Q4 2022 Report

February 2, 2023

Anders Svensson, President and CEO

Teo Ottola, CFO

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Anders Svensson
President and CEO

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Teo Ottola
CFO

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Q&A

Q4 2022 – Solid performance continued

Demand sentiment remained solid in Q4

- Market uncertainty continued, macro-economic indicators are signaling weakening market conditions

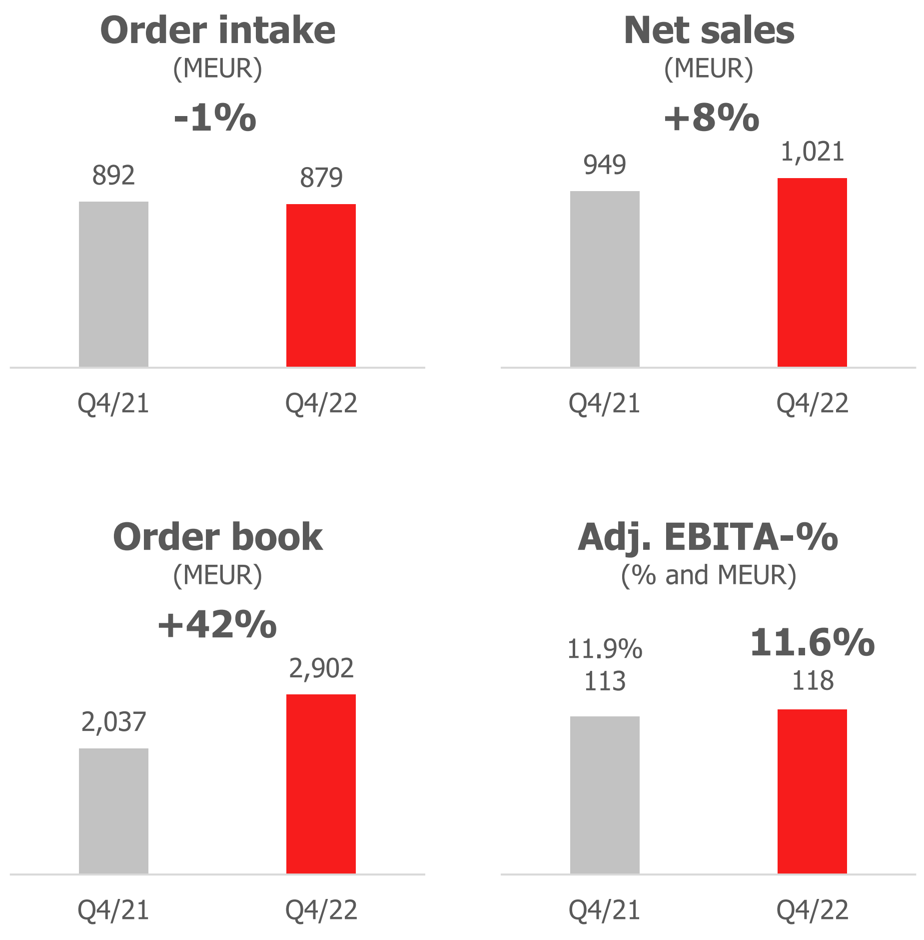
Order intake continued good, and sales execution improved

- Orders decrease (Y/Y, comp. FX) mainly due to Service's tough comparison period
- Delivery capability improved again compared to the previous quarters, component availability challenges continued

Profitability declined slightly Y/Y despite sales growth

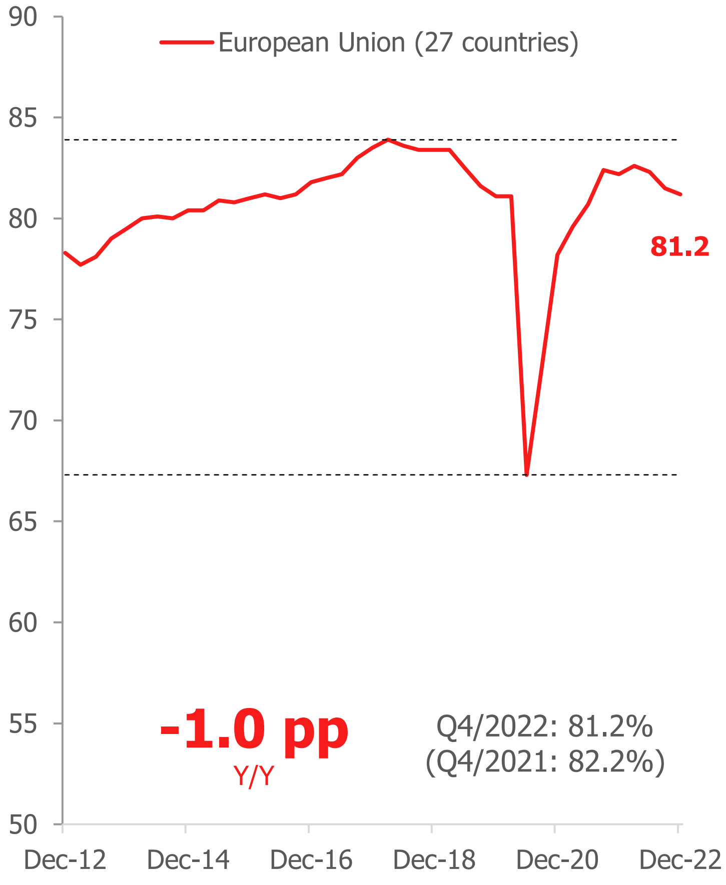
- Adj. EBITA-% decrease mainly driven by lower underlying sales volumes, particularly in Port Solutions

2022 dividend proposal: EUR 1.25 per share

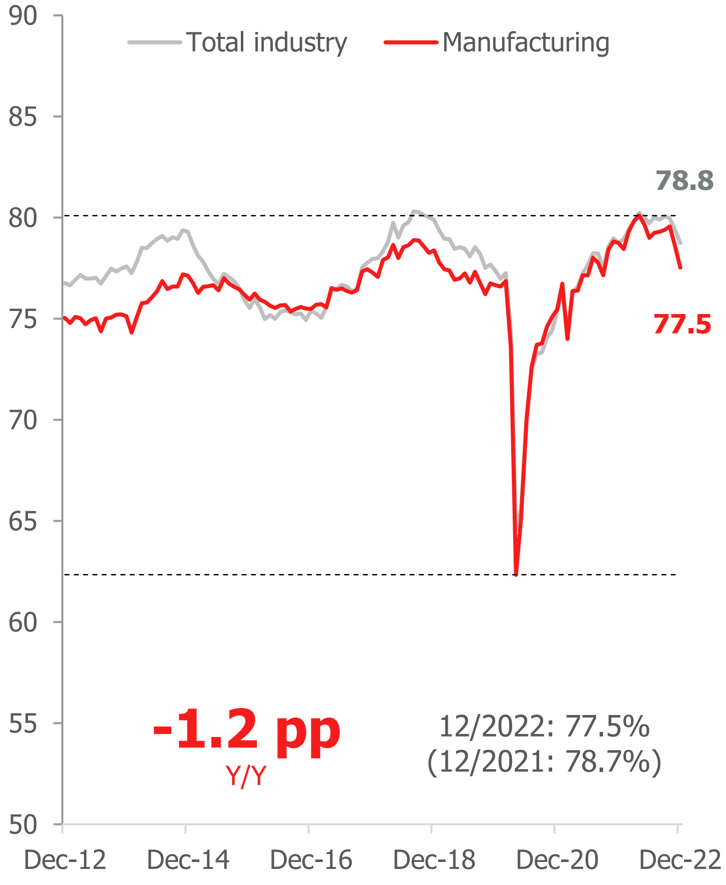


Market environment – Service and Industrial Equipment

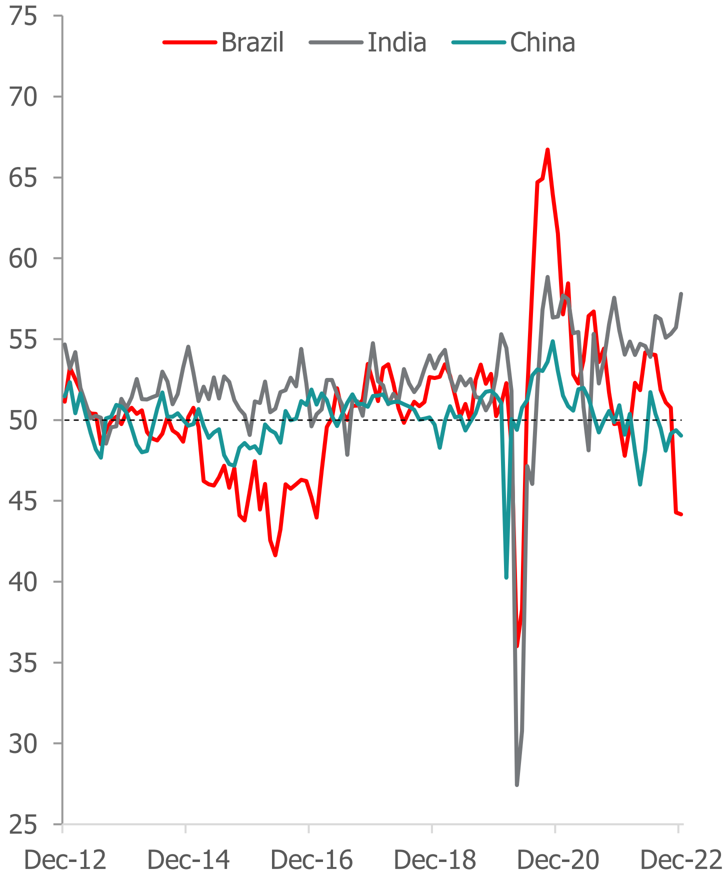
EU capacity utilization rate, %



US capacity utilization rate, %



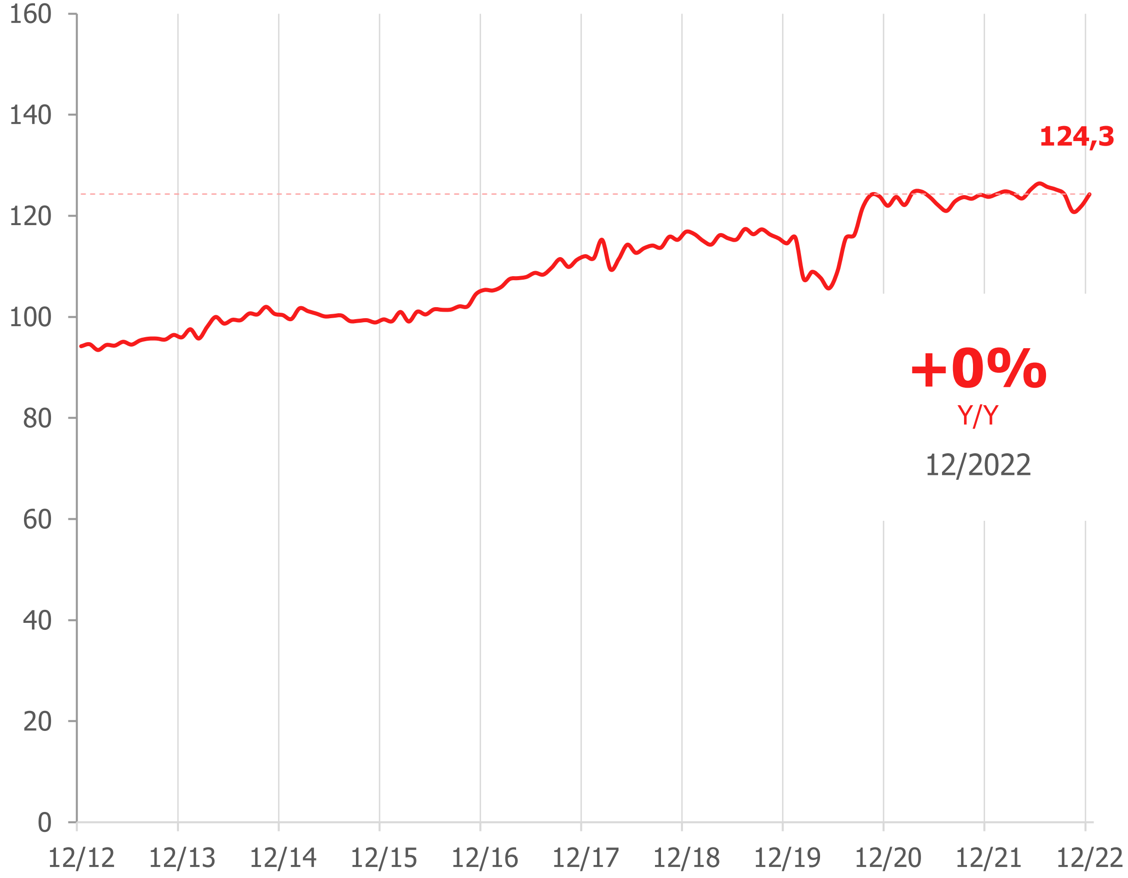
Manufacturing PMIs – Brazil, India & China



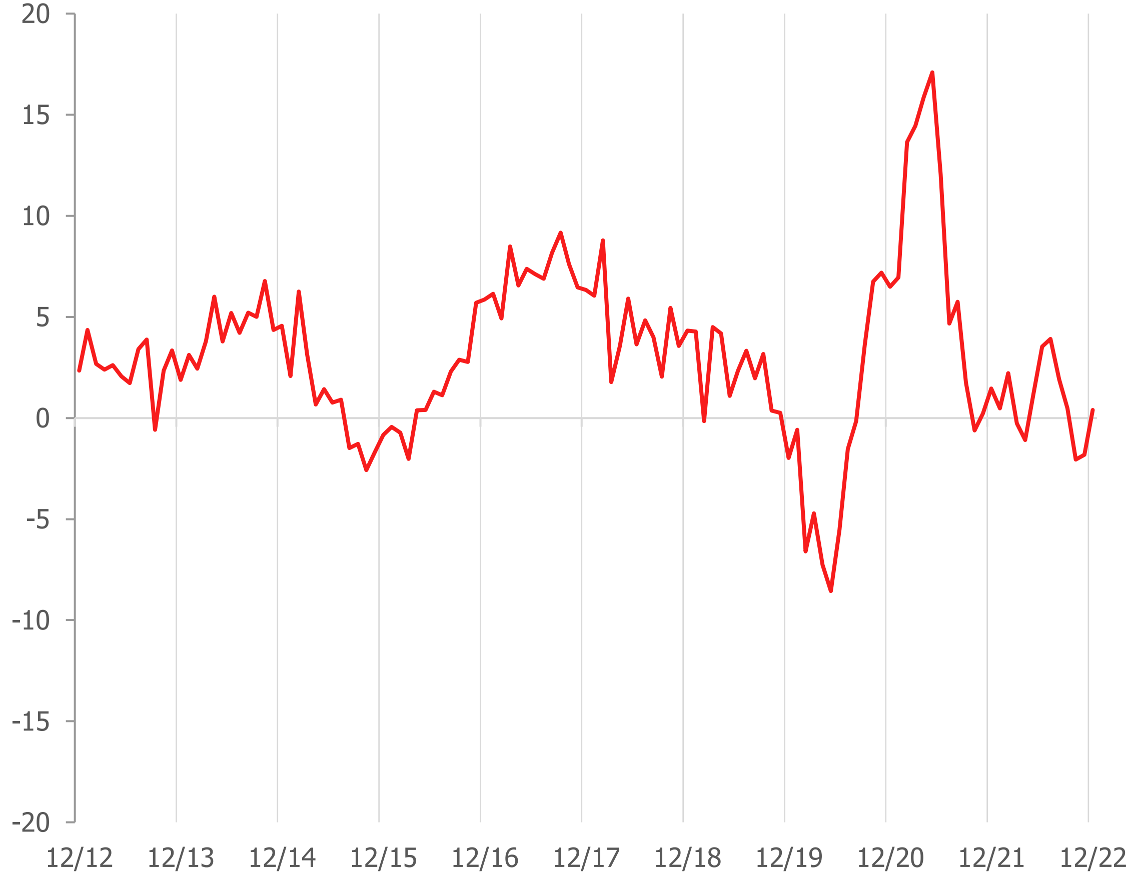
Source: Eurostat, Federal Reserve Economic Data, S&P Global

Market environment – Port Solutions

RWI/ISL Container Throughput Index (2015 = 100)

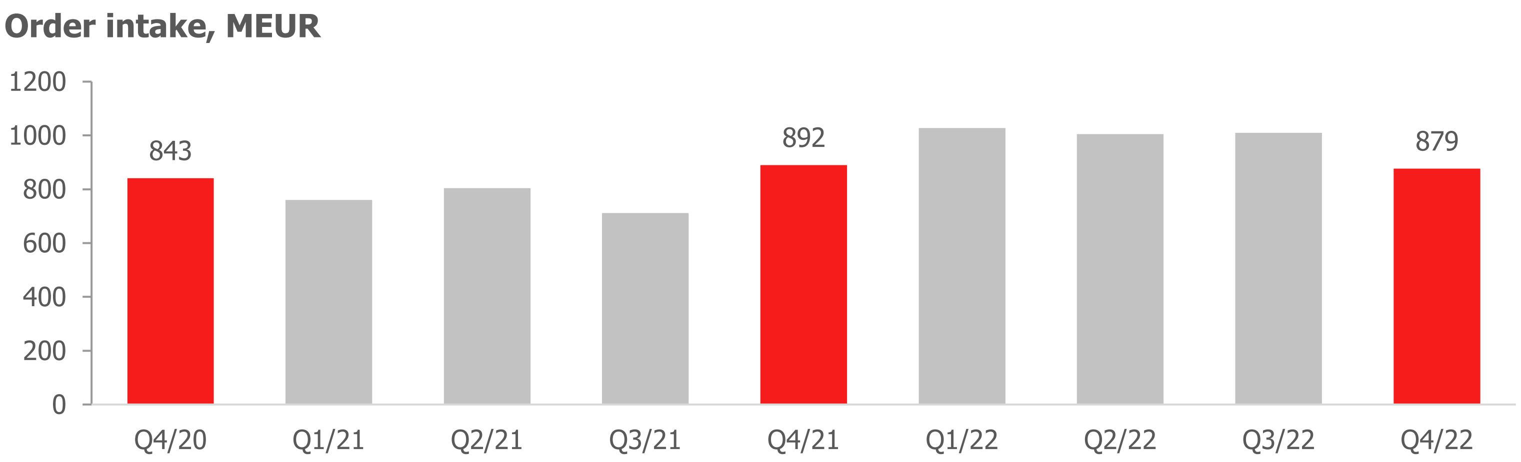


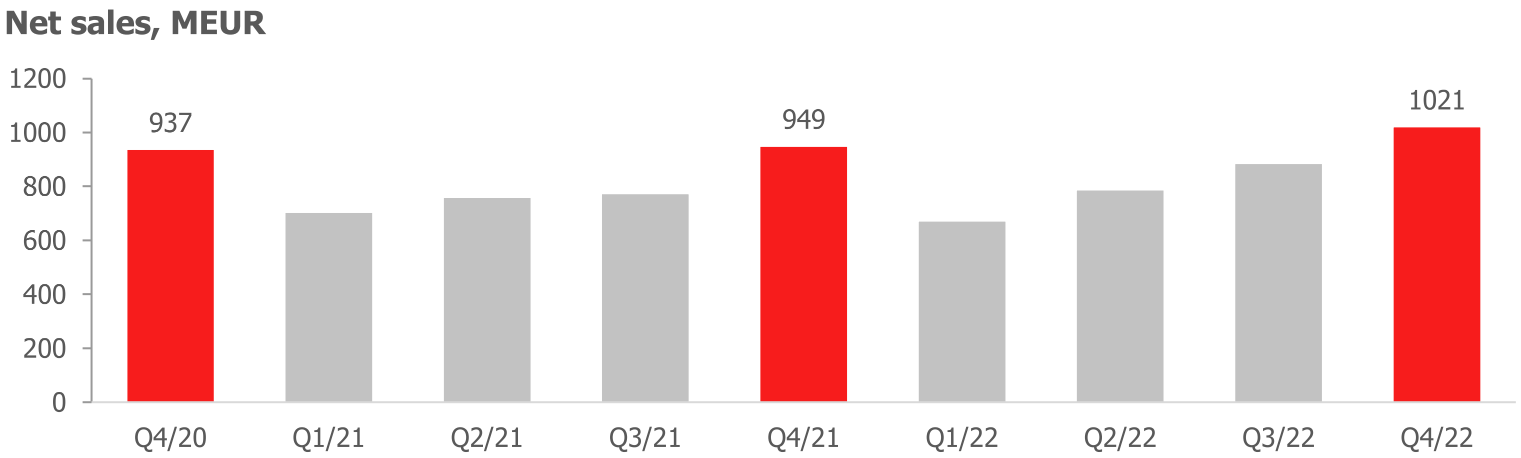
Monthly index change Y/Y, %



Source: RWI/ISL

Group order intake and net sales





Order intake

-1.5% Y/Y reported

-4.5% Y/Y comp. FX

- EUR 879.1 million
- Decrease in Service, increase in Industrial Equipment and Port Solutions
- Decrease in the Americas and APAC, approximately flat in EMEA

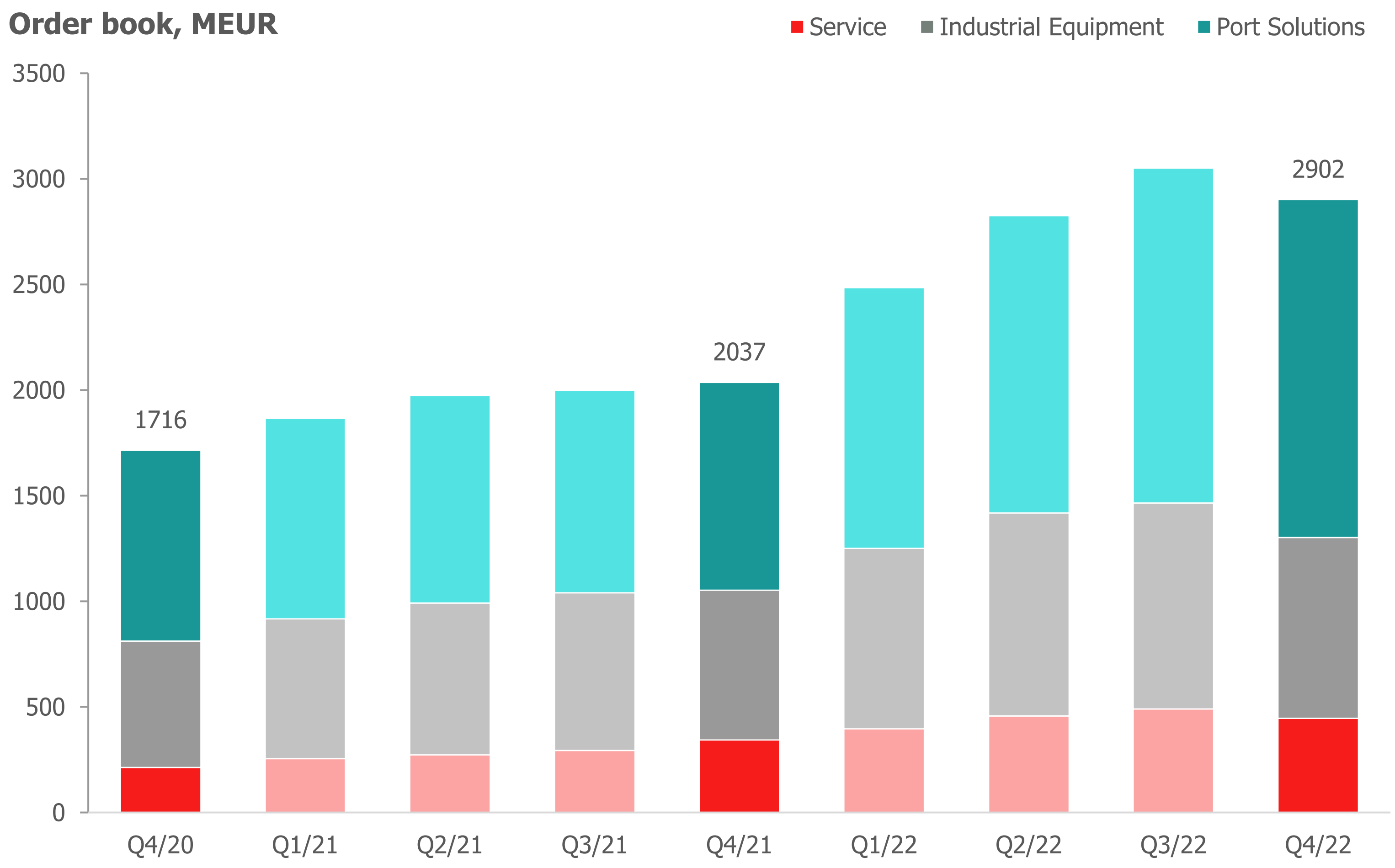
Net sales

+7.6% Y/Y reported

+4.4% Y/Y comp. FX

- EUR 1,020.9 million
- Increase in Service and Industrial Equipment, decrease in Port Solutions
- Increase in EMEA, decrease in the Americas and APAC

Group order book



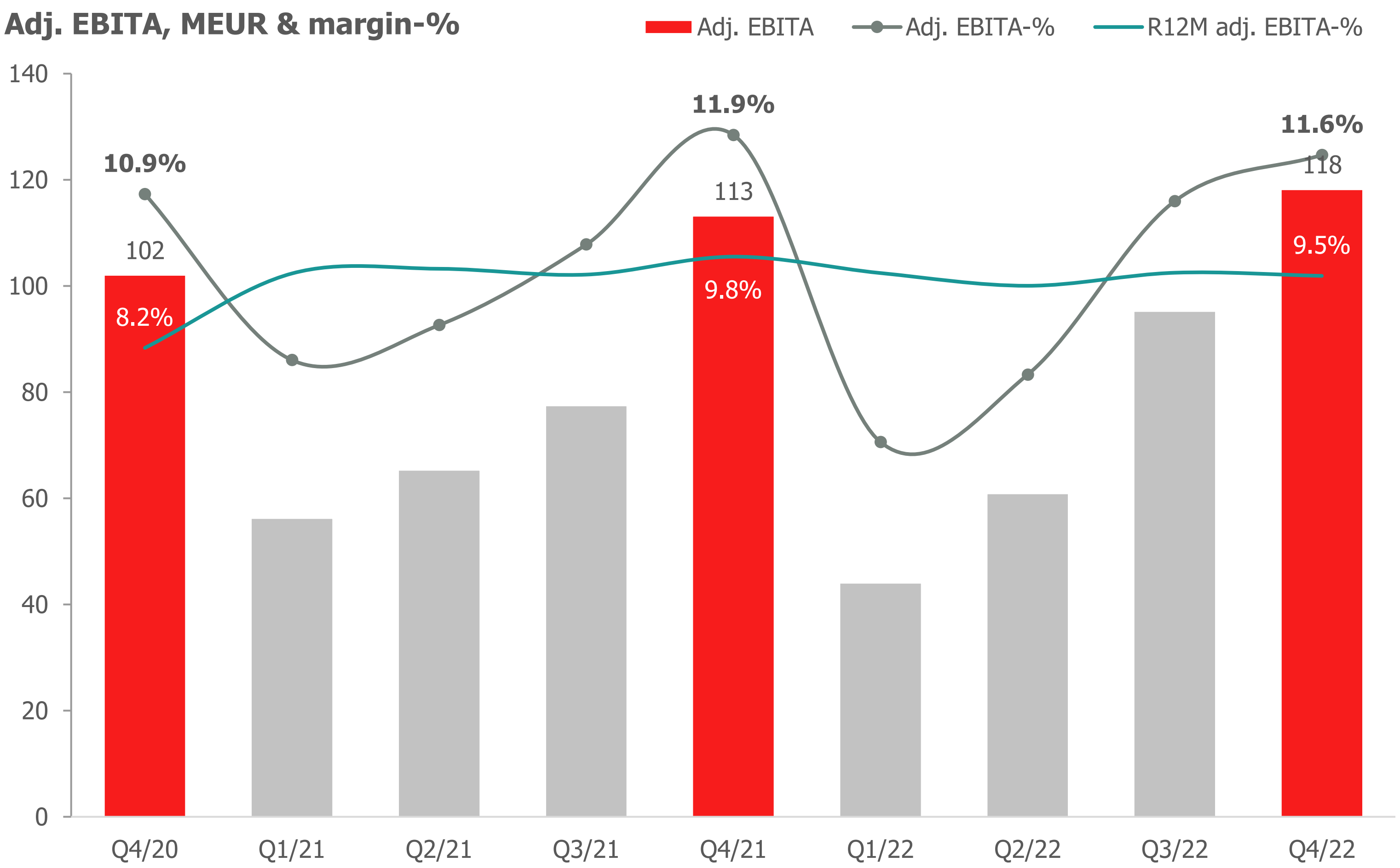
Order book

+42.5% Y/Y reported

+41.1% Y/Y comp. FX

- EUR 2,901.7 million
- Increase in all three segments

Group adjusted EBITA



Adjusted EBITA

11.6% margin

-0.4 pp Y/Y

- EUR 118.2 million
- Adj. EBITA-% increase in Service, decrease in Industrial Equipment and Port Solutions
- Adj. EBITA-% decrease mainly attributable to lower underlying sales volumes
- Gross margin decreased

Q1 2023 demand outlook

The worldwide demand picture remains subject to volatility and uncertainty

Within industrial customer segments:

Americas | **EMEA** | **Asia-Pacific**

Despite the weakened global macro indicators, our overall demand environment within industrial customer segments has remained good and continues on a healthy level

That said, we have started to see 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

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

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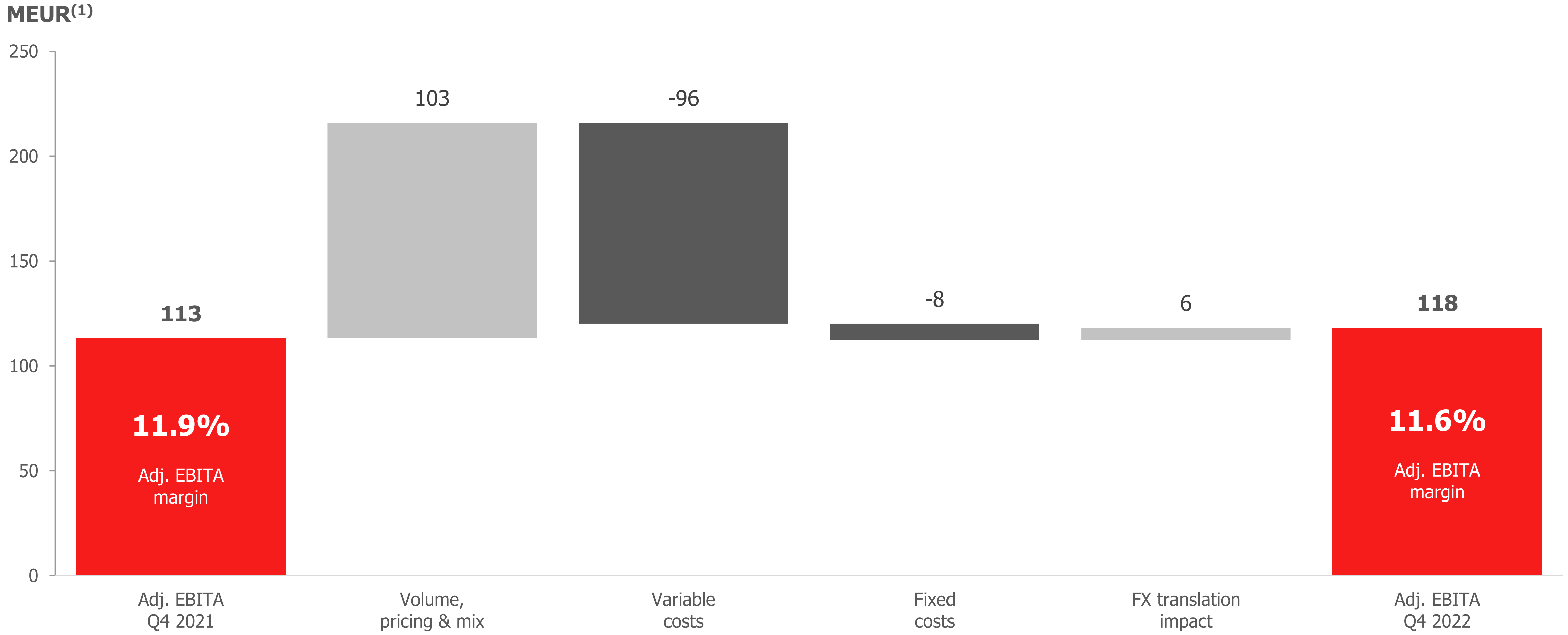
Q&A

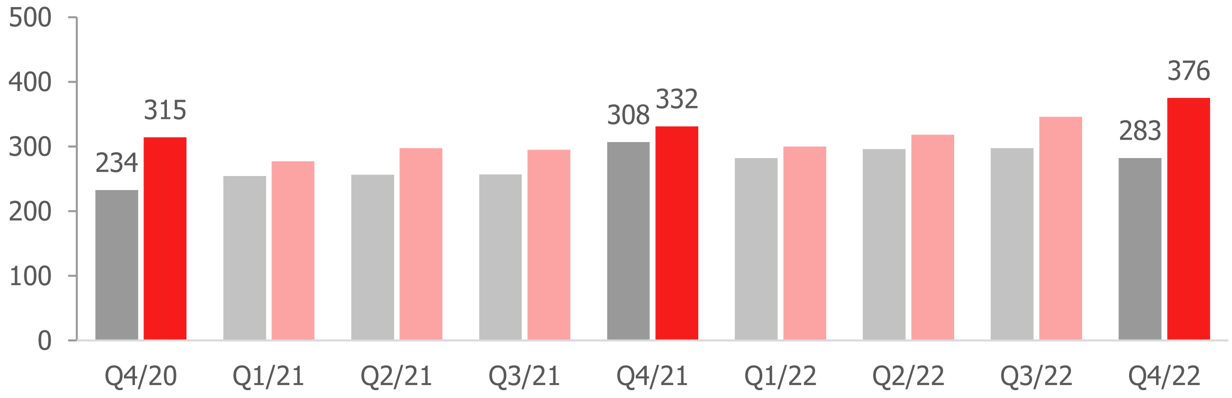
Q4 2022 adjusted EBITA bridge



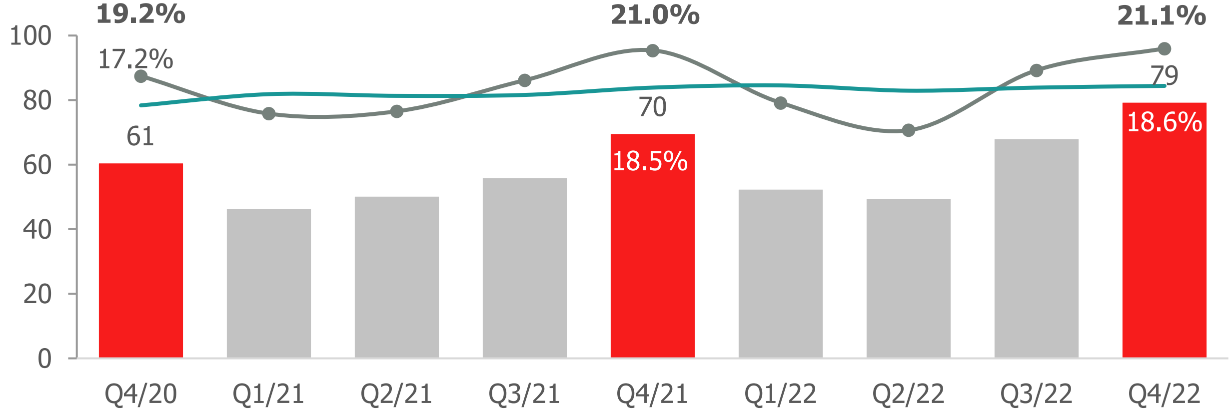
Note (1): Volume, pricing & mix, Variable costs, and Fixed costs effects do not include the FX translation impact component

Service

Order intake and net sales, MEUR



Adj. EBITA, MEUR & margin-%



Order intake

-7.9%
Y/Y reported

-13.7%
Y/Y comp. FX

- Increase in both field service and parts[1]
- Decrease in the Americas, approximately flat in EMEA and APAC

Agreement base:

- EUR 306.9 million, +5.7% Y/Y
- +3.4% Y/Y comp. FX

Net sales

+13.2%
Y/Y reported

+7.7%
Y/Y comp. FX

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

Order book:

- EUR 445.5 million, +29.7% Y/Y

Adj. EBITA

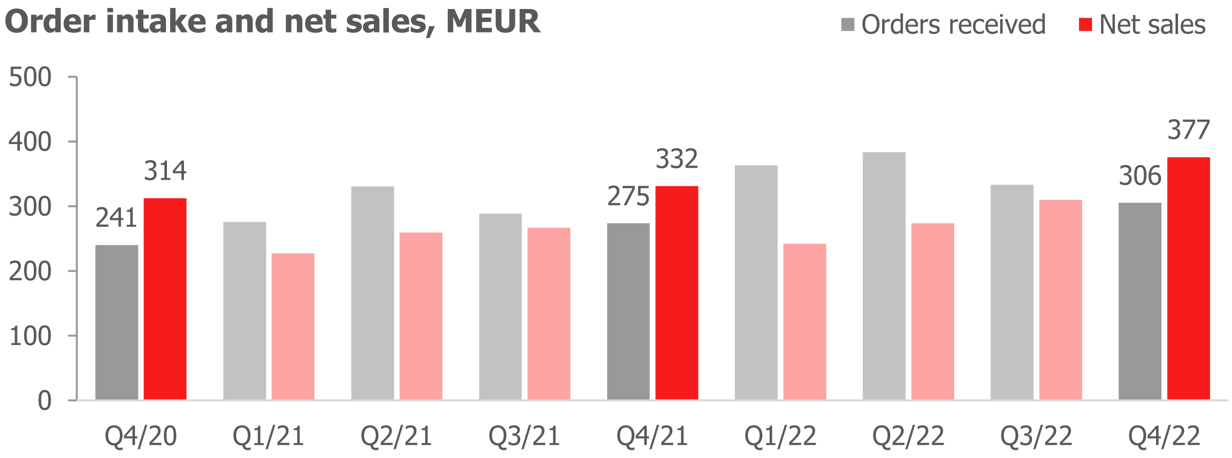
21.1%
margin

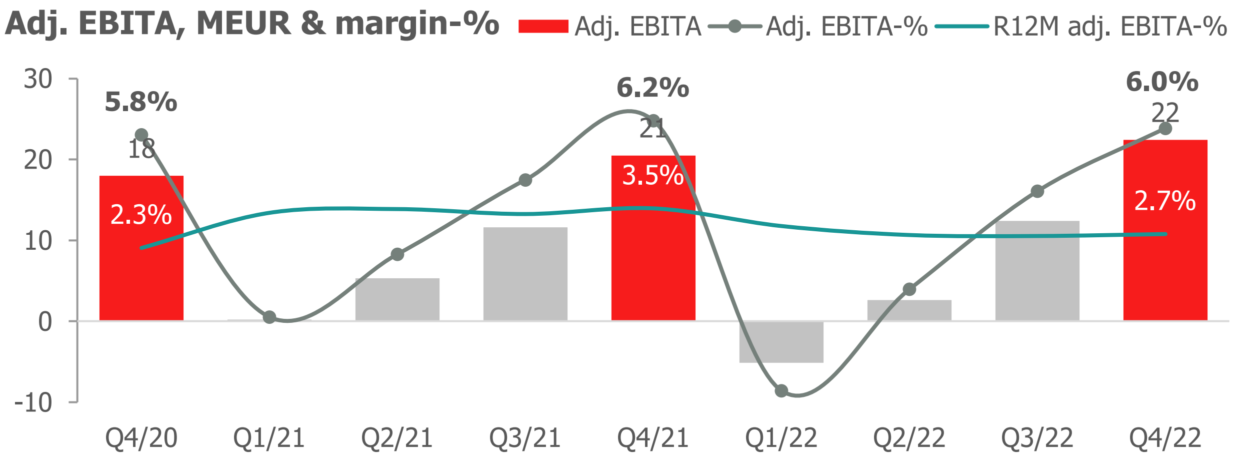
+0.1 pp
Y/Y

- Adj. EBITA-% increase mainly attributable to higher sales driven by pricing
- Gross margin increased

Note (1): The comparison period included a large nuclear modernization order in the United States

Industrial Equipment





Order intake

+11.6%
Y/Y reported

+7.8%
Y/Y comp. FX

- External orders +2.9% Y/Y comp. FX
- Increase in standard cranes and components, decrease in process cranes
- Increase in the Americas and EMEA, decrease in APAC

Net sales

+13.5%
Y/Y reported

+9.2%
Y/Y comp. FX

- External sales +9.2% Y/Y comp. FX
- Increase in standard cranes, process cranes and components
- Increase in the Americas and EMEA, decrease in APAC

Order book: EUR 857.2 million, +20.8% Y/Y

Adj. EBITA

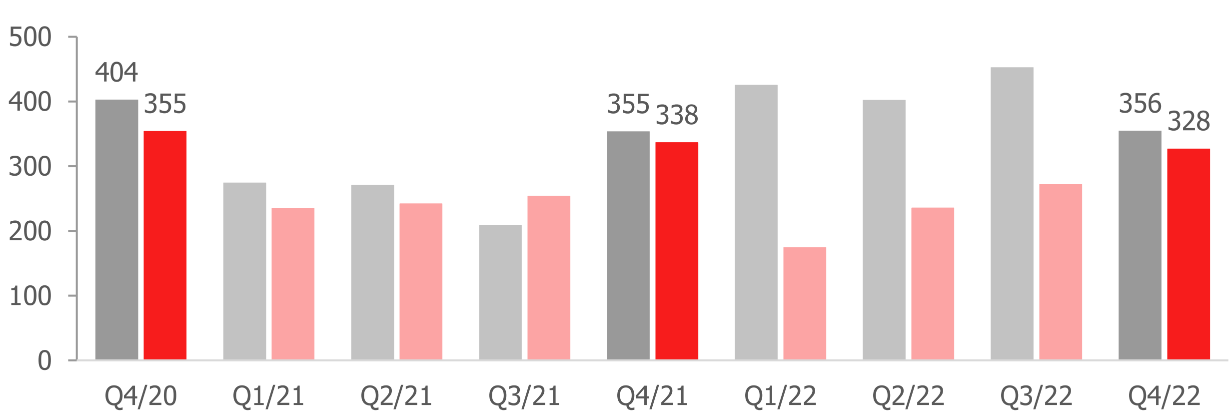
6.0%
margin

-0.2 pp
Y/Y

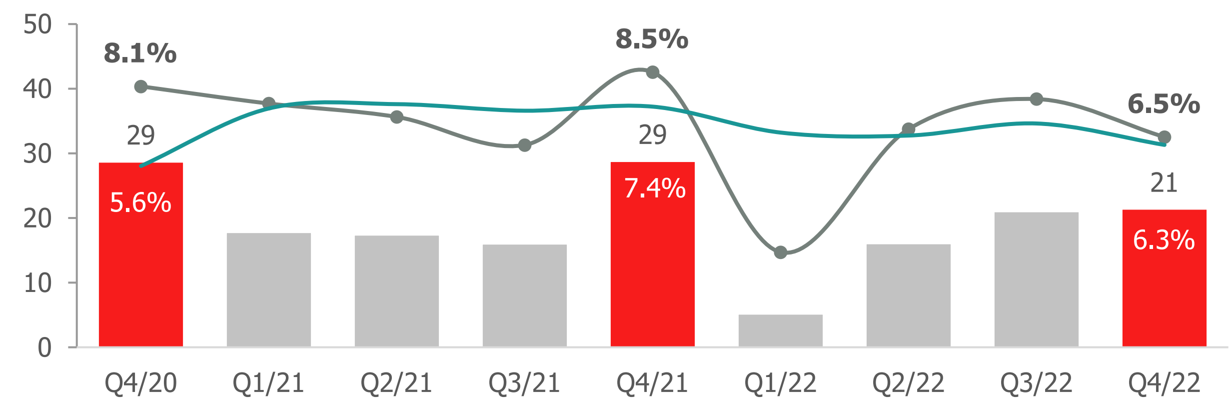
- Adj. EBITA-% decrease was mainly attributable to cost inflation
- Gross margin decreased

Port Solutions

Order intake and net sales, MEUR



Adj. EBITA, MEUR & margin-%



Order intake

+0.2%
Y/Y reported

+0.4%
Y/Y comp. FX

- Increase in APAC, decrease in the Americas and EMEA

Net sales

-2.8%
Y/Y reported

-2.6%
Y/Y comp. FX

Order book:

- EUR 1,599.0 million, +62.6% Y/Y

Adj. EBITA

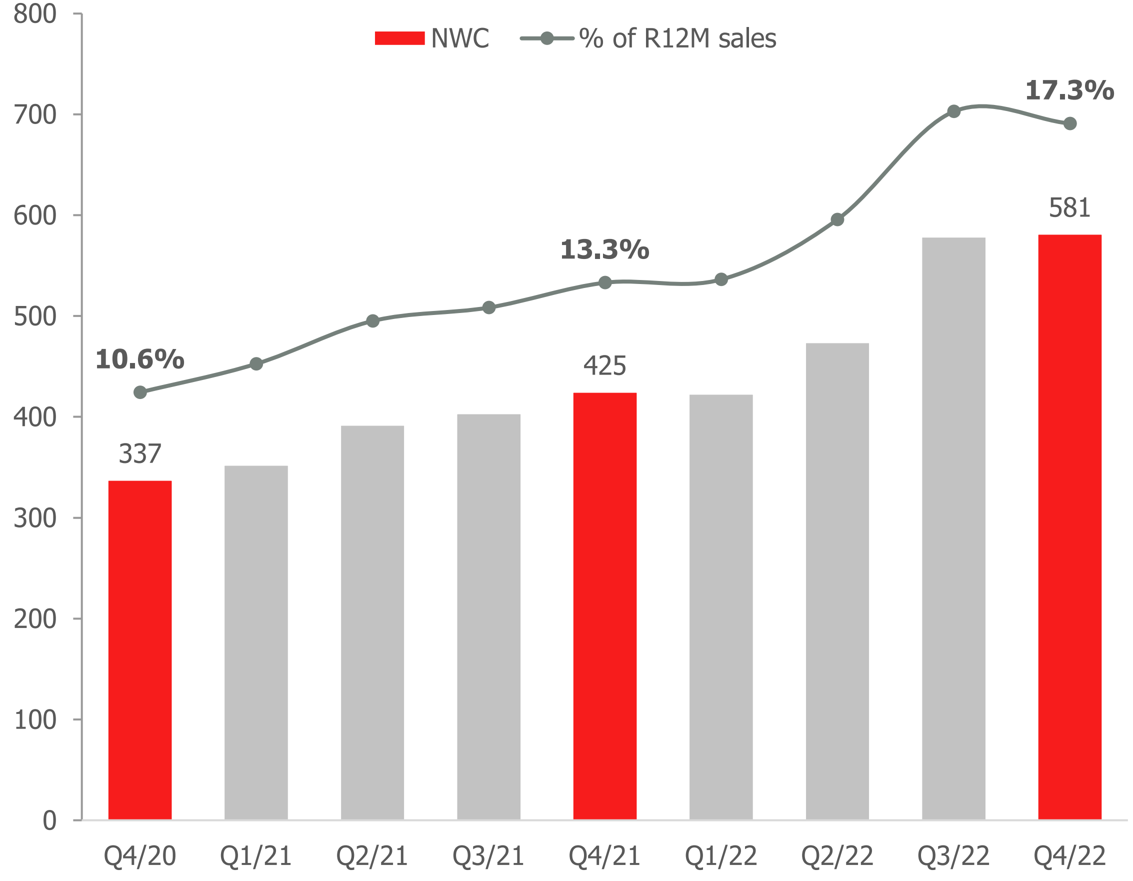
6.5%
margin

-2.0 pp
Y/Y

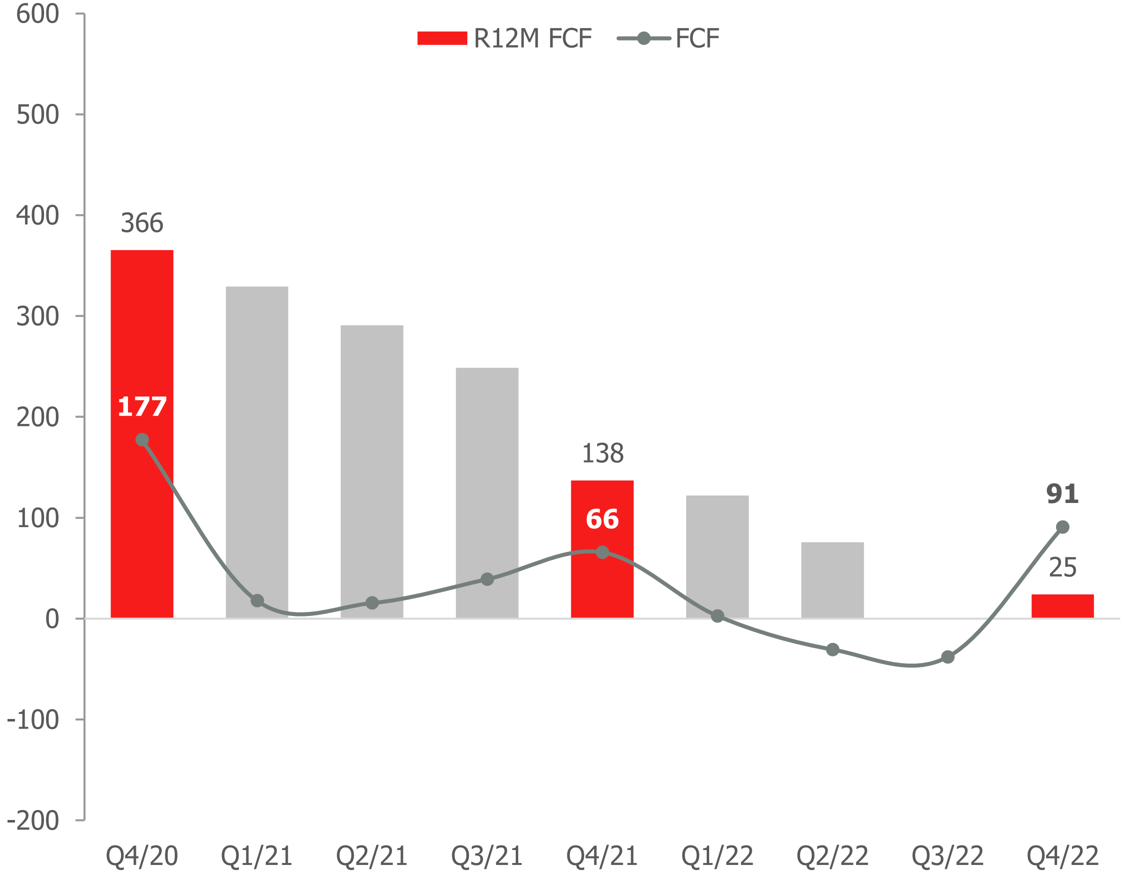
- Adj. EBITA-% decrease was mainly attributable to lower sales and project execution challenges
- Gross margin increased

Net working capital and free cash flow

Net working capital, MEUR and percentage of sales[1]

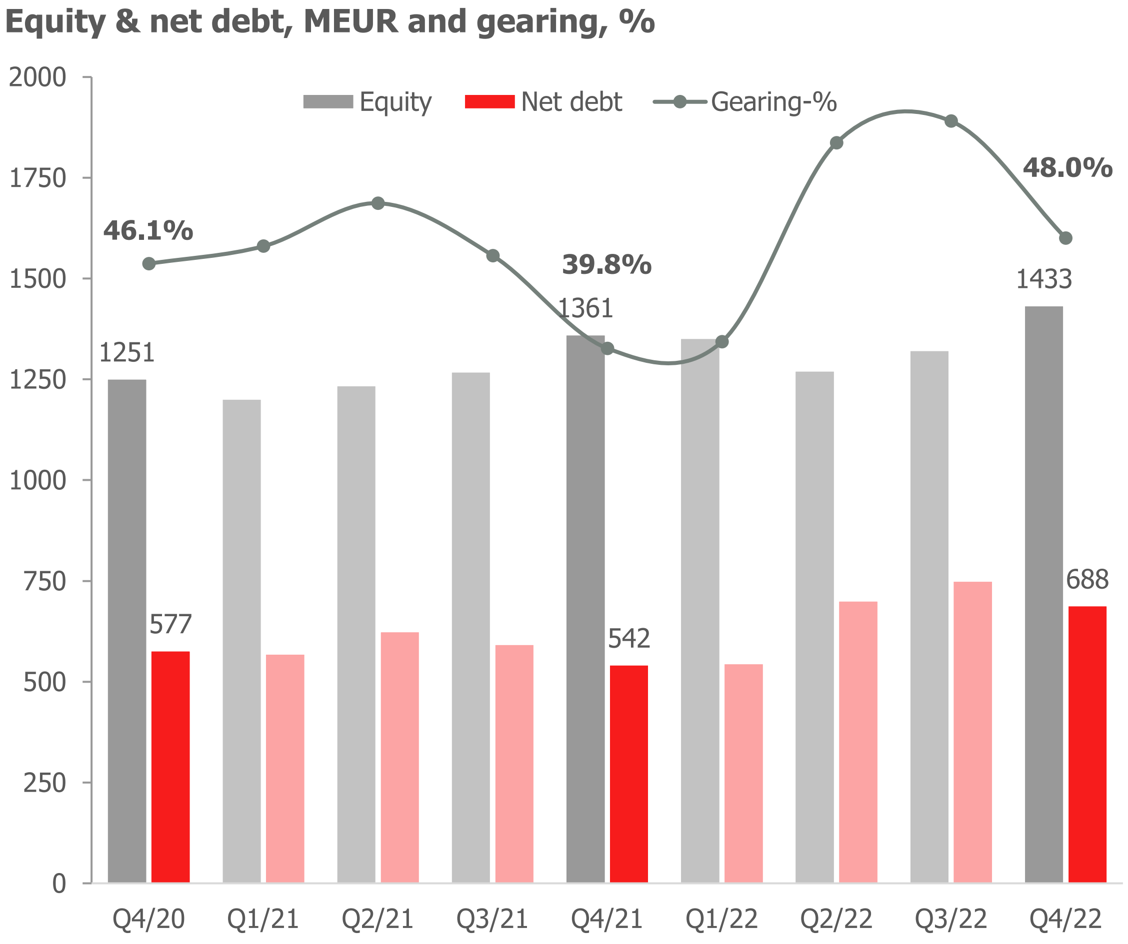


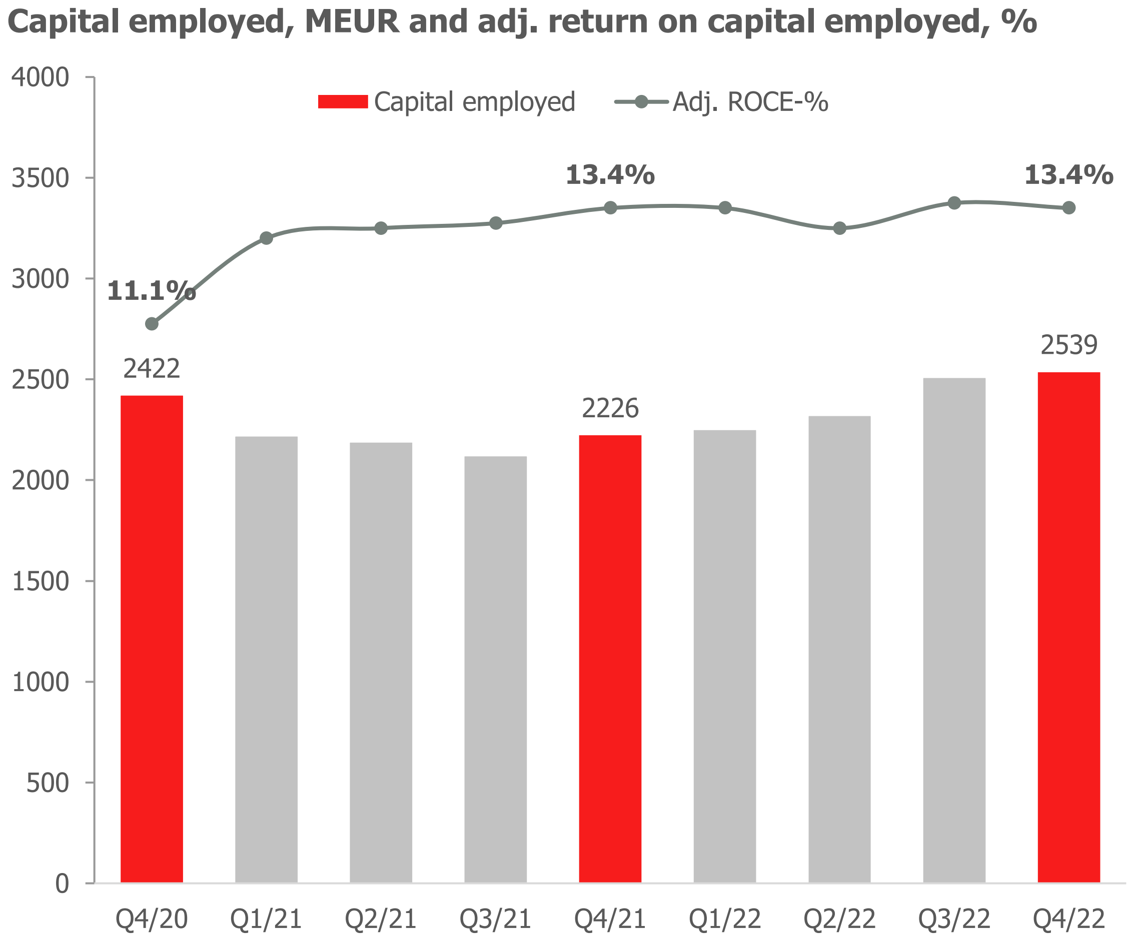
Free cash flow, MEUR



Note (1): Q1/21 excluding dividend payable of EUR 69.6 million

Gearing and return on capital employed





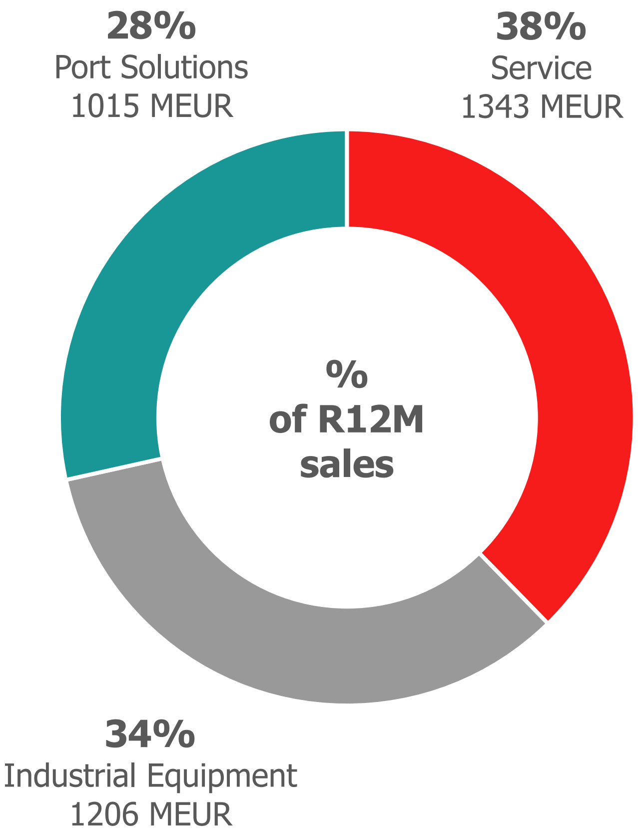
Q&A


Alerts Summary
1 Overloads
0 Emergency Stops
0 Motor Over Temperature
0 Brake Faults
1 Overloads occurred
Latest Occurrence: Aug 15, 2015
Continue

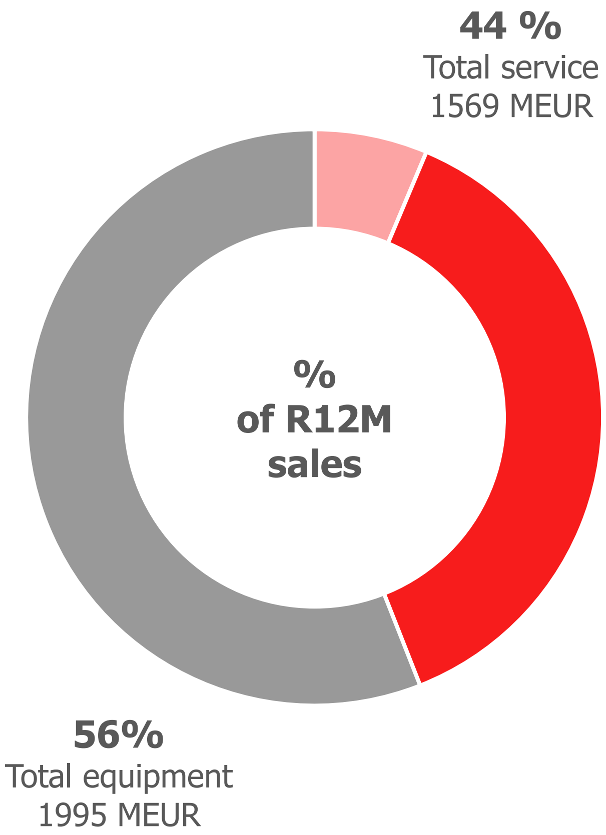
Appendix

Group R12M sales split

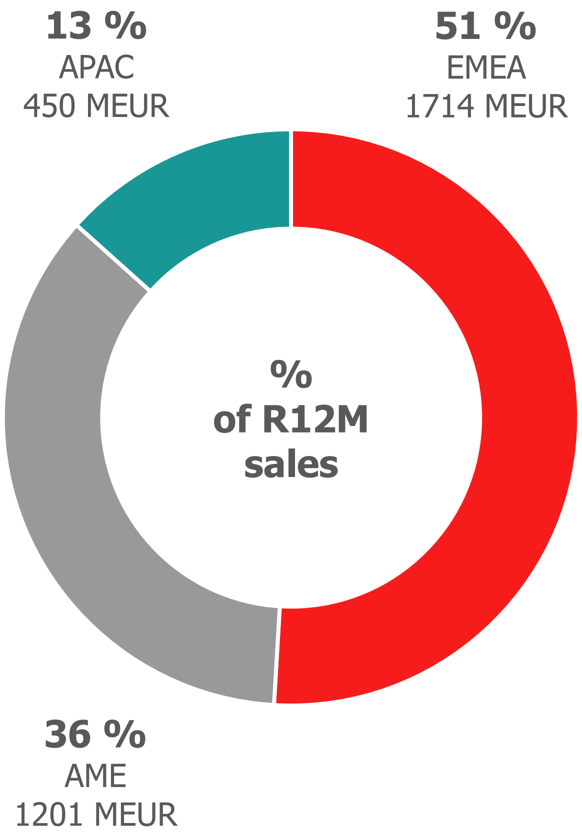
Group R12M sales by segment



Group R12M sales by offering type[1]

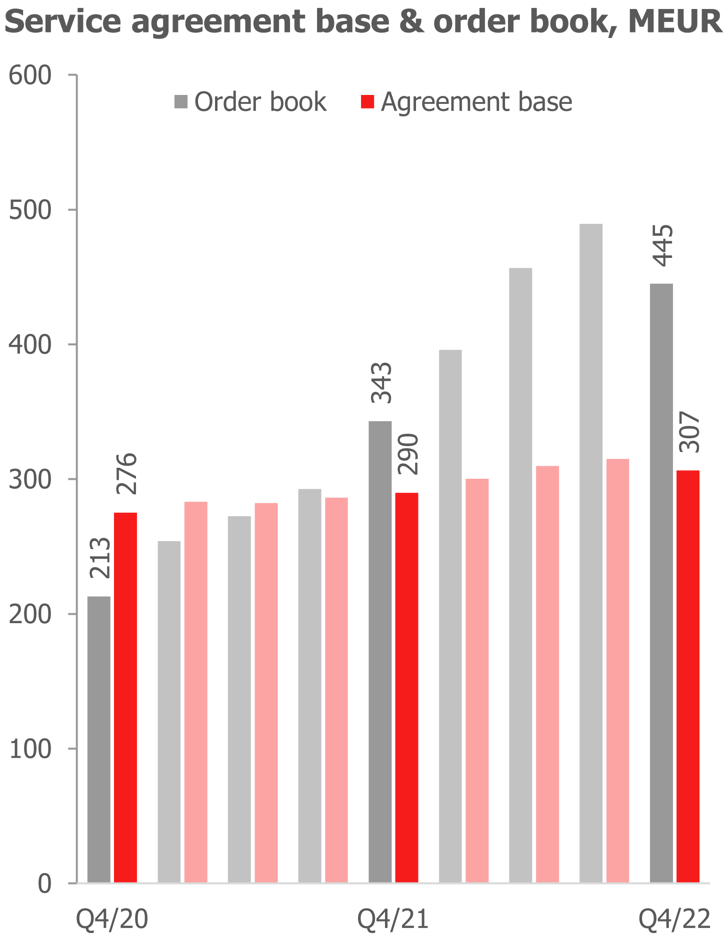


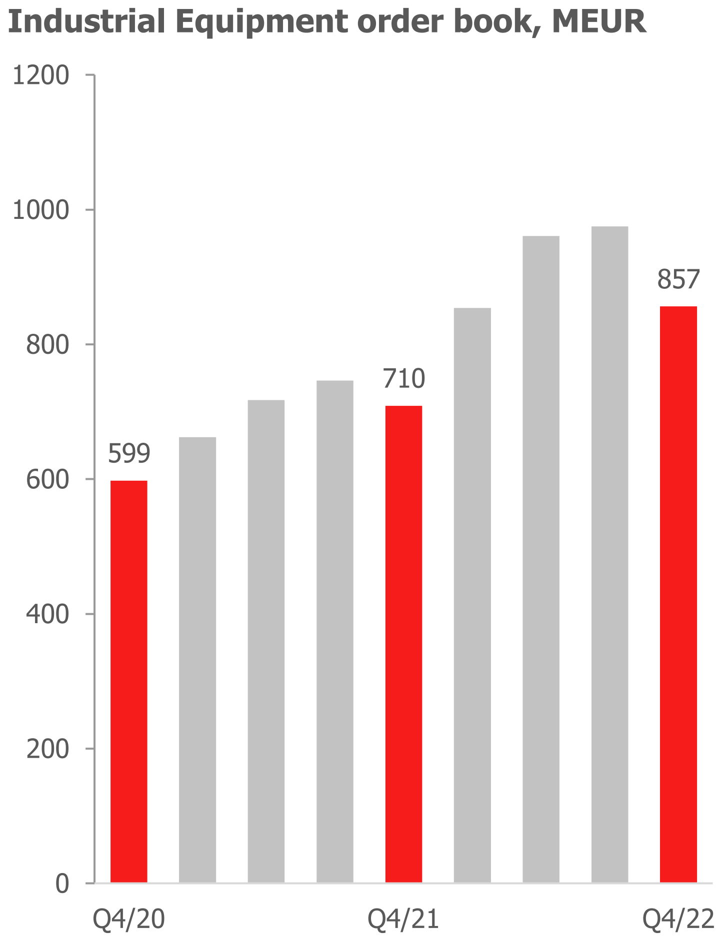
Group R12M sales by region

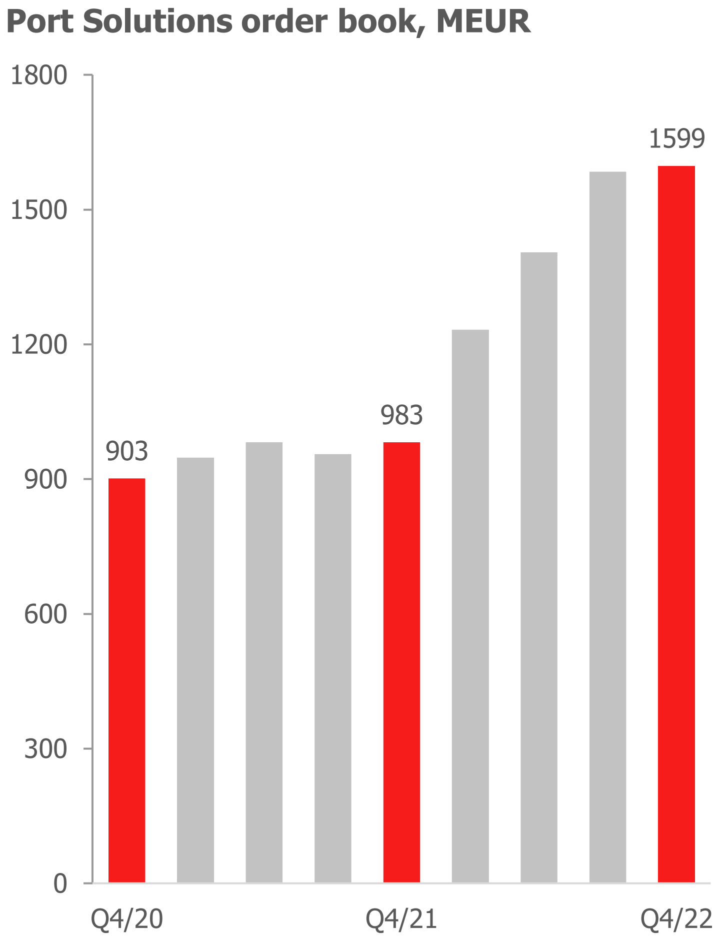


Note (1): Total service includes Service and Port Solutions' service sales, Total equipment includes Industrial Equipment and Port Solutions excluding Port Solutions' service sales

Service agreement base and order book by segment







Group key figures 1/2

EUR million	10-12/ 2022	10-12/ 2021	Change %	Change % At comparable currencies	1-12/ 2022	1-12/ 2021	Change %	Change % At comparable currencies
Orders received, MEUR	879.1	892.3	-1.5	-4.5	3,928.9	3,175.5	23.7	19.2
Order book at end of period, MEUR					2,901.7	2,036.8	42.5	41.1
Sales total, MEUR	1,020.9	948.9	7.6	4.4	3,364.8	3,185.7	5.6	1.8
Adj. EBITDA, MEUR	140.2	134.8	4.0		406.1	398.9	1.8	
Adj. EBITDA, %	13.7%	14.2%			12.1%	12.5%		
Adj. EBITA, MEUR	118.2	113.2	4.4		318.4	312.2	2.0	
Adj. EBITA, %	11.6%	11.9%			9.5%	9.8%		
Operating profit (EBIT), MEUR	103.0	86.0	19.8		223.2	220.0	1.4	
Operating margin (EBIT), %	10.1%	9.1%			6.6%	6.9%		
Net profit for the period, MEUR	72.5	69.2	4.8		138.5	147.4	-6.0	
Earnings per share, basic (EUR)	0.91	0.87	4.6		1.77	1.86	-4.5	
Earnings per share, diluted (EUR)	0.91	0.86	5.4		1.77	1.85	-4.3	
Free cash flow, MEUR	90.8	65.7			24.6	137.7		
Gearing, %					48.0%	39.8%		
Adj. ROCE, %, (R12M)					13.4%	13.4%		

Group key figures 2/2

EUR million	1-12/ 2022	1-12/ 2021	Change %
ROCE, %, (R12M)	9.0	9.3	-3.2
Return on equity, %, (R12M)	9.9	11.3	-12.4
Equity per share (EUR)	18.10	17.08	6.0
Net debt / Adj. EBITDA, (R12M)	1.7	1.4	20.0
Equity to asset ratio, %	37.9	38.9	-2.6
Investments total (excl. acquisitions), MEUR	37.0	49.8	-25.7
Interest-bearing net debt, MEUR	688.3	541.6	27.1
Net working capital, MEUR	581.2	424.5	36.9
Average number of personnel during the period	16,563	16,625	-0.4
Average number of shares outstanding, basic	79,151,542	79,134,459	0.0
Average number of shares outstanding, diluted	79,508,099	79,606,960	-0.1
Number of shares outstanding	79,166,599	79,134,459	0.0

Key figures by segment

EUR million	10-12/ 2022	10-12/ 2021	Change %	Change % At comparable currencies	1-12/ 2022	1-12/ 2021	Change %	Change % At comparable currencies
Service								
Orders received, MEUR	283.2	307.7	-7.9	-13.7	1,161.9	1,078.3	7.8	1.5
Agreement base value, MEUR	306.9	290.4	5.7	3.4	306.9	290.4	5.7	3.4
Sales, MEUR	376.0	332.2	13.2	7.7	1,343.3	1,205.3	11.5	5.4
Adj. EBITA, MEUR	79.3	69.7	13.9		249.4	222.4	12.2	
Adj. EBITA, %	21.1%	21.0%			18.6%	18.5%		
Industrial Equipment								
Orders received, MEUR	306.2	274.5	11.6	7.8	1,389.2	1,172.5	18.5	13.3
of which external	258.6	242.4	6.7	2.9	1,192.4	1,033.7	15.3	9.9
Sales, MEUR	376.9	332.1	13.5	9.2	1,205.6	1,088.7	10.7	5.9
of which external	335.1	294.1	13.9	9.2	1,068.8	960.2	11.3	6.0
Adj. EBITA, MEUR	22.5	20.6	9.3		32.5	38.0	-14.4	
Adj. EBITA, %	6.0%	6.2%			2.7%	3.5%		
Port Solutions								
Orders received, MEUR	355.7	354.9	0.2	0.4	1,639.5	1,112.7	47.3	46.8
Sales, MEUR	328.4	337.9	-2.8	-2.6	1,015.0	1,072.9	-5.4	-6.0
Adj. EBITA, MEUR	21.4	28.8	-25.7		63.5	79.9	-20.5	
Adj. EBITA, %	6.5%	8.5%			6.3%	7.4%		

Statement of income

EUR million	10-12/ 2022	10-12/ 2021	Change %	1-12/ 2022	1-12/ 2021	Change %
Sales	**1,020.9**	**948.9**	**7.6**	**3,364.8**	**3,185.7**	**5.6**
Other operating income	1.5	2.3		8.1	11.3	
Materials, supplies and subcontracting	-502.9	-464.8		-1,510.2	-1,413.0	
Personnel cost	-270.8	-256.8		-1,091.9	-1,023.5	
Depreciation and impairments	-31.6	-29.8		-124.4	-120.1	
Other operating expenses	-114.2	-113.7		-423.2	-420.4	
Operating profit	**103.0**	**86.0**	**19.8**	**223.2**	**220.0**	**1.5**
Share of associates' and joint ventures' result	-0.2	0.2		0.4	0.3	
Financial income	22.8	10.4		26.8	28.6	
Financial expenses	-26.6	-14.9		-59.7	-56.4	
Profit before taxes	**99.1**	**81.6**	**21.3**	**190.7**	**192.5**	**-0.9**
Taxes	-26.5	-12.4		-52.2	-45.1	
Profit for the period	**72.5**	**69.2**	**4.8**	**138.5**	**147.4**	**-6.0**

Balance sheet

EUR million	31 Dec 2022	31 Dec 2021
Non-current assets	1,971.4	2,003.2
Goodwill	1,019.6	1,022.1
Intangible assets	475.4	503.1
Property, plant and equipment	345.9	339.3
Other	130.5	138.7
Current assets	2,369.2	1,842.6
Inventories	992.7	726.4
Accounts receivable	585.6	492.1
Receivables and other current assets	377.0	303.4
Cash and cash equivalents	413.9	320.7
Assets held for sale	0.0	0.0
Total Assets	**4,340.6**	**3,845.8**

EUR million	31 Dec 2022	31 Dec 2021
Total Equity	1,433.0	1,360.6
Non-current liabilities	1,426.8	899.4
Interest-bearing liabilities	1,056.4	447.1
Other long-term liabilities	217.7	289.0
Other	152.7	163.3
Current liabilities	1,480.8	1,585.8
Interest-bearing liabilities	49.8	418.0
Advance payments received	564.3	344.7
Accounts payable	306.2	255.4
Provisions	93.4	105.4
Other current liabilities	467.1	462.3
Liabilities directly attributable to assets held for sale	0.0	0.0
Total Equity and Liabilities	**4,340.6**	**3,845.8**

Cash flow statement

EUR million	1-12/ 2022	1-12/ 2021
Operating income before change in net working capital	344.5	346.0
Change in net working capital	-162.3	-99.0
Cash flow from operations before financing items and taxes	**182.2**	**247.0**
Financing items and taxes	-115.5	-78.6
Net cash from operating activities	**66.7**	**168.4**
Net cash used in investing activities	-43.6	-30.7
Cash flow before financing activities	**23.1**	**137.7**
Net cash used in financing activities	69.1	-417.0
Translation differences in cash	1.0	8.1
Change of cash and cash equivalents	**93.2**	**-271.2**
Free cash flow	**24.6**	**137.7**

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