

Q1 2023 Report

April 28, 2023

Anders Svensson, President and CEO

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Agenda



Anders Svensson

President and CEO

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Teo Ottola

CFO

Q&A

Q1 2023 – Strong results in all Business Segments

Record-breaking Q1 result

Order intake nearly €1.3 billion

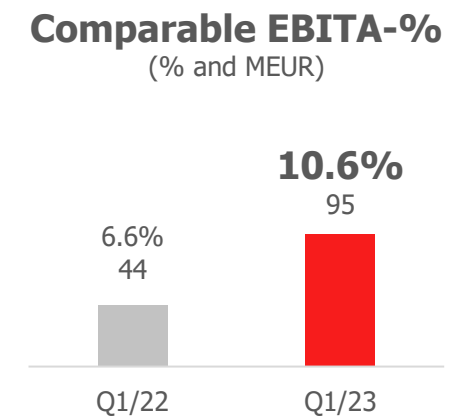
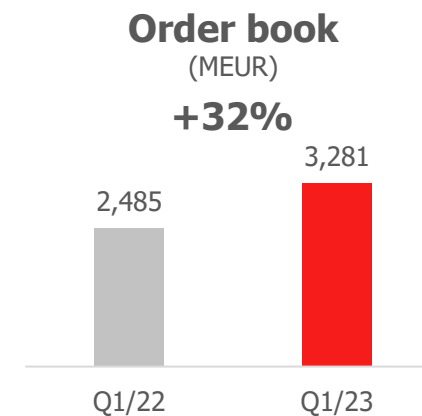
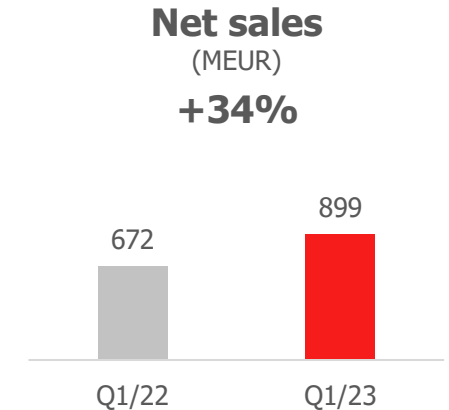
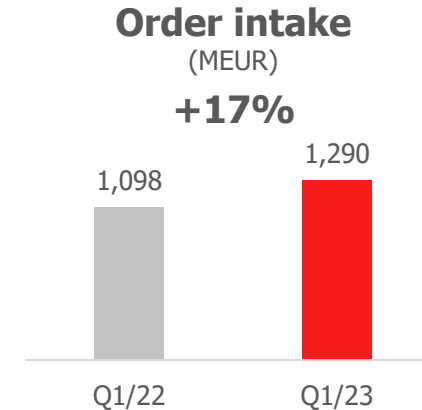
- Demand environment remained good despite weakened macro indicators
- Orders increase (Y/Y, comp. FX) in all three Business Segments

Sales grew 33% (Y/Y, comp FX)

- Delivery capability continued to improve
- Excellent achievement given the fragile supply chains

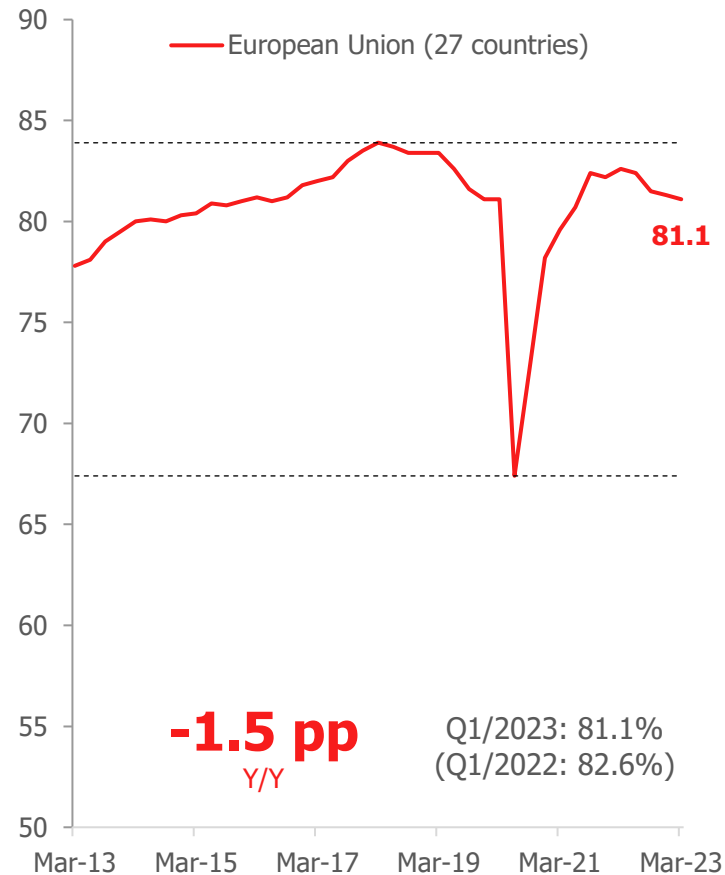
Record-high Q1 comparable EBITA margin

- Higher volumes and positive pricing impact main profitability drivers
- Profitability improvement in all three Business Segments

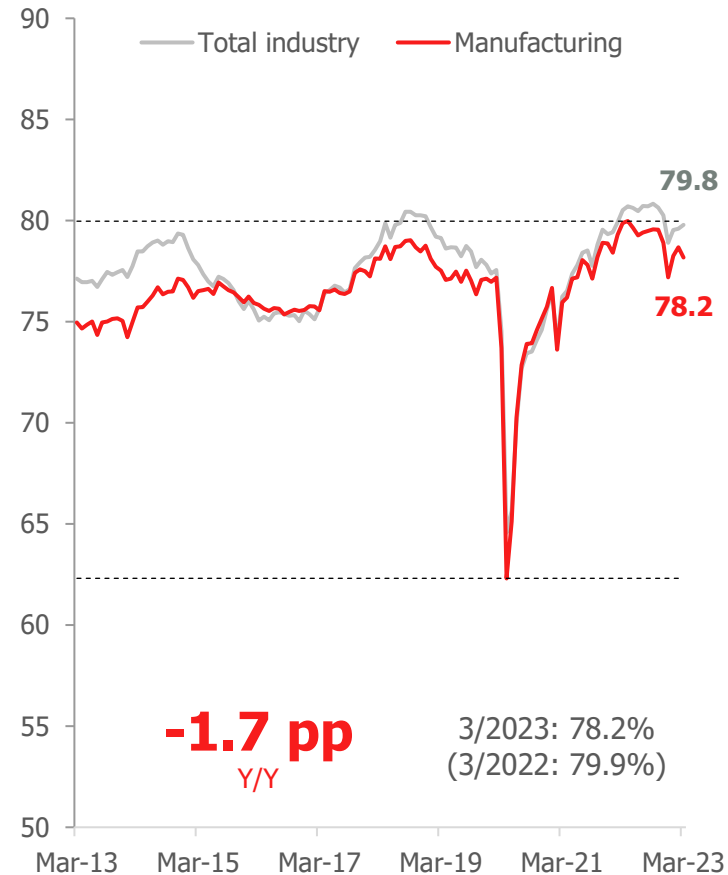


Market environment – Service and Industrial Equipment

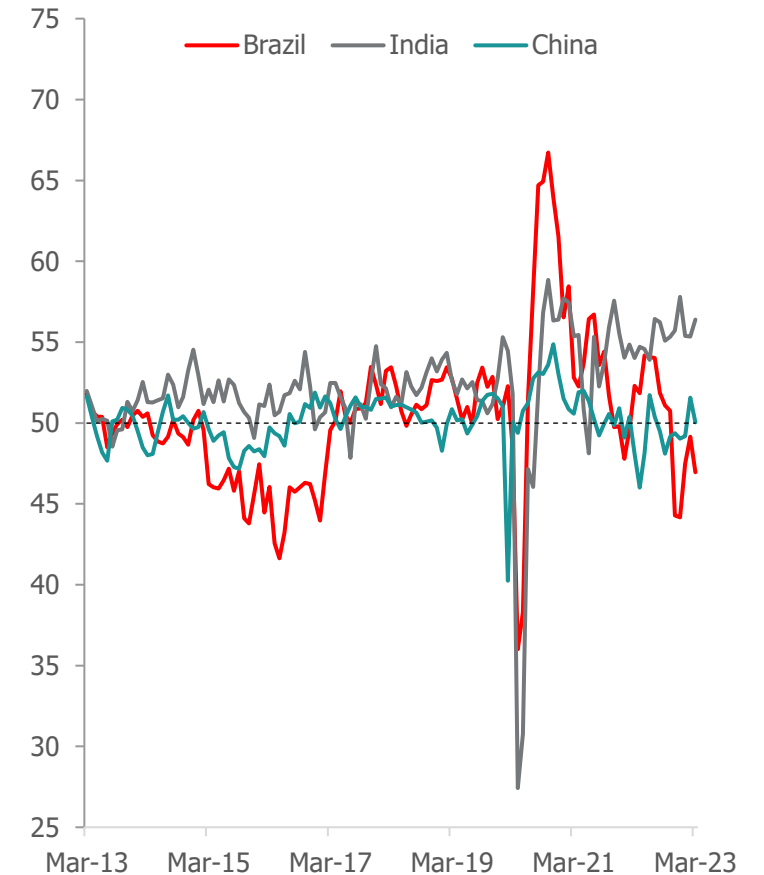
EU capacity utilization rate, %



US capacity utilization rate, %



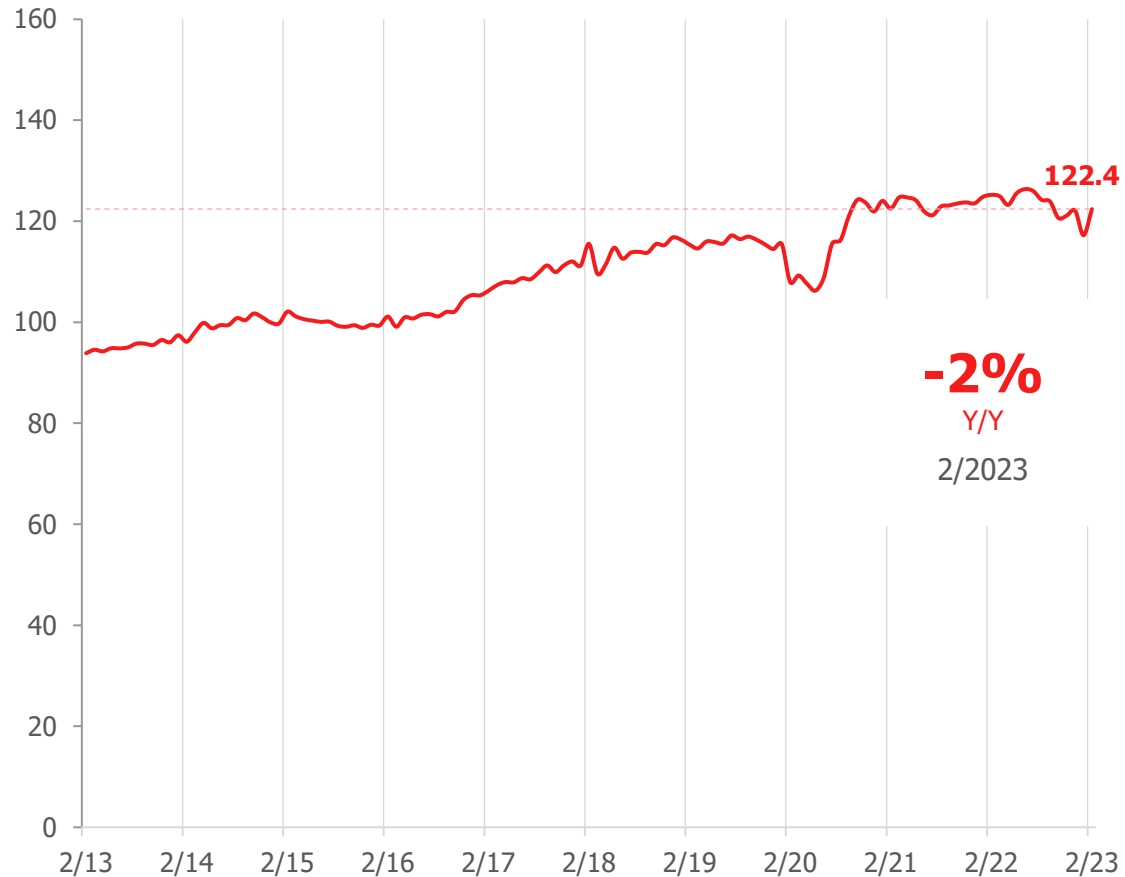
Manufacturing PMIs – Brazil, India & China



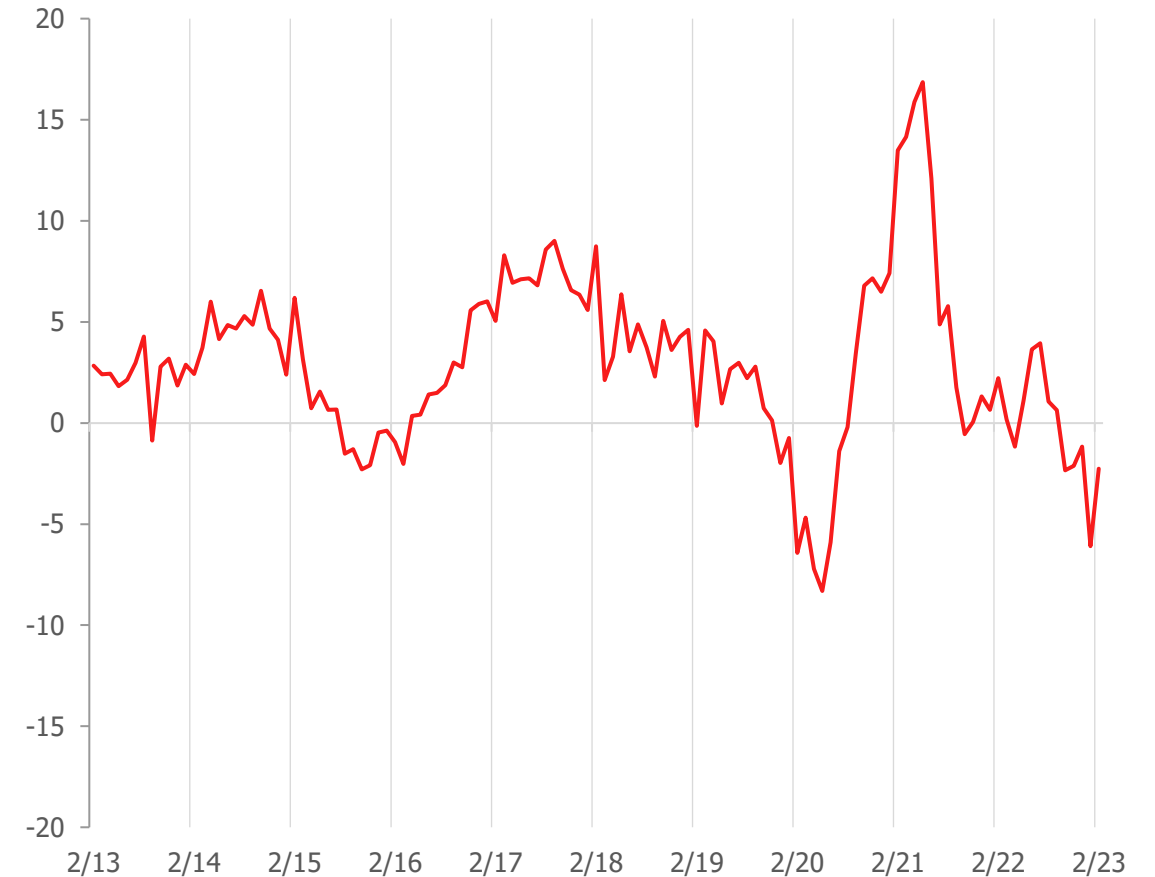
Source: Eurostat, Federal Reserve Economic Data, S&P Global

Market environment – Port Solutions

RWI/ISL Container Throughput Index (2015 = 100)



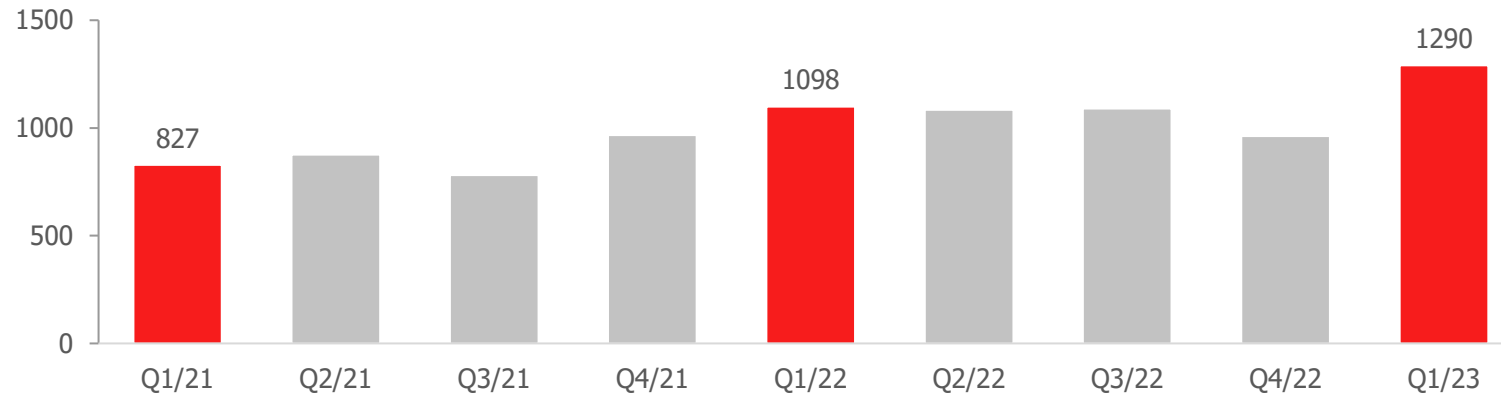
Monthly index change Y/Y, %



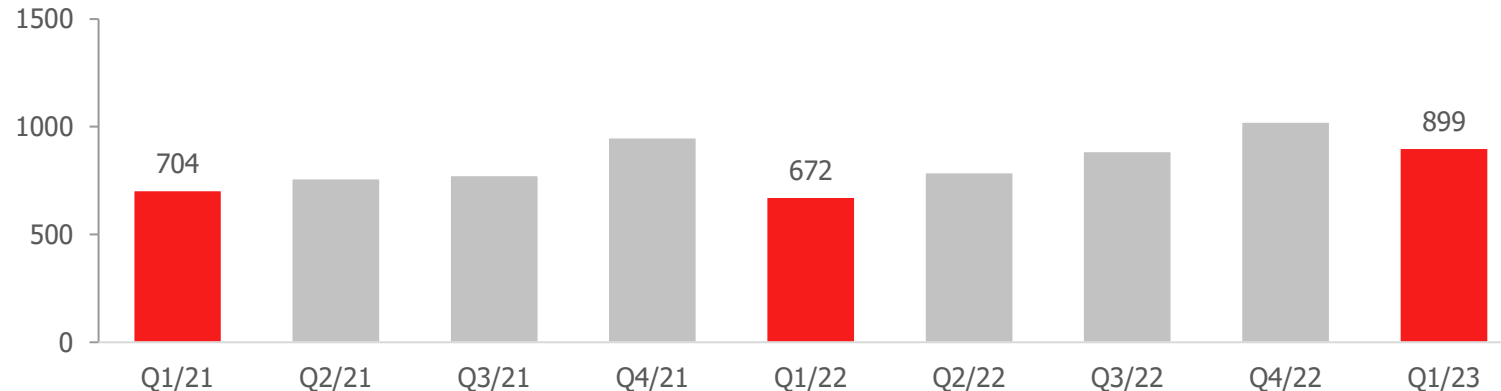
Source: RWI/ISL

Group order intake and net sales

Order intake, MEUR⁽¹⁾



Net sales, MEUR



Note (1): Agreement base included in orders received from Q1 2023 onwards and historical figures are restated

Order intake

+17.5%
Y/Y reported

+17.0%
Y/Y comp. FX

- EUR 1,289.6 million
- Increase in all three segments
- Increase in the Americas, EMEA, and APAC

Net sales

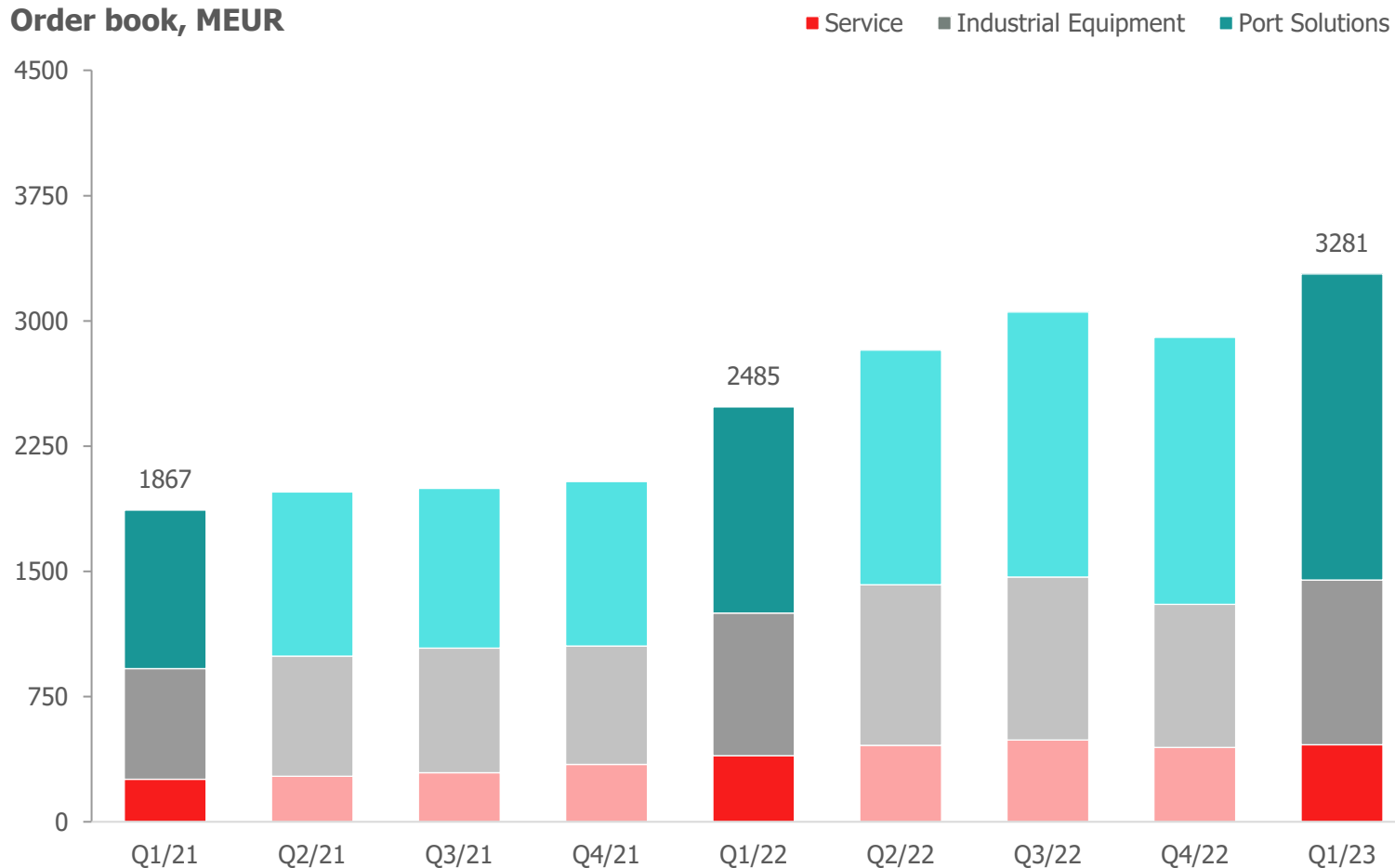
+33.8%
Y/Y reported

+33.0%
Y/Y comp. FX

- EUR 899.3 million
- Increase in all three segments
- Increase in the Americas, EMEA, and APAC

Group order book

Order book, MEUR



Order book

+32.0%

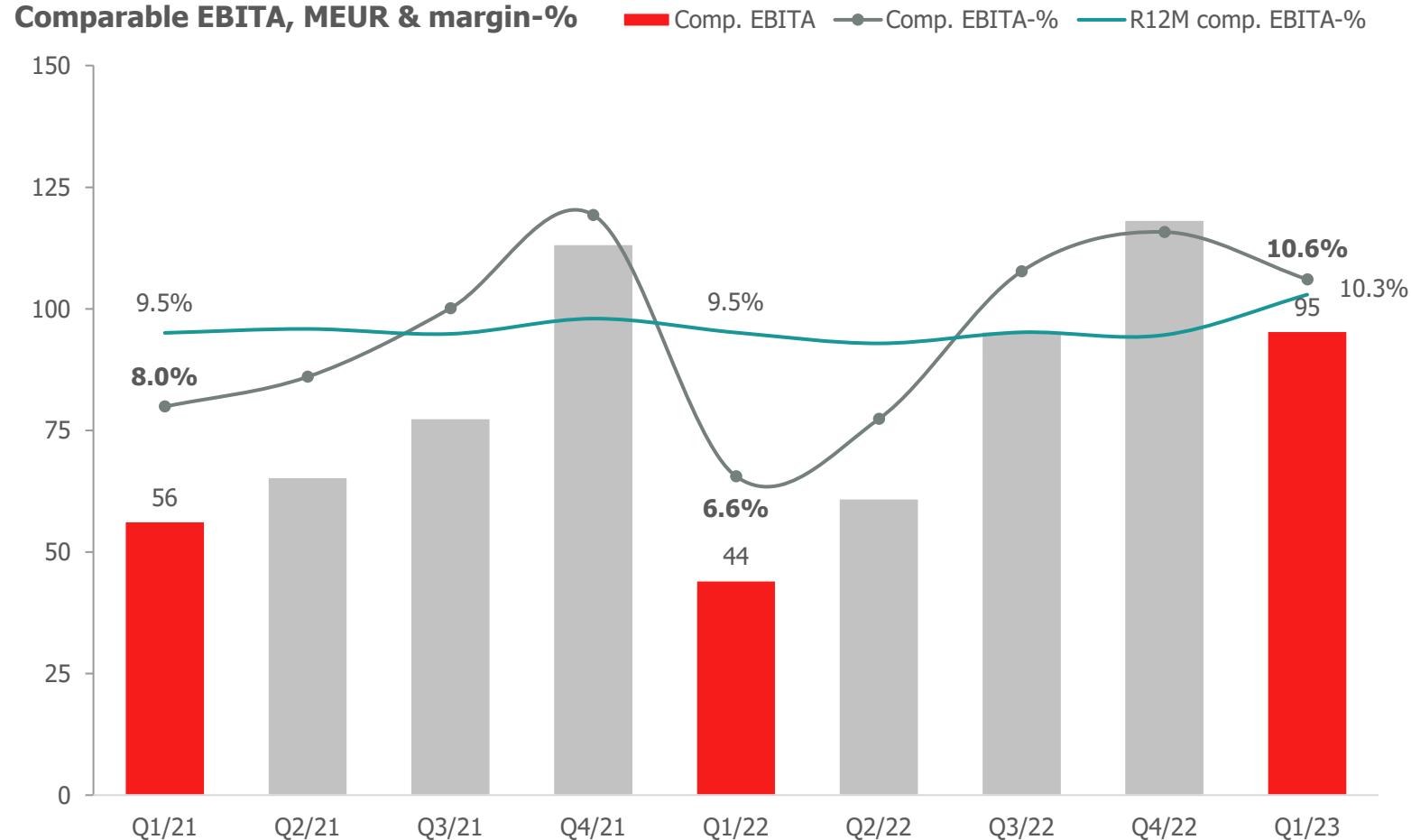
Y/Y reported

+32.8 %

Y/Y comp. FX

- EUR 3,281.4 million
- Increase in all three segments

Group comparable EBITA



Comparable EBITA

10.6%
margin

+4.0 pp
Y/Y

- EUR 95.4 million
- Comparable EBITA-% increase in all three segments
- Comparable EBITA-% increase mainly attributable to higher sales volumes and pricing
- Gross margin improved slightly

Q2 2023 demand outlook

The worldwide demand picture remains subject to volatility and uncertainty.

Within industrial customer segments:

Americas

EMEA

Asia-Pacific

Our demand environment within industrial customer segments has remained good and continues on a healthy level, despite the weakened global macro indicators and some signs of weakening in all three regions.

Within port customers:

Global container throughput continues high, and long-term prospects related to global container handling remain good overall.



Financial guidance for full-year 2023

Net sales expected to increase in full-year 2023 compared to 2022.

Comparable EBITA margin expected to improve in full-year 2023 from 2022.



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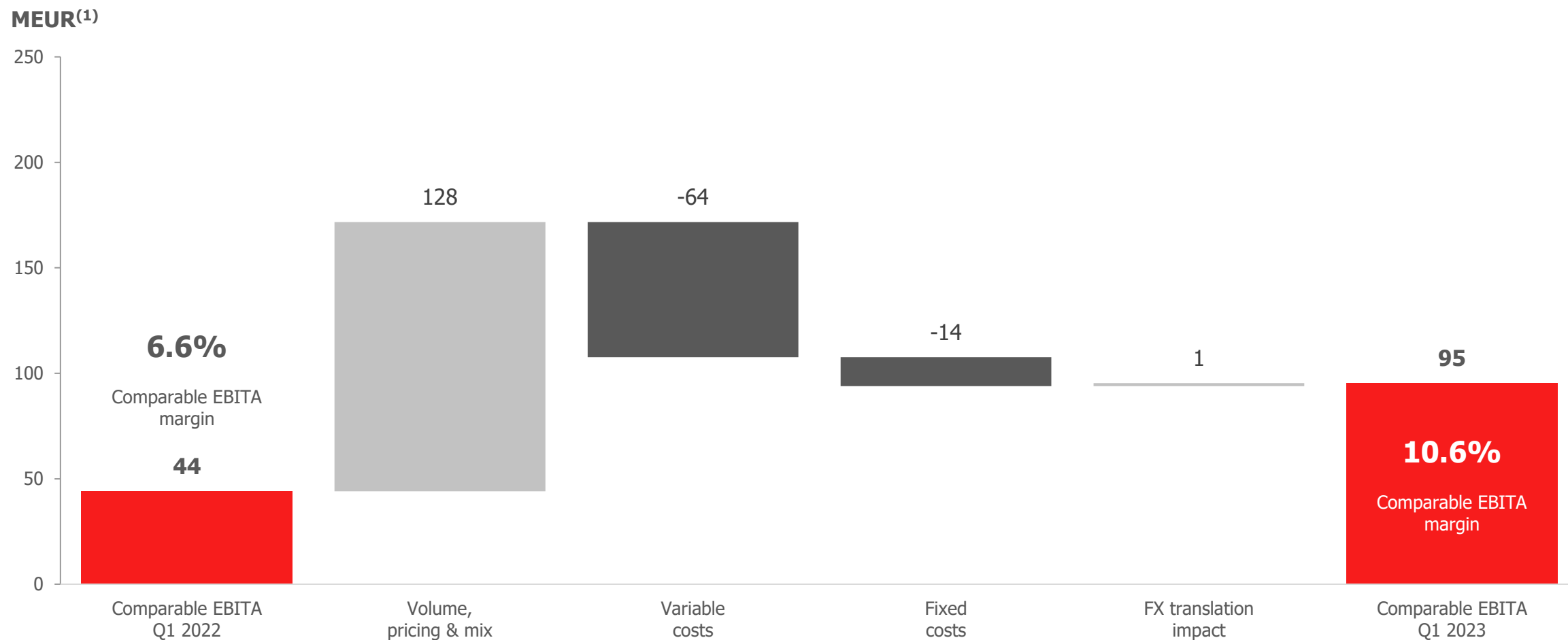
Teo Ottola

CFO

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Q&A

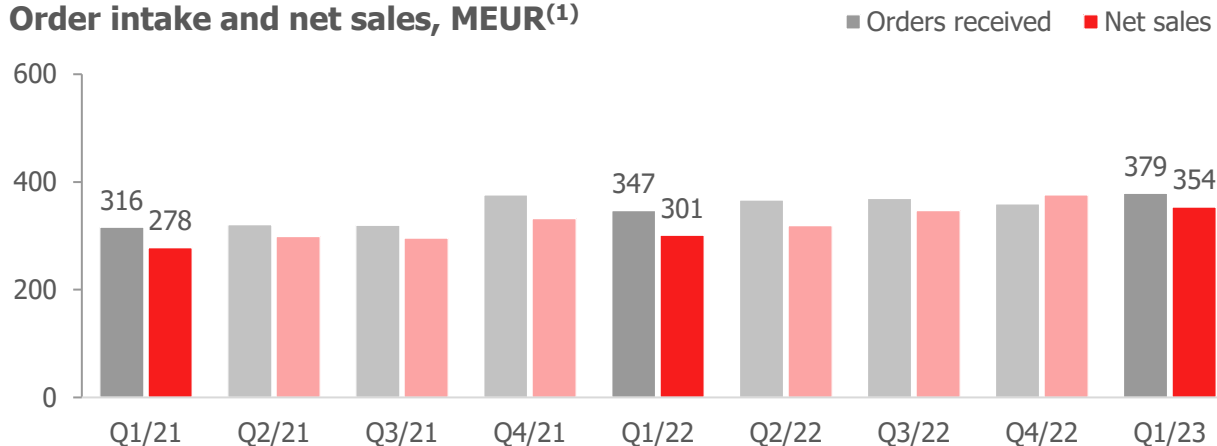
Q1 2023 comparable EBITA bridge



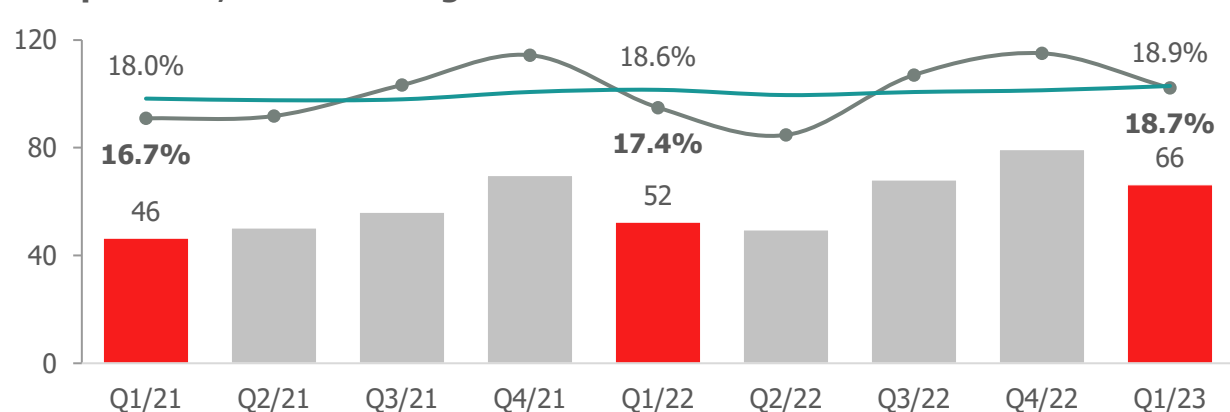
Note (1): Volume, pricing & mix, Variable costs, and Fixed costs effects do not include the FX translation impact component

Service

Order intake and net sales, MEUR⁽¹⁾



Comp. EBITA, MEUR & margin-%



Note (1): Agreement base included in orders received from Q1 2023 onwards and historical figures are restated

Order intake

+9.2%

Y/Y reported

+8.0%

Y/Y comp. FX

- Increase in both field service and parts
- Increase in the Americas, EMEA, and APAC

Agreement base:

- EUR 311.1 million, +3.5% Y/Y
- +4.2% Y/Y comp. FX

Net sales

+17.4%

Y/Y reported

+16.0%

Y/Y comp. FX

- Increase in both field service and parts
- Increase in the Americas, EMEA, and APAC

Order book:

- EUR 461.8 million, +16.5% Y/Y

Comp. EBITA

18.7%

margin

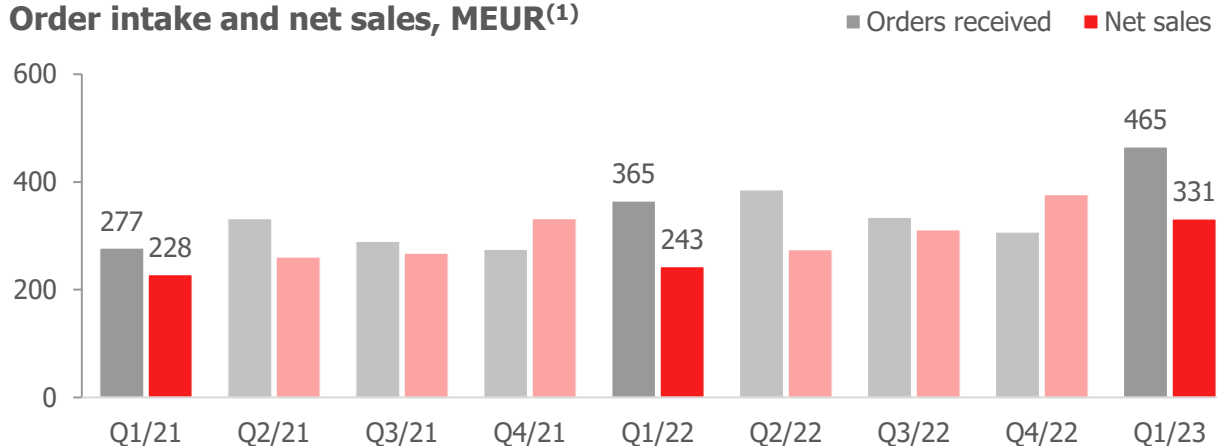
+1.3 pp

Y/Y

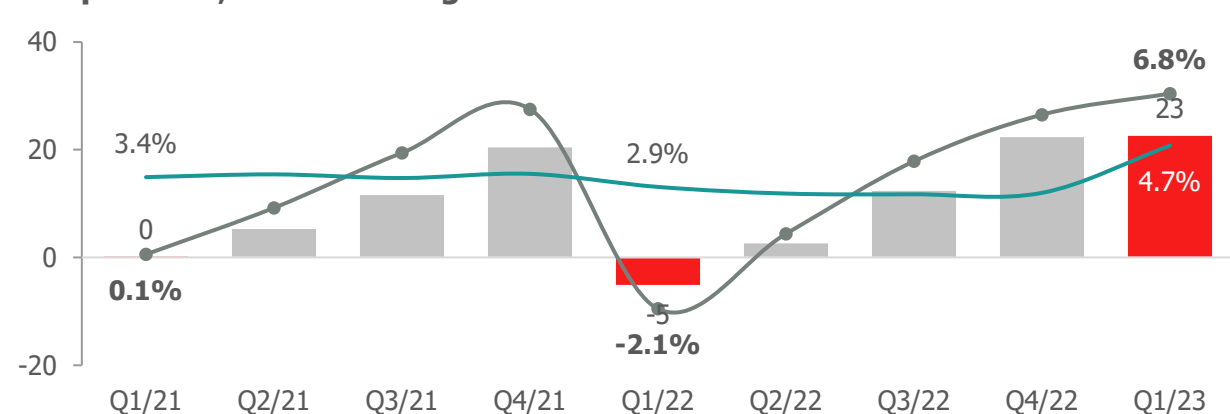
- Comparable EBITA-% increase mainly attributable to sales growth driven by higher sales volumes and pricing
- Gross margin increased

Industrial Equipment

Order intake and net sales, MEUR⁽¹⁾



Comp. EBITA, MEUR & margin-%



Order intake

+27.5%

Y/Y reported

+26.3%

Y/Y comp. FX

- External orders +23.6% Y/Y comp. FX
- Increase in standard cranes, process cranes, and components
- Increase in the Americas and EMEA, decrease in APAC

Net sales

+36.3%

Y/Y reported

+35.0%

Y/Y comp. FX

- External sales +37.1% Y/Y comp. FX
- Increase in standard cranes, process cranes, and components
- Increase in the Americas, EMEA, and APAC

Order book: EUR 986.1 million, +15.4% Y/Y

Comp. EBITA

6.8%

margin

+9.0 pp

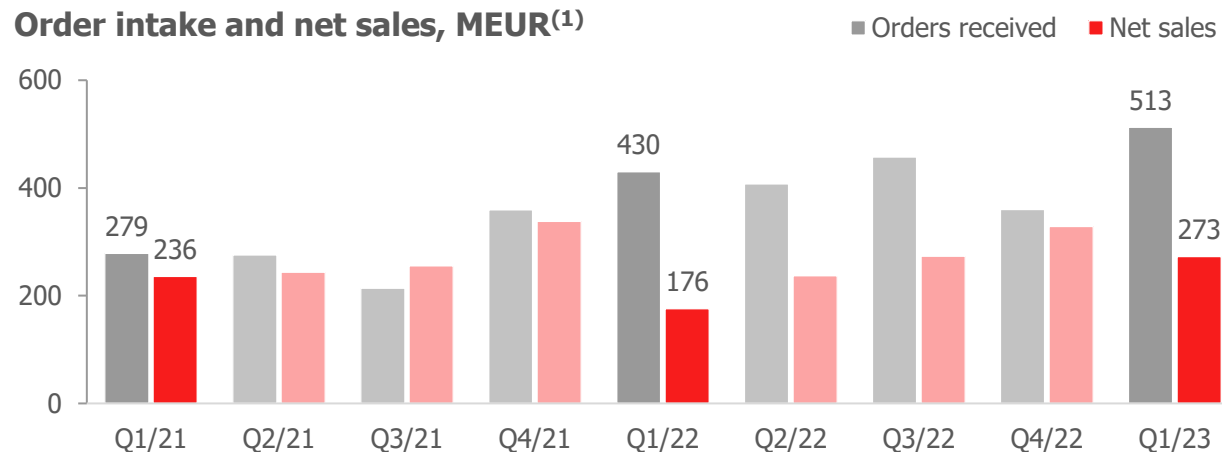
Y/Y

- Comparable EBITA-% increase mainly attributable to higher sales volumes and price increases implemented in 2022
- Gross margin increased

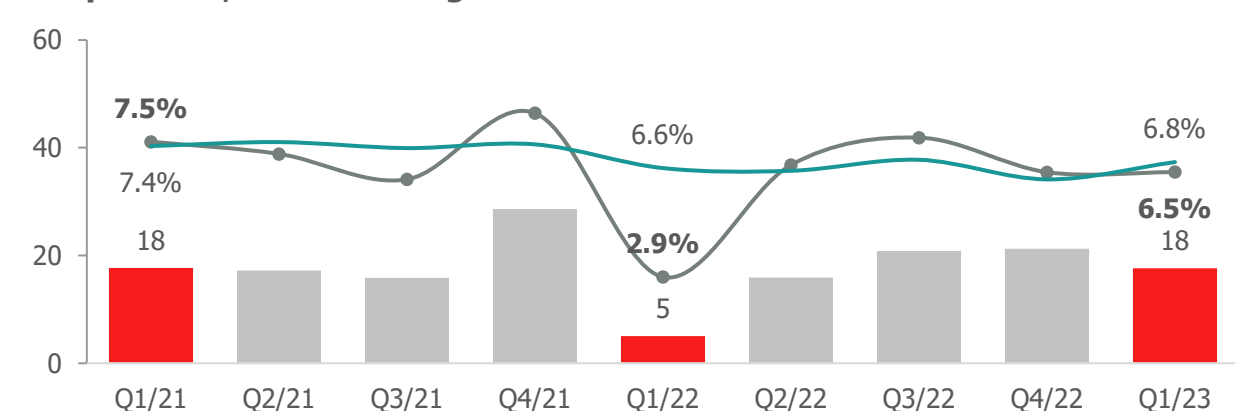
Note (1): Agreement base included in orders received from Q1 2023 onwards and historical figures are restated

Port Solutions

Order intake and net sales, MEUR⁽¹⁾



Comp. EBITA, MEUR & margin-%



Note (1): Agreement base included in orders received from Q1 2023 onwards and historical figures are restated

Order intake

+19.1%

Y/Y reported

+20.0%

Y/Y comp. FX

- Increase in the Americas, EMEA, and APAC

Net sales

+55.0%

Y/Y reported

+56.5%

Y/Y comp. FX

Order book:

- EUR 1,833.6 million, +48.6% Y/Y

Comp. EBITA

6.5%

margin

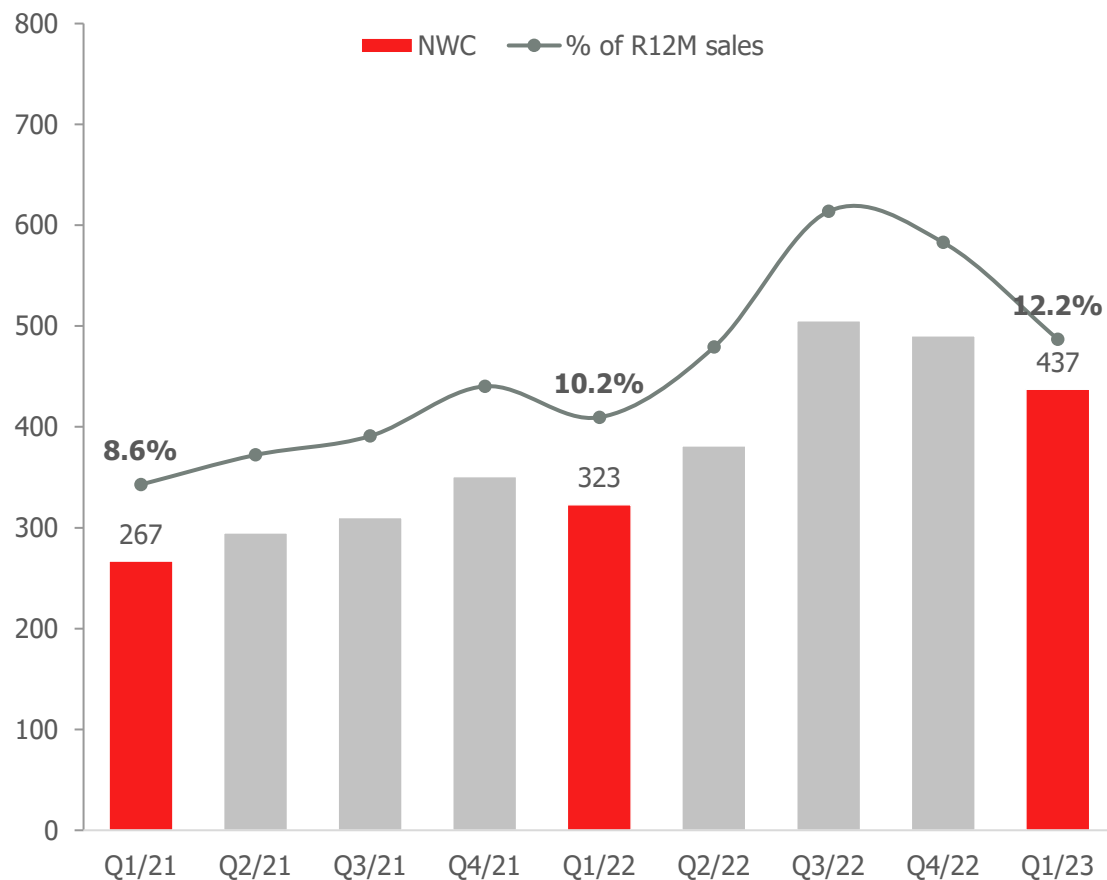
+3.6 pp

Y/Y

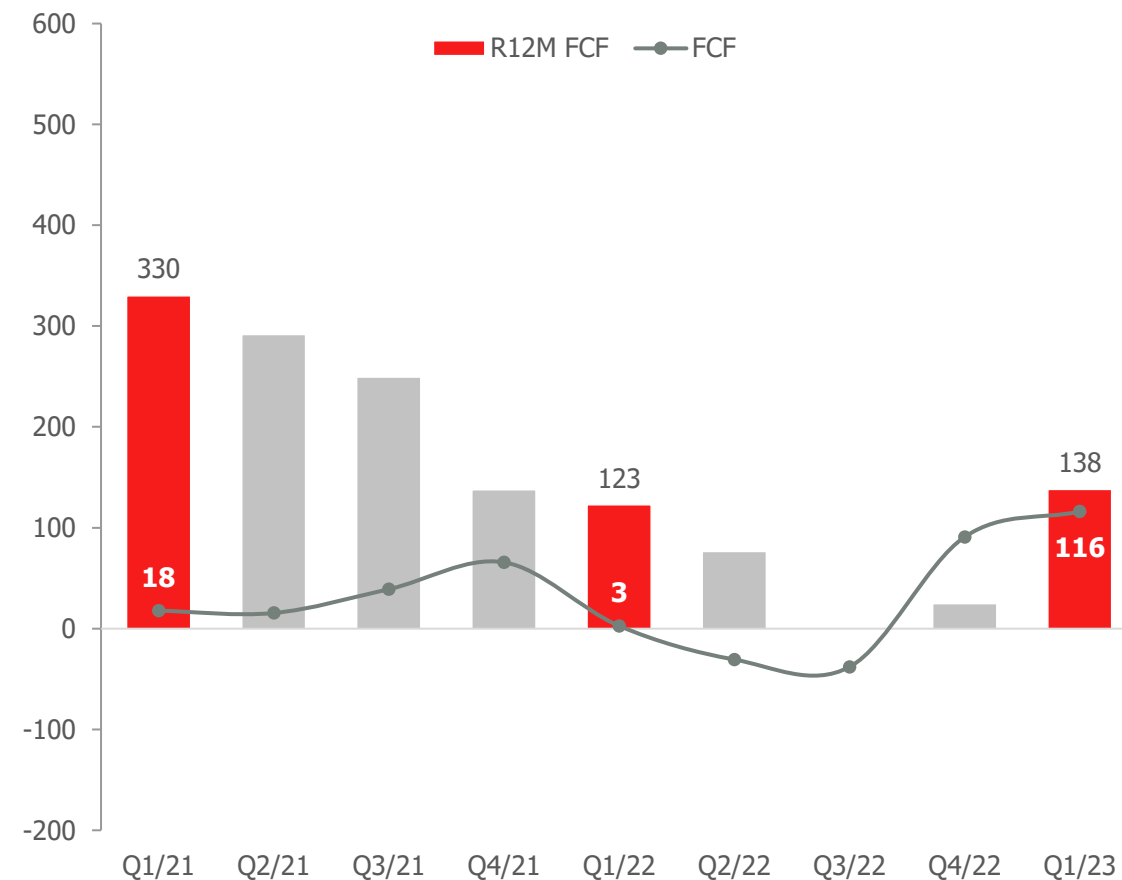
- Comparable EBITA-% increase mainly attributable to higher sales volumes
- Gross margin was approximately flat

Net working capital and free cash flow

Net working capital, MEUR and percentage of sales⁽¹⁾⁽²⁾



Free cash flow, MEUR

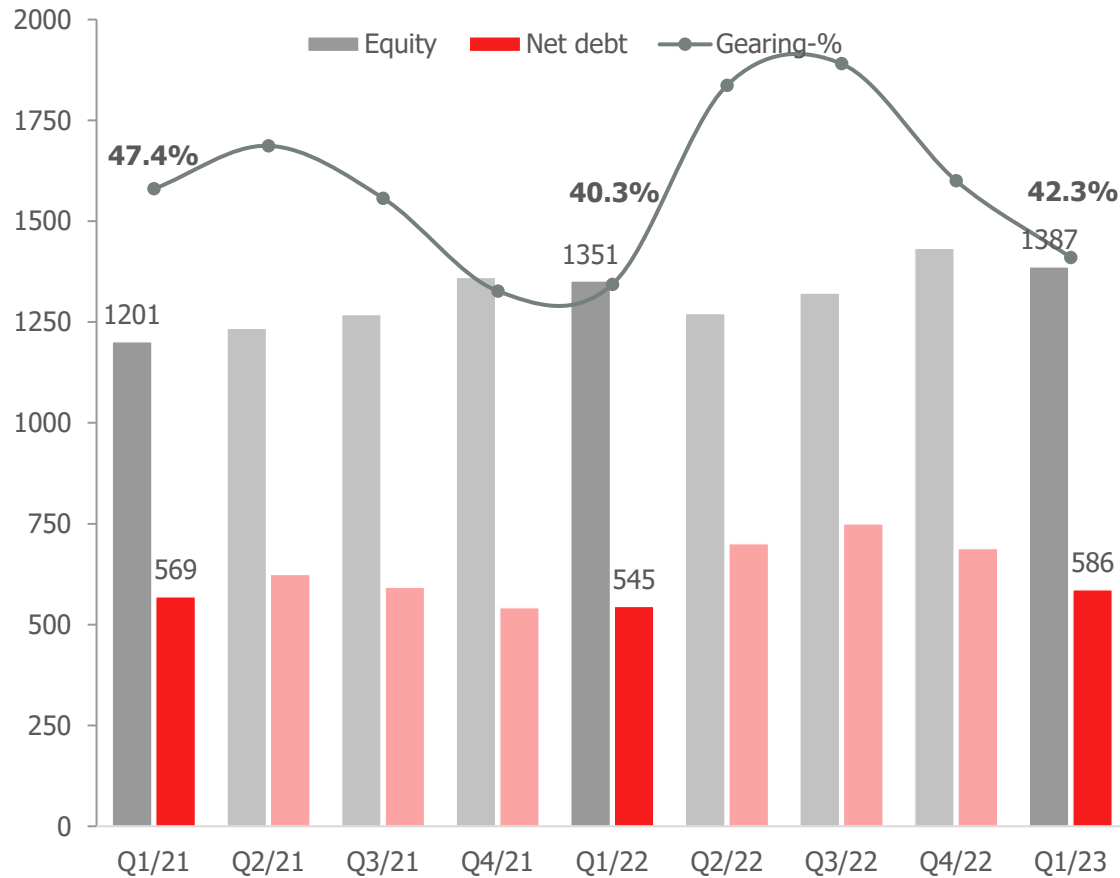


Note (1): NWC formula changed from Q1 2023 onwards and historical figures are restated

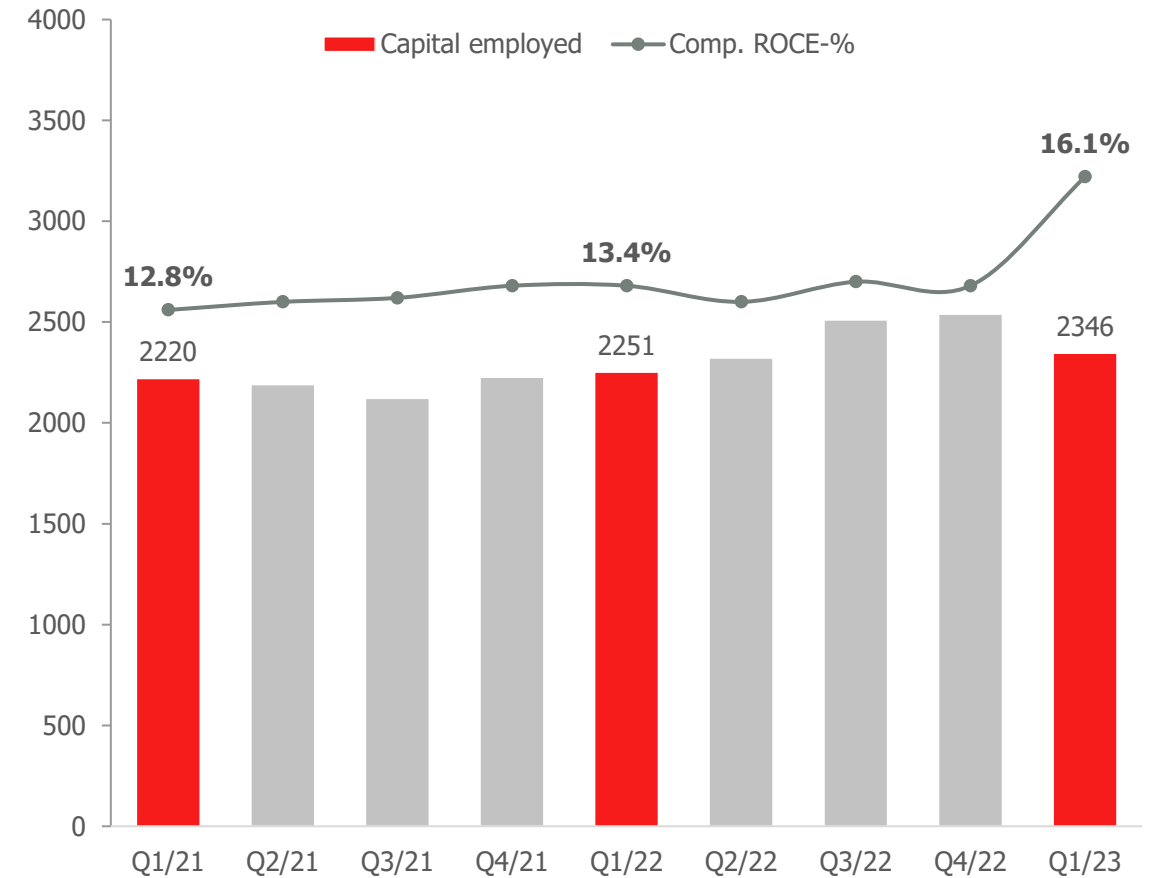
Note (2): Q1/21 excluding dividend payable of EUR 69.6 million, Q1/23 excluding dividend payable of EUR 99.0 million and an acquisition advance in deferred assets

Gearing and return on capital employed

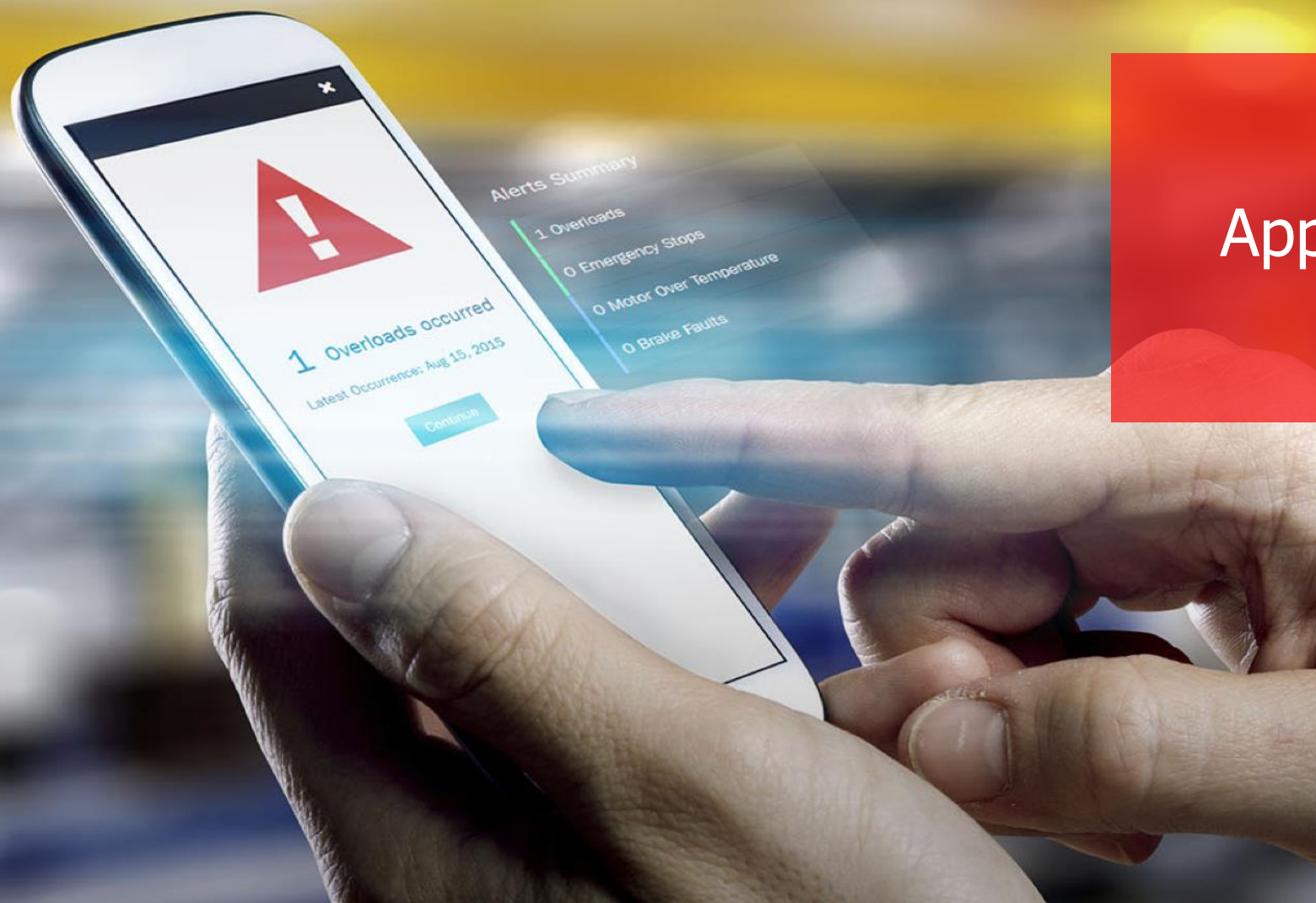
Equity & net debt, MEUR and gearing, %



Capital employed, MEUR and comp. return on capital employed, %



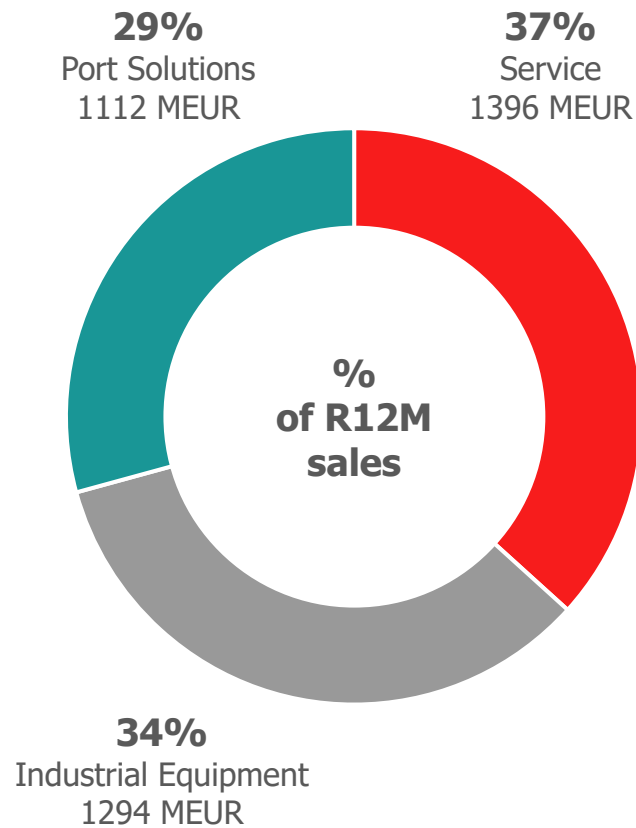
Q&A



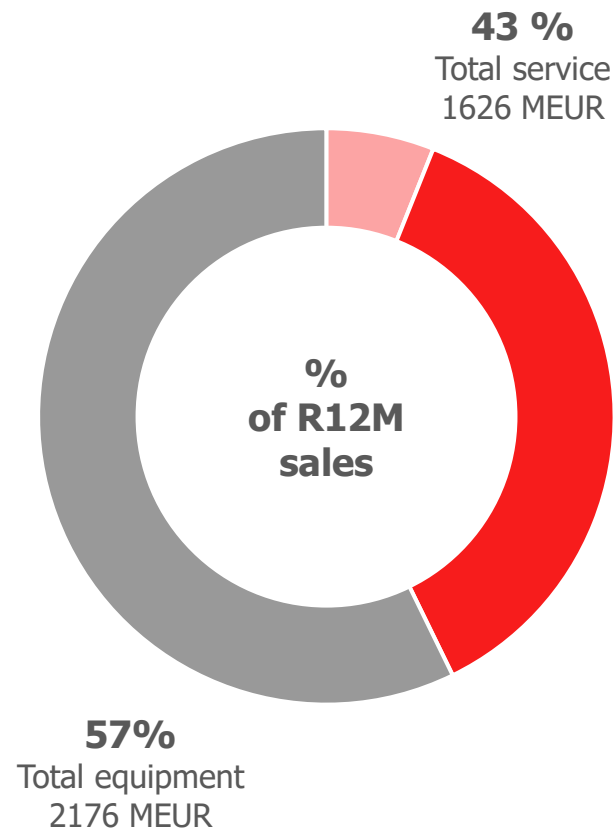
Appendix

Group R12M sales split

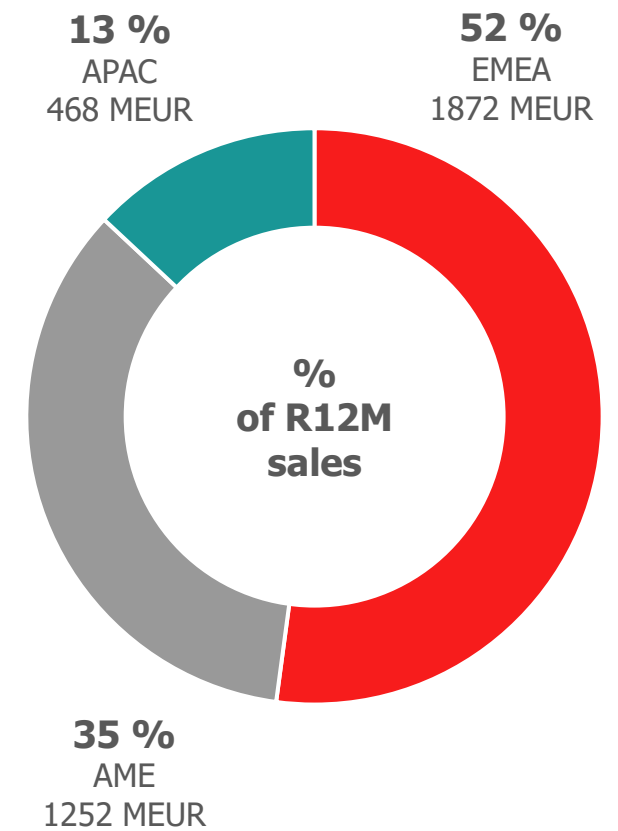
Group R12M sales by segment



Group R12M sales by offering type⁽¹⁾



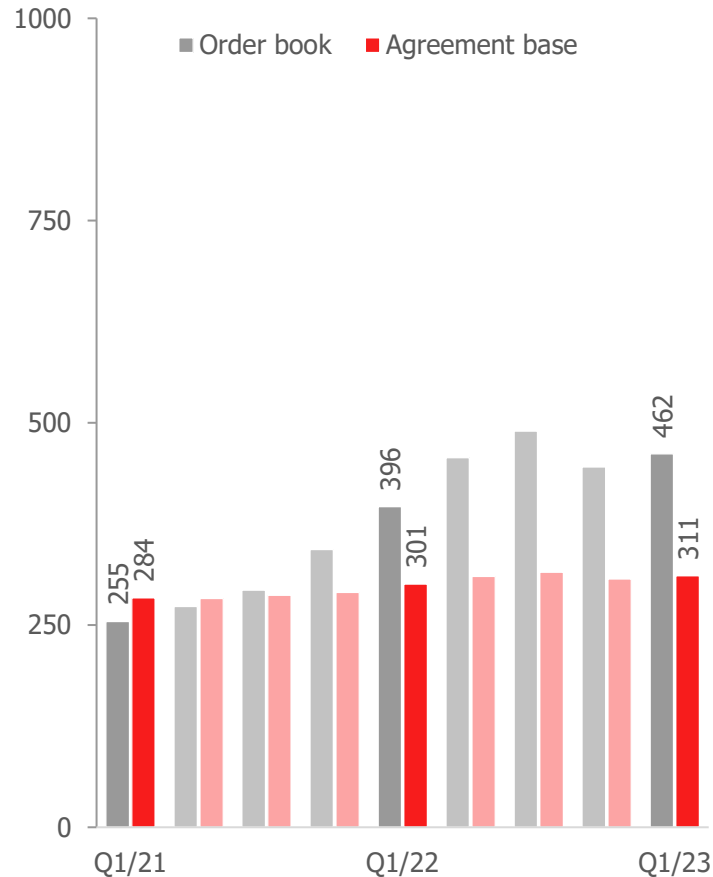
Group R12M sales by region



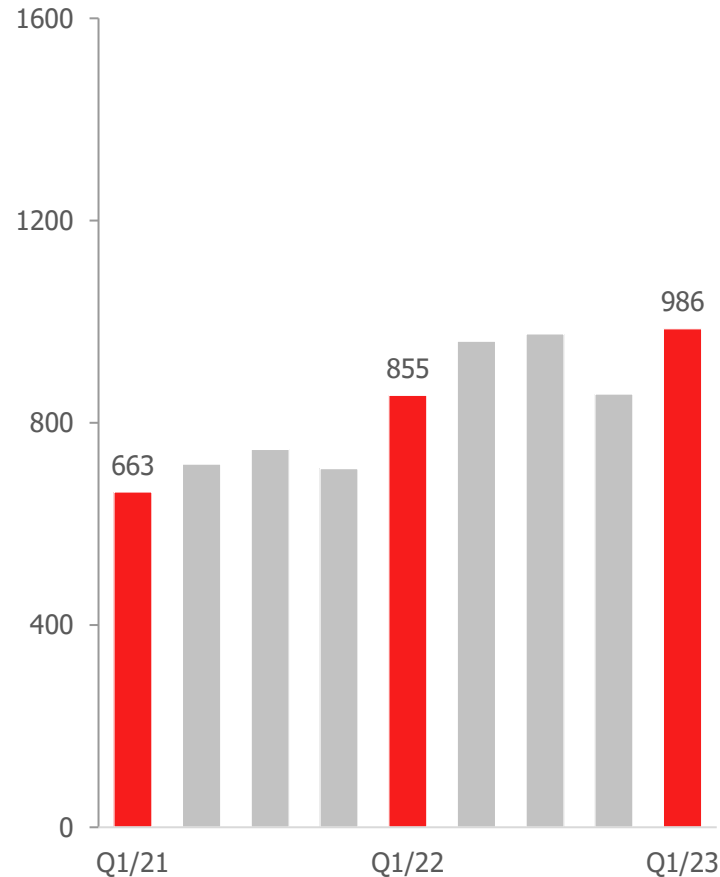
Note (1): Total service includes Service and Port Solutions' service sales, Total equipment includes Industrial Equipment and Port Solutions excluding Port Solutions' service sales

Service agreement base and order book by segment

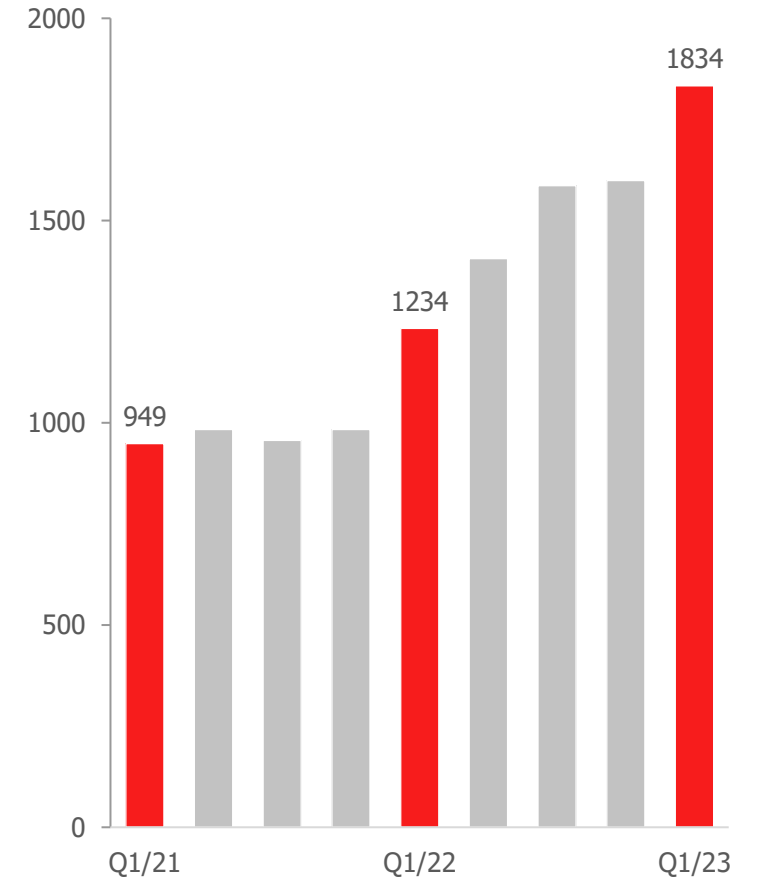
Service agreement base & order book, MEUR



Industrial Equipment order book, MEUR



Port Solutions order book, MEUR



Group key figures 1/2

EUR million	1-3/ 2023	1-3/ 2022	Change %	Change % At comparable currencies	1-12/ 2022
Orders received, MEUR	1,289.6	1,097.5	17.5	17.0	4,227.9
Order book at end of period, MEUR	3,281.4	2,485.2	32.0	32.8	2,901.7
Sales total, MEUR	899.3	672.1	33.8	33.0	3,364.8
Comparable EBITDA, MEUR	117.9	66.3	77.8		406.1
Comparable EBITDA, %	13.1%	9.9%			12.1%
Comparable EBITA, MEUR	95.4	44.1	116.4		318.4
Comparable EBITA, %	10.6%	6.6%			9.5%
Operating profit (EBIT), MEUR	85.8	-19.5	539.0		223.2
Operating margin (EBIT), %	9.5%	-2.9%			6.6%
Net profit for the period, MEUR	52.7	-21.3	347.3		138.5
Earnings per share, basic (EUR)	0.67	-0.26	356.6		1.77
Earnings per share, diluted (EUR)	0.66	-0.26	357.3		1.77
Free cash flow, MEUR	116.0	2.6			24.6
Gearing, %	42.3%	40.3%			48.0%
Comparable ROCE, %, (R12M)	16.1%	13.4%			13.4%

Group key figures 2/2

EUR million	1-3/ 2023	1-3/ 2022	Change %	1-12/ 2022
ROCE, %, (R12M)	14.0	7.1	97.2	9.0
Return on equity, %, (R12M)	15.5	8.4	84.5	9.9
Equity per share (EUR)	17.51	16.98	3.1	18.10
Net debt / Comparable EBITDA, (R12M)	1.3	1.4	-7.1	1.7
Equity to asset ratio, %	37.5	38.5	-2.6	37.9
Investments total (excl. acquisitions), MEUR	9.4	6.3	48.9	37.0
Interest-bearing net debt, MEUR	586.1	545.3	7.5	688.3
Net working capital, MEUR	375.1	322.8	16.2	490.2
Average number of personnel during the period	16,551	16,577	-0.2	16,563
Average number of shares outstanding, basic	79,178,879	79,134,459	0.1	79,151,542
Average number of shares outstanding, diluted	79,381,748	79,544,776	-0.2	79,508,099
Number of shares outstanding	79,202,250	79,134,459	0.1	79,166,599

Key figures by segment

EUR million	1-3/ 2023	1-3/ 2022	Change %	Change % At comparable currencies	1-12/ 2022
Service					
Orders received, MEUR	378.8	346.7	9.2	8.0	1,442.5
Agreement base value, MEUR	311.1	300.7	3.5	4.2	306.9
Sales, MEUR	353.6	301.1	17.4	16.0	1,343.3
Comparable EBITA, MEUR	66.2	52.4	26.4		249.4
Comparable EBITA, %	18.7%	17.4%			18.6%
Industrial Equipment					
Orders received, MEUR	465.2	364.7	27.5	26.3	1,391.6
of which external	415.2	332.6	24.9	23.6	1,194.8
Sales, MEUR	331.3	243.1	36.3	35.0	1,205.6
of which external	286.7	206.7	38.7	37.1	1,068.8
Comparable EBITA, MEUR	22.7	-5.2	536.1		32.5
Comparable EBITA, %	6.8%	-2.1%			2.7%
Port Solutions					
Orders received, MEUR	512.6	430.3	19.1	20.0	1,655.3
Sales, MEUR	272.8	176.0	55.0	56.5	1,015.0
Comparable EBITA, MEUR	17.7	5.2	243.1		63.5
Comparable EBITA, %	6.5%	2.9%			6.3%

Statement of income

EUR million	1-3/ 2023	1-3/ 2022	Change %	1-12/ 2022
Sales	899.3	672.1	33.8	3,364.8
Other operating income	2.9	1.1		8.1
Materials, supplies and subcontracting	-378.9	-283.9		-1,510.2
Personnel cost	-291.3	-273.0		-1,091.9
Depreciation and impairments	-29.5	-31.8		-124.4
Other operating expenses	-116.7	-104.0		-423.2
Operating profit	85.8	-19.5	539.0	223.2
Share of associates' and joint ventures' result	0.0	0.0		0.4
Financial income	5.4	6.1		26.8
Financial expenses	-19.0	-15.9		-59.7
Profit before taxes	72.2	-29.4	345.6	190.7
Taxes	-19.5	8.1		-52.2
Profit for the period	52.7	-21.3	347.3	138.5

Balance sheet

EUR million	31 Mar 2023	31 Mar 2022
Non-current assets	1,959.7	2,006.3
Goodwill	1,017.9	1,023.3
Intangible assets	466.9	494.4
Property, plant and equipment	337.9	334.4
Other	137.0	154.2
Current assets	2,360.4	1,981.4
Inventories	1,052.3	849.5
Accounts receivable	541.0	452.9
Receivables and other current assets	398.8	327.3
Cash and cash equivalents	368.4	351.6
Assets held for sale	23.5	0.0
Total Assets	4,343.6	3,987.7

EUR million	31 Mar 2023	31 Mar 2022
Total Equity	1,387.0	1,351.5
Non-current liabilities	1,274.3	895.5
Interest-bearing liabilities	904.8	446.8
Other long-term liabilities	217.3	286.2
Other	152.2	162.6
Current liabilities	1,670.7	1,740.7
Interest-bearing liabilities	53.8	452.9
Advance payments received	636.4	473.1
Accounts payable	322.0	268.4
Provisions	91.7	103.0
Other current liabilities	566.8	443.4
Liabilities directly attributable to assets held for sale	11.5	0.0
Total Equity and Liabilities	4,343.6	3,987.7

Cash flow statement

EUR million	1-3/ 2023	1-3/ 2022	1-12/ 2022
Operating income before change in net working capital	112.1	15.3	344.5
Change in net working capital	12.1	29.2	-162.3
Cash flow from operations before financing items and taxes	124.3	44.5	182.2
Financing items and taxes	4.4	-31.3	-115.5
Net cash from operating activities	128.6	13.1	66.7
Net cash used in investing activities	-12.6	-10.5	-43.6
Cash flow before financing activities	116.0	2.6	23.1
Net cash used in financing activities	-160.1	23.4	69.1
Translation differences in cash	-1.4	4.9	1.0
Change of cash and cash equivalents	-45.5	30.9	93.2
Free cash flow	116.0	2.6	24.6



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