

KONECRANES

# Konecranes Investor Presentation

May 2023

# Important Notice

The following applies to this presentation, the oral presentation of the information in this presentation by Konecranes Abp (the “**Company**” or “**Konecranes**”) or any person on behalf of the Company, and any question-and-answer session that follows the oral presentation (collectively, the “**Information**”). In accessing the Information, you agree to be bound by the following terms and conditions.

This presentation does not constitute an offer of or an invitation by or on behalf of, Konecranes, or any other person, to purchase any securities.

The Information is not directed to, or intended for distribution to or use by, any person or entity that is a citizen or resident of, or located in, any locality, state, country or other jurisdiction where such distribution or use would be contrary to law or regulation or which would require any registration or licensing within such jurisdiction.

The Information contains forward-looking statements. All statements other than statements of historical fact included in the Information are forward-looking statements. Forward-looking statements give the Company’s current expectations and projections relating to its financial condition, results of operations, plans, objectives, future performance and business. These statements may include, without limitation, any statements preceded by, followed by or including words such as “target,” “believe,” “expect,” “aim,” “intend,” “may,” “anticipate,” “estimate,” “plan,” “project,” “will,” “can have,” “likely,” “should,” “would,” “could” and other words and terms of similar meaning or the negative thereof. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors beyond the Company’s control that could cause the Company’s actual results, performance or achievements to be materially different from the expected results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Company’s present and future business strategies and the environment in which it will operate in the future.

The Information, including but not limited to forward-looking statements, applies only as of the date of this document and is not intended to give any assurances as to future results. Market data used in the Information not attributed to a specific source are estimates of the Company and have not been independently verified.

# Agenda

1. Konecranes in brief
2. Updated strategy & financial targets
3. Key financials development
4. Konecranes as an investment
5. Segment overviews
6. Appendix
7. Latest quarterly result presentation



# 1. Konecranes in brief



# Shaping next generation material handling for a smarter, safer and better world

Nasdaq Helsinki

**KCR**

since 1996

Headquartered in

**Hyvinkää**

Finland

Active in around

**50**

countries

Approximately

**16,600**

employees, Q1 2023

Orders received

**4,227.9**

MEUR, 2022<sup>(1)</sup>

Net sales

**3,364.8**

MEUR, 2022

Comparable EBITA

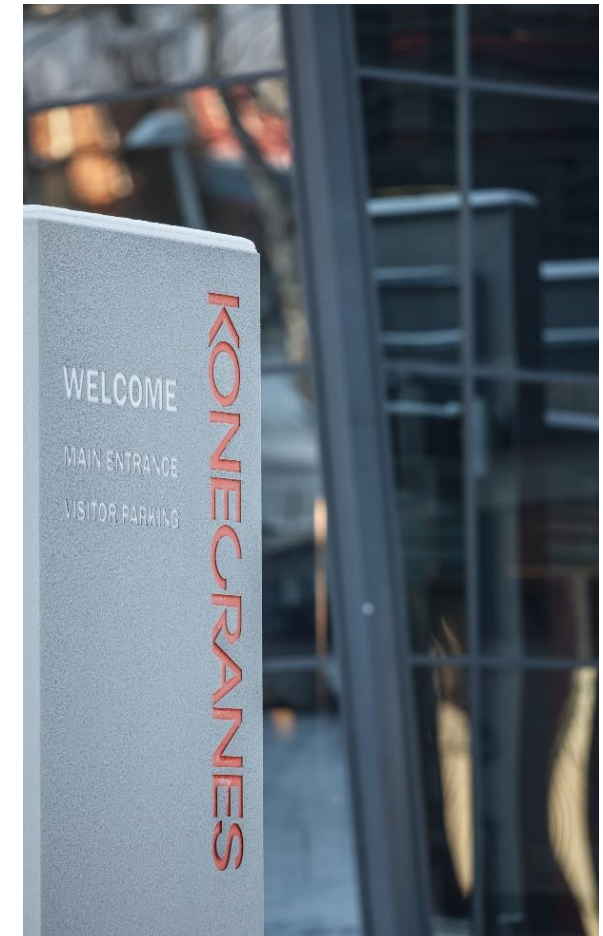
**9.5%**

margin, 2022

Order book

**2,901.7**

MEUR, 2022

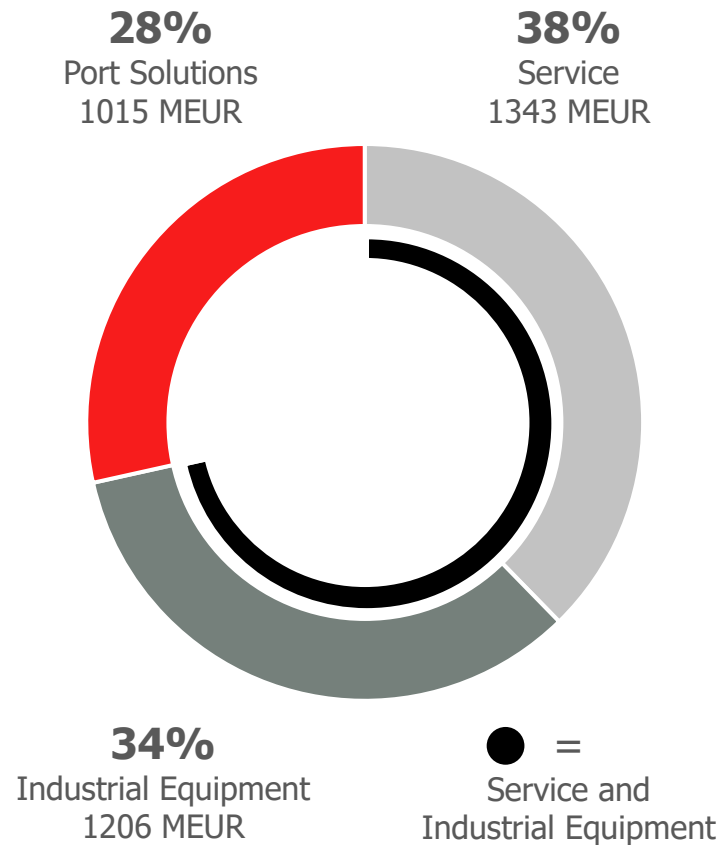


Note (1): Agreement base included in orders received from Q1 2023 onwards and historical figure for 2022 is restated

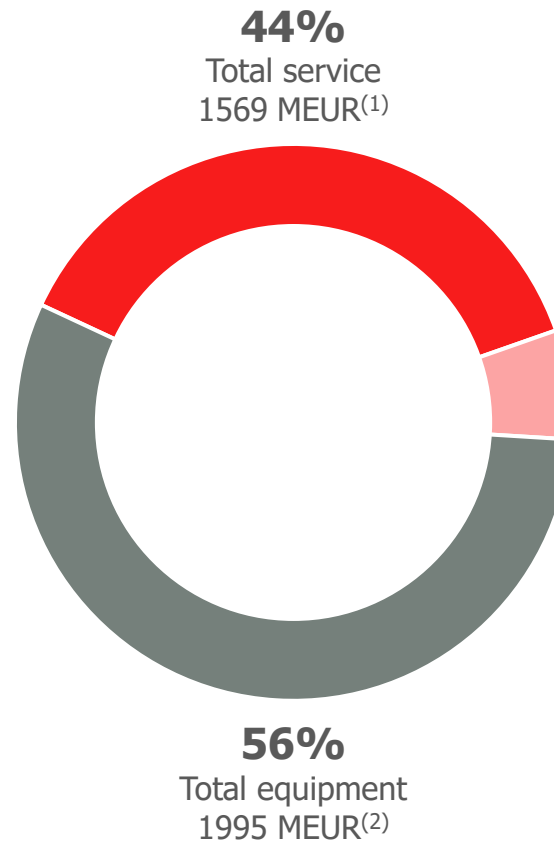
**KONECRANES**

# Two main customer segments, extensive service coverage and a truly global presence

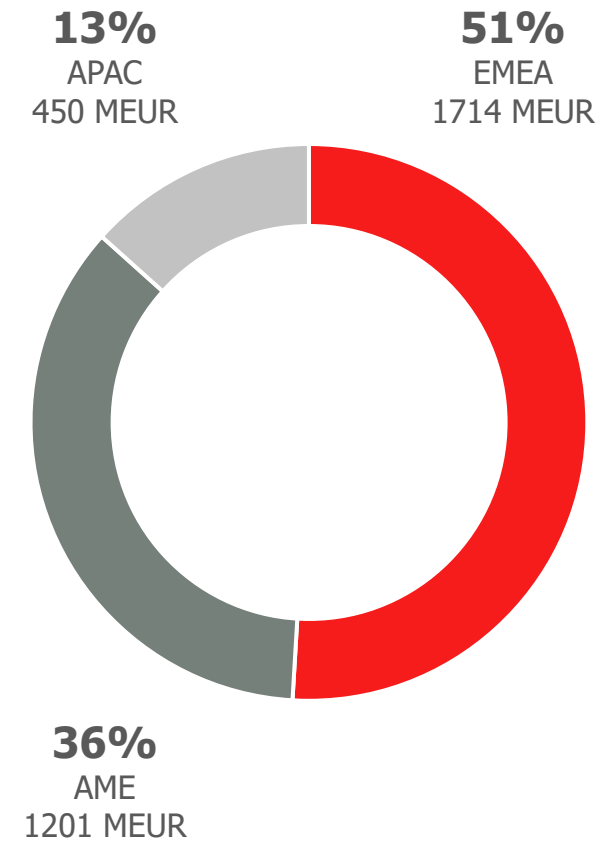
Sales by segment, 2022



Sales by offering type, 2022



Sales by region, 2022



Note (1): Total service includes Service and Port Solutions' service sales of 226.1 MEUR

Note (2): Total equipment includes Industrial Equipment and Port Solutions excluding Port Solutions' service sales of 226.1 MEUR

# An industry and technology leader in material handling solutions

## Service and Industrial Equipment



### Service

- **Specialized maintenance services and spare parts** for all types and makes of industrial cranes and hoists
- **Unparalleled global service network**



### Industrial Equipment

- **Extensive range of industrial cranes**, from components and light duty applications to demanding process solutions
- **Technology leadership** and **leading market position**


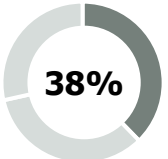


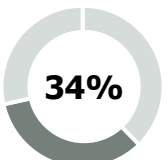


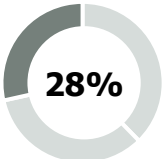
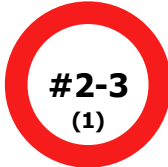


### Port Solutions

- Provides **equipment, solutions and service for the container handling** industry and ports
- **One of the leading global suppliers**

# We have a solid platform with leading market positions to build on

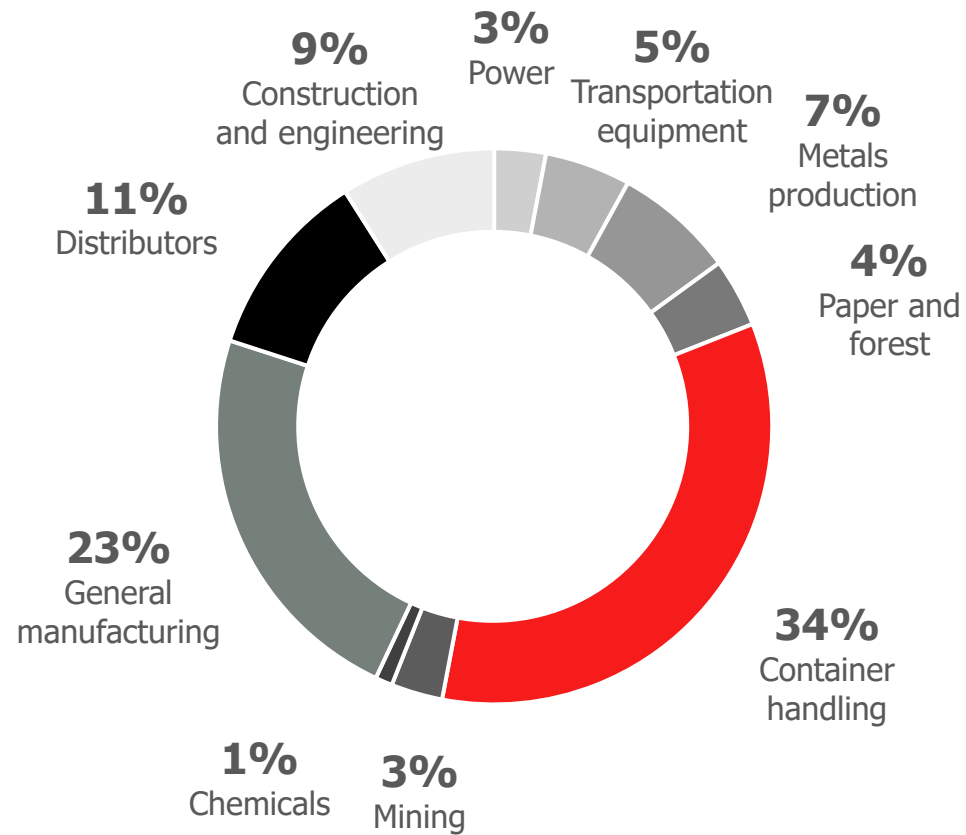
## Segment

Service and Industrial Equipment	 <p><b>Service</b></p>	<p>Net sales <b>1,343.3</b> MEUR, 2022</p> <p>Personnel <b>7,950</b> end of Q1 2023</p>	 <p><b>38%</b></p> <p>Share of Group's net sales (2022)</p>	<p><b>~10-15 BEUR</b> addressable core market</p> <p><b>Thousands</b> of participants</p>	 <p><b>#1</b></p>	<ul style="list-style-type: none"> <li>• Inspections &amp; preventive maintenance</li> <li>• Predictive maintenance &amp; remote monitoring</li> <li>• Corrective maintenance &amp; retrofits</li> <li>• Consultation services</li> <li>• Modernization services</li> <li>• New equipment &amp; spare parts</li> </ul>
	 <p><b>Industrial Equipment</b></p>	<p>Net sales <b>1,205.6</b> MEUR, 2022</p> <p>Personnel <b>5,416</b> end of Q1 2023</p>	 <p><b>34%</b></p> <p>Share of Group's net sales (2022)</p>	<p><b>~10 BEUR</b> addressable core market</p> <p><b>Thousands</b> of participants</p>	 <p><b>#1</b></p>	<ul style="list-style-type: none"> <li>• Hoists and components (electric wire rope hoists, electric chain hoists, Core of Lifting)</li> <li>• Standard cranes (built from standardized modules, largely comprise overhead cranes)</li> <li>• Process cranes (application-specific cranes tailored to a specific customer need)</li> </ul>
	 <p><b>Port Solutions</b></p>	<p>Net sales <b>1,015.0</b> MEUR, 2022</p> <p>Personnel <b>3,114</b> end of Q1 2023</p>	 <p><b>28%</b></p> <p>Share of Group's net sales (2022)</p>	<p><b>~15-20 BEUR</b> addressable core market</p> <p><b>Hundreds</b> of participants</p>	 <p><b>#2-3 (1)</b></p>	<ul style="list-style-type: none"> <li>• Quayside cranes (STS, MHC)</li> <li>• Container yard, intermodal &amp; horizontal transport equipment (RTG, RMG, ARTG, ARMG/ASC, SC, AGV)</li> <li>• Lift trucks (RS, FLT, LCH/ECH)</li> <li>• Software solutions (TOS, ECS)</li> <li>• Service, spare parts, retrofits, modernizations</li> </ul>

Note (1): Market position estimate varies depending on Business Unit

# Our broad customer base provides both stability and growth opportunities

## Orders by customer segments, 2022



**Container handling**



**General manufacturing**



**Metals production**



**Paper and forest**



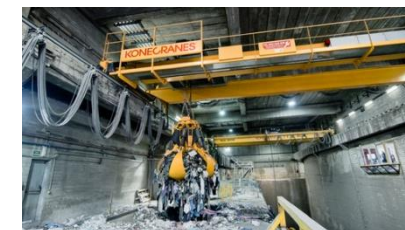
**Automotive**



**Mining**



**Power & Nuclear**

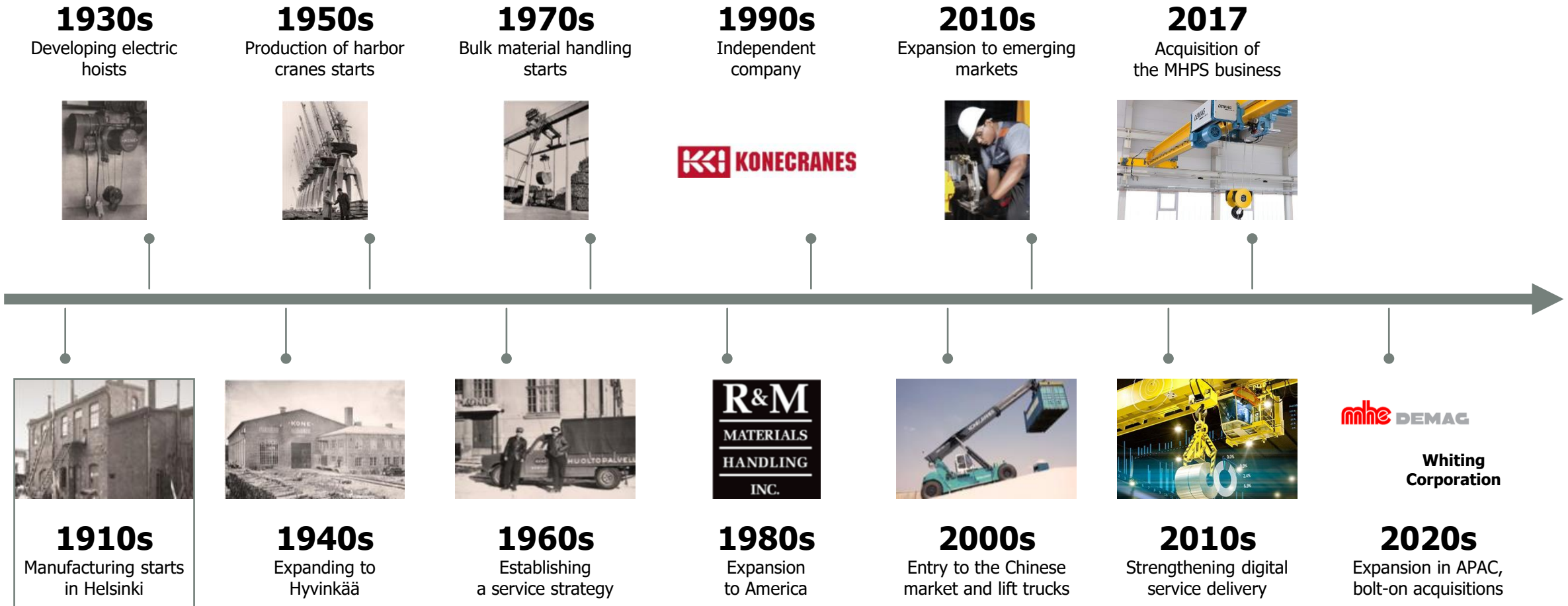


**Waste-to-energy**

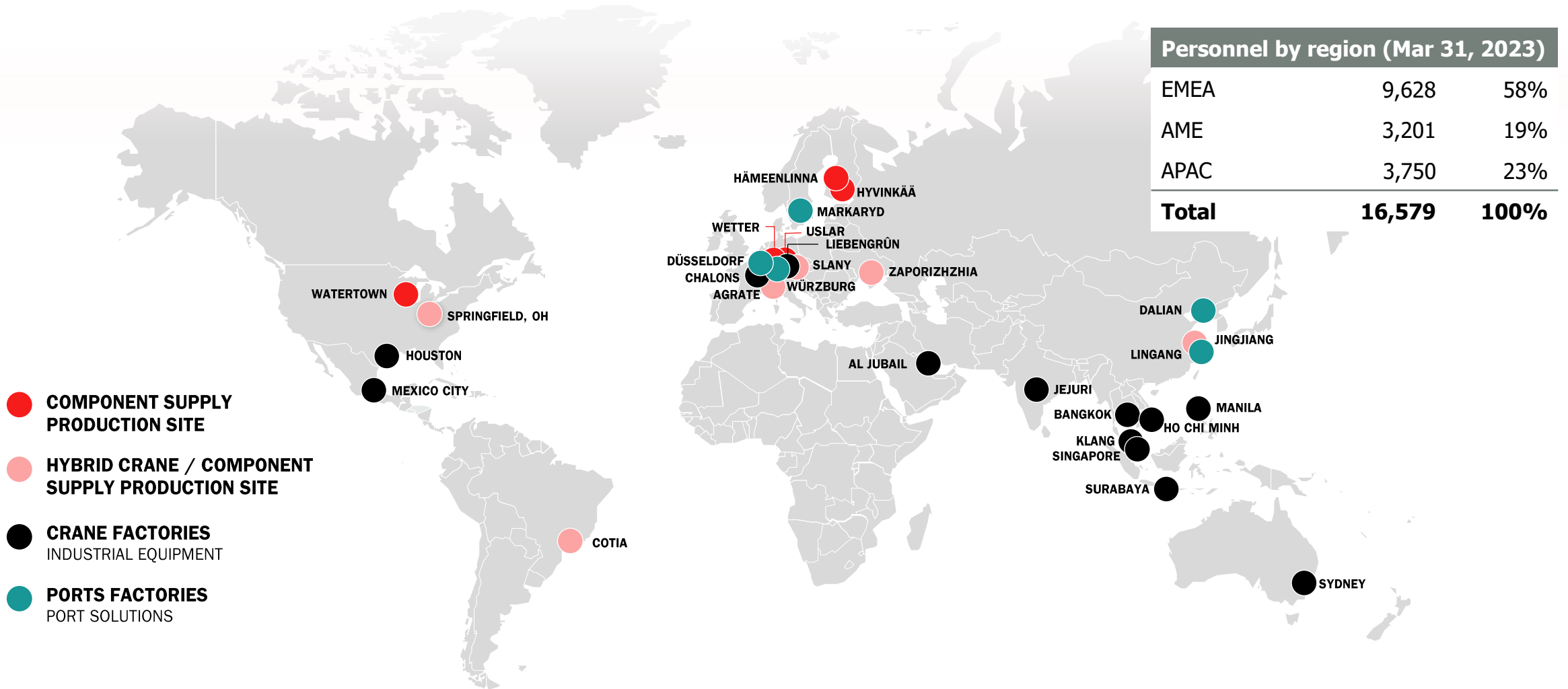


**Petroleum and gas**

# More than 100 years of growth both organically and through strategic acquisitions



Around 16,600 employees and production facilities located in the Americas, EMEA and APAC



# Konecranes has identified the following megatrends that shape its markets and provide business opportunities

## Sustainability

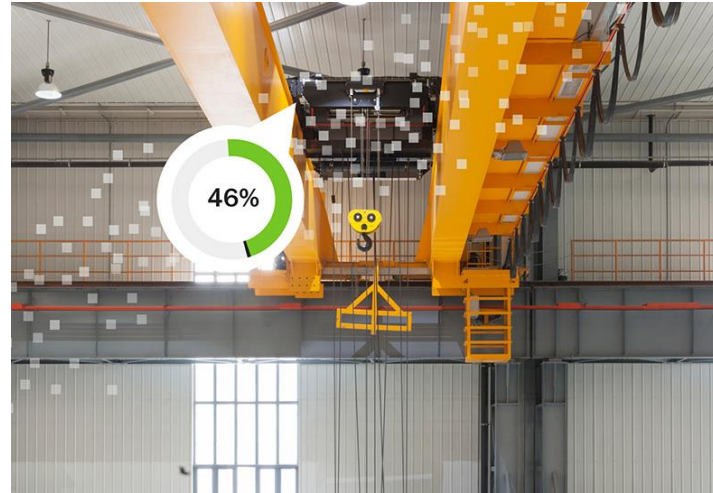
Sustainability has become **the norm** in business, the focus widening to managing the **whole value chain's impact** on social and environmental aspects



We enable a **decarbonized, circular** and **safer world** by embedding sustainability across our business and supporting our customers in achieving their targets.

## Digitalization and automation

**Productivity** and seamless operations, enabled by **digitalization and automation**, are a higher priority for companies



We provide **automated, intelligent** and more complete material handling **solutions** that boost our customers' **productivity**.

## Geopolitics and macroeconomics

Geopolitical issues **change** the dynamics in the **global flow of goods and information**, and macroeconomic changes cause overall **economic uncertainty**



We contribute to **improving data management** and **the resilience** of overall operations and supply networks.

# We harness the advantages of our purpose-built componentry, technology innovation and digitalization

- Core of Lifting comprises purpose-built, integrated package of gearbox, motor, control system and connectivity, made specifically for cranes and lifting motion
- Designing and creating the core in-house provides cranes a longer lifetime, optimized performance and cost, increased safety and productivity
- Same unified digital and physical componentry across the entire portfolio enables effective customer engagement throughout the world
- Embedded sensors and software provide real-time data to customers and enable process optimization and predictive maintenance



**2,000,000**

Motors  
since 1933

**500,000**

Inverter based  
control systems  
since 1933

**49,000**

Connected cranes  
in 140 countries

**2,000**

Active and  
pending patents

**4,500+**

Service  
technicians

# We embrace the broader sustainability agenda and support our customers in achieving their ESG targets

## Konecranes' sustainability commitments

**Konecranes has set ambitious targets for all four commitments and regularly monitors performance and progress**

### We deliver safe and secure material handling solutions

- Providing solutions for safe, uninterrupted and secure material handling
- Ensuring uncompromised safety in our own operations and supply chain

### We enable a decarbonized and circular world

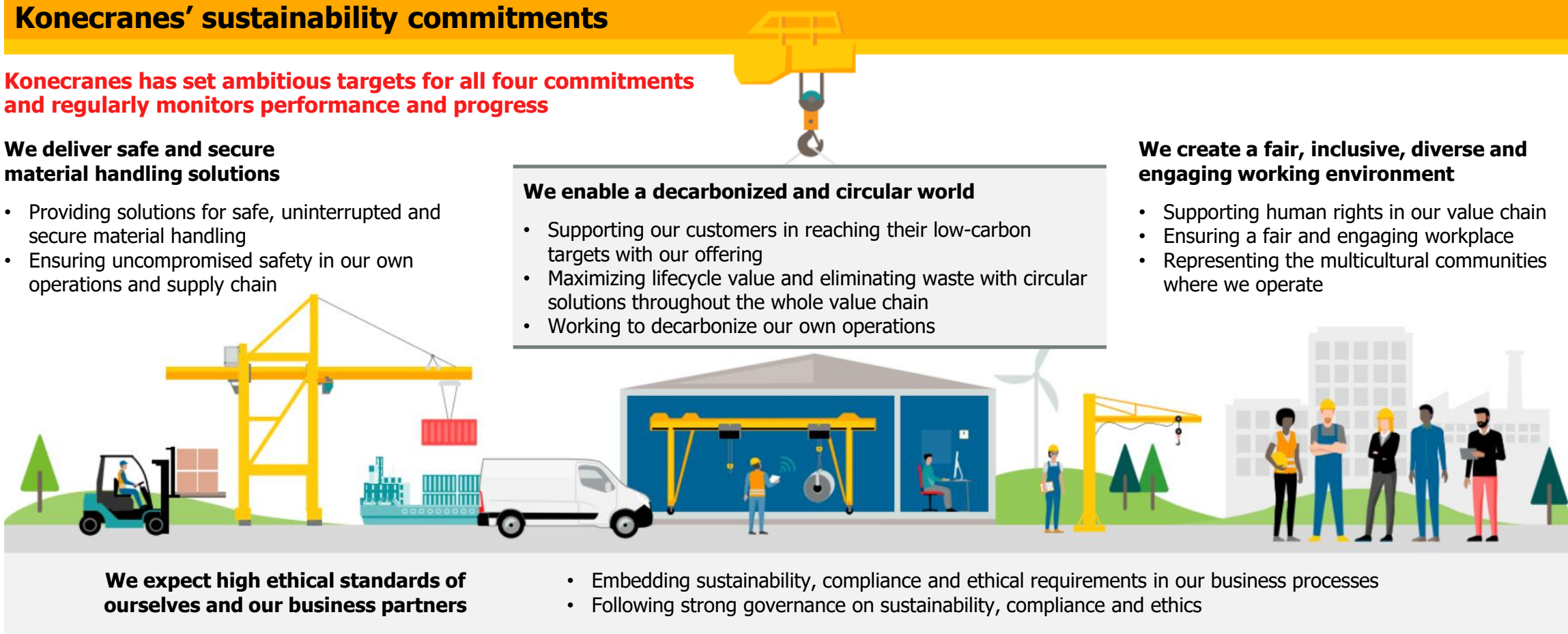
- Supporting our customers in reaching their low-carbon targets with our offering
- Maximizing lifecycle value and eliminating waste with circular solutions throughout the whole value chain
- Working to decarbonize our own operations

### We create a fair, inclusive, diverse and engaging working environment

- Supporting human rights in our value chain
- Ensuring a fair and engaging workplace
- Representing the multicultural communities where we operate

### We expect high ethical standards of ourselves and our business partners

- Embedding sustainability, compliance and ethical requirements in our business processes
- Following strong governance on sustainability, compliance and ethics



# Our sustainability work has been recognized with leadership ratings

## SUSTAINABILITY RATINGS

**MSCI**  
ESG Rating  
2022<sup>(1)</sup>



**CDP**  
Climate  
Change 2022



**EcoVadis**  
Sustainability  
rating 2022



**ISS**  
ESG Rating  
2023



## SELECTED HIGHLIGHTS IN 2022:

### Environment:

- Factories powered 100% with renewable electricity
- The first fully electric service vehicles taken into use

### Social:

- Launching Human Rights Policy
- Signing the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Businesses and Human Rights

### Governance:

- High participation in Code of Conduct training
- Rollout of competition law trainings and relaunch of the trade sanctions and export controls e-learning
- External supplier sustainability audits continued

## COMMITMENT TO THE UN SUSTAINABLE DEVELOPMENT GOALS

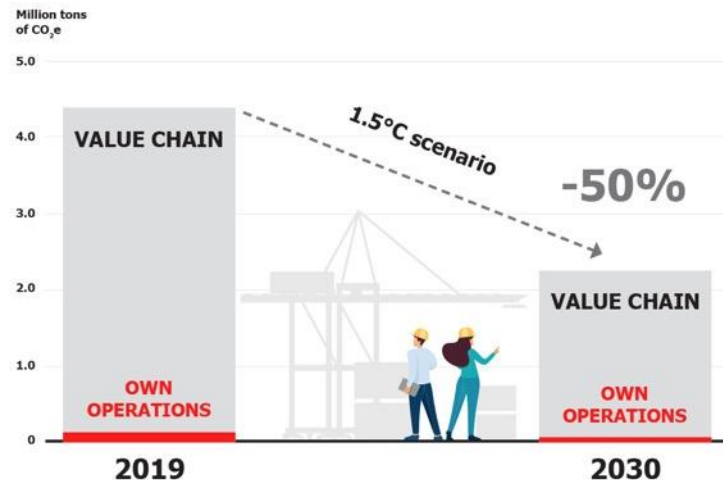


- Signatory member of the UN Global Compact since 2010

Note (1): The use by Konecranes of any MSCI ESG Research Llc or its affiliates ("MSCI") data, and the use of MSCI logos, trademarks, service marks or index names herein, do not constitute a sponsorship, endorsement, recommendation, or promotion of Konecranes by MSCI. MSCI services and data are the property of MSCI or its information providers, and are provided 'as-is' and without warranty. MSCI names and logos are trademarks or service marks of MSCI.

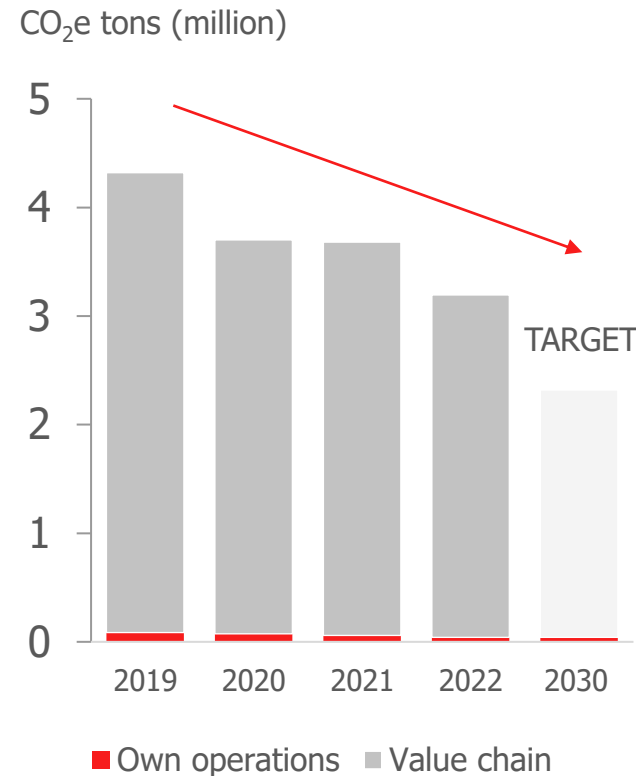
# We have made great progress towards our climate targets

## SCIENCE BASED TARGETS



Our **climate targets** have been validated as being **in line with the ambition to limit global warming to 1.5°C**.

## PROGRESS



### OWN OPERATIONS:

- **50% absolute GHG emission reduction<sup>(1)</sup> by 2030**
- **Target achieved** already in 2022!

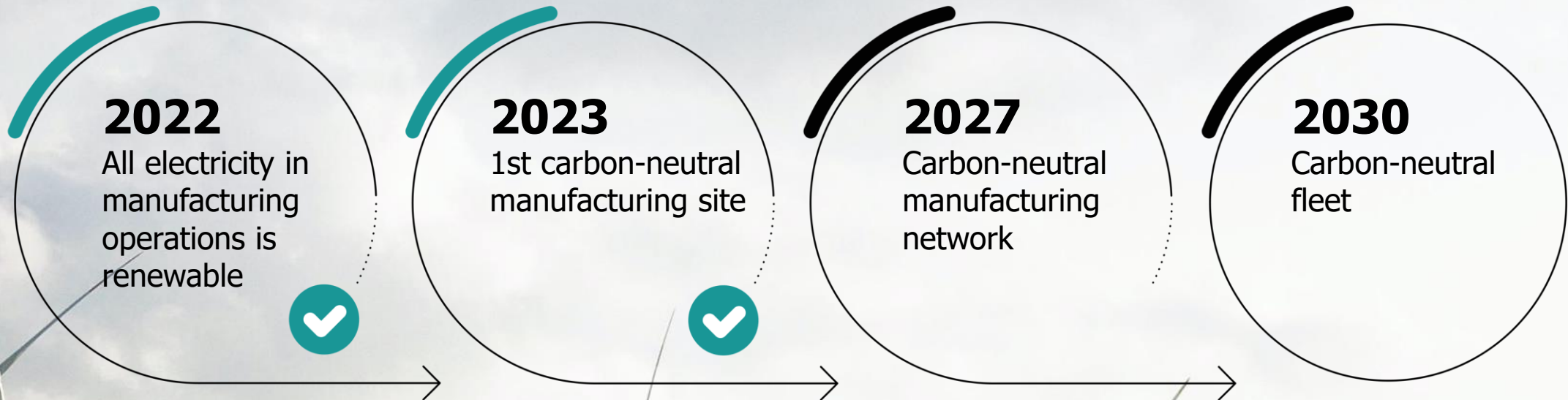
### VALUE CHAIN:

- **50% absolute GHG emissions by 2030<sup>(1)</sup>**, encompassing use of sold products and steel related purchases<sup>(2)</sup>
- **Progress: 26%** in 2019-2022

Note (1): From 2019 base year

Note (2): The Scope 3 target covers more than 70% of the value chain emissions

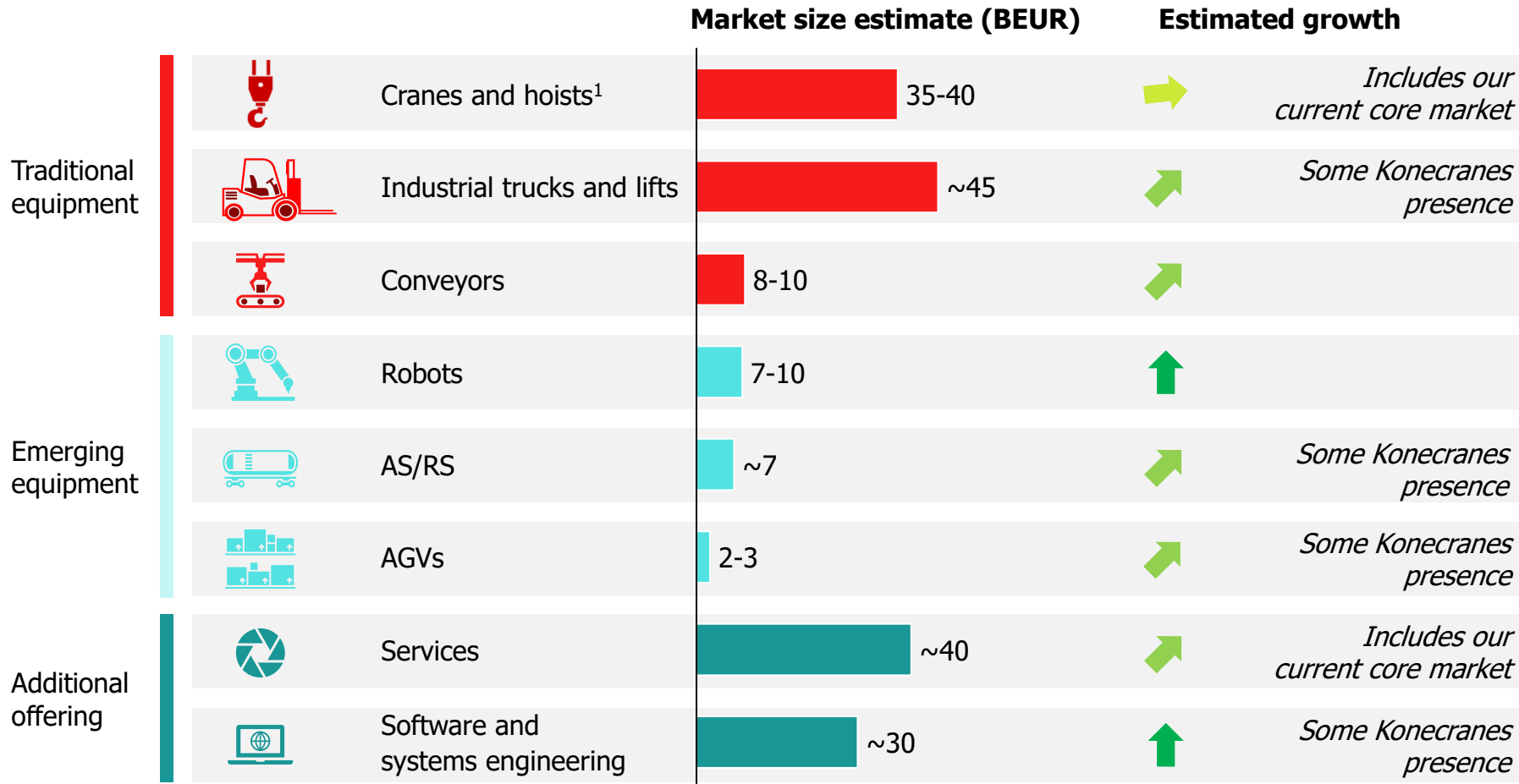
We have raised our ambition and aim  
at carbon neutral own operations by 2030



## 2. Updated strategy & financial targets



# Material handling market offers possibility to capture growth



**Our focus  
is on our core  
businesses...**

... at the same time,  
adjacent material handling  
areas offer the possibility  
to capture growth and to  
fulfil customers' broader  
material handling needs.

Notes: 1) Cranes and hoists category also includes other cranes and hoists in addition to KC offering  
Source: internal analysis

# We have a clear strategy to execute in all our Business Segments

## Deliver **Service** growth



- Renewed Service Program: segmented offering driving agreement base expansion
- Enhanced customer experience
- Commercial and operational excellence
- Equivalent parts for third party equipment
- Data driven sales
- Bolt-on acquisitions

## Improve **Industrial Equipment** profitability



- Simplification of go-to market model
- Renewed and standardized offering
- Platform harmonization
- Operational excellence
- Optimized portfolio
- Stabilization and fixing profitability for Process Cranes

## Generate profitable growth in **Port Solutions**



- Focus on core offering with best growth opportunity
- Growing Port Services
- Capturing automation opportunities
- Operational excellence
- Project management excellence
- Launching sustainable offering

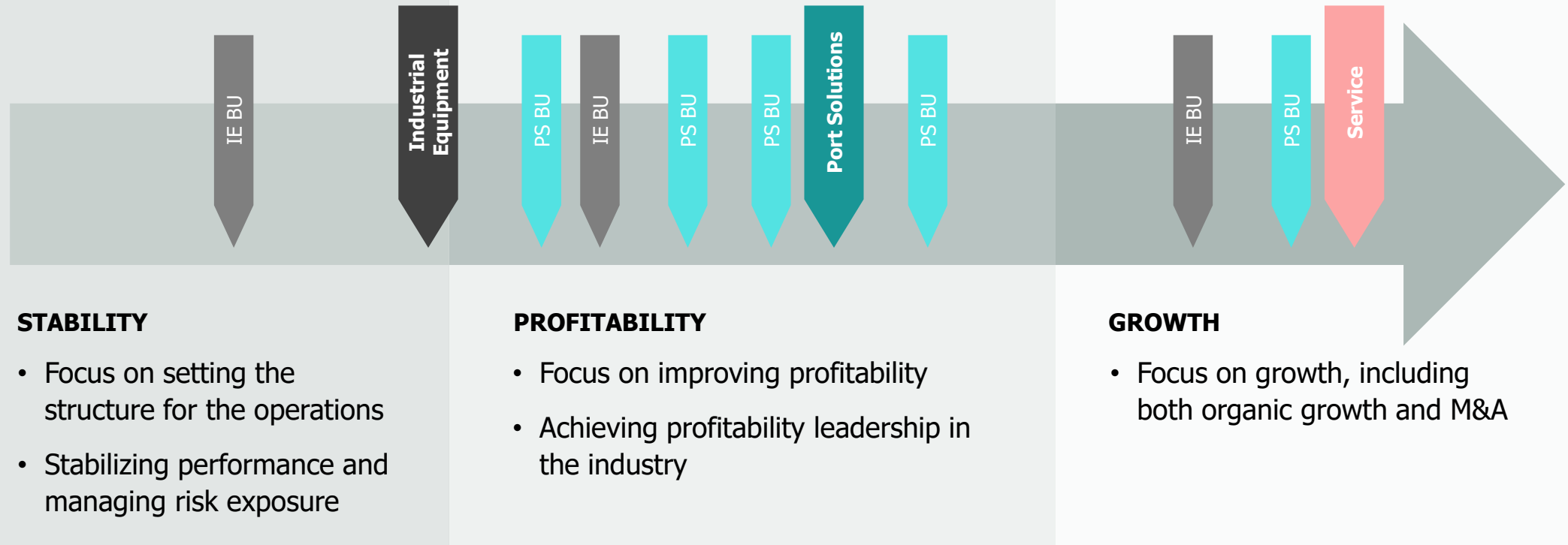
### **WE FOCUS ON:**

- Profitable and high growth offerings and geographies
- Leveraging technology leadership through automated and digital solutions
- Markets and segments that appreciate the added value of our offering
- Pricing, cost management and internal efficiency

# Our focus is on profitability before embarking on growth

We will manage our businesses by clear mandates for their operations.

Depending on the stage of development, the mandates are either for Stability, Profitability or Growth.



Portfolio management will play an even more important role going forward and we will not shy away from fixing, growing or exiting businesses.

# Our Ambition is to become the world leader in material handling solutions creating value for everyone

## FINANCIAL TARGETS:

- Sales growth faster than the market<sup>1</sup>
- Comparable EBITA margin of 12-15%<sup>2</sup> as soon as possible, but no later than in 2027

## DIVIDEND POLICY:

To pay a stable to increasing dividend per share, over the cycle

<sup>1</sup> nominal world GDP growth, IMF World Economic Outlook

<sup>2</sup> profitability range, depending on the cycle



# Financial targets

**Sales growth faster than the market<sup>1</sup>**

**12-15% comparable EBITA margin<sup>2</sup>**

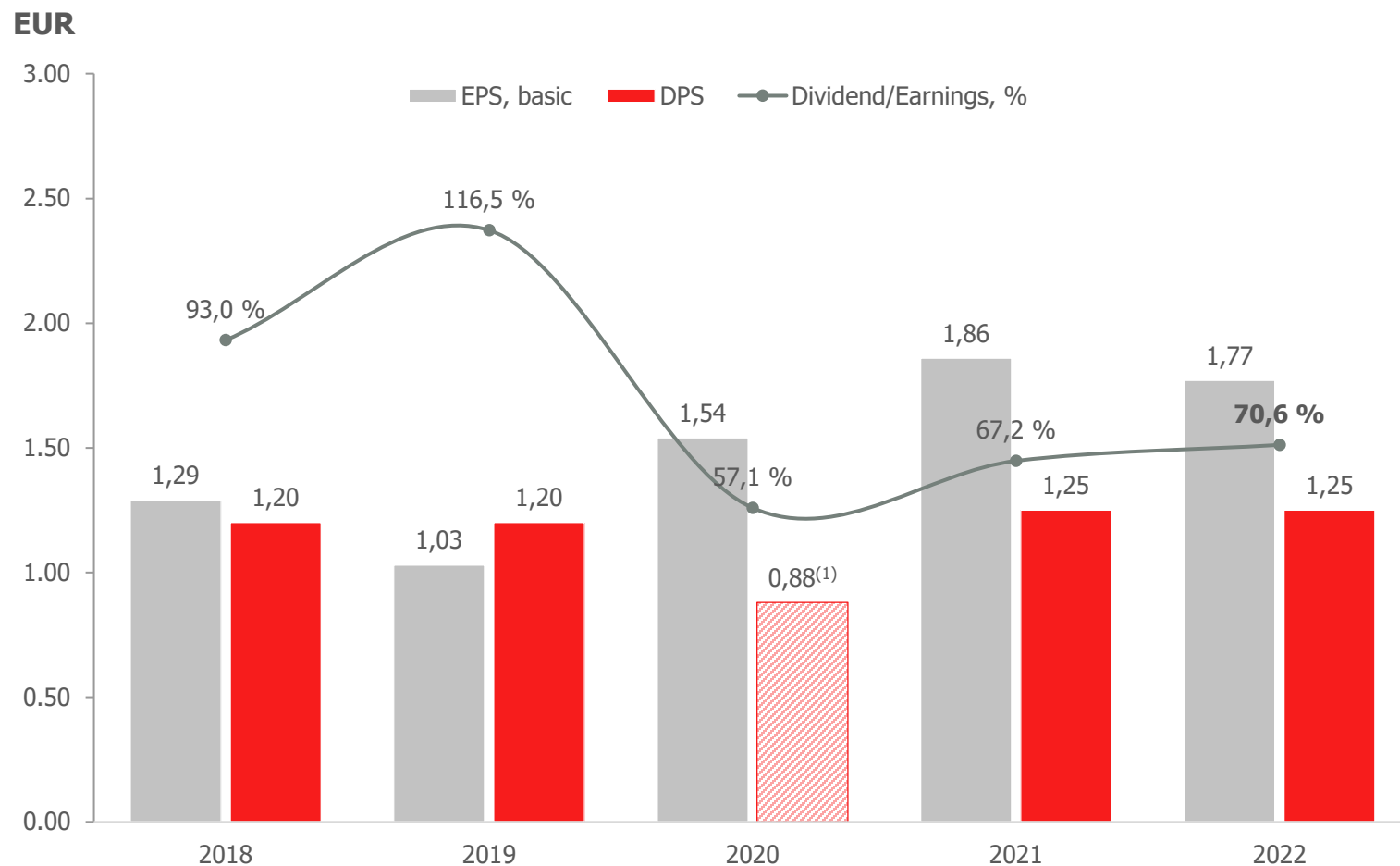


**Comparable EBITA margin target to be reached as soon as possible, but no later than in 2027**

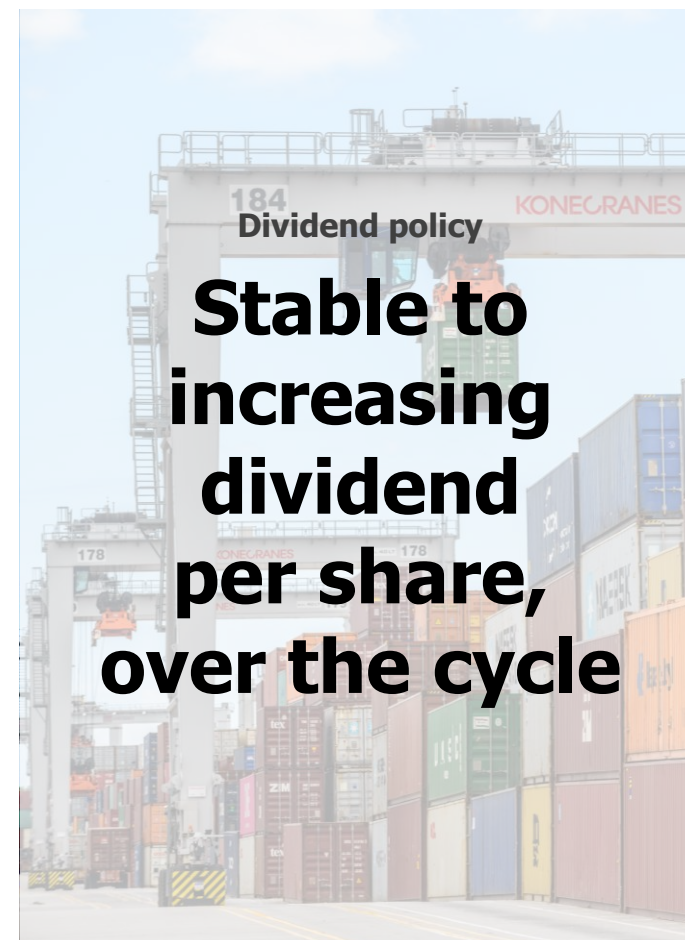
<sup>1</sup> nominal world GDP growth, IMF World Economic Outlook

<sup>2</sup> profitability range, depending on the cycle

# We pay a stable to increasing dividend to our shareholders



Note (1): For 2020, the dividend of EUR 0.88 per share was in accordance with the Combination Agreement, the planned merger with Cargotec was cancelled in March 2022



# Strategic Enablers driving our business forward towards our Ambition and Financial Targets

**Deepening  
customer  
focus**

**Accelerating  
efficiency**

**Scaling  
technology  
innovation**

**Advancing  
responsible  
business**

**Enhancing  
our winning  
culture**

**Operating model with clear authorization and accountability**

# We are embedding a winning attitude and growth mindset

- Engaging culture and values
- Competitive mindset
- Deliver what we promise
- Sense of urgency
- Ease of doing business with
- Open, proactive communication
- Performance management
- Continuous improvement



# Shaping next generation material handling for a smarter, safer and better world

27

**We have a strong platform to build on and a clear plan to execute:**

## **We have...**

- ✓ Great people
- ✓ A leading position in services and equipment
- ✓ A broad customer base
- ✓ An unrivalled global service network
- ✓ Technology leadership
- ✓ Plenty of market opportunities
- ✓ An inspirational Purpose and Ambition
- ✓ A clear strategy for developing our business



## **... to take us to the next level**

- Sales growth faster than the market<sup>1</sup>
- Comparable EBITA margin of 12-15%<sup>2</sup>
- Climate targets
- Improved resilience through service growth
- Increased employee engagement

<sup>1</sup> nominal world GDP growth, IMF World Economic Outlook

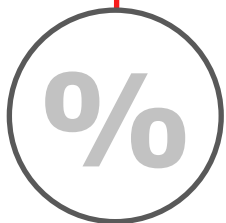
<sup>2</sup> as soon as possible, but no later than in 2027. Profitability range, depending on the cycle.

# Our capital allocation priorities



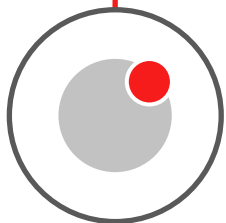
## **Capital expenditure**

Reinvesting into own operations to grow the business and improve productivity



## **Dividends**

Distributing profits to shareholders according to the dividend policy



## **Acquisitions**

Strengthening the business with bolt-on and adjacent acquisitions



## **Debt repayment**

Maintaining a strong balance sheet with the debt level below the gearing ceiling target

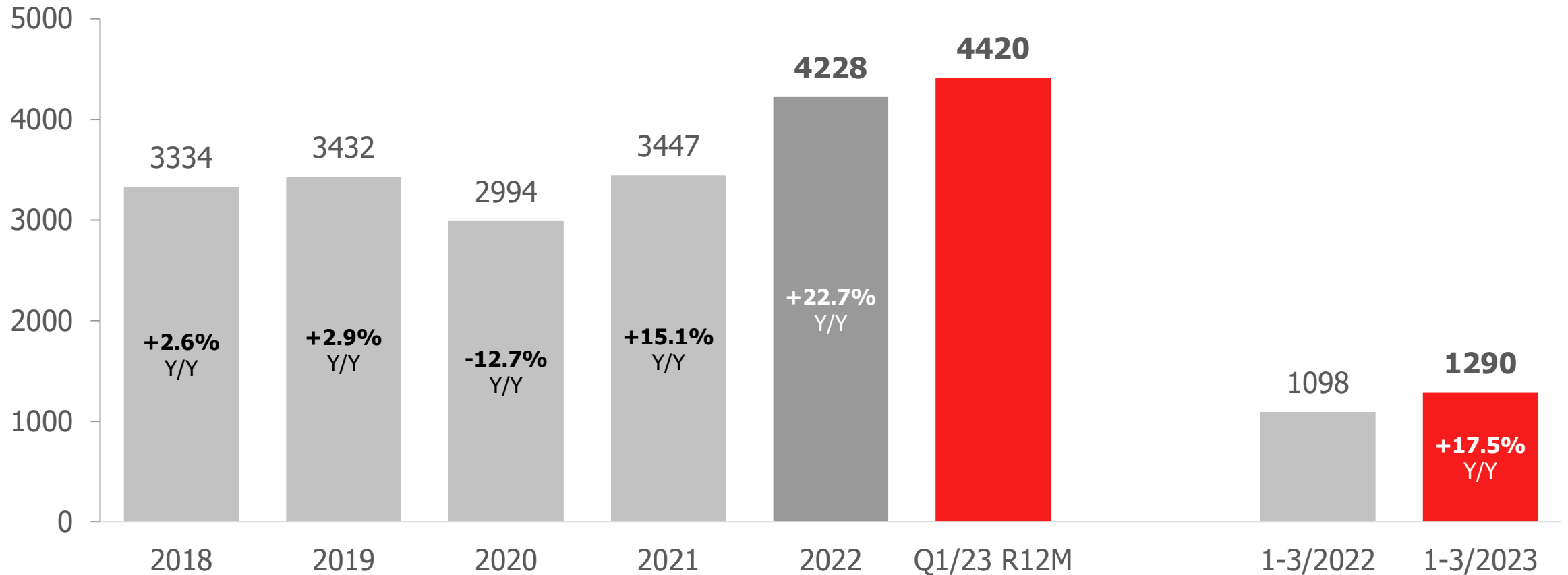


# 3. Key financials development



# Order intake

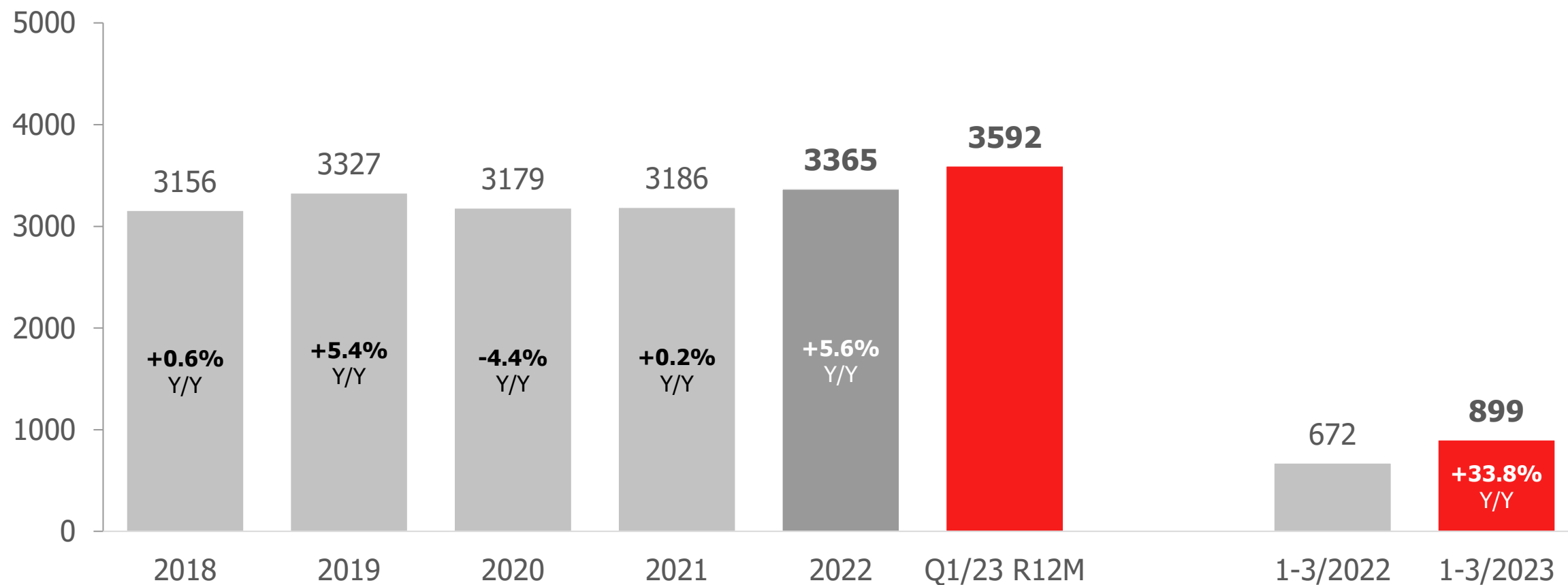
MEUR<sup>(1)</sup>



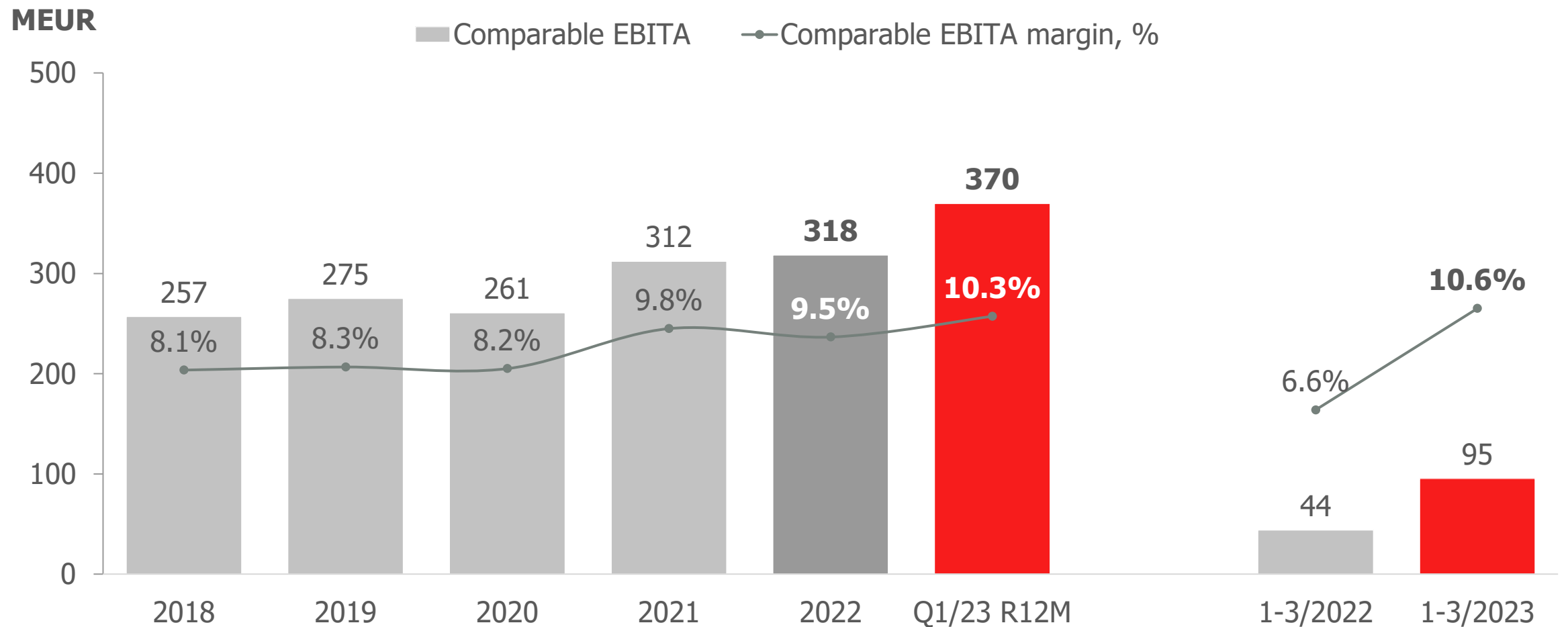
Note (1): Agreement base included in orders received from Q1 2023 onwards and historical figures are restated

# Net sales

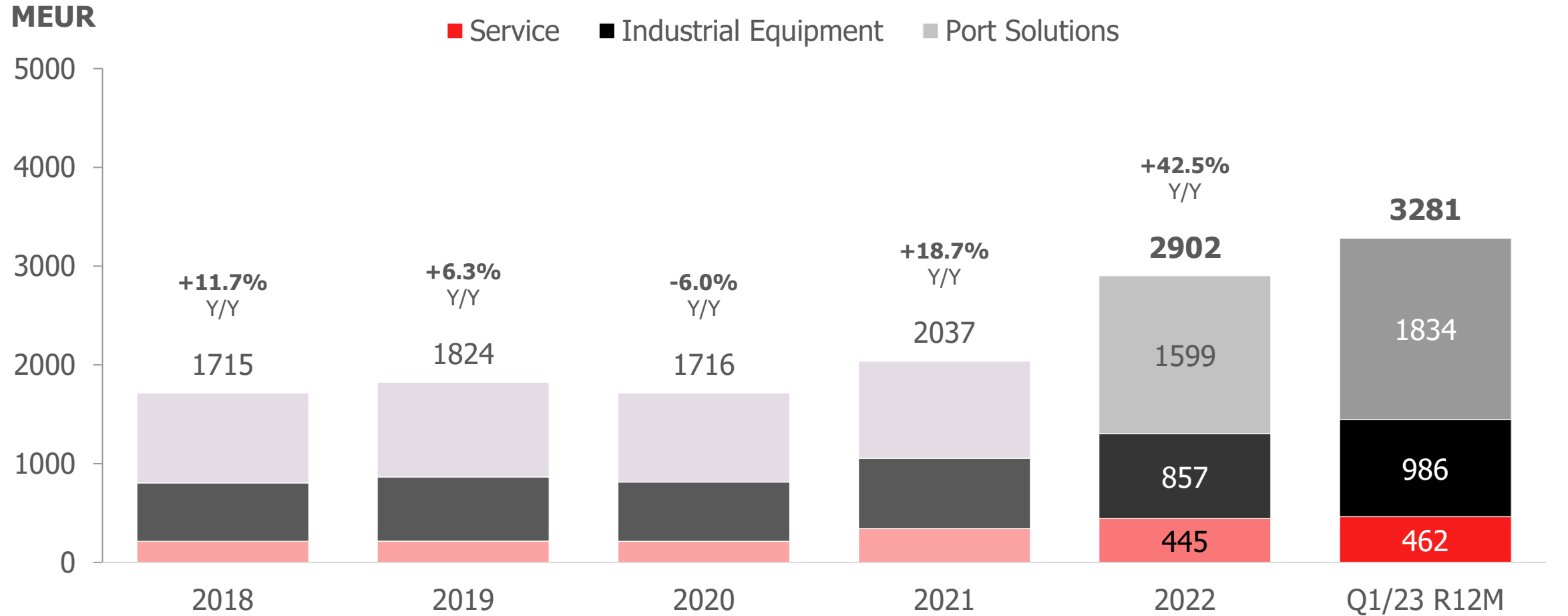
MEUR

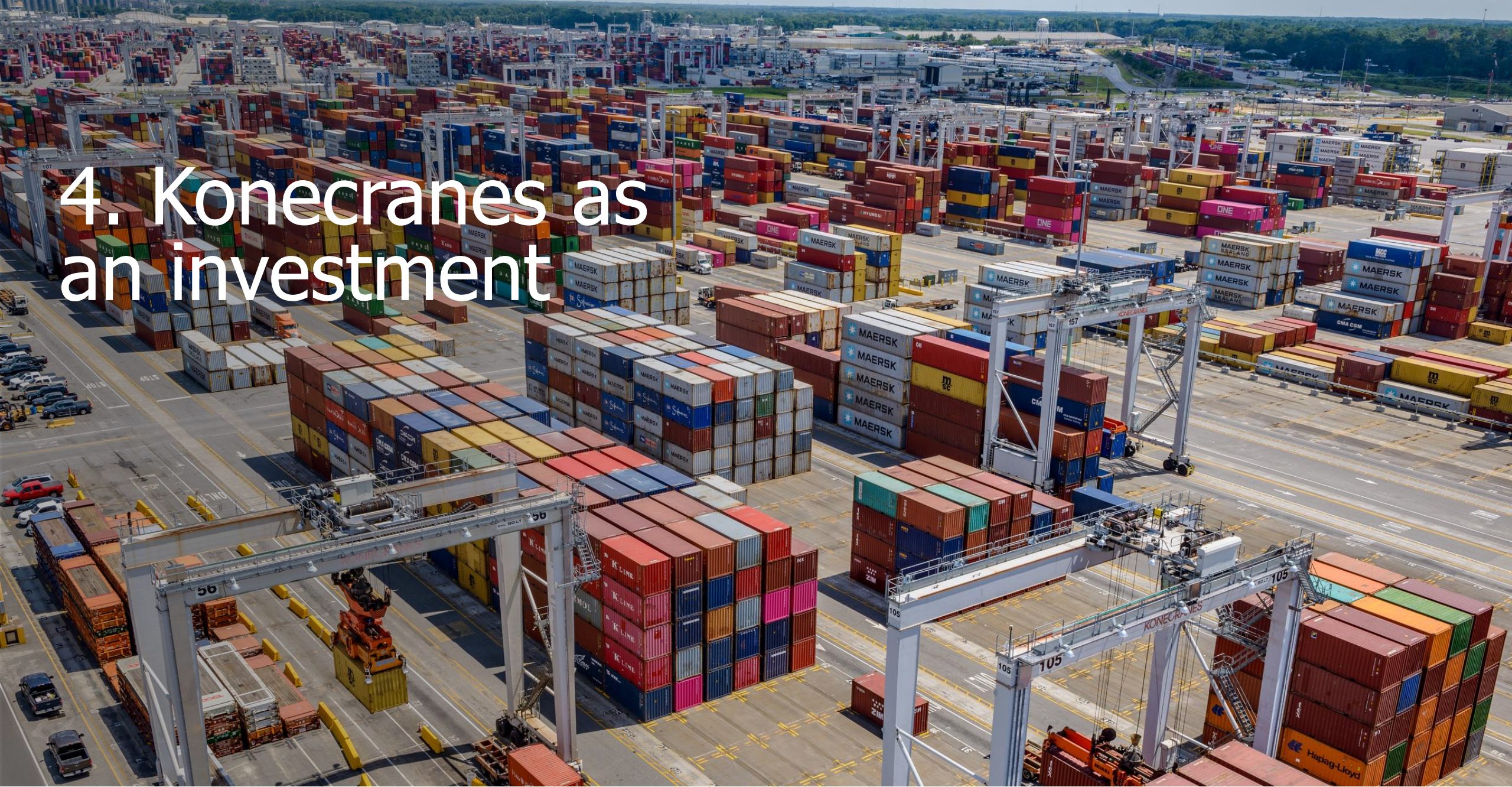


# Comparable EBITA margin



# Order book





# 4. Konecranes as an investment

# Konecranes as an investment

**Leader in technology**

**Strong market position  
in all Business Segments**

**Long-term commitment  
to sustainability**

**Attractive opportunities  
for growth**

**Target for 12-15%  
Group comparable  
EBITA margin**

**Solid financial position  
and dividend**

# With many innovative solutions and a solid patent portfolio, we are a technology leader in our industry

Own in-house developed **Core of Lifting...**



GEARS



MOTORS



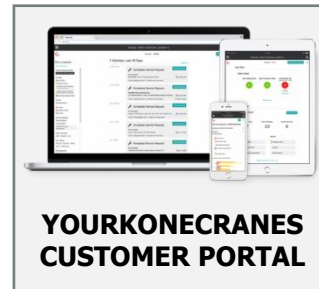
CONTROLS

...key componentry with optimized design, smarter features, better reliability...



...and used across the whole product range

**Smart features & digitalized offering for improved safety and productivity**



Access to massive data streams and real-time connectivity enables preventive and predictive maintenance solutions for highest lifecycle value

## Konecranes Smart features



# We have a strong market position in all of our three segments



## Service

- Our **global branch network** is unique in the industry – there is **no global or regional competition** in industrial crane maintenance



## Industrial Equipment

- Our **family of leading brands** secures our position as the **global market leader** in industrial cranes



## Port Solutions

- We rank market **number 1-3** in **all product categories** for port and container terminals

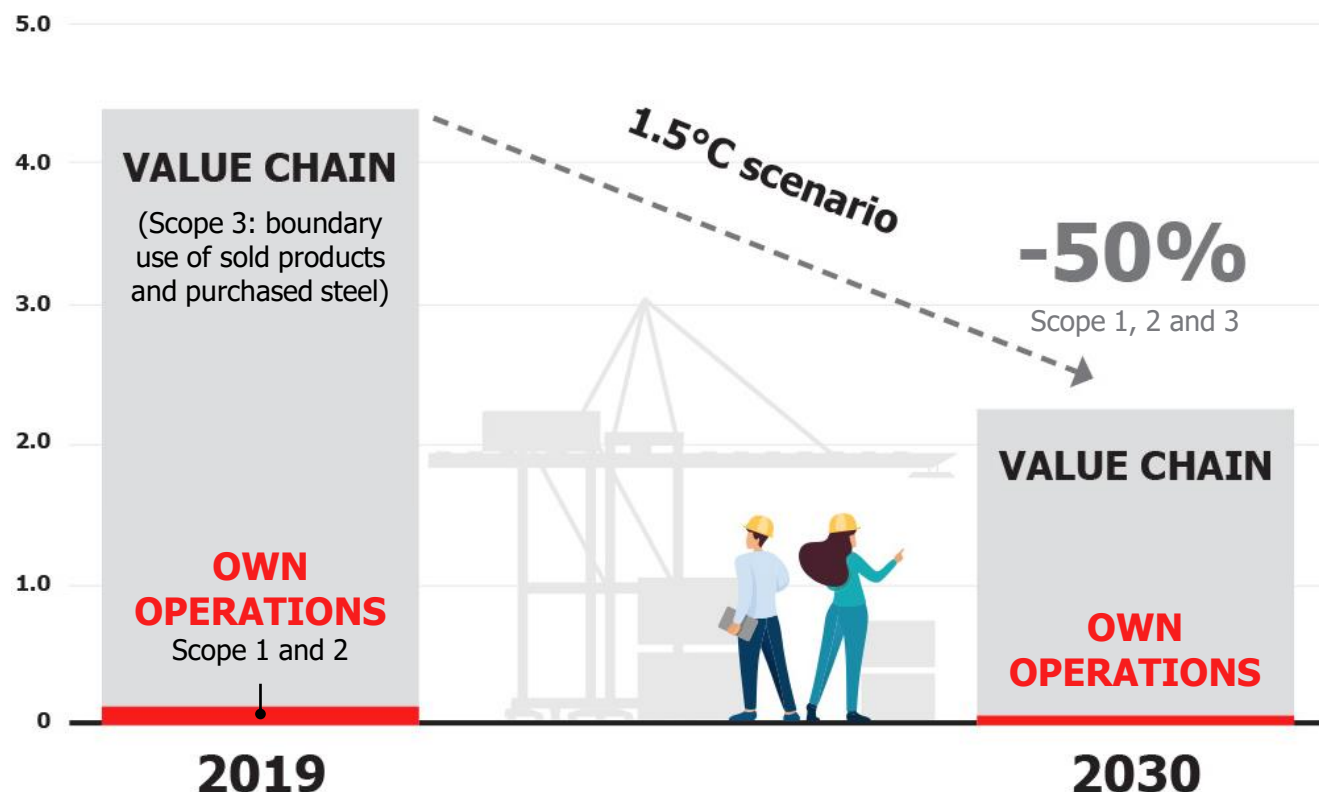
## Illustrative competitive landscape

Company	Country	Industrial cranes	Port cranes	Lift trucks	Service
Columbus McKinnon	USA	●			●
Kito	Japan	●			
Abus Kransysteme	Germany	●			
GH	Spain	●			●
OMIS	Italy	●			●
Weihua	China	●			
ZPMC	China		●	●	●
Kalmar (Cargotec)	Finland		●	●	●
Liebherr	Germany		●	●	●
Taylor	USA			●	
CVS Ferrari	Italy			●	
Mitsui E & S	Japan		●		
Kunz	Austria		●		
Hyster	USA			●	
Sany	China		●	●	

# Konecranes works for a decarbonized and circular world

## New climate targets aligned with limiting global warming to 1.5° C

Million tons of CO<sub>2</sub>e



## Focus of pathway activities

Introducing new technological innovations to reduce dependency on fossil fuels

Applying smart product design focusing on energy efficiency, durability and maintainability

Optimizing material flows with automation and digital solutions

Purchasing steel from suppliers with minimum emissions

Investing in renewable electricity and energy efficiency in own operations

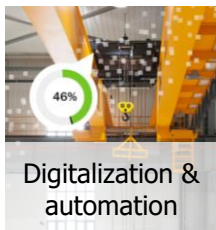
Note: All Konecranes' sustainability targets are listed on Konecranes' Investors website: <https://investors.konecranes.com/sustainability> and in the Sustainability Report

# Konecranes is a global leader in material handling solutions, serving a broad range of customers across multiple industries

## Megatrends driving our business



Sustainability



Digitalization & automation



Geopolitics & macroeconomics

## Demand drivers

- The world is facing an increasingly acute challenge to provide materials and goods that are essential for people while preserving scarce resources and limiting emissions
- Demand driven by market conditions in manufacturing industries and container handling industry
- New equipment investments to expand capacity or replace old existing equipment
- New investments are cyclical and varies depending on the economic environment
- Increasing demand for higher productivity, safety and eco-efficiency presents growth opportunities

### Service

**Sales growth clearly faster than the market<sup>1</sup>**

- Service Programs renewal / Agreement base expansion
- Enhanced customer experience/journey
- Commercial Excellence / Price Management
- Continued optimization of sales and service delivery
- Equivalent Parts for third party equipment
- Bolt-on acquisitions

### Industrial Equipment

**Sales growth in line with the market<sup>1</sup>**

- Focus on improving profitability
- Global leader in sustainable lifting solutions
- Comprehensive offering of standard equipment and process cranes for a full range of industrial applications
- Diversified customer base across industries & geographies

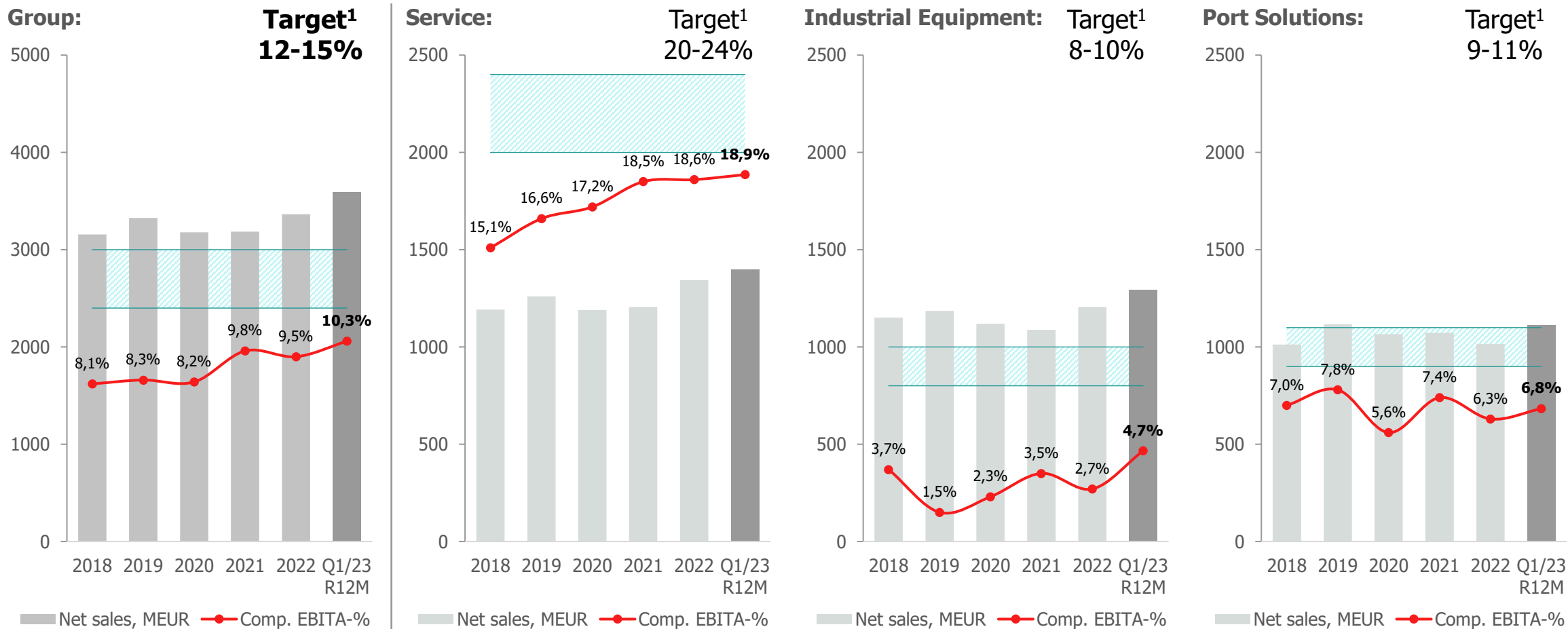
### Port Solutions

**Sales growth clearly faster than the market<sup>1</sup>**

- Widest and deepest offering provides good opportunities for growth and to increase market share
- Clear growth plan for Port Services
- Automation and customers' commitments to sustainability drive growth, and we have leading offering

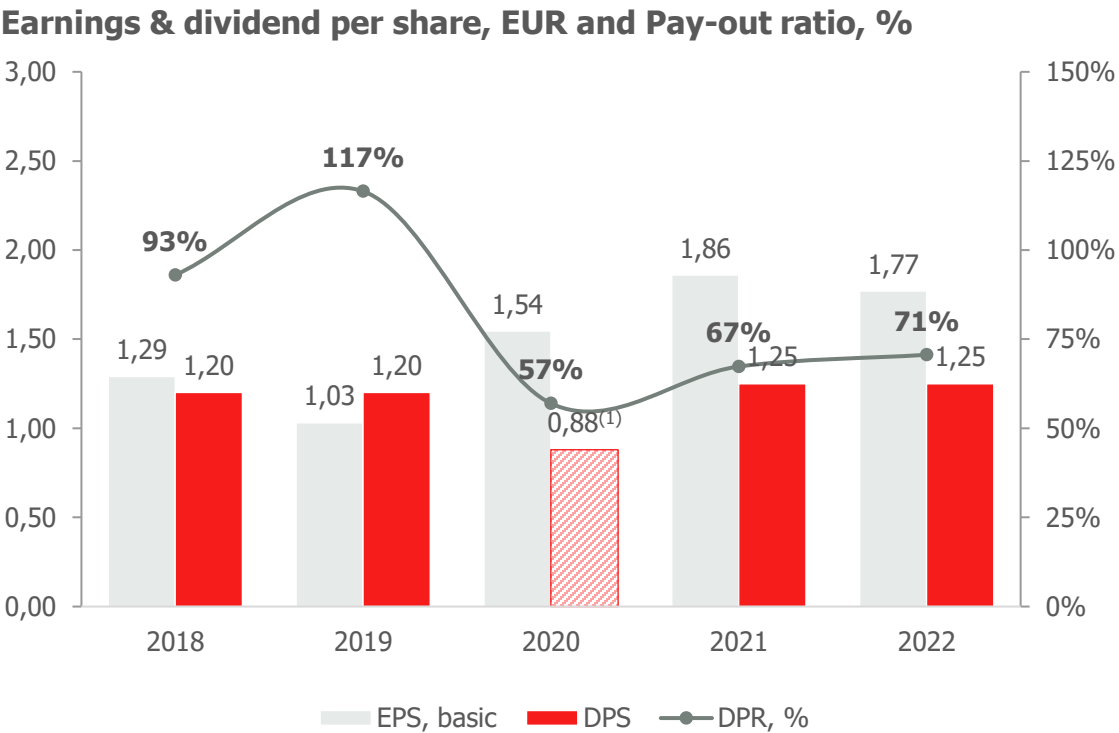
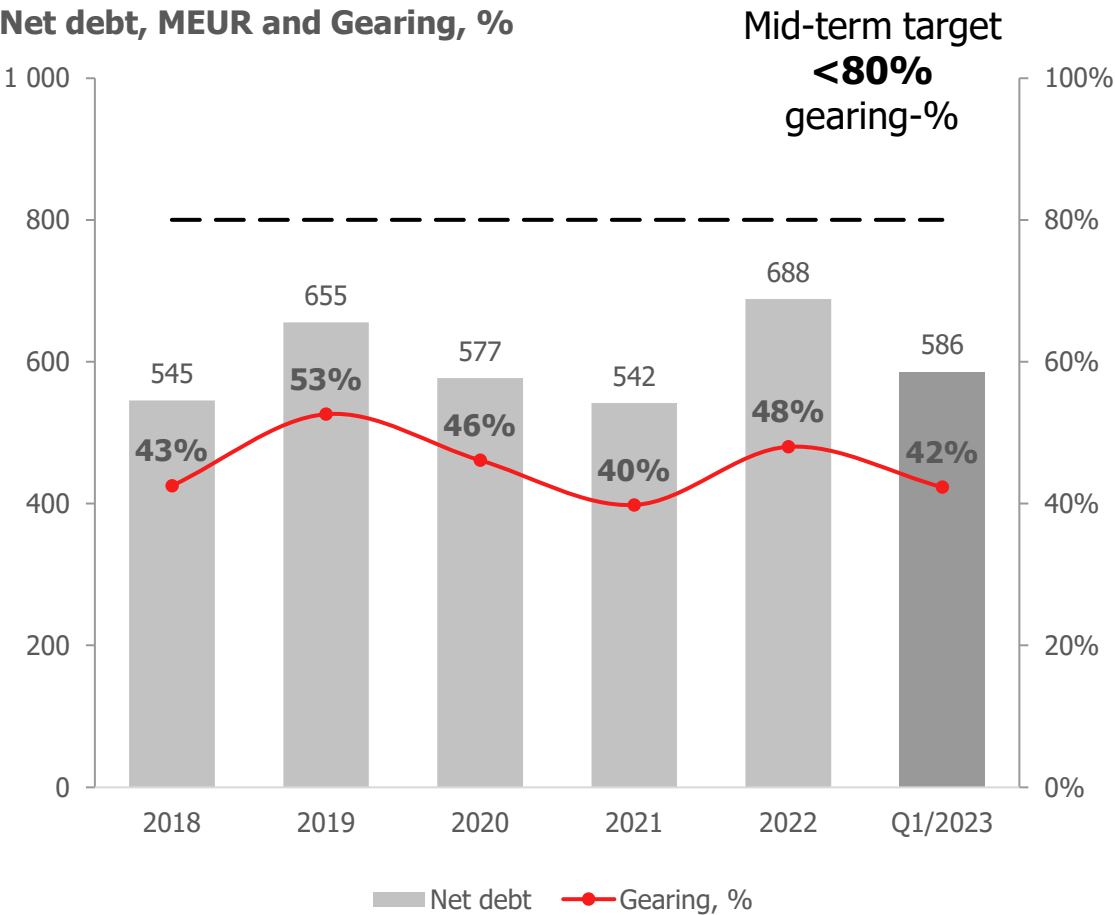
<sup>1</sup> nominal world GDP growth, IMF World Economic Outlook

# Comparable EBITA margin of 12-15% as soon as possible, but no later than in 2027



<sup>1</sup> profitability range, depending on the cycle

# A healthy balance sheet enabling long-term development & growth, and a stable to increasing dividend to shareholders



Konecranes aims to pay a **stable to increasing dividend per share, over the cycle**

Note (1): For 2020, the dividend was in accordance with the Combination Agreement, the planned merger with Cargotec was cancelled in Mar-2022

# Konecranes as an investment

## 1. Leader in technology

- Own key componentry: gears, motor and controls enable optimized design, smarter features and better reliability.
- Digitalized product offering for improved safety and productivity.
- Access to massive data streams and real-time connectivity enables preventive and predictive maintenance solutions for highest lifecycle value.

## 4. Attractive opportunities for growth

- Significant growth potential in Service with the expansion of Konecranes' unparalleled service offering to our own as well as third-party installed base.
- Automation and customers' commitments to sustainability, as well as our widest and deepest offering provide good opportunities for growth in Port Solutions

## 2. Strong market position in all Business Segments

- In Service, we are the market leader with our unique global service branch network and unmatched service offering. There is only limited global or regional competition in industrial crane maintenance.
- Our family of leading brands secures our position as the global market leader in industrial cranes.
- We rank #1–3 in the market in all product categories for ports and container terminals.

## 5. Target for 12-15% Group comparable EBITA margin

As soon as possible, but no later than in 2027. Profitability range, depending on the cycle.

- Margin improvement mainly driven by simplification of go-to-market model and product platform harmonization in Industrial Equipment
- Margin improvement mainly driven by sales growth in Service and Port Solutions

## 3. Long-term commitment to sustainability

- We enable a decarbonized and circular world; We deliver safe and secure material handling solutions; We create a fair, inclusive, diverse and engaging working environment; We expect the highest ethical standards of ourselves and our business partners
- Konecranes aims to have carbon neutral own operations by 2030 and continues its work to limiting global warming to 1.5°C and creating carbon-neutral supply chains

## 6. Solid financial position and dividend

- Healthy balance sheet, providing a good base for long-term development and growth.
- Konecranes aims to pay a stable to increasing dividend per share, over the cycle. The dividend for 2022 was EUR 1.25 per share.
- For the 2007–2022 period, the average dividend pay-out ratio was 88 percent of earnings.

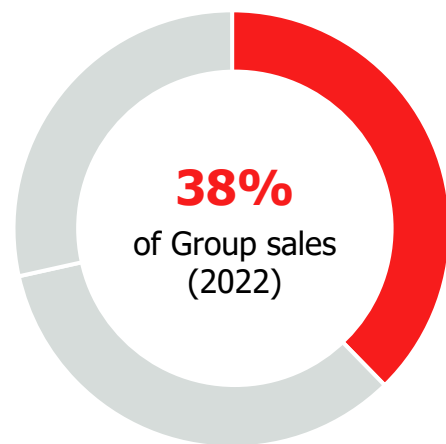
# 5. Segment overviews



# Service



# Service in brief



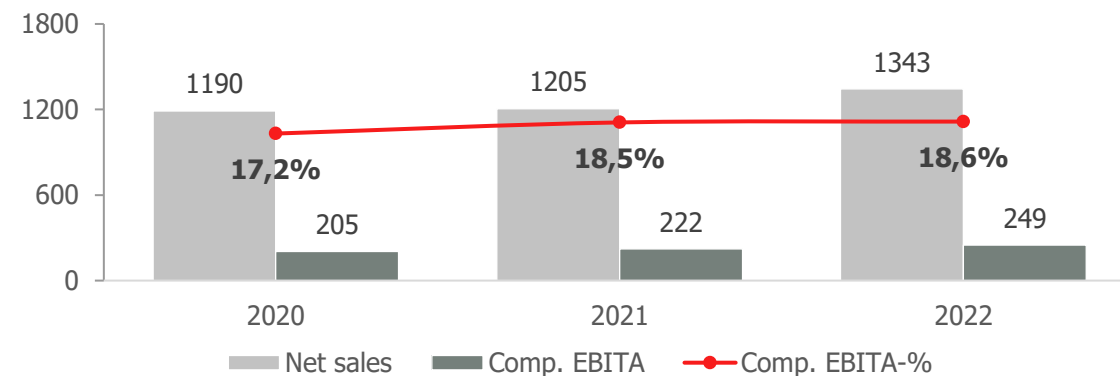
**7,950**  
employees (end of Q1 2023)

**1,343.3**  
net sales, MEUR (2022)

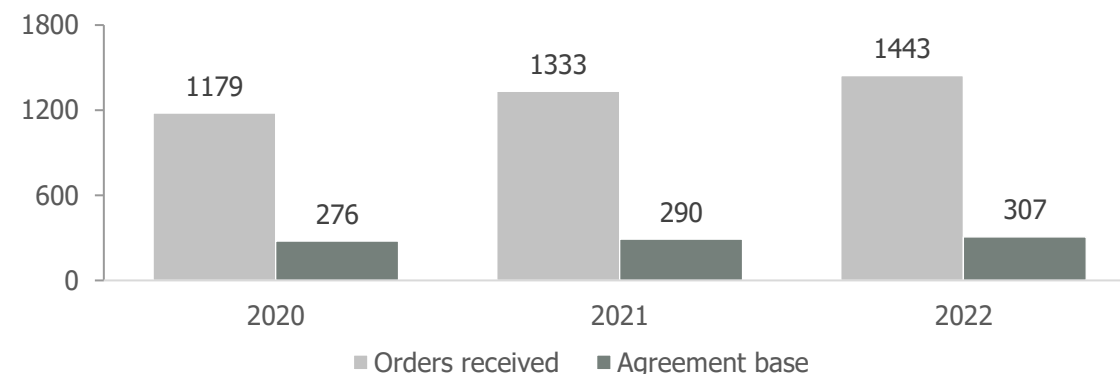
**18.6%**  
comp. EBITA margin (2022)

- Konecranes is a market leader in crane service with one of the world's most extensive service networks
- Service provides industry-leading maintenance services for all types and makes of industrial cranes and hoists
- Our objective is to improve the safety, productivity and sustainability of our customers' operations
- Lifecycle Care is our comprehensive and systematic approach to managing customer assets; we connect data, machines and people to deliver a digitally-enabled customer experience in real time

Key financials, MEUR



Orders received and agreement base, MEUR<sup>(1)</sup>



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

# Service: focus on growth



## SERVICE

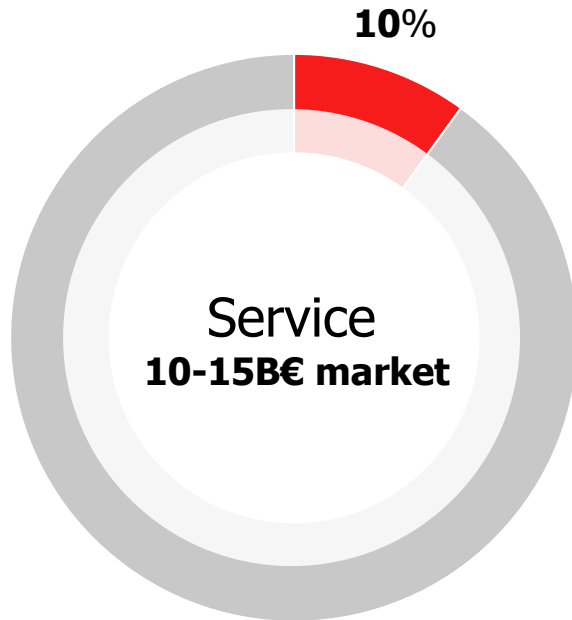
- Service Programs renewal / Agreement base expansion
- Enhanced customer experience/journey
- Commercial Excellence / Price Management
- Continued optimization of sales and service delivery
- Equivalent Parts for third party equipment
- Bolt-on acquisitions
- **Service sales growth** clearly faster than the market<sup>1</sup>
- Comparable EBITA margin of 20-24%<sup>2</sup>

<sup>1</sup> nominal world GDP growth, IMF World Economic Outlook

<sup>2</sup> as soon as possible, but no later than in 2027. Profitability range, depending on the cycle.



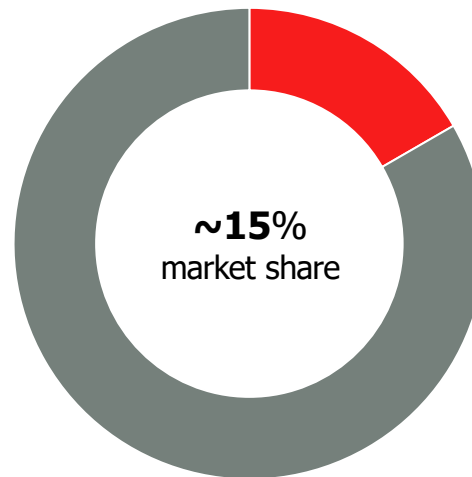
# Market leader with our unique global service branch network and unmatched service offering



## Industrial Service market

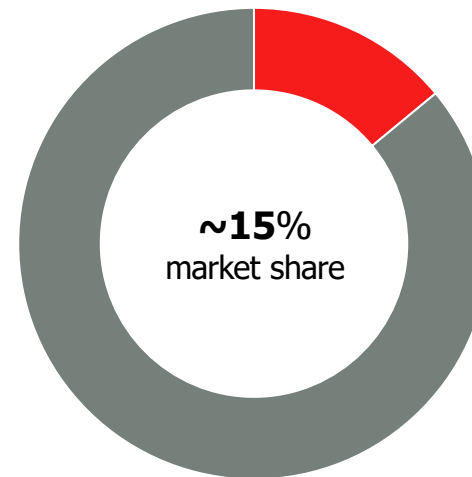
Service market size/market share includes all maintenance services both insourced and outsourced. Service scope based on current Konecranes scope.

SERVICE:  
**EMEA**



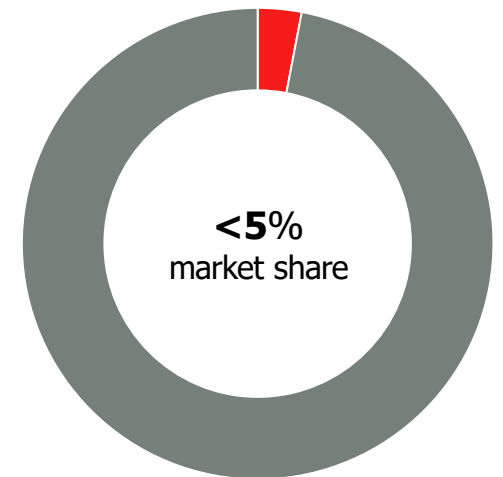
Market size:  
**~3.5-4B€**

SERVICE:  
**AME**



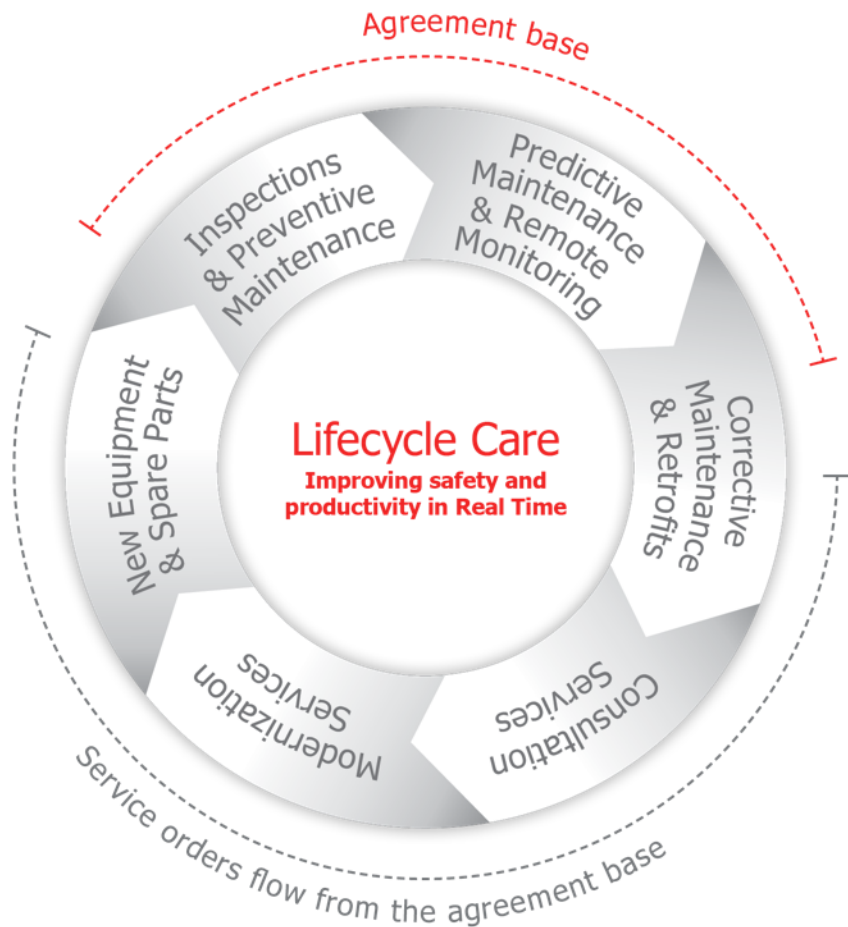
Market size:  
**~3-3.5B€**

SERVICE:  
**APAC**



Market size:  
**~6-6.5B€**

# Service business model – managing assets throughout the lifecycle



~20%  
of sales



**Inspections, Preventive Maintenance, Predictive Maintenance**  
**Agreement Sales, Inside Sales**  
New business development and renewals  
Lead generation

~30%  
of sales



**Corrective Maintenance**  
**Inspector, Technician, Inside Sales**  
Advice based on findings and condition monitoring – speed  
Lead generation

~25%  
of sales



**Retrofits, Consultation Services, Mods, Lifting Equipment**  
**Service Sales, Inside Sales**  
Consultative selling, analytics driven lead generation

~25%  
of sales\*

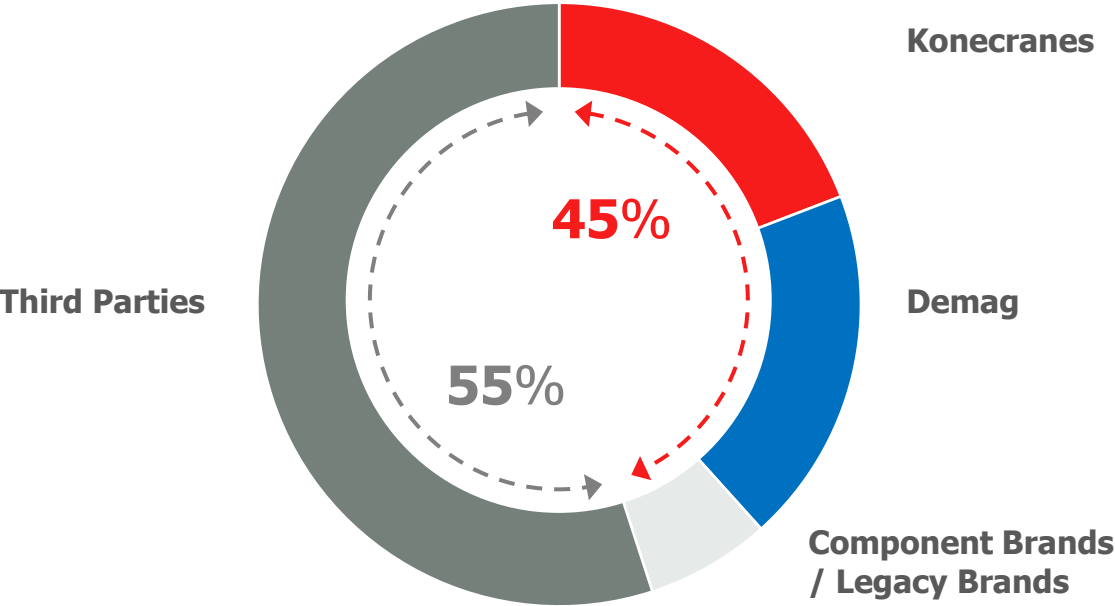


**Spare Parts & Accessories**  
**Inside Sales, eCommerce**  
Transactional, convenient

\* Includes all channels (direct & indirect)

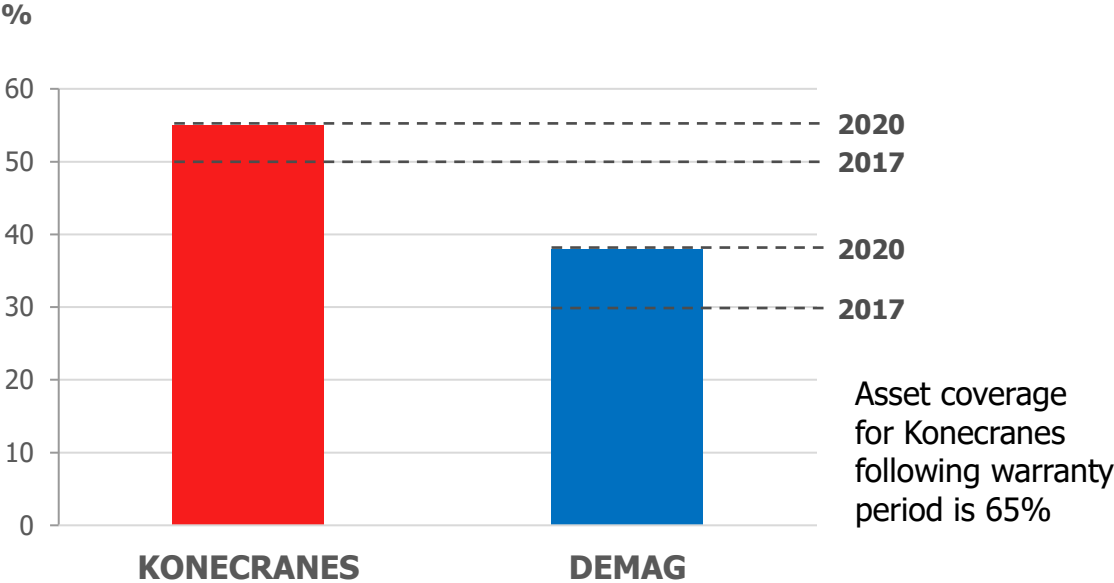
# Agreement base breakdown by hoist brand and coverage ratios by asset brand

Agreement base / breakdown by hoist brand



- Approximately 45% of the hoisting machinery in our agreement base was manufactured by the Konecranes Group; the other 55% by third parties.
- Hoists can be replaced when they reach the end of their service life or even before then in order to improve safety, productivity and sustainability and/or reduce maintenance costs.

Agreement base / asset coverage by asset (crane) brand



- Coverage is based on the estimated asset installed base in operation.
- 1KC asset definition is applied. Asset generally refers to the crane: industrial crane, light crane system, jib crane, etc.
- A single asset may have multiple hoists. Hoists have a much shorter life than the crane (structure). Hoists may be replaced several times over the life of the crane.

# Achieving organic Service growth

## 1. Expand agreement base

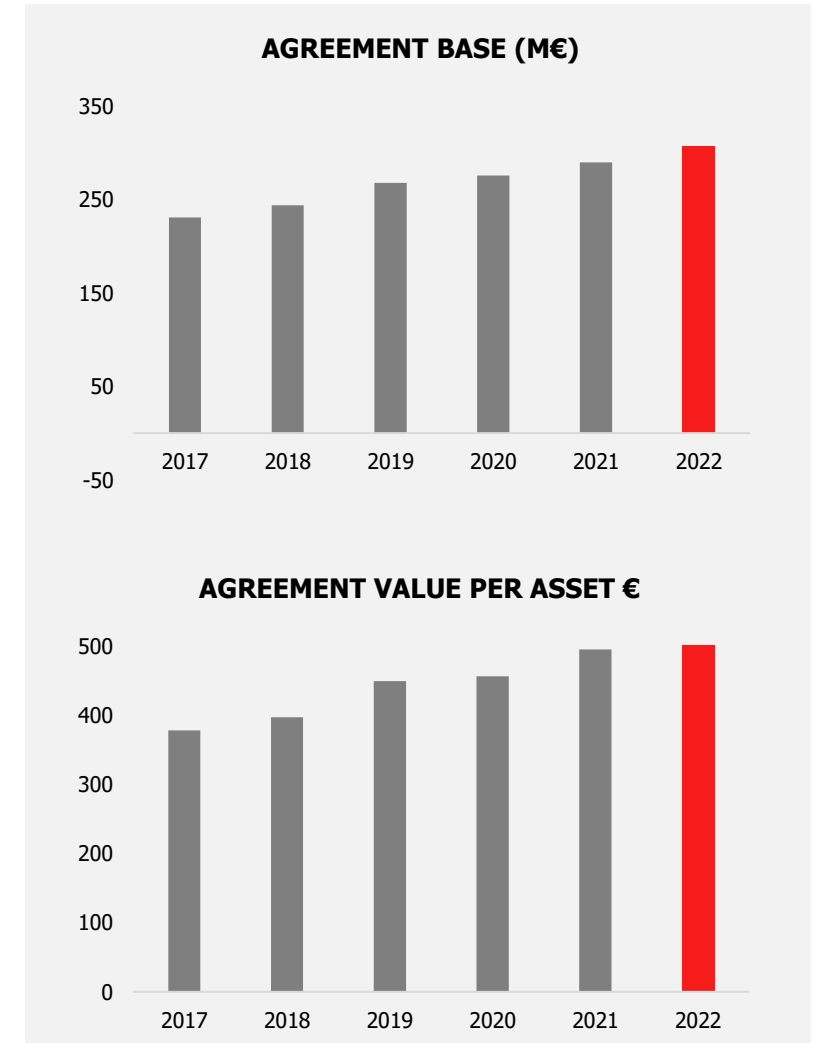
- Renewed/targeted Service Programs
- Comprehensive agreements for critical/production assets with larger accounts
- Enhanced customer experience driving customer retention

## 2. Continuously improve sales efficiency, planning and service delivery

- Sales model evolution - leveraging inside sales and customer support
- “Smart” planning tools, automated quotations, and configurator enhancements
- Next generation field mobility tools and parts delivery concept

## 3. Expand focus on third party equipment

- Equivalent replacement parts
- Hoist and component replacements, retrofits and modernizations
- New equipment (light lifting equipment and cranes)



# Renewed Service Programs – each tailored to a different customer segment to enhance customer experience and retention



## CONDITION

### Inspection/Routine Maintenance Program

Addresses safety and compliance requirements and is streamlined with a digital and automated process.



## CARE

### Preventive/Predictive Maintenance Program

Optimize asset performance and improve safety, productivity and sustainability with digital and advanced services to support predictive maintenance.



## COMMITMENT

### Comprehensive Maintenance Program

Outsourced asset management is tailored to industry and application requirements to achieve the highest lifecycle value.



## COMPLETE

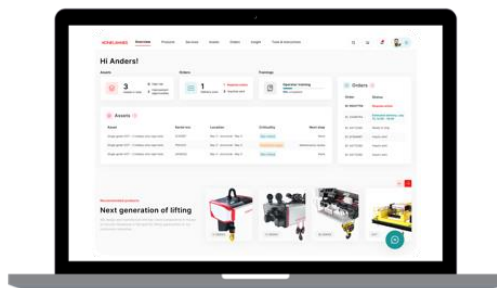
### Comprehensive Maintenance & Operations Program

Complete outsourcing of equipment maintenance and operation, collaboration to establish material handling and performance objectives and extend lifecycle value and total cost of ownership for the entire operation.

# Digital enablers in Service – Helping us enhance the customer experience and to deliver services more efficiently

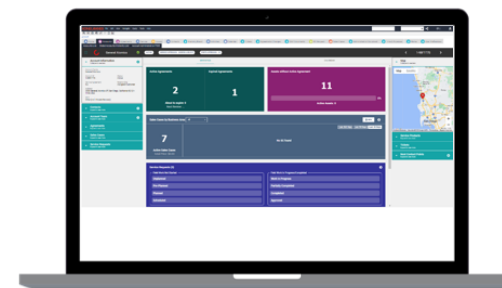
## UNIFIED CUSTOMER PORTAL

- Engaging content focused on customer needs
- Self-service tools for quicker contact and support
- Full relationship view



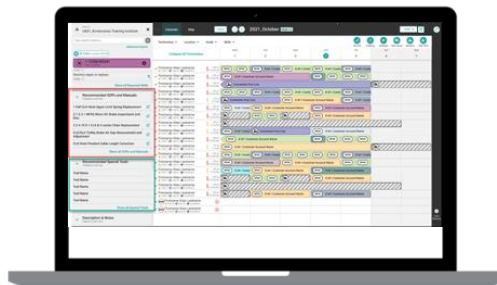
## CUSTOMER ENGAGEMENT / SALES ENABLEMENT / OFFER CONFIGURATION

- Consolidated customer account information in one view with visibility to sales cases, service requests, etc
- Configure quotes and share relevant content to customers



## SMART PLANNING

- Schedule work aligned with technician proximity, skill and material availability
- Optimized for most efficient customer response time



## NEXT GENERATION MOBILITY APPS FOR FIELD OPERATIVES

- Guides behavior, provides feedback, and ensures process adherence
- Intelligent troubleshooting platform helps diagnose and repair in the field
- Live tech support available via video



# Acquisition opportunities across various sectors



## BOLT-ON ACQUISITIONS

- Targeting installed base, service opportunities
- Adding certain customer segments and field technical resources
- Able to quickly integrate creating significant synergy potential
- Recent case: Whiting



## TECHNOLOGIES / CAPABILITIES

- Industrial automation, systems integration, material flow simulation
- Opportunity to offer a holistic solution to the customer to optimize production and intralogistics



## NEW MARKET ENTRY / EXPANSION

- Significant markets where we have little or no presence



## COMPLEMENTARY PRODUCTS & SERVICES

- Manual products, slings and accessories, industrial inspections
- Many of these products and services are currently being offered but not to a wide extent

# Technicians are at the heart of our success and key to our growth

## IMPROVE PRODUCTIVITY

Field operative time and tasks focused on our customers and their assets



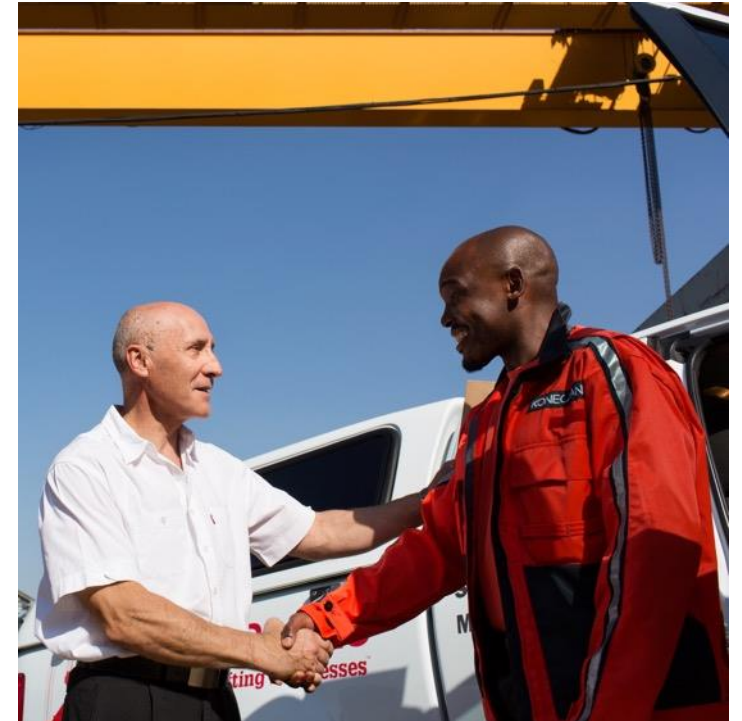
## INCREASE RETENTION

Continuously improving the employee experience



## ACTIVELY RECRUIT

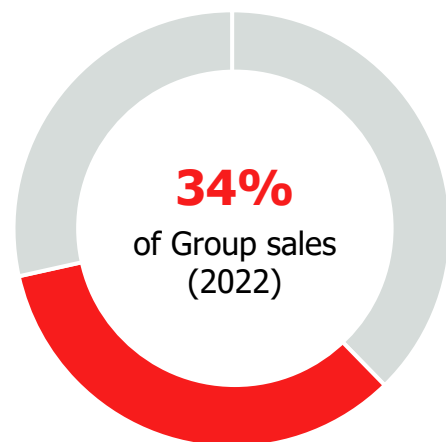
Always searching for our future talent



5. SEGMENT OVERVIEWS

# Industrial Equipment

# Industrial Equipment in brief



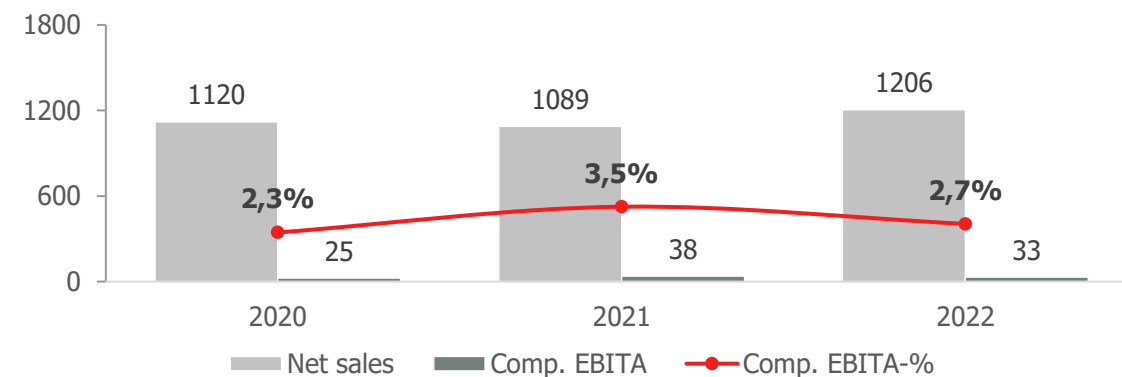
**5,416**  
employees (end of Q1 2023)

**1,205.6**  
net sales, MEUR (2022)

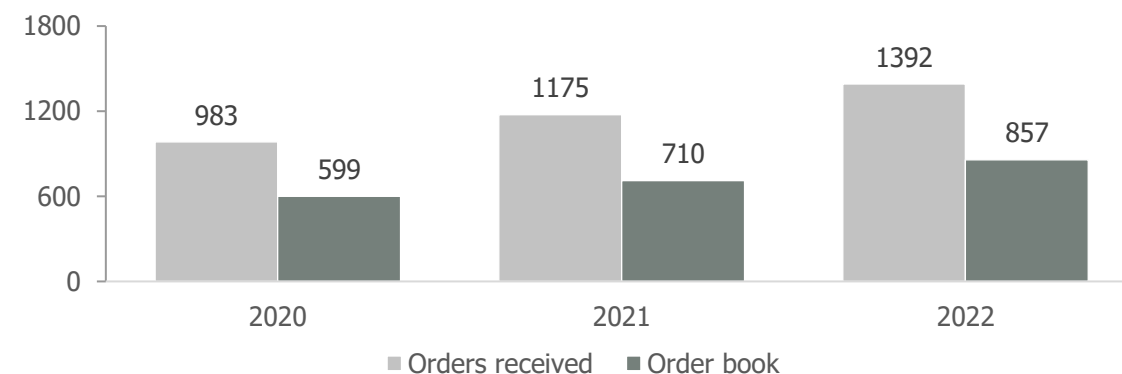
**2.7%**  
comp. EBITA margin (2022)

- Konecranes is one of the world's largest suppliers of industrial cranes and wire rope hoists and a technology leader with digital controls, software and automation
- Industrial Equipment offers hoists, cranes and material handling solutions for a wide range of customers from General Manufacturing to various kinds of process industries like Waste-to-Energy, Paper and Forest, Automotive and Metals Production
- Products are marketed through a multi-brand portfolio

Key financials, MEUR



Orders received and agreement base, MEUR<sup>(1)</sup>



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

# Industrial Equipment: focus on profitability



## EQUIPMENT

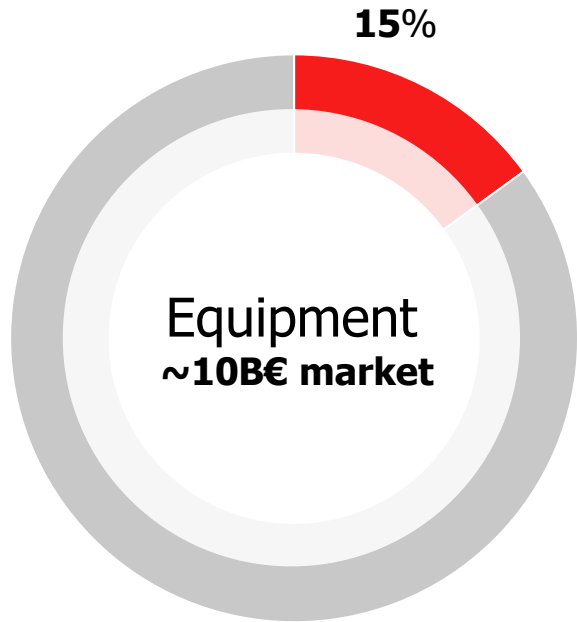
- Go-to market / operating model simplification
- Platform harmonization/rationalization
- Commercial Excellence / Price Management
- Renewed offering
- Supply chain efficiency / Operational Excellence
- Portfolio optimization
- **Equipment profitability:** comparable EBITA margin of 8-10%<sup>2</sup>
- Sales growth in line with the market<sup>1</sup>

<sup>1</sup> nominal world GDP growth, IMF World Economic Outlook

<sup>2</sup> as soon as possible, but no later than in 2027. Profitability range, depending on the cycle.



# Global market leader in industrial cranes

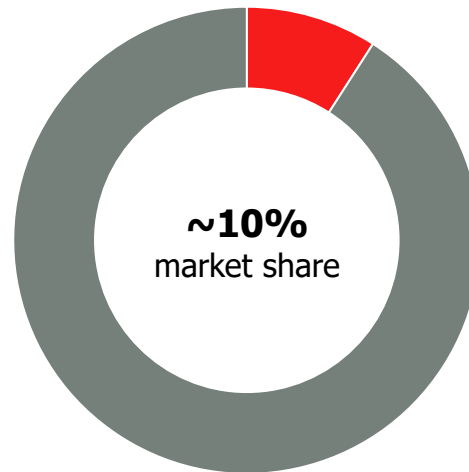


## Industrial Equipment market

Equipment market share is adjusted for hoist and component packages sold through Alpha channel i.e., equivalent "crane units."

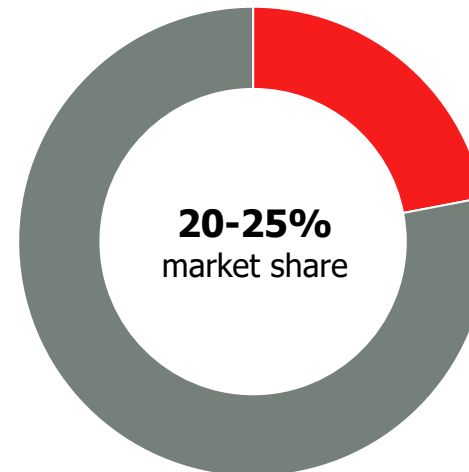
<sup>1</sup> Market share of CTO/WRH includes estimated crane volume from sold hoists through the Alpha channel. 15% of sold solo hoists are assumed to be for replacement purposes and a crane would need in average 1.15 hoists.

### LIGHT LIFTING EQUIPMENT



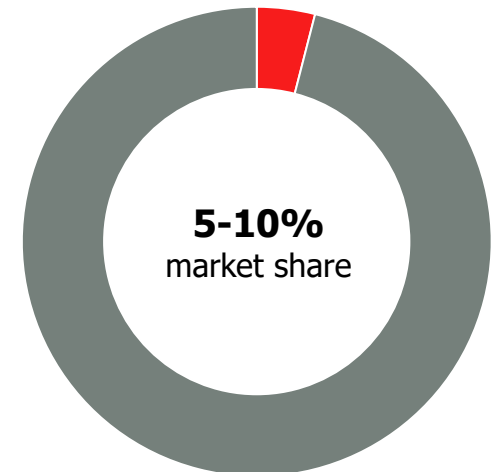
Market size:  
**~2.5-3B€**

### STANDARD CRANES/ WIRE ROPE HOISTS<sup>1</sup>



Market size:  
**~4-4.5B€**

### PROCESS CRANES



Market size:  
**~2.5-3B€**

# Industrial Equipment offering – leading provider of industrial cranes



**Components**

**DEMAG** **R&M** **SWF** **VERLINDE** **donati**

**Hoists**  
(Wire rope hoist, electric chain hoist and winches)




**Core of Lifting**  
(Gears, Motors, Controls)

**Crane kit packages**




**Other components**



**Standard Cranes**

**Overhead cranes**  
(Configured-to-order, CTO)





**Light crane systems / Workstation lifting systems**  
(workstation cranes, electric chain hoists, jib cranes)



**Products for hazardous environments**



**Other industrial products**



**Process Cranes**  
(Engineered-to-order)



**Waste-to-energy & Biomass**

**Automotive**



**Power & Nuclear**

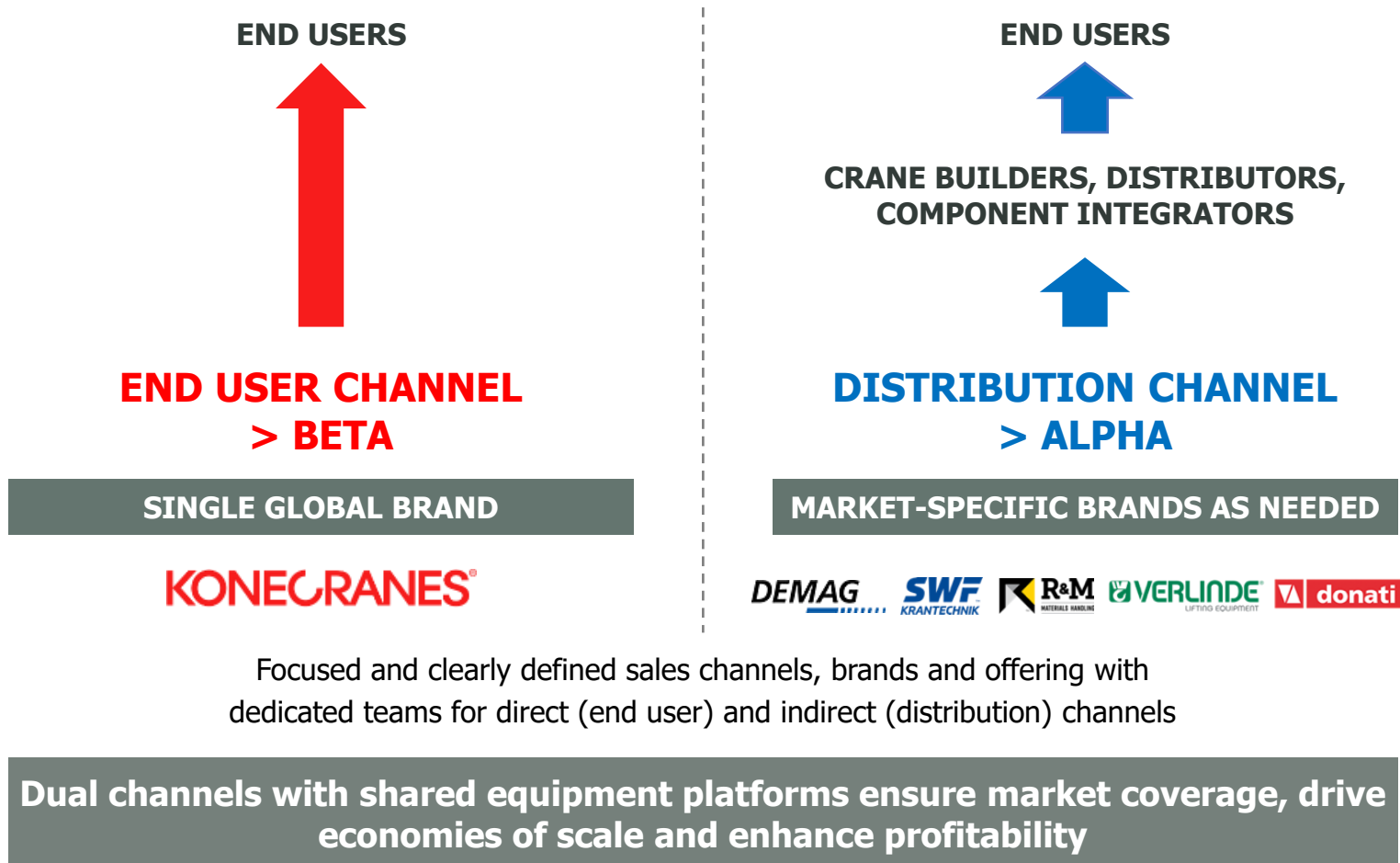
**Paper & forest**



**Petroleum and gas**

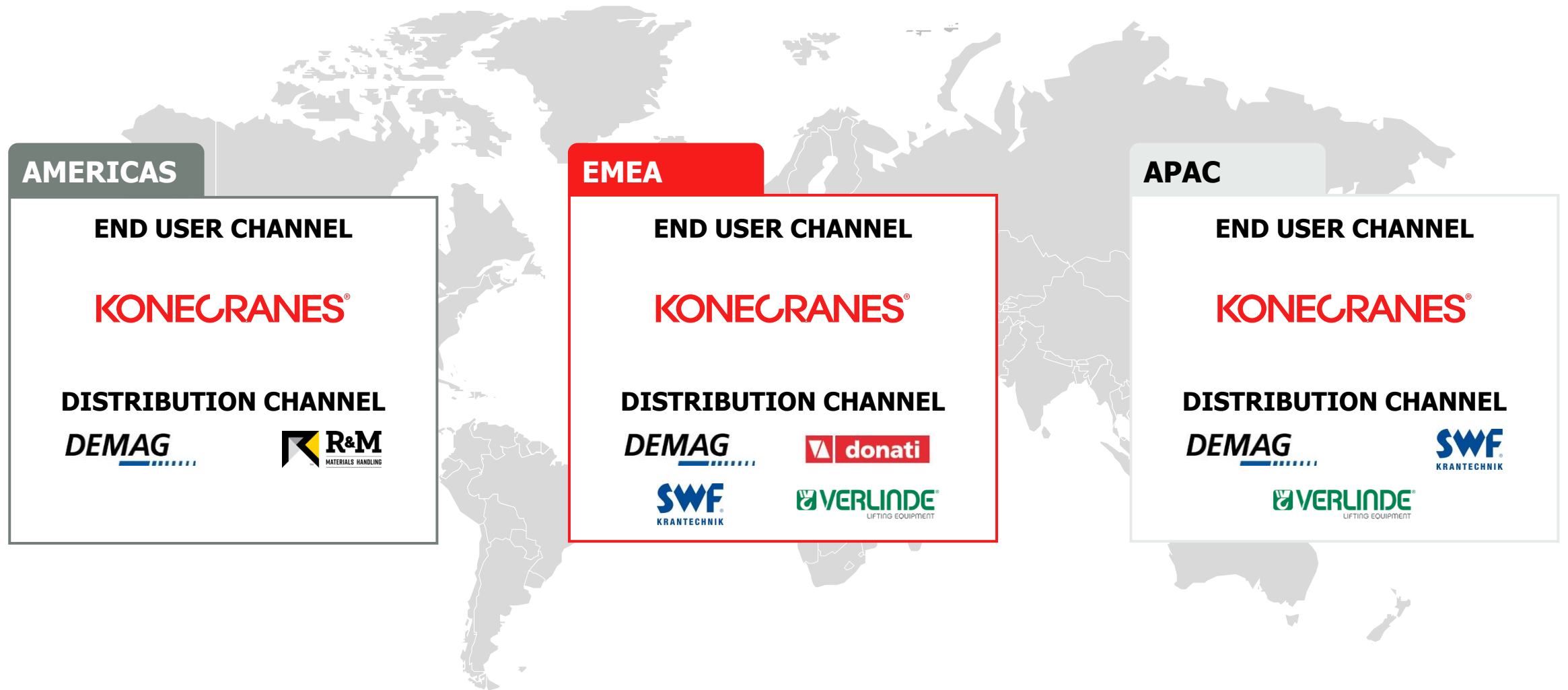
**Metals production**

# Simplifying our go-to-market strategy drives agility and efficiency








- Industrial Equipment consists of three businesses: Components, Standard cranes, and Process cranes
- On average, in the long-term and over the cycle, Industrial Equipment's sales split has typically been approximately:
  - Components business around 25-30%
  - Standard cranes business around 50%
  - Process cranes business around 20-25%

# Global presence with strong portfolio of leading industrial crane brands



# Product harmonization and digitalization drive profitability

Core of Lifting “purpose built” components enable competitiveness and economies of scale

PRODUCT OFFERING		PLATFORMS 2018	PLATFORMS 2022*	TARGET 2023-2025	BENEFITS OF SCALABILITY
				GLOBAL PLATFORMS*	
ELECTRIC CHAIN HOIST		4	3	1	<b>Cloud services</b> Data driven value  <b>Crane software layer</b> Intelligent control, advanced features, connectivity, Digital CX  <b>Electrical system</b> Scalable common architecture across the product lines  <b>Mechanical structure</b> A solid platform fulfilling market criteria
LIGHT CRANE SYSTEMS		3	1	1	
STANDARD WIRE ROPE HOIST		6	4	1	
WINCH		7	5	2 Assembly and process duty	
STANDARD CRANES		2	2	1	

\*NOTE: Excludes local/niche/special application products

# Next Generation Light Lifting Equipment

Delivering growth opportunities and enhanced profitability

## **NEW ELECTRIC CHAIN HOIST PLATFORM**

- Full range offering: basic/competitive through advanced/premium
- Shared mechanical platforms,
- Differentiation through controls, digitalization, options and services
- Configurable offering drives economies of scale

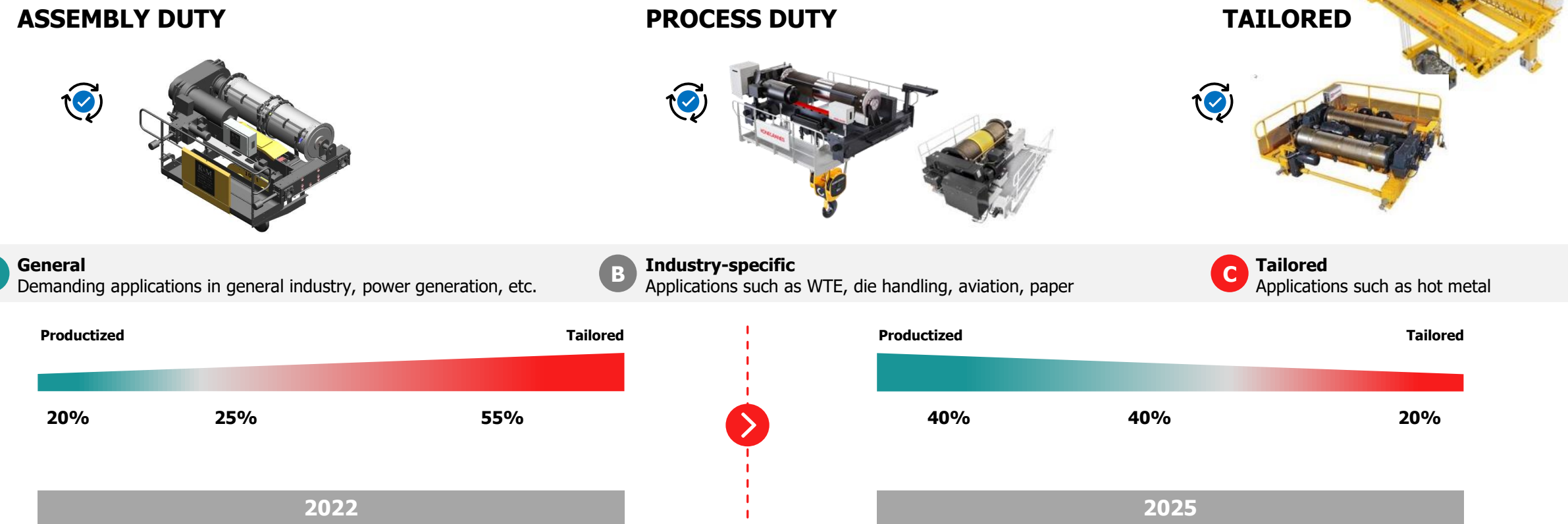


## **EXPANDED LIGHT CRANE SYSTEM OFFERING**

- Expanded range, options and applications
- Free Standing Systems, increased spans, aluminum
- Ergonomics/manipulators, automation, cartesian robots
- Full range extended to Konecranes utilizing well known KBK brand



# Process Cranes – improving process cranes profitability through productization, commercial and project management excellence






Process cranes provide significant lifecycle management opportunities and are an essential part of the offering as it comes to large customers.

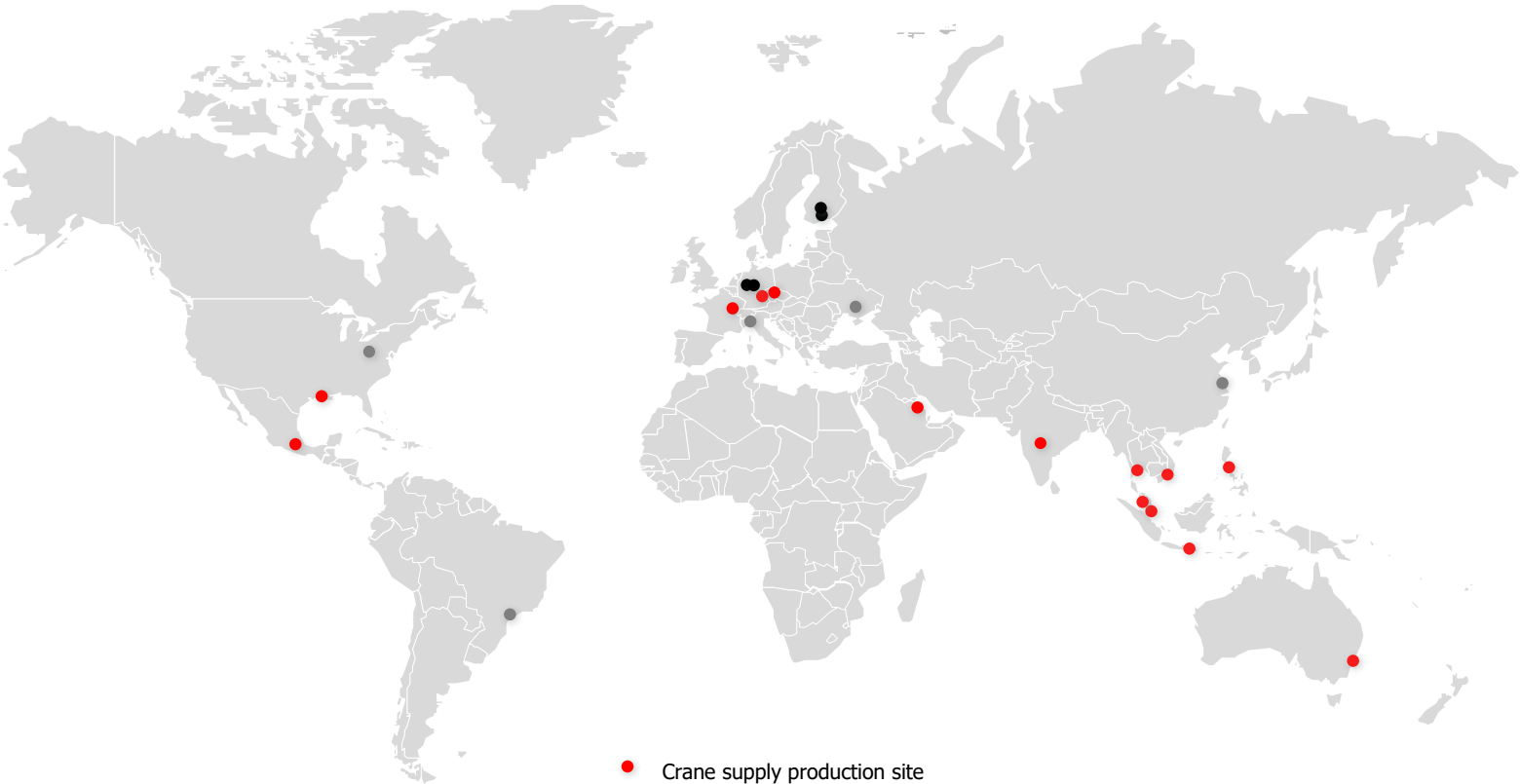
# We continue to evaluate our manufacturing footprint to ensure agility and competitiveness in changing environments and conditions




- Crane manufacturing capacity supplemented by subcontracting network
- Component manufacturing centralized in global and regional hubs

		AME	EMEA	APAC
CRANE SUPPLY		4	5	9
COMPONENT SUPPLY	WINCHES	1	1	1
	WIRE ROPE HOISTS		1	
	LIGHT LIFTING EQUIPMENT		1	

Regional hubs supply multiple products and platforms  
Crane factories in US and China are co-located with component factories

 Global hub  
  Regional hubs



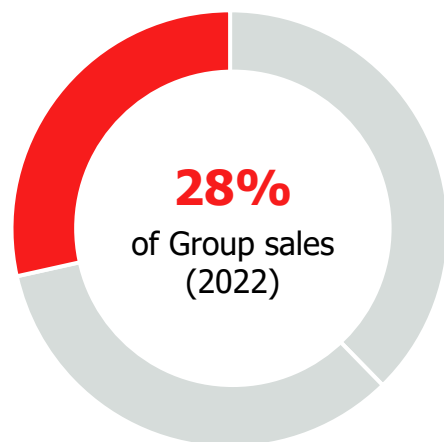
 Crane supply production site  
 Component supply production site  
 Hybrid crane/component supply production site

5. SEGMENT OVERVIEWS

# Port Solutions



# Port Solutions in brief



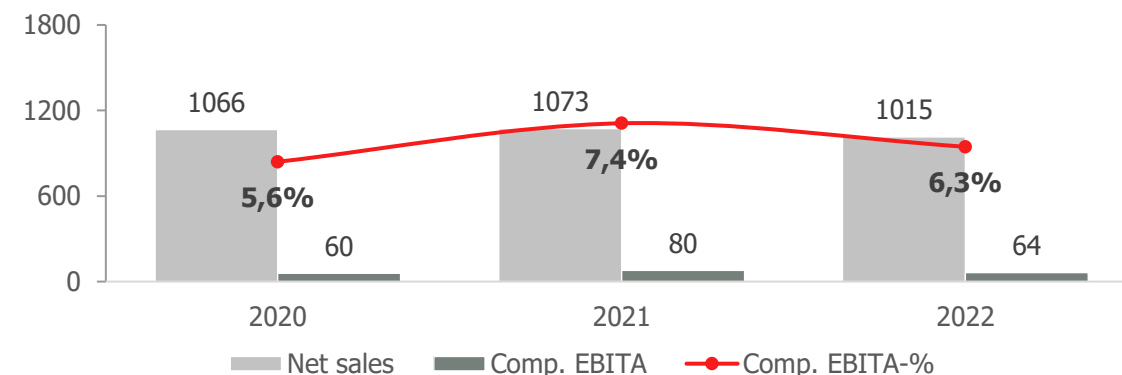
**3,114**  
employees (end of Q1 2023)

**1,015.0**  
net sales, MEUR (2022)

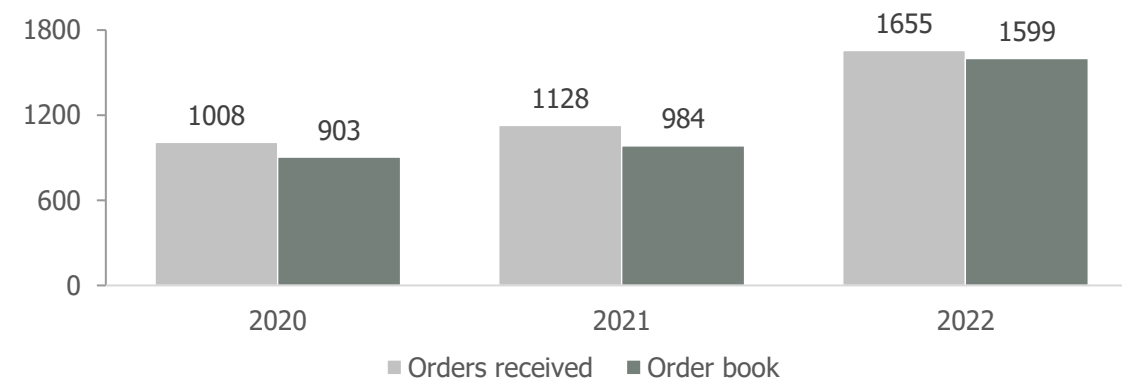
**6.3%**  
comp. EBITA margin (2022)

- Konecranes is a market leader in all product categories for ports and container terminals
- Port Solutions offers a full range of manned and fully automated container cranes, mobile harbor cranes, straddle carriers, heavy-duty lift trucks, and automated guided vehicles
- The offering also comprises a complete array of shipyard cranes and Terminal Operating System (TOS) and Equipment Control System (ECS) software, optimizing operations of entire container terminals
- In 2022, the service share of Port Solutions' sales was 22% (226.1 MEUR)

**Key financials, MEUR**



**Orders received and agreement base, MEUR<sup>(1)</sup>**



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

# Port Solutions offering – widest and deepest offering for container handling...

## Port Services



Service & maintenance, inspections, spare parts, modernizations, retrofits, training, digital services

## Lift Trucks



**Forklift Trucks (FLT)**



**Reach Stackers (RS)**



**Container Handlers (Laden/LCH & Empty/ECH)**

## Container Handling Equipment



**Ship-To-Shore cranes (STS)**



**Mobile Harbour Cranes (MHC)**



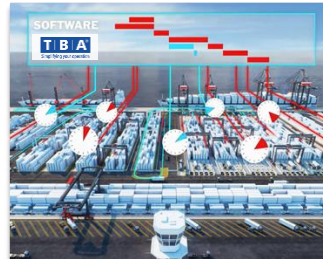
## Shipyard Cranes



**Goliath Gantry Crane**

**Shipyard Cranes**

## Software



**Terminal Operating System, Equipment Control System (TOS, ECS)**

## Automated equipment



**Automated RTG & RMG System (ARTG, ARMG/ASC)**



**AGVs & A-TTs**



**Straddle Carriers (SC)**



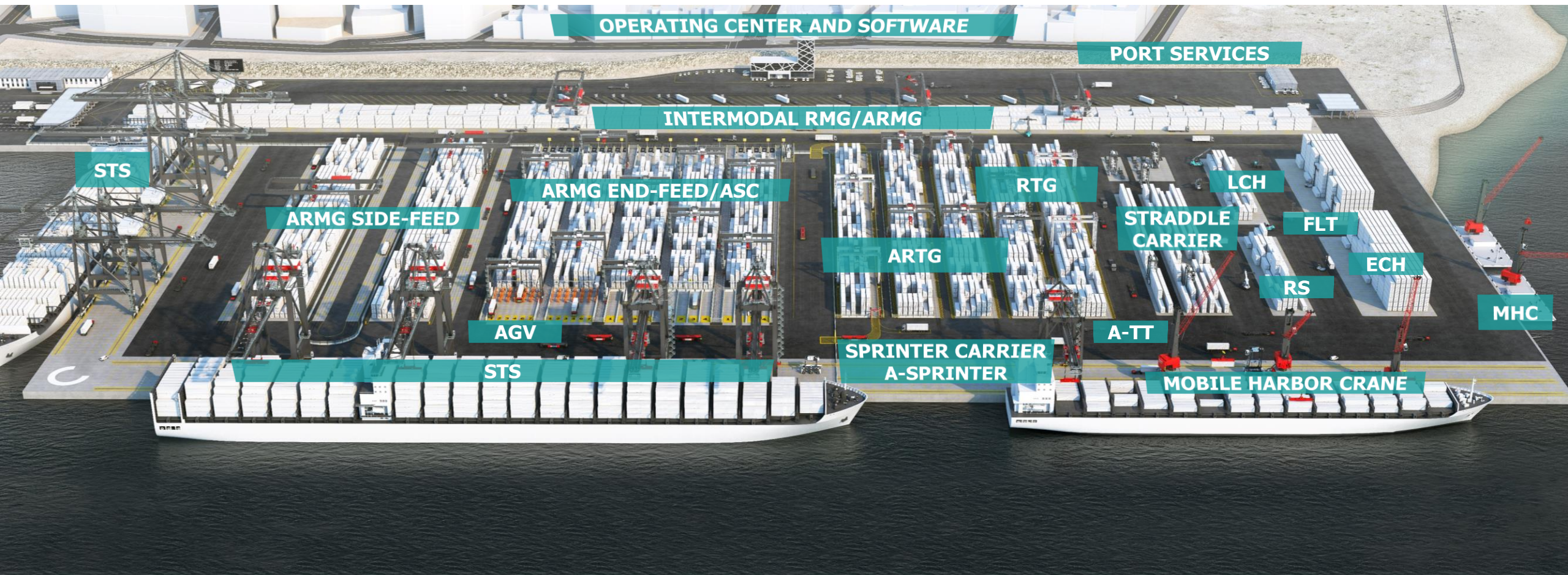
**Sprinter Carriers (SPC, A-SPRINTER)**



**Rail Mounted & Rubber Tired Gantry Cranes (RMG, RTG)**

# ...covering equipment, automation solutions, software & services

PS offering video ▶ YouTube



# The complete solution for the Path to Port Automation lifting terminals to higher productivity and efficiency

## Konecranes Software

In-house software  
(TOS & ECS)



## Terminal Operating System (TOS)

## Equipment Control System (ECS)

Remote operation at any stage

## Konecranes Path to Port Automation

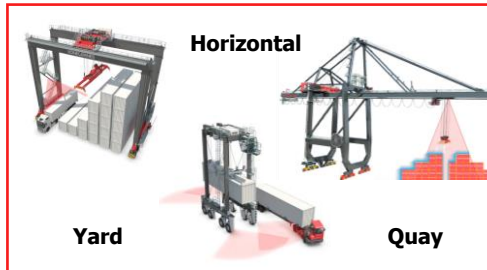
## Konecranes Equipment

Software agnostic equipment

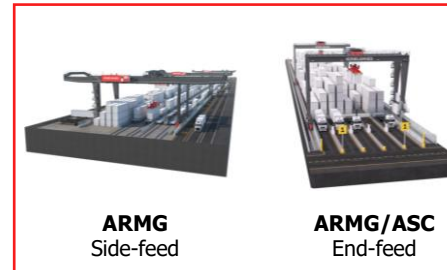
### 1. Manual operation



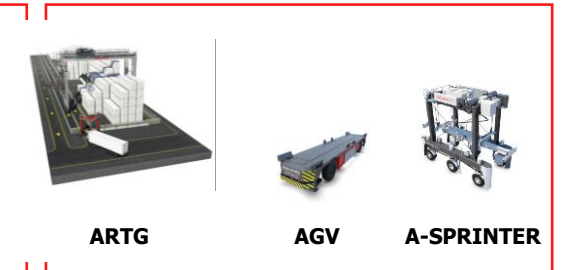
### 2. Smart features



### 3. Supervised operation



### 4. Automated operation



## Konecranes offering

### Equipment

- Full & complementary portfolio with smart features and connectivity for all terminal sizes and stages
- Automated & manual options, automation growth path
- Container terminal, intermodal, shipyard and bulk

### Services

- Field service & maintenance, inspections, and spare parts
- Digital tools & services, remote monitoring
- Modernizations, Retrofits & upgrades (incl. EcoLifting, Automation, remote operations, Smart features)

### Software

- Improving the operations of ports, terminals and warehouses
- Terminal Operating System (TOS), Equipment Control System (ECS), remote operations

# A comprehensive fully-electric offering and Path to Ecolifting & retrofits to increase efficiency and lower emissions



Path to Ecolifting & equipment offering		1. Optimized diesel drives	2. Hybrid drives	3. Fully-electric drives
Quayside				
STS	KONECRANES <sup>®</sup> ecolifting			External power
MHC				External power
Container yard				
RTG	KONECRANES <sup>®</sup> ecolifting			External power/battery
ARTG	KONECRANES <sup>®</sup> ecolifting			External power
RMG				External power
ASC/ARMG				External power
Horizontal transport				
Straddle	KONECRANES <sup>®</sup> ecolifting			Battery
(A)Sprinter	KONECRANES <sup>®</sup> ecolifting			
AGV	KONECRANES <sup>®</sup> ecolifting			Battery
Lift trucks				
Forklift	KONECRANES <sup>®</sup> ecolifting			Battery
RS	KONECRANES <sup>®</sup> ecolifting			
LCH/ECH	KONECRANES <sup>®</sup> ecolifting			

Standard offering      Feasible to develop

Equipment examples with fully-electric drive  
(external power supply with direct connection to power grid)



Fully-electric MHC (cable reel)



Fully-electric ASC/ARMG (cable reel)



Fully-electric & Hybrid RTG (busbar)



Fully-electric ARTG (cable reel)



Fully-electric AGV (Li-ion)



Fully-electric E-VER forklift (Li-ion)

# Megatrends and other demand drivers providing opportunities for growth

As customers continue to seek increased productivity, enhanced safety and improved predictability



**Digitalization  
& Automation**



**eCommerce &  
changes in  
logistical  
chains**



**Sustainability  
commitments**

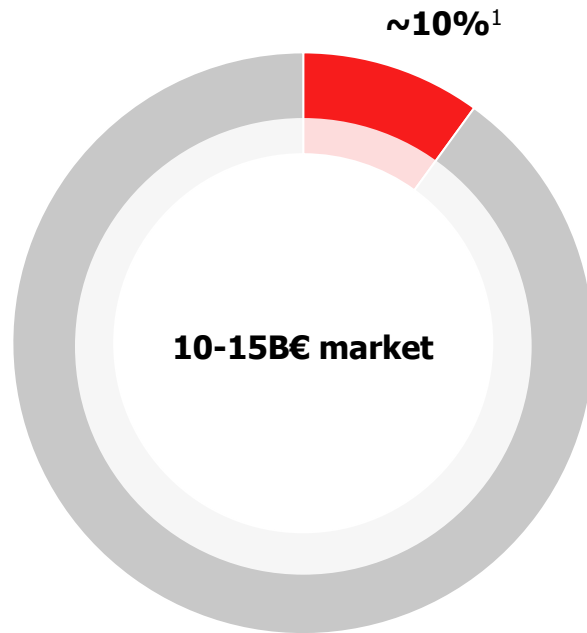


**Labour  
shortage**



**Geopolitics**

# Equipment market position and development



## Port Solutions equipment market

Market size/market share includes solutions and equipment.  
Also segments where Konecranes has no presence.

<sup>1</sup> ~25% market share in stronghold segments

### Market continues to grow

- Global Terminal Operators (GTOs) handle 2/3 of global container throughput and drive the growth
- Consolidation of the customer base continues as GTOs expand their global coverage through M&A and expand to broader logistics chain

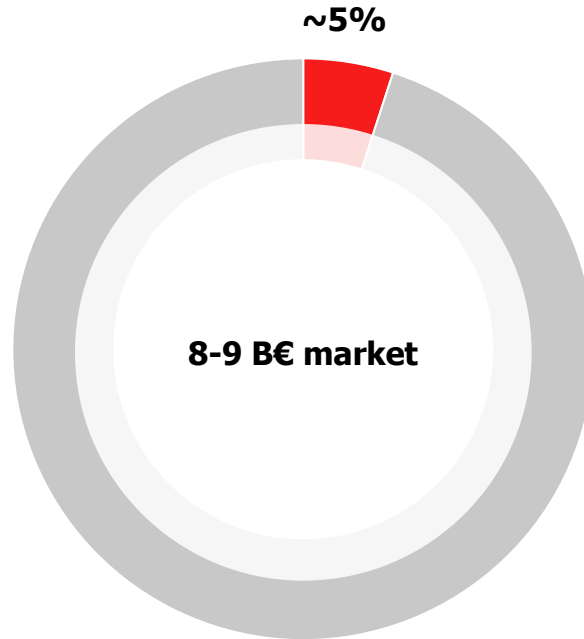
### Automation opportunity grows

- Pandemic and labour shortage have increased interest towards automation
- Brownfield automation expected to drive future investments
- Growth 2x times faster than manual equipment market

### Increased focus on hinterland terminals

- Search for higher efficiencies in end-to-end logistical chains
- Need for added/sustainable capacity

# Port Services market position and development



## **Port Services market expected to grow**

- Majority of total market is today in-house/insourced
- Inland terminals more geared for outsourcing than maritime terminals
- Outsourcing driven by aging labour, labour shortage, automation of equipment and systems requiring special knowledge

## **Data enabled service opportunities**

- Data driven predictive maintenance and Service Solutions
- Service Agreements for Automation systems

## **Port Services market**

Market size/market share includes port services (both insourced and outsourced). Services scope based on current Konecranes offering.

# We aim to become the World #1 in our core offering

## Financial targets:

- Sales growth clearly faster than the market<sup>1</sup>
- Comparable EBITA margin of 9-11%<sup>2</sup>















<sup>1</sup> nominal world GDP growth, IMF World Economic Outlook

<sup>2</sup> as soon as possible, but no later than in 2027. Profitability range, depending on the cycle.

## We capture the market opportunity and reach our targets by:

1. Focusing on our core offering with best growth potential
2. Growing our Port Services
3. Further strengthening our automation offering and capturing automation opportunities
4. Strengthening our eco-efficient offering
5. Focusing on Operational Excellence

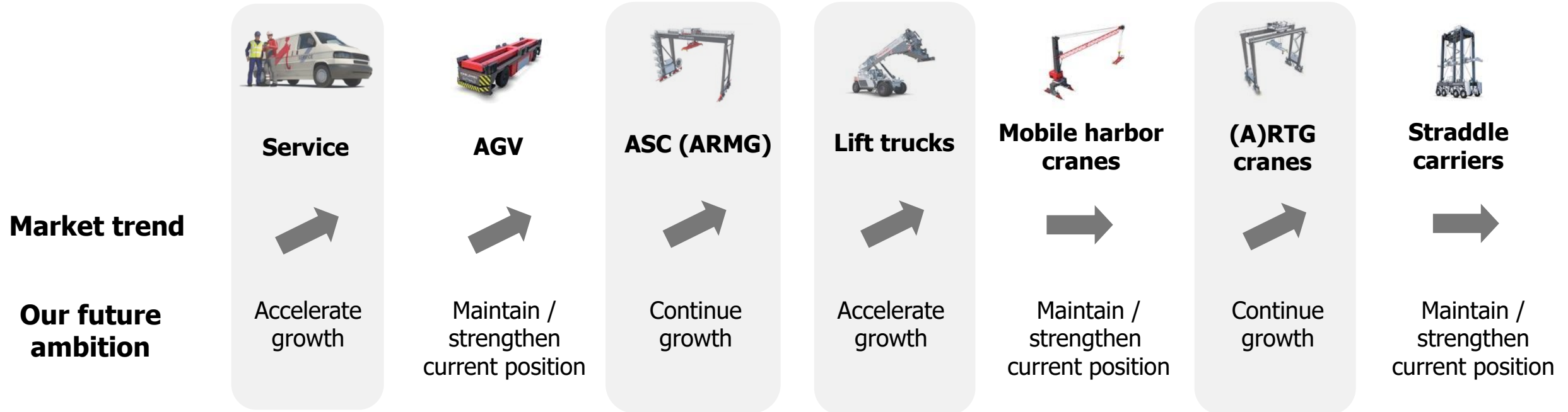
# Market provides plenty of opportunities for growth

							
	<b>Service</b>	<b>AGV</b>	<b>ASC (ARMG)</b>	<b>Lift trucks</b>	<b>Mobile harbor cranes</b>	<b>(A)RTG cranes</b>	<b>Straddle carriers</b>
<b>Market size</b>	~8-9 B€ <sup>1</sup>	~0.3 B€	~1.5 B€ <sup>2</sup>	~2 B€ <sup>3</sup>	~0.6 B€	~1.5 B€ <sup>2</sup>	~0.4 B€
<b>Global position</b>	#2	#1-2	#1-2	#2-3	#1-2	#1-2, #1 in ARTG systems	#1-2
<b>Market trend</b>							
<b>Key competitors</b>	In-house Kalmar ZPMC Liebherr ABB, Siemens Local service companies	ZPMC VDL Gaussin	ZPMC Künz Sany HHMC ABB Siemens TMEIC	Kalmar Hyster-Yale Taylor Sany ZPMC	Liebherr Italgru Sennebogen ZPMC Sany	ZPMC Mitsui Liebherr Künz Sany MiJack	Kalmar ZPMC

<sup>1</sup> Total market including in-house<sup>2</sup> For yard cranes, ASC and RTG combined<sup>3</sup> Container handling equipment and medium and heavy forklift trucks

# We focus on products with the best growth potential

With the rest of the product portfolio, our focus is on market share and profitability



- Focus on products where we offer safety, sustainable solutions, high productivity, high quality, reliability & high uptime and low total cost of ownership (TCO)
- Potential to leverage Konecranes' unique Service offering to customers
- Electrification and agile distribution model provides further opportunities to mobile equipment

# We aim to grow Port Services faster than equipment over the cycle

**Increasing  
own and 3<sup>rd</sup>  
party fleet**

**Boosting  
eCommerce &  
digital  
channels**

**Geographic  
footprint  
expansion**

**Data enabled  
advanced  
offering and  
digital services**

**Sustainability  
& automation  
retrofits**

**Bolt-on M&A**

## **KONECRANES PORT SERVICES FACTS**

**22%**  
Share of sales

---

**23**  
countries with own  
operations

---

**Vast network  
of service partners and  
LFT distributors**

# We are leading port automation

**65%** of all the world's automated container terminals run with Konecranes and more in delivery

**Inventor of  
AGV**  
+700 units



**Largest western  
ASC/ARMG**  
+400 units



**Best performing  
ECS**  
+10 sites



**Pioneer of  
ARTG**  
+200 units



# We capture automation opportunities in all terminals with our widest and deepest offering

## **LARGE AUTOMATED CONTAINER TERMINALS**

AGV, ASC/ARMG,  
A-Sprinter  
and ECS

## **MEDIUM-SIZED CONTAINER TERMINALS**

With our ARTGs and ECS

## **SMALL-SIZED CONTAINER TERMINALS**

Limited automation  
opportunities

## **EXISTING SITES WITH EXPANSIONS AND REPLACEMENTS**

AGV, ASC/ARMG and ECS

## **INLAND TERMINALS**

ARMG cranes

## **NEW SERVICE AGREEMENTS**

## **BROWNFIELD CONVERSIONS**

From manual SC  
to ASC/ARMG

Manual RTG to ARTG

## **OTHER EQUIPMENT BRANDS**

With our automation  
retrofits

# 6. Appendix



91.45%

87.42%

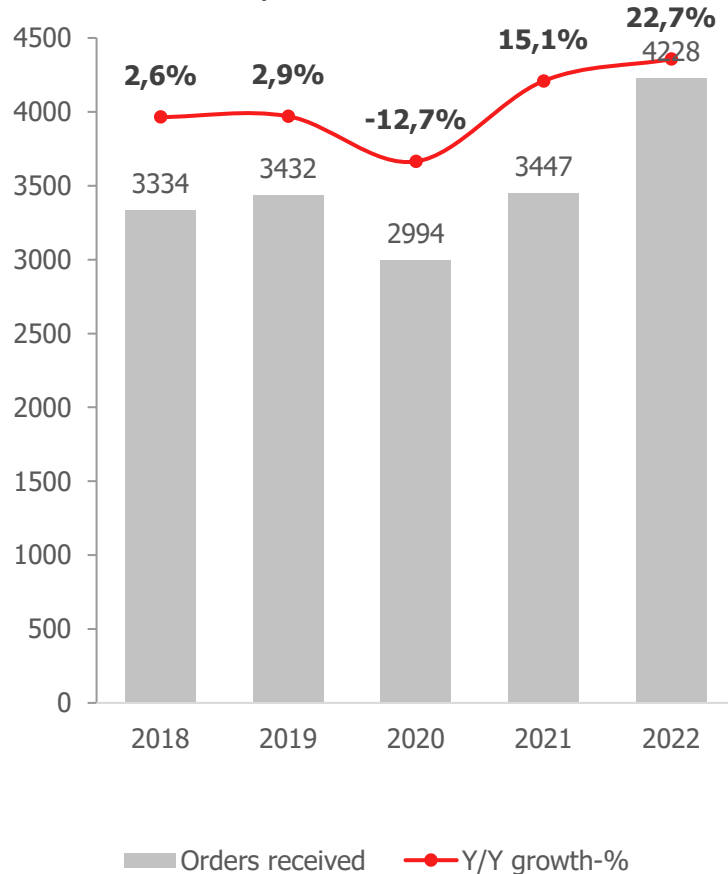
# Konecranes at a glance

Key figures, 2022	Konecranes Group	Service	Industrial Equipment	Port Solutions	Eliminations / Group
Orders received <sup>(1)</sup>	4,227.9 MEUR	1,442.5 MEUR	1,391.6 MEUR	1,655.3 MEUR	-261.6 MEUR
Order book	2,901.7 MEUR	445.5 MEUR	857.2 MEUR	1,599.0 MEUR	
Net sales	3,364.8 MEUR	1,343.3 MEUR	1,205.6 MEUR	1,015.0 MEUR	-199.2 MEUR
Comp. EBITA	318.4 MEUR	249.4 MEUR	32.5 MEUR	63.5 MEUR	-27.0 MEUR
Comp. EBITA margin	9.5%	18.6%	2.7%	6.3%	
Personnel (end of Q1 2023)	16,579	7,950	5,416	3,114	99

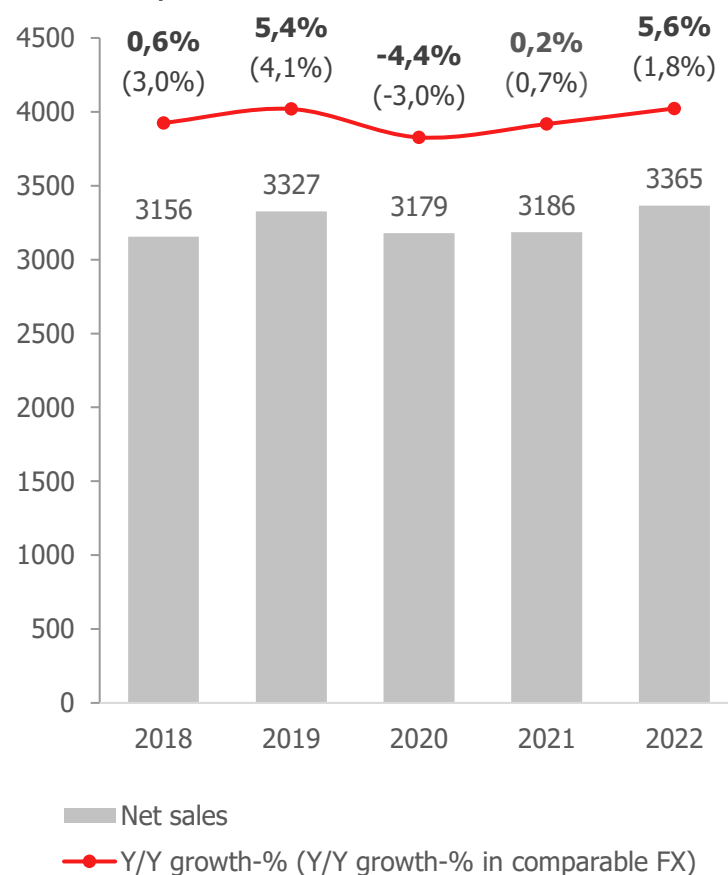
Note (1): Agreement base included in orders received from Q1 2023 onwards and historical figures for 2022 are restated

# Konecranes key financials development

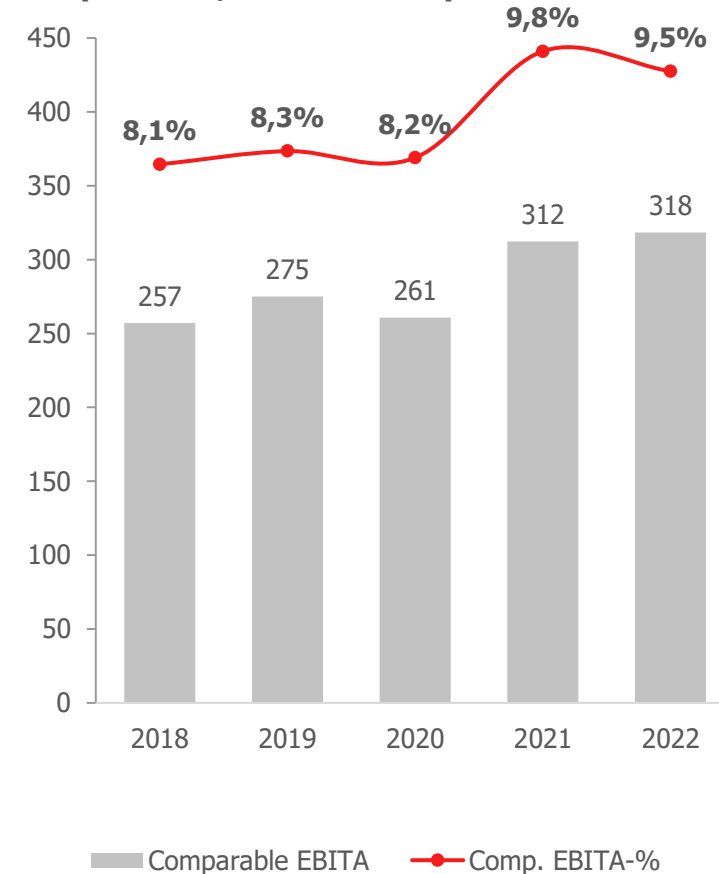
Orders received, MEUR<sup>(1)</sup>



Net sales, MEUR



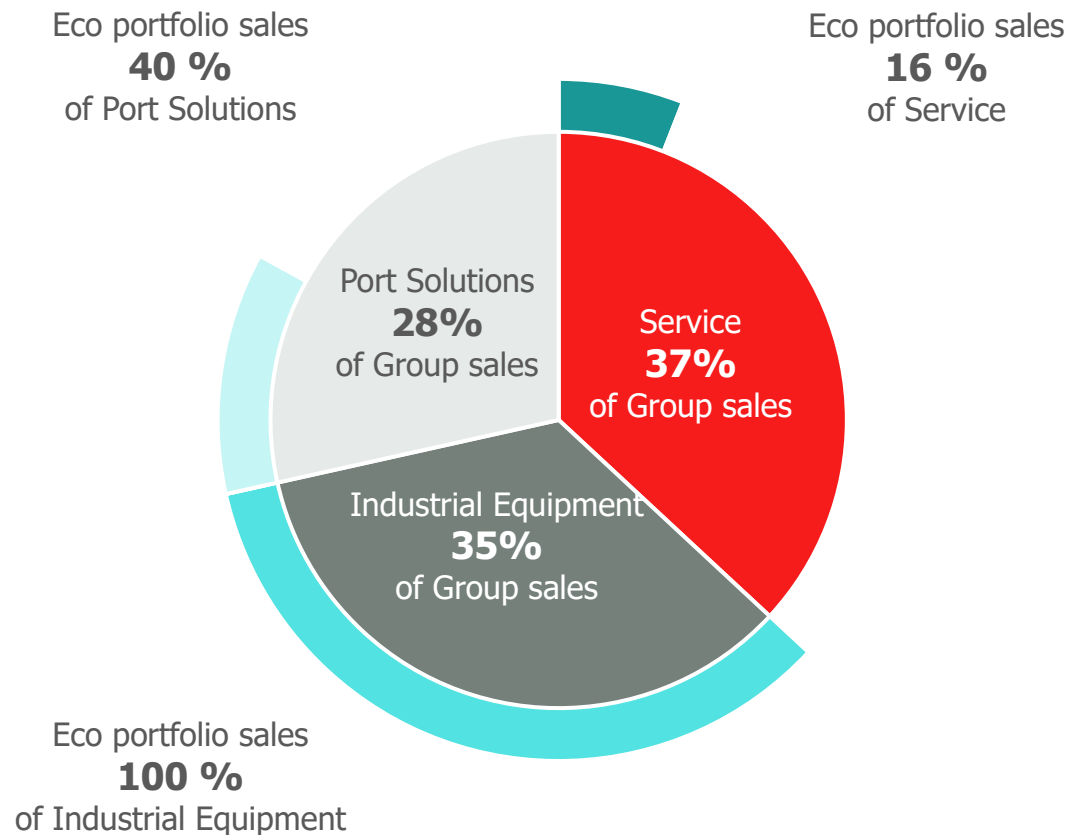
Comp. EBITA, MEUR & comp. EBITA-%



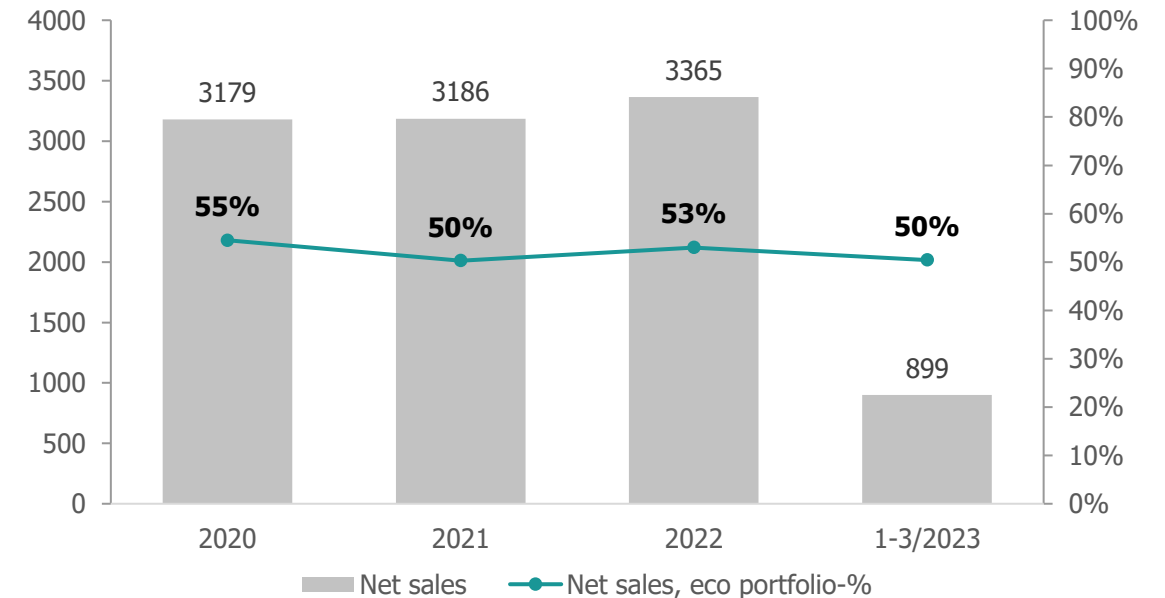
Note (1): Agreement base included in orders received from Q1 2023 onwards and historical figures are restated

# Konecranes has a strong eco-efficient equipment offering combined with services to extend product lifecycles

Eco portfolio sales by segment, 1-3/2023<sup>(1)(2)</sup>



Eco portfolio share of Group sales, %



## Eco portfolio:

Fully electrified and hybrid equipment, as well as modernizations and retrofits

Note (1): For Service, the eco portfolio only includes modernizations and retrofits, although all maintenance work and spare parts aim at extending product lifecycle and increased resource-efficiency

Note (2): For Port Solutions, the eco portfolio share is impacted by sales mix and timing of project revenues

# Konecranes Board of Directors

**Christoph Vitzthum**

Chair of the Board



**Pasi Laine**

Vice Chair of the Board



**Pauli Anttila**

Member of the Board



**Ulf Liljedahl**

Member of the Board



**Niko Mokka**

Member of the Board<sup>(1)</sup>



**Gun Nilsson**

Member of the Board



**Päivi Rekonen**

Member of the Board



**Helene Svahn**

Member of the Board



**Sami Piittisjärvi**

Member of the Board



Note (1): Niko Mokka is independent of the company and its significant shareholders since May 2023. Konecranes has on May 16, 2023, received a notification under Chapter 9, Section 5 of the Securities Market Act, according to which the holding of HC Holding Oy Ab in Konecranes Plc's shares and votes has fallen below 10 percent. HC Holding Oy Ab sold its entire holding in Konecranes.

# Konecranes Board of Directors

**9**

Board members

**78%**

Independent<sup>(1)</sup>

**33%**

women

**Audit & HR**

Committees

## Board independence

- All Board members with the exception of Pauli Anttila are deemed to be independent of the Company's significant shareholders<sup>(1)</sup>
- Pauli Anttila is deemed not to be independent of a significant shareholder of the Company based on his current position as Investment Director and Member of the Management Team at Solidium Oy
- All Board members with the exception of Sami Piittisjärvi are deemed to be independent of the Company
- Sami Piittisjärvi is deemed not to be independent of the Company due to his current position as an employee of Konecranes

Note (1): Niko Morkila is independent of the company and its significant shareholders since May 2023. Konecranes has on May 16, 2023, received a notification under Chapter 9, Section 5 of the Securities Market Act, according to which the holding of HC Holding Oy Ab in Konecranes Plc's shares and votes has fallen below 10 percent. HC Holding Oy Ab sold its entire holding in Konecranes.

# Konecranes Leadership Team

**Anders Svensson**

President and CEO



**Teo Ottola**

CFO,  
Deputy CEO



**Fabio Fiorino**

Executive Vice President,  
Industrial Service and Equipment



**Mika Mahlberg**

Executive Vice President,  
Port Solutions



**Juha Pankakoski**

Executive Vice President,  
Technologies



**Anneli Karkovirta**

Senior Vice President,  
People and Culture



**Sirpa Poitsalo**

Senior Vice President,  
General Counsel



**Topi Tiitola**

Senior Vice President, Integration  
and Project Management



**8**

Konecranes Leadership  
Team members

**25%**

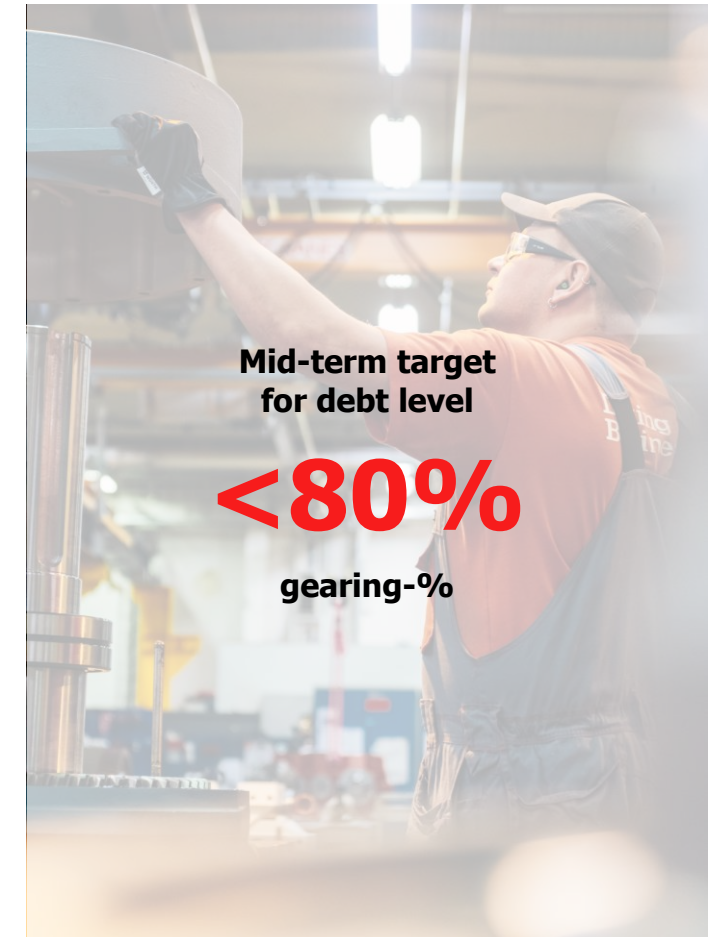
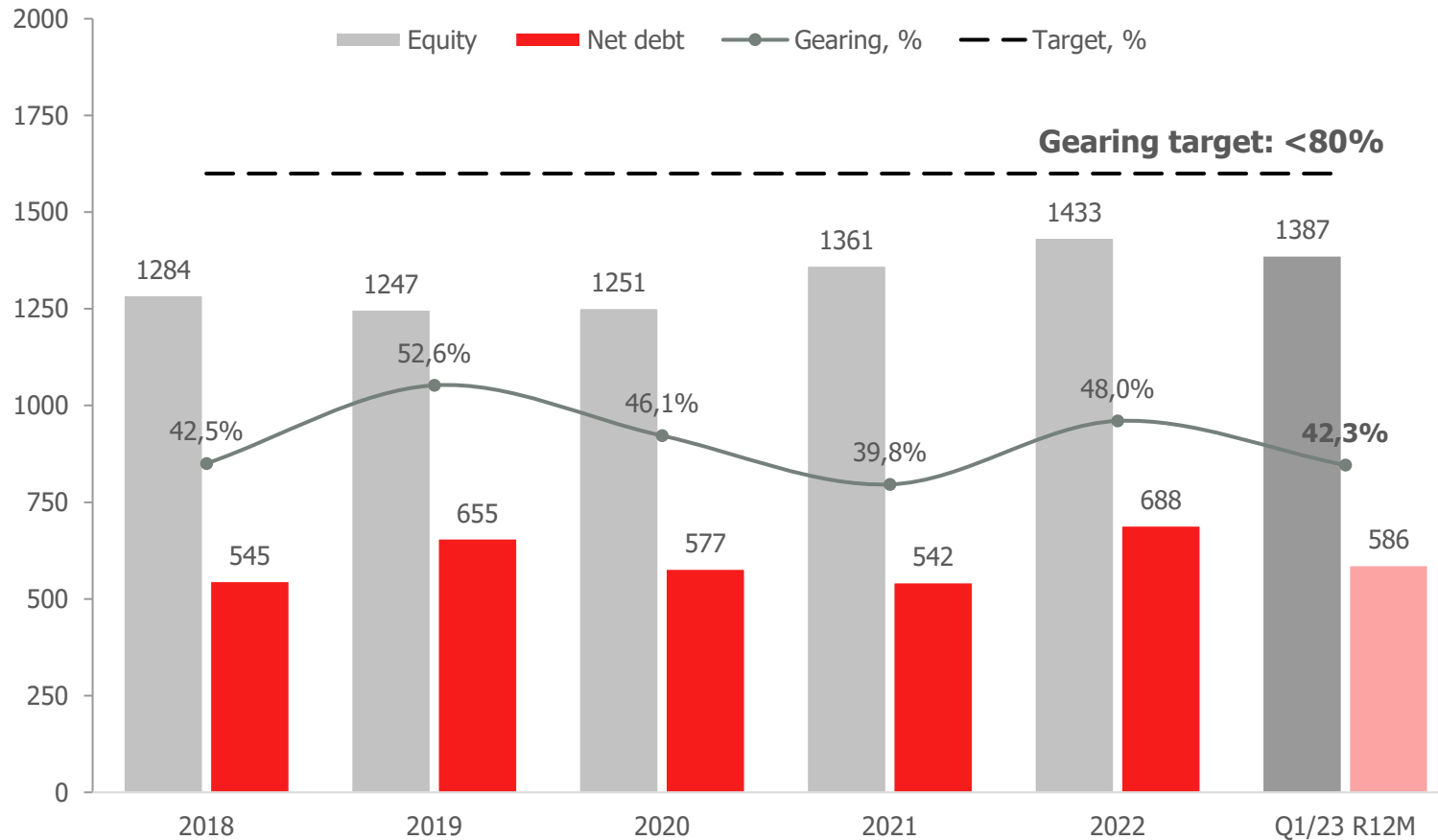
women

**3**

different nationalities

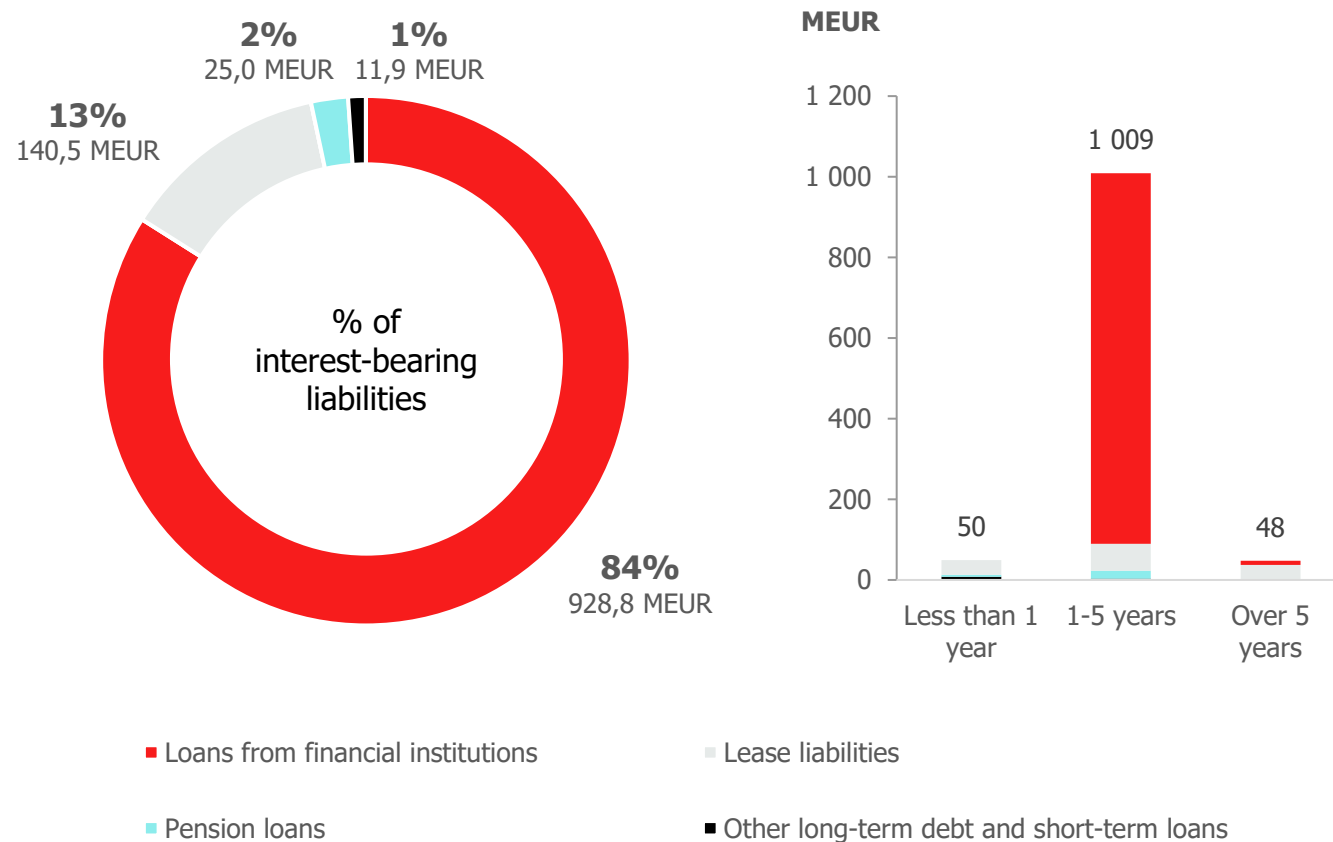
# We have a strong balance sheet with financial flexibility

Equity & net debt, MEUR and gearing, %



# Group interest-bearing liabilities and net debt

Structure and maturity profile of interest-bearing liabilities (Dec 31, 2022)

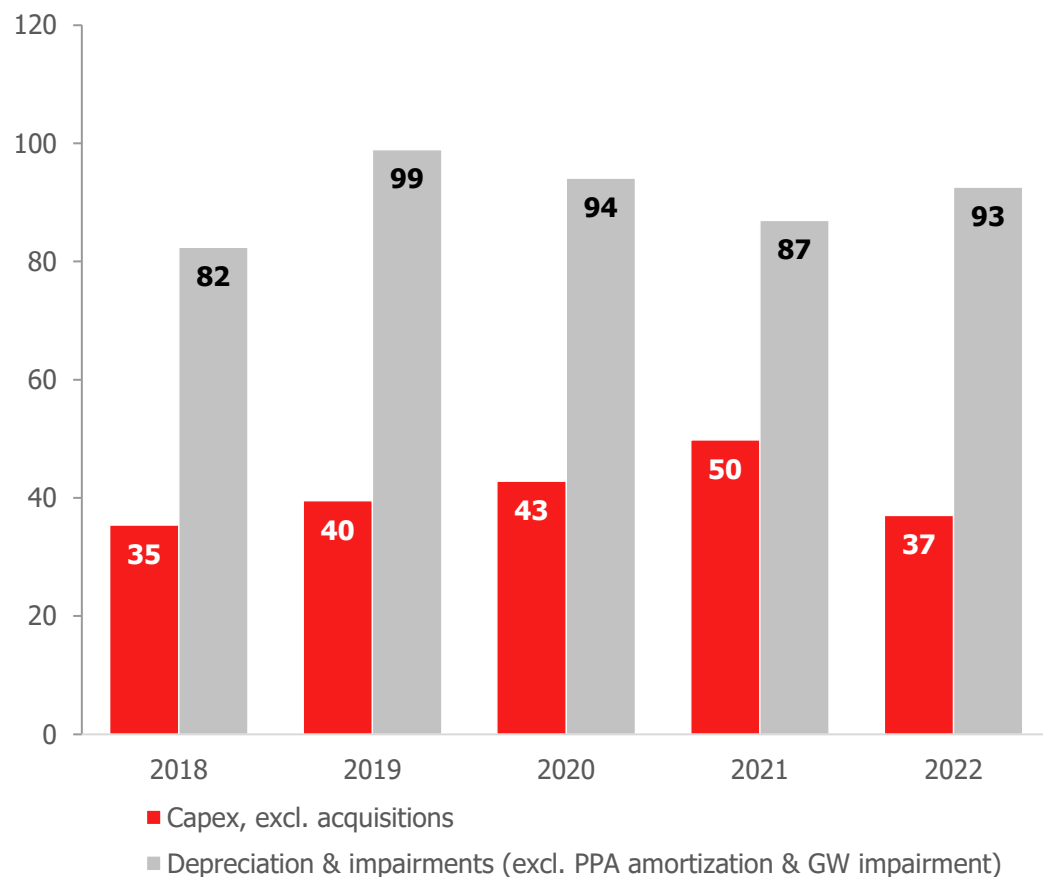


Interest-bearing net debt (Mar 31, 2023)

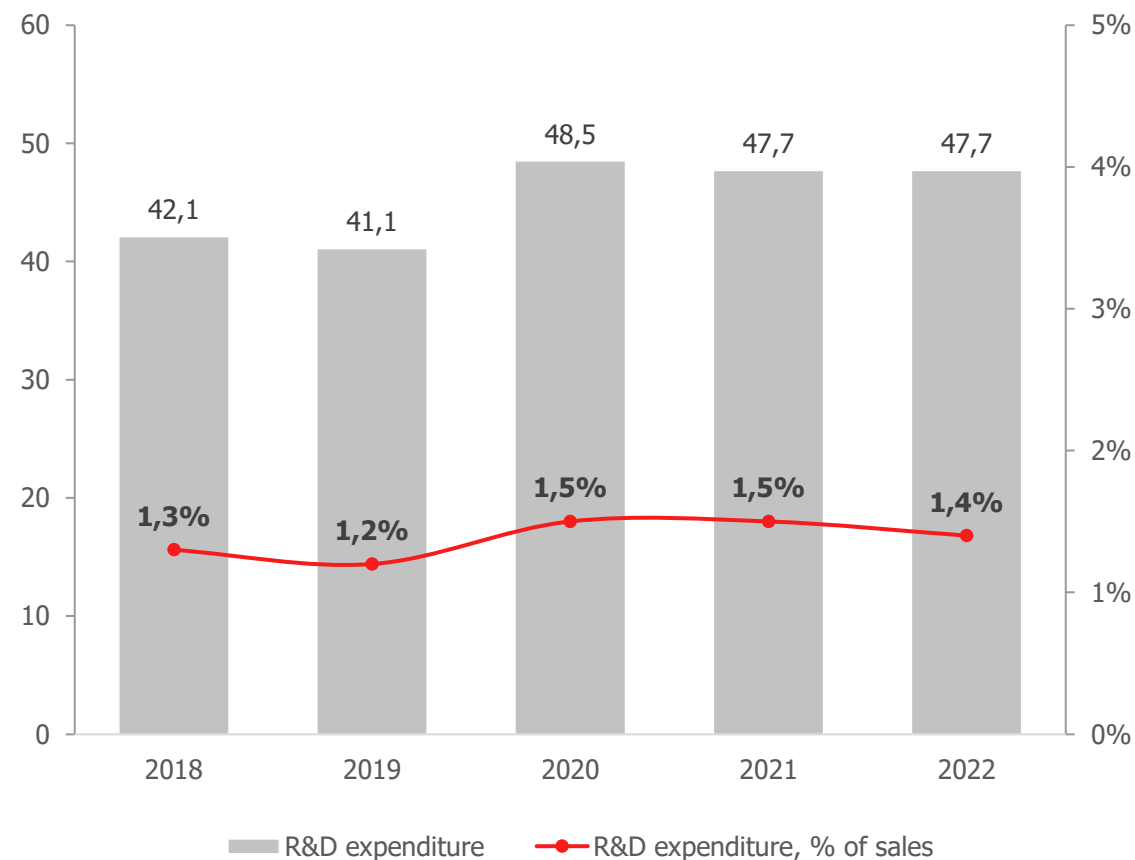
EUR million	31 Mar 2023	31 Mar 2022	31 Dec 2022
Non current interest bearing liabilities	904.8	446.8	1,056.4
Current interest bearing liabilities	53.8	452.9	49.8
<b>Interest-bearing liabilities</b>	<b>958.6</b>	<b>899.6</b>	<b>1,106.2</b>
Loans receivable	-4.1	-2.7	-3.9
<b>Cash and cash equivalents</b>	<b>-368.4</b>	<b>-351.6</b>	<b>-413.9</b>
<b>Interest-bearing net debt</b>	<b>586.1</b>	<b>545.3</b>	<b>688.4</b>

# Capital expenditure, depreciation and R&D expenditure

Capital expenditure and depreciation, MEUR<sup>(1)</sup>



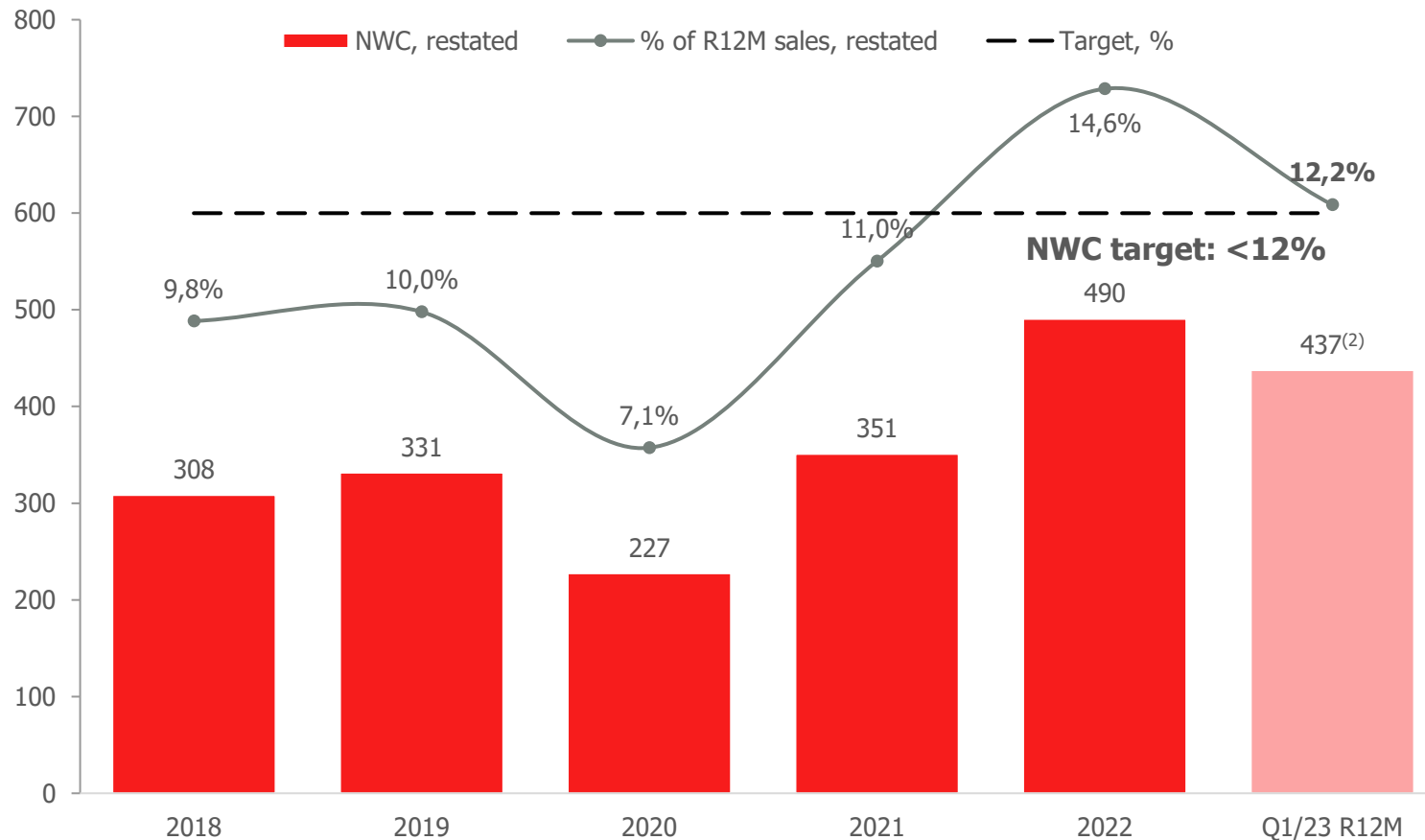
Research and development, MEUR and percentage of sales



Note (1): The implementation of IFRS 16 Leases standard in the beginning of 2019 had an impact of approximately 31 MEUR for the year 2019, the figures for earlier periods have not been restated

# Our net working capital development is driven by timing of projects and delivery capability

Net working capital, MEUR and percentage of sales<sup>(1)</sup>



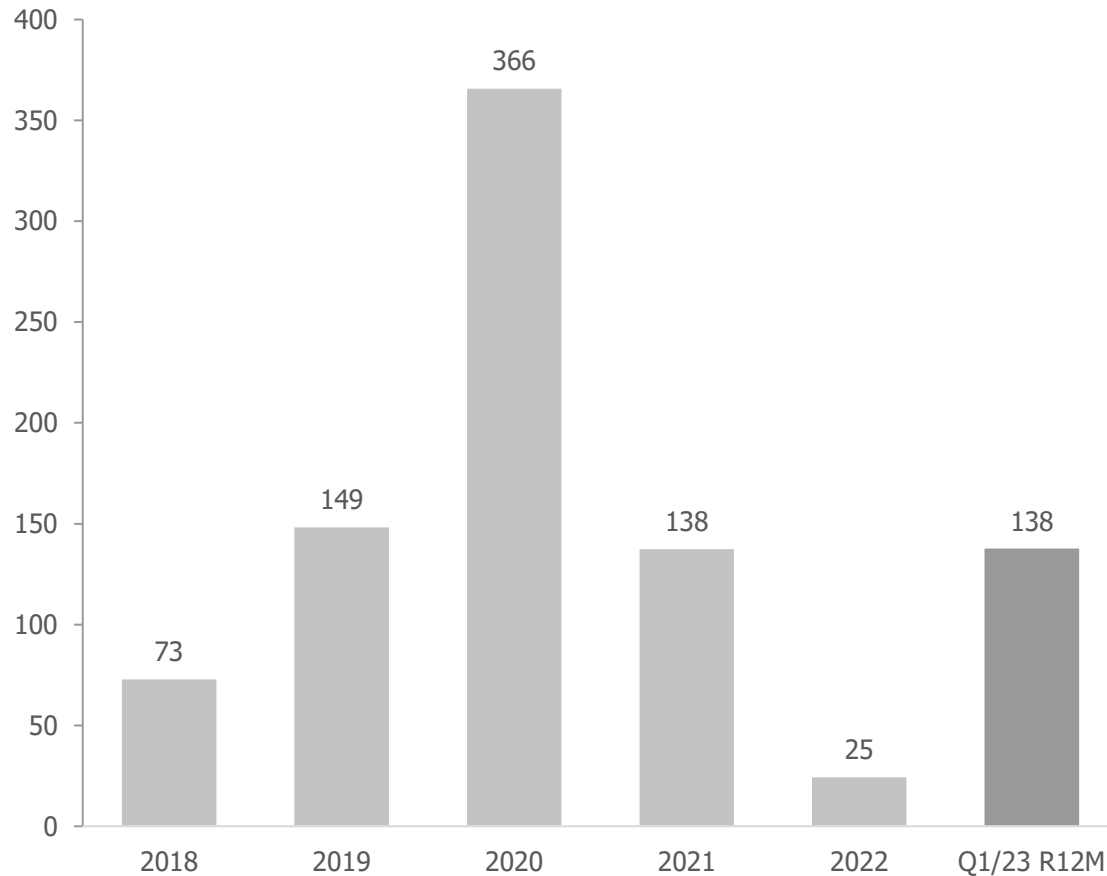
Note (1): NWC formula changed from Q1 2023 onwards and net working capital for historical periods restated

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

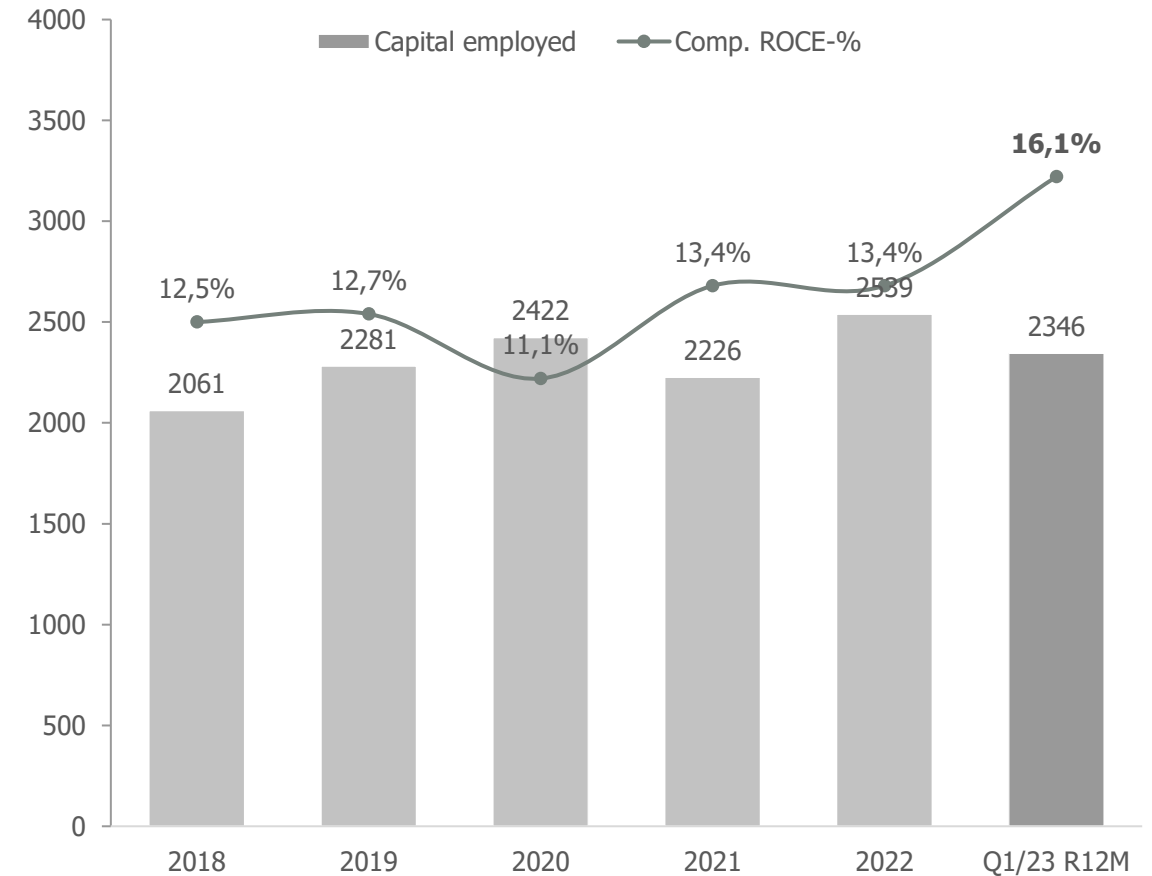


# Free cash flow and return on capital employed

Free cash flow, MEUR



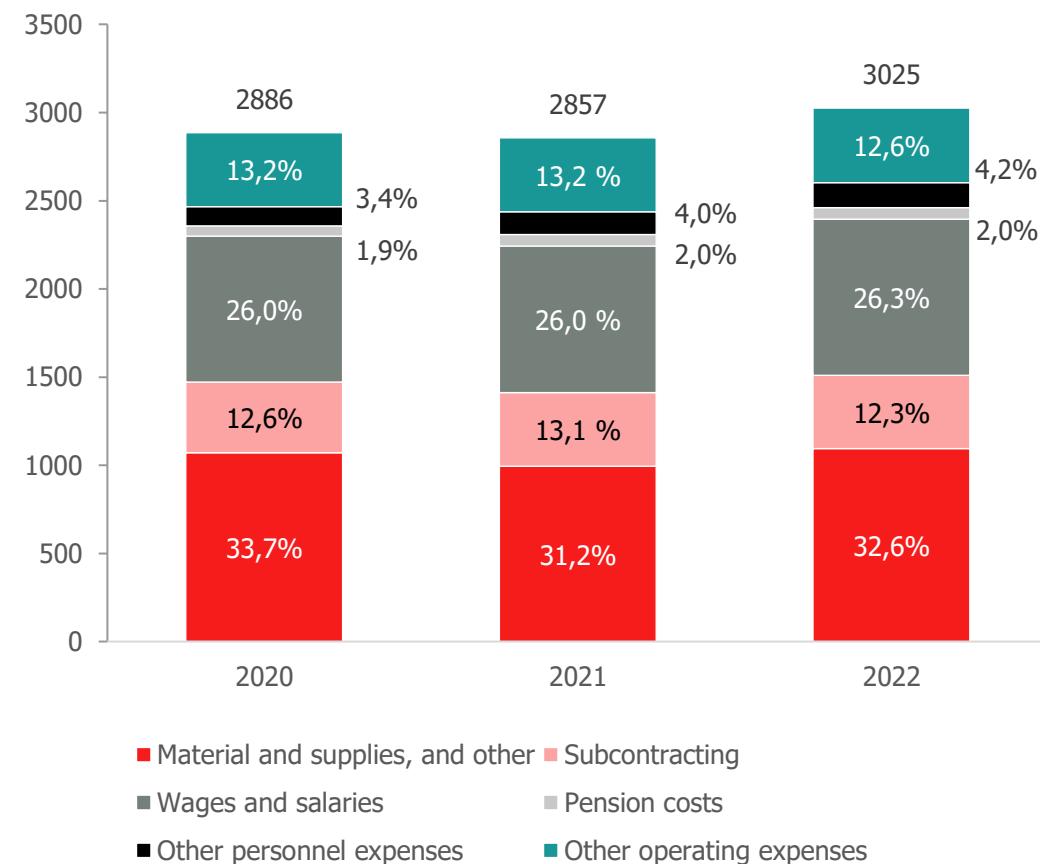
Capital employed, MEUR and comp. return on capital employed, %



# Operating expenses

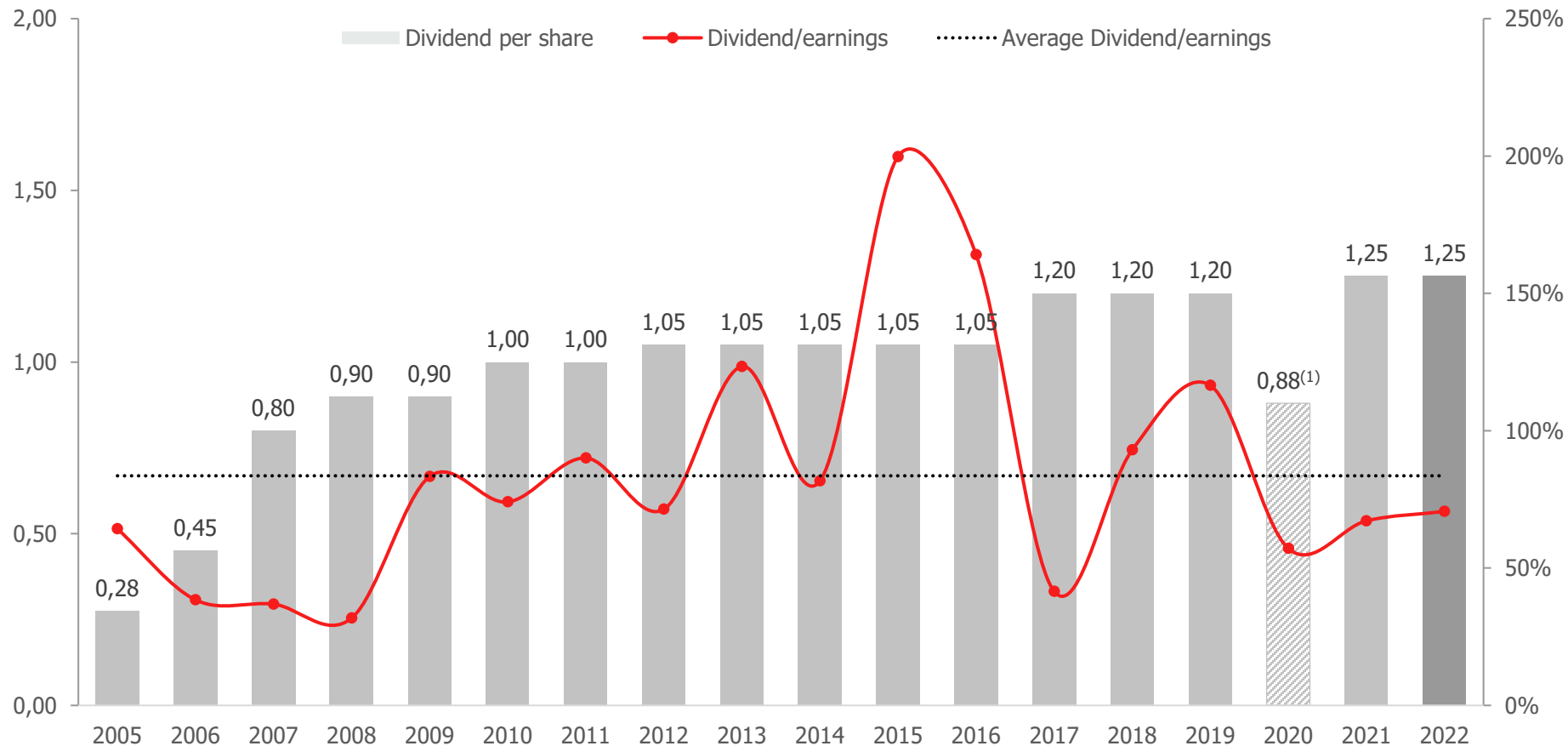
EUR million	1-12/ 2020	1-12/ 2021	1-12/ 2022
Change in work in progress	10.5	-35.0	-170.9
Production for own use	-0.6	-0.7	-1.1
Material and supplies	1,062.0	1,030.7	1,267.5
Subcontracting	401.1	418.1	414.7
<b>Materials, supplies and subcontracting</b>	<b>1,473.0</b>	<b>1,413.0</b>	<b>1,510.2</b>
Wages and salaries	826.3	829.6	884.8
Pension costs	58.9	65.1	66.9
Other personnel expenses	108.3	128.8	140.2
<b>Personnel cost</b>	<b>993.5</b>	<b>1,023.5</b>	<b>1,091.9</b>
<b>Other operating expenses</b>	<b>419.3</b>	<b>420.4</b>	<b>423.3</b>
<b>Total operating expenses</b>	<b>2,885.8</b>	<b>2,856.9</b>	<b>3,025.3</b>

Operating expenses, MEUR and operating expenses, % of sales



# Dividend per share and pay-out ratio development

Dividend per share, EUR and dividend/earnings ratio, %



**1.25 EUR**  
dividend for 2022

**84%**  
average dividend pay-out  
ratio for 2005–2022

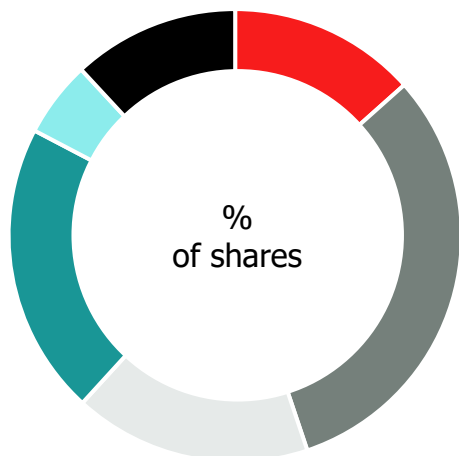
**4.1%**  
average effective dividend  
yield for 2005–2022

**Konecranes aims  
to pay a stable to  
increasing  
dividend per share,  
over the cycle**

Note (1): For 2020, the dividend was in accordance with the Combination Agreement, the planned merger with Cargotec was cancelled in Mar-2022

# Major shareholders and distribution of ownership

Ownership structure (as at Apr 30, 2023)



- Private companies (13,4% of shares)
- Financial and insurance corporations (31,4% of shares)
- Public sector organizations (16,9% of shares)
- Households (20,9% of shares)
- Non-profit organizations (5,4% of shares)
- Foreigners (11,9% of shares)

**56,393 shareholders (52,313 households)**

Major shareholders (as at Apr 30, 2023)

Shareholder	# of shares	Shares, %
1 Solidium Oy	8,000,000	10.10
2 HC Holding Oy Ab <sup>(1)</sup>	7,931,238	10.01
3 Gustavson Stig and family <sup>(2)</sup>	2,366,157	2.99
4 Ilmarinen Mutual Pension Insurance Company	1,990,000	2.51
5 Varma Mutual Pension Insurance Company	1,785,293	2.25
6 Holding Manutas Oy	1,065,000	1.34
7 Elo Mutual Pension Insurance Company	984,000	1.24
8 Svenska litteratursällskapet i Finland r.f.	724,000	0.91
9 Samfundet folkhälsan i Svenska Finland rf	615,600	0.78
10 Nordea Funds (Finland)	597,507	0.75
<b>Top 10 total</b>	<b>26,058,795</b>	<b>32.89</b>
Nominee registered	29,270,199	36.95
Other shareholders	23,892,912	30.16
<b>Total number of shares outstanding</b>	<b>79,221,906</b>	<b>100.00</b>

Note (1): HC Holding Oy Ab is a wholly owned subsidiary of Hartwall Capital Oy Ab. HC Holding Oy Ab has on May 16, 2023 sold its entire holding in Konecranes.

Note (2): Includes shares held by Stig Gustavson and the retained voting rights of shares donated to near relatives

# 7. Latest quarterly result presentation



# Q1 2023 Report

April 28, 2023

Anders Svensson, President and CEO

Teo Ottola, CFO

**KONECRANES®**  
Lifting Businesses™



# Important Notice

The following applies to this presentation, the oral presentation of the information in this presentation by Konecranes Abp (the “**Company**” or “**Konecranes**”) or any person on behalf of the Company, and any question-and-answer session that follows the oral presentation (collectively, the “**Information**”). In accessing the Information, you agree to be bound by the following terms and conditions.

This presentation does not constitute an offer of or an invitation by or on behalf of, Konecranes, or any other person, to purchase any securities.

The Information is not directed to, or intended for distribution to or use by, any person or entity that is a citizen or resident of, or located in, any locality, state, country or other jurisdiction where such distribution or use would be contrary to law or regulation or which would require any registration or licensing within such jurisdiction.

The Information contains forward-looking statements. All statements other than statements of historical fact included in the Information are forward-looking statements. Forward-looking statements give the Company’s current expectations and projections relating to its financial condition, results of operations, plans, objectives, future performance and business. These statements may include, without limitation, any statements preceded by, followed by or including words such as “target,” “believe,” “expect,” “aim,” “intend,” “may,” “anticipate,” “estimate,” “plan,” “project,” “will,” “can have,” “likely,” “should,” “would,” “could” and other words and terms of similar meaning or the negative thereof. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors beyond the Company’s control that could cause the Company’s actual results, performance or achievements to be materially different from the expected results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Company’s present and future business strategies and the environment in which it will operate in the future.

The Information, including but not limited to forward-looking statements, applies only as of the date of this document and is not intended to give any assurances as to future results. Market data used in the Information not attributed to a specific source are estimates of the Company and have not been independently verified.

# Agenda



## Anders Svensson

President and CEO

- |   |             |
|---|-------------|
| <b>1. Quarter's highlights</b>          | <b>p. 4</b> |
| 2. Market environment                   | p. 5        |
| 3. Group financial performance          | p. 7        |
| 4. Demand outlook & financial guidance  | p. 10       |
| <hr/>                                   |             |
| 5. Group profitability bridge           | p. 13       |
| 6. Business segments                    | p. 14       |
| 7. Net working capital & free cash flow | p. 17       |
| 8. Gearing & return on capital employed | p. 18       |



## Teo Ottola

CFO

Q&A

# Q1 2023 – Strong results in all Business Segments

## Record-breaking Q1 result

### Order intake nearly €1.3 billion

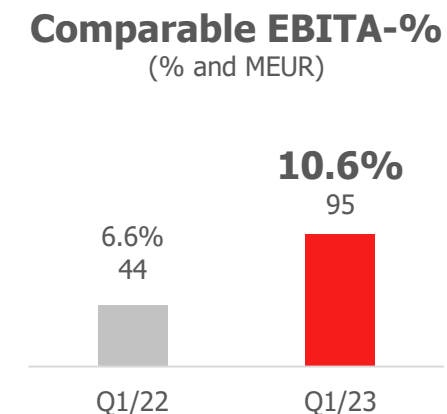
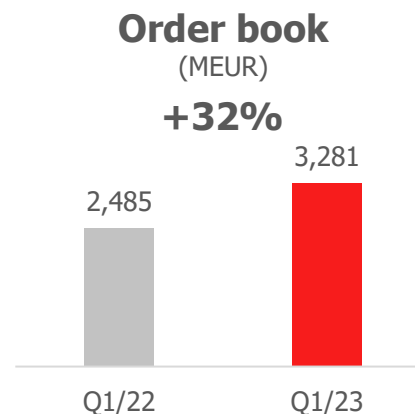
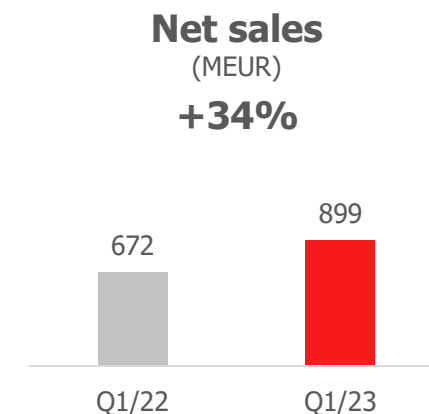
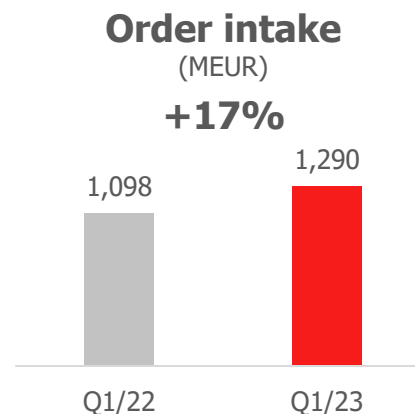
- Demand environment remained good despite weakened macro indicators
- Orders increase (Y/Y, comp. FX) in all three Business Segments

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

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

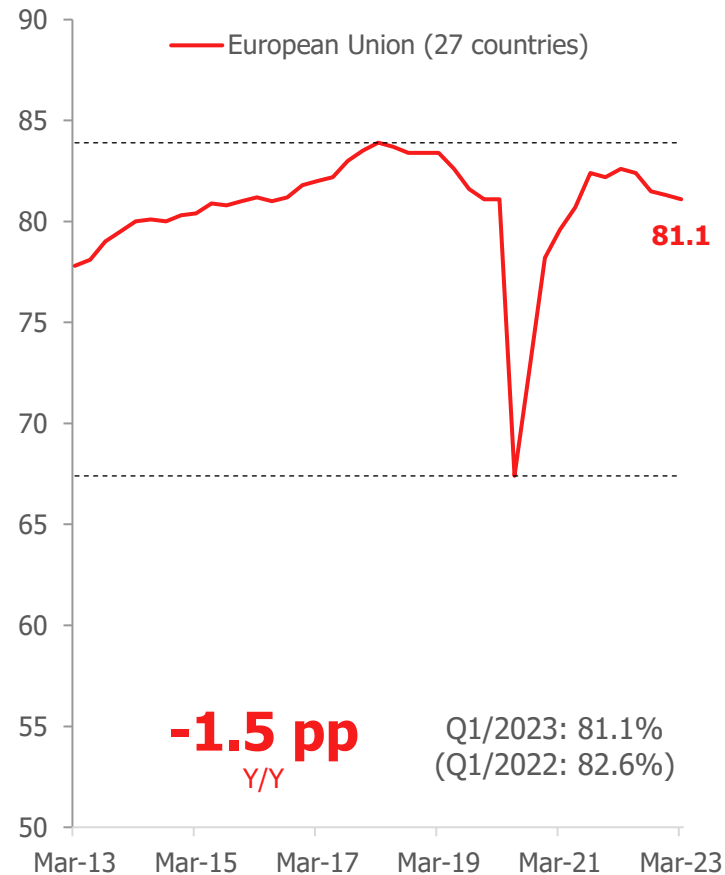
### Record-high Q1 comparable EBITA margin

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

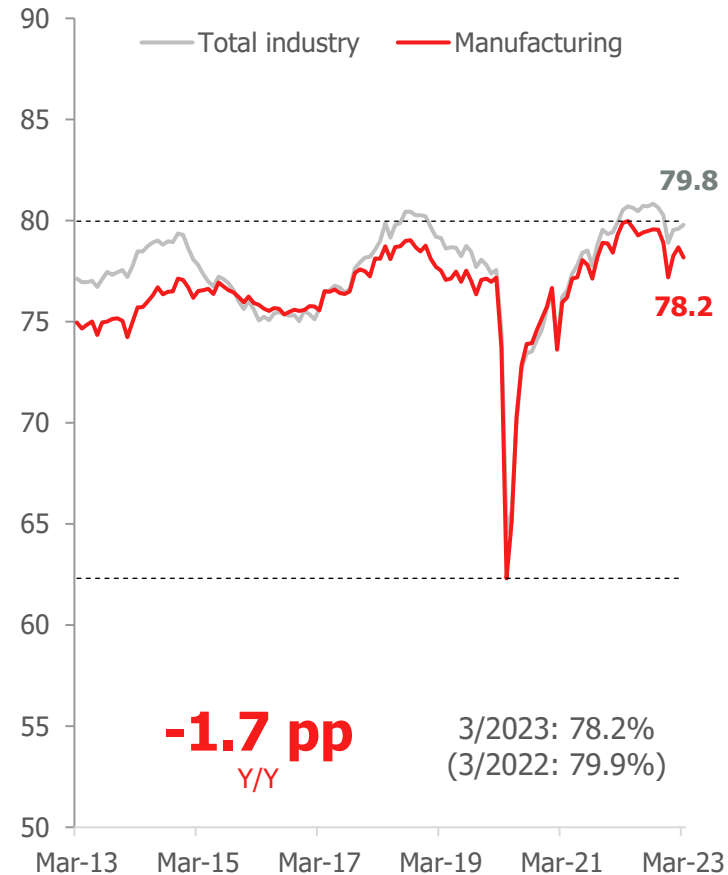


# Market environment – Service and Industrial Equipment

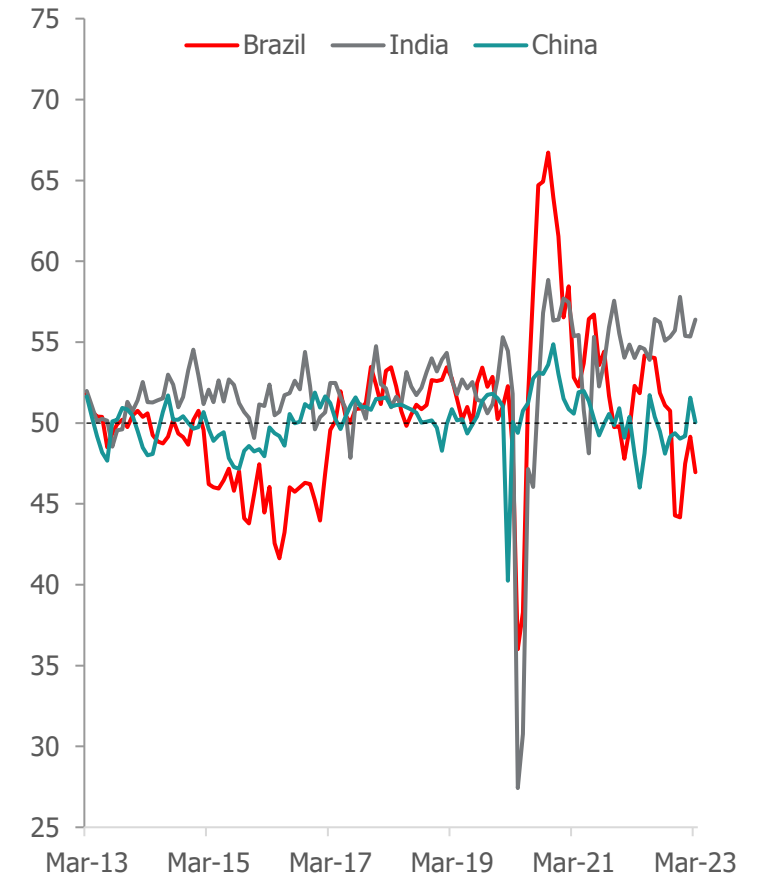
EU capacity utilization rate, %



US capacity utilization rate, %



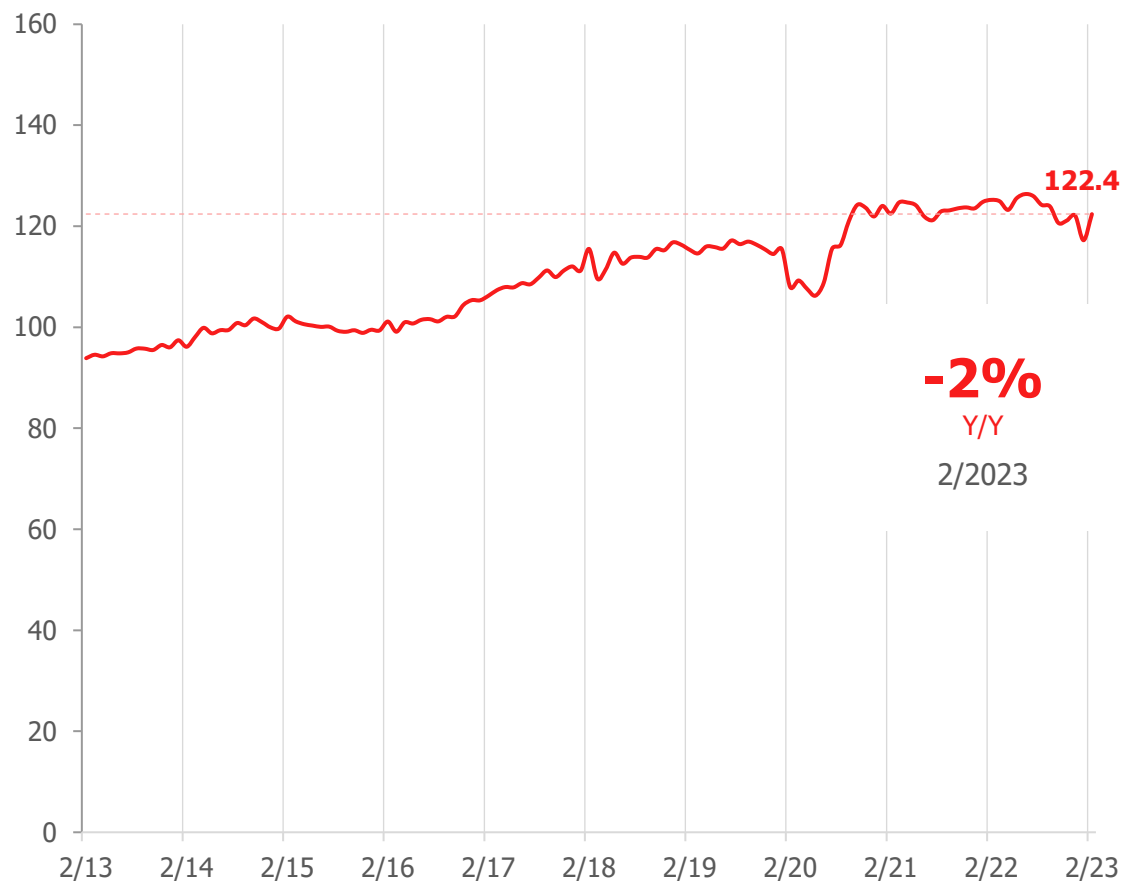
Manufacturing PMIs – Brazil, India & China



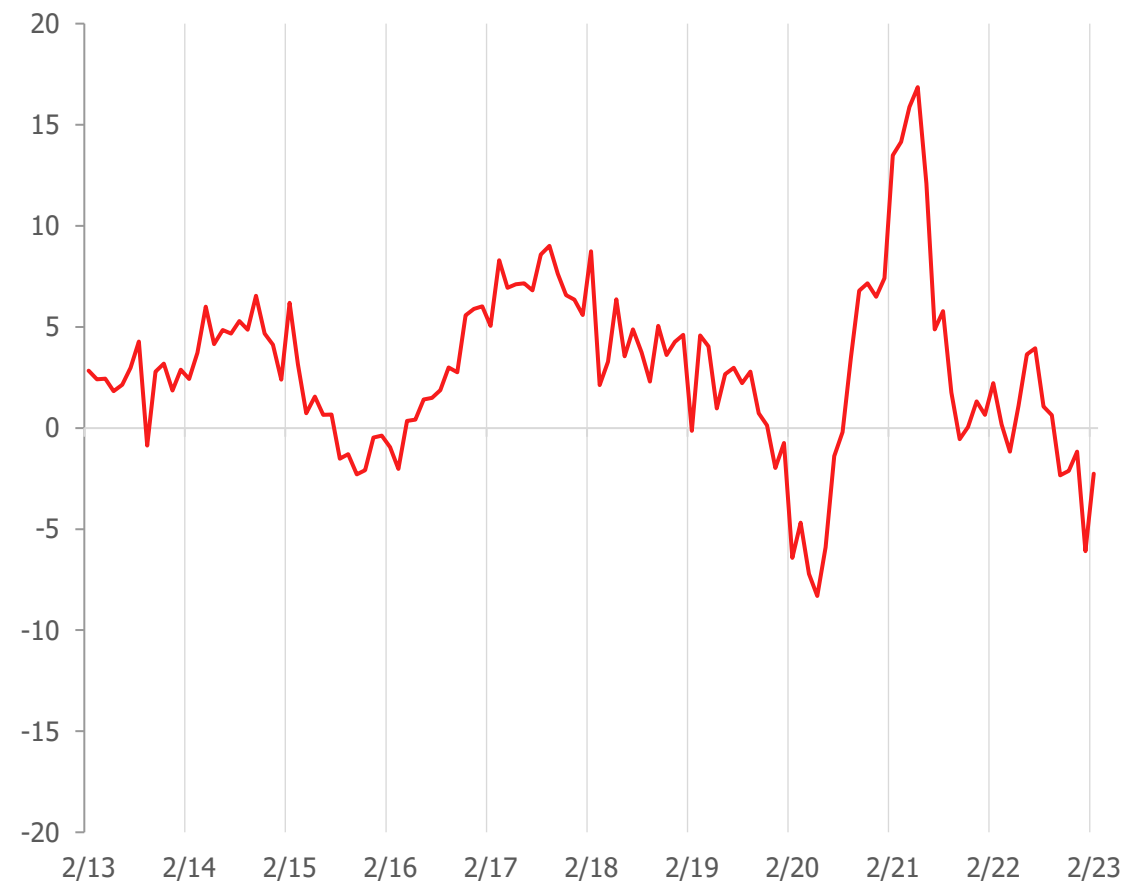
Source: Eurostat, Federal Reserve Economic Data, S&P Global

# Market environment – Port Solutions

RWI/ISL Container Throughput Index (2015 = 100)



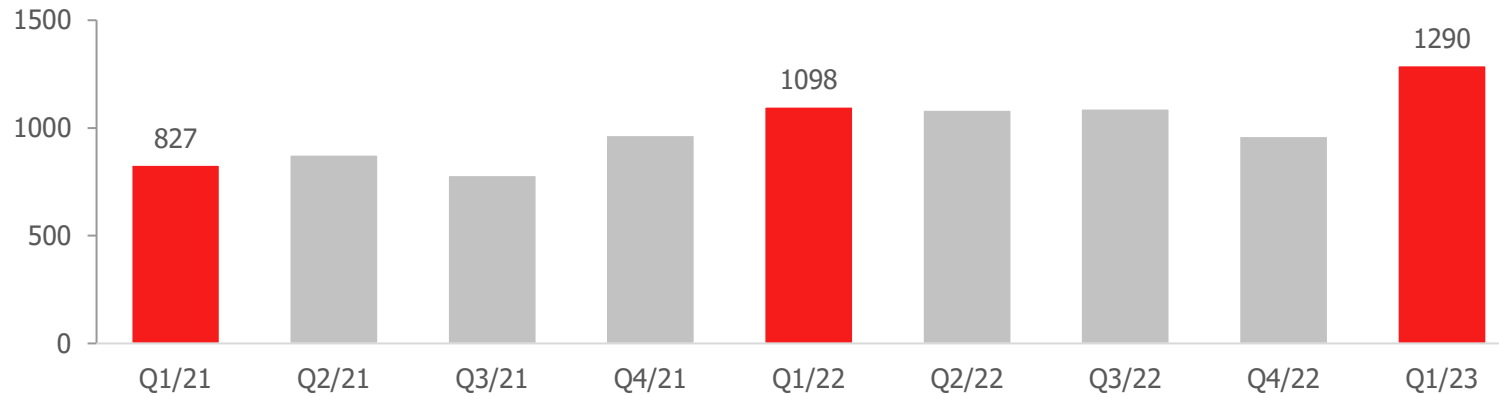
Monthly index change Y/Y, %



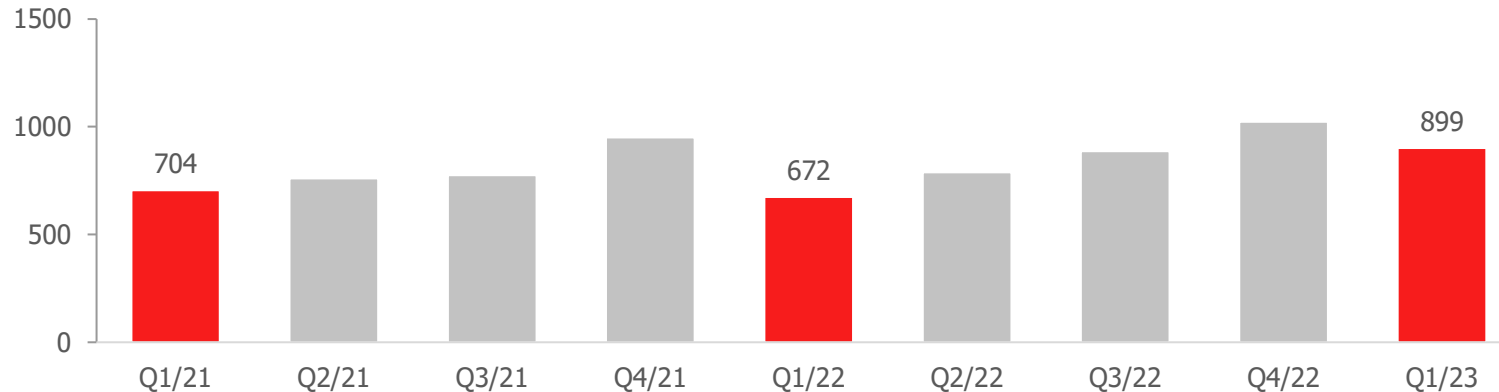
Source: RWI/ISL

# Group order intake and net sales

## Order intake, MEUR<sup>(1)</sup>



## 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

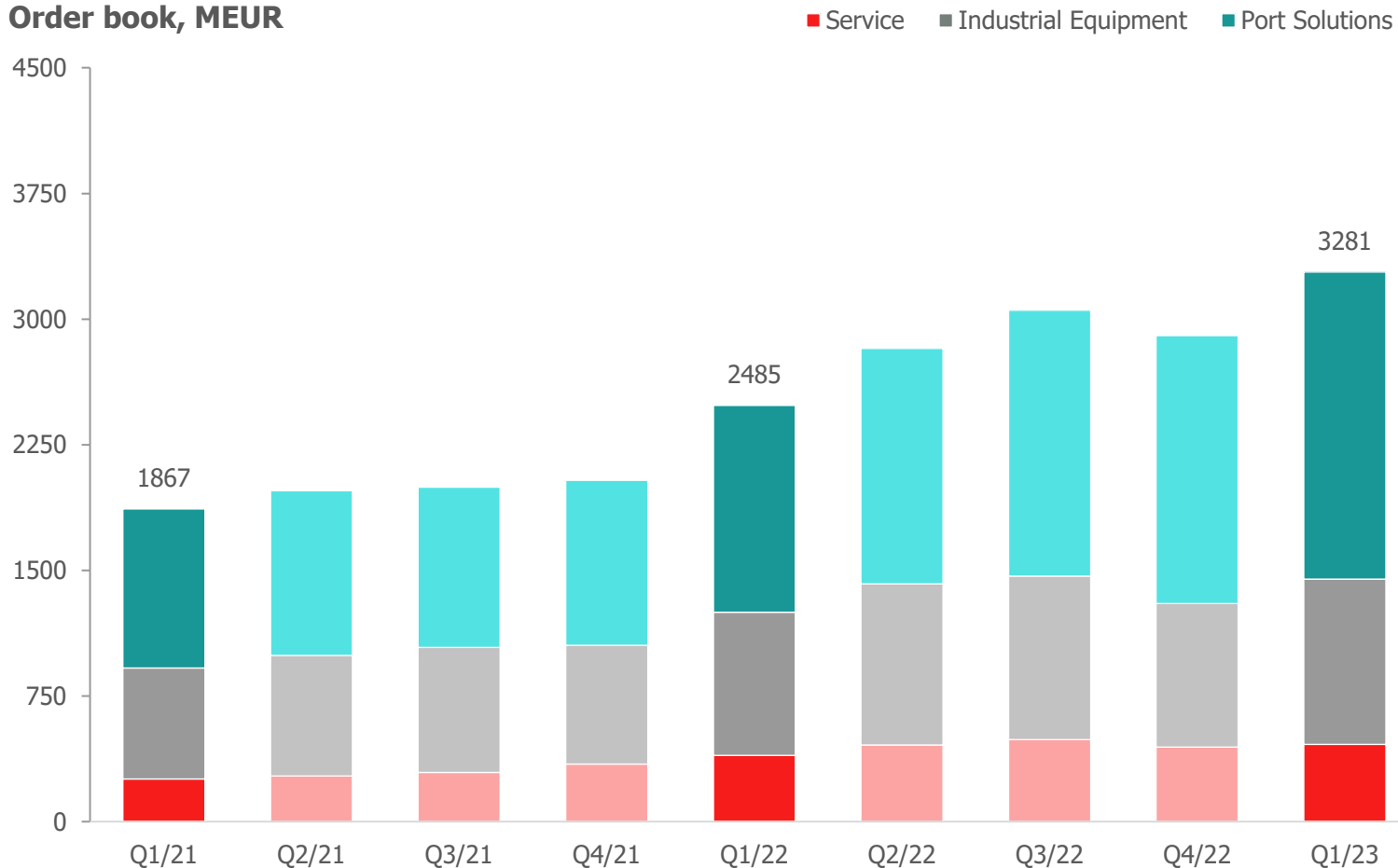
**+33.0%**

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%**

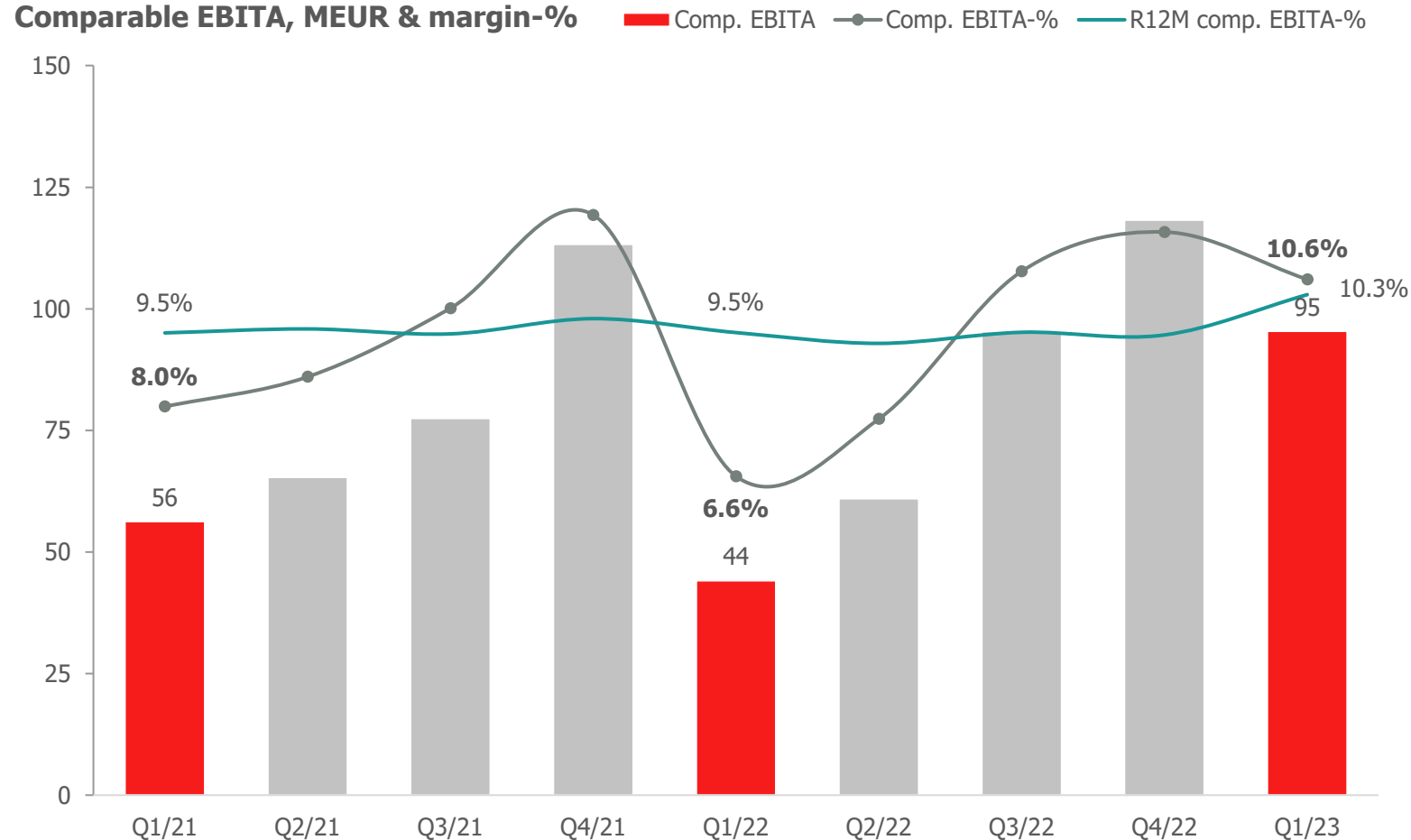
Y/Y reported

**+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.



# Agenda



## Anders Svensson

President and CEO

- |  |       |
|--|-------|
| 1. Quarter's highlights                | p. 4  |
| 2. Market environment                  | p. 5  |
| 3. Group financial performance         | p. 7  |
| 4. Demand outlook & financial guidance | p. 10 |



## Teo Ottola

CFO

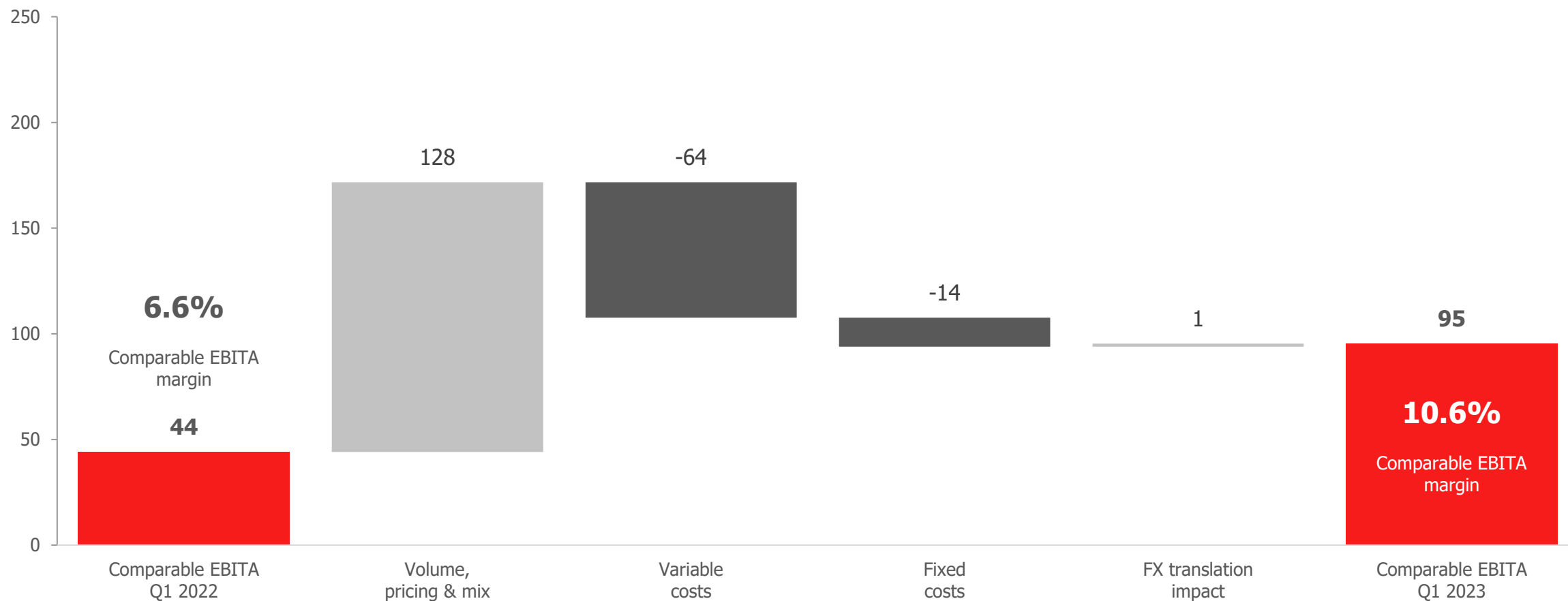
- 
- |   |              |
|---|--------------|
| <b>5. Group profitability bridge</b>    | <b>p. 13</b> |
| 6. Business segments                    | p. 14        |
| 7. Net working capital & free cash flow | p. 17        |
| 8. Gearing & return on capital employed | p. 18        |

---

Q&A

# Q1 2023 comparable EBITA bridge

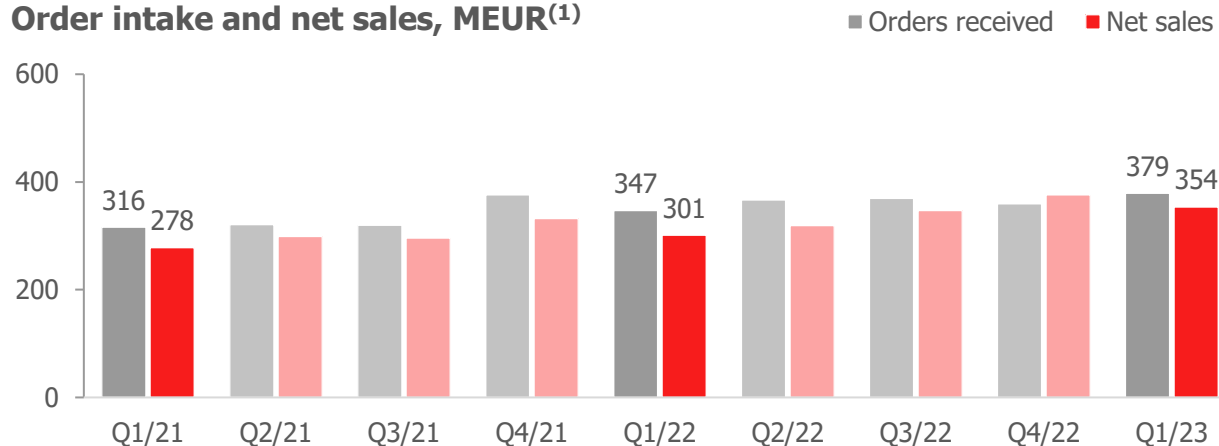
MEUR<sup>(1)</sup>



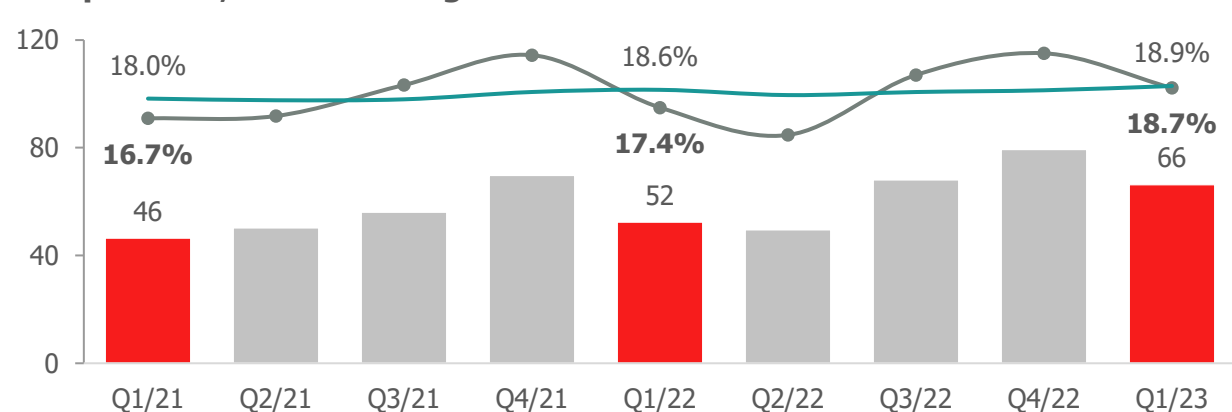
Note (1): Volume, pricing & mix, Variable costs, and Fixed costs effects do not include the FX translation impact component

# Service

## Order intake and net sales, MEUR<sup>(1)</sup>



## 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

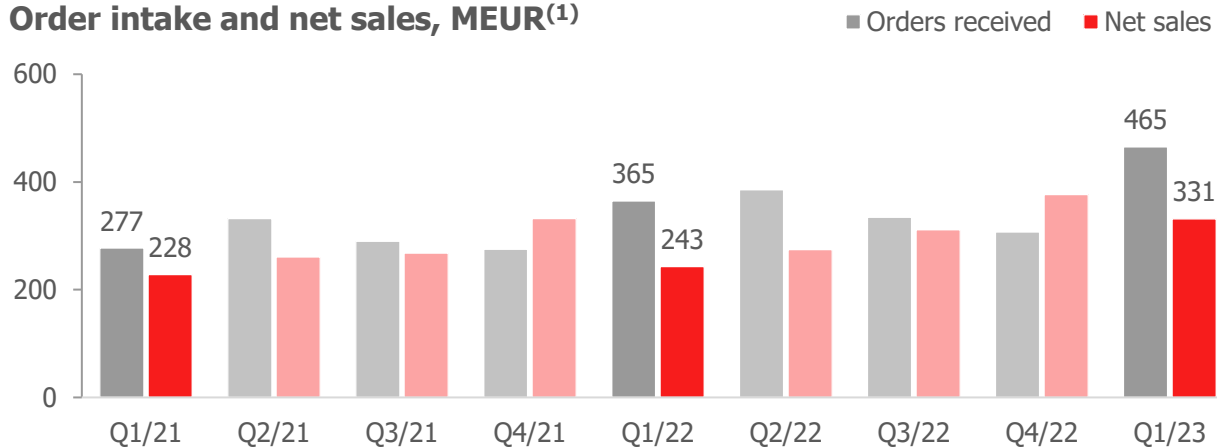
**+1.3 pp**

Y/Y

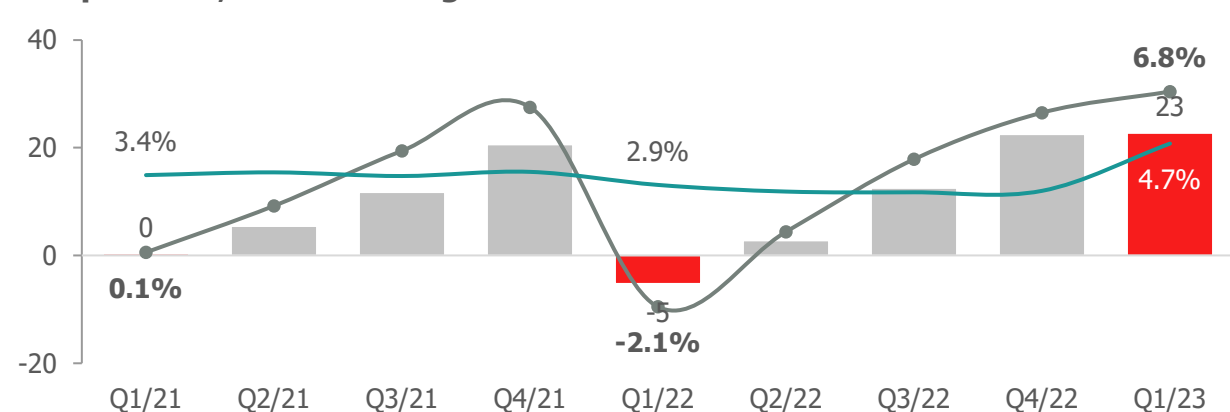
- Comparable EBITA-% increase mainly attributable to sales growth driven by higher sales volumes and pricing
- Gross margin increased

# Industrial Equipment

Order intake and net sales, MEUR<sup>(1)</sup>



Comp. EBITA, MEUR & margin-%



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

## 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

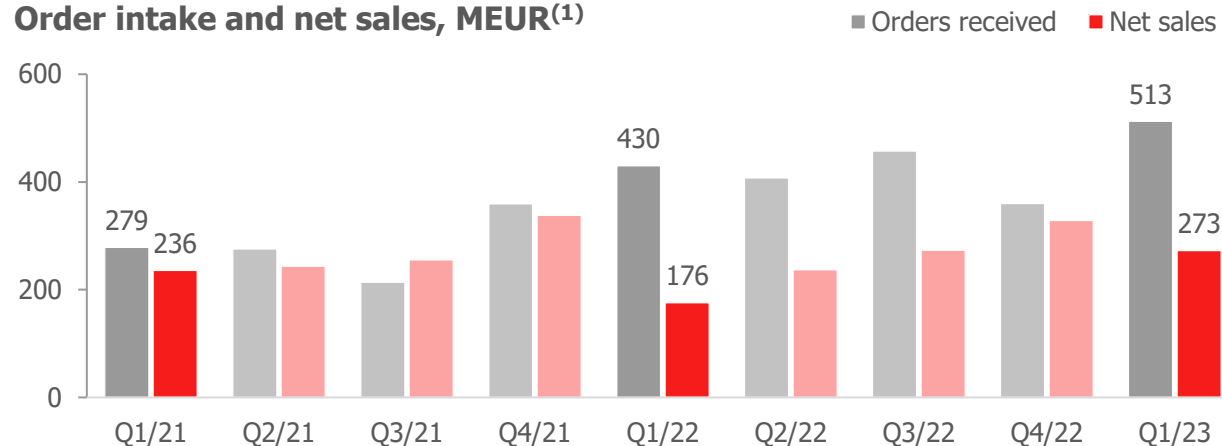
**+9.0 pp**

Y/Y

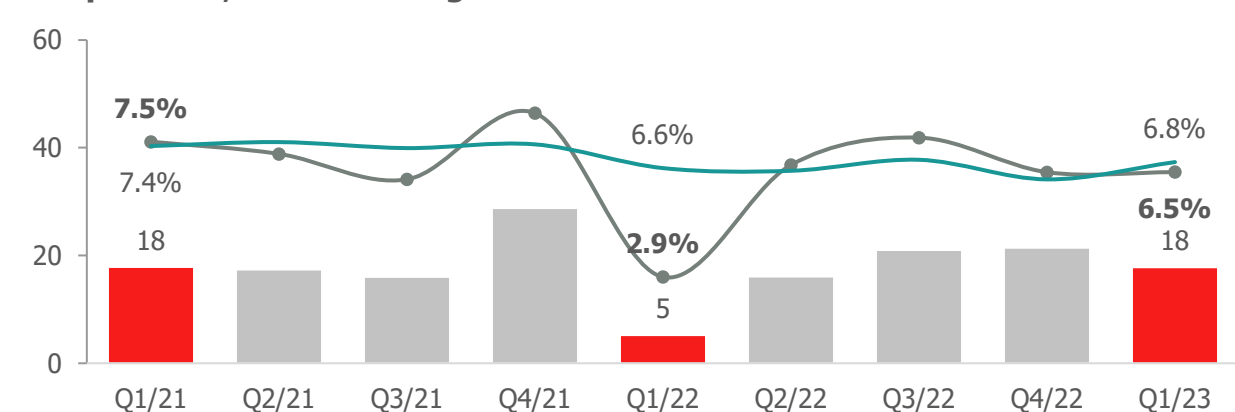
- Comparable EBITA-% increase mainly attributable to higher sales volumes and price increases implemented in 2022
- Gross margin increased

# Port Solutions

## Order intake and net sales, MEUR<sup>(1)</sup>



## 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

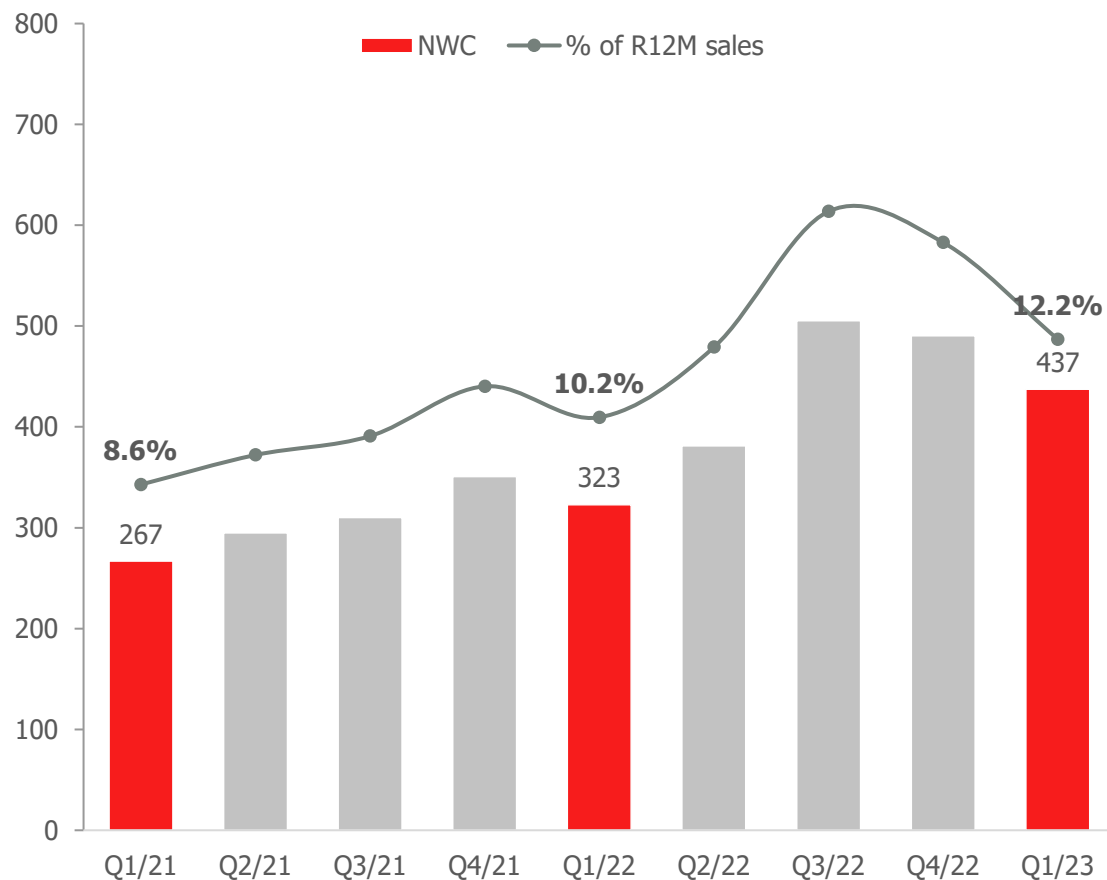
**+3.6 pp**

Y/Y

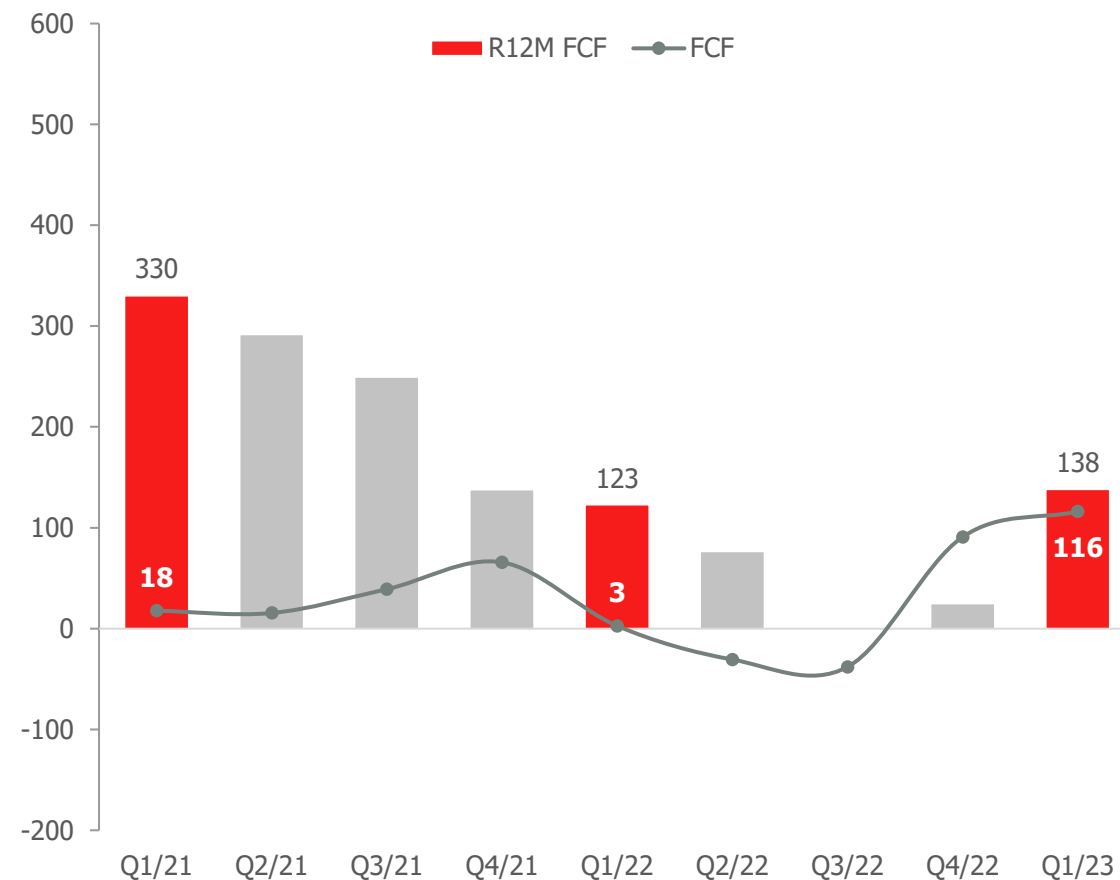
- Comparable EBITA-% increase mainly attributable to higher sales volumes
- Gross margin was approximately flat

# Net working capital and free cash flow

Net working capital, MEUR and percentage of sales<sup>(1)(2)</sup>



Free cash flow, MEUR

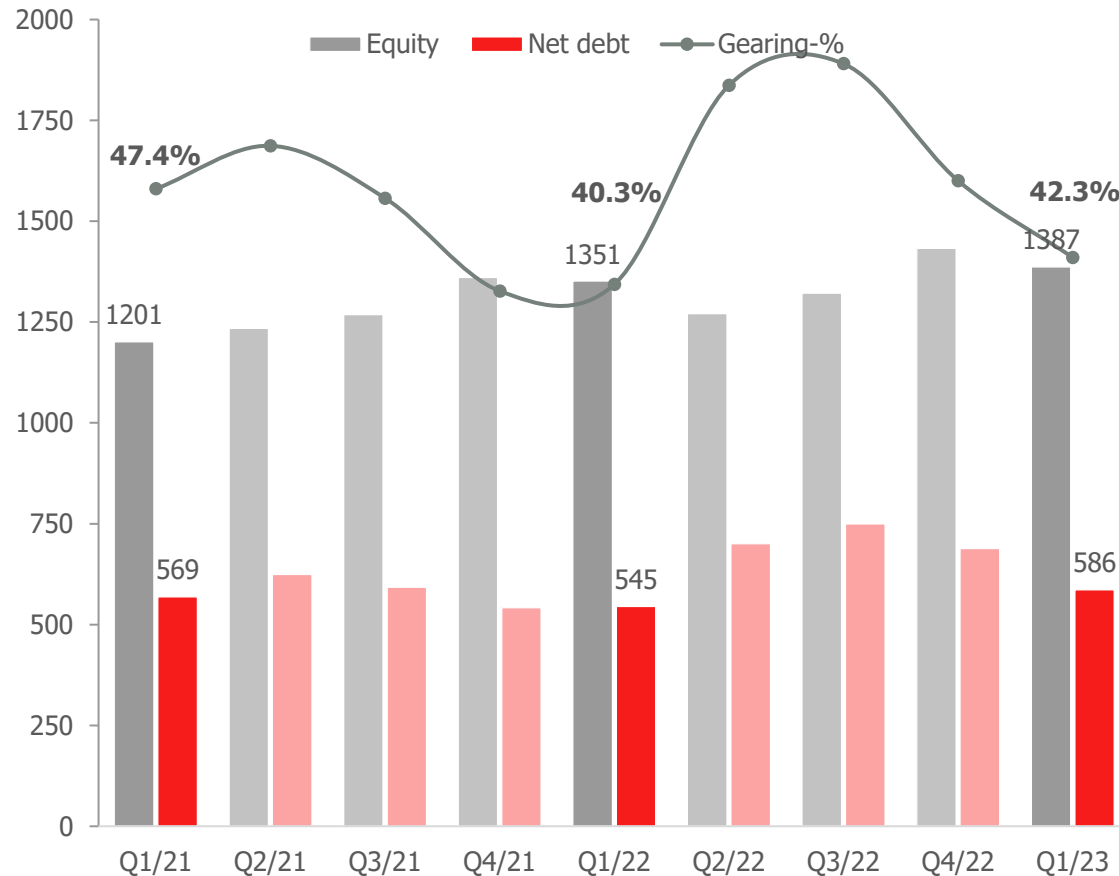


Note (1): NWC formula changed from Q1 2023 onwards and historical figures are restated

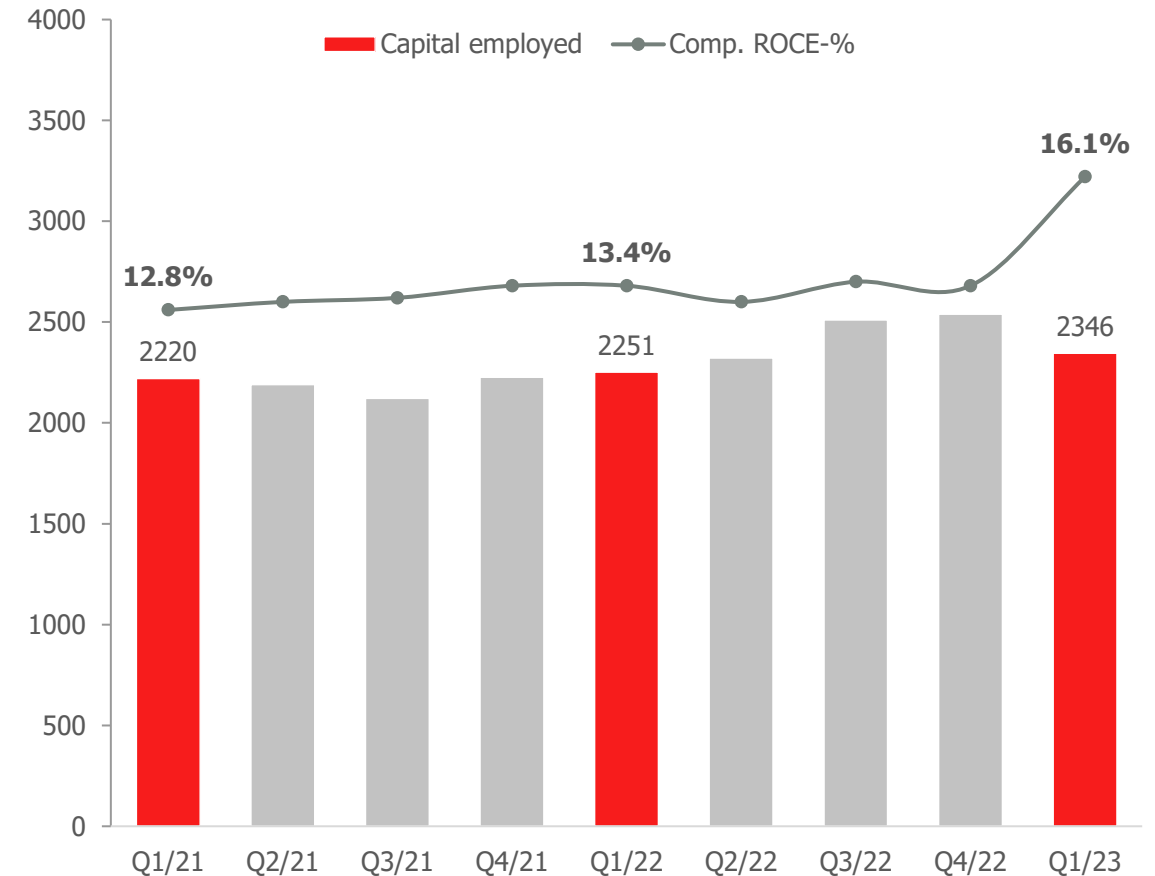
Note (2): Q1/21 excluding dividend payable of EUR 69.6 million, Q1/23 excluding dividend payable of EUR 99.0 million and an acquisition advance in deferred assets

# Gearing and return on capital employed

Equity & net debt, MEUR and gearing, %



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



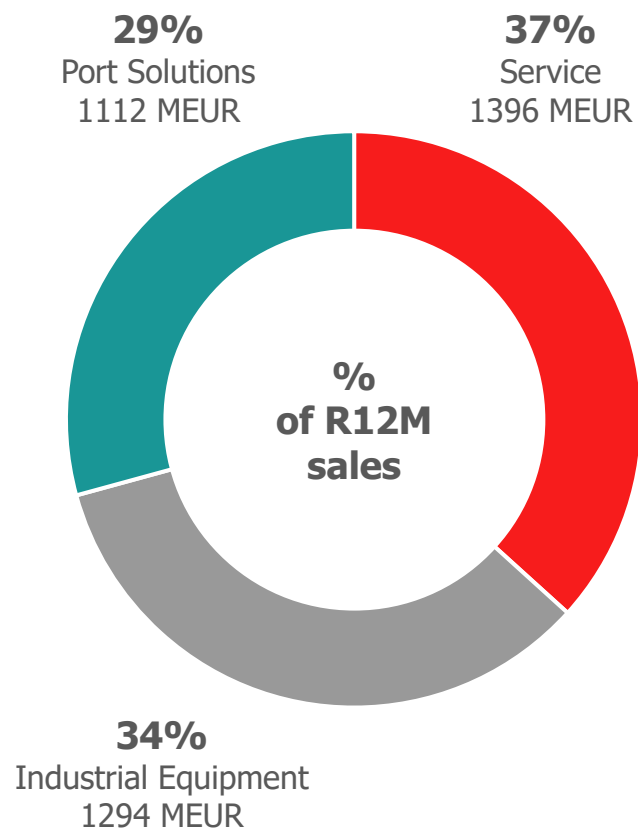
# Q&A

# Appendix

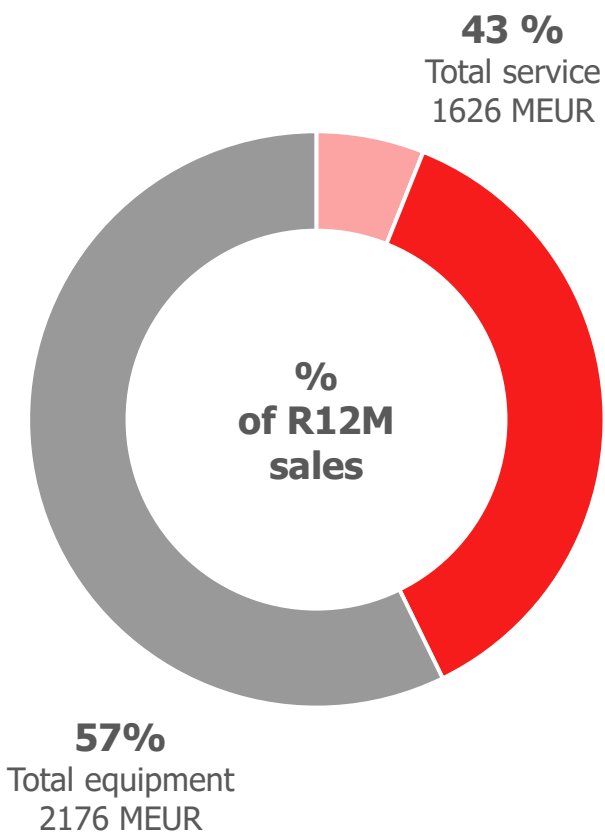


# Group R12M sales split

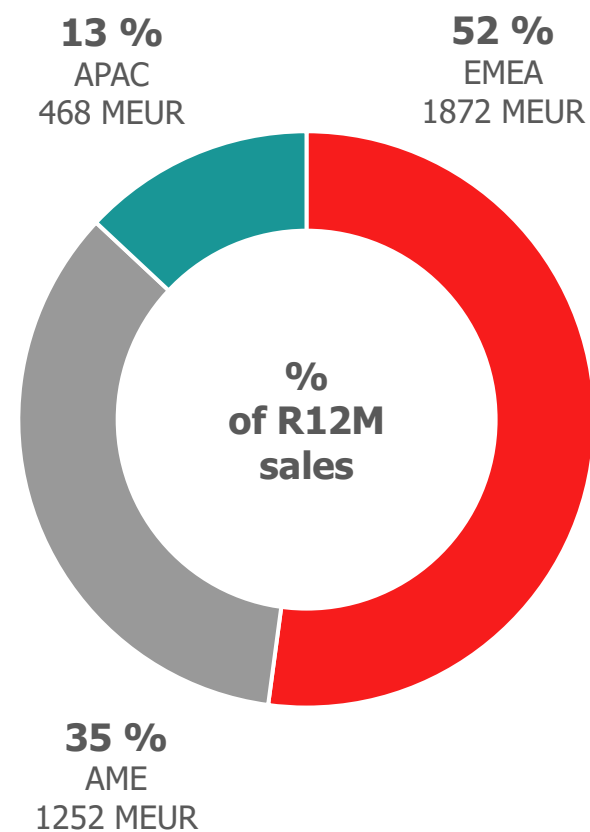
Group R12M sales by segment



Group R12M sales by offering type<sup>(1)</sup>



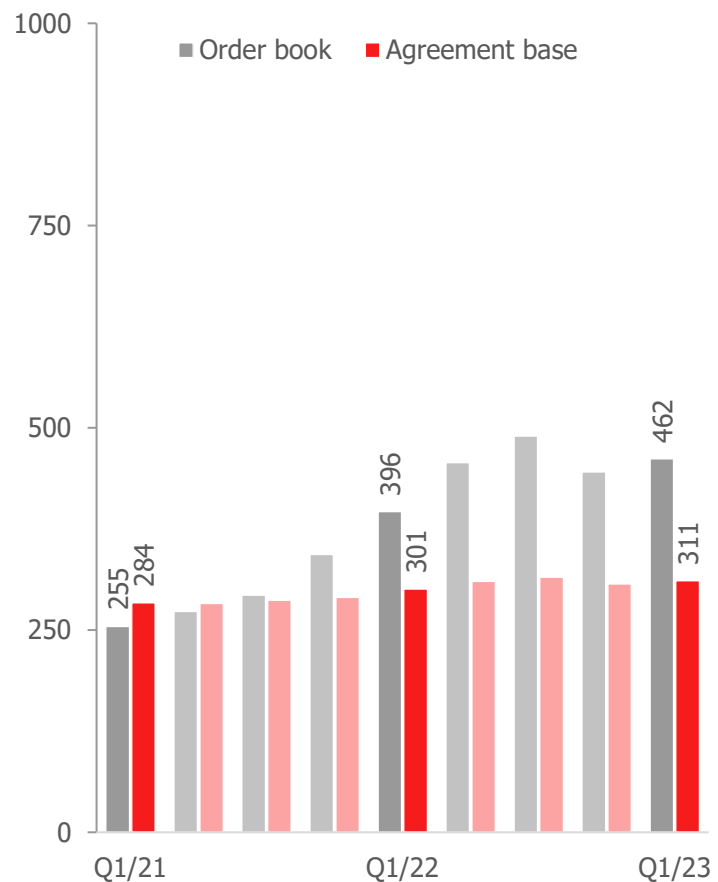
Group R12M sales by region



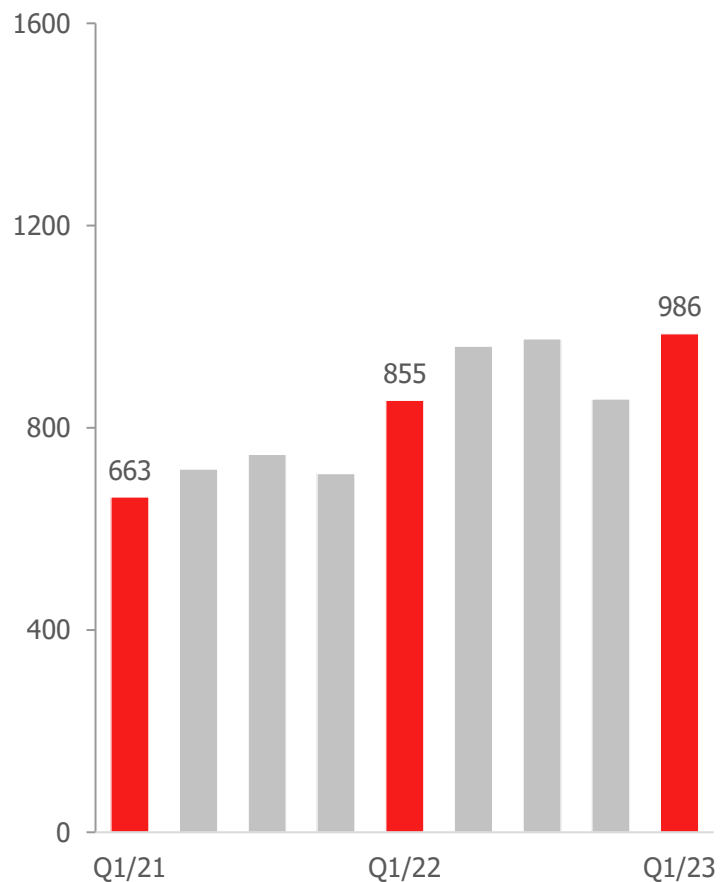
Note (1): Total service includes Service and Port Solutions' service sales, Total equipment includes Industrial Equipment and Port Solutions excluding Port Solutions' service sales

# Service agreement base and order book by segment

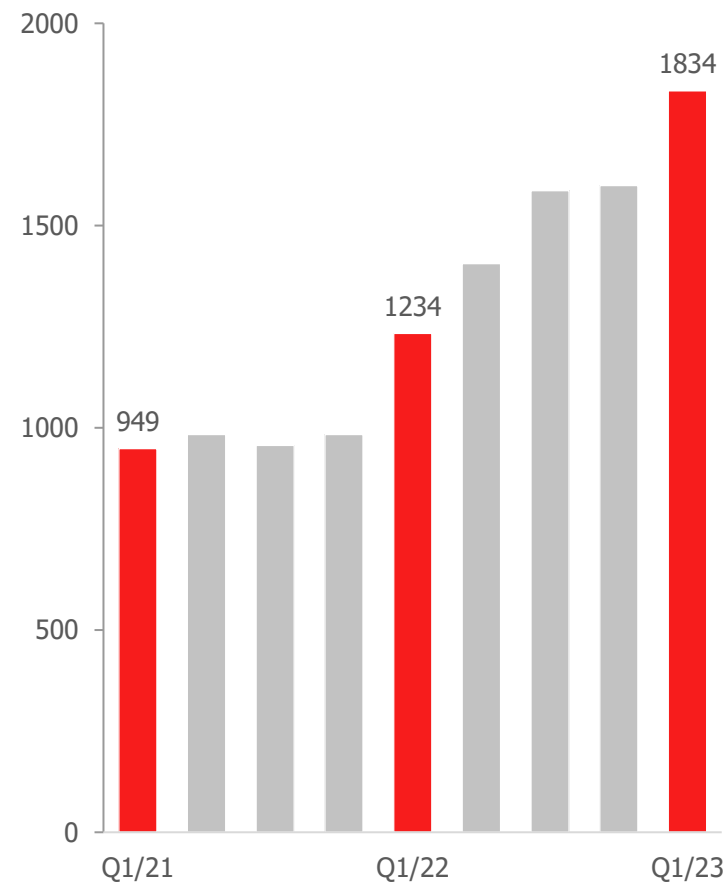
Service agreement base & order book, MEUR



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
<b>Sales</b>	<b>899.3</b>	<b>672.1</b>	<b>33.8</b>	<b>3,364.8</b>
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
<b>Operating profit</b>	<b>85.8</b>	<b>-19.5</b>	<b>539.0</b>	<b>223.2</b>
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
<b>Profit before taxes</b>	<b>72.2</b>	<b>-29.4</b>	<b>345.6</b>	<b>190.7</b>
Taxes	-19.5	8.1		-52.2
<b>Profit for the period</b>	<b>52.7</b>	<b>-21.3</b>	<b>347.3</b>	<b>138.5</b>

# 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
<b>Total Assets</b>	<b>4,343.6</b>	<b>3,987.7</b>

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
<b>Total Equity and Liabilities</b>	<b>4,343.6</b>	<b>3,987.7</b>

# 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
<b>Cash flow from operations before financing items and taxes</b>	<b>124.3</b>	<b>44.5</b>	<b>182.2</b>
Financing items and taxes	4.4	-31.3	-115.5
<b>Net cash from operating activities</b>	<b>128.6</b>	<b>13.1</b>	<b>66.7</b>
Net cash used in investing activities	-12.6	-10.5	-43.6
<b>Cash flow before financing activities</b>	<b>116.0</b>	<b>2.6</b>	<b>23.1</b>
Net cash used in financing activities	-160.1	23.4	69.1
Translation differences in cash	-1.4	4.9	1.0
<b>Change of cash and cash equivalents</b>	<b>-45.5</b>	<b>30.9</b>	<b>93.2</b>
<b>Free cash flow</b>	<b>116.0</b>	<b>2.6</b>	<b>24.6</b>

# Thank you

## Contact information

**Kiira Fröberg**

Vice President, Investor Relations

Email: [kiira.froberg@konecranes.com](mailto:kiira.froberg@konecranes.com), tel: +358 20 427 2050

**Tomi Kuuppo**

Manager, Investor Relations

Email: [tomi.kuuppo@konecranes.com](mailto:tomi.kuuppo@konecranes.com), tel: +358 20 427 2961

