



Investor presentation, November 2021

Becoming the global leader in sustainable cargo flow

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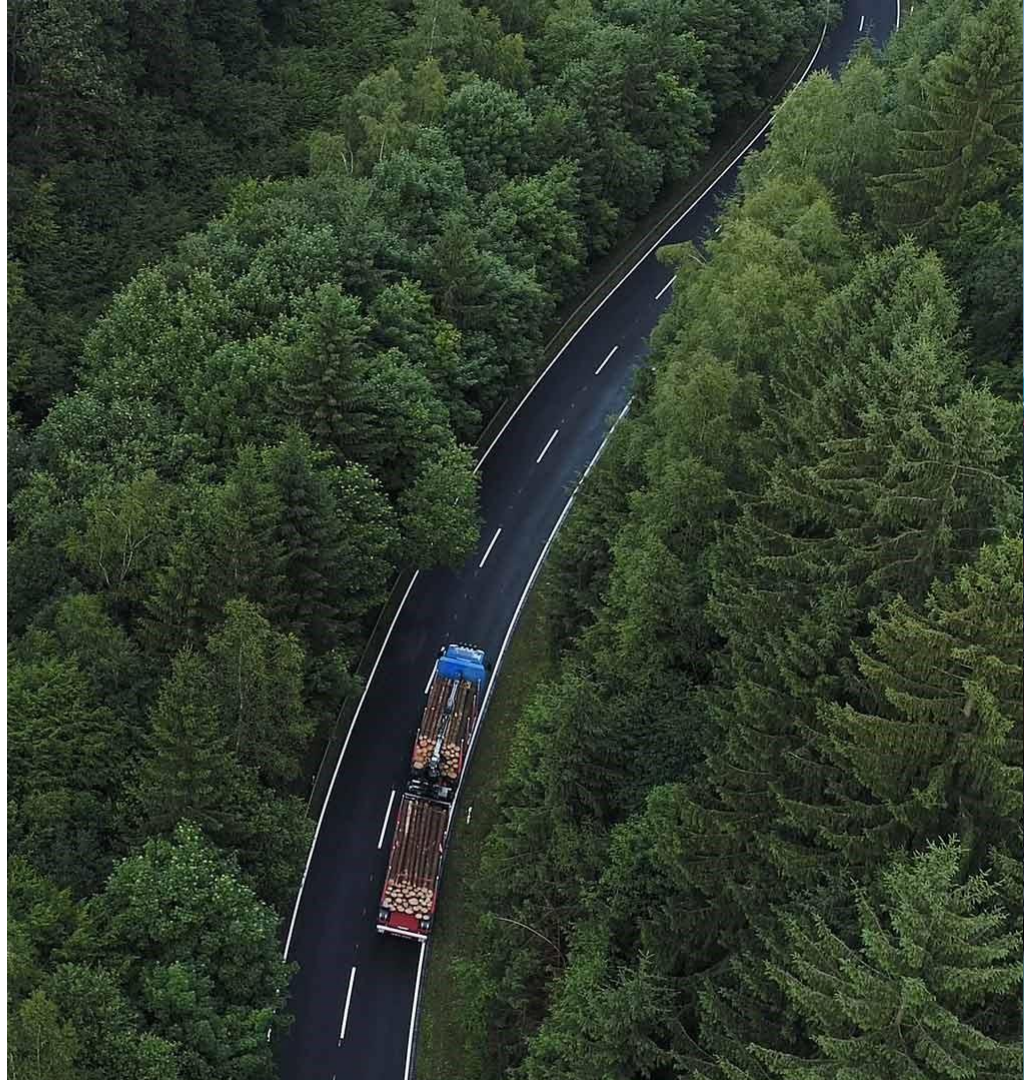
All the discussion topics presented during the session and in the attached material are still in the planning phase. The final impact on the personnel, for example on the duties of the existing employees, will be specified only after the legal requirements of each affected function/ country have been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

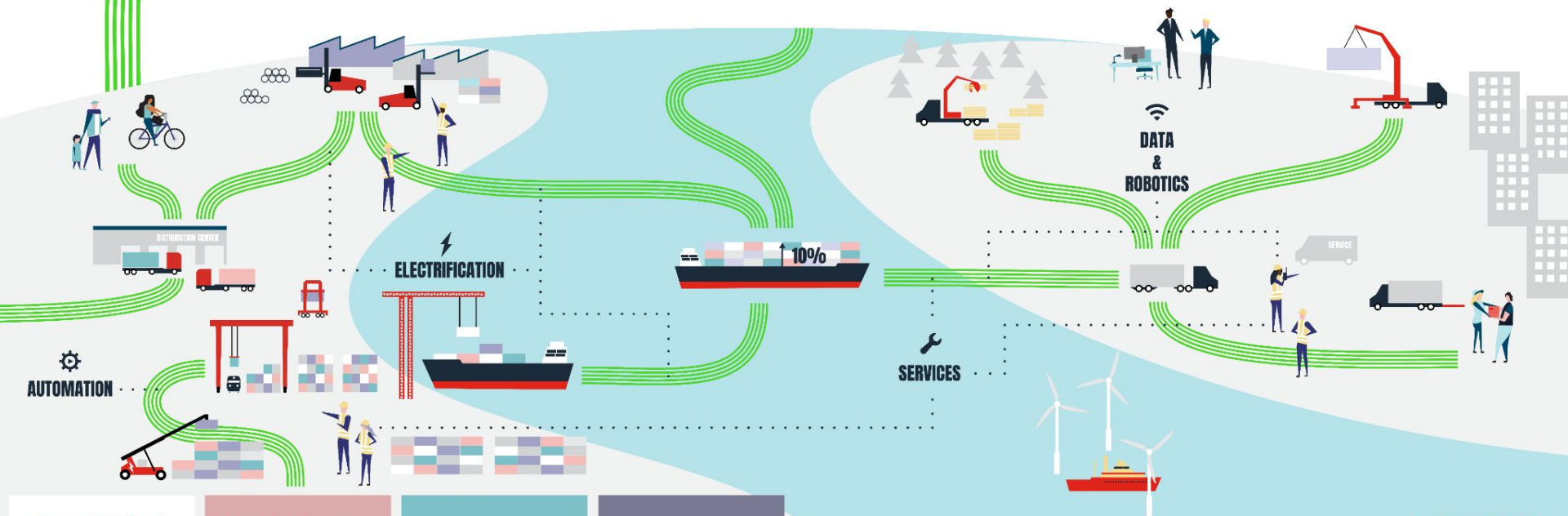


GLOBAL LEADER IN SUSTAINABLE CARGO FLOW

KALMAR

MACGREGOR

HIAB



MEGATRENDS

GLOBAL GROWTH AND
ECONOMIC DEVELOPMENT

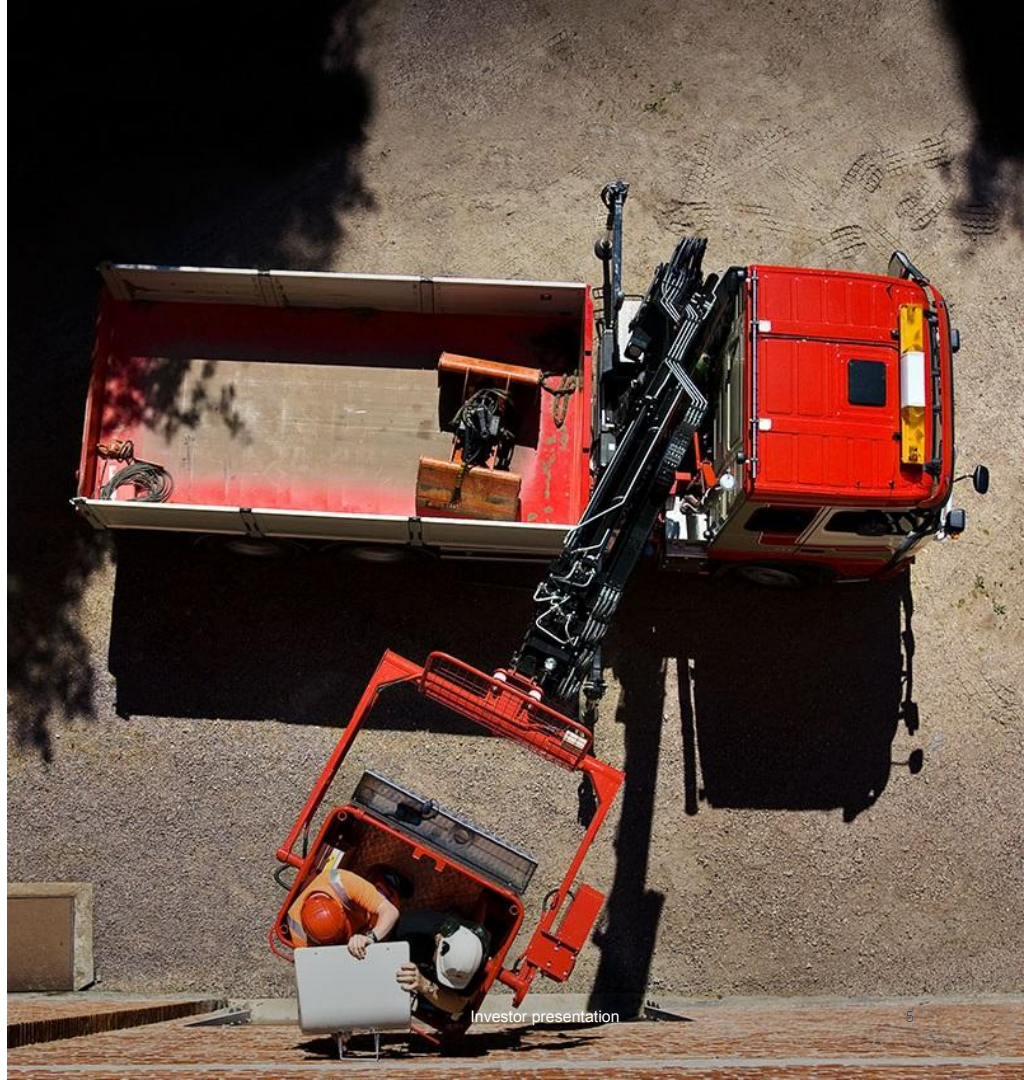
SUSTAINABILITY

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)

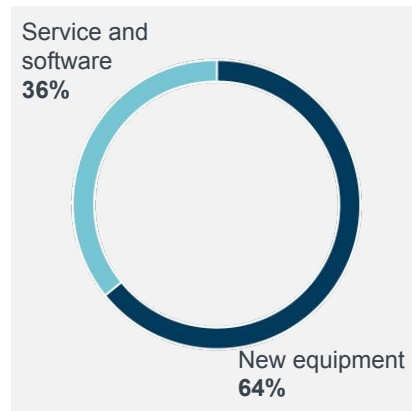
Hiab

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

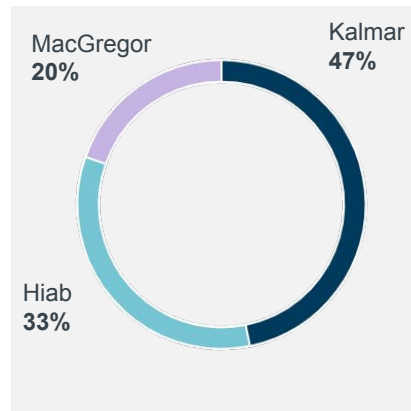
MacGregor

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

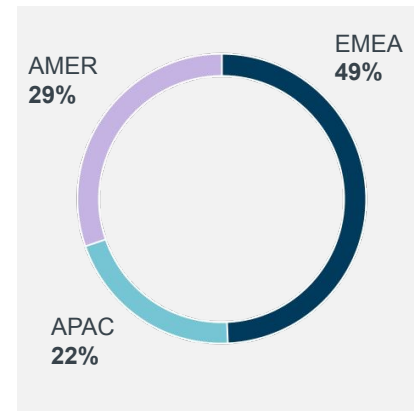
**Sales split: new
equipment vs service
and software**



**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

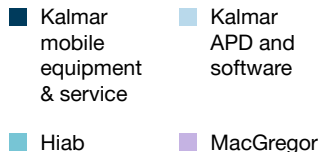
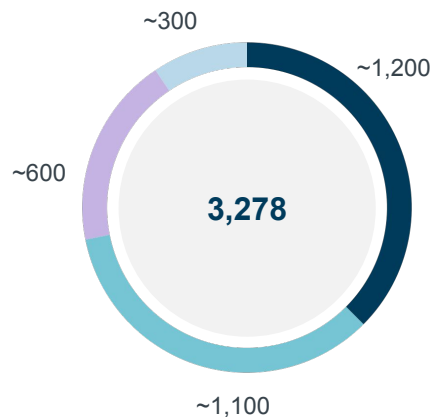
Other competitors



Currently two businesses performing well

Net sales Q3/2021, LTM*

EUR million **



Trend in orders, LTM

Profitability: comparable EBIT margin, LTM

Kalmar Automation and Projects division & Navis***



Low profitability

MacGregor

+33%

2.5%

Hiab

+113%

13.9%

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



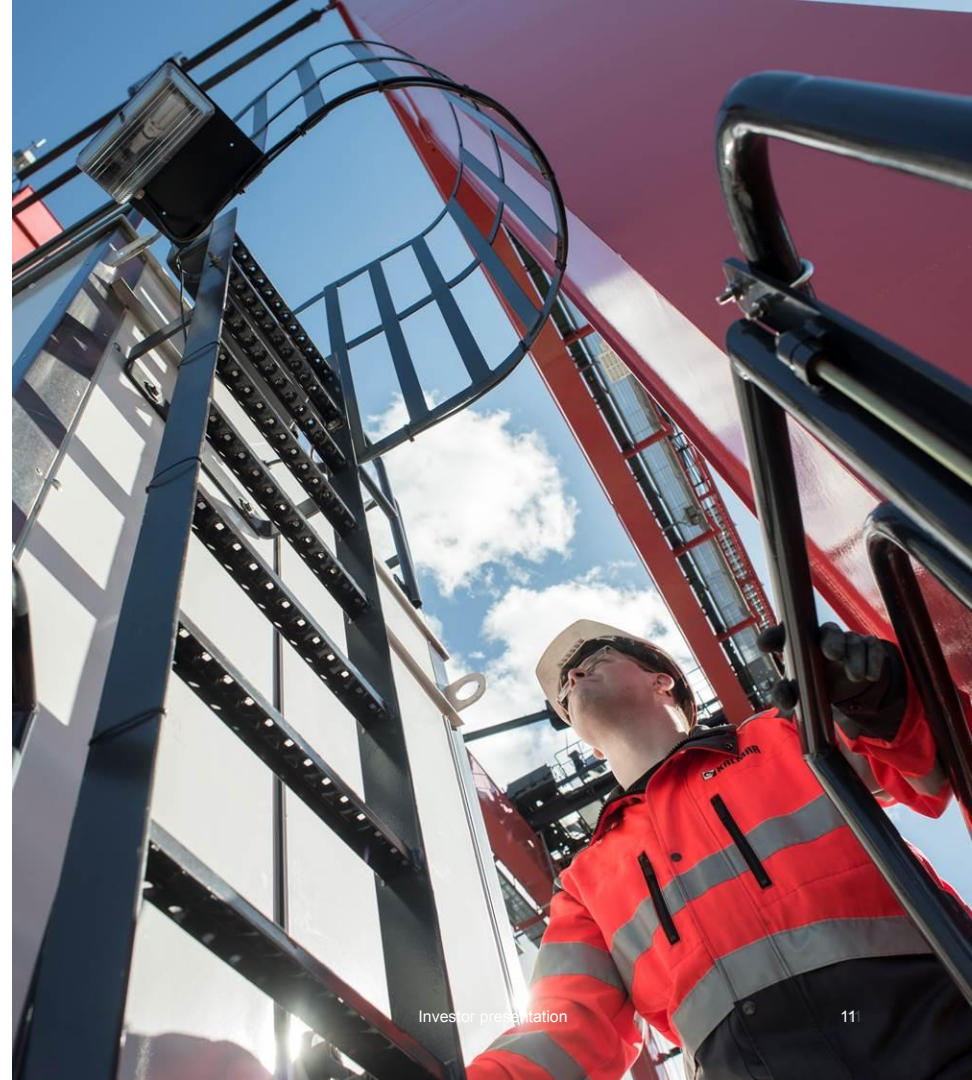
Low double digit

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

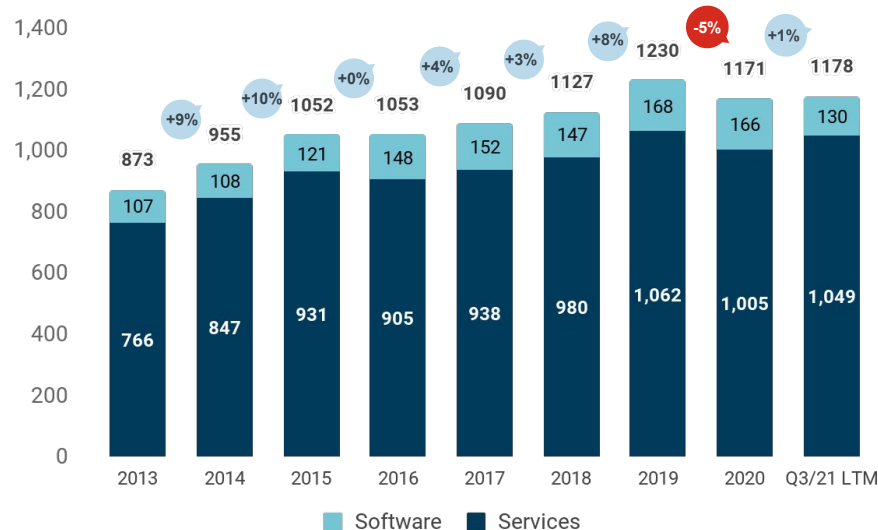
Leadership index

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

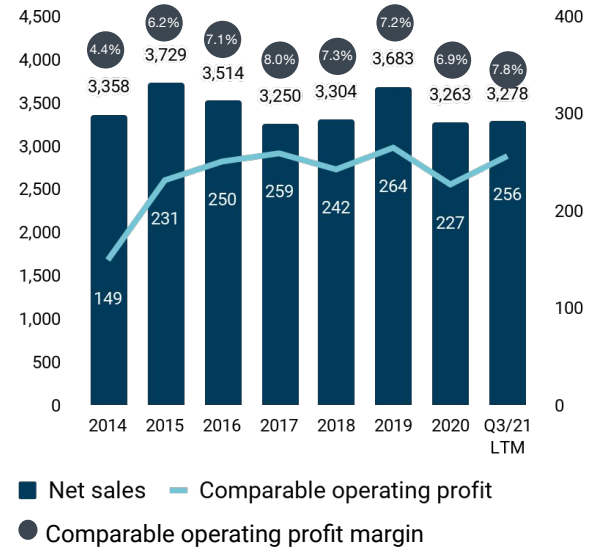
Target 10% operating profit and 15% ROCE in 3-5 years*

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



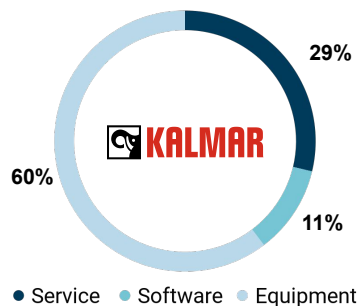
Kalmar is in unique position to benefit from the growth prospects in electrification and port automation

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

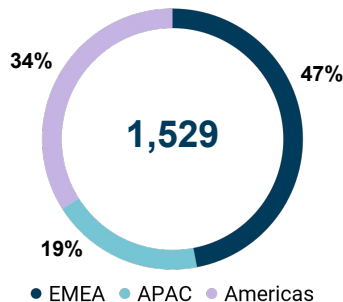
Number of personnel
5,526

Sales
MEUR 1,529

Service and software sales
(% of sales)

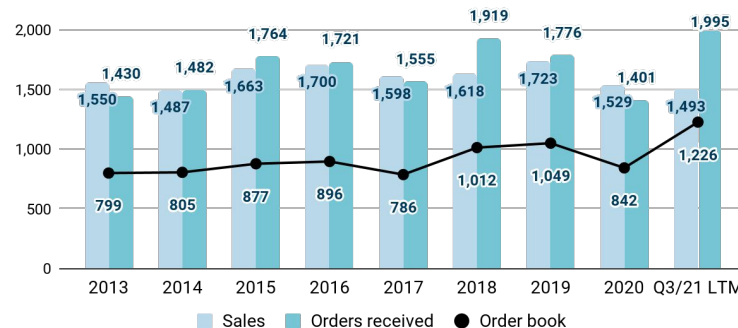
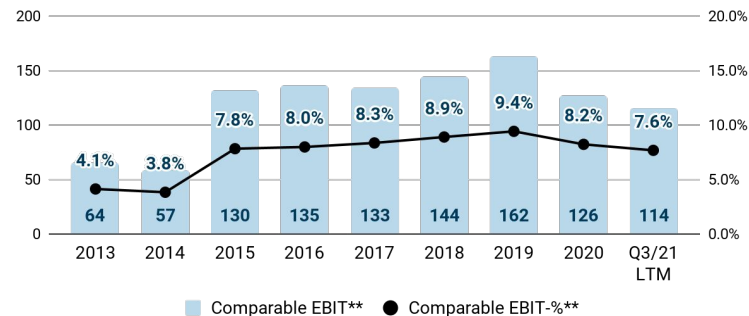


Geographical sales split



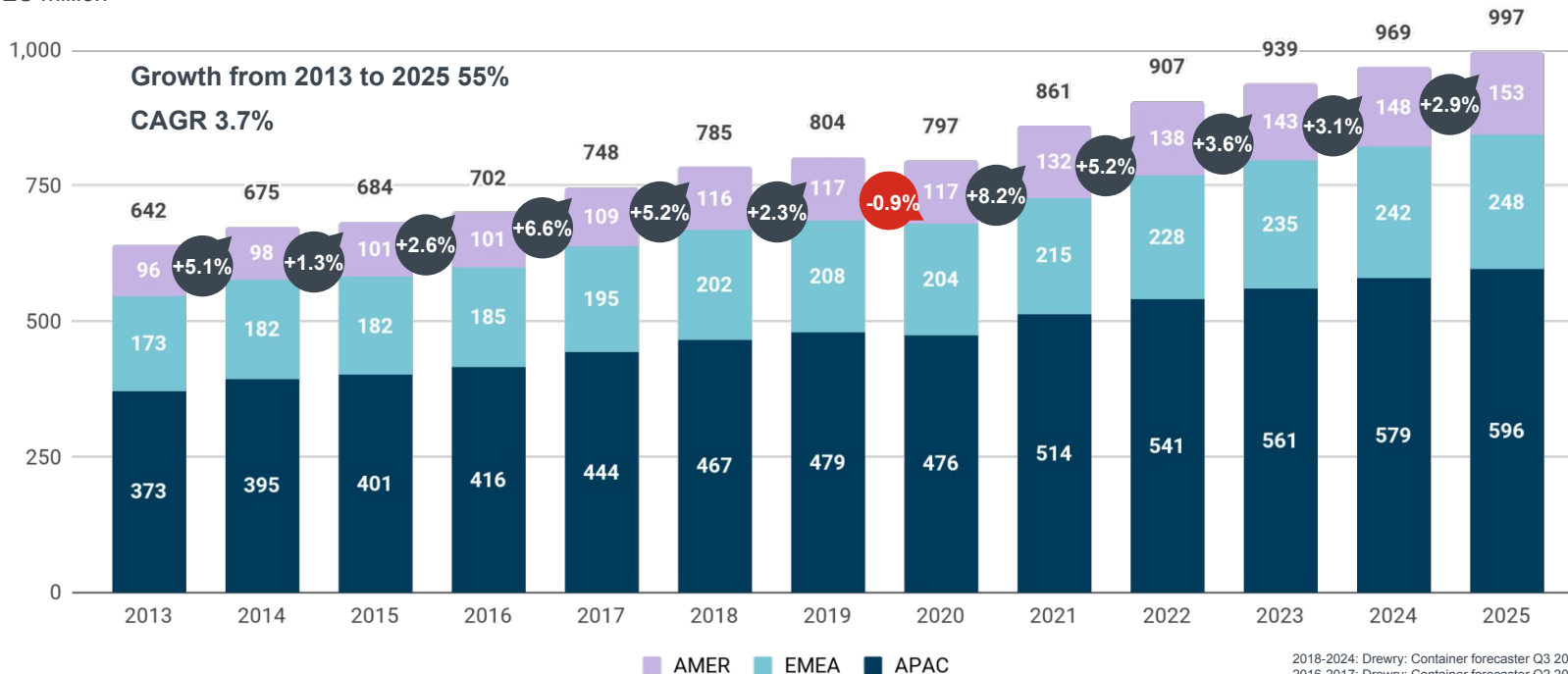
Development of historical financials

MEUR



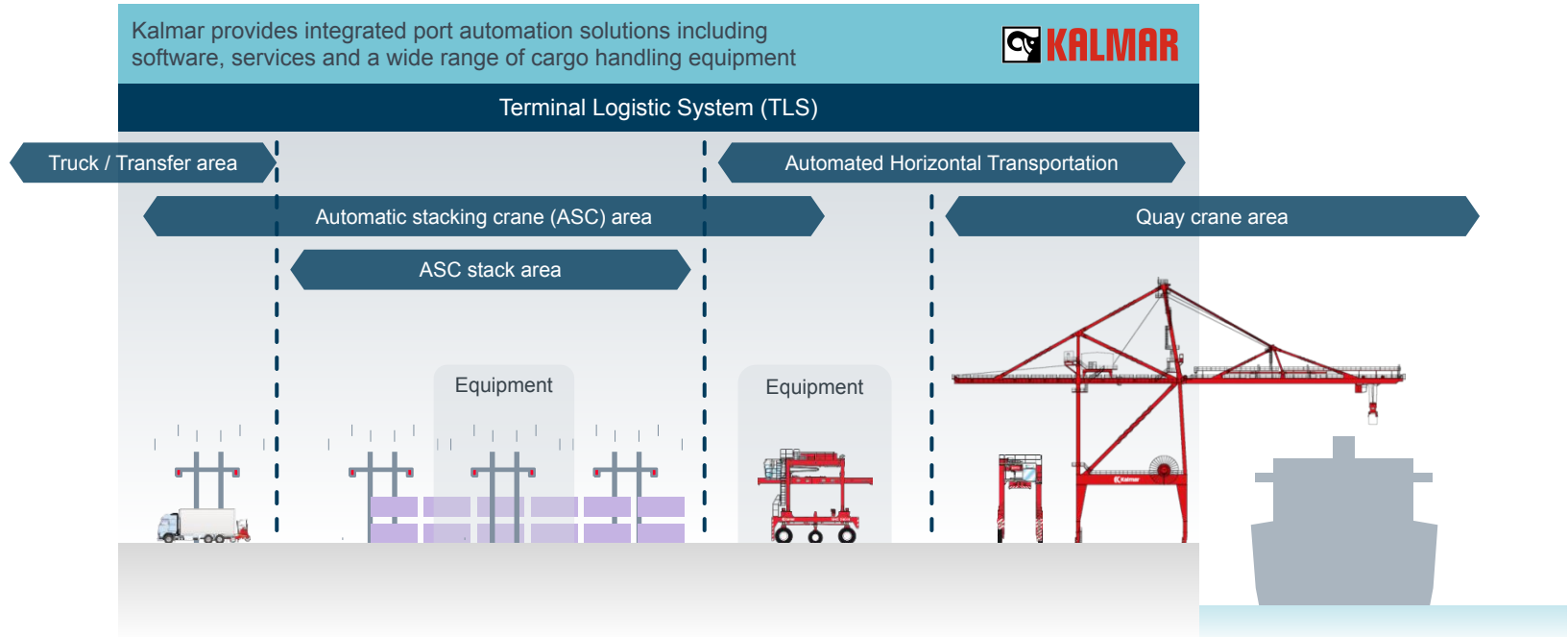
Container throughput is estimated to continue to grow

TEU million



2018-2024: Drewry: Container forecaster Q3 2021
2016-2017: Drewry: Container forecaster Q2 2019
2015 Drewry: Container forecaster Q2 2018
2013-2014 Drewry Global Container Terminal Operators Annual Report 2013

Kalmar provides integrated port automation solutions





Electric Empty
Container Handler



Electric
Reachstacker



Electric Heavy
Forklift



Next Generation
Electric Terminal
Tractor

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



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**

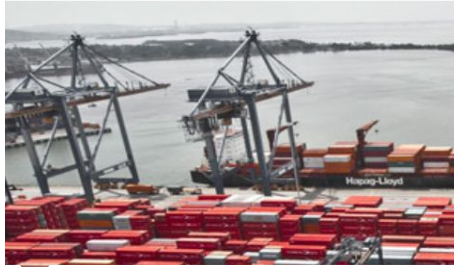


**De/Re
commission**

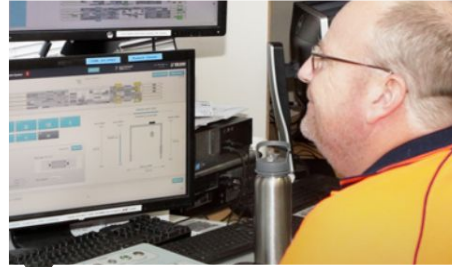
**Replacement
upgrade**

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

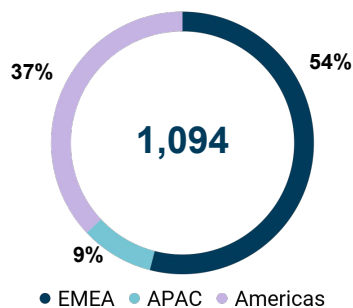
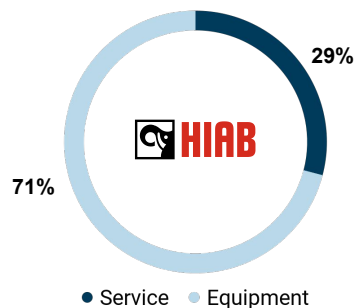
Hiab's class-leading load handling offering includes loader cranes, forestry and recycling cranes, truck mounted forklifts, skiploaders and hooklifts, and tail lifts as well as intelligent services and smart and connected solutions. Hiab's customers come from a broad range of industries and segments.

Number of personnel
3,390

Sales
MEUR 1,094

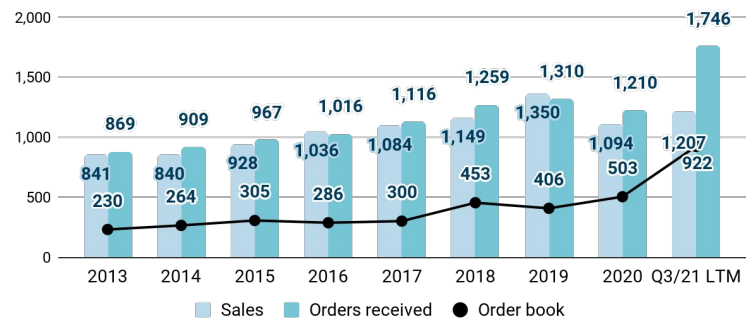
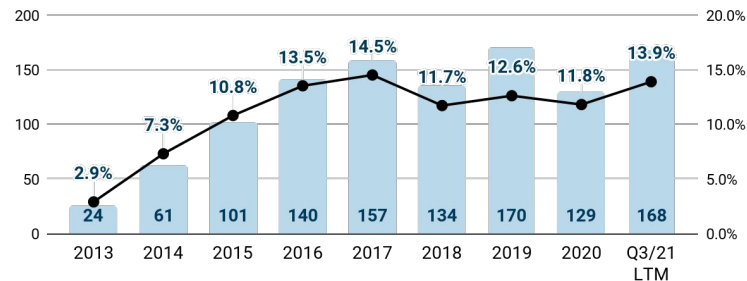
Service sales
(% of sales)

Geographical sales split



Development of historical financials

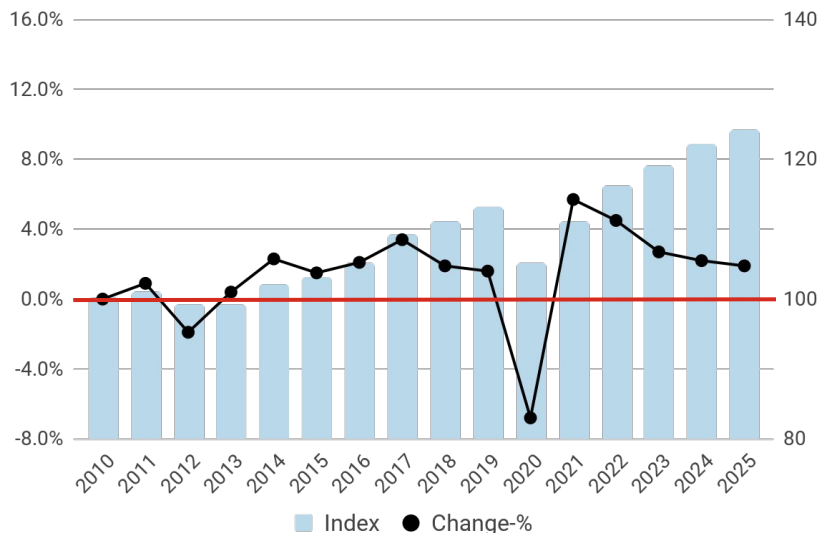
MEUR



Construction output driving growth opportunity

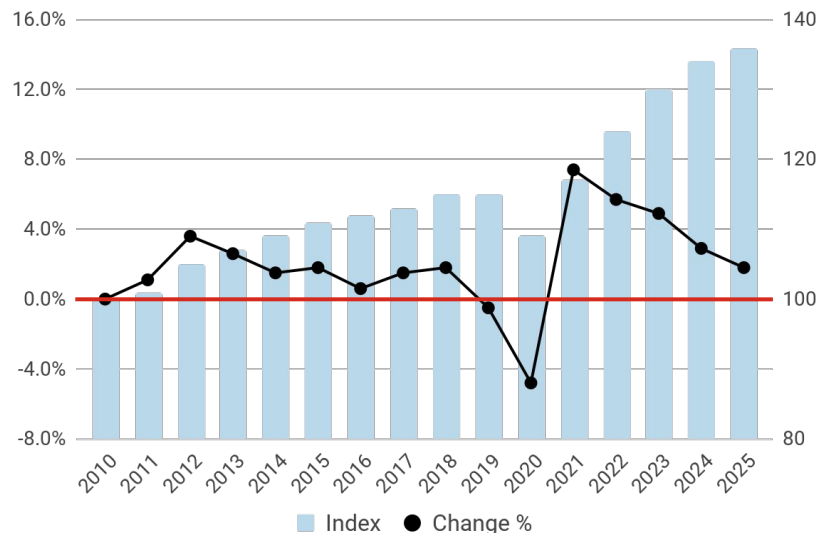
EMEA construction output

y/y change (%)



AMER construction output

y/y change (%)



Oxford Economics: Industry output forecast
9/2020

Strong global market position: One global competitor, most are focused niche players

		MARKET SIZE* (EUR billion)	KEY SEGMENTS	HIAB GLOBAL POSITION & TREND	KEY COMPETITORS
LOADER CRANES		~1.5	Construction and Logistics	#2 ↗	 
TAIL LIFTS		~0.9	Retail Industry and Logistics	#3 →	 
DEMOUNTABLES		~0.6	Waste and Recycling, Defense	#1 ↗	 
TRUCK MOUNTED FORKLIFTS		~0.3	Construction and Logistics	#1 →	 
FORESTRY & RECYCLING CRANES		~0.3	Timber, Pulp, Paper & Recycling	#2 →	 

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



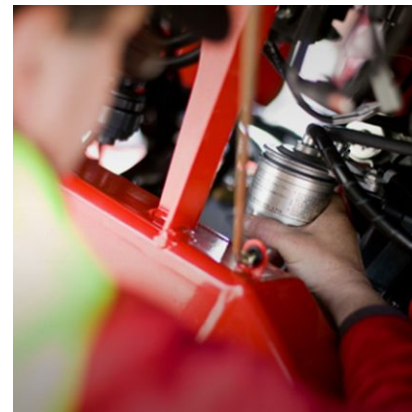
Tail lifts

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
- 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

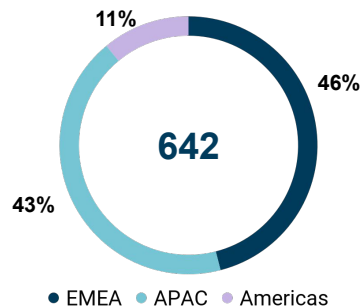
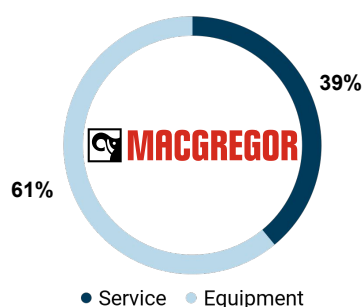
MacGregor offers engineering and lifetime service solutions for merchant cargo and passenger vessels; the offshore oil and gas and renewable energy sectors; fishing, research and marine-resource vessels; naval operations and logistics vessels, and ports and terminals.

Number of personnel
1,987

Sales
MEUR 642

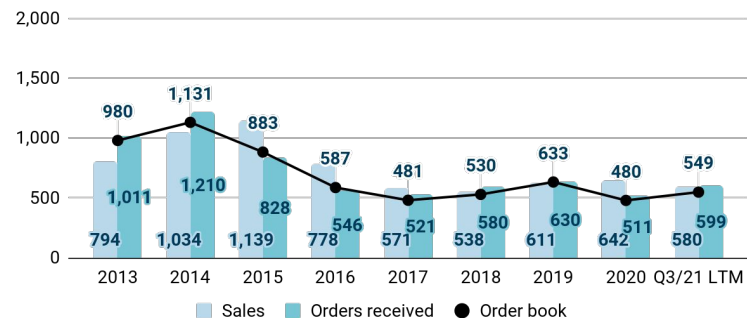
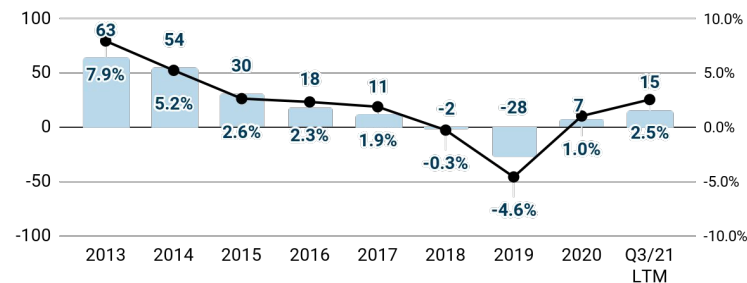
Service sales
(% of sales)

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
Transfer

Offshore
Energy

#1

- Oil & Gas
- Renewables

Marine Resources
& Structures

#1-2

- Research
- Fishery
- Aquaculture
- Mining

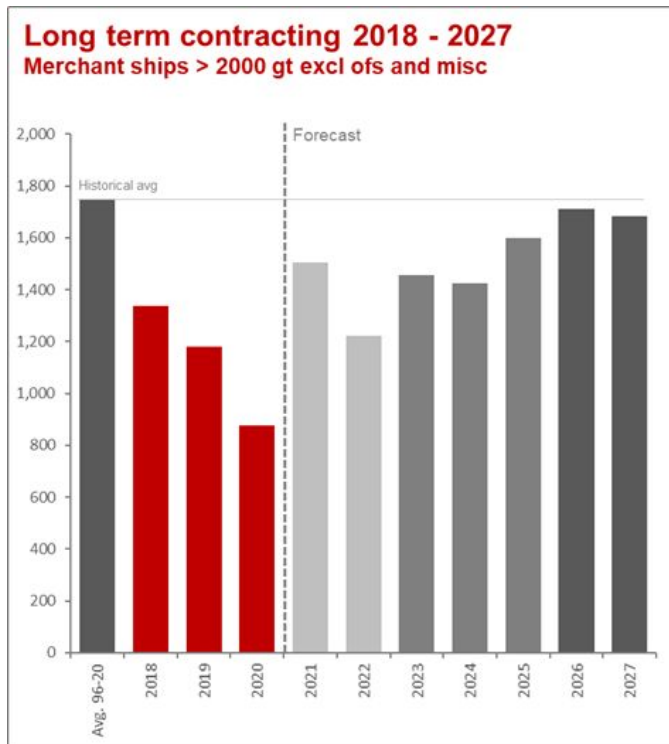
Lifecycle Services



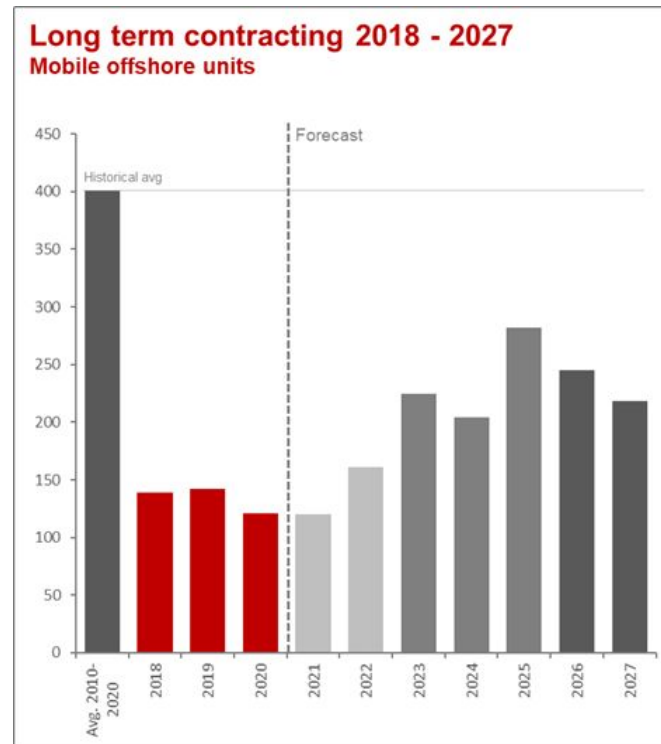
~40.000 vessels equipped with MacGregor equipment monitored online with MacGregor Vessel Map



Merchant Ships and Offshore contracting outlook improving

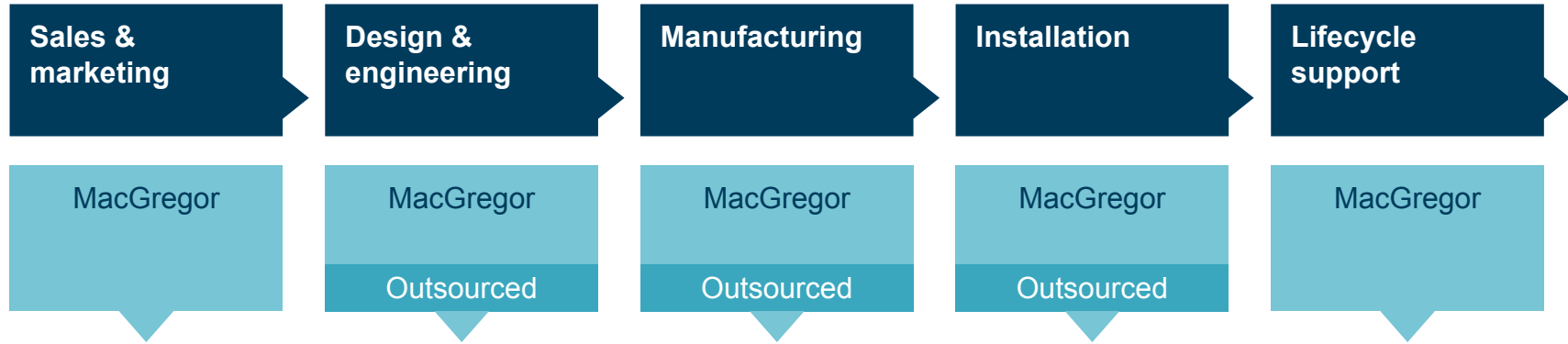


Environmental regulation with accelerating energy efficiency requirement drives merchant ships contracting



Offshore wind drives contracting of dedicated offshore wind vessels, and also a wider range of other mobile offshore units.

MacGregor's asset-light business model gives flexibility



Cost-efficient scaling

90% of manufacturing outsourced

30% of design and engineering capacity outsourced

Recent progress



Highlights of Q3 2021 – Robust demand continued while component availability limited sales

Orders received increased by 33%

- Clear improvement across all businesses & product categories

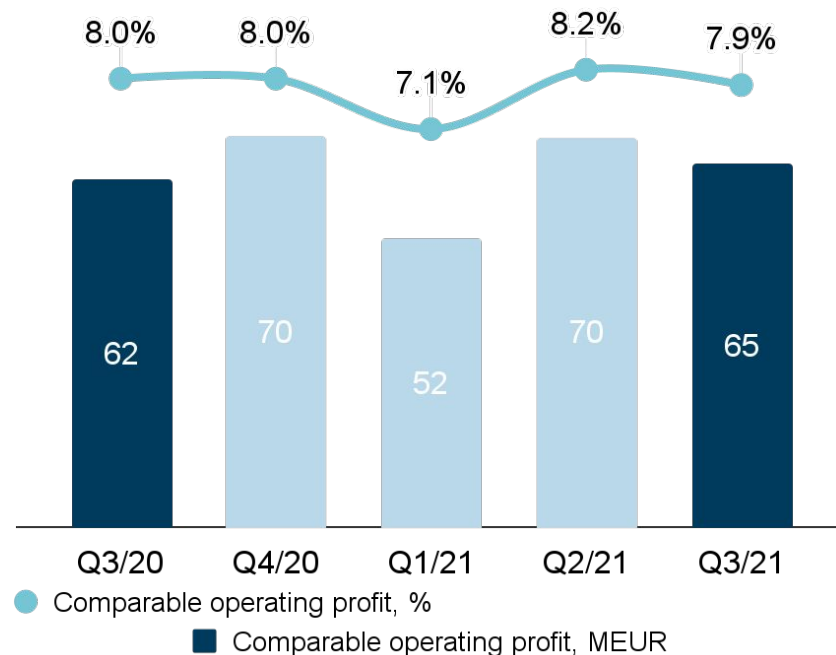
Sales increased by 6%

- Service sales increased in all businesses
- Share of eco portfolio 17%

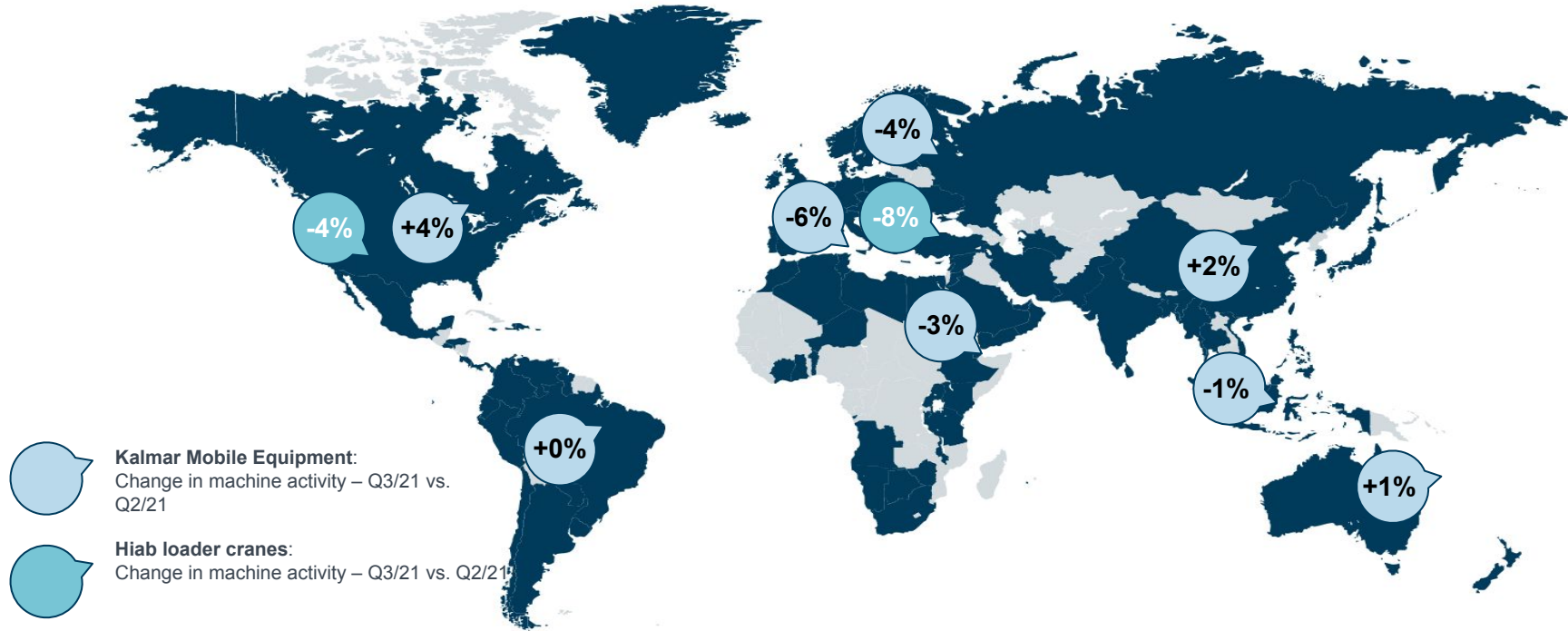
Comparable operating profit

Increased by 4%

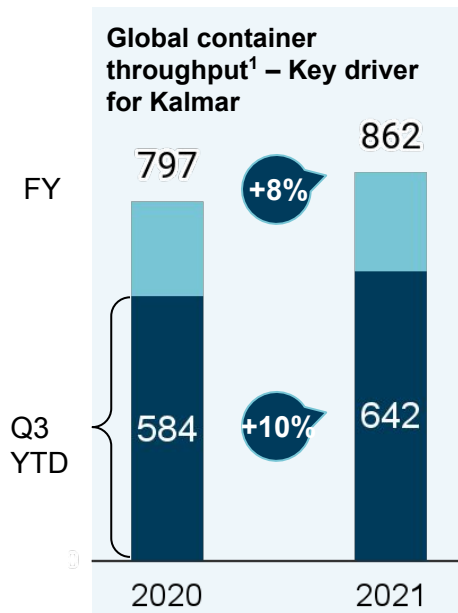
- Kalmar -5 MEUR
- Hiab +10 MEUR
- MacGregor -1 MEUR



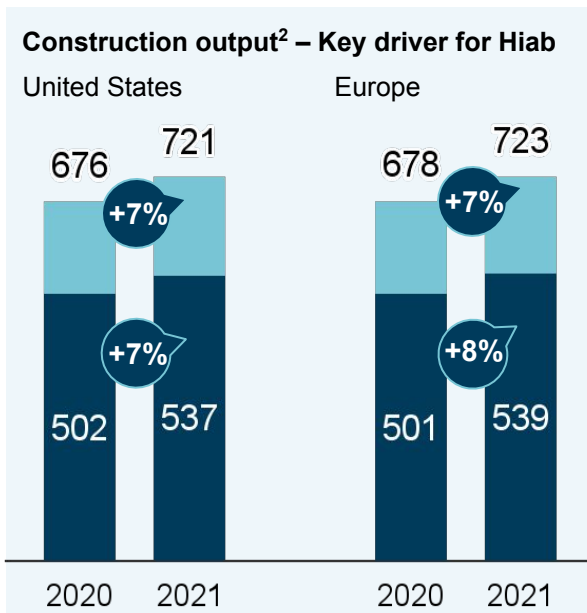
Holiday season reflected in equipment running hours



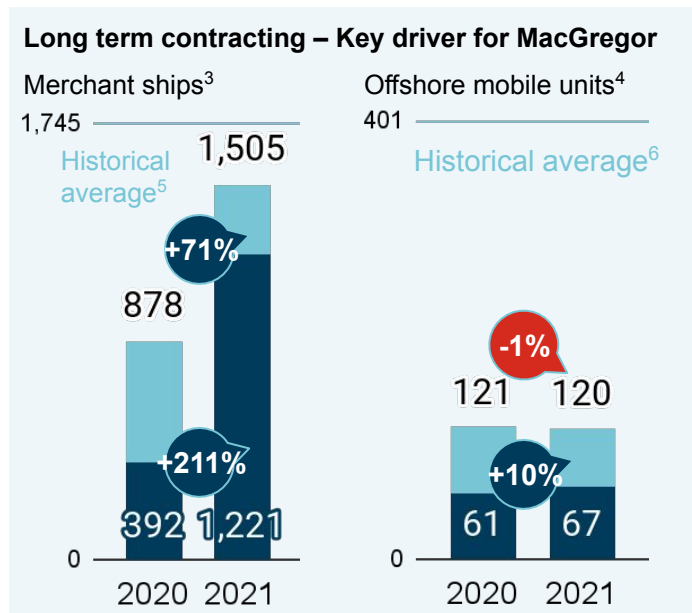
Market environment - Strong growth in all demand drivers



- Strong growth continues



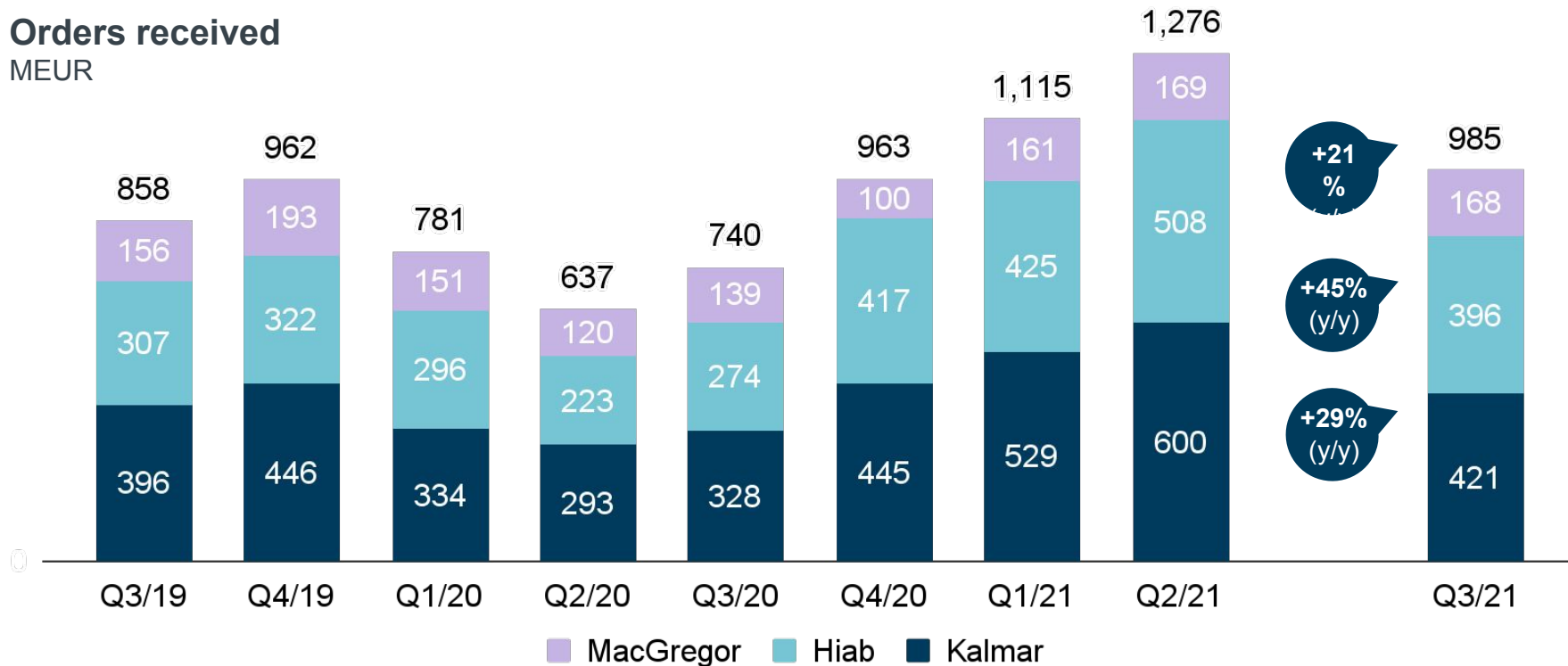
- Growth in both US and in Europe



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

Strong underlying demand continued in Kalmar and Hiab, MacGregor improving

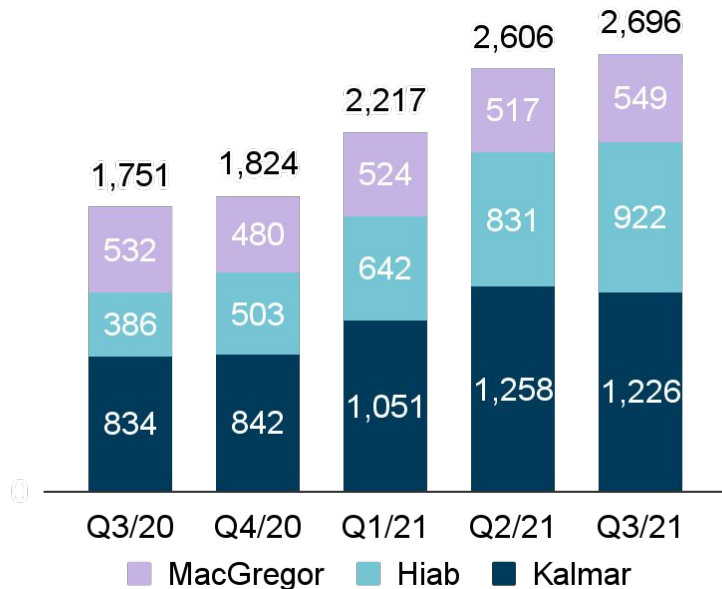
Orders received
MEUR



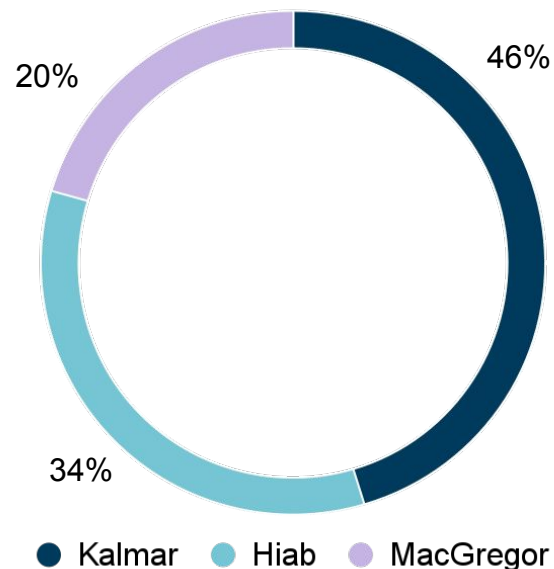
High demand and longer delivery times expanded our order book

Order book

MEUR

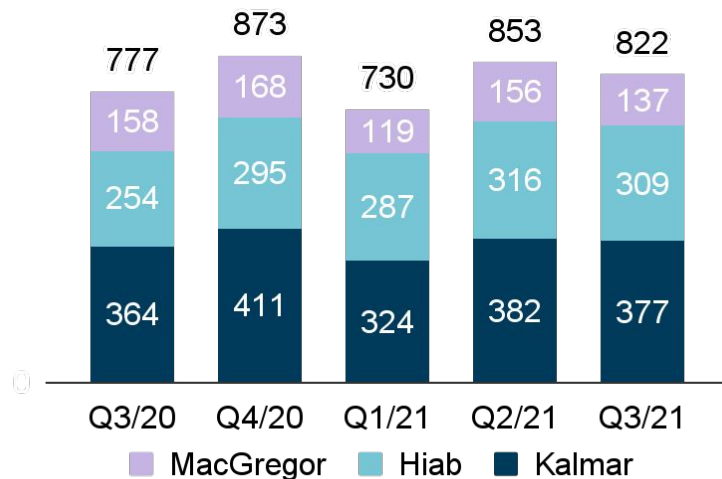


Order book by reporting segment, 30 September 2021

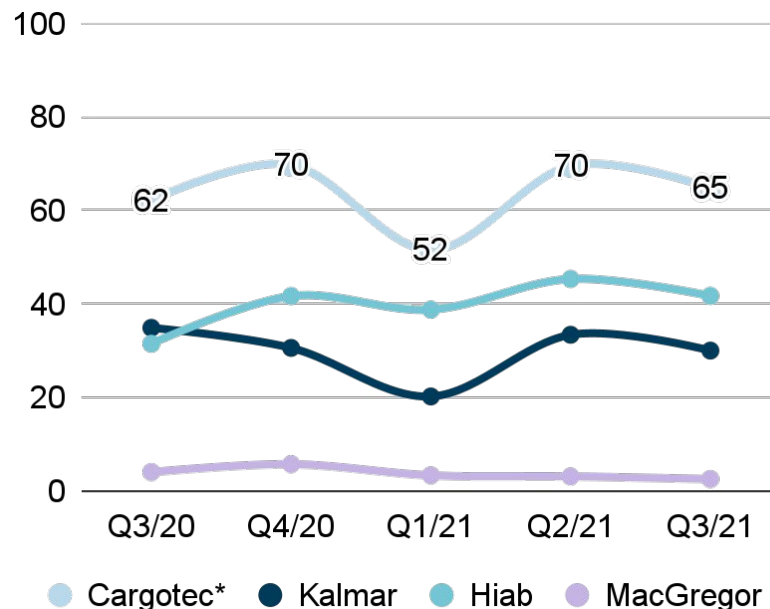


Despite rigorous actions, global component shortages and transportation bottlenecks limited our sales

Sales MEUR



Comparable operating profit MEUR

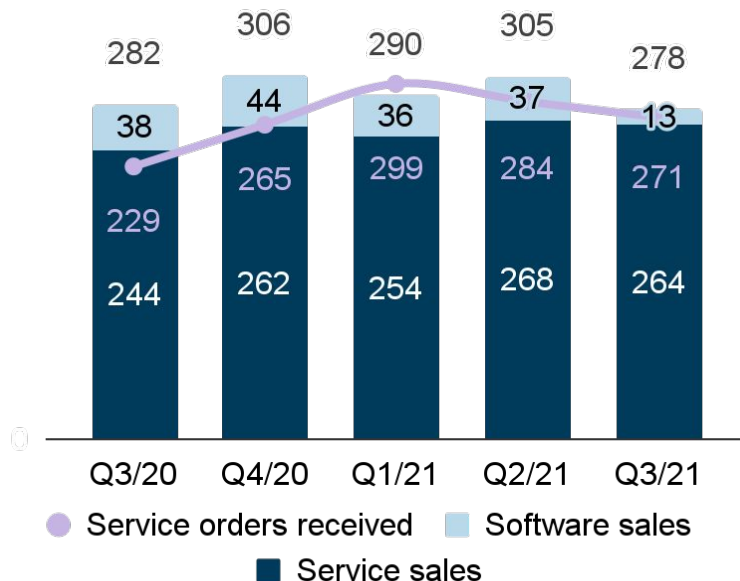


*) Including Corporate admin and support

Good progress continued in service business

Service and software* sales

MEUR



Service orders received +18%

Service sales +9%

- Kalmar +9%
- Hiab +9%
- MacGregor +7%

Software sales decreased due to Navis disposal

Service and software 34% of total sales

*Software sales include automation software and, until 1 July 2021, the strategic business unit Navis

Kalmar Q3 – Weaker profitability due to global component shortages

Strong orders received driven by increase in all product categories

Sales increased by 3%

- Increase in Mobile Equipment and services
- Automation & Projects stable
- Navis no longer consolidated

Comparable operating profit decreased

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

MEUR	Q3/21	Q3/20	Change
Orders received	421	328	28%
Order book	1,226	834	47%
Sales	377	364	3%
Comparable operating profit	30	35	-14%
Comparable operating profit margin	8.0%	9.6%	-160bps



Hiab Q3 – Excellent performance continued

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

Sales increased by 21%

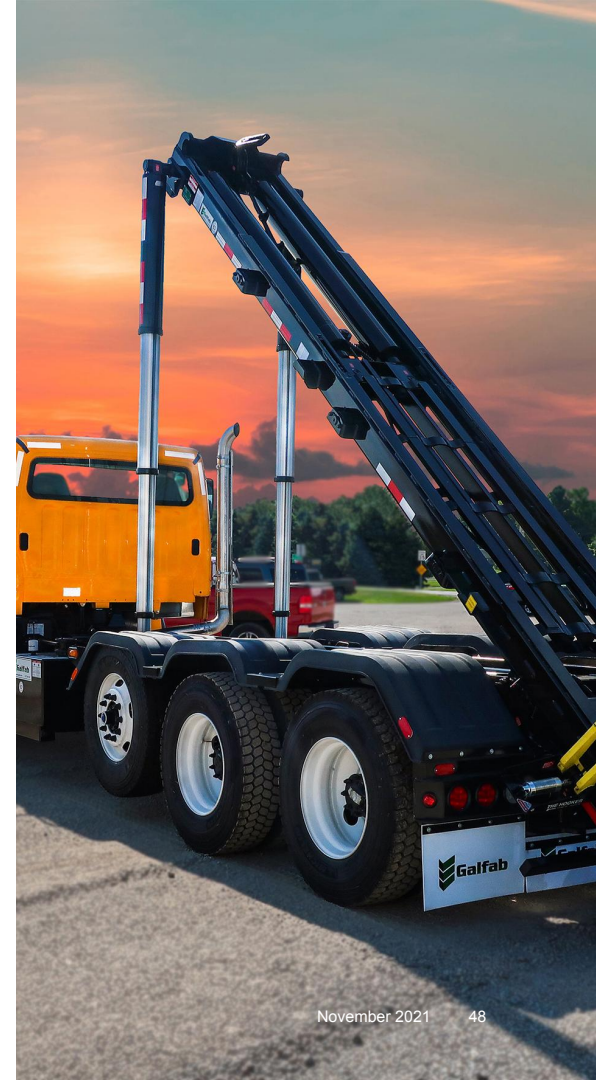
- Service sales +9%

Comparable operating profit increased

- Higher sales

Component shortages have led to extended delivery times

MEUR	Q3/21	Q3/20	Change
Orders received	396	274	45%
Order book	922	386	>100%
Sales	309	254	21%
Comparable operating profit	42	32	33%
Comparable operating profit margin	13.5%	12.4%	110bps



MacGregor Q3 - Positive operating profit, bottom reached in sales

Orders received increased in merchant vessels, offshore vessels and services

Sales decreased by 14%

- Service sales +7%

Comparable operating profit decreased

- Lower sales offset by higher share of services & cost saving actions

Productivity improvements ongoing

- 13 MEUR cost savings target for 2021 on track

MEUR	Q3/21	Q3/20	Change
Orders received	168	139	21%
Order book	549	532	3%
Sales	137	158	-14%
Comparable operating profit	3	4	-37%
Comparable operating profit margin	1.8%	2.5%	-70bps



Financials and outlook

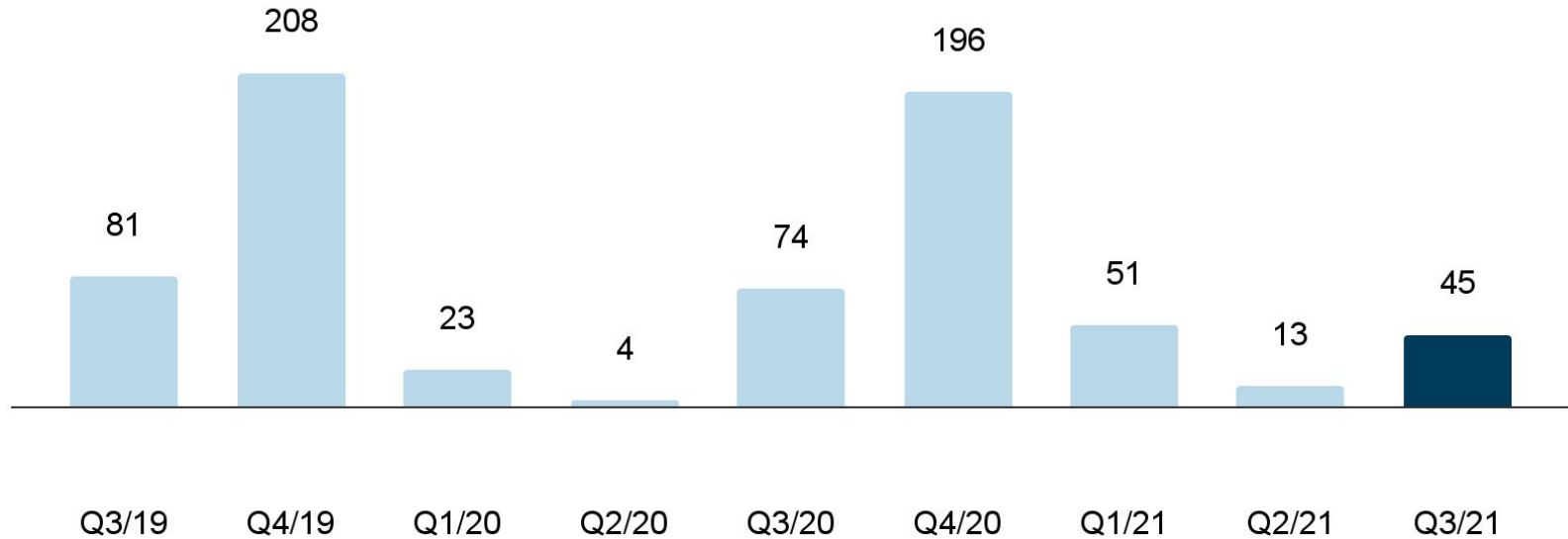


Key figures – Gain from sale of Navis business had significant impact on operating profit

	Q3/21	Q3/20	Change	Q1-Q3/21	Q1-Q3/20	Change
Orders received, MEUR	985	740	33%	3,377	2,158	57%
Order book, MEUR	2,696	1,751	54%	2,696	1,751	54%
Sales, MEUR	822	777	6%	2,405	2,391	1%
Comparable operating profit, MEUR	65	62	4%	186	157	19%
Comparable operating profit, %	7.9%	8.0%	-10bps	7.7%	6.6%	120bps
Items affecting comparability, MEUR	213	-16	>100%	160	-104	>100%
Operating profit, MEUR	278	46	>100%	348	53	>100%
Operating profit, %	33.8%	5.9%	2790bps	14.4%	2.2%	1220bps
Net income, MEUR	220	27	>100%	255	1	>100%
Earnings per share, EUR	3.40	0.41	>100%	3.95	0.03	>100%
Earnings per share, EUR*	0.91	0.85	8%	2.00	0.92	>100%
ROCE, %**	14.3%	2.8%	1150bps	14.3%	2.8%	1150bps

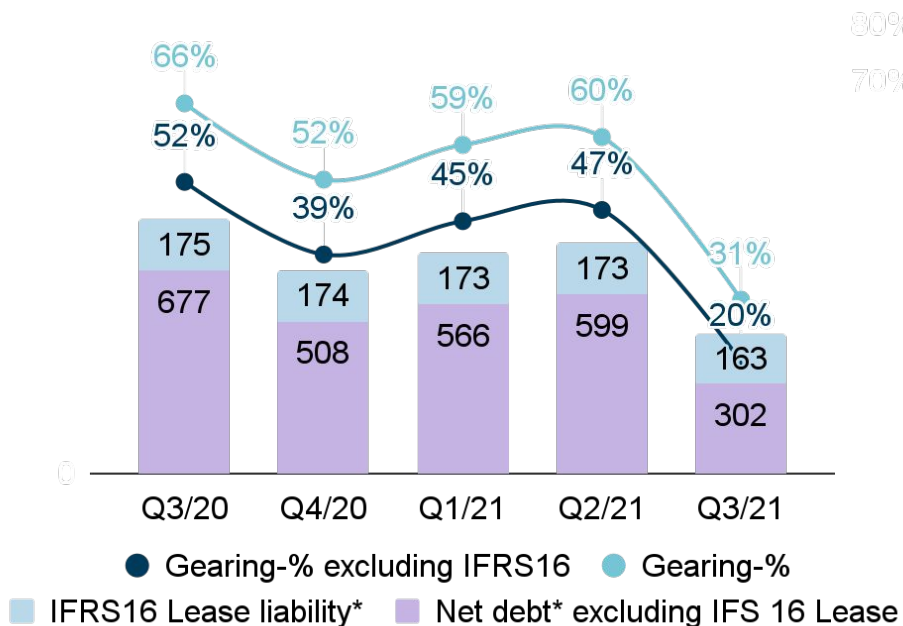
Increasing volumes affected cash flow

Cash flow from operations before financing items and taxes
MEUR

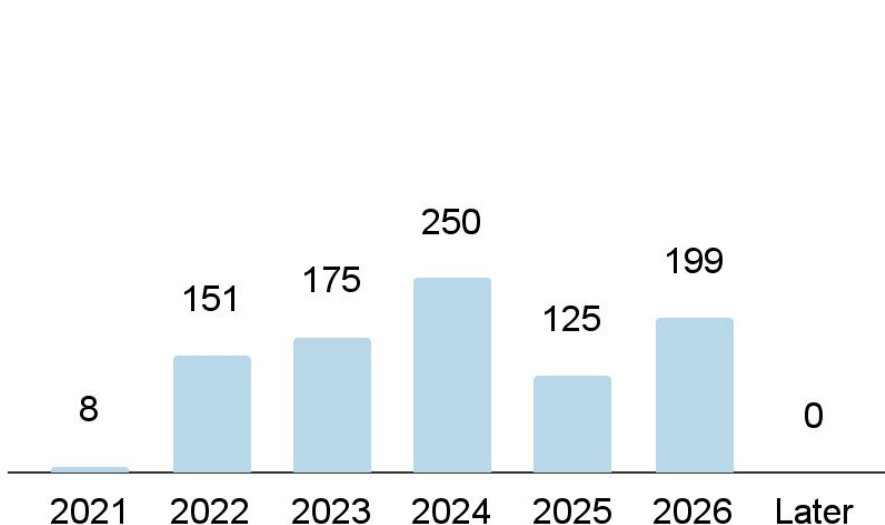


Strong financial position and balanced maturity profile

Net debt & gearing
MEUR



Maturity profile, 30 September 2021



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

Outlook for 2021

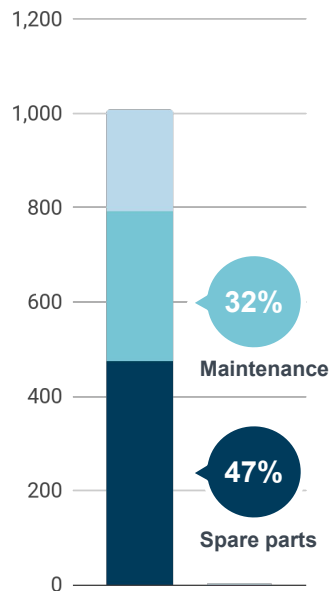
Cargotec estimates 2021 comparable operating profit to improve compared to 2020 (EUR 227* million)

*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.

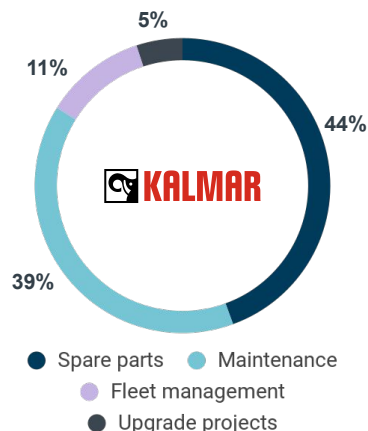


Service sales growth on track towards our targets

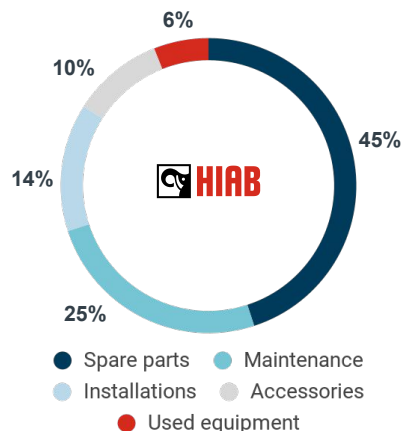
Service sales:
EUR 1,005 million
31% of total sales



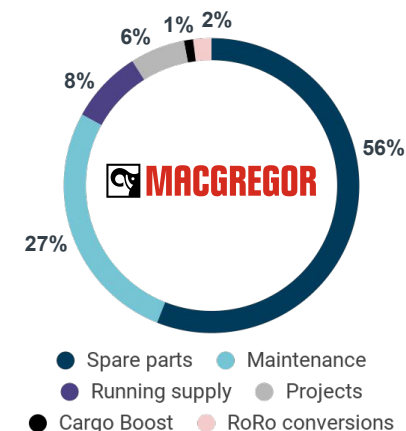
Kalmar	MEUR, %	
Service orders received	422	30%
Service sales	437	29%



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

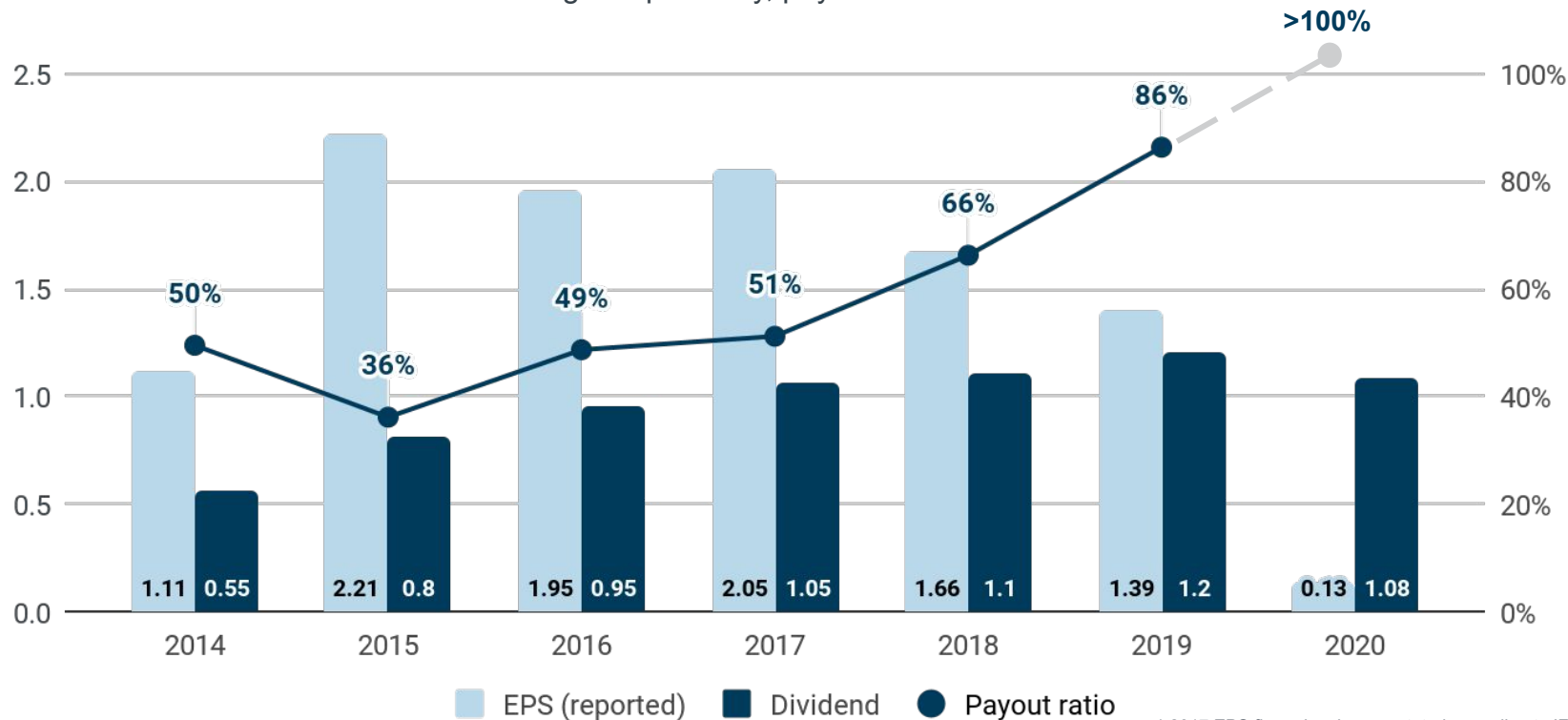


MacGregor	MEUR, %	
Service orders received	233	46%
Service sales	250	39%



Dividend of 1.08 EUR in 2020

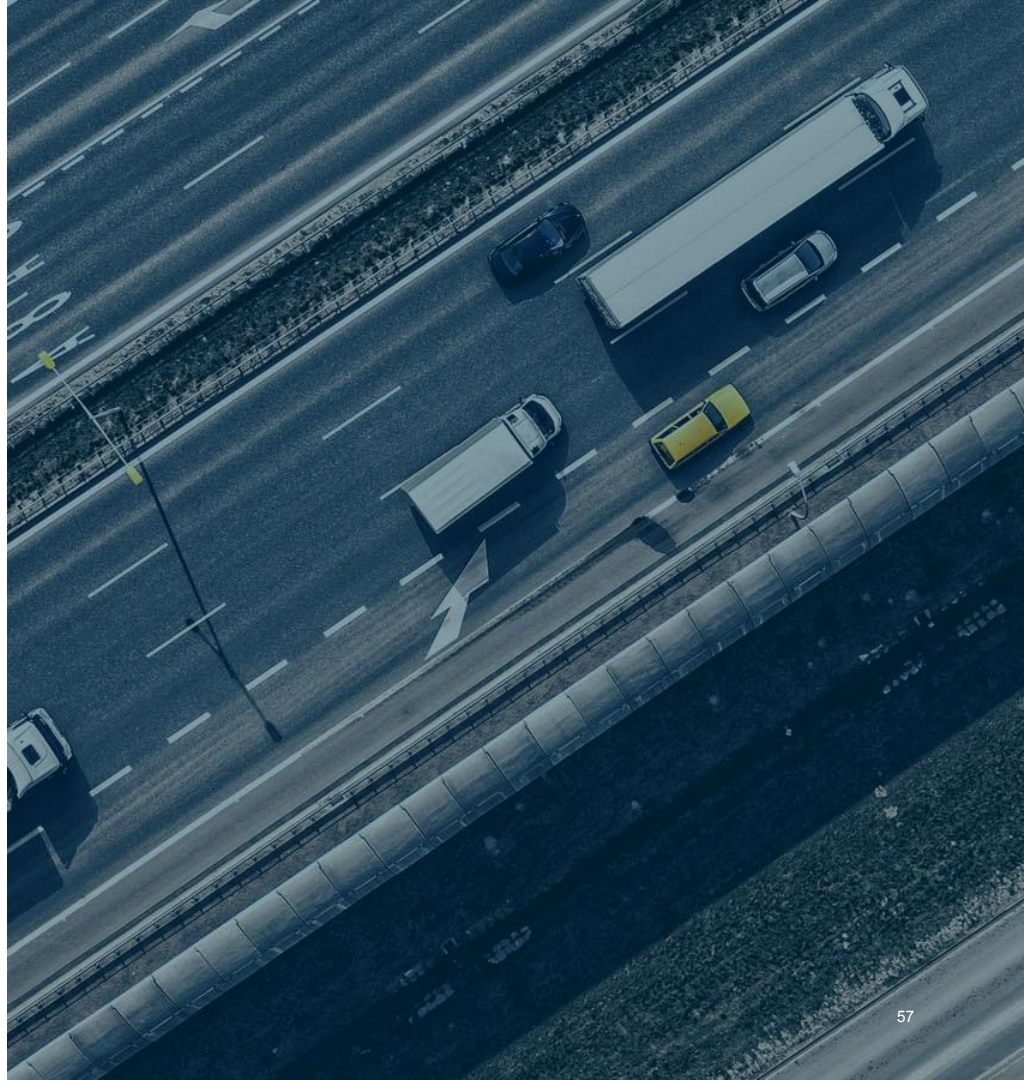
- Calculated from EPS excl. items affecting comparability, payout ratio for 2020 is 78%



* 2017 EPS figure has been restated according to IFRS 15

Appendix

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

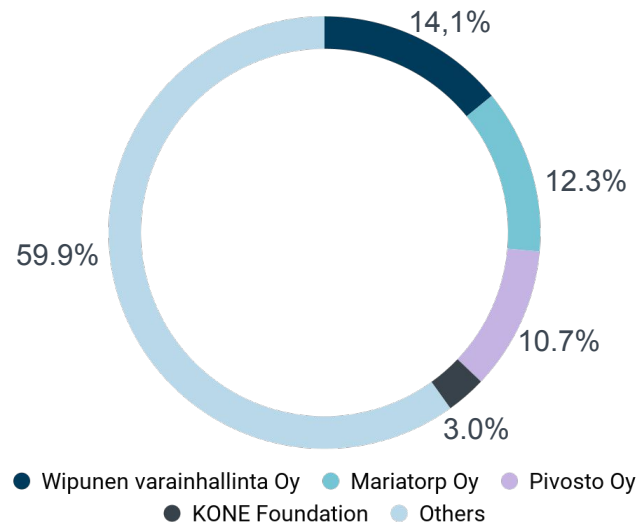


Largest shareholders

31 October 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	2.1	0.9
6	Varma Mutual Pension Insurance Company	1.8	0.8
7	The State Pension Fund	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	0.5	0.2
Nominee registered and non-Finnish holders		28.08%	
Total number of shareholders		38,690	

% 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



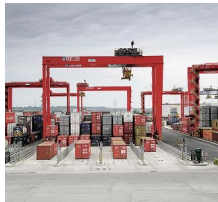
Hooklift, Skiploader



Taillift



Forklift truck



Automatic stacking crane



Recycling and forestry cranes



Cranes



Marine self-unloaders



Hatch covers,
container lashings



Offshore load handling



Deck machinery



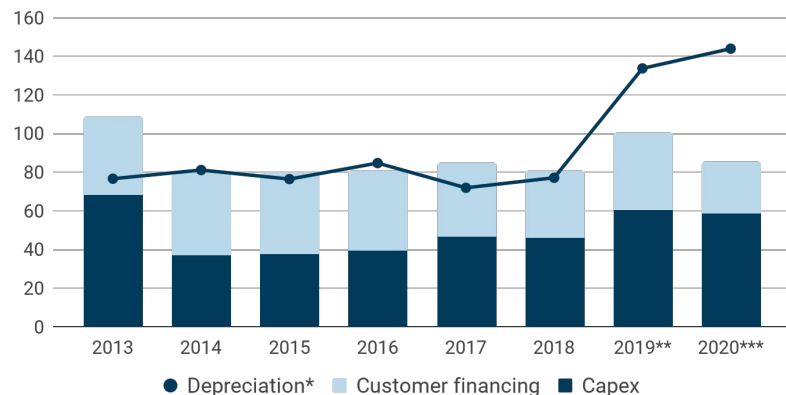
Mooring systems



Capex and R&D

Capital expenditure

MEUR

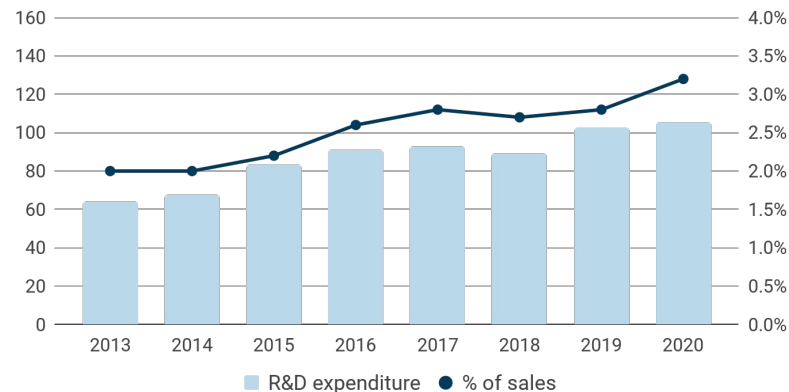


Main capex investments:

- 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

MEUR



R&D investments focused on

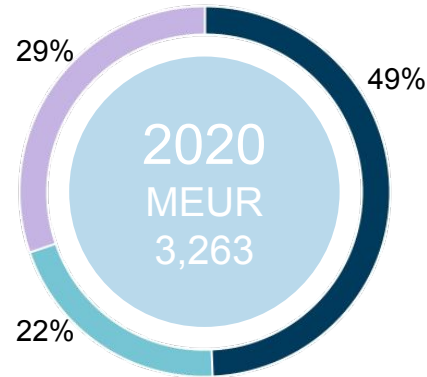
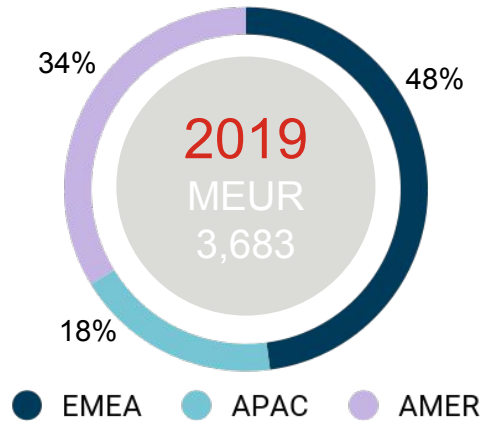
- Themes supporting our climate targets such as digitalisation, electrification and automation
- Competitiveness and cost efficiency of products

*) Including amortisations and impairments

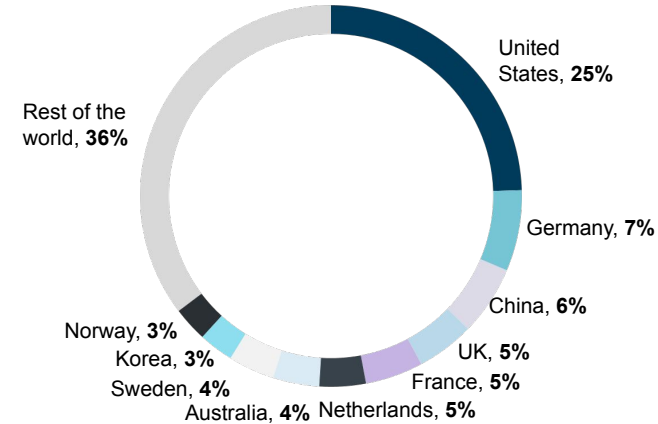
**) depreciation increased due to IFRS 16 implementation

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

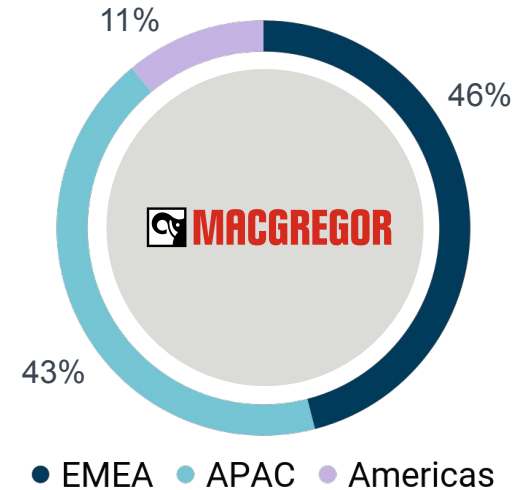
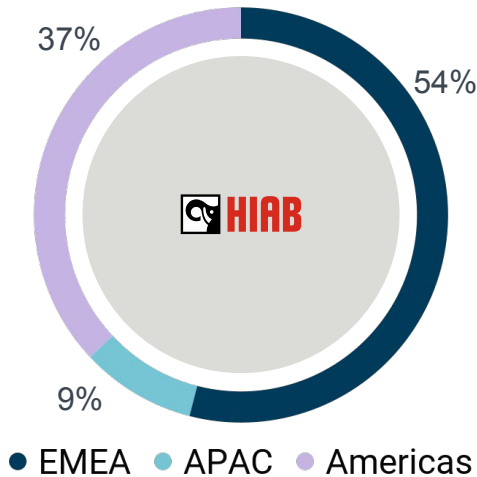
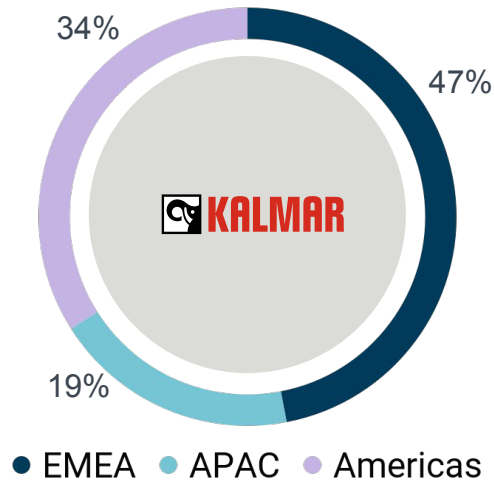
Well diversified geographical sales mix



Top-10 countries by customer location






Sales by geographical segment by business area 2020

























































Cargotec's R&D and assembly sites



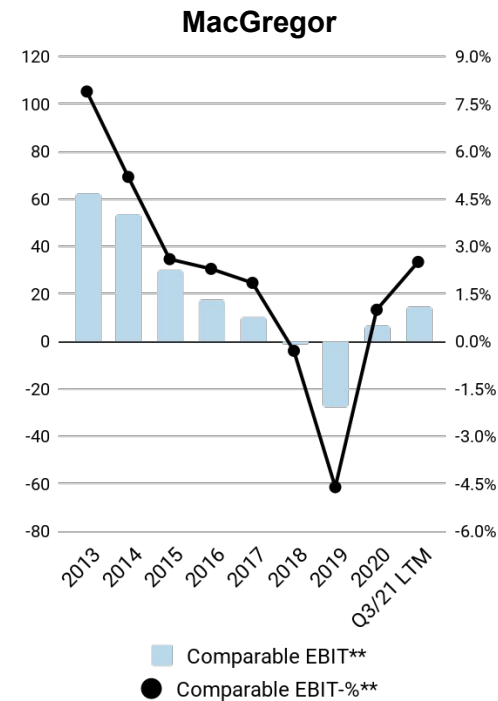
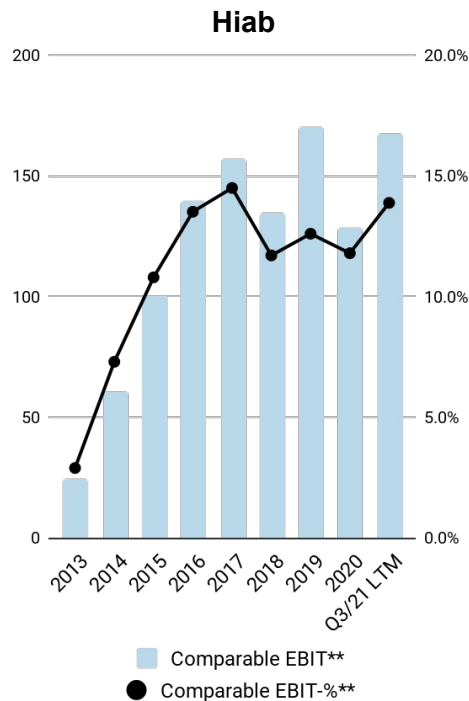
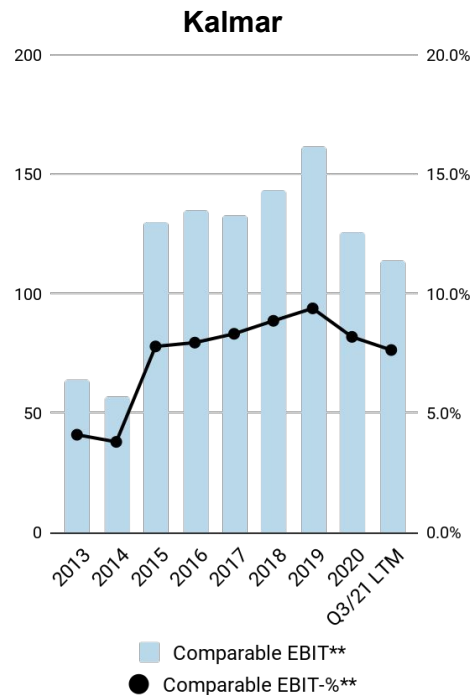
-  Assembly
-  R&D
-  Head office



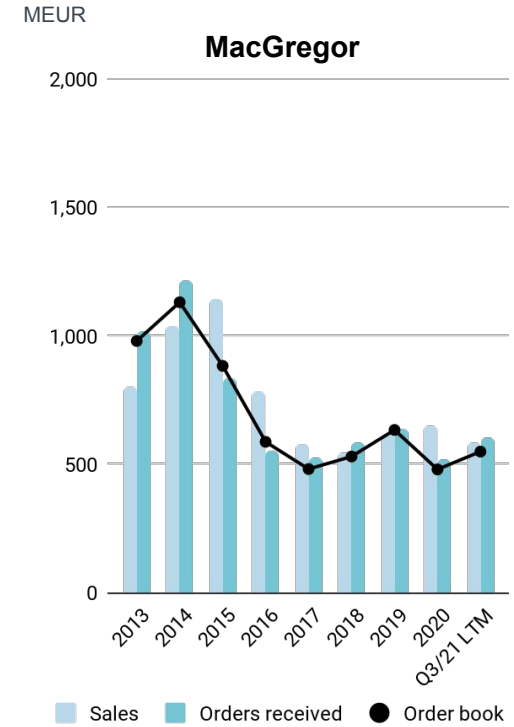
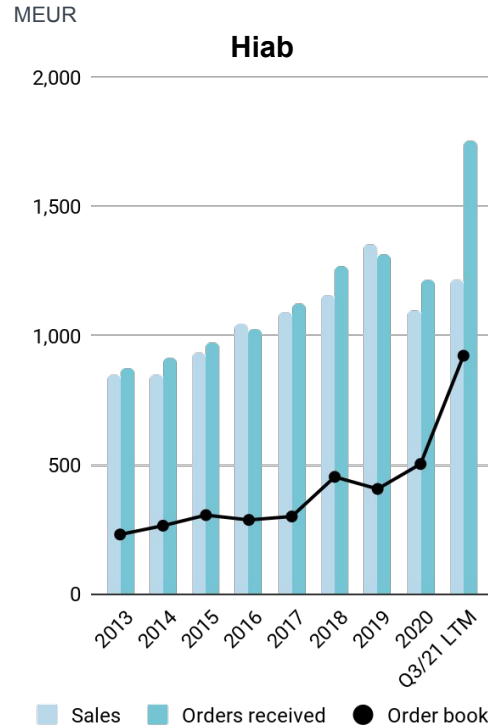
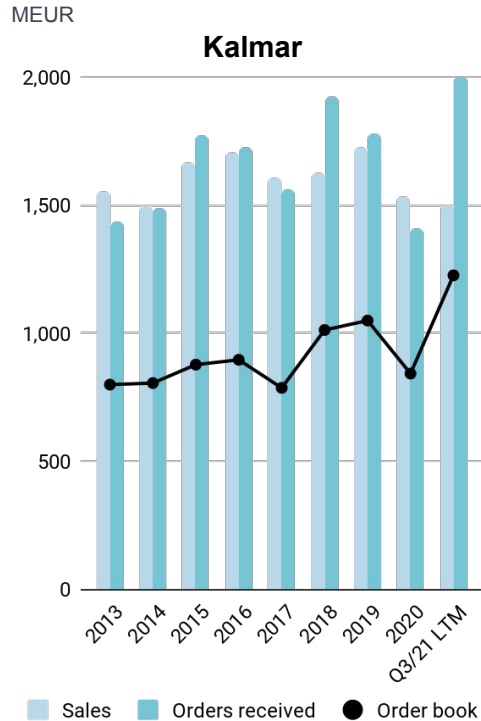
Kalmar		Hiab		MacGregor	
EMEA					
	Stargard Szczecinski, Poland				Averøy/Bodø 
Ljungby, Sweden		Bispgården, Swe			Arendal, Norway 
Stockholm, Sweden		Bologna, Italy			Bergen auf Rugen & 
Tampere, Finland		Dundalk, Ireland			Bremen, Germany 
Helsinki, Finland		Hudiksvall, Sweden			Gdansk, Poland 
		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					
Ottawa, Kansas	 	Santo Antonio da Patulha, Brazil	 	Seattle, Washington	
		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

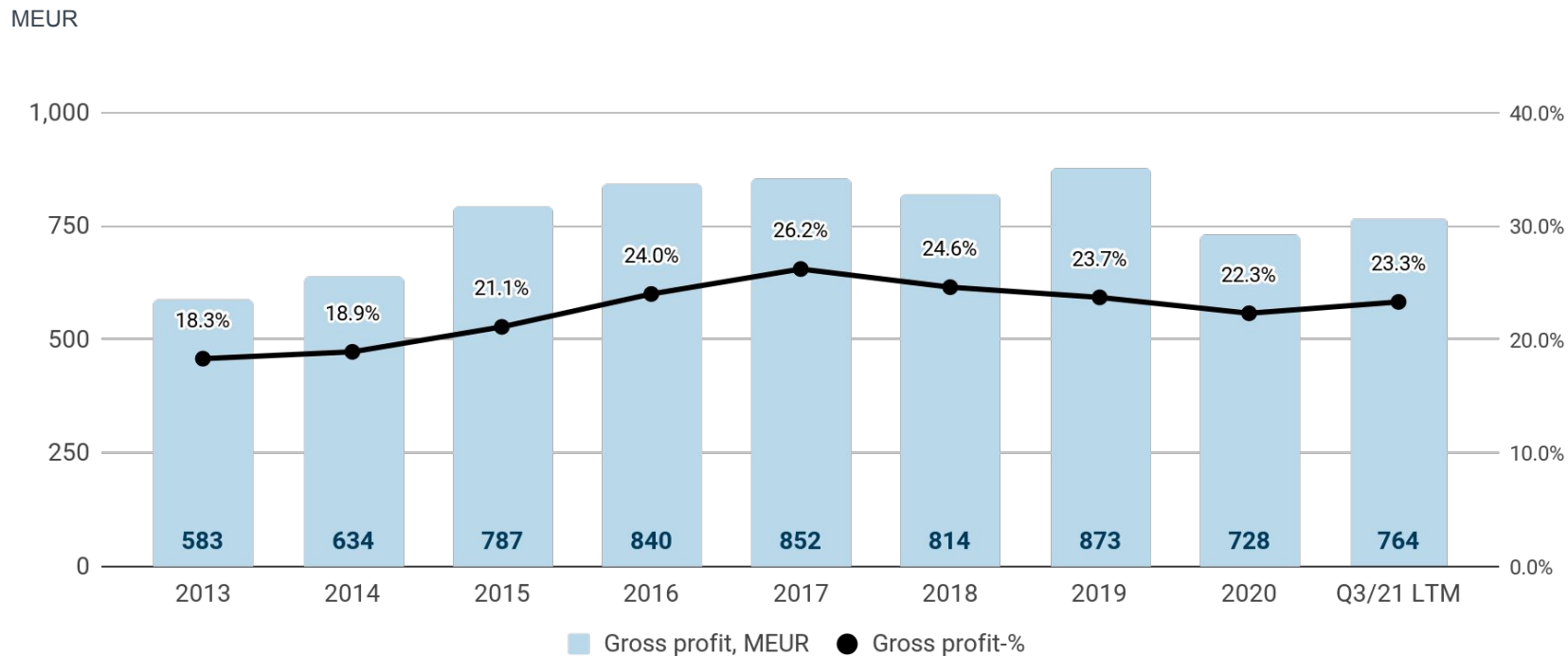
Comparable operating profit development



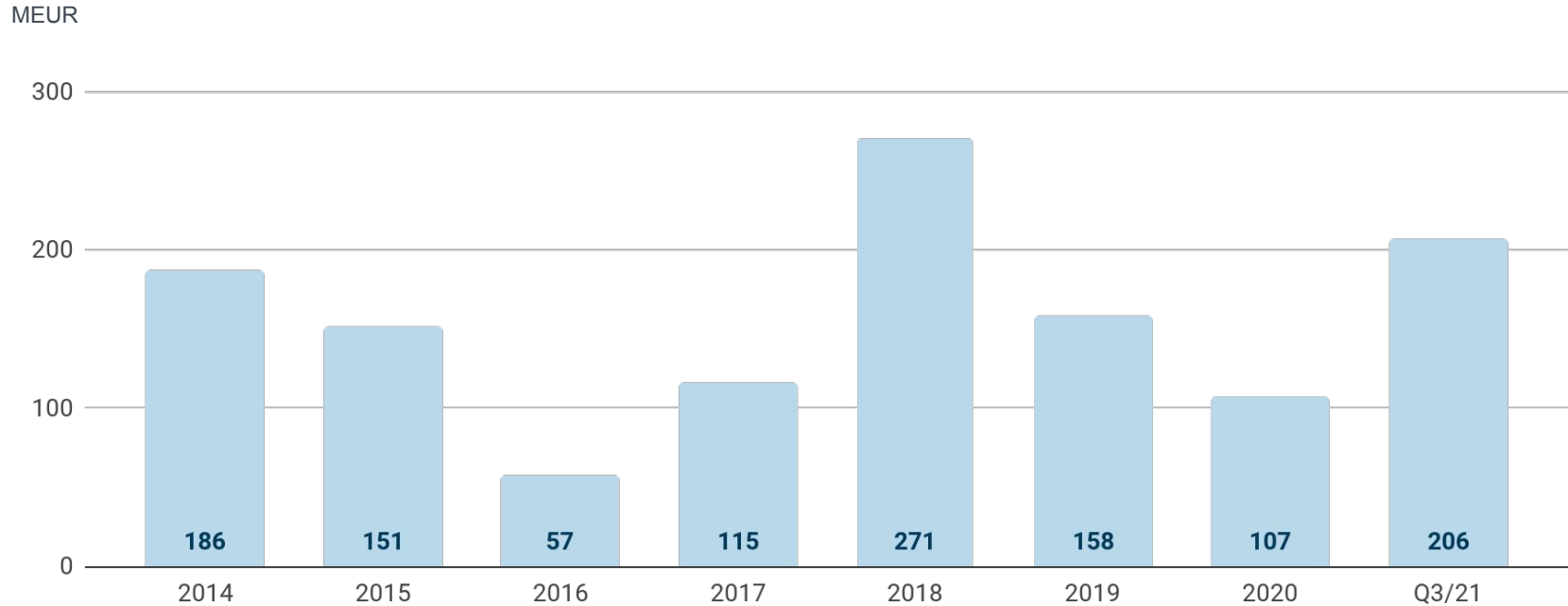
Sales and orders received development



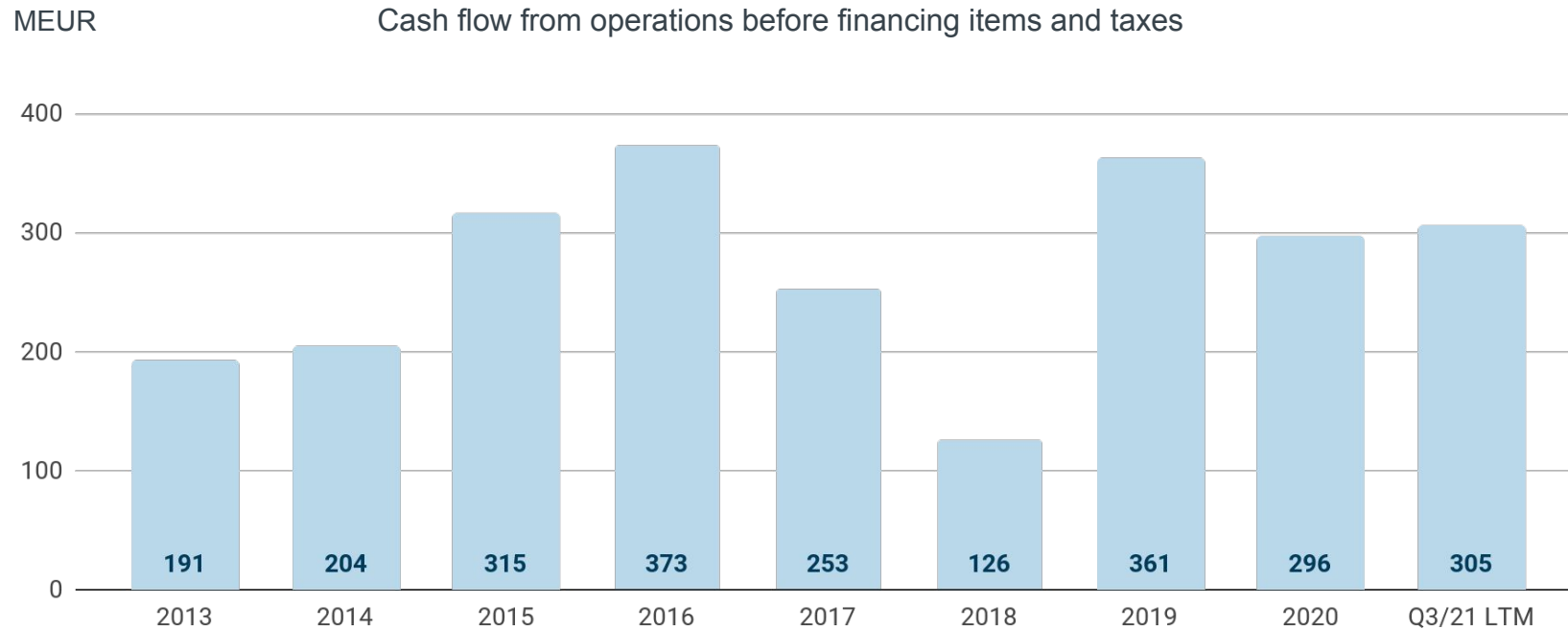
Gross profit development



Net working capital development



Strong cash flow



Income statement

Q3 2021

MEUR	Note	Q3/21	Q3/20	Q1-Q3/21	Q1-Q3/20	2020
Sales	5	822.1	776.6	2,404.8	2,390.6	3,263.4
Cost of goods sold		-644.1	-602.0	-1,841.2	-1,863.1	-2,535.5
Gross profit		177.9	174.5	563.6	527.5	727.9
<i>Gross profit, %</i>		21.6%	22.5%	23.4%	22.1%	22.3%
Other operating income		251.7	13.3	281.4	39.7	48.0
Selling and marketing expenses		-42.5	-44.6	-138.2	-148.0	-199.5
Research and development expenses		-21.1	-22.2	-78.4	-78.6	-107.9
Administration expenses		-59.3	-56.8	-192.0	-176.2	-236.7
Restructuring costs	7	-4.2	-12.6	-20.6	-91.1	-131.0
Other operating expenses		-27.0	-8.0	-74.4	-25.1	-35.7
Share of associated companies' and joint ventures' net income		2.5	2.1	6.1	4.6	5.3
Operating profit		278.2	45.8	347.5	52.8	70.4
<i>Operating profit, %</i>		33.8%	5.9%	14.4%	2.2%	2.2%
Financing income		1.0	0.2	2.2	2.4	2.8
Financing expenses		-6.6	-7.7	-21.3	-25.3	-38.7
Income before taxes		272.6	38.3	328.4	29.9	34.5
<i>Income before taxes, %</i>		33.2%	4.9%	13.7%	1.3%	1.1%
Income taxes	9	-53.1	-11.7	-73.5	-28.5	-26.4
Net income for the period		219.5	26.6	254.9	1.4	8.1
<i>Net income for the period, %</i>		26.7%	3.4%	10.6%	0.1%	0.2%

Net income for the period attributable to:

Equity holders of the parent		219.4	26.6	254.7	1.6	8.1
Non-controlling interest		0.1	0.0	0.2	-0.2	-0.1
Total		219.5	26.6	254.9	1.4	8.1

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

Earnings per share, EUR		3.40	0.41	3.95	0.03	0.13
Diluted earnings per share, EUR		3.40	0.41	3.94	0.03	0.13

Balance sheet 30 September 2021

ASSETS, MEUR					EQUITY AND LIABILITIES, MEUR				
	Note	30 Sep 2021	30 Sep 2020	31 Dec 2020		Note	30 Sep 2021	30 Sep 2020	31 Dec 2020
Non-current assets					Equity attributable to the equity holders of the parent				
Goodwill		963.4	1,025.4	971.9	Share capital		64.3	64.3	64.3
Other intangible assets		174.9	258.1	185.8	Share premium account		98.0	98.0	98.0
Property, plant and equipment		416.2	446.4	429.7	Translation differences		-64.5	-102.7	-110.9
Investments in associated companies and joint ventures	16	78.0	53.7	56.7	Fair value reserves		-8.9	-5.3	4.4
Share investments	16	37.9	38.4	37.5	Reserve for invested non-restricted equity		54.0	57.4	57.4
Loans receivable and other interest-bearing assets*	11	11.7	26.6	18.4	Retained earnings		1,374.6	1,180.3	1,185.6
Deferred tax assets		132.4	125.5	123.6	Total equity attributable to the equity holders of the parent		1,517.5	1,291.9	1,298.7
Derivative assets	12	-	0.0	0.1	Non-controlling interest		2.6	2.3	2.7
Other non-interest-bearing assets		16.8	11.5	17.2	Total equity		1,520.1	1,294.2	1,301.4
Total non-current assets		1,831.4	1,985.6	1,840.9	Non-current liabilities				
Current assets					Interest-bearing liabilities*	11	876.5	1,082.9	1,027.4
Inventories		737.7	704.2	579.7	Deferred tax liabilities		32.6	40.1	20.6
Loans receivable and other interest-bearing assets*	11	3.6	1.5	4.3	Pension obligations		114.2	110.8	115.5
Income tax receivables		28.3	27.8	25.4	Provisions		3.8	6.4	7.2
Derivative assets	12	9.1	13.7	13.3	Derivative liabilities	12	-	0.0	0.0
Accounts receivable and other non-interest-bearing assets		883.3	801.6	753.9	Other non-interest-bearing liabilities		68.6	64.0	62.6
Cash and cash equivalents*	11	589.6	378.0	484.8	Total non-current liabilities		1,095.7	1,304.2	1,233.4
Total current assets		2,251.5	1,926.9	1,861.4	Current liabilities				
Assets held for sale					Current portion of interest-bearing liabilities*	11	184.3	141.6	136.1
	17	-	-	185.7	Other interest-bearing liabilities*	11	8.9	32.9	19.6
Total assets		4,082.9	3,912.4	3,888.0	Provisions		95.3	99.0	105.9
					Advances received		199.5	242.5	182.7
					Income tax payables		61.3	19.0	21.7
					Derivative liabilities	12	12.3	8.9	19.4
					Accounts payable and other non-interest-bearing liabilities		905.4	770.2	797.5
					Total current liabilities		1,467.0	1,314.0	1,282.7
					Liabilities directly associated with the assets held for sale				
						17	-	-	70.5
					Total equity and liabilities		4,082.9	3,912.4	3,888.0

Cash flow statement

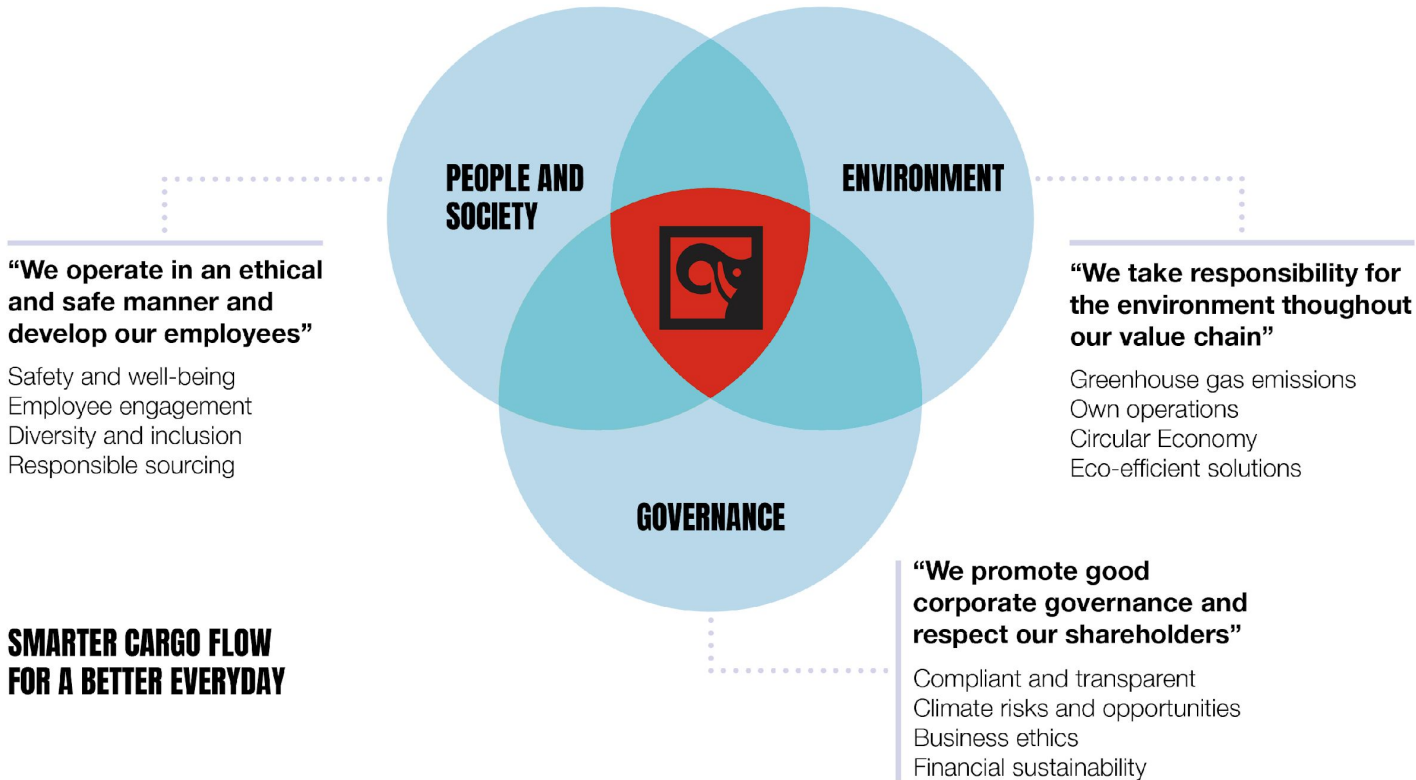
Q3 2021

MEUR	Note	Q3/21	Q3/20	Q1-Q3/21	Q1-Q3/20	2020
Net cash flow from operating activities						
Net income for the period		219.5	26.6	254.9	1.4	8.1
Depreciation, amortisation and impairment	8	27.4	33.4	86.6	108.2	144.0
Financing items		5.6	7.5	19.1	22.8	35.9
Taxes	9	53.1	11.7	73.5	28.5	26.4
Change in net working capital		-16.8	-2.9	-79.2	-88.0	56.4
Other adjustments		-243.4	-2.2	-245.2	27.5	25.6
Cash flow from operations before financing items and taxes		45.3	74.1	109.6	100.5	296.4
Cash flow from financing items and taxes		-20.4	-20.6	-74.3	-50.8	-56.4
Net cash flow from operating activities		25.0	53.5	35.3	49.7	240.0
Net cash flow from investing activities						
Acquisitions of businesses, net of cash acquired	15	-2.4	-0.2	0.9	-11.8	-12.1
Disposals of businesses, net of cash sold	15	307.8	0.7	308.1	2.0	2.7
Investments in associated companies and joint ventures	16	-	-	-1.9	-	-
Cash flow from investing activities, other items		-8.7	-4.9	-11.3	-15.1	-11.8
Net cash flow from investing activities		296.7	-4.5	295.8	-24.9	-21.3
Net cash flow from financing activities						
Treasury shares acquired		-	-	-3.4	-	-
Repayments of lease liabilities		-9.6	-11.0	-30.5	-32.9	-44.1
Proceeds from long-term borrowings		-	-	-	249.5	249.5
Repayments of long-term borrowings		-100.0	0.0	-100.0	-198.6	-251.4
Proceeds from short-term borrowings		-2.5	17.6	1.1	99.6	98.8
Repayments of short-term borrowings		-18.8	-70.2	-30.8	-100.9	-106.9
Profit distribution		0.0	-39.0	-69.8	-74.2	-77.8
Net cash flow from financing activities		-131.0	-102.6	-233.4	-57.4	-131.8
Change in cash and cash equivalents		190.8	-53.6	97.7	-32.6	86.9
Cash and cash equivalents, and bank overdrafts at the beginning of period		391.5	429.0	482.3	409.8	409.8
Effect of exchange rate changes		5.0	-5.6	6.9	-7.5	-14.8
Cash and cash equivalents included in assets held for sale	17	-0.2	-	-	-	0.4
Cash and cash equivalents, and bank overdrafts at the end of period		587.0	369.8	587.0	369.8	482.3
Bank overdrafts at the end of period		2.7	8.3	2.7	8.3	2.5
Cash and cash equivalents at the end of period		589.6	378.0	589.6	378.0	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

9 INDUSTRY, INNOVATION
AND INFRASTRUCTURE



16 PEACE, JUSTICE
AND STRONG
INSTITUTIONS



13 CLIMATE
ACTION



8 DECENT WORK AND
ECONOMIC GROWTH

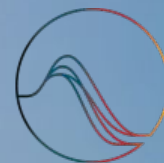


12 RESPONSIBLE
CONSUMPTION
AND PRODUCTION



17 PARTNERSHIPS
FOR THE GOALS





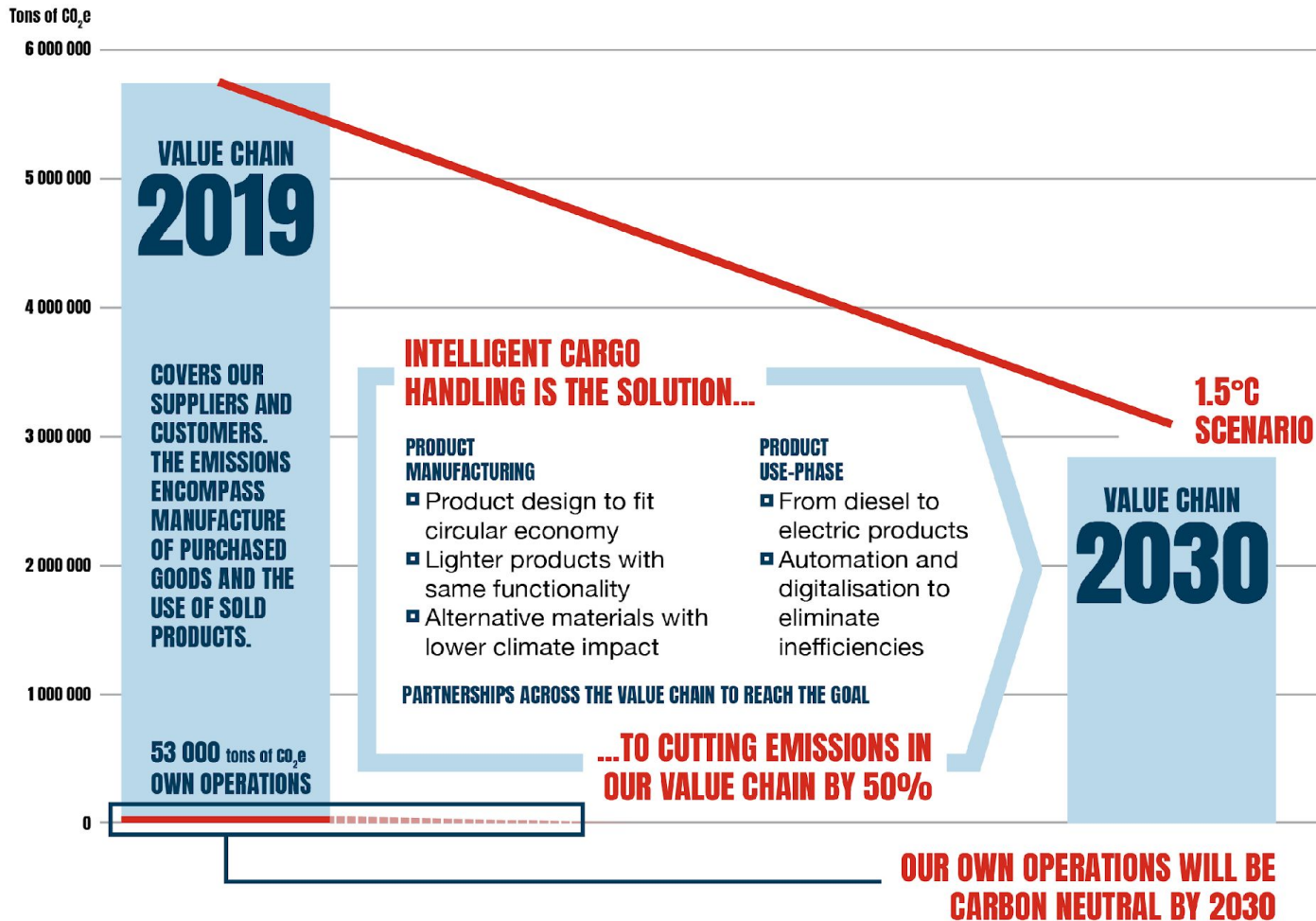
SCIENCE
BASED
TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

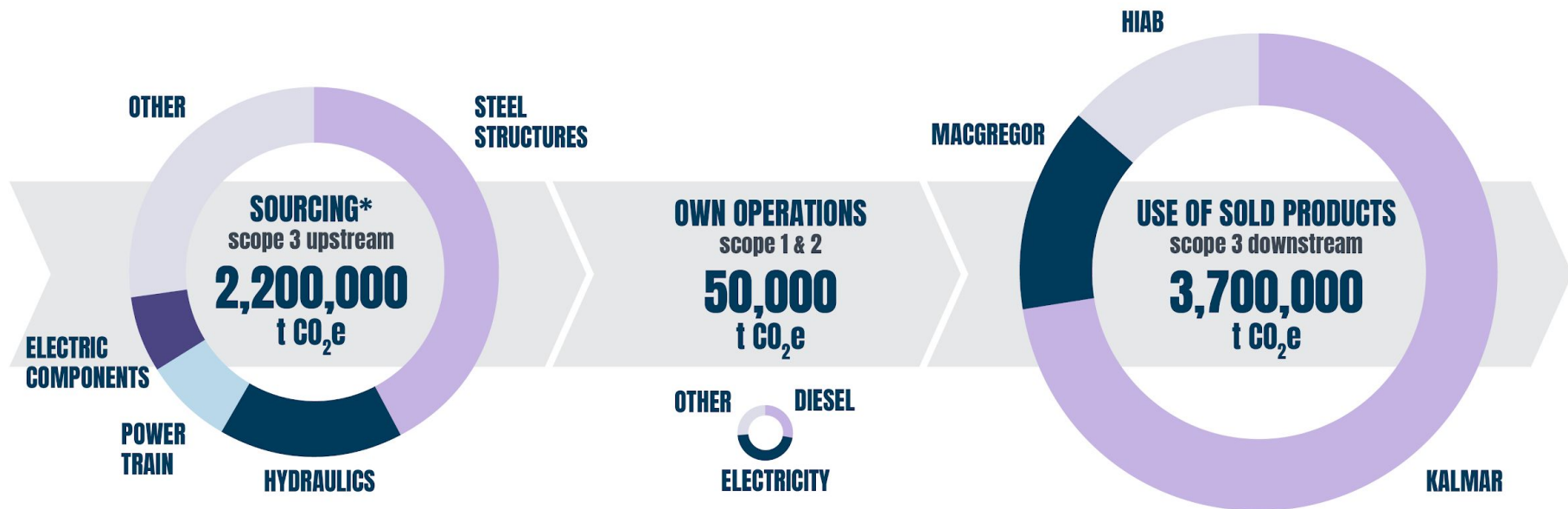
15

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



LIFETIME SAVINGS OF KALMAR'S ELECTRIC TERMINAL TRACTOR

179

**CARS OFF
THE ROAD FOR A YEAR**

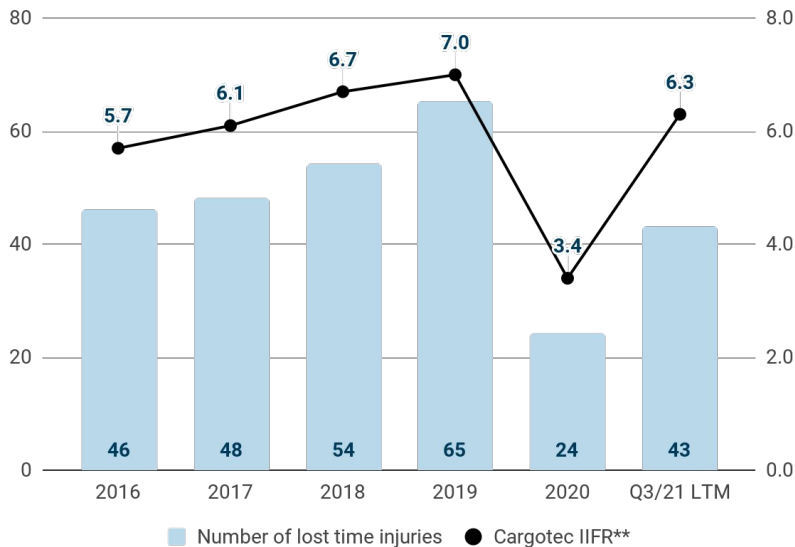


-389

TONS CO₂

Eco portfolio targets double sales growth compared traditional equipment

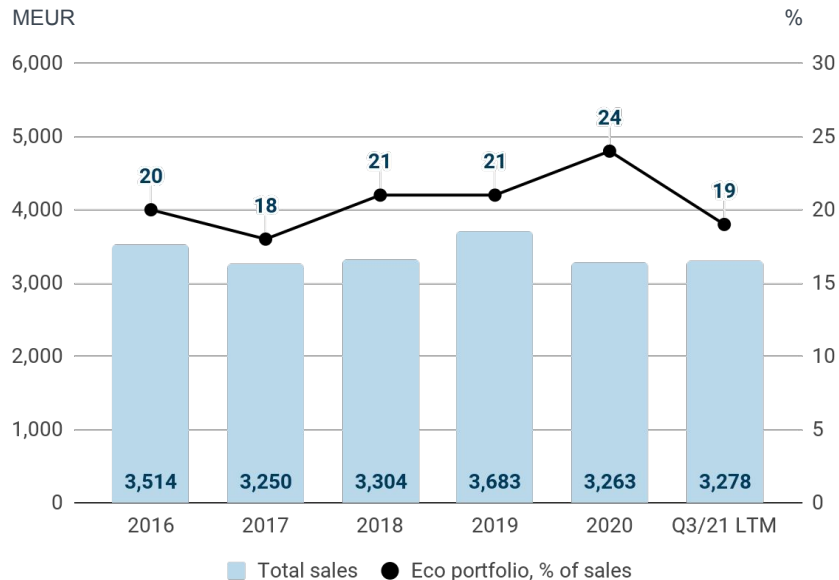
INDUSTRIAL INJURY FREQUENCY RATE*



*Cargotec assembly sites

** Number of injuries per million 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

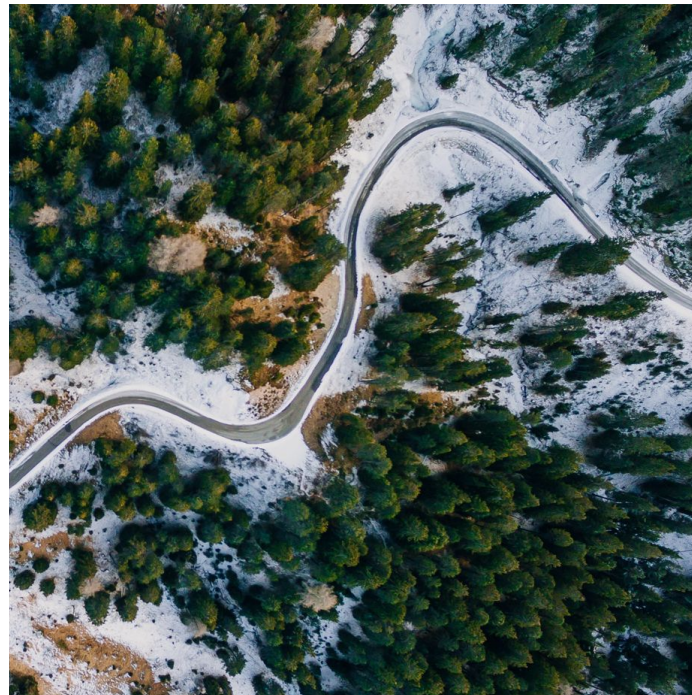
→ by trucks, sea freight emits
~3-4 times less emissions

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

Kalmar appendix

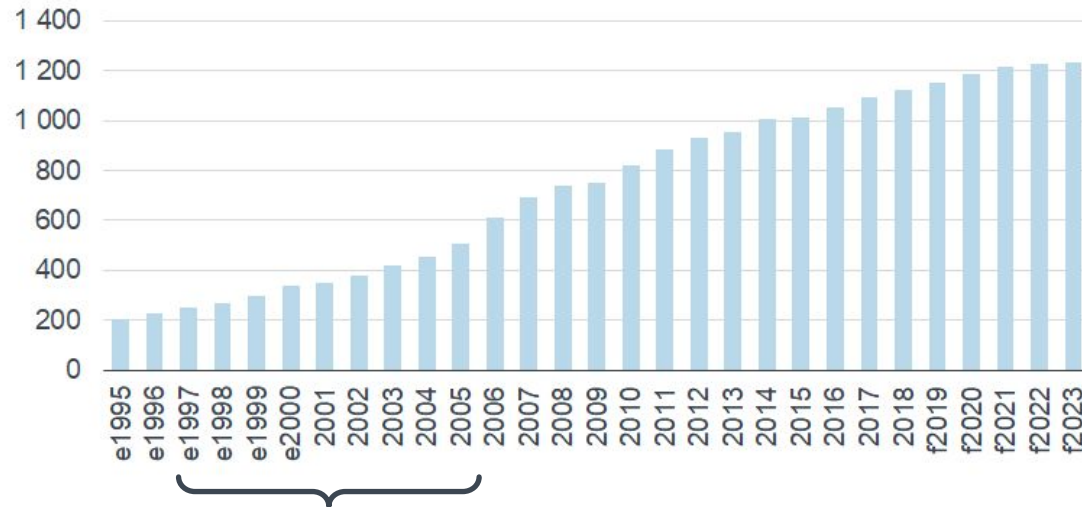
Cargotec to sell Navis software business

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

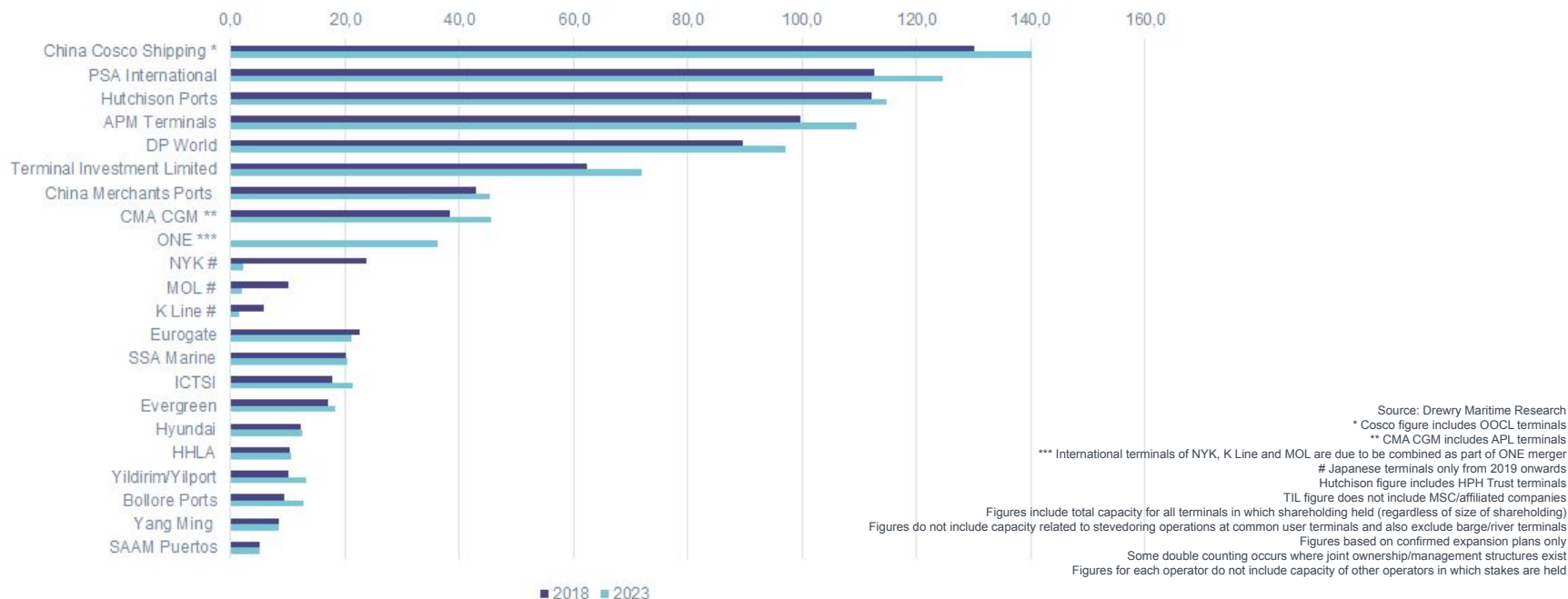
Average lifetime of type of equipment:

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

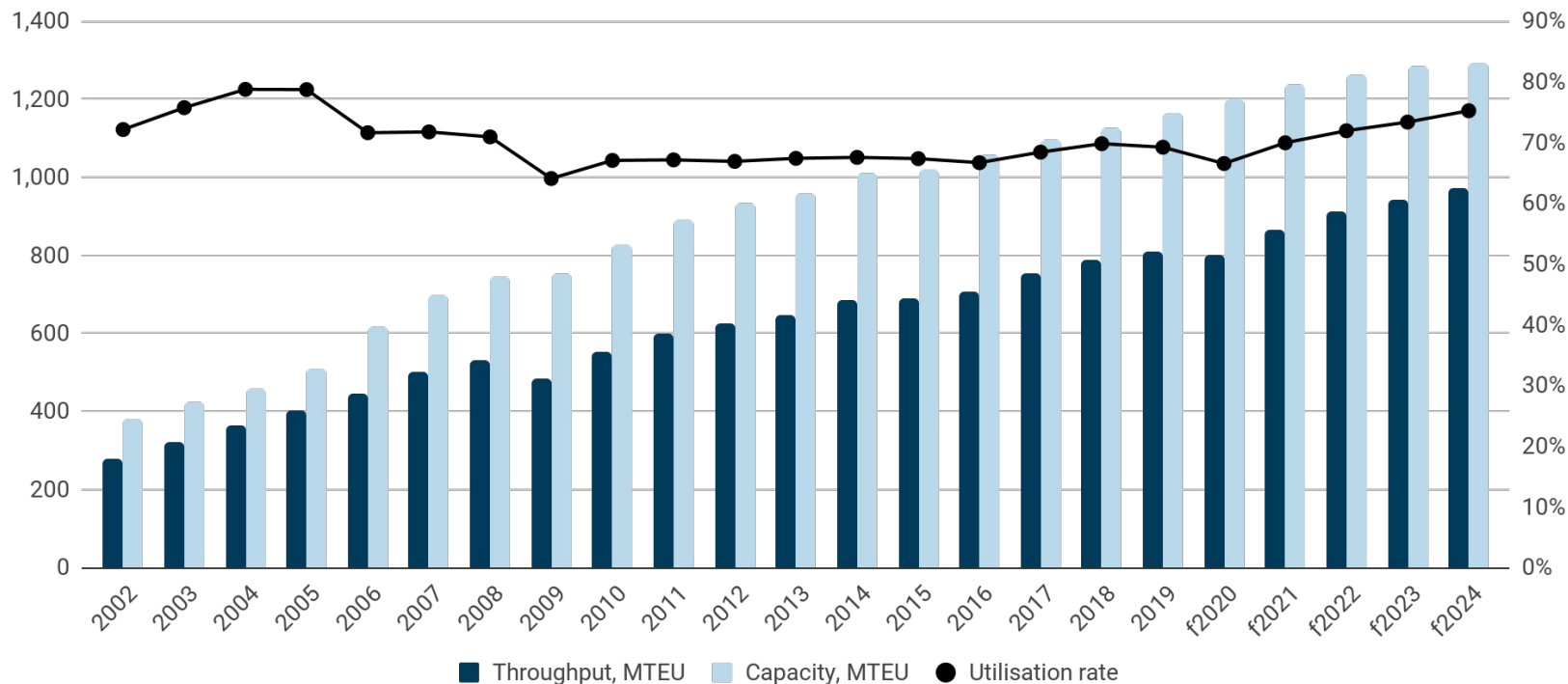
Source: Drewry reports: Global Container Terminal Operators 2001-2016 Note: 1995-2000 capacity is estimation based on the assumption that the utilisation rate has been between 70-72% in that period. 2019-2023 forecast based on Drewry's Global container terminal operators report, published in Q4/2019

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

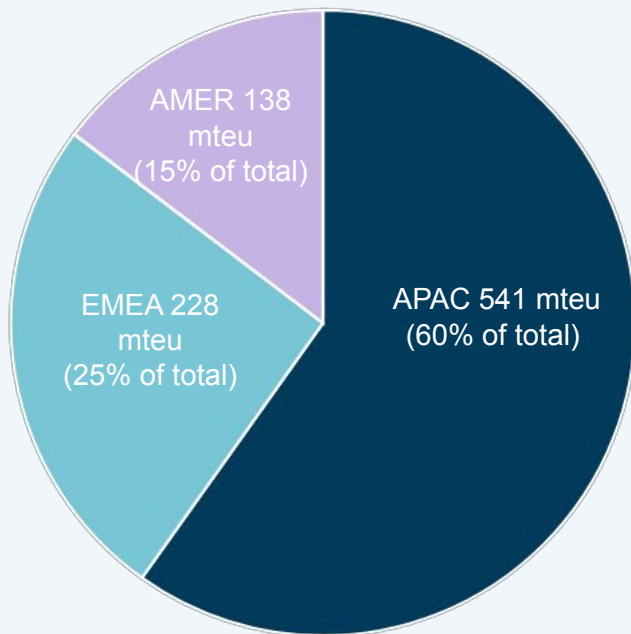
Global/international terminal operators' capacity development, 2018-2023 (MTEU)



Global container throughput and capacity development



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



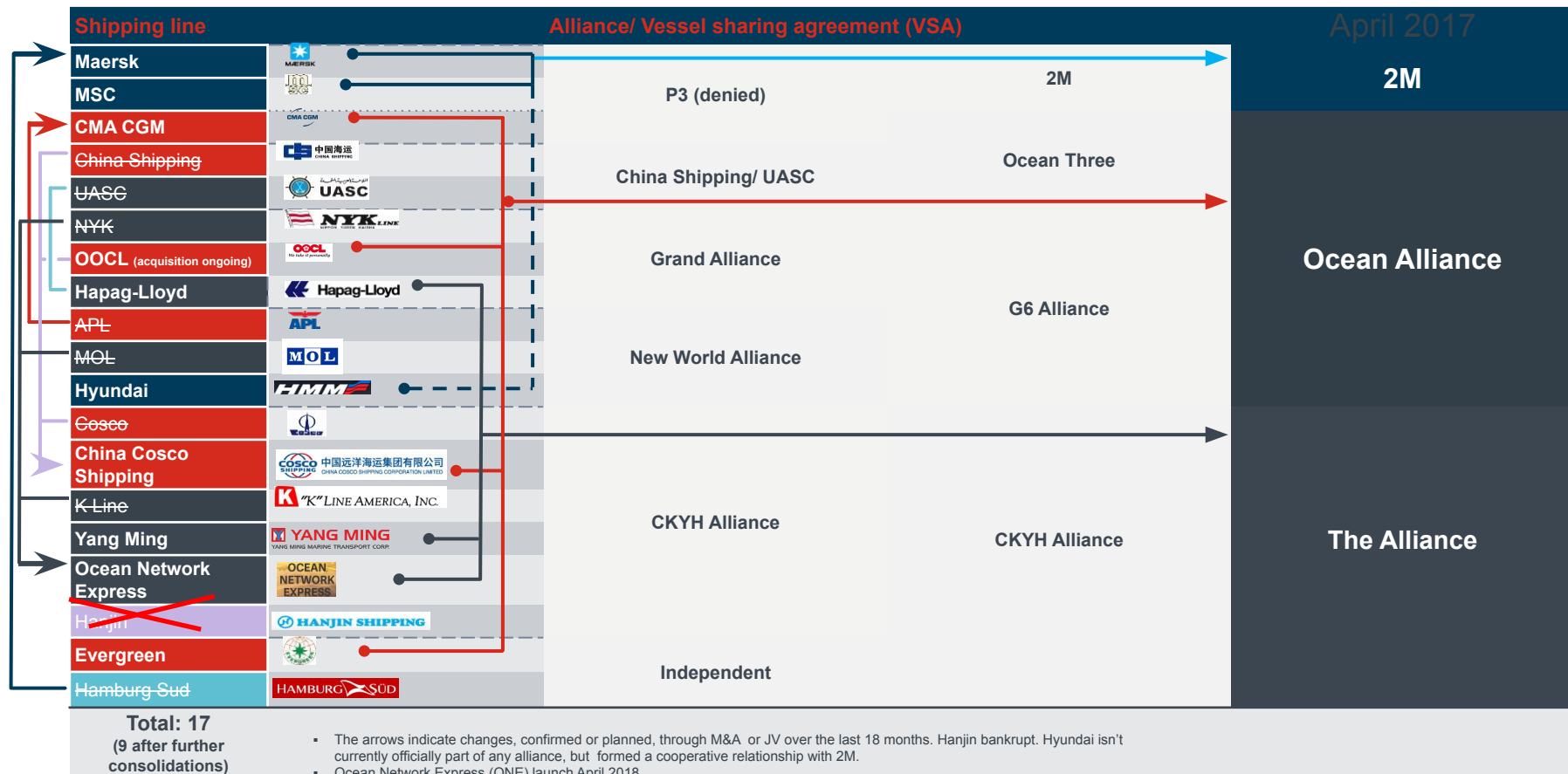
Source: Drewry container forecaster Q3 2021

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

- APAC 5.2% (27 mteu)
- EMEA 5.8% (13 mteu)
- AMER 4.0% (5 mteu)

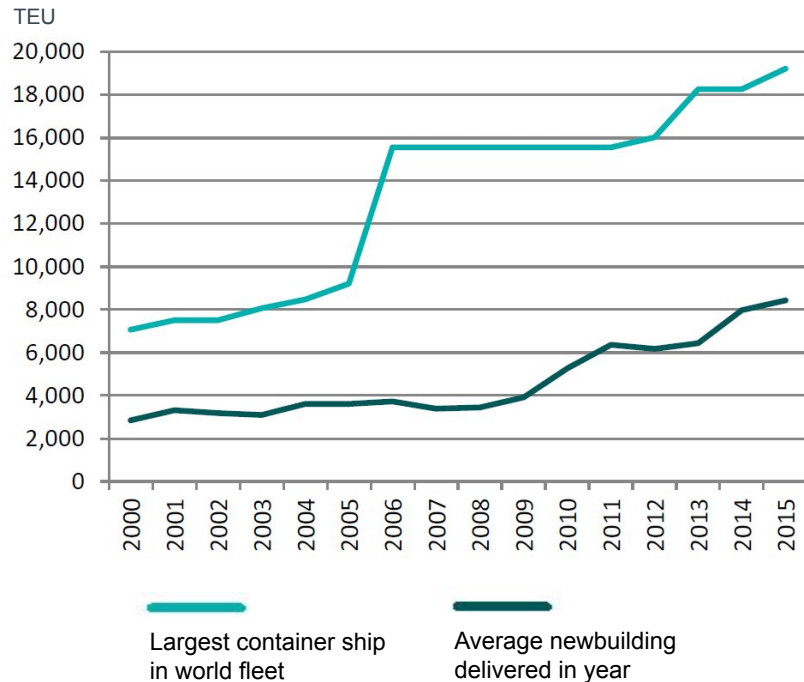
→ Drewry states that supercharged transportation costs stand out as a downside risk in their scenario.

Three alliances controlling about 80% of global container fleet capacity



Ship sizes increasing dramatically

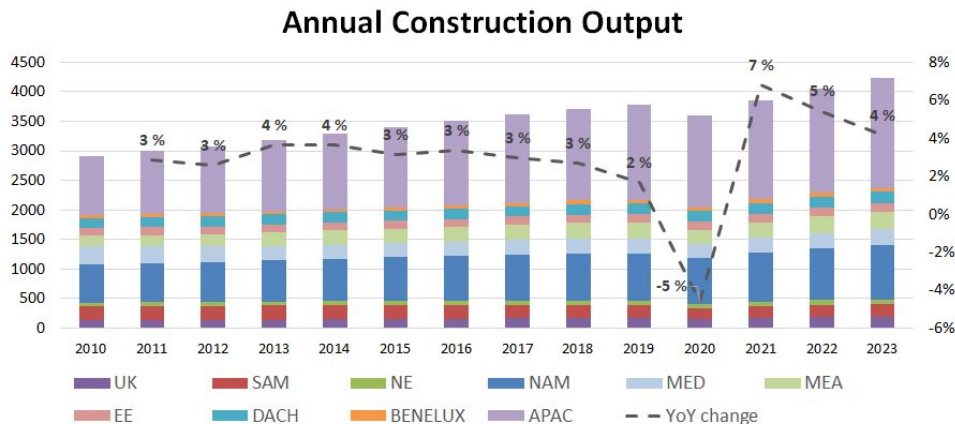
- The largest container ship in the fleet has nearly tripled since 2000
- The average size of new builds doubles between 2009 and 2014



Source: Drewry November 2015

Hiab appendix

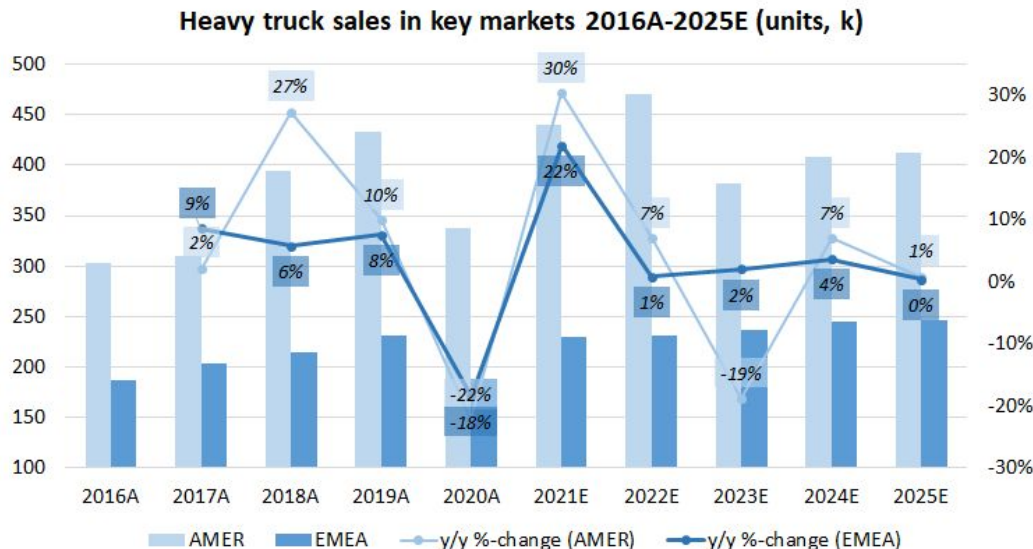
Construction output forecast



	Percentage point change vs last forecast						Year-on-year changes				
	2018	2019	2020	2021	2022	2023	2019	2020	2021	2022	2023
APAC	0.0 %	0.0 %	0.0 %	0.6 %	0.6 %	0.8 %	3.1 %	-2.7 %	7.2 %	5.9 %	4.7 %
BENELUX	0.0 %	0.3 %	0.3 %	0.0 %	-0.3 %	-0.5 %	4.7 %	-2.4 %	4.9 %	1.9 %	1.8 %
DACH	0.1 %	-2.2 %	-2.3 %	-3.7 %	-3.9 %	-3.9 %	0.4 %	1.0 %	0.2 %	2.1 %	1.1 %
EE	0.0 %	0.1 %	-0.4 %	-0.9 %	-0.7 %	-0.6 %	0.2 %	-1.3 %	2.7 %	4.2 %	3.0 %
MEA	0.0 %	0.7 %	-1.0 %	-2.5 %	-2.1 %	-2.1 %	1.8 %	-7.9 %	5.2 %	6.2 %	4.2 %
MED	0.1 %	0.1 %	-0.7 %	-3.1 %	-3.4 %	-3.2 %	3.0 %	-12.3 %	9.0 %	4.5 %	2.7 %
NAM	0.0 %	0.0 %	0.0 %	1.0 %	1.1 %	1.1 %	0.0 %	-2.1 %	6.8 %	5.7 %	5.2 %
NE	-1.7 %	-2.5 %	-2.7 %	-4.9 %	-4.5 %	-4.2 %	0.7 %	-1.4 %	0.3 %	3.1 %	2.0 %
SAM	0.0 %	0.1 %	0.0 %	0.0 %	1.0 %	1.0 %	-2.4 %	-15.1 %	10.0 %	5.6 %	3.5 %
UK	0.0 %	0.0 %	0.0 %	-0.2 %	1.9 %	2.6 %	2.0 %	-14.0 %	13.8 %	5.8 %	2.3 %
Total	0.0 %	-0.1 %	-0.3 %	-0.2 %	0.0 %	0.1 %	1.7 %	-4.6 %	6.8 %	5.4 %	4.2 %

Heavy commercial truck sales bounce back during 2021E

- semiconductor supply shortage potentially impacting outlook in 2022E



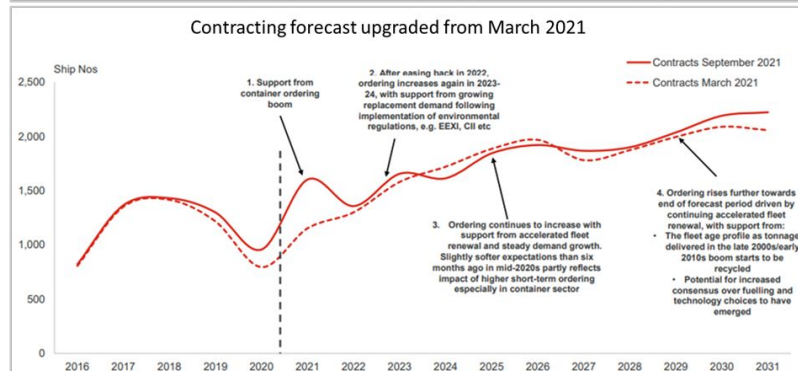
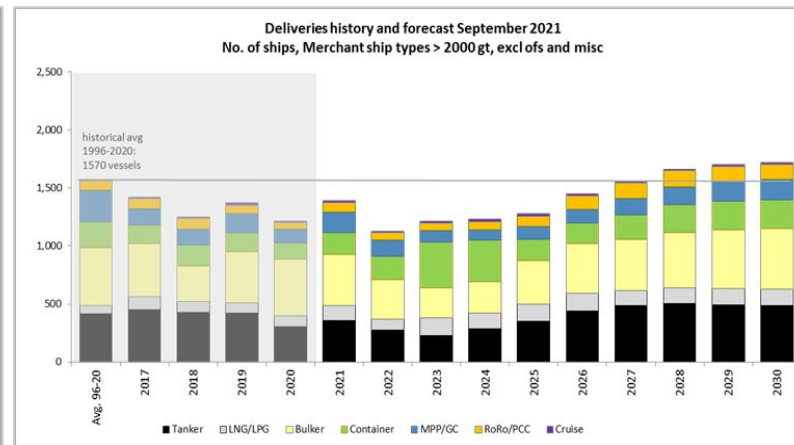
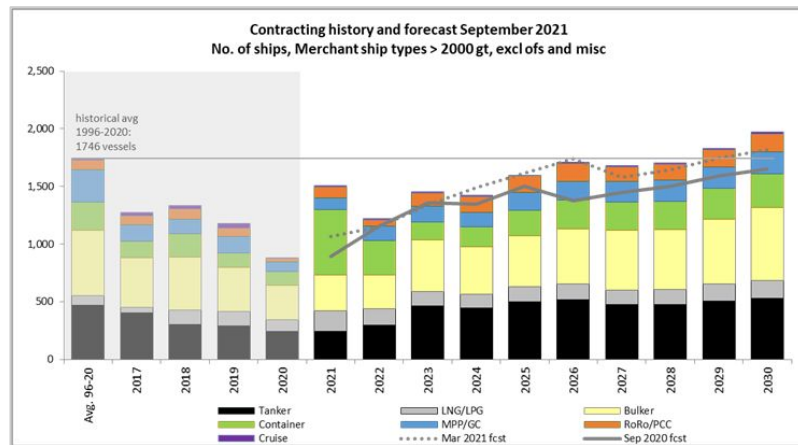
Chip shortage might push '21/'22 sales to the right

Outlook for heavy truck sales in 2021 increased compared with the previous assumptions

- Double-digit growth in the European truck market in the first half of 2021, however compared with historic low volumes reached in the corresponding period of 2020
- Truck demand continues its V-shaped bounce in Americas with forecasts revised upward again for the US - reflecting improved economic outlooks and additional stimulus and strength in building. Demand likely to return to more balanced state during 2022 & 2023

MacGregor appendix

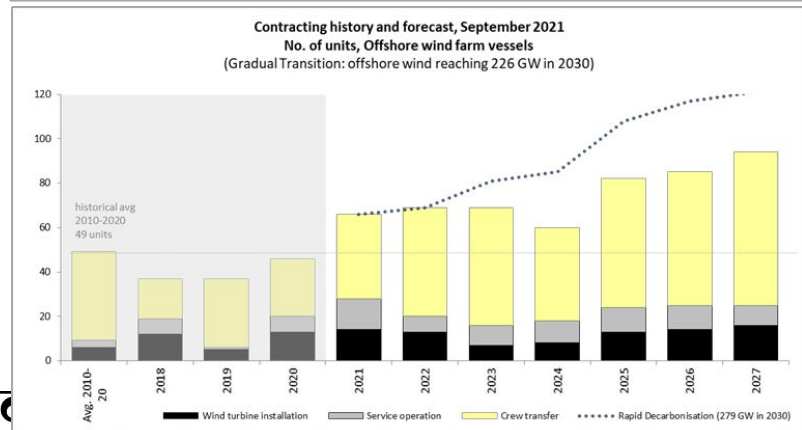
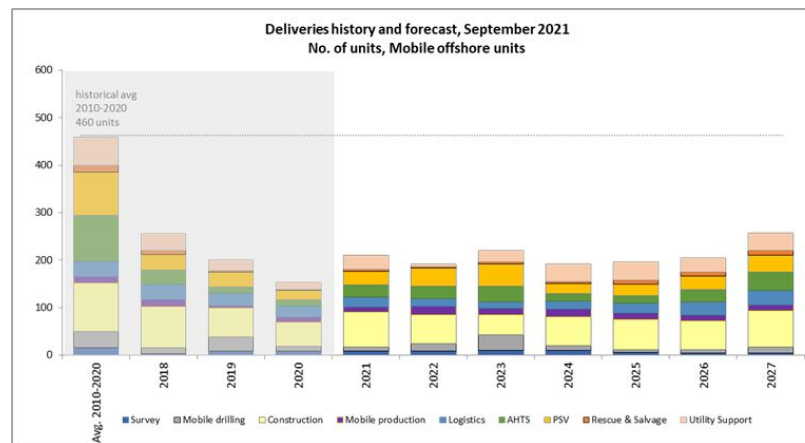
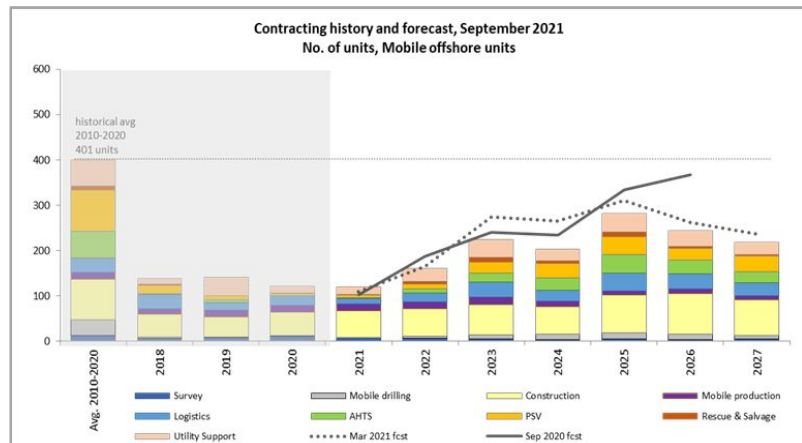
Merchant ships: Forecast by shiptype (no of ships)



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

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

Offshore mobile units: Forecast by shiptype (no of ships)



Newbuild demand for vessels servicing the offshore wind industry remains firm. Otherwise the short-term contracting outlook for offshore oil & gas related assets remains weak, excluding FPSO, despite improvement in offshore charter markets in 2021.

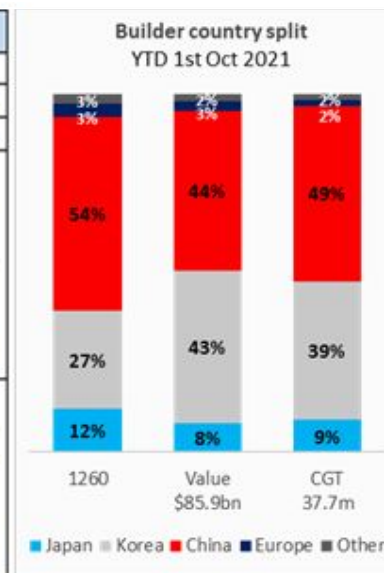
Offshore wind sector has generated newbuilding demand also for a wider range of construction vessel sectors; 52% of orders in 2021 have been wind-related.

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

Newbuild contracting currently dominated by China and Korea, TOP3 shipbuilding countries building positions in technology race

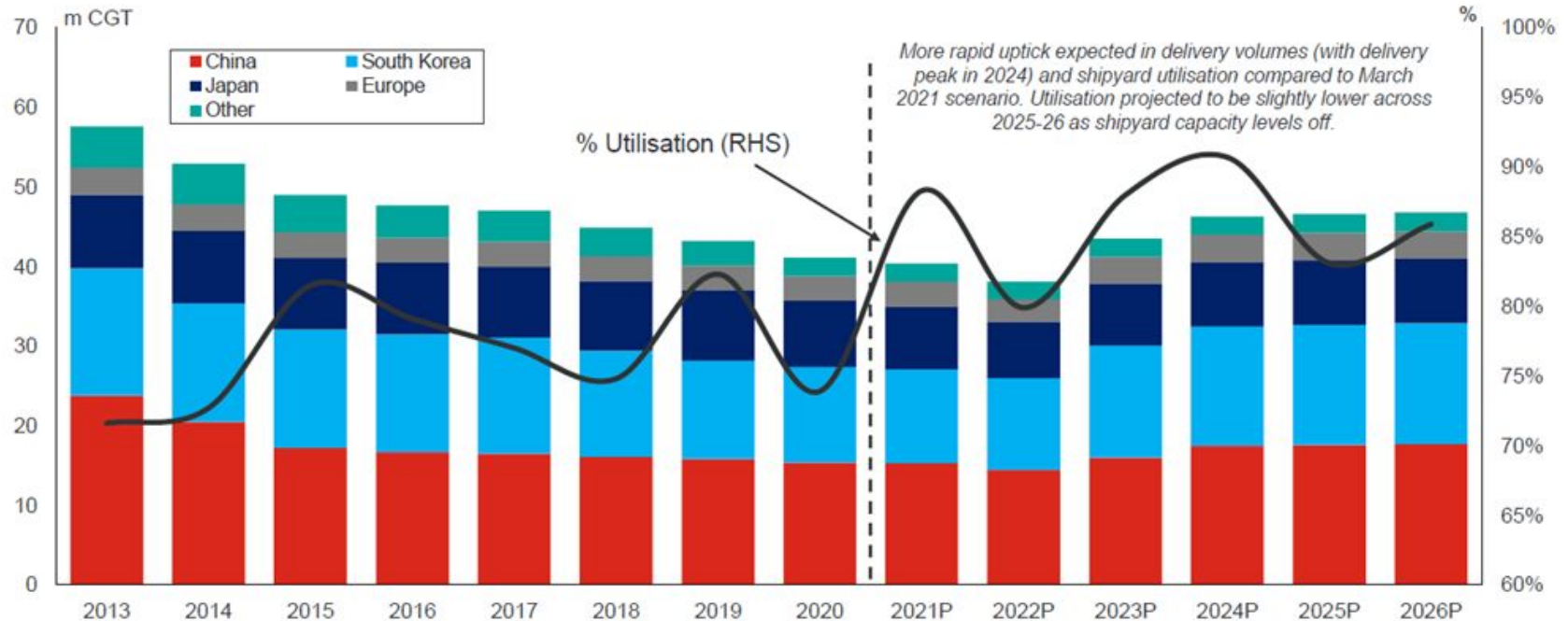
- Korea introduced 'K-Ship' program designed to build and maintain the country's leadership as the shipbuilder of premium ships. The Ministry of Trade, Industry and Energy reports that first half 2021 Korea's shipbuilders received 63% of the orders for premium ships and 66% of the orders for eco-friendly ships. The target is 75% of the market for eco-friendly ships and a 50% share in autonomous vessels by 2030.
- In China, technologically advanced ships are among the country's industrial priorities, building on national demand and supply, the strongest long-term ambitions being "smart" ships.
- Japan shipbuilding industry accelerating the development of autonomous ships with target to introduce autonomous vessels by 2025 and by 2040 to replace half of the Japanese coastal ships with crewless vessels. In 2028 Japan will introduce the first generation of emission-free ships.

Global Contracting Activity (1st October 2021)												
	No.				\$bn				m. CGT			
	2019	2020	2021ytd	%y-o-y*	2019	2020	2021ytd	%y-o-y*	2019	2020	2021ytd	%y-o-y*
TOTAL (>2,000 Dwt/GT*)	1,309	980	1,260	71%	81.2	50.7	85.9	126%	30.7	23.7	37.7	112%
Vessel Type												
Bulkers	385	317	287	21%	11.3	8.4	9.9	58%	7.5	5.6	5.9	39%
Tankers	293	239	195	9%	12.3	11.3	8.8	4%	6.6	5.8	4.7	8%
Containerships	123	120	470	422%	6.6	8.0	37.6	526%	3.6	4.3	17.5	440%
Gas Carriers	125	103	143	85%	14.1	13.9	15.2	45%	5.8	5.3	6.3	59%
Offshore	95	65	34	-30%	8.4	4.6	7.4	111%	1.3	1.2	0.8	-13%
Others	288	136	131	28%	28.4	4.5	7.0	109%	5.9	1.4	2.4	136%
Builder Country/Region												
China	556	469	685	95%	22.7	17.9	38.1	183%	10.7	9.8	18.5	152%
South Korea	232	193	343	137%	22.8	19.4	36.6	151%	9.9	8.6	14.6	125%
Japan	292	190	153	7%	9.2	5.0	7.0	89%	5.2	3.0	3.4	51%
Europe	119	57	43	1%	22.7	6.4	2.6	-47%	3.6	1.3	0.7	-34%
Other	110	71	36	-32%	3.7	2.0	1.6	8%	1.2	0.9	0.6	-16%



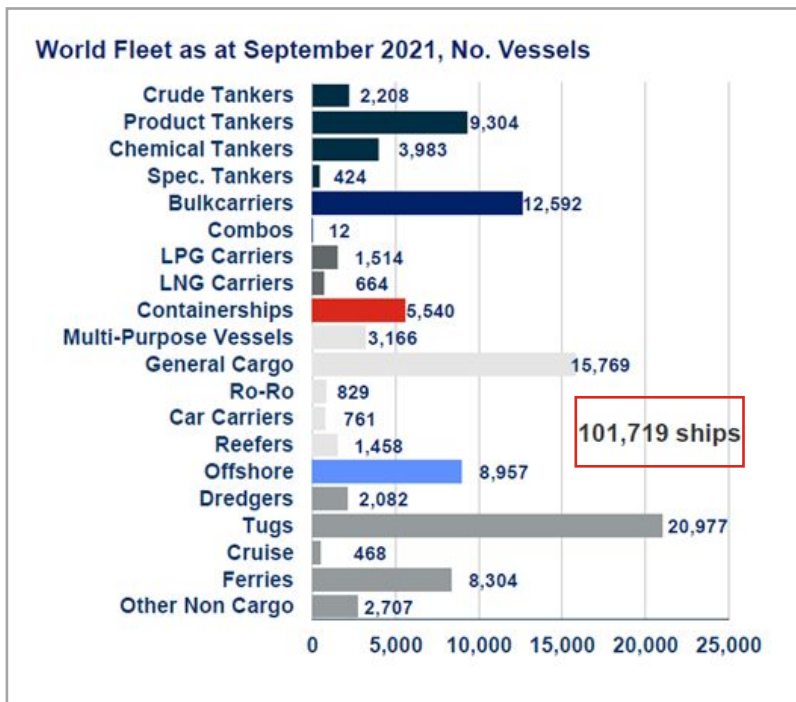
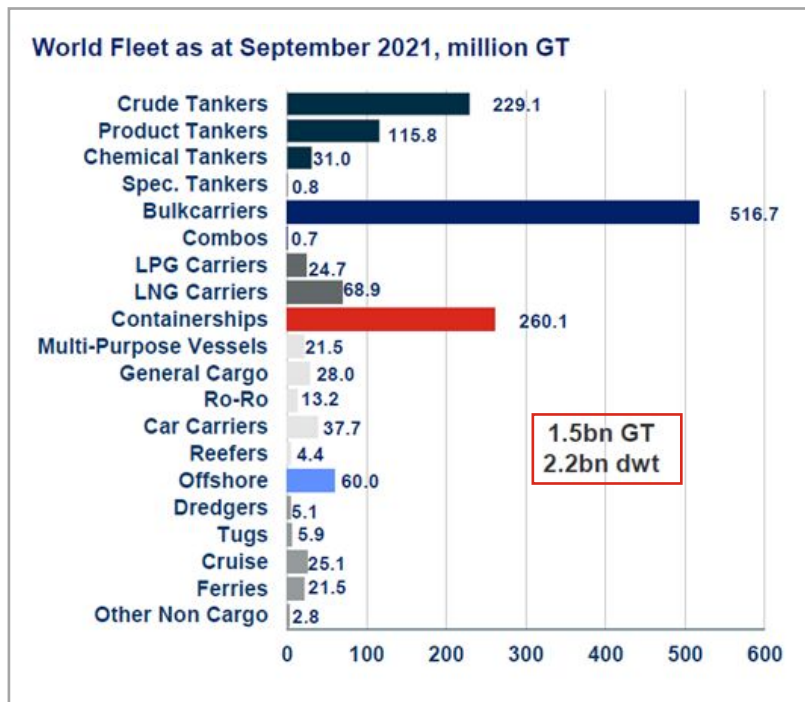
Shipbuilding capacity and utilisation scenario

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



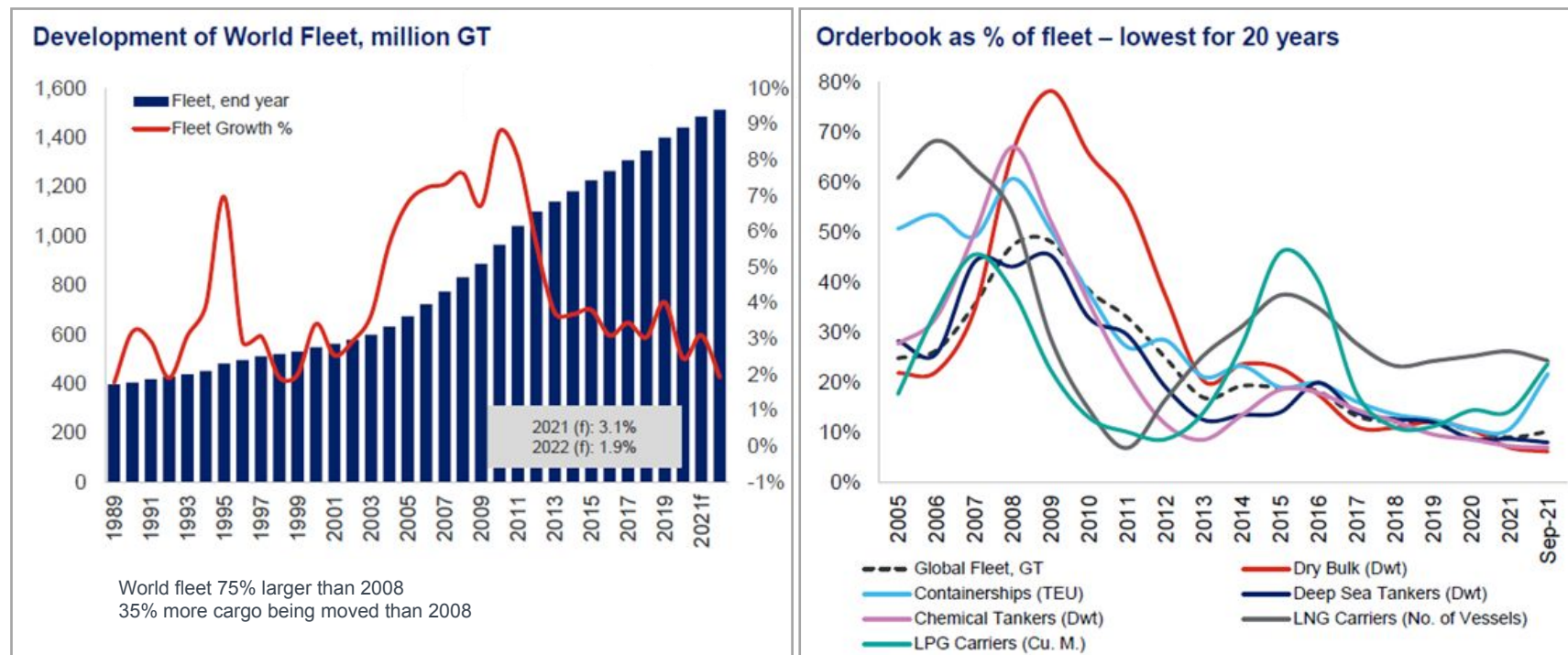
Shipping – The world fleet

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



World fleet and order book development

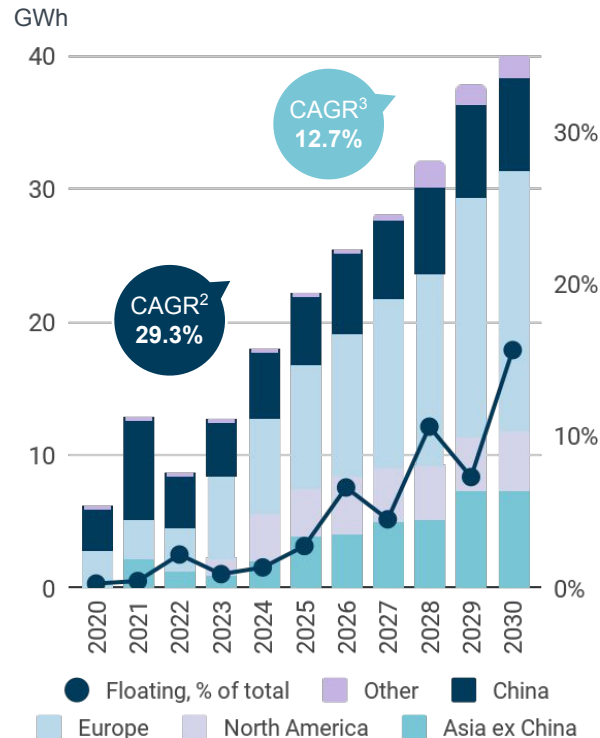
World fleet growth slow; orderbook at just 8% of the fleet



Global offshore wind market is in rapid growth

- Offshore wind related capex exceeding oil & gas by 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 cumulatively a few billion EUR

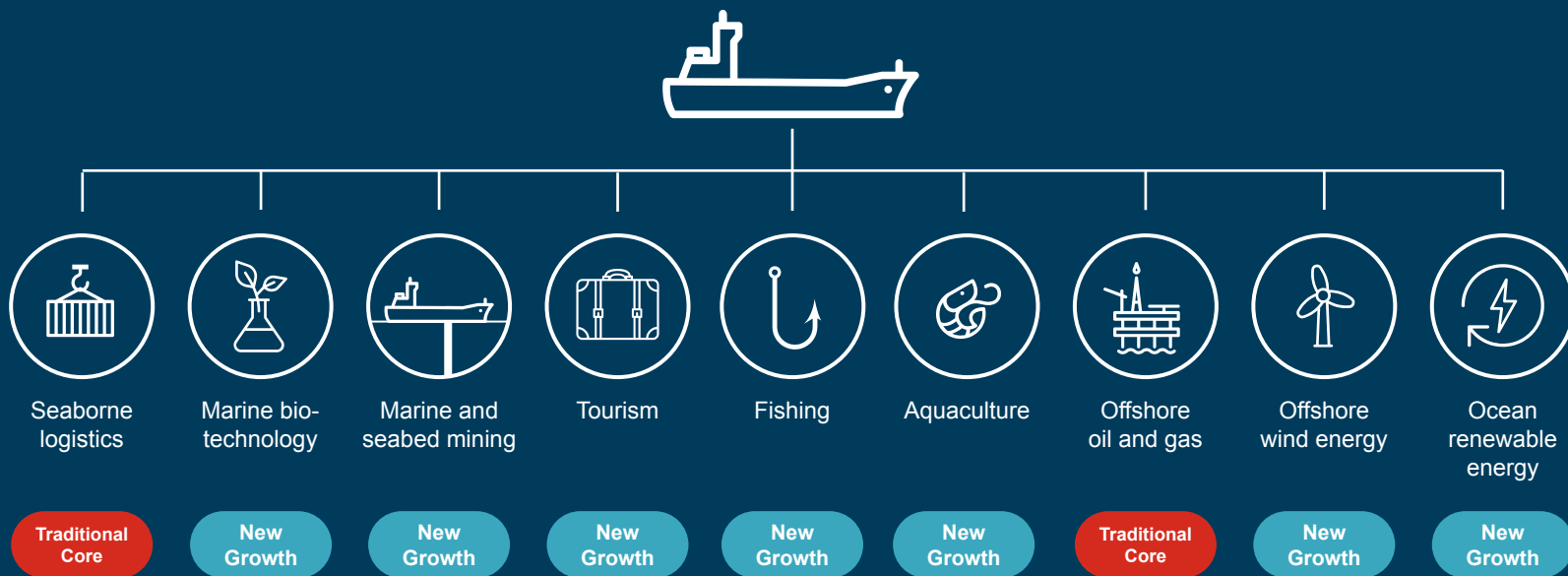
Global offshore wind installations



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



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





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

Next upcoming IR events

3 February 2022	Financial statements release 2021
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Week 8, 2022	Annual Report 2021
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17 March 2022	AGM 2022
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