

# Towards new financial targets

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May 10, 2023

87.42%

91.45%

27%  
BRAKE ZA1-K7

54%  
BRAKE ZA1-K71



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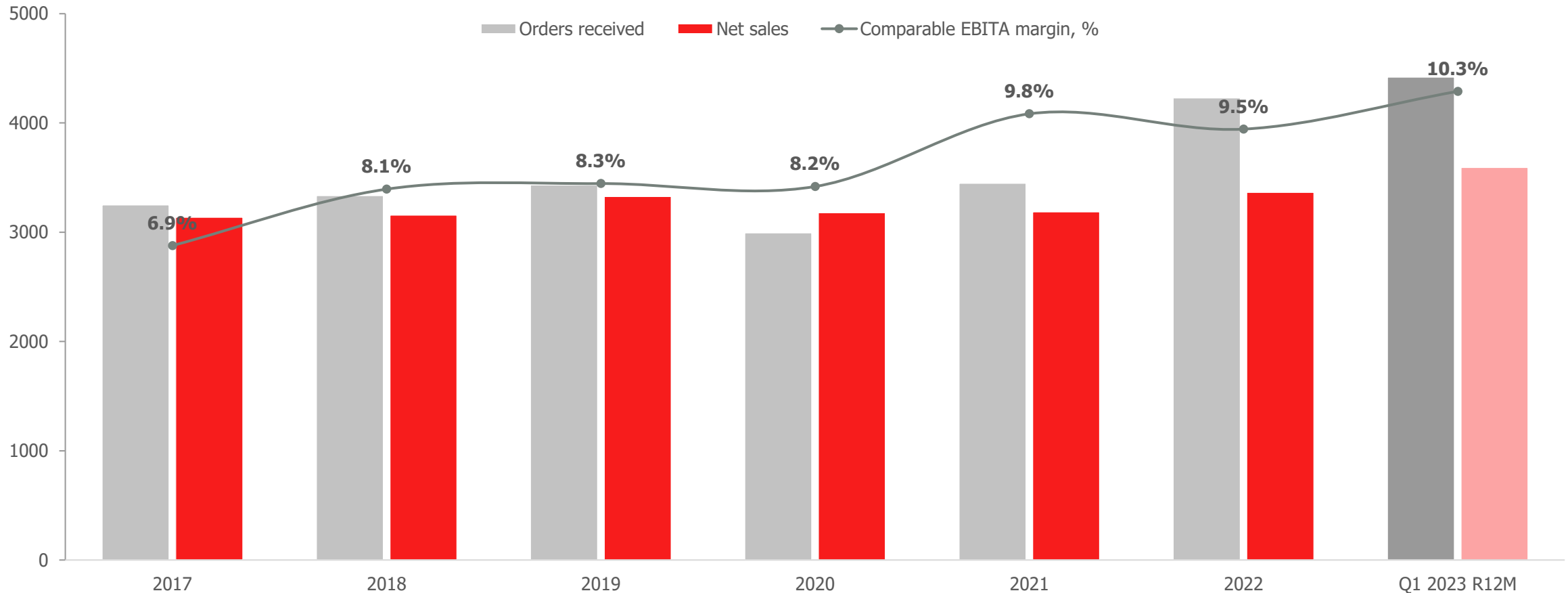
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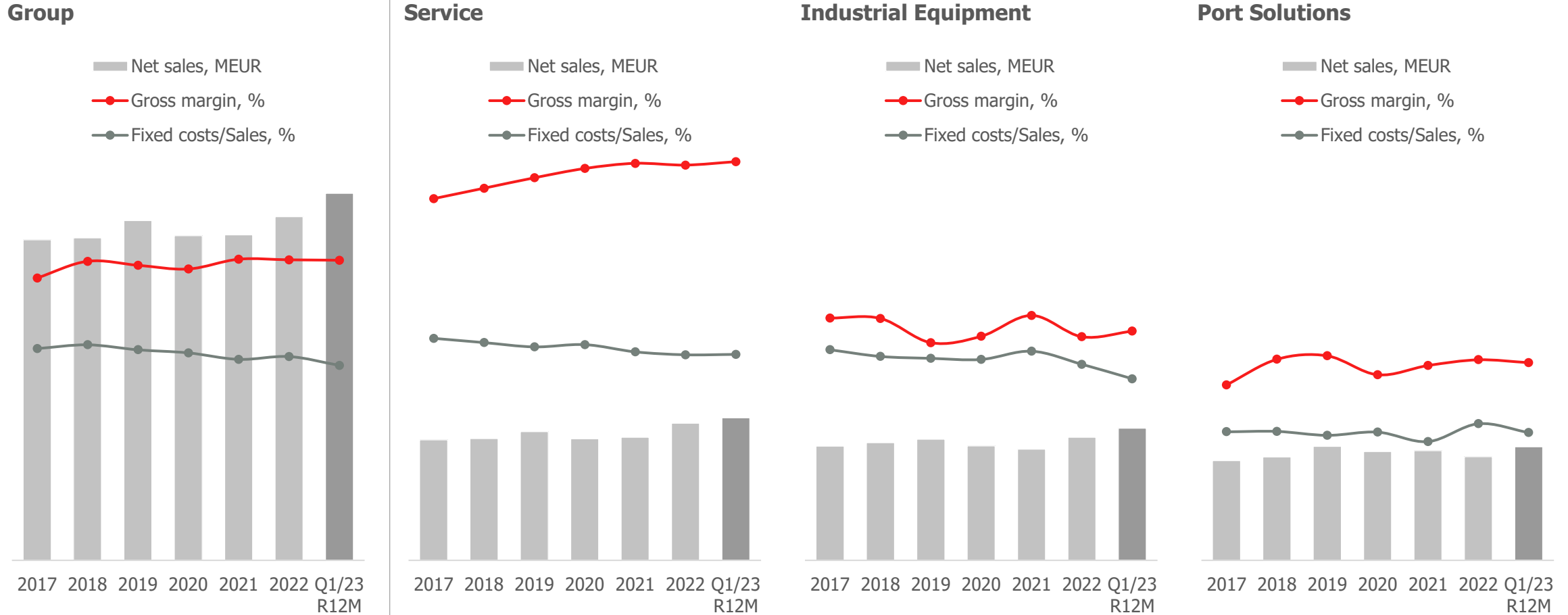
# Konecranes' financial performance from 2017 to Q1 2023

MEUR<sup>(1)</sup>



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

# Sales leverage supports profitability improvement



# Financial targets

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

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

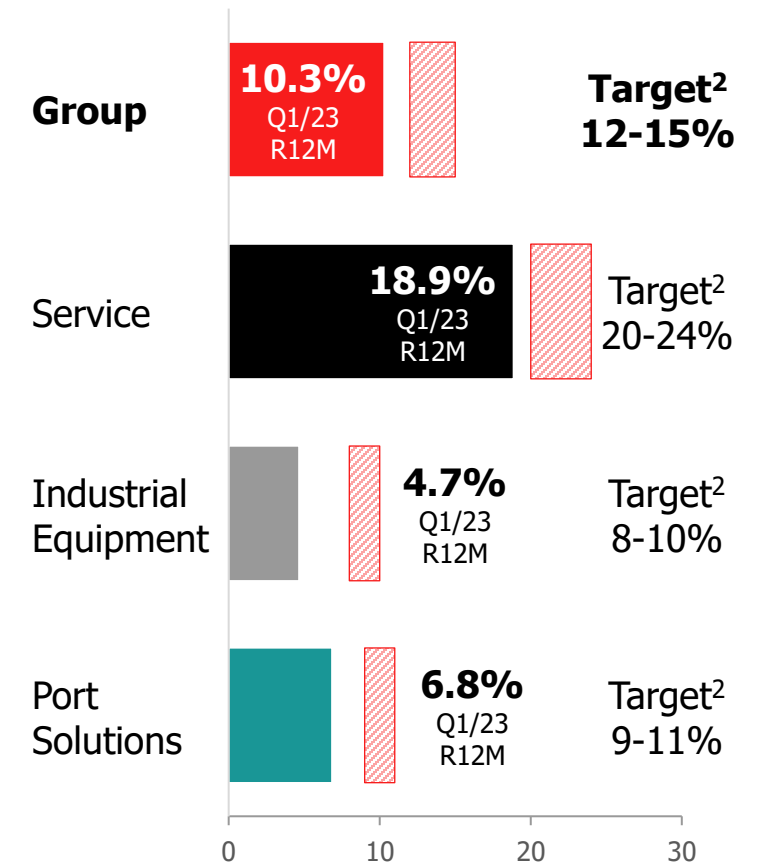


**Comparable EBITA margin target to be reached as soon as possible, but no later than in 2027**

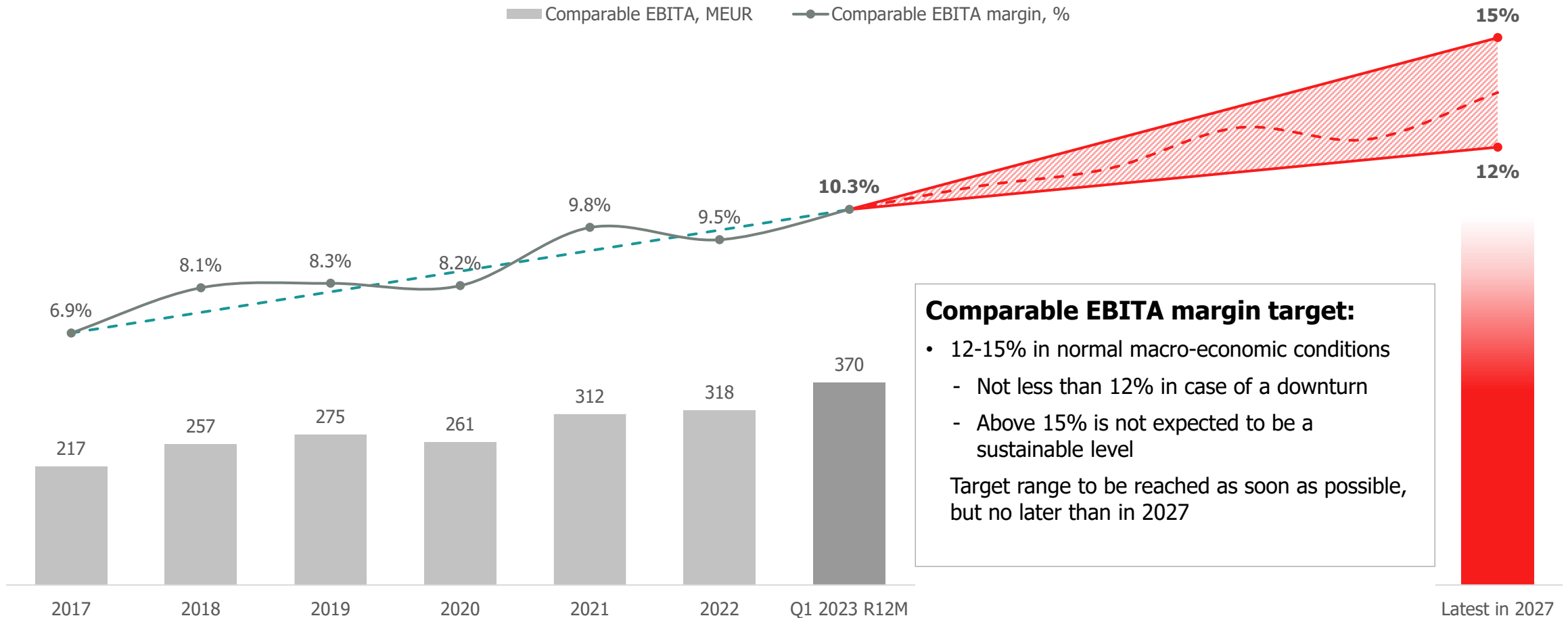
<sup>1</sup> nominal world GDP growth, IMF World Economic Outlook

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

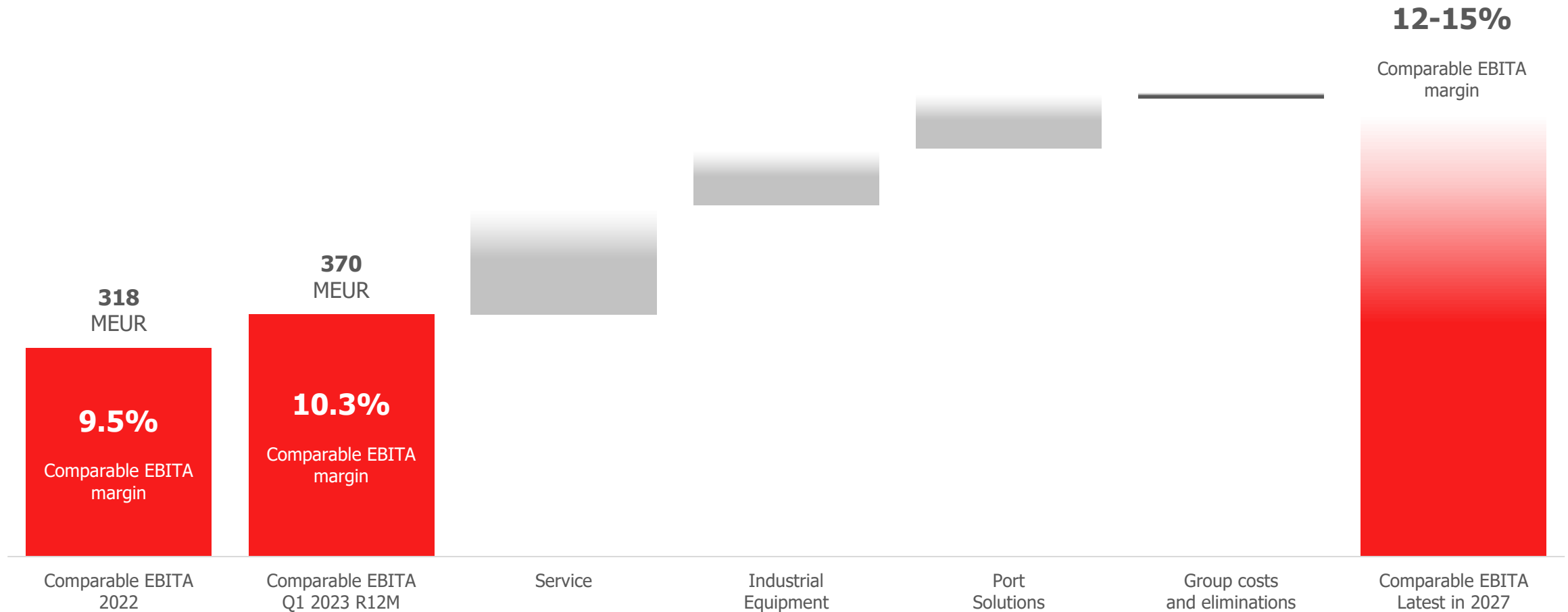
**Q1/23 R12M comp. EBITA-% and target, %**



# Illustrative comparable EBITA margin development

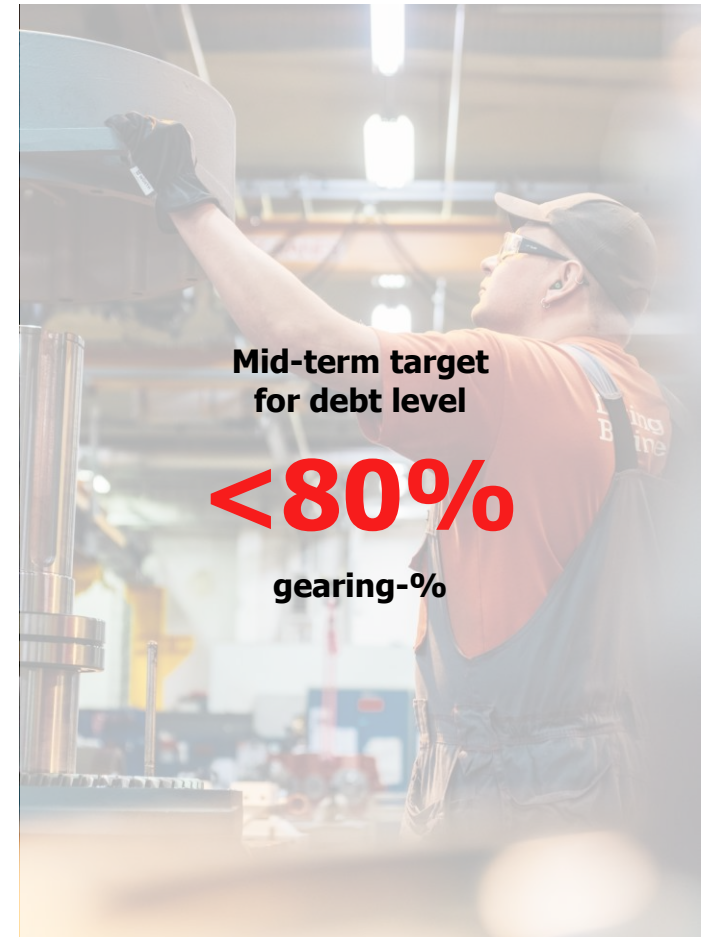
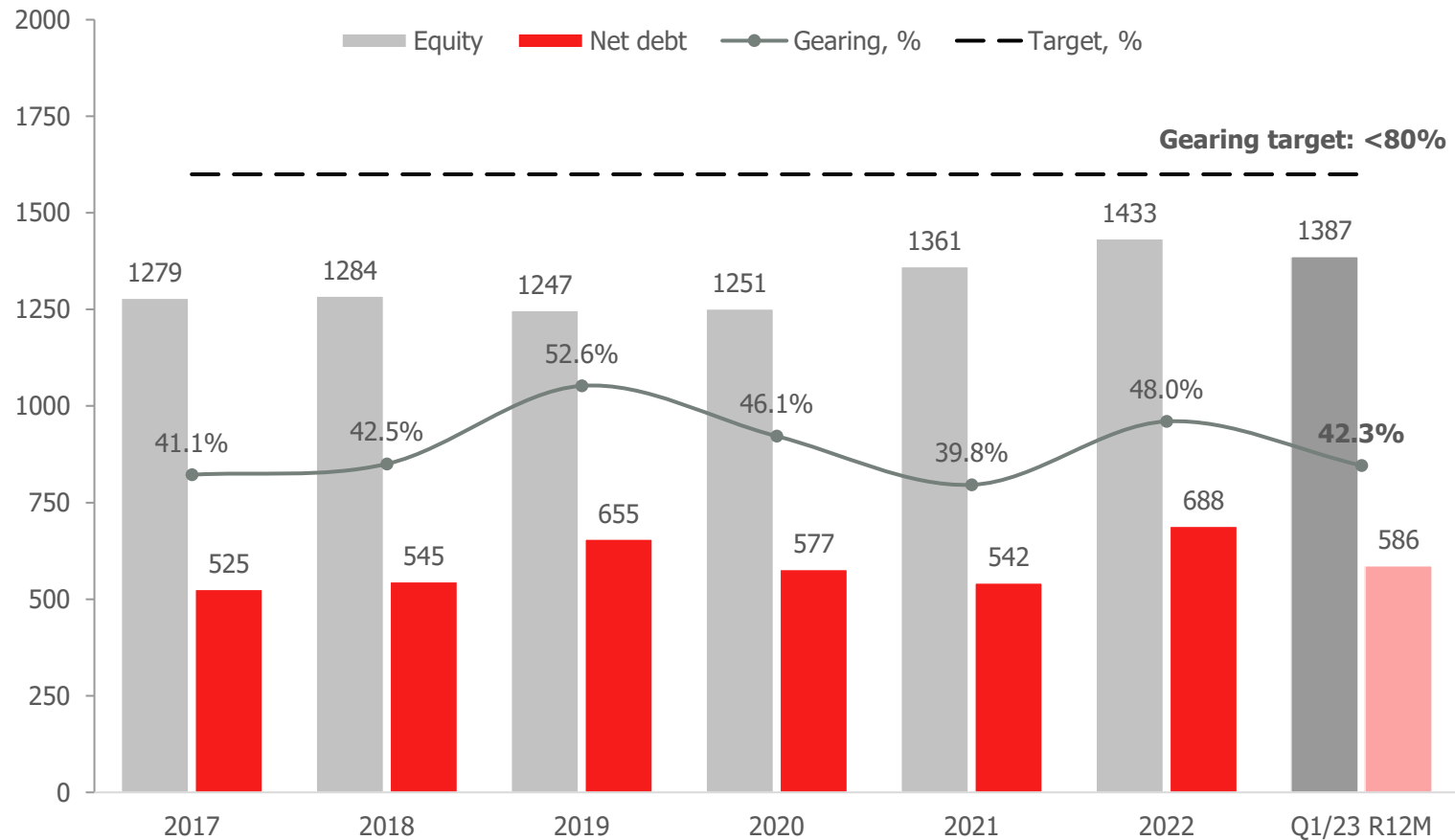


# Illustrative comparable EBITA bridge



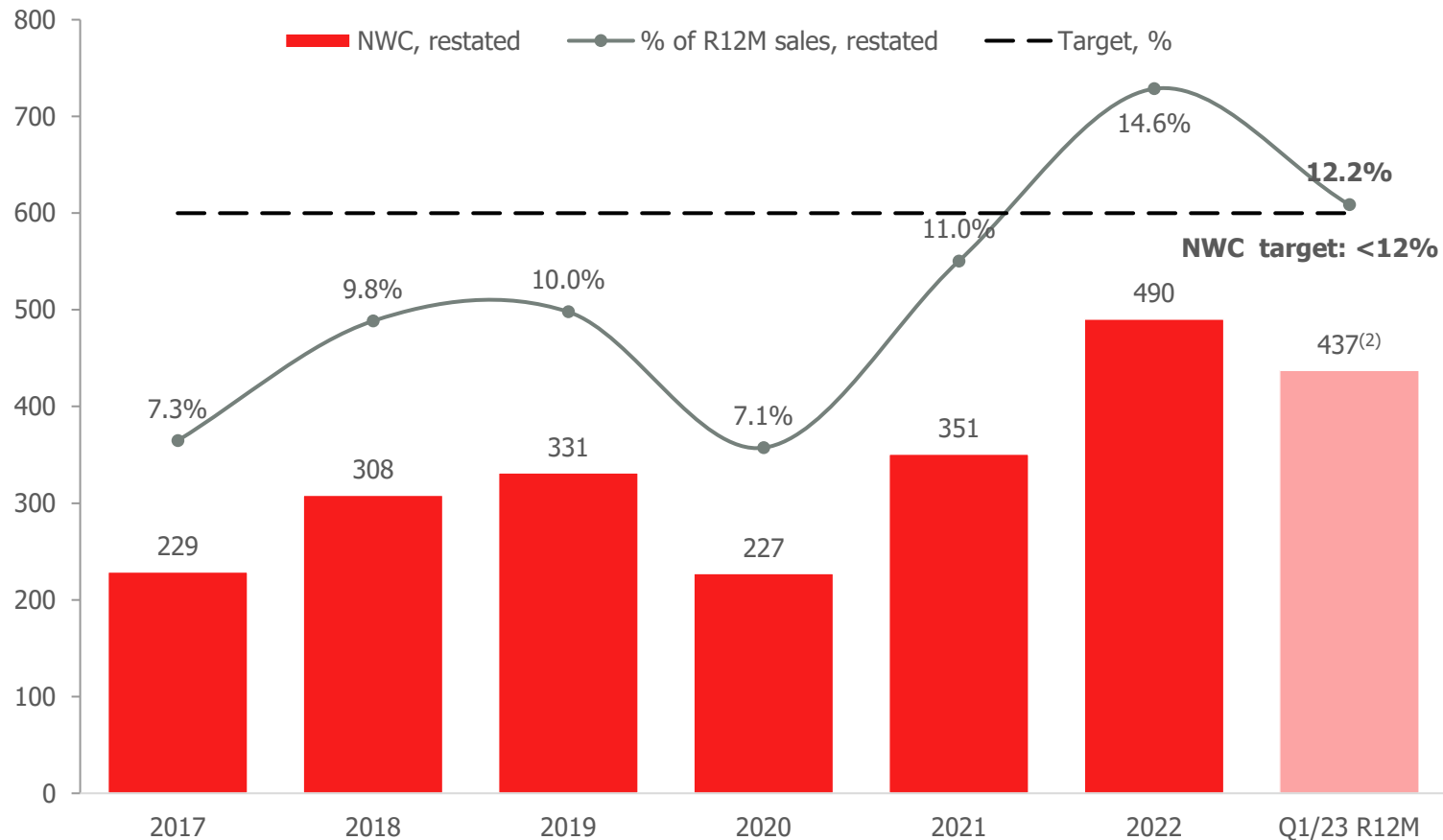
# We have a strong balance sheet with financial flexibility

Equity & net debt, MEUR and gearing, %



# 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>



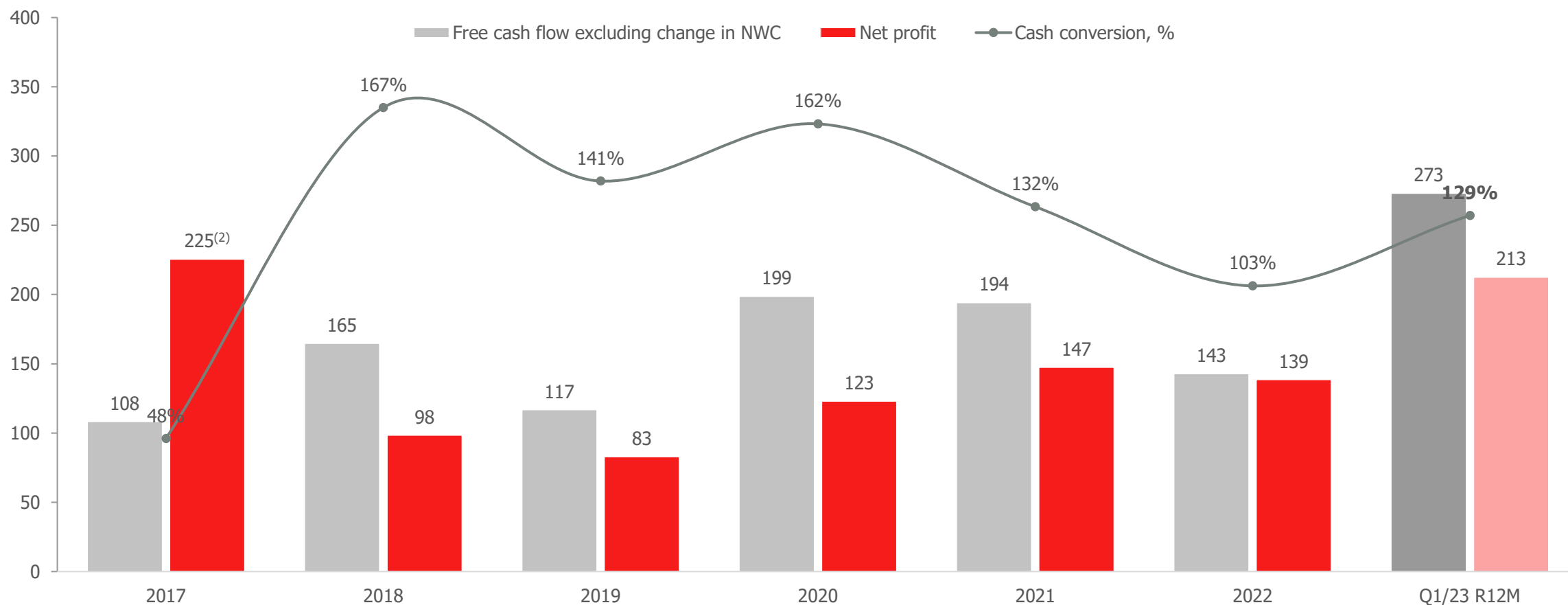
Note (1): NWC formula changed from Q1 2023 onwards and net working capital for historical periods restated

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



# Our business model is cash generative

Free cash flow excluding change in NWC and net profit, MEUR and cash conversion, %<sup>(1)</sup>

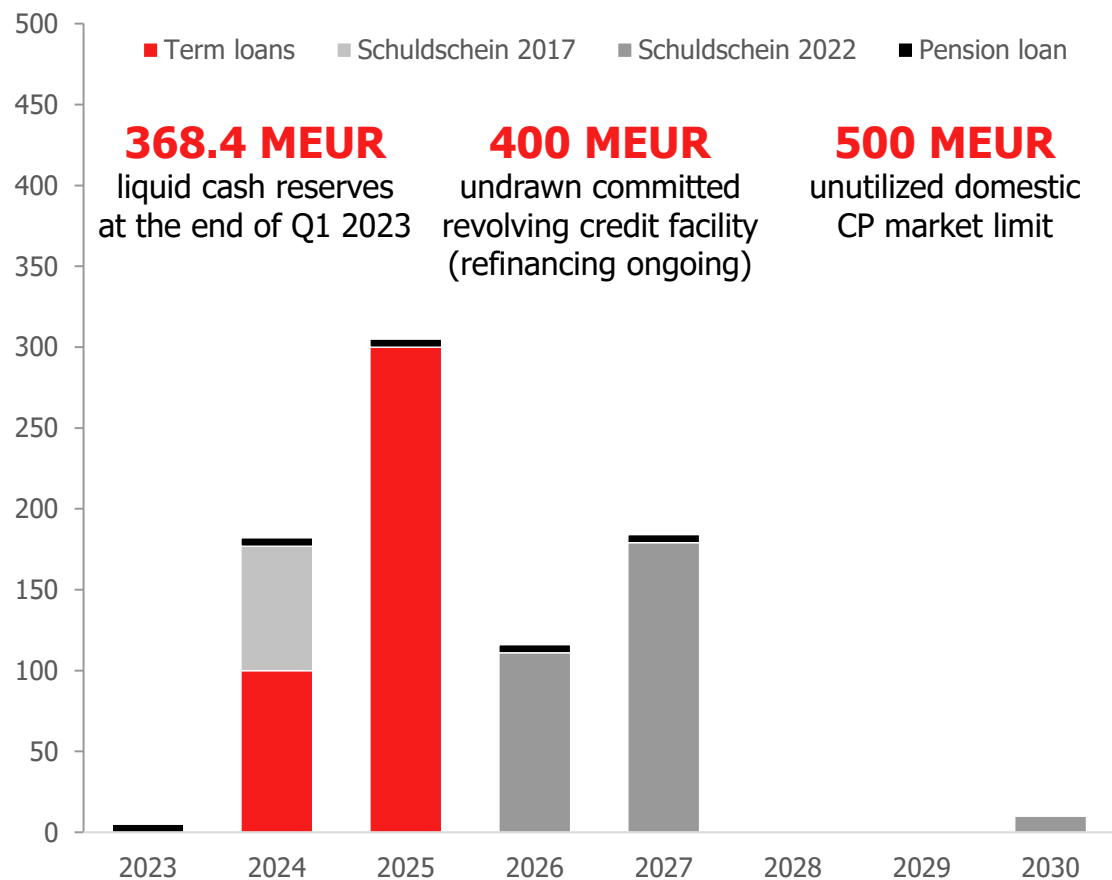


Note (1): Free cash flow excluding change in NWC includes repayments of lease liability, cash conversion-% calculated as free cash flow excluding change in NWC and including repayments of lease liability / net profit

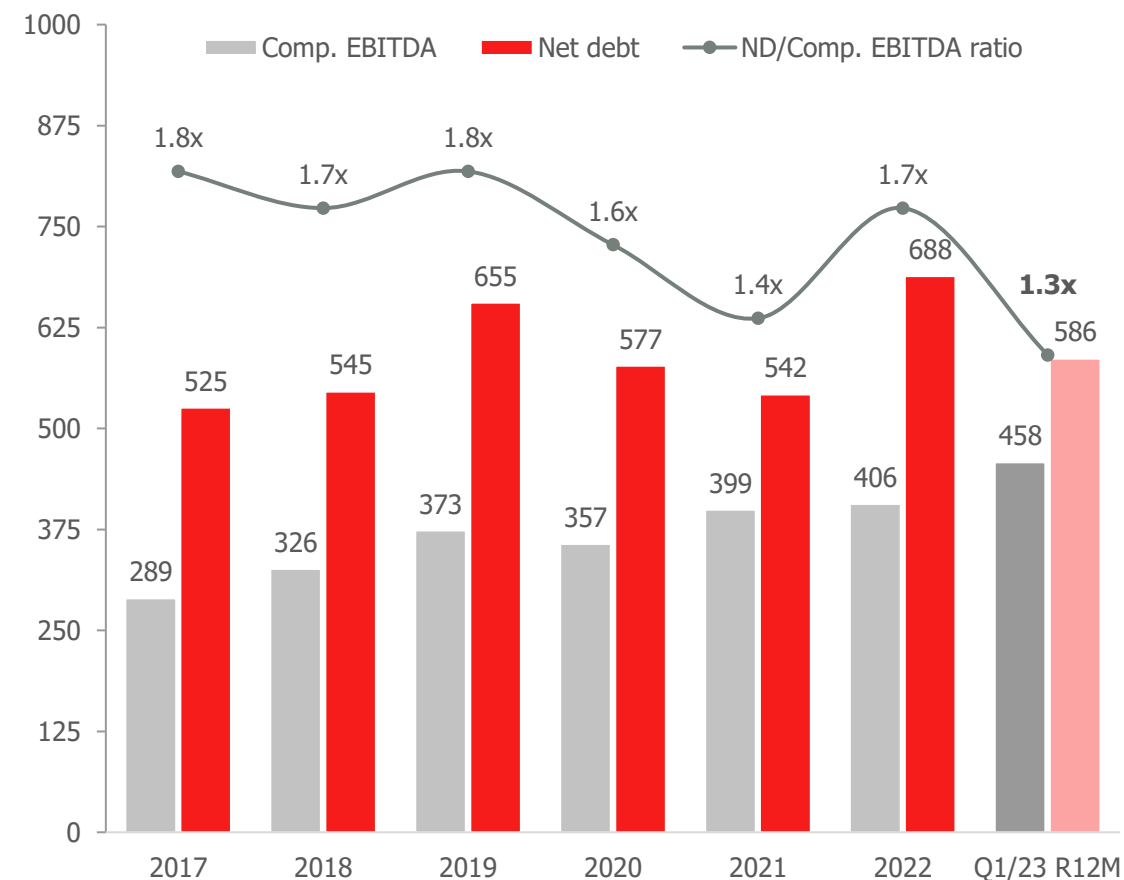
Note (2): The 2017 net profit includes a pre-tax capital gain of EUR 218.4 million from the STAHL divestment

# We have a well distributed maturity profile

Q1 2023 debt maturity profile, MEUR<sup>(1)(2)</sup>



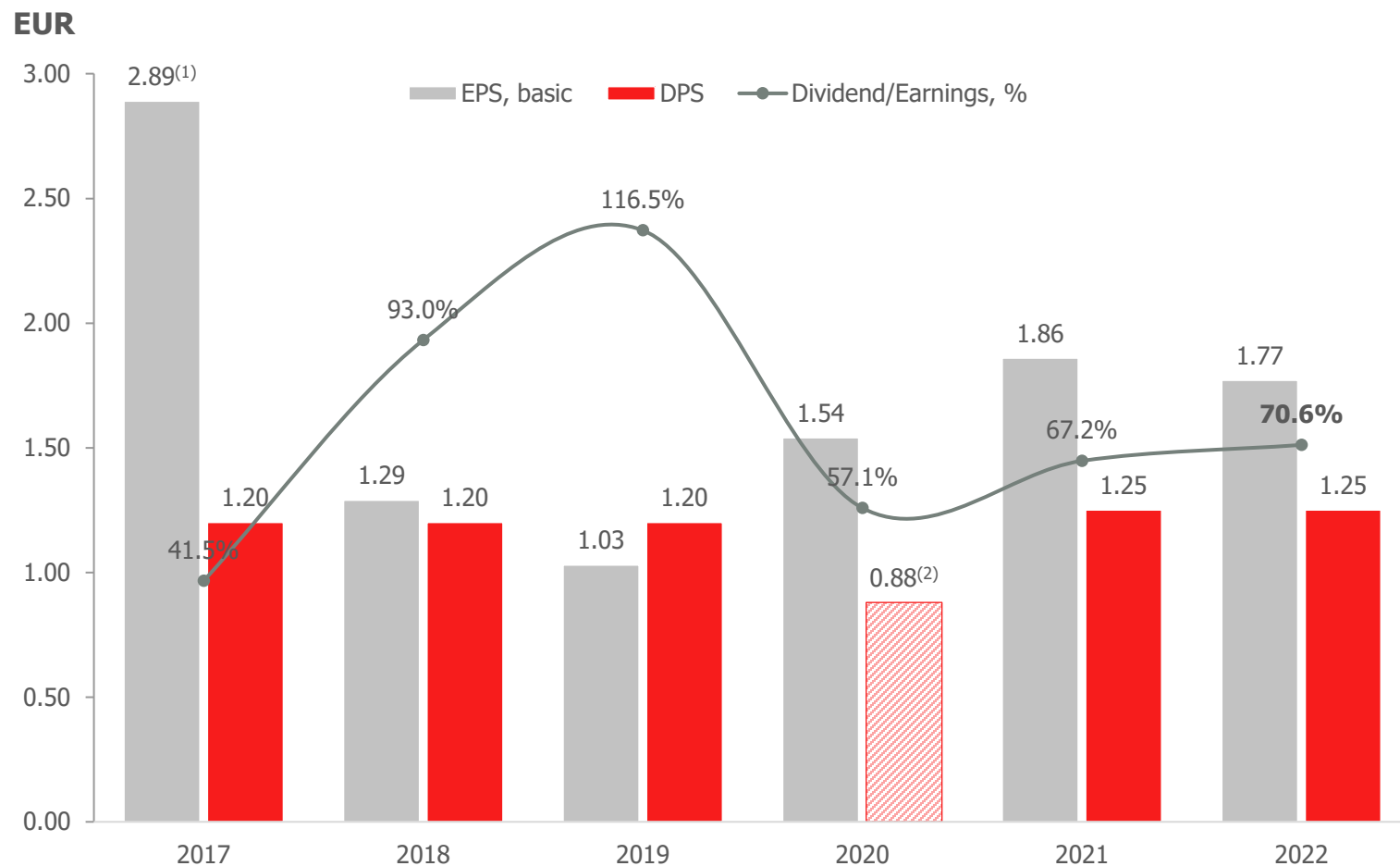
Net debt/comp. EBITDA ratio and comp. EBITDA & net debt, MEUR



Note (1): In Q1 2023, Konecranes voluntarily prepaid a EUR 150 million bilateral term loan in full with its cash reserves

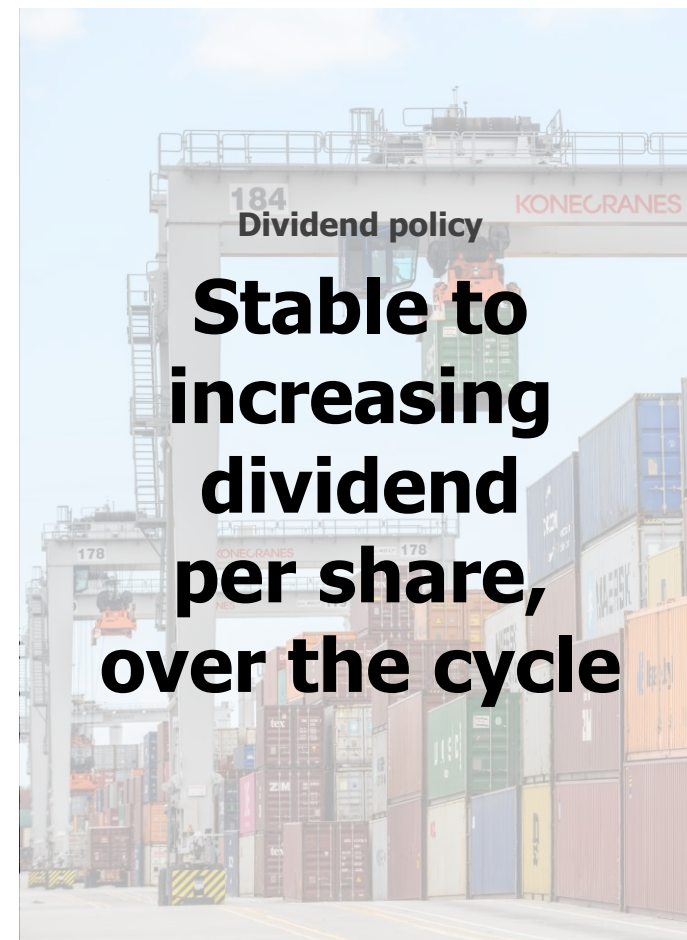
Note (2): At the end of Q1 2023, the outstanding short- and long-term loan portfolio consists of: EUR 400 million term loans, EUR 377 million Schuldschein loan and EUR 25 million employment pension loan

# We pay a stable to increasing dividend to our shareholders



Note (1): The 2017 net profit includes a pre-tax capital gain of EUR 218.4 million from the STAHL divestment

Note (2): 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

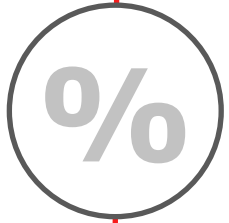


# Our capital allocation priorities



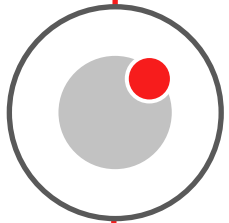
## Capital expenditure

Reinvesting into own operations to grow the business and improve productivity



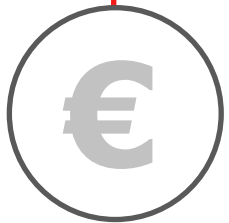
## Dividends

Distributing profits to shareholders according to the dividend policy



## Acquisitions

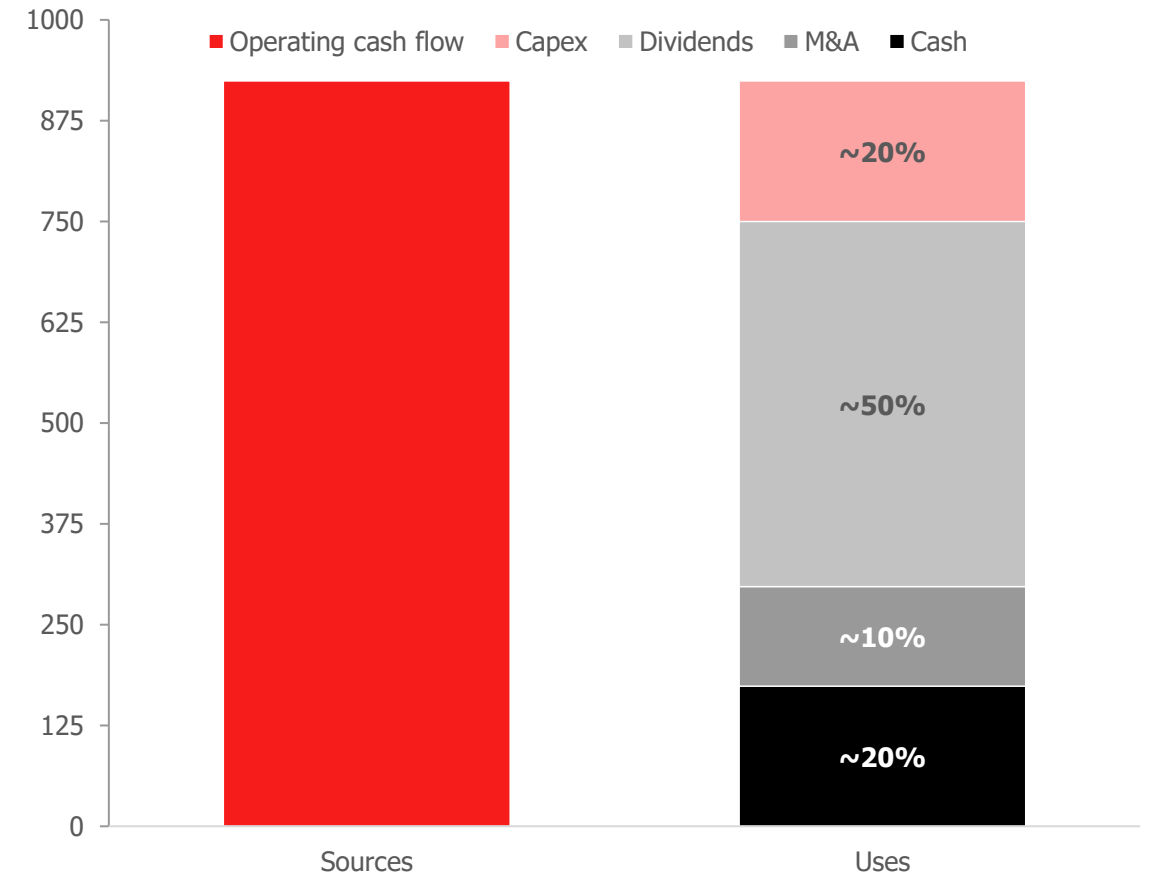
Strengthening the business with bolt-on and adjacent acquisitions



## Debt repayment

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

Sources and uses of cash 2018-2022, MEUR<sup>(1)</sup>



Note (1): Capex includes capital expenditures and proceeds from sale of property, plant and equipment, M&A includes acquisition of Group companies and divestment of Businesses (net of cash), Cash includes other cash flow from financing activities, translation differences in cash, and change of cash and cash equivalents



Thank you

