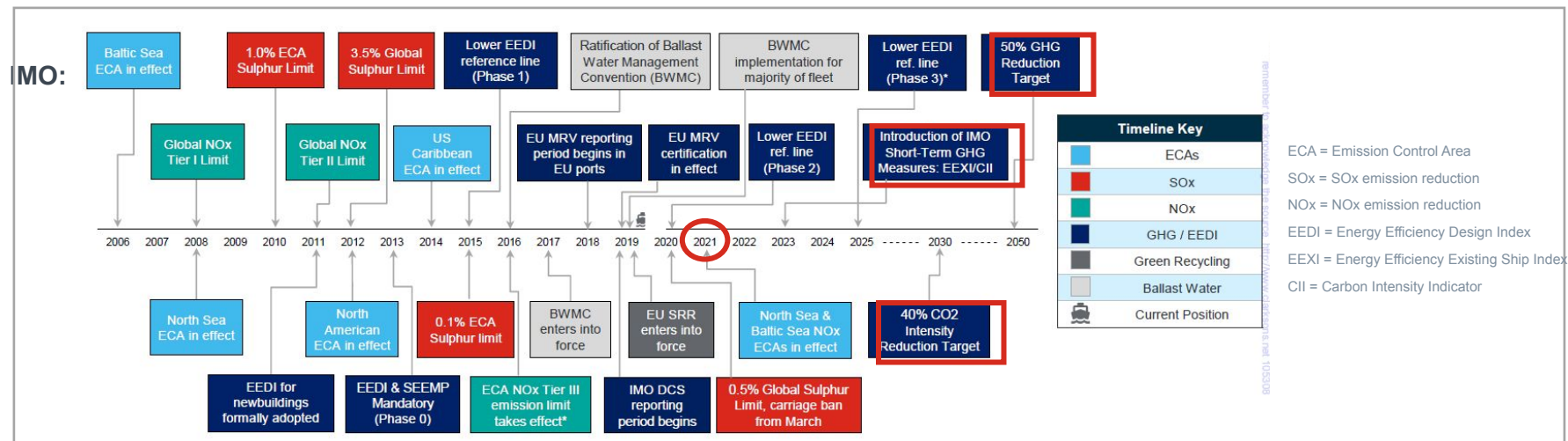
World fleet and order book development

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.

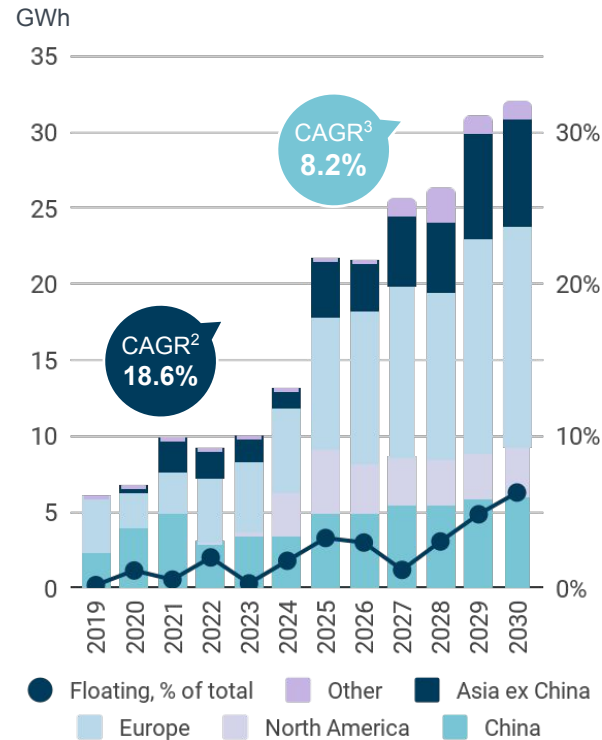
- In September 2020, the European Parliament voted for the inclusion of greenhouse gas (GHG) emissions from ships over 5,000 gross tonnes in the emissions trading system (EU ETS) by 1 January 2022. It also wants firms to cut ships' annual average CO2 emissions by more than 40% by 2030. It also voted 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

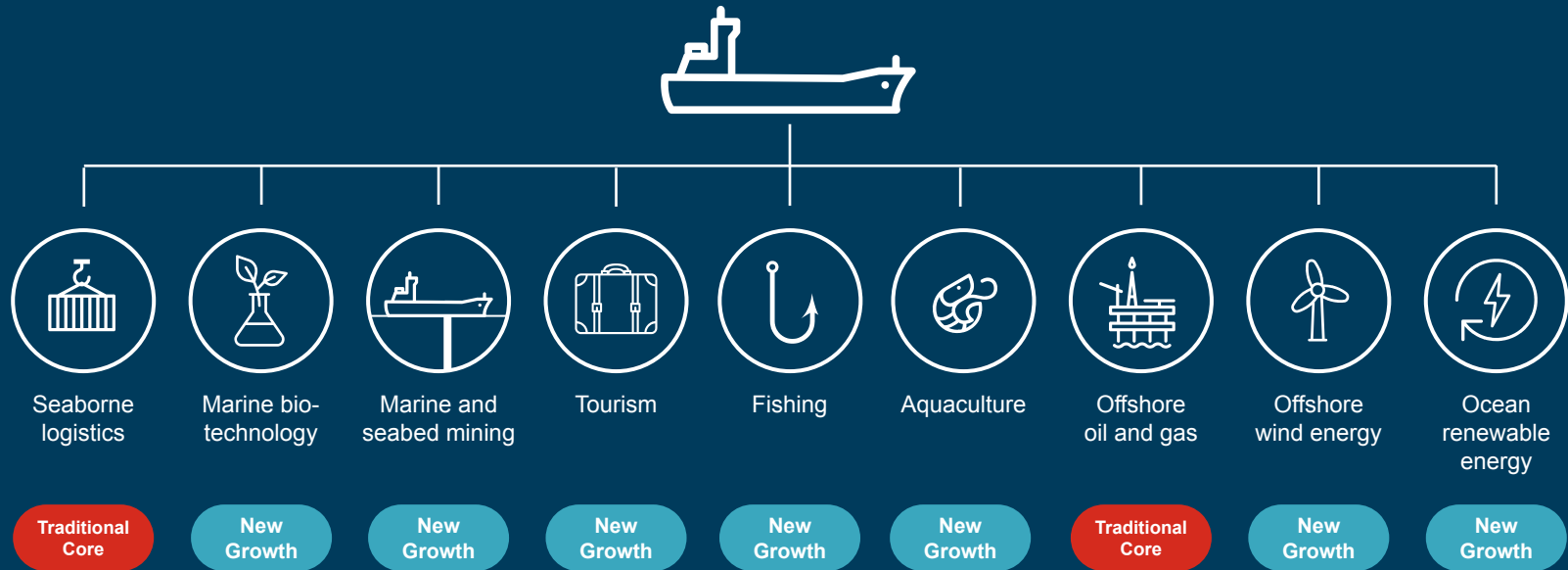
Global offshore wind installations



- 1) GWEC Market Intelligence, June 2020
- 2) Compound Annual Growth Rate 2020-2024
- 3) Compound Annual Growth Rate 2025-2030
- 4) In Eurece, 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

28 September 2021	Hiab investor event
28 October 2021	Interim report January–September 2021

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